

November 7, 2013

ADVANCE INSIGHT

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Transportation

	TW/NW/Nov	Dec	Jan	Feb	Mar
St. Paul Savage	475/475/475				
Dub South	520/510/500				425
St. Louis 12'	550/550/400	375	360	350	350
Illinois	575/550/475	425	460	425	400
OH/Jeff/Cinn	625/600/525	475	425	425	400
Gulf/PNW	\$0.700 / bushel				
BN Shuttles	1500/2250/1400	700	400	275	-25
UP Shuttles	300//300	200			

Cash Corn Markets

	Nov FH/LH	Dec FH/LH	Jan FH/LH	Feb	Mar
CIF Nola	78z/75z unc	73z/73z	65h/65h	65h	
PNW	140z/140z -15	125z/125z	115h/115h	115h	115h

	Nov FH/LH		Nov FH/LH
Cols CSX 65	-8z/-8z	Chicago	18z/18z -2
Ft. Wayne N/S 75	-12z/-12z	Pekin ethanol	6z/10z unc
Evansvl 15s	2z/2z	Decatur, IL	15z/15z x
Toledo	/ x	Champaign CN 25	2z/2z -1
UP Grp 3	2z/2z	Clinton, IA	14z/14z 3
Dexter, MO	/ x	Columbus, NE ethanol	16z/18z x
Fayne, OH	-11z/-11z	Muscatine Truck	10z/10z unc
Ottawa	-5z/3z x	Hereford COBO B/E	60h/60h unc

Cash Bean Markets

	Nov FH/LH	Dec FH/LH	Jan FH/LH	Feb	Mar
CIF Nola	107f/107f	107f/105f	97f/97f	100h	
Paranagua	250f/250f unc	/	55f/55f	42h	18h

	Nov FH/LH		Nov FH/LH		Nov FH/LH
Columbus	16f/16f	CN25	10f/10f unc	Mankato	-7f/-7f unc
Toledo	-15x/-15x x	Chicago	0x/0x unc	Cncl Bluf	-8f/-8f 2
Fostoria	-5x/-5x x	Decatur	8f/15f x	Lincoln	-10f/-10f 5
Windsor	5f/5f	Naples	8x/8x +3	KC	15f/15f 2
PNW	153f/150f -2	Ottawa	2f/10f x	Wichita	15x/15x unc

Cash Milo Markets

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

Cash Wheat Markets

	Nov FH/LH	Dec FH/LH	Jan FH/LH	Feb	Mar
CIF SRW	90z/90z unc	85z/85z	77h/77h	77h	
TX Gulf HRW	125/125 unc	/	/		

	Nov FH/LH	HRW	Nov FH/LH
St. Louis	24z/24z 4	KC Ords	110z/120z unc
Toledo (Mill)	/ x	KC 12s	150z/160z 12
	Nov FH/LH	KC 13s	120z/130z unc
PNW	115z/115z unc	KC 14s	115z/125z unc

Export Sales

	Actual Old (mbu)	Actual New (mbu)	Expected (mbu)	Need
Corn	67.7	0.0	39-51(1000-1300)	7.9
Soybeans	37.4	0.7	29-40(800-1100)	3.4
Wheat-All	15.3	0.4	13-18(350-500)	10.7
HRW	5.7	0.0		4.1
SRW	3.2	0.4		2.0
Sorghum	0.7	0.0		2.3
Bean Meal	287.8	0.0	190-250	73.1
Bean Oil	65.9	0.0	20-60	6.6

Corn

Quiet futures day in corn with a 4 ¼ cent trading range closing just off the contract lows by ½ cent. Tomorrow is the long anticipated USDA report. This report has a lot of market participants wondering how much volatility it can create since we didn't have an October report in the government shut down. Since the last report in September, we nearly harvested what most think is a bigger crop. Expectations for the report are for 88 mln harvested acres yielding 159.4 bpa to produce 14 Bbu crop and drive a 2.0 Bbu carryout. The market will focus on production at first glance but demand may be where we find the surprises. Demand from all things that use corn has been exceptional. In the interim, that demand base struggles to get covered with as tight holding farmers hang their heads long much of the crop a contract lows. Basis has been very firm. There was significant producer selling on Tuesday and Wednesday ahead of the report. Some domestic plants eased back but many continue to take most offers. The RFS amendment/announcement for 2014 is expected any day too. The Goldman roll started today its transparent anticipation of rolling longs to the March, the CZ/CH did widen late to 11 on a 10-11 ¼ range for the day. Be prepared for the unknown. Only thing we can control is our bid. Stand by.

Ben Peters

Beans

Soybean export sales were expected to be 29-40 and came in near the high end at 37.4. What is interesting is that China bought 38.9 mbu, so the net effect of all other

Daily Spreads					
Corn					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Dec3-Mar4	(11.00)	-0.75	-17.36	63.4%	2.9
Dec3-Jul4	(26.50)	-1.25	-40.26	65.8%	3.0
Dec3-May4	(19.50)	-1.50	-28.62	68.1%	3.1
Mar4-Jul4	(15.00)	-0.25	-22.98	65.3%	3.0
Beans					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Nov3-Jan4	12.00	4.00	-15.09	-79.5%	None
Nov3-Mar4	31.75	8.75	-29.70	-106.9%	None
Nov4-Jan5	(5.50)	-0.75	-14.12	38.9%	0.6
Wheat					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Dec3-Mar4	(10.75)	-1.25	-18.72	57.4%	2.3
Mar4-May4	(6.00)	-0.50	-12.14	49.4%	1.8
May4-Jul4	0.50	-0.50	-12.57	-4.0%	None
KCBOT Wheat					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Dec3-Mar4	(2.75)	0.50	-21.90	12.6%	-0.4
Mar4-May4	0.50	-1.25	-14.21	-3.5%	None
Mar4-Jul4	8.50	-2.00	-28.90	-29.4%	None

purchases were offset by cancellations. For all practical purposes, we had a solid week of export sales because of China and China only. Soybean meal sales were huge at 288K MT. The trade was looking for less than 195 to 250, and the needed per week number is only 103. With harvest winding down, domestic processors and exporters continue to compete for supplies and basis is trending higher yet again. CIF midday was up a few cents at 107/111, and processors in the Midwest were noted bumping published basis levels. Eastern processors are pushing a dime or more above published levels to buy beans, and those delivered values are roughly a dime higher than they were a week ago. November beans will stop trading a week from now, but in the meantime SX can be a meaningful indicator of cash market tightness and today was a good illustration of that as the inverse deepened versus deferred months. Food for thought: a year ago, SX3/SF4 was trading 6 cents carry. The widest it ever got after that was 8 cents carry, and after Oct 7 this year it never traded carry again. If you look out to SX4/SF5 today, it is trading at 6 cents carry. Same time, same place as last year. Something to ponder anyway.

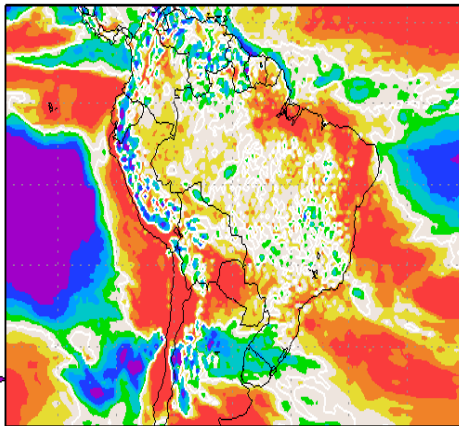
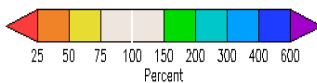
Phil Reginelli

South American Weather Outlook

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

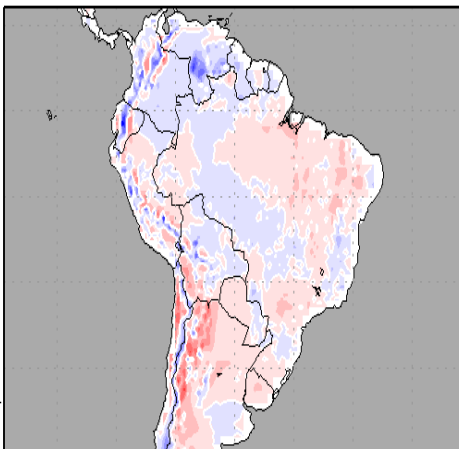
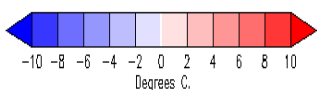
Precipitation (percent of normal)
during the first 7.5-day period:

Thu, 07 NOV 2013 at 12Z
-to-
Fri, 15 NOV 2013 at 00Z



Temperature Anomaly
during the first 7.5-day period from:

Thu, 07 NOV 2013 at 12Z
-to-
Fri, 15 NOV 2013 at 00Z



Wheat

Wheat sales were middle of the road at 15 million versus an expected range of 13 – 18 mbu and a “needed” number just under 11 per week. In world numbers, the last USDA Australia production number was 25.5 MMT and the Ag attaché has now released a revised number of 23.5 MMT. We also expect to see downward revisions in the Argentine crop with respect to both last year’s crop and most certainly to this year’s crop given the trouble they’ve experienced with drought and freeze. The last USDA number for this year’s Argentine crop was 12 MMT and we suspect the actual number will ultimately be less than 10 MMT. On a positive note, India is expected to produce a record wheat crop this year and surpass the previous record of nearly 95 MMT. Basis values at the Gulf for SRW are steady with bid/asks in the 90s; HRW values also mostly unchanged. Chicago spreads widened on the day with Dec/March closing at 10 ¼. In the last 5 trading sessions there has been a little more than 3 cents of trade range volatility in the spread, and at this point there are many several orders at 13 cents to roll shorts across.

Phil Reginelli

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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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