

ALLIED GRAIN MARKET WIRE

Notes from Gene:

Corn basis remain firm for nearby and deferred deliveries. There is plenty of corn on the farm to meet demand and still leave us with a good carry over into 2017.

Soybean basis remain flat. Soybeans have been receiving pressure from harvest in South America despite solid fund buying in the July futures market. Futures may struggle trading at 2.7 times cash corn.

Spring Wheat basis have little support with plenty of cars on the floor in Mpls every day meeting / exceeding demand. Basis look to trade flat to weak as we watch the winter wheat crop mature and weather patterns supporting spring crops.

Weather has given most areas for the country time to get the crops in the ground. Indiana and Ohio had some challenges yet small windows of drying have opened up for the crops to go in.

Delivered Bids Are Available

We work with Ethanol Plants and Mills for truck and rail delivered prices to make ourselves competitive in the markets we serve.

We also have trucks that will help you haul your grain to any of our facilities, processors and mills. Give us a call to discuss freight rates and to schedule your grain for farm pickup.

Cameron and Abbey in Ypsilanti or Dusty and Elizabeth in Barlow will help you line up freight for any of your grain movements.

For your grain marketing give the following individuals a call:

Gene Erpelding: 701-830-0115

Cameron Hofland: 701-489-3379

Abbey Fick: 701-489-3379

Dusty Hinrichs: 701-984-2617

Elizabeth Hoggarth: 701-650-7486



For all your agronomy needs give the following individuals a call:

Jason Vollmer: 701-650-7371

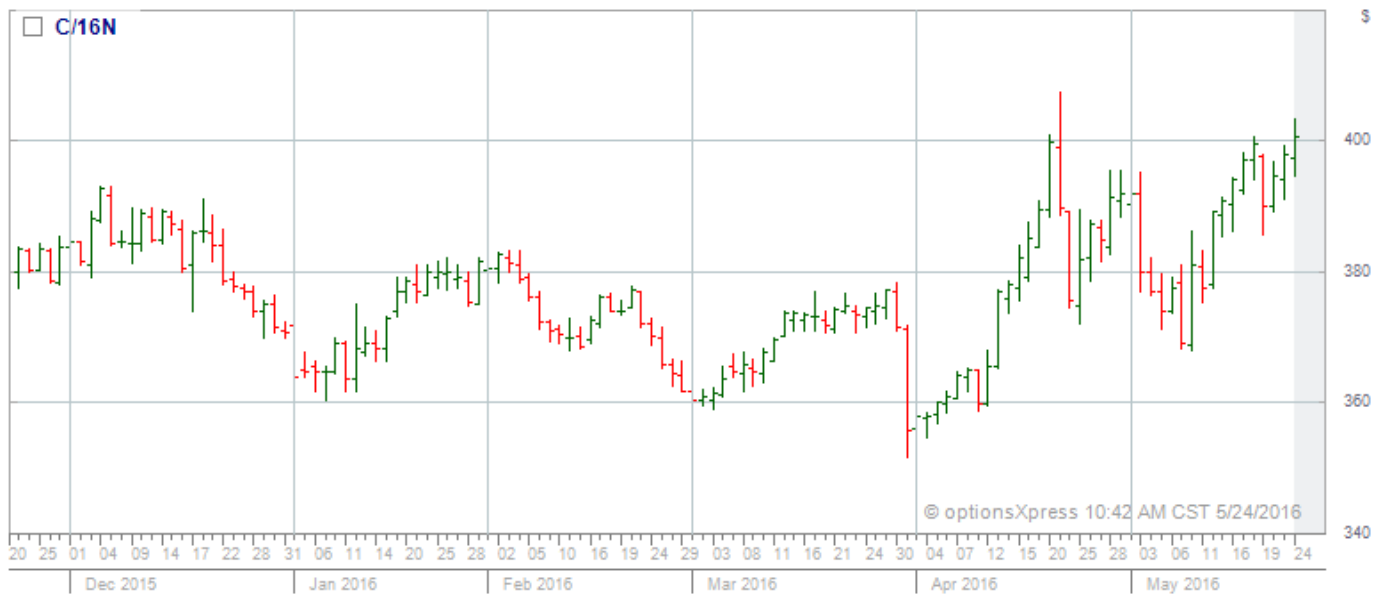
Trygg Olson: 701-652-5021

Dana Gramlow: 701-830-9729

Times look challenging as we look at our 2016 cash flows on the farm. Take the time to work with an Agronomist and find the best way to farm every acre. With our R7 tools we can help you manage your crop throughout the 2016 growing season.

Weekly Market Update

May 24, 2016



(Technical / charts) The corn chart has tested support at 3.65, resistance at 4.00. (Fundamentally) The charts are testing 4.00. We are entering an area of strong resistance as we test 4.00. A close above 4.00 may give the corn market room to move higher if the bulls come running in wanting to own it.



(Technical / charts) Resistance at 11.00, with support at 10.50 then 10.00 (Fundamentals) Technically if we take out 11.00 and the market will be looking for new resistance. The front end has been running against the new crop. Normally we would see basis improve rather than a just a board run if new demand was entering the market. It is hard to call this one, speculative money usually stays in the market for a while which could keep the nearby stronger than new crop.



(Technical / charts) support rests at 5.20 with resistance at 5.60. (Fundamentals) The market remains a follower of soybeans and corn. Funds have no reason to buy wheat with our big winter wheat crop continuing to receive good rains.



(Technical / charts) we have resistance moving up to 50.00 as support moves up to 45 and then 40.00. (Fundamentally) The market has been strong since making its lows in late January. I would look for some pull back after we get through the summer driving season.