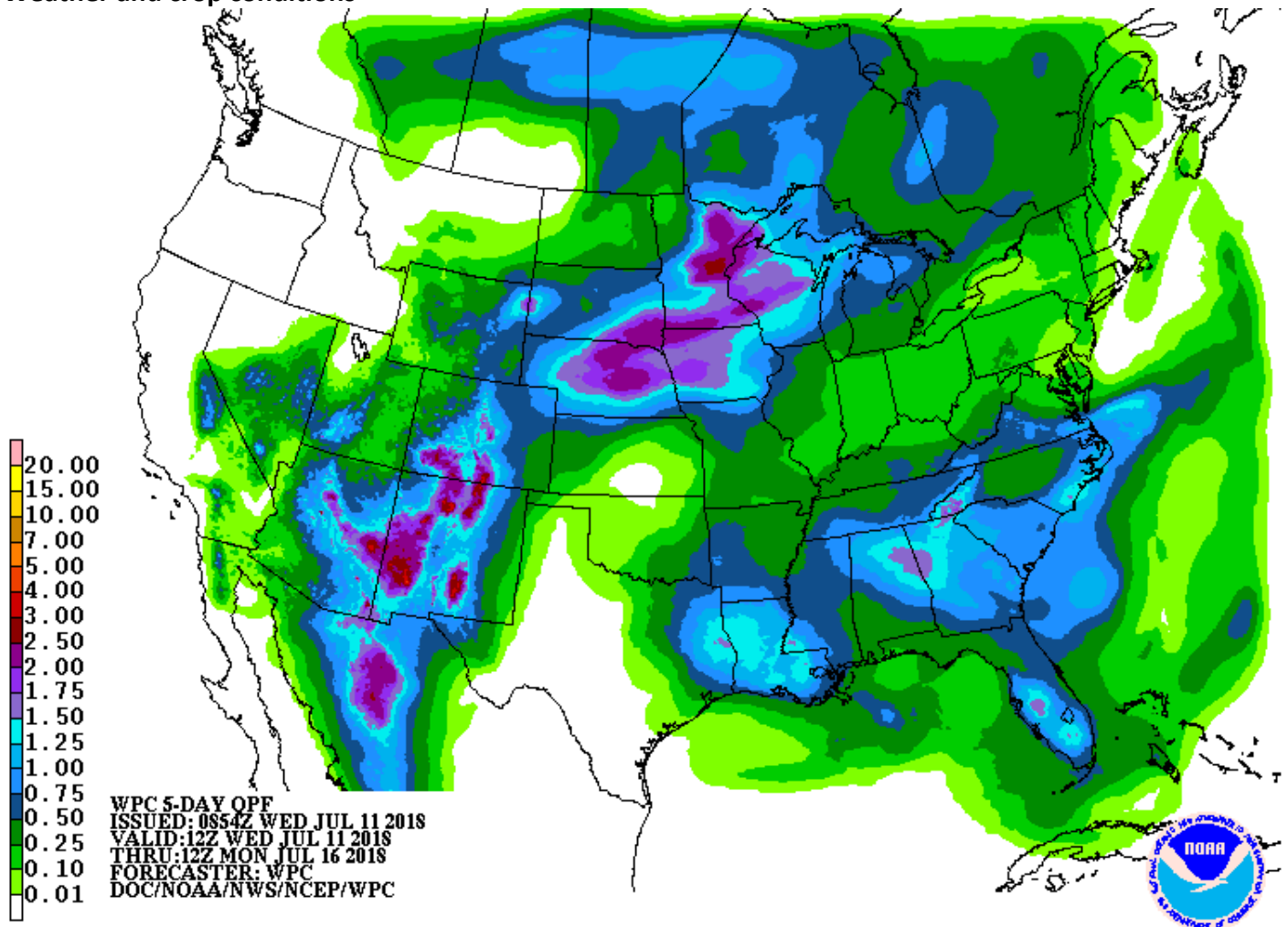




Weather and crop conditions

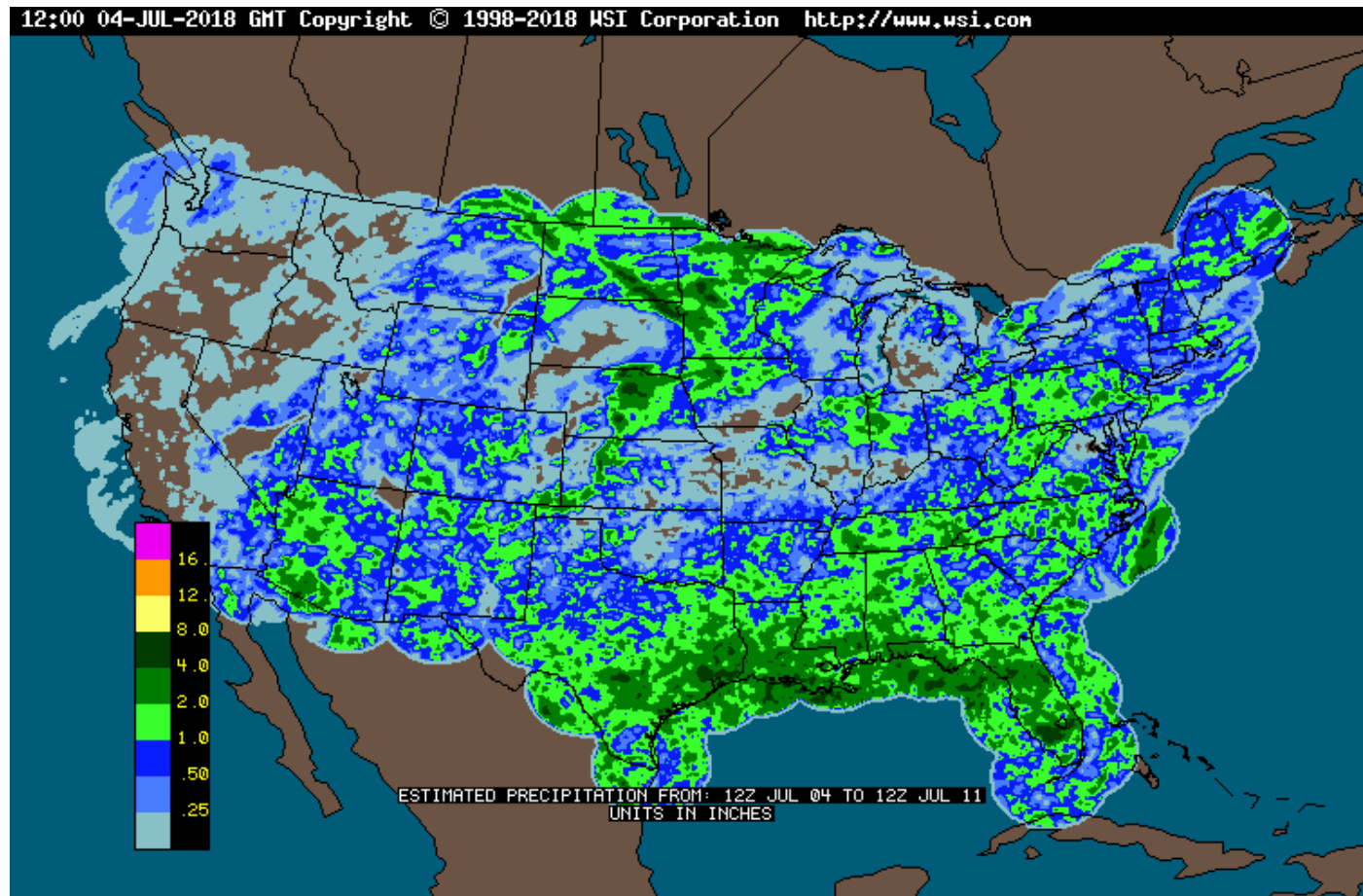


- Today's forecast was wetter for the driest parts of the Midwest (eastern Kansas into Missouri and some nearby areas in southeastern Iowa and west-central Illinois) July 18-19. (WW)
- The morning forecast was also wetter for the Delta and Southeast.
- The US Midwest will see several rounds of timely rain are expected during the next two weeks, but not heavy in any locations. Some areas may receive multiple events, resulting in slowing of development.
- Temperatures will be warmer than normal across the US this week but trend cooler by the end of the week.
- For areas that receive little or no precipitation, we believe crop stress is most vulnerable across eastern Kansas into Missouri and portions of southeastern Iowa and west-central Illinois. These areas show short top soil moisture, and should be monitored over the next couple of weeks.
- Rain prospects improve for the Delta.
- Periodic rainfall and warm temperatures should be good for summer crop development for US hard red wheat.
- The Canadian Prairies will see rain early this week.
- There are no issues with Brazil second corn crop harvesting.

- Europe will continue to see net drying in parts of the northern and western growing regions, but in general weather is expected to improve this weekend into next week for many dry areas.
- Net drying is expected to persist across eastern Ukraine and in Russia's southern, central and Volga regions.
- Australia will see an increase in net drying.

Source: World Weather Inc. and FI

From the weekly precipitation map, you can see net drying across a large portion of the lower WCB and far eastern areas of the central ECB.



SIGNIFICANT CORN AND SOYBEAN BELT PRECIPITATION EVENTS

	WEST CORN BELT	EAST CORN BELT
Tdy-Fri	40% cvg of up to 0.75" and local amts over 2.0"; east-central and SE S.D. to Wi. wettest; south and far NW driest.	Mostly dry with a few insignificant showers
Sat		15% cvg of up to 0.35" and local amts to 0.60"; wettest west and north
Sat-Mon	80% cvg of up to 0.75" and local amts to 2.0"	
Sun-Tue		85% cvg of up to 0.75" and local amts to 2.0"
Tue	20% cvg of up to 0.65" and local amts to 1.35"; central areas wettest	
Jul 18-19	40% cvg of up to 0.75" and local amts to 2.0"	

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Jul 18-20	60% cvg of up to 0.75" and local amts to 1.75"; driest north
Jul 20-21	45% cvg of up to 0.35" and locally more; wettest north
Jul 21-22	30% cvg of up to 0.25" and locally more
Jul 22-24	50% cvg of up to 0.40" and locally more
Jul 23-24	50% cvg of up to 0.40" and locally more

U.S. DELTA/SOUTHEAST SIGNIFICANT PRECIPITATION EVENTS

DELTA		SOUTHEAST
Tdy-Sun		20-40% daily cvg of up to 0.75" and locally more each day; rain shifts from NE to SW during the period
Thu-Fri	5-20% daily cvg of up to 0.30" and locally more each day	
Sat-Sun	15-35% daily cvg of up to 0.40" and locally more each day	
Mon-Tue	55% cvg of up to 0.60" and local amts to 1.30"; wettest north	70% cvg of up to 0.75" and local amts to 1.75"
Jul 18-19	60% cvg of up to 0.75" and local amts to 1.50"; wettest north	
Jul 18-21		15-35% daily cvg of up to 0.50" and locally more each day
Jul 20-25	10-25% daily cvg of up to 0.30" and locally more each day	
Jul 22-25		10-25% daily cvg of up to 0.35" and locally more each day

Source: World Weather Inc. and FI

Upcoming

THURSDAY, JULY 12:

- USDA weekly net-export sales for corn, wheat, soy, cotton, 8:30am
- U.S. National Weather Service's Climate Prediction Center will release its latest forecast for El Nino, 9am
- USDA's monthly World Agricultural Supply and Demand Estimates (WASDE) report for July, noon
- Brazil coffee exporters group Cecafe releases data on shipments in June and the prospect for exports in 2018-19 crop
- Strategie Grains publishes monthly EU grains report
- Port of Rouen data on French grain exports
- Buenos Aires Grain Exchange weekly crop report
- Bloomberg weekly survey of analysts' expectations on grain, sugar prices
- EARNINGS: Suedzucker

FRIDAY, JULY 13:

- China's General Administration of Customs releases preliminary commodity trade data for June, including soy and palm oil, 10pm ET Thursday (10am Beijing Friday)
- ICE Futures Europe commitments of traders weekly report on coffee, cocoa, sugar positions, ~1:30pm ET (~6:30pm London)
- CFTC commitments of traders weekly report for period ending July 10 on positions for various U.S. futures and options, 3:30pm
- FranceAgriMer weekly updates on French crop conditions

Source: Bloomberg and FI

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Reuters poll for US Ending Stocks

PREDICTING USDA FOR 2017-18 (OLD CROP) and 2018-19 (NEW CROP):

	2017-18		2018-19		
	Corn	Soy	Wheat	Corn	Soy
Average trade estimate	2.107	0.507	0.973	1.712	0.471
Highest trade estimate	2.177	0.530	1.021	1.922	0.571
Lowest trade estimate	2.052	0.478	0.924	1.545	0.390
USDA June	2.102	0.505	0.946	1.577	0.385
Futures International	2.132	0.495	1.013	2.022	0.405

Source: Reuters, USDA and FI

Reuters poll for US Production

PREDICTING USDA FOR 2018-19 US PRODUCTION AND YIELD:

	Corn		Soybeans		
	Production	Yield	Production	Yield	
Average trade estimate	14.269	174.9	4.314	48.6	
Highest trade estimate	14.683	179.5	4.402	49.5	
Lowest trade estimate	14.045	172.6	4.200	47.0	
USDA June	14.040	174.0	4.280	48.5	
Futures International	14.555	178.0	4.310	48.5	

Source: Reuters, USDA and FI

Reuters poll for US Winter Wheat Production

USDA predictions for 2018-19 crop production:

	All Wheat	All Winter	Hard Red Winter	Soft Red Winter	White Winter	Other Spring	Durum
Average trade estimate	1.858	1.196	0.650	0.316	0.229	0.599	0.072
Highest trade estimate	1.923	1.218	0.675	0.334	0.244	0.646	0.083
Lowest trade estimate	1.825	1.178	0.634	0.305	0.202	0.568	0.060
USDA June	1.827	1.198	0.650	0.316	0.232	--	--
Futures International	1.900	1.224	0.674	0.318	0.232	0.600	0.075

Source: Reuters, USDA and FI

Reuters poll for USDA June world crop end stocks

PREDICTING USDA FOR 2017-18 (OLD CROP) AND 2018-19 (NEW CROP):

	2017-18			2018-19		
	Wheat	Corn	Soy	Wheat	Corn	Soy
Average trade estimate	272.5	191.4	91.8	265.1	156.3	88.2
Highest trade estimate	274.5	192.9	93.0	268.0	163.0	92.0
Lowest trade estimate	271.0	189.5	89.0	262.0	151.0	85.0
USDA June	272.4	192.7	92.5	266.2	154.7	87.0
Futures International	272.9	192.0	92.0	264.9	161.0	85.6

Source: Reuters, USDA and FI

Bloomberg News surveys**U.S. Corn, Soy, Wheat Inventory Survey Before USDA WASDE Report**

=====				
	-----Survey Results-----			USDA
2018-19 Crop:	Avg	Low	High	June
=====				
Corn	1,725	1,455	2,022	1,577
Soybeans	498	380	797	385
Wheat	985	924	1,084	946
2017-18 Crop:				
Corn	2,115	2,058	2,200	2,102
Soybeans	512	478	631	505

U.S. Corn, Soybean Production Survey Before USDA WASDE Report

=====				
	-----Survey Results-----			USDA
2018-19 Crop:	Avg	Low	High	2017-18
=====				
Corn	14,304	14,045	14,683	14,040
Corn Yield	175.1	172.6	179.5	174.0
Soybeans	4,324	4,220	4,430	4,280
Soybean Yield	48.7	47.5	50.0	48.5

U.S. 2018 Wheat Production Survey Before USDA WASDE Report

=====				
	-----Survey Results-----			USDA
2018 Crop:	Avg	Low	High	June
=====				
All Wheat	1,860	1,769	1,923	1,827
All Winter				
Wheat	1,199	1,178	1,224	1,198
HRW	652	634	675	650
SRW	316	305	334	316
White Winter	230	202	244	232
Durum	74	60	83	n/a
Other Spring	600	568	646	n/a

World Corn, Soybeans, Wheat Survey Before USDA WASDE Report

=====				
	-----Survey Results-----			USDA
2018-19 Ending Stocks:	Avg	Low	High	June
=====				
Corn	155.7	151.0	163.0	154.7
Soybeans	88.7	85.6	92.0	87.0
Wheat	263.7	256.0	268.0	266.2
2017-18 Ending Stocks:				
Corn	191.6	188.0	193.7	192.7
Soybeans	92.0	89.0	94.0	92.5
Wheat	272.2	270.4	274.5	272.4

Brazil, Argentina Corn and Soy Survey Before USDA WASDE Report

2017-18 crop:	Survey Results			USDA
	Avg	Low	High	June
Corn - Argentina	32.7	32.0	33.0	33.0
Corn - Brazil	83.2	79.2	85.5	85.0
Soybeans - Argentina	36.7	35.5	37.5	37.0
Soybeans - Brazil	118.9	117.0	120.0	119.0

Source: Bloomberg and FI

USDA US Export Sales Projections in 000 Metric Tons

	Week ending:	Trade*	FI Estimates	Last Week		Year Ago	
		Estimates	7/5/2018	ACTUAL		7/6/2017	
Beans	2017-18	200-500	300-500	2017-18	561.7		228.0
	2018-19	250-550	350-550		458.7		455.0
Meal	2017-18	50-250	100-200	Sales	132.8	Sales	3.7
	2018-19	30-150	50-100		61.6		137.0
	Shipments	NA	150-350	Shipments	250.9	Shipments	128.8
Oil	2017-18	10-30	15-30	Sales	36.6	Sales	16.2
	2018-19	0-10	0-10		3.8		0.0
	Shipments	NA	5-15	Shipments	34.2	Shipments	7.5
Corn	2017-18	400-800	450-650	2017-18	440.8		161.1
	2018-19	250-550	225-425	2018-19	232.1		279.7
Wheat	2018-19	200-500	350-550	2018-19	440.1		357.7

Source: FI & USDA *Reuters estimates

n/c= New Crop

Macros.

- Renewed China/US trade fears surfaced late Tuesday after the US president warned another \$200 billion of import tariffs could soon go into place. U.S. Commerce Department released a list of Chinese goods that would be subject to new round of tariffs. https://ustr.gov/sites/default/files/301/2018-0026%20China%20FRN%207-10-2018_0.pdf
- China will retaliate with making US/China M&A activity harder.
- US stocks were lower, WTI crude lower.
- US PPI Ex Food and Energy June 0.3% M/M: (est 0.2% prev 0.3%)
- US PPI Ex Food, Energy and Trade June 0.3% M/M: (est 0.2% prev 0.1%)
- US PPI Final Demand June 3.4% Y/Y: (est 3.1% prev 3.1%)
- US PPI Ex Food and Energy 2.8% June Y/Y: (est 2.6% prev 2.4%)
- US PPI Ex Food, Energy and Trade June 2.7% Y/Y: (prev 2.6%)

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Corn.

- CBOT corn traded to new contract lows on a new round of proposed 10% tariffs \$200 bln of Chinese imports.
- Funds sold an estimated net 22,000 corn contracts.
- WTI Crude oil was under pressure throughout the day.
- CME increased corn maintenance margins by 11 percent to \$800 per contract.
- EPA abandoned plans to increase blending of biofuels for 2019 to make up for exempted volumes.
- USDA may increase its yield on Thursday from its current 174.0 bushels. We think they will go to 178.0 bushels.
- We are going to put our FI WASDE snapshot together Thursday morning.
- USDA plans to end the lockups for the monthly S&D reports, giving media an equal footing for access to data before they are released. Media is forbidden to share the data with the public until release time.
- The weekly US DOE report showed ethanol stocks increasing 1.9 percent to 22.393 million barrels, or 418,000 barrels from the previous week. Traders were looking for a slight decrease in stocks.
- US ethanol production fell by most since February 9th by 34,000 barrels to 1.033 million, lowest inventory level since May 18. Traders were looking for a slight decrease (2).
- The report was viewed as bearish corn futures, but larger fundamentals, namely widespread commodity selling amid China/US trade concerns, are already pressuring corn futures.
- September 2017-early July US ethanol production is running 2.6 percent above the same period a year ago.
- With corn prices on the move lower over the past month, the US corn crush spread hit its highest level since early September 2017.

US Weekly Petroleum Status Report - Ethanol

	Ethanol Production	Change		Ethanol Stocks	Change		Days of Ethanol
	Mbbl	Last Week	Last Year	Mbbl	Last Week	Last Year	
5/25/2018	1041	13	2.1%	21,263	-866	-6.6%	21.3
6/1/2018	1041	0	4.2%	21,897	634	-0.4%	20.4
6/8/2018	1053	12	5.1%	22,174	277	-1.6%	20.8
6/15/2018	1064	11	7.5%	21,647	-527	-2.8%	20.8
6/22/2018	1072	8	5.6%	21,674	27	-0.8%	20.2
6/29/2018	1067	-5	5.2%	21,975	301	1.9%	20.3
7/6/2018	1033	-34	2.6%	22,393	418	5.7%	21.3

Source: EIA and FI

Export Developments

- None reported.
- China sold about 50-51 million tons of corn this season. China will offer more corn on July 12 & 13.

US Weekly Ethanol By PADD

Ethanol Stocks	6-Jul 2018	29-Jun 2018	Change	Weekly Percent	4-Week Percent	YOY Percent
Total Stocks	22393	21975	418	1.9%	3.4%	5.7%
East Coast PADD 1	7083	7042	41	0.6%	0.8%	-5.5%
Midwest PADD 2	7612	7589	23	0.3%	-0.6%	4.4%
Gulf Coast PADD 3	5029	4832	197	4.1%	13.5%	37.4%
Rocky Mt. PADD 4	338	355	-17	-4.8%	-0.3%	10.5%
West Coast PADD 5	2331	2157	174	8.1%	6.3%	-4.2%

Plant Production	6-Jul 2018	29-Jun 2018	Change	Weekly Percent	4-Week Percent	YOY Percent
Total Production	1033	1067	-34	-3.2%	-2.9%	2.6%
East Coast PADD 1	26	26	0	0.0%	0.0%	
Midwest PADD 2	942	980	-38	-3.9%	-3.3%	3.2%
Gulf Coast PADD 3	30	25	5	20.0%	7.1%	
Rocky Mt. PADD 4	15	14	1	7.1%	0.0%	
West Coast PADD 5	20	21	-1	-4.8%	-4.8%	

Plant Production	Crop-Year to Date YOY Percent Change			
	2017-18	2016-17	2015-16	3-Year Average
	2.6%	4.6%	2.5%	3.2%

Source: EIA and FI

Corn	Change	Oats	Change	Ethanol	Settle	
JUL8 331.25	(8.50)	JUL8 256.00	0.00	AUG8 1.40	1.40	Spot DDGS IL
SEP8 340.00	(7.75)	SEP8 236.00	0.25	SEP8 1.40	1.40	Cash & CBOT
DEC8 353.25	(7.50)	DEC8 239.75	0.75	OCT8 1.40	1.40	Corn + Ethanol
MAR9 365.00	(7.25)	MAR9 244.00	0.50	NOV8 1.39	1.39	Crush
MAY9 372.00	(7.25)	MAY9 244.25	(1.00)	DEC8 1.37	1.37	1.82
JUL9 378.00	(7.75)	JUL9 249.25	(1.00)	JAN9 1.36	1.36	

Soybean/Corn	Ratio	Spread	Change	Wheat/Corn	Ratio	Spread	Change
JUL8 JUL8	2.50	498.50	(14.00)	JUL8 1.42	138.50	(11.25)	
AUG8 SEP8	2.45	493.00	(15.00)	SEP8 1.39	131.75	(12.50)	
SEP8 SEP8	2.46	498.00	(15.25)	DEC8 1.39	137.25	(12.00)	
NOV8 DEC8	2.40	495.00	(15.75)	MAR9 1.40	144.25	(10.75)	
MAR9 MAR9	2.38	502.25	(15.75)	MAY9 1.40	149.75	(9.25)	
MAY9 MAY9	2.36	504.25	(15.75)	JUL9 1.40	149.75	(7.75)	

US Corn Basis & Barge Freight

Gulf Corn	BRAZIL Corn Basis			Chicago	-5 u dn1
JULY +45 / 49 n unch/up1	AUG +70 / +90 u	unch	Toledo	-5 u unch	
AUG +49 / 53 u up2/up2	SEPT +70 / +90 u	unch	Decatur	-15 u unch	
SEPT +54 / 59 u up1/up2	OCT +65 / +90 z	unch	Dayton	-2 u unch	
OCT +53 / 56 z unch	NOV +65 / +90 z	unch	Cedar Rapi	-17 u unch	
NOV +53 / 56 z unch	DEC +65 / +90 z	unch	Burns Harb	-27 u unch	

USD/ton:	Memphis-Cairo Barge Freight (offer)		
US Gulf 3YC Fob Gulf Seller (RTRS) 152.5 156.6 159.7 166.9 166.9 166.9	Jul	275	unchanged
China 2YC Maize Cif Dalian (DCE) 265.4 265.0 266.3 269.5 272.3 275.0	Aug	300	unchanged
Argentina Yellow Maize Fob UpRiver - 160.4 163.7 163.7 - -	Sep	400	unchanged

Source: FI, DJ, Reuters & various trade sources

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7/11/18. September corn may now trade in a large \$3.00-\$3.90 range. December corn is seen in a \$3.00-4.50 range. If the US good/excellent US corn condition hold over through July, look for December corn to possibly test the \$2.90 area.

Soybean complex.

- CBOT soybeans traded sharply lower on China/US trade fears. The crush traded above \$2.00 during the day from limited losses in soybean meal prices. Soybean meal opened the day session near unchanged and trade lower. Soybean oil fell hard following sharp declines in Malaysian palm.
- *We are taking a poll on where the price floor might be at for nearby CBOT soybeans from now until end of harvest (early November), assuming China/US trade issue do not get resolved. Lowest level we heard was \$6.50. Any feedback or response is welcome.*
- Funds sold an estimated net 14,000 soybean contracts, 3,000 meal and 5,000 soybean oil.
- CME increased soybean maintenance margins by 11 percent to \$2050 per contract.
- Mato Grosso's IMEA reported producers slowed sales of soybeans and corn after transportation costs increased. 2018-19 soybean sales were 21% complete at the end of June, compared with 20.8% from the previous month and 9.4% a year ago. Sales of the 2017-18 crop were 86.3%, up from 85.6% at the end of May and little changed from a year ago.
- Chinese officials are trying to keep local markets and traders calm by exercising monetary policy and issuing statements that they can handle feed use without the assistance of US soybeans. They are also careful on limiting media coverage, according to newswires.
- Cofco mentioned "China can meet any deficit in its domestic soy market should imports from the U.S. decline."
- China September soybean futures decreased 11 yuan per ton or 0.3%, September meal was up 32 or 1.0%, China soybean oil down 40 (0.7%) and China September palm down 52 (1.1%).
- Indonesia palm and palm kernel exports fell in May to 2.14 million tons from 2.22 million in April, and compare to 2.62 million tons in May 2017, according to GAPKI.
- Malaysia will lower its August CPO export tax to 4.5 percent from 5 percent in July.
- September Malaysian palm was 55 lower at MYR2204 and cash down \$12.50 at \$572.50.
- We look for USDA to leave its US soybean yield estimate unchanged on Thursday.
- NOPA is due out with the US soybean crush on Monday, July 16.

Export Developments

- No US export developments were reported on Wednesday.
- China sold 6286 tons of soybean oil out of 49,000 tons offered at an average price of 5000 yuan per ton, or \$754.19/ton, 12.5 percent of what was offered.
- China sold 171,778 tons of soybeans out of 493,000 tons offered at an average price of 2995 yuan per ton, or \$449.14/ton, 35 percent of what was offered. China sold 832,302 tons of soybeans out of reserves so far, this season.
- China will offer 61,000 tons of rapeseed oil on July 17.
- Iran seeks 30,000 tons of sunflower oil on July 10.
- Iran seeks 30,000 tons of palm olein oils on July 10.
- Iran seeks 30,000 tons of soybean oil on August 1.

Soybeans			Change	Soybean Meal			Change	Soybean Oil			Change
JUL8	829.75	(22.50)		JUL8	333.00	(1.40)		JUL8	28.33	(0.55)	
AUG8	833.00	(22.75)		AUG8	330.50	(1.70)		AUG8	28.43	(0.56)	
SEP8	838.00	(23.00)		SEP8	330.10	(2.40)		SEP8	28.52	(0.56)	
NOV8	848.25	(23.25)		OCT8	329.20	(2.30)		OCT8	28.61	(0.57)	
JAN9	858.25	(23.00)		DEC8	327.70	(2.60)		DEC8	28.82	(0.60)	
MAR9	867.25	(23.00)		JAN9	324.80	(3.10)		JAN9	29.09	(0.59)	
MAY9	876.25	(23.00)		MAR9	317.60	(5.80)		MAR9	29.40	(0.60)	

Soybeans	Spread	Change	SoyMeal	Spread	Change	SoyOil	Spread	Change
May/Jul	3.25	(0.25)	May/Jul	-2.50	(0.30)	May/Jul	0.10	(0.01)

Electronic Beans Crush			Oil as %	Meal/Oil \$	Meal	Oil		
Month	Margin		of Oil&Meal	Con. Value	Value	Value		
JUL8	214.48		JUL8 29.84%	\$ 16,302	732.60	311.63		
AUG8	206.83		AUG8 30.08%	\$ 15,992	727.10	312.73	EUR/USD	1.1670
SEP8	201.94		SEP8 30.17%	\$ 15,898	726.22	313.72	Brazil Real	3.8795
NOV8	190.70		OCT8 30.29%	\$ 15,754	724.24	314.71	Malaysia Bid	4.0370
NOV8/DEC8	176.30		DEC8 30.54%	\$ 15,478	720.94	317.02	China RMB	6.6764
MAR9	154.87		JAN9 30.93%	\$ 15,026	714.56	319.99	AUD	0.7368
MAY9	143.01		MAR9 31.64%	\$ 14,120	698.72	323.40	CME Bitcoin	6330
JUL9	140.72		MAY9 32.07%	\$ 13,638	692.34	326.92	3M Libor	2.337
AUG9	141.57		JUL9 32.22%	\$ 13,580	695.42	330.55	Prime rate	5.0000
SEP9	146.62		AUG9 32.31%	\$ 13,498	695.20	331.87		

US Soybean Complex Basis					
JULY	+55 / 58 n unch/dn2			DECATUR	-12 q unch
AUG	+55 / 58 u unch/dn2	IL SBM	-14 7/3/2018	SIDNEY	-10 q unch
SEPT	+40 / 46 u unch	CIF Meal	12 7/3/2018	CHICAGO	+5q unch
OCT	+45 / 49 x dn2/dn2	Oil FOB NOLA	250 7/3/2018	TOLEDO	-4 q unch
NOV	+53 / 59 x unch	Decatur Oil	-25 7/3/2018	BRNS HRBR	-30 q unch
				C. RAPIDS	-30 q unch

Brazil Soybeans Paranagua fob			Brazil Meal Paranagua			Brazil Oil Paranagua		
JULY -200 / +220 n	up5/up5		AUG	+9 / +10 q	dn1/dn2	AUG	+160 / +200 q	up10/dn40
AUG -215 / +220 q	dn5/dn8		SEP	+11 / +16 q	unch	SEPT	+160 / +230 u	up10/dn10
SEPT -225 / +235 u	dn5/dn5		OCT	+18 / +22 v	dn1/dn1	OCT	+150 / +240 v	up10/unch
OCT +225 / +240 x	up25/up35		NOV	+18 / +22 z	dn1/dn1	NOV	+150 / +240 v	up10/unch
FEB +100 / +115 f	up6/up18		DEC	+18 / +22 z	dn1/dn1	DEC	+150 / +240 v	up10/unch
Argentina meal	349 18.7		Argentina oil:	Spot fob			30.8 2.32	

Source: FI, DJ, Reuters & various trade sources

Updated 7/11/18

We lowered our nearby soybean trading range by 25 cents.

- **August soybeans are seen in a \$8.00-\$8.75 range; November \$7.75-\$9.50 range.**
- **August soybean meal \$290-355 range; December \$280-\$400 range.**
- **August soybean oil 28.00-30.00 range; December 27.00-30.50 range.**

Wheat.

- Widespread commodity selling pulled US wheat futures lower.
- Funds today sold an estimated net 10,000 SRW wheat contracts.
- December Paris wheat fell 2.25 euros to 181.00 euros.

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- French farm office, AgriMer, sees a higher wheat crop and upped their stocks estimate to 3 million tons.
- IKAR lowered 2018-19 Russia's export forecast to 41.0 million tons from 43.2 million previously.
- Russia plans to sell 1.5 million tons of wheat reserves this marketing year.
- Net drying is expected to persist across eastern Ukraine and in Russia's southern, central and Volga regions.
- The USDA Attaché updated their S&D's for Australia and wheat production for 2018-19 was estimated at 21 million tons, 12.5 percent below USDA's official forecast of 24.0 million tons (MMT). This is lower than what we projected (23.2MMT), and we lowered output, based on a smaller harvested area, to 22 million tons. See our updated world wheat production estimates attached (PDF) after the text. Note on June 12, ABARES lowered the Australian wheat production estimate by nearly 8 percent to 21.9 million tons.
- From the USDA Attaché report:

Table 3: Production, Supply and Demand Estimates: Wheat ('000 HA and '000 MT)

Wheat	2016/2017		2017/2018		2018/2019	
Market Begin Year	October 2016		October 2017		October 2018	
Australia	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	12,191	12,191	12,250	12,237	12,200	12,000
Beginning Stocks	3,854	3,854	5,723	5,723	5,098	4,642
Production	31,819	31,819	21,500	21,244	24,000	21,000
MY Imports	144	144	150	150	150	150
TY Imports	154	154	150	150	150	150
TY Imports from U.S.	2	2	0	0	0	0
Total Supply	35,817	35,817	27,373	27,117	29,248	25,792
MY Exports	22,644	22,644	15,000	15,000	17,000	15,000
TY Exports	22,061	22,061	16,000	16,000	17,000	16,000
Feed and Residual	4,000	4,000	3,800	4,000	4,000	5,000
FSI Consumption	3,450	3,450	3,475	3,475	3,500	3,500
Total Consumption	7,450	7,450	7,275	7,475	7,500	8,500
Ending Stocks	5,723	5,723	5,098	4,642	4,748	2,292
Total Distribution	35,817	35,817	27,373	27,117	29,248	25,792
Yield	2.61	2.61	1.76	1.74	1.97	1.75

Note: 'New Post' data reflects FAS/Canberra's assessment and is not official data.

Source: USDA Attaché and FI

Export Developments.

- Japan in a SBS import tender bought 130 tons of barley for arrival by December 28.
- Japan in a SBS import tender seeks 120,000 tons of feed wheat and 200,000 tons of barley on July 18 for arrival by December 28.
- Jordan passed 120,000 tons of barley for Oct/Nov shipment.
- China sold 6,000 tons of 2013 imported wheat from state reserves at auction at an average price of 2322 yuan/per ton or \$348.07/ton, 0.3 percent of what was offered.

- Japan seeks 62,865 tons of milling wheat this week. (Reuters)

Details are as follows (in tons):

COUNTRY TYPE QUANTITY

U.S. Western White 17,177 *

U.S. Dark Northern Spring (protein minimum 14.0%) 11,353 *

Australia Standard White (West Australia) 34,335 *

Shipments: * Loading between Sept. 1 and Sept. 30, 2018

- Mauritius seeks 6,000 tons of white rice on July 13 for Sep 1-Nov 30 shipment.
- Jordan seeks 120,000 tons of wheat on July 19 for Oct-Nov shipment.

Rice/Other

- Thailand seeks to sell 120,000 tons of raw sugar on July 18.

Chicago Wheat			Change	KC Wheat			Change	MN Wheat			Settle	Change
JUL8	469.75	(19.75)		JUL8	463.00	(20.75)		JUL8	519.75	(8.75)		
SEP8	471.75	(20.25)		SEP8	474.00	(20.75)		SEP8	525.50	(12.00)		
DEC8	490.50	(19.50)		DEC8	498.75	(19.50)		DEC8	544.25	(10.50)		
MAR9	509.25	(18.00)		MAR9	517.25	(18.75)		MAR9	560.50	(10.00)		
MAY9	521.75	(16.50)		MAY9	528.00	(18.00)		MAY9	571.25	(10.00)		
JUL9	527.75	(15.50)		JUL9	535.00	(17.00)		JUL9	581.75	(8.75)		
SEP9	537.50	(14.50)		SEP9	547.50	(16.00)		SEP9	591.25	(7.25)		

Chicago Rice			Change
JUL8	11.81	0.000	
SEP8	11.89	0.000	
NOV8	11.76	(0.025)	

US Wheat Basis					
Gulf SRW Wheat			Gulf HRW Wheat		
JULY	+53 u	unch	JULY	153 n	unch
AUG	+60 / u	unch	AUG	153 u	unch
SEPT	+65 / u	unch	SEP	153 u	unch
OCT	+65 z	unch			
NOV	+65 z	unch			
DEC	+65 z	unch			
			Chicago mill		
			Toledo	-5u	unch
			PNW US Soft White 10.5% protein	+7 u	unch
			PNW Jul	590	unchanged
			PNW Aug	595	unchanged
			PNW Sep	595	unchanged
			PNW Oct	600	unchanged

Euronext EU Wheat			Change	OI	OI Change	World Prices \$/ton			Change
SEP8	178.50	(2.25)		97,244	(950)	US SRW FOB	\$210.10	\$5.90	
DEC8	180.75	(2.50)		209,811	7,358	US HRW FOB	\$238.70	\$4.10	
MAR9	183.50	(2.25)		42,001	1,825	Black Sea FOB Mill 11%	\$191.50	\$0.00	
MAY9	185.00	(2.25)		22,743	735	Russia FOB 12%	\$196.50	\$0.50	
EUR	1.1670			#N/A	*The record could be #N/A	Arg. Bread FOB 12%	\$265.01	\$61.51	
Rouen FOB 11%	\$213.27	\$2.75		#N/A	*The record could be #N/A	Ukraine FOB Mill 11%	\$191.50	\$0.00	
#N/A	*The record could be #N/A	*The record could be #N/A		#N/A	*The record could be #N/A	Ukr. FOB feed (Odessa)	\$185.50	\$1.00	

Source: FI, DJ, Reuters & various trade sources

7/11/18. Trading ranges:

- September Chicago wheat \$4.50-\$5.25 range.
- September KC \$4.50-\$5.30 range.
- September MN \$5.00-\$5.90 range.

Traditional Daily Estimate of Funds 7/11/18

(Neg) - "Short" Pos - "Long"

	Corn	Bean	Chi. Wheat	Meal	Oil
Est. 7/10/18	132.4	(9.7)	32.8	102.8	(42.9)
11-Jul	(22.0)	(14.0)	(10.0)	(3.0)	(5.0)
12-Jul					
13-Jul					
16-Jul					
17-Jul					
FI Est. of Futures Only 7/11/18	110.4	(23.7)	22.8	99.8	(47.9)
FI Est. Futures & Options	3.1	(57.9)	1.9	91.0	(52.9)
Futures only record long	498.2 2/1/2011	260.4 6/27/2017	59.5 8/21/2012	167.5 5/1/2018	160.2 11/1/2016
Futures only record short	(135.3) 10/29/2013	(94.5) 6/27/2017	(130.0) 4/25/2017	(49.5) 3/1/2016	(55.1) 8/6/2013
Futures and options record net long	458.5 9/28/2010	259.8 5/1/2012	64.8 8/7/2012	132.1 5/1/2018	159.2 1/1/2016
Futures and options record net short	(166.8) 11/14/2017	(113.1) 6/27/2017	(143.3) 4/25/2017	(64.1) 3/1/2016	(56.6) 4/23/2013

Managed Money Daily Estimate of Funds 7/11/18

	Corn	Bean	Chi. Wheat	Meal	Oil
Latest CFTC Fut. Only	(107.4)	(64.2)	(1.3)	55.0	(89.5)
Latest CFTC F&O	(70.8)	(53.7)	(1.9)	56.0	(89.3)
FI Est. Managed Fut. Only	(140.4)	(85.2)	(16.3)	50.5	(97.0)
FI Est. Managed Money F&O	(103.8)	(74.7)	(16.9)	51.5	(96.8)

Index Funds Latest Positions (as of last Tuesday)

Index Futures & Options	269.7	131.0	128.6	NA	95.1
Change From Previous Week	0.0	0.0	0.0	NA	0.0

Source: Reuters, CFTC & FI (FI est. are noted with latest date)

WORLD WHEAT PRODUCTION

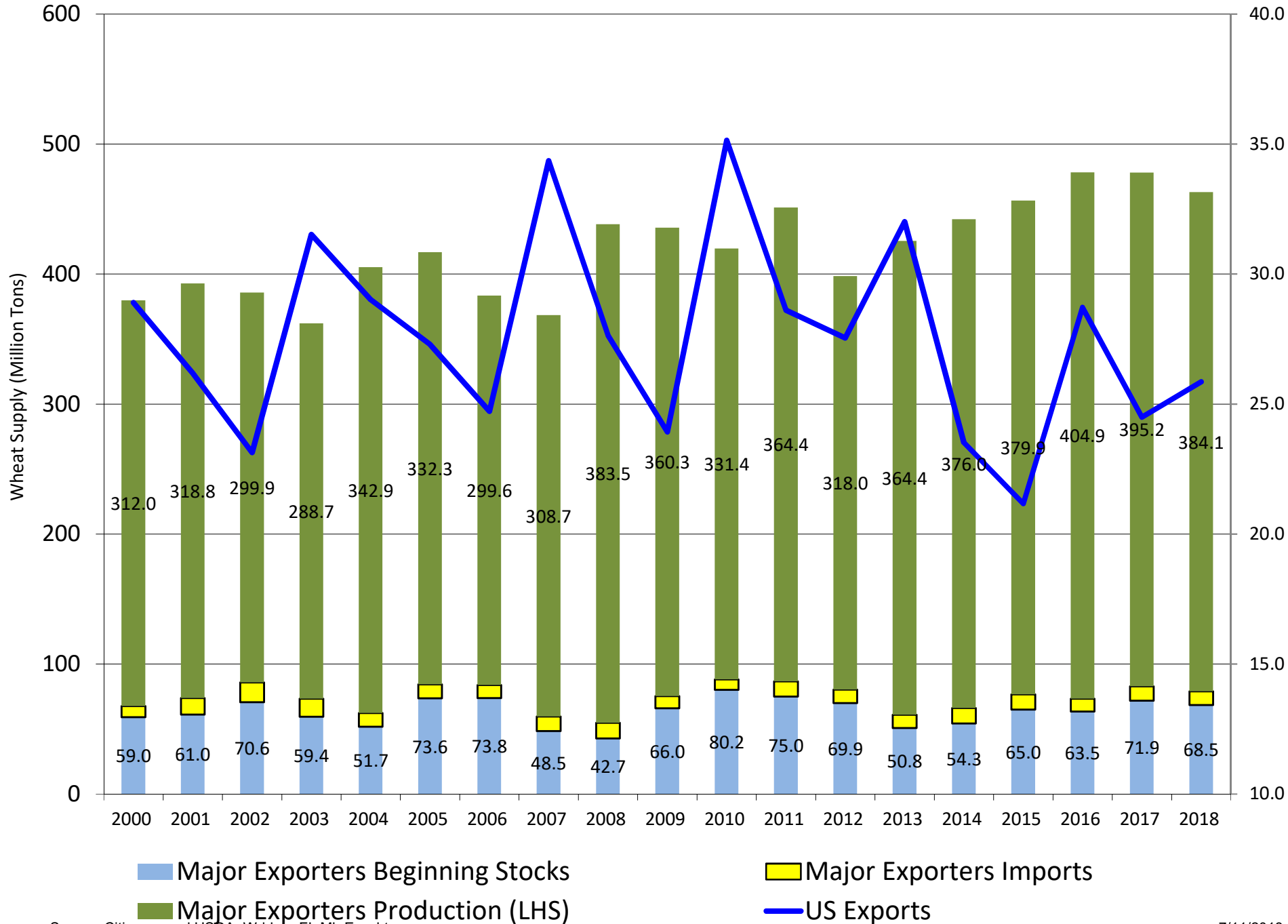
(million tons)

	00-01	01-02	02-03	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	USDA 17-18	USDA 18-19	FI 18-19	FI 19-20
World	582.8	583.9	569.7	555.7	626.7	618.8	596.7	611.9	684.2	687.3	649.6	697.3	658.8	714.6	728.2	735.9	752.0	758.2	744.7	733.2	767.3
U.S.*	60.6	53.0	43.7	63.8	58.7	57.2	49.2	55.8	68.4	60.1	58.9	54.2	61.3	58.1	55.1	56.1	62.8	47.4	49.7	51.7	52.5
Tot. World less US	522.1	530.9	526.0	491.9	568.0	561.6	547.5	556.1	615.9	627.2	590.7	643.1	597.5	656.5	673.1	679.8	689.2	710.8	695.0	681.6	714.8
European Union*	132.7	124.2	133.5	111.4	147.7	132.9	125.7	120.8	151.9	139.7	136.7	138.2	133.9	144.6	156.9	160.5	145.4	151.6	149.4	144.0	155.0
Canada*	26.5	20.6	16.0	23.0	24.8	25.7	25.3	20.1	28.6	27.0	23.3	25.3	27.2	37.6	29.4	27.6	32.1	30.0	32.5	32.7	33.0
Australia*	22.1	24.3	10.1	26.1	21.9	25.2	10.8	13.6	21.4	21.8	27.4	29.9	22.9	25.3	23.7	22.3	31.8	21.5	24.0	22.0	25.0
Argentina*	16.3	15.7	12.7	15.1	16.9	13.8	16.3	18.6	11.0	12.0	17.2	15.5	9.3	10.5	13.9	11.3	18.4	18.0	19.5	20.0	18.0
Russia*	34.5	47.0	50.6	34.1	45.4	47.6	44.9	49.4	63.8	61.8	41.5	56.2	37.7	52.1	59.1	61.0	72.5	85.0	68.5	70.0	80.0
Ukraine*	10.2	21.3	20.6	3.6	17.5	18.7	13.9	13.9	25.9	20.9	16.8	22.3	15.8	22.3	24.8	27.3	26.8	27.0	26.5	26.1	27.0
Kazakhstan	9.1	12.7	12.7	11.5	9.9	11.2	13.5	16.5	12.5	17.1	9.6	22.7	9.8	13.9	13.0	13.7	15.0	14.8	14.0	13.5	14.0
China	99.6	93.9	90.3	86.5	92.0	97.4	108.5	109.3	112.5	115.1	115.2	117.4	121.0	121.9	126.2	130.2	128.8	129.8	129.0	122.5	129.0
Egypt	6.4	6.1	6.3	6.4	7.2	8.2	8.3	7.4	8.0	8.5	7.2	8.4	8.5	8.3	8.3	8.1	8.1	8.5	8.5	8.0	8.4
Morocco	1.4	3.3	3.4	5.1	5.5	3.0	6.3	1.6	3.8	6.4	4.9	6.0	3.9	6.9	5.1	8.1	2.7	7.1	8.2	7.1	6.5
Brazil	1.7	3.3	2.9	5.9	5.8	4.9	2.2	3.8	5.9	5.0	5.9	5.8	4.4	5.3	6.0	5.5	6.7	4.3	4.9	4.7	5.4
India	76.4	69.7	72.8	65.8	72.2	68.6	69.4	75.8	78.6	80.7	80.8	86.9	94.9	93.5	95.9	86.5	87.0	98.5	97.0	98.0	98.0
Turkey	18.0	15.5	16.8	16.8	18.5	18.5	17.5	15.5	16.8	18.5	17.0	18.8	16.0	18.8	15.3	19.5	17.3	21.0	20.0	19.5	19.7
Pakistan	21.1	19.0	18.2	19.2	19.5	21.6	21.3	23.3	21.0	24.0	23.3	25.2	23.5	24.2	26.0	25.1	25.6	26.7	25.5	25.7	26.2
Mexico	3.4	3.3	3.2	2.7	2.4	3.0	3.2	3.6	4.2	4.1	3.7	3.6	3.3	3.4	3.7	3.7	3.9	3.5	2.8	2.8	3.1
Saudi Arabia	1.8	2.1	2.4	2.5	2.8	2.6	2.6	2.6	2.0	1.2	1.3	1.2	0.9	0.7	0.7	0.0	0.0	0.0	0.0	0.0	0.0
Others	41.1	48.9	53.4	56.1	58.0	58.5	57.8	60.4	48.1	63.5	58.9	59.6	64.6	67.4	65.1	69.3	67.0	63.7	64.7	65.0	66.5
MAJOR EXPORTERS*	303.0	306.1	287.2	277.2	333.0	321.1	286.1	292.2	371.0	343.3	321.8	341.7	308.1	350.4	363.0	366.1	389.9	380.4	370.1	366.5	390.5
EXPORTERS EXCLUDING US	242.3	253.1	243.5	213.4	274.3	263.9	236.9	236.4	302.6	283.1	262.9	287.4	246.8	292.3	307.9	310.0	327.0	333.1	320.4	314.8	338.0

Source: USDA & FI, Bold FI est.

Source: USDA & FI

Wheat Supply of Selected Major Exporting Countries EU, US, Canada, Australia, Argentina, Russia, Ukraine, Kazhakstan



Source: Citigroup and USDA Worldagro-FI Mjr Ex_chn

7/11/2018

USDA Export Sales Results in 000 tons

AS OF: 7/5/2018

	ESTIMATED This Week			ACTUAL This Week		as of ACTUAL Last week			as of 7/6/2017 Year Ago		
Beans	17/18	300-500		17/18		17/18	561.7		16/17	228.0	
	n/c	350-550		n/c		n/c	458.7		n/c	455.0	
				Sales to China			Sales to China -366.0			Sales to China 67.1	
Meal			Shipped		Shipped			Shipped			Shipped
	16/17	100-200	150-350	17/18		17/18	132.8	250.9	16/17	3.7	128.8
	n/c	50-100		n/c		n/c	61.6		n/c	137.0	
Oil			Shipped		Shipped			Shipped			Shipped
	16/17	15-30	5-15	17/18		17/18	36.6	34.2	16/17	16.2	7.5
	n/c	0-10		n/c		n/c	3.8		n/c	0.0	
				Sales to China			Sales to China 0.0			Sales to China 0.0	
Corn	17/18	450-650		17/18		17/18	440.8		16/17	161.1	
	n/c	225-425		n/c		n/c	232.1		n/c	279.7	
				Sales to China			Sales to China 0.4			Sales to China 0.8	
Wheat	17/18	350-550		18/19		18/19	440.1		17/18	357.7	
	n/c	0.0		n/c		n/c	0.0		n/c	0.0	

o/c=Old Crop, n/c= New Crop

Source: Futures International and USDA

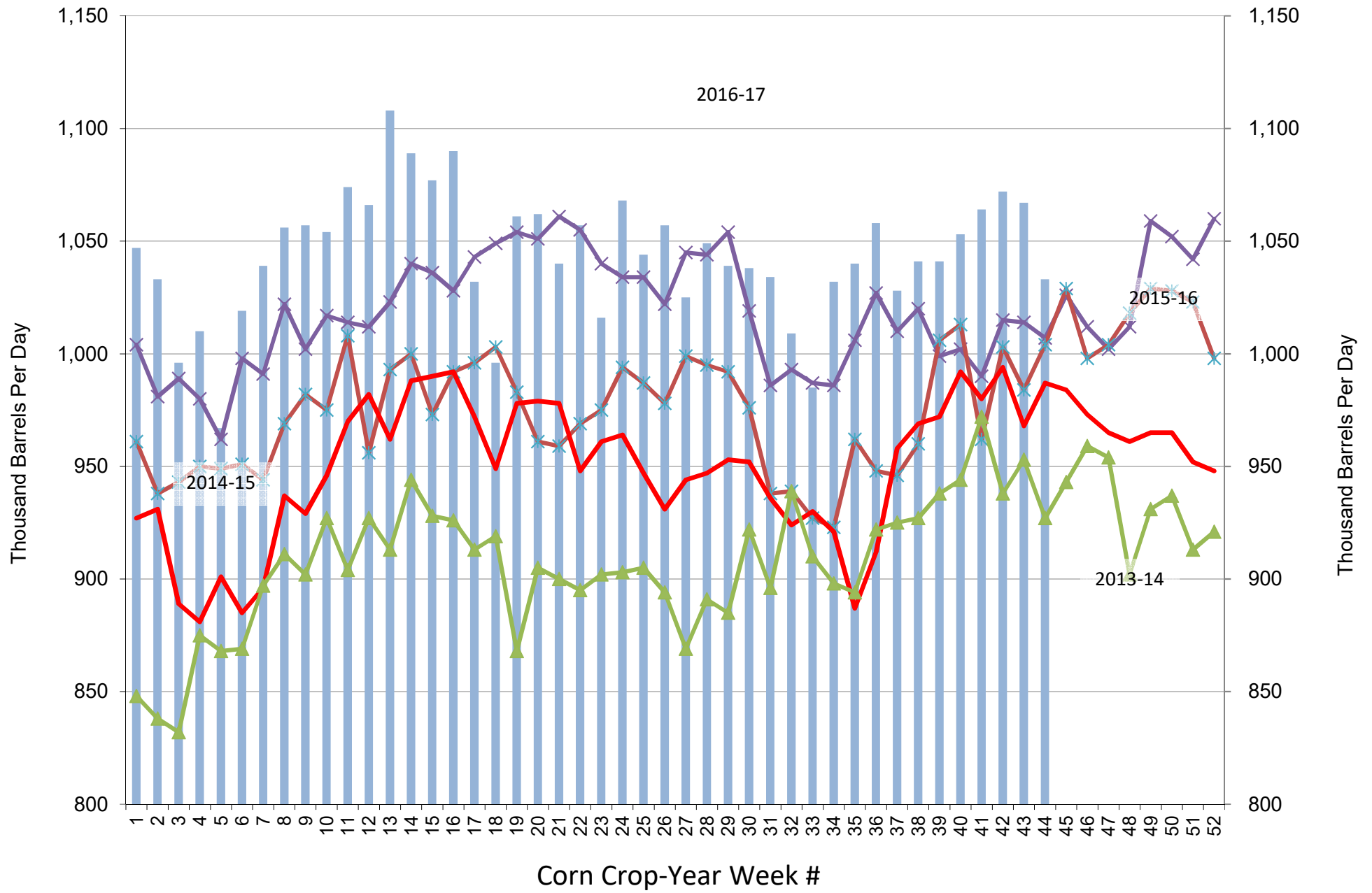
US Weekly Petroleum Status Report

	Ethanol Production 000 Barrels Per Day	Change from Last Week	Change from Last Month	Change from Last Year	Ethanol Stocks 000 Barrels	Change from Last Week	Change from Last Month	Change from Last Year	Days of Ethanol Inventory
5/5/2017	1006	20	2.0%	4.6%	23,055	-158	0.7%	8.5%	23.1
5/12/2017	1027	21	3.4%	8.3%	23,414	359	1.6%	11.0%	22.4
5/19/2017	1010	-17	2.3%	6.8%	22,684	-730	-2.5%	9.0%	23.2
5/26/2017	1020	10	3.4%	6.3%	22,763	79	-1.9%	9.6%	22.2
6/2/2017	999	-21	-0.7%	-0.7%	21,982	-781	-4.7%	8.7%	22.8
6/9/2017	1002	3	-2.4%	-1.1%	22,542	560	-3.7%	6.4%	21.9
6/16/2017	990	-12	-2.0%	2.9%	22,280	-262	-1.8%	5.5%	22.8
6/23/2017	1015	25	-0.5%	1.2%	21,838	-442	-4.1%	3.2%	22.0
6/30/2017	1014	-1	1.5%	3.0%	21,571	-267	-1.9%	0.1%	21.5
7/7/2017	1007	-7	0.5%	0.3%	21,181	-390	-6.0%	0.2%	21.4
7/14/2017	1026	19	3.6%	-0.3%	22,137	956	-0.6%	4.6%	20.6
7/21/2017	1012	-14	-0.3%	1.4%	21,529	-608	-1.4%	5.6%	21.9
7/28/2017	1002	-10	-1.2%	-0.2%	20,852	-677	-3.3%	1.2%	21.5
8/4/2017	1012	10	0.5%	-0.6%	21,347	495	0.8%	4.3%	20.6
8/11/2017	1059	47	3.2%	2.9%	21,828	481	-1.4%	6.9%	20.2
8/18/2017	1052	-7	4.0%	2.3%	21,509	-319	-0.1%	3.3%	20.7
8/25/2017	1042	-10	4.0%	1.9%	21,303	-206	2.2%	1.8%	20.6
9/1/2017	1060	18	4.7%	6.2%	21,116	-187	-1.1%	2.2%	20.1
9/8/2017	1047	-13	-1.1%	4.3%	21,132	16	-3.2%	4.6%	20.2
9/15/2017	1033	-14	-1.8%	5.3%	21,138	6	-1.7%	5.6%	20.5
9/22/2017	996	-37	-4.4%	0.7%	20,740	-398	-2.6%	0.8%	21.2
9/29/2017	1010	14	-4.7%	3.1%	21,545	805	2.0%	6.8%	20.5
10/6/2017	967	-43	-7.6%	0.5%	21,523	-22	1.9%	11.0%	22.3
10/13/2017	1019	52	-1.4%	2.1%	21,480	-43	1.6%	12.8%	21.1
10/20/2017	1039	20	4.3%	4.8%	21,034	-446	1.4%	5.6%	20.7
10/27/2017	1056	17	4.6%	3.3%	21,474	440	-0.3%	8.8%	19.9
11/3/2017	1057	1	9.3%	5.5%	21,345	-129	-0.8%	11.0%	20.3
11/10/2017	1054	-3	3.4%	3.6%	21,497	152	0.1%	15.5%	20.3
11/17/2017	1074	20	3.4%	5.9%	21,897	400	4.1%	15.5%	20.0
11/24/2017	1066	-8	0.9%	5.3%	22,044	147	2.7%	19.5%	20.5
12/1/2017	1108	42	4.8%	8.3%	22,544	500	5.6%	21.7%	19.9
12/8/2017	1089	-19	3.3%	4.7%	22,374	-170	4.1%	17.3%	20.7
12/15/2017	1077	-12	0.3%	4.0%	22,320	-54	1.9%	17.1%	20.8
12/22/2017	1090	13	2.3%	6.0%	22,031	-289	-0.1%	17.9%	20.5
12/29/2017	1032	-58	-6.9%	-1.1%	22,619	588	0.3%	21.1%	21.3
1/5/2018	996	-36	-8.5%	-5.1%	22,719	100	1.5%	13.5%	22.7
1/12/2018	1061	65	-1.5%	0.7%	22,743	24	1.9%	7.7%	21.4
1/19/2018	1062	1	-2.6%	1.0%	23,800	1057	8.0%	9.5%	21.4
1/26/2018	1040	-22	0.8%	-2.0%	23,045	-755	1.9%	5.4%	22.9
2/2/2018	1057	17	6.1%	0.2%	23,489	444	3.4%	6.4%	21.8
2/9/2018	1016	-41	-4.2%	-2.3%	22,885	-604	0.6%	1.7%	23.1
2/16/2018	1068	52	0.6%	3.3%	22,753	-132	-4.4%	0.4%	21.4
2/23/2018	1044	-24	0.4%	1.0%	22,979	226	-0.3%	-0.5%	21.8
3/2/2018	1057	13	0.0%	3.4%	23,144	165	-1.5%	1.3%	21.7
3/9/2018	1025	-32	0.9%	-1.9%	24,281	1137	6.1%	6.7%	22.6
3/16/2018	1049	24	-1.8%	0.5%	23,758	-523	4.4%	5.1%	23.1
3/23/2018	1039	-10	-0.5%	-1.4%	22,790	-968	-0.8%	-2.0%	22.9
3/30/2018	1038	-1	-1.8%	1.9%	22,425	-365	-3.1%	-5.4%	22.0
4/6/2018	1034	-4	0.9%	4.9%	21,846	-579	-10.0%	-4.6%	21.7
4/13/2018	1009	-25	-3.8%	1.6%	21,344	-502	-10.2%	-7.3%	21.7
4/20/2018	985	-24	-5.2%	-0.2%	21,701	357	-4.8%	-6.7%	21.7
4/27/2018	1032	47	-0.6%	4.7%	22,142	441	-1.3%	-4.6%	21.0
5/4/2018	1040	8	0.6%	3.4%	21,964	-178	0.5%	-4.7%	21.3
5/11/2018	1058	18	4.9%	3.0%	21,505	-459	0.8%	-8.2%	20.8
5/18/2018	1028	-30	4.4%	1.8%	22,129	624	2.0%	-2.4%	20.9
5/25/2018	1041	13	0.9%	2.1%	21,263	-866	-4.0%	-6.6%	21.3
6/1/2018	1041	0	0.1%	4.2%	21,897	634	-0.3%	-0.4%	20.4
6/8/2018	1053	12	-0.5%	5.1%	22,174	277	3.1%	-1.6%	20.8
6/15/2018	1064	11	3.5%	7.5%	21,647	-527	-2.2%	-2.8%	20.8
6/22/2018	1072	8	3.0%	5.6%	21,674	27	1.9%	-0.8%	20.2
6/29/2018	1067	-5	2.5%	5.2%	21,975	301	0.4%	1.9%	20.3
7/6/2018	1033	-34	-1.9%	2.6%	22,393	418	1.0%	5.7%	21.3

CY	1019 2016-17 season average	YOY Δ
CY to Date:	1044 2017-18 season average	2.4%
FI Estimate:	1035 2017-18 season average	1.6%

Source: Reuters, EIA, FI

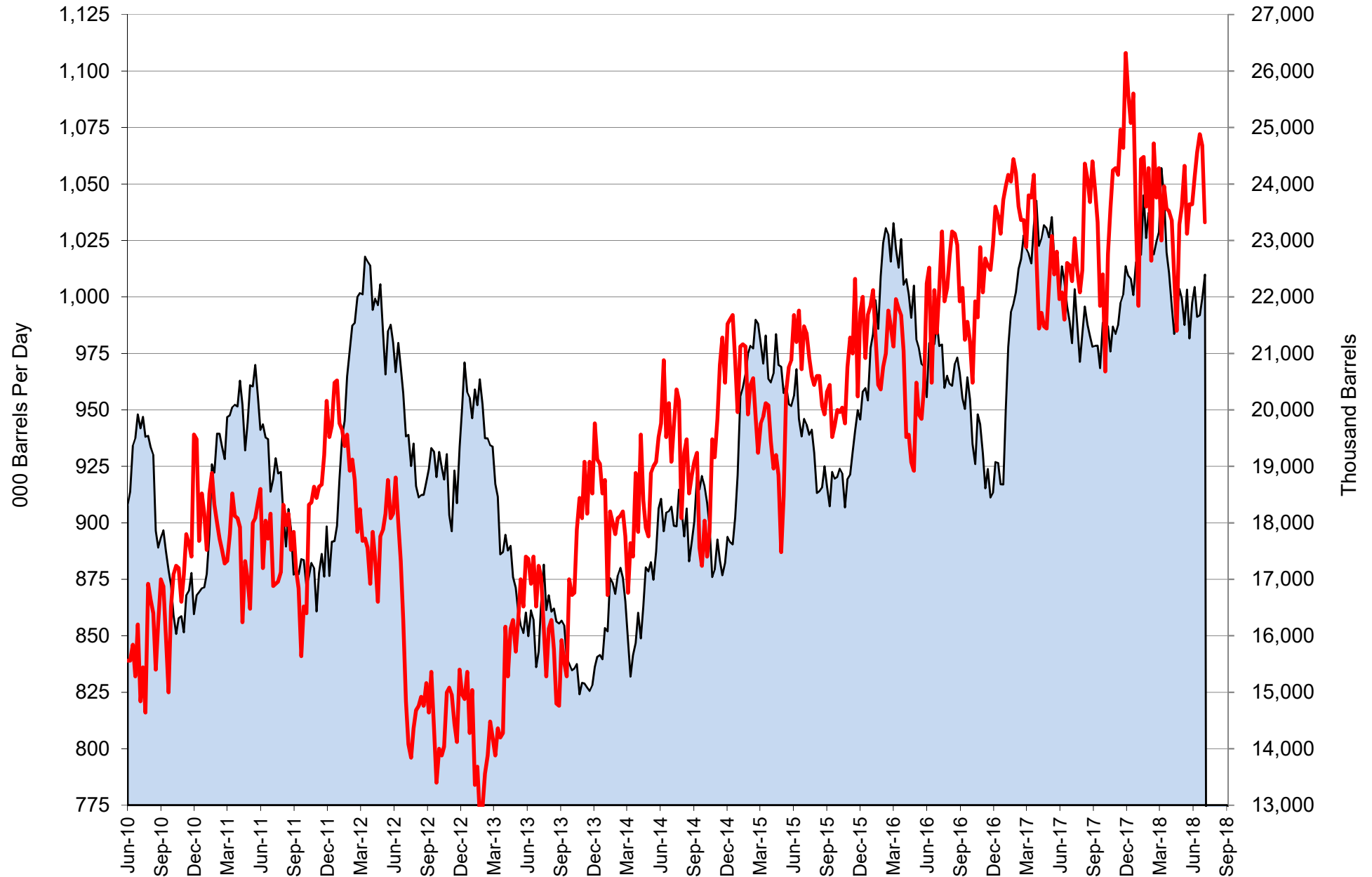
US Weekly Ethanol Production



Source: EIA & FI

7/11/2018

US Weekly Ethanol Production and Stocks

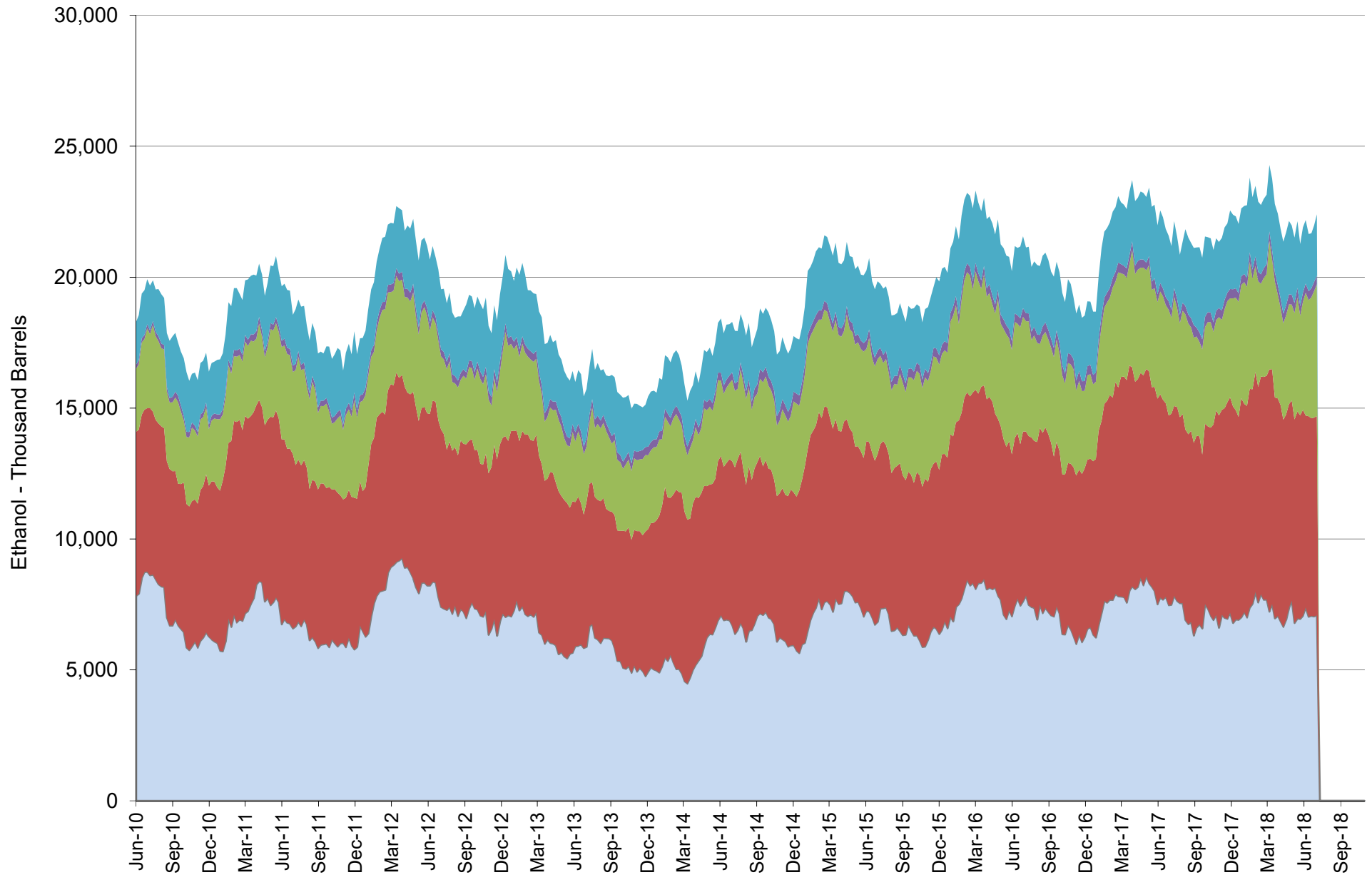


Source: EIA & FI

Stocks (1000bd)

Production (1000bd)

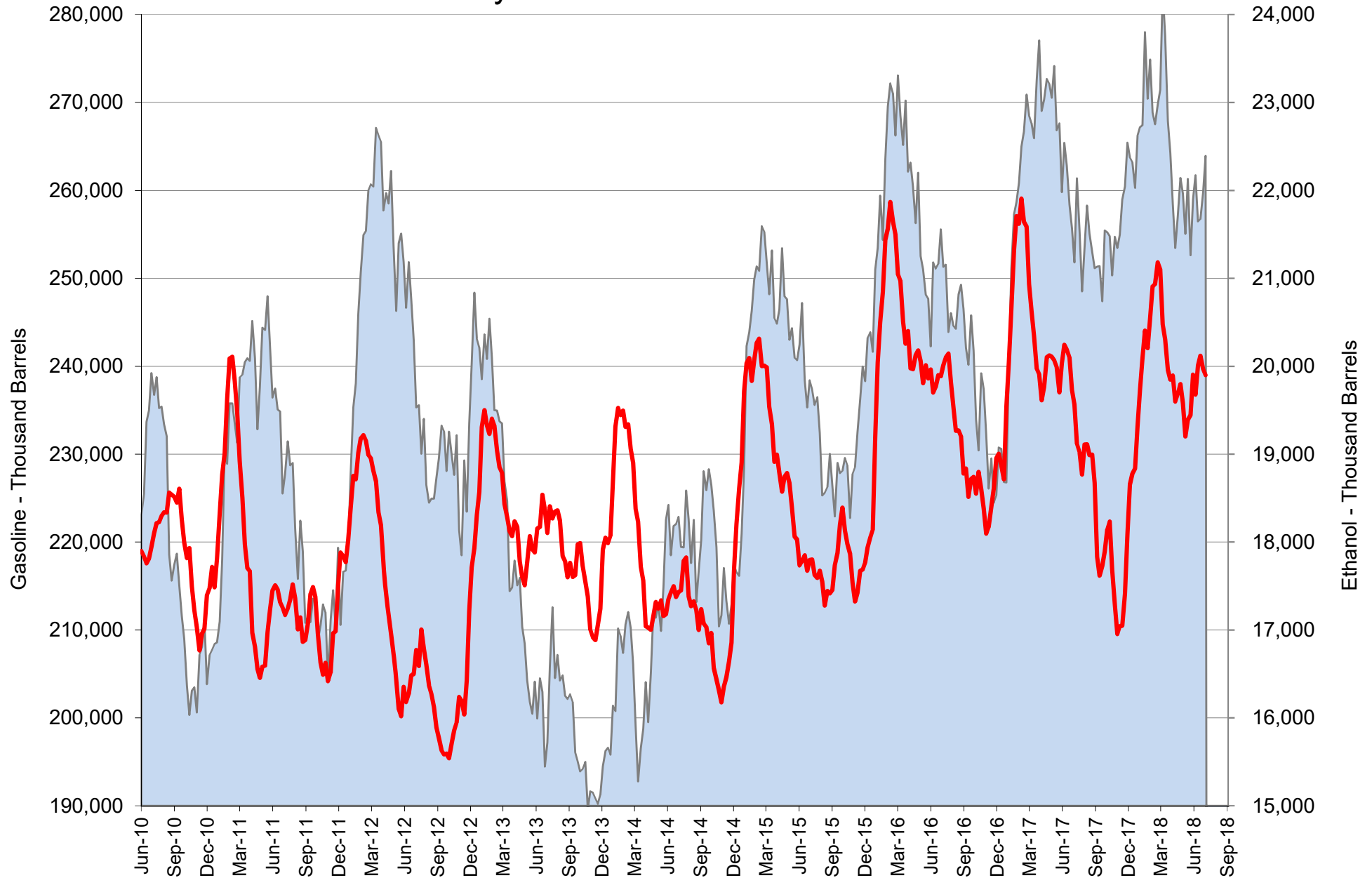
US Weekly Ethanol Stocks by PADD



Source: EIA & FI

PADD1 PADD2 PADD3 PADD4 PADD5

US Weekly Gasoline and Ethanol Stocks

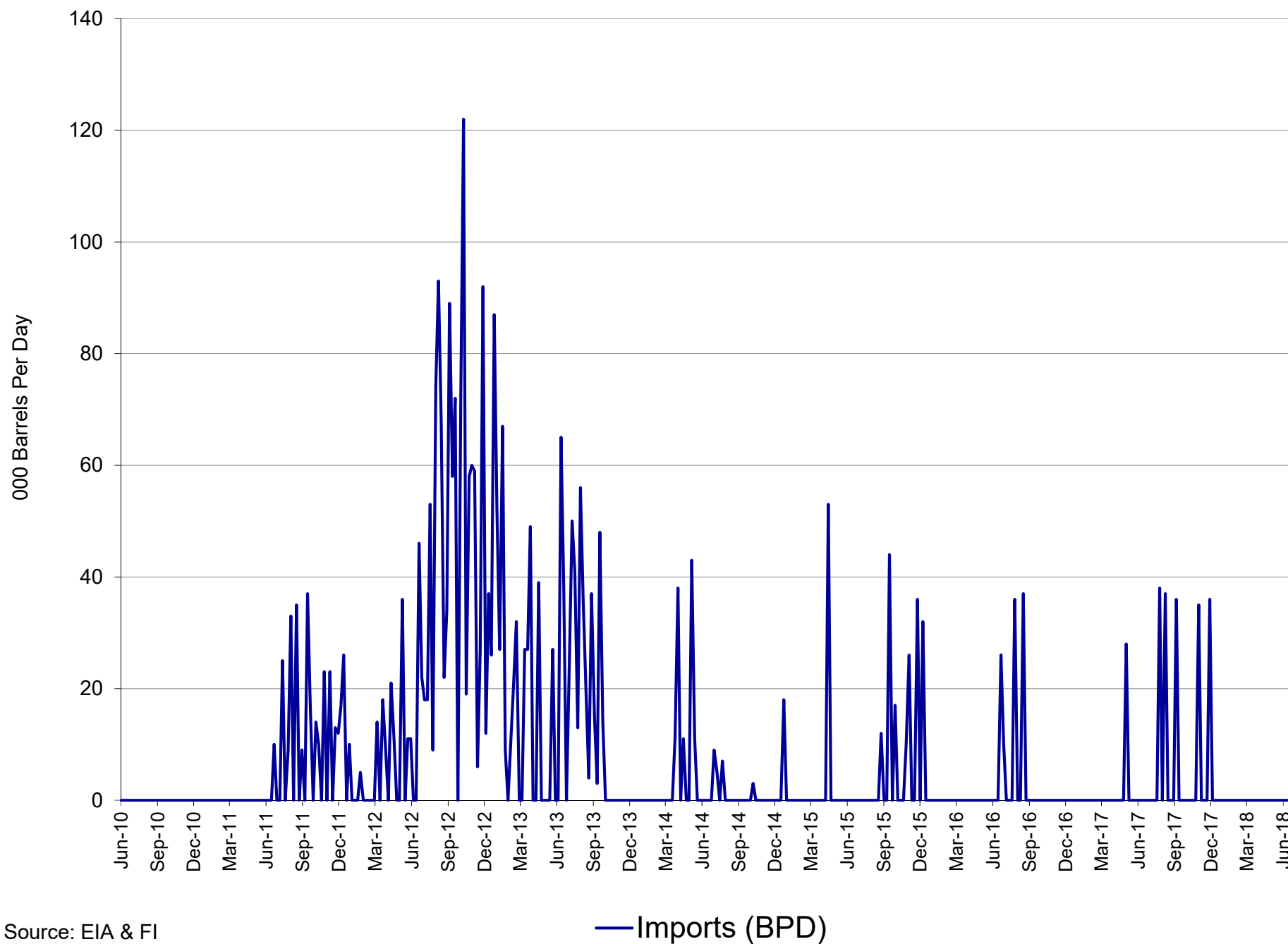


Source: EIA & FI

Stocks (1000bd)

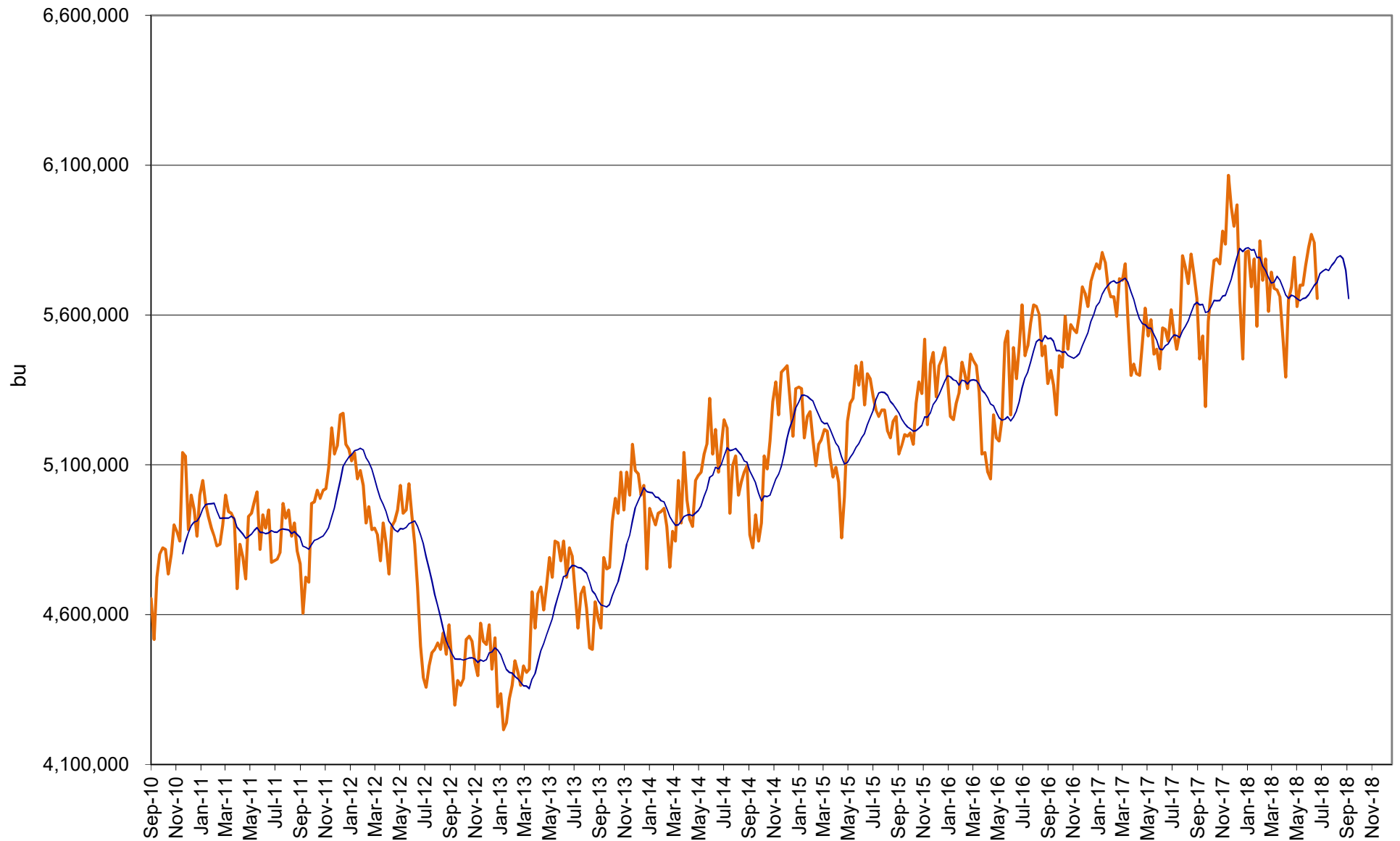
US Gasoline Ending Stocks (thousand barrels)

US Weekly Ethanol Imports



Source: EIA & FI

US Annualized Implied Corn Use

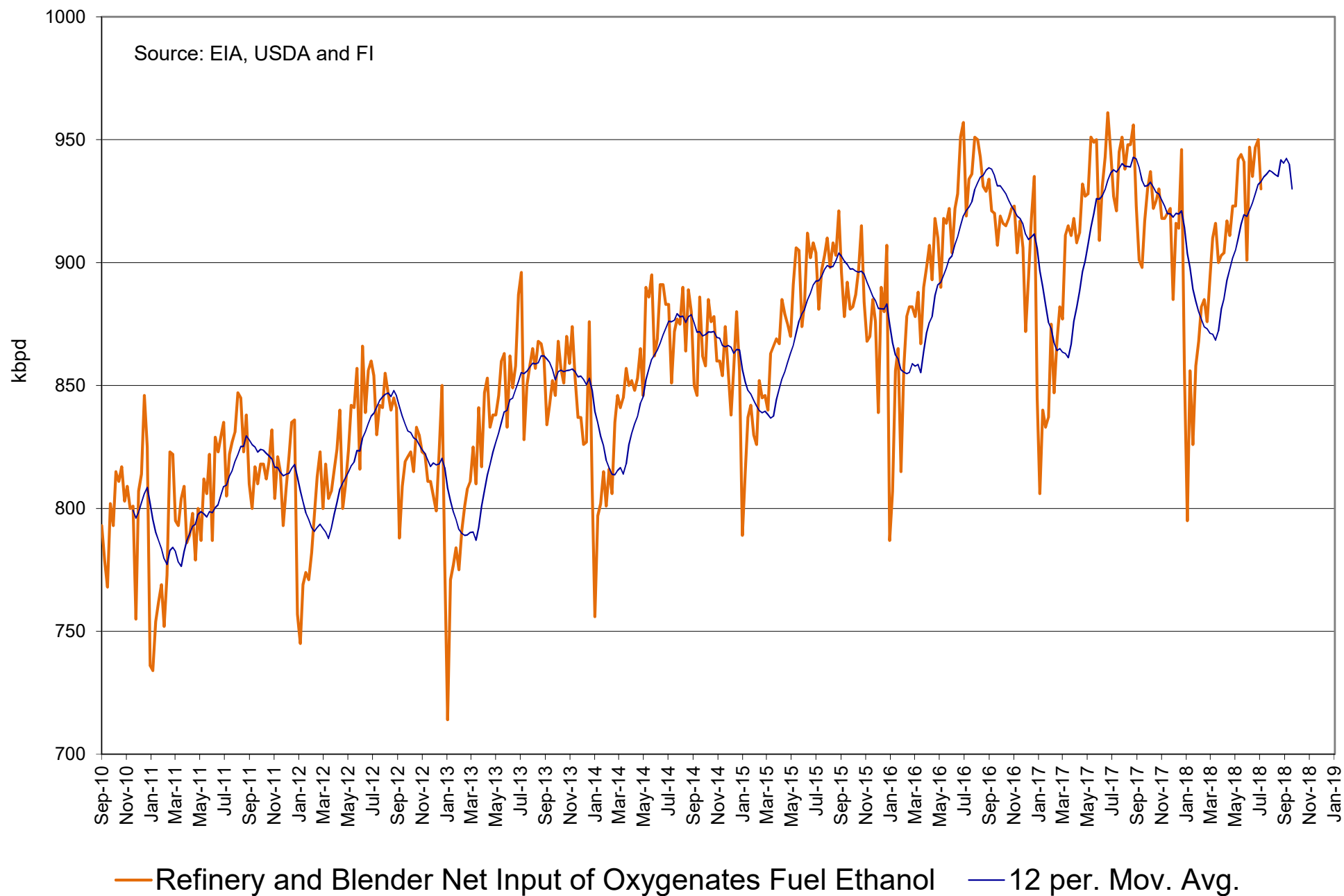


Source: EIA, USDA and FI

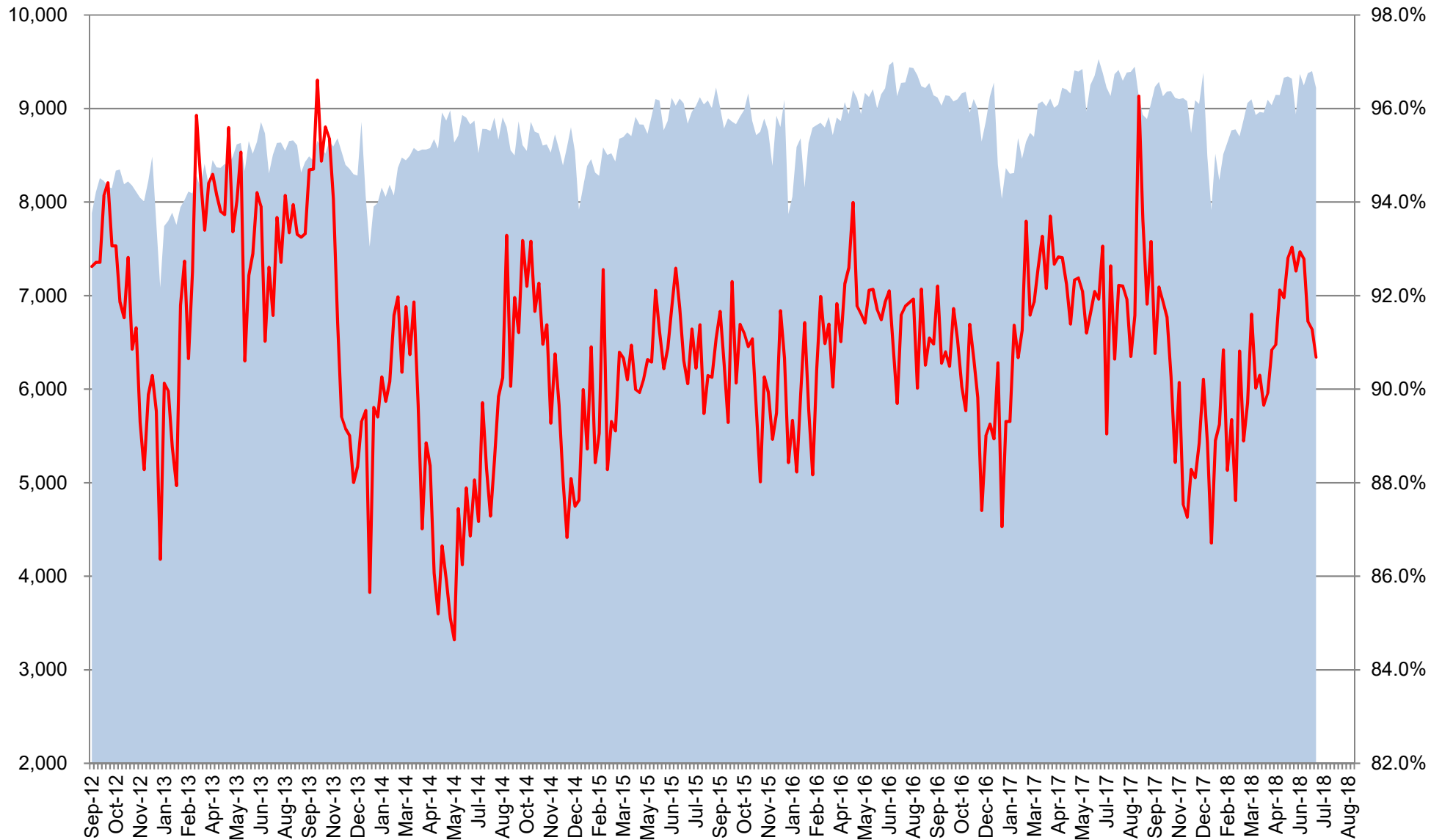
— US

— 12 per. Mov. Avg. (US)

Refinery and Blender Net Input of Oxygenates Fuel Ethanol



US Net Blender Input of Fuel Ethanol and % Blend of Net Production of Finished Motor Gasoline

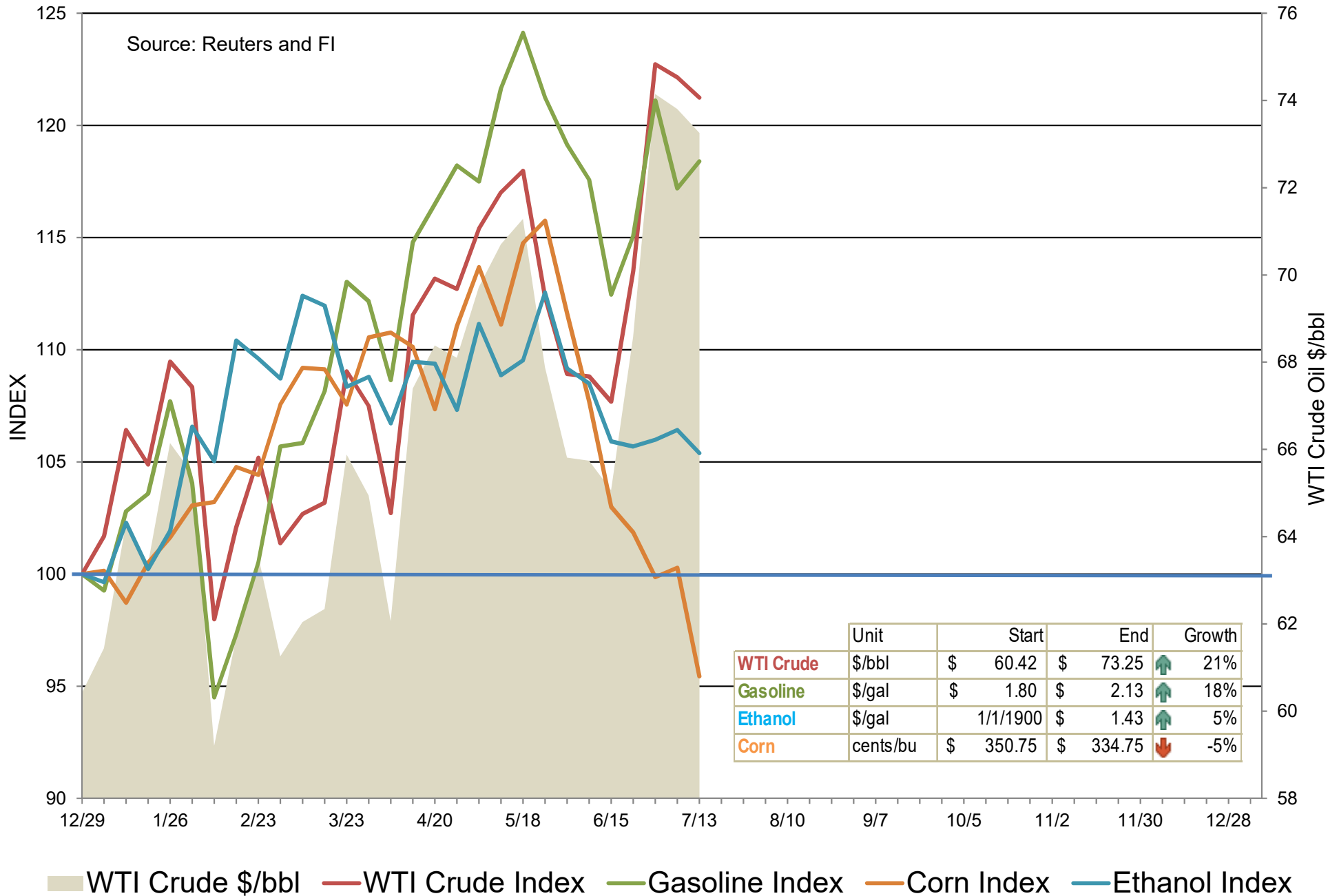


Source: EIA, USDA and FI

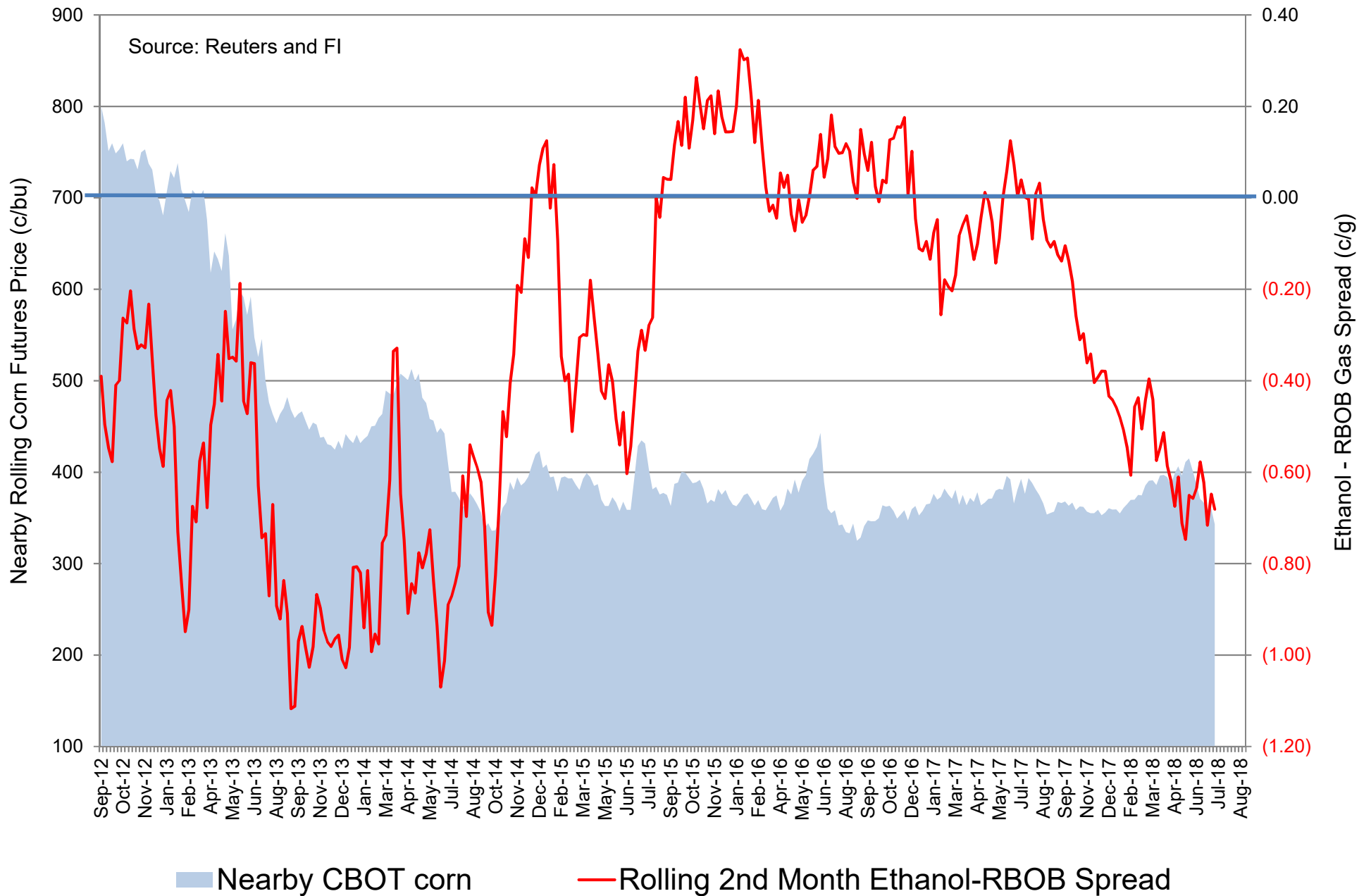
■ Total Blend Etoh

— Etoh Blend %

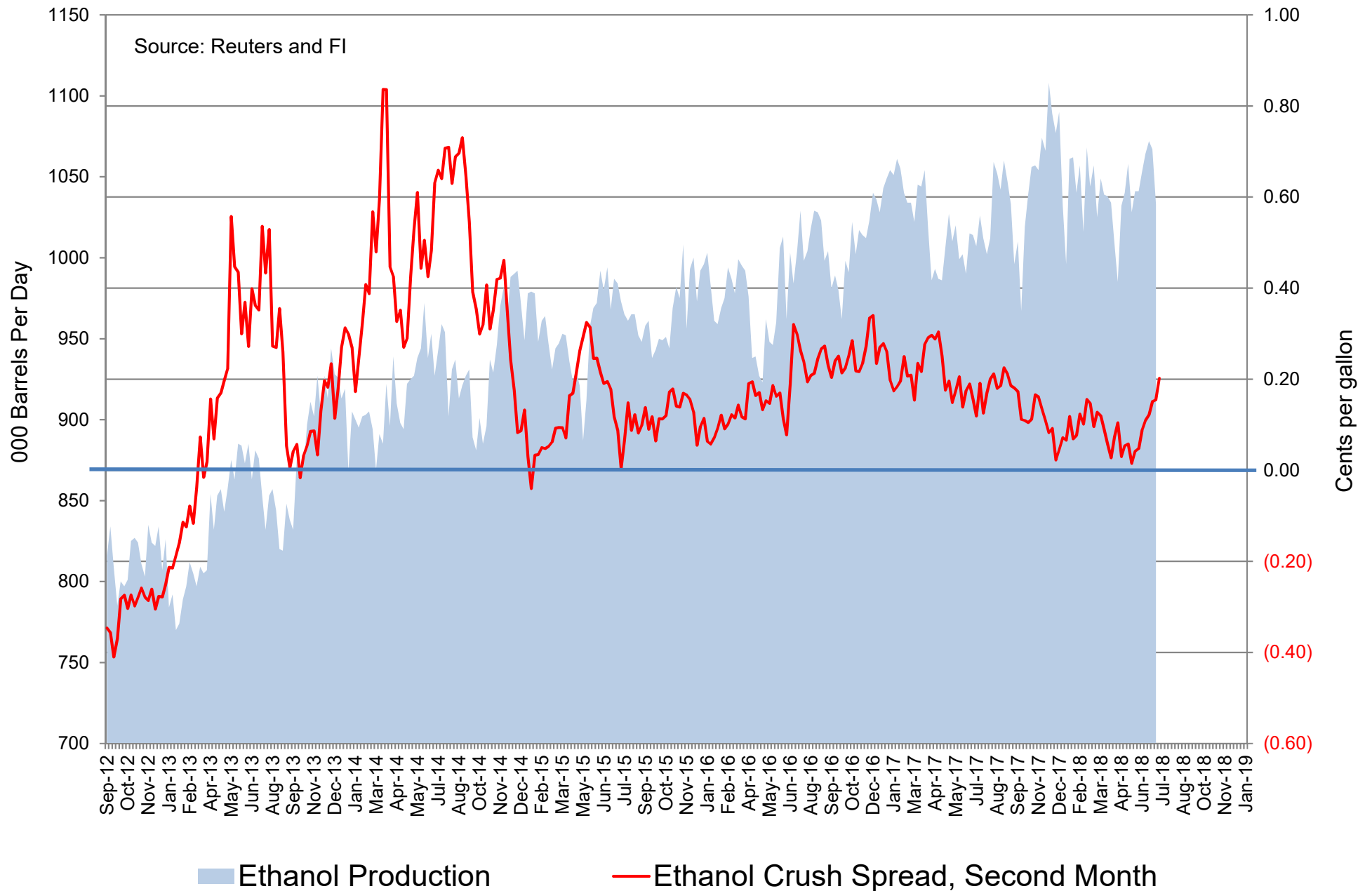
Indexed Commodity Prices Starting January 2018 versus WTI Crude Nearby Futures



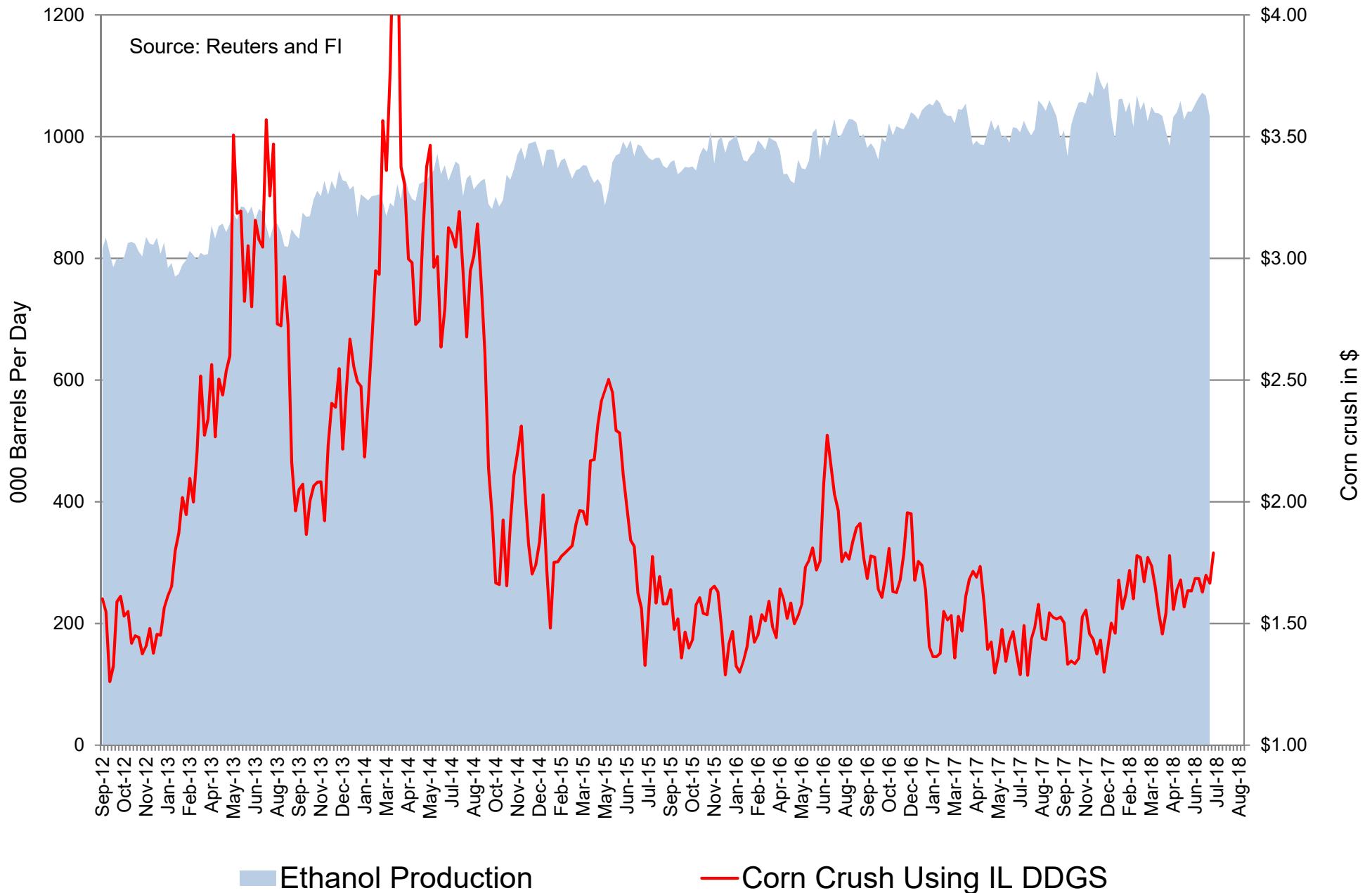
CBOT Second Month Corn Futures versus Second Month Ethanol - RBOB Futures Spread



CBOT Second Month Corn Crush Spread versus Weekly Ethanol Production



CBOT Second Month Corn Crush Spread with IL DDGS versus Weekly Ethanol Production



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