

KSU Agriculture Today Radio Notes

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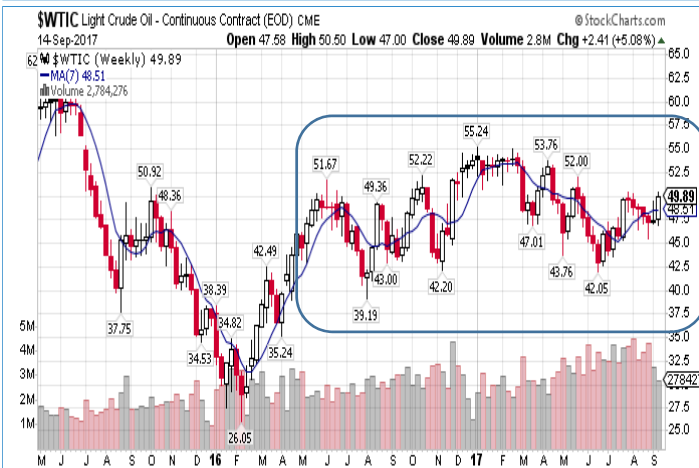
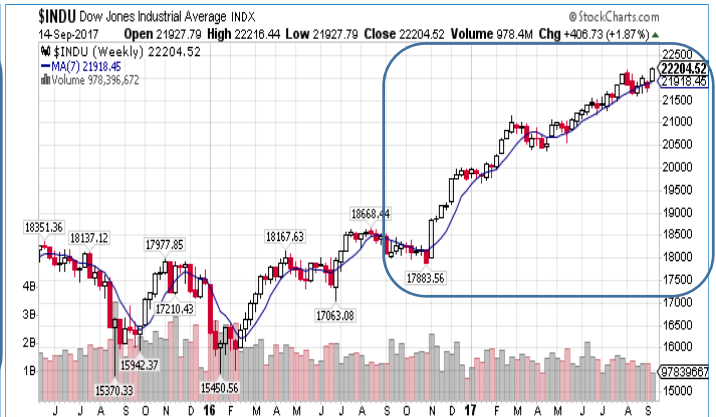
For Radio Program to be aired 10:00-10:15 a.m., Friday, September 22, 2017

I. Grain Futures Closes, Changes & Carry on Thursday, September 21, 2017

Corn Futures			Soybean Futures			Kansas HRW Wheat Futures		
Month	Close	Change	Month	Close	Change	Month	Close	Change
Dec 17	\$3.50 ¼	↑ \$0.0025	Nov 17	\$ 9.70 ¾	↑ \$0.0075	Dec 17	\$4.49 ½	↑ \$0.0150
Mar 18	\$3.63	↑ \$0.0050	Jan 18	\$ 9.81	↑ \$0.0050	Mar 18	\$4.67 ½	↑ \$0.0150
May 18	\$3.71 ¼	↑ \$0.0025	Mar 18	\$ 9.90 ¼	↑ \$0.0050	May 18	\$4.80 ¼	↑ \$0.0150
July 18	\$3.78	↑ \$0.0025	May 18	\$ 9.98 ½	↑ \$0.0050	July 18	\$4.97 ¼	↑ \$0.0150
Sept 18	\$3.84 ¾	↑ \$0.0075	July 18	\$10.05	↑ \$0.0025	Sept 18	\$5.15 ½	↑ \$0.0150
Dec 18	\$3.93 ½	↑ \$0.0075	Aug 18	\$10.05 ¼	↑ \$0.0050	Dec 18	\$5.39	↑ \$0.01
Mar 19	\$4.04	↑ \$0.01	Sept 18	\$ 9.96 ¼	No Change	Mar 19	\$5.53	↑ \$0.0025
May 19	\$4.07 ¼	↑ \$0.01	Nov 18	\$ 9.88 ¾	↑ \$0.0050	May 19	\$5.61 ¼	↑ \$0.0150

Price^{Soybean} / Price^{Corn} Ratios on September 21, 2017:

- “New Crop^{2017/18}” ⇒ \$NOV²⁰¹⁷ Soybeans ÷ \$DEC²⁰¹⁷ Corn = \$ 9.70 ¾ ÷ \$3.50 ¼ = 2.77 ***
- “Next Crop^{2017/18}” ⇒ \$NOV²⁰¹⁸ Soybeans ÷ \$DEC²⁰¹⁸ Corn = \$ 9.88 ¾ ÷ \$3.93 ½ = 2.51



Central Kansas Terminal and Processor Daily Grain Report

TERMINAL HRW WHEAT ORD US NO 1				
	Bids	Change (¢/bu)	Basis	Change
Atchison	3.5950	UP 1.5	-90Z	UNCH
Topeka	3.6950	UP 1.5	-80Z	UNCH
Concordia	3.5150	UP 1.5	-98Z	UNCH
Salina	3.4450-3.4950	UP 1.5	-105Z to -100Z	UNCH
Great Bend	3.5150	UP 1.5	-98Z	UNCH
Newton	3.2450	UP 1.5	-125Z	UNCH
Hutchinson	3.3150-3.4950	UP 1.5	-118Z to -100Z	UNCH
Wichita	3.4250-3.4950	UP 1.5	-107Z to -100Z	UNCH
Wellington	3.4450-3.5950	UP 1.5	-105Z to -90Z	UNCH
Arkansas City	3.4950	UP 1.5	-100Z	UNCH

TERMINAL HWW WHEAT ORD US NO 2				
	Bids	Change (¢/bu)	Basis	Change
Wichita	3.4950	UP 1.5	-100Z	UNCH

TERMINAL US NO 2 YELLOW CORN				
	Bids	Change (¢/bu)	Basis	Change
Atchison	3.1025	UP 0.25	-40Z	UNCH
Topeka	3.1025	UP 0.25	-40Z	UNCH
Salina	3.0025	UP 0.25	-50Z	UNCH
Newton	2.9925	UP 0.25	-51Z	UNCH
Hutchinson	3.1325-3.2525	UP 0.25	-37Z to -25Z	UNCH
Wellington	2.9525	UP 0.25	-55Z	UNCH
Arkansas City	3.0025	UP 0.25	-50Z	UNCH

TERMINAL US NO 2 SORGHUM				
	Bids	Change (¢/cwt)	Basis	Change
Topeka	5.45	UNCH	-45Z	UNCH
Concordia	5.36	UNCH	-50Z	UNCH
Salina	5.45	UNCH	-45Z	UNCH
Hutchinson	5.34-5.36	UNCH	-51Z to -50Z	UNCH
Wellington	5.27-5.45	UNCH	-55Z to -45Z	UNCH
Arkansas City	5.09	UNCH	-65Z	UNCH

TERMINAL US NO 2 SOYBEANS				
	Bids	Change (¢/bu)	Basis	Change
Atchison	9.0075	DN 4.25	-70X	DN 5
Topeka	9.0075	DN 4.25	-70X	DN 5
Salina	8.7575-8.8075	UP 0.75	-95X to -90X	UNCH
Newton	8.7475	UP 0.75	-96X	UNCH
Hutchinson	8.7475-8.8075	UP 0.75	-96X to -90X	UNCH
Wichita	8.8475	UP 0.75	-86X	UNCH
Wellington	8.8575	UP 0.75	-85X	UNCH
Arkansas City	8.8575	UP 0.75	-85X	UNCH

PROCESSOR HRW WHEAT US NO 1				
	Bids	Change (¢/bu)	Basis	Change
Wichita-11%	NA	NA	NA	NA
Wichita-12%	NA	NA	NA	NA
Wichita-13%	NA	NA	NA	NA

PROCESSOR US NO 2 YELLOW CORN				
	Bids	Change (¢/bu)	Basis	Change
Atchison	3.1525	UP 0.25	-35Z	UNCH

PROCESSOR US NO 2 SOYBEANS				
	Bids	Change (¢/bu)	Basis	Change
Emporia	9.3875	UP 0.75	-32X	UNCH
Wichita	9.1575	DN 14.25	-55X	DN 15

* 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
 Dillan Howe 620-227-8881 DodgeCity.LPGMN@ams.usda.gov
 www.ams.usda.gov/mnreports/DC_GR112.txt

Western Kansas Grain Markets

Thursday's closing elevator grain bids:

HRW WHEAT ORD US NO 1				
	Bids	Change (¢/bu)	Basis	Change
Dodge City	3.50	UP 1.5	-100Z	UNCH
Colby	3.48	UP 1.5	-102Z	UNCH
Garden City	3.51-3.55	UP 1.5	-99Z to -95Z	UNCH
Goodland	3.50	UP 1.5	-100Z	UNCH
Protection	3.45	UP 6.5	-105Z	UP 5
Scott City	3.46	UP 1.5	-104Z	UNCH
Sublette	3.55-3.60	UP 1.5	-95Z to -90Z	UNCH
Syracuse	3.70	UP 1.5	-80Z	UNCH
Ulysses	3.70	UP 1.5	-80Z	UNCH

US NO 2 YELLOW CORN				
	Bids	Change (¢/bu)	Basis	Change
Dodge City	3.30	UP 0.25	-20Z	UNCH
Colby	3.13	UP 0.25	-37Z	UNCH
Garden City	3.32-3.35	UP 0.25	-18Z to -15Z	UNCH
Protection	3.25	UP 0.25	-25Z	UNCH
Scott City	3.20	UP 0.25	-30Z	UNCH
Sublette	3.38-3.40	UP 0.25	-12Z to -10Z	UNCH
Syracuse	3.30	UP 0.25	-20Z	UNCH
Ulysses	3.40	UP 0.25	-10Z	UNCH

US NO 2 SORGHUM				
	Bids	Change (¢/cwt)	Basis	Change
Dodge City	5.00	UNCH	-70Z	UNCH
Colby	5.27	UNCH	-55Z	UNCH
Garden City	5.09	UNCH	-65Z	UNCH
Protection	5.09	UP 9	-65Z	UP 5
Scott City	5.00	UNCH	-70Z	UNCH
Sublette	5.09-5.18	UNCH	-65Z to -60Z	UNCH
Syracuse	5.09	UNCH	-65Z	UNCH
Ulysses	5.13	UNCH	-63Z	UNCH

US NO 2 YELLOW SOYBEANS				
	Bids	Change (¢/bu)	Basis	Change
Dodge City	8.61	UP 0.75	-110X	UNCH
Colby	8.36	UP 0.75	-135X	UNCH
Garden City	8.61-8.66	UP 0.75	-110X to -105X	UNCH
Protection	8.71	UP 0.75	-100X	UNCH
Scott City	8.59	UP 0.75	-112X	UNCH
Sublette	8.41-8.61	UP 0.75-DN 4.25	-130X to -110X	UNCH-DN 5
Ulysses	8.51	UP 0.75	-120X	UNCH

US NO 2 SORGHUM - FEEDMILL BID				
	Bids	Change (¢/cwt)	Basis	Change
Ashland	5.45	UNCH	-45Z	UNCH

Cotton Grade 41, Leaf 4, Staple 34, West Texas base price 67.75 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

Dillan Howe 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:	3.0200 - 3.3200	↑	-48Z to -18Z	-33.00
Iowa-Western:	3.0200 - 3.2800	↑	-48Z to -22Z	-35.00
Illinois:	3.0500 - 3.3900	↑	-45Z to -11Z	-28.00
Indiana:	3.2000 - 3.5700	↑	-30Z to 7Z	-11.50
Ohio:	3.4000 - 3.6000	↑	-10Z to 10Z	
Michigan:	3.1300 - 3.5600	↑	-37Z to 6Z	-15.50
Kansas:	3.1500 - 3.7000	↑	-35Z to 20Z	-7.50
Minnesota:	2.7500 - 3.0800	↑	-75Z to -42Z	-58.50
Nebraska:	3.0300 - 3.4000	↑	-47Z to -10Z	-28.50
Wisconsin:	2.9000 - 3.1800	↑	-60Z to -32Z	-48.00
South Dakota:	2.6800 - 3.1000	↑	-84Z to -40Z	-62.00
Missouri:	3.0200 - 3.2000	↑	-48Z to -30Z	-39.00

Distillers Grain - dollars/ton									
	Dried 10%	Chg	Avg:	Modified 50-55%	Chg	Avg:	Wet 65-70%	Chg	Avg:
Iowa-Eastern:	100.00 - 108.00	↓	104.00	48.00 - 50.00	↓	49.00	NA	NA	NA
Iowa-Western:	95.00 - 115.00	↓	105.00	45.00 - 55.00	↓	50.00	35.00 - 42.00	↓	38.50
Illinois:	115.00 - 125.00	↓	120.00	NA	NA	NA	30.00	↓	30.00
Indiana:	105.00 - 120.00	↑	112.50	55.00	↓	55.00	NA	NA	NA
Ohio:	108.00 - 115.00	↓	111.50	NA	NA	NA	NA	NA	NA
Michigan:	102.00 - 108.00	↑	105.00	42.00 - 45.00	↓	43.50	NA	NA	NA
Kansas:	120.00 - 140.00	↓	130.00	NA	NA	NA	44.00 - 52.00	↓	48.00
Minnesota:	103.00 - 112.00	↓	107.50	50.00	↓	50.00	28.00 - 40.00	↓	33.00
Nebraska:	100.00 - 112.00	↓	106.00	42.00 - 58.00	↓		32.00 - 48.00	↓	40.00
Wisconsin:	110.00 - 118.00	↓	114.00	48.00 - 60.00	↓	54.00	NA	NA	NA
South Dakota:	98.00 - 108.50	↓	103.25	42.00 - 54.00	↓	48.00	30.00	↓	30.00
Missouri:	110.00 - 120.00	↓	115.00	60.00	↓	60.00	32.00 - 36.00	↓	34.00

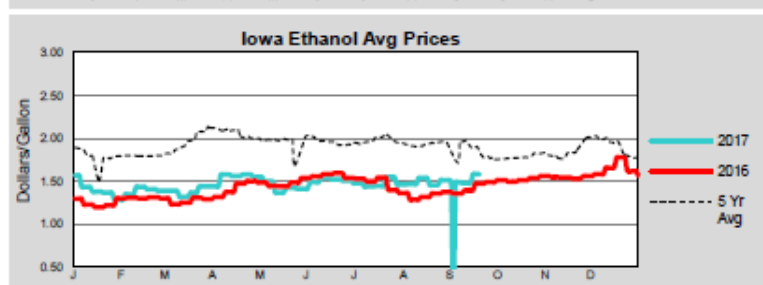
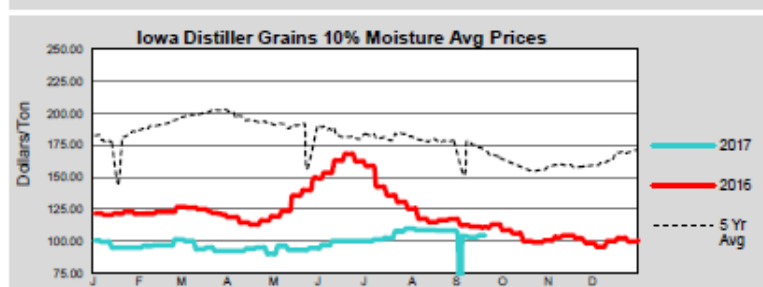
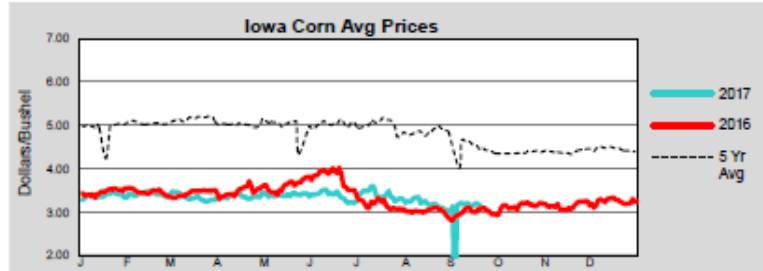
Sorghum - dollars/bushel				
	Cash Bids	Chg	Basis	Avg:
Kansas:	3.1500 - 3.2500	↑	-35Z to -25Z	-30.00
Missouri:	NA	NA	NA	NA

Corn Oil - cents/pound				
W/E 09/15/17	Range	Chg:	Avg:	
Iowa:	28.00 - 30.50	↑	29.25	
Eastern Cornbelt:	29.00 - 30.00	↑	29.50	
Nebraska:	28.00 - 29.00	↓	28.50	
South Dakota:	27.50 - 28.00	↑	27.75	

Ethanol - dollars/gallon				
W/E 09/15/17	Range	Chg:	Avg:	
Iowa:	1.55 - 1.61	↑	1.58	
Eastern Cornbelt:	1.54 - 1.67	↑	1.61	
Kansas:	1.52 - 1.52	↑	1.52	
Minnesota:	1.55 - 1.61	↑	1.58	
Nebraska:	1.44 - 1.49	↑	1.47	
Wisconsin:	NA	NA	NA	
South Dakota:	1.55 - 1.61	↑	1.58	

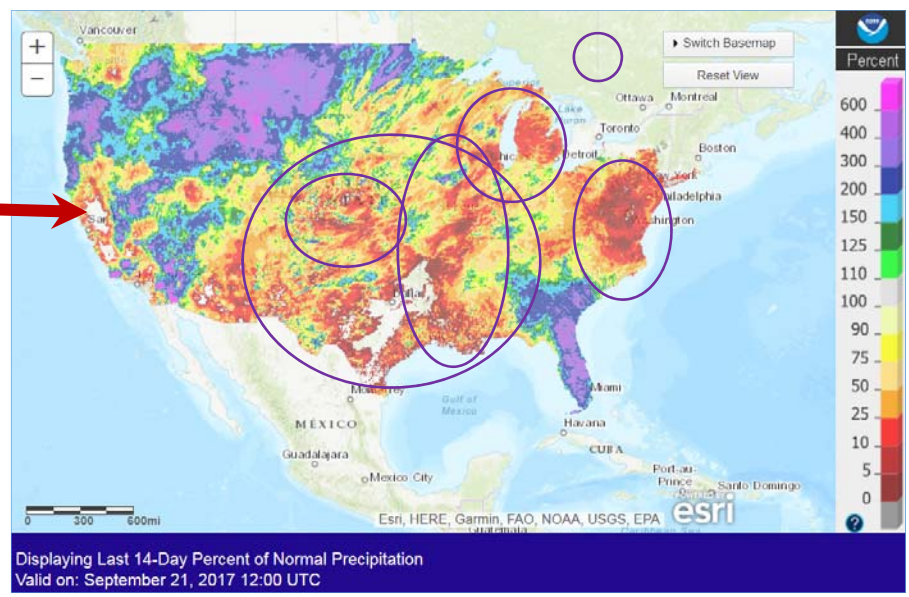
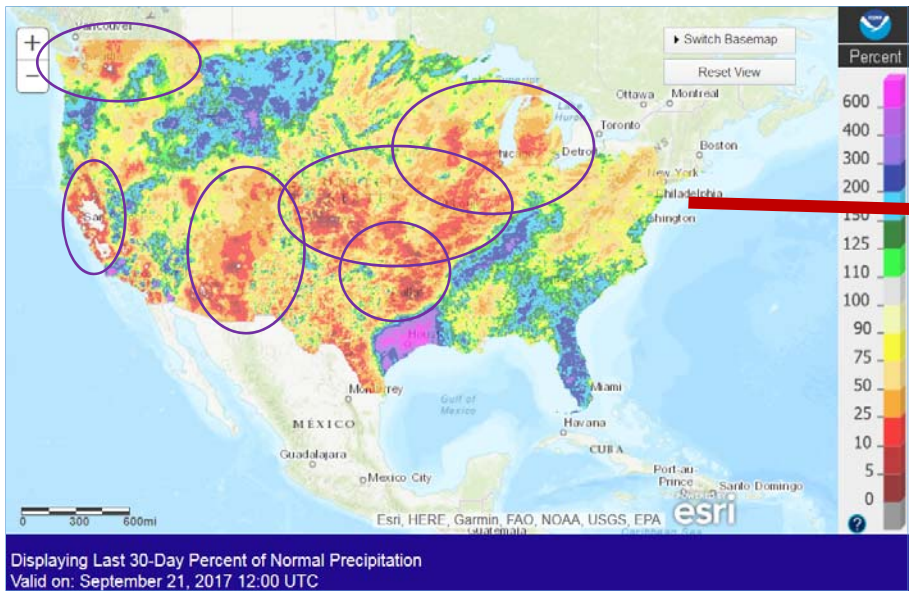
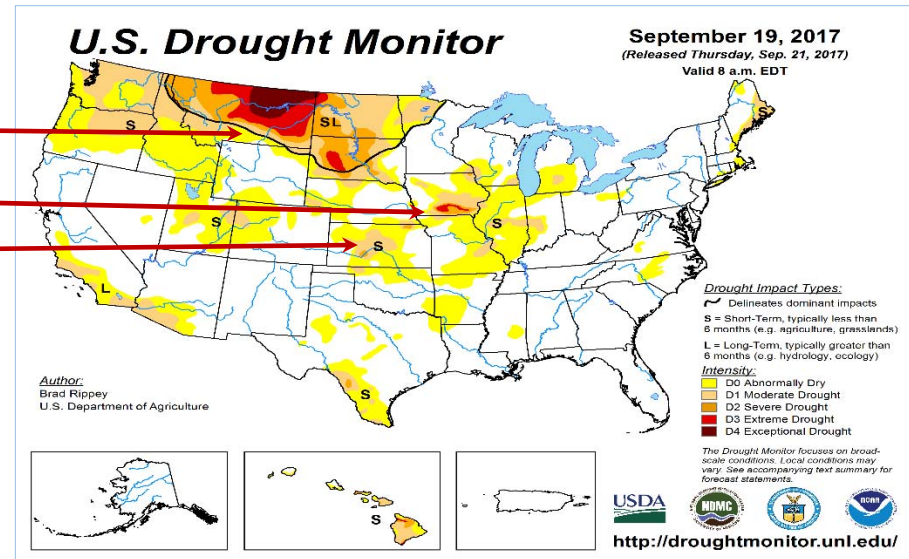
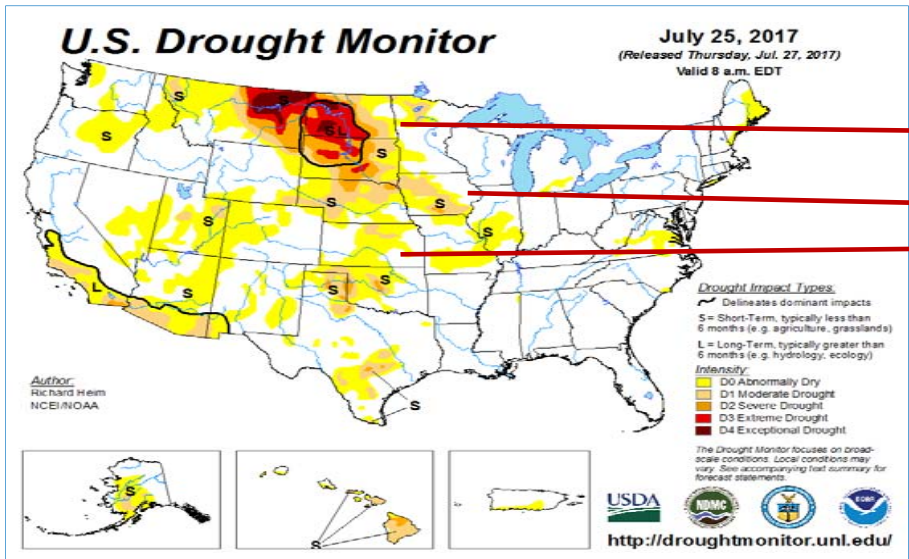
Daily Nearby Futures			
	Today	Yesterday	Last year
CME group			
Corn (\$/bu)	3.4950	3.5000	3.3675
Ethanol (\$/gal)	1.5200	1.5380	1.5350
NYMEX:			
RBOB Gasoline (\$/gal)	1.8301	1.8551	1.4016
Natural Gas (mmBtu)	2.9970	3.0940	2.9900

Daily Market Review
 On Wednesday, December corn futures closed 1 3/4 cents higher at 3.50. For the week ending September 15th ethanol data was little changed from the previous week. Weekly production had an average of 1.033 million barrels per day, which was 14,000 less than the prior week. However, ethanol stocks still had a 6,000 barrel increase putting reserves at 21.14 million barrels.



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.

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



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

September 19, 2017

EUROPE – Highlight: Continued Wet, Though Some Dry Pockets Lingered

- Additional rain over most of **central and northern Europe** slowed summer crop drydown and harvesting as well as winter grain and oilseed planting. ★
- Moderate to heavy rainfall in **Italy** alleviated drought and increased moisture for winter crop planting. ★
- Drought lingered in **Spain and Portugal**, though cooler conditions eased evaporative losses. ★

MIDDLE EAST – Highlight: Summer Crop Harvesting ★

- Seasonably dry weather in **Turkey** promoted corn, cotton, and sunflower harvesting.

FSU – Highlight: Late-Summer Heat And Dryness Accelerated Fieldwork ★ ★

- Late-summer heat and dryness in **Ukraine and western Russia** accelerated corn and sunflower harvesting and winter wheat planting. ★ ★
- Showers in **central Russia and northern Kazakhstan** slowed spring wheat harvesting. ★ ★
- In **Uzbekistan**, seasonably dry, hot weather benefited cotton harvesting. ★ ★

SOUTH ASIA – Highlight: Drier Across Northern India ★

- Monsoon showers withdrew from **northern portions of India**, with drier weather benefiting mature cotton and rice. ★
- Monsoon showers continued to provide favorable moisture to cotton and other immature summer (kharif) crops in the southern two-thirds of the country. ★

EAST ASIA – Highlight: Summer Crops Maturing In China; Typhoon Talim ★ ★

- Drier weather aided summer crop maturation in **eastern China**. ★ ★
- Typhoon Talim weakened before making landfall in **southern Japan**.

SOUTHEAST ASIA – Highlight: Tropical Cyclone Doksuri

- Tropical Cyclone Doksuri crossed the **northern Philippines**, causing flooding in **minor crop areas of southern Luzon**. ★
- Doksuri strengthened into a typhoon before making landfall in **central Vietnam**, causing localized flooding in **minor crop areas**, while boosting moisture supplies for rice in **Laos and Thailand**.

AUSTRALIA – Highlight: Mostly Dry Weather Persisted ★

- Showers in the **northeast** were too light to benefit filling wheat or to aid summer crop sowing. ★ ★
- Following a mostly dry week, more rain would be welcome in the **south and west** to maintain yield prospects for wheat, barley, and canola. ★

SOUTH AMERICA – Highlight: Warm Weather Spurred Wheat Growth ★ ★

- Above-normal temperatures fostered rapid growth of wheat in **southern Brazil**. ★ ★
- Unseasonable warmth hastened development of winter grains and sunflowers in **northern Argentina**.

MEXICO – Highlight: Hurricane Katia Brought Heavy Rain To The Gulf Coast ★

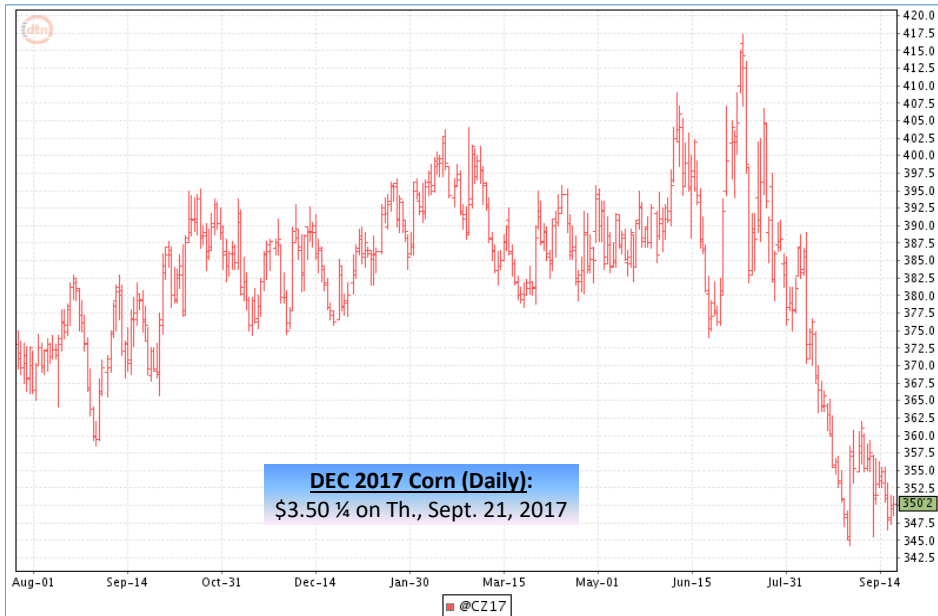
- Tropical showers inundated sugarcane and other crops in and around **Veracruz**. ★

CANADA – Highlight: Warmth And Dryness Favored Maturing Spring Grains And Oilseeds ★ ★

- Dry, occasionally hot weather fostered rapid maturation and drydown of spring wheat and canola. ★ ★

III. Corn Market Information

Daily DECEMBER 2017 Corn Futures



Key Corn & Grain Sorghum Supply-Demand Factors:

U.S. Corn Exports: "Neutral-negative" short-term "New Crop" MY 2017/18

U.S. corn shipments with "neutral-positive" intermediate term sales

- **Weekly Export Shipments week of 9/14/2017 for MY 2017/18 = 27.7 mb** (Neutral-negative) vs 35.9 mb/wk needed to meet USDA's September 12th projn of 1.850 bb exports
- **Total shipments through 9/14/2017 for MY 2017/18 = 55.8 mb** i.e., 3.0% of 1.850 bb USDA projn with 3.8% of MY complete (2/52 weeks)
- **Total sales through 9/14/2017 for "new crop" MY 2017/18 = 0.434 bb** i.e., 23.5% of 1.850 bb USDA projn w. 3.8% of MY complete (2/52 weeks)

U.S. Grain Sorghum Exports: "Neutral-negative" short-term "New Crop"

MY 2017/18 sorghum shipments & "neutral-positive" intermediate term sales

- **Weekly Export Shipments week of 9/14/2017 for MY 2017/18 = 2.8 mb** (Neutral-negative) vs 4.1 mb/wk needed to meet USDA's September 12th projn of 210 mb exports
- **Total shipments through 9/14/2017 for MY 2017/18 = 4.9 mb** i.e., 2.3% of 210 mb USDA projn with 3.8% of MY complete (2/52 weeks)
- **Total new sales through 9/14/2017 for "new crop" MY 2017/18 = 44.8 mb** i.e., 21.3% of 210 mb USDA projn w. 3.8% of MY complete (2/52 weeks)

World & U.S. Corn Supply-Demand Fundamentals

Mktg Yr	World % S/U	U.S. % S/U	U.S. \$/bu	U.S. Crop
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}	22.2% S/U	12.7% S/U	\$3.61 /bu	13.602 bln bu
2016/17 ^{USDA}	22.5% S/U	16.3% S/U	\$3.35 /bu	15.148 bln bu
2017/18 ^{USDA}	19.2% S/U	16.4% S/U	\$3.20 /bu	14.184 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}	77.9 bu/ac ^{US}	5.9% S/U	\$2.65 /bu	480 mln bu
2017/18 ^{USDA}	69.8 bu/ac ^{US}	7.8% S/U	\$2.90 /bu	371 mln bu

Table 1. U.S. Corn Supply-Demand Balance Sheet: MY 2008/09 – “New Crop” MY 2017/18 as of the September 12, 2017 USDA 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>										60% ^{KSUest}
Planted Area (million acres)	85.982	86.382	88.192	91.936	97.291	95.365	90.597	88.019	94.004	90.886
Harvested Area (million acres)	78.570	79.490	81.446	83.879	87.365	87.451	83.136	80.753	86.748	83.496
% Harvested/Planted Area	91.4%	92.0%	92.4%	91.2%	89.8%	91.7%	91.8%	91.7%	92.3%	91.87%
Yield / harvested acre (bu/ac)	153.3	164.4	152.6	146.8	123.1	158.1	171.0	168.4	174.6	169.9
	Million Bushels									
Beginning Stocks (million bushels)	1,624	1,673	1,708	1,128	989	821	1,232	1,731	1,737	2,350
Production (million bu.)	12,043	13,067	12,425	12,314	10,755	13,829	14,216	13,602	15,148	14,184
Imports (million bu.)	14	8	28	29	160	36	32	68	55	50
Total Supply (million bu.)	13,681	14,749	14,161	13,471	11,904	14,686	15,479	15,401	16,940	16,585
Ethanol for fuel Use (million bu.)	3,709	4,591	5,019	5,000	4,641	5,124	5,200	5,224	5,435	5,475
Food & Industrial Use (million bu.)	1,294	1,348	1,384	1,400	1,372	1,377	1,368	1,394	1,405	1,421
Seed Use (million bu.)	27.2	27.8	29.6	31.0	31.0	29.7	29.3	30.6	29.7	29.5
Exports (million bu.)	1,849	1,979	1,831	1,539	730	1,921	1,867	1,901	2,295	1,850
Feed & Residual Use (million bu.)	5,128	5,096	4,770	4,512	4,309	5,002	5,284	5,114	5,425	5,475
Total Use (million bu.)	12,008	13,041	13,033	12,482	11,083	13,454	13,748	13,664	14,590	14,250
Ending Stocks (million bu.)	1,673	1,708	1,128	989	821	1,232	1,731	1,737	2,350	2,335
% Ending Stocks-to-Use	13.94%	13.10%	8.65%	7.92%	7.41%	9.16%	12.59%	12.71%	16.11%	16.38%
U.S. Corn Average Farm Price (\$/bushel)	\$4.06	\$3.55	\$5.18	\$6.22	\$6.89	\$4.46	\$3.70	\$3.61	\$3.35	\$2.80- \$3.60 (\$3.20)

Table 1a. U.S. Corn Supply-Demand Balance Sheet: “New crop” MY 2017/18 as of the September 12, 2017 USDA WASDE report, with alternative probability-based KSU estimates of lower yields and production

Item	USDA 2017/18	KSU USDA Acres, Trend U.S. Yield (167.3 bu/ac) 2017/18	KSU KSU Acres Lower U.S. Yield (164.0 bu/ac) 2017/18	KSU “Wildcard” Scenario Military Conflict, Natural Disaster ???? 2017/18
% Probability of Occurring (KSU)	60% ^{KSUest}	35% ^{KSUest}	5% ^{KSUest}	???
Planted Area (million acres)	90.886	90.753	90.753	90.753
Harvested Area (million acres)	83.496	83.261	83.261	83.261
% Harvested/Planted Area	91.87%	91.74%	91.74%	91.74%
Yield / harvested acre (bu/ac)	169.9	**167.3	**164.0	**167.3
	Million Bushels			
Beginning Stocks (million bushels)	2,350	2,350	2,350	2,350
Production (million bu.)	14,184	13,930	13,655	13,930
Imports (million bu.)	50	50	50	50
Total Supply (million bu.)	16,585	16,330	16,055	16,330
Ethanol for fuel Use (million bu.)	5,475	5,475	5,450	*??* 5,750
Food & Industrial Use (million bu.)	1,421	1,420	1,400	*??* 1,400
Seed Use (million bu.)	29.5	30	30	*??* 35
Exports (million bu.)	1,850	1,850	1,825	*??* 1,500
Feed & Residual Use (million bu.)	5,475	5,440	5,390	*??* 5,250
Total Use (million bu.)	14,250	14,215	14,095	13,935
Ending Stocks (million bu.)	2,335	2,115	1,960	2,395
% Ending Stocks-to-Use	16.38%	14.88%	13.91%	17.19%
U.S. Corn Average Farm Price (\$/bushel)	\$2.80-\$3.60 (\$3.20)	\$3.45	\$3.60	*??* ≈ \$3.00

Figure 11. U.S. Corn Percent Ending Stocks vs U.S. Average Cash Corn Prices: MY 2000/01 – projected “New Crop” MY 2017/18, as of the September 12, 2017 USDA WASDE reports, with added KSU Projections

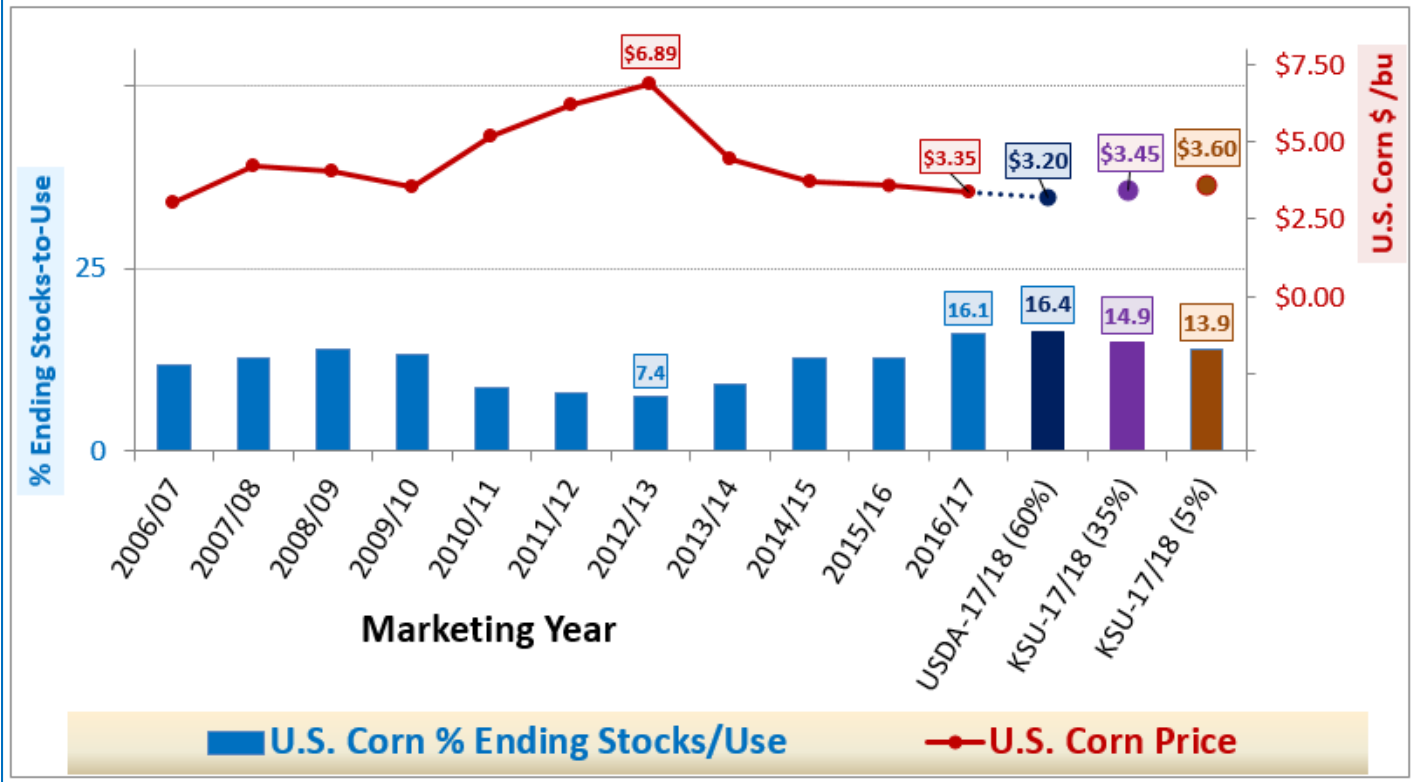


Figure 13. World Corn Supply-Demand: MY 2007/08 thru “New Crop” MY 2017/18 as of the September 12, 2017 USDA WASDE Report

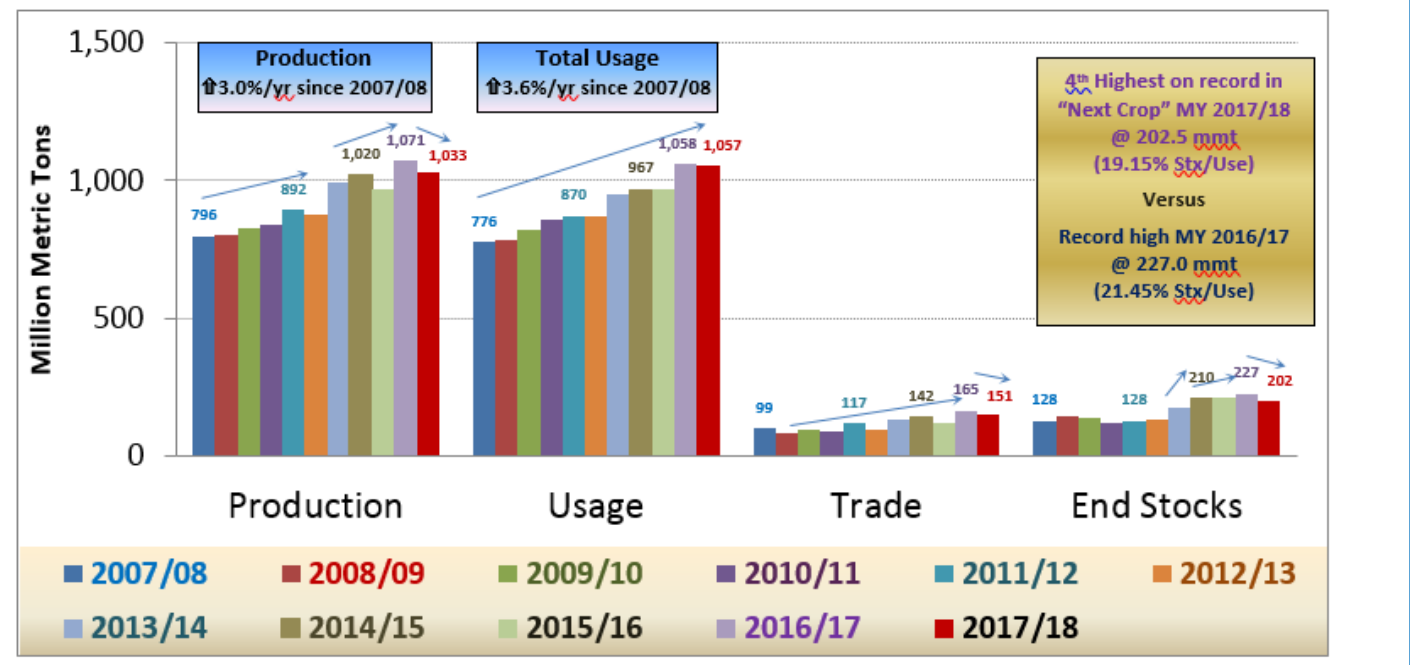


Figure 14a. U.S. Corn Price vs % World Corn Stocks-to-Use: MY 1973/74 through "New Crop" MY 2017/18, as of the September 12, 2017 USDA WASDE Report

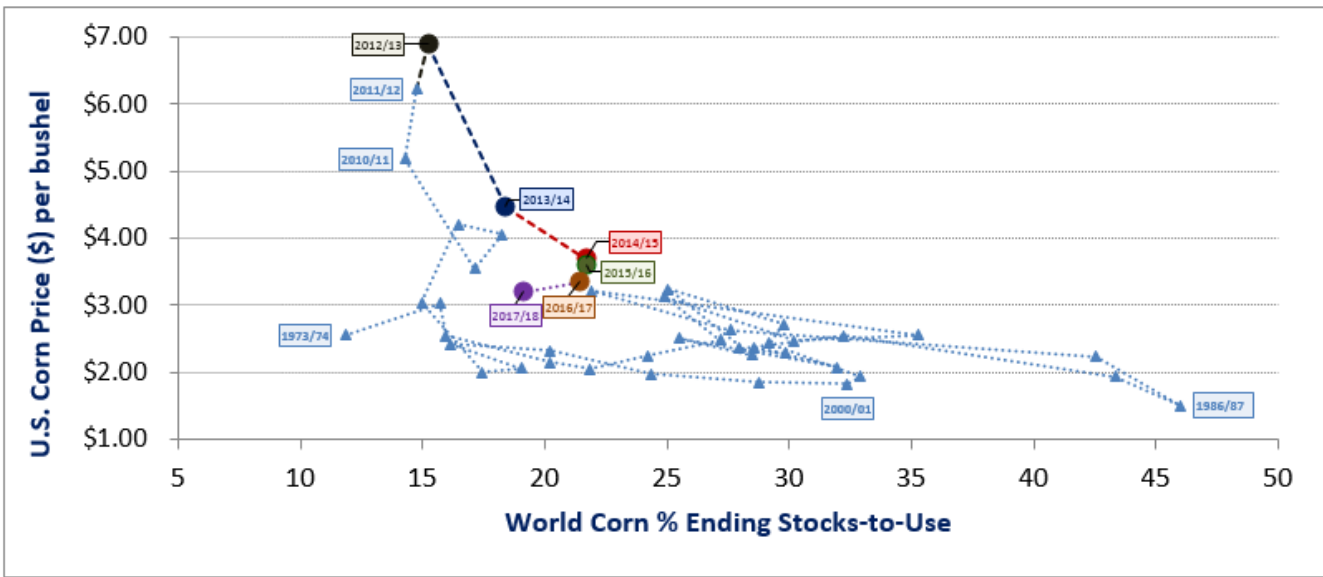
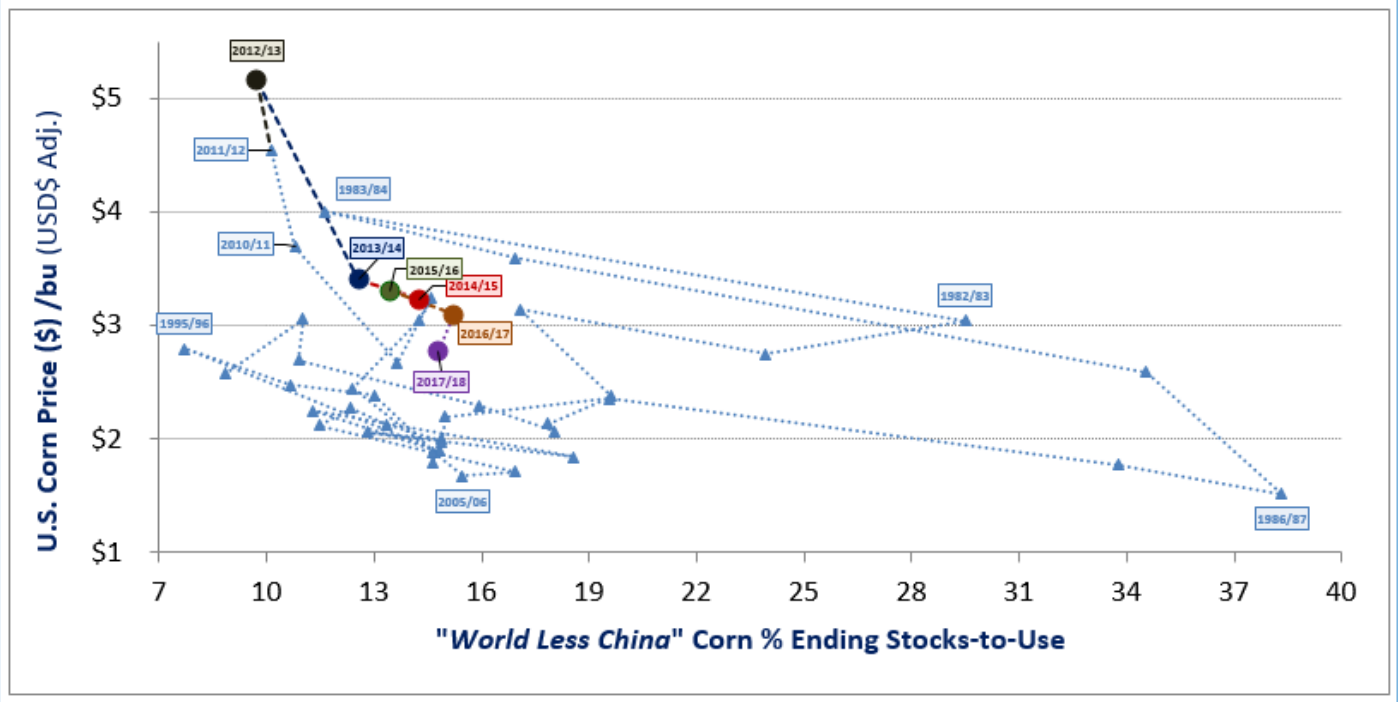


Figure 14c. U.S. Corn Price (USD\$ Adj.) vs % "World Less China" Corn Stocks-to-Use: MY 1973/74 through "New Crop" MY 2017/18, as of the September 12, 2017 USDA WASDE Report



IV. Wheat Market Outlook

Daily DEC 2017 KS HRW Wheat Futures



Wheat Export Situation:

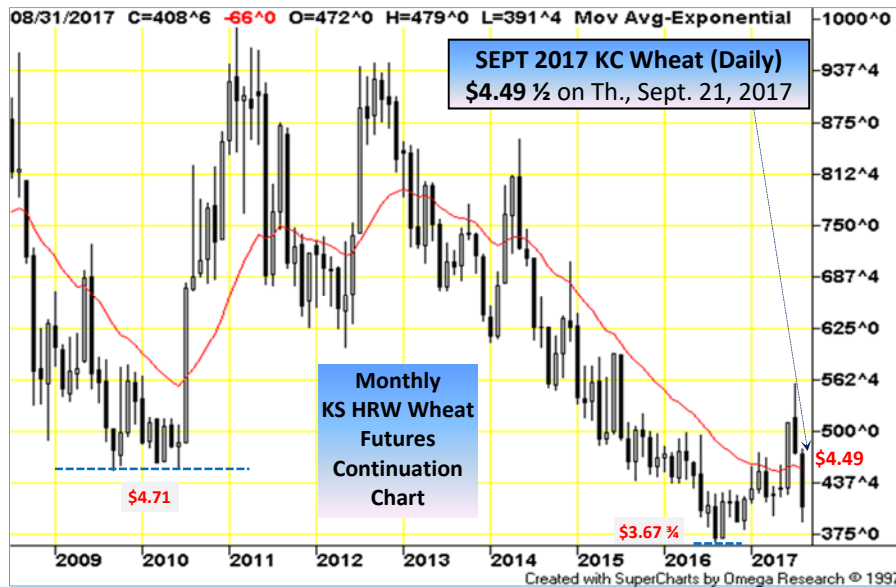
U.S. All Wheat Exports: "Negative" Short Term Export Shipments with "Positive" long run export prospects in "New Crop" MY 2017/18 total sales

- Weekly Export Shipments wk of 9/14/2017 for "new crop" MY 2017/18 = 15.7 mb (Negative) vs 18.7 mb /wk needed to meet USDA's September 12th projn of 975 mb exports
- Total shipments through 9/14/2017 for "new crop" MY 2017/18 = 302.7 mb i.e., 31.0% of 975 mb USDA projn with 30.8% of MY complete (16/52 weeks)
- Total shipments + new sales through 9/14/2017 for "new crop" MY 2017/18 = 480.7 mb i.e., 49.3% of 975 mb USDA projn with 30.8% of MY complete (16/52 weeks)

U.S. Hard Red Winter (HRW) Wheat Exports: "Neutral" Short Term Shipments with "Positive" long run export prospects in "new crop" MY 2017/18 total sales

- Weekly Export Shipments wk of 9/14/2017 for "new crop" MY 2017/18 = 7.8 mb (Neutral) vs 7.7 mb /wk needed to meet USDA's September 12th projn of 400 mb HRW wheat exports
- Total shipments through 9/14/2017 for "new crop" MY 2017/18 = 123.4 mb i.e., 30.85% of 400 mb USDA HRW wheat exports with 30.8% of MY complete (16/52 weeks)
- Total shipments + new sales 9/14/2017 for "new crop" MY 2017/18 = 179.7 mb i.e., 44.9% of 400 mb USDA HRW wheat with 30.8% of MY complete (16/52 weeks)

Monthly Kansas HRW Wheat eFutures

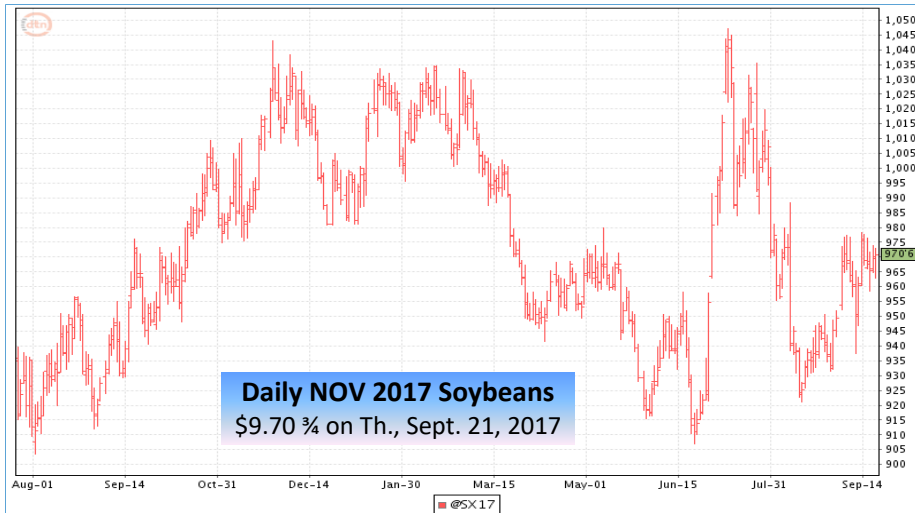


"Negative" World & U.S. Wheat S/D Fundamentals

Mktg Yr	World % S/U	World Crop	U.S. % S/U	U.S. \$/bu	U.S. Exports
2007/08	20.8% S/U	611.9 mmt	13.2% S/U	\$6.48 /bu	1,263 mln bu
2008/09	26.5% S/U	684.0 mmt	28.7% S/U	\$6.78 /bu	1,015 mln bu
2009/10	31.2% S/U	687.2 mmt	48.6% S/U	\$4.87 /bu	879 mln bu
2010/11	30.4% S/U	649.5 mmt	36.4% S/U	\$5.70 /bu	1,291 mln bu
2011/12	28.6% S/U	697.3 mmt	33.4% S/U	\$7.24 /bu	1,051 mln bu
2012/13	25.7% S/U	658.6 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	30.9% S/U	728.0 mmt	37.3% S/U	\$5.99 /bu	864 mln bu
2015/16 ^{USDA}	33.9% S/U	735.3 mmt	50.0% S/U	\$4.89 /bu	778 mln bu
2016/17 ^{USDA}	34.6% S/U	753.3 mmt	53.4% S/U	\$3.89 /bu	1,055 mln bu
2017/18 ^{USDA}	35.7% S/U	744.9 mmt	43.6% S/U	\$4.80 /bu	975 mln bu

V. Soybean Market Outlook

Daily NOVEMBER 2017 Soybean Futures



Monthly Soybean eFutures



Key Soybean Supply-Demand Issues:

- ❖ **U.S. Soybean Exports: “Neutral” short run export shipments in “New Crop” MY 2017/18 and “positive” total sales**
 - Weekly Export Shipments week of 9/14/2017 for MY 2017/18 = 34.7 mb (Neutral) vs 43.5 mb/wk needed to meet USDA’s September 12th projn of 2.250 bb exports
 - Total shipments through 9/14/2017 for MY 2017/18 = 77.0 mb i.e., 3.4% of 2.250 bb USDA projn with 3.8% of MY complete (2/52 weeks)
 - Total sales through 9/14/2017 for “New Crop” MY 2017/18 = 0.710 bb i.e., 31.6% of 2.250 bb USDA projn w. 3.8% of MY complete (2/52 weeks)
- ❖ **U.S. Soybean Meal Exports: “Bearish” short run export shipments in “current” MY 2016/17 and “neutral” total sales**
 - Export Shipments for week of 9/14/2017 for “Old Crop” MY 2016/17 = 154,300 mt (Bearish) vs 474,700 mt/wk needed to meet USDA’s September 12th projn of 10.660 mmt exports
 - Total shipments through 9/14/2017 for “Old Crop” MY 2016/17 = 9.711 mmt i.e., 91.1% of 10.660 mmt USDA projn with 96.2% of MY complete (50/52 weeks)
 - Total shipments & new sales (9/14/2017) for “Old Crop” MY 2016/17 = 10.516 mmt i.e., 98.6% of 10.660 mmt USDA projn with 96.2% of MY complete (50/52 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
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	4.9% S/U	\$10.10 /bu	1.842 bln bu
2015/16 ^{USDA}	24.7% S/U	313.7 mmt	5.0% S/U	\$ 8.95 /bu	1.942 bln bu
2016/17 ^{USDA}	29.1% S/U	351.4 mmt	8.3% S/U	\$ 9.50 /bu	2.170 bln bu
2017/18 ^{USDA}	28.3% S/U	348.4 mmt	11.0% S/U	\$ 9.20 /bu	2.250 bln bu

Table 1. U.S. Soybean Supply-Demand Balance Sheet: MY 2007/08 through “New Crop” MY 2017/18 as of the Sept. 12, 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>											60% ^{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	89.513
Harvested Area (million acres)	64.146	74.681	76.372	76.610	73.776	76.144	76.253	82.591	81.732	82.736	88.731
% Harvested-to-Planted acres	99.08%	98.63%	98.61%	98.97%	98.31%	98.63%	99.24%	99.18%	98.89%	99.16%	99.13%
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	49.9
	Million Bushels										
Beginning Stocks	574	205	138	151	215	169	141	92	191	197	345
Production	2,677	2,967	3,361	3,331	3,097	3,042	3,358	3,927	3,926	4,307	4,431
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	4,801
	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	1,895	1,940
Exports	1,159	1,279	1,499	1,505	1,365	1,328	1,638	1,842	1,942	2,170	2,250
Seed	93	90	90	87	90	89	97	96	97	104	101
Residual	0	16	22	42	1	16	10	50	18	14	35
Total Use	3,056	3,047	3,363	3,282	3,159	3,111	3,478	3,862	3,944	4,183	4,326
	Ending Stocks										
Ending Stocks	205	138	151	215	169	141	92	191	197	345	475
% Ending Stocks-to-Use	6.71%	4.54%	4.49%	6.55%	5.36%	4.52%	2.64%	4.94%	4.99%	8.25%	10.98%
U.S. Avg. Farm Price (\$/bu)	\$10.10	\$9.97	\$9.59	\$11.30	\$12.50	\$14.40	\$13.00	\$10.10	\$8.95	\$9.50	\$8.25- \$10.05 (\$9.20)

Table 1a. U.S. Soybean Supply-Demand Balance Sheet: “New Crop” MY 2017/18 as of September 12, 2017 USDA Crop Production and WASDE reports – with alternative probability-based Kansas State University estimates of higher acres, lower yields and production

Item	USDA 2017/18	KSU Lower U.S. Yield (due to late season drought stress) 48.0 bu/ac 2017/18	KSU Markedly Lower U.S. Yield 45.85 bu/ac 2017/18	KSU “Wildcard” Scenario Military Conflict, Natural Disaster ???? 2017/18
<i>% Probability of Occurring (KSU)</i>	60% ^{KSUest}	30% ^{KSUest}	5% ^{KSUest}	5% ^{KSUest}
Planted Area (million acres)	89.513	89.901	89.901	89.901
Harvested Area (million acres)	88.731	89.116	89.116	89.116
% Harvested/Planted Area	99.13%	99.13%	99.13%	99.13%
Yield / harvested acre (bu/ac)	49.9	48.0	45.85	48.0
	Million Bushels			
Beginning Stocks (million bushels)	345	345	345	345
Production (million bu.)	4,431	4,278	4,085	4,278
Imports (million bu.)	25	25	25	25
Total Supply (million bu.)	4,801	4,648	4,455	4,648
Domestic <u>Crushings</u>	1,940	1,940	1,920	*??* 1,975
Exports	2,250	2,150	2,050	*??* 1,750
Seed	101	101	101	101
Residual	35	35	35	35
Total Use	4,326	4,226	4,106	*??* 3,861
Ending Stocks (million bu.)	475	422	349	*??* 787
% Ending Stocks-to-Use	10.98%	9.99%	8.50%	20.38%
U.S. Soybean Avg. Farm Price (\$/bushel)	\$8.25-\$10.05 (\$9.20)	\$9.70	\$10.20	\$7.00

Figure 9. U.S. Soybean Ending Stocks vs U.S. Avg. Cash Prices: MY 2006/07 – “New Crop” MY 2017/18
 as of the September 12, 2017 WASDE report with alternative KSU forecast scenarios for MY 2017/18

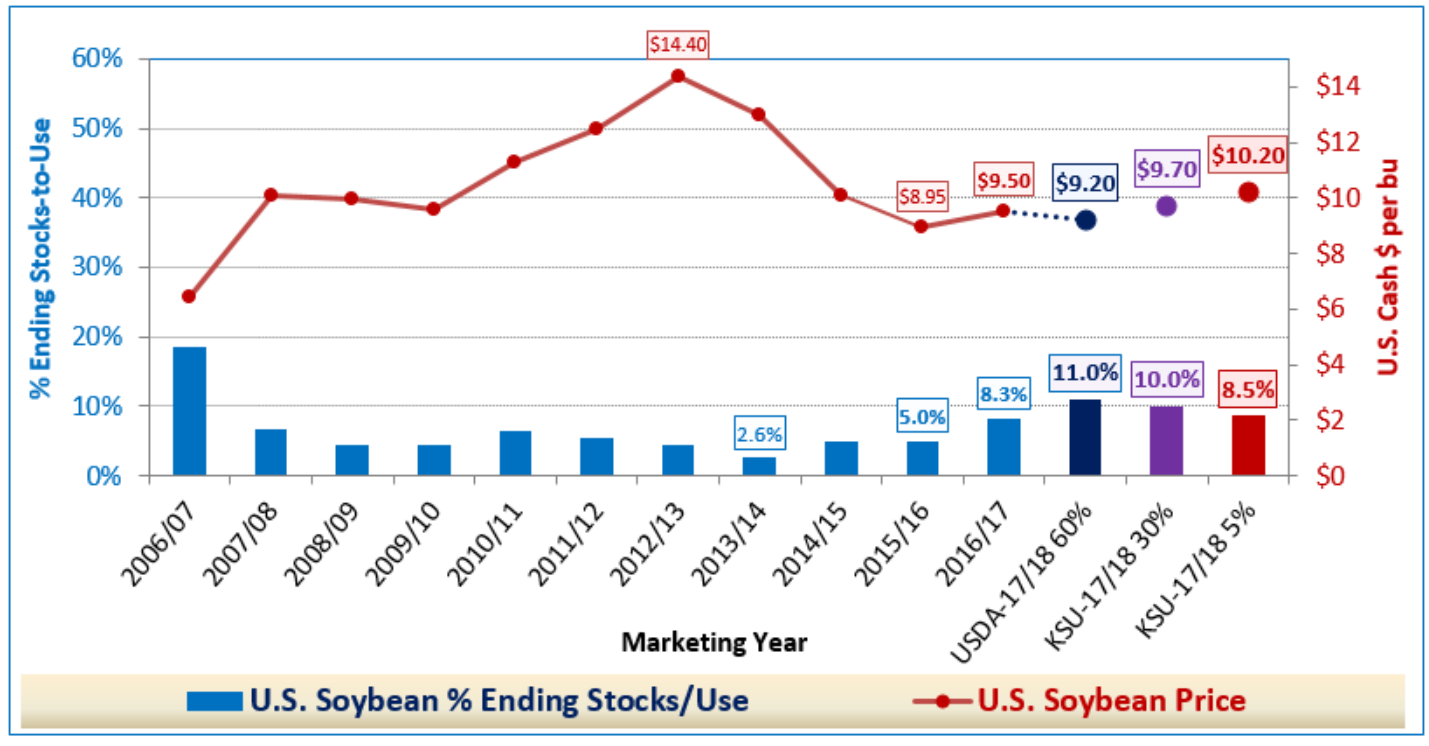


Figure 11. World Soybean Usage & Ending Stocks: MY 2007/08 through “New Crop” MY 2017/18.
 As of the September 12, 2017 WASDE Report

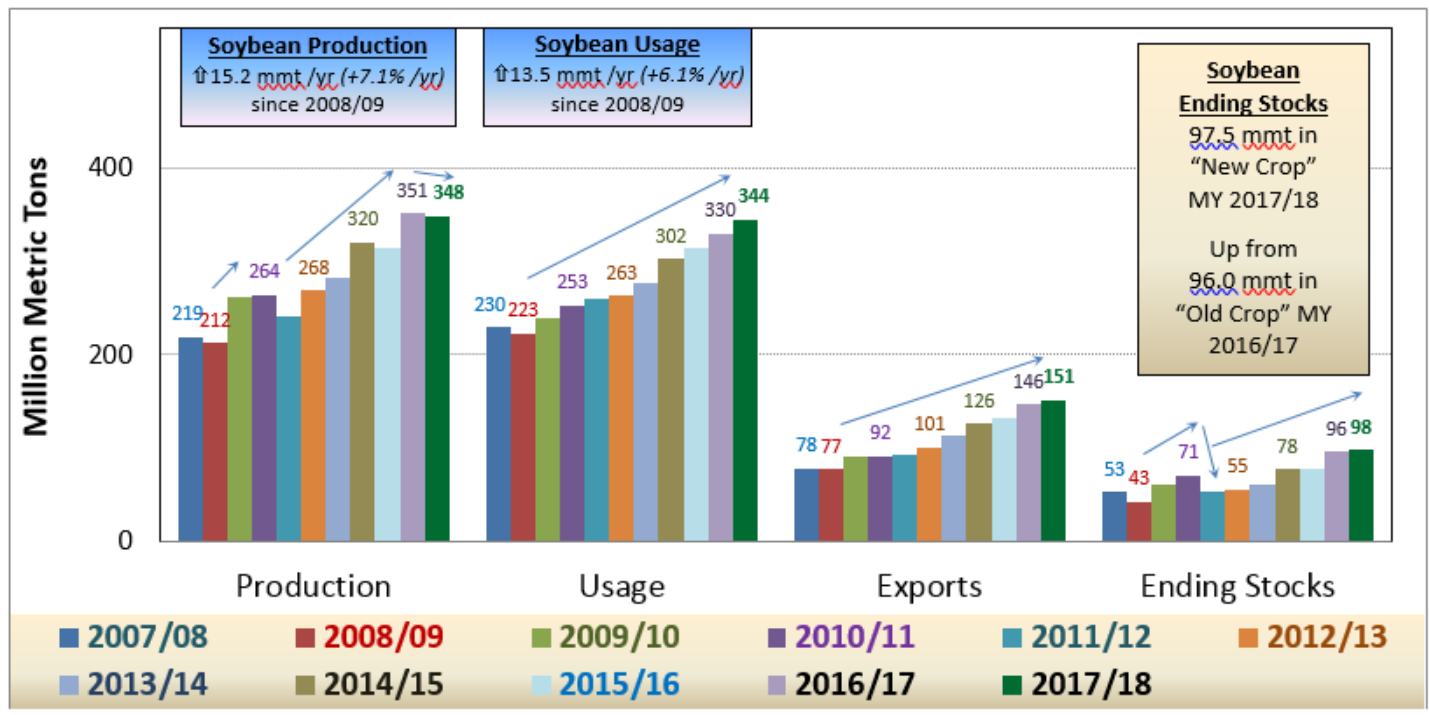


Figure 12. U.S. Soybean Price vs World % Stocks-to-Use: MY 1973/74 through "New Crop" MY 2017/18 as of the September 12, 2017 WASDE Report

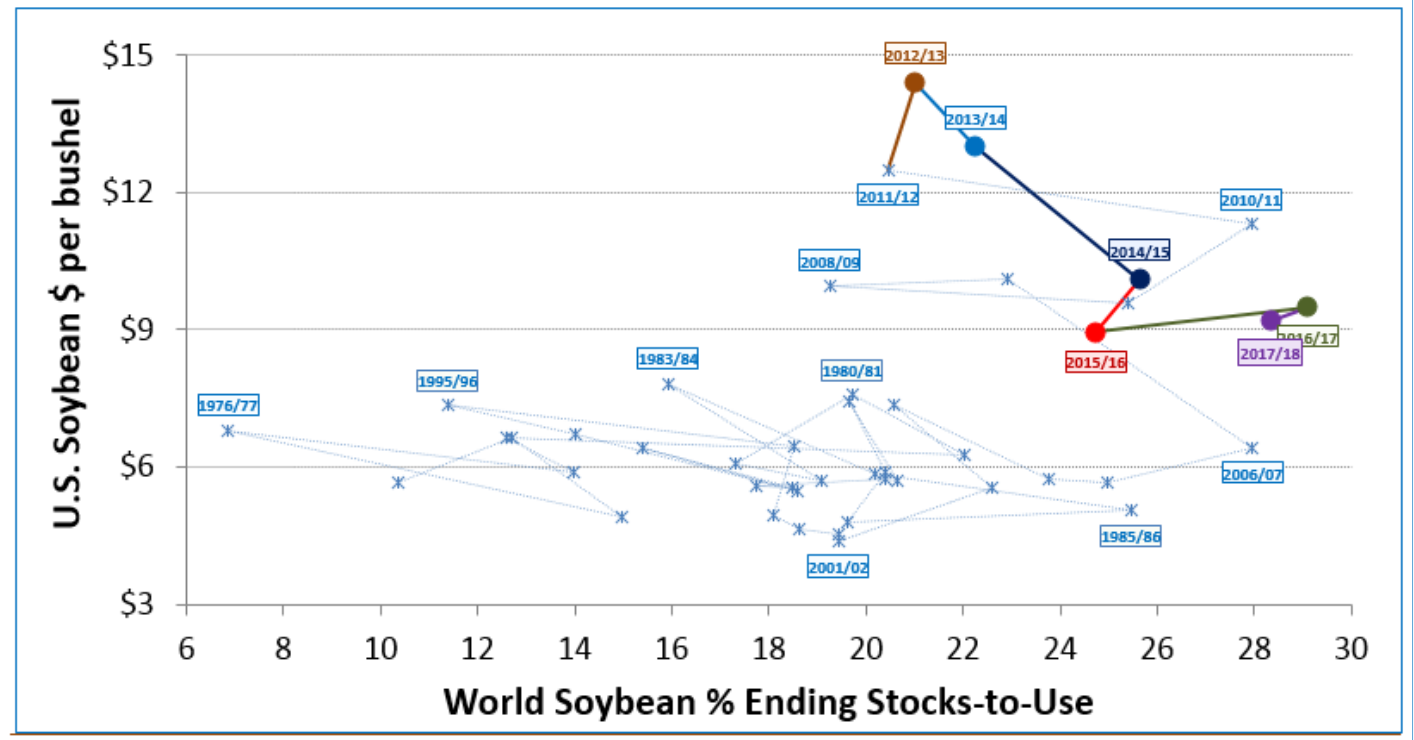


Figure 14. South America Soybean Supply-Demand Trends: MY 2006/07 – "New Crop" MY 2017/18. As of the September 12, 2017 USDA WASDE Report as reported by USDA Foreign Agricultural Service PSD Online

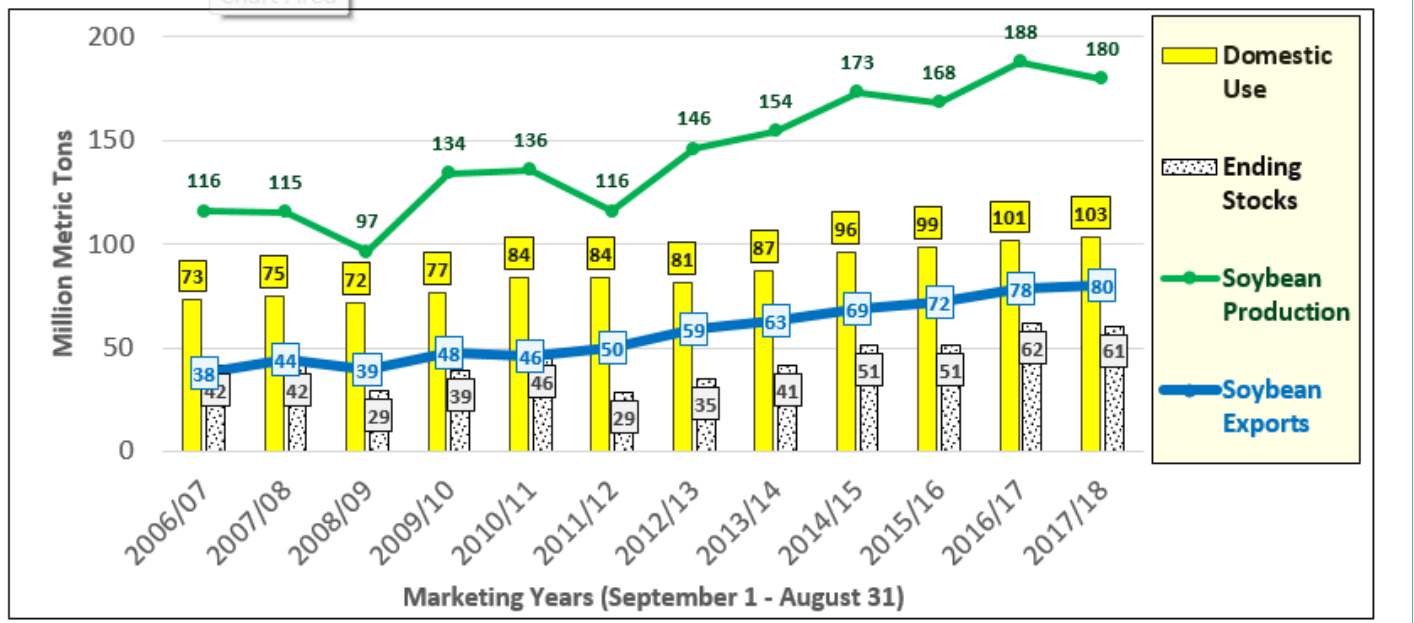


Figure 13. China Soybean Supply-Demand Trends: MY 2006/07 – “New Crop” MY 2017/18. As of the September 12, 2017 USDA WASDE Report as reported by USDA Foreign Agricultural Service PSD Online

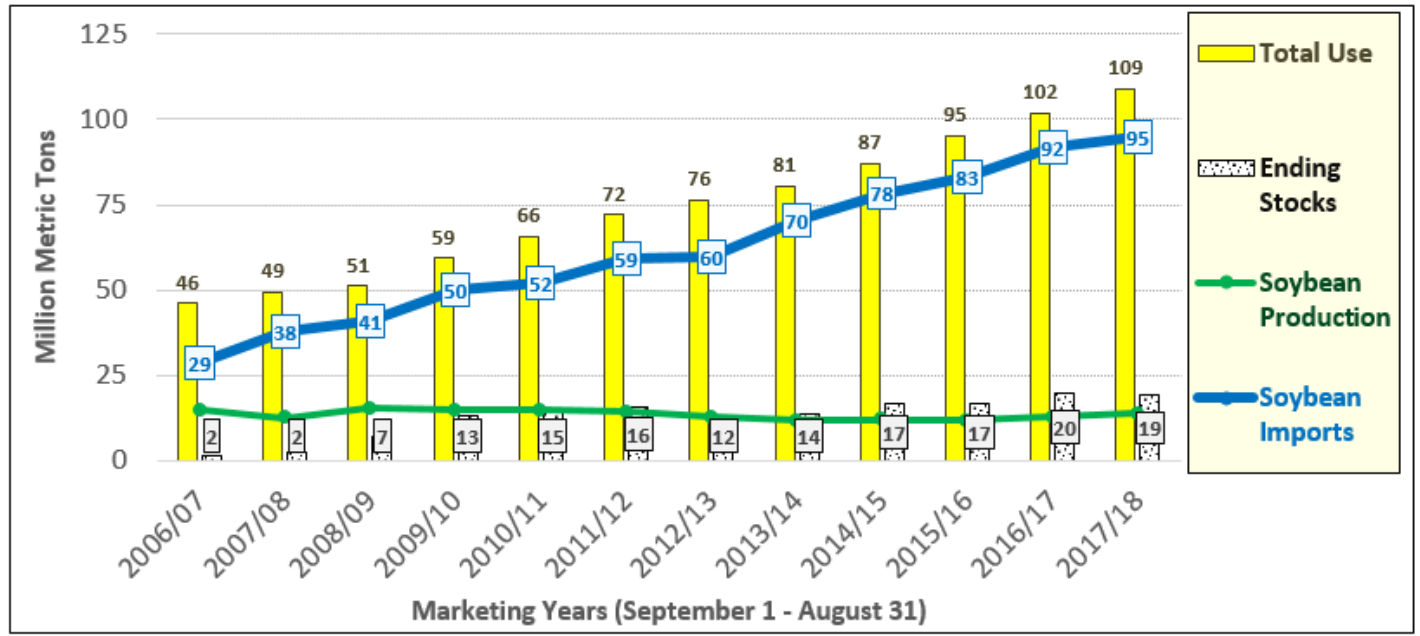


Figure 15. United States’ Soybean Supply-Demand Trends: MY 2006/07 – “New Crop” MY 2017/18. As of the September 12, 2017 USDA WASDE Report as reported by USDA Foreign Agricultural Service PSD Online

