

01-08-21

Did you know that FGT has been in business since 1968?

All Checks that were not picked up Monday or Tuesday were mailed Wednesday morning. If you want advances on any delivered basis contracts give us a call. We can process checks quickly....give us a call and we will bring them to your truck in the parking lot.

*****Rebate was mailed for Jan 2021. Total return is worth 16.8 cents cash, stock, equity, and DPAD. 2021 is looking better already!! This check is proof that doing business with your coop pays.**

***** There have been some trucks purchased lately that qualified for the Coop discount. From what I understand the saving are significant. Call us for Details. *****

Market Chatter-

Seems like the market report the last few weeks is the same (which is a good thing) It says "the markets are making new highs every week or the markets are roaring....Carry over numbers are shrinking so in to some new things.....USDA report comes out Jan 12th at 11 am. This report and the weather in South America is what we are trading. The bulls have the market for now and the fund money is riding the

bull. Recently there have been some rain in Brazil and some in Argentina but Argentina remains mostly dry. Soybeans still has a more bullish tone that corn which is exactly what the carry over numbers dictate. Is the market slowing down? Who knows, but it tends to settle down waiting on the next report that is a few trading days away. Good luck!

***We are at a totally different spot compared to last few years when it comes to marketing. We can discuss anytime, give us a call.

Things to Watch-

Political events in the US and the World, drought monitors, US exports....China continues to buy corn and soybeans....LA Nina-Dry in Argentina/southern Brazil--Planting pace in South America, Election results? Shrinking Carry over numbers in the US, Weather, weather, weather....

USDA REPORT RECAP- December Report

Corn-

Corn 19/20 -1.995 VS 1.995 billion last report carry over-(89.7 vs 89.7 million acres with a 167.5 vs 167.5 yield last report)

Corn 20/21 -1.702 VS 1.702 billion carry over last report-(91.0 million acres with a 178.8 yield vs. 91 million acres with 178.8 yield on last report)

***1.702 is starting to feel light. The USDA did not change anything Nov to Dec report but that could open us up for some change in the future. I believe they could reduce yield a bit and maybe add to exports. (there was another export announcement this morning.) Who knows but the facts are that the average USDA price in 17/18 was \$3.36 with 2.1 billion

carryover and it is forecasted to be \$4.00 in 20/21 with a 1.7 billion carryover as of Dec report.

There is a lot of what if's now.....What if South America has a drought? What if US can't get the corn acres planted. We are ready to plant....let the market tell you what to plant. Good Luck!

Soybeans-

Soybeans 19/20 -523 VS 523 million last report carry over. (76.1 million with a 47.4 yield)

Soybeans 20/21 -175 vs 190 million carry over last report (83.1 million acres with a 50.7 yield vs 83.1 million acres and 50.7 yield on last report.)

***175 is light on Soybean carryover. We haven't seen this since 2015. When it was 100 million we went to \$15.00! Crush was raised by 15 million was how we went from 190 to 175.

We have a long way to go...South America crop and our crop but supply is low and a lot lower than it has been. We went from 900 million carry over, next year 523, to now of 175. Stay focused on the market. We still need the exports to get loaded on a ship! But what if La Nina stresses the South America crop?

Soybeans seem to be more bullish than the corn market....soon we will start talking about crops buying new crop acres. Who will win? Who knows? We have a long time before we plant. Get the rows up and we can plant what the market needs! Good luck!

Few things to note-

- **Next USDA Crop Production Report is January 12, 2021.**
 - **All current coop members are eligible for a discount on a new truck. Call Will for details.**
 - One thing about being a local company is that you can come see us anytime to discuss the coop or markets or tour the facility.
 - FGT has total account access via the web called FGT connect
 - FGT has an App in the appstore/google for bids and tickets
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- ***FGT- Did you Know?????***
 - **That FGT began its 52nd year of business August 1, 2020.**
 - **That FGT is not just another grain company or chemical company. It is a locally owned coop and is part of your farm investments. It makes sense and makes money to do business with yourself.**

Thanks for supporting FGT. We appreciate your business.

Going somewhere else reduces your bottom line.....