

Managing Grain Price Risk with Contracts, Hedges & Options

2019 KSU Risk & Profit Conference

Manhattan, Kansas

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UNIVERSITY

Department of Agricultural Economics



Managing Grain Price Risk in MY 2019/20 in "New Crop" MY 2019/20

- **Available Grain Marketing Opportunities on August 21, 2019**
 - Cash prices
 - Basis Trends
 - Futures Hedges & Forward Contracts
 - Put & Call options opportunities
- **For Kansas Corn, Sorghum, HRW Wheat, & Soybeans**

I. Grain Futures Closes, Changes & Carry on Wednesday, August 21, 2019

| Corn Futures | | | | Soybean Futures | | | | Kansas HRW Wheat Futures | | | |
|--------------|-----------------|------------|-----------------------|-----------------|-----------|------------|-----------------------|--------------------------|---------------|------------|-----------------------|
| Month | Close | Change | Carry /mo | Month | Close | Change | Carry /mo | Month | Close | Change | Carry /mo |
| Sept 19 | \$3.64 ¼ | ↑ \$0.0175 | --- | Sept 19 | \$ 8.60 ½ | No change | --- | Sept 19 | \$3.88 ½ | ↑ \$0.0225 | --- |
| Dec 19 | \$3.71 ¾ | ↑ \$0.0150 | \$0.02 ⁵⁰ | Nov 19 | \$ 8.72 ¾ | ↓ \$0.0025 | \$0.06 ¹²⁵ | Dec 19 | \$4.02 | ↑ \$0.0150 | \$0.04 ⁵⁰ |
| Mar 20 | \$3.83 ¾ | ↑ \$0.0125 | \$0.04 | Jan 20 | \$ 8.86 ¾ | No change | \$0.07 | Mar 20 | \$4.17 | ↑ \$0.0175 | \$0.05 |
| May 20 | \$3.91 ¼ | ↑ \$0.01 | \$0.03 ⁷⁵ | Mar 20 | \$ 9.01 | ↑ \$0.0075 | \$0.07 ¹²⁵ | May 20 | \$4.26 ¾ | ↑ \$0.01 | \$0.04 ⁸⁷⁵ |
| July 20 | \$3.98 ¼ | ↑ \$0.0150 | \$0.03 ⁵⁰ | May 20 | \$ 9.11 ½ | ↓ \$0.0025 | \$0.05 ²⁵ | July 20 | \$4.37 | ↑ \$0.01 | \$0.05 ¹²⁵ |
| Sept 20 | \$4.01 ¼ | ↑ \$0.0050 | \$0.01 ⁵⁰ | July 20 | \$ 9.22 ¾ | ↑ \$0.0075 | \$0.05 ⁶²⁵ | Sept 20 | \$4.50 ¼ | ↓ \$0.0275 | \$0.06 ⁶²⁵ |
| Dec 20 | \$4.06 ¼ | ↑ \$0.0025 | \$0.01 ⁶⁶⁶ | Aug 20 | \$ 9.25 ¾ | ↑ \$0.0450 | \$0.03 | Dec 20 | \$4.69 ¾ | ↓ \$0.0325 | \$0.06 ⁵⁸³ |
| Mar 21 | \$4.16 | ↑ \$0.02 | \$0.03 ²⁵ | Sept 20 | \$ 9.27 | ↑ \$0.0475 | \$0.01 ²⁵ | Mar 21 | \$4.85 ½ | ↓ \$0.0325 | \$0.05 ²⁵ |

Price^{Soybean} / Price^{Corn} Ratios on August 21, 2019:

- “New Crop^{2019/20}” ⇒ S^{SEPT}²⁰¹⁹ Soybeans ÷ S^{SEPT}²⁰¹⁹ Corn = \$ 8.60 ½ ÷ \$3.64 ¼ = 2.36
- “Next Crop^{2019/20}” ⇒ S^{NOV}²⁰¹⁹ Soybeans ÷ S^{DEC}²⁰¹⁹ Corn = \$ 8.72 ¾ ÷ \$3.71 ¾ = 2.35 ***
- “Future Crop^{2020/21}” ⇒ S^{NOV}²⁰²⁰ Soybeans ÷ S^{DEC}²⁰²⁰ Corn = \$ 9.32 ÷ \$4.06 ¼ = 2.29 ***

Corn & Sorghum Markets



KANSAS STATE
UNIVERSITY

Department of Agricultural Economics

| TERMINAL US NO 2 YELLOW CORN | | | | |
|------------------------------|-----------|---------------|--------------|--------|
| | Bids | Change (¢/bu) | Basis | Change |
| Atchison | 3.72 | UP 3 | 9U | UNCH |
| Topeka | 3.72 | UP 3 | 9U | UNCH |
| Salina | 3.43-3.53 | UP 3 | -20U to -10U | UNCH |
| Newton | 3.23 | UP 3 | -40U | UNCH |
| Hutchinson | 3.24-3.50 | UP 3 | -39U to -13U | UNCH |
| Wellington | 3.37 | UP 3 | -26U | UNCH |
| Arkansas City | 3.37 | UP 3 | -26U | UNCH |

| TERMINAL US NO 2 SORGHUM | | | | |
|--------------------------|-----------|----------------|--------------|--------|
| | Bids | Change (¢/cwt) | Basis | Change |
| Topeka | 5.98 | UP 2 | -35Z | UNCH |
| Concordia | 5.32 | UP 5 | -65U | UNCH |
| Salina | 5.27-5.50 | UP 2-UP 5 | -75Z to -55U | UNCH |
| Hutchinson | 5.18-5.45 | UP 5-UP 6 | -73U to -58U | UNCH |
| Wellington | 5.41 | DN 29 | -60U | DN 10 |
| Arkansas City | 5.41 | UP 5 | -60U | UNCH |
| Great Bend | 5.23 | UP 5 | -70U | UNCH |

New Crop 2019 Corn Forward Contract Bids

August 22, 2019 – early a.m. ⇒ DEC 2019 Corn = \$3.70

| Elevator/Location | Aug 2019 | Sep 2019 | Oct 2019 | Nov 2019 |
|------------------------------|----------|----------|----------|----------|
| OTTAWA COOP TOPEKA, KS | 3.58 | --- | --- | --- |
| OTTAWA COOP SCRANTON, KS | 3.58 | --- | 3.31 | --- |
| OTTAWA COOP OVERBROOK, KS | 3.58 | --- | 3.31 | --- |
| AG PARTNERS TOPEKA, KS | 3.78 | --- | --- | 3.49 |
| OTTAWA COOP BURLINGAME, KS | 3.58 | --- | 3.31 | --- |
| CARGILL - GORDON TOPEKA, KS | 3.71 | --- | 3.48 | --- |
| FAIRVIEW MILLS LP TOPEKA, KS | 3.15 | --- | --- | --- |
| CARGILL TOPEKA, KS | 3.71 | --- | 3.48 | --- |

| Elevator/Location | Aug 2019 | Sep 2019 | Oct 2019 | Nov 2019 |
|--|----------|----------|----------|----------|
| IRSIK-DOLL ELEVATOR HUTCHINSON, KS | --- | --- | 3.48 | --- |
| CARGILL - HUTCHINSON W HUTCHINSON, KS | 3.52 | --- | 3.60 | --- |
| ADM HUTCHINSON, KS | 3.50 | --- | 3.56 | --- |
| CARGILL HUTCHINSON, KS | 3.52 | --- | 3.60 | --- |
| MID KANSAS COOP HUTCHINSON, KS | 3.36 | --- | 3.49 | --- |
| MID KANSAS COOP-RICE COUNTY STERLING, KS | 3.33 | --- | 3.41 | --- |

New Crop 2019 Sorghum FC Bids for OCT'19

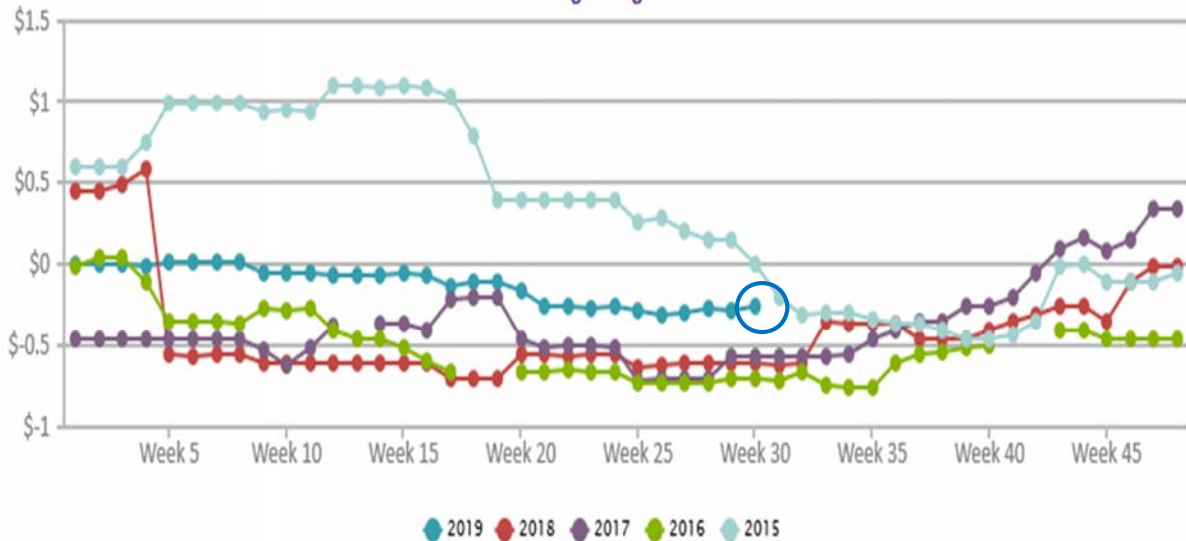
August 22, 2019 – early a.m. ⇒ DEC 2019 Corn = \$3.70

| Elevator/Location | Aug 2019 | Sep 2019 | Oct 2019 | Nov 2019 |
|------------------------------|----------|----------|----------|----------|
| OTTAWA COOP TOPEKA, KS | --- | --- | --- | --- |
| OTTAWA COOP SCRANTON, KS | --- | --- | --- | --- |
| OTTAWA COOP OVERBROOK, KS | 3.19 | --- | 3.31 | --- |
| AG PARTNERS TOPEKA, KS | --- | --- | --- | --- |
| OTTAWA COOP BURLINGAME, KS | --- | --- | --- | --- |
| CARGILL - GORDON TOPEKA, KS | 3.36 | --- | 3.41 | --- |
| FAIRVIEW MILLS LP TOPEKA, KS | --- | --- | --- | --- |
| CARGILL TOPEKA, KS | 3.36 | --- | 3.41 | --- |
| AGCHOICE OSAGE CITY, KS | 3.14 | --- | 3.21 | --- |

| Elevator/Location | Aug 2019 | Sep 2019 | Oct 2019 | Nov 2019 |
|---------------------------------------|----------|----------|----------|----------|
| FARMERS GRAIN COOP HUTCHINSON, KS | 2.91 | --- | 3.10 | --- |
| CENTRAL PRAIRIE COOP STERLING, KS | 2.89 | --- | 3.13 | --- |
| GREENBUSH SEED HUTCHINSON, KS | --- | --- | --- | --- |
| IRSIK-DOLL ELEVATOR HUTCHINSON, KS | --- | --- | 3.04 | --- |
| CARGILL - HUTCHINSON W HUTCHINSON, KS | 2.96 | --- | 3.16 | --- |
| ADM HUTCHINSON, KS | 3.06 | --- | --- | 3.16 |
| CARGILL HUTCHINSON, KS | 2.96 | --- | 3.16 | --- |
| MID KANSAS COOP HUTCHINSON, KS | 2.98 | --- | 3.11 | --- |

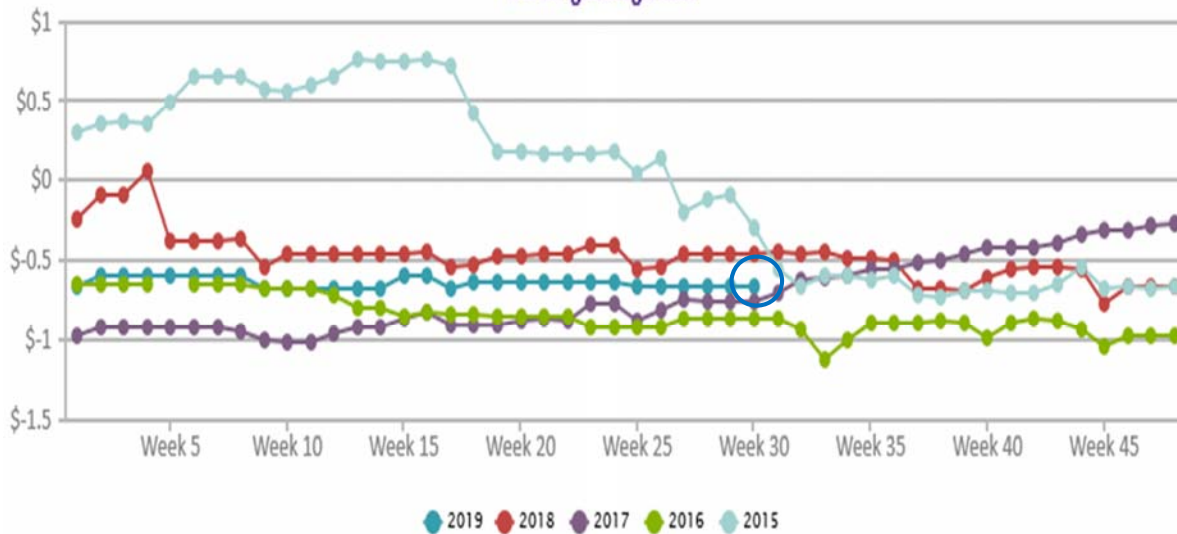
TOPEKA, KS: Grain Sorghum Basis - CARGILL

www.AgManager.info



HUTCHINSON, KS: Grain Sorghum Basis - MID KANSAS COOP

www.AgManager.info



DC_GR110 **corrected report
 Dodge City, KS Wed, Aug 21, 2019 USDA-KS Dept of Ag Market News

Western Kansas Grain Markets

| US NO 2 YELLOW CORN | | | | |
|---------------------|-----------|----------------|------------|--------|
| | Bids | Change (¢/bu) | Basis | Change |
| Dodge City | 3.48 | UP 3 | -15U | UNCH |
| Colby | 3.31 | UP 3 | -32U | UNCH |
| Garden City | 3.56-3.58 | UP 3 | -7U to -5U | UNCH |
| Goodland | 3.18 | UP 3 | -45U | UNCH |
| Protection | 3.48 | UP 3 | -15U | UNCH |
| Scott City | 3.43 | UP 3 | -20U | UNCH |
| Sublette | 3.58 | UP 3 | -5U | UNCH |
| Syracuse | 3.56 | UP 3 | -7U | UNCH |
| Ulysses | 3.63 | UP 3 | OptU | UNCH |
| US NO 2 SORGHUM | | | | |
| | Bids | Change (¢/cwt) | Basis | Change |
| Dodge City | 5.23 | UP 5 | -70U | UNCH |
| Colby | 5.14 | UP 5 | -75U | UNCH |
| Garden City | 5.32 | UP 5 | -65U | UNCH |
| Goodland | 5.05 | UP 5 | -80U | UNCH |
| Protection | 5.41 | UP 5 | -60U | UNCH |
| Scott City | 5.14 | UP 5 | -75U | UNCH |
| Sublette | 5.41 | UP 5 | -60U | UNCH |
| Syracuse | 5.41 | UP 5 | -60U | UNCH |
| Ulysses | 5.41 | UP 5 | -60U | UNCH |

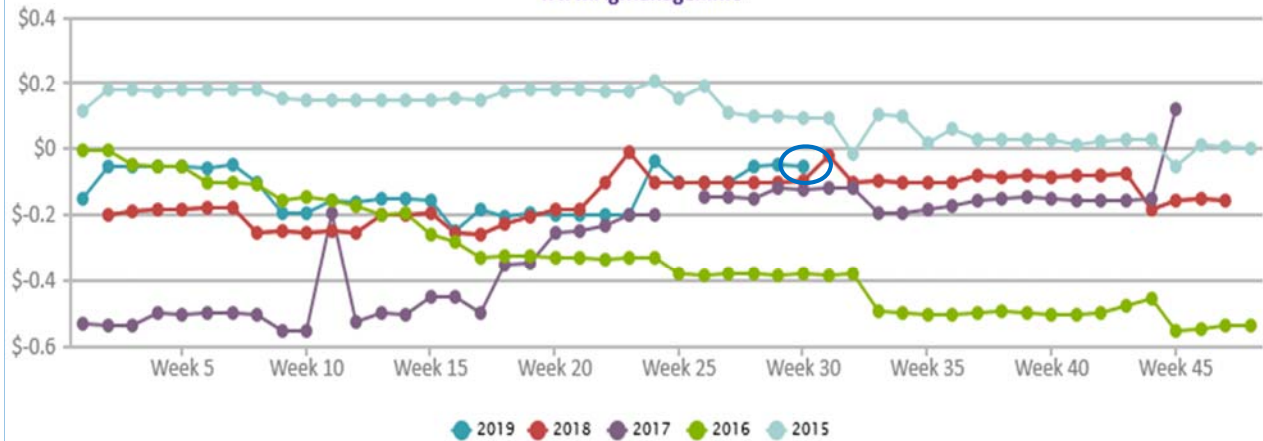
New Crop 2019 Corn Forward Contract Bids

August 22, 2019 – early a.m. ⇒ DEC 2019 Corn = \$3.70

| Elevator/Location | Aug 2019 | Sep 2019 | Oct 2019 | Nov 2019 | Dec 2019 | Jan 2020 |
|--|----------|----------|----------|----------|----------|----------|
| IRSIK-DOLL ELEVATOR PIERCEVILLE, KS | --- | --- | 3.56 | --- | --- | 3.71 |
| USDA GARDEN CITY, KS | 3.59 | --- | --- | --- | --- | --- |
| IRSIK-DOLL ELEVATOR GARDEN CITY, KS | --- | --- | 3.56 | --- | --- | 3.71 |
| GARDEN CITY COOP GARDEN CITY, KS | 3.59 | --- | 3.65 | --- | --- | --- |
| IRSIK-DOLL ELEVATOR INGALLS, KS | --- | --- | 3.61 | --- | --- | 3.76 |
| GARDEN CITY COOP LAKIN, KS | 3.59 | --- | 3.65 | --- | --- | --- |
| UNITED PRAIRIE AG LAKIN, KS | 3.59 | --- | 3.69 | --- | --- | --- |
| PRIDE AG RESOURCES INGALLS, KS | --- | --- | 3.71 | --- | --- | --- |

GARDEN CITY, KS: Corn Basis - GARDEN CITY COOP

www.AgManager.info



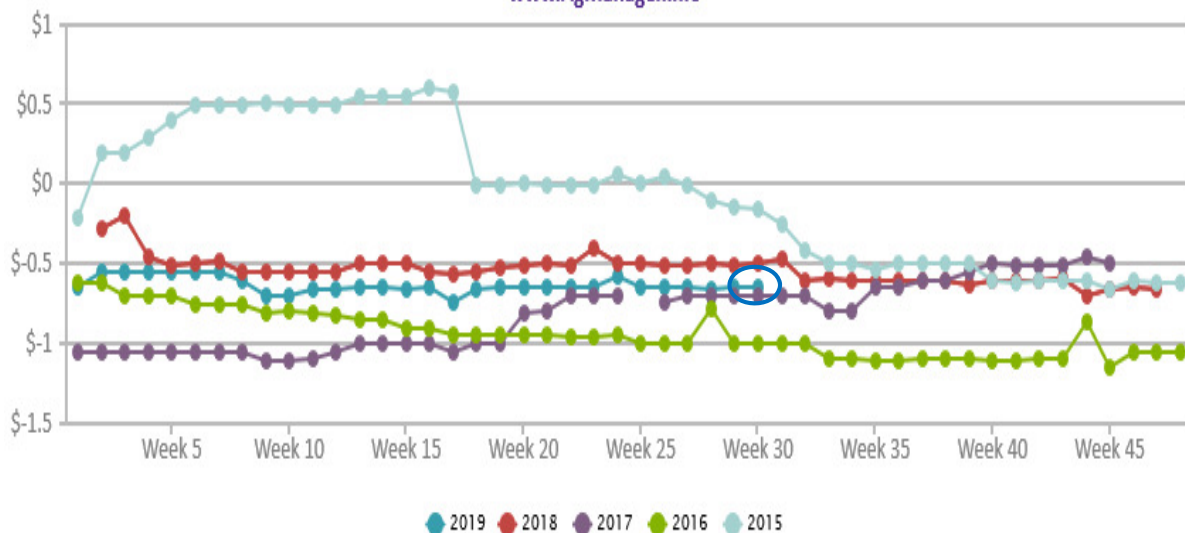
New Crop 2019 Sorghum FC Bids

August 22, 2019 – early a.m. ⇒ DEC 2019 Corn = \$3.70

| Elevator/Location | Aug 2019 | Sep 2019 | Oct 2019 | Nov 2019 | Dec 2019 | Jan 2020 |
|--|----------|----------|----------|----------|----------|----------|
| IRSIK-DOLL ELEVATOR PIERCEVILLE, KS | --- | --- | 2.98 | --- | --- | 3.11 |
| USDA GARDEN CITY, KS | 2.98 | --- | --- | --- | --- | --- |
| IRSIK-DOLL ELEVATOR GARDEN CITY, KS | --- | --- | 2.98 | --- | --- | 3.11 |
| GARDEN CITY COOP GARDEN CITY, KS | 2.98 | --- | 3.10 | --- | --- | --- |
| IRSIK-DOLL ELEVATOR INGALLS, KS | --- | --- | 2.98 | --- | --- | 3.11 |
| GARDEN CITY COOP LAKIN, KS | 2.98 | --- | 3.10 | --- | --- | --- |
| UNITED PRAIRIE AG LAKIN, KS | 3.04 | --- | 3.16 | --- | --- | --- |
| PRIDE AG RESOURCES INGALLS, KS | --- | --- | 3.16 | --- | --- | --- |

GARDEN CITY, KS: Grain Sorghum Basis - GARDEN CITY COOP

www.AgManager.info





US #2 Yellow Corn - dollars/bushel

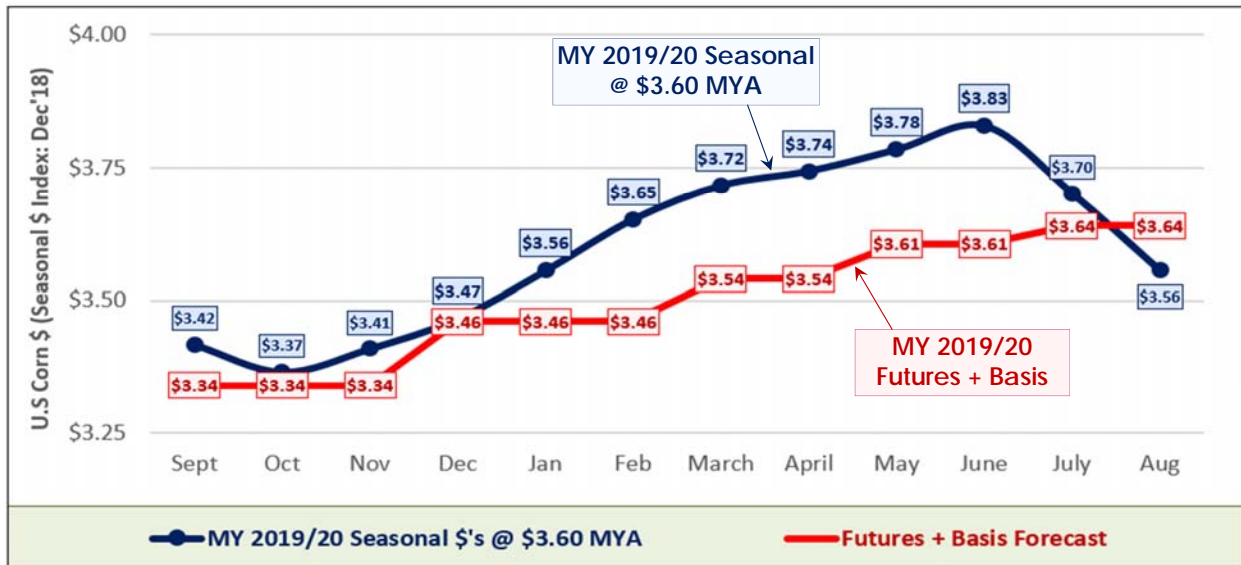
| | Cash Bids | Chg | Basis | Avg: |
|----------------|------------------------|----------|------------------|--------------|
| Iowa-Eastern: | 3.4950 - 3.7850 | ↓ | -10U to 19U | 4.50 |
| Iowa-Western: | 3.3450 - 3.7450 | ↓ | -25U to 15U | -5.00 |
| Illinois: | 3.5450 - 3.8450 | ↓ | -5U to 25U | 10.00 |
| Indiana: | 3.7450 - 4.1850 | ↓ | 15U to 59U | 37.00 |
| Ohio: | 4.1450 - 4.2950 | ↓ | 55U to 70U | 62.50 |
| Michigan: | 3.5450 - 4.3650 | ↓ | -5U to 77U | 36.00 |
| Kansas: | 3.6450 - 3.9450 | ↓ | 5U to 35U | 20.00 |
| Minnesota: | 3.3450 - 3.6950 | ↓ | -25U to 10U | -7.50 |
| Nebraska: | 3.3450 - 3.8050 | ↓ | -25U to 21U | -2.00 |
| Wisconsin: | 3.2950 - 3.6450 | ↓ | -30U to 5U | -12.50 |
| South Dakota: | 3.3950 - 3.7550 | ↓ | -20U to 16U | -2.00 |
| Missouri: | 3.4950 - 3.7950 | ↓ | -10U to 20U | 5.00 |

Sorghum - dollars/bushel

| | Cash Bids | Chg | Basis | Avg: |
|----------------|---------------|----------|---------------------|---------------|
| Kansas: | 3.4450 | ↓ | -15U to -15U | -15.00 |

Kansas Corn Seasonal Cash \$ Index

Monthly: Vs Futures + Basis Forecast for "New Crop" MY 2019/20



CME Corn Futures



Weekly Chart: January 2016 – August 21, 2019

TFC Commodity Charts



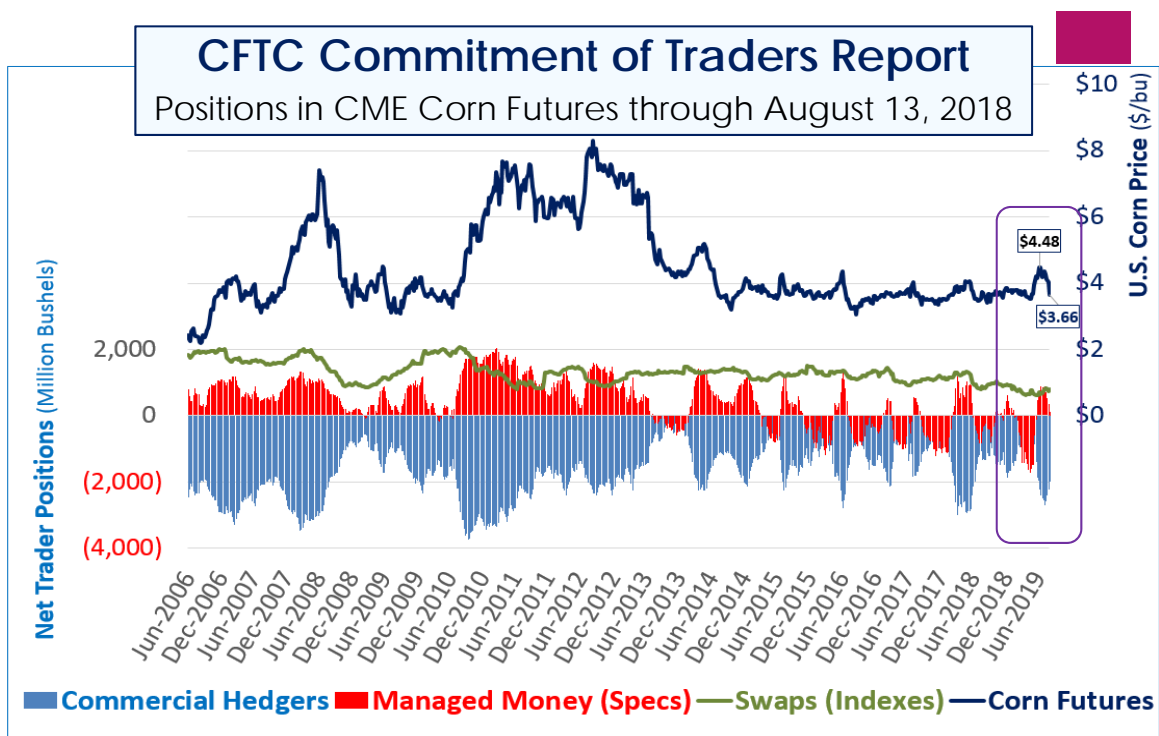
CME Corn Futures

ELEC. CORN (@C)

Futures Contract Prices, Volume, & Open Interest on 8/21/2019

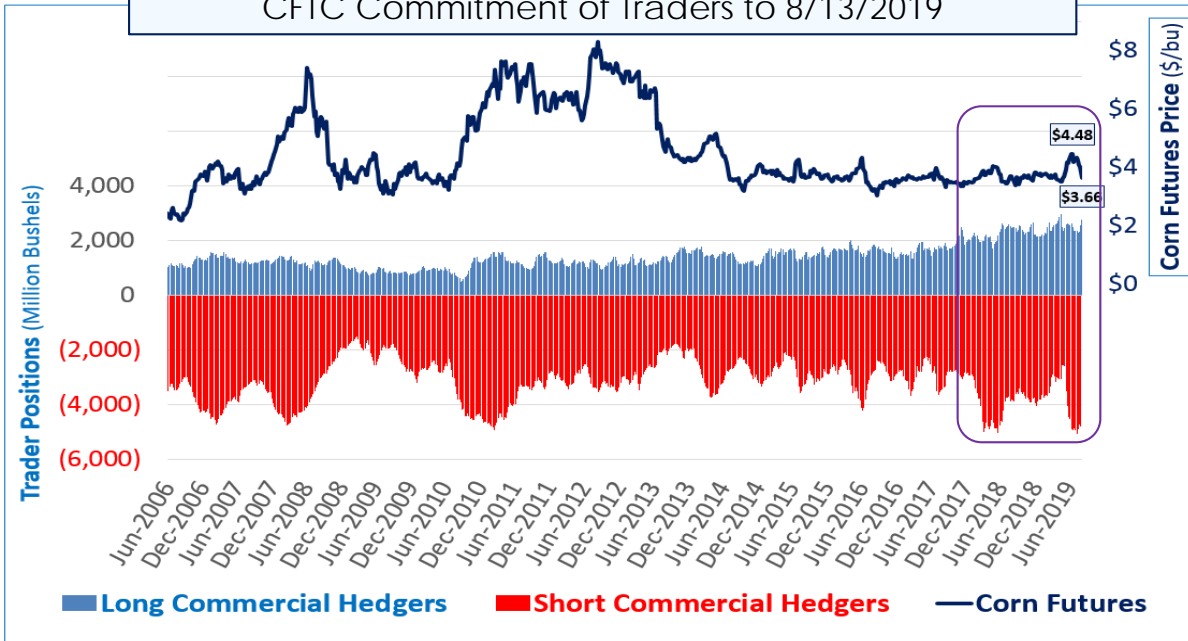
| Month | Last | Chg | % Chg | Open | High | Low | Previous | Volume | Open Int | DO2 |
|--------|--------|-----|-------|-------|-------|-------|----------|--------|----------|-----|
| Sep-19 | 363'6 | 1'2 | 0.34 | 363'0 | 364'4 | 363'0 | 362'4 | 125855 | 263594 | |
| Oct-19 | --- | --- | 0 | --- | --- | --- | --- | --- | --- | |
| Nov-19 | --- | --- | 0 | --- | --- | --- | --- | --- | --- | |
| Dec-19 | 371'4 | 1'2 | 0.34 | 370'6 | 372'2 | 370'6 | 370'2 | 199565 | 841876 | |
| Mar-20 | 383'2 | 0'6 | 0.2 | 383'0 | 384'2 | 383'0 | 382'4 | 38154 | 278862 | |
| May-20 | 391'2 | 1'0 | 0.26 | 390'2 | 391'6 | 390'2 | 390'2 | 13096 | 78920 | |
| Jul-20 | 397'6 | 1'0 | 0.25 | 397'2 | 398'6 | 397'2 | 396'6 | 13387 | 123405 | |
| Sep-20 | 401'2 | 0'6 | 0.19 | 401'4 | 401'4 | 401'2 | 400'4 | 4515 | 36126 | |
| Dec-20 | 406'0 | 0'2 | 0.06 | 406'0 | 406'4 | 406'0 | 405'6 | 15382 | 99893 | |
| Mar-21 | 416'0 | 0'0 | 0 | 416'0 | 416'0 | 416'0 | 416'0 | 174 | 4412 | |
| May-21 | 421'4s | 2'2 | 0.54 | 420'2 | 420'4 | 420'2 | 419'2 | 10 | 708 | |
| Jul-21 | 425'2s | 2'4 | 0.59 | 423'4 | 425'0 | 423'4 | 422'6 | 13 | 2102 | |
| Sep-21 | 414'0s | 0'2 | 0.06 | 413'2 | 414'2 | 413'2 | 413'6 | 13 | 633 | |
| Dec-21 | 415'0 | 0'0 | 0 | 415'0 | 415'0 | 415'0 | 415'0 | 269 | 4249 | |
| Jul-22 | 430'4s | 0'4 | 0.12 | --- | --- | --- | 430'0 | 0 | 54 | |
| Dec-22 | 413'6s | 0'4 | 0.12 | --- | --- | --- | 413'2 | 0 | 94 | |

Wed, Aug 21, 2019 10:37 PM CDT *Quotes are in market time



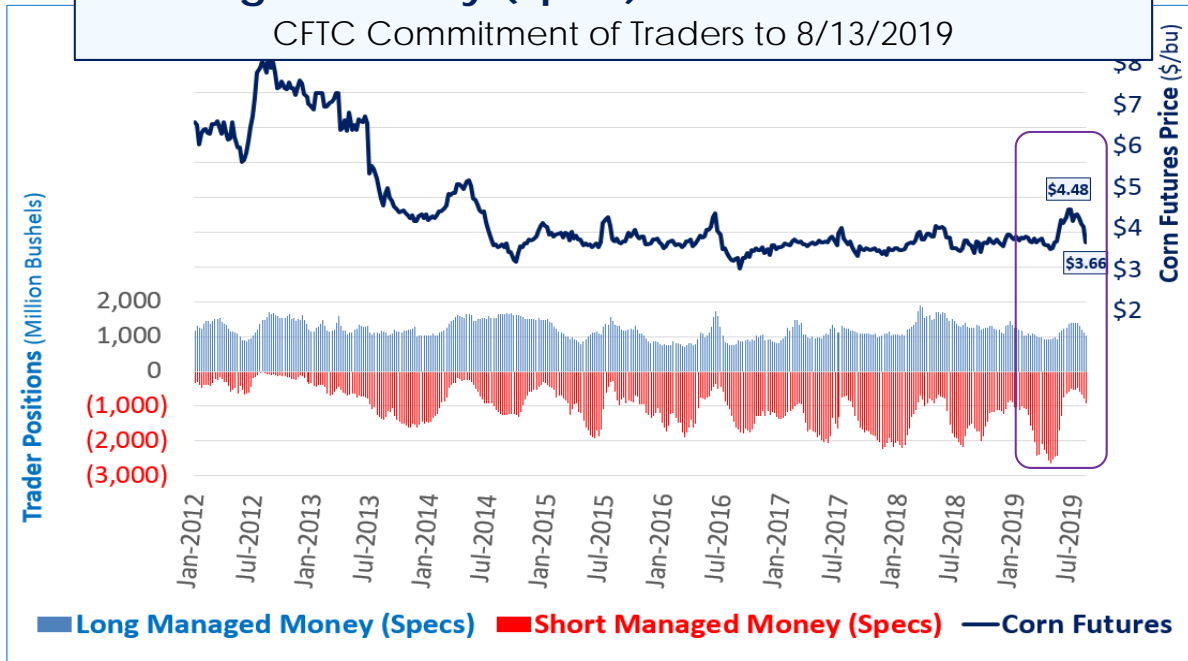
Commercial Hedge Positions in CME Corn

CFTC Commitment of Traders to 8/13/2019



Managed Money (Spec) Positions in CME Corn

CFTC Commitment of Traders to 8/13/2019



DEC 2019 CME Corn Options

ELEC. CORN (Dec 2019)

| Last | Change | %Chg | Open | High | Low | Previous | Volume |
|-------|--------|------|-------|-------|-------|----------|--------|
| 371'2 | 1'0 | 0.27 | 370'6 | 372'2 | 370'6 | 370'2 | 199565 |

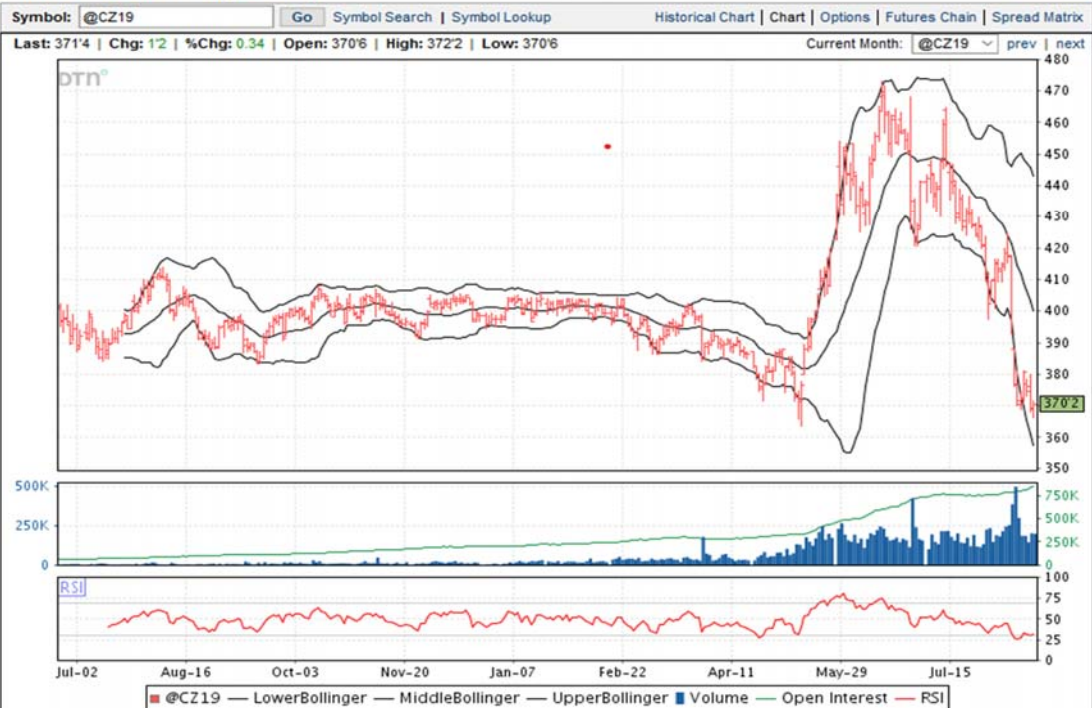
Days Until Expiration: 93

| Calls | | | | | | | | | Puts | | | | | | | |
|--|-------|-----|------|------|------|--------|----------|--------|--|-------|------|------|------|------|--------|----------|
| Symbol | Price | Chg | Open | High | Low | Volume | Open Int | Strike | Symbol | Price | Chg | Open | High | Low | Volume | Open Int |
| <input checked="" type="checkbox"/> @CZ19C3200 | 51'5s | 1'4 | -- | -- | -- | 0 | 201 | 3200 | <input checked="" type="checkbox"/> @CZ19P3200 | 1'4s | 0'0 | 1'5 | 1'5 | 1'5 | 160 | 16275 |
| <input checked="" type="checkbox"/> @CZ19C3300 | 42'4s | 1'4 | -- | -- | -- | 0 | 1103 | 3300 | <input checked="" type="checkbox"/> @CZ19P3300 | 2'3s | 0'0 | 2'3 | 2'5 | 2'2 | 1848 | 12697 |
| <input checked="" type="checkbox"/> @CZ19C3400 | 34'0s | 1'3 | 33'2 | 33'2 | 33'2 | 6 | 41 | 3400 | <input checked="" type="checkbox"/> @CZ19P3400 | 3'7s | -0'1 | 4'0 | 4'2 | 3'6 | 2067 | 14128 |
| <input checked="" type="checkbox"/> @CZ19C3500 | 26'5s | 1'3 | 26'0 | 26'4 | 26'0 | 9 | 313 | 3500 | <input checked="" type="checkbox"/> @CZ19P3500 | 6'0 | -0'4 | 6'6 | 6'6 | 6'0 | 1906 | 27505 |
| <input checked="" type="checkbox"/> @CZ19C3600 | 21'5 | 1'0 | 21'5 | 21'5 | 21'5 | 95 | 1276 | 3600 | <input checked="" type="checkbox"/> @CZ19P3600 | 9'6 | -0'5 | 9'6 | 9'6 | 9'6 | 5945 | 20129 |
| <input checked="" type="checkbox"/> @CZ19C3700 | 16'5 | 0'6 | 16'0 | 16'5 | 16'0 | 517 | 3709 | 3700 | <input checked="" type="checkbox"/> @CZ19P3700 | 14'6 | -0'7 | 15'1 | 15'1 | 14'5 | 1244 | 24695 |
| <input checked="" type="checkbox"/> @CZ19C3800 | 12'4 | 0'5 | 12'2 | 12'7 | 12'2 | 4284 | 16184 | 3800 | <input checked="" type="checkbox"/> @CZ19P3800 | 21'5s | -0'5 | 21'7 | 23'5 | 21'6 | 1523 | 29340 |
| <input checked="" type="checkbox"/> @CZ19C3900 | 9'5 | 0'4 | 9'4 | 9'5 | 9'4 | 1041 | 13529 | 3900 | <input checked="" type="checkbox"/> @CZ19P3900 | 28'6s | -0'7 | 28'6 | 31'4 | 28'1 | 1066 | 23409 |
| <input checked="" type="checkbox"/> @CZ19C4000 | 7'4 | 0'4 | 7'3 | 7'4 | 7'3 | 3463 | 33850 | 4000 | <input checked="" type="checkbox"/> @CZ19P4000 | 36'5 | 0'0 | 36'5 | 36'5 | 36'5 | 324 | 33631 |
| <input checked="" type="checkbox"/> @CZ19C4100 | 5'7 | 0'3 | 5'7 | 5'7 | 5'7 | 629 | 26228 | 4100 | <input checked="" type="checkbox"/> @CZ19P4100 | 45'1s | -1'1 | 45'6 | 48'0 | 45'0 | 110 | 14064 |
| <input checked="" type="checkbox"/> @CZ19C4200 | 4'3 | 0'0 | 4'3 | 4'3 | 4'3 | 1221 | 34522 | 4200 | <input checked="" type="checkbox"/> @CZ19P4200 | 54'0s | -1'1 | 54'3 | 57'0 | 53'3 | 1076 | 18987 |

In the money At the money

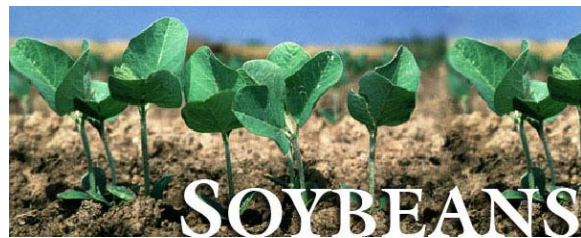
Quotes generated on: Wed, Aug 21, 2019 10:44 PM CDT

ELEC. CORN (@CZ19)



Thoughts regarding some approaches,
strategies & key factors for 2019-2020
Corn marketing

Soybean Markets



KANSAS STATE
UNIVERSITY

Department of Agricultural Economics

| TERMINAL US NO 2 SOYBEANS | | | | |
|---------------------------|-----------|-----------------|----------------|-----------|
| | Bids | Change (¢/bu) | Basis | Change |
| Atchison | 7.98 | UP 4.25 | -75X | UNCH |
| Topeka | 7.98 | UP 4.25 | -75X | UNCH |
| Salina | 7.73 | UP 4.25 | -100X | UNCH |
| Newton | 7.59 | UP 9.25 | -114X | UP 5 |
| Hutchinson | 7.59-7.73 | UP 9.25-UP 4.25 | -114X to -100X | UP 5-UNCH |
| Wichita | 7.69 | UP 9.25 | -104X | UP 5 |
| Wellington | 7.61 | UP 4.25 | -112X | UNCH |
| Arkansas City | 7.55 | UP 4.25 | -118X | UNCH |

| PROCESSOR US NO 2 SOYBEANS | | | | |
|----------------------------|------|---------------|-------|--------|
| | Bids | Change (¢/bu) | Basis | Change |
| Emporia | 8.18 | UP 4.25 | -55X | UNCH |
| Wichita | 8.18 | UP 4.25 | -55X | UNCH |

New Crop 2019 Soybean FC Bids for OCT'19

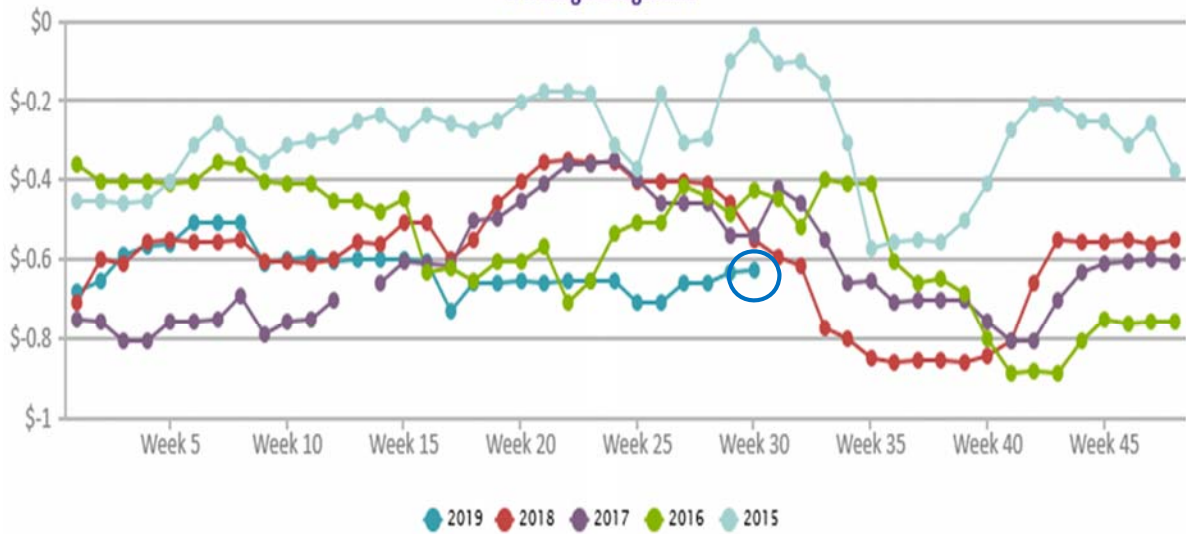
August 22, 2019 – early a.m. ⇒ NOV 2019 Soy = \$8.76

| Elevator/Location | Aug 2019 | Sep 2019 | Oct 2019 | Nov 2019 |
|------------------------------|----------|----------|----------|----------|
| OTTAWA COOP TOPEKA, KS | 7.91 | --- | --- | --- |
| OTTAWA COOP SCRANTON, KS | 7.91 | --- | 7.96 | --- |
| OTTAWA COOP OVERBROOK, KS | 7.91 | --- | 7.96 | --- |
| AG PARTNERS TOPEKA, KS | 8.01 | --- | --- | 8.06 |
| OTTAWA COOP BURLINGAME, KS | 7.86 | --- | 7.96 | --- |
| CARGILL - GORDON TOPEKA, KS | 8.00 | --- | 8.01 | --- |
| FAIRVIEW MILLS LP TOPEKA, KS | --- | --- | --- | --- |
| CARGILL TOPEKA, KS | 8.00 | --- | 8.01 | --- |
| AGCHOICE OSAGE CITY, KS | 7.91 | --- | 7.91 | --- |

| Elevator/Location | Aug 2019 | Sep 2019 | Oct 2019 | Nov 2019 |
|--|----------|----------|----------|----------|
| IRSIK-DOLL ELEVATOR HUTCHINSON, KS | --- | --- | --- | --- |
| CARGILL - HUTCHINSON W HUTCHINSON, KS | 7.85 | --- | 7.96 | --- |
| ADM HUTCHINSON, KS | 7.76 | 7.96 | --- | --- |
| CARGILL HUTCHINSON, KS | 7.85 | --- | 7.96 | --- |
| MID KANSAS COOP HUTCHINSON, KS | 7.66 | --- | 7.74 | --- |
| MID KANSAS COOP-RICE COUNTY STERLING, KS | 7.53 | --- | 7.62 | --- |

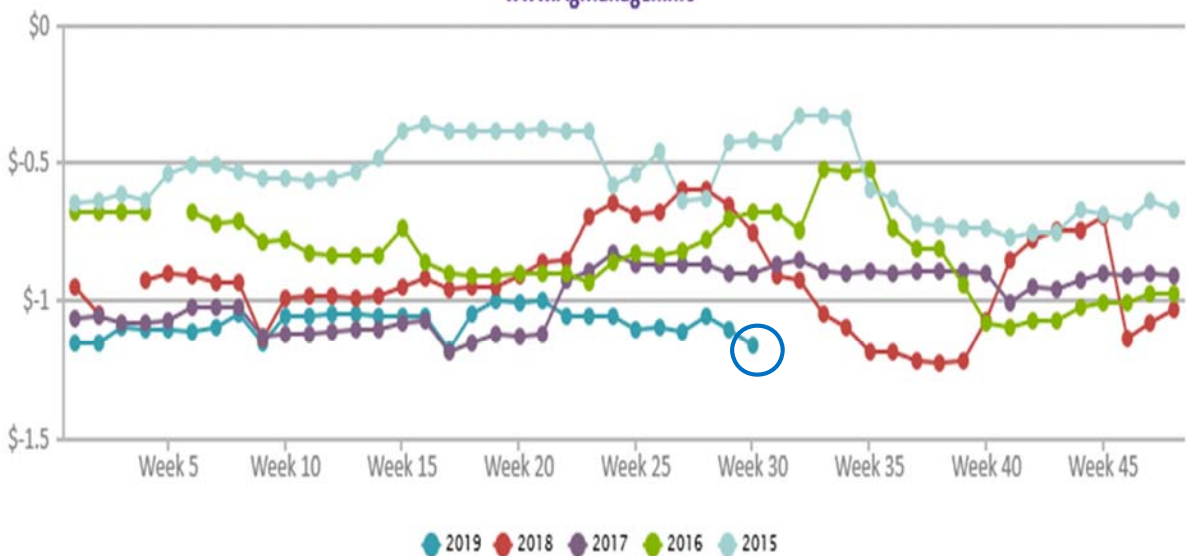
TOPEKA, KS: Soybeans Basis - CARGILL

www.AgManager.info



HUTCHINSON, KS: Soybeans Basis - MID KANSAS COOP

www.AgManager.info



DC_GR110 **corrected report
 Dodge City, KS Wed, Aug 21, 2019 USDA-KS Dept of Ag Market News

Western Kansas Grain Markets

Wednesday's closing elevator grain bids:

| | US NO 2 YELLOW SOYBEANS | | | |
|-------------|-------------------------|------------------|----------------|------------|
| | Bids | Change (¢/bu) | Basis | Change |
| Dodge City | 7.38 | UP 4.25 | -135X | UNCH |
| Colby | 7.19 | UP 4.25 | -141U | UNCH |
| Garden City | 7.28-7.33 | UP 19.25-UP 4.25 | -145X to -140X | UP 15-UNCH |
| Protection | 7.48 | UP 4.25 | -125X | UNCH |
| Scott City | 7.05 | UP 4.25 | -155U | UNCH |
| Sublette | 7.33 | UP 4.25 | -140X | UNCH |
| Ulysses | 7.33 | UP 4.25 | -140X | UNCH |

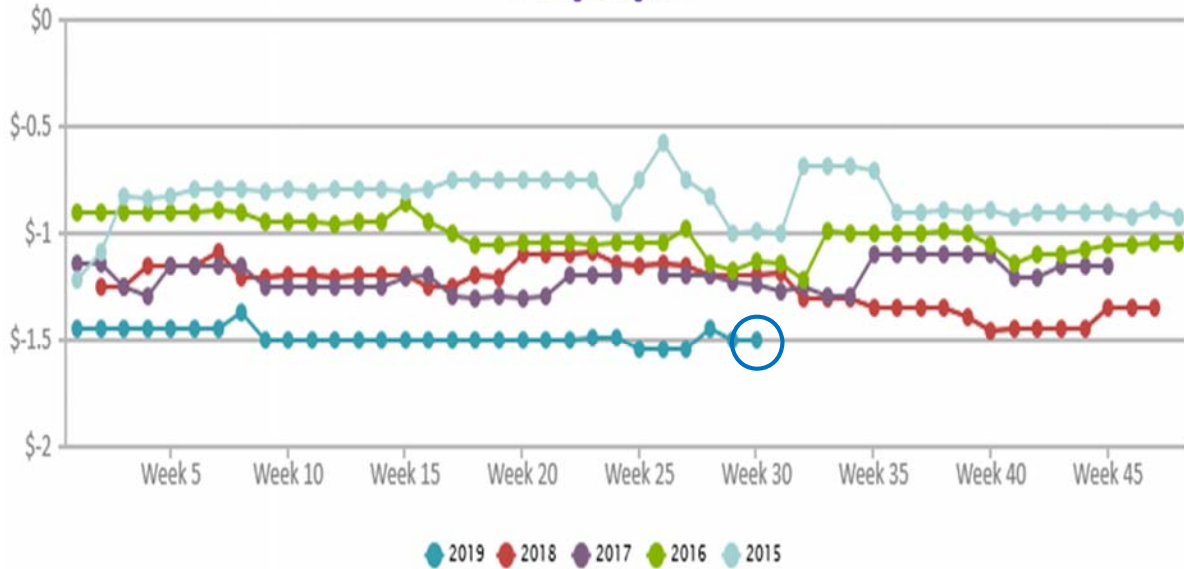
New Crop 2019 Soybean FC Bids

August 22, 2019 – early a.m. ⇒ NOV 2019 Soy = \$8.76

| Elevator/Location | Aug 2019 | Sep 2019 | Oct 2019 | Nov 2019 | Jan 2020 |
|--|----------|----------|----------|----------|----------|
| IRSIK-DOLL ELEVATOR PIERCEVILLE, KS | --- | --- | 7.36 | --- | 7.51 |
| USDA GARDEN CITY, KS | 7.36 | --- | --- | --- | --- |
| IRSIK-DOLL ELEVATOR GARDEN CITY, KS | --- | --- | 7.36 | --- | 7.51 |
| GARDEN CITY COOP GARDEN CITY, KS | 7.31 | --- | 7.46 | --- | --- |
| IRSIK-DOLL ELEVATOR INGALLS, KS | --- | --- | 7.36 | --- | 7.51 |
| GARDEN CITY COOP LAKIN, KS | --- | --- | --- | --- | --- |
| UNITED PRAIRIE AG LAKIN, KS | --- | --- | --- | --- | --- |
| PRIDE AG RESOURCES INGALLS, KS | 7.41 | --- | 7.51 | --- | --- |
| ADM SHALLOW WATER, KS | 7.13 | --- | --- | 7.41 | --- |

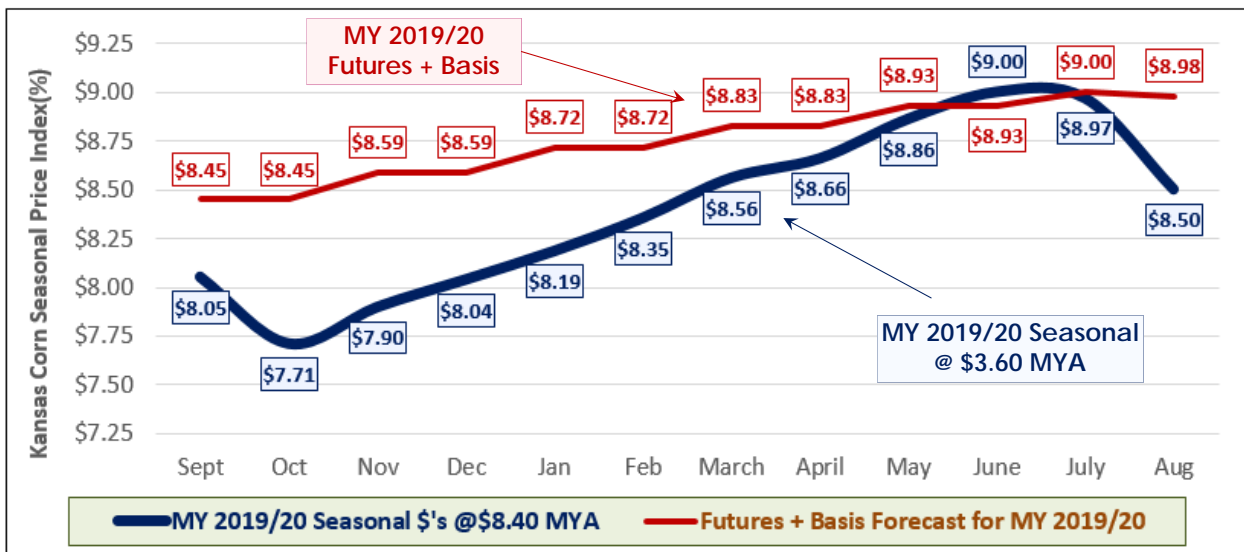
GARDEN CITY, KS: Soybeans Basis - GARDEN CITY COOP

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Kansas Soybean Seasonal Cash \$ Index

Monthly: Vs Futures + Basis Forecast for "New Crop" MY 2019/20



CME Soybean Futures

Weekly Chart: January 2019 – August 21, 2019



CME Soybean Futures

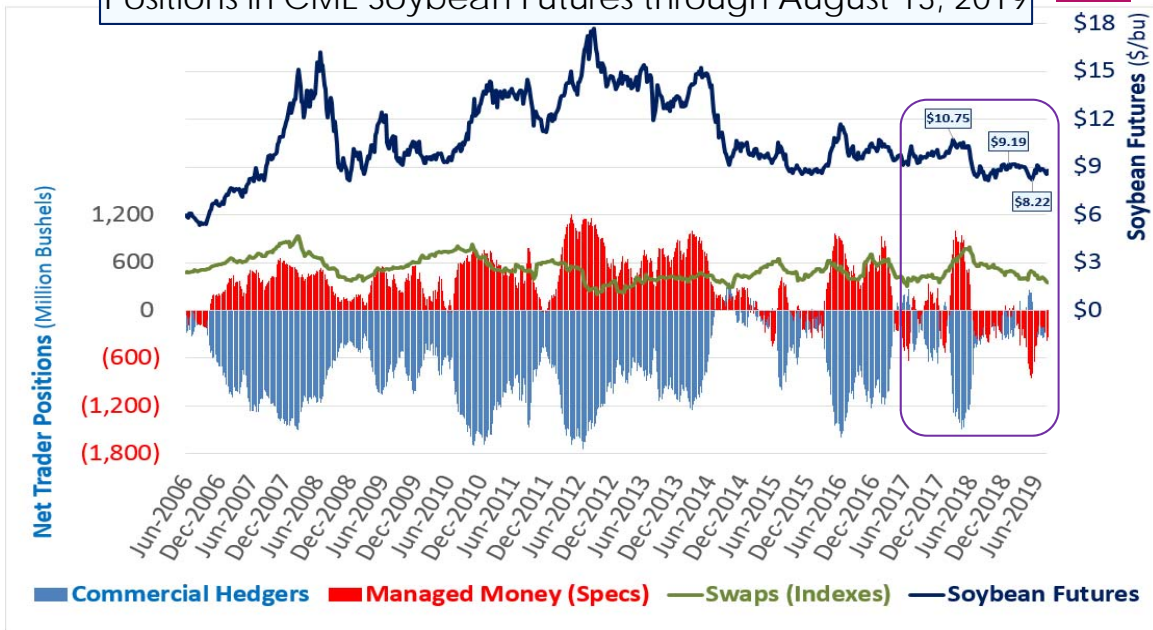
ELEC. SOYBEANS (@S)

Futures Contract Prices, Volume, & Open Interest on 8/21/2019

| Month | Last | Chg | % Chg | Open | High | Low | Previous | Volume | Open Int |
|--------|--------|-----|-------|-------|-------|-------|----------|--------|----------|
| Sep-19 | 862'6 | 2'2 | 0.26 | 860'4 | 863'2 | 860'0 | 860'4 | 10768 | 64309 |
| Oct-19 | --- | --- | 0 | --- | --- | --- | --- | --- | --- |
| Nov-19 | 875'2 | 2'2 | 0.26 | 873'0 | 876'0 | 872'2 | 873'0 | 70584 | 344564 |
| Jan-20 | 889'2 | 2'4 | 0.28 | 886'6 | 889'6 | 886'2 | 886'6 | 13078 | 88326 |
| Mar-20 | 902'2 | 2'0 | 0.22 | 900'0 | 903'0 | 899'4 | 900'2 | 13700 | 71609 |
| May-20 | 913'0 | 1'2 | 0.14 | 912'4 | 914'0 | 911'0 | 911'6 | 5240 | 27646 |
| Jul-20 | 924'2 | 2'2 | 0.24 | 922'4 | 924'2 | 922'4 | 922'0 | 3149 | 28647 |
| Aug-20 | 925'6s | 4'4 | 0.49 | 925'0 | 925'6 | 925'0 | 921'2 | 17 | 2203 |
| Sep-20 | 927'0s | 4'6 | 0.52 | --- | --- | --- | 922'2 | 3 | 1034 |
| Nov-20 | 934'2 | 2'0 | 0.21 | 933'2 | 934'2 | 932'0 | 932'2 | 1612 | 16083 |
| Jan-21 | 940'0s | 4'2 | 0.45 | --- | --- | --- | 935'6 | 13 | 267 |
| Mar-21 | 941'2s | 2'0 | 0.21 | 943'4 | 943'4 | 942'4 | 939'2 | 84 | 173 |
| May-21 | 949'4s | 3'4 | 0.37 | --- | --- | --- | 946'0 | 16 | 41 |
| Jul-21 | 958'0s | 3'6 | 0.39 | 958'2 | 958'2 | 958'2 | 954'2 | 20 | 50 |
| Aug-21 | 955'0s | 2'6 | 0.29 | --- | --- | --- | 952'2 | 0 | 24 |
| Sep-21 | 945'0s | 2'6 | 0.29 | --- | --- | --- | 942'2 | 0 | 22 |
| Nov-21 | 937'0s | 3'6 | 0.4 | 936'0 | 936'0 | 936'0 | 933'2 | 1 | 193 |
| Jul-22 | 940'6s | 3'6 | 0.4 | --- | --- | --- | 937'0 | 0 | 0 |
| Nov-22 | 923'4s | 3'6 | 0.41 | --- | --- | --- | 919'6 | 0 | 5 |

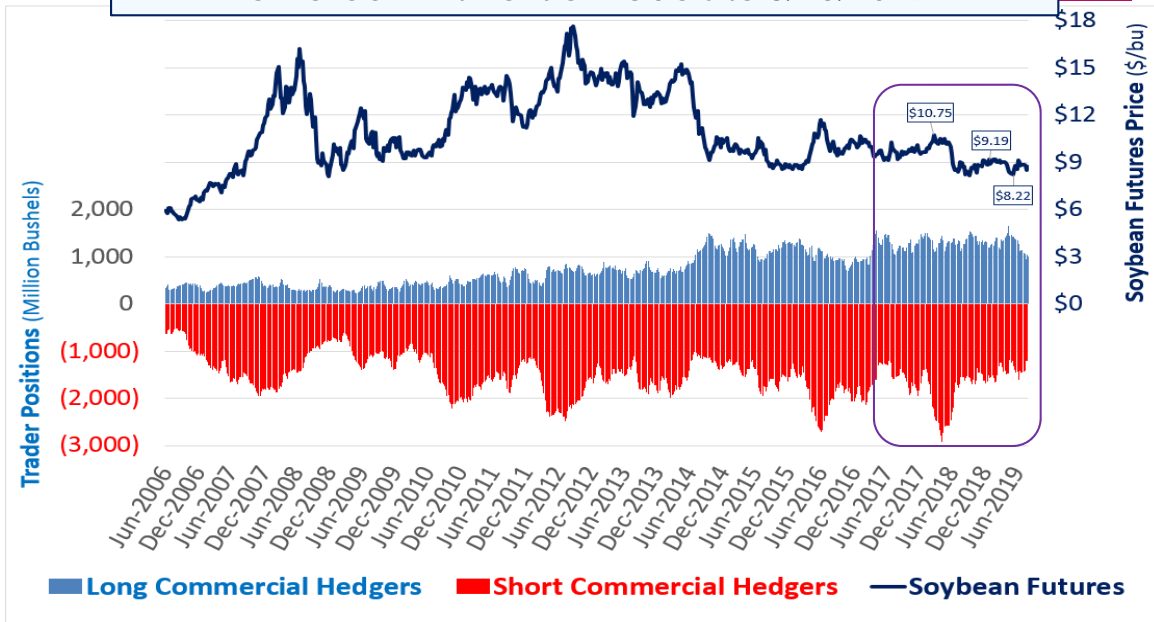
Thu, Aug 22, 2019 7:28 AM CDT *Quotes are in market time

CFTC Commitment of Traders Report Positions in CME Soybean Futures through August 13, 2019



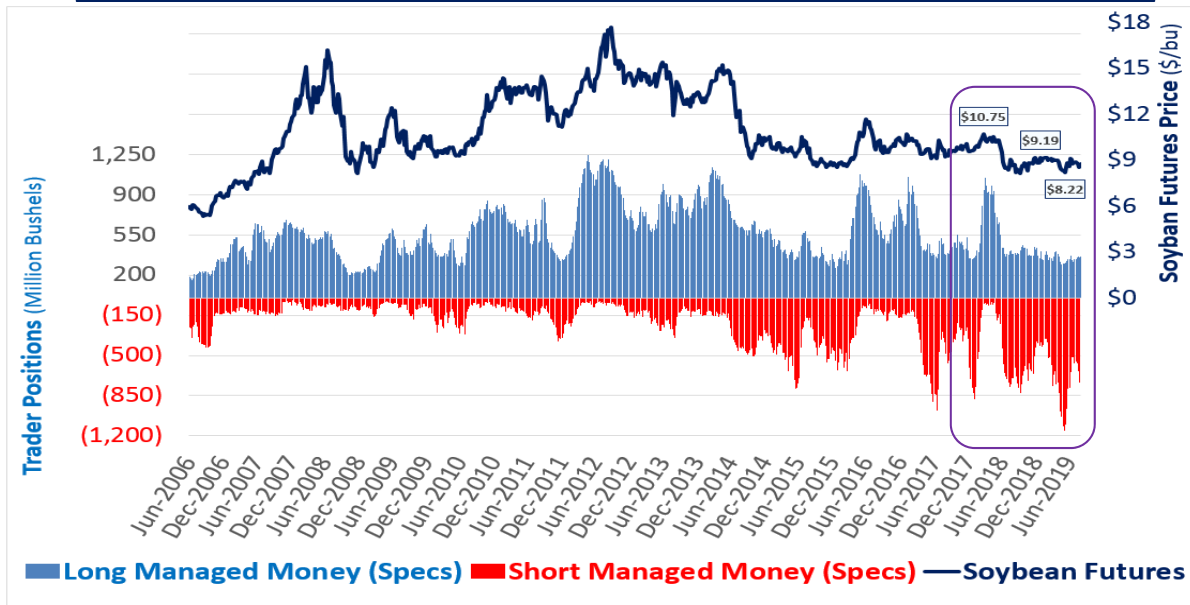
Commercial Hedge Positions in Soybeans

CFTC Commitment of Traders to 8/13/2019



Managed Money (Spec) Positions in Soybeans

CFTC Commitment of Traders to 8/13/2019



NOV 2019 CME Soy Options

ELEC. SOYBEANS (@S)

| Last | Change | %Chg | Open | High | Low | Previous | Volume |
|-------|--------|------|-------|-------|-------|----------|--------|
| 875'4 | 2'4 | 0.29 | 873'0 | 876'0 | 872'2 | 873'0 | 70584 |

Days Until Expiration: 64

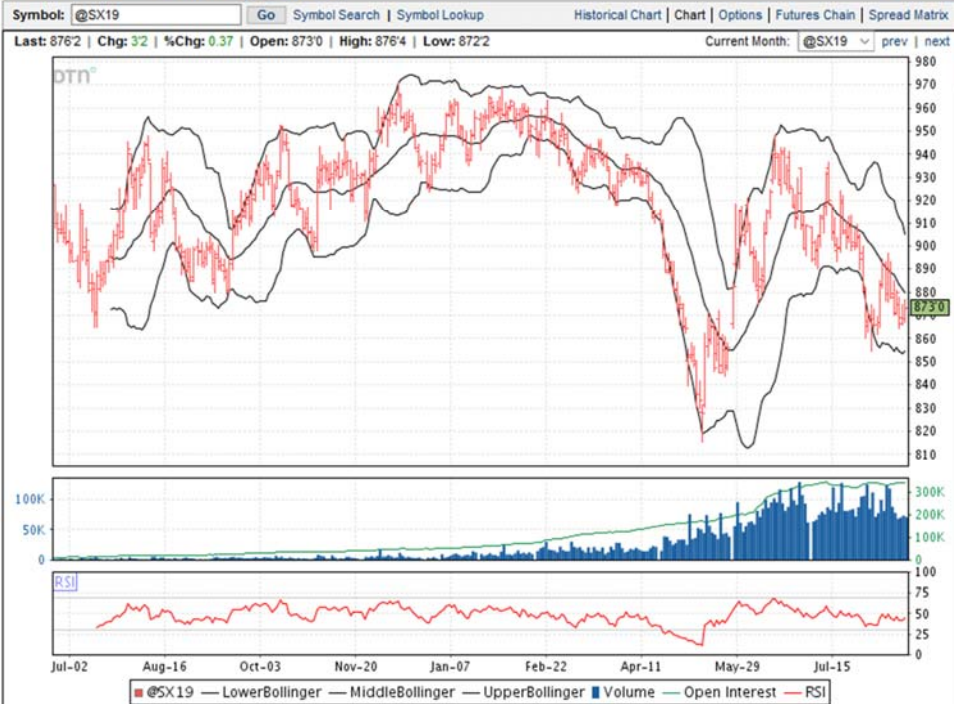
| Calls | | | | | | | | Puts | | | | | | | | |
|--|-------|-----|------|------|------|--------|----------|--------|--|-------|------|------|------|------|--------|----------|
| Symbol | Price | Chg | Open | High | Low | Volume | Open Int | Strike | Symbol | Price | Chg | Open | High | Low | Volume | Open Int |
| <input checked="" type="checkbox"/> @SX19C8300 | 497s | 37 | --- | --- | --- | 0 | 47 | 8300 | <input checked="" type="checkbox"/> @SX19P8300 | 70s | -06 | 6'5 | 7'0 | 6'5 | 28 | 1287 |
| <input checked="" type="checkbox"/> @SX19C8400 | 422s | 3'4 | 42'6 | 42'6 | 42'1 | 9 | 1875 | 8400 | <input checked="" type="checkbox"/> @SX19P8400 | 9'3s | -12 | 10'0 | 10'0 | 9'0 | 475 | 11254 |
| <input checked="" type="checkbox"/> @SX19C8500 | 35'3s | 3'2 | --- | --- | --- | 51 | 317 | 8500 | <input checked="" type="checkbox"/> @SX19P8500 | 12'4 | 0'0 | 12'4 | 12'4 | 12'4 | 493 | 2348 |
| <input checked="" type="checkbox"/> @SX19C8600 | 29'3s | 27 | 27'2 | 29'6 | 27'2 | 3 | 2370 | 8600 | <input checked="" type="checkbox"/> @SX19P8600 | 16'3s | -17 | 16'2 | 16'2 | 15'5 | 569 | 10681 |
| <input checked="" type="checkbox"/> @SX19C8700 | 24'1s | 2'5 | 24'1 | 25'4 | 22'4 | 238 | 773 | 8700 | <input checked="" type="checkbox"/> @SX19P8700 | 21'1s | -2'1 | 20'6 | 22'6 | 20'6 | 47 | 1600 |
| <input checked="" type="checkbox"/> @SX19C8800 | 20'2 | 0'6 | 20'0 | 20'2 | 20'0 | 1059 | 6977 | 8800 | <input checked="" type="checkbox"/> @SX19P8800 | 26'4s | -2'5 | 26'4 | 27'6 | 26'0 | 32 | 9410 |
| <input checked="" type="checkbox"/> @SX19C8900 | 15'6s | 1'7 | 15'3 | 16'5 | 14'2 | 187 | 1070 | 8900 | <input checked="" type="checkbox"/> @SX19P8900 | 32'6s | -2'7 | 32'0 | 32'2 | 32'0 | 21 | 2154 |
| <input checked="" type="checkbox"/> @SX19C9000 | 13'3 | 0'5 | 13'0 | 13'3 | 13'0 | 2177 | 11549 | 9000 | <input checked="" type="checkbox"/> @SX19P9000 | 39'5s | -3'2 | 42'7 | 42'7 | 38'7 | 20 | 8836 |
| <input checked="" type="checkbox"/> @SX19C9100 | 10'2s | 1'3 | 10'1 | 10'6 | 9'4 | 290 | 3146 | 9100 | <input checked="" type="checkbox"/> @SX19P9100 | 47'1s | -3'4 | --- | --- | --- | 0 | 140 |
| <input checked="" type="checkbox"/> @SX19C9200 | 8'1s | 0'7 | 7'0 | 8'7 | 7'0 | 2199 | 10457 | 9200 | <input checked="" type="checkbox"/> @SX19P9200 | 55'0s | -3'6 | 54'2 | 58'0 | 52'7 | 51 | 5455 |
| <input checked="" type="checkbox"/> @SX19C9300 | 6'4s | 0'6 | 6'7 | 7'1 | 6'1 | 81 | 2099 | 9300 | <input checked="" type="checkbox"/> @SX19P9300 | 63'3s | -3'7 | --- | --- | --- | 0 | 41 |

In the money At the money

Quotes generated on: Thu, Aug 22, 2019 7:32 AM CDT

ELEC. SOYBEANS (@SX19)

Print



Thoughts regarding some approaches,
strategies & key factors for 2019-2020
Soybean marketing

Wheat Markets



Central Kansas Terminal and Processor Daily Grain Report

| TERMINAL HRW WHEAT ORD US NO 1 | | | | |
|--------------------------------|-----------|---------------|--------------|--------|
| | Bids | Change (¢/bu) | Basis | Change |
| Atchison | 3.61 | DN 0.75 | -25U | UNCH |
| Topeka | 3.76 | DN 0.75 | -10U | UNCH |
| Concordia | 3.56 | DN 0.75 | -30U | UNCH |
| Salina | 3.71 | DN 0.75 | -15U | UNCH |
| Great Bend | 3.61 | DN 0.75 | -25U | UNCH |
| Newton | 3.53 | DN 0.75 | -33U | UNCH |
| Hutchinson | 3.53-3.76 | DN 0.75 | -33U to -10U | UNCH |
| Wichita | 3.69-3.78 | DN 0.75 | -17U to -8U | UNCH |
| Wellington | 3.75-3.81 | DN 0.75 | -11U to -5U | UNCH |
| Arkansas City | 3.71 | DN 0.75 | -15U | UNCH |
| TERMINAL HWW WHEAT ORD US NO 2 | | | | |
| | Bids | Change (¢/bu) | Basis | Change |
| Wichita | 3.78 | DN 0.75 | -8U | UNCH |

2019 HRW Wheat Forward Contract Bids

August 22, 2019 early a.m. ⇒ DEC 2019 HRW Wheat = \$3.88

| Elevator/Location | Aug 2019 | Jun 2020 | Jul 2020 | Aug 2020 |
|------------------------------|---------------------------|----------|----------|----------|
| OTTAWA COOP TOPEKA, KS | --- | --- | --- | --- |
| OTTAWA COOP SCRANTON, KS | 3.69 | --- | --- | --- |
| OTTAWA COOP OVERBROOK, KS | 3.69 | --- | --- | --- |
| AG PARTNERS TOPEKA, KS | --- | --- | --- | --- |
| OTTAWA COOP BURLINGAME, KS | 3.69 | --- | --- | --- |
| CARGILL - GORDON TOPEKA, KS | 3.79 | --- | --- | --- |
| FAIRVIEW MILLS LP TOPEKA, KS | --- | --- | --- | --- |
| CARGILL TOPEKA, KS | 3.79 | --- | --- | --- |
| AGCHOICE OSAGE CITY, KS | Wheat/Hard Red Winter 11% | | | |

| Elevator/Location | Aug 2019 | Sep 2019 | Oct 2019 | Nov 2019 |
|---|-----------------------|----------|----------|----------|
| CAIRO COOPERATIVE EQUITY EXCHANGE ARLINGTON, KS | --- | --- | --- | 3.69 |
| CENTRAL PRAIRIE COOP NICKERSON, KS | Wheat/Hard Red Winter | | | |
| FARMERS GRAIN COOP HUTCHINSON, KS | --- | --- | --- | --- |
| CENTRAL PRAIRIE COOP STERLING, KS | 3.52 | --- | --- | --- |
| GREENBUSH SEED HUTCHINSON, KS | --- | --- | --- | --- |
| IRSIK-DOLL ELEVATOR HUTCHINSON, KS | --- | --- | 3.79 | --- |
| CARGILL - HUTCHINSON W HUTCHINSON, KS | --- | --- | --- | --- |
| ADM HUTCHINSON, KS | 3.79 | --- | --- | --- |

DC_GR110 **corrected report
 Dodge City, KS Wed, Aug 21, 2019 USDA-KS Dept of Ag Market News

Western Kansas Grain Markets

Wednesday's closing elevator grain bids:

| | Bids | HRW WHEAT ORD US NO 1 Change (¢/bu) | Basis | Change |
|-------------|-----------|--|--------------|-----------|
| Dodge City | 3.41 | DN 0.75 | -45U | UNCH |
| Colby | 3.34 | DN 0.75 | -52U | UNCH |
| Garden City | 3.38-3.41 | UP 1.25-DN 0.75 | -48U to -45U | UP 2-UNCH |
| Goodland | 3.36 | DN 0.75 | -50U | UNCH |
| Protection | 3.41 | DN 0.75 | -45U | UNCH |
| Scott City | 3.26-3.28 | DN 0.75 | -60U to -58U | UNCH |
| Sublette | 3.46 | DN 0.75 | -40U | UNCH |
| Syracuse | 3.51 | DN 0.75 | -35U | UNCH |
| Ulysses | 3.48 | DN 0.75 | -38U | UNCH |

2019 HRW Wheat Forward Contract Bids

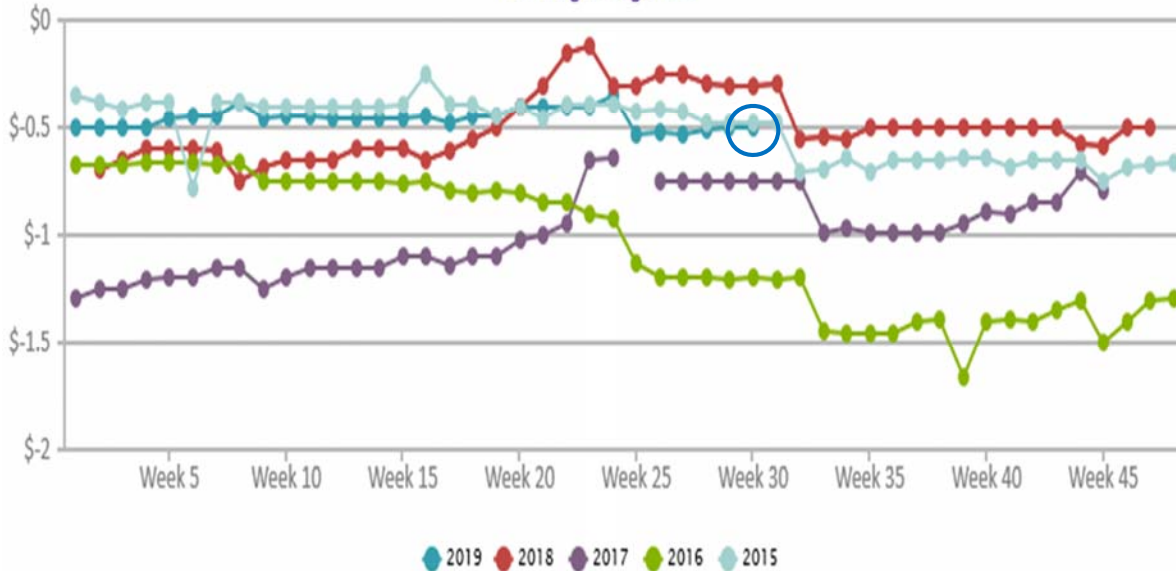
August 22, 2019 early a.m. ⇒ DEC 2019 HRW Wheat = \$3.88

| Elevator/Location | Aug 2019 | Sep 2019 | Oct 2019 | Nov 2019 | Dec 2019 | Jan 2020 |
|--|----------|----------|----------|----------|----------|----------|
| IRSIK-DOLL ELEVATOR PIERCEVILLE, KS | --- | --- | 3.43 | --- | --- | --- |
| USDA GARDEN CITY, KS | --- | --- | --- | --- | --- | --- |
| IRSIK-DOLL ELEVATOR GARDEN CITY, KS | --- | --- | 3.43 | --- | --- | --- |
| GARDEN CITY COOP GARDEN CITY, KS | --- | --- | --- | --- | --- | --- |
| IRSIK-DOLL ELEVATOR INGALLS, KS | --- | --- | 3.43 | --- | --- | --- |
| GARDEN CITY COOP LAKIN, KS | --- | --- | --- | --- | --- | --- |
| UNITED PRAIRIE AG LAKIN, KS | --- | --- | --- | --- | --- | --- |
| PRIDE AG RESOURCES INGALLS, KS | --- | --- | --- | --- | --- | --- |

Wheat/Hard Red Winter

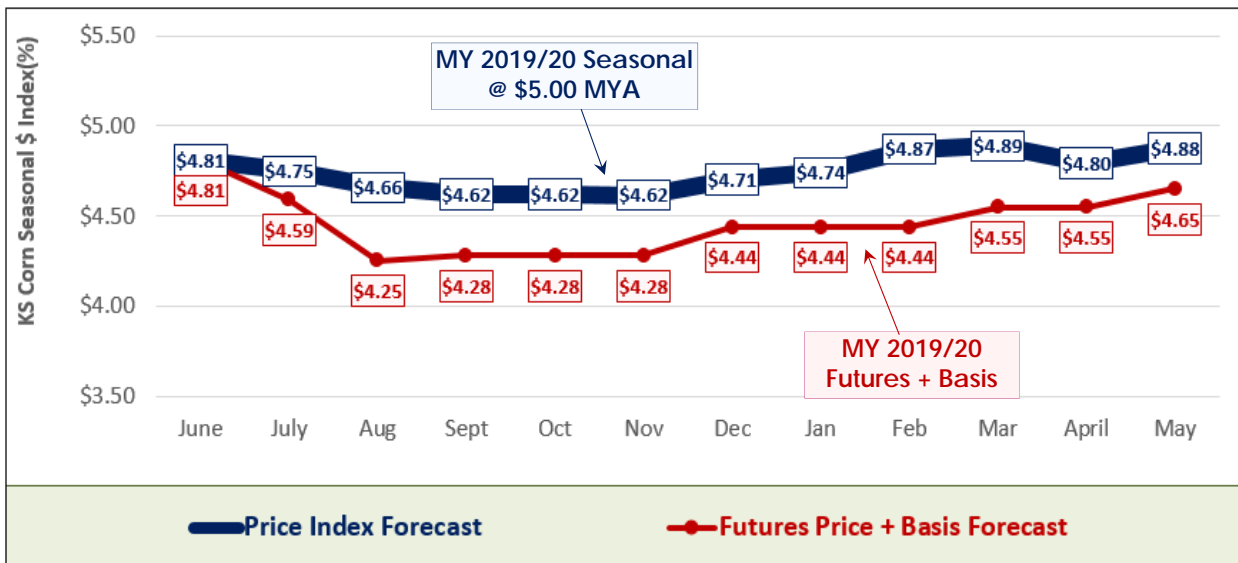
GARDEN CITY, KS: Hard Red Winter Wheat Basis - GARDEN CITY COOP

www.AgManager.info



Kansas HRW Wheat Seasonal Cash \$ Index

Monthly: Vs Futures + Basis Forecast for "New Crop" MY 2019/20



CME Kansas HRW Wheat Futures

Weekly Chart: January 2019 – August 21, 2019

SEPT 2019: \$3.88 ½
8/21/2019



CME HRW Wheat Futures

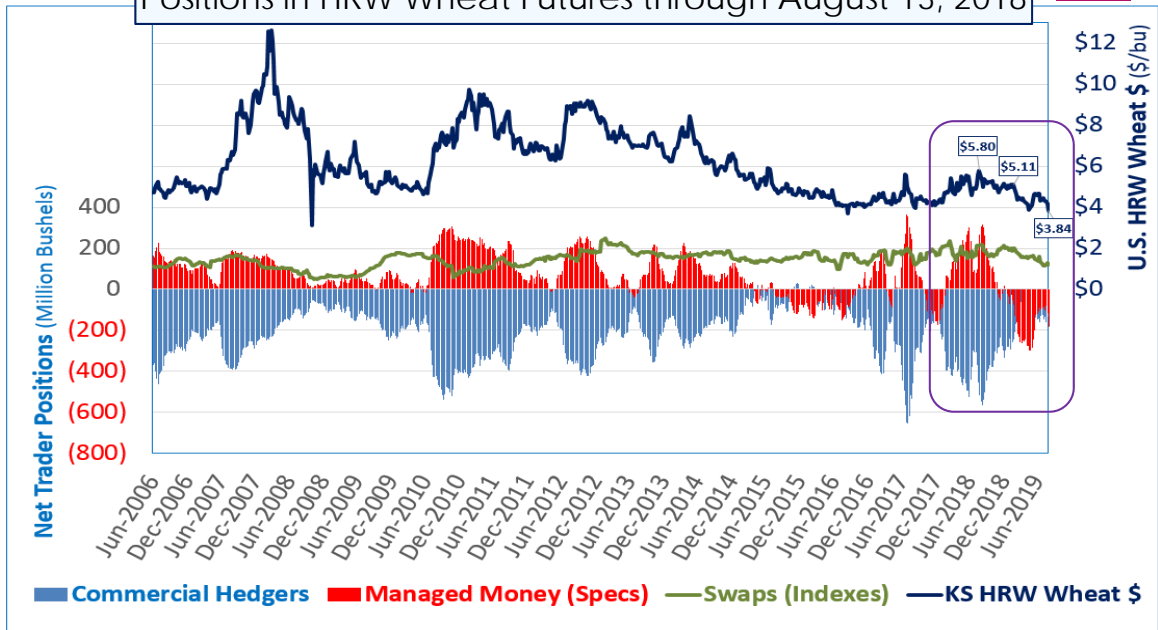
ELEC. HRW WHEAT (@KW)

Futures Contract Prices, Volume, & Open Interest on 8/21/2019

| Month | Last | Chg | % Chg | Open | High | Low | Previous | Volume | Open Int | DO2 |
|--------|--------|------|-------|-------|-------|-------|----------|--------|----------|-----|
| Sep-19 | 389'2 | 3'0 | 0.78 | 387'4 | 389'2 | 387'0 | 386'2 | 17340 | 49762 | |
| Oct-19 | --- | --- | 0 | --- | --- | --- | --- | --- | --- | |
| Nov-19 | --- | --- | 0 | --- | --- | --- | --- | --- | --- | |
| Dec-19 | 403'0 | 2'4 | 0.62 | 402'0 | 403'0 | 401'0 | 400'4 | 28767 | 160239 | |
| Mar-20 | 417'2 | 2'0 | 0.48 | 415'6 | 417'4 | 415'4 | 415'2 | 8668 | 51044 | |
| May-20 | 428'0 | 2'2 | 0.53 | 426'6 | 428'0 | 426'6 | 425'6 | 1730 | 14861 | |
| Jul-20 | 437'6 | 1'6 | 0.4 | 437'0 | 437'6 | 437'0 | 436'0 | 1295 | 12573 | |
| Sep-20 | 451'0 | 0'6 | 0.17 | 451'6 | 451'6 | 451'0 | 450'2 | 551 | 3550 | |
| Dec-20 | 470'2 | 0'4 | 0.11 | 470'2 | 470'2 | 470'2 | 469'6 | 183 | 3677 | |
| Mar-21 | 485'4s | -3'2 | -0.66 | 486'0 | 486'0 | 486'0 | 488'6 | 2 | 73 | |
| May-21 | 490'6s | -4'0 | -0.81 | --- | --- | --- | 494'6 | 0 | 18 | |
| Jul-21 | 488'0s | -5'0 | -1.01 | 492'0 | 492'0 | 492'0 | 493'0 | 2 | 82 | |
| Sep-21 | 488'0s | -5'0 | -1.01 | --- | --- | --- | 493'0 | 0 | 0 | |
| Dec-21 | 501'0s | -5'0 | -0.99 | --- | --- | --- | 506'0 | 0 | 1 | |
| Mar-22 | 501'0s | -5'0 | -0.99 | --- | --- | --- | 506'0 | 0 | 0 | |
| May-22 | 501'0s | -5'0 | -0.99 | --- | --- | --- | 506'0 | 0 | 0 | |
| Jul-22 | 496'6s | -5'0 | -1 | --- | --- | --- | 501'6 | 0 | 0 | |

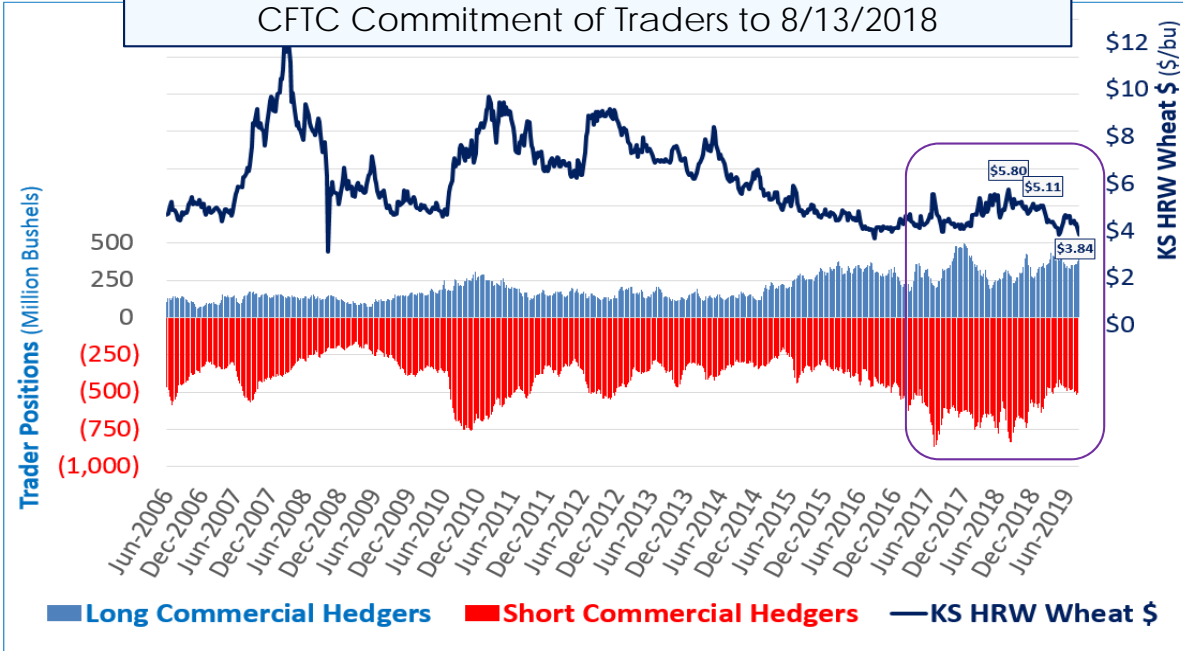
Thu, Aug 22, 2019 7:52 AM CDT *Quotes are in market time

CFTC Commitment of Traders Report Positions in HRW Wheat Futures through August 13, 2018



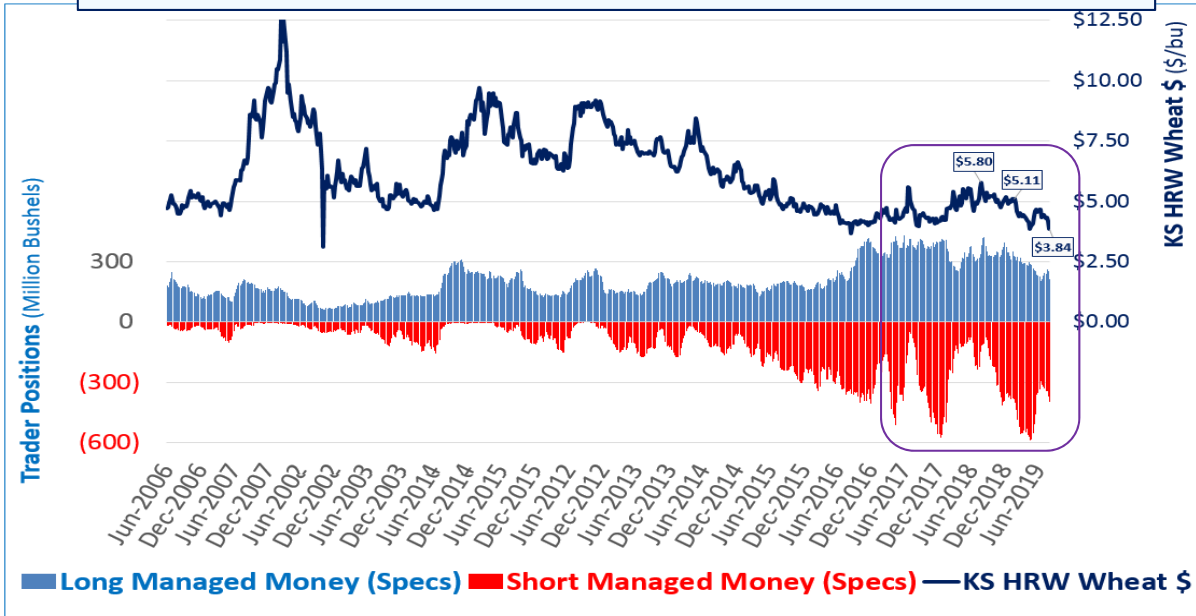
Commercial Hedge Positions in HRW Wheat

CFTC Commitment of Traders to 8/13/2018



Managed Money (Spec) Positions in HRW Wheat

CFTC Commitment of Traders to 8/13/2018



DEC 2019 CME HRW Wheat Options ELEC. HRW WHEAT (@KW)

| | | | | | | | |
|-------|--------|------|-------|-------|-------|----------|--------|
| Last | Change | %Chg | Open | High | Low | Previous | Volume |
| 403'4 | 3'0 | 0.75 | 402'0 | 403'4 | 401'0 | 400'4 | 28767 |

Days Until Expiration: 92

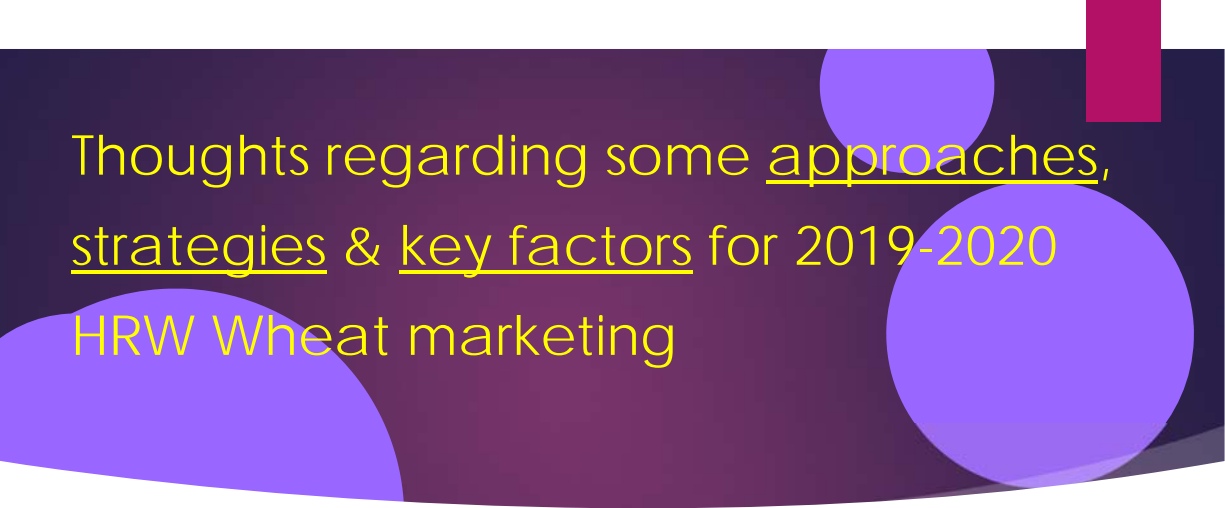
| Calls | | | | | | | | | Puts | | | | | | | | |
|---|-------|------|------|------|------|--------|----------|--------|---|-------|-----|------|------|-----|--------|----------|--|
| Symbol | Price | Chg | Open | High | Low | Volume | Open Int | Strike | Symbol | Price | Chg | Open | High | Low | Volume | Open Int | |
| <input checked="" type="checkbox"/> @KWZ19C3500 | 52'5s | -1'3 | -- | -- | -- | 0 | 0 | 3500 | <input checked="" type="checkbox"/> @KWZ19P3500 | 2'3s | 0'2 | -- | -- | -- | 0 | 233 | |
| <input checked="" type="checkbox"/> @KWZ19C3600 | 44'1s | -1'2 | -- | -- | -- | 0 | 0 | 3600 | <input checked="" type="checkbox"/> @KWZ19P3600 | 3'6s | 0'2 | -- | -- | -- | 0 | 210 | |
| <input checked="" type="checkbox"/> @KWZ19C3700 | 36'3s | -1'1 | -- | -- | -- | 0 | 0 | 3700 | <input checked="" type="checkbox"/> @KWZ19P3700 | 5'7s | 0'2 | 6'0 | 6'2 | 6'0 | 243 | 2615 | |
| <input checked="" type="checkbox"/> @KWZ19C3800 | 29'3s | -1'0 | -- | -- | -- | 0 | 1 | 3800 | <input checked="" type="checkbox"/> @KWZ19P3800 | 9'0s | 0'4 | 9'4 | 9'4 | 8'6 | 241 | 622 | |
| <input checked="" type="checkbox"/> @KWZ19C3900 | 23'3s | -0'7 | 23'0 | 23'0 | 23'0 | 1 | 1 | 3900 | <input checked="" type="checkbox"/> @KWZ19P3900 | 12'7s | 0'4 | -- | -- | -- | 0 | 439 | |
| <input checked="" type="checkbox"/> @KWZ19C4000 | 18'3s | -0'6 | 18'0 | 18'2 | 17'6 | 140 | 474 | 4000 | <input checked="" type="checkbox"/> @KWZ19P4000 | 17'7s | 0'6 | -- | -- | -- | 100 | 1215 | |
| <input checked="" type="checkbox"/> @KWZ19C4100 | 14'2s | -0'6 | 15'0 | 15'0 | 14'0 | 21 | 329 | 4100 | <input checked="" type="checkbox"/> @KWZ19P4100 | 23'6s | 0'7 | -- | -- | -- | 0 | 210 | |
| <input checked="" type="checkbox"/> @KWZ19C4200 | 11'0s | -0'4 | 11'0 | 11'0 | 10'5 | 20 | 296 | 4200 | <input checked="" type="checkbox"/> @KWZ19P4200 | 30'4s | 1'0 | -- | -- | -- | 0 | 1101 | |
| <input checked="" type="checkbox"/> @KWZ19C4300 | 8'4s | -0'3 | 8'4 | 8'6 | 8'0 | 6 | 447 | 4300 | <input checked="" type="checkbox"/> @KWZ19P4300 | 37'7s | 1'1 | -- | -- | -- | 0 | 2056 | |
| <input checked="" type="checkbox"/> @KWZ19C4400 | 6'4s | -0'2 | 7'0 | 7'0 | 6'1 | 5 | 790 | 4400 | <input checked="" type="checkbox"/> @KWZ19P4400 | 45'7s | 1'2 | -- | -- | -- | 0 | 545 | |
| <input checked="" type="checkbox"/> @KWZ19C4500 | 5'0s | -0'2 | 5'0 | 5'0 | 5'0 | 1 | 1344 | 4500 | <input checked="" type="checkbox"/> @KWZ19P4500 | 54'2s | 1'2 | -- | -- | -- | 0 | 524 | |

In the money At the money

Quotes generated on: Thu, Aug 22, 2019 7:58 AM CDT

ELEC. HRW WHEAT (@KWZ19)





Thoughts regarding some approaches,
strategies & key factors for 2019-2020
HRW Wheat marketing



D. O'Brien Thoughts for All Grain Markets #1

- ▶ Strong likelihood of a Smaller U.S. corn crop in year 2019 than the markets are factoring in right now – with prices being supported from short supplies in “New Crop” MY 2019/10
- ▶ There are a number of either negative or worrisome negative trends wrt the demand for feedgrains
 - ▶ Weak – moderate ethanol demand for feedgrains (especially at higher prices!). Plant closures from poor profits to affect the demand side for feedgrains. more....

D. O'Brien Thoughts for Feedgrain Markets #2

- ▶ Livestock Feed demand could be affected by consumer's confidence in the U.S. economy in the midst of near incivility & political unrest in some parts of the country (Antifa, the West Coast, Trade Disputes, etc., etc.)
 - ▶ Although production prospects for 2019 U.S. Feedgrains are at risk, the fear of weakening &/or uncertain demand is negatively impacting corn futures markets.

D. O'Brien Thoughts for Feedgrain Markets #3

- ▶ With this unsettled environment – proactive marketing of feedgrains at profitable price levels is advised
 - ▶ Although strong price levels may come this fall If 2019 U.S. corn production falls below 13 billion bushels, with heightened uncertainty in the economic environment – take profitable prices and limit the “time value” of grain market risk
 - ▶ Consider consistent, judicious, systematic use of Ag Put and Call Options to limit market risk exposure if you have not done so already
(Reference recent quote from Bunge CEO.....)



Questions?

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