

KSU Agriculture Today Radio Notes

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

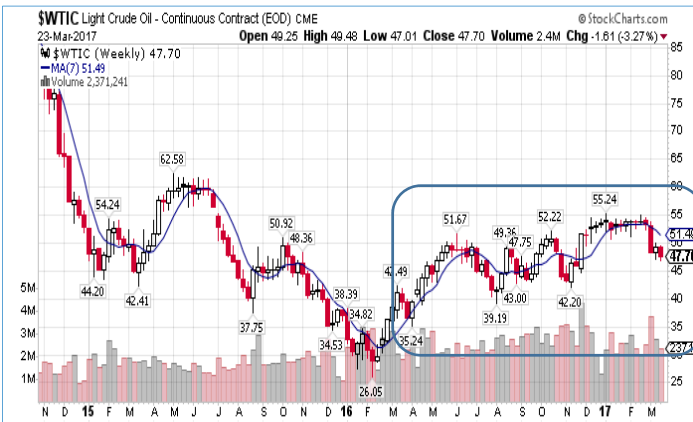
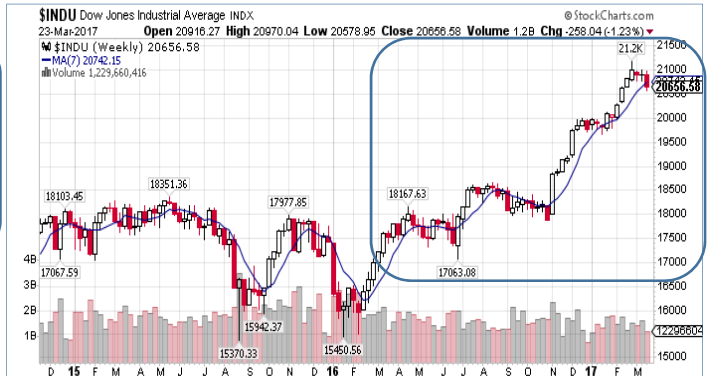
For Radio Program to be aired 10:00-10:15 a.m., Friday, March 24, 2017

I. Grain Futures Closes, Changes & Carry on Thursday, March 23, 2017

Corn Futures				Soybean Futures				Kansas HRW Wheat Futures			
Month	Close	Change	Carry /mo	Month	Close	Change	Carry /mo	Month	Close	Change	Carry /mo
May 17	\$3.56	↓ \$0.02	---	May 17	\$ 9.91	↓ \$0.0875	---	May 17	\$4.28	↓ \$0.0450	---
July 17	\$3.64 ½	↓ \$0.02	\$0.04 ²⁵	July 17	\$10.01 ½	↓ \$0.0875	\$0.05 ²⁵	July 17	\$4.40 ¾	↓ \$0.04	\$0.06 ³⁷⁵
Sept 17	\$3.72	↓ \$0.02	\$0.03 ⁷⁵	Aug 17	\$10.03 ¾	↓ \$0.0875	\$0.02 ²⁵	Sept 17	\$4.55 ½	↓ \$0.0425	\$0.07 ³⁷⁵
Dec 17	\$3.80	↓ \$0.02	\$0.02 ⁷⁵	Sept 17	\$ 9.96 ¾	↓ \$0.0825	No Carry	Dec 17	\$4.77	↓ \$0.0425	\$0.07 ¹⁶⁷
Mar 18	\$3.89	↓ \$0.0275	\$0.03	Nov 17	\$ 9.91 ¼	↓ \$0.0750	No Carry	Mar 18	\$4.92 ½	↓ \$0.04	\$0.05 ¹⁶⁷
May 18	\$3.94	↓ \$0.0250	\$0.02 ⁵⁰	Jan 18	\$ 9.96 ¾	↓ \$0.07	\$0.02 ⁷⁵	May 18	\$5.01 ½	↓ \$0.04	\$0.04 ⁵⁰
July 18	\$3.97 ½	↓ \$0.0225	\$0.01 ⁷⁵	Mar 18	\$ 9.99	↓ \$0.0675	\$0.01 ¹²⁵	July 18	\$5.05 ½	↓ \$0.04	\$0.02 ⁵⁰
Sept 18	\$3.93	↓ \$0.0125	No Carry	May 18	\$10.01 ¼	↓ \$0.07	\$0.01 ¹²⁵	Sept 18	\$5.17 ¼	↓ \$0.0375	\$0.05 ⁸⁷⁵

Price^{Soybeans} / Price^{Corn} Ratios on March 23, 2017:

- “Current Crop^{2016/17}” ⇨ \$MAY²⁰¹⁷ Soybeans ÷ \$MAY²⁰¹⁷ Corn = \$ 9.91 ÷ \$3.56 = 2.784
- “New Crop^{2017/18}” ⇨ \$NOV²⁰¹⁷ Soybeans ÷ \$DEC²⁰¹⁷ Corn = \$ 9.91 ¼ ÷ \$3.80 = 2.609 ***



Central Kansas Terminal and Processor Daily Grain Report

TERMINAL HRW WHEAT ORD US NO 1				
	Bids	Change (¢/bu)	Basis	Change
Topeka	3.5800	DN 4.5	-70K	UNCH
Concordia	3.2800	DN 4.5	-100K	UNCH
Salina	3.4300	DN 4.5	-85K	UNCH
Great Bend	3.4300	DN 4.5	-85K	UNCH
Newton	3.2000	DN 4.5	-108K	UNCH
Hutchinson	3.3300-3.4800	DN 4.5	-95K to -80K	UNCH
Wichita	3.3800-3.4800	DN 4.5	-90K to -80K	UNCH
Wellington	3.4000-3.4800	DN 4.5	-88K to -80K	UNCH
Arkansas City	3.3800	DN 4.5	-90K	UNCH

TERMINAL HWW WHEAT ORD US NO 2				
	Bids	Change (¢/bu)	Basis	Change
Wichita	3.4800	DN 4.5	-80K	UNCH

TERMINAL US NO 2 YELLOW CORN				
	Bids	Change (¢/bu)	Basis	Change
Atchison	3.3175	DN 2	-25K	UNCH
Topeka	3.2975	DN 2	-27K	UNCH
Salina	3.0675-3.0975	DN 2	-50K to -47K	UNCH
Newton	2.8175	DN 2	-75K	UNCH
Hutchinson	2.8675-2.9975	DN 2	-70K to -57K	UNCH
Wellington	2.8175	DN 2	-75K	UNCH
Arkansas City	2.8675	DN 2	-70K	UNCH

TERMINAL US NO 2 SORGHUM				
	Bids	Change (¢/cwt)	Basis	Change
Topeka	5.66	DN 3	-40K	UNCH
Concordia	4.85	DN 4	-85K	UNCH
Salina	4.85-5.03	DN 4	-85K to -75K	UNCH
Newton	4.42	DN 4	-109K	UNCH
Hutchinson	4.57-4.76	DN 3-DN 4	-101K to -90K	UNCH
Wellington	4.57	DN 3	-101K	UNCH
Arkansas City	4.58	DN 4	-100K	UNCH

TERMINAL US NO 2 SOYBEANS				
	Bids	Change (¢/bu)	Basis	Change
Atchison	9.1600	DN 8.75	-75K	UNCH
Topeka	9.1600	DN 8.75	-75K	UNCH
Salina	8.9100-8.9600	DN 8.75	-100K to -95K	UNCH
Newton	8.7200	DN 8.75	-119K	UNCH
Hutchinson	8.7200-8.8100	DN 8.75	-119K to -110K	UNCH
Wichita	8.8200	DN 8.75	-109K	UNCH
Wellington	8.8600	DN 8.75	-105K	UNCH
Arkansas City	8.9000	DN 8.75	-101K	UNCH

PROCESSOR HRW WHEAT US NO 1				
	Bids	Change (¢/bu)	Basis	Change
Wichita-11%	3.9300	DN 4.5	-35K	UNCH
Wichita-12%	4.2800	DN 4.5	OptK	UNCH
Wichita-13%	4.5800	DN 4.5	30K	UNCH

PROCESSOR US NO 2 YELLOW CORN				
	Bids	Change (¢/bu)	Basis	Change
Atchison	3.2675	DN 2	-30K	UNCH

PROCESSOR US NO 2 SOYBEANS				
	Bids	Change (¢/bu)	Basis	Change
Emporia	9.2100	DN 8.75	-70K	UNCH
Wichita	9.2100	DN 8.75	-70K	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

Western Kansas Grain Markets

Thursday's closing elevator grain bids:

	Bids	HRW WHEAT ORD US NO 1 Change (¢/bu)	Basis	Change
Dodge City	3.13	DN 4.5	-115K	UNCH
Colby	3.25	DN 4.5	-103K	UNCH
Garden City	3.13	DN 4.5	-115K	UNCH
Goodland	3.16	DN 4.5	-112K	UNCH
Protection	3.13	DN 4.5	-115K	UNCH
Scott City	3.13	DN 4.5	-115K	UNCH
Sublette	3.13	DN 4.5	-115K	UNCH
Syracuse	3.18	DN 4.5	-110K	UNCH
Ulysses	3.18	DN 4.5	-110K	UNCH

	Bids	US NO 2 YELLOW CORN Change (¢/bu)	Basis	Change
Dodge City	3.02	DN 2	-55K	UNCH
Colby	3.00	DN 2	-57K	UNCH
Garden City	3.02-3.04	DN 2	-55K to -53K	UNCH
Goodland	2.83	DN 2	-74K	UNCH
Protection	3.07	DN 2	-50K	UNCH
Scott City	3.02	DN 2	-55K	UNCH
Sublette	3.07	UNCH-DN 2	-50K	UP 2-UNCH
Syracuse	3.12	DN 2	-45K	UNCH
Ulysses	3.07	DN 2	-50K	UNCH

	Bids	US NO 2 SORGHUM Change (¢/cwt)	Basis	Change
Dodge City	4.58	DN 4	-100K	UNCH
Colby	4.50	DN 3	-105K	UNCH
Garden City	4.41-4.58	DN 3-UP 5	-110K to -100K	UNCH-UP 5
Goodland	4.32	DN 3	-115K	UNCH
Protection	4.58	DN 4	-100K	UNCH
Scott City	4.41	DN 3	-110K	UNCH
Sublette	4.50-4.64	DN 3-UP 6	-105K to -97K	UNCH-UP 5
Syracuse	4.50	DN 3	-105K	UNCH
Ulysses	4.46	DN 4	-107K	UNCH

	Bids	US NO 2 YELLOW SOYBEANS Change (¢/bu)	Basis	Change
Dodge City	8.71	DN 8.75	-120K	UNCH
Colby	8.51	DN 8.75	-140K	UNCH
Garden City	8.66-8.70	DN 8.75	-125K to -121K	UNCH
Protection	8.71	DN 8.75	-120K	UNCH
Scott City	8.66	DN 8.75	-125K	UNCH
Sublette	8.66-8.70	DN 8.75	-125K to -121K	UNCH
Ulysses	8.61	DN 8.75	-130K	UNCH

	Bids	US NO 2 SORGHUM - FEEDMILL BID Change (¢/cwt)	Basis	Change
Ashland	5.30	DN 3	-60K	UNCH

Cotton Grade 41, Leaf 4, Staple 34, West Texas base price 74.75 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
Cheyenne Marrs 620-227-8881 DodgeCity.LPGMN@ams.usda.gov
www.ams.usda.gov/mnreports/DC_GR110.txt
www.ams.usda.gov/LPSMarketNewsPage



US #2 Yellow Corn - dollars/bushel				
	Cash Bids	Chg	Basis	Avg:
Iowa-Eastern:	3.2175 - 3.4875	↓	-37K to -10K	-23.50
Iowa-Western:	3.0875 - 3.3175	↓	-50K to -27K	-38.50
Illinois:	3.4675 - 3.6875	↓	-12K to 10K	-1.00
Indiana:	3.5575 - 3.7075	↓	-3K to 12K	4.50
Ohio:	3.6375 - 3.8675	↓	5K to 8K	6.50
Michigan:	3.3375 - 3.5575	↓	-25K to -3K	-14.00
Kansas:	3.2375 - 3.5875	↓	-35K to OptK	-17.50
Minnesota:	2.9975 - 3.2875	↓	-59K to -30K	-44.50
Nebraska:	2.9975 - 3.4075	↓	-59K to -18K	-38.50
Wisconsin:	3.1375 - 3.3275	↓	-45K to -28K	-35.50
South Dakota:	2.9275 - 3.2075	↓	-66K to -38K	-52.00
Missouri:	3.2775 - 3.4875	↓	-31K to -10K	-20.50

Distillers Grain - dollars/ton											
	Dried 10%	Chg	Avg:	Modified 50-55%	Chg	Avg:	Wet 65-70%	Chg	Avg:		
Iowa-Eastern:	95.00 - 100.00	↓	97.50	45.00	↓	45.00	NA	↓	NA	NA	NA
Iowa-Western:	80.00 - 105.00	↓	92.50	40.00 - 50.00	↓	45.00	25.00 - 42.00	↓	33.50		
Illinois:	92.00 - 105.00	↓	98.50	NA	↓	NA	30.00	↓	30.00		
Indiana:	90.00 - 110.00	↓	100.00	46.00	↓	46.00	NA	↓	NA	NA	NA
Ohio:	88.00 - 95.00	↓	91.50	NA	↓	NA	NA	↓	NA	NA	NA
Michigan:	88.00 - 100.00	↓	94.00	39.00 - 45.00	↓	42.00	NA	↓	NA	NA	NA
Kansas:	102.00 - 135.00	↓	118.50	NA	↓	NA	42.00 - 50.00	↓	46.00		
Minnesota:	88.00 - 95.00	↓	91.50	42.00	↓	42.00	30.00 - 38.00	↓	34.00		
Nebraska:	85.00 - 107.00	↓	96.00	43.00 - 53.00	↓		38.53 - 45.00	↓	40.77		
Wisconsin:	90.00 - 105.00	↓	97.50	39.00 - 55.00	↓	47.00	NA	↓	NA	NA	NA
South Dakota:	85.00 - 93.50	↓	89.25	44.00 - 58.00	↓	51.00	30.00 - 35.00	↓	32.50		
Missouri:	110.00 - 118.00	↑	114.00	60.00	↓	60.00	34.00 - 37.00	↓	35.50		

Sorghum - dollars/bushel				
	Cash Bids	Chg	Basis	Avg:
Kansas:	2.8875 - 2.9875	↓	-70K to -60K	-65.00
Missouri:	NA	NA	NA	NA

Corn Oil - cents/pound				
W/E 03/17/17	Range	Chg:	Avg:	
Iowa:	28.00 - 29.50	↓	28.75	
Eastern Cornbelt:	27.50 - 28.50	↓	28.00	
Nebraska:	28.00 - 28.50	↓	28.25	
South Dakota:	NA	NA	NA	

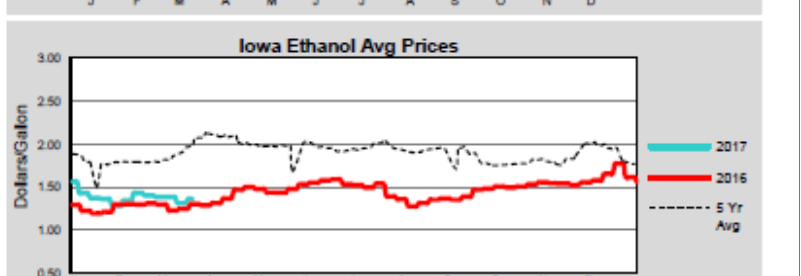
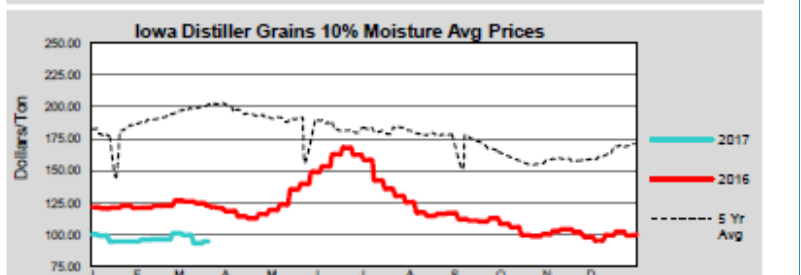
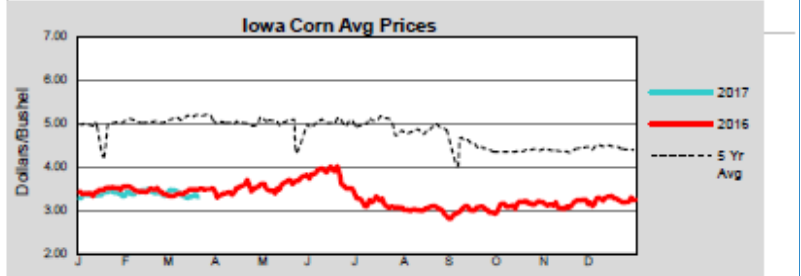
Ethanol - dollars/gallon				
W/E 03/17/17	Range	Chg:	Avg:	
Iowa:	1.28 - 1.45	↑	1.37	
Eastern Cornbelt:	1.39 - 1.47	↑	1.43	
Kansas:	1.43 - 1.43	↑	1.43	
Minnesota:	1.48 - 1.53	↑	1.51	
Nebraska:	1.32 - 1.39	↑	1.35	
Wisconsin:	NA	NA	NA	
South Dakota:	1.48 - 1.53	↑	1.51	

Daily Nearby Futures			
	Today	Yesterday	Last year
CME group			
Corn (\$/bu)	3.5825	3.5850	3.6850
Ethanol (\$/gal)	1.5300	1.5370	1.4090
NYMEX:			
RBOB Gasoline (\$/gal)	1.5802	1.6019	1.7940
Natural Gas (mmBtu)	3.0060	3.0110	1.4541

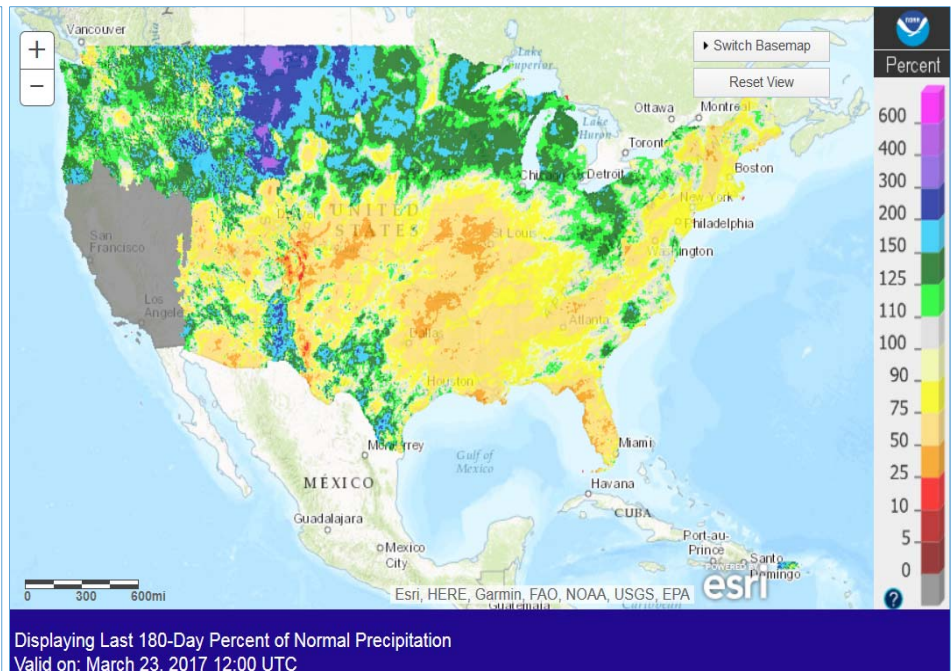
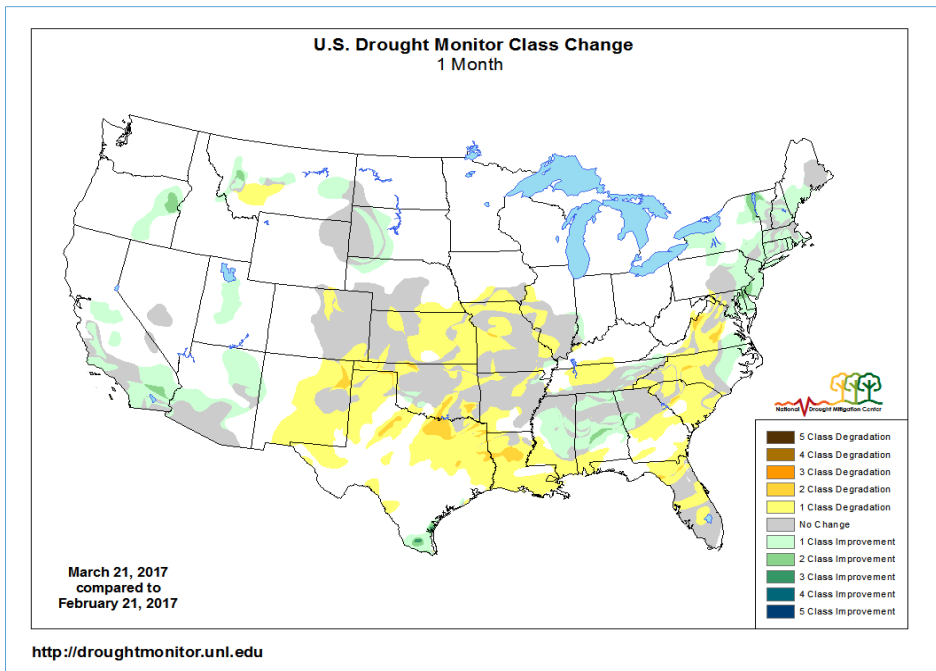
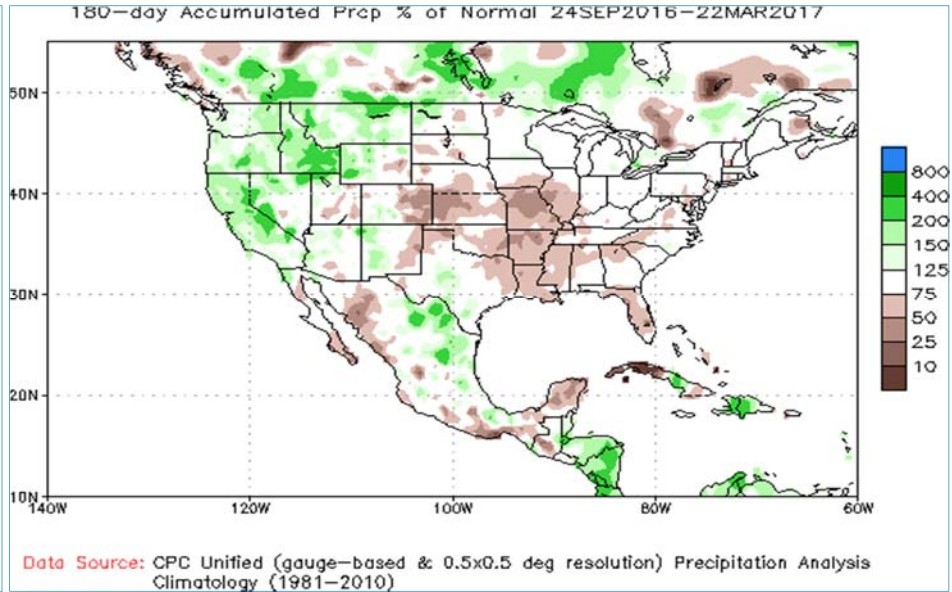
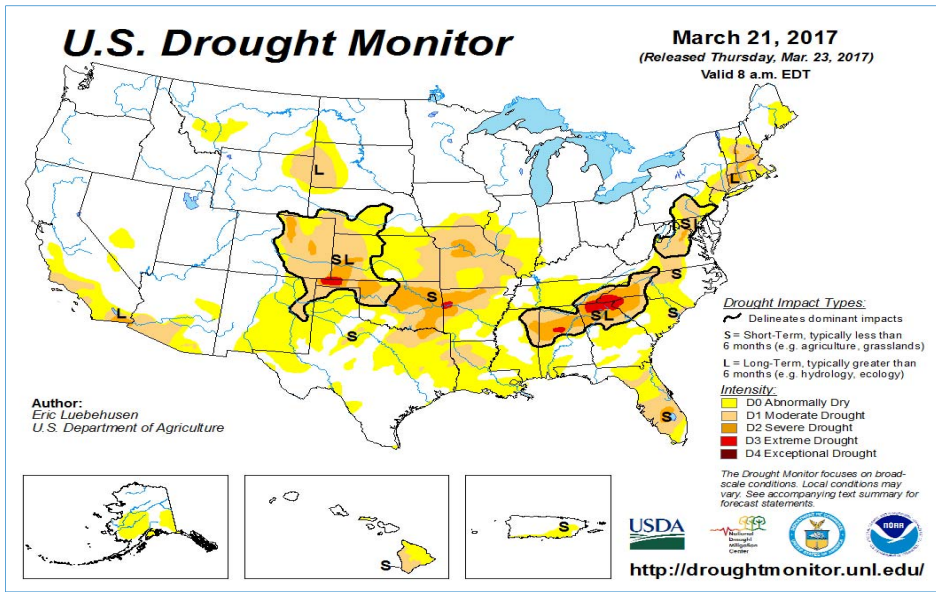
BIO-ENERGY REPORT NOTES

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

Daily Market Review
 On Wednesday, the May corn contract closed at 3.58 3/4, down 2 1/4 cent. Today's commodity market is starting to be influenced by the expected rain across much of the central U.S. with the heaviest amounts over Missouri and Arkansas's dry areas. As spring planting season is nearing the market may be influenced by many farmers focusing on production and losing interest in marketing.



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



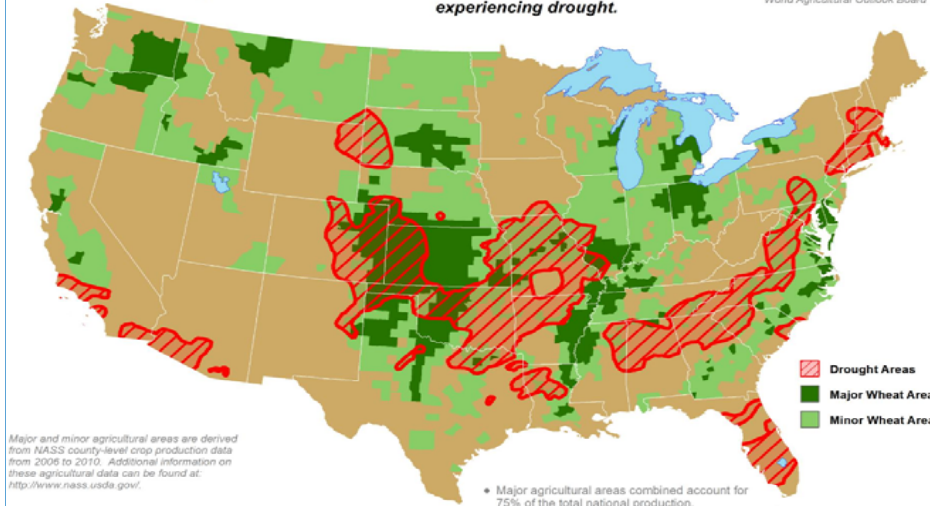
U.S. Winter Wheat Areas Experiencing Drought



Reflects March 21, 2017
U.S. Drought Monitor data

Approximately 26% of winter wheat production is within an area experiencing drought.

This product was prepared by the
USDA Office of the Chief Economist
World Agricultural Outlook Board

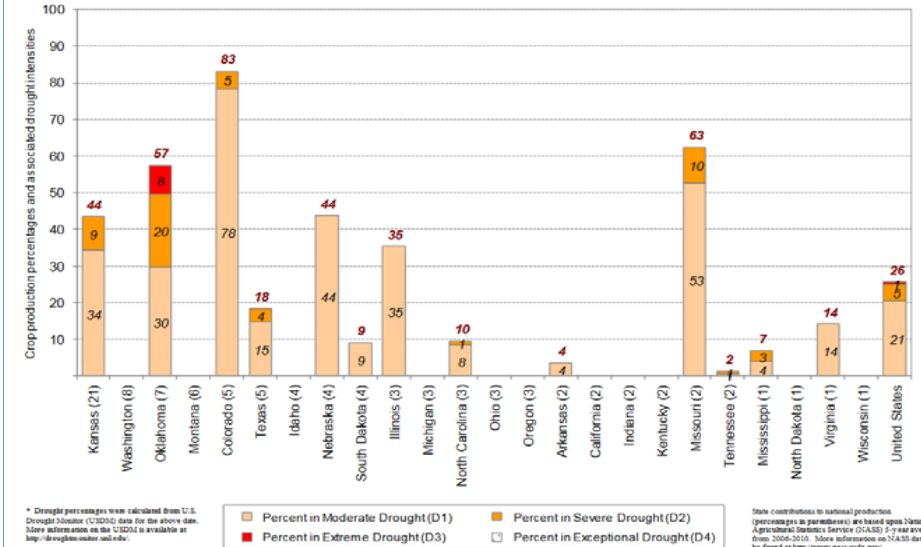


Major and minor agricultural areas are derived from NASS county-level crop production data from 2006 to 2010. Additional information on these agricultural data can be found at: <http://www.nass.usda.gov/>.

Mapped drought areas are derived from the U.S. Drought Monitor product and do not depict the intensity of drought in any particular location. More information on the Drought Monitor can be found at: <http://droughtmonitor.unl.edu/>.

- Major agricultural areas combined account for 75% of the total national production.
- Major and minor agricultural areas combined account for 99% of the total national production.

Approximate Percentage of Winter Wheat Located in Drought * March 21, 2017

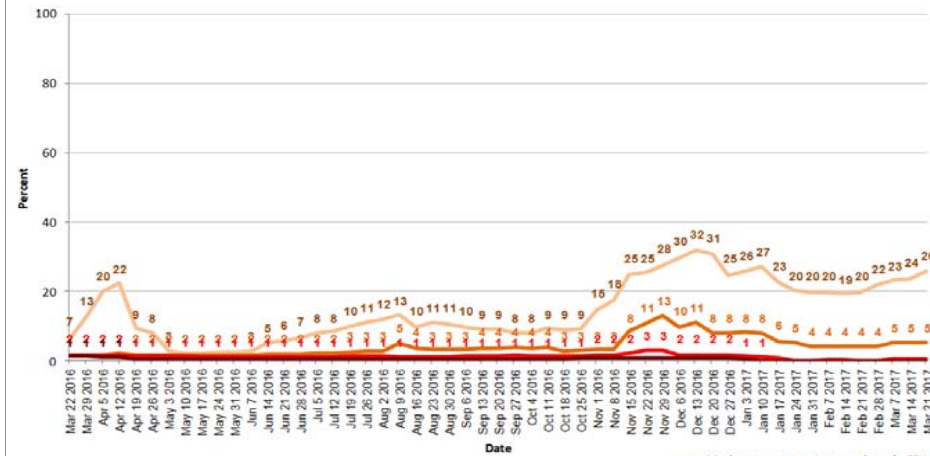


* Drought percentages were calculated from U.S. Drought Monitor (USDM) data for the above date. More information on the USDM is available at <http://droughtmonitor.unl.edu/>.



State contributions to national production (percentages in parentheses) are based upon National Agricultural Statistics Service (NASS) 2-year average from 2006-2010. More information on NASS data can be found at <http://www.nass.usda.gov/>.

United States Winter Wheat Areas Located in Drought



- Moderate or more intense drought (D1+)
- Severe or more intense drought (D2+)
- Extreme or more intense drought (D3+)
- Exceptional drought (D4)

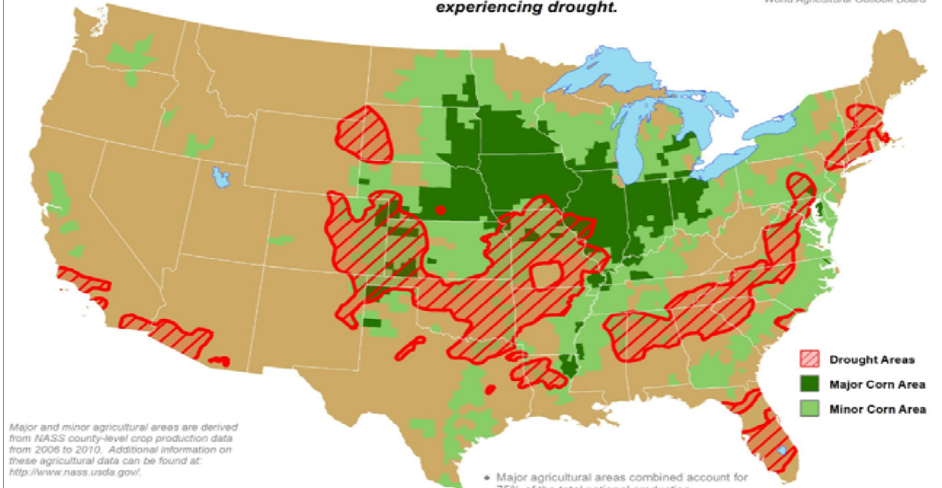
U.S. Corn Areas Experiencing Drought



Reflects March 21, 2017
U.S. Drought Monitor data

Approximately 12% of corn production is within an area experiencing drought.

This product was prepared by the
USDA Office of the Chief Economist
World Agricultural Outlook Board

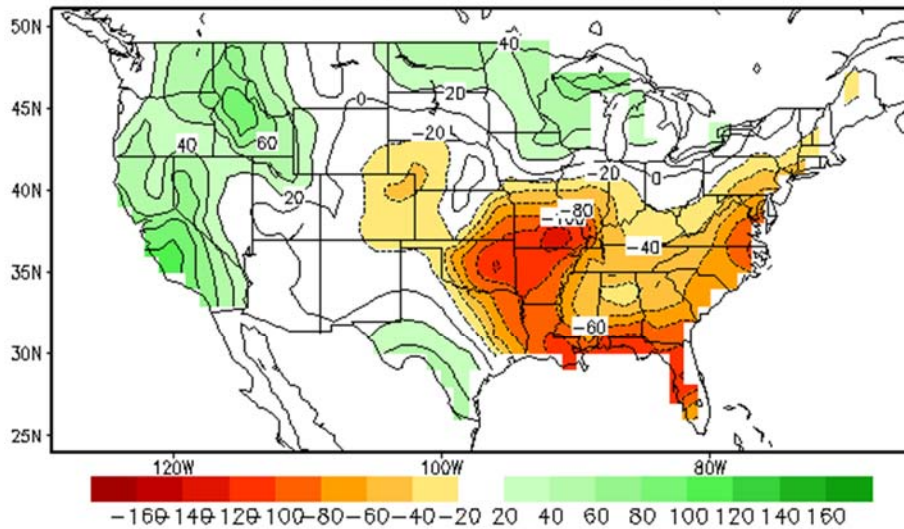


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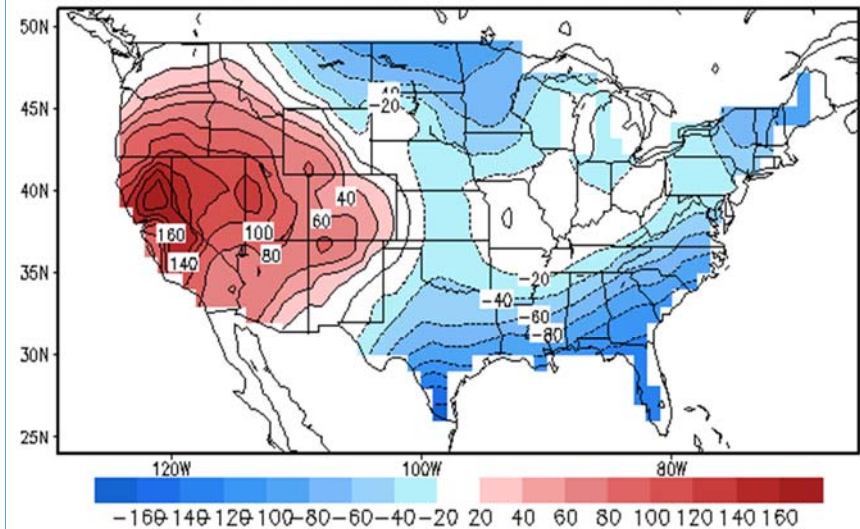
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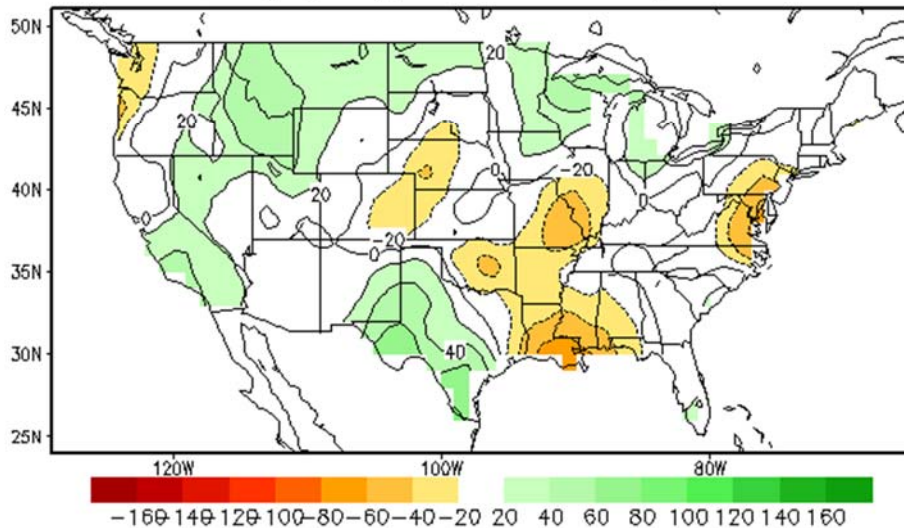
Lagged Averaged Soil Moisture Outlook for End of APR2017
units: anomaly (mm), SM data ending at 20170322



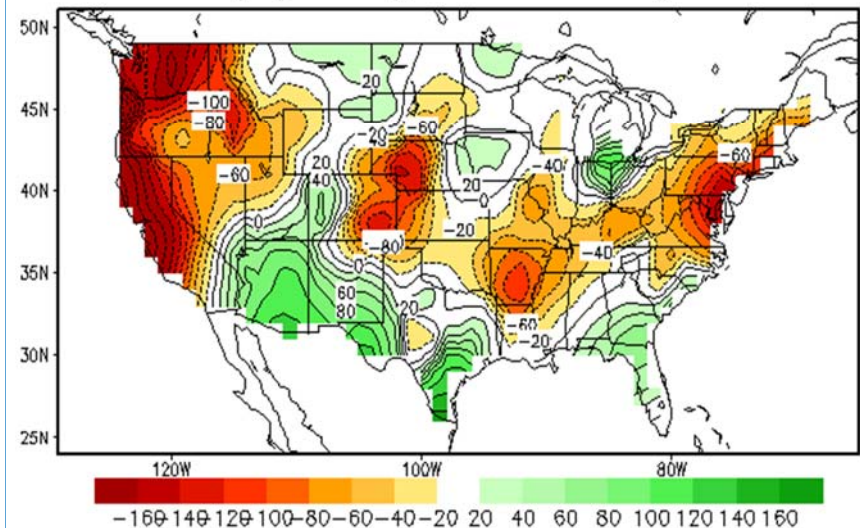
Lagged Averaged Temperature Outlook for MAY 2017
units: anomaly (sdX100), SM data ending at 20170322



Lagged Averaged Soil Moisture Outlook for End of JUN2017
units:anomaly (mm), SM data ending at 20170322



Lagged Averaged Precipitation Outlook for MAY 2017
units: anomaly (sdX100), SM data ending at 20170322



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

March 21, 2017

EUROPE – Highlight: Mild, Sunny Weather Promoted Winter Crop Development

- Mild, sunny weather promoted early winter crop development over **central and northern Europe**.
- Late-week showers in **France, Germany, and Poland** boosted soil moisture for vegetative wheat and rapeseed.

MIDDLE EAST – Highlight: Additional Beneficial Showers In Turkey

- In **Turkey**, widespread rain further improved soil moisture for vegetative winter grains.
- Showers across **Iran and Iraq** maintained favorable early-season prospects for greening winter crops.

NORTHWEST AFRICA – Highlight: Sunny, Warm Weather Promoted Winter Grain Development

- Sunny, warm weather favored wheat and barley growth, although topsoils have dried in **Algeria**.

FSU – Highlight: Dry, Unseasonably Warm Weather Continued



- Unseasonably warm weather accelerated winter wheat greening in **southern Russia and Ukraine**.
- Rain will be needed soon, particularly in **Ukraine**, due to protracted short-term dryness and early crop development.

SOUTH ASIA – Highlight: Beneficial Conditions For Wheat



- Dry, cooler-than-normal weather favored wheat in **northern India**, as seasonal heat continued to build in the **southern interior**.

EAST ASIA – Highlight: Showers In Southern China

- Showers across **southern China** increased soil moisture for vegetative to reproductive rapeseed and newly sown early-crop rice.
- Sunny, mild weather on the **North China Plain** promoted wheat development, with adequate soil moisture maintaining good yield prospects.



SOUTHEAST ASIA – Highlight: Rainfall In The Philippines And Indonesia

- Seasonable rainfall maintained good moisture conditions for spring rice in the **Philippines and Indonesia**.

AUSTRALIA – Highlight: Soaking Rains Slowed Fieldwork



- In the east, soaking rains hampered drydown and harvesting of early-maturing cotton and sorghum.
- The rain benefited immature summer crops, boosting soil moisture and easing irrigation requirements.

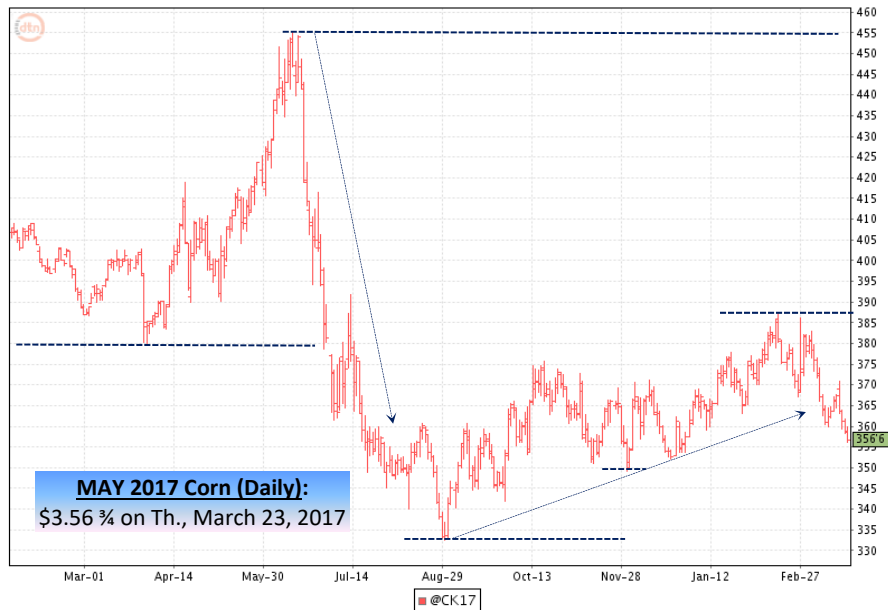
SOUTH AMERICA – Highlight: Rain Benefited Second-Crop Corn And Cotton

- Widespread, locally heavy rain maintained favorable prospects of second-crop corn and cotton throughout much of **Brazil**.
- In **northern Argentina**, beneficial rain favored cotton, while favorably drier conditions overspread corn and soybean areas farther south.



III. Corn Market Information

Daily MAY 2017 Corn Futures



Key Corn & Grain Sorghum Supply-Demand Factors:

U.S. Corn Exports: "Bullish" short-term MY 2016/17 U.S. corn export shipments with "positive" long term outlook for total sales

- Weekly Export Shipments week of 3/16/2017 for MY 2016/17 = 54.4 mb vs 44.9 mb/wk needed to meet USDA's March 9th projn of 2.225 bb exports
- Total shipments through 3/16/2017 for MY 2016/17 = 1.147 bb i.e., 51.5% of 2.225 bb USDA projn with 53.8% of MY complete (28/52 weeks)
- Total sales (3/16/2017) for "current" MY 2016/17 = 1.839 bb i.e., 82.6% of 2.225 bb USDA projn w. 53.8% of MY complete (28/52 weeks)

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

- Weekly Export Shipments wk of 3/16/2017 for MY 2016/17 = 0.49 mb vs 4.8 mb/wk needed to meet USDA's March 9th projn of 225 mb exports
- Total shipments through 3/16/2017 for MY 2016/17 = 109.0 mb i.e., 48.4% of 225 mb USDA projn with 53.8% of MY complete (28/52 weeks)
- Total new sales (3/16/2017) for "current" MY 2016/17 = 150.3 mb i.e., 66.8% of 225 mb USDA projn w. 53.8% of MY complete (28/52 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}	21.4% S/U	12.6% S/U	\$3.70 /bu	14.216 bln bu
2015/16 ^{USDA}	22.0% S/U	12.7% S/U	\$3.61 /bu	13.601 bln bu
2016/17 ^{USDA}	21.2% S/U	15.9% S/U	\$3.40 /bu	15.148 bln bu
2017/18 ^{USDA}	na	15.6% S/U	\$3.50 /bu	14.065 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}	7.9% S/U	\$2.70 /bu	480 mln bu
2017/18 ^{USDA}	67.1 bu/ac ^{US}	9.6% S/U	**\$3.00 /bu	362 mln bu

Table 1. U.S. Corn Supply-Demand Balance Sheet: MY 2008/09 – “Next Crop” MY 2017/18 as of the Feb. 23-24, 2017 USDA Outlook Conference and the March 9, 2017 USDA WASDE Report

Item	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	USDA Outlook Conference Feb. 23-24, 2017 2017/18
<i>% Probability of Occurring (KSU)</i>										55% ^{KSUest}
Planted Area (million acres)	85.982	86.382	88.192	91.936	97.291	95.365	90.597	88.019	94.004	90.000
Harvested Area (million acres)	78.570	79.490	81.446	83.879	87.365	87.451	83.136	80.753	86.748	82.400
% Harvested/Planted Area	91.4%	92.0%	92.4%	91.2%	89.8%	91.7%	91.8%	91.7%	92.3%	91.2%
Yield / harvested acre (bu/ac)	153.3	164.4	152.6	146.8	123.1	158.1	171.0	168.4	174.6	170.7
	Million Bushels									
Beginning Stocks (million bushels)	1,624	1,673	1,708	1,128	989	821	1,232	1,731	1,737	2,320
Production (million bu.)	12,043	13,067	12,425	12,314	10,755	13,829	14,216	13,602	15,148	14,065
Imports (million bu.)	14	8	28	29	160	36	32	67	55	50
Total Supply (million bu.)	13,681	14,749	14,161	13,471	11,904	14,686	15,479	15,401	16,940	16,435
Ethanol for fuel Use (million bu.)	3,709	4,591	5,019	5,000	4,641	5,124	5,200	5,224	5,400	5,400
Food & Industrial Use (million bu.)	1,294	1,348	1,384	1,400	1,372	1,379	1,372	1,392	1,416	**1,440
Seed Use (million bu.)	27.2	27.8	29.6	31.0	31.0	29.7	29.3	30.6	29.4	**30
Exports (million bu.)	1,849	1,979	1,831	1,539	730	1,921	1,867	1,898	2,225	1,900
Feed & Residual Use (million bu.)	5,128	5,096	4,770	4,512	4,309	5,033	5,280	5,131	5,500	5,450
Total Use (million bu.)	12,008	13,041	13,033	12,482	11,083	13,454	13,748	13,664	14,620	14,220
Ending Stocks (million bu.)	1,673	1,708	1,128	989	821	1,232	1,731	1,737	2,320	2,215
% Ending Stocks-to-Use	13.94%	13.10%	8.65%	7.92%	7.41%	9.16%	12.59%	12.71%	15.87%	15.58%
U.S. Corn Average Farm Price (\$/bushel)	\$4.06	\$3.55	\$5.18	\$6.22	\$6.89	\$4.46	\$3.70	\$3.61	\$3.20- \$3.60 (\$3.40)	\$3.50

Table 1a. U.S. Corn Supply-Demand Balance Sheet: “Next Crop” MY 2017/18 as of the February 23-24, 2017 USDA Outlook Conference with alterative probability-based Kansas State University estimates of lower yields and production

Item	USDA Outlook Conference Feb. 23-24, 2017	KSU Trend U.S. Yield (167.4 bu/ac)	KSU Moderately Lower than Trend U.S. Yield (165.0 bu/ac)	KSU Serious Drought U.S. Yield (150 bu/ac)
	2017/18	2017/18	2017/18	2017/18
<i>% Probability of Occurring (KSU)</i>	55% ^{KSUest}	25% ^{KSUest}	15% ^{KSUest}	5% ^{KSUest}
Planted Area (million acres)	90.000	90.000	90.000	90.000
Harvested Area (million acres)	82.400	82.400	82.400	82.400
% Harvested/Planted Area	91.2%	91.2%	91.2%	91.2%
Yield / harvested acre (bu/ac)	170.7	***167.3	***165.0	***150.0
	Million Bushels			
Beginning Stocks (million bushels)	2,320	2,320	2,320	2,320
Production (million bu.)	14,065	13,786	13,596	12,360
Imports (million bu.)	50	50	50	50
Total Supply (million bu.)	16,435	16,156	15,966	14,680
Ethanol for fuel Use (million bu.)	5,400	5,375	5,350	5,000
Food & Industrial Use (mln bu.)	**1,440	1,430	1,410	1,380
Seed Use (million bu.)	**30	30	30	30
Exports (million bu.)	1,900	1,900	1,900	1,800
Feed & Residual Use (million bu.)	5,450	5,450	5,400	5,250
Total Use (million bu.)	14,220	14,185	14,080	13,460
Ending Stocks (million bu.)	2,215	1,971	1,886	1,220
% Ending Stocks-to-Use	15.58%	13.89%	13.39%	8.92%
U.S. Corn Average Farm Price (\$/bushel)	\$3.50	\$3.65	\$3.70	\$4.55

IV. Wheat Market Outlook

Daily MAY 2017 HRW Futures



Wheat Export Situation:

U.S. All Wheat Exports: “Bearish” Short Term Export Shipments with “neutral-positive” long run export prospects in “current” MY 2016/17 total sales

- Weekly Export Shipments wk of 3/16/2017 for “current” MY 2016/17 = 23.8 mb vs 29.8 mb /wk needed to meet USDA’s March 9th projn of 1,025 mb exports
- Total shipments through 3/16/2017 for “current” MY 2016/17 = 727.0 mb i.e., 70.9% of 1,025 mb USDA projn with 80.8% of MY complete (42/52 weeks)
- Total shipments + new sales 3/16/2017 for “current” MY 2016/17 = 947.4 mb i.e., 92.4% of 1,025 mb USDA projn with 80.8% of MY complete (42/52 weeks)

U.S. Hard Red WINTER Wheat Exports: “Neutral-negative” Shipments with “neutral” long run prospects in “current” MY 2016/17 total sales

- Weekly Export Shipments wk of 3/16/2017 for “current” MY 2016/17 = 9.5 mb vs 11.4 mb /wk needed to meet USDA’s March 9th projn of 425 mb exports
- Total shipments through 3/16/2017 for “current” MY 2016/17 = 310.6 mb i.e., 73.1% of 425 mb USDA projn with 80.8% of MY complete (42/52 weeks)
- Total shipments + new sales 3/16/2017 for “current” MY 2016/17 = 386.9 mb i.e., 91.1% of 425 mb USDA projn with 80.8% of MY complete (42/52 weeks)

Monthly Kansas HRW Wheat eFutures



“Negative” World & U.S. Wheat S/D Fundamentals

Mktg Yr	World % S/U	World Crop	U.S. % S/U	U.S. \$/bu	U.S. Exports
2007/08	20.8% S/U	611.7 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	30.8% S/U	728.3 mmt	37.3% S/U	\$5.99 /bu	864 mln bu
2015/16 ^{USDA}	33.7% S/U	735.3 mmt	50.0% S/U	\$4.89 /bu	775 mln bu
2016/17^{USDA}	33.7% S/U	751.1 mmt	49.7% S/U	\$3.85 /bu	1,025 mln bu
2017/18^{USDA}	na	na	40.9% S/U	\$4.30 /bu	975 mln bu

Table 1. U.S. Wheat Supply-Demand Balance Sheet: MY 2008/09 – “Next Crop” MY 2017/18 as of the February 23-24, 2017 Agricultural Outlook Conference & the March 9, 2017 WASDE report

Item	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	USDA 2017/18
<i>% Probability of Occurring^{KSU}</i>										55%^{KSU}
Planted Area (million acres)	63.617	59.017	52.620	54.277	55.294	56.236	56.841	54.999	50.154	46.000
Harvested Area (million acres)	56.036	49.841	46.883	45.687	48.758	45.332	46.385	47.318	43.890	39.000
% Harvested/Planted Area	88.1%	84.45%	89.10%	84.17%	88.18%	80.61%	81.60%	86.03%	87.51%	84.78%
Yield / harvested acre (bu/ac)	44.8	44.3	46.1	43.6	46.2	47.1	43.7	43.6	52.6	47.1
	Million Bushels									
Beginning Stocks	306	657	976	863	743	718	590	752	976	1,129
Production	2,512	2,209	2,163	1,993	2,252	2,135	2,026	2,062	2,310	1,837
Imports	127	119	97	113	124	173	151	113	115	120
Total Supply	2,945	2,984	3,236	2,969	3,119	3,026	2,768	2,927	3,400	3,086
Food Use	927	919	926	941	951	955	958	957	960	**965
Seed Use	78	68	71	76	73	77	79	67	61	**61
Exports	1,015	879	1,291	1,051	1,012	1,176	864	775	1,025	975
Feed & Residual Use	268	142	85	159	365	227	114	152	225	190
Total Use	2,288	2,008	2,373	2,227	2,401	2,435	2,015	1,952	2,267	2,191
Ending Stocks	657	976	863	743	718	590	752	976	1,143	895
% Ending Stocks-to-Use	28.69%	48.58%	36.37%	33.35%	29.90%	24.24%	37.32%	50.00%	49.71%	40.85%
U.S. Wheat Avg. Farm Price (\$/bushel)	\$5.70	\$5.70	\$5.70	\$7.24	\$7.77	\$6.87	\$5.99	\$4.89	\$3.80- \$3.90 (\$3.85)	\$4.30

Table 1a. U.S. Wheat Supply-Demand Balance Sheet: “Next Crop” MY 2017/18 as of the February 23-24, 2017 Agricultural Outlook Conference & the March 9, 2017 WASDE report, with alterative probability-based Kansas State University estimates of lower yields and production

Item	USDA 2026 USDA Baseline Estimate 2017/18	KSU Lower Harvested Acres plus Trend U.S. Yield 2017/18	KSU Lower Harvested Ac, Trend Yields, + Higher Exports 2017/18	KSU Lower Harvested Acres plus Short Crop 2017/18
% Probability of Occurring (KSU)	55% ^{KSU}	25% ^{KSUest}	10% ^{KSUest}	10% ^{KSUest}
Planted Area (million acres)	46.000	46.000	46.000	46.000
Harvested Area (million acres)	39.000	37.076	37.076	37.076
% Harvested/Planted Area	84.78%	80.6%	80.6%	80.6%
Yield / harvested acre (bu/ac)	47.1	47.0	47.0	43.6
Million Bushels				
Beginning Stocks (million bushels)	1,129	1,129	1,129	1,129
Production (million bu.)	1,837	1,743	1,743	1,616
Imports (million bu.)	120	120	120	120
Total Supply (million bu.)	3,086	2,992	2,992	2,865
Food Use	**965	960	960	960
Seed Use	**61	61	61	61
Exports	975	950	1,188	925
Feed & Residual Use	190	175	100	100
Total Use	2,191	2,146	2,309	2,046
Ending Stocks (million bu.)	895	846	683	819
% Ending Stocks-to-Use	40.85%	39.42%	29.58%	40.03%
U.S. Wheat Avg. Farm Price (\$/bushel)	\$4.30	\$4.25 - \$4.75 (\$4.50 /bu)	\$4.75 - \$5.25 (\$5.00 /bu)	\$4.15 - \$4.65 (\$4.40 /bu)

Figure 2. Kansas Wheat Seasonal Price Index – Last 17 Marketing Years (MY 1999/00 – MY 2015/16) plus “New Crop” MY 2016/17 Estimate (Source: KSU www.AgManager.info & USDA ERS <http://www.ers.usda.gov/data-products/season-average-price-forecasts.aspx>)

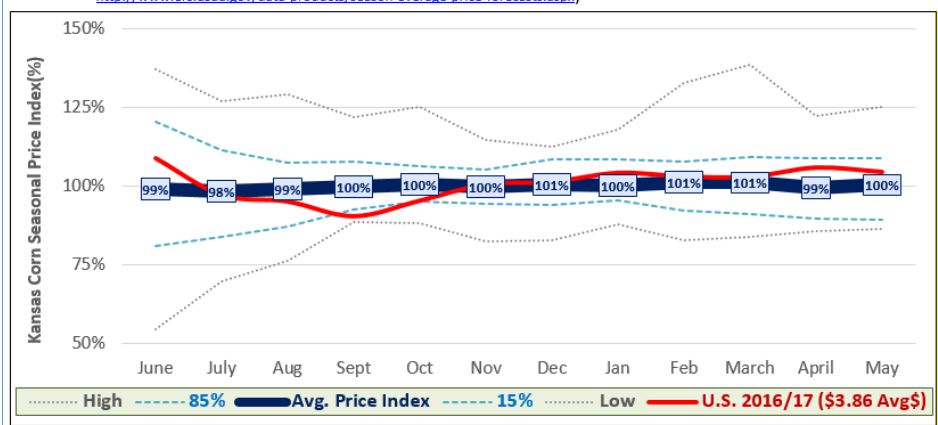


Figure 9. U.S. Wheat Ending Stocks vs U.S. Cash Prices: MY 2006/07 thru "Next Crop" MY 2017/18 as of the February 23-24, 2017 Agricultural Outlook Conference & the March 9, 2017 WASDE report

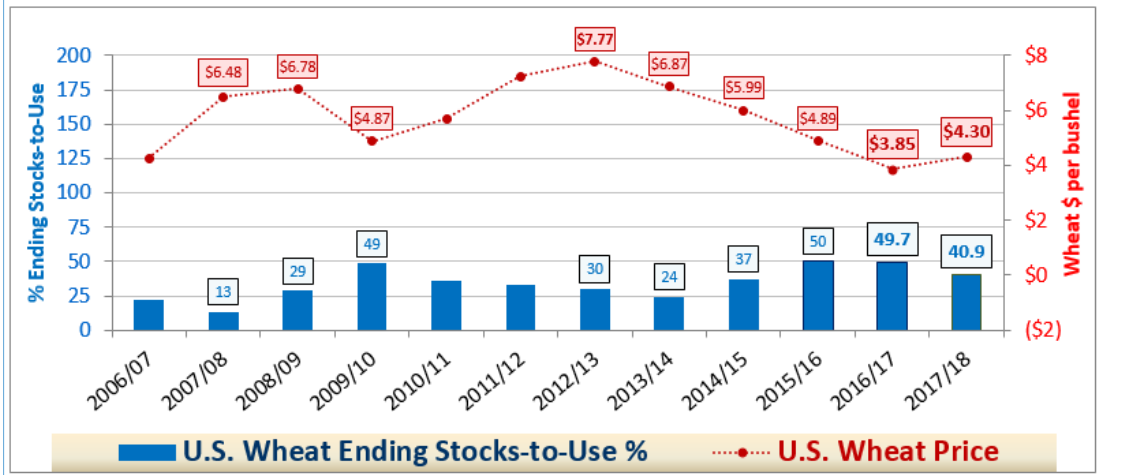


Figure 11. World Wheat Usage & Ending Stocks: MY 2007/08 through "Current" MY 2016/17 as of the March 9, 2017 WASDE report

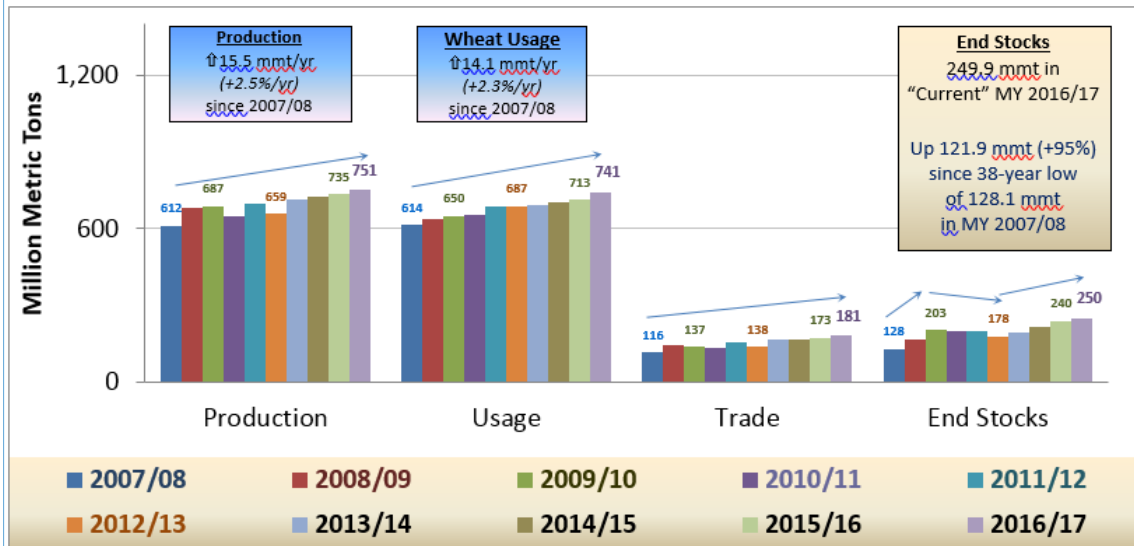
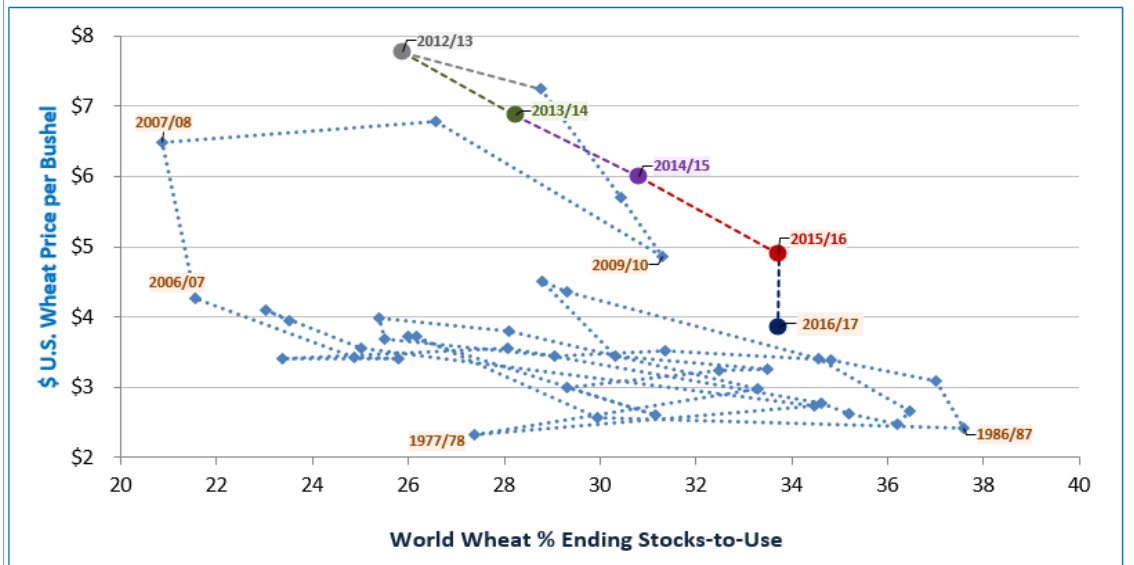


Figure 12a. U.S. Wheat Price vs % World Stocks-to-Use: MY 1973/74 thru "Current" MY 2016/17, as of the March 9, 2017 WASDE report



VI. Soybean Market Outlook

Daily MAY 2017 Soybean Futures



Monthly Soybean eFutures



Key Soybean Supply-Demand Issues:

- ❖ **U.S. Soybean Exports: “Neutral-positive” short run export shipments in MY 2016/17 and “positive-bullish” total sales**
 - Export Shipments for week of 3/16/2017 for “current” MY 2016/17 = 21.2 mb vs 14.1 mb/wk needed to meet USDA’s March 9th projn of 2.025 bb exports
 - Total shipments through 3/16/2017 for “current” MY 2016/17 = 1.687 bln bu i.e., 83.2% of 2.025 bb USDA projn with 53.8% of MY complete (28/52 weeks)
 - Total new sales (3/16/2017) for “current” MY 2016/17 = 1.991 bb i.e., 98.3% of 2.025 bb USDA projn with 53.8% of MY complete (28/52 weeks)
- ❖ **U.S. Soybean Meal Exports: “Bullish” short run export shipments in MY 2016/17 and “positive” total sales**
 - Export Shipments for week of 3/16/2017 for “current” MY 2016/17 = 335,600 mt vs 207,981 mt/wk needed to meet USDA’s March 9th projn of 10,520 mmt exports
 - Total shipments through 3/16/2017 for “current” MY 2016/17 = 5.112 mmt i.e., 48.6% of 10.520 mmt USDA projn with 46.15% of MY complete (24/52 weeks)
 - Total shipments & new sales (3/16/2017) for “current” MY 2016/17 = 8.268 mmt i.e., 78.6% of 10.520 mmt USDA projn with 46.15% of MY complete (24/52 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	25.7% S/U	319.6 mmt	5.0% S/U	\$10.10 /bu	1.842 bln bu
2015/16 ^{USDA}	24.3% S/U	312.8 mmt	5.0% S/U	\$ 8.95 /bu	1.936 bln bu
2016/17 ^{USDA}	25.0% S/U	340.8 mmt	10.6% S/U	\$ 9.60 /bu	2.025 bln bu
2017/18 ^{USDA}	na	na	10.3% S/U	\$ 9.60 /bu	2.125 bln bu

Table 1. U.S. Soybean Supply-Demand Balance Sheet: MY 2007/08 through “Next Crop” MY 2017/18. As of the February 23-24, 2017 USDA Outlook Forum and March 9, 2017 WASDE Report

Item	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	USDA 2017/18
<i>Percent Probability</i>											40% ^{KSUest}
Planted Area (million acres)	64.741	75.718	77.451	77.404	75.046	77.198	76.840	83.276	82.650	83.433	88.000
Harvested Area (million acres)	64.146	74.681	76.372	76.610	73.776	76.144	76.253	82.591	81.732	82.736	87.100
% Harvested-to-Planted acres	99.08%	98.63%	98.61%	98.97%	98.31%	98.63%	99.24%	99.18%	98.89%	99.16%	98.98%
Yield / harvested ac (bu/ac)	41.7	39.7	44.0	43.5	42.0	40.0	44.0	47.5	48.0	52.1	48.0
	Million Bushels										
Beginning Stocks	574	205	138	151	215	169	141	92	191	197	435
Production	2,677	2,967	3,361	3,331	3,097	3,042	3,358	3,927	3,926	4,307	4,180
Imports	10	13	15	14	16	41	72	33	24	25	25
Total Supply	3,261	3,185	3,514	3,497	3,328	3,252	3,570	4,052	4,140	4,528	4,640
	Domestic <u>Crushings</u>										
Domestic <u>Crushings</u>	1,803	1,662	1,752	1,648	1,703	1,689	1,734	1,873	1,886	1,940	1,945
Exports	1,159	1,279	1,499	1,505	1,365	1,328	1,638	1,842	1,936	2,025	2,125
Seed	93	90	90	87	90	89	97	96	97	95	**102
Residual	0	16	22	42	1	16	10	50	25	33	**33
Total Use	3,056	3,047	3,363	3,282	3,159	3,111	3,478	3,862	3,944	4,093	4,205
	Ending Stocks										
Ending Stocks	205	138	151	215	169	141	92	191	197	435	435
% Ending Stocks-to-Use	6.71%	4.54%	4.49%	6.55%	5.36%	4.52%	2.64%	4.95%	4.99%	10.63%	10.34%
U.S. Avg. Farm Price (\$/bu)	\$10.10	\$9.97	\$9.59	\$11.30	\$12.50	\$14.40	\$13.00	\$10.10	\$8.95	\$9.30- \$9.90 (\$9.60)	**\$9.65

Table 1a. U.S. Soybean Supply-Demand Balance Sheet: "Next Crop" MY 2017/18 as of the February 23-24, 2017 USDA Outlook Conference with alternative probability-based Kansas State University estimates of lower yields and production

Item	USDA 2017/18	KSU Trend U.S. Yield (46.85 bu/ac) 2017/18	KSU Lower 2017 Planted Acres (85.500 mln. ac.) 2017/18	KSU Serious U.S. Yield Shortfall (40 bu/ac) 2017/18
% Probability of Occurring (KSU)	40% ^{KSUest}	40% ^{KSUest}	15% ^{KSUest}	5% ^{KSUest}
Planted Area (million acres)	88.000	88.000	***85.500	88.000
Harvested Area (million acres)	87.100	87.100	***84.628	87.100
% Harvested/Planted Area	98.98%	98.98%	98.98%	98.98%
Yield / harvested acre (bu/ac)	48.0	***46.85	***46.85	***40.0
Million Bushels				
Beginning Stocks (million bushels)	435	435	435	435
Production (million bu.)	4,180	***4,081	***3,965	***3,484
Imports (million bu.)	25	25	25	25
Total Supply (million bu.)	4,640	4,541	4,425	3,944
Domestic Crushings	1,945	1,945	1,920	1,850
Exports	2,125	2,125	2,100	1,779
Seed	**102	102	102	105
Residual	**33	33	33	10
Total Use	4,205	4,205	4,155	3,744
Ending Stocks (million bu.)	435	336	270	200
% Ending Stocks-to-Use	10.34%	7.99%	6.50%	5.34%
U.S. Soybean Avg. Farm Price (\$/bushel)	**\$9.65	\$10.50	\$11.25	\$12.50

Figure 2. Kansas Soybean Seasonal Price Index – Last 15 Marketing Years: MY 1999/00 – MY 2015/16 plus "Current" MY 2016/17 Estimate (Source: KSU www.AgManager.info & USDA ERS)

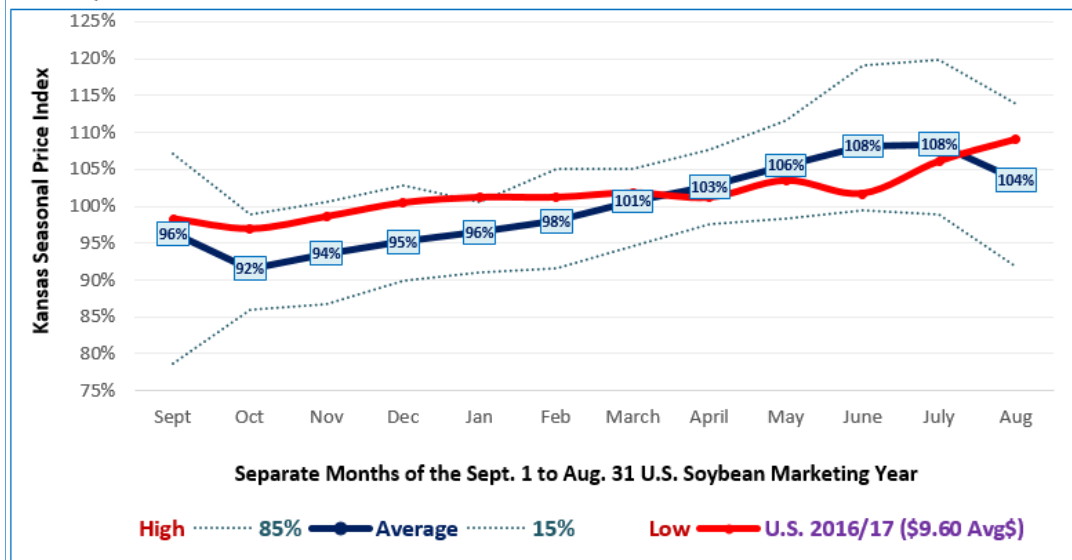


Figure 8. U.S. Soybean Ending Stocks vs U.S. Avg. Cash Prices: MY 2006/07 – “Next Crop” MY 2017/18^{Est} – As of the February 23-24, 2017 USDA Outlook Forum and March 9, 2017 WASDE Report

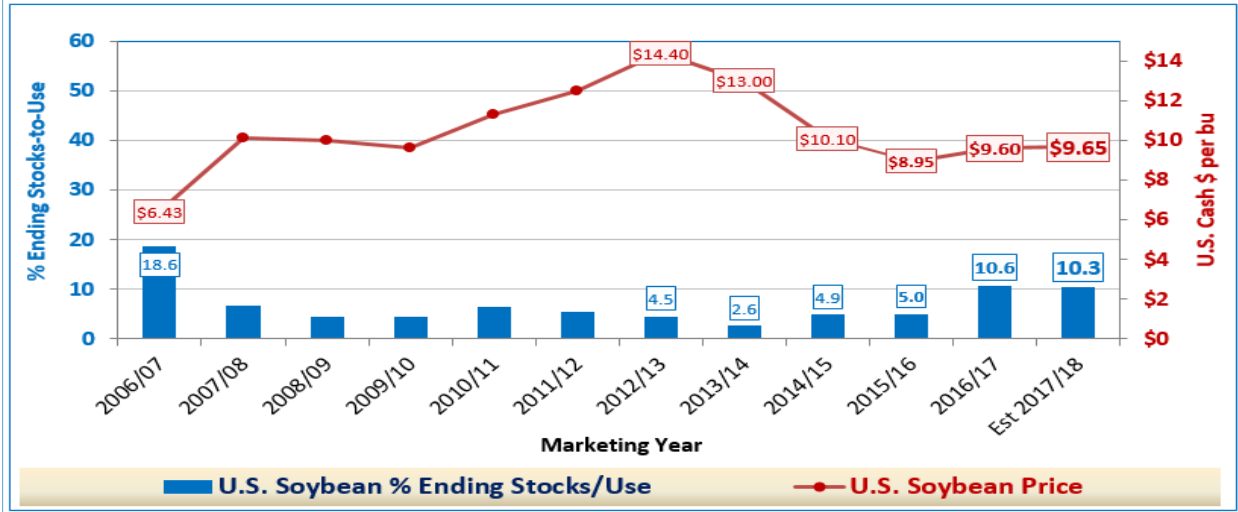


Figure 10. World Soybean Usage & Ending Stocks: MY 2007/08 through “Current” MY 2016/17. As of the March 9, 2017 WASDE Report

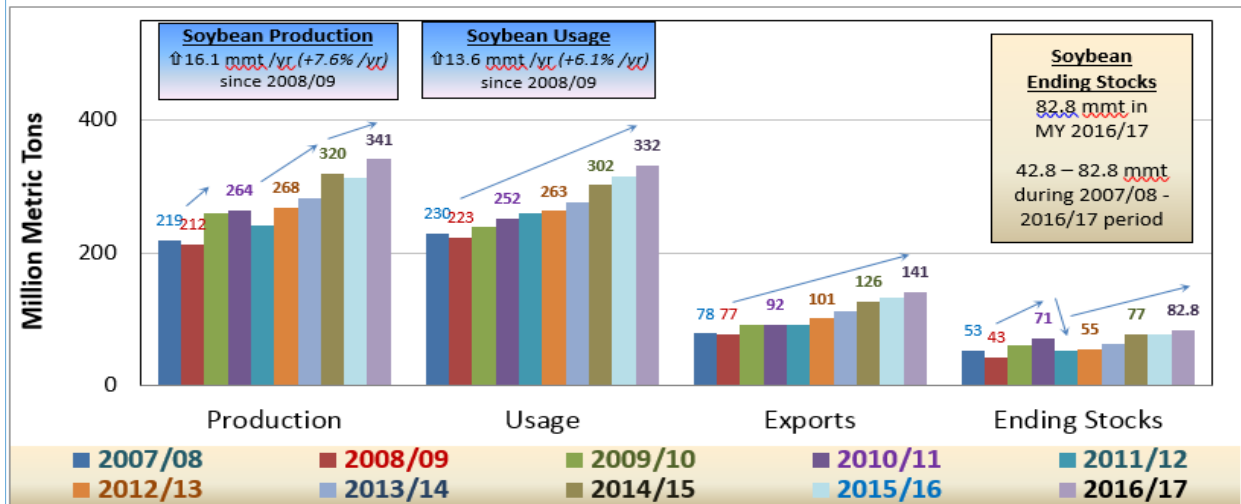
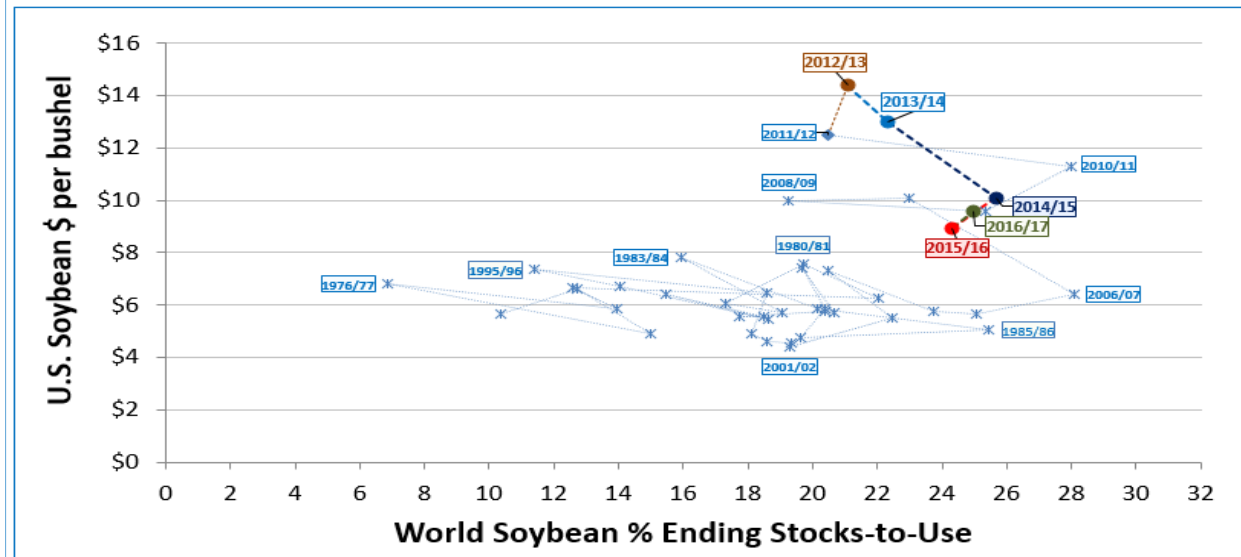
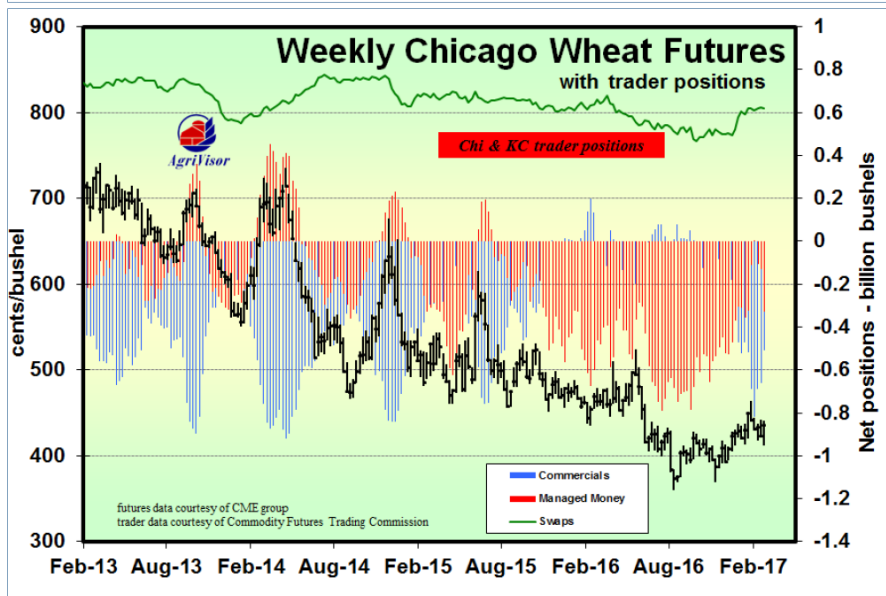
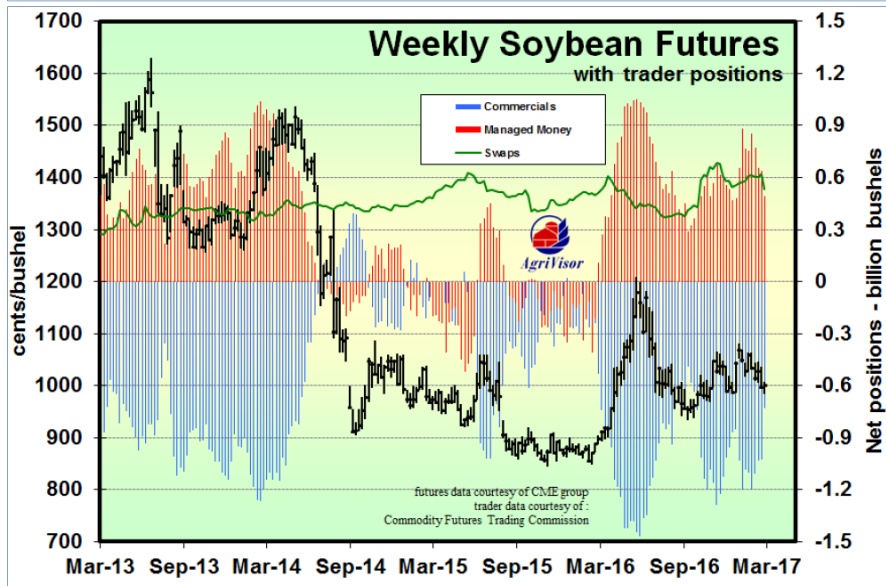
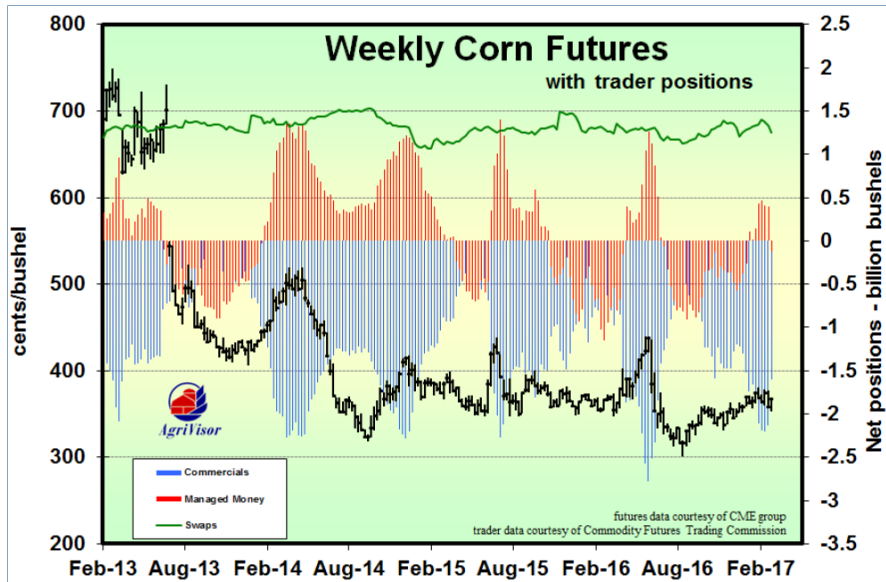


Figure 11. U.S. Soybean Price vs World % Stocks-to-Use: MY 1973/74 through “Current” MY 2016/17. As of the March 9, 2017 WASDE Report





Wire: Bloomberg First Word (BFW) Date: Mar 23 2017 13:46:25

AGS SURVEY: Sugar Traders Net Bearish First Time in 4 Months

BFW 03/16 12:39 AGS SURVEY: Traders Resume Bullish Sugar Outlook; Split on Corn
BFW 02/02 12:57 AGS SURVEY: Sugar Traders Most Bullish in More Than 4 Months

By Manisha Jha

(Bloomberg) -- Traders, analysts surveyed by Bloomberg were net bearish on sugar prices for first time since Nov. 25 as funds cut bullish bets amid concerns over size of Indian imports, global surplus forecast next season.

- * Survey results: Raw sugar: Bullish: 1 Bearish: 4 Neutral: 5
- * READ: Raw Sugar Goes From Star to Year's Laggard as Funds Flee
- * Raw sugar futures -3.1% this week in Chicago; headed for 7th weekly drop; longest losing spree since Dec.
- * READ: Sugar Output in EU Seen Rising to Highest in 12 Years: FCStone
- * "It seems everyone is seeing funds selling," Tom Kujawa, co-head of softs department at Sucden Financial in London, says in report.

* Other crop survey results:

- * **Wheat: Bullish: 2 Bearish: 5 Neutral: 10**
- * **Soybeans: Bullish: 3 Bearish: 10 Neutral: 5**
- * **Corn: Bullish: 4 Bearish: 5 Neutral: 9**

- * White sugar: Bullish: 1 Bearish: 4 Neutral: 5
- * White-sugar premium: Widen: 1 Narrow: 2 Neutral: 7

--With assistance from Aya Takada, Dominic Carey and Marvin G. Perez.

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