

PROJECT 1:

CAN WE PREDICT THE PRICE OF AGRICULTURAL COMMODITIES



WHEAT

Futures sticker symbol : W
ETF name: WEA



CORN

Futures sticker symbol : C
ETF name: CORN



SOYBEAN

Futures sticker symbol : S
ETF name: SOYB

data_farming

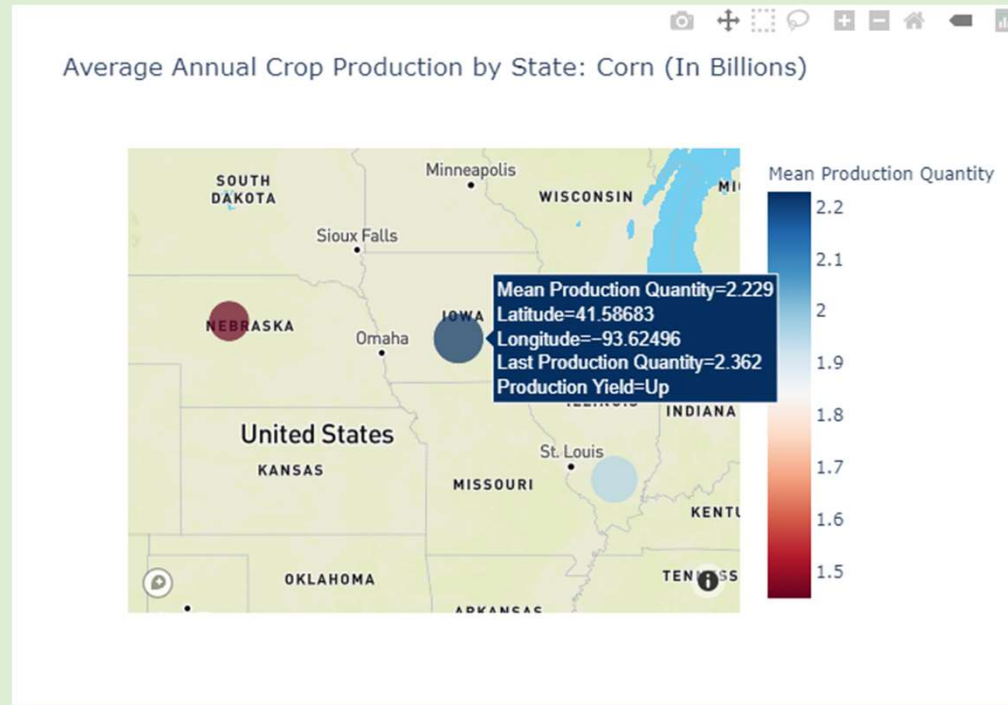
OBJECTIVES:

- 1 – Identify main producing states
- 2 – Identify ETF's vs Futures counterpart correlations.
- 3 – Identify weather vs production correlations
- 4 – Identify trigger indicators: Long or Short

data_farming

CORN PRODUCTION PANEL

PRODUCTION YIELD



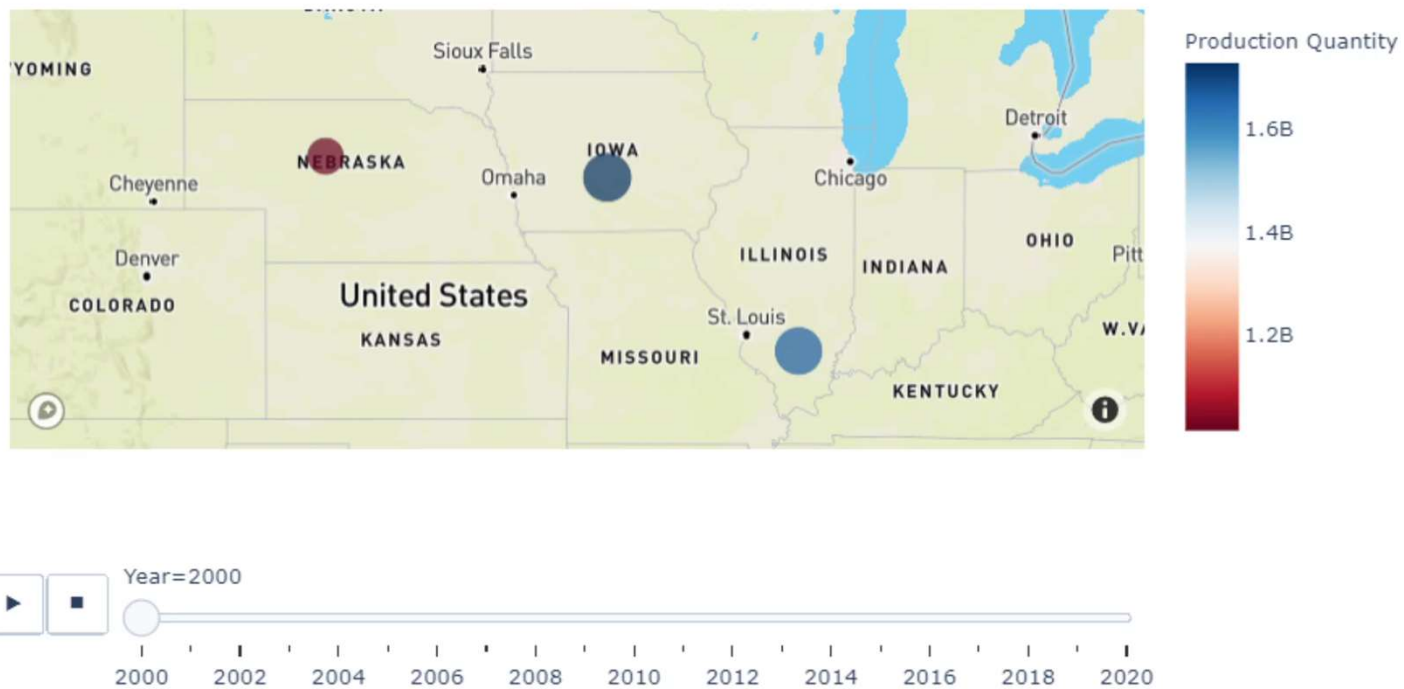
data_farming

Data source: Crop Production (USDA)

CORN PRODUCTION BY STATE

FROM YEAR 2000-2020

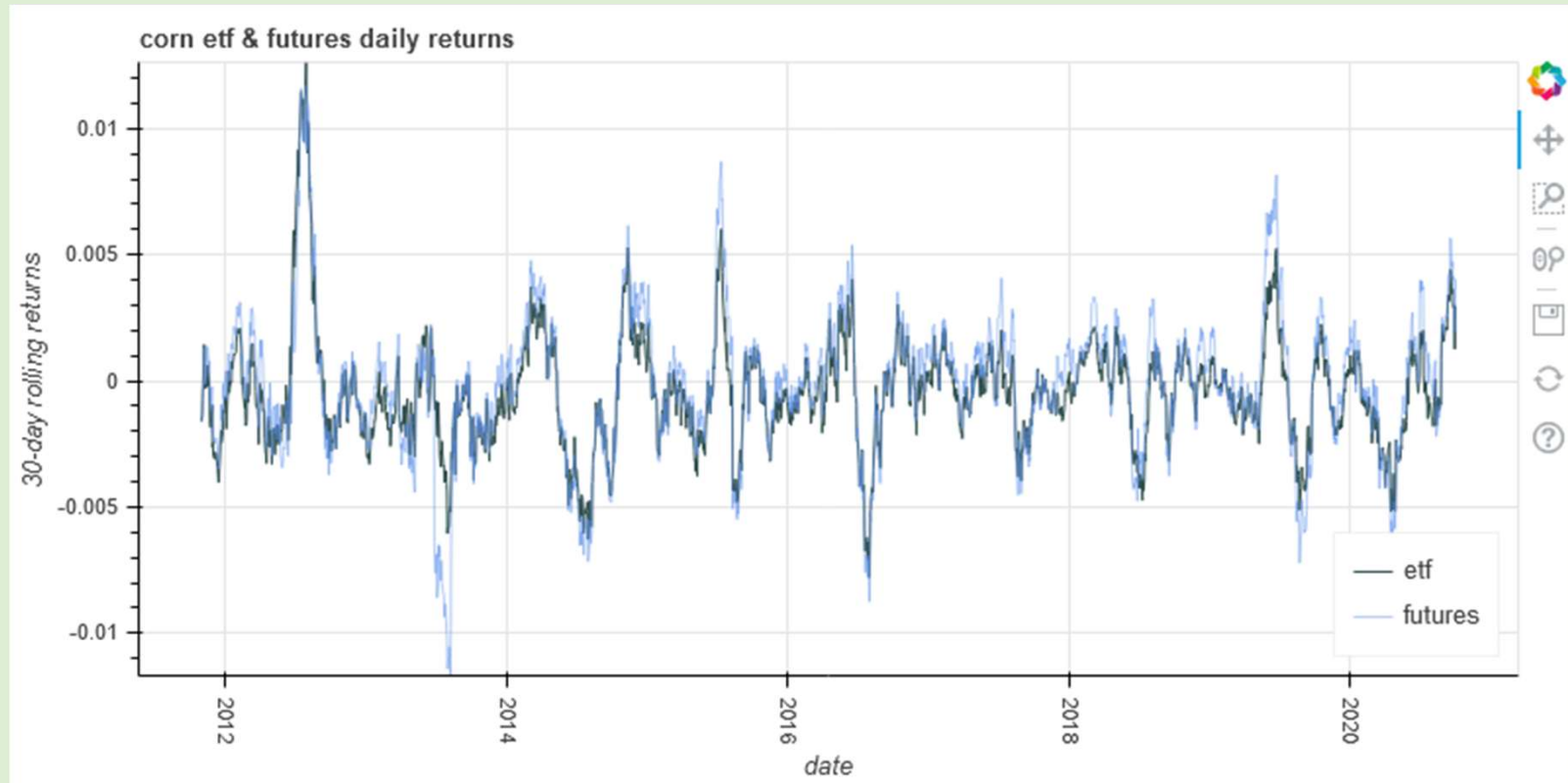
Volatile Crop Production Changes by State: Corn (In Billions)



data_farming

Data source: Crop Production (USDA)

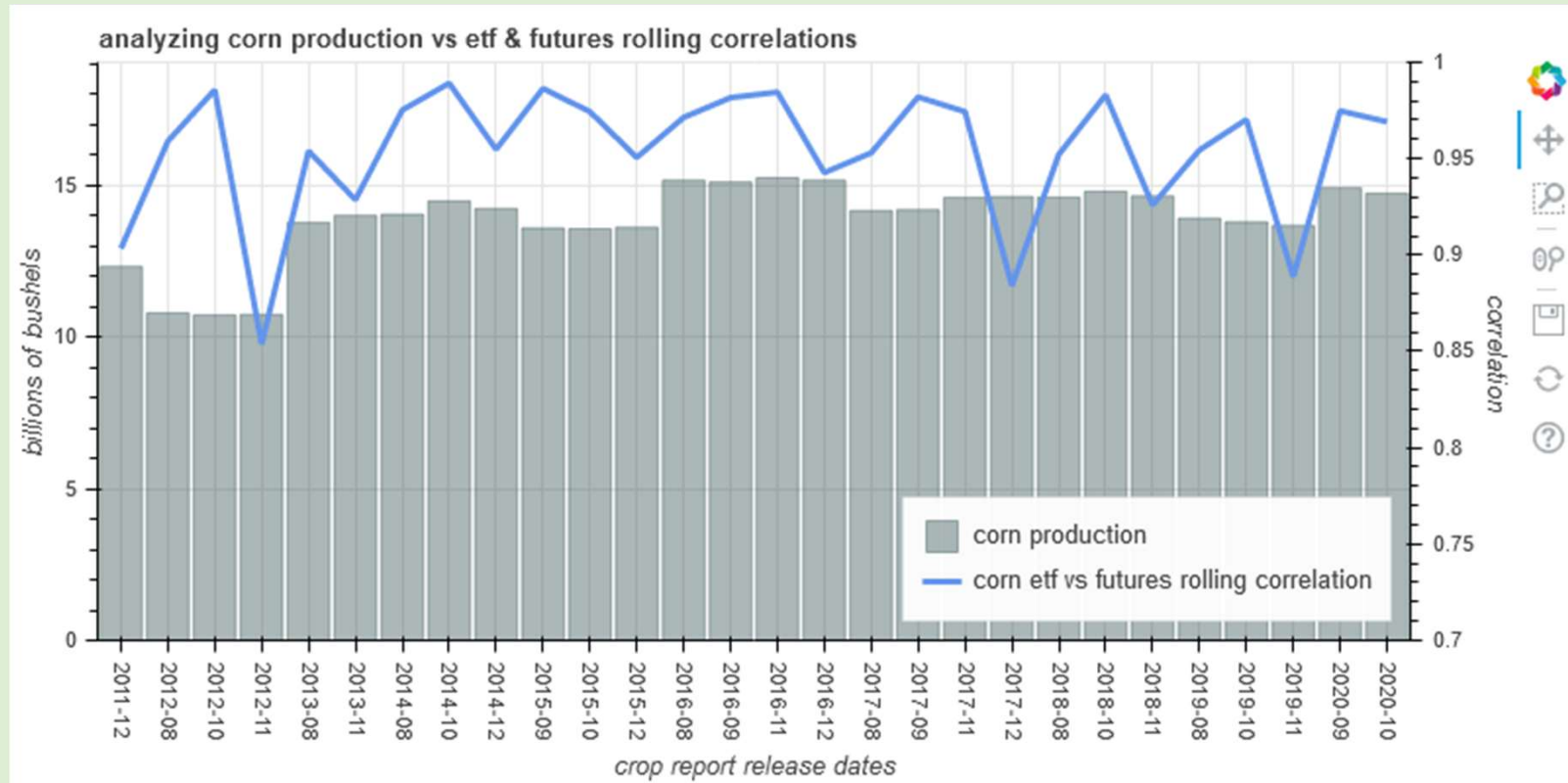
ETF's vs FUTURES RELATIONSHIPS



data_farming

Data source: Alpaca and Tradestation

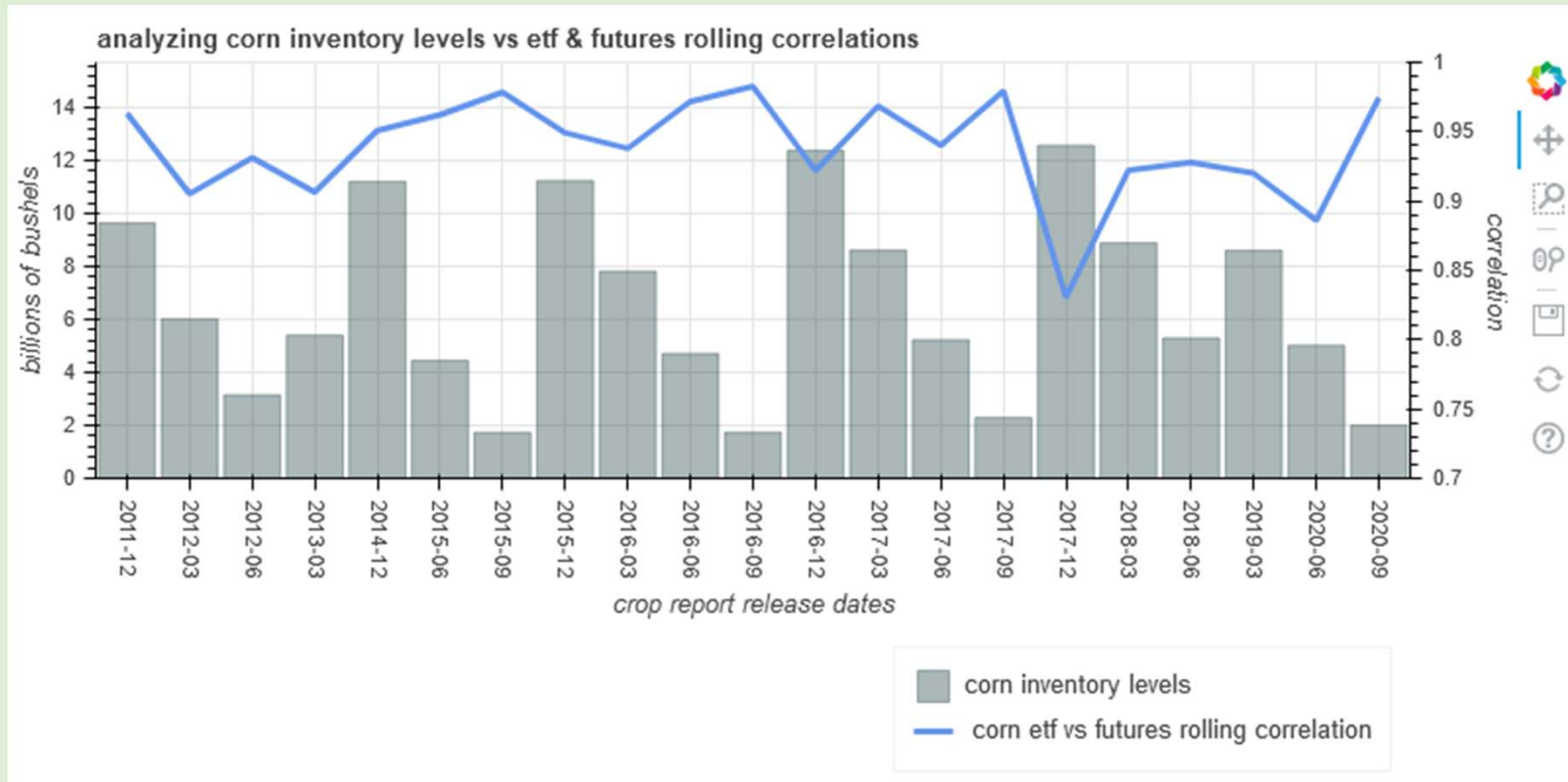
ETF's vs FUTURES RELATIONSHIPS



data_farming

Data source: Alpaca, Tradestation and USDA

ETF's vs FUTURES RELATIONSHIPS



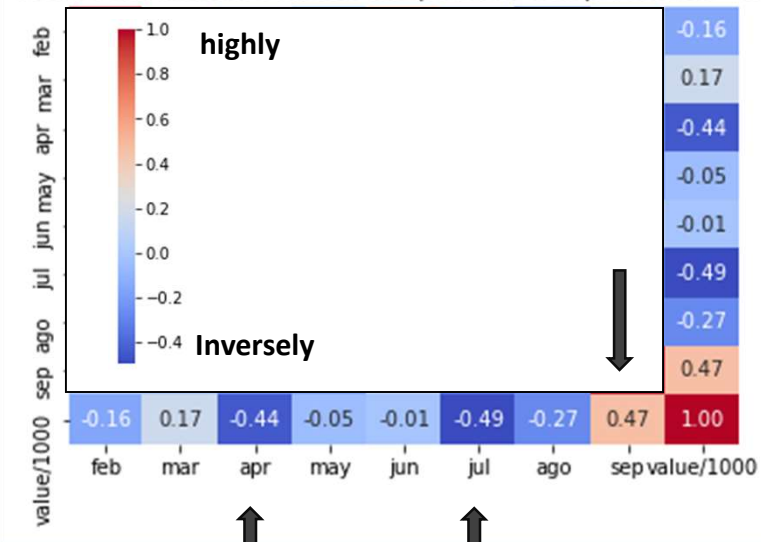
data_farming

Data source: Alpaca, Tradestation and USDA

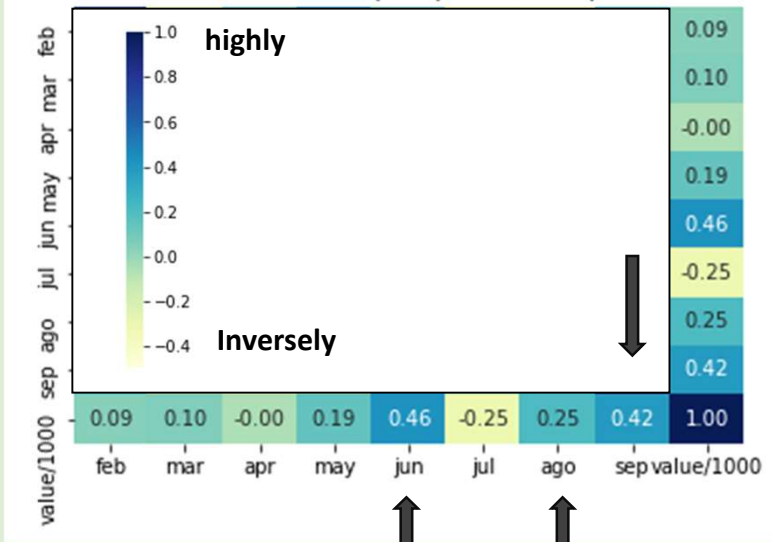
WEATHER CORRELATIONS

TEMPERATURES & PRECIPITATION -NEBRASKA

Overall correlations between temperature and production - Corn



Overall correlations between precipitation and production - Corn

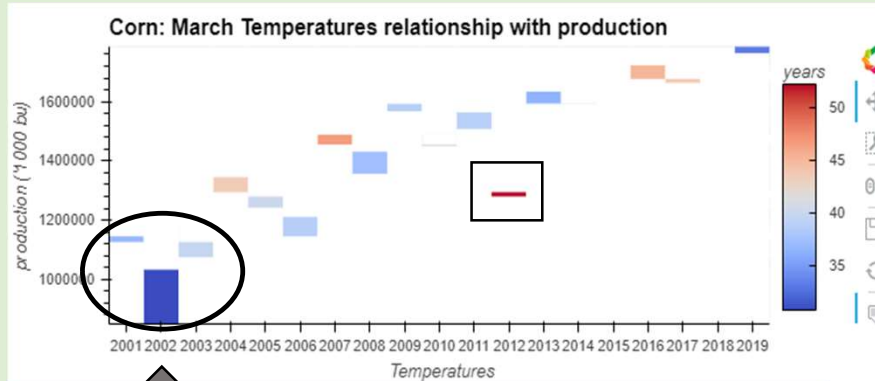


data_farming

Data source: Crop Prod. (USDA), ACIS and RCCs

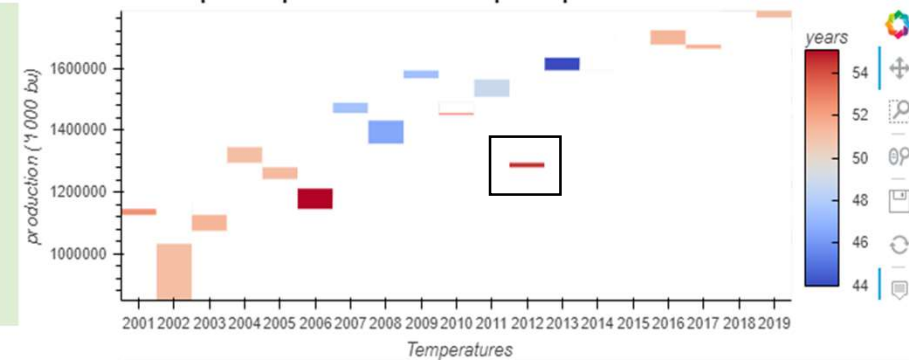
WEATHER CORRELATIONS

TEMPERATURES - SPRING

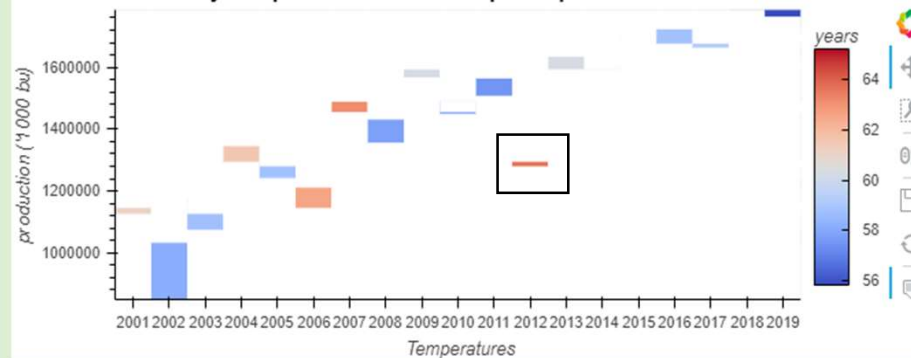


Is this low production
the result of a cold winter?

Corn: April Temperatures relationship with production



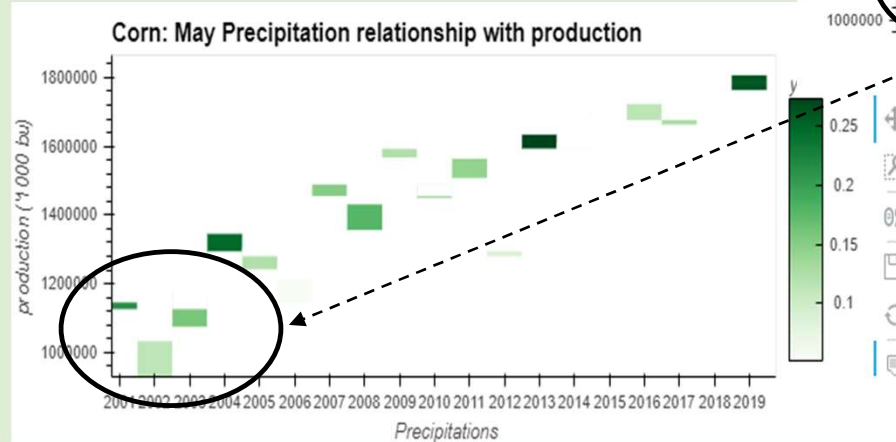
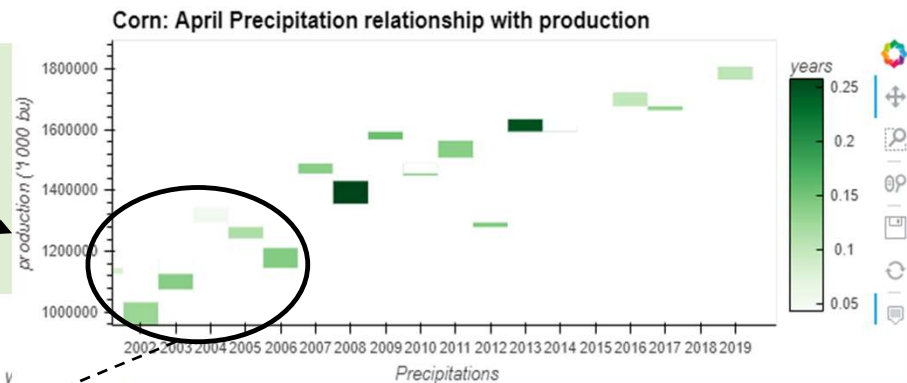
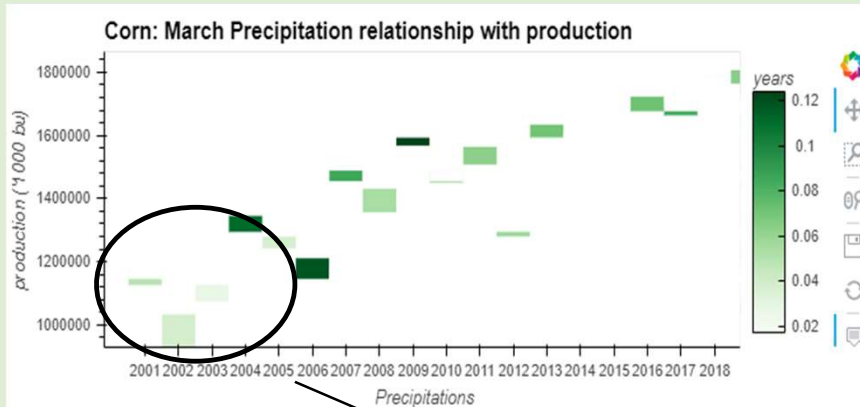
Corn: May Temperatures relationship with production



data_farming

WEATHER CORRELATIONS

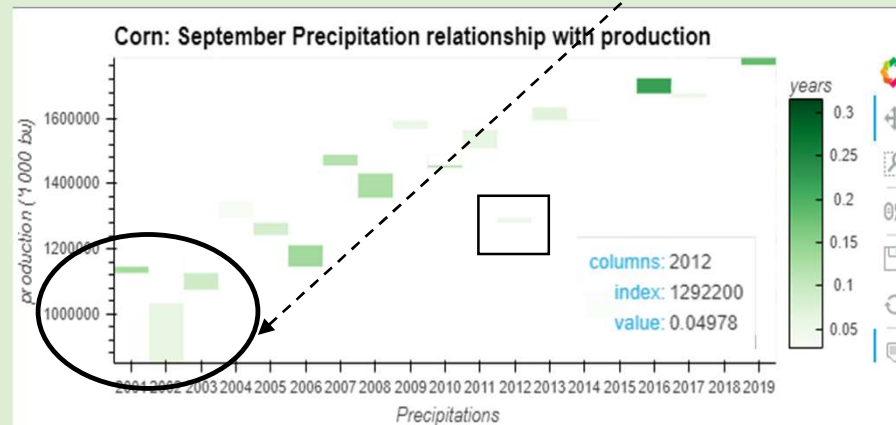
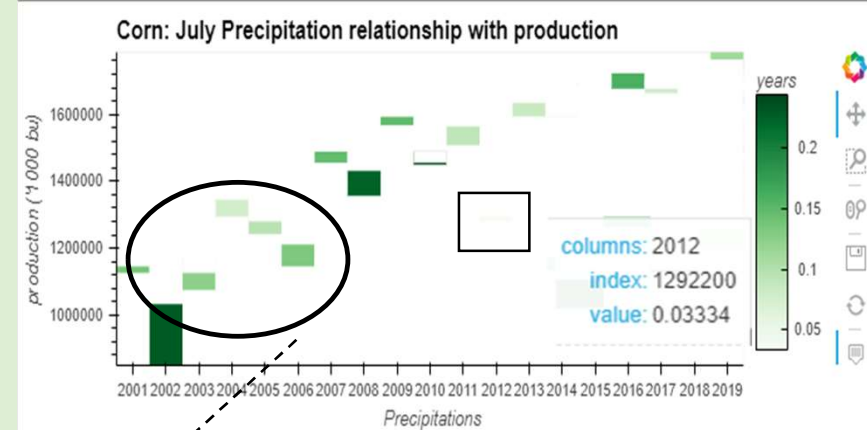
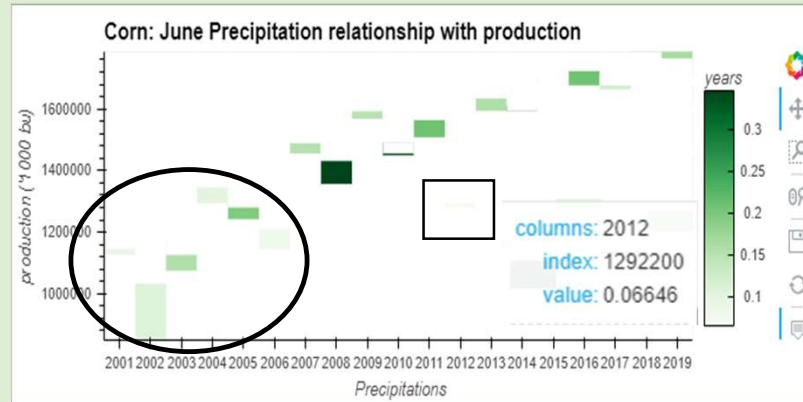
PRECIPITATIONS - SPRING



data_farming

WEATHER CORRELATIONS

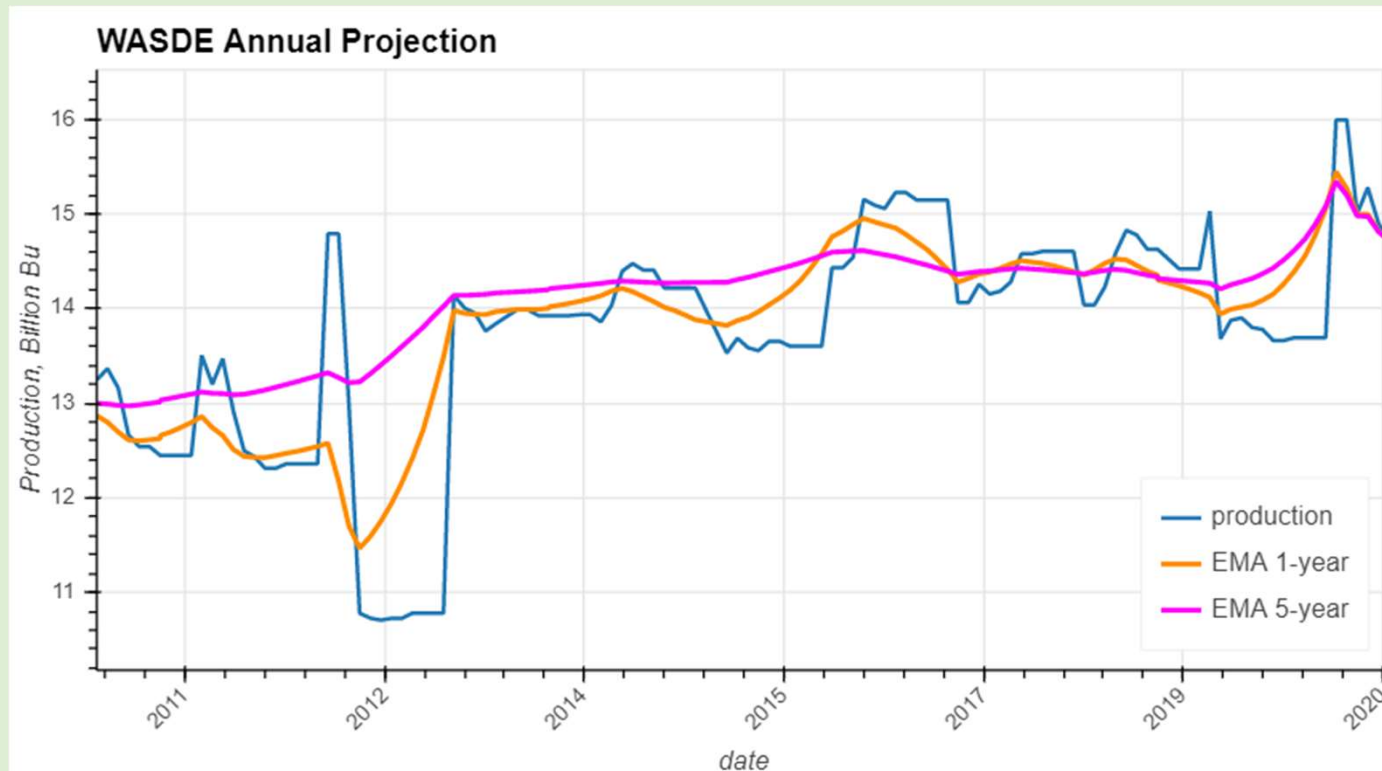
PRECIPITATIONS - SUMMER



data_farming

TRIGGER INDICATORS

EMA CROSSOVERS

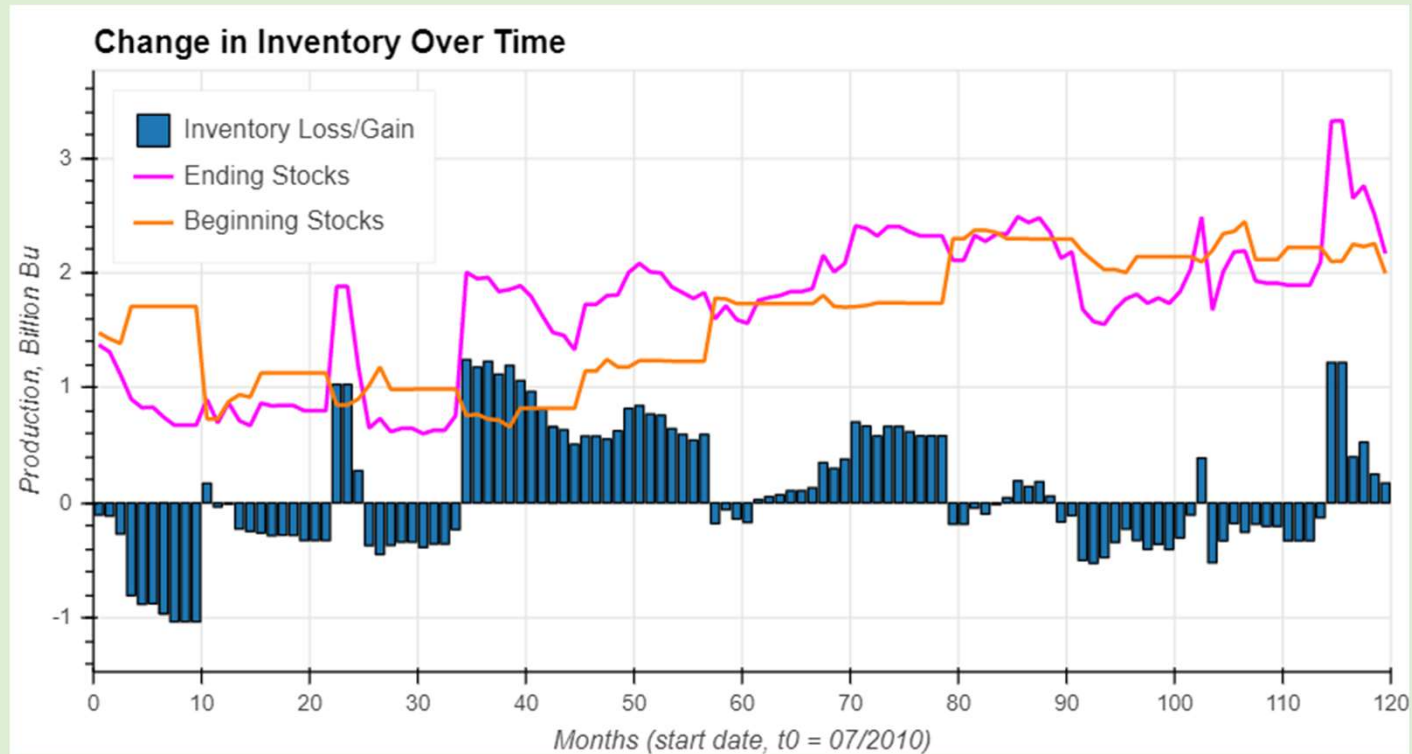


data_farming

Data source: WASDE Report (USDA)

TRIGGER INDICATORS

INVENTORY CHANGES



data_farming

Data source: WASDE Report (USDA)

SUMMARY ANALYSIS

- Trading opportunities from investment vehicle pricing dislocation
- Yield current data may lead to high production
- Precipitation data may correlate to high crop production
- EMA and Inventory change indicators are signaling a Short entry

data_farming