

# Kansas City Board of Trade Review

Vol. 16

Monday, January 11, 2010

No. 6

## Dollar continues to weaken; Basis unchanged

**KC CASH HRW WHEAT:** The basis was unchanged in Kansas City today.

**GULF HRW WHEAT, 11.0% protein:** Jan shipment was at 30 over KCBT March. Wheat for Feb shipment was 30 over March. Wheat for Mar shipment was 30 over March.

**PNW WHEAT:** The Pacific Northwest wheat markets were lower today. First half of January soft white wheat values were 5 cents lower at 5.05 today. First half of January hard red spring wheat values were 7 cents lower at 135 over MGE March futures. Hard red winter wheat values for first half of January shipment were 2 cents lower at 38 over KCBT Mar wheat futures.

See back for futures prices and commentary.

### Receipts & Shipments

#### Kansas City

Rail and truck shown in 1,000 bushels

|          | Receipts |       | Shipments |       |       |
|----------|----------|-------|-----------|-------|-------|
|          | Rail     | Truck | Rail      | Truck | Barge |
| Wheat    | 0        | 16    | 7         | 0     | 0     |
| Corn     | 0        | 4     | 307       | 6     | 0     |
| Soybeans | 0        | 1     | 0         | 0     | 0     |
| Sorghum  | 0        | 3     | 0         | 0     | 0     |
| Oats     | 0        | 0     | 0         | 0     | 0     |
| Total    | 0        | 24    | 314       | 6     | 0     |

#### Hutchinson

|          | Receipts |       | Shipments |       |
|----------|----------|-------|-----------|-------|
|          | Rail     | Truck | Rail      | Truck |
| Wheat    | 0        | 0     | 88        | 0     |
| Corn     | 0        | 0     | 0         | 0     |
| Soybeans | 0        | 2     | 0         | 0     |
| Sorghum  | 0        | 2     | 4         | 0     |
| Oats     | 0        | 0     | 0         | 0     |
| Total    | 0        | 4     | 92        | 0     |

#### Wichita

|          | Receipts |       | Shipments |       |
|----------|----------|-------|-----------|-------|
|          | Rail     | Truck | Rail      | Truck |
| Wheat    | 50       | 1     | 24        | 0     |
| Corn     | 0        | 0     | 0         | 0     |
| Soybeans | 0        | 15    | 0         | 0     |
| Sorghum  | 33       | 12    | 0         | 0     |
| Oats     | 0        | 0     | 0         | 0     |
| Total    | 83       | 27    | 24        | 0     |

#### Salina

|          | Receipts |       | Shipments |       |
|----------|----------|-------|-----------|-------|
|          | Rail     | Truck | Rail      | Truck |
| Wheat    | 0        | 19    | 0         | 3     |
| Corn     | 0        | 10    | 0         | 0     |
| Soybeans | 0        | 30    | 0         | 0     |
| Sorghum  | 0        | 83    | 376       | 0     |
| Oats     | 0        | 0     | 0         | 0     |
| Total    | 0        | 142   | 376       | 3     |

### KC Spot HRW Wheat

Protein premiums and changes; Basis K.C. Mar

|           | Basis Range | Change | Protein   | Basis Range | Change |
|-----------|-------------|--------|-----------|-------------|--------|
| Ordinary  | -31/-16     | +0/0   | 11.00 PCT | -25/-10     | +0/0   |
| 11.20 PCT | -16/-1      | +0/0   | 11.40 PCT | 3/18        | +0/0   |
| 11.60 PCT | 3/18        | +0/0   | 11.80 PCT | 3/18        | +0/0   |
| 12.00 PCT | 13/28       | +0/0   | 12.20 PCT | 13/28       | +0/0   |
| 12.40 PCT | 13/28       | +0/0   | 12.60 PCT | 21/36       | +0/0   |
| 12.80 PCT | 24/39       | +0/0   | 13.00 PCT | 26/41       | +0/0   |
| 13.20 PCT | 31/46       | +0/0   | 13.40 PCT | 43/58       | +0/0   |
| 13.60 PCT | 65/80       | +0/0   | 13.80 PCT | 65/80       | +0/0   |
| 14.00 PCT | 65/80       | +0/0   | SRW       | -55/35      | +0/0   |

### KC Truck Bids

Bids posted as of the close today.

No. 2 Sorghum is in cwt.

|          | Basis          | Range   |      |
|----------|----------------|---------|------|
| HRW      | - 74 @ - 65 H  | 4.92 to | 5.01 |
| SRW      | - 115 @ - 92 H | 4.51 to | 4.74 |
| Corn     | - 27 @ - 20 H  | 3.96 to | 4.03 |
| Milo     | - 80 @ - 67 H  | 6.13 to | 6.41 |
| Soybeans | - 40 @ - 35 H  | 9.71 to | 9.76 |

### HRW Wheat Regional Truck Bids

|                |     |     |      |
|----------------|-----|-----|------|
| KC, MO         | -65 | Mar | unch |
| Dodge City, KS | -90 | Mar | unch |
| Hutchinson, KS | -75 | Mar | unch |
| Salina, KS     | -70 | Mar | unch |
| Wichita, KS    | -35 | Mar | unch |
| Enid, OK       | -60 | Mar | unch |
| Texas Gulf     | +25 | Mar | unch |

\*All truck bids quoted from previous days business

### Elevator Stocks

Stocks in regular elevators, in 1,000 bus.

|           | Kansas City |        |          | Wichita |      |         |
|-----------|-------------|--------|----------|---------|------|---------|
|           | Today       | Change | Year Ago | Today's | Chg  | Yr. Ago |
| Wheat     | 20,571      | 9      | 14,108   | 21,477  | 27   | 14,239  |
| Corn      | 4,594       | -310   | 6,938    | 332     | 0    | 1,393   |
| Soybeans  | 1,192       | 1      | 3,472    | 1,535   | 15   | 1,088   |
| Sorghum   | 161         | 3      | 783      | 3,606   | 44   | 3,967   |
| Oats      | 0           | 0      | 26       | 0       | 0    | 0       |
| All Grain | 26,518      | -297   | 25,327   | 26,950  | 86   | 20,687  |
|           | Hutchinson  |        |          | Salina  |      |         |
| Wheat     | 24,532      | -88    | 14,618   | 22,512  | 16   | 15,363  |
| Corn      | 336         | 0      | 12       | 791     | 10   | 763     |
| Soybeans  | 722         | 0      | 2,784    | 1,434   | 30   | 1,827   |
| Sorghum   | 3,528       | -1     | 7,399    | 6,015   | -291 | 8,442   |
| Oats      | 0           | 0      | 0        | 0       | 0    | 0       |
| All Grain | 29,118      | -89    | 24,813   | 30,752  | -235 | 26,395  |

### KC Millfeed Prices

Hoppers..... 112 to 118  
Interior Trucks ..... 121 to 126

# Kansas City Board of Trade Review

January 11, 2010

|     | Futures Prices<br>Quotes for January 11, 2010 |        |        |        |        | Open Interest<br>Quotes for January 8, 2010 |         |             |
|-----|---|--------|--------|--------|--------|---|---------|-------------|
|     | Open  | High   | Low    | Close  | Chg    | Volume                                      | Open    | Change      |
|     | KANSAS CITY - Hard Red Winter Wheat           |        |        |        |        |   |         |             |
| Mar | 564.0   | 566.0  | 557.0  | 566.0  | + 6.0  | 7,985                                       | 59,321  | - 285       |
| May | 573.0   | 578.0  | 568.2  | 577.2  | + 6.0  | 899   | 14,434  | + 26        |
| Jul | 585-85.4                                      | 589.4  | 579.6  | 588.6  | + 6.0  | 1,108                                       | 29,754  | + 4         |
| Sep | 599.0   | 599.0  | 599.0  | 600.2  | + 6.0  | 117   | 3,676   | + 1         |
| Dec | 614.6   | 617.0  | 614.6  | 619.2  | + 6.6  | 1,299                                       | 37,206  | + 410       |
|     |   |        |        |        |        | Total                                       | 114,431 | 145,516 +   |
|     | Chicago - Wheat                               |        |        |        |        |   |         |             |
| Mar | 572.0   | 575.0  | 563.4  | 572.4  | + 4.0  | 39,552                                      | 182,514 | + 2,341     |
| May | 585.0   | 585.0  | 585.0  | 584.6  | + 4.0  | 6,662                                       | 47,262  | + 895       |
| Jul | 590.6   | 595.0  | 590.6  | 594.4  | + 4.0  | 6,243                                       | 65,996  | + 430       |
|     |   |        |        |        |        | Total                                       | 57,420  | 371,440 +   |
|     | Chicago-Corn                                  |        |        |        |        |   |         |             |
| Mar | 423.4   | 423.4  | 418.0  | 422.4  | - 0.4  | 135,002                                     | 516,225 | + 10,355    |
| May | 433.4   | 433.4  | 428.0  | 433.0  | - 0.2  | 23,891                                      | 138,276 | + 2,766     |
| Jul | 441.0   | 441.0  | 437.0  | 441.2  | - 0.4  | 22,696                                      | 125,534 | + 4,300     |
|     |   |        |        |        |        | Total                                       | 209,161 | 1,079,400 + |
|     | Chicago-Oats                                  |        |        |        |        |   |         |             |
| Mar | 269.0   | 269.0  | 268.0  | 268.0  | - 7.0  | 595   | 9,524   | + 187       |
| May | —   | —      | —      | 276.2  | - 7.0  | 14  | 1,061   | + 12        |
|     |   |        |        |        |        | Total                                       | 615     | 12,382 +    |
|     | Chicago - Soybeans                            |        |        |        |        |   |         |             |
| Jan | 1009.0  | 1009.0 | 999.0  | 1001.6 | - 11.2 | 7,820                                       | 5,889   | - 1,449     |
| Mar | 1023.4  | 1024.4 | 1006.0 | 1010.4 | - 11.4 | 81,852                                      | 223,400 | + 376       |
| May | 1029.0  | 1029.4 | 1008.0 | 1017.2 | - 10.4 | 17,166                                      | 58,144  | + 411       |
|     |   |        |        |        |        | Total                                       | 130,288 | 430,386 +   |
|     | Minneapolis Wheat-Electronic                  |        |        |        |        |   |         |             |
| Mar | 578.4   | 579.4  | 570.4  | 578.0  | + 3.0  | 4,021                                       | 18,838  | - 132       |
| May | 591.0   | 591.0  | 582.4  | 589.4  | + 3.4  | 744   | 6,815   | + 184       |
| Jul | 602.2   | 603.0  | 594.6  | 602.0  | + 3.6  | 330   | 8,911   | + 39        |
|     |   |        |        |        |        | Total                                       | 5,738   | 46,820 +    |

**KC Wheat Options**  
Closing Prices of KC wheat options closest to strike levels for more active contracts, with previous close. Volume, Open Interest and Changes from previous day.

| Strk               | Cls  | Prev | Vol | Open  | Chg   |
|--------------------|------|------|-----|-------|-------|
| <b>Mar Calls</b>   |      |      |     |       |       |
| 480                | 88.3 | 82.2 | 184 | 477   | + 106 |
| 490                | 79.4 | 74.5 | 0   | 42    | 0     |
| 500                | 71.0 | 66.4 | 0   | 49    | 0     |
| 510                | 62.7 | 58.6 | 0   | 8     | 0     |
| 520                | 55.2 | 51.4 | 0   | 168   | 0     |
| 530                | 48.2 | 44.7 | 0   | 125   | 0     |
| 540                | 41.6 | 38.6 | 0   | 0     | - 99  |
| <b>May Calls</b>   |      |      |     |       |       |
| 590                | —    | —    | 0   | 0     | 0     |
| 600                | 35.1 | 33.2 | 0   | 1     | 0     |
| 610                | —    | —    | 0   | 0     | 0     |
| 620                | 28.3 | 26.6 | 0   | 5     | 0     |
| 630                | —    | —    | 0   | 0     | 0     |
| 640                | 22.6 | 21.4 | 0   | 9     | 0     |
| 650                | 19.7 | 19.1 | 1   | 7     | + 1   |
| <b>Jul Calls</b>   |      |      |     |       |       |
| 650                | 35.3 | 33.6 | 5   | 202   | + 5   |
| 660                | 32.5 | 31.1 | 0   | 19    | 0     |
| 670                | 30.1 | 28.5 | 0   | 86    | 0     |
| 680                | 27.6 | 26.4 | 0   | 8     | 0     |
| 690                | —    | —    | 0   | 0     | 0     |
| 700                | 22.7 | 22.4 | 0   | 149   | 0     |
| <b>Total Calls</b> |      |      | 192 | 7,585 | + 100 |
| <b>Mar Puts</b>    |      |      |     |       |       |
| 480                | 57.7 | 3.3  | 0   | 198   | 0     |
| 490                | 56.6 | 4.6  | 0   | 54    | 0     |
| 500                | 55.0 | 6.4  | 1   | 753   | - 7   |
| 510                | 53.0 | 8.7  | 0   | 74    | 0     |
| 520                | 50.7 | 11.5 | 0   | 0     | 0     |
| 530                | 47.8 | 14.7 | 0   | 0     | 0     |
| 540                | 44.4 | 18.7 | 0   | 15    | 0     |
| 550                | 40.3 | 23.2 | 0   | 472   | 0     |
| <b>May Puts</b>    |      |      |     |       |       |
| 540                | 26.4 | 29.2 | 0   | 40    | 0     |
| 550                | —    | —    | 0   | 0     | 0     |
| 560                | —    | —    | 0   | 0     | 0     |
| 570                | —    | —    | 0   | 0     | 0     |
| 580                | —    | —    | 0   | 0     | 0     |
| 590                | —    | —    | 0   | 0     | 0     |
| 600                | —    | —    | 0   | 0     | 0     |
| <b>Jul Puts</b>    |      |      |     |       |       |
| 540                | 33.2 | 35.5 | 0   | 15    | 0     |
| 550                | 37.4 | 40.1 | 2   | 146   | 1     |
| 560                | 42.1 | 45.0 | 2   | 53    | 2     |
| 570                | 47.1 | 50.1 | 4   | 8     | 4     |
| 580                | 52.2 | 55.4 | 0   | 20    | 0     |
| <b>Total Puts</b>  |      |      | 10  | 6,023 | 0     |

## KCBT Wheat Futures

Kansas City wheat futures finished stronger on the day, after a mixed session due to varying components, according to traders. The market opened and finished higher as the U.S. Dollar traded weaker today. The Dollar extended Friday's losses, traders said. In export news, USDA weekly wheat export inspections were considered poor this morning, estimated at 11 million metric tonnes. Previous estimates ranged from 14 to 17 million metric tonnes. Further rebalancing of fund positions carried over from last week, also supporting gains in KC wheat prices.

KC Mar wheat settled 6 cents higher at \$5.66.

Today's trading volume was estimated at 10,941 contracts.

## Gulf Grain Bids

HRW wheat bids basis track rail at Galveston/Houston, TX on KCBT futures; SRW wheat, corn and soybeans basis Chicago

| Shp.                           | HRW-Rail          |    |   | Soft Red-Barge        |   |
|--------------------------------|-------------------|----|---|-----------------------|---|
| Jan                            | +                 | 30 | H | + 15                  | H |
| Feb                            | +                 | 30 | H | + 15                  | H |
| Mar                            | +                 | 30 | H | + 15                  | H |
|                                | <b>Corn-Barge</b> |    |   | <b>Soybeans-Barge</b> |   |
| Jan                            | +                 | 35 | H | + 55                  | F |
| Feb                            | +                 | 40 | H | + 49                  | F |
| Mar                            | +                 | 41 | H | + 25                  | H |
| Texas Gulf Ports/Track Sorghum |                   |    |   | + 25                  | H |

## Nominal Range for Cash Prices

| HRW Wheat   |           | SRW Wheat  |                         |
|-------------|-----------|------------|-------------------------|
| No. 1       | \$483.0 @ | \$501.0    | No. 1 \$502.0 @ \$601.0 |
| No. 2       | \$482.0 @ | \$500.4    | No. 2 \$501.0 @ \$600.4 |
| No. 3       | \$471.0 @ | \$499.4    | No. 3 \$490.0 @ \$599.4 |
| No. 4       | \$463.0 @ | \$496.0    | No. 4 \$482.0 @ \$596.0 |
| Yellow Corn |           | White Corn |                         |
| No. 2       | \$391.2 @ | \$405.0    | No. 2 \$428.0 @ \$435.0 |
| No. 3       | \$371.2 @ | \$404.0    |                         |
| No. 4       | \$351.2 @ | \$403.0    | No. 1 \$968.6 @ \$994.6 |
| Sorghum     |           |            |                         |
| per cwt.    |           | per bus.   |                         |
| No. 2       | \$604.0 @ | \$639.0    | No. 2 \$338.2 @ \$358.0 |
| No. 3       | \$568.0 @ | \$630.0    | No. 3 \$318.2 @ \$353.0 |
| No. 4       | \$533.0 @ | \$621.0    | No. 4 \$298.2 @ \$348.0 |