KSU Agriculture Today Radio Notes

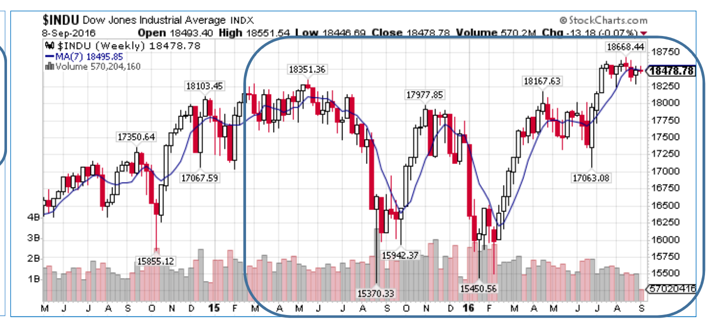
Daniel O'Brien, Extension Agricultural Economist, Kansas State University

For Radio Program to be aired 10:00-10:15 a.m., Friday, September 9, 2016

I. Grain Futures Closes, Changes & Carry on Thursday, September 8, 2016

Corn Futures				Soybean Futures				Ethanol Futures			
Month	Close	Change	Carry/mo	Month	Close	Change	Carry/mo	Month	Close	Change	Carry/mo
Sept 16	$3.27	⇧ $0.06	---	Sept 16	$ 9.92	⇧ $0.0025	---	Oct 16	$1.455	⇧ $0.026	---
Dec 16	**$3.38 ½**	⇧ $0.0525	$0.03833	**Nov 16**	**$ 9.76 ¾**	⇧ $0.0125	No carry	Nov 16	$1.414	⇧ $0.022	No Carry
Mar 17	$3.48 ½	⇧ $0.055	$0.03333	Jan 17	$ 9.80 ½	⇧ $0.015	$0.01875	Dec 16	$1.379	⇧ $0.022	No Carry
May 17	$3.55 ¾	⇧ $0.0525	$0.03625	Mar 17	$ 9.84	⇧ $0.0175	$0.0175	Jan 17	$1.363	⇧ $0.022	No Carry
July 17	$3.62 ½	⇧ $0.05	$0.03375	May 17	$ 9.87 ½	⇧ $0.025	$0.0175	Feb 17	$1.364	⇧ $0.022	$0.001
Sept 17	$3.69 ¼	⇧ $0.05	$0.02125	July 17	$ 9.90 ¼	⇧ $0.02	$0.01375	Mar 17	$1.378	⇧ $0.022	$0.014
Dec 17	**$3.79 ¼**	⇧ $0.0475	$0.03333	Aug 17	$ 9.84 ¾	⇧ $0.025	No carry	Apr 17	$1.395	⇧ $0.022	$0.017
Mar 18	$3.89 ½	⇧ $0.045	$0.03416	Sept 17	$ 9.62 ¾	⇧ $0.0225	No carry	May 17	$1.395	⇧ $0.022	No Carry

Kansas HRW Wheat Futures				Chicago Wheat Futures				MGEX Spring Wheat Futures			
Month	Close	Change	Carry/mo	Month	Close	Change	Carry/mo	Month	Close	Change	Carry/mo
Sept 16	$3.92 ½	⇧ $0.0775	---	Sept 16	$ 3.77	⇧ $0.0175	---	Sept 16	$4.95	⇧ $0.0325	---
Dec 16	$4.18	⇧ $0.07	$0.0850	Dec 16	$ 4.06	⇧ $0.0325	$0.09667	Dec 16	$4.92	⇧ $0.04	No Carry
Mar 17	$4.34	⇧ $0.0625	$0.05333	Mar 17	$ 4.27 ¼	⇧ $0.05	$0.07083	Mar 17	$5.03 ½	⇧ $0.0425	$0.03833
May 17	$4.44 ¾	⇧ $0.065	$0.05375	May 17	$ 4.41	⇧ $0.065	$0.06875	May 17	$5.12 ¾	⇧ $0.0425	$0.04625
July 17	**$4.54 ½**	⇧ $0.06	$0.04875	**July 17**	**$ 4.52 ¾**	⇧ $0.0625	$0.05875	July 17	$5.22 ¼	⇧ $0.045	$0.0475
Sept 17	$4.69 ½	⇧ $0.0575	$0.0750	**Sept 17**	**$ 4.68**	⇧ $0.06	$0.07625	Sept 17	$5.32 ½	⇧ $0.0425	$0.05125
Dec 17	$4.91 ¼	⇧ $0.0525	$0.0850	Dec 17	$ 4.90	⇧ $0.065	$0.07333	Dec 17	$5.46 ½	⇧ $0.03	$0.04667
Mar 18	$5.02 ¾	⇧ $0.06	$0.03417	Mar 18	$ 5.05	⇧ $0.0575	$0.05	Mar 18			



DC_GR112
Dodge City, KS Thu, Sep 08, 2016 USDA-KS Dept of Ag Market News

Central Kansas Terminal and Processor Daily Grain Report

TERMINAL HRW WHEAT ORD US NO 1

	Bids	Change (¢/bu)	Basis	Change
Atchison	3.1800	UP 7	-100Z	UNCH
Topeka	3.2300	UP 7	-95Z	UNCH
Concordia	2.9800	UP 7	-120Z	UNCH
Salina	3.0300-3.0800	UP 7	-115Z to -110Z	UNCH
Great Bend	2.9200	UP 7	-126Z	UNCH
Newton	2.7300	UP 7	-145Z	UNCH
Hutchinson	2.8300-3.1100	UP 7	-135Z to -107Z	UNCH
Wichita	2.9000-3.0600	UP 7	-128Z to -112Z	UNCH
Wellington	2.9000-2.9800	UP 7	-128Z to -120Z	UNCH
Arkansas City	2.8600	UP 7	-132Z	UNCH

TERMINAL HWW WHEAT ORD US NO 2

	Bids	Change (¢/bu)	Basis	Change
Wichita	3.0600	UP 7	-112Z	UNCH

TERMINAL US NO 2 YELLOW CORN

	Bids	Change (¢/bu)	Basis	Change
Atchison	3.0350	UP 5.25	-35Z	UNCH
Topeka	3.0350	UP 5.25	-35Z	UNCH
Salina	2.8350	UP 5.25	-55Z	UNCH
Newton	2.5750	UP 5.25	-81Z	UNCH
Hutchinson	2.7250-2.9850	UP 5.25	-66Z to -40Z	UNCH
Wellington	2.7050	UP 5.25	-68Z	UNCH
Arkansas City	2.6850	UP 5.25	-70Z	UNCH

TERMINAL US NO 2 SORGHUM

	Bids	Change (¢/cwt)	Basis	Change
Topeka	4.71	UP 10	-75Z	UNCH
Concordia	4.53	UP 10	-85Z	UNCH
Salina	4.62-4.71	UP 10	-80Z to -75Z	UNCH
Newton	4.15	UP 9	-106Z	UNCH
Hutchinson	4.29-4.97	UP 9	-98Z to -60Z	UNCH
Wellington	4.44	UP 10	-90Z	UNCH
Arkansas City	4.35	UP 10	-95Z	UNCH

TERMINAL US NO 2 SOYBEANS

	Bids	Change (¢/bu)	Basis	Change
Atchison	9.4175	UP 1.25	-35X	UNCH
Topeka	9.3675	UP 1.25	-40X	UNCH
Salina	9.2175	UP 1.25	-55X	UNCH
Newton	9.2675	UP 1.25	-50X	UNCH
Hutchinson	9.0175-9.2575	UP 1.25	-75X to -51X	UNCH
Wichita	9.3275	UP 1.25	-44X	UNCH
Wellington	9.3075	UP 1.25	-46X	UNCH
Arkansas City	9.3275	UP 1.25	-44X	UNCH

PROCESSOR HRW WHEAT US NO 1

	Bids	Change (¢/bu)	Basis	Change
Wichita-11%	3.3250	UP 7.75	-60U	UNCH
Wichita-12%	3.6750	UP 7.75	-25U	UNCH
Wichita-13%	3.9750	UP 7.75	5U	UNCH

PROCESSOR US NO 2 YELLOW CORN

	Bids	Change (¢/bu)	Basis	Change
Atchison	3.0650	UP 5.25	-32Z	UNCH

PROCESSOR US NO 2 SOYBEANS

	Bids	Change (¢/bu)	Basis	Change
Emporia	10.0175	UP 1.25	25X	UNCH
Wichita	9.7675	UP 1.25	OptX	UNCH

* All bids are $/bu except Sorghum, which is $/cwt.

Chicago Board of Trade month symbols: F January, G February, H March, J April, K May, M June, N July, Q August, U September, V October, X November, Z December

Source: USDA-KS Department of Ag Market News Service, Dodge City, KS
Richard Hruska -- Cheyenne Marrs 620-227-8881 DodgeCity.LPGMN@ams.usda.gov

DC_GR110
Dodge City, KS Thu, Sep 08, 2016 USDA-KS Dept of Ag Market News

Western Kansas Grain Markets

Thursday's closing elevator grain bids:

HRW WHEAT ORD US NO 1

	Bids	Change (¢/bu)	Basis	Change
Dodge City	2.73	UP 7	-145Z	UNCH
Colby	2.79	UP 7	-139Z	UNCH
Garden City	2.76-2.78	UP 7	-142Z to -140Z	UNCH
Goodland	2.71	UP 7	-147Z	UNCH
Protection	2.78	UP 7	-140Z	UNCH
Scott City	2.71	UP 7	-147Z	UNCH
Sublette	2.88	UP 7	-130Z	UNCH
Syracuse	2.78	UP 7	-140Z	UNCH
Ulysses	2.85	UP 7	-133Z	UNCH

US NO 2 YELLOW CORN

	Bids	Change (¢/bu)	Basis	Change
Dodge City	2.94	UP 5.25	-45Z	UNCH
Colby	2.80	UP 5.25	-59Z	UNCH
Garden City	2.89-2.99	UP 5.25	-50Z to -40Z	UNCH
Goodland	2.69	UP 5.25	-70Z	UNCH
Protection	2.94	UP 5.25	-45Z	UNCH
Scott City	2.79-2.84	UP 3.25-UP 5.25	-60Z to -55Z	DN 2-UNCH
Sublette	2.99-3.04	UP 5.25	-40Z to -35Z	UNCH
Syracuse	2.94	UP 5.25	-45Z	UNCH
Ulysses	2.94	UP 5.25	-45Z	UNCH

US NO 2 SORGHUM

	Bids	Change (¢/cwt)	Basis	Change
Dodge City	4.35	UP 10	-95Z	UNCH
Colby	4.40	UP 9	-92Z	UNCH
Garden City	4.08-4.44	UP 9-UP 10	-110Z to -90Z	UNCH
Goodland	4.26	UP 9	-100Z	UNCH
Protection	4.35	UP 10	-95Z	UNCH
Scott City	3.99-4.03	UP 9-UP 10	-115Z to -113Z	UNCH
Sublette	4.44-4.53	UP 10	-90Z to -85Z	UNCH
Syracuse	4.35	UP 10	-95Z	UNCH
Ulysses	4.31	UP 9	-97Z	UNCH

US NO 2 YELLOW SOYBEANS

	Bids	Change (¢/bu)	Basis	Change
Dodge City	8.87	UP 1.25	-90X	UNCH
Colby	NA	NA	NA	NA
Garden City	8.77-8.97	UP 1.25	-100X to -80X	UNCH
Protection	8.87	UP 1.25	-90X	UNCH
Scott City	8.77	UP 1.25	-100X	UNCH
Sublette	8.82-8.97	UP 1.25	-95X to -80X	UNCH
Ulysses	8.74	UP 1.25	-103X	UNCH

US NO 2 YELLOW CORN - FEEDMILL BID

	Bids	Change (¢/bu)	Basis	Change
Ashland	NA	NA	NA	NA

US NO 2 SORGHUM - FEEDMILL BID

	Bids	Change (¢/cwt)	Basis	Change
Ashland	4.88	UP 9	-65Z	UNCH

Cotton Grade 41, Leaf 4, Staple 34, West Texas base price 66.75 cents per pound
FOB Railcar or Truck

* All bids are $/bu except Sorghum, which is $/cwt.

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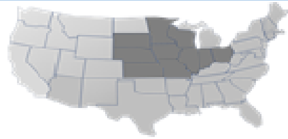
K May, M June, N July, Q August, U September, V October, X November, Z December

Source: USDA-KS Department of Ag Market News Service, Dodge City, KS
Richard Hruska -- Cheyenne Marrs 620-227-8881 DodgeCity.LPGMN@ams.usda.gov
www.ams.usda.gov/mnreports/DC_GR110.txt
www.ams.usda.gov/LPSMarketNewsPage



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

Thu. Sep 8, 2016

US #2 Yellow Corn - dollars/bushel

	Cash Bids	Chg	Basis	Avg:
Iowa-Eastern:	2.9425 - 3.1925	↑	-39Z to -14Z	-26.50
Iowa-Western:	2.8825 - 3.0625	↑	-45Z to -27Z	-36.00
Illinois:	3.1025 - 3.4325	↑	-23Z to 10Z	-6.50
Indiana:	3.1325 - 3.3525	↑	-20Z to 2Z	-9.00
Ohio:	3.2825 - 3.3525	↑	-5Z to 2Z	-1.50
Michigan:	3.0825 - 3.4125	↑	-25Z to 8Z	-8.50
Kansas:	2.9825 - 3.3325	↑	-35Z to OptZ	-17.50
Minnesota:	2.7125 - 2.9825	↑	-62Z to -35Z	-48.50
Nebraska:	2.8325 - 3.1325	↑	-50Z to -20Z	-35.00
Wisconsin:	2.7800 - 3.0325	↑	-43U to -30Z	-36.50
South Dakota:	2.7625 - 2.9925	↑	-57Z to -34Z	-45.50
Missouri:	2.8825 - 3.0425	↑	-45Z to -29Z	-37.00

Distillers Grain - dollars/ton

	Dried 10%	Chg	Avg:	Modified 50-55%	Chg	Avg:	Wet 65-70%	Chg	Avg:
Iowa-Eastern:	110.00 - 115.00	—	112.50	50.00 - 52.00	—	51.00	NA	NA	NA
Iowa-Western:	105.00 - 120.00	—	112.50	42.00 - 60.00	—	51.00	30.00 - 36.00	—	33.00
Illinois:	120.00 - 145.00	—	132.50	NA	NA	NA	NA	NA	NA
Indiana:	122.00 - 130.00	↓	126.00	62.00	—	62.00	NA	NA	NA
Ohio:	125.00	↓	125.00	NA	NA	NA	NA	NA	NA
Michigan:	115.00 - 129.00	↓	122.00	50.00 - 60.00	—	55.00	NA	NA	NA
Kansas:	120.00 - 145.00	—	132.50	NA	NA	NA	36.00 - 45.00	—	40.50
Minnesota:	105.00 - 118.00	—	111.50	50.00	—	50.00	30.00 - 40.00	—	35.00
Nebraska:	105.00 - 125.00	—	115.00	44.00 - 58.50	—		30.00 - 37.00	—	33.50
Wisconsin:	112.00 - 125.00	—	118.50	50.00 - 63.00	—	56.50	NA	NA	NA
South Dakota:	103.00 - 117.00	↑	110.00	50.00 - 63.00	↑	56.50	35.00 - 40.00	—	37.50
Missouri:	115.00 - 130.00	↓	122.50	65.00	—	65.00	35.00 - 38.00	↓	36.50

Sorghum - dollars/bushel

	Cash Bids	Chg	Basis	Avg:
Kansas:	2.6825	↑	-65Z to -65Z	-65.00
Missouri:	NA	NA	NA	NA

Corn Oil - cents/pound

W/E 9/02/16	Range	Chg:	Avg:
Iowa:	27.00 - 29.00	↑	28.00
Eastern Cornbelt:	27.00 - 28.00	↑	27.50
Nebraska:	25.00 - 27.00	↓	26.00
South Dakota:	NA	NA	NA

Ethanol - dollars/gallon

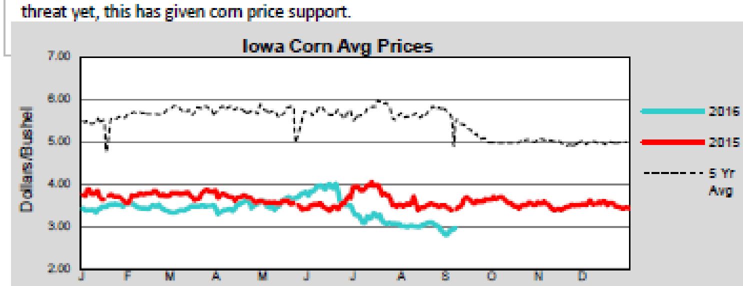
W/E 9/02/16	Range	Chg:	Avg:
Iowa:	1.30 - 1.41	↓	1.36
Eastern Cornbelt	1.42 - 1.44	↓	1.43
Kansas:	1.37 - 1.37	↓	1.37
Minnesota:	1.29 - 1.41	↓	1.35
Nebraska:	1.30 - 1.36	↓	1.33
Wisconsin:	NA	NA	NA
South Dakota:	1.32 - 1.41	↓	1.37

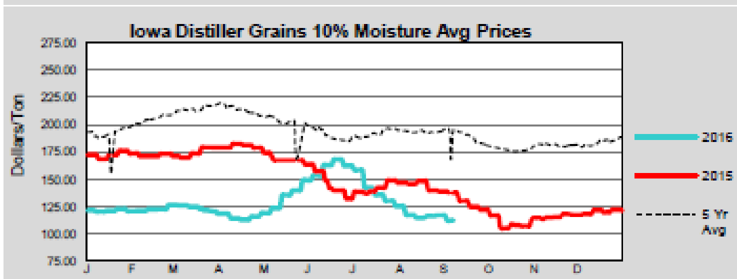
Daily Nearby Futures

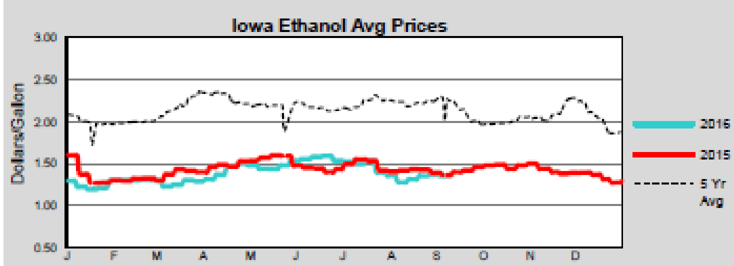
	Today	Yesterday	Last year
CME group			
Corn ($/bu)	3.2250	3.2100	3.6175
Ethanol ($/gal)	1.4450	1.4290	1.4730
NYMEX:			
RBOB Gasoline ($/gal)	1.4048	1.3464	1.3936
Natural Gas (mmBtu)	2.7910	2.6760	2.6830

Daily Market Review

Dry distillers grains traded mixed mid-week, ranging from 10.00 lower to 3.00 higher in the Eastern Corn Belt, South Dakota, and Missouri. Many regions from eastern Kansas to northern Indiana have recieved rain showers, which are expected to stay until Friday. Although there is no significant threat yet, this has given corn price support.







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.

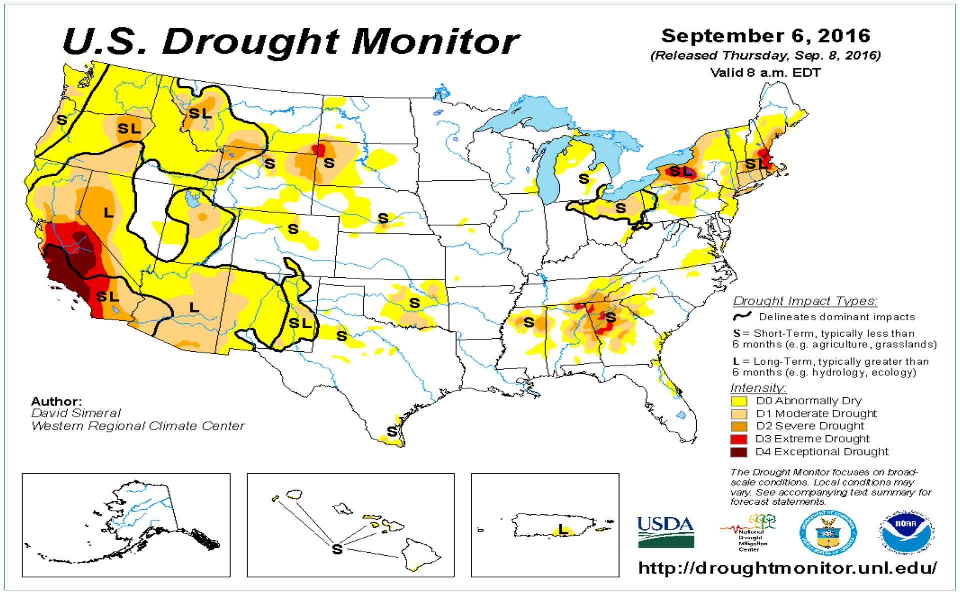
Ethanol: Spot bids FOB the ethanol plant reported as $/gallon.

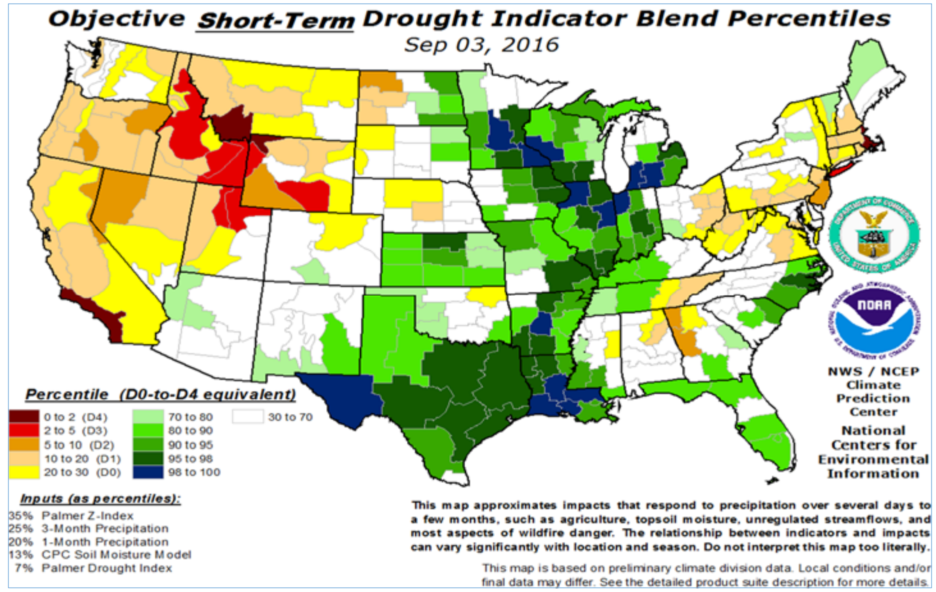
Distiller corn oil: Spot bids FOB the ethanol plant reported as ¢/lb. Distiller corn oil is intended for animal feed or biofuel and is not Generally Regarded As Safe (GRAS) for human consumption. It may also be referred to as inedible crude corn oil or crude corn oil.

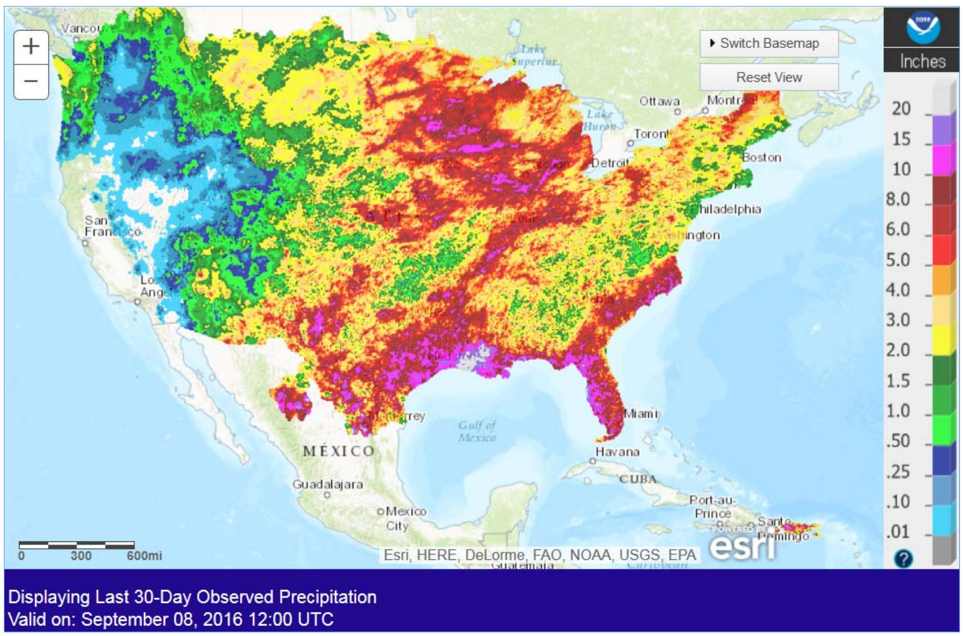
Chicago Board of Trade month symbols: F January, G February, H March, J April, K May, M June, N July, Q August, U September, V October, X November, Z December

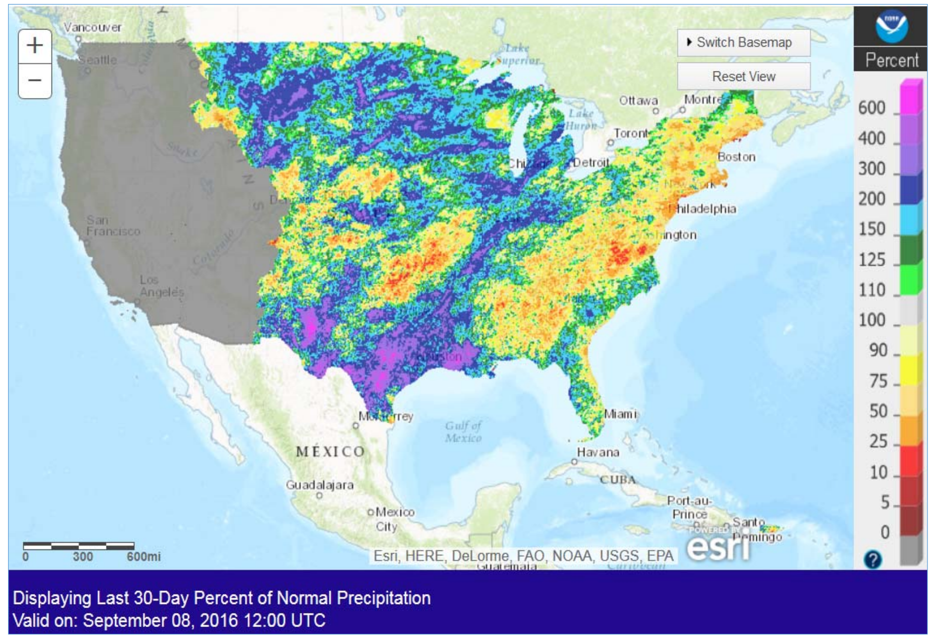
Dillan Howe, Ethanol Market Reporter St. Joseph, MO (816) 676-7000 Email: StJoe.LPGMN@ams.usda.gov
Prepared: 08-Sep-16 9:18 AM Central Time

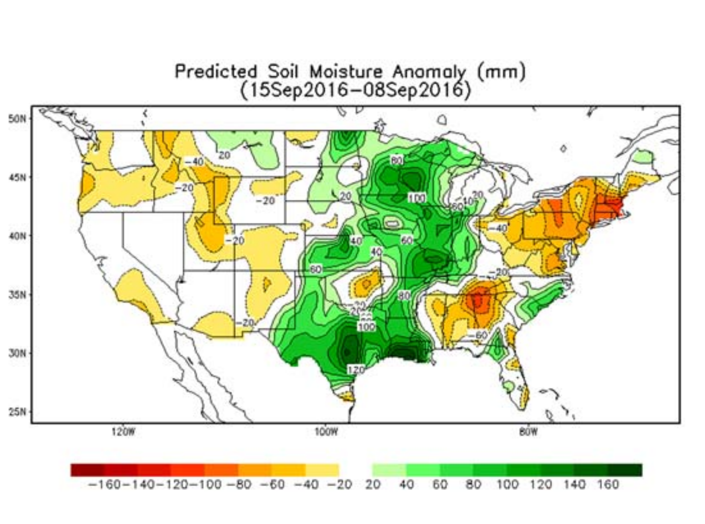
II. U.S. & World Drought Monitor, Moisture Accumulations & Forecasts (Weekly Weather and Crop Bulletin)

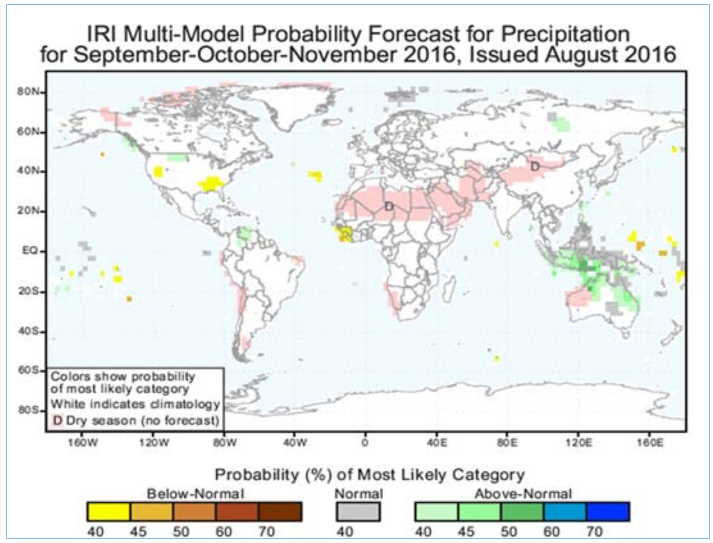


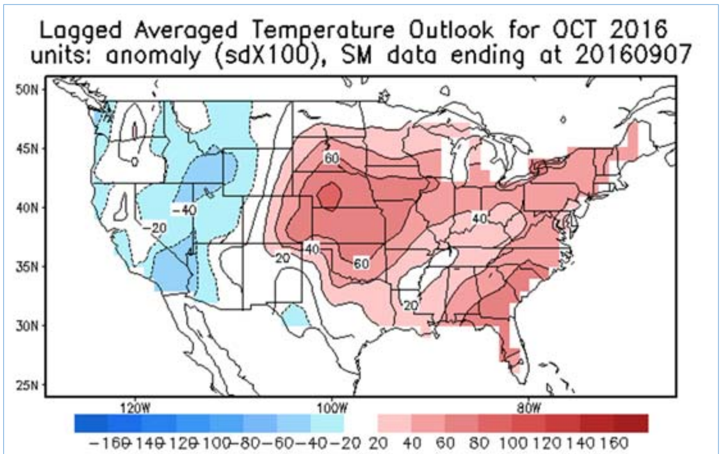


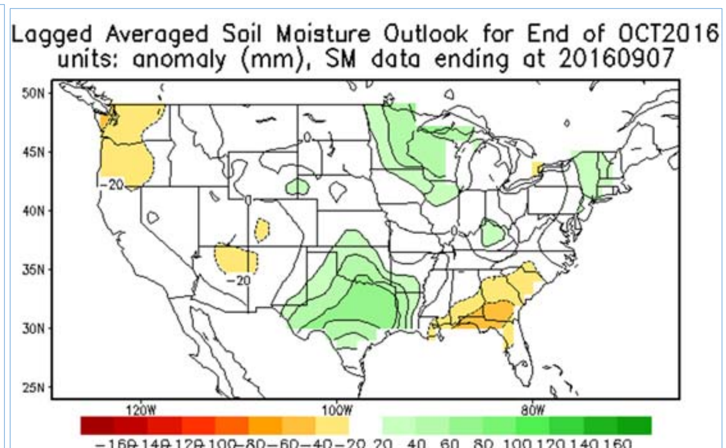


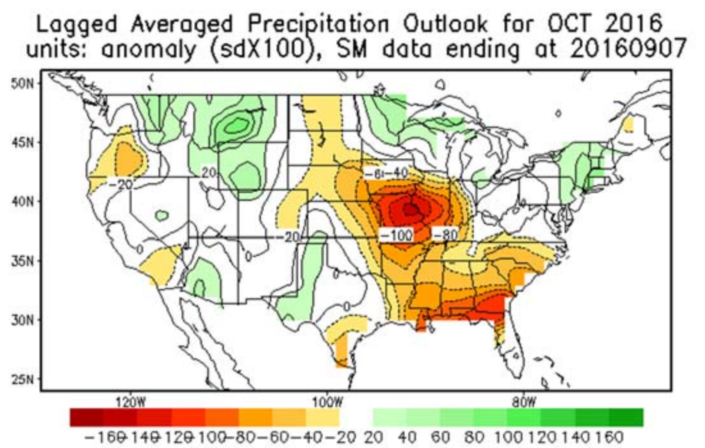


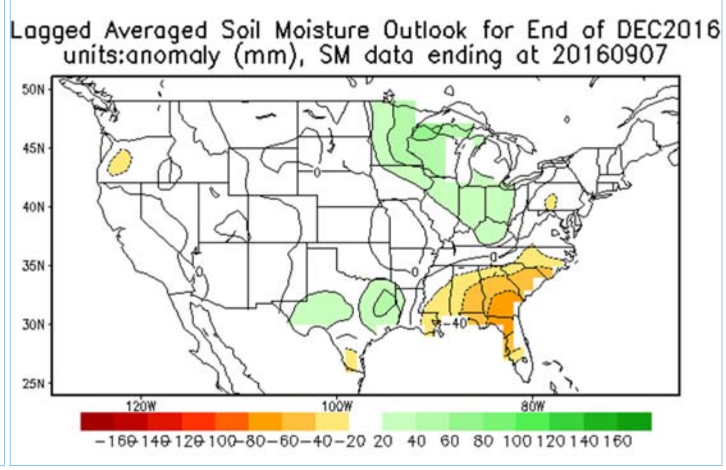

Predicted Soil Moisture Anomaly (mm)
(15Sep2016–08Sep2016)


IRI Multi-Model Probability Forecast for Precipitation
for September-October-November 2016, Issued August 2016
Colors show probability of most likely category
White indicates climatology
D Dry season (no forecast)
Probability (%) of Most Likely Category
Below-Normal
Normal
Above-Normal


Lagged Averaged Temperature Outlook for OCT 2016
units: anomaly (sdX100), SM data ending at 20160907


Lagged Averaged Soil Moisture Outlook for End of OCT2016
units: anomaly (mm), SM data ending at 20160907


Lagged Averaged Precipitation Outlook for OCT 2016
units: anomaly (sdX100), SM data ending at 20160907


Lagged Averaged Soil Moisture Outlook for End of DEC2016
units:anomaly (mm), SM data ending at 20160907

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

September 6, 2016

EUROPE – Highlight: Dry Weather Favored Fieldwork, But Moisture Becoming Limited

- Dry weather accelerated summer crop harvesting and winter crop planting over much of **Europe**.
- Soil moisture has become limited for winter crop emergence in **Spain**, **France**, and **northern Germany**.

MIDDLE EAST – Highlight: Summer Crop Harvesting Proceeded Without Delay

FSU – Highlight: Spring Wheat And Summer Crops Are Maturing

- Warm, mostly dry weather for much of the week promoted maturation and harvesting of corn and sunflowers in **Moldova**, **Ukraine**, and **western Russia** as well as winter wheat sowing.
- Spring wheat approached maturity in **Kazakhstan** and **central Russia**.
- Seasonably hot, mostly dry weather favored cotton maturation in **Uzbekistan**.

SOUTH ASIA – Highlight: Too Wet For Soybeans, Too Dry For Cotton

- Monsoon showers kept rice well watered in **eastern India**, while maintaining saturated conditions for soybeans to the west.
- Short-term dryness continued for cotton in **Gujarat** and much of **Maharashtra**.

EAST ASIA – Highlight: Showers In Northeastern China

- Widespread showers in **northeast China** likely came too late to benefit drought damaged corn and soybeans.
- Dry weather aided maturation and harvesting of summer crops on the **North China Plain** and in the **Yangtze Valley**.
- Typhoon Namtheun brought locally heavy showers to **southeastern South Korea**, boosting water reserves but coming too late to significantly aid maturing rice.

SOUTHEAST ASIA – Highlight: Favorable Rainfall For Rice

- Monsoon showers continued to increase water supplies for rice in **Indochina**, although pockets of unseasonably drier weather occurred in **Thailand**.
- In the **Philippines**, heavy showers kept water supplies high for rice in **western Luzon**.

AUSTRALIA – Highlight: Moderate To Heavy Rain, Some Flooding

- In the **south** and **east**, widespread, soaking rains maintained abundant to locally excessive soil moisture for winter grains and oilseeds and further boosted irrigation supplies prior to summer crop planting.
- Scattered showers in **Western Australia** continued to benefit wheat, barley, and canola.

SOUTH AMERICA – Highlight: Wet Weather Continued In Brazil's Southern Wheat Belt

- Unseasonably heavy rain kept filling to maturing wheat unfavorably wet in **southern Brazil**.
- Showers supported late corn harvesting in **central Argentina**.

MEXICO – Highlight: Showers Maintained Overall Favorable Moisture For Agriculture

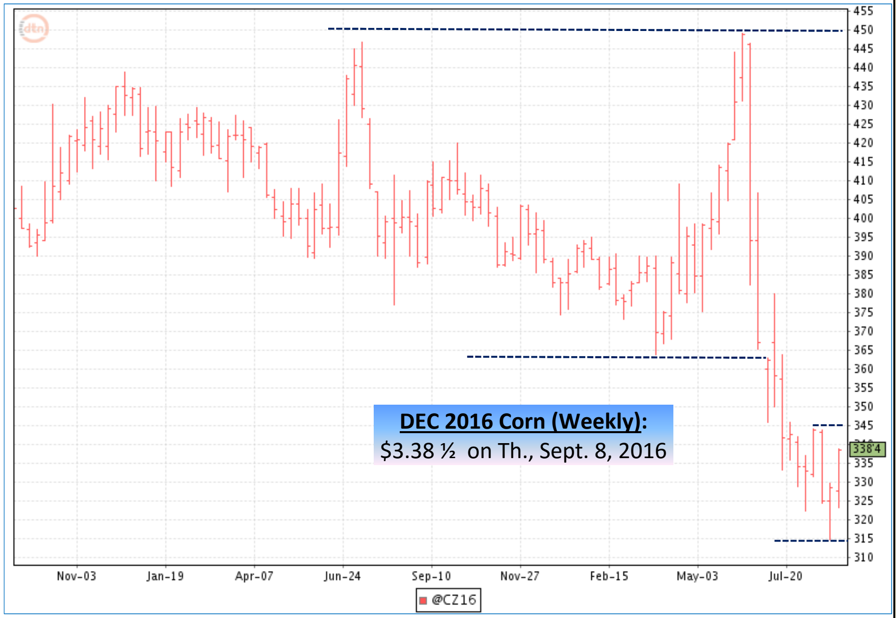
- Tropical showers are contributing to seasonal rainfall as Hurricane Newton approaches **Baja California**.

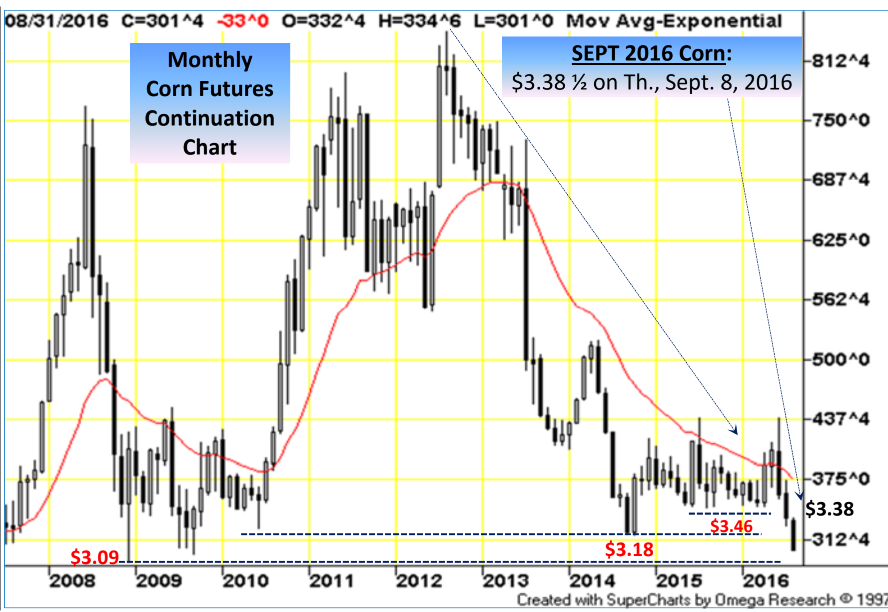
CANADA – Highlight: Warmth And Dryness Favored Prairie Harvests

- Conditions favored **Prairie** spring grain and oilseed harvesting.

III. Corn Market Information

Weekly DEC 2016 Corn Futures





Key Corn & Grain Sorghum Supply-Demand Factors:

❖ **U.S. Corn Exports: "Positive" short term MY 2016/17 U.S. corn export shipments with "positive" long term outlook**

- Weekly Export Shipments week of 9/1/2016 for MY 2016/17 = 57.81 mb vs 41.7 mb/wk needed to meet USDA's August 12th projn of 2.175 bb exports
- Total shipments through 9/1/2016 for MY 2016/17 = 11.421 mb i.e., 0.005% of 2.175 bb USDA projn with 0.003% of MY complete (0.14/52 weeks)
- Total shipments & new sales (8/25/2016) for "current" MY 2015/16 = 1.972 bb i.e., 102.4% of 1.925 bb USDA projn w. 98.1% of MY complete (51/52 weeks)
- Total sales (8/25/2016) for "new crop" MY 2016/17 = 0.05 bb i.e., 21.4% of 2.175 bb USDA projn w. 0.0% of MY complete (0/52 weeks)

❖ **U.S. Grain Sorghum Exports: "Negative" short term MY 2015/16 Export Shipments & "neutral" long term**

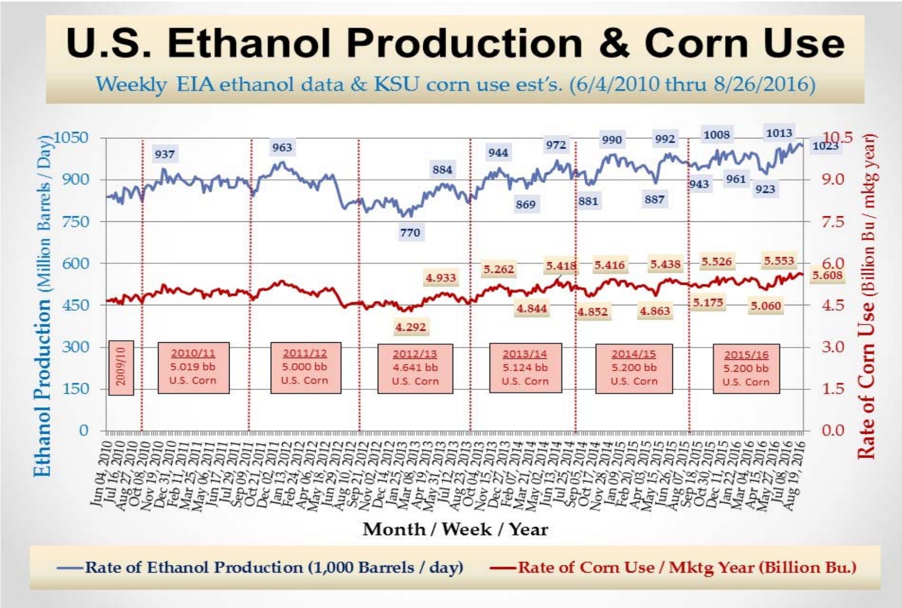
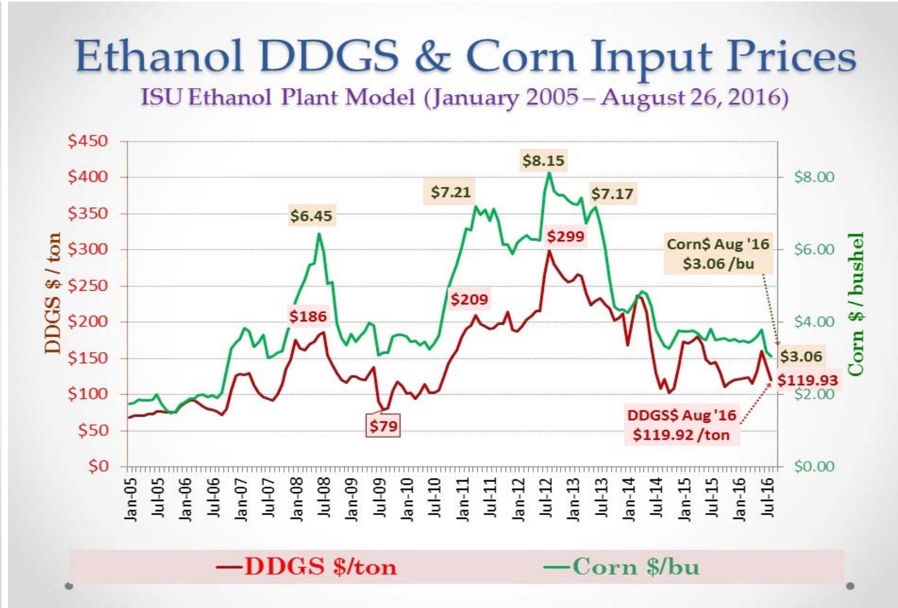
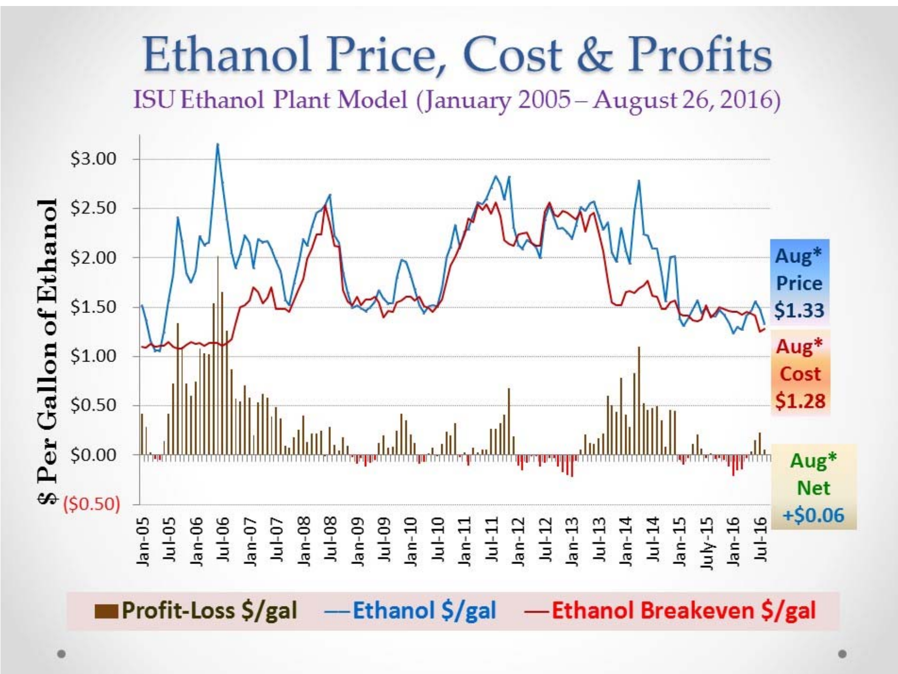
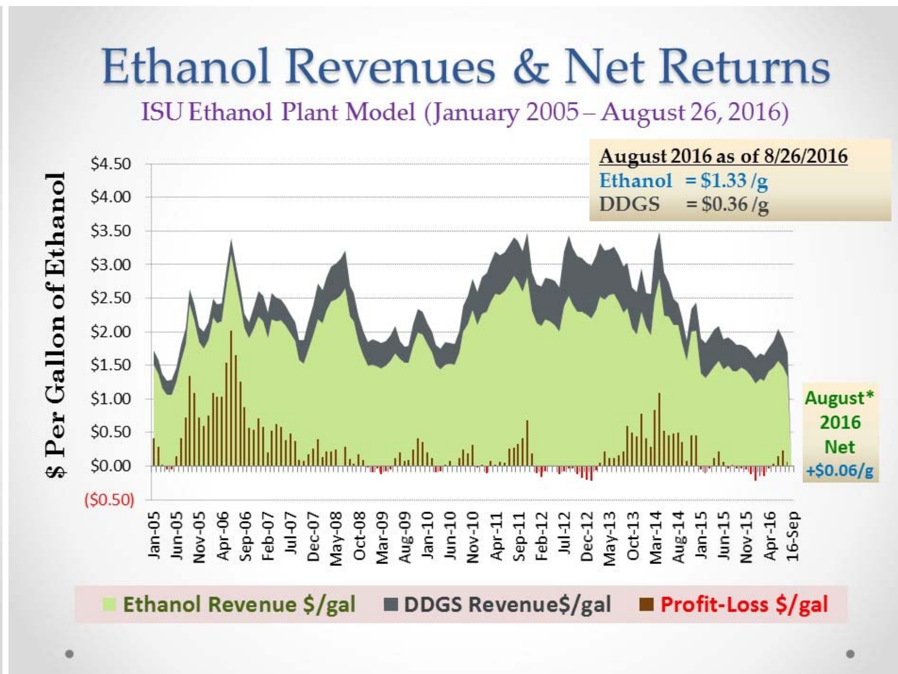
- Weekly Export Shipments wk of 9/1/2016 for MY 2016/17 = 1.6 mb vs 4.82 mb/wk needed to meet USDA's August 12th projn of 250 mb exports
- Total shipments through 9/1/2016 for MY 2016/17 = 0.04 mb i.e., 0.001% of 250 mb USDA projn with 0.003% of MY complete (0.14/52 weeks)
- Total shipments & new sales (8/25/2016) for "current" MY 2015/16 = 323.5 mb i.e., 93.75% of 345 mb USDA projn w. 98.1% of MY complete (51/52 weeks)
- Total new sales (8/25/2016) for "new crop" MY 2016/17 = 9.342 mb i.e., 3.7% of 250 mb USDA projn w. 0.0% of MY complete (0/52 weeks)

❖ **World & U.S. Corn Supply-Demand Fundamentals**

Mktg Yr	World % S/U	U.S. % S/U	U.S. $/bu	
2007/08	16.5% S/U	12.8% S/U	$4.20 /bu	
2008/09	18.3% S/U	13.9% S/U	$4.06 /bu	
2009/10	17.2% S/U	13.1% S/U	$3.55 /bu	
2010/11	14.5% S/U	8.7% S/U	$5.18 /bu	
2011/12	14.8% S/U	7.9% S/U	$6.22 /bu	
2012/13	15.3% S/U	7.4% S/U	$6.89 /bu	
2013/14	18.6% S/U	9.2% S/U	$4.46 /bu	
2014/15 USDA	21.2% S/U	12.6% S/U	$3.70 /bu	
2015/16 USDA	**21.9% S/U**	**12.5% S/U**	**$3.60 /bu**	**13.601 bln bu crop**
2016/17 USDA	**21.7% S/U**	**16.6% S/U**	**$3.15 /bu**	**15.153 bln bu crop**

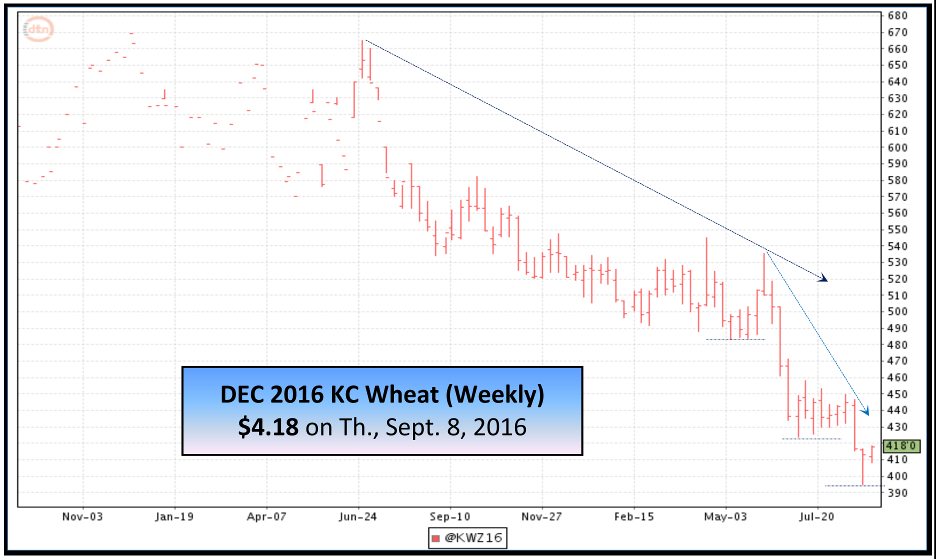
❖ **U.S. Grain Sorghum Supply-Demand Fundamentals**

2014/15 USDA	67.6 bu/ac US	4.0% S/U	$4.03 /bu	433 mln bu crop
2015/16 USDA	**76.0 bu/ac US**	**6.0% S/U**	**$3.30 /bu**	**597 mln bu crop**
2016/17 USDA	**73.5 bu/ac US**	**11.1% S/U**	**$3.00 /bu**	**475 mln bu crop**


U.S. Ethanol Production & Corn Use
Weekly EIA ethanol data & KSU corn use est's. (6/4/2010 thru 8/26/2016)
Ethanol Production (Million Barrels / Day)
Rate of Corn Use (Billion Bu / mkdg year)
2009/10
2010/11 5.019 bb U.S. Corn
2011/12 5.000 bb U.S. Corn
2012/13 4.641 bb U.S. Corn
2013/14 5.124 bb U.S. Corn
2014/15 5.200 bb U.S. Corn
2015/16 5.200 bb U.S. Corn
Month / Week / Year
Rate of Ethanol Production (1,000 Barrels / day)
Rate of Corn Use / Mktg Year (Billion Bu.)

Ethanol DDGS & Corn Input Prices
ISU Ethanol Plant Model (January 2005 – August 26, 2016)
DDGS $ / ton
Corn $ / bushel
Corn$ Aug '16 $3.06 /bu
DDGS$ Aug '16 $119.92 /ton
DDGS $/ton
Corn $/bu

Ethanol Price, Cost & Profits
ISU Ethanol Plant Model (January 2005 – August 26, 2016)
$ Per Gallon of Ethanol
Aug* Price $1.33
Aug* Cost $1.28
Aug* Net +$0.06
Profit-Loss $/gal
Ethanol $/gal
Ethanol Breakeven $/gal

Ethanol Revenues & Net Returns
ISU Ethanol Plant Model (January 2005 – August 26, 2016)
August 2016 as of 8/26/2016
Ethanol = $1.33 /g
DDGS = $0.36 /g
$ Per Gallon of Ethanol
August* 2016 Net +$0.06/g
Ethanol Revenue $/gal
DDGS Revenue$/gal
Profit-Loss $/gal

IV. Wheat Market Outlook

Weekly DEC 2016 HRW Futures



Monthly Kansas HRW Wheat eFutures

Key Wheat Supply-Demand Factors:

- **U.S. All Wheat Exports: "Positive" Short Term Export Shipments** with "**positive**" **long run** export prospects in "new crop" MY 2016/17 (Started 6/1/2016)
  - Weekly Export Shipments wk of 9/1/2016 for "new crop" MY 2016/17 = 23.5 mb vs 18.0 mb /wk needed to meet USDA's August 12th projn of 950 mb exports
  - Total shipments through 9/1/2016 for "new crop" MY 2016/17 = 266.6 mb i.e., 28.1% of 950 mb USDA projn with 26.9% of MY complete (14/52 weeks)
  - Total shipments + new sales 8/25/2016 for "new crop" MY 2016/17 = 435.2 mb i.e., 45.8% of 950 mb USDA projn with 25.0% of MY complete (13/52 weeks)

- **"Negative" World & U.S. Wheat S/D Fundamentals**

Mktg Yr	World % S/U	U.S. % S/U	U.S. $/bu	
2007/08	20.9% S/U	13.2% S/U	$6.48 /bu	1,263 mb exports
2008/09	26.6% S/U	28.7% S/U	$6.78 /bu	1,015 mb exports
2009/10	31.3% S/U	48.6% S/U	$4.87 /bu	879 mb exports
2010/11	30.4% S/U	36.4% S/U	$5.70 /bu	1,291 mb exports
2011/12	28.7% S/U	33.4% S/U	$7.24 /bu	1,051 mb exports
2012/13	25.8% S/U	29.9% S/U	$7.77 /bu	1,012 mb exports
2013/14	28.1% S/U	24.2% S/U	$6.87 /bu	1,176 mb exports
2014/15	30.6% S/U	37.3% S/U	$5.99/bu	864 mb exports
2015/16USDA	**34.1% S/U**	**50.7% S/U**	**$4.89 /bu**	775 mb exports
2016/17USDA	**34.5% S/U**	**47.5% S/U**	**$3.70 /bu**	950 mb exports

Table 1. U.S. Wheat Supply-Demand Balance Sheet: MY 2010/11 – "current crop" MY 2016/17 as of August 12, 2016 WASDE Report, and KSU projections for "Next Crop" MY 2017/18.

Item	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	USDA 2016/17	KSU *Higher Exports w. Spring 2017 Production Problems* 2016/17	KSU *Acres down 7% Trend Yields Higher Exports* 2017/18	KSU *Acres down 7% Lower Yields Average Exports* 2017/18
% Probability of Occurring							*80%*	*20%*	*65%*	*35%*
Planted Area (million acres)	52.620	54.277	55.294	56.236	56.841	54.644	50.816	50.816	48.258	48.258
Harvested Area (million acres)	46.883	45.687	48.758	45.332	46.385	47.094	44.093	44.093	41.873	41.873
% Harvested/Planted Area	89.10%	84.17%	88.18%	80.61%	81.60%	86.18%	86.77%	86.77%	86.77%	86.77%
Yield / harvested acre (bu/ac)	46.1	43.6	46.2	47.1	43.7	43.6	52.6	52.6	47.0	43.6
	Million Bushels									
Beginning Stocks	976	863	743	718	590	752	981	981	1,100	1,100
Production	2,163	1,993	2,252	2,135	2,026	2,052	2,321	2,321	2,072	1,922
Imports	97	113	124	173	151	113	115	115	115	115
Total Supply	3,236	2,969	3,119	3,026	2,768	2,917	3,417	3,417	3,287	3,137
Food Use	926	941	951	955	958	957	968	968	970	970
Seed Use	71	76	73	77	79	68	69	69	66	66
Exports	1,291	1,051	1,012	1,176	864	775	950	1,075	1,000	980
Feed & Residual Use	85	159	365	228	114	135	330	320	250	240
Total Use	2,373	2,227	2,401	2,436	2,015	1,936	2,317	2,432	2,286	2,256
Ending Stocks	863	743	718	590	752	981	1,100	985	1,001	881
% Ending Stocks-to-Use	36.37%	33.35%	29.90%	24.24%	37.32%	50.67%	47.48%	40.50%	43.79%	39.05%
U.S. Wheat Avg. Farm Price ($/bushel)	$5.70	$7.24	$7.77	$6.87	$5.99	$4.89	$3.35-$4.05 ($3.70)	$4.25	$3.95	$4.35

Figure 4. U.S. Wheat Planted Acreage – All Winter, Other Spring & Durum Classes (1981-2016) with 2017 KSU Estimate as of the August 12, 2016 USDA NASS Crop Production Report

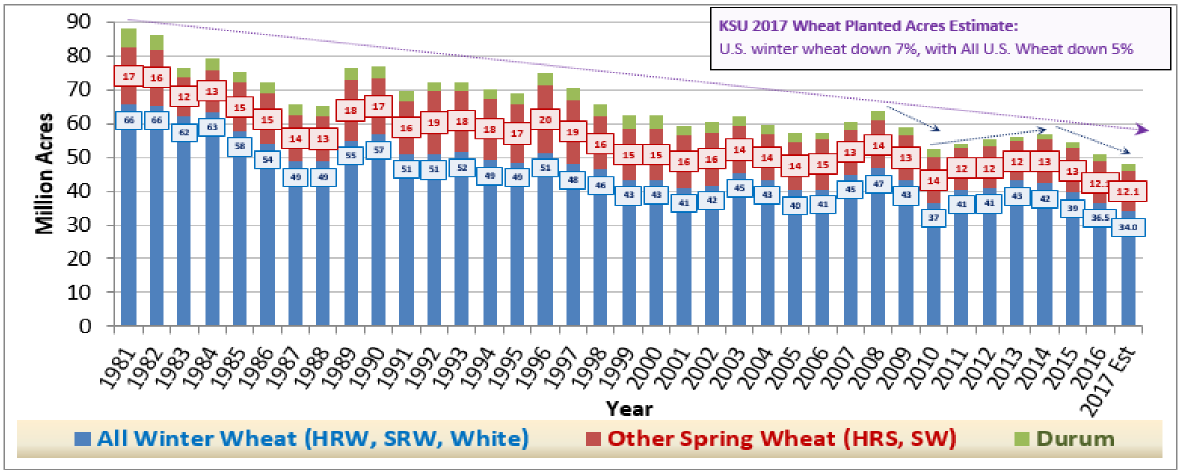


Figure 5. U.S. All Wheat Planted & Harvested Acreage (1973-2016) with 2017 KSU Estimate as of the August 12, 2016 Crop Production Report

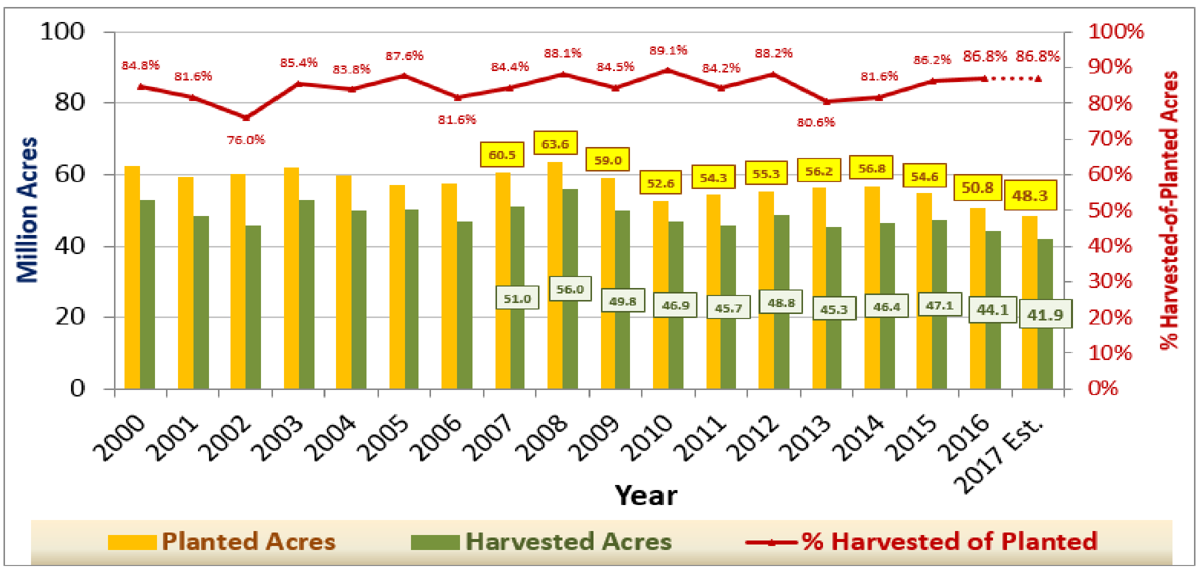


Figure 6. U.S. All Wheat Yield (1973-2016) and KSU 2017 Trend Yield Projection as of the August 12, 2016 WASDE Report

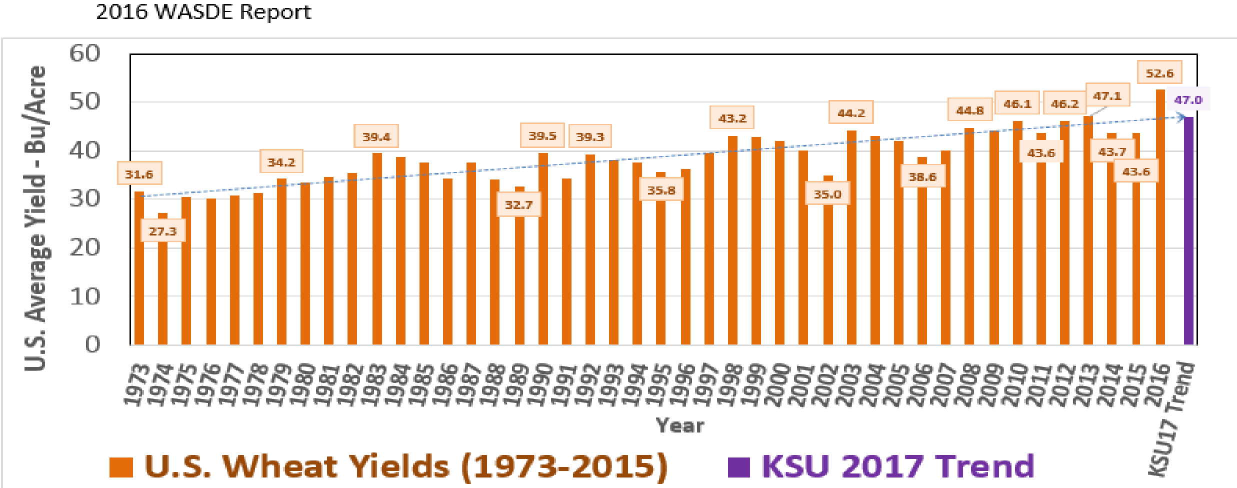


Figure 7. U.S. Wheat Total Supplies for MY 2004/05 – "current crop" MY 2016/17 as of the August 12, 2016 USDA WASDE Report

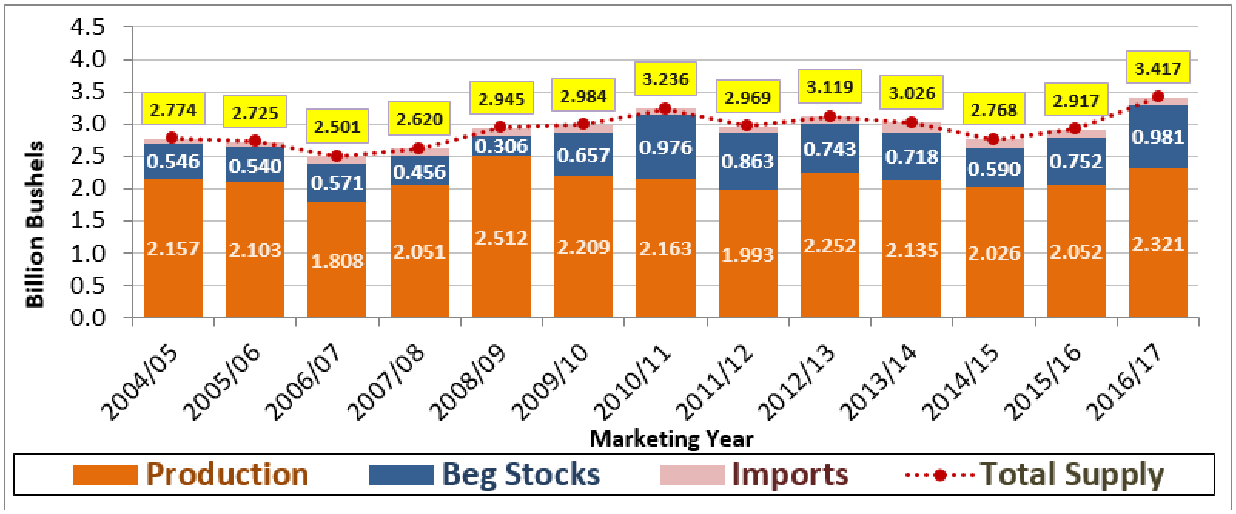


Figure 9. U.S. Wheat Ending Stocks vs U.S. Cash Prices: MY 2004/05 thru "current crop" MY 2016/17 as of the August 12, 2016 WASDE report & KSU forecasts for "Next Crop" MY 2017/18

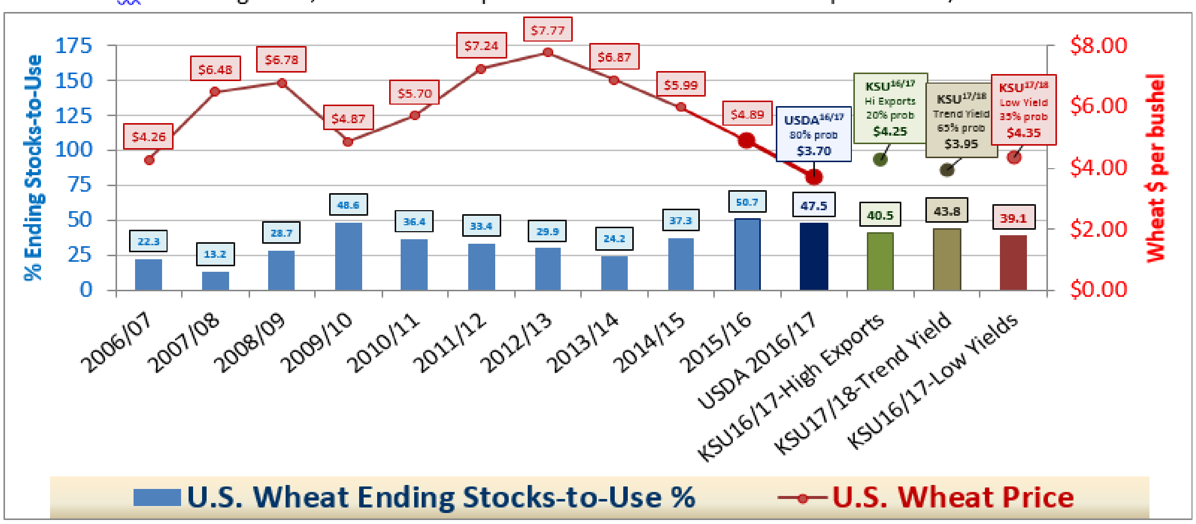


Figure 11. World Wheat Usage & Ending Stocks: MY 2007/08 through "current crop" MY 2016/17 as of August 12, 2016 USDA WASDE Report

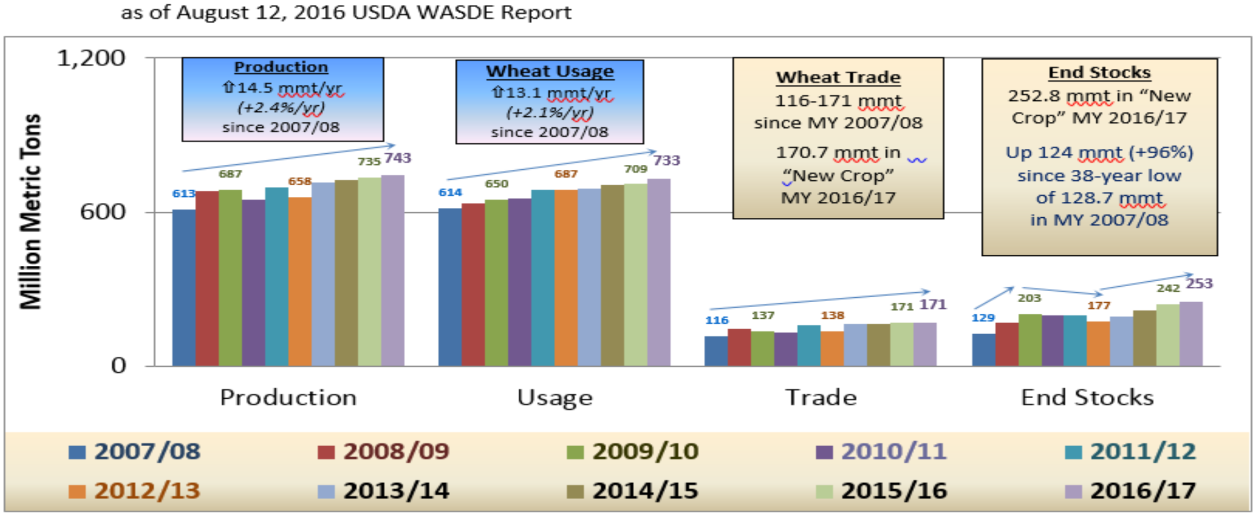


Figure 12. U.S. Wheat Price vs % World Stocks-to-Use: MY 1973/74 through "current crop" MY 2016/17, as of the August 12, 2016 USDA WASDE Report

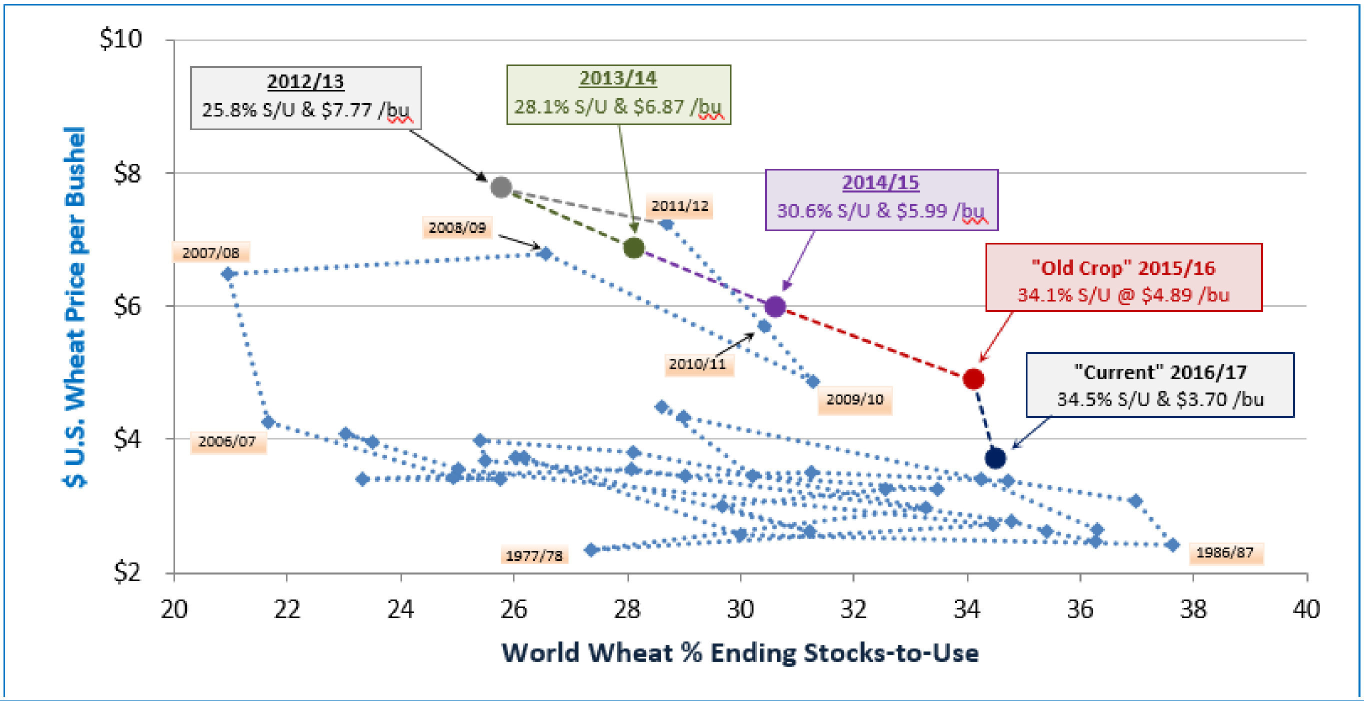
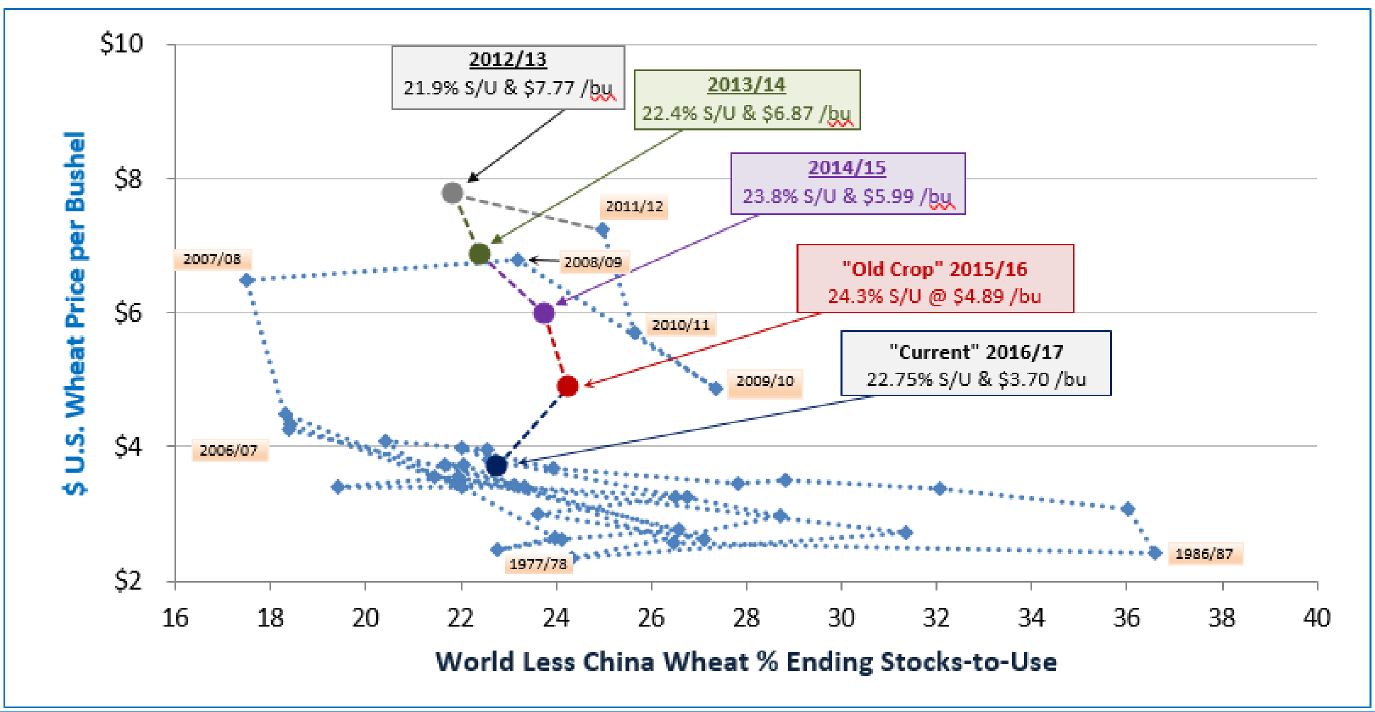
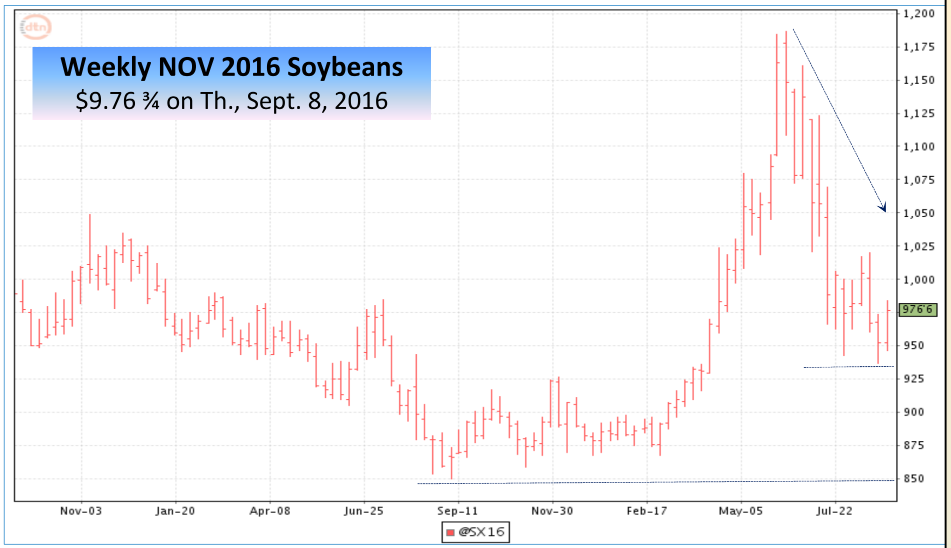


Figure 13. U.S. Wheat Price vs % World Less China Stocks-to-Use: MY 1973/74 through "current crop" MY 2016/17, as of the August 12, 2016 USDA WASDE Report



V. Soybean Market Outlook

Weekly NOVEMBER 2016 Soybean Futures



Monthly Soybean eFutures

Key Soybean Supply-Demand Issues:

- **U.S. Soybean Exports: "neutral-negative" Short Run Export Shipments in MY 2015/16 and "positive" Forward Sales**
  - Export Shipments for week of 9/1/2016 for "new crop" MY 2016/17 = 45.3 mb vs 38.6 mb/wk needed to meet USDA's August 12th projn of 1.950 bb exports
  - Total shipments through 9/1/2016 for "new crop" MY 2016/17 = 0.7 mb i.e., 0.01% of 1.950 bb USDA projn with 0.003% of MY complete (0.14/52 weeks)
  - Total shipments & new sales (8/25/2016) for "current" MY 2015/16 = 1.942 bb i.e., 103.3% of 1.880 bb USDA projn with 98.1% of MY complete (51/52 weeks)
  - Total new sales (8/25/2016) for "new crop" MY 2016/17 = 0.689 bb i.e., 35.3% of 1.950 bb USDA projn with 0.0% of MY complete (0/52 weeks)

- **World & U.S. Soybean Supply-Demand Fundamentals**

Mktg Yr	World % S/U	U.S. % S/U	U.S. $/bu	
2007/08	22.9% S/U	6.7% S/U	$10.10 /bu	1.159 bb expts
2008/09	19.4% S/U	4.5% S/U	$ 9.97 /bu	1.279 bb expts
2009/10	25.2% S/U	4.5% S/U	$ 9.59 /bu	1.499 bb expts
2010/11	27.8% S/U	6.6% S/U	$11.30 /bu	1.505 bb expts
2011/12	20.4% S/U	5.4% S/U	$12.50 /bu	1.365 bb expts
2012/13	21.1% S/U	4.5% S/U	$14.40 /bu	1.328 bb expts
2013/14	22.5% S/U	2.7% S/U	$13.00 /bu	1.638 bb expts
2014/15	26.0% S/U	5.0% S/U	$10.10 /bu	1.842 bb expts
2015/16 USDA	**22.8% S/U**	**6.6% S/U**	**$8.95 /bu**	1.880 bb expts
2016/17 USDA	**20.1% S/U**	**8.2% S/U**	**$9.10 /bu**	1.950 bb expts

VI. USDA NASS Crop Progress & Conditions

Crop Progress

ISSN: 1948-3007

Released September 6, 2016, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA).

Corn Dented – Selected States

[These 18 States planted 93% of the 2015 corn acreage]

State	Week ending			2011-2015 Average
	September 4, 2015	August 28, 2016	September 4, 2016	
	(percent)	(percent)	(percent)	(percent)
Colorado	68	45	62	53
Illinois	84	68	83	81
Indiana	62	62	77	64
Iowa	71	65	80	71
Kansas	77	64	80	78
Kentucky	78	74	84	78
Michigan	47	33	54	47
Minnesota	79	58	77	64
Missouri	83	79	91	87
Nebraska	70	61	76	73
North Carolina	95	95	97	96
North Dakota	64	41	64	48
Ohio	61	44	60	56
Pennsylvania	69	47	63	55
South Dakota	62	45	65	61
Tennessee	91	90	96	93
Texas	73	74	82	82
Wisconsin	51	50	71	45
18 States	71	60	76	69

Corn Mature – Selected States

[These 18 States planted 93% of the 2015 corn acreage]

State	Week ending			2011-2015 Average
	September 4, 2015	August 28, 2016	September 4, 2016	
	(percent)	(percent)	(percent)	(percent)
Colorado	5	-	6	5
Illinois	37	7	22	30
Indiana	14	8	20	16
Iowa	8	4	14	17
Kansas	28	15	26	34
Kentucky	45	33	58	47
Michigan	2	-	5	4
Minnesota	4	-	7	6
Missouri	33	21	44	43
Nebraska	9	5	8	13
North Carolina	84	81	91	88
North Dakota	4	1	8	7
Ohio	9	4	12	7
Pennsylvania	15	2	11	11
South Dakota	11	5	8	9
Tennessee	41	43	72	51
Texas	57	65	66	66
Wisconsin	4	3	13	5
18 States	17	9	18	20

Corn Condition – Selected States: Week Ending September 4, 2016

[National crop conditions for selected States are weighted based on 2015 planted acreage]

State	Very poor	Poor	Fair	Good	Excellent
	(percent)	(percent)	(percent)	(percent)	(percent)
Colorado	1	2	21	61	15
Illinois	1	2	12	58	27
Indiana	3	5	18	54	20
Iowa	1	3	13	59	24
Kansas	2	6	25	56	11
Kentucky	2	5	17	57	19
Michigan	4	10	28	46	12
Minnesota	1	3	12	58	26
Missouri	2	5	18	54	21
Nebraska	1	5	20	58	16
North Carolina	3	7	25	49	16
North Dakota	1	4	17	63	15
Ohio	6	13	36	39	6
Pennsylvania	5	14	33	38	10
South Dakota	5	13	30	44	8
Tennessee	2	7	24	44	23
Texas	2	11	31	45	11
Wisconsin	1	2	10	43	44
18 States	2	5	19	54	20
Previous week	2	5	18	54	21
Previous year	3	7	22	49	19

Soybeans Dropping Leaves – Selected States

[These 18 States planted 95% of the 2015 soybean acreage]

State	Week ending			2011-2015 Average
	September 4, 2015	August 28, 2016	September 4, 2016	
	(percent)	(percent)	(percent)	(percent)
Arkansas	26	15	25	22
Illinois	9	-	2	6
Indiana	15	5	11	15
Iowa	4	-	5	4
Kansas	9	2	5	9
Kentucky	7	2	7	10
Louisiana	67	38	52	55
Michigan	4	-	6	4
Minnesota	11	-	6	9
Mississippi	52	21	34	37
Missouri	2	-	2	4
Nebraska	18	8	16	9
North Carolina	12	5	11	6
North Dakota	40	13	29	26
Ohio	13	4	9	12
South Dakota	29	14	26	28
Tennessee	12	3	14	11
Wisconsin	2	2	5	2
18 States	15	5	12	12

Soybean Condition – Selected States: Week Ending September 4, 2016

[National crop conditions for selected States are weighted based on 2015 planted acreage]

State	Very poor	Poor	Fair	Good	Excellent
	(percent)	(percent)	(percent)	(percent)	(percent)
Arkansas	8	9	25	43	15
Illinois	2	4	15	58	21
Indiana	2	5	18	55	20
Iowa	1	3	14	58	24
Kansas	1	4	26	55	14
Kentucky	2	5	19	55	19
Louisiana	5	10	31	49	5
Michigan	2	7	24	53	14
Minnesota	1	4	16	56	23
Mississippi	1	7	20	46	26
Missouri	2	4	20	56	18
Nebraska	1	4	18	61	16
North Carolina	1	7	29	50	13
North Dakota	2	5	19	60	14
Ohio	3	9	33	46	9
South Dakota	3	10	28	50	9
Tennessee	-	4	17	51	28
Wisconsin	1	2	12	47	38
18 States	2	5	20	55	18
Previous week	2	5	20	55	18
Previous year	3	8	26	49	14

Cotton Bolls Opening – Selected States

[These 15 States planted 99% of the 2015 cotton acreage]

State	Week ending September 4, 2015	Week ending August 28, 2016	Week ending September 4, 2016	2011-2015 Average
	(percent)	(percent)	(percent)	(percent)
Alabama	45	29	47	28
Arizona	61	50	63	65
Arkansas	27	23	53	40
California	29	4	30	31
Georgia	43	30	49	40
Kansas	13	7	11	15
Louisiana	69	63	83	73
Mississippi	55	30	46	47
Missouri	18	3	17	24
North Carolina	39	20	31	33
Oklahoma	13	9	11	21
South Carolina	47	13	22	31
Tennessee	19	17	29	28
Texas	20	22	28	29
Virginia	33	10	18	28
15 States	28	23	33	33

Cotton Condition – Selected States: Week Ending September 4, 2016

[National crop conditions for selected States are weighted based on 2015 planted acreage]

State	Very poor	Poor	Fair	Good	Excellent
	(percent)	(percent)	(percent)	(percent)	(percent)
Alabama	1	4	42	43	10
Arizona	4	-	4	52	40
Arkansas	5	6	17	44	28
California	-	-	30	30	40
Georgia	4	11	30	45	10
Kansas	1	2	29	66	2
Louisiana	1	9	37	48	5
Mississippi	1	7	31	45	16
Missouri	5	14	49	27	5
North Carolina	3	10	32	49	6
Oklahoma	-	-	48	47	5
South Carolina	-	1	57	37	5
Tennessee	1	2	16	58	23
Texas	4	16	40	33	7
Virginia	-	4	19	77	-
15 States	3	12	37	39	9
Previous week	4	12	36	39	9
Previous year	2	10	35	44	9

Sorghum Coloring – Selected States

[These 11 States planted 98% of the 2015 sorghum acreage]

State	Week ending September 4, 2015	Week ending August 28, 2016	Week ending September 4, 2016	2011-2015 Average
	(percent)	(percent)	(percent)	(percent)
Arkansas	99	99	100	98
Colorado	42	39	61	47
Illinois	79	73	79	77
Kansas	61	50	69	46
Louisiana	100	100	100	100
Missouri	78	57	77	67
Nebraska	62	74	89	60
New Mexico	17	29	37	15
Oklahoma	70	51	56	59
South Dakota	67	53	79	71
Texas	76	78	80	79
11 States	67	62	74	61

Sorghum Mature – Selected States

[These 11 States planted 98% of the 2015 sorghum acreage]

State	Week ending September 4, 2015	Week ending August 28, 2016	Week ending September 4, 2016	2011-2015 Average
	(percent)	(percent)	(percent)	(percent)
Arkansas	86	90	99	76
Colorado	5	1	3	9
Illinois	17	20	25	16
Kansas	7	3	9	6
Louisiana	98	97	100	98
Missouri	20	7	17	20
Nebraska	2	2	12	1
New Mexico	-	2	6	-
Oklahoma	22	17	27	22
South Dakota	3	8	19	6
Texas	65	74	76	73
11 States	32	33	38	33

- Represents zero.

Sorghum Harvested – Selected States

[These 11 States harvested 98% of the 2015 sorghum acreage]

State	Week ending September 4, 2015	Week ending August 28, 2016	Week ending September 4, 2016	2011-2015 Average
	(percent)	(percent)	(percent)	(percent)
Arkansas	47	18	53	40
Colorado	-	-	-	-
Illinois	-	-	-	1
Kansas	1	-	-	1
Louisiana	83	80	90	88
Missouri	4	-	-	2
Nebraska	-	-	-	-
New Mexico	-	-	-	-
Oklahoma	4	1	9	6
South Dakota	-	-	-	-
Texas	51	47	49	60
11 States	22	18	20	25

Sorghum Condition – Selected States: Week Ending September 4, 2016

[National crop conditions for selected States are weighted based on 2015 planted acreage]

State	Very poor	Poor	Fair	Good	Excellent
	(percent)	(percent)	(percent)	(percent)	(percent)
Arkansas	5	18	33	37	7
Colorado	-	5	27	60	8
Illinois	2	5	22	63	8
Kansas	1	3	22	59	15
Louisiana	-	15	30	43	12
Missouri	-	2	28	60	10
Nebraska	-	-	16	64	20
New Mexico	-	2	75	22	1
Oklahoma	-	1	31	65	3
South Dakota	-	3	41	54	2
Texas	2	7	33	43	15
11 States	1	5	28	53	13
Previous week	1	5	29	52	13
Previous year	2	5	25	56	12