

July 6, 2021 Marketing Update

Futures as of	07/06/21	06/29/21	Trend	
CZ21 Dec CORN	\$5.40	\$5.49	Bearish	-1.6%
SX21 Nov SOYBEANS	\$13.05	\$13.13	Neutral	-0.6%
CTZ21 Dec COTTON	\$87.40	\$87.58	Neutral	-0.2%
WN21 Jul WHEAT	\$6.20	\$6.40	Bearish	-3.1%

2022 Crop Prices

CZ22 Dec CORN	\$4.82	\$4.87	Neutral	-0.9%
SX22 Nov SOYBEANS	\$12.00	\$12.31	Bearish	-2.5%
CTZ22 Dec COTTON	\$79.19	\$79.33	Neutral	-0.2%
WN22 Jul WHEAT	\$6.46	\$6.61	Bearish	-2.2%

UPCOMING EVENTS:

July 12, 2021 WASDE

MARKET NEWS

USDA surprised most of us last week with their 2021 Acreage report. USDA expects corn acres to be 92.7 million acres in 2021 an increase from the prospective planting report on March 31st, but 1 million less acres than analysts had predicted. Soybean acres were unchanged from the March 31st report and 1.4 million less than predictions. The table below summarizes the changes in planted acres since the Prospective Planting report.

Crop	Corn	Soybeans	Cotton	Wheat
Acres (Million Acres)				
Prospective Planting	91.1	87.6	12.0	46.4
Analyst Prediction	93.8	89.0	11.8	46.2
<i>Change in Acres</i>	+2.7	+1.4	-0.2	-0.2
USDA Acreage 6/30	92.7	87.6	11.7	46.7
<i>Change in Acres</i>	1.6	0	-0.3	0.3

Corn, soybeans, and wheat rallied following the report with CZ21 up \$0.40 per bushel to close at \$5.89. SX21 up \$0.87 to close at \$13.99, and WN21 up \$0.32 to close at \$6.72. Cotton surprisingly closed down \$0.027 per pound to finish at \$0.85.

The market rally was shut down over the July 4th holiday weekend as rain was forecast for the majority of the Corn Belt. The closing market prices on July 6th for all four crops were lower than last week's (June 29th) prices. The pricing opportunity from the Acreage report were short lived.

Crop conditions, however, were mostly unchanged last week according to the USDA Crop Progress report. In the Carolina's, topsoil moisture is adequate on 68% of NC crop land and 86% of SC. Subsoil moisture is adequate on over 86% of cropland in both states.

July 6, 2021 Marketing Update

Table 1: USDA Crop Progress Report Released July 6, 2021 (Summarized)

Metric	Week Ending June 27, 2021	Week Ending July 4, 2021	2016-2020 Average
Corn Condition	G/E-64%	G/E-64%	
Soybean Condition	G/E-60%	G/E-59%	
Cotton Condition	G/E-52%	G/E-52%	
Peanuts Condition	G/E-69%	G/E-69%	
SOIL MOISTURE	Very Short/Short	Adequate	Surplus
NC Topsoil	27	68	5
NC Subsoil	12	86	2
SC Topsoil	11	86	3
SC Subsoil	5	93	2

MARKETING PLAN UPDATE

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	\$5.30
Soybeans	\$12.00	\$12.85
Cotton	\$0.82	\$0.86
Wheat	\$6.91	\$6.64

No changes currently in FLOID Farms marketing strategy. If rainfall is not as widespread as expected, the market could rally again.

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	7/6/2021	5.5200	-0.7700
1/11/2021	Futures/HTA	Roll CU21 to CZ21 @ \$0.12 OB	Adds \$0.28 to price	10%	Pending	7/6/2021	-0.1225			
1/11/2021	Option	SELL CU21 520 Call @ \$0.25 OB	Sets max price \$1.16 > Growth	10%	Filled	1/12/2021	0.3000	7/6/2021	-0.5075	-0.2075
1/29/2021	Put Call Option	BUY CU21 470 PUT @ \$0.46 OB	Set Fence from \$4.54 to \$5.20	15%	Closed	2/3/2021	-0.4100	6/28/2021	0.1000	-0.3100
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	7/6/2021	-0.5075	-0.1975
2/15/2021	Put Call Option	BUY CU21 470 PUT @ \$0.38 OB	Set Fence from \$4.57 to \$5.20	10%	Closed	2/16/2021	-0.3500	7/6/2021	0.1000	-0.2500
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	7/6/2021	-0.5075	-0.2175
3/26/2021	Put Call Option	BUY CU21 440 PUT @ \$0.19 OB	GROWTH Floor - Planting Intention	20%	Closed	3/31/2021	-0.1500	5/21/2021	0.0400	-0.1100
3/26/2021	Put Call Option	SELL CU21 520 Call @ \$0.28 OB	GROWTH Floor - Planting Intention	20%	Filled	4/1/2021	0.3500	7/6/2021	-0.5075	-0.1575
5/20/2021	Futures/HTA	Sell CU21 @ \$5.70 OB	To offset CU21 440 Puts	20%	Filled	5/20/2021	5.7900	7/6/2021	5.5200	0.2700
6/24/2021	Futures/HTA	Sell CU21 @ \$5.50 OB	\$1.21 > Growth Target	20%	Filled	6/25/2021	5.5500	7/6/2021	5.5200	0.0300
6/24/2021	Roll Puts	Buy/Sell CU21 510P/470P @ \$0.10 OB	Roll Put Floor from \$4.70 to \$5.10	25%	Filled	6/28/2021	-0.1900	7/6/2021	0.1750	-0.0150

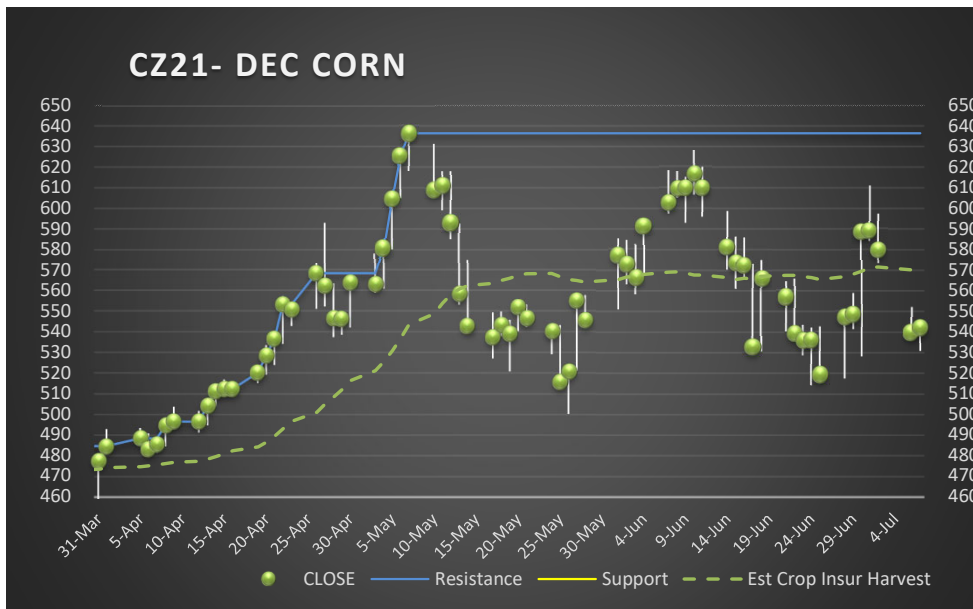
2021 SOYBEANS					FUTURES PRICING SIGNALS			\$ 12.00	\$ 10.73	\$ 10.75
Recommendation					ENTRY			OFFSET (Current Price)		
Date	Tool	Action	Reason	Quantity	STATUS	Date	Price	Date	Price	Gain(Loss)
1/11/2021	Futures/HTA	Sell SX21 @ \$11.75 OB	\$1.00 > B/E Target, Builds Working Cap	10%	Filled	1/12/2021	11.7500	7/6/2021	13.0500	-1.3000
1/29/2021	Put Call Option	BUY SX21 1140 PUT @ \$0.85 OB	Set Fence from \$11.03 to \$13.00	15%	Closed	2/3/2021	-0.8500	5/21/2021	0.0550	-0.7950
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	7/6/2021	-0.9000	-0.4000
3/26/2021	Put Call Option	BUY SX21 1140 PUT @ \$0.41 OB	BE+ \$0.72 GROW-Planting Intention	25%	Closed	3/29/2021	-0.4000	5/21/2021	0.0550	-0.3450
3/26/2021	Put Call Option	SELL SX21 1300 Call @ \$0.46 OB	BE+ \$0.72 GROW-Planting Intention	25%	Filled	3/31/2021	0.4800	7/6/2021	-0.9000	-0.4200
5/20/2021	Futures/HTA	Sell SX21 @ \$13.75 OB	To offset SX21 1140 Puts	40%	Filled	5/20/2021	13.8000	7/6/2021	13.0500	0.7500

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 CT21 @ \$0.77 OB	Achieves B/E Target, maintains WC	10%	Filled	1/12/2021	0.7700	7/6/2021	0.8740	-0.1040
1/29/2021	Put Call Put Option	BUY CT21 7800 PUT @ \$0.06 OB	Set Fence from \$.78 to \$.84	15%	Filled	2/4/2021	-0.0550	7/6/2021	0.0162	-0.0388
1/29/2021	Put Call Put Option	SELL CT21 8400 Call @ \$0.04 OB	Set Fence from \$.78 to \$.84	15%	Filled	2/4/2021	0.0550	7/6/2021	-0.0724	-0.0174
1/29/2021	Put Call Put Option	Sell CT21 6900 Put @ \$0.02 OB	Cheapen Cost of strategy	15%	Filled	2/4/2021	0.0200	7/6/2021	-0.0030	0.0170
3/8/2021	Put Call Put Option	BUY CT21 8400 PUT @ \$0.056 OB	Set Fence from \$.84 to \$.90	15%	Filled	3/9/2021	-0.0616	7/6/2021	0.0384	-0.0232
3/8/2021	Put Call Put Option	SELL CT21 9000 Call @ \$0.053 OB	Set Fence from \$.84 to \$.90	15%	Filled	3/9/2021	0.0536	7/6/2021	-0.0466	0.0070
6/24/2021	Futures/HTA	Sell CT21 @ \$0.87 OB	\$.05 > Growth Target	20%	Filled	6/25/2021	0.8755	7/6/2021	0.8740	0.0015

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	7/6/2021	6.2000	0.2500
1/29/2021	Put Call Option	BUY WN21 630 PUT @ \$0.45 OB	Set Fence from \$6.17 to \$7.00	15%	Closed	2/5/2021	-0.4450	5/21/2021	0.1200	-0.3250
1/29/2021	Put Call Option	SELL WN21 700 Call @ \$0.32 OB	Set Fence from \$6.17 to \$7.00	15%	Closed	2/1/2021	0.3400	6/25/2021	0.0000	0.3400
2/15/2021	Put Call Option	BUY WN21 630 PUT @ \$0.45 OB	Set Fence from \$6.20 to \$7.00	15%	Closed	2/16/2021	-0.3800	5/21/2021	0.1200	-0.2600
2/15/2021	Put Call Option	SELL WN21 700 Call @ \$0.32 OB	Set Fence from \$6.20 to \$7.00	15%	Closed	2/24/2021	0.3600	6/25/2021	0.0000	0.3600
5/20/2021	Futures/HTA	Sell WN21 @ \$6.85 OB	To offset WN21 630 Puts	30%	Filled	5/20/2021	6.8500	7/6/2021	6.2000	0.6500
6/24/2021	Futures/HTA	Sell WN21 @ \$6.55 OB	To complete 2021 Sales	60%	Filled	6/25/2021	6.5600	7/6/2021	6.2000	0.3600

CORN SUPPLY & DEMAND					
WASDE as of 6/10/21					
	19/20	20/21	21/22	22/23	23/24
	WASDE-613	WASDE-613	WASDE-613	Estimate	Estimate
Planted	89.7	90.8	92.7	92.5	91.5
Harvested	81.3	82.5	85.3	84.5	83.6
Yield	167.5	172.0	179.5	181.5	183.5
Beg Stocks	2,221	1,919	1,107	1,678	1,785
Production	13,620	14,182	15,311	15,342	15,343
Imports	42	25	25	40	31
Total Supply	15,882	16,127	16,443	17,060	17,159
Feed	5,903	5,700	5,700	6,020	6,080
Food/Seed	1,430	1,420	1,415	1,430	1,435
Ethanol	4,852	5,050	5,200	5,200	5,200
Exports	1,778	2,850	2,450	2,625	2,650
Total Demand	13,963	15,020	14,765	15,275	15,365
Ending Stocks (ES)	1,919	1,107	1,678	1,785	1,794
Percent Use	14%	7%	11%	12%	12%
USDA Price	\$ 3.56	\$ 4.35	\$ 5.70	-	-
<i>Futures as of 7/6/2021</i>		\$6.53	\$5.40	\$4.82	\$4.45

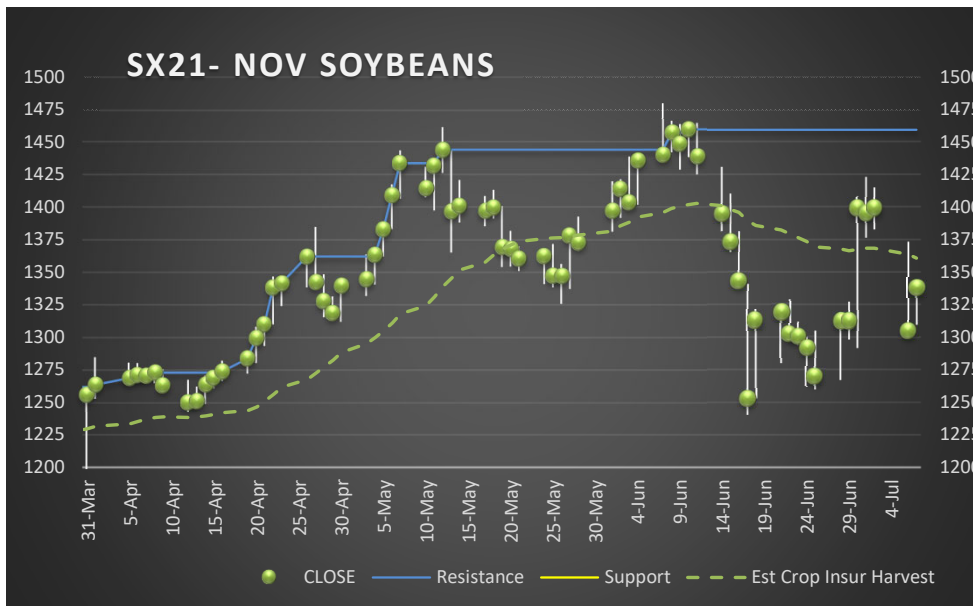
FUTURES PRICING SIGNALS	\$ 4.29	\$ 3.99	\$ 3.99
1) Futures as of 7/6/2021 =====>	\$5.40		CZ21
2) What is Crop Insurance doing?	<u>NC-CZ21</u>		<u>SC-CU21</u>
a) Base Price	\$ 4.48		\$ 4.73
b) Harvest Price (PENDING)	\$ 5.70		\$ 5.85
3) Fundamentals - where are prices headed?			
a) Seasonality			DOWN
b) Ending Stocks			DOWN
4) Technical Signals indicating?			
a) Resistance (Highest Close last 100 Days)			\$ 6.37
b) Support (Lowest Close last 100 Days)			\$ 4.49
c) Moving Average		<u>Change</u>	<u>% Change</u>
5 day	\$ 5.69	-7 1/2	-1.37%
20 day	\$ 5.68	-63	-10.45%
50 day	\$ 5.67	-11	-2.00%
100 day	\$ 5.25	91 3/4	20.48%
YTD	\$ 5.08	105 1/4	24.22%



STRATEGY Summary			
Tool	Percentage	Price	Contract
HTA/Futures	50%	\$5.49	CU21
Unpriced	50%	\$5.52	CU21
Open Options		-\$0.11	5.10-5.20
Closed Options		-\$0.09	
Current Value	100%	\$5.30	CU21
+ 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			
12 Roll CU470 Puts up to CU510 Puts for \$0.10 OB Filled 6/25 for \$0.09.			
13 Sell 20% CU21 for \$5.50 or better using Fut/HTA Filled 6/25 @ \$5.55			

SOYBEAN SUPPLY & DEMAND		WASDE as of 6/10/21				
	19/20	20/21	21/22	22/23	23/24	
	WASDE-613	WASDE-613	WASDE-613	Estimate	Estimate	
Planted	76.1	83.1	87.6	89.5	89.0	
Harvested	74.9	82.3	86.7	88.4	87.9	
Yield	47.4	50.2	50.8	51.6	52.2	
Beg Stocks	909	525	135	155	202	
Production	3,553	4,135	4,405	4,562	4,590	
Imports	15	35	35	15	15	
Total Supply	4,477	4,695	4,575	4,732	4,807	
Crush	2,165	2,175	2,225	2,195	2,220	
Seed/Residual	105	105	119	125	135	
Exports	1,682	2,280	2,075	2,210	2,225	
Total Demand	3,952	4,560	4,420	4,530	4,580	
End Stocks (ES)	525	135	155	202	227	
Percent Use	13%	3%	4%	4%	5%	
USDA Price	\$ 8.57	\$ 11.25	\$ 13.85			
Futures as of 7/6/2021		\$13.71	\$13.05	\$12.00	\$11.59	

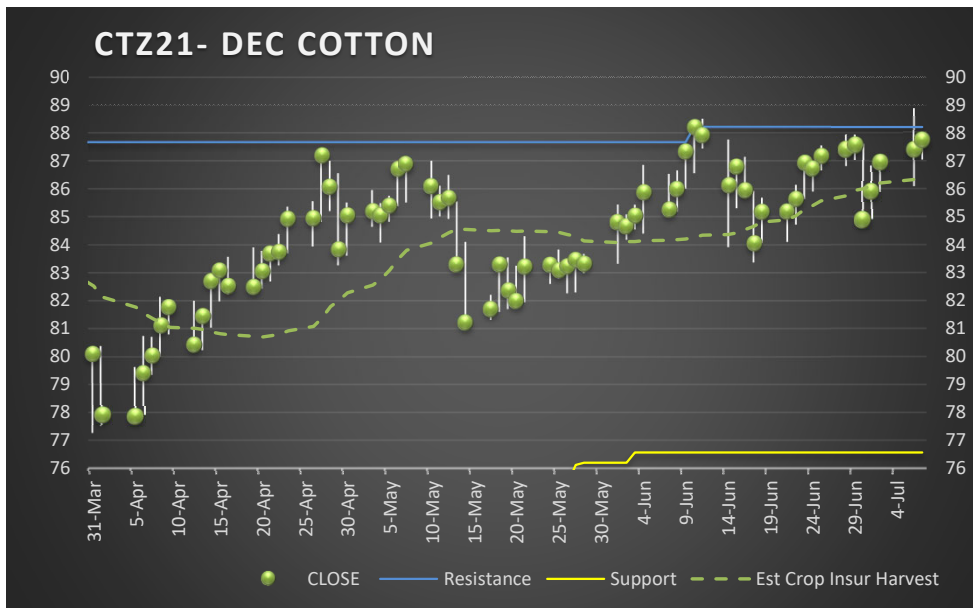
FUTURES PRICING SIGNALS	\$ 12.00	\$ 10.73	\$ 10.75
1) Futures as of 7/6/2021 =====>	\$13.05	SX21	
2) What is Crop Insurance doing?	2021	2020	
a) Base Price	\$ 11.54	\$ 9.36	
b) Harvest Price (PENDING)	\$ 13.65	\$ 9.15	
3) Fundamentals - where are prices headed?			
a) Seasonality	DOWN		
b) Ending Stocks	DOWN		
4) Technical Signals indicating?			
a) Resistance (Highest Close last 100 Days)	\$ 14.60		
b) Support (Lowest Close last 100 Days)	\$ 11.73		
c) Moving Average	Change	% Change	
5 day	\$ 13.62	-7 1/2	-0.57%
20 day	\$ 13.54	-135	-9.38%
50 day	\$ 13.72	-36 1/2	-2.72%
100 day	\$ 13.06	141 1/2	12.16%
YTD	\$ 12.75	184 1/4	16.44%



STRATEGY Summary			
Tool	Percentage	Price	Contract
HTA/Futures	50%	\$13.39	SX21
Unpriced	50%	\$13.05	SX21
Open Options		-\$0.17	Cap @ 13.00
Closed Options		-\$0.21	
Current Value	100%	\$12.85	SX21
+ Expected Basis			
PENDING Actions			
1 See Recommendations for previous actions.			
8			

COTTON SUPPLY & DEMAND		WASDE as of 6/10/21				
	19/20	20/21	21/22	22/23	23/24	
	WASDE-613	WASDE-613	WASDE-613	Estimate	Estimate	
Planted	13.74	12.09	11.70	12.09	11.70	
Harvested	11.61	8.28	9.36	9.73	9.42	
Yield	823.0	847.0	847.0	948.5	960.2	
Beg Stocks	4.85	7.25	3.15	1.76	3.18	
Production	19.91	14.61	15.86	19.23	18.84	
Imports	0.01	-	-	-	-	
Total Supply	24.77	21.86	19.01	20.99	22.02	
Domestic Use	2.15	2.30	2.50	2.30	2.50	
Exports	15.53	16.40	14.80	15.50	16.00	
Total Demand	17.68	18.70	17.30	17.80	18.50	
End Stocks (ES)	7.25	3.15	1.76	3.18	3.57	
Stocks to Use	41%	17%	10%	18%	19%	
USDA Price	\$ 59.60	\$ 67.00	\$ 75.00	-	-	
Futures as of 7/6/2021		\$0.86	\$87.40	\$0.79	\$0.77	

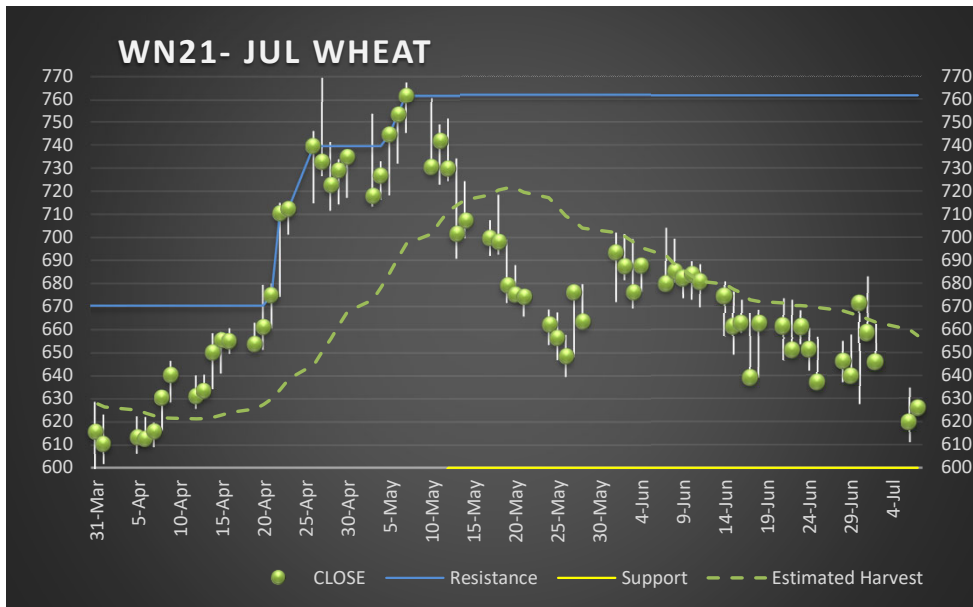
FUTURES PRICING SIGNALS	\$ 82.00	\$ 77.00	\$ 77.00
1) Futures as of 7/6/2021 =====>	\$87.40		CT221
2) What is Crop Insurance doing?	<u>2021</u>		<u>2020</u>
a) Base Price	\$80.00		\$70.00
b) Harvest Price (PENDING)	\$86.00		\$63.00
3) Fundamentals - where are prices headed?			
a) Seasonality		DOWN	
b) Ending Stocks		UP	
4) Technical Signals indicating?			
a) Resistance (Highest Close last 100 Days)			\$ 88.21
b) Support (Lowest Close last 100 Days)			\$ 76.55
c) Moving Average		<u>Change</u>	<u>% Change</u>
5 day	\$ 86.55	-0.03	-0.03%
20 day	\$ 86.47	2.14	2.51%
50 day	\$ 85.25	2.47	2.91%
100 day	\$ 84.05	4.86	5.89%
YTD	\$ 82.83	11.99	15.90%



STRATEGY Summary			
Tool	Percentage	Price	Contract
HTA/Futures	30%	\$0.8403	CT221
Unpriced	70%	\$0.8740	CT221
Open Options		-\$0.0083	.78-.90
Closed Options		\$0.0000	
Current Value	100%	\$0.8556	CT221
+ Expected Basis			
PENDING Actions			
1 See Recommendations for previous actions.			
7 Sell 20% CTZ21 for \$0.87 or better using PUT/HTA filled 6/25 @ \$87.55			

WHEAT SUPPLY & DEMAND		WASDE as of 6/10/21				
	19/20	20/21	21/22	22/23	23/24	
	WASDE-613	WASDE-613	WASDE-613	Estimate	Estimate	
Planted	45.5	44.3	46.7	45.6	45.4	
Harvested	37.4	36.7	37.8	38.1	37.9	
Yield	51.7	49.7	50.7	49.2	49.6	
Production	1,932	1,826	1,918	1,872	1,879	
Beg Stocks	1,080	1,028	852	790	771	
Imports	105	105	125	140	143	
Total Supply	3,117	2,959	2,895	2,802	2,793	
Feed	101	100	180	77	78	
Food, Seed	1,023	1,023	1,025	1,029	1,030	
Exports	965	985	900	925	925	
Total Demand	2,089	2,108	2,105	2,031	2,033	
End Stocks	1,028	852	790	771	760	
Percent Use	49%	40%	38%	38%	37%	
USDA Price	\$ 4.58	\$ 5.05	\$ 6.50	-	-	
Futures as of 7/6/2021	\$6.51	\$6.20	\$6.46	\$6.42		

FUTURES PRICING SIGNALS	\$ 6.91	\$ 6.20	\$ 6.23
1) Futures as of 7/6/2021 =====>		\$6.20	WN22
2) What is Crop Insurance doing?		<u>2021</u>	<u>2020</u>
a) Base Price		\$ 5.54	\$ 4.86
b) Harvest Price (PENDING)		\$ 6.44	\$ 4.97
% loss due to price change		16%	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)		\$ 7.62	
b) Support (Lowest Close last 100 Days)		\$ 6.00	
c) Moving Average		Change	% Change
5 day	\$ 6.47	-26	-4.02%
20 day	\$ 6.59	-60	-8.82%
50 day	\$ 6.86	-92 1/4	-12.95%
100 day	\$ 6.63	-9 1/2	-1.51%
YTD	\$ 6.58	-9 3/4	-1.55%



STRATEGY Summary			
Tool	Percentage	Price	Contract
HTA/Futures	100%	\$6.64	WN21
Unpriced	0%	\$6.20	WN21
Open Options		\$0.00	Cap @ 7.00
Closed Options		\$0.02	
Current Value	100%	\$6.64	WN21
+ Expected Basis			
PENDING Actions			
1 See Recommendations for previous actions.			
8 Sell 60% WN21 @ \$6.55 OB using HTA/Futures. Filled 6/25 @ \$6.56			