ELEC. CORN (@C) [10]

Month	Last	Chg	High	Low
Dec-16	346'2	-2'0	348'2	345'6
Mar-17	356'0	-2'2	358'0	355'6
May-17	363'0	-2'2	364'6	362'4
Jul-17	369'2	-2'6	371'4	369'0
Sep-17	376'6	-1'6	378'0	376'6
Dec-17	384'4	-2'4	386'2	384'2
Mar-18	396'4s	2'6	396'0	392'4
May-18	401'2	-0'2	401'2	401'2

ELEC. SOYBEANS (@S) [10]

Month	Last	Chg	High	Low
Nov-16	967'0	3'4	967'2	962'0
Jan-17	973'2	4'0	973'2	968'4
Mar-17	979'4	3'4	979'4	975'0
May-17	985'0	3'0	985'0	982'0
Jul-17	991'6	4'2	991'6	987'0
Aug-17	986'0	-0'6	986'0	986'0
Sep-17	975'4s	-5'6	975'0	975'0
Nov-17	969'4	2'6	969'6	966'0

ELEC. WHEAT (@W) [10]

Month	Last	Chg	High	Low
Dec-16	394'2	-1'2	396'0	394'2
Mar-17	416'0	-1'0	417'4	415'6
May-17	429'6	-0'4	430'4	429'4
Jul-17	440'4	-0'4	441'4	440'4
Sep-17	456'0	0'0	456'4	456'0
Dec-17	476'4s	0'2	477'6	474'6
Mar-18	492'0	-0'2	492'0	492'0
May-18	499'2s	0'0	---	---

ELECTRONIC OATS (@O) [10]

Month	Last	Chg	High	Low
Dec-16	180'0	-1'2	182'0	179'2
Mar-17	184'0	-1'4	185'2	184'0
May-17	190'4s	-3'4	---	---
Jul-17	196'6s	-2'4	---	---
Sep-17	204'4s	4'2	---	---
Dec-17	208'0s	4'2	---	---
Mar-18	208'0s	4'2	---	---
May-18	208'0s	4'2	---	---

ELECTRONIC SOYBEAN MEAL (@SM) [10]

Month	Last	Chg	High	Low
Oct-16	305.9	1.4	305.9	305.5
Dec-16	309.2	2.9	309.3	306.2
Jan-17	309.9	2.5	310.0	307.4
Mar-17	311.8	2.8	311.8	309.0
May-17	312.2	1.9	312.4	310.3
Jul-17	314.2	2.4	314.7	311.8
Aug-17	311.5s	-2.2	315.4	311.4
Sep-17	311.0s	-2.2	314.7	310.8

ELECTRONIC SOYBEAN OIL (@BO) [10]

Month	Last	Chg	High	Low
Oct-16	32.67	-0.22	32.90	32.67
Dec-16	32.89	-0.21	33.20	32.75
Jan-17	33.15	-0.19	33.44	33.00
Mar-17	33.39	-0.21	33.70	33.26
May-17	33.48	-0.31	33.80	33.48
Jul-17	33.79	-0.19	33.93	33.67
Aug-17	33.71	-0.32	33.85	33.70
Sep-17	34.00s	-0.08	34.00	33.79

ELECTRONIC ROUGH RICE (@RR) [10]

Month	Last	Chg	High	Low
Nov-16	10.065	-0.030	10.085	10.050
Jan-17	10.325	-0.010	10.325	10.300
Mar-17	10.570s	0.030	10.610	10.600
May-17	10.770s	0.035	10.860	10.860
Jul-17	10.955s	0.030	---	---
Sep-17	11.005s	0.030	---	---
Nov-17	11.005s	0.030	---	---

ELEC. HRW WHEAT (@KW) [10]

Month	Last	Chg	High	Low
Dec-16	401'4	-1'4	403'6	401'4
Mar-17	418'4	-1'0	419'4	418'2
May-17	429'6	-0'4	430'2	429'2
Jul-17	439'6	-1'0	440'6	439'2
Sep-17	456'0	0'0	456'0	455'6

ELEC. HRS WHEAT (@MW) [10]

Month	Last	Chg	High	Low
Dec-16	523'4	1'2	525'0	520'6
Mar-17	525'0	2'0	526'4	522'6
May-17	530'4	2'4	530'4	527'0
Jul-17	535'4	0'6	535'4	535'4
Sep-17	542'0s	-1'0	550'4	541'2
Dec-17	553'6s	-2'2	563'4	558'0

ELECTRONIC BARLEY (@BW) [10]

Month	Last	Chg	High	Low
Oct-16	132.50s	0.00	---	---
Dec-16	132.50s	0.00	---	---
Mar-17	134.50s	0.00	---	---
May-17	135.50s	0.00	---	---
Jul-17	135.50s	0.00	---	---
Oct-17	135.50s	0.00	---	---
Dec-17	135.50s	0.00	---	---

ELECTRONIC CANOLA (@RS) [10]

Month	Last	Chg	High	Low
Nov-16	468.5	1.5	468.5	466.9
Jan-17	476.0	1.3	476.0	474.9
Jul-17	486.8	1.0	486.8	486.8

ELECTRONIC DURUM WHEAT (@DW) [10]

Month	Last	Chg	High	Low
Oct-16	283.00s	0.00	---	---
Dec-16	282.00s	0.00	---	---
Mar-17	289.00s	0.00	---	---
May-17	293.00s	0.00	---	---
Jul-17	293.00s	0.00	---	---
Oct-17	293.00s	0.00	---	---
Dec-17	293.00s	0.00	---	---

ELECTRONIC MILLING WHEAT (@WA) [10]

Month	Last	Chg	High	Low
Oct-16	226.00s	3.00	---	---
Dec-16	229.00s	2.00	---	---
Mar-17	232.00s	1.00	---	---
May-17	235.00s	0.00	---	---
Jul-17	236.00s	-1.00	---	---
Oct-17	236.00s	-1.00	---	---
Dec-17	236.00s	-1.00	---	---

Quotes generated on: Wed, Oct 5, 2016 7:26 AM CDT *Quotes are in market time

LOCAL CASH GRAIN PRICES

Northland College

Ron Dvergsten 218-686-5448 / Josh Tjosaas 299-5863-Instructors

Date:	10/4/2016 12:15 p.m.			10/3/2016 8:26 a.m.			9/26/2016 7:59 a.m.			9/19/2016 7:41 a.m.		
	Today	2016 Crop	2016 Crop	Today	2016 Crop	2016 Crop	Today	2016 Crop	2016 Crop	Today	2016 Crop	2016 Crop
WHEAT:	Dec 2016-Oct Del	Dec 2016-Nov Del	Dec 2016 Dec Del	Dec 2016-Oct Del	Dec 2016-Nov Del	Dec 2016 Dec Del	Dec 2016-Sept Del	Dec 2016-Oct Del	Dec 2016 Nov Del	Dec 2016-Sept Del	Dec 2016-Oct Del	Dec 2016 Nov Del
Georgetown	4.55	4.55	4.55	4.45	4.45	4.45	4.34	4.34	4.34	4.26	4.26	4.26
Barnesville	4.44	4.59	4.62	4.34	4.49	4.52	4.23	4.23	4.41	4.15	4.15	4.33
Protein	+.03*1/5			+.03*1/5			+.03*1/5			+.03*1/5		
GFE	-.06*1/5			-.06*1/5			-.06*1/5			-.06*1/5		
Basis: Gtwn	-0.69	-0.69	-0.69	-0.69	-0.69	-0.69	-0.69	-0.69	-0.69	-0.69	-0.69	-0.69
Breck	-0.80	-0.70	-0.65	-0.80	-0.70	-0.65	-0.80	-0.75	-0.60	-0.75	-0.70	-0.60
Felton	-0.67	-0.37	-0.37	-0.67	-0.37	-0.37	-0.67	-0.67	-0.67	-0.67	-0.67	-0.67
Barnesville	-0.80	-0.65	-0.62	-0.80	-0.65	-0.62	-0.80	-0.80	-0.62	-0.80	-0.80	-0.62
SOYBEANS:	Nov 2016-Oct Del	Nov 2016-Nov Del	2016 Crop Jan17-Dec	Nov 2016-Oct Del	Nov 2016-Nov Del	2016 Crop Jan17-Dec	Nov 2016-Sept Del	Nov 2016-Oct Del	2016 Crop	Nov 2016-Sept Del	Nov 2016-Oct Del	2016 Crop
Georgetown	8.69	8.69		8.74	8.74		8.71	8.71	8.71	8.94	8.94	8.94
B'ville	8.67	8.67	8.84	8.66	8.66	8.81	8.74	8.74	8.79	8.91	8.91	8.96
Basis: Gtwn	-0.95	-0.95		-0.82	-0.82		-0.82	-0.82	-0.82	-0.82	-0.82	-0.82
Breck	-1.00	-0.95	-0.85	-0.90	-0.90	-0.80	-0.85	-0.85	-0.80	-0.80	-0.80	-0.75
Felton	-0.97	-0.97		-0.97	-0.97		-0.82	-0.82	-0.82	-0.82	-0.82	-0.82
B'ville	-0.97	-0.97	-0.85	-0.90	-0.90	-0.80	-0.85	-0.85	-0.80	-0.85	-0.85	-0.80
CORN:	Dec 2016-Oct Del	Dec 2016-Nov Del	2016 Crop Dec Del	Dec 2016-Oct Del	Dec 2016-Nov Del	2016 Crop Dec Del	Dec 2016-Sep Del	Dec 2016-Oct Del	2016 Crop	Dec 2016-Sep Del	Dec 2016-Oct Del	2016 Crop
Georgetown	2.83	2.83	2.83	2.69	2.69	2.69	2.67	2.67	2.67	2.71	2.71	2.71
Cargill	2.95	3.08	3.13	2.83	2.96	3.01	2.81	2.81	2.99	3.08	2.85	2.98
Basis-Gtwn	-0.65	-0.65	-0.65	-0.67	-0.67	-0.67	-0.67	-0.67	-0.67	-0.67	-0.67	-0.67
Cargill	-0.53	-0.40	-0.35	-0.53	-0.40	-0.35	-0.53	-0.53	-0.35	-0.30	-0.53	-0.40
Barnesville	-0.60	-0.56	-0.50	-0.60	-0.56	-0.50	-0.60	-0.56	-0.50	-0.59	-0.60	-0.50
Felton	-0.67	-0.67	-0.67	-0.67	-0.67	-0.67	-0.67	-0.67	-0.67	-0.67	-0.67	-0.67

Loan Rates

	2016	2016	2016
Crop	Clay	Norman	Wilkin
Wheat	2.86	2.85	2.87
Corn	1.81	1.78	1.79
Soybeans	4.76	4.72	4.78

Commodity Loan Interest Rate: 1.625% Oct 1, 2016

Farm Storage Facility Loans:

Annual Interest Rate	Length of Loan Term
1.500%	7 years
1.625%	10 years
1.750%	12 years

MARKETING NEWSLETTER COMPARISONS

Northland College–Josh Tjosaas and Ron Dvergsten, Instructors

10-3-2016	WHEAT	SOYBEANS	CORN	OTHER
PRO FARMER:	16: 25% sold for cash sellers and for H's 25% sold. **Short term trend is choppy**	16: 45% sold for cash sellers and for H's 55% sold. **Short term trend is choppy.**	16: 25% sold for cash sellers and for H's 25% sold **Trend is sideways.**	**Cattle:** No recommendations Trend is lower.
MONEY FARM:	15: 45% Sold at $6.72 average 16: None	16: Sell 45%-15% is options strategy	15: 70% sold at $4.09 average, 100% basis fixed 16: sold 30% of expected production on option strategy	**Mike Krueger writes this daily newsletter**. Lock in Spring/Summer Fuels Needs Sunflowers: 2015: 25% Sold
ProgressiveAg:	16: 0% Sold	16: 80% sold at $11.1375, 80% futures hedged	16: 100% Sold, Profit $1.65, rolled to Dec 2016 at $4.23. 35% priced, catch up sales on 20%	**ProgressiveAg:**
ROACH AG MARKETING	**Day 4 Resumed Sell Signal**			**John Roach writes this daily newsletter.** **www.roachag.com**
Farm Futures:	16: We also recommended pricing 50% of expected 2016 production at $5.73 with cash sales and Minneapolis July 2017	16: Protect 50% of production with Nov $9 Puts at 14.75 cents and another 30% on Put/Call Spread, price 30% at $10.675 Nov with futures or HTA.	16: Protect 40% of 16 production with July 2017 futures or hedge or arrive contracts at $4.30 basis. Protect basis on 50% with buy/sell option.	Bob Burgdorfer, Senior Editor, *Farm Futures*
USSET, U of MN:	Updated May 20th, 2016 16: No Recommendations yet	Updated June 20th, 2016 16: Priced 75% at $10.74 Nov Futures or close to $10.00 cash	Updated June 20th, 2016 16: 35% priced at $4.31 Dec Futures	**You can check out Ed Usset's website at http://www.cffm.umn.edu/GrainMarketing/MarketingPlans.aspx**
Terms:	CBT-Chicago Board of Trade	OC–Old Crop	P–Put Option	FC–Forward Contract
	MGE-Minneapolis Grain Exchange	NC–New Crop	C–Call Option	H-Hedge
	KC–Kansas City Board of Trade	OTM–Out-of-the-Money	ATM–At-the-Money	F/O-Futures/Options
NEXT USDA CROP REPORT: WASDE October 12th, 2016				

Bold: indicates change from last week.

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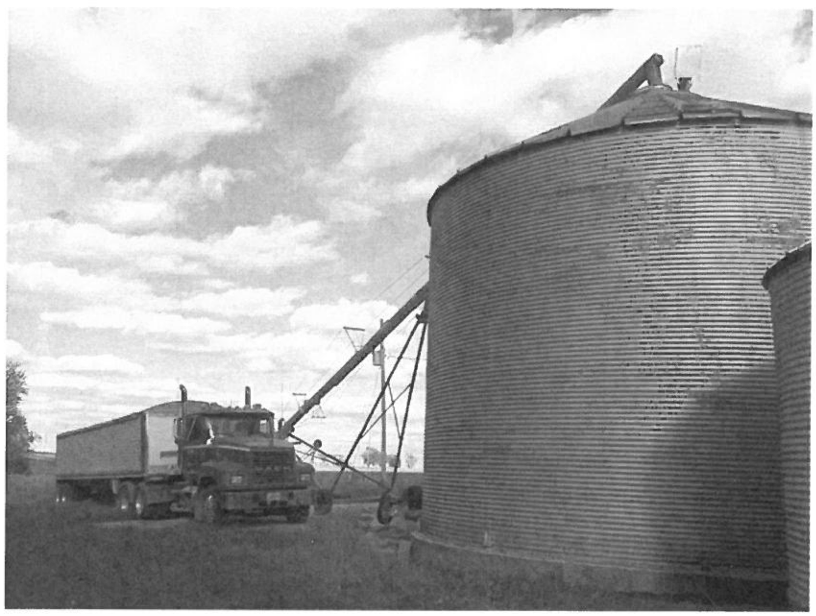
Analyst Sees Price Floor In Grain Stocks Report

OCTOBER 4, 2016 12:00 PM



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By **Nate Birt**
Top Producer
Managing Editor

The latest USDA report on grain stocks, issued Sept. 30, suggests a price floor might be forming. That's because it didn't produce a "big bearish shock" some analysts might have feared, particularly for co says Chip Nellinger, Blue Reef Agri-Marketing.

"Historically, over a long-term horizon [of] five, 10, 30 years, you get to the first week in October and you're about to the harvest low in corn," says Nellinger in an interview with "AgDay" host Clinton Griffiths. "I don't know why that would be any different this year. To me, I think we have a little bit of a floor underneath of u now. It doesn't mean we're going to turn around and go immediatel higher, but it means that maybe the downside's getting limited fron this point."

The **report found** corn stocks of 1.74 billion bushels, up slightly fro year-ago levels; soybean stocks of 197 million bushels, up 3% from year-ago levels; and wheat stocks up a whopping 21%.

In his view, Nellinger says, the USDA data suggest farmers moved a of old-crop grain in anticipation of the 2016 harvest. Yet hefty stock are still a reality producers will wrestle with for the foreseeable futu

"We're still going to kind of struggle to get that cycle back to norma because there's so much old crop carried over. I think that's a slow process," Nellinger says. "We've built more on-farm storage in the l few years, so farmers are better able to do that. No big shocks there me. ... The normal pattern, and it kind of shows in the stocks numbe on-farm, is farmers storing corn and selling their soybeans out of th field. I think that will continue through this harvest, as well."

One lingering question from the report is whether feedlot operators will begin moving toward wheat and away from corn because of massive wheat volumes in the bin.

"That debate's going to continue for a couple more quarters until w know more about that," he says. "Logically, you could expect that th would be some switching. It's not always easy to do in real time out the feedlot, but that would be something to watch going forward fo the '17 feed usage number."

Watch the complete "AgDay" interview with Nellinger below.

USDA released its quarterly grain stocks report Friday, showing promising numbers for wheat, encouraging numbers for soybeans, and favorable numbers for corn. Compared to September 2015, corn stocks rose slightly, soybean stocks rose 3%, and all wheat stocks are up 21%.

While harvest is underway, analysts are already forecasting acreage for spring planting. Chip Nellinger of Blue Reef Agrimarketing told Tyne Morgan on U.S. Farm Report over the weekend to 500,000 fewer wheat acres in 2017.

He also believes that trend could be seen on the corn side. A few months ago, farmers were talking 2.4 to 2.5 billion bushels of carry compared to 2.3 billion currently. Bryan Dohtery of Stewart-Peterson predicts if yield drops from 174 to 170, there could be a July rally of $4 or higher.

"Historically, the last 10 years, July corn futures have rallied at a minimum to $4.35," Dohtery says. "With that 10 years of history, once we get through this harvest season, be a little more optimistic."

Nellinger backs his claim, saying to wait and see what the USDA's October report and the final January crop report say. It's also important to pay attention to South America during their planting and growing season because that could increase U.S. soybean prices.

"It's a safe assumption the demand from China is going to continue to be as good as it has the last couple years," Nellinger says. "Any little weather problem in South America during our winter, you could get back north of $10.50 on beans."

These prices are to be driven by a worldwide increased demand in both corn and soybeans. According to Dohtery, Brazil is increasing its soybean acres, but by the lowest increase in 10 years.

"If you're not maintaining or increasing your size of crop, there are going to be some consequences," Dohtery says. "That's higher prices."

Futures stick to inside days during choppy overnight session

Grain futures are mixed as a choppy overnight session begins to wind down, with contracts in Chicago sticking to inside day patterns, trading within yesterday's ranges. Stocks also were mixed, with gains in Asia evaporating when trading got underway in Europe. Crude oil is the outlier this morning, rallying past $49.50, after the poll by the American Petroleum Institute showed another large drop in inventories last week, running against analysts' expectations for an increase in today's report from the government. There are also concerns that Hurricane Mathew could disrupt some oil terminals and shipping from the Caribbean up the East Coast.

Investors on Wall Street, meanwhile, are gearing up for Friday's employment report, which is expected to show the economy created around 170,000 jobs last month, keeping the Federal Reserve on track for another small increase in interest rates by the end of the year.

Corn prices are a little lower, giving back some of this week's short-covering rally after taking out significant chart resistance in the wake of the Sept. 30 USDA reports. December futures is trying to stay above its first retracement objective, with potential for a bullish cross between the 25- and 50-day moving averages also in play.

Fundamentals are also encouraging a little buying. Ethanol production this week could be higher, if plants took advantage of strong margins. The government updates its estimates at 9:30 CDT today. USDA yesterday announced the sale of 3.9 million bushels of corn to unknown destinations under its daily reporting system for large purchases.

The storm system going through the Midwest this week moves across the Mississippi River this morning. Storms, but could lose most of its punch over the next seven days. Official 6- to 10 and 8- to 14-day forecasts out yesterday noted a drying trend, with the latest updates this morning showing even wider below normal precipitation.

Growers reporting Feedback From The Field last week noted better corn yields, but still below USDA's 174.4 bpa, while soybean yield estimates improved sharply. What are your expected yields?Use this link to provide your own reports.

While the Dalian Exchange in China is closed this week for a holiday, November futures in Paris morning trade were less than a penny higher at $4.581 after adjustments for volumes and currencies

The preliminary report from the CBOT showed futures volume down by a third to 214,026 as moderately active fund short covering took 10,498 off open interest on the rally. Option volume fell 12% to 78,086, with a few more calls moving than puts as traders rolled up November strikes and added $3.10 March through September $3.10 puts.

Bottom line: Short covering rallies usually don't last long, so get ready to add to hedges before the Oct. 12 USDA report. For more, see my Weekly Corn Review. For specific recommendations and daily charts, subscribe to our free E-newsletter, Farm Futures Daily.

Corn Strategy: *We assume 50% commercial and 50% on-farm storage. We recommended pricing 2015 production as follows: Price 100% of 2015 production at an average futures price of $4.23 using, cash sales, futures or hedge-to-arrive contracts, including options and spread trade proceeds. We also recommended 2016 crop actions as follows: protect basis on 50% of expected production by selling*

December 2016 and buying July 2017 futures at 11.125 cents premium July; price 40% of expected 2016 production at $4.30 basis July 2017.

-

Soybeans are trying to hold small gains, after rejecting a probe near yesterday's lows early in the overnight session. November futures remains hemmed in by its 25- and 50-day moving averages, which capped trading Tuesday.

Parts of Brazil's key center-west picked up much-needed rain for seeding, with all the country's huge growing region likely to be covered over the next two weeks according to today's forecasts.

The preliminary report from the CBOT showed daily futures volume down 5% at 196,300 with modest fund liquidation taking 2,225 off open interest. Options volume was 30% lower at 41,833, 72% of it puts as traders liquidated out-of-the-money November puts while adding $9.60 puts that expire the next two Friday's.

With trading in China closed other international markets were mixed. November palm oil in Malaysiafell again, to 28.527 cents/lb, Novemberrapeseed for delivery in Paris was up 3.2 cents to $9.588 and November canola in Winnipeg rose almost a penny to $8.023, Note: International prices are converted to bushel or pound equivalents including currency adjustments to U.S. dollars for contracts with significant volume.

Bottom line: USDA's Sept. 30 reports as expected didn't change much. Now the market's focus turns to U.S. production, demand and South American weather. Fund interest in commodities could be the deciding factor but the market faces an export vacuum this week with Chinese traders off for a holiday. If you made good sales at profitable levels, it's time to wait and see what happens. For specific recommendations and daily charts, subscribe to our free E-newsletter, Farm Futures Daily.

***Soybean Strategy**: We previously recommended pricing 100% of expected 2015 production at an average futures price of $9.31. We also recommended pricing 30% of expected 2016 production with November futures or hedge-to-arrive contracts at $10.675. We also recommended covering 50% of 2016 production with November $9 puts at a cost of 14.75 cents, along with a long November $11 put/short November $12 call spread on another 30%.at a cost of 27.125 cents.*

-

Wheat prices are mixed this morning, with Minneapolis again moving higher while winter wheat futures sputter.

Russia as expected captured the latest tender to Egypt, selling 8.8 million bushels at an average price around 30 cents less per bushel compared to the cost delivered out of the Gulf.

Rains moving across the Midwest this week are improving moisture on the eastern Plains, which shifts drier into the next two weeks.

Fields in eastern Australia picked up some scattered rain today but also look drier, while Argentina's growing region should see plenty of moisture. Rains favor Ukraine in the Black Sea wheat belt, with South Russia turning drier.

January futures for eastern Australian wheat were up another 4.1 cents today to $4.831, and December futures in Paris morning trade were down a half-cent after adjustments for volumes and currencies.

Daily volume in soft red winter wheat dropped a third to 65,125 as light new fund selling added 1,037 to open interest. Options volume fell 31% to just 8.900 contracts, 53% of them calls as traders added the December $4.30 call and $3.90 put. Volume in hard red winter wheat was off 11% to 41,885 on open interest that was up 3,604.

Bottom line: Wheat fundamentals still look limited as the market struggles in narrow trading ranges. Only a rising tide could lift all boats. For more details on the outlook, see the Weekly Wheat Review. For specific recommendations and daily charts, subscribe to our free E-newsletter, Farm Futures Daily.

Wheat Strategy*: Growers following our recommendations did the following: price 40% of 2016 winter wheat production at $5.46 basis May 2017 soft red winter wheat or $5.43 basis May 2017 hard red winter wheat; price 50% of spring wheat at an average price of $5.73 with cash sales and Minneapolis July 2017. We also recommended pricing 20% of expected 2017 production in July 2017 SRW for liquidity at $5.50.*

Daily Commentary
Monday, October 03, 2016

Daily Comments:
It was an interesting day today with corn and soybeans mounting a good rally right in the middle of a record harvest. That is very unusual and says there must be other factors out there that are turning more positive. Everyone knows the corn and soybean yields will be big. That might be old news now.

Market Comments:
We have attached a summary of today's markets.
Remember that we want to own corn call options and that we also want to replace soybean sales with inexpensive calls. If you haven't done this, call us.
We still want to continue to sell soybeans. Big yields are allowing us to show profits on soybeans. Basis levels have weakened primarily because shuttle freight has again gotten expensive. The premium now exceeds $2,000 per car. That is about 60 cents a bushel.
Part of our earlier corn call options strategy was to buy cheap calls so that when December futures hit $3.50 we could sell more cash corn and we would already have these new sales covered with call options. We still want to do this, but we want to wait to see if this market has any real strength and can push towards $3.60.

Mike Krueger
The Money Farm
701-347-5985

Historically, farmers have relied on ad hoc disaster assistance to offset circumstances, like natural disasters. Rep Rick Crawford-R Ark., sees this a lot with heavy rain in his state damaging crops. He is heading a bill, HR 6167, the Farm Risk Abatement and Mitigation Election Act (FRAME).

The FRAME Act would establish a tax-deferred farm savings account, similar to an HAS or an IRA. Farmers would be able to contribute up to $50,000 a year, and the account would have a cap of $200,000.

Farmers would receive a benefit in a tax deduction by contributing to the account.

"[It would] make the difference in making payments and staying in business or going out of business with the constraints that are on farmers now," said Crawford to AgriTalk's Mike Adams on Tuesday's show.

A USDA-recognized farmer would have to open an account with the Farm Service Agency, and the account would be administered by any bank. Farmers would be in charge of managing their own contributions.

"It's another tool in the toolbox for risk management," said Crawford.

According to Crawford, the funds could be used for both small- and large-scale disasters. He says funds can sometimes take a while to get to the farmer, and it would be an instant relief.

"You get to determine what is a disaster on your farm," said Crawford.

Funds could be used for a widespread disaster such as drought or flooding, or for a county or localized disaster, such as straight-line winds or a tornado.

Farmers are in control.

Bankers are in favor of this plan because it can help collateralize an operation. The only safeguard on the program is only qualified, eligible farmers can participate.

As for reaction, Crawford has received support in Arkansas, saying it has a good chance to move during the lame duck session. As for farmers, they have said it's a good idea from the get-go.

Friday's Quarterly Grain Stocks Report from USDA did little to move the market as harvest began in earnest around the Grain Belt. For the week, December wheat was off 3 cents and the nearby corn contract finished flat for the second consecutive week. Bountiful harvest kept a lid on good export news as soybean prices finished a penny lower. October meal dropped $5.40 per ton. In the softs, December cotton shed nearly $2 per hundredweight. Over in the dairy parlor, October Class III milk futures soured by 42 cents. The livestock sector was under tremendous pressure as the December cattle contract fell $6.72. November feeders plummeted $10.08. And the December lean hog contract plunged 10% to finish $4.92 lower. In the currency markets, the U.S. Dollar Index lost 1 point. Crude oil advanced $3.76 per barrel. Gold dropped $24.60 per ounce. And the Goldman Sachs Commodity Index increased nearly 13 points to finish the week at 363.95.

Pearson: Here now to lend us his insight on these and other trends is one of our regular market analysts, Dan Hueber. Dan, welcome back.

Hueber: Thanks very much. Glad to be here.

Pearson: Well, we did have the Quarterly Stocks Report and the USDA Small Grain Summary. Wheat was up despite an apparently bearish number on that Quarterly Stocks Report. Talk us through a little bit what happened.

Hueber: Again, I think we've been hearing so much negative news here really not just in the last week but really over the last several months be it in the wheat production numbers or back into corn and soybeans. We've just become accustomed to hearing larger and larger numbers and I think the market has kind of reached the point where it's just old news. We've heard that same song too many times and we need something a little bit fresh there. Sometimes the markets just need that last little pump of negativeness to shake out the rest of those to the downside and the path of least resistance becomes back to the upside then.

Pearson: So are you a buyer of wheat in here?

Hueber: I don't know if I'm really advocating a bullish position, but on the same token I don't think there's a lot of downside risk in the wheat at this point. Here again I think we had just factored in so much of the negative supply side of that market. And really in all those reports today that was the only category that had a higher than estimated number, but even then it was not that far out of range. Granted, it seems almost flippant to say, but 100 million bushels here or there, big deal. When you've got 2.5 billion out there it's just a lot of wheat around. So I think you would have had to have a shocking bearish number to really push this wheat market lower at this point in time.

Pearson: And despite really the lack of a shocking number on those, the grain reports, we saw corn put on a pretty decent rally on Friday. Tell us what happened there.

Hueber: Corn absolutely the best performer of the day and of course was negative to start the day and I think again, granted, you have to add in the fact that we were in the end of the week, we were in the end of the month, we were in the end of the quarter. But it may be as important as anything, this is that time of year where you really kind of move into kind of a transitional phase where we've been talking about supply for months on end and, again, as we mentioned just a moment ago, each month that supply has become larger in trader's minds at least, we'll ultimately see if it's as big as the USDA has told us it's going to be. But regardless, we got to the point where we've heard this number, usually around that 1st of October the markets tend to start focusing a little bit less on supply and start thinking about demand.

Pearson: So it's a shift in sentiment you start to see happen.

Hueber: A shift in sentiment, a shift in psychology and maybe once you move into the, pass October, we know harvest is here with us and, granted, that's going to keep a lid on things depending on how farmer movement is. But on the same token, a little bit less focus on that huge, huge supply, start thinking about where is the demand going to start shaping up.

Pearson: So for producers who are out in the field today harvesting or planning on it in the next week who recognize that their yields perhaps are there, they're running out of storage opportunities, are you just selling off the combine what's needed for cash flow on this bump? Or how do you handle it?

Hueber: I think, granted, if you're out of storage, you're out of storage, there is a reasonable amount of -- it is a little bit strange, we've got about a 25 cent carry to July futures in the corn market, which is large as the crop and as big as the carry was you would expect we would have been a little wider, maybe towards 30 cents. I don't know if that's really telling us a story or not. But you take a 25 cent carry, a 30 to 3500 basis level, you've got 60 cents to carry corn to next summer. If you can store it, do it. That said, I don't think you want to lose ownership of the corn at this point in time. If it is unpriced work out, if it's in commercial storage try to pick up that basis appreciation, but I do think you want to maintain ownership somehow or another.

Pearson: We're at a value level.

Hueber: Correct.

Pearson: Now, soybeans, Quarterly Stocks Report implied disappearance for this fourth quarter of 2015-2016 marketing year. Phenomenal. Record usage apparently and yet beans did nothing.

Hueber: Well, and again, the bean market I think has, it really received a lot of good news recently but the psychology of the harvest is there with us. When you start hearing 80 and 85 bushel bean yields out there that tends to maybe keep people to the sidelines. That said, we've really pushed down November futures into this $9.40 area, really developed into a little bit of a $9.40, $9.60 trading range here at this point in time. Now, granted, I think the ace in the hole here is we're going to have to continue to see those export sales come in at a regular basis. Great sales again last week, 1.6 million metric tons of which of course China is that 800 pound gorilla that continues to purchase them. But I think as long as we can kind of keep those kind of sales numbers coming along it's going to keep that market stable but I think we've got to get past that onslaught of initial harvest before we could think we're going to come out of this range too.

Pearson: Now you mentioned China being a phenomenal buyer of U.S. beans, we've seen them tinker with their importation of DDGs. We've got a question here from one of our followers on Twitter. This is from Will in Jasper County. Will wants to know, what if any effect will news of China exporting corn have on the markets?

Hueber: It was an interesting story, of course came out overnight, they gave at least two companies authority to maybe export up to 2 million metric tons of corn. That is filled with so many holes I guess in that story.

Pearson: Where are they going to find a buyer?

Hueber: No pun intended on the quality of that corn there as far as being full of holes. But it's going to have to be a price or transportation differentials, possibly I'm sure they're trying to target a South Korea, there may be a user in South Korea that would look at this as if they could buy it at a heavy enough discount, easy to get it shipped over to that area and blended off with some corn, maybe extend some supplies. It was a surprise but obviously I think this is indicative of the fact that they've been trying to sell this corn off by auction, have had just disastrous results, they really can't get rid of it and I think they're just kind of grasping for any way they can to start liquidating these supplies that they've been sitting on for years now.

Pearson: Maybe it'll just start going into the ocean. That would be a nice thing for the global corn market.

Hueber: I understand it makes good heat in a furnace as well.