

SEPTEMBER CORN CU9

Support 1 350	Resistance 1 362	Fiala Fund Estimate 166k	8 Yr. Record Long +347*
Support 2 344	Resistance 2 367	CFTC Fund w/opt 6/23 124k	8 Yr. Record Short -129k



Corn trade is called 4 to 6 lower due to continued long liquidation ahead of the holiday weekend. The outside market influence is negative; crude is down \$1.35, the dollar is 48 higher, and the DOW is 45 lower. The weather remains bearish with favorable conditions across much of the Corn Belt, combining warm weather with scattered showers over the weekend. The chart is oversold but trade is below all major moving averages and there is a lack of fresh supportive information to promote a bounce. Trade will likely see early weakness and then find direction from the outside markets and the export report. The trade will be thin today; if the export report is friendly then we could see a bounce. The weekly export sales expectations range from 750k to 1.1 million tons. There have been no deliveries reported against the July contract.

AUGUST SOYBEANS SQ9

Support 1 1132	Resistance 1 1178	Fiala Fund Estimate 107k	9 Yr. Record Long +145k*
Support 2 1103	Resistance 2 1195	CFTC Fund w/opt 6/23 106k	9 Yr. Record Short -56k



Soybean trade is called 18 to 30 lower on the old crop contracts and the new crop November contract is called 14 to 16 lower. Meal is called \$5 to \$6 lower and oil is called 50 to 60 lower. Profit taking after yesterday's bounce should limit upside with some unwinding of the July/November spreads ahead of the long weekend. The tight balance sheets should continue to support the bull spread argument near-term, but we could see some weakness today as traders position ahead of expected seasonal weakness that usually follows the Fourth of July holiday. The export sales will be watched, and should provide direction early. Meal sales should be in the 100-200 thousand ton range and bean oil between 5 and 20k tons. There have been no deliveries reported against the July contract.

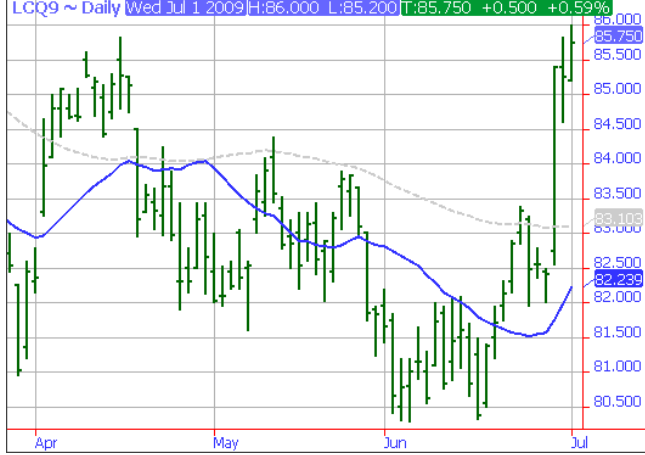

SEPTEMBER WHEAT WU9

Support 1 527	Resistance 1 547	Fiala Fund Estimate 11k	9 Yr. Record Long +46k
Support 2 518	Resistance 2 558	CFTC Fund w/opt 6/23 6k	9 Yr. Record Short -60k



Wheat trade is called 1 to 3 lower across the three exchanges. Spillover pressure from the row crops along with the higher dollar should control direction in the wheat market. We did avoid a new low yesterday, which was a positive sign, but the inability to bounce was not necessarily good. The bigger acreage and improved weather in Canada along with our very poor 2009 export story provides bearish fundamentals for this market. We will likely see bounces over the next month, but we will likely not seriously challenge the early June highs anytime over the next year without a fresh weather issue. Export sales should be in the 300 to 400k ton range in the morning. Trade should be mixed as we finish up trade ahead of the holiday. Deliveries were large once again with another 4,842 contracts reported overnight. This brings the total to 16,188.

Livestock

AUGUST LIVE CATTLE LCQ9			Support 1	Resistance 1	Fiala Fund Estimate	3 Yr. Record Long
Long Term Trend Up	Intermediate Term Trend Up	Short Term Trend Up	8530	8610	2k	+76k*
			Support 2	Resistance 2	CFTC Fund w/opt 6/23	3 Yr. Record Short
			8485	8645	12k	-8k
<div style="font-size: small; margin-bottom: 5px;"> LCQ9 ~ Daily Wed Jul 1 2009 H:86.000 L:85.200 T:85.750 +0.500 +0.59% </div> 			<p>Live cattle trade is called mixed due to positioning ahead of cash trade. Cash trade is expected to develop today, but asking prices remain firm at \$84/\$85. We should see some follow-through chart buying support the market early, which could squeeze some weak shorts out and extend the upward momentum. If cash trade is light today then we will likely see some profit taking show up ahead of the long weekend. The cutout was lower yesterday with choice finishing down 118 at \$138.19 and select was down 63 at \$132.48 which does not support the willingness of packers to pay up for cattle at this juncture. How stressful the weather appears should direct trade next week along with how much retail level beef disappearance occurred over the weekend.</p>			
AUGUST LEAN HOGS LHQ9			Support 1	Resistance 1	Fiala Fund Estimate	3 Yr. Record Long
Long Term Trend Down	Intermediate Term Trend Down	Short Term Trend Up	6002	6122	-12k	+30k
			Support 2	Resistance 2	CFTC Fund w/opt 6/23	3 Yr. Record Short
			5937	6177	-17k	-17k
<div style="font-size: small; margin-bottom: 5px;"> LHQ9 ~ Daily Wed Jul 1 2009 H:61.100 L:59.900 T:60.700 +0.050 +0.08% </div> 			<p>Lean hog trade is called mixed due to a combination of follow-through buying and position squaring ahead of the long weekend. Packers have reportedly secured ample inventory ahead of the holiday weekend so cash trade is expected to be light. The market is in a recovery mode due to some profit taking by market shorts and some longer term buyers that believe we have seen some liquidation and the path of least resistance is now up. I'm still in the camp we have not see the liquidation push needed to both put in a bottom and bulk up the prices for next year just yet. Trade will be thin today and if we can move above the June 19th high at 6215 on the August contract then we could attract good buying interest.</p>			

*There is a significant risk of loss in futures trading. Past performance is not indicative of future results. Support, resistance and trend numbers or biases are based on mechanical technical methods that are only provided as numbers and pose no recommendation to buy or sell nor guaranteed for accuracy. *Recent CFTC Record*