



Marketing Class

DATE DECEMBER 21ST, 2020

NO SIGNAL
IN THE
NORTHEAST...

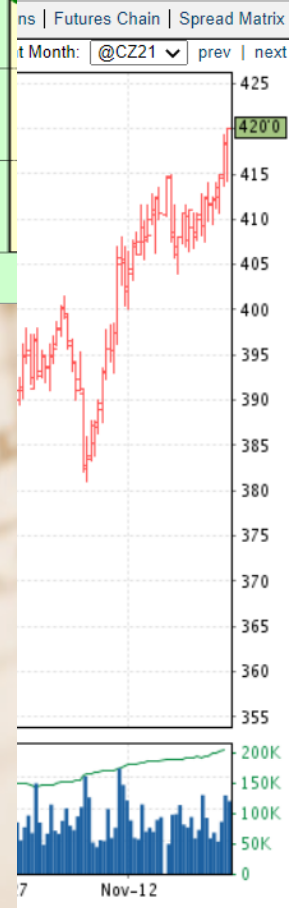
ALL I'M
GETTING
IS SNOW!



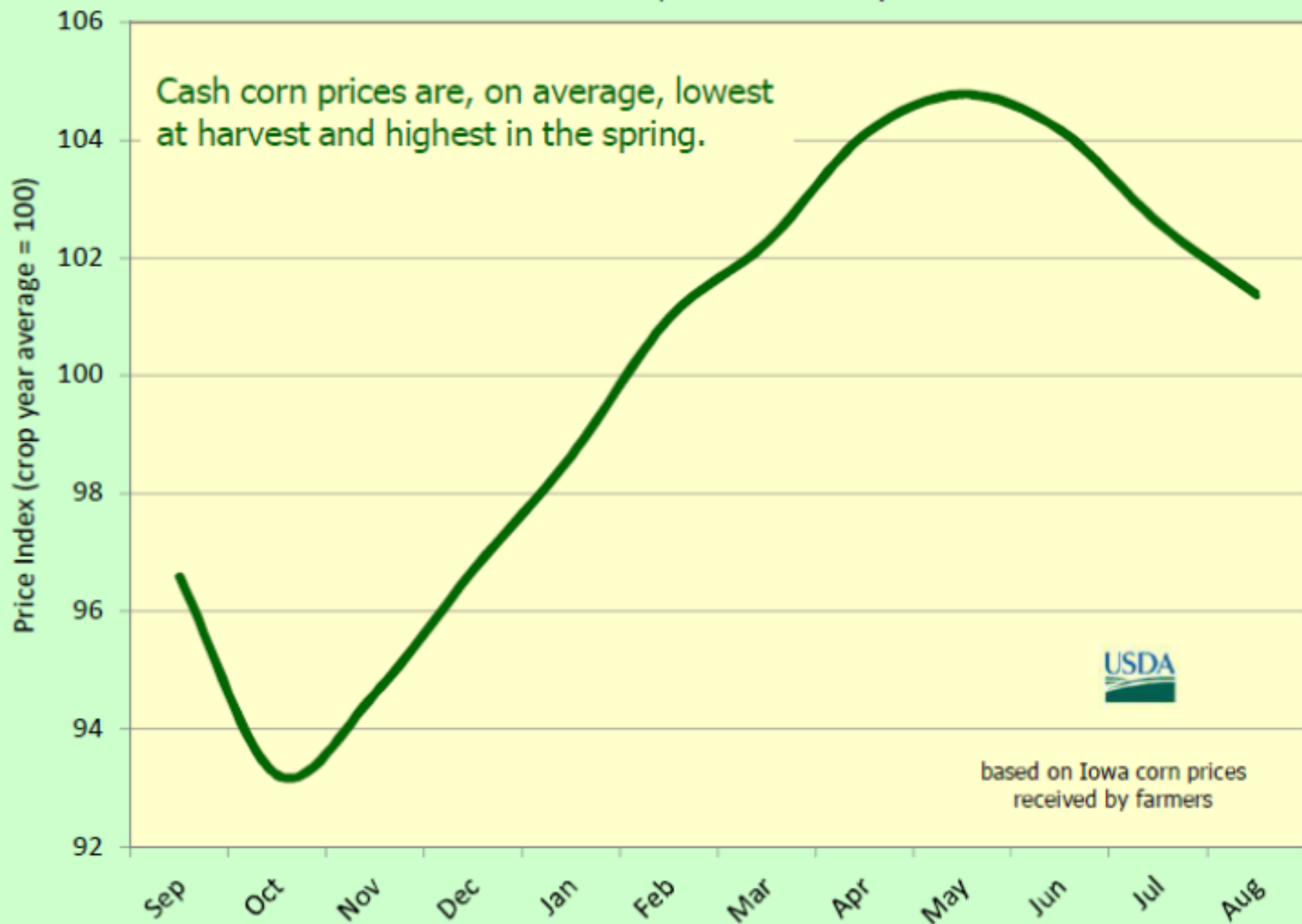
Topics for December 21st, 2020

- Current Chart Comparison
- Updates on Grain Prices and Basis/Carry-Review Marketing Plans
- Market Information Outlook

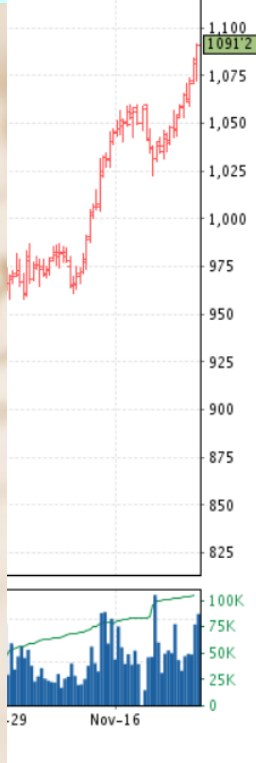
Chicago December Corn Futures, 2000-2018 average



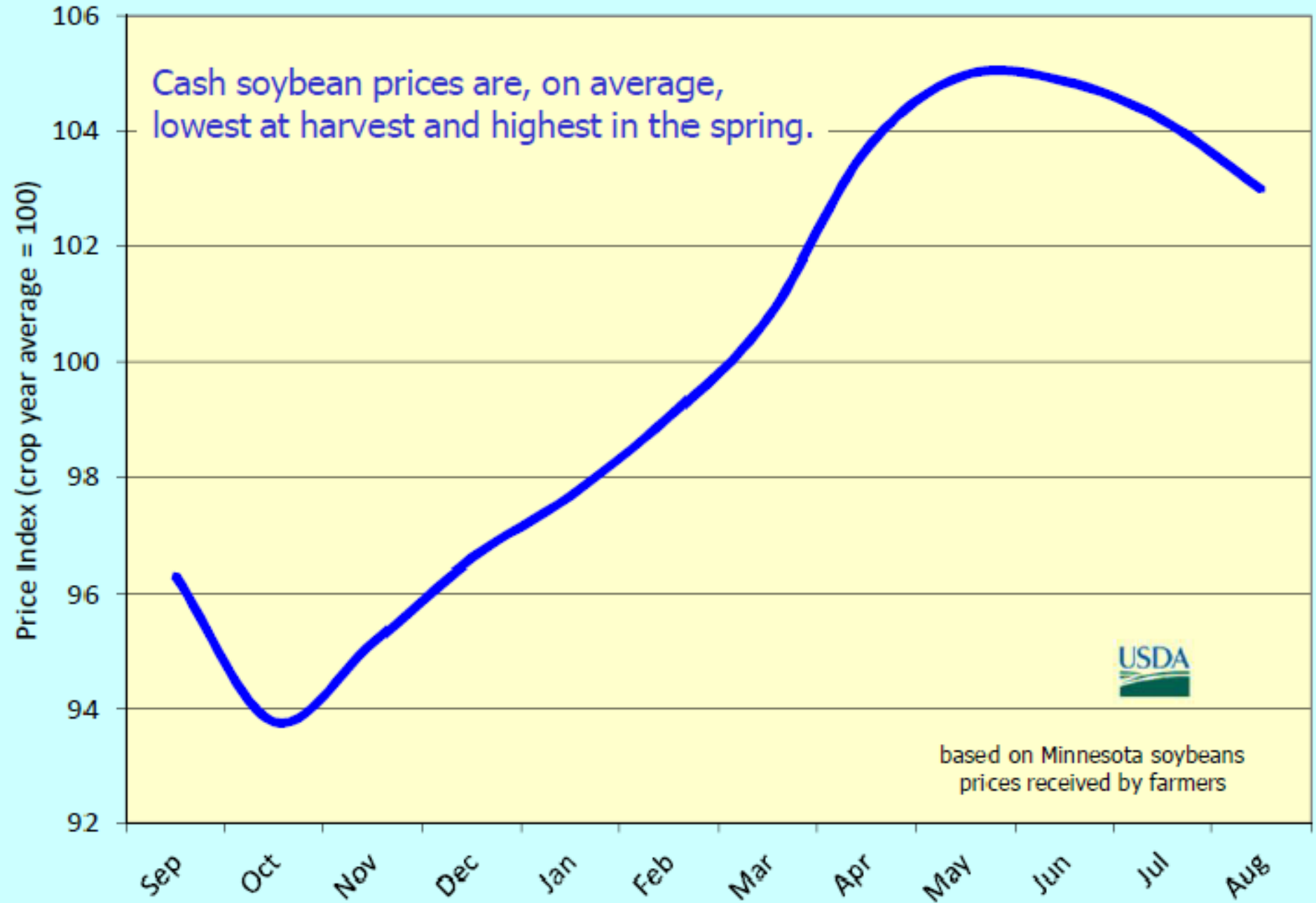
Index of Iowa Corn Prices, 1990-2014 Crop Years



Chicago November Soybean Futures, 2000-2018



Index of Minnesota Soybean Prices, 1990-2014 Crop Years

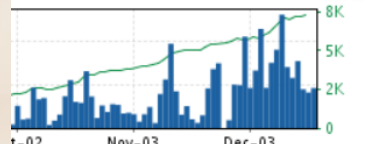
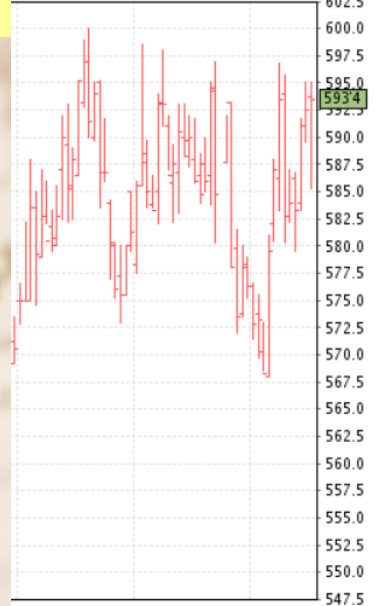


September MGEX Spring Wheat Futures, 2000-2018



Chart Options Futures Chain Spread Matrix

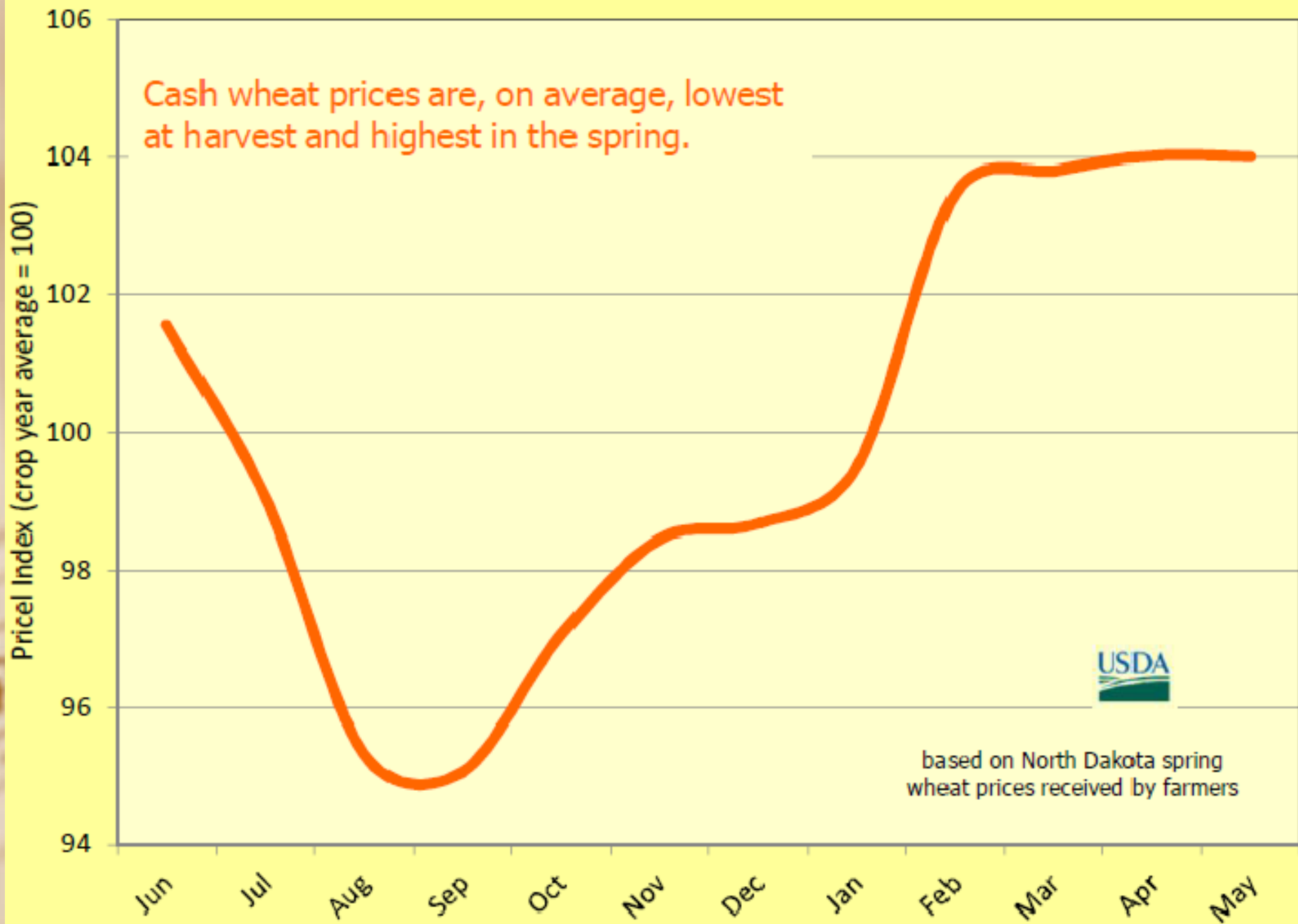
Current Month: @MWU21 prev next



approximate dates

Index of North Dakota Spring Wheat Prices, 1990-2014 Crop Years

Cash wheat prices are, on average, lowest at harvest and highest in the spring.



based on North Dakota spring wheat prices received by farmers

Crop Critical Weather Events

Monday, Dec 21, 2020

1. Increased soil moisture as winter wheat goes dormant

1

A map of the United States with a blue shaded region covering the central and eastern parts of the country, including the Great Lakes and Ohio River valleys. The number '1' is placed within this shaded area. The map shows state boundaries and a grid of latitude and longitude lines.

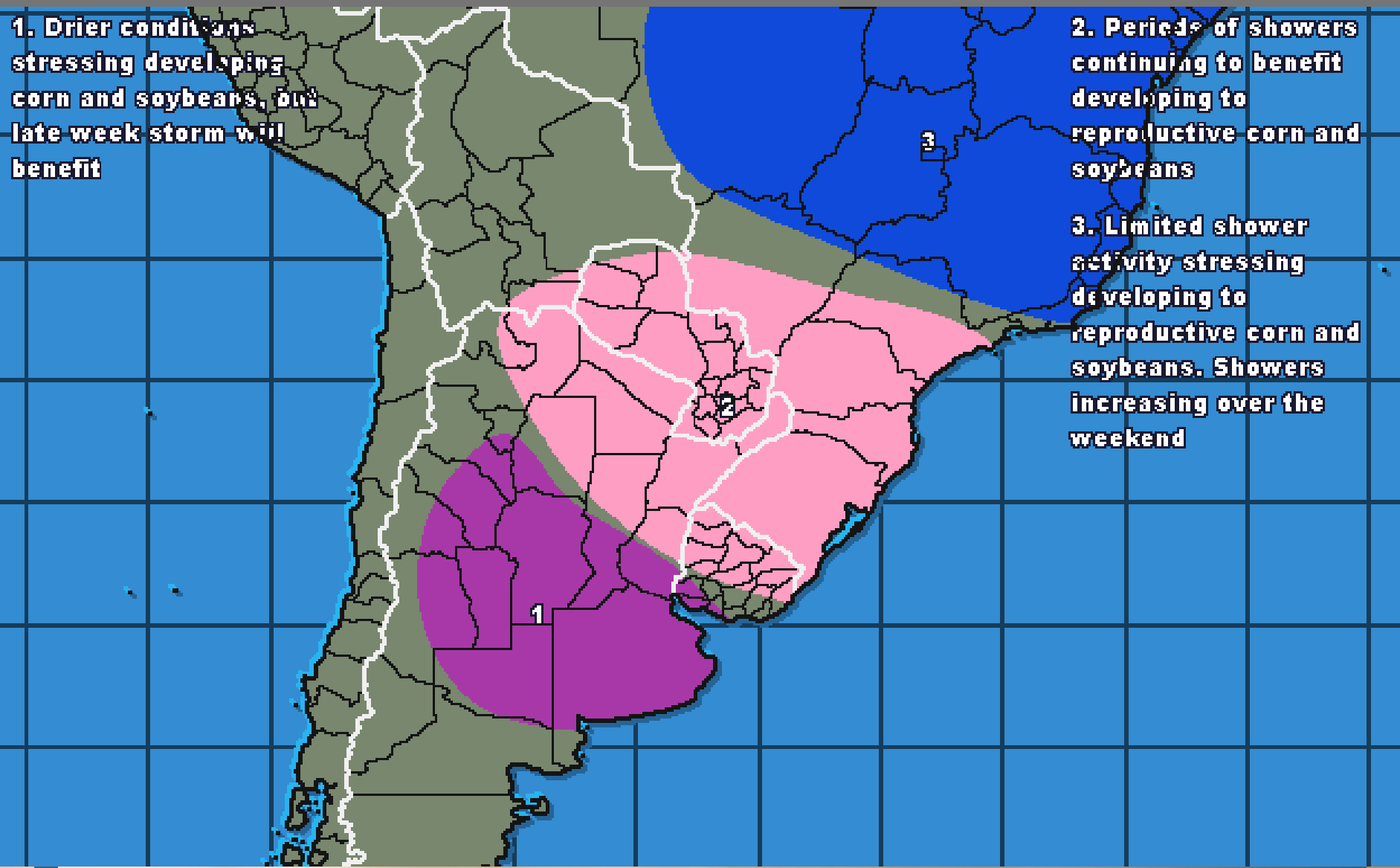
Crop Critical Weather Events

Monday, Dec 21, 2020

1. Drier conditions stressing developing corn and soybeans, but late week storm will benefit

2. Periods of showers continuing to benefit developing to reproductive corn and soybeans

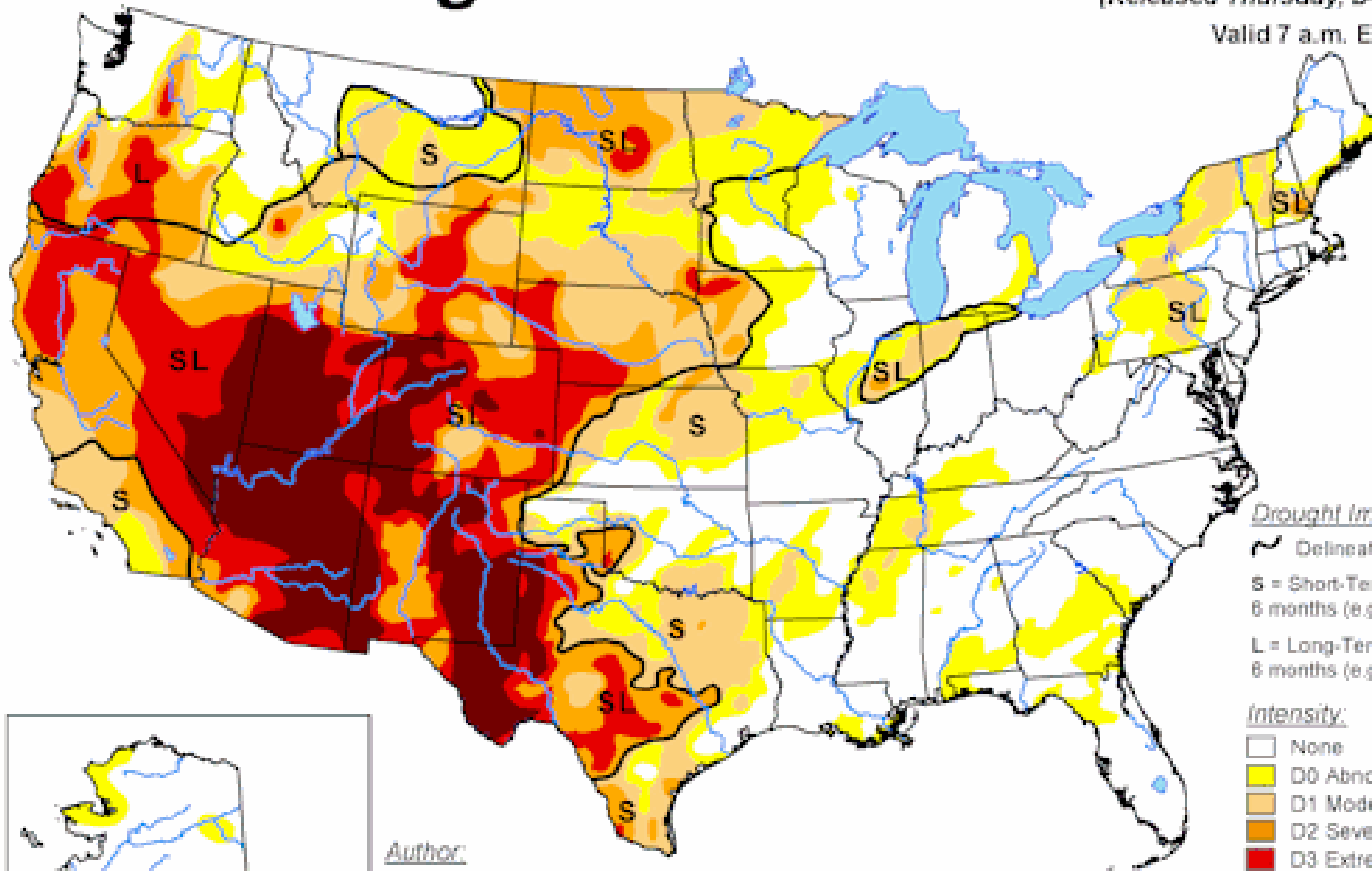
3. Limited shower activity stressing developing to reproductive corn and soybeans. Showers increasing over the weekend



U.S. Drought Monitor

December 15, 2020
(Released Thursday, Dec. 17, 2020)

Valid 7 a.m. EST

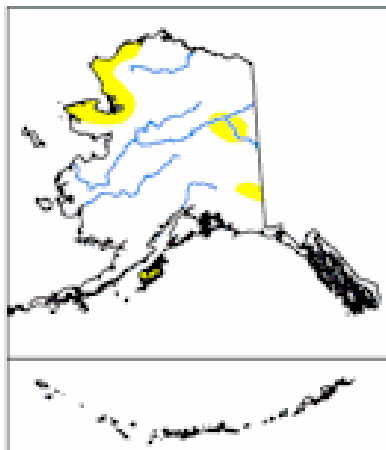


Drought Impact Types:

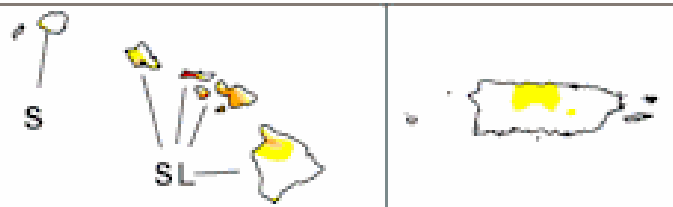
- ~ Delineates dominant impacts
- S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)
- L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)

Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

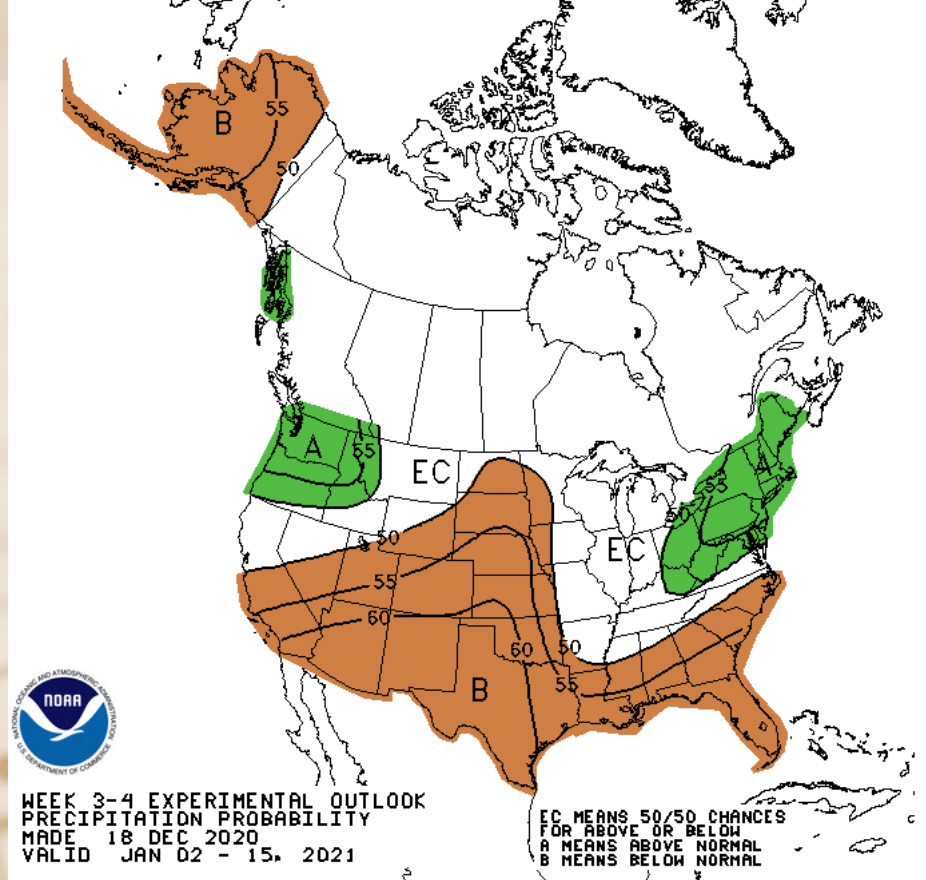
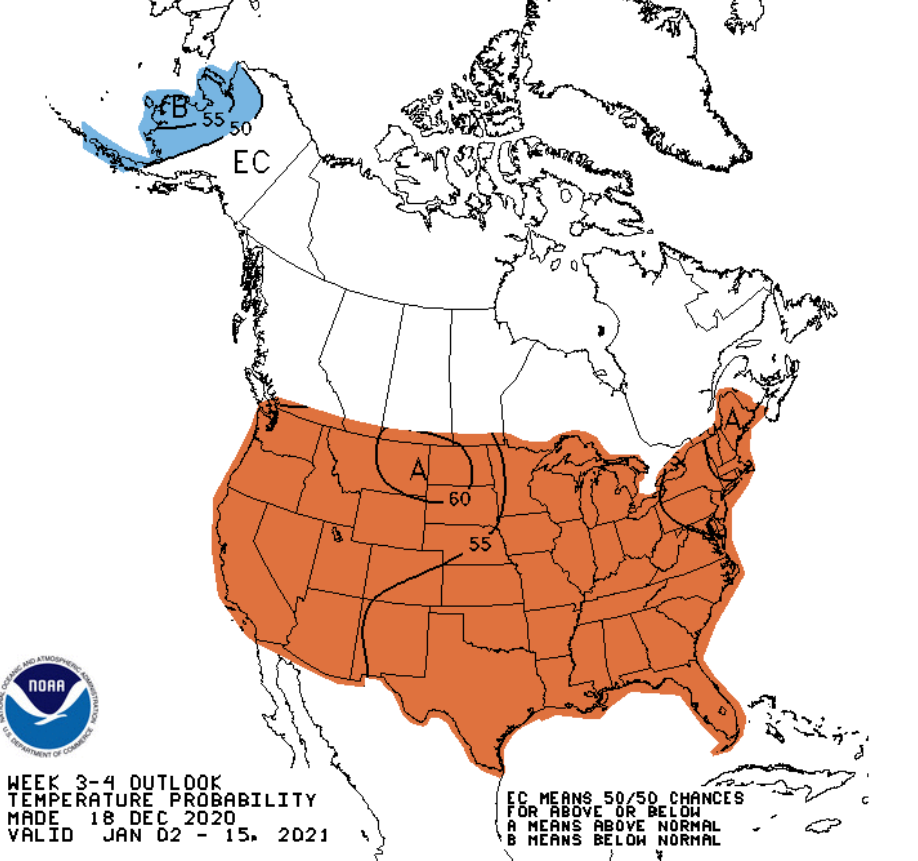


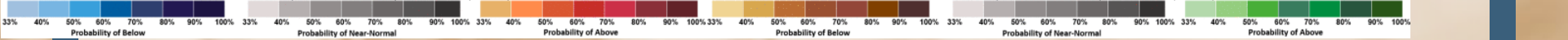
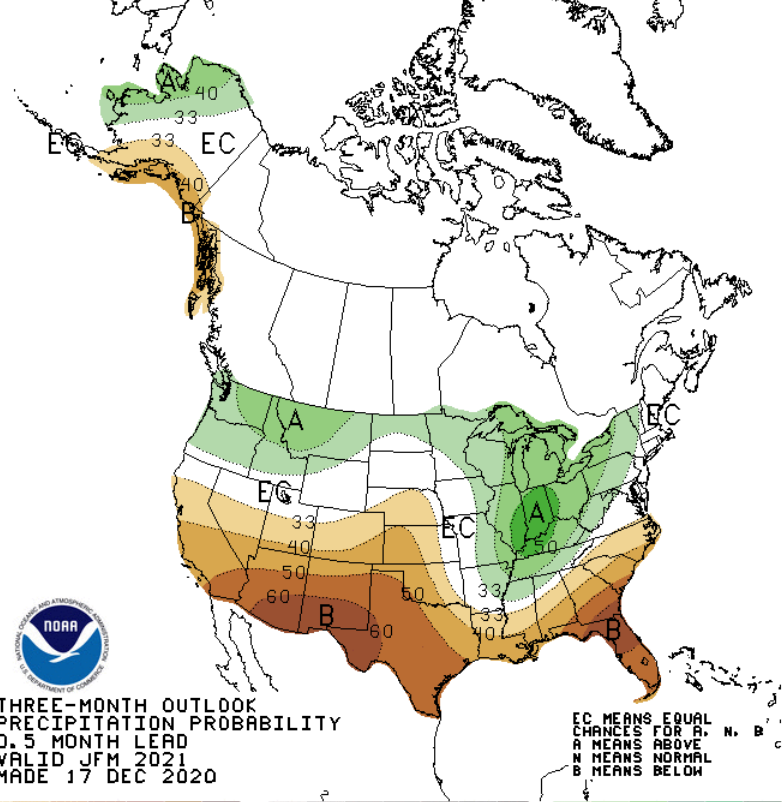
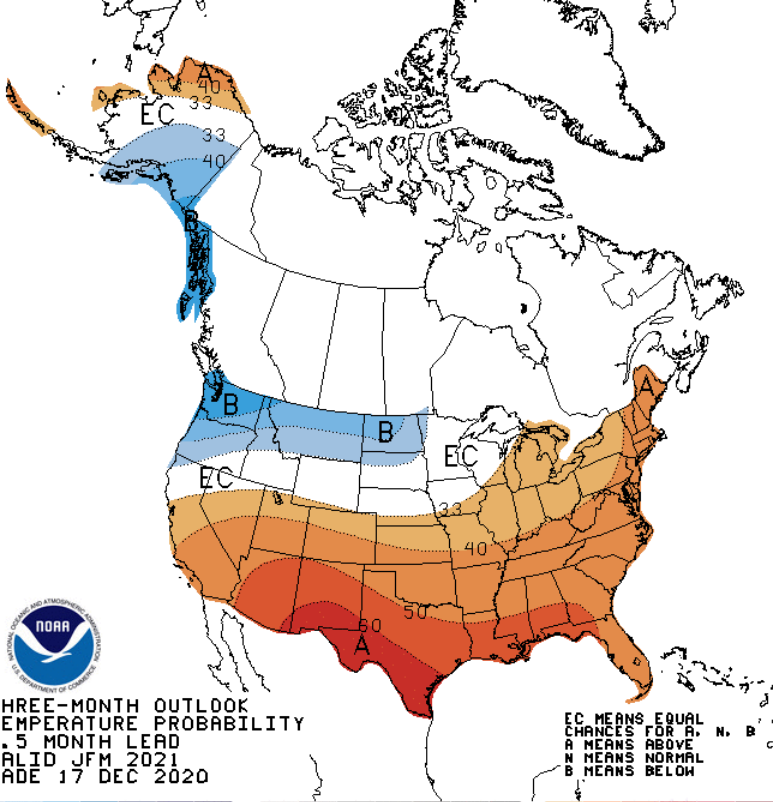
Author:
David Simeral
Western Regional Climate Center



The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>







LOCAL CASH GRAIN PRICES

Northland College-<http://www.northlandfbm-moorhead.com/>

Ron Dvergsten 218-686-5448 / Josh Tjosaas 299-5863-Instructors

	12/22/2020 p.m.			12/20/2020 5:06 p.m.			12/14/2020 8:15 p.m.			12/5/2020 10:34 a.m.		
	2020 Crop	2020 Crop	2021 Crop	2020 Crop	2020 Crop	2021 Crop	2020 Crop	2020 Crop	2021 Crop	2020 Crop	2020 Crop	2021 Crop
WHEAT:	Mar 21-Dec Del	Mar 21-Jan Del	Sept 21-Aug Del	Mar 21-Dec Del	Mar 21-Jan Del	Sept 21-Aug Del	Mar 21-Dec Del	Mar 21-Jan Del	Sept 21-Aug Del	Mar 21-Dec Del	Mar 21-Jan Del	Sept 21-Aug Del
Georgetown	5.46	5.46		5.44	5.44		5.47	5.47		5.26	5.26	
Maple River	5.26	5.26	5.39	5.24	5.24	5.38	5.27	5.27	5.40	5.11	5.11	5.18
Protein	+.03*1/5	+.03*1/5		+.03*1/5	+.03*1/5		+.03*1/5	+.03*1/5		+.03*1/5	+.03*1/5	
GFE	-.06*1/5	-.06*1/5		-.06*1/5	-.06*1/5		-.06*1/5	-.06*1/5		-.06*1/5	-.06*1/5	
Basis: Gtwn	-0.25	-0.25		-0.25	-0.25		-0.25	-0.25		-0.25	-0.25	
Breck	-0.50	-0.50	-0.70	-0.50	-0.50	-0.70	-0.50	-0.50	-0.70	-0.50	-0.50	-0.70
Felton	-0.27	-0.27	-0.37	-0.27	-0.27	-0.37	-0.27	-0.27	-0.37	-0.27	-0.27	-0.37
MRG	-0.45	-0.45	-0.55	-0.45	-0.45	-0.55	-0.45	-0.45	-0.55	-0.40	-0.40	-0.55
SOYBEANS:	Jan 21-Dec Del	Jan 21-Jan Del	Nov 21-Oct Del	Jan 21-Dec Del	Jan 21-Jan Del	Nov 21-Oct Del	Jan 21-Dec Del	Jan 21-Jan Del	Nov 21-Oct Del	Jan 21-Dec Del	Jan 21-Jan Del	Nov 21-Oct Del
Georgetown	11.80	11.80		11.53	11.53		11.03	11.03		10.94	10.94	
Maple River	11.70	11.70	10.10	11.43	11.43	10.04	10.93	10.93	9.81	10.84	10.84	9.46
Basis: Gtwn	-0.67	-0.67		-0.67	-0.67		-0.67	-0.67		-0.67	-0.67	
Breck	-0.60	-0.60	-0.75	-0.60	-0.60	-0.75	-0.60	-0.60	-0.75	-0.60	-0.55	-0.75
Felton	-0.72	-0.72	-0.67	-0.67	-0.67	-0.67	-0.67	-0.67	-0.67	-0.67	-0.67	-0.82
MRG	-0.77	-0.77	-0.77	-0.77	-0.77	-0.77	-0.77	-0.77	-0.77	-0.77	-0.77	-0.92
CORN:	Mar 21-Dec Del	Mar 21-Jan Del	Dec 21-Oct Del	Mar 21-Dec Del	Mar 21-Jan Del	Dec 21-Oct Del	Mar 21-Dec Del	Mar 21-Jan Del	Dec 21-Oct Del	Mar 21-Dec Del	Mar 21-Jan Del	Dec 21-Oct Del
Georgetown	4.01	4.01		3.96	3.96		3.86	3.86		3.79	3.79	
Cargill	4.23	4.28	3.75	4.18	4.23	3.74	4.08	4.08	3.64	4.01	4.01	3.60
Basis-Gtwn	-0.42	-0.42		-0.42	-0.42		-0.42	-0.42		-0.42	-0.42	
Cargill	-0.20	-0.15	-0.45	-0.20	-0.15	-0.45	-0.20	-0.20	-0.50	-0.20	-0.20	-0.50
Felton	-0.37	-0.37	-0.72	-0.37	-0.37	-0.72	-0.37	-0.37	-0.72	-0.37	-0.37	-0.72
MRG	-0.32	-0.32	-0.62	-0.32	-0.32	-0.62	-0.32	-0.32	-0.62	-0.37	-0.37	-0.62

Loan Rates

Commodity Int. Rate: 1.125% Dec 1, 2020 Farm Storage Loans

	2020	2020	2020
Crop	Clay	Norman	Wilkin
Wheat	3.96	3.95	3.97
Corn	2.05	2.02	2.03
Soybeans	5.96	5.92	5.98

Annual Interest Rate	Length of Loan Term	Annual Interest Rate	Length of Loan Term
0.250%	3 years	0.875%	10 years
0.375%	5 years	1.000%	12 years
0.625%	7 years		

Cash Prices for Old Crop and New Crop-Marketing Impact Factors

- General-COVID relief passed for Agriculture and economy, Holiday Season, Markets Close Thursday Noon Dec 24th and reopen Sunday 7 p.m. Dec 27th Similar schedule for New Year's, Weather concerns in S. American will stay on the forefront through the new year, Possible holiday retracement although would be shallow, Approval of more vaccinations while possible virus changes in UK-effectiveness, Possible new Stimulus -\$20 for Flat Rate and Price Trigger, Supplement to CFAP2 which only covered 80% price loss on portion of crop marketings. Fully fund WHIP+ in 2021 omnibus.
- <https://www.profarmer.com/markets/policy/details-covid-aid-package-including-some-big-changes-ag-sector>

Cash Prices for Old Crop and New Crop-Marketing Impact Factors

Corn- China rumors of switching purchases from Brazil to US in Jan/Feb, Early estimates are for 91 million acres for 2021, Ethanol will be watched for potential hiccups in 2021, Support for Dec corn is at \$3.95 while resistance remains at \$4.35

Wheat- US Dollar is still weak, Russia is slowing exports, US Drought is a potential concern but more of an issue in Spring, More reduction in US planted acres for winter wheat and spring wheat in future reports, Early spring wheat acres at 11.7 million acres for 2021 versus 12.7 last month, Support for Mar MW is at \$5.35 while resistance is at \$5.95

Cash Prices for Old Crop and New Crop-Marketing Impact Factors

Soybeans- Ending stocks after Jan WASDE could be close to 100 million, which is bare bottom stocks and only way to ration will be prices, China possibly switching from Brazil/S. America to US exports in Jan/Feb as well as other countries due to Argentina strike, Dry in S Brazil and Argentina, Brazil crop may be worse than expected, Expectations for 89 million acres in 2021 versus 83 million in 2020. Support for January soybeans is at \$9.85 while resistance is at \$12.00

2021 Crop Targets-Review 2020 and 2021 Marketing Plan

- 21 Corn Dec Futures 2021-\$4.00, Hit \$4.20, look at GTC increased targets, Next Target 4.40+ (FSA PP for 2021-\$3.50)
- 21 Soybeans Nov Futures 2021-\$10.00, Hit \$10.8, Next Target \$11.40+ (FSA PP for 2021-\$9.00)
- 21 Spring Wheat Sept Futures 2021-\$5.90-Hit already, Next Target \$6.00+ (FSA PP for 2021-\$5.25)
- 21 Spring Wheat Dec Futures 2021-\$6.00-Hit already, Next Target \$6.20+

Zimmerman Thoughts

- Risk management.
- 25% sales on battle for acres
- 25% May/June/July Rally with typical seasonal.
- 25% Post Harvest or Late Sales.
- Marketing Plan 2021 • Pricing objectives futures:
- Corn: Dec 2021 \$4.09-\$4.30, 4.30-4.50, 4.50-UP – Sell all corn above 3.70 cash. •
- Soybeans: Nov 21: \$10.20-10.80 10.80-11.80 11.80 Up – Sell beans above \$10.00 cash. •
- Wheat: Sep 2021 \$5.80-6.10, 6.10-6.30, 6.30 Up – Sell wheat above \$5.80 cash
- I am a bit cautious to price a big lot to early but need to consider risks. THIS is an example of plan. Make a plan to call your own. Everybody's situation is different, but a plan may help make decisions. Maybe we get back to a more typical seasonal market or will the market continue to surprise like much

ELEC. CORN (@C) [10]					ELEC. SOYBEANS (@S) [10]					ELEC. WHEAT (@W) [10]				
Month	Last	Chg	High	Low	Month	Last	Chg	High	Low	Month	Last	Chg	High	Low
Mar-21	442'6	2'6	444'2	437'2	Jan-21	1246'4	3'2	1252'2	1236'6	Mar-21	616'0	4'6	619'6	603'0
May-21	444'4	2'4	445'2	438'6	Mar-21	1249'2	1'6	1256'2	1241'0	May-21	616'0	3'6	618'6	604'6
Jul-21	444'2	2'0	445'0	439'4	May-21	1248'2	1'4	1254'4	1239'4	Jul-21	609'2	3'2	611'0	598'4
Sep-21	426'2	1'0	426'6	423'0	Jul-21	1242'4	2'2	1247'4	1233'4	Sep-21	611'4	2'6	613'2	601'4
Dec-21	419'6	-0'2	420'6	417'6	Aug-21	1210'6	2'0	1215'4	1203'0	Dec-21	618'4	2'6	619'6	609'0
Mar-22	424'2	-0'6	425'2	422'4	Sep-21	1135'0	-2'6	1141'6	1131'4	Mar-22	624'2	1'6	625'6	615'6
May-22	425'6	-0'2	426'4	424'0	Nov-21	1086'6	-4'4	1094'4	1085'0	May-22	620'2	1'2	621'0	620'2
Jul-22	424'6	-1'0	426'0	423'4	Jan-22	1086'0	-2'4	1091'4	1082'6	Jul-22	605'0	-0'4	607'4	598'6
ELECTRONIC OATS (@O) [10]					ELECTRONIC SOYBEAN MEAL (@SM) [10]					ELECTRONIC SOYBEAN OIL (@BO) [10]				
Month	Last	Chg	High	Low	Month	Last	Chg	High	Low	Month	Last	Chg	High	Low
Mar-21	336'4	-1'2	338'4	335'0	Jan-21	413.7	1.4	416.9	408.6	Jan-21	40.49	0.53	40.52	39.64
May-21	334'0	-0'4	334'6	332'0	Mar-21	413.1	1.0	416.3	408.4	Mar-21	39.94	0.39	40.00	39.23
Jul-21	331'4s	0'6	---	---	May-21	410.8	1.2	413.8	406.2	May-21	39.37	0.25	39.50	38.72
Sep-21	312'6s	0'6	---	---	Jul-21	409.1	1.2	412.3	404.9	Jul-21	39.07	0.16	39.28	38.50
Dec-21	308'6s	0'4	---	---	Aug-21	398.1	0.2	401.2	396.6	Aug-21	38.60	0.09	38.83	38.30
Mar-22	316'0s	0'4	---	---	Sep-21	379.0	-1.8	383.1	378.3	Sep-21	38.11	0.12	38.32	37.64
May-22	316'0s	0'4	---	---	Oct-21	360.7	-2.4	365.1	360.1	Oct-21	37.62	0.02	37.83	37.30
Jul-22	316'0s	0'4	---	---	Dec-21	359.1	-3.1	363.7	357.7	Dec-21	37.50	0.05	37.78	37.04
ELECTRONIC ROUGH RICE (@RR) [10]					ELEC. HRW WHEAT (@KW) [10]					ELEC. HRS WHEAT (@MW) [10]				
Month	Last	Chg	High	Low	Month	Last	Chg	High	Low	Month	Last	Chg	High	Low
Jan-21	12.355	-0.005	12.435	12.325	Mar-21	579'0	4'4	581'4	563'0	Mar-21	570'6	0'4	573'6	565'0
Mar-21	12.510	0.005	12.580	12.455	May-21	582'2	4'0	584'4	567'0	May-21	579'4	0'6	582'0	574'0
May-21	12.640s	-0.205	---	---	Jul-21	584'2	3'6	586'4	569'4	Jul-21	587'4	1'2	589'2	581'0
Jul-21	12.785s	-0.205	---	---	Sep-21	589'2	4'0	591'0	574'6	Sep-21	593'6	0'2	596'2	588'2
Sep-21	11.650s	-0.205	11.910	11.910	Dec-21	596'4	4'2	597'6	582'4	Dec-21	601'6	-1'0	603'4	599'6
Nov-21	11.655s	-0.205	---	---	ELECTRONIC CANOLA (@RS) [10]					Mar-22	604'6	-2'6	607'0	604'6
Jan-22	11.655s	-0.205	---	---	Month	Last	Chg	High	Low	ELECTRONIC MILLING WHEAT (@WA) [0]				
ELECTRONIC BARLEY (@BW) [0]					Month	Last	Chg	High	Low	Month	Last	Chg	High	Low
Month	Last	Chg	High	Low	Jan-21	638.7	4.4	641.1	633.7	Jan-21	638.7	4.4	641.1	633.7
Mar-21	628.2	2.4	630.8	624.4	Mar-21	628.2	2.4	630.8	624.4	Mar-21	628.2	2.4	630.8	624.4
May-21	612.8	1.3	615.7	610.9	May-21	612.8	1.3	615.7	610.9	May-21	612.8	1.3	615.7	610.9
Jul-21	596.1	1.2	599.5	595.4	Jul-21	596.1	1.2	599.5	595.4	Jul-21	596.1	1.2	599.5	595.4
Nov-21	529.1	2.6	530.8	526.0	Nov-21	529.1	2.6	530.8	526.0	Nov-21	529.1	2.6	530.8	526.0
ELECTRONIC DURUM WHEAT (@DW) [0]					Month	Last	Chg	High	Low					
Month	Last	Chg	High	Low	Month	Last	Chg	High	Low					

Quotes generated on: Tue, Dec 22, 2020 1:19 PM CST *Quotes are in market time

LOCAL CASH GRAIN PRICES

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	12/22/2020 p.m.			12/20/2020 5:06 p.m.			12/14/2020 8:15 p.m.			12/5/2020 10:34 a.m.		
	2020 Crop	2020 Crop	2021 Crop	2020 Crop	2020 Crop	2021 Crop	2020 Crop	2020 Crop	2021 Crop	2020 Crop	2020 Crop	2021 Crop
<u>WHEAT:</u>	<u>Mar 21-Dec</u>	<u>Mar 21-Jan</u>	<u>Sept 21-Aug</u>	<u>Mar 21-Dec</u>	<u>Mar 21-Jan</u>	<u>Sept 21-Aug</u>	<u>Mar 21-Dec</u>	<u>Mar 21-Jan</u>	<u>Sept 21-Aug</u>	<u>Mar 21-Dec</u>	<u>Mar 21-Jan</u>	<u>Sept 21-Aug</u>
	Del	Del	Del	Del	Del	Del	Del	Del	Del	Del	Del	Del
Georgetown	5.46	5.46		5.44	5.44		5.47	5.47		5.26	5.26	
Maple River	5.26	5.26	5.39	5.24	5.24	5.38	5.27	5.27	5.40	5.11	5.11	5.18
Protein	+.03*1/5	+.03*1/5		+.03*1/5	+.03*1/5		+.03*1/5	+.03*1/5		+.03*1/5	+.03*1/5	
GFE	-.06*1/5	-.06*1/5		-.06*1/5	-.06*1/5		-.06*1/5	-.06*1/5		-.06*1/5	-.06*1/5	
Basis:Gtwn	-0.25	-0.25		-0.25	-0.25		-0.25	-0.25		-0.25	-0.25	
Breck	-0.50	-0.50	-0.70	-0.50	-0.50	-0.70	-0.50	-0.50	-0.70	-0.50	-0.50	-0.70
Felton	-0.27	-0.27	-0.37	-0.27	-0.27	-0.37	-0.27	-0.27	-0.37	-0.27	-0.27	-0.37
MRG	-0.45	-0.45	-0.55	-0.45	-0.45	-0.55	-0.45	-0.45	-0.55	-0.40	-0.40	-0.55
<u>SOYBEANS:</u>	<u>Jan 21-Dec</u>	<u>Jan 21-Jan</u>	<u>Nov 21-Oct</u>	<u>Jan 21-Dec</u>	<u>Jan 21-Jan</u>	<u>Nov 21-Oct</u>	<u>Jan 21-Dec</u>	<u>Jan 21-Jan</u>	<u>Nov 21-Oct</u>	<u>Jan 21-Dec</u>	<u>Jan 21-Jan</u>	<u>Nov 21-Oct</u>
	Del	Del	Del	Del	Del	Del	Del	Del	Del	Del	Del	Del
Georgetown	11.80	11.80		11.53	11.53		11.03	11.03		10.94	10.94	
Maple River	11.70	11.70	10.10	11.43	11.43	10.04	10.93	10.93	9.81	10.84	10.84	9.46
Basis: Gtwn	-0.67	-0.67		-0.67	-0.67		-0.67	-0.67		-0.67	-0.67	
Breck	-0.60	-0.60	-0.75	-0.60	-0.60	-0.75	-0.60	-0.60	-0.75	-0.60	-0.55	-0.75
Felton	-0.72	-0.72	-0.67	-0.67	-0.67	-0.67	-0.67	-0.67	-0.67	-0.67	-0.67	-0.82
MRG	-0.77	-0.77	-0.77	-0.77	-0.77	-0.77	-0.77	-0.77	-0.77	-0.77	-0.77	-0.92
<u>CORN:</u>	<u>Mar 21-Dec</u>	<u>Mar 21-Jan</u>	<u>Dec 21-Oct</u>	<u>Mar 21-Dec</u>	<u>Mar 21-Jan</u>	<u>Dec 21-Oct</u>	<u>Mar 21-Dec</u>	<u>Mar 21-Jan</u>	<u>Dec 21-Oct</u>	<u>Mar 21-Dec</u>	<u>Mar 21-Jan</u>	<u>Dec 21-Oct</u>
	Del	Del	Del	Del	Del	Del	Del	Del	Del	Del	Del	Del
Georgetown	4.01	4.01		3.96	3.96		3.86	3.86		3.79	3.79	
Cargill	4.23	4.28	3.75	4.18	4.23	3.74	4.08	4.08	3.64	4.01	4.01	3.60
Basis-Gtwn	-0.42	-0.42		-0.42	-0.42		-0.42	-0.42		-0.42	-0.42	
Cargill	-0.20	-0.15	-0.45	-0.20	-0.15	-0.45	-0.20	-0.20	-0.50	-0.20	-0.20	-0.50
Felton	-0.37	-0.37	-0.72	-0.37	-0.37	-0.72	-0.37	-0.37	-0.72	-0.37	-0.37	-0.72
MRG	-0.32	-0.32	-0.62	-0.32	-0.32	-0.62	-0.32	-0.32	-0.62	-0.37	-0.37	-0.62

Loan Rates

	2020	2020	2020
Crop	Clay	Norman	Wilkin
Wheat	3.96	3.95	3.97
Corn	2.05	2.02	2.03
Soybeans	5.96	5.92	5.98

Commodity Int. Rate: 1.125% Dec 1, 2020 Farm Storage Loans

<u>Annual Interest Rate</u>	<u>Length of Loan Term</u>	<u>Annual Interest Rate</u>	<u>Length of Loan Term</u>
0.250%	3 years	0.875%	10 years
0.375%	5 years	1.000%	12 years
0.625%	7 years		

Corn Quotes	12/15/2020	Spread		12/18/2020	Spread		12/21/2020	Spread		Spread
Dec-21	4.12		Dec-21	4.184		Dec-21	4.2		Dec-21	
Mar-22	4.174	0.054	Mar-22	4.234	0.05	Mar-22	4.25	0.05	Mar-22	0
May-22	4.194	0.074	May-22	4.246	0.062	May-22	4.26	0.06	May-22	0
Jul-22	4.19	0.07	Jul-22	4.242	0.058	Jul-22	4.256	0.056	Jul-22	0
Dec-21		Spread	Dec-21		Spread	Dec-21		Spread	Dec-21	Spread
Mar-22		0	Mar-22		0	Mar-22		0	Mar-22	0
May-22		0	May-22		0	May-22		0	May-22	0
Jul-22		0	Jul-22		0	Jul-22		0	Jul-22	0
		Spread			Spread			Spread		Spread
Dec-21			Dec-21			Dec-21			Dec-21	
Mar-22		0	Mar-22		0	Mar-22		0	Mar-22	0
May-22		0	May-22		0	May-22		0	May-22	0
Jul-22		0	Jul-22		0	Jul-22		0	Jul-22	0
		Spread			Spread			Spread		Spread
Dec-21			Dec-21			Dec-21			Dec-21	
Mar-22		0	Mar-22		0	Mar-22		0	Mar-22	0
May-22		0	May-22		0	May-22		0	May-22	0
Jul-22		0	Jul-22		0	Jul-22		0	Jul-22	0
		Spread			Spread			Spread		Spread
Dec-21			Dec-21			Dec-21			Dec-21	
Mar-22		0	Mar-22		0	Mar-22		0	Mar-22	0
May-22		0	May-22		0	May-22		0	May-22	0
Jul-22		0	Jul-22		0	Jul-22		0	Jul-22	0
		Spread			Spread			Spread		Spread
Dec-21			Dec-21			Dec-21			Dec-21	
Mar-22		0	Mar-22		0	Mar-22		0	Mar-22	0
May-22		0	May-22		0	May-22		0	May-22	0
Jul-22		0	Jul-22		0	Jul-22		0	Jul-22	0
		Spread			Spread			Spread		Spread
Dec-21			Dec-21			Dec-21			Dec-21	
Mar-22		0	Mar-22		0	Mar-22		0	Mar-22	0
May-22		0	May-22		0	May-22		0	May-22	0
Jul-22		0	Jul-22		0	Jul-22		0	Jul-22	0
		Spread			Spread			Spread		Spread
Dec-21			Dec-21			Dec-21			Dec-21	
Mar-22		0	Mar-22		0	Mar-22		0	Mar-22	0
May-22		0	May-22		0	May-22		0	May-22	0
Jul-22		0	Jul-22		0	Jul-22		0	Jul-22	0

Corn Quotes	9/11/2020	Spread		9/14/2020	Spread		9/18/2020	Spread		9/21/2020	Spread
Dec-20	3.67		Dec-20	3.684		Dec-20	3.764		Dec-20	3.712	
Mar-21	3.762	0.092	Mar-21	3.776	0.092	Mar-21	3.854	0.09	Mar-21	3.804	0.092
May-21	3.82	0.15	May-21	3.84	0.156	May-21	3.906	0.142	May-21	3.864	0.152
Jul-21	3.852	0.182	Jul-21	3.876	0.192	Jul-21	3.936	0.172	Jul-21	3.902	0.19
	9/23/2020			9/24/2020			9/28/2020			10/1/2020	
Dec-20	3.684	Spread	Dec-20	3.644	Spread	Dec-20	3.692	Spread	Dec-20	3.822	Spread
Mar-21	3.772	0.088	Mar-21	3.73	0.086	Mar-21	3.776	0.084	Mar-21	3.912	0.09
May-21	3.826	0.142	May-21	3.784	0.14	May-21	3.826	0.134	May-21	3.966	0.144
Jul-21	3.86	0.176	Jul-21	3.82	0.176	Jul-21	3.866	0.174	Jul-21	4.002	0.18
	10/2/2020	Spread		10/5/2020	Spread		10/7/2020	Spread		10/9/2020	Spread
Dec-20	3.814		Dec-20	3.796		Dec-20	3.874		Dec-20	3.952	
Mar-21	3.906	0.092	Mar-21	3.894	0.098	Mar-21	3.962	0.088	Mar-21	4.02	0.068
May-21	3.962	0.148	May-21	3.946	0.15	May-21	4.01	0.136	May-21	4.06	0.108
Jul-21	4	0.186	Jul-21	3.982	0.186	Jul-21	4.042	0.168	Jul-21	4.086	0.134
	10/11/2020	Spread		10/19/2020	Spread		10/21/2020	Spread		10/26/2020	Spread
Dec-20	3.954		Dec-20	4.04		Dec-20	4.14		Dec-20	4.16	
Mar-21	4.026	0.072	Mar-21	4.092	0.052	Mar-21	4.164	0.024	Mar-21	4.172	0.012
May-21	4.064	0.11	May-21	4.11	0.07	May-21	4.18	0.04	May-21	4.182	0.022
Jul-21	4.094	0.14	Jul-21	4.106	0.066	Jul-21	4.174	0.034	Jul-21	4.176	0.016
	10/28/2020	Spread		10/30/2020	Spread		11/2/2020	Spread		11/9/2020	Spread
Dec-20	4.074		Dec-20	3.972		Dec-20	3.952		Dec-20	4.074	
Mar-21	4.086	0.012	Mar-21	4.022	0.05	Mar-21	4	0.048	Mar-21	4.152	0.078
May-21	4.096	0.022	May-21	4.046	0.074	May-21	4.024	0.072	May-21	4.19	0.116
Jul-21	4.102	0.028	Jul-21	4.054	0.082	Jul-21	4.036	0.084	Jul-21	4.212	0.138
	11/14/2020	Spread		11/20/2020	Spread		11/23/2020	Spread		11/25/2020	Spread
Dec-20	4.104		Dec-20	4.27		Dec-20	4.254		Dec-20	4.206	
Mar-21	4.194	0.09	Mar-21	4.326	0.056	Mar-21	4.324	0.07	Mar-21	4.282	0.076
May-21	4.24	0.136	May-21	4.352	0.082	May-21	4.354	0.1	May-21	4.314	0.108
Jul-21	4.262	0.158	Jul-21	4.36	0.09	Jul-21	4.354	0.1	Jul-21	4.33	0.124
	11/30/2020	Spread		12/3/2020	Spread		12/7/2020	Spread		12/9/2020	Spread
Dec-20	4.25		Dec-20	4.23		Dec-20	4.13		Dec-20	4.182	
Mar-21	4.33	0.08	Mar-21	4.27	0.04	Mar-21	4.164	0.034	Mar-21	4.212	0.03
May-21	4.356	0.106	May-21	4.292	0.062	May-21	4.19	0.06	May-21	4.242	0.06
Jul-21	4.354	0.104	Jul-21	4.3	0.07	Jul-21	4.192	0.062	Jul-21	4.252	0.07
	12/11/2020	Spread		12/14/2020	Spread			Spread			Spread
Dec-20	4.242		Dec-20	4.274		Dec-20			Dec-20		
Mar-21	4.234	-0.008	Mar-21	4.26	-0.014	Mar-21		0	Mar-21		0
May-21	4.264	0.022	May-21	4.284	0.01	May-21		0	May-21		0
Jul-21	4.282	0.04	Jul-21	4.302	0.028	Jul-21		0	Jul-21		0

2020 Base Line Prices for Wheat, Soybeans and Corn

Local price (forward contract) quoted at Barnesville, MN (Wheat & Soybeans) and Cargill (Wahpeton Corn Plant) for 2020 grain on the second Monday of each month. County Loan is the Minimum Price.

Month	Wheat	Basis	Soybeans	Basis	Corn	Basis
Jan 2020	5.37	-0.50	8.48	-1.06	3.68	-0.35
Feb	5.03	-0.60	8.12	-1.06	3.56	-0.35
Mar	4.78	-0.58	7.90	-0.98	3.35	-0.40
Apr	4.96	-0.59	7.89	-0.86	3.09	-0.40
May	4.72	-0.58	7.74	-0.86	2.93	-0.43
June	4.78	-0.53	8.00	-0.79	3.12	-0.35
July	4.72	-0.47	8.06	-0.68	3.07	-0.30
Aug	4.48	-0.45	8.02	-0.65	2.91	-0.30
Sept	4.76	-0.57	9.37	-0.65	3.44	-0.27
Oct	5.08	-0.37	9.91	-0.69	3.54	-0.25
Nov	5.25	-0.30	10.51	-0.59	3.83	-0.25
Dec	5.37	-0.35	11.07	-0.63	4.08	-0.25
Jan 2021						
Feb						
Mar						
Apr						
May						
Jun						
Average	4.94	-0.49	8.76	-0.79	3.38	-0.35

MARKETING NEWSLETTER COMPARISONS

Northland College–Josh Tjosaas and Ron Dvergstén, Instructors

12-22-2020	WHEAT	SOYBEANS	CORN	OTHER
Pro Farmer:	20: 75% sold for cash sellers and 95% sold for HTA, 20% FO 21: 30% sold for cash sellers and 30% sold for HTA, 0% FO Trend is up.	20: 80% Cash, 80%Hedgers/0%FO 21: None Trend is up.	20: 60% Cash, 80%Hedgers/ 10%FO 21: 10% Cash, 10%Hedgers/ 0%FO Trend is up.	Cattle: No Sales Trend is steady.
Money Farm:	20-50% Cash Sold 21-15% Sold	21- 10% Sold	20: 35% Cash Sold 21: No Sales	Luke Swenson writes this daily newsletter.
Martinson Ag:	19-75% sold FF at \$5.52 Sept	20: 65% Sold 10.05 Avg Nov/Jan	19-85% sold at \$3.83 Futures 20: 65% Sold Dec 20 \$3.70 21: 10% Sold Dec 21 \$3.85 22: 10% Sold Dec 22 \$3.92	Randy Martinson writes this daily newsletter.
Roach Ag:	Day 1 Mpls Wheat Sell Signal Tuesday Dec 22nd, 2020	Day 3 Soybean Sell Signal Tuesday Dec 22nd, 2020	Day 1 Corn Sell Signal Tuesday Dec 22nd, 2020	
Usset, U of MN:	<u>Updated 4/24/2020</u> 20: 5,000 bu at \$4.95 21: None-First target \$6 Sept 21	<u>Updated 10/9/2020</u> 20: 100% sold at 9.62 Cash 21: None-First target \$9.75 Nov	<u>Updated 10/16/2020</u> 20: 20,000 bu sold 3.17 Cash 21: None-First target \$4.25 Dec	You can check out Ed Usset’s website at http://www.cffm.umn.edu/GrainMarketing/MarketingPlans.aspx
Terms:	CBT-Chicago Board of Trade	OC–Old Crop	P–Put Option	FC–Forward Contract
	MGE-Minneapolis Grain Exchange	NC–New Crop	C–Call Option	H-Hedge
	KC–Kansas City Board of Trade	OTM–Out-of-the-Money	ATM–At-the-Money	F/O-Futures/Options
NEXT USDA CROP REPORT: WASDE Jan 12th, 2021 Bold: indicates change from last week.				

“The information provided by Northland Farm Business Management is for informational and comparison purposes only. It is not intended to be considered marketing or trading advice for your individual operation. The risk of loss in trading futures and/or options is substantial and each investor and/or trader must consider whether this is a suitable investment. By accepting this communication, you agree that you are capable of making independent trading decisions, and agree that you are not, and will not, rely solely on this communication in making trading decisions.”

2021 GRAIN SALES SUMMARY

Name

	Acres	Preharvest Sales	Sales to Date	Bushels to Left to Presell	Percent Sold	Average Futures Price	Average Cash Price	Total Preharvest Sales
Corn	500	63750	30000	33750	35%	\$ 4.10	\$ 3.60	\$ 108,000.00
Soybean	500	15375	12000	3375	59%	\$ 10.30	\$ 9.70	\$ 116,400.00
Wheat	500	24375	10000	14375	31%	\$ 5.95	\$ 5.75	\$ 57,500.00
Totals	1500							\$ 281,900.00

POST HARVEST SALES SUMMARY

	Acres	Bushels to Sell	Total Bushels to Produce	39500	Total Postharvest Sales	BU/A SOLD	BEP For Post Harvest	Projected BEY w Sales	
Corn	500	55000	85000	65%	\$ 3.60	\$ 198,000.00	60.00	\$ 3.41	164.06
Soybean	500	8500	20500	41%	\$ 9.50	\$ 80,750.00	24.00	\$ 8.21	38.70
Wheat	500	22500	32500	69%	\$ 5.50	\$ 123,750.00	20.00	\$ 5.99	68.99
Other Crop	0.000001			100%		\$ -		#DIV/0!	#DIV/0!
Sugarbeets	1	28.00	28	100%	42	1176		\$ 41.07	27.381886
Totals	1501					\$ 403,676.00			

Project Corn Expense	\$ 295,305.28
Project Soybean Expense	\$ 186,222.84
Projected Wheat Expense	\$ 192,222.84
Projected Sugarbeet Expenses	\$ 1,150.04
Projected Misc. Crop Expense	\$ 0.00
Total Project Farm Expense	\$ 674,901.00

ROI	2%
Net Farm Income Ratio	2%
2020 Sales	Net Return
\$ 685,576.00	\$ 10,675.00
Return/Acre	\$ 7.11

Name: 2020 Marketing Group Summary

2019 PROJECTED FARM CASH FLOW BY CROP/BEP

CROP INCOME	WHEAT Acre		SOYBEANS Acre		CORN Acre		Sugar Beets Acre		Other Crop Acre	
Acres	500		500		500		1		0.000001	
Wok Units	15000		15000		27500		120		0.00004	
Yield Per Acre	65.00		41.00		170.00		28.00		28.00	
Price Received per Bushel	\$ 5.90		\$ 9.25		\$ 3.50		\$ 42.00			
Total Product Return per Acre	\$ 383.50		\$ 191,750.00		\$ 379.25		\$ 189,625.00		\$ 595.00	
Miscellaneous Payments	\$ -		\$ -		\$ -		\$ -		\$ -	
Gross Return per Acre	\$ 383.50		\$ 191,750.00		\$ 379.25		\$ 189,625.00		\$ 595.00	
	\$ 297,500.00		\$ 297,500.00		\$ 1,176.00		\$ 1,176.00		\$ -	

DIRECT EXPENSES

Seed	\$ 20.00	\$ 10,000.00	\$ 60.00	\$ 30,000.00	\$ 85.00	\$ 42,500.00	\$ 225.00	\$ 225.00		\$ -
Fertilizer	\$ 73.00	\$ 36,500.00	\$ 12.00	\$ 6,000.00	\$ 88.00	\$ 44,000.00	\$ 84.00	\$ 84.00		\$ -
Crop Chemicals	\$ 25.00	\$ 12,500.00	\$ 28.00	\$ 14,000.00	\$ 27.00	\$ 13,500.00	\$ 118.00	\$ 118.00		\$ -
Crop Insurance	\$ 12.00	\$ 6,000.00	\$ 18.00	\$ 9,000.00	\$ 21.00	\$ 10,500.00	\$ 30.00	\$ 30.00		\$ -
Fuel and Oil	\$ 14.58	\$ 7,289.14	\$ 14.58	\$ 7,289.14	\$ 26.73	\$ 13,363.42	\$ 58.31	\$ 58.31		\$ -
Repairs	\$ 27.33	\$ 13,667.13	\$ 27.33	\$ 13,667.13	\$ 50.11	\$ 25,056.40	\$ 109.34	\$ 109.34		\$ -
Custom Hire/Lease	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60.00	\$ 60.00		\$ -
Stock Quota Joint Venture	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
Land Rent/Costs	\$ 128.25	\$ 64,123.92	\$ 128.25	\$ 64,123.92	\$ 128.25	\$ 64,123.92	\$ 128.25	\$ 128.25	\$ 128.25	\$ 0.00
Drying	\$ -	\$ -	\$ -	\$ -	\$ 10.00	\$ 5,000.00	\$ -	\$ -		\$ -
Operating Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
TOTAL DIRECT EXPENSE	\$ 300.16	\$ 150,080.18	\$ 288.16	\$ 144,080.18	\$ 436.09	\$ 218,043.74	\$ 812.90	\$ 812.90	\$ 128.25	\$ 0.00

OVERHEAD EXPENSES

Overhead Expenses	\$ 84.29	\$ 42,142.66	\$ 84.29	\$ 42,142.66	\$ 154.52	\$ 77,261.54	\$ 337.14	\$ 337.14	\$ 112.38	
TOTAL OVERHEAD EXPENSE	\$ 84.29	\$ 42,142.66	\$ 84.29	\$ 42,142.66	\$ 154.52	\$ 77,261.54	\$ 337.14	\$ 337.14	\$ 112.38	\$ 0.00

TOTAL EXPENSES/ACRE	\$ 384.45	\$ 192,222.84	\$ 372.45	\$ 186,222.84	\$ 590.61	\$ 295,305.28	\$ 1,150.04	\$ 1,150.04	\$ 240.63	\$ 0.00
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	\$ (0.95)	\$ 6.80	\$ 4.39	\$ 25.96	\$ (240.63)
	\$ 83.34	\$ 91.09	\$ 158.91	\$ 363.10	\$ (128.25)
	\$ 383.50	\$ 379.25	\$ 595.00	\$ 1,176.00	\$ -
	\$ 384.45	\$ 372.45	\$ 590.61	\$ 1,150.04	\$ 240.63
Profit Per Acre	\$ (0.95)	\$ 6.80	\$ 4.39	\$ 25.96	\$ (240.63)
Profit Margin	-0.25%	1.83%	0.74%	2.26%	-100.00%

BEP	\$ 5.91	\$ 9.08	\$ 3.47	\$ 41.07	#DIV/0!
Net Return \$50/A	\$ 6.68	\$ 10.30	\$ 3.77	\$ 42.86	#DIV/0!
Net Return \$100/A	\$ 7.45	\$ 11.52	\$ 4.06	\$ 44.64	#DIV/0!
Net Return \$150/A	\$ 8.22	\$ 12.74	\$ 4.36	\$ 46.43	#DIV/0!
Net Return \$200/A	\$ 8.99	\$ 13.96	\$ 4.65	\$ 48.22	#DIV/0!

Developed by Randy Zimmerman, NCTC Ulen-Mahnomen
Modified by Josh Tjosaas, NCTC Moorhead

2021 Pre-Harvest Marketing Plan for Corn

*Based on the structure of Ed Usset's-UMN/CFFM Marketing Specialist Pre-Harvest Marketing Plans

Expected 2021 Production: 85000 bushels 500 acres @ 170.00 bushels per acre
 Bushels to Pre-Harvest 63750

Objective: Buy crop insurance to protect my production risk, and have 75% of my anticipated crop priced by mid-June
 Typical Fall Corn Basis -0.5 Additional bump in price 0.2
 Dec Futures using forward contract/futures/hedge/futures fixed

20% Price	12750 bushels at	3.47 cash price	3.97	Futures or by 23-Mar pricing tool to-be-determined ("tbd")
13% Price	8287.5 bushels at	3.67 cash price	4.17	Futures or by 23-Mar pricing tool to-be-determined ("tbd")
20% Price	12750 bushels at	3.87 cash price	4.37	Futures or by 21-Apr pricing tool to-be-determined ("tbd")
13% Price	8287.5 bushels at	4.07 cash price	4.57	Futures or by 19-May pricing tool to-be-determined ("tbd")
20% Price	12750 bushels at	4.27	4.77	Futures or by 6-Jun pricing tool to-be-determined ("tbd")
14% Price	8925 bushels at	4.47 cash price	4.97	Futures or by 20-Jun pricing tool to-be-determined ("tbd")

Plan starts on Oct 1 2020
 Ignore decision dates and make no sale if prices are lower than 3.47 local cash price 3.97 December futures
 Exit all options positions by mid-September, 2021
 Bushels marketing may have to be adjusted to fit futures contracts

Highlighted areas can be modified

*Plan is started at your breakeven but numbers can be adjusted

Corn Sales		APH or Expected Yield						
		Acreage	170.00					
		Crop Ins. Coverage Level or % to Pre-Sell	500					
		Coverage Level Yield	75%					
		Total Bu	127.5					
		Bu to Pre-Sell	85,000.00					
		My Break Even	\$ 3.47					
Date Sold	Future Price	Bushels	Total	Delivery Year**	Delivery Location & Time	Projected Basis	Cash Price	Cash Income
10/21/2020	\$ 4.00	15,000	\$ 60,000.00	Dec-21	Ulen	(\$0.50)	\$ 3.50	\$ 52,500.00
12/21/2020	\$ 4.20	15,000	\$ 63,000.00	Dec-21	Ulen	(\$0.50)	\$ 3.70	\$ 55,500.00
	\$ 4.40		\$ -				\$ 4.40	\$ -
	\$ 4.60		\$ -				\$ 4.60	\$ -
			\$ -				\$ -	\$ -
			\$ -				\$ -	\$ -
			\$ -				\$ -	\$ -
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			\$ -				\$ -	\$ -
			\$ -				\$ -	\$ -
Pre-Sales Avg	4.10	30,000	\$ 123,000.00		Pre-Cash Sale Ave.		3.60	\$ 108,000.00
<i>Bushels Left to Pre-Sell</i>		33,750						
<i>Bushel / Acre Sold</i>		60	35%					
Post Harvest Sales		55,000		\$ -				
FUTURES			CASH					
Final Average	\$ 1.45	85,000	\$ 123,000.00	\$ 1.27	85,000.00	\$ 108,000.00		

15000
15000
15000

2021 Pre-Harvest Marketing Plan for Soybeans

*Based on the structure of Ed Usset's-UMN/CFFM Marketing Specialist Pre-Harvest Marketing Plans

Expected 2021 Production: 20500 bushels 500 acres @ 41.00 bushels per acre
 Bushels to Pre-Harvest 15375

Objective: Buy crop insurance to protect my production risk, and have 75% of my anticipated crop priced by mid-June
 Typical Fall Soybean Basis -0.65 Additional bump in price 0.4

25% Price 3843.75 bushels at 9.08 cash price 9.73 Nov Futures using forward contract/futures/hedge/futures fixed

25% Price 3843.75 bushels at 9.48 cash price 10.13 Futures or by Apr 21-Apr pricing tool to-be-determined ("tbd")

25% Price 3843.75 bushels at 9.88 cash price 10.53 Futures or by May 19-May pricing tool to-be-determined ("tbd")

25% Price 3843.75 bushels at 10.28 cash price 10.93 Futures or by Jun 20-Jun pricing tool to-be-determined ("tbd")
 100%

Plan starts on Oct 1 2020
 Ignore decision dates and make no sale if prices are lower than 9.08 local cash price 9.73 December futures
 Exit all options positions by mid-September, 2021
 Bushels marketing may have to be adjusted to fit futures contracts

Highlighted areas can be modified *Plan is started at your breakeven but numbers can be adjusted

APH or Expected Yield	41.00
Acres	500
Crop Ins. Coverage Level or % to Pre-Sell	75%
Coverage Level Yield	30.75
Total Bu	20,500.00
Bu to Pre-Sell	15,375.00
My Break Even	\$ 9.08

Date Sold	Future Price	Bushels	Total	Delivery Year**	Delivery Location & Time	Projected Basis	Cash Price	Cash Income
11/5/2020	\$ 10.00	5,000	\$ 50,000.00	Nov-21	Ulen	(\$0.60)	\$ 9.40	\$ 47,000.00
11/13/2020	\$ 10.40	5,000	\$ 52,000.00	Nov-21	Ulen	(\$0.60)	\$ 9.80	\$ 49,000.00
12/18/2020	\$ 10.80	2,000	\$ 21,600.00	Nov-21	Ulen	(\$0.60)	\$ 10.20	\$ 20,400.00
	\$ 11.40		\$ -				\$ 11.40	\$ -
	\$ 12.00		\$ -				\$ 12.00	\$ -
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Pre-Sales Avg	10.30	12,000	\$ 123,600.00				Pre-Cash Sale Ave. 9.70	\$ 116,400.00

Bushels Left to Pre-Sell	3,375
Bushel / Acre Sold	24 59%
Post Harvest Sales	8,500 \$ -
Final Average	\$ 6.03 20,500 \$ 123,600.00 \$ 5.68 20,500.00 \$ 116,400.00

2000
1375

2021 Pre-Harvest Marketing Plan for Spring Wheat

*Based on the structure of Ed Usset's-UMN/CFFM Marketing Specialist Pre-Harvest Marketing Plans
 Expected 2021 Production: 31500 bushels 500 acres @ 63.00 bushels per acre

Bushels to Pre-Harvest 23625

Objective: Buy crop insurance to protect my production risk, and have 75% of my anticipated crop priced by mid-June
 Typical Fall Corn Basis -0.3 Additional bump in price 0.2
 Dec Futures using forward contract/futures/hedge/futures fixed

20% Price 4725 bushels at 5.91 cash price 6.21

20% Price 4725 bushels at 6.11 cash price 6.41 Futures or by 23-Mar pricing tool to-be-determined ("tbd")

20% Price 4725 bushels at 6.31 cash price 6.61 Futures or by Apr 21-Apr pricing tool to-be-determined ("tbd")

20% Price 4725 bushels at 6.51 cash price 6.81 Futures or by May 19-May pricing tool to-be-determined ("tbd")

20% Price 4725 bushels at 6.71 cash price 7.01 Futures or by Jun 20-Jun pricing tool to-be-determined ("tbd")

100%

Plan starts on Oct 1 2020

Ignore decision dates and make no sale if prices are lower than 5.91 local cash price 6.21 December futures

Exit all options positions by mid-September, 2021

Bushels marketing may have to be adjusted to fit futures contracts

Highlighted areas can be modified *Plan is started at your breakeven but numbers can be adjusted

	APH or Expected Yield	65.00
	Acres	500
Crop Ins. Coverage	Level or % to Pre-Sell	75%
	Coverage Level Yield	48.75
	Total Bu	32,500.00
	Bu to Pre-Sell	24,375.00
WHEAT	My Break Even	\$ 5.91

Date Sold	Future Price	Bushels	Total	Delivery Year**	Delivery Location & Time	Projected Basis	Cash Price	Cash Income
10/15/2020	\$ 5.90	5,000	\$ 29,500.00	Sep-21	Ulen	(\$0.30)	\$ 5.60	\$ 28,000.00
10/21/2020	\$ 6.00	5,000	\$ 30,000.00	Dec-21	Ulen	(\$0.10)	\$ 5.90	\$ 29,500.00
	\$ 6.20		\$ -				\$ 6.20	\$ -
	\$ 6.40		\$ -				\$ 6.40	\$ -
	\$ 6.60		\$ -				\$ 6.60	\$ -
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Pre-Sales Avg	5.95	10,000	\$ 59,500.00		Pre-Cash Sale Ave.		5.75	\$ 57,500.00

Basis Locked 12/11/2020

5000
 5000
 5000

Bushels Left to Pre-Sell 14,375

Bushel / Acre Sold 20 31%

Post Harvest Sales 22,500 \$ -

			FUTURES		CASH	
Final Average	\$ 1.83	32,500	\$ 59,500.00	\$ 1.77	32,500.00	\$ 57,500.00

DAILY COMMENTARY

When is enough, enough? We have been bouncing around this question in the office for a while. For 2020, we sold out of cash soybeans when futures were around \$1.60 below where they are now (and thankfully bought calls). We still own the majority of corn and wheat. However, we are now going into a season of crazy volatility without much reason to expect otherwise.

The market seemed to digest the 'new strain' of Covid in a pretty quick fashion. The US hasn't responded but many European countries are starting to clamp down on the UK. With the virus already found in over a dozen countries, trying to 'restrict' spreading is already a 'too late' story. One contact of ours that has spoken with higher up health officials says that the vaccine will almost certainly cover these mutations. If that is true the market adjustment will likely be over quickly. The concern for virus mutations has the potential to be a large black swan in the new year. If something were to derail the fundamentals, it would likely be a headline around these concerns.

To turn fundamentals bearish, we would need to see movement really locked down on a vehicular level for 2021. Protein demand is super strong, crush is strong, etc. Ethanol is the most susceptible to a demand issue going forward. We don't anticipate it at the moment but given the current market structure it seems the most potentially bearish factor for next year.

CORN COMMENTARY

Futures today traded both sides as it felt like early traders were pressing to see if they could find sell stops below the market. When the outside markets held strong late in the session, grains recovered and were able to leg higher.

Futures found new highs again today with March futures finishing at \$4.43 ½.

We reminded customers today to take off the January corn calls that we bought a few weeks ago on a spec trade. Option orders were filled for many, but we wanted to remind everyone to make sure you are re-positioned before January options expire this Thursday afternoon.

We are actively contemplating 'when' to fire off our first 2021 sale. We are moving mental stops up internally and looking at pricing out protection through the crop insurance season. \$4.25 in December 2021 futures is a big mark and we will likely be starting with sales there (either with an HTA or options). That gives many the opportunity to roll to Summer 2022 and realize close to \$4.25 cash.

SOYBEAN COMMENTARY

South American weather continues to be the leader. With significant rains forecast across much of the soy producing regions of Brazil, markets are

playing down the Brazilian risk at the moment. However, the sustained shortfalls in Argentina for moisture are getting analysts to really talk about reductions in a quick fashion.

Supporting the markets from the demand side; a higher up at COFCO (China's state owned processing giant) was quoted saying China may import over 100 MMTs of soybeans this year. That would be a 5% increase over any other prior year. The combination of the SA weather issues, strong demand and a weaker dollar continue to make the market bullish over our remaining ending stocks.

Futures today followed a two sided range and again finished strong. With a range that was 15 cents wide; January futures finished near highs at \$12.47.

Cash 2021 harvest delivery is now over \$10.00 almost everywhere. However, this isn't garnering much for physical sales yet. Still, a pullback could cause a little waterfall of selling. We currently have stops under this market and hope to keep moving them up before announcing another round of sales for 2021.

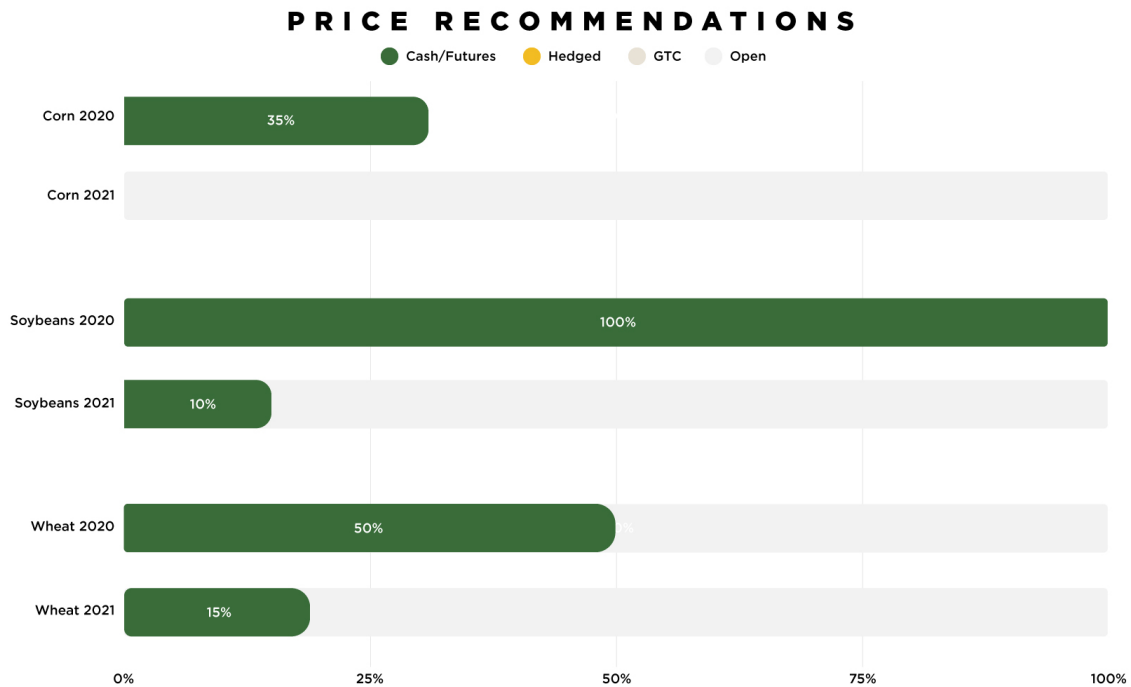
WHEAT COMMENTARY

Like corn and soybeans, wheat markets also had a two-sided trading day as it continues to be a follower. Wheat markets continue to be stuck in a trading range since October as little fresh fundamental news is exciting

the market. Large world wheat supplies and concerns of COVID affecting further demand will likely limit rallies into the new year. Still, it is worth watching US and Russian weather along with Russian production and exports. Remember, their February 15th implemented export tax already has Russian wheat prices above its major competitors.

March Chicago wheat settled up 5 cents at \$6.17; March KC closed up 4 cents at \$5.79; and March Minneapolis finished up a penny at \$5.71.

Recommendations



Cenex Fieldmaster Diesel Transport Price

