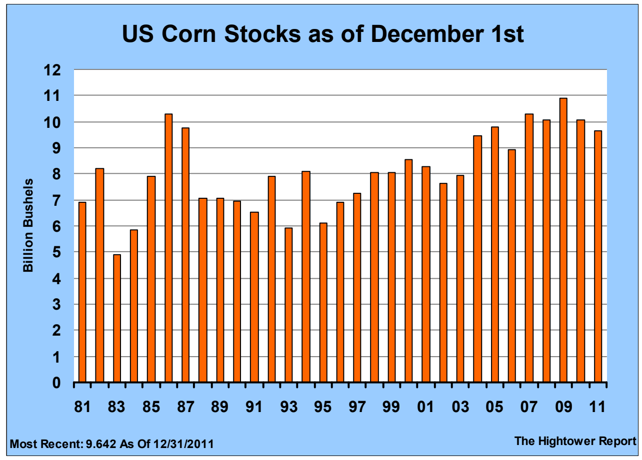
ADM INVESTOR SERVICES, INC.

January 24, 2012

Corn January, 2012

Ahead of the key January 12th USDA Crop Production, Supply/Demand and Stocks Reports, March corn closed at 6.51 1/2. Four days later, the market was down to 5.92 ½, as the bearish news from the report suggested that there will be enough corn to last into the new crop season. In addition, there is a strong sense that US producers will push planted area higher for 2012 and that this will ease the current tightness. The USDA report news was clearly negative. The USDA pegged ending stocks for the 2011/12 season at 846 million bushels, which was down just two million from last month but well above trade expectations for a 100 million bushel decline. Final production was pegged at 12.358 billion bushels, up 48 million bushels from their previous forecast, while traders were expecting a drop of near 45 million bushels. Yield was 147.2 vs. 146.7 previous. Exports were revised higher by 50 million bushels. World ending stocks were pegged at 128.14 million tonnes from 127.19 million last month and trade expectations near 123.5 million tonnes. Argentina was down 3 million to 26 million tonnes, and Brazil was left unchanged. December 1st corn stocks were pegged at 9.642 billion bushels, which was up 250 million from trade expectations. The report was considered bearish as the grain stocks numbers were well above trade expectations, and this allowed the USDA to hold feed demand numbers down. Higher-than-expected production allowed for an increase in exports.

USDA SUPPLY/DEMAND US CORN	Jan USDA 09-10	Jan USDA 10-11	Jan USDA 11-12
Planted Area (M Acres)	86.4	88.2	91.9
Harvested Area (Acres)	79.5	81.4	84.0
Yield (Bu/Acre)	164.7	152.8	147.2
Beginning Stocks (M Bu)	1,673	1,708	1,128
Production	13,092	12,447	12,358
Imports	8	28	15
Supply, Total	14,774	14,182	13,501
Feed & Residual	5,125	4,793	4,600
Food, Seed & Industry	5,961	6,428	6,405
Ethanol for Fuel	4,591	5,021	5,000
Domestic Total	11,086	11,220	11,005
Total Exports	1,980	1,835	1,650
Use, Total	13,066	13,055	12,655
Ending Stocks	1,708	1,128	846
Stocks/Use Ratio	13.1%	8.6%	6.7%



The lack of producer selling in early January, ideas that South America production is down another 6-8 million tonnes from the January update and a sense that the sharp break into mid-January attracted a jump in demand helped to spark a near-term low. Cash corn in central Illinois was trading 10 cents under the March contract last year at this time, which is fairly normal for this time of the year. Processors are paying 27 cents premium to the March contract this year and are still not getting the quantity they desire. Demand has picked up for the export market in the past week or so, and ethanol plants are still eking out a small return even without the blending credits that expired at the end of December. The surge higher in the cash basis levels in recent weeks to where some traders believe is the strongest basis in 18 years has lent support. Export sales as of January 12th last week came in at 759,900 metric tonnes, which was higher than expected. Corn sales stand at 61.4% of the USDA forecast for 2011/12 (current) marketing year versus a 5 year average of 56.1%. Sales of 485,000 metric tonnes are needed each week to reach the USDA forecast. China was a noted buyer of 132,000 tonnes of corn. China imported 569,763 tonnes of corn in December to push the 2011 total to 1.752 million tonnes, up 11.5% from 2010. The Commitments of Traders reports as of January 17th showed non-commercial traders were net long 196,852 contracts, a decrease of 42,238 contracts for the week. The aggressive short-term selling trend is seen as a negative force. Non-commercial and nonreportable traders combined held a net long position of 85,081 contracts, down 36,332. Commodity index traders held a net long position of 343,798 contracts, down 14,396 contracts for the week.