

# November 21, 2018

### Weather:

No Material changes--- good wrap up weather for harvest and fall tillage at night when top ground frozen—ughh

## News:

**Gulke Group December Conference:** Our 2018 December Chicago Conference will be held at the Omni Chicago Hotel on December 13-14. We will meet on Thursday from 1pm -5pm followed by a dinner banquet and on 8-12. The Conference fee is \$345 for clients and \$495 for non-clients. You can book a room at the Omni Chicago Hotel on 676 North Michigan Avenue for \$159 + tax by calling 800-843-6664 and mentioning the Gulke Group Winter Conference to get the room rate. **The room block will last until November 22.** After November 22 hotel rooms will be based on availability and I cannot guarantee you can get the group rate. This hotel rate is also good based on availability 3 days before and three days after the conference.

**Roger Wallace** and **Jerry Gulke** will be speaking. We are also happy to have **William Wilson** who is the head of the Risk Management and Trading for the Department of Agribusiness and Applied Economics at North Dakota State University. I've seen his previous presentations on global agriculture/trade and it will be worth attending just for this experienced speaker alone. In addition, **Dave Hightower** will present again this year. His extensive travel will provide a needed global perspective.

If you have questions or wish to sign up for the conference you can call/text Jamie at 707-365-0601 or Jeff at 480-285-4745. Tentative schedule below

#### **GULKE GROUP 2018 CHICAGO CONFERENCE**

Omni Chicago Hotel 312-944-6664 (Direct Line) 800-843-6664 (Reservations)

676 N. Michigan Avenue, Chicago, IL 60611 December 13-14, 2018

Thursday, December 13 (Chagall Ballroom on the 3<sup>rd</sup> Floor)

1:00 - 1:45	Opening Remarks
1:45 - 3:15	Roger Wallace: Livestock Outlook
3:15 - 3:30	Break
3:30 - 5:00	David Hightower
5:00 - 7:30	Happy Hour & Dinner (Picasso Ballroom on the 4th Floor)

#### Friday, December 14 (Chagall Ballroom on the 3<sup>rd</sup> Floor)

8:00 - 8:30	Overnight Markets, News, Weather, Morning Comments
8:30 - 9:45	Technical and Fundamental Outlook: Jerry Gulke, Gulke Group
9:45 - 10:00	Break
10:00 - 11:30	Willian W. Wilson, Ph.D., NDSU

**Commodity News:** Reports are surfacing of very poor quality soybeans left in the fields in the US Delta region. Buyers there are not interested in buying damaged soybeans and there are anecdotal reports of soybeans being disked under. **If you know something say something!** 

- Ahead of Wednesday's monthly USDA cattle on feed report, analysts are expecting Nov 1 cattle on feed at 104% of the year earlier period. Placements onto feedlots during October are forecast at 99% of the year earlier level. Marketings in October are seen by analysts at 104% of the year earlier period.
- China's Ag Ministry confirmed two H5N6 bird flu outbreaks in southwestern Yunnan province. The outbreak resulted in the culling of over 10,000 birds. These two outbreaks mark the fifth reported case.
- Another African swine fever outbreak was reported Wednesday in China's southern Hunan province.
- Worried about under reporting of African swine fever, China's Ag Ministry is offering incentives to whistleblowers, making it illegal to obstruct or delay reporting new outbreaks. They also have made it illegal to falsify tests and health certificates and illegally dump infected carcasses.
- On Wednesday, the German Ag Ministry acknowledged it is seeking permission from China to resume poultry meat exports after they agreed in principle to reopen markets back in July. German officials say they expect to travel early in 2019 to assess the status of talks

18/19 Total	Inspections vs \	(ear Ago Marke	t to Date			
			Corn			
	Current Week	Last Week	Week Last year	Current Year	Year Ago	% of Year Ago
9/6/2018	763,475	1,335,211	677,939	658,501	677,939	97.13%
9/13/2018	1,030,267	783,495	687,996	1,708,788	1,365,935	125.10%
9/20/2018	1,263,310	1,035,928	779,971	2,977,759.00	2,145,906	138.76%
9/27/2018	1,344,689	1,353,137	853,700	4,422,254	2,999,606	147.43%
10/4/2018	1,351,177	1,377,263	582,248	5,806,250	3,581,854	162.10%
10/11/2018	996,643	1,384,779	330,456	6,836,495	3,912,310	174.74%
10/18/2018	949,168	1,011,355	636,029	7,823,167	4,548,399	172.00%
10/25/2018	652,995	1,023,953	547,417	8,593,857	5,095,756	168.65%
11/1/2018	1,254,057	698,619	456,819	9,898,827	5,552,575	178.27%
11/8/2018	1,136,708	1,284,353	406,632	11,106,645	5,959,207	186.38%
11/15/2018	797,459	1,157,464	678,621	11,935,262	6,637,828	179.81%

• Total Corn Inspections for the week ending Nov. 15 was down 31% from last week but up 18% from the corresponding week last year. The total weekly amounts of corn inspected was stronger than a year ago for the ninth week in a row. We had an 7% decrease in our total inspections vs a year ago and are currently 80% ahead of the total number inspected a year ago at this time.

<u> </u>		<b>/</b> /			<b>L</b>		
		18/19 Total In	spections vs <b>\</b>	(ear Ago Market t	to Date		
				Soybeans			
		Current Week	Last week	Week Last Year	Current Year	Year Ago	% of Year Ago
9/6/2	018	924,839	775,861	1,107,101	832,152	1,107,101	75.16%
9/13/2	018	784,752	926,628	932,628	1,618,397	2,039,729	79.34%
9/20/2	018	693,890	786,268	1,036,653	2,313,803	3,076,382	75.21%
9/27/2	018	591,115	718,825	897,384	2,931,443	3,973,766	73.77%
10/4/2	018	569,776	630,249	1,490,783	3,540,940	5,464,549	64.80%
10/11/2	018	1,157,787	594,363	1,785,943	4,723,314	7,250,492	65.14%
10/18/2	018	1,148,566	1,209,870	2,593,380	5,936,483	9,843,872	60.31%
10/25/2	018	1,304,907	1,211,199	2,531,577	7,317,816	12,375,446	59.13%
11/1/2	018	1,229,042	1,329,705	2,493,657	8,578,243	14,869,106	57.69%
11/8/2	018	1,301,775	1,244,197	2,185,184	9,908,846	17,054,290	58.10%
11/15/2	018	1,055,940	1,355,864	2,275,904	11,032,297	19,330,194	57.07%

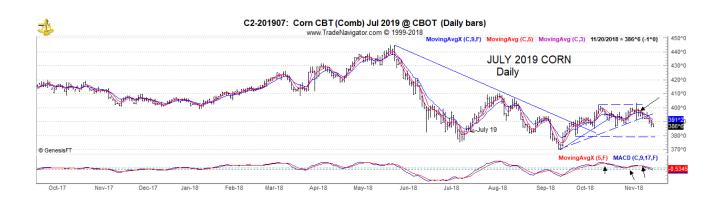
• Total Soybean Inspections for the week ending Nov. 15 was down 22% from last week and down 54% from the corresponding week last year. The total weekly amounts of soybeans inspected have been higher than the previous week only 4 of the 11 reports so far this marketing year. We had a 1% increase in our total inspections vs a year ago and are currently 43% behind the total number inspected a year ago at this time.

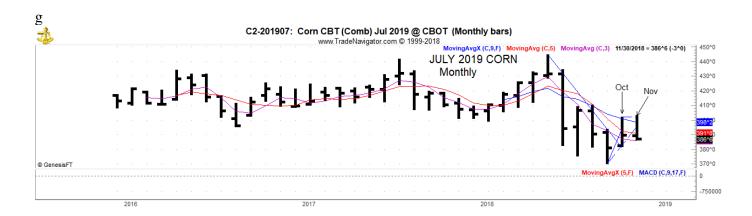
Corn to S.Kore	a			CNF								FOB								FREIG	нт							EXPOR	TEST	MATE	S (MM	D)	
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	size	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Dec	Jan	Feb	Mar	Apr	May	Jun	J
US PNW		210	210	211	212	212	216	216	181	183	184	184	185	185	189	189	55	27	27	26	27	27	27	27	27					•			
US Gulf		213	215	214	215	217	219	221	165	168	168	169	171	172	174	174	55	48	47	46	46	46	47	47	47	4.03	4.19	4.71	5.85	6.28	6.11	5.63	5.5
Bzl-Santos		208							170								55	38	37	36	37	37	37	37	37	2.83	2.55	1.57	0.98	0.34	0.16	0.28	1.8
Arg		204	211	213	207	209	208	210	162	169	171	165	167	166	168	166	55	42	42	42	42	42	42	42	41	1.29	1.57	1.74	3.27	3.47	2.58	2.56	3.1
Ukraine		206	208	209	211	213	218	220	168	171	173	174	176	177	182	184	50	36	35	35	35	35	36	36	35	3.68	2.75	2.86	3.55	2.76	2.51	2.98	1.5
EU Constza																	50	36	35	35	35	35	36	36	35								
Oz Fdwht																	50	14	14	15	15	15	15	15	15								
BISea Fdwht		256	261						216	221	226						50	36	35	35	35	35	36	36	35								
Corn to Egypt				CNF								FOB							- 1	FREIG	HT												
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	size	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul								
US Gulf	194	196	196	197	199	200	202	202	165	168	168	169	171	172	174	174	55	29	28	28	28	28	28	28	28								
Bzl-Santos	194								170								55	24	23	23	23	23	24	23	23								
Arg	193			195	198	197	199	197	162			165	167	166	168	166	55	31	30	30	30	31	31	31	31								
Ukraine	182	184	186	188	190	191	196	198	168	171	173	174	176	177	182	184	55	14	13	13	14	14	14	14	14								
EU Constza																	55	14	13	13	14	14	14	14	14								
Beans to N.Chi	na			CNF								FOB								FREIG	нт							EXPOR	TEST	<b>IMATE</b>	S (MM	r)	
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	size	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Dec	Jan	Feb	Mar	Apr	May	Jun	Ju
US PNW		362	366	367	373	373	379	379	332	336	340	341	346	346	352	352	55	27	26	26	26	27	27	27	27								
US Gulf		378	379	383	383	391	391	396	330	332	337	337	343	343	348	348	55	48	47	46	46	48	48	48	48	4.49	4.63	4.08	3.54	3.40	3.27	3.43	3.5
Bzl-Santos		410		410	397	395	396	407	373		375	362	359	360	371	376	55	37	36	35	35	36	36	36	36	1.00	2.00	6.00	9.00	9.60	9.50	8.50	7.5
BzI-Pga		407		402	392	392	394	404	369		366	356	355	357	367	372	55	38	37	36	36	37	37	37	37								
Bzl-North		410			397	395	397	407	372			360	358	359	370	375	55	39	38	37	37	38	38	38	38								
Arg		401							358								55	43	42	42	42	43	43	43	43	1.00	0.80	0.30	0.30	0.90	2.30	2.30	1.6
Wheat to Egyp	t			CNF				-				FOB				-				FREIG	нт				_			EXPOR	TEST	IMATE	S (MM	n	
		Jan	Feb	Mar	Apr	May	Jun	Jul	Dec	Jan	Feb	Mar	Apr	Mav	Jun	Jul	size	Dec				Apr	Mav	Jun	Jul	Dec	Jan	Feb	Mar		May	Jun	Ju
	Dec																			28	28	28	28	28	28	2.03	2.49	2.75	3.25	3.62	3.29	3.37	0.0
USG srw	243	242	244	244	246	246	244	245	214	214	216	216	218	218	216	217	55	29	28														
USG srw US sww			244 271	244 272	246 273	246 274	244 275	245 276	214 233	214 231	216 233	216 234	218 235	218 236	216 237	217 238	55 60	29 39	28 38	20 38	38	38	38	38	38								
	243	242																					38 29		38 29								
US sww	243 272	242 269	271	272	273	274	275	276	233	231	233	234	235	236	237	238	60	39	38	38	38	38		38		1.46	1.30	1.59	2.40	1.28	1.52	1.06	0.0
US sww UShrw11	243 272 260	242 269 262	271 264	272 266	273 267	274 268	275 269	276 269	233 230	231 233	233 235	234 237	235 238	236 239	237 240	238 240	60 60	39 30	38 29	38 29	38 29	38 29	29	38 29	29	1.46 0.00	1.30 0.00	1.59 0.00	2.40 0.00	1.28 0.00	1.52 0.00	1.06 0.00	0.0
US sww UShrw11 French11.5	243 272 260 255	242 269 262 256	271 264 257	272 266 259	273 267	274 268	275 269	276 269	233 230 232	231 233 234	233 235 235	234 237 237	235 238	236 239	237 240	238 240	60 60 60	39 30 23	38 29 22	38 29 22	38 29 22	38 29 22	29 22	38 29 22	29 22								
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US sww UShrw11 French11.5 Arg 11.5 Austr ASW	243 272 260 255 251 287 241	242 269 262 256 255 289 246	271 264 257 261 291 249	272 266 259 267 293	273 267 260 295	274 268 261 298	275 269 262	276 269 263	233 230 232 220 266	231 233 234 225 267	233 235 235 231 268	234 237 237 237 269	235 238 238 270	236 239 239 272	237 240 240	238 240 241	60 60 60 60 60	39 30 23 31 21	38 29 22 30 22	38 29 22 30 23	38 29 22 30 24	38 29 22 31 25	29 22 31 26	38 29 22 31 27	29 22 31 28	0.00 1.67	0.00 1.51	0.00 1.40	0.00 1.49	0.00 1.50	0.00 1.49	0.00 1.07	0.0
US sww UShrw11 French11.5 Arg 11.5 Austr ASW <i>Bl. Sea 12.5</i>	243 272 260 255 251 287 241	242 269 262 256 255 289 246	271 264 257 261 291 249	272 266 259 267 293	273 267 260 295	274 268 261 298	275 269 262	276 269 263	233 230 232 220 266	231 233 234 225 267	233 235 235 231 268	234 237 237 237 269	235 238 238 270	236 239 239 272	237 240 240	238 240 241 247	60 60 60 60 60	39 30 23 31 21 14	38 29 22 30 22 13	38 29 22 30 23 13	38 29 22 30 24	38 29 22 31 25	29 22 31 26 14	38 29 22 31 27	29 22 31 28	0.00 1.67	0.00 1.51	0.00 1.40	0.00 1.49	0.00 1.50	0.00 1.49	0.00 1.07	0.0 0.0
US sww UShrw11 French11.5 Arg 11.5 Austr ASW <i>Bl. Sea 12.5</i>	243 272 260 255 251 287 241 ia (har	242 269 262 256 255 289 246 ndy to	271 264 257 261 291 249 Med)	272 266 259 267 293 255	273 267 260 295 257	274 268 261 298 259	275 269 262 260 Jun	276 269 263 261	233 230 232 220 266 227	231 233 234 225 267 233	233 235 235 231 268 236	234 237 237 237 269 241	235 238 238 270 243	236 239 239 272 245	237 240 240 240	238 240 241 247	60 60 60 60 60 55	39 30 23 31 21 14	38 29 22 30 22 13	38 29 22 30 23 13	38 29 22 30 24 14	38 29 22 31 25 14	29 22 31 26 14	38 29 22 31 27 14	29 22 31 28 14	0.00 1.67	0.00 1.51	0.00 1.40	0.00 1.49	0.00 1.50	0.00 1.49	0.00 1.07	0.0 0.0
US sww UShrw11 French11.5 Arg 11.5 Austr ASW <i>BI. Sea</i> 12.5 Wheat to Alger UShrw11	243 272 260 255 251 287 241 ia (har Dec	242 269 256 255 289 246 Jan	271 264 257 261 291 249 Med) Feb	272 266 259 267 293 255 Mar	273 267 260 295 257 <b>Apr</b>	274 268 261 298 259 May	275 269 262 260 Jun	276 269 263 261 Jul	233 230 232 220 266 227 <b>Dec</b>	231 233 234 225 267 233 Jan	233 235 235 231 268 236 <b>Feb</b>	234 237 237 237 269 241 Mar	235 238 238 270 243 <b>Apr</b>	236 239 239 272 245 May	237 240 240 246 Jun	238 240 241 247 <b>Jul</b>	60 60 60 60 60 55 size	39 30 23 31 21 14 <b>Dec</b>	38 29 22 30 22 13 Jan	38 29 22 30 23 13 Feb	38 29 22 30 24 14 Mar	38 29 22 31 25 14 <b>Apr</b>	29 22 31 26 14 May	38 29 22 31 27 14 Jun	29 22 31 28 14 Jul	0.00 1.67	0.00 1.51	0.00 1.40	0.00 1.49	0.00 1.50	0.00 1.49	0.00 1.07	0.0 0.0
US sww UShrw11 French11.5 Arg 11.5 Austr ASW <i>BI. Sea 12.5</i> Wheat to Alger	243 272 260 255 251 287 241 <b>ia (hat</b> <b>Dec</b> 267	242 269 256 255 289 246 <b>Jan</b> 270	271 264 257 261 291 249 Med) Feb 271	272 266 259 267 293 255 <b>Mar</b> 273	273 267 260 295 257 <b>Apr</b> 275	274 268 261 298 259 May	275 269 262 260 Jun	276 269 263 261 Jul	233 230 232 220 266 227 <b>Dec</b> 230	231 233 234 225 267 233 <b>Jan</b> 233	233 235 235 231 268 236 <b>Feb</b> 235	234 237 237 269 241 <b>Mar</b> 237	235 238 238 270 243 <b>Apr</b> 238	236 239 239 272 245 May	237 240 240 246 Jun	238 240 241 247 <b>Jul</b>	60 60 60 60 55 size 30	39 30 23 31 21 14 <b>Dec</b> 37	38 29 22 30 22 13 <b>Jan</b> 37	38 29 22 30 23 13 <b>Feb</b> 36	38 29 22 30 24 14 <b>Mar</b> 36	38 29 22 31 25 14 <b>Apr</b> 37	29 22 31 26 14 <b>May</b> 38	38 29 22 31 27 14 <b>Jun</b> 37	29 22 31 28 14 <b>Jul</b> 37	0.00 1.67	0.00 1.51	0.00 1.40	0.00 1.49	0.00 1.50	0.00 1.49	0.00 1.07	0.0 0.0

## **Technicals:**

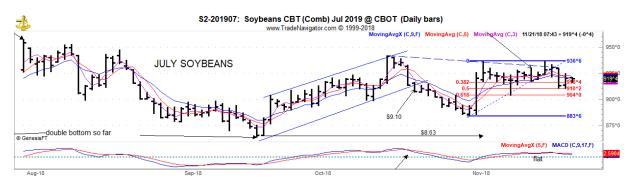
#### Markets:

**CORN:** With 8 mil-ac of corn left to harvest the price charts are defensive wondering where to store another 1.0 bil-bu. Daily is short but sell signals since September have not extended nor have buy signal looking more like a sideways trading range. The fundamentals of good export demand supports the market but if S American and Ukraine crops are as good as expected, our advantage may not last much beyond Q1? The media has been touting that producers are selling corn and storing soybeans!





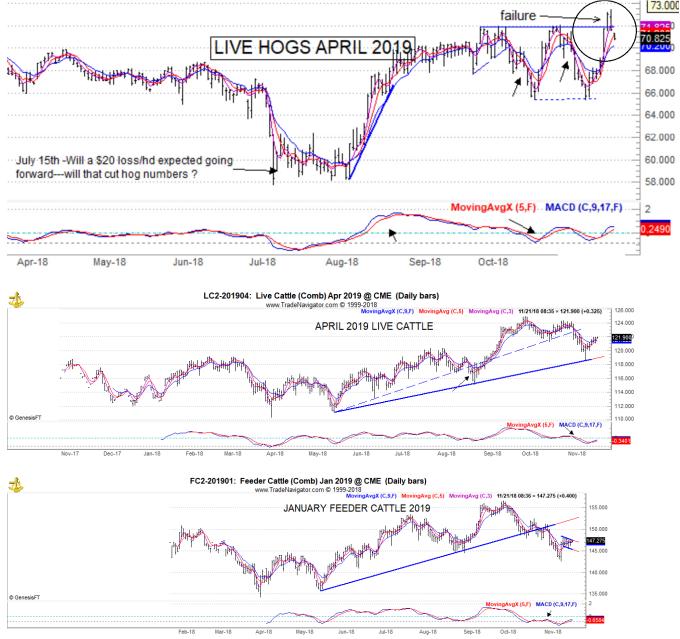
**SOYBEANS:** The odds of anything concrete from the Dec 1 meeting with Trump and Li seem to be viewed less than stellar to the point speculators are not excited about putting money on the table. The negative news regarding the effect of the tariffs on Ag and our overall economy seem to be much higher than last spring---maybe the masses are drinking a different flavor of Kool-Aid this time and are being hood-winked again not expecting a surprise. There <u>has to be pressure put on Trump and the Ag Sect by</u> bankers, farm state politicians, if not, they are not worthy of support by our votes and/or our checkoff dollars. Nate astutely points out that yesterday's lows of 910 ¼ were exactly a 50% retracement of the July highs of 957 ¼ and the Sep lows of 863 ¼, A meeting between Trump and Li is set for Dec 1. Today's soybean prices are about the same as they were 60 days ago---!



# **WHEAT: HRSW** has done nothing but trend lower into December, with rhetoric of Ukraine and Russia continuing to offer up wheat for sale.



**LIVESTOCK:** COF report today at 11 am--- expectations detailed in news section. Hogs posted a VERY negative trade yesterday—see chart below –failing to hold new high trade and gapping lower this morning



in post 8:30 opening. Given the negative view on the US and Global economic situation and current tariffs in place, we don't need a negative COF report.

**AG Stocks---**DE missed projections yesterday blaming poor demand and cost pressures especially steel and negative farm income. This should not be a surprise by most of us? My on-going saga of getting my tractor overhauled and continued problems with repairs of engine, MFWD etc. still has my tractor in the hospital and I am using a used much newer tractor again for free for the second season--- That same tractor was for sale in Spring of 2017 and selling for three X my older one of nearly same horsepower. Thought of trading but asked myself whether I'd rather have three of mine or a newer but used high-tech model with 1/3 the hours-- the answer was obvious two seasons ago and hasn't changed.

**The equity market in general is now down 10% from 2018 highs**—posted around Feb when we were at the PSP conference. This sets up for the NEED for Trump to react to a deal Dec 1 or the illusion of one, but if this whole tariff situation is more than slowing down China's march to dominance, it isn't over yet! My long standing view on Ag's real importance being a smokescreen put on by our trade negotiators hasn't changed---- time for a real decision! Also this stock market debacle setting up for a Dec rally---so chose your poison----Trump should be getting the message ????

**Banker's Conference next week in Fargo**—Jeff and I have been asked to speak to a major banking organization's 30 loan officers on the Ag economy, and associated ratios, cash flow analysis and price outlook for commodities. It has been a long while since I have seen the financial community that concerned!

## Yesterday's Trades: Cotton - For 2019, sold 25% CTH at 7750.

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**ADVICE/COMMENTARY:** No new advice---but NOTE the charts and discussions again on grains in MC. COF report comes out today at 11 am during trading hours. Hogs posted a reversal yesterday after hitting new highs and may have been posturing prior to COF report. So expect some volatility. No new advice in meats or grains for that matter. A LOT of analyst looking for a positive trade ahead of Trump/Li meeting but secretly don't believe much will come from it. There has been a LOT done by China to circumvent reliance on the US for energy, soybeans and likely they won't change course abruptly--- we'll see. Export loadings report in MC news and our competiveness of grains table (CIF) is worthy of note as well; the lightly shaded area shows whose most competitive and when---only US wheat looks competitive except for PNW sourcing of soybeans meaning non-Chinese buyers have a bargain ----

**Cotton:** Drifted to new lows for the move, now trying to rebound and make a stand. Lift Dec hedge a move above 76.90. Lift March hedges for 2019 on a move above 79.05 and another 25% hedge on a move below 76.50.

**Rice**: Rangebound between \$10.50 - \$11.00. We'll use a move below \$10.50 to re-establish hedges on 20% in Jan contract for 2019 and to make a 30% cash sale for 2018 and add another 20% hedge in both on a move below \$10.35.

Corn to S.Korea	a			CNF								FOB								FREIC	нт				7			EXPOR	TEST	IMATE	S (MM	T)	
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	size	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Dec	Jan	Feb	Mar		May	Jun	J
US PNW		210	210	211	212	212	216	216	181	183	184	184	185	185	189	189	55	27	27	26	27	27	27	27	27						,		
US Gulf		213	215	214	215	217	219	221	165	168	168	169	171	172	174	174	55	48	47	46	46	46	47	47	47	4.03	4.19	4.71	5.85	6.28	6.11	5.63	5.
Bzl-Santos		208							170					=			55	38	37	36	37	37	37	37	37	2.83	2.55	1.57	0.98	0.34	0.16	0.28	1.3
Arg		204	211	213	207	209	208	210	162	169	171	165	167	166	168	166	55	42	42	42	42	42	42	42	41	1.29	1.57	1.74	3.27	3.47	2.58	2.56	3.
Ukraine			208	209	211			220	168	171	173	174	176	177	182	184	50	36	35	35	35	35	36	36	35	3.68	2.75	2.86		2.76	2.51	2.98	1.
EU Constza			200	200			2.0										50	36	35	35	35	35	36	36	35	0.00	2			2			
Oz Fdwht																	50	14	14	15	15	15	15	15	15								
BISea Fdwht		256	261						216	221	226						50	36	35	35	35	35	36	36	35								
Corn to Egypt				CNF								FOB								FREIO													
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	size	Dec			Mar	Apr	May	Jun	Jul								
US Gulf	194	196	196	197	199	200	202	202	165	168	168	169	171	172	174	174	55	29	28	28	28	28	28	28	28								
Bzl-Santos	194					200			170								55	24	23	23	23	23	24	23	23	1							
Arg	193			195	198	197	199	197	162			165	167	166	168	166	55	31	30	30	30	31	31	31	31								
Ukraine	182	184	186	188	190	191	196	198	168	171	173	174	176	177	182	184	55	14	13	13	14	14	14	14	14								
EU Constza	102	101	100	100	100	101	100		100						102		55	14	13	13	14	14	14	14	14								
Beans to N.Chi	na			CNF								FOB								FREIG	нт							EXPOR	TEST	IMATE	S (MM	T)	
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	size	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Dec	Jan	Feb	Mar	Apr	May	Jun	J
US PNW		362	366	367	373	373	379	379	332	336	340	341	346	346	352	352	55	27	26	26	26	27	27	27	27						-		
US Gulf		378	379	383	383	391	391	396	330	332	337	337	343	343	348	348	55	48	47	46	46	48	48	48	48	4.49	4.63	4.08	3.54	3.40	3.27	3.43	3.5
Bzl-Santos		410		410	397	395	396	407	373		375	362	359	360	371	376	55	37	36	35	35	36	36	36	36	1.00	2.00	6.00	9.00	9.60	9.50	8.50	7.5
Bzl-Pga		407		402	392	392	394	404	369		366	356	355	357	367	372	55	38	37	36	36	37	37	37	37								
Bzl-North		410			397	395	397	407	372			360	358	359	370	375	55	39	38	37	37	38	38	38	38								
Arg		401							358								55	43	42	42	42	43	43	43	43	1.00	0.80	0.30	0.30	0.90	2.30	2.30	1.6
Wheat to Egypt				CNF								FOB								FREIC									RT EST				
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Dec	Jan	Feb	Mar	Apr	May	Jun		size		Jan		Mar	Apr		Jun	Jul	Dec	Jan	Feb		Apr		Jun	J
USG srw US sww	243	242	244	244	246	246	244	245	214	214	216	216	218	218	216	217	55	29	28	28	28	28	28	28	28	2.03	2.49	2.75	3.25	3.62	3.29	3.37	0.0
	272	269	271	272	273	274	275	276	233	231	233	234	235	236	237	238	60	39	38	38	38	38	38	38	38								
		262	264	266	267	268	269	269	230	233	235	237	238 238	239 239	240 240	240	60	30 23	29 22	29	29	29	29	29	29							4.00	~
UShrw11	260	050			260	261	262									241	60			22	22	22	22	22	22	1.46	1.30	1.59 0.00	2.40	1.28	1.52	1.06	0.0
UShrw11 French11.5	255	256	257	259	200	201	202	263	232	234	235	237	200	200	240						~ ~											0.00	0.0
UShrw11 French11.5 Arg 11.5	255 251	255	261	267			202	263	220	225	231	237			240	2	60	31	30	30	30	31	31	31	31		0.00		0.00	0.00	0.00	4 07	
UShrw11 French11.5 Arg 11.5 Austr ASW	255 251 287	255 289	261 291	267 293	295	298			220 266	225 267	231 268	237 269	270	272			60 60	31 21	30 22	30 23	24	25	26	27	28	1.67	1.51	1.40	1.49	1.50	1.49	1.07	0.0
UShrw11 French11.5 Arg 11.5 Austr ASW <i>BI. Sea 12.</i> 5	255 251 287 241	255 289 246	261 291 249	267			260	263	220	225	231	237			240	247	60	31	30	30												1.07 0.00	0.0
UShrw11 French11.5 Arg 11.5 Austr ASW <i>BI. Sea 12.</i> 5	255 251 287 241 ia (har	255 289 246 ndy to	261 291 249 <b>Med)</b>	267 293 255	295 257	298 259	260	261	220 266 227	225 267 233	231 268 236	237 269 241	270 243	272 245	246	247	60 60 55	31 21 14	30 22 13	30 23 13	24 14	25 14	26 14	27 14	28 14	1.67	1.51	1.40	1.49	1.50	1.49		
UShrw11 French11.5 Arg 11.5 Austr ASW <i>BI. Sea 12.5</i> Wheat to Algeri	255 251 287 241 ia (har Dec	255 289 246 ndy to Jan	261 291 249 Med) Feb	267 293 255 Mar	295 257 Apr	298 259 May	260 Jun	261 Jul	220 266 227 Dec	225 267 233 Jan	231 268 236 Feb	237 269 241 Mar	270 243 Apr	272 245 May	246 Jun	247 Jul	60 60 55 size	31 21 14 Dec	30 22 13 Jan	30 23 13 Feb	24 14 Mar	25 14 Apr	26 14 May	27 14 Jun	28 14 Jul	1.67	1.51	1.40	1.49	1.50	1.49		
UShrw11 French11.5 Arg 11.5 Austr ASW <i>BI. Sea</i> 12.5 Wheat to Algeri UShrw11	255 251 287 241 ia (har Dec 267	255 289 246 ndy to Jan 270	261 291 249 Med) Feb 271	267 293 255 <b>Mar</b> 273	295 257 <b>Apr</b> 275	298 259 May	260	261	220 266 227 <b>Dec</b> 230	225 267 233 <b>Jan</b> 233	231 268 236 <b>Feb</b> 235	237 269 241 <b>Mar</b> 237	270 243 <b>Apr</b> 238	272 245	246	247	60 60 55 size 30	31 21 14 <b>Dec</b> 37	30 22 13 <b>Jan</b> 37	30 23 13 <b>Feb</b> 36	24 14 Mar 36	25 14 Apr 37	26 14 May 38	27 14 Jun 37	28 14 Jul 37	1.67	1.51	1.40	1.49	1.50	1.49		
UShrw11 French11.5 Arg 11.5 Austr ASW <i>BI. Sea 12.5</i> Wheat to Algeri UShrw11 French11	255 251 287 241 ia (har Dec 267 248	255 289 246 ndy to Jan 270 250	261 291 249 <b>Med)</b> <b>Feb</b> 271 251	267 293 255 <b>Mar</b> 273 253	295 257 Apr	298 259 May	260 Jun	261 Jul	220 266 227 <b>Dec</b> 230 232	225 267 233 <b>Jan</b> 233 234	231 268 236 <b>Feb</b> 235 235	237 269 241 <b>Mar</b> 237 237	270 243 Apr	272 245 May	246 Jun	247 Jul	60 60 55 size 30 30	31 21 14 <b>Dec</b> 37 16	30 22 13 <b>Jan</b> 37 16	30 23 13 <b>Feb</b> 36 16	24 14 Mar 36 16	25 14 <b>Apr</b> 37 16	26 14 May 38 16	27 14 Jun 37 16	28 14 Jul 37 16	1.67	1.51	1.40	1.49	1.50	1.49		
UShrw11 French11.5 Arg 11.5 Austr ASW <i>BI. Sea 12.5</i> Wheat to Algeri UShrw11 French11 Arg 11.5 <i>BI. Sea 12.5</i>	255 251 287 241 ia (har Dec 267	255 289 246 ndy to Jan 270	261 291 249 Med) Feb 271	267 293 255 <b>Mar</b> 273	295 257 <b>Apr</b> 275	298 259 May	260 Jun	261 Jul	220 266 227 <b>Dec</b> 230	225 267 233 <b>Jan</b> 233	231 268 236 <b>Feb</b> 235	237 269 241 <b>Mar</b> 237	270 243 <b>Apr</b> 238	272 245 May	246 Jun	247 Jul	60 60 55 size 30	31 21 14 <b>Dec</b> 37	30 22 13 <b>Jan</b> 37	30 23 13 <b>Feb</b> 36	24 14 Mar 36	25 14 Apr 37	26 14 May 38	27 14 Jun 37	28 14 Jul 37	1.67	1.51	1.40	1.49	1.50	1.49		

	Gulke Group	Spec Table Bu	y/Sell Stops		(*New Pos	itions in BOLD	)
		11/21/2018		Today's	s Stops	Current	Position*
	<u>High</u>	Low	Close	Buy	Sell	Long	Short
CZ18	363 1/2	361 1/4	361 1/4	364	358 1/2	369 3/4	
CH19	374 1/2	372	372 1/4	375 1/4	369 1/4	381	
SF19	885 3/4	870 1/2	881	896 3/4	865 1/4		878 3/4
SN19	924 3/4	910 1/4	920	935	905		917 3/4
SX19	933 1/4	919 3/4	929 1/4	943 1/4	915 1/4		926 1/4
SMZ18	309.700	304.800	307.1	312.2	302.1	307.6	
BOZ18	27.550	27.170	27.34	27.87	26.81		29.13
WZ18	502 1/2	495 1/2	500 3/4	508 1/4	493 1/4		500 1/4
WN19	524 1/2	520 1/2	523 3/4	528 1/4	519 1/4		526 1/2
KWZ18	476.250	469.750	473	480	466		484 1/2
MWH19	571 3/4	568 1/2	570 1/4	574	566 1/2		569 1/2
LCZ18	116.325	115.375	115.700	116.850	114.550		116.825
LCJ19	122.000	121.100	121.575	122.675	120.475		122.800
LHZ18	61.025	58.800	58.975	61.400	56.550		59.025
LHJ19	73.425	71.525	71.675	73.775	69.575	67.250	
FCF19	147.275	146.175	146.875	148.175	145.575		146.975
CTZ18	76.190	75.220	75.270	76.44	74.10		77.56
SBH19	12.910	12.360	12.460	13.06	11.86		12.40
GCZ18	1229.50	1220.30	1222.00	1231.70	1212.30	1212.0	
NRF19	1081.00	1064.50	1073.50	1090.03	1056.97		1073
DJZ18	25042	24355.00	24437	25144	23730		25981.00
CLF19	57.44	52.77	53.43	58.30	48.56		60.36
NGZ18	4.672	4.274	4.523	4.936	4.110		4.333
DXZ18	96.77	95.930	96.690	97.73	95.65	97.330	
USZ18	140 9/32	139 19/32	140 1/32	140 31/32	139 3/32		137 9/32

# **HEDGING MATRIX BELOW (2 segments)**

						11/21/2018								
Live Cattle	margin = \$1500				Live Hogs -	margin = \$1200				Feeder Ca	tle - End User - margin = \$2	2800		
Date	Action	Price	Status	% Hedged	Date	Action	Price	Status	% Hedged	Date	Action	Price	Status	% Hedged
4th Quarter	2018				4th Quarter	2018				1st Quarter	2018			
9/21/2018	Sold LCZ	117.90	\$880.00	25.0%	10/4/2018	Sold LHZ	55.50	(\$1,390.00)	25.00%					
		Total		25.0%	10/19/2018	Sold LHJ	67.70	(\$1,590.00)	25%			Total		0%
1st Quarter	2019						Total		50.0%	Feeder Ca	tle - Producer - margin = \$	2800		
9/21/2018	Sold LCJ	122.95	\$550.00	25.0%	1at Quarter	2019				Date	Action	Price	Status	% Hedged
		Total		25.0%	10/19/2018	Sold LHJ	67.70	(\$1,590.00)	25.00%	Fall				
2nd Quarter	2019													
9/21/2018	Sold LCJ	122.95	\$550.00	25.0%			Total		25.0%			Total		0.0%
		Total		25.0%	2nd Quarth	er 2019				Spring				
2018 Cotton	- margin = \$2650				10/19/2018	Sold LHJ	67.70	(\$1,590.00)	25.00%	9/21/2018	Sold FCF	154.75	\$3,937.50	25.0%
Date	Action	Price	Status	% Hedged								Total		25.0%
11/10/2017	Sold Cash vs. CTZ18	69.50		15%			Total		25.0%	2018 Rice -	margin = \$1250			
11/14/2017	Sold Cash vs. CTZ18	69.25		10%	3rd Quarter	2019				Date	Action	Price	Status	% Hedged
11/28/2017	Sold Cash vs. CTZ18	70.50		15%	10/11/2018	Sold LHM	\$80.65	(\$1,720.00)	25.00%	10/11/2018	Sold CASH	1075		25%
5/18/2018	Sold Cash vs. CTZ18	82.00		25%										
11/12/2018	Sold CTZ	76.80	\$612.00	30%			Total		25.0%					
11/13/2018	Sold CTZ	76.10	\$332.00	20%	Energy/Spe	c						Total		25%
		Total		115.0%	Date	Action	Contracts	Price	Status	2019 Rice -	margin = \$1250			

Total 115.0% 2019 Cotton - margin = \$265 Action Price Status Date % Hedged 11/20/2018 Sold CTH 77.50 \$28.00 20% 20.0% Total

Livestock Trading Hours Mon - Fri 8:30 am to 1:05 pm CST No Night Trading Grain Trading Hours 7pm to 7:45am and 8:30am to 1:20pm CST Status

Price

Total

Action

Date

% Hedged

0%

Sun - Fri

						11/21/2018								
2017 CORN -	- margin= \$800				2018 SOYBE	ANS - margin= \$2350				2017 WHE	AT - margin= \$1350			
Date	Action	Price	Status	% Hedged	Date	Action	Price	Status	% Hedged	Date	Action	Price	Status	% Hedg
	s price day of sale)					s price day of sale)				-	es price day of sale)			
	Sold CASH vs. CH18	358 3/4		20%		Sold CASH vs. SX	1006		15%		Sold CASH vs. WH	609		10%
3/2/2018	Sold CASH vs. CN18	392 1/2		15%	2/1/2018	Sold CASH vs. SX	971		15%		Sold CASH vs. WH	577 1/2		70%
4/4/2018	Sold CASH vs. CK18	382 1/2		15%	3/2/2018	Sold CASH vs. SX	1036		10%	0/13/2010	Sold CASITYS. WIT	Total		80.0%
4/4/2010	SOID CASH VS. CK 10	Total		50%		Sold CASH vs. SA	935		10%	Futures		Total		00.0%
		Iotai		50%	10/16/2018	Sold CASH VS. SIV				Futures		-		
Futures							Total		50%					
					Futures							Total		0%
					11/15/2018	BOT SF	892 1/2	(\$575.00)	-5.0%	Options				
												Total		0%
		Total		0.0%			Total		-5.0%		Total Hedged			80.0%
Options					Options					2018 WHE	AT - margin= \$1350			
9/28/2018	Sold CN 400 calls(15%)	14 1/2	\$12.50	6.24%	9/12/2018	Sold SN 900 calls(20%)	37 3/4	(\$918.75)	11.66%	Date	Action	Price	Status	% Hedge
						Sold SN 920 calls(15%)	36 3/4	(\$518.75)	7.76%		es price day of sale)			
		Total		6.2%	5/20/2010		000/4	(0010.10)	1.1070		Sold CASH vs. WH	609		10%
	Total IIs due d	Total		56.2%			Total		19.4%		Sold CASH vs. WH	577 1/2		15%
	Total Hedged			30.2%		<b>T</b> . 101 1 1	rotai			0/13/2010	Sold CASH VS. WH	-		
	- margin= \$800					Total Hedged			64.4%			Total		25.0%
Date	Action	Price	Status	% Hedged		2018 SOYBEANS CASH O				Futures				
	s price day of sale)				Date	Action	Price		% Hedged					
3/2/2018	Sold CASH vs. CH19	411		15%	Cash (future	s price day of sale)								
		Total		15%		CASH ONLY vs SX18	1003		10%			Total		0%
Futures						CASH ONLY vs SX18	998		10%	Options				-
						CASH ONLY vs SX18	994		10%	-				+
		1		1		CASH ONLY vs SX18	958 3/4		10%	1	+	Total		0%
		+		+		CASH ONLY VS SX18	1033		10%		Total Hedged	TOLAT		25.0%
														25.0%
		Total		0%	10/16/2018	CASH ONLY vs SN19	935		10%		AT - margin= \$1350			ń.
Options							Total		60%	Date	Action	Price	Status	% Hedge
9/28/2018	Sold CN 400 calls(15%)	14 1/2	\$12.50	6.24%	2019 SOYBE	ANS - margin= \$2350				Cash (futur	es price day of sale)			
					Date	Action	Price	Status	% Hedged			Total		0.0%
		Total		6.2%		s price day of sale)				Futures				
	Total Hedred	Total		21.2%	Cusir fruture		Tetel		0%	rutures		-		-
	Total Hedged			21.2%	-		Total		0%					
	- margin= \$800				Futures							Total		0%
Date	Action	Price	Status	% Hedged	10/10/2018	Sold SX19	919	(\$512.50)	15%	Options				
Futures					10/23/2018	Sold SX19	915	(\$712.50)	15%			Total		0%
10/10/2018	Sold CZ19	397	\$62.50	15.0%	11/2/2018	BOT SF	883 3/4	(\$137.50)	-15%		Total Hedged			0.0%
		Total		15%	11/15/2018	BOT SE	892 1/2	(\$575.00)	-12.5%	2018 KC W	heat-margin = \$1350			
Options							Total	(0010.00)	2.5%	Date	Action	Price	Status	% Hedge
	0 11 0740 400 11 (459()	01.111	<b>605 00</b>	7.200/	0.0		Total		2.3%	-		Price	Status	% neuge
10/10/2018	Sold CZ19 400 calls(15%)	24 1/4	\$25.00	7.39%	Options						es price day of sale)			
		Total		7.4%		Sold SN 920 calls(40%)	47	(\$6.25)	20.69%		Sold CASH vs. KWH	626		10%
	Total Hedged			22.4%		Sold SN 900 calls(20%)	37 3/4	(\$918.75)	11.66%	8/13/2018	Sold CASH vs. KWH	577 1/2		15%
End User - C	ORN - margin = \$800				9/28/2018	Sold SN 920 calls(15%)	36 3/4	(\$518.75)	7.76%			Total		25%
Date	Action	Price	Status	% Hedged	10/10/2018	Sold SX19 940 calls(15%)	46 1/2	(\$268.75)	7.33%	Futures				
4th Quarter	2018													
	Sold CH 370 puts(100%)	16 1/2	\$350.00	45.61%			Total		47.4%			Total		0.0%
5/2//2010	Sold Ch Sto pata(10076)	Total	00000	45.6%		Total Hedged	Total		49.9%	Orthogo		Total		0.076
	0040	Iotai		45.6%	2040 101 100				49.9%	Options		7.1		0.00
1st Quarter						ieat-margin = \$1250	_					Total		0.0%
	Sold CH 370 puts(100%)	16 1/2	\$350.00	22.81%	Date	Action	Price	Status	% Hedged		Total Hedged			25.0%
9/21/2018	Bot CH	369 1/2	\$137.50	25.00%	Cash (future	s price day of sale)				2019 KC W	HEAT - margin= \$1350			
		Total		47.8%	8/7/2018	Sold CASH vs. MWH	657		10%	Date	Action	Price	Status	% Hedge
2nd Quarter	2019			1		Sold CASH vs. MWH	623		15%		es price day of sale)			
	Sold CH 370 puts(100%)	16 1/2	\$350.00	22.81%			Total		25%		,,	Total		0.0%
5/2 1/2010	Sold on ore para(100 %)	Total	0000.00	22.01%	Futures		. otar		2.3 19	Futures		····		0.070
r e		rotal		22.0%	rutures				+	rutures	1	-		
	oymeal - margin = \$1650								1		1			
Date	Action	Price	Status	% Hedged			Total		0.0%			Total		0%
3rd/4th Qua	rter 2018	Price			Options					Options				
							Total		0.0%			Total		0%
		Total		0.0%		Total Hedged			25.0%		Total Hedged			0.0%
1st/2nd Qua	rter 2019	Price			2018 Canols	- margin = \$400	<u> </u>			2019 MN M	/HEAT - margin= \$1250			
		- nce		+			Dries	Status	% Hodge -			Dries	Status	9/ Hadas
				0.00	Date	Action	Price	Status	% Hedged	Date	Action	Price	Status	% Hedge
		Total		0.0%						Cash (futur	es price day of sale)	-		
												Total		0.0%
										Futures				
							Total		0%					-
					2019 Capel	- margin = \$400			- **		1	Total		0%
					2010 Call0la					1	1	rotai		0/0
						A	D :	Ct. 1	A/ 11 1 1	0.11				
					Date	Action	Price	Status	% Hedged	Options				
						Action	Price	Status	% Hedged	Options		Total		0%
						Action	Price	Status	% Hedged	Options	Total Hedged	Total		0%

THIS COMPOSITE PERFORMANCE RECORDS ARE HYPOTHETICAL AND ARE USED AS A GUIDE FOR POSITION TRACKING PURPOSES AND THE TRADING ADVISOR GULKE GROUP EXECUTION PRICE IS REPRSENTATIVE OF AN AVERAGE EXECUTION PRICE AND INDIVIDUAL EXECUTIONS FOR CLIENTS THAT HAVE NOT HAVE TRADED TOGETHER IN THE MANNER SHOWN IN THE COMPOSITE. HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN A HYPOTHETICAL COMPOSITE PERFORMANCE RECORD AND THE ACTUAL RECORD SUBSEQUENTLY ACHIEVED.

ONE OF THE LIMITATIONS OF A HYPOTHETICAL COMPOSITE PERFORMANCE RECORD IS THAT CLIENT DECISIONS RELATING TO THE RECIPIENTS OF ADVICE MAY OR MAY NOT ELECT TO ACT UPON SUCH ADVICE AND TIMING OF EXECUTION BY CLIENTS OF ADVICE MAY CREATE A DIFFERENCE IN THE EXECTUION PRICE THAT IS REPRESENTED IN THE MATRIX ABOVE. THEREFORE, COMPOSITE PERFORMANCE RECORDS INVARIABLY MAY DIFFER WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.