

April 30, 2021 Marketing Update

Futures as of	04/30/21	04/23/21	Trend	
CZ21 Dec CORN	\$5.64	\$5.51	Bullish	2.4%
SX21 Nov SOYBEANS	\$13.40	\$13.42	Neutral	-0.1%
CTZ21 Dec COTTON	\$85.06	\$84.93	Neutral	0.2%
WN21 Jul WHEAT	\$7.35	\$7.12	Bullish	3.2%
2022 Crop Prices				
CZ22 Dec CORN	\$4.95	\$4.88	Bullish	1.3%
SX22 Nov SOYBEANS	\$12.19	\$11.96	Bullish	1.9%
CTZ22 Dec COTTON	\$77.00	\$77.56	Neutral	-0.7%
WN22 Jul WHEAT	\$6.88	\$6.78	Bullish	1.5%

Upcoming Events:

- MAY 12th** WASDE Monthly report with first look at 2021/22 supply and demand
- MAY 19th** **38th Annual SE Ag Lenders School.** Online seminar featuring Dr. David Kohl, Eric Snodgrass, Doug Johnson (Moody's Analytics) and Nancy Huffstetler (AgFirst). Go to <https://www.eventbrite.com/organizations/events> for registration information. A great opportunity to hear what direction ag is headed for the rest of 2021 from ag policy, global economic, weather and communication viewpoints.

MARKET NEWS

New crop commodity markets traded lower several days last week but bounced back Friday afternoon. The overnight markets continue the bounce back on May 3rd. Old crop supplies of corn and soybeans remain extremely tight in the US and around the world. Almost half of the Midwest is facing abnormal dryness or drought and the dryness is expanding. Brazil is also looking at dryness across its safrinha corn crop for the coming weeks. Last week's crop progress report showed corn planted at 17% versus a 20% 5-year average. Soybeans and cotton were slightly ahead of their respective 5-year planting paces.

Tight corn and soybean stocks coupled with a dry weather outlook will likely keep pressure on market prices. Do not let high prices lull your marketing plan into inactivity. While you may not need to initiate any sales, keep watch for changes in market direction and have a plan of action in place.

MARKETING PLAN UPDATE

FLOID Farms continues to review its marketing positions. For now, FF is not making any changes in their marketing plan. The current value for each crop is above their "Growth" price which means FF should be able to increase equity by more than 25% of their earnings.

Crop	Growth Target	Current Value
Corn	\$4.29	\$5.60
Soybeans	\$12.00	\$13.04
Cotton	\$0.82	\$0.84
Wheat	\$6.91	\$7.17

FLOID Farms may take some actions in the weeks ahead with the primary goal of raising the minimum price provided by the put options. However, given the high volatility, they are not ready to execute currently. Review your marketing activity to confirm that your marketing plan is achieving your goals.

2021 CORN					FUTURES PRICING SIGNALS			\$ 4.29	\$ 3.99	\$ 3.99
Recommendation					ENTRY			OFFSET (Current Price)		
Date	Tool	Action	Reason	Quantity	STATUS	Date	Price	Date	Price	Gain(Loss)
1/11/2021	Futures/HTA	Sell CU21 @ \$4.60 OB	\$0.31 > Growth Target	10%	Filled	1/12/2021	4.7500	4/30/2021	5.9225	-1.1725
1/11/2021	Futures/HTA	Roll CU21 to CZ21 @ \$0.12 OB	Adds \$0.28 to price	10%	Pending	4/30/2021	-0.2850			
1/11/2021	Option	SELL CU21 520 Call @ \$0.25 OB	Sets max price \$1.16 > Growth	10%	Filled	1/12/2021	0.3000	4/30/2021	-0.8613	-0.5613
1/29/2021	Put Call Option	BUY CU21 470 PUT @ \$0.46 OB	Set Fence from \$4.54 to \$5.20	15%	Filled	2/3/2021	-0.4100	4/30/2021	0.0800	-0.3300
1/29/2021	Put Call Option	SELL CU21 520 Call @ \$0.30 OB	Set Fence from \$4.54 to \$5.20	15%	Filled	2/3/2021	0.3100	4/30/2021	-0.8613	-0.5513
2/15/2021	Put Call Option	BUY CU21 470 PUT @ \$0.38 OB	Set Fence from \$4.57 to \$5.20	10%	Filled	2/16/2021	-0.3500	4/30/2021	0.0800	-0.2700
2/15/2021	Put Call Option	SELL CU21 520 Call @ \$0.25 OB	Set Fence from \$4.57 to \$5.20	10%	Filled	2/16/2021	0.2900	4/30/2021	-0.8613	-0.5713
3/26/2021	Put Call Option	BUY CU21 440 PUT @ \$0.19 OB	GROWTH Floor - Planting Intention	20%	Filled	3/31/2021	-0.1500	4/30/2021	0.0413	-0.1088
3/26/2021	Put Call Option	SELL CU21 520 Call @ \$0.28 OB	GROWTH Floor - Planting Intention	20%	Filled	4/1/2021	0.3500	4/30/2021	-0.8613	-0.5113

2021 SOYBEANS					FUTURES PRICING SIGNALS			\$ 12.00	\$ 10.73	\$ 10.75
Recommendation					ENTRY			OFFSET (Current Price)		
Date	Tool	Action	Reason	Quantity	STATUS	Date	Price	Date	Price	Gain(Loss)
1/11/2021	Futures/HTA	Sell SX21 @ \$11.75 OB	\$1.00 > B/E Target, Builds Working Cap	10%	Filled	1/12/2021	11.7500	4/30/2021	13.3975	-1.6475
1/29/2021	Put Call Option	BUY SX21 1140 PUT @ \$0.85 OB	Set Fence from \$11.03 to \$13.00	15%	Filled	2/3/2021	-0.8500	4/30/2021	0.1088	-0.7413
1/29/2021	Put Call Option	SELL SX21 1300 Call @ \$0.47 OB	Set Fence from \$11.03 to \$13.00	15%	Filled	2/3/2021	0.5000	4/30/2021	-1.0025	-0.5025
3/26/2021	Put Call Option	BUY SX21 1140 PUT @ \$0.41 OB	BE+ \$.72 GROW-Planting Intention	25%	Filled	3/29/2021	-0.4000	4/30/2021	0.1088	-0.2913
3/26/2021	Put Call Option	SELL SX21 1300 Call @ \$0.46 OB	BE+ \$.72 GROW-Planting Intention	25%	Filled	3/31/2021	0.4800	4/30/2021	-1.0025	-0.5225

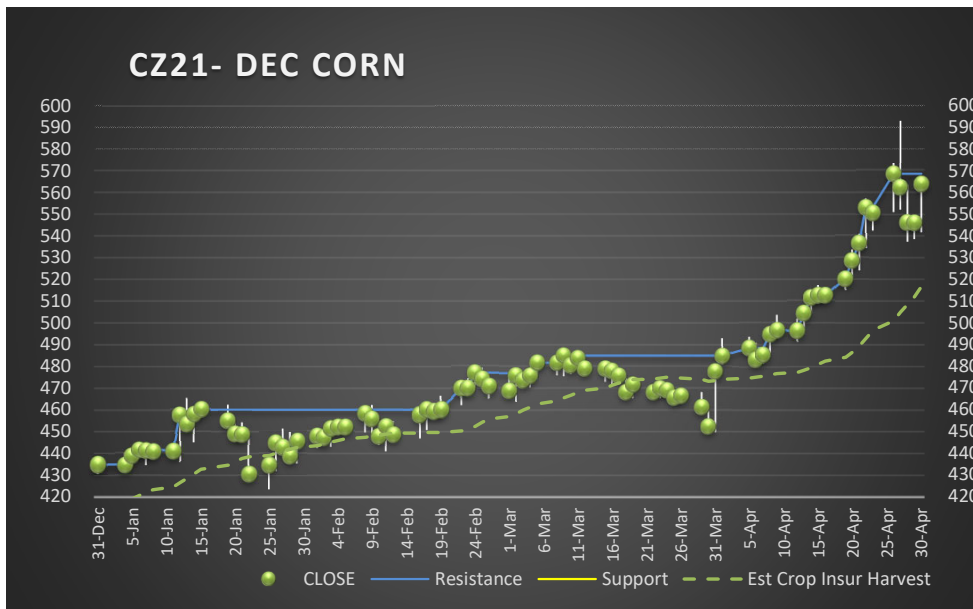
2021 COTTON					FUTURES PRICING SIGNALS			\$ 0.82	\$ 0.77	\$ 0.77
Recommendation					ENTRY			OFFSET (Current Price)		
Date	Tool	Action	Reason	Quantity	STATUS	Date	Price	Date	Price	Gain(Loss)
1/11/2021	Futures/HTA	Sell CTZ21 @ \$0.77 OB	Achieves B/E Target, maintains WC	10%	Filled	1/12/2021	0.7700	4/30/2021	0.8506	-0.0806
1/29/2021	Put Call Put Option	BUY CTZ21 7800 PUT @ \$0.06 OB	Set Fence from \$.78 to \$.84	15%	Filled	2/4/2021	-0.0550	4/30/2021	0.0375	-0.0175
1/29/2021	Put Call Put Option	SELL CTZ21 8400 Call @ \$0.04 OB	Set Fence from \$.78 to \$.84	15%	Filled	2/4/2021	0.0550	4/30/2021	-0.0777	-0.0227
1/29/2021	Put Call Put Option	Sell CTZ21 6900 Put @ \$0.02 OB	Cheaper Cost of strategy	15%	Filled	2/4/2021	0.0200	4/30/2021	-0.0117	0.0083
3/8/2021	Put Call Put Option	BUY CTZ21 8400 PUT @ \$0.056 OB	Set Fence from \$.84 to \$.90	15%	Filled	3/9/2021	-0.0616	4/30/2021	0.0671	0.0055
3/8/2021	Put Call Put Option	SELL CTZ21 9000 Call @ \$0.053 OB	Set Fence from \$.84 to \$.90	15%	Filled	3/9/2021	0.0536	4/30/2021	-0.0562	-0.0026

2021 WHEAT					FUTURES PRICING SIGNALS			\$ 6.91	\$ 6.20	\$ 6.23
Recommendation					ENTRY			OFFSET (Current Price)		
Date	Tool	Action	Reason	Quantity	STATUS	Date	Price	Date	Price	Gain(Loss)
1/11/2021	Futures/HTA	Sell WN21 @ \$6.40 OB	\$0.20 > B/E Target, Builds Working Cap	10%	Filled	1/12/2021	6.4500	4/30/2021	7.3475	-0.8975
1/29/2021	Put Call Option	BUY WN21 630 PUT @ \$0.45 OB	Set Fence from \$6.17 to \$7.00	15%	Filled	2/5/2021	-0.4450	4/30/2021	0.0613	-0.3838
1/29/2021	Put Call Option	SELL WN21 700 Call @ \$0.32 OB	Set Fence from \$6.17 to \$7.00	15%	Filled	2/1/2021	0.3400	4/30/2021	-0.6138	-0.2738
2/15/2021	Put Call Option	BUY WN21 630 PUT @ \$0.45 OB	Set Fence from \$6.20 to \$7.00	15%	Filled	2/16/2021	-0.3800	4/30/2021	0.0613	-0.3188
2/15/2021	Put Call Option	SELL WN21 700 Call @ \$0.32 OB	Set Fence from \$6.20 to \$7.00	15%	Filled	2/24/2021	0.3600	4/30/2021	-0.6138	-0.2538



CORN SUPPLY & DEMAND		USDA Prospective Planting			
	19/20	20/21	21/22	22/23	23/24
	WASDE-611	WASDE-611	Estimate	Estimate	Estimate
Planted	89.7	90.8	91.1	92.5	91.5
Harvested	81.3	82.5	83.2	84.5	83.6
Yield	167.5	172.0	179.5	181.5	183.5
Beg Stocks	2,221	1,919	1,352	1,195	1,302
Production	13,620	14,182	14,943	15,342	15,343
Imports	42	25	25	40	31
Total Supply	15,882	16,127	16,320	16,577	16,675
Feed	5,903	5,700	5,850	6,020	6,080
Food/Seed	1,430	1,425	1,425	1,430	1,435
Ethanol	4,852	4,975	5,200	5,200	5,200
Exports	1,778	2,675	2,650	2,625	2,650
Total Demand	13,963	14,775	15,125	15,275	15,365
Ending Stocks (ES)	1,919	1,352	1,195	1,302	1,310
Percent Use	14%	9%	8%	9%	9%
USDA Price	\$ 3.56	\$ 4.30	\$ 4.20	-	-
<i>Futures as of 04/30/2021</i>		\$7.40	\$5.64	\$4.95	

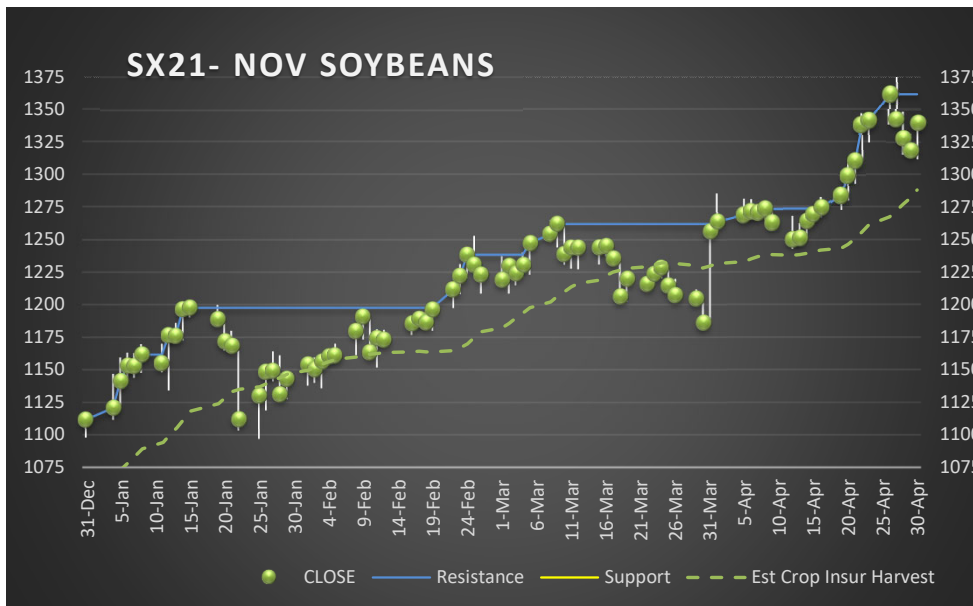
FUTURES PRICING SIGNALS	\$ 4.29	\$ 3.99	\$ 3.99
1) Futures as of 04/30/2021 =====>	\$5.64	CZ21	
2) What is Crop Insurance doing?	NC-CZ21	SC-CU21	
a) Base Price	\$ 4.48	\$ 4.73	
b) Harvest Price (PENDING)	\$ 5.16	\$ 5.38	
3) Fundamentals - where are prices headed?			
a) Seasonality		UP	
b) Ending Stocks		UP	
4) Technical Signals indicating?			
a) Resistance (Highest Close last 100 Days)		\$ 5.68	
b) Support (Lowest Close last 100 Days)		\$ 4.09	
c) Moving Average		Change	% Change
5 day	\$ 5.57	13	2.36%
20 day	\$ 5.23	79 1/4	16.36%
50 day	\$ 4.93	104 1/2	22.75%
100 day	\$ 4.65	153 1/2	37.42%
YTD	\$ 4.76	129 1/4	29.75%



STRATEGY Summary			
Tool	Percentage	Price	Contract
HTA/Futures	10%	\$4.75	CU21
Options	55%	\$5.55	CU21
Unpriced	35%	\$5.92	CU21
Current Value	100%	\$5.60	CZ21
+ Expected Basis			
PENDING Actions			
1 See Recommendations for previous actions.			
2 Roll 10% from CU to CZ for \$0.12 or better to capture carry			
8 Buy 20% CU21 440 Put @ \$0.19 OB. Filled 3/31 @ \$0.15			
9 Sell 20% CU21 520 Call @ \$0.28 OB. Filled 4/4 @ \$0.35			

SOYBEAN SUPPLY & DEMAND		USDA Prospective Planting				
	19/20	20/21	21/22	22/23	23/24	
	WASDE-611	WASDE-611	Estimate	Estimate	Estimate	
Planted	76.1	83.1	87.6	89.5	89.0	
Harvested	74.9	82.3	86.5	88.4	87.9	
Yield	47.4	50.2	50.8	51.6	52.2	
Beg Stocks	909	525	120	17	64	
Production	3,553	4,135	4,396	4,562	4,590	
Imports	15	35	35	15	15	
Total Supply	4,477	4,695	4,551	4,594	4,669	
Crush	2,165	2,190	2,210	2,195	2,220	
Seed/Residual	105	105	124	125	135	
Exports	1,682	2,280	2,200	2,210	2,225	
Total Demand	3,952	4,575	4,534	4,530	4,580	
End Stocks (ES)	525	120	17	64	89	
Percent Use	13%	3%	0%	1%	2%	
USDA Price	\$ 8.57	\$ 11.25	\$ 11.25			
Futures as of 04/30/2021		\$15.71	\$13.40	\$12.19		

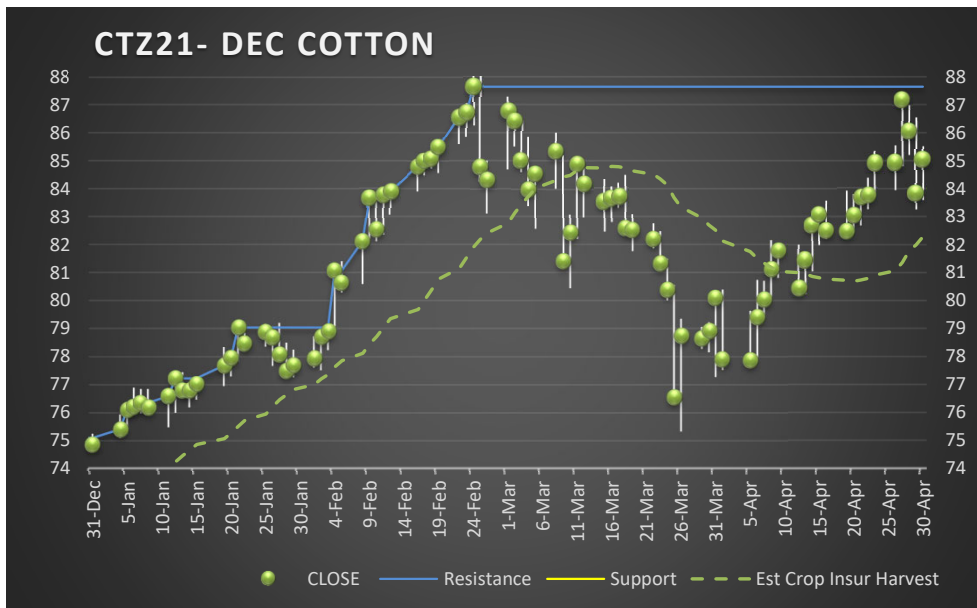
FUTURES PRICING SIGNALS	\$ 12.00	\$ 10.73	\$ 10.75
1) Futures as of 04/30/2021 =====>	\$13.40		SX21
2) What is Crop Insurance doing?	<u>2021</u>	<u>2020</u>	
a) Base Price	\$ 11.54	\$ 9.36	
b) Harvest Price (PENDING)	\$ 12.91	\$ 9.15	
3) Fundamentals - where are prices headed?			
a) Seasonality		UP	
b) Ending Stocks		UP	
4) Technical Signals indicating?			
a) Resistance (Highest Close last 100 Days)		\$ 13.62	
b) Support (Lowest Close last 100 Days)		\$ 10.41	
c) Moving Average		Change	% Change
5 day	\$ 13.38	-1 3/4	-0.13%
20 day	\$ 12.96	76	6.01%
50 day	\$ 12.56	153 1/4	12.92%
100 day	\$ 11.93	301 1/2	29.04%
YTD	\$ 12.19	219	19.54%



STRATEGY Summary			
Tool	Percentage	Price	Contract
HTA/Futures	10%	\$11.75	SX21
Options	40%	\$12.91	SX21
Unpriced	50%	\$13.40	SX21
Current Value	100%	\$13.04	SX21
+ Expected Basis			
PENDING Actions			
1 Sell 10% SX21 @ \$11.75. Filled @ \$11.75 1/12/21			
2 Buy 15% SX21 1140 Put @ \$0.85 OB. Filled @ \$0.85 2/3/21			
3 Sell 15% SX21 1300 Call @ \$0.47 OB. Filled @ \$0.50 2/3/21			
4 Buy 25% SX21 1140 Put @ \$0.41 OB. Filled @ \$0.40 3/29/21			
5 Sell 25% SX21 1300 Call @ \$0.46 OB. Filled @ \$0.48 3/31/21			

COTTON SUPPLY & DEMAND		USDA Prospective Planting				
	19/20	20/21	21/22	22/23	23/24	
	WASDE-611	WASDE-611	Estimate	Estimate	Estimate	
Planted	13.74	12.09	12.00	12.09	12.00	
Harvested	11.61	8.70	9.74	9.81	9.74	
Yield	823.0	811.0	840.0	948.5	960.2	
Beg Stocks	4.85	7.25	3.90	2.94	4.53	
Production	19.91	14.70	17.05	19.39	19.48	
Imports	0.01	-	-	-	-	
Total Supply	24.77	21.95	20.94	22.33	24.02	
Domestic Use	2.15	2.30	2.50	2.30	2.50	
Exports	15.53	15.75	15.50	15.50	16.00	
Total Demand	17.68	18.05	18.00	17.80	18.50	
End Stocks (ES)	7.25	3.90	2.94	4.53	5.52	
Stocks to Use	41%	22%	16%	25%	30%	
USDA Price	\$ 59.60	\$ 68.00	\$ 75.00	-	-	
Futures as of 04/30/2021		\$0.88	\$0.85	\$0.77	\$0.00	

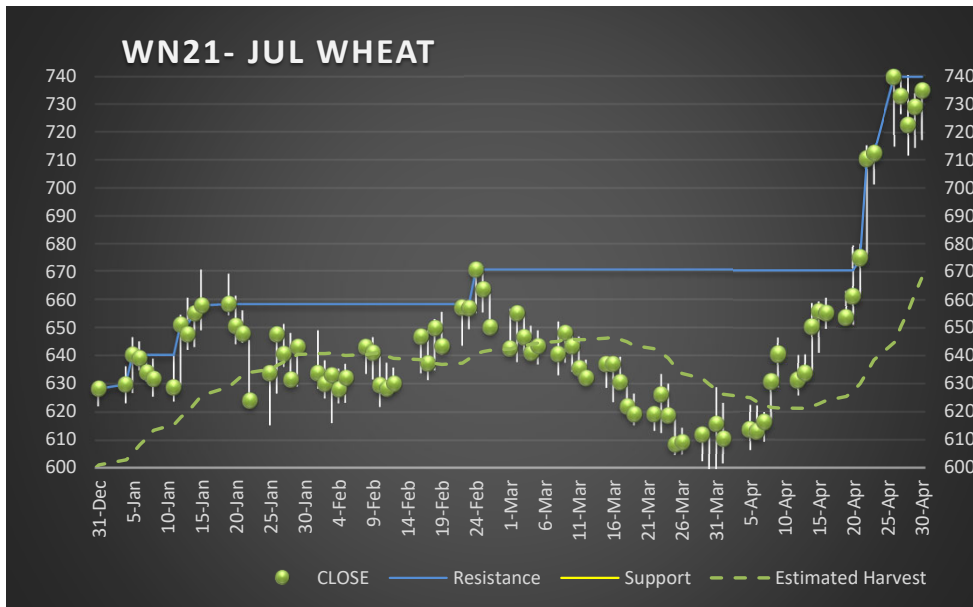
FUTURES PRICING SIGNALS	\$ 82.00	\$ 77.00	\$ 77.00
1) Futures as of 04/30/2021 =====>	\$85.06		CTZ21
2) What is Crop Insurance doing?	<u>2021</u>	<u>2020</u>	
a) Base Price	\$80.00	\$70.00	
b) Harvest Price (PENDING)	\$82.00	\$63.00	
3) Fundamentals - where are prices headed?			
a) Seasonality		UP	
b) Ending Stocks		UP	
4) Technical Signals indicating?			
a) Resistance (Highest Close last 100 Days)			\$ 87.66
b) Support (Lowest Close last 100 Days)			\$ 71.02
c) Moving Average		Change	% Change
5 day	\$ 85.42	0.13	0.15%
20 day	\$ 82.77	7.15	9.18%
50 day	\$ 82.94	-0.02	-0.02%
100 day	\$ 80.00	14.36	20.31%
YTD	\$ 81.51	9.65	12.80%



STRATEGY Summary			
Tool	Percentage	Price	Contract
HTA/Futures	10%	\$77.00	CTZ21
Options	30%	\$84.48	CTZ21
Unpriced	60%	\$85.06	CTZ21
Current Value	100%	\$84.08	CTZ21
+ Expected Basis			
PENDING Actions			
1 Sell 10% CTZ21 @ \$0.77 or better. Filled @ \$0.77 on 1/12/21			
2 Buy 15% CTZ21 7800 Put @ \$0.06 OB. Filled @ \$0.055 2/4/21			
3 Sell 15% CTZ21 8400 Call @ \$0.04 OB. Filled @ \$0.055 2/4/21			
4 Sell 15% CTZ21 6900 Put @ \$0.02 OB. Filled @ \$0.02 2/4/21			
5 Buy 15% CTZ21 8400 Put @ \$0.056 OB. Filled @ \$0.0616 on 3/9/21			
6 Sell 15% CTZ21 9000 Call @ \$0.053 OB. Filled @ \$0.0536 on 3/9/21			

WHEAT SUPPLY & DEMAND		USDA Prospective Planting				
	19/20	20/21	21/22	22/23	23/24	
	WASDE-611	WASDE-611	Estimate	Estimate	Estimate	
Planted	45.5	44.3	46.4	45.6	45.4	
Harvested	37.4	36.7	38.7	38.1	37.9	
Yield	51.7	49.7	49.1	49.2	49.6	
Production	1,932	1,826	1,901	1,872	1,879	
Beg Stocks	1,080	1,028	851	788	769	
Imports	105	110	130	140	143	
Total Supply	3,117	2,964	2,883	2,800	2,791	
Feed	101	100	140	77	78	
Food, Seed	1,023	1,028	1,030	1,029	1,030	
Exports	965	985	925	925	925	
Total Demand	2,089	2,113	2,095	2,031	2,033	
End Stocks	1,028	851	788	769	758	
Percent Use	49%	40%	38%	38%	37%	
USDA Price	\$ 4.58	\$ 5.00	\$ 5.50	-	-	
Futures as of 04/30/2021	\$7.43	\$7.35	\$6.88	\$6.50		

FUTURES PRICING SIGNALS	\$ 6.91	\$ 6.20	\$ 6.23
1) Futures as of 04/30/2021 =====>	\$7.35	WN22	
2) What is Crop Insurance doing?	<u>2021</u>	<u>2020</u>	
a) Base Price	\$ 5.54	\$ 4.86	
b) Harvest Price (PENDING)	\$ 7.32	\$ 4.97	
% loss due to price change	32%	2%	
3) Fundamentals - where are prices headed?			
a) Seasonality	Down		
b) Ending Stocks	UP		
4) Technical Signals indicating?			
a) Resistance (Highest Close last 100 Days)	\$ 7.40		
b) Support (Lowest Close last 100 Days)	\$ 5.74		
c) Moving Average		Change	% Change
5 day	\$ 7.32	22 1/2	3.16%
20 day	\$ 6.71	124 1/4	20.35%
50 day	\$ 6.49	85	13.08%
100 day	\$ 6.38	155 1/4	26.79%
YTD	\$ 6.45	105	16.67%



STRATEGY Summary			
Tool	Percentage	Price	Contract
HTA/Futures	10%	\$6.45	WN21
Options	30%	\$7.04	WN21
Unpriced	60%	\$7.35	WN21
Current Value	100%	\$7.17	WN21
+ Expected Basis			
PENDING Actions			
1 Sell 10% WN21 @ \$6.40 OB. Filled @ \$6.50 1/12/21			
2 Buy 15% WN21 630 Put @ \$0.45 OB Filled @ \$0.445 2/5/21			
3 Sell 15% WN21 700 Call @ \$0.32 OB Filled @ \$0.34 2/1/21			
4 Buy 15% WN21 630 Put @ \$0.45 OB Filled @ \$0.38 2/16/21			
5 Sell 15% WN21 700 Call @ \$0.32 OB Filled @ \$0.36 2/24/21			