

May 19, 2021 Marketing Update

Futures as of	05/19/21	05/12/21	Trend	
CZ21 Dec CORN	\$5.39	\$5.93	Bearish	-9.1%
SX21 Nov SOYBEANS	\$13.69	\$14.44	Bearish	-5.2%
CTZ21 Dec COTTON	\$82.37	\$85.67	Bearish	-3.9%
WN21 Jul WHEAT	\$6.79	\$7.30	Bearish	-6.9%
2022 Crop Prices				
CZ22 Dec CORN	\$4.74	\$5.12	Bearish	-7.3%
SX22 Nov SOYBEANS	\$12.39	\$12.52	Bearish	-1.1%
CTZ22 Dec COTTON	\$75.55	\$77.39	Bearish	-2.4%
WN22 Jul WHEAT	\$6.66	\$6.95	Bearish	-4.2%

UPCOMING EVENTS:

MARKET NEWS

Both planting and emergence of corn and soybeans are progressing much faster than the five-year average pace. SC showed improvement in topsoil and subsoil moisture last week, while NC's moisture shifted more towards very short/short. Iowa reported subsoil moisture as very short or short on 48% of its cropland, but corn (52% versus 40% five-year average) and soybean (24% versus 9% five-year average) emergence is good.

Table 1: USDA Crop Progress Report Released May 17, 2021 (Summarized)

Metric	Week Ending May 9, 2021	Week Ending May 16, 2021	2016-2020 Average
Corn Planted	67	80	68
Corn Emerged	20	41	35
Soybeans Planted	42	61	37
Soybeans Emerged	10	20	12
Cotton Planted	25	38	40
Peanuts Planted	23	40	49
SOIL MOISTURE	Very Short/Short	Adequate	Surplus
NC Topsoil	38	60	2
NC Subsoil	30	68	2
SC Topsoil	27	68	5
SC Subsoil	15	84	1

All new crop prices tumbled since last week's WASDE report. Corn (CZ21) fell below its uptrend that started on April 1st and is trading in the \$5.40 range this week. Soybeans (SX21) also fell below its uptrend and closed below \$14.00 for the first time since May 6th. Cotton (CTZ21) was trading above \$0.85 before the report, but now is trading \$0.81 to \$0.83 range. July Wheat is trading below \$7.00 for the first time since April 21st.

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.

May 19, 2021 Marketing Update

Crop	Growth Target	Current Value
Corn	\$4.29	\$5.42
Soybeans	\$12.00	\$13.27
Cotton	\$0.82	\$0.82
Wheat	\$6.91	\$6.73

FLOID Farms waited for the May WASDE report and realized it needed make changes to their marketing plan. In looking at their option positions, they recognize that the volatility is higher the when the option positions were placed. Volatility increases option prices, so FF decided to close the put options that were purchased but hold on to the call options that were sold. When they exit the purchased puts, they will sell equivalent quantities using HTA or Futures. Their current plan is to execute the following:

Corn

1. Close (Sell) CU21 440 Puts for \$0.04 or better.
2. Sell 20% CU21 for \$5.70 or better using HTA or futures.

Soybeans

3. Close (Sell) SX21 1140 Puts for \$0.05 or better.
4. Sell 40% SX21 for \$13.75 or better using HTA or futures.

Wheat

5. Close (Sell) WN21 630 Puts for \$0.10 or better.
6. Sell 30% WN21 for \$6.85 or better using HTA or futures

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	5/19/2021	5.6700	-0.9200
1/11/2021	Futures/HTA	Roll CU21 to CZ21 @ \$0.12 OB	Adds \$0.28 to price	10%	Pending	5/19/2021	-0.2800			
1/11/2021	Option	SELL CU21 520 Call @ \$0.25 OB	Sets max price \$1.16 > Growth	10%	Filled	1/12/2021	0.3000	5/19/2021	-0.6950	-0.3950
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	5/19/2021	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	5/19/2021	-0.6950	-0.3850
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	5/19/2021	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	5/19/2021	-0.6950	-0.4050
3/26/2021	Put Call Option	BUY CU21 440 PUT @ \$0.19 OB	GROWTH Floor - Planting Intention	20%	Filled	3/31/2021	-0.1500	5/19/2021	0.0425	-0.1075
3/26/2021	Put Call Option	SELL CU21 520 Call @ \$0.28 OB	GROWTH Floor - Planting Intention	20%	Filled	4/1/2021	0.3500	5/19/2021	0.0800	0.4300
5/20/2021	Futures/HTA	Sell CU21 @ \$5.70 OB	To offset CU21 440 Puts	20%	Pending	5/19/2021	5.6700			

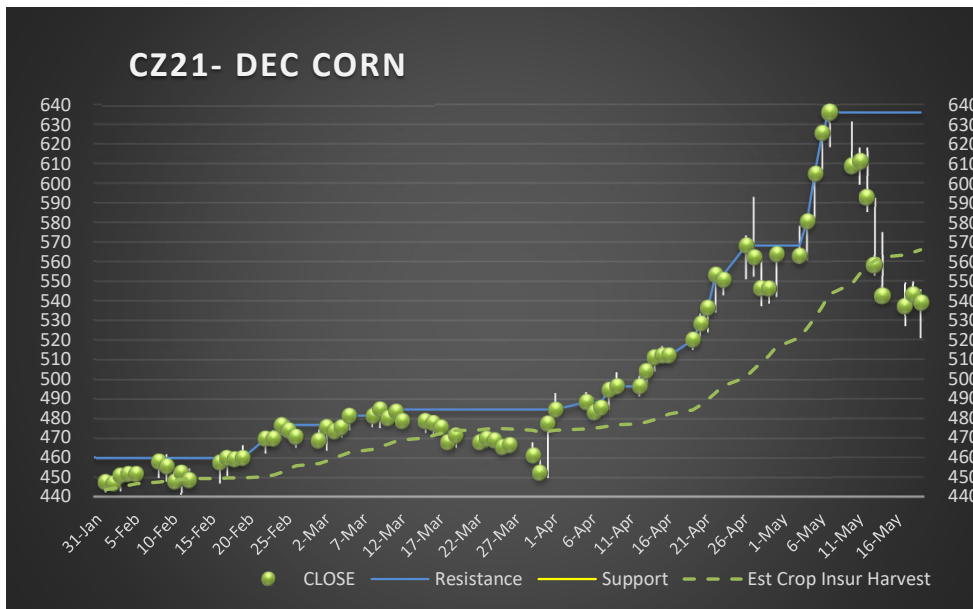
2021 SOYBEANS					FUTURES PRICING SIGNALS			\$ 12.00	\$ 10.73	\$ 10.75
Recommendation					ENTRY			OFFSET (Current Price)		
Date	Tool	Action	Reason	Quantity	STATUS	Date	Price	Date	Price	Gain(Loss)
1/11/2021	Futures/HTA	Sell SX21 @ \$11.75 OB	\$1.00 > B/E Target, Builds Working Cap	10%	Filled	1/12/2021	11.7500	5/19/2021	13.6925	-1.9425
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	5/19/2021	0.0525	-0.7975
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	5/19/2021	-1.0925	-0.5925
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	5/19/2021	0.0525	-0.3475
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	5/19/2021	-1.0925	-0.6125
5/20/2021	Futures/HTA	Sell SX21 @ \$13.75 OB	To offset SX21 1140 Puts	40%	Pending	5/19/2021	13.6925			

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	5/19/2021	0.8237	-0.0537
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	5/19/2021	0.0415	-0.0135
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	5/19/2021	-0.0589	-0.0039
1/29/2021	Put Call Put Option	Sell CT21 6900 Put @ \$0.02 OB	Cheaper Cost of strategy	15%	Filled	2/4/2021	0.0200	5/19/2021	-0.0121	0.0079
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	5/19/2021	0.0752	0.0136
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	5/19/2021	-0.0416	0.0120

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	5/19/2021	6.7925	-0.3425
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	5/19/2021	0.1050	-0.3400
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	5/19/2021	-0.2338	0.1063
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	5/19/2021	0.1050	-0.2750
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	5/19/2021	-0.2338	0.1263
5/20/2021	Futures/HTA	Sell WN21 @ \$6.85 OB	To offset WN21 630 Puts	30%	Pending	5/19/2021	6.7925			

CORN SUPPLY & DEMAND					
WASDE as of 5/12/21					
	19/20	20/21	21/22	22/23	23/24
	WASDE-612	WASDE-612	WASDE-612	Estimate	Estimate
Planted	89.7	90.8	91.1	92.5	91.5
Harvested	81.3	82.5	83.5	84.5	83.6
Yield	167.5	172.0	179.5	181.5	183.5
Beg Stocks	2,221	1,919	1,257	1,507	1,614
Production	13,620	14,182	14,990	15,342	15,343
Imports	42	25	25	40	31
Total Supply	15,882	16,127	16,272	16,889	16,988
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	4,975	5,200	5,200	5,200
Exports	1,778	2,775	2,450	2,625	2,650
Total Demand	13,963	14,870	14,765	15,275	15,365
Ending Stocks (ES)	1,919	1,257	1,507	1,614	1,623
Percent Use	14%	8%	10%	11%	11%
USDA Price	\$ 3.56	\$ 4.35	\$ 5.70	-	-
<i>Futures as of 5/19/2021</i>		\$7.60	\$5.39	\$4.71	

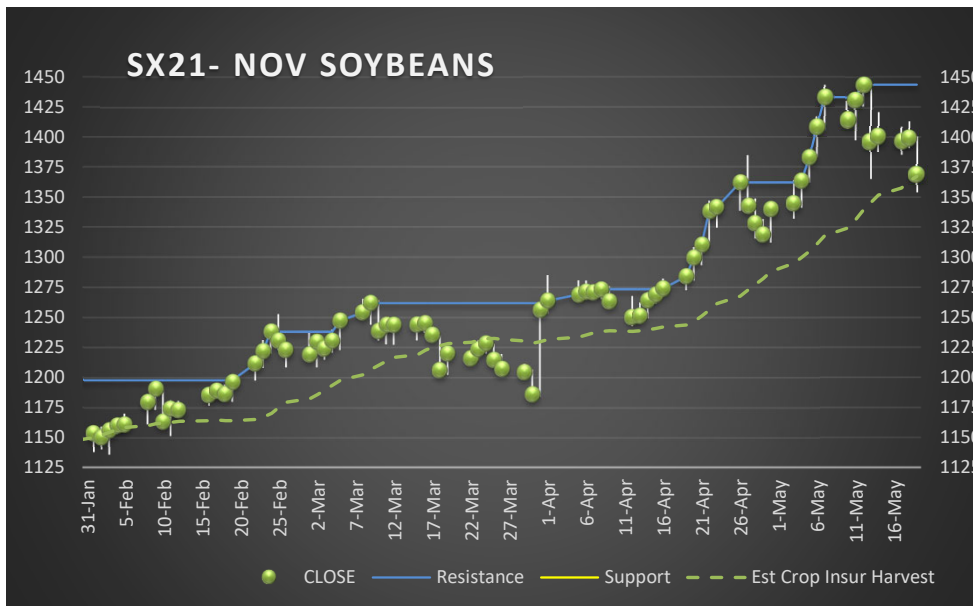
FUTURES PRICING SIGNALS	\$ 4.29	\$ 3.99	\$ 3.99
1) Futures as of 5/19/2021 =====>	\$5.39	CZ21	
2) What is Crop Insurance doing?	NC-CZ21	SC-CU21	
a) Base Price	\$ 4.48	\$ 4.73	
b) Harvest Price (PENDING)	\$ 5.66	\$ 5.93	
3) Fundamentals - where are prices headed?			
a) Seasonality		UP	
b) Ending Stocks		UP	
4) Technical Signals indicating?			
a) Resistance (Highest Close last 100 Days)		\$ 6.37	
b) Support (Lowest Close last 100 Days)		\$ 4.25	
c) Moving Average		Change	% Change
5 day	\$ 5.44	-54	-9.11%
20 day	\$ 5.72	2 1/2	0.47%
50 day	\$ 5.21	54 1/4	11.19%
100 day	\$ 4.87	115 3/4	27.35%
YTD	\$ 4.90	104 1/2	24.05%



STRATEGY Summary			
Tool	Percentage	Price	Contract
HTA/Futures	10%	\$4.75	CU21
Options	55%	\$5.38	CU21
Unpriced	35%	\$5.67	CU21
Current Value	100%	\$5.42	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			
10 Close (Sell) 20% CU 440 Put @ \$0.04 OB			
11 Sell 20% CU21 @ \$5.70 OB using HTA/Futures.			

SOYBEAN SUPPLY & DEMAND		WASDE as of 5/12/21				
	19/20	20/21	21/22	22/23	23/24	
	WASDE-612	WASDE-612	WASDE-612	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	120	140	188	
Production	3,553	4,135	4,404	4,562	4,590	
Imports	15	35	35	15	15	
Total Supply	4,477	4,695	4,559	4,718	4,793	
Crush	2,165	2,190	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	4,575	4,419	4,530	4,580	
End Stocks (ES)	525	120	140	188	213	
Percent Use	13%	3%	3%	4%	5%	
USDA Price	\$ 8.57	\$ 11.25	\$ 13.85			
Futures as of 5/19/2021		\$16.20	\$13.69	\$12.39		

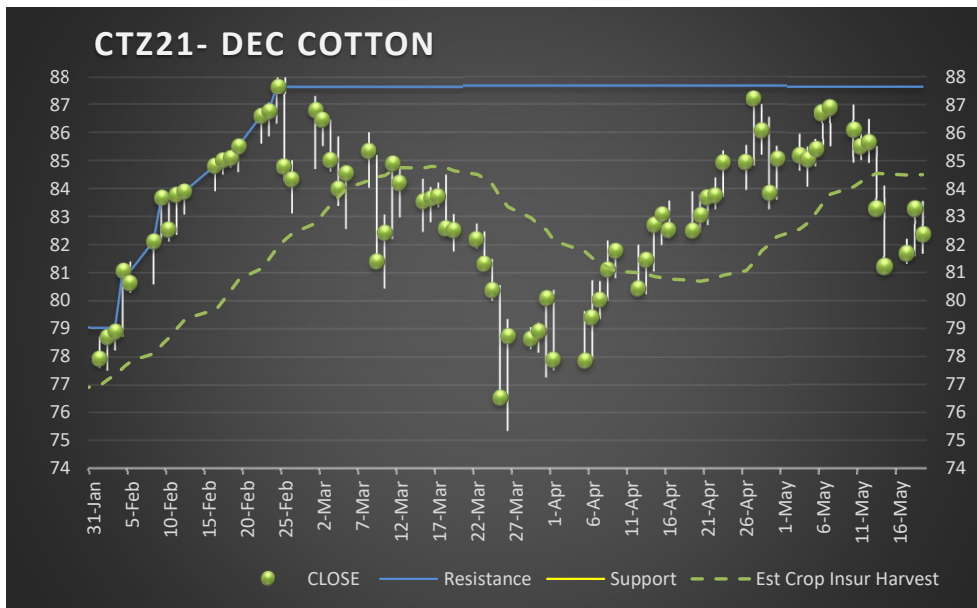
FUTURES PRICING SIGNALS	\$ 12.00	\$ 10.73	\$ 10.75
1) Futures as of 5/19/2021 =====>	\$13.69	SX21	
2) What is Crop Insurance doing?	2021	2020	
a) Base Price	\$ 11.54	\$ 9.36	
b) Harvest Price (PENDING)	\$ 13.69	\$ 9.15	
3) Fundamentals - where are prices headed?			
a) Seasonality	UP		
b) Ending Stocks	UP		
4) Technical Signals indicating?			
a) Resistance (Highest Close last 100 Days)	\$ 14.44		
b) Support (Lowest Close last 100 Days)	\$ 10.83		
c) Moving Average	Change	% Change	
5 day	\$ 13.93	-74 1/2	-5.16%
20 day	\$ 13.78	59	4.50%
50 day	\$ 13.00	107 1/4	8.50%
100 day	\$ 12.37	284 1/2	26.23%
YTD	\$ 12.44	248 1/2	22.17%



STRATEGY Summary			
Tool	Percentage	Price	Contract
HTA/Futures	10%	\$11.75	SX21
Options	40%	\$13.13	SX21
Unpriced	50%	\$13.69	SX21
Current Value	100%	\$13.27	SX21
+ Expected Basis			
PENDING Actions			
1 See Recommendations for previous actions.			
6 Close (Sell) 40% SX 1140 Put @ \$.05 OB			
7 Sell 40% SX21 @ \$13.70 OB using HTA/Futures.			

COTTON SUPPLY & DEMAND		WASDE as of 5/12/21				
	19/20	20/21	21/22	22/23	23/24	
	WASDE-612	WASDE-612	WASDE-612	Estimate	Estimate	
Planted	13.74	12.09	12.04	12.09	12.04	
Harvested	11.61	8.28	9.63	9.73	9.69	
Yield	823.0	847.0	847.0	948.5	960.2	
Beg Stocks	4.85	7.25	3.30	3.10	4.52	
Production	19.91	14.61	17.00	19.23	19.39	
Imports	0.01	-	-	-	-	
Total Supply	24.77	21.86	20.30	22.33	23.91	
Domestic Use	2.15	2.30	2.50	2.30	2.50	
Exports	15.53	16.25	14.70	15.50	16.00	
Total Demand	17.68	18.55	17.20	17.80	18.50	
End Stocks (ES)	7.25	3.30	3.10	4.52	5.41	
Stocks to Use	41%	18%	18%	25%	29%	
USDA Price	\$ 59.60	\$ 68.00	\$ 75.00	-	-	
Futures as of 5/19/2021		\$88.47	\$82.37	\$75.55	\$78.48	

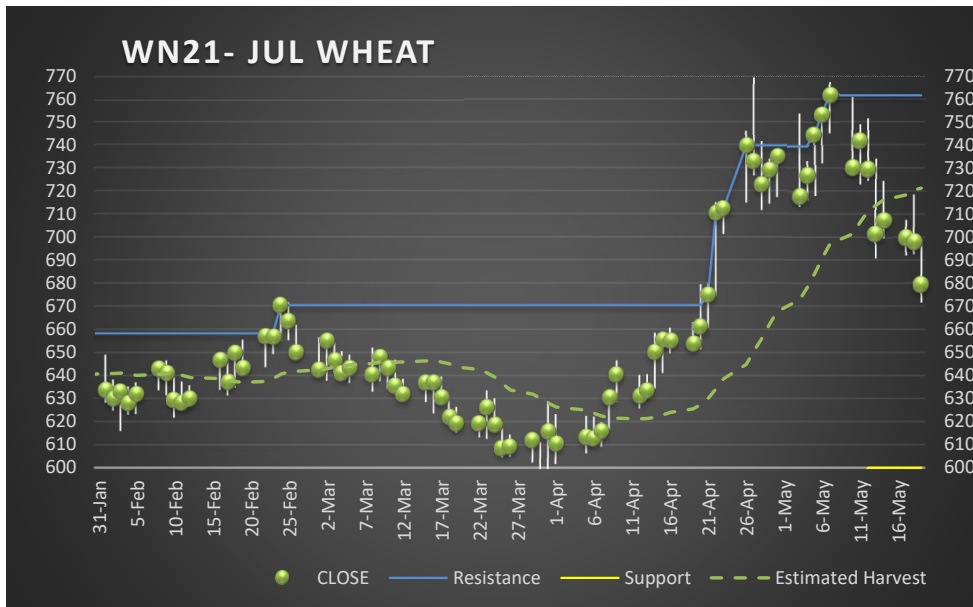
FUTURES PRICING SIGNALS	\$ 82.00	\$ 77.00	\$ 77.00
1) Futures as of 5/19/2021 =====>	\$82.37		CTZ21
2) What is Crop Insurance doing?	<u>2021</u>	<u>2020</u>	
a) Base Price	\$80.00	\$70.00	
b) Harvest Price (PENDING)	\$85.00	\$63.00	
3) Fundamentals - where are prices headed?			
a) Seasonality		UP	
b) Ending Stocks		UP	
4) Technical Signals indicating?			
a) Resistance (Highest Close last 100 Days)			\$ 87.66
b) Support (Lowest Close last 100 Days)			\$ 73.70
c) Moving Average		Change	% Change
5 day	\$ 82.38	-3.30	-3.85%
20 day	\$ 84.71	-1.32	-1.58%
50 day	\$ 82.73	0.97	1.19%
100 day	\$ 81.54	9.10	12.42%
YTD	\$ 81.92	6.96	9.23%



STRATEGY Summary			
Tool	Percentage	Price	Contract
HTA/Futures	10%	\$77.00	CTZ21
Options	30%	\$82.69	CTZ21
Unpriced	60%	\$82.37	CTZ21
Current Value	100%	\$81.93	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		WASDE as of 5/12/21				
	19/20	20/21	21/22	22/23	23/24	
	WASDE-612	WASDE-612	WASDE-612	Estimate	Estimate	
Planted	45.5	44.3	46.4	45.6	45.4	
Harvested	37.4	36.7	37.4	38.1	37.9	
Yield	51.7	49.7	50.0	49.2	49.6	
Production	1,932	1,826	1,872	1,872	1,879	
Beg Stocks	1,080	1,028	872	774	755	
Imports	105	105	125	140	143	
Total Supply	3,117	2,959	2,869	2,786	2,777	
Feed	101	100	170	77	78	
Food, Seed	1,023	1,023	1,025	1,029	1,030	
Exports	965	965	900	925	925	
Total Demand	2,089	2,088	2,095	2,031	2,033	
End Stocks	1,028	872	774	755	744	
Percent Use	49%	42%	37%	37%	37%	
USDA Price	\$ 4.58	\$ 5.05	\$ 6.50	-	-	
Futures as of 5/19/2021	\$7.60	\$6.79	\$6.66	\$6.66	\$6.43	

FUTURES PRICING SIGNALS	\$ 6.91	\$ 6.20	\$ 6.23
1) Futures as of 5/19/2021 =====>	\$6.79	WN22	
2) What is Crop Insurance doing?	<u>2021</u>	<u>2020</u>	
a) Base Price	\$ 5.54	\$ 4.86	
b) Harvest Price (PENDING)	\$ 6.97	\$ 4.97	
% loss due to price change	26%	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	\$ 6.97	-50 1/2	-6.92%
20 day	\$ 7.24	4 1/4	0.63%
50 day	\$ 6.68	31 1/4	4.82%
100 day	\$ 6.54	62 1/4	10.09%
YTD	\$ 6.56	49 1/2	7.86%



STRATEGY Summary			
Tool	Percentage	Price	Contract
HTA/Futures	10%	\$6.45	WN21
Options	30%	\$6.70	WN21
Unpriced	60%	\$6.79	WN21
Current Value	100%	\$6.73	WN21
+ Expected Basis			
PENDING Actions			
1 See Recommendations for previous actions.			
6 Close (Sell) 30% WN 630 Put @ \$.105 OB			
7 Sell 30% WN21 @ \$6.85 OB using HTA/Futures.			