



December 6, 2013

Dear Subscriber:

Ag Commodity Outlook meeting season is heating up again and we've got numerous opportunities for you to attend on our calendar. For the latest meetings you can bookmark this link:

<http://will.illinois.edu/agriculture/calendar>

Here is what we have on the calendar for your consideration:

Date	Time	Location	Analysts	Sponsor
December 10, 2013	5:30pm - Registration 6:00pm - Meal 6:45pm - WILLAg Marketing Panel	Farm Credit Illinois Building Mt. Vernon Regional Office 410 Potomac Blvd Mt. Vernon, Illinois 62864	Matt Bennett, Total Grain Marketing - Windsor, Illinois Sherman Newlin, Risk Management Commodities, Inc - Hutsonville, Illinois Gary Schnitkey, University of Illinois	Farm Credit Services of Illinois
December 11, 2013	1:00 p.m.	MU Regional Corn Meeting Miner Convention Center (adjacent Drury Inn) 2610 East Malone Avenue Sikeston, Missouri	John Bondurant, Bondurant Futures - Memphis, Tennessee Jacquie Voeks, Stewart Peterson - Champaign, Illinois Dan Zwicker, CGB Enterprises - Mandeville, Louisiana	University of Missouri Extension
January 7, 2014	6:30 p.m.	U of I Extension Office Kankakee, Illinois	Curt Kimmel, Bates Commodities, Normal, Illinois Jacquie Voeks, Stewart Peterson Group, Champaign, Illinois Jason Clapp, Risk	Kankakee County Farm Bureau

			Management Commodities, Lafayette, Indiana	
January 20, 2014	11:30 a.m. Lunch with Outlook Panel to follow immediately	Remmington Library, Remmington, Indiana	Bill Gentry, Risk Management Commodities, Lafayette, Indiana	Risk Management Commodities, Lafayette, Indiana
January 29, 2014	Dinner at 6:00 p.m. Outlook Panel at 6:45 p.m.	Elks Club Pontiac, Illinois	Curt Kimmel, Bates Commodities, Normal, Illinois Jacquie Voeks, Stewart Peterson Group, Champaign, Illinois Jason Clapp, Risk Management Commodities, Lafayette, Indiana	First Farm Credit - Pontiac, Illinois
February 1, 2014	TBA	Chicago Farmers Farmland Fair Weitendorf Agricultural Education Center Joliet Junior College 1215 Houbolt Road Joliet, Illinois 60431	Matt Bennett, Total Grain Marketing - Windsor, Illinois Gary Schnitkey, University of Illinois - Urbana, Illinois Chuck Shelby, Risk Management Commodities - Lafayette, Indiana	Chicago Farmers
February 6, 2014	10:30 a.m.	Center for Agriculture DeKalb County Farm Bureau Bldg 1350 West Prairie Drive Sycamore, IL 60178	Wayne Nelson, L and M Commodities Jacquie Voeks, Stewart Peterson - Champaign, Illinois Presenter: Dan Basse, Ag Resource Company - Chicago, Illinois	Castle Bank
February 20, 2014	10:30 a.m.	Richards Farm Restaurant Casey, Illinois	Pete Manhart, Bates Commodities, Normal, Illinois Jacquie Voeks, Stewart Peterson Group, Champaign, Illinois Sherman Newlin, Risk Management Commodities, Lafayette, Indiana	U of I Extension
March 4, 2014	WILLAG.ORG All Day Ag Outlook	The Beef House, Covington, Indiana		

	Meeting			
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In addition we got some great summits on the way!

[2013 Illinois Farm Economic Summit Meeting Dates](#)

The University of Illinois Extension and members of the farmdoc team from the Department of Agricultural and Consumer Economics at the University of Illinois once again will be holding a series of five Illinois Farm Economics Summit meetings to discuss and analyze the most pressing economic issues facing Illinois producers.

December 2013

- 16 - iHotel, Champaign
- 17 - Center for Agriculture, Sycamore
- 18 - Best Western, Galesburg
- 19 - Holiday Inn, Mt. Vernon
- 20 - DoubleTree – Bloomington

Read all the details of the [FarmDOC IFES](#) meeting of your choice! Early registration closes December 9, 2013

[2014 Corn & Soybean Classic Meeting Dates](#)

The annual University of Illinois Extension Crop Sciences Corn and Soybean Classics are scheduled for the following dates and cities.

January 2014

- 06 - iHotel, Champaign
- 07 - Holiday Inn, Mt. Vernon
- 10 - Crowne Plaza, Springfield
- 13 - Par-A-Dice Hotel, Peoria
- 14 - iWireless Center - Moline
- 15 - Kishwaukee College – Malta

Early registration for the [Corn and Soybean Classics](#) closes December 8th (\$60), late registration December 30th (\$75).

[Register for the Classic](#)

We begin our discussion today noting that next Tuesday is the latest round of WASDE reports – traders are anticipating some increases in demand for soybeans AND corn on these reports:

<i>USDA December 2013 U-S Ending Stocks for 2013-14 in billions of bushels (released December 10, 2013)</i>				
Crop	USDA December Estimate	Average Guess	Range	USDA November Estimate
Corn	-	1.864	1.737 - 2.013	1.877
Soybeans	-	0.153	0.118 - 0.170	0.170
Wheat	-	0.547	0.404 - 0.575	0.565

<i>USDA December 2013 World Ending Stocks for 2013-14 in millions of metric tons (released December 10, 2013)</i>				
Crop	USDA December Estimate	Average Guess	Range	USDA November Estimate
Corn	-	164.17	162.80 - 166.00	164.33
Soybeans	-	71.42	70.00 - 75.23	70.23
Wheat	-	179.98	178.00 - 182.51	178.48

We will have full coverage of the report next Tuesday including special coverage at 12:39 p.m. of trading after the report is released and it's implication for trade on the balance on the month.



FARM BILL 2013

Farmers have been operating for more than a year now without a farm bill. Since the 2008 bill expired, there's been an ideological debate surrounding the funding of certain programs in the farm bill, including the Supplemental Nutrition Assistance Program.

There are currently two versions of the farm bill stalled in Congress, one passed by the Senate and one passed by the House, and if legislators can't come to a compromise by January 1, farm policy written in the 1940's will take effect. This hour on Focus, we'll talk about why there's been such a fight over this year's farm bill and how that differs from farm bills past.

We had on Focus this past week Jonathan Coppess, a Clinical Professor of Law and Policy in the Department of Agriculture Economics at the University of Illinois at Urbana-Champaign and former chief of staff to Michigan Senator Debbie Stabenow, (D) who worked on the Senate version of the bill and Mary Kay Thatcher, Senior Director of Congressional Affairs for the American to sort out all the current issues.

Listen to the show at:

<http://will.illinois.edu/agriculture/note/will-the-2013-farm-bill-be-approved-in-2013>

WEEKLY OUTLOOK

We are often asked by producers about the feed and residual lines for corn on the WASDE reports – University of Illinois economist Darrel Good delves into the nuances of feed and residuals and the factors that make projecting what USDA will report so problematic. Darrel writes:

“The increased difficulty in anticipating the magnitude of quarterly feed and residual use of corn makes it difficult for the market to anticipate the USDA’s quarterly corn stocks estimates. That difficulty is compounded for the December 1 report since that estimate also includes any change in the production estimate not

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I L L I N O I S

anticipated by the market. As a result, the USDA's quarterly stocks estimates have provided some surprises in recent years, resulting in sharp price reactions. Some of that price reaction may indicate that the market has not recognized the changing pattern and increased variation in quarterly feed and residual use and is over-reacting to perceived surprises. The next opportunity for a surprise will be with the estimate of December 1, 2013 corn stocks to be released in the second week of January."

To read Darrel's full report go to:

<http://www.farmdoc.illinois.edu/marketing/weekly/html/120213.html>



USDA reports this week's corn export sales at 23.4 million bushels (23.4 this year, 0.0 next year). On the year, total commitments for corn are 1023.6 million bushels vs. 481.4 million bushels a year ago at this time.

Weekly Corn – as of November 28, 2013

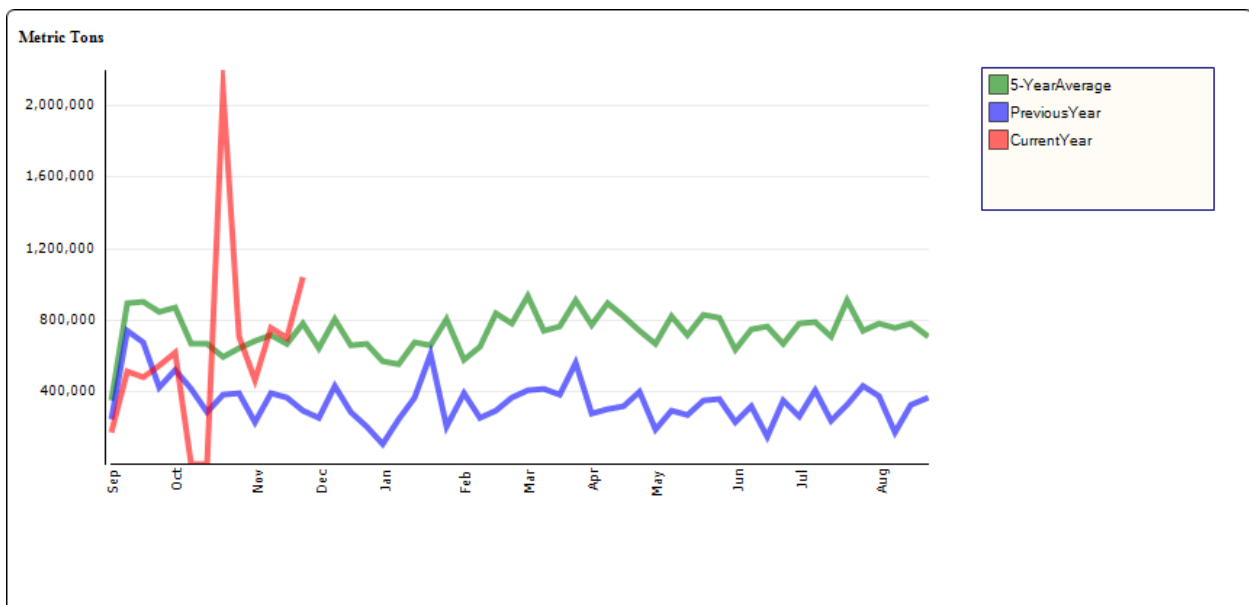


Chart Courtesy of USDA Foreign Ag Service

For information on basis in Illinois this past week go to:

[http://www.ams.usda.gov/mnreports/GX GR113.txt](http://www.ams.usda.gov/mnreports/GX_GR113.txt)

The Iowa basis report is at:

[http://www.ams.usda.gov/mnreports/NW GR110.txt](http://www.ams.usda.gov/mnreports/NW_GR110.txt)

In Friday afternoon's commitments of traders report for the week ending December 3 non-commercials decreased its net short position. Non-commercials were long 314,950 contracts, an increase of 4,438 contracts, and were short 414,372 contracts, a decrease of 6,207 contracts from the previous reporting period.

Meanwhile in futures and options combined non-commercial traders decreased its net short position for the period ending December 3. Non-commercials were long 312,148 combined future and option contracts, an increase of 3,720 combined future and option contracts and short 380,353 contracts, a decrease of 12,431 combined future and option contracts from the previous reporting period.

The CFTC Supplemental Report for December 3 indicated the following combined future/options positions (INDEX ONLY):

	Long	Short	Long Change from Previous Report	Short Change from Previous Report
Index Traders	397,697	24,820	-7,151	-2,140



USDA reports this week's soybean export sales at 42.7 million bushels (29.6 this year, 13.1 next year). On the year, total commitments for soybeans are 1381.3 million bushels vs. 1043.7 million bushels a year ago at this time.

Weekly Soybeans – as of November 28, 2013

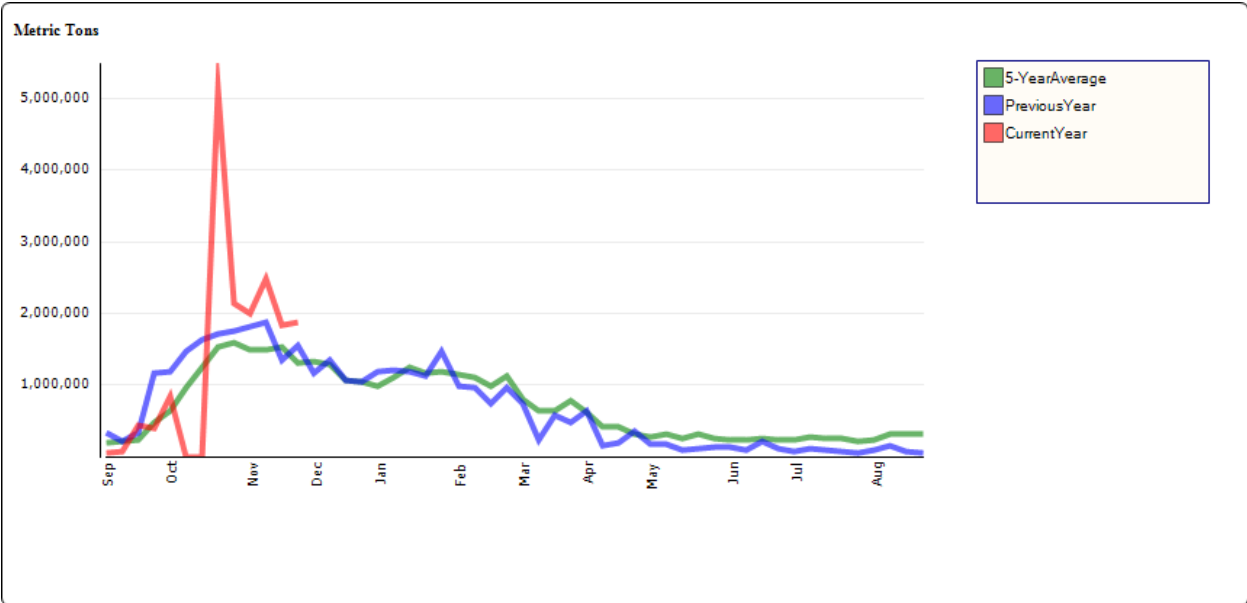


Chart Courtesy of USDA Foreign Ag Service

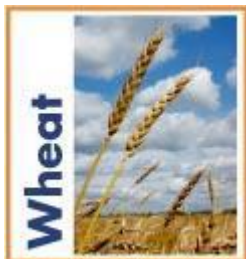
In Friday afternoon’s commitments of traders report for the week ending December 3, non-commercials increased its net long position. Non-commercials were long 228,604 contracts, an increase of 11,877 contracts and were short 69,058 contracts, an increase of 7,125 contracts from the previous reporting period.

Meanwhile in futures and options combined non-commercial traders increased its net long position for the period ending December 3. Non-commercials were long 227,258 combined future and option contracts, an increase of 11,667 contracts and short 64,225 contracts, an increase of 6,247 combined future and option contracts from the previous reporting period.

The CFTC Supplemental Report for December 3 indicated the following combined future/options positions (INDEX ONLY):

	Long	Short	Long Change from Previous Report	Short Change from Previous Report
Index Traders	148,467	11,468	-3,717	215

There's been a lot of discussion lately on our air about the potential for a huge record soybean crop in Brazil IF timely rains materialize. If Brazil does realize a crop of 88 million metric tons or more it is STILL ill prepared to ship. A year ago produced delays of up to 80 days at ports as ships waited to be filled with Brazilian soy -- it's now a year later and virtually NOTHING has been done to alleviate that issue. For example, the project to build a new grains terminal in Belem, Para, is ready but not going forward. The same goes for plans to expand grain capacity at Santos and Paranagua ports, Brazil's two main exit points. Together, these projects would add 25 mmt to 30 mmt of badly needed grain export capacity. The point is that once Brazil gets into the glut of harvest quick SHIPMENT of soy is anything but a foregone conclusion meaning China and other soy importers may continue to look at U-S supplies for quick ship throughout the first quarter of next year.



USDA reports this week's wheat export sales at 8.4 million bushels (8.4 this year, 0.0 next year). On the marketing year wheat sales have totaled 830.6 million bushels compared with 606.2 million bushels a year ago at this time.

Weekly Wheat – as of November 28, 2013

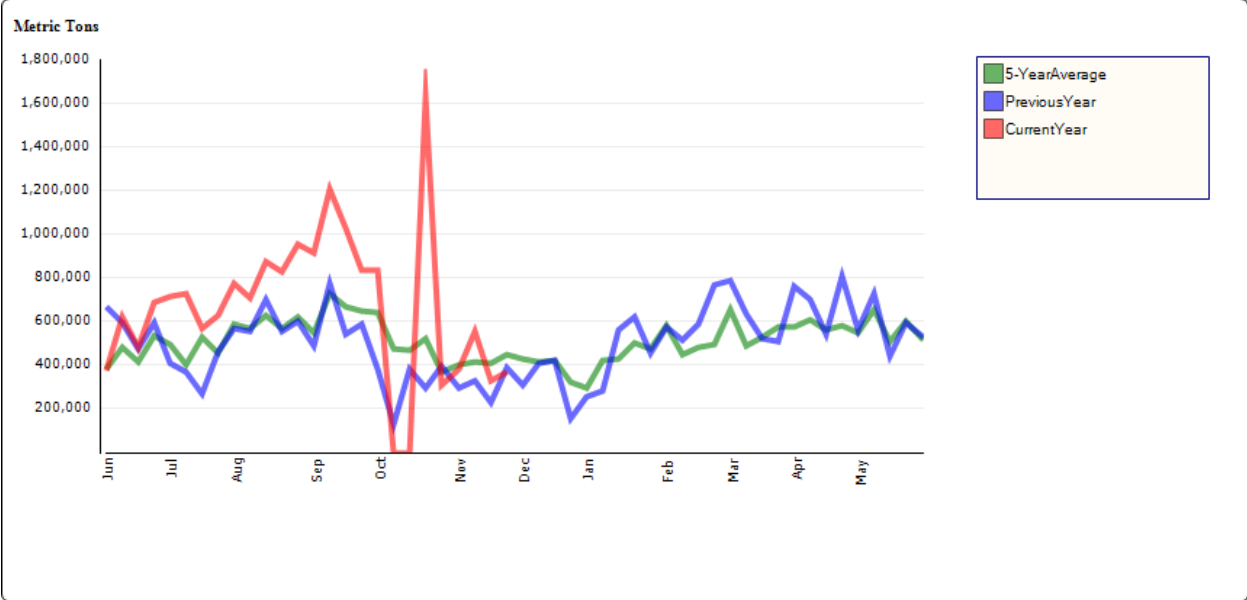


Chart Courtesy of USDA Foreign Ag Service

In Friday afternoon’s commitment of traders report for the week ending December 3 non-commercial traders decreased its net short position. Non-commercials were long 119,478 combined future and option contracts, a decrease of 552 contracts and short 181,567 contracts, a decrease of 5,513 combined future and option contracts from the previous reporting period.

The CFTC Supplemental Report for December 3 indicated the following combined future/options positions (INDEX ONLY):

	Long	Short	Long Change from Previous Report	Short Change from Previous Report
Index Traders	154,954	15,419	-2,500	498



Commodity Week

Panelists:

- The Andersons - Champaign, Illinois
- Curt Kimmel, Bates Commodities - Normal, Illinois
- Dan Zwicker, CGB Enterprises - Mandeville, Louisiana

Guest:

- Joe Vaclavik, Standard Grain - Chicago, Illinois

You can listen to Commodity Week each Saturday morning at 11:30 a.m. central time on AM-580 or click on the following link after 6:00 p.m. Friday evenings and catch the show on our website:

Broadband MP3:

<http://audio01.will.illinois.edu/cw131206.mp3>

Dial Up MP3:

<http://audio01.will.illinois.edu/cw131206dial.mp3>

AM-580 Daily Agricultural Programming Schedule

<http://www.will.uiuc.edu/am/agriculture/schedule.htm>

Monday – Friday (all times central)

- 8:49 a.m. – \$*Opening Commodity Market Report
- 8:52 a.m. - \$Drew Lerner Agricultural Weather
- 9:49 a.m. – \$*Mid-Morning Commodity Market Report
- 10:59 a.m. – Commodity Market Price Update
- 11:59 a.m. – Commodity Market Price Update
- 12:58:30 p.m. – *Midday Market Analysis with Sue Martin
- 2:06-2:36 p.m. – \$*Closing Market Report
 - 2:11 – Futures Analysis
 - 2:20 - Agricultural News
 - 2:25 - Cash Grain Analysis or Energy Analysis
 - 2:32 – Agricultural Weather Analysis

Saturday

- 6:30 a.m. - \$* Commodity Week
- 11:30 a.m. – \$*Commodity Week

* Available on the website for on demand listening

\$ Available via podcast