



January 30, 2015

Dear
Subscriber:

Before getting too deep in the weeds we wish to point out a typo for one of the outlook meetings that we are holding this winter.

The meeting in Casey is set for FEBRUARY 26 and not January 26th as previously announced.

And we hope you are considering purchasing tickets to the March 10 All Day Ag Outlook Meeting at the Beef House in Covington, Indiana. You can do so by calling at 217-333-7300. Tickets are 25 dollars and include a Beef House continental

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Feb. 3 **Spring Valley, IL** – 9:00 AM **Verrucchi’s Restaurant**, 600 N. Greenwood (Sponsored by North Central Bank of Ladd, IL)

Feb. 4 **Pontiac, IL** – 9:00 AM **Baby Bull’s Restaurant**, 1025 W Reynolds St. (Sponsored by Graymont State Bank & Bank of Pontiac)

Feb. 4 **Mattoon, IL** – 9:00 AM **Pagliacci’s Family Dining**, 319 North Logan Street, (Sponsored by First Mid-Illinois Bank and Trust)

Feb. 4 **Assumption, IL** – 6:30 PM **GSI Learning Center**, 1004 E Illinois St.

Feb. 5 **Gibson City, IL** – 9:00 AM **Railside Golf Course**, 120 West 19th Street (Sponsored by Heartland Bank and Busey Bank of Gibson City)

Feb. 5 **Strasburg, IL** – 9:00 AM **Strasburg Community Building**, 105 Commercial Street

Feb. 5 **Litchfield, IL** – 7:30 AM **Maverick’s Steaks and Spirits**, 201 Ohren Dr. (Sponsored by FNB of Litchfield) – (breakfast)

Feb. 6 **Aledo, IL**– 9:00 AM **VFW**, 106 Southwest 3rd Avenue (Sponsored By Joy State Bank and 1st Community Bank of Aledo)

Feb. 6 **Nashville, IL** – 9:00 AM **Little Nashville Restaurant**, 11700 Illinois 127

Call Strategic Farm Marketing at 800-383-0046
or visit www.sfarmmarketing.com to register

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I L L I N O I S

breakfast and lunch. You will find a working agenda at the end of this letter as well as the full schedule of winter meetings to date. If you would like to hold a meeting in your neck of the woods you can call David at dadickey@illinois.edu.

We begin our discussion of the futures market today looking at some of the key technicals for corn and soybeans.

Despite export sales deemed good by several of our analysts, lead month option corn futures this week fell below key support at 375 and the 100 day moving average. Our analysts suggest this is bearish moving forward unless corn were to regain that 375 benchmark. The monthly chart is equally problematic for would be corn bulls.

March 2015 Corn Futures (Composite Daily)



March 2015 Corn Futures (Composite Monthly)



Corn futures are trading at their lowest level since last October. For soybeans our analysts say that there is a strong tendency for futures to

trade in eight to nine week cycles – one low to the next. Friday was the eighty week from the previous cycle low in lead month futures:

March 2015 Soybean Futures (Composite Weekly)



The vertical blue line represents the previous cycle low from December of last year. Our analysts suggest that if soybean show upward strength at the beginning of next week it could signal the end of the 8-to-9 week cycle and perhaps the establishment of a more seasonal trading pattern.

WEEKLY OUTLOOK

U of I Ag Economist John Newton takes a look the pace of export sales. John writes:

The USDA’s January 26 [Federal Grain Inspection Service](#) (FGIS) report indicated that for the week of January 22, 34.9 million bushels of corn were exported, up 19 percent from the prior week. Cumulative corn exports for the 2014/15 marketing year total 562 million bushels, up 2 percent from the 2013/14 marketing year. It is important to consider, however, that FGIS inspections do not represent the final export value in the WASDE report.

Instead, the WASDE exports settle to USDA's [Foreign Agricultural Service's Global Agricultural Trade System](#) (GATS) census data. GATS data on corn exports are available through November 2014. Through November, 2014/15 marketing year corn exports totaled 407 million bushels and were 40 million bushels higher than the FGIS inspection numbers through November. Assuming this pace continues, corn exports through January 22 totals 602 million bushels, about 34 percent of the projected WASDE total. With nearly 40 percent of the marketing year in the books, corn exports need to accelerate in order to reach the 1,750 million bushel WASDE projection. Based on the implied GATS estimate of 602 million bushels, 1,148 million bushels need to be exported during the remainder of the marketing year to reach the WASDE projection. On a weekly basis this total represents approximately 37 million bushels per week, and would require an increase of 57 percent over the current 10-week average export volume.

To see John's full report go to:

<http://farmdoc.illinois.edu/marketing/weekly/html/012015.html>



15 iFarm Crop Insurance Tools Now Available

The 2015 iFarm Crop Insurance Payment Simulator and Crop Insurance Decision Tools are now available in the crop insurance section of farmdoc.

iFarm Crop Insurance Payment Simulator

This web-based tool provides estimates of premiums for available 2015 insurance products for most counties in the major corn and soybean production regions, across each coverage election, and then calculates the expected frequency of payments, average payment per acre, net cost per acre, and risk reductions associated with alternative crop insurance products and election levels in an easily understood format.

[Go to iFarm Payment Simulator](#)

FAST Crop Insurance Decision Tool

This 2015 spreadsheet tool contains four components. The first computes farmer-paid premiums for different user entered parameters. A "What-if" tool calculates insurance payments for user supplied prices and yields. A history of insurance payments and premiums can be found in the "Historical Analysis" section. The tool also allows comparison of farm yields to county yields (requires Microsoft Excel).

[Download FAST Crop Insurance Decision Tool](#)



USDA reports this week's corn export sales at 42.7 million bushels (42.1 this year, 0.6 next year). On the year, total commitments for corn are 1236.7 million bushels vs. 1240.5 million bushels a year ago at this time.

Weekly Corn – as of January 22, 2015

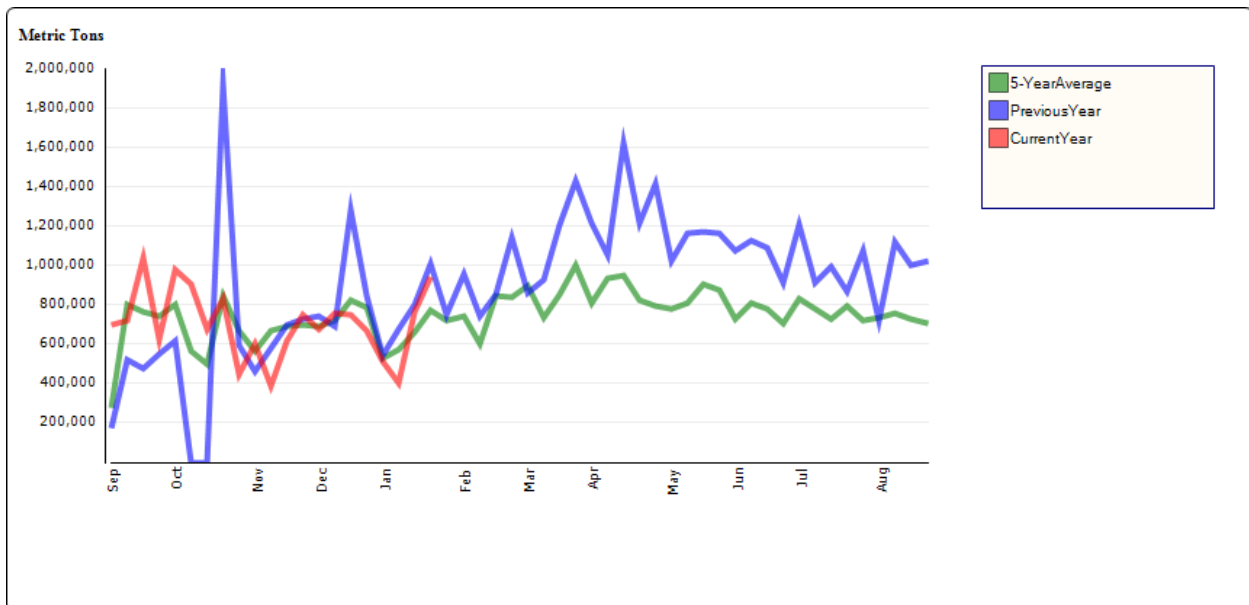


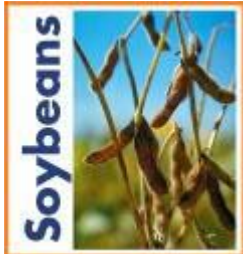
Chart Courtesy of USDA Foreign Ag Service

For information on basis in Illinois this past week go to:

[http://www.ams.usda.gov/mnreports/GX GR113.txt](http://www.ams.usda.gov/mnreports/GX_GR113.txt)

The Iowa basis report is at:

[http://www.ams.usda.gov/mnreports/NW GR110.txt](http://www.ams.usda.gov/mnreports/NW_GR110.txt)



USDA reports this week's soybean export sales at 33.4 million bushels (32.6 this year, 0.8 next year). On the year, total commitments for soybeans are 1656.4 million bushels vs. 1559.6 million bushels a year ago at this time.

Weekly Soybeans – as of January 22, 2015

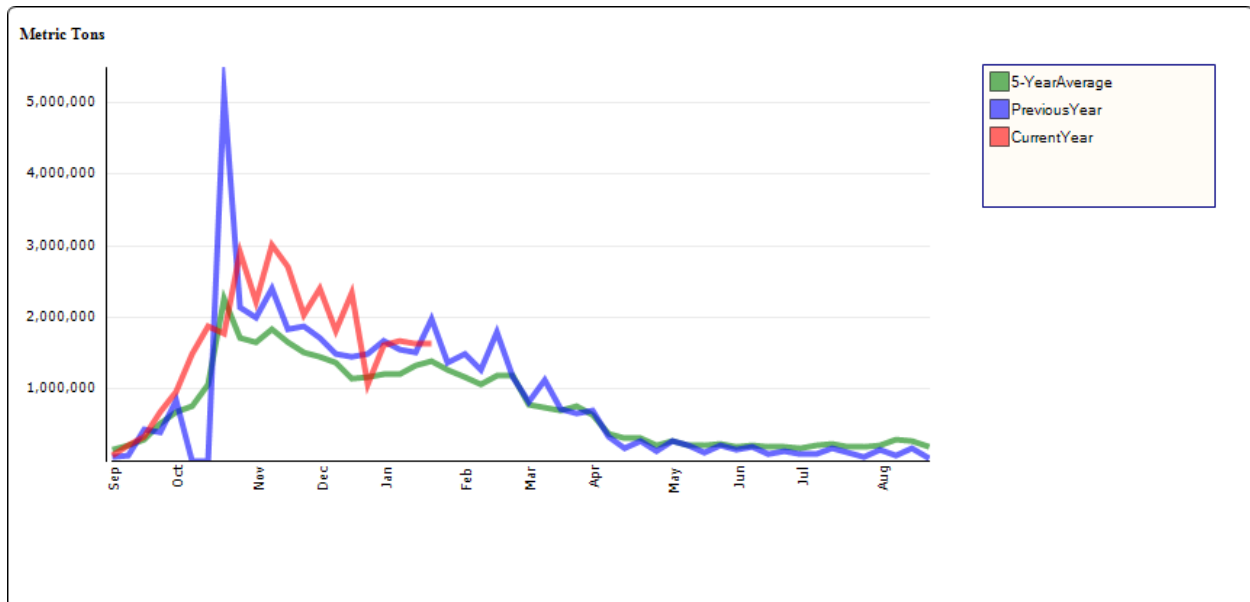


Chart Courtesy of USDA Foreign Ag Service



USDA reports this week's wheat export sales at 20.8 million bushels (20.0 this year, 0.8 next year). On the marketing year wheat sales have totaled 732.6 million bushels compared with 957.4 million bushels a year ago at this time.

Weekly Wheat – as of January 22, 2015

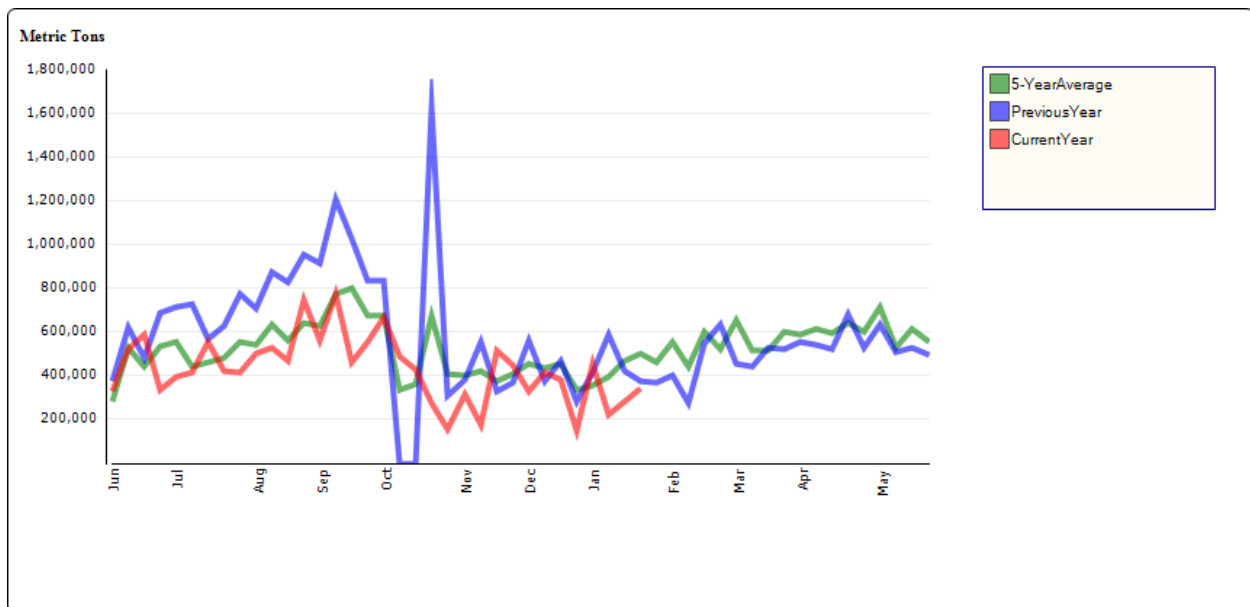


Chart Courtesy of USDA Foreign Ag Service

Before we leave wheat fundamentals we need to point out that the U-S crop may not be as good as the trade believes. Thursday's drought monitor is an eye-opener and something not likely fully priced into futures as of this writing:

Ag Weather

Here is the latest from World Weather Inc. meteorologist Drew Lerner:

BRAZIL

No significant changes have been made to the two-week outlook since Thursday and much of Brazil and Paraguay will see favorable conditions for

crops through the period. Most of the remaining dry pockets will receive enough rain to induce notable improvements in soil moisture and crop conditions. Only a few locations will miss out on significant rain and for those areas there will likely be some increasing crop stress. Most of the driest areas are considered to be in minor production regions and most major corn and soybean production areas will see ongoing favorable soil conditions.

Some of this month's dryness has hurt production, but the losses were minimized by favorable subsoil moisture and timely rain most recently. The losses will shrink the crop somewhat, but production this year will still be huge.

The driest parts of northeastern Brazil are still expected to see an increase in rain Thursday into Feb. 9 and if the forecast verifies improvements in soil moisture would occur from Bahia into northern and eastern Minas Gerais and Espirito Santo. World Weather, Inc. believes the European computer forecast model run may be more correct in its more limiting dryness relief for the region and the situation will need to be closely monitored.

ARGENTINA

Today's forecast is wetter for a large part of Argentina Monday into Wednesday and the timely rain expected should help to slow drying rates, but greater rain will still be needed due to the hot weather that will precede the precipitation and the warmth that will likely follow it. Drying rates will accelerate because of the 90- and lower 100-degree heat that is forthcoming. Next week's rain and that which occurs Feb. 9-11 will be extremely important in maintaining the best possible crop development. If rain totals end up lighter than expected and cooling does not occur as significantly as advertised crop stress could evolve threatening some of the late season crops. As long as rain increases near the middle of February crop development should occur favorably. There is no production threat in Argentina today, but it will be important that timely rain continues to fall while crops are reproducing and filling.



Commodity Week

Panelists:

- Wayne Nelson, L and M Commodities - New Market, Indiana
- Joe Vaclavik, Standard Grain - Chicago, Illinois
- Kevin Van Trump, The Van Trump Report - Raymore, Missouri
- Jacquie Voeks, Stewart Peterson - Champaign, Illinois

You can listen to Commodity Week LIVE each Friday afternoon at 2:36 p.m. Central Time IMMEDIATELY following The Closing Market Report on AM 580.

OR...

Click on the following link. We post the show no later than 6:00 p.m. each Friday evening....

<http://audio01.will.illinois.edu/cw150130.mp3>



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All Day Ag Outlook
March 10, 2015

Tickets @ (217) 333-7300

Registration 8:45am eastern (7:45am central)

Soybean Commodity Panel

Curt Kimmel, Bates Commodities, Normal, Illinois
Wayne Nelson, L and M Commodities, New Market, Indiana
Mike Zuzolo, Global Commodity Analytics, Lafayette, Indiana
Bill Mayer, Strategic Farm Marketing, Champaign, Illinois

Cash Grain Panel

Greg Johnson, The Andersons, Champaign, Illinois
Aaron Curtis, MIDCO, Bloomington, Illinois

Matt Bennett, Channel Seeds, Windsor, Illinois
Chuck Shelby, Risk Management Commodities, Lafayette, Indiana

Livestock Analysis and Futures
Chris Hurt, Professor of Agricultural Economics, West Lafayette, Indiana

Commodity Futures
Sue Martin, Ag and Investment Services, Webster City, Iowa

Land Values 2013
Murray Wise, CEO, Murray Wise Associates LLC, Champaign, Illinois

Corn Panel
Dan Zwicker, CGB Enterprises, Mandeville, Louisiana
Pete Manhart, Bates Commodities, Normal, Illinois
Jacquie Voeks, Stewart Peterson Group, Champaign, Illinois
Bill Gentry, Risk Management Commodities, Lafayette, Indiana

Scheduled winter meetings. Todd and Dave hope to see you at one soon!

February 4, 2015 - Illinois Pork Expo - WILLAg Panel - Peoria, Illinois

**Illinois Pork Expo @ Peoria Civic Center
1:30pm on the Convention Floor**

Panelists

**Brett Stuart, Global Agri-Trends - Denver, Colorado
TBD - CIH Representative
Jacquie Voeks, Stewart Peterson - Champaign, Illinois**

Sponsor

Illinois Pork Producers Association

February 5, 2015 - WILLAg Panel - Springfield, Illinois

**Northfield Inn Suites
3280 Northfield Drive
Springfield, IL 62702**

**6:30pm - Crop Insurance Meeting with Panel to Follow
WILLAg Panel**

**Matt Bennett, Channel Seeds - Windsor, Illinois
Curt Kimmel, Bates Commodities - Normal, Illinois
Bill Mayer, Strategic Farm Marketing - Champaign, Illinois**

Sponsor

Strategic Farm Marketing

February 7, 2015 - Chicago Farmers Farmland Forum - WILLAg Panel - Joliet, Illinois

**Wietendorf Agricultural Educational Center
Joliet Junior College
17840 Laraway Road
Joliet, Illinois**

9am Panel

**Matt Bennett, Channel Seeds - Windsor, Illinois
Chuck Shelby, Risk Management Commodities -
Lafayette, Indiana
Gary Schnitkey, Ag Economist - University of Illinois**

sponsor - Chicago Farmers

February 11, 2015 - WILLAg Panel - Galesburg, Illinois

**Knox Agri-Center
180 South Soangetaha Road
Galesburg, IL 61401**

**6:30pm - Crop Insurance Meeting with Panel to Follow
WILLAg Panel**

**Curt Kimmel, Bates Commodities - Normal, Illinois
Bill Mayer, Strategic Farm Marketing - Champaign, Illinois
Chip Nellinger, Blue Reef Agri-Marketing - Morton, Illinois**

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Strategic Farm Marketing
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February 25, 2015 - WILLAg Panel - Litchfield, Illinois

**HSHS St. Francis Hospital
1215 Franciscan Drive
Litchfield, Illinois 62056**

10:00am - 2:00pm

WILLAg Panel

**TBA
Jacquie Voeks, Stewart Peterson - Champaign, Illinois
Mike Zuzolo, Global Commodity Analytics & Consulting -
Atchison, Kansas**

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Friends of St. Francis

February 25, 2015 - WILLAg Panel - Belleville, Illinois

[Edit This](#)

St. Clair County Farm Bureau
1478 Illinois 15, Belleville, IL 6222
Belleville, IL 62221

4:00pm

WILLAg Panel

TBA

Jacque Voeks, Stewart Peterson - Champaign, Illinois
Mike Zuzolo, Global Commodity Analytics & Consulting -
Atchison, Kansas

Sponsor

Wyffels Hybrids

[February 26, 2015 - WILLAg Panel - Casey, Illinois](#)

7pm Venue & Panel TBA

sponsor - University of Illinois Extension

[March 6, 2015 - Illinois Soybean Summit - Peoria](#)

Todd Gleason Emcee

details at the [Illinois Soybean Summit Webpaq](#)

AM-580 Daily Agricultural Programming Schedule

Monday – Friday (all times central)

- 8:49 a.m. – \$*Opening Commodity Market Report
- 8:52 a.m. - \$Drew Lerner Agricultural Weather
- 9:49 a.m. – \$*Mid-Morning Commodity Market Report
- 10:59 a.m. – Commodity Market Price Update
- 11:59 a.m. – Commodity Market Price Update
- 12:58:30 p.m. – *Midday Market Analysis with Sue Martin
- 2:06-2:36 p.m. – \$*Closing Market Report
 - 2:11 – Futures Analysis
 - 2:20 - Agricultural News
 - 2:25 - Cash Grain Analysis or Energy Analysis

- 2:32 – Agricultural Weather Analysis

Friday

- 2:36 p.m. – 3:00 p.m. – \$*Commodity Week

Saturday

- 6:30 a.m. - \$* Commodity Week

* Available on the website for on demand listening

\$ Available via podcast