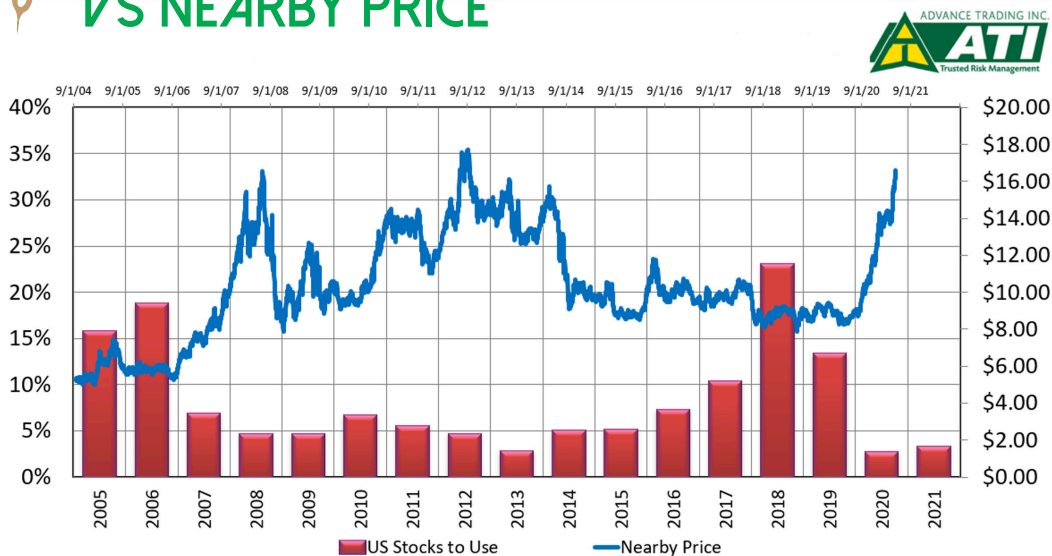


## WELCOME

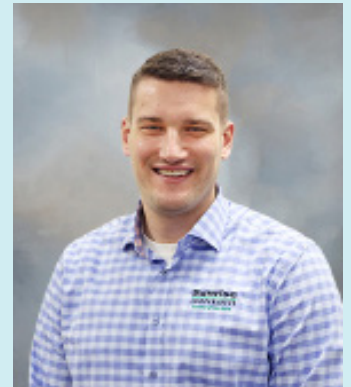
I want to introduce you to the newest enhancement to the VantagePointe® program. Expect regular communication from my desk in the form of a newsletter which will highlight various aspects of grain marketing, futures market movement, or highlights of the program. Use this tool to help prepare for future price movements or to diversify your marketing portfolio. If you have any questions, please reach out to your GSA or myself, Brett Calvert, Grain Solutions Manager and we can get you the information you are looking for! Thank you for being a customer-owner of Sunrise Cooperative.

## US SOYBEAN: STOCKS TO USE RATIO VS NEARBY PRICE



This chart shows a 16-year history of the stocks to use ratio relative to the nearby futures price for soybeans. For the 2020/2021 crop, the USDA projects we will end this year's crop with a stocks-to-use ratio of 2.6%, a number we have not seen since 2013 and one of the lowest on record. This means by the end of August, 97.4% of soybeans harvested last fall will have been accounted for with the remaining bushels carried over to the 2021/2022 marketing year. This helps paint the picture as to why we have seen a dramatic increase in prices since last fall. The market is trying to ration demand or increase supply through additional planted acres.

## Sunrise COOPERATIVE *Success grows here.*



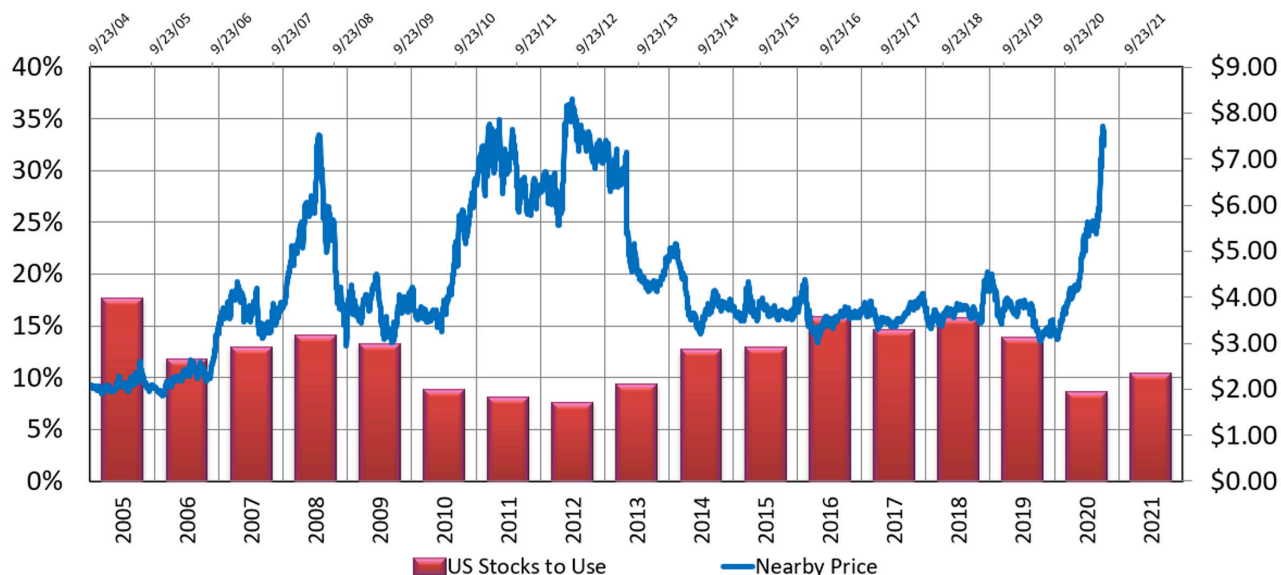
**Brett Calvert**  
Grain Solutions Manager

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937 - 507 - 2447





## US CORN: STOCKS TO USE RATIO VS NEARBY PRICE



For crop year 2020/2021, the USDA projects by the end of August, the United States will have 8.5% of the corn crop remaining to carry over to the 2021/2022 marketing year. While the percentage is higher than the soybean outlook, it is still at levels that warrant a rally in future prices to either increase acres planted or ration demand. The last time stocks were this tight was in 2012 when corn future prices traded between \$5.50 and \$8.25 a bushel.

## WHAT TO EXPECT IN THE FUTURE?

Right now, the USDA has the 2021 corn crop year pegged at a stocks-to-use ratio of 10.2%. This number will fluctuate throughout the year based on final planting numbers and yield forecasts. By looking at these numbers only, one can conclude prices should stay relatively firm throughout the next year with the possibility of a slight downward trend if weather this summer creates a bountiful harvest. This market is highly volatile, and Managed Funds can leave quickly, so make sure your grain selling portfolio is diversified to lessen the blow in these wild swinging markets.

