

# Spring Marketing Meeting

for Clients of Dick Sims Agency, Inc.

March 31, 2010

Presented By  
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The information contained herein, while not guaranteed as to accuracy or completeness, has been obtained from sources believed to be reliable. The opinions and recommendations contained are based on our judgment, and we do not guarantee that profits will be achieved. Recommendations should not be construed as an offer to buy or sell commodities. Opinions expressed in this presentation are those of Mike Silver and not necessarily those of Kokomo Grain Company, Inc



# Planting Intentions

## USDA Acreage

	USDA March 2010	Average Estimate	Range of Estimate	USDA 2009 Final
<b>Corn</b>	88.798	88.941	87.00-90.15	86.5
<b>Soybeans</b>	78.098	78.550	77.43-79.50	77.5
<b>All Wheat</b>	53.827	53.325	51.90-54.90	59.1
<b>Winter Wheat</b>	37.698	37.319	37.10-37.90	43.3
<b>Spring Wheat</b>	13.906	13.558	12.80-14.00	13.3
<b>Durum</b>	2.223	2.470	2.30-2.60	2.6

# March 1 Grain Stocks

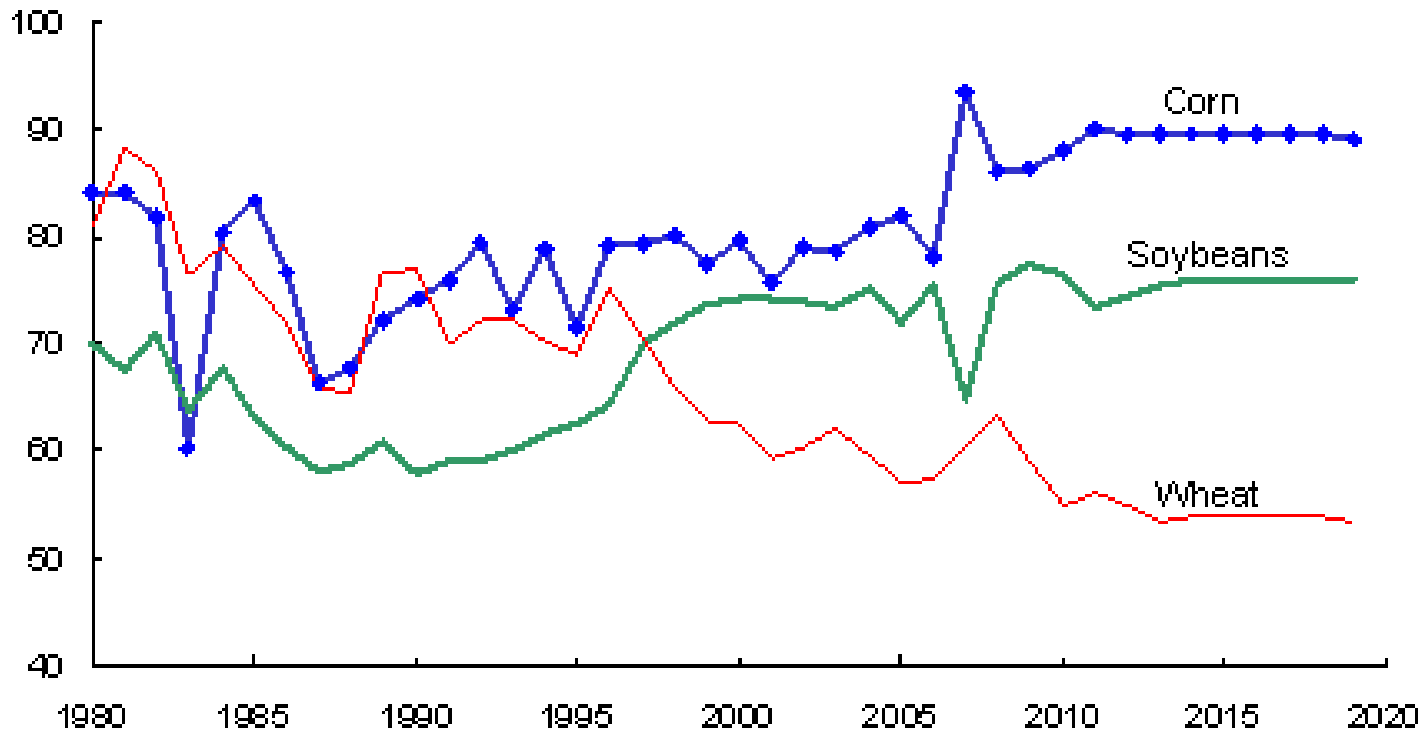
USDA Quarterly Stocks (in billion bushels)

	USDA March 2010	Average Estimate	Range of Estimate	USDA Dec 1, 2009	USDA March 1, 2009
<b>Corn</b>	7.694	7.505	7.318-7.758	10.934	6.954
<b>Soybeans</b>	1.270	1.207	1.160-1.270	2.337	1.302
<b>Wheat</b>	1.352	1.364	1.332-1.398	1.765	1.040

# USDA Baseline Acreage

U.S. planted area: Corn, wheat, and soybeans

Million acres



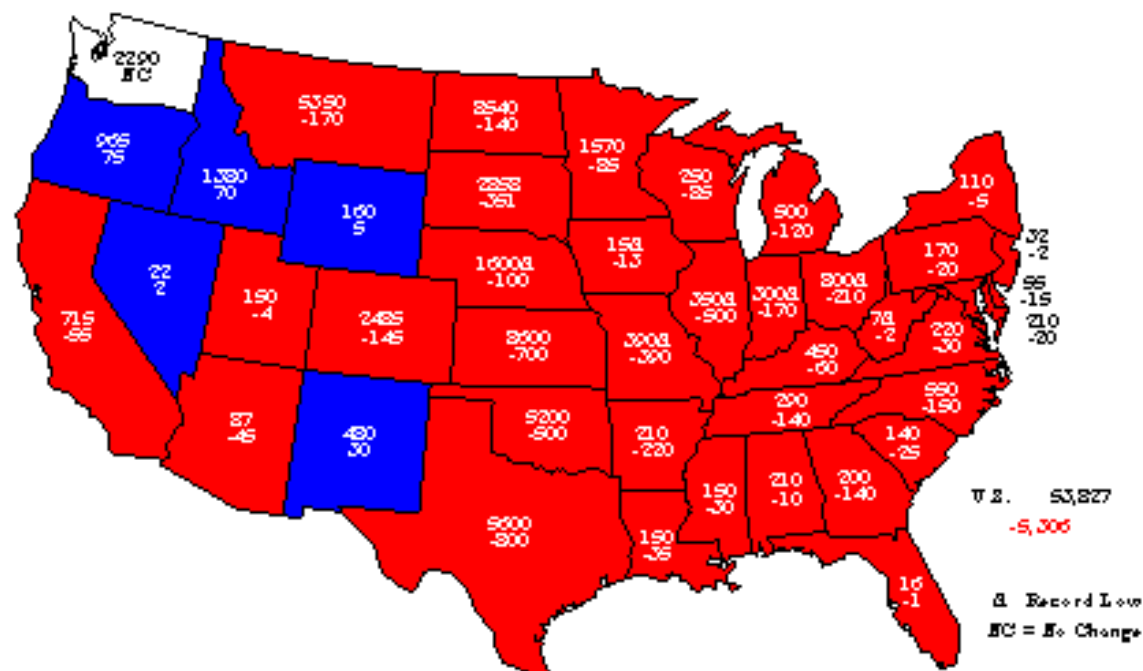
Source: *USDA Agricultural Projections to 2019*, February 2010.  
USDA, Economic Research Service.





# 2010 All Wheat Planted

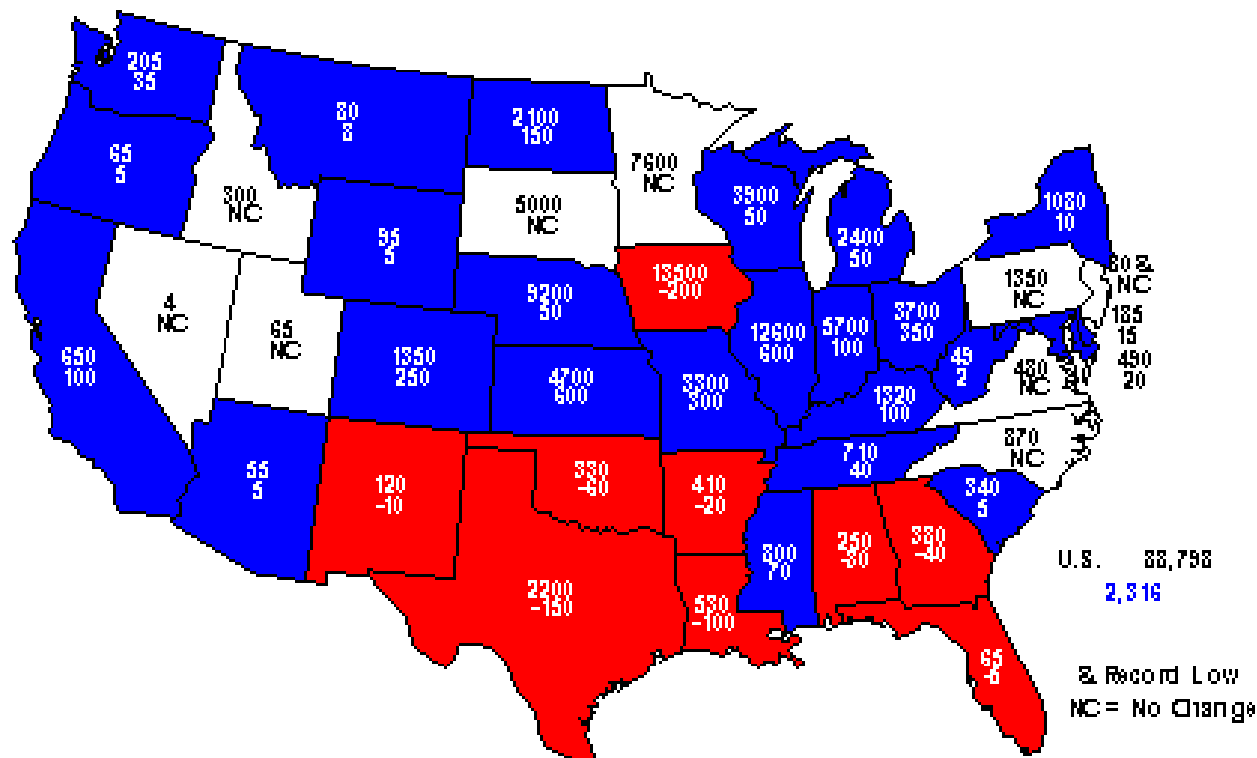
## Acres (000) and Change From Previous Year





# 2010 Corn Planted

## Acres (000) and Change From Previous Year

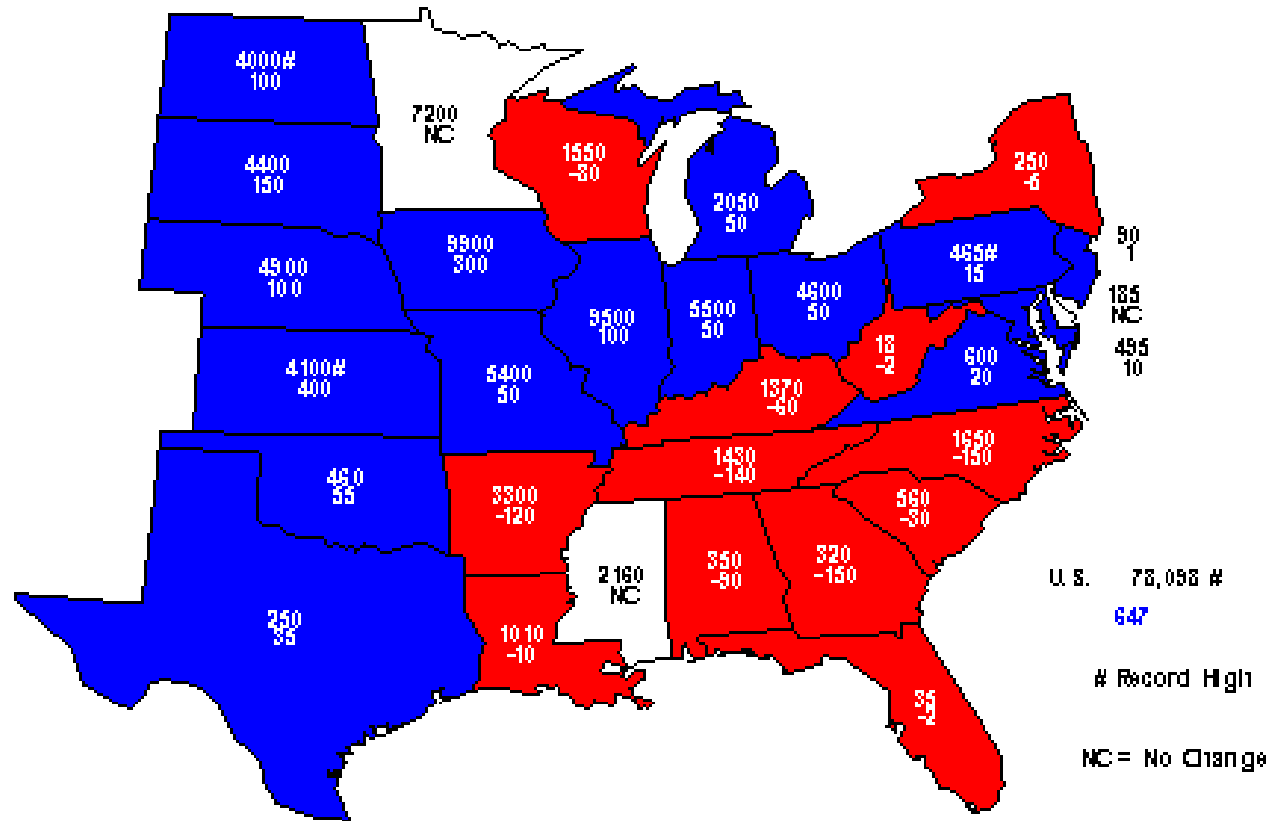


USDA-NASS  
03-31-10



# 2010 Soybeans Planted

## Acres (000) and Change From Previous Year

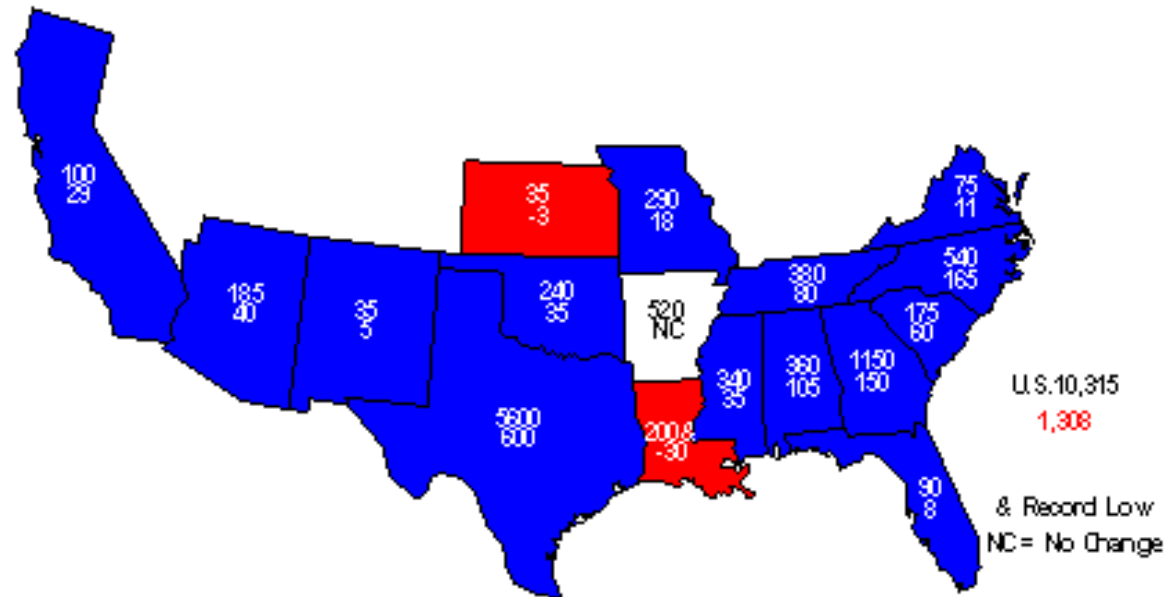


USDA NASS  
03-31-10



# 2010 Upland Cotton Planted

Acres (000) and Change From Previous Year

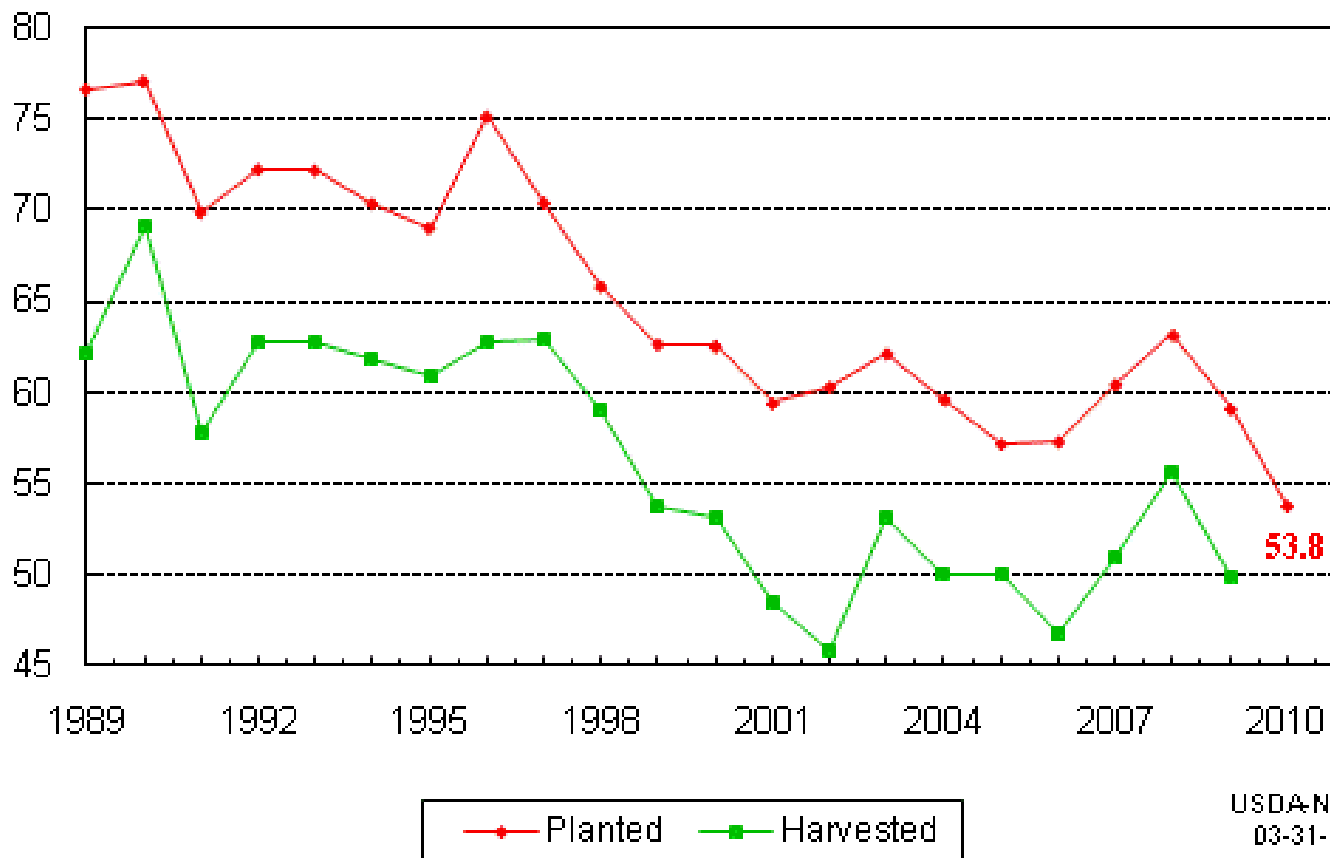


USDA-NASS  
03-31-10



# U.S. All Wheat Acres

Million Acres

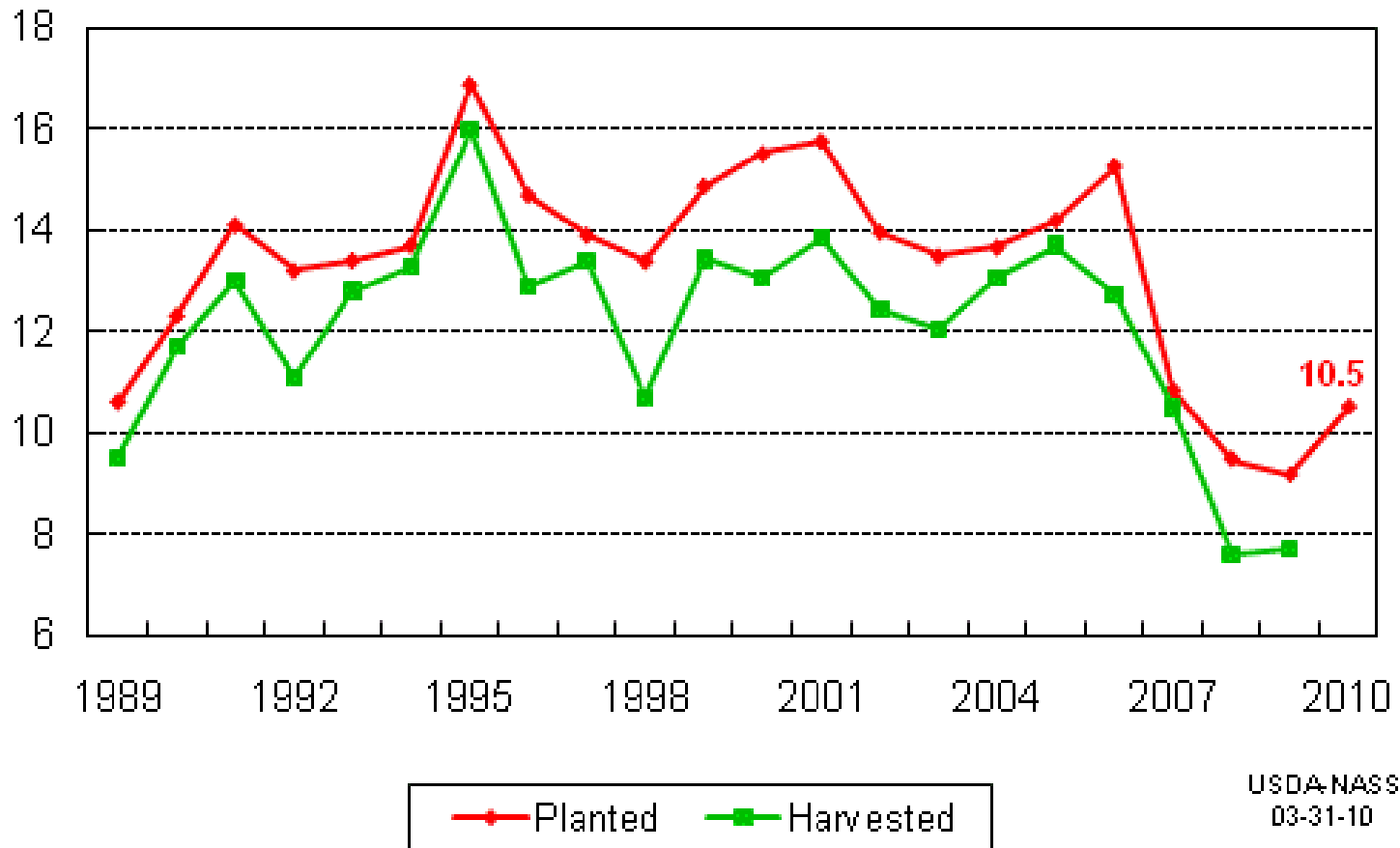


USDA-NASS  
03-31-10



# U.S. All Cotton Acres

Million Acres

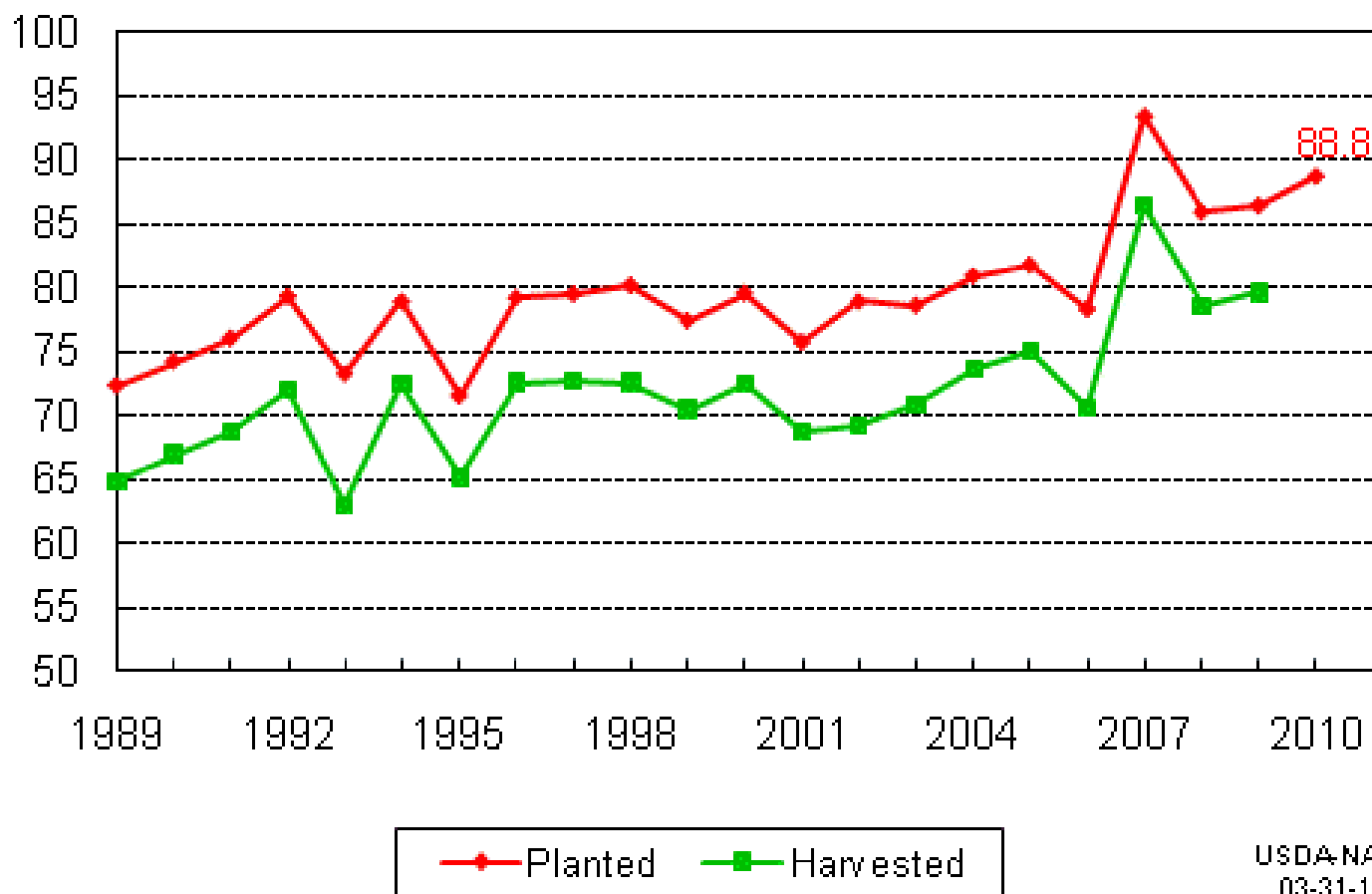




# U.S. Corn Acres



Million Acres

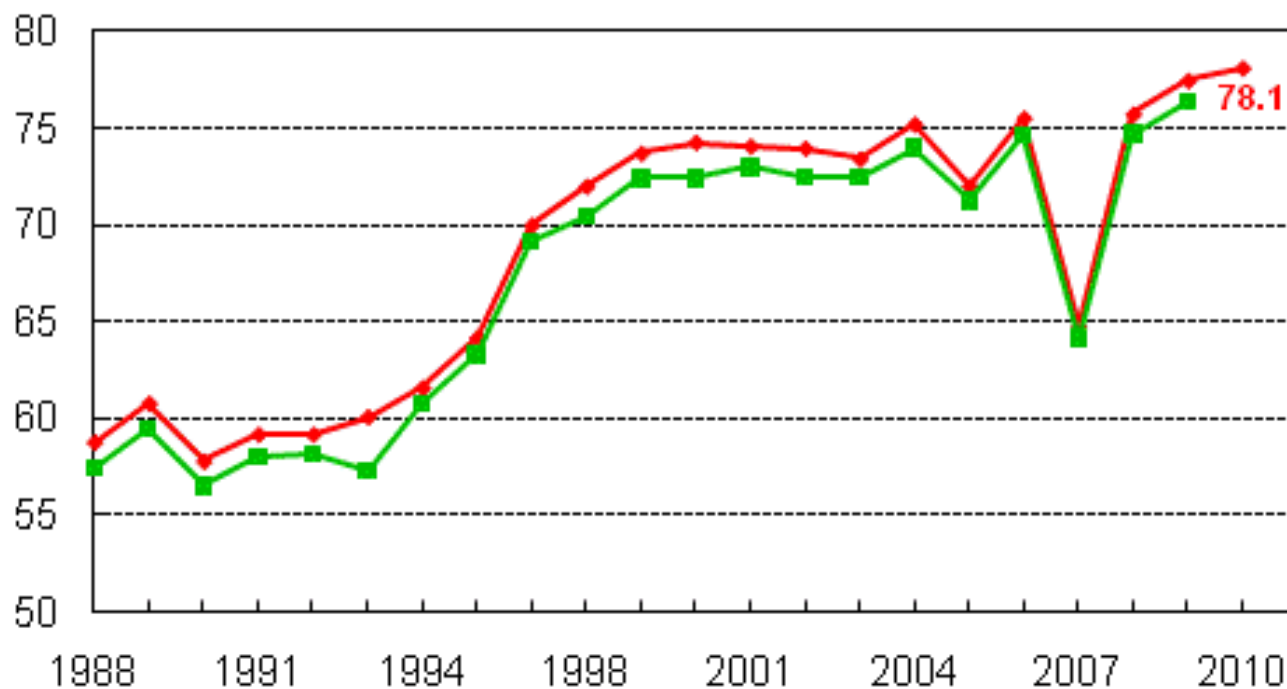


USDA-NASS  
03-31-10



# U.S. Soybean Acres

Million Acres



—◆— Planted —■— Harvested

USDA-NASS  
03-31-10

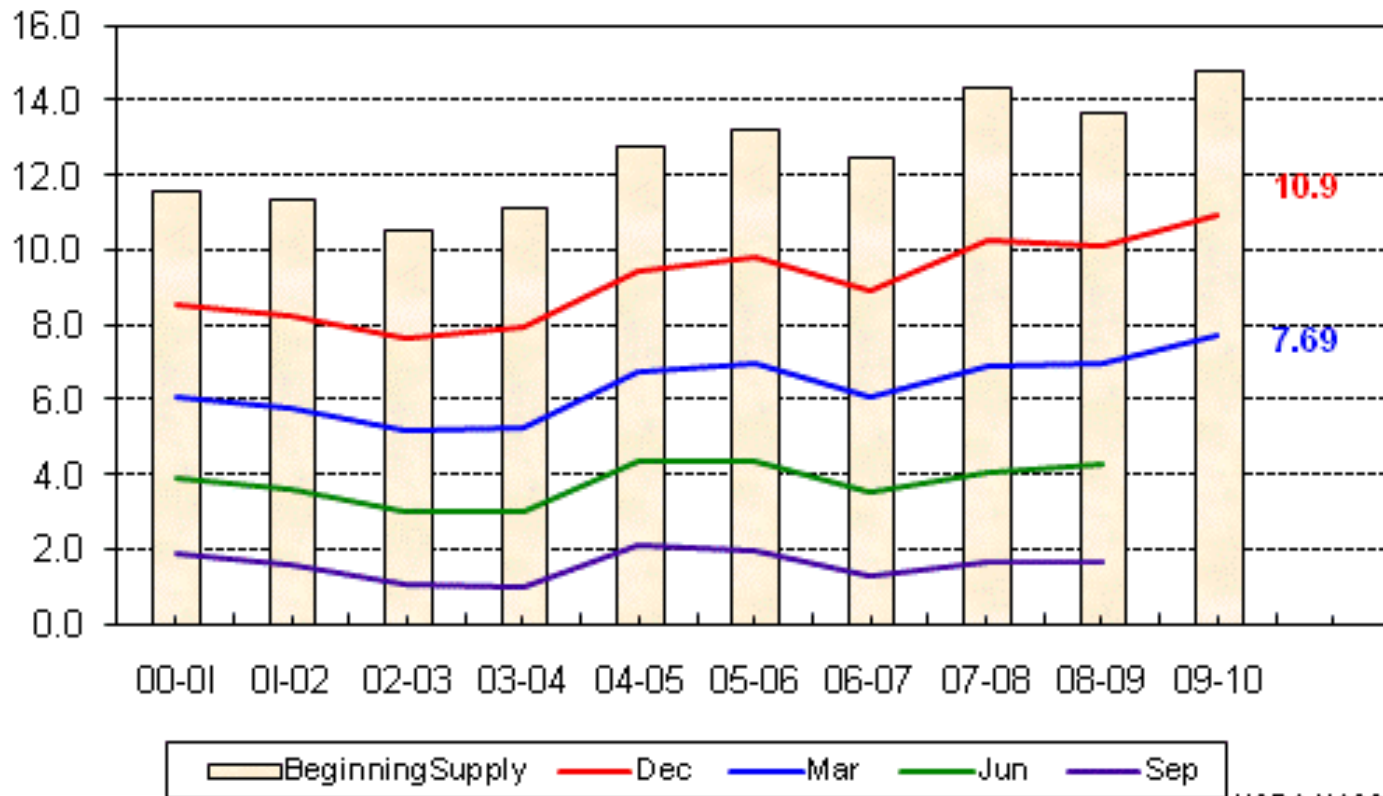
<b>Grains &amp; Hay</b>	<b>2009</b>	<b>2010</b>		
Barley	3,567.0	3,273.0	91.76%	-294.0
Corn for Grain	86,482.0	88,798.0	102.68%	2,316.0
Hay	59,755.0	60,460.0	101.18%	705.0
Oats	3,404.0	3,364.0	98.82%	-40.0
Proso Millet	350.0			
Rice	3,135.0	3,411.0	108.80%	276.0
Rye	1,241.0			
Sorghum for Grain	6,633.0	6,360.0	95.88%	-273.0
Wheat, All	59,133.0	53,827.0	91.03%	-5,306.0
<b>Oilseeds</b>				
Canola	827.0	1,228.1	148.50%	401.1
Flaxseed	317.0	420.0	132.49%	103.0
Mustard Seed	51.5		0.00%	-51.5
Peanuts	1,116.0	1,201.0	107.62%	85.0
Rapeseed	1.0			
Safflower	175.0			
Soybeans for Beans	77,451.0	78,098.0	100.84%	647.0
Sunflower	2,030.0	2,181.0	107.44%	151.0
<b>Cotton, Tobacco &amp; Sugar Crops</b>				
Cotton, All	9,149.2	10,505.0	114.82%	1,355.8
Sugarbeets	1,183.2	1,174.2	99.24%	-9.0
<b>Dry Beans, Peas &amp; Lentils</b>				
Australian Winter Peas	20.5	29.5	143.90%	9.0
Dry Edible Beans	1,537.5	1,766.6	114.90%	229.1
Dry Edible Peas	863.3	837.0	96.95%	-26.3
Lentils	415.0	510.0	122.89%	95.0
<b>Potatoes &amp; Misc.</b>				
All Potatoes	1,069.8			
Sweet Potatoes	109.6	117.1	106.84%	7.5



# U.S. Corn Stocks



Billion Bushels



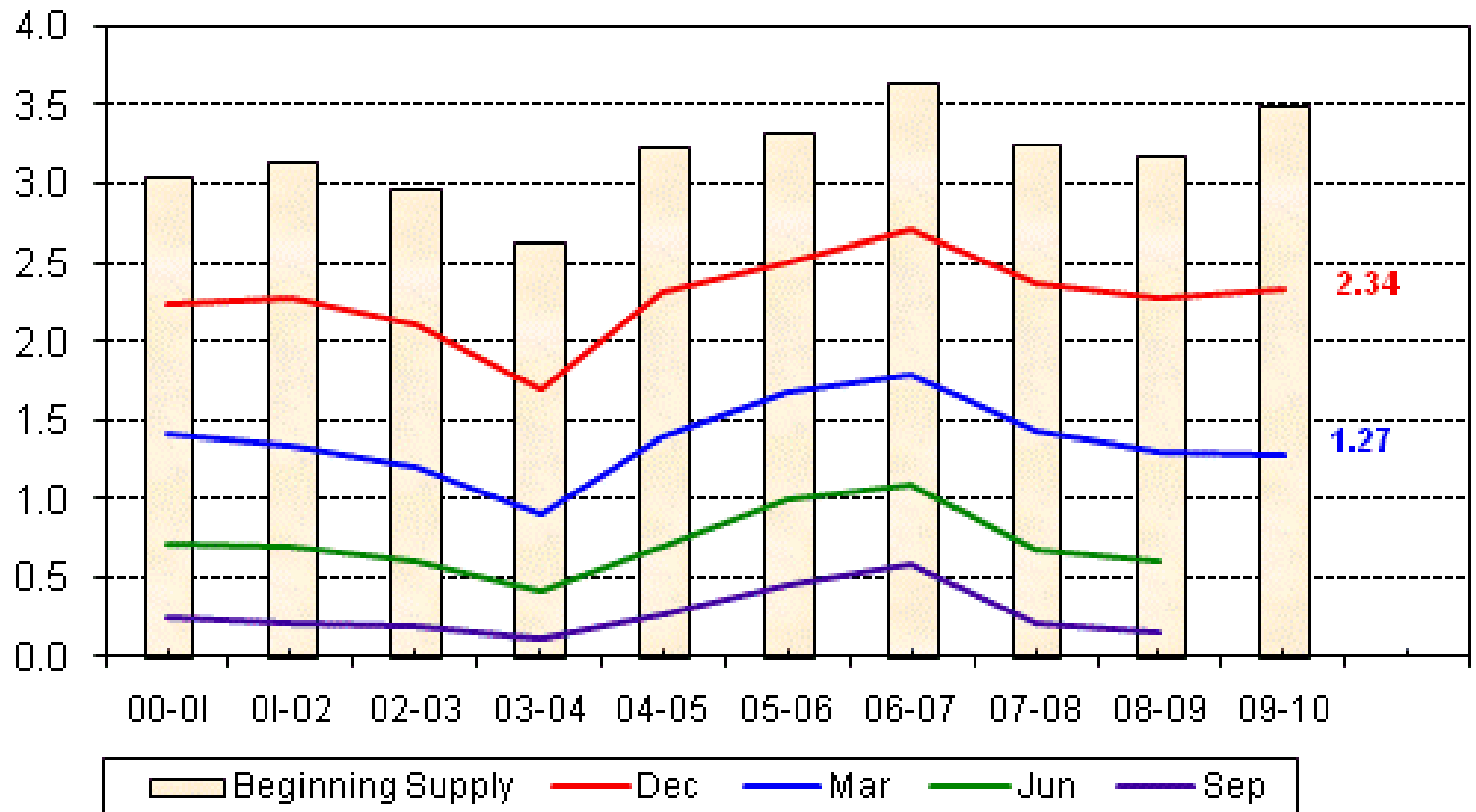
USDA-NASS  
03-31-10



# U.S. Soybean Stocks



Billion Bushels

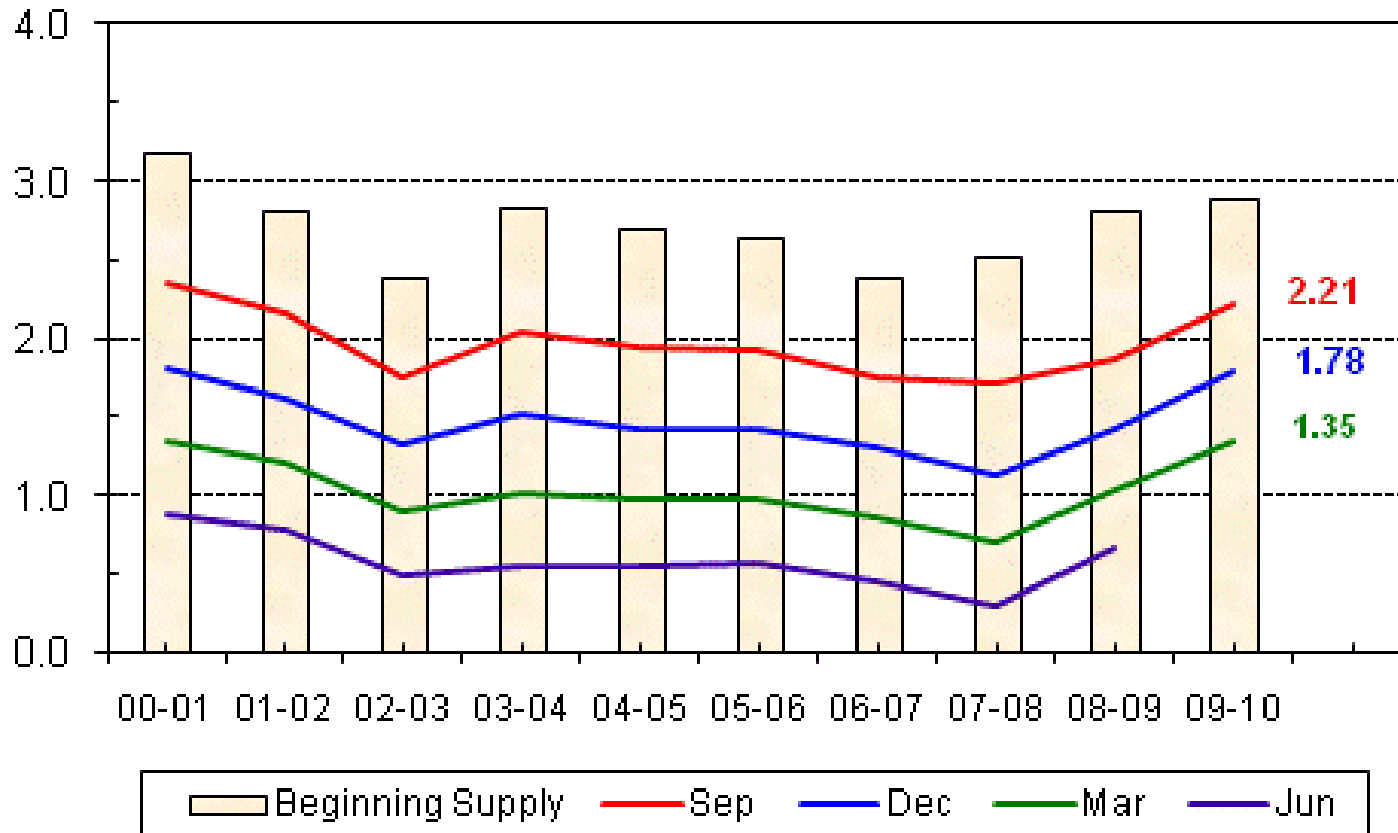


USDA NASS  
03-31-10



# U.S. All Wheat Stocks

Billion Bushels



USDA NASS  
03-31-10



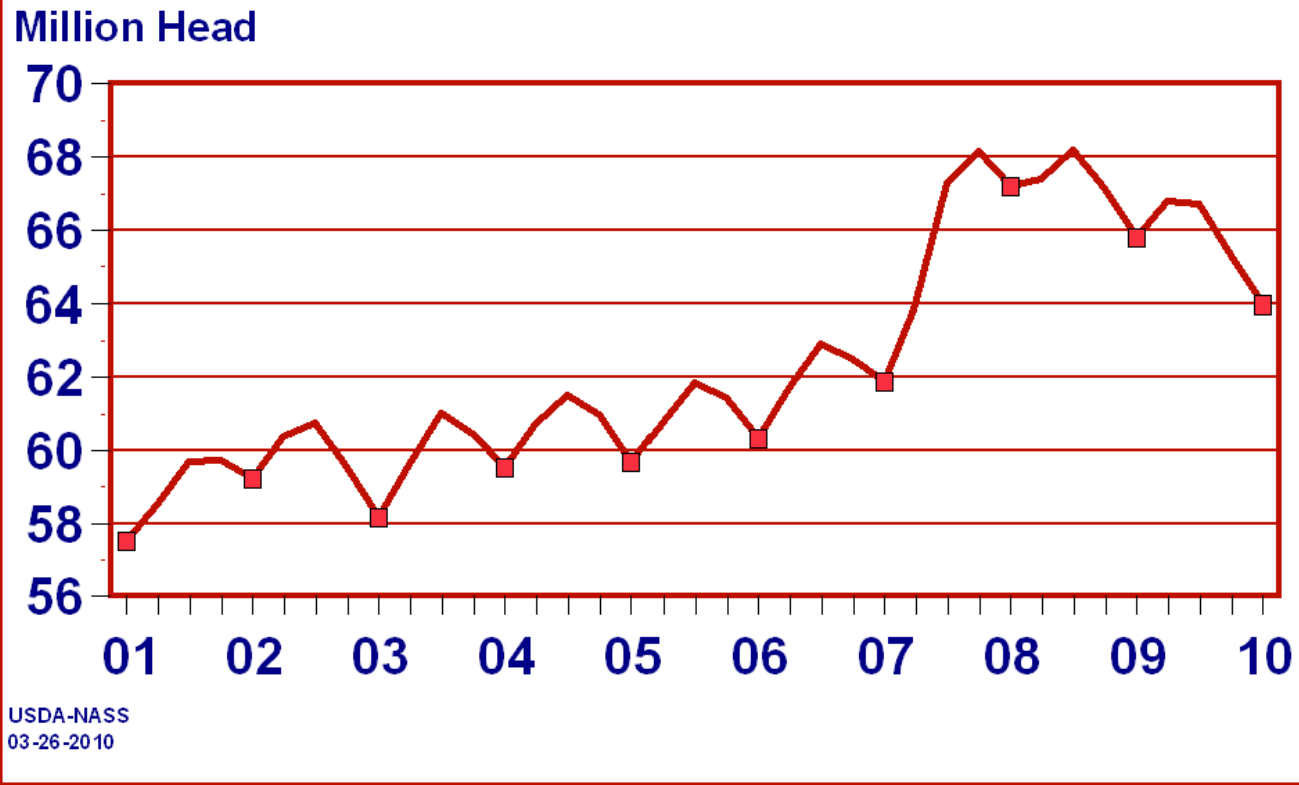
## US Corn Stocks In all Positions as of March 1

State	2009 Farm	2009 Off	2009 Total	2010 Farm	2010 Off	2010 Total	% Change On Farm	% Change Off Farm	% Change Total
<b>Western Corn Belt</b>									
IA	940,000	565,251	1,505,251	930,000	568,433	1,498,433	98.94%	100.56%	99.55%
KS	71,000	182,903	253,903	92,000	219,037	311,037	129.58%	119.76%	122.50%
MN	520,000	203,162	723,162	670,000	228,904	898,904	128.85%	112.67%	124.30%
MO	97,000	58,579	155,579	135,000	65,506	200,506	139.18%	111.83%	128.88%
ND	93,000	50,000	143,000	100,000	34,121	134,121	107.53%	68.24%	93.79%
NE	490,000	318,288	808,288	530,000	376,390	906,390	108.16%	118.25%	112.14%
SD	265,000	97,493	362,493	330,000	116,013	446,013	124.53%	119.00%	123.04%
WI	160,000	82,088	242,088	175,000	99,386	274,386	109.38%	121.07%	113.34%
<b>Total</b>	<b>2,636,000</b>	<b>1,557,764</b>	<b>4,193,764</b>	<b>2,962,000</b>	<b>1,707,790</b>	<b>4,669,790</b>	<b>112.37%</b>	<b>109.63%</b>	<b>111.35%</b>
<b>Eastern Corn Belt</b>									
IL	660,000	720,480	1,380,480	690,000	744,302	1,434,302	104.55%	103.31%	103.90%
IN	255,000	149,251	404,251	300,000	180,804	480,804	117.65%	121.14%	118.94%
KY	38,000	19,800	57,800	43,000	22,242	65,242	113.16%	112.33%	112.88%
MI	100,000	44,000	144,000	100,000	55,622	155,622	100.00%	126.41%	108.07%
OH	145,000	92,931	237,931	200,000	124,237	324,237	137.93%	133.69%	136.27%
<b>Total</b>	<b>1,198,000</b>	<b>1,026,462</b>	<b>2,224,462</b>	<b>1,333,000</b>	<b>1,127,207</b>	<b>2,460,207</b>	<b>111.27%</b>	<b>109.81%</b>	<b>110.60%</b>
<b>North Eastern Corn</b>									
<b>Total</b>	<b>44,000</b>	<b>37,003</b>	<b>81,003</b>	<b>51,000</b>	<b>44,512</b>	<b>95,512</b>	<b>115.91%</b>	<b>120.29%</b>	<b>117.91%</b>
<b>Southeast Corn</b>									
<b>Total</b>	<b>12,000</b>	<b>33,399</b>	<b>45,399</b>	<b>14,000</b>	<b>29,049</b>	<b>43,049</b>	<b>116.67%</b>	<b>86.98%</b>	<b>94.82%</b>
<b>South Central</b>									
<b>Total</b>	<b>159,288</b>	<b>159,288</b>	<b>318,576</b>	<b>0</b>	<b>183,446</b>	<b>183,446</b>	<b>0.00%</b>	<b>115.17%</b>	
<b>Western States</b>									
<b>Total</b>	<b>30,000</b>	<b>47,471</b>	<b>77,471</b>	<b>33,000</b>	<b>47,337</b>	<b>80,337</b>	<b>110.00%</b>	<b>99.72%</b>	<b>103.70%</b>
<b>US</b>	<b>4,085,000</b>	<b>2,869,145</b>	<b>6,954,145</b>	<b>4,548,000</b>	<b>3,145,940</b>	<b>7,693,940</b>	<b>111.33%</b>	<b>109.65%</b>	<b>110.64%</b>

## US Soybean Stocks In all Positions as of March 1

State	2009 Farm	2009 Off	2009 Total	2010 Farm	2010 Off	2010 Total	% Change On Farm	% Change Off Farm	% Change Total
<b>Western Corn states</b>									
IA	150,000	139,912	289,912	115,000	136,325	251,325	76.67%	97.44%	86.69%
KS	12,500	34,590	47,090	16,000	29,020	45,020	128.00%	83.90%	95.60%
MN	90,000	46,621	136,621	88,000	56,906	144,906	97.78%	122.06%	106.06%
MO	31,000	21,747	52,747	41,000	24,492	65,492	132.26%	112.62%	124.16%
ND	22,500	13,700	36,200	14,000	16,225	30,225	62.22%	118.43%	83.49%
NE	41,000	58,063	99,063	31,000	60,086	91,086	75.61%	103.48%	91.95%
SD	35,000	20,892	55,892	32,000	29,284	61,284	91.43%	140.17%	109.65%
WI	10,000	16,313	26,313	9,200	20,340	29,540	92.00%	124.69%	112.26%
<b>Totals</b>	<b>392,000</b>	<b>351,838</b>	<b>743,838</b>	<b>346,200</b>	<b>372,678</b>	<b>718,878</b>	<b>88.32%</b>	<b>105.92%</b>	<b>96.64%</b>
<b>Eastern Corn Belt</b>									
IL	115,000	110,166	225,166	98,000	98,896	196,896	85.22%	89.77%	87.44%
IN	51,000	43,874	94,874	52,000	42,517	94,517	101.96%	96.91%	99.62%
KY		0	0		5,543	5,543			
MI	15,500	14,100	29,600	13,000	13,744	26,744	83.87%	97.48%	90.35%
OH	33,000	32,648	65,648	50,000	35,792	85,792	151.52%	109.63%	130.68%
<b>Totals</b>	<b>214,500</b>	<b>200,788</b>	<b>415,288</b>	<b>213,000</b>	<b>196,492</b>	<b>409,492</b>	<b>99.30%</b>	<b>97.86%</b>	<b>98.60%</b>
<b>North Eastern States</b>									
<b>Totals</b>	<b>0</b>	<b>9,756</b>	<b>9,756</b>	<b>0</b>	<b>15,846</b>	<b>15,846</b>		<b>162.42%</b>	<b>162.42%</b>
<b>Delta</b>									
<b>Totals</b>	<b>0</b>	<b>37,264</b>	<b>37,264</b>	<b>0</b>	<b>48,072</b>	<b>48,072</b>		<b>129.00%</b>	<b>129.00%</b>
<b>Southeastern States</b>									
<b>Totals</b>	<b>0</b>	<b>19,938</b>	<b>19,938</b>	<b>0</b>	<b>15,633</b>	<b>15,633</b>		<b>78.41%</b>	<b>78.41%</b>
<b>US</b>	<b>656,500</b>	<b>645,289</b>	<b>1,301,789</b>	<b>609,200</b>	<b>660,806</b>	<b>1,270,006</b>	<b>92.80%</b>	<b>102.40%</b>	<b>97.56%</b>

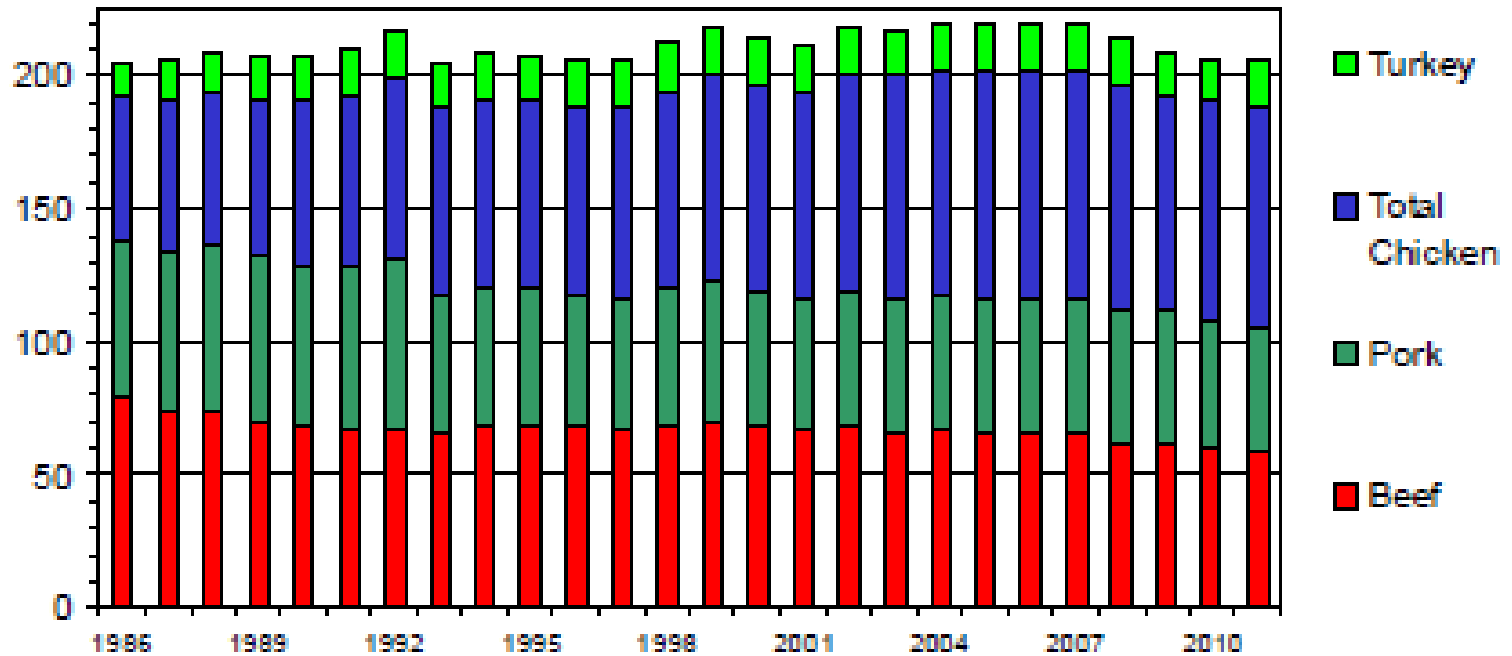
# U.S. Quarterly Hogs and Pigs Inventory March 1



# U S RED MEAT & POULTRY CONSUMPTION

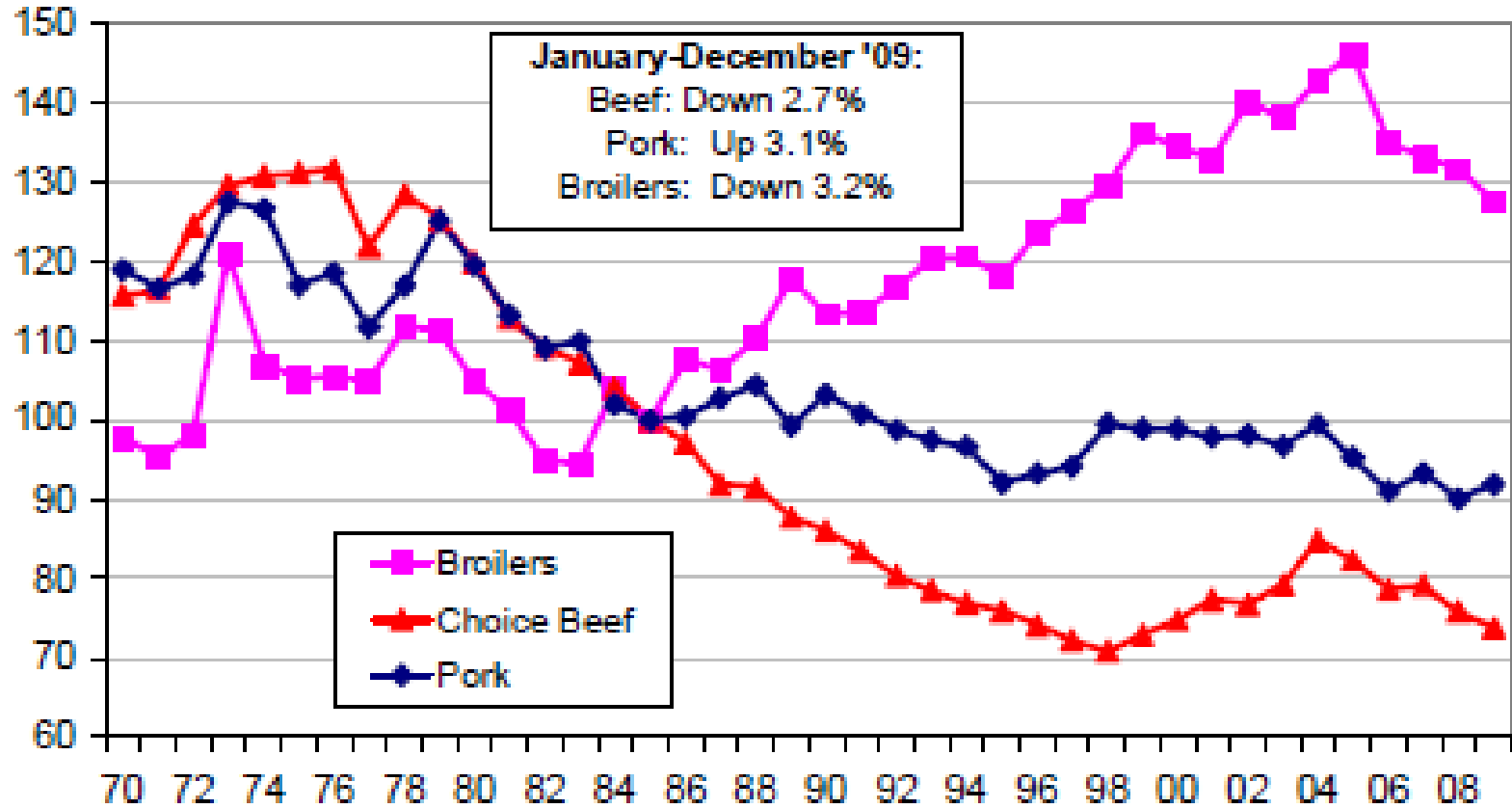
Per Capita, Retail Weight, Annual

Pounds



# U.S. CONSUMER DEMAND INDEXES

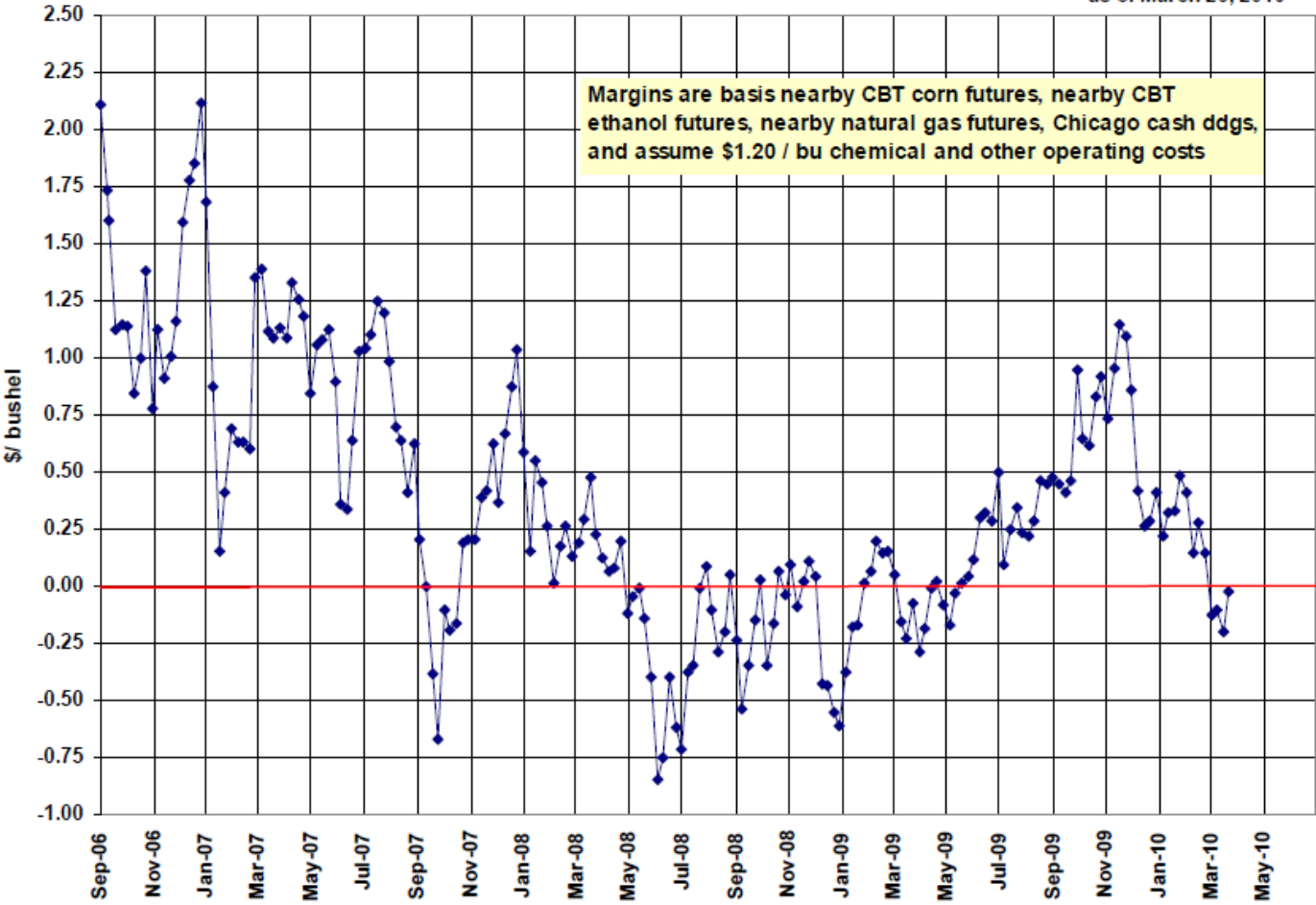
Index, '85=100



Source: University of Missouri

# Ethanol Production Margins

as of March 26, 2010



LaSalle Group  
ROSENTHAL COLLINS GROUP



# USDA March

<u>Corn</u>	Feb 9	Mar 10	Change	Feb 9	Mar 10	Change
	2008/09	2008/09		2009/10	2009/10	
Planted Acres	86.0	86.0	0.0	86.5	86.5	0.0
Harvested Acres	78.6	78.6	0.0	79.6	79.6	0.0
Yield	153.9	153.9	0.0	165.2	164.9	-0.3
Beginning Stocks	1,624	1,624	0.0	1,673	1,673	0.0
Production	12,092	12,092	0.0	13,151	13,131	-20.0
Imports	14	14	0.0	10	10	0.0
Total Supply	13,729	13,729	0.0	14,834	14,814	-20.0
Feed/Residual	5,246	5,246	0.0	5,550	5,550	0.0
Food/Seed/Industrial	4,953	4,953	0.0	5,565	5,565	0.0
Ethanol	3,677	3,677	0.0	4,300	4,300	0.0
Domestic Use	10,198	10,198	0.0	11,115	11,115	0.0
Exports	1,858	1,858	0.0	2,000	1,900	-100.0
Total Use	12,056	12,056	0.0	13,115	13,015	-100.0
Ending Stocks	1,673	1,673	0.0	1,719	1,799	80.0
Stocks/Use Ratio	13.9%	13.9%	0.0	13.1%	13.8%	0.7
	4.06	4.06		3.40-4.00	3.45-3.95	

# USDA March

<u><b>Soybeans</b></u>	Feb 9	Mar 10	Change	Feb 9	Mar 10	Change
	2008/09	2008/09		2009/10	2009/10	
Planted Acres	75.7	75.7	0.0	77.5	77.5	0.0
Harvested Acres	74.7	74.7	0.0	76.4	76.4	0.0
Yield	39.7	39.7	0.0	44.0	44.0	0.0
Beginning Stocks	205	205	0.0	138	138	0.0
Production	2,967	2,967	0.0	3,361	3,359	-2.0
Imports	13	13	0.0	8	15	7.0
Total Supply	3,185	3,185	0.0	3,507	3,512	5.0
Crush	1,662	1,662	0.0	1,720	1,730	10.0
Exports	1,283	1,283	0.0	1,400	1,420	20.0
Seed	95	90	-5.0	94	89	-5.0
Residual	6	12	6.0	83	83	0.0
Total Use	3,046	3,047	1.0	3,297	3,322	25.0
Ending Stocks	139	138	-1.0	210	190	-21.0
Stocks/Use Ratio	4.6%	4.5%	0.0	6.4%	5.7%	-0.6
Avg.Farm Price (\$/bu.)	9.97	9.97		8.90-10.40	8.70-10.20	

# Farmer's Grain Marketing Decision Aid

Futures Price Trend - Up



**LEGEND**

**GREEN** = Reduce Price Risk

**BLUE** = Reduce Basis Risk

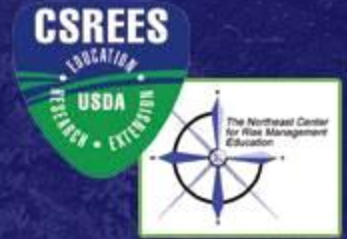
**ORANGE** = Price Spec Alternatives

STRONG BASIS (BASIS TO WEAKEN)

EXPECTED CHANGE

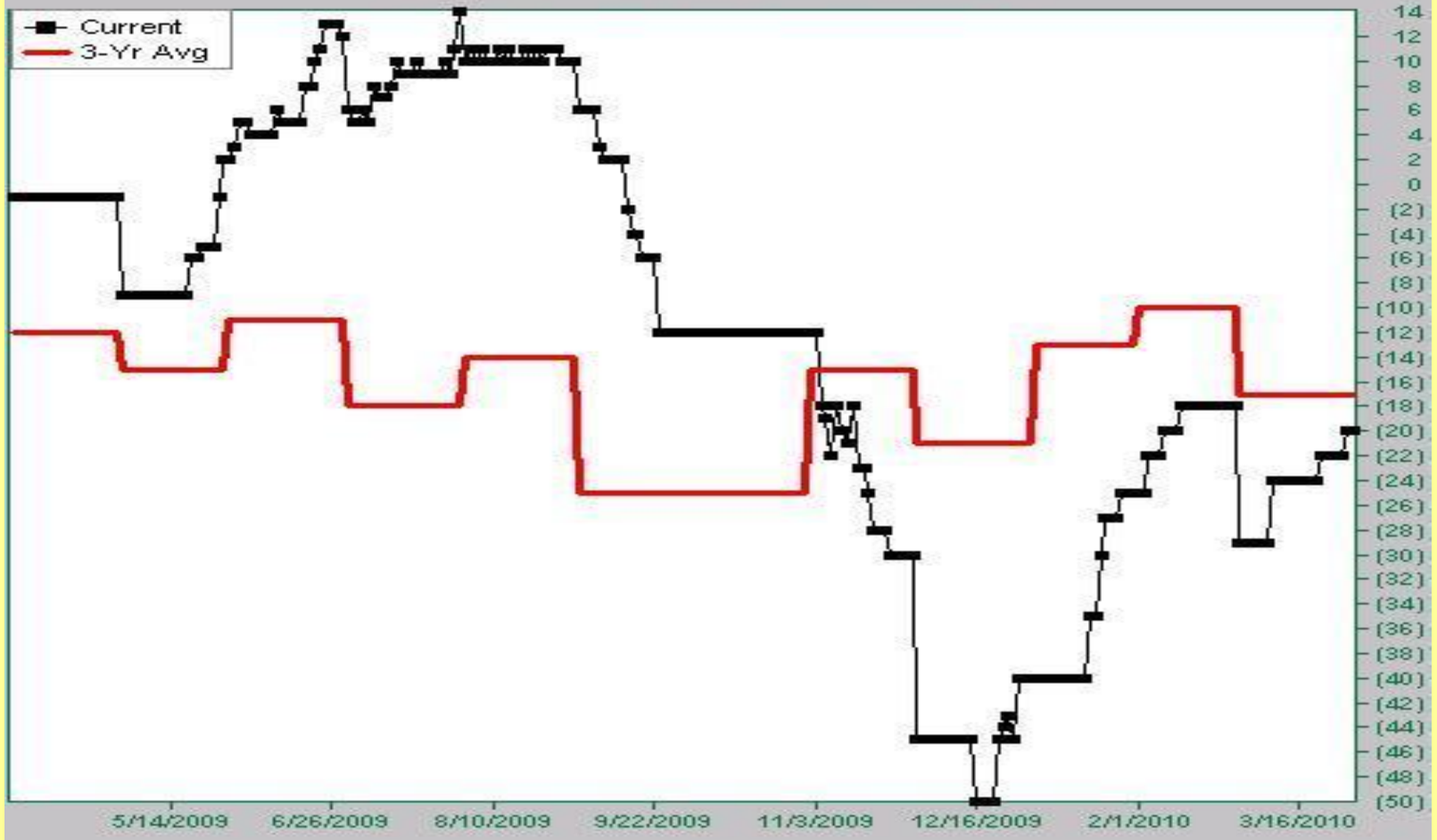
WEAK BASIS (BASIS TO STRENGTHEN)

Futures Price Trend - Down

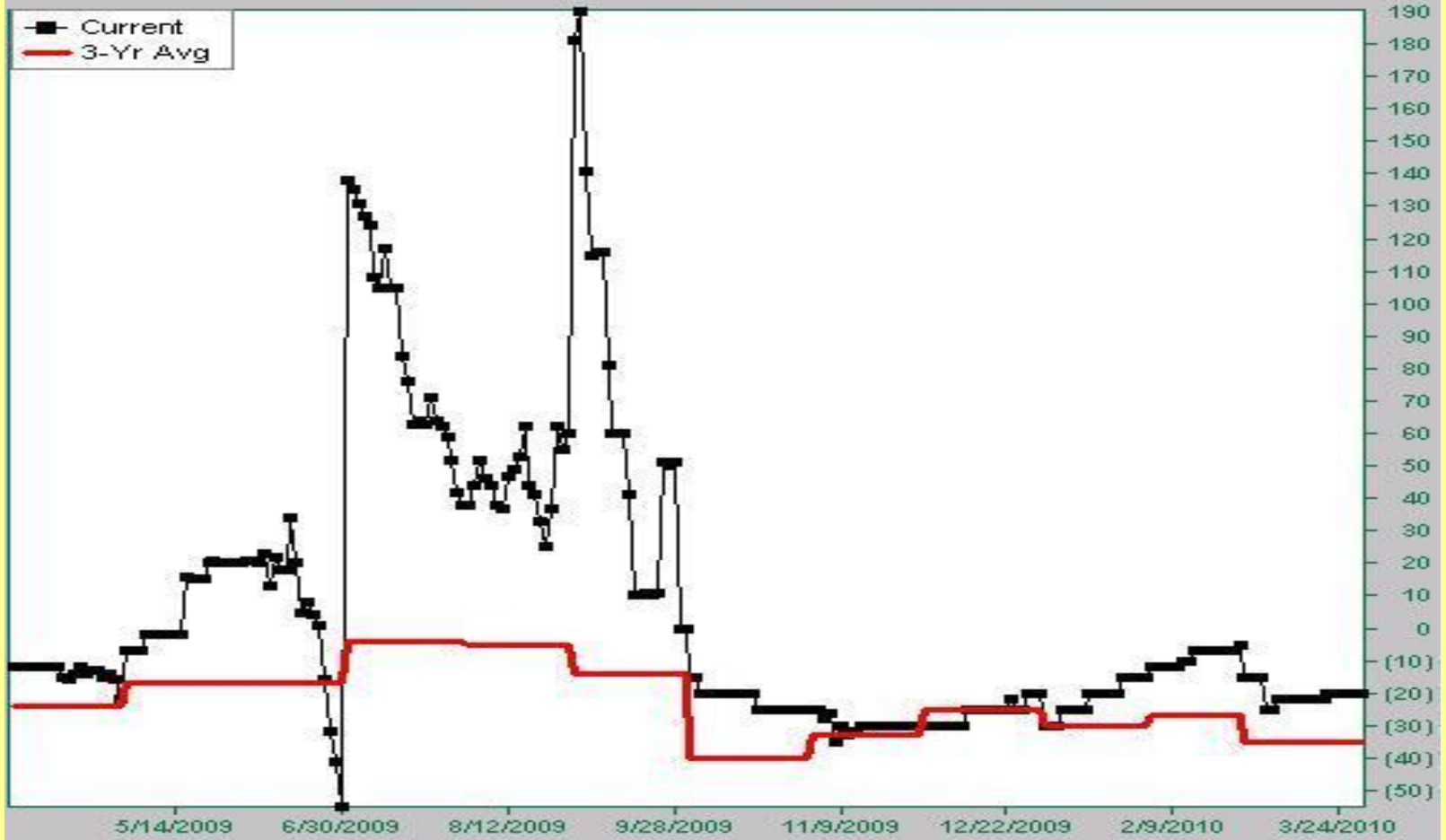


PROJECT CREDITS

# Nearby Corn Basis Kokomo, IN



# Nearby Soybeans Basis Kokomo, IN



31-Mar-2010  
+C0c  
O = 353' 6  
H = 354' 4  
L = 344' 2  
LA= 347' 0  
NC= -7' 4

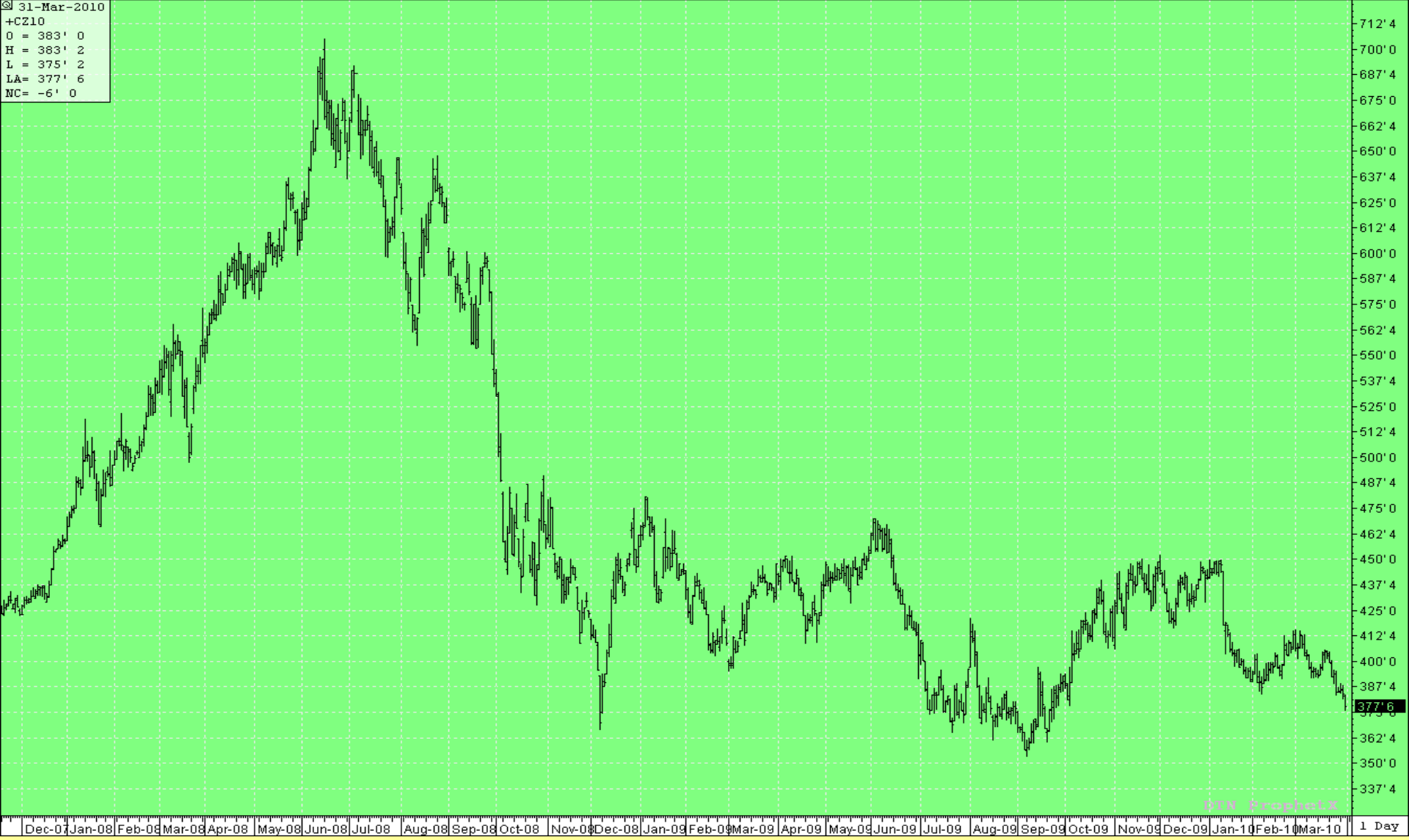


3/31/10

www.kokomograin.com

28

31-Mar-2010  
+CZ10  
O = 383' 0  
H = 383' 2  
L = 375' 2  
LA= 377' 6  
NC= -6' 0



3/31/10

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29

31-Mar-2010  
+80c  
O = 972' 0  
H = 977' 0  
L = 930' 4  
LA= 936' 0  
NC= -36' 0



© N. Probel X



3/31/10

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30

31-Mar-2010  
+SX10  
O = 925' 6  
H = 930' 0  
L = 906' 0  
LA= 911' 2  
MC= -15' 2



WIN ProphetX

1 Day



3/31/10

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31

# “Radar List”

- Vomitoxin in 2009 Corn
- Stored Grain Quality
  - Greater challenge than usual
- Price Remaining 2009 Inventory on Rallies
- Stay Alert to 2010 New Crop Sales Opportunity
- Stay in Touch – Thanks & Best Wishes