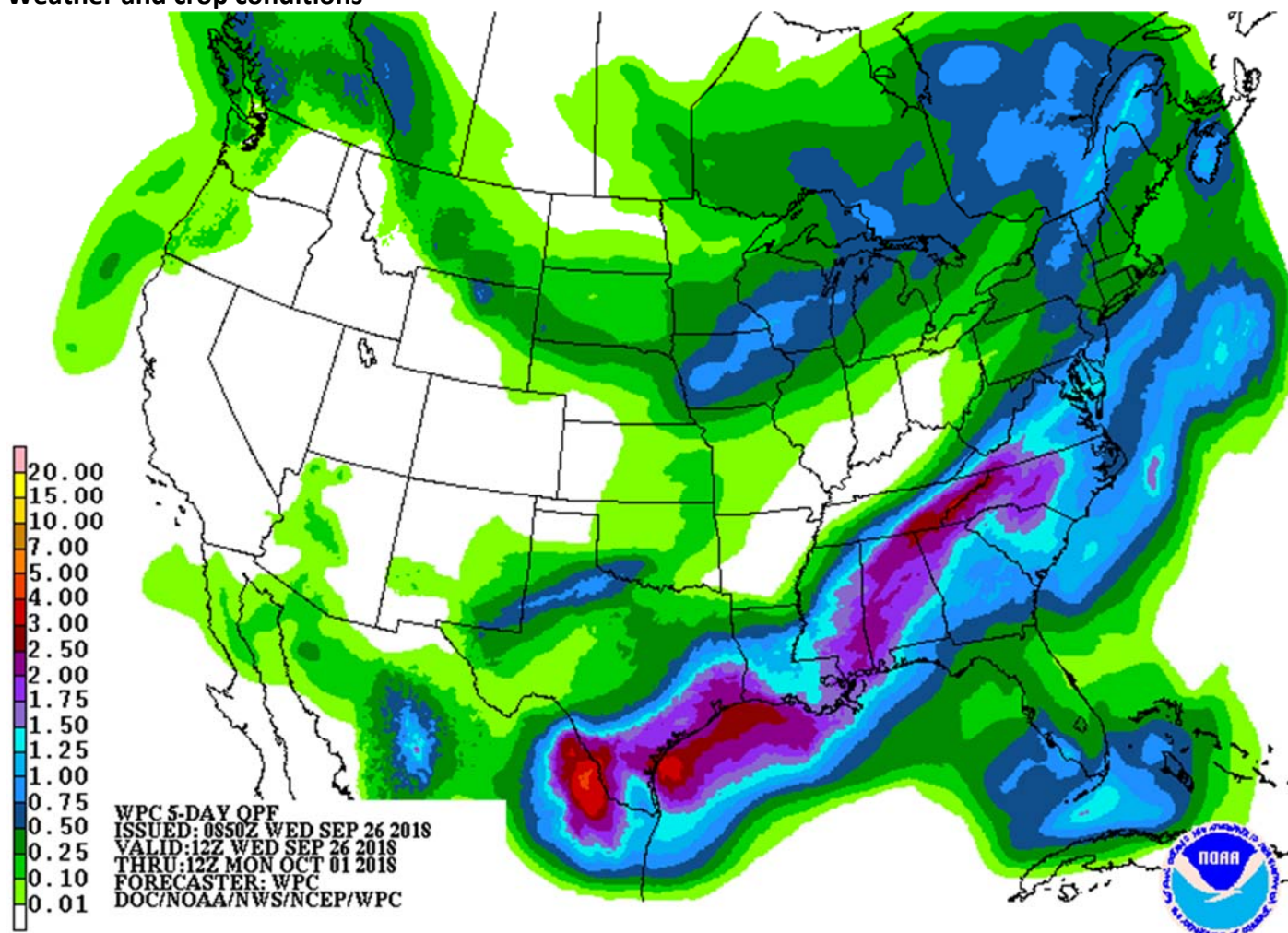




Weather and crop conditions



- Traders are starting to build a weather premium into the agriculture markets citing harvesting delays in Canada and US.
- Frequent showers will occur in the Delta this week.
- The Midwest will also be active which should slow harvesting. The Midwest will not always see rain over the next two weeks. The areas that will be wet will include Eastern South Dakota through central and southern Minnesota and Iowa to northern Illinois and Wisconsin into Michigan.
- HRW wheat areas will see a mixture of sunshine and rain.
- Improving weather across Europe and the CIS is bearish for wheat.
- Wednesday's forecast was a little wetter for Mato Grosso. Any rain for this region will be important, the October outlook for MG remains on the drier side. Meanwhile, SA weather looks good over the next 1-2 weeks.
- Canada is seeing too much precipitation in form of snow and rain, and temperatures will remain cool.

SIGNIFICANT CORN AND SOYBEAN BELT PRECIPITATION EVENTS

	WEST CORN BELT	EAST CORN BELT
Tdy-Thu	35% cvg of up to 0.20"	5-15% daily cvg of up

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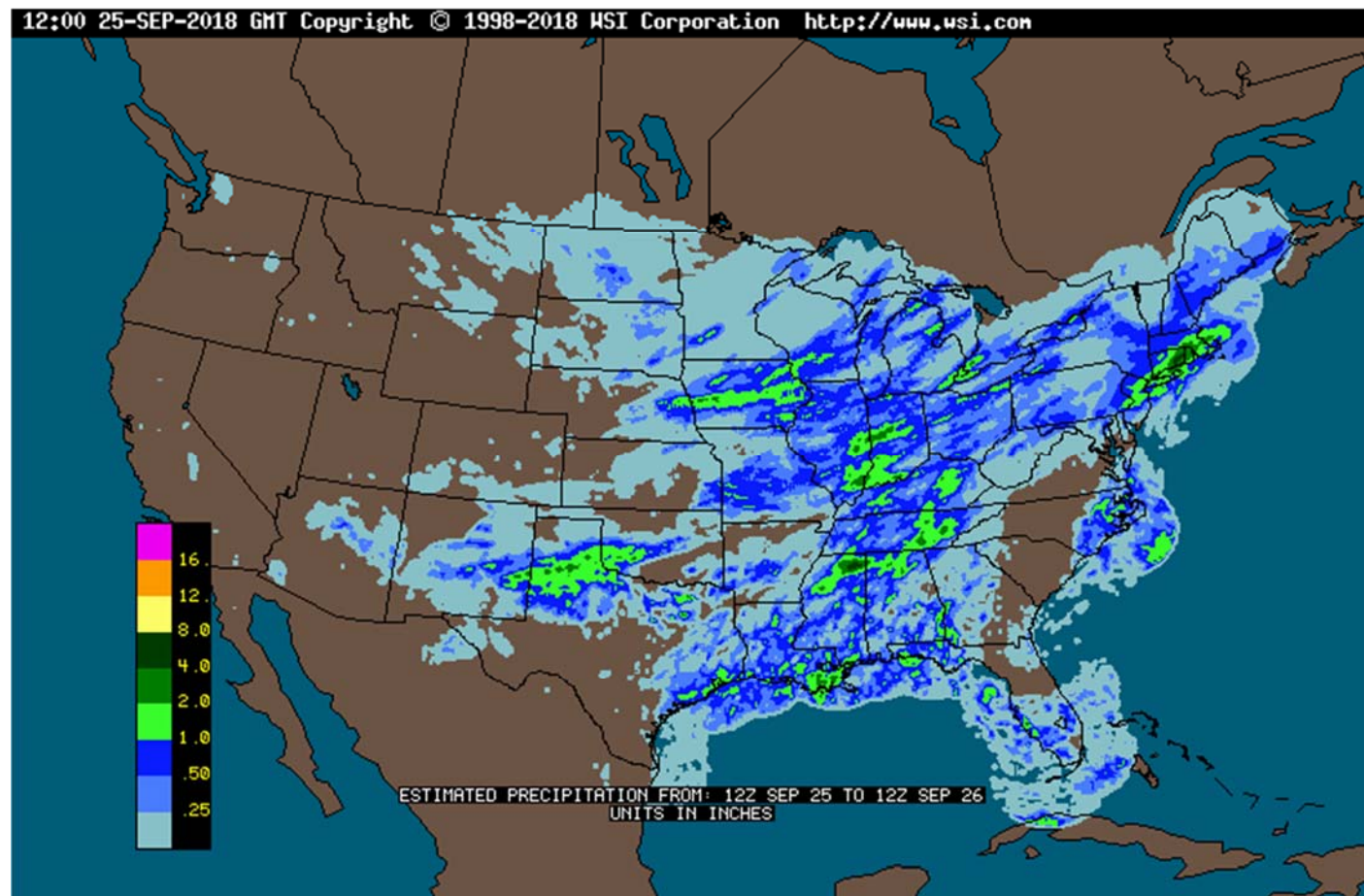
	and locally more; driest south	to 0.20" and locally more each day; mostly SE
Fri-Sat	40% cvg of up to 0.60" and local amts to 1.0"; south Ia. wettest	35% cvg of up to 0.35" and local amts to 0.60"; north Il. to Mi. wettest
Sun-Mon	70% cvg of up to 0.75" and local amts to 1.50"; wettest NE	30% cvg of up to 0.65" and local amts to 1.20"; north Il. to Mi. wettest
Tue-Oct 3	70% cvg of up to 0.75" and local amts to 2.0"; driest south	
Tue-Oct 4		80% cvg of up to 0.75" and local amts to 1.50"
Oct 4-5	5-20% daily cvg of up to 0.25" and locally more each day	
Oct 5-6		5-20% daily cvg of up to 0.25" and locally more each day
Oct 6-8	70% cvg of up to 0.75" and local amts to 1.50"	
Oct 7-9		75% cvg of up to 0.75" and locally more
Oct 9-10	5-20% daily cvg of up to 0.30" and locally more each day	

U.S. DELTA/SOUTHEAST SIGNIFICANT PRECIPITATION EVENTS

	DELTA	SOUTHEAST
Tdy-Thu		90% cvg of 0.20-1.20" and local amts to 2.0" with lighter rain in a few locations and some 2.0-3.50" amts in the west; driest SE
Thu-Sat	5-20% daily cvg of up to 0.35" and locally more each day; mostly south	
Fri-Sun		20-40% daily cvg of up to 0.60" and locally more each day
Sun-Mon	10-25% daily cvg of up to 0.35" and locally more each day	
Mon-Oct 3		5-20% daily cvg of up to 0.20" and locally more each day

Tue	10% cvg of up to 0.20" and locally more	
Oct 3-4	70% cvg of up to 0.50" and local amts to 1.10"	
Oct 4-5		60% cvg of up to 0.35" and local amts to 0.75"
Oct 5-6	Up to 20% daily cvg of up to 0.20" and locally more each day	
Oct 6-7		Up to 20% daily cvg of up to 0.20" and locally more each day
Oct 7-9	60% cvg of up to 0.50" and locally more	
Oct 8-10		60% cvg of up to 0.50" and locally more

Source: World Weather Inc. and FI



Bloomberg weekly agenda

THURSDAY, SEPT. 27:

- USDA weekly net-export sales for corn, wheat, soy, cotton, 8:30am
- USDA hogs & pigs inventory for 3Q, 3pm

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- USDA agriculture prices received for August, 3pm
- International Grains Council monthly report
- Port of Rouen data on French grain exports
- Buenos Aires Grain Exchange weekly crop report
- Bloomberg weekly survey of analysts' expectations on grain, sugar prices
- Globoil vegetable oil conference in Mumbai, 2nd day of 3
- EARNINGS: Cargill

FRIDAY, SEPT. 28:

- USDA grain stockpiles for 3Q, including corn, soy, wheat, barley, noon
- USDA wheat production report for September, noon
- Polish crop estimates
- FranceAgriMer weekly updates on French crop conditions
- Globoil vegetable oil conference in Mumbai, final day
- 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

Source: Bloomberg and FI

Reuters poll for USDA September 1 Stocks (mil bu)				Reuters poll for US 2017 Soybean Production	
	Wheat	Corn	Soybeans		
Average trade estimate	2.343	2.010	0.401	Average trade estimate	4.389
Highest trade estimate	2.443	2.099	0.489	Highest trade estimate	4.412
Lowest trade estimate	2.155	1.960	0.378	Lowest trade estimate	4.376
USDA June 1, 2018	1.100	5.306	1.222	USDA last	4.392
USDA Sept. 1, 2017	2.266	2.293	0.302		
Futures International	2.412	2.073	0.392		

Source: Reuters, USDA and FI

Reuters poll for US 2018 Wheat Production							
	All Wheat	All Winter	Hard Red Winter	Soft Red Winter	White Winter	Other Spring	Durum
Average trade estimate	1.872	1.188	0.661	0.29	0.236	0.609	0.073
Highest trade estimate	1.907	1.200	0.691	0.294	0.247	0.635	0.08
Lowest trade estimate	1.848	1.170	0.645	0.285	0.213	0.591	0.07
USDA August 2018	1.877	1.189	0.661	0.292	0.236	0.614	0.073
Futures International	1.882	1.198	0.659	0.294	0.245	0.61	0.074

Source: Reuters, USDA and FI

USDA US Export Sales Projections in 000 Metric Tons

	Week ending:	Trade* Estimates	FI Estimates 9/13/2018		Last Week ACTUAL		Year Ago 9/14/2017
Beans	2018-19	600-1000	800-1200	2018-19	917.6 80.0		2982.7 120.0
Meal	2017-18	-50 to +50	-50 to +50	Sales	59.6	Sales	-86.6
	2018-19	150-350	150-300		77.8		301.8
	Shipments	NA	150-250	Shipments	224.2	Shipments	188.9
Oil	2017-18	0-10	0-10	Sales	9.6	Sales	5.5
	2018-19	0-24	0-5		8.6		10.0
	Shipments	NA	5-15	Shipments	10.1	Shipments	14.1
Corn	2018-19	900-1300	900-1200	2018-19	1383.7		320.2
				1/0/1900	9.7		0.0
Wheat	2018-19	250-500	300-500	2018-19	468.4		435.7

Source: FI & USDA *Reuters estimates

n/c= New Crop

Macros.

- FOMC Raises Benchmark Interest Rate; Target Range Stands At 2.00-2.25% vs 1.75-2.00%

Corn.

- Corn saw a two-sided trade, ending slightly lower, snapping a 5-day winning streak. Gains in corn today were limited on soybean/corn spreading.
- Funds sold an estimated 3,000 corn contracts.
- News for corn was light.
- The US weekly EIA ethanol data was viewed neutral for US corn futures and slightly bullish for US ethanol futures.
- South Africa's CEC updated their corn production (final estimate of the year) to 12.9 million tons for 2018, slightly below a Reuters poll (13.002MMT), and down from 13.2 million tons in August. It comprises of 6.801 million tons of white corn and 6.129 million tons of yellow. In 2017 SAf produced 16.82 million tons of corn.
- The Argentina BA Grains Exchange estimated corn production at 43 million tons for the 2018-19 season, up from 31.7MMT in 2017-18.
- The USDA Broiler Report showed broiler type eggs set in the United States up slightly and chicks placed up slightly from a year ago. Cumulative placements from the week ending January 6, 2018 through September 22, 2018 for the United States were 6.99 billion. Cumulative placements were up 1 percent from the same period a year earlier.

Export Developments

- China will sell 8 million tons of corn for the week ending September 28.

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- China sold about 83 million tons of corn out of reserves this season and some are predicting up to 100 million tons will be sold by the end of the marketing season.

Ethanol update

- The US weekly EIA ethanol data was viewed neutral for US corn futures and slightly bullish for US ethanol futures.
- Production decreased 15,000 barrels per day to 1.036 million barrels per day (bbl) and stocks decreased 117,000 to 22.629 million.
- A Bloomberg poll called for US ethanol production to decrease 24,000 million/day and stocks to decrease 46,000 barrels.
- US ethanol production of 1.036 million barrels per day is about 4.0% higher from about the same time a year ago but 3.2% below 4-weeks ago.
- Padd2 production was 949,000 barrels, down 9,000 from a week earlier.
- Early September 2018 to date US ethanol production is running 1% above the same period a year ago.
- There were no imports reported this week.
- Ethanol stocks of 22.629 million barrels are down 1.9% from four weeks ago and up 9.1% from a year ago.
- Ethanol stocks are lowest since July 27, 2018.
- Days of inventory of 22.0 compared to 21.7 a month ago and 21.2 during comparable period a year ago.
- Weekly ending stocks of total gasoline were up 1.53 million barrels to 235.68 million barrels.
- The net blender input of fuel ethanol was down 27,000 from the previous week at 901,000 bpd, below its 4-week average of 935,000 bpd.
- Net production of finished reformulated and conventional motor gasoline with ethanol, decreased 208,000 to 8.957 million barrels, or 90.9 percent of the net production of all finished motor gasoline, up from down from 91.6 percent for the previous week.
- Our 2018-19 crop-year corn for ethanol usage is 5.725 billion bushels, 75 million above USDA's current estimate of 5.650 and compares to our working projection of 5.604 billion for 2016-17 (USDA 5.600).
- We look for the 2018-19 September – August weekly ethanol production to average 1.064 million barrels. The average for the first three weeks of the year is 1.036 million barrels.

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		
8/3/2018	1100	36	8.7%		22,923	956	7.4%		20.0
8/10/2018	1072	-28	1.2%		23,017	94	5.4%		21.4
8/17/2018	1073	1	2.0%		23,259	242	8.1%		21.5
8/24/2018	1070	-3	2.7%		23,061	-198	8.3%		21.7
8/31/2018	1087	17	2.5%		22,703	-358	7.5%		21.2
9/7/2018	1020	-67	-2.6%		22,894	191	8.3%		22.3
9/14/2018	1051	31	1.7%		22,746	-148	7.6%		21.8
9/21/2018	1036	-15	4.0%		22,629	-117	9.1%		22.0

Source: EIA and FI

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US Weekly Ethanol By PADD

	21-Sep 2018	14-Sep 2018	Change	Weekly Percent	4-Week Percent	YOY Percent
Ethanol Stocks						
Total Stocks	22629	22746	-117	-0.5%	-0.3%	9.1%
East Coast PADD 1	7970	7190	780	10.8%	3.3%	21.1%
Midwest PADD 2	7454	7721	-267	-3.5%	-3.7%	12.2%
Gulf Coast PADD 3	4171	4645	-474	-10.2%	6.2%	3.8%
Rocky Mt. PADD 4	337	356	-19	-5.3%	-5.6%	-9.7%
West Coast PADD 5	2698	2834	-136	-4.8%	-9.0%	-13.7%
Plant Production						
Total Production	1036	1051	-15	-1.4%	-4.7%	4.0%
East Coast PADD 1	28	30	-2	-6.7%	7.7%	
Midwest PADD 2	949	958	-9	-0.9%	-5.4%	5.0%
Gulf Coast PADD 3	27	30	-3	-10.0%	0.0%	
Rocky Mt. PADD 4	11	12	-1	-8.3%	-15.4%	
West Coast PADD 5	20	20	0	0.0%	5.3%	
Plant Production	Crop-Year to Date YOY Percent Change					
	2017-18	2016-17	2015-16	3-Year Average		
	4.5%	3.4%	4.6%	4.2%		

Source: EIA and FI

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	11,165,626,216	1,747,110,062

Source: EIA and FI

EIA Monthly US Ethanol Production

	Jul-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	FI Jul-18
Ethanol mil barrels	31.365	32.952	32.428	29.519	32.216	30.532	32.215	31.924	
FI Estimate	31.774	33.243	32.452	29.365	32.263	31.185	32.495	32.910	32.766

Source: EIA Monthly Petroleum & Other Liquids Report, & FI

QUARTERLY HOGS AND PIGS ESTIMATES (1,000 Head and Percent of Year Ago)

	Ranges	Average	Mln head
All hogs Sept. 1	103.2-104.0	103.5	76.143
Kept for breeding	102.3-103.8	103.2	6.311
Kept for market	103.2-104.0	103.5	69.819
Pig crop			
June-August	102.1-104.2	103.2	
Weight Groups			
Under 50 lbs	102.6-104.0	103.4	
50-119 lbs	103.1-104.2	103.6	
120-179 lbs	103.1-104.4	103.7	
Over 180 lbs	103.0-105.0	103.7	
Farrowings			
June-August	101.5-103.2	102.2	
Farrowing intentions			
September-November	100.1-102.9	101.8	
December-February	100.5-103.0	101.8	
Pigs per litter			
June-August	100.6-101.4	101.0	

Source: Reuters and FI

Corn		Change	Oats		Change	Ethanol	Settle	
DEC8	363.00	(0.75)	DEC8	258.50	1.50	OCT8	1.27	Spot DDGS IL
MAR9	375.00	(0.75)	MAR9	262.50	1.00	NOV8	1.30	Cash & CBOT
MAY9	382.50	(1.00)	MAY9	266.50	1.00	DEC8	1.31	Corn + Ethanol
JUL9	387.75	(1.00)	JUL9	270.25	1.00	JAN9	1.33	Crush
SEP9	391.50	(1.00)	SEP9	273.25	1.00	FEB9	1.35	1.15
DEC9	396.75	(0.75)	DEC9	264.00	(8.25)	MAR9	1.37	
Soybean/Corn		Ratio	Spread	Change	Wheat/Corn	Ratio	Spread	Change
MAR9	MAR9	2.34	501.50	4.50	DEC8	1.43	154.50	(2.50)
MAY9	MAY9	2.33	507.25	4.75	MAR9	1.43	161.00	(2.75)
JUL9	JUL9	2.32	512.50	4.25	MAY9	1.43	164.75	(3.00)
SEP9	SEP9	2.32	516.75	4.25	JUL9	1.41	160.50	(2.75)
NOV9	DEC9	2.31	518.25	2.75	SEP9	1.43	167.00	(2.50)
MAR0	MAR0	2.29	525.25	2.25	DEC9	1.45	176.75	(2.75)
US Corn Basis & Barge Freight								
Gulf Corn			BRAZIL Corn Basis			Chicago		
SEPT	+28 / 31 z unch		OCT	+85 / +88 z unch/dn2		Toledo	-10 z unch	
OCT	+34 / 38 z unch		NOV	+85 / +88 z unch/dn2		Decatur	-35 z unch	
NOV	+42 / 45 z dn1/dn1		DEC	+85 / +88 z unch/dn2		Dayton	-35 z unch	
DEC	+48 / 55 z unch		DEC	+30 / +50 z unch		Cedar Raptic	-30 z unch	
JAN	+41 / 45 h unch		DEC	+30 / +50 z unch		Burns Harbi	-32 z unch	
USD/ton:						Memphis-Cairo Barge Freight (offer)		
US Gulf	3YC Fob Gulf Seller (RTRS)	158.5	161.1	163.9	166.2	168.6	170.6	Sep 375 +25
China	2YC Maize Cif Dalian (DCE)	265.8	266.3	267.3	269.0	271.5	274.3	Oct 420 +20
Argentina	Yellow Maize Fob UpRiver	-	164.9	162.4	164.9	-	-	Nov 350 +25
Source: FI, DJ, Reuters & various trade sources								

9/12/18

- December corn may now trade in a \$3.35-\$3.80 range.
- March corn in a \$3.15-\$4.15 range.

Soybean complex.

- The soybean complex traded higher in large part on higher China values and strong US soybean sales to Mexico of 671,934 tons-largest one day sales in US history. If there are no cancelations for the week ending 9/27, then weekly sales should top the record 334,491 tons for the week ending 2/22/18.
- November soybeans settled at the top end of our \$7.80-\$8.50 trading range. We lifted our outlook for November prices higher by 20 cents.
- Funds bought an estimated 3,000 soybean contracts, bought 3,000 soybean meal and bought 3,000 soybean oil.
- Traders are slowly building a weather premium into the agriculture markets as wet weather later this week into all next week should slow US harvest progress.
- The global shift in the soybean trade balance continues. Canada may export soybeans to China and replace them with US soybeans. But some hold off on speculation China may still turn to the US for soybeans as Brazil and Argentina may soon run out of supplies for export.
- China soybean meal futures were up sharply early on Tuesday.

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- There is no evidence of soybean meal rationing in China, yet. China is on pace to crush about 7.4 million tons of soybeans in September, down from roughly 7.53 million tons in September 2017, or produce 5.8MMT of soybean meal versus 6.0 million in September 2017. According to the CNGOIC, China soybean meal inventories fell 70,000 tons from the previous week to 890,000 tons.
- Next week China is on a week-long holiday.
- Strong Malaysian palm oil exports are countering with rising palm production.
- Govindbhai Patel estimated India will need to import a record 15.2 million tons of edible vegetable oils during the November 2018-October 2019 period, based on several elements including a 2.1% increase in domestic consumption and 9 percent shortfall in normal rainfall.
- The European Commission apparently ruled they will not put in place provisional import duties on Argentina biodiesel imports during the current anti-dumping investigation. In mid-March the duties were dropped after the European Court of Justice (ECJ) earlier ruled against them.
- The BA Grains Exchange sees Argentina's soy crop at 53 million tons in 2018-19, up from 35.1 million tons last season. The Exchange estimated soybean exports at 15.4 million tons in 2018-19.
- China added US vegetable oils and selected meals to list of tariffs.
<https://gain.fas.usda.gov/Recent%20GAIN%20Publications/China%20Implements%20Supplemental%20Imports%20Tariffs%20on%20U.S.%20Products%20Beijing%20-%20Peoples%20Republic%20of%20China/9-25-2018.pdf>

India production estimates (summer crops)

Crops	2018/19	2017/18	% Change
Foodgrains	141.6	140.7	0.6%
Rice	99.2	97.5	1.8%
Coarse Cereals	33.1	33.9	-2.2%
Maize	21.5	20.2	6.1%
Pulses	9.2	9.3	-1.3%
Oilseeds	22.2	21.0	5.7%
Sugarcane	383.9	376.9	1.9%

Source: India AgMin, Reuters and FI

Export Developments

- Under the 24-hour announcement system, US exporters sold 671,934 tons (not previously reported 650,387) of soybeans for delivery to Mexico during the 2018-19 marketing year.
- China sold 600 tons of 2011 imported soyoil from auction of state reserves at an average price of 5,000 yuan (\$727.45) per ton, 2.05 percent of total soyoil available at the auction.
- China sold 100,642 tons of 2013 soybeans at auction of state reserves at average price of 3,051 yuan (\$443.89) per ton, 100 percent of total 2013 soybean available for the auction.
- China sold about 2.5MMT of soybean out of reserves this season.
- China will offer 100,000 tons of soybeans out of reserves on October 10.
- Results awaited: Iran seeks 30,000 tons of sunflower oil on September 24.
- Yesterday Egypt's GASC bought 30,000 tons of soyoil and 21,500 tons of sunflower oil for arrival between Oct. 25 and Nov. Soybean oil was bought at \$698.70/ton. Sunflower oil was bought at \$719/ton.

Soybeans		Change	Soybean Meal		Change	Soybean Oil		Change
NOV8	850.00	4.25	OCT8	307.70	1.50	OCT8	28.48	0.11
JAN9	863.75	4.00	DEC8	310.90	1.70	DEC8	28.79	0.14
MAR9	876.50	3.75	JAN9	311.80	1.50	JAN9	29.04	0.14
MAY9	889.75	3.75	MAR9	311.60	1.50	MAR9	29.35	0.14
JUL9	900.25	3.25	MAY9	310.50	1.20	MAY9	29.64	0.13
AUG9	905.00	3.50	JUL9	312.00	0.80	JUL9	29.92	0.15
SEP9	908.25	3.25	AUG9	313.00	0.70	AUG9	30.07	0.16
Soybeans	Spread	Change	SoyMeal	Spread	Change	SoyOil	Spread	Change
Nov/Mar	26.50	(0.50)	Dec/Mar	0.70	(0.20)	Dec/Mar	0.56	0.00
Electronic Beans Crush			Oil as %	Meal/Oil \$	Meal	Oil		
Month	Margin		of Oil&Meal	Con. Value	Value	Value		
NOV8/DEC8	150.67		OCT8 31.64%	\$ 13,682	676.94	313.28		
JAN9	141.65		DEC8 31.65%	\$ 13,816	683.98	316.69	EUR/USD	1.1735
MAR9	131.87		JAN9 31.77%	\$ 13,756	685.96	319.44	Brazil Real	4.0305
MAY9	119.39		MAR9 32.02%	\$ 13,550	685.52	322.85	Malaysia Bid	4.1390
JUL9	115.27		MAY9 32.31%	\$ 13,266	683.10	326.04	China RMB	6.8763
AUG9	114.37		JUL9 32.41%	\$ 13,248	686.40	329.12	AUD	0.7258
SEP9	113.98		AUG9 32.45%	\$ 13,258	688.60	330.77	CME Bitcoin	6490
NOV9/DEC9	109.43		SEP9 32.49%	\$ 13,256	690.14	332.09	3M Libor	2.38613
JAN0	104.24		OCT9 32.57%	\$ 13,156	688.60	332.64	Prime rate	5.0000
MAR0	103.05		DEC9 32.65%	\$ 13,114	689.92	334.51		
US Soybean Complex Basis								
SEPT	+2 / x unch					DECATUR	-55 x unch	
FH OCT	-2 / +2 x up2/up2		IL SBM	-25	9/25/2018	SIDNEY	-50 x unch	
OCT	opt price unch		CIF Meal	8	9/25/2018	CHICAGO	-45 x unch	
NOV	+11 / 13 x unch		Oil FOB NOLA	250	9/25/2018	TOLEDO	-55 x unch	
DEC	+10 / 15 f unch		Decatur Oil	125	9/25/2018	BRNS HRBR	-56 x unch	
						C. RAPIDS	-70 x unch	
Brazil Soybeans Paranagua fob			Brazil Meal Paranagua			Brazil Oil Paranagua		
OCT	+240 / +250 x unch		OCT	-5 / -1 v unch		OCT	+140 / +190 v dn10/dn10	
NOV	+248 / +260 x up8/unch		NOV	+5 / +8 z up1/dn1		NOV	+150 / +210 z unch/up10	
DEC	+230 / +260 z dn5/unch		DEC	+6 / +12 z dn2/up1		DEC	+150 / +210 z unch/up10	
FEB	-125 / +140 h dn5/unch		JAN	+10 / +15 f unch		JAN	+150 / +200 F up30/unch	
MCH	-106 / +115 h dn4/dn5		FEB	+9 / +14 h up2/unch		FEB	+150 / +200 h up30/up20	
	Argentina meal		308	-2.5		Argentina oil	Spot fob 29.9 1.10	
Source: FI, DJ, Reuters & various trade sources								

Source: FI, DJ, Reuters & various trade sources

Updated 9/26/18

- **November soybeans are seen in a \$8.00-\$8.70 range**
- **December soybean meal \$285-320 range**
- **December soybean oil 27.10-28.60 range**

Wheat.

- US wheat struggled higher as global import demand continues to improve, but all three markets ended mostly lower. The Russian "tightening export controls" topic resurfaced.
- Funds sold 3,000 SRW wheat contracts.

Terry Reilly Grain Research

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- EU December wheat closed up 0.25 at 201.25.
- Ukraine will keep its export caps on for milling and feed wheat at 8 million tons, each.
- Ukraine planted about 40 percent of their planned 7.2-million-hectare winter grain area. For comparison, Ukraine as of October 4, 2017, sowed 64 percent of their planned area. Winter rapeseed plantings are complete.
- The Argentina BA Grains Exchange estimated wheat production at record 19.7 million tons for the 2018-19 season and compares to 17.8MMT in 2017-18.

Export Developments.

- Iraq confirmed they bought 50,000 tons of US wheat and 50,000 tons of Australian wheat. Iraq is also seeking another 50,000 tons of wheat. Canadian wheat is the lowest offer in that separate import tender at \$337/ton (offers valid until September 27). Iraq needs wheat for four after Turkey restricted flour shipments.
- Turkey bought 252,000 tons of red milling wheat at \$232.90/ton c&f for October 2-22 loading.
- Jordan retendered for another 100,000 tons of feed barley on October 3.
- Jordan passed on 120,000 tons of barley.
- Jordan seeks 120,000 tons of feed wheat, optional origin, on September 27.
- Japan in a SBS import tender passed on 120,000 tons of feed wheat and 200,000 tons of barley for arrival by late February.
- Japan in a SBS import tender seeks 120,000 tons of feed wheat and 200,000 tons of barley on October 10 for arrival by late February.
- Japan seeks 109,150 tons of food wheat on Thursday. Original details as follows.

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

COUNTRY	TYPE	QUANTITY
U.S.	Western White	11,370 *
U.S.	Hard Red Winter(Semi Hard)	13,425 *
U.S.	Hard Red Winter(Semi Hard)	24,675 **
Canada	Western Red Spring(protein minimum 13.5 pct)	32,050 **
Australia	Standard White(west Australia)	27,630 ***

Shipments: * Arrival by Dec 31

** Loading between Oct 21 and Nov 20, *** Loading between Nov 1 and Nov 30

Source: Japan AgMin, Reuters and FI

- China sold 1,787 tons of imported 2013 wheat at auction of state reserves at an average price of 2,144 yuan (\$311.93) per ton, 0.19 percent of total wheat available at the auction.
- China sold 126,652 tons of wheat at auction of state reserves at an average price of 2,409 yuan (\$350.63) per ton, 6.31 percent of total wheat available at the auction.
- Results awaited: UAE seeks 60,000 tons of wheat on September 24 for Oct/Nov shipment.
- Results awaited: Ethiopia seeks 200,000 tons of milling wheat for shipment two months after contract signing. Ethiopia got offers from 7 firms. Lowest offer was for 100,000 tons at \$272.05/ton, c&f.
- Morocco seeks 336,364 tons of US durum wheat on September 28 for arrival by December 31.
- Bahrain seeks 25,000 tons of wheat on October 2 for Nov shipment.
- Taiwan seeks 110,000 tons of US wheat on October 2 for Nov-Dec shipment.
- Bangladesh seeks 50,000 tons of 12.5 percent wheat on October 9, optional origin.

Rice/Other

- Iraq bought at least 60,000 tons of rice from Vietnam at \$577/ton c&f.
- Thailand sold rice to China for the first time in six years.
- Mauritius seeks 9,000 tons of rice for delivery between Nov. 15, 2018, and March 31, 2019, set to close is Sept. 27.
- Thailand seeks to sell 120,000 tons of sugar on October 3.

Chicago Wheat		Change	KC Wheat		Change	MN Wheat Settle		Change
DEC8	517.50	(3.25)	DEC8	521.00	(1.00)	DEC8	577.50	(3.50)
MAR9	536.00	(3.50)	MAR9	544.25	(1.25)	MAR9	592.00	(3.50)
MAY9	547.25	(4.00)	MAY9	556.75	(0.75)	MAY9	599.75	(3.00)
JUL9	548.25	(3.75)	JUL9	557.00	(0.50)	JUL9	606.50	(1.75)
SEP9	558.50	(3.50)	SEP9	569.00	0.00	SEP9	611.00	(1.25)
DEC9	573.50	(3.50)	DEC9	587.75	0.50	DEC9	618.75	(0.50)
MAR0	584.00	(3.50)	MAR0	601.75	1.00	MAR0	625.50	(0.25)

Chicago Rice		Change						
NOV8	9.79	(0.090)	JAN9	9.99	(0.040)	MAR9	10.13	(0.025)

US Wheat Basis							
Gulf SRW Wheat		Gulf HRW Wheat		Chicago mill		-15 z unch	
SEPT	+ 35 / 55 z unch	OCT	117 z unch	Toledo		-10 z up5	
OCT	+ 45 / 75 z dn2/unch	NOV	143 z unch	PNW US Soft White 10.5% protein			
NOV	+ 55 / z unch	DEC	143 z unch	PNW SEP	615	+4.00	
DEC	+ 65 / z unch	JAN	136 h unch	PNW OCT	615	+4.00	
JAN	+ 60 / 70 h unch	FEB	136 h unch	PNW NOV	615	+1.00	
FEB	+ 60 / 70 h unch			PNW DEC	NA		

Euronext EU Wheat		Change	OI	OI Change	World Prices \$/ton		Change
DEC8	200.50	(0.50)	213,168	(5,373)	US SRW FOB	\$217.00	\$2.30
MAR9	203.50	0.25	98,777	1,288	US HRW FOB	\$245.00	\$2.60
MAY9	204.50	0.25	50,982	(345)	Black Sea FOB Mill 11%	\$207.50	\$5.00
SEP9	187.25	0.25	12,816	82	Russia FOB 12%	\$222.00	\$4.00
EUR	1.1735		\$221.75 CME Black 12.5%		Arg. Bread FOB 12%	\$273.74	\$2.20
Rouen FOB 11%	\$236.46	\$1.00			Ukraine FOB Mill 11%	\$207.50	\$5.00
AUS WHEAT DEC8	\$280.50	\$0.00	Platts/USD		Ukr. FOB feed (Odessa)	\$205.00	(\$2.50)

Source: FI, DJ, Reuters & various trade sources

9/12/18. Trading ranges:

- December Chicago wheat \$4.90-\$5.45 range.
- December KC \$4.90-\$5.55 range.
- December MN \$5.45-\$6.00 range.

U.S.WHEAT SUPPLY/USAGE BALANCE

(million bushels)

	97/98	98/99	99/00	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	USDA Sep. 17/18	FI Proj. 18/19	USDA Sep. 18/19	FI Proj. 19/20
PLANTED	70412	65821	62664	62549	59432	60318	62141	59644	57214	57334	60460	63617	59017	52620	54277	55294	56236	56841	54999	50119	46012	47821	47821	49425
HAR % OF PLANT	0.892	0.896	0.858	0.848	0.816	0.760	0.854	0.838	0.876	0.816	0.844	0.881	0.845	0.891	0.842	0.882	0.806	0.816	0.860	0.875	0.817	0.828	0.827	0.851
HARVESTED	62840	59002	53773	53063	48473	45824	53063	49969	50104	46800	50999	56036	49841	46883	45687	48758	45332	46385	47318	43850	37586	39598	39556	42079
YIELD	39.5	43.2	42.7	42.0	40.2	35.0	44.2	43.2	42.0	38.6	40.2	44.8	44.3	46.1	43.6	46.2	47.1	43.7	43.6	52.7	46.3	47.2	47.4	47.8
CARRY-IN	444	722	946	950	876	777	491	546	540	571	456	306	657	976	863	743	718	590	752	976	1181	1100	1100	938
PRODUCTION	2481	2547	2296	2228	1947	1606	2344	2157	2103	1808	2051	2512	2209	2163	1993	2252	2135	2026	2062	2309	1741	1868	1877	2012
IMPORTS	95	103	95	90	108	77	63	70.57	81	122	113	127	119	97	113	124	172	151	113	118	157	150	135	145
TOTAL SUPPLY	3020	3373	3336	3268	2931	2460	2899	2774	2725	2501	2620	2945	2984	3236	2969	3119	3025	2768	2927	3402	3078	3119	3112	3095
FOOD	914	910	929	950	926	919	912	910	917	938	948	927	919	926	941	951	955	958	957	949	964	967	970	975
SEED	92	80	92	79	83	84	80	78	77	82	88	78	68	71	76	73	76	79	67	61	64	64	62	64
FEED	251	391	279	300	182	116	203	181	157	117	16	268	142	85	159	365	228	113	149	157	48	100	120	100
EXPORTS	1040	1046	1086	1062	962	850	1158	1066	1003	908	1263	1015	879	1291	1051	1012	1176	864	778	1055	901	1050	1025	1100
TOTAL USAGE	2298	2427	2386	2392	2154	1969	2352	2234	2154	2045	2314	2288	2008	2373	2227	2401	2435	2015	1951	2222	1978	2181	2177	2239
CARRY-OUT	722	946	950	876	777	491	546	540	571	456	306	657	976	863	743	718	590	752	976	1181	1100	938	935	856
TOTAL STOCKS/USE	31.4	39.0	39.8	36.6	36.1	25.0	23.2	24.2	26.5	22.3	13.2	28.7	48.6	36.4	33.4	29.9	24.2	37.3	50.0	53.1	55.6	43.0	43.0	38.2
USDA farm \$															7.24	7.77	6.87	5.99	4.89	3.89	4.72		4.70-5.50	
CBOT AVG PRICE	3.40	2.71	2.60	2.64	2.78	3.36	3.68	3.18	3.38	4.51	8.39	6.36	5.07	7.09	6.53	7.87	6.53	5.34	4.90	4.24	4.57	5.20		5.40

Source: USDA & FI

9/26/2018

USDA Export Sales Results in 000 tons

AS OF: 9/13/2018

	ESTIMATED This Week			ACTUAL This Week		as of ACTUAL Last week			as of 9/14/2017 Year Ago		
Beans	18/19	800-1200		18/19		17/18	917.6		17/18	2982.7	
	n/c	0-100		n/c		n/c	80.0		n/c	120.0	
				Sales to China		Sales to China -4.0			Sales to China 1402.8		
Meal			Shipped		Shipped			Shipped			Shipped
	16/17	-50 to +50	150-250	17/18		17/18	59.6	224.2	16/17	-86.6	188.9
	n/c	150-300		n/c		n/c	77.8		n/c	301.8	
Oil			Shipped		Shipped			Shipped			Shipped
	16/17	0-10	5-15	17/18		17/18	9.6	10.1	16/17	5.5	14.1
	n/c	0-5		n/c		n/c	8.6		n/c	10.0	
				Sales to China		Sales to China 0.0			Sales to China 0.0		
Corn	18/19	900-1200		18/19		17/18	1383.7		17/18	320.2	
	n/c	0.0		n/c		n/c	9.7		n/c	0.0	
				Sales to China		Sales to China 0.7			Sales to China -0.1		
Wheat	18/19	300-500		18/19		18/19	468.4		17/18	435.7	
	n/c	0.0		n/c		n/c	0.0		n/c	0.0	

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

Source: Futures International and USDA

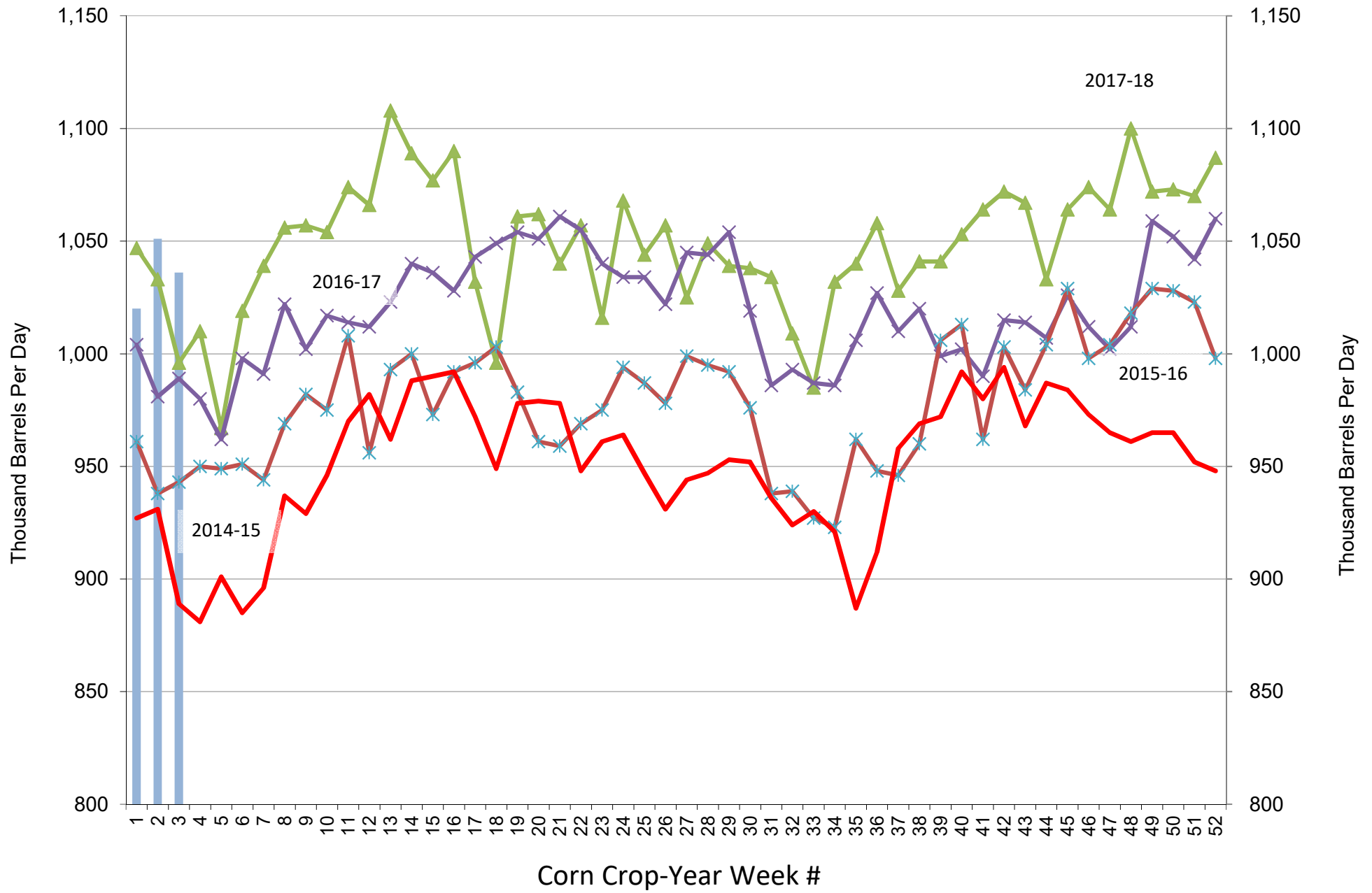
US Weekly Petroleum Status Report

	Ethanol Production 000 Barrels Per Day	Change from Last Week	Change from Last Month	Change from Last Year	Ethanol Stocks 000 Barrels	Change from Last Week	Change from Last Month	Change from Last Year	Days of Ethanol Inventory
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
8/3/2018	1100	36	6.5%	8.7%	22,923	956	2.4%	7.4%	20.0
8/10/2018	1072	-28	0.8%	1.2%	23,017	94	5.7%	5.4%	21.4
8/17/2018	1073	1	-0.1%	2.0%	23,259	242	7.4%	8.1%	21.5
8/24/2018	1070	-3	0.6%	2.7%	23,061	-198	5.0%	8.3%	21.7
8/31/2018	1087	17	-1.2%	2.5%	22,703	-358	-1.0%	7.5%	21.2
9/7/2018	1020	-67	-4.9%	-2.6%	22,894	191	-0.5%	8.3%	22.3
9/14/2018	1051	31	-2.1%	1.7%	22,746	-148	-2.2%	7.6%	21.8
9/21/2018	1036	-15	-3.2%	4.0%	22,629	-117	-1.9%	9.1%	22.0

		YOY Δ
CY	1019 2016-17 season average	4.2%
CY	1049 2017-18 season average	2.9%
CY to Date:	1036 2018-19 season average	-1.2%
FI Estimate:	1064 2018-19 season average	1.5%

Source: Reuters, EIA, FI

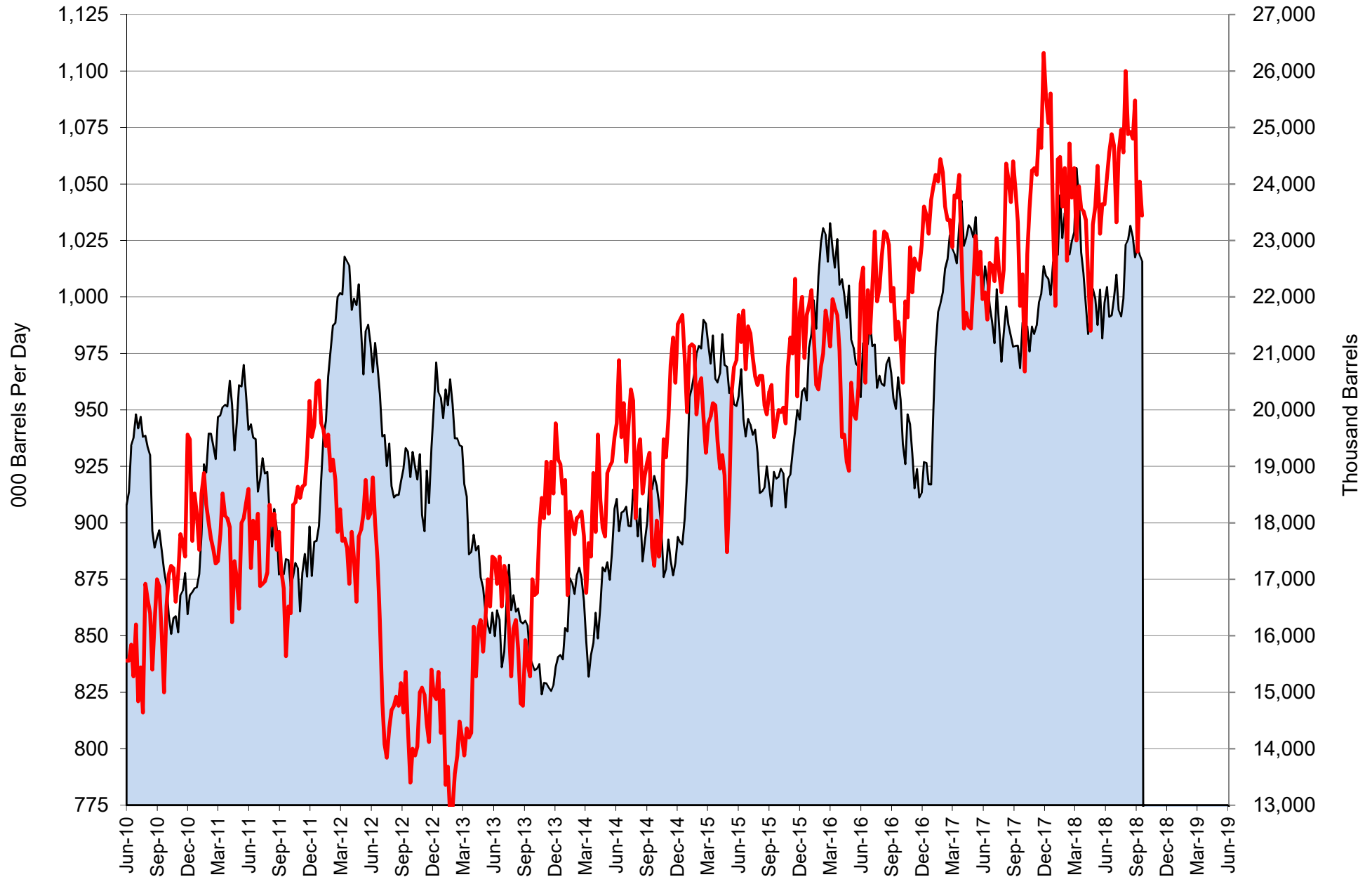
US Weekly Ethanol Production



Source: EIA & FI

2018-19 2017-18 2016-17 2015-16 2014-15

US Weekly Ethanol Production and Stocks

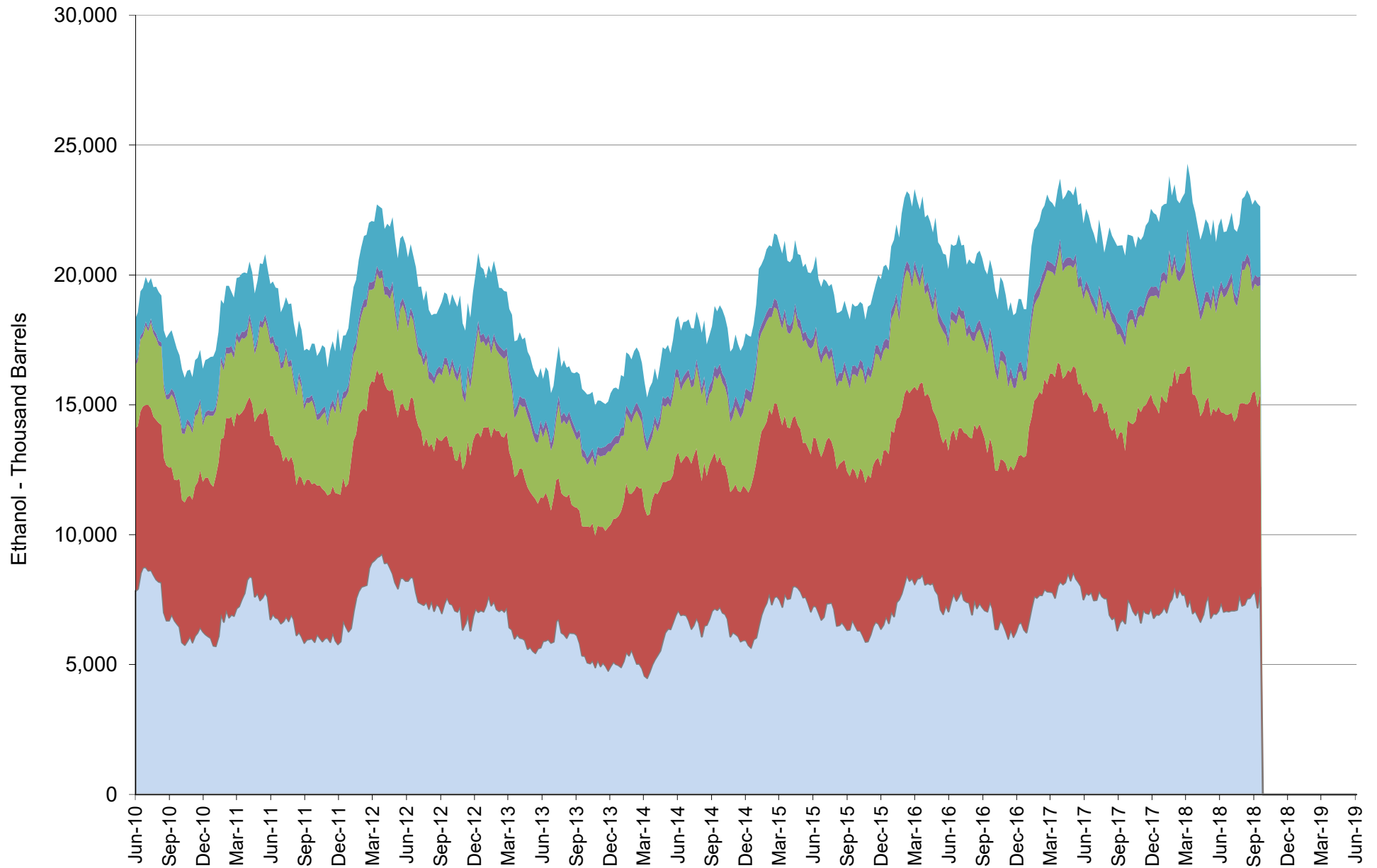


Source: EIA & FI

Stocks (1000bd)

Production (1000bd)

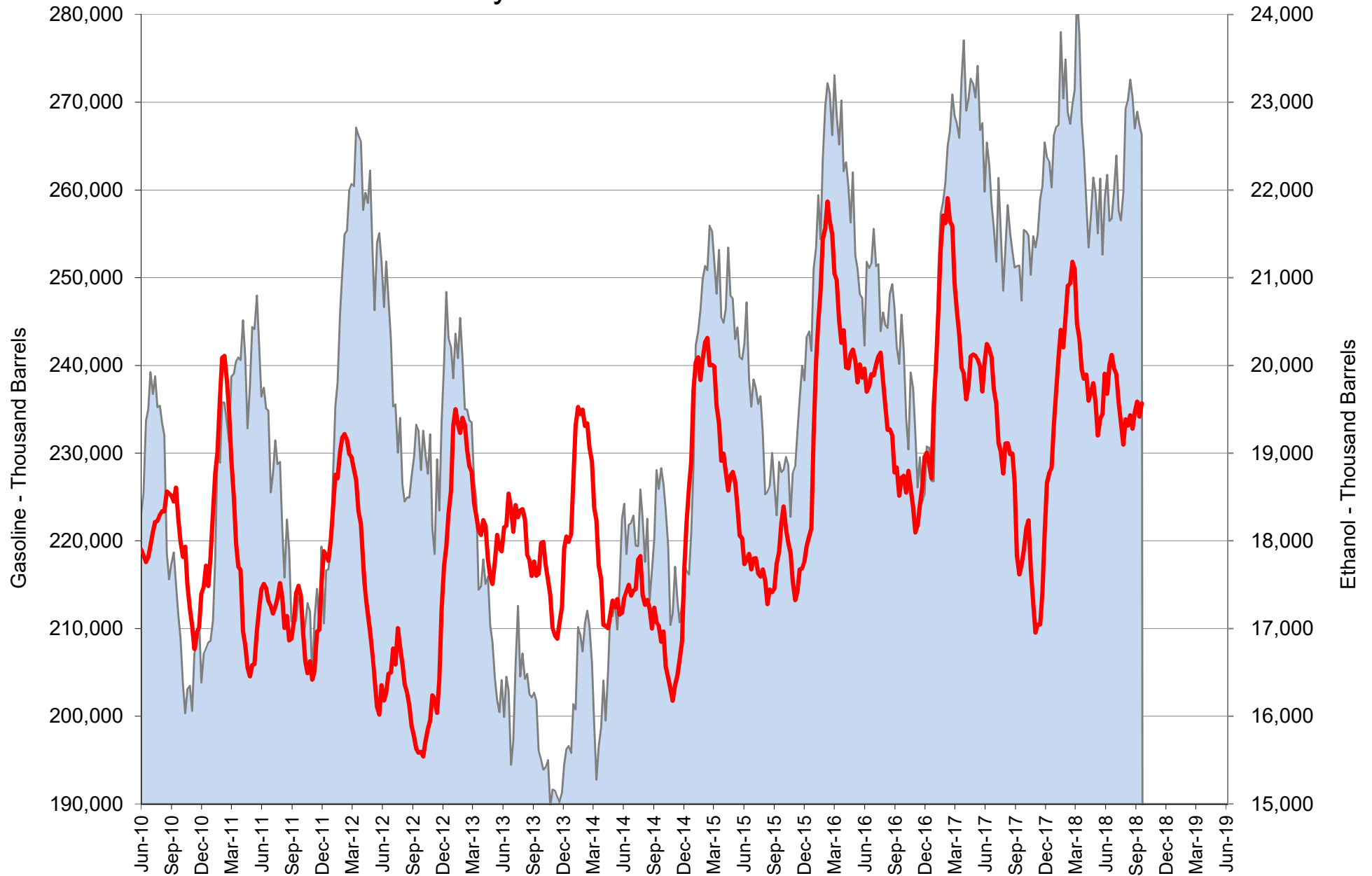
US Weekly Ethanol Stocks by PADD



Source: EIA & FI

■ PADD1 ■ PADD2 ■ PADD3 ■ PADD4 ■ PADD5

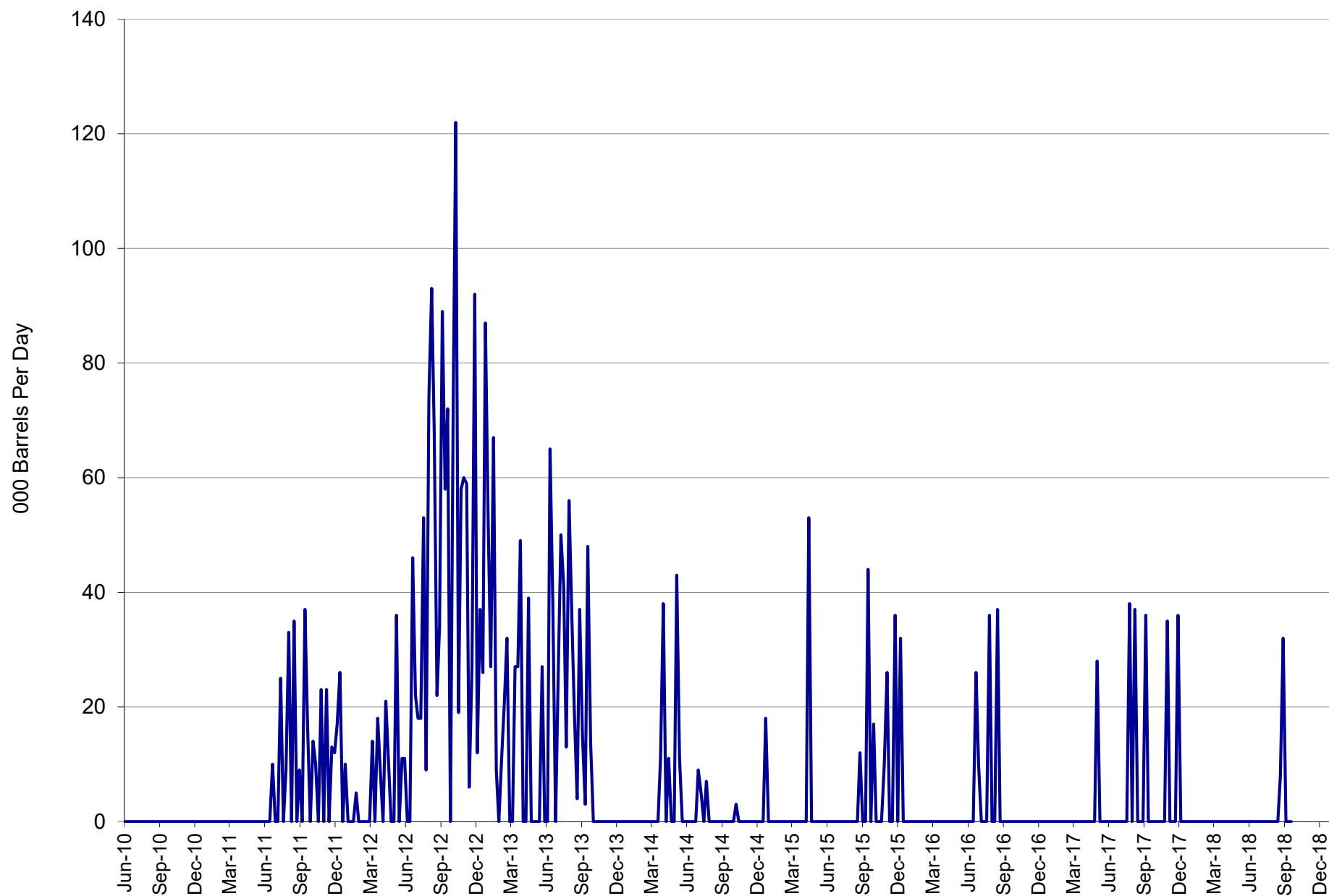
US Weekly Gasoline and Ethanol Stocks



Source: EIA & FI

Stocks (1000bd) US Gasoline Ending Stocks (thousand barrels)

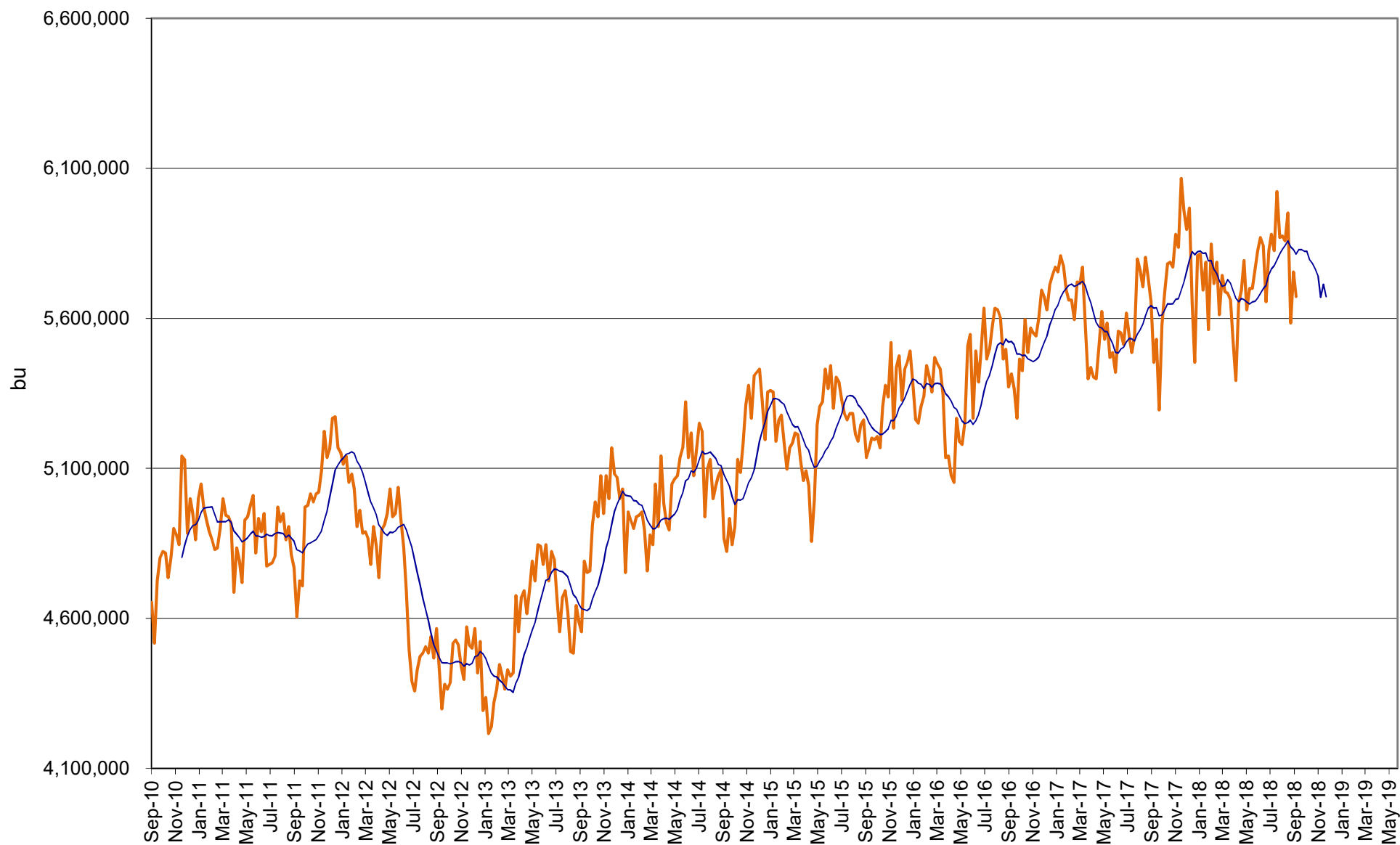
US Weekly Ethanol Imports



Source: EIA & FI

— Imports (BPD)

US Annualized Implied Corn Use

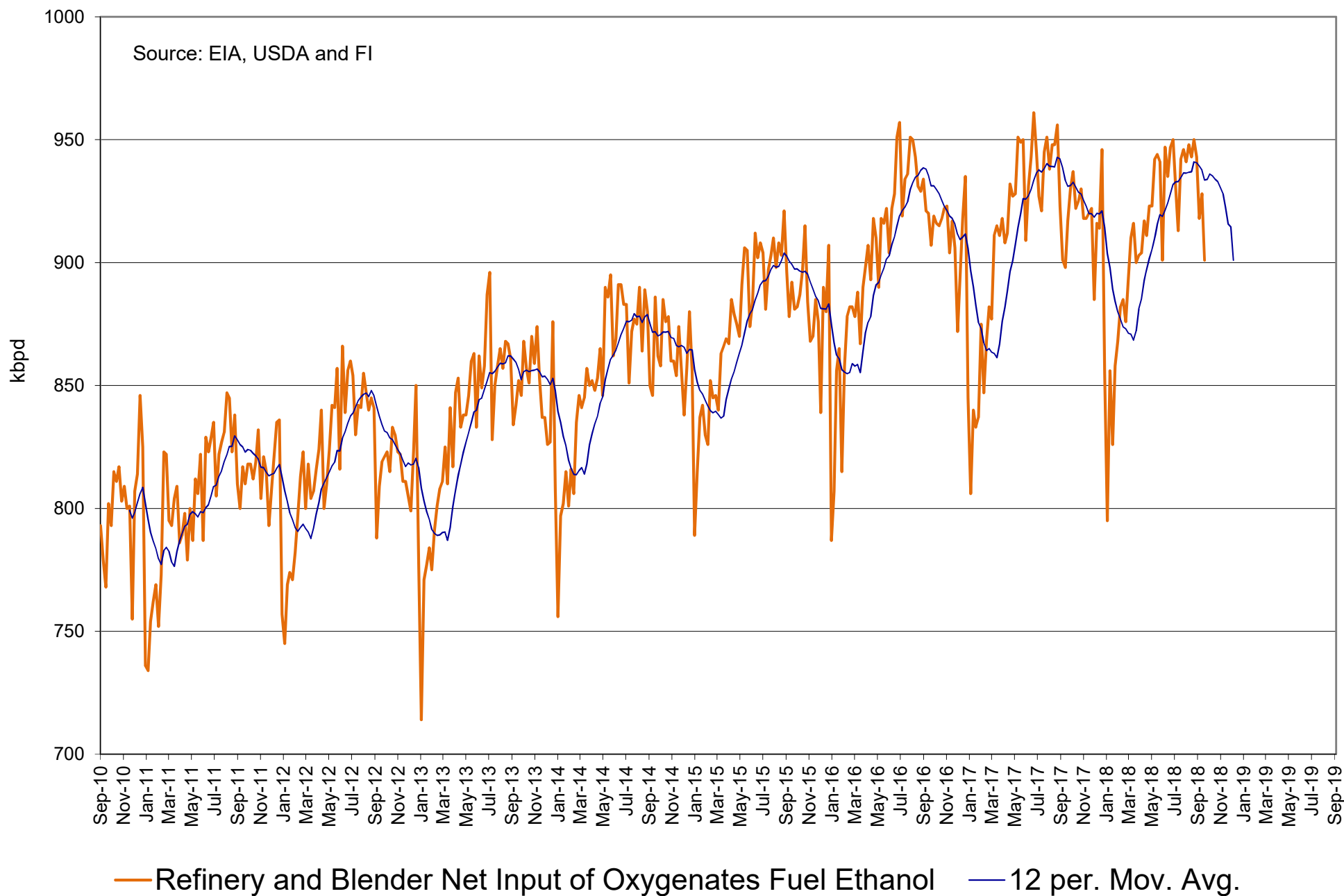


Source: EIA, USDA and FI

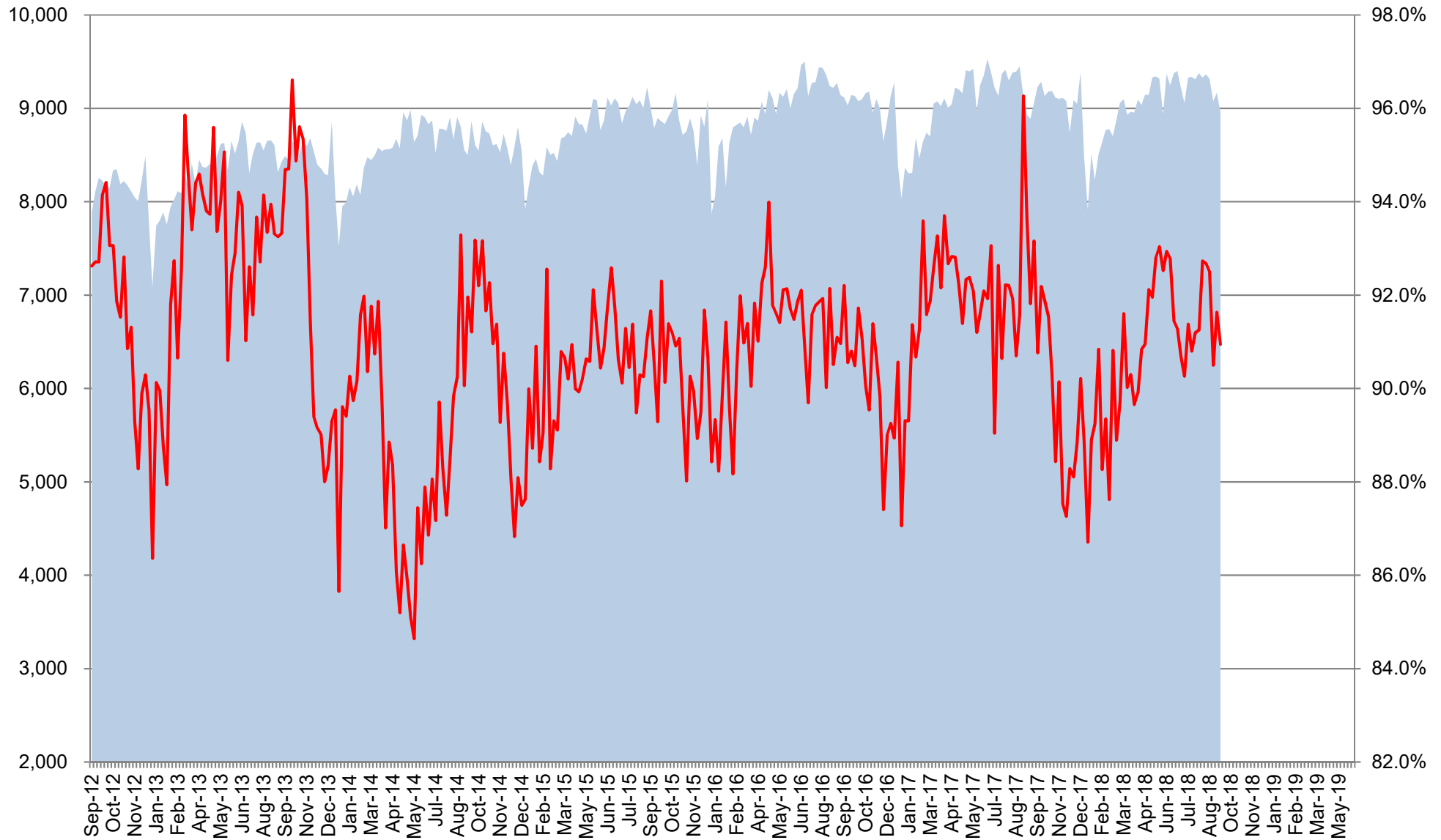
— US

— 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

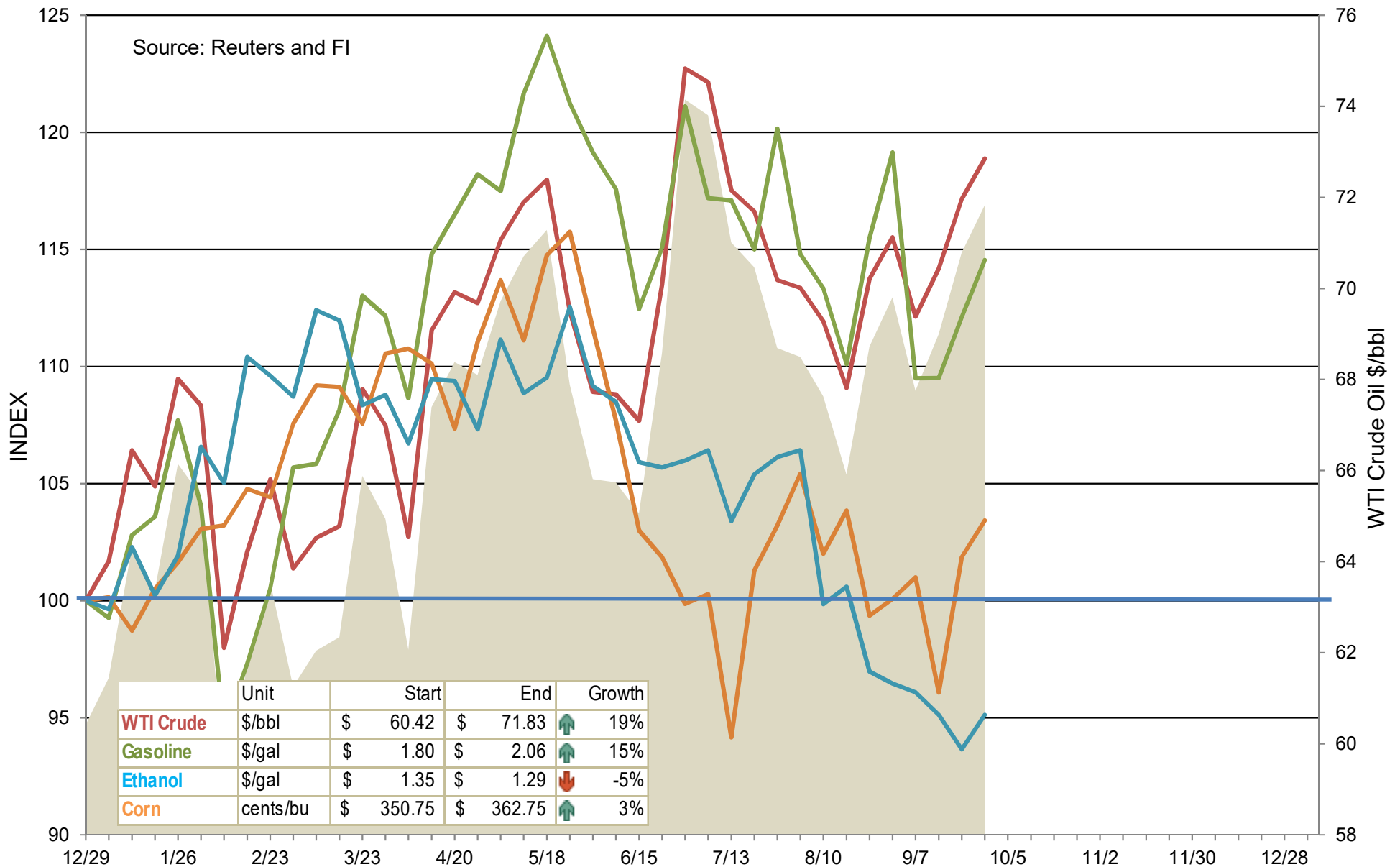


Source: EIA, USDA and FI

■ Total Blend Etoh

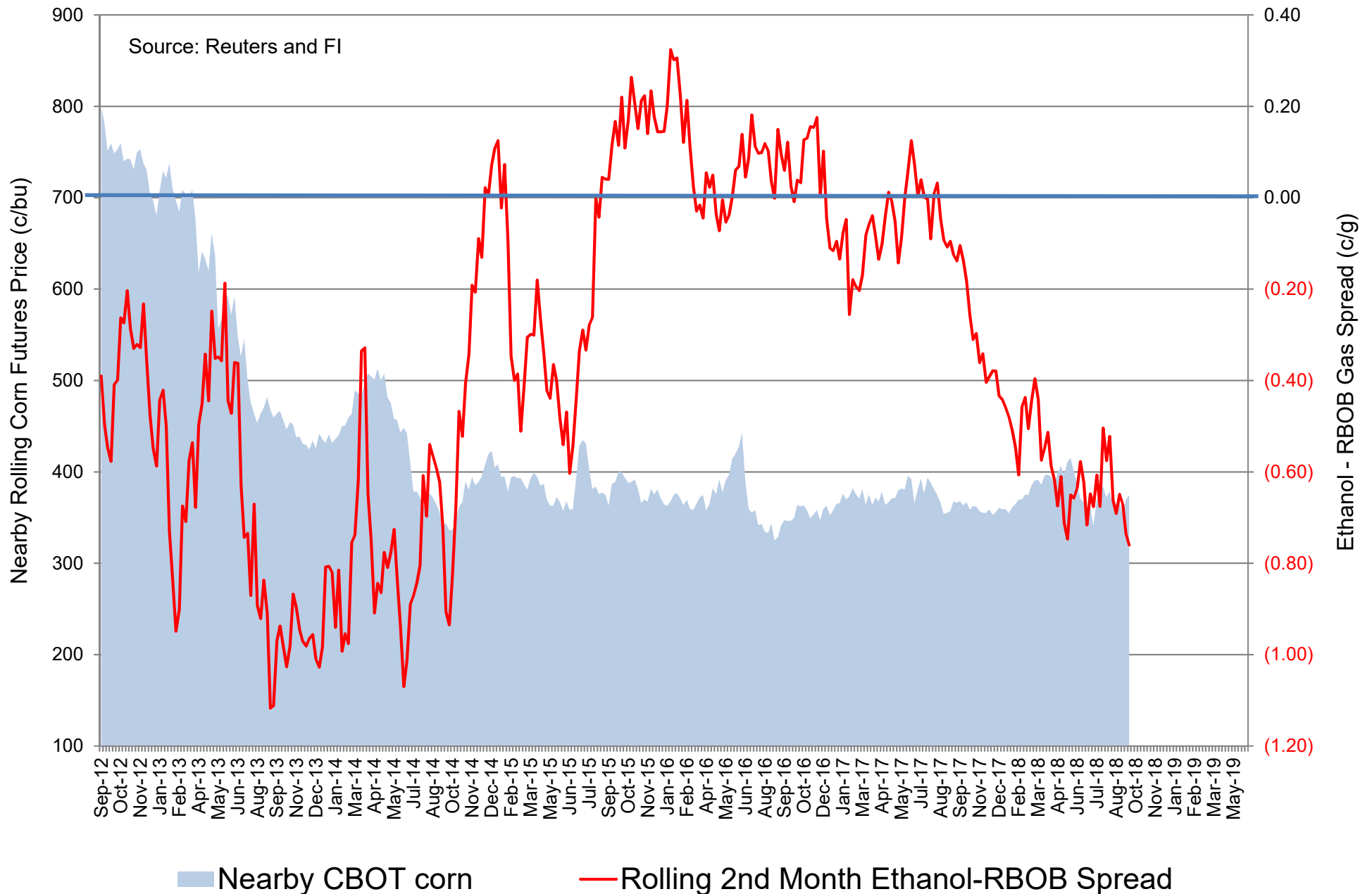
— Etoh Blend %

Indexed Commodity Prices Starting January 2018 versus WTI Crude Nearby Futures

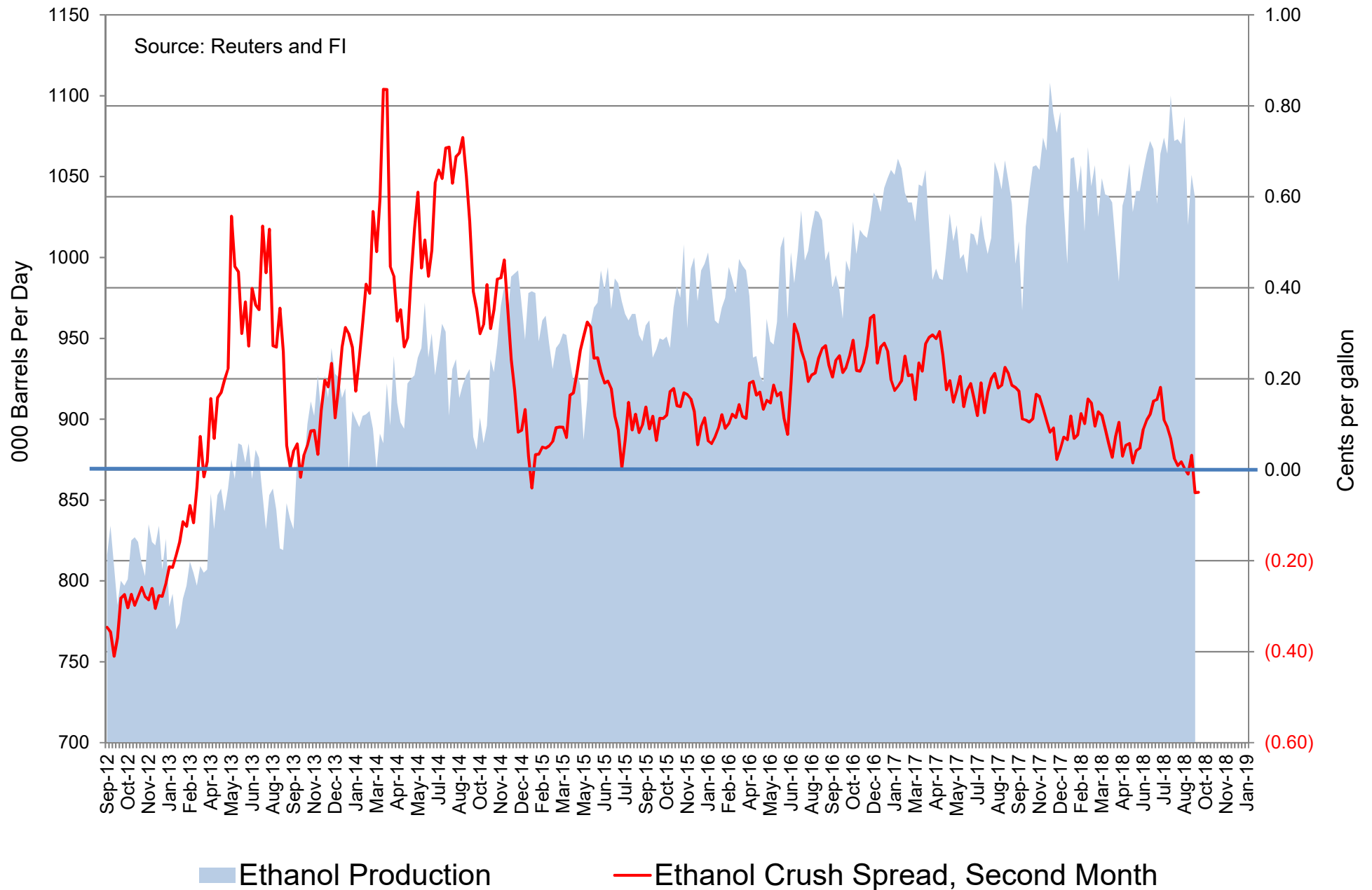


WTI Crude \$/bbl WTI Crude Index Gasoline Index Corn Index Ethanol Index

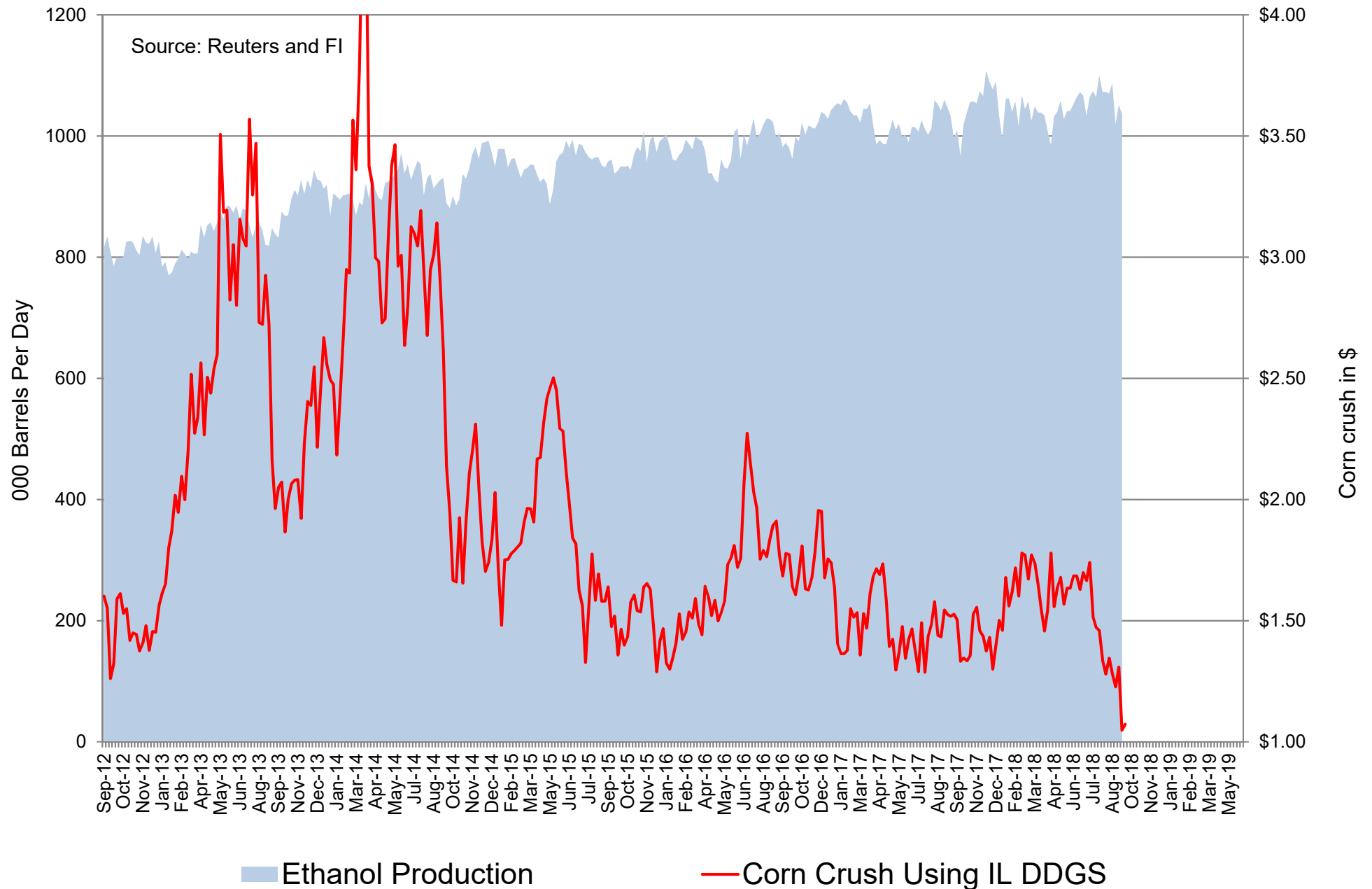
CBOT Second Month Corn Futures versus Second Month Ethanol - RBOB Futures Spread



CBOT Second Month Corn Crush Spread versus Weekly Ethanol Production

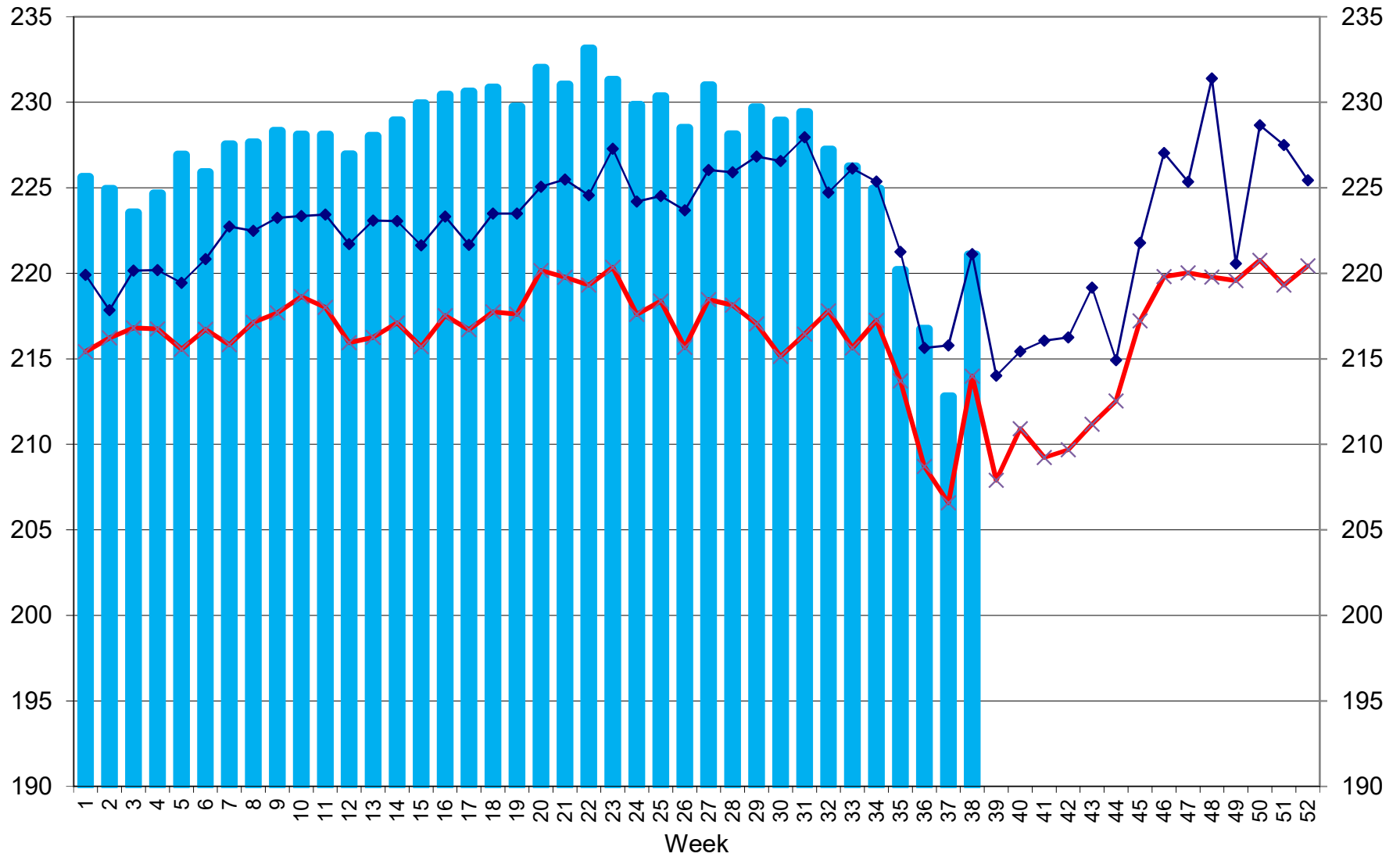


CBOT Second Month Corn Crush Spread with IL DDGS versus Weekly Ethanol Production



Broiler Egg Sets, in millions

National



Source: USDA, FI

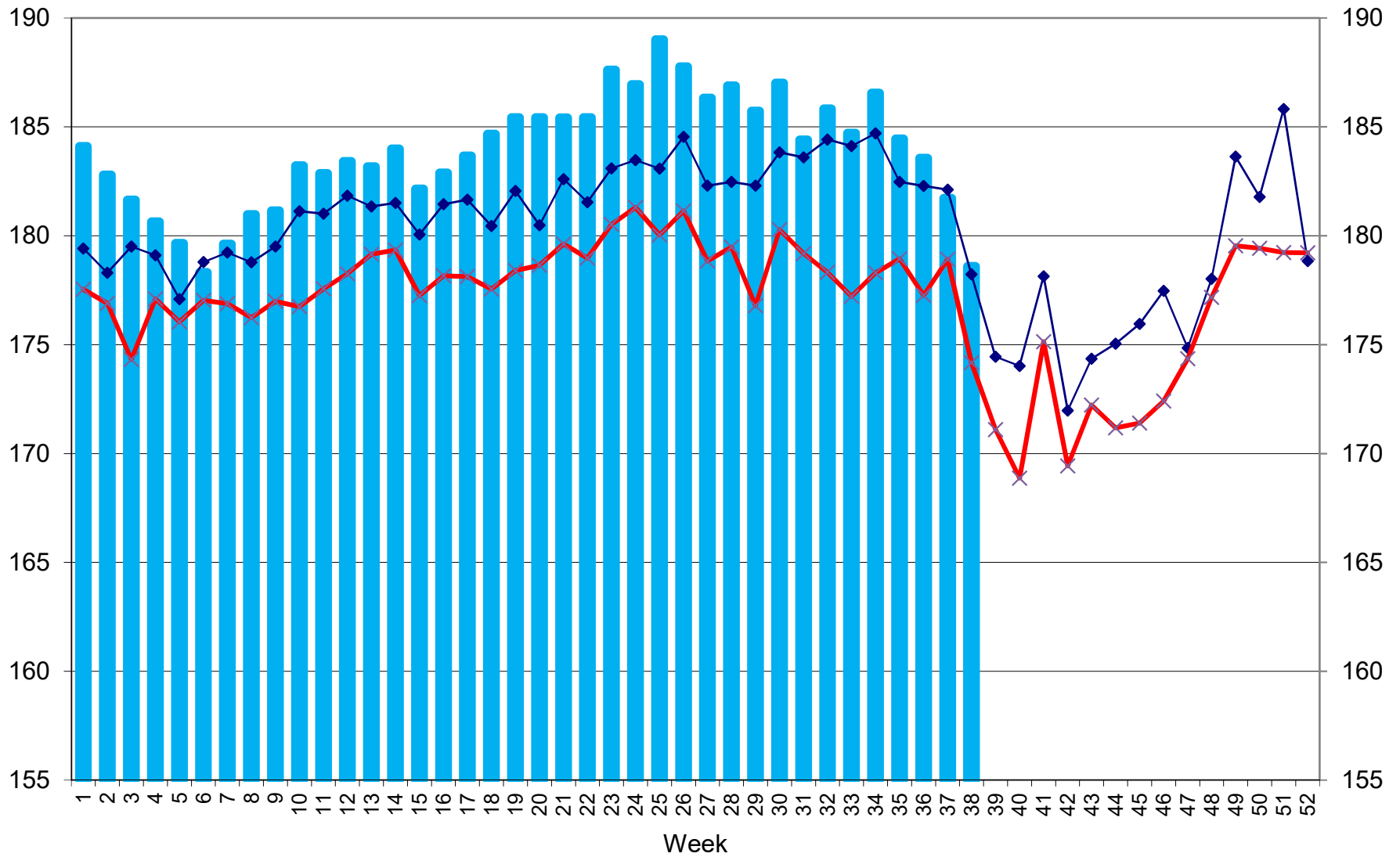
2018

2017

2016

Broiler Chicks Placed, in millions

National



Source: USDA, FI

2018

2017

2016

Traditional Daily Estimate of Funds 9/26/18

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

Est.	Corn	Bean	Chi. Wheat	Meal	Oil
	56.5	(52.5)	42.6	63.1	(56.8)
26-Sep	(3.0)	3.0	(3.0)	3.0	3.0
27-Sep					
28-Sep					
1-Oct					
2-Oct					
FI Est. of Futures Only 9/26/18	53.5	(49.5)	39.6	66.1	(53.8)
FI Est. Futures & Options	(18.2)	(62.5)	6.4	56.0	(61.8)
Futures only record long	498.2	260.4	86.5	167.5	160.2
	2/1/2011	6/27/2017	8/7/2018	5/1/2018	11/1/2016
Futures only record short	(135.3)	(94.5)	(130.0)	(49.5)	(69.8)
	10/29/2013	6/27/2017	4/25/2017	3/1/2016	9/18/2018
Futures and options record net long	458.5	259.8	64.8	132.1	159.2
	9/28/2010	5/1/2012	8/7/2012	5/1/2018	1/1/2016
Futures and options record net short	(166.8)	(113.1)	(143.3)	(64.1)	(77.8)
	11/14/2017	6/27/2017	4/25/2017	3/1/2016	9/18/2018

Managed Money Daily Estimate of Funds 9/26/18

	Corn	Bean	Chi. Wheat	Meal	Oil
Latest CFTC Fut. Only	(158.4)	(82.2)	(8.3)	21.2	(110.8)
Latest CFTC F&O	(141.3)	(69.8)	(1.4)	21.9	(110.0)
FI Est. Managed Fut. Only	(162.9)	(77.7)	(12.8)	25.7	(106.3)
FI Est. Managed Money F&O	(145.8)	(65.3)	(5.9)	26.4	(105.5)

Index Funds Latest Positions (as of last Tuesday)

Index Futures & Options	278.8	120.7	131.8	NA	98.3
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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