



FULL SERVICE PRESS

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FRONTIER
FUTURES

WWW.FULLSERVICEPRESS.COM

ABOUT FRONTIER FUTURES

Our doors opened in 1984, and man how things have changed! Technology, production advancements and the market climate are ever evolving, and it's our job to keep up with the times. We offer online trading and account access, market text updates, free one-on-one broker consultations, personalized marketing plans, and a full time experienced order desk at your service. The world can keep changing around us, but our commitment to educating traders and providing exceptional customer service will never change.

Our Full Service Broker Division was founded in 2016, and since then we have built a network of brokers all over the midwest. We value experience, ideas and character and only hire brokers with a passion for what they do.

We train our brokers to be teachers.

When it comes to marketing plan development and execution, you are more likely to follow through if you understand the plan. Our plans tread a fine line between discipline and flexibility, knowing both are crucial for our clients success. Most importantly, our plans are personalized to fit your needs and goals. Give your operation the financial attention it deserves and sit down with one of our brokers to see how we can help.



BROKER HIGHLIGHT MELISSA JOHNSON



I have been a licensed broker for fifteen years, joining Frontier full time in 2016. As we established our Full Service Division, I recognized a need for a fresh approach to agricultural marketing and trading, and decided to make that my focus.

In 2017 I hired our first class of interns and today our Full Service office has nearly a dozen brokers. My goals are centered around building and maintaining relationships with our brokers and clients to ensure that through our growth we are maintaining the service we promise.

I pride myself on educating and connecting with people, and love that my job provides constant opportunities to do both.

To learn more about Melissa, visit www.fullservicepress.com/our-team

FULL SERVICE PRESS PODCAST

Each Friday afternoon we record a 3-5 minute market commentary. Our hope is to start including interviews and educational material as well. Stay tuned!



TRADE SHOWS

IOWA POWER FARMING SHOW
January 29-31st.
Our booth number is #1104
and we will be serving up fresh popcorn all day!



MARKETING MEETINGS

We offer marketing meetings to groups large and small. Check out our calendar to see what we have coming up. If we aren't in your area, let's set something up!



FULL SERVICE PRESS

The result of deciding to work with a full service broker is simple. It's a plan. It's discussing your "what if's" and your fears and managing them. Our hope is your result is a farm that will stay in business for years to come, because you have taken the steps to invest in your operation and understand the importance of marketing.

ANY STATEMENTS CONTAINED HEREIN ARE DERIVED FROM SOURCES BELIEVED TO BE RELIABLE, BUT ARE NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS. NO RESPONSIBILITY IS ASSUMED WITH RESPECT TO ANY SUCH STATEMENT, NOR WITH RESPECT TO ANY EXPRESSION OF OPINION HEREIN CONTAINED. PLEASE NOTE THAT PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS. MOREOVER, TRADING IN COMMODITY FUTURES OR OPTIONS INVOLVES SUBSTANTIAL RISK OF LOSS AND IS NOT SUITABLE FOR EVERYONE.

MARKET RECAP

The amount of news out there can get overwhelming. Stay informed, but don't let reports, weather and tweets be the sole driver of your marketing decsions.

CORN

Corn has been trading in a 10-15 cent range for the last month, with support found in the low 3.70s and resistance in the mid 3.80s for the March contract and support around 3.95 with resistance at 4.05 for the new crop December contract. There is little hard news as weekly export sales and the monthly WASDE reports are not currently being issued due to the government shutdown. South American weather has been supportive with heavy rains damaging Argentina production potential, while dryness in Brazil may be a factor in the second crop corn production there.

Corn demand is difficult to judge without any government reports, but there seems to be a thawing in the trade war rhetoric ahead of the second round of trade talks with China. Reports that the administration is considering rolling back some tariffs in advance of these talks, as well as proposals out of China to increase imports to 1.0 trillion over the next six years have been supportive. A trade deal with China could bring 3.0-5.0 MMT of corn exports. China was a major US corn buyer from 2011 to 2014, importing between 2.4 and 5.1 MMT each year. However, since 2014, the Chinese have switched most of that trade to Ukraine, and US purchases have dropped to under .5 MMT the past several years.

The markets will likely focus on South American weather for the coming month while keeping an eye on the trade talks with China. Attention should return to the US production in late March ahead of the prospective planting report at the end of that month. Look for the end of the government shutdown (assuming there ever is an end) to result in a flood of demand side information and possibly some greater volatility in the market.

-TJ

SOYBEANS

Over the last month March soybeans have been trading in a range between 8.80 and 9.25. There is still a positive trend line that can be drawn from the bottom in mid-October that beans have not broken yet. As of the last month it looks like there is a possibility for a pennant formation to form, so keep an eye on that. The November contract has climbed 70 cents since the middle of October and has a pretty strong positive trend line. However, it looks like there could be resistance at 960 and 970.

As of this day the government has still not reopened and there does not seem to be any signs pointing to either The White House or the House of Representatives willing to give in an inch. Therefore, the markets are lacking some volatility that the WASDE and Commitment of Traders report would give to the markets. When the government reopens and the first few reports are released, expect a spike in volatility. Also, in political news, more trade rumors are circulating around. The rumor today (1/22) is that the White House has cancelled a trade planning meeting with China.

Harvest is going in many parts of Brazil and in many parts across the country the yields coming in seem disappointing. Conab, Brazil's ag supply and demand reporting company, has decreased their estimates for the country by 1.2 million tons due to drought. The conditions in Argentina in some parts have improved while other parts continue to be very wet. In the next coming weeks keep your eye on the government, Brazil, and concrete evidence of trade negotiations with China.

-JE

DECEMBER CORN

1/25/19: \$4.02
Last month: \$3.98
Lasy year: \$3.93 1/4
Contract High: \$4.24
Contract Low: \$3.80 1/4

NOVEMBER BEANS

1/25/19: \$9.60
Last month: \$9.23
Lasy year: \$10.12
Contract High: \$10.15
Contract Low: \$8.64 3/4

JULY (CHI) WHEAT

1/25/19: \$5.55
Last month: \$5.49
Lasy year: \$
Contract High: \$6.34 1/2
Contract Low: \$5.23

WHEAT

Wheat has rallied 20+ cents since the beginning of the year. Much like corn and soybeans lack of news has taken a toll on market information flow. However, recent export business to Egypt and China along with rising black sea fob values has caused wheat to rally. US wheat is the cheapest in the world, and we have seen export inspections well in-line with USDA's lofty export expectations over the past two weeks. There has been no formal export restrictions out of Russia but a slow down in exports to begin the year, seems to be alarming as well as recent rise in FOB prices.

All US wheat plantings are estimated at 47.163 million vs 47.8 last year, with HRW at 22.2 million, SRW at 5.9 million and White wheat at 3.5 million. The decreases in winter wheat from last year would by class would be HRW (700K), SRW (180K) and white wheat (505K). Other spring wheat non-durum is estimated at 13.780 million and durum is seen at 1.870 million. Let's use 500k of other springs and so that leaves us with 13.280 million HRS which is an additional 590K from last year and durum will lose about 200k

-AK

LIVESTOCK

Cattle futures are in a steady uptrend dating back to the mid-November lows. Chinese imports for 2018 were up almost 50% from 2017 and that trend is seen to continue into 2019. Speculative positions are believed to be a significant long but that is unconfirmed due to the government shutdown. However, any breaks in the market may be vulnerable to fund selling.

Hog futures are in the lower end of the trading range. Chinese issues with Asian flu have created expectations that we will see increased export sales but that has yet to materialize. Short term supply issues continue to pressure the market.

-TJ

OUTSIDE MARKETS

Stock indexes and crude oil futures have seen a strong rebound from the late December lows. Metals seem to be stabilizing after strong performances in November and December. The dollar has also rebounded in the last two weeks after breaking in late December and early January.

-TJ

APRIL HOGS

1/25/19: \$62.12
Last month: \$67.20
Lasy year: \$72.25
Contract High: \$73.42
Contract Low: \$57.80

APRIL CATTLE

1/25/19: \$126.85
Last month: \$125.25
Lasy year: \$122.92
Contract High: \$127.80
Contract Low: \$110.42

MARCH CRUDE

1/25/19: \$53.75
Last month: \$46.54
Lasy year: \$64.73
Contract High: \$89.17
Contract Low: \$41.64



“AGRICULTURE IS OUR WISEST PURSUIT, BECAUSE IT WILL IN THE END CONTRIBUTE MOST TO REAL WEALTH, GOOD MORALS & HAPPINESS.”

Letter from Thomas Jefferson to George Washington (1787)

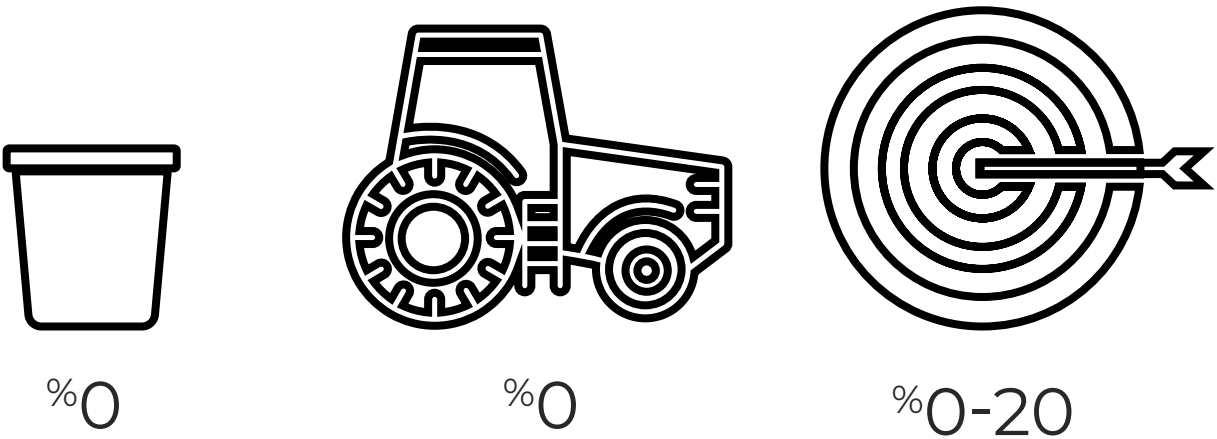
STAY ON TRACK!

The month of January provides some time for you to give your books the attention they deserve. There are no new USDA numbers to report, as the government is currently in a shutdown (*as of print date of 1/25/19*). We hope to have more report information to share with you in February, but for now, let's consider ourselves at the beginning of a marketing plan cycle and get to planning!

- ☐ **TALK TO YOUR BROKER**
Our full service commission rates start at \$70/round turn. If you are trading/hedging grains, that works out to be a penny and a half per bushel. We offer personalized consultations for no cost or commitment. Make the time, drop us a line or give us a call.
- ☐ **CALCULATE YOUR BREAK EVEN COSTS**
Rent, interest, feed, seed, storage, equipment...oh my! It's different for everyone, which is why we don't believe in cookie cutter plans or trade signals to make marketing decisions. Spending some time with your broker & your banker to get this number will help you to identify and protect profit.
- ☐ **COME UP WITH A PLAN**
It is important that you understand that by taking the time to put numbers on paper, you are not setting things in stone for the whole year. By looking at option strategies (low volatility, maybe some good deals?) and price targets (highs just aren't for July anymore!), we are ready to take advantage of opportunities, no matter when they may come around.

GRAIN PROGRESS TRAIN

FOLLOW ALONG EACH MONTH AS WE UPDATE PLANTING, HARVEST AND HEDGING LEVELS.



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