

Wednesday, January 18, 2012

OPENING CALLS

CORN 3 – 5 lower

BEANS 7 – 8 lower

WHEAT 4 – 6 lower

Good Morning Everyone! The commodity markets will open in the red this morning. It was a tough overnight session of trade as the markets try to trade higher on ideas the International Monetary Fund is considering expanding their lending resources by \$1 trillion. The expectation is the funds would come from contributions from China and BRIC (Brazil, Russia, India, and China). However, additional precipitation for Argentina through the balance of the month is creating negative pressure with soybeans leading the market lower. The additional rains are most beneficial to the soybean crop at this point with at least 15% losses expected to have already occurred to the corn crop. China bean buying is being report with positive crush margins being witnessed. China is expected to lower interest rates to help stimulate the economy as well as increase bank lending allotments. There is a mix of market data today with an opportunity for a two-sided trading session. In outside markets the dollar is weaker, while crude oil and equities are both slightly higher.

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