

September 20, 2013

# ADVANCE INSIGHT

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## Transportation

	TW/NW/Sep	Oct	Nov	Dec	Jan
St. Paul Savage	550/575/600	600	600		
Dub South	550/550/575	600	560		
St. Louis 12'	575/600/600	600	475	425	375
Illinois	550/550/600	615	525	450	450
OH/Jeff/Cinn	675/675/675	700	525	450	425
Gulf/PNW	\$0.600 / bushel				
BN Shuttles	100/50/50	1000	313	-75	-75
UP Shuttles	/300/300	400	125	-38	-50

## Cash Corn Markets

	Sep FH/LH	Oct FH/LH	Nov FH/LH	Dec	Jan
CIF Nola	59z/59z -3	64z/62z	61z/61z	60z	50h
PNW	135z/135z unc	104z/104z	104z/104z	107z	94h

	Sep FH/LH		Sep FH/LH
Cols CSX 65	-6z/-6z -11	Chicago	25z/25z -5
Ft. Wayne N/S 75	0z/0z 10	Pekin ethanol	-8z/-8z unc
Evansvl 15s	-10z/-10z -5	Decatur, IL	10z/10z unc
Toledo	0z/0z unc	Champaign CN 25	0z/0z unc
UP Grp 3	/	Clinton, IA	50z/50z unc
Dexter, MO	/ x	Columbus, NE ethanol	80z/60z unc
Fayne, OH	-15z/-15z -5	Muscatine Truck	5z/5z unc
Ottawa	5z/5z unc	Hereford COBO B/E	/ 5

## Cash Bean Markets

	Sep FH/LH	Oct FH/LH	Nov FH/LH	Dec	Jan
CIF Nola	91x/91x -9	88x/88x	92x/92x	93f	91f
Paranagua	130x/130x 10	130x/	/		

	Sep FH/LH		Sep FH/LH		Sep FH/LH
Columbus	12x/12x -3	CN25	40x/40x unc	Mankato	60x/-30x 5
Toledo	0x/0x unc	Chicago	-10x/-10x unc	Cncl Bluf	-25x/50x unc
Fostoria	10x/ unc	Decatur	50x/0x unc	Lincoln	50x/25x unc
Windsor	25x/25x x	Naples	0x/0x unc	KC	-25x/-25x unc
PNW	142x/142x unc	Ottawa	-5x/-5x unc	Wichita	0x/0x -35

## Cash Milo Markets

	Sep FH/LH	Oct FH/LH	Nov FH/LH	Dec	Jan
CIF Nola	90z/90z 20	/	/		
Houston	85z/85z nb	50z/50z	50z/50z	50z	45h
Corpus Christi	95z/95z nb	50z/50z	50z/50z	50z	40h

## Cash Wheat Markets

	Sep FH/LH	Oct FH/LH	Nov FH/LH	Dec	Jan
CIF SRW	65z/65z unc	70z/75z	80z/80z	85z	70h
TX Gulf HRW	127z/127z nb	127z/127z	/		

	Sep FH/LH	HRW	Sep FH/LH
SRW	-20z/-20z 3	KC Ords	86z/96z unc
St. Louis	-15z/-15z unc	KC 12s	95z/105z unc
Toledo (Mill)		KC 13s	108z/118z 8
PNW	120z/120z x	KC 14s	110z/120z unc

## Corn

Corn -8 ½ at 451, CZ/H4 - ¼ at -12 ¾. Cattle on feed Sep 1 at 93% supportive cattle market as it was at the low end of trade expectations. The placements at 89% also came in on the low end of expectations. Informa adjusted corn acres 95.8 planted, 88.13 mln acres harvested with 157.6 bpa producing 13.889B bu. That's a healthy corn number and if you throw that production on ATI's last S&D carryout would rise 159mbu to 2.019B bu. They also threw out a planted figure for 2014 at 92.684, which if thrown into our 2014/15 S&D would lower our carryout from 2.728 to 2.509B bu. Chi ethanol for in-tank today transfer was \$3.15 /g the Sep 25 - Oct 5 peg was about \$2.48/g. DDGS at the gulf holding firm today Sep \$260/st. Harvest progress as of Sunday bias 12%, up from 4% LW, average 16%. Spot basis not covered yet. Group 3 Sep 45/90z, PNW 135z, Columbus NE 80z, Jacksonville 35z by tmw, had a few processors central/east that firmed back up and CIF corn nearby 60z.

Joe Harroun

## Beans

Better than expected early yields, China on holiday and Nov trading through the gap put pressure on beans. Rains in the mid-south will delay harvest over the weekend but should help water levels. Barge freight has been all about draft levels and delays at lock 52. The main chamber of lock 52 is expected to go down 10-days on the 24<sup>th</sup>. Not something the exporter short CIF basis is wanting to hear right now. The lock issue and harvest activity has the OH River trading at an abnormal premium to the IL River of 100 to 150%. If this was a long term issue it may eventually have some effect on spreads but should only be short-term. OH River traded 700% for the last two weeks of Sep and the last week Sep through Oct. CIF beans were steady with Sep 90/102, Oct 86/92, Nov 93/98, Dec 93/98 and Jan 91/96. Processors are still paying pushes for spot beans

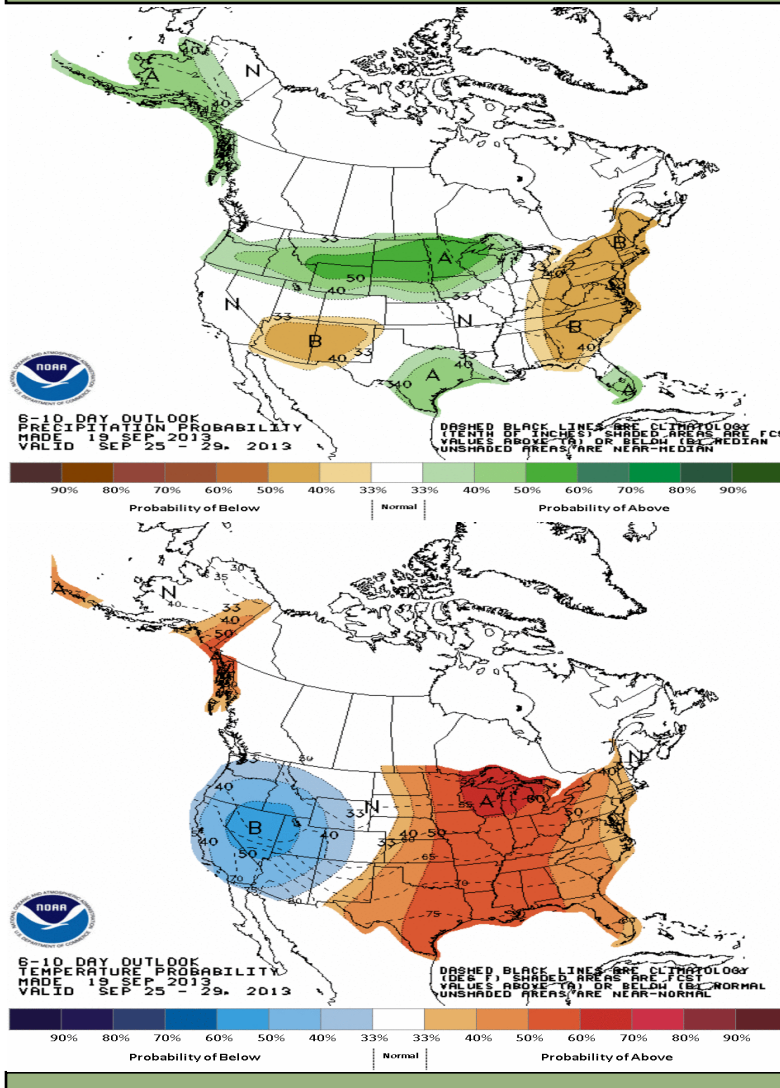
## 1,000+ Cap. Feedlots, % of last year

	USDA	Pre-Release Estimates	
	Actual	Ave.	Range
On Feed	93	93.5	92.7—96.0
Placed	89	91.6	86.5—101.9
Marketed	96	95.5	93.5—100.0

Daily Spreads					
Corn					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Dec3-Mar4	(12.75)	-0.50	-17.54	72.7%	3.4
Dec3-Jul4	(27.50)	-0.25	-40.68	67.6%	3.1
Dec3-May4	(21.00)	-0.50	-28.92	72.6%	3.4
Mar4-Jul4	(14.75)	unc	-23.23	63.5%	2.8
Beans					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Nov3-Jan4	(2.75)	-1.00	-15.26	18.0%	-1.1
Nov3-Mar4	15.25	-1.75	-30.02	-50.8%	None
Nov4-Jan5	(3.75)	-0.50	-14.62	25.6%	-0.5
Wheat					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Dec3-Mar4	(11.00)	-0.50	-18.70	58.8%	2.4
Mar4-May4	(5.50)	unc	-12.12	45.4%	1.6
May4-Jul4	5.00	0.50	-12.56	-39.8%	None
KCBOT Wheat					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Dec3-Mar4	(4.50)	1.00	-21.81	20.6%	0.2
Mar4-May4	(2.50)	unc	-14.16	17.7%	0.0
Mar4-Jul4	8.25	0.75	-28.80	-28.6%	None

### North American Weather Outlook

<http://www.cpc.ncep.noaa.gov/products/predictions/610day/>



as nearby margins are big and harvest is not coming as fast as they would like.

*Nathan Mangold*

### Wheat

Seems like lots of little things going on the wheat markets, but nothing dramatic. US winter wheat areas still experiencing good/great planting conditions, especially HRW. Informa estimates 2014 acres of all wheat 56.7 million acres vs. 55.9 LY. 2014 winter wheat at 41.8 vs. 42.8 LY. (we estimate that the drop will be in SRW A's and that HRW A's will be up). Other spring wheat at 13.0 vs 11.7 LY. Durum at 1.8 vs. 1.3 LY. AU crop still on a +/- 24.5 MMT pace. Concern of Russian wheat quality continues to grow and fear/opportunity is they won't be able to specs going to places like Egypt, thus opening that market to others. Only thing close to drama is in South America. Argentine crop needs rain and some are talking less than the USDA's last production estimate of 12.0 MMT. Further chat in Argentina that government may decide to build domestic reserves, at the expense of exports to Brazil. Of late Brazil has bought couple vessels from Canada and Poland (old news).

*Terry Reinhart*

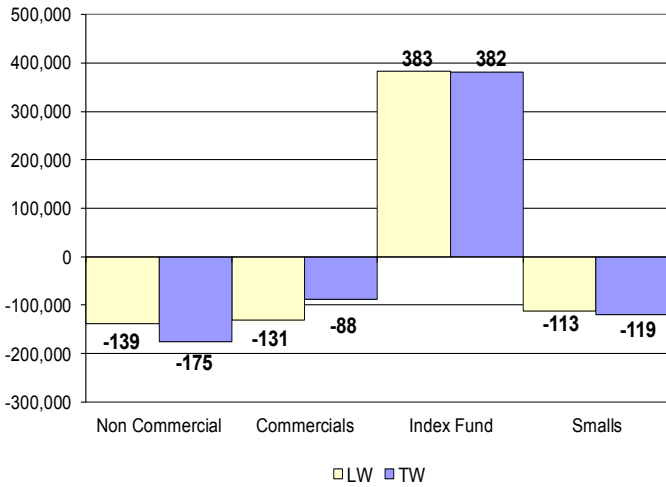
### Cattle on Feed

Today's USDA Cattle on Feed report showed placements during August were down 11% from last year and were the smallest for this time of year since the USDA started this data set in 1996. This followed a 10% year-to-year decline in placements during July. The smaller placements are likely driven by a combination of factors including a shrinking US cattle herd and fewer feeder cattle imports from Mexico as improving weather and pasture conditions there allow producers to retain more animals. The weather has also improved this year in the East and most of the Midwest, allowing cattle in these regions to stay on pasture longer. In addition, poor current margins for cattle feedlots could be discouraging placements. While futures point to lower feed prices down the road, current feed costs are very high and feedyards may be trying to delay placements until lower cost, new crop, feed becomes available. With the sharp decline in placements, the number of cattle on feed September 1 was down 7% from last year and the smallest since 2003.

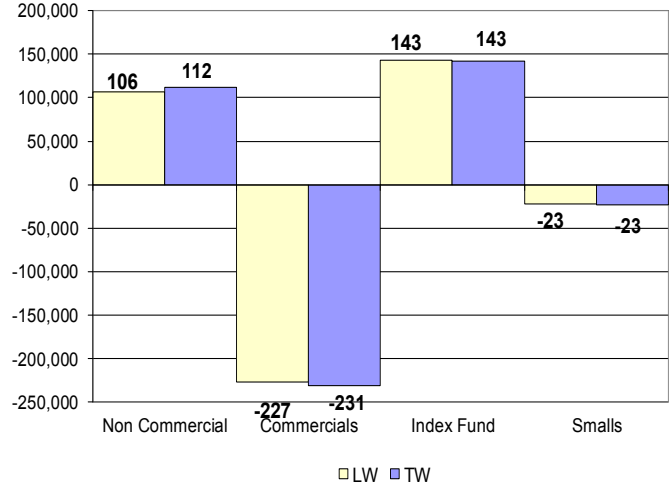
*Phil Gore*

# Commitment of Traders

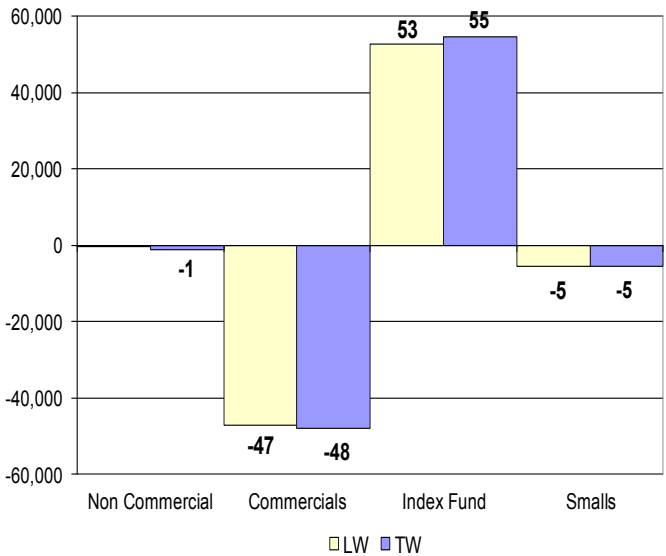
### Corn Net Future & Option Positions



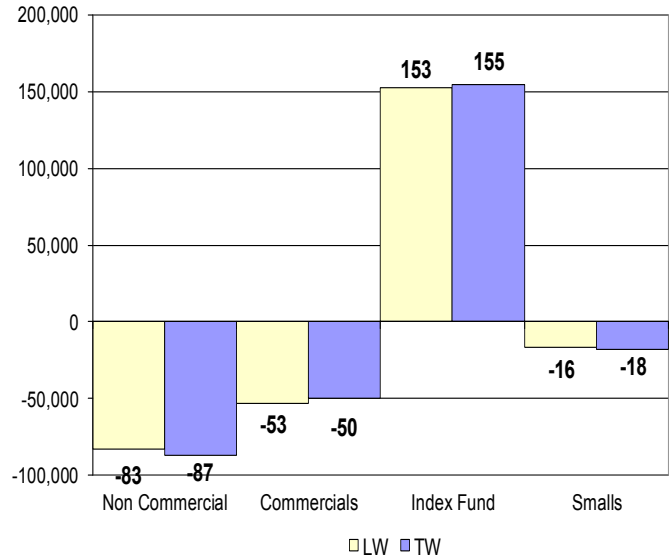
### Soybean Net Future & Option Positions



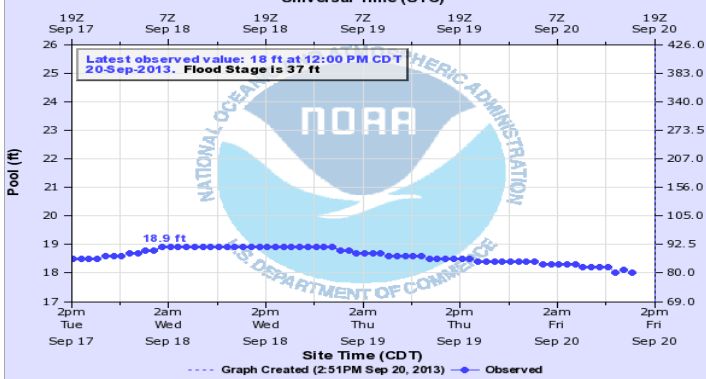
### KC Wheat Net Future & Option Positions



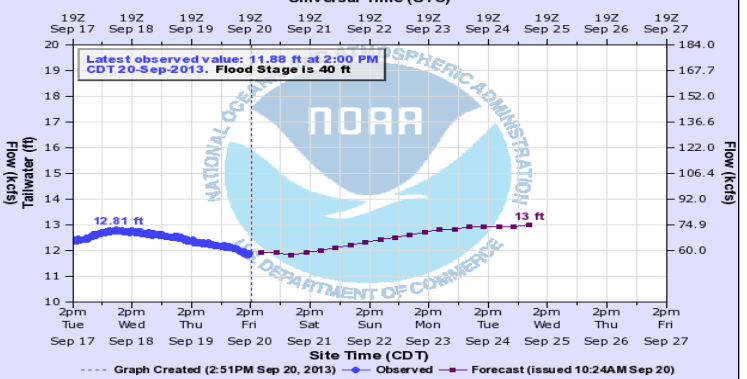
### CBOT Wheat Net Future & Option Positions



### OHIO RIVER AT BROOKPORT LOCK AND DAM



### OHIO RIVER AT SMITHLAND LOCK AND DAM



Advance Trading PO Box 1027, Bloomington, IL 61702 (800)747-9021 or (309)663-9021

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