

Grain Markets & Planting Intentions

and

Crop Cost of Production

in 2020

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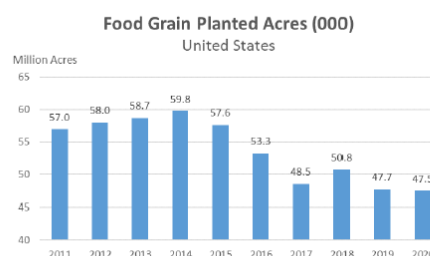
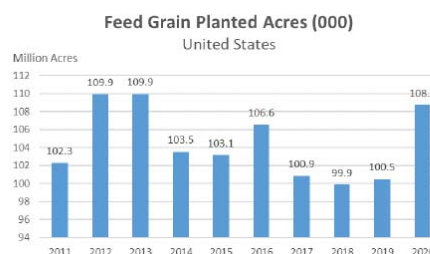


March 2020 Feed Grains & Food Grains Planted Acreage



	Planted (1,000 Acres)
Feed Grains	
Barley	2,921 ↑
Corn	96,990 ↑
Oats	3,012 ↑
Sorghum	5,820 ↑
Food Grains	
Rice	2,847 ↑
Wheat, All	44,655 ↓
Wheat, Durum	1,290 ↓
Wheat, Other Spring	12,590 ↓
Wheat, Winter	30,775 ↓

↑ ↓ change from 2019



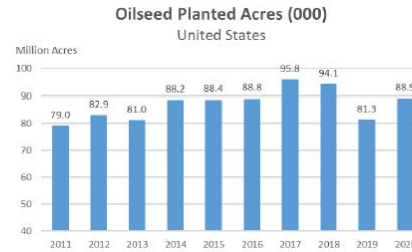


March 2020 Oilseeds & Other Crops Planted Acreage



	Planted (1,000 Acres)
Oilseeds	
Canola	1,989 ↓
Flaxseed	270 ↓
Peanuts	1,529 ↑
Soybeans	83,510 ↑
Sunflower	1,558 ↑
Other Crops	
Chickpeas	306 ↓
Cotton, All	13,703 ↓
Dry Edible Beans	1,372 ↑
Dry Edible Peas	971 ↓
Hay, All (Harvested)	53,283 ↑
Lentils	474 ↓
Sugarbeets	1,139 ↑
Tobacco (Harvested)	202 ↓

↑ ↓ change from 2019

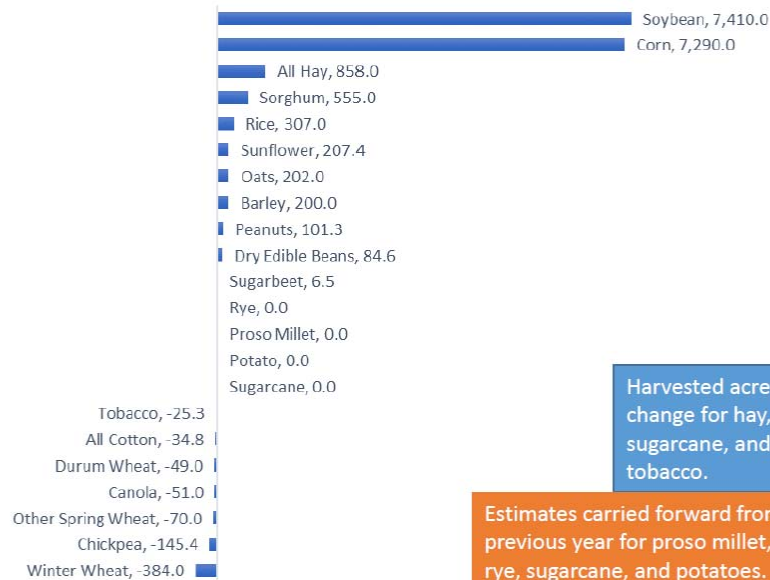


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2020 Principal Crops Planted Acre (000) Change from 2019



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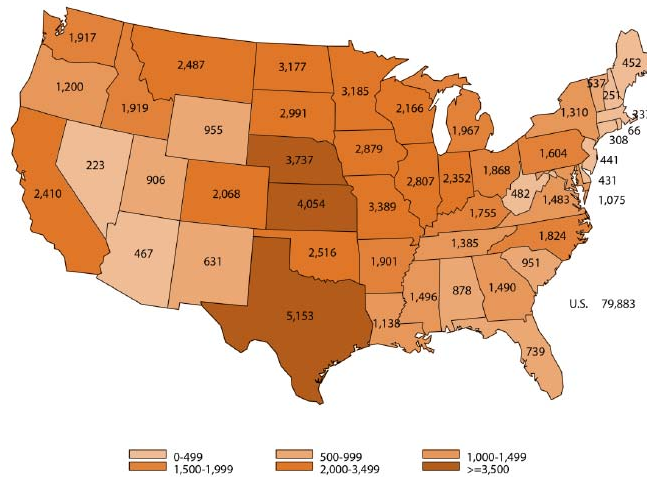


Data Sources



Operator Reported Surveys	March Ag Survey	Sample Size = 79,983	February 28 - March 18
	Off-Farm Grain Stocks	~8,400 Facilities	February 27 - March 19

2020 March Ag Survey – Number of Samples

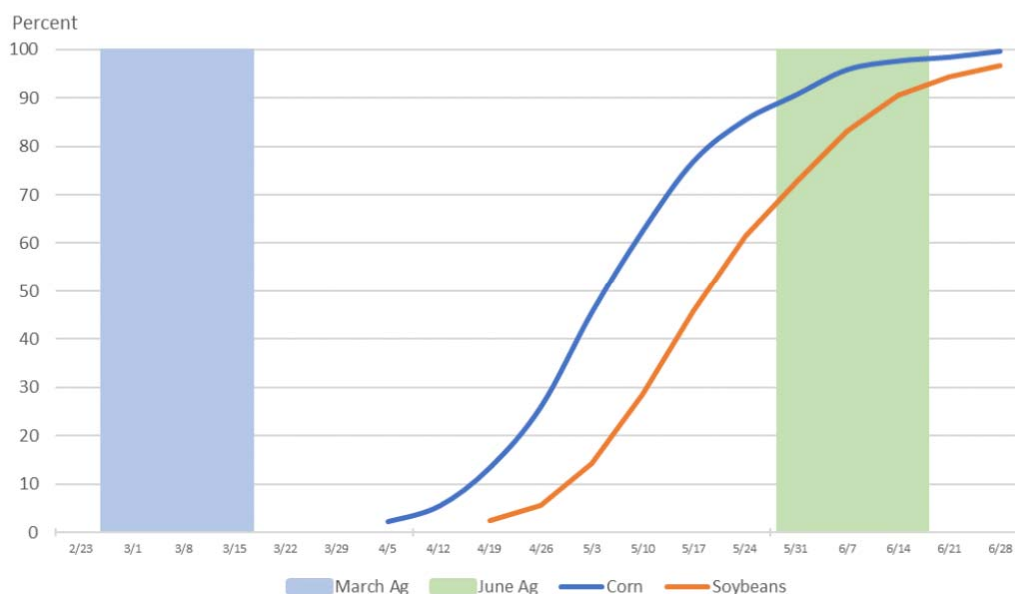


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Acreage Intentions vs Actual Plantings Usual Planting Progress



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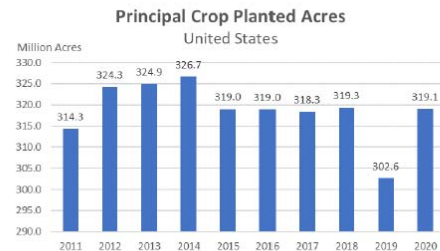


March 2020 Principal Crops Planted Acreage

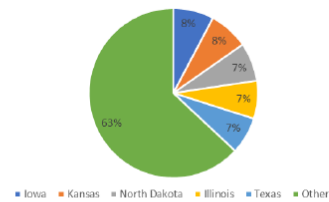


	Planted (1,000 Acres)
United States	319,088
% Change from Previous Forecast	N/A
% Change from Previous Season	5.4 ↑
Top 5 States	
	Planted (1,000 Acres)
Iowa	24,840 ↑
Kansas	24,075 ↑
North Dakota	23,429 ↑
Illinois	22,950 ↑
Texas	22,495 ↑

↑ ↓ change from 2019



2020 Principal Crops Planted Acres
By State



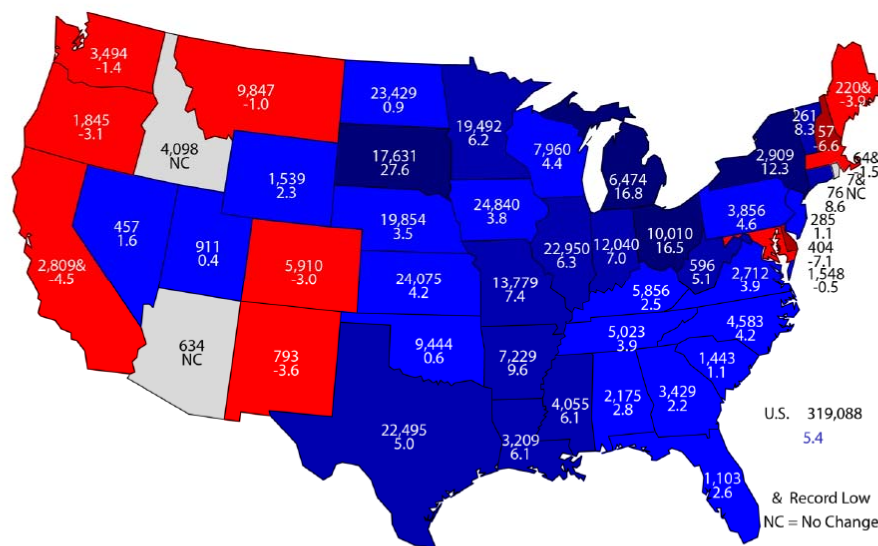
Planted acres are used for corn, sorghum, oats, barley, rye, winter wheat, Durum wheat, other spring wheat, rice, soybeans, peanuts, sunflower, cotton, dry edible beans, chickpeas, potatoes, sugarbeets, canola, and proso millet. Harvested acreage is used for all hay, tobacco, and sugarcane in computing total area planted.

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2020 Principal Crop Planted Area (000) Acres and Percent Change from Previous Year



■ Down 5.1-9.9%
 ■ Down 0.1-5%
 ■ Up 0.1-4.9%
 ■ Up 5-9.9%
 ■ No Change

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March 2020 Stocks



	Unit	March 1 Total (1,000 Units)	March 1 On-Farm (1,000 Units)	March 1 Off-Farm (1,000 Units)
Barley	Bushels	115,312	51,580	63,732
% Change from Previous Year		5.0 ↓	11.7 ↑	15.3 ↓
Corn	Bushels	7,952,508	4,454,000	3,498,508
% Change from Previous Year		7.7 ↓	13.2 ↓	0.5 ↑
Oats	Bushels	47,148	16,970	30,178
% Change from Previous Year		6.2 ↓	6.0 ↓	6.4 ↓
Rough Rice	Hundredweight	86,145	14,370	71,775
% Change from Previous Year		17.0 ↓	38.3 ↓	10.9 ↓
Sorghum	Bushels	165,895	17,220	148,675
% Change from Previous Year		13.9 ↓	31.1 ↓	11.4 ↓
Soybeans	Bushels	2,253,277	1,011,500	1,241,777
% Change from Previous Year		17.4 ↓	20.4 ↓	14.8 ↓
Sunflower	Pounds	767,582	323,340	444,242
% Change from Previous Year		7.7 ↓	5.8 ↓	9.0 ↓
Wheat, All	Bushels	1,412,367	338,690	1,073,677
% Change from Previous Year		11.3 ↓	7.9 ↓	12.4 ↓

↑ ↓ change from 2019

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U.S. Dollar Index – Weekly (Oct 2017 – Current)

Source: StockCharts.com, 4/2/2020



2020 Corn Markets



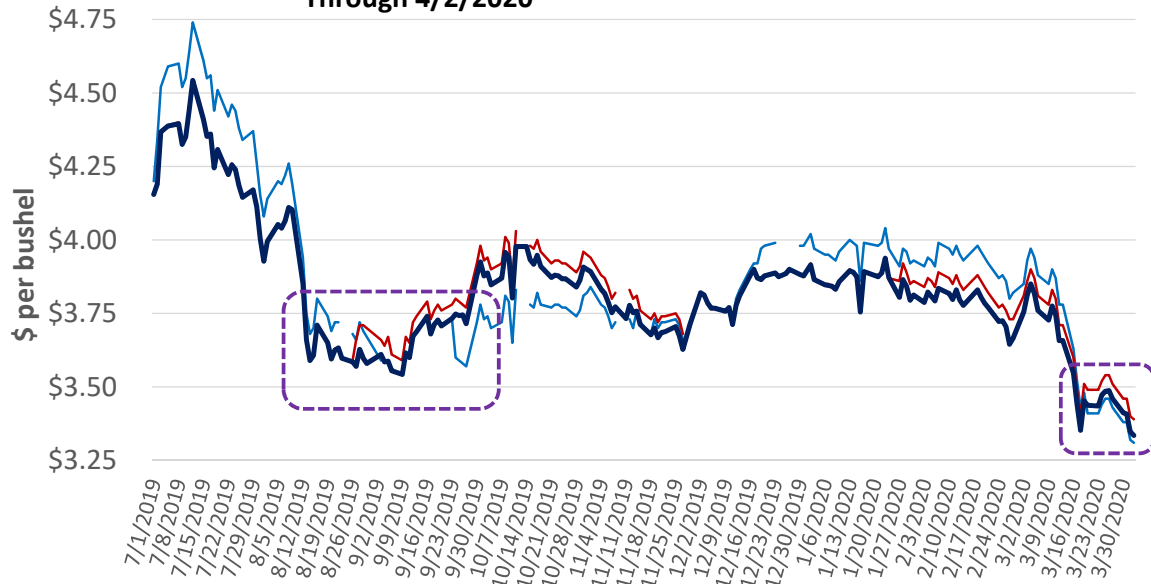
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Key Points re: U.S. Corn Markets

- **Ethanol Corn Use @ Risk**
 - Damaged U.S. Economy (↓ fuel demand) & Oil Price War
 - o Loss of 200-500 mb+ U.S. Corn use from closed ethanol plants
 - Offset “some” by less DDGS ⇔ more corn feeding
- **2020 U.S. Corn Planting Prospects**
 - o USDA 2020 Prospective Plantings – 97.0 million ac. Planted***
 - o Post-report market expectations: 93-95 million ac. (97 ma ^{USDA ***})
- **Est. 2020 Production & End Stocks (IF a large crop)**
 - o 2020 U.S. Corn Production^{Est.}: 15.250^{Plus} billion bushels
 - o Ending Stocks^{Est.}: 2.0-2.5^{Plus} bb - with 18-20%+ Stocks/Use
 - o U.S. Season Avg. Corn \$: \$3.35^{KSU} - \$3.60^{USDA} /bu

Corn Futures & Cash \$'s — Top Cash Prices in KS

Through 4/2/2020



—Central-East KS \$ —Western KS \$ —Corn Futures

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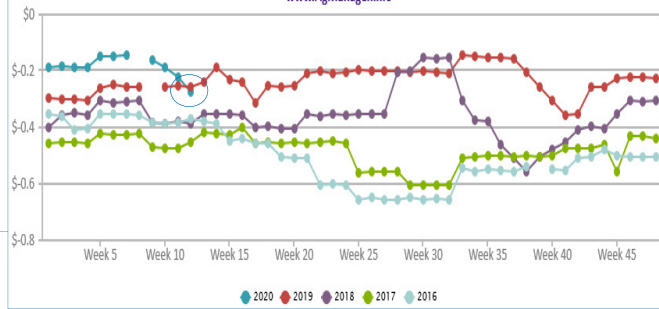
MAY 2020 CME Corn Futures Chart



KS Corn Basis: Garden City & Salina

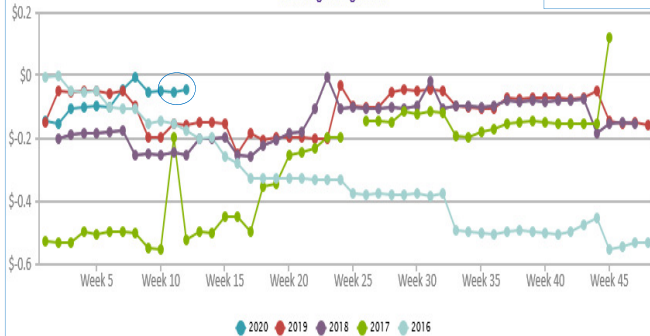
SALINA, KS: Corn Basis - CARGILL

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GARDEN CITY, KS: Corn Basis - GARDEN CITY COOP

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March 2020 Corn Planted Acreage



United States
% Change from Previous
Forecast
% Change from Previous
Season

Planted
(1,000 Acres)

96,990

N/A

8.1 ↑

Top 5 States

Planted
(1,000 Acres)

Iowa 14,100 ↑

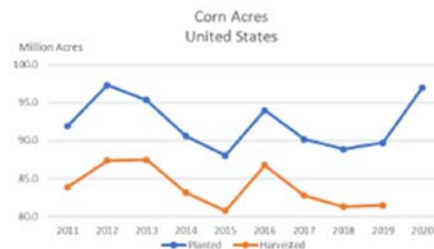
Illinois 11,300 ↑

Nebraska 10,500 ↑

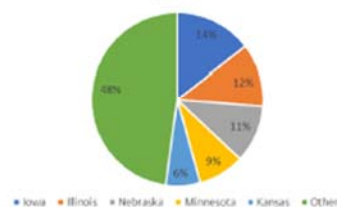
Minnesota 8,400 ↑

Kansas 6,300 ↓

↑ ↓ change from 2019

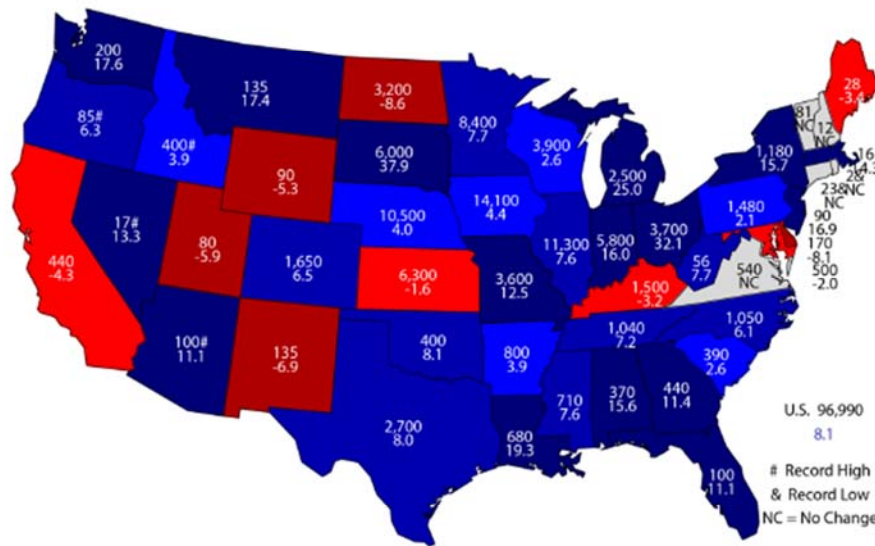


2020 Corn Planted Acres
By State





2020 Corn Planted Area (000) Acres and Percent Change from Previous Year



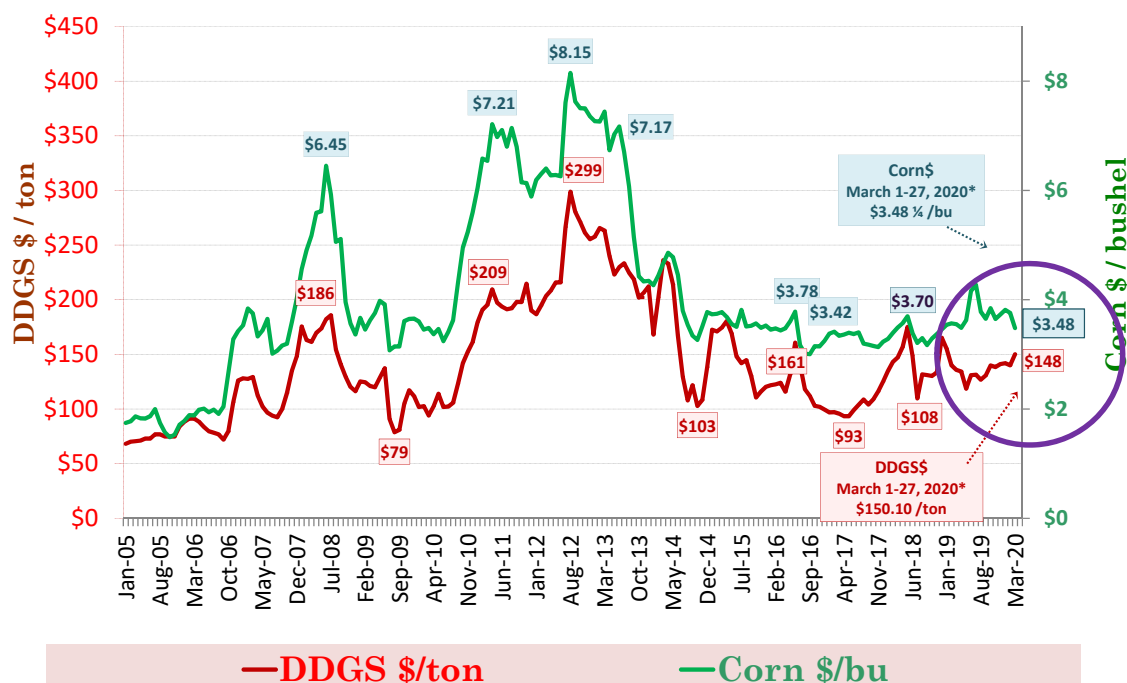
Down 5.1-9.9% Down 0.1-5% No Change
Up 0.1-4.9% Up 5-9.9% Up >=10%

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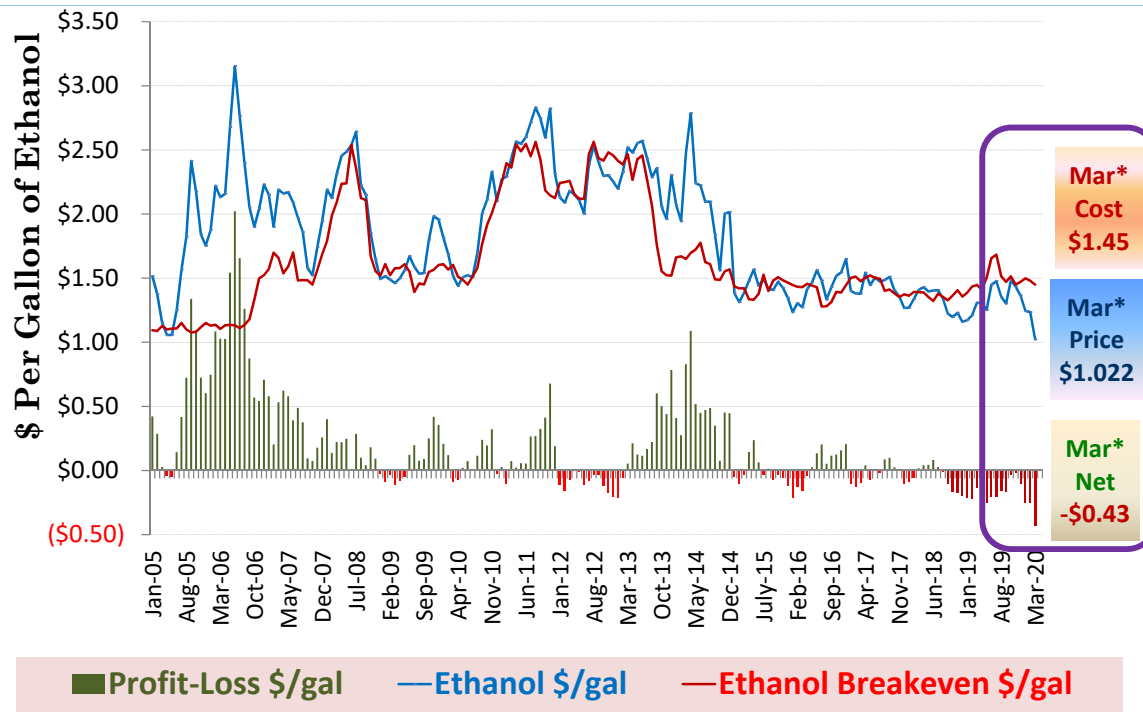
Ethanol DDGS & Corn Input Prices

ISU Ethanol Plant Model (January 2005 – February 21, 2020)

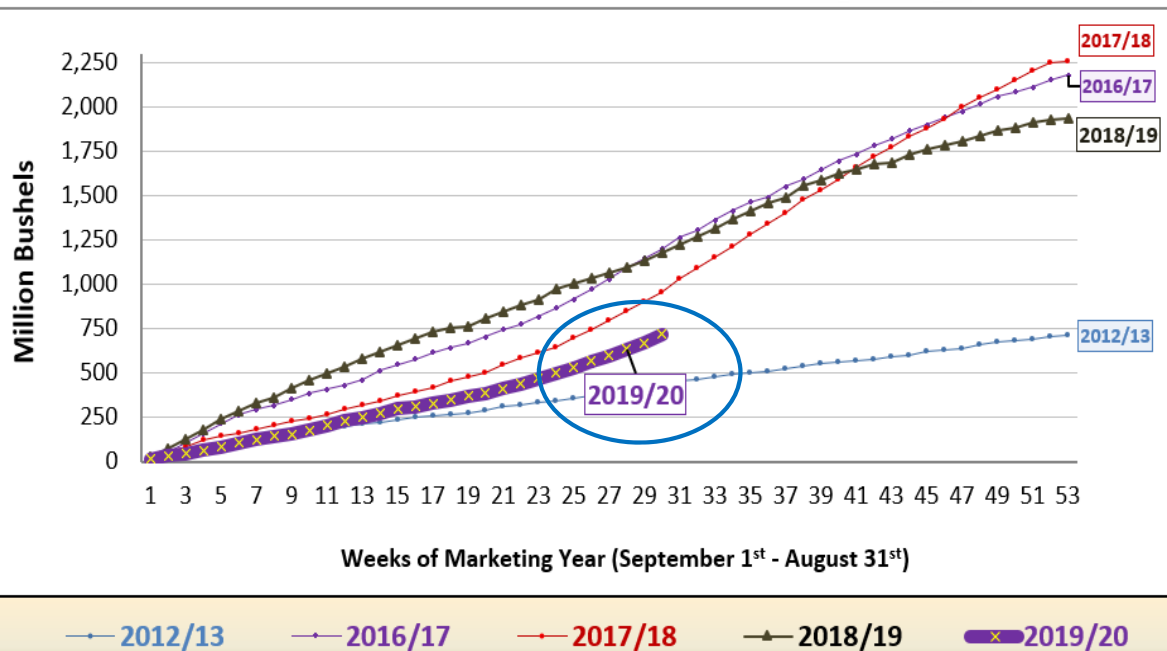


Ethanol Price, Cost & Profits

ISU Ethanol Plant Model (January 2005 – March 30, 2020)



U.S. Corn Exports – Weekly thru 3/26/2020





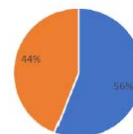
March 2020 Corn Stocks



	March 1 Total (1,000 Bu)	March 1 On-Farm (1,000 Bu)	March 1 Off-Farm (1,000 Bu)
United States	7,952,508	4,454,000	3,498,508
% Change from Previous Season	7.7 ↓	13.2 ↓	0.5 ↑
Top 5 States - by Total Stocks			
	March 1 Total (1,000 Bu)	March 1 On-Farm (1,000 Bu)	March 1 Off-Farm (1,000 Bu)
Iowa	1,519,109 ↓	890,000 ↓	629,109 ↑
Illinois	1,226,078 ↓	530,000 ↓	696,078 ↓
Nebraska	993,613 ↓	570,000 ↓	423,613 ↑
Minnesota	866,622 ↓	630,000 ↓	236,622 ↑
Indiana	491,374 ↓	280,000 ↓	211,374 ↓

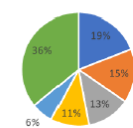
↑ ↓ change from 2019

March 1, 2020 Corn Stocks
By Position



■ On-Farm ■ Off-Farm

March 1, 2020 Corn Stocks
By State



■ Iowa ■ Illinois ■ Nebraska
■ Minnesota ■ Indiana ■ Other

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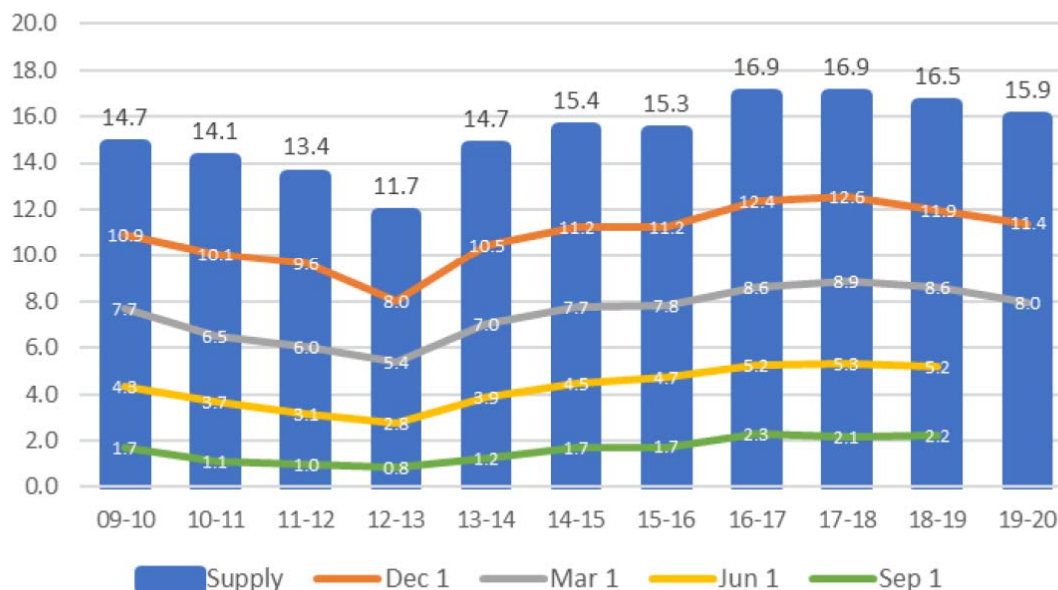
March 31, 2020



March 2020 Corn Stocks United States



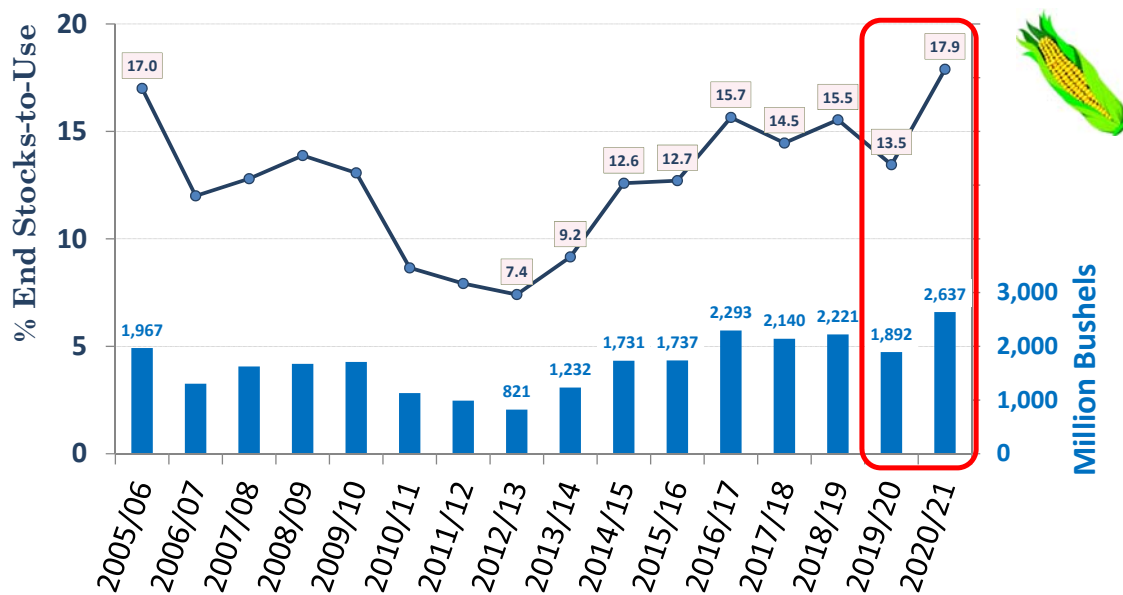
Billion Bushels



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National Agricultural Statistics Service

March 31, 2020

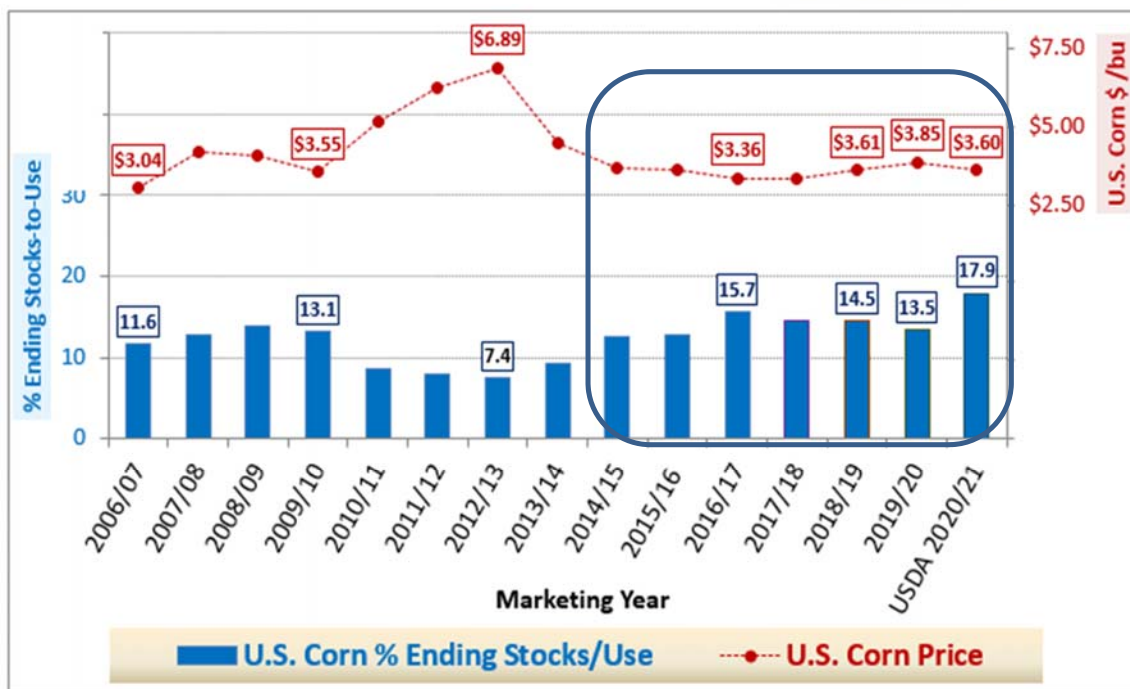
U.S. Corn Ending Stocks & % Stocks/Use



Marketing Year

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U.S. Corn % Stocks/Use vs Price\$



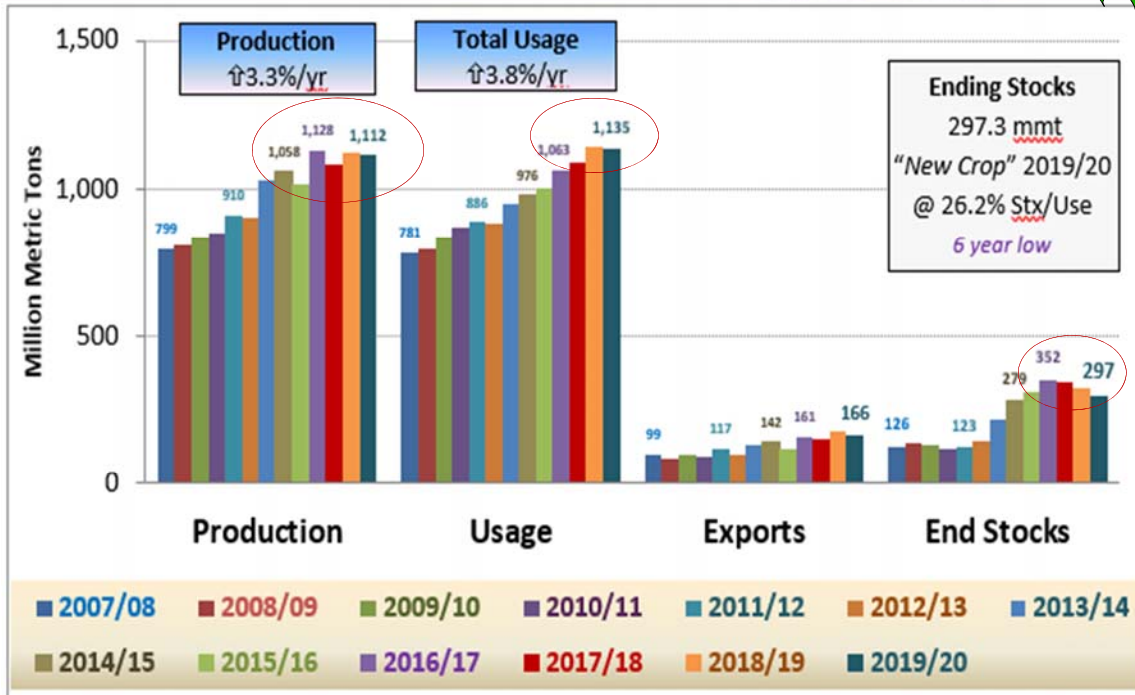
Marketing Year

U.S. Corn % Ending Stocks/Use

U.S. Corn Price

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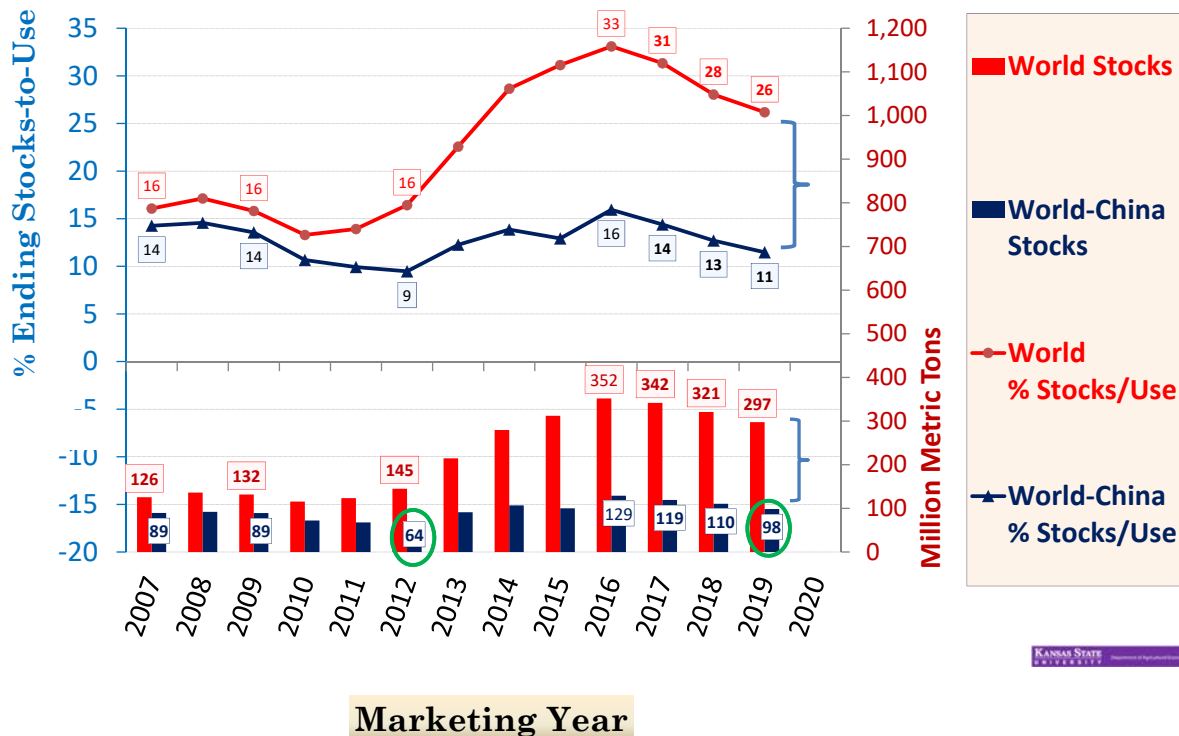
World Corn Supply, Use & Stocks



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World & World-less-China CORN Stocks & %S/U



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2020 Sorghum Markets



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Key Points re: U.S. Sorghum Markets

- **Ethanol Sorghum Use @ Risk (same as Corn)**
 - o Loss of 10%-25% of Sorghum use of 105 mb = 11-26 mb
 - Would add to Sorghum ending stocks & pressure prices
- **2020 U.S. Sorghum Planting Prospects**
 - o USDA 2020 Prospective Plantings – 5.825 million ac. Planted***
 - o **UP** vs 5.265 ma in 2019 & 5.690 ma in 2018
- **Key: U.S. Sorghum Export Prospects**
 - o Recent Chinese buying interest & increase in forward purchases
 - o Sorghum basis at Kansas Grain Terminals has increased *sharply*
 - o U.S. Season Avg. Sorghum \$: \$3.00^{USDA} - \$3.40^{KSU} /bu

KS Sorghum Basis: Garden City & Salina

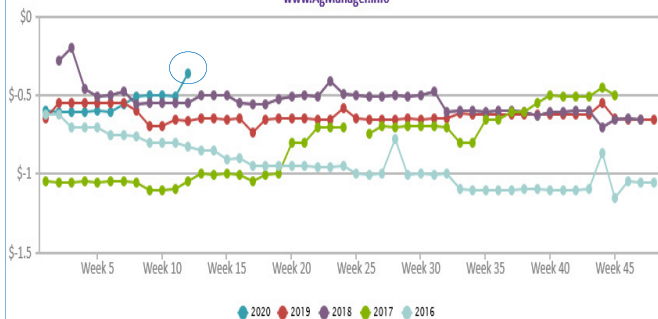
SALINA, KS: Grain Sorghum Basis - CARGILL

www.AgManager.info



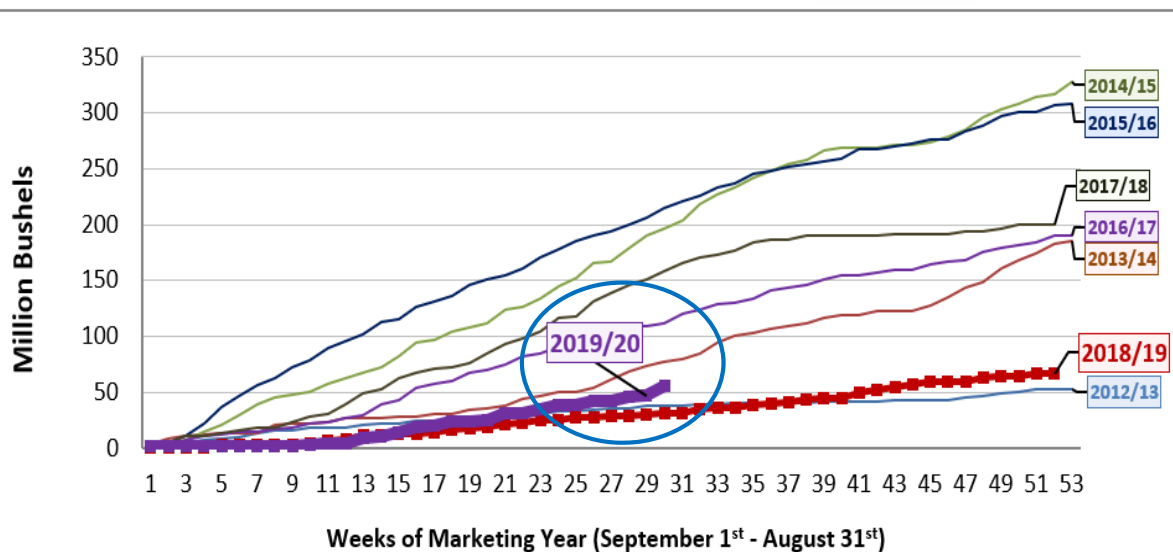
GARDEN CITY, KS: Grain Sorghum Basis - GARDEN CITY COOP

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U.S. Sorghum Exports – Weekly thru 3/26/2020



— 2012/13

— 2013/14

— 2014/15

— 2015/16

— 2016/17

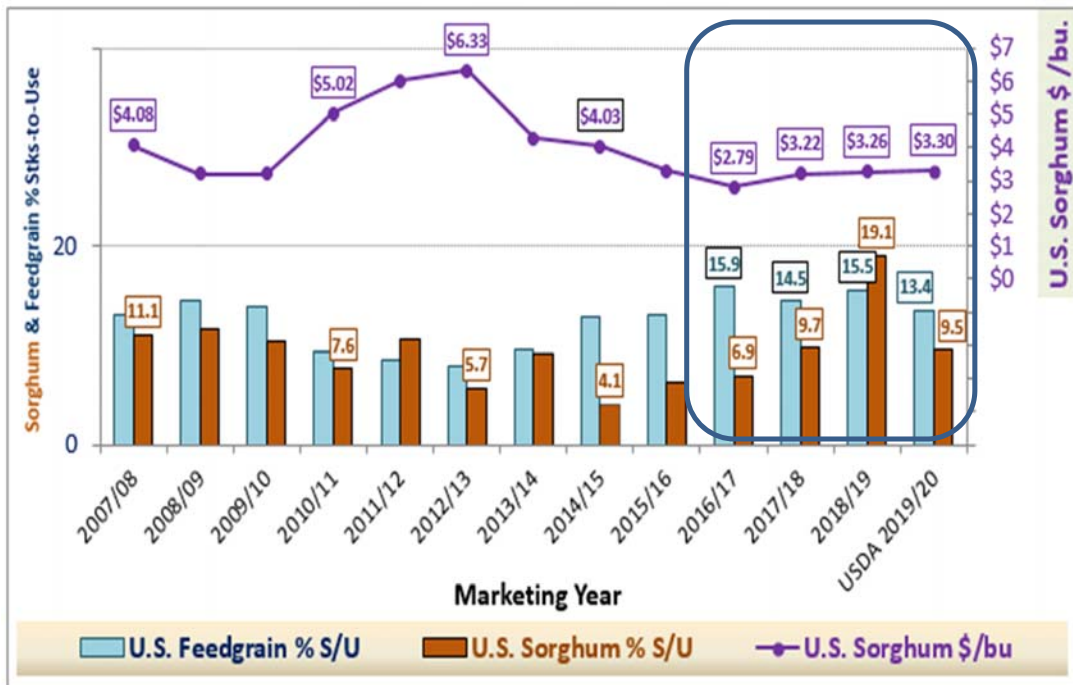
— 2017/18

— 2018/19

— 2019/20

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U.S. Sorghum % Stocks/Use vs Price\$



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2020 Soybean Markets



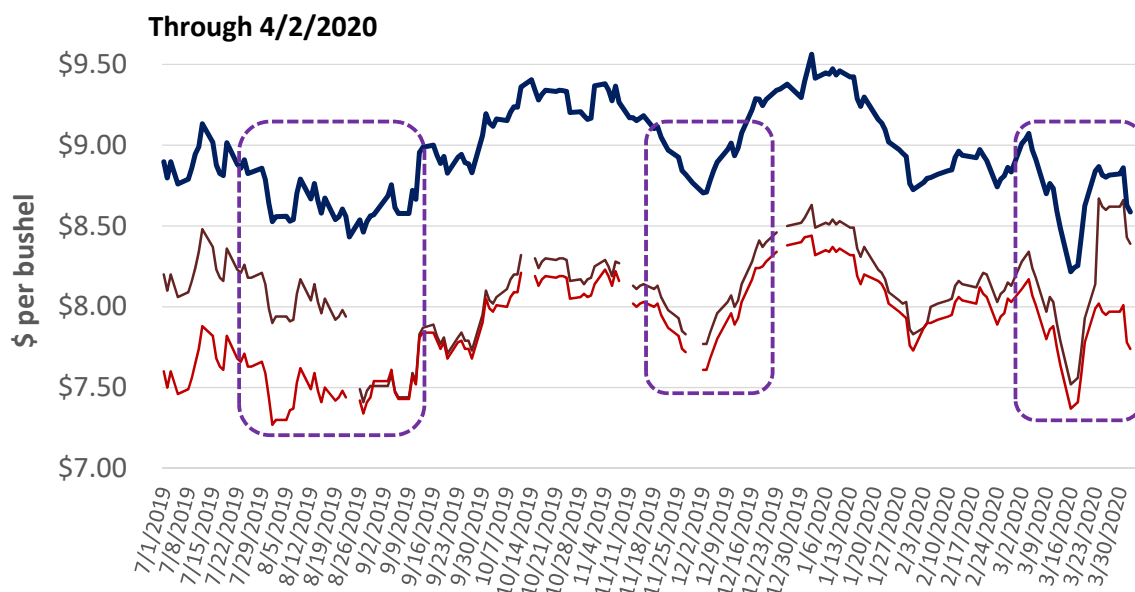
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Key Points re: U.S. Soybean Markets

- **Strong U.S. Soybean Meal Markets**
 - COVID-19 & Government Tax Trade Disruptions in Argentina
 - o Some reduction in 2020 Brazil crop size from late season dry
- **2020 U.S. Soybean Planting Prospects**
 - o USDA 2020 Prospective Plantings – 83.5 million ac. Planted***
 - o Adjusted post-report expectations: 84 to 87 million acres
- **Est. 2020 Production & End Stocks** (IF a large crop)
 - o 2020 U.S. Soybean Production^{Est.}: 4.20 - 4.40 billion bushels
 - o Ending Stocks^{Est.}: 300-450 mb - with 7-10% Stocks/Use
 - o U.S. Season Avg. Corn \$: \$8.50^{KSU} - \$8.80^{USDA} /bu

➤ A “**caveat**” – that South America avoids major COVID-19 disruptions!?!)

Soybean Futures & Cash \$'s — Top KS Prices by area



—Central-East KS —Western KS —Soy Futures

MAY 2020 CME Soybean Futures Chart

Last: 858'6 | Chg: -4'0 | %Chg: -0.46 | Open: 864'6s | High: 870'0 | Low: 857'0

Current Month: @SK20 next



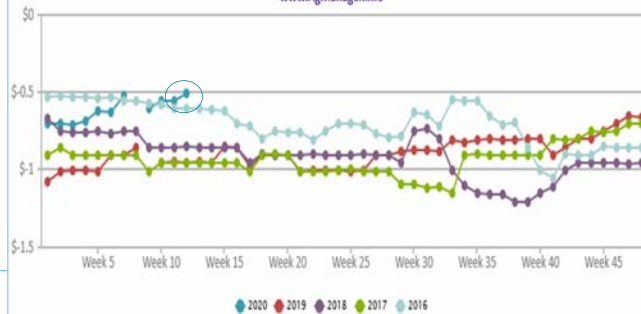
Source: DTN Grains, 4/2/2020



KS Soybean Basis: Garden City & Salina

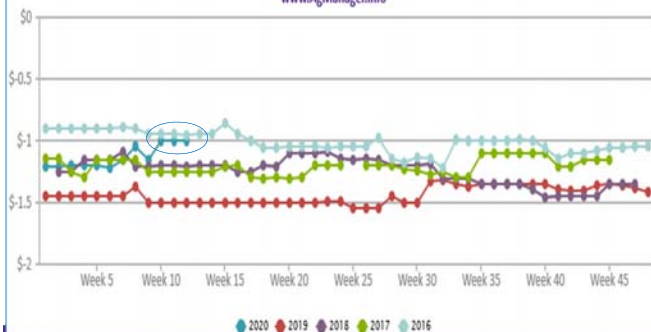
SALINA, KS: Soybeans Basis - CARGILL

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GARDEN CITY, KS: Soybeans Basis - GARDEN CITY COOP

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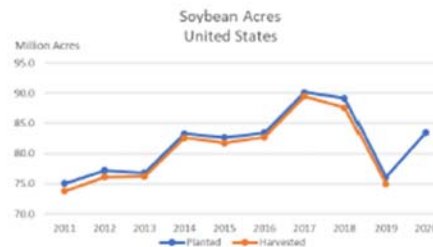


March 2020 Soybeans Planted Acreage

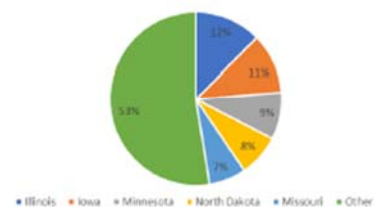


	Planted (1,000 Acres)
United States	83,510
% Change from Previous Forecast	N/A
% Change from Previous Season	9.7 ↑
	Top 5 States
	Planted (1,000 Acres)
Illinois	10,500 ↑
Iowa	9,300 ↑
Minnesota	7,400 ↑
North Dakota	6,600 ↑
Missouri	5,800 ↑

↑ ↓ change from 2019



2020 Soybean Planted Acres
By State

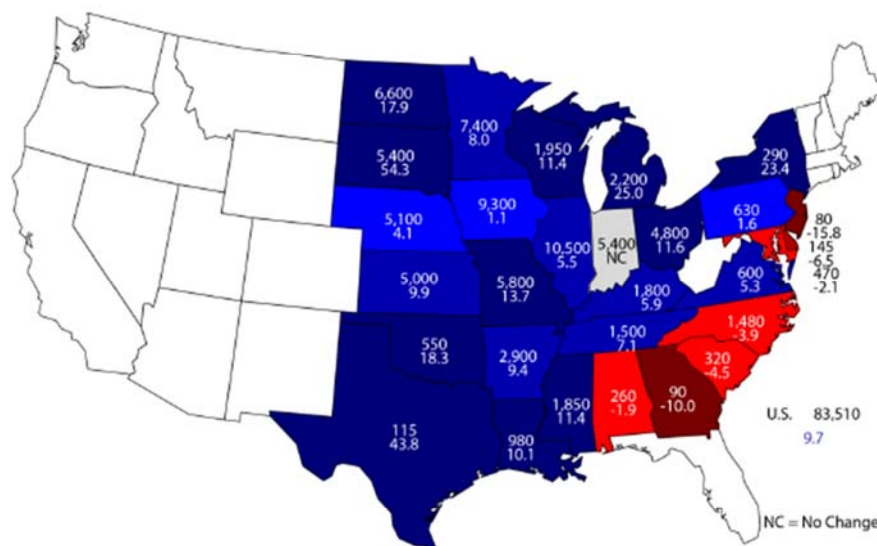


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2020 Soybean Planted Area (000) Acres and Percent Change from Previous Year

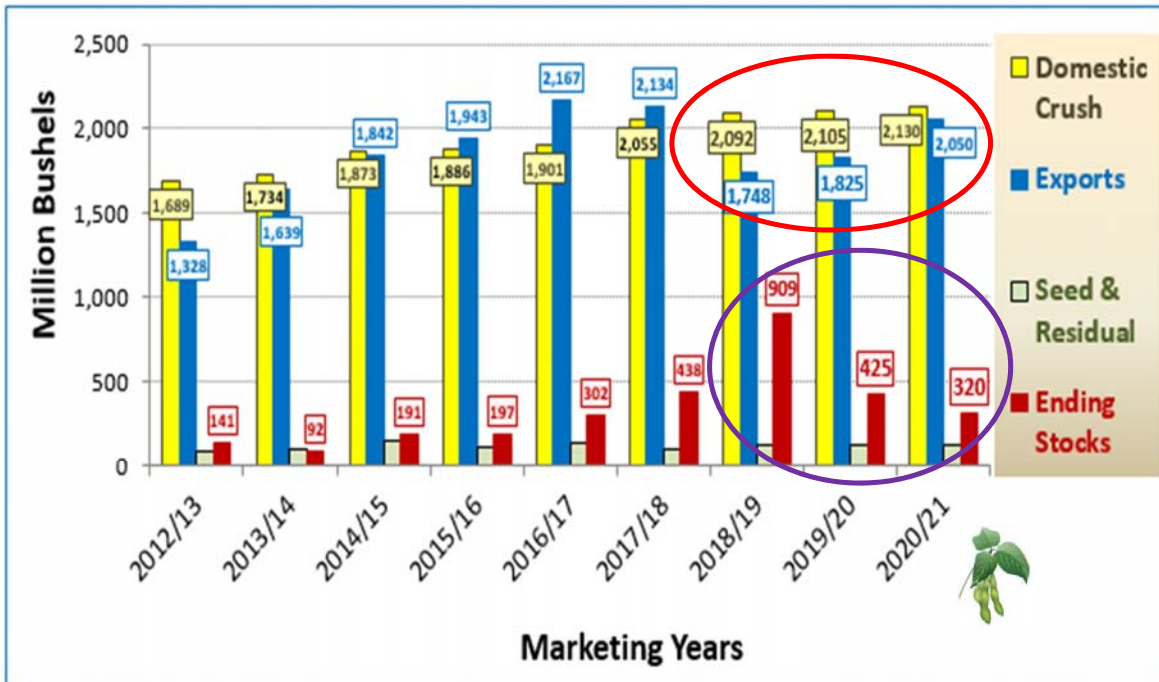


Down >=10 Up 0.1-4.9 Down 5.1-9.9 Up 5-9.9 Down 0.1-5 Up >=10 No Change

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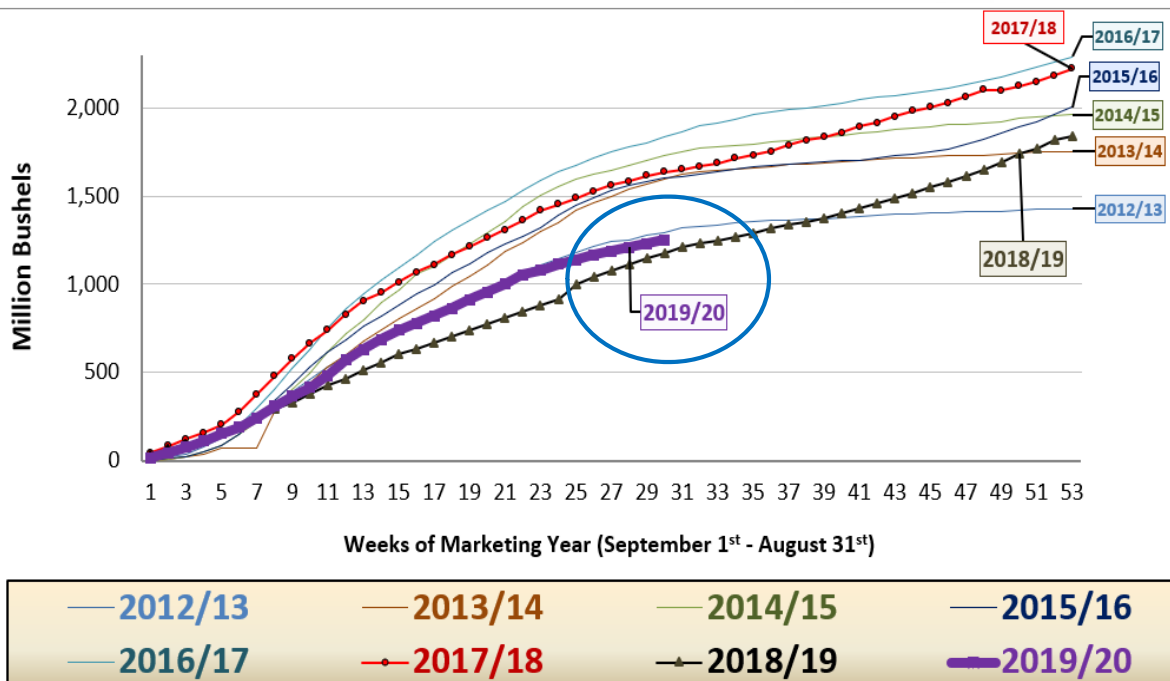
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U.S. Soybean Use & End Stocks



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U.S. Soybean Exports – Weekly thru 3/26/2020



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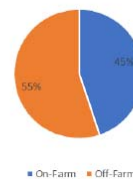
March 2020 Soybean Stocks



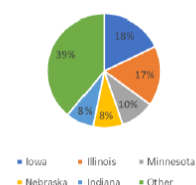
	March 1 Total (1,000 Bu)	March 1 On-Farm (1,000 Bu)	March 1 Off-Farm (1,000 Bu)
United States	2,253,277	1,011,500	1,241,777
% Change from Previous Season	17.4 ↓	20.4 ↓	14.8 ↓
Top 5 States - by Total Stocks			
	March 1 Total (1,000 Bu)	March 1 On-Farm (1,000 Bu)	March 1 Off-Farm (1,000 Bu)
Iowa	403,049 ↓	185,000 ↓	218,049 ↓
Illinois	385,384 ↓	155,000 ↓	230,384 ↓
Minnesota	218,340 ↓	125,000 ↓	93,340 ↓
Nebraska	191,986 ↓	56,000 ↓	135,986 ↓
Indiana	174,295 ↓	91,000 ↓	83,295 ↓

↑ ↓ change from 2019

March 1, 2020 Soybean Stocks
By Position



March 1, 2020 Soybean Stocks
By State



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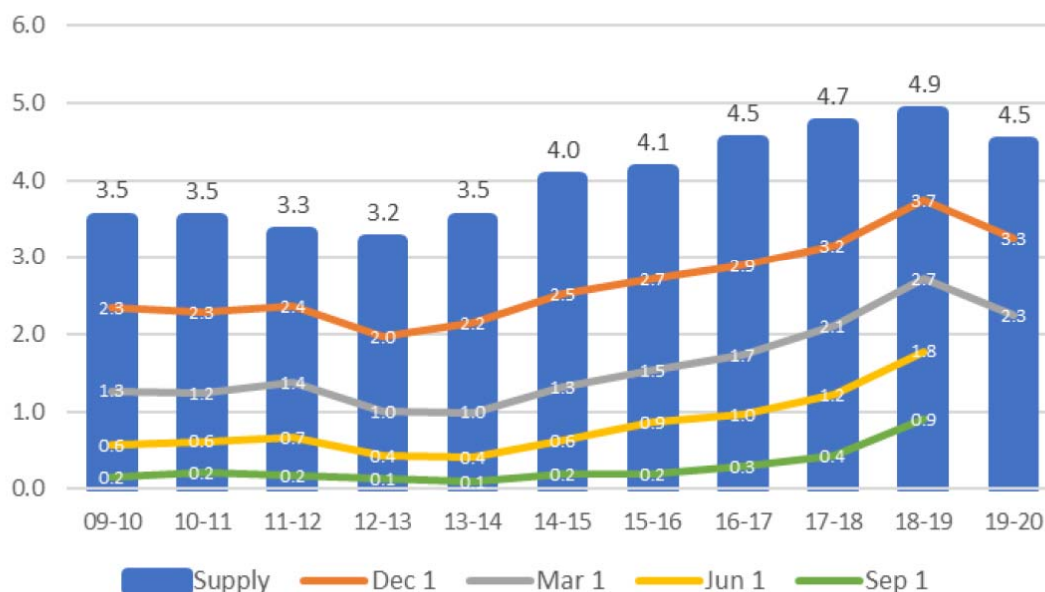
March 31, 2020



March 2020 Soybean Stocks United States



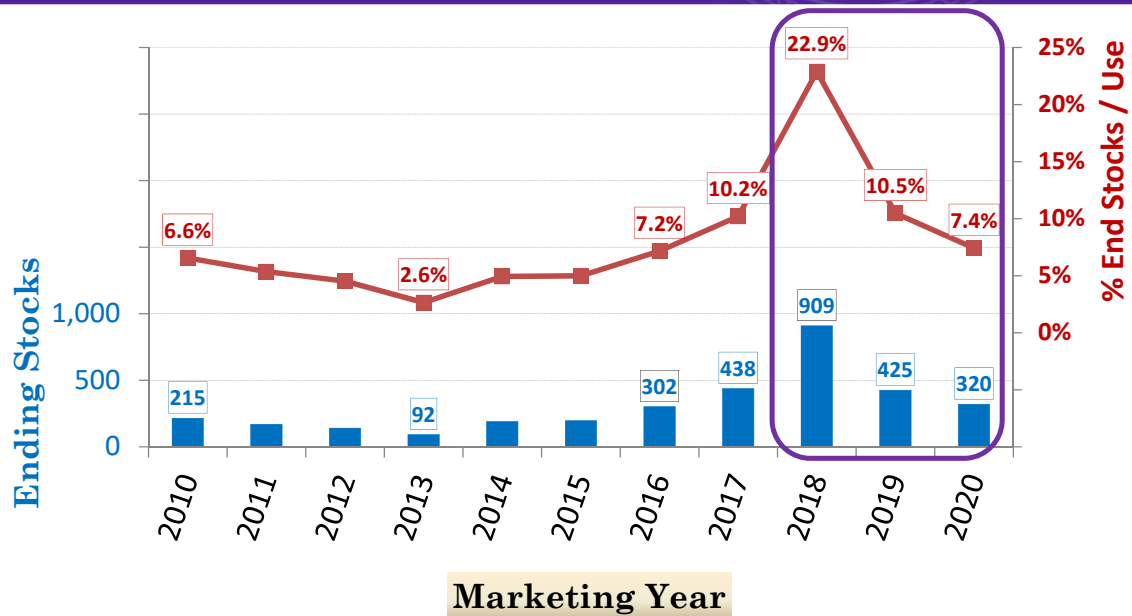
Billion Bushels



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March 31, 2020

U.S. Soybean End Stocks & % Stocks/Use

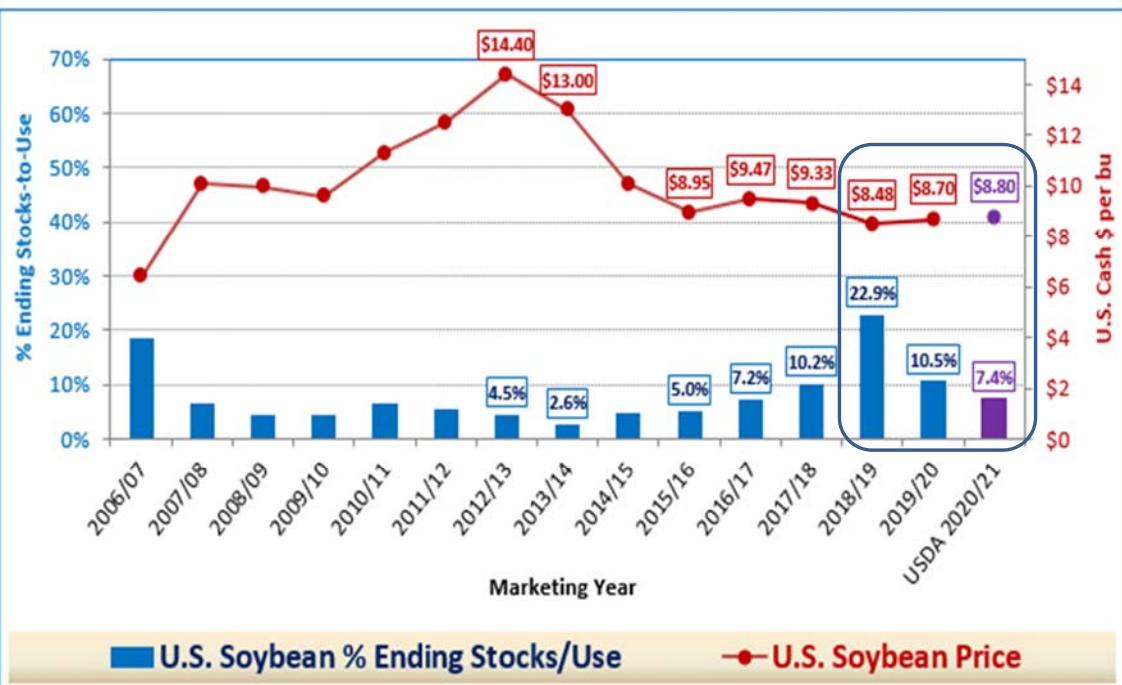


■ Ending Stocks

■ % End Stocks/Use

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U.S. Soybean % Stocks/Use vs Price\$

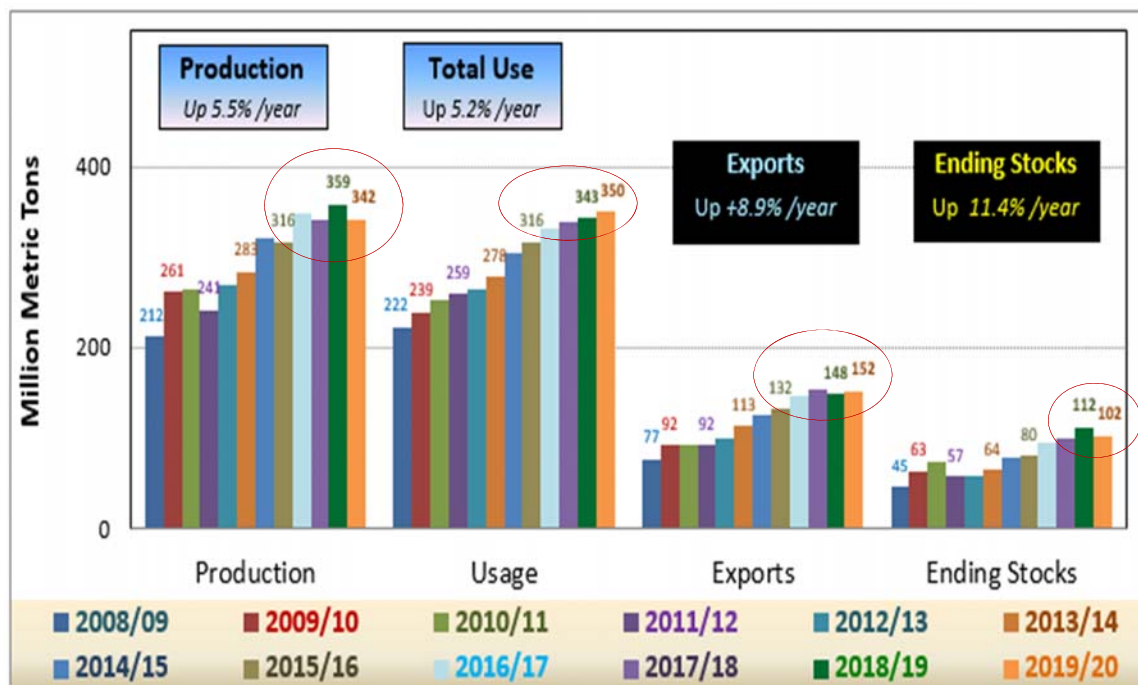


■ U.S. Soybean % Ending Stocks/Use

● U.S. Soybean Price

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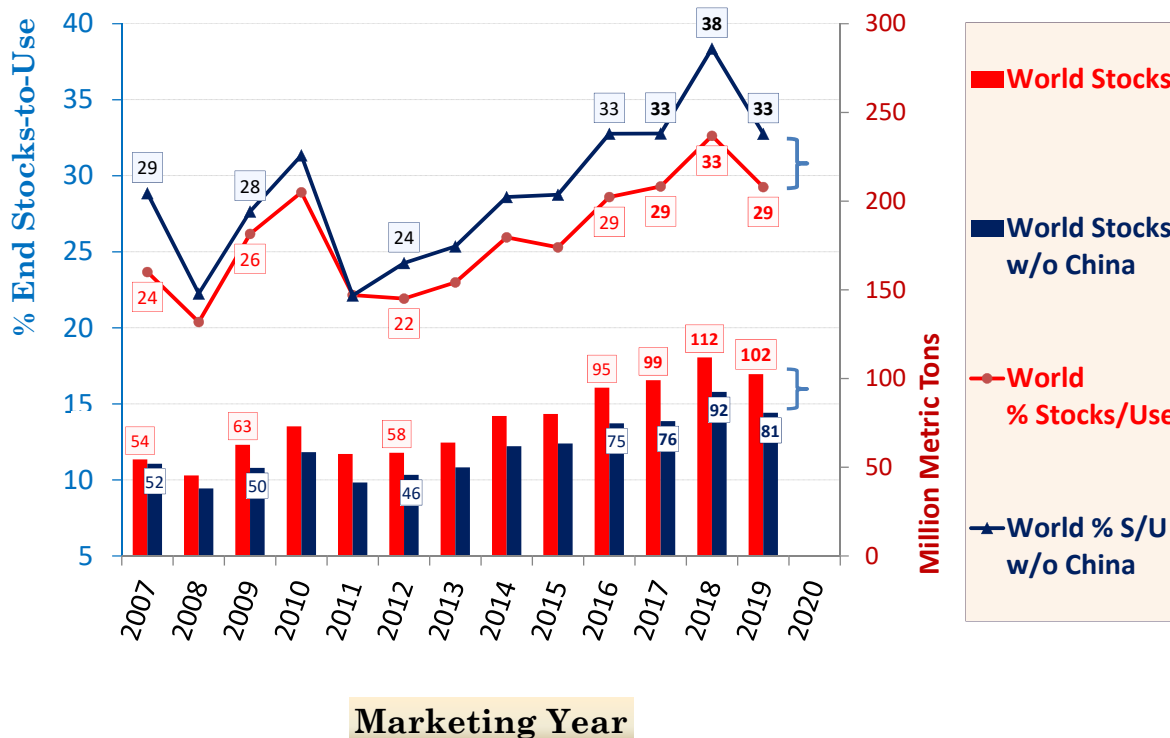
World Soybean Supply, Use & Stocks



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World & World-less-China SOYBEAN Stocks & %S/U



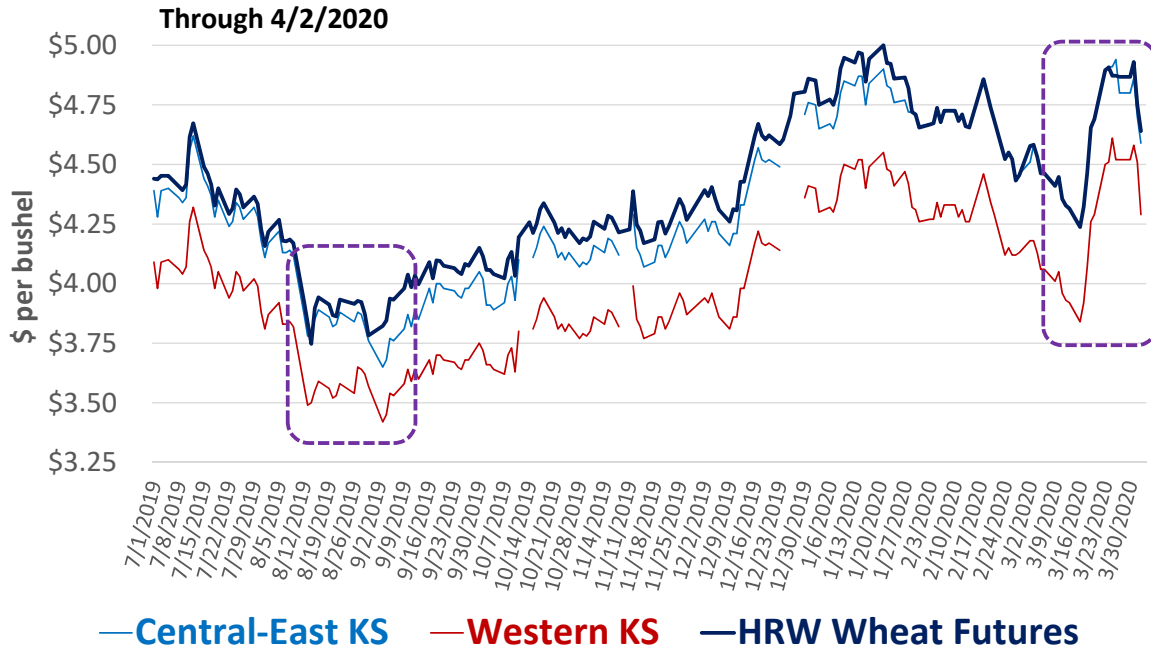
2020 HRW Wheat Markets



Key Points re: U.S. Wheat Markets

- **Strong Domestic Milling Demand for U.S. Wheat**
 - U.S. consumer's risk averse response to COVID-19
 - o *As pandemic continues – likely that strong domestic use will also*
- **2020 U.S. Wheat Planting Prospects**
 - o HRW Wheat²⁰²⁰ – 30.775 million ac. (vs 31.2 ma²⁰¹⁹ & 31.2 ma²⁰¹⁸)
 - o Spring Wheat²⁰²⁰ – 12.590 million ac. (vs 12.7 ma²⁰¹⁹ & 13.2 ma²⁰¹⁸)
 - ➡ *Less graze out \$/or abandonment with higher HRW Wheat \$'s*
- **Est. 2020 Production & End Stocks** (IF “good” yields)
 - o 2020 U.S. Wheat Production^{Est.}: 1.825 – 1.850 billion bushels
 - o Ending Stocks^{Est.}: 700^{KSU}-777^{USDA} mb - with 32%-36% Stocks/Use
 - o U.S. Season Avg. Wheat \$: \$4.90^{USDA} - \$5.35^{KSU} /bu

KS HRW Wheat Futures & KS Cash \$'s



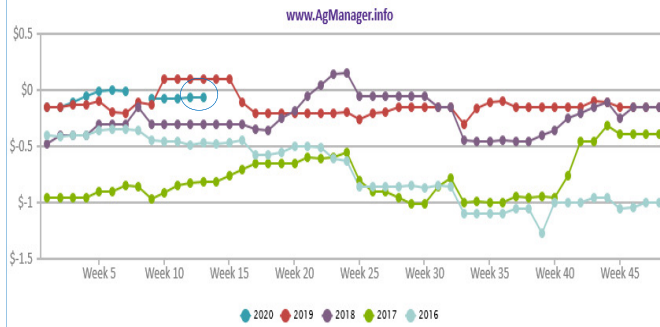
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MAY 2020 KS HRW Wheat Futures

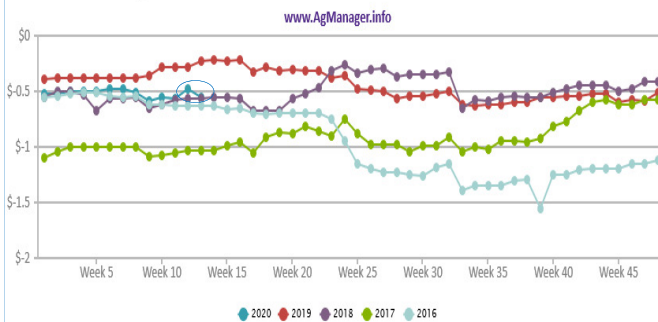


KS HRW Wheat Basis: Great Bend & Salina

SALINA, KS: Hard Red Winter Wheat Basis - CARGILL



COLBY, KS: Hard Red Winter Wheat Basis - CORNERSTONE AG



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March 2020 Winter Wheat Planted Acreage



United States
% Change from Previous
Forecast
% Change from Previous
Season

Planted
(1,000 Acres)

30,775

0.1 ↓

1.2 ↓

Top 5 States

Planted
(1,000 Acres)

Kansas

6,800 ↓

Texas

4,800 ↑

Oklahoma

4,300 ↑

Colorado

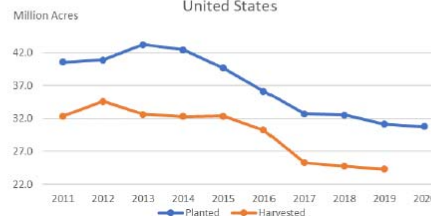
1,850 ↓

Washington

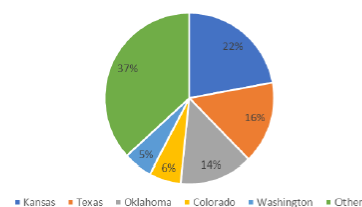
1,700 ↓

↑ ↓ change from 2019

Winter Wheat Acres
United States



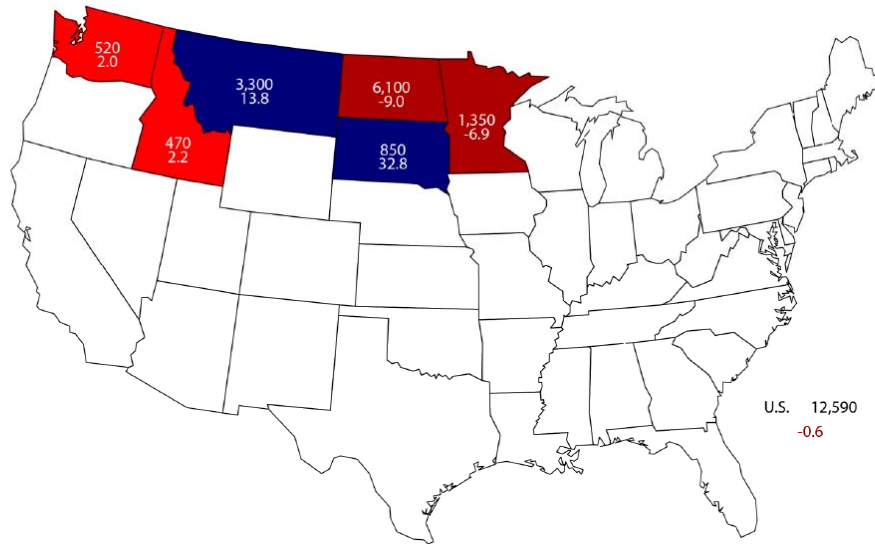
2020 Winter Wheat Planted Acres
By State



March 31, 2020



2020 Other Spring Wheat Planted Area (000) Acres and Percent Change from Previous Year



Down 5.1-9.9 Up 0.1-4.9 Up >=10

United States Department of Agriculture
National Agricultural Statistics Service

March 31, 2020



March 2020 All Wheat Stocks



United States
% Change from Previous
Season

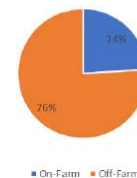
March 1 Total (1,000 Bu)	March 1 On-Farm (1,000 Bu)	March 1 Off-Farm (1,000 Bu)
1,412,367	338,690	1,073,677
11.3 ↓	7.9 ↓	12.4 ↓

Top 5 States - by Total Stocks

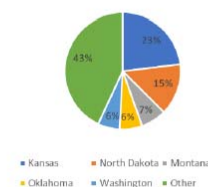
	March 1 Total (1,000 Bu)	March 1 On-Farm (1,000 Bu)	March 1 Off-Farm (1,000 Bu)
Kansas	326,839 ↓	12,500 ↑	314,339 ↓
North Dakota	202,145 ↓	130,000 ↓	72,145 ↓
Montana	100,681 ↑	66,000 ↓	34,681 ↑
Oklahoma	88,275 ↓	1,800 ↓	86,475 ↓
Washington	86,414 ↓	8,900 ↑	77,514 ↓

↑ ↓ change from 2019

March 1, 2020 Wheat, All Stocks
By Position



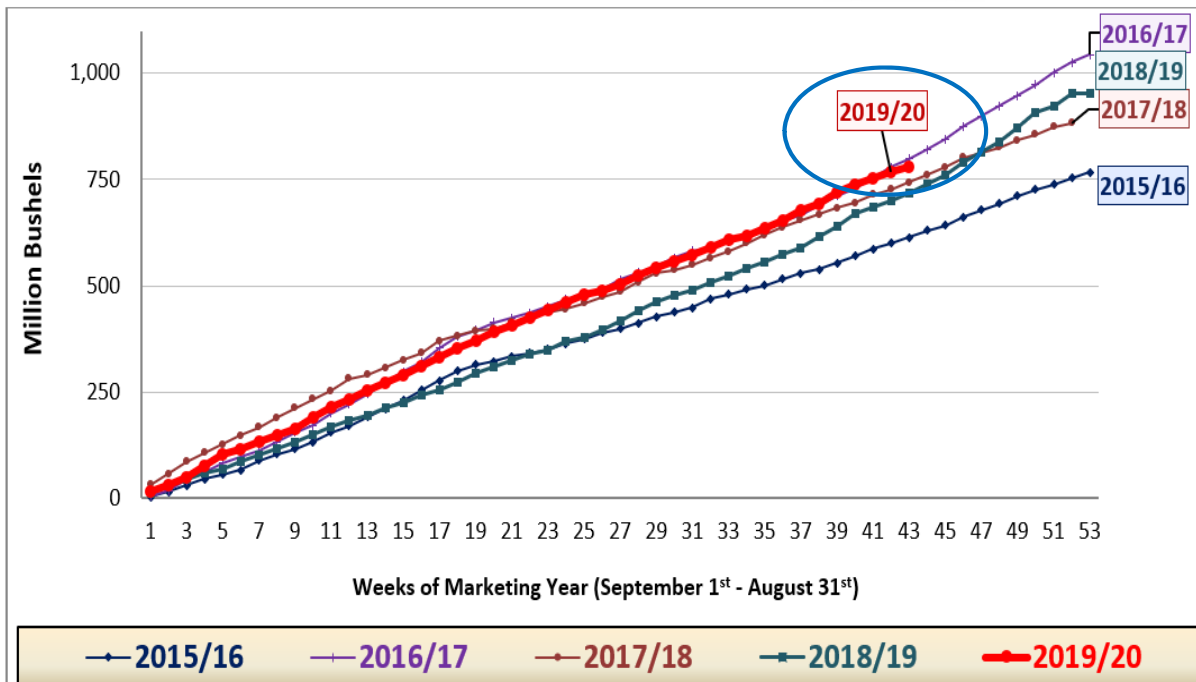
March 1, 2020 Wheat, All Stocks
By State



United States Department of Agriculture
National Agricultural Statistics Service

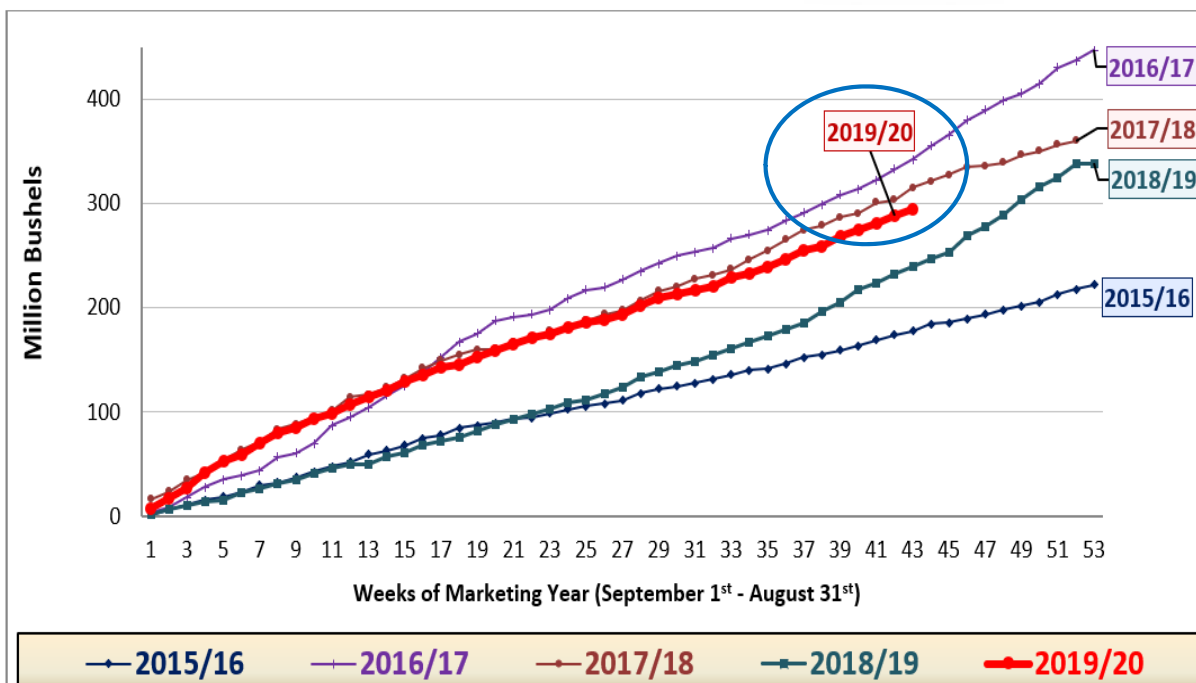
March 31, 2020

U.S. Wheat Exports – Weekly thru 3/26/2020



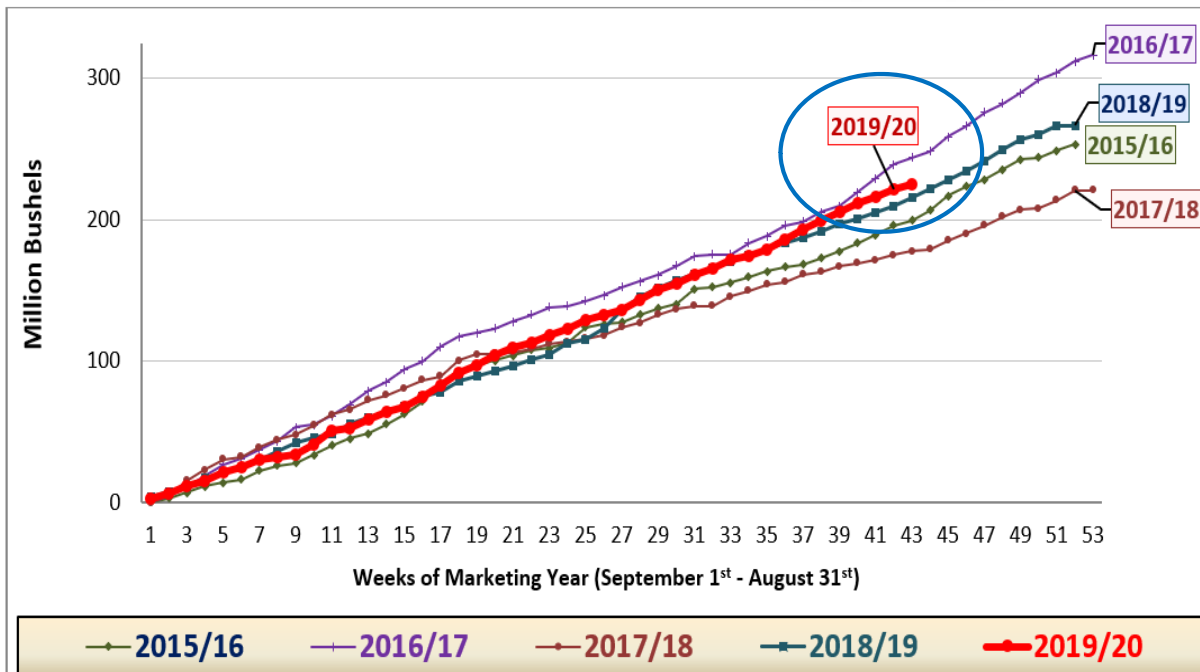
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U.S. HRW Wheat Exports – Weekly thru 3/26/2020



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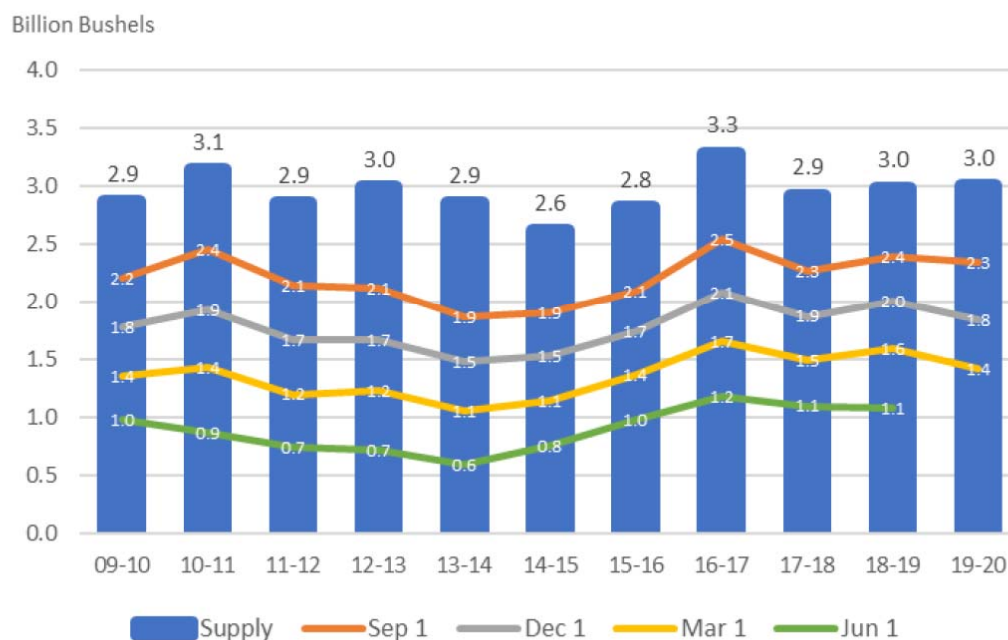
U.S. HRS Wheat Exports – Weekly thru 3/26/2020



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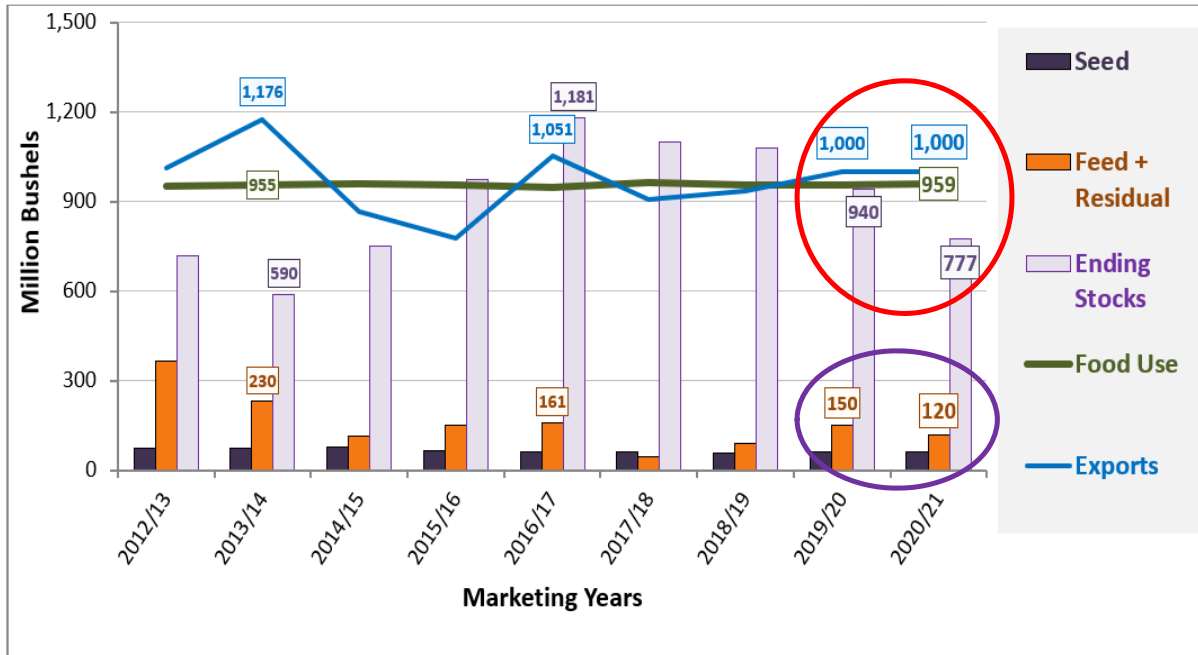
March 2020 All Wheat Stocks United States



United States Department of Agriculture
National Agricultural Statistics Service

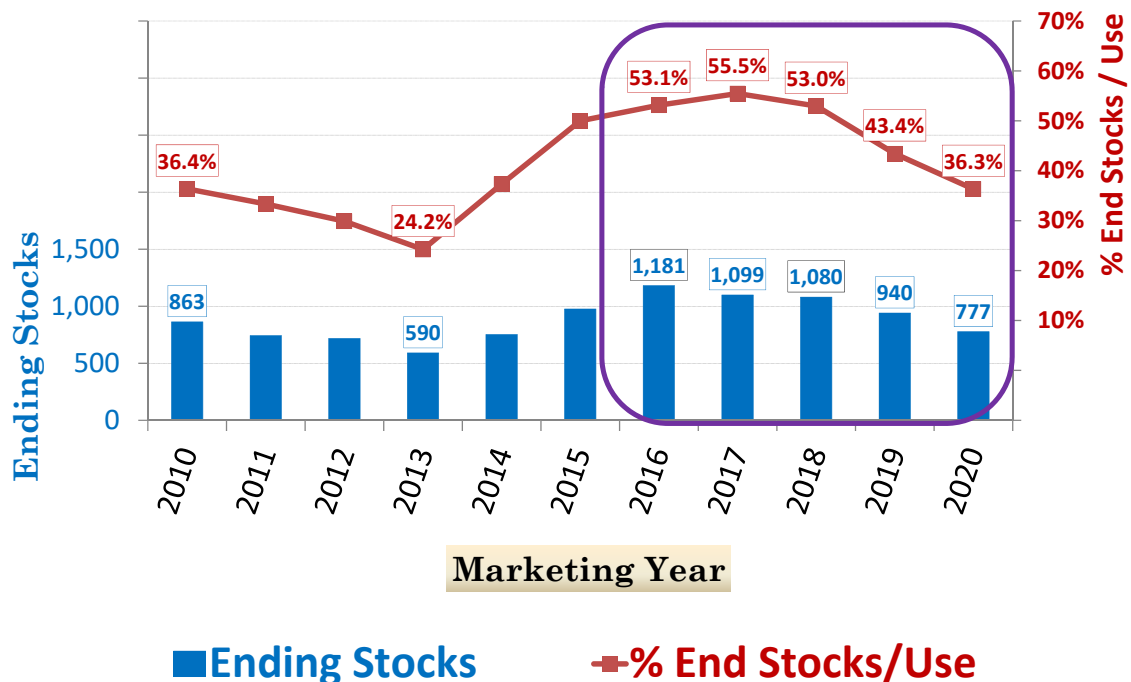
March 31, 2020

U.S. Wheat Use & End Stocks



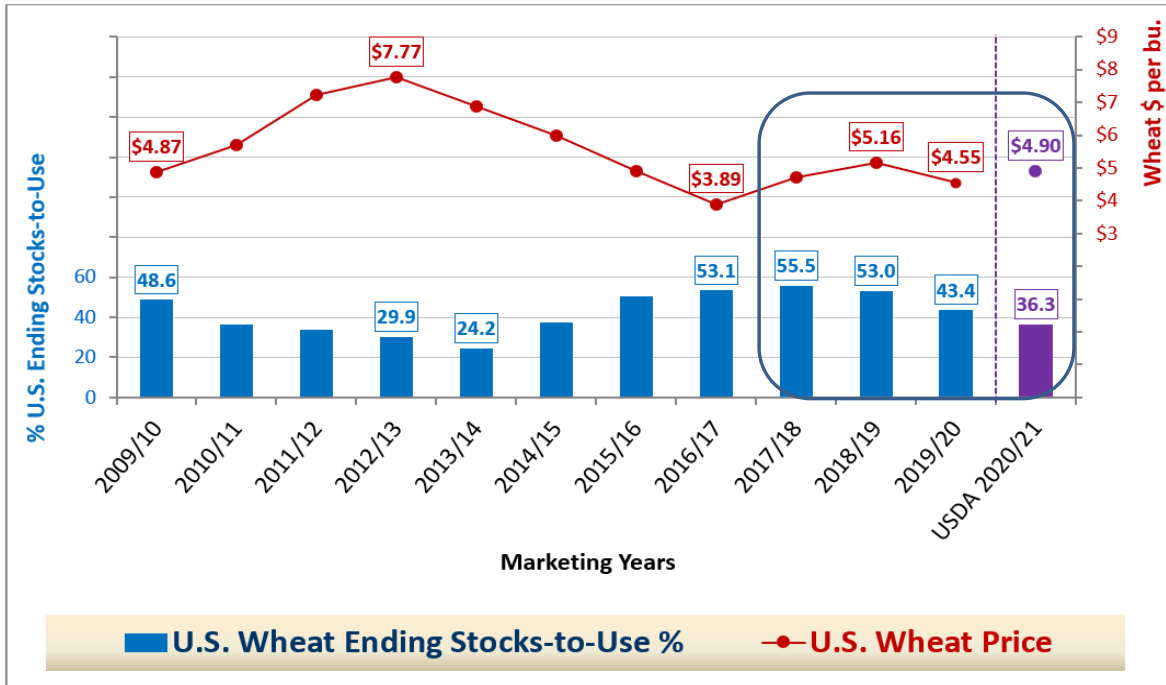
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U.S. Wheat End Stocks & % Stocks/Use



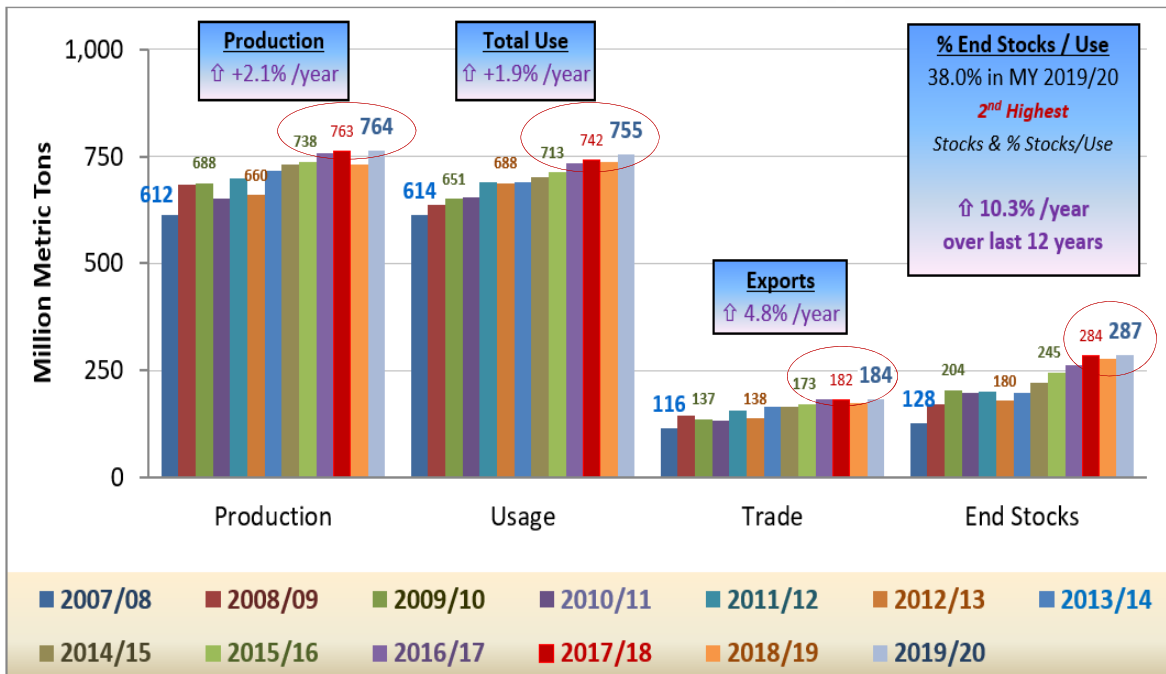
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U.S. Wheat % Stocks/Use vs Price\$



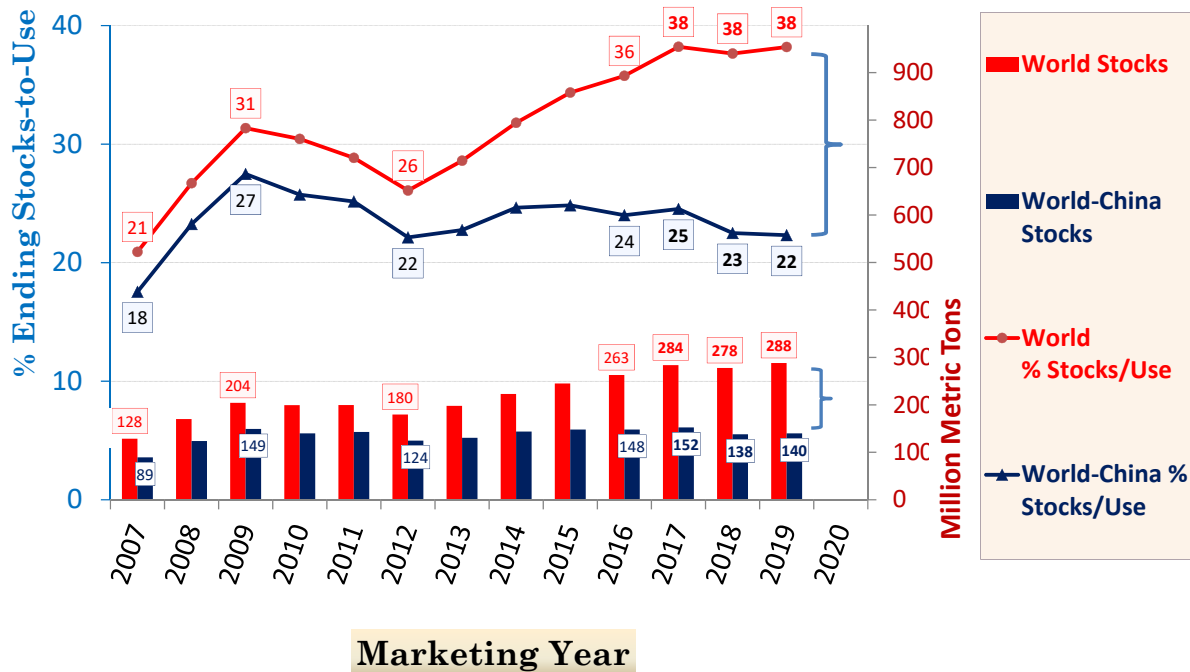
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World Wheat Supply, Use & Stocks



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World & World-less-China WHEAT Stocks & %S/U



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Key Points re: U.S. Grain Markets

- **COVID-19 Economic Impacts may go “both ways”**
 - While the U.S. grain industry is hurt, so may be other countries
 - o Brazil & Argentina are using “mixed strategies” @ control
 - U.S. exports to be affected IF So. America has major COVID-19 effects
- **Some “strength” in Consumer Food Demand**
 - o People’s risk aversion effects could yet periodically “surge”
- **IF this “Recession^{U.S.-World}” has a “Quick” Recovery....**
 - Q? Recovery of U.S. Ethanol? What % of industry in position then?
 - Q? Value of U.S. Dollar? At this time – U.S. Dollar is “safest haven”
 - Q? What permanent changes will this cause in the U.S. economy & the U.S. & World Agricultural policies? (*Production, Logistics, Stocks?*)



Upcoming Reports



	Report Title
April 1	CAIR: Cotton System
	CAIR: Fats & Oils
	CAIR: Grain Crushings
	Crop Progress
April 9	Crop Production
April 13	Crop Production Historical Track Records
April 24	Cattle on Feed
April 30	Agricultural Prices
June 30	2020 Acreage & June 1 st Grain Stocks



<https://www.nass.usda.gov/Publications/index.php>

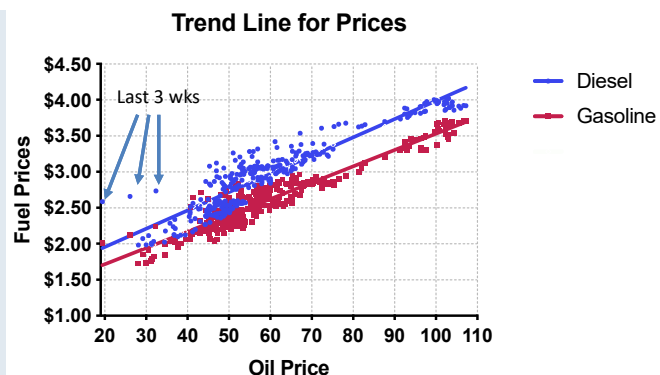
United States Department of Agriculture
National Agricultural Statistics Service

March 31, 2020

Oil Prices and the Effect on Diesel



Last year of oil prices



\$20 oil should give us \$2 highway diesel prices
50 cent price decline still possible



Other Inputs

- Fertilizer
 - Lower compared to last year
 - DAP, MAP, and ANHY - \$100/ton lower
 - Prices could be much lower by mid-summer
 - Supply considerations from China for P
- Seeds
 - Shouldn't be an issue – US production
- Chemicals
 - China is a source of generic products
- Labor
 - Depends on number of people sick
 - Was a factor during the Spanish flu