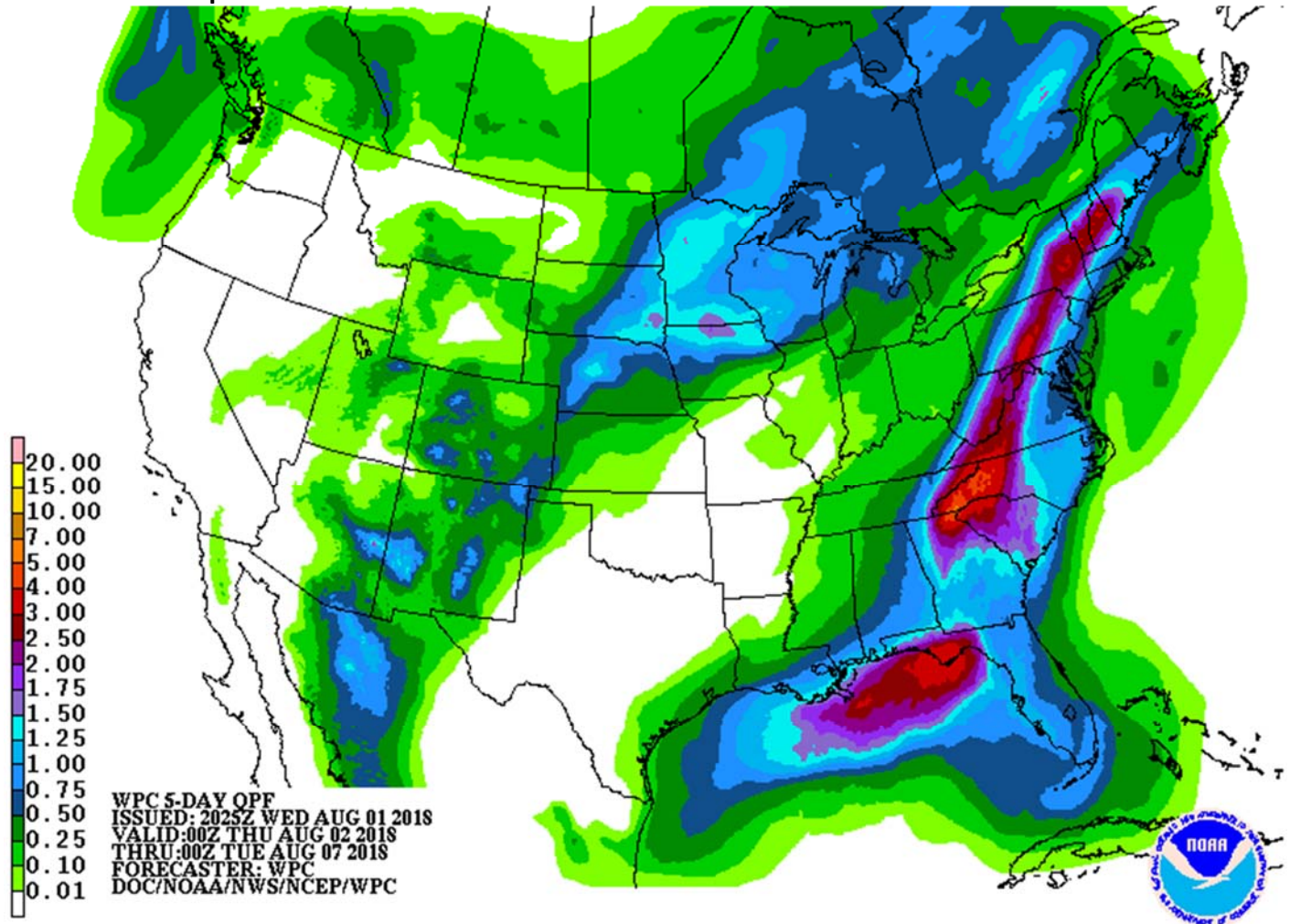




Weather and crop conditions



- An independent weather forecaster (Skymet) lowered the India monsoon rainfall outlook for 2018. August rainfall was seen at 88 percent of average, and 93 percent in September.
- Australia's July was the driest since 2002.
- One US main feature to keep an eye on is a ridge of high pressure building up over the Great Plains and a part of western Corn Belt during the coming weekend and next week, accelerating net drying and limiting rainfall across the Plains, Midwest and Delta from August 5th through August 14.
- Rainfall between now and August 5 for the Midwest will be very important.
- Before temperatures warm during the second week of August, the US weather outlook is all not that bad. There will be some ongoing dry pockets across the western US and temperatures warm across the WBC this week. Rest of the Midwestern growing areas will see cool temperatures, which should slow evaporation rates.
- Europe's weather will improve this week but much of the damage is done.
- Southern Russia and parts of Ukraine improved over the past week. Some areas will return to net drying.

- Australia’s canola crop will continue to see crop stress across New South Wales. There is an opportunity for rain across northern New South Wales this week but it will not be widespread enough to ease drought conditions.
- China’s weather improved late last week and conditions will overall be favorable.
- Canada’s southern Prairies will still see stress this week for the summer crops. Southeastern Canada is in good shape.
- Net drying in the US PNW will add stress to the spring wheat crop.

SIGNIFICANT CORN AND SOYBEAN BELT PRECIPITATION EVENTS

	WEST CORN BELT	EAST CORN BELT
Thu	10% cvg of up to 0.20” and locally more; far NW wettest	
Thu-Sat		15-35% daily cvg of up to 0.35” and locally more each day
Fri-Sun	70% cvg of up to 0.75” and local amts over 2.0”; far south driest	
Sun-Tue		80% cvg of up to 0.75” and local amts to 1.50”; driest west
Mon	30% cvg of up to 0.35” and local amts to 0.65”; south and east wettest	
Tue	15% cvg of up to 0.60” and locally more; wettest SE	
Aug 8-11	5-20% daily cvg of up to 0.30” and locally more each day; driest SW	
Aug 8-12		5-20% daily cvg of up to 0.30” and locally more each day
Aug 12-14	50% cvg of up to 0.60” and locally more; wettest north	
Aug 13-15		50% cvg of up to 0.50” and locally more

U.S. DELTA/SOUTHEAST SIGNIFICANT PRECIPITATION EVENTS

	DELTA	SOUTHEAST
Tdy-Fri	Up to 15% daily cvg of up to 0.25” and locally more each day; some days may be dry	90% cvg of 0.35-1.50” and local amts to 2.50” with lighter rain in a few locations and some bands of 2.50-3.75”;

		east Ms. driest
Sat-Mon	15-35% daily cvg of up to 0.30" and locally more each day	
Sat-Tue		15-35% daily cvg of up to 0.50" and locally more each day
Tue-Aug 8	60% cvg of up to 0.75" and local amts to 1.50"; driest south	
Aug 8-9		80% cvg of up to 0.75" and local amts to 2.0"
Aug 9-10	15-35% daily cvg of up to 0.35" and locally more each day	
Aug 10-13		10-25% daily cvg of up to 0.30" and locally more each day
Aug 11-13	5-20% daily cvg of up to 0.30" and locally more each day	
Aug 14-15	10-25% daily cvg of up to 0.25" and locally more each day	15-35% daily cvg of up to 0.50" and locally more each day

Source: World Weather Inc. and FI

Bloomberg weekly agenda

WEDNESDAY, AUG. 1:

- Switzerland public holiday
- EIA U.S. weekly ethanol inventories, output, 10:30am
- USDA soybean crush for June, 3pm
- NOTE: Starting this day, the U.S. Agriculture Department ends its decades-long policy of giving crop data to news organizations under embargo in favor of posting reports directly on the web. This could benefit businesses with ability to quickly scan and trade on the figures

THURSDAY, AUG. 2:

- Costa Rica public holiday
- FAO food price index, 4am ET (9am London)
- USDA weekly net-export sales for corn, wheat, soy, cotton, 8:30am
- 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
- Colorado State University provides its final seasonal forecast adjustment before the usual peak of the Atlantic hurricane season in late August
- EARNINGS: Pilgrim's Pride Corp., Kellogg Co., Asahi Group Holdings

FRIDAY, AUG. 3:

- 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 on positions for various U.S. futures and options, 3:30pm
- FranceAgriMer weekly updates on French crop conditions

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- EARNINGS: Kraft Heinz Co.

Source: Bloomberg and FI

Brazil's Trade Ministry selected commodity exports

Commodity	July 2018	June 2018	July 2017
COFFEE (60 KG BAG)	1,242,462	2,157,363	1,599,948
CRUDE OIL (TNS)	8,098,498	2,858,774	5,382,273
ETHANOL (LTR)	180,685,275	131,873,480	156,097,318
SOYBEANS (TNS)	10,195,879	10,420,130	6,954,980
IRON ORE	35,999,441	35,314,719	31,308,784
FROZEN ORANGE JUICE (TNS)	22,431	48,022	32,102
NON-FROZEN ORANGE JUICE (TNS)	179,491	156,958	132,041
SUGAR RAW (TNS)	1,709,222	1,705,553	2,184,558

Source:

USDA US Export Sales Projections in 000 Metric Tons

	Week ending:	Trade*	FI Estimates	Last Week		Year Ago
		Estimates	7/26/2018	ACTUAL		7/27/2017
Beans	2017-18	150-500	150-350	2017-18	538.1	233.4
	2018-19	300-700	400-700		963.8	367.5
Meal	2017-18	50-250	50-150	Sales	166.5	Sales 87.1
	2018-19	0-100	0-100		37.6	57.7
	Shipments	NA	100-300	Shipments	215.4	Shipments 188.9
Oil	2017-18	5-20	5-15	Sales	-4.4	Sales 10.7
	2018-19	0-15	0-15		5.4	0.0
	Shipments	NA	10-20	Shipments	29.4	Shipments 31.9
Corn	2017-18	300-600	300-500	2017-18	338.5	36.7
	2018-19	400-800	500-800	2018-19	747.5	438.3
Wheat	2018-19	200-450	250-450	2018-19	385.9	145.6

Source: FI & USDA *Reuters estimates

n/c= New Crop

Macros.

- FOMC Benchmark Interest Rate Unchanged, Target Range Stands At 1.75%-2.00%
- China said they will retaliate, again, if the US increased tariffs on additional products from China. The White House said they are going to forward in adding tariffs. This got the trade, once again, very nervous. Yesterday people thought there may be progress and today the trade dispute escalated. The US is considering a 25 percent tariff on \$200 billion in Chinese imports, higher than the 10 percent previously announced.
- ADP Employment Change (Jul): 219K (est 186K, prev 177K)
- ADP Employment Change (Jul): 219K (est 186K, prevR 181K)
- Jobs report is due out Friday.

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Corn.

- Corn ended lower following weakness in soybeans amid ongoing US/China trade tensions. September was unable to close above the 50-day MA. Technically the charts appear slightly bearish.
- Funds sold an estimated net 15,000 corn contracts.
- Ukraine seeks to secure 500,000 tons of corn from local producers.
- NTL FC Stone estimated the 2018 US corn production at 14.562 billion bushels and yield at 178.1 bushels per acre. USDA is at 14.230 billion bushels and 174.0/bu for the yield.
- EIA reported a slowdown in US ethanol production and increase in stocks.
- EIA reported the total listed capacity of (operable) ethanol plants in the United States increased by 5 percent-more than 700 million gallons (about 2.6 billion liters) per year-between January 2017 and January 2018, the U.S. Energy Information Administration reported on Wednesday.
- The USDA Broiler report showed broiler-type eggs set up 1 percent and chicks placed up 2 percent. Cumulative placements from the week ending January 6, 2018 through July 28, 2018 for the United States were 5.52 billion. Cumulative placements were up 2 percent from the same period a year earlier.

Export Developments

- South Korea's MFG bought 69,000 tons of corn, optional origin, at \$212.90/ton, c&f, for arrival around January 3, 2019.
- China sold about 57.7 million tons of corn out of reserves this season.
- China plans to offer another 8 million tons of corn from state reserves in early August.

The USDA US monthly grain grind report showed corn used for ethanol in June totaled 463 million bushels, 13 milling below our working estimate, lower 470 million in May and compares to 437 million in June 2017. Sorghum used for ethanol was 7.6 million, above 4.4 million in May and below 8.7 million in June 2017. DDGS production in June at 2.021 million short tons were highest since August 2017.

USDA NASS Monthly US Corn for Ethanol Use

	Jun-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	USDA Jun-18
Corn use (mil bu)	437	488	476	434	473	445	470	463
FI Estimate	428	434	476	434	473	455	472	475
Sorghum use (mil bu)	8.7	4.1	4.3	3.2	4.0	4.7	4.4	7.6
DDGS Output (000 short tons)	1,852	1,968	1,986	1,829	1,943	1,832	1,969	2,021

Source: USDA Monthly Grain Crushings and Co-Products Production Report, & FI

Weekly US ethanol update

- EIA reported weekly US ethanol production decreased 10,000 barrels per day and stocks up 314,000 barrels. A Bloomberg survey called for weekly US ethanol production to decrease 8,000 barrels per day and stocks to increase 132,000 barrels, so estimates were somewhat inline.
- US gasoline stocks decreased for the fifth week in a row.
- US ethanol blend rate into finished motor gasoline fell to 90.8% from 91.4% last week.
- The US ethanol-RBOB spread is narrowing.

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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			
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		
7/13/2018	1064	31	3.7%	21,768	-625	-1.7%	21.0		
7/20/2018	1074	10	6.1%	21,653	-115	0.6%	20.3		
Source: EIA and FI	1064	-10	6.2%	21,967	314	5.3%	20.4		

Source: EIA and FI

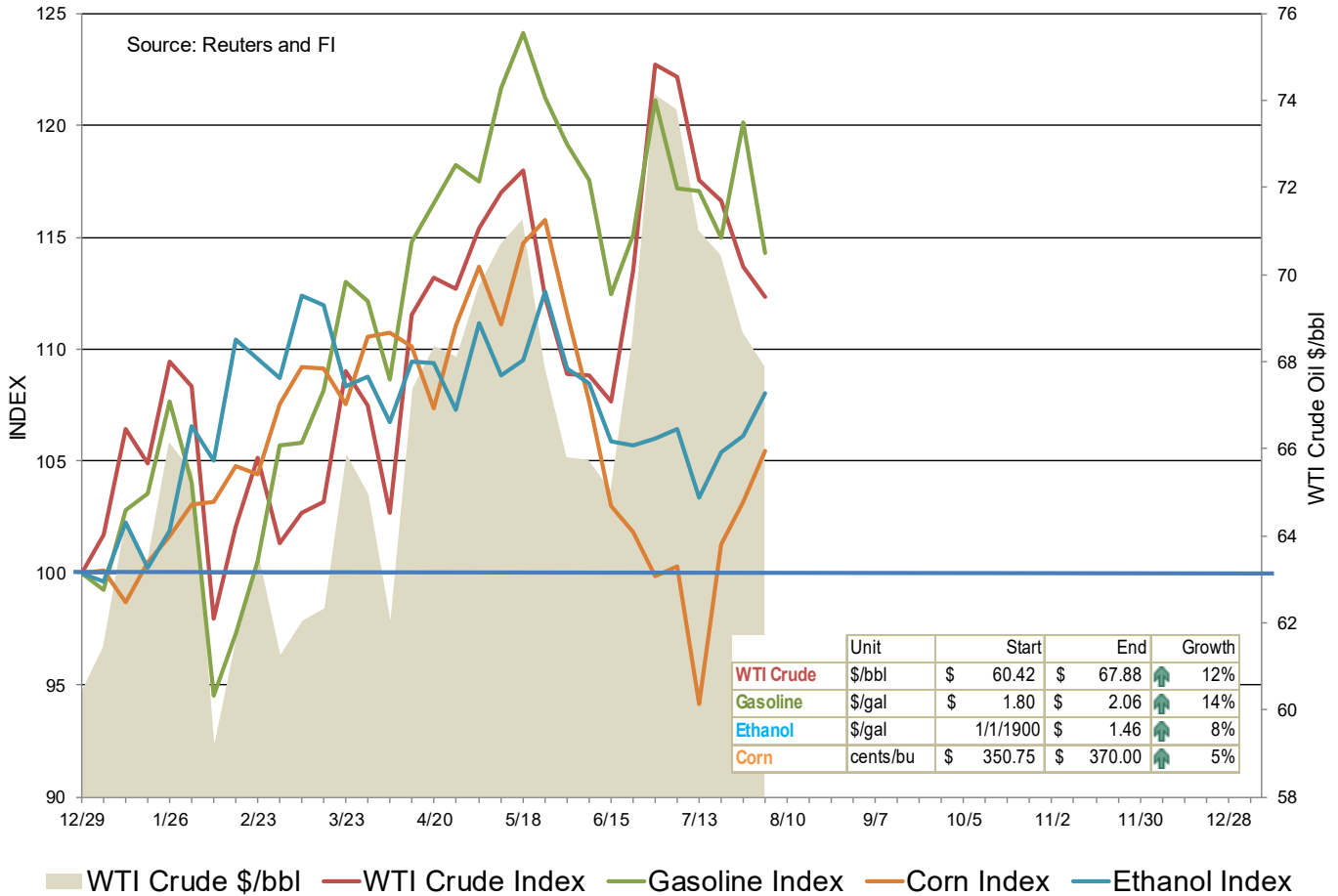
US Weekly Ethanol By PADD

	27-Jul 2018	20-Jul 2018	Change	Weekly Percent	4-Week Percent	YOY Percent
Ethanol Stocks						
Total Stocks	21967	21653	314	1.5%	-1.9%	5.3%
East Coast PADD 1	7682	7108	574	8.1%	8.5%	1.8%
Midwest PADD 2	7340	7399	-59	-0.8%	-3.6%	3.4%
Gulf Coast PADD 3	4238	4281	-43	-1.0%	-15.7%	18.0%
Rocky Mt. PADD 4	349	322	27	8.4%	3.3%	8.0%
West Coast PADD 5	2357	2544	-187	-7.4%	1.1%	2.9%
	27-Jul 2018	20-Jul 2018	Change	Weekly Percent	4-Week Percent	YOY Percent
Plant Production						
Total Production	1064	1074	-10	-0.9%	3.0%	6.2%
East Coast PADD 1	25	25	0	0.0%	-3.8%	
Midwest PADD 2	979	985	-6	-0.6%	3.9%	7.5%
Gulf Coast PADD 3	26	28	-2	-7.1%	-13.3%	
Rocky Mt. PADD 4	14	14	0	0.0%	-6.7%	
West Coast PADD 5	20	21	-1	-4.8%	0.0%	
Plant Production	Crop-Year to Date YOY Percent Change					
	2017-18	2016-17	2015-16	3-Year Average		
	2.8%	4.3%	2.5%	3.2%		

Source: EIA and FI

Ethanol prices turning higher while WTI Crude & Gasoline prices are slipping

Indexed Commodity Prices Starting January 2018 versus WTI Crude Nearby Futures



US gasoline annualized imports		
	Gal/Yr Imports	YoY
2000	8,056,799,423	(23,289,808)
2001	10,521,981,346	2,465,181,923
2002	12,374,847,692	1,852,866,346
2003	12,973,602,115	598,754,423
2004	13,519,585,962	545,983,846
2005	15,570,563,077	2,050,977,115
2006	17,424,019,038	1,853,455,962
2007	17,178,149,423	(245,869,615)
2008	16,138,067,885	(1,040,081,538)
2009	14,608,310,769	(1,529,757,115)
2010	13,566,460,385	(1,041,850,385)
2011	12,401,380,385	(1,165,080,000)
2012	10,026,999,231	(2,374,381,154)
2013	8,826,837,115	(1,200,162,115)
2014	8,463,634,038	(363,203,077)
2015	9,798,523,269	1,334,889,231
2016	10,842,732,115	1,044,208,846
2017	9,418,516,154	(1,424,215,962)
Annualized 2018	10,737,343,448	1,318,827,294

Source: EIA and FI

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Corn		Change	Oats		Change	Ethanol	Settle	
SEP8	365.00	(7.25)	SEP8	239.50	3.75	AUG8	1.42	Spot DDGS IL
DEC8	379.50	(7.00)	DEC8	248.25	2.50	SEP8	1.43	Cash & CBOT
MAR9	390.25	(6.75)	MAR9	252.25	2.25	OCT8	1.44	Corn + Ethanol
MAY9	396.00	(6.25)	MAY9	255.00	2.25	NOV8	1.43	Crush
JUL9	401.00	(5.75)	JUL9	258.25	2.25	DEC8	1.42	1.59
SEP9	401.50	(4.75)	SEP9	262.75	4.50	JAN9	1.41	
Soybean/Corn		Ratio	Spread	Change	Wheat/Corn	Ratio	Spread	Change
SEP8	SEP8	2.44	526.50	(10.00)	SEP8	1.53	193.25	11.75
NOV8	DEC8	2.38	522.25	(10.25)	DEC8	1.53	199.25	12.50
MAR9	MAR9	2.36	531.50	(10.00)	MAR9	1.52	203.75	13.00
MAY9	MAY9	2.35	534.50	(10.50)	MAY9	1.51	202.50	12.00
JUL9	JUL9	2.34	537.25	(10.25)	JUL9	1.49	195.75	10.25
SEP9	SEP9	2.33	532.00	(8.75)	SEP9	1.50	201.75	8.75
US Corn Basis & Barge Freight								
Gulf Corn			BRAZIL Corn Basis			Chicago		-2 u dn2
JULY	+55 / 58 u up1/unch		AUG	+75 / +90 u unch		Toledo	-3 u unch	
AUG	+53 / 56 u unch		SEPT	+80 / +90 u unch		Decatur	-15 u unch	
SEPT	+55 / 58 u unch		OCT	+75 / +90 z unch		Dayton	-2 u unch	
OCT	+50 / 55 z dn4/unch		NOV	+75 / +90 z unch		Cedar Rapid:	-16 u dn1	
NOV	+50 / 55 z dn4/unch		DEC	+75 / +90 z unch		Burns Harbo	-22 u unch	
USD/ton:						Memphis-Cairo Barge Freight (offer)		
US Gulf	3YC Fob Gulf Seller (RTRS)	169.6	170.4	177.2	177.2	177.2	177.4	
China	2YC Maize Cif Dalian (DCE)	260.1	262.5	265.0	267.5	270.5	273.3	
Argentina	Yellow Maize Fob UpRiver	-	174.1	180.8	-	-	-	
						Jul	350	+15
						Aug	350	+15
						Sep	500	+25

Source: FI, DJ, Reuters & various trade sources

7/31/18. September corn may trade in a \$3.50-\$4.25 range. December corn is seen in a \$3.00-4.50 range. Our working 2018-19 corn crop-year average is \$3.55, subject to change.

Soybean complex.

- The soybeans complex ended sharply lower in a risk off day after China threatened to retaliate if the US adds on additional import tariffs.
- Funds were net sellers of 11,000 soybeans, sold 4,000 soy meal, and sold 3,000 soybean oil contracts.
- China said they will retaliate, again, if the US increased tariffs on additional products from China. The White House said they are going to forward in adding tariffs. This got the trade, once again, very nervous. Yesterday people thought there may be progress and today the trade dispute escalated. The US is considering a 25 percent tariff on \$200 billion in Chinese imports, higher than the 10 percent previously announced.
- NTL FC Stone estimated the 2018 US soybean production at 4.574 billion bushels and yield at 51.5 bushels per acre. USDA is at 4.310 billion bushels and 48.5/bu for the yield.
- Brazil exported 10.2 million tons of soybeans in July, 200,000 more than our working estimate and compares to 10.42 million in June and 6.95 million tons a year ago. 1.73 million tons were exported in July compared to 1.56 million a month earlier and 1.16 million in June 2017. 210,904 tons of soybean oil were exported versus 126,068 tons in June and 137,307 year ago.
- USDA reported the June US crush at 169.5 million bushels, 1 million above a Bloomberg average trade guess, below 172.5 in May and above 148.2 million in June 2017. US soybean oil stocks at the end of

June were 2.305 billion, 40 million above the average trade guess and down from 2.468 billion last month but well up from 2.143 billion at the end of June 2017.

Export Developments

- China sold 23,292 tons of 2013 soybeans at auction from state reserves at 2997 yuan per ton or \$440.29/ton, 5 percent of what was offered.
- China sold 1.054 million tons of soybeans out of reserves so far, this season.
- China failed to sell any soybean oil out of auction. 56,611 tons were offered.
- China sold 4,250 tons of rapeseed oil out of auction from state reserves at an average price of 6,000 yuan per ton, 5.5% of the 76,932 tons offered.
- Results awaited: Iran seeks 30,000 tons of soybean oil on August 1.
- South Korea seeks 12,000 tons of non-GMO soybeans in Aug 7 for Nov/Dec arrival.
- USDA seeks 2,160 tons of refined vegetable oil under the PL480 program on August 7 for shipment in September for Zimbabwe.
- Iran seeks 30,000 tons of sunflower oil on September 24.

USDA Monthly Soybean Crush and Soybean Oil Stocks

	Jun-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Est. Jun-18	<i>Actual less trade</i>	
									May-18	Jun-18
Soybeans crushed										
mil bushels	148.2	176.3	174.6	164.9	182.2	171.6	172.5			
Ave. Trade Estimate	146.9	176.4	173.3	163.3	183.0	171.9	173.8	168.6	(1.4)	
FI Estimate	147.3	176.1	173.5	162.6	180.6	172.5	173.7	169.4		
Soybean oil Production million pounds	1736	2015	1996	1890	2079	1965	1967			
Soybean oil stocks										
mil pounds	2143	1951	2240	2425	2444	2689	2374			
Ave. Trade Estimate	2240	1877	2136	2342	2536	2593	2468	2265	(94)	
FI Estimate	2294	1901	2161	2391	2650	2640	2521	2225		
Soybean oil yield pounds per bushel	11.71	11.43	11.43	11.46	11.41	11.45	11.40	0.00		
Soybean meal production 000 short tons	3490	4173	4128	3900	4307	4080	4109			
Soybean meal stocks 000 short tons	350	555	410	456	544	452	433			
Soybean meal yield pounds per bushel	47.09	47.33	47.28	47.28	47.28	47.55	47.66			

Source: USDA NASS Fats and Oils, Bloomberg, & FI (trade 165.0-170.0, 2225-2290)

Soybeans		Change	Soybean Meal		Change	Soybean Oil		Change
AUG8	886.75	(17.00)	AUG8	336.50	(4.70)	AUG8	28.45	(0.28)
SEP8	891.50	(17.25)	SEP8	334.50	(5.40)	SEP8	28.62	(0.27)
NOV8	901.75	(17.25)	OCT8	334.80	(5.40)	OCT8	28.72	(0.29)
JAN9	912.75	(16.75)	DEC8	336.00	(5.40)	DEC8	28.95	(0.35)
MAR9	921.75	(16.75)	JAN9	334.70	(5.20)	JAN9	29.20	(0.35)
MAY9	930.50	(16.75)	MAR9	330.30	(4.80)	MAR9	29.51	(0.33)
JUL9	938.25	(16.00)	MAY9	328.40	(4.80)	MAY9	29.81	(0.35)

Soybeans	Spread	Change	SoyMeal	Spread	Change	SoyOil	Spread	Change
Sep/Nov	10.25	0.00	Sep/Dec	1.50	0.00	Sep/Dec	0.33	(0.08)

Electronic Beans Crush		Oil as %	Meal/Oil \$	Meal	Oil		
Month	Margin	of Oil&Meal	Con. Value	Value	Value		
AUG8	166.50	AUG8 29.71%	\$ 16,580	740.30	312.95		
SEP8	159.22	SEP8 29.96%	\$ 16,278	735.90	314.82	EUR/USD	1.1660
NOV8/DEC8	155.90	OCT8 30.02%	\$ 16,248	736.56	315.92	Brazil Real	3.7509
JAN9	144.79	DEC8 30.11%	\$ 16,230	739.20	318.45	Malaysia Bid	4.0640
MAR9	129.52	JAN9 30.37%	\$ 15,950	736.34	321.20	China RMB	6.8154
MAY9	119.89	MAR9 30.88%	\$ 15,324	726.66	324.61	AUD	0.7405
JUL9	118.85	MAY9 31.22%	\$ 14,954	722.48	327.91	CME Bitcoin	7491
AUG9	119.11	JUL9 31.36%	\$ 14,896	725.56	331.54	3M Libor	2.34825
SEP9	126.35	AUG9 31.46%	\$ 14,822	725.78	333.08	Prime rate	5.0000
NOV9/DEC9	127.12	SEP9 31.56%	\$ 14,724	725.34	334.51		

US Soybean Complex Basis

JULY	+33 / x up3			DECATUR	-18 x unch
AUG	+32 / x up1	IL SBM	-14 7/24/2018	SIDNEY	-5 q up1
SEPT	+30 / 34 x up5/unch	CIF Meal	17 7/24/2018	CHICAGO	-25 q unch
OCT	+35 / 38 x up3/dn1	Oil FOB NOLA	250 7/31/2018	TOLEDO	+8 q unch
NOV	+40 / 50 x unch	Decatur Oil	0 7/31/2018	BRNS HRBR	-30 q unch
				C. RAPIDS	-26 q dn1

Brazil Soybeans Paranagua fob		Brazil Meal Paranagua		Brazil Oil Paranagua	
AUG	+207 / +210 q unch/dn10	AUG	nq na	AUG	+100 / +200 q unch/up20
SEPT	+220 / +230 u unch/dn10	SEP	+9 / +12 q dn2/dn2	SEPT	+140 / +220 u up30/up40
OCT	+235 / +255 x unch	OCT	+13 / +18 v dn2/dn1	OCT	+110 / +250 v up10/up50
NOV	+240 / +260 x unch/dn15	NOV	+13 / +18 z dn2/dn1	NOV	+110 / +250 z up10/up50
DEC	+240 / +260 x unch/dn15	DEC	+13 / +189 z dn2/dn1	DEC	+110 / +250 z up10/up50
	Argentina meal	342 7.4	Argentina oil:	Spot fob	29.8 1.18

Source: FI, DJ, Reuters & various trade sources

Updated 7/31/18

- September soybeans are seen in a \$8.80-\$9.60 range; November \$7.75-\$10.00 range.
- September soybean meal \$310-380 range; December \$280-\$420 range.
- September soybean oil 28.00-29.50 range; December 27.00-31.00 range.

Wheat.

- US wheat ended higher on ongoing global crop concerns.
- Funds today bought an estimated net 6,000 SRW wheat contracts.
- After the close Egypt announced they were in for wheat.
- December Paris wheat futures settled at 208.25 euros, up 4.00 euros higher. The contract traded to a 3-1/2 year high. On a rolling basis, Paris wheat is the highest since July 2015.

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- German farm cooperative DBV estimated the winter-wheat crop down 25% 18MMT tons from the previous season.
- Australia's July was the driest since 2002.
- The USDA Attaché estimated 2018-19 Argentina's wheat production at 19.5 million tons, same as USDA official.
- The USDA Attaché estimated Kazakhstan's wheat production at 14 million tons, 0.8MMT below 2017. USDA's official is at 14 million tons.
- The USDA Flour Milling report for Q2 showed flour milling at 227 million bushels, down slightly from the first quarter 2018 grind of 227 million bushels but up 1 percent from the second quarter 2017 grind of 224 million bushels. Second quarter 2018 total flour production was 105 million hundredweight, down slightly from the first quarter 2018 but up 1 percent from the second quarter 2017.

Export Developments.

- Egypt seeks wheat for September 11-20 shipment.
- Results awaited: Algeria seeks at least 50,000 tons of milling wheat on August 1 for October shipment.
- Japan in a SBS import tender bought 18,465 tons of feed wheat and 46,060 tons of barley for arrival by January 31.
- Japan in a SBS import tender seeks 120,000 tons of feed wheat and 200,000 tons of barley on August 8 for arrival by January 31.
- China sold 3,739 tons of 2013 imported wheat at auction from state reserves at 2370 yuan/ton (\$348.60/ton), 0.22 percent of wheat was offered.
- Japan seeks 140,968 tons of food wheat on Thursday.

Japan food wheat import details are via Reuters as follows (in tons):

COUNTRY	TYPE	QUANTITY
U.S.	Western White	12,547 **
U.S.	Hard Red Winter(Semi Hard)	10,890 **
U.S.	Dark Northern Spring(protein minimum 14.0%)	23,741 **
Canada	Western Red Spring(13.5%)	24,910 *
Canada	Western Red Spring(13.5%)	35,755 *
Australia	Standard White(West Australia)	33,125 **

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

** Loading between Oct. 1 and Oct. 31

Source: Japan AgMin, Reuters and FI

- Jordan seeks 120,000 tons of hard milling wheat on August 2.
- Results awaited: Bahrain Flour Mills seeks 17,000 tons of semi-hard wheat and 8,000 tons of hard wheat, on July 24, valid until July 25, for shipment in late Aug/early Sept. Origins include Australia, Baltics, & Canada.

Rice/Other

- Vietnam sees July rice exports at 382,000 tons.
- Iraq seeks 30,000 tons of rice on August 12, open until Aug 16.

Chicago Wheat			KC Wheat			MN Wheat		
		Change			Change	Settle		Change
SEP8	558.25	4.50	SEP8	563.75	7.25	SEP8	608.00	1.75
DEC8	578.75	5.50	DEC8	591.25	7.00	DEC8	626.00	3.25
MAR9	594.00	6.25	MAR9	608.75	7.75	MAR9	641.00	5.25
MAY9	598.50	5.75	MAY9	614.75	8.50	MAY9	648.75	6.00
JUL9	596.75	4.50	JUL9	612.25	6.50	JUL9	652.50	3.75
SEP9	603.25	4.00	SEP9	620.00	5.75	SEP9	645.75	4.00
DEC9	613.50	3.75	DEC9	633.75	6.00	DEC9	651.25	4.25

Chicago Rice			US Wheat Basis		
		Change			
SEP8	11.88	(0.040)	NOV8	11.95	(0.015)
			JAN9	12.08	(0.020)

Gulf SRW Wheat			Gulf HRW Wheat			Chicago mill		
JULY	+55u	unch	AUG	120 u	dn10	Toledo	+7 u	unch
AUG	+60 / u	unch	SEP	130 u	unch	PNW US Soft White 10.5% protein		
SEPT	+65 / u	unch	OCT	145 z	unch	PNW Aug	605	unchanged
OCT	+65 z	unch	NOV	145 z	unch	PNW Sep	605	unchanged
NOV	+65 z	unch		0 0		PNW Oct	609	-4.50
DEC	+65 z	unch				PNW Nov	612	-4.50

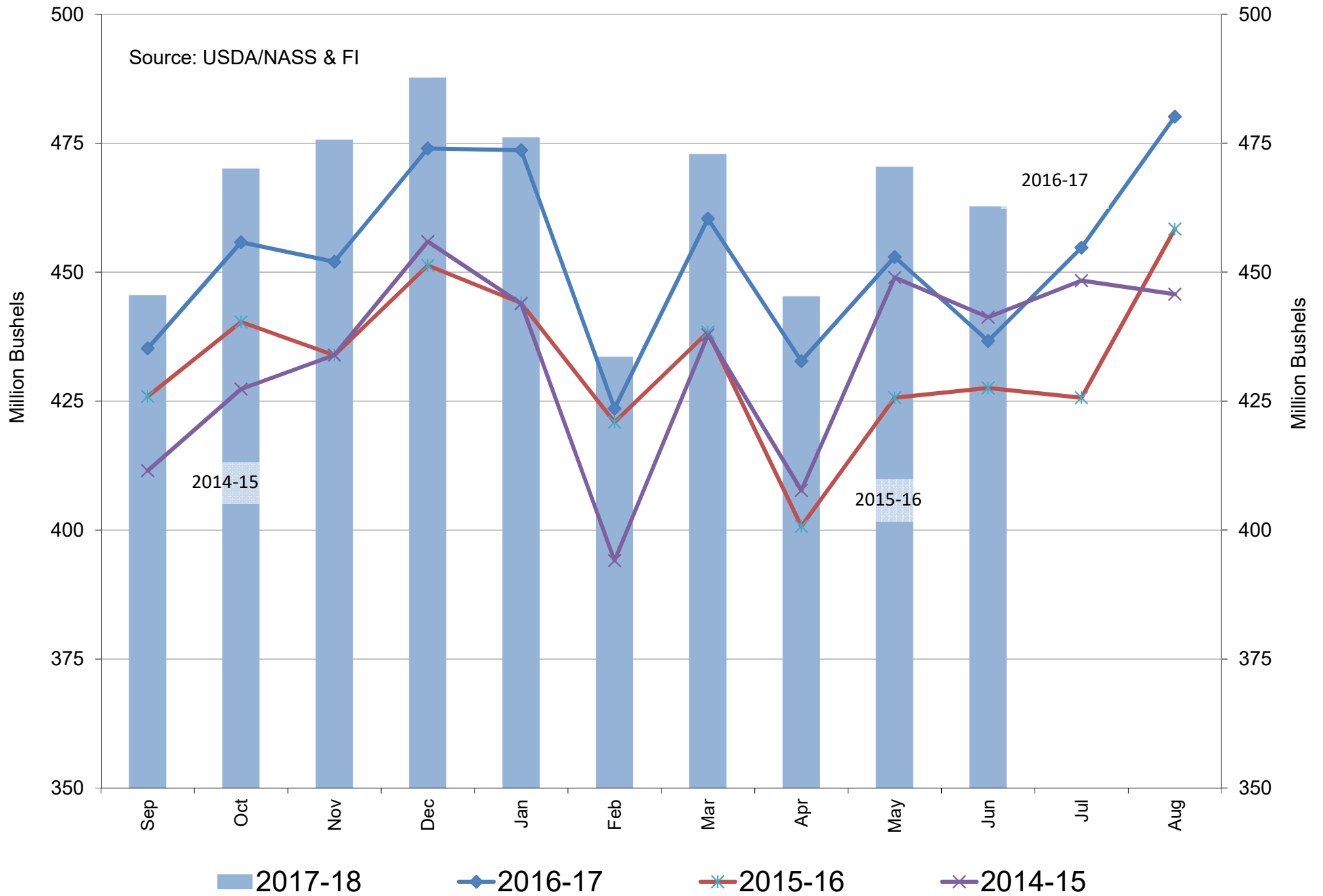
Euronext EU Wheat		Change	OI	OI Change	World Prices \$/ton		Change
SEP8	207.00	4.75	102,918	1,174	US SRW FOB	\$232.84	\$2.68
DEC8	208.50	4.25	232,367	4,240	US HRW FOB	\$257.70	\$3.20
MAR9	209.75	4.00	60,386	2,965	Black Sea FOB Mill 11%	\$210.00	\$12.00
MAY9	210.75	4.00	31,239	1,247	Russia FOB 12%	\$216.50	\$9.00
EUR	1.1660		\$235.50	CME Black 12.5%	Arg. Bread FOB 12%	\$225.00	\$0.00
Rouen FOB 11%	\$249.23	\$3.00			Ukraine FOB Mill 11%	\$210.00	\$12.00
AUS WHEAT DEC8	\$274.00	\$4.75		Platts/USD	Ukr. FOB feed (Odessa)	\$204.50	\$0.50

Source: FI, DJ, Reuters & various trade sources

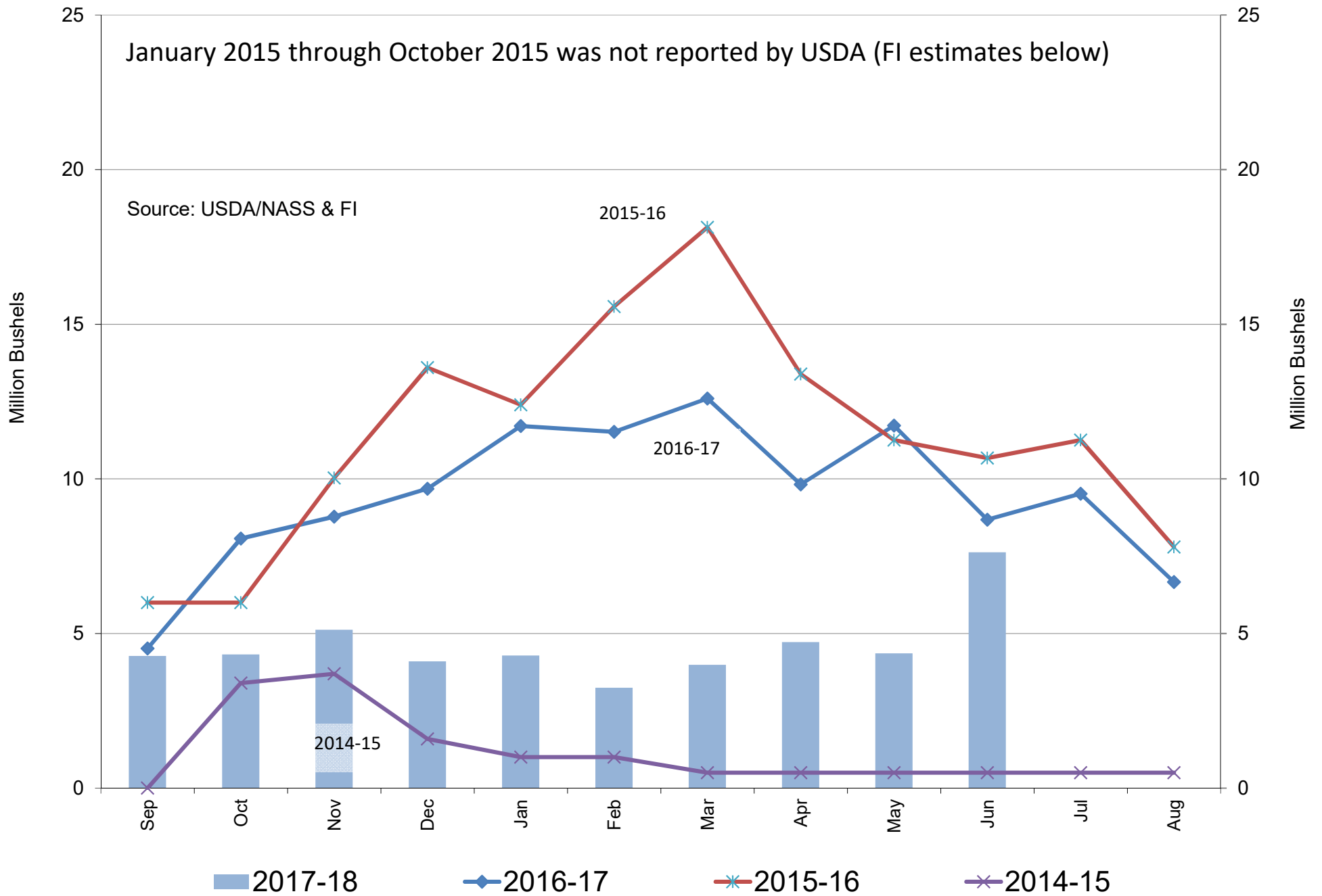
7/31/18. Trading ranges:

- September Chicago is seen in a \$5.30-\$5.80 trading range.
- September KC is seen in a \$5.35-\$5.85 range.
- September MN wheat is still seen in a \$5.50-\$6.50 range.

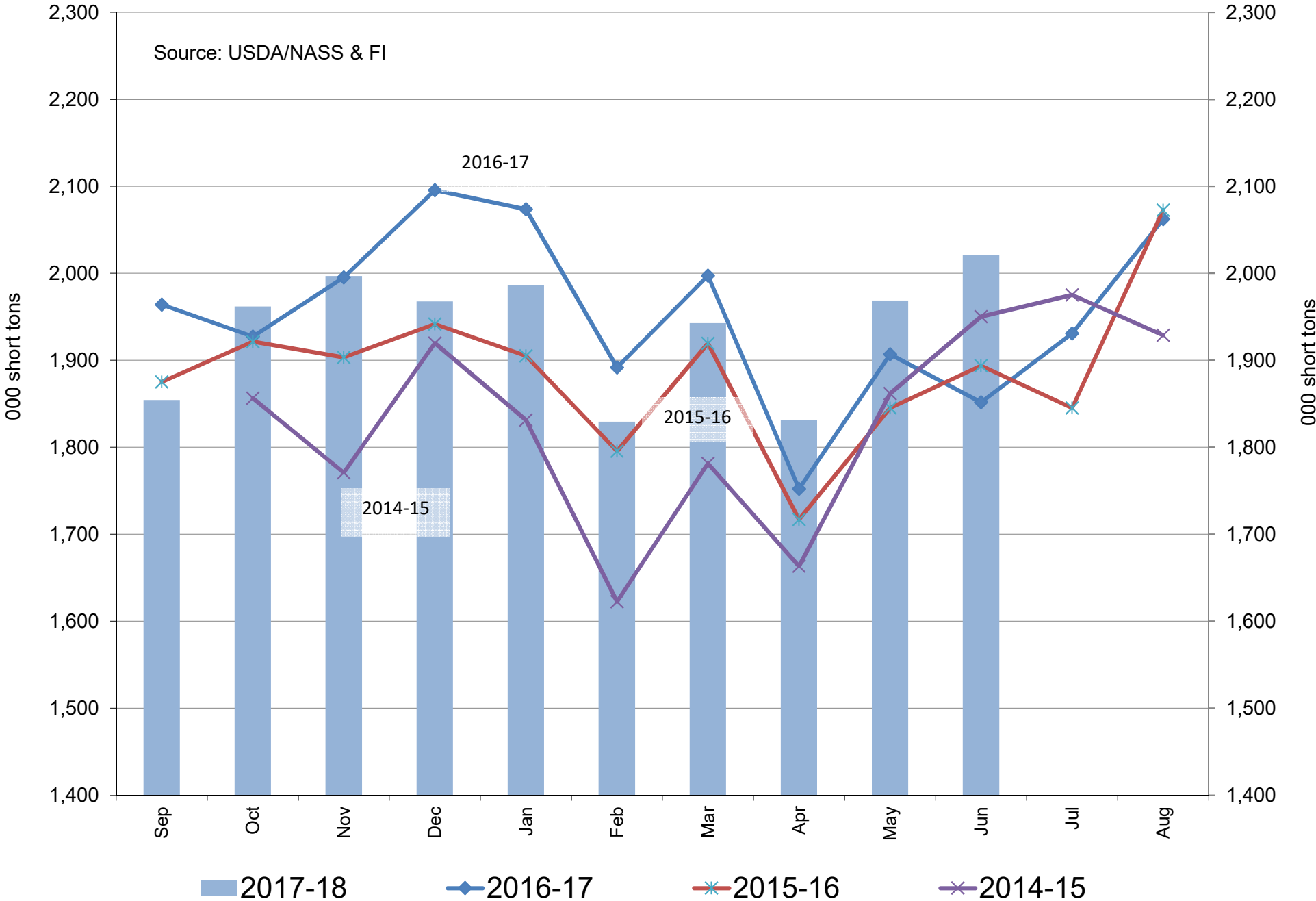
US Monthly Corn Use for Fuel Ethanol Production



US Monthly Sorghum Use for Fuel Ethanol Production



US Monthly DDGS Production



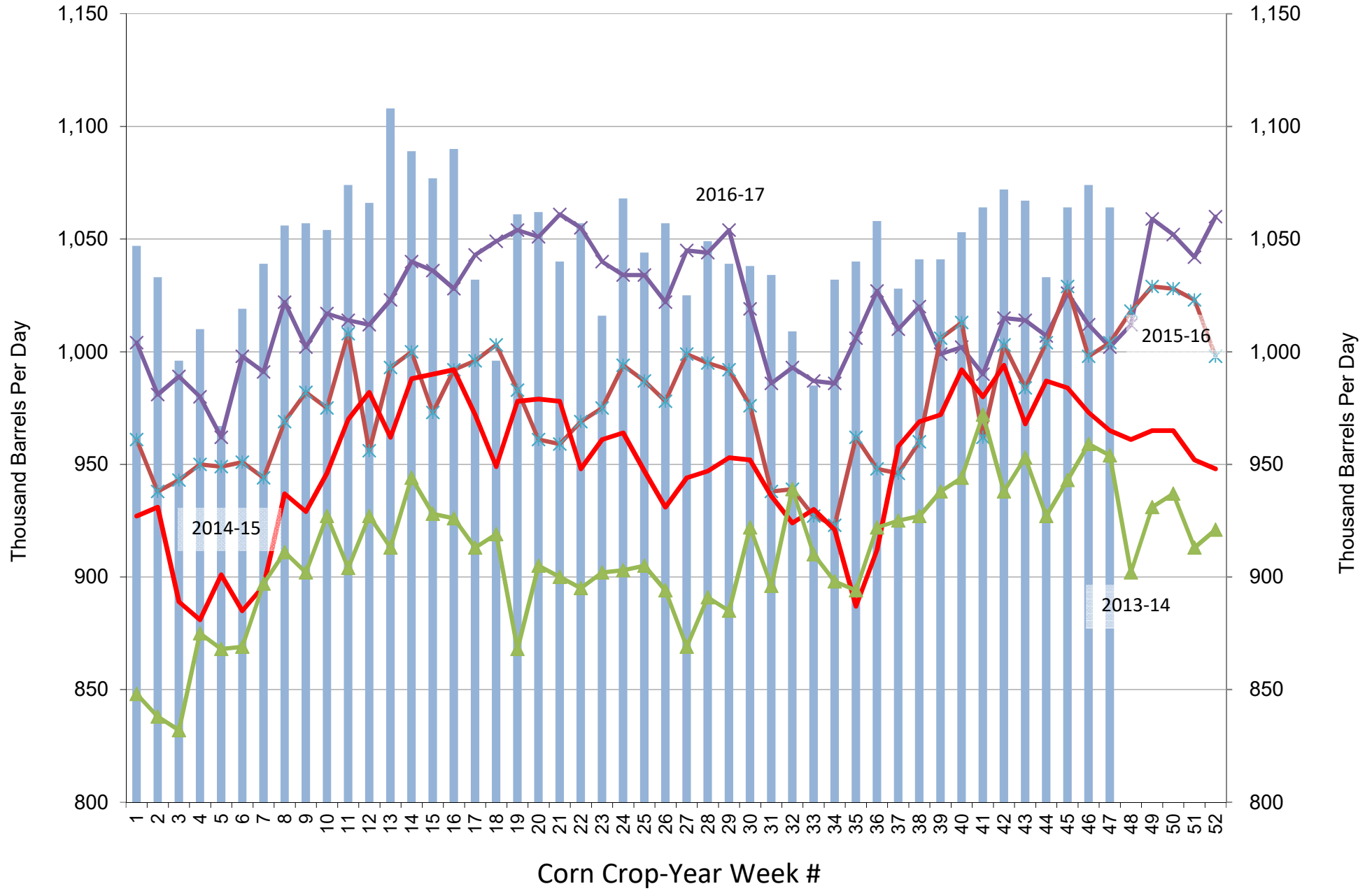
US Weekly Petroleum Status Report

	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
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
7/13/2018	1064	31	0.0%	3.7%	21,768	-625	0.6%	-1.7%	21.0
7/20/2018	1074	10	0.2%	6.1%	21,653	-115	-0.1%	0.6%	20.3
7/27/2018	1064	-10	-0.3%	6.2%	21,967	314	0.0%	5.3%	20.4

CY	1019	2016-17 season average	4.2%
CY to Date:	1045	2017-18 season average	2.6%
FI Estimate:	1035	2017-18 season average	1.6%

Source: Reuters, EIA, FI

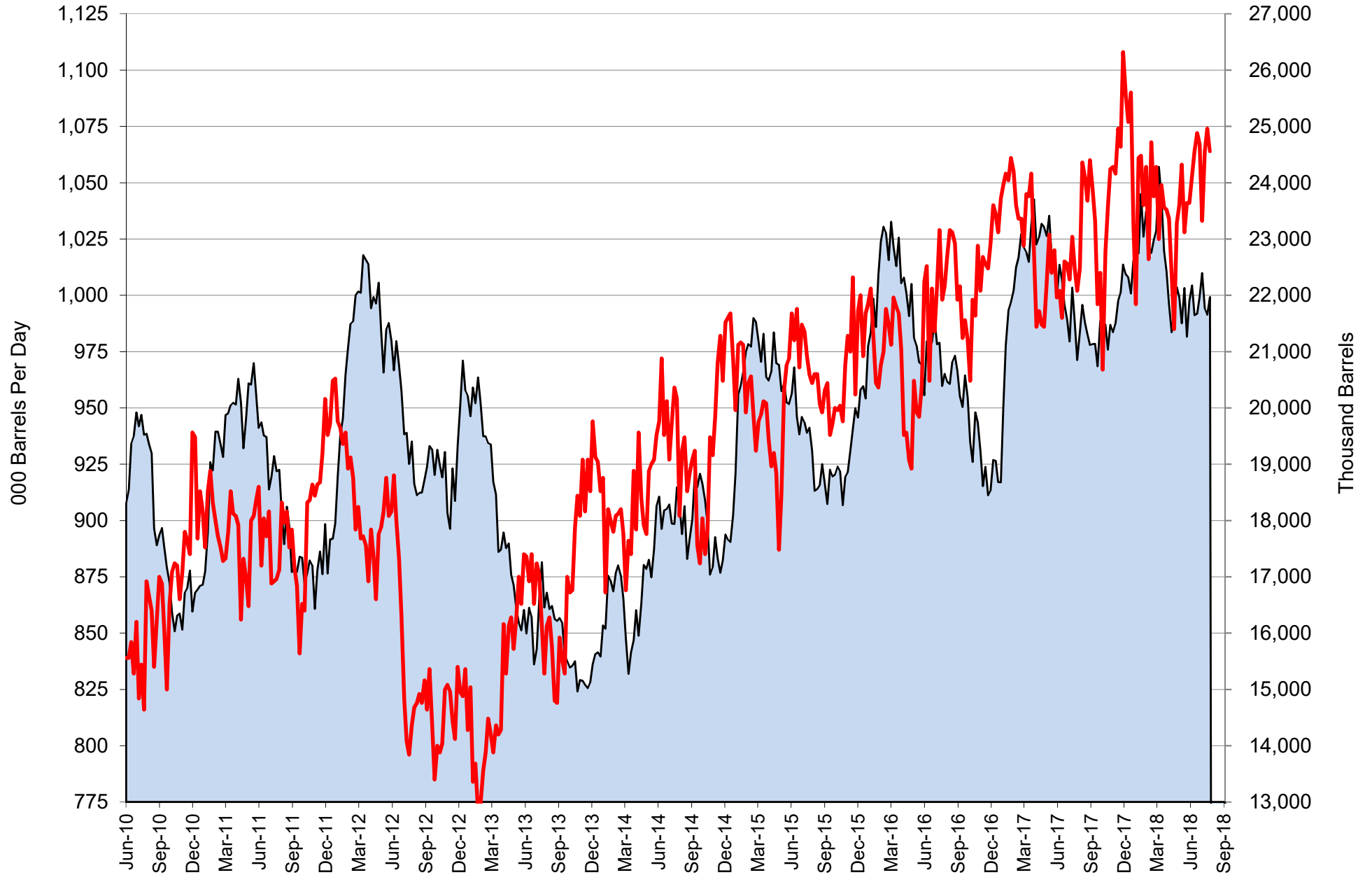
US Weekly Ethanol Production



Source: EIA & FI

■ 2017-18
 ✕ 2016-17
 ✕ 2015-16
 — 2014-15
 ▲ 2013-14

US Weekly Ethanol Production and Stocks

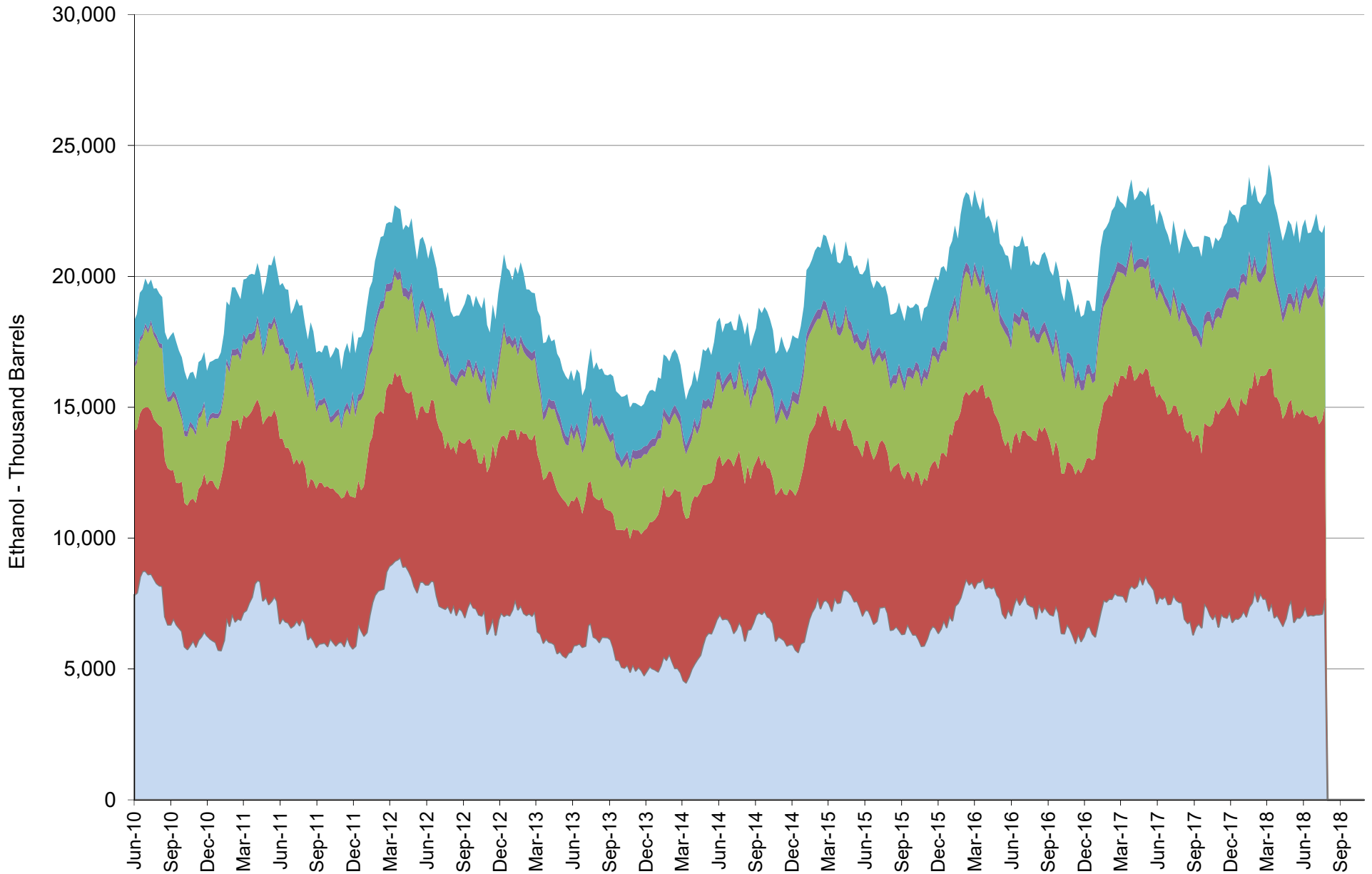


Source: EIA & FI

Stocks (1000bd)

Production (1000bd)

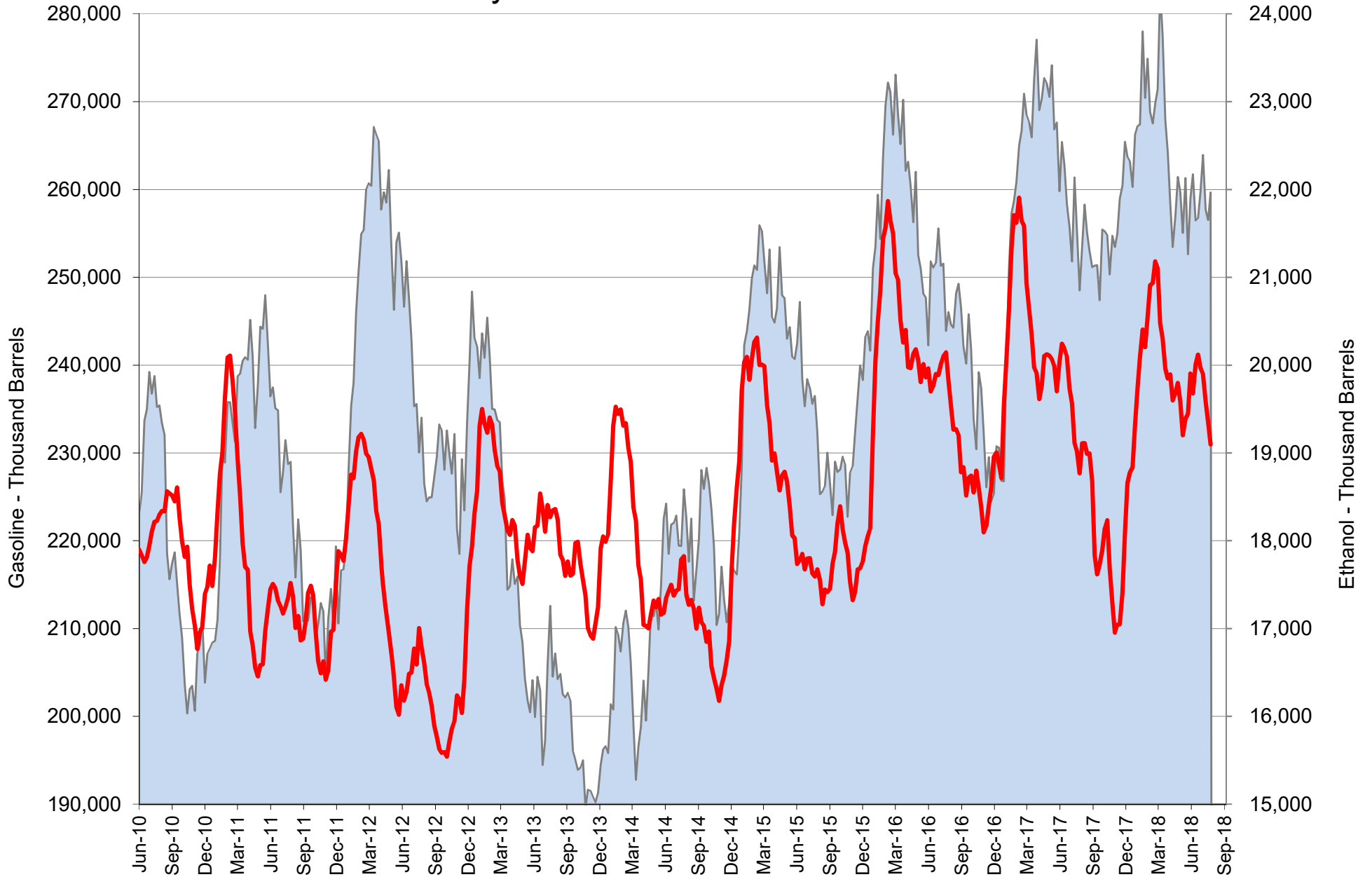
US Weekly Ethanol Stocks by PADD



Source: EIA & FI

■ PADD1 ■ PADD2 ■ PADD3 ■ PADD4 ■ PADD5

US Weekly Gasoline and Ethanol Stocks

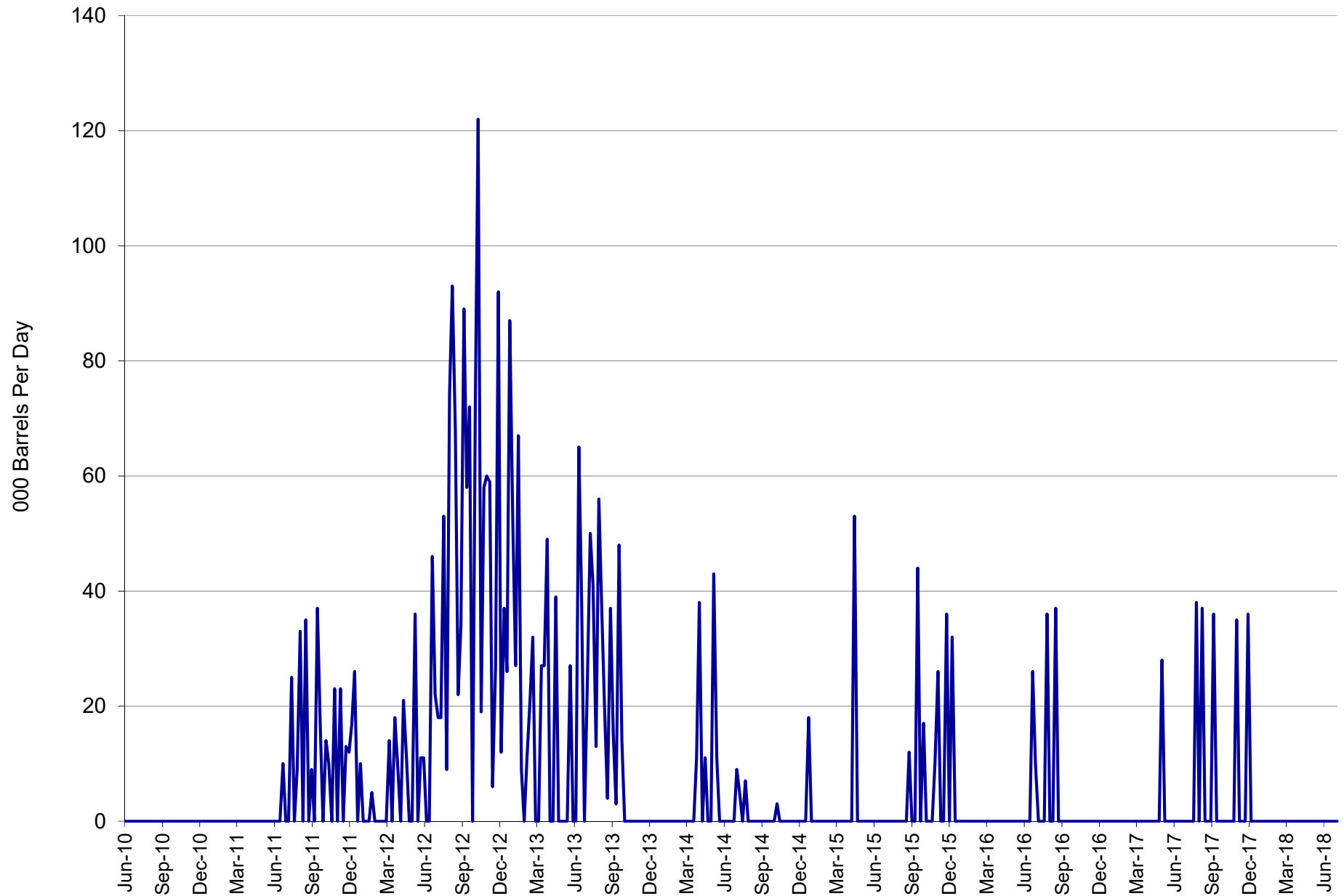


Source: EIA & FI

Stocks (1000bd)

US Gasoline Ending Stocks (thousand barrels)

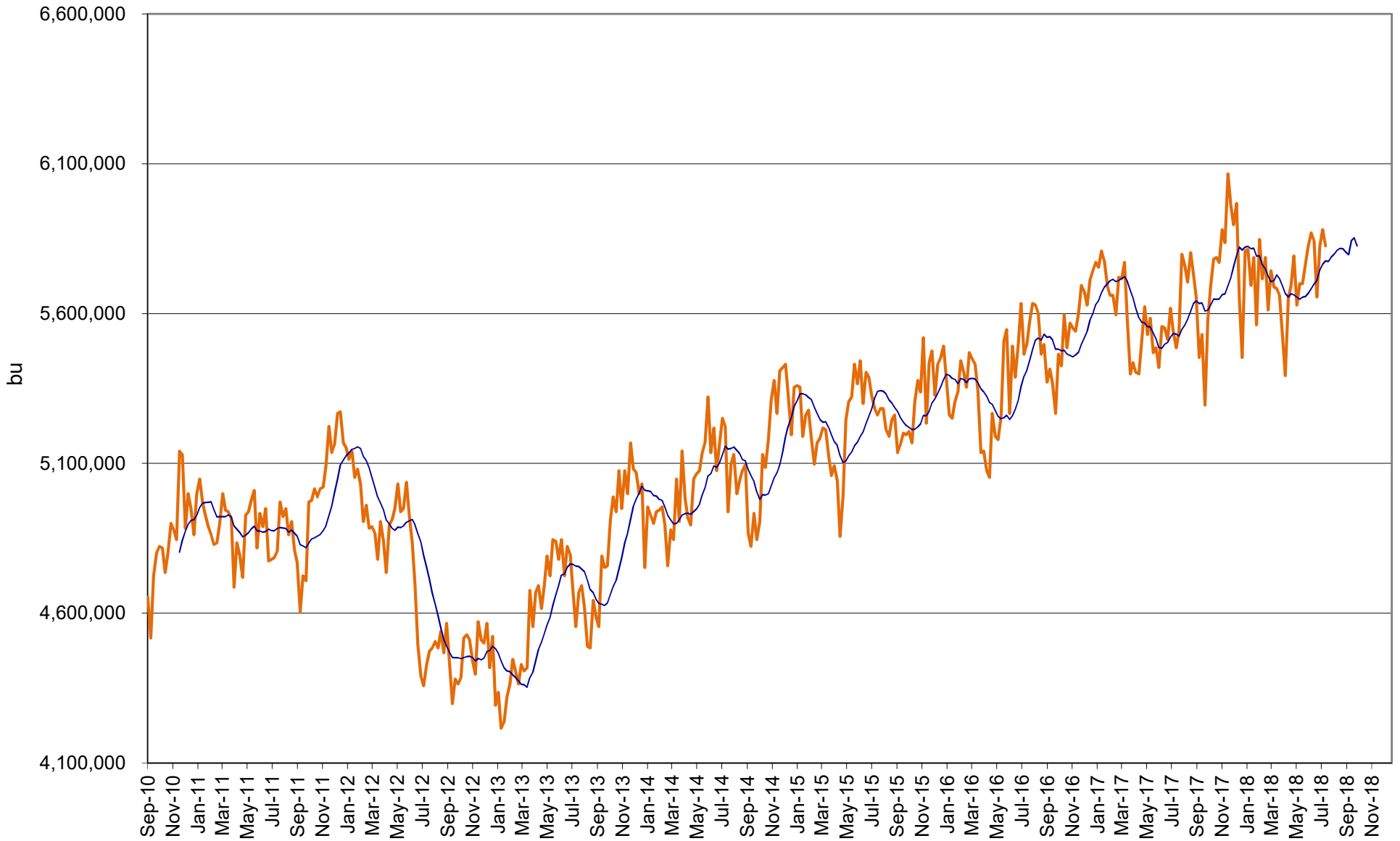
US Weekly Ethanol Imports



Source: EIA & FI

— Imports (BPD)

US Annualized Implied Corn Use

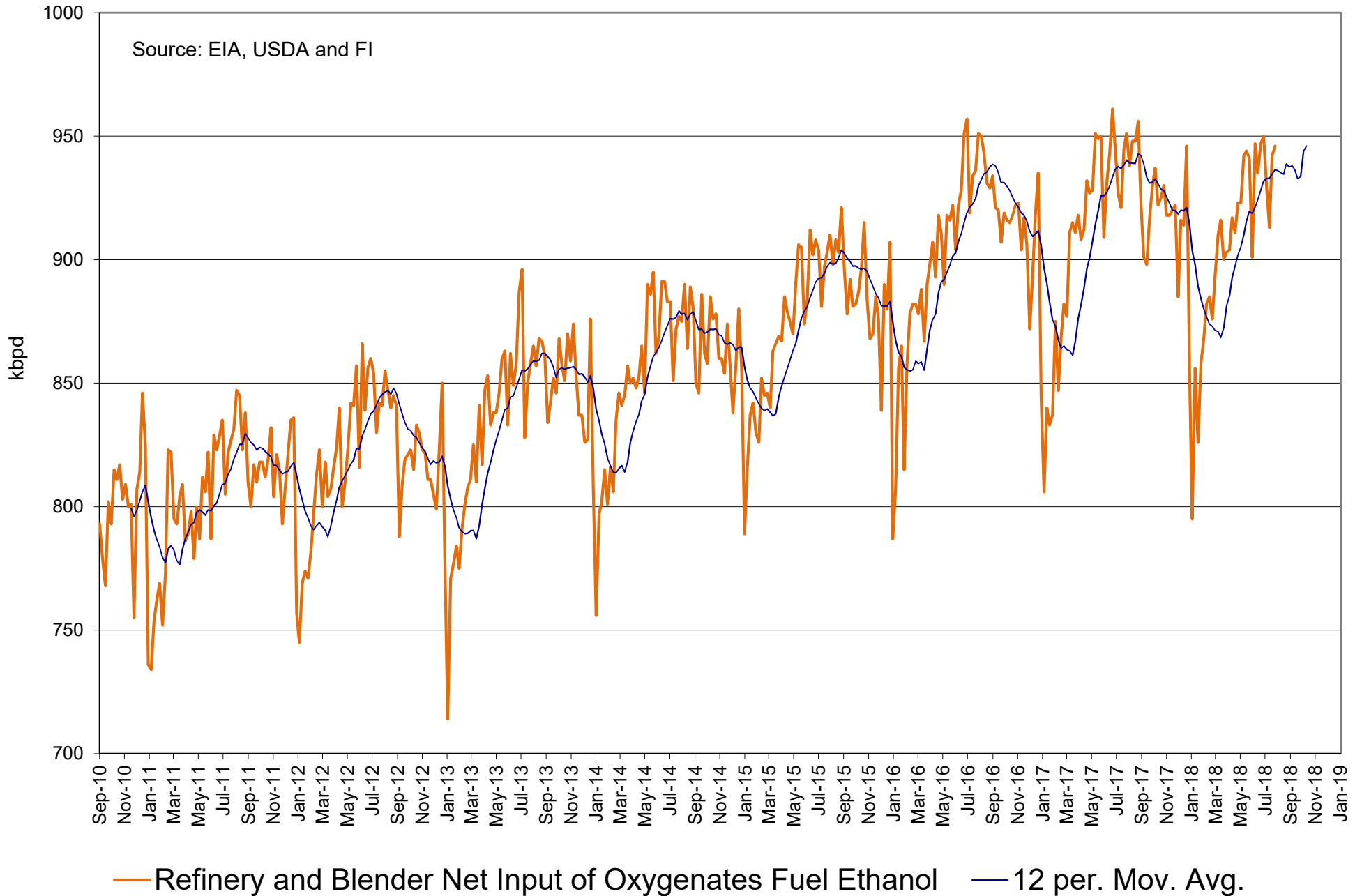


Source: EIA, USDA and FI

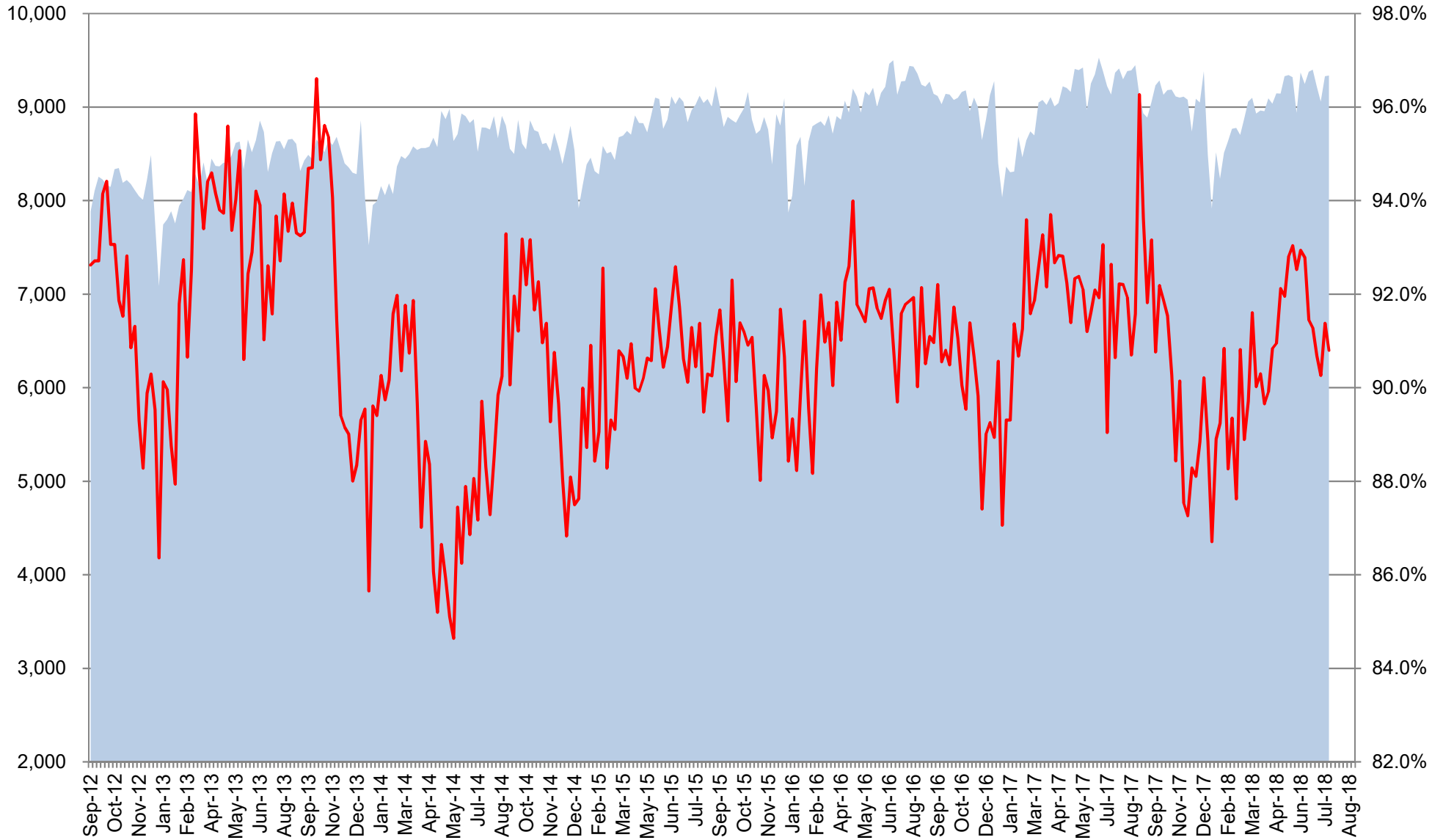
— US

— 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

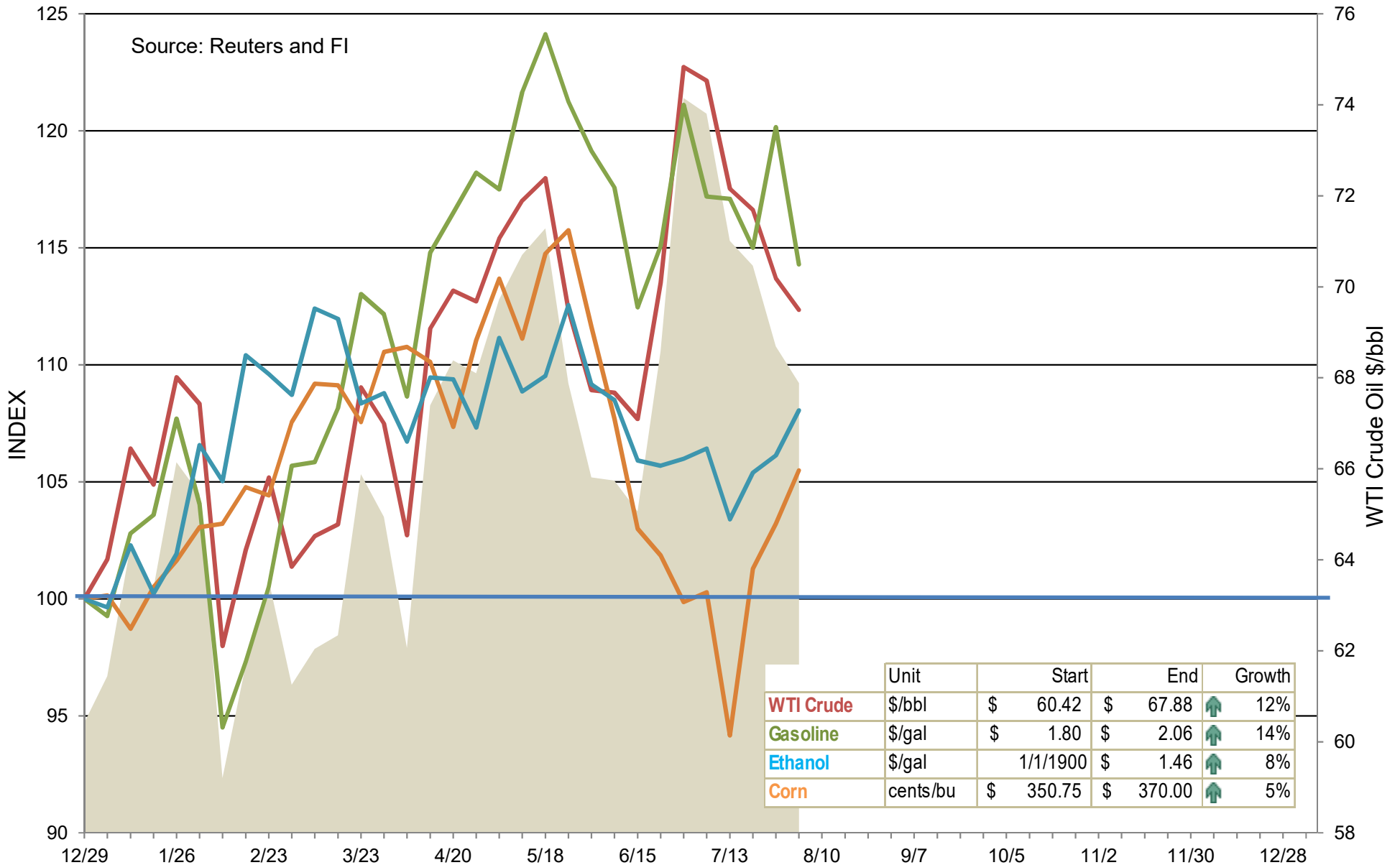


Source: EIA, USDA and FI

■ Total Blend Etoh

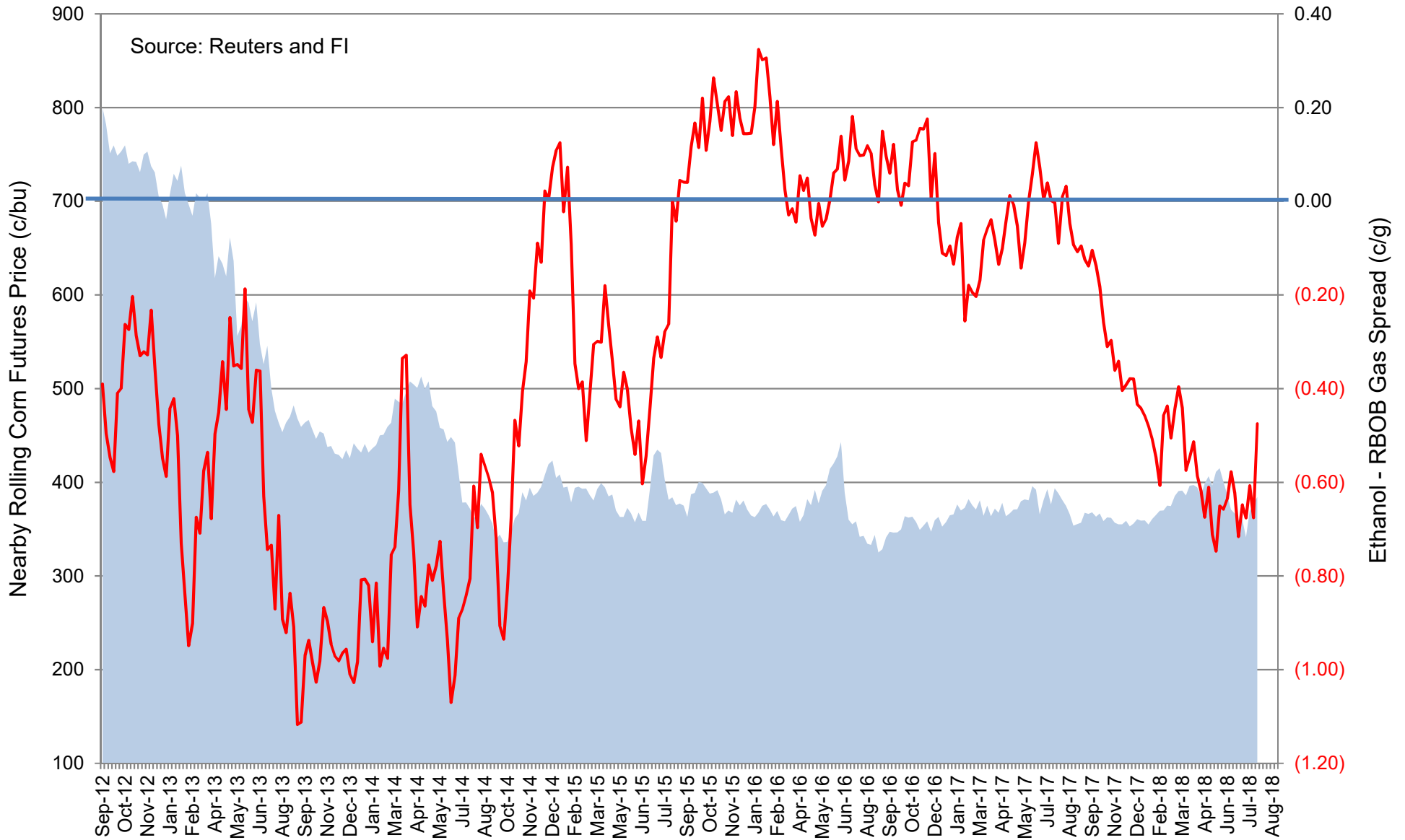
— Etoh Blend %

Indexed Commodity Prices Starting January 2018 versus WTI Crude Nearby Futures



WTI Crude \$/bbl
 WTI Crude Index
 Gasoline Index
 Corn Index
 Ethanol Index

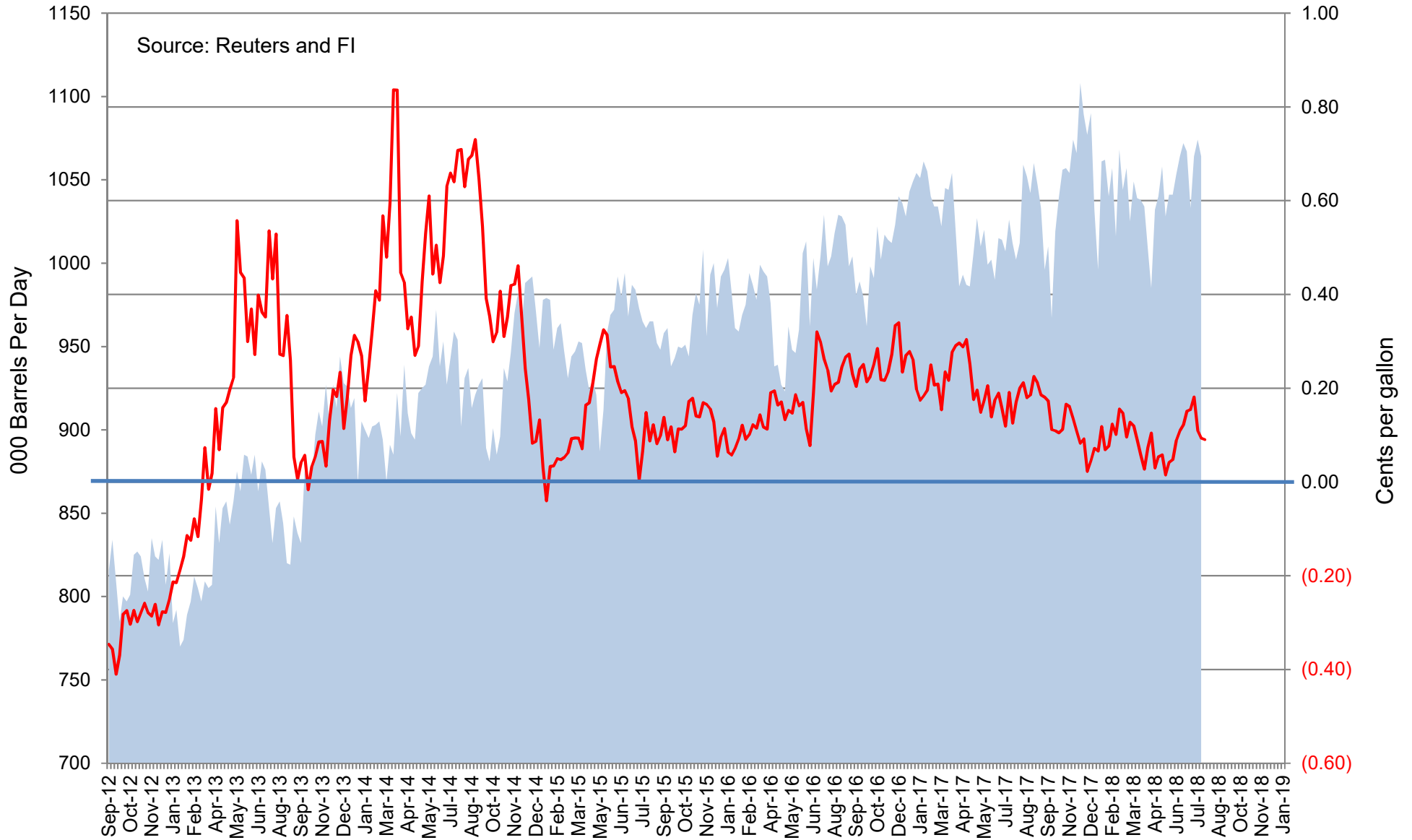
CBOT Second Month Corn Futures versus Second Month Ethanol - RBOB Futures Spread



■ Nearby CBOT corn

— Rolling 2nd Month Ethanol-RBOB Spread

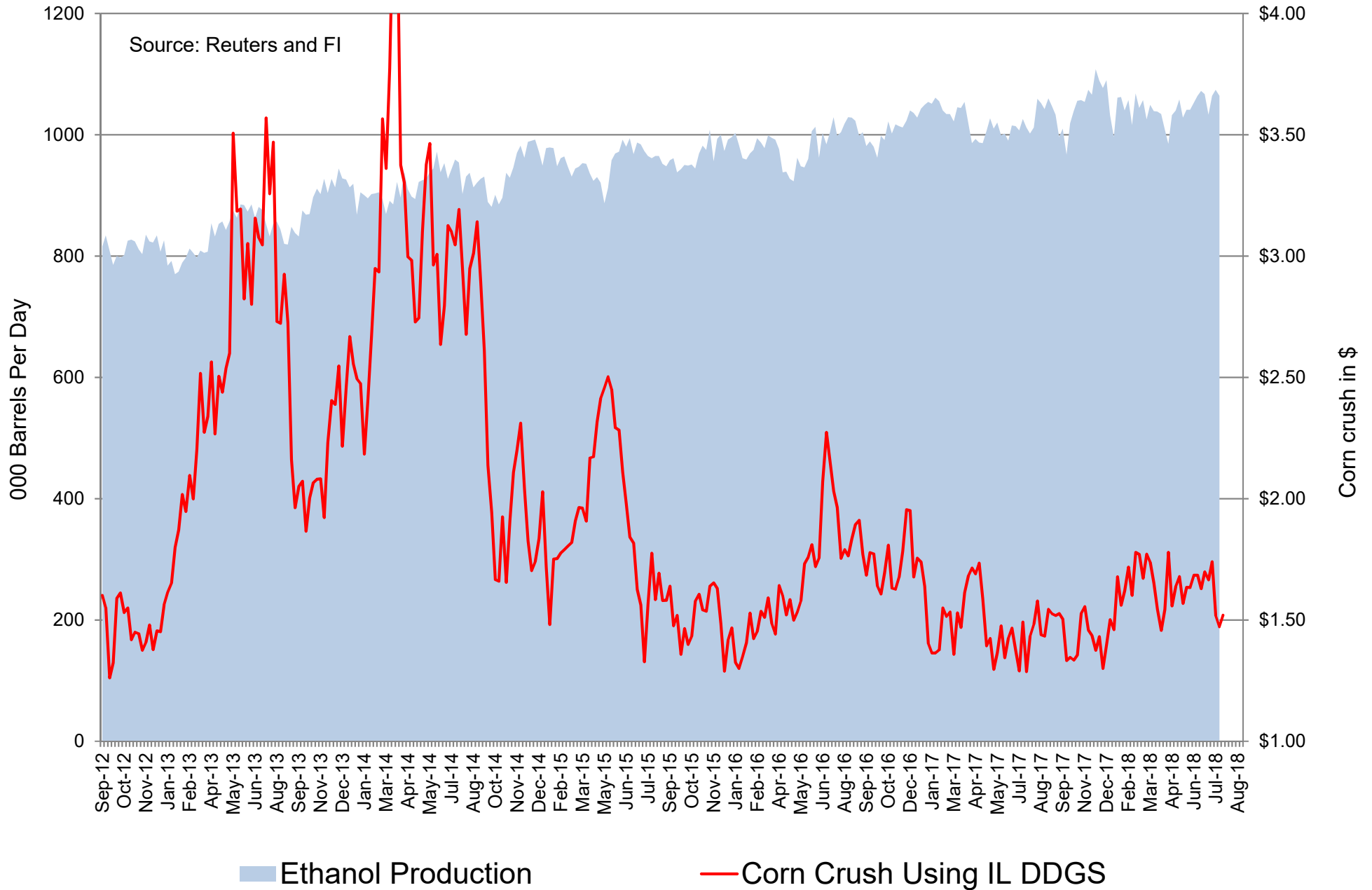
CBOT Second Month Corn Crush Spread versus Weekly Ethanol Production



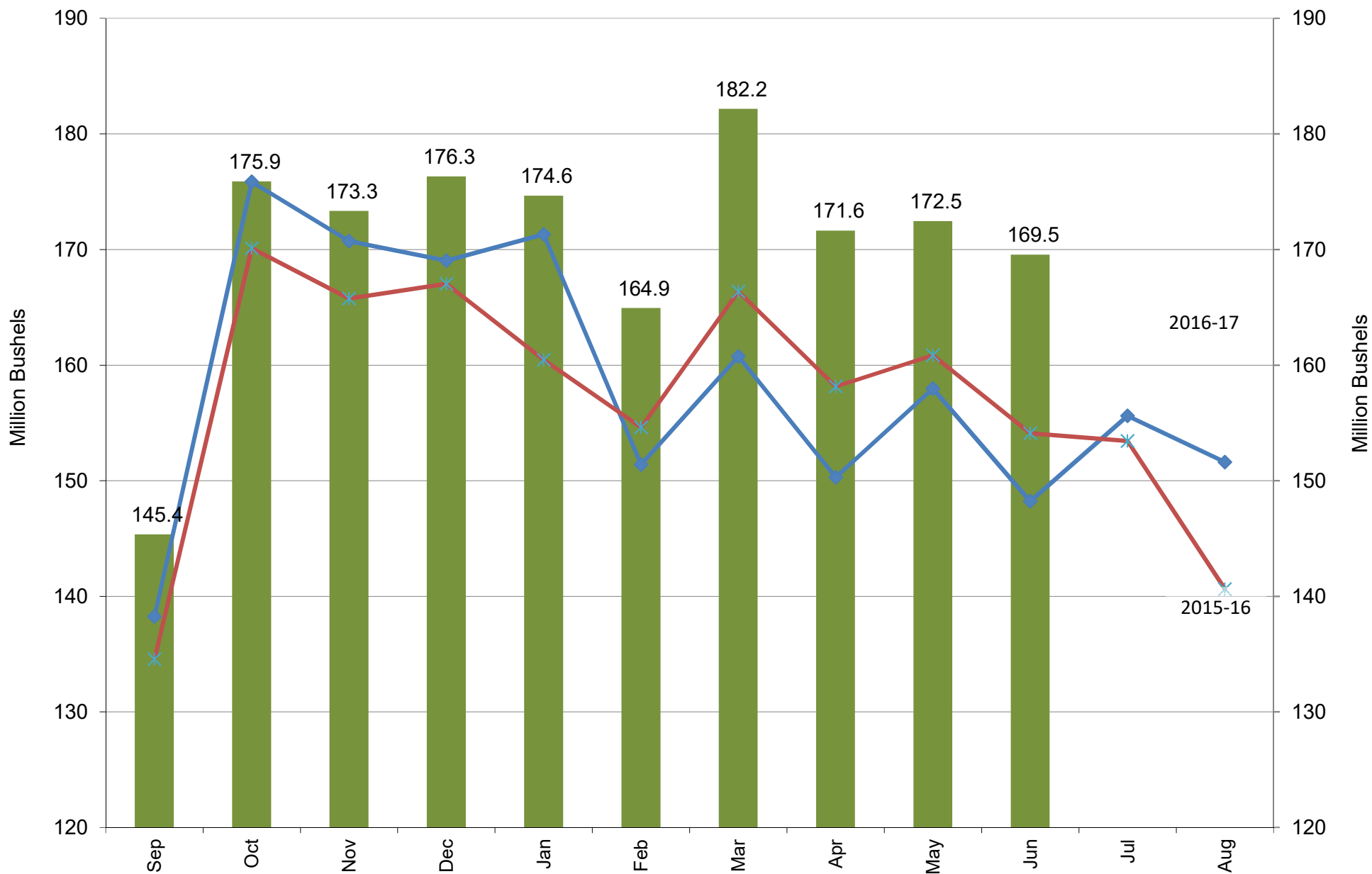
■ Ethanol Production

— Ethanol Crush Spread, Second Month

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



US NASS Monthly Soybean Crush



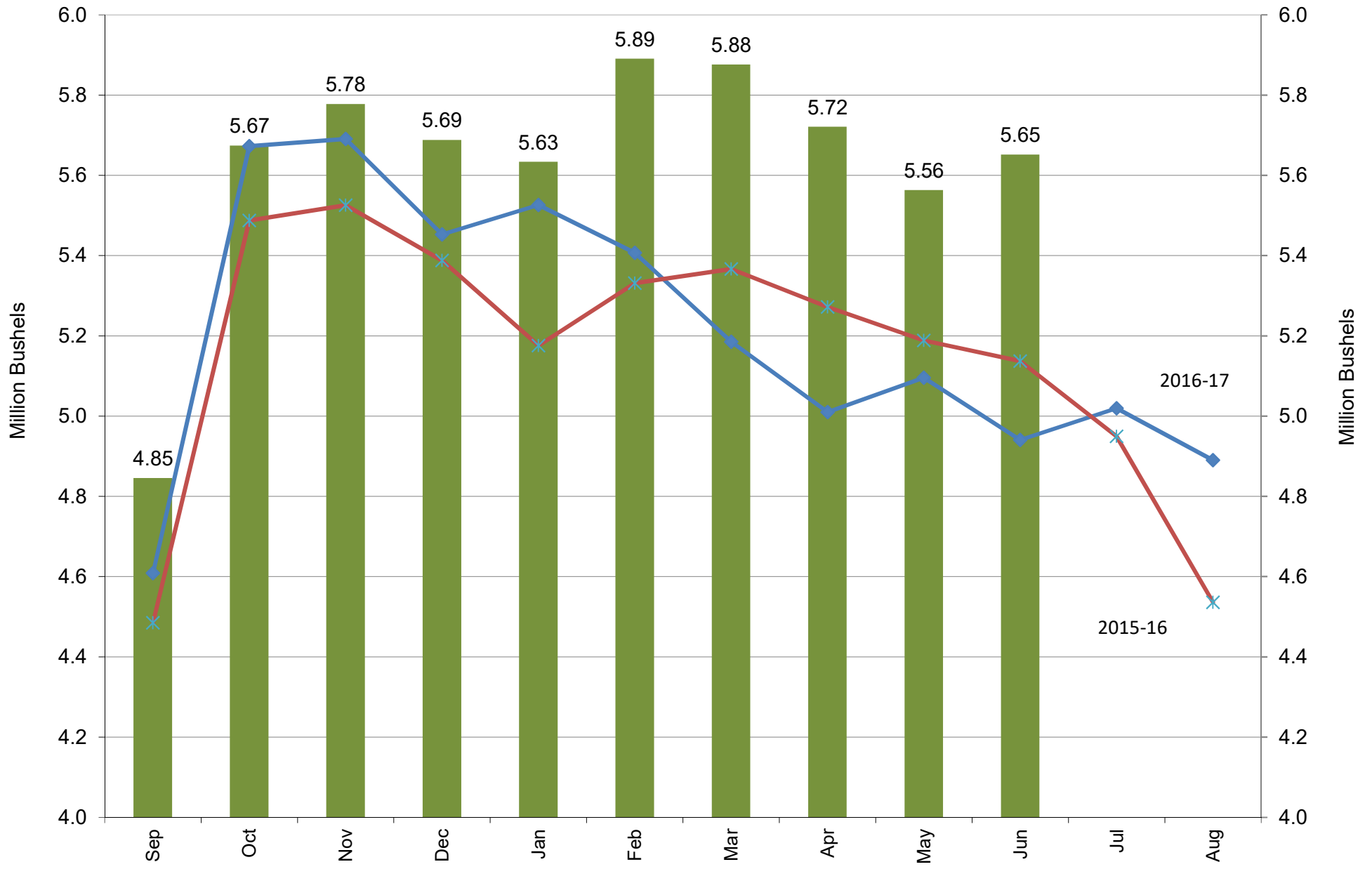
Source: USDA/NASS & FI

■ 2017-18

◆ 2016-17

✕ 2015-16

US NASS Monthly Soybean Crush Rate Per Day



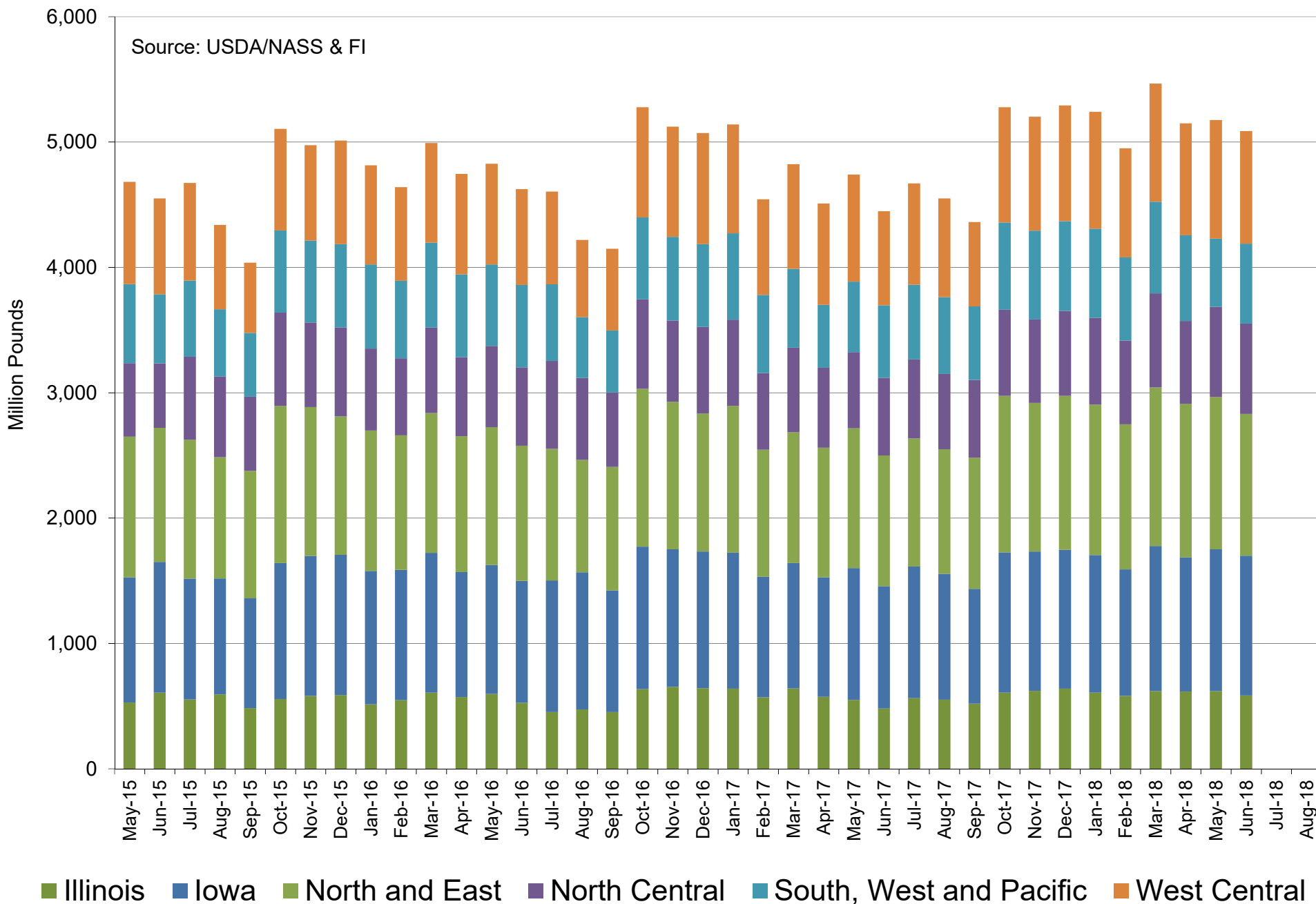
Source: USDA/NASS & FI

■ 2016-17

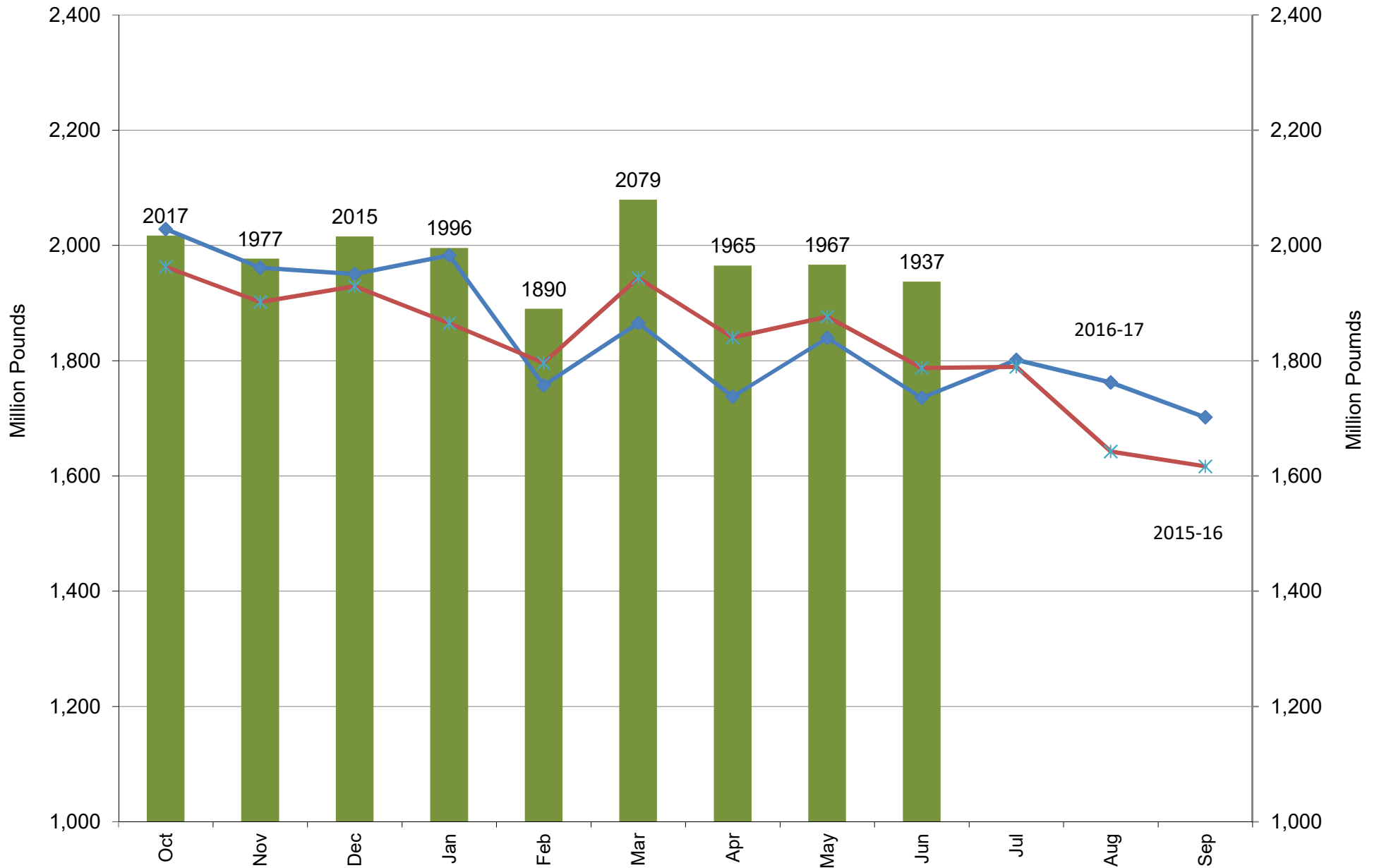
◆ 2016-17

✕ 2015-16

US NASS Monthly Soybean Crush



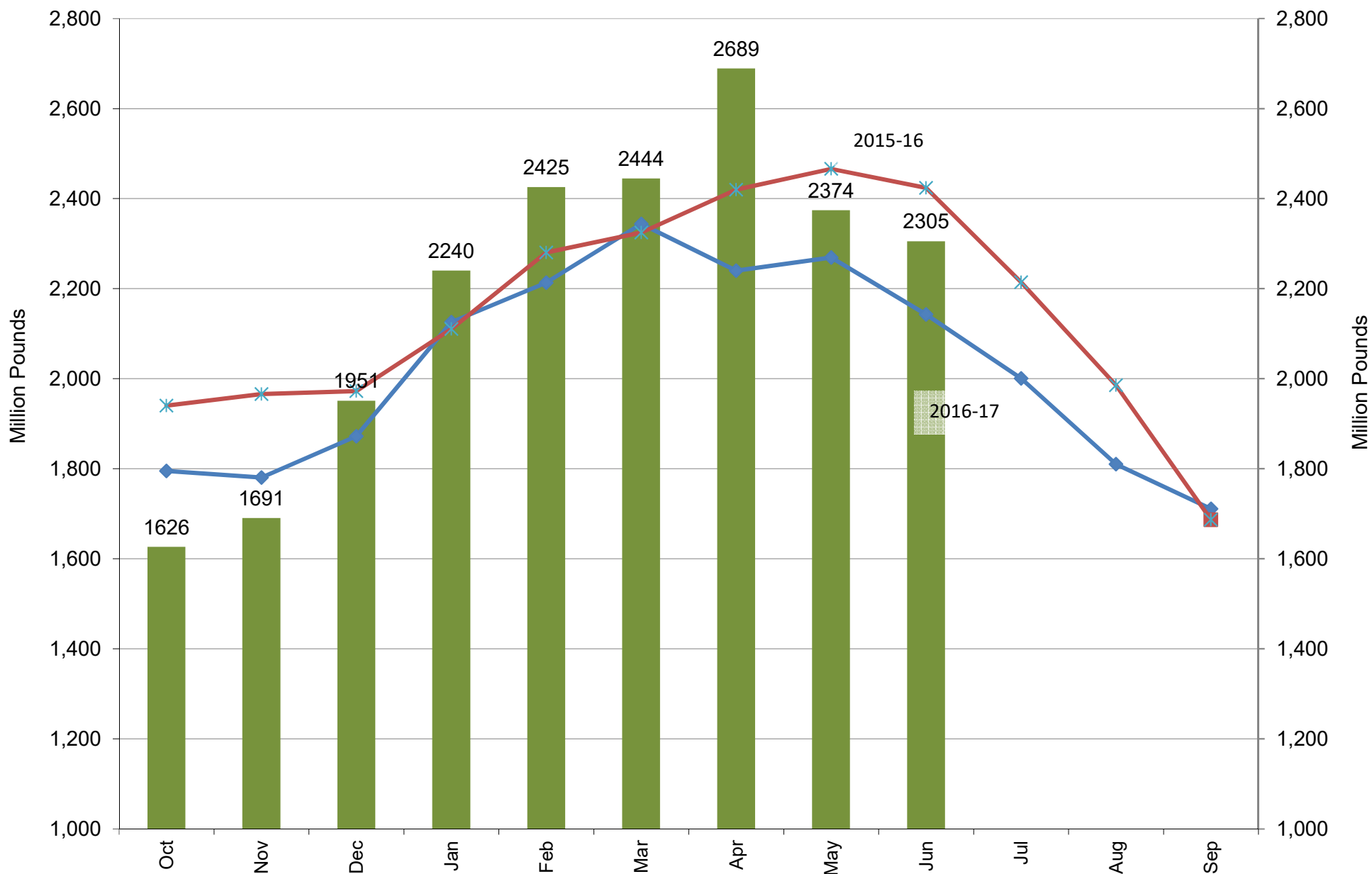
US NASS Monthly Soybean Oil Production



Source: USDA/NASS & FI

■ 2017-18
 ◆ 2016-17
 ✱ 2015-16

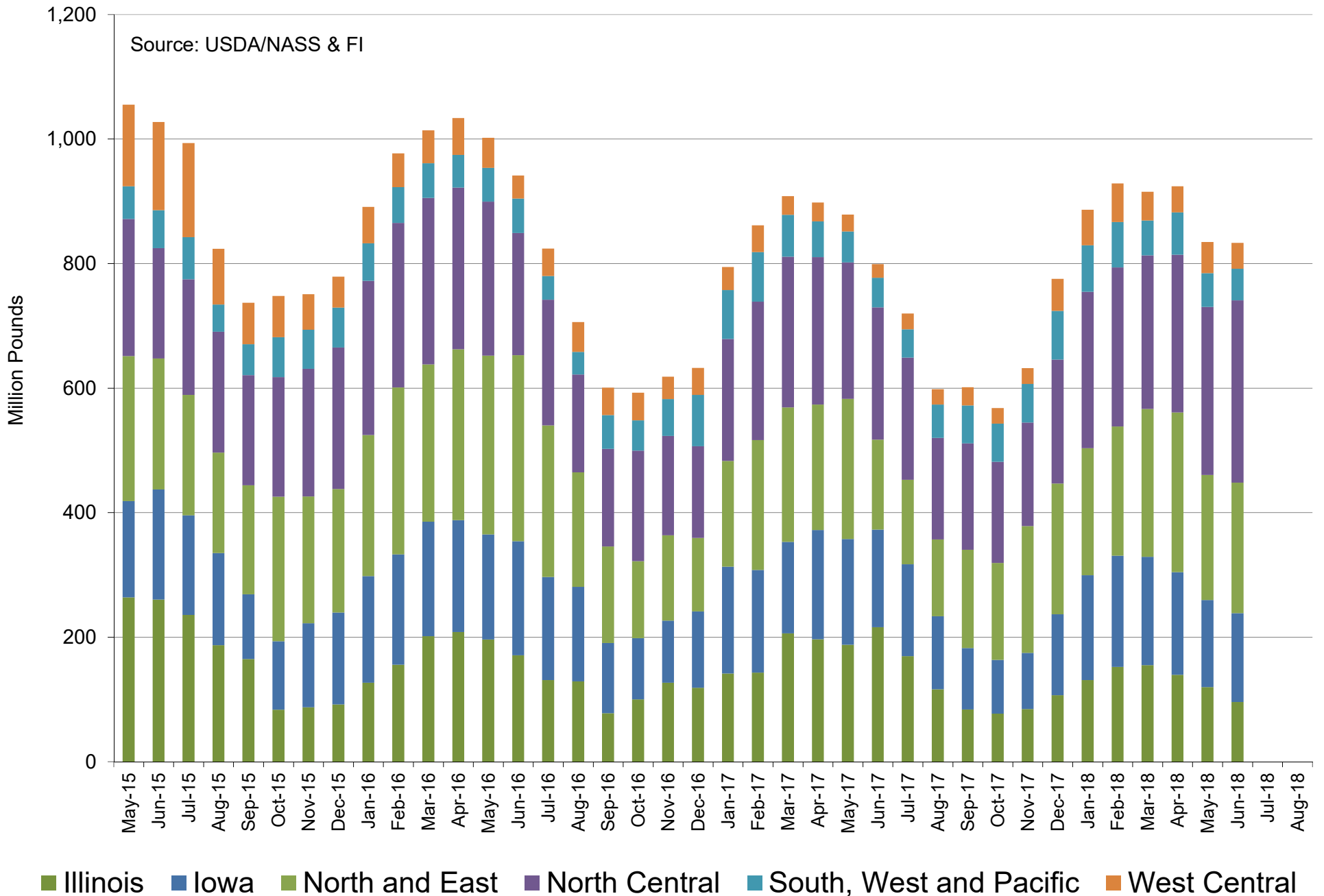
US NASS Monthly Soybean Oil Stocks



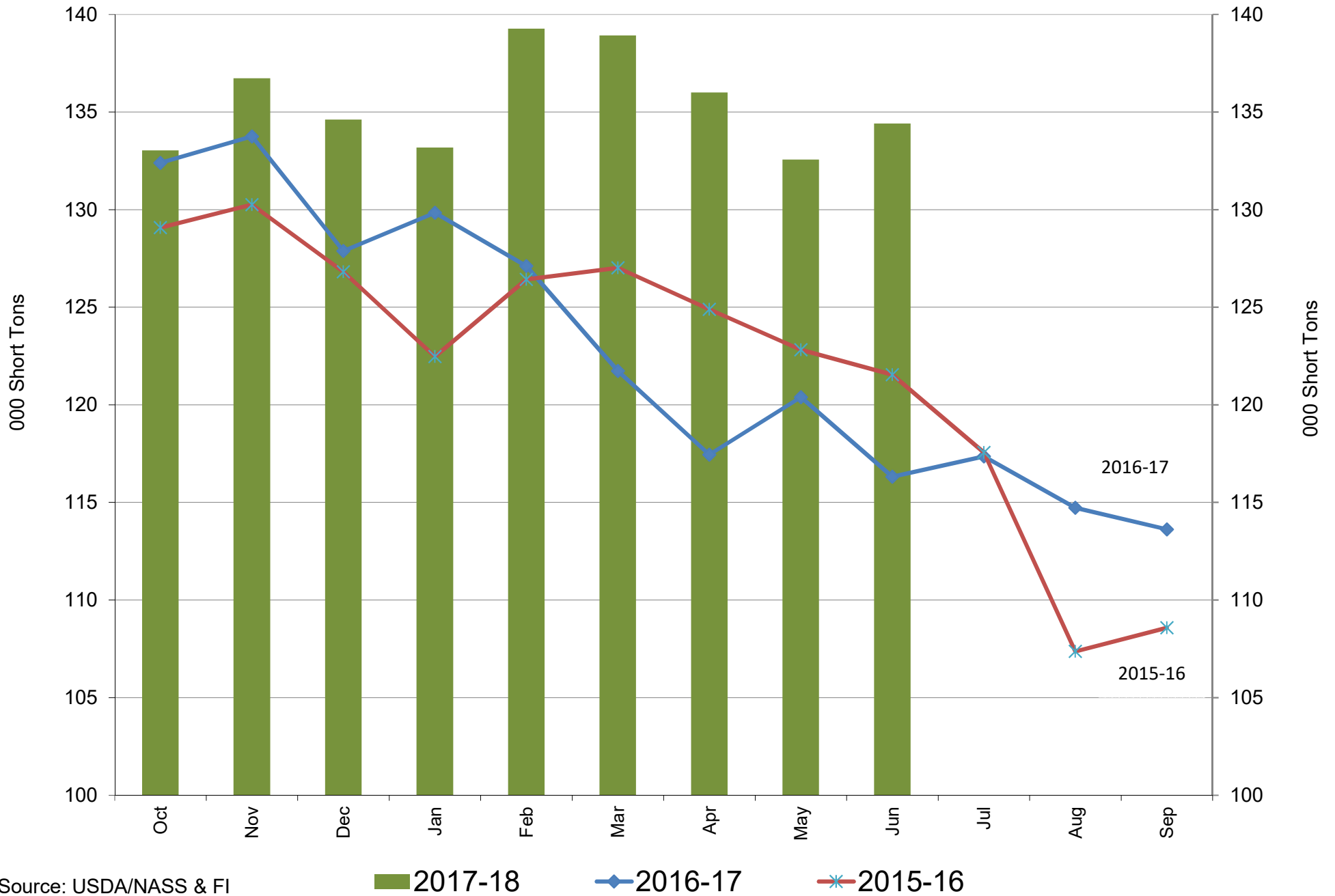
Source: USDA/NASS & FI

■ 2017-18
 ◆ 2016-17
 ✱ 2015-16

US NASS Monthly Soybean Crude Oil Stocks



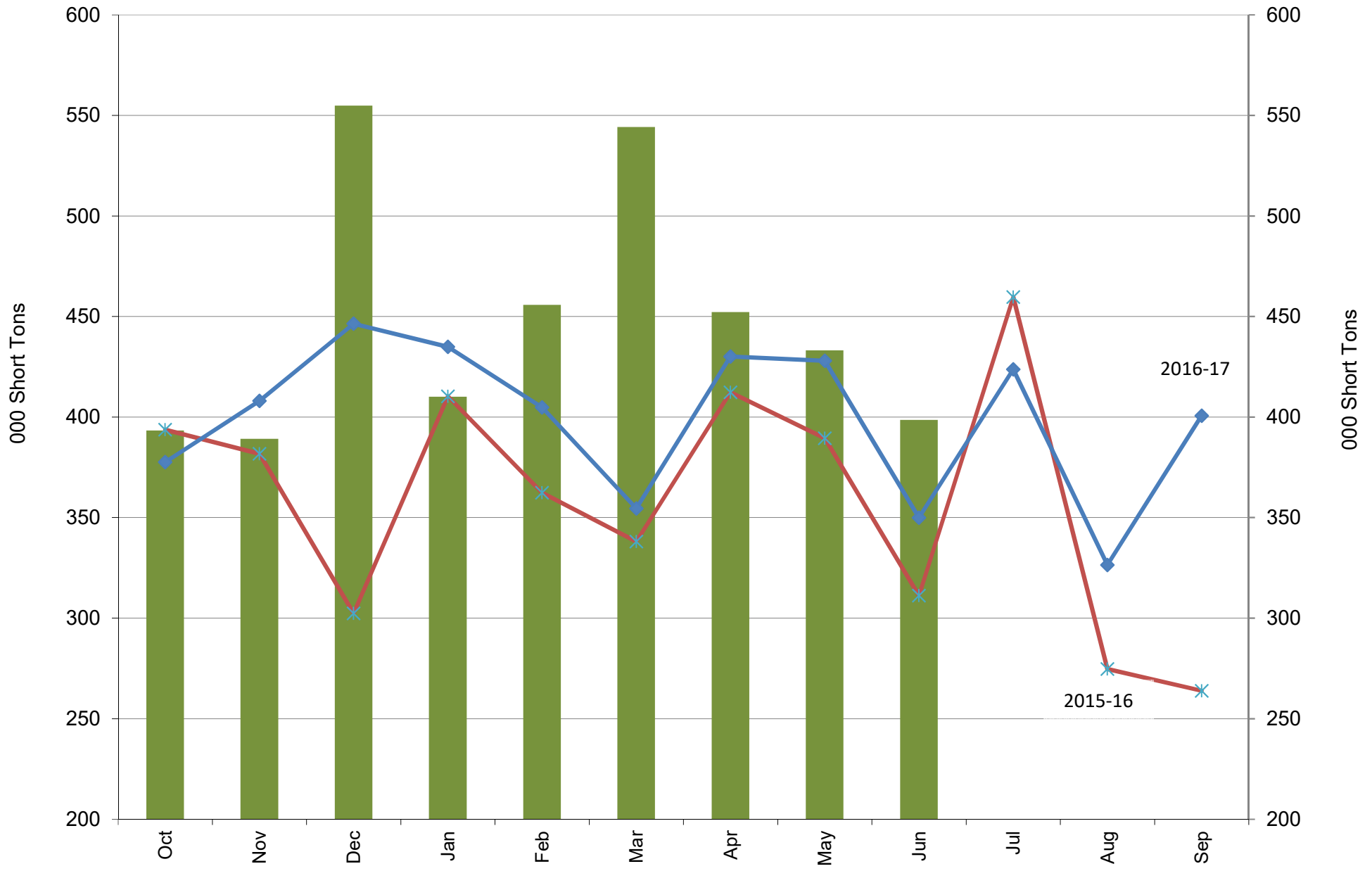
US NASS Monthly Soybean Meal Production Per Day



Source: USDA/NASS & FI

8/1/2018

US NASS Monthly Soybean Meal Stocks

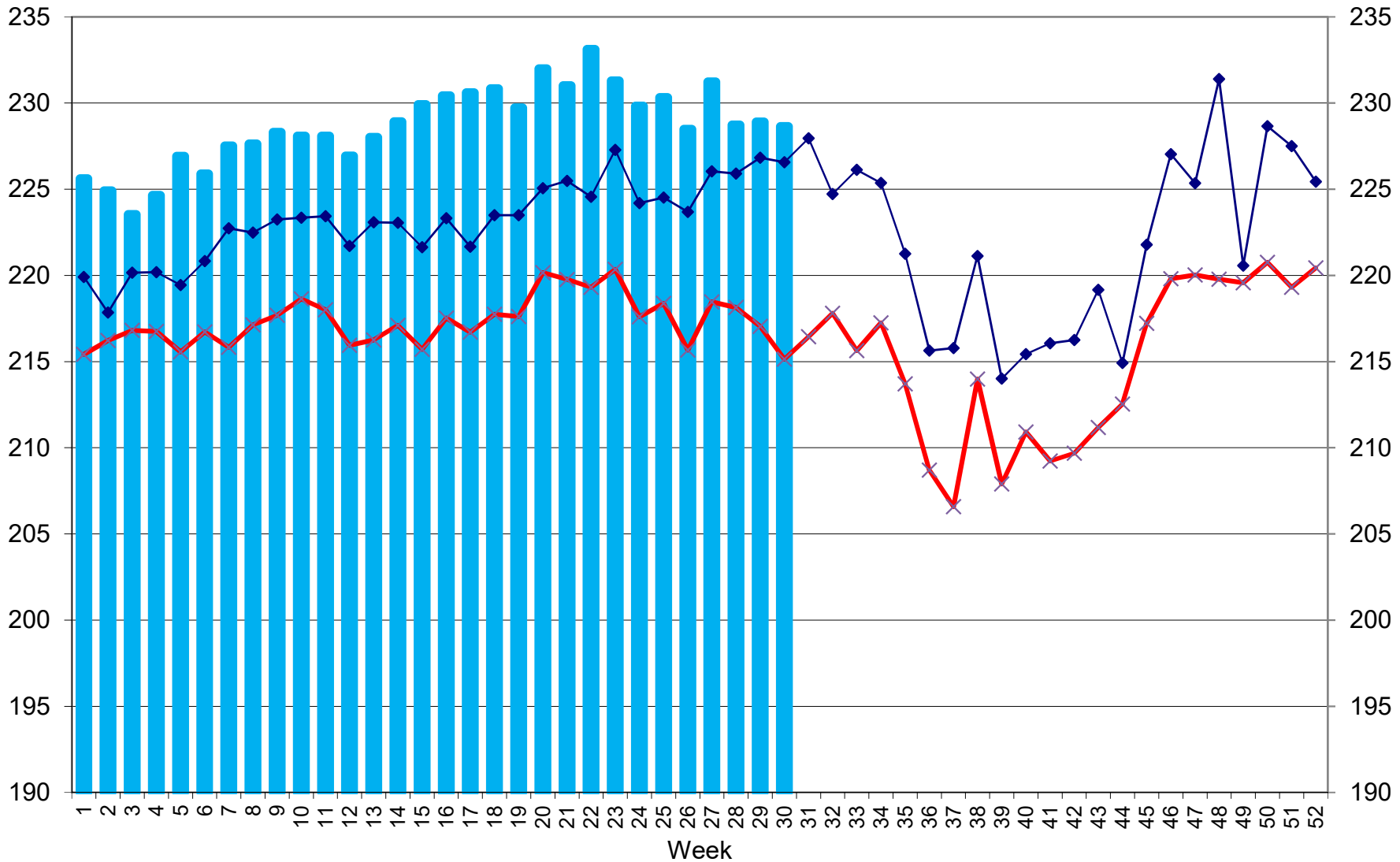


Source: USDA/NASS & FI

■ 2017-18
 ✱ 2015-16
 ◆ 2016-17

Broiler Egg Sets, in millions

National



Source: USDA, F1

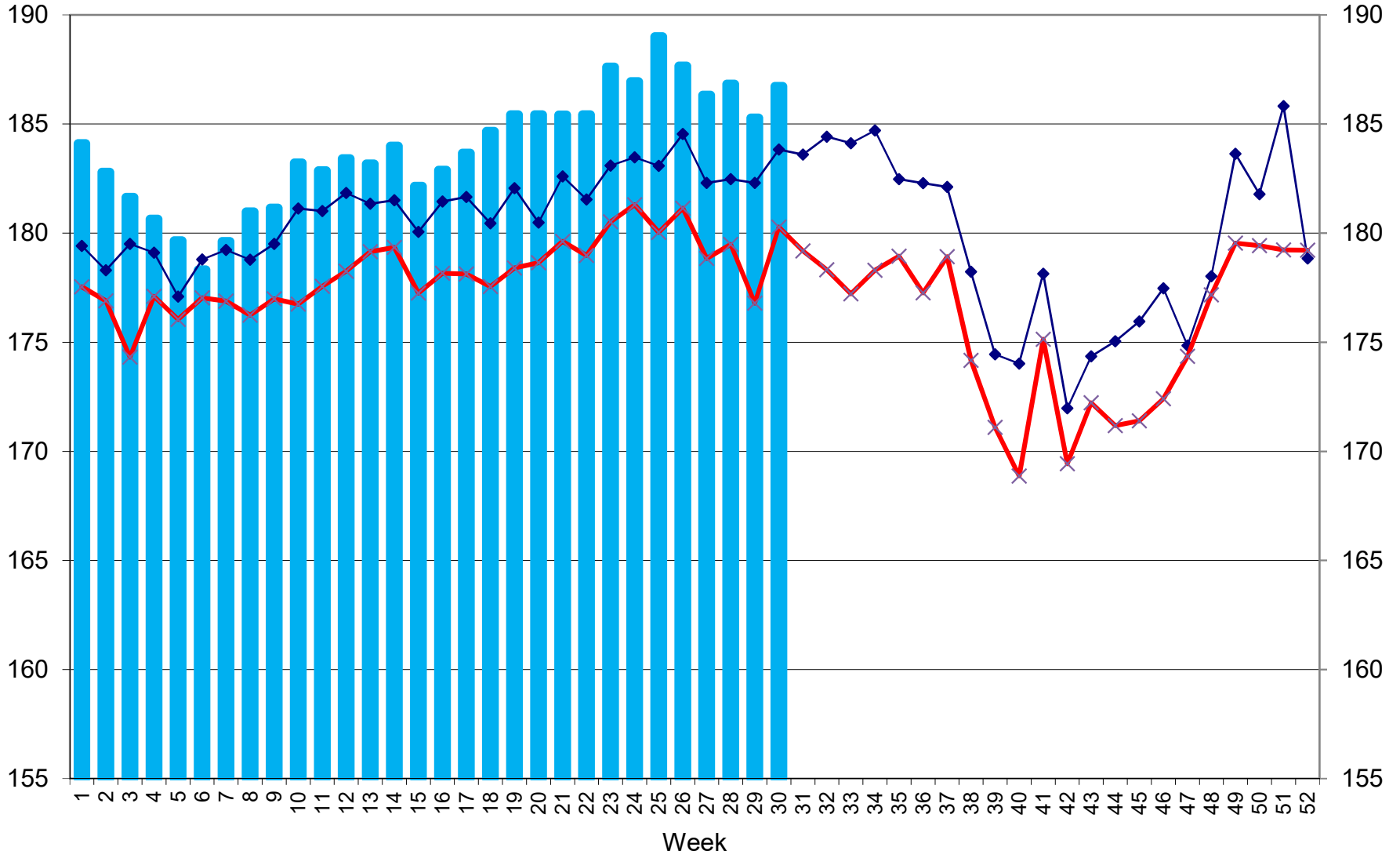
■ 2018

◆ 2017

✕ 2016

Broiler Chicks Placed, in millions

National



Source: USDA, FI

■ 2018
 ◆ 2017
 ✕ 2016

USDA Export Sales Results in 000 tons

AS OF: 7/26/2018

	ESTIMATED This Week			ACTUAL This Week		as of ACTUAL Last week			as of 7/27/2017 Year Ago		
Beans	17/18	150-350		17/18		17/18	538.1		16/17	233.4	
	n/c	400-700		n/c		n/c	963.8		n/c	367.5	
				Sales to China		Sales to China -3.0			Sales to China -59.5		
Meal	Shipped					Shipped			Shipped		
	16/17	50-150	100-300	17/18		17/18	166.5	215.4	16/17	87.1	188.9
	n/c	0-100		n/c		n/c	37.6		n/c	57.7	
Oil	Shipped					Shipped			Shipped		
	16/17	5-15	10-20	17/18		17/18	-4.4	29.4	16/17	10.7	31.9
	n/c	0-15		n/c		n/c	5.4		n/c	0.0	
			Sales to China		Sales to China 0.0			Sales to China 0.0			
Corn	17/18	300-500		17/18		17/18	338.5		16/17	36.7	
	n/c	500-800		n/c		n/c	747.5		n/c	438.3	
				Sales to China		Sales to China 0.0			Sales to China 93.4		
Wheat	17/18	250-450		18/19		18/19	385.9		17/18	145.6	
	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

Traditional Daily Estimate of Funds 8/1/18

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

	Corn	Bean	Chi. Wheat	Meal	Oil
Est. 7/31/18	126.4	8.2	67.5	108.7	(48.8)
1-Aug	(15.0)	(11.0)	6.0	(4.0)	(3.0)
2-Aug					
3-Aug					
6-Aug					
7-Aug					
FI Est. of Futures Only 8/1/18	111.4	(2.8)	73.5	104.7	(51.8)
FI Est. Futures & Options	(13.4)	(36.7)	44.9	93.7	(61.2)
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 8/1/18

	Corn	Bean	Chi. Wheat	Meal	Oil
Latest CFTC Fut. Only	(164.9)	(73.4)	22.6	47.9	(90.1)
Latest CFTC F&O	(130.2)	(61.3)	23.9	49.9	(90.0)
FI Est. Managed Fut. Only	(187.4)	(89.9)	31.6	41.9	(94.6)
FI Est. Managed Money F&O	(152.7)	(77.8)	32.9	43.9	(94.5)

Index Funds Latest Positions (as of last Tuesday)

Index Futures & Options	268.1	131.1	131.2	NA	104.7
Change From Previous Week	0.0	0.0	0.0	NA	0.0

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

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