

June 19, 2013

ADVANCE INSIGHT

TURN UNCERTAINTY INTO OPPORTUNITY

Brought to you by Advance Trading.

www.advance-trading.com



Transportation					
	TW/NW/Jun	Jul	Aug	Sep	Oct
St. Paul Savage	370/370/360	350	375	500	550
Dub South	300/295/290	290	325	440	550
St. Louis 12'	240/240/240	260	300	450	525
Illinois	280/280/275	275	325	425	540
OH/Jeff/Cinn	190/190/200	215	300	425	540
Gulf/PNW	\$0.500 / bushel				
BN Shuttles	150/225/225	-38	-175	-150	575
UP Shuttles	0/0/0	-100	-125	-100	238

Cash Corn Markets					
	Jun FH/LH	Jul FH/LH	Aug FH/LH	Sep	Oct
CIF Nola	115n/102n 3	76n/51n	125u/125u	56u	62z
PNW	154n/154n 4	142n/142n	215u/215u		106z

	Jun FH/LH	Chicago	Jun FH/LH
Cols CSX 65	53n/53n unc		73n/73n unc
Ft. Wayne N/S 75	57n/57n unc	Pekin ethanol	50n/50n x
Evansvl 15s	48n/48n unc	Decatur, IL	62n/62n 15
Toledo	42n/42n x	Champaign CN 25	55n/55n x
UP Grp 3	/	Clinton, IA	75n/75n unc
Dexter, MO	75n/75n x	Columbus, NE ethanol	78n/78n unc
Fayne, OH	32n/32n unc	Muscatine Truck	65n/65n unc
Ottawa	54n/53n -4	Hereford COBO B/E	129n/129n x

Cash Bean Markets					
	Jun FH/LH	Jul FH/LH	Aug FH/LH	Sep	Oct
CIF Nola	80n/80n unc	75n/65n	60q/60q	94x	84x
Paranagua	-45n/-45n 5	-33n/-33n	32u/32u		

	Jun FH/LH	Jun FH/LH	Jun FH/LH
Columbus	110q/110n unc	CN25	125q/125q x
Toledo	87q/87q x	Chicago	10n/10n unc
Fostoria	90q/90q x	Decatur	140n/140n unc
Windsor	/ x	Naples	37n/37n unc
PNW	120n/120n 10	Ottawa	35n/35n 7

Cash Milo Markets					
	Jun FH/LH	Jul FH/LH	Aug FH/LH	Sep	Oct
CIF Nola	65n/65n	/	/		
Houston	65n/65z unc	65z/60z	60z/55z	50z	50z
Corpus Christi	55n/55z unc	55z/55z	55z/55z	50z	50z

Cash Wheat Markets					
	Jun FH/LH	Jul FH/LH	Aug FH/LH	Sep	Oct
CIF SRW	40n/40n -15	40n/49n	46u/46u	55u	60z
TX Gulf HRW	140n/140n -3	140n/140n	/		

	Jun FH/LH	HRW	Jun FH/LH
SRW			
St. Louis	14n/14n x	KC Ords	85n/100n 10
Toledo (Mill)	-10n/-10n x	KC 12s	131n/146n 9
		KC 13s	137n/152n unc
PNW	143n/143n x	KC 14s	137n/152n unc

Export Sales Estimates		
	Expected Crop (mbu)	Needed (mbu)
Corn	8-14 (200-350)	1.0
Soybeans	14-22 (350-550)	-1.4
Wheat-All	13-20 (350-550)	13.8
HRW		
SRW		
Sorghum		1.8
Soybean Meal	100-250	8.6
Soybean Oil	5-15	7.1

Corn

Lots of factors contributing to the rally on Wednesday. First, temps in the 90s are forecasted, and while that would actually be very beneficial to the crop this year (not so much last year at this same time), the hotter weather in early July always raises pollination concerns. Funds were active buyers, and many are trying to cover shorts prior to next week's stocks report. Informa came out with an acreage number of 95.2 million acres which is down 1.5 million from their last estimate and down 2 million from the last USDA figure. Worth noting - that acreage number of 95.2 is dead-on Dr. Shonkwiler's number, but his yield number is significantly smaller than Informa's. Pretty crazy day overall. Corn was higher and ethanol was lower which damaged ethanol margins. Basis was firmer and yet the July/Sept and July/Dec inverses weakened by 11-12 cents which we traditionally would expect to happen when basis weakens; not when it firms. History probably means little given the huge difference in planting/weather this year compared to last year, but for what it is worth, we are within a couple days of the one year anniversary of the market going ballistically higher.

Phil Reginelli

Beans

Soybeans followed the other commodities higher today-gaining fuel from Informas estimate of 77.8 of planted acres, which is down from the previous estimate of 78.3. Funds bought an estimated 7,000 soybeans, 3,000 meal, and 4,000 soyoil. New crop soybeans were the leader, up 21 cents at 13.10 ¼, with less acres projected, coupled with a large new crop soybean book out of the US for China, and ultimately supported by still growing concerns with the old crop availability for US domestic use.

Daily Spreads					
Corn					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Jul3-Sep3	83.25	unc	-12.63	-570.0%	None
Sep3-Dec3	37.75	-1.00	-18.25	-206.9%	None
Jul3-Dec3	110.00	-11.75	-31.26	-351.9%	None
Dec3-May4	(17.75)	0.25	-30.08	59.0%	2.5
Beans					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Jul3-Aug3	75.75	0.50	-7.91	-958.0%	None
Jul3-Nov3	212.75	-8.25	-31.37	-678.1%	None
Nov3-Jan4	(5.50)	unc	-15.26	36.0%	0.2
Wheat					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Jul3-Sep3	(7.25)	unc	-13.10	54.9%	2.1
Jul3-Dec3	(20.00)	0.75	-32.01	62.0%	2.6
Sep3-Dec3	(12.75)	0.50	-19.06	66.4%	2.8
KCBOT Wheat					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Jul3-Sep3	(1.25)	0.25	-21.45	5.8%	-0.8
Sep3-Dec3	(15.00)	0.75	-31.09	48.1%	3.5
Dec3-Mar4	(12.75)	0.25	-21.98	57.6%	2.8

Estimates for tomorrow's exports sales are zero for old crop, 350-550 new crop and 50-150 for old crop meal. FOB Paranagua soybeans are worth 14.80/bu for LH June/July- today's gain in US\$/Real spread should favor soybean imports into the US with an expected 9mbu said to be headed this way for June/July. CIF/crusher basis was mostly unchanged today and barge freight a little stronger in the front months.

Nate Durako

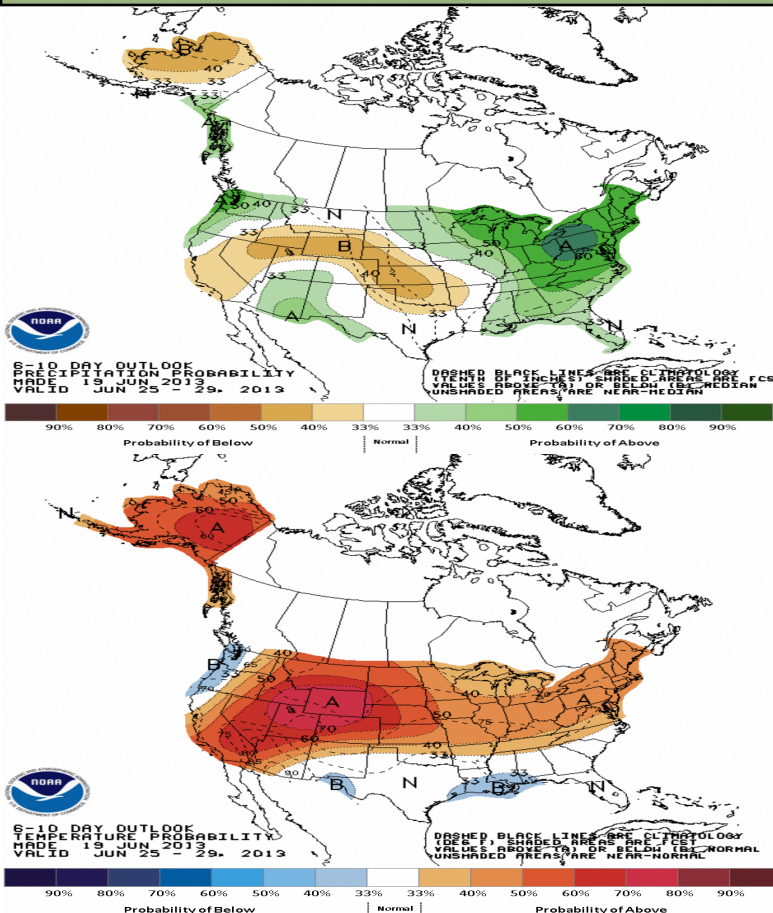
Wheat

Exciting day in the wheat markets on many accounts. Futures markets finished 15 to 20c stronger, a nickel off the high in KC and 3 off the high in Chicago. Protein scales in KC are a dime stronger for ords, a nickel higher for 11's, 12's were 9c higher 13's and 14's were unchanged. Harvest resumed yesterday afternoon for northern OK and extreme southern Kansas. Small amounts of rain last night in south central KS and western Kansas has progress slowed again today. Small chances of rain tonight and tomorrow for Kansas could be a threat but after that it appears that a nice window of plenty of heat and wind to keep the combines busy. Informa was out today with estimates on the Spring Wheat acres, they estimated plantings at 11.791 mln vs USDA at 12.701. Most in the trade were expecting to lose a significant amount of acres in North Dakota. China struck wheat headlines this AM with a 200K tonne purchase of French wheat. The last time they did wheat business with France was in 2004/2005 when they bought 667,358 tonnes. Price of the tender were not immediately available however rumors were circulating this tender was \$22 tonne cheaper than US SRW values. Some viewed this as bullish for US markets as it signals more world demand for wheat. Argentina old crop interior wheat values have rallied in the past several months to reach all-time highs. (\$363/tonne = \$9.87 /bu) Smaller wheat planting and poor growing conditions are mostly to blame. Local reserves are now very tight after export permission was given by the government based on optimistic crop estimates. November typically brings new crop bushels to market however with dry conditions this year there isn't many acres in the north. December could be the earliest availability for new crop. NC spreads remained firm in KC, Minneapolis N/U inverse traded as high as 19 3/4. US dollar was significantly higher tonight which in turn should rally world cash wheat prices as foreign currency drops vs US.

Troy Presley

North American Weather Outlook

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



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

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

Copyright © 2013 Advance Trading, Inc. Reproduction in any form without the expressed written consent of Advance Trading, Inc. is strictly forbidden. This data is provided for information purposes only and is not intended to be used for specific trading strategies without consulting Advance Trading, Inc. No guarantee of any kind is implied or possible where projections of future conditions are attempted. Past results are no indication of future performance. All information is based upon data that is believed to be reliable, but its accuracy is not guaranteed.