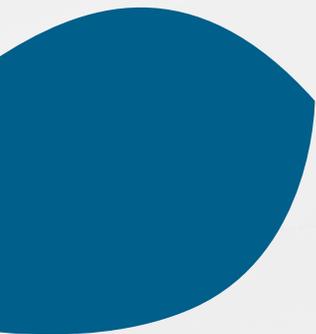




AGRISOMPO

NORTH AMERICA

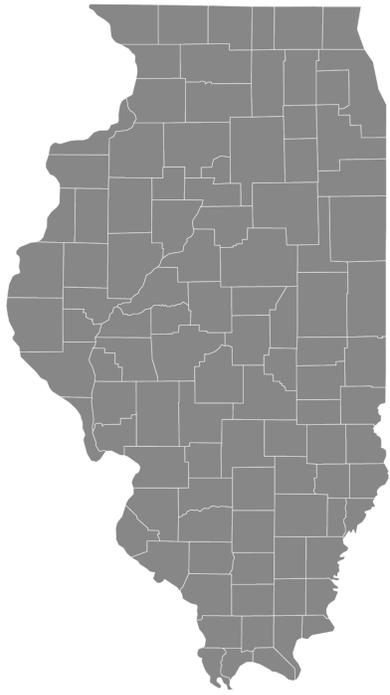


2023

**VIRTUAL
CROP TOUR**

July 14, 2023

AgriSompo North America, Inc. is an Equal Opportunity Provider.



WHITSITT FARMS, LLC

Illinois

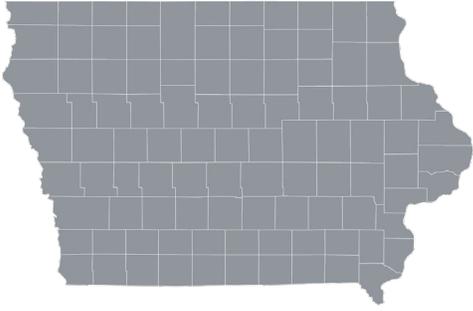
- It's bad... 1.5" of rain since May 20.
- The corn is not good, but it is surprising how long it has held on.
- AgriSompo North America's BAND coverage was the correct decision this year!
- It was a tough decision, but we opted to use fungicide on at least a portion of our corn.
- We're already thinking about next year. This one has been a challenge!



AGRISOMPO
NORTH AMERICA



2023
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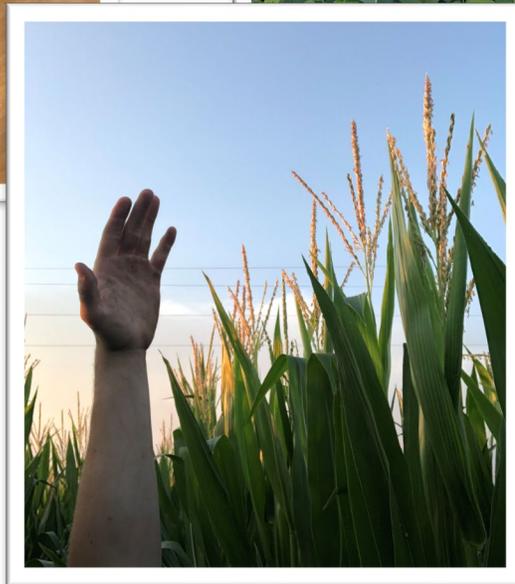


GRETTER FARMS

Iowa



- We are raising more than corn on this farm! Congrats and welcome to the farm Charlotte Drew!
- The rains keep falling: another 3" in the last 36 hours!
- There are some areas in Iowa that are dry, but we have been very fortunate with rains at a critical time. Most of the corn is pollinating now.
- Soybeans have good height and excellent potential at this point.
- Fungicide is being applied in hopes of maximum yields!



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VALLERY FARMS, LLC

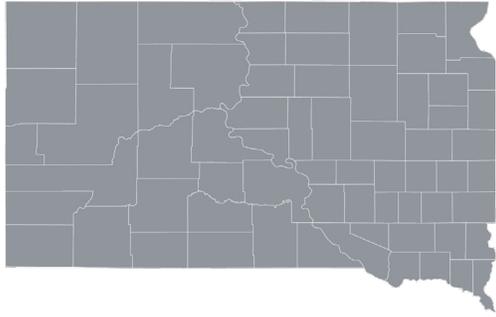
Ohio



- Rarely do we wish for the rain to stop in July, but some local areas had too much over the past 10 days. Excess moisture has affected some the later-planted crop.
- These same rains have certainly solidified yields on the early-planted crop. The corn planted in late-April/early-May looks exceptional in most places.
- Temperatures and moisture look to be favorable for the beginning of pollination over the next couple of weeks.
- 30" row soybeans have filled in with great color; they show strong yield prospects.



2023
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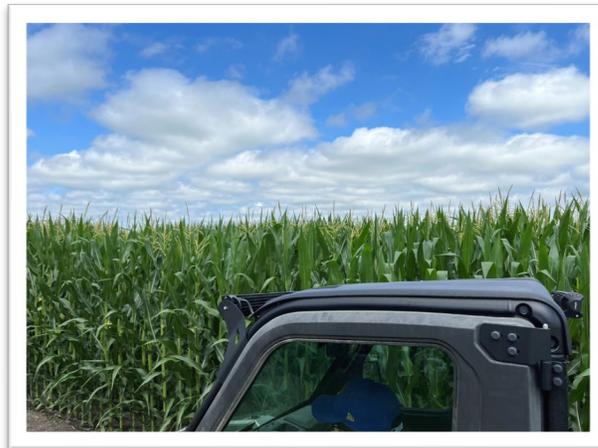


GREG JANISCH FARMS

South Dakota



- The spring wheat has surprised us all. The early drought caused it to remain very short, but late rains have grain-filled heads starting to droop.
- Corn is starting to tassel with good conditions in regard to soil moisture and temperature.
- Most soybeans are in R1-R2 stage.
- After a dry start during the first 30 days of the corn and bean growing season, things have definitely turned around in a positive way!



2023
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CROP TOUR



Closing Comments

Brooks York
AVP, Producer Services



A Strange New World

We realize the Virtual Crop Tour is like a tiny grain of sand on an expansive beach when it comes to the overall U.S. crop. By no means do four farms in four different states provide a great description of what is happening from coast to coast when it comes to the crop. However, the June 30 USDA Acreage report tries to do just that. It gives us our first “macro” look at the entire country. From old crop stocks on-hand to estimated acreage and yields, it packs impactful information within a few lines on a supply and demand table. For many of us, this supply and demand table is the gospel for everything from usage to the estimated stocks we will have fourteen months from now. However, it appears there has been a fundamental change in how American crops impact world supplies and ultimately price.

One thing has not changed: America is still king when it comes to corn production, despite growing competition across the globe. America’s corn crop is still the predominant driver in overall supply and price for the world. This has only been solidified as the situation in Ukraine has crippled the world’s third largest source of corn. As we look at the results of the June 30 report, we see a huge increase in estimated stocks-to-use ratio as compared to the previous three years. Yields were adjusted lower (with likely future reductions), but demand and the surprise of additional old-crop stocks is allowing us to build quite a stockpile. I forgot to mention that “small” acreage adjustment of over 2 million more acres that the USDA Prospective Acreage report in March stated! While it is not popular to mention, our current price for new crop fits closely with the increased stocks-to-use ratios stated on the new balance sheets.



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VIRTUAL CROP TOUR



Closing Comments

Brooks York
AVP, Producer Services



What has changed is the impact that America's soybean supply and demand table means to this commodity. In terms of domestic soybean supply, this June 30 report was unparalleled by any in our history. That sounds like an overstatement! However, when you look at the stocks-to-use ratios produced in this report, it is very true. We are essentially predicting the United States will have areas in the country where zero soybeans will be present by August of 2024! While the report did show a theoretical small supply remaining, we know that this small remnant will not be spread evenly across our geography allowing all our processors to function at full capacity.

The market instantly reacted! Futures prices soared – until they did not. By the second day of trading after the report (July 3) we could see soybeans lose their enthusiasm. The remainder of the week saw an aggressive and unlikely sell-off. How could this be? At just about any time in history, this type of supply news would send soybeans to historic highs! It seems the supply and demand “tables” had turned. You see, if you wanted a bullish report for soybeans, I doubt you could have scripted a better one. Demand was strong and acreage was low: a perfect combination for an explosive market. Of course, we know that combination has not happened... yet.



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VIRTUAL CROP TOUR



Closing Comments

Brooks York
AVP, Producer Services



The proverbial “fly in the ointment” is coming from our neighbors to the south. Last year, we heard reports of Brazil expanding acreage. The illustrations came to us by saying that Brazil had planted as many new soybean acres as are grown within the state of Kansas in a single year! In every agricultural publication we read about the “record Brazilian soybean crop”. By the numbers, those statements were true and scary when it comes to America’s role in the soybean market. Even scarier is the fact that Brazil and Argentina did not have stellar yields per acre. Yes, overall supplies were the highest in history due to expanded acreage, but Argentina’s crop could be accurately described as “disastrous”.

It is tough to admit that our balance sheet does not carry the weight it once did when it comes to soybeans. However, this shift does supply American farmers with new opportunities. While June and July always hold volatility and many times pricing opportunities, we could argue that December and January may be the new months that provide pricing hopes. Of course, this coincides with the critical growing season in South America. Perhaps the U.S. supply and demand is now simply a “table-setter” for new opportunities on the calendar.

With American beans in short supply in 2024, it would appear there will be a new importance placed on South American yields and acreage. While the June 30 report did not bring the sustained rally for which we hoped, it may be the pre-cursor to opportunities in new calendar months for American farmers!

[Click here to watch a recording of the June 30 report, with commentary from our ASNA Edge team.](#)



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