



Egypt bought 120,000 tons of vegetable oils. USDA’s initial estimate for US crop plantings were near expectations for soybeans, corn and all-wheat. 2020-21 US commodity outlooks will be released Friday at 7:00 am CT.

USDA released selected 2020 US planted area numbers this morning. USDA 2020 outlook area versus analysts estimates (Reuters estimates), 2020 baseline and USDA 2019, in millions of acres:

- Corn **94.0**/93.6/94.5/89.7
- Soybeans **85.0**/84.6/84.0/76.1
- All wheat **45.0**/44.9/45.0/45.2

<https://www.usda.gov/oce/forum/>

THIS IS WORTH THE TIME TO VIEW. See link below

<https://www.usda.gov/oce/forum/2020/presentations/Johansson-Slides.pptm>

We attached a few area graphs and table after the text.

The area for the 8-major row crops was projected by USDA at 250.8 million acres, above the baseline projection of 249.4 million and 12.8 million acres above “The Great Flood of 2019”.* The area averaged 249.9 million acres over the past five years. If realized, soybeans would make up 34 percent of the total area planed for the 8-major row crops, up from 32 percent from 2019, and corn would make up 37 percent of the area, down one percentage point from last year.

*NYT coined this Nov 21, 2019 <https://www.nytimes.com/2019/11/21/climate/farms-climate-change-crops.html>

USDA Office of the Chief Economist United States Department of Agriculture	21
--	-----------

Cropland area mostly up from last year

Crop (mil. acres)	2016	2017	2018	2019	2020F	%Δ
Corn	94.0	90.2	88.9	89.7	94.0	5%
Soybeans	83.5	90.2	89.2	76.1	85.0	12%
Wheat	50.1	46.1	47.8	45.2	45.0	0%
Cotton	10.1	12.7	14.1	13.7	12.5	-9%
Other feedgrains	12.6	10.7	11.0	10.8	11.1	3%
Rice	3.2	2.5	2.9	2.5	3.1	21%
Total 8 crops	253.4	252.3	253.9	238.0	250.7	5%
CRP	23.9	23.4	22.6	22.6	22.7	0%
8 crops + CRP	277.3	275.7	276.5	260.6	272.7	5%

Source: USDA-OCE. Area planted. Values in red denote record levels.

Corn and rice prices expected to edge down in 2020/21

Crop	2016	2017	2018	2019	2020F	%Δ
Wheat (\$/bu)	3.89	4.72	5.16	4.55	4.90	8%
Corn (\$/bu)	3.36	3.36	3.61	3.85	3.60	-6%
Soybeans (\$/bu)	9.47	9.33	8.48	8.75	8.80	1%
Cotton (cents/lb)	70.5	68.6	70.3	63.0	64.0	2%
All Rice (\$/cwt)	10.4	12.9	12.6	13.0	12.0	-8%

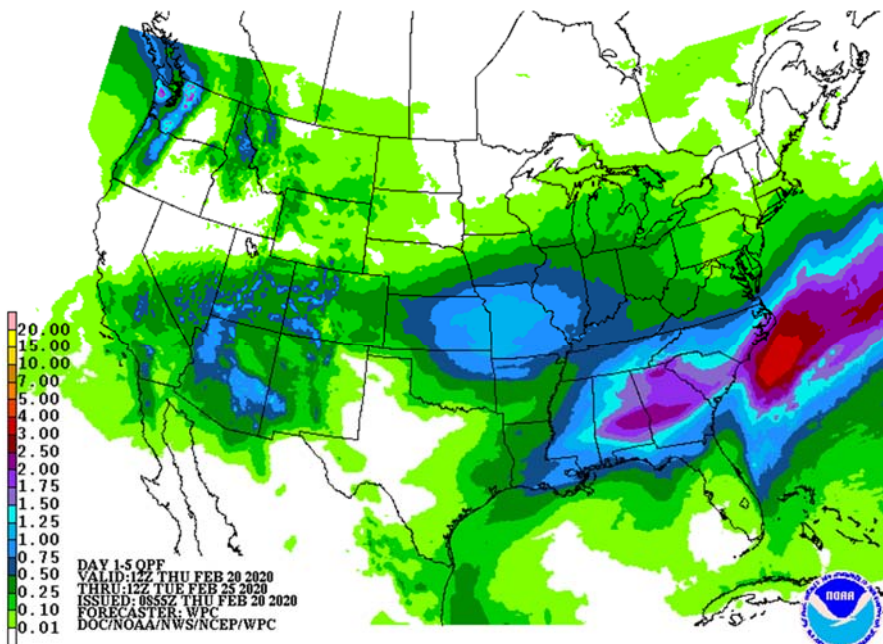
Data: USDA-OCE.

<https://www.usda.gov/oce/forum/>

Weather

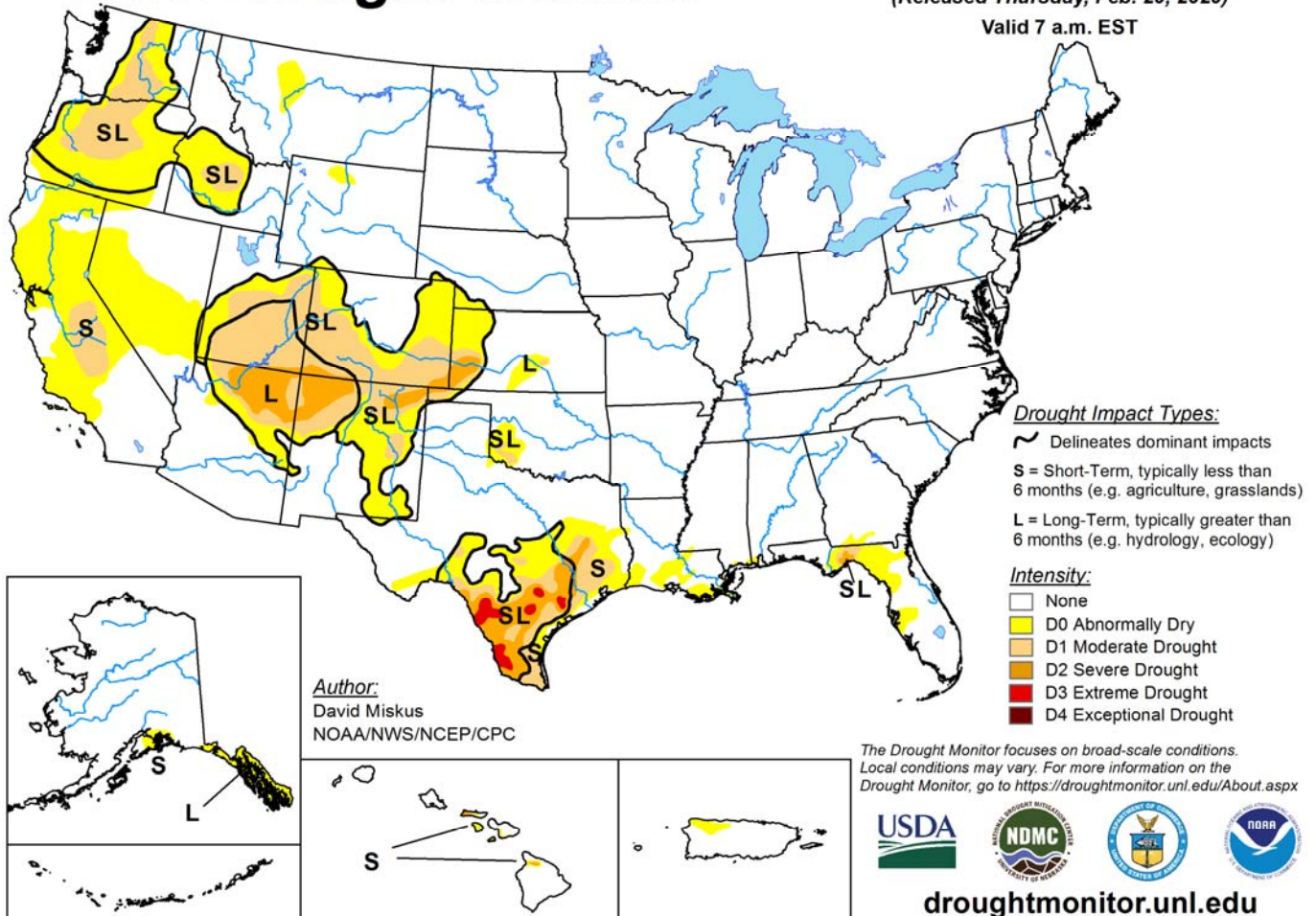
- Argentina will dry down over the next 5 days, but the country has plenty of soil moisture to allow conditions to remain favorable.
- Southern Brazil will dry down over the next two weeks but there is an opportunity for some rain Feb 24-29.
- A larger central U.S. storm is expected during mid- to late-week next week that will bring significant moisture to the upper Midwest, northern Plains and a part of the western Corn Belt.

Source: World Weather Inc. and FI



U.S. Drought Monitor

February 18, 2020
(Released Thursday, Feb. 20, 2020)
Valid 7 a.m. EST



Author:
David Miskus
NOAA/NWS/NCEP/CPC

MARKET WEATHER MENTALITY FOR CORN AND SOYBEANS:

Drying in Argentina over the next week to ten days will eventually grab the market's attention, but today's soil moisture is very good, and crops will coast through this first week of net drying without much stress. Timely rain will be needed again later in March to ensure the best production potential. Most models are suggesting a drier bias for at least ten days and possibly two weeks with southern Rio Grande do Sul and Uruguay to be included.

Most of Brazil's crop weather still looks quite appealing with timely rain in most production areas and seasonable temperatures.

South Africa will have its best summer grain and oilseed production year since 2017 with weather over the next two weeks maintaining that favorable outlook.

Southeast Asia palm oil weather remains quite favorable and little change will occur through the next two weeks.

China's winter rapeseed should experience much improvement early this spring after abundant winter precipitation. India's winter grain and oilseed crops are also expected to perform well.

Europe weather is mostly good and winter crops will need timely rainfall to support normal development this spring especially in Spain where the greatest drying has occurred recently.

Terry Reilly Grain Research

Futures International | 190 S. LaSalle St., Suite 410 | Chicago, IL 60603

W: 312.604.1366 | treilly@futures-int.com

Concern is rising over early season corn planting delays in the U.S. Delta and interior southeastern states because of too much rain. The problem of moisture excesses will continue into March delay will be realized.

Overall, weather today will likely support a mixed influence on market mentality with bearish bias.

MARKET WEATHER MENTALITY FOR WHEAT:

North Africa, Spain and Portugal are drying down and significant rain will soon be needed in unirrigated areas to ensure the best production potential. Some yield cuts have already occurred in southwestern Morocco, but losses elsewhere have not been as significant. Rain must fall soon, however, since reproduction is getting under way in North Africa and will soon occur in the Iberian Peninsula and without rain and good soil moisture yields will come crashing downward.

Limited winterkill around the world this year has kept production potentials mostly good, although winter crops were not well established in the U.S., Southeastern Europe, southern Russia, Kazakhstan or China. With that said most of these areas have received good amounts of moisture during the winter which should translate into improving crop development potential early in the spring so that production potentials are favorably restored.

India is still expecting a large crop even though there is not much precipitation expected in key wheat areas for a while. Some showers will occur in eastern and far northern parts of the nation in this coming week which will support some reproduction.

Overall, weather is still not offering a good reason for serious market price appreciation. If anything, weather conditions have left a good reason to expect crop improvements early this spring. Overall, weather today may offer a neutral to bearish bias to market mentality.

Source: World Weather Inc. and FI

Bloomberg Ag Calendar

THURSDAY, FEB. 20:

- EIA U.S. weekly ethanol inventories, production, 10:30am
- USDA Agricultural Outlook - corn, wheat, soy, cotton acreage, 8:20am
- USDA milk, red meat production, 3pm
- Malaysia's Feb. 1-20 palm oil exports data
- EARNINGS: Wilmar

FRIDAY, FEB. 21:

- USDA outlook -- corn, soy, wheat cotton end-stockpiles
- 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
- FranceAgriMer weekly update on crop conditions
- U.S. Cattle on Feed, 3pm
- EARNINGS: Pilgrim's Pride

Source: Bloomberg and FI

USDA US Export Sales Projections in 000 Metric Tons

	Trade Estimates*		FI Estimates	Last Week		Year Ago	
		2/13/2020	2/13/2020	Last Week		2/14/2019	
Beans	2019-20	600-1200	700-1200	2019-20	644.9	NA	
	2020-21	0	0		6.3	NA	
Meal	2018-19	200-400	200-400	Sales	234.3	Sales	NA
	2020-21	NA	0.0		0.0		NA
	Shipments	NA	150-300	Shipments	268.2	Shipments	NA
Oil	2018-19	15-45	15-30	Sales	39.1	Sales	NA
	2020-21	NA	0.0		0.0		NA
	Shipments	NA	10-20	Shipments	12.8	Shipments	NA
Corn	2019-20	700-1100	900-1100	2019-20	968.8	NA	
	2020-21	0-100	0-100	2020-21	0.0	NA	
Wheat	2019-20	400-650	450-650	2019-20	0.0	0.7	
	2020-21	0-50	0-50				

Source: FI & USDA *Reuters estimates

n/c= New Crop

Macros

- US Philadelphia Fed Business Outlook Feb: 36.7 (est 11.0 ; prev 17.0)
- US Initial Jobless Claims Feb 15: 210K (est 210K ; prevR 206K ; prev 205K)
- US Continuing Claims Feb 8: 1.726M (est 1.717M ; prevR 1.701M ; prev 1.698M)
- USDA Sees U.S. Farm Exports To China At \$14 Bln In 2020/21

Corn.

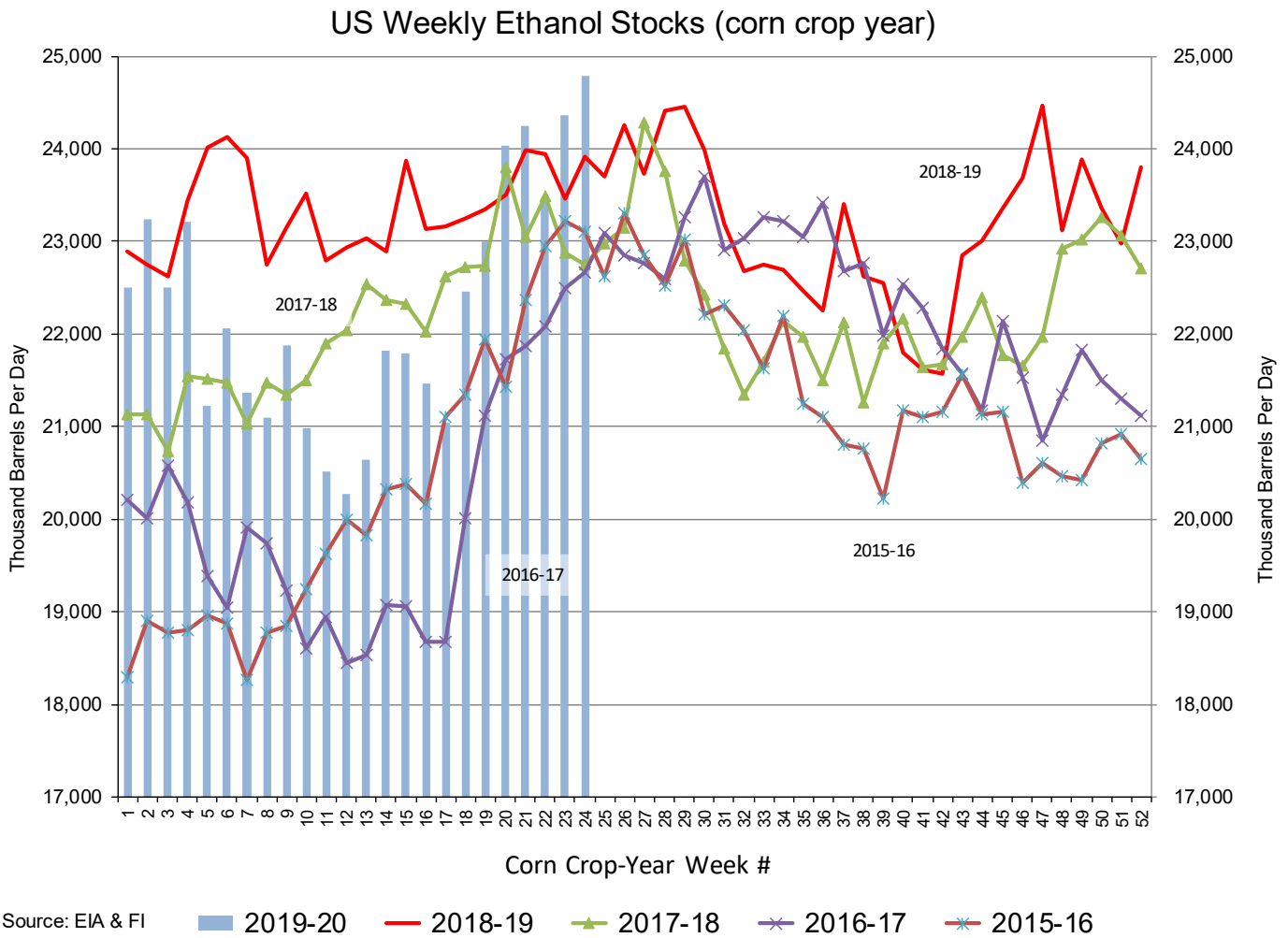
- March corn futures ended 2.00 cents lower and May was off 2.50 cents. The trade is waiting to see if China will buy a large amount of US grain. Large SA production prospects continue to hang over the market.
- CH traded at \$3.80 today, and every trading day since January 27.
- USDA's annual outlook conference started today. The full 2020-21 US commodity outlooks will be out on Friday. USDA estimated 2020 US corn area at 94.0 million acres, slightly above trade expectations and 3.8 million above the average for the last 5-years (90.2).
- USDA Secretary said the trade details released today at the outlook forum did not include the Phase One trade detail. He added they do not know a timeline when China will step up purchases of US goods.
- A senior US Treasury official said the coronavirus outbreak will not change China's commitments to buy US goods.
- There was talk China picked up four cargoes of sorghum out of the US Gulf, but no corn.
- As of Thus., China put the overall death toll at 2,126+ and 75,700+ infections.
- Japan's usage of corn in animal feed fell to 47.7% in December, compared with 48.4% in the prior year, according to the AgMin.
- China's sow herd increased by 1.2% in January from December.

Terry Reilly Grain Research

Futures International | 190 S. LaSalle St., Suite 410 | Chicago, IL 60603

W: 312.604.1366 | treilly@futures-int.com

US weekly ethanol stocks increased 423,000 barrels to a record 24.781 million barrels. A Bloomberg poll looked for a 47,000-barrel increase.



US weekly ethanol production was up 7,000 barrels to 1.040 million. A poll called for a 16,000-barrel increase. Ethanol production over the past 4 weeks is down on average 2,000 barrels. Production is finally catching up to last year's pace, on a corn crop-year year calendar basis (Sep-Aug). Sep 1 to date production is running 0.2% below last year's pace, compared to 1.6 percent at the beginning of the year. Gasoline stocks declined nearly 2 million barrels from the previous week.

US Weekly Petroleum Status Report - Ethanol

	Ethanol Production			Ethanol Stocks			Days of Ethanol
	Mbbl	Change Last Week	Change Last Year	Mbbl	Change Last Week	Change Last Year	
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
1/24/2020	1029	(20)	1.7%	24,244	213	1.1%	23.4
1/31/2020	1081	52	11.8%	23,474	(770)	-2.0%	22.4
2/7/2020	1033	(48)	0.4%	24,358	884	3.8%	22.7
2/14/2020	1040	7	4.4%	24,781	423	3.6%	23.4

Source: EIA and FI

US Weekly Ethanol By PADD

	14-Feb	7-Feb	Change	Weekly	4-Week	YOY
	2020	2020		Percent	Percent	Percent
Ethanol Stocks						
Total Stocks	24781	24358	423	1.7%	2.2%	3.6%
East Coast PADD 1	8814	8750	64	0.7%	1.0%	15.2%
Midwest PADD 2	8347	8458	(111)	-1.3%	-0.6%	2.6%
Gulf Coast PADD 3	4404	4092	312	7.6%	10.1%	-12.1%
Rocky Mt. PADD 4	410	409	1	0.2%	2.8%	12.6%
West Coast PADD 5	2807	2650	157	5.9%	3.2%	1.9%
Plant Production	14-Feb	7-Feb	Change	Weekly	4-Week	YOY
	2020	2020		Percent	Percent	Percent
Total Production	1040	1033	7	0.7%	1.1%	4.4%
East Coast PADD 1	24	24	0	0.0%	-7.7%	
Midwest PADD 2	961	955	6	0.6%	0.6%	2.7%
Gulf Coast PADD 3	25	24	1	4.2%	38.9%	
Rocky Mt. PADD 4	13	14	(1)	-7.1%	-7.1%	
West Coast PADD 5	16	17	(1)	-5.9%	0.0%	
Plant Production	Crop-Year to Date YOY Percent Change					
	2019-20	2018-19	2017-18	2016-17	Prv. 3-Year Average	
	-0.2%	-1.3%	2.6%	5.0%	2.1%	

Source: EIA and FI

	Unit	Start	End	YTD
WTI Crude	\$/bbl	\$ 45.33	\$ 63.05	↑ 39%
Gasoline	\$/gal	\$ 1.33	\$ 1.75	↑ 32%
Ethanol	\$/gal	\$ 1.28	\$ 1.36	↑ 7%
Corn	cents/bu	\$ 375.50	\$ 386.50	↑ 3%

Export Developments

- Reportedly Iran seeks 200,000 tons of corn for March shipment.

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

Item	Actual	Estimates	Average of	Range of
	2019	2020	Estimates	Estimates
Jan. 1 On Feed (Ending Inventory)	11,690	12,031	NA	NA
Placed on Feed during Jan.	1,969	1,997	101.4%	97.8-103.5%
Fed Cattle Marketed during Jan.	1,910	1,924	100.7%	97.6-101.6%
Feb. 1 On Feed (Ending Inventory)	11,688	11,963	102.4%	101.8-103.0%

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

Japan's use for corn in animal feed

	19-Dec	19-Nov	19-Oct	Sep-19	Dec-20
Total Shipments	2,228,651	2,075,618	2,108,594	1,863,965	2,191,218
Main Ingredients					
Corn	47.7pct	48.6%	48.4	48.8%	48.4pct
Sorghum	1.7pct	1.7%	1.7	1.8%	2.1pct
Wheat	1.5pct	1.5%	1.5	1.6%	1.7pct
Barley	3.4pct	3.4%	3.5	3.4%	3.4pct

Source: Japan AgMin, Reuters & FIM

Corn	Change	Oats	Change	Ethanol	Settle			
MARO	378.50	(2.00)	MARO	298.50	(2.75)	MARO	1.33	Spot DDGS IL
MAYO	382.75	(2.50)	MAYO	299.50	(0.75)	APRO	1.35	Cash & CBOT
JULO	385.50	(2.75)	JULO	294.00	0.25	MAYO	1.37	Corn + Ethanol
SEPO	384.00	(2.50)	SEPO	276.50	(1.50)	JUNO	1.37	Crush
DECO	388.50	(2.25)	DECO	269.00	0.50	JULO	1.37	1.34
MAR1	398.00	(2.00)	MAR1	269.00	0.50	AUGO	1.37	
Soybean/Corn	Ratio	Spread	Change	Wheat/Corn	Ratio	Spread	Change	
MARO	MARO	2.36	514.25	(2.50)	MARO	1.48	181.50	(3.25)
MAYO	MAYO	2.35	518.25	(2.00)	MAYO	1.46	176.50	(0.75)
JULO	JULO	2.36	525.50	(1.75)	JULO	1.45	173.25	0.25
SEPO	SEPO	2.38	529.50	(2.75)	SEPO	1.47	180.50	0.00
NOVO	DECO	2.36	529.00	(3.25)	DECO	1.48	186.00	0.25
MAR1	MAR1	2.29	515.00	(4.50)	MAR1	1.46	184.25	(0.50)

US Corn Basis & Barge Freight

Gulf Corn	BRAZIL Corn Basis	Chicago	
FEB +50 / 53 h unch	JLY +35 / 60 n unch/up5	Toledo	+19 h up3
MCH +54 / 56 h unch	AUG +31 / 35 u unch	Decatur	+23 h up3
APR 36 unch	SEP +31 / 35 u unch	Dayton	+18 h unch
MAY +55 / 57 k unch	OCT +30 / 42 z unch	Cedar Rapi	+29 h up1
JUNE +51 / 54 n unch		Burns Harb	h preim unch
			+2 h unch
USD/ton: Ukraine Odessa \$ 170.00		Memphis-Cairo Barge Freight (offer)	
US Gulf 3YC Fob Gulf Seller (RTRS) 176.7 176.6 176.2 176.6 175.3 175.3		BrgF MTCT FEB	180 unchanged
China 2YC Maize Cif Dalian (DCE) 266.1 268.3 270.3 272.3 274.3 276.3		BrgF MTCT MAR	190 unchanged
Argentina Yellow Maize Fob UpRiver - 177.3 170.9 172.3 - -		BrgF MTCT APR	200 unchanged

Source: FIM, DJ, Reuters & various trade sources

Updated 2/19/20

- CBOT March corn is seen in a \$3.75 and \$3.90 range.
- CBOT May is seen in a \$3.80 and \$4.00 range.

Terry Reilly Grain Research

Futures International | 190 S. LaSalle St., Suite 410 | Chicago, IL 60603

W: 312.604.1366 | treilly@futures-int.com

Soybean complex.

- Soybeans traded 4.50-5.50 cents lower on large SA crops, ongoing concerns over China protein demand, and doubt China will buy large amounts of US soybeans over the coming weeks. Meal ended slightly lower and soybean oil 22-27 points lower despite Egypt bought a combined 120,000 tons of vegetable oils.
- USDA estimated 2020 US soybean area at 85 million acres, slightly above trade expectations and above 84.3 million average for the last 5-years.
- USDA agriculture secretary said in his speech at the forum that the US has a 30 percent biofuel blend target by the year 2050.
- China may have been calling around for US soybean pricing yesterday, but we have not heard of any trades done. Applications for tariff free US soybeans will start March 2.
- The US\$ was 13 points higher as of 12:30 CT and the € lower. The Brazilian Real was weaker at 4.3938, an all-time low.
- The Argentina peso continued to struggle on Thursday.
- The Argentina BA Grains Exchange maintained their estimate for the Argentina soybean crop at 53.1 million tons but noted recent rains could increase production. About 58 percent of the soybean crop is in the critical pod development stage.
- CNGOIC noted China soybean stocks at 1.04 million tons, up 130,000 from the previous week.
- Malaysia looks to fully implement B20 biodiesel by mid-2021. About 1.06 million tons of palm oil would be used to produce enough B20 annually for the transportation sector, 1.3MMT when adding B7 for the industrial sector.
- ITS reported 1-20 February palm exports at 817,314 tons, up 8.7 percent from 751,868 tons shipped during the same period a year ago.
- AmSpec reported Feb 1-20 palm exports at 819,653 tons, up 10.9 percent.

Oilseeds Export Developments

- Egypt's GASC bought 60,000 tons of soybean oil and 60,000 tons of sunflower oil for arrival April 10-30. The soyoil was thought to be bought at \$767.00 a ton c&f and sunflower oil at \$748.00 a ton c&f. On the 13th of February they paid \$782.44/ton for soybean oil. In their last sunflower oil tender (late 2019) they paid \$802.00 to 806.00/ton. Ukraine sunflower oil prices peak at around \$810/ton at the end of 2019 to around \$710-715/ton earlier this week.

Soybeans			Soybean Meal			Soybean Oil		
	Change			Change		Change		
MARO	892.75	(4.50)	MARO	292.90	(0.10)	MARO	30.12	(0.22)
MAYO	901.00	(4.50)	MAYO	298.30	(0.20)	MAYO	30.47	(0.23)
JULO	911.00	(4.50)	JULO	303.10	(0.40)	JULO	30.84	(0.24)
AUGO	913.75	(5.00)	AUGO	304.20	(0.70)	AUGO	30.98	(0.26)
SEPO	913.50	(5.25)	SEPO	304.80	(0.90)	SEPO	31.14	(0.26)
NOVO	917.50	(5.50)	OCTO	305.10	(1.10)	OCTO	31.26	(0.27)
JAN1	920.50	(5.75)	DECO	308.20	(0.90)	DECO	31.57	(0.28)

Soybeans	Spread	Change	SoyMeal	Spread	Change	SoyOil	Spread	Change
Mar/May	8.25	0.00	Mar/May	5.40	(0.10)	Mar/May	0.35	(0.01)

Electronic Beans Crush		Oil as %	Meal/Oil \$	Meal	Oil		
Month	Margin	of Oil&Meal	Con. Value	Value	Value		
MARO	82.95	MARO 33.96%	\$ 11,218	644.38	331.32		
MAYO	90.43	MAYO 33.81%	\$ 11,548	656.26	335.17	EUR/USD	1.0787
JULO	95.06	JULO 33.72%	\$ 11,806	666.82	339.24	Brazil Real	4.3909
AUGO	96.27	AUGO 33.74%	\$ 11,832	669.24	340.78	Malaysia Bid	4.1830
SEPO	99.60	SEPO 33.81%	\$ 11,796	670.56	342.54	China RMB	7.0225
NOVO/DECO	107.81	OCTO 33.88%	\$ 11,754	671.22	343.86	AUD	0.6613
JAN1	105.91	DECO 33.87%	\$ 11,878	678.04	347.27	CME Bitcoin	9578
MAR1	107.25	JAN1 33.98%	\$ 11,774	677.60	348.81	3M Libor	1.68275
MAY1	106.53	MAR1 34.27%	\$ 11,406	670.56	349.69	Prime rate	4.7500
JUL1	106.67	MAY1 34.37%	\$ 11,308	669.46	350.57		

US Soybean Complex Basis

FEB	+58 / 62 h unch			DECATUR	+8 h unch
MCH	+56 / 62 h up1/up1	IL SBM	H-17 2/18/2020	SIDNEY	+25 h unch
APR	+48 / 54 k up2/unch	CIF Meal	H +5 2/18/2020	CHICAGO	-15 h unch
MAY	+50 / 56 k unch	Oil FOB NOLA	300 2/18/2020	TOLEDO	+10 h up10
JUNE	+49 / 54 n unch	Decatur Oil	25 2/18/2020	BRNS HRBR	-2 h unch
				C. RAPIDS	-15 h unch

Brazil Soybeans Paranagua fob		Brazil Meal Paranagua		Brazil Oil Paranagua	
FEB	+45 / +60 h dn5/dn5	MCH	+9 / +15 h unch	MCH	+200 / +240 h na
MAR	+48 / +58 h dn2/dn7	APR	-14 / -12 k up3/dn3	APR	+90 / +120 k dn10/dn20
APR	+36 / +42 k dn14/dn8	MAY	-18 / -14 k up1/unch	MAY	+50 / +100 k dn35/dn40
MAY	+37 / +45 k dn13/dn10	JUNE	-21 / -18 n unch/dn2	JUNE	+20 / +80 n unch/dn60
JUNE	+45 / +55 n dn5/unch	JLY	-21 / -18 n unch/dn2	JLY	+20 / +80 n unch/dn60
	Argentina meal	303 4.6	Argentina oil	Spot fob	32.5 2.05

Source: FI, DJ, Reuters & various trade sources

Updated 2/19/20

- CBOT March soybeans are seen in a \$8.70-\$9.00 range
- March soybean meal is seen a \$285 and \$300 range
- March soybean oil 30.10-31.90 range
- May soybeans could rally to \$9.50 if China buys a large amount of US soybeans.
- May meal is seen in a \$290 to \$3.05 range
- May soybean oil range is 29.50 to 32.25

Terry Reilly Grain Research

Futures International | 190 S. LaSalle St., Suite 410 | Chicago, IL 60603

W: 312.604.1366 | treilly@futures-int.com

Wheat

- US wheat ended 2.25-6.50 cents lower on lack of bullish developments and prospects for large 2020 global wheat production. The lower trade today and yesterday for US wheat futures did attract additional global import developments, but the US remains uncompetitive, and will contribute to little or no market share of this week's tender announcements.
- USDA estimated 2020 US all-wheat area at 45 million acres, slightly above trade expectations but below 48.8 million average for the last 5-years.
- May Paris wheat futures were unchanged at 196.25 euros.
- EU granted import licenses for 9,450 tons of wheat under its TRQ program, bringing total imports to 109,071 tons. EU also awarded 27,400 tons of barley.
- Coceral looks for EU's soft-wheat production to end up near 137.9 million tons in 2020 compared with 145.7 million tons a year earlier. Heavy rain in northern Europe hindered production prospects.
- APK-Inform estimated February 1 grain stocks at 12.8 million tons, 2 percent below a year earlier.
- USDA/FAS sees the Russian 2020 wheat crop at 87 million tons. Russia's AgMin looks for a 3-5 percent increase, or 83-87 million tons for 2020
- ProAgro sees the Ukraine 2020 grain crop down 3.19% to 72.673 million tons from 75.1 million tons in 2019. Wheat was estimated 7 percent lower at 26.234 million tons from 28.3 million tons in 2019.

Wheat Market Begin Year Russia	2017/2018		2018/2019		2019/2020	
	Jul 2017		Jul 2018		Jul 2019	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Harvested	27370	27400	26344	26300	27200	28070
Beginning Stocks	10823	10823	12026	11230	7819	6675
Production	85167	85807	71685	71685	73500	73500
MY Imports	467	326	446	460	475	475
TY Imports	467	326	446	460	475	475
TY Imp. from U.S.	0	0	0	0	0	0
Total Supply	96457	96956	84157	83375	81794	80650
MY Exports	41431	41426	35838	35700	34000	33500
TY Exports	41431	41426	35838	35700	34000	33500
Feed and Residual	20000	20700	18000	18500	17000	19600
FSI Consumption	23000	23600	22500	22500	22500	21750
Total Consumption	43000	44300	40500	41000	39500	41350
Ending Stocks	12026	11230	7819	6675	8294	5800
Total Distribution	96457	96956	84157	83375	81794	80650
Yield	3.1117	3.1316	2.7211	2.7257	2.7022	2.6185
(1000 HA) ,(1000 MT) ,(MT/HA)						

<https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Grain%20and%20Feed%20Update%20Moscow%20Russian%20Federation%2001-16-2020>

Export Developments.

- Saudi Arabia seeks 715,000 tons of 11% and 12.5% protein wheat on February 21 for April-June shipment.
- Syria passed on 200,000 tons of wheat from Russia (should have closed February 17) for shipment within 60 days of contract signing.
- Tunisia bought 75,000 tons of feed barley at \$205.67-\$206.56/ton c&f for March and April shipment.
- Japan bought 93,100 tons of milling wheat. Original details as follows:

Terry Reilly Grain Research

Futures International | 190 S. LaSalle St., Suite 410 | Chicago, IL 60603

W: 312.604.1366 | treilly@futures-int.com

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

COUNTRY	TYPE	QUANTITY
U.S.	Western White	18,367 *
U.S.	Hard Red Winter(Semi Hard)	15,940 *
U.S.	Dark Northern Spring(protein minimum 14.0%)	24,238 *
Canada	Western Red Spring(protein minimum 13.5 pct)	34,555 *

Shipments: * Loading between March 21 and April 20

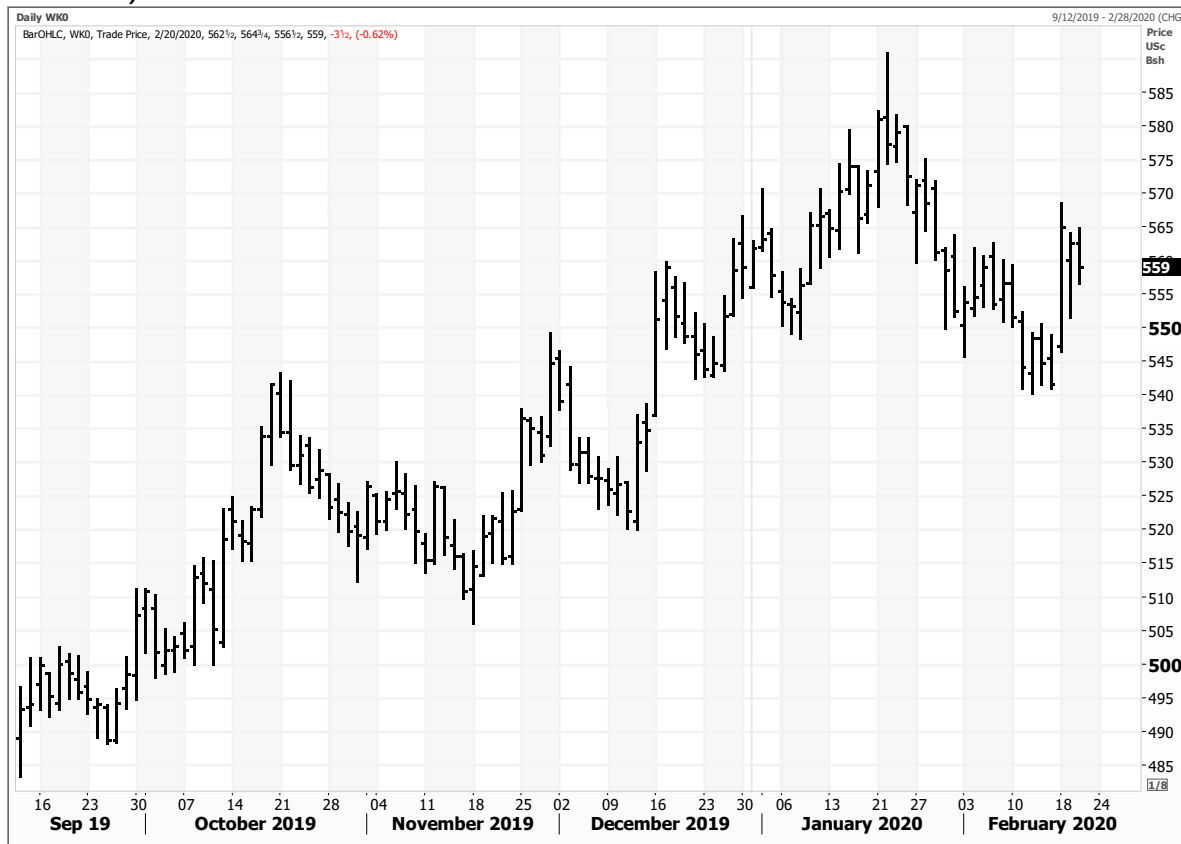
Source: Japan AgMin, Reuters and FI

- Taiwan seeks 102,525 tons of US wheat on February 21 for April and/or early May shipment.
- Jordan issued a new import tender for 120,000 tons of wheat set to close February 25 for Sep-Oct shipment.
- Jordan issued a new import tender for 120,000 tons of feed barley set to close February 26 for June-July shipment.
- Japan in an SBS import tender seeks 120,000 tons of feed wheat and 200,000 tons of feed barley for arrival in Japan by July 30, on Feb. 26.
- Bangladesh seeks 50,000 tons of wheat by February 27.
- Morocco seeks 354,000 tons of US durum wheat on March 5 for arrival by May 31.

Rice/Other

- None reported

CBOT May Wheat



Source: Reuters and FI

Chicago Wheat			KC Wheat			MN Wheat Settle		
		Change			Change			Change
MARO	560.00	(5.25)	MARO	473.75	(6.00)	MARO	529.50	(6.75)
MAYO	559.25	(3.25)	MAYO	481.00	(5.75)	MAYO	540.00	(6.50)
JULO	558.75	(2.50)	JULO	488.25	(5.50)	JULO	549.25	(6.00)
SEPO	564.50	(2.50)	SEPO	495.75	(6.00)	SEPO	558.50	(6.00)
DECO	574.50	(2.00)	DECO	508.25	(5.00)	DECO	570.75	(5.25)
MAR1	582.25	(2.50)	MAR1	519.25	(4.75)	MAR1	582.50	(5.00)
MAY1	581.00	(2.25)	MAY1	524.50	(4.75)	MAY1	587.75	(5.75)

Chicago Rice		Change						
MARO	13.44	0.010	MAYO	13.67	0.020	JULO	13.53	(0.015)

US Wheat Basis					
Gulf SRW Wheat		Gulf HRW Wheat		Chicago mill	+40 h unch
FEB	+100 / h unch	FEB	155 / h unch	Toledo	+15 h unch
MCH	+105 / h unch	MCH	160 / h unch	PNW US Soft White 10.5% protein	
APR	+105 / k unch	APR	160 / k unch	PNW FEB	625 unchanged
MAY	+105 / k unch	MAY	160 / k unch	PNW MAR	630 unchanged
JUNE	+75 / n unch	0-Jan		PNW APR	633 unchanged
				PNW May	638 unchanged

Euronext EU Wheat		Change	OI	OI Change	World Prices \$/ton		Change
MARO	195.75	0.00	93,494	(19,621)	US SRW FOB	\$258.24	\$0.20
MAYO	193.00	(0.25)	184,818	2,458	US HRW FOB	\$240.50	\$2.20
SEPO	184.75	(0.25)	64,743	446	Rouen FOB 11%	\$208.19	\$0.25
DECO	187.50	(0.25)	82,329	(1,553)	Russia FOB 12%	\$220.00	\$6.00
EUR	1.0787				Ukr. FOB feed (Odessa)	\$217.50	\$0.00
					Arg. Bread FOB 12%	\$259.68	\$0.00

Source: FI, DJ, Reuters & various trade sources

Updated 2/19/20 – rolled to May

- CBOT Chicago May wheat is seen in a \$5.35-\$5.80 range
- CBOT KC May wheat is seen in a \$4.70-\$5.05 range
- MN May wheat is seen in a \$5.30-\$5.65 range

US Planted Area of 8 Major Row Crops, 2020-2029 USDA Forum/Baseline

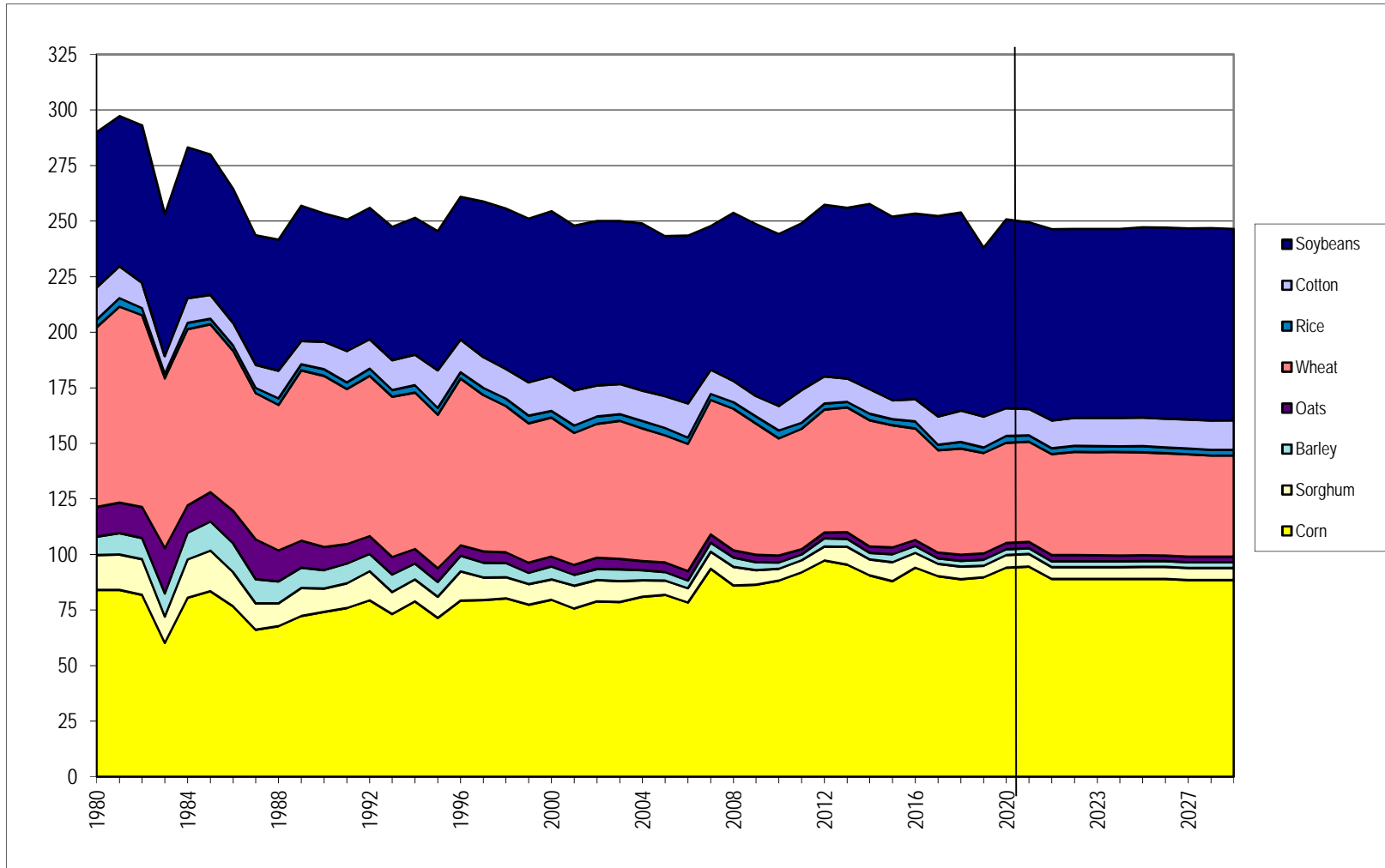
Planted Area	Year	Corn	Sorghum	Barley	Oats	Wheat	Rice	Cotton	Soybeans	8-Crop Total	Change	Change
	1990	74.166	10.535	8.221	10.423	77.041	2.897	12.348	57.795	253.4	(3.5)	-1.4%
	1991	75.957	11.064	8.941	8.653	69.881	2.884	14.052	59.180	250.6	(2.8)	-1.1%
	1992	79.311	13.177	7.762	7.943	72.219	3.176	13.240	59.180	256.0	5.4	2.2%
	1993	73.239	9.882	7.786	7.937	72.168	2.920	13.438	60.085	247.5	(8.6)	-3.3%
	1994	78.921	9.787	7.159	6.637	70.349	3.353	13.720	61.620	251.5	4.1	1.7%
	1995	71.479	9.429	6.689	6.225	69.031	3.121	16.931	62.495	245.4	(6.1)	-2.4%
	1996	79.229	13.097	7.094	4.638	75.105	2.824	14.653	64.195	260.8	15.4	6.3%
	1997	79.537	10.052	6.706	5.068	70.412	3.125	13.898	70.005	258.8	(2.0)	-0.8%
	1998	80.165	9.626	6.325	4.891	65.821	3.285	13.393	72.025	255.5	(3.3)	-1.3%
	1999	77.386	9.288	4.983	4.668	62.664	3.531	14.874	73.730	251.1	(4.4)	-1.7%
	2000	79.551	9.195	5.801	4.473	62.549	3.060	15.517	74.266	254.4	3.3	1.3%
	2001	75.702	10.248	4.951	4.401	59.432	3.334	15.769	74.075	247.9	(6.5)	-2.6%
	2002	78.894	9.589	5.008	4.995	60.318	3.240	13.958	73.963	250.0	2.1	0.8%
	2003	78.603	9.420	5.348	4.597	62.141	3.022	13.480	73.404	250.0	0.0	0.0%
	2004	80.929	7.486	4.527	4.085	59.644	3.347	13.659	75.208	248.9	(1.1)	-0.5%
	2005	81.779	6.454	3.875	4.246	57.214	3.384	14.245	72.032	243.2	(5.7)	-2.3%
	2006	78.327	6.522	3.452	4.166	57.334	2.838	15.274	75.522	243.4	0.2	0.1%
	2007	93.527	7.712	4.018	3.763	60.460	2.761	10.827	64.741	247.8	4.4	1.8%
	2008	85.982	8.404	4.239	3.260	63.617	2.995	9.471	75.718	253.7	5.9	2.4%
	2009	86.382	6.599	3.568	3.349	59.017	3.135	9.150	77.451	248.7	(5.0)	-2.0%
	2010	88.192	5.369	2.872	3.113	52.620	3.636	10.974	77.404	244.2	(4.5)	-1.8%
	2011	91.936	5.451	2.564	2.349	54.277	2.689	14.735	75.046	249.0	4.9	2.0%
	2012	97.291	6.259	3.660	2.700	55.294	2.700	12.264	77.198	257.4	8.3	3.3%
	2013	95.365	8.076	3.528	2.980	56.236	2.490	10.407	76.840	255.9	(1.4)	-0.6%
	2014	90.597	7.138	3.031	2.753	56.841	2.954	11.037	83.276	257.6	1.7	0.7%
	2015	88.019	8.459	3.623	3.088	54.999	2.625	8.581	82.650	252.0	(5.6)	-2.2%
	2016	94.004	6.690	3.059	2.829	50.119	3.150	10.073	83.433	253.4	1.3	0.5%
	2017	90.167	5.629	2.486	2.589	46.052	2.463	12.718	90.162	252.3	(1.1)	-0.4%
	2018	88.871	5.690	2.548	2.746	47.815	2.946	14.100	89.167	253.9	1.6	0.6%
	2019	89.700	5.265	2.721	2.810	45.158	2.540	13.738	76.100	238.0	(15.9)	-6.2%
USDA Forum	2020	94.000	5.700	2.600	2.900	45.000	3.100	12.500	85.000	250.8	12.8	5.4%
USDA Baseline	2020	94.500	5.700	2.600	2.900	45.000	2.900	11.800	84.000	249.4	11.4	4.8%
USDA Baseline	2021	89.000	5.300	2.600	2.800	45.500	2.600	12.500	86.000	246.3	(3.1)	-1.2%
USDA Baseline	2022	89.000	5.300	2.600	2.800	46.500	2.650	12.600	85.000	246.5	(3.0)	0.1%
USDA Baseline	2023	89.000	5.300	2.600	2.700	46.500	2.650	12.700	85.000	246.5	0.0	0.0%
USDA Baseline	2024	89.000	5.300	2.600	2.600	46.500	2.650	12.800	85.000	246.5	0.0	0.0%
USDA Baseline	2025	89.000	5.400	2.600	2.600	46.500	2.650	12.900	85.500	247.2	0.7	0.3%
USDA Baseline	2026	89.000	5.400	2.600	2.500	46.000	2.600	13.000	86.000	247.1	(0.1)	0.0%
USDA Baseline	2027	88.500	5.400	2.600	2.500	46.000	2.600	13.100	86.000	246.7	(0.4)	-0.2%
USDA Baseline	2028	88.500	5.400	2.600	2.500	45.500	2.600	13.200	86.500	246.8	0.1	0.0%
USDA Baseline	2029	88.500	5.400	2.600	2.500	45.500	2.600	13.300	86.000	246.4	(0.4)	-0.2%

2020 sorghum, barley and oats from baseline

Source: USDA, Office of the Chief Economist (OCE) & FI. Cotton baseline area is upland only, before 2021 is all cotton

US Planted Area of 8 Major Row Crops, 1980-2029, 2020 Forum, 2020-2029 USDA Baseline

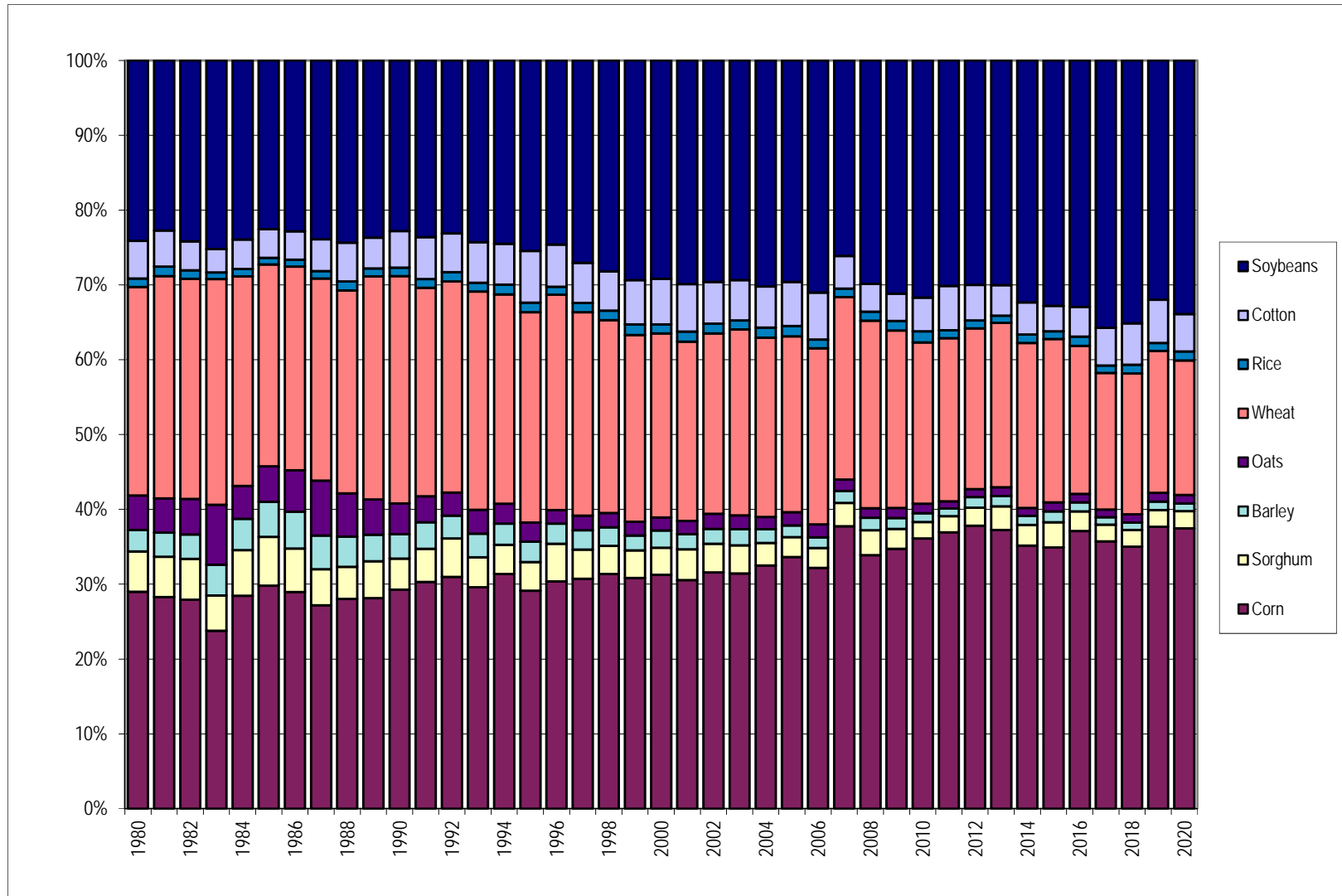
In million acres



Source: USDA, FI

US Planted Area of 8 Major Row Crops, 1980-2019, 2020 Forum

In million acres



Source: USDA, FI

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
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
1/24/2020	1029	(20)	-3.5%	1.7%	24,244	213	15.3%	1.1%	23.4
1/31/2020	1081	52	1.8%	11.8%	23,474	(770)	4.5%	-2.0%	22.4
2/7/2020	1033	(48)	-5.7%	0.4%	24,358	884	5.9%	3.8%	22.7
2/14/2020	1040	7	-0.9%	4.4%	24,781	423	3.1%	3.6%	23.4

4-week average change:

-2

4-week average change:

188

CY

1035 2018-19 season average

YOY Δ

-1.3%

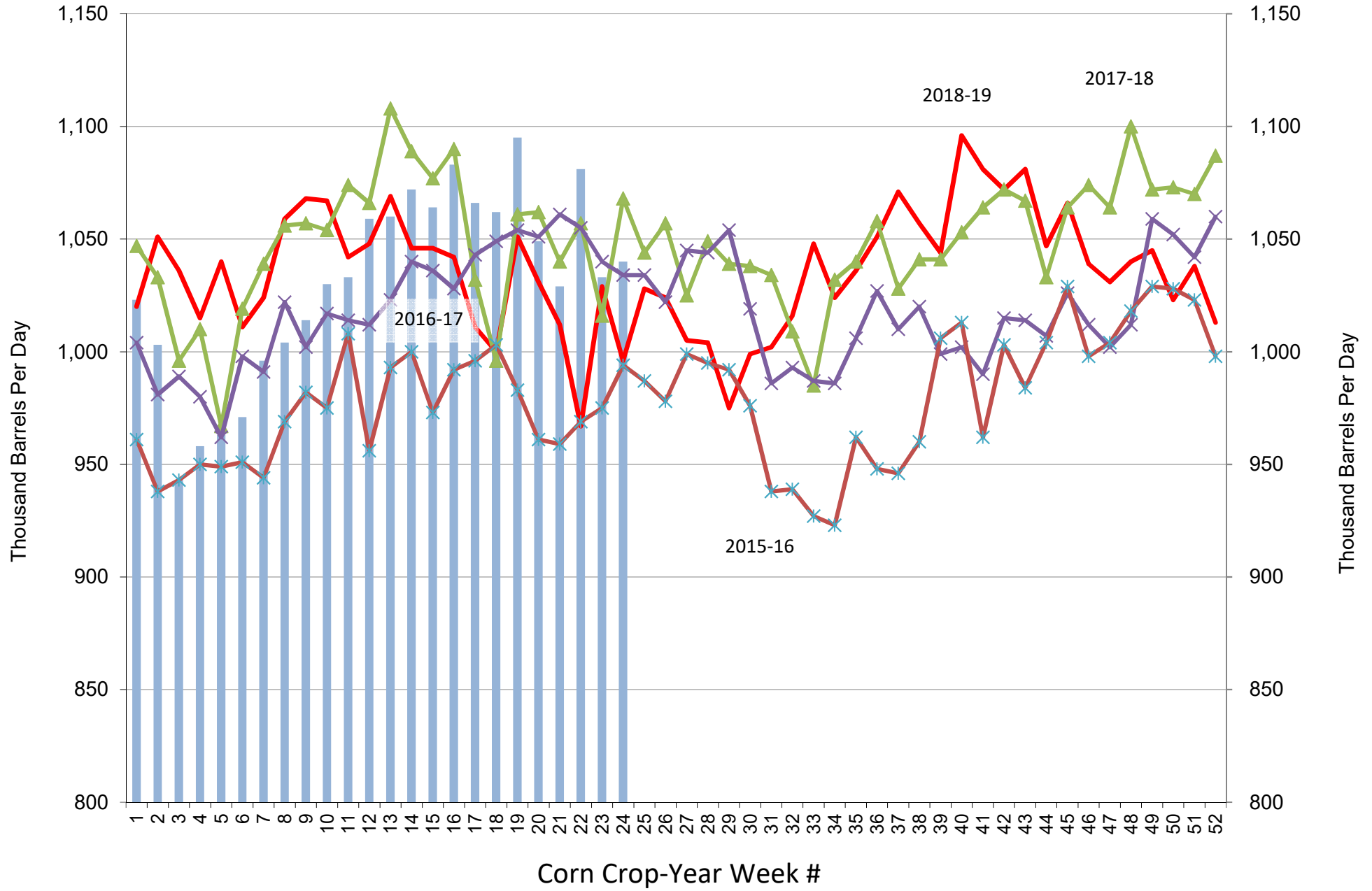
CY to Date:

1030 2019-20 season average

-0.5%

Source: Reuters, EIA, FI

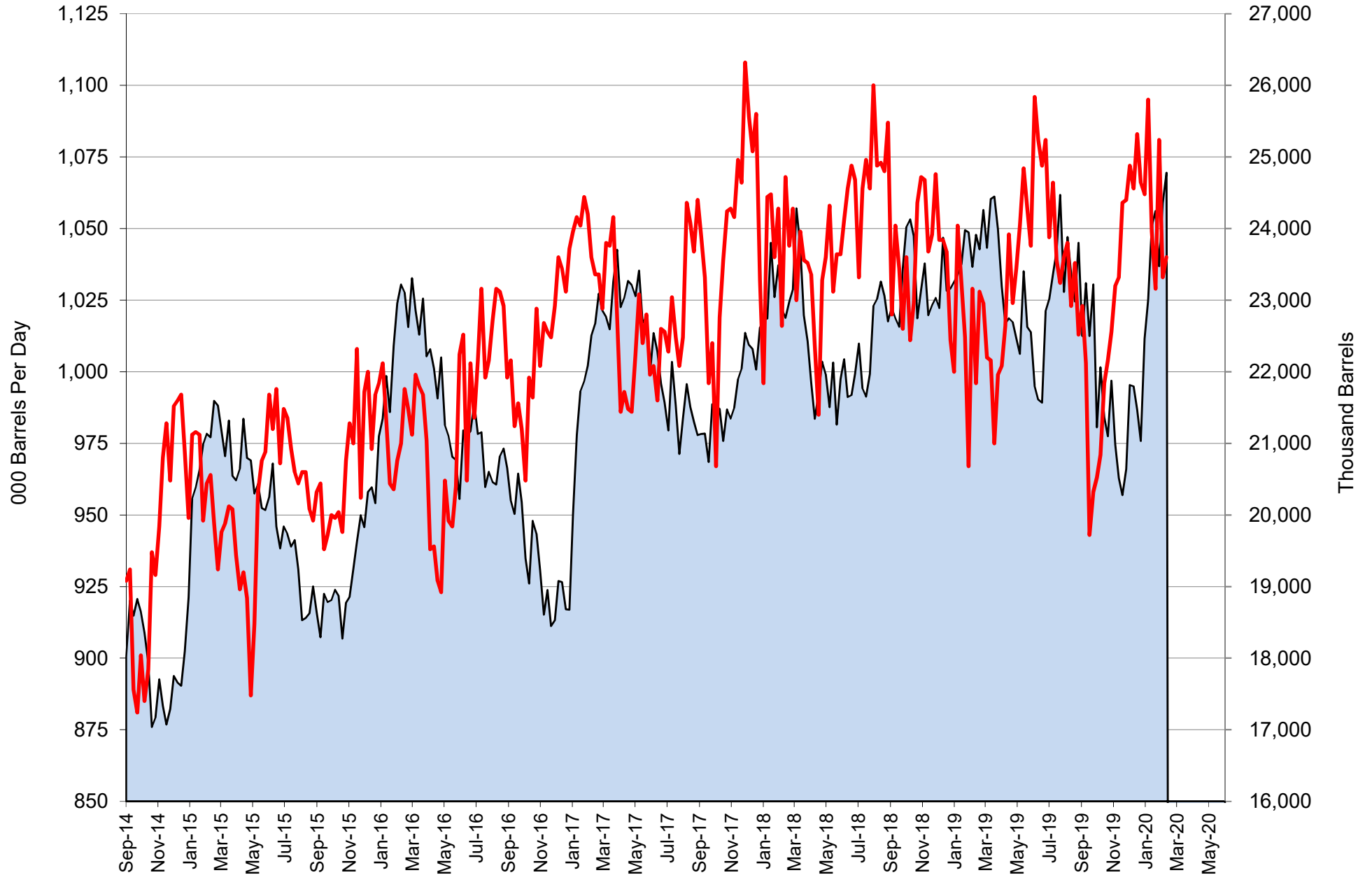
US Weekly Ethanol Production



Source: EIA & FI

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

US Weekly Ethanol Production and Stocks

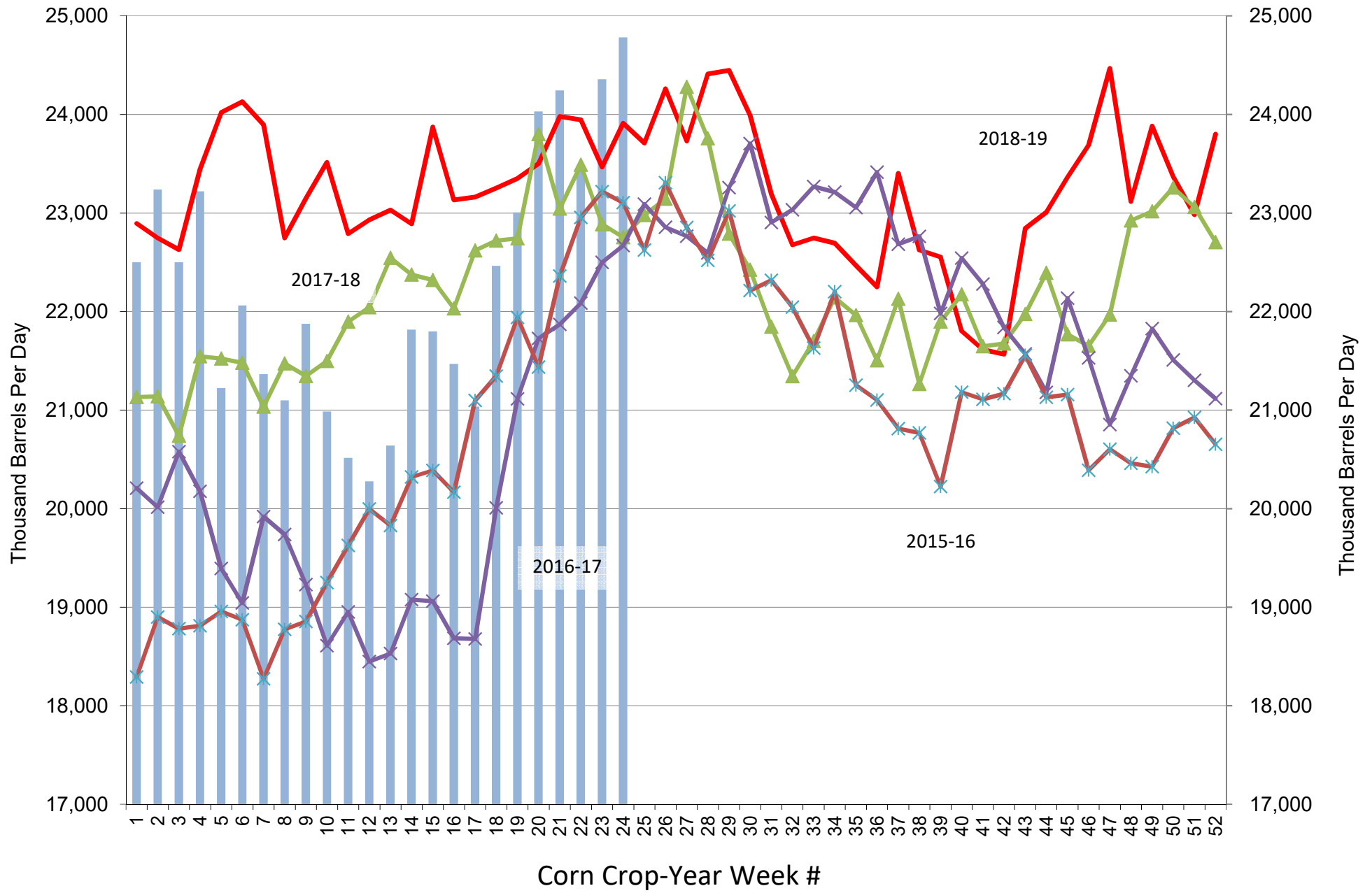


Source: EIA & FI

Stocks (1000bd)

Production (1000bd)

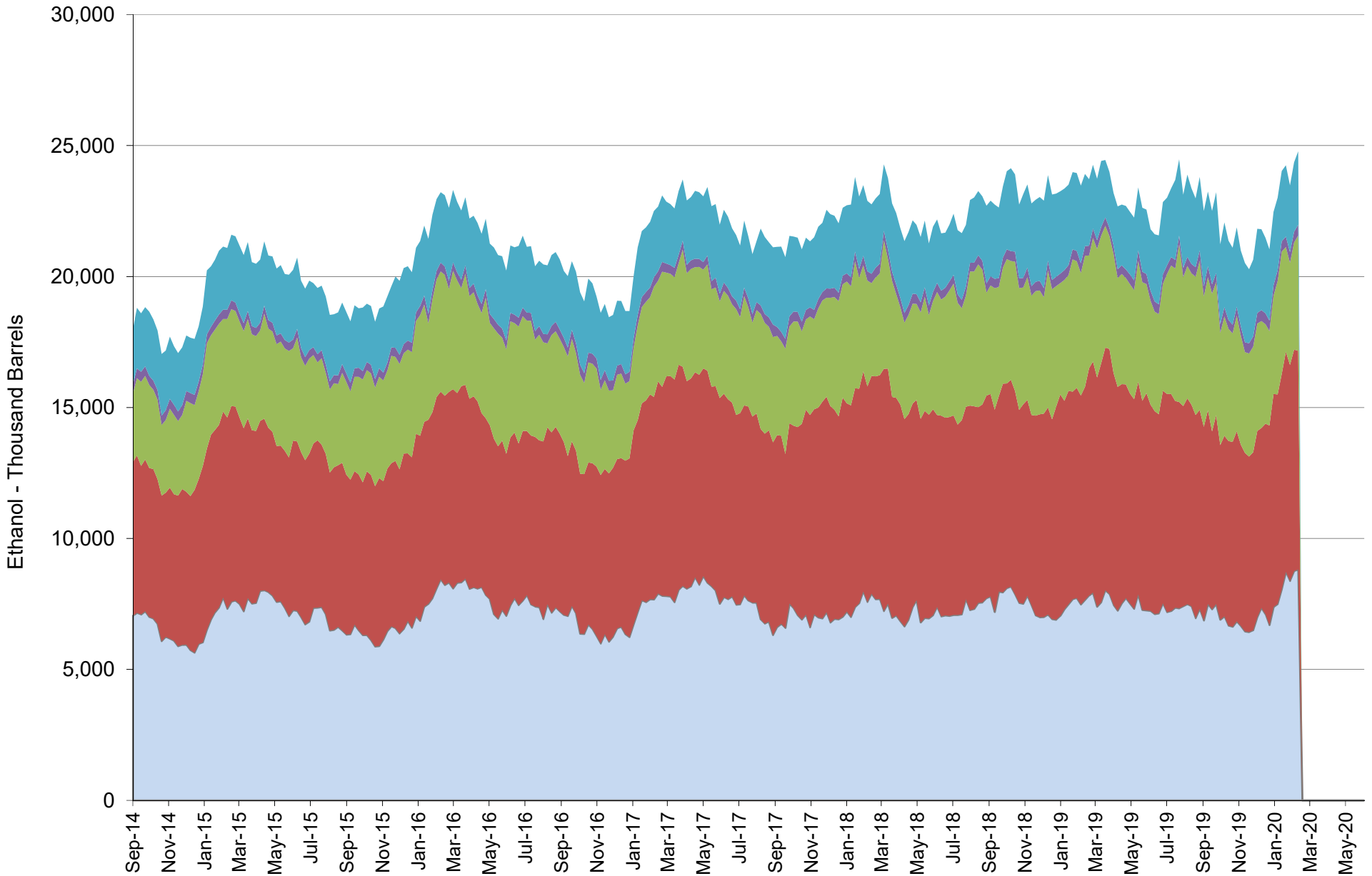
US Weekly Ethanol Stocks (corn crop year)



Source: EIA & FI

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

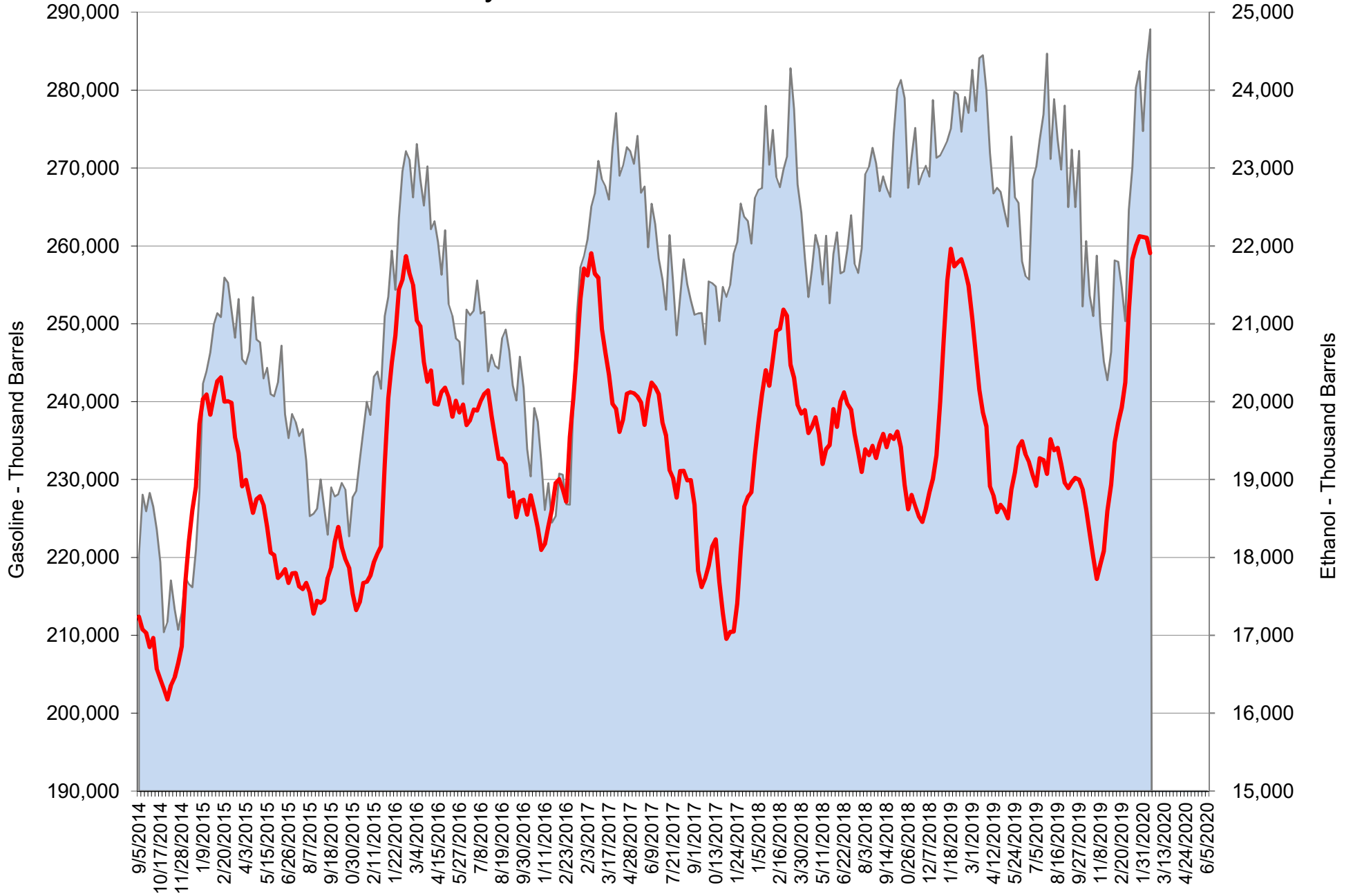
US Weekly Ethanol Stocks by PADD



Source: EIA & FI

■ PADD1 ■ PADD2 ■ PADD3 ■ PADD4 ■ PADD5

US Weekly Gasoline and Ethanol Stocks

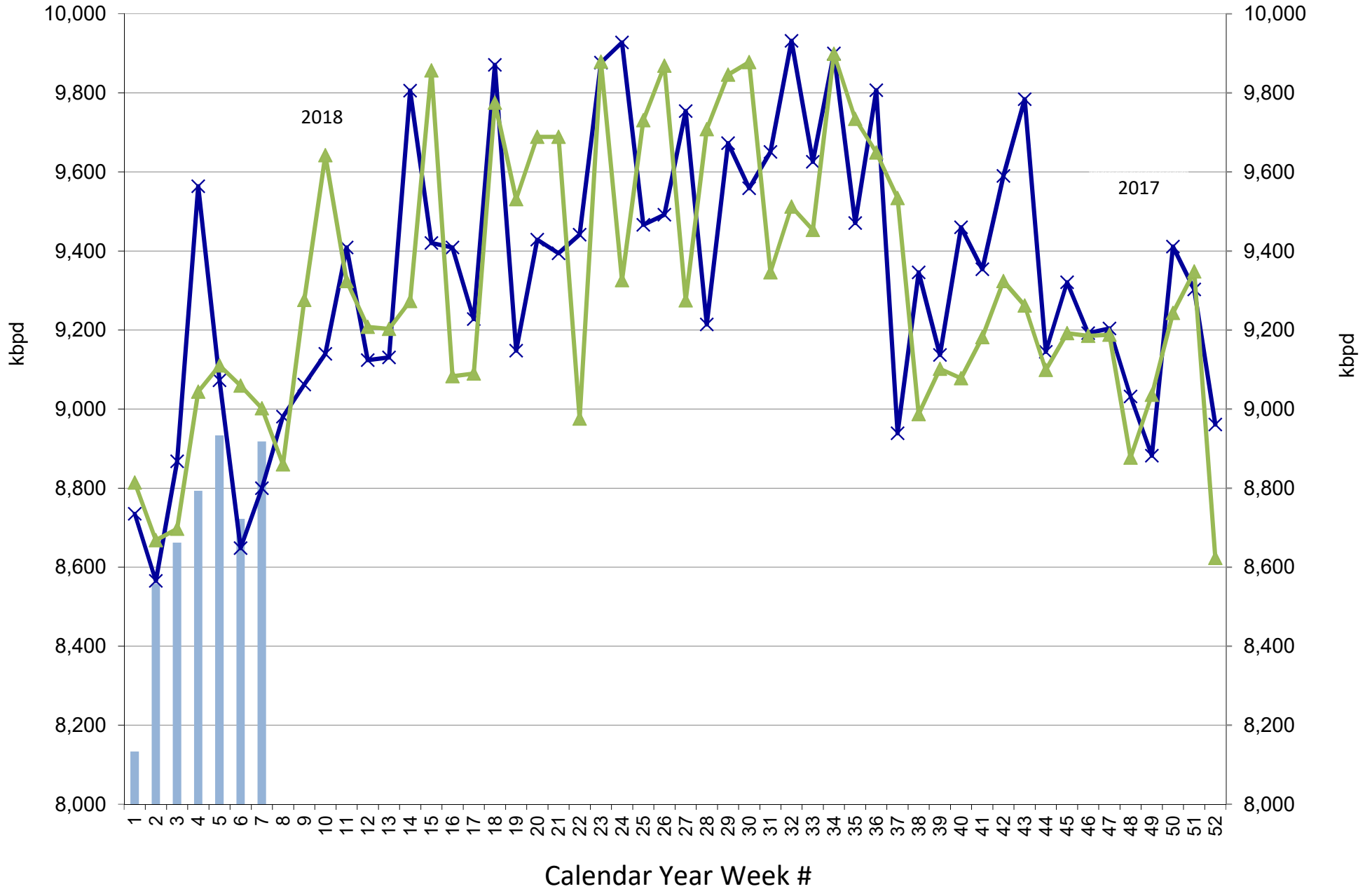


Source: EIA & FI

Stocks (1000bd)

US Gasoline Ending Stocks (thousand barrels)

US Weekly Gasoline Product Supplied



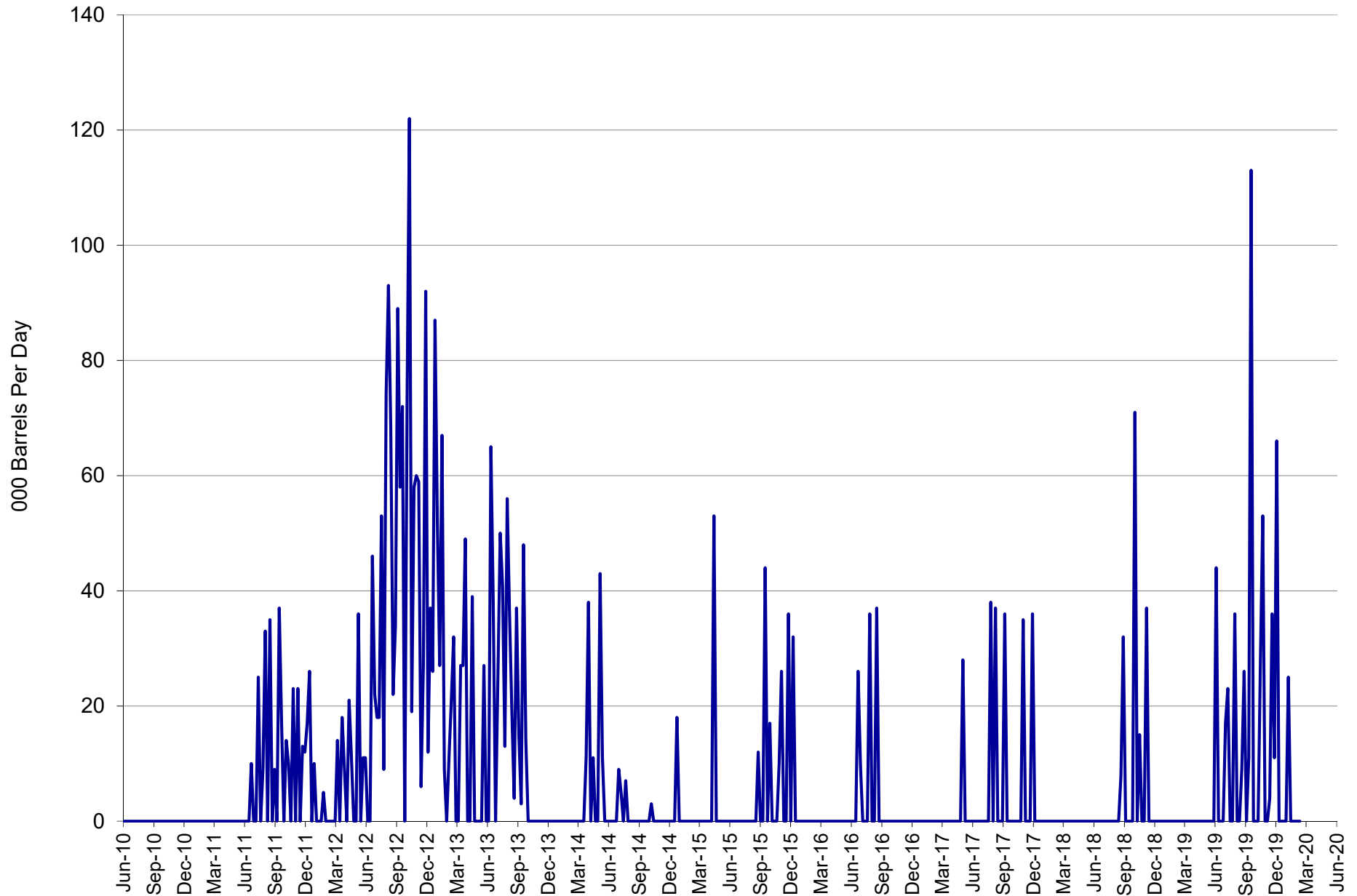
Source: EIA & FI

Gasoline Product Supplied (kbpd)

2019

2018

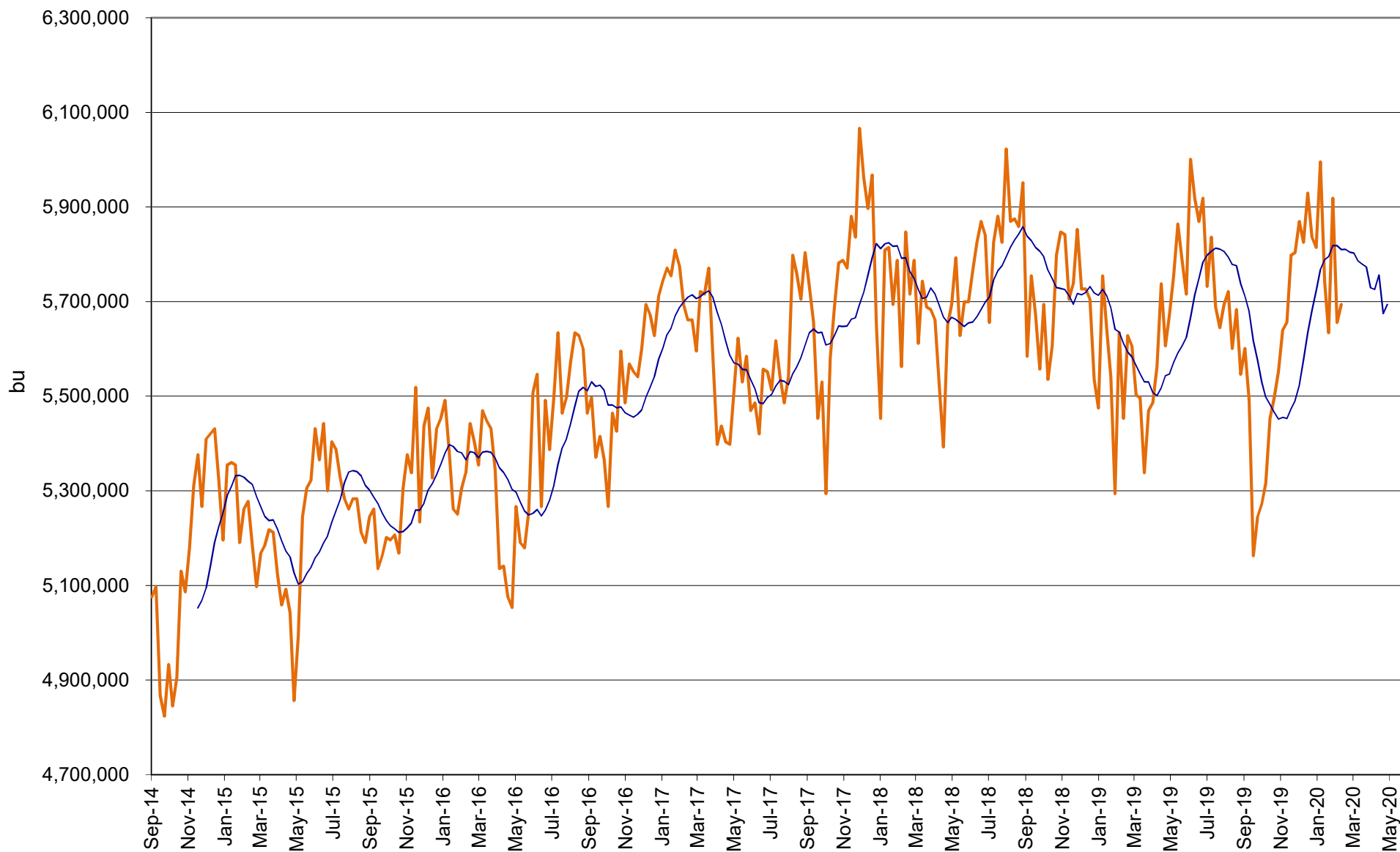
US Weekly Ethanol Imports



Source: EIA & FI

— Imports (BPD)

US Annualized Implied Corn Use

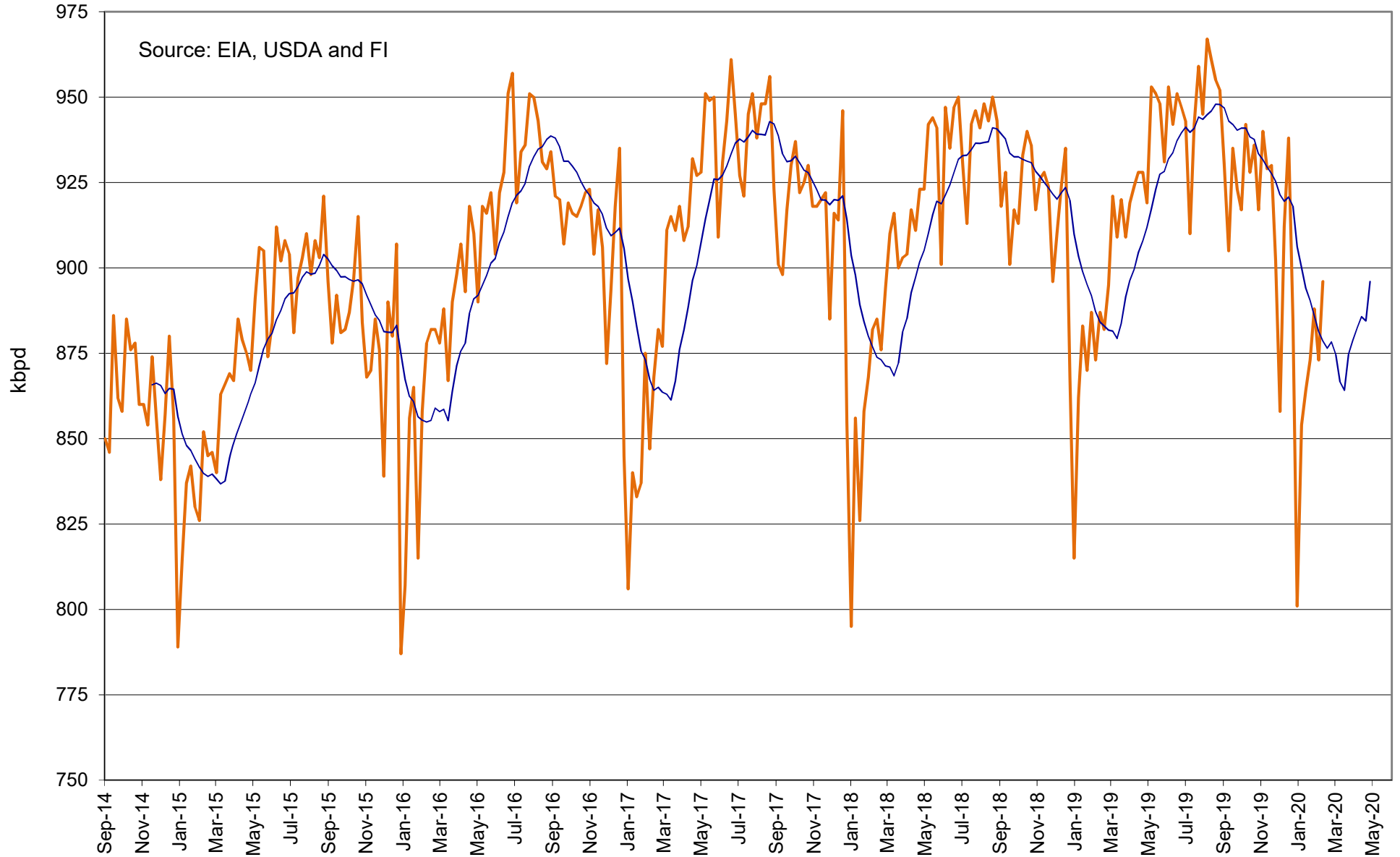


Source: EIA, USDA and FI

— US

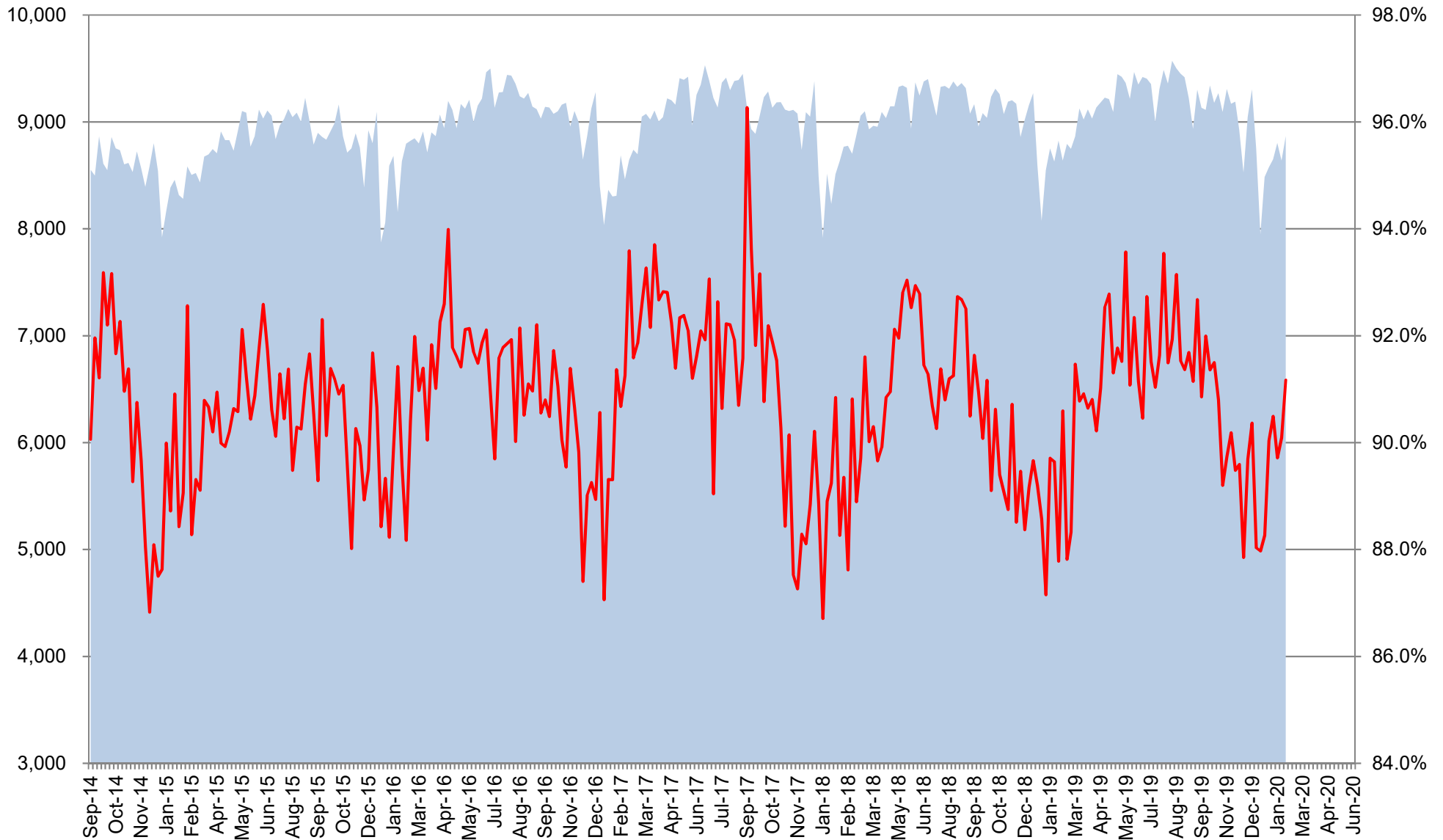
— 12 per. Mov. Avg. (US)

Refinery and Blender Net Input of Oxygenates Fuel Ethanol



— Refinery and Blender Net Input of Oxygenates Fuel Ethanol — 12 per. Mov. Avg.

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

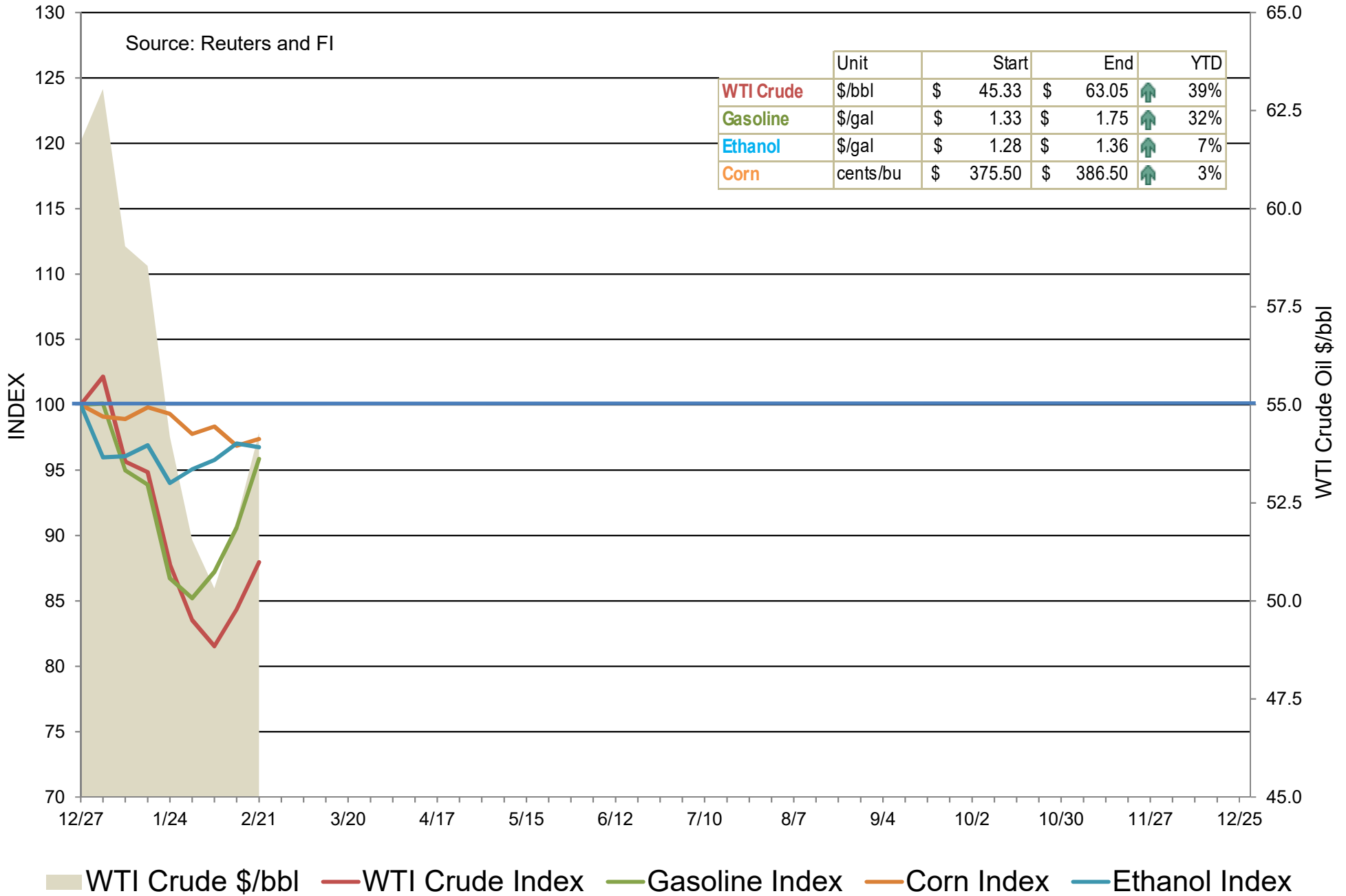


Source: EIA, USDA and FI

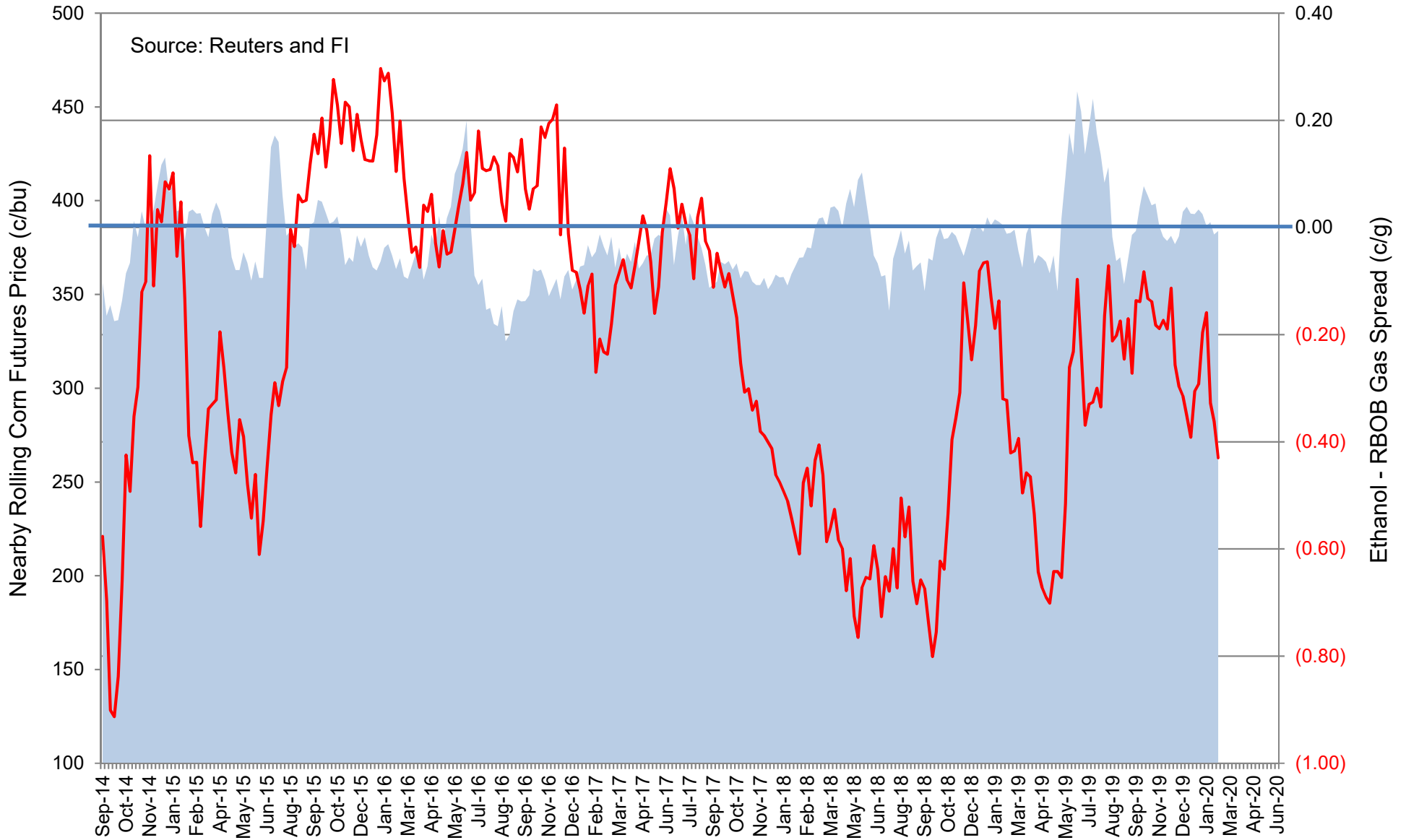
■ Total Blend Etoh

— Etoh Blend %

Indexed Commodity Prices Starting January 2020 versus WTI Crude Nearby Futures



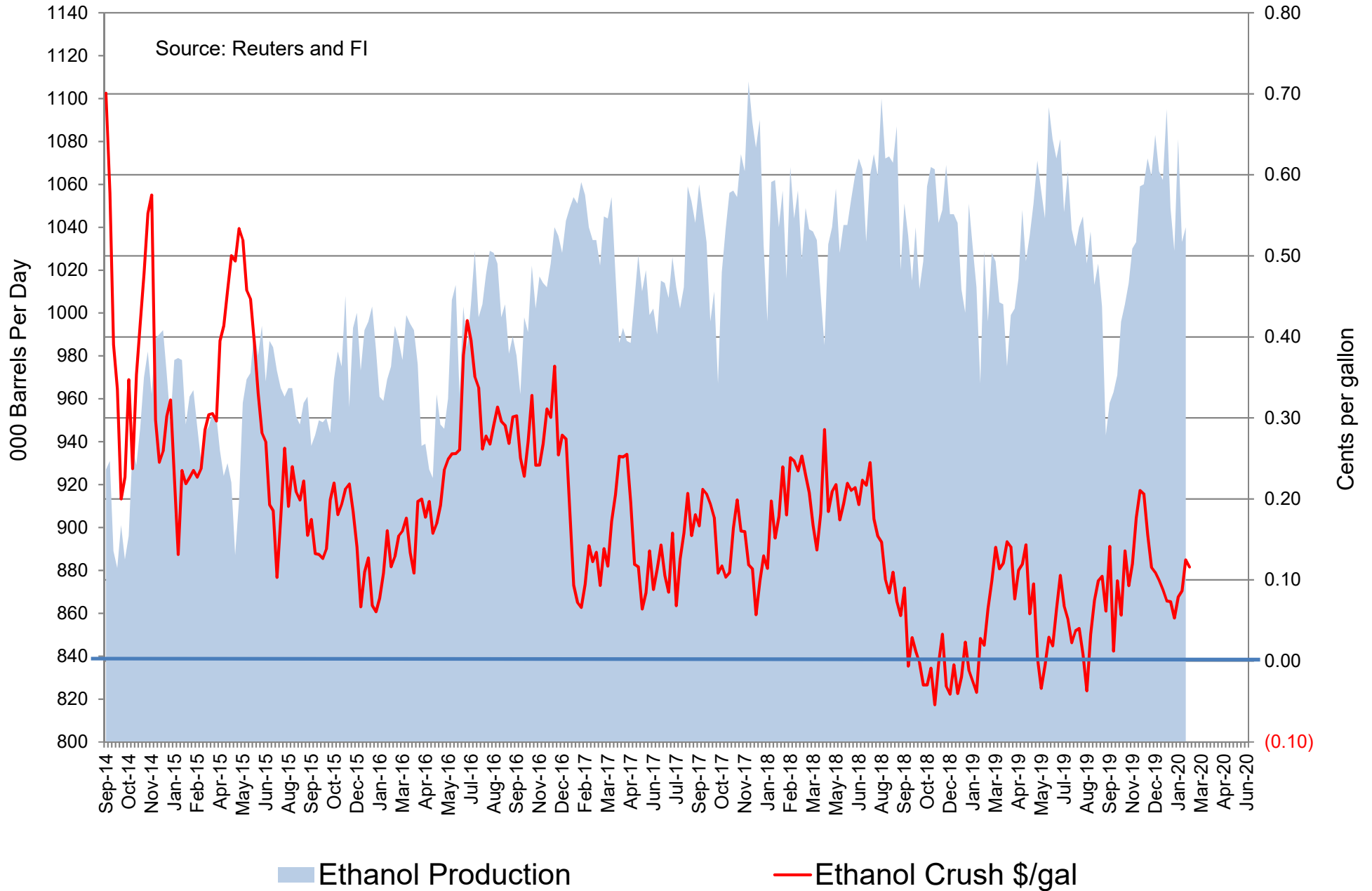
CBOT Second Month Corn Futures versus Second Month Ethanol - RBOB Futures Spread



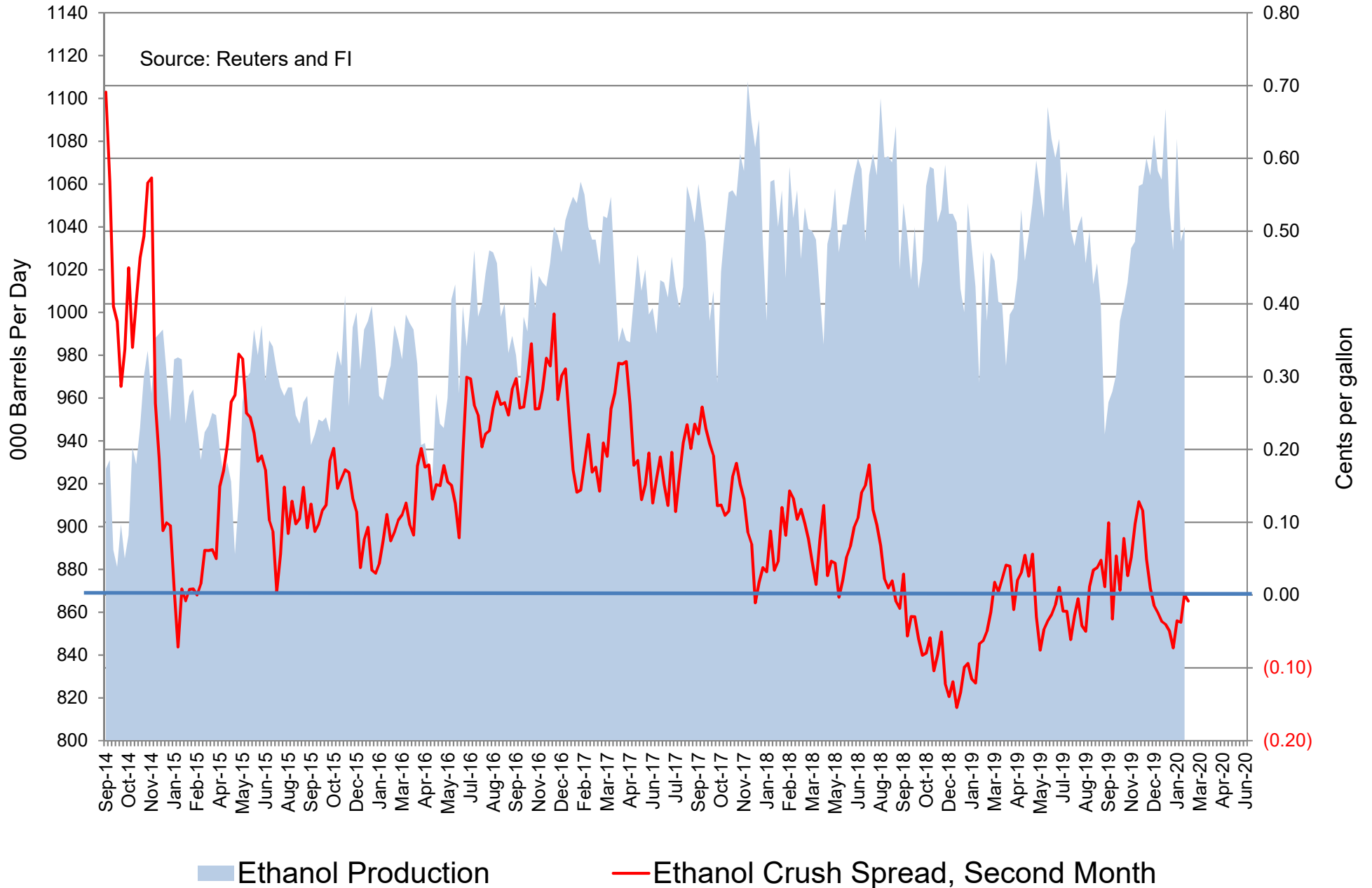
■ Nearby CBOT corn

— Rolling 2nd Month Ethanol-RBOB Spread

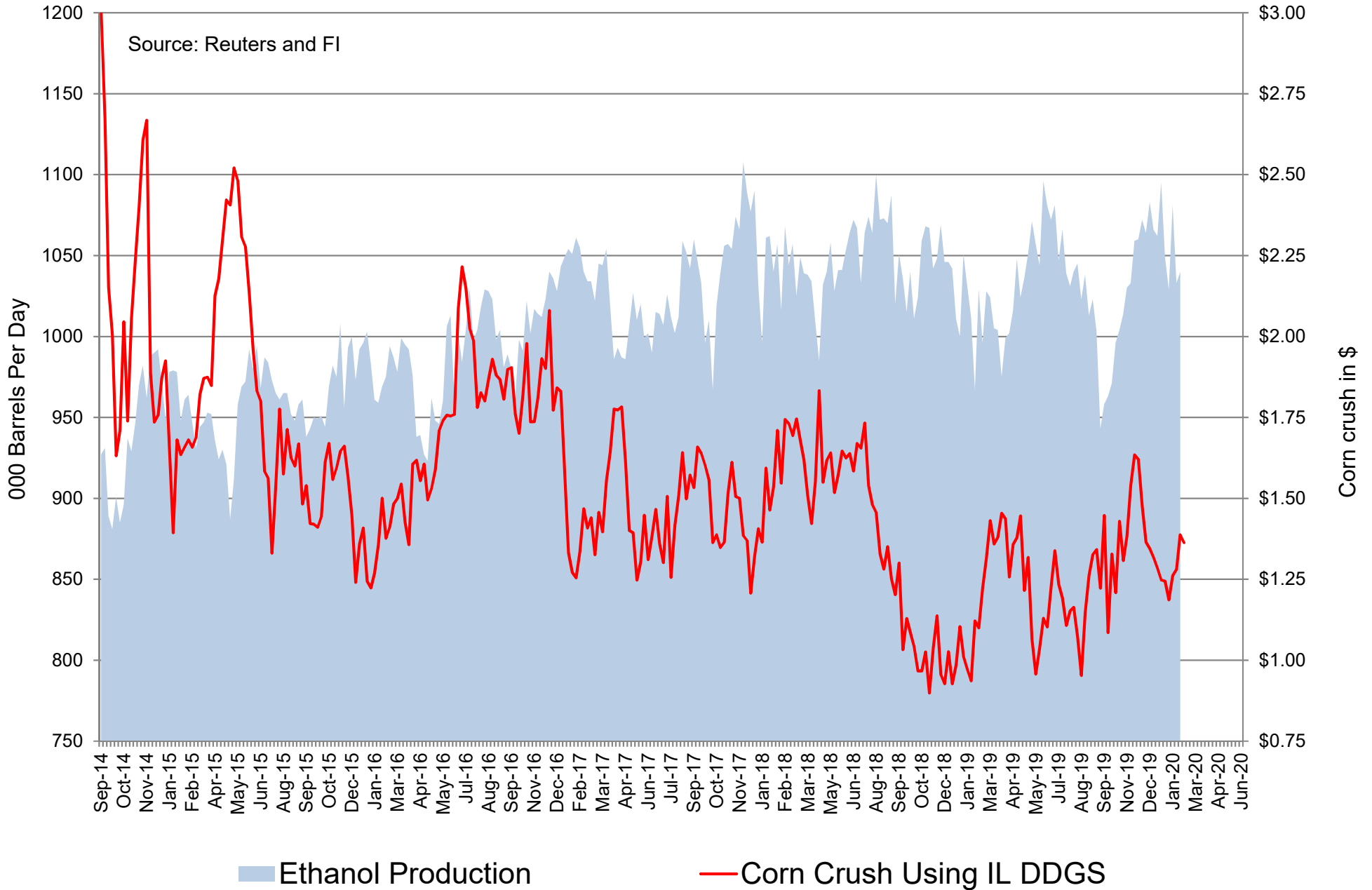
CBOT Second Month Corn Crush Spread versus Weekly Ethanol Production (uses Chicago ethanol and IL DDGS w/ implied costs)



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)



USDA Export Sales Estimates/Results in 000 tons

	ESTIMATED 2/13/2020			2/6/2020 Last Week			2/14/2019 Year Ago		
Beans	19/20	700-1200		19/20	644.9		18/19	NA	
	n/c	0.0		n/c	6.3		n/c	NA	
				Sales to China	132.0		Sales to China	NA	
Meal			Shipped			Shipped			Shipped
	19-20	200-400	150-300	19/20	234.3	268.2	18/19	NA	NA
	19/20						n/c	NA	
Oil			Shipped			Shipped			Shipped
	19-20	15-30	10-20	19/20	39.1	12.8	18/19	NA	NA
							n/c	NA	
				Sales to China	0.0		Sales to China	NA	
Corn	19/20	900-1100		19/20	968.8		18/19	NA	
	n/c	0-100		n/c	0.0		n/c	NA	
				Sales to China	0.0		Sales to China	NA	
Wheat	19/20	450-650		19/20	643.1		18/19	NA	
	n/c	0-50		n/c	44.0		n/c	NA	

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

Source: Futures International and USDA

Disclaimer

TO CLIENTS/PROSPECTS OF FUTURES INTERNATIONAL, SEE RISK DISCLOSURE BELOW:

THIS COMMUNICATION IS CONVEYED AS A SOLICITATION FOR ENTERING INTO A DERIVATIVES TRANSACTION.

Any trading recommendations and market or other information to Customer by Futures International (FI), although based upon information obtained from sources believed by FI to be reliable may not be accurate and may be changed without notice to customer. FI makes no guarantee as to the accuracy or completeness of any of the information or recommendations furnished to Customer. Customer understands that FI, its managers, employees and/or affiliates may have a position in commodity futures, options or other derivatives which may not be consistent with the recommendations furnished by FI to Customer.

The risk of trading futures and options and other derivatives involves a substantial risk of loss and is not suitable for all persons. In purchasing an option, the risk is limited to the premium paid, and all commissions and fees involved with the trade. When an option is shorted or written, the writer of the option has unlimited risk with respect to the option written. The use of options strategies such as a straddles and strangles involve multiple option positions and may substantially increase the amount of commissions and fees paid to execute the strategy. Option prices do not necessarily move in tandem with cash or futures prices. Each person must consider whether a particular trade, combination of trades or strategy is suitable for that person's financial means and objectives.

This material may include discussions of seasonal patterns, however, futures prices have already factored in the seasonal aspects of supply and demand, and seasonal patterns are no indication of future market trends. Finally, past performance is not indicative of future results.

This communication may contain links to third party websites which are not under the control of FI and FI is not responsible for their content. Products and services are offered only in jurisdictions where solicitation and sale are lawful, and in accordance with applicable laws and regulations in each such jurisdiction.