

November 1, 2013

ADVANCE INSIGHT

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Transportation

	TW/NW/Nov	Dec	Jan	Feb	Mar
St. Paul Savage	500/500/500				
Dub South	540/540/540				425
St. Louis 12'	525/525/500	375	360	350	350
Illinois	600/575/550	460	460	425	400
OH/Jeff/Cinn	575/575/500	425	425	400	375
Gulf/PNW	\$0.700 / bushel				
BN Shuttles	2700/3100/1950	1500	500	363	363
UP Shuttles	1000/1000/700	425	200	250	250

Cash Corn Markets

	Nov FH/LH	Dec FH/LH	Jan FH/LH	Feb	Mar
CIF Nola	78z/75z unc	74z/74z	64h/64h	64h	
PNW	130z/120z unc	120z/120z	110h/110h	110h	110h

	Nov FH/LH		Nov FH/LH
Cols CSX 65	-18z/-18z x	Chicago	12z/12z unc
Ft. Wayne N/S 75	-10z/-10z x	Pekin ethanol	10z/4z 2
Evansvl 15s	-5z/-5z x	Decatur, IL	18z/15z
Toledo	/ x	Champaign CN 25	3z/ x
UP Grp 3	0z/10z unc	Clinton, IA	14z/14z 7
Dexter, MO	/ x	Columbus, NE ethanol	0z/3z unc
Fayne, OH	-14z/-14z x	Muscatine Truck	10z/10 unc
Ottawa	-10z/-4z	Hereford COBO B/E	66h/66h 1

Cash Bean Markets

	Nov FH/LH	Dec FH/LH	Jan FH/LH	Feb	Mar
CIF Nola	98x/99f 2	109f/109f	102f/102f	100h	
Paranagua	250f/250f unc	/	205f/205f	45h	45h

	Nov FH/LH		Nov FH/LH	Nov FH/LH	
Columbus	16x/16x x	CN25	10f/ x	Mankato	-13f/-18f
Toledo	-15x/-15x x	Chicago	0x/0x unc	Cncl Bluf	-15x/-15x unc
Fostoria	-5x/-5x	Decatur	15x/15x	Lincoln	-15x/-15x unc
Windsor	/ x	Naples	/	KC	5x/5x 5
PNW	160f/160f -10	Ottawa	-3x/6x	Wichita	10x/10x -20

Cash Milo Markets

	Nov FH/LH	Dec FH/LH	Jan FH/LH	Feb	Mar
CIF Nola	92z/92z unc	/	/		
Houston	110z/85z unc	85z/75z	75h/75	75h	70h
Corpus Christi	105z/105z unc	105z/105z	75h/75	75h	70h

Cash Wheat Markets

	Nov FH/LH	Dec FH/LH	Jan FH/LH	Feb	Mar
CIF SRW	95z/95z unc	85z/85z	77h/77h	77h	
TX Gulf HRW	125/125 unc	/	/		

	Nov FH/LH	HRW	Nov FH/LH
St. Louis	22z/22z x	KC Ords	103z/113z unc
Toledo (Mill)	/ x	KC 12s	144z/154z unc
	Nov FH/LH	KC 13s	120z/130z -15
PNW	115z/115z nb	KC 14s	115z/125z -5

Corn

CZ -1 at 427 ¼, CZ3/H4 + ¾ at -10 ¼ carry (58% full carry @ 2.24% interest). Mar/May 73% full carry. Basis firmed 3 to 5 in processor and rail markets nearby and JFM east to west. Barge freight still tight and pricey as were BNSF and UP shuttles into early Nov. Commercials, aided by wet weather, are getting prepared for the last push on harvest. Private forecasts on US corn production did not disappoint the bears coming in 14.22B bu and 14.367 B bu. Commitment of traders report on futures and options in corn had traditional funds increasing their net short 3.2k contracts to -225.5k contracts, commercials reduced their short 10k to 18.8k contracts net short, and the index funds increased their net long 4k to 382k contracts. DDGS markets for Dec thru JFM came off their peak values, but remain strong. Cash ethanol pegged 175.5 in Chicago, and Nov swaps traded down to 170. Nov board etoh crush lost 4cpg on the week, despite record low ethanol inventories as the inverse weakens. US private ethanol export forecasts near record. Ethanol paper volume set record highs this week. Weather is cooperating to put this crop away. Scattering short hedges as good carry from Mar to May. And Long hedges in the Dec. Established bull spread positions are working to protect carry or short sales on DP ownership, the key now is to monitor basis and take them off when the basis rally is complete and adequate grain movement occurs.

Joe Harroun

Beans

INFORMA released a Soybean yield estimate of 43.3 vs. 41.7 previously and USDA 41.2. INFORMA yield vs. USDA yield amounts to 160 mbu., thus theoretically doubling the carry out. Overnight USDA announced 115,000 Tons of Soybeans Sold to China in 2013-2014 and 33,000 Tons of Soybean Oil Sold to Unknown in 13-14. 10 day line up at Gulf is 63, down

Daily Spreads					
Corn					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Dec3-Mar4	(10.25)	0.75	-17.40	58.9%	2.6
Dec3-Jul4	(25.00)	1.25	-40.34	62.0%	2.8
Dec3-May4	(18.50)	0.75	-28.68	64.5%	2.9
Mar4-Jul4	(14.75)	0.50	-23.02	64.1%	2.9
Beans					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Nov3-Jan4	14.50	0.25	-15.04	-96.4%	None
Nov3-Mar4	29.00	2.00	-29.60	-98.0%	None
Nov4-Jan5	(5.50)	unc	-14.42	38.1%	0.5
Wheat					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Dec3-Mar4	(12.00)	unc	-18.81	63.8%	2.7
Mar4-May4	(6.50)	-0.75	-12.19	53.3%	2.1
May4-Jul4	1.50	unc	-12.63	-11.9%	None
KCBOT Wheat					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Dec3-Mar4	(2.50)	-0.50	-22.02	11.4%	-0.5
Mar4-May4	0.50	-3.00	-14.29	-3.5%	None
Mar4-Jul4	13.25	-6.50	-29.05	-45.6%	None

South American Weather Outlook

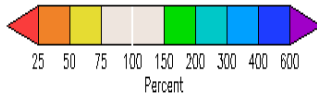
<http://www.wxmaps.org/pix/clim.html>

Precipitation (percent of normal)
during the first 7.5-day period:

Fri, 01 NOV 2013 at 12Z

-to-

Sat, 09 NOV 2013 at 00Z

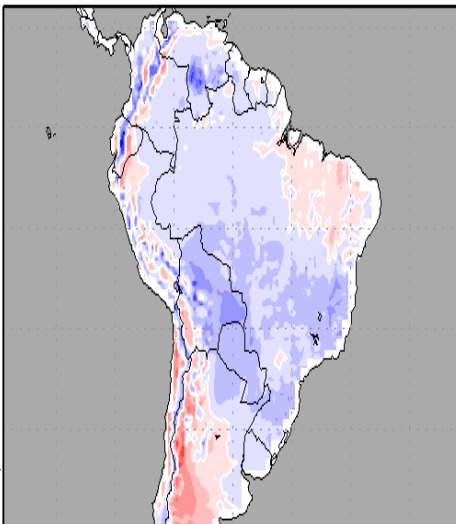
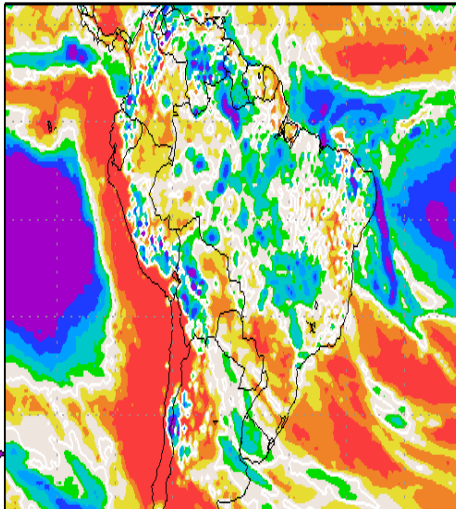
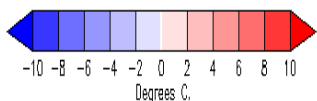


Temperature Anomaly
during the first 7.5-day period from:

Fri, 01 NOV 2013 at 12Z

-to-

Sat, 09 NOV 2013 at 00Z



2 from last week. Around half of these will be loading beans. Using mid-day numbers, LH Nov beans, FOB barge, in Chicago are worth about +21 SX. Putter outers would net about +12 SX, thus no one is putting them out against the SX. From stopper point of view, "if" he can catch delivery, he would own the beans, 9 cents cheaper than buying cash delivered the Gulf, thus the exporter is happy to sit on his long Novembers. Varies by region, but appears some processors are more willing to compete with export values as in order to capture the \$1.20 to \$0.60 crush margins that are available, they need the physical bean. Summary of recent article read is that in Southern San Paulo Brazil economics are pressuring the farmers to plant more beans at the expense of corn and sugar cane. The final soybean harvest price for crop insurance for the month of October was \$12.8683. USDA says another 115,000 tons of soybeans sold to China in 2013-2014.

Terry Reinhart

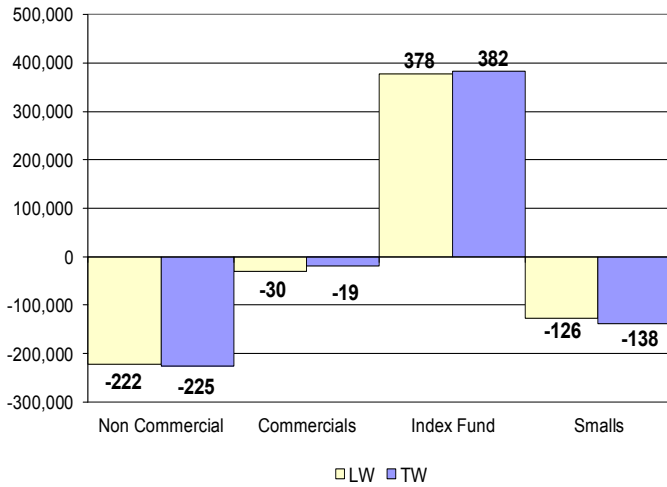
Wheat

WZ closed up 0.25 at 667.75, KWZ dn 7.0 at 733.5, and MWZ dn 4.75 at 725.5. Outside mkts saw DJIA up 60 at 3:53cdt, crude dn 1.73 and gold up 3 at 1754. Big profit taking in the KWZ/WZ today with close at 65.75 after setting a high yesterday at 75.0. This weakness in KC also showed up in the calendar spreads with KWZ/KWN collapsing 6.75 to 10.75 inverse from at 32.75 Oct 2 high. High priced rail frt seems to be having an impact on KC calendar spreads. Story out late yesterday was \$4000/car had traded for a spot BN shuttle. CIF SRW staying firm with a reported trade at \$1 over for nearby. 12c carry in WZ/WH is encouraging Eastern belt grain companies to ship beans and hang onto SRW. MWZ/MWH was also weak closing at 11.5 carry as it too has hi priced frt which would be a problem for a stopper of MWZ. Rain in Brazil and Argentina are delaying harvest. US Attache in Arg is now estimating a 10.5 crop vs. last USDA at 12.0. Crop insurance dates hitting in KS with Oct 31 in western and Nov 5 in central being the dates that the coverage begins to go down 1%/day.

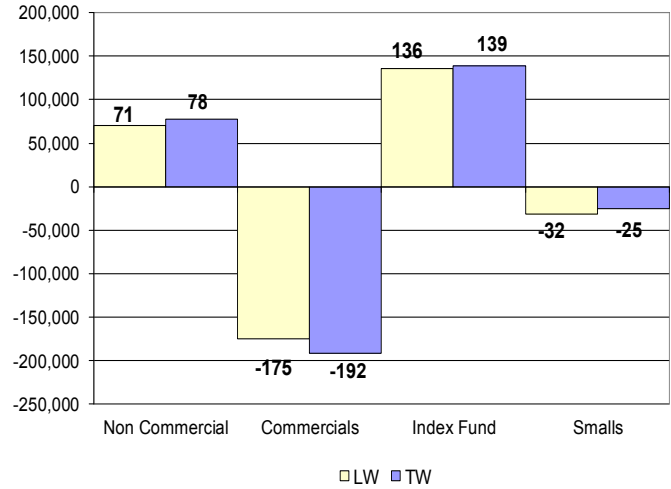
Jeff Hainline

Commitment of Traders

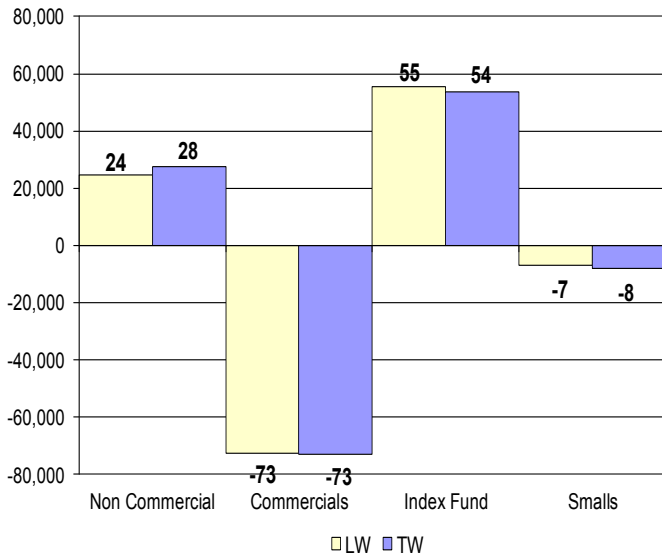
Corn Net Future & Option Positions



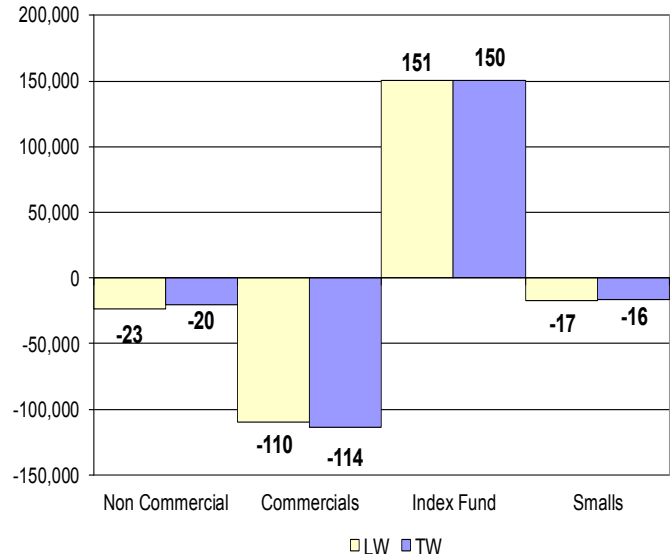
Soybean Net Future & Option Positions



KC Wheat Net Future & Option Positions



CBOT Wheat Net Future & Option Positions



- USDA crop production report out next Friday, Nov 8 at 11:00 AM CT
- Export sales, COT all caught up now

- Remember to set your clocks back an hour this Sunday

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Hours (CST): Sunday 5:00pm-9:00pm, Monday-Thursday 6:00am-9:00pm, and Friday 6:00am-5:00pm

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