

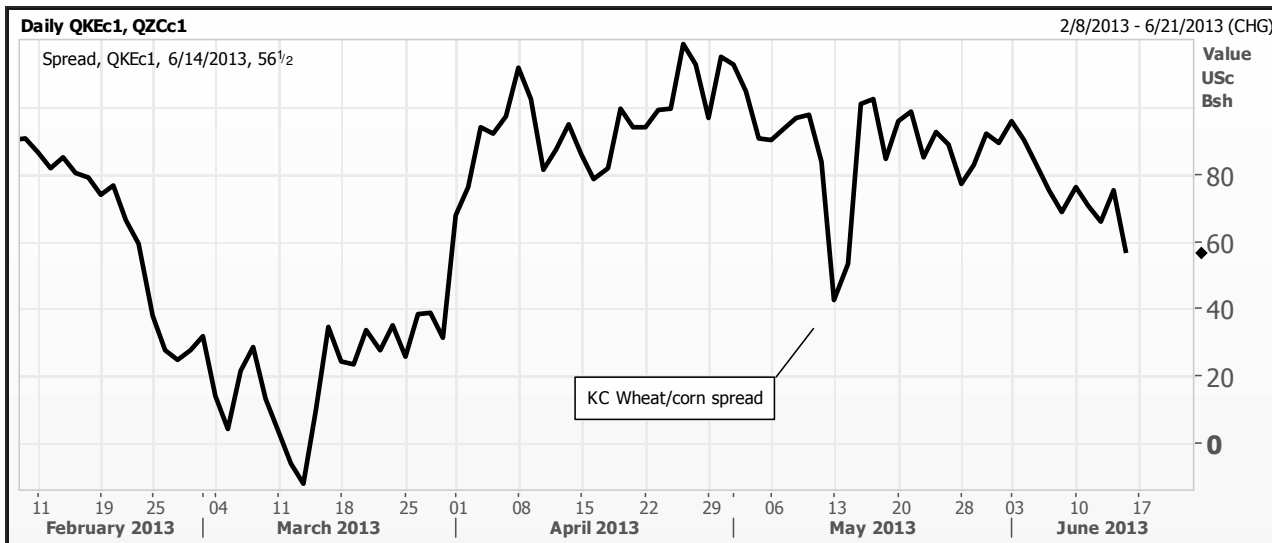
Closing Grain & Soybean Comments

Kevin Riesberg Friday June 14, 2013

Corn: Corn was a mixed bag with nearby July sharply higher while new crop Dec drifted lower and the Sept contract was caught in between. New crop continues to leak lower on "rain makes grain" mentality along with forecasts of needed warmer temps (see maps on page 3). Crop ratings are expected to improve in Monday's progress report. July corn surged today with support from CIF values popping a dime from yesterday's values. Today is last day of FH June and some paper traders got caught short. LH June and FH July CIF also firmed 8-10 cents. Interior corn basis continues to inch up with more ethanol plants rolling their bids to the Sept. We expect more to follow next week. July/Sept spread pushed out to 84 cents today while Jly/Dec looks to push back out to ward the \$1.30-1.40 mark, see chart below. Ethanol values were firmer today with the support in the old crop months. Focus next week will be on growing conditions, cash basis and expiration of the July options next Friday. Technically July corn can push back toward \$6.68 3/4 (100 day MA) with support at \$6.45 (50 day MA).

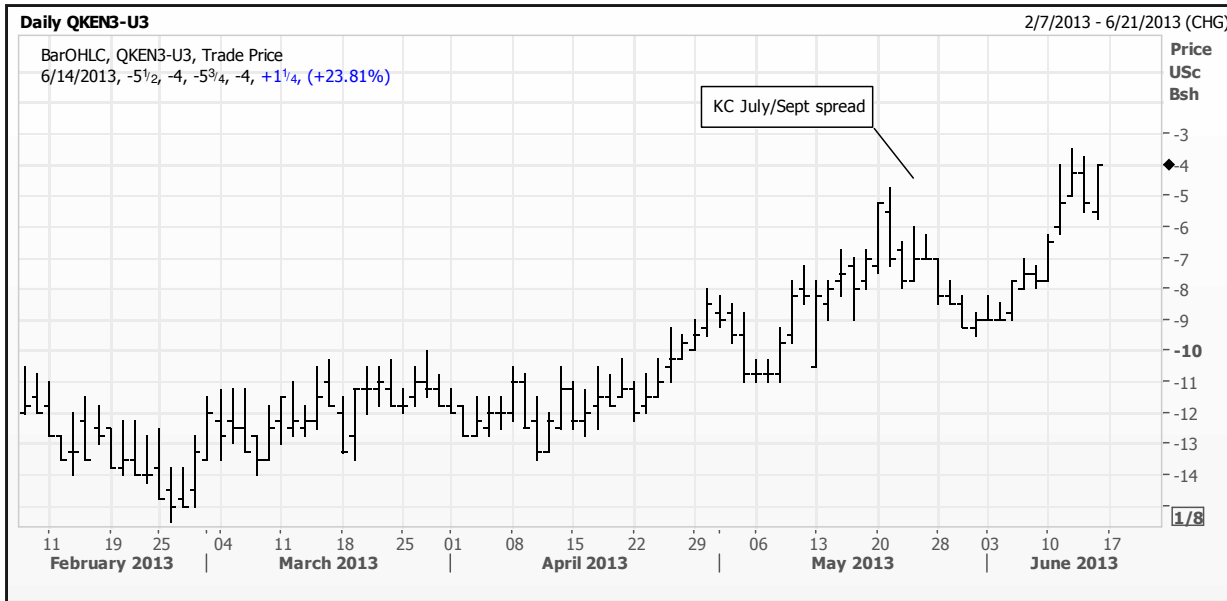


WHEAT: Wheat closed lower with profit taking seen in Mpls while KC wheat saw pressure with harvest gearing up as it approaches the OK/KS border. TX is now over 35% harvested while OK is about 15% cut. TW are running 58-60 lb with good protein levels but the yields so far are low (but no surprise there). Traders look for



better yields in KS, especially in central and eastern KS. The wheat/corn spreads continue to narrow, see chart above, and would not be surprised to see nearby KC wheat/corn spread dip toward 40 cents or below.

In export news today saw Japan booked a cargo of US feed wheat while Iran booked another 200k tons of wheat in recent days. This brings their total in the last 2 weeks to over 800k tons booked. Traders believe this is being done just in case their presidential elections on Friday become tense or disruptive. Most of this wheat will be Black Sea or Baltic origin with a small amount from Western Europe. Look for weaker trade next week as US harvest ramps up and funds stay with their short position in Chicago wheat. European values also softer today.



SOY-COMPLEX: Just like corn, soybeans saw old crop values finish higher on spread action while new crop values struggled with improving weather outlook. Estimates of planting progress on soybeans next Monday range from 80-90% with most estimates toward 85-90%. Traders believe there will be one more push on planting next week to get the last 10-15% in before June 25th. July soybeans saw support from firmer cash values with sizeable pushes being seeing at the processors for replacement grind into early July. NOPA crush report is out Monday morning with trade estimates running from 110-126 mln bu but most are falling in the 118-120 mln bu camp. NOPA crush in April was 120.1 mln bu and May last year was 138.27 mln bu. Aug/Nov inverse is pushing back



toward resistance point, see chart below.

Soybean oil did rebound today after trading lower 9 out of the last 12 sessions and July soyoil found a double bottom at 47.70.

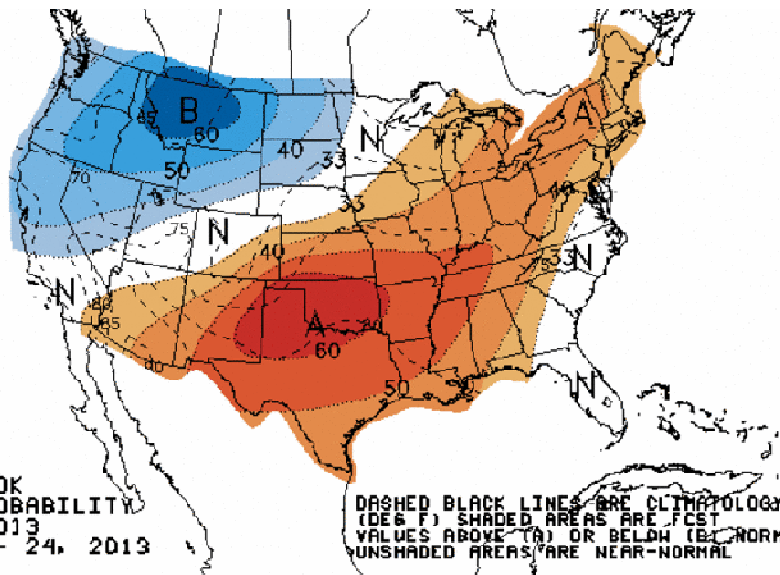
Next week market action will focus on old/new crop spreads, the crush pace and new crop planting. Aug beans should find resistance

toward \$14.50 & 14.66 with support at \$14.00. Support for Nov beans toward \$12.75 and then \$12.60.

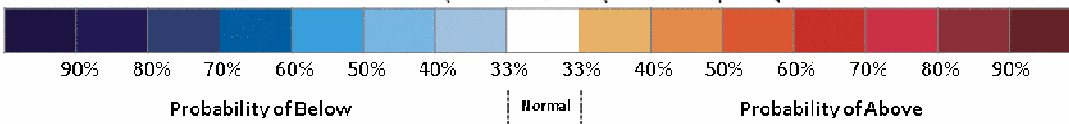
Have a great weekend!



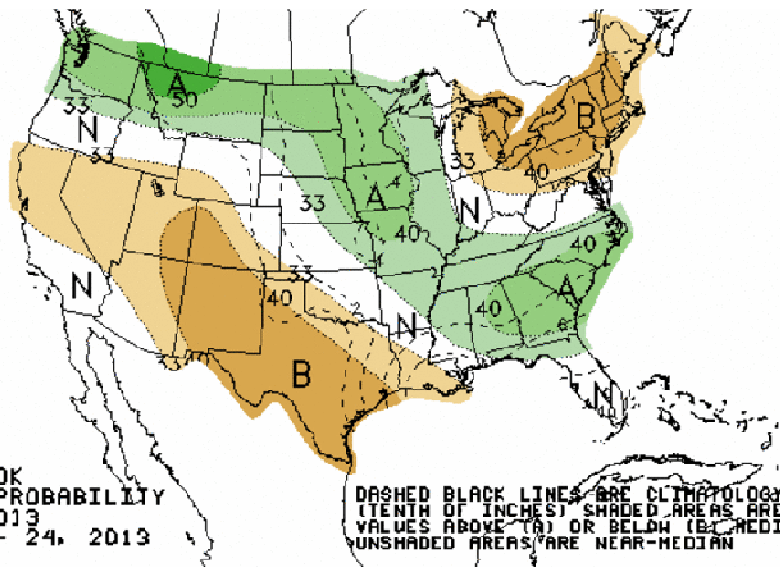
6-10 DAY OUTLOOK
TEMPERATURE PROBABILITY
MADE 14 JUN 2013
VALID JUN 20 - 24, 2013



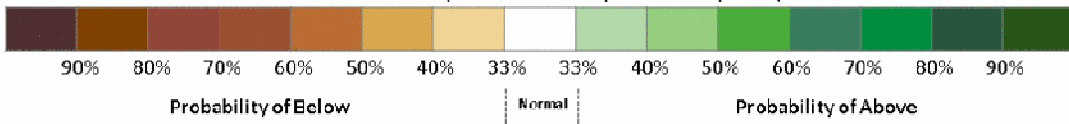
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6-10 DAY OUTLOOK
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