

Markets are closed on Monday for Memorial Day



Position Management: The table shows how the Model Farm is positioned at this time. Individual recommendations may vary.

	2010 Crop	2011 Crop	2012 Crop
Corn	90% sold with basis set	50% sold HTA	30% sold HTA
Soybeans	90% sold with basis set	50% sold HTA	20% sold HTA
Wheat	100% sold with basis set	50% sold HTA	none

Prior Price Targets: The prior MNWestAg price targets have all been exceeded.

Goldman Sachs cut their three-month corn price forecast to \$8/bushel and lowered their Soybean forecast from \$15 to \$14 per bushel, with the six and 12-month soybean price forecasts also down from \$15.75 to \$14.75 per bushel.

Thoughts for 2012 crop, the only price floor we have today for 2012 is loan rate of \$1.85 corn and \$4.90 soybeans

Next Major USDA Reports: Thursday June 9, 2011 WASDE & Crop Production, Thursday June 30, 2011 Planted Acres & Grain Stocks

Market Talk: Traders thought to be doing month end positioning and with some technical consolidation caused the market to trade mixed overnight. Planting delays are still a concern. A select few in central MN have planted zero acres of corn, they tend to also be sugar beet growers. Most in the problem areas are likely 65-70% planted with a few less than 50% planted. Other regions of MN are 100% planted on corn and nearly complete on soybeans. This is also true of some in the problem areas of central MN.

Some believe that the current balance sheet on new crop soybeans is at a critical stage. If the United States crop would yield just 1 bushel per acre below current yield estimates, it would drop the 2011/12 new crop carryout to under 100 million bushel. Just a reduction to soybean acres could. A potential reason traders have not been more vocal about this situation is that many believe USDA has old crop use over-stated and we will see larger new crop carry in at the end of the current marketing year.

The United States continues to see more demand for our ethanol in the world market. Last year the US exported nearly 400 million gallons of ethanol and expectations are for that number to double this year.

The International Grain Council revised their global corn forecast, increasing production to a record 848 million metric tons. This compares to last year's 812 mmt. The larger crop is still forecast to be below usage that is projected at 853 mmt. The IGC predicts world ending stocks of corn will be at a nine year low total 116 mmt this year.

Export sales totals for last week were mixed. The United States sold 6 million bushel of old crop soybeans last week, three-times the amount needed to meet USDA's yearly goal. Old crop corn sales were just above what is needed to meet sales at 28.6 million bushel. No new crop soybean sales were made, and only 2 million bushel of new crop corn was sold. Wheat sales last week were in the middle of trade estimates as well at 16.9 million bushel.

Outside Markets:

U.S. Dollar Index	75.135	-0.497	-0.66%	Euro FX	1.42580	+0.01210	+0.86%	Ethanol Futures	Jun 11	2.641p	+0.009
CRB CCI Index	648.00p	+1.00	+0.15%	Canadian Dollar	1.02390	+0.00230	+0.23%	Gasoline RBOB (E)	Jul 11	3.0074p	+0.0207
Gold	1526.9	+4.1	+0.27%	Japanese Yen	1.23320	+0.00340	+0.28%	Diesel Gulf (Ulsd)	Jun 11	2.9684s	-0.0089
Silver	37.825	+0.505	+1.35%	Australian Dollar	1.06700	+0.00520	+0.49%	Heating Oil (E)	Jul 11	2.9934p	+0.0011
DJIA	12409p	+58	+0.47%	Chinese Renminbi	0.154000	+0.000090	+0.06%	Crude Oil Brent (E)	Jul 11	115.05p	+0.12
S&P 500 Index	1328.80	+2.30	+0.17%	Mexican Peso	0.085775	+0.000200	+0.23%	Natural Gas (E)	Jul 11	4.360p	-0.063
Nasdaq 100	2327.50	+2.25	+0.1%	1-Month Libor	99.8050p	+0.0050	+0.01%	Polypropylene	Jun 11	0.8600s	-0.0150
Russell 1000 Growth	611.50s	+5.30	+0.87%	T-Bond	125-23	-0-08	-0.2%	Polyethylene	Jun 11	0.6575p	-0.0075
MSCI EmI Index	0.00	-1139.80	-100%	3-Month T-Bill	99.2700s	0.0000	-	Rme Biodiesel	May 11	1477.350p	+3.250
Nikkei 225	9510.00	-45.00	-0.47%	5-Year T-Note	120-7.5	-0-7.5	-0.15%	Coal Futures	Jul 11	75.50p	-0.15
Brazilian Real	0.61950	+0.00120	+0.19%	10-Year T-Note	123-220	-0-020	-0.05%	Uranium	Jun 11	57.50p	0.00

(an equal opportunity provider) The information contained herein was obtained from sources believed to be reliable, but can not be guaranteed. All examples given are strictly hypothetical and neither the information, nor any opinion expressed, constitutes a solicitation to market commodities or buy or sell futures or options on futures. Commodity marketing and trading is risky. Trading and/or marketing decisions and any trading and/or marketing gains or losses are the responsibility of the commodity owner, producer, and/or account holder. Minnesota West Ag Services LLC and principals and employees assume no liability for any use of any information contained herein. Reproduction without authorization is forbidden.

Weather Rain, rain, stay away, don't come back for several days... or weeks

Central Illinois:

fri	sat	sun	mon	tue	wed	thu	fri	sat	sun
may 27	may 28	may 29	may 30	may 31	jun 01	jun 02	jun 03	jun 04	jun 05
M Cloudy	Sct T-Storms	Iso T-Storms	Sunny	P Cloudy	Iso T-Storms	Sct T-Storms	Sct T-Storms	M Sunny	AM Clouds
68° 54°	78° 65°	86° 65°	88° 64°	80° 58°	79° 61°	79° 63°	82° 66°	82° 67°	

Central Iowa:

fri	sat	sun	mon	tue	wed	thu	fri	sat	sun
may 27	may 28	may 29	may 30	may 31	jun 01	jun 02	jun 03	jun 04	jun 05
PM T-Shwrs	M Cloudy	Sct T-Storms	P Cldy/Wind	P Cloudy	Iso T-Storms	Iso T-Storms	P Cloudy	Sunny	M Sunny
67° 56°	73° 58°	69° 67°	85° 68°	79° 62°	79° 64°	65° 81°	67° 83°	67° 83°	68°

South Central Minnesota:

fri	sat	sun	mon	tue	wed	thu	fri	sat	sun
may 27	may 28	may 29	may 30	may 31	jun 01	jun 02	jun 03	jun 04	jun 05
T-Showers	PM T-Storms	P Cloudy	Strong Tstms	Sunny	P Cloudy	Iso T-Storms	Sunny	Showers	P Cloudy
54° 49°	69° 52°	70° 57°	76° 61°	68° 54°	71° 58°	75° 61°	72° 61°	76° 60°	75° 61°

Central Indiana:

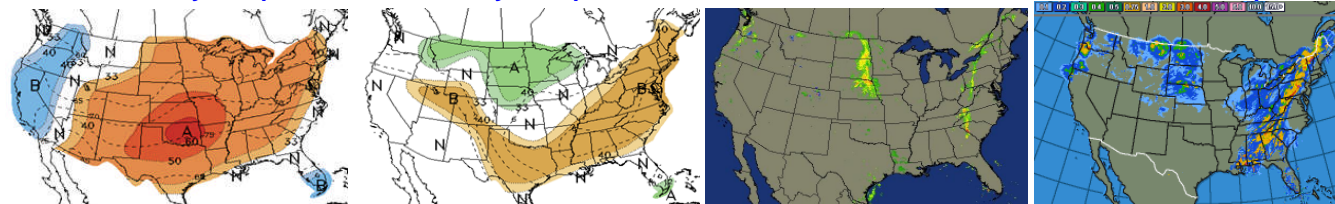
fri	sat	sun	mon	tue	wed	thu	fri	sat	sun
may 27	may 28	may 29	may 30	may 31	jun 01	jun 02	jun 03	jun 04	jun 05
Cloudy	M Cloudy	Iso T-Storms	Sunny	M Sunny	Iso T-Storms	Iso T-Storms	Sct T-Storms	Sunny	AM Clouds
66° 55°	76° 66°	87° 69°	88° 70°	88° 70°	79° 60°	78° 61°	78° 63°	82° 67°	83° 69°

8-14 Day Temp

8-14 Day Precipitation

Current Radar

Last 24 hr Precip



Official Weather Station -2011

SW Research and Outreach Center
University of Minnesota
Lamberton, MN 56152

	Monday, May 23	Tuesday, May 24	Wednesday, May 25	Thursday, May 26
Air Temperature	Max = 69; Min = 57	Max = 73; Min = 54	Max = 68; Min = 50	Max = 62; Min = 42
Soil Temperature				
2 inch	Max = 70; Min = 60; Ave = 65	Max = 71; Min = 59; Ave = 65	Max = 67; Min = 57; Ave = 62	Max = 62; Min = 51; Ave = 56
4 inch	Max = 62; Min = 56; Ave = 59	Max = 64; Min = 57; Ave = 60	Max = 63; Min = 55; Ave = 59	Max = 57; Min = 51; Ave = 54
8 inch	Max = 60; Min = 56; Ave = 58	Max = 62; Min = 56; Ave = 59	Max = 60; Min = 56; Ave = 58	Max = 56; Min = 52; Ave = 54
Daily Precipitation	0.00"	0.00"	0.32"	0.00"

Corn: Morning: July 11 Corn is at \$7.46 ¼ , up ¾ cents, Sept 11 Corn is at \$7.17 ¼ , down 1 cents, Dec 11 Corn closed at \$6.75 , down 1 ½ cents. Mar 11 corn closed at \$6.85 ¼ , down 3 cents
Yesterday's Close: Jul 11 Corn closed at \$7.45 ½ , up 3 ¼ cents, Sep 11 Corn closed at \$7.18 ¼ , up 3 ½ cents, Dec 11 Corn closed at \$6.76 ¼ , up 5 ½ cents
Corn futures closed higher on the day but near the low of the daily range on the old crop and at midrange on the new crop. December corn made new contract highs by 3/4 cent before retreating. Funds were net buyers of an estimated 9,000 corn contracts. Weather is still presenting challenges for the eastern Corn Belt. Updated weather forecasts still show light rains in Indiana and Ohio until Monday afternoon but after that the long range forecasts show clear weather through June 9th for those states. Above normal temps are forecast for most of the U.S. through June 9th with below normal precipitation in the Southern Plains, Gulf States and eastern seaboard and above normal rain in the Northern Plains. Other countries are also experiencing extremes in their weather pattern. Private exporters announced the sale of 168,000 MT of corn to Mexico for 2011/12. Northern Mexico has also been in a dry pattern. Trade estimates for the weekly export sales report ranged from 500,000 MT to 1.2 MMT. The USDA put the actual figure at 731,990 MT. Cash spot basis levels were firm at interior elevators and processors but eased at river terminals around the Midwest.

Soybean Complex: Morning: Jul 11 Soybeans closed at \$13.87 ½ , up 2 ¾ cents , Sept 11 Soybeans closed at \$13.79 , up 2 cents, Nov 11 Soybeans closed at \$13.74 ¾ , up 2 ½ cents, Jan 11 Soybeans closed at \$13.82 , up 1 cents
Yesterday's Close: Jul 11 Soybeans closed at \$13.84 ¾ , up 7 ¾ cents, Aug 11 Soybeans closed at \$13.81, up 8 cents, Nov 11 Soybeans closed at \$13.72 ½ , up 11 ½ cents, Jul 11 Soybean Meal closed at \$360.30, up \$2.00, Jul 11 Soybean Oil closed at \$58.70, up \$0.74
Soybean futures broke the weekly sideways mold taking out this week's high to close higher on the day. Old crop soybeans stayed range bound but new crop soybeans closed above previous weekly highs. Funds bought an estimated 5,000 soybean contracts. Soybean meal and oil also closed higher. The recent weather forecast is not supportive to crop development. Much above normal temperatures with below normal rainfall in several states may not be the best environment for the growing crop but will benefit those areas left to plant. Canada's cool and wet weather has delayed near record planting intentions this year. The trade estimated the Census crush at 129.3 million bushels

(an equal opportunity provider) The information contained herein was obtained from sources believed to be reliable, but can not be guaranteed. All examples given are strictly hypothetical and neither the information, nor any opinion expressed, constitutes a solicitation to market commodities or buy or sell futures or options on futures. Commodity marketing and trading is risky. Trading and/or marketing decisions and any trading and/or marketing gains or losses are the responsibility of the commodity owner, producer, and/or account holder. Minnesota West Ag Services LLC and principals and employees assume no liability for any use of any information contained herein. Reproduction without authorization is forbidden.



MORNING COMMENTS

david@mnwestag.com

Office 1-877-365-3744

www.mnwestag.com

Friday, May 27, 2011

compared to 136.5 million in April. The U.S. Census Bureau reported 127.98 million bushels of soybeans were crushed in April, the lowest for April since 2004. Oil stocks were above trade estimates at 3.317 billion pounds with trade estimates at 3.302 billion pounds. Weekly export sales were 163,169 MT for old crop and a net reduction of 6,126 MT for new crop sales. Traders had estimated soybean export sales at 150 to 325 thousand MT. Cash basis levels are firm at a Decatur processor and steady around the country.

Wheat: Morning: Jul 11 CBOT Wheat closed at \$8.11 ½ cents, Jul 11 MGEX Wheat is at \$10.52 , up 6 ¼ cents

Yesterday's Close: Jul 11 CBOT Wheat closed at \$8.14 1/2, up 18 cents, Jul 11 KCBT Wheat closed at \$9.42 3/4, up 14 cents, Jul 11 MGEX Wheat closed at \$10.45 3/4, up 25 3/4 cents

Wheat futures closed higher on all three exchanges with the MGEX wheat taking out the February highs on the spot contract but closing 9 cents below the February high and 36 cents off today's high. Excess moisture and flooding in North Dakota, Manitoba and eastern Saskatchewan has lowered acreage expectations for spring wheat. Funds bought an estimated 5,000 CBOT contracts. Drought, flooding and cool temperatures have been a deterrent to U.S. wheat progress. Dry weather is expected to remain in place over the next 10 days in France. A worse case would be if it stays dry and then turns wet at harvest time. Weekly export sales came in at a net reduction of 28,319 MT for 2010/11 with old crop shifting to new crop. The marketing year ends May 31. New crop sales were 460,615 MT for 2011/12 delivery and are significantly outpacing the previous two years. Hot and dry weather is forecast for most of the U.S. east of the Rockies with above normal rainfall indicated for the Northern Plains from May 29 to June 9th adding additional delays to spring wheat planting.

Cattle: Yesterday's Close: Jul 11 CBOT Wheat closed at \$8.14 1/2, up 18 cents, Jul 11 KCBT Wheat closed at \$9.42 3/4, up 14 cents, Jul 11 MGEX Wheat closed at \$10.45 3/4, up 25 3/4 cents

Wheat futures closed higher on all three exchanges with the MGEX wheat taking out the February highs on the spot contract but closing 9 cents below the February high and 36 cents off today's high. Excess moisture and flooding in North Dakota, Manitoba and eastern Saskatchewan has lowered acreage expectations for spring wheat. Funds bought an estimated 5,000 CBOT contracts. Drought, flooding and cool temperatures have been a deterrent to U.S. wheat progress. Dry weather is expected to remain in place over the next 10 days in France. A worse case would be if it stays dry and then turns wet at harvest time. Weekly export sales came in at a net reduction of 28,319 MT for 2010/11 with old crop shifting to new crop. The marketing year ends May 31. New crop sales were 460,615 MT for 2011/12 delivery and are significantly outpacing the previous two years. Hot and dry weather is forecast for most of the U.S. east of the Rockies with above normal rainfall indicated for the Northern Plains from May 29 to June 9th adding additional delays to spring wheat planting.

Hogs: Yesterday's Close: Jun 11 Hogs closed at \$87.800, down \$0.500, Jul 11 Hogs closed at \$87.275, down \$0.125 Aug 11 Hogs closed at \$89.025, down \$0.275

Lean Hog futures closed lower on all the 2011 contracts. Prices have held within Tuesday's price range over the last couple of days, not taking out Tuesday's high or low. Markets will be closed Monday in observance of Memorial Day. The Lean Hog Index for May 24th is at 94.69 down \$0.92. Pork prices are very competitive relative to beef and chicken with many grocers featuring pork for the holiday. Cash hogs in IA/MN were much higher ending the day up \$2.77 at \$91.36. WCB hogs were up \$2.26 at \$90.83 and ECB hogs were down \$0.02 at \$89.49. The shortened holiday week will limit plant production tightening supplies. Pork trading ended moderate, with mostly light demand and moderate to heavy offerings. The Carcass was down \$3.51 at \$89.75.

Cotton: Yesterday's Close: Jul 11 Cotton closed at 151.03, down 500 points, Oct 11 Cotton closed at 140.1, down 400 points Dec 11 Cotton closed at 127.57, down 378 points

Cotton closed lower on all contracts and near the lows on July and Dec, reversing after heading slightly higher earlier in the session. Some of the dry areas in Texas received some moisture but a lot of Texas was left dry. Despite the lower U.S. dollar relative to other currencies, cotton export sales were a net reduction for the 9th week in a row at a minus 32,960 bales for 2010/11. Sales for 2011/12 were 21,824 bales leaving a net reduction for the week.

Growing season weather conditions have historically proven to be more of a factor than planting dates. The United States is still being affected by a weak La Nina pattern, some forecasters believe this will soon shift to an El Nino system. If correct, this tends to lead to a benign growing season across the Corn Belt and could also lead to trend or better yields. Thus, a reason we have not seen the corn market spike higher.

(an equal opportunity provider) The information contained herein was obtained from sources believed to be reliable, but can not be guaranteed. All examples given are strictly hypothetical and neither the information, nor any opinion expressed, constitutes a solicitation to market commodities or buy or sell futures or options on futures. Commodity marketing and trading is risky. Trading and/or marketing decisions and any trading and/or marketing gains or losses are the responsibility of the commodity owner, producer, and/or account holder. Minnesota West Ag Services LLC and principals and employees assume no liability for any use of any information contained herein. Reproduction without authorization is forbidden.



MORNING COMMENTS

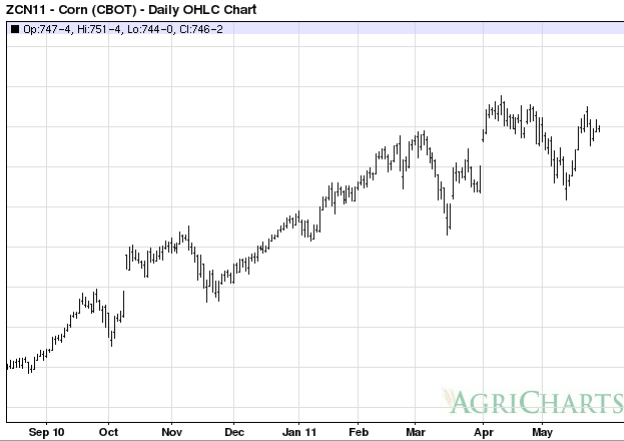
david@mnwestag.com

Office 1-877-365-3744

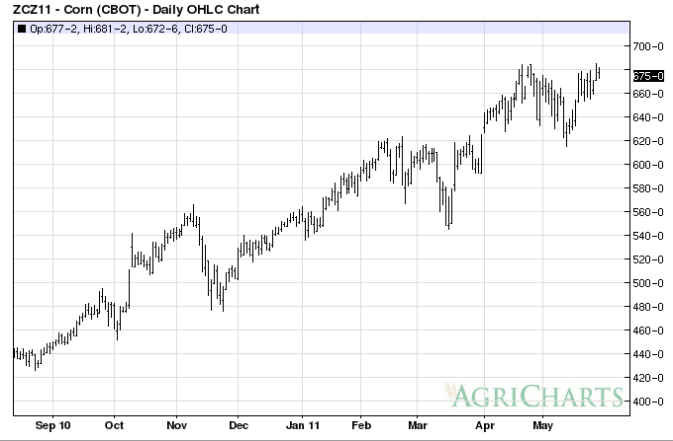
www.mnwestag.com

Friday, May 27, 2011

May 11 Corn Daily Chart



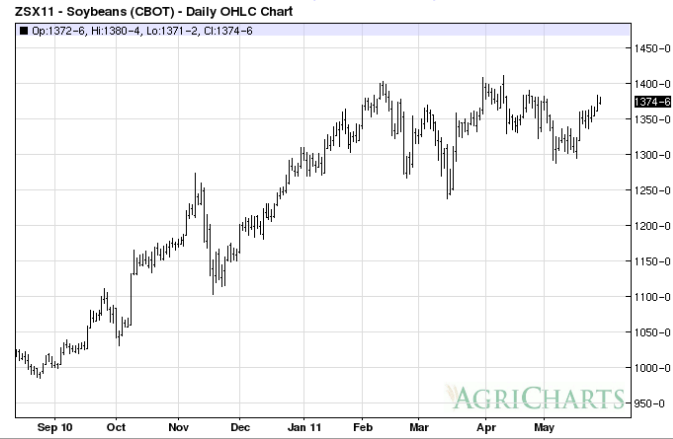
Dec 11 Corn Daily Chart



May 11 Soybean Daily Chart



Nov 11 Soybean Daily Chart



May 11 Mpls Spring Wheat Daily Chart



Sept 11 Mpls Spring Wheat Daily Chart



(an equal opportunity provider) The information contained herein was obtained from sources believed to be reliable, but can not be guaranteed. All examples given are strictly hypothetical and neither the information, nor any opinion expressed, constitutes a solicitation to market commodities or buy or sell futures or options on futures. Commodity marketing and trading is risky. Trading and/or marketing decisions and any trading and/or marketing gains or losses are the responsibility of the commodity owner, producer, and/or account holder. Minnesota West Ag Services LLC and principals and employees assume no liability for any use of any information contained herein. Reproduction without authorization is forbidden.