

KSU Agriculture Today Radio Notes

Daniel O'Brien, Extension Agricultural Economist, Kansas State University

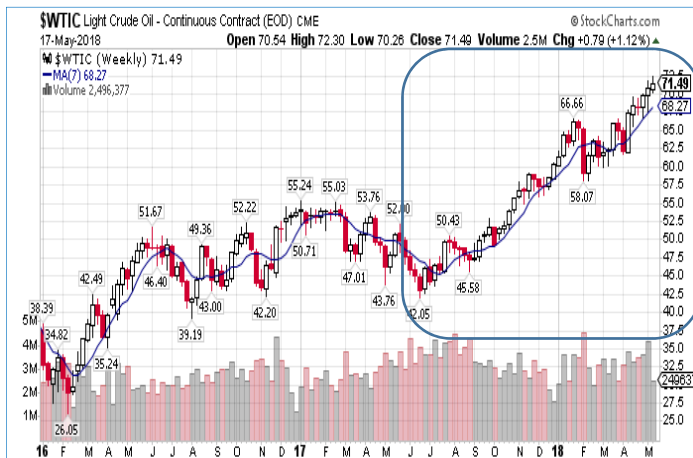
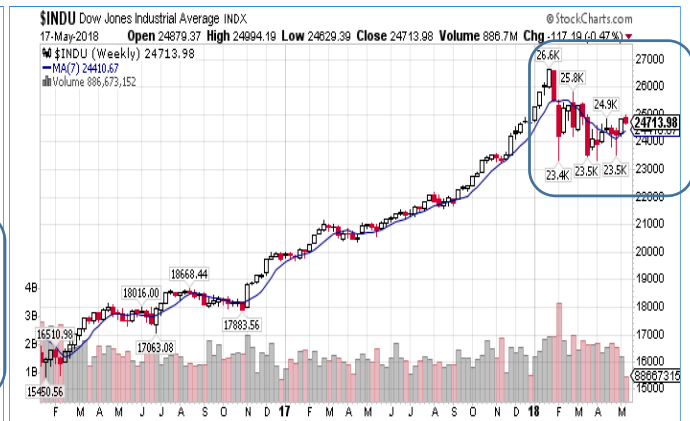
For Radio Program to be aired 10:02-10:15 a.m., Friday, May 18, 2018

I. Grain Futures Closes, Changes & Carry on Thursday, May 17, 2018

Corn Futures				Soybean Futures				Kansas HRW Wheat Futures			
Month	Close	Change	Carry /mo	Month	Close	Change	Carry /mo	Month	Close	Change	Carry /mo
July 18	\$3.95 ¼	↓ \$0.04	---	July 18	\$ 9.95	↓ \$0.0475	---	July 18	\$5.19	↑ \$0.05	---
Sept 18	\$4.03 ½	↓ \$0.04	\$0.04 ¹²⁵	Aug 18	\$ 9.98 ¾	↓ \$0.0450	\$0.03 ⁷⁵	Sept 18	\$5.37 ¾	↑ \$0.0525	\$0.09 ³⁷⁵
Dec 18	\$4.13	↓ \$0.04	\$0.03 ¹⁶⁷	Sept 18	\$10.01	↓ \$0.0475	\$0.02 ²⁵	Dec 18	\$5.63 ½	↑ \$0.0525	\$0.08 ⁵⁸³
Mar 19	\$4.21 ¾	↓ \$0.0375	\$0.02 ⁹¹⁷	Nov 18	\$10.04 ¼	↓ \$0.0475	\$0.01 ⁶²⁵	Mar 19	\$5.81	↑ \$0.0475	\$0.05 ⁸³³
May 19	\$4.26 ¾	↓ \$0.0350	\$0.02 ⁵⁰	Jan 19	\$10.08 ½	↓ \$0.0450	\$0.02 ¹²⁵	May 19	\$5.90 ¾	↑ \$0.0475	\$0.04 ⁸⁷⁵
July 19	\$4.31	↓ \$0.0350	\$0.02 ¹²⁵	Mar 19	\$ 9.97 ½	↓ \$0.04	No Carry	July 19	\$5.97	↑ \$0.05	\$0.03 ¹²⁵
Sept 19	\$4.09	↓ \$0.03	No Carry	May 19	\$ 9.96 ½	↓ \$0.0425	No Carry	Sept 19	\$6.06	↑ \$0.05	\$0.04 ⁵⁰
Dec 19	\$4.13 ¾	↓ \$0.0275	\$0.01 ⁵⁸³	July 19	\$10.02 ¼	↓ \$0.0425	\$0.02 ⁸⁷⁵	Dec 19	\$6.19 ½	↑ \$0.0550	\$0.04 ⁵⁰

Price^{Soybean} / Price^{Corn} Ratios on May 17, 2018:

- “Current Crop^{2017/18}” ⇒ $\$JULY^{2018} \text{ Soybeans} \div \$JULY^{2018} \text{ Corn} = \$9.95 \div \$3.95 \frac{1}{4} = 2.52$
- “Next Crop^{2018/19}” ⇒ $\$NOV^{2018} \text{ Soybeans} \div \$DEC^{2018} \text{ Corn} = \$10.04 \frac{1}{4} \div \$4.13 = 2.43 ***$





USDA Daily Ethanol Report
Agricultural Marketing Service
Livestock, Poultry & Grain Market News



Thu. May 17, 2018

US #2 Yellow Corn - dollars/bushel

	Cash Bids	Chg	Basis	Avg:
Iowa-Eastern:	3.5625 - 3.8125	↓	-43N to -18N	-30.50
Iowa-Western:	3.5225 - 3.7825	↓	-47N to -21N	-34.00
Illinois:	3.7125 - 4.0125	↓	-28N to 2N	-13.00
Indiana:	3.9525 - 4.0925	↓	-4N to 10N	3.00
Ohio:	3.9725 - 4.0725	↓	-2N to 8N	3.00
Michigan:	3.8925 - 4.0525	↓	-30N to 6N	-12.00
Kansas:	3.8625 - 4.3425	↓	-13N to 35N	11.00
Minnesota:	3.3925 - 3.5725	↓	-60N to -42N	-51.00
Nebraska:	3.4625 - 3.8925	↓	-53N to -10N	-31.50
Wisconsin:	3.4925 - 3.6725	↓	-50N to -32N	-41.00
South Dakota:	3.4925 - 3.6325	↓	-50N to -36N	-43.00
Missouri:	3.7425 - 3.8925	↓	-25N to -10N	-17.50

Distillers Grain - dollars/ton

	Dried 10%	Chg	Avg:	Modified 50-55%	Chg	Avg:	Wet 65-70%	Chg	Avg:
Iowa-Eastern:	175.00 - 180.00	↓	177.50	80.00	↓	80.00	NA	NA	NA
Iowa-Western:	180.00 - 197.00	↓	178.50	80.00 - 80.00	↓	70.00	48.00 - 65.00	↓	56.50
Illinois:	177.00 - 182.00	↓	179.50	NA	NA	NA	65.00	↓	65.00
Indiana:	172.00 - 183.00	↓	177.50	NA	NA	NA	NA	NA	NA
Ohio:	172.00 - 186.00	↓	179.00	NA	NA	NA	NA	NA	NA
Michigan:	170.00 - 176.00	↓	173.00	68.00 - 75.00	↓	70.50	NA	NA	NA
Kansas:	165.00 - 180.00	↓	172.50	NA	NA	NA	60.00 - 65.00	↓	62.50
Minnesota:	170.00 - 175.00	↓	172.50	75.00	↓	75.00	48.00	↓	48.00
Nebraska:	160.00 - 170.00	↓	165.00	65.00 - 91.00	↓	78.00	50.00 - 53.00	↓	51.50
Wisconsin:	165.00 - 175.00	↓	170.00	75.00 - 93.00	↓	84.00	57.00	↓	57.00
South Dakota:	161.00 - 175.00	↓	168.00	71.00 - 80.00	↓	75.50	56.00	↓	56.00
Missouri:	175.00 - 185.00	↓	180.00	90.00	↓	90.00	55.00 - 56.00	↓	55.50

Sorghum - dollars/bushel

	Cash Bids	Chg	Basis	Avg:
Kansas:	3.7425 - 4.0925	↓	-25N to 10N	-7.50
Missouri:	NA	NA	NA	NA

Corn Oil - cents/pound

W/E 05/11/18	Range	Chg:	Avg:
Iowa:	22.75 - 25.00	↓	23.88
Eastern Cornbelt:	22.75 - 25.00	↓	23.88
Nebraska:	23.00 - 25.00	↓	24.00
South Dakota:	21.50 - 23.50	↑	22.50

Ethanol - dollars/gallon

W/E 05/11/18	Range	Chg:	Avg:
Iowa:	1.28 - 1.47	↓	1.38
Eastern Cornbelt:	1.40 - 1.44	↑	1.42
Kansas:	1.28 - 1.37	↓	1.33
Minnesota:	1.28 - 1.51	↓	1.40
Nebraska:	1.28 - 1.40	↓	1.34
Wisconsin:	NA	NA	NA
South Dakota:	1.46 - 1.46	↑	1.46

Daily Nearby Futures

	Today	Yesterday	Last year
CME group			
Corn (\$/bu)	3.9925	3.9925	3.6600
Ethanol (\$/gal)	1.4700	1.4710	1.4630
NYMEX:			
RBOB Gasoline (\$/gal)	2.2708	2.4990	1.8063
Natural Gas (mmBtu)	2.8330	2.8150	3.1820

BIO-ENERGY REPORT NOTES

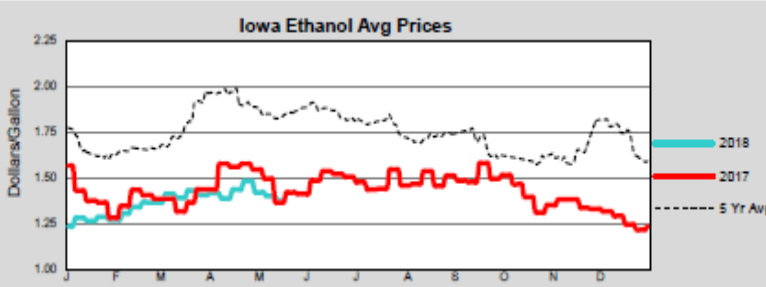
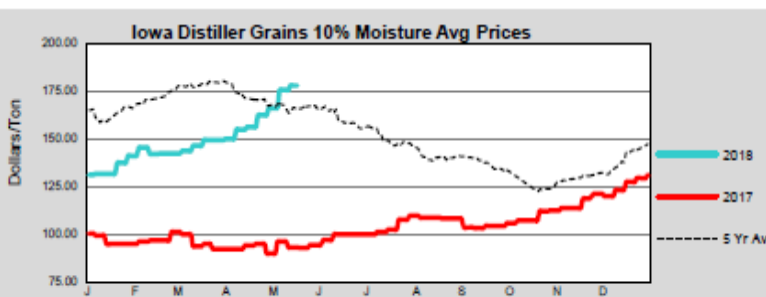
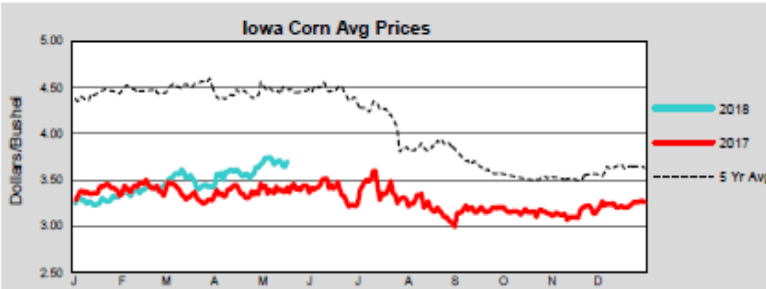
Yellow corn : US #2 spot bids at ethanol plants reported as \$/per bushel

Distiller grains: Spot bids FOB the ethanol plant reported as \$/per ton. Protein content 28-30% for most distiller grains on a dry matter basis.

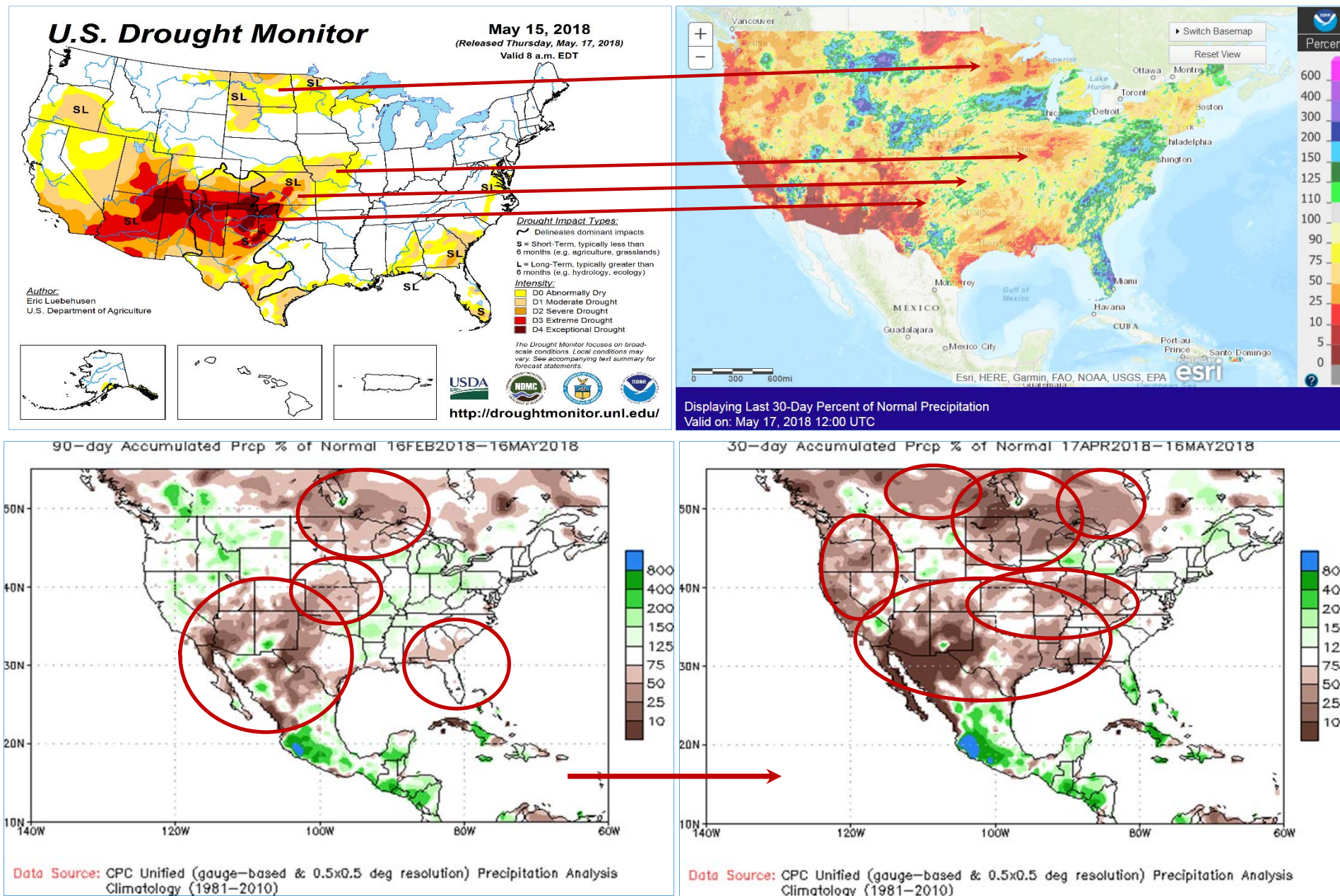
Ethanol: Spot bids FOB the ethanol plant reported as \$/gallon.

Distiller corn oil: Spot bids FOB the ethanol plant reported as ¢/lb. Distiller corn oil is intended for animal feed or biofuel and is not Generally Regarded

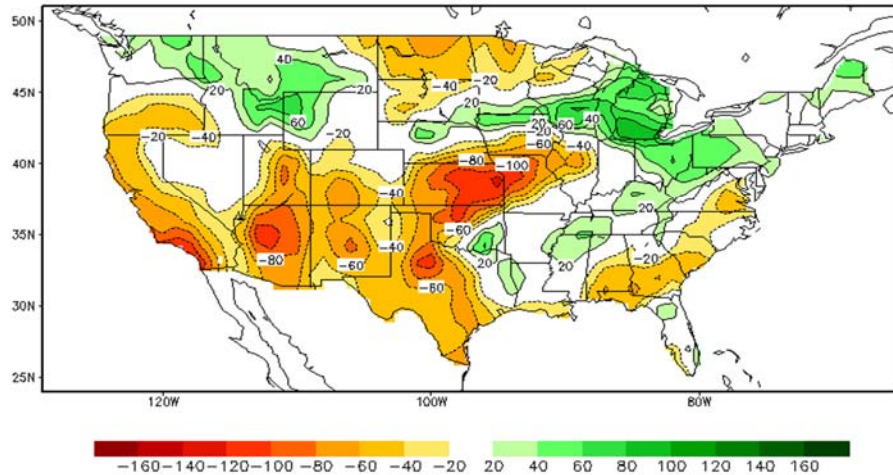
Daily Market Review



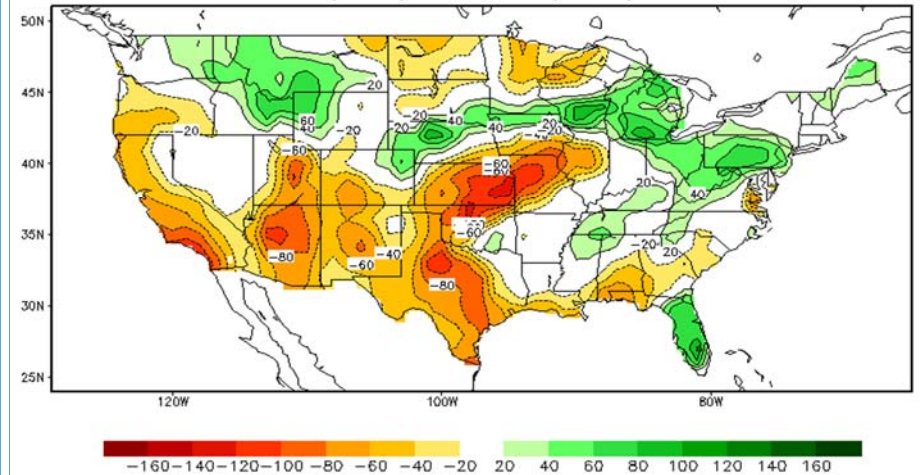
II. U.S. & World Drought Monitor, Moisture Accumulations & Forecasts (Weekly Weather and Crop Bulletin)



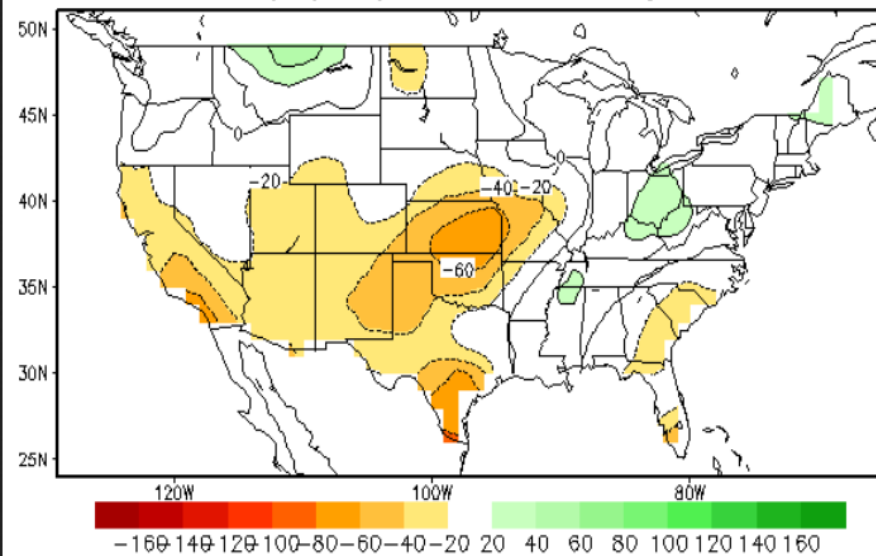
Calculated Soil Moisture Anomaly (mm)
MAY 16, 2018



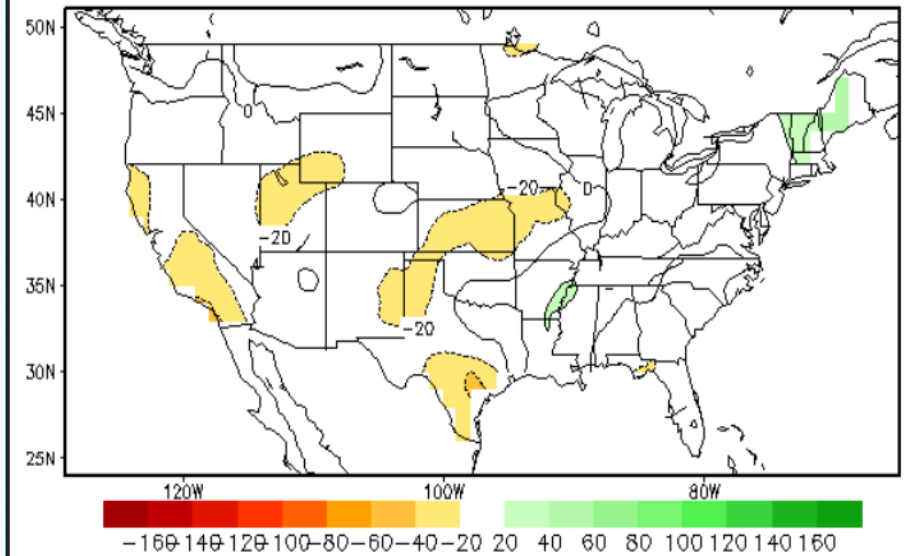
Predicted Soil Moisture Anomaly (mm)
(17May2018–24May2018)



Lagged Averaged Soil Moisture Outlook for End of JUN2018
units: anomaly (mm), SM data ending at 20180516



Lagged Averaged Soil Moisture Outlook for End of AUG2018
units:anomaly (mm), SM data ending at 20180516



National Agricultural Summary

May 7 – 13, 2018

Weekly National Agricultural Summary provided by USDA/NASS

HIGHLIGHTS

The week was warmer than normal for much of the nation. Temperatures in northern Texas were at least 15°F above average. Outside of Texas, much of the lower Rockies and Midwest were 9°F or more above normal. Rain was limited to the northern tier

of the country during the week, mostly falling along the Iowa-Minnesota border and in southern Wisconsin. The warm, dry weather helped propel soybean plantings in the Ohio and mid-Mississippi Valleys.

Corn: By May 13, producers had planted 62 percent of the nation's corn, 6 percentage points behind last year and 1 point behind the 5-year average. Sixty-five percent of Iowa's intended corn acreage was planted by week's end, 15 percentage points behind last year and 5 points behind the 5-year average. Twenty-eight percent of the nation's corn acreage had emerged by May 13, one percentage point behind last year but 1 point ahead of the 5-year average. Twenty-six percent of Iowa's corn crop had emerged by May 13, one percentage point ahead of last year but equal to the 5-year average.

Soybean: Thirty-five percent of the nation's soybean crop was planted by May 13, six percentage points ahead of last year and 9 points ahead of the 5-year average. In Illinois, 66 percent of the intended soybean acreage was planted by week's end, 44 percentage points ahead of the last year and 42 points ahead of the 5-year average. Ten percent of the nation's soybean acreage had emerged by May 13, three percentage points ahead of last year and 4 points ahead of the 5-year average.

Winter Wheat: By May 13, forty-five percent of the nation's winter wheat had reached the headed stage, 16 percentage points behind last year and 8 points behind the 5-year average. On May 13, thirty-six percent of the 2018 winter wheat crop was reported in good to excellent condition, 2 percentage points above the previous week but 15 points below last year. In Kansas, 15 percent of the winter wheat was rated in good to excellent condition, an increase of 1 percentage point from the previous week.

Cotton: Nationwide, 36 percent of the cotton had been planted by week's end, 5 percentage points ahead of both last year and the 5-year average. In Texas, 28 percent of the 2018 cotton crop was planted by May 13, five percentage points ahead of both the previous year and the 5-year average. Producers in Georgia had planted 41 percent of the intended acreage by week's end, 5 percentage points ahead of last year and 10 points ahead of the 5-year average.

Sorghum: Thirty-two percent of the nation's sorghum was planted by May 13, equal to the the previous year but 1 percentage point behind the 5-year average. In Texas, 85 percent of the intended sorghum acreage had been planted by week's end, 8 percentage points ahead of last year and 12 points ahead of the 5-year average.

Rice: Producers had seeded 83 percent of the 2018 rice crop

by May 13, one percentage point ahead of the previous year and 3 points ahead of the 5-year average. In Arkansas, producers had seeded 92 percent of the intended acreage by week's end, 3 percentage points behind last year but 7 points ahead of the 5-year average. By May 13, sixty-one percent of the nation's rice acreage had emerged, 11 percentage points behind last year and 2 points behind the 5-year average.

Small Grains: Nationally, oat producers had seeded 72 percent of this year's crop by May 13. This was 17 percentage points behind the previous year and 12 points behind the 5-year average. Oat planting progress was behind the 5-year average in all estimating states except Texas, which had already finished planting. Forty-eight percent of the nation's oat crop had emerged by May 13, twenty-two percentage points behind the previous year and 18 points behind the 5-year average. Similar to planted progress, heading was behind normal in all estimating states except Texas.

Sixty-two percent of the nation's barley was planted by May 13, twelve percentage points behind both last year and the 5-year average. Planting progress was at or behind the average pace in all estimating states. Fifty-eight percent of Montana's intended acreage was planted by May 13, nineteen percentage points behind last year and 25 points behind the 5-year average. By May 13, twenty-one percent of the nation's barley had emerged, 19 percentage points behind last year and 24 points behind the 5-year average.

By May 13, fifty-eight percent of the spring wheat was seeded, 17 percentage points behind last year and 9 points behind the 5-year average. Spring wheat planting progress was at or behind the 5-year average pace in all estimating states. Fourteen percent of the nation's spring wheat had emerged by week's end, 23 percentage points behind last year and 22 points behind the 5-year average.

Other Crops: Nationally, peanut producers had planted 45 percent of this year's peanut crop by May 13, five percentage points ahead of last year and 11 points ahead of the 5-year average. Producers in Georgia had planted 49 percent of their 2018 intended acreage by week's end, 4 percentage points ahead of last year and 12 points ahead of the 5-year average.

By May 13, eighty-four percent of the nation's sugarbeet crop was planted, 9 percentage points behind last year but 6 points ahead of the 5-year average.

International Weather and Crop Summary

May 6 – 12, 2018

International Weather and Crop Highlights and Summaries provided by USDA/WAOB

HIGHLIGHTS

EUROPE: Beneficial showers across much of southern and eastern Europe improved soil moisture for vegetative to reproductive winter crops as well as summer crop planting. ★

WESTERN FSU: Timely showers near the Black Sea Coast stabilized yield prospects for reproductive winter wheat following recent heat and dryness. ★★

EASTERN FSU: Chilly, damp weather further impeded early spring grain planting activities. ★

MIDDLE EAST: Additional heavy rain from Turkey into western Iraq benefited reproductive to filling winter grains, though crops are in need of drier conditions for maturation and drydown. ★★

NORTHWESTERN AFRICA: Despite some clouds and scattered showers, mostly sunny weather promoted winter grain maturation and drydown. ★

SOUTH ASIA: Seasonably hot weather prevailed in the region, as cotton and rice planting was underway in irrigated areas of northern India and adjacent areas of Pakistan. ★★

EASTERN ASIA: Rainfall benefited filling rapeseed and reproductive spring rice in eastern China, while corn and soybean planting commenced in the northeast. ★

SOUTHEAST ASIA: Monsoon showers encouraged summer rice sowing across Indochina and the Philippines. ★

AUSTRALIA: Showers benefited winter crops in the southeast, but rainfall was lacking in the west and northern New South Wales. ★★

ARGENTINA: Unseasonable wetness persisted, causing additional flooding and harvest delays. ★

BRAZIL: Showers brought localized relief from drought in southern farming areas. ★★

MEXICO: Beneficial rain overspread the southern plateau corn belt. ★

CANADIAN PRAIRIES: Sunny skies benefiting emerging spring crops but moisture was limited in the southeast. ★★

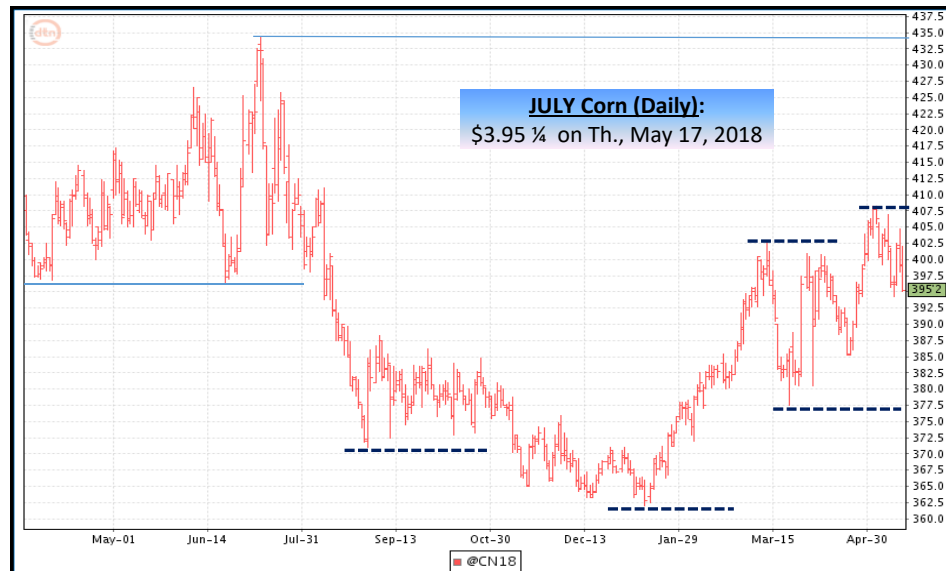
SOUTHEASTERN CANADA: Warm weather spurred development of winter wheat and pastures. ★★



For additional information contact: mbrusberg@oce.usda.gov

IV. Corn & Grain Sorghum Market Information

Daily CME JULY 2018 Corn Futures



Key Corn & Grain Sorghum Supply-Demand Factors:

U.S. Corn Exports: "Positive" short-term "Old Crop" MY 2017/18 U.S. corn shipments with "Bullish" long-term sales

- Weekly Export Shipments week of 5/10/2018 for MY 2017/18 = 61.6 mb (Positive) vs 54.9 mb/wk needed to meet USDA's May 10th projn of 2.225 bb exports
- Total shipments through 5/10/2018 for MY 2017/18 = 1.346 bb i.e., 60.5% of 2.225 bb USDA projn with 69.2% of MY complete (36/52 weeks)
- Total sales through 5/10/2018 for "old crop" MY 2017/18 = 2.071 bb (Bullish) i.e., 93.1% of 2.225 bb USDA projn w. 69.23% of MY complete (36/52 weeks)

U.S. Grain Sorghum Exports: "Bearish" short-term "Old Crop" MY 2017/18 sorghum shipments & "Positive" long-term sales

- Weekly Export Shipments week of 5/10/2018 for MY 2017/18 = 2.6 mb (Bearish) vs 3.65 mb/wk needed to meet USDA's May 10th projn of 245 mb exports
- Total shipments through 5/10/2018 for MY 2017/18 = 186.6 mb i.e., 76.2% of 245 mb USDA projn with 69.2% of MY complete (36/52 weeks)
- Total new sales through 5/10/2018 for "old crop" MY 2017/18 = 211.0 mb i.e., 86.1% of 245 mb USDA projn w. 69.2% of MY complete (36/52 weeks) (Positive)

World & U.S. Corn Supply-Demand Fundamentals

Mktg Yr	World % S/U	U.S. % S/U	U.S. \$/bu	U.S. Crop
2009/10	17.2% S/U	13.1% S/U	\$3.55 /bu	13.067 bln bu
2010/11	14.3% S/U	8.7% S/U	\$5.18 /bu	12.425 bln bu
2011/12	14.7% S/U	7.9% S/U	\$6.22 /bu	12.314 bln bu
2012/13	15.2% S/U	7.4% S/U	\$6.89 /bu	10.755 bln bu
2013/14	18.4% S/U	9.2% S/U	\$4.46 /bu	13.829 bln bu
2014/15	21.6% S/U	12.6% S/U	\$3.70 /bu	14.216 bln bu
2015/16	22.1% S/U	12.7% S/U	\$3.61 /bu	13.602 bln bu
2016/17	21.5% S/U	15.7% S/U	\$3.36 /bu	15.148 bln bu
2017/18 ^{USDA}	18.2% S/U	14.8% S/U	\$3.40 /bu	14.604 bln bu
2018/19 ^{USDA}	14.6% S/U	11.5% S/U	\$3.80 /bu	14.040 bln bu

U.S. Grain Sorghum Supply-Demand Fundamentals

Year	Area	% S/U	\$/bu	Crop
2015/16	8.459 mln ac.	6.4% S/U	\$3.31 /bu	597 mln bu
2016/17	6.690 mln ac.	6.8% S/U	\$2.79 /bu	480 mln bu
2017/18 ^{USDA}	5.626 mln ac.	7.8% S/U	\$3.20 /bu	364 mln bu
2018/19 ^{USDA}	5.932 mln ac.	7.8% S/U	\$3.60 /bu	343 mln bu

Ethanol & RBOB Futures

Monthly Charts: March 2009 – April 2018 + May 1st & 16th

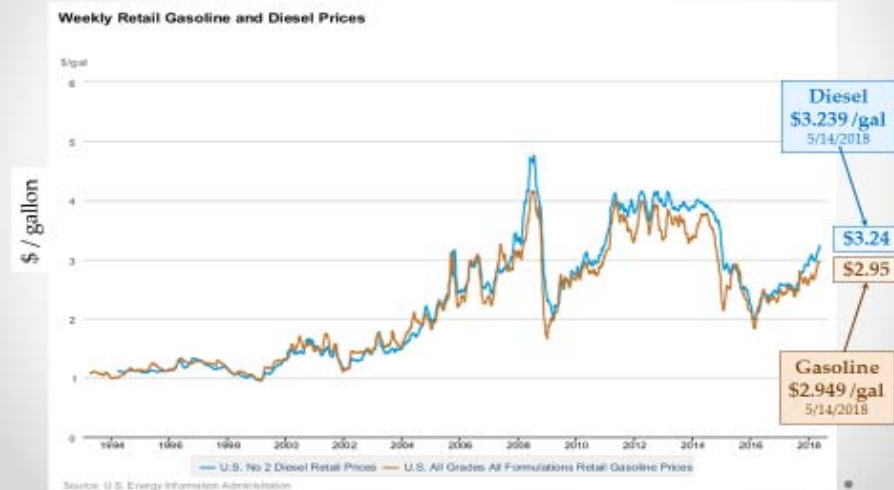


\$Ethanol / \$RBOB

4/3/2017	= 1.64 / 1.69 = 0.97
5/1/2016	= 1.57 / 1.53 = 1.03
6/1/2017	= 1.55 / 1.60 = 0.97
7/3/2017	= 1.53 / 1.53 = 1.00
8/1/2017	= 1.54 / 1.66 = 0.93
9/1/2017	= 1.49 / 1.75 = 0.85*
10/2/2017	= 1.46 / 1.55 = 0.94
11/1/2017	= 1.45 / 1.74 = 0.83*
12/1/2017	= 1.36 / 1.78 = 0.78*
1/2/2018	= 1.37 / 1.76 = 0.77*
2/1/2018	= 1.43 / 1.90 = 0.76*
3/1/2018	= 1.49 / 1.90 = 0.79*
4/2/2018	= 1.43 / 1.97 = 0.73*
5/1/2018	= 1.45 / 2.09 = 0.69**
5/16/2018	= 1.47 / 2.25 = 0.65**

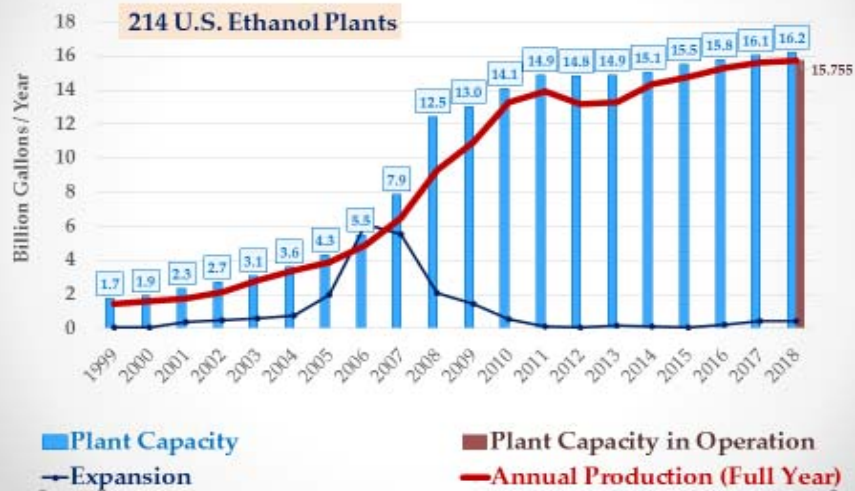
Retail Diesel & Gasoline Prices

Weekly Continuous Chart: April 5, 1993 through November 27, 2017



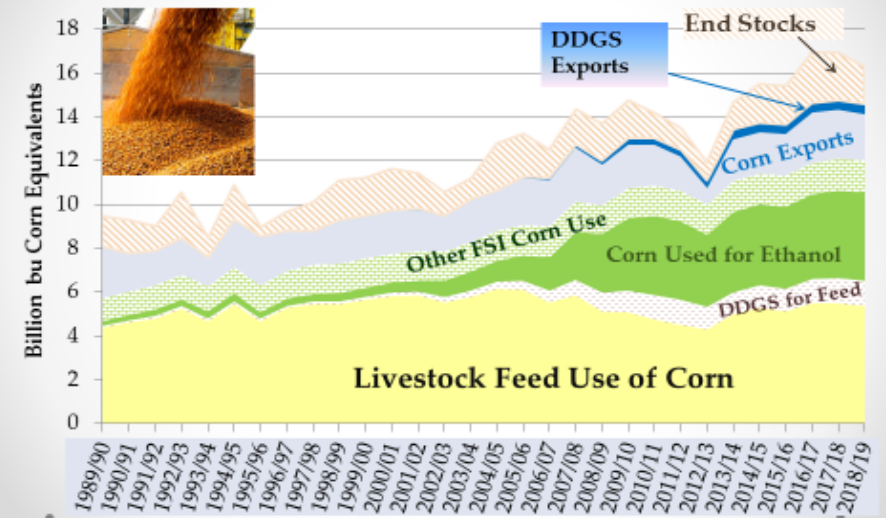
U.S. Ethanol Capacity & Production

Source: Renewable Fuels Association as of March 14, 2018



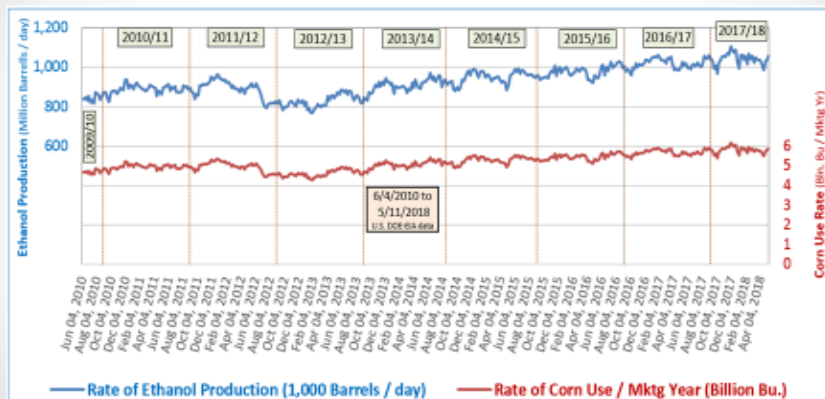
U.S. Corn Use - With est. DDGS #s

May 10, 2018 WASDE & KSU Estimates

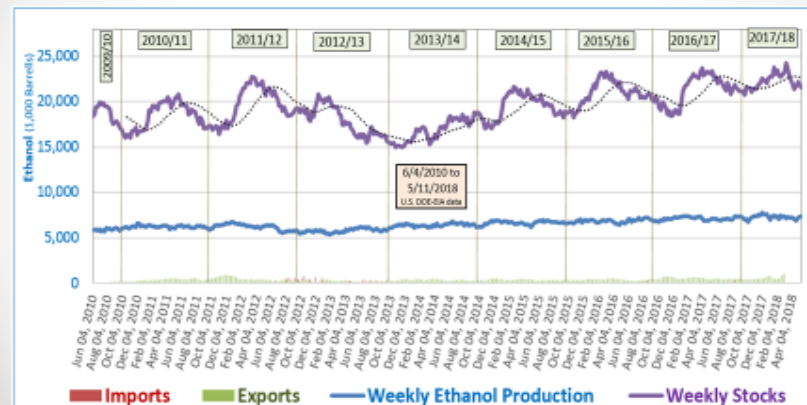


U.S. Ethanol Production & Corn Use

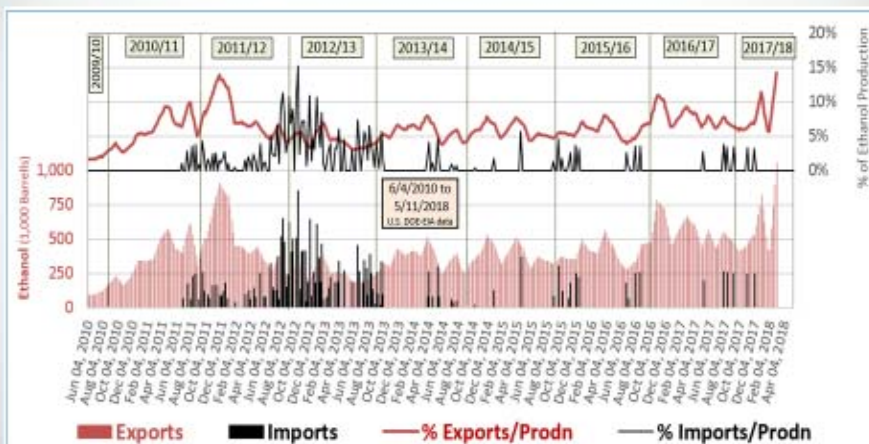
Weekly EIA ethanol data & KSU corn use est's. (6/4/2010 thru 5/11/2018)



Weekly U.S. Ethanol Production, Imports, Exports & Stocks (thru 5/11/2018)



Weekly U.S. Ethanol Imports, Exports & %-of-Stocks (thru 5/11/2018)



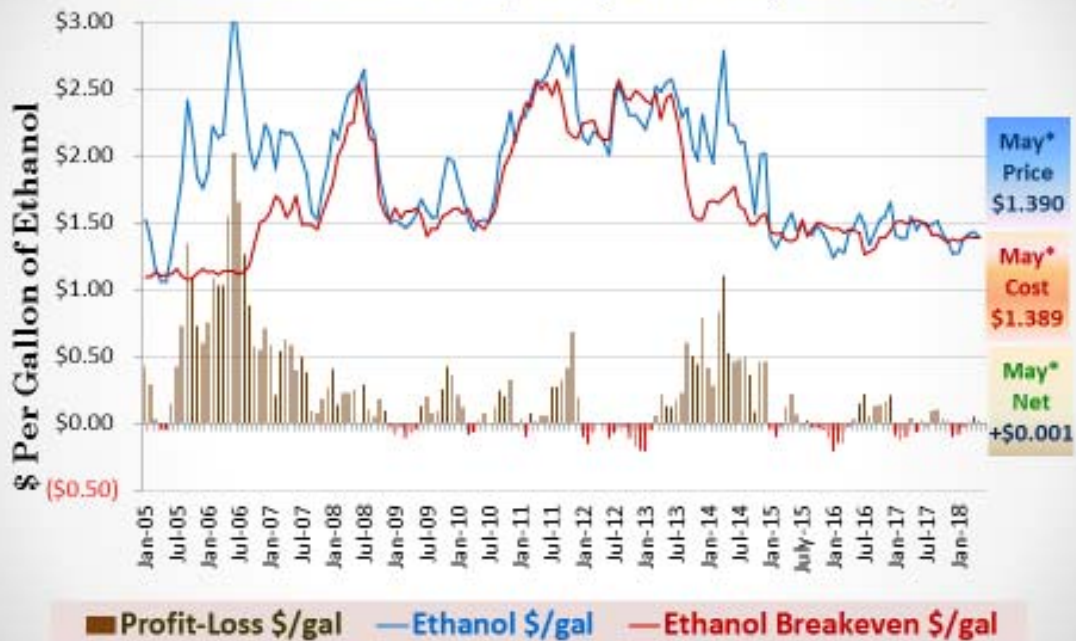
Ethanol DDGS & Corn Input Prices

ISU Ethanol Plant Model (January 2005 – May 11, 2018)



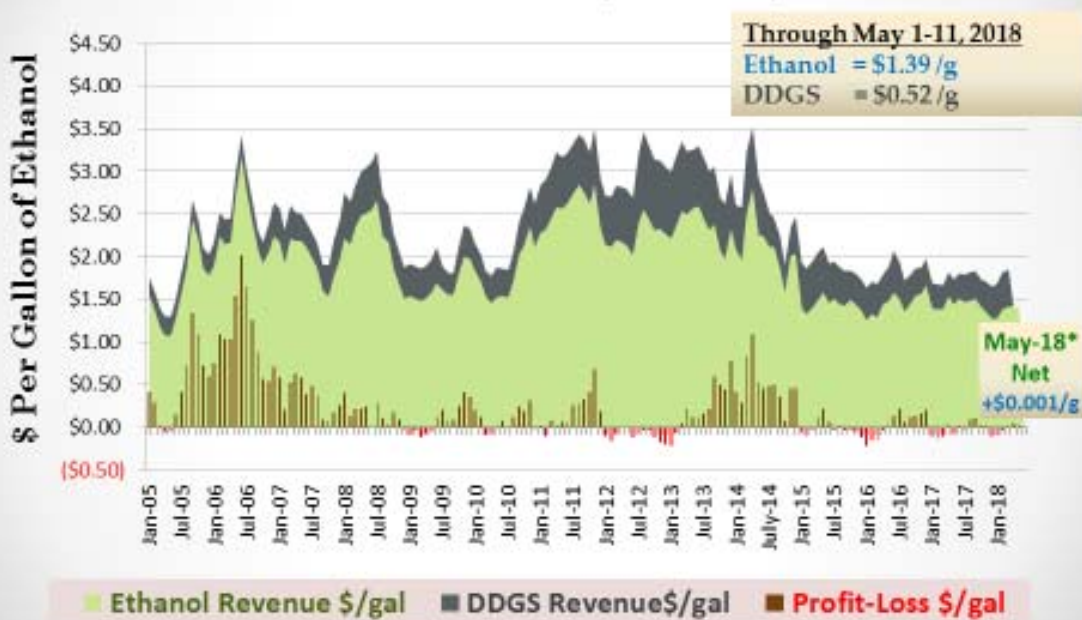
Ethanol Price, Cost & Profits

ISU Ethanol Plant Model (January 2005 – May 1-11, 2018)



Ethanol Revenues & Net Returns

ISU Ethanol Plant Model (January 2005 – May 1-11, 2018)



KSU Ethanol Market Commentary – Thursday, May 17, 2018

Daniel O'Brien, Extension Agricultural Economist, Kansas State University

Through volatile times in the energy markets, it seems that U.S. ethanol plants are covering their costs (and that is just about it!) through the first half of May 2018. Although the selling price of ethanol has been sideways to lower in recent months, the price of distillers grains has been strong. The average selling price of ethanol in Iowa during the first half of May of approximately \$1.390 per gallon has averaged only marginally higher than the breakeven cost of \$1.389 by Kansas State University calculations - leaving only a small, marginal profit.

And while ethanol prices have been sideways-to-declining, the price of RBOB gasoline has been strong, continuing to trend higher on strong U.S. fuel demand. The combination of "so-so" ethanol prices, strong DDGS prices, and varying or "moderating" corn prices leave the U.S. ethanol industry in an uncertain spot.

If there are any problems with the 2018 U.S. corn crop that would drive prices higher, then all else being equal, ethanol plant profitability would suffer, and U.S. corn use for ethanol domestically would move sideways if not weaken. On the other hand, if either the price of DDGS or the demand pull for U.S. gasoline caused by a strong U.S. economy should diminish, well that would hurt the revenue of U.S. ethanol plants as well. So, U.S. ethanol plants are sitting in an uncertain, somewhat precarious position heading into the summer months of 2018.

Argentina 2017-18 soy crop estimate cut to 36 mln tonnes –exchange 17-May-2018

BUENOS AIRES, May 17 (Reuters) - Argentina's 2017-18 soy crop is seen at 36 million tonnes versus a previous estimate of 38 million tonnes, the Buenos Aires Grains Exchange said on Thursday, citing a combination of early-season drought followed by excessive rains starting in April.

Harvesting machines have gotten bogged down in fields turned to mud by unusually harsh rains over recent weeks, slowing efforts to bring in Argentina's main cash crop.

"After the rainstorms, farmers went back to harvesting and found that yields had been reduced after having been hit earlier by drought," the exchange said in its weekly crop report. "Under this scenario, losses to soybean area have increased by 300,000 hectares to 1.2 million hectares," it said.

(Reporting by Hugh Bronstein, Editing by Leslie Adler) ((hugh.bronstein@thomsonreuters.com ; +54-11-4318-0655; Reuters Messaging: hugh.bronstein.thomsonreuters.com@reuters.net))

FCStone hints at downward revisions for Brazil corn due to drought 17-May-2018

SAO PAULO, May 17 (Reuters) - Broker and analyst INTL FCStone hinted on Thursday at further downward revisions to its projections for Brazil's main corn crop after rains in the first half of May were again below-average, worsening conditions for corn growth in key regions. "Earlier in May, our numbers indicated losses of 21 percent in Sao Paulo, 16 percent in Mato Grosso do Sul and 15 percent in Paraná. But considering the weather in the first half of May, it is almost certain that those losses will be bigger," FCStone analyst João Macedo said in a report. The expectation is that losses in those regions could go up to between 20 percent and 30 percent, Macedo said.

The three states accounted for almost 40% of Brazil's second corn crop output in the previous season. Most of the country's corn production comes from the second crop, or the southern hemisphere's so-called winter crop, which is planted after soybeans are harvested as a rotation crop. Brazil has gained share in the global corn export market in recent years thanks to large increases in production, mainly in the second corn crop.

Macedo said he expects #s for other key states such as Goiás and Mato Grosso, Brazil's #1 grain producer, to come down as well, but not as much, since rains in those areas were not as far off historical levels. Rains are expected to come back in the second half of May, which could limit further losses. The excessive dryness in Brazil's center-south is also hurting sugar production, with some analysts having already revised down their projections.

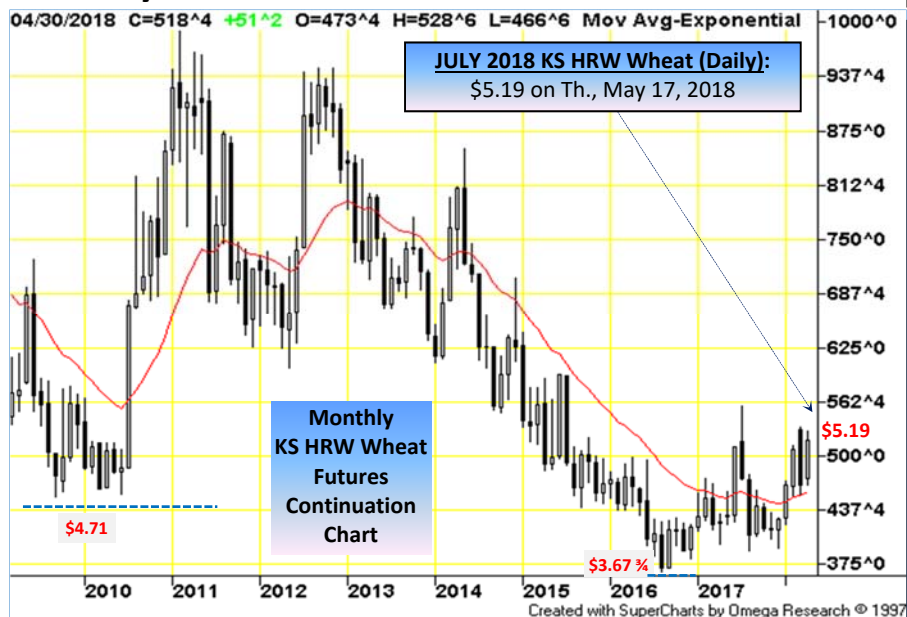
(Reporting by Marcelo Teixeira, Editing by Leslie Adler) ((marcelo.teixeira@tr.com ; +55-11-5644-7707; Reuters Messaging: marcelo.teixeira.thomsonreuters.com@reuters.net ; Twitter https://twitter.com/tx_marcelo))

V. Wheat Market Outlook

Daily JULY 2018 KS HRW Wheat



Monthly Kansas HRW Wheat eFutures



Wheat Export Situation:

U.S. All Wheat Exports: “Bearish” short-term Export Shipments with “Neutral-Negative” long-term export prospects in “Old Crop” MY 2017/18 total sales

- Weekly Export Shipments wk of 5/10/2018 for “old crop” MY 2017/18 = 15.1 mb (Bearish) vs 41.4 mb /wk needed to meet USDA’s May 10th projn of 910 mb exports
- Total shipments through 5/10/2018 for “old crop” MY 2017/18 = 785.7 mb i.e., 86.3% of 910 mb USDA projn with 94.2% of MY complete (49/52 weeks)
- Total shipments + new sales thru 5/10/2018 for “old crop” MY 2017/18 = 867.2 mb i.e., 95.2% of 910 mb USDA projn with 94.2% of MY complete (49/52 weeks) (Neutral-Negative)
- Total shipments + new sales thru 5/10/2018 for “new crop” MY 2018/19 = 75.6 mb i.e., 8.1% of 925 mb USDA projn with 0.00% of MY complete (0/52 weeks) (Neutral-Negative)

U.S. Hard Red Winter (HRW) Wheat Exports: “Bearish” short-term Shipments with “Neutral-Negative” long-term prospects in “Old Crop” MY 2017/18 total sales

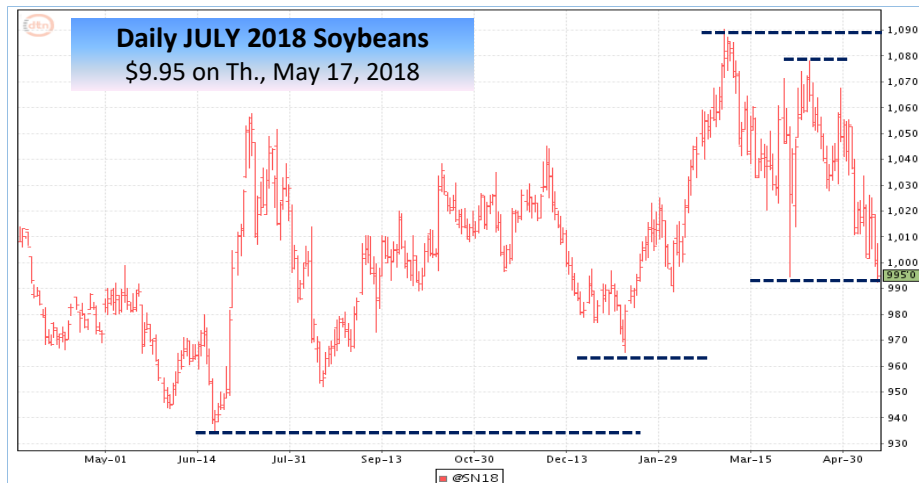
- Weekly Export Shipments wk of 5/10/2018 for “old crop” MY 2017/18 = 6.8 mb (Bearish) vs 12.2 mb /wk needed to meet USDA’s May 10th projn of 360 mb HRW wheat exports
- Total shipments through 5/10/2018 for “old crop” MY 2017/18 = 323.5 mb i.e., 90.0% of 360 mb USDA HRW wheat exports with 94.2% of MY complete (49/52 weeks)
- Total shipments + new sales thru 5/10/2018 for “old crop” MY 2017/18 = 340.6 mb i.e., 94.6% of 360 mb for HRW wheat w. 94.2% of MY complete (49/52 weeks) (Neutral-Negative)

“Negative” World & U.S. Wheat S/D Fundamentals

Mktg Yr	World % S/U	World Crop	U.S. % S/U	U.S. \$/bu	U.S. Exports
2007/08	20.9% S/U	611.9 mmt	13.2% S/U	\$6.48 /bu	1,263 mln bu
2008/09	26.6% S/U	684.0 mmt	28.7% S/U	\$6.78 /bu	1,015 mln bu
2009/10	31.4% S/U	687.4 mmt	48.6% S/U	\$4.87 /bu	879 mln bu
2010/11	30.5% S/U	649.6 mmt	36.4% S/U	\$5.70 /bu	1,291 mln bu
2011/12	28.9% S/U	697.3 mmt	33.4% S/U	\$7.24 /bu	1,051 mln bu
2012/13	25.9% S/U	658.7 mmt	29.9% S/U	\$7.77 /bu	1,012 mln bu
2013/14	28.2% S/U	715.1 mmt	24.2% S/U	\$6.87 /bu	1,176 mln bu
2014/15	31.1% S/U	728.2 mmt	37.3% S/U	\$5.99 /bu	864 mln bu
2015/16	34.1% S/U	735.2 mmt	50.0% S/U	\$4.89 /bu	778 mln bu
2016/17	34.6% S/U	750.5 mmt	53.2% S/U	\$3.89 /bu	1,055 mln bu
2017/18 ^{USDA}	36.4% S/U	758.4 mmt	53.3% S/U	\$4.70 /bu	910 mln bu
2018/19 ^{USDA}	35.1% S/U	747.8 mmt	46.1% S/U	\$5.00 /bu	925 mln bu

VI. Soybean Market Outlook

Daily JULY 2018 Soybean Futures



Monthly Soybean eFutures



Key Soybean Supply-Demand Issues:

- ❖ **U.S. Soybean Exports: “Neutral-negative” short-term export shipments in “Old Crop” MY 2017/18 and “positive” long-term total sales**
 - **Weekly Export Shipments week of 5/10/2018 for MY 2017/18 = 24.0 mb (Neutral-Negative)** vs 26.6 mb/wk needed to meet USDA’s May 10th projn of 2.065 bb exports
 - **Total shipments through 5/10/2018 for MY 2017/18 = 1.639 bb** i.e., 79.4% of 2.065 bb USDA projn with 69.2% of MY complete (36/52 weeks)
 - **Total sales through 5/10/2018 for “Old Crop” MY 2017/18 = 2.036 bb** i.e., 98.6% of 2.065 bb USDA projn w. 69.2% of MY complete (36/52 weeks) (Positive)
- ❖ **U.S. Soybean Meal Exports: “Bullish” short-term export shipments in “Old Crop” MY 2017/18 and “Bullish” long-term total sales**
 - **Export Shipments for week of 5/10/2018 for “Old Crop” MY 2017/18 = 260,400 mt (Bullish)** vs 205,215 mt/wk needed to meet USDA’s May 10th projn of 11.521 mmt exports
 - **Total shipments through 5/10/2018 for “Old Crop” MY 2017/18 = 7.417 mmt** i.e., 64.3% of 11.521 mmt USDA projn with 61.5% of MY complete (32/52 weeks)
 - **Total shipments & new sales (5/10/2018) for “Old Crop” MY 2017/18 = 10.528 mmt** i.e., 88.1% of 11.521 mmt USDA projn with 61.5% of MY complete (32/52 wks) (Bullish)

World & U.S. Soybean Supply-Demand Fundamentals

Mktg Yr	World % S/U	World Crop	U.S. % S/U	U.S. \$/bu	U.S. Exports
2009/10	25.1% S/U	260.8 mmt	4.5% S/U	\$ 9.59 /bu	1.499 bln bu
2010/11	27.7% S/U	264.4 mmt	6.6% S/U	\$11.30 /bu	1.505 bln bu
2011/12	20.7% S/U	240.4 mmt	5.4% S/U	\$12.50 /bu	1.365 bln bu
2012/13	21.2% S/U	268.5 mmt	4.5% S/U	\$14.40 /bu	1.328 bln bu
2013/14	22.6% S/U	282.8 mmt	2.6% S/U	\$13.00 /bu	1.638 bln bu
2014/15	25.7% S/U	320.0 mmt	4.9% S/U	\$10.10 /bu	1.842 bln bu
2015/16	25.0% S/U	313.8 mmt	5.0% S/U	\$ 8.95 /bu	1.942 bln bu
2016/17	29.3% S/U	350.3 mmt	7.2% S/U	\$ 9.47 /bu	2.174 bln bu
2017/18^{USDA}	26.9% S/U	336.7 mmt	12.6% S/U	\$ 9.35 /bu	2.065 bln bu
2018/19^{USDA}	24.2% S/U	354.5 mmt	9.4% S/U	\$10.00 /bu	2.290 bln bu

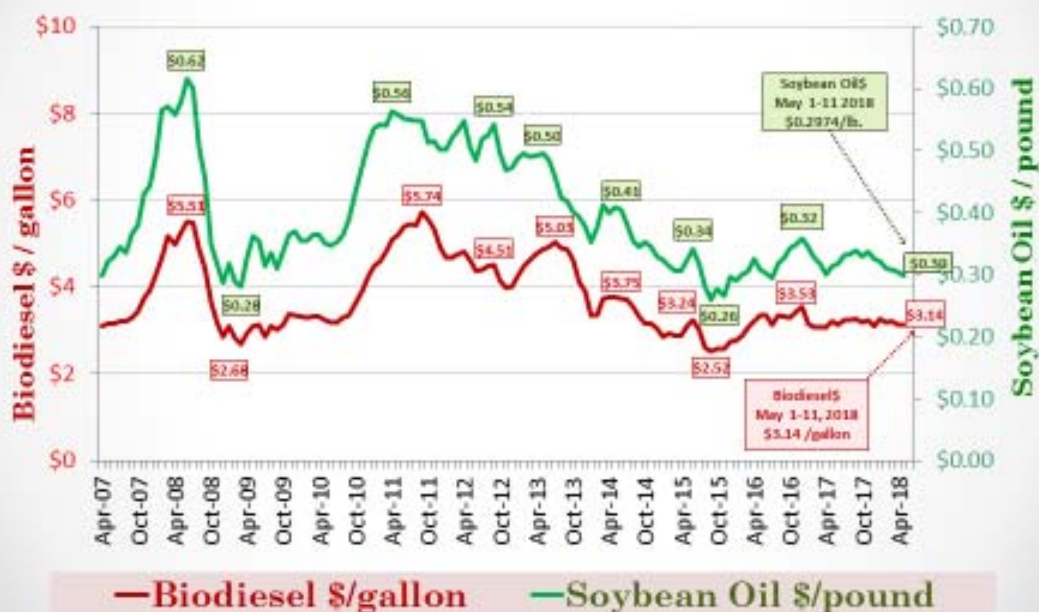
CBOT Soybean Oil Futures

Monthly Continuous Chart: March 2009 thru April 2018 + 5/16/2018



Biodiesel & Soybean Oil Prices

ISU Biodiesel Plant Model (April 2007 – May 1-11, 2018)



Biodiesel Price, Cost & Profits

ISU Biodiesel Plant Model (April 2007 – May 1-11, 2018)

