

KSU Agriculture Today Radio Notes

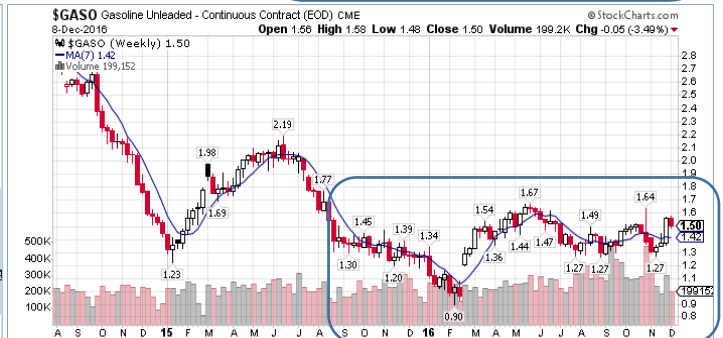
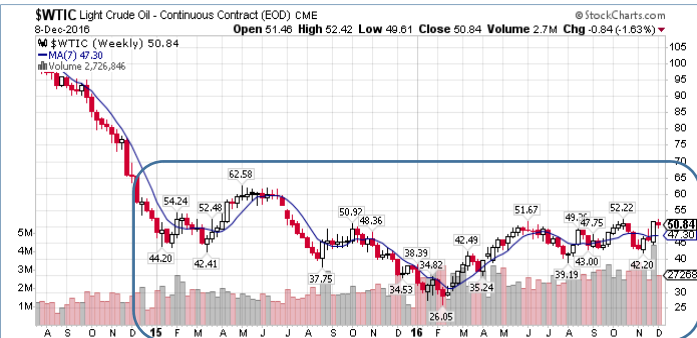
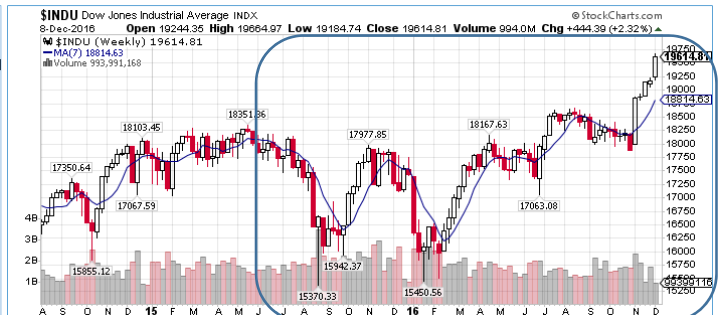
Daniel O'Brien, Extension Agricultural Economist, Kansas State University

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

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

Corn Futures				Soybean Futures				Ethanol Futures			
Month	Close	Change	Carry/mo	Month	Close	Change	Carry/mo	Month	Close	Change	Carry/mo
Dec 16	\$3.46 ½	↓ \$0.04	---	Jan 17	\$10.27	↓ \$0.22	---	Jan 17	\$1.645	↓ \$0.002	---
Mar 17	\$3.53 ½	↓ \$0.045	\$0.02 ³³³	Mar 17	\$10.37 ¾	↓ \$0.2175	\$0.05 ³⁷⁵	Feb 17	\$1.586	↓ \$0.007	No Carry
May 17	\$3.60 ¼	↓ \$0.045	\$0.03 ³⁷⁵	May 17	\$10.45 ¼	↓ \$0.215	\$0.03 ⁷⁵	Mar 17	\$1.585	↓ \$0.007	No Carry
July 17	\$3.67 ¾	↓ \$0.04	\$0.03 ⁷⁵	July 17	\$10.50 ½	↓ \$0.215	\$0.02 ⁶²⁵	April 17	\$1.592	↓ \$0.007	\$0.007
Sept 17	\$3.75	↓ \$0.0525	\$0.03 ⁶²⁵	Aug 17	\$10.47 ¾	↓ \$0.2075	No Carry	May 17	\$1.594	↓ \$0.007	\$0.002
Dec 17	\$3.83 ¼	↓ \$0.0375	\$0.02 ⁷⁵	Sept 17	\$10.28 ¾	↓ \$0.0425	No Carry	June 17	\$1.589	↓ \$0.007	No Carry
Mar 18	\$3.92	↓ \$0.035	\$0.02 ⁹¹⁷	Nov 17	\$10.13	↓ \$0.19	No Carry	July 17	\$1.589	↓ \$0.007	No Carry
May 18	\$3.97 ¾	↓ \$0.0325	\$0.02 ⁸⁷⁵	Jan 18	\$10.14 ½	↓ \$0.175	\$0.00 ⁷⁵	Aug 17	\$1.595	↓ \$0.007	\$0.006

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
Dec 16	\$3.87	↑ \$0.05	---	Dec 16	\$ 3.90 ¾	↑ \$0.045	---	Dec 16	\$5.35 ¾	↑ \$0.0175	---
Mar 17	\$4.04 ½	↑ \$0.0475	\$0.05 ⁷³³	Mar 17	\$ 4.08 ¼	↑ \$0.0725	\$0.05 ⁸³³	Mar 17	\$5.31	↑ \$0.02	No Carry
May 17	\$4.16 ¼	↑ \$0.045	\$0.03 ⁹¹⁷	May 17	\$ 4.18 ¾	↑ \$0.0625	\$0.05 ²⁵	May 17	\$5.33 ¾	↑ \$0.015	\$0.01 ³⁷⁵
July 17	\$4.28 ½	↑ \$0.0475	\$0.06 ¹²⁵	July 17	\$ 4.30 ¼	↑ \$0.055	\$0.05 ⁷⁵	July 17	\$5.37 ¼	↑ \$0.0275	\$0.01 ⁷⁵
Sept 17	\$4.44 ¼	↑ \$0.0525	\$0.07 ⁸⁷⁵	Sept 17	\$ 4.44 ¼	↑ \$0.055	\$0.07	Sept 17	\$5.43 ¼	↑ \$0.015	\$0.03
Dec 17	\$4.65 ½	↑ \$0.0525	\$0.07 ⁰⁸³	Dec 17	\$ 4.62	↑ \$0.0625	\$0.05 ⁹¹⁷	Dec 17	\$5.52 ¼	↑ \$0.0125	\$0.03
Mar 18	\$4.80 ¼	↑ \$0.0475	\$0.07 ³⁷⁵	Mar 18	\$ 4.73 ¾	↑ \$0.06	\$0.03 ⁹¹⁷	Mar 18	\$5.59	No change	\$0.02 ²⁵
May 18	\$4.89	↑ \$0.04	\$0.04 ³⁷⁵	May 18	\$ 4.88 ¼	↑ \$0.0275	\$0.07 ²⁵	May 18	\$5.60	↓ \$0.03	\$0.00 ⁵⁰



Western Kansas Grain Markets

Thursday's closing elevator grain bids:

HRW WHEAT ORD US NO 1				
	Bids	Change (¢/bu)	Basis	Change
Dodge City	2.65	UP 4.75	-140H	UNCH
Colby	2.85	UP 12.75	-120H	UP 8
Garden City	2.60-2.65	UP 4.75	-145H to -140H	UNCH
Goodland	2.70	UP 4.75	-135H	UNCH
Protection	2.75	UP 14.75	-130H	UP 10
Scott City	2.57-2.58	UP 4.75	-148H to -147H	UNCH
Sublette	2.70	UP 4.75	-135H	UNCH
Syracuse	2.80	UP 4.75	-125H	UNCH
Ulysses	2.68	UP 4.75	-137H	UNCH

US NO 2 YELLOW CORN				
	Bids	Change (¢/bu)	Basis	Change
Dodge City	2.99	DN 4.5	-55H	UNCH
Colby	2.90	DN 4.5	-64H	UNCH
Garden City	2.99-3.04	DN 4.5	-55H to -50H	UNCH
Goodland	2.79	DN 4.5	-75H	UNCH
Protection	3.04	DN 4.5	-50H	UNCH
Scott City	2.94-2.95	DN 4.5	-60H to -59H	UNCH
Sublette	3.04-3.07	DN 4.5	-50H to -47H	UNCH
Syracuse	2.99	DN 4.5	-55H	UNCH
Ulysses	3.01	DN 4.5	-53H	UNCH

US NO 2 SORGHUM				
	Bids	Change (¢/cwt)	Basis	Change
Dodge City	4.53	DN 8	-100H	UNCH
Colby	4.53	DN 1	-100H	UP 4
Garden City	4.26-4.53	DN 8	-115H to -100H	UNCH
Goodland	4.28	DN 8	-114H	UNCH
Protection	4.53	DN 8	-100H	UNCH
Scott City	4.26	DN 8	-115H	UNCH
Sublette	4.44-4.58	DN 8	-105H to -97H	UNCH
Syracuse	4.35	DN 8	-110H	UNCH
Ulysses	4.44	DN 8	-105H	UNCH

US NO 2 YELLOW SOYBEANS				
	Bids	Change (¢/bu)	Basis	Change
Dodge City	9.27	DN 22	-100F	UNCH
Colby	9.00	DN 22	-127F	UNCH
Garden City	9.22	DN 22	-105F	UNCH
Protection	9.27	DN 22	-100F	UNCH
Scott City	9.22	DN 22	-105F	UNCH
Sublette	9.17-9.22	DN 22	-110F to -105F	UNCH
Ulysses	9.17	DN 22	-110F	UNCH

US NO 2 SORGHUM - FEEDMILL BID				
	Bids	Change (¢/cwt)	Basis	Change
Ashland	5.24	DN 8	-60H	UNCH

Cotton Grade 41, Leaf 4, Staple 34, West Texas base price 69.50 cents per pound
FOB Railcar or Truck

* 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

Central Kansas Terminal and Processor Daily Grain Report

TERMINAL HRW WHEAT ORD US NO 1				
	Bids	Change (¢/bu)	Basis	Change
Atchison	3.0475	UP 4.75	-100H	UNCH
Topeka	3.1975	UP 4.75	-85H	UNCH
Concordia	2.8475	UP 4.75	-120H	UNCH
Salina	2.9975	UP 9.75-UP 4.75	-105H	UP 5-UNCH
Great Bend	3.0475	UP 4.75	-100H	UNCH
Newton	2.7475	UP 4.75	-130H	UNCH
Hutchinson	2.8775-3.0475	UP 4.75	-117H to -100H	UNCH
Wichita	2.9275-3.0975	UP 4.75-UP 9.75	-112H to -95H	UNCH-UP 5
Wellington	2.9575-2.9975	UP 4.75	-109H to -105H	UNCH
Arkansas City	2.8975	UP 4.75	-115H	UNCH

TERMINAL HWW WHEAT ORD US NO 2				
	Bids	Change (¢/bu)	Basis	Change
Wichita	3.0975	UP 9.75	-95H	UP 5

TERMINAL US NO 2 YELLOW CORN				
	Bids	Change (¢/bu)	Basis	Change
Atchison	3.3350	DN 4.5	-20H	UNCH
Topeka	3.3050	DN 4.5	-23H	UNCH
Salina	2.9850-3.0350	DN 4.5	-55H to -50H	UNCH
Newton	2.6850	DN 4.5	-85H	UNCH
Hutchinson	2.8050-3.0350	DN 4.5	-73H to -50H	UNCH
Wellington	2.7550	DN 2.5	-78H	UP 2
Arkansas City	2.7350	DN 2.5	-80H	UP 2

TERMINAL US NO 2 SORGHUM				
	Bids	Change (¢/cwt)	Basis	Change
Topeka	5.51	DN 8	-45H	UNCH
Concordia	4.62	DN 8	-95H	UNCH
Salina	4.88-5.06	DN 8	-80H to -70H	UNCH
Newton	4.46	DN 8	-104H	UNCH
Hutchinson	4.58-4.97	DN 8	-97H to -75H	UNCH
Wellington	4.62-4.79	DN 4-DN 9	-95H to -85H	UP 2-UNCH
Arkansas City	4.53	DN 8	-100H	UNCH

TERMINAL US NO 2 SOYBEANS				
	Bids	Change (¢/bu)	Basis	Change
Atchison	9.5200	DN 22	-75F	UNCH
Topeka	9.5200	DN 22	-75F	UNCH
Salina	9.3200-9.4200	DN 22	-95F to -85F	UNCH
Newton	9.2000	DN 22	-107F	UNCH
Hutchinson	9.2000-9.2700	DN 22	-107F to -100F	UNCH
Wichita	9.3000	DN 22	-97F	UNCH
Wellington	9.3200	DN 22	-95F	UNCH
Arkansas City	9.3200	DN 22	-95F	UNCH

PROCESSOR HRW WHEAT US NO 1				
	Bids	Change (¢/bu)	Basis	Change
Wichita-11%	3.5975	UP 4.75	-45H	UNCH
Wichita-12%	3.9475	UP 4.75	-10H	UNCH
Wichita-13%	4.2475	UP 4.75	20H	UNCH

PROCESSOR US NO 2 YELLOW CORN				
	Bids	Change (¢/bu)	Basis	Change
Atchison	3.2850	DN 4.5	-25H	UNCH

PROCESSOR US NO 2 SOYBEANS				
	Bids	Change (¢/bu)	Basis	Change
Wichita	9.6700	DN 22	-60F	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
 Cheyenne Marrs 620-227-8881 DodgeCity.LPGMN@ams.usda.gov
 www.ams.usda.gov/mnreports/DC_GR112.txt



US #2 Yellow Corn - dollars/bushel					Distillers Grain - dollars/ton								
	Cash Bids	Chg	Basis	Avg:	Dried 10%	Chg	Avg:	Modified 50-55%	Chg	Avg:	Wet 65-70%	Chg	Avg:
Iowa-Eastern:	3.2200 - 3.3800	↓	-36H to -20H	-28.00	95.00 - 100.00	↓	97.50	45.00 - 48.00	↓	46.50	NA	NA	NA
Iowa-Western:	3.1300 - 3.3400	↓	-45H to -24H	-34.50	84.00 - 104.00	↓	94.00	45.00 - 53.00	↓	49.00	25.00 - 36.00	↓	30.50
Illinois:	3.4700 - 3.7000	↑	-11H to 12H	0.50	110.00 - 125.00	↓	117.50	NA	NA	NA	35.00	↓	35.00
Indiana:	3.5600 - 3.7400	↓	-2H to 16H	7.00	88.00 - 115.00	↓	101.50	50.00	↓	50.00	NA	NA	NA
Ohio:	3.5300 - 3.7800	↓	-5H to 20H	7.50	92.00 - 110.00	↓	101.00	NA	NA	NA	NA	NA	NA
Michigan:	3.2800 - 3.5800	↓	-30H to OptH	-15.00	85.00 - 107.00	↓	98.00	42.00	↓	42.00	NA	NA	NA
Kansas:	3.2300 - 3.5050	↓	-35H to OptZ	-17.50	115.00 - 140.00	↓	127.50	NA	NA	NA	40.00 - 48.00	↓	44.00
Minnesota:	3.0000 - 3.2800	↓	-58H to -32H	-45.00	90.00 - 100.00	↓	95.00	50.00	↓	50.00	24.00 - 35.00	↓	29.50
Nebraska:	3.1200 - 3.4100	↓	-46H to -17H	-31.50	100.00 - 115.00	↓	107.50	47.00 - 57.00	↓	46.00	35.00 - 49.00	↓	42.00
Wisconsin:	2.9600 - 3.2800	↓	-62H to -30H	-46.00	98.00 - 120.00	↓	109.00	42.00 - 50.00	↓	46.00	NA	NA	NA
South Dakota:	2.8300 - 3.1800	↓	-75H to -40H	-57.50	92.00 - 106.50	↓	99.25	46.00 - 63.50	↓	54.75	30.00 - 35.00	↑	32.50
Missouri:	3.2100 - 3.4300	↓	-37H to -15H	-26.00	115.00 - 121.00	↓	118.00	62.00	↓	62.00	33.00 - 35.00	↓	34.00

Sorghum - dollars/bushel				
	Cash Bids	Chg	Basis	Avg:
Kansas:	2.8550 - 2.9050	↓	-85Z to -60Z	-62.50
Missouri:	2.9600	↓	-62H to -62H	-62.00

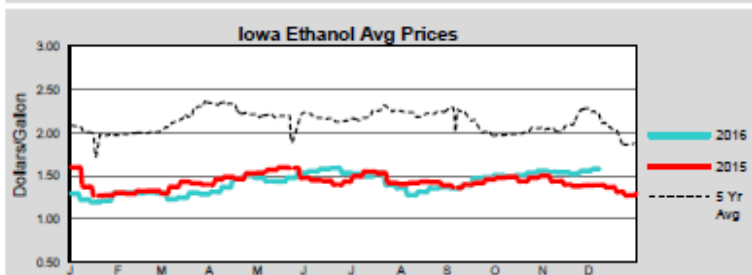
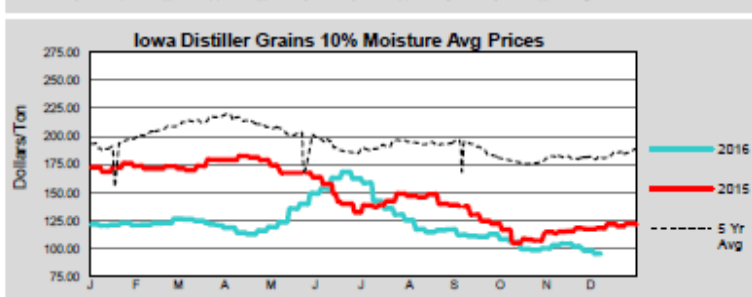
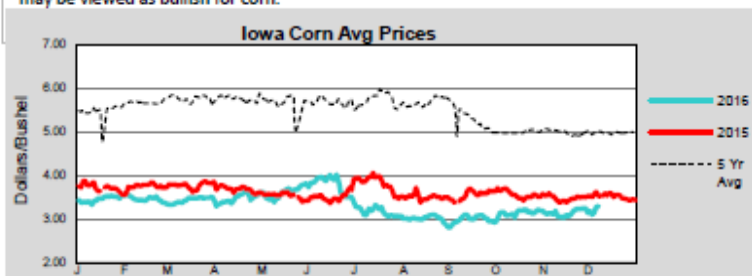
Corn Oil - cents/pound			
W/E 12/02/16	Range	Chg:	Avg:
Iowa:	26.00 - 28.00	↓	27.00
Eastern Cornbelt:	26.00 - 27.00	↓	26.50
Nebraska:	25.00 - 27.00	↓	26.00
South Dakota:	NA	NA	NA

Ethanol - dollars/gallon			
W/E 12/02/16	Range	Chg:	Avg:
Iowa:	1.52 - 1.64	↑	1.58
Eastern Cornbelt:	1.65 - 1.67	↑	1.66
Kansas:	1.60 - 1.60	↓	1.60
Minnesota:	1.52 - 1.64	↑	1.58
Nebraska:	1.52 - 1.59	↓	1.55
Wisconsin:	NA	NA	NA
South Dakota:	1.52 - 1.64	↑	1.58

Daily Nearby Futures			
	Today	Yesterday	Last year
CME group			
Corn (\$/bu)	3.4650	3.5050	3.7725
Ethanol (\$/gal)	1.6350	1.6470	1.4650
NYMEX:			
RBOB Gasoline (\$/gal)	1.4986	1.5082	1.2802
Natural Gas (mmBtu)	3.6530	3.6030	2.0150

Daily Market Review

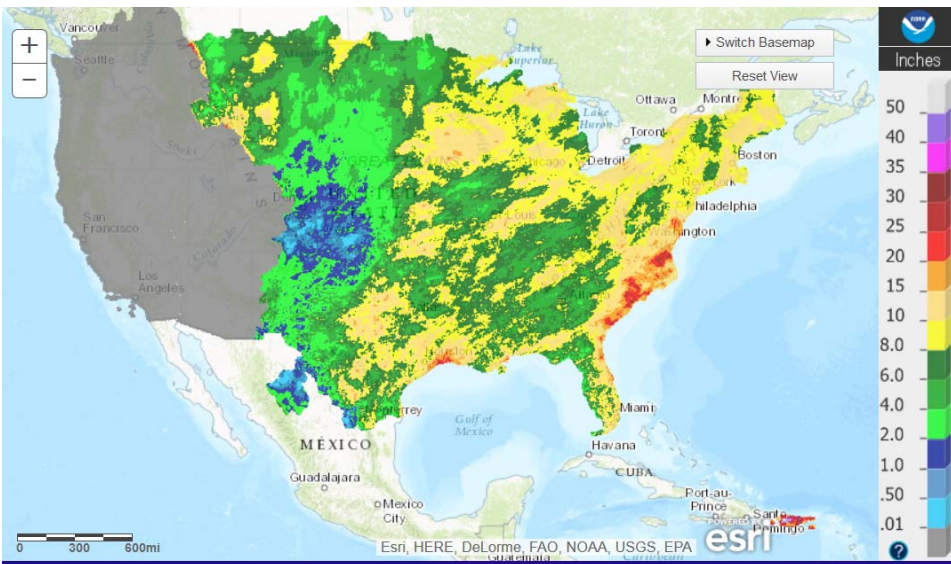
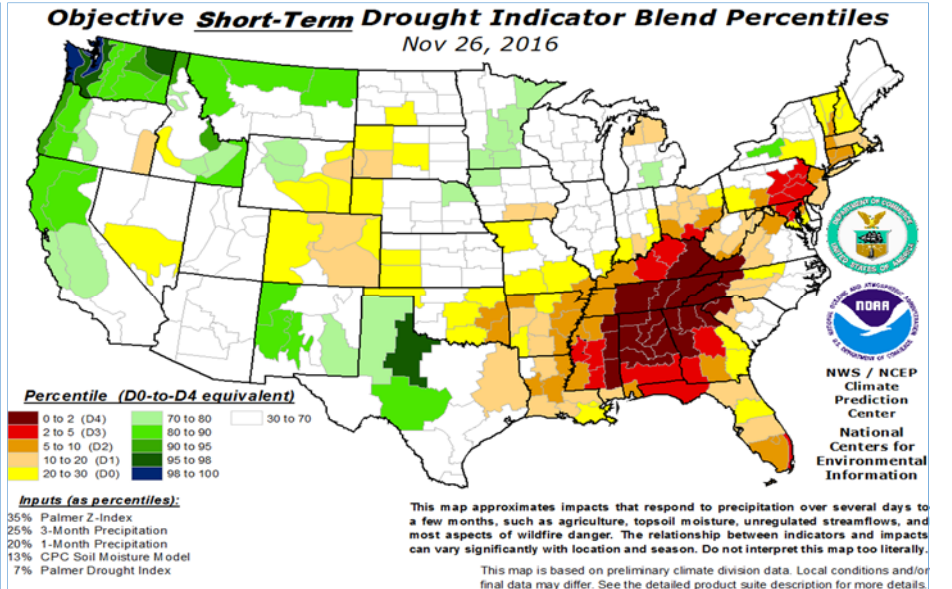
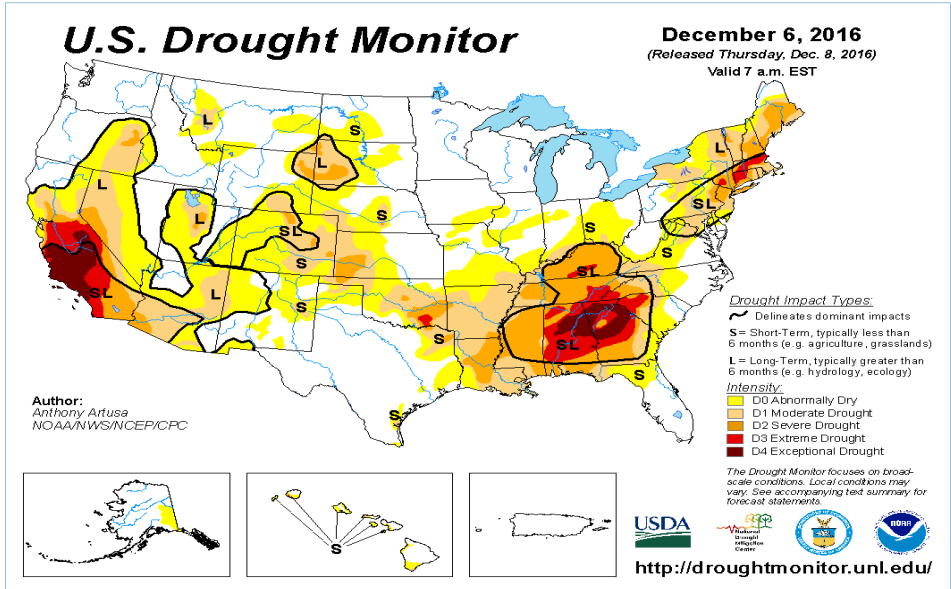
Yesterday's March corn contract closed down 2 1/2 cents at \$3.58. Export sales and shipments of corn from last week totaled 58.9 and 53.8 million bushels respectively. Both of these totals were above the amount need to keep on pace with USDA's November demand projection. This report may be viewed as bullish for corn.



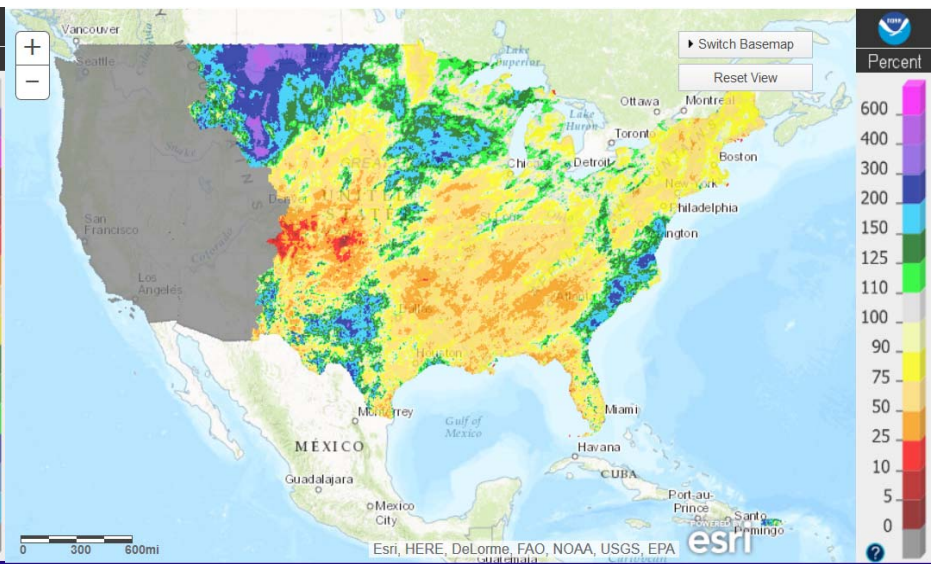
BIO-ENERGY REPORT NOTES

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

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

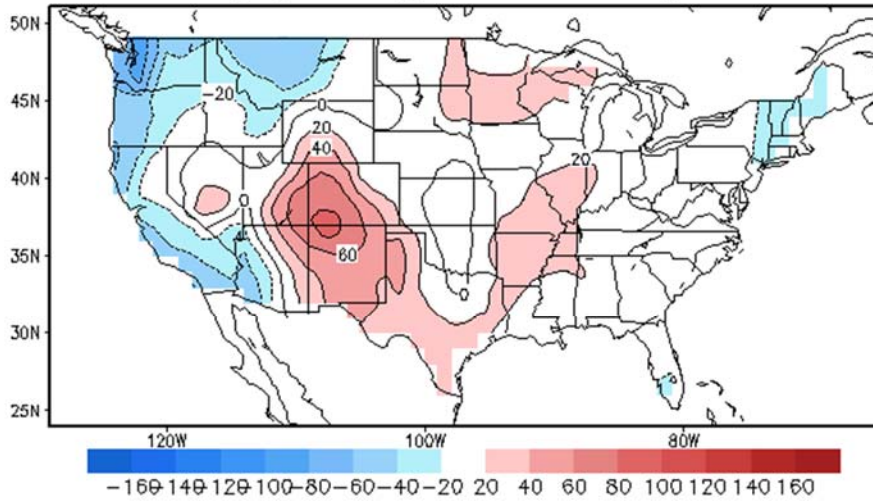


Displaying Last 90-Day Observed Precipitation
Valid on: December 08, 2016 12:00 UTC

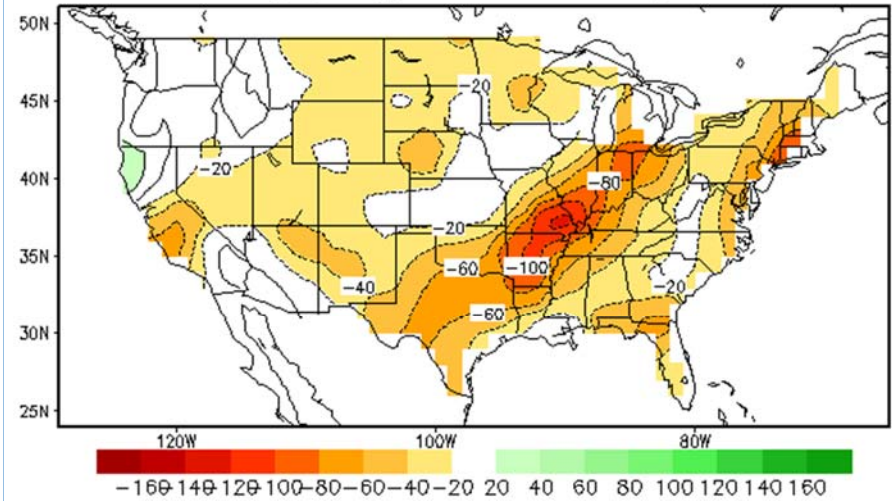


Displaying Last 90-Day Percent of Normal Precipitation
Valid on: December 08, 2016 12:00 UTC

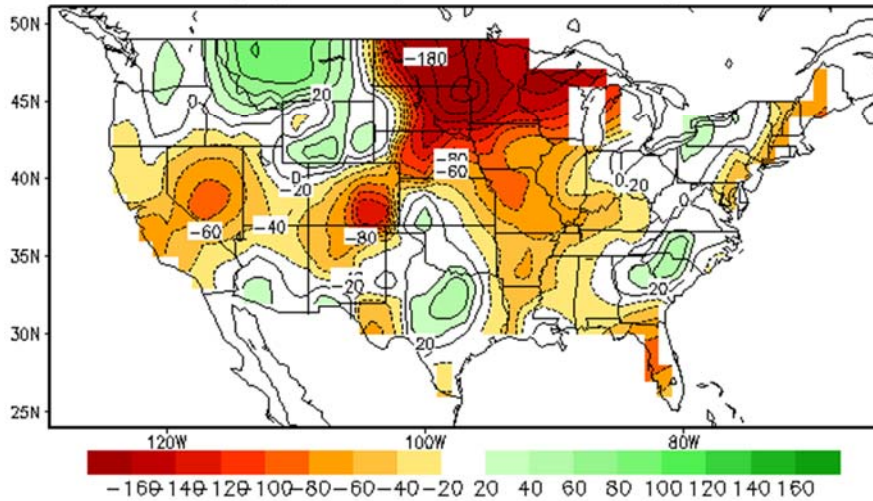
Lagged Averaged Temperature Outlook for JAN 2017
 units: anomaly (sdX100), SM data ending at 20161207



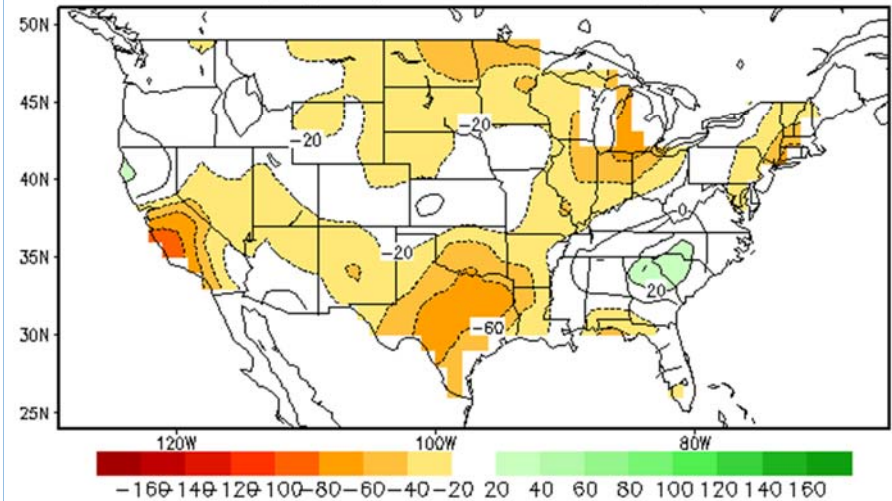
Lagged Averaged Soil Moisture Outlook for End of JAN2017
 units: anomaly (mm), SM data ending at 20161207



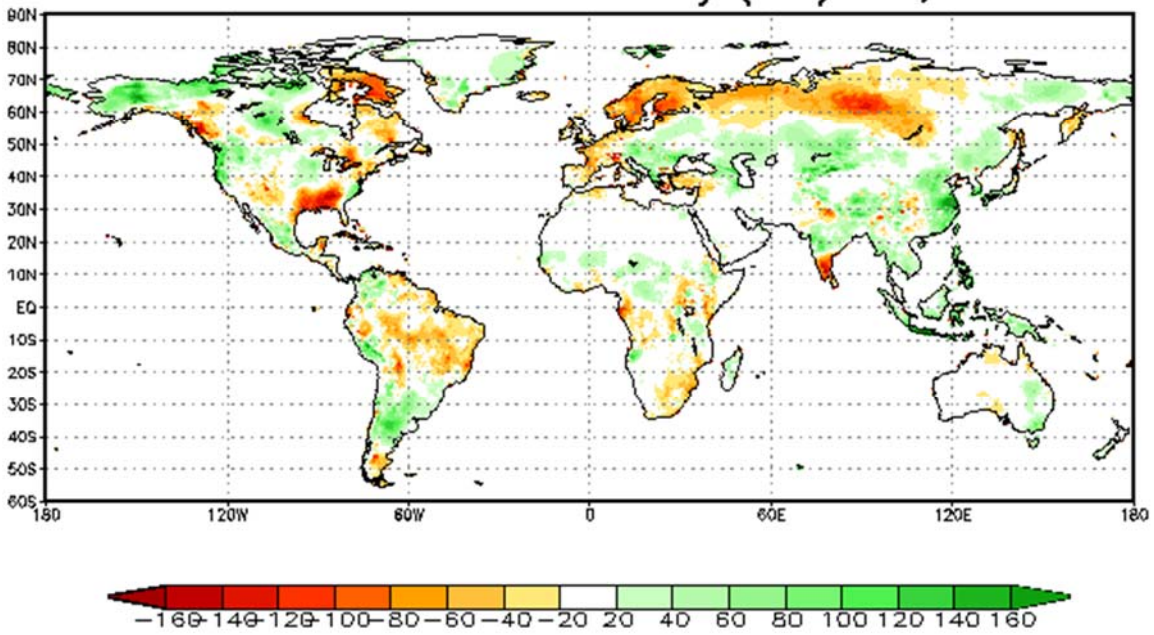
Lagged Averaged Precipitation Outlook for JAN 2017
 units: anomaly (sdX100), SM data ending at 20161207



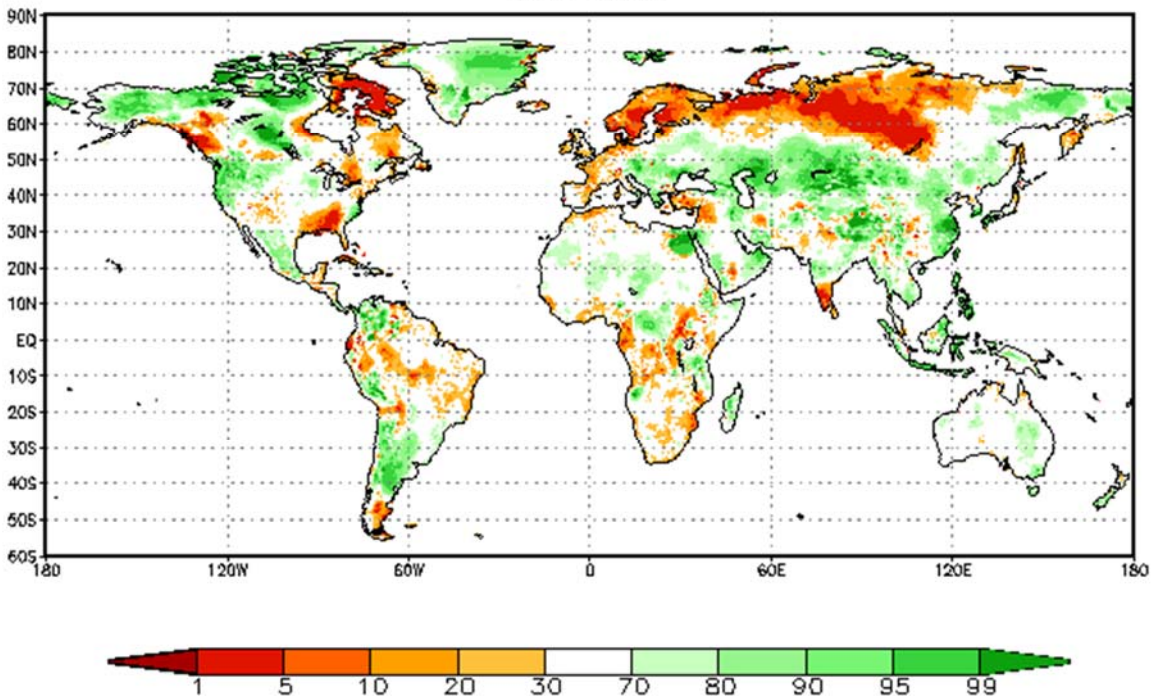
Lagged Averaged Soil Moisture Outlook for End of MAR2017
 units: anomaly (mm), SM data ending at 20161207



Calculated Soil Moisture Anomaly (mm) NOV, 2016



Calculated Soil Moisture Ranking Percentile NOV 2016




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

December 6, 2016

EUROPE – Highlight: Cold And Unsettled In the East


- Cold, unsettled weather was beneficial for dormant winter crops from **Poland into the Balkans**.
- Additional showers in **Portugal** and **Spain** favored wheat and barley establishment.

MIDDLE EAST – Highlight: Beneficial Rain, But Drought Impacts Lingered 

- Much-needed rain supplied soil moisture for drought-afflicted winter grains from **Turkey into Iran**.
- Despite beneficial precipitation, sharply colder weather over the past several weeks sped the region's poorly-established winter crops into dormancy in **central Turkey** and **western Iran**.

NORTHWEST AFRICA – Highlight: Conditions Improved For Winter Wheat


- Recent rain improved prospects for winter grain planting and establishment in **Morocco** and **Algeria**.

FSU – Highlight: Winter Crops Are Dormant Under Fresh Snow Cover 

- Late-week snow provided insulation for dormant winter wheat in **Ukraine** and **Russia**.

SOUTH ASIA – Highlight: Tropical Storm Nada


- Tropical Storm Nada brought beneficial rainfall to rabi rice and other crops experiencing unfavorable short-term dryness in **southern India**.

EAST ASIA – Highlight: Warmer In China 


- Warmer weather and favorable soil moisture favored vegetative rapeseed in **China**, while also maintaining good wheat conditions.

SOUTHEAST ASIA – Highlight: Widespread Showers

- Seasonal showers maintained abundant moisture supplies for rice and other crops in the **Philippines** and **Indonesia**.
- More heavy showers in **central Vietnam** delayed coffee harvesting.

AUSTRALIA – Highlight: Mostly Dry, But Increasingly Hot In The East 

- In the wheat belt, mostly dry weather favored wheat, barley, and canola maturation and harvesting and helped maintain good to excellent yield and crop quality prospects.
- Hot weather in the **northeast** increased water requirements for dryland and irrigated summer crops.

SOUTH AMERICA – Highlight: Rain Benefited Emerging Summer Grains And Oilseeds 

- Much-needed rain boosted moisture for corn and soybeans in **southern Brazil**, as seasonal rainfall continued in more **northerly summer crop** areas.
- Showers overspread **northern Argentina**, but pockets of dryness continued in **southern corn** and soybean areas.

SOUTH AFRICA – Highlight: Warm, Dry Weather Spurred Early Summer Crop Development

- Drier, generally warm weather spurred rapid growth of emerging corn.

III. Pre-Report Trade Estimates for the December 9th USDA WASDE Report

A. U.S. Crop Ending Stocks Estimates

Crop	USDA #s MY 2016/17 Dec. 9, 2016	Average Trade Est.	Lowest Trade Est.	Highest Trade Est.	USDA #s MY 2016/17 Nov. 9, 2016	MY 2015/16 Nov. 9, 2016	MY 2014/15 Nov. 9, 2016	MY 2013/14 Nov. 9, 2016	MY 2012/13 Nov. 9, 2016
Corn		2.413 bln bu	2.364 bln bu	2.584 bln bu	2.403 bln bu	1.738 bln bu	1.731 bln bu	1.232 bln bu	0.821 bln bu
Sorghum		41 mln bu	37 mln bu	45 mln bu	40 mln bu	37 mln bu	18 mln bu	34 mln bu	15 mln bu
Wheat		1.139 bln bu	1.030 bln bu	1.187 bln bu	1.143 bln bu	976 mln bu	752 mln bu	590 mln bu	718 mln bu
Soybeans		470 mln bu	428 mln bu	500 mln bu	480 mln bu	197 mln bu	191 mln bu	92 mln bu	141 mln bu
Cotton		na	na	na	4.50 mln bales	3.80 mln bales	3.65 mln bales	2.35 mln bales	3.80 mln bales

B. World Crop Ending Stocks Estimates

Crop	USDA #s MY 2016/17 Dec. 9, 2016	Average Trade Est.	Lowest Trade Est.	Highest Trade Est.	USDA #s MY 2016/17 Nov. 9, 2016	MY 2015/16 Nov. 9, 2016	MY 2014/15 Nov. 9, 2016	MY 2013/14 Nov. 9, 2016	MY 2012/13 Nov. 9, 2016
Corn		219.24 mmt	217.10 mmt	224.80 mmt	218.19 mmt	209.40 mmt	208.03 mmt	174.77 mmt	133.15 mmt
Sorghum		na	na	na	4.47 mmt	5.10 mmt	6.16 mmt	5.97 mmt	4.74 mmt
Wheat		248.03 mmt	220.00 mmt	252.60 mmt	249.23 mmt	241.03 mmt	217.20 mmt	194.69 mmt	177.59 mmt
Soybeans		81.31 mmt	78.10 mmt	83.00 mmt	81.53 mmt	77.07 mmt	78.60 mmt	61.90 mmt	55.18 mmt
Cotton		na	na	na	88.31 mln bales	96.91 mln bales	111.62 mln bales	103.31 mln bales	92.12 mln bales

C. South America Crop Production Estimates

Crop	USDA #s MY 2016/17 Dec. 9, 2016	Average Trade Est.	Lowest Trade Est.	Highest Trade Est.	USDA #s MY 2016/17 Nov. 9, 2016	MY 2015/16 Nov. 9, 2016	MY 2014/15 Nov. 9, 2016	MY 2013/14 Nov. 9, 2016	MY 2012/13 Nov. 9, 2016
Argentina Corn		36.41 mmt	35.00 mmt	37.00 mmt	36.50 mmt	29.00 mmt	28.70 mmt	26.00 mmt	27.00 mmt
Brazil Corn		84.69 mmt	83.50 mmt	91.10 mmt	83.50 mmt	67.00 mmt	85.00 mmt	80.00 mmt	81.50 mmt
Argentina Soybeans		56.62 mmt	54.00 mmt	57.00 mmt	57.00 mmt	56.80 mmt	61.40 mmt	53.40 mmt	49.30 mmt
Brazil Soybeans		102.24 mmt	101.70 mmt	103.00 mmt	102.00 mmt	96.50 mmt	97.20 mmt	86.70 mmt	82.00 mmt

III. Corn Market Information

Daily MARCH 2017 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 "neutral-positive" long term outlook total sales

- **Weekly Export Shipments week of 12/1/2016 for MY 2016/17 = 53.8 mb** vs 43.8 mb/wk needed to meet USDA's November 9th projn of 2.225 bb exports
- **Total shipments through 12/1/2016 for MY 2016/17 = 515.5 mb** i.e., 23.2% of 2.225 bb USDA projn with 25.0% of MY complete (13/52 weeks)
- **Total sales (12/1/2016) for "new crop" MY 2016/17 = 1.243 bb** i.e., 55.9% of 2.225 bb USDA projn w. 25.0% of MY complete (13/52 weeks)

U.S. Grain Sorghum Exports: "Positive" short term MY 2016/17 export shipments & "neutral-positive" long term total sales

- **Weekly Export Shipments wk of 12/1/2016 for MY 2016/17 = 9.17 mb** vs 5.42 mb/wk needed to meet USDA's November 9th projn of 250 mb exports
- **Total shipments through 12/1/2016 for MY 2016/17 = 38.6 mb** i.e., 15.4% of 250 mb USDA projn with 25.0% of MY complete (13/52 weeks)
- **Total new sales (12/1/2016) for "new crop" MY 2016/17 = 104.5 mb** i.e., 41.8% of 250 mb USDA projn w. 25.0% of MY complete (13/52 weeks)

World & U.S. Corn Supply-Demand Fundamentals

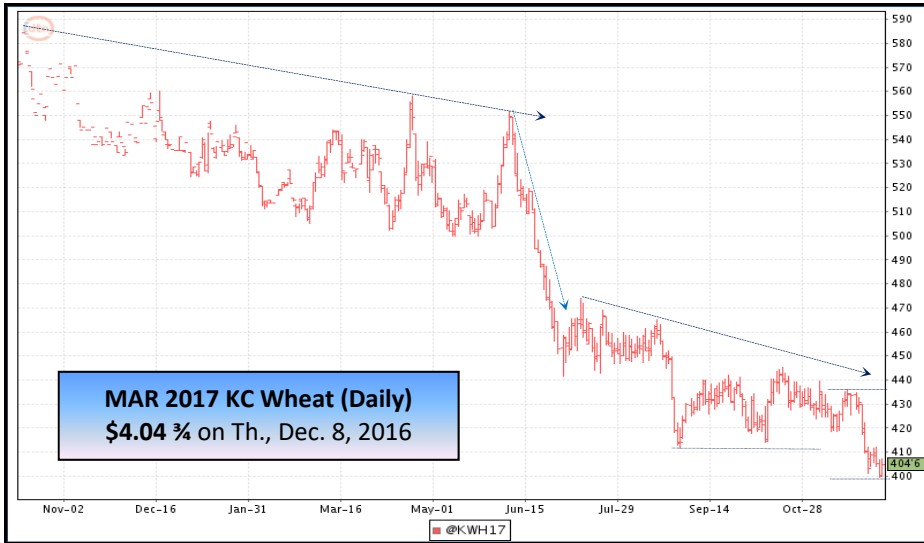
Mktg Yr	World % S/U	U.S. % S/U	U.S. \$/bu	U.S. Crop
2007/08	16.5% S/U	12.8% S/U	\$4.20 /bu	13.038 bln bu
2008/09	18.3% S/U	13.9% S/U	\$4.06 /bu	12.043 bln bu
2009/10	17.2% S/U	13.1% S/U	\$3.55 /bu	13.067 bln bu
2010/11	14.5% S/U	8.7% S/U	\$5.18 /bu	12.425 bln bu
2011/12	14.8% S/U	7.9% S/U	\$6.22 /bu	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}	21.2% S/U	12.6% S/U	\$3.70 /bu	14.216 bln bu
2015/16 ^{USDA}	21.9% S/U	12.7% S/U	\$3.61 /bu	13.601 bln bu
2016/17^{USDA}	21.4% S/U	16.5% S/U	\$3.30 /bu	15.226 bln bu
2017/18 ^{USDA}	na	16.2% S/U	\$3.30 /bu	14.060 bln bu

❖ U.S. Grain Sorghum Supply-Demand Fundamentals

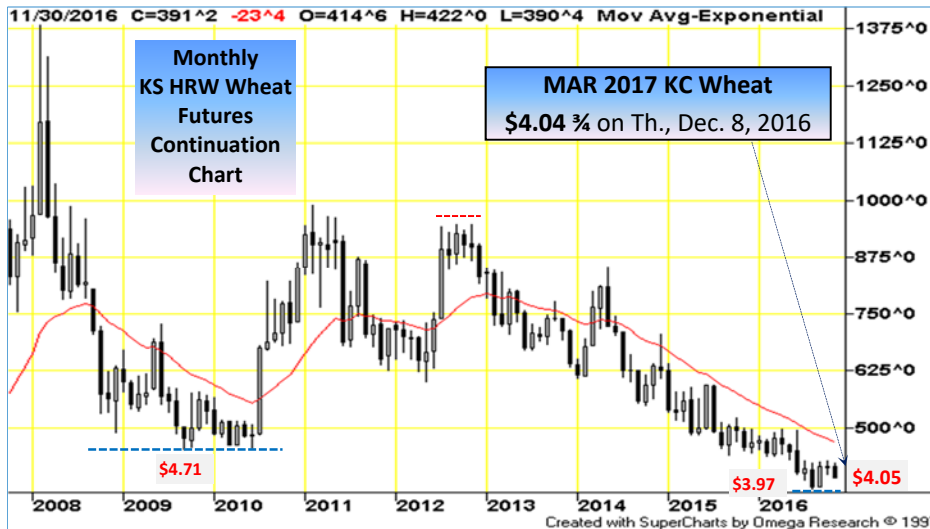
2014/15 ^{USDA}	67.6 bu/ac ^{US}	4.0% S/U	\$4.03 /bu	433 mln bu
2015/16 ^{USDA}	76.0 bu/ac ^{US}	6.4% S/U	\$3.31 /bu	597 mln bu
2016/17^{USDA}	76.5 bu/ac^{US}	8.7% S/U	\$3.10 /bu	462 mln bu
2017/18 ^{USDA}	67.1 bu/ac ^{US}	10.1% S/U	\$3.10 /bu	362 mln bu

IV. Wheat Market Outlook

Daily MARCH 2017 HRW Futures



Monthly Kansas HRW Wheat eFutures



Key Wheat Supply-Demand Factors:

U.S. All Wheat Exports: "Neutral-positive" Short Term Export Shipments with "positive" long run export prospects in "new crop" MY 2016/17 total sales

- Weekly Export Shipments wk of 12/1/2016 for "new crop" MY 2016/17 = 20.4 mb vs 19.8 mb /wk needed to meet USDA's November 9th projn of 975 mb exports
- Total shipments through 12/1/2016 for "new crop" MY 2016/17 = 479.4 mb i.e., 49.2% of 975 mb USDA projn with 51.9% of MY complete (27/52 weeks)
- Total shipments + new sales 12/1/2016 for "new crop" MY 2016/17 = 711.7 mb i.e., 73.0% of 975 mb USDA projn with 51.9% of MY complete (27/52 weeks)

U.S. HRW Wheat Exports: "Neutral-negative" Short Term Export Shipments with "positive" long run prospects in "new crop" MY 2016/17 total sales

- Weekly Export Shipments wk of 12/1/2016 for "new crop" MY 2016/17 = 6.9 mb vs 7.1 mb /wk needed to meet USDA's November 9th projn of 390 mb exports
- Total shipments through 12/1/2016 for "new crop" MY 2016/17 = 211.8 mb i.e., 54.3% of 390 mb USDA projn with 51.9% of MY complete (27/52 weeks)
- Total shipments + new sales 12/1/2016 for "new crop" MY 2016/17 = 288.3 mb i.e., 73.9% of 390 mb USDA projn with 51.9% of MY complete (27/52 weeks)

"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	611.7 mmt	13.2% S/U	\$6.48 /bu	1,263 mln bu
2008/09	26.5% S/U	683.7 mmt	28.7% S/U	\$6.78 /bu	1,015 mln bu
2009/10	31.2% S/U	687.0 mmt	48.6% S/U	\$4.87 /bu	879 mln bu
2010/11	30.4% S/U	679.3 mmt	36.4% S/U	\$5.70 /bu	1,291 mln bu
2011/12	28.6% S/U	696.9 mmt	33.4% S/U	\$7.24 /bu	1,051 mln bu
2012/13	25.7% S/U	658.3 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	30.6% S/U	728.3 mmt	37.3% S/U	\$5.99 /bu	864 mln bu
2015/16 ^{USDA}	33.7% S/U	735.0 mmt	50.0% S/U	\$4.89 /bu	775 mln bu
2016/17 ^{USDA}	33.8% S/U	744.4 mmt	50.4% S/U	\$3.70 /bu	975 mln bu
2017/18 ^{USDA}	na	na	45.0% S/U	\$4.00 /bu	975 mln bu

Winter Wheat Emerged – Selected States

[These 18 States planted 90% of the 2015 winter wheat acreage]

State	Week ending			2011-2015 Average
	November 27, 2015	November 20, 2016	November 27, 2016	
	(percent)	(percent)	(percent)	(percent)
Arkansas	84	82	87	90
California	66	71	81	60
Colorado	100	97	99	99
Idaho	94	93	97	98
Illinois	99	90	96	96
Indiana	99	92	95	96
Kansas	98	94	96	98
Michigan	100	90	92	98
Missouri	94	76	84	86
Montana	98	94	95	91
Nebraska	100	99	100	99
North Carolina	54	50	59	59
Ohio	100	91	96	96
Oklahoma	96	92	96	96
Oregon	78	75	83	88
South Dakota	100	99	100	93
Texas	78	79	80	81
Washington	86	91	94	95
18 States	92	89	92	92

Winter Wheat Condition - Selected States: Week Ending November 27, 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	10	35	40	10
California	-	-	-	25	75
Colorado	3	12	38	41	6
Idaho	-	-	22	55	23
Illinois	3	2	25	56	14
Indiana	2	4	26	53	15
Kansas	3	10	35	45	7
Michigan	2	3	27	52	16
Missouri	3	6	33	51	7
Montana	-	2	21	49	28
Nebraska	2	11	34	48	5
North Carolina	1	12	29	56	2
Ohio	-	1	12	61	26
Oklahoma	3	9	35	46	7
Oregon	1	3	14	65	17
South Dakota	1	8	40	46	5
Texas	4	12	43	34	7
Washington	-	1	8	74	17
18 States	2	8	32	47	11
Previous week	2	8	32	47	11
Previous year	2	7	36	44	11

- Represents zero.

VI. Soybean Market Outlook

Daily JANUARY 2017 Soybean Futures



Monthly Soybean eFutures



Key Soybean Supply-Demand Issues:

❖ U.S. Soybean Exports: “Bullish” short run export shipments in MY 2015/16 and “positive” total sales

- Export Shipments for week of 12/1/2016 for “new crop” MY 2016/17 = 68.7 mb vs 28.1 mb/wk needed to meet USDA’s November 9th projn of 2.050 bb exports
- Total shipments through 12/1/2016 for “new crop” MY 2016/17 = 955.3 mb i.e., 26.6% of 2.050 bb USDA projn with 25.0% of MY complete (13/52 weeks)
- Total new sales (12/1/2016) for “new crop” MY 2016/17 = 1,585.9 mb i.e., 77.4% of 2.050 bb USDA projn with 25.0% of MY complete (13/52 weeks)

❖ U.S. Soybean Meal Exports: “Neutral-negative” short run export shipments in MY 2015/16 and “neutral-positive” total sales

- Export Shipments for week of 12/1/2016 for “current” MY 2015/16 = 201,000 mt vs 218,279 mt/wk needed to meet USDA’s Nov. 9th projn of 10,890 mmt exports
- Total shipments through 12/1/2016 for “current” MY 2015/16 = 1.504 mmt i.e., 13.8% of 10.890 mmt USDA projn with 17.3% of MY complete (9/52 weeks)
- Total shipments & new sales (12/1/2016) for “current” MY 2015/16 = 4.793 mmt i.e., 44.0% of 10.890 mmt USDA projn with 17.3% of MY complete (9/52 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
2007/08	22.9% S/U	219.0 mmt	6.7% S/U	\$10.10 /bu	1.159 bln bu
2008/09	19.3% S/U	212.0 mmt	4.5% S/U	\$ 9.97 /bu	1.279 bln bu
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	26.1% S/U	319.8 mmt	5.0% S/U	\$10.10 /bu	1.842 bln bu
2015/16 ^{USDA}	24.4% S/U	313.2 mmt	5.0% S/U	\$ 8.95 /bu	1.936 bln bu
2016/17 ^{USDA}	24.8% S/U	336.1 mmt	11.7% S/U	\$ 9.20 /bu	2.050 bln bu
2017/18 ^{USDA}	na	na	9.5% S/U	\$ 9.35 /bu	2.100 bln bu

U.S. upland cotton long-term projections

Item	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Area (million acres):												
Planted acres	8.4	10.0	10.5	10.3	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Harvested acres	7.9	9.5	9.5	9.0	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8
Yield:												
Pounds per harvested acre	755	791	808	813	818	823	828	833	838	843	848	853
Supply and use (thousand bales):												
Beginning stocks	3,391	3,664	4,402	4,802	4,577	4,227	4,152	4,052	4,027	3,977	4,002	4,002
Production	12,455	15,600	15,900	15,200	14,900	15,000	15,100	15,200	15,300	15,400	15,500	15,500
Imports	30	10	5	5	5	5	5	5	5	5	5	5
Supply	15,876	19,269	20,307	20,015	19,495	19,255	19,285	19,295	19,375	19,435	19,565	19,570
Domestic use	3,425	3,475	3,500	3,525	3,550	3,575	3,600	3,625	3,650	3,675	3,700	3,725
<u>Exports</u>	<u>8,619</u>	<u>11,425</u>	<u>12,000</u>	<u>11,900</u>	<u>11,700</u>	<u>11,500</u>	<u>11,600</u>	<u>11,600</u>	<u>11,700</u>	<u>11,700</u>	<u>11,800</u>	<u>11,800</u>
Total use	12,044	14,900	15,500	15,425	15,250	15,075	15,200	15,225	15,350	15,375	15,500	15,525
Ending stocks	3,664	4,402	4,802	4,577	4,227	4,152	4,052	4,027	3,977	4,002	4,002	3,977
Stocks/use ratio, percent	30.4	29.5	31.0	29.7	27.7	27.5	26.7	26.4	25.9	26.0	25.8	25.6
Prices (dollars per pound):												
Farm price	\$0.612	\$0.670	\$0.640	\$0.640	\$0.645	\$0.650	\$0.655	\$0.660	\$0.665	\$0.670	\$0.675	\$0.680
Variable costs of production (dollars):												
Per acre	\$512	\$512	\$516	\$528	\$535	\$542	\$548	\$554	\$562	\$570	\$577	\$583
Returns over variable costs (dollars per acre):												
Net returns*	\$64	\$132	\$131	\$125	\$130	\$133	\$138	\$142	\$145	\$148	\$151	\$156

Note: Marketing year beginning August 1 for upland cotton.

* Includes revenue from cottonseed. In previous years, net returns were calculated using an assumed cottonseed to lint ratio.

The current values use projections of cottonseed prices and yields, so are not directly comparable to prior years' values.

Cotton Harvested – Selected States

[These 15 States harvested 98% of the 2015 cotton acreage]

State	Week ending			2011-2015 Average
	November 27, 2015	November 20, 2016	November 27, 2016	
	(percent)	(percent)	(percent)	(percent)
Alabama	84	90	94	89
Arizona	74	65	72	69
Arkansas	100	100	100	100
California	100	80	90	98
Georgia	71	87	93	80
Kansas	67	54	69	74
Louisiana	100	100	100	100
Mississippi	98	100	100	99
Missouri	95	100	100	93
North Carolina	81	79	84	87
Oklahoma	74	65	72	72
South Carolina	62	77	86	81
Tennessee	94	97	100	91
Texas	71	47	62	76
Virginia	93	94	96	93
15 States	77	67	77	84