



# **Snippets of the World Grain Markets: Putting the Pieces Together for a Volatile 2010**

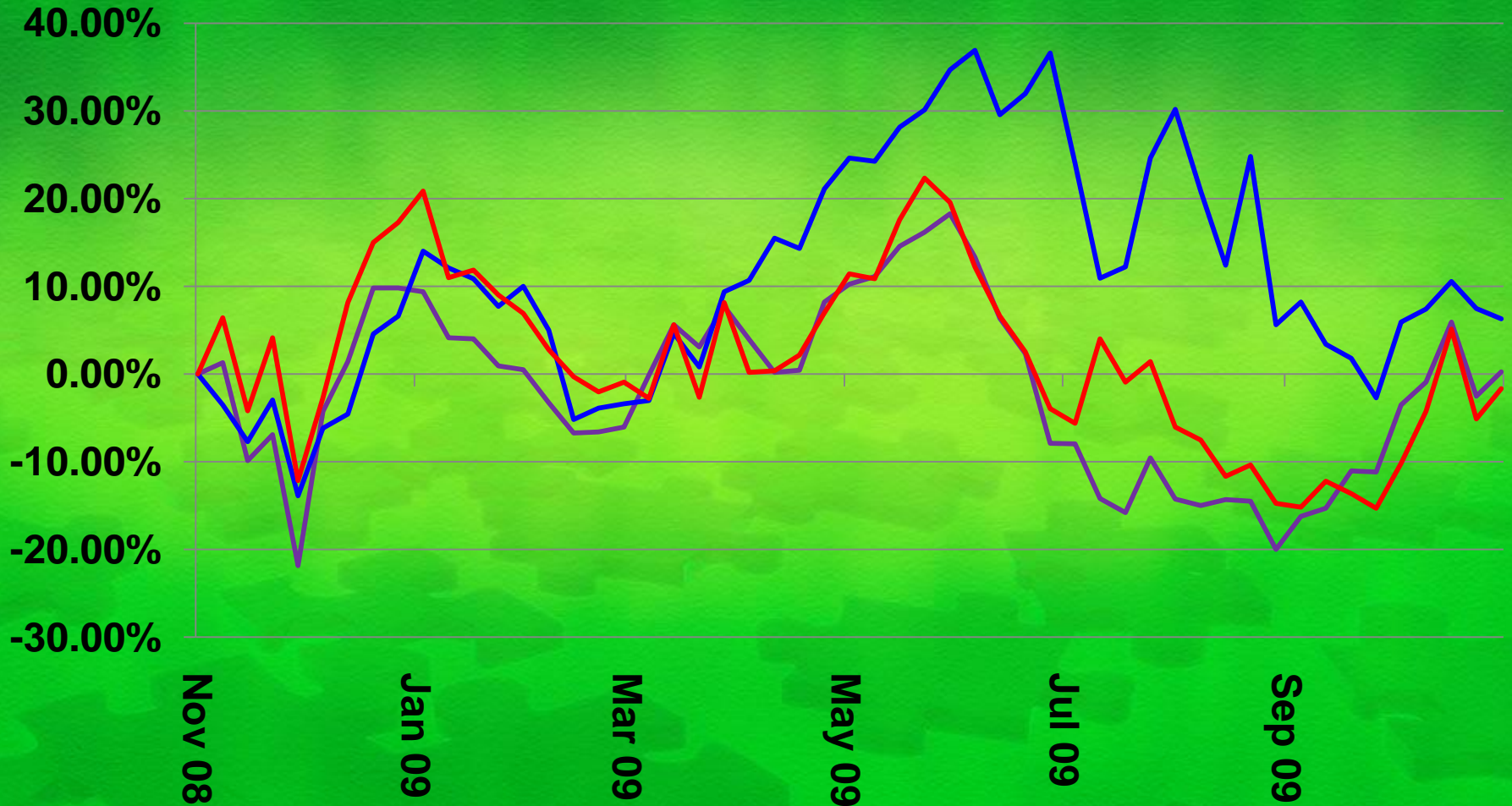
**AgResource Company  
Daniel Basse, President**

**200 W Jackson Blvd  
Chicago, IL 60606**

# World Grain Market Price Performance Since November '08



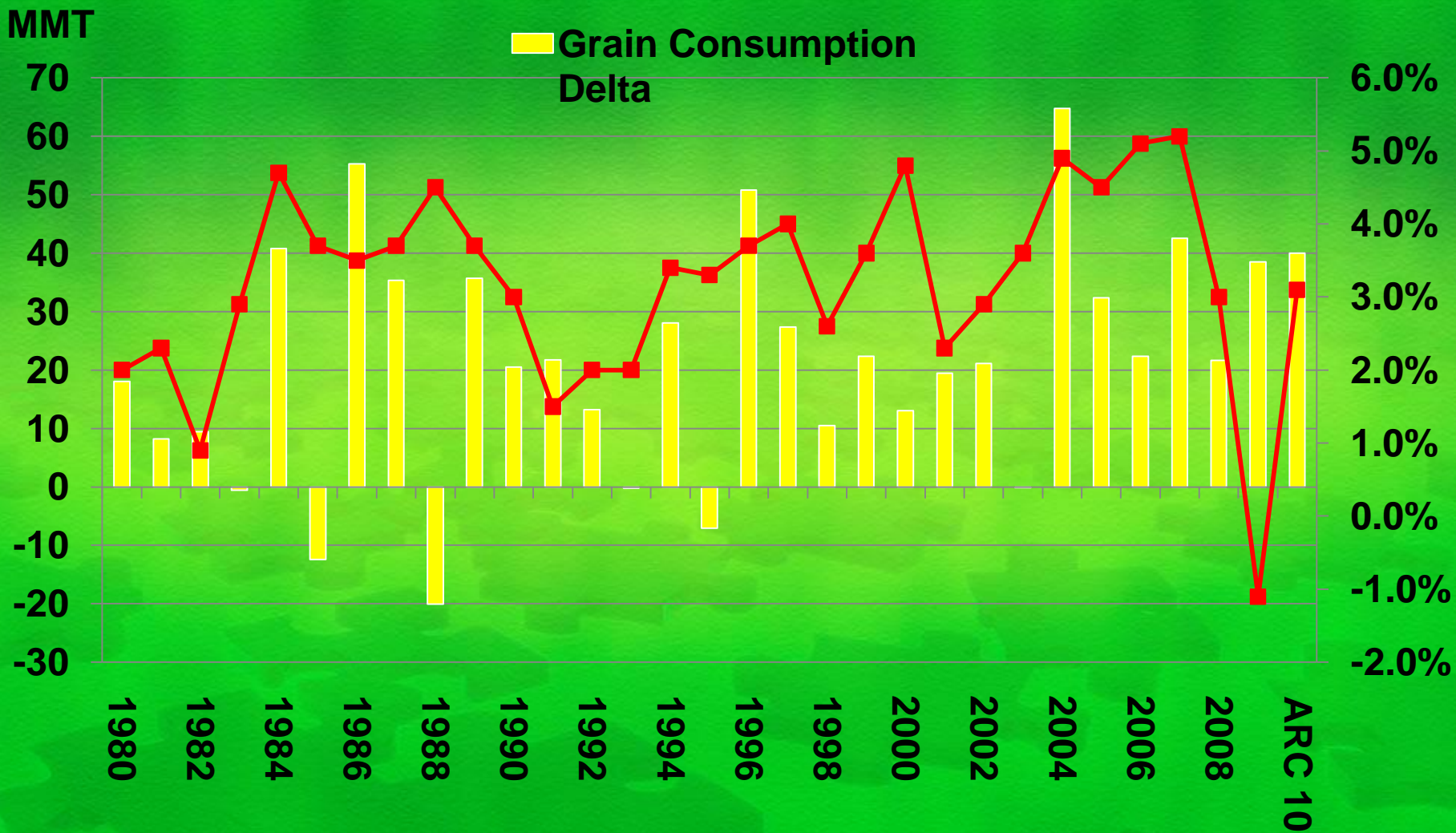
Corn Soybeans Wheat



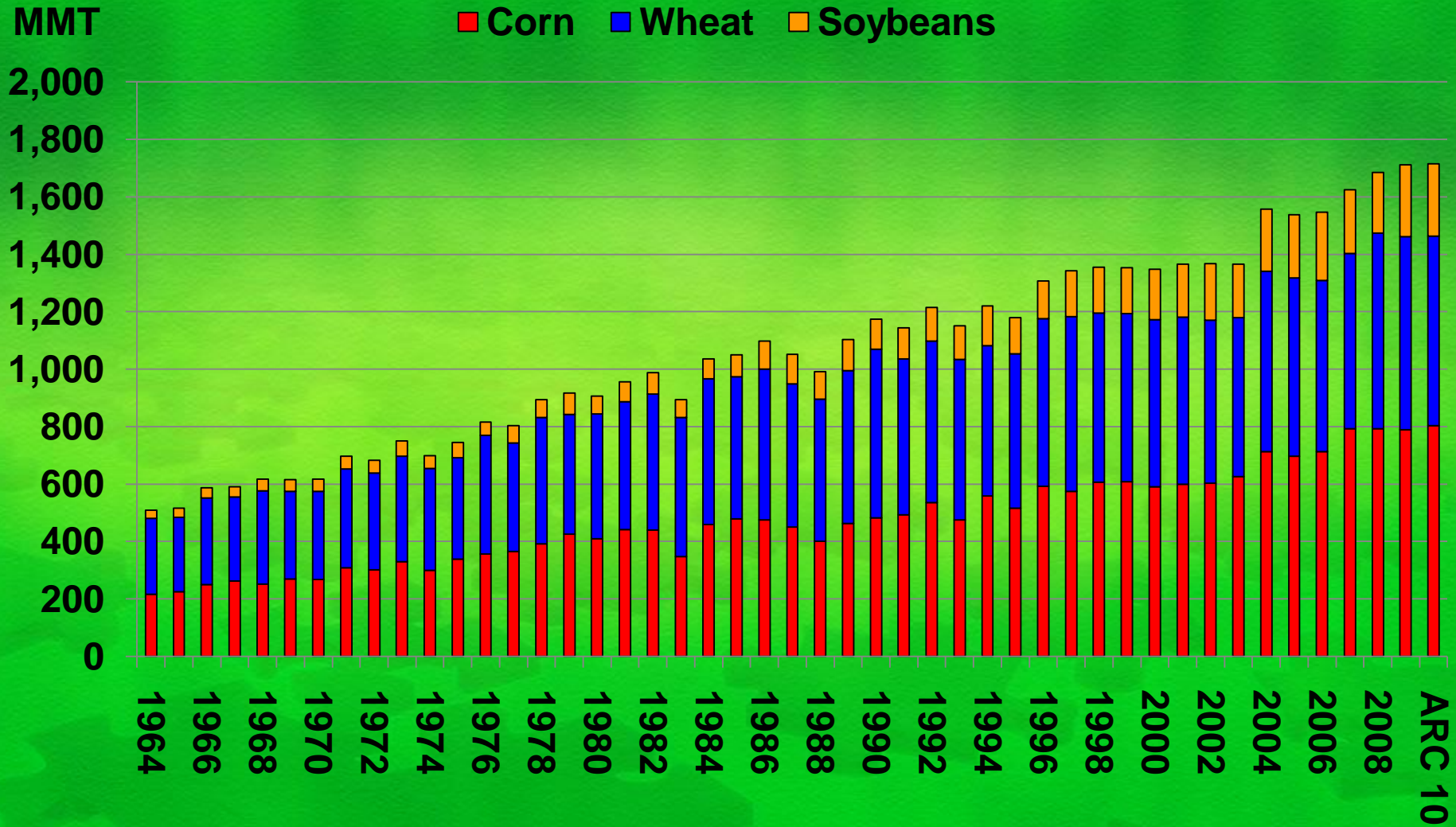
# World November Grain Stocks since 2004 and Price



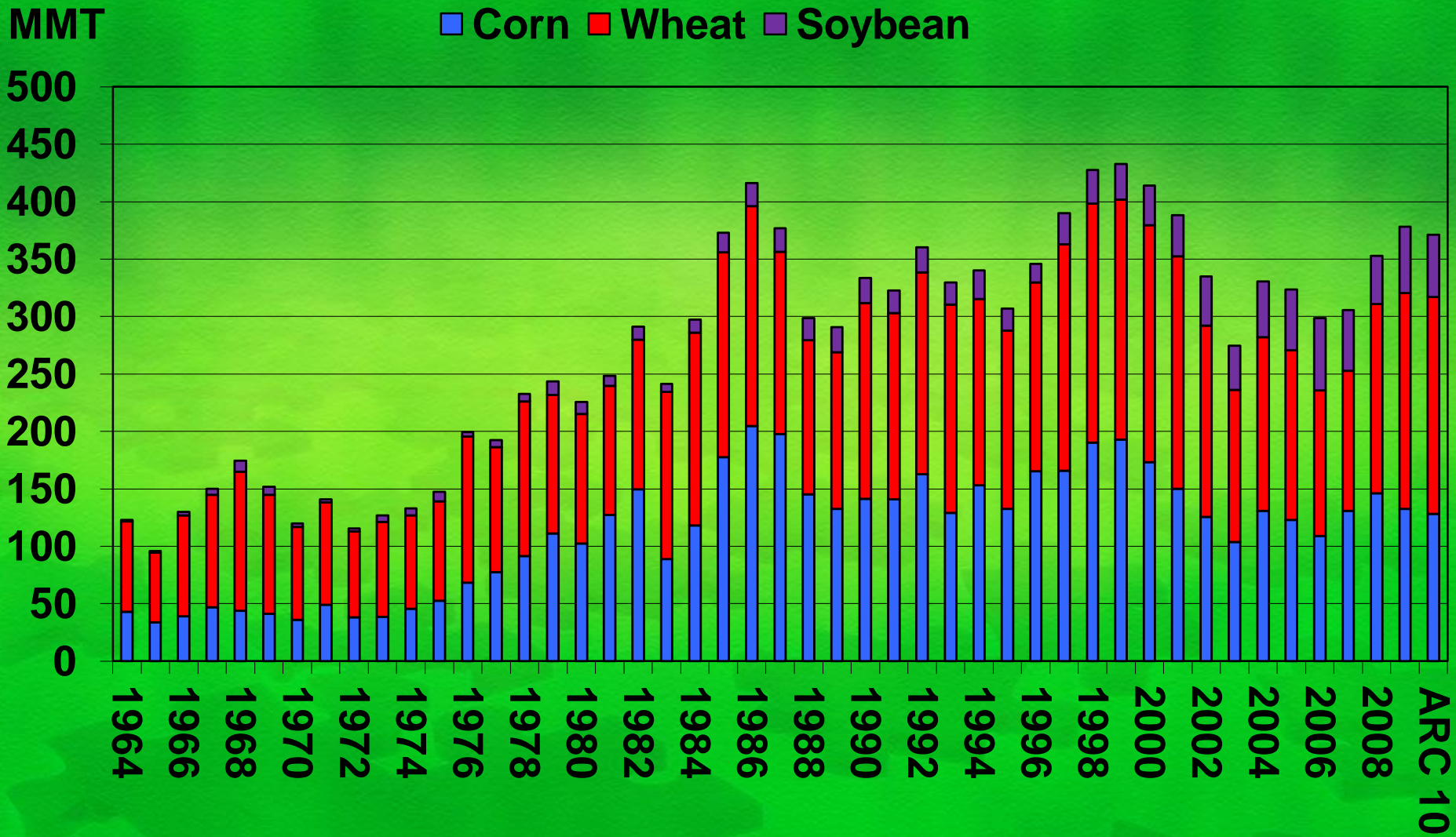
# World Corn, Soybean & Wheat Consumption Delta vs. World GDP Growth Rate



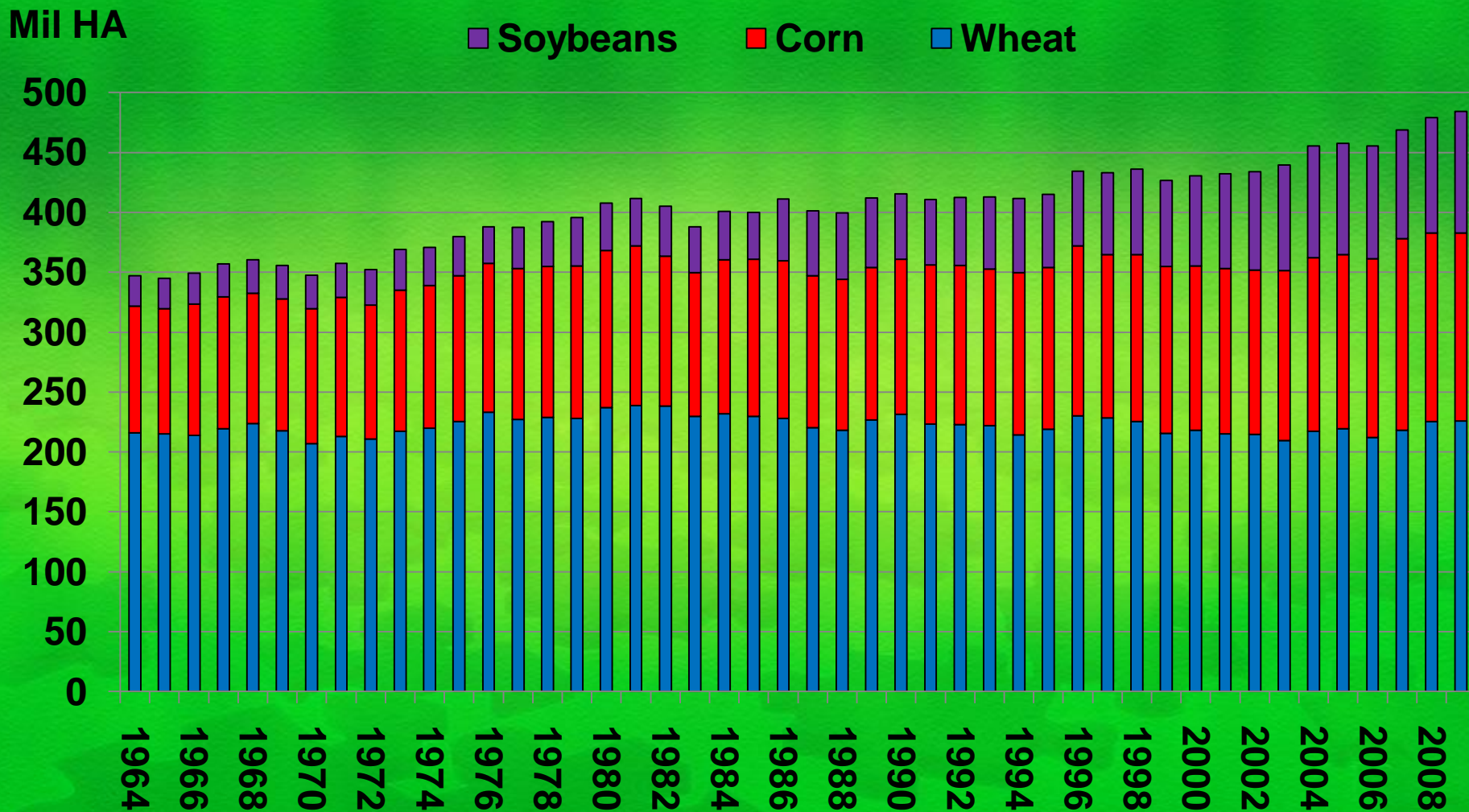
# World Major Crop Production: A Record 1,711 MMTs— UP 26 MMTs in '09



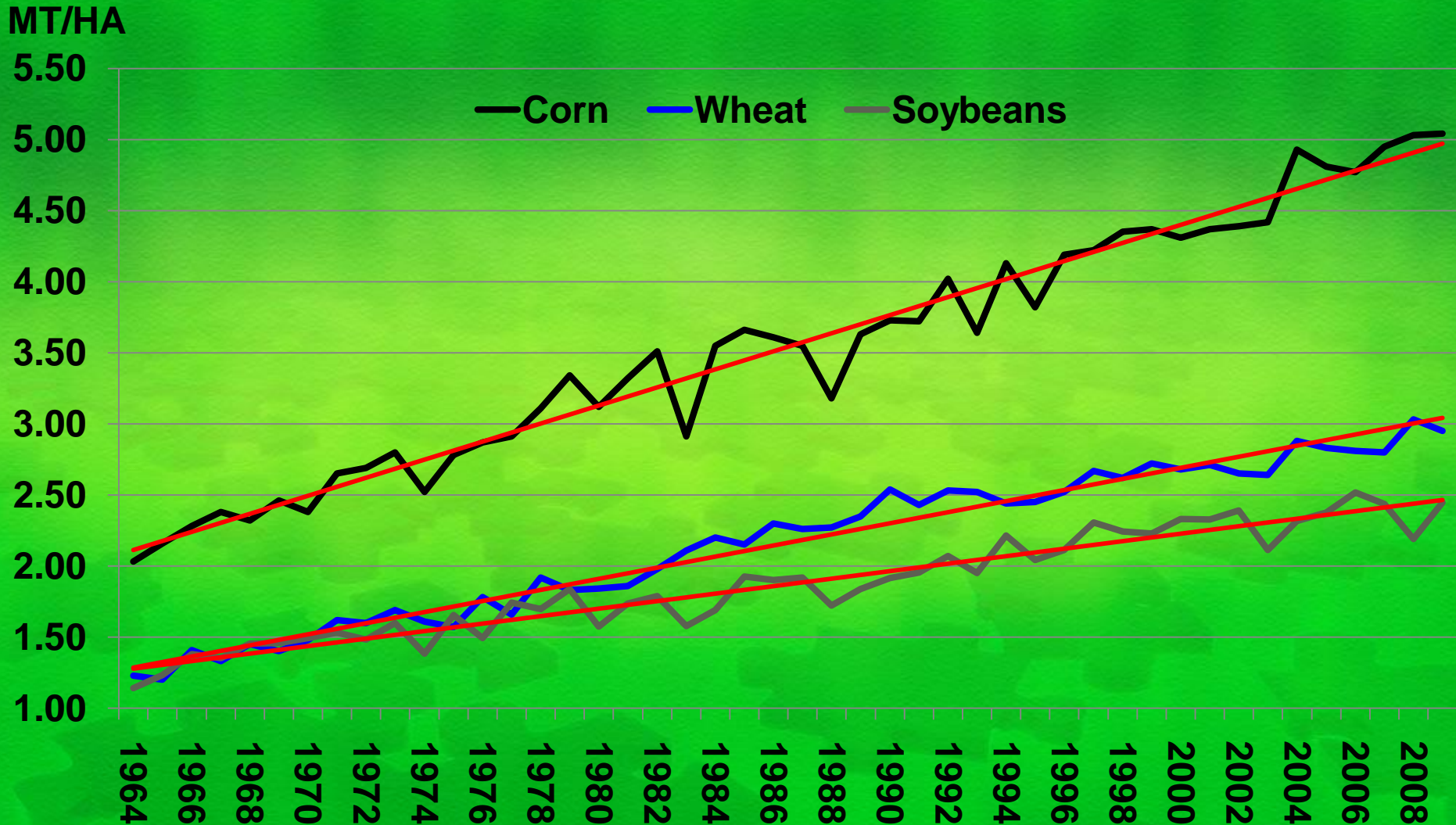
# 2009/10 World Grain Stocks Rise to highest level since 2000!



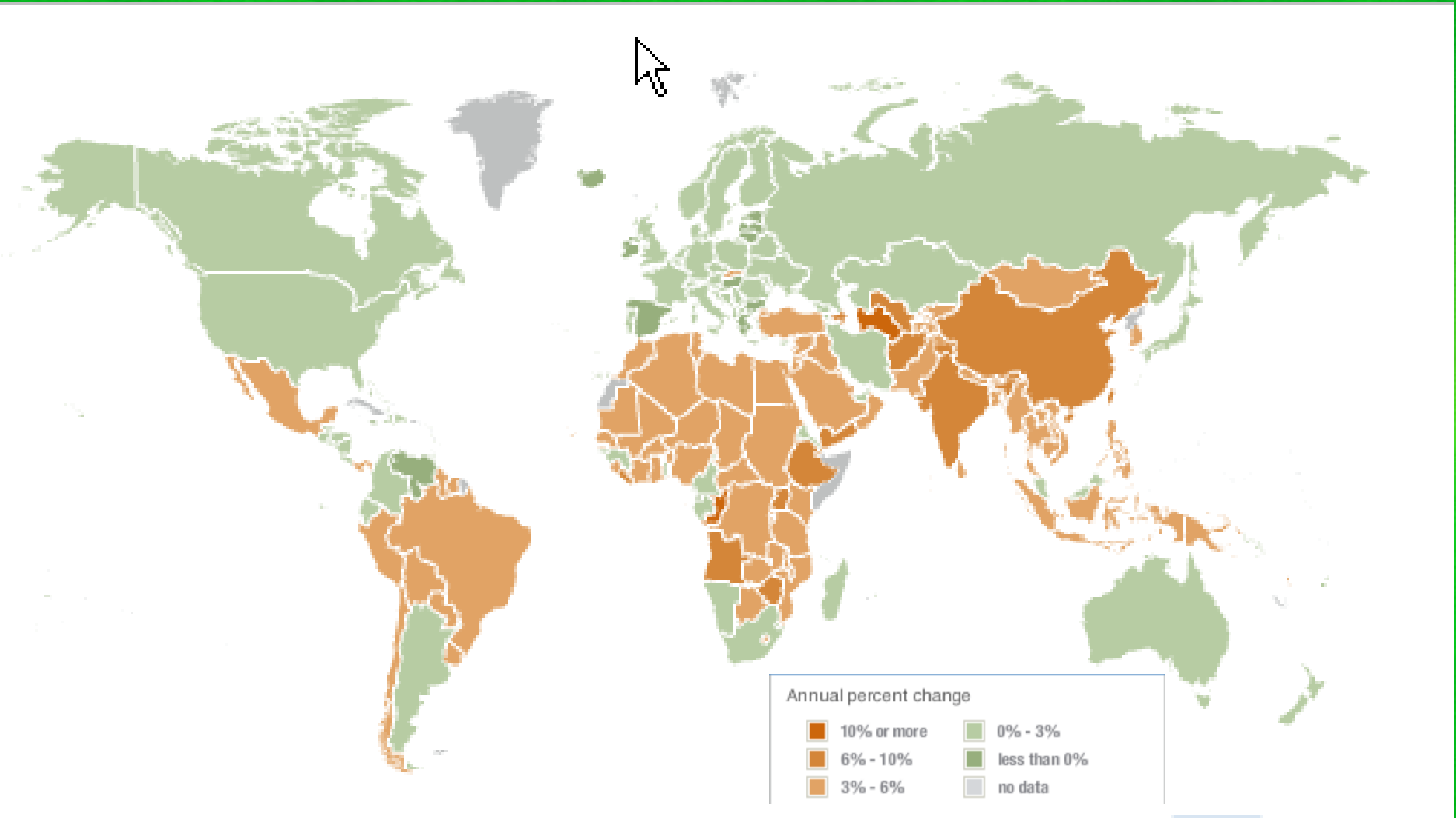
# 2009 Global Area Harvested; 484.1 Mil HA – up 5.1 Mil HA to a new record.



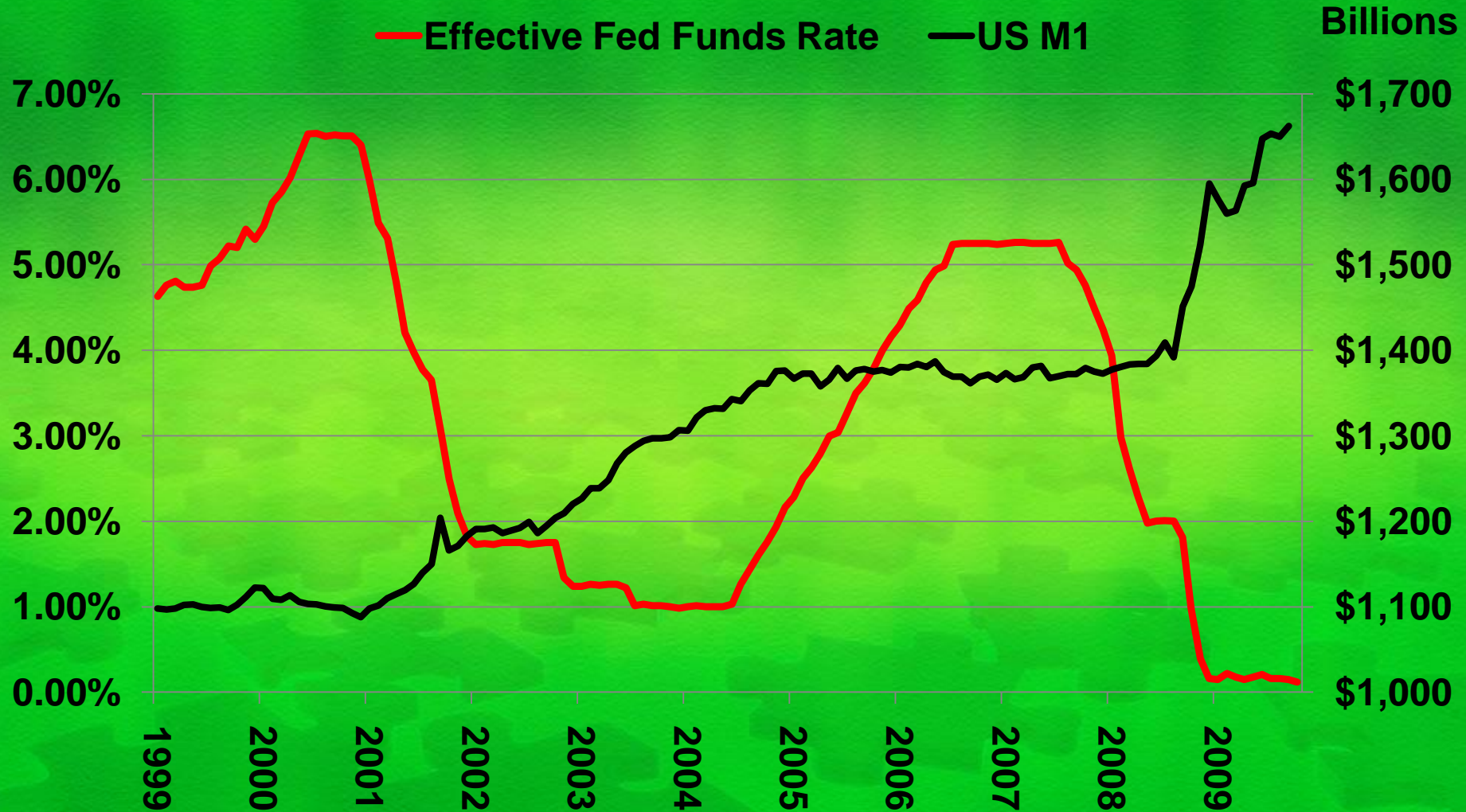
# World Major Crop Trend Yields - 3.47 MT/HA on Weighted Area



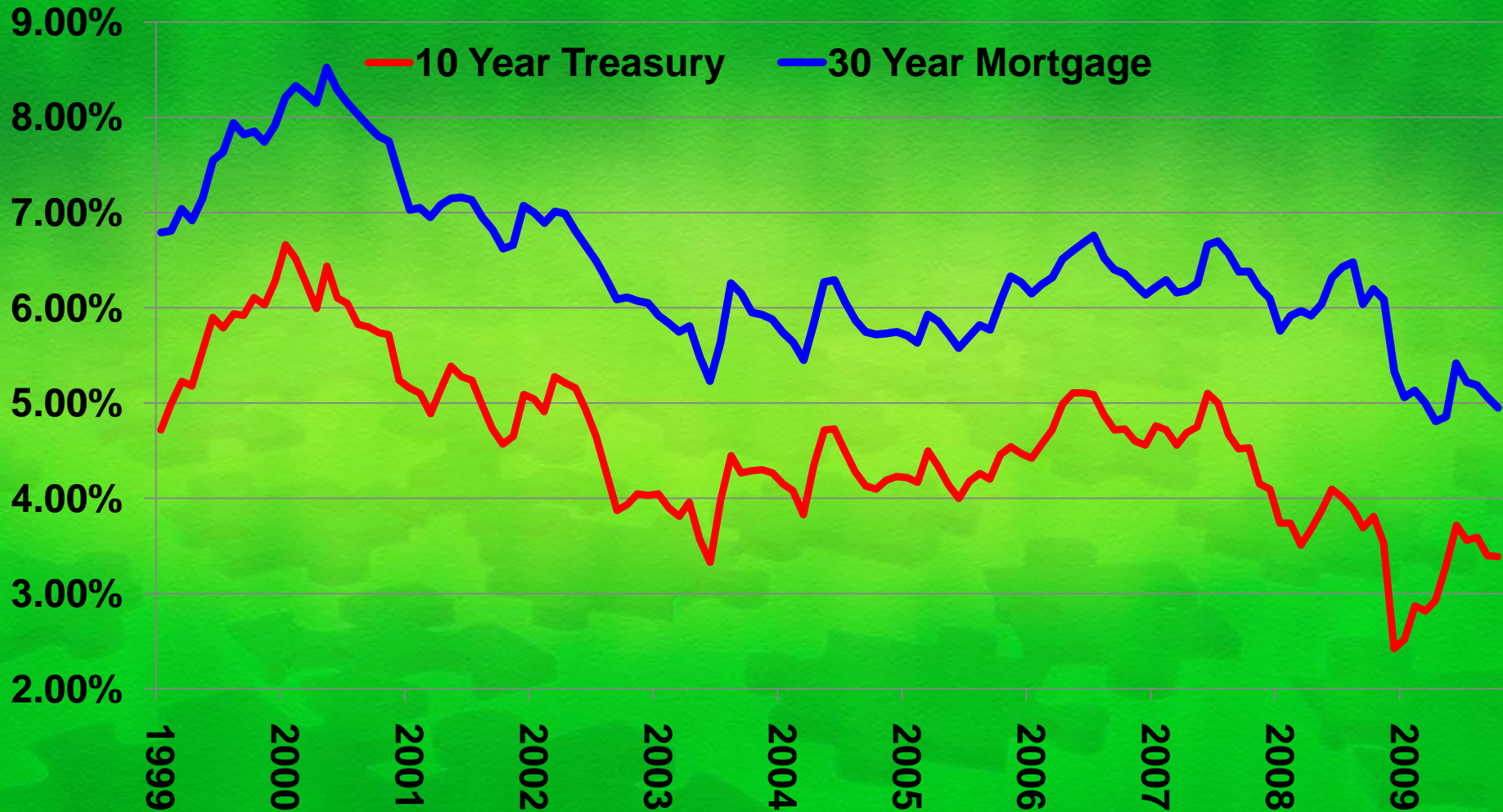
# World GDP Growth Rates in 2010



# Cheap Money: US Effective Federal Funds Rate and US M1



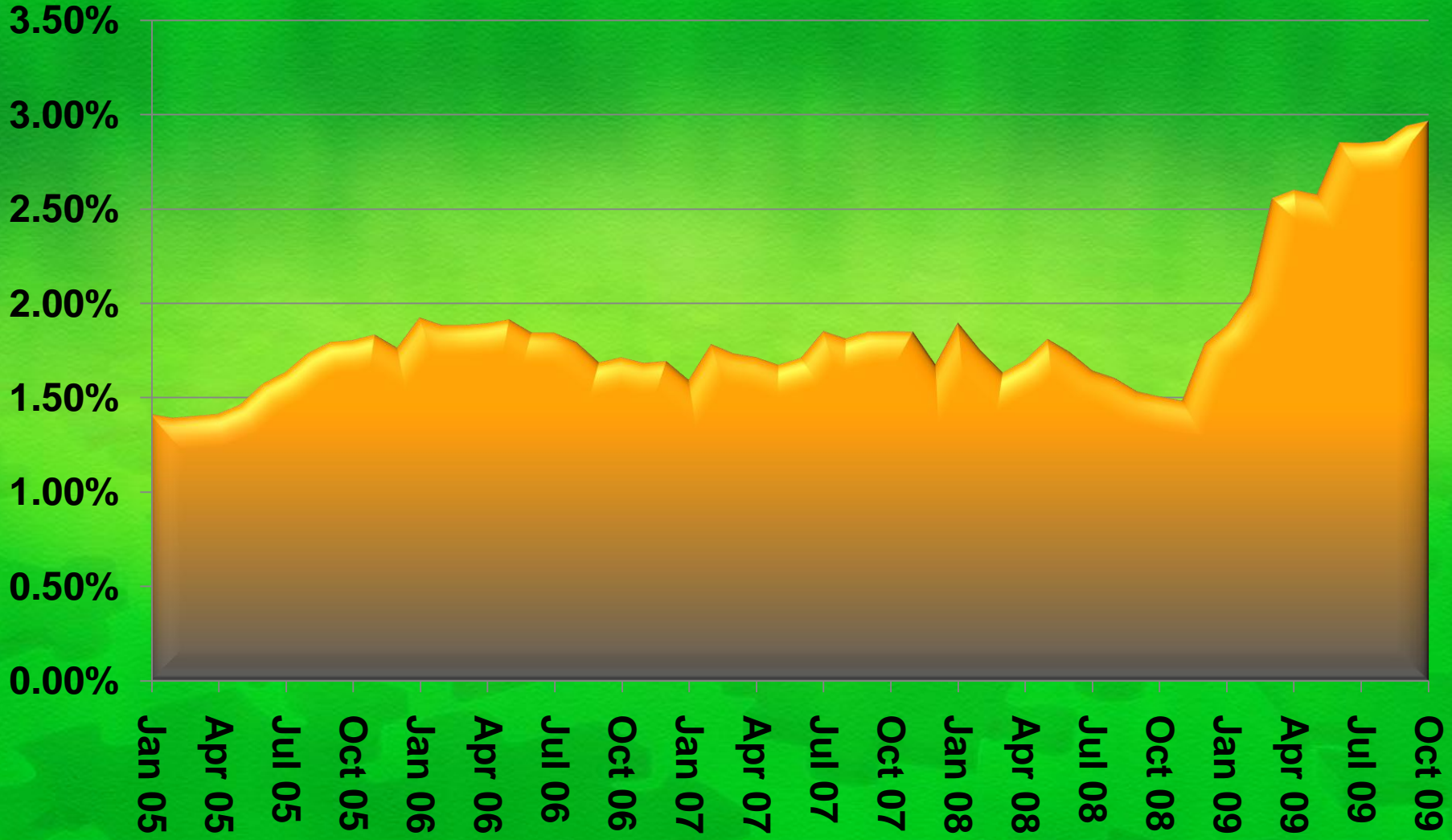
# US 10 Yr Treasury Constant Maturity Rate & 30 Yr Conventional Mortgage Rate



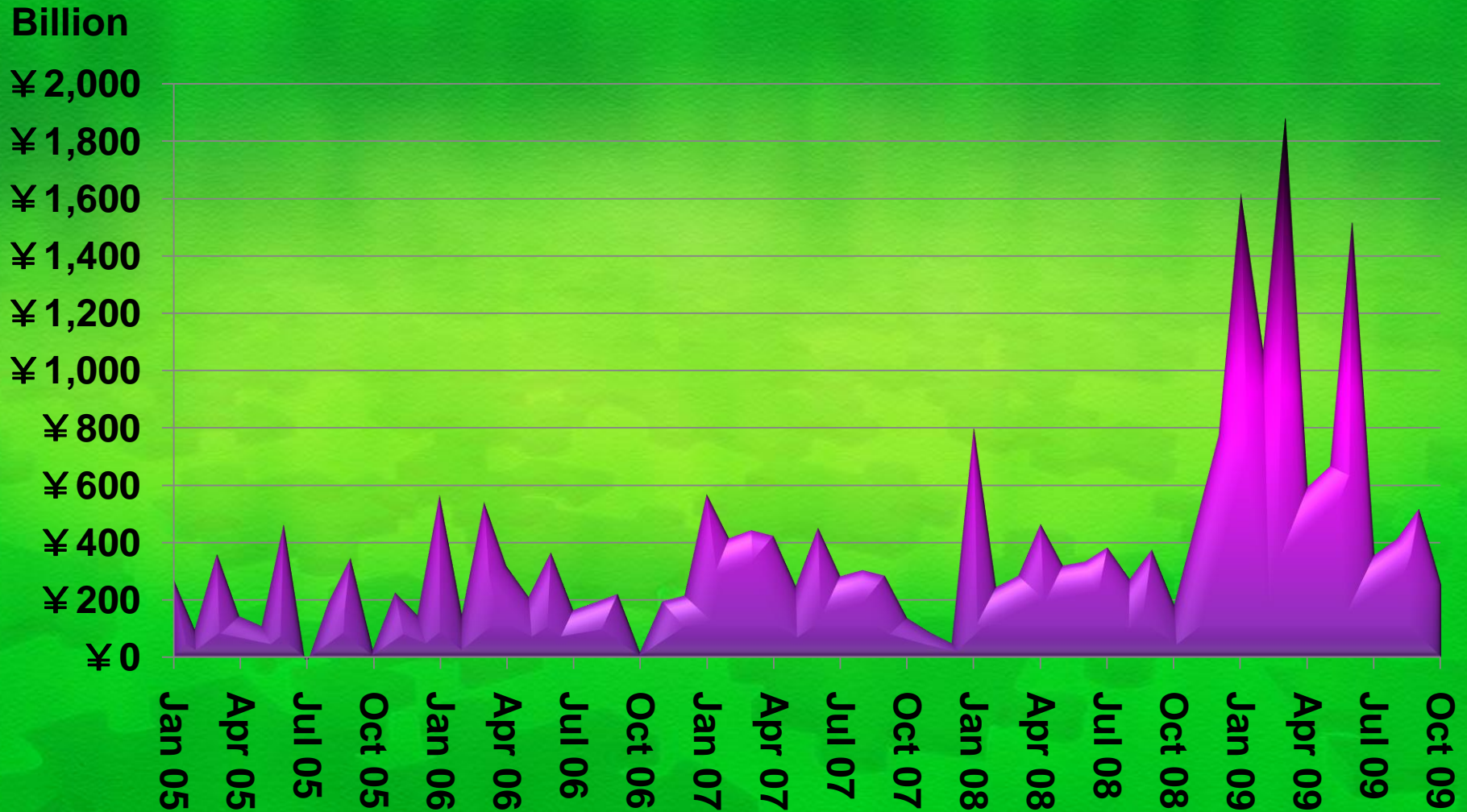
# Consumer or Small Business loans



# Chinese M2 Money Supply: YoY % Change



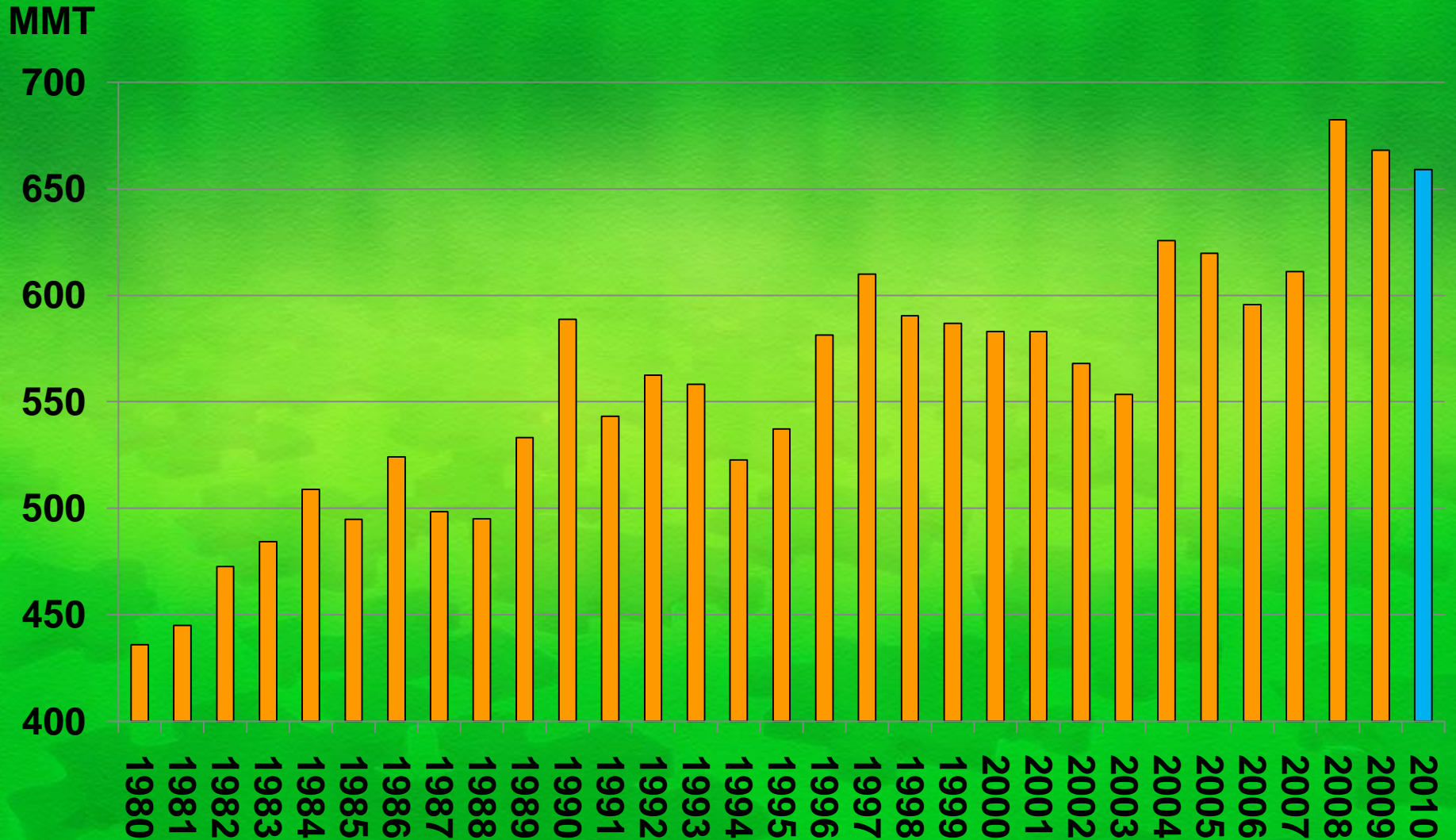
# Chinese Lending: New Monthly Loans



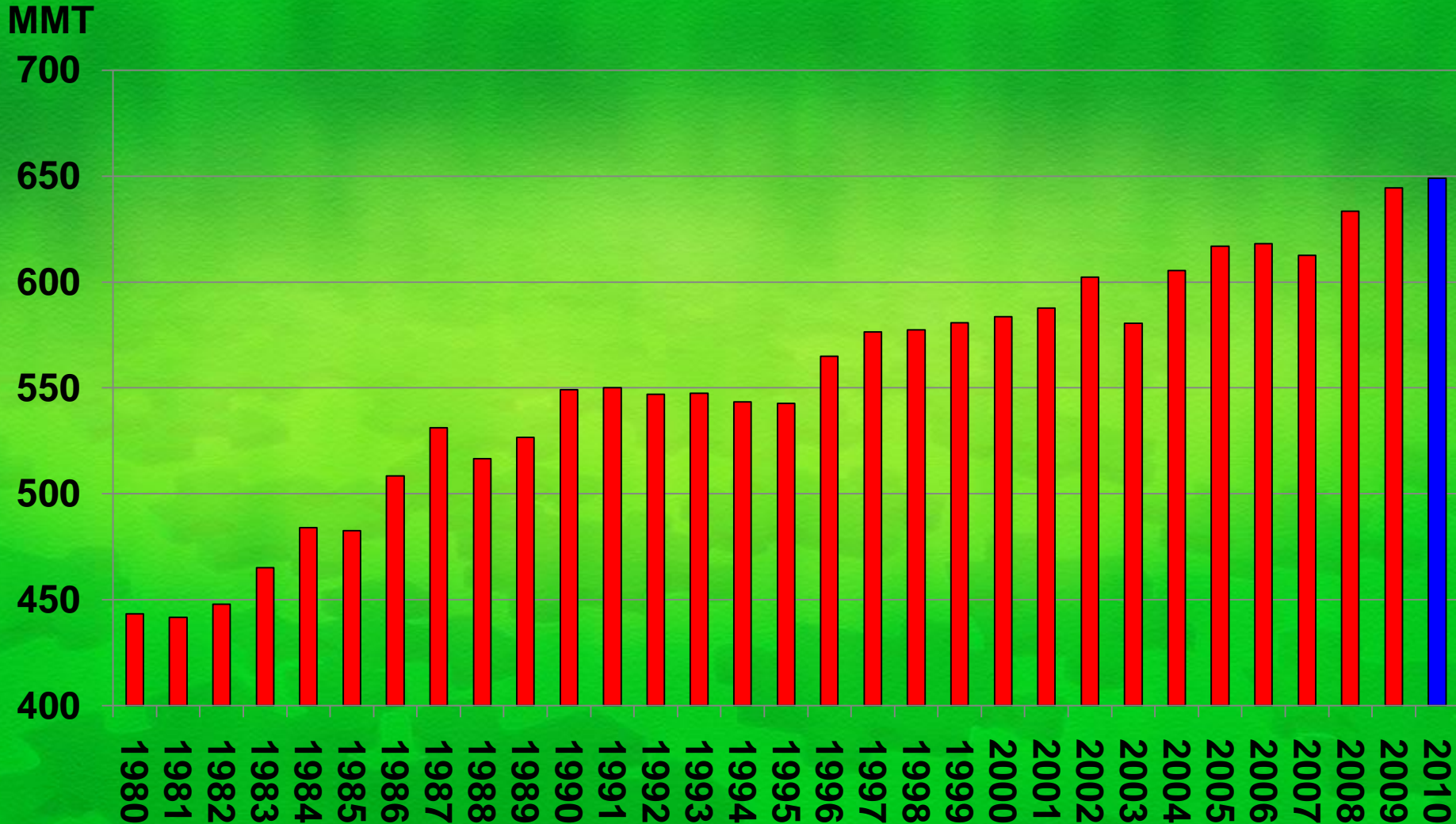
# World Grains- Wheat/Soy Supply Bear markets – Corn to become Bull Leader



# World Wheat Production

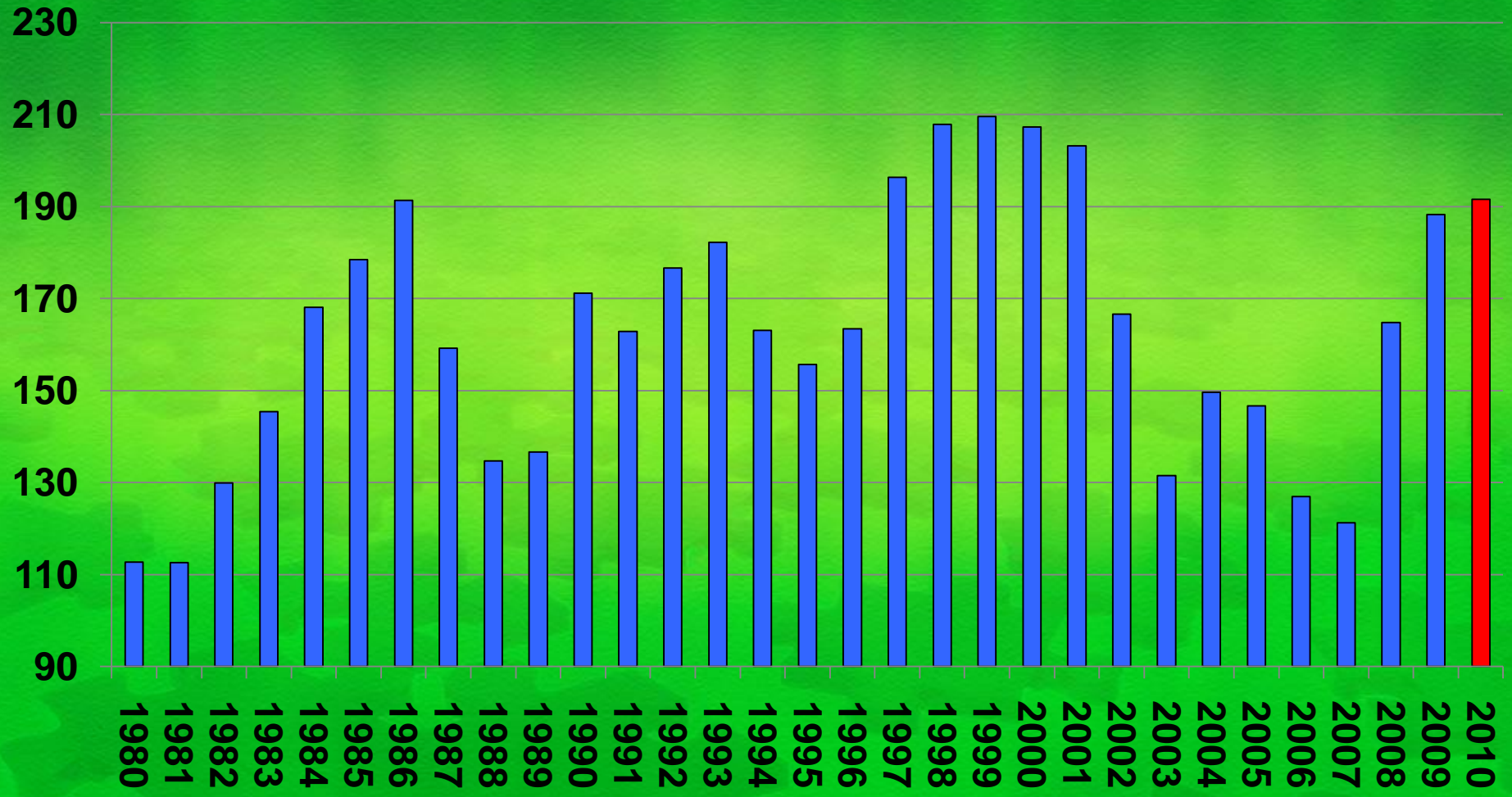


# World Wheat Demand

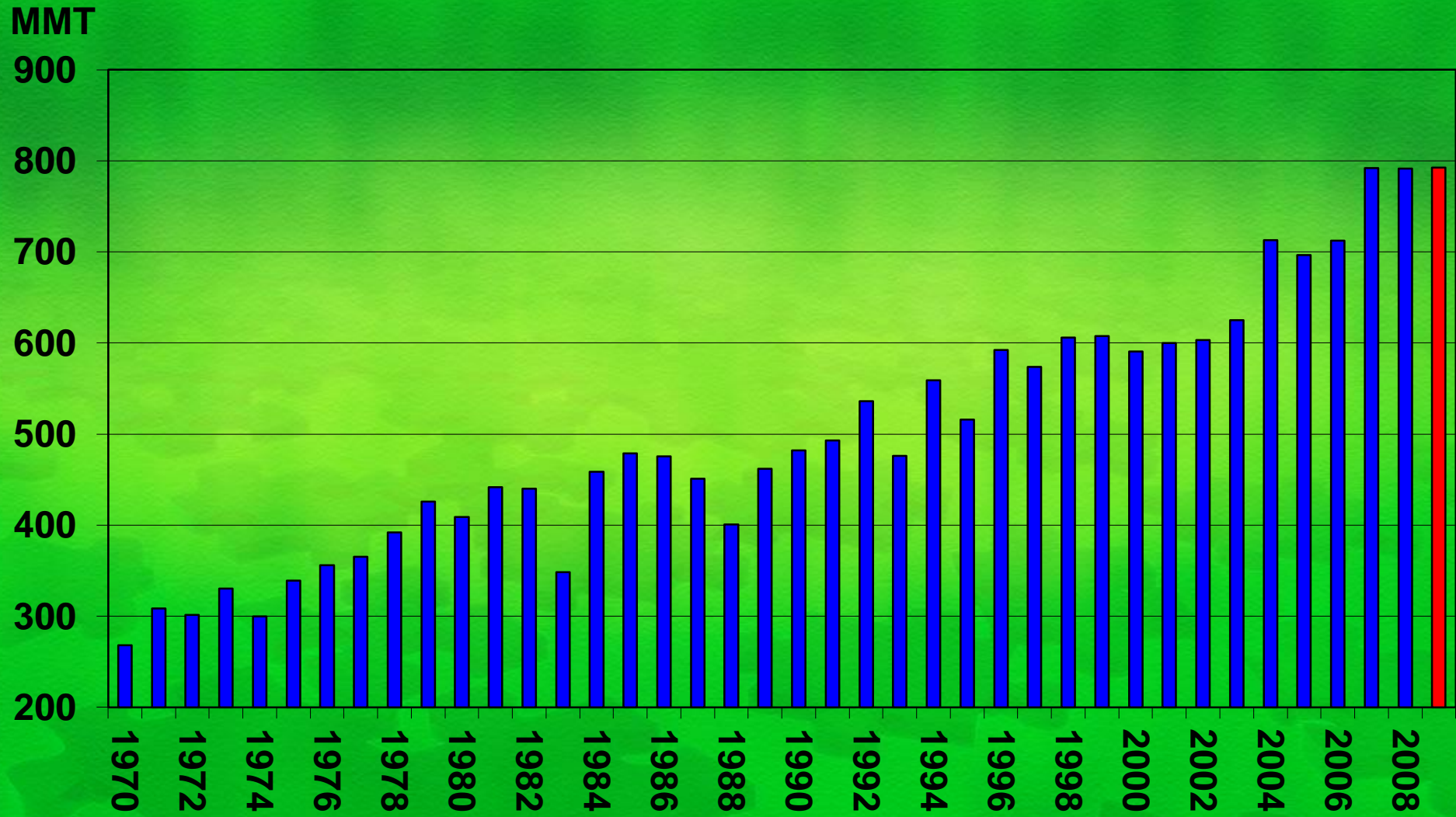


# World Wheat Ending Stocks

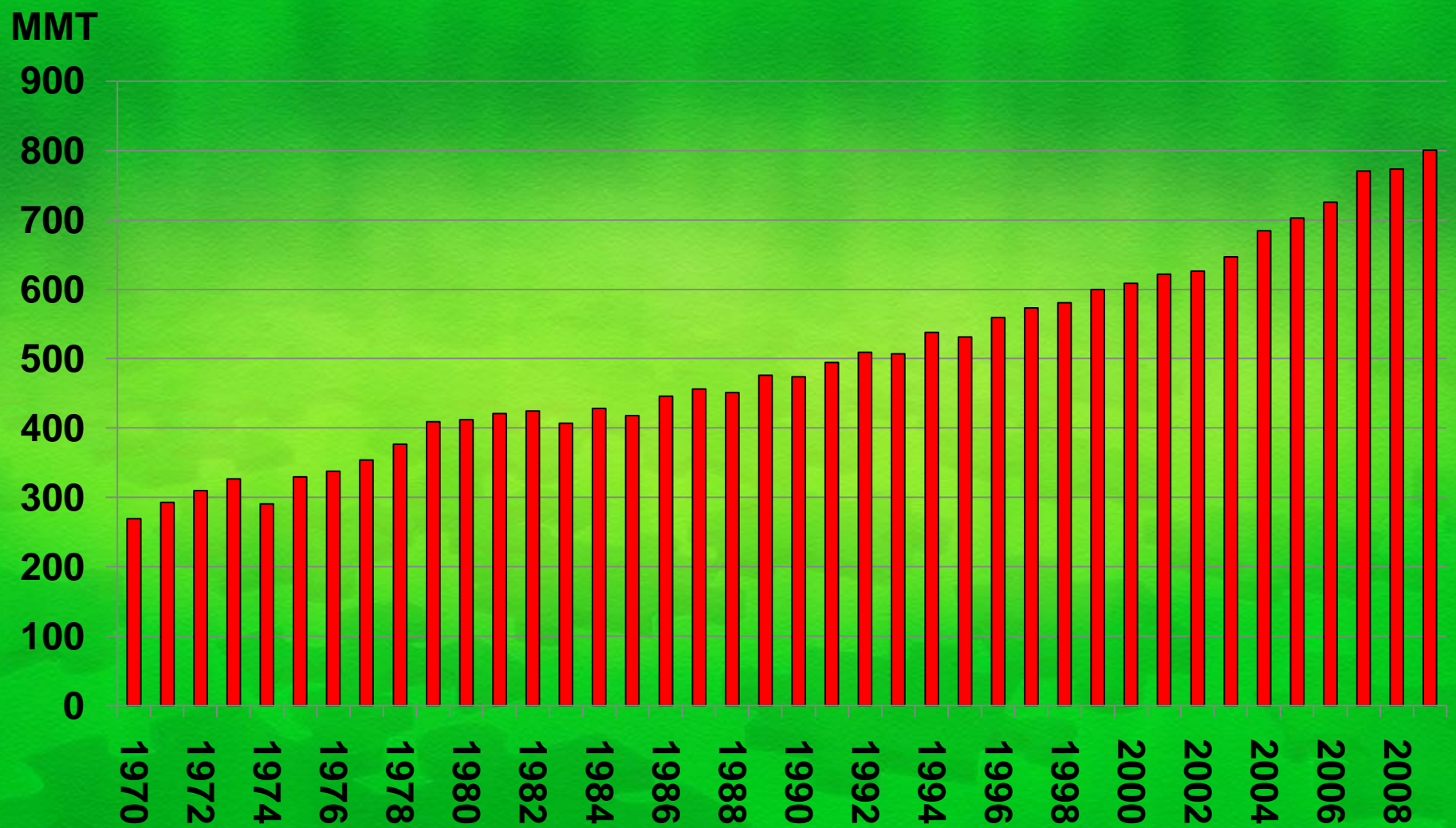
MMT



# World Corn Production



# Global Corn Demand



# Global Corn Stocks



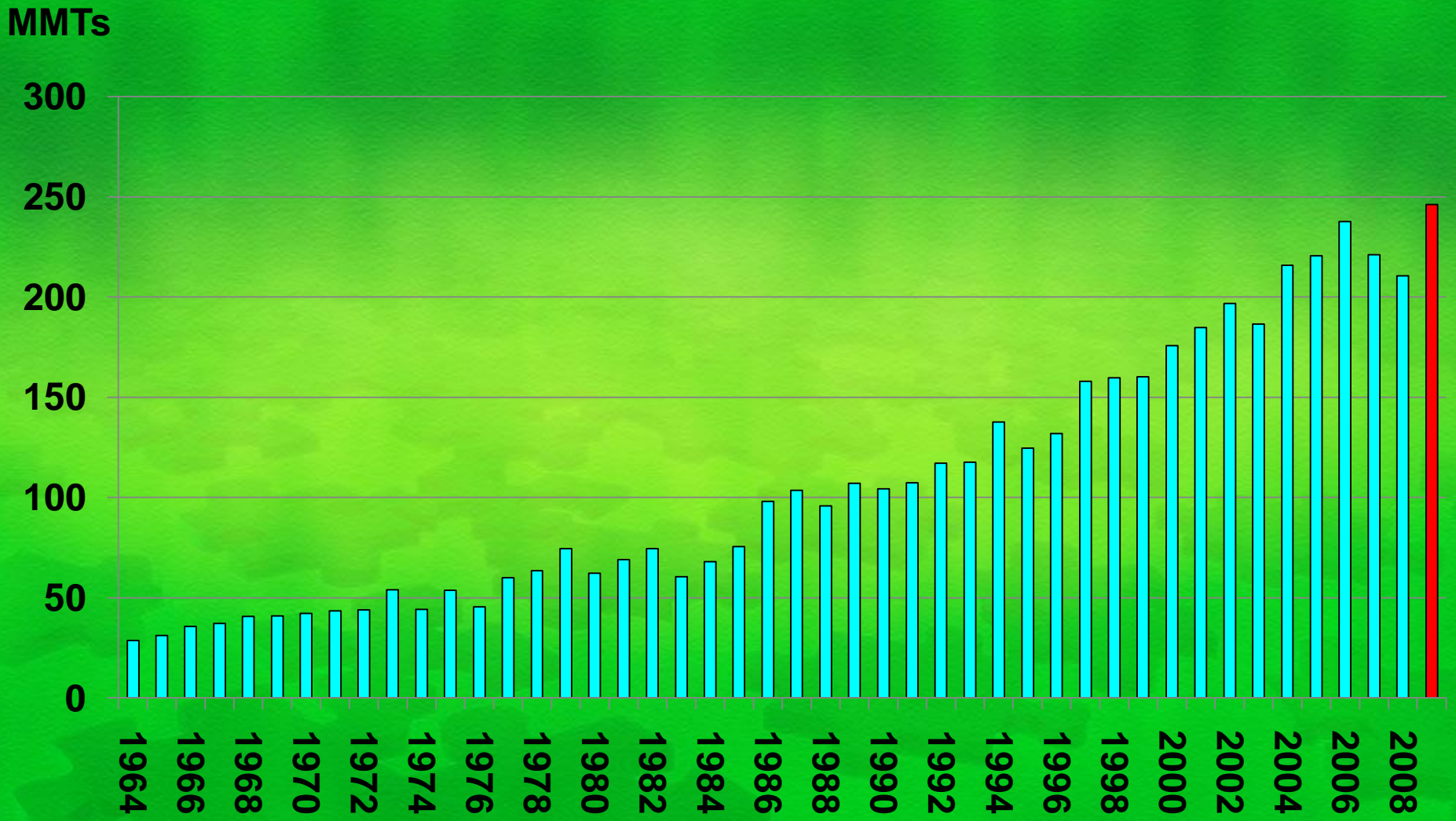
MMT



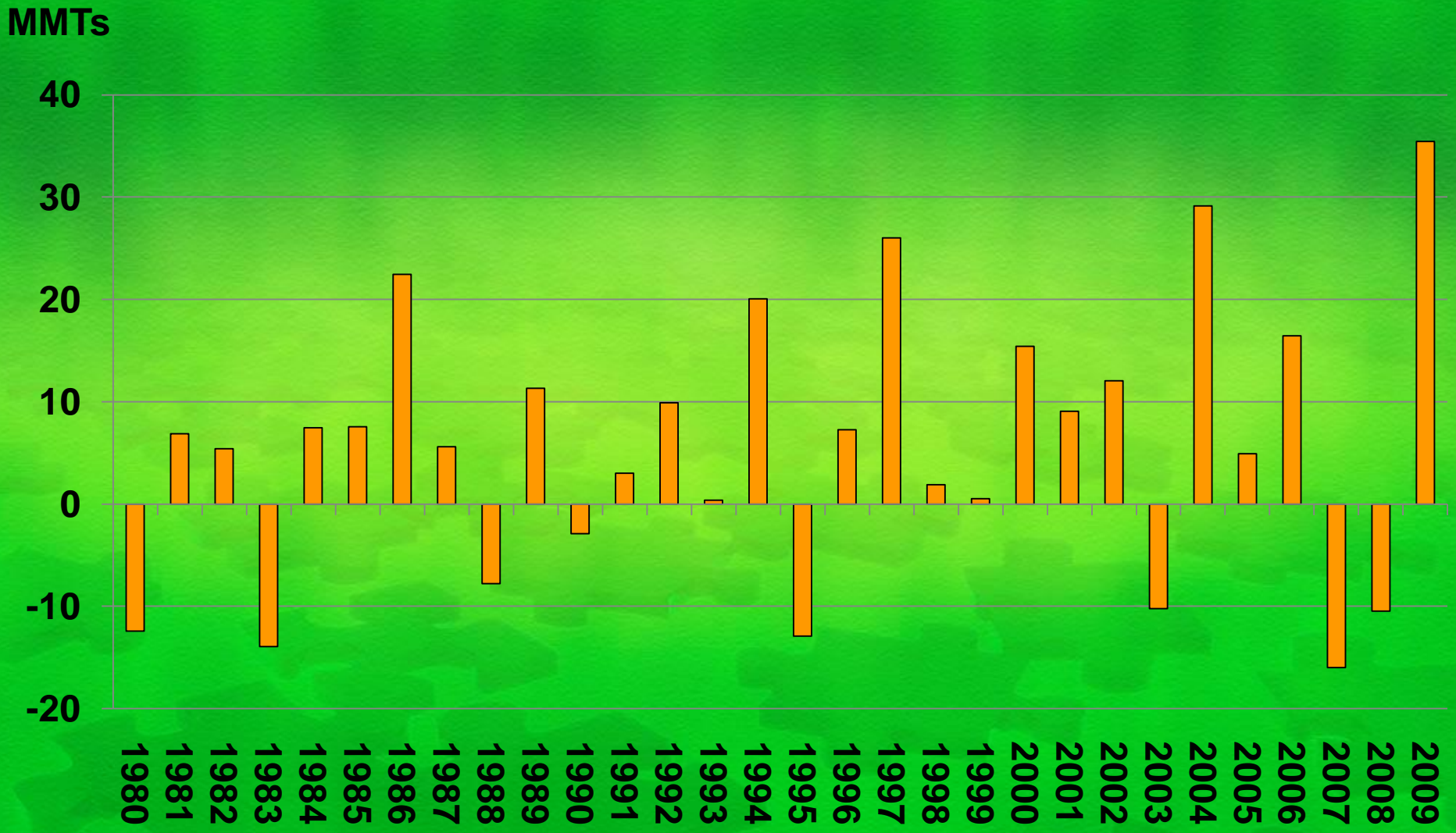
# World Soybean Outlook – Building Supplies & and a coming Bear?



# Global Soybean Production



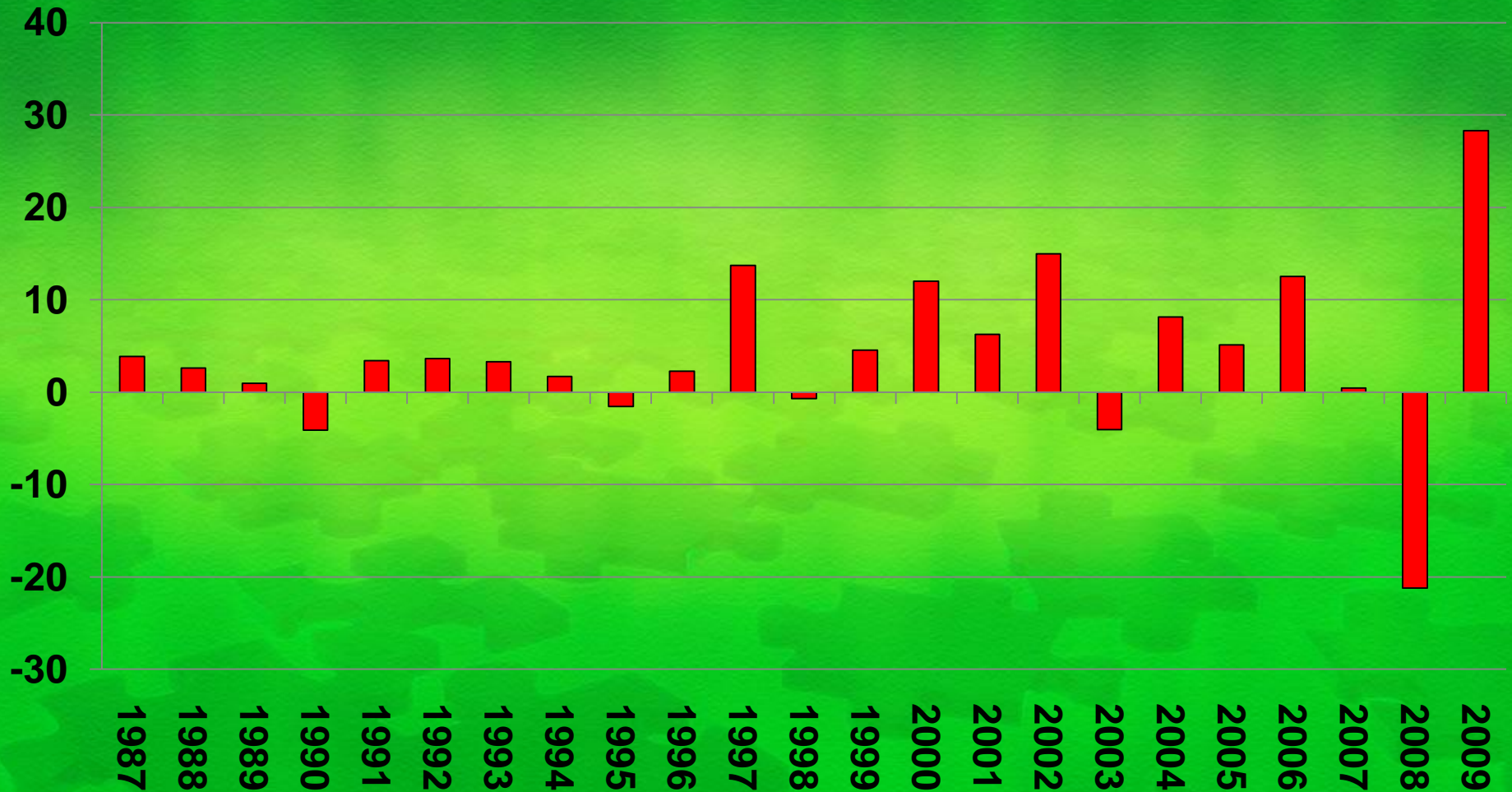
# 35.4 MMTs Rise in 2009/10 World Soy Production is Record Large



# Year-to-Year Delta in Latin American Soybean Production



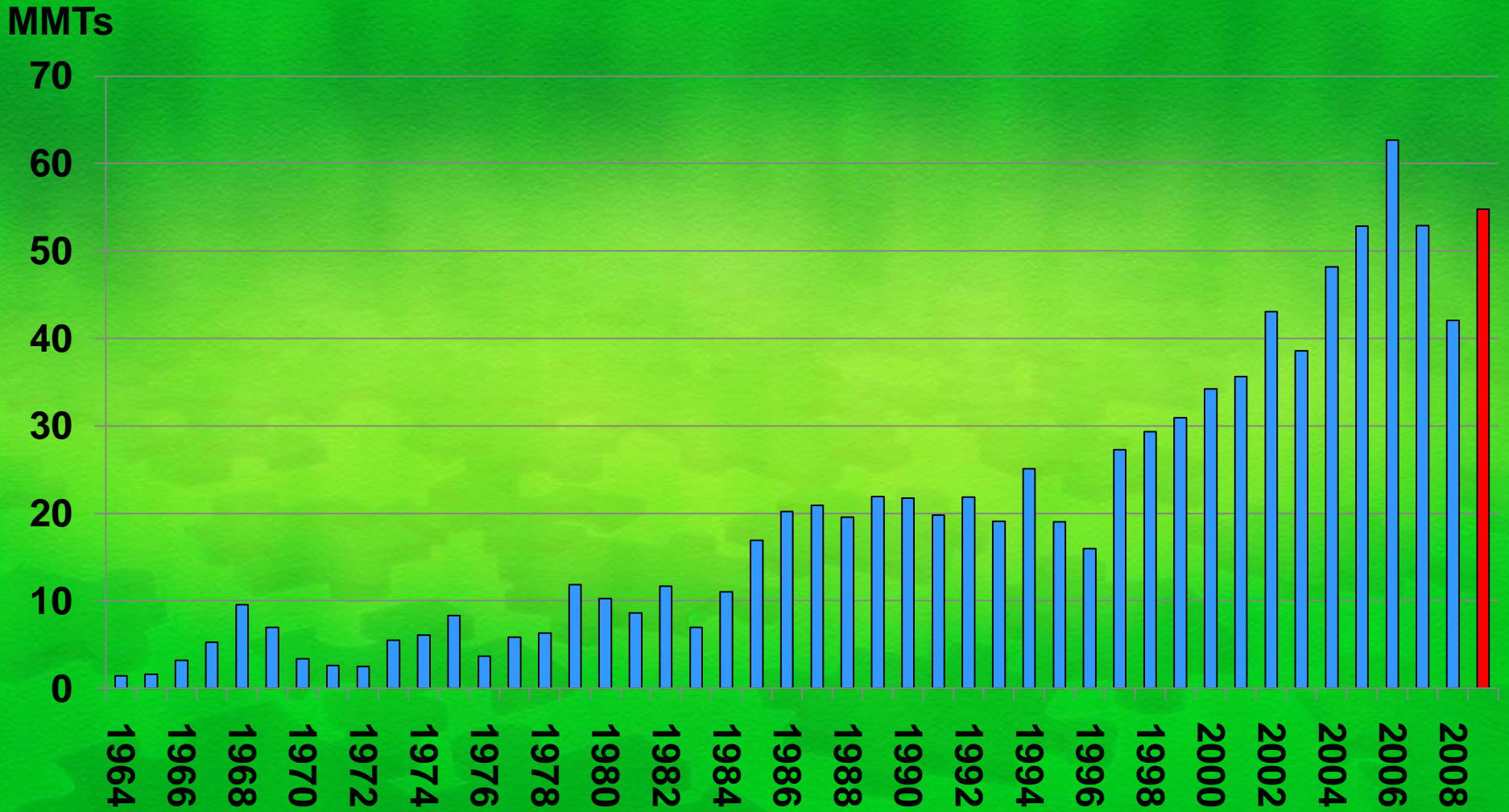
MMTs



# Global Soybean Demand



# Global Soybean Ending Stocks



# Global Grain Summary - 2010 to be an extremely volatile Year



- **New Bull leadership role to be assumed by corn – with oilseeds becoming bearish with normal S American weather on record supply gain in early 2010.**
- **2010/11 World wheat stocks will rise another 10 MMTs to 190 MMTs with normal world weather. This would be the largest world wheat stocks since the late 1990's.**
- **World bio fuel industry expanding, but rate of growth is slowing. Brazil and Argentina bio diesel mandates to push soyoil contribution to crush.**
- **Argentina to be more aggressive world grain exporter in 2010.**
- **What will Russia and China do with their Gov't Reserve stocks of wheat, corn and soybeans?**
- **It's the world economic and regulatory landscape that will be primary grain price drivers. World grain fundamentals are bearish, its just depends on whether money flow allows (them) to be realized?**