

September 24, 2013

ADVANCE INSIGHT

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Transportation

	TW/NW/Sep	Oct	Nov	Dec	Jan
St. Paul Savage	600/600/600	600	600		
Dub South	550/550/575	600	560		
St. Louis 12'	600/600/600	600	475	425	375
Illinois	550/550/600	615	525	450	450
OH/Jeff/Cinn	675/675/675	700	525	450	425
Gulf/PNW	\$0.600 / bushel				
BN Shuttles	300/300/400	800	338	-50	-75
UP Shuttles	0/0/0	425	150	-38	-50

Cash Corn Markets

	Sep FH/LH	Oct FH/LH	Nov FH/LH	Dec	Jan
CIF Nola	60z/60z 1	63z/62z	62z/62z	61z	50h
PNW	135z/135z unc	104z/104z	104z/104z	107z	95h

	Sep FH/LH		Sep FH/LH
Cols CSX 65	-5z/-5z 1	Chicago	40z/40z unc
Ft. Wayne N/S 75	-10z/-10z -10	Pekin ethanol	-5z/-5z 3
Evansvl 15s	-10z/-10z unc	Decatur, IL	10z/10z x
Toledo	-10z/-10z -10	Champaign CN 25	-5z/-5z -5
UP Grp 3	/	Clinton, IA	25z/25z unc
Dexter, MO	/ x	Columbus, NE ethanol	80z/60z unc
Fayne, OH	-12z/-12z 3	Muscatine Truck	5z/5z x
Ottawa	5z/-20z x	Hereford COBO B/E	/ -8

Cash Bean Markets

	Sep FH/LH	Oct FH/LH	Nov FH/LH	Dec	Jan
CIF Nola	98x/98x 7	87x/87x	92x/92x	93f	91f
Paranagua	145x/145x unc	145x/	/		

	Sep FH/LH		Sep FH/LH		Sep FH/LH
Columbus	10x/10x -2	CN25	20x/20x 10	Mankato	60x/-30x unc
Toledo	0x/0x unc	Chicago	-10x/-10x unc	Cncl Bluf	-25x/35x unc
Fostoria	0x/0x unc	Decatur	40x/0x x	Lincoln	10x/-10x -10
Windsor	25x/25x x	Naples	0x/0x unc	KC	-25x/-25x unc
PNW	142x/142x unc	Ottawa	-5x/-10x x	Wichita	-20x/-20x -20

Cash Milo Markets

	Sep FH/LH	Oct FH/LH	Nov FH/LH	Dec	Jan
CIF Nola	90z/90z unc	/	/		
Houston	85z/85z unc	50z/50z	50z/50z	50z	45h
Corpus Christi	95z/95z unc	50z/50z	50z/50z	50z	40h

Cash Wheat Markets

	Sep FH/LH	Oct FH/LH	Nov FH/LH	Dec	Jan
CIF SRW	65z/65z unc	70z/75z	80z/85z	85z	70h
TX Gulf HRW	127z/127z unc	127z/127z	/		

	Sep FH/LH	HRW	Sep FH/LH
St. Louis	-16z/-16z unc	KC Ords	86z/96z unc
Toledo (Mill)	-15z/-15z unc	KC 12s	95z/105z unc
	Sep FH/LH	KC 13s	108z/118z unc
PNW	120z/120z x	KC 14s	110z/120z unc

Deliverable Stocks of Grain

(thousands of bushels)

Corn		Change from LW	Change from LY
Illinois River	279	16	-735
Chicago	6	1	-10
Total	285	17	-745

Soybeans		Change from LW	Change from LY
Illinois River	211	-322	-591
Chicago	9	-10	0
Total	220	-332	-591

CBOT Wheat			
Toledo	26433	2385	-1108
Chicago	10122	669	-3415
St. Louis	1421	186	-521
Total	37976	3240	-5044

KCBOT Wheat			
Salina	18906	-770	-6228
Hutch	26070	463	-2461
KC	12671	-18	1987
Total	57647	-325	-6702

Corn

CZ3 4.48 ¼ -4 ½, CZ4 486 ¾ -5 ½. Crude - .20, etoh - .05. Better than expected yield reports continue and is keeping a lid on futures. The short corn/long bean spec trade was back in play today. Harvest pace is still in its infancy, with cash buyers eager to buy all fall basis levels. It may take longer than they think with few bu's getting sold and gut slot bean harvest in the next 2-3 weeks. Most expect a 1-2 mln acre drop in the Oct crop report, but yields data appears to provide the offset in production. S. Brazil has started planting corn with RGDS at 41%, SC 39% and Parana at 13%, all ahead of avg. Argentina is 3% vs 6% avg. Ukraine corn is 75c cheaper than US to many Asian and African destinations. USDA did announce a 180kmt sale to Columbia this am, which will likely get shipped next spring. UP3 +50, Cedar +70, Blair +40, Columbus +80, STL 0, CN 0, Decatur +10, Dayton 0, NS Ft Wayne -4. Expect these nearby values to fade and the Oct values to increase. Sept/Oct river values are well below dve from southern pressure, but delivered values at northern locations not competitive. Fob Peoria on Dec 1 is 4c below delivery, Chicago is 16c below delivery and the reason for now we have good carry in board spreads.

Trent Sauder

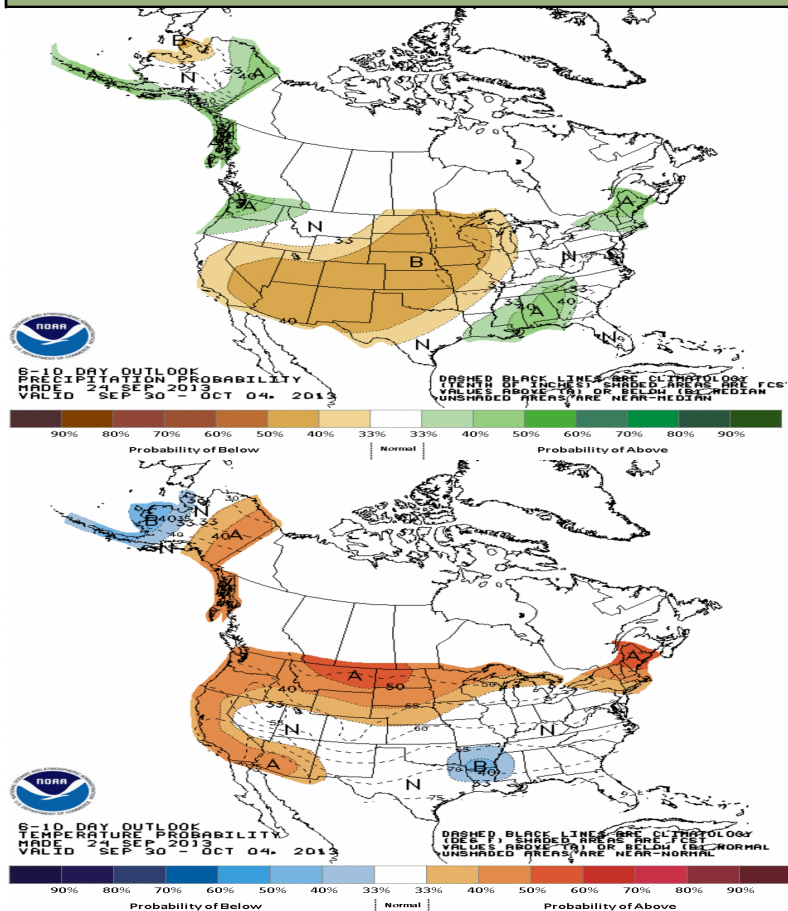
Beans

Beans settled higher today but a dime off of its sessions highs overnight as funds were estimated buyers of 3000

Daily Spreads					
Corn					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Dec3-Mar4	(12.75)	unc	-17.53	72.7%	3.4
Dec3-Jul4	(27.25)	0.50	-40.65	67.0%	3.0
Dec3-May4	(21.00)	-0.25	-28.90	72.7%	3.4
Mar4-Jul4	(14.50)	0.50	-23.21	62.5%	2.8
Beans					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Nov3-Jan4	(2.25)	0.25	-15.25	14.8%	-1.3
Nov3-Mar4	14.00	1.00	-30.00	-46.7%	None
Nov4-Jan5	(3.50)	0.50	-14.63	23.9%	-0.6
Wheat					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Dec3-Mar4	(10.25)	0.25	-18.77	54.6%	2.1
Mar4-May4	(5.25)	0.75	-12.17	43.2%	1.4
May4-Jul4	7.25	unc	-12.60	-57.5%	None
KCBOT Wheat					
	Close	Change	Full Carry	% of Full Carry	ROS/mo
Dec3-Mar4	(2.25)	1.75	-21.88	10.3%	-0.6
Mar4-May4	(0.75)	1.75	-14.20	5.3%	-0.9
Mar4-Jul4	13.25	5.50	-28.87	-45.9%	None

North American Weather Outlook

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



contracts. Some of the corn harvest we were expecting this week in the central belt is turning to beans and the early yields are generally favorable keeping prices in check. While harvest has been done for some time in Brazil, their vessel waiting times for meal shipments are estimated to be over 90 days. Their gov't is not allowing storage of meal at the ports and is helping to create this bottleneck. Basis levels along the river remain very firm and above Nov DVE for December delivery. Will be difficult to weaken the X/F under the current bids were are seeing. Index funds may help to artificially weaken the X/F as Nov Open Interest is currently 360% larger than January, but the export long will not exit the Nov until their sales get covered. The majority of the Index rolls will occur during the 2nd week of October. If you know you will need time to execute fall sales vs the F and not the X, don't be caught with hedges in the X. Basis saw more weakness in the west where values had a higher starting point to begin with. Still some plants paying better than +50X, but these are getting less every day and likely gone by this weekend. Sells these pops and focus to get any beans that are not getting sold on DP to control your house through the fall and early winter. Short DP longs need to stay in the Nov.

Dewey Hull

Wheat

Wheat closed higher across all three markets today. Early support was found in HRW, HRS as uncertainty over frost in Argentina helped boost the markets. KC Z/H firmed 1 ¾ cents to -2 ¼ carry, as basis levels remains at/above delivery value for 11's & 12's to the Gulf. Those with lower quality wheat need to be selling any ownership. Have a little patience in the HRW Z/H if holding higher proteins, large deliverable stocks should allow that spread to ease a little as export demand for HRW gives way to increases in FSU and EU supplies. HRS Z/H firmed 2 cents, closing at -10 carry. The larger than expected spring wheat crop as well as outlook for the Canadian crop have kept basis levels relatively weak. The logical place to turn for new demand is HRS which has the spreads narrowing a bit but basis values yet to reflect new demand as domestic mills are said to be plugged. This could change as logistics/focus turns from wheat to row crops and movement potentially slows. You could argue that taking some hedges out to the March at +/- 12 cents might not be a bad idea for those who know they are going to carry it. Canadian export capacity is said to be sold thru December with railroads falling behind on car orders.

Nate Durako

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

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