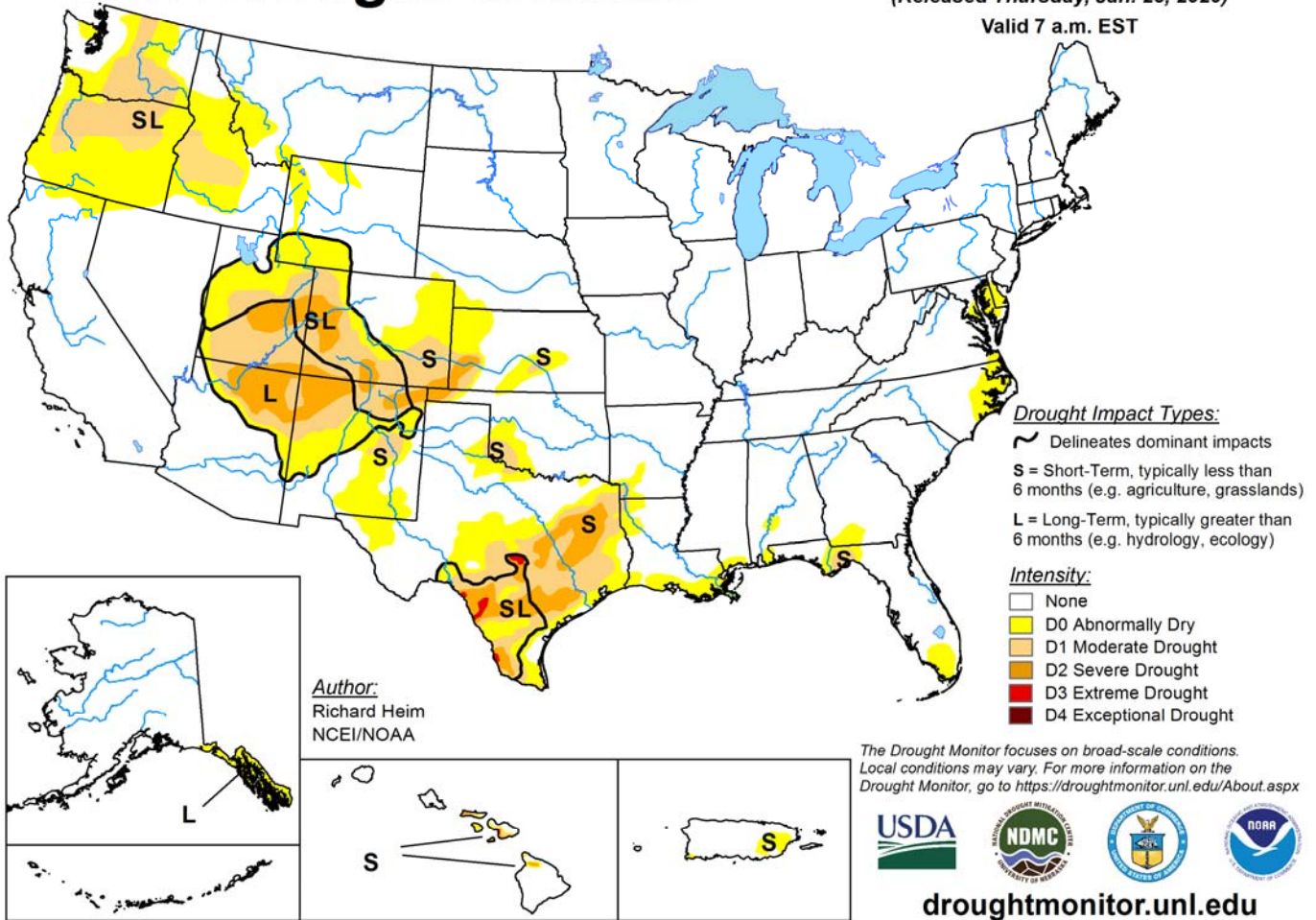




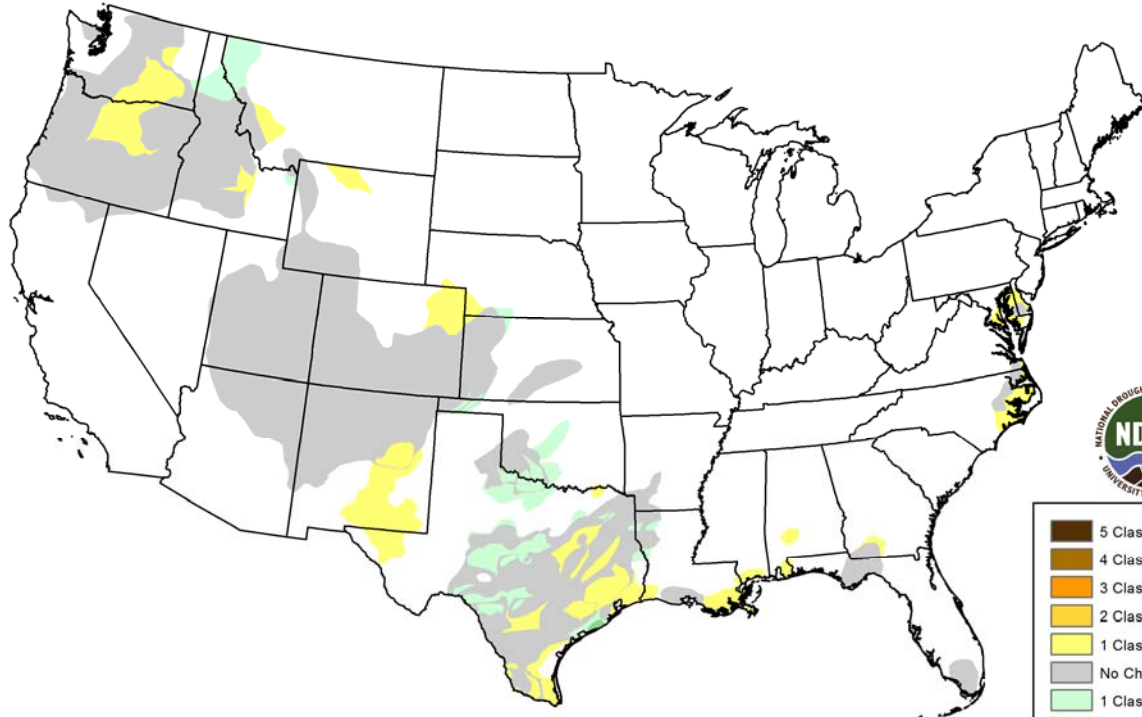
**Weather**

# U.S. Drought Monitor

**January 21, 2020**  
(Released Thursday, Jan. 23, 2020)  
Valid 7 a.m. EST



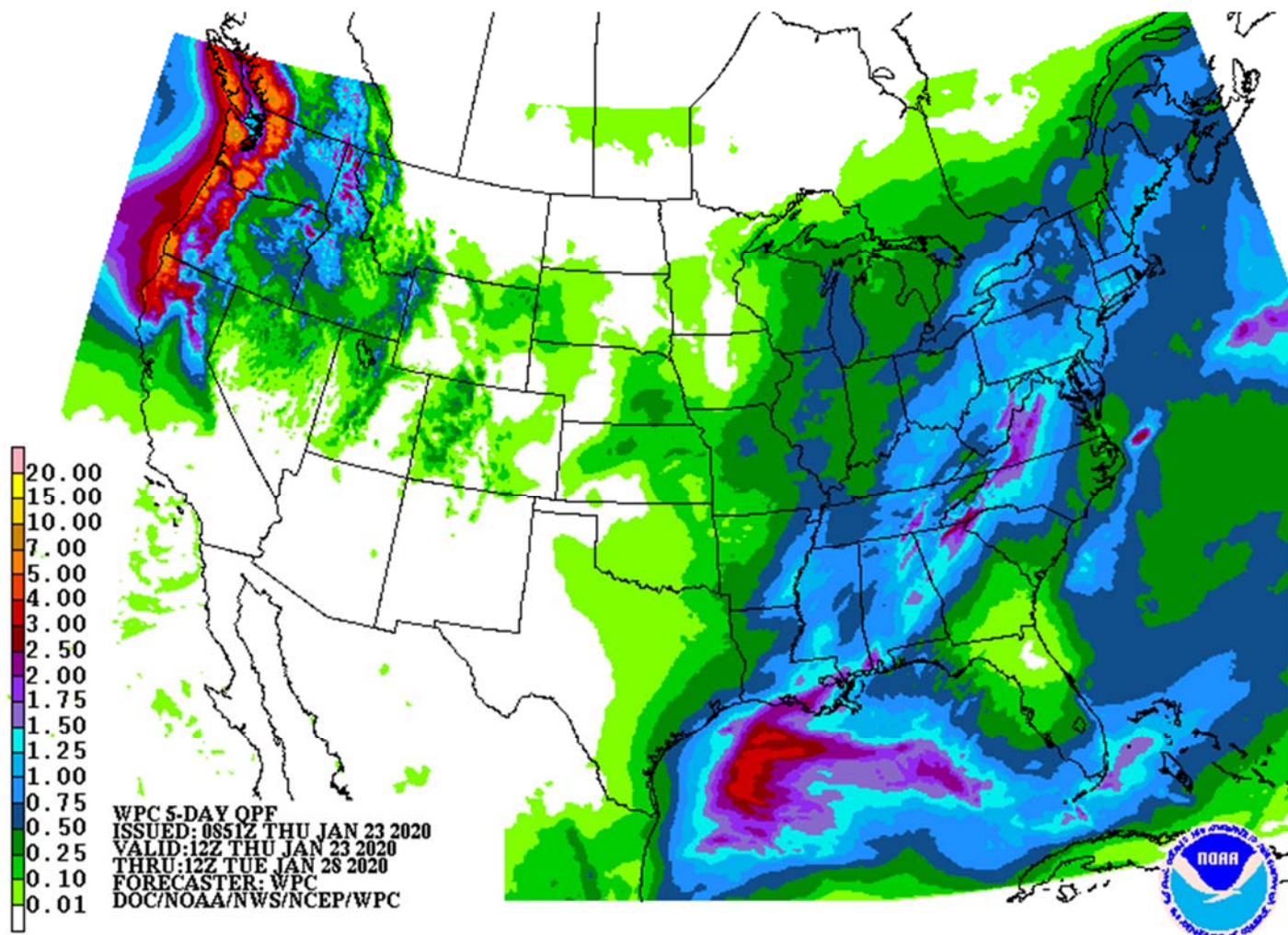
**U.S. Drought Monitor Class Change - CONUS**  
1 Week



- 5 Class Degradation
- 4 Class Degradation
- 3 Class Degradation
- 2 Class Degradation
- 1 Class Degradation
- No Change
- 1 Class Improvement
- 2 Class Improvement
- 3 Class Improvement
- 4 Class Improvement
- 5 Class Improvement

January 21, 2020  
compared to  
January 14, 2020

[droughtmonitor.unl.edu](http://droughtmonitor.unl.edu)



### **MARKET WEATHER MENTALITY FOR CORN AND SOYBEANS:**

Worry in the market place over wet weather in parts of northern Brazil and drying in southern Brazil as well as Argentina will continue to direct the market from a weather perspective for a while. However, some caution is needed here because conditions in both countries have been and still are extremely good. A week to ten days of these anomalies may not hinder crops as much as some folks want to believe and some caution is needed. The only states in Brazil that will become too wet are Goias and Minas Gerais and that will only be the case for a week to maybe ten days. Most of the areas expected to dry out for a while will see subsoil moisture carry crops for a while limiting the period in which crop stress is expected to be a threat to production. The key to production will be what happens late in the first week of February and on into the second week – if drying prevails there will be a threat to some crop yields.

In the meantime, South Africa rainfall will be erratic for a while with eastern areas more favored for rain than the west. A greater need for moisture will soon evolve in the western production areas.

Recent rain in eastern Australia improved some of the irrigated summer crops and more rain is expected in eastern and northern Queensland and northeastern New South Wales through Saturday before the region dries out and heats up again.

India's winter oilseed crop is suspected of being in better than usual condition and China will see improved establishment in the spring when seasonal warming occurs. China's winter crops were not well established last

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autumn, but have experienced improved precipitation in recent weeks that will be of use to establishment when it warms up once again.

Overall, weather today may provide a mixed bias to market mentality.

### **MARKET WEATHER MENTALITY FOR WHEAT:**

Not much has changed relative to that of Wednesday.

Little to no winterkill has likely occurred in key wheat production areas in the Northern Hemisphere so far this winter, although a few crops in Montana might have been negatively impacted by recent cold weather.

In the meantime, India is poised to have a high yielding crop this year. Crops in the Middle East are expected to yield relatively well and China weather has improved in recent weeks and that should translate into better crop establishment during the spring. Hebei, China still needs moisture.

Southeastern Europe crops are not as well established as they should be, but winter weather has been mild leaving very little threat of crop damage thus far. Much of Russia has snow on the ground, but temperatures are well above average and expected to stay warm minimizing the threat of winterkill. Some snowmelt is expected in Russia, however.

Overall, weather today should have a neutral to slightly bearish bias on market mentality.

Source: World Weather Inc. and FI

### **Bloomberg Ag Calendar**

THURSDAY, JAN. 23:

- USDA total milk, red meat production, 3pm

FRIDAY, JAN. 24:

- USDA weekly crop net-export sales for corn, soybeans, wheat, 8:30am
- ICE Futures Europe weekly commitments of traders report on coffee, cocoa, sugar positions ~1:30pm (~6:30pm London)
- CFTC commitments of traders weekly report on positions for various U.S. futures and options, 3:30pm
- U.S. poultry slaughter, cattle on feed (25 jan 1.30 am)
- HOLIDAY: China

Source: Bloomberg and FI

### **Japan December commodity import in tons and value in mil. yen.**

Commodity	Volume	Yr/Yr(%)	Value	Yr/Yr(%)
Grain	2,072,156	-2.1	64,524	-6
(from U.S.)	550,900	-65.2	16,946	-59.3
Soybeans	217,593	-7	10,827	-7.2
(from U.S.)	193,485	-6.7	9,061	-6.5
Meat	243,295	-0.2	124,430	-0.1
(from U.S.)	53,224	-7.6	30,833	-10.2
Nonferrous Ore	953,000	2.3	121,792	21.2
Iron Ore	9,780,000	1.6	113,022	42.8
Nonferrous Metal	263,173	-5.7	146,795	-5.8
Steel	651,101	2.5	72,890	-9.3

Source: Japan AgMin, Reuters, and FI

## China December commodity imports in tons

Commodity	Dec 2019 (tonnes)	% change y/y	YTD (tonnes)	% change y/y
Corn	730,000	76%	4.79 mln	36%
Wheat	500,000	111%	3.49 mln	1250%
Barley	240,000	67%	5.93 mln	-13%
Sorghum	40,000	1079%	830,000	-77%
Pork	269,846	178%	2.11 mln	75%
Sugar	210,000	29%	3.39 mln	21%

Source: China AgMin, Reuters, and FI

## USDA US Export Sales Projections in 000 Metric Tons

		Trade Estimates*	FI Estimates	Last Week		Year Ago	
		1/16/2020	1/16/2020	Last Week		1/17/2019	
<b>Beans</b>	2019-20	<b>600-1100</b>	700-950	2019-20	711.5	NA	
	2020-21	<b>100-200</b>	120-170		0.0	NA	
<b>Meal</b>	2018-19	<b>200-450</b>	250-450	Sales	375.2	Sales	NA
	2020-21	NA	0.0		0.0		NA
	Shipments	NA	200-300	Shipments	253.4	Shipments	NA
<b>Oil</b>	2018-19	<b>5-26</b>	10-20	Sales	36.2	Sales	NA
	2020-21	NA	0.0		0.0		NA
	Shipments	NA	15-30	Shipments	12.8	Shipments	NA
<b>Corn</b>	2019-20	<b>500-950</b>	650-950	2019-20	784.8		NA
	2020-21	<b>200-250</b>	200-250	2020-21	207.0		NA
<b>Wheat</b>	2019-20	<b>300-700</b>	500-700	2019-20	0.0		0.6
	2020-21	<b>0-100</b>	0-100				

Source: FI & USDA \*Reuters estimates

n/c= New Crop

### Macros

- US Initial Jobless Claims 211K (est 214K; prevR 205K; prev 204K)  
-US Continuing Claims 1.731 Mln (est 1.750 Mln; prevR 1.768 Mln; prev 1.767 Mln)

### Corn.

- Corn futures trended lower early then rallied on tightening supplies. Nearby futures broke above a short-term trading range, and March corn traded at its highest level since November. At 9:35 am CT, 10,000 CH stopped out \$3.92-\$9.93. March/May spread firmed on lack of US producer selling. Corn basis at Burns Harbor, IN increased 13 cents to 5 under. Basis was up 3 cents for Cincinnati, OH and increased 1-2 cents at two IL river terminal locations. South American supplies for old crop are tightening and end users are turning to the US to source corn through May. Under the 24-hour announcement system, USDA reported a total of 284,948 tons of corn was sold to Guatemala and Unknown.
- The weekly EIA ethanol production and stocks report was perceived to be bearish.

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- WTI crude was under pressure by more than \$1.10 and USD turned 18 higher by 1:30 CT.
- The Baltic Dry Index fell 47 points or 7.5% to 576 points. The capesize index .BACI slipped 118 points, or 36.3%, to 207.
- Meanwhile the surplus of supertankers in the Middle East during the next month is set to increase to more than double the usual level for this time of year, according to a weekly Bloomberg survey.
- The BA Grains Exchange reported Argentina corn plantings at 95 percent, up from 91 percent previous week and compares to 93 percent last year and 94 average.
- South Africa will supply Zimbabwe millers 100,000 tons of corn.
- China imported 730,000 tons of corn in December but much of that could have been of Ukraine origin. But US demand may increase due short exportable supplies out of SA and eventually Ukraine. Japan may continue to buy from the US PNW before switching their origin in July and August.
- IGC increased their estimate of the global corn production estimate by 8 million tons to 1.111 billion tons, below their forecast of 1.129 million tons in 2018-19.
- U.S. Dec. pork supplies in cold storage were 581 million pounds, up 15% from Dec. 2018.
- The US produced 9.8 billion eggs in December, up 3.9 percent from Dec 2018.

Weekly US ethanol production declined by 46,000 barrels to 1.049 million, largest weekly decrease since September 20. US weekly stocks increased by a large 1.025 million barrels to 24.031 million, largest inventory since July 26, 2018. Four weeks ago, stocks were at 21.034 million. September 2018 to date US ethanol production is running 1.1 percent below the same period a year ago.

## 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			
11/29/2019	1060	1	-0.8%	20,639	362	-10.4%	19.1		
12/6/2019	1072	12	2.5%	21,815	1,176	-4.7%	19.3		
12/13/2019	1064	(8)	1.7%	21,798	(17)	-8.7%	20.5		
12/20/2019	1083	19	3.9%	21,469	(329)	-7.2%	20.1		
12/27/2019	1066	(17)	5.4%	21,034	(435)	-9.2%	20.1		
1/3/2020	1062	(4)	6.2%	22,462	1,428	-3.4%	19.8		
1/10/2020	1095	33	4.2%	23,006	544	-1.5%	20.5		
1/17/2020	1049	(46)	1.7%	24,031	1,025	2.3%	21.9		

Source: EIA and FI

## US Weekly Ethanol By PADD

	17-Jan 2020	10-Jan 2020	Change	Weekly Percent	4-Week Percent	YOY Percent
<b>Ethanol Stocks</b>						
Total Stocks	24031	23006	1,025	4.5%	14.2%	2.3%
East Coast PADD 1	8052	7496	556	7.4%	20.3%	7.6%
Midwest PADD 2	8228	8003	225	2.8%	8.1%	0.9%
Gulf Coast PADD 3	4669	4320	349	8.1%	29.6%	5.9%
Rocky Mt. PADD 4	395	415	(20)	-4.8%	-1.5%	3.4%
West Coast PADD 5	2687	2774	(87)	-3.1%	-1.4%	-12.5%
	17-Jan 2020	10-Jan 2020	Change	Weekly Percent	4-Week Percent	YOY Percent
<b>Plant Production</b>						
Total Production	1049	1095	(46)	-4.2%	-1.6%	1.7%
East Coast PADD 1	24	28	(4)	-14.3%	-4.0%	
Midwest PADD 2	974	1012	(38)	-3.8%	-1.5%	1.8%
Gulf Coast PADD 3	21	25	(4)	-16.0%	0.0%	
Rocky Mt. PADD 4	14	14	0	0.0%	0.0%	
West Coast PADD 5	15	16	(1)	-6.3%	-6.3%	
<b>Plant Production</b>	Crop-Year to Date YOY Percent Change					
	2019-20	2018-19	2017-18	2016-17	Prv. 3-Year Average	
	-1.1%	-0.7%	3.1%	4.2%	2.2%	

Source: EIA and FI

### Export Developments

- Under the 24-hour announcement system, private exporters sold 143,948 tons of corn to Guatemala (114,224 tons 2019-20 and 29,724 tons 2020-21), and 141,000 tons of corn for delivery to unknown destinations for 2019-20. We think the unknown is SK.

Date reported	Value (tonnes)	Commodity	Destination	Year
23-Jan	114,224	Corn	Guatemala	2019/20
23-Jan	29,724	Corn	Guatemala	2020/20
23-Jan	141,000	Corn	Unknown	2019/20
16-Jan	180,000	Soybean cake and meal	Philippines	2019/20
15-Jan	126,000	Soybeans	China	2019/20
14-Jan	120,000	Soybeans	Unknown	2020/21
13-Jan	137,000	Corn	South Korea +	2019/20
8-Jan	207,000	Corn	Unknown	2020/21

- Results awaited: Algeria seeks 20,000 tons of corn and 30,000 tons of soybean meal for March 1-15 and February 10-25 shipment, respectively. Lowest offer for 20,000 tons of corn was \$212.25 a ton c&f and 30,000 tons of soymeal was \$394.50 a ton.

## CATTLE ON FEED ESTIMATES (1,000 HEAD, PERCENT OF A YEAR AGO)

Item	Actual	Estimates	Average of Estimates	Range of Estimates
	2018	2019		
Dec. 1 On Feed (Ending Inventory)	11,739	11,816	NA	NA
Placed on Feed during Dec.	1,767	1,828	103.4%	100.5-106.5%
Fed Cattle Marketed during Dec.	1,741	1,832	105.2%	103.9-106.1%
<b>Jan. 1 On Feed (Ending Inventory)</b>	<b>11,690</b>	<b>11,948</b>	<b>102.2%</b>	<b>101.6-102.7%</b>

Source: Reuters, USDA and FI Placements and Sales estimates in million head are derived using Reuters average %

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Corn	Change	Oats	Change	Ethanol	Settle			
MARO	393.75	5.00	MARO	317.00	3.75	FEBO	1.33	Spot DDGS IL
MAYO	398.50	4.25	MAYO	309.50	2.00	MARO	1.35	Cash & CBOT
JULO	403.25	4.00	JULO	301.50	2.75	APRO	1.38	Corn + Ethanol
SEPO	400.75	2.75	SEPO	281.75	0.75	MAYO	1.39	Crush
DECO	403.25	2.50	DECO	272.00	0.25	JUNO	1.39	1.18
MAR1	413.00	2.50	MAR1	272.00	0.25	JULO	1.39	
Soybean/Corn	Ratio	Spread	Change	Wheat/Corn	Ratio	Spread	Change	
MARO	MARO	2.31	515.75	(9.25)	MARO	1.47	186.75	(2.25)
MAYO	MAYO	2.32	524.75	(8.50)	MAYO	1.45	180.50	(2.50)
JULO	JULO	2.32	533.75	(8.25)	JULO	1.44	175.50	(2.00)
SEPO	SEPO	2.35	541.25	(6.50)	SEPO	1.45	182.00	(1.75)
NOVO	DECO	2.35	544.00	(5.50)	DECO	1.46	187.25	(1.75)
MAR1	MAR1	2.29	531.25	(3.75)	MAR1	1.45	184.00	(2.25)
US Corn Basis & Barge Freight								
Gulf Corn			BRAZIL Corn Basis			Chicago		
JAN	+54 / 58 h unch		JLY	+35 / 40 n unch		Toledo	+14 h unch	
FEB	+59 / 61 h unch		AUG	+33 / 40 u unch		Decatur	+23 h unch	
MCH	36 unch		SEP	+32 / 40 u unch		Dayton	+14 h unch	
APR	+56 / 59 k dn1/unch		OCT	+30 / 45 z unch		Cedar Rapids	+37 h unch	
MAY	+56 / 59 k dn1/unch					Burns Harbor	+7 h unch	
USD/ton: Ukraine Odessa \$ 173.00						Memphis-Cairo Barge Freight (offer)		
US Gulf 3YC Fob Gulf Seller (RTRS) 181.3 181.7 182.1 181.7 182.5 183.1						BrgF MTCT JAN	220	unchanged
China 2YC Maize Cif Dalian (DCE) 264.9 268.5 271.8 274.5 277.3 279.0						BrgF MTCT FEB	225	unchanged
Argentina Yellow Maize Fob UpRiver - 192.4 186.7 186.7 - -						BrgF MTCT MAR	230	unchanged

Source: FI, DJ, Reuters & various trade sources

Updated 1/10/20

- CBOT March corn is seen in a \$3.70 and \$4.05 range

### Soybean complex.

- CBOT soybeans fell for the fifth consecutive session, ending 4.25 cents lower basis the March and May. Lack of bullish news and lower lead by outside markets pressured soybeans.
- Meal ended \$0.70-\$1.20 higher and oil 51-54 lower. March soybean oil settled at 32.48 cents. We see it weakening to the 31.20-31.50 area if palm oil continues to drift lower.
- Continued fears of the spreading of the Coronavirus in China pressured several commodity markets today. China restricted travel to five cities ahead of the lunar new year holiday. 600+ have been infected and at least 18 people have passed away.
- The BA Grains Exchange reported Argentina soybean plantings at 98 percent, up from 95 percent previous week and compares to 99 percent last year and 99 average.
- May crush trade was active today. Around mid-session 1,000 May crush traded at 105.
- Brazilian real was stronger at 4.1683. USD was 17 higher after the CBOT close.
- Malaysia is trying to smooth out trade tensions with India by committing to buy more Indian sugar. A large Malaysian sugar refiner said it will increase sugar imports from India. MSM Malaysia Holdings Berhad plans to purchase 130,000 tons of raw sugar from India worth 200 million ringgit (\$49.20 million) in the first quarter. The company bought around 88,000 tons of raw sugar from India in 2019.

### Oilseeds Export Developments

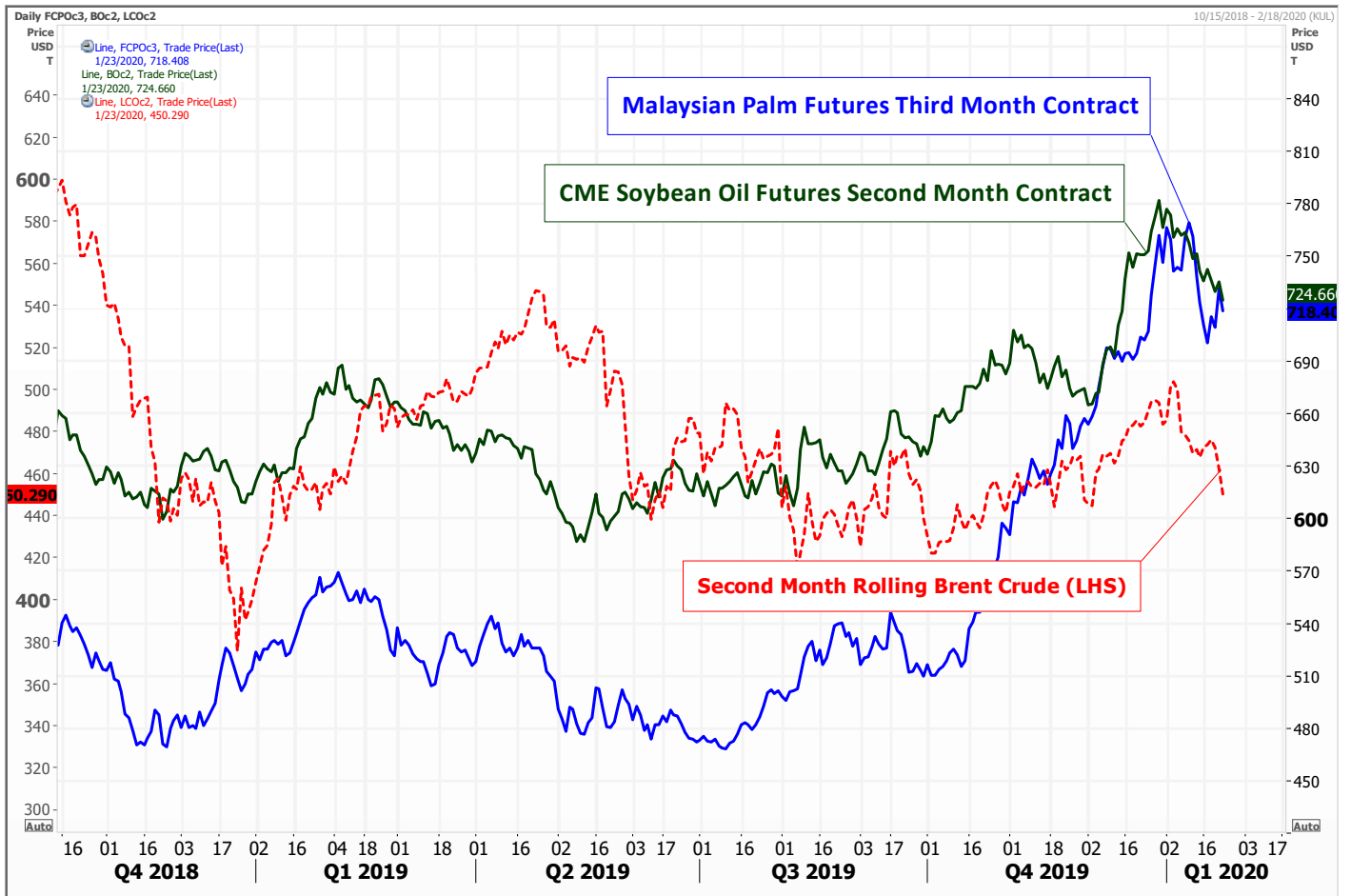
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- Results awaited: Algeria seeks 20,000 tons of corn and 30,000 tons of soybean meal for March 1-15 and February 10-25 shipment, respectively. Lowest offer for 20,000 tons of corn was \$212.25 a ton c&f and 30,000 tons of soymeal was \$394.50 a ton.



Soybeans			Soybean Meal			Soybean Oil		
		Change			Change			Change
MAR0	909.50	(4.25)	MAR0	298.90	1.00	MAR0	32.48	(0.54)
MAY0	923.25	(4.25)	MAY0	303.20	0.70	MAY0	32.82	(0.53)
JUL0	937.00	(4.25)	JUL0	307.70	0.80	JUL0	33.18	(0.52)
AUG0	941.75	(4.25)	AUG0	309.20	0.80	AUG0	33.28	(0.51)
SEPO	942.00	(3.75)	SEPO	310.40	0.90	SEPO	33.35	(0.51)
NOVO	947.25	(3.00)	OCT0	311.10	1.20	OCT0	33.38	(0.51)
JAN1	952.00	(2.50)	DECO	314.10	1.20	DECO	33.56	(0.52)

Soybeans	Spread	Change	SoyMeal	Spread	Change	SoyOil	Spread	Change
Mar/May	13.75	0.00	Mar/May	4.30	(0.30)	Mar/May	0.34	0.01

Electronic Beans Crush		Oil as %		Meal/Oil \$		Meal		Oil	
Month	Margin		of Oil&Meal	Con. Value	Value	Value			
MAR0	105.36	MAR0	35.20%	\$ 10,402	657.58	357.28			
MAY0	104.81	MAY0	35.12%	\$ 10,628	667.04	361.02	EUR/USD	1.1054	
JUL0	104.92	JUL0	35.03%	\$ 10,862	676.94	364.98	Brazil Real	4.1622	
AUG0	104.57	AUG0	34.99%	\$ 10,952	680.24	366.08	Malaysia Bid	4.0730	
SEPO	107.73	SEPO	34.95%	\$ 11,030	682.88	366.85	China RMB	6.9364	
NOVO/DECO	112.93	OCT0	34.92%	\$ 11,082	684.42	367.18	AUD	0.6843	
JAN1	109.94	DECO	34.82%	\$ 11,274	691.02	369.16	CME Bitcoin	8350	
MAR1	110.43	JAN1	34.93%	\$ 11,178	691.02	370.92	3M Libor	1.79413	
MAY1	109.05	MAR1	35.17%	\$ 10,848	683.76	370.92	Prime rate	4.7500	
JUL1	108.76	MAY1	35.22%	\$ 10,786	682.66	371.14			

#### US Soybean Complex Basis

JAN	+53 / 58 h up3/up1				DECATUR	+8 h unch
FEB	+48 / 56 h unch/dn1	IL SBM	H-26	1/21/2020	SIDNEY	+10 h up5
MCH	+49 / 56 h up1/dn2	CIF Meal	H 2	1/21/2020	CHICAGO	-18 h unch
APR	+43 / 52 k dn1/unch	Oil FOB NOLA	300	1/21/2020	TOLEDO	h preim up5
MAY	+43 / 52 k dn1/unch	Decatur Oil	50	1/21/2020	BRNS HRBR	-2 h unch
					C. RAPIDS	-25 h unch

Brazil Soybeans Paranagua fob		Brazil Meal Paranagua		Brazil Oil Paranagua	
FEB	+46 / +57 f up1/unch	FEB	-3 / -1 f unch	JAN	+300 / +380 f unch/dn20
MAR	+46 / +55 h up4/dn1	MCH	-8 / -5 h up1/unch	FEB	+300 / +380 f unch/dn20
APR	+32 / +41 h dn5/unch	APR	-16 / -13 h up3/up2	MCH	+180 / +270 h dn20/up10
MAY	+40 / +45 h dn3/dn1	MAY	-16 / -13 k up3/up2	APR	+50 / +100 k up10/dn20
JUNE	+45 / +55 n up2/up5	JUNE	-22 / -19 n up1/dn1	MAY	+50 / +100 k up10/dn20
	Argentina meal	306	2.5	Argentina oil	Spot fob 36.2 3.38

Source: FI, DJ, Reuters & various trade sources

Updated 1/15/20

- CBOT March soybeans are seen in a \$9.00-\$9.50 range
- March soybean meal is seen a \$285 and \$305 range
- March soybean oil 32.15-34.50 range

#### Wheat

- Chicago wheat ended higher led by bull spreading in a quiet trade. News was light. KC was mostly moderately lower, and MN ended mixed. Lack of direction was noted. CBOT Chicago wheat volatility is at its highest level since mid-December.
- Europe remains dry across parts of northern France into Germany and Poland.
- March Paris wheat futures settled up 0.50 euros, or 0.3%, at 196.25 euros (\$217.72) a ton.

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- Some of the winter wheat across TX and Kansas is slow to develop but in better shape than other recent years. But we are hearing some wheat across western 1/3 of Kansas south to Amarillo is in poor to worse shape. There is still plenty of time for the crop to develop and improve but something to monitor when USDA issues state stories a week from Monday (crop condition updates).
- The Chicago March to May wheat inverse widened to 1.5 cents today. A reason for this is that spot global demand for wheat has been very robust in recent weeks with notable purchases by Egypt, Tunisia, and Algeria. The funds have been getting ahead of the general rise in world cash prices, and the French rail/port strike also supported this spread after Paris wheat traded to nearly a one year high. The physical forward curves (Black Sea, EU, Arg., US) for the March/May don't suggest an inverse for March/May. With this in mind, Chicago futures could trade back to May premium before first notice day, but wheat may need to see several legs down for this to happen.

#### Export Developments.

- Saudi Arabia's Saudi Grains Organization (SAGO) seeks 900,000 tons of animal feed barley on Friday. 660,000 tons are for Red Sea ports and 240,000 tons Gulf. On Nov. 18, 2019, SAGO bought 1.02 million tons at an average price of \$216.62 a ton c&f.
- Japan's Ministry of Agriculture bought 108,296 tons of food-quality wheat on Thursday from the United States and Canada. Original details as follows.

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

COUNTRY	TYPE	QUANTITY
U.S.	Western White	19,617 *
U.S.	Hard Red Winter(Semi Hard)	5,440 *
U.S.	Hard Red Winter(Semi Hard)	24,910 *
U.S.	Dark Northern Spring(protein minimum 14.0%)	32,725 *
Canada	Western Red Spring(protein minimum 13.5 pct)	25,604 *

Shipments: \* Loading between Feb. 21 and Mar. 20

Source: Japan AgM in, Reuters and FI

- Japan seeks 120,000 tons of feed wheat and 200,000 tons of feed barley on January 29 for arrival by March 19.
- Jordan seeks 120,000 tons of wheat on January 28.

#### Rice/Other

- South Korea seeks 77,778 tons of non-glutinous brown rice for arrival between March and May, on Jan. 30. Details of the tender are as follows:

TONNES(M/T)	GRAIN TYPE	ORIGIN	ARRIVAL/PORT
20,000	Brown Short	China	March 15-31/Gunsan
20,000	Brown Short	China	April 30/Masan
15,556	Brown Short	China	May 31/Donghae
22,222	Brown Medium	U.S.	May 31/Incheon

- Mauritius seeks up to 6,000 tons of long grain white rice on Feb. 3, optional origin, for delivery between May 1 and July 31.

Chicago Wheat			KC Wheat			MN Wheat Settle		
		Change			Change			Change
MARO	580.50	2.75	MARO	492.25	(0.25)	MARO	555.75	0.25
MAY0	579.00	1.75	MAY0	499.75	0.00	MAY0	564.50	(0.50)
JULO	578.75	2.00	JULO	506.75	(0.25)	JULO	572.00	0.00
SEPO	582.75	1.00	SEPO	514.00	(0.75)	SEPO	580.25	0.25
DECO	590.50	0.75	DECO	524.25	(0.75)	DECO	590.25	(0.25)
MAR1	597.00	0.25	MAR1	534.75	(0.50)	MAR1	600.75	(0.25)
MAY1	591.50	1.00	MAY1	535.25	(0.25)	MAY1	607.00	0.50

Chicago Rice		Change	
MARO	13.63	0.190	MAY0 13.70 0.185 JUL0 13.49 0.140

US Wheat Basis					
Gulf SRW Wheat		Gulf HRW Wheat		Chicago mill	+30 h unch
JAN	+110 / h unch	JAN	164 / h unch	Toledo	+15 h unch
FEB	+112 / h unch	FEB	165 / h unch	PNW US Soft White 10.5% protein	
MCH	+112 / h unch	MCH	165 / h unch	PNW JAN	625 unchanged
APR	+110 k unch	APR	166 / k unch	PNW FEB	632 unchanged
MAY	+110 k unch	MAY	166 / k unch	PNW MAR	642 unchanged
	unch			PNW APR	646 unchanged

Euronext EU Wheat		Change	OI	OI Change	World Prices \$/ton		Change
MARO	196.25	0.50	197,849	5,776	US SRW FOB	\$261.80	\$2.60
MAY0	195.75	1.00	118,489	6,464	US HRW FOB	\$245.20	\$0.70
SEPO	188.75	0.75	56,702	135	Rouen FOB 11%	\$216.11	\$2.75
DECO	190.75	0.75	67,861	2,274	Russia FOB 12%	\$226.00	\$4.00
EUR	1.1054				Ukr. FOB feed (Odessa)	\$217.50	\$0.00
					Arg. Bread FOB 12%	\$259.68	\$0.00

Source: FI, DJ, Reuters & various trade sources

Updated 1/10/20

- CBOT Chicago March wheat is seen in a \$5.40-\$5.90 range
- CBOT KC March wheat is seen in a \$4.70-\$5.30 range
- MN March wheat is seen in a \$5.40-\$5.85 range

# 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
1/4/2019	1000	(11)	-4.4%	0.4%	23,254	92	1.6%	2.4%	23.2
1/11/2019	1051	51	0.5%	-0.9%	23,351	97	-2.2%	2.7%	22.1
1/18/2019	1031	(20)	-1.1%	-2.9%	23,501	150	1.6%	-1.3%	22.6
1/25/2019	1012	(19)	0.1%	-2.7%	23,980	479	3.5%	4.1%	23.2
2/1/2019	967	(45)	-3.3%	-8.5%	23,947	(33)	3.0%	1.9%	24.8
2/8/2019	1029	62	-2.1%	1.3%	23,466	(481)	0.5%	2.5%	23.3
2/15/2019	996	(33)	-3.4%	-6.7%	23,913	447	1.8%	5.1%	23.6
2/22/2019	1028	32	1.6%	-1.5%	23,709	(204)	-1.1%	3.2%	23.3
3/1/2019	1024	(4)	5.9%	-3.1%	24,261	552	1.3%	4.8%	23.2
3/8/2019	1005	(19)	-2.3%	-2.0%	23,731	(530)	1.1%	-2.3%	24.1
3/15/2019	1004	(1)	0.8%	-4.3%	24,412	681	2.1%	2.8%	23.6
3/22/2019	975	(29)	-5.2%	-6.2%	24,448	36	3.1%	7.3%	25.0
3/29/2019	999	24	-2.4%	-3.8%	23,992	(456)	-1.1%	7.0%	24.5
4/5/2019	1002	3	-0.3%	-3.1%	23,193	(799)	-2.3%	6.2%	23.9
4/12/2019	1016	14	1.2%	0.7%	22,676	(517)	-7.1%	6.2%	22.8
4/19/2019	1048	32	7.5%	6.4%	22,747	71	-7.0%	4.8%	21.6
4/26/2019	1024	(24)	2.5%	-0.8%	22,695	(52)	-5.4%	2.5%	22.2
5/3/2019	1036	12	3.4%	-0.4%	22,468	(227)	-3.1%	2.3%	21.9
5/10/2019	1051	15	3.4%	-0.7%	22,250	(218)	-1.9%	3.5%	21.4
5/17/2019	1071	20	2.2%	4.2%	23,404	1154	2.9%	5.8%	20.8
5/24/2019	1057	(14)	3.2%	1.5%	22,624	(780)	-0.3%	6.4%	22.1
5/31/2019	1044	(13)	0.8%	0.3%	22,553	(71)	0.4%	3.0%	21.7
6/7/2019	1096	52	4.3%	4.1%	21,802	(751)	-2.0%	-1.7%	20.6
6/14/2019	1081	(15)	0.9%	1.6%	21,613	(189)	-7.7%	-0.2%	20.2
6/21/2019	1072	(9)	1.4%	0.0%	21,567	(46)	-4.7%	-0.5%	20.2
6/28/2019	1081	9	3.5%	1.3%	22,844	1277	1.3%	4.0%	20.0
7/5/2019	1047	(34)	-4.5%	1.4%	23,009	165	5.5%	2.8%	21.8
7/12/2019	1066	19	-1.4%	0.2%	23,365	356	8.1%	7.3%	21.6
7/19/2019	1039	(27)	-3.1%	-3.3%	23,689	324	9.8%	9.4%	22.5
7/26/2019	1031	(8)	-4.6%	-3.1%	24,468	779	7.1%	11.4%	23.0
8/2/2019	1040	9	-0.7%	-5.5%	23,117	(1351)	0.5%	0.8%	23.5
8/9/2019	1045	5	-2.0%	-2.5%	23,883	766	2.2%	3.8%	22.1
8/16/2019	1023	(22)	-1.5%	-4.7%	23,367	(516)	-1.4%	0.5%	23.3
8/23/2019	1038	15	0.7%	-3.0%	22,982	(385)	-6.1%	-0.3%	22.5
8/30/2019	1013	(25)	-2.6%	-6.8%	23,801	819	3.0%	4.8%	22.7
9/6/2019	1023	10	-2.1%	0.3%	22,499	(1302)	-5.8%	-1.7%	23.3
9/13/2019	1003	(20)	-2.0%	-4.6%	23,238	739	-0.6%	2.2%	22.4
9/20/2019	943	(60)	-9.2%	-9.0%	22,500	(738)	-2.1%	-0.6%	24.6
9/27/2019	958	15	-5.4%	-5.6%	23,219	719	-2.4%	-1.0%	23.5
10/4/2019	963	5	-5.9%	-7.4%	21,224	(1995)	-5.7%	-11.6%	24.1
10/11/2019	971	8	-3.2%	-4.0%	22,061	837	-5.1%	-8.6%	21.9
10/18/2019	996	25	5.6%	-2.7%	21,364	(697)	-5.0%	-10.6%	22.1
10/25/2019	1004	8	4.8%	-5.2%	21,099	(265)	-9.1%	-7.2%	21.3
11/1/2019	1014	10	5.3%	-5.1%	21,874	775	3.1%	-5.5%	20.8
11/8/2019	1030	16	6.1%	-3.5%	20,985	(889)	-4.9%	-10.8%	21.2
11/15/2019	1033	3	3.7%	-0.9%	20,514	(471)	-4.0%	-10.0%	20.3
11/22/2019	1059	26	5.5%	1.0%	20,277	(237)	-3.9%	-11.6%	19.4
11/29/2019	1060	1	4.5%	-0.8%	20,639	362	-5.6%	-10.4%	19.1
12/6/2019	1072	12	4.1%	2.5%	21,815	1176	4.0%	-4.7%	19.3
12/13/2019	1064	(8)	3.0%	1.7%	21,798	(17)	6.3%	-8.7%	20.5
12/20/2019	1083	19	2.3%	3.9%	21,469	(329)	5.9%	-7.2%	20.1
12/27/2019	1066	(17)	0.6%	5.4%	21,034	(435)	1.9%	-9.2%	20.1
1/3/2020	1062	(4)	-0.9%	6.2%	22,462	1428	3.0%	-3.4%	19.8
1/10/2020	1095	33	2.9%	4.2%	23,006	544	5.5%	-1.5%	20.5
1/17/2020	1049	(46)	-3.1%	1.7%	24,031	1025	11.9%	2.3%	21.9

4-week average change: -9

4-week average change: 641

YOY Δ

CY 1035 2018-19 season average

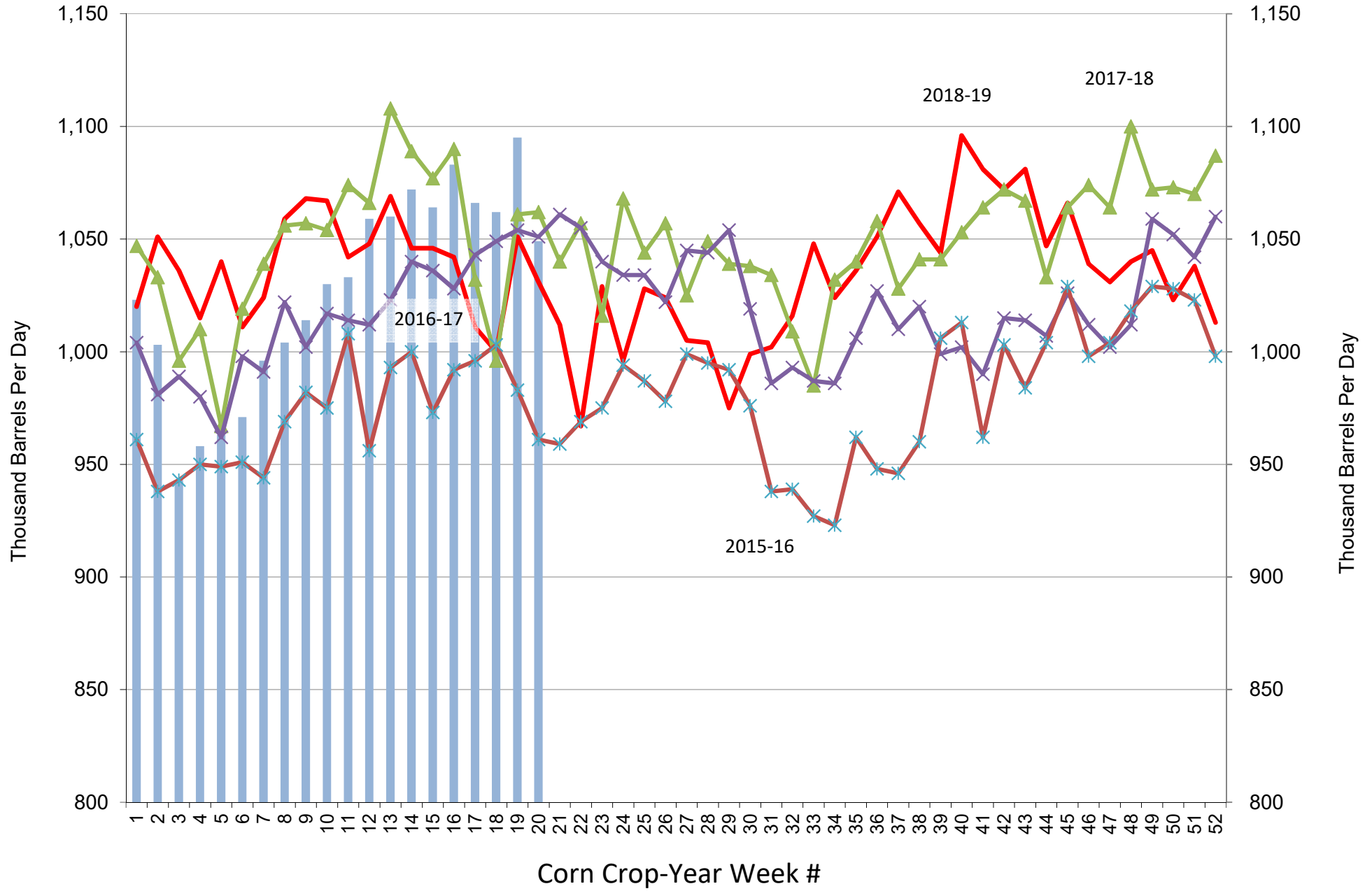
-1.3%

CY to Date: 1009 2019-20 season average

-2.5%

Source: Reuters, EIA, FI

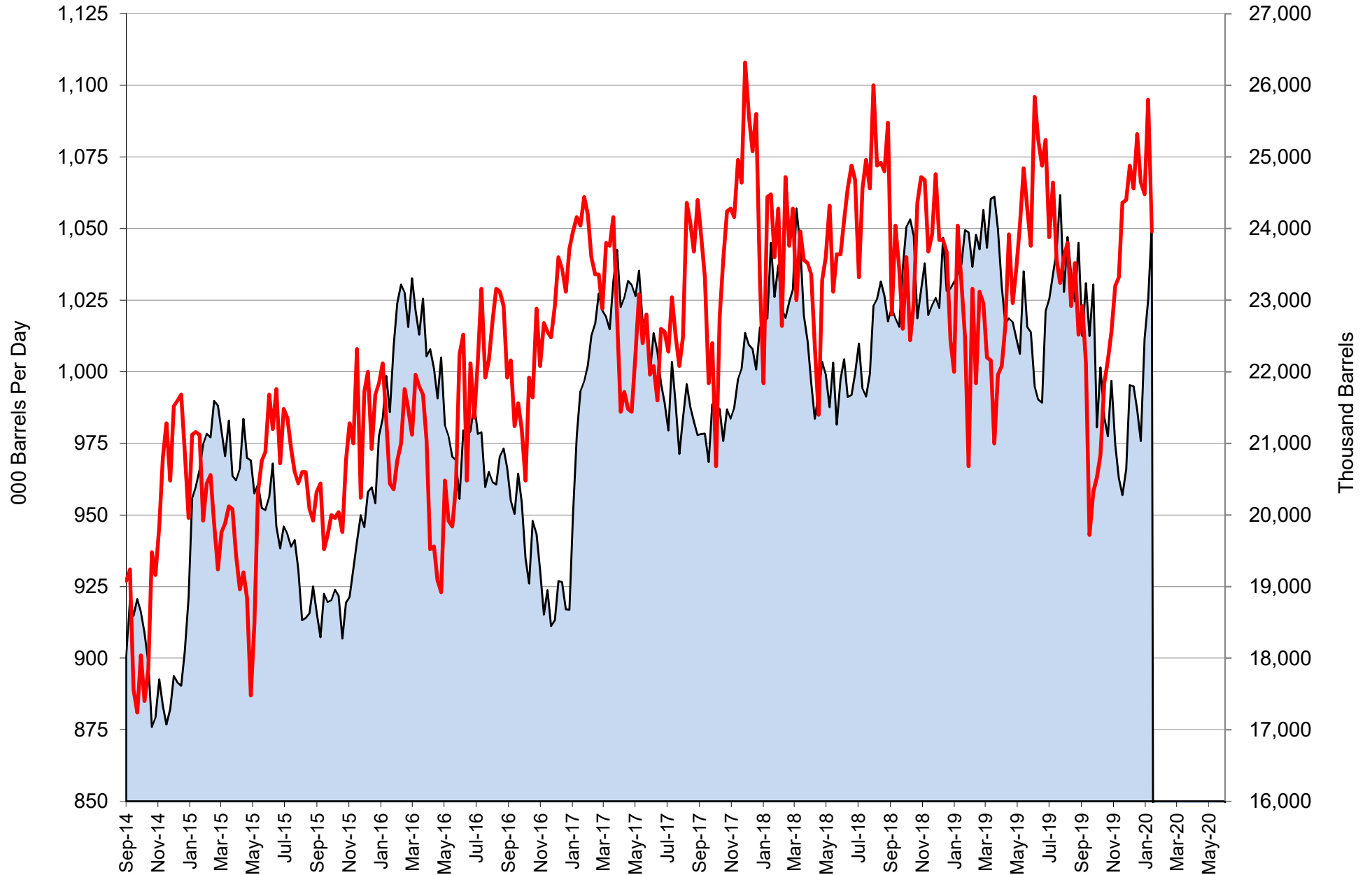
# US Weekly Ethanol Production



Source: EIA & FI

■ 2019-20   
 —▲— 2018-19   
 —▲— 2017-18   
 —x— 2016-17   
 —x— 2015-16

# US Weekly Ethanol Production and Stocks

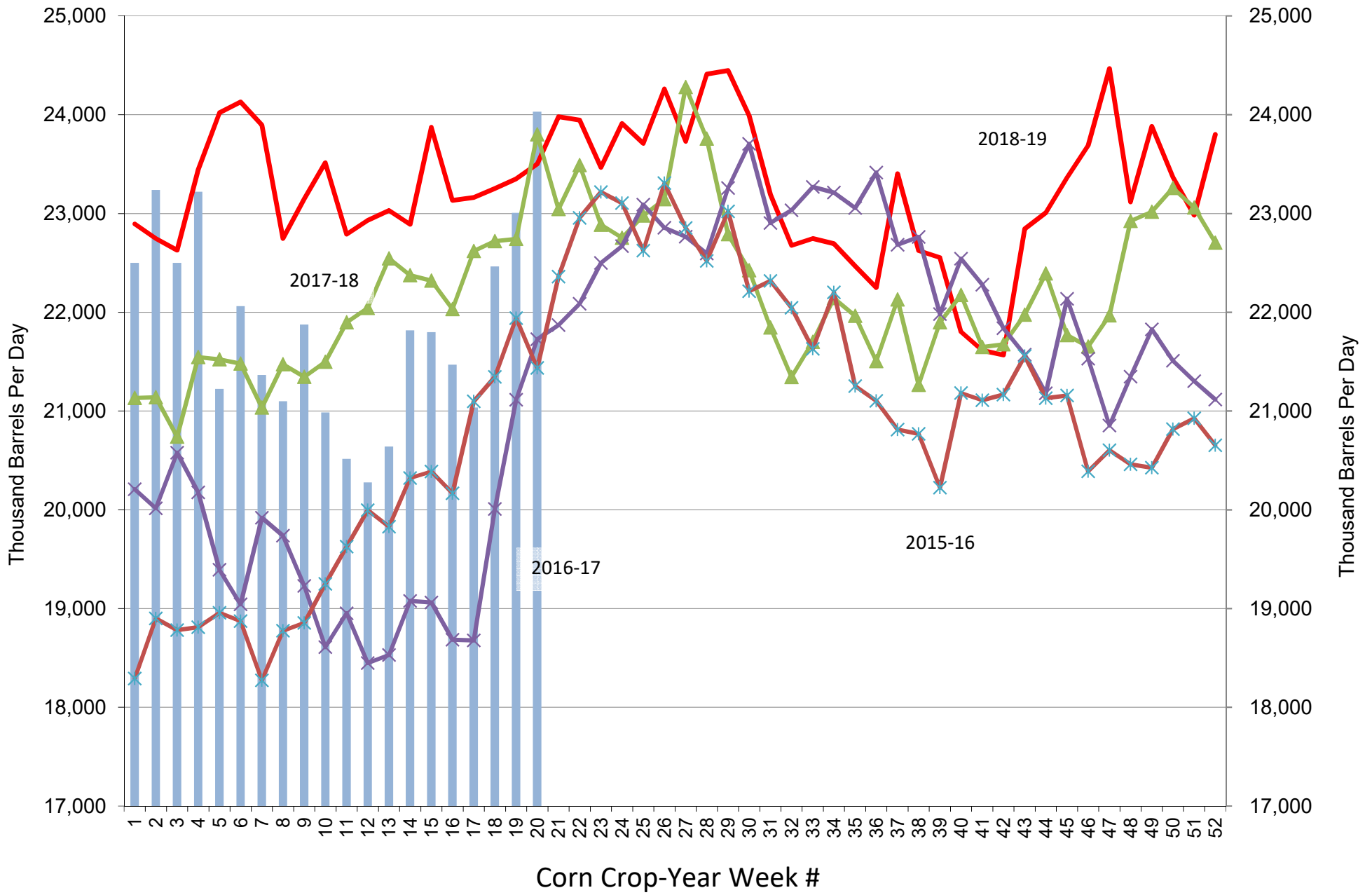


Source: EIA & FI

Stocks (1000bd)

Production (1000bd)

# US Weekly Ethanol Stocks (corn crop year)

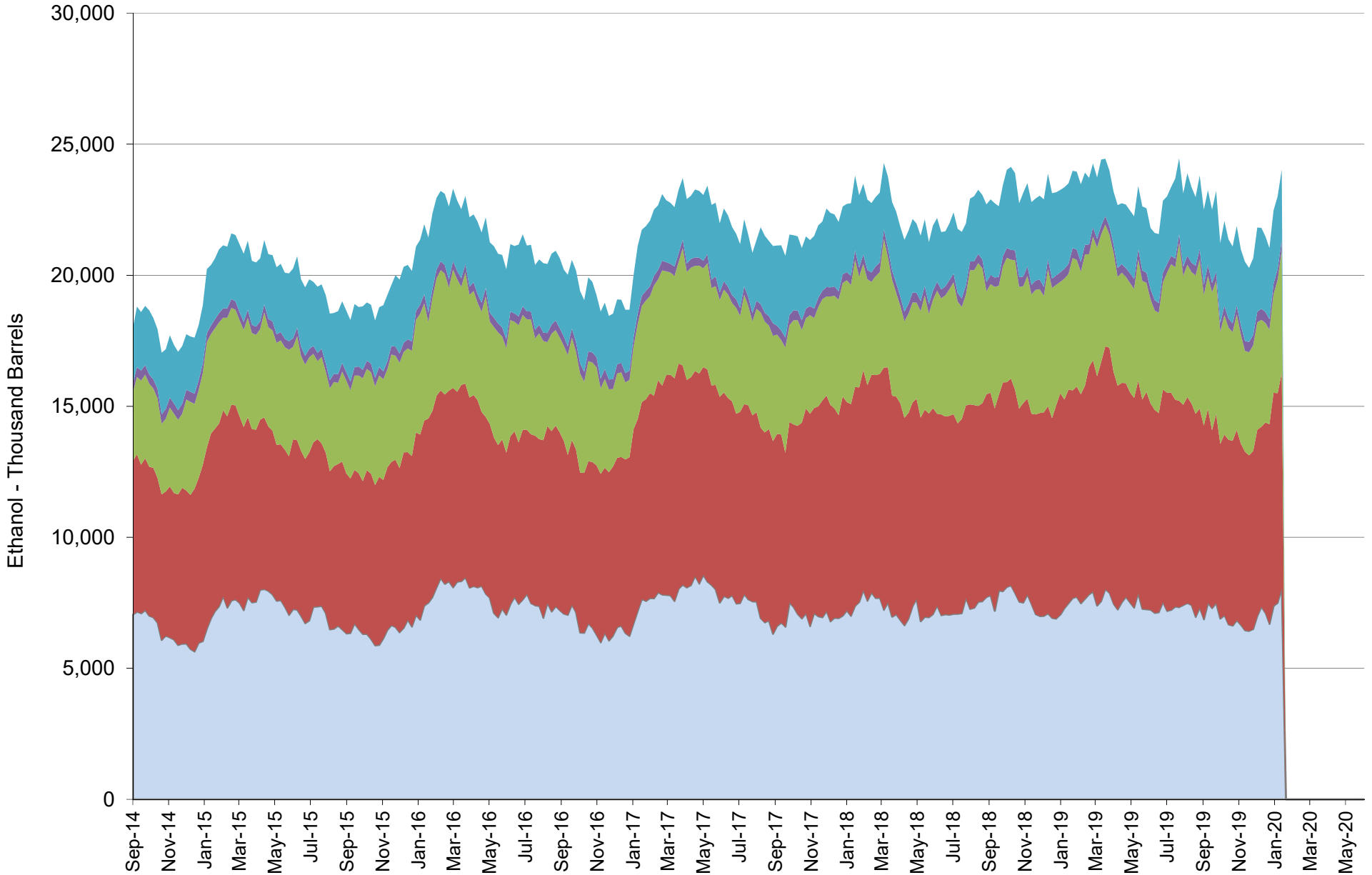


Source: EIA & FI

■ 2019-20   
 — 2018-19   
 ▲ 2017-18   
 × 2016-17   
 \* 2015-16



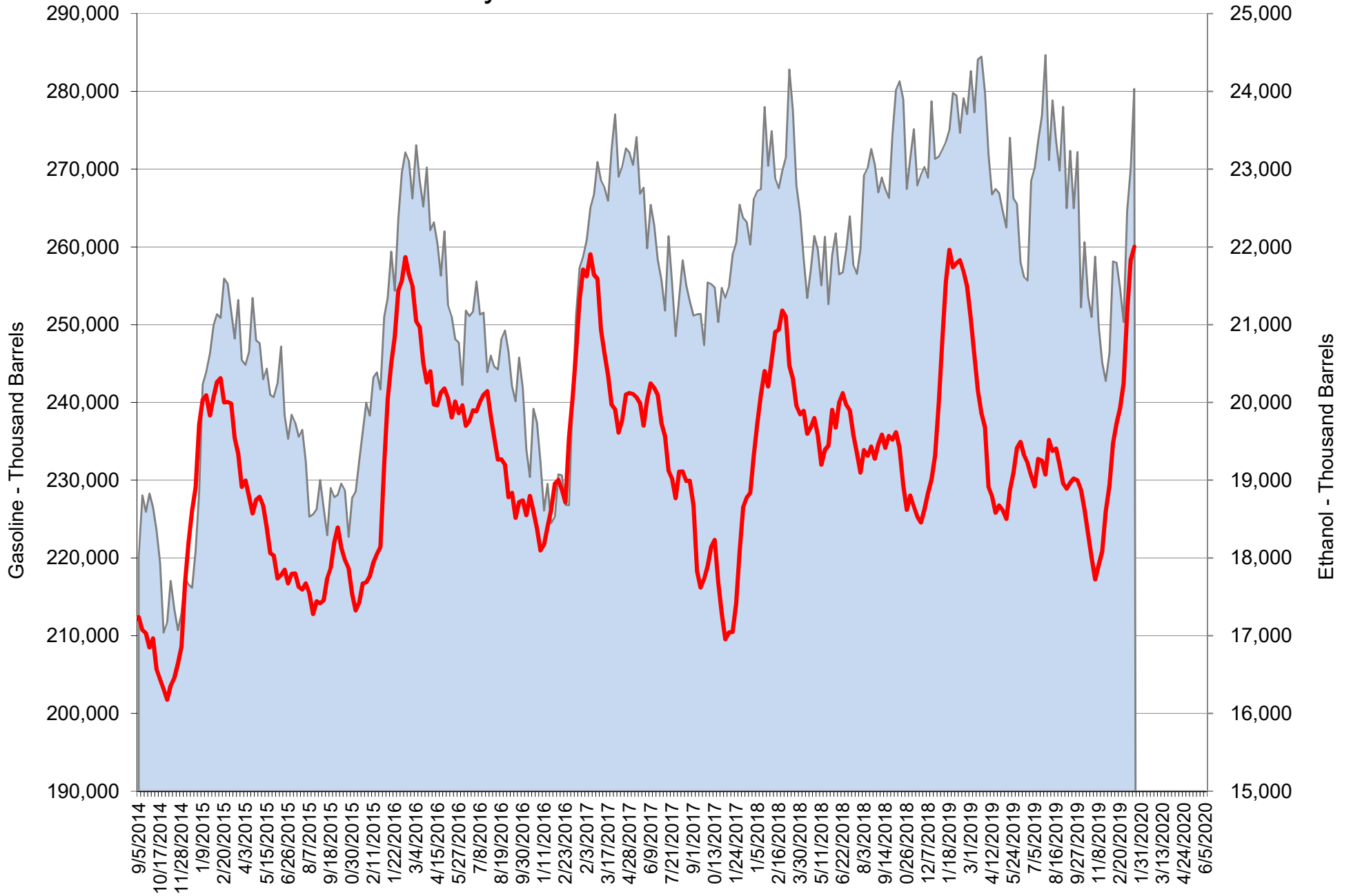
# US Weekly Ethanol Stocks by PADD



Source: EIA & FI

■ PADD1 ■ PADD2 ■ PADD3 ■ PADD4 ■ PADD5

# US Weekly Gasoline and Ethanol Stocks

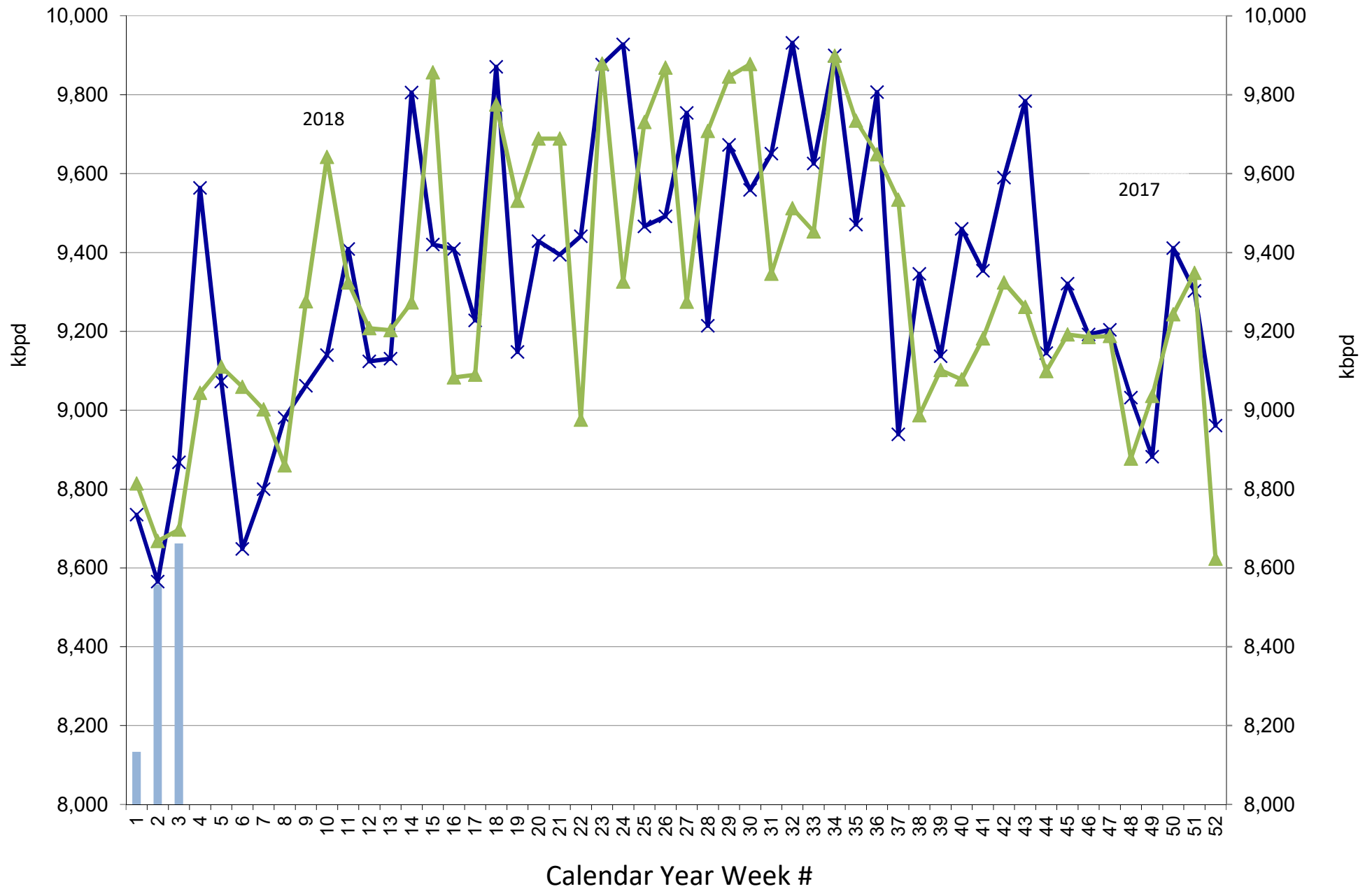


Source: EIA & FI

Stocks (1000bd)

US Gasoline Ending Stocks (thousand barrels)

# US Weekly Gasoline Product Supplied



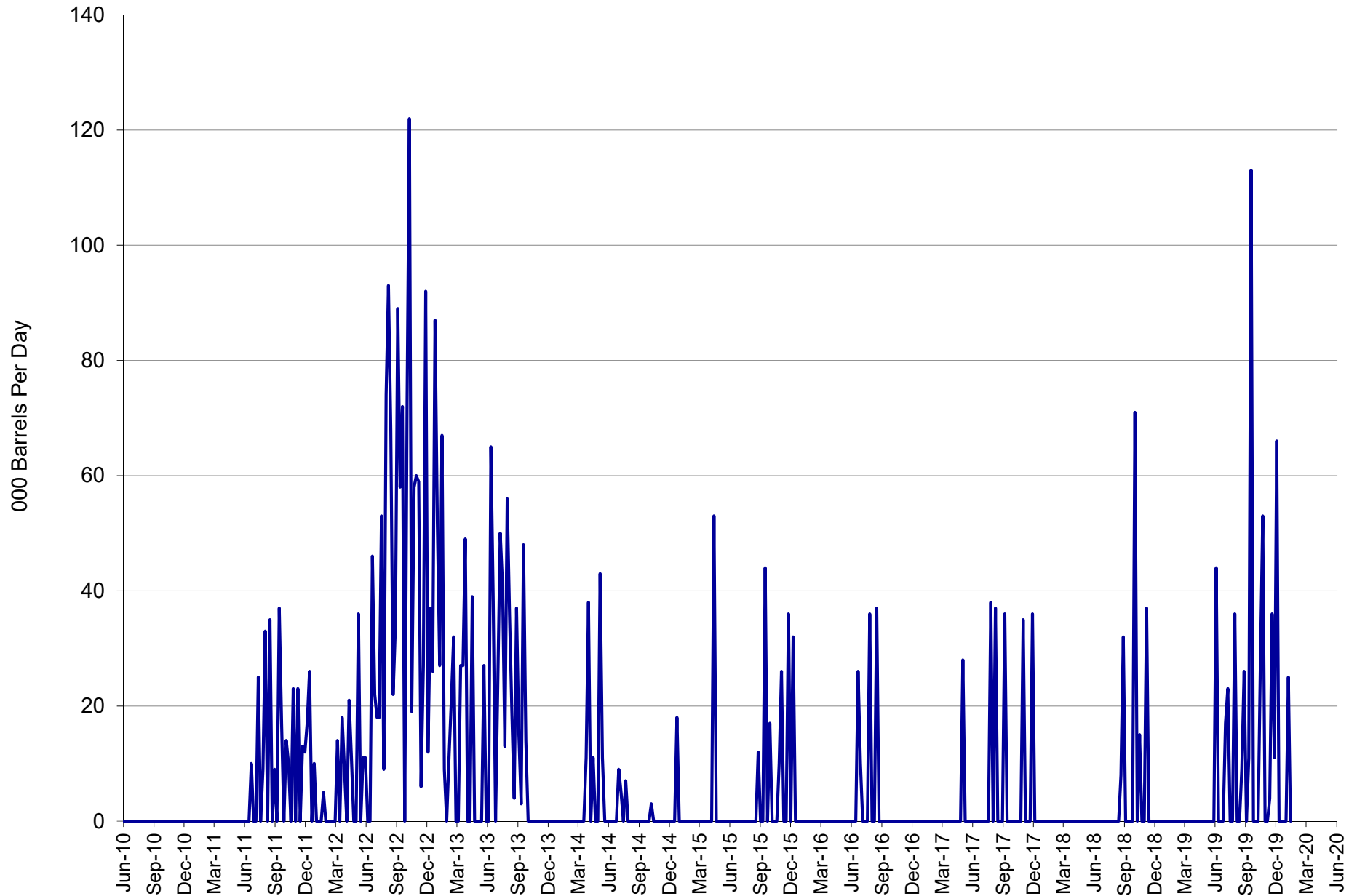
Source: EIA & FI

Gasoline Product Supplied (kbpd)

2019

2018

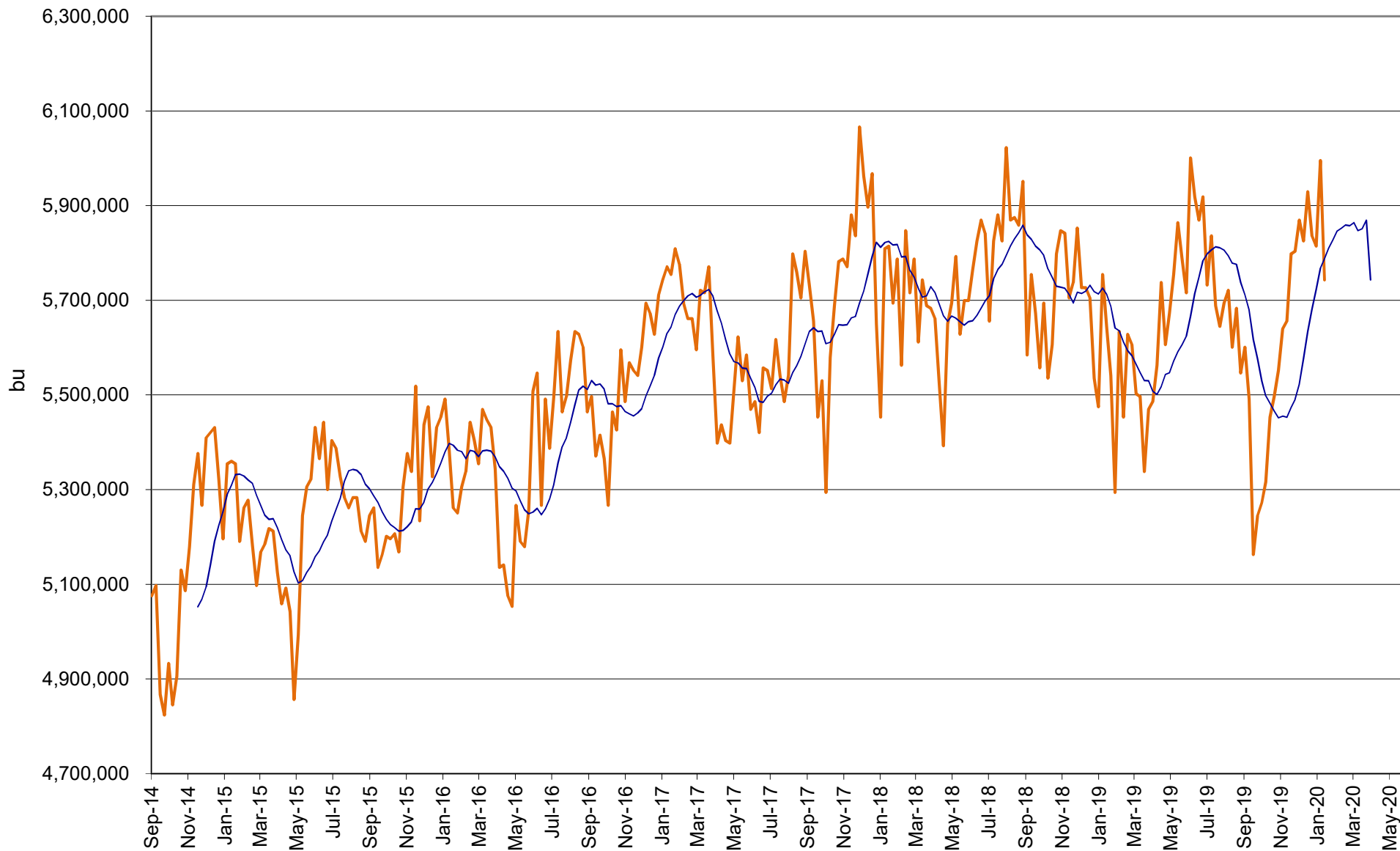
# US Weekly Ethanol Imports



Source: EIA & FI

— Imports (BPD)

# US Annualized Implied Corn Use

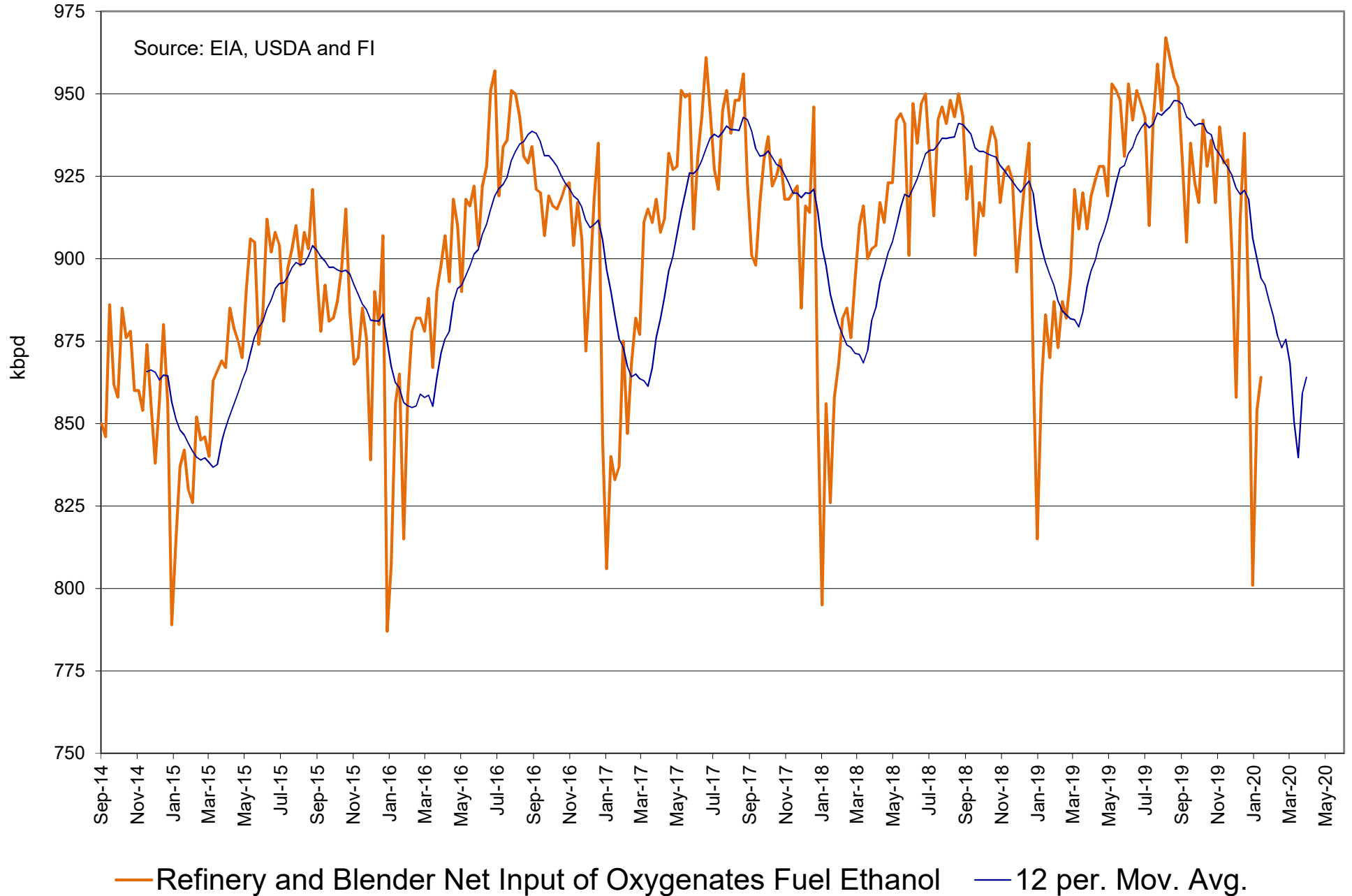


Source: EIA, USDA and FI

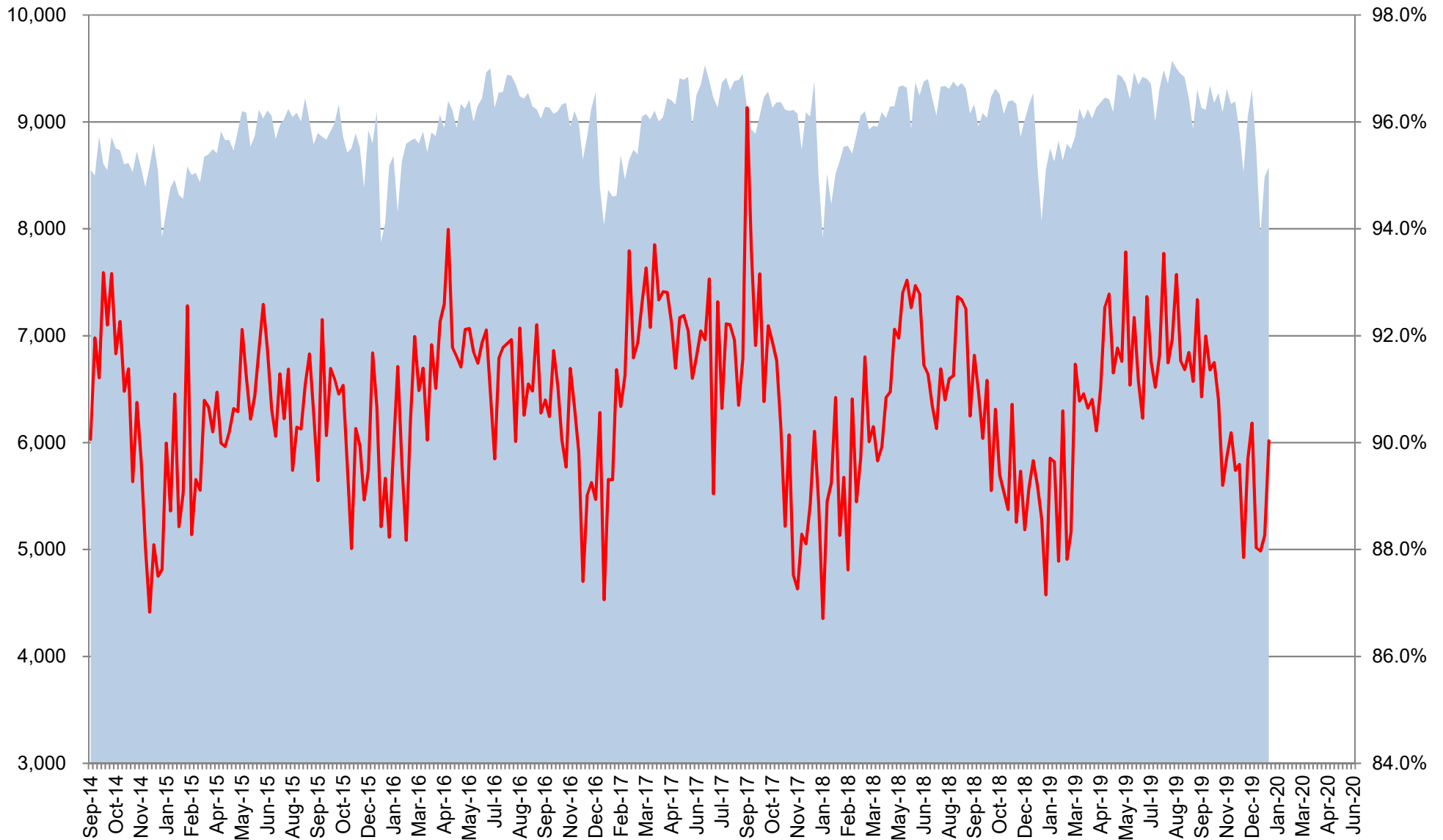
— US

— 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

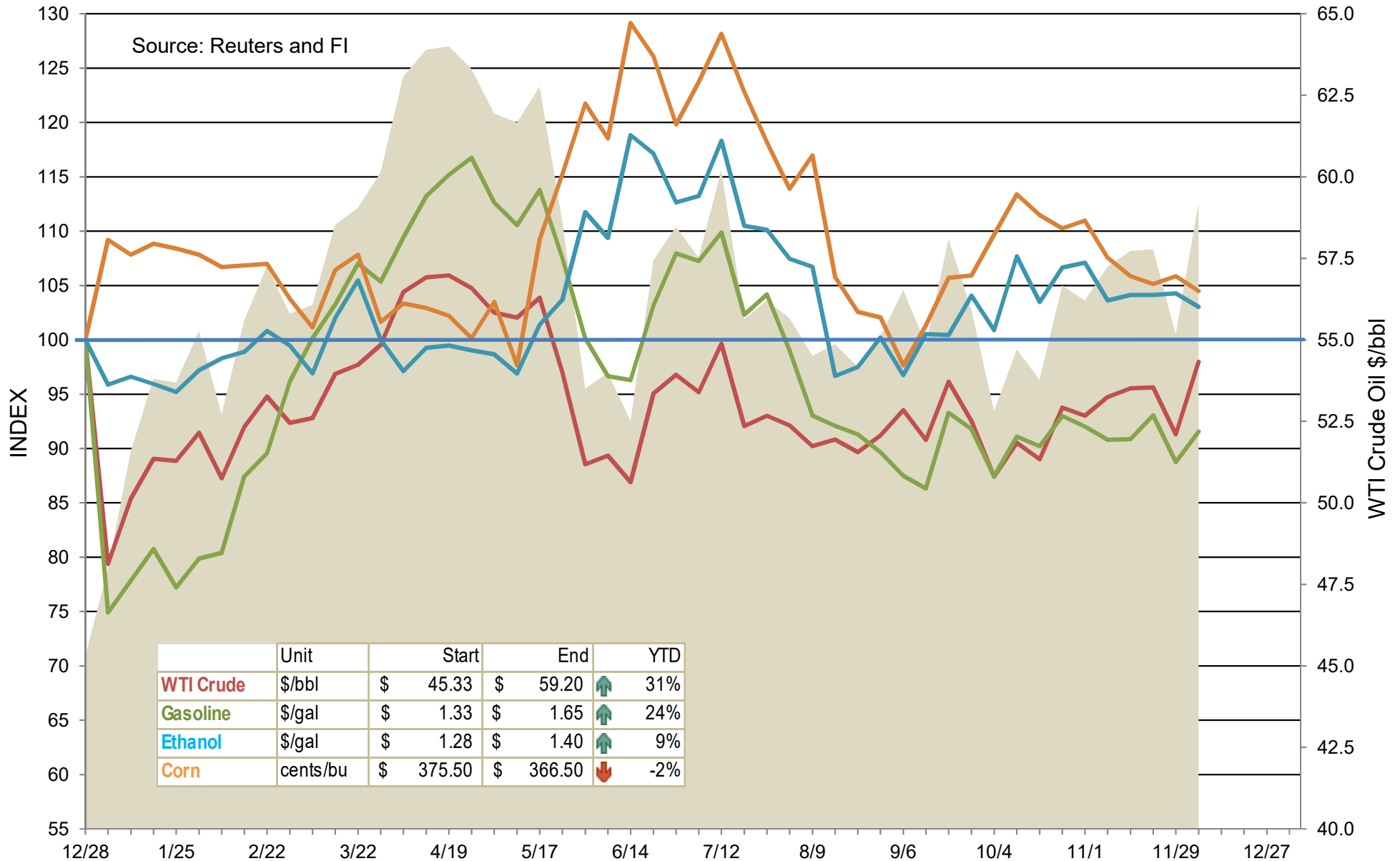


Source: EIA, USDA and FI

■ Total Blend EtoH

— EtoH Blend %

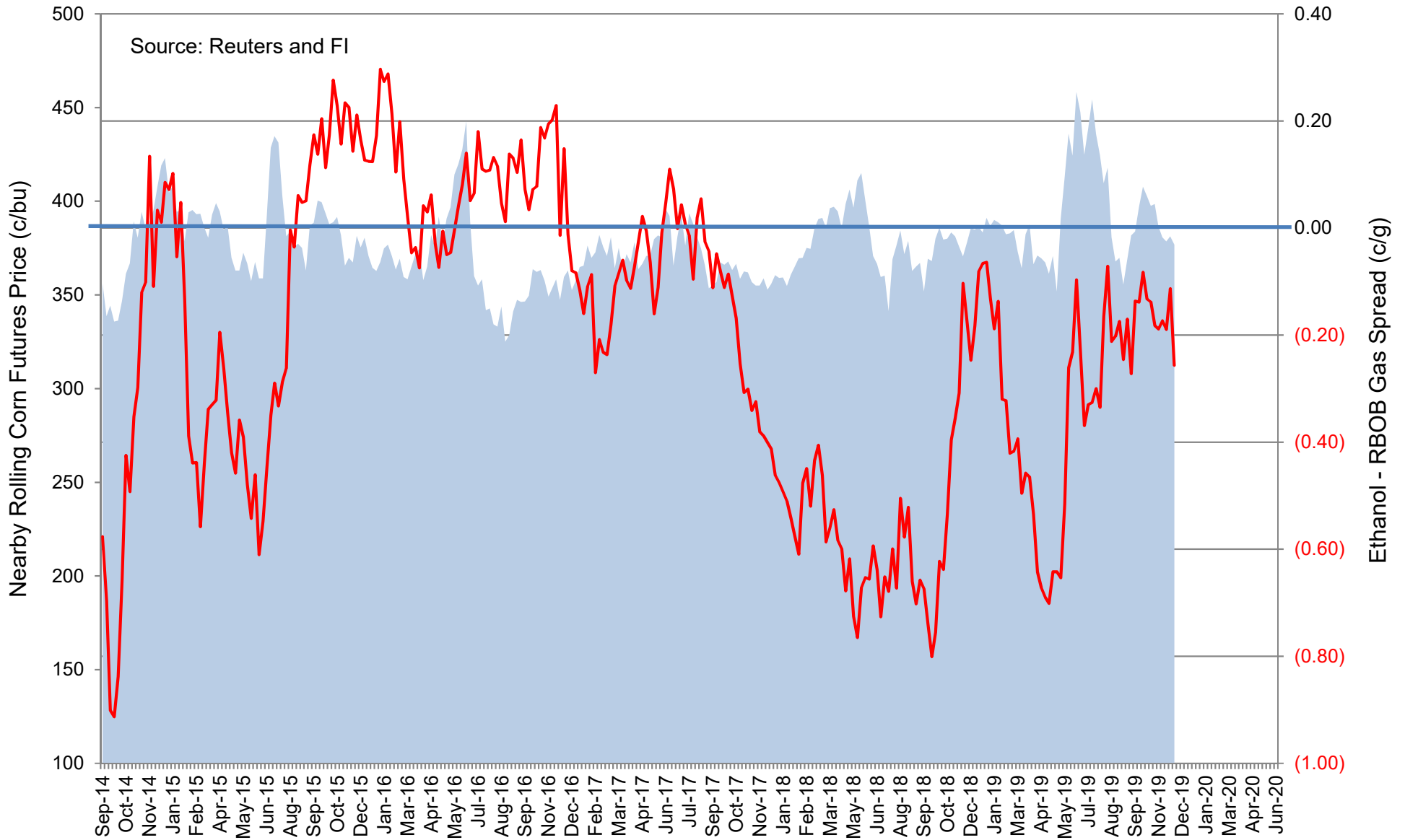
# Indexed Commodity Prices Starting January 2019 versus WTI Crude Nearby Futures



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



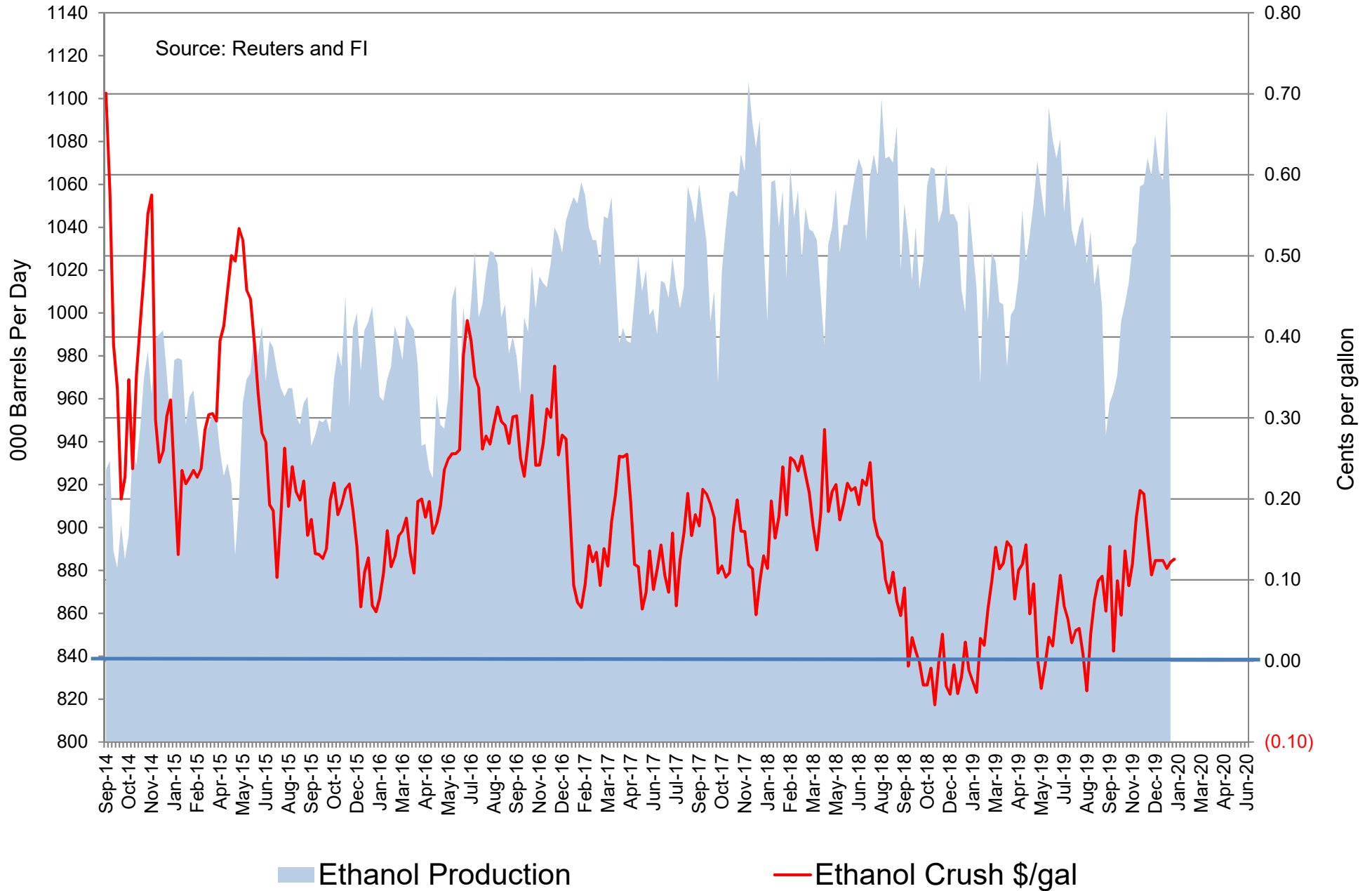
# CBOT Second Month Corn Futures versus Second Month Ethanol - RBOB Futures Spread



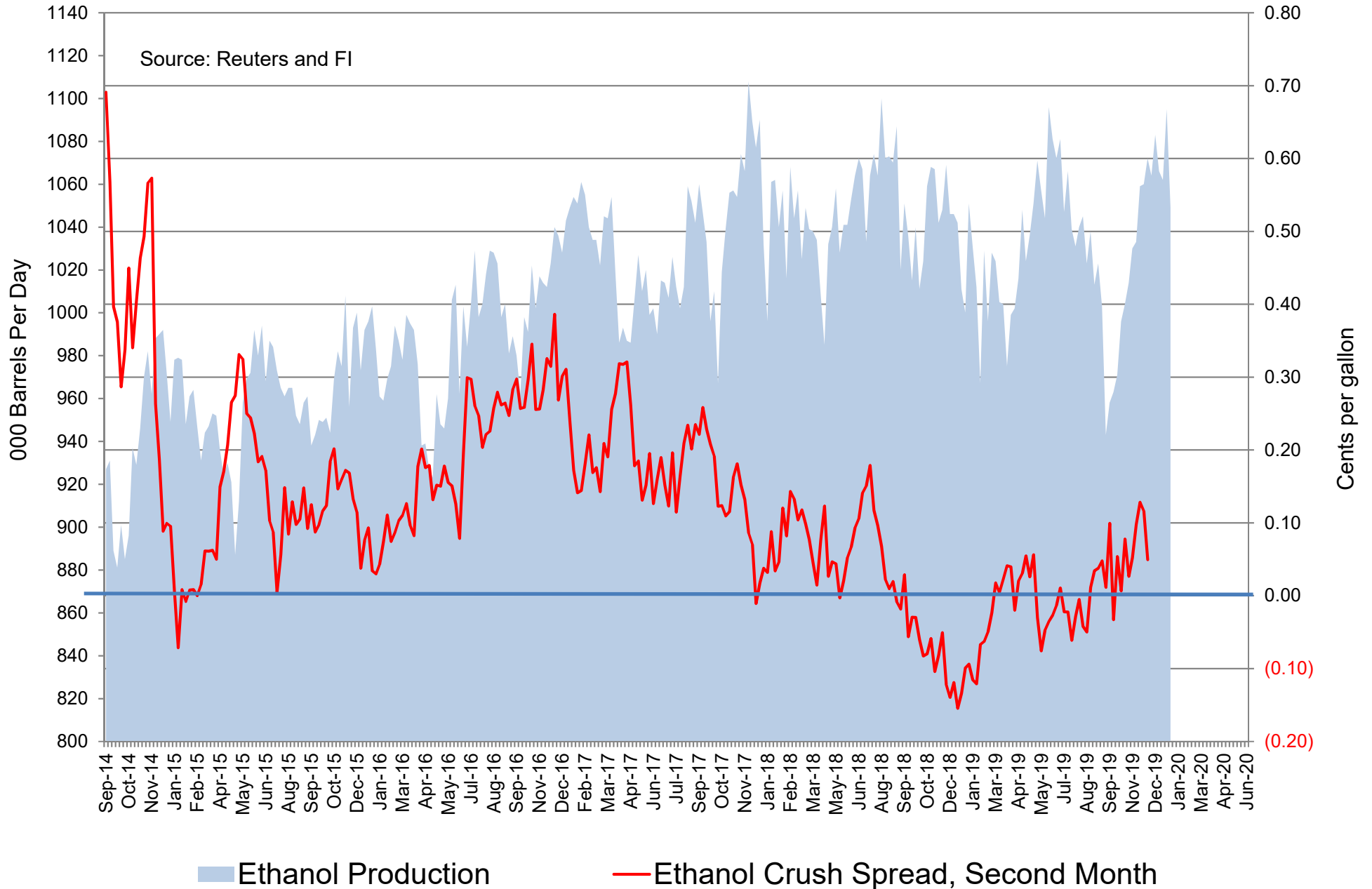
■ Nearby CBOT corn

— Rolling 2nd Month Ethanol-RBOB Spread

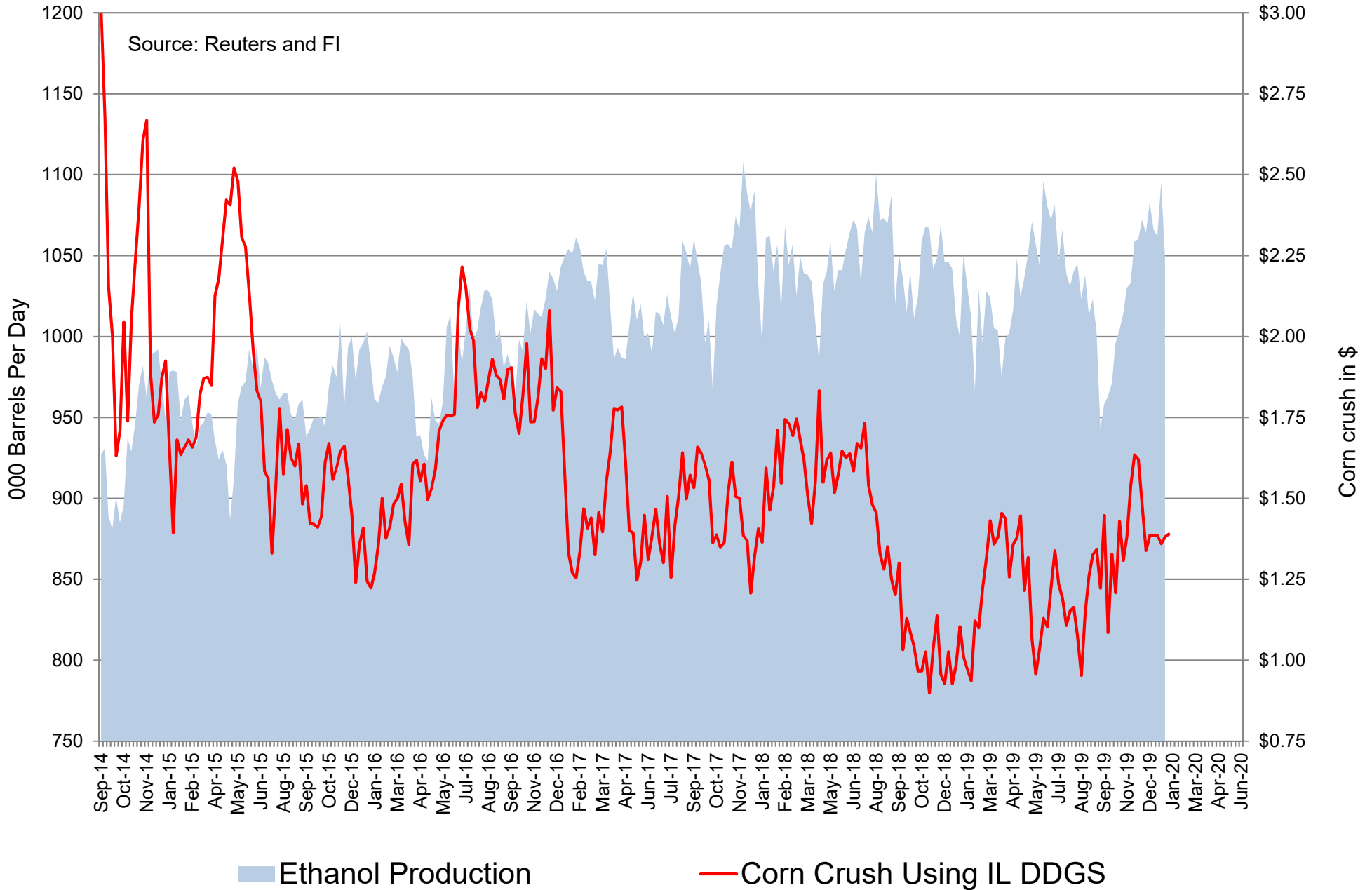
# CBOT Second Month Corn Crush Spread versus Weekly Ethanol Production (uses Chicago ethanol and IL DDGS w/ implied costs)



# Chicago Platts Second Month Corn Crush Spread versus Weekly Ethanol Production (Straight Calculation)



# CBOT Second Month Corn Crush Spread with IL DDGS versus Weekly Ethanol Production (straight 3-commodity calculation)



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