

## DEC 2013 CORN

Corn finished 2-3 cents lower to finish the month on good volume. Funds were net sellers of 5000 cont for the day and have net sold 16,000 for the week. For the month, CZ was down 13 cents. Early morning trade was supported by hopes of a large 3-week export sales report from the USDA. They did not disappoint with a whopping 179.3 mln corn reported sold over that timeframe. The market pulled the classic "buy rumor, sell fact" response as prices eroded from 8:30 to the close. Month end price action, along with ideas that both FCStone and Informa will release bigger production estimates on Friday, pushed prices to new lows. Back to sales, YTD corn commitments are now 808 mln vs. 429 mln last year at this time. The US need avg only 10.6 mln/week for the balance of the marketing to reach the USDA's export projection of 1.225 bln. Mexico, Japan, China, and Unknown led the 3 week corn buying spree. Basis remains firm on lack of farmer interest in current price levels. The spread trade firmed also with CZ/CH posting an 11 cent close. Beneficial rains moved across the Midwest yesterday and have moved into the ECB. Tomorrow starts a new month. The USDA will release their November S/D report next Friday, Nov. 8. The price trends remains lower, but the pipeline needs corn. Can it get enough with just basis and spreads?? Look for a mixed/firmer overnight price trade as bargain buyers and end users look for start of the month deals.



## NOVEMBER 2013 BEANS

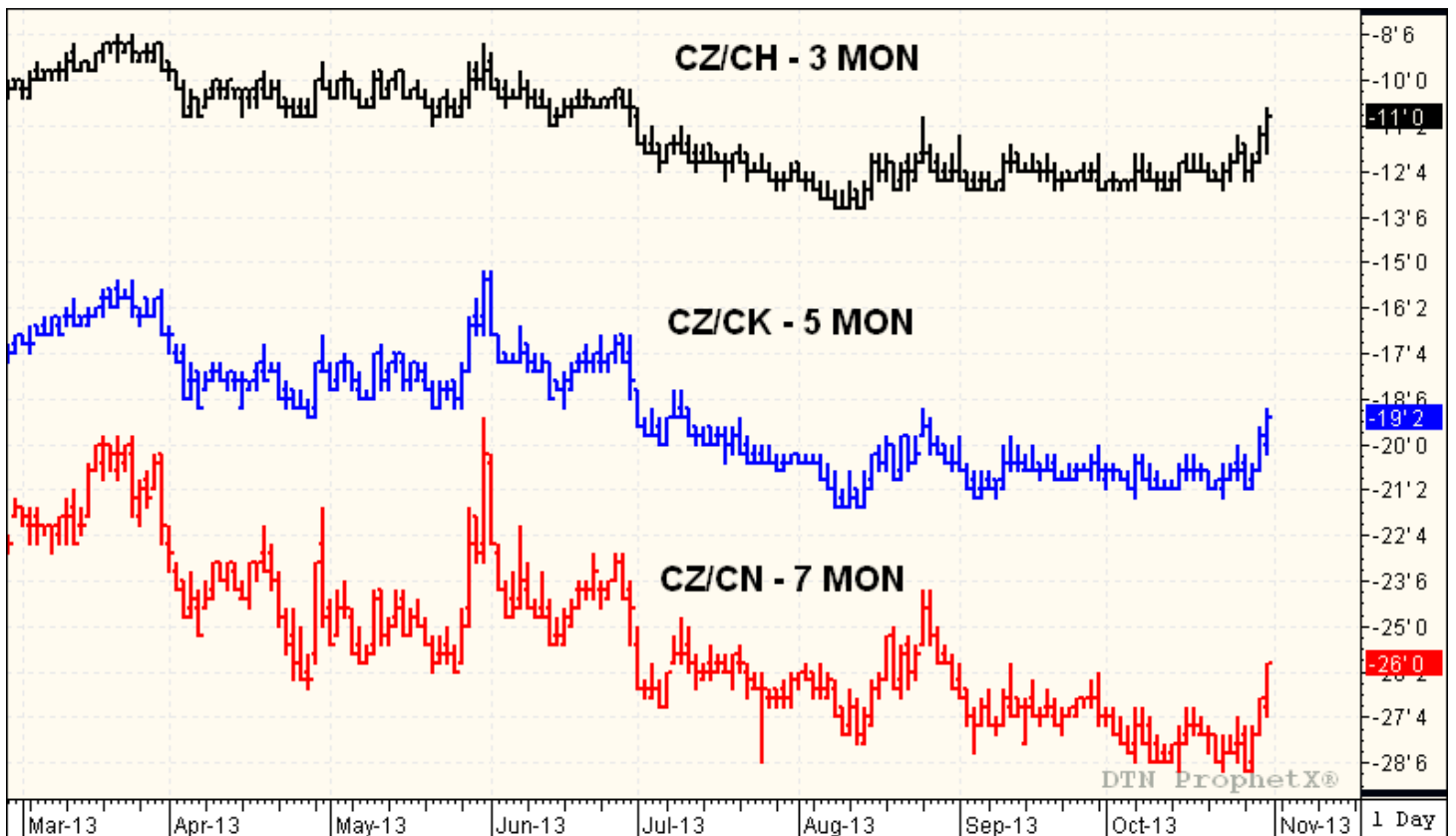
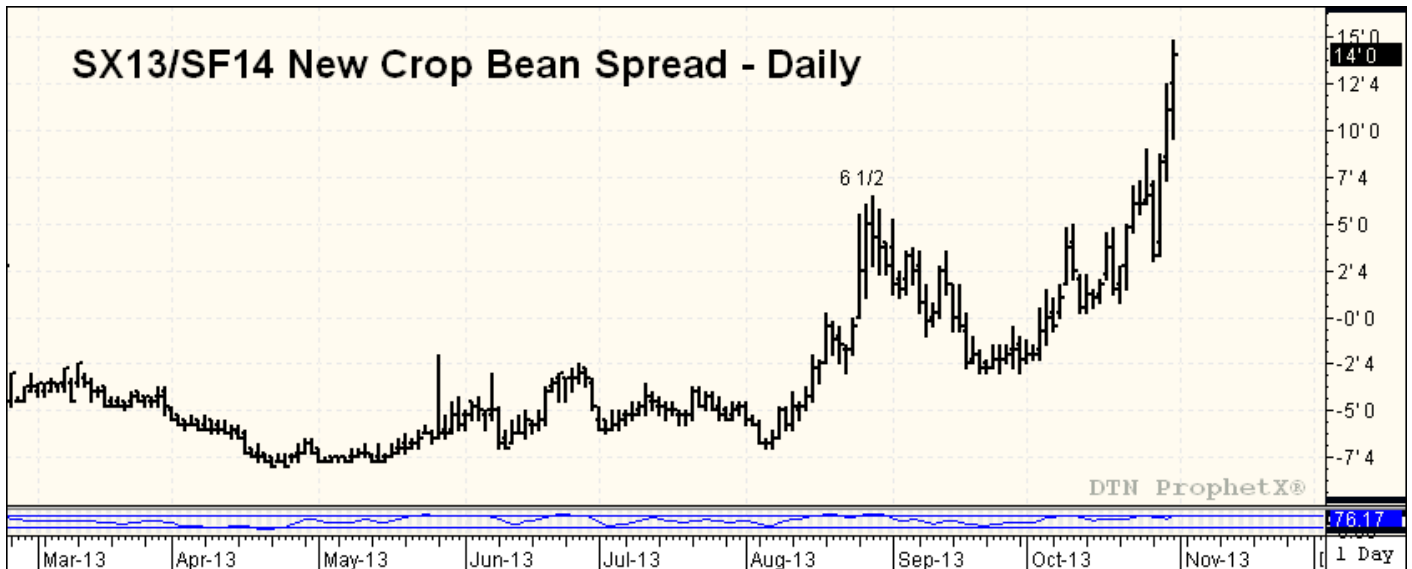
Beans fell 7-10 cents for the day, reversing early session price strength tied to hopes for a large USDA export sales number. As with corn, the USDA did not disappoint, reporting 174.2 mln US beans sold for the catch up 3 week timeframe. China led the bean buying spree with 45% of the total reported. Product sales were on the disappointing side of estimates with meal reported at 805,000 t. and soyoil at only 14,500. The market turned sellers on the 8:30 open and never looked back. Funds sold 6000 for the day, offsetting the past two days of net purchases. Today was FND for SX with no delivery notices posted (as expected). SX/SF rallied to a new contract high of +14 3/4, settling at +14. SF/SH finished near unchanged. SF/SK slipped 2 cents. Basis bids are well supported as end users/crushers gradually shift to the SF. Beans face the same challenge of attracting bushels to the pipeline for crushers with good margins and a front end loaded US export program. YTD sales commitments jumped to 1.184 bln with the latest data vs 946 mln last year at this time. Weekly sales need to avg only 5.1 mln to reach the USDA's 1.370 bln export projection. Trade is cautious ahead of production ests from FCStone and Informa on Friday. The Linn Group released a yield estimate today of 43.1 bu/ac and prod of 3.265 bln bu. SF is nearing key support in the 1260-1265 range and the pipeline needs beans. Look for a two sided overnight price trade to start the new month.

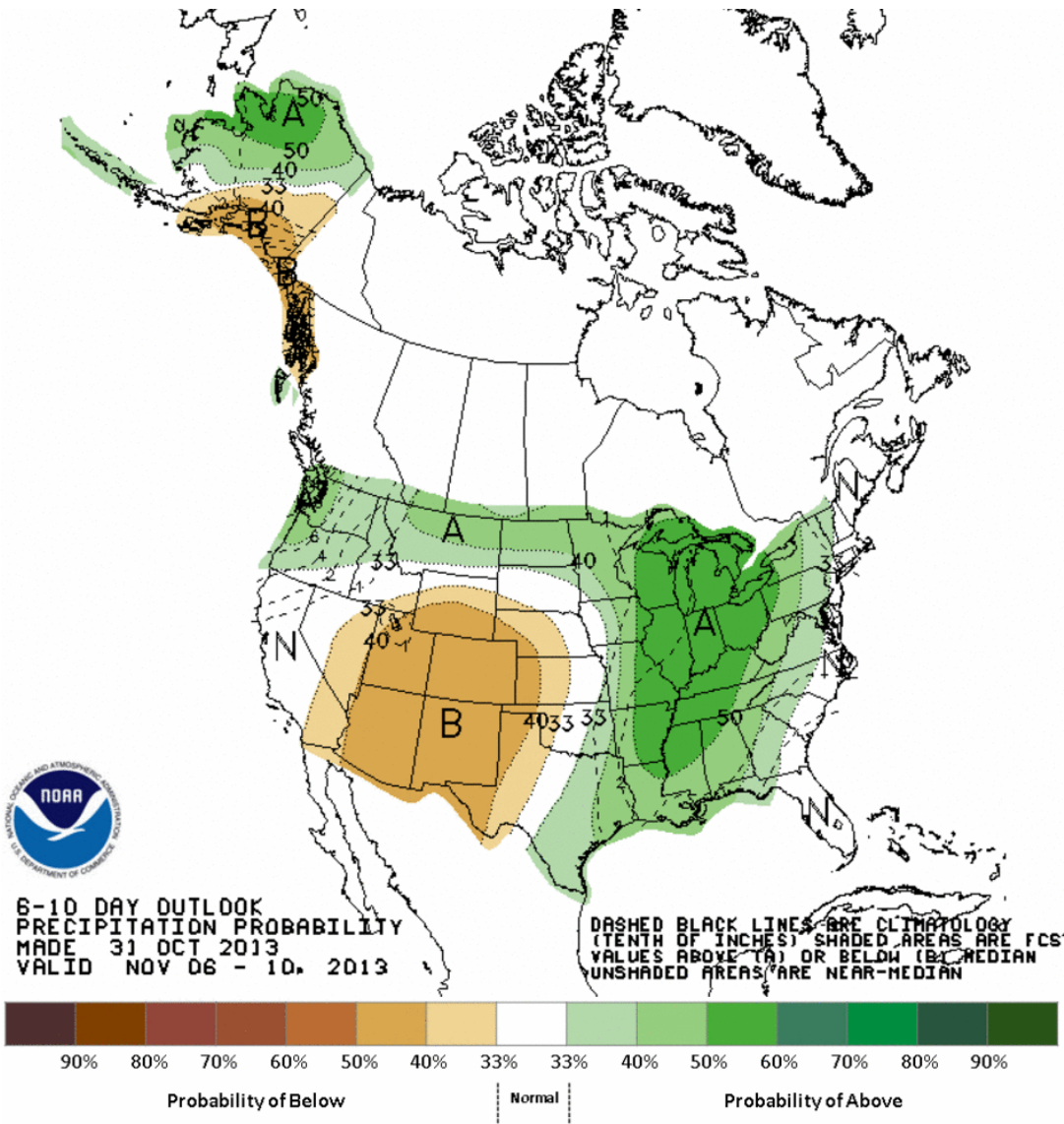


## DEC WHEATS

Wheat futures continue to erode from last week's highs on technical selling and an apparent slow down in demand for US wheat. In contrast to the large corn and bean sales figures, the USDA reported only 48.1 mln wheat sold in the 3 week timeframe, well below estimates of 55-72 mln. YTD wheat sales remain well above last year's pace at 753 mln vs 540. Funds sold 4000 contracts for the day in the Chicago market, bringing this week's net sales to near 10,000 contracts. Beneficial rains across Argentina, as well as a stronger US dollar, lent additional fundamental price pressure. The IGC also raised their world wheat production estimate by 3 MMT. WZ is fast approaching first support in the 662-665 range. Look for a two-sided overnight price trade. HAPPY HALLOWEEN!!!!!!







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