Dated Material: February 15 issue

February 15, 2019

THE BROCK REPORT

America's Most Complete Commodity Marketing Service

TIME FOR DEFENSIVE STRATEGIES

Trade talks with the Chinese are ongoing as this is written. We are optimistic that the results will be positive for all agricultural products. Technical action in the markets, however, this week seemed to indicate the opposite. We learned long ago to not ignore what the charts are saying. Charts have built into the price action what everyone in the world is thinking. Price moves start before the fundamentals causing the price changes are known. If you wait for the negative news, it will be too late.

So, this past week we became more aggressive with sales of corn, soybeans, wheat and cotton than we had anticipated prior to the bearish technical action seen Friday and Monday. With the significant price gains in corn and soybeans since September, too much was at risk to sit back and watch.

More significant is what's going on in wheat. We were trying to be patient but decided it was time to make some fairly bold moves.

Soft red winter wheat is trading 80 cents per bushel higher than it was a year ago. Hard red winter is 35 cents above a year ago and white wheat on the West Coast is $1.00 per bushel higher than a year ago. At the same time, balance sheets have not changed. Carryover for the 2019/20 crop year is estimated at 898 million bushels versus our estimate of 990 million for the 2018/19 crop year. Unless something dramatically changes, it is now going to be difficult for the market to average above current price levels.

In the world market, carryover supplies are at the second highest in history and the stocks-to-usage ratio for this year is the sixth highest in history. It's difficult to have a bull market with enormous supplies hanging over the market. Combine that with the wheat/corn spread, and the overall environment gets a little frightening. July Chicago wheat is currently trading at approximately $1.30 premium to corn. By May, it has been common in the last few years for that spread to be closer to 80 cents premium. In 2017, the wheat premium was 55 cents at the end of the marketing year, and in summer of 2016, it was only 50 cents. While that could mean upside for corn, as we explain on the next page, we think that is unlikely. The biggest implication of that spread is downside for wheat prices.

The bottom line for wheat: We don't like what we're witnessing. Thus, this past week we wrapped up the final 10% of old crop sales, forward contracted 10% in the new and hedged 20% in July futures. Not huge moves, but moves that we felt necessary to protect the downside.

TAKING A LOOK AT SOYBEANS

We are as optimistic as anyone that trade talks with China will turn out favorably. But facts are facts. If the trade talks don't turn out favorably, we're looking at a record carryover supply this coming year of about one billion bushels (see page 9). If that is the case, we would expect soybeans will average in the low $8.00 range, and yet new-crop November beans right now are at $9.50! If the trade talks don't turn out favorably, this market is very overpriced.

We've made the comment in the last few weeks that it is rare for either soybeans or corn to make a distribution top. The chart pattern in November beans is somewhat different. It is an ascending wedge, and historically, if the support area is broken, it usually leads to a significant decline in

"There cannot be a crisis next week. My schedule is already full." – **Henry Kissinger**

BABY STEPS

We'd all like to be done talking about trade wars, tariffs and any other obstacles to U.S. ag exports. As we've said recently, the tariffs aren't the main factor in the struggling ag economy, but they certainly aren't helping.

The good news on that front is that things do seem to be moving in the right direction. The bad news is that the pace of the progress is slow. Treasury Secretary Steve Mnuchin called this week's talks in China "productive." He and the U.S. Trade Rep. met with China president Xi Jinping in China. Xi told the media that there was "important progress" in talks. More are scheduled for next week, in the U.S., and President Trump on Friday said he might extend the March 1 deadline, after which a "ceasefire" between the two countries is set to end.

The negotiations are very complex and have a lot more to do with intellectual property rights and other trade issues beyond agriculture. There is not going to be a quick solution to this and we will likely continue to be discussing this topic for the next few months.

UPCOMING SPEECHES

March 2, 2019
MidSouth Farm & Gin Show
Memphis, TN

March 12, 2019
*Mississippi Land Bank Prairie Producer's Luncheon**
Macon, MS

**For more info call J. Hunter Taylor/ Mississippi Land Bank at 662-501-9088*

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DEFENSIVE STRATEGIES... (continued)

price. Thus far, that has not occurred. This coming Monday that price would be at $9.44. A close below there would set the stage for a fairly quick decline to the support area at $8.80.

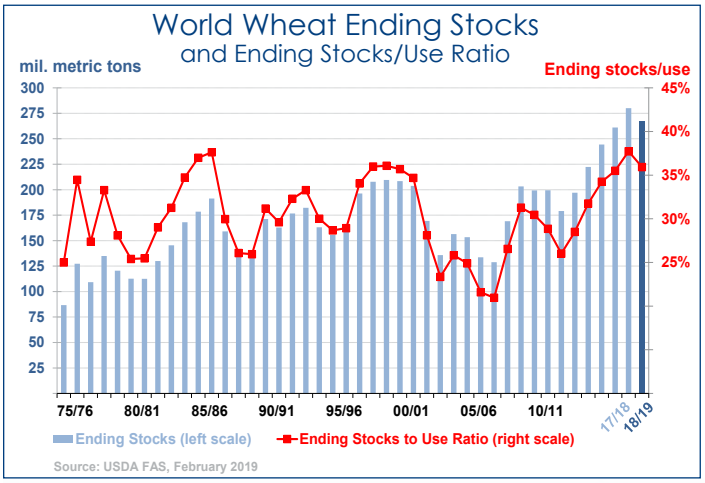
Since this market is overpriced relative to the supply and demand, it is not wise to wait for a conclusive agreement with China. Thus, this week we pushed old-crop sales to 60% from 50%, strict cash marketers forward contracted the first 10% and hedgers hedged 20% of the new crop. If this is the worst sale we make all year, it will be a good year.

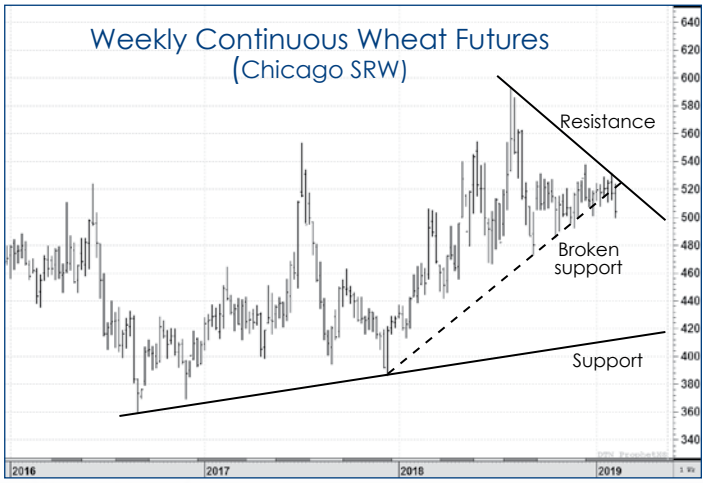
Corn is a somewhat different animal. If planted acreage increases as sharply as prespring seed sales would indicate, carryover could easily be between 1.9 and 2 billion bushels and if that is the case, the expected average price for new-crop corn could be as low as $3.25. The futures market is now at $4.00! Thus, it is important to use some common sense. It is too early in the season to count on a wet spring or a drought in July. At this point, you have to assume normal weather and, assuming normal weather, this market is overpriced.

What surprises could there be on the bullish side? One, we believe, would be export sales of ethanol to China. It's still very doubtful that they will buy much of our corn, but in order to meet their emission goals they very well could buy ethanol, and those amounts could become substantial. But if that occurs, it is likely to be gradual, rather than turning on the spigot. It's going to be very difficult to substantially eat away at this huge of a supply before this growing season is over. It could be very bullish for the 2020/21 crop, but for the 2019/20 crop it may be nothing other than a dream.

LOOKING AHEAD

In another week, all of us should have a better handle on how the Chinese talks are going. The good thing is that the two sides are at least talking. Like everything else politically, however, don't be surprised if this drags on for several weeks, if not months. In the meantime, while these prices are not extraordinarily high and certainly not what most producers want, they are also not excessively low relative to past year comparisons. It's time to start making some decisions.





FUNDAMENTALS

COMMENTARY

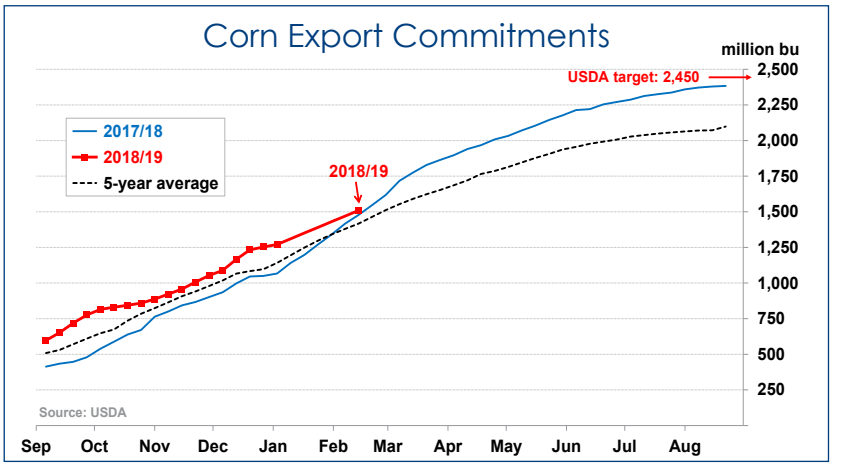
USDA on Friday morning finally caught up on its reporting of U.S. export sales and shipments, releasing 6 weeks worth of data in one report. The delayed data showed that the trajectory of U.S. corn export sales has leveled off since the start of 2019, while soybean sales have picked up, largely due to previously reported sales to China. Wheat sales, meanwhile, improved amid easing competition from Russia, but were still only running roughly even with last year as of Feb. 14.

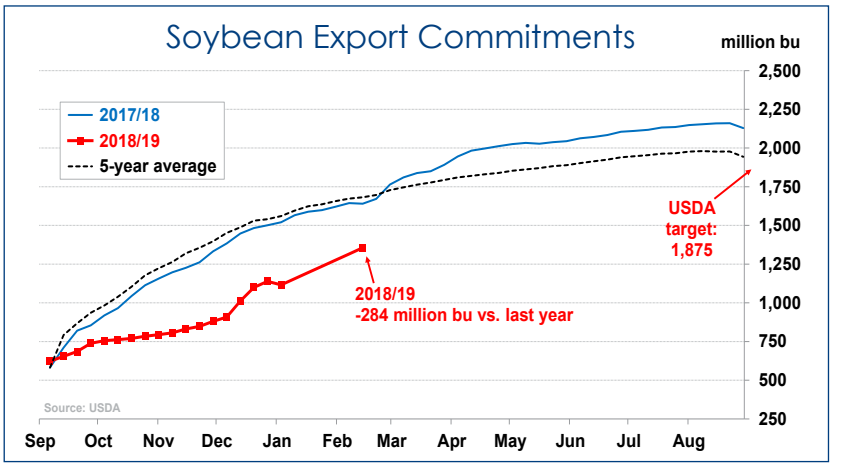
In Friday's export sales report, USDA reported sales of 238.4 million bushels of corn, 240.0 million bushels of soybeans and 131.3 million bushels of wheat for the 6-week period ended Feb. 14. That works out to 39.7 million bushels of corn per week, 40 million of soybeans and 21.9 million of wheat. The 6-week corn and soybean sales totals were in line with trade expectations, while the wheat total was more than 20 million bushels above the high end of expectations as reported by Reuters.

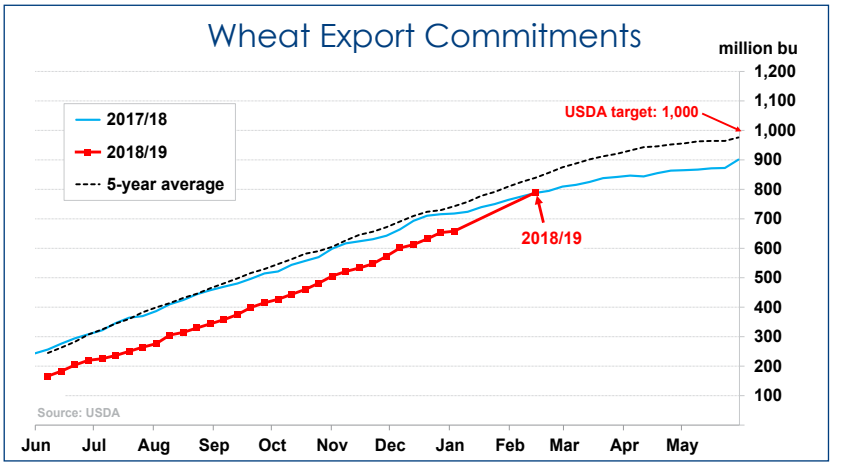
Friday's data showed U.S. corn export sales have fallen behind the seasonal pace needed to reach USDA's 2018/19 export forecast of 2.450 billion bushels, though shipments are still ahead of the needed pace. Export sales through Feb. 14 were 62% of USDA's export forecast of 2.450 billion bushels. On average over the prior 5 years, sales were already 69% of final exports at that point. With U.S. corn facing stiff export competition from Ukrainian and Argentine supplies, USDA's forecast may be a bit on the high side.

Soybean export sales through Feb. 14 remained well below a year earlier and behind the seasonal pace needed to reach USDA's export forecast of 1.875 billion bushels, despite further sales to China reported in early February. Sales commitments equaled 72% of USDA's forecast, while for the prior 5 years, sales averaged 88% of final exports. USDA reported further sales to China of 144.1 million bushels, bringing 2018/19 sales commitments for China to 272.1 million, 78% below a year earlier.

Wheat export sales commitments of 789.4 million bushels were 1.5 million above a year earlier, but USDA is still forecasting an 11% increase in exports. Sales were only 79% of USDA's export forecast of 1.0 billion bushels, versus a prior 5-year average for sales at 92% of final exports. Meanwhile, actual shipments were still 9.9% behind a year earlier. Even with increased sales, it is likely too late in the marketing year for exporters to ship enough wheat to meet USDA's forecast.







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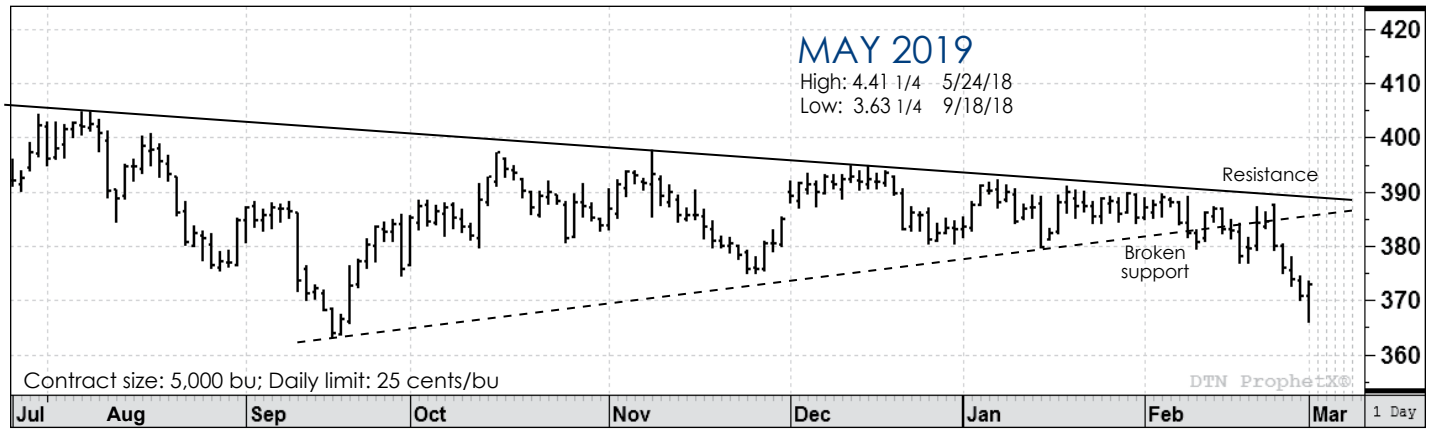
CORN


MAY 2019
High: 4.41 1/4 5/24/18
Low: 3.63 1/4 9/18/18
Resistance
Broken support
Contract size: 5,000 bu; Daily limit: 25 cents/bu
DTN ProphetX®
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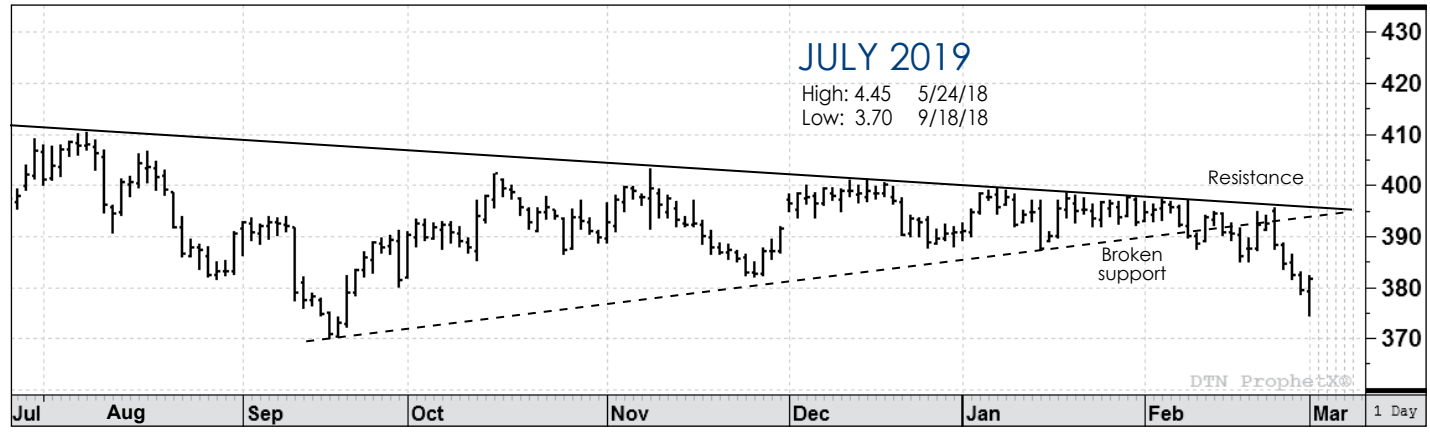
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Low: 3.70 9/18/18
Resistance
Broken support
DTN ProphetX®
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420
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380
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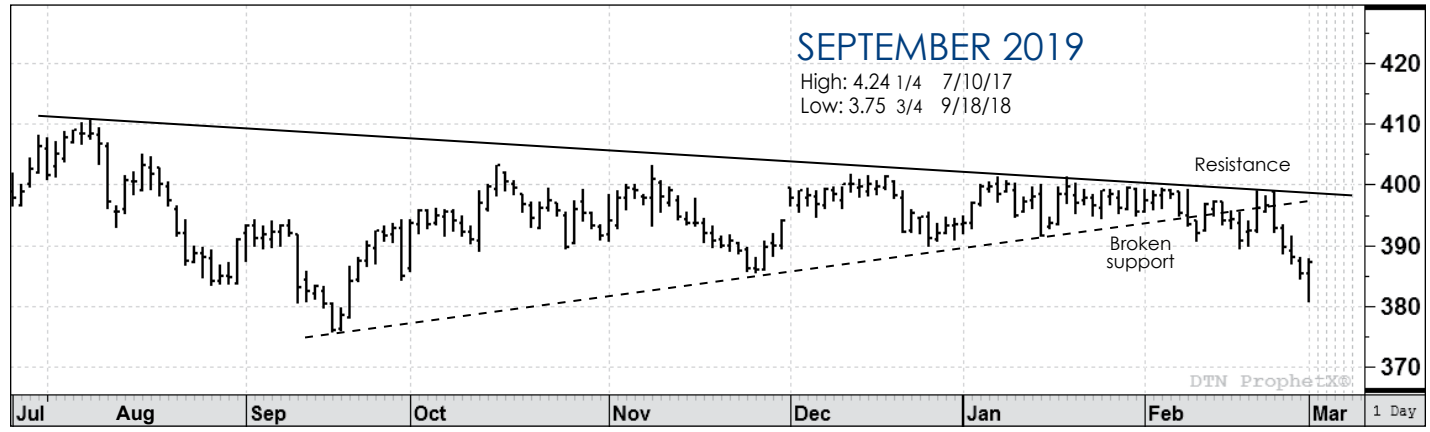
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Resistance
Broken support
DTN ProphetX®
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390
380
370
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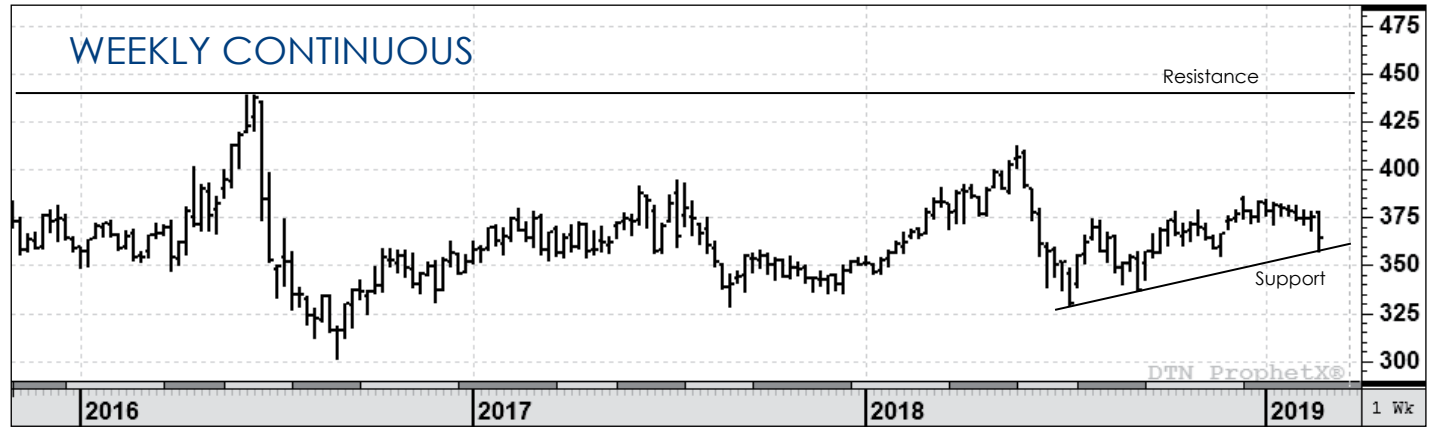

WEEKLY CONTINUOUS
Resistance
Support
DTN ProphetX®
475
450
425
400
375
350
325
300
2016
2017
2018
2019
1 Wk

CORN

COMMENTARY

After months of chopping in narrow sideways ranges, corn futures finally made a decisive breakout this week. Unfortunately, it was not in the direction producers wanted to see, but those who are in step with our recent sales recommendations are in solid shape marketing-wise.

This week's futures break to 5-month-plus price lows was fueled by active commodity fund selling driven by technical weakness amid the absence of a near-term bullish fundamental story in the market. Plunging wheat futures, continued uncertainty about prospects for a trade agreement with China and weak corn-for-ethanol demand combined with prospects for larger U.S. plantings this spring proved to be too much for the market to withstand. As of Friday morning, July futures are down 16 3/4 cents or 4.3% on the week.

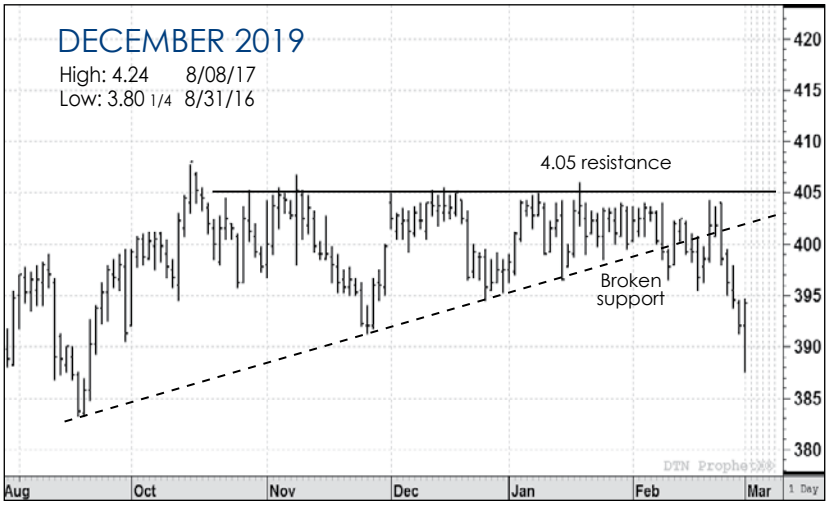
Technically, key support for nearby corn futures is now on the weekly corn continuation chart at the November low of $3.55 1/4. May, July and Dec. futures are fast closing in on key support at their contract lows of $3.63 1/4, $3.70 and $3.83 1/4 respectively. The downside beyond those lows is uncertain, but old-crop futures will post bearish outside weeks down, suggesting they are accelerating lower. We will need to see clear buy-signals before we lift our our futures hedges.

We do need to be watching those positions closely as corn futures are now moving into oversold territory on short-term momentum indicators; and seasonally, this is the time when one should normally be buying the market, not selling it. That said, counter-seasonal price moves can be among the strongest and are usually stronger than most exepect.

While large speculators have been selling the market, commercials have likely been buying. During the week ended Feb. 12, commercial traders cut their net short position in futures/options by more than 45,000 contracts to the lowest level since early October, according to delayed CFTC data. Commercial buying is normally a positive sign, but just when a bottom may occur is still unclear. Potential bullish market factors include confirmation of a major corn purchase by China and uncertainty over new-crop acreage due to falling prices and potential for a late planting season. However, these are still only possibilities.

Cash-Only Marketers' Strategy: Old-crop sales are still at 65% and new crop at 10%. Sit tight for now.

Hedgers' Strategy: Old-crop sales are at 65% and we are short July futures on 20%. We are hedged in September corn futures on 30% of the new crop. Hold there for now.



USDA Estimated Changes in 2019/20 Balance Sheet

	2018/19 proj.	2019/20 proj.	Change
Area Planted (mil ac)	89.1	92.0	2.9
Area Harvested	81.7	84.6	2.9
Yield (bu/ac)	176.4	176.0	-0.4
Production (mil bu)	14,420	14,890	470
Beginning stocks	2,140	1,735	-405
Imports	40	40	0
Total supply	16,600	16,665	65
Feed & residual use	5,375	5,500	125
Ethanol	5,575	5,575	0
Food, seed & other industrial	1,465	1,465	0
Total food, seed & industrial	7,040	7,040	0
Total domestic use	12,415	12,540	125
Exports	2,450	2,475	25
Total use	14,865	15,015	150
Ending stocks	1,735	1,650	-85
Ending stocks/use (%)	11.7%	11.0%	-0.7%
Season avg. farm price ($/bu)	3.60 mid point	3.65	0.05

Source: Grains and Oilseeds Outlook, USDA 2019 Agricultural Outlook Forum

U.S. SUPPLY & DEMAND

	USDA			Brock	
Marketing year begins Sept 1	16/17	17/18 Est.	18/19 Proj.	18/19 Proj.	19/20 Proj.
ACREAGE (million)					
Planted Area	94.0	90.2	89.1	89.1	92.5
Harvested Area	86.7	82.7	81.7	81.7	85.0
Yield	174.6	176.6	176.4	177.0	179.0
SUPPLY (mil bu)					
Beg. Stocks	1,737	2,293	2,140	2,140	1,751
Production	15,148	14,609	14,420	14,461	15,215
Imports	57	36	40	40	40
Total Supply	16,942	16,939	16,600	16,641	17,006
USAGE (mil bu)					
Feed & Residual	5,470	5,304	5,375	5,400	5,500
Food/Seed/Ind	6,885	7,056	7,040	7,040	7,090
Ethanol & By-Products	5,432	5,605	5,575	5,575	5,600
Domestic Use	12,355	12,360	12,415	12,440	12,590
Exports	2,294	2,438	2,450	2,450	2,500
Total Use	14,649	14,799	14,865	14,890	15,090
Ending Stocks (Aug 31)	2,293	2,140	1,735	1,751	1,916
Stocks/Use	15.7%	14.5%	11.7%	11.8%	12.7%
Farm Price ($/bu)	$3.36	$3.36	3.35 - 3.85	$3.35-3.85	$3.10-3.90

SOYBEANS


MAY 2019
High: 10.54 1/2 4/02/18
Low: 8.39 3/4 9/18/18
Resistance
Broken support
Contract Size: 5,000 bu; Daily Limit: 60 cents/bu
DTN ProphetX
1000
975
950
925
900
875
850
825
Jul
Aug
Sep
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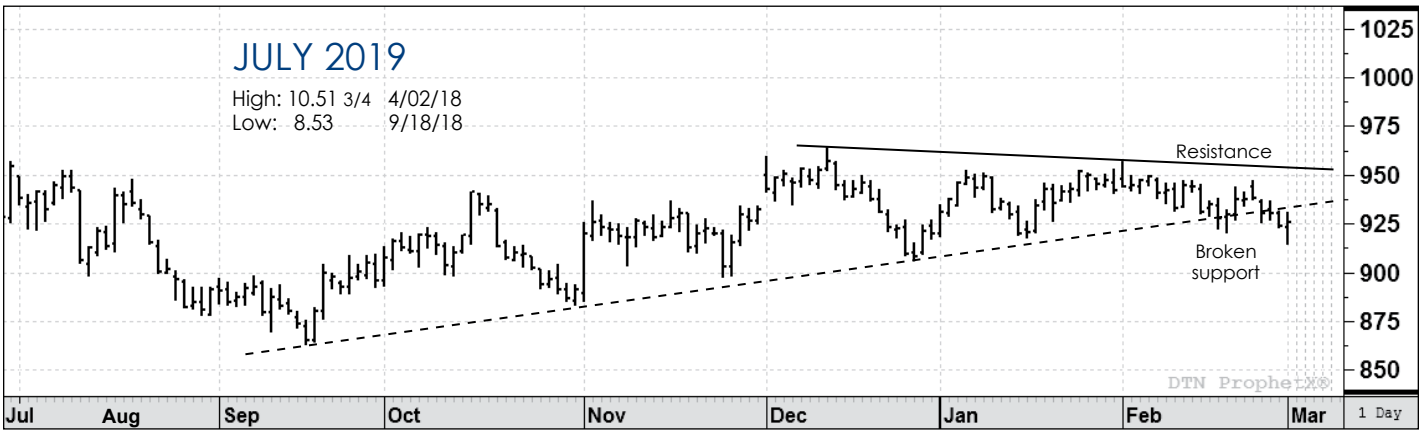
Nov
Dec
Jan
Feb
Mar
1 Day


JULY 2019
High: 10.51 3/4 4/02/18
Low: 8.53 9/18/18
Resistance
Broken support
DTN ProphetX
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950
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900
875
850
Jul
Aug
Sep
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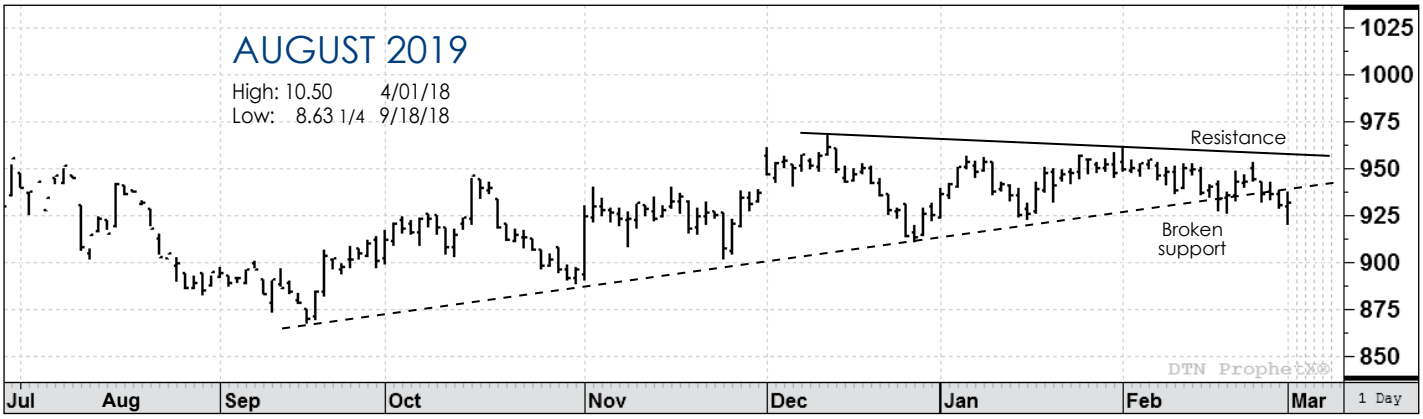
AUGUST 2019
High: 10.50 4/01/18
Low: 8.63 1/4 9/18/18
Resistance
Broken support
DTN ProphetX
1025
1000
975
950
925
900
875
850
Jul
Aug
Sep
Oct
Nov
Dec
Jan
Feb
Mar
1 Day


WEEKLY CONTINUOUS
Resistance
Support
DTN ProphetX
1250
1200
1150
1100
1050
1000
950
900
850
800
750
2017
Apr
Jul
Oct
2018
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2019
1 Wk

SOYBEANS

COMMENTARY

For all the talk this week of the bearish fundamentals in soybeans and the prospect of a technical breakdown, the market held up once again, rallying late in the day Friday to end higher.

The late rally wasn't accompanied by any apparent bullish news, but is likely a reflection of the uncertainty over U.S.-China trade. There wasn't much new on the trade front this week, but the two sides do continue to communicate, and some traders don't want to be stuck short for more than 48 hours, during which Trump officials could make all sorts of bullish comments.

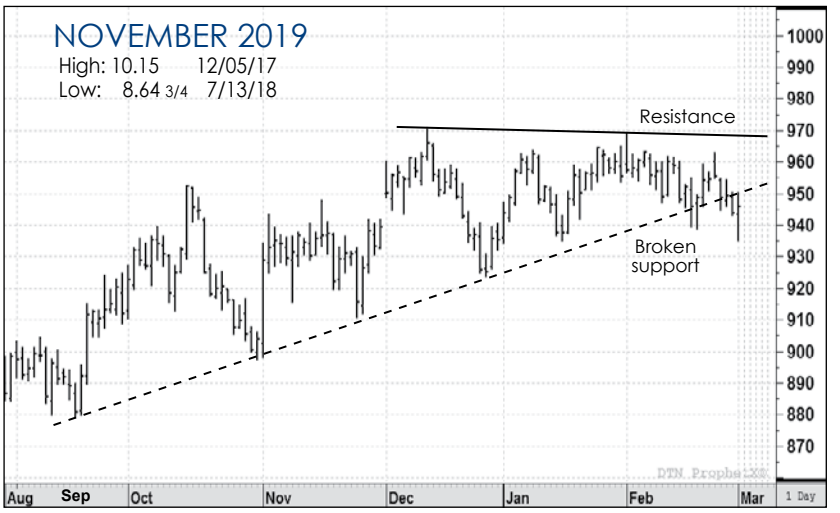
But until, and unless, there is movement on trade, this market could stay in a holding pattern. In markets, sometimes no news is bad news, but not in this case.

South American weather and crop potential is a negative market factor, as early problems in Brazil have given way to weeks of favorable conditions. Losses in Brazil are also offset by a strong Argentina crop. Here in the U.S., the flooding and cold temperatures have the potential to cause a smaller reduction in soybean acres than most people are expecting.

On the export front, weekly net sales were very strong and included large sales to China, which is mysterious because USDA did not report any sales of more than 100,000 metric tons in its daily reporting system during the period. There's also no sign of the 10 MMT that Sonny Perdue said China had agreed to buy. Ultimately, what will turn soybean prices higher is not Chinese purchases, but an end to China's tariffs, along with some crop threats in the U.S.

Cash-only Marketers' Strategy: Old-crop sales are at 75% and new crop is at 20%. Sit tight.

Hedgers' Strategy: Old-crop sales are at 70% in the cash market and we are short July futures on 30%. In the new crop, 10% is forward contracted and we are short November futures on 40%.



USDA Estimated Changes in 2019/20 Balance Sheet

	2018/19 proj.	2019/20 proj.	Change
Area Planted (mil ac)	89.2	85.0	-4.2
Area Harvested	88.1	84.3	-3.8
Yield (bu/ac)	51.6	49.5	-2.1
Production (mil bu)	4,544	4,175	-369
Beginning stocks	438	910	472
Imports	20	20	0
Total supply	5,002	5,105	103
Crush	2,090	2,105	15
Seed & Residual	127	130	3
Total domestic use	2,217	2,235	18
Exports	1,875	2,025	150
Total use	4,092	4,260	168
Ending stocks	910	845	-65
Ending stocks/use (%)	22.2%	19.8%	-2.4%
Season avg. farm price ($/bu)	8.60 mid-point	8.80	0.20

Source: Grains and Oilseeds Outlook, USDA 2019 Agricultural Outlook Forum

U.S. SUPPLY & DEMAND

	USDA			Brock	
Marketing year begins Sep 1	16/17	17/18 Est.	18/19 Proj.	18/19 Proj.	19/20 Proj.
ACREAGE (million)					
Planted Acres	83.5	90.2	89.2	89.2	85.0
Harvested Acres	82.7	89.5	88.1	88.1	84.3
Yield	51.9	49.3	51.6	51.6	52.0
SUPPLY (mil bu)					
Beg. Stocks	197	302	438	438	905
Production	4,296	4,412	4,544	4,544	4,384
Imports	22	22	20	20	20
Total Supply	4,516	4,735	5,002	5,002	5,309
USAGE (mil bu)					
Crush	1,901	2,055	2,090	2,070	2,125
Exports	2,166	2,129	1,875	1,900	2,050
Seed	105	104	96	96	98
Residual	42	9	31	31	32
Total Use	4,214	4,297	4,092	4,097	4,305
Ending Stocks (Aug 31)	302	438	910	905	1,004
Stocks/Use	7.2%	10.2%	22.2%	22.1%	23.3%
Farm Price ($/Bu)	$9.47	$9.33	8.10 - 9.10	$8.00-9.00	$8.00-9.20

ON TOPIC

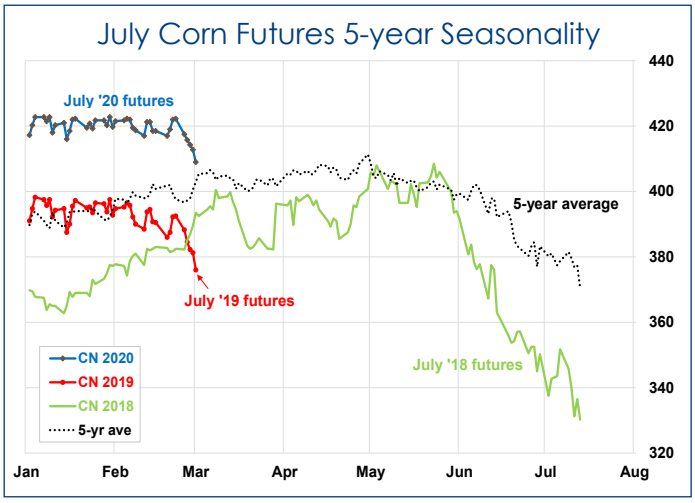
IMPORTANT TO SELL AHEAD– BUT HOW FAR AHEAD?

Warren Enevoldsen
Marketing Consultant

Over the past 5 years, the best window for selling corn has been April and May as you can see by looking at seasonality of July corn futures in the the graphic below. Look at the 5-year average. When examined over longer time frames, most seasonality studies extend the best selling opportunites into June before prices begin to roll over. It is better to be selling the crop being planted than the one that is in the bin. July 2020 corn futures are currently $0.30 higher than July 2019 futures. But by the time we are confident in the growing crop, the market is usually lower (on average, $0.60/bushel lower over the past 5 years, measured from April-June of the year prior to planting year until April-June of the year of planting).

Having good crop insurance helps give us the confidence to sell ahead. In my opinion, 80% enterprise unit income protection with fall price option, is the best coverage for the money. It not only gives us a higher price by selling ahead, but then we know our income for the coming year much sooner. It is not fun to be sitting from harvest until next May when prices are normally poor, wondering if we are going to make any money that year.

It looks simple considering at the 5-year average of corn prices, but it is never easy. Every year is different, and when prices are in an uptrend it is hard to pick the day to sell. The news is usually bullish, and coffee shop talk is about how poor the crop is in other areas.



I have been a Brock consultant for 19 years, and a client for 10 years before that. Richard Brock has been, by far, the best that I have known at calling the top in the corn market. Because he has been so good at it, others in the company have become good at it also. It is well worth the cost of being a Brock consulting client to get a call the day Rick says this is the top.

This is one of the busiest times of the year for a farmer, and doesn't allow a farmer much time to be working on marketing. You need to be a very good technician to do this yourself, and not every farmer is able to develop those skills. The client needs to be prepared to sell when he gets that call.

Number one, you need to have good crop insurance to know you are protected if you have a poor crop. You need the fall price election so you have the revenue to payoff losses in the market if you do not have the production to cover the sales.

Next, you have to have your plan in place as to how and where you are going to sell. It is easiest to sell futures, but you need to have a significant amount of margin money in your account. The markets can be quite volatile this time of year. For a lot of farmers, it works best to use hedge-to-arrive contracts. You need to have a relationship with a a grain buyer, and have a plan ahead of time with them. You need to know that they will provide you a way out of the contract if you do not have the production to fill your contracts. You need to have a plan in place as to how much you are willing to sell ahead.

Looking back at the chart, over the past 5 years, the average for July corn futures from January 1 until contract expiration was $3.98, but we could have gotten an average of $4.05 had we sold in April and May. That is a difference of $0.07/bushel: not a lot, but still an advantage. However, by selling a year ahead you should be able to get another $0.50/bushel. For example, if you would have sold July 2015 futures in 2014, and July 2016 futures in 2015, etc., all during the seasonally favorable April-June time period, then you would have received an extra $0.60/bushel versus if you had waited until the April-June time period during the year of expiration of the July futures contract (the 5-year range was $0.18 to $1.29/bushel). If we eliminate the high and low years, and then average the remaining years, the advantage to selling a year ahead was $0.50/bushel). Adding the two together, (selling a year ahead, but only during the most seasonally favorable period), would have resulted in $0.57/bushel as compared to waiting and then taking the average price over the entire January-July time frame.

If we can get $0.57/bushel more on 70% of a 200-bushel crop, that is $80 more per acre additional revenue. Too good to be true? Even at half of that additional revenue, the advantage of selling a year ahead can make a big difference. But, it takes a lot of discipline and planning to stay with the program.

Email Warren at wenevoldsen@brockreport.com.

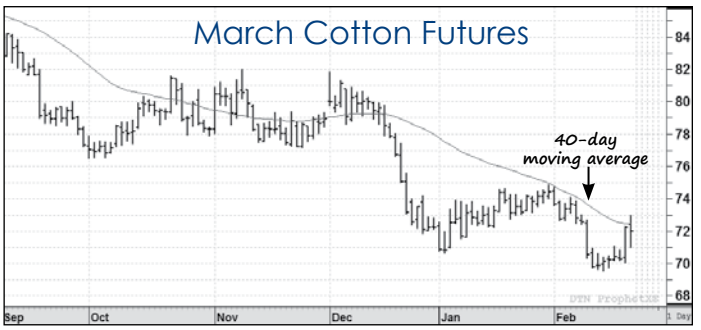
CASH MARKETING

Cotton: We are currently 70% priced for strict cash marketers (SCM) and 60% for hedgers in old crop cotton. We have not made any recommendations as of yet for the 2019 crop. We were aggressive earlier, having priced all but 10% of this on or before June 15th. We did make a defensive 10% sale about ten days ago.

If you didn't make this last sale or feel you are behind in general, don't get too greedy here. Since cotton is marketed by disparate methods- bale or acre contracts, equities, basis, and spot cash, it is difficult to make a blanket recommendation, but here goes. At 73 cents basis March futures on Friday, we were right at the 40 day moving average-an average we have not closed above since mid December (see chart below). We bounced off it early Friday. This price action, which may have been related to first notice day trading or some trade rumor also illustrates the importance of orders placed above the market to catch these momentary (quite literally) price swings. If you need to make a sale, then have an offer working either at 73 cents -where we stopped Friday. If you are more bullish, offer somewhere in the 74-74 ½ cent range as this is where we stopped being dragged up by crude oil and favorable trade rumors at the end of January.

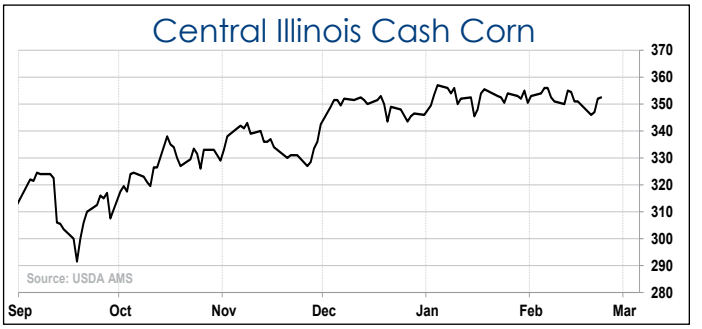
As equity contracts don't move point for point with futures, make offers accordingly. Carry in the futures market has gotten very wide, particularly right before the nearby contract goes into delivery. When December approached delivery, carry got very wide, only to come in dramatically once it went into delivery. Carry is very wide once again. As first notice day was February 22nd- we will find out very soon if this scenario repeats itself. Thus, we have recommended strongly against rolling basis contracts from March to May or July. If you rolled to May, assume your "drop-dead" date to price is April 24th-first notice day for May cotton. If you are a hedger, have a basis contract and feel pressured to sell or roll, sell the cash and consider a re-ownership strategy -don't roll to July.

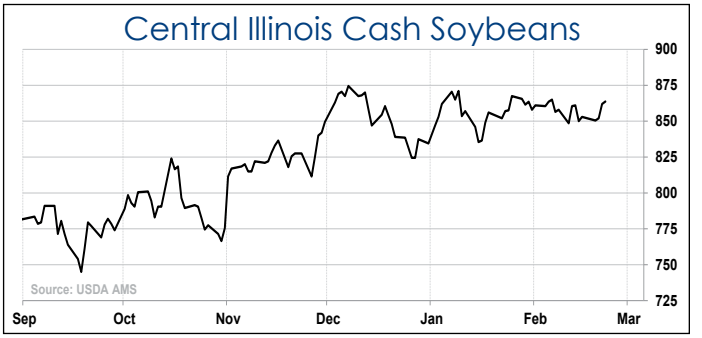
Quality is also a major factor in timing of these sales. If you were fortunate to have a high quality crop this year, you can be a bit less aggressive. Despite the large crop, much of it is lower quality. Eventually these high grades could well command a premium. If you have a lesser quality crop, don't wait until the end to sell. Likely there will be a plethora of low quality crop left at the end of the marketing year-not a good place to be with unsold bales.

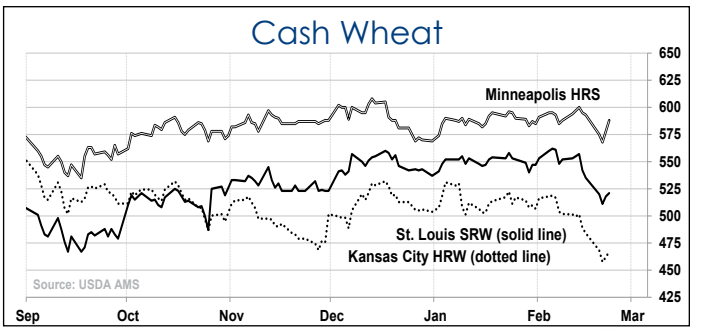


Rice: We are 60% priced for all marketers and have been since the end of October. Buyers filled their needs before year end as is often the case. While Iraq's recent purchases of rice from other sources was disappointing, there is also speculation about them buying U.S. rice, and spring often brings stepped up exports. As such, we are content to be at 60% marketed, confident that we can advance marketings at better prices sometime this spring. We would not recommend catch-up sales here.

Corn and Soybeans: We did make additional recommendations this week. As recommendations were made last week as well, see page 11 from last week's issue for ideas on implementation. To reiterate one point, you can inquire about premium price contracts that pay a higher-than-market price for old crop in exchange for committing new crop bushels if December corn hits a target price.







THE BROCK REPORT POSITION MONITOR

THE WEEK AHEAD: Livestock traders will have a Cold Storage report on Thursday and a monthly Cattle-on-Feed report on Friday to digest. USDA's monthly Supply and Demand report comes out Friday. Reports on the broader economy include New Home Sales on Tuesday and U.S. Trade Balance on Wednesday, then Non-Farm Payrolls on Friday.

Bolded %'s highlight changes made this week

CORN

	18/19	19/20
Strictly Cash	65%	10%
Hedgers Cash	65%	0%
Hedgers F&O	20%	30%

SOYBEANS

	18/19	19/20
Strictly Cash	75%	20%
Hedgers Cash	70%	10%
Hedgers F&O	30%	40%

WHEAT

	18/19	19/20
Strictly Cash	100%	10%
Hedgers Cash	100%	10%
Hedgers F&O	0%	20%

RICE

	18/19	19/20
Strictly Cash	60%	0%
Hedgers Cash	60%	0%
Hedgers F&O	0%	0%

COTTON

	18/19	19/20
Strictly Cash	70%	0%
Hedgers Cash	60%	0%
Hedgers F&O	0%	0%

LIVESTOCK

HOGS	19-I	19-II	19-III	19-IV
Futures	0%	0%	0%	0%
Options	0%	0%	0%	0%

CATTLE	19-I	19-II	19-III	19-IV
Futures	25%	25%	0%	0%
Options	0%	0%	0%	0%

FEEDERS	19-I	19-II	19-III	19-IV
Futures	0%	0%	0%	0%
Options	0%	0%	0%	0%

MILK	Feb	Mar	Apr	May
Cash	0%	0%	0%	0%
Futures	0%	0%	0%	0%

FEED PURCHASES

CORN	19-I	19-II	19-III
Cash	0%	0%	0%
Futures/Options	0%	0%	0%

SOYBEAN MEAL	19-I	19-II	19-III
Cash	100%	0%	0%
Futures/Options	0%	0%	0%

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