



**D.B. MARKETING, INC.**  
**MARKET MINDER GRAIN MARKETING SERVICE ADVICE**

1-800-359-0732 [www.DBMGrain.com](http://www.DBMGrain.com)

01-30-07 #04 7:45 p.m. CST

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The research that I have been doing during the month of January has been fascinating, but frustrating. Never before has there been such diverse conclusions in various parts of my research. I think that it means it will be wild this year. Here are some highlights:

Global warming has ended and we are trending towards cooler for the next 100 years or so. This means that there will be later freezes in Spring and earlier frosts in Fall. It also means that in the Northern Corn belt it will a little harder to squeeze the growing season in than we are used to.

Early Spring should give us a great planting start. It will turn wetter, so late planted Corn will have a tough time to get in. Summer should be average in temperature and slightly below normal in rainfall. It turns dry in late Summer. It will not effect Corn yields, but could trim yield on Soybeans. Look out for possible early freeze in Fall. Drought is still on schedule for 2010.

Ethanol *from Corn* will bust sometime in the future. There will be other energy sources for fuel (Hydrogen is coming on fast) and other feed stocks for Ethanol. Ethanol price (also means Corn price) will be highly dependent on Crude Oil prices. I expect Crude Oil to fall to \$41 by June 1. This means wait to price your diesel fuel and gasoline for Spring. Ethanol plants have bought nearly all the Corn they need until June. They are hoping Corn prices will fall so that they can finish pricing their needs for the next year. Ethanol plants at today's \$52 Crude price can afford to pay about \$4 or a little more for Corn. Ethanol plants and Livestock feeders will keep a lid on Corn prices. Funds can push prices down further than you think is possible. We should be on a run to take out the previous highs one more time. Corn prices have the potential to peak in about two weeks. This run in price could stop at \$4.39 versus July and \$4.09 versus December. This is based on research done in the last ten days and is contrary to what I have been forecasting earlier. Production forecast for 2007 is 12.171 bb with 152.2 bpa yield. It makes sense to me to see a sell off down to June or so, and then a rally again as Ethanol plants buy Corn for the next year. The one concern I have is that World stocks are extremely low. If there are weather problems in major parts of the World, then Corn breaks \$5.5450 in price. I still want to go slow in pricing until more info is confirmed. Place orders to 5% more Old Crop at \$4.19 versus March. Use a delivery time that woks for you. Place orders to sell 5% more New Crop at \$4.09 versus December for Fall delivery or a period that works better for you. Basis may have recently widen in your area. You may use a Hedge to Arrive contract. Keep an eye on basis and lock in 5 to 10 cents better before harvest.

Soybean yields in South America look good. I believe that Soybean prices will be higher than most think. Acres going from Soybeans to Corn, combined with increased demand will make some very interesting low supplies for 2008. (Where will November 2008 Futures price go to?) July Futures should range from \$6.68 to \$8.39, November 2007 from \$7.04 to \$8.99. Production forecast is 2937 mb with 42.9 bpa. Hold off on more sales at this time.

Wheat has probably topped in price, unless Corn continues to go higher in price. July Futures should range from \$4.22 to \$5.05. Production forecast is 2,235 mb with 43.6 bpa yield. I will need to increase sales some as the market allows me to. Place orders to sell 5% at \$4.94 and 5% at \$5.05 versus July for now.

Ever had someone talk you out of one of our sale recommendations, only to find out it was the best sale of the year? Our new service Bull's Eye will be available starting on Monday. It costs 1 cent per bushel to sign up, with 1 cent per bushel cost at settlement. If we price your grain in the top 30% for the year, you will have to give us another 3 cents pb. Minimum is 25,000 bu. with 5,000 bu. increments. You specific the delivery times and we deal directly with your grain receiver and do the rest! Contact us.

Plan to attend one of the February seminars. I will explain my annual research in more detail. Feel free to bring a friend or neighbor. If they sign up with us, you get 50% off of your next renewal. Schedules are on our website. PLEASE RSVP with us.

Don't forget to sign up for Markets On Cell at [www.marketsoncell.com](http://www.marketsoncell.com). Put "DB60411" in the *How Did you Hear About Us* box or call us to sign you up. It's free!

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CURRENT CROP 2006 SOYBEANS: We have sold 65%. No additional recommendations.  
 CURRENT CROP 2006 CORN: We have sold 65%. Sell 5% at \$4.19 versus March. That's 14 cents away.

NEW CROP 2007 WHEAT: We have sold 40%. Sell 5% at \$4.94 versus July. That's 12 cents away.  
 Sell 5% at \$5.05 versus July. That's 23 cents away.

NEW CROP 2007 SOYBEANS: We have sold 10%. No additional recommendations.

NEW CROP 2007 CORN: We have sold 20%. Sell 5% at \$4.09 versus December. That's 11 cents away.

2007 WHEAT		<b>WN07 4.815</b>		
%	FUT	TOT%	AVE	
<u>DATE</u>	<u>SOLD PRICE</u>	<u>MTH</u>	<u>SOLD</u>	<u>PRC</u>
05-17-06 10	4.61	JULY	10	4.61
07-13-06 10	4.58	JULY	20	4.60
09-06-06 10	4.505	JULY	30	4.57
10-26-06 5	4.62	JULY	35	4.57
11-10-06 5	4.70	JULY	40	4.59
<b>Sell 5% at \$4.94 versus July</b>				
<b>Sell 5% at \$5.05 versus July</b>				

2006 SOYBEANS		<b>SH07 7.21</b>		
%	FUT	TOT%	AVE	
<u>DATE</u>	<u>SOLD PRICE</u>	<u>MTH</u>	<u>SOLD</u>	<u>PRC</u>
12-15-05 10	6.215	NOV	10	6.21
02-10-06 10	6.18	NOV	20	6.20
04-28-06 10	6.24	NOV	30	6.21
05-11-06 10	6.3075	NOV	40	6.24
10-26-06 10	6.205	NOV	50	6.23
11-10-06 5	6.70	JAN	55	6.27
12-05-06 5	6.575	JAN	60	6.30
01-17-07 5	7.135	MAR	65	6.36

2007 SOYBEANS		<b>SX07 7.735</b>		
%	FUT	TOT%	AVE	
<u>DATE</u>	<u>SOLD PRICE</u>	<u>MTH</u>	<u>SOLD</u>	<u>PRC</u>
12-05-06 5	7.08	NOV	5	7.08
01-17-07 5	7.62	NOV	10	7.35

2006 CORN		<b>CH07 4.0475</b>		
%	FUT	TOT%	AVE	
<u>DATE</u>	<u>SOLD PRICE</u>	<u>MTH</u>	<u>SOLD</u>	<u>PRC</u>
01-30-06 10	2.56	DEC	10	2.56
02-10-06 10	2.5725	DEC	20	2.57
02-24-06 10	2.63	DEC	30	2.59
04-06-06 10	2.71	DEC	40	2.62
05-18-06 10	2.87	DEC	50	2.67
11-03-06 5	3.405	DEC	55	2.74
12-05-06 5	3.735	MAR	60	2.82
<b>01-19-07 5</b>	<b>4.085</b>	<b>MAR</b>	<b>65</b>	<b>2.92</b>

2007 CORN		<b>CZ07 3.9775</b>		
%	FUT	TOT%	AVE	
<u>DATE</u>	<u>SOLD PRICE</u>	<u>MTH</u>	<u>SOLD</u>	<u>PRC</u>
05-26-06 10	3.14	DEC	10	3.14
11-10-06 5	3.47	DEC	15	3.25
<b>01-19-07 5</b>	<b>3.885</b>	<b>DEC</b>	<b>20</b>	<b>3.41</b>
<b>Sell 5% at \$4.09 versus December</b>				

**Sell 5% at \$4.19 versus March**

**Bold print indicates changes from last fax or orders in place.**

THIS ASSUMES NORMALLY MAKING SALES 14 MONTHS BEFORE THE CROP IS PLANTED THROUGH SEPTEMBER 1, THE YEAR FOLLOWING CORN AND BEAN HARVEST OR MARCH 1, THE YEAR FOLLOWING WINTER WHEAT HARVEST. WE MAKE 4 TO 10 SALES PER MARKETING PERIOD OF BETWEEN 10% AND 25%.

Trading Commodities and Futures involves Significant Risk of Loss. It is not suitable for every investor. Information contained herein is the opinion of the writer and may change at any time. Past performance is not indicative of future results. Information obtained from sources believed to be reliable, but in no way guaranteed.