

May 21, 2013

# ADVANCE INSIGHT

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## Transportation

	TW/NW/May	Jun	Jul	Aug	Sep
St. Paul Savage	340/335/335	330	340	375	475
Dub South	280/280/280	275	280	350	475
St. Louis 12'	240/240/240	250	275	325	450
Illinois	270/265/265	265	280	375	475
OH/Jeff/Cinn	190/190/190	200	225	375	475
Gulf/PNW	\$0.500 / bushel				
BN Shuttles	-50/-50/-50	-100	-163	-188	-200
UP Shuttles	//	-50	-125	-125	-125

## Cash Corn Markets

	May FH/LH	Jun FH/LH	Jul FH/LH	Aug	Sep
CIF Nola	101n/101n 2	90n/80n	58n/58n	85u	55u
PNW	149n/149n 4	147n/147n	143n/143n		

	May FH/LH		May FH/LH
Cols CSX 65	47n/47n -7	Chicago	70n/70n unc
Ft. Wayne N/S 75	55n/55n -1	Pekin ethanol	54n/54n unc
Evansvl 15s	50n/50n 5	Decatur, IL	60n/60n unc
Toledo	42n/42n unc	Champaign CN 25	55n/55n x
UP Grp 3	54n/54n unc	Clinton, IA	74n/74n 6
Dexter, MO	77n/77n x	Columbus, NE ethanol	75n/75n x
Fayne, OH	30n/30n x	Muscatine Truck	55n/55n unc
Ottawa	57n/57n 1	Hereford COBO B/E	132n/132n x

## Cash Bean Markets

	May FH/LH	Jun FH/LH	Jul FH/LH	Aug	Sep
CIF Nola	115n/115n -15	100n/90n	65n/65n	58q	92x
Paranagua	-86n/-86n unc	-20n/-20n	-27n/-27n	42q	

	May FH/LH		May FH/LH		May FH/LH
Columbus	100n/100n -5	CN25	115n/115n x	Mankato	35n/30n -30
Toledo	65n/65n unc	Chicago	50n/50n unc	Cncl Bluf	80n/80n -20
Fostoria	70n/70n -10	Decatur	110n/110n unc	Lincoln	55n/55n -35
Windsor	/ x	Naples	60n/60n -15.0	KC	120q/120q -28
PNW	145n/145n -25	Ottawa	68n/68n -10	Wichita	150q/150q -28

## Cash Milo Markets

	May FH/LH	Jun FH/LH	Jul FH/LH	Aug	Sep
CIF Nola	65n/65n x	/	/		
Houston	45n/45n unc	45n/70z	70z/70z	60z	50z
Corpus Christi	0n/0n unc	0n/40z	40z/40z	40z	40z

## Cash Wheat Markets

	May FH/LH	Jun FH/LH	Jul FH/LH	Aug	Sep
CIF SRW	55n/55n 5	50n/50n	50n/50n	47u	47u
TX Gulf HRW	135n/135n 1	135n/135n	/		

	May FH/LH		May FH/LH
SRW		HRW	
St. Louis	20n/20n unc	KC Ords	71n/86n unc
Toledo (Mill)	-10n/-10n unc	KC 12s	113n/128n 1
		KC 13s	121n/136n unc
PNW	145n/145n x	KC 14s	125n/140n unc

## Deliverable Stocks of Grain

(thousands of bushels)

Corn		Change from LW	Change from LY
Illinois River	612	-138	-561
Chicago	968	27	201
<b>Total</b>	<b>1580</b>	<b>-111</b>	<b>-360</b>

Soybeans		Change from LW	Change from LY
Illinois River	1182	-506	-7738
Chicago	9	6	3
<b>Total</b>	<b>1191</b>	<b>-500</b>	<b>-7735</b>

CBOT Wheat		Change from LW	Change from LY
Toledo	18169	-1529	-10313
Chicago	9652	-443	-1566
St. Louis	159	-112	-195
<b>Total</b>	<b>27980</b>	<b>-2084</b>	<b>-12074</b>

KCBOT Wheat		Change from LW	Change from LY
Salina	14823	-719	-1908
Hutch	13932	-822	-763
KC	8716	-107	-256
<b>Total</b>	<b>37471</b>	<b>-1648</b>	<b>-2927</b>

## Corn

July corn futures close down 9 ½ @ \$6.40, but new crop Dec was unchanged on the day @ \$5.20 ¼. Very lucrative \$1.00 per bird broiler margins, \$.40 cent/gallon ethanol margins have those users bidding aggressively for corn out through early August. Rail corn delivered to the Hereford, TX market is >\$1.40 and that equates to >\$1.00 rail delivered to Decatur, IL. UP grp 3 is in the 60's track, BN IL is in the 50's track. Interesting that the CN/CU spread is weakening a bit despite the continued firmness in basis. The river basis is firmer again today with Hennepin, IL bids of +59 for May, +47 FH June, +37 LH June and +15 for July. The July value is up a dime for the day and nearly 15 cents over delivery equivalent. ADM's last day deliveries against May corn are being ordered for load out by Dryfus into the nearby premium market. New crop spreads saw CZ/CH break 11 carry today. We encourage everyone that is long space to take ½ of what they normally carry out of harvest long and get scale in orders in CZ/CH at 11/12/13, and CZ/CK at 19/21/23.

*Ben Peters*

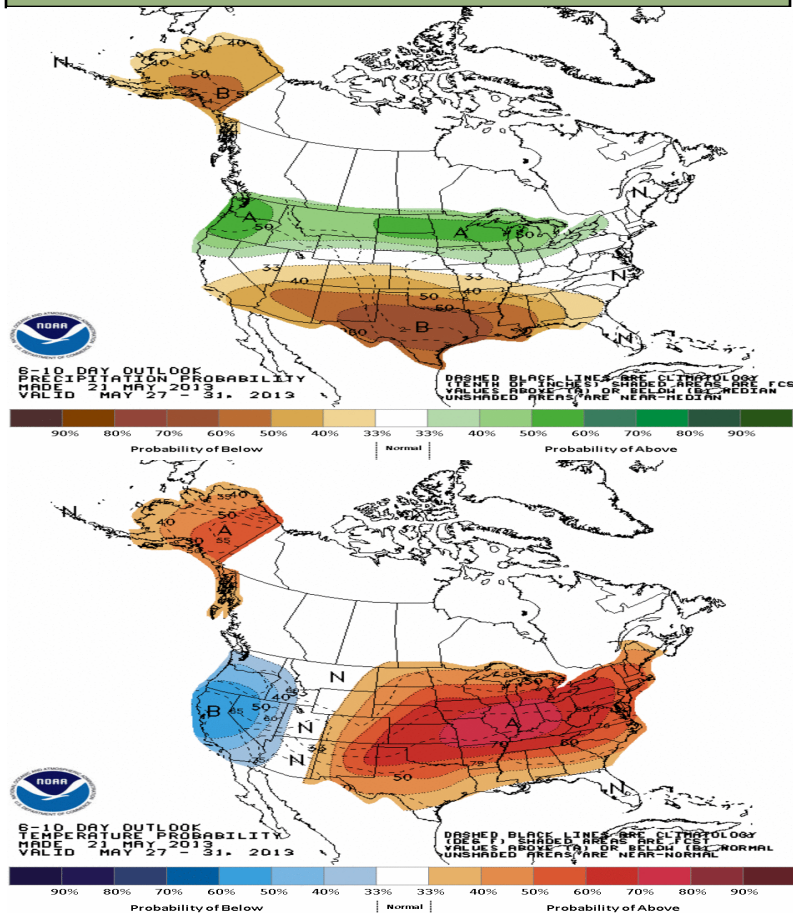
## Beans

Soybean futures continue to experience extreme volatility. SN13 closed up 13 ¾ at \$14.78 ¼, while the balance of bean contracts closed lower. Old crop futures continues to find strength from the tight carryout, while new crop was pressured from the significant bump in planting progress Monday night. Looking at today's trading activity, bull spreads remain king. The SN/SX strengthened another 17 ¾ cents, following a 22 cent move yesterday. Interestingly enough, the low the SN/SX has traded this month came on May 1<sup>st</sup> at \$1.60 inverse. Today the high was \$2.59 ¼, so it has gained nearly a dollar in just under

Daily Spreads					
Corn					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Jul3-Sep3	95.00	unc	-12.44	-749.8%	None
Sep3-Dec3	26.50	-7.75	-17.96	-147.5%	None
Jul3-Dec3	119.75	-9.50	-30.66	-390.6%	None
Dec3-May4	(19.00)	0.50	-29.61	64.2%	2.8
Beans					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Jul3-Aug3	88.00	14.50	-7.80	-1128.2%	None
Jul3-Nov3	257.50	18.00	-30.95	-832.0%	None
Nov3-Jan4	(7.00)	unc	-14.99	46.7%	1.1
Wheat					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Jul3-Sep3	(7.50)	unc	-13.11	57.3%	2.3
Jul3-Dec3	(23.00)	0.25	-32.05	71.8%	3.2
Sep3-Dec3	(15.50)	0.25	-19.12	81.2%	3.8
KCBOT Wheat					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Jul3-Sep3	(7.00)	-1.75	-21.59	32.4%	1.9
Sep3-Dec3	(14.75)	1.00	-31.28	47.2%	3.4
Dec3-Mar4	(12.50)	unc	-22.18	56.4%	2.7

### North American Weather Outlook

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



three weeks. Fundamentally, today's quick move in the spread is rather difficult to explain. With the spread strengthening so aggressively, basis has to be spiking right? Just the opposite. Processor basis continued to break hard today, with cash bids now down 50 cents or more from the end of last week. Farmer selling has picked up recently which has helped push the basis lower. It's worth noting that the recent drop in basis is coming off of seasonal highs, and the highest premiums seen since 2009. Basis is still above DVE in most major markets, & until that changes the spreads don't have to weaken. In other news, Oil World is expecting U.S. imports of soybeans in 12/13 to be 32 mbu. This is well above the USDA's current estimate of 20 mbu.

*Michael Reginelli*

### Wheat

Wheat ended lower Tuesday - Chicago closing down 4 ¼ in the July at \$6.80 ½, KC wheat down 6 ½ closing at \$7.38 ½. Wheat did see some spillover pressure from a weaker corn market and more favorable weather hitting the Southern Plains. Some of the Southern Plains have seen precip over the past 24 hrs and forecasts are calling for some additional moisture to hit over the coming days. ATI wheat tour continues to roll along - NE Oklahoma/Eastern Kansas basic reports are pleased with how wheat looks but weather over the next 3 weeks will be crucial. Some wheat still flowering in the area so wheat is well behind normal in its growth stage. Considering this area has seen drought and 2 to 4 freezes it looks good. NW Kansas reports are rough - seeing under 20 bpa yields, rough looking wheat in the entire area. Stay tuned for their final report later this week. HRW basis, though quiet, remains strong. Protein premiums were 6 cents firmer for 11.6, 3 firmer for 11.8 and a penny firmer for 12 to 12.8 pro. SRW cash markets remain quiet for both domestic and export - steady/unchanged values today. KC N/U spread widened out a nickel today trading out to 7 ¼ before settling at a 7 cents carry. KC N/Z traded out to 23 cents today before settling at 21 ¾, ¼ cent wider. Hedges in the Sept - potentially some to the Dec and even light in the March. HRW is behind normal in its growth which will lead to a later harvest - less available supply versus the N and thus a potential threat of N/U and N/Z narrowing from today's levels. Logistics and space should help you decide whether to stay in the Sept or push some hedges out to the Dec or even March. SRW wheat crop is also running behind normal which pushes harvest back and tightens feed supply up for those who would or are planning on feeding new crop wheat. SRW hedges in the Sept not the July as the threat of the spread narrowing due to delayed harvest is real. Later SRW harvest will stress the feeder who planned on a "normal" harvest date - bullish summer corn values into the SE? Later SRW harvest pushes back wheat feeding into later summer and therefore could compete for Southern new crop corn demand into the Southern feeder market.

*Paul Dubravec*

### \*\*Memorial Day Bloomington Holiday Office Hours\*\*

Friday, May 24—normal hours

Sunday, May 26—office closed

Monday, May 27—office will re-open at 5pm

Tuesday, May 28—normal hours

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