



### Weather and crop conditions

USDA Crop Progress Actual			As of: 9/2/2018						
	WOW Change	USDA G/E	Last Week	Year Ago	5-year Average*	FI G/E Estimate	Trade Average*	Range	
Corn Conditions	(1)	67	68	61	67	69	68	66-69	
Soybean Conditions	0	66	66	61	65	67	66	65-67	
Sorghum Conditions	(1)	52	53	63	NA	NA	NA	NA	
Cotton Conditions	(3)	41	44	65	NA	NA	NA	NA	
Peanut Conditions	(1)	75	76	80	NA	NA	NA	NA	
Rice Conditions	0	75	75	71	NA	NA	NA	NA	
Pasture Conditions	2	42	40	47	NA	NA	NA	NA	
	WOW Change	USDA	Previous Week	Year Ago	5-year Average	FI Est.	Trade Average	Range	
Corn Dough	4	96	92	91	91	NA	NA	NA	
Corn Dented	14	75	61	58	60	NA	NA	NA	
Corn Mature	12	22	10	11	11	NA	NA	NA	
Soybeans Dropping Leaves	9	16	7	10	9	NA	NA	NA	
Soybeans Setting Pods	0	95	95	92	90	95	NA	NA	
Spring Wheat Headed	0	96	96	95	93	NA	NA	NA	
Spring Wheat Harvest	10	87	77	87	75	92	89	86-92	
Cotton Setting Boils	5	96	91	96	96	NA	NA	NA	
Cotton Boils Opening	8	29	21	24	26	NA	NA	NA	
Sorghum Headed	3	96	93	95	95	NA	NA	NA	
Sorghum Coloring	14	69	55	60	62	NA	NA	NA	
Sorghum Mature	3	30	27	31	33	NA	NA	NA	
Sorghum Harvested	2	22	20	23	23	NA	NA	NA	
Rice Harvested	11	31	20	28	26	NA	NA	NA	
Oats Harvested	5	94	89	90	91	NA	NA	NA	
Barley Harvested	4	84	80	91	83	NA	NA	NA	
Adequate+Surplus	WOW Change	USDA	Previous Week	Year Ago					
Topsoil Moisture Condition	3	67	64	62					
Subsoil Moisture Condition	2	63	61	62					

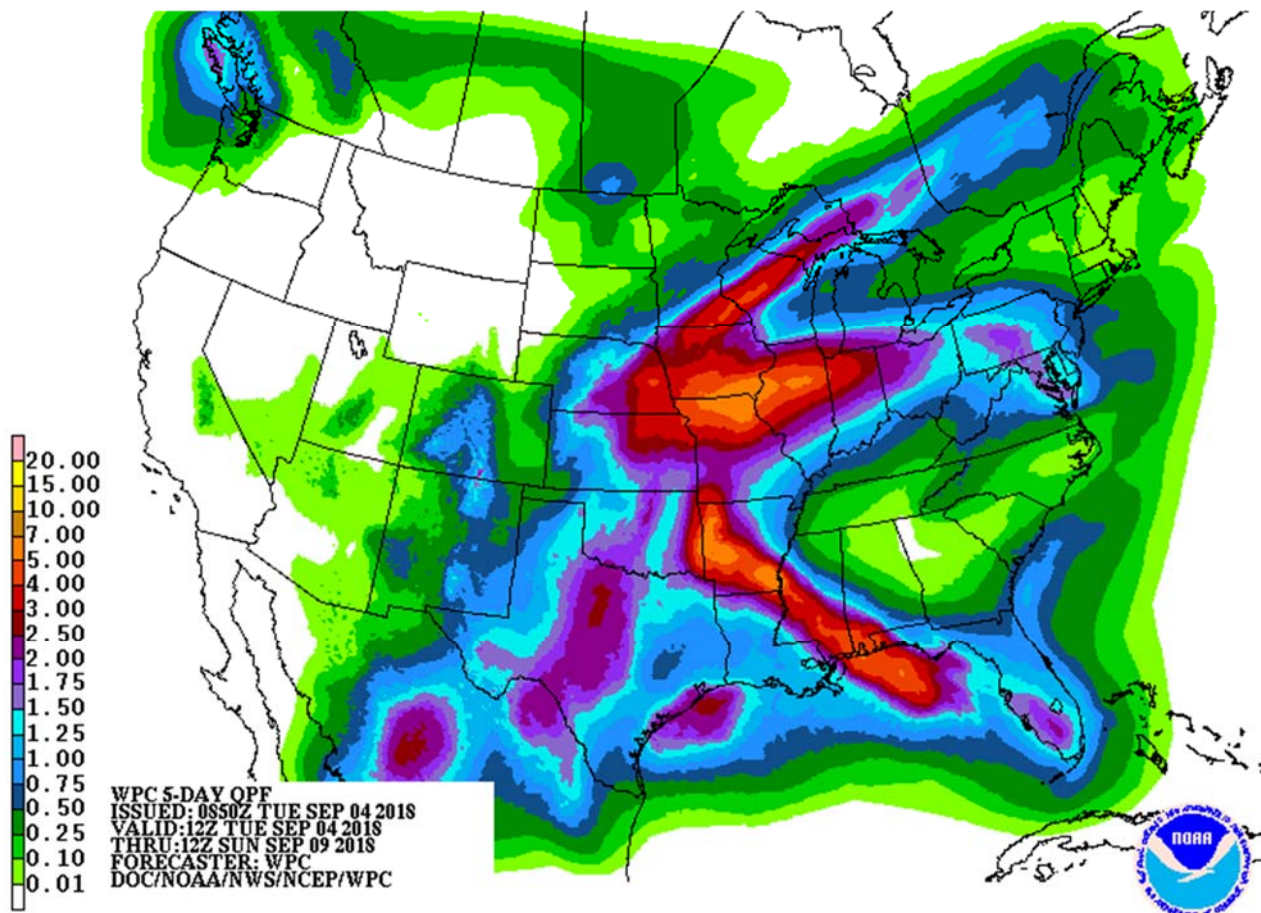
Source: FI, Reuters, USDA, NASS \*Conditions, Harvest and Planting progress for 5-YR best guess.

### MOST SIGNIFICANT WEATHER AROUND THE WORLD

- Southern Oscillation Index continues to waiver well below zero maintaining potential for El Nino, although ocean temperature changes during the past week have not been substantially great.
- Drought continues in western CIS, but relief is likely for central and southeastern Ukraine Thursday into the weekend with daily showers expected
- Hard freezes in northern Alberta did not occur overnight because of too much cloudiness
  - Freezes are eastern Canada's Prairies Wednesday and Thursday ending the growing season for some areas that have not seen significant freezes this season. Some areas will only receive frost
- Drought in Canada's Prairies will prevail through the next ten days
- Eastern Australia will get some additional rainfall in the coming week
- Western Australia will dry out over the next ten days
- Northwestern and southern India will dry down this week and the northwest may stay dry during much of this month
- Southeast Asia rainfall is expected to continue improving with less dryness

- China's Yellow River Basin and parts of the North China Plain will dry out over the next couple of weeks
- U.S. wet weather bias will continue this week, but less rain is expected next week
  - Flooding will raise concern over crop conditions from Kansas and southeastern Nebraska to southern Michigan and northern Ohio
- Tropical Storm Gordon will become a hurricane later today before reaching the Louisiana/Mississippi coast tonight heavy rain and strong wind impacting coastal areas
  - Most crops away from the coast will likely weather the storm without much, if any, damage
- Tropical Storm Florence will remain far from land in the Atlantic and poses no threat to agriculture or shipping
- Typhoon Jebi was moving across western Japan today with some damage to personal property and agriculture anticipated, but losses will not be huge
- Portions of Europe will receive some rain this week, but northern France, parts of Germany, southern portions of the U.K. and western Poland will still struggle for moisture
- Southern Brazil rainfall during the weekend was significant
- Brazil weather will be drier this week until the weekend and early next week when rain returns to the south
- Argentina weather will stay dry into Saturday this week and then may get some light showers Sunday into Tuesday of next week

Source: World Weather and FI



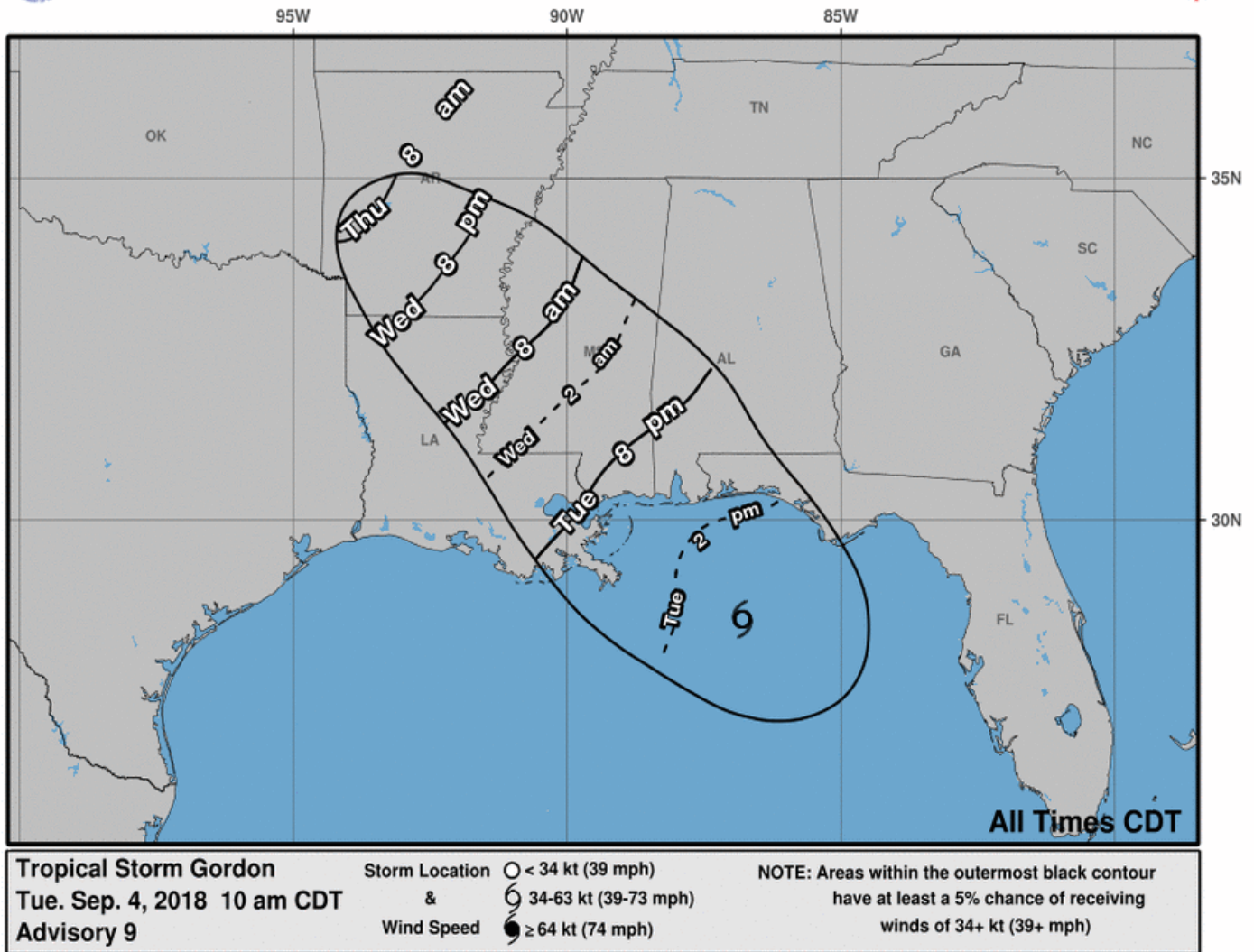
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# Most Likely Arrival Time of Tropical-Storm-Force Winds



## SIGNIFICANT CORN AND SOYBEAN BELT PRECIPITATION EVENTS

	WEST CORN BELT	EAST CORN BELT
Tdy-Wed	80% cvg of 0.40-2.0" and local amts over 4.0" in most areas from east Neb. and east Ks. to Wi. with up to 0.40" and locally more elsewhere	
Tdy-Thu		85% cvg of up to 0.75" and local amts to 1.50"; wettest west
Thu	20% cvg of up to 0.65" and local amts to 1.50"; SE Mo. wettest	
Fri-Sat	40% cvg of up to 0.75"	

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	and local amts to 1.50" with some 1.50-4.0" amts and locally more in north Mo. and SE la.	
Fri-Sun		90-100% cvg of 0.15-1.0" and local amts to 2.0" with some 2.0-4.0" amts and locally more from central and north Il. to Mi.
Sun-Sep 11	15-35% daily cvg of up to 0.50" and locally more each day; wettest north	
Mon-Sep 13		Up to 20% daily cvg of up to 0.25" and locally more each day; some days may be dry
Sep 12-14	10-25% daily cvg of up to 0.30" and locally more each day; wettest north	
Sep 14-15		10-25% daily cvg of up to 0.30" and locally more each day
Sep 15-17	75% cvg of up to 0.75" and locally more	
Sep 16-18		70% cvg of up to 0.75" and locally more

#### U.S. DELTA/SOUTHEAST SIGNIFICANT PRECIPITATION EVENTS

	DELTA	SOUTHEAST
Tdy-Thu		50% cvg of up to 0.75" and local amts to 1.50" with some 1.50-6.0" amts from centrl to SE Ms. and SW Ala.
Wed-Fri	100% cvg of 0.50-2.0" and local amts over 4.0" with lighter rain in a few far north locations; central areas wettest	
Fri-Sat		10-25% daily cvg of up to 0.30" and locally more each day
Sat-Mon	90-100% cvg of up to 0.75" and local amts over 2.0"	

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Sun-Sep 11		80% cvg of up to 0.75" and local amts to 1.50"
Sep 11-14	10-25% daily cvg of up to 0.35" and locally more each day	
Sep 12-14		10-25% daily cvg of up to 0.35" and locally more each day
Sep 15-18	Up to 20% daily cvg of up to 0.30" and locally more each day	5-20% daily cvg of up to 0.30" and locally more each day

Source: World Weather and FI

## Bloomberg weekly agenda

### TUESDAY, SEPT. 4:

- USDA weekly corn, soybean, wheat export inspections, 11am; USDA weekly crop progress report, 4pm (delayed from Monday because of Labor Day holiday)
- New Zealand dairy auction on Global Dairy Trade online market starts ~7am ET (~noon London, ~11pm Wellington)
- USDA soybean crush for July, 3pm
- UN Climate Change Conference in Bangkok, Sept. 4-9
- Malaysian Rubber Glove Manufacturers Association hosts International Rubber Glove Conference and Exhibition in Kuala Lumpur, Sept. 4-6

### WEDNESDAY, SEPT. 5:

- 9th Annual Kingsman Asia Sugar Conference in New Delhi, Sept. 5-6
  - Indian Sugar Mills Association President Gaurav Goel, Intl Sugar Organization Executive Director Jose Orive due to speak
- Rabobank 2019 market outlook seminar in Kuala Lumpur
  - Projections include palm oil, soy; Global Head of Financial Markets Research Jan Lambregts, analyst Oscar Tjakra due to speak
- UN Climate Change Conference in Bangkok, Day 2
- Intl Rubber Glove Conference in Kuala Lumpur, Day 2

### THURSDAY, SEPT. 6:

- Trump administration awaits Sept. 6 end of public comment period before it potentially proceeds with next round of tariffs on \$200b Chinese goods; China expected to retaliate
- EIA U.S. weekly ethanol inventories, output, 11am (delayed from Wednesday because of Labor Day holiday)
- Statistics Canada's domestic crop stockpile report for July, 8:30am ET
- FAO Food Price Index for August, 4am
- The Russian Grain Union hosts conference in Moscow
  - Agriculture Ministry's director for food markets Anatoly Kutsenko, director of crop department Pyotr Chekmarev expected to attend
- 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
- UN Climate Change Conference in Bangkok, Day 3
- Kingsman Asia Sugar Conference in New Delhi, final day
- Intl Rubber Glove Conference in Kuala Lumpur, final day

### FRIDAY, SEPT. 7:

- Brazil on public holiday

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- USDA weekly net-export sales for corn, wheat, soy, cotton, 8:30am (delayed from Thursday because of Labor Day holiday)
  - Guatemala's National Coffee Association's export data for August
  - FranceAgriMer weekly updates on French crop conditions
  - UN Climate Change Conference in Bangkok, Day 4
  - 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
- SATURDAY, SEPT. 8:**
- China's General Administration of Customs releases agricultural commodity trade data for August (preliminary), including soybean imports
  - UN Climate Change Conference in Bangkok, Day 5

Source: Bloomberg and FI

### Brazil selected export data for the month of August.

Commodity	August 2018	July 2018	August 2017
COFFEE (60 KG BAG)	2,255,585	1,242,462	2,375,452
CRUDE OIL (TNS)	4,354,096	8,098,498	4,576,543
ETHANOL (LTR)	262,470,278	180,685,275	176,840,420
SOYBEANS (TNS)	8,127,228	10,195,879	5,952,411
IRON ORE	35,621,273	35,999,441	34,125,980
FROZEN ORANGE JUICE (TNS)	29,197	22,431	38,014
NON-FROZEN ORANGE JUICE (TNS)	112,279	179,491	175,607
SUGAR RAW (TNS)	1,444,137	1,709,222	2,160,409

Source: Reuters, Brazil AgMin and FI

### USDA inspections versus Reuters trade range

Wheat	391,920	versus 350000-550000	range
Corn	1,334,565	versus 900000-1300000	range
Soybeans	769,357	versus 700000-1000000	range

US EXPORT INSPECTIONS					Cumulative		USDA	Weekly Ave. to	Weekly rate	Shipments	
Million Bushels	Actual	FI Estimates	Last Week	LW revised	5-Year Ave.	YTD	YOY %	Projection	To date	to Reach USDA	% of USDA
<b>WHEAT</b>	<b>14.401</b>	14 to 19	17.958	0.021	21.8	192.4	-32.4%	975	14.6	20.2	19.7%
<b>CORN</b>	<b>52.539</b>	39 to 51	49.792	0.774	38.3	2,272.8	1.4%	2400	43.5	-626.0	94.7%
<b>SOYBEANS</b>	<b>28.269</b>	29 to 37	33.361	0.232	16.6	2,067.9	-2.7%	2085	39.6	-84.1	99.2%
Million Tons	Actual	Estimates	Last Week	LW revised	5-Year Ave.	YTD	YOY MT	Projection	To date	to Reach USDA	% of USDA
<b>WHEAT</b>	<b>0.392</b>	0.375 to 0.525	0.489	0.001	0.593	5.235	-2.515	26.54	0.397	0.549	19.7%
<b>CORN</b>	<b>1.335</b>	1.000 to 1.300	1.265	0.020	0.972	57.733	0.785	60.96	1.106	-15.902	94.7%
<b>SOYBEANS</b>	<b>0.769</b>	0.800 to 1.000	0.908	0.006	0.451	56.280	-1.569	56.74	1.078	-2.289	99.2%

Source: USDA & FI

## US EXPORT INSPECTIONS: TOP COUNTRIES, IN MILLION BUSHELS

Corn	52.539	Wheat	14.401	Beans	28.269
Mexico	16.665	Mexico	3.341	Spain	4.427
Japan	13.586	Philippines	2.429	China T	2.880
Korea Rep	5.414	Indonesia	1.450	China Main	2.425
Egypt	2.332	Spain	0.724	Mexico	2.339
Colombia	1.905	Korea Rep	0.618	Argentina	1.286
Peru	1.779	Malaysia	0.400	Japan	1.110

Source: USDA & FI

## US EXPORT INSPECTIONS: TOP COUNTRIES, IN TONS

Corn	1,334,565	Wheat	391,920	Beans	769,357
MEXICO	423,316	MEXICO	90,923	SPAIN	120,486
JAPAN	345,103	PHILIPPINES	66,102	CHINA T	78,374
KOREA REP	137,516	INDONESIA	39,474	CHINA MAIN	65,999
EGYPT	59,242	SPAIN	19,704	MEXICO	63,670
COLOMBIA	48,394	KOREA REP	16,830	ARGENTINA	35,000
PERU	45,194	MALAYSIA	10,880	JAPAN	30,218

Source: USDA & FI

## GRAINS INSPECTED AND/OR WEIGHED FOR EXPORT

REPORTED IN WEEK ENDING AUG 30, 2018  
-- METRIC TONS --

GRAIN	WEEK ENDING			CURRENT	PREVIOUS
	08/30/2018	08/23/2018	08/31/2017	MARKET YEAR TO DATE	MARKET YEAR TO DATE
BARLEY	0	587	1,895	2,886	14,122
CORN	1,334,565	1,264,787	828,036	57,732,863	56,947,583
FLAXSEED	0	24	0	170	3,575
MIXED	0	0	0	24	24
OATS	0	0	499	1,198	1,996
RYE	0	0	0	0	0
SORGHUM	792	139,813	6,572	5,112,421	5,940,481
SOYBEANS	769,357	907,945	712,121	56,279,551	57,848,672
SUNFLOWER	0	0	0	335	383
WHEAT	391,920	488,750	291,266	5,235,208	7,750,050
Total	2,496,634	2,801,906	1,840,389	124,364,656	128,506,886

CROP MARKETING YEARS BEGIN JUNE 1 FOR WHEAT, RYE, OATS, BARLEY AND FLAXSEED; SEPTEMBER 1 FOR CORN, SORGHUM, SOYBEANS AND SUNFLOWER SEEDS. INCLUDES WATERWAY SHIPMENTS TO CANADA.

### Macros.

- Trade talks between the US and Canada resume this week.
- Tropical Storm Gordon Has Shut Down 9% Of Daily Crude Oil Production, Nat Gas Output In Gulf Of Mexico.
- ARGENTINE CENTRAL BANK SAID TO SELL \$258M IN 2ND FX AUCTION

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## Corn.

- December Corn traded two-sided, ending 3.25 cents higher, near session highs. Sharply lower wheat dragged corn lower early but US harvesting delays helped support the market.
- Funds bought an estimated net 10,000 contracts.
- Argentina's government met Monday and increased its corn and wheat export tax to roughly 10 percent from zero.
- The Argentina tax hike was about as expected.
- Look for US harvest progress to slow this week especially across the Delta and lower Midwest.
- Soybean and Corn Advisory left its 2018 U.S. corn estimate unchanged at 178.0 bu/ac.
- We hear Informa is due out Thursday.
- USDA US corn export inspections as of August 30, 2018 were 1,334,565 tons, above a range of trade expectations, above 1,264,787 tons previous week and compares to 828,036 tons year ago. Major countries included Mexico for 423,316 tons, Japan for 345,103 tons, and Korea Rep for 137,516 tons.
- China reported its 6<sup>th</sup> and 7<sup>th</sup> case of African swine fever in the same city of Auancheng, Anhui, over the weekend. More than 2400 hogs were culled.
- China banned transportation of live hogs from infected provinces.
- Agritel estimated the Ukraine corn crop at 30.28 million tons, up from 24.67 million tons in 2017. Yields average 6.69 tons/hectare versus 5.51 last year.
- Brazil's SCA estimated Brazil ethanol stocks in September could hit a record.
- Brazil exported 2.9MMT of corn in August, down from 5.3MMT a year ago.

*USDA crop progress.* Corn conditions decreased one point to 67 for the combined good/excellent categories. Trader were looking for unchanged. Corn harvesting will be reported next week. For the purpose of the September USDA report, we are using 175.5 bu/ac, unchanged from the previous week.

		Acres (000)	Bushel/Acre	Bushels (mil)	YOY Change	WOW Change
<b>Fut. Int. 2018</b>	Planted	Harvested	Yield	Production	Production	
<b>Sep. 1 Forecast</b>	89,128	81,795	175.5	14,355	(249)	0
Departure from USDA	0	25	(2.9)	(231)		



**Corn condition changes from last week**

<u>State</u>	<u>P/V/P</u>	<u>G/E</u>
Colorado	-6	6
Illinois	1	-1
Indiana	-1	2
Iowa	0	1
Kansas	1	-2
Kentucky	-3	4
Michigan	-3	1
Minnesota	0	0
Missouri	-5	1
Nebraska	0	-2
North Carolina	-1	1
North Dakota	0	0
Ohio	0	0
Pennsylvania	-3	-5
South Dakota	0	1
Tennessee	0	1
Texas	0	0
Wisconsin	1	-1
18 States	0	-1

Source: USDA and FI

**Corn Dough changes from last week**

<u>State</u>	<u>Change</u>	<u>Value</u>
Colorado	16	94
Illinois	3	100
Indiana	3	96
Iowa	3	95
Kansas	3	95
Kentucky	5	93
Michigan	8	84
Minnesota	5	97
Missouri	0	100
Nebraska	3	97
North Carolina	2	99
North Dakota	4	96
Ohio	3	92
Pennsylvania	6	81
South Dakota	4	98
Tennessee	1	100
Texas	2	97
Wisconsin	9	86
18 States	4	96

Source: USDA and FI

**Corn Dented changes from last week**

<u>State</u>	<u>Change</u>	<u>Value</u>
Colorado	20	45
Illinois	10	90
Indiana	15	74
Iowa	14	77
Kansas	10	81
Kentucky	11	82
Michigan	17	51
Minnesota	22	67
Missouri	3	91
Nebraska	13	72
North Carolina	2	93
North Dakota	23	70
Ohio	12	66
Pennsylvania	16	49
South Dakota	17	73
Tennessee	8	93
Texas	2	90
Wisconsin	18	54
18 States	14	75

Source: USDA and FI

**Corn Mature changes from last week**

<u>State</u>	<u>Change</u>	<u>Value</u>
Colorado	1	2
Illinois	25	36
Indiana	12	23
Iowa	8	15
Kansas	13	36
Kentucky	12	59
Michigan	5	7
Minnesota	6	6
Missouri	19	49
Nebraska	7	9
North Carolina	13	80
North Dakota	8	11
Ohio	10	13
Pennsylvania	1	1
South Dakota	11	14
Tennessee	20	47
Texas	7	68
Wisconsin	7	8
18 States	12	22

Source: USDA and FI

### Sorghum condition changes from last week

State	P/V/P	G/E
Arkansas	0	-1
Colorado	-8	8
Illinois	3	-1
Kansas	1	-2
Louisiana	0	0
Missouri	0	-4
Nebraska	-1	-2
New Mexico	3	-10
Oklahoma	1	-12
South Dakota	0	-3
Texas	0	0
11 States	0	-1

Source: USDA and FI

### Export Developments

- China's Sinograin sold 7,600 tons of corn in an auction in Jilin at 1690 yuan per ton (\$247.79/ton).
- China sold about 71 million tons of corn out of reserves this season. Another 8 million tons of China corn reserves will be offered next week.

**USDA reported July corn for ethanol production** at 481 million bushels, above our expectations, above 463 million last month and 455 million bushels in July 2017. Sorghum use ended up at 6.2 million bushels, below 9.5 million in July 2017. DDGS production increased to 2.109 million short tons from 2.021 million in June and above 1.931 million short tons in July 2017. We are using 5.603 billion bushels for corn for ethanol usage during 2017-18, 3 million bushels above USDA.

### USDA NASS Monthly US Corn for Ethanol Use

	Jul-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	USDA Jul-18
<b>Corn use (mil bu)</b>	455	476	434	473	445	470	463	<b>481</b>
FI Estimate	429	476	434	473	455	472	475	476
<b>Sorghum use (mil bu)</b>	9.5	4.3	3.2	4.0	4.7	4.4	7.6	<b>6.2</b>
<b>DDGS Output (000 short tons)</b>	1,931	1,986	1,829	1,943	1,832	1,969	2,021	<b>2,109</b>

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

Corn	Change	Oats	Change	Ethanol	Settle			
SEP8	354.50	3.50	SEP8	234.00	(9.50)	SEP8	1.30	Spot DDGS IL
DEC8	368.25	3.25	DEC8	246.00	(6.50)	OCT8	1.32	Cash & CBOT
MAR9	379.75	2.50	MAR9	251.25	(5.75)	NOV8	1.33	Corn + Ethanol
MAY9	387.00	2.25	MAY9	254.50	(5.50)	DEC8	1.34	Crush
JUL9	392.75	2.25	JUL9	257.50	(5.25)	JAN9	1.35	1.38
SEP9	393.25	2.25	SEP9	261.25	(5.25)	FEB9	1.37	

Soybean/Corn	Ratio	Spread	Change	Wheat/Corn	Ratio	Spread	Change	
NOV8	SEP8	2.38	489.75	(2.75)	SEP8	1.42	148.25	(19.25)
JAN9	DEC8	2.33	488.75	(3.00)	DEC8	1.44	163.25	(17.25)
MAY9	MAR9	2.32	501.25	(3.00)	MAR9	1.45	171.75	(16.50)
JUL9	MAY9	2.30	503.50	(2.75)	MAY9	1.46	178.50	(14.50)
AUG9	JUL9	2.28	501.75	(2.50)	JUL9	1.43	169.25	(10.50)
NOV9	SEP9	2.28	504.25	(3.00)	SEP9	1.45	176.75	(9.50)

#### US Corn Basis & Barge Freight

Gulf Corn	BRAZIL Corn Basis	Chicago	+2 u up2
SEPT +42 / 45 z up2/up1	SEPT +83 / +85 u	up3/dn5	Toledo -30 z unch
OCT +45 / 48 z unch/up1	OCT +75 / +80 z	unch/dn5	Decatur -25 z unch
NOV +51 / 57 z dn2/unch	NOV +75 / +80 z	unch/dn5	Dayton -8 u unch
DEC +55 / 59 z up2/up2	DEC +75 / +80 z	unch/dn5	Cedar Rapiç -32 z up 1
JAN +51 / 56 h unch			Burns Harb -34 u unch

USD/ton:	Memphis-Cairo Barge Freight (offer)
US Gulf 3YC Fob Gulf Seller (RTRS) 167.4 173.8 173.8 174.6 175.1 175.9	Sep 400 -100
China 2YC Maize Cif Dalian (DCE) 271.9 274.0 276.3 278.5 281.3 284.0	Oct 500 unchanged
Argentina Yellow Maize Fob UpRiver 155.5 159.1 163.2 - - -	Nov 375 unchanged

Source: FI, DJ, Reuters & various trade sources

8/29/18 Corn prices could see additional selling pressure leading up to the start of US harvest season.

December corn is seen in a \$3.10-\$3.85 range.

March corn in a \$3.15-\$4.15 range.

#### Soybean complex.

- Soybeans traded all over the place, ending mixed. Soybean meal traded sharply higher on speculation Argentina will slow soybean meal shipments, shifting business to the US. Soybeans found support on good USDA export inspections. Soybean oil traded mixed, ending moderately higher. The soybean oil market was higher earlier on strength in crude oil.
- USDA export inspections showed another 35,000 tons of soybeans went to Argentina and 66k was for China out of the PNW.
- Funds bought 4,000 soybeans, bought 4,000 soybean meal and bought 3,000 soybean oil.
- USD was up 27 by early afternoon.
- Indiana sent their producers an update on the 50%, commodity payment assistance USDA rolled out. Producers will have to wait until production ended. Indiana FSA Update: USDA Launches Trade Mitigation Programs <https://content.govdelivery.com/accounts/USFSA/bulletins/20ada0d>
- USDA US soybean export inspections as of August 30, 2018 were 769,357 tons, within a range of trade expectations, below 907,945 tons previous week and compares to 712,121 tons year ago. Major countries included Spain for 120,486 tons, China T for 78,374 tons, and China Main for 65,999 tons.

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- Argentina lowered one soybean tax and added another that resulted in a net 3% increase in overall tax to about 28%. They did the same thing for the products. Corn and wheat were increased to roughly 10 percent from zero. Reuters noted “a 25.5 percent export tax that had been put on soybeans was dropped on Monday to 18 percent, as has the 23 percent tax placed on international soyoil and soymeal shipments. But on top of that 18 percent tax, the three products will now be slapped with an additional levy of 4 pesos per export dollar, bringing the effective tax hike on soybeans and byproducts to 3 percentage points. “
- The Argentina tax hike was about as expected.
- Argentina started talks with the IMF for part of a \$50 billion standby loan.
- The USDA Attaché estimates a higher 2018-19 Argentina (2019-20 local crop-year) soybean production estimate than USDA official by 1.5MMT. 2018-19 ending stocks are projected over 13 million tons, high in our opinion.
- A hurricane is expected to make landfall around Tuesday near NOLA, which should delay harvesting across the Delta early this week.
- A significant frost and freeze event is expected in eastern Canada’s Prairies Wednesday and Thursday.
- Soybean and Corn Advisory estimated the 2018 U.S. soybean yield up 0.5 bushels to 53.0 bu/ac.
- Cargo surveyor SGS reported August Malaysian palm exports at 1,054,169 tons, 4,199 tons below the same period a month ago or up 0%, and 205,071 tons above the same period a year ago or down 16%.

**SGS Palm Oil Export Pace**

	Tons	MOM	MOM	YOY	YOY
August	1,054,169	4,199	0.4%	-205,071	-16.3%
8/25/2018	786,947	-123,827	-13.6%	-169,600	-17.7%
8/20/2018	625,819	-66,515	-9.6%	-66,843	-9.7%
8/15/2018	403,862	-50,662	-11.1%	-133,160	-24.8%
8/10/2018	287,501	30,405	11.8%	-75,506	-20.8%
July	1,049,970	-8,862	-0.8%	-210,173	-16.7%

Source: SGS, Reuters, and FI

- Brazil’s real was under pressure.
- Brazil’s high court ruled 6-1 to ban imprisoned Luiz Inacio Lula da Silva from running in the October elections. This could be a problem for the Brazil stock market and currency on Monday when trading resumes as both markets rallied late last week in anticipation the court would let him run. An appeal will be filed. Meantime, traders should monitor soybean price reaction on possible large currency moves in Brazil and Argentina ahead of the Monday overnight open.  
<https://www.bloomberg.com/news/articles/2018-09-01/lula-banned-from-brazil-presidential-race-by-election-court>
- FC Stone estimated a 2 percent rise in Brazil’s 2018-19 soybean area, and production up slightly to 119.18 million tons with exports falling to 71 million tons from 74 million this season.
- Brazil exported 8.13MMT of soybeans in August, down from 10.20MMT in July and up from 5.95MMT a year ago. 1.46MMT of soybean meal was exported in August versus 1.73MMT a month earlier and 1.23MMT last year. Brazil exported 209,268 tons of soybean oil in August vs. 210,904 tons in July and 145,914 tons a year ago.
- China’s Soybean Industry Association said they will not face a soybean shortage in Q4.
- China’s Jiusan Group projected 2018-19 soybean imports at a low 84.67 million tons, down 10.79 million tons from last year. 71.06 million tons could originate from Brazil and 7.5MMT from Argentina.

- Strategie Grains lowered their EU rapeseed production to 19.62MMT from 19.95MMT last month and compares to their forecast of 22.17MMT for 2017-18.

*USDA crop progress.* Soybean conditions were unchanged at 66 for the combined good/excellent categories. Traders were looking for unchanged. Soybean harvesting should be reported in two weeks. We are using 50.9 bu/ac for the purpose of the USDA report, 0.7/bu below USDA August.

	Planted	Acres (000) Harvested	Bushel/Acre Yield	Bushels (mil) Production	YOY Change Production	WOW Change Production
<b>Fut. Int. 2018</b>						
<b>Sep. 1 Forecast</b>	89,447	88,733	50.9	4,517	125	35
Departure from USDA	(110)	(129)	(0.7)	(69)		

#### Soybean condition changes from last week

State	P/V/P	G/E
Arkansas	-2	1
Illinois	1	1
Indiana	-1	2
Iowa	0	2
Kansas	-2	0
Kentucky	-1	2
Louisiana	0	-7
Michigan	-2	3
Minnesota	2	-3
Mississippi	0	-1
Missouri	-8	7
Nebraska	0	0
North Carolina	1	0
North Dakota	-3	4
Ohio	0	0
South Dakota	5	-2
Tennessee	-1	0
Wisconsin	2	-2
18 States	0	0

#### Soybeans Dropping Leaves changes from l.w.

State	Change	Value
Arkansas	7	17
Illinois	15	16
Indiana	12	21
Iowa	4	4
Kansas	6	10
Kentucky	10	11
Louisiana	11	65
Michigan	7	8
Minnesota	8	9
Mississippi	14	37
Missouri	2	2
Nebraska	7	15
North Carolina	6	7
North Dakota	11	37
Ohio	11	15
South Dakota	9	25
Tennessee	6	9
Wisconsin	3	4
18 States	9	16

Source: USDA and FI

Source: USDA and FI

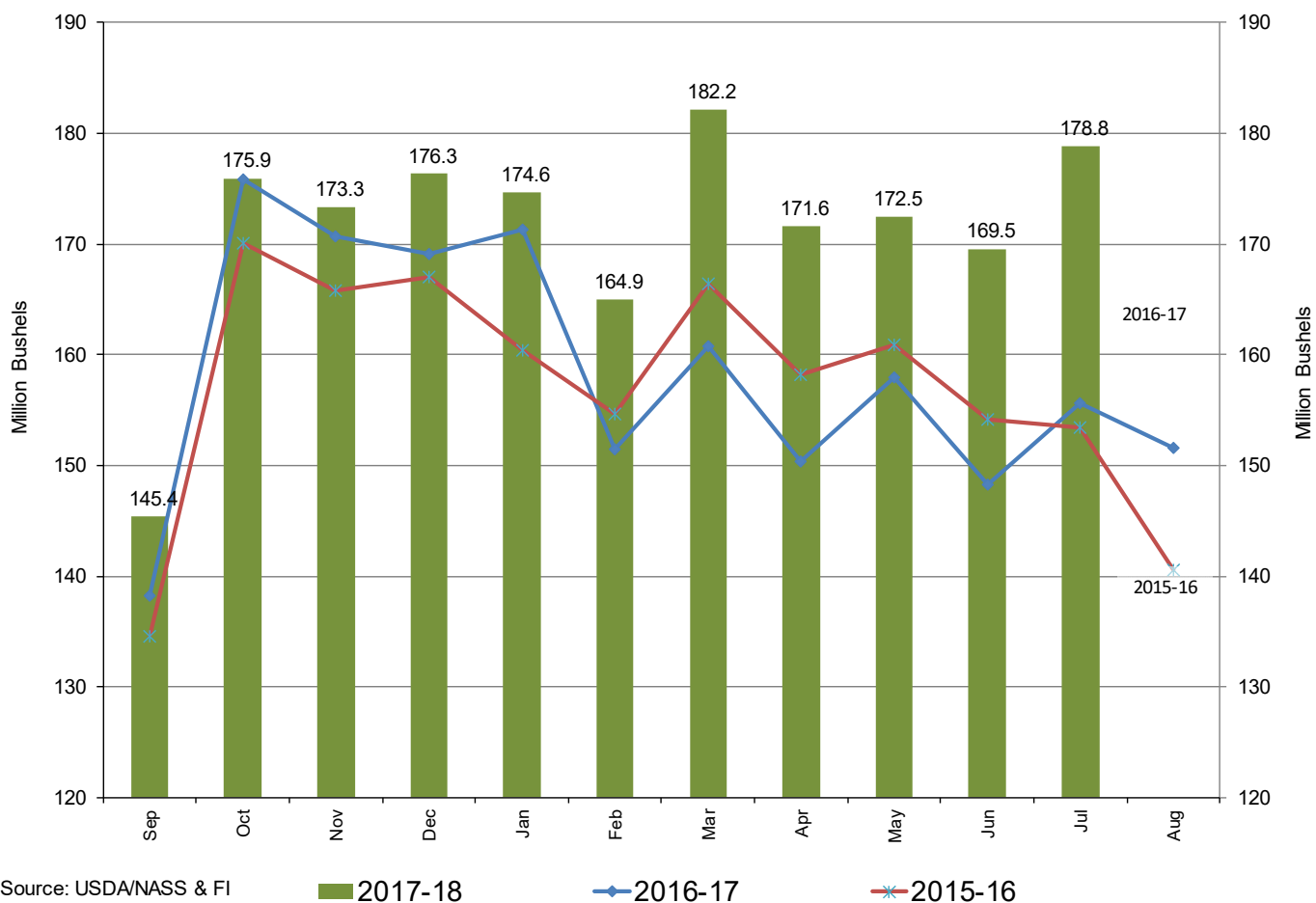
**USDA reported July soybean crush** at 178.8 million bushels, 1.7 million bushels above a Bloomberg trade guess, above 169.5 million in June, and well above 155.6 million a year earlier. We are using 2.058 billion bushels for the 2017-18 US crush, above USDA's 2.040 billion estimate. On a product year basis, the crush is pegged at 2.072 billion bushels, above 2.050 billion USDA projected in August. End of July soybean oil stocks were reported at 2.384 billion pounds, up from 2.305 billion at the end of June and above 2.000 billion at the end of July 2017. USDA end of July soybean meal stocks were a high 512,000 short tons, up from 399,000 short tons for June and 412,000 short tons a year earlier.

## USDA Monthly Soybean Crush and Soybean Oil Stocks

		Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	USDA	Actual less trade
<b>Soybeans crushed</b>	Jul-17									
<b>mil bushels</b>	<b>155.6</b>	<b>174.6</b>	<b>164.9</b>	<b>182.2</b>	<b>171.6</b>	<b>172.5</b>	<b>169.5</b>	<b>178.8</b>		
Ave. Trade Estimate	153.6	173.3	163.3	183.0	171.9	173.8	168.6	177.1	1.0	1.7
FI Estimate	153.7	173.5	162.6	180.6	172.5	173.7	169.4	178.8		
Soybean oil Production million pounds	1801	1996	1890	2079	1965	1967	1937	2043		
<b>Soybean oil stocks</b>										
<b>mil pounds</b>	<b>2000</b>	<b>2240</b>	<b>2425</b>	<b>2444</b>	<b>2689</b>	<b>2374</b>	<b>2305</b>	<b>2384</b>		
Ave. Trade Estimate	1990	2136	2342	2536	2593	2468	2265	2321	40	63
FI Estimate	1999	2161	2391	2650	2640	2521	2522	2345		
Soybean oil yield pounds per bushel	11.58	11.43	11.46	11.41	11.45	11.40	11.42	11.43		
Soybean meal production 000 short tons	3638	4128	3900	4307	4080	4109	4032	4245		
Soybean meal stocks 000 short tons	424	410	456	544	452	433	399	512		
Soybean meal yield pounds per bushel	46.76	47.28	47.28	47.28	47.55	47.66	47.57	47.47		

Source: USDA NASS Fats and Oils, Bloomberg, & FI (range 171.0-179.3, 2295-2345)

## US NASS Monthly Soybean Crush



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### Export Developments

- Results awaited: South Korea seeks 15,000 tons of non-GMO soybeans on September 4 for Nov/Dec arrival.
- USDA seeks 5,000 tons of refined oil for the export program on September 5 for October shipment.
- Iran seeks 30,000 tons of sunflower oil on September 24.
- China plans to suspend rapeseed oil sales from reserves on September 10. The remaining stocks of imported rapeseed and soybean oil will be auction off through September 6.
- China sold about 1.35MMT of soybeans out of reserves this season.

### European Union Weekly Exports/Imports

<0#SEEDS-EU-STAT>	Season 2018-2019 (July - June)			2017-2018	2016-2017
	01Jul18 - 02Sep18			03Sep17	04Sep16
	IMPORT	WEEK	Y/Y	IMPORT	IMPORT
		VAR	%VAR		
Soybeans	2269	+206	-1%	2289	2745
Rapeseed	342	+5	-31%	497	217
Sunflowerseed	19	+1	-67%	57	146
Total seeds	2630	+212	-7%	2843	3108
Soymeal	2830	+52	-23%	3659	3188
Rapeseed meal	39	+0	+56%	25	32
Sunflowerseed meal	311	+206	-45%	563	476
Total meals	3180	+258	-25%	4247	3696
Soyoil	56	+1	+24%	45	46
Rapeseed oil	18	+0	-42%	31	26
Sunflowerseed oil	196	+4	-43%	345	224
Palm oil	911	+11	-22%	1165	1077
Total oils	1181	+16	-26%	1586	1373
Total	6991	+486	-19%	8676	8177

Source: European Commission, Reuters, and FI

The USDA Attaché estimates a higher 2018-19 Argentina (2019-20 local crop-year) soybean production estimate than USDA official by 1.5MMT. 2018-19 ending stocks are projected over 13 million tons, high in our opinion.

[https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Oilseeds%20and%20Products%20Update Buenos%20Aires Argentina 8-24-2018.pdf](https://gain.fas.usda.gov/Recent%20GAIN%20Publications/Oilseeds%20and%20Products%20Update%20Buenos%20Aires%20Argentina%208-24-2018.pdf)

Oilseed, Soybean (Local) Market Begin Year Argentina	2016/2017		2017/2018		2018/2019	
	Apr 2017		Apr 2018		Apr 2019	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	19200	19200	18700	18500	18700	19000
Area Harvested	18350	18500	16800	17000	18700	19000
Beginning Stocks	12367	12367	19982	19157	11372	9057
Production	57800	57500	37000	36000	56000	57500
MY Imports	2000	2565	3100	4500	1850	2000
Total Supply	72167	72432	60082	59657	69222	68557
MY Exports	7250	7246	3150	3000	8000	7300
Crush	41000	41029	40850	42000	45000	43000
Food Use Dom. Cons.	0	0	0	0	0	0
Feed Waste Dom. Cons.	4600	5000	4710	5100	5000	5250
Total Dom. Cons.	45600	46029	45560	47600	50000	48250
Ending Stocks	19317	19157	11372	9057	11222	13007
Total Distribution	72167	72432	60082	59657	69222	68557
(1000 HA) ,(1000 MT) ,(MT/HA)						

Source: USDA Attaché and FI



Soybeans			Soybean Meal			Soybean Oil		
		Change			Change			Change
SEP8	832.00	(1.00)	SEP8	308.30	4.60	SEP8	28.39	0.02
NOV8	844.25	0.75	OCT8	309.20	4.60	OCT8	28.53	0.02
JAN9	857.00	0.25	DEC8	311.20	4.00	DEC8	28.78	0.01
MAR9	869.75	0.25	JAN9	310.30	2.60	JAN9	29.01	0.02
MAY9	881.00	(0.50)	MAR9	310.30	2.00	MAR9	29.32	0.04
JUL9	890.50	(0.50)	MAY9	310.70	1.90	MAY9	29.58	0.02
AUG9	894.50	(0.25)	JUL9	313.10	1.60	JUL9	29.86	0.04

Soybeans	Spread	Change	SoyMeal	Spread	Change	SoyOil	Spread	Change
Sep/Nov	12.25	1.75	Sep/Dec	2.90	(0.60)	Sep/Dec	0.39	(0.01)

Electronic Beans Crush		Oil as %	Meal/Oil \$	Meal	Oil		
Month	Margin	of Oil&Meal	Con. Value	Value	Value		
SEP8	158.55	SEP8 31.53%	\$ 13,796	678.26	312.29		
NOV8/DEC8	156.97	OCT8 31.57%	\$ 13,802	680.24	313.83	EUR/USD	1.1582
JAN9	144.77	DEC8 31.62%	\$ 13,852	684.64	316.58	Brazil Real	4.1553
MAR9	135.43	JAN9 31.85%	\$ 13,624	682.66	319.11	Malaysia Bid	4.1370
MAY9	127.92	MAR9 32.09%	\$ 13,438	682.66	322.52	China RMB	6.8427
JUL9	126.78	MAY9 32.25%	\$ 13,322	683.54	325.38	AUD	0.7178
AUG9	126.41	JUL9 32.29%	\$ 13,394	688.82	328.46	CME Bitcoin	7348
SEP9	127.59	AUG9 32.31%	\$ 13,416	691.02	329.89	3M Libor	2.32275
NOV9	121.98	SEP9 32.41%	\$ 13,338	691.02	331.32	Prime rate	5.0000
JANO	113.91	OCT9 32.59%	\$ 13,120	687.28	332.20		

#### US Soybean Complex Basis

SEPT	+12 / 15 x up5/up4		DECATUR	-35 x unch
OCT	+12 / 16 x up1/up2	IL SBM	SIDNEY	-20 x unch
NOV	+20 / 28 x dn3/up1	CIF Meal	CHICAGO	-40 x unch
DEC	+20 / 28 f dn3/up1	Oil FOB NOLA	TOLEDO	-50 x unch
JAN	+24 / 34 f unch	Decatur Oil	BRNS HRBR	-50 x unch
			C. RAPIDS	-65 x unch

Brazil Soybeans Paranagua fob	Brazil Meal Paranagua	Brazil Oil Paranagua
SEPT-200 / +215 u up10/up5	OCT -2 / +3 v unch	SEPT +60 / 130 u dn10/up10
OCT+215 / +225 x up5/up5	NOV +4 / +6 v unch/dn2	OCT +90 / +140 v up10/up20
NOV+220 / +225 x unch	DEC +5 / +10 v unch	NOV +110 / +160 z unch/up30
DEC +220 / 225 z unch	JAN +7 / +12 h unch/up1	DEC +110 / +160 z unch/up30
FEB-100 / +130 h unch/dn60	FEB +5 / +12 h unch	JAN +60 / +150 F up5/up30
Argentina meal	298 -10.8	Argentina oil Spot fob 29.6 1.09

Source: FI, DJ, Reuters & various trade sources

Updated 8/29/18

November soybeans \$8.00-\$9.50 range.

December meal \$280-\$350 range.

December soybean oil 27.50-30.50 range.

#### Wheat.

- Wheat traded sharply lower following Paris wheat futures after Russia said they had no plans to add a wheat export duty. Russia also requested that 1.5 million tons of intervention grains could be sold to the domestic market.
- All three markets settled well off session lows.

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- Matif wheat ended 2.75 euros lower at 200.00 euros.
- Funds were net sellers of an estimated 7,000 contracts.
- IKAR reported 12.5% Russia Black Sea wheat prices at \$225/ton at the end of last week, unchanged from the previous week. SovEcon reported \$223/ton for fob wheat.
- Russia wheat exports in August were a record for the month at 3.9MMT – SocEcon.
- Argentina’s government met Monday and increased its corn and wheat export tax to roughly 10 percent from zero.
- USDA US all-wheat export inspections as of August 30, 2018 were 391,920 tons, within a range of trade expectations, below 488,750 tons previous week and compares to 291,266 tons year ago. Major countries included Mexico for 90,923 tons, Philippines for 66,102 tons, and Indonesia for 39,474 tons.

*USDA crop progress.* US spring wheat harvesting progress was reported at 87 percent complete, 2 points below expectations, and compare to 87 percent a year ago and 75 percent average.

**Spring W. harvest changes from last week**

State	Change	Value
Idaho	6	73
Minnesota	4	98
Montana	14	75
North Dakota	11	88
South Dakota	2	99
Washington	17	88
6 States	10	87

Source: USDA and FI

*Statistics Canada is due to release July 31 Canada stocks on Thursday morning, September 6.*

**Statistics Canada's July 31 stocks**

	Average estimate mln tons	Average Range mln tons	Actual less Estimate	Statscan March 2018 mln tons
All wheat	6.2	5.7-6.8	(6.2)	6.835
Durum	1.6	1.4-1.8	(1.6)	1.863
Canola	2.5	2.2-2.8	(2.5)	1.348
Oats	0.9	0.70-1.00	(0.9)	0.703
Barley	1.2	0.9-1.8	(1.2)	2.122

Source: StatsCan, Reuters, and FI

*Export Developments.*

- Egypt’s GASC seek wheat for October 21-30 shipment.
- Jordan bought 60,000 tons of barley at \$263.50/ton, c&f for 2H Oct. shipment.
- China sold 98,787 tons of 2012 wheat at auction, at an average price of 2105 yuan per ton (\$308.69/ton), 94.4 percent of wheat was offered.
- China sold 2,676 tons of 2012 wheat at auction, at an average price of 2249 yuan per ton (\$329.38/ton), 46 percent of wheat was offered.

- Japan seeks 107,965 tons of food wheat on Thursday.

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

U.S.	Western White	11312	*
U.S.	Hard Red Winter(Semi Hard)	13,905	*
U.S.	Dark Northern Spring(14.0%)	29,195	*
Canada	Western Red Spring(13.5%)	25,150	**
Canada	Western Red Spring(13.5%)	28,403	*

Shipments: \* Loading between Oct. 21 and Nov. 20, 2018

\*\* Arriving by Dec. 31, 2018

Source: Japan AgM in, Reuters and FI

- Results awaited: Note Taiwan seeks 110,500 tons of US milling wheat from the US on August 31 for October/November shipment.
- Japan in a SBS import tender seeks 120,000 tons of feed wheat and 200,000 tons of barley on September 5 for arrival by January 31.
- Syria's General Establishment for Cereal Processing and Trade (Hoboob) seeks 200,000 tons of soft bread wheat from Russia, Romania or Bulgaria, with shipment sought between Oct. 15 and Dec. 15. The deadline is Sept. 17 and requires payment in Syrian pounds.
- Ethiopia seeks 200,000 tons of milling wheat on September 18 for shipment two months after contract signing.

### Rice/Other

- China sold 301,011 tons of rice at auction, at an average price of 2487 yuan per ton (\$364.52/ton), 16.6 percent of wheat was offered.
- China sold 40,563 tons of rice at auction, at an average price of 2633 yuan per ton (\$385.17/ton), 4.76 percent of wheat was offered.
- The Philippines will import 132,000 tons of additional rice soon.
- Results awaited: South Korea seeks 92,783 tons of rice on Aug. 31 for Nov/Dec arrival.

TONNES (M/T)	GRAIN TYPE	ARRIVAL/PORT
10,000	Brown medium	Nov 30/Gwangyang
10,000	Brown medium	Dec 31/Busan
20,000	Brown medium	Dec 31/Gunsan
20,000	Brown medium	Dec 31/Mokpo
20,000	Brown medium	Dec 31/Donghae
12,783	Brown long	Nov 30/Masan

**Rice condition changes from last week**

State	P/V/P	G/E
Arkansas	-2	1
California	0	0
Louisiana	0	0
Mississippi	1	-2
Missouri	0	0
Texas	0	0
6 States	-1	0

**Cotton condition changes from last week**

State	P/V/P	G/E
Alabama	0	-2
Arizona	3	6
Arkansas	1	-5
California	0	0
Georgia	1	-5
Kansas	1	0
Louisiana	0	0
Mississippi	-2	4
Missouri	0	0
North Carolina	-3	4
Oklahoma	-20	0
South Carolina	1	-14
Tennessee	-1	7
Texas	7	-6
Virginia	-4	7
15 States	2	-3

Source: USDA and FI

Source: USDA and FI

**European Union Weekly Exports/Imports**

	Season 2018-2019 (July - June)				Season 2017-2018			
<0#GRA-EU-STAT>	=====	01Jul18	-	02Sep18	==	==01Jul17	-	03Sep17
	EXPORT	WEEK	IMPORT	WEEK	EXPORT	IMPORT		
		VAR		VAR			%VAR	%VAR
A.1 Soft wheat	2075	+33	499	+15	4064	486	-49%	+3%
A.2 Wheat flour (*)	79	+6	5	+0	165	7	-52%	-29%
B.1 Durum	38	+0	49	+1	82	177	-54%	-72%
B.2 Durum wheat meal	21	+0	0	+0	24	0	-13%	
C. TOTAL A+B	2213	+39	553	+16	4335	670	-49%	-17%
D.1 Barley	1203	+2	43	+0	915	258	+31%	-83%
D.2 Malt	378	+9	1	+0	492	3	-23%	-67%
E. Maize	40	+2	2127	+99	104	2949	-62%	-28%
F.1 Rye	0	+0	10	+6	6	2		+400%
G. Oat	4	+1	0	+0	66	0	-94%	
I. TOTAL D-H	1625	+14	2187	+105	1583	3241	+3%	-33%

Source: European Commission, Reuters, and FI

Chicago Wheat			KC Wheat			MN Wheat Settle		
		Change			Change			Change
SEP8	502.75	(15.75)	SEP8	508.00	(15.00)	SEP8	573.00	(10.75)
DEC8	531.50	(14.00)	DEC8	537.00	(16.25)	DEC8	584.75	(14.00)
MAR9	551.50	(14.00)	MAR9	558.25	(16.75)	MAR9	600.75	(12.75)
MAY9	565.50	(12.25)	MAY9	569.75	(16.00)	MAY9	608.50	(11.00)
JUL9	562.00	(8.25)	JUL9	567.25	(14.00)	JUL9	614.75	(9.00)
SEP9	570.00	(7.25)	SEP9	576.25	(13.00)	SEP9	619.25	(6.75)
DEC9	582.00	(6.75)	DEC9	591.00	(12.50)	DEC9	627.50	(5.50)

Chicago Rice			Change		
SEP8	10.85	0.020	NOV8	10.84	0.005
			JAN9	10.95	(0.030)

US Wheat Basis					
Gulf SRW Wheat		Gulf HRW Wheat		Chicago mill	
SEPT	+ 55 / 75 u unch	SEP	115 u unch	Toledo	-5 u unch
OCT	+ 55 / 75 z dn5/unch	OCT	146 z up6	PNW US Soft White 10.5% protein	-15 z unch
NOV	+ 55 / 75 z dn5/unch	NOV	146 z up6	PNW Sep	600 unchanged
DEC	+ 55 / 75 z dn5/unch	DEC	146 z up6	PNW OCT	605 -1.50
JAN	+ 60 / 70 h unch	JAN	139 h unch	PNW NOV	609 -0.50
FEB	+ 60 / 70 h unch			PNW Ndec	621 +7.00

Euronext EU Wheat		Change		OI		OI Change		World Prices \$/ton		Change	
SEP8	199.50	(4.50)		5,457	(6,831)	US SRW FOB	\$211.46	\$3.86			
DEC8	200.00	(3.25)		237,679	(4,352)	US HRW FOB	\$245.40	\$5.80			
MAR9	202.75	(3.00)		84,932	105	Black Sea FOB Mill 11%	\$212.50	\$3.50			
MAY9	204.50	(2.25)		44,684	330	Russia FOB 12%	\$223.00	\$2.00			
EUR	1.1582			\$226.00	CME Black 12.5%	Arg. Bread FOB 12%	\$232.00	\$2.00			
Rouen FOB 11%	\$234.54	\$2.25				Ukraine FOB Mill 11%	\$212.50	\$3.50			
AUS WHEAT DEC8	\$269.50	(\$0.50)			Platts/USD	Ukr. FOB feed (Odessa)	\$199.50	(\$0.50)			

Source: FI, DJ, Reuters & various trade sources

### 8/29/18. Trading ranges:

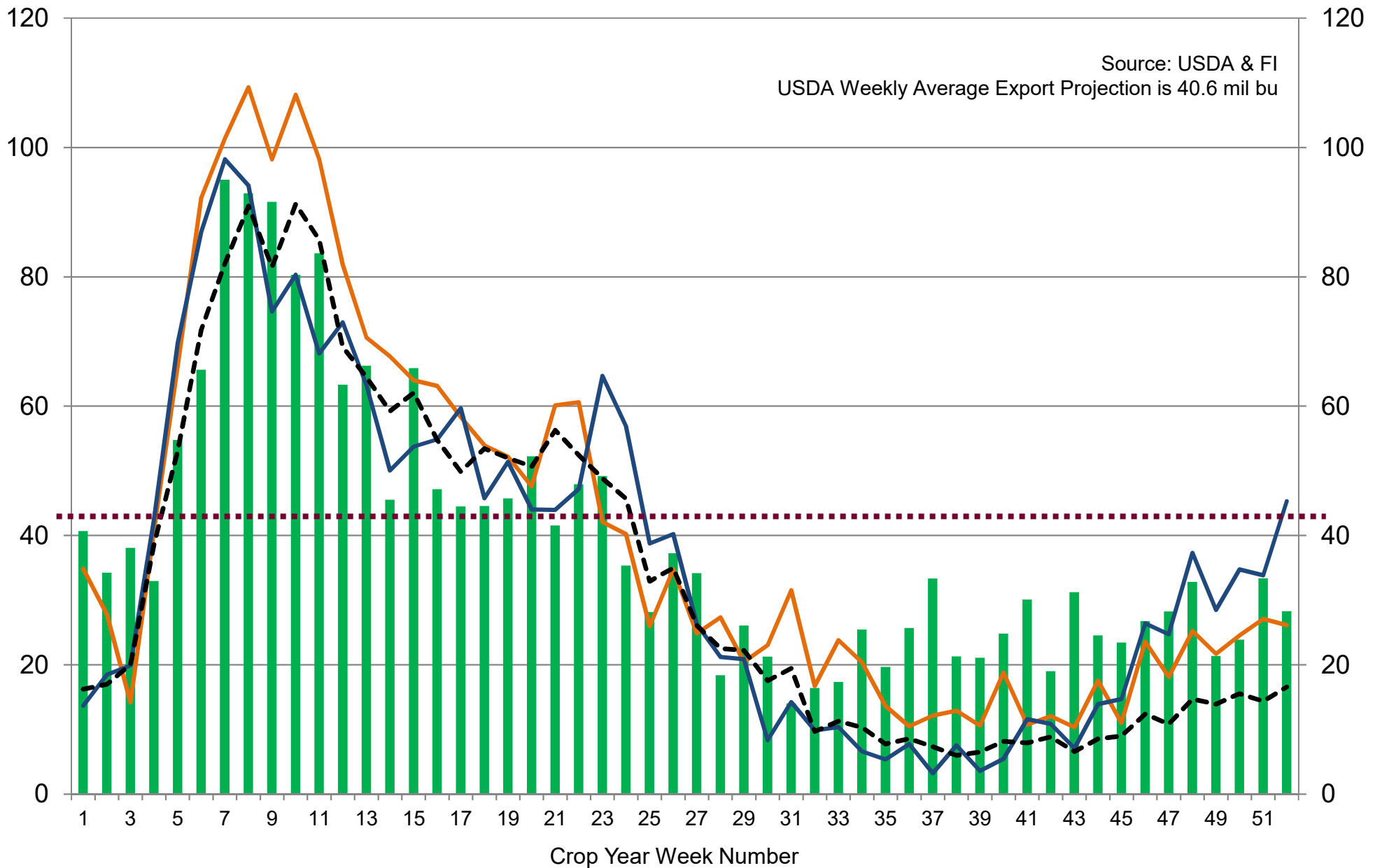
- December Chicago wheat \$4.95-\$5.65 range.
- December KC \$4.80-\$5.60 range.
- December MN \$5.60-\$6.40 range.

## July 31 Canadian Grain Supply/Usage

(thousand tons)

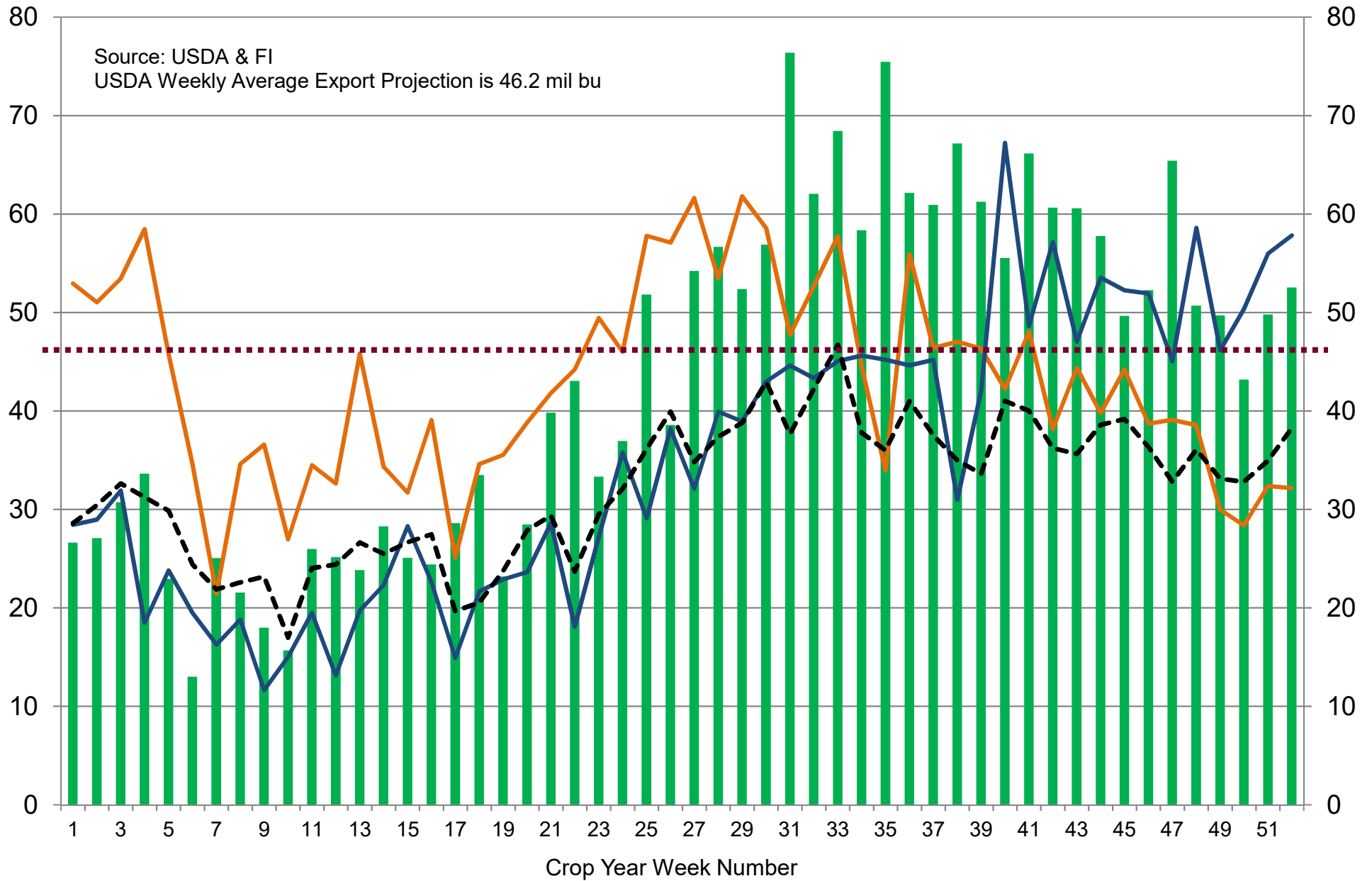
	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	FI Est. 17-18
<b>Canadian Wheat</b>										
Stocks 3/31	16632	16883	15875	14652	14708	22408	17994	14379	17051	16392
Imports	10	15	19	23	22	26	31	40	28	27
Total Supply	16642	16898	15894	14675	14730	22434	18024	14419	17080	16419
Exports	7221	6930	6029	5747	6885	9370	8454	6888	7720	7800
Domestic Use	2776	2225	2506	2996	2733	2666	2470	2353	2454	2400
Industrial Use	243	299	171	378	267	260	248	157	212	175
Total Use	9997	9155	8535	8743	9618	12036	10923	9240	10174	9654
<b>Stocks 7/31</b>	6645	7743	7360	5932	5112	10398	7101	5178	6906	6765
<b>Durum</b>										
Stocks 3/31	3902	4638	2946	3087	2992	3977	2558	2705	4078	3419
Imports	0	1	2	3	1	2	2	2	5	2
Total Supply	3902	4639	2948	3091	2993	3979	2560	2707	4083	3421
Exports	1561	1620	1017	1256	1364	1962	1205	1157	1645	1600
Domestic Use	338	325	366	349	502	278	379	450	560	450
Total Use	1899	1945	1382	1604	1866	2240	1584	1606	2205	2050
<b>Stocks 7/31</b>	2003	2694	1566	1486	1127	1739	976	1100	1878	1371
<b>Oats</b>										
Stocks 3/31	2720	2086	1681	1731	1440	2200	1698	1819	1750	2097
Imports	3	5	5	2	4	15	3	4	7	8
Total Supply	2723	2091	1686	1733	1444	2215	1701	1823	1757	2105
Exports	779	567	551	595	614	853	689	639	553	725
Domestic Use	417	362	402	334	384	293	311	217	501	400
Total Use	1196	929	953	928	998	1146	1000	856	1054	1125
<b>Stocks 7/31</b>	1527	1162	733	805	446	1069	701	967	704	980
<b>Barley</b>										
Stocks 3/31	5985	5033	3784	3280	3271	4610	3405	3733	4560	3399
Imports	11	12	20	1	14	5	80	67	24	32
Total Supply	5996	5044	3804	3281	3284	4615	3485	3800	4584	3431
Exports	737	710	500	616	490	910	899	551	937	950
Domestic Use	2296	1833	1802	1470	1811	1762	1369	1807	1525	1500
Industrial Use	62	12	26	38	94	31	122	47	31	55
Total Use	3033	2543	2302	2086	2301	2673	2268	2357	2462	2450
<b>Stocks 7/31</b>	2964	2502	1502	1195	983	1942	1217	1443	2122	981
<b>Flaxseed</b>										
Stocks 3/31	514	591	369	327	298	389	382	555	417	327
Imports	2	1	3	4	5	3	4	6	5	6
Total Supply	515	592	371	331	303	392	386	561	421	333
Exports	221	284	148	147	197	250	217	211	118	140
Domestic Use	65	19	30	47	36	50	70	71	64	65
Total Use	287	304	178	194	233	300	287	282	182	180
<b>Stocks 7/31</b>	229	288	193	137	71	92	99	279	240	153
<b>Canola</b>										
Stocks 3/31	6404	6967	6641	5202	4530	9247	8548	8615	7934	9078
Imports	50	35	45	23	28	21	24	31	36	45
Total Supply	6454	7002	6685	5225	4558	9268	8573	8647	7970	9123
Exports	3074	2324	2295	2235	1897	3753	3430	3482	3624	3490
Crush	1372	1818	2130	2202	2003	2413	2503	2814	2929	3134
Residual	64	111	74	81	70	94	67	260	70	50
Total Use	4510	4253	4500	4518	3969	6260	5999	6556	6623	6674
<b>Stocks 7/31</b>	1944	2749	2186	707	588	3008	2573	2091	1348	2448
<b>Soybeans</b>										
Stocks 3/31	1223	1500	1604	1963	1461	1419	2078	1948	1895	2628
Imports	158	83	150	91	86	153	130	164	224	245
Total Supply	1381	1583	1755	2055	1547	1572	2208	2112	2119	2873
Exports	490	500	558	786	578	526	644	622	633	710
Crush	509	509	578	570	585	533	754	739	726	668
Residual	162	270	323	467	226	276	352	372	400	425
Total Use	1161	1278	1458	1823	1390	1334	1751	1733	1759	1803
<b>Stocks 7/31</b>	220	305	297	231	158	237	458	380	360	1070

# US Weekly USDA Soybean Export Inspections, million bushels



■ 2017-18   
 — 2016-17   
 — 2015-16   
 - - - 5-Year Average

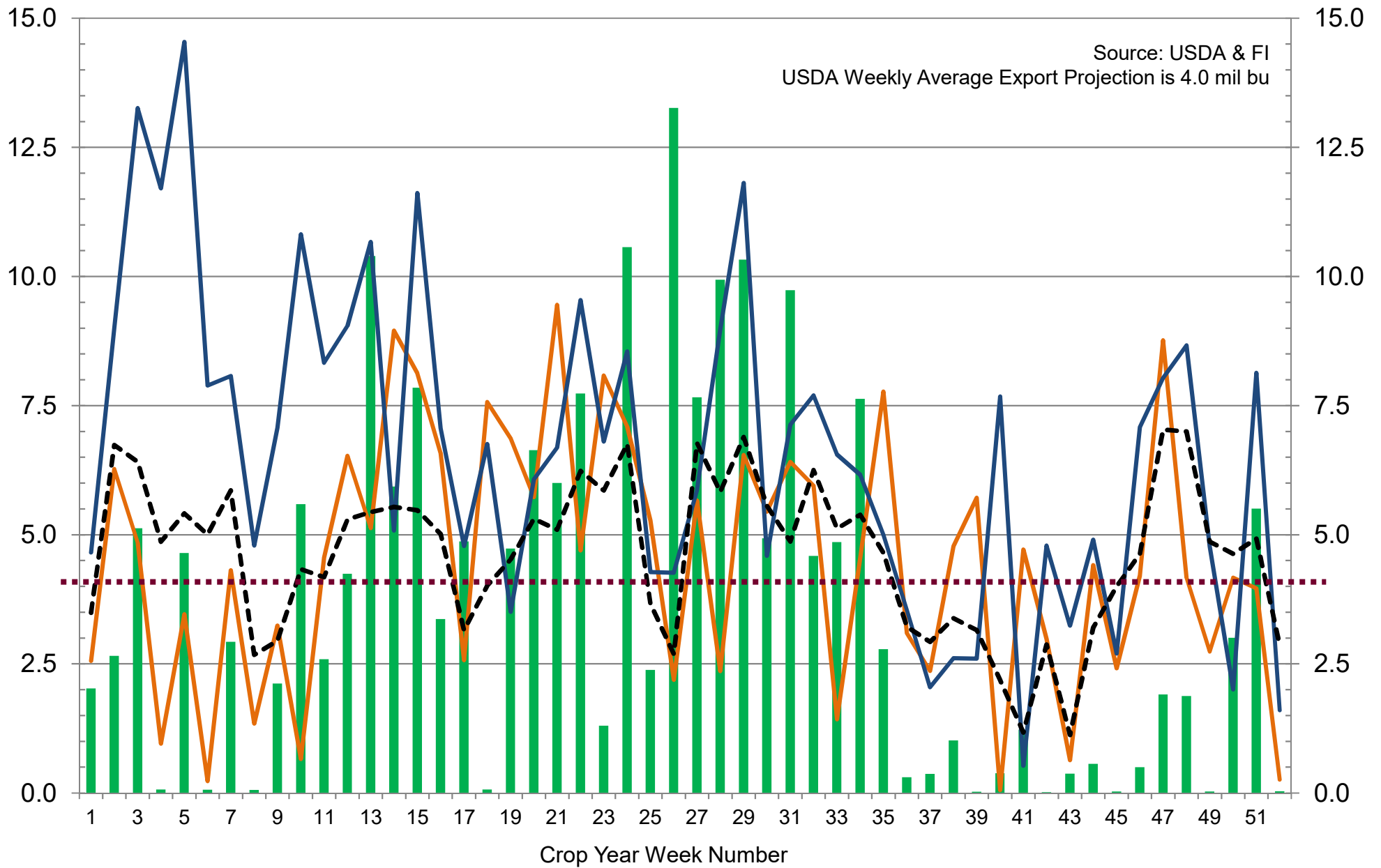
# US Weekly USDA Corn Export Inspections, million bushels



■ 2017-18   
 — 2016-17   
 — 2015-16   
 - - - 5-Year Average

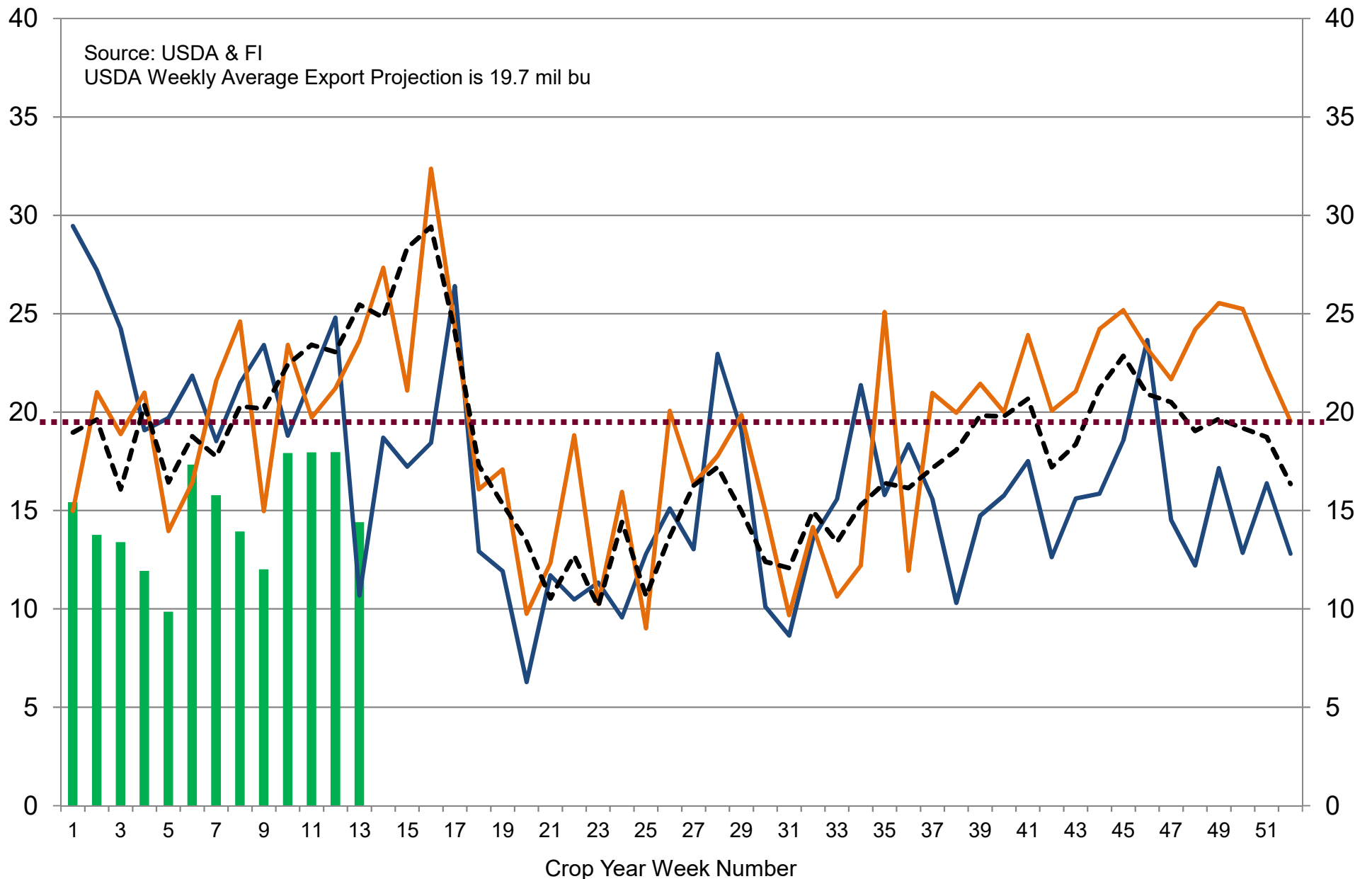


# US Weekly USDA Sorghum Export Inspections, million bushels



■ 2017-18   
 — 2016-17   
 — 2015-16   
 - - - 5-Year Average

# US Weekly USDA All-Wheat Export Inspections, million bushels

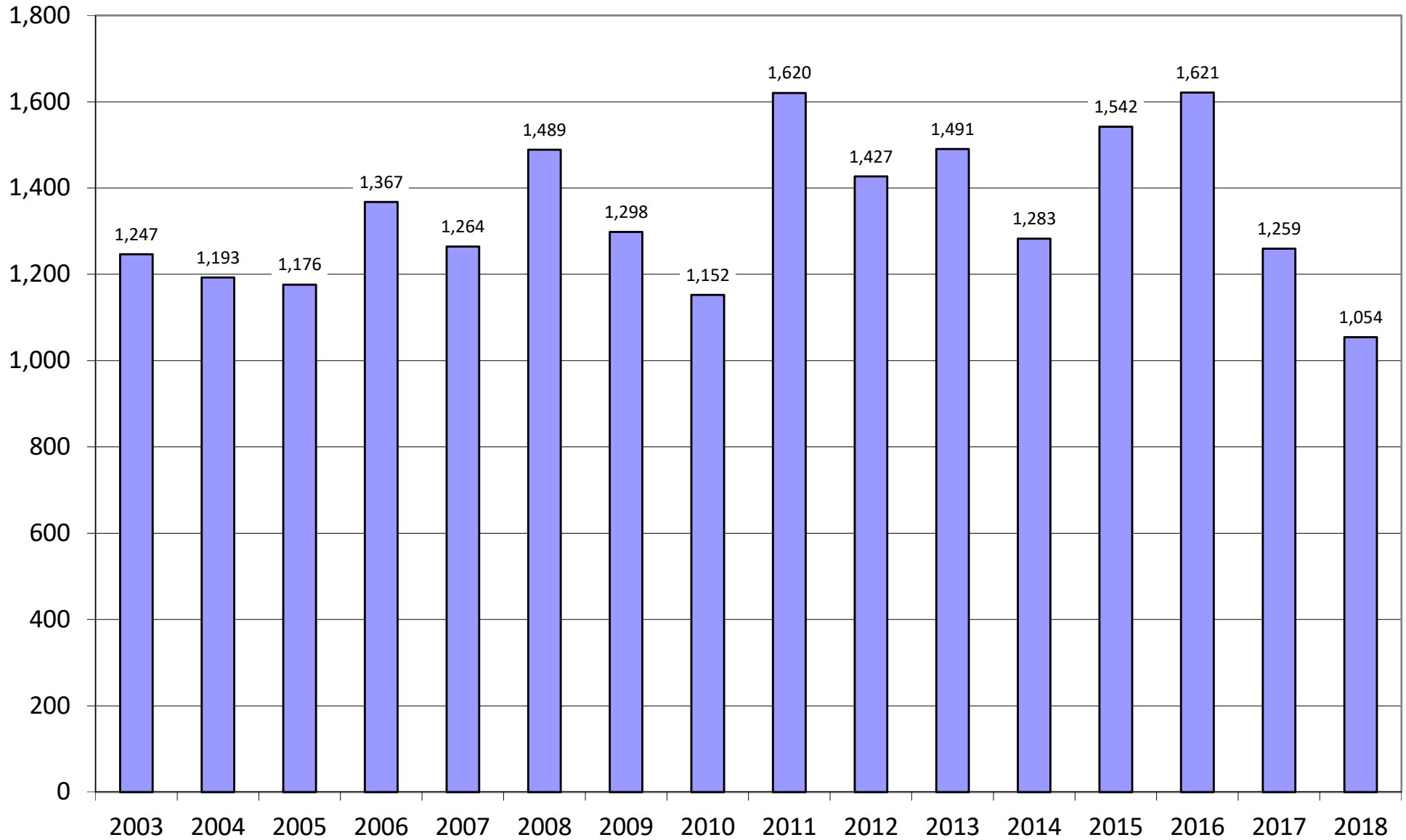


■ 2018-19   
 — 2017-18   
 — 2016-17   
 - - - 5-Year Average

Source: SGS, Reuters, DJ, and FI

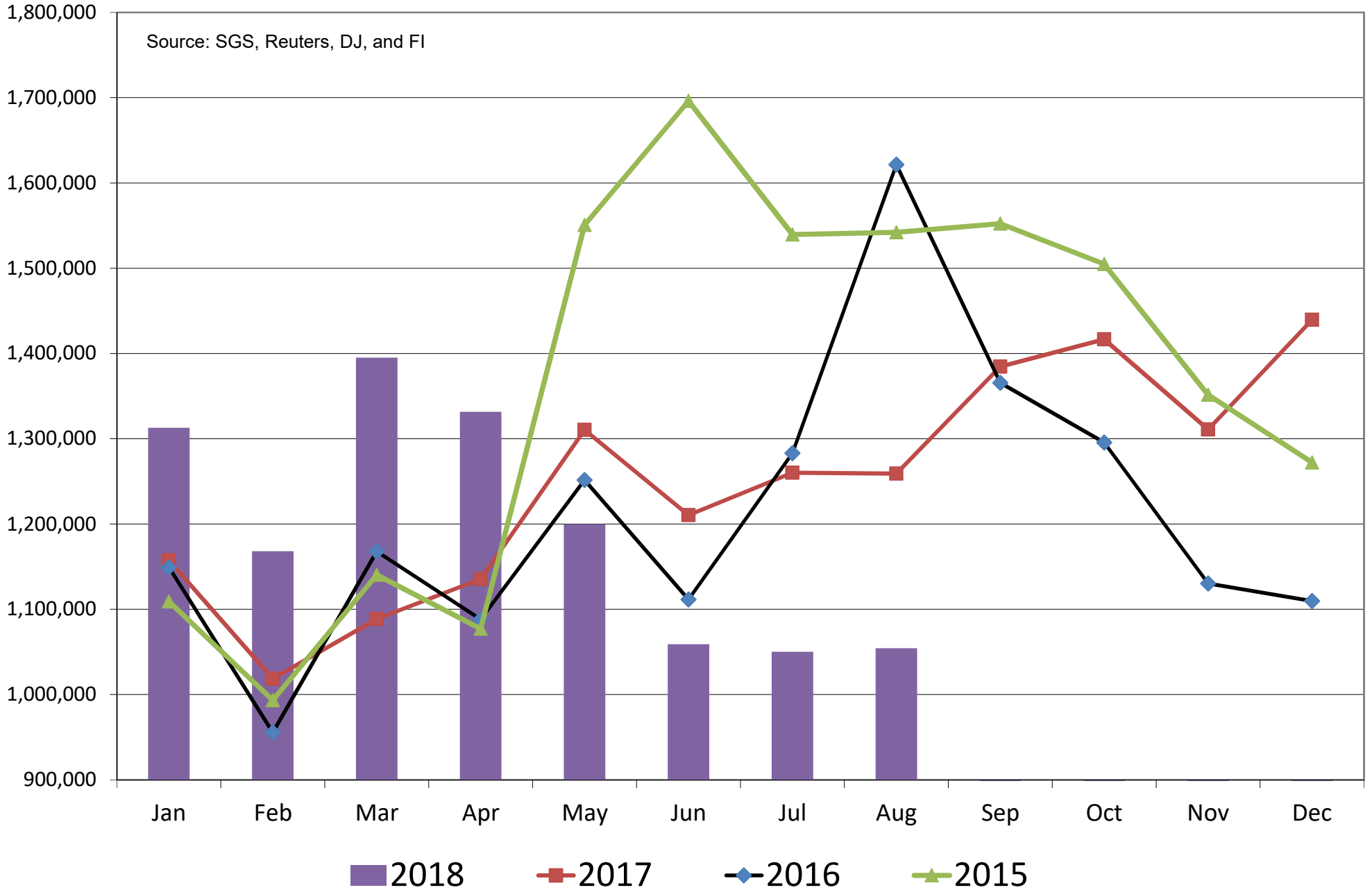
## SGS Palm and Product Shipments, Tons

Cargo surveyor SGS reported month to date August Malaysian palm exports at 1,054,169 tons, 4,199 tons below the same period a month ago or up 0%, and 205,071 tons above the same period a year ago or down 16%.



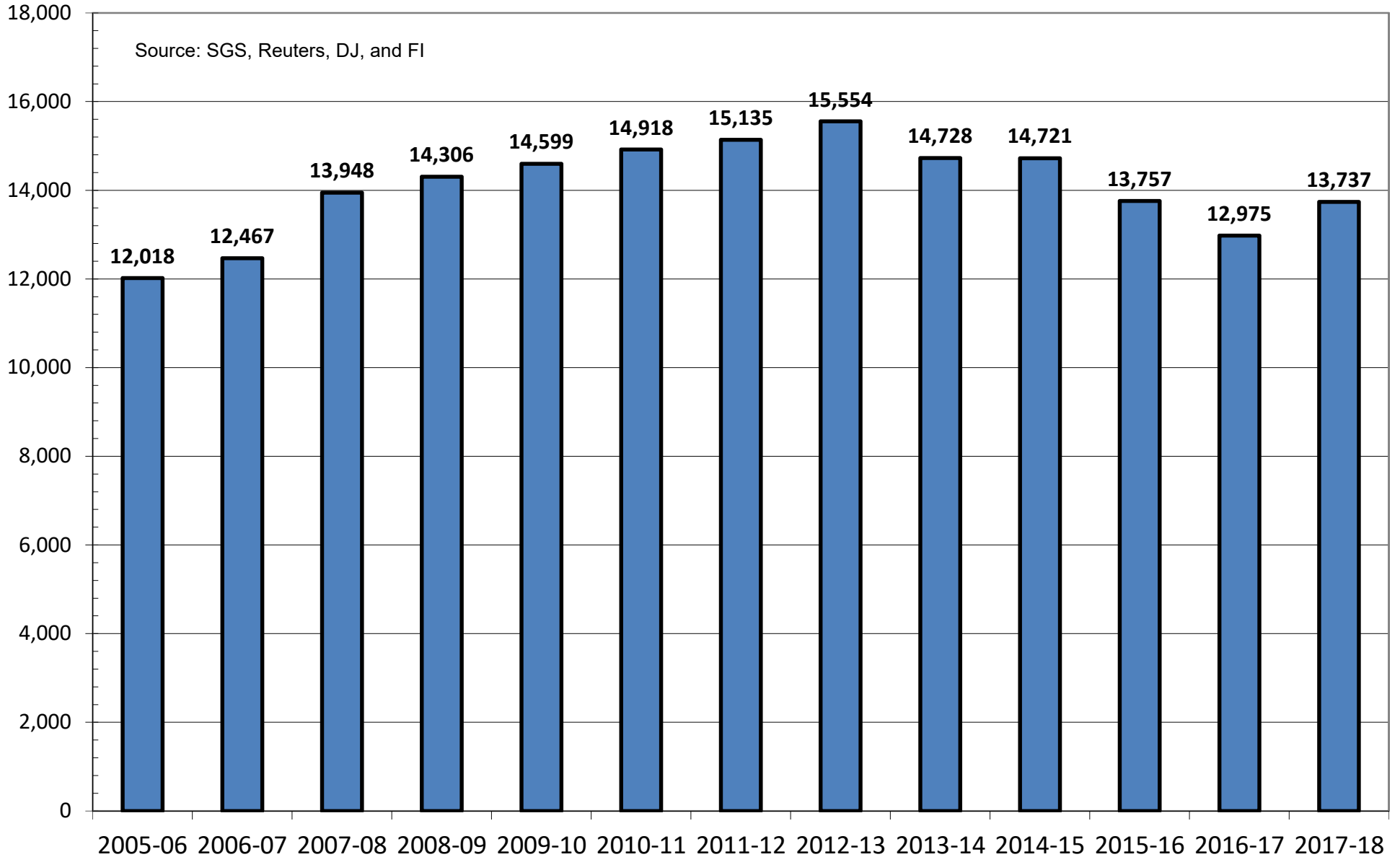
# SGS Palm and Product Shipments, in tons

Source: SGS, Reuters, DJ, and FI



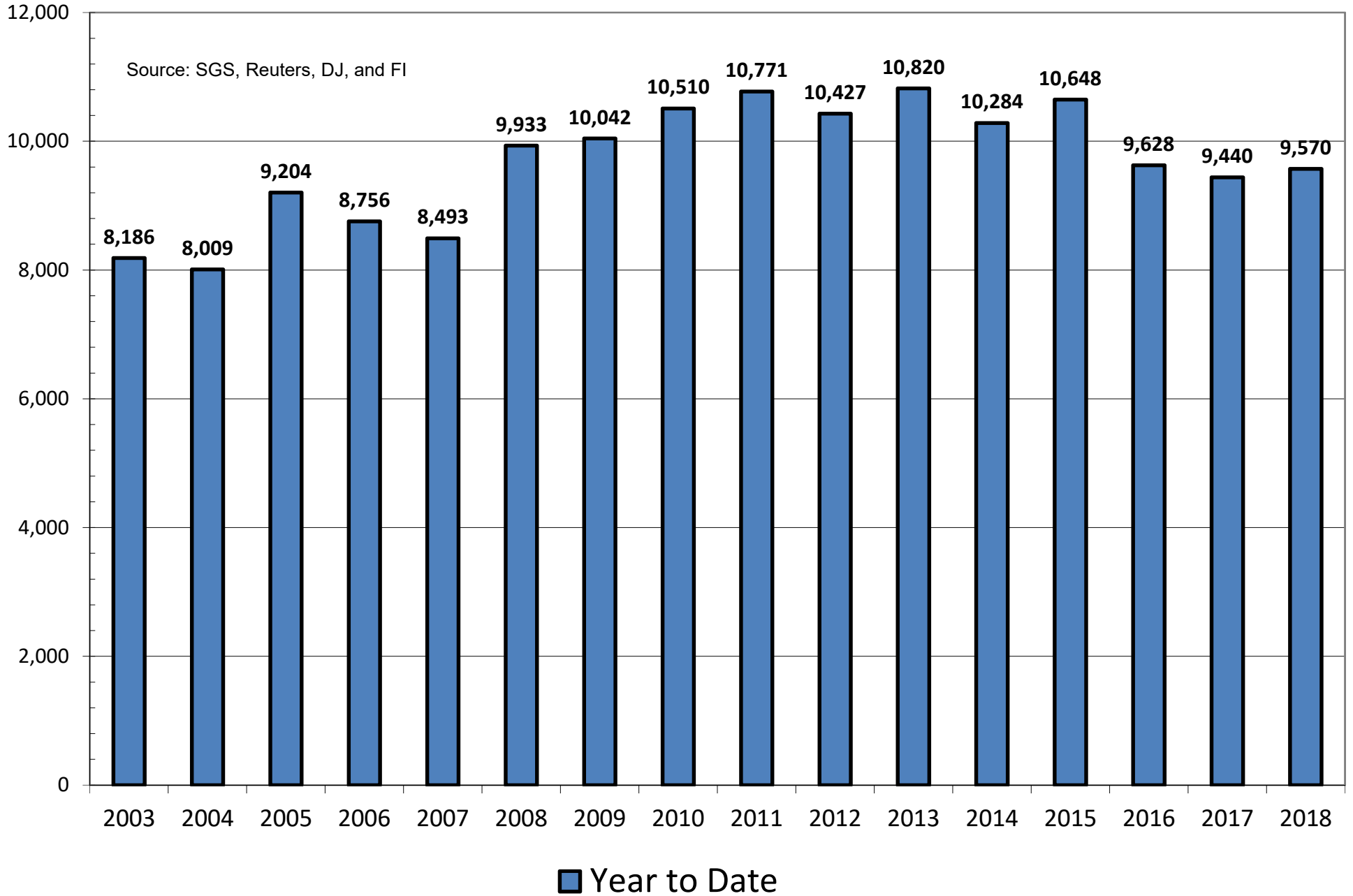
# SGS October to Date Palm and Product Shipments, in 000 tons

Source: SGS, Reuters, DJ, and FI



■ Oct to Date

# SGS YTD Palm and Product Shipments, in 000 tons



# US SPRING WHEAT WEEKLY HARVESTING PROGRESS

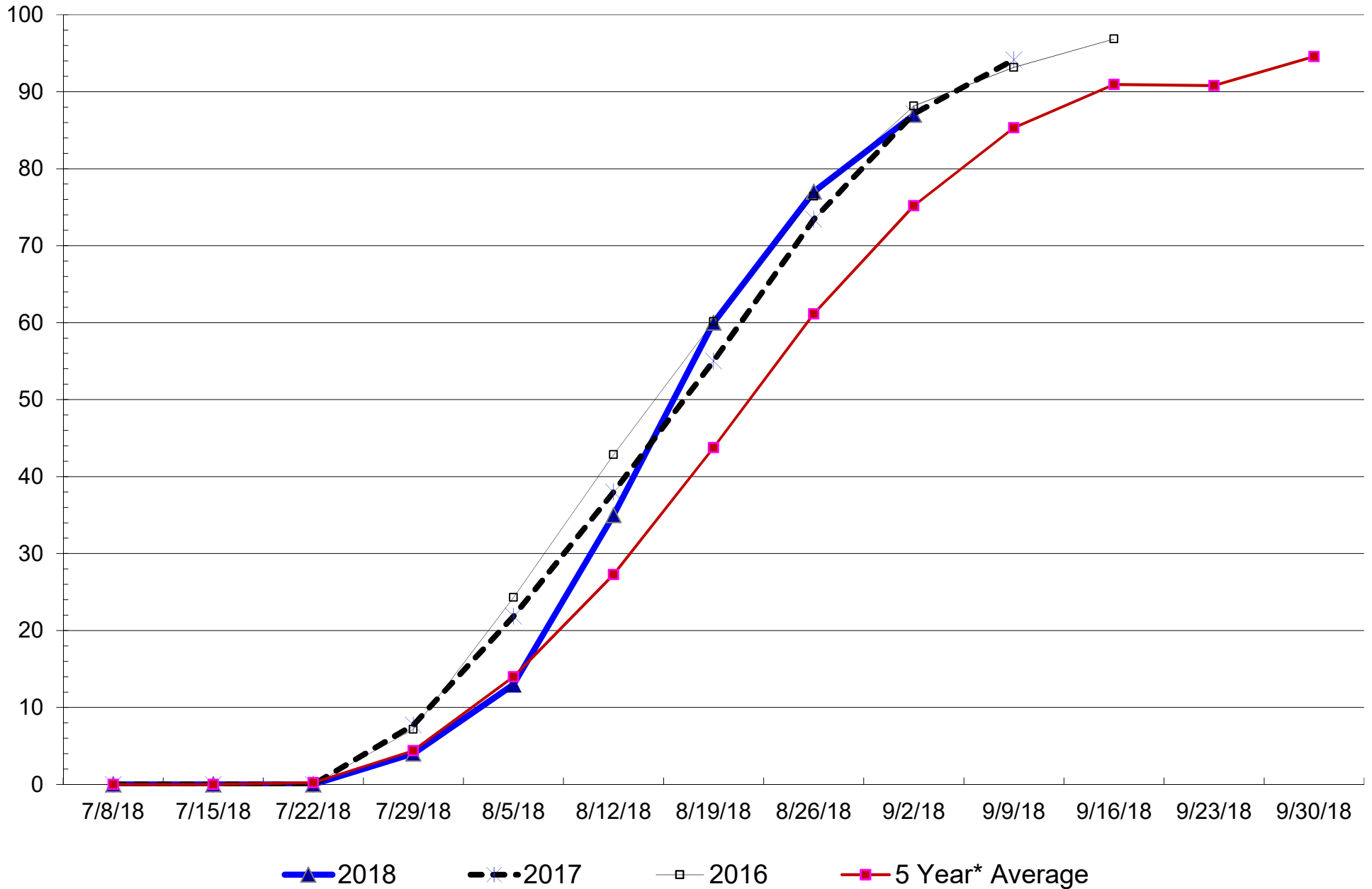
Adjusted to current date

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012*	2013	2014	2015	2016	2017	2018	5 Year*	15 Year		
																													Average	Average			
																												13-17	03-17				
<b>7/8/18</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
<b>7/15/18</b>	1	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	12	0	0	0	0	0	0	0			
<b>7/22/18</b>	5	9	0	0	1	0	0	0	1	1	1	1	0	0	0	0	0	10	0	0	0	0	28	0	0	1	0	0	0	0			
<b>7/29/18</b>	17	26	1	0	5	0	0	0	8	4	5	10	2	4	3	5	19	29	0	0	3	0	47	1	2	5	7	8	4	4	8		
<b>8/5/18</b>	46	48	3	2	14	4	2	4	21	14	21	30	17	18	8	18	45	51	2	1	14	4	65	1	4	17	24	22	13	14	19		
<b>8/12/18</b>	67	71	9	5	26	14	15	13	44	25	46	52	30	36	16	37	66	73	9	5	28	11	79	8	9	39	43	38	35	27	33		
<b>8/19/18</b>	81	85	22	13	41	30	35	27	69	36	64	73	43	56	32	54	80	87	21	10	45	24	89	21	20	62	60	55	60	44	48		
<b>8/26/18</b>	92	93	36	24	58	43	53	49	83	53	81	88	59	63	46	71	91	96	42	17	62	44	95	45	30	81	76	73	77	61	62		
<b>9/2/18</b>	96	98	46	37	72	58	71	73		66		93	90	69	57	86			67	29	73	63	97	66	44	91	88	87	<b>87</b>	75	72		
<b>9/9/18</b>			57	51	86	73	84	87		73				79	68	94			83	47	80	79	99	81	63	95	93	94		85	81		
<b>9/16/18</b>			69	63		88	92		80					91	77				88	63	85	90	100	90	77	99	97			91	87		
<b>9/23/18</b>				74											85				93	76	88	98	100	93	88					91	90		
<b>9/30/18</b>				84											91											95					95	93	
<b>10/7/18</b>																																	

Source: F1 and USDA

5-year and 15-year Futures International calculated

# U.S. SPRING WHEAT HARVESTING PROGRESS



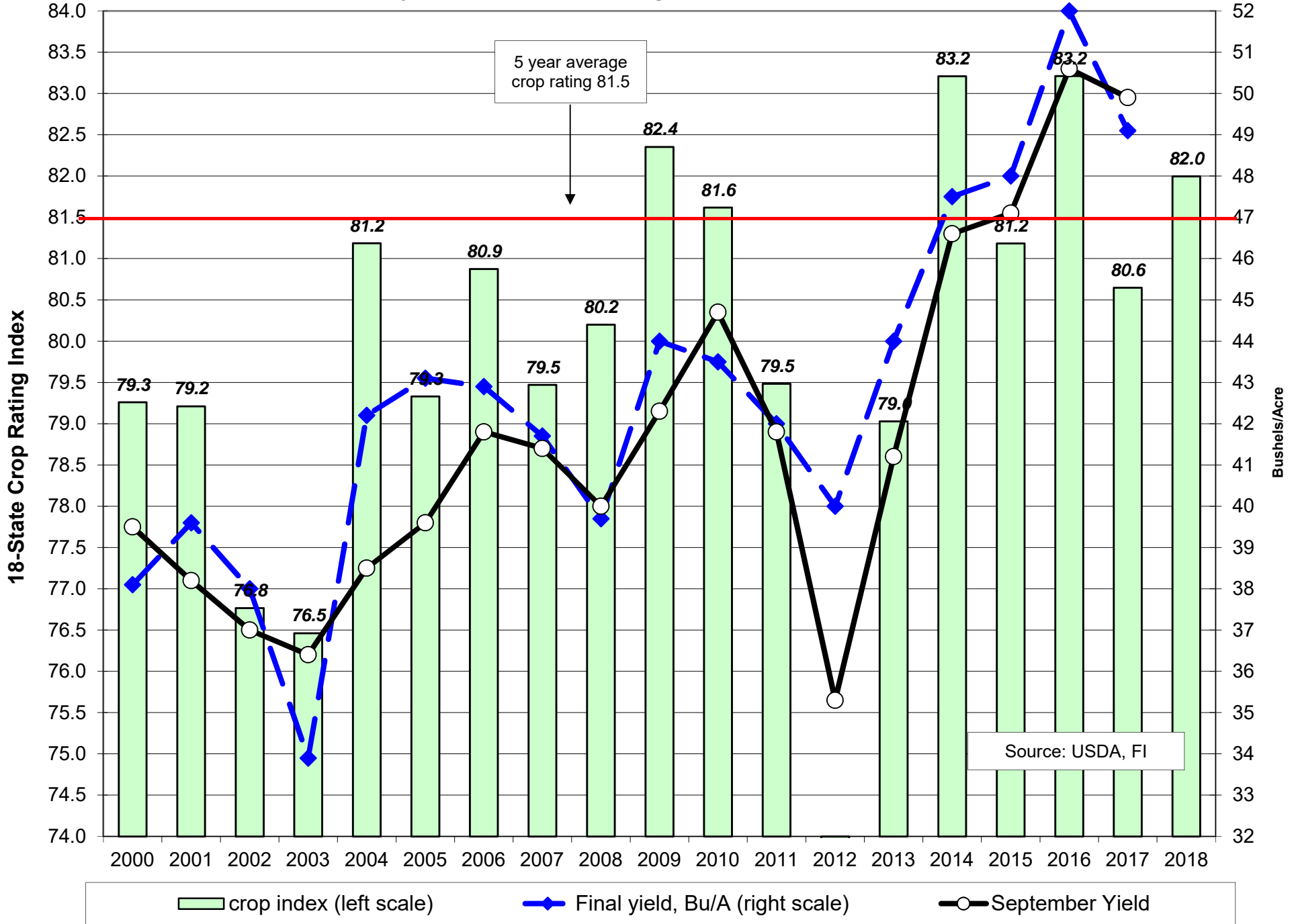


## 18 State US Soybean Crop Condition State Recap

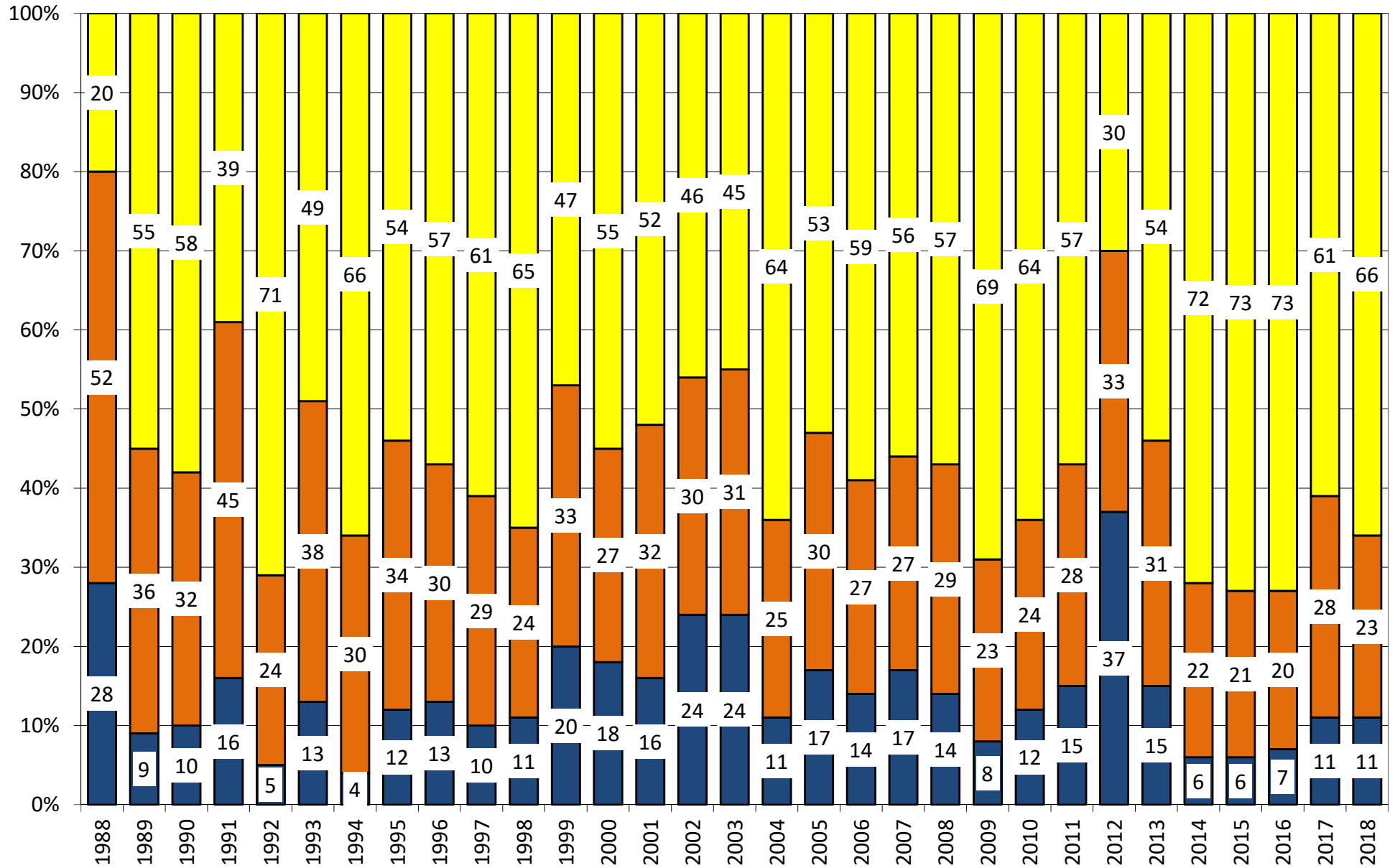
State	September 2, 2018 Weekly Rating	Percent From Last Week	September 3, 2017 Weekly Rating	Percent From Last Year	5 Year Average Weekly Rating	Percent From Average
ARKANSAS	81.5	0.5%	82.6	-1.3%	81.1	0.5%
ILLINOIS	84.7	0.0%	79.9	6.0%	81.4	4.0%
INDIANA	83.1	0.4%	79.3	4.8%	81.1	2.5%
IOWA	83.1	0.2%	80.5	3.2%	81.9	1.4%
KANSAS	78.8	0.3%	79.8	-1.3%	80.3	-1.9%
KENTUCKY	83.2	0.6%	83.5	-0.4%	83.5	-0.4%
LOUISIANA	79.7	-0.7%	80.1	-0.5%	81.6	-2.4%
MICHIGAN	81.2	1.0%	79.3	2.4%	81.1	0.1%
MINNESOTA	82.6	-1.0%	82.9	-0.4%	82.8	-0.2%
MISSISSIPPI	83.3	-0.2%	83.5	-0.2%	84.0	-0.8%
MISSOURI	76.4	3.0%	81.7	-6.5%	80.2	-4.7%
NEBRASKA	84.9	0.0%	81.4	4.3%	82.6	2.7%
NORTH CAROLINA	80.0	-0.5%	82.6	-3.1%	81.1	-1.4%
NORTH DAKOTA	78.9	1.3%	77.6	1.7%	80.4	-1.9%
OHIO	84.7	0.1%	79.8	6.1%	80.7	5.0%
SOUTH DAKOTA	79.2	-1.2%	77.9	1.7%	81.0	-2.2%
TENNESSEE	83.6	0.2%	86.2	-3.0%	85.0	-1.6%
WISCONSIN	83.9	-0.6%	83.9	0.0%	83.4	0.6%
EASTERN BELT	84.0	0.2%	79.7	5.4%	81.2	3.5%
WESTERN BELT	81.5	0.1%	81.0	0.7%	81.8	-0.4%
DELTA*	82.1	0.1%	83.2	-1.3%	82.7	-0.7%
<b>18 STATE TL</b>	<b>82.0</b>	<b>0.2%</b>	<b>80.6</b>	<b>1.7%</b>	<b>81.6</b>	<b>0.5%</b>
<b>**State Weighted</b>						
<b>Fut. Int. 2018</b>	Planted	Acres (000) Harvested	Bushel/Acre Yield	Bushels (mil) Production	YOY Change Production	WOW Change Production
<b>Sep. 1 Forecast</b>	89,447	88,733	50.9	4,517	125	35
Departure from USDA	(110)	(129)	(0.7)	(69)		
<b>USDA Aug. 2018</b>	Planted 89,557	Harvested 88,862	Yield 51.6	Production 4,586	YOY Change Production 194	
<b>USDA July 2018</b>	Planted 89,557	Harvested 88,862	Yield 48.0	Production 4,310	YOY Change Production -82	
<b>USDA May 2018</b>	Planted 88,982	Harvested 88,200	Yield 48.5	Production 4,280	YOY Change Production -112	
<b>USDA June 2018</b>	Planted 89,482	Harvested 88,600	Yield 48.0	Production 4,255	YOY Change Production -137	
					FI Corn Rating	
	Planted	Harvested	Yield	Final Production	As of August 1	
USDA 2018	89,557	88,862				
USDA 2017	90,142	89,522	49.1	4,392	80.2	
USDA 2016	83,433	82,969	52.0	4,296	83.0	
USDA 2015	82,650	81,732	48.0	3,926	81.3	
USDA 2014	83,276	82,591	47.5	3,927	82.9	
USDA 2013	76,840	76,253	44.0	3,358	81.7	
USDA 2012	77,198	76,144	40.0	3,042	73.1	
USDA 2011	75,046	73,776	42.0	3,097	80.9	
USDA 2010	77,404	76,610	43.5	3,331	82.2	
USDA 2009	77,451	76,372	44.0	3,361	82.1	
USDA 2008	75,718	74,681	39.7	2,967	81.4	
USDA 2007	64,741	64,146	41.7	2,677	80.4	
USDA 2006	75,522	74,602	42.9	3,197	79.1	

\*KY & TN Source: FI and USDA (15 Year Trend = 49.7)

# Soybean Crop Rating Index as of Sep 2



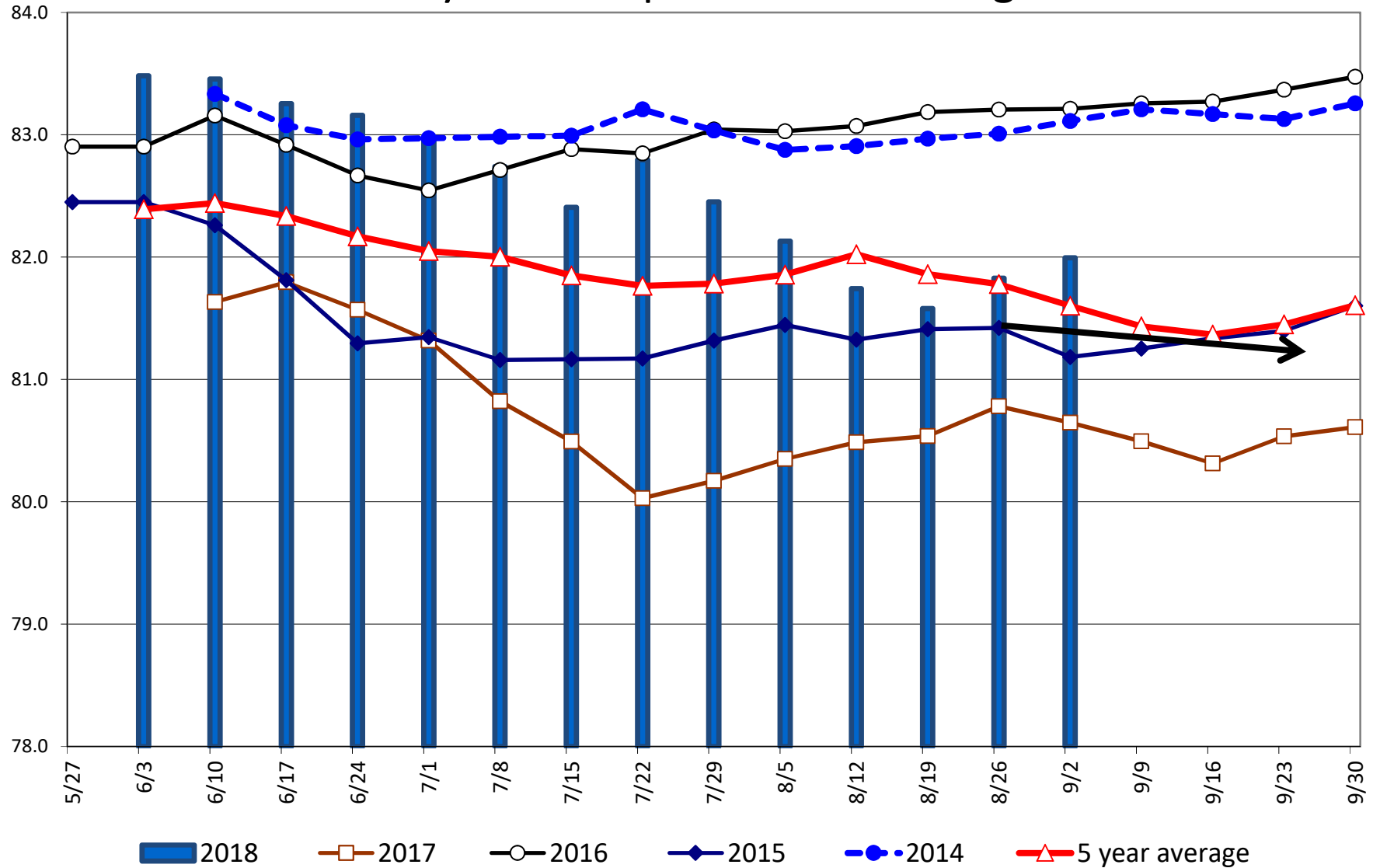
# US National Soybean Condition as of or Near Sep 2



Source: USDA, F1

■ Very Poor/Poor    
 ■ Fair    
 ■ Good/Excellent

# Soybean Crop Condition Ratings



## 18 State US Corn Crop Condition State Recap

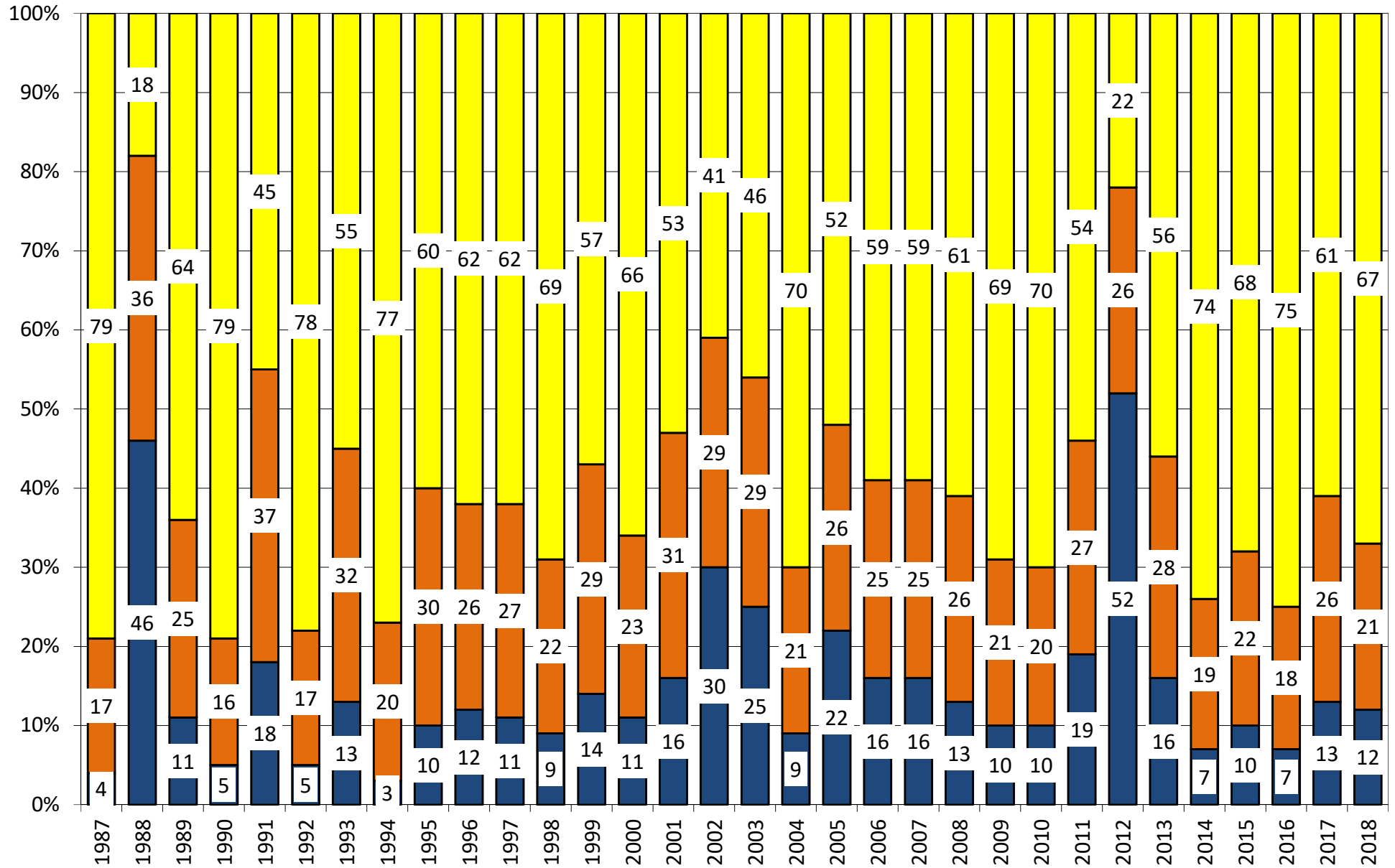
State	September 2, 2018 Weekly Rating	Percent From Last Week	September 3, 2017 Weekly Rating	Percent From Last Year	5 Year Average Weekly Rating	Percent From Average
IOWA	83.5	-0.1%	80.6	3.6%	82.3	1.5%
ILLINOIS	84.7	-0.2%	79.7	6.3%	82.2	3.0%
MINNESOTA	84.2	0.1%	84.2	0.0%	83.8	0.5%
NEBRASKA	85.3	-0.1%	81.4	4.8%	82.6	3.3%
OHIO	84.6	0.2%	80.9	4.6%	81.2	4.2%
INDIANA	83.1	0.2%	78.7	5.6%	81.2	2.3%
MISSOURI	72.4	1.1%	81.5	-11.2%	81.4	-11.0%
N. CAROLINA	74.9	0.1%	85.1	-12.0%	81.8	-8.4%
N. DAKOTA	81.6	0.1%	77.6	5.2%	81.1	0.6%
S. DAKOTA	81.5	0.2%	76.0	7.2%	80.5	1.2%
WISCONSIN	83.9	-0.1%	83.0	1.1%	83.2	0.8%
PENNSYLVANIA	83.0	-1.0%	88.1	-5.8%	84.9	-2.2%
TEKAS	73.3	0.0%	84.8	-13.6%	81.8	-10.4%
KENTUCKY	82.9	0.9%	84.8	-2.2%	84.4	-1.8%
TENNESSEE	83.5	0.2%	87.2	-4.2%	85.7	-2.6%
MICHIGAN	78.4	0.9%	79.8	-1.8%	81.5	-3.8%
COLORADO	81.8	1.2%	79.8	2.5%	81.3	0.6%
KANSAS	76.3	-0.4%	79.6	-4.1%	79.3	-3.8%
WESTERN BELT	82.9	0.1%	80.8	2.6%	82.3	0.8%
EASTERN BELT	83.7	0.0%	80.0	4.6%	81.9	2.2%
DELTA*	83.1	0.6%	85.7	-3.0%	84.9	-2.1%
<b>TOTAL U.S. CORN**</b>	<b>82.3</b>	<b>0.0%</b>	<b>80.8</b>	<b>1.9%</b>	<b>82.1</b>	<b>0.3%</b>

\*\*State Weighted

Fut. Int. 2018 Sep. 1 Forecast	Planted	Acres (000) Harvested	Bushel/Acre Yield	Bushels (mil) Production	YOY Change Production	WOW Change
Departure from USDA	0	25	(2.9)	(231)		0
<b>USDA Aug. 2018</b>	Planted 89,128	Harvested 81,770	Yield 178.4	Production 14,586	YOY Change Production <b>(18)</b>	
<b>USDA July 2018</b>	Planted 89,128	Harvested 81,770	Yield 174.0	Production 14,230	YOY Change Production <b>(374)</b>	
<b>USDA June 2018</b>	Planted 88,026	Harvested 80,700	Yield 174.0	Production 14,040	YOY Change Production <b>(564)</b>	
	Planted	Harvested	Yield	Final Production	FI Corn Rating As of August 1	
USDA 2018	88,026	?	?	?	?	
USDA 2017	90,167	82,703	176.6	14,604	80.8	
USDA 2016	94,004	86,748	174.6	15,148	83.9	
USDA 2015	88,019	80,753	168.4	13,602	82.5	
USDA 2014	90,597	83,136	171.0	14,216	83.8	
USDA 2013	95,365	87,451	158.1	13,829	81.8	
USDA 2012	97,291	87,365	123.1	10,755	70.7	
USDA 2011	91,936	83,879	146.8	12,314	80.9	
USDA 2010	88,192	81,446	152.6	12,425	83.3	
USDA 2009	86,382	79,490	164.4	13,067	82.6	
USDA 2008	85,982	78,570	153.3	12,043	82.0	
USDA 2007	93,527	86,520	150.7	13,038	80.5	
USDA 2006	78,327	70,638	149.1	10,531	79.7	

\*KY & TN Source: FI and USDA FI using 10-year trend of 174.5

# US National Corn Condition as of or Near Sep 2



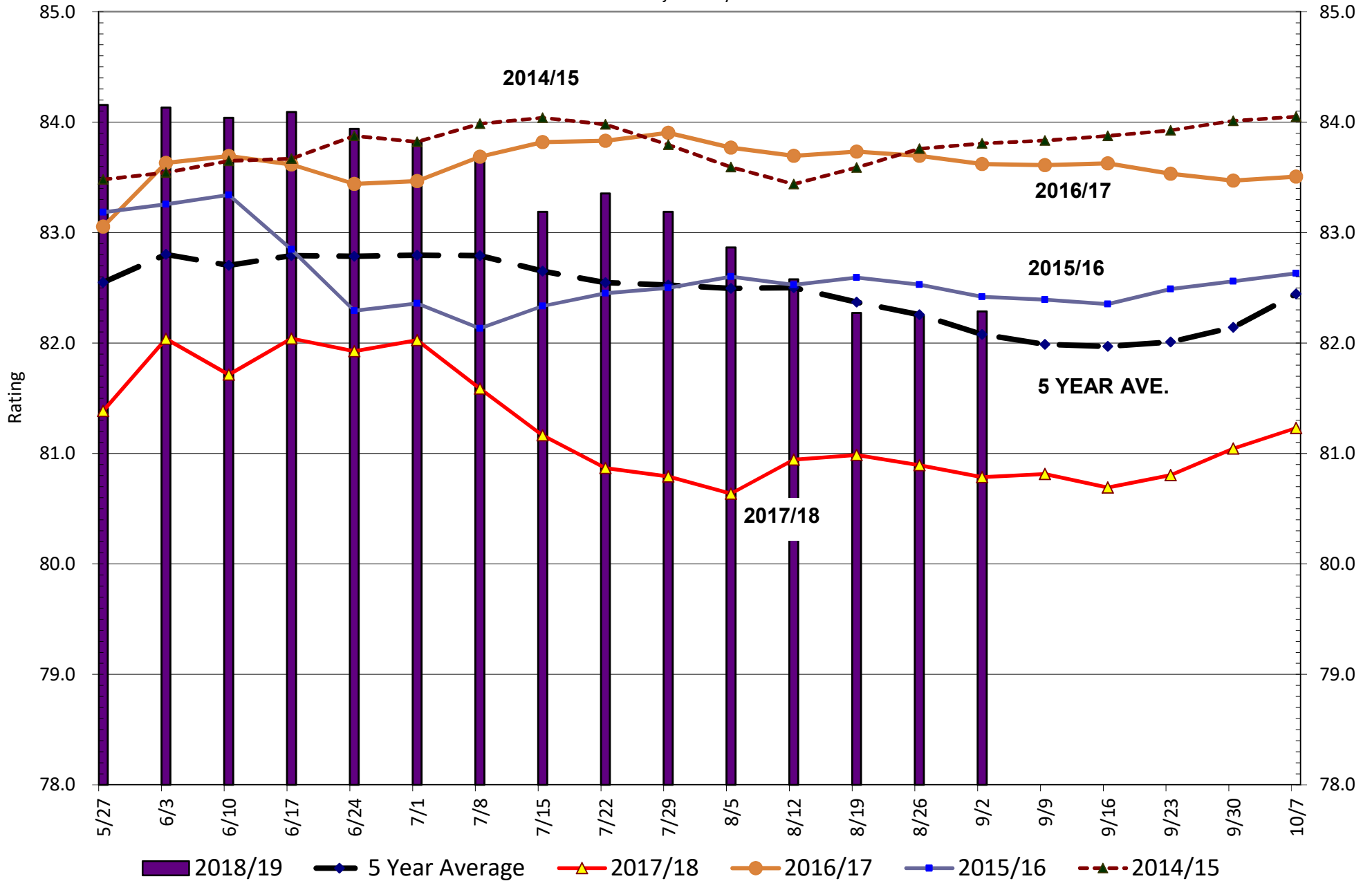
Source: USDA, F1

■ Very Poor/Poor   
 ■ Fair   
 ■ Good/Excellent

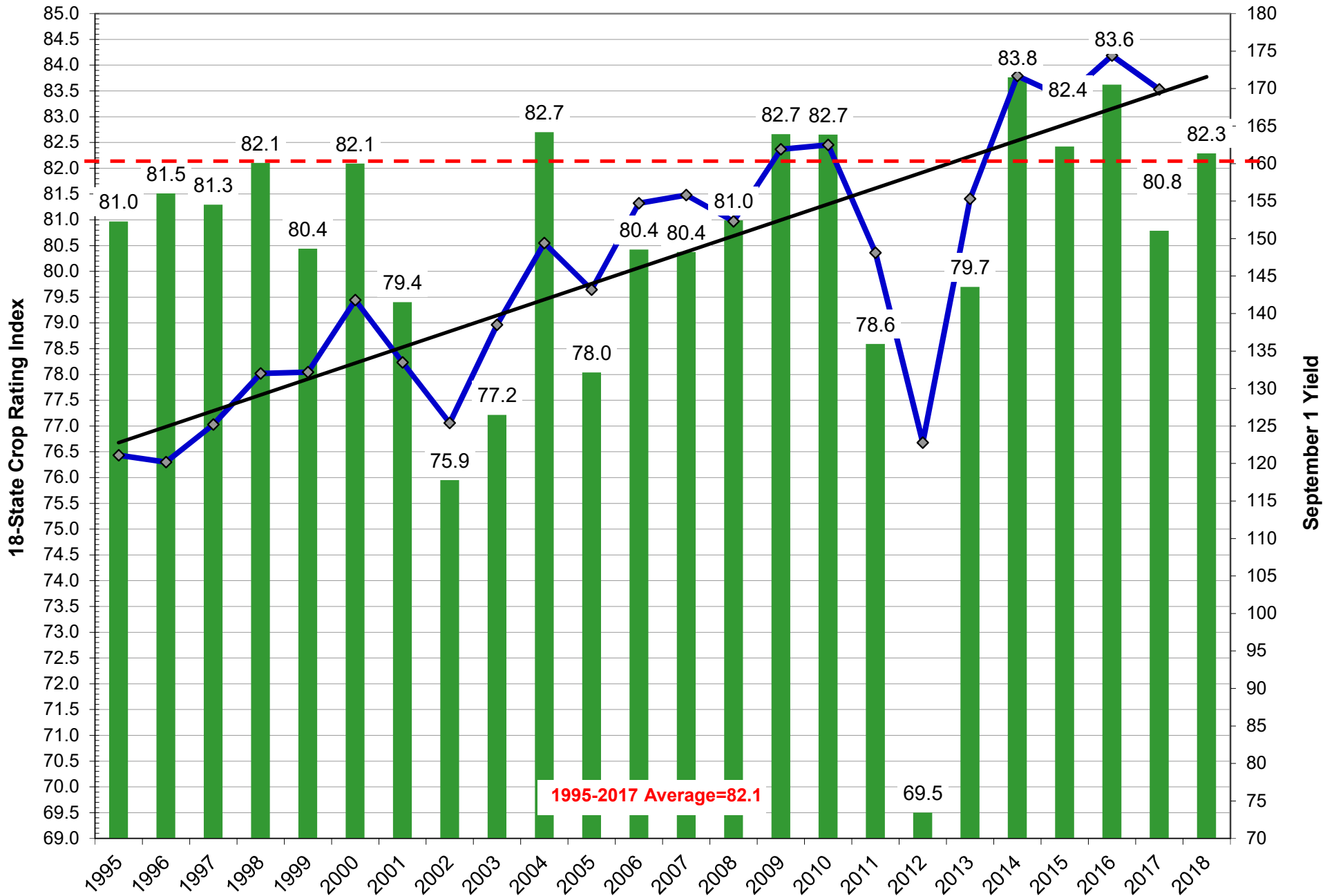
# U.S. Corn Crop Condition Ratings

Source: FI and USDA

Adjusted by FI



# Weighted Sep 1 Corn Crop Rating Index vs. September Yields



Source: USDA and FI



## Traditional Daily Estimate of Funds 9/4/18

	(Neg)-"Short"		Pos-"Long"		
Actual less Est.	(20.5)	5.2	3.5	(12.4)	5.9
	<b>Corn</b>	<b>Bean</b>	<b>Chi. Wheat</b>	<b>Meal</b>	<b>Oil</b>
<b>Actual</b>	65.4	(40.6)	63.9	66.3	(49.2)
29-Aug	(1.0)	5.0	11.0	(1.0)	(2.0)
30-Aug	(1.0)	(5.0)	(5.0)	(5.0)	4.0
31-Aug	17.0	5.0	6.0	3.0	3.0
3-Sep	Holiday	Holiday	Holiday	Holiday	Holiday
4-Sep	10.0	4.0	(7.0)	4.0	0.0
<b>FI Est. of Futures Only 9/4/18</b>	<b>90.4</b>	<b>(31.6)</b>	<b>68.9</b>	<b>67.3</b>	<b>(44.2)</b>
<b>FI Est. Futures &amp; Options</b>	<b>34.2</b>	<b>(45.8)</b>	<b>51.8</b>	<b>57.6</b>	<b>(50.0)</b>
Futures only record long	498.2 2/1/2011	260.4 6/27/2017	86.5 8/7/2018	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	(61.6) 7/17/2018

## Managed Money Daily Estimate of Funds 9/4/18

	Corn	Bean	Chi. Wheat	Meal	Oil
Latest CFTC Fut. Only	(79.3)	(61.2)	46.1	26.5	(86.2)
Latest CFTC F&O	(57.0)	(53.6)	51.2	27.4	(86.5)
FI Est. Managed Fut. Only	(41.8)	(47.7)	53.6	28.0	(78.7)
FI Est. Managed Money F&O	(19.5)	(40.1)	58.7	28.9	(79.0)

## Index Funds Latest Positions (as of last Tuesday)

Index Futures & Options	271.3	119.2	129.2	NA	93.0
Change From Previous Week	5.3	(10.1)	4.3	NA	(1.4)

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

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