




October 31, 2014

Dear Subscriber:

Corn and soybean bulls and producers behind in their marketings were given a huge gift in the month of October with both harvest corn and soybeans posting key hook reversal months higher in the teeth of harvesting what may prove to be the biggest crop in U-S history. The rally has been primarily demand led due to a number of factors but most significantly end users unable to get inventory – primarily soybeans – delivered in a timely fashion due to the ongoing fight between grain elevators and ethanol and oil producers over

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WE KNOW CORN

In our 9th year as a major corporate underwriter of quality on-air Agricultural Programming at AM-580, **AGRIGOLD** is pleased to provide additional funding for this E-newsletter for the benefit of **AGRIGOLD** customers and other farmers across the country.


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I L L I N O I S

train cars. The issue has become so severe that end users are resorting to bid on trucking for delivery of soybeans to southeastern poultry country. Also complicating the delivery chain has been the fall wet harvest weather

Tickets NOW on sale




FARM ASSETS
CONFERENCE

November 24th
Normal, IL

Program includes keynote presentations on land values, crop insurance under the new farm bill, and the ARC/PLC decision as well as marketing panels on corn, soybeans, and cash grain. Lunch and parking is included.

Ticket Price: \$25.00.
Order tickets by phone at **800-898-1065**, or purchase tickets at **WILLAG.ORG**



which has slowed new crop inventory into the pipeline. And add to the perfect storm exporters who are also trying hard to source beans right now for foreign delivery Our analysts suggest the transportation snafu will eventually

correct itself (although there is some strong disagreement over HOW LONG it will take with some of our analyst suggesting weeks and others saying not until deep into winter) – and when it does the burdensome fundamentals of crop size will cap rallies until more of the crop has been delivered out of farmer hands. With that in mind our technicals suggest that November could very much be an inside month of the price move seen in October. Here is how it looks on harvest month charts:

December 2014 Corn Futures (Composite Monthly)



November 2014 Soybean Futures (Composite Daily)



TRACTOR WARS!!!!!!!



Friday morning we drew for 1:16 scale Case and Deere tractors from those who entered our contest last week during our fall pledge period. Dave and Todd THANK the 121 pledgers who gave in support of WILL Agricultural programming – along the way helping us to make a \$5,250.00 challenge from our fine business partners including:

Agrigold
Bates Commodities
Murray Wise and Associates

Stewart Peterson, Champaign County Branch
Strategic Farm Marketing
The Andersons
Risk Management
Ag and Investment Services
CBG Enterprises, Inc.
Global Commodity Analytics & Consulting

Listen here for the winners of the contest:

<http://audio01.will.illinois.edu/ag-tractorwarsdrawing141031.mp3>

WEEKLY OUTLOOK

Purdue University ag economist Chris Hurt says explores just how much longer can cattle prices hit record levels. Chris writes:

“So have cattle prices reached their cyclical peak on the current cycle? The likely answer may be NO! for two reasons. First, the size of each year’s calf crop is still declining so finished cattle supplies will drop at least through 2015 and well into 2016. Second, once herd rebuilding begins, as is now evident, expansion of the beef cow herd generally continues for four to six years. This means beef supplies will be down again in 2015 and perhaps into much of 2016.

Offsetting the argument for even higher cattle prices to come is the expectation for growing supplies of competitive meats starting in the second quarter of 2015. This is the argument that beef consumers will have lower priced meat and poultry alternatives by the spring of 2015 and therefore new record high cattle prices will become increasingly difficult. To the extent this is true, it may shorten the window of opportunity for new record cattle prices to this fall and winter.”

To see Chris’ full report go to:

<http://www.farmdoc.illinois.edu/marketing/weekly/html/102714.html>



USDA reports this week's corn export sales at 21.1 million bushels (19.3 this year, 1.8 next year). On the year, total commitments for corn are 737.8 million bushels vs. 801.3 million bushels a year ago at this time.

Weekly Corn – as of October 23, 2014

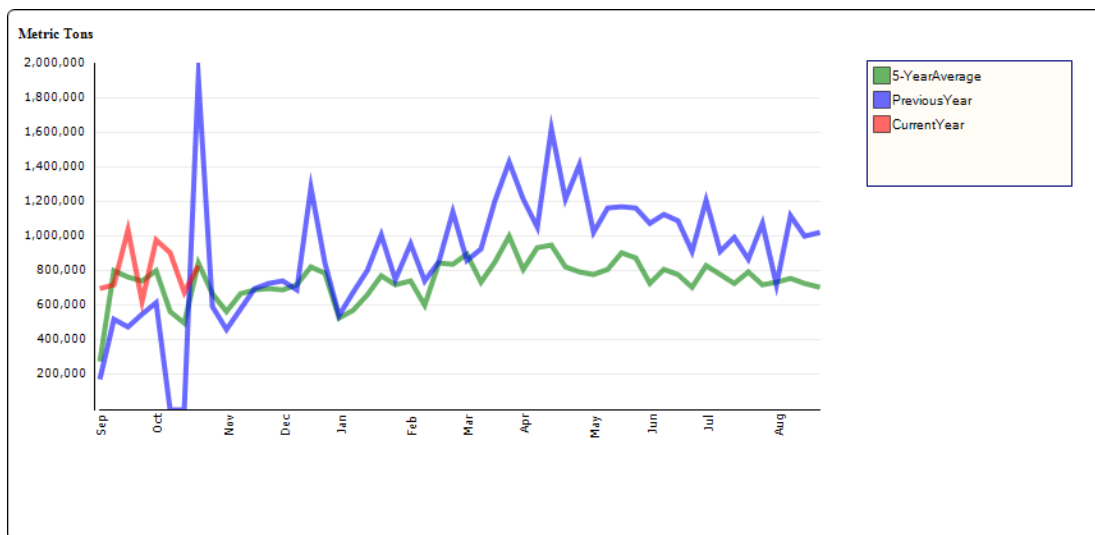


Chart Courtesy of USDA Foreign Ag Service

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)



USDA reports this week's soybean export sales at 48.7 million bushels (48.7 this year, 0.0 next year). On the year, total commitments for soybeans are 1,252.9 million bushels vs. 1,184.2 million bushels a year ago at this time.

Weekly Soybeans – as of October 23, 2014

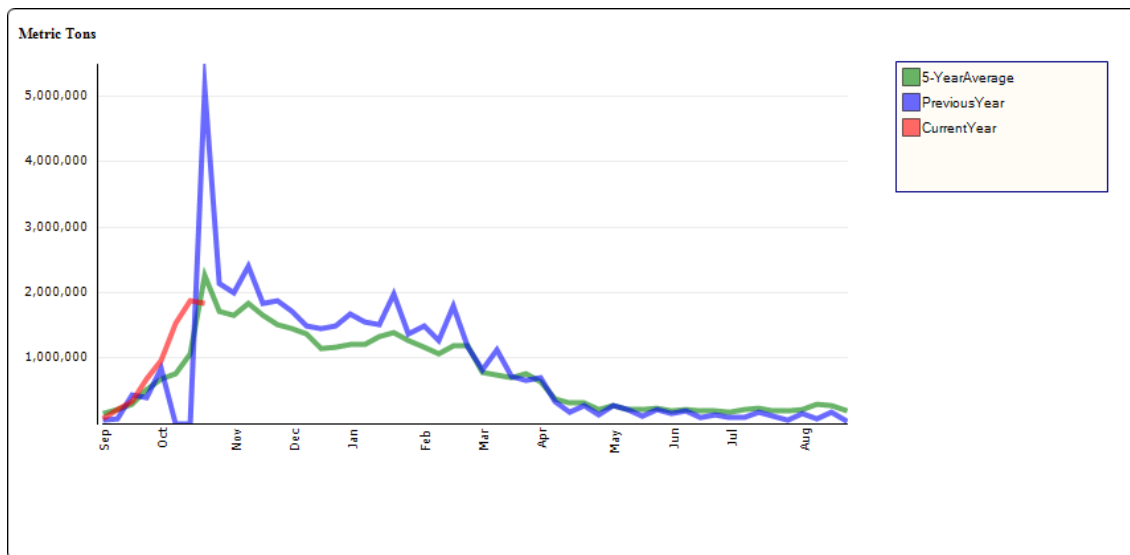


Chart Courtesy of USDA Foreign Ag Service



USDA reports this week's wheat export sales at 16.8 million bushels (16.3 this year, 0.5 next year). On the marketing year wheat sales have totaled 556.2 million bushels compared with 752.9 million bushels a year ago at this time.

Weekly Wheat – as of October 23, 2014

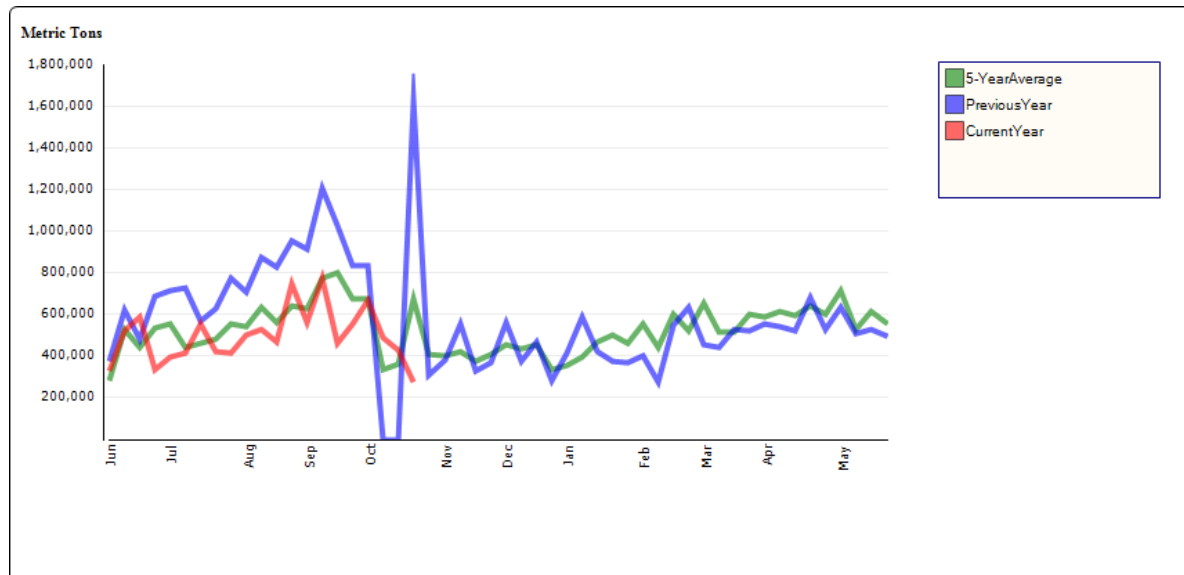


Chart Courtesy of USDA Foreign Ag Service

Ag Weather

Here is the latest from World Weather Inc. meteorologist Drew Lerner:

BRAZIL

A favorable mix of rain and sunshine will occur throughout Brazil during the coming two weeks. The only exception may be in Bahia, a part of Tocantins, northern Minas Gerais and northern Espirito Santo where rainfall may not be enough to counter evaporation. The moisture elsewhere will be frequent and significant enough to provide a good environment for summer crop planting, emergence and establishment. All areas from Mato Grosso and parts of Goias into southern Minas Gerais, Sao Paulo, Parana, Santa Catarina and Rio Grande do Sul will get rain multiple times in the forecast period with brief periods of drier weather and that will allow fieldwork to proceed while maintaining good soil moisture for early crop development.

ARGENTINA

A favorable mix of weather will occur in Argentina during the next two weeks. Some of the greatest and most widespread rain is expected today through Sunday at which time rain will fall in all crop areas and will benefit both reproducing and filling winter crops in the south as well as the planting and long term outlook for crop development in the north. The precipitation is

not expected to be heavy except in the north which is a region that has been driest for the longest period of time. Cotton and northern grain and oilseed areas will likely benefit most from the precipitation. Rainfall in western areas will be lightest and follow up precipitation will be needed relatively soon, especially in Cordoba and Santiago del Estero where the driest conditions have been present recently.

U-S MIDWEST

The next best chance for rain will develop Sunday into Tuesday in the western Corn Belt and Tuesday and Wednesday in the east. Rainfall during that period of time will range from 0.20 to 0.75 inch with local totals to 1.25 inches. The greatest rainfall will occur from central Illinois to Missouri and eastern Kansas with the precipitation to the north, east and west of this corridor being progressively lighter the further removed from that region one gets.

Weather conditions will improve following the mid-week rainfall next week. Most of the Midwest will experience five to six days of dry weather once again before the next chance for rain evolves Nov. 12-13. There will be some showers of limited significance in far northern production areas periodically late next week and into the following weekend, but the impact is not likely to be very great.



Panelists:

- Aaron Curtis, MIDCO - Bloomington, Illinois
- Curt Kimmel, Bates Commodities - Normal, Illinois
- Elaine Kub, Mastering the Grain Markets - Elkhorn, Nebraska

Guest:

- Brian Grete, Editor Pro Farmer - Cedar Falls, Iowa

You can listen to Commodity Week LIVE each Friday afternoon at 2:36 p.m. Central Time IMMEDIATELY following The Closing Market Report on AM 580.

OR...

Click on the following link after 6:00 p.m. Friday evenings and catch the show on our website:

<http://audio01.will.illinois.edu/cw141031.mp3>

WILL AG FARM ASSETS CONFERENCE

Illinois Public Media
Monday, November 24, 2014
Marriott Hotel, ISU Campus
WILL Ag Farm Assets Conference

Dave Dickey, Director of Agricultural Programming
Todd Gleason, Host of the Closing Market Report and Commodity Week

Registration/Doors Open

10:15 am Central Time

Opening Remarks (5 min)

11:00 am Central Time

Cash Grain Panel (45 min)

11:05 am Central Time

Greg Johnson, The Andersons, Champaign, Illinois
Aaron Curtis, MIDCO, Bloomington, Illinois
Matt Bennett, Total Grain Marketing, Winsor, Illinois
Bill Mayer, Strategic Farm Marketing, Champaign, Illinois

Lunch

11:50 am Central Time

Keynote 1 (30 Min)

Crop Insurance under the New Farm Bill
12:30 pm Central Time

Gary Schnitkey, Extension Specialist, Farm Management, University of Illinois Department of Agricultural and Consumer Economics

Keynote 2 (30 min)

Land Values

1:00 p.m. Central Time

Bruce Sherrick

Professor and Director, TIAA-CREF Center for Farmland Research, Urbana, Illinois

Soybean Panel (45 min)

1:30 p.m. Central Time

Pete Manhart, Bates Commodities, Normal, Illinois

Bill Gentry, Risk Management Commodities, Lafayette, Indiana

Ellen Dearden, Ag Review, Morton, Illinois

Wayne Nelson, L and M Commodities, New Market, Indiana

BREAK (15 min)

2:15 pm

Keynote 3 (90 min)

The ARC/PLC Decision

2:30 pm Central Time

Jonathan Coppess, Extension Professional Staff, University of Illinois Department of Agricultural and Consumer Economics

Corn Panel (45 min)

4:00 pm Central Time

Curt Kimmel, Bates Commodities, Normal, Illinois

Mike Zuzolo, Global Commodity Analytics, Lafayette, Indiana

Dan Zwicker, CGB Enterprises, Mandeville, Louisiana

Jacque Voeks, Stewart Peterson Group, Champaign, Illinois

AM-580 Daily Agricultural Programming Schedule

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

Friday

- 2:36 p.m. – 3:00 p.m. – \$*Commodity Week

Saturday

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

* Available on the website for on demand listening

\$ Available via podcast