

I. Grain Futures Closes, Changes & Market Carry on Friday, January 21, 2022

Corn Futures				Soybean Futures				Kansas HRW Wheat Futures			
Month	Close	Change	Carry /mo	Month	Close	Change	Carry /mo	Month	Close	Change	Carry /mo
<u>Mar^L 22</u>	\$6.16 ¼	↑ \$0.05 ¼	---	<u>Mar^L 22</u>	\$14.14 ¼	↓ \$0.11 ¼	---	<u>Mar^L 22</u>	\$7.93 ¼	↓ \$0.03 ¼	---
May 22	\$6.14	↑ \$0.03 ¼	No Carry	May 22	\$14.23	↓ \$0.11 ¼	\$0.04 ³⁷⁵	May 22	\$7.96 ¼	↓ \$0.03 ¼	\$0.01 ⁵⁰
July 22	\$6.08 ½	↑ \$0.02	No Carry	July 22	\$14.27 ¼	↓ \$0.11 ¼	\$0.02 ³⁷⁵	<u>July^H 22</u>	\$7.98 ½	↓ \$0.03	\$0.01 ¹²⁵
Sept 22	\$5.78 ½	↑ \$0.02 ¼	No Carry	Aug 22	\$14.00 ¼	↓ \$0.10 ¼	No Carry	Sept 22	\$8.01 ¾	↓ \$0.03 ¼	\$0.01 ⁶²⁵
<u>Dec^H 22</u>	\$5.65 ¼	↑ \$0.03	No Carry	Sep 22	\$13.44	↓ \$0.07 ¼	No Carry	Dec 22	\$8.09 ¼	↓ \$0.02 ¼	\$0.02 ⁵⁰
Mar 23	\$5.73	↑ \$0.03	\$0.02 ⁵⁸³	<u>Nov^H 22</u>	\$13.16 ¼	↓ \$0.04	No Carry	Mar 23	\$8.11 ¾	↓ \$0.02 ¼	\$0.00 ⁸³³
May 23	\$5.75 ¾	↑ \$0.02 ¼	\$0.01 ³⁷⁵	Jan 23	\$13.17 ¼	↓ \$0.02 ¼	\$0.00 ⁵⁰	May 23	\$8.02 ¼	↓ \$0.01 ¼	No Carry
July 23	\$5.75 ¼	↑ \$0.02 ¼	No Carry	Mar 23	\$13.05 ½	↓ \$0.01	No Carry	July 23	\$7.67	↓ \$0.02 ¼	No Carry

2022 Soybean / Corn Price Ratios:

a) CME MAR²⁰²² Soybeans (\$14.14 ¼) / CME MAR²⁰²² Corn (\$6.16 ¼) = 2.29

b) CME NOV²⁰²² Soybeans (\$13.16 ¼) / CME DEC²⁰²² Corn (\$5.65 ¾) = 2.33

Kansas Cash & Futures Prices						
Date						
1/21/2022						
Grain Futures Contracts	Closing \$					
MAR 2022 Soybeans <small>(Lead Contract)</small>	\$14.1425					
NOV 2022 Soybeans <small>(2022 Harvest Contract)</small>	\$13.1625					
1/21/2022	Cash Grain & Harvest Contract Prices @ Kansas Grain Elevators					
	Representing the highest bids available at each location					
Cash Market Spot & FC Bids	Colby	Salina	Topeka	Garden City	Hutchinson	Columbus ^{Area}
	NW KS	NC KS	EC-NE KS	SW KS	SC KS	SE KS
Soybean Spot Cash\$	\$13.39	\$13.79	\$13.89	\$13.39	\$13.99	\$13.63
Soybean Spot Cash Basis	(\$0.75)	(\$0.35)	(\$0.25)	(\$0.75)	(\$0.15)	(\$0.51)
Soybean Harvest FC\$: Fall ²⁰²²	\$12.26	\$12.51	\$12.56	\$12.21	\$12.37	\$12.46
Soybean Harvest FC\$ Basis	(\$0.90)	(\$0.65)	(\$0.60)	(\$0.95)	(\$0.79)	(\$0.70)

Kansas Cash & Futures Prices						
Date						
1/21/2022						
Grain Futures Contracts	Closing \$					
MAR 2022 Corn <small>(Lead contract)</small>	\$6.1625					
DEC 2022 Corn <small>(2022 Harvest Contract)</small>	\$5.6525					
1/21/2022	Cash Grain & Harvest Contract Prices @ Kansas Grain Elevators					
	<i>Representing the highest bids available at each location</i>					
Cash Market Spot & FC Bids	Colby	Salina	Topeka	Garden City	Hutchinson	Columbus <small>Area</small>
	NW KS	NC KS	EC-NE KS	SW KS	SC KS	SE KS
Corn Spot Cash\$	\$6.36	\$6.31	\$6.26	\$6.51	\$6.51	\$6.06
<i>Corn Spot Cash Basis</i>	\$0.20	\$0.15	\$0.10	\$0.35	\$0.35	(\$0.10)
Corn Harvest FC\$ - Fall ²⁰²²	\$5.45	\$5.40	\$5.35	\$5.80	\$5.52	\$5.40
<i>Corn Harvest FC\$ Basis</i>	(\$0.20)	(\$0.25)	(\$0.30)	\$0.15	(\$0.13)	(\$0.25)
Grain Sorghum Spot Cash\$	\$6.36	\$6.66	\$6.66	\$6.26	\$6.46	\$6.11
<i>Sorghum Spot Cash Basis</i>	\$0.20	\$0.50	\$0.50	\$0.10	\$0.30	(\$0.05)
Grain Sorghum Harvest FC\$ - Fall ²⁰²²	\$5.50	\$5.45	\$5.05	\$5.30	\$5.35	\$5.25
<i>Sorghum Harvest FC\$ Basis</i>	(\$0.15)	(\$0.20)	(\$0.60)	(\$0.35)	(\$0.30)	(\$0.40)

Kansas Cash & Futures Prices						
Date						
1/21/2022						
Grain Futures Contracts	Closing \$					
MAR 2022 KC HRW Wheat <small>(Lead Contract)</small>	\$7.9325					
JULY 2022 KC HRW Wheat <small>(Harvest Contract)</small>	\$7.9850					
1/21/2022	Cash Grain & Harvest Contract Prices @ Kansas Grain Elevators					
	<i>Representing the highest bids available at each location</i>					
Cash Market Spot & FC Bids	Colby	Salina	Topeka	Garden City	Hutchinson	Columbus <small>Area</small>
	NW KS	NC KS	EC-NE KS	SW KS	SC KS	SE KS
KC HRW Wheat Spot Cash\$	\$7.68	\$7.83	\$7.83	\$7.83	\$7.83	\$7.43
<i>HRW Wheat Spot Cash Basis</i>	(\$0.25)	(\$0.10)	(\$0.10)	(\$0.10)	(\$0.10)	(\$0.50)
KC HRW Wheat FC\$ - Harvest ²⁰²²	\$7.61	\$7.68	\$7.79	\$7.69	\$7.70	\$7.58
<i>HRW Wheat Harvest FC\$ Basis</i>	(\$0.38)	(\$0.31)	(\$0.20)	(\$0.30)	(\$0.29)	(\$0.41)

2022 Soybean Markets – Late January²⁰²²

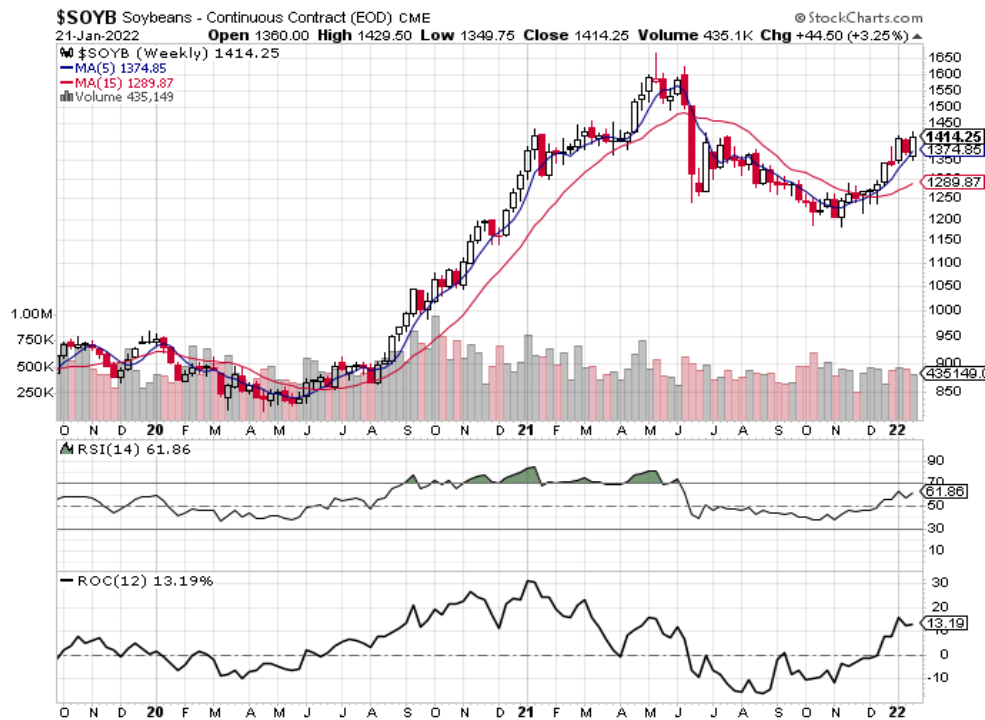


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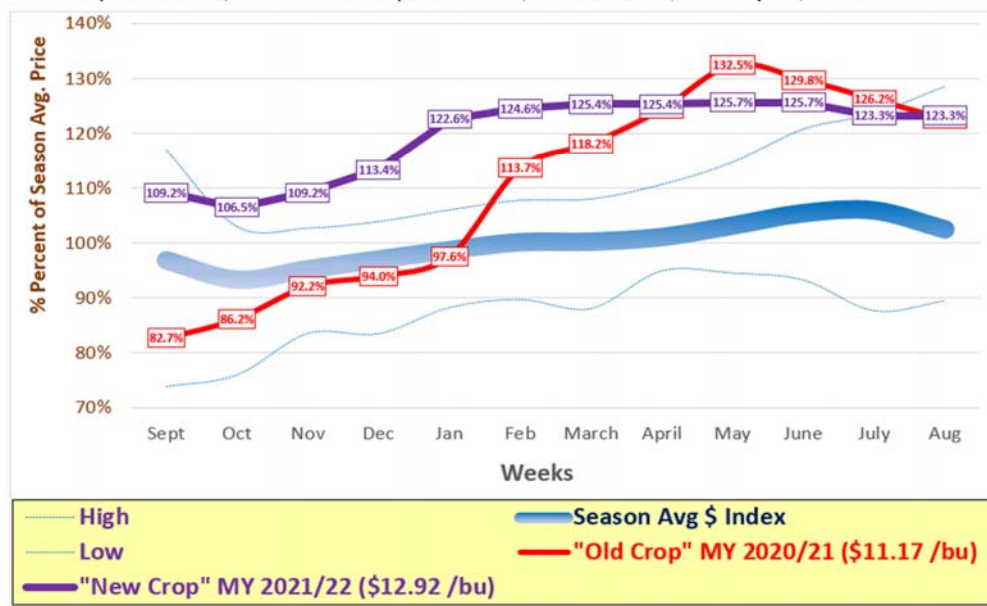
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Soybean Futures *Weekly Continuous \$'s* 4/30/2005 – 1/23/2022



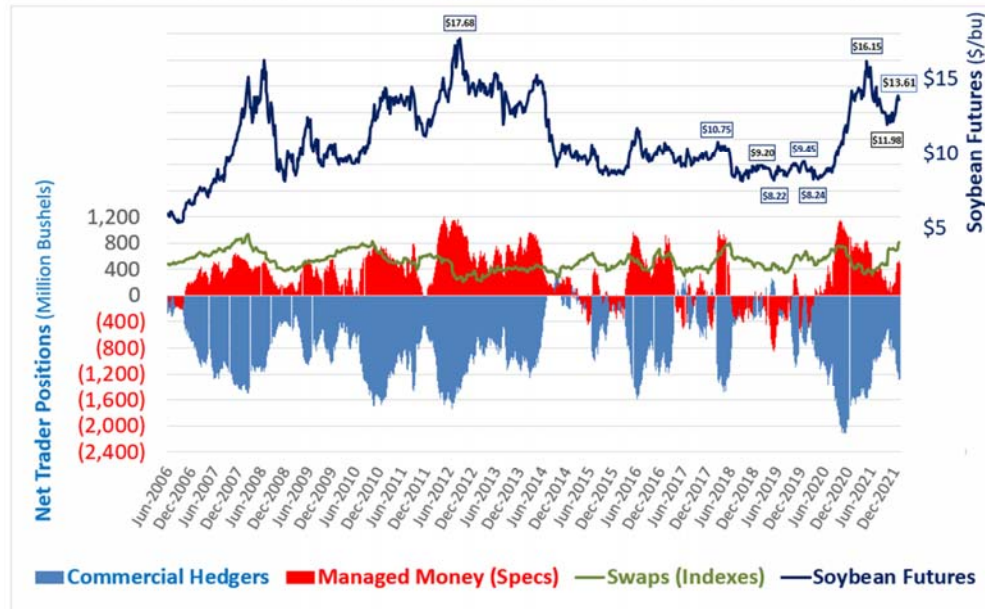


Kansas Soybean Seasonal Prices: MY 1999/00 – MY 2020/21 + “Old Crop” MY 2020/21 & “New Crop” MY 2021/22 Estimates, January 21, 2022



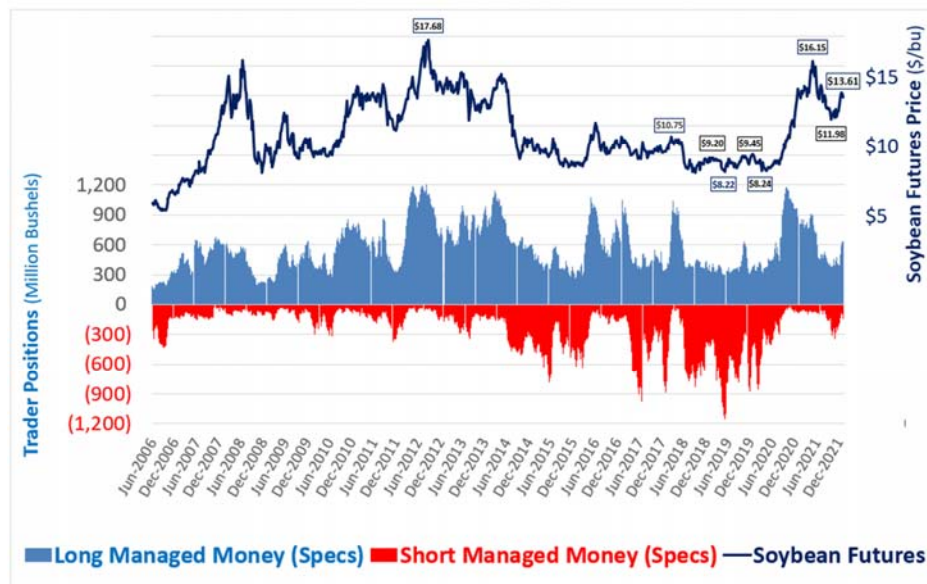
Net Position of Traders for CME SOYBEANS with Futures:

June 2006 – January 18, 2022 (Weekly CFTC Position of Trader Data) + January 18, 2022 MAR²⁰²² Soybean Futures



CME SOYBEANS Managed Money Traders(Specs) Long/Short Positions w.

Futures \$'s: June 2006 – Jan. 18, 2022 (Weekly CFTC Position of Trader Data) + Jan. 18, 2022 MAR²⁰²² Soybeans



2022 Soybean Market “Drivers”

1) U.S. Economy

- A relatively strong U.S. GDP, but fears of inflation causing a recession

2019 Corn Market “Drivers”

1) U.S. Economy

- A relatively strong U.S. GDP, but fears of inflation causing a recession

2) 2022 South America Crop Production Prospects

- “Dry” in Argentina & Southern Brazil - ↓ Soybean Production, ??? wrt Corn (1st vs 2nd Crop)

Monthly Crop Calendar for Soybeans

	Plant		Bloom		Harvest							
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Ukraine				P P	P P			H H	H H			
EU				P P	P P				H H	H H		
Russia				P P	P P				H H	H H	H H	
US					P P	P	B B	B		H H	H H	
China					P P	P P			H H	H H		
Canada					P P	P P	B B	B B		H H	H H	
Indonesia					P P	P P	P P	H H	H H	H H		
Mexico	H H	H H			P P	P P	P P	P P	P P	H H	H H	H H
India						P P	P P	P P			H H	H H
Paraguay	H H	H H	H H	H H	H H	H H				P P	P P	P P
Brazil	H H	H H	H H	H H	H H					P P	P P	P P
Argentina	P	B B		H H	H H	H H					P P	P P
South Africa		H H	H H								P P	P P

Sources: USDA, AMIS, & CHS, Inc.

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Monthly Crop Calendar for Corn

	Plant				Silk		Harvest														
	Oct	Nov			Dec	Jan		Feb	Mar	Apr	May	Jun	Jul	Aug	Sep						
EU	H	H	H	H							P	P	P	P				H	H	H	
US	H	H	H								P	P	P			S	S	S		H	
Mexico <i>Summer</i>	H	H	H	H	H	H	H	H	H	H		P	P	P	P	P	P	P	P		
Ukraine	H	H	H								P	P	P			S	S			H	
Russia	H	H	H	H								P	P			S	S	S			
China	H	H			<div>CHS</div> <div>CHS Hedging Jenna Roe</div>								P	P	P	P				H	H
Indonesia <i>Dry Region</i>	H	H										P	P	P	P	P	P	H	H	H	
Philippines <i>Main</i>					P	P	P	P	P	P	H	H	H	H	P	P	P	H	H	H	
Canada	H	H	H	H								P	P	P	P	S	S	S	S	H	
India	H	H	H	H	H	H	H	H					P	P	P	P	P	P	P	P	
Brazil <i>1st crop</i>	P	P	P	P	P	P	H	H	H	H	H	H	H	H				P	P	P	
Argentina	P	P	P	P		S	S	S		H	H	H	H	H						P	
Philippines <i>2nd Crop</i>	P	P	P	P	H	H	H	H	H										P	P	
South Africa	P	P	P	P	P	P	P	S	S			H	H	H	H	H	H				
Mexico <i>Winter</i>							P	P	P	P	P	H	H	H	H	H	H				
Brazil <i>2nd crop</i>							P	P	P	P			H	H	H	H	H	H	H		
Indonesia <i>Rainy Region</i>	H	H	H	H	H	H				P	P	P	P								
Nigeria										P	P	P	P	P	P	P	P	H	H	H	

Sources: USDA, AMIS, and CHS, Inc. locations

*Production estimates are in million metric tons and come from the FAS/USDA's most recent monthly World Agricultural Production report.

**Production estimates are for ALL CORN. Numbers will be listed next to the variety that comes first in the chart.

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2022 Corn Market “Drivers”

1) U.S. Economy

- A relatively strong U.S. GDP, but fears of future inflation



2) 2022 South America Crop Production Prospects

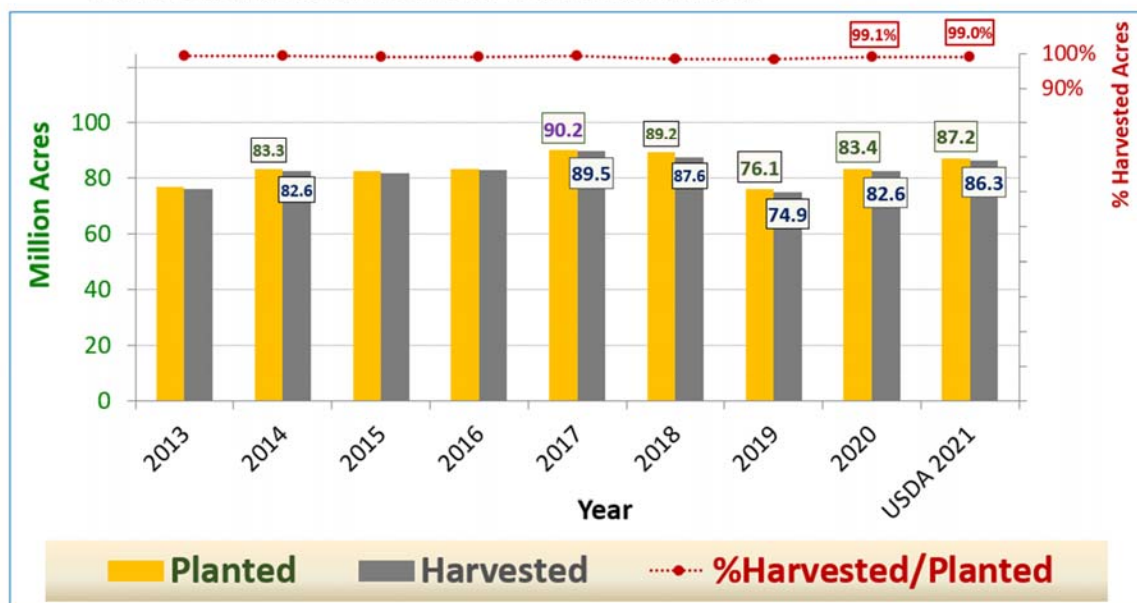
- “Dry” in Argentina & Southern Brazil - ↓ Soybeans, ??? Corn (1st vs 2nd Crop)

3) 2022 U.S. Soybean Acres

- Market “Narrative” ⇒ U.S. Soybean Acres **UP 2 to 3 mln acres+**
- **BUT** South America, U.S.-China, & fertilizer issues may affect that

U.S. Soybean Planted & Harvested Acreage: Years 2013-2021

as of the January 12, 2022 USDA NASS Crop Production Report



4) “Strong” U.S. Soybean Usage in “Current” MY 2021/22 (thru 8/31/2022)

- **High Soybean Crush**

- o “Strong” soy crushings use @ 2.190 bb (vs 2.141 bb & 2.165 bb last 2 years)

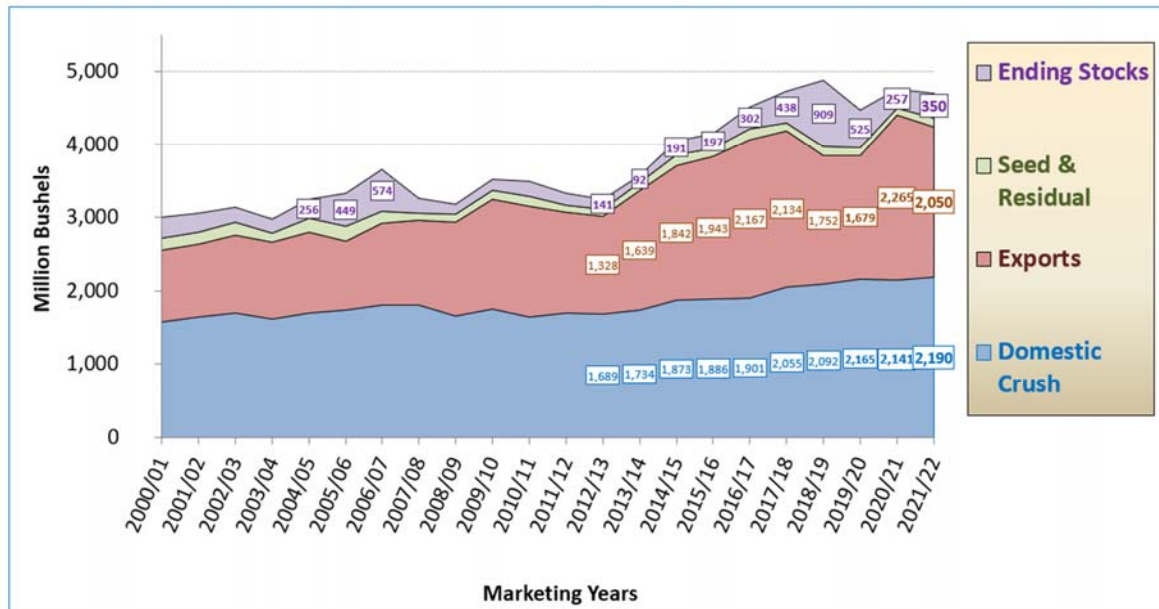
- **U.S. Exports @ 2.050 bb^{USDA}** (vs 2.265 bb & 1.679 bb last 2 years)

- **Total Use @ 4.357 bb** (vs 4.504 bb & 3.952 bb last 2 years)



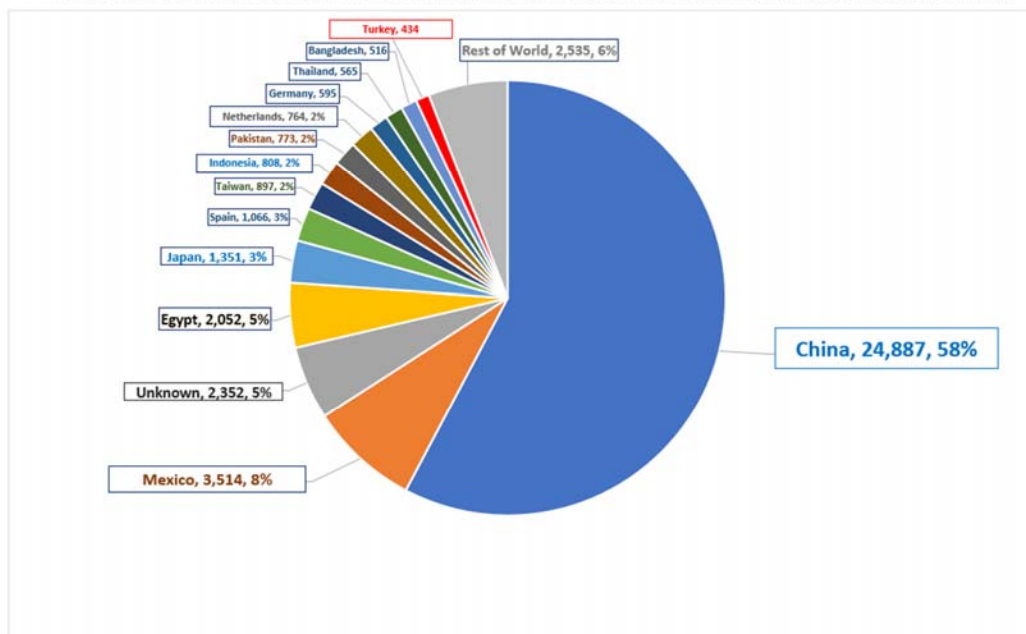
U.S. Soybean Use & Ending Stocks: MY 2000/01 – “New Crop” MY 2021/22, as of the

January 12, 2022 USDA WASDE Report

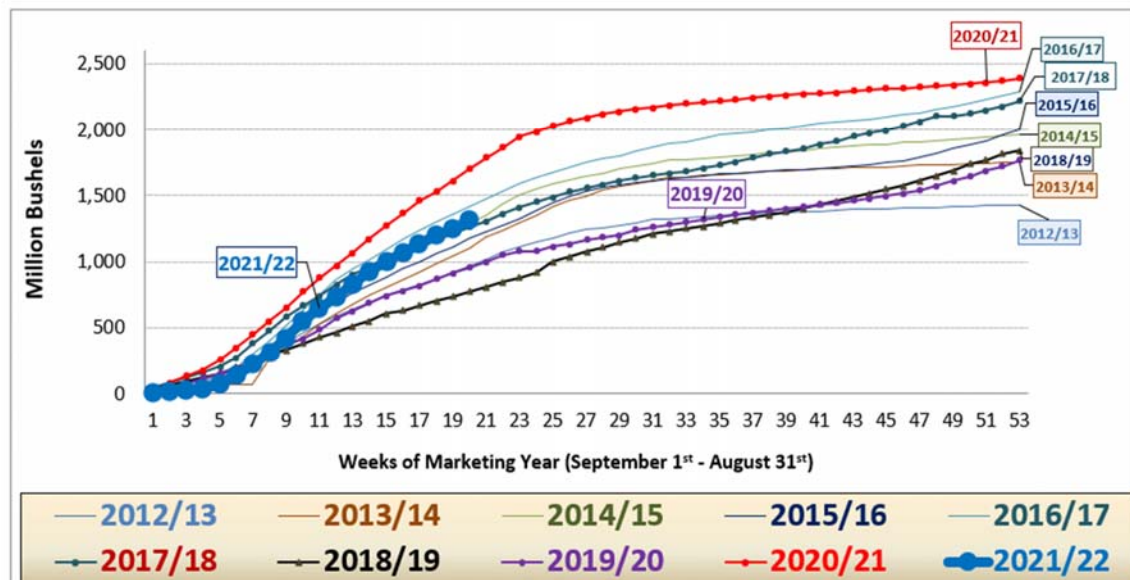


Top U.S. Soybean Export Buyers: “New Crop” MY 2021/22 through January 13, 2022 –

source: USDA U.S. Export Shipments data & Sales (1,000 mt); September 1, 2021 – August 31, 2022 Marketing Year (1,000 metric tons)



U.S. Soybean Exports: for MY 2012/13 through “New Crop” MY 2021/22 as of recent USDA FAS Weekly Export reports through the week of January 13, 2022



5) “Moderate” U.S. Soybean Stocks & % Ending Stocks-to-Use

- 350 bb @ 8.03% Stocks/Use in “Current” MY 2021/22

Q? Impact of +/- 100 mb U.S. soybean ending stocks?

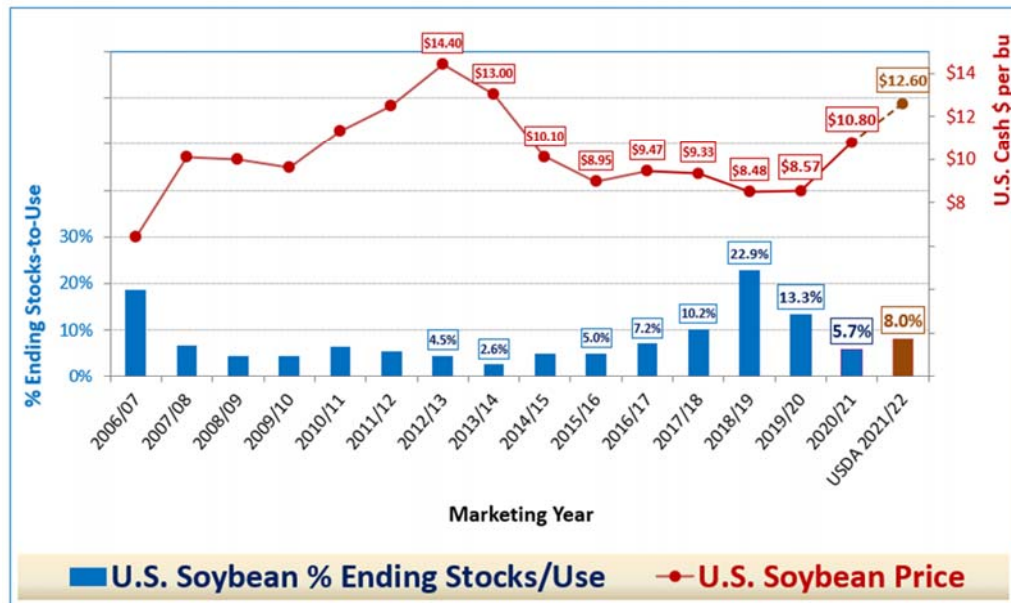
- 250 bb vs 450 bb U.S. Soybean ending stocks

- ≤ 6% S/U vs ≥ 10% S/U

❖ **Significant** +/- Soybean price effects

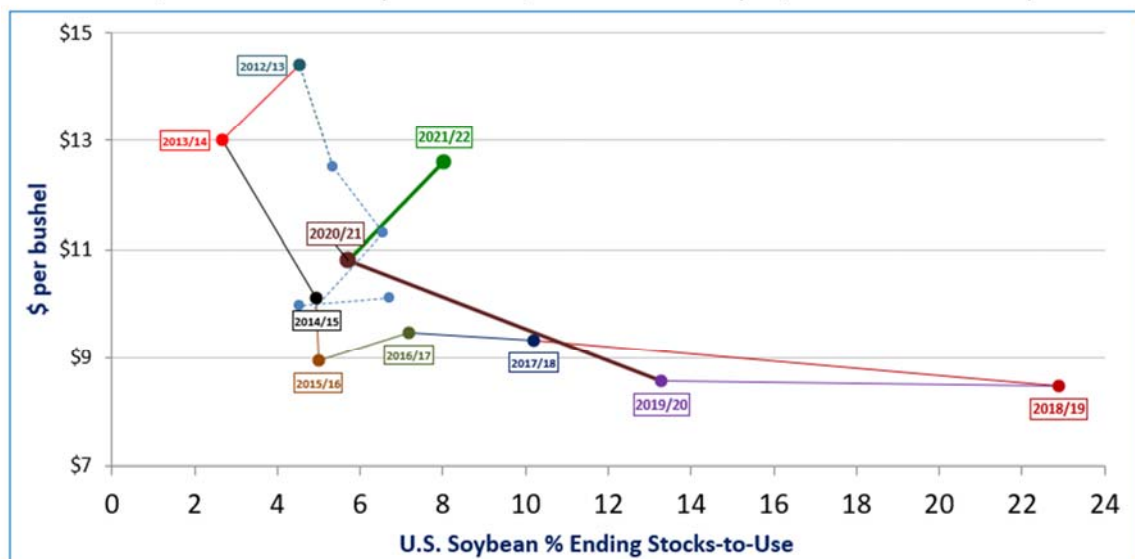
U.S. Soybean % Stocks/Use vs U.S. Cash Prices:

MY 2006/07 – “New Crop” MY 2021/22 as of the January 12, 2022 USDA WASDE Report



U.S. Soybean Price vs U.S. % Stocks-to-Use

MY 2007/08 thru “New Crop” MY 2021/22 as of the January 12, 2022 USDA WASDE Report



6) U.S. Soybean Price Outlook ^{USDA}

- \$10.80 /bu in “Old Crop” MY 2020/21
- \$12.60 /bu in “Current Crop” MY 2021/22 (+\$1.80 /bu vs “old crop”)
- **USDA^{2021/22} January 12, 2022 WASDE Report U.S. numbers**
 - Record Yields = **51.4 bu/ac**
 - Sizable Crop @ **4.435 bb** U.S. production (vs 4.751 bb last year)
 - Strong Use @ **4.357 bb** (vs 4.504 bb last year)
 - Ending Stocks @ **350 bb End Stocks** (257 bb & 525 bb last 2 years)
 - % Ending Stocks-to-Use @ **8.03%** (5.71% & 13.28% last 2 years)

U.S. Soybean Production & Total Supplies: MY 2010/11 thru

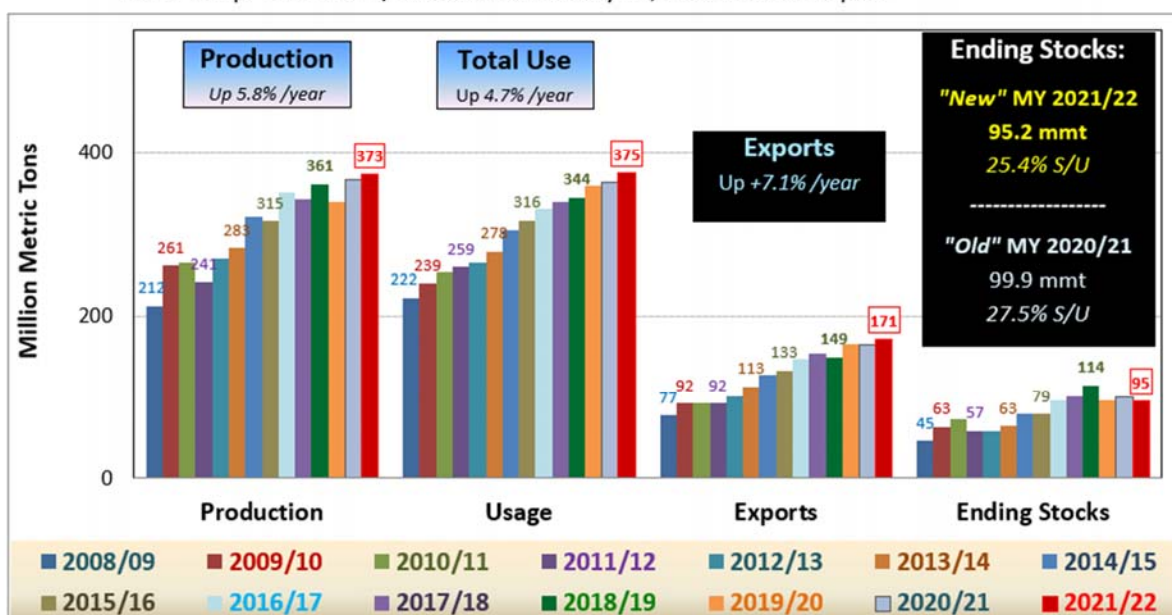
Projected “New Crop” MY 2021/22 as of the January 12, 2021 USDA WASDE Report



7) “Other” Market Factors

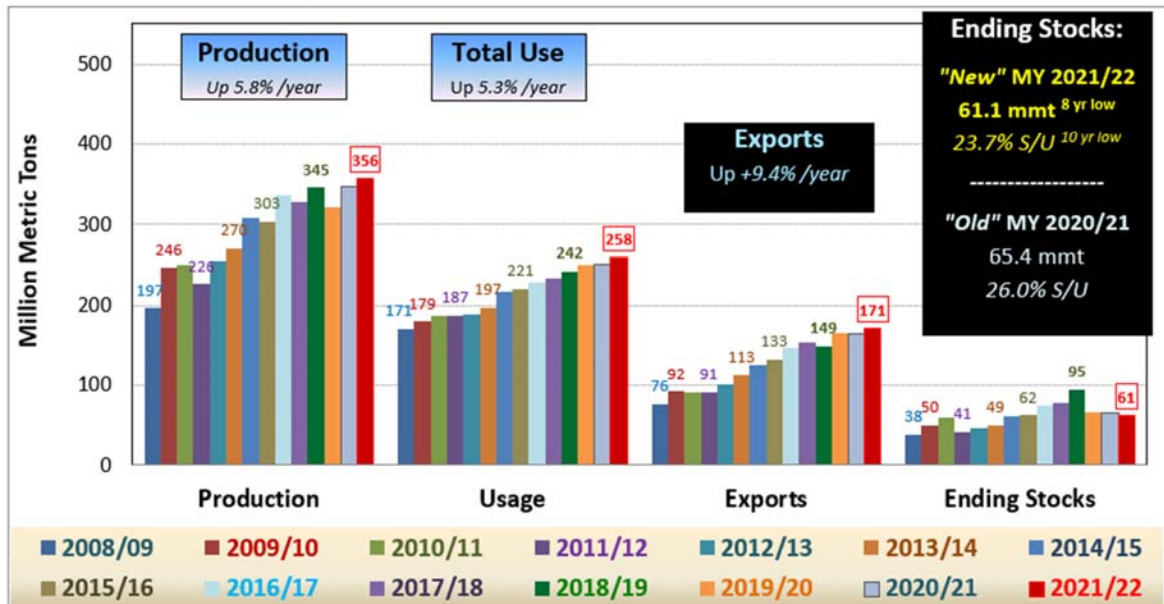
- “Moderate” U.S. Grain Sorghum Exports ⇒ “paced” China demand
- Inflation in crop production costs, especially for fertilizer
 - Key Question: *IF less fertilizer applied to crop acres, THEN will it impact final 2022 production?*
- Other Broad Market Factors
 - Potential for **geopolitical problems** in Black Sea & Asia-Pacific region
 - U.S. Government &/or FED policies that impact U.S. economy & commodities
 - Economic unrest with U.S. fall elections & domestic economic uncertainty

World Soybean Usage & Ending Stocks: MY 2008/09 through “New Crop” MY 2021/22 as of the January 12, 2022 WASDE Report



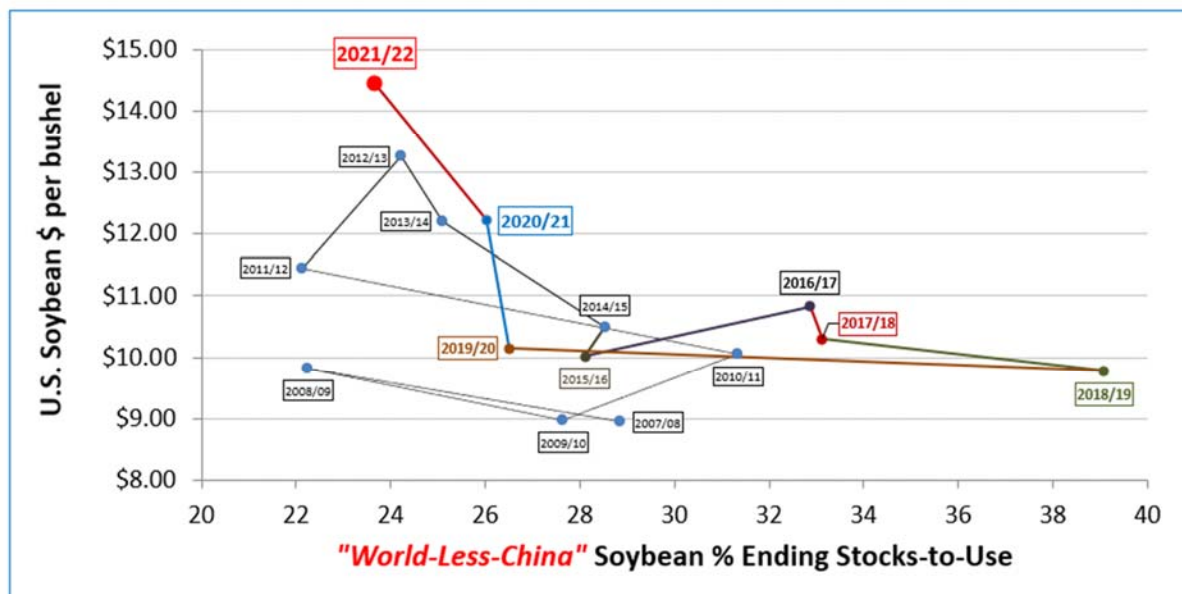
***"World-Less-China"* Soybean Usage & Ending Stocks:**

MY 2008/09 through "New Crop" MY 2021/22 as of the January 12, 2022 WASDE Report



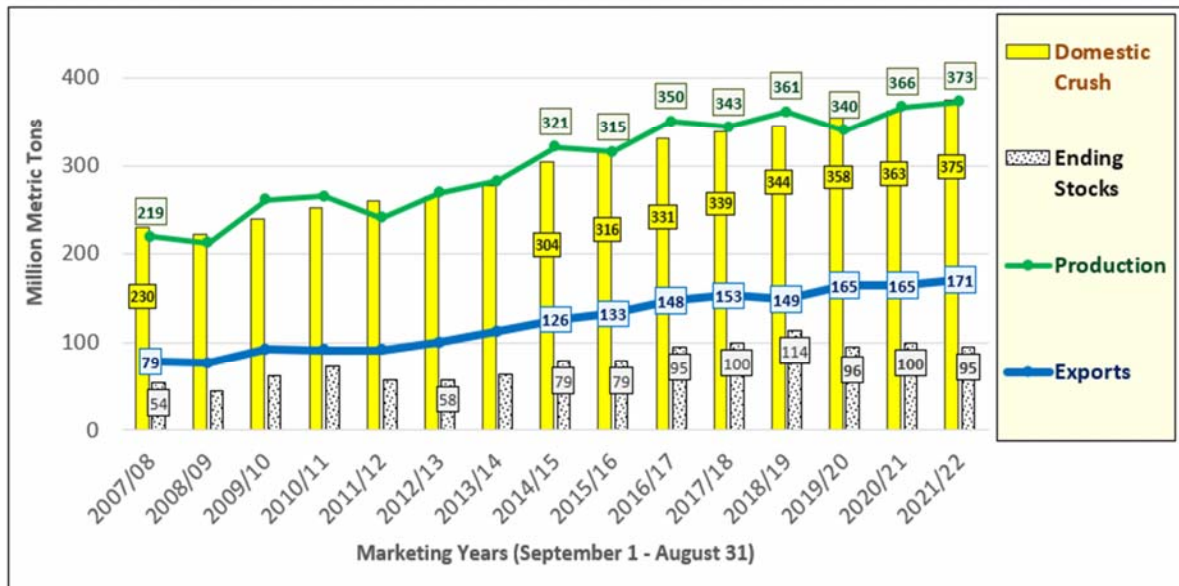
U.S. Soybean \$^{USD\$ Adj} vs *"World Less-China"* % Stocks-to-Use:

MY 2007/08 through "New Crop" MY 2021/22 as of the January 12, 2022 WASDE Report



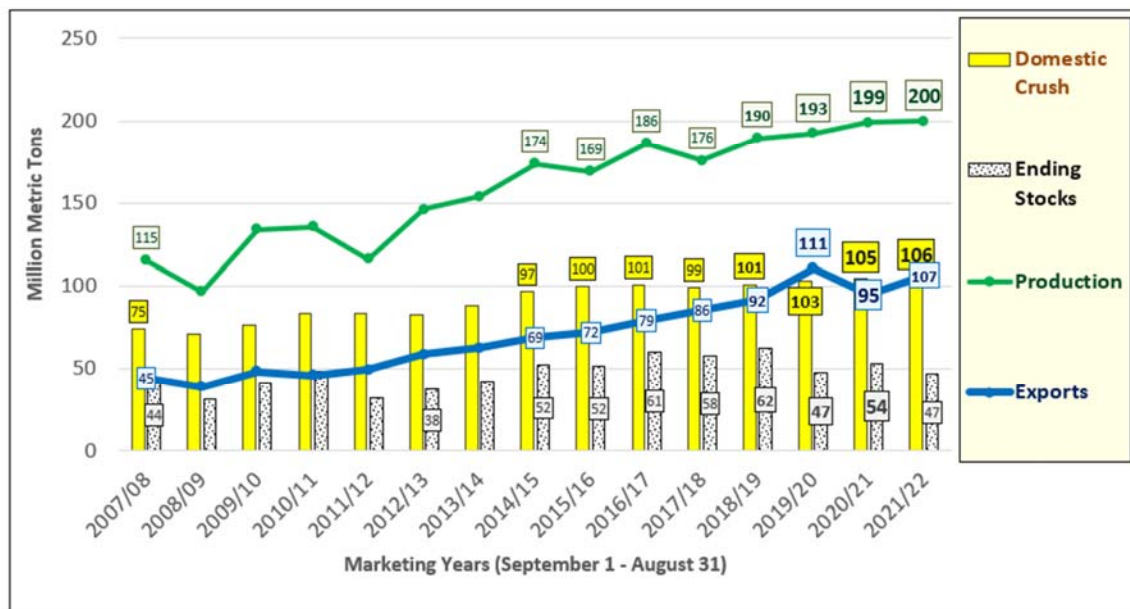
World Soybean Supply-Demand Trends: MY 2007/08 – “New”

MY 2021/22 as of the January 12, 2022 USDA WASDE Report

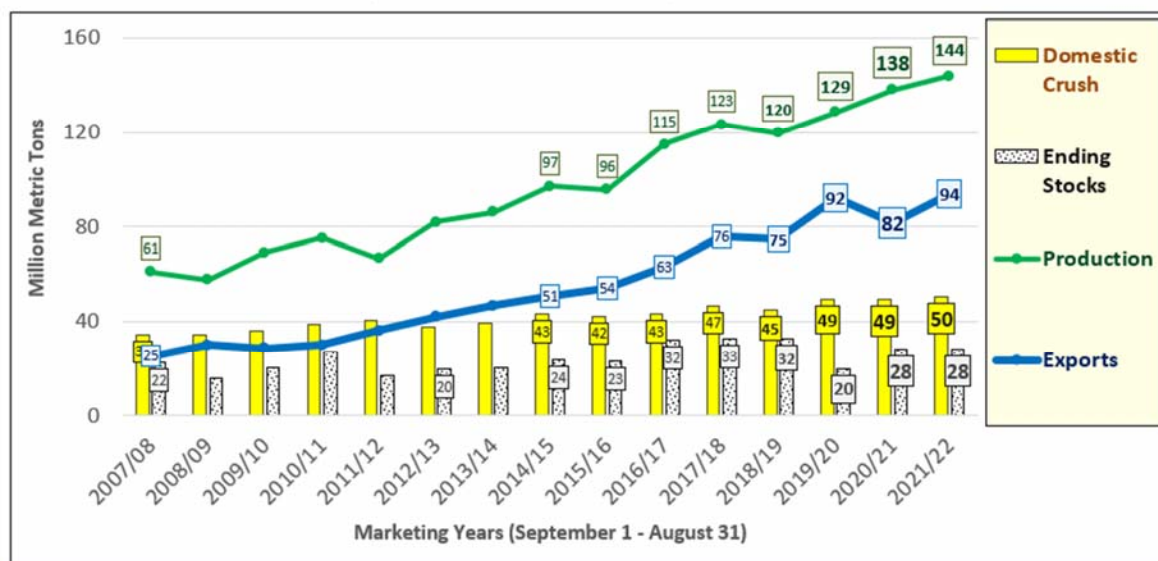


South America Soybean Supply-Demand Trends: MY

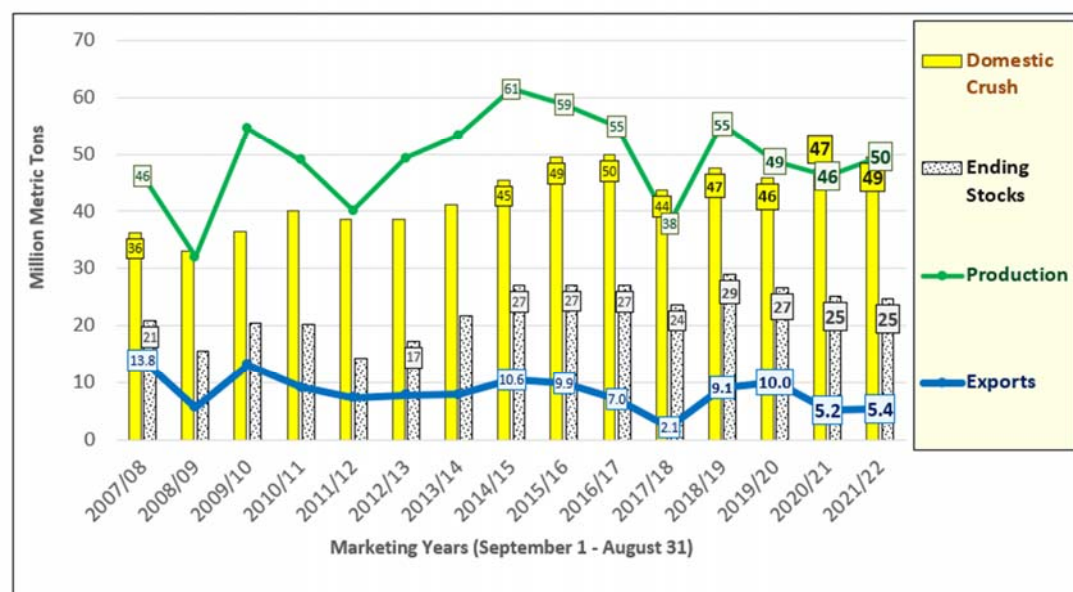
2007/08 – “New” MY 2021/22 as of the January 12, 2022 USDA WASDE Report



Brazil Soybean Supply-Demand Trends: MY 2007/08 – “New” MY 2021/22 as of the January 12, 2022 USDA WASDE Report



Argentina Soybean Supply-Demand Trends: MY 2007/08 – “New” MY 2021/22 as of the January 12, 2022 USDA WASDE Report



China Soybean Supply-Demand Trends: MY 2007/08 – “New Crop” MY 2021/22 as of the January 12, 2022 USDA WASDE Report



World vs % “World Less-China” Soybean Stocks-to-Use

MY 1992/93 through “New Crop” MY 2021/22, as of the January 12, 2022 USDA WASDE report.



2022 Soybean Markets – Early-Mid April 2022

Key Soy Market Factors to Watch in April 2022

- 1) If Brazil remains dry & impacts soybean crop
- 2) U.S. Soybean Export & Supply-Demand prospects
 - ✓ U.S. vs China Trade Status
 - ✓ U.S. Planted Acres of Soybeans vs Corn?
- 3) Domestic Soybean Usage Issues
 - ✓ Soybean Crush to retain strength? (Soyoil demand?)
 - ✓ Exports are a “Wild Card” – watch the South America crop & Chinese market interactions



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2022 Soybean Markets – Early-Mid May 2022

Key Soy Market Factors to Watch in May 2022

- 1) More accurate view of South America soybean crop
- 2) U.S. Corn Planting underway w. Soybeans following
 - ✓ Planting problems would support market (“early” for panic)
 - ✓ U.S. Soybean vs Corn Plantings still affecting market
- 3) Domestic Corn Usage Issues
 - ✓ Soy Crush & export use (“Show us” the soybean use!)
- 4) “Decision” time for New Crop Soy Market Direction



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2022 Soybean Markets – Early-Mid July 2022

Key Soy Market Factors to Watch in July 2022

1) 2022 U.S. Crop Prospects are the Soy market focus

2) Brazil Soybean Crop #'s mostly Known

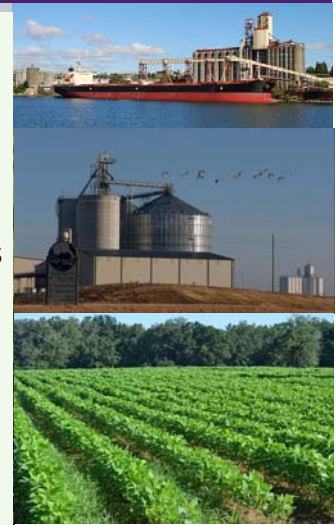
✓ Whether “large” or not will affect U.S. soybean exports & \$s

3) U.S. August soy development is time for “Volatility”

✓ “Shifting” *Up/Down* market narratives based on weather

✓ Battle of the “*Bulls vs Bears*” pre-August USDA 2022 report

4) Futures may *fall* on 2022 prospects while Basis may *narrow* to finish up “Old Crop” MY 2021/22 usage

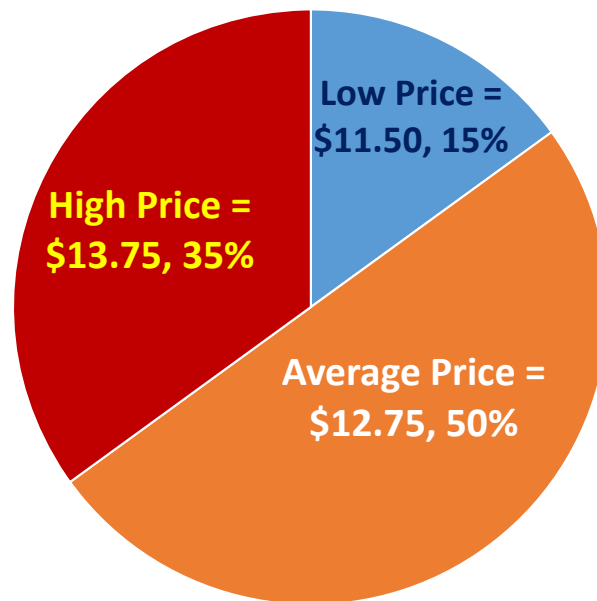


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Anticipating the likely
Soybean Market Price Outcome
by November 1, 2022

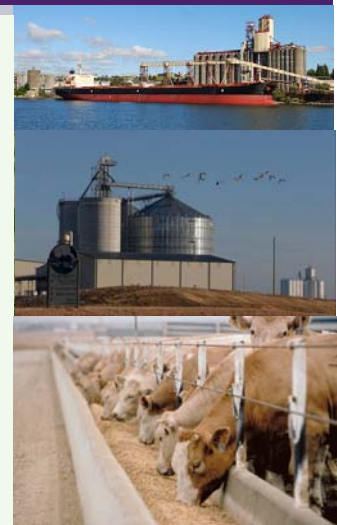
Fall 2022 Corn Market Price Possibilities



2022 Soybean Markets – Early November 2022

“Large” Stocks Scenario in 2022 (15% prob.)

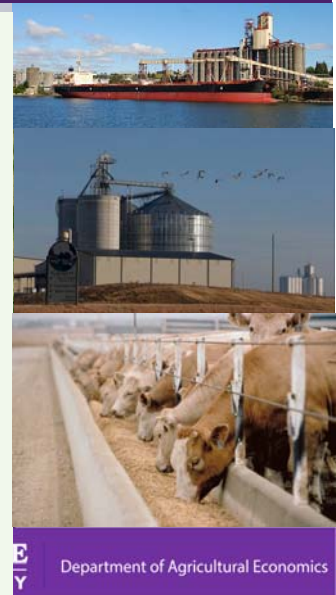
- 1) 2022 U.S. Soybean production of ≈ 4.5 billion bu.
- 2) “New Crop” 2022/23 Ending Stocks ≈ 450 mln. bu
 - ✓ % Ending Stocks-to-Use $\geq 10\%$
- 3) “Growing” U.S. Soybean Supplies – a “Buyer’s Mkt”
 - ✓ Low prices supporting U.S. soybean use (a “silver lining!”)
 - ✓ Stronger U.S. soy exports would result (some now & later!)
- 4) Futures fall @ \$11.50 – **BUT** some farmers delay sales to force market *net* returns to post-harvest storage



2022 Soybean Markets – Early November 2022

“Average” Stocks Scenario in 2022 (50% prob.)

- 1) **2022 U.S. Soy production of ≈ 4.20 -4.30 bln. bu.**
- 2) **“New Crop” 2022/23 End Stocks ≈ 350 bln. bu**
 - ✓ % Ending Stocks-to-Use $\approx 8\%$ -9% S/U
- 3) **“OK-Not Tight” U.S. Soy Supplies – a “Neutral Mkt”**
 - ✓ “Moderate/Lower” Soy \$ - “Good-Healthy” soybean use
 - ✓ U.S. soy exports varying on 2022 South America crop size
- 4) **Futures moderate @ \$12.75 in November 2022 –**
Reflecting lower risk & uncertainty in the Soybean market

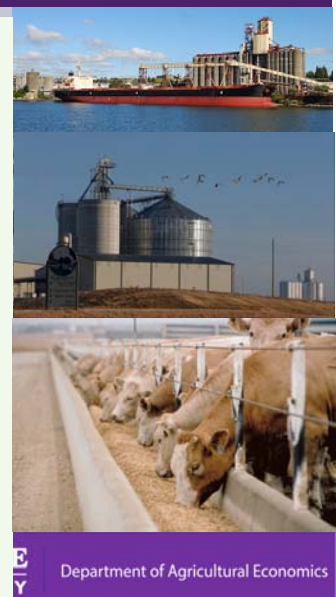


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2022 Soybean Markets – Early November 2022

“Tight” Stocks Scenario in 2022 (35% prob.)

- 1) **2022 U.S. Soy production of < 4.20 bln. bu.**
- 2) **“New Crop” 2022/23 End Stocks < 250 mln. bu**
 - ✓ % Ending Stocks-to-Use $< 6\%$
- 3) **“Tight” U.S. Soybean Supplies – a “Seller’s Market”**
 - ✓ “High” Soybean prices\$ - “Rationing” Soybean usage
 - ✓ IF small 2022 South America crop, then drives \$’s higher
- 4) **Futures rise @ \$13.75 in November –** Reflecting impact of a smaller U.S. crop & tight World S/U



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