



Weakness in the Chinese stock market sent the S&P lower last evening before the strength in European stocks spurred our market higher early this morning. By closing only 3.5-points lower and in the upper third of today's range, the futures contract looks like it may retrace more of the recent down-move. I believe the price action in futures is distorted by foreign markets. On the cash S&P chart, today's narrow range held within yesterday's high-low and prices closed nearer the low. When all of the excitement generated by the overnight price action is removed, today in the cash looks like an anemic performance.

**Other markets:** Crude oil rose above last Friday's high and reversed lower. At best, this prolongs the trading range; at worst, we'll see a sell-off below 43.21. The springs in the Canadian Dollar and soybean meal failed to materialize. The spring in December wheat should take prices into the 5.40-5.63 area as long as it holds above 4.79.