

11-13-2020

The USDA report put the market back to levels of 5 years ago. Watch it closely. If you have a number in mind...put in a open order and let us watch the market for you.

*****There have been some trucks purchased lately that qualified for the Coop discount. Call us for Details.*****

Market Chatter-

The November report confirmed that we are in a totally different place than the last few years. The corn and soybean carry overs have been trimmed enough that the prices have jumped over the last few months. Now every planted acre and every weather event makes a difference. We have a long way to go....South America crop just got planted or planting and we are a long way from planting in the US. See November numbers and comments below.

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

USDA REPORT RECAP- November 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 2.167 billion carry over last report-(91.0 million acres with a 178.5 yield vs. 91 million acres with 178.4 yield on last report)

***1.702 is starting to feel light. We came down from 2.167 on last report due to reduction of yield of 2.6 bushels per acre. (178.4 to 175.8) and exports went up 325 million. So ending stocks changed by 465 million. There is a lot of what ifs now.....What if South America has a drought? What if US can't get the corn acres planted. Get everything ready to plant and 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 -190 vs 290 million carry over last report (83.1 million acres with a 50.7 yield vs 83.1 million acres and 51.9 yield on last report.)

***190 is light on Soybean carryover. We haven't seen this since 2015. When it was 100 million we went to \$15.00! Yield reduction was the biggest move in the balance sheet. 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 900 million carry over, next year 523, to now of 190. Stay focused on the market. We still need the exports to get loaded on a ship! But what is La Nina stress 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 December 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
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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.....

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