

01-15-21

The Markets and FGT will be closed Monday February 18th for MLK Jr. Day. We will be back Tuesday.

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

If you want advances on any delivered basis contracts give us a call. We can process checks quickly....call us when you get here and we will bring your check 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-

The USDA report came out of Tuesday. See the report section below for a recap of the report with comments. Markets hit new highs again on Tuesday and just about every day this week. Corn hit the highest spot price since July rolled off the board in 2013 Wednesday

night! 2013-"Those were the days"....well it looks like the lack of supply is going to bring back some of "those days" The lack of supply and large demand has been feeding the bull market. 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- January Report

Corn-

Corn 19/20 -1.919 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)- Feed use was raised 76 million so this changes carry in for 20/21

Corn 20/21 -1.552 VS 1.702 billion carry over last report-(90.8 million acres with a 172.0 yield vs. 91 million acres with 175.8 yield on last report) That is a 3.8 reduction in US yield on 90.8 million acres which is a 345 million reduction in crop size!!!-The average market guess on yield was 175.3 so the 172 was a shocker.

***1.552 is starting to feel really light. (last report was 1.702) Stocks to use went from 11.5% to 10.6% and price range for the year was raised from \$4.00 to \$4.20. Last time corn went high/high we ended up with a 1.0 to a 1.1 carry

over. And if exports/demand stay through the summer the 1.552 can be reduced.

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

Soybeans-

Soybeans 19/20 -523 VS 525 million last report carry over. (76.1 million with a 47.4 yield)

Soybeans 20/21 -140 vs 175 million carry over last report (83.1 million acres with a 50.2 yield vs 83.1 million acres and 50.7 yield on last report.)

***140 is getting really light on Soybean carryover. We haven't seen this since 2015. When it was 100 million we went to \$15.00!

We still have a long way to go before our combines roll again. Watch the market close and make a plan.

Few things to note-

- **Next USDA Crop Production Report is February 9, 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

- ***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....