

## March 26, 2021 Marketing Update

| Futures as of            | 03/26/21       | 03/19/21       | Trend          |              |
|--------------------------|----------------|----------------|----------------|--------------|
| <b>CZ21 Dec CORN</b>     | <b>\$4.67</b>  | <b>\$4.72</b>  | <b>Bearish</b> | <b>-1.1%</b> |
| <b>SX21 Nov SOYBEANS</b> | <b>\$12.07</b> | <b>\$12.20</b> | <b>Bearish</b> | <b>-1.0%</b> |
| <b>CTZ21 Dec COTTON</b>  | <b>\$78.74</b> | <b>\$82.51</b> | <b>Bearish</b> | <b>-4.6%</b> |
| <b>WN21 Jul WHEAT</b>    | <b>\$6.09</b>  | <b>\$6.19</b>  | <b>Bearish</b> | <b>-1.6%</b> |
| <b>2022 Crop Prices</b>  |                |                |                |              |
| <b>CZ22 Dec CORN</b>     | <b>\$4.35</b>  | <b>\$4.36</b>  | <b>Neutral</b> | <b>-0.1%</b> |
| <b>SX22 Nov SOYBEANS</b> | <b>\$11.19</b> | <b>\$11.19</b> | <b>Neutral</b> | <b>0.1%</b>  |
| <b>CTZ22 Dec COTTON</b>  | <b>\$73.48</b> | <b>\$74.46</b> | <b>Bearish</b> | <b>-1.3%</b> |
| <b>WN22 Jul WHEAT</b>    | <b>\$6.06</b>  | <b>\$6.11</b>  | <b>Neutral</b> | <b>-0.9%</b> |

## MARKET NEWS

- **CFAP 2** payments will be paid beginning April 1<sup>st</sup>. Producers are also eligible for additional assistance from the Pandemic Assistance for Producers (PAP). Go to <https://www.farmers.gov/pandemic-assistance/cfap> for more information.
- **USDA** will release their “Prospective Plantings” and “Grain Stocks” reports on March 31<sup>st</sup>. Corn and soybean acres are expected to be higher than last year. Changes in corn and soybean stocks could impact commodity prices.
- The container ship blocking the Suez Canal is having “ripple” effects. Up to 10% of global crude oil, liquefied natural gas, gasoline, and other refined oil products flow through the canal each day. The impact to the US is minimal unless the canal remains blocked for several weeks. The blockage is adding to the worldwide container shortage.

The commodity eased lower again last week. If you look at the moving average section of the report, you will notice that:

1. The 5 day and 20 day moving averages are down for all for crops.
2. The 50-day and Year-to-Date moving average are still up for corn, soybeans, and cotton but not wheat.

Current prices are still profitable for most producers. Be sure to review your current level of marketing activity to ensure you are managing price risk appropriately for 2021.

## MARKETING PLAN UPDATE

FLOID Farms is concerned that corn and soybean prices could fall following the USDA Planting Intentions report. The market is offering them GROWTH prices for both corn and soybeans. FF would like to protect additional 2021 production against any price drops that could happen. However, if the report is bullish, FF would like to be able to price at higher levels. They decide to use the “buy put, sell call” strategy again.

## CORN

1. Buy CU21 440 Put for \$0.19 or better on 20% of production.
2. Sell CU21 520 Call for \$0.28 or better on 20% of production.

These trades provide a \$4.49 price floor with upside price potential to \$5.20. The floor is \$0.20 higher than the growth target of \$4.29. If these positions are filled, FF will have a price floor of \$4.60 on 55% of expected production.

## March 26, 2021 Marketing Update

### SOYBEANS

1. Buy SX21 1140 Put for \$0.41 or better on 25% of production.
2. Sell SX21 1300 Call for \$0.46 or better on 25% of production.

These trades provide a \$11.45 price floor with upside price potential to \$13.00. The floor is \$0.72 higher than the breakeven target of \$10.73. If these positions are filled, FF will have a price floor of \$11.47 on 50% of expected production.

No changes in the FLOID Farms marketing plan for cotton or wheat.

If you have not protected any 2021 production, consider buying puts before the Prospective Plantings report is released. If the report provides a bearish outlook, the puts will provide a price floor. If the report is bullish, the puts are likely to only lose a few cents in the days following the report. Do not let the recent price weakness keep you from locking in these attractive pricing opportunities for 2021.

| 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  | 3/26/2021              | 4.8375  | -0.0875    |
| 1/11/2021      | Futures/HTA     | Roll CU21 to CZ21 @ \$0.12 OB  | Adds \$0.28 to price              | 10%      | Pending                 | 3/26/2021 | -0.1725 |                        |         |            |
| 1/11/2021      | Option          | SELL CU21 520 Call @ \$0.25 OB | Sets max price \$1.16 > Growth    | 10%      | Filled                  | 1/12/2021 | 0.3000  | 3/26/2021              | -0.2850 | 0.0150     |
| 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 | 3/26/2021              | 0.3350  | -0.0750    |
| 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  | 3/26/2021              | -0.2850 | 0.0250     |
| 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 | 3/26/2021              | 0.3350  | -0.0150    |
| 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  | 3/26/2021              | -0.2850 | 0.0050     |
| 3/26/2021      | Put Call Option | BUY CU21 440 PUT @ \$0.19 OB   | GROWTH Floor - Planting Intention | 20%      | Pending                 | 3/26/2021 | -0.1888 |                        |         |            |
| 3/26/2021      | Put Call Option | SELL CU21 520 Call @ \$0.28 OB | GROWTH Floor - Planting Intention | 20%      | Pending                 | 3/26/2021 | 0.2850  |                        |         |            |

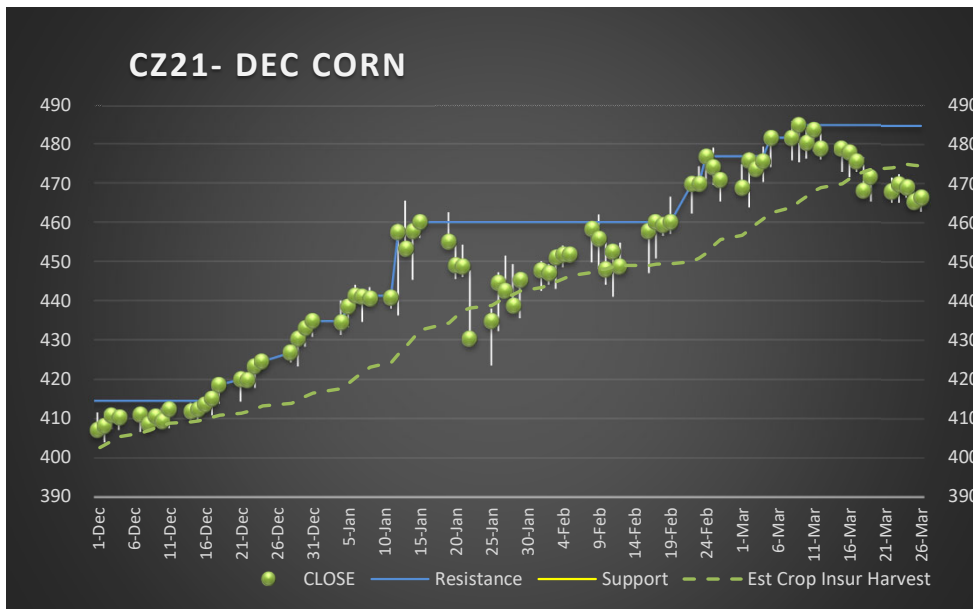
| 2021 SOYBEANS  |                 |                                 |   |          | FUTURES PRICING SIGNALS |           |         | \$ 12.00               | \$ 10.73 | \$ 10.75   |
|----------------|-----------------|---------------------------------|---|----------|-------------------------|-----------|---------|------------------------|----------|------------|
| 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 | 3/26/2021              | 12.0725  | -0.3225    |
| 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 | 3/26/2021              | 0.4100   | -0.4400    |
| 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  | 3/26/2021              | -0.4675  | 0.0325     |
| 3/26/2021      | Put Call Option | BUY SX21 1140 PUT @ \$0.41 OB   | BE+ \$.72 GROW-Planting Intention       | 25%      | Pending                 | 3/26/2021 | -0.4100 |                        |          |            |
| 3/26/2021      | Put Call Option | SELL SX21 1300 Call @ \$0.46 OB | BE+ \$.72 GROW-Planting Intention       | 25%      | Pending                 | 3/26/2021 | 0.4675  |                        |          |            |

| 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  | 3/26/2021              | 0.7874  | -0.0174    |
| 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 | 3/26/2021              | 0.0599  | 0.0049     |
| 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  | 3/26/2021              | -0.0468 | 0.0082     |
| 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  | 3/26/2021              | -0.0219 | -0.0019    |
| 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 | 3/26/2021              | 0.0994  | 0.0378     |
| 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  | 3/26/2021              | -0.0337 | 0.0199     |

| 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  | 3/26/2021              | 6.0925  | 0.3575     |
| 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 | 3/26/2021              | 0.4838  | 0.0388     |
| 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  | 3/26/2021              | -0.1088 | 0.2313     |
| 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 | 3/26/2021              | 0.4838  | 0.1038     |
| 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  | 3/26/2021              | -0.1088 | 0.2513     |

| CORN SUPPLY & DEMAND            |                |                |                |               |               |
|---------------------------------|----------------|----------------|----------------|---------------|---------------|
| WASDE 03/09/2021                |                |                |                |               |               |
|                                 | 19/20          | 20/21          | 21/22          | 22/23         | 23/24         |
|                                 | WASDE-610      | WASDE-610      | Estimate       | Estimate      | Estimate      |
| Planted                         | 89.7           | 90.8           | 92.0           | 92.5          | 91.5          |
| Harvested                       | 81.3           | 82.5           | 84.1           | 84.5          | 83.6          |
| Yield                           | 167.5          | 172.0          | 179.5          | 181.5         | 183.5         |
| <b>Beg Stocks</b>               | <b>2,221</b>   | <b>1,919</b>   | <b>1,502</b>   | <b>1,493</b>  | <b>1,599</b>  |
| Production                      | 13,620         | 14,182         | 15,091         | 15,342        | 15,343        |
| Imports                         | 42             | 25             | 25             | 40            | 31            |
| <b>Total Supply</b>             | <b>15,882</b>  | <b>16,127</b>  | <b>16,618</b>  | <b>16,874</b> | <b>16,973</b> |
| Feed                            | 5,903          | 5,650          | 5,850          | 6,020         | 6,080         |
| Food/Seed                       | 1,430          | 1,425          | 1,425          | 1,430         | 1,435         |
| Ethanol                         | 4,852          | 4,950          | 5,200          | 5,200         | 5,200         |
| Exports                         | 1,778          | 2,600          | 2,650          | 2,625         | 2,650         |
| <b>Total Demand</b>             | <b>13,963</b>  | <b>14,625</b>  | <b>15,125</b>  | <b>15,275</b> | <b>15,365</b> |
| <b>Ending Stocks (ES)</b>       | <b>1,919</b>   | <b>1,502</b>   | <b>1,493</b>   | <b>1,599</b>  | <b>1,608</b>  |
| Percent Use                     | 14%            | 10%            | 10%            | 10%           | 10%           |
| <b>USDA Price</b>               | <b>\$ 3.56</b> | <b>\$ 4.30</b> | <b>\$ 4.20</b> | -             | -             |
| <i>Futures as of 03/26/2021</i> |                | <b>\$5.65</b>  | <b>\$4.82</b>  | <b>\$4.40</b> |               |

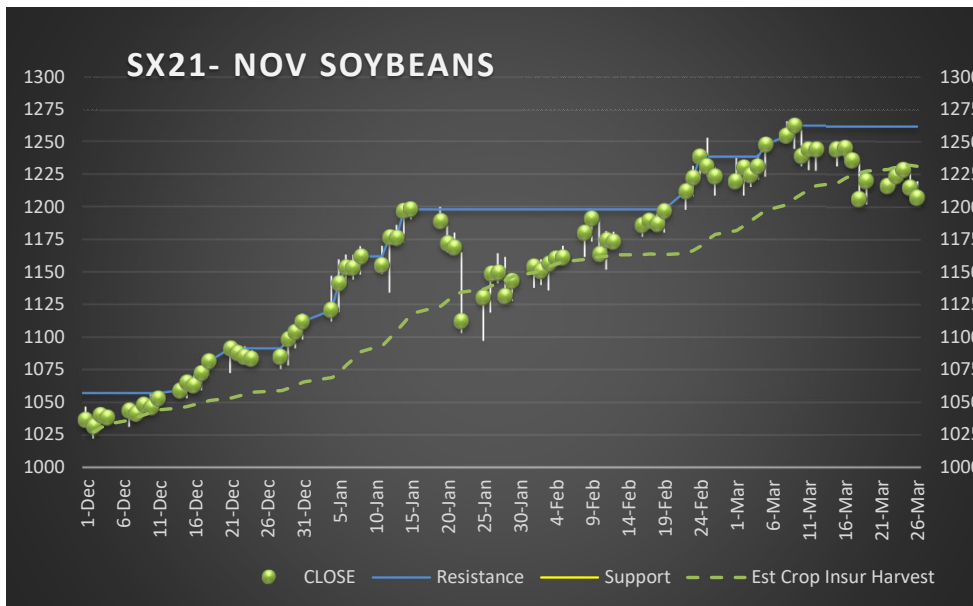
| FUTURES PRICING SIGNALS                     | \$ 4.29        | \$ 3.99        | \$ 3.99         |
|---|----------------|----------------|-----------------|
| 1) Futures as of 03/26/2021 =====>          | <b>\$4.67</b>  | <b>CZ21</b>    |                 |
| 2) What is Crop Insurance doing?            | <b>NC-CZ21</b> | <b>SC-CU21</b> |                 |
| a) Base Price                               | \$ 4.48        | \$ 4.73        |                 |
| b) Harvest Price (PENDING)                  | \$ 4.75        | \$ 4.92        |                 |
| 3) Fundamentals - where are prices headed?  |                |                |                 |
| a) Seasonality                              |                | <b>UP</b>      |                 |
| b) Ending Stocks                            |                | <b>DOWN</b>    |                 |
| 4) Technical Signals indicating?            |                |                |                 |
| a) Resistance (Highest Close last 100 Days) |                |                | \$ 4.85         |
| b) Support (Lowest Close last 100 Days)     |                |                | \$ 3.88         |
| c) Moving Average                           |                | <b>Change</b>  | <b>% Change</b> |
| 5 day                                       | \$ 4.68        | -5             | -1.06%          |
| 20 day                                      | \$ 4.75        | -4 1/4         | -0.90%          |
| 50 day                                      | \$ 4.62        | 13 1/4         | 2.92%           |
| 100 day                                     | \$ 4.39        | 79 1/4         | 20.46%          |
| YTD   | \$ 4.60        | 32             | 7.36%           |



| STRATEGY Summary   |             |               |             |
|--|-------------|---------------|-------------|
| Tool   | Percentage  | Price         | Contract    |
| HTA/Futures  | 10%         | \$4.75        | CU21        |
| Options  | 35%         | \$4.83        | CU21        |
| Unpriced   | 55%         | \$4.84        | CU21        |
| <b>Current Value</b>   | <b>100%</b> | <b>\$4.83</b> | <b>CZ21</b> |
| + 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.                            |             |               |             |
| 9 Sell 20% CU21 520 Call @ \$0.28 OB.                          |             |               |             |

| SOYBEAN SUPPLY & DEMAND         |                | WASDE 03/09/2021 |                 |                |              |  |
|---------------------------------|----------------|------------------|-----------------|----------------|--------------|--|
|                                 | 19/20          | 20/21            | 21/22           | 22/23          | 23/24        |  |
|                                 | WASDE-610      | WASDE-610        | Estimate        | Estimate       | Estimate     |  |
| Planted                         | 76.1           | 83.1             | 90.0            | 89.5           | 89.0         |  |
| Harvested                       | 74.9           | 82.3             | 88.9            | 88.4           | 87.9         |  |
| Yield                           | 47.4           | 50.2             | 50.8            | 51.6           | 52.2         |  |
| <b>Beg Stocks</b>               | <b>909</b>     | <b>525</b>       | <b>120</b>      | <b>137</b>     | <b>185</b>   |  |
| Production                      | 3,553          | 4,135            | 4,517           | 4,562          | 4,590        |  |
| Imports                         | 15             | 35               | 35              | 15             | 15           |  |
| <b>Total Supply</b>             | <b>4,477</b>   | <b>4,695</b>     | <b>4,671</b>    | <b>4,715</b>   | <b>4,789</b> |  |
| Crush                           | 2,165          | 2,200            | 2,210           | 2,195          | 2,220        |  |
| Seed/Residual                   | 105            | 125              | 124             | 125            | 135          |  |
| Exports                         | 1,682          | 2,250            | 2,200           | 2,210          | 2,225        |  |
| <b>Total Demand</b>             | <b>3,952</b>   | <b>4,575</b>     | <b>4,534</b>    | <b>4,530</b>   | <b>4,580</b> |  |
| <b>End Stocks (ES)</b>          | <b>525</b>     | <b>120</b>       | <b>137</b>      | <b>185</b>     | <b>209</b>   |  |
| Percent Use                     | 13%            | 3%               | 3%              | 4%             | 5%           |  |
| <b>USDA Price</b>               | <b>\$ 8.57</b> | <b>\$ 11.15</b>  | <b>\$ 11.25</b> |                |              |  |
| <b>Futures as of 03/26/2021</b> |                | <b>\$14.38</b>   | <b>\$12.54</b>  | <b>\$11.35</b> |              |  |

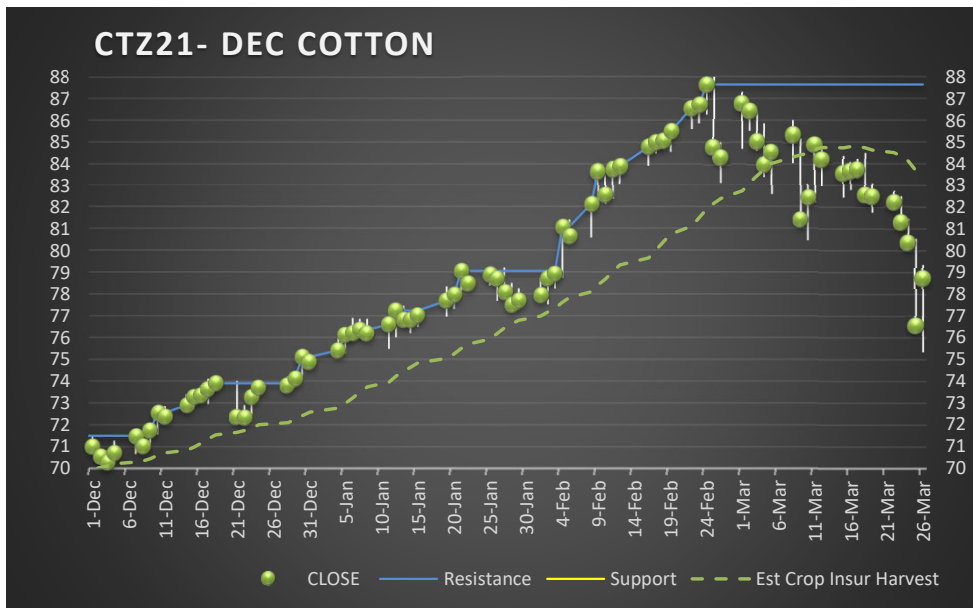
| FUTURES PRICING SIGNALS                     | \$ 12.00    | \$ 10.73    | \$ 10.75 |
|---|-------------|-------------|----------|
| 1) Futures as of 03/26/2021 =====>          | \$12.07     |             | SX21     |
| 2) What is Crop Insurance doing?            | <u>2021</u> | <u>2020</u> |          |
| a) Base Price                               | \$ 11.54    | \$ 9.36     |          |
| b) Harvest Price (PENDING)                  | \$ 12.28    | \$ 9.15     |          |
| 3) Fundamentals - where are prices headed?  |             |             |          |
| a) Seasonality                              |             | UP          |          |
| b) Ending Stocks                            |             | DOWN        |          |
| 4) Technical Signals indicating?            |             |             |          |
| a) Resistance (Highest Close last 100 Days) |             | \$ 12.62    |          |
| b) Support (Lowest Close last 100 Days)     |             | \$ 9.72     |          |
| c) Moving Average                           |             | Change      | % Change |
| 5 day                                       | \$ 12.18    | -12 3/4     | -1.05%   |
| 20 day                                      | \$ 12.32    | -15 3/4     | -1.29%   |
| 50 day                                      | \$ 11.98    | 31 1/4      | 2.66%    |
| 100 day                                     | \$ 11.32    | 236 1/4     | 24.33%   |
| YTD   | \$ 11.92    | 86 1/2      | 7.72%    |



| STRATEGY Summary  |             |                |             |
|---|-------------|----------------|-------------|
| Tool  | Percentage  | Price          | Contract    |
| HTA/Futures   | 10%         | \$11.75        | SX21        |
| Options   | 15%         | \$11.87        | SX21        |
| Unpriced  | 75%         | \$12.07        | SX21        |
| <b>Current Value</b>  | <b>100%</b> | <b>\$12.01</b> | <b>SX21</b> |
| + 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.                          |             |                |             |
| 5 Sell 25% SX21 1300 Call @ \$0.46 OB.                        |             |                |             |

| COTTON SUPPLY & DEMAND          |                 |                 |                 |                |               |
|---------------------------------|-----------------|-----------------|-----------------|----------------|---------------|
| WASDE 03/09/2021                |                 |                 |                 |                |               |
|                                 | 19/20           | 20/21           | 21/22           | 22/23          | 23/24         |
|                                 | WASDE-610       | WASDE-610       | Estimate        | Estimate       | Estimate      |
| Planted                         | 13.74           | 12.09           | 11.86           | 12.09          | 11.86         |
| Harvested                       | 11.61           | 8.70            | 9.63            | 9.81           | 9.63          |
| Yield                           | 823.0           | 811.0           | 840.0           | 948.5          | 960.2         |
| <b>Beg Stocks</b>               | <b>4.85</b>     | <b>7.25</b>     | <b>4.20</b>     | <b>3.09</b>    | <b>4.73</b>   |
| Production                      | 19.91           | 14.70           | 16.85           | 19.39          | 19.26         |
| Imports                         | 0.01            | -               | -               | -              | -             |
| <b>Total Supply</b>             | <b>24.77</b>    | <b>21.95</b>    | <b>21.04</b>    | <b>22.48</b>   | <b>23.99</b>  |
| Domestic Use                    | 2.15            | 2.30            | 2.50            | 2.30           | 2.50          |
| Exports                         | 15.53           | 15.50           | 15.50           | 15.50          | 16.00         |
| <b>Total Demand</b>             | <b>17.68</b>    | <b>17.80</b>    | <b>18.00</b>    | <b>17.80</b>   | <b>18.50</b>  |
| <b>End Stocks (ES)</b>          | <b>7.25</b>     | <b>4.20</b>     | <b>3.09</b>     | <b>4.73</b>    | <b>5.54</b>   |
| Stocks to Use                   | 41%             | 24%             | 17%             | 27%            | 30%           |
| <b>USDA Price</b>               | <b>\$ 59.60</b> | <b>\$ 69.00</b> | <b>\$ 75.00</b> | -              | -             |
| <b>Futures as of 03/26/2021</b> |                 | <b>\$88.32</b>  | <b>\$85.34</b>  | <b>\$75.80</b> | <b>\$0.00</b> |

| FUTURES PRICING SIGNALS                     |                 |                |                 |
|---|-----------------|----------------|-----------------|
|   | \$ 82.00        | \$ 77.00       | \$ 77.00        |
| 1) Futures as of 03/26/2021                 | =====>          | <b>\$78.74</b> | CTZ21           |
| 2) What is Crop Insurance doing?            |                 | <u>2021</u>    | <u>2020</u>     |
| a) Base Price                               |                 | <b>\$80.00</b> | \$70.00         |
| b) Harvest Price (PENDING)                  |                 | <b>\$83.00</b> | \$63.00         |
| 3) Fundamentals - where are prices headed?  |                 |                |                 |
| a) Seasonality                              |                 | <b>Down</b>    |                 |
| b) Ending Stocks                            |                 | <b>UP</b>      |                 |
| 4) Technical Signals indicating?            |                 |                |                 |
| a) Resistance (Highest Close last 100 Days) |                 |                | <b>\$ 87.66</b> |
| b) Support (Lowest Close last 100 Days)     |                 |                | <b>\$ 68.51</b> |
| c) Moving Average                           |                 | <u>Change</u>  | <u>% Change</u> |
| 5 day                                       | <b>\$ 79.84</b> | <b>-3.77</b>   | <b>-4.57%</b>   |
| 20 day                                      | <b>\$ 83.01</b> | <b>-5.59</b>   | <b>-6.63%</b>   |
| 50 day                                      | <b>\$ 82.04</b> | <b>1.94</b>    | <b>2.53%</b>    |
| 100 day                                     | <b>\$ 77.11</b> | <b>10.33</b>   | <b>15.10%</b>   |
| YTD   | <b>\$ 81.25</b> | <b>3.33</b>    | <b>4.42%</b>    |

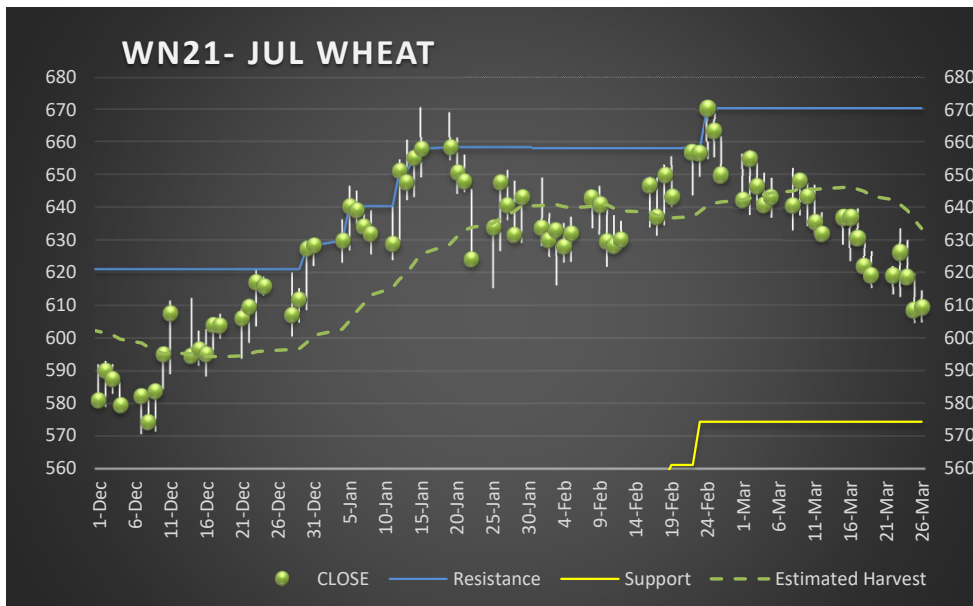


| STRATEGY Summary   |             |                |              |
|--|-------------|----------------|--------------|
| Tool   | Percentage  | Price          | Contract     |
| HTA/Futures  | 10%         | \$77.00        | CTZ21        |
| Options  | 30%         | \$80.12        | CTZ21        |
| Unpriced   | 60%         | \$78.74        | CTZ21        |
| <b>Current Value</b>   | <b>100%</b> | <b>\$78.98</b> | <b>CTZ21</b> |
| + 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           |                | WASDE 03/09/2021 |                |               |               |  |
|---------------------------------|----------------|------------------|----------------|---------------|---------------|--|
|                                 | 19/20          | 20/21            | 21/22          | 22/23         | 23/24         |  |
|                                 | WASDE-610      | WASDE-610        | Estimate       | Estimate      | Estimate      |  |
| Planted                         | 45.5           | 44.3             | 45.9           | 45.6          | 45.4          |  |
| Harvested                       | 37.4           | 36.7             | 38.3           | 38.1          | 37.9          |  |
| Yield                           | 51.7           | 49.7             | 49.1           | 49.2          | 49.6          |  |
| Production                      | <b>1,932</b>   | <b>1,826</b>     | <b>1,881</b>   | <b>1,872</b>  | <b>1,879</b>  |  |
| Beg Stocks                      | 1,080          | 1,028            | 836            | 752           | 733           |  |
| Imports                         | 105            | 120              | 130            | 140           | 143           |  |
| <b>Total Supply</b>             | <b>3,117</b>   | <b>2,974</b>     | <b>2,847</b>   | <b>2,764</b>  | <b>2,755</b>  |  |
| Feed                            | 101            | 125              | 140            | 77            | 78            |  |
| Food, Seed                      | 1,023          | 1,028            | 1,030          | 1,029         | 1,030         |  |
| Exports                         | 965            | 985              | 925            | 925           | 925           |  |
| <b>Total Demand</b>             | <b>2,089</b>   | <b>2,138</b>     | <b>2,095</b>   | <b>2,031</b>  | <b>2,033</b>  |  |
| <b>End Stocks</b>               | <b>1,028</b>   | <b>836</b>       | <b>752</b>     | <b>733</b>    | <b>722</b>    |  |
| Percent Use                     | 49%            | 39%              | 36%            | 36%           | 36%           |  |
| <b>USDA Price</b>               | <b>\$ 4.58</b> | <b>\$ 5.00</b>   | <b>\$ 5.50</b> | -             | -             |  |
| <b>Futures as of 03/26/2021</b> |                | <b>\$6.47</b>    | <b>\$6.41</b>  | <b>\$6.31</b> | <b>\$6.00</b> |  |

| FUTURES PRICING SIGNALS                     | \$ 6.91       | \$ 6.20     | \$ 6.23 |
|---|---------------|-------------|---------|
| 1) Futures as of 03/26/2021 =====>          | <b>\$6.09</b> | WN22        |         |
| 2) What is Crop Insurance doing?            | <u>2021</u>   | <u>2020</u> |         |
| a) Base Price                               | \$ 5.54       | \$ 4.86     |         |
| b) Harvest Price (PENDING)                  | \$ 6.16       | \$ 4.97     |         |
| % loss due to price change                  | 11%           | 2%          |         |
| 3) Fundamentals - where are prices headed?  |               |             |         |
| a) Seasonality                              | UP            |             |         |
| b) Ending Stocks                            | UP            |             |         |
| 4) Technical Signals indicating?            |               |             |         |
| a) Resistance (Highest Close last 100 Days) | \$ 6.71       |             |         |
| b) Support (Lowest Close last 100 Days)     | \$ 5.74       |             |         |
| c) Moving Average                           | Change        | % Change    |         |
| 5 day                                       | \$ 6.16       | -10         | -1.61%  |
| 20 day                                      | \$ 6.33       | -40 3/4     | -6.27%  |
| 50 day                                      | \$ 6.39       | -38 1/4     | -5.91%  |
| 100 day                                     | \$ 6.23       | 16 3/4      | 2.83%   |
| YTD   | \$ 6.39       | -20 1/2     | -3.26%  |



| STRATEGY Summary  |             |               |             |
|---|-------------|---------------|-------------|
| Tool  | Percentage  | Price         | Contract    |
| HTA/Futures   | 10%         | \$6.45        | WN21        |
| Options   | 30%         | \$6.25        | WN21        |
| Unpriced  | 60%         | \$6.09        | WN21        |
| <b>Current Value</b>  | <b>100%</b> | <b>\$6.18</b> | <b>WN21</b> |
| + 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 @ \$0.30 OB Filled @ \$0.34 2/1/21 |             |               |             |
| 4 Buy 15% WN21 630 Put @ \$0.35 OB Filled @ \$0.38 2/16/21  |             |               |             |
| 5 Sell 15% WN21 700 Call @ \$0.25 OB                        |             |               |             |