

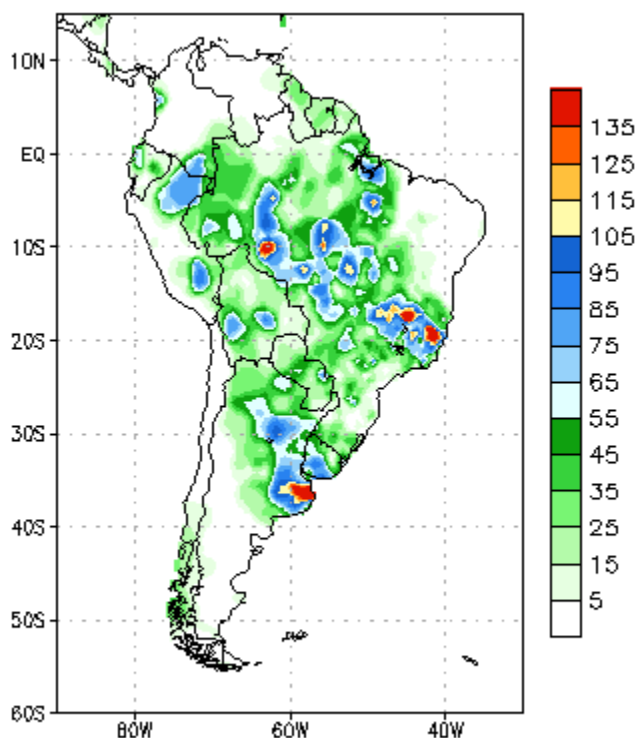


Market Factors

The shutdown standoff continues with the new 116th Congress now seated and the Senate refusing to vote on measures passed by the House to restore funding for most programs through the fiscal year (until October) while the departments under Homeland Security would have funding until March while the debate on border security rages on. Senate Majority Leader McConnell won't allow a vote on any bills the President would veto since it would force members to vote (even though it's unlikely there are enough votes to override a veto).

Due to the lapse in funding, the January 11th USDA reports are suspended indefinitely until funding is restored. These include the Crop Production- Annual, the Grain Stocks report, the Winter Wheat Seeding and the WASDE (Supply & Demand) reports. Release dates will be determined once funding is restored.

7-day Accumulated Prcp (mm) 28DEC2018-03JAN2019



Some pockets in Central and Northern Brazil did get this week to help crop conditions but there are areas of Mato Grosso Do Sul and Sao Paulo that have only had 1-2 inches of rainfall the last 30 days leaving them 3 -6 inches behind normal. Most of the soybean crop is flowering or in pod fill stages. Additional rain will need to happen promptly to maintain or restore yields.

Southeastern Buenos Aires province received severe storms with hail and heavy rains which

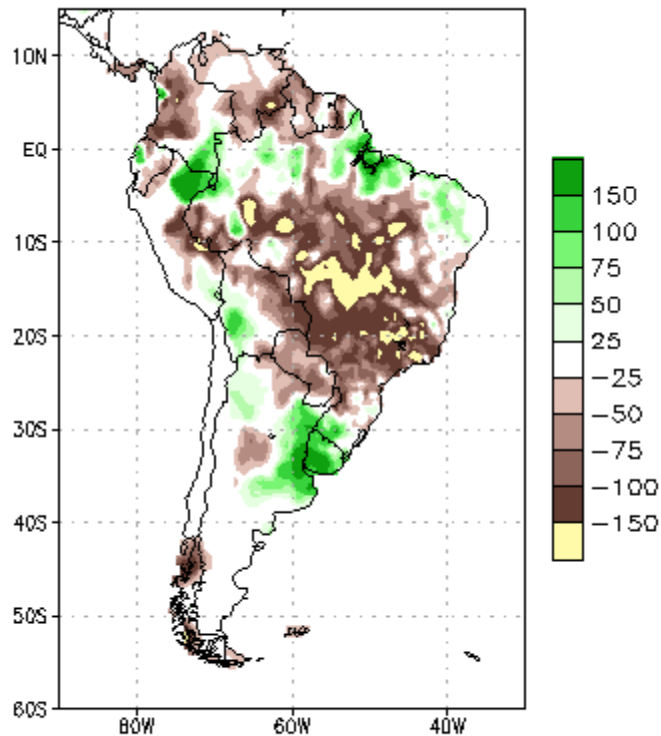
Data Source: CPC Unified (gauge-based & 0.5x0.5 deg resolution) Precipitation Analysis

caused some flooding but much of central and eastern Argentina received 1-3 inches of rain just yesterday and the front is expected to work northeast. Buenos Aires Grain Exchange (BAGE) estimated corn planting at 82.7% completed as of Jan 2nd, up 9.7% for the week. Soybean planting increased to 89.7% planted, up 6.4% for the week. Wheat harvest progress is estimated at 90.6%, advancing 8.5% for the week. BAGE estimates 16.8 MMT of wheat have been harvested so far for Argentina, with harvested yields improving to 3.04 MT/Ha (45.2 Bu/Ha). BAGE is estimating final Argentina production at 19.0 MMT.

This information is provided by a market analyst and should not be construed as a recommendation to buy or sell any commodity contract. These observations include information from sources believed to be reliable, but no independent verification has been made and therefore their accuracy and completeness cannot be guaranteed. New Vision Co-op does not guarantee that such information is accurate or complete. Opinions expressed reflect judgment at this date and are subject to change without notice. Futures and options trading involve significant risk of loss and may not be suitable for everyone. Therefore, carefully consider whether such trading is suitable for you in light of your financial condition.



Prcp Anomalies (mm) 05DEC2018-03JAN2019



Data Source: CPC Unified (gauge-based & 0.5x0.5 deg resolution) Precipitation Analysis Climatology (1981-2010)

expectations for yields to be closer to normal. The net impact is South America could produce 15 to 20 MMT (550 to 730 million bushels) more soybeans this year.

Export inspections were behind the desired pace as we went through the holidays. Corn inspections were at 36 million bushels for the week ending Dec 27th, down from 39.2 million the week prior and raising the year to date to 704.9 million bushels, about 29% of the USDA projection but 69% above last year's pace. To reach the USDA projection, corn inspections need to average 49.9 million bushels/week.

Soybean inspections were on 24.9 million bushels, up from 24.5 million the week prior and raising the year to date total to 606.8 million bushels, roughly 32% of the USDA projection and 42% behind last year's pace. To cover the USDA projection, soybean inspections need to average 36.9 million bushels/week.

Wheat export inspections were on 13.8 million bushels, down from 21.2 million bushels the week prior and lifting the year to date total to 465.6 million bushels roughly 46.65 of the USDA projection and down 13% from last year. Wheat inspections need to average 24.3 million bushels/week to reach the USDA projection.

The DOE ethanol report estimated production at 297.2 million gallons for the week ending Dec 28th, down 9.1 million gallons from the week prior. This would require about 104.1 million bushels of grain to be produced. Ethanol stocks increased 1.2 million gallons to 972.8 million gallons. Poor margins have Pacific Ethanol shutting down their plant at Aurora, Nebraska this week.

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This map shows how some areas are ranging from 3 to 6 inches behind normal for rainfall during the last 30 days. For parts of Mato Grosso (by Bolivia) this is favorable for their soybean crops, since normal precipitation ranges from 10 to 16 inches. But for parts of Mato Grosso do Sul it is lowering yield potential since their normal rainfall would be 6 to 8 inches.

Argentina which suffered drought last year is in much better condition this year with