



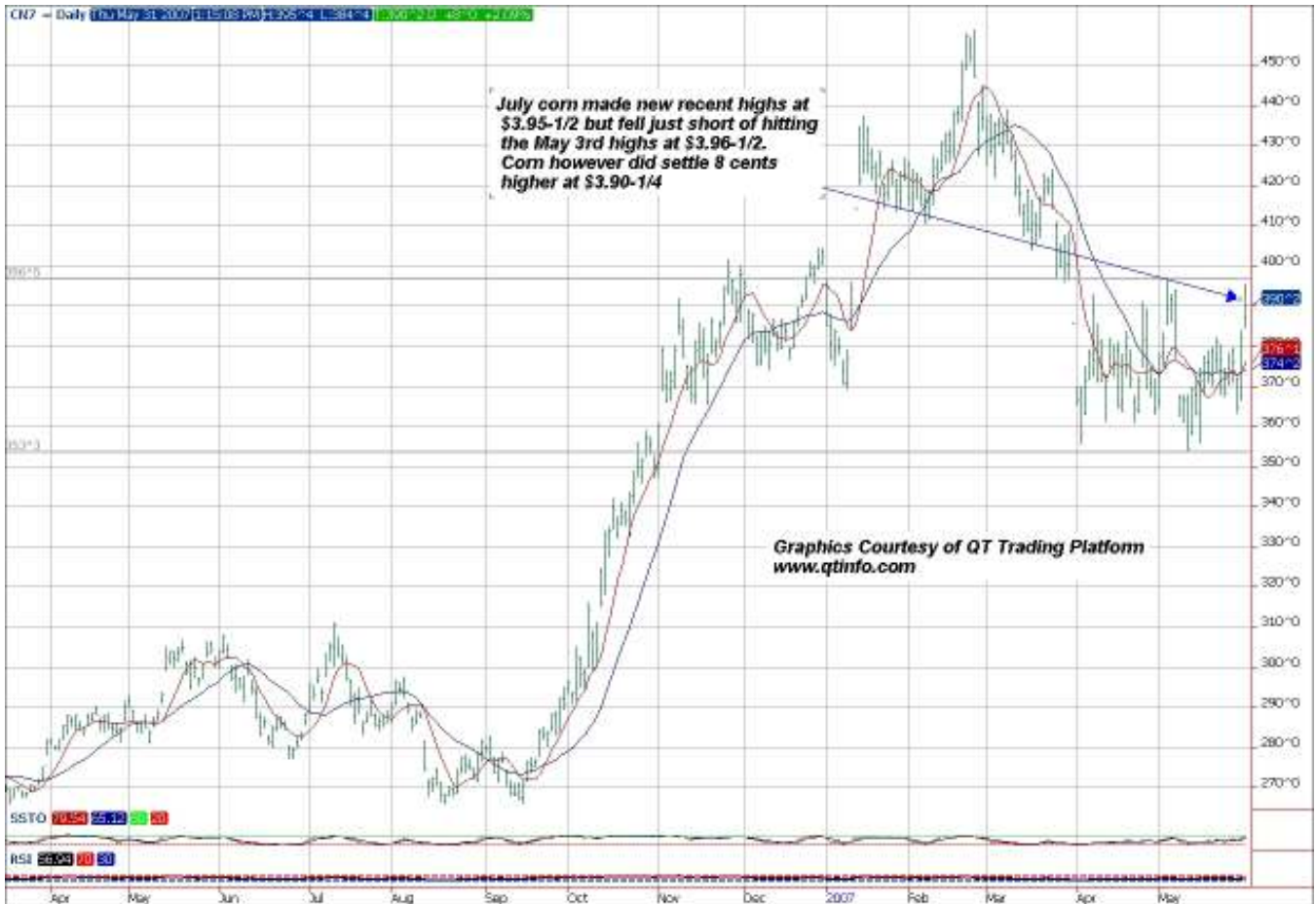
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5/31/2007

Chicago Board of Trade

Daily "From the Floor" Grain Summary

ECBOT corn market was higher again overnight as cash traders said basis remains strong and yesterday's rally in the futures didn't encourage any farmer selling. Today is the exact opposite as yesterday as it seems everybody that wanted to sell the market yesterday wants to buy the market this morning. July corn traded higher overnight eclipsing Wednesday's pit session highs of \$3.84. Volume was heavy as the market finished 1-3/4 higher at \$3.84. This morning once again it was early fund buy that pushed the market higher as July opened 4-3/4 cents higher at \$3.87. UBS was the early spread feature buying 1,000 of the July-December spreads paying 3 to 4 cents. Traders in the pit comment that a large part of the buying frenzy is due to end of month index funds. Funds throughout the day purchased futures closing net buyers of an estimated 9,000 contracts. Corn did break in the afternoon as wheat and beans dipped on fund selling, however July corn still only made a low of \$3.84-1/2. Players on the day included Iowa early on buying 1,000 July, while JP Morgan sold 1,000 Dec. The option pit had a busy day as early on we saw locals buying calls pumping up premium. The July 390 straddle closed at 31-1/4 cents with volatility up 1-1/2 to 41%. Tomorrow weekly Export Sales will be released tomorrow because of the Memorial Day holiday.

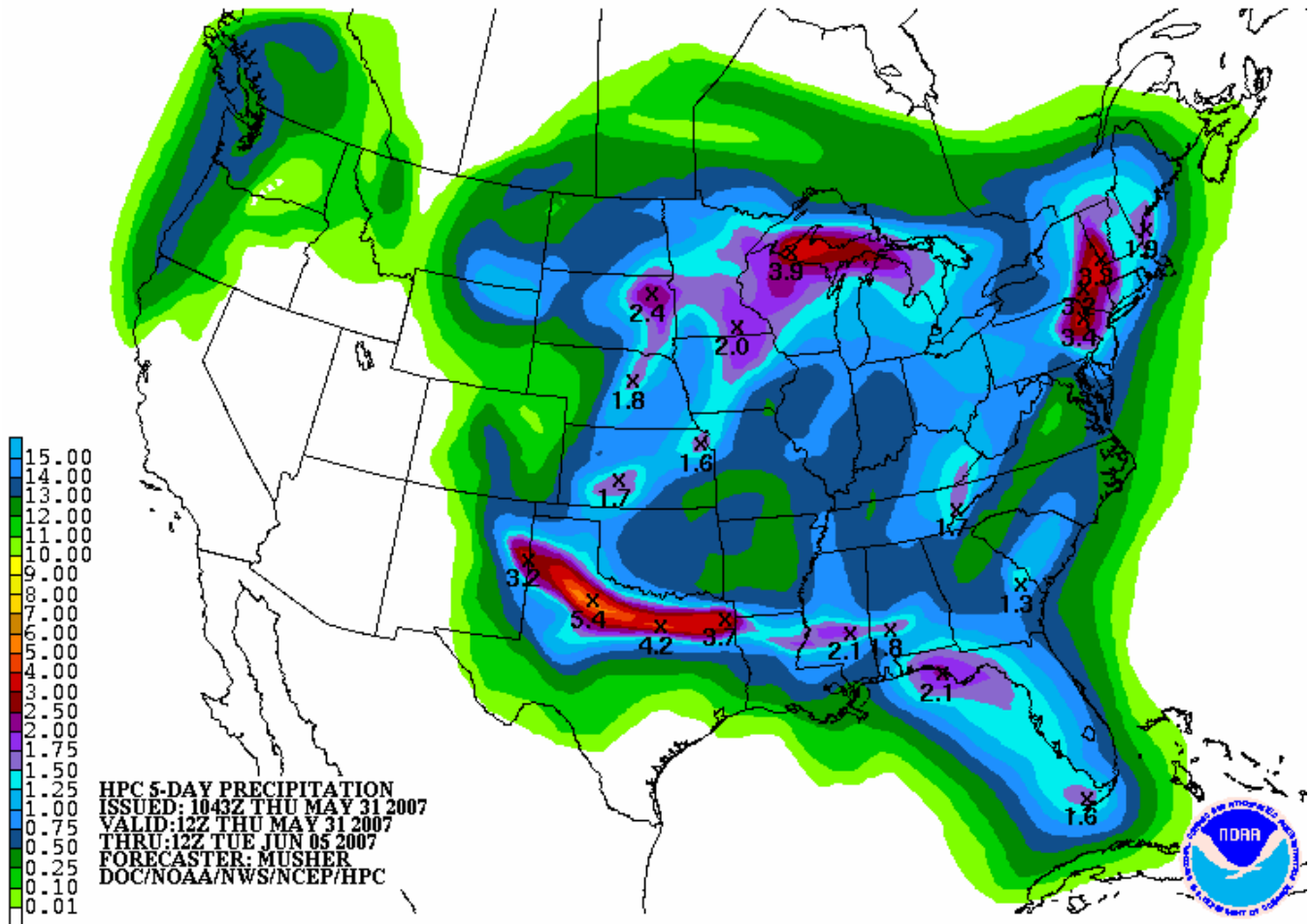


The rally continued overnight in July Soybeans as the market added an additional 4 3/4 to finish at \$8.13. Aggressive buying from the start would produce a 4-cent rally in the first 10-minutes of trade to \$8.16. Brokers say that there was good buying interest in the November with Fortis, Man Financial and Goldenberg Heymeyer leading the charge. Early fund buying along with strength in soyoil pushed beans to start of the day. The afternoon took a different tone as funds did some selling to closed net even on the day. Players did include ADM selling 800 July and Nov, while Man bought 1000 Nov throughout the day. In the options pit, brokers say that Tenco was the early feature buying 500 August 900-1000 call spreads at 9 3/4 – 10 1/4. As for the July 800 straddle it closed at 36-7/8 cents with volatility 23-1/4%. Beans in old and new alike are very close to new contract highs. Next move implied on the long term charts point to a test of 9.00.

The buying started right from the open creating a 4-cent wide opening range for the July wheat. Traders say that there was aggressive buying from funds with Fimat and Man Financial. Brokers say that when the market punched through \$5.20 – the sellers began to surface. However, support was once again found as July did hit a low of \$5.08-1/2 before rallying sharply late in the session before eventually closing 6-1/4 cents higher at \$5.17. Funds on the day closed net buyers of an estimated 4,000 contracts as early on Man bought 1,000 Dec while UBS bought 400 March. In the options ring, JP Morgan was the early feature buying 300 July 510-480 put spreads at 7 1/2. Man Financial followed with the same

idea in the Dec. options buying 300 510-490 puts spreads, then following with 550 of the 520-500 put spreads. The July 520 straddle closed at 33 cents with volatility at 32-1/2%.

5-Day Total (120hr) Cumulative Forecast



WEATHER: Very good coverage of western Corn Belt over the last 48 hours. Rains still weaken as the system moves east across the Miss Riv. Rain is expected to impact most of the Midwest at one time or another through the early part of next week with a second system expected during the second half of next week. Then we see a trend change toward warmer temperatures with most of the precip pushed to the northern states. The longer term maps are showing more heat across the Midwest along with drier conditions.

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