

Producer Wire

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Be Prepared for Potential Rise in Price Volatility with January 12 USDA Reports

The USDA on January 12 will release a series of reports detailing stocks and production that have on many occasions contributed to a substantial increase in price volatility on the day that the data becomes available. Mid-January also marks a critical period for the growing season in Brazil and Argentina, which has also been directly linked to major market movement. As a student of the market, you understand that increased price volatility can represent potential opportunity. Your *Advance Trading* advisor is well prepared to partner with you in formulating and executing a risk management strategy that is the best fit for your operation.

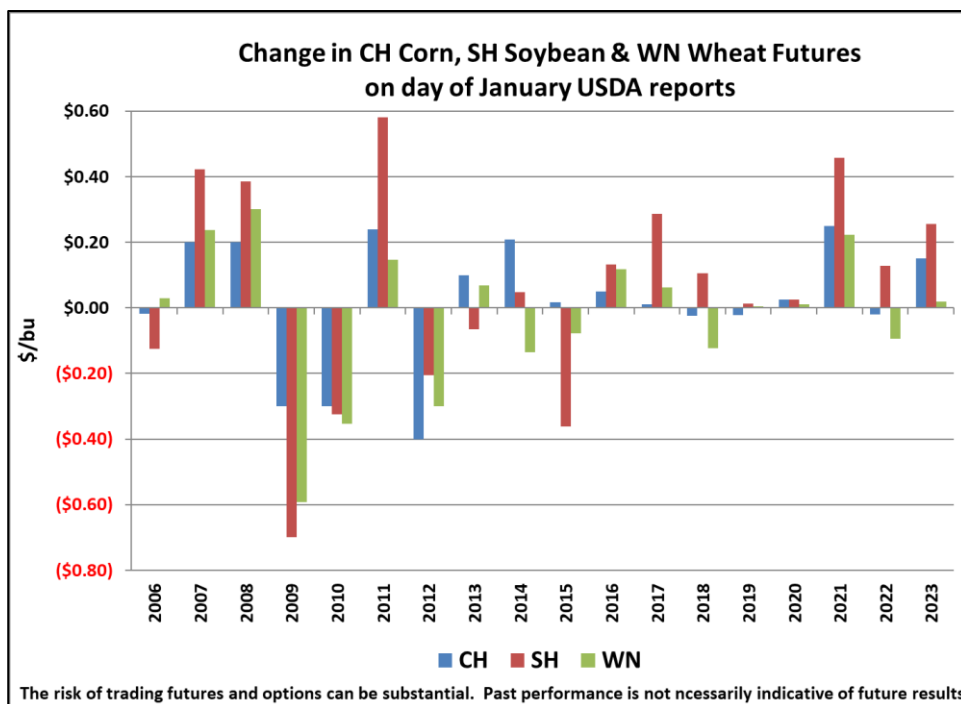
Highlights

Series of potential market-moving USDA reports to be released on January 12

Increased price volatility has often been seen in corn, soybean and wheat futures on the day USDA data is released

Release of reports coincides with high degree of weather uncertainty surrounding crops in Brazil and Argentina

Your Advance Trading advisor is well prepared to help formulate & execute a customized risk management strategy



ENERGY/ETHANOL

Ethanol grind: 1,049,000 barrels/day for the week ending Dec. 29—down 5.24% vs last week and up 24.2% versus 2022. Stocks were 23.579 mb, up 0.062 mb from the prior week but down 0.865 mb versus last year.

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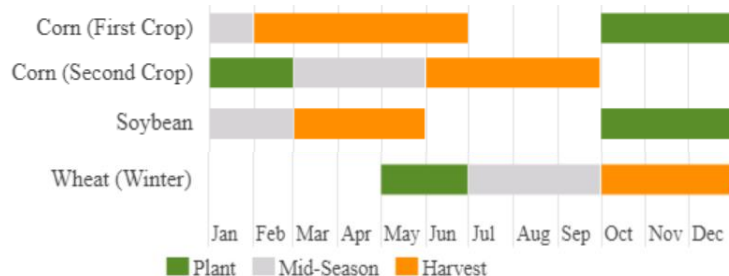
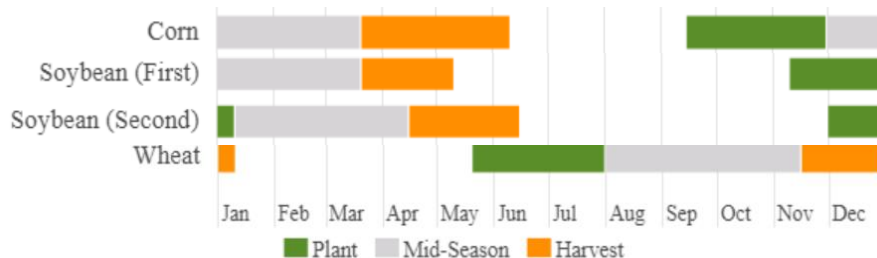
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Several important USDA reports to be released on Jan. 12

The USDA on January 12 will release a series of reports including *Crop Production Annual Summary*, *Grain Stocks*, *World Agricultural Supply and Demand Estimates (WASDE)* and *Winter Wheat and Canola Seedings*. The *Crop Production Annual Summary* will provide updated 2023 production totals. Given the high yields seen in the Eastern Corn Belt, the market seems to be expecting slightly larger corn and soybean crops relative to November. The *Grain Stocks* report will provide an estimate of Sept-Nov feed/residual usage of corn. Corn prices were weak relative to soymeal last fall, which may have supported more corn feeding. Finally, a lower base crop insurance price and late soybean harvest likely led to a significant decline 2024 soft red winter wheat acreage in the *Winter Wheat and Canola Seedings* report.

Argentina – Crop Calendar



Brazil – Crop Calendar

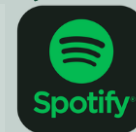


Source: USDA

The chart on the first page depicts the change in March corn (CH) and March soybean futures (SH), along with Chicago SRW July wheat futures (WN) for the day that the reports are released. At a glance, it's clear that these reports have on many occasions contributed to a substantial increase in price volatility on the day that the data becomes available. Mid-January also marks a critical period for the growing season in Brazil and Argentina, which has also been directly linked to major market movement.

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