



CURRENT TREND: Shade Higher **REASON:** Grains coming up with only a penny's rebound, little fundamental help available

EXPORT SALES @ 7:30 AM; CATTLE ON FEED @ 2 PM, CFTC REPORTS @ 2:30 PM TOMORROW

MORNING TRIVIA: The Gobi desert is contained in which two countries?

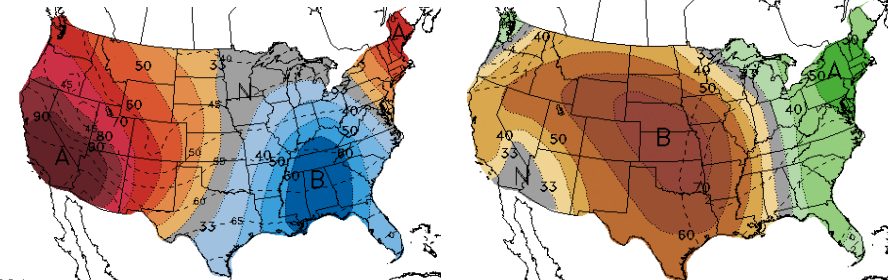
MARKET HEADLINES

- Quick editorial:* it's been all downhill for the grain markets this week; the bulls are trying to stem the tide but have little reason to do so. Beans added a few cents early last night but remain range-bound. Harvest will continue to roll rapidly along for two more days before weekend rains slow it briefly...
- Egypt's GASC is looking for wheat for December 1-10 delivery this morning.
- Japan bought 124k tonnes of milling wheat as scheduled this morning in their regular weekly tender, for arrival by January 31; 65k tonnes came from the United States, with 35k from Canada and 24k from Australia.
- China sold all 92k tonnes of corn from the 2013 crop that was offered in this morning's state reserve auction, then another 662k tonnes out of 903k tonnes offered (73%) from the 2014 crop, as well as a separate 27k tonnes of "policy corn" out of 120k tonnes offered there (23%).
- Japanese customs data reported September grain imports at 2.07 MMT, up 4% from last September, with grain imports from the U.S. at 1.43 MMT, down 4% versus last year. Sept soybean imports of 195k tonnes were down 26% from last year, with imports from the U.S. up 9% to 121k tonnes.
- Tomorrow afternoon's USDA Cattle on Feed Report is expected to show all U.S. cattle on feed as of October 1 at 10.732 million head, or 104.6% of last year; September cattle placements are seen at 108.0% of last year, with marketings estimated at 102.6% of last September.
- '17/18 Export Sales Estimates (000 tonnes): **Estimate Range / Last Week**
Corn: **800-1100 / 1593.2** Beans: **1300-1700 / 1747.3** Wheat: **250-450 / 175.0**
Meal: **100-250 / 106.0** Oil: **5-22 / 11.0**

WEATHER UPDATE

- The Midwest will be dry until Friday night/Saturday morning, when rains mostly roll through the Midwest and drop 0.25-1.5" amounts on an expected 85% of the corn belt (according to our lead forecaster). It looks dry again past that, though, at least next week into the 6-10 day time frame, before chances are possible again by the 11-15 day. Forecasts are split today on rains in that latter period, though—still no real widespread, soaking rain event on the way. Temperatures will be warm in the near-term, sinking a bit next week into the 6-10 day, but returning to normal or better levels overall in the longer-term.
- Rains will be building up from the south into the center-west corn and soybean areas of Brazil over the next week, with improvements in moisture seen in the central belt later next week while northern regions stay dry; further expansion of rains are seen in the north, though, into the 11-15 day and especially in the 16-30 day time frames to aid planting moisture supplies...
- Argentina will stay wet in the east while excess moisture subsides in the south and west, with only scattered showers next week to keep planting slow; rains are seen expanding into the 11-15 and 16-30 day periods here as well.

NWS 6-10 DAY OUTLOOK: TEMPS & PRECIP



CFTC MANAGED MONEY & RECORD (Since June 2006) POSITIONS:

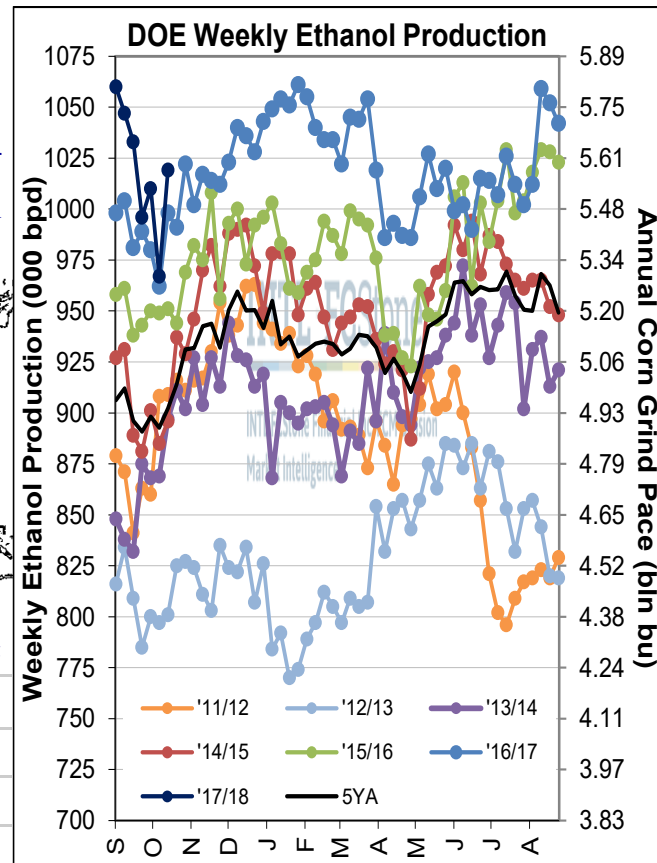
	Corn	Beans	Meal	Oil	Chi Wheat	KC Wheat
Daily	-8,000	3,000	1,000	-2,000	-3,000	0
Est Net	-149,963	49,869	21,425	26,310	-76,427	252
Rec +	409,444	260,433	98,846	125,722	73,662	72,845
Rec -	-236,201	-101,752	-54,855	-63,489	-171,269	-30,005

NIGHT SESSION (to 7:00 AM): Grain Volume: 66,213

Symbol	High	Low	Last	Chg	Vol
CZ7	349.75	348.75	349.75	+1.25	5,340
CH8	363.50	362.25	363.25	+1.00	1,209
CK8	371.75	370.75	371.50	+0.75	493
WZ7	431.25	429.50	430.75	+0.75	4,572
KWZ7	429.25	427.25	429.00	+1.00	446
SX7	987.75	983.00	985.25	+1.00	10,550
SF8	998.25	994.00	995.75	+0.75	4,867
SH8	1007.75	1003.25	1005.50	+0.75	1,831
SMZ7	323.50	321.00	322.70	+0.90	7,003
BOZ7	33.66	33.28	33.41	+0.00	12,533
CLX7	52.17	51.17	51.40	-0.64	18,177
DX7	93.43	93.04	93.07	-0.16	7,219

FUNDAMENTAL UPDATE

DOE total fuel ethanol production rebounded from a seasonal down-time low at 967,000 barrels per day on the week ending October 6th to a four-week high at 1.019 mln bpd on the seven days ending 10/13; that was above 998k bpd on the comparable week last year. Cumulative production since September 1 also stands at 1.019 mln bpd, 32k bpd ahead of last year's early pace; if output did stay on that lofty YoY track, the USDA would have to significantly increase its +37 million-bushel YoY corn grind estimate...



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