

07-26-2024

Get your FGT app set up and ready for harvest! Call us to help you get your app.

*You have 10 days from delivery to do something to your grain or it goes into storage as long as storage is offered at that time. Call us to discuss.

Market Chatter-

We finally made a little bounce, but only have a little time left. Front end crop demand still looks good. Watch close in the next 30 days for an opportunity. Based on "normal" prices and basis seem to soften as harvest moves North. We can help you with a plan. We are also the only grain company in this area that gives back its profits to its patrons. Thanks for supporting your coop!

After watching this market fall this year and listening to the stories, I have put together some thoughts for consideration in the future. Many folks missed the market by pennies. I realize that everyone needs every penny they can to operate, but I do think one should think about what .02 is versus making an actual hedge.

.02 on a 60BPA bean crop is \$1.20 per acre if you sell the entire 60BPA in one trade. No one sells this amount. But if you miss a hedge over .02 and it goes down .50 it is \$30.00 per acre difference. So, we must keep in mind that selling grain does limit your upside on that trade but ALSO makes it where the market cannot go lower...Hence the Hedge.

Just today there were a hand full of orders put in @ \$4.10 (not sure why that number was picked other than it sounded

good).....market traded to 4.095 and is trading 4.06 now....Aug SB traded to 11.2325 today and just did not make it to 11.25. The market can always trade back to that level but doesn't have to.

Stay away from those even numbers-11.00, 4.25, 12.00, 12.35, 11.25 use 10.97, 4.22, 11.97, 12.29, 11.23....You might be surprised of how many times these trade vs those even numbers.

Be mindful of these even numbers.....it could cost you in the long run.....be willing to trade off a few pennies to hedge dollars. The dollars and the yield is what keeps the farm in the black. (Penny trading came from trading cotton where .01=\$10 per acre...grains are an entirely different thing)

*Remember-you have **10 days** to do something with your grain after delivery or it will go into storage as long as storage is an option. If you do not want to price it you can put it on a basis contract. Call to discuss.

Last Week-

Did we find a bottom? I sure hope so! We need some weather to make a bounce before we get into harvest. Mid-west crops are looking good so far and more moisture fell this week. Basis levels seem to be good even with large supplies. This is probably a new crop/old crop thing so use caution once we get into real harvest. Sept corn in the 3.90s and Soybeans are in the 10.50 range. Call us if you want to discuss setting basis and rolling to a different month or if you want to discuss carrying grain in your bins.

*No fee HTA for 2024 crop.

*We are booking 2025 crop and can put in open orders for 2025 crop.

Crop Planting Progress/Conditions report that comes out every Monday afternoon.

G/E =Good/Excellent TW =This Week LW =Last Week LY=Last Year AVG=Average

Crop Planting Progress- Planting is almost complete

Corn Planted....

Soybeans Planted...

Crop Conditions-

Corn G/E 67%TW 68%LW 57%LY 63%AVG

Soybeans G/E 68%TW 68%LW 54%LY 59%AVE

Things to Watch-

Interest rates up, Ukraine? US crop acres 24? US Projected Yields 24....Safrina Crop..Lack of Demand for US crops....Future crush demand....Ethanol Demand....Planting? Weather, Weather, Weather...Wet weather in US? Freeze on Russian wheat? July weather is going to make or break the US crop. June 28 stocks/acres report (how many acres did the US plant with SB/Corn)

USDA REPORT RECAP- USDA Supply Demand Report- July 2024

Corn-

Corn 22/23 -Is now officially in the past-1.360 billion carry over

Corn 23/24 - 1.877 vs 2.022 billion carry over (94.6 million acres with a 177.3 yield vs 94.6 million acres with a 177.3 yield.) 145 net less carryover with increases coming from

exports and feed.

Corn 24/25 - 2.097 vs 2.102 billion carry over (91.5 million acres with a 181 yield vs 90.0 million acres with a 181) -raised planted acres by 1.5 million which came out of planted acres report in June. Carry in went down 145, production went up 240, exports went up 25 and feed use went up 25. Still above 2 billion so not much changes will happen in the market. Supply rules the day for now.

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-USDA projected price is \$4.30.....2.097 billion carry over is a lot of corn

Soybeans-

Soybeans 22/23- Is now officially in the past- 264 million carry over

Soybeans 23/24--345 vs 350 million carry over (83.6 million acres with a 50.6 bushel yield vs 83.6 with a 50.6 yield) -No big changes

-USDA average price \$12.50.

Soybeans 24/25--435 vs 455 million carry over (86.1 million acres with a 52 bushel yield vs 86.5 with a 52 bushel yield)-No big changes

-435 is a very large carryover.

-USDA average price \$11.10

Few things to note-

- **USDA Crop Production Supply/Demand August 12, 2024.**
- **All current coop members are eligible for a discount on a new truck. (provide current stock/equity, proof of 10k in sales in past year, and purchase in same name as stock)**

- 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- Did you Know?????*
 - That FGT began its 55th year of business on August 1!
 - That FGT rebates all its profits to its owners.
 - 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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