

KSU Agriculture Today Radio Notes

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

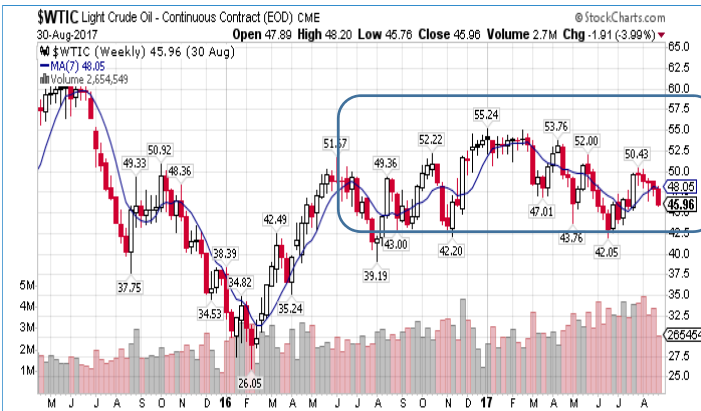
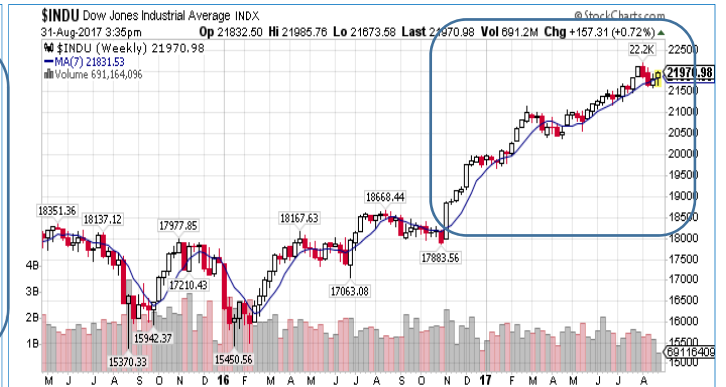
For Radio Program to be aired 10:00-10:15 a.m., Friday, September 1, 2017

I. Grain Futures Closes, Changes & Carry on Thursday, August 31, 2017

Corn Futures				Soybean Futures				Kansas HRW Wheat Futures			
Month	Close	Change	Carry /mo	Month	Close	Change	Carry /mo	Month	Close	Change	Carry /mo
Sept 17	\$3.42 ¼	↑ \$0.1275	---	Sept 17	\$ 9.36 ¼	↑ \$0.1325	---	Sept 17	\$4.08 ¾	↑ \$0.0850	---
Dec 17	\$3.57 ¾	↑ \$0.1225	\$0.05 ¹⁷	Nov 17	\$ 9.45 ¼	↑ \$0.12	\$0.04 ⁵⁰	Dec 17	\$4.36 ¼	↑ \$0.07	\$0.09 ¹⁶⁷
Mar 18	\$3.70 ½	↑ \$0.1225	\$0.04 ²⁵	Jan 18	\$ 9.54 ¾	↑ \$0.12	\$0.04 ⁷⁵	Mar 18	\$4.54	↑ \$0.0650	\$0.08 ⁸⁷⁵
May 18	\$3.77 ¾	↑ \$0.12	\$0.03 ⁶²⁵	Mar 18	\$ 9.64 ¼	↑ \$0.12	\$0.04 ⁷⁵	May 18	\$4.67 ¾	↑ \$0.06	\$0.06 ⁸⁷⁵
July 18	\$3.84	↑ \$0.1175	\$0.03 ¹²⁵	May 18	\$ 9.72 ¾	↑ \$0.12	\$0.04 ²⁵	July 18	\$4.84 ¾	↑ \$0.0525	\$0.08 ⁵⁰
Sept 18	\$3.90	↑ \$0.1125	\$0.03	July 18	\$ 9.80	↑ \$0.1225	\$0.03 ⁶²⁵	Sept 18	\$5.05 ¾	↑ \$0.05	\$0.10 ⁵⁰
Dec 18	\$3.98 ¼	↑ \$0.11	\$0.02 ⁷⁵	Aug 18	\$ 9.80 ¾	↑ \$0.1250	\$0.00 ⁷⁵	Dec 18	\$5.32	↑ \$0.0425	\$0.08 ⁷⁵
Mar 19	\$4.08	↑ \$0.1050	\$0.03 ²⁵	Sept 18	\$ 9.73	↑ \$0.12	No Carry	Mar 19	\$5.46 ¼	↑ \$0.0325	\$0.04 ⁷⁵

Price^{Soybean} / Price^{Corn} Ratios on August 31, 2017:

- “Current Crop^{2016/17}” ⇒ \$SEPT²⁰¹⁷ Soybeans ÷ \$SEPT²⁰¹⁷ Corn = \$ 9.36 ¼ ÷ \$3.42 ¼ = 2.73
- “New Crop^{2017/18}” ⇒ \$NOV²⁰¹⁷ Soybeans ÷ \$DEC²⁰¹⁷ Corn = \$ 9.45 ¼ ÷ \$3.57 ¾ = 2.64 ***



Most U.S. Farmers Will Feel Impact from Hurricane Harvey

August 31, 2017 – AgNet West (<http://www.agnetwest.com/u-s-farmers-feel-impact-hurricane-harvey/>)

Hurricane Harvey stands to harm virtually all of U.S. agriculture, in some way.

- Many **ports that ship agricultural commodities** are in the path of the storm, from Texas to Louisiana, where the majority of corn and soybeans destined for other nations leave the United States.
- **Texas** produces high volumes of cotton, wheat, rice, and soy and is a large exporter of crops from around the country.
- Some of the regions impacted by the storm are expected to see about a years-worth of rainfall this week, causing **flooding and stressing infrastructure**.
 - Mike Steenhoek of the Soy Transportation Coalition says that until the storm passes, they will not be able to assess the structural integrity of railroad tracks or bridges.
- And because of these transportation issues, **grain elevator operators**, which will have reached capacity, will discourage farmers from delivering crops by lowering the commodity prices that farmers are usually paid.
 - Steenhoek told DTN: “*From a soybean and corn logistics perspective, the larger concern occurs if the consequences of Harvey extend farther east to the 230-mile stretch of the Mississippi River from Baton Rouge, Louisiana, to the Gulf of Mexico.*”

Harvey Forces Shutdown of Texas Ports, Threatens Others

August 29, 2017 – AgNet West (<http://www.agnetwest.com/harvey-forces-shutdown-texas-ports/>)

Two major ports along the Gulf of Mexico in Texas are closed following the flooding and damage from Hurricane Harvey.

- **Ports at the Texas Gulf** account for about **24% of U.S. wheat exports**, 3% of corn shipments and 2% of soybeans.
- In 2011, the **Port of Corpus Christi** ranked 13th in the Nation for total waterborne agricultural exports, moving about four million metric tons of cargo.
- The same year, the **Port of Houston** ranked sixth in the Nation for total waterborne agricultural exports and ninth for containerized exports, according to data compiled by the U.S. Department of Agriculture.
- Mike Steenhoek of the Soy Transportation Coalition told Bloomberg News that **the bigger threat to shipments of corn and soybeans comes from Harvey’s potential impact in Louisiana and the Gulf of Mexico**.
 - **About 60% of American soybean exports depart from the region, as do 59% of corn shipments.**

From the National Association of Farm Broadcasting News Service.



US #2 Yellow Corn - dollars/bushel				
	Cash Bids	Chg	Basis	Avg:
Iowa-Eastern:	2.8050 - 3.1650	↓	-49U to -13U	-31.00
Iowa-Western:	2.8550 - 3.1450	↓	-44U to -15U	-29.50
Illinois:	3.0650 - 3.3950	↓	-23U to -6Z	-14.50
Indiana:	3.2950 - 3.4850	↓	OptU to 3Z	1.50
Ohio:	3.3550 - 3.4650	↓	8U to 17U	11.50
Michigan:	3.0550 - 3.3750	↓	-24U to 8U	-8.00
Kansas:	3.1450 - 3.8050	↓	-15U to 15Z	
Minnesota:	2.6550 - 3.0150	↓	-64U to -44Z	-54.00
Nebraska:	2.8950 - 3.3550	↑	-40U to -10Z	-25.00
Wisconsin:	2.8250 - 3.0450	↓	-47U to -25U	-36.00
South Dakota:	2.7150 - 2.9750	↓	-58U to -32U	-45.00
Missouri:	2.9750 - 3.1450	↓	-32U to -15U	-23.50

Distillers Grain - dollars/ton											
	Dried 10%	Chg	Avg:	Modified 50-55%	Chg	Avg:	Wet 65-70%	Chg	Avg:		
Iowa-Eastern:	108.00 - 110.00	↓	109.00	45.00 - 55.00	↓	50.00	NA	NA	NA	NA	NA
Iowa-Western:	100.00 - 115.00	↓	107.50	45.00 - 55.00	↓	50.00	28.00 - 41.00	↓	33.50		
Illinois:	95.00 - 120.00	↓	107.50	NA	NA	NA	30.00	↓	30.00		
Indiana:	100.00 - 120.00	↓	110.00	50.00	↓	50.00	NA	NA	NA		
Ohio:	105.00 - 110.00	↓	107.50	NA	NA	NA	NA	NA	NA		
Michigan:	100.00 - 108.00	↓	104.00	39.00 - 45.00	↓	42.00	NA	NA	NA		
Kansas:	115.00 - 140.00	↓	127.50	NA	NA	NA	44.00 - 52.00	↓	48.00		
Minnesota:	105.00 - 110.00	↓	107.50	47.00	↓	47.00	25.00 - 37.00	↓	31.00		
Nebraska:	95.00 - 115.00	↓	105.00	42.00 - 56.00	↓	39.00	30.00 - 48.00	↓	39.00		
Wisconsin:	108.00 - 115.00	↓	111.50	48.00 - 60.00	↓	54.00	NA	NA	NA		
South Dakota:	98.00 - 106.00	↓	102.00	43.00 - 53.00	↓	48.00	28.00	↓	28.00		
Missouri:	105.00 - 120.00	↓	112.50	60.00	↓	60.00	33.00 - 36.00	↓	34.50		

Sorghum - dollars/bushel				
	Cash Bids	Chg	Basis	Avg:
Kansas:	3.0550 - 3.1550	↓	-40Z to -30Z	-35.00
Missouri:	NA	NA	NA	NA

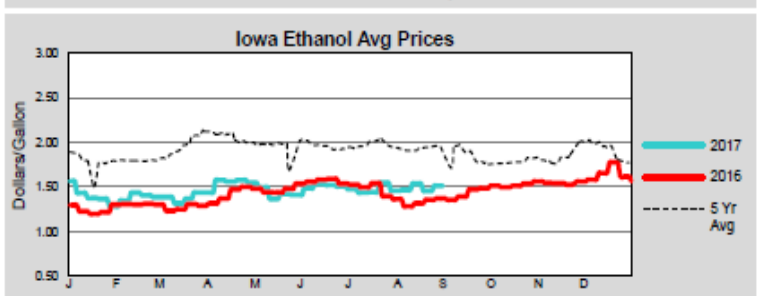
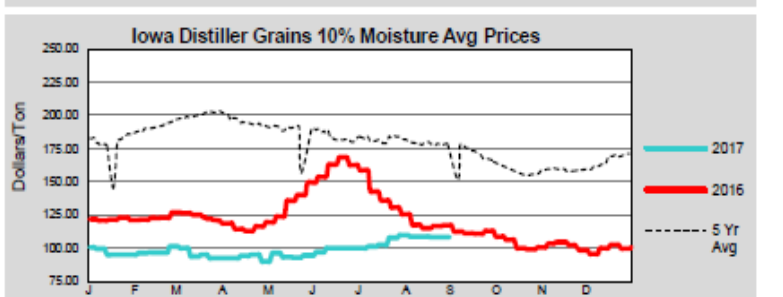
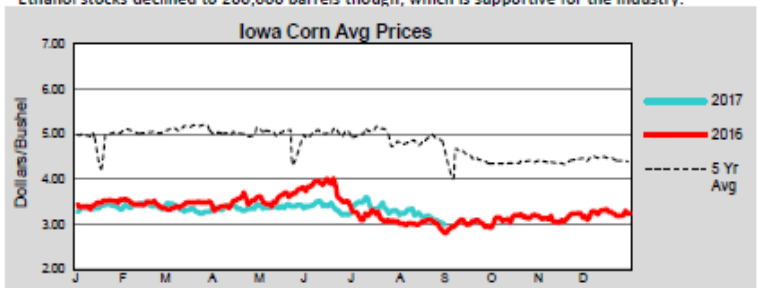
Corn Oil - cents/pound				
W/E 08/25/17	Range	Chg:	Avg:	
Iowa:	27.00 - 29.00	↓	28.00	
Eastern Cornbelt:	28.50 - 29.50	↑	29.00	
Nebraska:	28.00 - 30.00	↓	29.00	
South Dakota:	26.00 - 27.00	↓	26.50	

Ethanol - dollars/gallon				
W/E 08/25/17	Range	Chg:	Avg:	
Iowa:	1.45 - 1.57	↑	1.51	
Eastern Cornbelt:	1.52 - 1.63	↑	1.58	
Kansas:	1.47 - 1.47	↑	1.47	
Minnesota:	1.46 - 1.57	↑	1.52	
Nebraska:	1.42 - 1.49	↓	1.46	
Wisconsin:	NA	NA	NA	
South Dakota:	1.50 - 1.57	↓	1.54	

Daily Nearby Futures			
	Today	Yesterday	Last year
CME group			
Corn (\$/bu)	3.3550	3.2950	3.1100
Ethanol (\$/gal)	1.5070	1.4890	1.4300
NYMEX:			
RBOB Gasoline (\$/gal)	2.1301	1.8847	1.2724
Natural Gas (mmBtu)	2.9500	2.9390	2.7920

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.

Daily Market Review
 On Wednesday, September corn futures were 4 cents lower, closing at 3.29 1/2. United States ethanol output last week was nearly unchanged from the week prior. There was an average of 1.04 million barrels produced each day of the week which was a decrease of 20,000 from last week. Ethanol stocks declined to 200,000 barrels though, which is supportive for the industry.



Fuel Waiver Opens Door for E15

EPA Expands Fuel Waiver in Response to Concerns About Fuel Shortages from Harvey

Todd Neeley, DTN Staff Reporter 8/30/2017 | todd.neeley@dtn.com

OMAHA (DTN) -- The U.S. Environmental Protection Agency on Wednesday granted an expanded fuel waiver to 12 states in response to concerns about fuel shortages from Hurricane Harvey, a decision that is likely to open up some E15 sales in those states through Sept. 15.

EPA expanded a previous waiver through the Clean Air Act to Alabama, Georgia, Kentucky, Maryland, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, Texas, Louisiana and Florida, as well as the District of Columbia.

The Renewable Fuels Association on Monday asked EPA to expand the waiver issued last weekend to allow for the temporary use of E15 nationwide to help alleviate potential fuel shortages resulting from Harvey.

"It appears that today's multi-state waiver letter from EPA effectively allows for an early end to the summer volatility control season and allows immediate use of winter gasoline in conventional gasoline areas," RFA President and CEO Bob Dinneen said in a statement to DTN.

"This allows for the sale of E15 in those conventional gasoline areas of the states covered by the waiver and is effectively what we asked of the agency on Monday. Retailers must still meet or be deemed compliant with other regulatory requirements associated with selling E15, such as the misfueling mitigation plan. But consumers facing likely gasoline supply issues as a result of Hurricane Harvey are one important step closer today to a high-octane, low-cost alternative."

In a letter to EPA Administrator Scott Pruitt on Monday, the RFA asked the agency to relax the Reid vapor pressure, or RVP, limits to 10 pounds per square inch for all finished gasoline blended with ethanol in conventional and reformulated gasoline areas nationwide through Sept. 15. In response to the hurricane, EPA on Aug. 26 issued a waiver of certain reformulated gasoline and RVP requirements. Those requirements are in place to help reduce ozone pollution.

On Wednesday, Pruitt approved an expansion of the waiver, saying in a letter to the states that there are concerns about fuel shortages.

"The shutdown of nearly a dozen refineries and extreme weather prohibiting fuel barge movement in the Gulf area, with several other refineries operating at reduced capacity has continued to limit the production and availability of fuel to areas both within and outside of the Gulf area," Pruitt wrote.

"In addition, the Colonial pipeline, which has been disrupted due to storm damage, is operating at a reduced capacity. The designated states and D.C. receive a significant percentage of their gasoline supplies from the Gulf-area refineries and through the Colonial pipeline." As a result, Pruitt said, the disruptions are "creating a shortage of compliant fuel."

In relaxing RVP requirements, gasoline blenders are allowed to produce fuel that complies with EPA regulations using any available gasoline blendstock on the market, including E15.

The U.S. ethanol industry has been pushing EPA to issue a waiver on E15 for some time, holding out hope the agency would be able to take action that would allow for year-round sales.

Federal law forbids the sale of E15 from June 1 to Sept. 15.

Currently, E15 sales are restricted in nearly two-thirds of the country during the summer months because of ozone concerns. The EPA waiver issued on Aug. 26, allowed gasoline with less than 9% ethanol by volume to qualify for special provisions for alcohol blends requirement. That waiver, however, did not allow for blends up to E15.

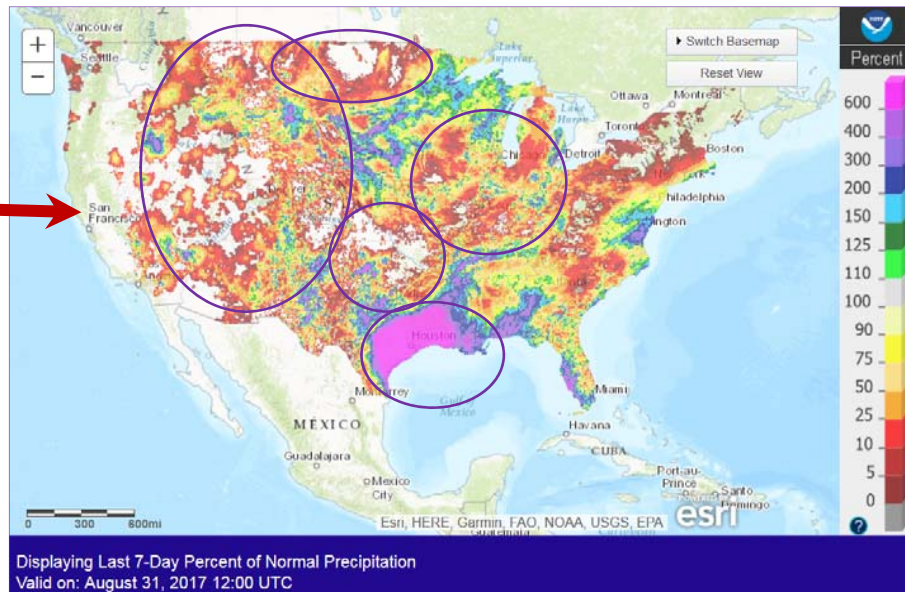
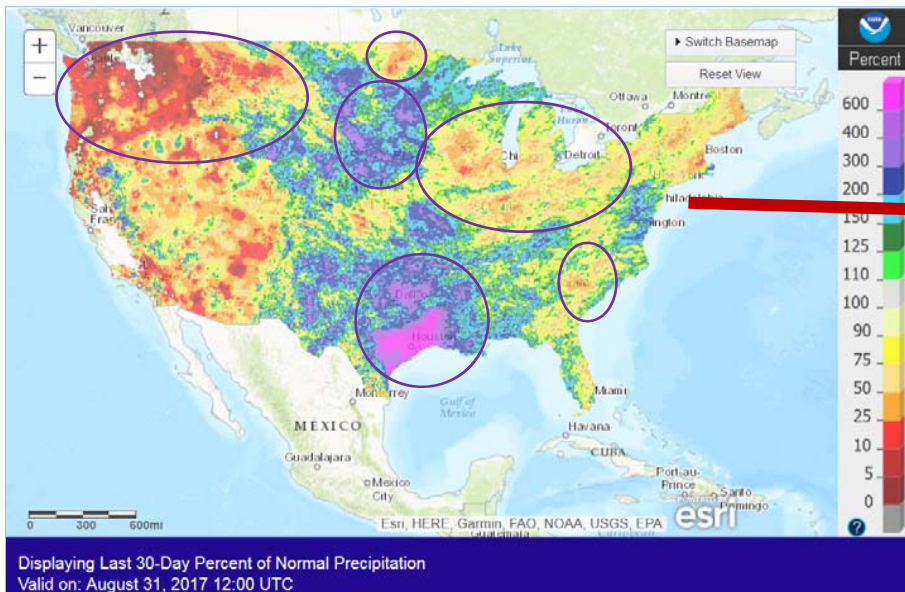
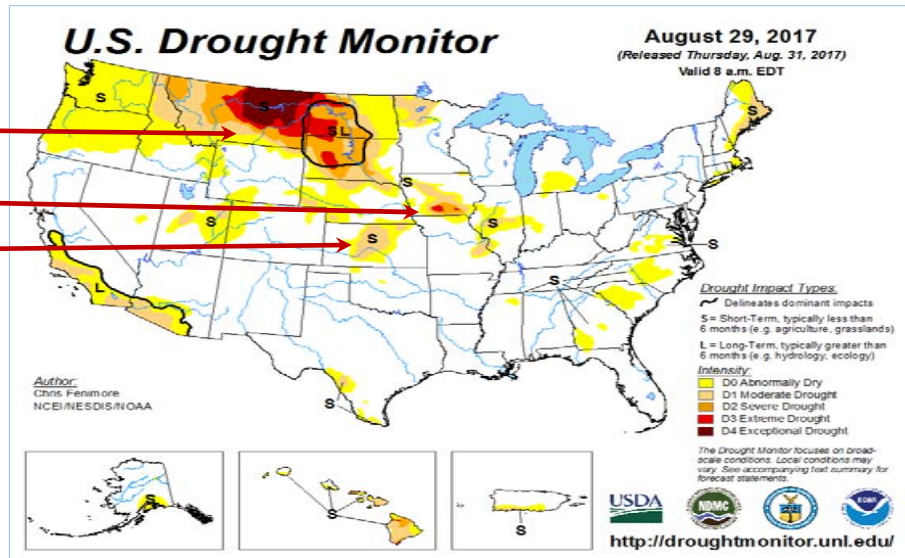
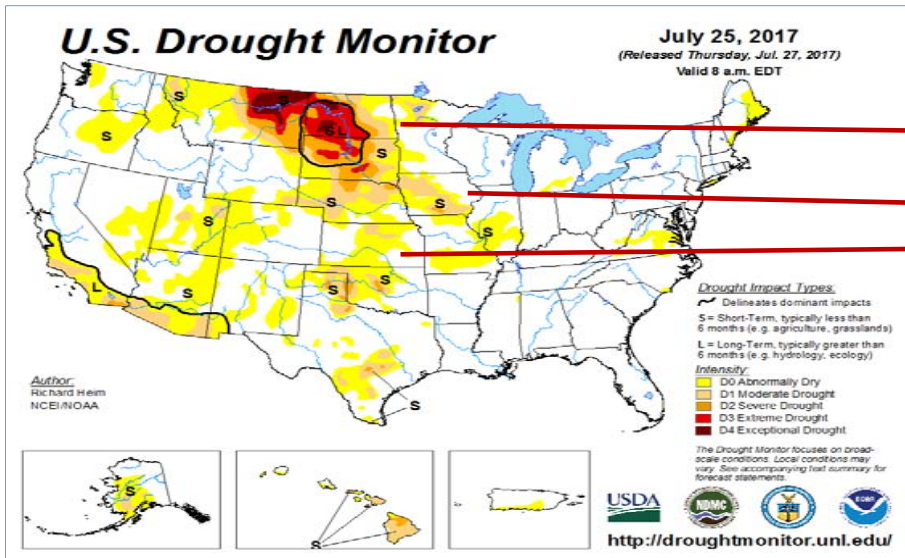
WASHINGTON -In a [letter](#) today to EPA Administrator Scott Pruitt, the Renewable Fuels Association thanked the agency for its Aug. 30 [waiver](#) in 12 states and the District of Columbia of certain fuel regulations due to the fuel supply emergency caused by Hurricane Harvey. The waiver, which relaxes the RVP requirement such that E15 (15% ethanol) may be sold immediately in conventional gasoline areas in the covered states, has “the potential to provide much-needed relief to consumers.” **However, the full potential of the waiver “can only be realized if EPA relaxes certain additional regulatory requirements related to the sale of E15,” RFA explained.**

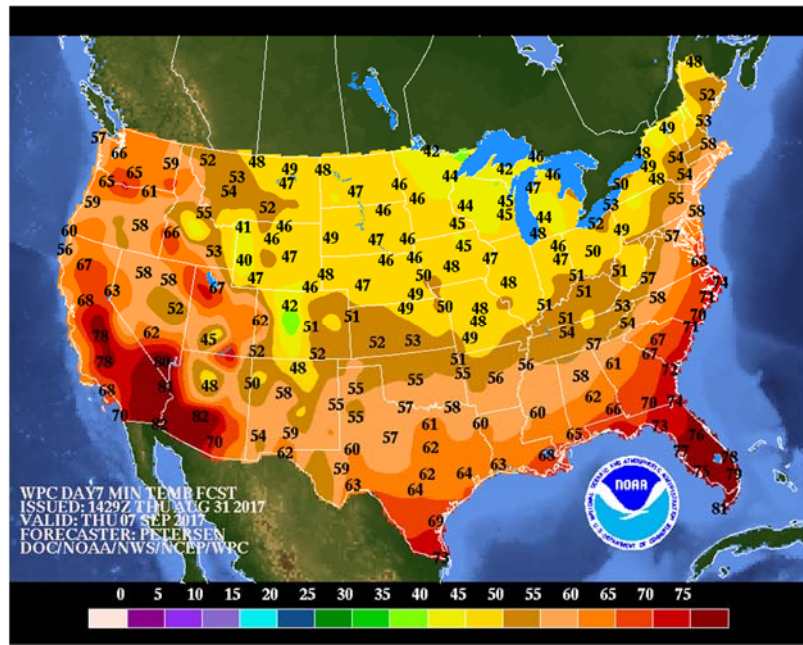
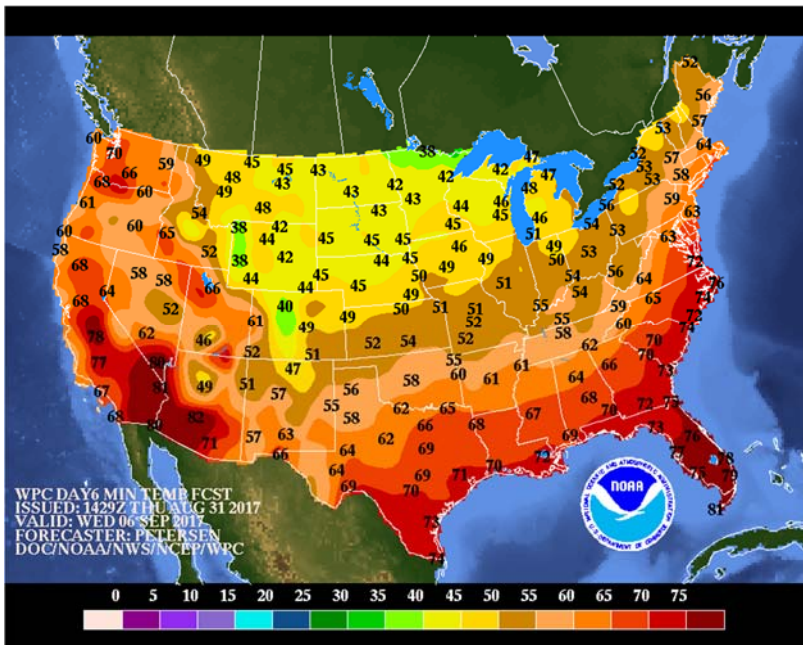
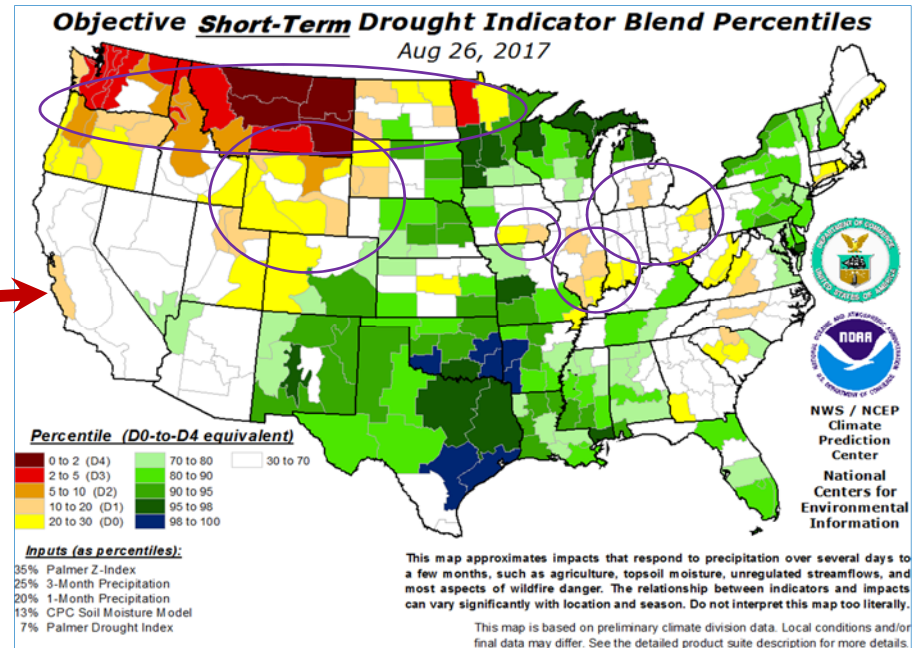
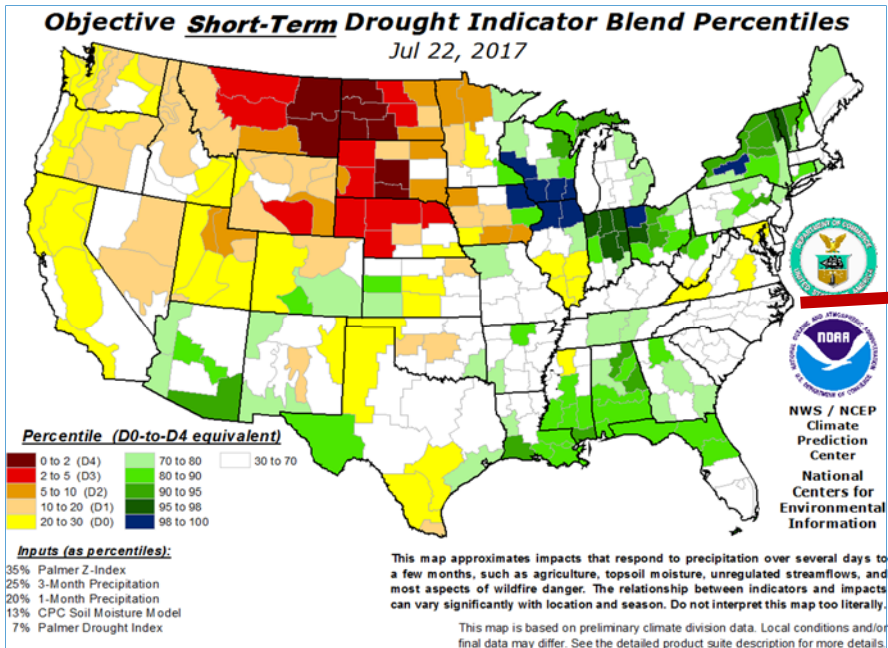
“Retailers’ ability to utilize E15 immediately will require confirmation from EPA that certain regulatory requirements will not become obstacles to the sale of E15 blends during this period. Specifically, RFA requests that EPA clarify that its waiver includes the requirements in 40 C.F.R. Part 80, Subpart N. These requirements include obligations such as EPA pre-approval of Misfueling Mitigation Plans (MMPs) prior to selling the fuel. Compliance with such requirements would make it virtually impossible for E15 blends to help alleviate the current supply shortages.” RFA explained in its letter.

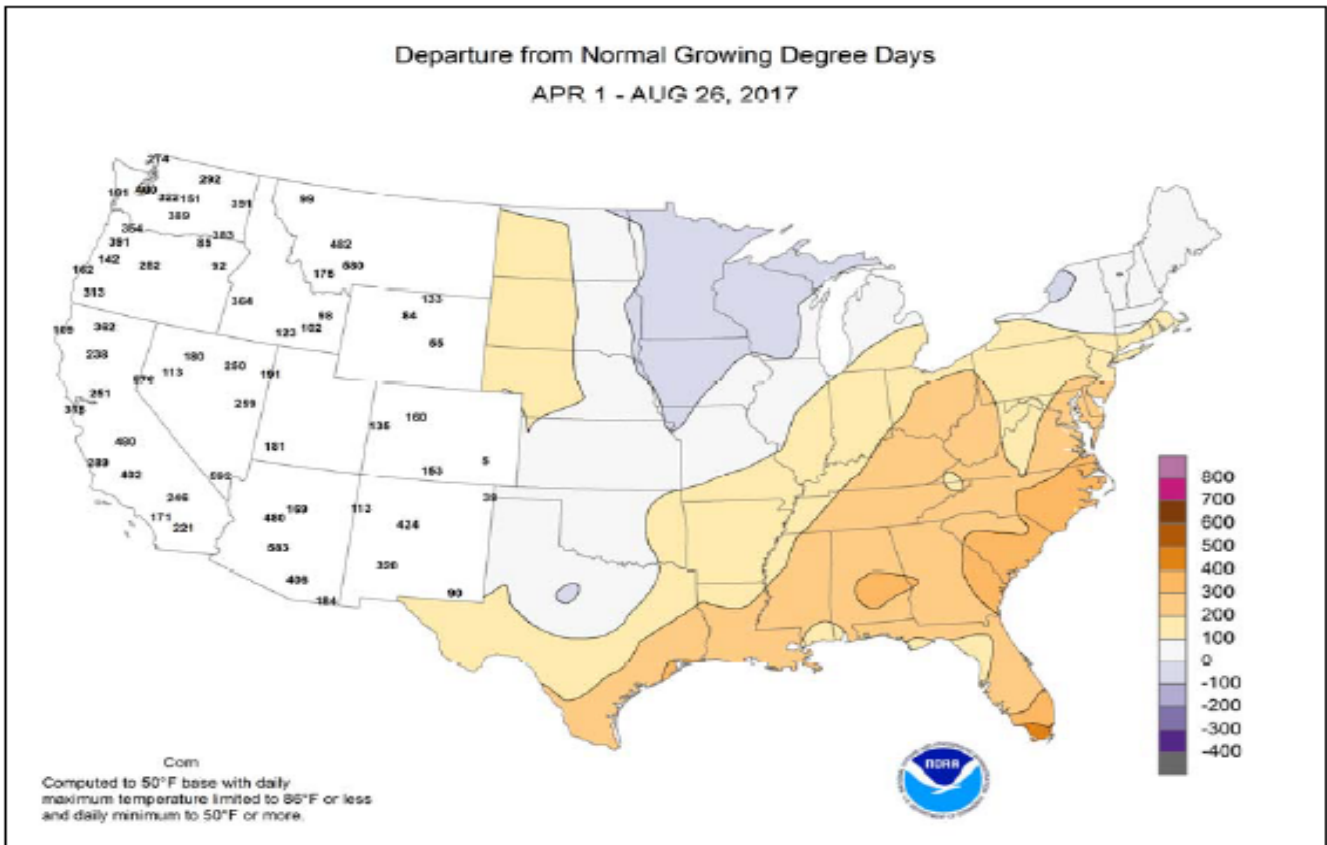
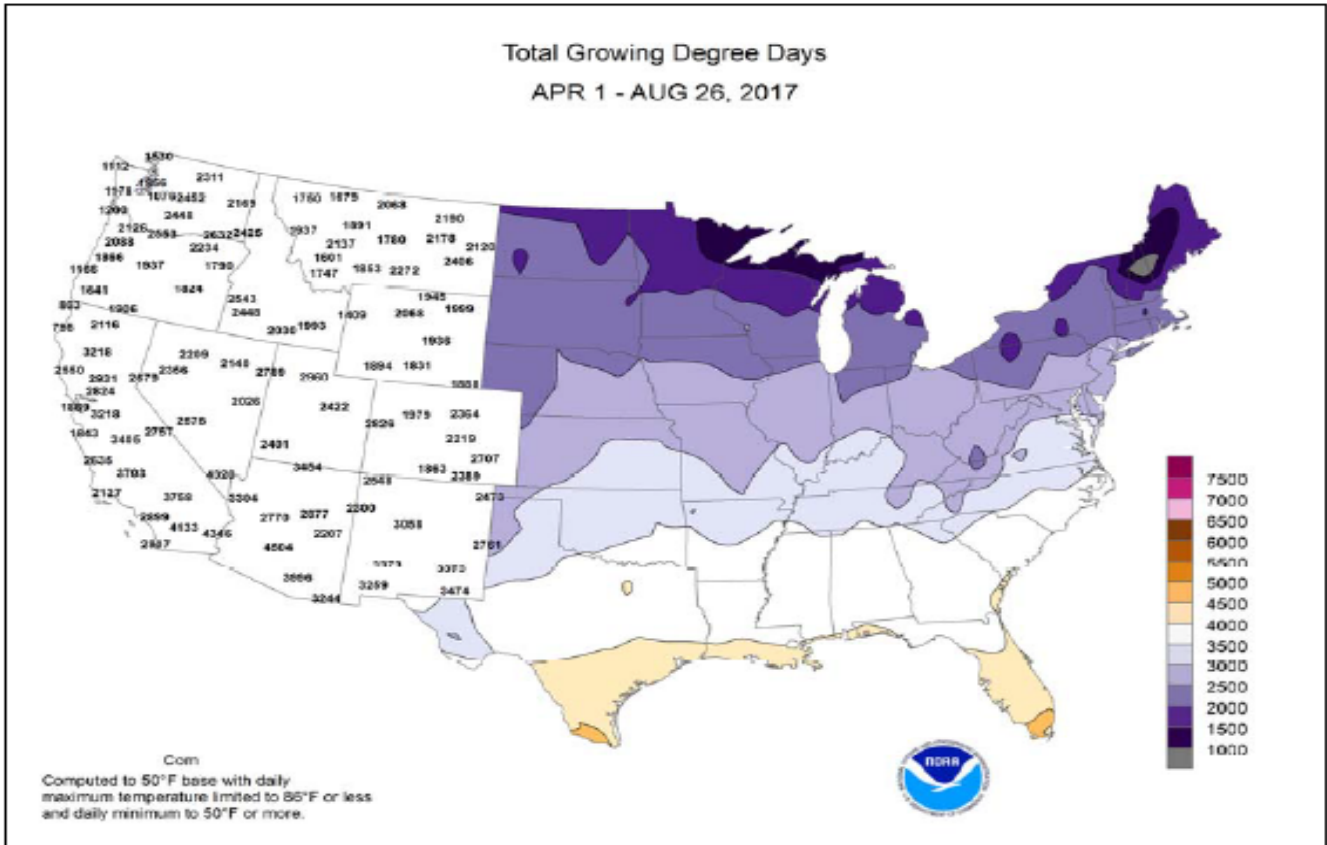
“Alternatively, RFA asks that EPA exercise its discretion to provide assurance to retailers that it will agree to not take enforcement action against retailers that fail to obtain a pre-approved MMP or comply with the other regulatory requirements in Subpart N in the subject states and D.C. through Sept. 15, 2017. As of this morning, ethanol is priced 50 cents per gallon (roughly 25 percent) below gasoline blendstock, and ethanol stocks are ample in both the Gulf Coast and East Coast regions. This exercise of EPA’s enforcement discretion would enable blenders and retailers in the 12 states and Washington D.C. to maximize E15 blending, delivering further relief to tens of millions of American consumers in these areas,” the letter added.

“The impacts of Hurricane Harvey will soon be felt along the Atlantic Coast as refinery closures and pipeline disruptions are beginning to affect the region’s gasoline supply,” said RFA President and CEO Bob Dinneen. **“The U.S. ethanol industry has ample supplies already stored throughout the country and our supply is not dependent upon pipelines. Ethanol is also about \$0.50 per gallon less expensive than gasoline at the terminal today, and the spread is widening every hour. If marketers have the option to begin offering E15 immediately, without having to wait for months while EPA reviews and approves Misfueling Mitigation Plans and other regulatory hurdles to E15’s commercial availability, consumers will be given an important relief valve to gasoline supply disruptions.** This only makes sense,” he added.

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







Crop Progress and Condition

Week Ending August 27, 2017

Weekly U.S. Progress and Condition Data provided by USDA/NASS

Corn Percent Dough				
	Prev Year	Prev Week	Aug 27 2017	5-Yr Avg
CO	77	50	63	78
IL	94	91	94	94
IN	93	80	89	88
IA	93	78	88	85
KS	91	83	89	92
KY	87	76	86	84
MI	76	56	70	76
MN	94	72	85	83
MO	96	90	96	94
NE	94	83	94	92
NC	100	97	99	98
ND	82	50	73	78
OH	85	70	85	85
PA	76	47	56	74
SD	90	65	79	87
TN	99	96	97	98
TX	99	92	95	93
WI	83	51	68	70
18 Sts	91	76	86	87
These 18 States planted 92% of last year's corn acreage.				

Corn Percent Dented				
	Prev Year	Prev Week	Aug 27 2017	5-Yr Avg
CO	41	7	15	35
IL	65	41	54	63
IN	59	40	53	50
IA	62	21	41	50
KS	62	40	58	61
KY	72	57	71	69
MI	30	11	23	27
MN	54	13	33	43
MO	77	64	79	74
NE	58	28	51	56
NC	95	89	92	92
ND	38	6	18	31
OH	41	16	35	41
PA	44	6	19	42
SD	42	13	23	40
TN	89	72	85	84
TX	73	77	82	75
WI	46	5	17	29
18 Sts	57	29	44	51
These 18 States planted 92% of last year's corn acreage.				

Corn Percent Mature				
	Prev Year	Prev Week	Aug 27 2017	5-Yr Avg
CO	0	NA	0	1
IL	6	NA	2	14
IN	7	NA	3	7
IA	3	NA	1	7
KS	14	3	15	20
KY	31	23	39	32
MI	0	NA	0	2
MN	0	NA	0	1
MO	19	2	11	25
NE	4	NA	1	7
NC	79	56	72	75
ND	1	NA	1	2
OH	4	NA	1	3
PA	2	0	0	5
SD	4	0	0	3
TN	39	20	38	32
TX	64	60	63	63
WI	3	NA	0	1
18 Sts	8	NA	6	10
These 18 States planted 92% of last year's corn acreage.				

Corn Condition by Percent					
	VP	P	F	G	EX
CO	0	6	21	62	11
IL	4	10	34	42	10
IN	6	12	30	41	11
IA	3	9	28	50	10
KS	4	12	29	41	14
KY	1	3	16	62	18
MI	3	10	32	41	14
MN	1	2	15	64	18
MO	2	7	29	50	12
NE	4	9	24	47	16
NC	1	6	20	48	25
ND	5	13	32	46	4
OH	2	7	32	44	15
PA	0	1	7	42	50
SD	9	15	30	42	4
TN	1	3	10	49	37
TX	0	3	18	57	22
WI	3	8	20	46	23
18 Sts	3	9	26	48	14
Prev Wk	3	9	26	48	14
Prev Yr	2	5	18	54	21

Rice Percent Harvested				
	Prev Year	Prev Week	Aug 27 2017	5-Yr Avg
AR	11	3	11	11
CA	0	0	0	0
LA	69	69	81	69
MS	9	5	20	13
MO	2	1	1	2
TX	80	70	87	68
6 Sts	21	16	24	20
These 6 States harvested 100% of last year's rice acreage.				

Rice Condition by Percent					
	VP	P	F	G	EX
AR	1	9	20	50	20
CA	0	0	13	77	10
LA	0	10	25	55	10
MS	0	1	24	55	20
MO	1	3	28	47	21
TX	0	1	33	44	22
6 Sts	1	6	21	55	17
Prev Wk	1	6	24	54	15
Prev Yr	5	8	27	47	13

Crop Progress and Condition

Week Ending August 27, 2017

Weekly U.S. Progress and Condition Data provided by USDA/NASS

Soybeans Percent Setting Pods				
	Prev Year	Prev Week	Aug 27 2017	5-Yr Avg
AR	98	96	98	96
IL	93	92	96	93
IN	93	86	93	94
IA	95	88	94	93
KS	80	79	88	78
KY	82	71	79	79
LA	99	100	100	98
MI	91	85	90	95
MN	97	91	95	95
MS	94	96	98	95
MO	82	75	85	77
NE	95	89	97	96
NC	83	64	78	75
ND	97	88	94	97
OH	95	83	93	95
SD	96	89	94	95
TN	90	84	90	88
WI	97	87	91	92
18 Sts	93	87	93	92
These 18 States planted 95% of last year's soybean acreage.				

Soybeans Percent Dropping Leaves				
	Prev Year	Prev Week	Aug 27 2017	5-Yr Avg
AR	13	15	25	15
IL	0	NA	0	0
IN	4	0	5	5
IA	0	NA	0	0
KS	2	0	3	4
KY	2	NA	3	4
LA	36	39	54	39
MI	0	0	3	0
MN	0	NA	0	2
MS	19	31	44	23
MO	0	NA	1	1
NE	7	NA	3	5
NC	4	NA	2	3
ND	12	4	13	12
OH	3	NA	1	5
SD	13	2	5	12
TN	3	NA	3	3
WI	2	NA	0	0
18 Sts	5	NA	6	5
These 18 States planted 95% of last year's soybean acreage.				

Soybean Condition by Percent					
	VP	P	F	G	EX
AR	2	7	20	53	18
IL	4	10	29	50	7
IN	5	11	31	42	11
IA	3	9	28	51	9
KS	2	9	36	46	7
KY	1	4	21	61	13
LA	0	4	26	62	8
MI	2	10	33	44	11
MN	1	5	22	58	14
MS	0	4	20	48	28
MO	2	6	28	52	12
NE	3	7	25	54	11
NC	1	4	21	63	11
ND	4	12	33	47	4
OH	3	10	31	43	13
SD	5	12	34	43	6
TN	2	4	14	50	30
WI	2	6	19	51	22
18 Sts	3	8	28	50	11
Prev Wk	3	9	28	50	10
Prev Yr	2	5	20	55	18

Cotton Percent Setting Bolls				
	Prev Year	Prev Week	Aug 27 2017	5-Yr Avg
AL	98	97	98	98
AZ	98	92	96	99
AR	100	100	100	100
CA	99	74	77	97
GA	98	94	96	97
KS	63	44	54	71
LA	100	99	100	100
MS	93	95	97	96
MO	82	90	98	90
NC	96	90	95	97
OK	80	67	73	88
SC	96	84	95	92
TN	100	97	98	95
TX	95	86	91	91
VA	95	94	96	98
15 Sts	95	88	93	93
These 15 States planted 98% of last year's cotton acreage.				

Cotton Percent Bolls Opening				
	Prev Year	Prev Week	Aug 27 2017	5-Yr Avg
AL	27	6	13	18
AZ	49	46	60	52
AR	22	9	15	23
CA	3	0	4	13
GA	28	11	21	22
KS	6	7	10	10
LA	60	30	43	51
MS	28	17	23	30
MO	3	0	15	11
NC	19	6	11	13
OK	8	3	4	12
SC	11	9	21	12
TN	16	7	9	17
TX	21	14	17	20
VA	9	0	10	13
15 Sts	22	12	18	20
These 15 States planted 98% of last year's cotton acreage.				

Cotton Condition by Percent					
	VP	P	F	G	EX
AL	0	9	23	60	8
AZ	1	4	14	54	27
AR	1	2	11	54	32
CA	0	0	0	10	90
GA	2	8	23	52	15
KS	2	6	37	49	6
LA	0	7	30	58	5
MS	0	5	24	48	23
MO	1	9	31	50	9
NC	1	4	20	55	20
OK	0	1	12	86	1
SC	0	0	4	54	42
TN	1	3	8	53	35
TX	8	6	28	39	19
VA	0	0	21	79	0
15 Sts	5	6	24	46	19
Prev Wk	5	6	26	48	15
Prev Yr	4	12	36	39	9

Crop Progress and Condition

Week Ending August 27, 2017

Weekly U.S. Progress and Condition Data provided by USDA/NASS

Sorghum Percent Headed				
	Prev Year	Prev Week	Aug 27 2017	5-Yr Avg
AR	100	100	100	100
CO	92	79	91	84
IL	85	91	95	90
KS	95	79	88	88
LA	100	100	100	100
MO	92	93	96	92
NE	98	92	98	94
NM	72	49	57	55
OK	89	79	90	86
SD	96	85	96	97
TX	93	91	95	93
11 Sts	94	84	91	90
These 11 States planted 99% of last year's sorghum acreage.				

Sorghum Percent Coloring				
	Prev Year	Prev Week	Aug 27 2017	5-Yr Avg
AR	98	91	96	95
CO	37	16	25	35
IL	72	62	72	63
KS	47	11	26	34
LA	100	100	100	100
MO	55	53	63	53
NE	70	24	38	39
NM	28	24	33	11
OK	50	49	51	51
SD	52	22	28	46
TX	78	79	80	79
11 Sts	61	40	49	54
These 11 States planted 99% of last year's sorghum acreage.				

Sorghum Percent Mature				
	Prev Year	Prev Week	Aug 27 2017	5-Yr Avg
AR	88	67	77	69
CO	1	0	0	3
IL	18	22	23	6
KS	3	0	3	2
LA	96	90	93	94
MO	6	4	13	10
NE	2	0	0	0
NM	2	0	0	0
OK	16	10	15	15
SD	7	3	4	3
TX	73	69	71	72
11 Sts	32	26	29	31
These 11 States planted 99% of last year's sorghum acreage.				

Sorghum Percent Harvested				
	Prev Year	Prev Week	Aug 27 2017	5-Yr Avg
AR	16	15	51	25
CO	0	0	0	0
IL	0	0	0	0
KS	0	0	0	0
LA	79	43	58	74
MO	0	0	0	0
NE	0	0	0	0
NM	0	0	0	0
OK	1	0	0	3
SD	0	0	0	0
TX	47	56	58	56
11 Sts	18	19	21	22
These 11 States harvested 99% of last year's sorghum acreage.				

Sorghum Condition by Percent					
	VP	P	F	G	EX
AR	0	10	36	47	7
CO	6	7	13	65	9
IL	9	14	34	42	1
KS	2	6	32	46	14
LA	0	1	36	59	4
MO	1	5	30	61	3
NE	1	2	29	50	18
NM	4	2	41	39	14
OK	0	4	39	54	3
SD	16	16	60	8	0
TX	1	3	18	62	16
11 Sts	2	5	28	52	13
Prev Wk	2	5	27	56	10
Prev Yr	1	5	29	52	13

Peanut Condition by Percent					
	VP	P	F	G	EX
AL	0	13	19	68	0
FL	1	5	18	55	21
GA	0	5	18	53	24
NC	0	2	16	67	15
OK	0	0	10	82	8
SC	0	0	6	48	46
TX	0	0	28	70	2
VA	0	1	2	95	2
8 Sts	0	5	18	59	18
Prev Wk	0	4	17	59	20
Prev Yr	1	6	27	52	14

Oats Percent Harvested				
	Prev Year	Prev Week	Aug 27 2017	5-Yr Avg
IA	97	98	100	99
MN	92	64	75	90
NE	98	98	99	99
ND	89	72	85	71
OH	100	100	100	99
PA	84	77	85	89
SD	99	89	92	97
TX	100	100	100	100
WI	93	62	74	86
9 Sts	94	78	86	90
These 9 States harvested 66% of last year's oat acreage.				

Spring Wheat Percent Harvested				
	Prev Year	Prev Week	Aug 27 2017	5-Yr Avg
ID	73	49	68	71
MN	86	42	65	75
MT	70	66	85	61
ND	79	52	71	61
SD	91	88	93	85
WA	76	62	77	80
6 Sts	79	58	76	66
These 6 States harvested 99% of last year's spring wheat acreage.				

Barley Percent Harvested				
	Prev Year	Prev Week	Aug 27 2017	5-Yr Avg
ID	82	63	74	74
MN	94	81	91	84
MT	80	72	87	75
ND	88	75	88	71
WA	77	54	63	80
5 Sts	84	70	83	73
These 5 States harvested 85% of last year's barley acreage.				

INTERNATIONAL CROP AND WEATHER HIGHLIGHTS
USDA/WAOB Joint Agricultural Weather Facility

August 29, 2017

EUROPE – Highlight: Drier In The North

- Welcomed drier weather in northern Europe allowed producers to resume delayed winter crop harvesting and winter rapeseed planting, particularly in Germany, Poland, and the United Kingdom. ★
- Hot, dry weather in Spain promoted summer crop harvesting but maintained or worsened drought. ★
- Rain in the Balkans improved moisture for winter crop planting but was too late for summer crops. ★

MIDDLE EAST – Highlight: Summer Crop Harvesting

- Mostly dry weather in Turkey promoted corn, cotton, and sunflower maturation and harvesting. ★

FSU – Highlight: Despite Some Showers, Some Summer Crop Yield Losses Likely

- In Ukraine and western Russia, welcomed rain improved soil moisture for winter wheat planting, though recent hot, dry weather likely reduced yield prospects for filling corn, sunflowers, and soybeans. ★
- In central Russia, sunny skies maintained good to excellent conditions for spring wheat. ★
- In Uzbekistan, dry, albeit cooler-than-normal weather benefited cotton maturation. ★

SOUTH ASIA – Highlight: Widespread Rainfall

- Monsoon rainfall covered most of India, increasing soil moisture for cotton and oilseeds in the west and rice in the east. ★

EAST ASIA – Highlight: Showers In Eastern China

- Showers across eastern China improved moisture conditions for rice and other summer crops in the Yangtze Valley, as Typhoon Hato brought heavy showers to southern provinces. ★
- Pockets of dryness on the North China Plain and western portions of Heilongjiang limited moisture for summer crops in the latter stages of development. ★

SOUTHEAST ASIA – Highlight: More Rainfall For Rice; Tropical Cyclones In The Philippines

- Showers throughout the region maintained adequate to abundant soil moisture and water supplies for rice. ★
- Typhoon Hato passed off the northern shores of the Philippines followed by Tropical Cyclone Pakhar which crossed Luzon. Both storms produced flooding rainfall in western rice areas of Luzon. ★

AUSTRALIA – Highlight: Unfavorable Dryness Persisted In The Northeast

- Continuing dryness likely reduced the yield potential of reproductive wheat in the northeast. ★
- Showers further improved local yield prospects for wheat, barely, and canola in the southeast. ★
- Sunny skies and adequate soil moisture benefited winter grains and oilseeds in the west. ★

SOUTH AMERICA – Highlight: Rainfall Lingered Over Brazil's Southern Wheat Belt

- Rainfall tapered off over southern Brazil, although moisture was excessive for wheat in spots. ★
- Mostly dry weather supported late corn harvests and wheat planting in central Argentina. ★

MEXICO – Highlight: Monsoon Showers Continued In Northwestern Watersheds

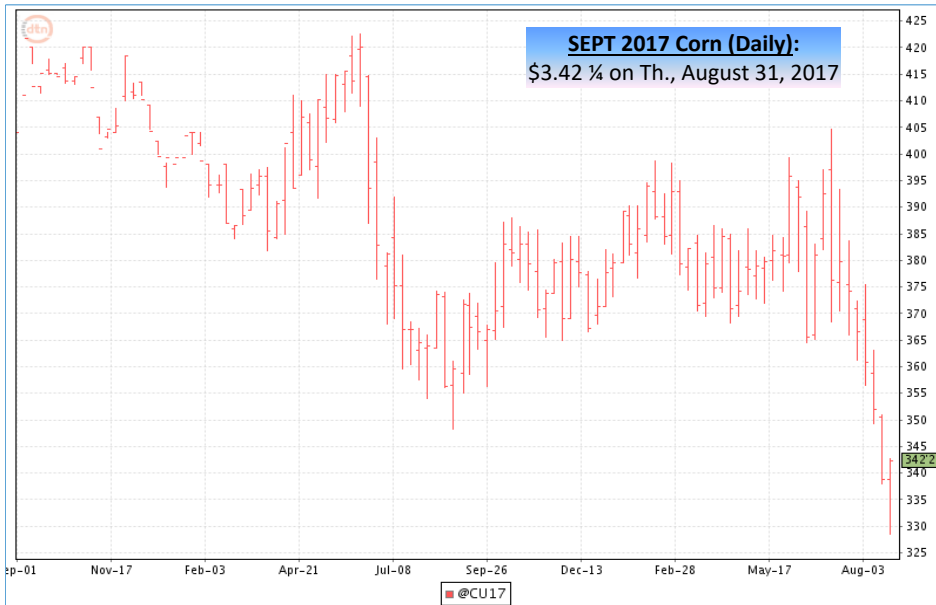
- Seasonal rainfall further improved long-term irrigation reserves in northwestern grain areas. ★

CANADA – Highlight: Warmth And Dryness Sped Development Of Prairie Spring Crops

- Warm, sunny weather hastened Prairie spring grains and oilseeds toward maturation. ★

III. Corn Market Information

Daily SEPT 2017 Corn Futures



Key Corn & Grain Sorghum Supply-Demand Factors:

U.S. Corn Exports: "Bearish" short-term MY 2016/17 U.S. corn export shipments with "neutral" intermediate term sales outlook

- **Weekly Export Shipments** week of 8/24/2017 for MY 2016/17 = 38.7 mb (**Bearish**) vs 71.6 mb/wk needed to meet USDA's August 10th projn of 2.225 bb exports
- **Total shipments through 8/24/2017** for MY 2016/17 = 2.153 bb i.e., 96.8% of 2.225 bb USDA projn with 98.1% of MY complete (51/52 weeks)
- **Total shipments & sales through 8/24/2017** for "current" MY 2016/17 = 2.235 bb i.e., 100.4% of 2.225 bb USDA projn w. 98.1% of MY complete (51/52 weeks)
- **Total sales through 8/24/2017** for "new crop" MY 2017/18 = 0.274 bb i.e., 14.8% of 1.850 bb USDA projn w. 0.0% of MY complete (0/52 weeks) (35.6 mb/wk)

U.S. Grain Sorghum Exports: "Bearish" short-term MY 2016/17 grain sorghum export shipments & "negative" intermediate term sales

- **Weekly Export Shipments** wk of 8/24/2017 for MY 2016/17 = 6.1 mb (**Bearish**) vs 34.9 mb/wk needed to meet USDA's August 10th projn of 225 mb exports
- **Total shipments through 8/24/2017** for MY 2016/17 = 190.1 mb i.e., 84.5% of 225 mb USDA projn with 98.1% of MY complete (51/52 weeks)
- **Total shipments & sales through 8/24/2017** for "current" MY 2016/17 = 203.6 mb i.e., 90.5% of 225 mb USDA projn w. 98.1% of MY complete (51/52 weeks)
- **Total new sales through 8/24/2017** for "next crop" MY 2017/18 = 18.3 mb i.e., 8.7% of 210 mb USDA projn w. 0.0% of MY complete (0/52 weeks) (4.0 mb/wk)

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	14.5% S/U	8.7% S/U	\$5.18 /bu	12.425 bln bu
2011/12	14.8% S/U	7.9% S/U	\$6.22 /bu	12.314 bln bu
2012/13	15.3% S/U	7.4% S/U	\$6.89 /bu	10.755 bln bu
2013/14	18.6% S/U	9.2% S/U	\$4.46 /bu	13.829 bln bu
2014/15 ^{USDA}	21.4% S/U	12.6% S/U	\$3.70 /bu	14.216 bln bu
2015/16 ^{USDA}	22.1% S/U	12.7% S/U	\$3.61 /bu	13.602 bln bu
2016/17 ^{USDA}	21.7% S/U	16.3% S/U	\$3.35 /bu	15.148 bln bu
2017/18 ^{USDA}	18.9% S/U	15.9% S/U	\$3.30 /bu	14.153 bln bu

U.S. Grain Sorghum Supply-Demand Fundamentals

2014/15 ^{USDA}	67.6 bu/ac ^{US}	4.0% S/U	\$4.03 /bu	433 mln bu
2015/16 ^{USDA}	76.0 bu/ac ^{US}	6.4% S/U	\$3.31 /bu	597 mln bu
2016/17 ^{USDA}	77.9 bu/ac ^{US}	11.4% S/U	\$2.65 /bu	480 mln bu
2017/18 ^{USDA}	69.6 bu/ac ^{US}	14.1% S/U	\$2.90 /bu	369 mln bu

Table 1. U.S. Corn Supply-Demand Balance Sheet: MY 2008/09 – “Next Crop” MY 2017/18 as of the June 30, 2017 USDA Acreage and Grain Stocks reports, and the August 10, 2017 USDA WASDE report

Item	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	USDA 2017/18
<i>% Probability of Occurring (KSU)</i>										45% ^{KSUest}
Planted Area (million acres)	85.982	86.382	88.192	91.936	97.291	95.365	90.597	88.019	94.004	90.886
Harvested Area (million acres)	78.570	79.490	81.446	83.879	87.365	87.451	83.136	80.753	86.748	83.496
% Harvested/Planted Area	91.4%	92.0%	92.4%	91.2%	89.8%	91.7%	91.8%	91.7%	92.3%	91.87%
Yield / harvested acre (bu/ac)	153.3	164.4	152.6	146.8	123.1	158.1	171.0	168.4	174.6	169.5
	Million Bushels									
Beginning Stocks (million bushels)	1,624	1,673	1,708	1,128	989	821	1,232	1,731	1,737	2,370
Production (million bu.)	12,043	13,067	12,425	12,314	10,755	13,829	14,216	13,602	15,148	14,153
Imports (million bu.)	14	8	28	29	160	36	32	68	55	50
Total Supply (million bu.)	13,681	14,749	14,161	13,471	11,904	14,686	15,479	15,401	16,940	16,573
Ethanol for fuel Use (million bu.)	3,709	4,591	5,019	5,000	4,641	5,124	5,200	5,224	5,450	5,500
Food & Industrial Use (million bu.)	1,294	1,348	1,384	1,400	1,372	1,379	1,372	1,395	1,441	1,470
Seed Use (million bu.)	27.2	27.8	29.6	31.0	31.0	29.7	29.3	30.6	29.4	30
Exports (million bu.)	1,849	1,979	1,831	1,539	730	1,921	1,867	1,901	2,225	1,850
Feed & Residual Use (million bu.)	5,128	5,096	4,770	4,512	4,309	5,001	5,280	5,113	5,425	5,450
Total Use (million bu.)	12,008	13,041	13,033	12,482	11,083	13,454	13,748	13,664	14,570	14,300
Ending Stocks (million bu.)	1,673	1,708	1,128	989	821	1,232	1,731	1,737	2,370	2,273
% Ending Stocks-to-Use	13.94%	13.10%	8.65%	7.92%	7.41%	9.16%	12.59%	12.71%	16.27%	15.90%
U.S. Corn Average Farm Price (\$/bushel)	\$4.06	\$3.55	\$5.18	\$6.22	\$6.89	\$4.46	\$3.70	\$3.61	\$3.30- \$3.40 (\$3.35)	\$2.90- \$3.70 (\$3.30)

Table 1a. U.S. Corn Supply-Demand Balance Sheet: “Next Crop” MY 2017/18 as of the June 30, 2017

USDA Acreage and Grain Stocks reports, the August 10, 2017 USDA WASDE report, with alterative probability-based KSU estimates of lower yields and production

Item	USDA 2017/18	KSU USDA Acres, Trend U.S. Yield (167.3 bu/ac) 2017/18	KSU KSU Acres Lower U.S. Yield (Early Freeze Risk) (164.0 bu/ac) 2017/18	KSU “Surprise” Serious Short Crop U.S. Yield (160 bu/ac) 2017/18	KSU “Wildcard” Scenario Military Conflict, Natural Disaster ???? 2017/18
<i>% Probability of Occurring (KSU)</i>	45% ^{KSUest}	35% ^{KSUest}	10% ^{KSUest}	5% ^{KSUest}	5% ^{KSUest}
Planted Area (million acres)	90.886	89.886	89.886	89.886	89.886
Harvested Area (million acres)	83.496	82.577	82.577	82.577	82.577
% Harvested/Planted Area	91.87%	91.87%	91.87%	91.87%	91.87%
Yield / harvested acre (bu/ac)	169.5	**167.3	**164.0	**160.0	**167.3
	Million Bushels				
Beginning Stocks (million bushels)	2,370	2,370	2,370	2,370	2,370
Production (million bu.)	14,153	13,815	13,543	13,212	13,815
Imports (million bu.)	50	50	50	50	50
Total Supply (million bu.)	16,573	16,235	15,963	15,632	16,235
Ethanol for fuel Use (million bu.)	5,500	5,475	5,450	5,350	*??* 5,800
Food & Industrial Use (million bu.)	1,470	1,450	1,425	1,400	*??* 1,500
Seed Use (million bu.)	30	30	30	30	*??* 35
Exports (million bu.)	1,850	1,850	1,825	1,800	*??* 1,500
Feed & Residual Use (million bu.)	5,450	5,440	5,390	5,340	*??* 5,250
Total Use (million bu.)	14,300	14,245	14,120	13,920	14,085
Ending Stocks (million bu.)	2,273	1,990	1,843	1,712	2,150
% Ending Stocks-to-Use	15.90%	13.97%	13.05%	12.30%	15.26%
U.S. Corn Average Farm Price (\$/bushel)	\$2.90-\$3.70 (\$3.30)	\$3.60	\$3.75	\$3.85	*??* \$3.45

Figure 4. U.S. Corn Planted Acreage for 2000-2017 as of the June 30, 2017 USDA NASS Acreage & August 10, 2017 WASDE reports, with an alternative KSU Estimate for 2017

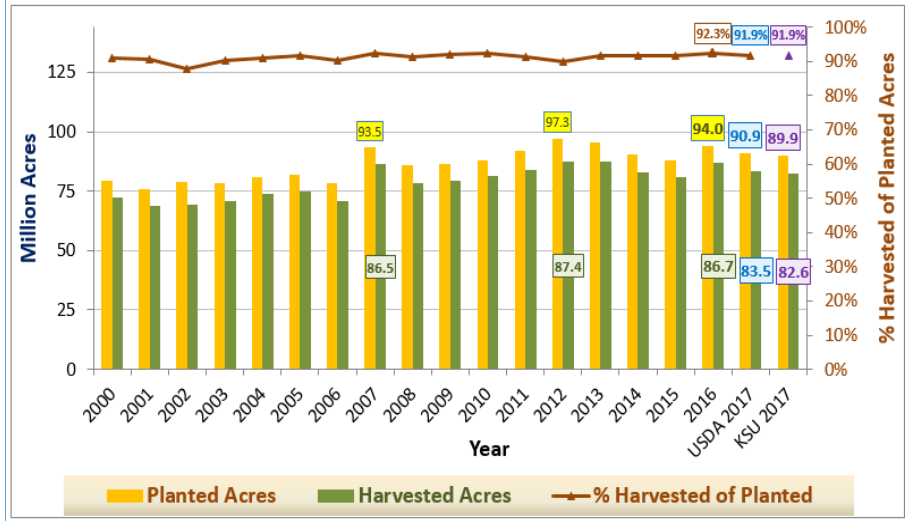


Figure 5. United States' Corn Yield Trend for 1990-2017 ^{Estimate} as of the June 30, 2017 USDA Acreage and August 10, 2017 USDA WASDE reports

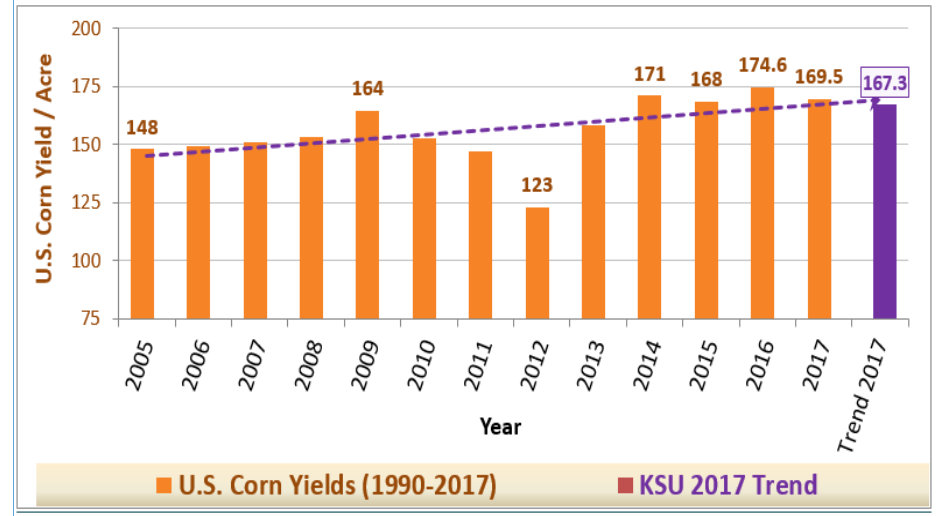


Figure 6. United States' Corn Production & Total Supplies: MY 2004/05 through Projected MY 2017/18 as of the June 30, 2017 USDA Acreage and August 10, 2017 USDA WASDE reports

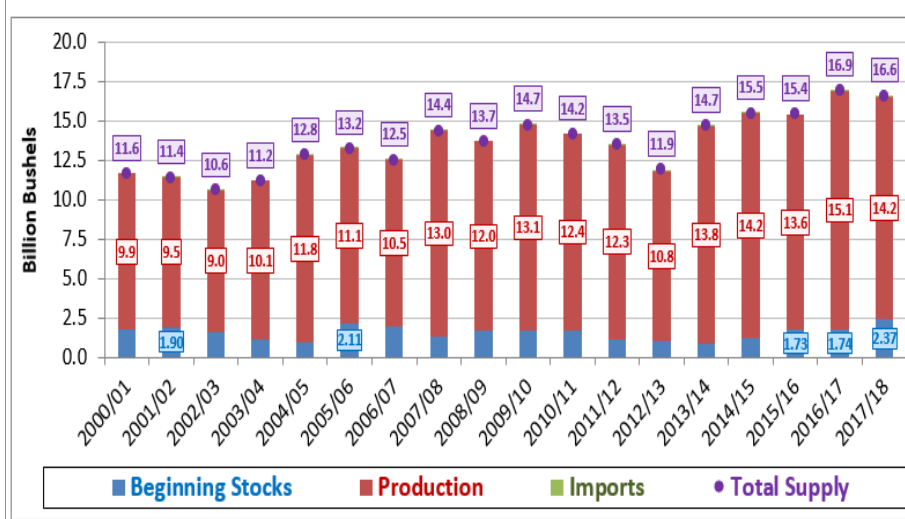


Figure 7. U.S. Corn Use & Ending Stocks: MY 2004/05 through "Next Crop" MY 2017/18 as of the June 30, 2017 USDA Acreage and Grain Stocks reports, and the August 10, 2017 USDA WASDE report

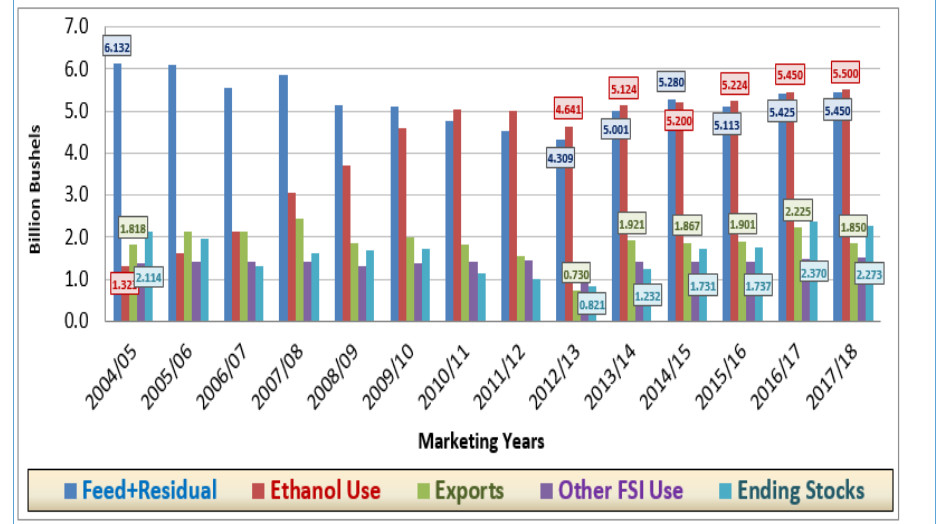


Figure 8a. Weekly U.S. Oxygenate Plant Production of Fuel Ethanol & Estimated Corn Use based on U.S. Department of Energy – Energy Information Agency data on U.S. Ethanol Industry Trends

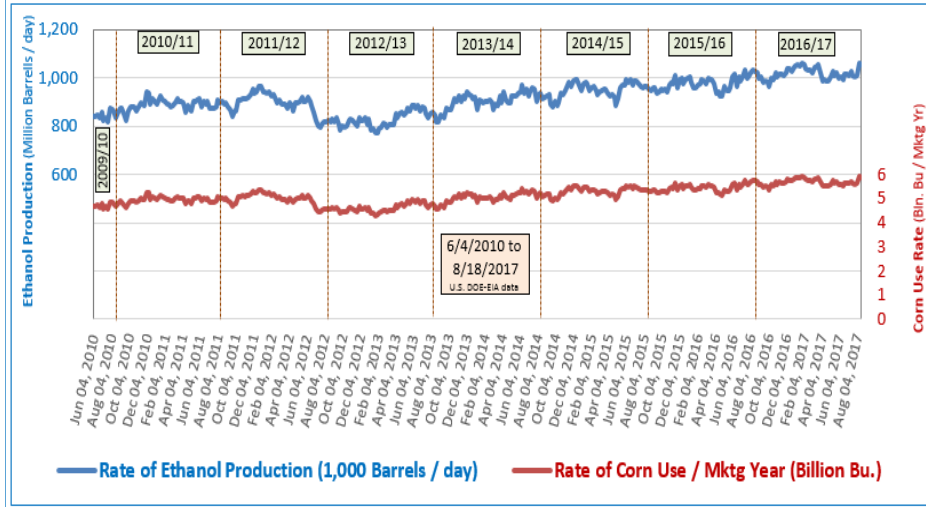


Figure 8b. Weekly U.S. Ethanol Production, Use, Imports, Exports & Stocks based on U.S. Department of Energy – Energy Information Agency data on U.S. Ethanol Industry Trends

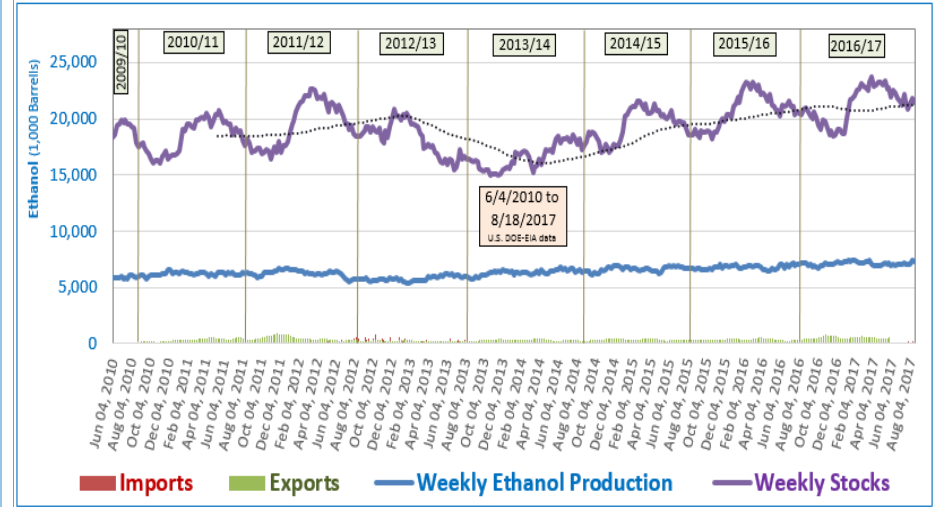


Figure 11. U.S. Corn Percent Ending Stocks vs U.S. Average Cash Corn Prices: MY 2000/01 – projected “Next Crop” MY 2017/18, as of the June 30, 2017 USDA Acreage and Grain Stocks reports, and the August 10, 2017 USDA WASDE reports, with added KSU Projections

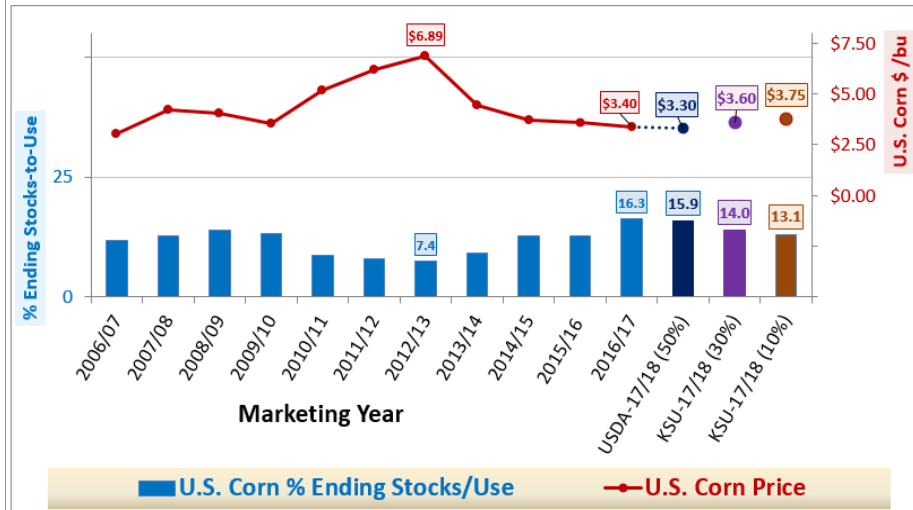
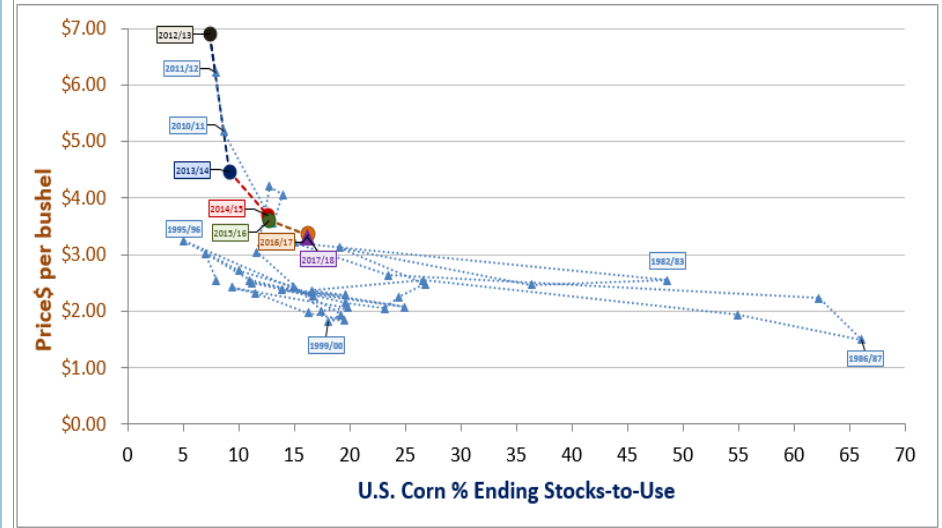
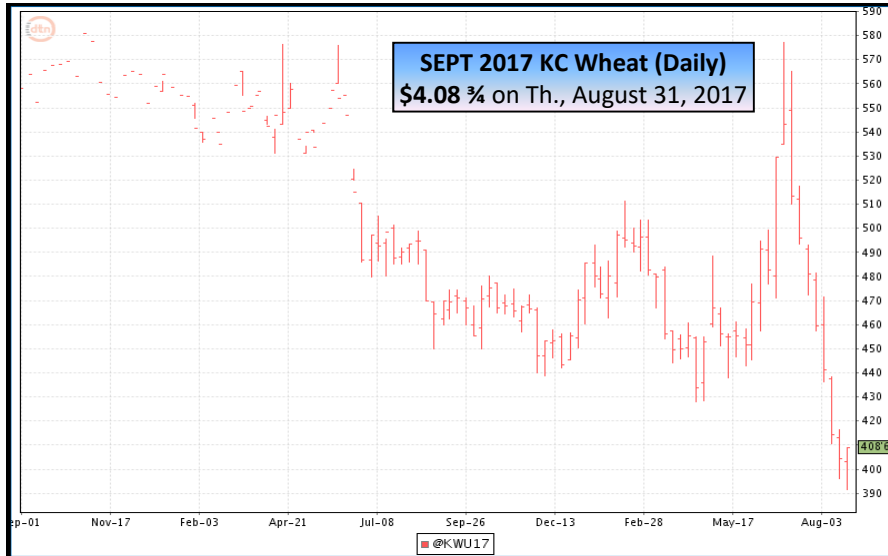


Figure 12. U.S. Corn Price vs U.S. % Stocks-to-Use: MY 1973/74 through “Next Crop” MY 2017/18; as of the June 30, 2017 USDA Acreage and Grain Stocks reports, and the August 10, 2017 USDA WASDE report



IV. Wheat Market Outlook

Daily SEPT 2017 HRW Futures



Wheat Export Situation:

U.S. All Wheat Exports: “Bullish” Short Term Export Shipments with “Positive” **long run** export prospects in “new crop” MY 2017/18 total sales

- **Weekly Export Shipments wk of 8/24/2017 for “new crop” MY 2017/18 = 26.35 mb** (Bullish) vs 18.3 mb /wk needed to meet USDA’s August 10th projn of 975 mb exports
- **Total shipments through 8/24/2017 for “new crop” MY 2017/18 = 262.5 mb** i.e., 26.9% of 975 mb USDA projn with 25.0% of MY complete (13/52 weeks)
- **Total shipments + new sales through 8/24/2017 for “new crop” MY 2017/18 = 424.3 mb** i.e., 43.5% of 975 mb USDA projn with 25.0% of MY complete (13/52 weeks)

U.S. Hard Red Winter (HRW) Wheat Exports: “Bullish” Short Term Shipments with “Positive” **long run** export prospects in “new crop” MY 2017/18 total sales

- **Weekly Export Shipments wk of 8/24/2017 for “new crop” MY 2017/18 = 11.8 mb** (Bullish) vs 7.8 mb /wk needed to meet USDA’s August 10th projn of 410 mb HRW wheat exports
- **Total shipments through 8/24/2017 for “new crop” MY 2017/18 = 106.8 mb** i.e., 26.0% of 410 mb USDA HRW wheat exports with 25.0% of MY complete (13/52 weeks)
- **Total shipments + new sales through 8/24/2017 for “new crop” MY 2017/18 = 164.9 mb** i.e., 40.2% of 410 mb USDA HRW wheat with 25.0% of MY complete (13/52 weeks)

Monthly Kansas HRW Wheat eFutures



“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	20.8% S/U	611.9 mmt	13.2% S/U	\$6.48 /bu	1,263 mln bu
2008/09	26.5% S/U	684.0 mmt	28.7% S/U	\$6.78 /bu	1,015 mln bu
2009/10	31.2% S/U	687.2 mmt	48.6% S/U	\$4.87 /bu	879 mln bu
2010/11	30.4% S/U	649.5 mmt	36.4% S/U	\$5.70 /bu	1,291 mln bu
2011/12	28.6% S/U	697.3 mmt	33.4% S/U	\$7.24 /bu	1,051 mln bu
2012/13	25.7% S/U	658.6 mmt	29.9% S/U	\$7.77 /bu	1,012 mln bu
2013/14	28.1% S/U	715.1 mmt	24.2% S/U	\$6.87 /bu	1,176 mln bu
2014/15	30.9% S/U	728.0 mmt	37.3% S/U	\$5.99 /bu	864 mln bu
2015/16 ^{USDA}	34.1% S/U	737.0 mmt	50.0% S/U	\$4.89 /bu	778 mln bu
2016/17^{USDA}	35.4% S/U	755.0 mmt	53.4% S/U	\$3.89 /bu	1,055 mln bu
2017/18^{USDA}	35.9% S/U	743.2 mmt	43.6% S/U	\$4.80 /bu	975 mln bu

Table 1. U.S. Wheat Supply-Demand Balance Sheet: MY 2008/09 – “New Crop” MY 2017/18 as of the June 30, 2017 USDA Acreage and Grain Stocks and August 10, 2017 WASDE reports

Item	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	USDA 2017/18
<i>% Probability of Occurring^{KSU}</i>										55%^{KSU}
Planted Area (million acres)	63.617	59.017	52.620	54.277	55.294	56.236	56.841	54.999	50.154	46.657
Harvested Area (million acres)	56.036	49.841	46.883	45.687	48.758	45.332	46.385	47.318	43.890	38.115
% Harvested/Planted Area	88.08%	84.45%	89.10%	84.17%	88.18%	80.61%	81.60%	86.03%	87.51%	83.72%
Yield / harvested acre (bu/ac)	44.8	44.3	46.1	43.6	46.2	47.1	43.7	43.6	52.6	45.6
	Million Bushels									
Beginning Stocks	306	657	976	863	743	718	590	752	976	1,184
Production	2,512	2,209	2,163	1,993	2,252	2,135	2,026	2,062	2,310	1,739
Imports	127	119	97	113	124	172	151	113	118	150
Total Supply	2,945	2,984	3,236	2,969	3,119	3,025	2,768	2,927	3,403	3,074
Food Use	927	919	926	941	951	955	958	957	949	950
Seed Use	78	68	71	76	73	76	79	67	61	66
Exports	1,015	879	1,291	1,051	1,012	1,176	864	778	1,055	975
Feed & Residual Use	268	142	85	159	365	228	113	149	154	150
Total Use	2,288	2,008	2,373	2,227	2,401	2,435	2,015	1,951	2,219	2,141
Ending Stocks	657	976	863	743	718	590	752	976	1,184	933
% Ending Stocks-to-Use	28.69%	48.58%	36.37%	33.35%	29.90%	24.24%	37.33%	50.26%	53.36%	43.58%
U.S. Wheat Avg. Farm Price (\$/bushel)	\$6.78	\$4.87	\$5.70	\$7.24	\$7.77	\$6.87	\$5.99	\$4.89	\$3.89	\$4.40- \$5.20 (\$4.80)

Table 1a. U.S. Wheat Supply-Demand Balance Sheet: “New Crop” MY 2017/18 as of the June 30, 2017
 USDA Acreage and Grain Stocks and August 10, 2017 WASDE reports, with alternative probability-based Kansas State University estimates of harvested acres, yields, production, and export use.

Item	USDA 2017/18	KSU Lower U.S. Production (Smaller U.S. HRS Wheat Crop) 2017/18	KSU Lower U.S. Exports 2017/18	KSU Higher U.S. Exports 2017/18	KSU “Wildcard” Scenario Military Conflict, Natural Disaster ???? 2017/18
<i>% Probability of Occurring (KSU)</i>	<i>55%^{KSU}</i>	<i>25%^{KSUest}</i>	<i>10%^{KSUest}</i>	<i>5%^{KSUest}</i>	<i>5%^{KSUest}</i>
Planted Area (million acres)	46.657	46.657	46.657	46.657	46.657
Harvested Area (million acres)	38.115	37.500	38.115	38.115	38.115
% Harvested/Planted Area	83.72%	80.37%	83.72%	83.72%	83.72%
Yield / harvested acre (<u>bu</u> /ac)	45.6	44.0	45.6	45.6	45.6
Million Bushels					
Beginning Stocks (million bushels)	1,184	1,184	1,184	1,184	1,184
Production (million bu.)	1,739	1,650	1,739	1,739	1,739
Imports (million bu.)	150	150	150	150	150
Total Supply (million bu.)	3,074	2,984	3,074	3,074	3,074
Food Use	950	950	950	950	950
Seed Use	66	66	66	66	66
Exports	975	975	800	1,200	*??* 600
Feed & Residual Use	150	150	150	150	150
Total Use	2,141	2,141	1,966	2,366	1,766
Ending Stocks (million bu.)	933	843	1,108	708	*??* 708
% Ending Stocks-to-Use	43.58%	39.37%	56.36%	29.92%	*??* 40.09%
U.S. Wheat Avg. Farm Price (\$/bushel)	\$4.40-\$5.20 (\$4.80)	\$5.20 /<u>bu</u>	\$3.75 /<u>bu</u>	\$6.00 /<u>bu</u>	\$5.15 /<u>bu</u> *??*

Figure 5. U.S. All Wheat Planted & Harvested Acreage (2000-2018) as of the June 30, 2017 USDA Acreage and August 10, 2017 USDA Crop Production reports

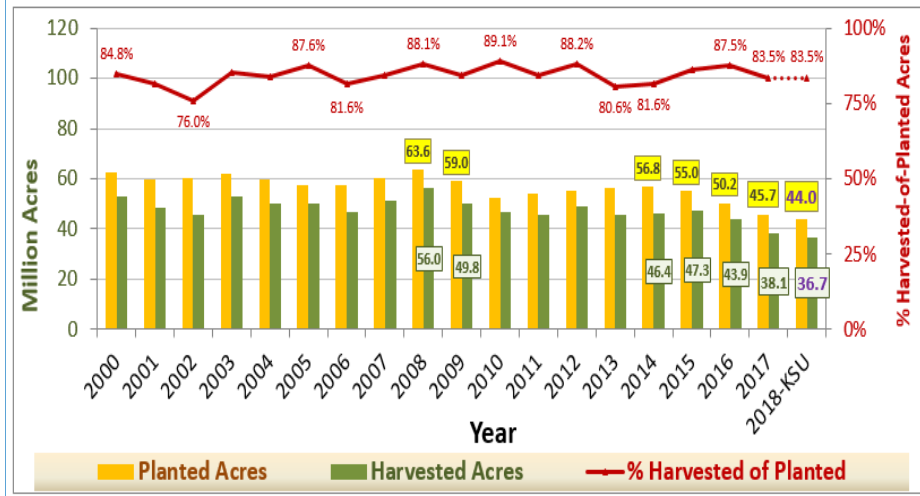


Figure 6. U.S. All Wheat Yield (2000-2018) and KSU 2018 Yield Projections as of the August 10, 2017 USDA Crop Production and WASDE reports plus long term KSU Long Term Yield Trend

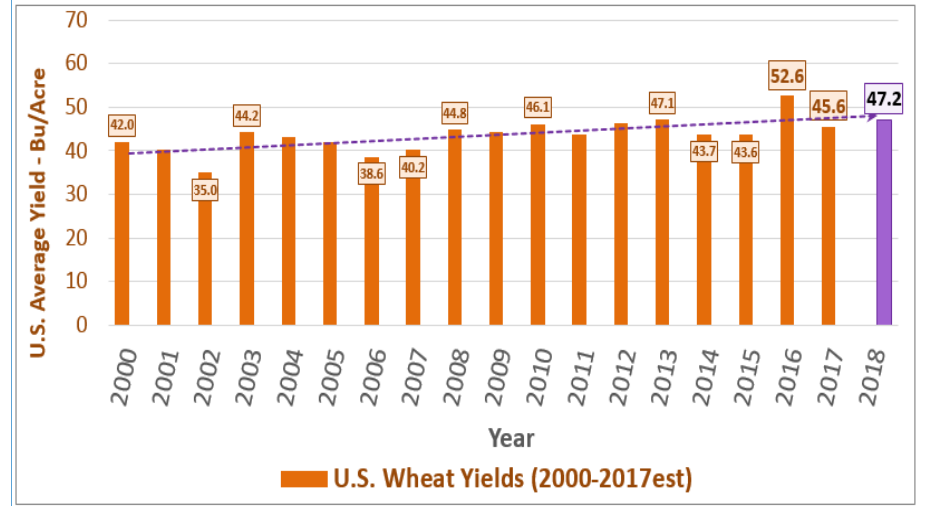


Figure 7a. U.S. Wheat Total Supplies for MY 2004/05 – “New Crop” 2017/18 as of the August 10, 2017 USDA WASDE Report

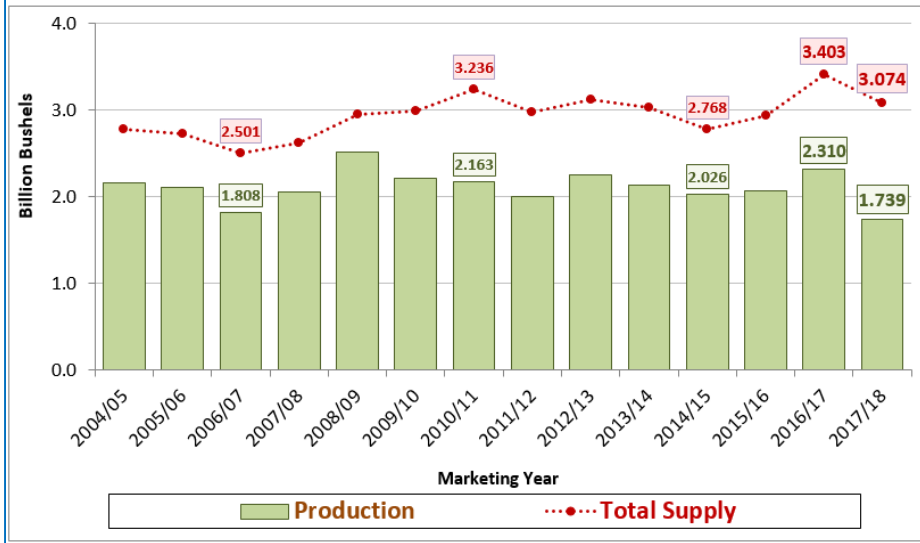


Figure 10. U.S. Wheat Ending Stocks vs U.S. Cash Prices: MY 2006/07 thru “New Crop” MY 2017/18 as of the August 10, 2017 WASDE report plus an alternative KSU Scenario for “New Crop” MY 2017/18

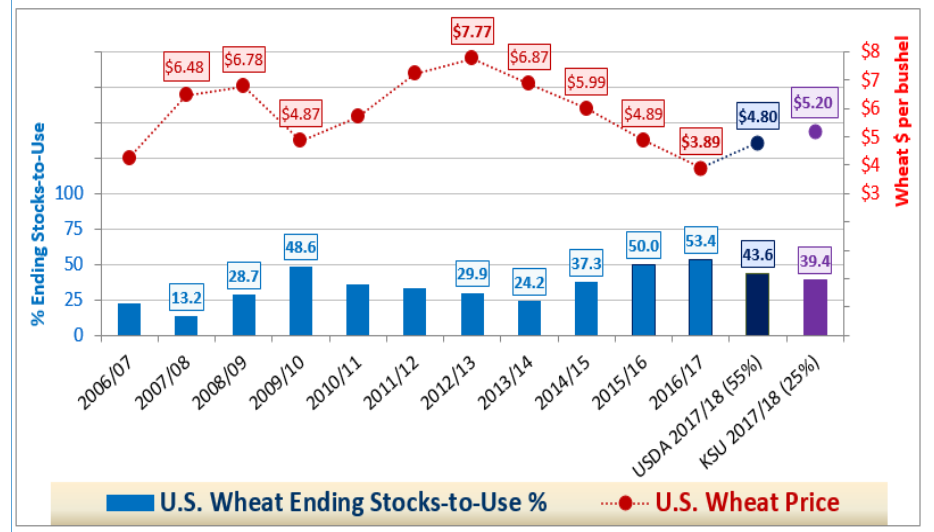


Figure 11. U.S. Wheat Price vs U.S. % Stocks-to-Use: MY 1973/74 through "New Crop" MY 2017/18 as of the August 10, 2017 WASDE report

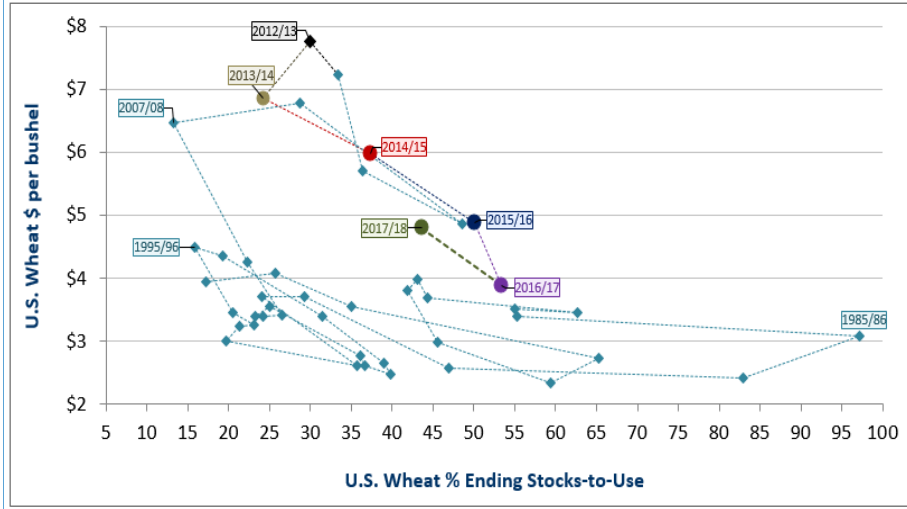


Figure 12. World Wheat Usage & Ending Stocks: MY 2007/08 through "New Crop" MY 2017/18 as of the August 10, 2017 WASDE report

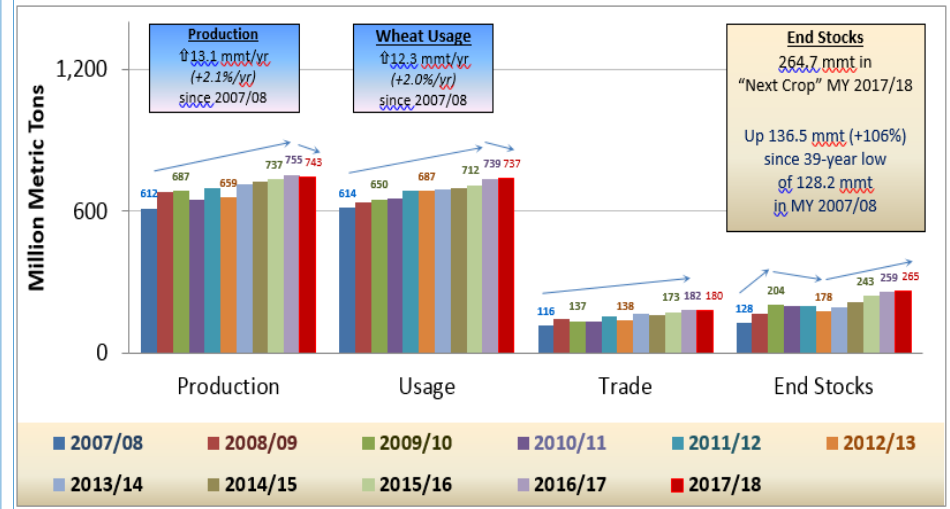


Figure 13a. U.S. Wheat Price vs % World Stocks-to-Use: MY 1973/74 thru "New Crop" MY 2017/18, as of the August 10, 2017 WASDE report

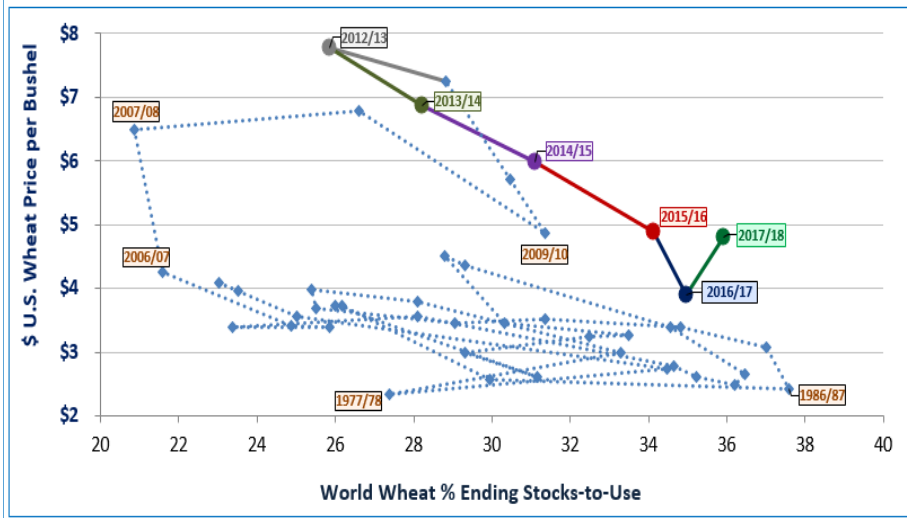
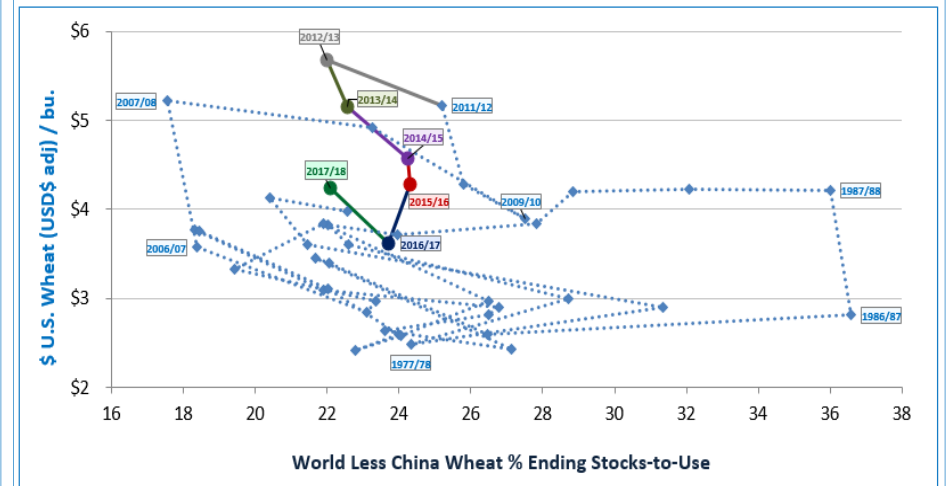
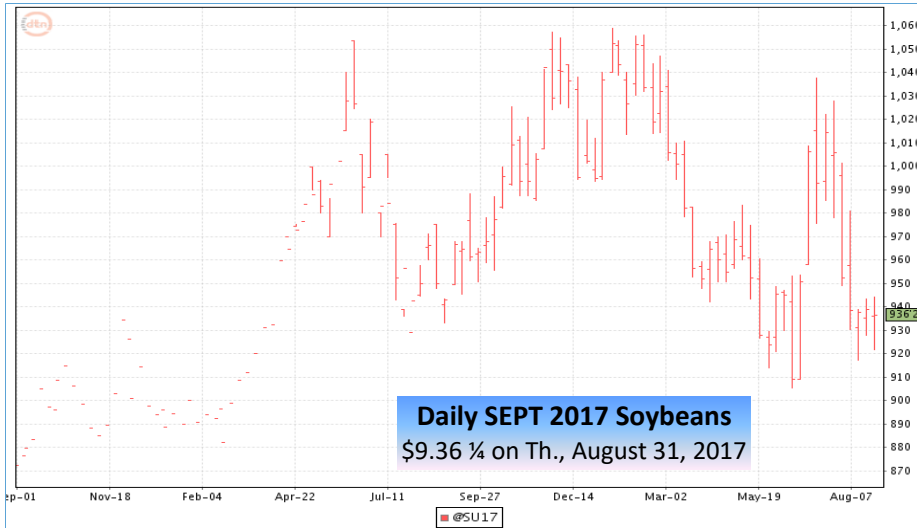


Figure 14b. U.S. Wheat Price (Adjusted by Trade Weighted U.S. Dollar) vs % "World Less China" Wheat Stocks-to-Use: MY 1973/74 through "New Crop" MY 2017/18, as of the August 10, 2017 WASDE report



V. Soybean Market Outlook

Daily AUGUST 2017 Soybean Futures



Monthly Soybean eFutures



Key Soybean Supply-Demand Issues:

- ❖ **U.S. Soybean Exports: “Negative” short run export shipments in “current” MY 2016/17 and “neutral” total sales**
 - Export Shipments for week of 8/24/2017 for “current” MY 2016/17 = 25.2 mb (Negative) vs 40.9 mb/wk needed to meet USDA’s August 10th projn of 2.150 bb exports
 - Total shipments through 8/24/2017 for “current” MY 2016/17 = 2.109 bln bu i.e., 98.0% of 2.150 bb USDA projn with 98.1% of MY complete (51/52 weeks)
 - Total shipments & new sales through 8/24/2017 for “current” MY 2016/17 = 2.236 bb i.e., 100.4% of 2.150 bb USDA projn with 98.1% of MY complete (51/52 weeks)
 - Total new sales through 8/24/2017 for “new crop” MY 2017/18 = 0.423 bb i.e., 16.4% of 2.225 bb USDA projn with 0.0% of MY complete (0/52 weeks)

- ❖ **U.S. Soybean Meal Exports: “Bullish” short run export shipments in “current” MY 2016/17 and “positive-bullish” total sales**
 - Export Shipments for week of 8/24/2017 for “current” MY 2016/17 = 253,900 mt (Bullish) vs 241,820 mt/wk needed to meet USDA’s August 10th projn of 10,520 mmt exports
 - Total shipments through 8/24/2017 for “current” MY 2016/17 = 9.311 mmt i.e., 88.5% of 10.520 mmt USDA projn with 90.4% of MY complete (47/52 weeks)
 - Total shipments & new sales (8/24/2017) for “current” MY 2016/17 = 10.389 mmt i.e., 98.75% of 10.520 mmt USDA projn with 90.4% of MY complete (47/52 weeks)

- ❖ **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	25.2% S/U	260.5 mmt	4.5% S/U	\$ 9.59 /bu	1.499 bln bu
2010/11	27.7% S/U	264.3 mmt	6.6% S/U	\$11.30 /bu	1.505 bln bu
2011/12	20.3% S/U	240.6 mmt	5.4% S/U	\$12.50 /bu	1.365 bln bu
2012/13	21.0% S/U	268.6 mmt	4.5% S/U	\$14.40 /bu	1.328 bln bu
2013/14	22.4% S/U	282.5 mmt	2.7% S/U	\$13.00 /bu	1.638 bln bu
2014/15	25.7% S/U	319.6 mmt	4.9% S/U	\$10.10 /bu	1.842 bln bu
2015/16 ^{USDA}	24.5% S/U	312.9 mmt	5.0% S/U	\$ 8.95 /bu	1.942 bln bu
2016/17 ^{USDA}	29.5% S/U	351.8 mmt	8.9% S/U	\$ 9.50 /bu	2.100 bln bu
2017/18 ^{USDA}	28.5% S/U	345.1 mmt	11.1% S/U	\$ 9.30 /bu	2.225 bln bu