

Morning Comments

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INFORMA'S 22ND ANNUAL FALL OUTLOOK CONFERENCE
NOVEMBER 15-16, 2007 ~ CONFERENCE HOTEL: HILTON, MEMPHIS, TN

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- Jerry Steiner, Exec. VP of Monsanto, providing important fact-based ideas about seed crop technology; and
- Jeff Birnbaum, TV and Washington Post reporter, "handicapping" the Presidential Primaries.

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INFORMA'S 11TH ANNUAL CANADIAN FALL OUTLOOK CONFERENCE
THE RADISSON HOTEL CALGARY AIRPORT ~ CALGARY, ALBERTA
NOVEMBER 29 ~ 30, 2007

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WEATHER COMMENTS

CORN BELT: Dry conditions persisted through this morning. Temperatures yesterday ranged well above normal with 80s and lower 90s for highs, and 60s and lower 70s for readings this morning. More seasonal upper 40s and low 50s were noted in the northeast lakes and upper Ohio Valley area. A very progressive weather pattern continues through the coming week and weekend and will offer showers/t-storms to most areas. The best activity in terms of coverage and rainfall appears to affect the central and eastern areas as tropical moisture interacts with the current front on the Northern Plains. There, rainfalls locally to 2-3 inches are forecast with overall coverage to 70-80% and rains to 3/4 inch along with the locally heavier activity. To the west, showers there produce amounts to 1/2 inch with locally heavier activity possible. Another front sweeps the belt later in the week but should produce minimal moisture activity. Temperatures are going to trend much milder during the week as a more seasonal to slightly above-normal mix develops. We could see seasonal to slightly below-normal conditions in the upper Midwest as readings chill into the 30s for lows. Some frost will be possible in the Minnesota-Iowa-Wisconsin area that will shift to the lakes area thereafter.

TROPICAL UPDATE: Tropical storm JERRY is well to sea east of the Canadian Maritimes. A disturbed area of weather in the southwest Gulf of Mexico continues to move slowly west and northwest. Conditions are marginal for development. Another tropical wave is located just east of the southern Windward Islands and will continue northwestward affecting much of the island region through midweek. Further development is possible. In the eastern Atlantic, a vigorous wave and low is located 600 miles southwest of the Cape Verde Islands. This system too has potential to continue to develop as it tracks west and northwest.

FOREIGN NOTES: In **Argentina**, rains fell in southeast and south portions of Buenos Aires with amounts to 15/100 inch. Another round of rain is forecast Wednesday-Thursday though this activity is forecast to remain scattered and will produce light rainfalls of less than 3/10 inch. In **Brazil**, rains remained general through Rio Grande and Santa Catarina. Amounts varied to 1 inch with isolated 2 1/2-inch activity noted. Most of the interior

of the country saw little more than spotty showers the past 24 hours. Rainfall is forecast to remain focused in the far south through the week. In **India**, scattered rains produced amounts to 1 1/4 inches in the northwest, and to 1 1/2 inches in central and south areas. Heavy rainfalls of 4+ inches remain focused in the northeast as the tropical cyclone that made landfall in Orissa continues slowly west-northwest. Heavy rains are forecast the next two days in north-central and northeast areas. Off the Gujarat coast in the center west, another tropical system is going to produce moderate to locally heavy rains in coastal Maharashtra, and into Gujarat before moving further west toward southern Pakistan. In **Australia**, showers were noted in the southwest and west though amounts were less than 1/2 inch. This system moves downstream and could produce showers in Victoria and southern and central parts of New South Wales by Wednesday. Activity here could produce local 1/2 to 6/10 inch.

These Informa Economics reports were released the preceding business day: Sept. 21, 2007

• Weekly Canadian Market Outlook	CMO 09-21-07
• Weekly Cotton Update	CT07-37
• Dairy Monitor	DM07-09
• Dairy Weekly	DW07-38
• Weekly Feed Grain Update	FG07-39
• Hog and Pork Update, September 1 Hogs & Pigs Report	HP07-08
• Weekly Livestock & Meat Report	MP07-37
• International Meat Trade Report	MT07-09
• Weekly Poultry Outlook	PW07-37
• Weekly Rice Update	RI07-37
• Weekly Soybean Complex Update	SB07-38
• Weekly Transportation Update	TR07-45
• Weekly Wheat Update	WH07-39

1. MARKET AND TRADE ISSUES COVERED BY NEWS MEDIA

Trade Policy

- WTO backs US in case against Turkey's restrictions on imported rice: The World Trade Organization (WTO) made public a final dispute panel ruling backing a US complaint against Turkey's restrictions on imported rice. The ruling backed US claims that Turkey's tariff rate quota system and licensing restrictions on rice imports unfairly blocks the import of US rice. The panel, however, refused a US request to recommend action for Turkey to take in order to resolve one of the issues in the dispute, the requirement to buy Turkish rice in order to receive a license to import rice. The panel noted that the domestic purchase requirements already had expired and that Turkey had announced its intention not to reintroduce the measure. The panel agreed with the US that the refusal to grant import licenses for out-of-quota imports starting from September 2003 constituted a quantitative import restriction and a discriminatory licensing practice in violation of the WTO's Agriculture Agreement. The panel called on Turkey to bring the measures in line with its WTO obligations. The US and Turkey will have 60 days from the public circulation of the ruling to decide whether to file an appeal against the panel's findings. According to US Trade Representative, Turkey's 70-million potential consumers constituted a potential market for US rice exporters of \$200 million in 2006.

Grains/Oilseeds/Livestock

- Overnight trading: Chicago Dec. wheat up 15 1/2 cents at \$8.89 1/2; Dec. corn up 3 1/4 cents at \$3.79 3/4; Nov. soybeans up 2 cents at \$9.81.
- Malaysian palm oil prices close higher: Malaysian crude palm oil futures climbed 2.6 percent to a near four-month high today as a bullish price forecast by an industry analyst and firm soyoil prices spurred strong buying. The most-active December contract on the Bursa Malaysia Derivatives Exchange finished up 69 ringgit to 2,675 ringgit (\$772) per tonne. Other traded months rose 15 to 70 ringgit.
- India to decide on more wheat imports next month: India, which has contracted to import 1.3 million tonnes of wheat so far in 2007, will decide next month if it needs to buy more to build buffer stocks, a senior government official said on Saturday. "We will review the situation and take a call if there is a need to import more wheat," the official, who *Reuters* said did not wish to be identified, said. Last week, Farm Minister Sharad Pawar said the country may not import any more wheat this year, casting doubt on his earlier position that imports of around 5 million tonnes would be needed. The

official said the government could consider floating small import tenders every month if it once again went to the market.

- Indonesia govt to subsidize cooking oil: The Indonesian government will subsidize prices of non-branded cooking oil by paying the 10-percent value-added-tax itself in a bid to tame soaring local prices, the chief economics minister said today, according to *Reuters*. Under the scheme, cooking oil distributors can buy cooking oil from producers without paying the value-added-tax while producers can claim the tax from the government. Every tax invoice issued by producers and cooking oil sellers will be stamped as paid by the government. The policy will be effective from today until further notice. The government will use cooking oil subsidy funds of 325 billion rupiah (\$35.57 million) for the tax. Under the scheme, the government will set the export tax for crude palm oil at 10 percent if international prices are above \$850 per tonne, at 7.5 percent if prices are between \$750 and \$849 per tonne, and 5 percent if international prices are between \$650 and \$749 per tonne.
- China says it is not source of hog disease in Vietnam, Myanmar: Chinese officials are denying reports that their country is the source of blue-ear hog disease that has shown up in Vietnam and Myanmar, saying the strain of the disease found in China more closely matches a US-type of the disease. An official from the UN Food and Agricultural Organization said the agency was satisfied with China's efforts to share information about its hog disease situation.

Energy

- Prices: Oil fell to around \$81 per barrel today, retreating further from a record high, as oil companies in the Gulf of Mexico restored more output after a storm led to evacuation and production cuts. The US Minerals Management Service said about 45.8 percent, or 595,000 barrels of US Gulf daily oil production, remained shut by 1630 GMT Sunday, down from more than 60 percent earlier. Subtropical Storm Jerry reached tropical storm status Sunday in the Atlantic Ocean but posed no immediate threat to land, the National Hurricane Center said. US crude fell 66 cents to \$80.96 per barrel by 0850 GMT to stand nearly \$3 below the all-time high of \$83.90 reached on Thursday. London Brent crude shed 55 cents to \$78.75. Iran's President Mahmoud Ahmadinejad said in a US television interview on Sunday that Iran was not planning to build a nuclear bomb and his country was not heading for war with the US. For further information about all of the energy markets, contact Informa Economics personnel Jim Allwood at 901-766-4655 or Karen McCary at 901-766-4536 about subscribing to the company's daily Energy Comments that covers all the energy markets, including crude oil, heating oil, unleaded gasoline, natural gas, electricity/power, cash market information, government reports, energy trade and policy developments as well as regional energy weather forecasts. Also, you can receive a free one-week trial by calling today.

US and International Economy

- US markets: The Dow Jones Industrial Average rose 53.49 points to 13,820.19 -- up 2.8 percent for the week and its strongest weekly gain since March. The Nasdaq Composite Index was up 16.93 to 2,671.22. The 10-year Treasury note added 10/32, or \$3.125 for every \$1,000 invested, to 100-30/32, to yield 4.632 percent Friday. The 30-year bond was up 28/32 to 101-23/32, yielding 4.890 percent.

2. SENATE TO ACT ON MAJOR WATER BILL. The Senate on Tuesday finally will consider the conference report (HR 1585) on WRDA -- the Water Resources Development Act (WRDA). The House approved the conference report on Aug. 1.

Another presidential veto is threatened over the cost and the earmarks. The WRDA bill's price tag increased considerably as lawmakers added new projects in conference. A total of \$21 billion would fund more than 900 water resource development projects and studies by the Army Corps of Engineers for flood control, navigation and environmental restoration -- in an unusual development even for Congress, the additional funding was above both the House-passed bill which would have authorized nearly \$15 billion, and the Senate-passed measure that would have authorized \$14 billion. As for the earmarks, there are 93 pages of them totaling more than 800 water projects and studies.

The House has already cleared the conference report on a vote that easily could override any presidential veto; the Senate vows it will do the same.

The conference report authorizes \$3.7 billion for a system of new locks and dams and environmental restoration for the Upper Mississippi River and Illinois Water System. The waterways involved include the Mississippi River, from southern Illinois to the Minneapolis-St. Paul area; and the Illinois Waterway.

- New locks. Of the total authorized, \$1.9 billion would be for new locks. Half of that amount would come from the Inland Waterways Trust Fund.
- Smaller projects. The conference accord also would authorize an additional \$256 million for smaller-scale navigational improvements.
- Implementation reports. The measure would require that for any environmental project, the Corps submit "implementation reports" to Congress regarding the status of ongoing projects. No individual restoration project could exceed \$25 million.
- Independent peer review. The conference agreement would codify an independent peer-review process for Corps studies to determine whether to approve a water resource development project. Such reviews generally would be required for water projects that have an estimated cost of \$45 million or more, or if the governor of an affected state requests such a review.

Required peer reviews. The measure would require peer review for any projects, regardless of cost, if the Corps' chief of engineers deems them "controversial," or if a governor in a relevant state requests a review. It would permit, but would not require, a review of a project if the head of a federal or state agency reviewing the project determines it would have an adverse effect on environmental or cultural resources.

Exemptions. The chief of engineers would have authority to exempt projects from the review process if he or she determines that the project would have no more than negligible adverse impacts on cultural, historic or tribal resources; have no substantial adverse impacts on fish and wildlife species or their habitat; have no more than a negligible adverse impact on threatened or endangered species or their habitat; involves only the rehabilitation, without expansion, of existing facilities; had minimal safety risks; and involves a type of project in which the corps is experienced.

The peer review panels would be established by the National Academy of Sciences, or a similar independent scientific technical-advisory organization. These panels would be responsible for reviewing a study for technical and scientific sufficiency. The reviews could cost no more than \$500,000, unless the chief of engineers determines a longer time or more money is needed. The peer review requirement would apply to project studies initiated within the two-year period prior to enactment, and for seven years after enactment.

3. SEVERAL FARM POLICY BRIEFINGS WILL TAKE PLACE THIS WEEK.

- USDA Acting Secretary Conner today: Acting Secretary of Agriculture Chuck Conner will host a news conference today at 1 p.m. (CDT) to discuss his new role and provide an opportunity for questions.

Conner last week said it was unclear whether he would remain as closely involved in congressional farm bill proceedings as he had been as deputy secretary, but that he would remain closely involved in the farm bill progress due to his involvement to date. "I was involved personally in the development of the [Bush administration's] farm bill and chaired many of the [USDA] farm bill forums myself," Conner said. "[Former USDA Sec. Mike Johanns] and I sat down together and made all the policy decisions that constituted our farm bill proposal and I have sat through all of the House markups."

- Sen. Harkin on Tuesday: Senate Ag Committee Chairman Tom Harkin (D-Iowa) will hold his regular weekly Tuesday morning (10 a.m. [CDT]) briefing to update on farm bill matters. We should get a better handle on whether or not there has been progress on officially scheduling a panel markup session he reportedly pledged to Senate Majority Leader Harry Reid (D-Nev.) will take place next week. We also could know whether the Finance Committee will go ahead with an Oct. 3 markup of budget offsets for additional farm bill spending, and the full details of how the additional farm bill spending is going to be offset.

Sources report the Democrats had a spirited meeting with Harkin on Friday regarding the farm bill process to date.

4. CFTC REPORT: The CFTC published its Commitment of Traders Report for futures contracts Friday afternoon. Net positions for the three trader groups, based on data reported Friday for Sept. 18, are shown in the following table along with those previously published for Aug. 28, Sep.4, and Sep. 11.

The most significant net changes in the latest reporting week were the large across-the-board increases for the soy complex. Large traders added 11,800 long futures and options to soybeans net longs. The total is now the largest since mid-July, but still below historic norms as measured by the position as a percent of open interest. Large specs in soybean oil added 6,500 net-long futures and options while meal traders boosted net longs by 5,900 futures and options. The net buying extended gains in net longs for a fourth consecutive week.

Additional buying was noted in the corn market last week as the large trader group added 16,200 futures and options to net longs. As a percent of open interest, the large spec net long remains near the five-year maximum, but the gross position is still well below the levels of July and August.

Liquidation remains evident in the wheat markets with modest declines registered in large trader net longs at Chicago, Kansas City and Minneapolis. The large trader total as a percent of open interest remains above average for Kansas City and Minneapolis, but near normal for Chicago.

CFTC REPORT FUTURES AND OPTIONS (000 Contracts)

		Open Interest	Small Trader	Large Speculator	Reporting Hedger	Index Trader /1
CORN	28-Aug	1,511	-119	118	-354	355
	4-Sep	1,522	-114	100	-346	359
	11-Sep	1,533	-124	102	-329	350
	18-Sep	1,552	-114	118	-357	353
CBT WHEAT	28-Aug	473	-34	8	-157	184
	4-Sep	479	-36	9	-155	181
	11-Sep	500	-36	-2	-146	185
	18-Sep	509	-34	-3	-143	180
KC WHEAT	28-Aug	165	0	40	-74	34
	4-Sep	151	-1	38	-72	34
	11-Sep	171	-2	37	-69	34
	18-Sep	163	-4	35	-64	34
MGE WHEAT	28-Aug	56	-1.8	12.7	-10.9	--
	4-Sep	61	-2.2	11.5	-9.3	--
	11-Sep	65	-1.7	12.0	-10.3	--
	18-Sep	67	-1.6	10.1	-8.6	--
SOYBEANS	28-Aug	638	-31	85	-206	152
	4-Sep	660	-30	91	-219	157
	11-Sep	679	-33	94	-220	159
	18-Sep	738	-33	106	-231	158
SOY MEAL	28-Aug	213	19	46	-65	--
	4-Sep	222	22	54	-76	--
	11-Sep	230	23	57	-80	--
	18-Sep	246	23	64	-87	--
BEAN OIL	28-Aug	300	7	21	-99	72
	4-Sep	297	10	33	-115	72
	11-Sep	303	13	45	-131	73
	18-Sep	315	16	51	-139	73

		Open Interest	Small Trader	Large Speculator	Reporting Hedger	Index Trader /1
OATS	28-Aug	15	-0.6	4.0	-3.4	--
	4-Sep	15	-0.9	4.2	-3.4	--
	11-Sep	15	-1.0	4.5	-3.5	--
	18-Sep	15	-1.7	4.7	-3.0	--
ROUGH RICE	28-Aug	15	1.3	1.3	-2.6	--
	4-Sep	15	1.4	2.2	-3.7	--
	11-Sep	16	1.7	2.4	-4.2	--
	18-Sep	16	1.8	2.8	-4.6	--
LIVE CATTLE	28-Aug	248	-30	13	-96	114
	4-Sep	254	-31	19	-103	114
	11-Sep	248	-33	15	-97	114
	18-Sep	252	-30	11	-95	115
LEAN HOGS	28-Aug	195	-16	1	-66	81
	4-Sep	196	-17	0	-63	81
	11-Sep	192	-17	0	-64	81
	18-Sep	196	-18	-2	-61	81

1/ Note: The Index Trader's net long across the 12 reported commodities increased 25,600 contracts during the latest week. Changes during the two previous weeks were down 4,710 and up 17,820, respectively.

5. CORN PRICE COMMENTS: December corn futures ended the week on a strong note, gaining another 7 1/4 cents Friday after closing 11 cents higher Thursday. Speculative buying, due to technical strength and robust export demand, pushed the market higher as the funds reportedly bought another 8,500 contracts. Further talk that China may import corn to curb inflation also was supportive. In view of China's concerns about inflation, future import needs and its desire to build stocks, Informa has cut its Chinese corn export program for 2007/08 from 4 MMT to 2 MMT and has raised its 2007/08 US corn export projection to 2,400 million bushels. Corn futures ended unchanged to a few cents higher in the overnight session.

In recent weeks, support to corn futures has come mostly from strength in the soybean market that needs to regain significant acreage from corn because of extreme tightness expected in 2008/09. However, November soybean futures closed 9 1/2 cents lower Friday despite gains in corn futures as the funds were light sellers of soybean futures due to profit taking ahead of the weekend. Though USDA raised its corn production estimate and 2007/08 carryout projection in its Sept. 12 reports, speculative funds reportedly have bought 42,000 corn contracts since then. A portion of that buying reflected unwinding of wheat/corn spreads. The funds now are net long an estimated 216,600 corn contracts, which is the largest since before USDA's June 29 Acreage report.

The December 2008 corn contract, which closed near \$4.21 for the week, may be in competition with soybean futures, but could face increasing resistance at both its contract high and the December 2007 contract high around \$4.35. A South American drought problem that could reduce Argentine or Brazilian export prospects potentially could become a catalyst to add to strength to soybean and corn prices. The floor of support to corn may be rising, but short-term reactions lower on negative news also are possible.

US INTERIOR CORN SPOT BASIS LEVELS (cents/bushel)

Date	Decatur, IL	Des Moines, IA	Keokuk, IA	Omaha, NE	Marshall, MN	Gulf (CIF)
9/17/07	-35Z	-46Z	-47Z	-43Z	-30Z	+42.5Z
9/18/07	-32Z	-48Z	-47Z	-43Z	-30Z	+34Z
9/19/07	-32Z	-49Z	-47Z	-43Z	-30Z	+35Z
9/20/07	-32Z	-49Z	-51Z	-43Z	-30Z	+48Z
9/21/07	-32Z	-49Z	-52Z	-43Z	-30Z	+48Z

CBT CORN FUTURES (Cents/Bushel)

Contract	High	Low	Settle	Change
Dec 07	377	371 1/4	376 1/2	7 1/4
Mar 08	392 1/2	387	392	6 3/4
May 08	401 1/2	396	401 1/4	6 3/4
Jul 08	410	404	409 1/2	6
Sep 08	415	409 1/2	415	7

6. WHEAT PRICE COMMENTS: Futures surged higher on Friday, with Chicago December briefly moving up the daily price limit at one point. Continued strong demand for US wheat, indicated by another strong week of export sales and new purchases from Iraq and Algeria, along with concerns that the Australian crop is continuing to deteriorate, fueled the gains. Funds were reportedly net buyers of about 3,000 contracts in Chicago, with open interest increasing by roughly 2,000 contracts. Futures continued the rally in the overnight session. Over the weekend, Iraq issued a fresh import tender and Ukrainian officials are now talking about extending export quotas on wheat, corn, and barley through the end of March. A final decision is expected later this week. In addition, statements from the Australian Prime Minister over the weekend appeared to underscore the government's low expectations for Australian grain production. Weather in Australia continues to bring light, scattered showers to the southern coastal areas, but current forecasts do not hold much hope for a good general rain event in the coming week. The market may be in the process of discounting an Australian crop below 15 MMT and weather developments there continue to top the "watch list" for the wheat market.

WHEAT FUTURES (Cents/Bushel)

Contract	High	Low	Settle	Change
CHICAGO				
Dec 07	880	852	874	24
Mar 08	880	857 1/2	877 1/2	23 1/4
May 08	772	753	767 1/2	24
Jul 08	630	614	629	17
Sep 08	631	620	631	17
KANSAS CITY				
Dec 07	860	839	858	24
Mar 08	858	839	854	19
May 08	780	758	780	28
Jul 08	632	619	630	10 1/2
Sep 08	634	622	631	9
MINNEAPOLIS SPRING				
Dec 07	832	808	826	23
Mar 08	837	815	833	22 3/4
May 08	815	793	810	17
Jul 08	720	700	720	18
Sep 08	629	620	629	12

7. WHEAT EXPORT DEVELOPMENTS

IRAQ – Tenders for 50 TMT of optional origin hard wheat for delivery by the end of November. Offers are due September 29 and must remain valid until October 18.

CCC – Tenders for 11.5 TMT of HRW for Bolivia for October 25-November 5 shipment.

BANGLADESH – No offers received in its September 24 offer deadline in its tender for 50 TMT of optional origin wheat.

US GULF WHEAT SPOT FOB VALUES

Date	HRW 11% prot, Track		SRW No 2, Barge		HRS 14% prot		Gulf Spreads (\$/MT)	
	Basis (¢/bu)	Value (\$/MT)	Basis (¢/bu)	Value (\$/MT)	Basis (¢/bu)	Value (\$/MT)	HRW-SRW	HRS-HRW
9/17	68	339.70	25	331.43	110	344.38	8.27	4.68
9/18	68	336.85	25	328.49	110	340.15	8.36	3.31
9/19	68	329.41	28	320.59	110	333.72	8.82	4.32
9/20	68	331.43	25	321.51	110	335.47	9.92	4.04
9/21	68	340.25	25	330.33	110	343.92	9.92	3.67

PACIFIC NORTHWEST WHEAT SPOT FOB VALUES

Date	HRW 11.5% prot		HRS 14% prot		Soft White		HRS-HRW (\$/MT)	White-Gulf SRW (\$/MT)
	Basis (¢/bu)	Value (\$/MT)	Basis (¢/bu)	Value (\$/MT)	Basis (¢/bu)	Value (\$/MT)		
9/17	35	327.57	50	322.33	-22	314.16	-5.24	-17.27
9/18	40	326.56	50	318.11	-6	317.10	-8.45	-11.39
9/19	40	319.12	50	311.68	13	315.26	-7.44	-5.33
9/20	48	324.08	50	313.42	8	315.26	-10.66	-6.25
9/21	48	332.90	50	321.87	-16	315.26	-11.02	-15.06

Soft White is basis Chicago nearby futures.

US INTERIOR WHEAT SPOT BASIS LEVELS (CENTS/BU)

Date	KC HRW	KC HRW	Hutch, HRW	Minneapolis HRS		Milling SRW		
	Ord Prot	13% Prot	Ord Prot	13% Prot	14% Prot	Chicago	Toledo	St. Louis
9/17	-3	33	-30	0	5	0	-30	-40
9/18	-3	33	-30	0	8	0	-30	-60
9/19	-3	33	-30	10	10	0	-30	-60
9/20	-3	33	-30	10	8	0	-30	-60
9/21	-3	33	-30	10	8	0	-30	-60

US INTERIOR WHEAT SPOT BASIS LEVELS (CENTS/BUSHEL)

Class	Spot		Oct		Nov		Dec	
	Basis	Cnt	Basis	Cnt	Basis	Cnt	Basis	Cnt
Gulf SRW, C&F Barges, Basis CBOT	30	Z	45	Z	45	Z	51	Z
Texas HRW, Track, Basis KC	unq	Z	unq	Z	unq	Z	unq	Z
Portland HRS, Rail (14% prot), Basis MGE	unq	Z	65	Z	70	Z	-	Z
Portland HRW, Rail (ord prot), Basis KC	unq	Z	50	Z	52	Z	55	Z

8. SOYBEAN COMPLEX PRICE COMMENTS: Soybean futures closed nearly a dime lower on Friday, but gained nearly a quarter for the week nonetheless as soybean complex futures rallied to new contract highs last week. It appears that profit taking was the feature on Friday after soybean futures had strung together 10 consecutive days of higher closes, nearly hitting \$10 in the November contract from a low of \$8.87 earlier this month and a low of \$8.04 1/2 in mid August. Although soybean oil futures were able to make new contract highs last week, soybean oil was the weaker product as the oil share dropped to the lowest level since March amid poor biodiesel profitability. Friday's CFTC report revealed that speculators continue to add to their net-long positions in the soybean complex with the net-long soybean meal position in futures and options record long in an absolute sense and nearly a record as a percent of open interest.

At the end of the week, USDA will release its estimates of Sept. 1 stocks of grains and oilseeds and potentially revise its estimate of the 2006 US soybean crop as part of that stocks report. Informa expects

USDA to peg Sept. 1 soybean stocks at a record 547 million pounds and suspects that USDA will revise lower its 2006 US soybean crop by 5 to 10 million bushels.

Soybean complex futures were firmer in overnight trade and soybean meal is likely to continue to be the stronger product with the energy markets a bit easier and wheat prices stronger in the US and Europe. High EU wheat prices and high energy prices are supportive to soybean complex futures in the near term and in longer term the soybean market has to attract more soybean production in the South America and the US. In the process, soybean futures may make a run the \$10.60 highs made in early 2004.

SOYBEAN AND PRODUCT BASIS LEVELS

	SB	SBM	SBO
Decatur Basis	-55X to -40X	-16Z to -12Z	-150V
Gulf Basis	+40X to +43X	UNQ	+125V to +175V
Brazilian Export Basis (FOB)	NA	NA	NA

CBT SOYBEAN COMPLEX FUTURES

Contract	High	Low	Settle	Change
SOYBEANS (Cents/Bushel)				
Nov 07	989 1/2	978	979	-9 1/2
Jan 08	1004 1/2	993 1/2	994 1/2	-9 3/4
Mar 08	1012	1002	1002 1/2	-8 1/2
May 08	1009 1/2	1000	1001	-8 1/2
Jul 08	1011	1001 1/2	1002 3/4	-11 1/2
Aug 08	990	990	990	-8
Sep 08			967	-11
SOYBEAN MEAL (Dollars/Short Ton)				
Oct 07	275.50	272.30	272.70	-2.60
Dec 07	281.20	278.00	278.30	-2.90
Jan 08	283.50	280.00	280.00	-3.10
Mar 08	286.00	283.00	283.00	-3.50
May 08	284.00	280.50	281.40	-2.80
Jul 08	285.50	283.00	283.00	-2.60
Aug 08	281.00	276.50	276.50	-2.00
Sep 08	274.00	268.50	268.50	-2.50
SOYBEAN OIL (Cents/Pound)				
Oct 07	39.50	38.93	38.99	-0.45
Dec 07	40.10	39.42	39.52	-0.42
Jan 08	40.40	39.75	39.84	-0.50
Mar 08	40.70	40.05	40.09	-0.59
May 08	40.80	40.20	40.30	-0.49
Jul 08	41.00	40.31	40.50	-0.45
Aug 08	40.65	40.42	40.50	-0.50
Sep 08			40.45	-0.40

9. DAILY LOAN AND LDP ACTIVITY FOR MAJOR CROPS

PERCENT IN LOAN OR LDP AS OF SEP 21

Crop	Corn	Soybeans	Wheat	Rice
1998	1%	0%	50%	
1999	2%	1%	67%	15%
2000	3%	1%	67%	20%
2001	1%	1%	33%	19%
2002	0%	0%	7%	21%
2003	1%	0%	25%	24%

Crop	Corn	Soybeans	Wheat	Rice
2004	1%	0%	11%	17%
2005	7%	0%	7%	15%
2006	0%	1%	4%	11%
2007	0%	0%	1%	8%

DAILY LDP ACTIVITY FOR MAJOR CROPS

Date	Corn			Soybeans			Wheat		
	2006	2007	2007	2006	2007	2007	2006	2007	2007
	LDPs (mil bu)	LDPs (mil bu)	LDP Rate (\$/bu)	LDPs (mil bu)	LDPs (mil bu)	LDP Rate (\$/bu)	LDPs (mil bu)	LDPs (mil bu)	LDP Rate (\$/bu)
9/17	1.0	0.0	0.00	1.0	0.0	0.00	0.2	0.0	0.00
9/18	1.0	0.0	0.00	0.6	0.0	0.00	0.0	0.0	0.00
9/19	1.3	0.0	0.00	1.4	0.0	0.00	0.1	0.0	0.00
9/20	1.3	0.0	0.00	1.1	0.0	0.00	0.0	0.0	0.00
9/21	0.7	0.0	0.00	1.5	0.0	0.00	0.0	0.0	0.00
Total	31.9	0.0		19.7	0.0		1.2	0.0	

LOAN PLACEMENTS FOR MAJOR CROPS (Mil Bu)

Date	Corn			Soybeans			Wheat		
	2006	2007	2007	2006	2007	2007	2006	2007	2007
	Cumulative	Cumulative	Daily	Cumulative	Cumulative	Daily	Cumulative	Cumulative	Daily
9/17	14.8	22.4	1.2	1.1	0.4	0.0	57	26	0.3
9/18	16.3	24.1	1.7	1.1	0.5	0.0	58	26	0.2
9/19	17.2	26.4	2.3	1.2	0.5	0.0	59	26	0.3
9/20	18.9	28.9	2.4	1.3	0.6	0.1	61	27	0.3
9/21	19.8	32.5	3.6	1.5	0.7	0.1	62	27	0.6

OUTSTANDING LOANS FOR MAJOR CROPS (Mil Bu)

Date	Corn			Soybeans			Wheat		
	2005	2006	2006	2005	2006	2006	2005	2006	2006
	Cumulative	Cumulative	Daily Chg	Cumulative	Cumulative	Daily Chg	Cumulative	Cumulative	Daily Chg
9/17	145	82	-3.1	87	35	-1.5	9	1	0.0
9/18	139	78	-3.8	84	34	-1.4	9	1	0.0
9/19	126	76	-2.3	77	33	-1.2	9	1	-0.1
9/20	119	73	-3.0	73	31	-1.5	9	1	0.0
9/21	117	70	-2.5	70	30	-1.3	9	1	0.0

DAILY ROUGH RICE LOAN AND LDP ACTIVITY (Mil Cwt)

Date	Loan Placements			Outstanding Loans			LDP Registrations		
	2006	2007	2007	2005	2006	2006	2006	2007	2007
	Cumulative	Cumulative	Daily Chg	Cumulative	Cumulative	Daily Chg	Cumulative	Cumulative	Daily Chg
9/17	14.1	8.7	0.1	1.6	1.6	-0.1	0.0	0.0	0.0
9/18	15.7	8.9	0.2	1.5	1.6	-0.1	0.0	0.0	0.0
9/19	17.5	13.0	4.1	1.5	1.5	-0.1	0.0	0.0	0.0
9/20	19.5	13.5	0.6	1.4	1.5	0.0	0.0	0.0	0.0
9/21	20.5	14.8	1.3	1.3	1.4	0.0	0.0	0.0	0.0

10. TRANSPORTATION FREIGHT RATE TABLES. The following tables detail select barge and ocean freight rates with data for the previous business day, the day prior and one year ago.

NOMINAL CASH BARGE FREIGHT RATES (% of Tariff)

	St. Louis		Ill. River		Mid-Miss. River		Twin Cities		Memphis-Cairo	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
21-Sep-07	625	675	675	700	700	725	650	700	550	575
20-Sep-07	675	725	700	725	725	750	650	700	600	625
22-Sep-06	510	525	575	600	550	560	580	590	425	450

SELECT OCEAN FREIGHT RATES (\$/MT)

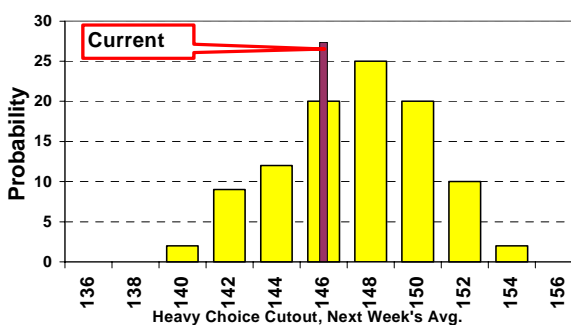
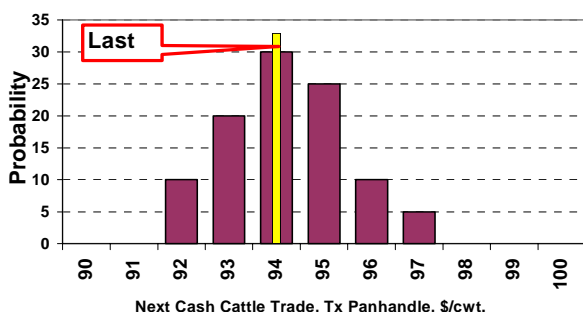
	Gulf / Continent	Gulf / Japan	PNW / Japan	Gulf / PNW Spread	Argentina / Japan	Brazil / Japan
	----- Panamax -----				----- Handymax -----	
21-Sep-07	54.41	96.05	88.01	8.04	#N/A	#N/A
20-Sep-07	52.68	93.46	85.77	7.69	#N/A	#N/A
22-Sep-06	29.82	50.13	38.45	11.68	89.10	90.80

11. CATTLE AND BEEF COMMENTS:

Market Feature	Comments
Bids	Packers will likely pull bids back to the \$90 area once again.
Asking Prices	Cattle feeders will probably start their asking prices in the area of \$97.
Showlists	Showlists are expected to be smaller this week.
Cash Trade	Cattle feeders won the stare-down last week with packers raising bids to \$94 live before producers in the South were willing to open their gates. There were also some sales at \$94.50. This was up \$1-1.50 from the light trade of the previous week. Cattle in the North sold up \$1-2 at mostly \$147 dressed. Trade volume on Friday was large.
Slaughter	Packers didn't fully follow through with their announced intentions for further production cutbacks. Friday's FI slaughter was 117,000 head while Saturday came in at 24,000 head. This put the week's total at 645,000 head, up 2000 head from the previous week. Early expectations are for this week to be around 640,000 head.
Weights	Average carcass weights for the first full week of September were up six lbs. at 791 lbs, and two lbs. heavier than a year ago. Steer weights were up three lbs. at 849 lbs. Heifer weights were up nine lbs. at 776 lbs. Weights should continue to move higher and be at all-time record levels in October.
Cutouts	Cutout values were mixed on Friday with the Choice cutout up \$0.11 and Select down \$0.28. For the week, the Choice cutout was down \$0.33 and the Select lost \$2.31. Packers need a considerable turnaround upward in cutout values to pay for more costly cattle. Packer margins are mired in a sea of red ink.
Box Movement	Packers had good sales volume at the end of the week as buyers were anticipating much higher asking prices for beef cuts this week. The spot market total for the week was 80 loads (six percent) larger than the previous week. But higher asking prices this week could slow movement once again.
Ch/Se Spread	The spread ended the week near \$9 and should widen in the coming weeks.
End Prices	End meats were mostly steady at the end of the week. Asking prices will be higher this week. Round have the most upside potential into October. Chucks could bounce up and then settle back down a bit.
Middle Prices	If packers keep beef supplies constrained, they may be able to pump up loin prices into October. However, strip loins, short loins and top butts will be vulnerable to downward pressure in November and December. Ribs and tenderloins should move seasonally higher into late November.

Market Feature	Comments
Trim Prices	Production cutbacks have supported beef 50s in the \$50+ area. But this latest bump upward will likely be short-lived. Larger kills could pressure early October prices toward the \$40 area. Cow slaughter will continue to rise on a seasonal basis into October and November, but the downside risk on fresh 90s from the \$130 area is likely limited as cow slaughter will remain several percentage point below year ago levels.
Front Futures	Live cattle futures moved sharply higher on Friday in response to the stronger cash cattle market. Traders feel that the producers are in the driver's seat and the packers will have limited ability to pressure cash prices lower this fall. Nearby Oct jumped 140 points while Dec was up 122 points. The large Oct-Dec spread is expected to continue to narrow.
Back Futures	The distant contracts were up 35 to 85 points. The latest CFTC report indicated the large spec trader reduced net long position in the week ending the 18th, but likely were aggressive buyers again late this week amid a rebound in open interest and higher futures prices. Look for the large specs to remain interested buyers amid the continuing price uptrend.
Deliveries	The next delivery period begins in early October.
Cattle on Feed	The USDA <i>Cattle on Feed</i> report released on Friday was close to analysts' expectations. August placements were down seven percent, marketings were even and September 1 inventories were off six percent from a year ago. Among the placement data, those weighing over 700 pounds were up one percent.

CURRENT INFORMA ECONOMICS PROBABILITY ESTIMATES:



RECENT CASH TRADE

		Last Significant Trade	Current Price	Current Volume*	Week-to-Date Negotiated Volume*
W. KS	Lv Str	\$93	\$94-\$94.50	Large	Large
TX/OK	Lv Str	\$93	\$94-\$94.50	Large	Large
NE	Dr Str	\$145-\$146	\$147	Large	Large

*Our estimate (None, Small, Moderate, Large).

BOXED BEEF CUTOUTS FOR Sep 21, 2007

Grade-Weight	Value	Chg	Spread	Load Counts	
Choice 600-900	\$145.07	0.11	\$8.86	Choice: 189	Trim: 20
Select 600-900	\$136.21	-0.28		Select: 136	Grinds: 53

SLAUGHTER (Hd)

Daily:	9/21:	117,000	Last Week:	110,000	Last Year:	126,000
Cumulative:	WTD:	645,000	Last Wk WTD:	643,000	Last Yr WTD:	658,000

LIVE CATTLE FUTURES			FEEDER CATTLE FUTURES		
Month	Settle	Chg.	Month	Settle	Chg.
Oct07	96.700	1.400	Sep07	116.400	0.550
Dec07	100.175	1.225	Oct07	116.200	0.950
Feb08	101.575	0.675	Nov07	116.375	0.875
Apr08	101.250	0.450	Jan08	114.975	0.775
Jun08	97.075	0.350	Mar08	112.775	0.775
Aug08	95.300	0.500	Apr08	113.525	0.525
Oct08	97.950	0.850	May08	113.500	0.450

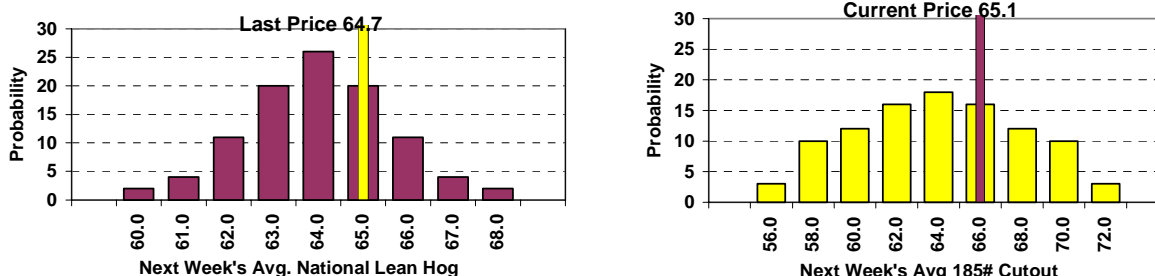
CME INDEXES	9/20	Chg
Feeder Cattle	\$116.34	-0.13

12. HOGS AND PORK COMMENTS: The USDA released monthly cold storage estimates for the end of August on Friday. Considering the large kills that were already showing up last month it shouldn't be a shock that freezer stocks grew slightly from the previous month and were 9% above a five year average and 10% above last year for total pork. Bellies at 22.7 mln lbs were outside of the range of expectations to the upside and may weigh on belly futures today. Ham stocks were record large for the date and 26% above average, as export sales continue to disappoint, while cash trade struggles. This coming Friday the USDA releases its latest greatest quarterly *Hogs and Pigs Report*.

If the cold storage doesn't seem bearish, consider another record slaughter for the week, at 2.242 mln head, up a hefty 4.8% from last year. Cash trade held barely steady to close out the week, but is likely to face some pressure next week. Oct futures are factoring a modest \$3 decline in cash in the next 3 weeks, which looks about right to us. But even after trading another \$1 lower Friday, the Dec futures seem somewhat pricey. Futures and cash are converging, as the always do, but it looks like the futures are doing all the converging this time around.

The pork cutout gave up almost \$1 Friday. Lower cash bellies match up with the bearish cold storage report. Hams kept a weak tone as well. Big volumes are likely to pressure cuts lower in the coming weeks.

INFORMA PRICE PROBABILITIES



RECENT CASH TRADE

Direct Markets (base hog prices)	09/21/07	Change	Estimated Packer Margin	Change
Iowa/S. Minn	63.20	-0.83	Previous Day	-3.36
Western Cornbelt	63.09	-0.64	Last Week	1.98
Eastern Cornbelt	59.79	+1.60	Year Ago	-4.97
National	61.83	+0.29		

WHOLESALE PORK TRADE

National Markets	09/20/07	Change	Market	09/21/07	Chg.
National Base Cost:	64.00	-0.08	USDA Cutout, 185#	65.07	-0.76
HG201 Daily	64.55	-0.26	Loin Primal	79.46	-0.53
Slaughter Sow (5-550)	43.45	+0.15	Ham Primal	56.80	-1.35
			Belly Primal	78.24	-2.25

SLAUGHTER (hd):

Daily:	09/21/07	415,000	Week Ago:	408,000	Year Ago	406,946
Cumulative:	WTD:	2,242,000	Last Wk WTD:	2,226,000	Last Yr WTD	2,139,841

LEAN HOG FUTURES			FROZEN BELLY FUTURES			NATIONAL CARCASS WEIGHT	
Month	Settle	Chg.	Month	Settle	Chg		
Oct 07	61.35	-1.03	Feb 08	86.70	+1.08	Prev Day	199.4
Dec 07	63.80	-0.98	Mar-08	86.75	+1.75	Last Week	198.4
Feb 08	68.10	-0.48	May-08	87.50	+0.50	Year-Ago	200.1
Apr 08	69.83	-0.15				Trend Wt	201.9
May 08	74.28	-0.20					
Jun 08	76.78	+0.13					
Jul 08	74.88	-0.03					

CME INDEXES	09/20/07	Prev.
New Lean Hog	64.68	64.72

13. THIS WEEK IN WASHINGTON: Congress this week must complete work on a Continuing Resolution (CR) because it is woefully behind on passing and sending to President George Bush Fiscal Year 2008 spending bills; thus, a CR is needed to keep the government running into the new fiscal year which begins Oct. 1. President Bush today will make a statement on budget issues, where he is likely to highlight Congress' lack of progress on spending bills.

The length of a CR is still being debated by Democratic leaders, who apparently have different ideas on the matter. The CR is expected to continue agency and program funding at current fiscal 2007 levels for seven weeks, through Nov. 16. The House Rules Committee has scheduled a meeting on Tuesday to recommend a floor rule for the measure. Stopgap funding bills traditionally originate in the House and are usually brought straight to the House floor without any committee markup.

A limited 2002 farm bill extension also very likely will be part of the CR but not a full-fledged extension as Democratic leaders and farm panel chairmen stress they want a new farm bill in place, eventually.

There will likely be several CRs, say Capitol Hill contacts, who see major differences continuing between the two major political parties on a host of measures Democratic leaders want passed before this session of Congress adjourns -- which may be into December.

Congress this week will take up a conference report that would renew and revise the State Children's Health Insurance Program (SCHIP), a move that President Bush has signaled would end in a veto, much to the dismay of some of his Republican brethren. The compromise agreement would provide a whopping \$35 billion increase for the program over the next five years, to a total of \$60 billion for SCHIP. The extra funding would expand coverage to around 10 million uninsured children while maintaining coverage for the 6.6 million children already covered by the program. The \$35 billion is being offset by big tax hikes on cigarettes and other tobacco products, including a 61-cent increase in the cigarette tax, to \$1.00 per pack.

This week's Washington-related agenda:

Tax issues

- The Senate Finance Committee holds a Wednesday morning hearing on offshore tax issues, with a focus on reinsurance and hedge funds.
- Subcommittee on Oversight and Investigations (House Ways and Means) holds a Tuesday afternoon hearing on whether tax-exempt charitable organizations are serving needs of diverse communities.
- The Senate Commerce Committee on Thursday afternoon will mark up several pending bills, including a bill (S 1453) to extend the current partial ban on Internet taxes for four years and tighten the definitions for which Internet services are exempt from state and local taxes and which are not.
- The Subcommittee on Contracting and Technology (House Small Business) will hold a Wednesday morning hearing on possible tax incentives for small business renewable energy.

Subprime credit market; mortgage market

- The Senate Banking Committee Wednesday morning will hold a hearing on the role and impact of credit-rating agencies on the subprime credit market. Christopher Cox, chairman of the Securities and Exchange Commission, is scheduled to testify.
- The Subcommittee on Commercial and Administrative Law (House Judiciary) will hold a hearing Tuesday afternoon on the current mortgage market situation, with a focus on ways to protect home ownership and provide relief to consumers in financial distress.

Trade Policy

- US-Peru FTA: The House Ways and Means Committee will hold a Tuesday morning "mock" markup of a bill implementing the provisions of the US-Peru Trade Promotion Agreement.

CFTC

- The Subcommittee on General Farm Commodities and Risk Management (House Ag) holds a Wednesday morning hearing on reauthorization of the Commodity Exchange Act.

Food Safety

- House Ag Appropriations Subcommittee will hold a hearing on food safety Tuesday morning.

Environmental and Energy

- The Senate Environment Committee holds a Wednesday morning hearing to examine the impacts of global warming on the Chesapeake Bay.
- The House Oversight and Government Reform Committee holds a hearing Tuesday morning on lobbying by the Department of Transportation against state actions to address climate change.
- The Senate Environment Committee on Tuesday afternoon holds a hearing on jobs created by initiatives to limit global warming.
- The Senate Energy Committee Monday afternoon holds a hearing on scientific assessments of the impact of global climate change on US wildfire activity.
- The Subcommittee on Investigations and Oversight (House Science) holds a Thursday morning hearing on the national security implications of climate change.
- The Senate Energy Committee holds a Wednesday morning hearing on a bill (S 1543) to establish a national geothermal initiative to encourage more production of energy from geothermal resources.
- On Tuesday, two panels of the House Science Committee will hold separate hearings on energy efficiency. The Subcommittee on Research and Science Education in the morning will focus on how research in social sciences contributes to policies for energy conservation and efficiency. Later in the day, the Subcommittee on Energy and the Environment will hold a hearing on the Department of Energy's Industrial Technologies Program, which works to improve industrial energy efficiency and environmental performance.

Transportation

- House Transportation Committee holds a Tuesday morning hearing on rail competition and service.

KEY ECONOMIC REPORTS/EVENTS THIS WEEK:

Date and Time (CDT)	Report/Event	Comments
Tue., Sep. 25 9 a.m.	Existing Home Sales	Existing home sales held steady in July at an annualized pace of 5.750 million versus 5.760 million in June. July's rate was the lowest in nearly five years and is down 9.0 percent year-on-year. Consensus Forecast for August: 5.5-million-unit rate Range: 5.3- to 5.7-million-unit rate
9 a.m.	Consumer Confidence	The Conference Board's consumer confidence index fell back to 105.0 in August, down from a cyclical high of 111.9 in July. Consensus Forecast for September: 104.0 Range: 100.0 to 105.5

Date and Time (CDT)	Report/Event	Comments
Wed., Sep. 26 7:30 a.m.	Durable Goods	<p>Durable goods orders in July rose sharply with gains widespread. Durable goods orders jumped 5.9 percent in July, following a 1.9 percent partial rebound in June. Excluding the volatile transportation component, new orders posted a large gain, rising 3.7 percent in July after a 1.2 percent decline in June. Excluding defense, new durables orders surged 4.9 percent, following a 2.3 percent gain in June.</p> <p>Consensus Forecast for August: -3.1 percent Range: -7.0 percent to +1.0 percent</p>
Thur., Sep. 27 7:30 a.m.	Jobless Claims	<p>Initial jobless claims continue to indicate that the labor market is somewhat tight as initial claims for the week ending Sept. 15 fell 9,000 to a level of 311,000.</p> <p>Consensus Forecast for Sept. 22: 320,000 Range: 310,000 to 320,000</p>
7:30 a.m.	GDP	<p>GDP in the first revision to second-quarter data was revised up to an annualized 4.0 percent from the initial estimate of 3.4 percent. The second-quarter GDP price index was left unchanged from the initial estimate of 2.7 percent while the core PCE price index was revised to an annualized 1.3 from the initial estimate of 1.4 percent. The final numbers will provide information on how strong the economy was as it headed into the more turbulent third quarter.</p> <p>Real GDP consensus forecast final Q2 07: +3.8 percent annual rate Range: +3.6 to +4.0 percent annual rate</p> <p>GDP Price Index Forecast for Final Q2 07: +2.7 percent annual rate Range: +2.7 to +2.7 percent annual rate</p>
9 a.m.	New Home Sales	<p>New home sales edged higher in July to an annual rate of 870,000, up 2.8 percent from a slightly upward revised June rate of 846,000. But levels remained weak with year-on-year sales down 10.2 percent in the month. The median price for a new home rose 3.9 percent to \$239,500 in July. Year-on-year, the median price is up 0.6 percent.</p> <p>Consensus Forecast for August: 0.835-million-unit rate Range: 0.790-million- to 0.870-million-unit rate</p>
Fri., Sep. 28 7:30 a.m.	Personal Income and Outlays	<p>Personal income growth continued strong in July, posting a 0.5 percent increase, following a 0.4 percent boost in June. Traders will be watching the inflation number to see whether the Fed gets the trend down for core inflation in order to make further interest rate cuts.</p> <p>Personal Income Consensus Forecast for August: +0.3 percent Range: +0.2 to +0.4 percent</p> <p>Personal Consumption Expenditures Forecast for Aug.: +0.4 percent Range: +0.2 to +0.6 percent</p> <p>Core PCE Price Index Consensus Forecast for August: +0.1 percent Range: +0.1 to +0.2 percent</p>
8:45 a.m.	NAPM-Chicago	<p>The NAPM-Chicago purchasing managers' index held steady and moderate, rising to 53.8 in August from 53.4 the month before. New orders, the most important of the sub-indexes, rose to 58.4 from 53.4, pointing to rising production in the months ahead.</p> <p>Consensus Forecast for September 07: 52.9 Range: 51.5 to 56.0</p>

9 a.m.	Consumer Sentiment	<p>The Reuter's/University of Michigan's Consumer sentiment index improved in mid-September, edging up to 83.8 from August's final reading of 83.4. The assessment of current conditions was little changed at 98.3 vs. 98.4 in August.</p> <p>Consensus Forecast for Final September: 84.3 Range: 82.7 to 85.0</p>
9 a.m.	Construction Spending	<p>Construction spending declined 0.4 percent in July, following a revised 0.1 percent rise in June. Private residential construction fell 1.4 percent in July, while public outlays and private nonresidential construction rose 0.7 percent and 0.4 percent, respectively.</p> <p>Consensus Forecast for August: -0.5 percent Range: -0.7 to +0.2 percent</p>

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