KSU Agriculture Today Radio Notes

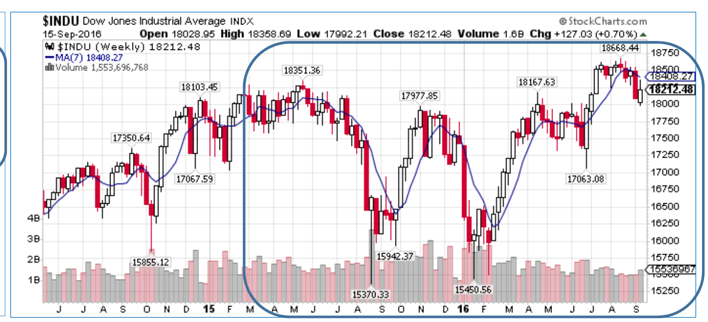
Daniel O'Brien, Extension Agricultural Economist, Kansas State University

For Radio Program to be aired 10:00-10:15 a.m., Friday, September 16, 2016

I. Grain Futures Closes, Changes & Carry on Thursday, September 15, 2016

Corn Futures				Soybean Futures				Ethanol Futures			
Month	Close	Change	Carry/mo	Month	Close	Change	Carry/mo	Month	Close	Change	Carry/mo
Dec 16	**$3.30**	⇩ $0.0175	---	**Nov 16**	**$ 9.50 ½**	⇧ $0.0775	---	Oct 16	$1.497	⇩ $0.008	---
Mar 17	$3.40 ¼	⇩ $0.0225	$\$0.03^{417}$	Jan 17	$ 9.55 ¾	⇧ $0.0775	$\$0.02^{625}$	Nov 16	$1.432	⇩ $0.011	No Carry
May 17	$3.47	⇩ $0.03	$\$0.03^{375}$	Mar 17	$ 9.58 ¾	⇧ $0.0775	$\$0.01^{50}$	Dec 16	$1.389	⇩ $0.010	No Carry
July 17	$3.54	⇩ $0.025	$\$0.03^{50}$	May 17	$ 9.64 ½	⇧ $0.07	$\$0.02^{875}$	Jan 17	$1.358	⇩ $0.010	No Carry
Sept 17	$3.60 ¾	⇩ $0.025	$\$0.03^{375}$	July 17	$ 9.70	⇧ $0.0675	$\$0.02^{75}$	Feb 17	$1.363	⇩ $0.007	$0.005
Dec 17	**$3.70 ¾**	⇩ $0.025	$\$0.03^{333}$	Aug 17	$ 9.67	⇧ $0.065	No carry	Mar 17	$1.384	⇩ $0.007	$0.019
Mar 18	$3.81	⇩ $0.03	$\$0.03^{417}$	Sept 17	$ 9.51 ¼	⇧ $0.07	No carry	Apr 17	$1.410	⇩ $0.007	$0.016
May 18	$3.86 ¾	⇩ $0.06	$\$0.02^{875}$	**Nov 17**	**$ 9.39**	⇧ $0.0825	No carry	May 17	$1.417	⇩ $0.007	$0.007

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	$4.16	⇩ $0.0225	---	Dec 16	$ 3.99 ½	⇩ $0.035	---	Dec 16	$4.91 ¼	⇩ $0.0175	---
Mar 17	$4.32	⇩ $0.025	$0.08	Mar 17	$ 4.22 ¼	⇩ $0.0225	$\$0.07^{583}$	Mar 17	$5.01 ¾	⇩ $0.0175	$\$0.03^{50}$
May 17	$4.42 ½	⇩ $0.025	$\$0.05^{25}$	May 17	$ 4.37	⇩ $0.025	$\$0.07^{375}$	May 17	$5.10 ¾	⇩ $0.0175	$0.03
July 17	**$4.53**	⇩ $0.02	$\$0.05^{25}$	**July 17**	**$ 4.48 ¼**	⇩ $0.015	$\$0.05^{625}$	July 17	$5.19 ¾	⇩ $0.0175	$0.03
Sept 17	$4.68	⇩ $0.02	$\$0.07^{50}$	**Sept 17**	**$ 4.64**	⇩ $0.0025	$\$0.07^{875}$	Sept 17	$5.29 ¾	⇩ $0.02	$0.05
Dec 17	$4.89 ¾	⇩ $0.015	$\$0.07^{25}$	Dec 17	$ 4.84 ½	⇧ $0.005	$\$0.08^{333}$	Dec 17	$5.44 ½	⇩ $0.0225	$\$0.04^{917}$
Mar 18	$5.00 ½	⇩ $0.0175	$\$0.03^{583}$	Mar 18	$ 4.99	⇧ $0.015	$\$0.04^{833}$	Mar 18	$5.59		$\$0.04^{917}$
May 18	$5.04 ½	⇩ $0.025	$0.02	May 18	$ 5.06 ¼	⇧ $0.015	$\$0.03^{625}$	May 18			



DC_GR112
Dodge City, KS Thu, Sep 15, 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	3.1600	DN 2.25	-100Z	UNCH
Topeka	3.2100	DN 2.25	-95Z	UNCH
Concordia	2.9600	DN 2.25	-120Z	UNCH
Salina	3.0100-3.0600	DN 2.25	-115Z to -110Z	UNCH
Great Bend	3.0100	UP 8.75	-115Z	UP 11
Newton	2.7100	DN 2.25	-145Z	UNCH
Hutchinson	2.8100-3.0900	DN 2.25	-135Z to -107Z	UNCH
Wichita	2.8800-3.0700	DN 2.25-UP 0.75	-128Z to -109Z	UNCH-UP 3
Wellington	2.8800-2.9600	DN 2.25	-128Z to -120Z	UNCH
Arkansas City	2.8400	DN 2.25	-132Z	UNCH

TERMINAL HWW WHEAT ORD US NO 2

	Bids	Change (¢/bu)	Basis	Change
Wichita	3.0700	UP 0.75	-109Z	UP 3

TERMINAL US NO 2 YELLOW CORN

	Bids	Change (¢/bu)	Basis	Change
Atchison	2.9500	DN 3.5	-35Z	UNCH
Topeka	2.9500	DN 3.5	-35Z	UNCH
Salina	2.7500	DN 3.5	-55Z	UNCH
Newton	2.5000	DN 3.5	-80Z	UNCH
Hutchinson	2.6600-2.9000	DN 3.5	-64Z to -40Z	UNCH
Wellington	2.6200	DN 3.5	-68Z	UNCH
Arkansas City	2.6000	DN 3.5	-70Z	UNCH

TERMINAL US NO 2 SORGHUM

	Bids	Change (¢/cwt)	Basis	Change
Topeka	4.55	DN 7	-75Z	UNCH
Concordia	4.29	DN 15	-90Z	DN 5
Salina	4.46	DN 7	-80Z	UNCH
Newton	4.00	DN 6	-106Z	UNCH
Hutchinson	4.14-4.82	DN 7-DN 6	-98Z to -60Z	UNCH
Wellington	4.29	DN 6	-90Z	UNCH
Arkansas City	4.20	DN 6	-95Z	UNCH

TERMINAL US NO 2 SOYBEANS

	Bids	Change (¢/bu)	Basis	Change
Atchison	9.1550	UP 8	-35X	UNCH
Topeka	9.1050	UP 8	-40X	UNCH
Salina	8.9550	UP 8	-55X	UNCH
Newton	9.0050	UP 8	-50X	UNCH
Hutchinson	8.7550-8.9950	UP 8	-75X to -51X	UNCH
Wichita	9.0650	UP 8	-44X	UNCH
Wellington	9.0450	UP 8	-46X	UNCH
Arkansas City	9.0650	UP 8	-44X	UNCH

PROCESSOR HRW WHEAT US NO 1

	Bids	Change (¢/bu)	Basis	Change
Wichita-11%	3.5600	DN 2.25	-60Z	UNCH
Wichita-12%	3.9100	DN 2.25	-25Z	UNCH
Wichita-13%	4.2100	DN 2.25	5Z	UNCH

PROCESSOR US NO 2 YELLOW CORN

	Bids	Change (¢/bu)	Basis	Change
Atchison	2.9800	DN 3.5	-32Z	UNCH

PROCESSOR US NO 2 SOYBEANS

	Bids	Change (¢/bu)	Basis	Change
Emporia	9.7550	UP 8	25X	UNCH
Wichita	9.7050	UP 28	20X	UP 20

* 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 620-227-8881 DodgeCity.LPGMN@ams.usda.gov

DC_GR110
Dodge City, KS   Thu, Sep 15, 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	2.71	DN 2.25	-145Z	UNCH
Colby	2.81	DN 2.25	-135Z	UNCH
Garden City	2.74-2.76	DN 2.25	-142Z to -140Z	UNCH
Goodland	2.81	DN 2.25	-135Z	UNCH
Protection	2.76	DN 2.25	-140Z	UNCH
Scott City	2.76	UP 4.75-DN 2.25	-140Z	UP 7-UNCH
Sublette	2.86	DN 2.25	-130Z	UNCH
Syracuse	2.76	DN 2.25	-140Z	UNCH
Ulysses	2.83	DN 2.25	-133Z	UNCH

US NO 2 YELLOW CORN

	Bids	Change (¢/bu)	Basis	Change
Dodge City	2.85	DN 3.5	-45Z	UNCH
Colby	2.72	DN 3.5	-58Z	UNCH
Garden City	2.80-2.90	DN 3.5	-50Z to -40Z	UNCH
Goodland	2.60	DN 3.5	-70Z	UNCH
Protection	2.85	DN 3.5	-45Z	UNCH
Scott City	2.70-2.75	DN 3.5	-60Z to -55Z	UNCH
Sublette	2.90	DN 3.5	-40Z	UNCH
Syracuse	2.85	DN 3.5	-45Z	UNCH
Ulysses	2.80	DN 3.5	-50Z	UNCH

US NO 2 SORGHUM

	Bids	Change (¢/cwt)	Basis	Change
Dodge City	4.20	DN 6	-95Z	UNCH
Colby	4.14	DN 7	-98Z	UNCH
Garden City	3.93-4.29	DN 6	-110Z to -90Z	UNCH
Goodland	4.11	DN 6	-100Z	UNCH
Protection	4.20	DN 6	-95Z	UNCH
Scott City	3.84-3.93	DN 6	-115Z to -110Z	UNCH
Sublette	4.29	DN 6	-90Z	UNCH
Syracuse	4.20	DN 6	-95Z	UNCH
Ulysses	4.11	DN 6	-100Z	UNCH

US NO 2 YELLOW SOYBEANS

	Bids	Change (¢/bu)	Basis	Change
Dodge City	8.61	UP 8	-90X	UNCH
Colby	NA	NA	NA	NA
Garden City	8.51-8.56	UP 8	-100X to -95X	UNCH
Protection	8.61	UP 8	-90X	UNCH
Scott City	8.51	UP 8	-100X	UNCH
Sublette	8.56	UP 8	-95X	UNCH
Ulysses	8.41	UP 8	-110X	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	4.73	DN 6	-65Z	UNCH

Cotton Grade 41, Leaf 4, Staple 34, West Texas base price 65.75 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
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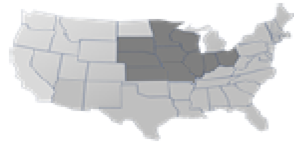
www.ams.usda.gov/mnreports/DC_GR110.txt
www.ams.usda.gov/LPSMarketNewsPage

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



Thu. Sep 15, 2016

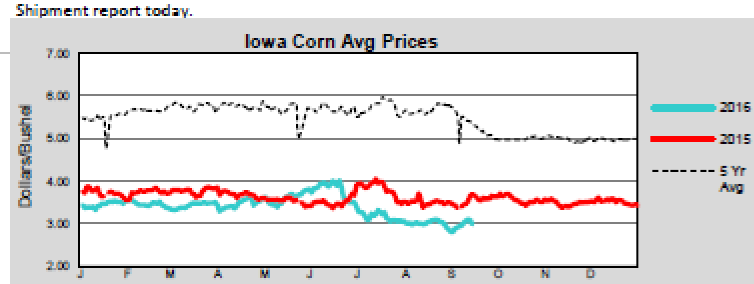
US #2 Yellow Corn - dollars/bushel	Cash Bids	Chg	Basis	Avg:	Distillers Grain - dollars/ton: Dried 10%	Chg	Avg:	Modified 50-55%	Chg	Avg:	Wet 65-70%	Chg	Avg:
Iowa-Eastern:	2.9375 - 3.1975	↑	-38Z to -12Z	-25.00	110.00 - 115.00	—	112.50	50.00 - 52.00	—	51.00	NA	NA	NA
Iowa-Western:	2.8675 - 3.0475	↑	-45Z to -27Z	-36.00	105.00 - 115.00	—	110.00	43.00 - 60.00	—	51.50	32.00 - 38.00	—	35.00
Illinois:	3.0475 - 3.4175	↑	-27Z to 10Z	-8.50	120.00 - 142.00	—	131.00	NA	NA	NA	NA	NA	NA
Indiana:	3.1175 - 3.3175	↑	-20Z to OptZ	-10.00	120.00 - 128.00	—	124.00	62.00	—	62.00	NA	NA	NA
Ohio:	3.2175 - 3.3375	↑	-10Z to 2Z	-4.00	122.00 - 125.00	↓	123.50	NA	NA	NA	NA	NA	NA
Michigan:	3.0475 - 3.2175	↑	-27Z to -10Z	-18.50	115.00 - 130.00	—	122.50	50.00 - 60.00	—	55.00	NA	NA	NA
Kansas:	2.9275 - 3.3175	↑	-39Z to OptZ	-19.50	119.00 - 145.00	—	132.00	NA	NA	NA	36.00 - 45.00	—	40.50
Minnesota:	2.6975 - 2.9675	↑	-62Z to -35Z	-48.50	105.00 - 118.00	—	111.50	50.00	—	50.00	25.00 - 40.00	—	32.50
Nebraska:	2.8675 - 3.1275	↑	-45Z to -19Z	-32.00	110.00 - 131.00	—	120.50	44.00 - 61.00	—		30.50 - 38.00	—	34.25
Wisconsin:	2.8575 - 3.0375	↑	-46Z to -28Z	-37.00	115.00 - 125.00	—	120.00	50.00 - 63.00	—	56.50	NA	NA	NA
South Dakota:	2.7575 - 2.9675	↑	-56Z to -35Z	-45.50	103.00 - 112.50	↑	107.75	48.00 - 63.00	↑	55.50	32.00	—	32.00
Missouri:	2.8675 - 3.0275	↓	-45Z to -29Z	-37.00	110.00 - 128.00	↓	119.00	65.00	—	65.00	34.00 - 37.00	—	35.50

Sorghum - dollars/bushel

	Cash Bids	Chg	Basis	Avg:
Kansas:	2.6675	↑	-65Z to -65Z	-65.00
Missouri:	NA	NA	NA	NA

Daily Market Review

Dry distillers grain traded mostly steady with slight declines throughout the Eastern Corn Belt and Missouri. Corn bids were slightly higher yesterday. Support came from the talk of harvest delays; however, outside markets added conflicting pressure. Many are expecting a bullish Export Sales and Shipment report today.

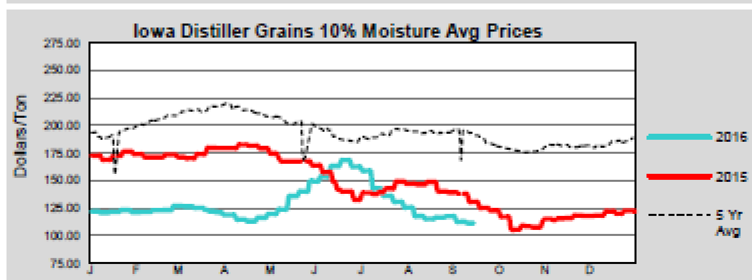


Corn Oil - cents/pound

W/E 9/09/16	Range	Chg:	Avg:
Iowa:	26.00 - 29.00	↓	27.50
Eastern Cornbelt:	27.50 - 28.50	↑	28.00
Nebraska:	26.00 - 28.00	↑	27.00
South Dakota:	NA	NA	NA

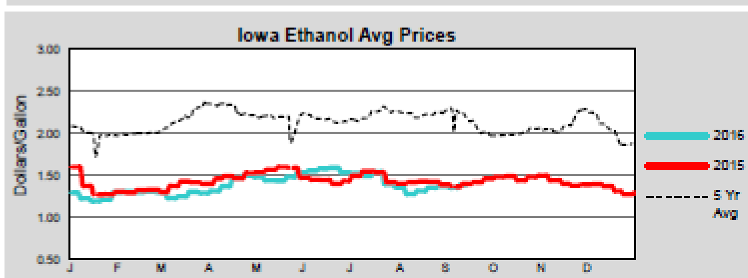
Ethanol - dollars/gallon

W/E 9/09/16	Range	Chg:	Avg:
Iowa:	1.33 - 1.45	↑	1.39
Eastern Cornbelt	1.47 - 1.50	↑	1.49
Kansas:	1.41 - 1.41	↑	1.41
Minnesota:	1.33 - 1.45	↑	1.39
Nebraska:	1.34 - 1.41	↑	1.38
Wisconsin:	NA	NA	NA
South Dakota:	1.33 - 1.45	↑	1.39



Daily Nearby Futures

	Today	Yesterday	Last year
CME group			
Corn ($/bu)	3.2925	3.3175	3.7975
Ethanol ($/gal)	1.5000	1.5050	1.5220
NYMEX:			
RBOB Gasoline ($/gal)	1.4051	1.3615	1.3760
Natural Gas (mmBtu)	2.9030	2.8890	2.6520



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.

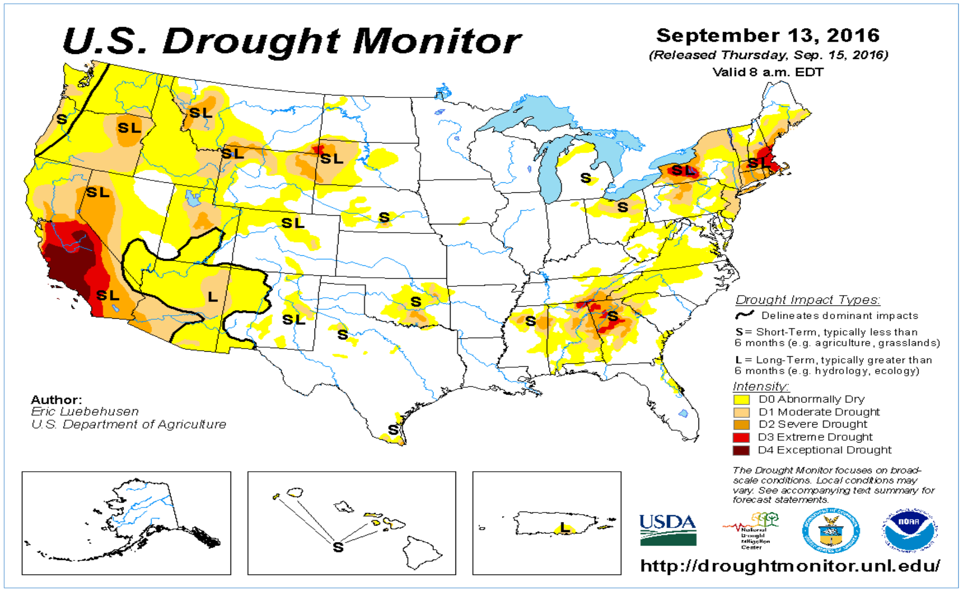
Distiller corn oil: Spot bids FOB the ethanol plant reported as ¢/lb. Distiller corn oil is intended for animal feed or biofuel and is not Generally Regarded As Safe (GRAS) for human consumption. It may also be referred to as inedible crude corn oil or crude corn oil.

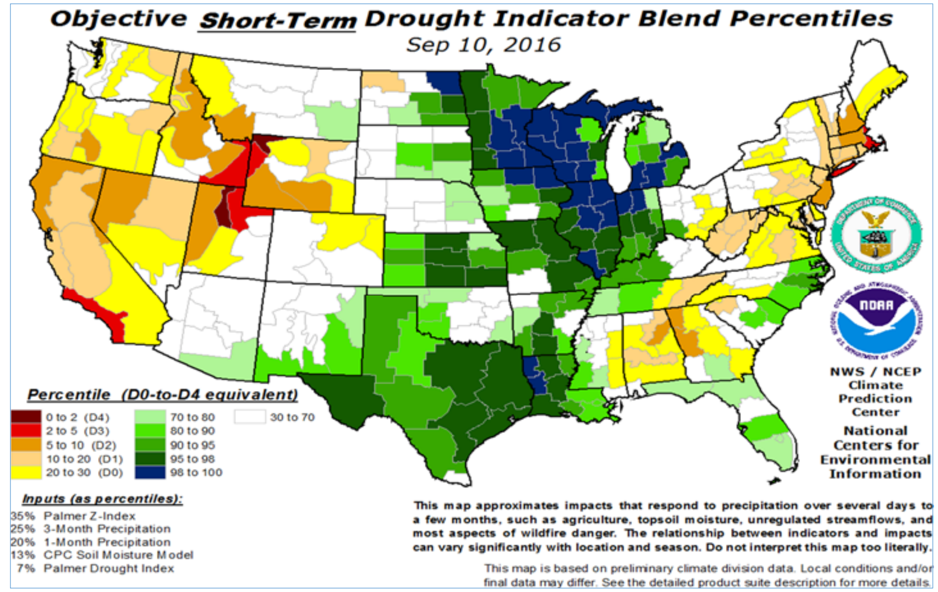
Chicago Board of Trade month symbols: F January, G February, H March, J April, K May, M June, N July, Q August, U September, V October, X November, Z December

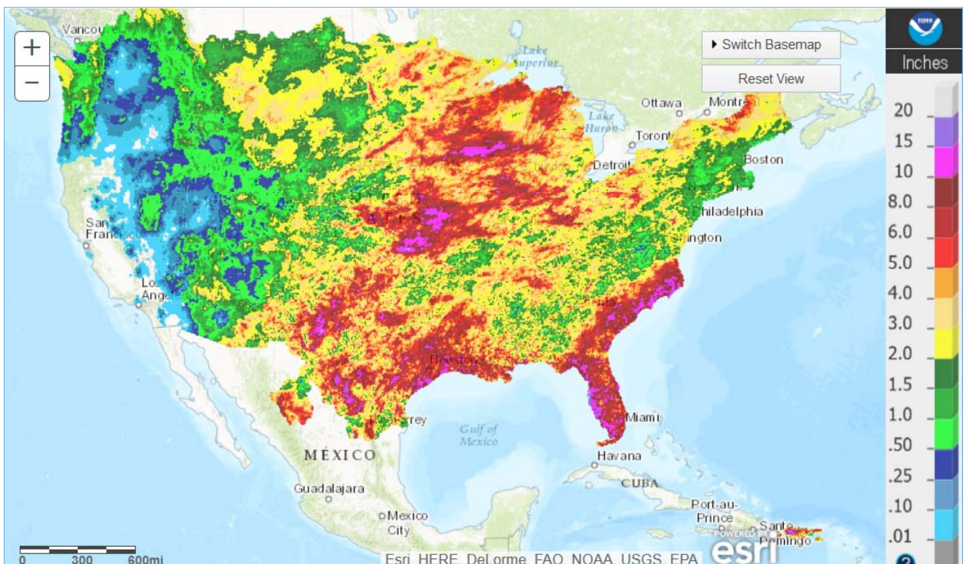
Dillan Howe, Ethanol Market Reporter St. Joseph, MO (816) 676-7000 Email: StJoe.LPGMN@ams.usda.gov

Prepared: 15-Sep-16 9:20 AM Central Time

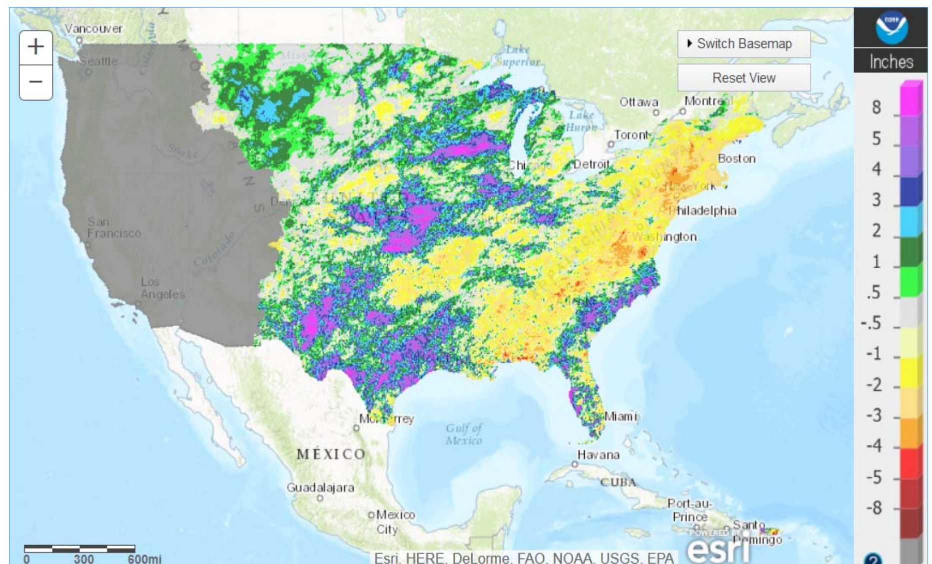
II. U.S. & World Drought Monitor, Moisture Accumulations & Forecasts (Weekly Weather and Crop Bulletin)



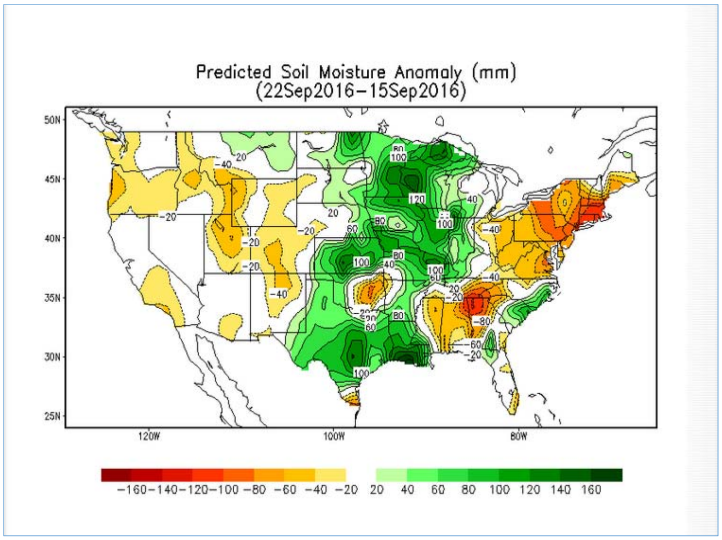


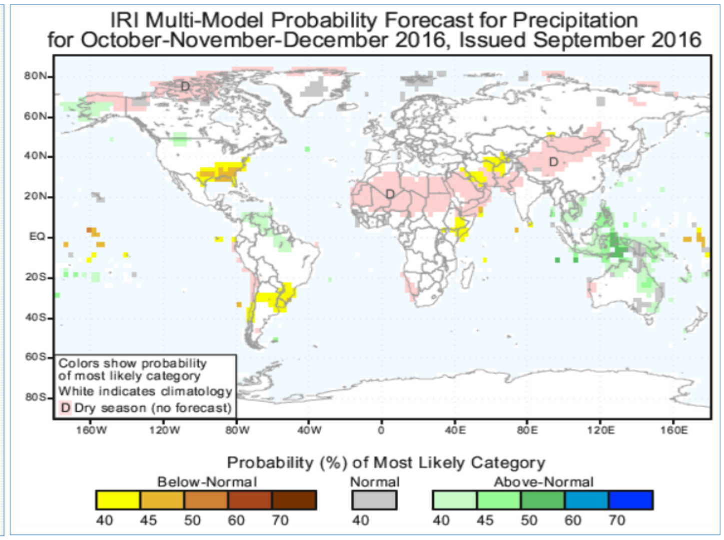


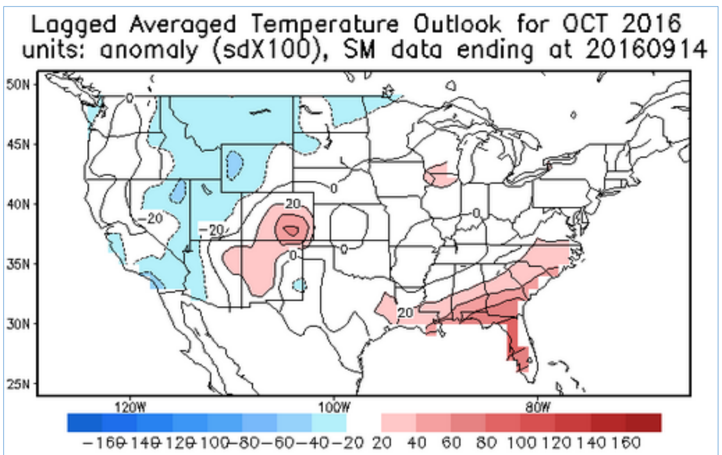
Displaying Last 30-Day Observed Precipitation
Valid on: September 15, 2016 12:00 UTC

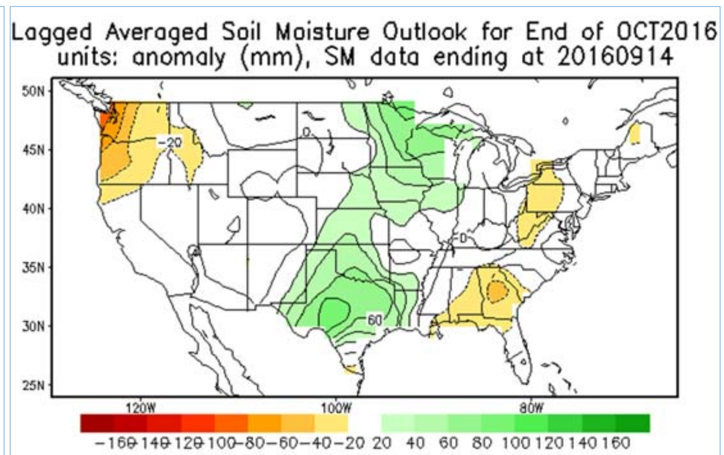


Displaying Last 30-Day Departure from Normal Precipitation
Valid on: September 15, 2016 12:00 UTC


Predicted Soil Moisture Anomaly (mm)
(22Sep2016–15Sep2016)
−160 −140 −120 −100 −80 −60 −40 −20 20 40 60 80 100 120 140 160


IRI Multi-Model Probability Forecast for Precipitation
for October-November-December 2016, Issued September 2016
Colors show probability of most likely category
White indicates climatology
D Dry season (no forecast)
Probability (%) of Most Likely Category
Below-Normal
40 45 50 60 70
Normal
40
Above-Normal
40 45 50 60 70


Lagged Averaged Temperature Outlook for OCT 2016
units: anomaly (sdX100), SM data ending at 20160914
−160 −140 −120 −100 −80 −60 −40 −20 20 40 60 80 100 120 140 160


Lagged Averaged Soil Moisture Outlook for End of OCT2016
units: anomaly (mm), SM data ending at 20160914
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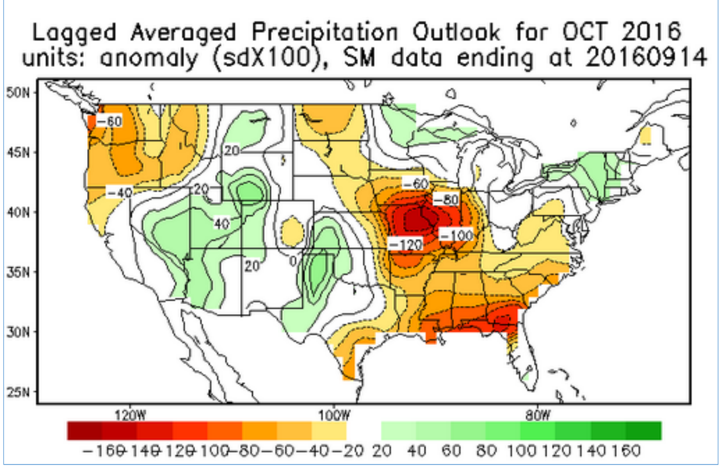
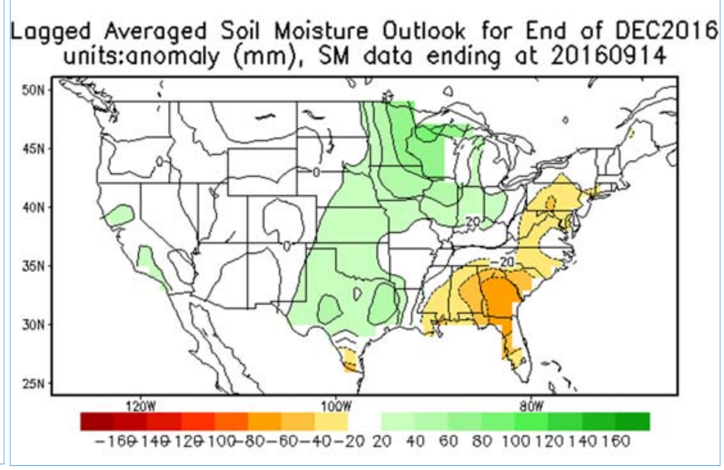

Lagged Averaged Precipitation Outlook for OCT 2016
units: anomaly (sdX100), SM data ending at 20160914
−160 −140 −120 −100 −80 −60 −40 −20 20 40 60 80 100 120 140 160


Lagged Averaged Soil Moisture Outlook for End of DEC2016
units:anomaly (mm), SM data ending at 20160914
−160 −140 −120 −100 −80 −60 −40 −20 20 40 60 80 100 120 140 160

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

September 13, 2016

EUROPE – Highlight: Showers In Eastern Europe, Dry For Fieldwork In The Southwest

- Showers improved soil moisture for winter crop planting and establishment in **northeastern Europe**.
- Dry weather favored summer crop maturation and harvesting in **Spain**, **France**, and **northern Italy**.
- Localized drought continued in the **lower Balkans**, likely delaying winter wheat and rapeseed planting.

MIDDLE EAST – Highlight: Seasonably Dry, Warm Weather Favored Summer Crop Harvesting

FSU – Highlight: Sunny Skies Promoted Seasonal Fieldwork

- Sunny skies promoted a rapid pace of corn and sunflower harvesting as well as winter wheat sowing in **Ukraine** and western **Russia**.
- Despite some showers, mostly dry, warm weather facilitated spring wheat drydown and harvesting in **northern Kazakhstan** and **central Russia**.
- Seasonably hot, dry weather favored cotton maturation in **Uzbekistan**.

SOUTH ASIA – Highlight: Unseasonably Dry

- Unseasonably dry weather prevailed across much of **India**, increasing moisture-stress on western cotton, but allowing saturated soybean fields to dry out.
- Rainfall in **eastern India** maintained favorable water supplies for rice.

EAST ASIA – Highlight: More Showers In Northeastern China

- Wet weather continued in **northeast China**, aiding filling corn and soybeans.
- Warm, dry weather on the **North China Plain** and in the **Yangtze Valley** promoted maturation and harvesting of summer crops.
- Heavy showers in **southern China** benefited late-crop rice.

SOUTHEAST ASIA – Highlight: Favorable Rainfall For Rice

- Continuing monsoon showers maintained favorable water supplies for rice in **Thailand and environs**.
- Showers overspread the **Philippines**, keeping rice in the **north** well watered and alleviating short-term dryness elsewhere.

AUSTRALIA – Highlight: Crops Remained In Good To Excellent Condition

- In **southern** and **eastern Australia**, widespread showers kept winter grains and oilseeds well watered and further increased irrigation supplies for summer crops as planting begins.
- Showers in **Western Australia** maintained good to excellent wheat, barley, and canola prospects.

SOUTH AMERICA – Highlight: Rain Continued For Brazilian Wheat

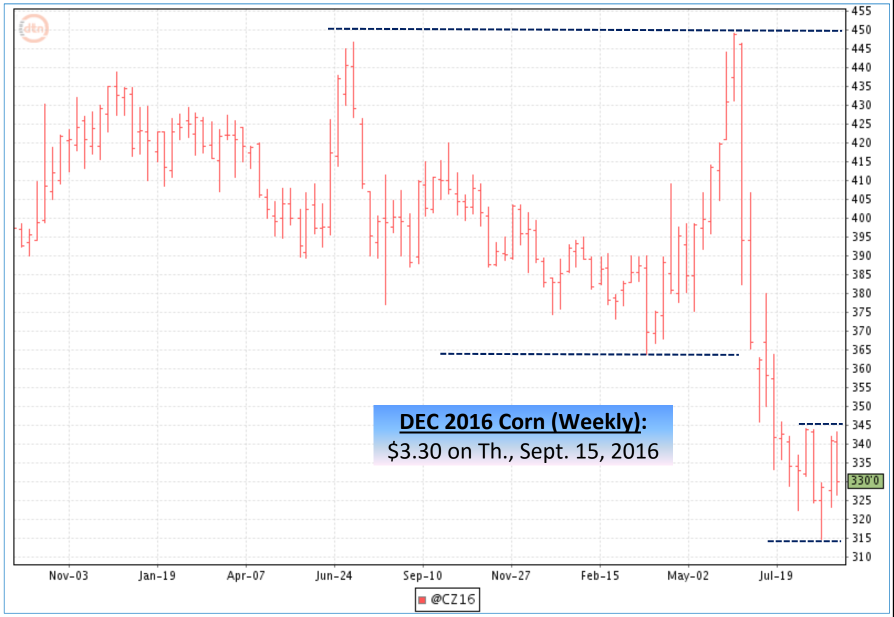
- Showers maintained adequate to locally excessive moisture for **Brazilian** wheat.
- Rain continued in **eastern Argentina** but drier weather aided late corn harvesting elsewhere.

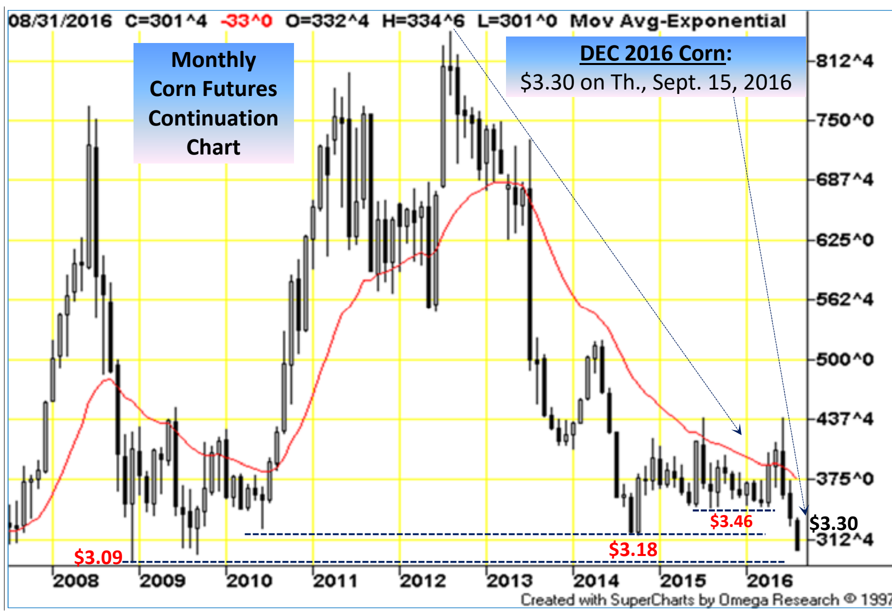
MEXICO – Highlight: Monsoon Showers Intensified Over Northwestern Watersheds

- Moisture from Hurricane Newton helped lead to a resurgence of monsoon showers.

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 9/8/2016 for MY 2016/17 = 44.43 mb vs 41.65 mb/wk needed to meet USDA's September 12th projn of 2.175 bb exports
- Total shipments through 9/8/2016 for MY 2016/17 = 56.2 mb i.e., 2.6% of 2.175 bb USDA projn with 2.2% of MY complete (1.14/52 weeks)
- Total sales (9/8/2016) for "new crop" MY 2016/17 = 671 mb i.e., 30.85% of 2.175 bb USDA projn w. 2.2% of MY complete (1.14/52 weeks)

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

- Weekly Export Shipments wk of 9/8/2016 for MY 2016/17 = 2.3 mb vs 4.87 mb/wk needed to meet USDA's September 12th projn of 250 mb exports
- Total shipments through 9/8/2016 for MY 2016/17 = 2.4 mb i.e., 1.0% of 250 mb USDA projn with 2.2% of MY complete (1.14/52 weeks)
- Total new sales (9/8/2016) for "new crop" MY 2016/17 = 28.6 mb i.e., 11.4% of 250 mb USDA projn w. 2.2% of MY complete (1.14/52 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	**21.8% S/U**	**12.5% S/U**	**$3.60 /bu**	**13.601 bln bu crop**
2016/17 USDA	**21.6% S/U**	**16.5% S/U**	**$3.20 /bu**	**15.093 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	**75.7 bu/ac US**	**11.7% S/U**	**$3.05 /bu**	**488 mln bu crop**

Table 1. U.S. Corn Supply-Demand Balance Sheet: MY 2010/11 – "New Crop" MY 2016/17 as of September 12, 2016 USDA WASDE with KSU projections for "New Crop" MY 2016/17

Item	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	USDA 2016/17	KSU ⇩ 2016 Corn Crop 2016/17	KSU ⇩ Production *(Lower IA, IL, IN, MN, NE, OH, SD Corn Prodn.)* 2016/17	KSU "Much" ⇩⇩ Production *(Smaller All-U.S. Corn Crop)* 2016/17
% Probability of Occurring (KSU)							*50%*	*30%*	*15%*	*5%*
Planted Area (million acres)	88.192	91.936	97.291	95.365	90.597	87.999	94.148	94.148	94.148	94.148
Harvested Area (million acres)	81.446	83.879	87.365	87.451	83.136	80.749	86.550	86.550	86.550	86.550
% Harvested/Planted Area	92.4%	91.2%	89.8%	91.7%	91.8%	91.8%	91.9%	91.9%	91.9%	91.9%
Yield / harvested acre (bu/ac)	152.6	146.8	123.1	158.1	171.0	168.4	174.4	**172.0	**168.0	**164.0
	Million Bushels									
Beginning Stocks (million bushels)	1,708	1,128	989	821	1,232	1,731	1,716	1,716	1,716	1,716
Production (million bu.)	12,425	12,314	10,755	13,829	14,216	13,601	15,093	14,887	14,540	14,194
Imports (million bu.)	28	29	160	36	32	65	50	50	50	50
Total Supply (million bu.)	14,161	13,471	11,904	14,686	15,479	15,397	16,859	16,653	16,306	15,960
Ethanol for fuel Use (million bu.)	5,019	5,000	4,641	5,124	5,200	5,200	5,275	5,275	5,250	5,225
Food & Industrial Use (mln bu.)	1,384	1,400	1,372	1,347	1,338	1,336	1,346	1,346	1,340	1,335
Seed Use (million bu.)	29.6	31.0	31.0	29.7	29.3	30.6	28.9	29	29	29
Exports (million bu.)	1,831	1,539	730	1,920	1,867	1,915	2,175	2,175	2,150	2,125
Feed & Residual Use (million bu.)	4,770	4,512	4,309	5,033	5,314	5,200	5,650	5,625	5,575	5,525
Total Use (million bu.)	13,033	12,482	11,083	13,454	13,748	13,682	14,475	14,450	14,344	14,239
Ending Stocks (million bu.)	1,128	989	821	1,232	1,731	1,716	2,384	2,203	1,962	1,721
% Ending Stocks-to-Use	8.65%	7.92%	7.41%	9.16%	12.58%	12.54%	16.47%	15.25%	13.68%	12.09%
U.S. Corn Average Farm Price ($/bushel)	$5.18	$6.22	$6.89	$4.46	$3.70	$3.60	$2.90-$3.50 ($3.20)	$3.35	$3.50	$3.80

Figure 5. United States' Corn Yield Trend for 1973-2016 as of the September 12, 2016 USDA WASDE

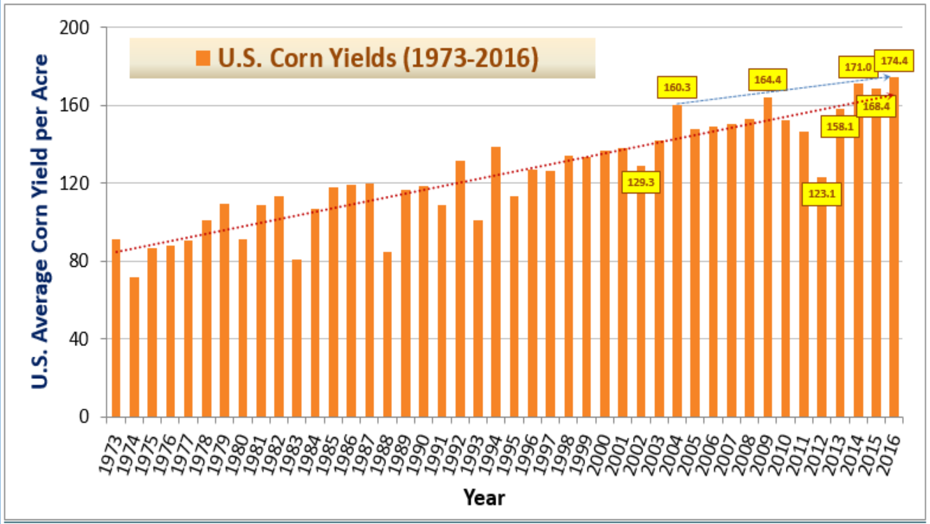


Figure 6. United States' Corn Production & Total Supplies: MY 2004/05 through MY 2016/17 as of the September 12, 2016 USDA WASDE

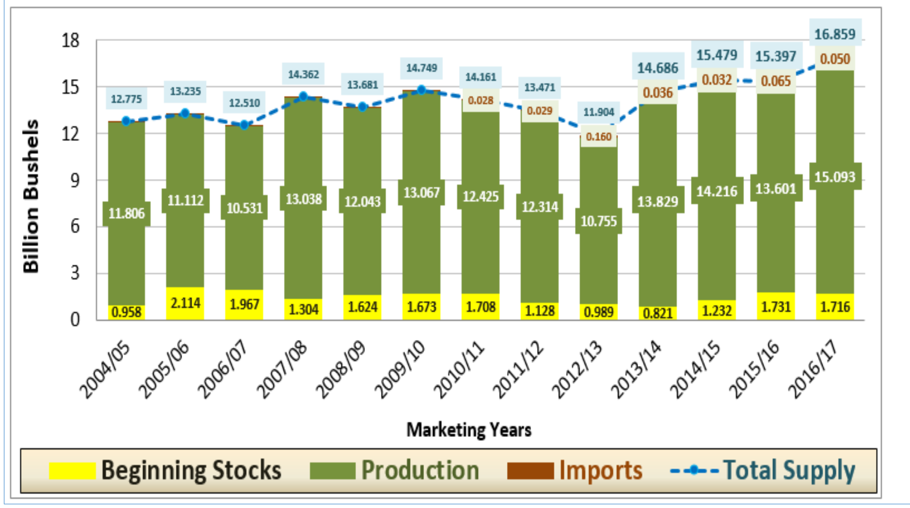


Figure 7. United States' Corn Use & Ending Stocks: MY 2004/05 through MY 2016/17 as of the September 12th USDA WASDE Report

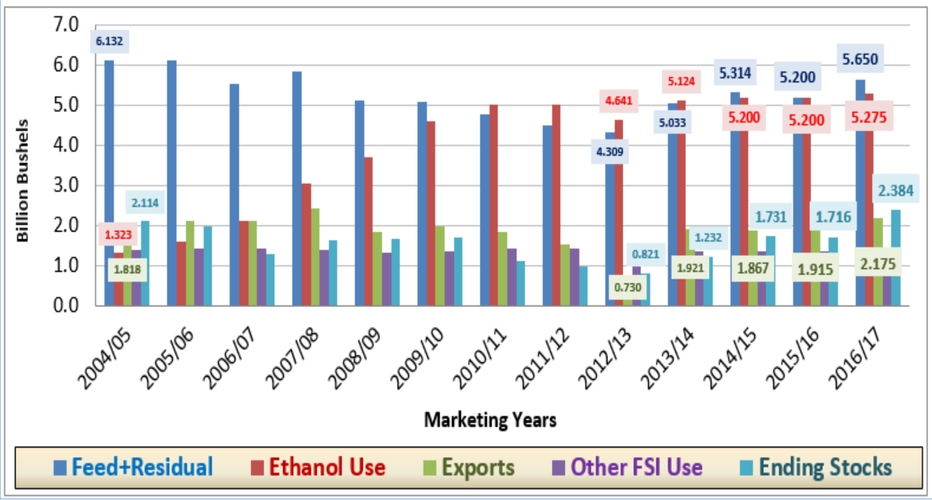


Figure 8. Weekly U.S. Oxygenate Plant Production of Fuel Ethanol & Estimated Corn Use

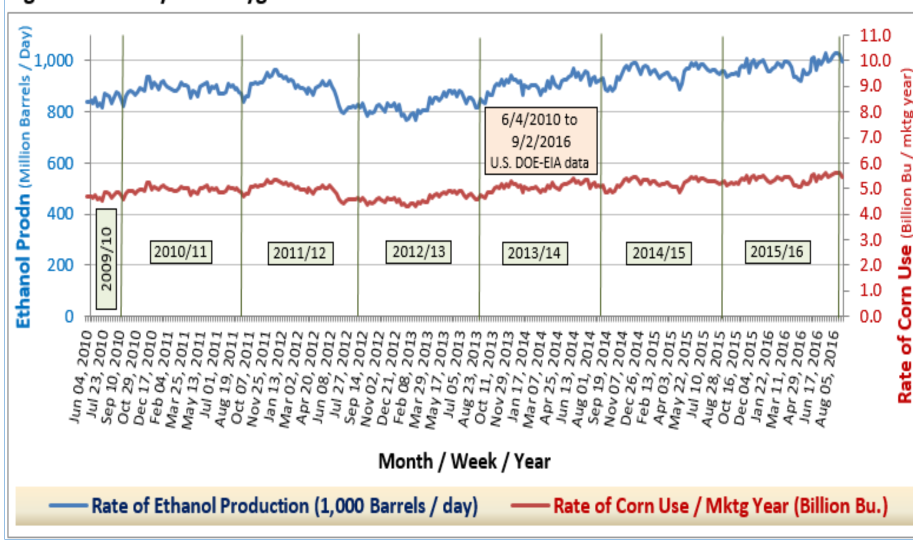


Figure 10. United States' Corn Percent Ending Stocks vs U.S. Average Cash Corn Prices: MY 2000/01 – "New Crop" MY 2016/17, as of the September 12, 2016 USDA WASDE

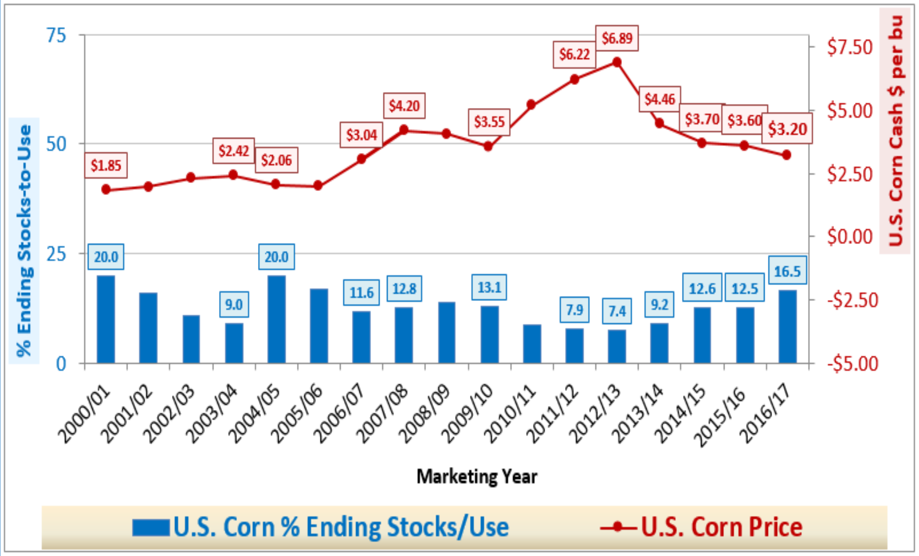


Figure 11. U.S. Corn Price vs U.S. % Stocks-to-Use: MY 1973/74 through "New Crop" MY 2016/17; as of the September 12, 2016 USDA WASDE Report

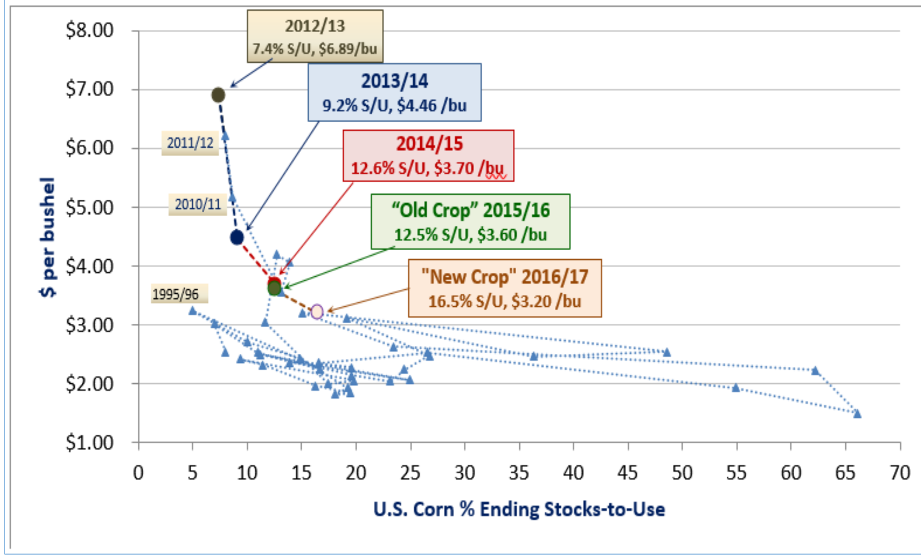


Figure 12. World Corn Supply-Demand: MY 2007/08 thru MY 2016/17 as of the September 12, 2016 USDA WASDE Report

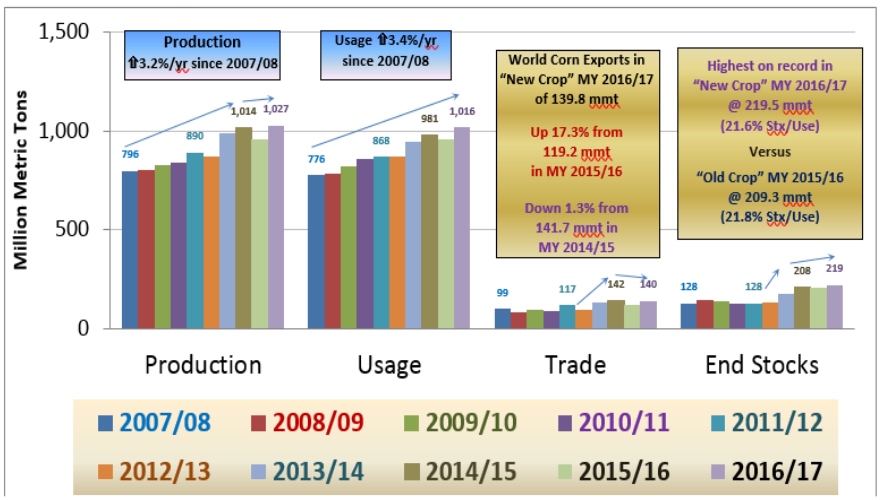
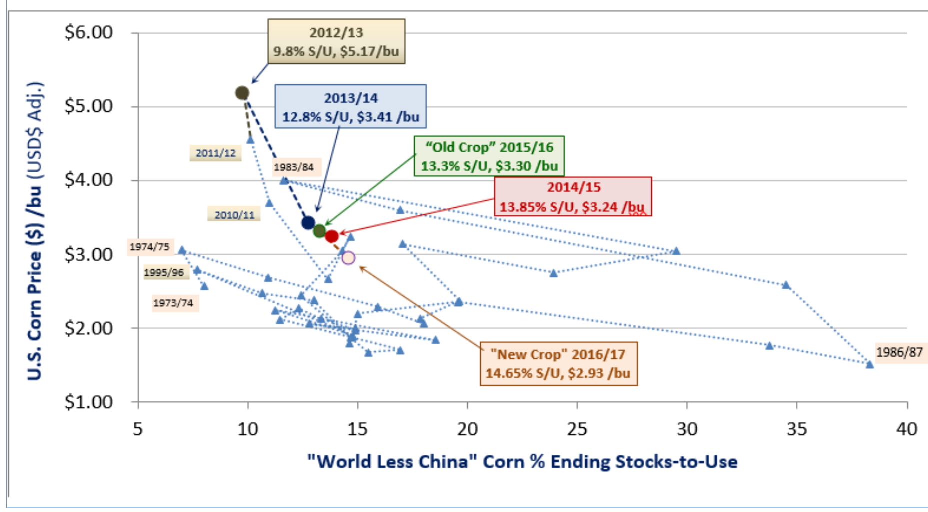
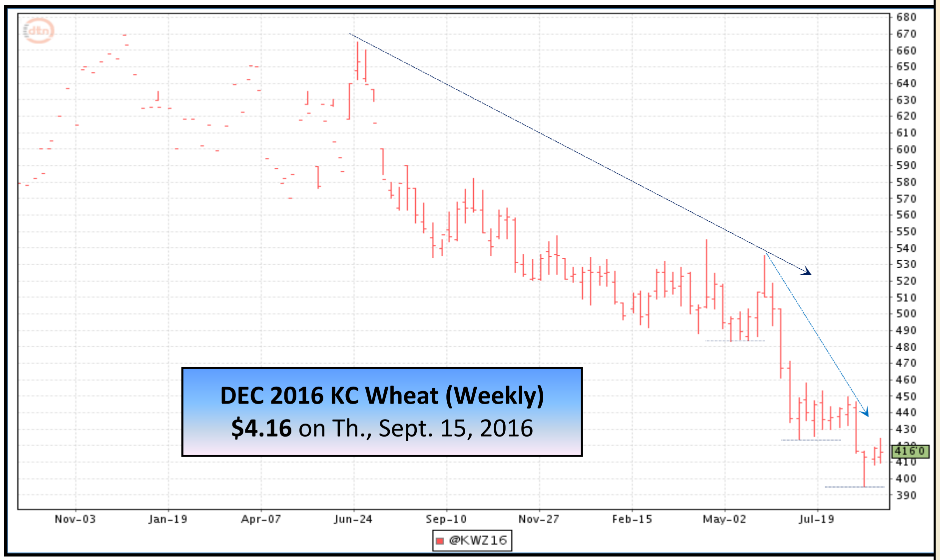


Figure 13d. U.S. Corn Price (USD$ Adj.) vs % "World Less China" Corn Stocks-to-Use: MY 1973/74 through "New Crop" MY 2016/17, as of the September 12, 2016 USDA WASDE Report



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 9/8/2016 for "new crop" MY 2016/17 = 26.0 mb vs 18.2 mb /wk needed to meet USDA's September 12th projn of 950 mb exports
  - Total shipments through 9/8/2016 for "new crop" MY 2016/17 = 278.0 mb i.e., 29.3% of 950 mb USDA projn with 28.8% of MY complete (15/52 weeks)
  - Total shipments + new sales 8/25/2016 for "new crop" MY 2016/17 = 474.3 mb i.e., 49.9% of 950 mb USDA projn with 28.8% of MY complete (15/52 weeks)
- **U.S. HRW Wheat Exports: "Positive" Short Term Export Shipments** with "**positive**" **long run** export prospects in "new crop" MY 2016/17 (Started 6/1/2016)
  - Weekly HRW Export Shipments wk of 9/8/2016 for "new crop" MY 2016/17 = 8.8 mb vs 6.8 mb /wk needed to meet USDA's September 12th projn of 370 mb exports
  - Total HRW shipments through 9/8/2016 for "new crop" MY 2016/17 = 117.2 mb i.e., 31.6% of 370 mb USDA projn with 28.8% of MY complete (15/52 weeks)
  - Total HRW shipments + new sales 8/25/2016 for "new crop" MY 2016/17 = 197.7 mb i.e., 53.4% of 370 mb USDA projn with 28.8% of MY complete (15/52 weeks)
- **"Negative" World & U.S. Wheat S/D Fundamentals**

Mktg Yr	World % S/U	U.S. % S/U	U.S. $/bu	
2007/08	20.8% S/U	13.2% S/U	$6.48 /bu	1,263 mb exports
2008/09	26.5% S/U	28.7% S/U	$6.78 /bu	1,015 mb exports
2009/10	31.2% 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	28.6% S/U	33.4% S/U	$7.24 /bu	1,051 mb exports
2012/13	25.7% 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
2015/16 USDA	**33.9% S/U**	**50.7% S/U**	**$4.89 /bu**	775 mb exports
2016/17 USDA	**33.8% S/U**	**47.5% S/U**	**$3.60 /bu**	950 mb exports

NEWS RELEASE
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United States Department of Agriculture • Northern Plains Region
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FOR IMMEDIATE RELEASE
September, 2016

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2016 KANSAS WHEAT QUALITY

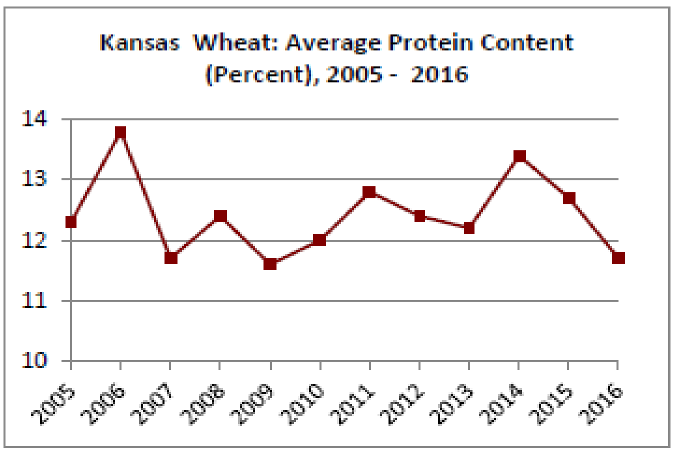
Manhattan, KS – Preliminary data for the 2016 crop year from 12,087 carlot samples from 46 counties showed an average test weight of 60.5 pounds per bushel, according to the USDA's National Agricultural Statistics Service and Kansas Grain Inspection Service Inc. For comparison purposes, last year's crop averaged 59.9 pounds, while the 2005 – 2014 average was 60.8 pounds per bushel.

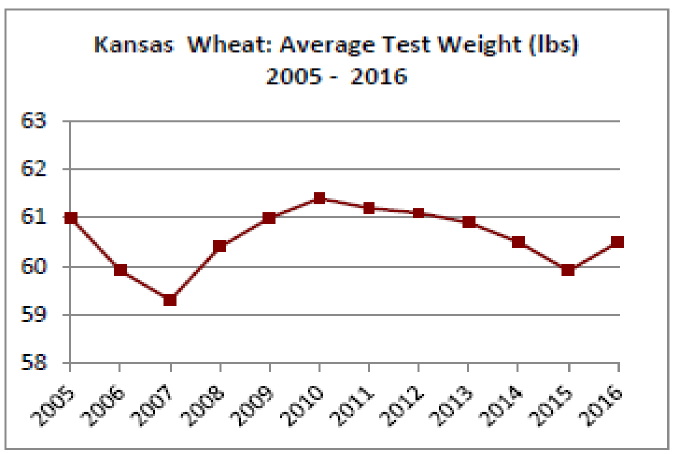
Protein content averaged 11.7 percent, down from 12.7 percent for 2015, and below the 10-year average of 12.4 percent. The East Central District had the highest protein content at 12.4. Statewide, moisture content averaged 11.2 percent, equal to 11.2 percent last year, and near the 10-year average of 11.3.

Samples of wheat grading No. 1, at 56 percent, were up from 53 percent last year. Forty-one percent graded No. 2, compared to 38 percent in 2015, and 3 percent graded No. 3 or below. Wheat samples averaged 0.3 percent damaged kernels, down 0.2 percentage points from 2015, and equal to the 10-year average. Samples tested had 0.0 percent foreign material on average, down 0.1 percentage point from last year and the 10-year average. Shrunken and broken kernels averaged 1.1 percent, down 0.4 percentage points from 2015 and down 0.1 percentage point from the 10-year average. Total defects averaged 1.5 percent, down 0.5 percentage points from 2015 and down 0.1 percentage point from the 10-year average. Average dockage for all samples was 0.6 percent, equal to last year.

There were 5,423 samples voluntarily submitted for inspection in the 2016 crop year. The test weight for these samples averaged 59.5 pounds per bushel, while protein was 11.8 percent and moisture content averaged 11.3 percent. Sixty-six percent of the submitted samples graded No.1 while 21 percent graded No. 2 and 13 percent graded No. 3 or below.

This is the only wheat quality release for the 2016 wheat harvest. Test weight, protein content, grade and defect determinations are made by Kansas Grain Inspection Service Inc. The data are summarized by the USDA's National Agricultural Statistics Service. Collection and publication services are funded by the Kansas Wheat Commission.





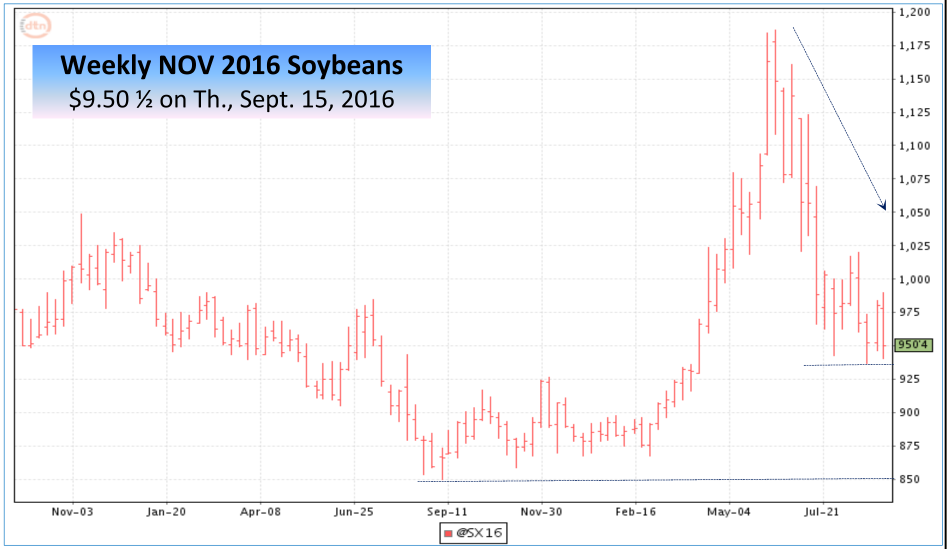
Kansas Winter Wheat Quality Data, 2015 - 2016 and 10-year Average

District & Year [1]	Samples Tested [2]	Test Weight	Protein [3]	Moisture	Grade 1	Grade 2	Grade All Other Grades	Defects Damaged Kernels (Total)	Defects Foreign Material	Defects Shrunken & Broken Kernels	Defects Total [4]	Average Dockage All Samples
		Lbs.	Percent		Percent of Samples			Percent				Percent
Northwest												
2016	1,392	59.3	12.1	11.4	24	70	6	0.3	0.0	1.6	1.9	0.7
2015	1,025	60.1	12.8	11.3	55	43	2	0.4	0.0	1.4	1.9	0.7
2005 - 2014 Avg.		60.8	12.5	11.2				0.3	0.0	1.1	1.3	
West Central												
2016	1,355	60.1	11.7	11.3	56	38	6	0.2	0.0	1.0	1.2	0.6
2015	698	60.0	12.9	10.9	48	50	2	0.5	0.0	1.5	2.0	0.6
2005 - 2014 Avg.		61.1	12.4	11.1				0.3	0.0	1.2	1.5	
Southwest												
2016	4,381	60.0	12.1	10.8	44	54	2	0.2	0.0	1.1	1.3	0.5
2015	1,443	60.2	13.1	10.6	40	57	3	0.4	0.0	1.3	1.8	0.6
2005 - 2014 Avg.		61.0	12.9	10.7				0.2	0.0	1.3	1.5	
North Central												
2016	806	61.1	11.9	11.6	83	17	0	0.2	0.1	1.3	1.7	0.6
2015	752	60.1	13.1	12.0	38	58	4	0.3	0.2	1.6	2.1	0.7
2005 - 2014 Avg.		60.8	12.3	11.6				0.4	0.1	1.3	1.7	
Central												
2016	1,327	60.1	11.5	11.4	56	36	8	0.3	0.0	0.9	1.2	0.5
2015	1,275	60.8	12.7	11.1	77	21	2	0.4	0.1	1.5	2.0	0.6
2005 – 2014 Avg.		60.8	12.6	11.4				0.3	0.1	1.2	1.6	
South Central												
2016	2,412	61.5	11.2	11.2	79	19	2	0.4	0.1	1.1	1.6	0.5
2015	1,582	59.3	12.1	11.2	57	18	25	0.2	0.2	1.5	2.0	0.6
2005 - 2014 Avg.		60.6	12.2	11.3				0.4	0.1	1.2	1.7	
Northeast												
2016	24	60.8	12.2	11.1	96	4	0	1.0	0.1	1.2	2.3	0.5
2015	15	60.5	12.2	12.2	87	13	0	1.0	0.1	0.9	2.0	0.8
2005 - 2014 Avg.		60.5	11.8	12.9				0.5	0.1	1.1	1.6	
East Central												
2016	13	61.4	12.4	11.0	92	8	0	0.8	0.1	1.1	2.0	0.5
2015	46	60.7	12.4	12.7	83	13	4	1.6	0.0	0.8	2.5	0.5
2005 - 2014 Avg.		60.7	11.5	11.8				0.7	0.1	1.1	1.9	
Southeast												
2016	377	61.5	10.1	12.1	83	15	2	0.9	0.0	0.7	1.7	0.5
2015	397	58.4	11.3	12.4	3	50	47	2.3	0.0	1.3	3.6	0.7
2005 - 2014 Avg.		59.3	11.7	12.0				1.0	0.1	1.1	2.2	
STATE												
2016	12,087	60.5	11.7	11.2	56	41	3	0.3	0.0	1.1	1.5	0.6
2015	7,233	59.9	12.7	11.2	53	38	9	0.5	0.1	1.5	2.0	0.6
2005 - 2014 Avg.		60.8	12.4	11.3				0.3	0.1	1.2	1.6	

[1] 2016 includes samples from June 8, 2016 – August 17, 2016. 2015 includes samples from June 12, 2015 – August 26, 2015.
[2] Samples tested represent data from inspection certificates of railroad cars (truckloads are converted to carlot equivalents). Summarized data include old crop and new crop wheat moving from first point of sale and inspected by the Kansas Grain Inspection Service, Inc.
[3] Protein content is on a 12% moisture basis.
[4] Total defects may not sum due to rounding.

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 9/8/2016 for "new crop" MY 2016/17 = 36.7 mb vs 38.1 mb/wk needed to meet USDA's September 12th projn of 1.985 bb exports
  - Total shipments through 9/8/2016 for "new crop" MY 2016/17 = 45.1 mb i.e., 2.3% of 1.985 bb USDA projn with 2.2% of MY complete (1.14/52 weeks)
  - Total new sales (9/8/2016) for "new crop" MY 2016/17 = 865.1 mb i.e., 43.6% of 1.985 bb USDA projn with 2.2% of MY complete (1.14/52 weeks)
- **U.S. Soybean Meal Exports: "Negative" Short Run Export Shipments in MY 2015/16 and "neutral-positive" Forward Sales**
  - Export Shipments for week of 9/8/2016 for "current" MY 2015/16 = 204,500 mt vs 349,000 mt/wk needed to meet USDA's Sept. 12th projn of 10.705 mmt exports
  - Total shipments through 9/8/2016 for "current" MY 2015/16 = 9.658 mmt i.e., 90.2% of 10.705 mmt USDA projn with 94.2% of MY complete (49/52 weeks)
  - Total shipments & new sales (8/18/2016) for "current" MY 2015/16 = 10.687 mmt i.e., 99.8% of 10.705 mmt USDA projn with 94.2% of MY complete (49/52 weeks)
  - Total new sales (8/18/2016) for "new crop" MY 2016/17 = 1.882 mmt i.e., 16.9% of 11.158 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	22.4% S/U	2.7% S/U	$13.00 /bu	1.638 bb expts
2014/15	26.1% S/U	5.0% S/U	$10.10 /bu	1.842 bb expts
2015/16 USDA	**23.0% S/U**	**4.9% S/U**	**$8.95 /bu**	1.940 bb expts
2016/17 USDA	**22.0% S/U**	**9.0% S/U**	**$9.05 /bu**	1.985 bb expts

Table 1. U.S. Soybean Supply-Demand Balance Sheet: MY 2009/10 through "New Crop" MY 2016/17. As of the September 12th USDA NASS Crop Production and WASDE reports, & KSU "New Crop" MY 2016/17 Supply-Demand Projections

Item	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	USDA 2016/17	KSU-Alternative Scenario *Higher Crush & Exports* 2016/17
Percent Probability										*65%*	*35%*
Planted Area (million acres)	64.741	75.718	77.451	77.404	75.046	77.198	76.840	83.276	83.650	82.236	83.236
Harvested Area (million acres)	64.146	74.681	76.372	76.610	73.776	76.144	76.253	82.591	81.814	83.037	83.037
% Harvested-to-Planted acres	99.1%	98.6%	98.6%	99.0%	98.3%	98.6%	99.2%	99.2 %	99.0%	98.9%	98.9%
Yield per harvested acre (bu/ac)	41.7	39.7	44.0	43.5	42.0	40.0	44.0	47.5	48.0	50.6	50.6
	Million Bushels										
Beginning Stocks	574	205	138	151	215	169	141	92	191	195	195
Production	2,677	2,967	3,361	3,331	3,097	3,042	3,358	3,927	3,929	4,201	4,201
Imports	10	13	15	14	16	41	72	33	25	30	30
Total Supply	3,261	3,185	3,514	3,497	3,328	3,252	3,570	4,052	4,145	4,426	4,426
Domestic Crushings	1,803	1,662	1,752	1,648	1,703	1,689	1,734	1,873	1,900	1,950	2,000
Exports	1,159	1,279	1,499	1,505	1,365	1,317	1,638	1,842	1,940	1,985	2,035
Seed	93	90	90	87	90	89	97	96	97	95	95
Residual	0	16	22	42	1	16	10	50	12	31	31
Total Use	3,056	3,047	3,363	3,282	3,159	3,111	3,478	3,862	3,949	4,061	4,161
Ending Stocks	205	138	151	215	169	141	92	191	195	365	265
% Ending Stocks-to-Total Use	6.71%	4.54%	4.49%	6.55%	5.36%	4.53%	2.65%	4.95%	4.94%	8.99%	6.37%
U.S. Average Farm Price ($/bu)	$10.10	$9.97	$9.59	$11.30	$12.50	$14.40	$13.00	$10.10	$8.95	$8.30-$9.80 ($9.05)	$9.70

Figure 7. U.S. Soybean Planted & Harvested Acreage: 2004-2016. As of the September 12th USDA NASS Crop Production Report

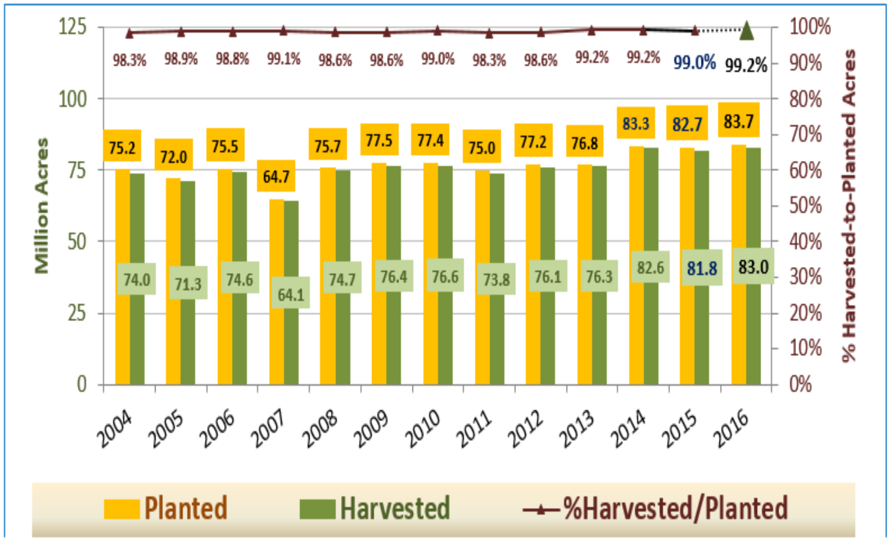


Figure 8. U.S. Soybean Yields: 1990-2016, As of September 12th USDA NASS Crop Production and WASDE reports, & KSU Trend-Line Yield projection

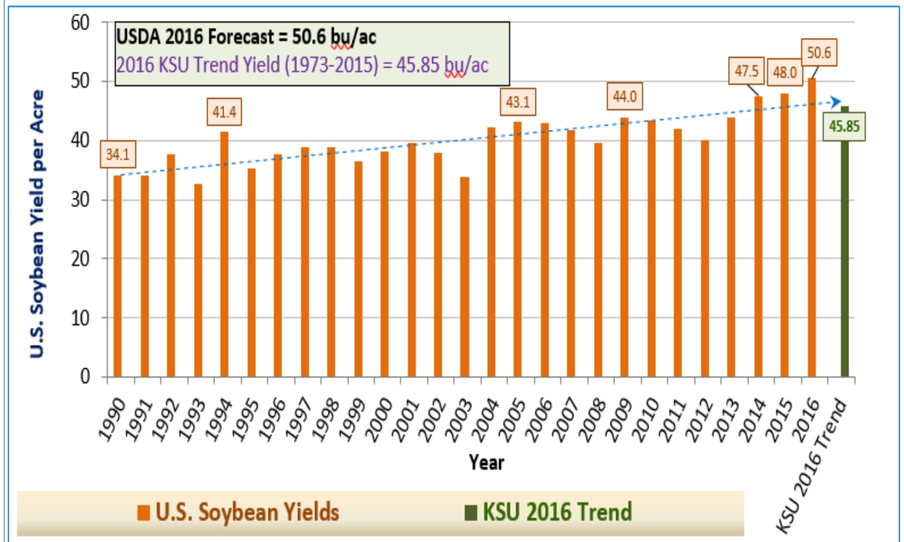


Figure 9. U.S. Soybean Total Production and Supplies: MY 2004/05 through "New Crop" MY 2016/17. As of September 12th USDA NASS Crop Production and WASDE reports

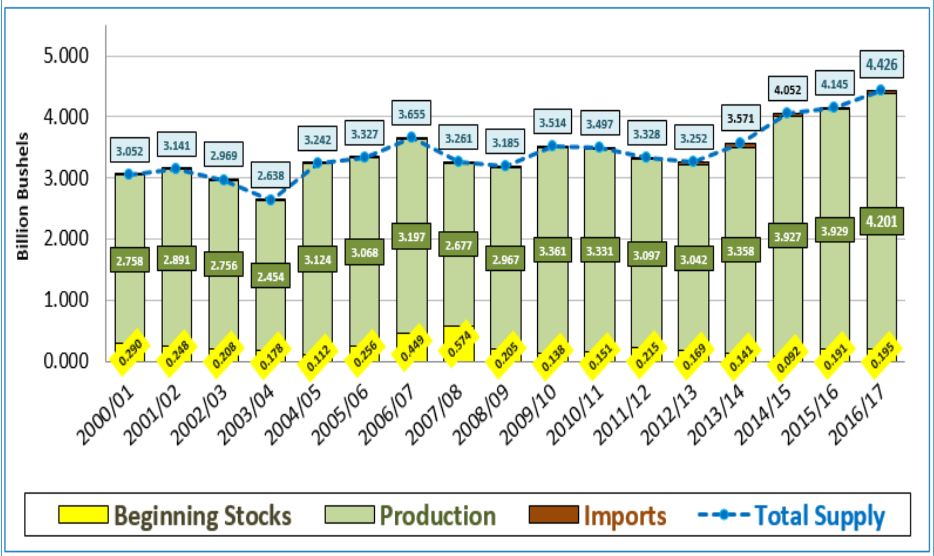


Figure 10. U.S. Soybean Use & Ending Stocks: MY 2004/05 – "New Crop" MY 2016/17

As of the September 12th USDA NASS Crop Production and WASDE reports

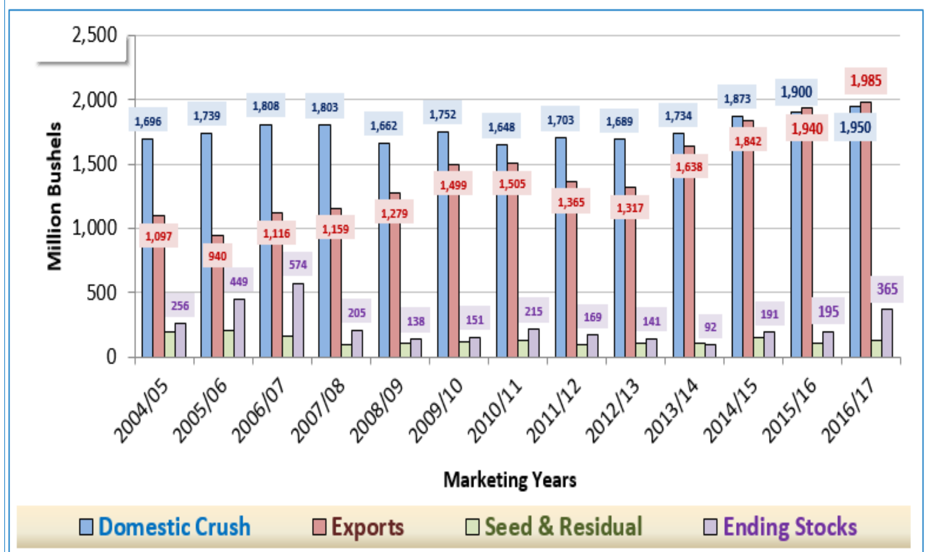


Figure 11. U.S. Soybean Ending Stocks vs U.S. Avg. Cash Prices: MY 1973/74 – "New Crop" 2016/17 As of the September 12th USDA NASS Crop Production & WASDE reports and KSU "New Crop" MY 2016/17 Forecasts

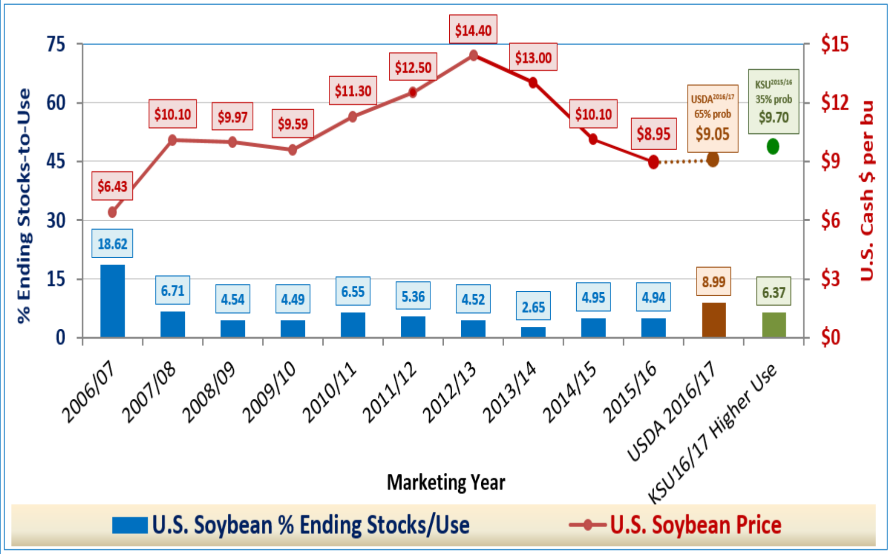


Figure 12. U.S. Soybean Price vs U.S. % Stocks-to-Use: MY 1973/74 through "New Crop" MY 2016/17. As of the September 12th USDA Crop Prodn & WASDE reports

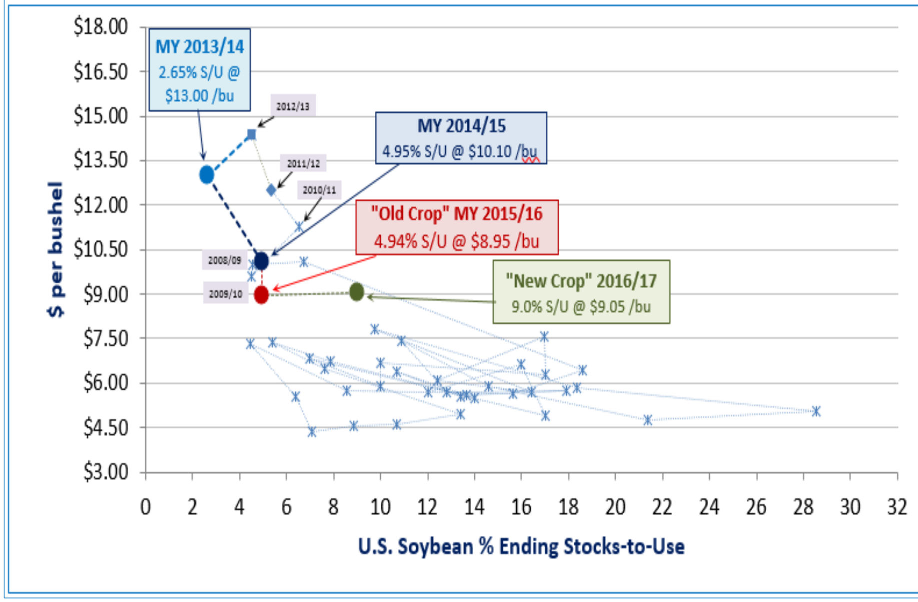


Figure 13. World Soybean Usage & Ending Stocks: MY 2007/08 thru "New Crop" MY 2016/17. As of the September 12, 2016 WASDE Report, and USDA Foreign Ag Service PSD Online

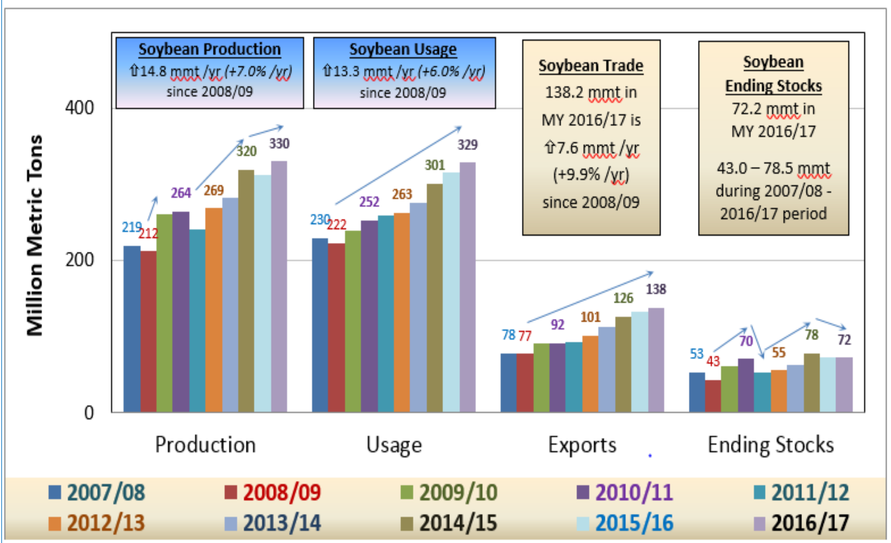


Figure 14a. U.S. Soybean Price vs World % Stocks-to-Use: MY 1973/74 through "New Crop" MY 2016/17. As of the Sept. 12, 2016 WASDE Report, and USDA Foreign Agricultural Service PSD Online Data