



Markets will be open Monday but the government will be off celebrating Columbus Day, one of Federal employees 10 annual holidays.

Weekly Newsletters will begin in October and continue during harvest at least through October and likely into November.

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

	2011 Crop	2012 Crop
Corn	50% sold HTA. If fall delivery needed basis is set.	30% sold HTA
Soybeans	50% sold HTA. If fall delivery needed basis is set.	20% sold HTA
Wheat	50% sold HTA. If fall delivery needed basis is set.	none

Hedge: a means of protection against something, especially a means of guarding against financial loss

Speculate: to form a conjecture on the basis of incomplete facts or information, to engage in financial transactions that have an element of risk.

Price Targets: We have made all the sales that we are comfortable with prior to harvesting a crop.

HTA Basis Targets: For those with 2011 Dec corn HTA's that need a fall delivery and have not set the basis you should be talking to your elevator and negotiating the basis. Many So MN elevators have an Oct/Nov basis of -.45 with a few as wide as -.60 depending on their location and local market. Soybean basis remains slightly wider than many years but given the futures value seem somewhat reasonable. For 2011 Soybean HTA's that need a delivery you may need to accept a basis near -.80 if you need to have the cash flow, otherwise you could roll the Nov Soybean HTA out to Jan or March and wait to see if a more normal basis of near -.65 occurs. When futures have been over \$12.00 we have had limited opportunity for -.70 or better basis in Jan-Mar of 2010 and also in 2008.

Next Major USDA Reports: Wednesday October 12, 2011 WASDE & Crop Production ;

Yield Estimate	2011/12 USDA US Yield Estimates (in bu per acre)					Production Estimate	2011/12 USDA US Production Estimates (in bushels)				
	USDA Oct 11/12	Average Trade Est.	Range of Trade Est.	USDA Sept 11/12	2010 Yield		USDA Oct 11/12	Average Trade Est.	Range of Trade Est.	USDA Sept 11/12	
Corn		148.70	145.2 - 150.9	148.10	152.8	Corn		12.471	12.001-12.690	12.497	
Soybeans		41.80	40.0 - 42.9	41.80	43.5	Soybeans		3.081	2.930-3.162	3.085	

Carry Out	2011-12 USDA Grain Carry Out Estimates (billions/bu)			
	USDA Oct 11/12	Average Trade Est.	Range of Trade Est.	USDA Sept 11/12
Corn		0.806	0.646-0.989	0.672
Soybeans		0.183	0.153-0.255	0.165
Wheat		0.733	0.663-0.805	0.761

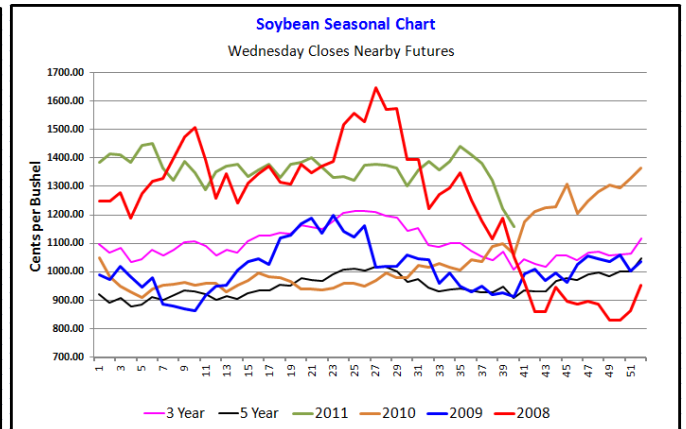
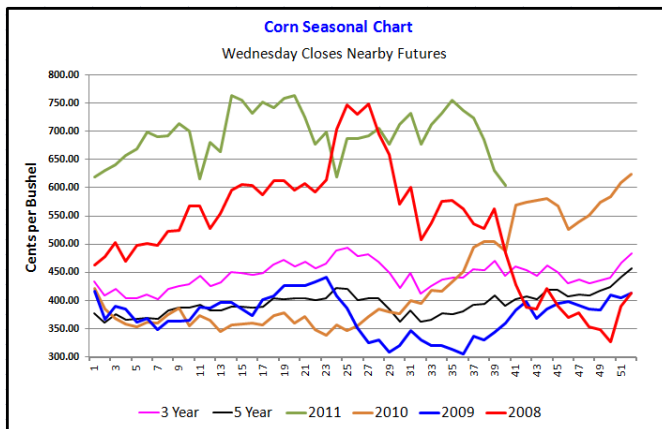
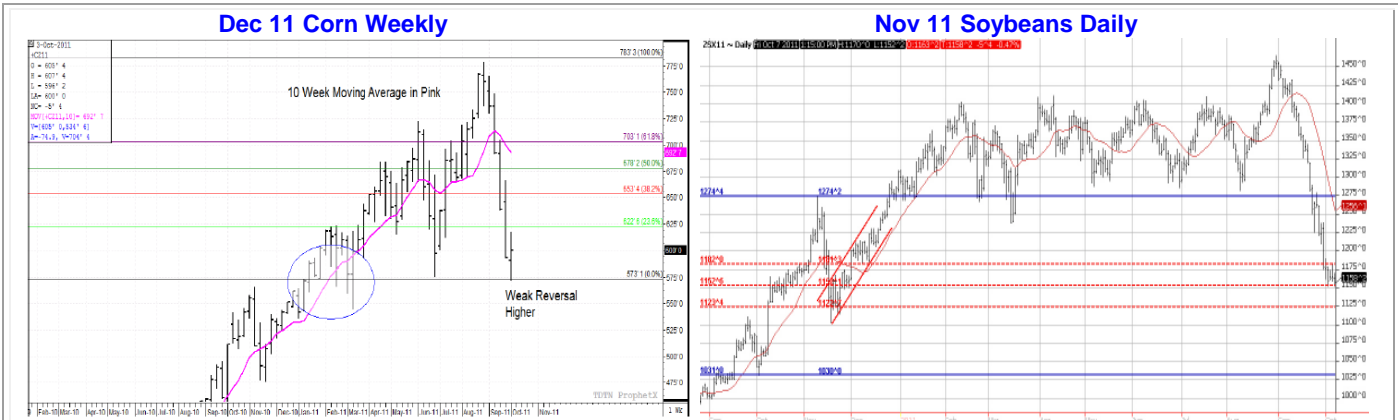
INTL FC Stone raised its corn yield forecast from 146.3 bushels per acre to 148.7 while Informa Economics reduced its forecast from a comparatively robust 151.0 bushels per acre to 149.5. USDA's September estimate was 148.1 bushels per acre so it appears for now that the private companies are zeroing in on levels already suggested by USDA. INTL FC Stone now forecasts a corn crop of 12.553 billion bushels. Informa pegs that number at 12.519 billion bushels.

Market Talk Markets have been under pressure from outside financials again this past week, primarily from Greece's impending debt default. A result is that the US Dollar has gained strength against other world currencies, thus impacting commodities sending their values lower. European powers have plans to push Greece to take desirable measures prior to any additional bailout monies. If these measures stabilize the financial markets then look for the US Dollar to work lower and perhaps help corn & soybean prices bounce higher.

In the September release, the U.S.D.A. lowered its yearly demand estimate on corn a large 400 million bushels, see charts and comments below. Many traders think at least a portion of this will be added back in now that stocks are at a more comfortable level. While this is possible, it is also possible we may see higher corn yields given recent private reports from across the Midwest.

Soybean Processors stating to take protein tests, local elevators don't know how they will deal with this issue. Elevators are disappointed in the amount of soybeans coming to them as farmers are filling their bin first rather than going to town. One elevator indicates that they have taken in about one half of what they expected. A possible result could be that soybean basis starts to firm up soon.

Trade is also questioning future balance sheets on soybeans. Some think it appears that final soybean yields may be one to two bushels per acre larger than current U.S.D.A. estimates. Should this be correct then soybean carryout could easily double unless we see a sizable increase in soybean demand. Another factor of this increased soybean carryout is that grains will not be forced to push for new crop acres, and we may see increased corn plantings by default.



Ethanol: A bill introduced Wednesday in the U.S. House of Representatives by Congressmen Bob Goodlatte (R-Virginia) and Jim Costa (D-CA) would reduce the mandated usage of corn based ethanol if the projected U.S. year-end stocks-to-use ratio falls below specific levels. The “off-ramp” for the Renewable Fuel Standard (RFS) has been on the wish list of livestock and poultry producer groups for some time. The RFS mandates rising levels of blending bio-fuels from various sources into U.S. fuels supplies. The category of most concern to feed users has been the increasing mandate level for corn based ethanol. The starch-based mandate began at 9 billion gallons per year in 2008 and increased rapidly (by 1.5 billion/year) through 2010. The rate of increase has now slowed to 600 million gallons per year but that rate continues until the starch-based RFS peaks in 2015 at 15 billion gallons. The RFS for 2011 is 12.6 billion gallons. It goes up to 13.2 billion gallons in 2012.

RFS Reductions in Renewable Fuel Flexibility Act

Stocks-to-Use Ratio, %	Corn Ethanol RFS Reduction
Above 10.00	0%
7.50 - 10.00	10%
6.00 - 7.49	15%
5.00 - 5.99	25%
Below 5.00	50%

Had this law been in effect this year, the mandate for 2011 would have been reduced by 15% given last November’s S/U ratio of 6.2% for the 2010-2011 crop year and then been reduced by 25% given USDA’s June S/U ratio of 5.4%. USDA’s September estimate for the 2011-12 crop year was 5.3%. Should that estimate hold into November and this law be passed, the 2012 RFS level would be 9.9 instead of 13.2 billion gallons. That reduction would free up 1.18 billion bushels of corn to be used as ethanol, meat/poultry and corn prices dictate. Given current oil, gasoline, ethanol and corn futures prices, it may well still go to ethanol. But the 1.18 billion bushels would be free to move instead of locked into one usage.

Quarterly Grain Stocks Reports

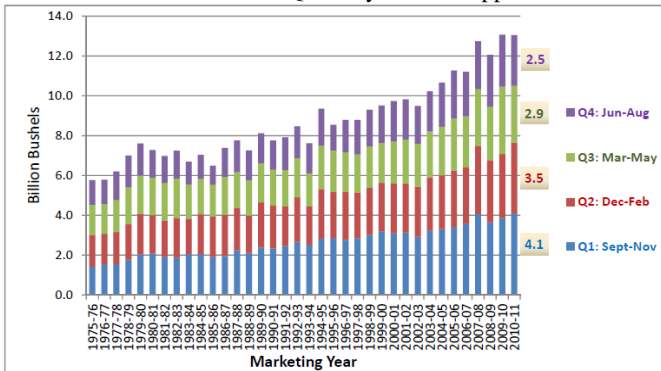
Comments by: Daniel O’Brien, Extension Agricultural Economist – Kansas State University October 5, 2011

The September 30th USDA Quarterly Grain Stocks and Small Grains Summary reports indicated that 2011/12 marketing year supply-demand balances are likely to be larger than had been expected for U.S. corn and wheat, but at least moderately smaller for soybeans and grain sorghum. The reports were provided by the USDA National Agricultural Statistical Service (NASS).

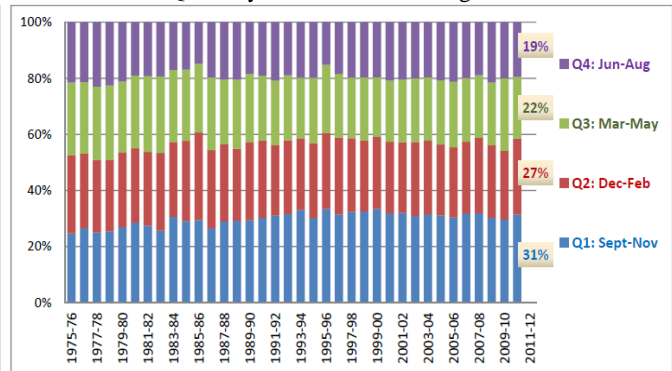
(an equal opportunity provider) The information contained herein was obtained from sources believed to be reliable, but can not be guaranteed. All examples given are strictly hypothetical and neither the information, nor any opinion expressed, constitutes a solicitation to market commodities or buy or 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.

Corn & Grain Sorghum: The overall impact on corn prices from these reports is likely to be negative. September 1st U.S. corn stocks of 1.128 billion bushels (bb) were markedly higher than pre-report market expectations, and will raise USDA projections of U.S. corn beginning stocks and total supplies for the 2011/12 marketing year (MY 2011/12) in coming USDA World Supply and Demand Estimates (WASDE) reports. This report indicated that substantial rationing of demand occurred during the June-August 2011 time period, with sizable reductions in both U.S. corn exports and corn use in livestock feeding. The final impact on U.S. corn ending stocks for MY 2011/12 will depend on the amount of rationing of usage projected for exports, livestock feeding, corn-based ethanol production, and other food, seed and industrial usage. Grain sorghum usage during June-August was as large as has been recorded in the last 5 years – indicating that users were aggressively using grain sorghum as a substitute for higher priced corn.

MY 1975/76 - 2010/11 U.S. Quarterly Corn Disappearance:

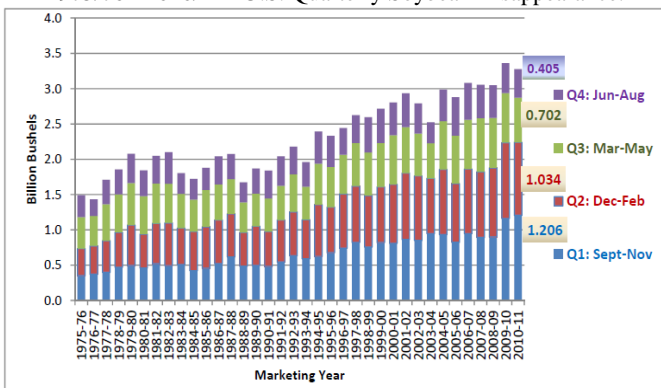


U.S. Quarterly Corn % of Marketing Year Use:

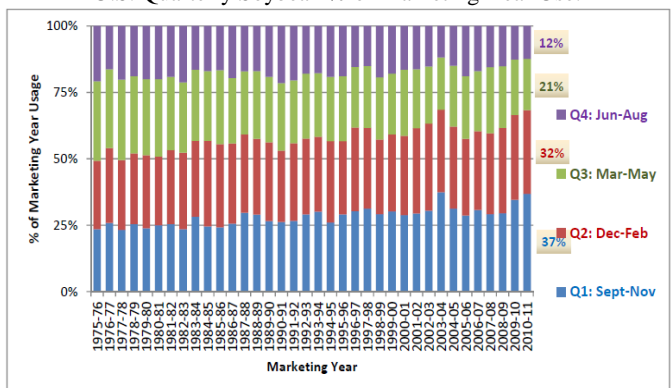


Soybeans: Projected U.S. soybean ending stocks projections for MY 2011/12 are likely to decline slightly as a result of the Quarterly Stocks report, with a positive price impact from lower beginning stocks. Given reduced U.S. soybean production in 2011, the attention of the world soybean market will soon turn toward 2012 South American soybean production prospects, and the question of whether demand for soybean exports from China and other countries will be sustained in light of economic troubles in the world economy. It is still anticipated that corn and soybean markets will find support from strong competition for U.S. crop acres in late winter – spring 2012.

MY 1975/76 - 2010/11 U.S. Quarterly Soybean Disappearance:



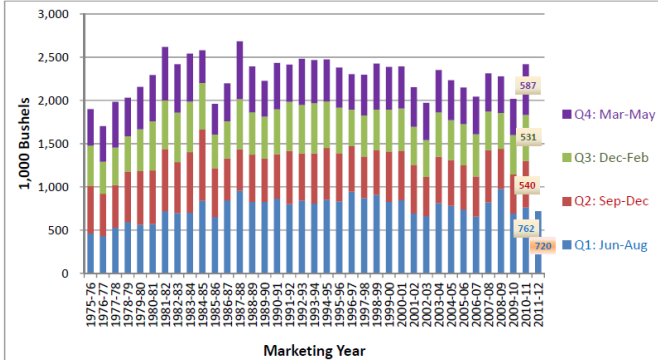
U.S. Quarterly Soybean % of Marketing Year Use:



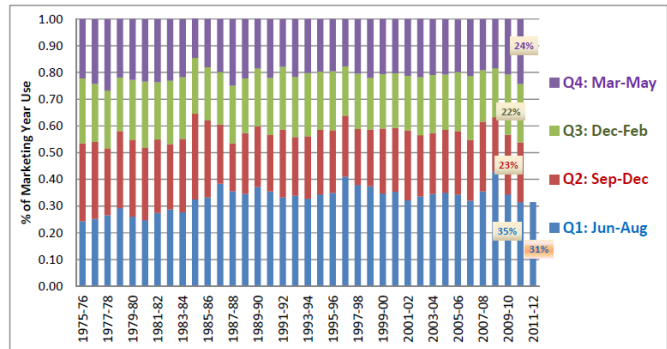
Wheat: Projected U.S. wheat supply-demand balances are likely to be increased as a result of this report, as the positive price impact of lower 2011 wheat production estimates are more than offset reports of less wheat feeding than has been anticipated by many market observers. The 2011 Small Grains Summary report provided more surety as to the final negative impact on 2011 U.S. wheat production from drought in the central and southern plains (affecting hard red winter wheat) and excessive spring moisture in the northern plains (affecting hard red spring and durum wheat) – which was offset to a large degree by sharply higher soft red winter wheat production in the eastern Corn Belt. At this time, trends in world wheat production prospects for 2011/12 and the ongoing impact of drought conditions in the U.S. central and southern plains on U.S. winter wheat prospects in 2012 will be major wheat market drivers through spring 2012, along with overall U.S. economic trends and the level of U.S. corn prices (with wheat as a competitive feed substitute).

(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.

MY 1975/76 - 2011/12 U.S. Quarterly Wheat Disappearance:



U.S. Quarterly Wheat % of Marketing Year Use:

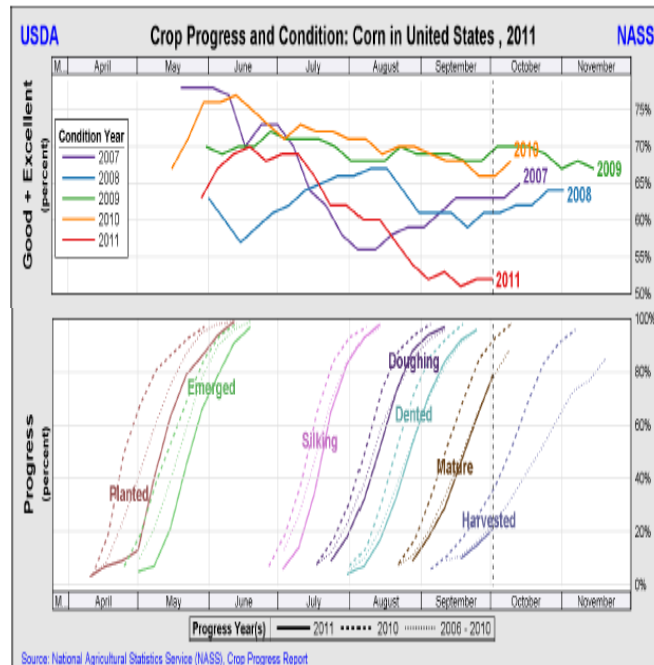


Crop Progress

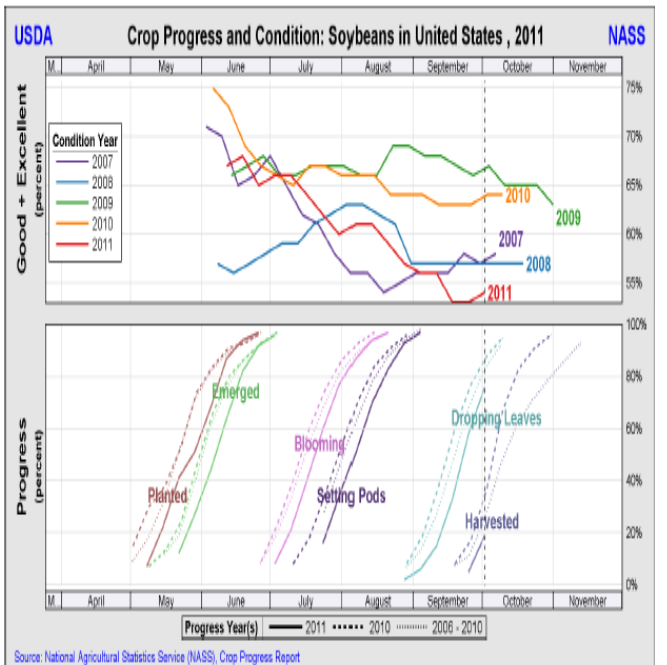
USDA's weekly crop condition report for soybeans found the crop up one point at 54% good to excellent. That compares to 64% last year and the ten-year average at 57%. It is common for the rating to turn up slightly at the end of the season. USDA reports soybean harvesting progress is at 19% versus the ten-year average at 27% and 34% last year. Major progress was recorded in the upper Midwest. More favorable harvest conditions are expected this week, and progress may jump toward 40% to 50% by this Sunday.

Weekly ethanol production eased to an annualized rate of 13.0 billion gallons, down from 13.4 billion the prior week and 13.9 billion four weeks ago, was seen as a sign of slowing demand

Corn



Soybeans



(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

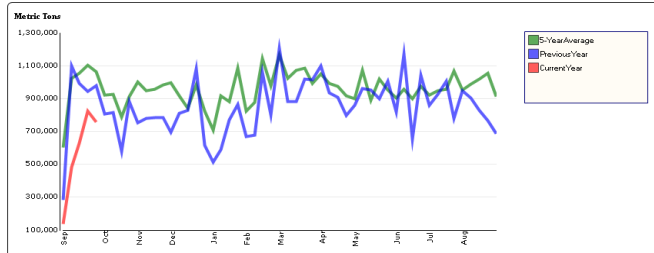
www.mnwestag.com

Saturday, October 8, 2011

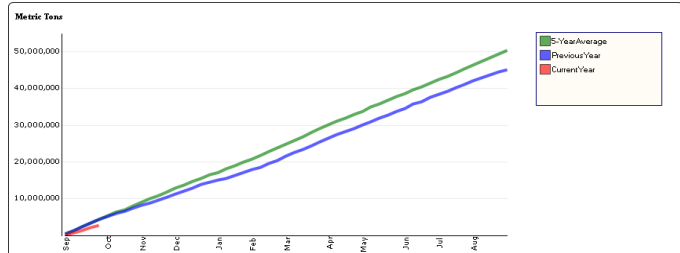
Corn Mature – Selected States <small>[These 18 States planted 92% of the 2010 corn acreage]</small>					Corn Harvested – Selected States <small>[These 18 States harvested 94% of the 2010 corn acreage]</small>				
State	Week ending			2006-2010 Average	State	Week ending			2006-2010 Average
	October 2, 2010	September 25, 2011	October 2, 2011			October 2, 2010	September 25, 2011	October 2, 2011	
	(percent)	(percent)	(percent)	(percent)		(percent)	(percent)	(percent)	(percent)
Colorado	76	31	66	72	Colorado	18	1	5	17
Illinois	98	80	91	79	Illinois	72	22	32	36
Indiana	97	50	85	75	Indiana	61	7	10	25
Iowa	96	80	91	81	Iowa	18	5	12	10
Kansas	97	88	94	91	Kansas	67	42	53	48
Kentucky	99	86	92	95	Kentucky	89	44	57	62
Michigan	95	35	47	73	Michigan	28	2	3	11
Minnesota	90	52	80	73	Minnesota	4	2	6	8
Missouri	95	94	98	87	Missouri	57	50	66	51
Nebraska	88	52	75	75	Nebraska	17	6	11	12
North Carolina	100	97	98	100	North Carolina	90	82	87	81
North Dakota	86	42	58	69	North Dakota	2	-	1	3
Ohio	89	19	26	71	Ohio	34	1	2	13
Pennsylvania	79	36	47	71	Pennsylvania	34	3	7	25
South Dakota	82	48	79	72	South Dakota	6	2	8	8
Tennessee	100	96	97	97	Tennessee	96	67	83	77
Texas	92	88	95	93	Texas	67	69	75	74
Wisconsin	80	38	57	61	Wisconsin	17	2	5	8
18 States	92	63	79	78	18 States	37	15	21	23

Soybeans Dropping Leaves – Selected States <small>[These 18 States planted 95% of the 2010 soybean acreage]</small>					Soybeans Harvested – Selected States <small>[These 18 States harvested 95% of the 2010 soybean acreage]</small>				
State	Week ending			2006-2010 Average	State	Week ending			2006-2010 Average
	October 2, 2010	September 25, 2011	October 2, 2011			October 2, 2010	September 25, 2011	October 2, 2011	
	(percent)	(percent)	(percent)	(percent)		(percent)	(percent)	(percent)	(percent)
Arkansas	70	39	49	62	Arkansas	41	17	23	31
Illinois	89	61	77	81	Illinois	46	4	12	27
Indiana	94	61	77	85	Indiana	60	3	5	27
Iowa	88	57	82	88	Iowa	35	3	21	30
Kansas	70	46	66	73	Kansas	17	2	16	15
Kentucky	92	57	72	78	Kentucky	35	3	10	17
Louisiana	94	88	94	90	Louisiana	75	67	80	69
Michigan	95	46	66	83	Michigan	32	-	2	14
Minnesota	96	74	94	95	Minnesota	26	3	35	29
Mississippi	94	80	89	97	Mississippi	75	36	48	65
Missouri	61	39	63	60	Missouri	12	2	11	12
Nebraska	90	47	78	88	Nebraska	29	2	20	22
North Carolina	100	97	98	100	North Carolina	4	3	2	2
North Dakota	94	27	34	41	North Dakota	24	3	43	34
Ohio	94	38	55	91	Ohio	41	5	3	22
South Dakota	97	82	96	96	South Dakota	22	2	30	19
Tennessee	90	51	68	80	Tennessee	44	6	14	26
Wisconsin	86	49	74	83	Wisconsin	20	2	2	12
18 States	87	58	76	83	18 States	34	5	19	25

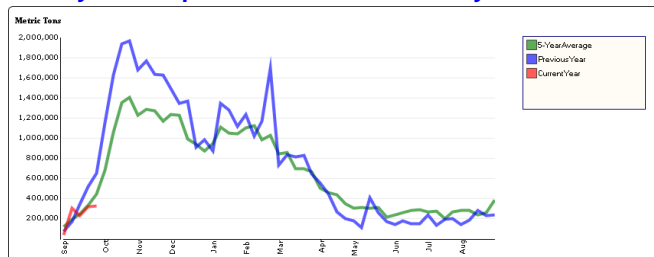
US Corn Exports 2011-12 Weekly



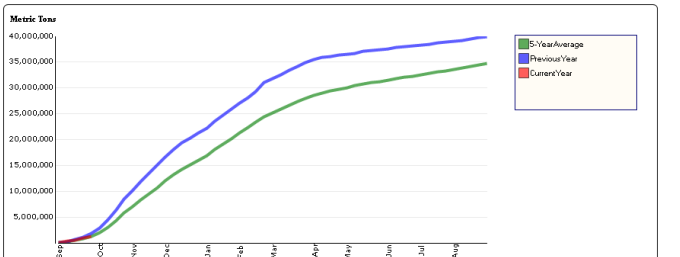
Accumulated



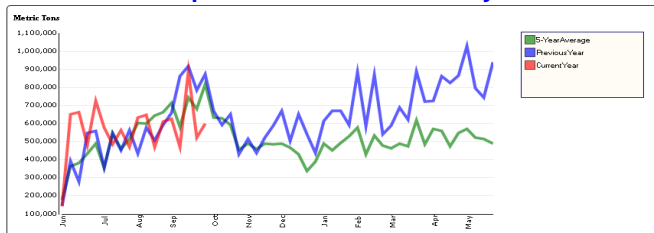
US Soybean Exports 2011-12 Weekly



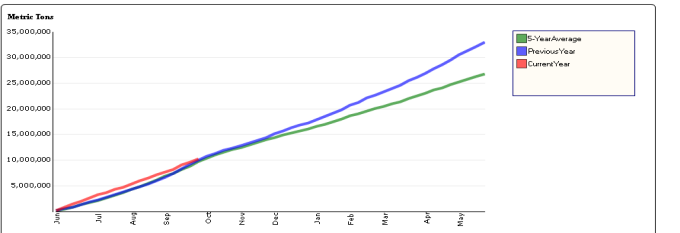
Accumulated



US All Wheat Exports 2011-12 Weekly



Accumulated



(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

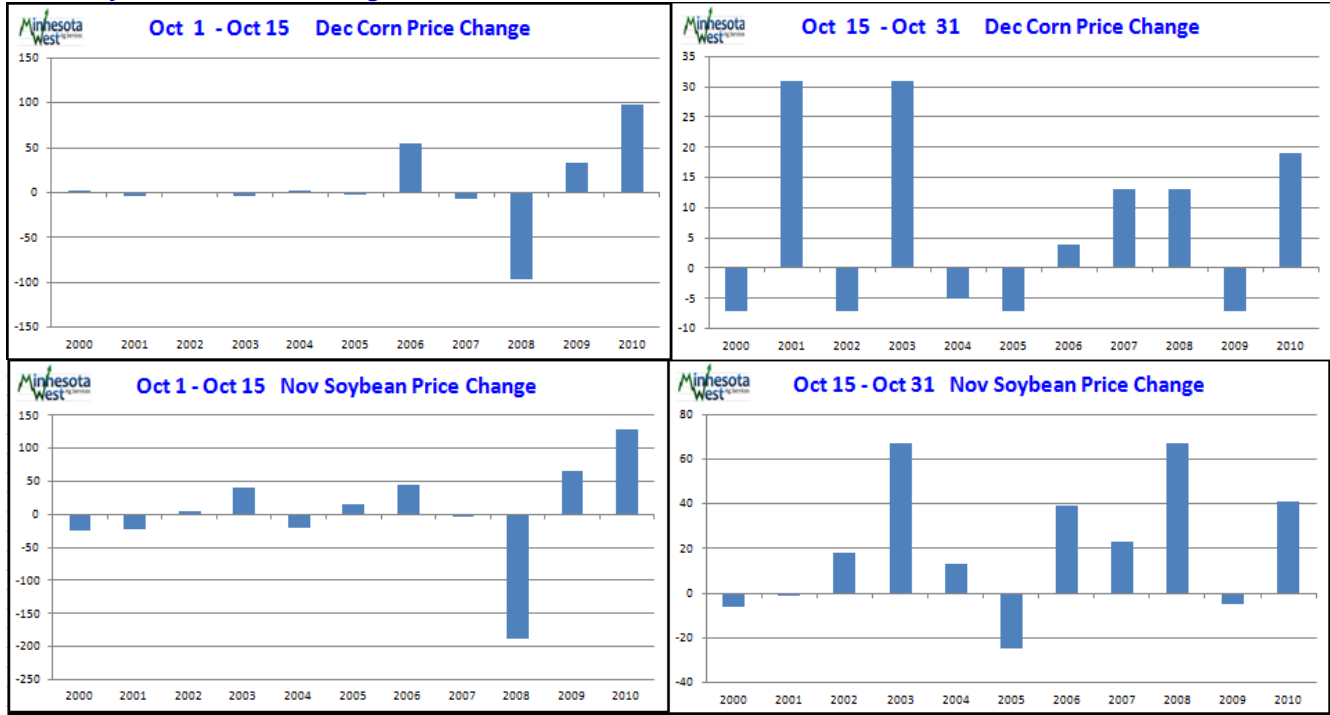
david@mnwestag.com

Office 1-877-365-3744

www.mnwestag.com

Saturday, October 8, 2011

Bi-Weekly Seasonal Price Change Charts



Outside Markets: Just a few short days after Moody's Investors Service slashed its rating on Italian sovereign debt by three notches, Fitch Ratings cut its rating on Italy's government bonds to A+ from AA-. It also lowered Spain's debt rating by two notches to AA- from AA+. And in BOTH cases, Fitch's outlook for both countries is NEGATIVE!

Index	Value	Change	Index	Value	Change	Name	Month	Last	Change
U.S. Dollar Index	79.149s	+0.061 +0.08%	Euro FX	1.33810s	-0.00360 -0.27%	Ethanol Futures	Nov 11	2.488s	-0.004
CRB CCI Index	572.50s	-6.00 -1.04%	Canadian Dollar	0.96110s	+0.00020 +0.02%	Gasoline RBOB (E)	Nov 11	2.6476s	-0.0384
Gold	1634.5s	-17.4 -1.05%	Japanese Yen	1.30300s	-0.00360 -0.28%	Diesel Gulf (ULSD)	Nov 11	2.8762s	-0.0087
Silver	30.958s	-1.012 -3.17%	Australian Dollar	0.97000s	+0.00250 +0.26%	Heating Oil (E)	Nov 11	2.8588s	-0.0023
DJIA	11066s	+20 +0.18%	Chinese Renminbi	0.157230s	+0.000070 +0.04%	Crude Oil Brent (E)	Nov 11	105.88s	+0.15
S&P 500 Index	1154.90s	-2.70 -0.23%	Mexican Peso	0.074250s	+0.000075 +0.1%	Natural Gas (E)	Nov 11	3.481s	-0.117
Nasdaq 100	2201.75s	-3.00 -0.14%	1-Month Libor	99.7500s	-0.00050 -0.01%	PG*1	No data		
Russell 1000 Growth	540.30s	-1.60 -0.3%	T-Bond	141-10s	-1-04 -0.79%	PJ*1	No data		
MSCI EM Index	862.60	-6.90 -0.79%	3-Month T-Bill	99.2700s	0.0000	RME Biodiesel	Oct 11	1365.571s	+14.571
Nikkei 225	8620.00s	+15.00 +0.17%	5-Year T-Note	121-305s	-0.25 -0.29%	Coal Futures	Nov 11	73.30s	+0.14
Brazilian Real	0.55970s	+0.00380 +0.68%	10-Year T-Note	128-285s	-0.200 -0.48%	Uranium	Oct 11	52.50s	0.00

Weather The forecast sees some rains of around .20-.80" to impact the far west in the next 2 days, with dry weather to continue across the majority of the region. Rains then look to impact most of the region by the middle to end of next week. Totals for the second half of next week look to be in the .25-.75" range in most cases. Dry weather then looks to build back in for the following weekend. Temps will above average in most of the region for the next week to ten days.

Central Illinois:

sat	sun	mon	tue	wed	thu	fri	sat	sun	mon
oct 08	oct 09	oct 10	oct 11	oct 12	oct 13	oct 14	oct 15	oct 16	oct 17
Sunny	Sunny	Sunny	P Cloudy	Iso T-Storms	M Sun/Wind	M Sun/Wind	Sunny	M Cloudy	AM Clouds
84° 52°	84° 50°	83° 54°	81° 54°	75° 53°	71° 46°	62° 45°	67° 48°	70° 48°	68° 47°

Central Iowa:

sat	sun	mon	tue	wed	thu	fri	sat	sun	mon
oct 08	oct 09	oct 10	oct 11	oct 12	oct 13	oct 14	oct 15	oct 16	oct 17
M Sunny	P Cloudy	M Cloudy	Iso T-Storms	Iso T-Storms	Sunny/Wind	Sunny	Sunny	M Cloudy	P Cloudy
88° 60°	86° 58°	81° 57°	76° 58°	75° 51°	70° 47°	68° 48°	68° 52°	71° 52°	67° 45°

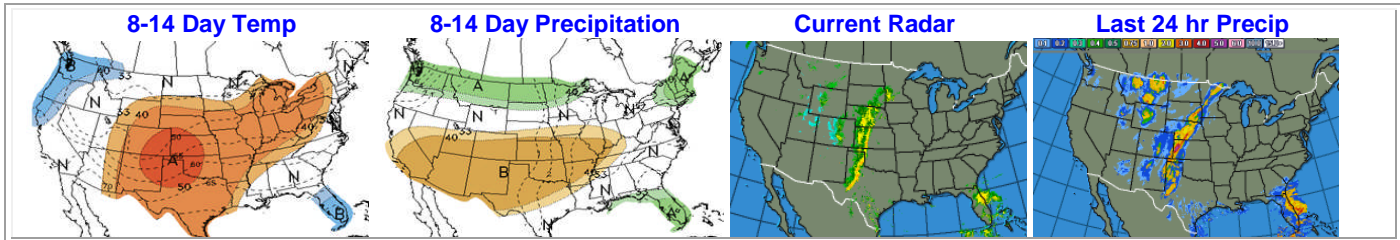
South Central Minnesota:

sat	sun	mon	tue	wed	thu	fri	sat	sun	mon
oct 08	oct 09	oct 10	oct 11	oct 12	oct 13	oct 14	oct 15	oct 16	oct 17
Sct T-Storms	Showers	Few Showers	P Cloudy	P Cloudy	M Sun/Wind	Sunny	M Sunny	P Cloudy	M Sunny
79° 58°	80° 55°	75° 48°	77° 51°	71° 44°	65° 38°	63° 40°	66° 42°	65° 43°	60° 40°

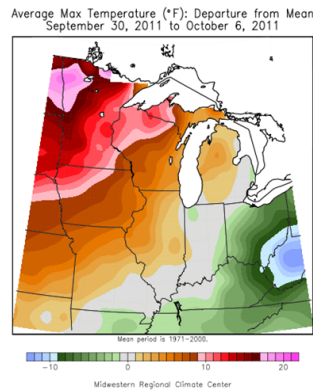
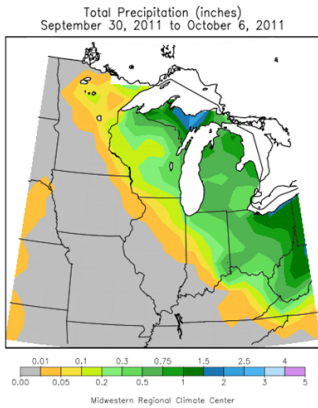
Central Indiana:

sat	sun	mon	tue	wed	thu	fri	sat	sun	mon
oct 08	oct 09	oct 10	oct 11	oct 12	oct 13	oct 14	oct 15	oct 16	oct 17
Sunny	Sunny	Sunny	P Cloudy	P Cloudy	P Cloudy	M Sun/Wind	Sunny	P Cloudy	AM Clouds
84° 53°	83° 52°	82° 51°	79° 54°	74° 52°	70° 49°	62° 44°	64° 46°	68° 47°	67° 48°

(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.

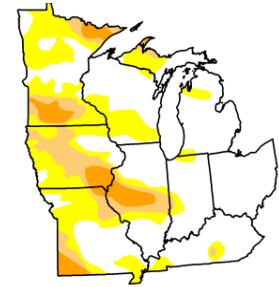


Official Weather Station -2011



	Drought Conditions (Percent Area)					
	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	57.08	42.92	16.33	6.12	0.00	0.00
Last Week (09/27/2011 map)	58.85	41.15	14.01	5.03	0.00	0.00
3 Months Ago (07/05/2011 map)	97.15	2.85	0.01	0.00	0.00	0.00
Start of Calendar Year (12/28/2010 map)	79.27	20.73	4.91	1.31	0.29	0.00
Start of Water Year (09/27/2011 map)	58.85	41.15	14.01	5.03	0.00	0.00
One Year Ago (09/28/2010 map)	74.54	25.46	9.61	2.68	0.00	0.00

Intensity:
 Yellow - D0 Abnormally Dry
 Orange - D1 Drought - Moderate
 Red - D2 Drought - Severe
 Dark Red - D3 Drought - Extreme
 Black - D4 Drought - Exceptional



The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

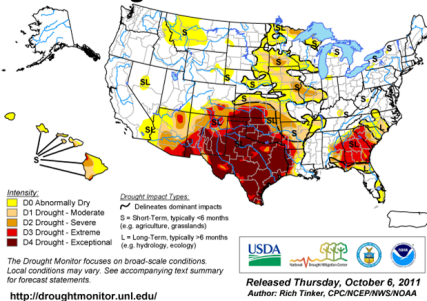


<http://droughtmonitor.unl.edu>

Released Thursday, October 6, 2011
Rich Tinker, Climate Prediction Center/NOAA

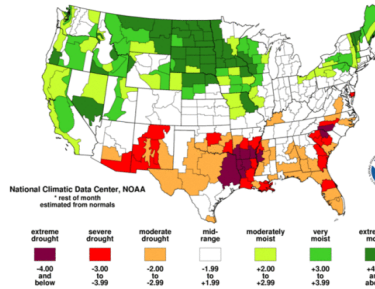
U.S. Drought Monitor

October 4, 2011
Valid 9 a.m. EDT



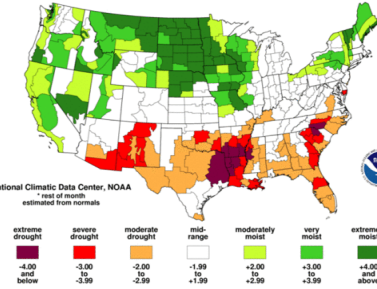
Palmer Drought Index
Long-Term (Meteorological) Conditions

March 2011: through March 26, 2011*



Palmer Hydrological Drought Index
Long-Term (Hydrological) Conditions

March 2011: through March 26, 2011*



Corn: Friday Close: Dec 11 Corn closed at \$6.00, down 5 1/2 cents, Mar 12 Corn closed at \$6.12 3/4, down 5 1/2 cents, May 12 Corn closed at \$6.20 1/4, down 5 1/4 cents Dec 12 Corn closed at \$5.68, down 7 cents

Corn futures closed right on the \$6 mark for the day and were the only grain up for the week besides Minneapolis wheat. The big focus next week will be the world supply demand report out Wednesday at 7:30 AM central time. Analyst numbers are coming in for the upcoming WASDE report next week. Average corn production estimates are 12.479 billion bushels, with an average yield estimate of 148.73. USDA has already given us the ending stocks in the September 30th report for 2011 at 1.128 billion bushel. Next weeks report will tell us how the USDA arrived at that number. Analysts on average are looking for 2012 ending stocks at 804 million bushels. Analysts on average are expecting Global 2011 ending stocks to come in at 120.5 MMT. The September WASDE showed 124.3 for 2011 ending stocks and 117.39 for world 2012 ending stocks. Managed Money decreased their net corn long by 32,535 contracts from the previous week and Index Funds decreased their net longs by 9,578 contracts. China will be back to work however after their week long celebration of the birth of Confucius.

Soybean Complex: Friday Close: Nov 11 Soybeans closed at \$11.58 1/4, down 5 1/2 cents, Jan 12 Soybeans closed at \$11.70, down 5 3/4 cents, Mar 12 Soybeans closed at \$11.79 1/4, down 5 3/4 cents, Nov 12 Soybeans closed at \$11.75, down 7 3/4 cents, Oct 11 Soybean Meal closed at \$300.10, up \$0.40, Oct 11 Soybean Oil closed at \$49.07, up \$0.15

Soybeans futures closed lower on the day and down 20 3/4 cents for the week. Meal and bean oil were also down for the week but up on the day. Index Funds decreased their net bean long by 12,378 contracts from the previous week and Managed Money decreased their net longs by 19,088 contracts. Next week Wednesday, the USDA will release the latest WASDE numbers. Analyst's estimates average 3.102 for soybean production which would be higher than the September USDA number of 3.085 billion bushels. Analysts also project an increase in

(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

Saturday, October 8, 2011

ending stocks for 2012 to 186 million bushels from 165 million on the last WASDE which is still a decrease from the 2011 estimate of 215 million bushels. Soybean planting is in full swing in Brazil with producers looking for widespread rains between October 14 and 17th in Mato Grosso. Rain amounts in September were below the five year average.

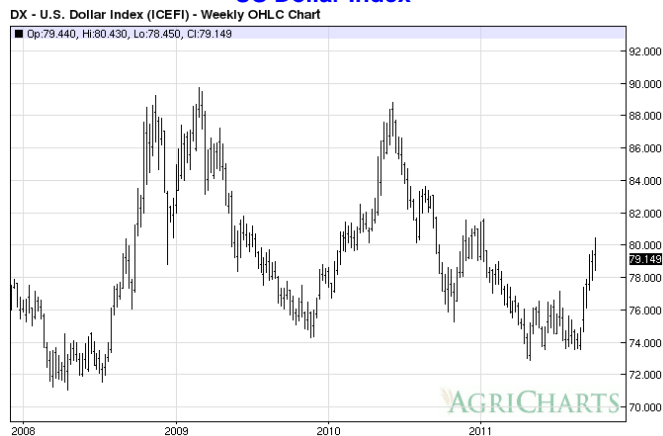
Wheat: Friday Close: Dec 11 CBOT Wheat closed at \$6.07 ½, down 8 ½ cents, Dec 11 KCBT Wheat closed at \$6.84 ½, down 13 ¼ cents, Dec 11 MGEX Wheat closed at \$9.19 ½, up 24 ½ cents
Wheat futures closed lower at the CBOT and KCBT and are sharply higher at the MGEX for the day and had the same results for the week; lower than last Friday for the CBOT and KCBT and higher for the MGEX wheat. Demand for milling wheat remains strong and traders expect the USDA to cut the harvested acreage estimate on October 12. Excellent rains are predicted for the Plains HRW region this weekend, occurring along a frontal boundary. The Ukrainian government sent a law to their president for his signature to cancel export duties for wheat and corn. The export duty on wheat is 9% but no less than 17 euros per MT. The country could export significantly more if the duties were removed but will have to earn market share from other Black Sea countries.

Cattle: Friday Close: Oct 11 Cattle closed at \$121.975, down \$0.375, Dec 11 Cattle closed at \$121.850, down \$0.550, Feb 12 Cattle closed at \$123.200, down \$0.025, Oct 11 Feeder Cattle closed at \$139.625, up \$0.525 Nov 11 Feeder Cattle closed at \$142.350, up \$0.775 Jan 12 Feeder Cattle closed at \$144.675, up \$0.30
Cattle futures were lower on the day and down 17 1/2 cents for the week. Cattle made new record highs on the weekly continuation chart this week. Cash cattle trade was inactive on very light demand in all major feeding regions. Most of the cash business had been completed by Wednesday. NE, KS and TX were up \$1 to \$2 at \$121-122 this week on the live and \$190 in the dressed. Packer margins have slipped with the rise in live prices vs. wholesale due to the tight numbers going into the forth quarter of 2011 and first and second quarter of 2012. Packers are trying to keep beef prices competitive with other meats. Substantially lower grain prices since the end of August have benefitted feedlot margins however. Boxed beef prices were down 41 cents for Choice and down 49 cents for Select. Beef exports could exceed a year ago if the current pace is maintained. Managed Money added 17,693 contracts to their net longs from the previous week. Rain in the Plains will be a welcome benefit to cattle grazing.

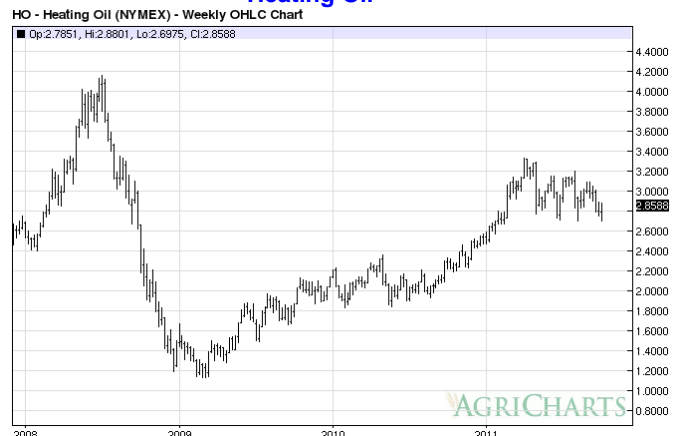
Hogs: Friday Close: Oct 11 Hogs closed at \$94.675, down \$0.075, Dec 11 Hogs closed at \$89.400, up \$0.175 Feb 12 Hogs closed at \$91.750, up \$0.225
Lean Hog futures closed mixed, down on the front month and the other months slightly higher in quiet trade. Lean Hogs were up \$1.30 for the week. Managed Money had increased their net long futures and options positions by 12,361 contracts from the previous week. Cash hogs were \$1.21 lower in IA/MN, \$1.91 lower in the WCB and \$0.56 higher in the ECB this afternoon. Pork trading was slow with light demand and light to moderate offerings but loads this week have been good.

Cotton: Friday Close: Oct 11 Cotton closed at 101.48, down 77 points, Dec 11 Cotton closed at 101.98, down 75 points Dec 12 Cotton closed at 93.1, down 88 points
Cotton closed mildly lower for the day but up 277 points or 2.81% for the week, supported by a declining dollar and rallying equities. October cotton expired today. Cert stocks were still low at 17,438. Brazil is looking at a 2012 cotton crop of 1.93-2.11 MMT, according to a CONAB estimate released yesterday. Spec longs were seen adding to their long position in the CFTC Disaggregated Futures & Options Report as of Tuesday.

US Dollar Index



Heating Oil



(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

Saturday, October 8, 2011

Lean Hogs Daily

HEV11 - Lean Hogs (CME) - Daily OHLC Chart



Lean Hogs Weekly

HE - Lean Hogs (CME) - Weekly OHLC Chart



Live Cattle Daily

LEV11 - Live Cattle (CME) - Daily OHLC Chart



Live Cattle Weekly

LE - Live Cattle (CME) - Weekly OHLC Chart



CRB CCI Index Weekly

CI - CRB CCI Index (ICEFI) - Weekly OHLC Chart



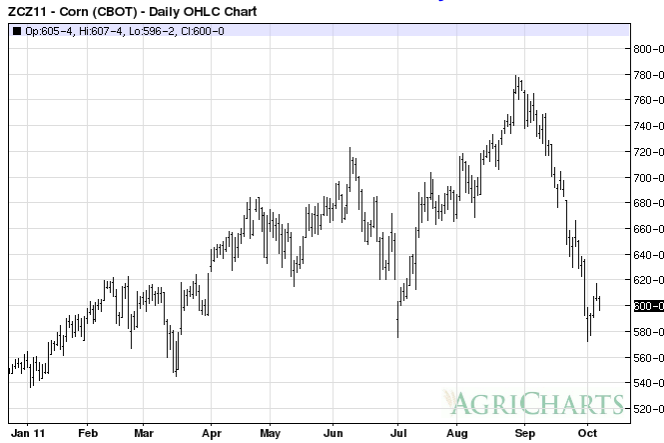
S&P 500 Index Weekly

SP - S&P 500 Index (IOM) - Weekly OHLC 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.

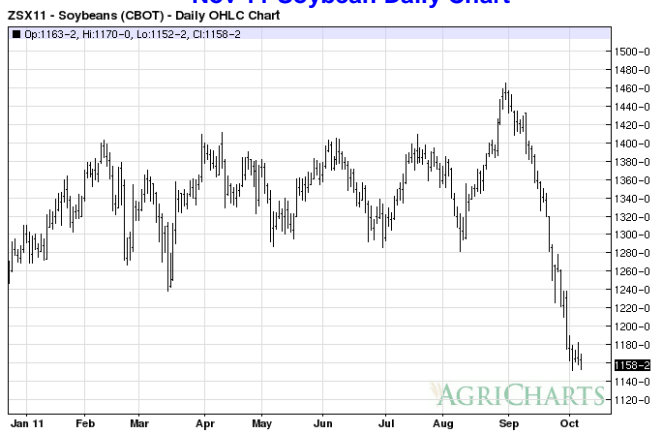
Dec 11 Corn Daily Chart



Corn Weekly Chart



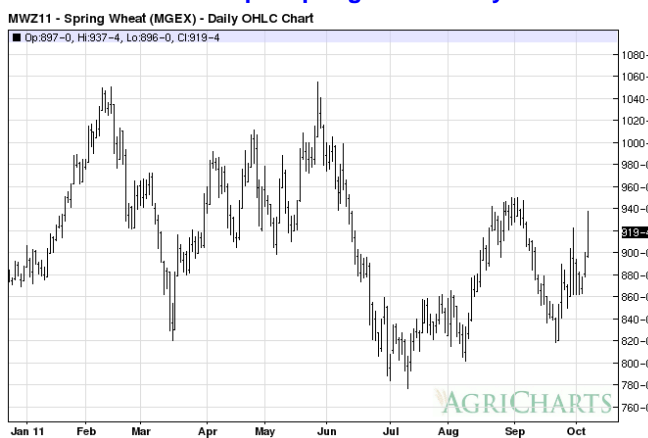
Nov 11 Soybean Daily Chart



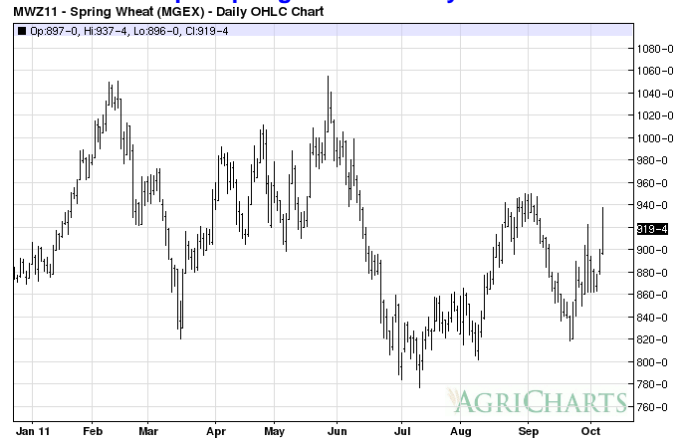
Soybean Weekly Chart



Dec 11 Mpls Spring Wheat Daily Chart



Mpls Spring Wheat Weekly 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.