A publication of Nebraska Corn Processing, LLC<sup>®</sup>

Fall 2013

## Anew<sup>™</sup> Travel Center set to open in December

☐ Fuel station, convenience store will offer consumers blended fuel alternatives

By Gary Brower, Editor

Construction crews are wrapping up, final design details are being worked out and the first load of E85 ethanol is in the tank as Anew Travel Center in Cambridge, Neb., prepares for its mid-December opening.

The travel center, 41501 Harvest Dr., will include a blender fuel station that will dispense several blends of ethanol and biodiesel, providing consumers with several fuel options.

The offered ethanol blends are E10. E15, E30 and E85. Diesel options include regular diesel and B5, B10 and



**OPENING SOON:** The first load of E85 ethanol is delivered to the Anew Travel Center, currently under construction in Cambridge, Neb. The fuel station, convenience store and truck stop is scheduled to open in December, offering consumers a variety of ethanol blended fuels and biodiesel fuels.

In This Issue CORN SUPPLY STRONG



Big yields across U.S. pushing prices lower. See Page 2

### WETCAKE IN WINTER



Supply tight as cold weather approaches. See Page 3

B20 biodiesel fuels.

The travel center will include a convenience store, a truck wash

bay and maintenance garage, as well as a drivers' lounge with shower facilities.

It will feature 10 fuel pumps and ample parking for automobiles and semi trucks.

The fuel station is expected to employ 12 to 15 workers, both full- and part-time, benefiting the local economy.

"By working together with Cambridge Economic Development, we believe Cambridge will continue to grow and prosper," said Cliff Meeuwsen, president of Anew. "We are here to promote job development as much as possible, helping to add value to the community in any way we can."

Because much of the ethanol sold at the fuel station will come from a local ethanol plant, which purchases as much grain as possible from local farmers, consumers who buy from Anew Travel Center will be supporting the local community and their neighbors while helping the U.S. to reduce its dependency on foreign oil.

According to the U.S. Department of Energy Alternative Fuels and Advanced Vehicle Database, there are 70 stations in Nebraska that offer E85.



# Service

Service is at the heart of everything we at NCP do. The employees of NCP strive to provide superior customer service and quality products that enhance the profitability of our customers.

# High yields elsewhere driving corn prices lower

#### By Keith Brooks, Grain Merchandiser

We have seen a significant drop in corn prices since we released our last NCP Agrisource in August.

Despite disappointing yields in this area, a large portion of the country has seen great crops, so it is going to be important to take advantage of rallies in the months to come. When I say take advantage of rallies, I am talking about 5- to 10-cent moves.

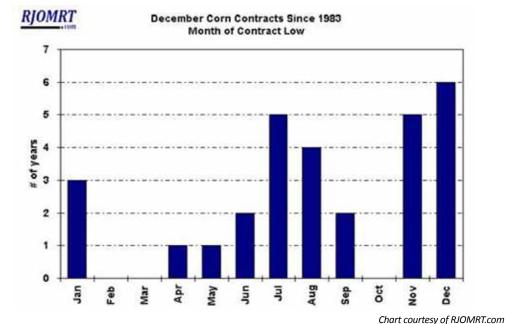
With this much corn in the world, there is no reason to have the volatility that we have seen over the last couple years with 30- to 40-cent moves. Likewise, there are some things to consider when looking at the direction corn could head in the months to come.

First, and probably most significant, are the production and carryout numbers. We had a 13.989 billion bushel crop with an expected 1.887 billion bushel carryout in the United States. Couple that with good crops in other places in the world and you have an abundance of corn worldwide.

Another thing to consider is the proposed cut to the 2014 corn ethanol mandate from 13.8 billion gallons in 2013 to 13.0 billion gallons, well below the originally prescribed 14.4 billion gallons for 2014. This could lower corn-for-ethanol consumption by 200 million bushels or more and allow that carryout to grow.

When looking at what you are going to do with this year's crop, there are two scenarios: Storing it in your bins or going to town with it.

If you are going to deliver it to the el-



**READING THE TRENDS:** Over the past 30 years, not once has the contract low price of corn for the December board been made in October.

### Corn update

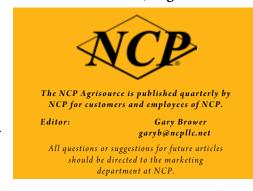
evators or ethanol plants, you are faced with the decision of pricing it or putting it into storage. If you are going to price it, here is something that you might find interesting and important: Since 1983, not once has the December contract low been made in October, while in 11 of those 30 years the contract low for the December board has been made in either November or December.

What does this mean? If you are going to price your corn hedged, you should consider doing so sooner rather than later. That is not a guarantee that corn is going lower, but with a substantial crop in the United States, the history of December contract lows suggests that it very well could.

If you are going to put your bushels into storage or delayed pricing at NCP, there are good carries in the board, but there are a couple things to consider.

One is that every month you store that corn you are going to incur storage costs. Also, and this is just an opinion, I think if there is a weak point in the market for basis it will come from January through March, partly because

See CORN, Page 3





www.nebraskacornprocessnig.com

## Improvements at NCP made with customers in mind

### By Eric Meeuwsen, General Manager

Harvest season is in full swing and with it comes the challenges of getting everyone unloaded in a timely matter.

The crew at NCP takes great pride in customer service and making sure trucks get in and out of our facility in a timely fashion.

As we have grown over the past few years, we have improved customer service with the additions we've made.

### Plant update

including two new grain bins and reworked loadout areas.

Every year we look at ways to improve the overall operation of the facility to better meet the needs of our customers and that means working through challenges when they arise.

As far as the plant goes, we continue

to keep it in great operational shape so we can maximize our efficiencies and throughput to better serve our customers and position ourselves for a strong

We will soon begin testing the addition of some milo into our corn processing and will be taking product on a limited basis. Check out our website, www.ncpllc.net, for our discount schedule for milo.

## Wetcake supply expected to remain tight through winter

#### By Shannon Caudill, WDGS Merchandiser

Winter is on the horizon, and with it wetcake will be back in a lot of feed mixes during the colder weather.

Many of you have contracts in place to fill your needs for the coming months, but some have been on the fence, waiting for prices to drop.

### Wetcake update

If you are one of the fence sitters, now is a good time to make a move.

At NCP, we still have a limited number of loads available, so please get your orders locked in soon so we can

fill them as best we can.

Our transportation division can deliver wetcake to your farm upon request, and we can also pick up corn and return it to the plant.

### Wetcake Merchandising

Shannon Caudill ...... 866.752.6816

## **Corn:** Yield looks good in most of U.S., not in Nebraska

#### Continued from Page 2

a number of people just prefer to move corn during that period while they have the time to do so. Also, there will be more corn stored on the farm this year than last.

If you are going to store this year's crop in your bins, the real question is: How long are you going to hold it?

With January through March being the time for corn to move traditionally, your best shot on basis here may be April to July. With a big crop, I would be careful about holding corn too long this year in an effort to catch a strong basis. With tight carryouts over the last couple years, it has worked in your favor to do so because corn was tight. However, this year is a different animal.

We already know that come August and September there is going to be plenty of corn available. There is also the possibility that a lot of corn could come to the market looking for a home with another crop on its heels and basis could weaken with people looking to make space.

If you have questions as to what your options at NCP could be, please feel free to call me. I can be reached pretty much anytime, either at my desk by calling (308) 697-3954, or on my cell at (308) 340-1208.

In closing, I would like to thank you all for your continued support and wish vou a safe harvest.

### **Corn Merchandising**

Keith Brooks......866.752.6815 keithb@ncpllc.net

The NCP Agrisource Page 3 Fall 2013



PRSRT STD US POSTAGE PAID ZEELAND MI PERMIT NO 57

# First load of corn delivered to NCP



SPECIAL DELIVERY: The first load of new crop corn for the 2013 harvest was delivered to Nebraska Corn Processing on Sept. 9 by Lloyd Frandsen, who was driving for Jason Houghtelling of Cambridge, Neb. The load was delivered four days later than the first load of 2012, which arrived on Sept. 5.