

10-16-2020

## **Thanks for supporting your COOP!**

**\*\*\*Reminder\*\*\* You have 10 days to put your grain on a contract or it goes into storage. You can always sell or put on a basis if you want to wait...but do that before 10 days is up.**

**\*\*\* Please make sure that you are following all state load limits while harvesting. In MS a regular legal load is 80,000 pounds gross; however, you can get a harvest permit that will increase total load limit to 84,000 pounds.**

## **Market Chatter-**

The USDA came last Friday and set the tone for this week. See the numbers and comments under each section below. Markets are staying up, Chinese demand is strong, and La Nina is has arrived in South America. Good Luck!

Few things to ponder.....

- In the last 3 months the market traded from 8.65 to 10.69
- Market didn't break \$9.00 on this rally until mid August.
- Basis levels are great on corn and Soybeans...
- Watch next year prices. Double up contracts trading over \$10.00 and corn over \$4.00

**Monday Harvest progress-This section has changed to HARVEST Progress for the rest of the crop year.**

Soybeans Harvested -61% TW, 38% LW, 23% LY, 42% Ave

Corn Harvested -41% TW, 25% LW, 20% LY, 32% Ave

TW=This week;LW=Last Week;LY=Last Year

**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

**USDA REPORT RECAP- October Report**

**Corn-**

**Corn 19/20 -2.253 VS 2.253** billion last report carry over-(89.7 vs 89.7 million acres with a 167.4 vs 167.5 yield last report)

**Corn 20/21 -2.167 VS 2.503** billion carry over last report-(91.0 million acres with a 178.4 yield vs. 92 million acres with 178.5 yield on last report)

\*\*\*2.167 is a good size carryover, but we keep reducing this as we move forward. China continues to buy corn. This alone should put us below 2 billion on next report and starts the what ifs....What if we lose a bushel or two to the acre....what if La Nina slows soybean plantings therefore slows the South America corn crop..... There is life back in the corn market...Watch next year too.

## **Soybeans-**

**Soybeans 19/20 -523 VS 575** million last report carry over. (76.1 million with a 47.4 yield)

**Soybeans 20/21 -290 vs 460** million carry over last report (83.8 million acres with a 51.9 yield vs 83.1 million acres and 51.9 yield.)

\*\*\*290 carry over is large but it is getting smaller and China continues to purchase soybeans in style. BUT last report that said we have a 460 million carry over and get into the 200s things change. AND the what ifs start? What if yield goes down 1.5 bushels to the acre....We end up in the 100's. What if La Nina limits soybean acres in South America? What if La Nina causes a drought in South America? There is life back in the soybean market!! Watch next year too.

## **Few things to note -**

- **Next USDA Crop Production Report November 10th.**
- **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.....