

## MARKETING FROM 30,000 FT

As the calendar turns to Spring.... (hopefully someday warmer weather arrives), let's preview some thoughts on the market from 30,000 feet. The current market has plenty of noise with very little price movement or volatility. Since harvest, the price range (closes) of December corn is 18 cents, which is the smallest range in many years.

The choppy/sideways market is influenced by the noise of trade talks, politics, solid economy, U.S. dollar, and other things which keep the market and participants in a holding pattern waiting to land.

### *Once the plane is above the noise, the view from 30,000 feet shows:*

- Corn carryout (ending stocks): **DECREASING**
- Soybean stocks: **RECORD LARGE** and **potentially INCREASING**

This assumption would indicate the market has some potential upside in the corn and wheat markets, along with pressure on the soy complex. The factors that may influence the market over the next few months are planting weather (acreage changes?) and growing season weather. As of this writing, the trade needs to see at least a 5 million acreage decrease in soybeans and some type of increase in corn area this spring. Considering the current soybean/corn ratio and wet conditions in much of the U.S., this may be difficult to achieve. Stay tuned!

### *Seasonal (Spring/Summer) Highs in the next few months?*

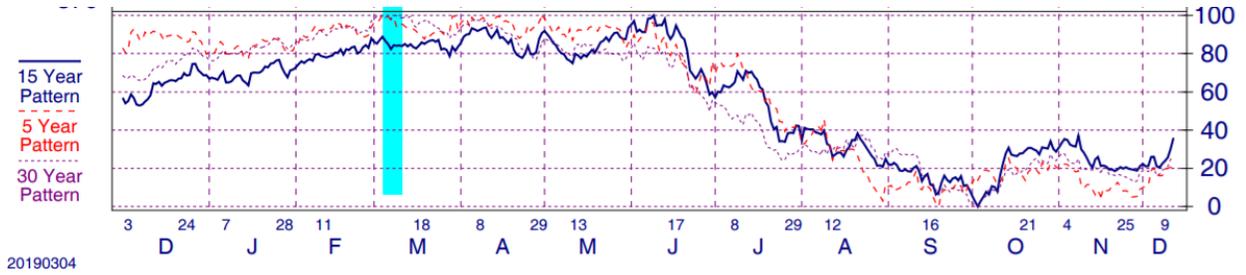
- Visit with your commodity advisor about price levels or time frames to lock in sales (hedges), and ...
- Use the attached worksheet to assist you when visiting about goals for the upcoming crop year.

The conversation with your commodity advisor can include hedges and/or option strategies. We encourage you to use these risk management platforms, as many hybrid cash contracts are structured for the purpose of origination and may not be best for your personal risk management. It's always best to retain control of your inventory and we will work with you on basis objectives of these inventories.

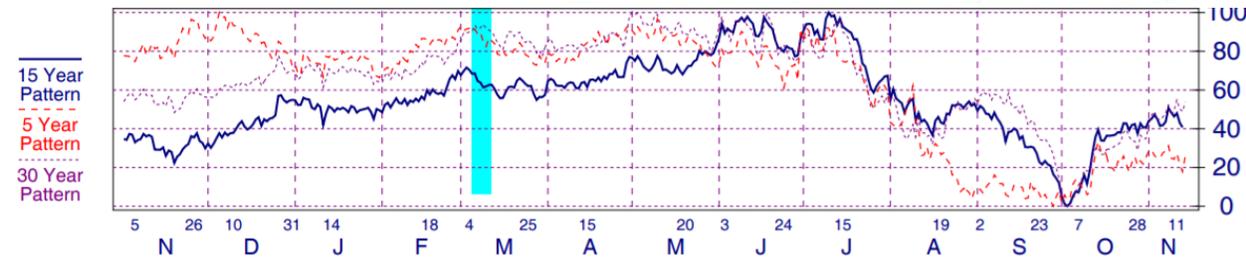
# SEASONALITY CHARTS



## Dec2019 Corn(CBOT) With 15 Year Seasonal(2004-2018)



## Nov2019 Soybeans(CBOT) With 15 Year Seasonal(2004-2018)



## DECEMBER CORN CHART (2015-2019)

- ❖ Dec corn has traded higher into the Spring/Early Summer each of the last 4 years.
- ❖ Seasonal highs: typically from early March and mid-July.
- ❖ December corn has not traded above \$4.00 from late July through harvest.



**This material has been prepared by a sales or trading employee or agent of BIS Commodities and is, or is in the nature of, a solicitation.** This material is not a research report prepared by BIS Commodities Research Department. By accepting this communication, you agree that you are an experienced user of the futures markets, capable of making independent trading decisions, and agree that you are not, and will not, rely solely on this communication in making trading decisions.

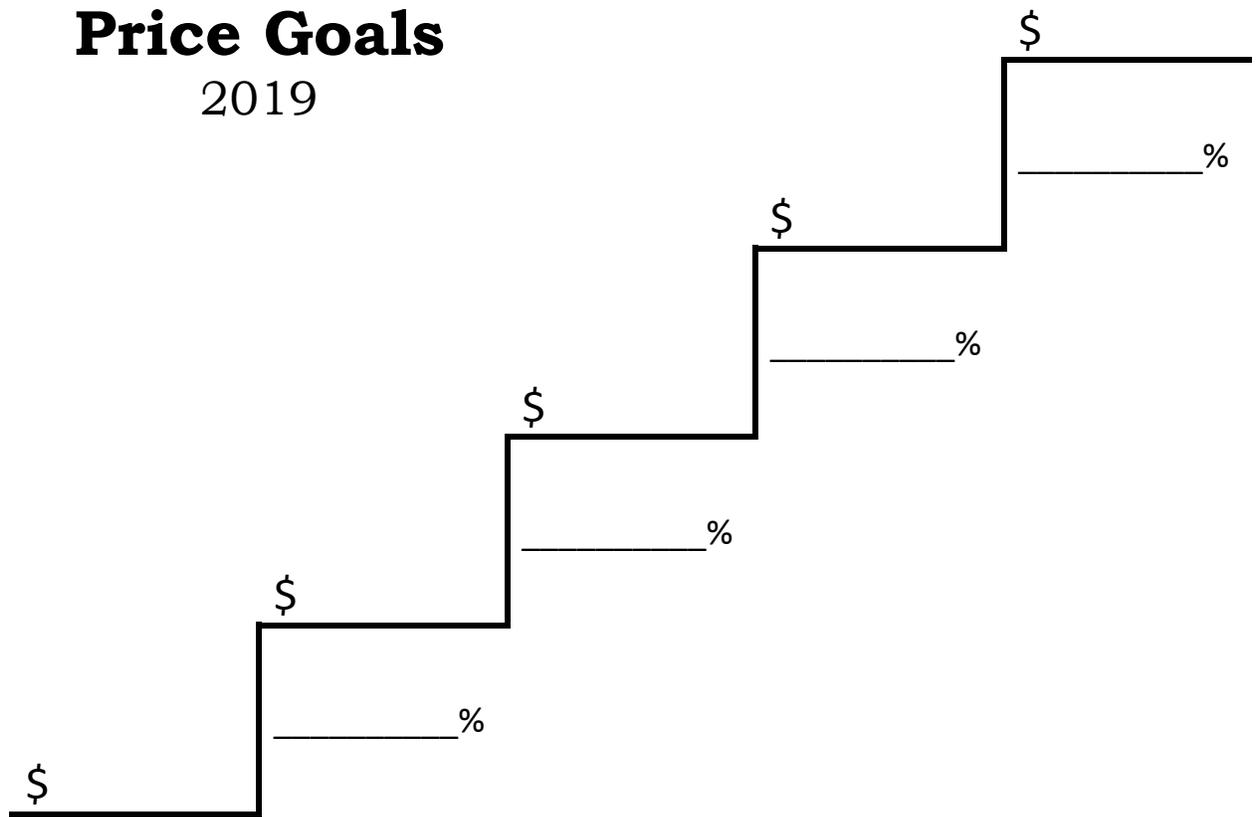
DISTRIBUTION IN SOME JURISDICTIONS MAY BE PROHIBITED OR RESTRICTED BY LAW. PERSONS IN POSSESSION OF THIS COMMUNICATION INDIRECTLY SHOULD INFORM THEMSELVES ABOUT AND OBSERVE ANY SUCH PROHIBITION OR RESTRICTIONS. TO THE EXTENT THAT YOU HAVE RECEIVED THIS COMMUNICATION INDIRECTLY AND SOLICITATIONS ARE PROHIBITED IN YOUR JURISDICTION WITHOUT REGISTRATION, THE MARKET COMMENTARY IN THIS COMMUNICATION SHOULD NOT BE CONSIDERED A SOLICITATION.

The risk of loss in trading futures and/or options is substantial and each investor and/or trader must consider whether this is a suitable investment. Past performance, whether actual or indicated by simulated historical tests of strategies, is not indicative of future results. Trading advice is based on information taken from trades and statistical services and other sources that BIS Commodities believes are reliable. We do not guarantee that such information is accurate or complete and it should not be relied upon as such. Trading advice reflects our good faith judgment at a specific time and is subject to change without notice. There is no guarantee that the advice we give will result in profitable trades.



# Price Goals

2019



## Seasonal Sales

