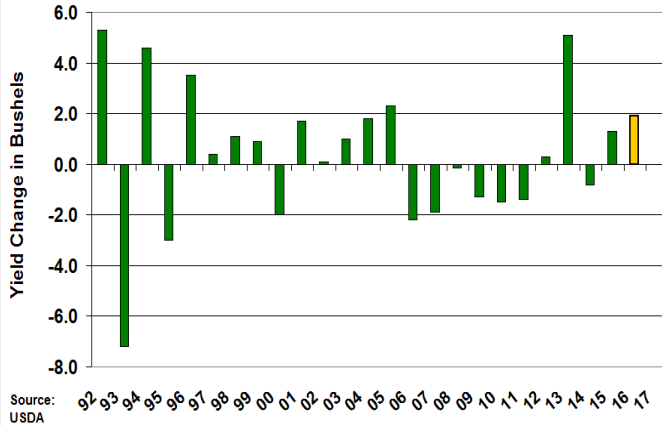


Slight US crop changes expected with corn up & soybeans down

U.S. Corn Yield Changes
October to November



U.S. Corn Supply/Demand

(Millions)	2016/17 USDA Sept	2016/17 USDA Oct	2016/17 Price Nov Est.	2017/18 USDA Sept	2017/18 USDA Oct	2017/18 Price Nov Est.
Planting Acres	94.00	94.00	94.00	90.89	90.43	90.43
Harvested Acres	86.75	86.75	86.75	83.50	83.12	83.12
Yield in Bu.	174.6	174.6	174.6	189.9	171.8	172.5
Initial Stocks	1,737	1,737	1,737	2,350	2,295	2,295
Production	15,148	15,148	15,148	14,184	14,280	14,335
Imports	55	57	57	50	50	50
Ttl Supply	16,940	16,942	16,942	16,585	16,625	16,680
Feed/Residual	5,425	5,464	5,464	5,475	5,500	5,500
Food/Seed	1,435	1,452	1,452	1,450	1,460	1,460
Ethanol	5,435	5,438	5,438	5,475	5,475	5,500
Ttl Domestic	12,295	12,354	12,354	12,400	12,435	12,460
Exports	2,295	2,293	2,293	1,850	1,850	1,850
Ttl Usage	14,590	14,647	14,647	14,250	14,285	14,310
Ending Stocks	2,350	2,295	2,295	2,335	2,340	2,370
Stks/Use Ratio	16.1%	15.7%	15.7%	16.4%	16.4%	16.6%
Trade Ave. Est.						2,366

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Market Analysis

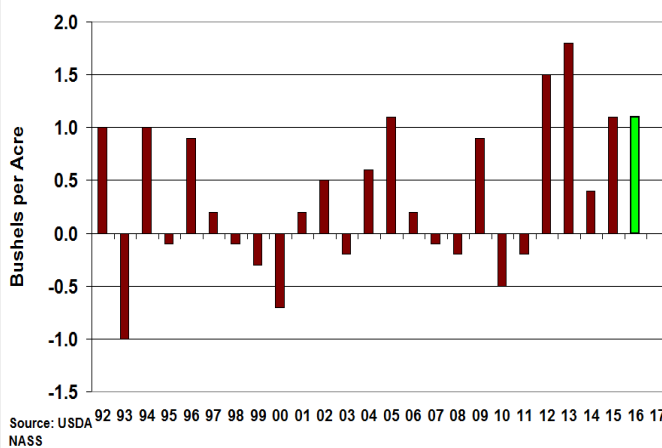
The upcoming USDA November crop report has the trade anticipating modest changes in the size of US corn and soybean crops with similar limited impact on each 2017/18 balance sheets on November 9 update. A wire service survey is projecting 53 million rise in the US corn output to 14.333 billion bu. crop while this same trade group is expecting a 23 million drop in the US soybean crop to 4.408 billion bu. This will mean a 0.6 bu. increase in the US corn yield to 172.4 while soybeans' average US yield could slip to 49.3 bu. from 49.5 bu. last month.

This year's delayed corn harvest because of above normal rainfall in the western Midwest and producers desire to naturally dry their production to reduce their cost has limited yield reports. However, recent field updates has noted strong test weights, which is behind our higher expectation & the trade average increase from last month. Corn's November yield has been higher than October, four of the last 5 years, but the USDA's crop level has been lower than the trade's November estimate in 7 out of last 10 years (not shown). With US ethanol output running at record pace, November's demand could increase by 25-50 million bu. while other demand is left unchanged. Overall, corn's ending stock may only rise by 30 million to 2.370 billion bu. this month.

In soybeans, recent field reports have been lackluster prompting trade ideas of a slight yield decline this month. Interestingly, the US yield has risen 6 times vs. 4 years of declines with the some hefty yield jumps the past 5 years. Nov's output has also been above the trade's average by 47 million bu. on 6 of the last 10 years. The trade is expecting a 23 million bu. decline on average from Oct. resulting in a 0.2 bu yield drop to 49.3 bu. Given no changes in export & crush, any decline or increase in output will be reflected in bean's ending stocks.

With no wheat update, no stocks change is expected.

U.S. Soybean Yield Changes
October to November



U.S. Soybean Supply/Demand

(Millions)	2016/17 USDA Sept	2016/17 USDA Oct	2016/17 Price Nov Est.	2017/18 USDA Sept	2017/18 USDA Oct	2017/18 Price Nov Est.
Planted Acres	83.43	83.43	83.43	89.51	90.21	90.21
Harvested Acres	82.74	82.70	82.70	88.73	89.47	89.47
Yield in Bu.	52.1	52.0	52.0	49.9	49.5	49.1
Initial Stocks	197	197	197	345	301	301
Production	4,307	4,296	4,296	4,431	4,431	4,396
Imports	25	22	22	25	25	25
Ttl Supply	4,528	4,515	4,515	4,801	4,757	4,722
Crush	1,895	1,899	1,899	1,940	1,940	1,940
Seed	104	105	105	101	101	101
Residual	14	36	36	35	35	35
Ttl Domestic	2,013	2,040	2,040	2,076	2,076	2,076
Exports	2,170	2,174	2,174	2,250	2,250	2,250
Ttl Usage	4,183	4,214	4,214	4,326	4,326	4,326
Ending Stocks	345	301	301	474	430	396
Stks/Use Ratio	8.3%	7.1%	7.1%	11.0%	9.9%	9.1%
Trade Ave. Est.						420

What's Ahead If this month's crop levels aren't too burdensome, grain and soybeans prices could find some near-by support on late season demand as 2017's harvest winds down. **However, producers should utilize January beans rallies into \$10.00-\$10.20 range to advance sales into 60-65% levels and December corn by 10-15% to 50% with a push to the \$3.57-\$3.60 range with overall US crop sizes still substantial.**

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