

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

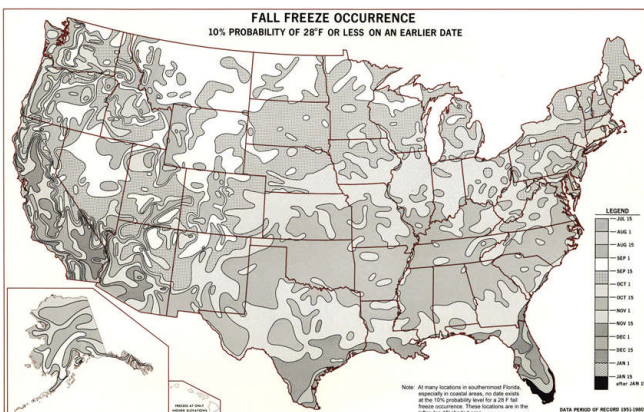
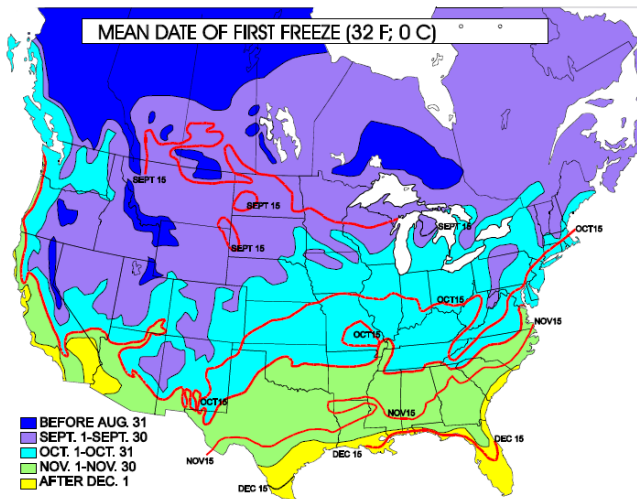
	2010 Crop	2011 Crop	2012 Crop
Corn	100% sold with basis set	50% sold HTA	30% sold HTA
Soybeans	100% sold with basis set	50% sold HTA	20% sold HTA
Wheat	100% sold with basis set	50% sold HTA	none

**Next Major USDA Reports:** Friday September 30, 2011 Quarterly Grain Stocks ;  
Wednesday October 12, 2011 WASDE & Crop Production ;

**Market Talk:** Trade evaluating expectations of USDA's lower corn production and demand rationing. Noting that the expected farm price was moved higher by \$.30 to a range of \$6.50 to \$7.50 as demand was lowered by 400 million bushels. Comments are that some pain needs to be felt by some or multiple sectors of end users for the expectations to be met of 505 million bushels less usage during the 2011/12 year than the 2010/11 marketing year.

**Freeze Watch** Has Been Issued For Much Of Central And Southern Minnesota For Wednesday Night. This Watch Includes Albert Lea, Alexandria, Mankato, Mora, Montevideo, Redwood Falls, St. Cloud, And Outlying Western And Southern Areas Of The Twin Cities Metro. Strong Canadian High Pressure On Wednesday Night Will Bring The Combination Of Light Winds, A Clear Sky, And Well Below Normal Temperatures. A Freeze Is Becoming More Likely, With Expected Low Temperatures On Wednesday Night In The Upper 20s To Lower 30s Across Much Of Central And Southern Minnesota. This Freeze Potential Comes Two And A Half Weeks Before The Average First Freeze In These Locations. A Chance For A Hard Freeze With Temperatures Reaching 28 Degrees Is Possible On Wednesday Night, Mainly In Western Minnesota. A Freeze Watch Means Sub-Freezing Temperatures Are Possible On Wednesday Night. These Conditions Could Kill Crops And Other Sensitive Vegetation.

**Freeze Dates:**

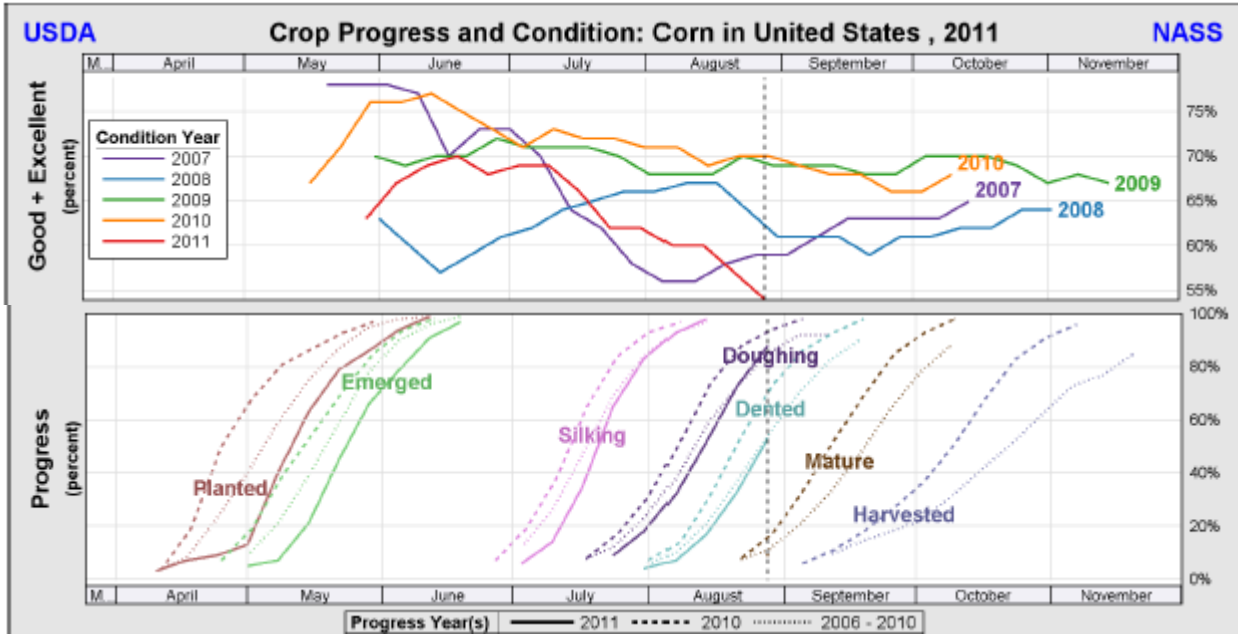


MEDIAN DATES OF CRITICAL LOW TEMPERATURE THRESHOLDS IN MINNESOTA (Period of record 1948-2005)

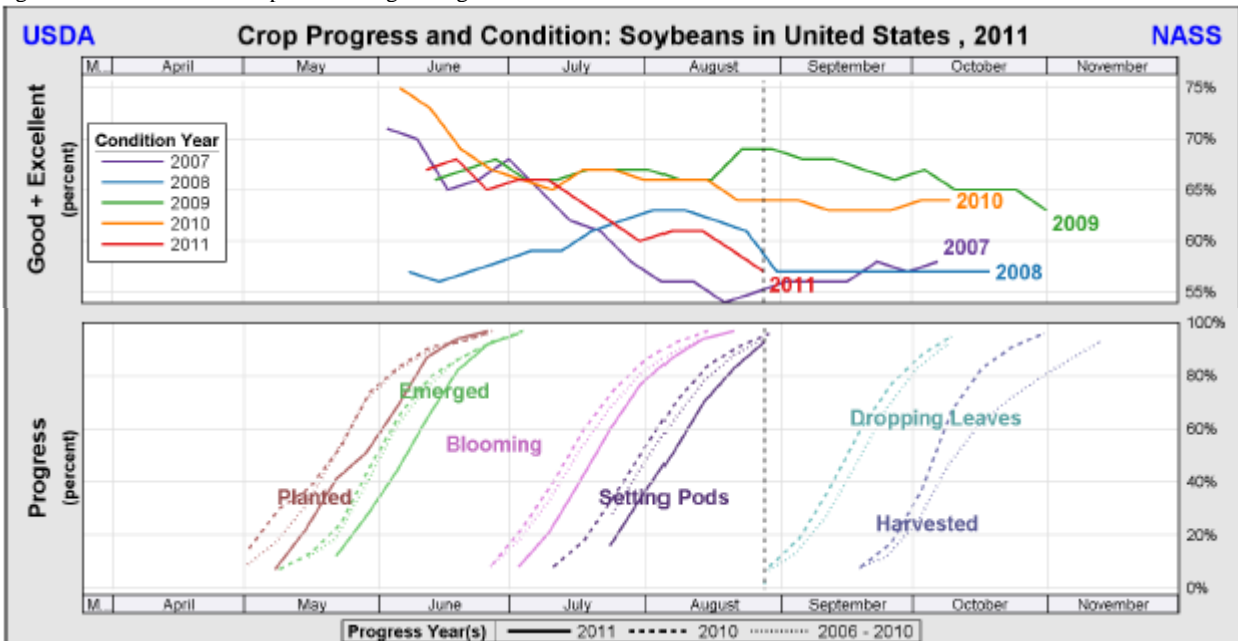
DISTRICT AND STATION	MEDIAN DATE OF LAST MIN. TEMP IN SPRING			MEDIAN DATE OF FIRST MIN. TEMP IN FALL			DAYS BETWEEN MEDIAN DATES		
	24 F	28 F	32 F	32 F	28 F	24 F	32 F	28 F	24 F
<b>CENTRAL</b>									
Buffalo	4/11	4/22	5/2	10/2	10/12	10/29	150	172	201
Chaska	4/11	4/22	5/2	10/2	10/10	10/27	152	173	200
Collegeville	4/10	4/22	5/2	10/5	10/18	10/29	157	177	201
Gaylord	4/9	4/17	4/29	10/4	10/16	10/24	158	181	198
Hutchinson	4/9	4/24	5/1	10/1	10/13	10/25	152	175	200
Jordan	4/13	4/28	5/10	9/28	10/6	10/20	144	164	190
Litchfield	4/11	4/22	5/5	9/30	10/10	10/23	153	171	195
Wadena	4/21	5/2	5/10	9/24	10/4	10/19	138	156	179
Willmar	4/11	4/25	5/2	10/3	10/15	10/25	154	173	195
<b>SOUTHWEST</b>									
Lamberton	4/10	4/28	5/5	9/28	10/7	10/17	147	164	186
Luverne	4/16	4/30	5/7	9/26	10/5	10/17	142	159	179
Marshall	4/9	4/19	5/4	10/4	10/14	10/25	156	176	199
Pipestone	4/22	5/3	5/12	9/24	10/3	10/10	137	153	172
Redwood Fls	4/9	4/18	5/1	10/2	10/9	10/25	155	175	196
Tracy	4/14	4/26	5/3	10/3	10/9	10/24	152	167	191
Windom	4/14	4/27	5/7	9/30	10/7	10/22	144	164	192
<b>SOUTH-CENTRAL</b>									
Albert Lea	4/9	4/18	5/2	10/5	10/18	10/28	158	182	201
Fairmont	4/6	4/13	4/28	10/8	10/22	10/31	163	189	209
Faribault	4/14	4/27	5/8	9/29	10/12	10/25	146	169	193
New Ulm	4/9	4/24	5/2	9/29	10/10	10/24	148	173	194
Owatonna	4/13	4/28	5/6	10/2	10/10	10/23	149	168	191
St James	4/9	4/21	4/30	10/3	10/11	10/23	157	174	198
St Peter	4/9	4/20	5/2	10/2	10/13	10/25	155	174	200
Springfield	4/10	4/23	5/3	9/27	10/9	10/20	149	168	189
<b>WEST-CENTRAL</b>									
Alexandria	4/13	4/23	5/7	10/1	10/12	10/25	148	170	195
Artichoke Lk	4/14	4/24	5/7	10/1	10/10	10/22	150	167	190
Benson	4/13	4/26	5/7	9/30	10/10	10/21	146	166	189
Campbell	4/17	4/28	5/12	9/24	10/3	10/12	138	156	179
Canby	4/14	4/28	5/7	10/1	10/10	10/23	148	166	189
Fergus Fls	4/14	4/27	5/7	9/28	10/8	10/21	146	166	189
Glenwood	4/17	4/29	5/9	9/26	10/5	10/20	145	158	184
Madison	4/14	4/28	5/6	9/28	10/9	10/20	147	168	191
Milan	4/14	5/2	5/9	9/24	10/4	10/15	145	160	184
Montevideo	4/13	4/27	5/6	9/30	10/7	10/20	148	167	191
Morris	4/14	4/28	5/7	9/29	10/6	10/19	144	162	186
<b>SOUTHEAST</b>									
Austin	4/12	4/28	5/7	9/27	10/5	10/20	145	164	190
Caledonia	4/13	4/23	5/5	10/1	10/11	10/28	153	175	195
Farmington	4/9	4/19	5/2	10/4	10/14	10/31	155	178	204
Grand Meadow	4/10	4/22	5/6	10/1	10/10	10/27	151	174	197
Preston	4/20	5/5	5/16	9/23	10/3	10/14	131	153	178
Rochester	4/11	4/21	5/6	10/1	10/12	10/27	151	175	197

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Crop Progress report showed 97% of corn at the dough stage, up a point from average, 84% dented, up 2 points from average, and 29% mature, down 4 points.



Crop Progress report showed 15% of soybeans dropping leaves, down 12 points from average while condition was 56% good/excellent, unchanged from last week with a point moving from good to excellent.



**Outside Markets:**

U.S. Dollar Index	77.225	-0.441	-0.57%	Euro FX	1.36450	+0.00700	+0.52%	Ethanol Futures	Oct 11	2.781p	+0.017
CRB CCI Index	644.00p	-4.55	-0.7%	Canadian Dollar	1.00870	+0.00600	+0.6%	Gasoline RBOB (E)	Oct 11	2.7382p	-0.0328
Gold	1829.0	+19.1	+1.06%	Japanese Yen	1.30090	+0.00840	+0.65%	Diesel Gulf (ULSD)	Oct 11	2.9769p	-0.0419
Silver	40.310	+0.146	+0.36%	Australian Dollar	1.03180	+0.00640	+0.62%	Heating Oil (E)	Oct 11	2.9475p	-0.0383
DJIA	11061p	+40	+0.36%	Chinese Renminbi	0.156470p	-0.000100	-0.06%	Crude Oil Brent (E)	Oct 11	112.40	+0.15
S&P 500 Index	1163.20p	+5.10	+0.44%	Mexican Peso	0.077725	+0.000675	+0.88%	Natural Gas (E)	Oct 11	3.885p	-0.030
Nasdaq 100	2195.00p	+26.00	+1.2%	1-Month Libor	99.7625p	-0.0025	-	Polypropylene	Oct 11	0.8450s	0.0000
Russell 1000 Growth	545.70p	+3.60	+0.66%	T-Bond	142-04	-0.15	-0.33%	Polyethylene	Oct 11	0.6050s	-0.0050
MSCI EMI Index	959.70	-5.80	-0.6%	3-Month T-Bill	992.7000s	0.0000	-	RME Biodiesel	Sep 11	1480.182p	-4.863
Nikkei 225	8550.00	+15.00	+0.18%	5-Year T-Note	123-280	+0.010	+0.03%	Coal Futures	Oct 11	74.48p	-0.02
Brazilian Real	0.57730s	-0.01295	-2.19%	10-Year T-Note	131-120	-0.030	-0.07%	Uranium	Sep 11	52.45p	0.00

**Weather**

**Central Illinois:**

tue	wed	thu	fri	sat	sun	mon	tue	wed	thu
sep 13	sep 14	sep 15	sep 16	sep 17	sep 18	sep 19	sep 20	sep 21	sep 22
P Cloudy	M Cloudy	P Cloudy	M Sunny	Sunny	P Cloudy	Iso T-Storms	Showers	Cloudy	M Sunny
83° 53°	74° 45°	66° 42°	69° 46°	75° 54°	79° 63°	80° 62°	75° 53°	74° 52°	79° 55°

**Central Iowa:**

tue	wed	thu	fri	sat	sun	mon	tue	wed	thu
sep 13	sep 14	sep 15	sep 16	sep 17	sep 18	sep 19	sep 20	sep 21	sep 22
Sunny	AM Showers	P Cloudy	P Cloudy	P Cloudy	Sct T-Storms	Sct T-Storms	Showers	M Sunny	Sunny
77° 54°	60° 37°	63° 46°	66° 55°	72° 59°	76° 65°	75° 60°	70° 53°	69° 52°	72° 56°

**South Central Minnesota:**

tue	wed	thu	fri	sat	sun	mon	tue	wed	thu
sep 13	sep 14	sep 15	sep 16	sep 17	sep 18	sep 19	sep 20	sep 21	sep 22
M Sunny	P Cloudy	Sunny	M Sunny	M Sunny	Iso T-Storms	Iso T-Storms	Showers	P Cloudy	AM Clouds
73° 45°	59° 34°	63° 41°	68° 49°	74° 55°	73° 59°	76° 54°	66° 48°	65° 48°	72° 51°

**Central Indiana:**

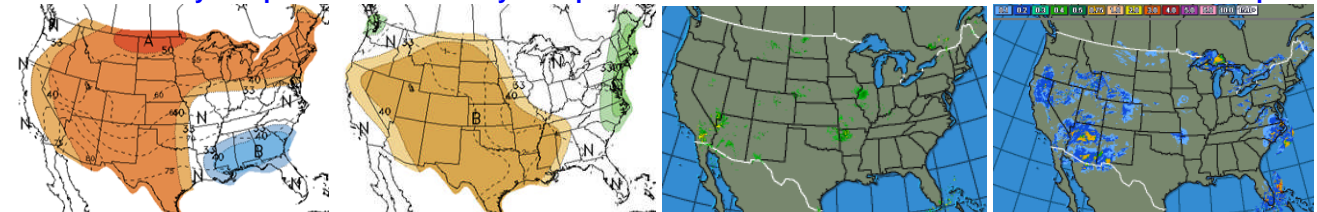
tue	wed	thu	fri	sat	sun	mon	tue	wed	thu
sep 13	sep 14	sep 15	sep 16	sep 17	sep 18	sep 19	sep 20	sep 21	sep 22
P Cloudy	Few Showers	P Cloudy	P Cloudy	Sunny	M Sunny	M Sunny	M Cloudy	Showers	M Sunny
87° 54°	74° 50°	64° 42°	68° 46°	73° 53°	78° 59°	79° 60°	77° 58°	73° 53°	75° 54°

**8-14 Day Temp**

**8-14 Day Precipitation**

**Current Radar**

**Last 24 hr Precip**



**Corn:** Morning: Sept 11 Corn is at \$7.29 ¾, down 4 ½ cents, Dec 11 Corn closed at \$7.40 ½, down 5 cents, Mar 11 corn closed at \$7.53 ½, down 5 cents, July 12 Corn is at \$7.65, down 5 cents, Yesterday's Close: Sep 11 Corn closed at \$7.34 ¼, up 8 1/4 cents, Dec 11 Corn closed at \$7.45 ½, up 9 cents, Mar 12 Corn closed at \$7.58 ½, up 9 ¼ cents Dec 12 Corn closed at \$6.63, up 6 ½ cents  
 Corn futures closed higher after starting lower and digesting the USDA reports released this morning. USDA put the US corn crop at 12.497 billion bushels this morning, on an average yield of 148.1 bpa. The average trade estimate was 12.554 billion bushels with an average yield estimate of 149.2 BPA. USDA revised their estimated August 2012 ending stocks to 672 million bushels from 714 million in August. World ending stocks were increased to 117.39 MMT. The USDA Export Inspections report this morning showed 16.542 million bushels inspected for export for the week ending September 8th with a total increase of 16.662 million bushels from last week after revisions to prior data. This is 26.7 million bushels behind last year's weekly pace. This afternoon's Crop Progress report showed 97% of corn at the dough stage, up a point from average, 84% dented, up 2 points from average, and 29% mature, down 4 points.

**Soybean Complex:** Morning: Sept 11 Soybeans closed at \$13.87 ½, unchg, Nov 11 Soybeans closed at \$13.90, down 6 cents, Jan 11 Soybeans closed at \$13.97 ¾, down 8 ½ cents, Jul 12 Soybeans closed at \$14.13 ½, down 8 ¾ cents, Yesterday's Close: Sep 11 Soybeans closed at \$13.87 ½, down 29 cents, Nov 11 Soybeans closed at \$13.96, down 30 ¾ cents, Jan 12 Soybeans closed at \$14.06 ¼, down 30 ½ cents, Nov 12 Soybeans closed at \$13.76, down 23 ½ cents, Sep 11 Soybean Meal closed at \$360.10, down \$8.60, Sep 11 Soybean Oil closed at \$57.25, down \$0.95  
 Soybean futures closed sharply lower after the September WASDE report this morning. The USDA average yield estimate in this morning's Crop Production report was 41.8 BPA, with total production of 3.085 billion bushels. The average analyst estimate for the USDA WASDE was for a 3.032 billion bushel crop with an average yield estimate of 41.1 BPA per Bloomberg. The WASDE ending stocks estimate for 2011/12 was moved from 168 to 165 million bushels, but was larger than the trade had expected. The USDA Export Inspections report this morning showed 11.757 million bushels inspected for export for the week ending September 8th with a total increase of 12.351 million bushels from last week after revisions to prior data. This is 5 million bushels larger than the same week in 2010. This afternoon's Crop Progress report showed 15% of soybeans dropping leaves, down 12 points from average while condition was 56% good/excellent,

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# MORNING COMMENTS

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Tuesday, September 13, 2011

unchanged from last week with a point moving from good to excellent.

**Wheat:** Morning: Dec 11 CBOT Wheat closed at \$7.22 , down 5 ¼ cents, Dec 11 MGEX Wheat is at \$8.93 , down 8 ½ cents  
 Yesterday's Close: Sep 11 CBOT Wheat closed at \$6.99 ¾ , down 1 ¼ cents, Sep 11 KCBT Wheat closed at \$8.03, down 7 ¼ cents, Sep 11 MGEX Wheat closed at \$9.39 ½ , down 6 ¼ cents

Wheat futures closed mildly lower, coming back from the morning lows caused by higher USDA estimated ending stocks. Wheat handled the combination of data from this morning fairly well which implies that the estimates were built in to the market. US ending stocks were hiked to 761 million bushels from 671 last month, with exports and food use cut, and Canadian imports hiked 10 million bushels. Global ending stocks were hiked to 194.59 MMT from 188.87 MMT in August. The USDA Export Inspections report this morning showed 16.716 million bushels inspected for export for the week ending September 8th with a total increase of 17.645 million bushels from last week after revisions to prior data. This is 14.565 million bushels behind the 2010/11 weekly pace and reinforces the USDDA move to cut projected exports for the year. This afternoon's Crop Progress report showed winter wheat planted at 6% , 4 points below average. The report showed 83% of spring wheat harvested, down 4% from average but rapidly catching up.

**Cattle:** Yesterday's Close: Oct 11 Cattle closed at \$119.400, up \$0.950, Dec 11 Cattle closed at \$118.725, up \$0.475, Feb 12 Cattle closed at \$122.400, up \$0.575, Sep 11 Feeder Cattle closed at \$133.400, up \$0.175 Oct 11 Feeder Cattle closed at \$135.525, up \$0.675 Nov 11 Feeder Cattle closed at \$136.400, up \$0.725

Cattle futures closed higher, supported by last week's cash trade. Cash cattle were sharply higher last week at \$118, validating the futures rally. Wholesale beef prices were sharply higher this afternoon. Choice boxed beef was up \$1.70 and Select beef was up \$1.70. Packers seem to be getting what they need to pay for those cattle they bought. This afternoon's Crop Progress report showed pasture condition at 32% good/excellent, down a point and 12 points below last year.

**Hogs:** Yesterday's Close: Oct 11 Hogs closed at \$86.675, down \$0.575, Dec 11 Hogs closed at \$82.725, down \$0.850 Feb 12 Hogs closed at \$88.800, down \$0.700

Lean hog futures closed lower. The Lean Hog Index was down \$0.57 as of September 8th at \$87.08. Prices are rapidly reaching convergence with October futures. The carcass cutout value dropped to \$94.28 this afternoon. Cash hogs were mixed this afternoon: \$1.35 higher in WCB, \$1.80 lower in ECB, \$1.34 higher in IA/MN.

**Cotton:** Yesterday's Close: Oct 11 Cotton closed at 110.72, up 42 points, Dec 11 Cotton closed at 112.29, up 42 points Dec 12 Cotton closed at 99.94, up 106 points

Cotton futures closed about flat with slightly looser US stocks and tighter world stocks shown in the USDA report out this morning. USDA is now projecting US cotton production at 16.56 million bales on an average yield of 807 pounds per acre. USDA revised the ending stocks estimate for 2011/12 upward to 3.4 million bales. Exports were cut 300K bales based on sluggish sales and rampant cancellations or destination switches. World ending stocks were tightened to 51.91 million bales from 52.66 million last month. This afternoon's Crop Progress report showed 57% of cotton bolls opening vs 44% on average. The report also showed 9% harvested, 2 points above average while condition was at 28% good/excellent, down 31% from last year.

**US Dollar Index Weekly**

DX - U.S. Dollar Index (ICEFI) - Weekly OHLC Chart



**Crude Oil Weekly**

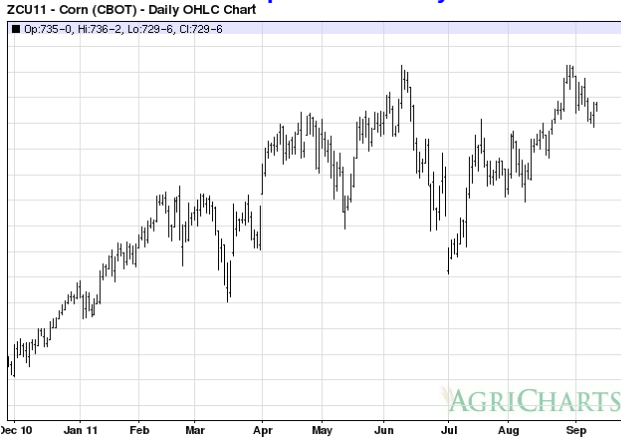
CB - Crude Oil Brent (ICE) - Weekly OHLC Chart



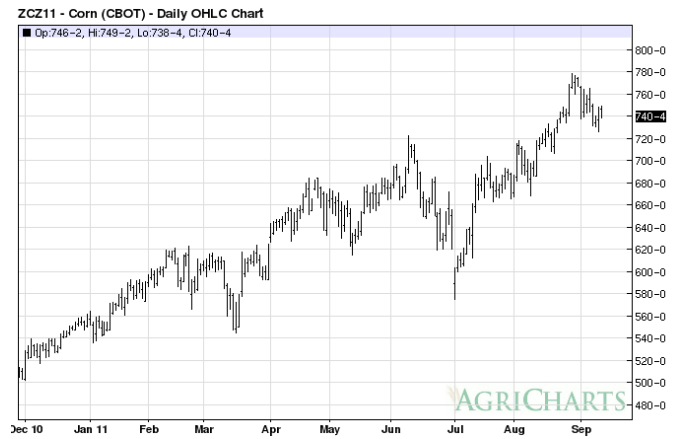
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**Sept 11 Corn Daily Chart**



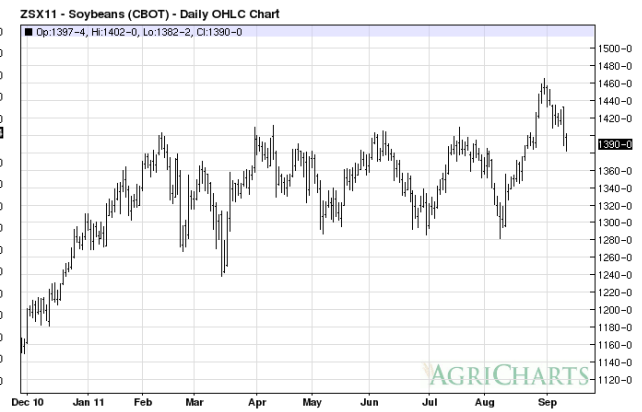
**Dec 11 Corn Daily Chart**



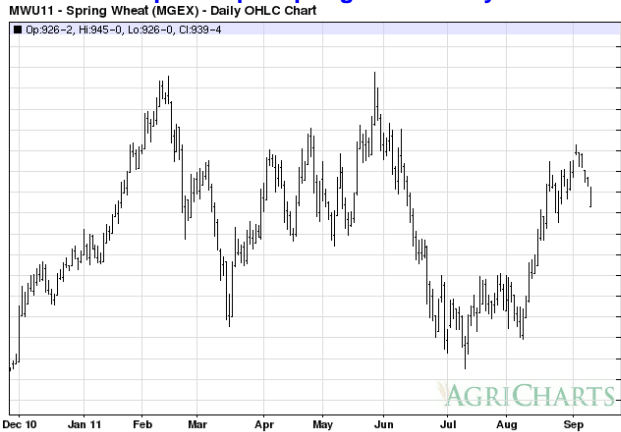
**Sept 11 Soybean Daily Chart**



**Nov 11 Soybean Daily Chart**



**Sept 11 Mpls Spring Wheat Daily Chart**



**Dec 11 Mpls Spring Wheat Daily Chart**



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