

JUSTIN TOWERY JOINS THE BIG RIVER TEAM AND RON MILLER RETIRES

Big River Rice & Grain is pleased to announce the addition of Justin Towery, a veteran in grains and oilseeds, as vice president of merchandising. Also being announced is the retirement of Ron Miller, vice president, business development, who has been a key member of this region's grain business for more than four decades.

Towery adds significant depth to the Big River merchandising team headquartered in Pioneer, La., through his years of experience in domestic and export trading and logistics via barge, rail and truck. Towery now leads grain, rice and oilseed merchandising strategy and execution for the company through assuring a competitive price and accessible markets for area producers. Towery joins Vice President of Operations Steve Henderson on the local Big River management team.

"Working with Steve, Justin will continue driving Big River grain merchandising and superior producer customer service," said Mark Beemer, CEO, Agspring. "He will continue our legacy of adding value for producers as well as our downstream customers."

Towery's industry experience includes soybean processing and grain merchandising work with Bunge and Bayou Grain & Chemical Corporation, and four years as owner/partner of Towery Farms in Arkansas which produces row crops and rice.

Ron Miller has been in the grain business since 1976, when he became general manager of Bayou Grain, a small grain company in southeast Arkansas. Under his leadership, Bayou Grain thrived and in 2013 became part of Big River. His experience included work in all areas of the grain business, from operations to merchandising. Ron remains active in the community, where he has served on many boards over the years. He now serves on the Hamburg Schools Foundation Board and is president of Mainline Health Systems.

"Congratulations to Ron for the significant commitments he has shown his community, business, employees and producers," said Beemer. "For over forty-five years Ron taught, mentored, and led numerous employees, and all have benefited in many ways by his presence while his businesses flourished. We wish him and his family the very best."

TONY DEWITT, NEW LAKE PROVIDENCE ASSISTANT MANAGER



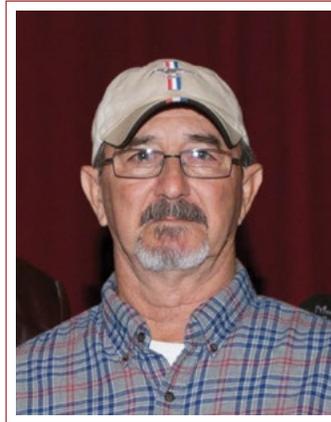
Agspring announces Tony Dewitt as the new assistant manager of the Big River Rice & Grain Lake Providence facility. Prior to joining Big River, Dewitt's experience ranges from agribusiness in grain origination, global grain export, food, construction and roles within the petroleum industry. Dewitt served four years in the U.S. Army and two years in the National Guard. In his down time, Dewitt enjoys spending time with his wife and five children, hunting and fishing.

Dewitt's excited to bring his expertise to this position and looks forward to impacting daily processes that help continue the services Lake Providence provides to the grower community.

WILFORD LACEZ ANNOUNCED EMPLOYEE OF THE YEAR

Now in its fourth year, Big River Rice & Grain recognizes one of the many employees who go above and beyond throughout the year to grow Big River's valued relationships and provide efficient services within the grower and producer community. Due to his outstanding performance, Wilford Lacez, superintendent of the Monticello grain facility, is this year's winner.

Nominations from each location are considered the MVPs in their respective roles. This year, Lacez is recognized for his many contributions. As superintendent for over twelve years, his responsibilities include directing and enforcing safety compliance, managing daily plant operations including maintenance and repairs, and being the front-line manager for the outside crew.



Lacez goes above and beyond to ensure the plant runs safely and efficiently. His dedication and contributions to ensure operations match the speed, capacity and convenience growers depend on from Big River is recognized by this well-deserved award. His commitment to safety

facility projects and willingness to lend his expertise to other locations has helped to enhance the efficiency and convenience of Big River facilities for growers, customers and vendors.

BIG RIVER PREVENTATIVE MAINTENANCE PROGRAM SEES SUCCESS

Big River Rice & Grain reports that growers across the territory have been able to see improved harvest-season delivery results due to its preventative maintenance program. It's crucial for growers to focus on getting the best efficiency during harvest by avoiding delays and breakdowns that interrupt performance. Big River Senior Vice President of Operations explains the goal of the program and how it's beneficial for growers.

"Our goal is that we service our customers with the speed and consistency that they have come to expect from Big River, and then improve on that. By minimizing downtime at the elevators this past season, Big River ensured that any harvest delays faced by our producers are not due to any inefficiencies on our part. This allowed our growers to focus on getting the best harvest result by counting on a reliable partner in Big River — one who doesn't interrupt performance."

—Steve Henderson

Henderson goes on to explain that Big River has pledged a safety and maintenance management program that logs both safety training and equipment maintenance at all facilities. By scheduling the required maintenance intervals, the program delivers regular reports on items with service due dates. This report and process improves efficiencies by proactively delivering information including checklists and itemized service needs to the technician. This enables the technician to use a detailed worksheet to help prevent overlooking an item or required service. With this program, focus is on preventative maintenance rather than emergency repairs.

The result? Growers receive a smooth, efficient operation that gets trucks back to the field quickly. The program ensures that time and resources are spent in a logical manner to assure facilities are ready to meet the needs of customers during the busy harvest season. This includes growers and end users who depend on Big River to meet their requirements and schedules.

For more information about the preventive maintenance program, contact your Big River representative.

LASUZZO NAMED CHAIRMAN OF SAFETY COMMITTEE



AgSpring announces Big River Rice & Grain Mer Rouge, La., Manager Zach Lasuzzo has been named chairman of the company's Safety Committee.

Lasuzzo's career has been firmly established in the agriculture industry. His success and experience range throughout U.S. grain bin construction, grain facility operations, processing, production and involvement in Big River's safety program. Lasuzzo joined Big River in August 2015. He currently holds the general manager position at the Mer Rouge plant with responsibilities for managing grain origination and overall operations.

The Safety Committee brings all members in the organization together in a cooperative effort to promote and participate in workplace safety. The committee addresses safety concerns, suggestions and resolutions. As chairman, Lasuzzo is dedicated to keeping everyone in the organization safe, raising safety awareness and ensuring OSHA standards are met to achieve regulatory compliance.

"I'm excited and honored to receive the role as chairman," said Lasuzzo. "We have a great track record for safety protocol at our Mer Rouge facility. The pride and responsibility of everyone is remarkable. I'm looking forward to help further grow and enhance our efforts in compliance and safety for Big River and AgSpring."

MARKET OUTLOOK

Alex Bassett and Mike O'Dea, Risk Management Consultants, FCStone, LLC

CORN

The corn market saw a modest rally to start the year as the funds had to re-balance positions which involved buying 50-100K contracts of corn. CZ17 hit a high of \$3.96¾ so far in 2017, just shy of the much-watched \$4 level. We saw quite a few producers take advantage, selling some new crop at the \$3.95 level, but ultimately we will need to see the market work higher to get much additional interest. Exports have

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been a bright spot for the corn market, with cumulative sales running 69 percent ahead of last year's pace, but the stance of the current administration surrounding trade agreements and the RFS has some worried about the potential negative headwinds facing the ag sector. The hot topic heading into springtime is what will corn acres do. After record corn acreage for the 2016-2017 year at 94 million acres, trade is looking for acres down 4-5 million around the 89-90 million mark based on the corn-bean ratio hovering near 2.6:1 now. We need to see this reduction in acreage or else we could face a 3 billion bushel carryout in a trend year with higher acres. Brazilian corn production is seen ranging 86-87 mmt with Argentina's production at 34-36 mmt; without any major weather concerns, both scenarios are possible. If the United States sees a cut in production on fewer acres, I would look for values to steadily trade above \$4, but until we get a better idea of acres/production we should stay range bound between \$3.65 and \$4.

SOYBEANS

The soybean market has seen massive fund buying to start the year as excessive flooding in some of Argentina's main soybean-growing regions has resulted in lower production estimates. The USDA had Argentine soybean production at 57 mmt, but as a result of the rains, most private analysts have lowered estimates to 48–53 mmt — time will tell. Growing conditions have been stable in Brazil with estimates hovering around the 103–104 mmt area. Early harvest in Mato Grosso has been at 18 percent complete versus the three-year average of 10 percent. U.S. exports have been stellar thus far in the marketing year, running 22 percent ahead of last year as China's insatiable demand continues, but we are rapidly approaching the time of year when China shifts focus to imports to South America over the United States. The corn/bean ratio around 2.6:1 mentioned above is incentivizing farmers to favor planting beans over corn in the upcoming year. Due to the economics, we could see a 4–6 mmt acreage increase

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potential as a shift from corn/wheat acres primarily in the Delta and South Plains region. Putting it into perspective, SX17 are trading \$1.10 higher vs. the SX16 levels at this time last year. So, with most producers able to lock in profits here, it is prudent to look at booking new crop beans when it makes sense and continue to monitor South American weather as we head into planting season.



WHEAT AND RICE

The wheat market saw a 40-cent rally to start the New Year as managed funds covered short positions with U.S. planted acreage expected at 109-year lows. However, the bullish sentiment stops here as lower acres alone will not be enough to fuel a sustainable rally: domestic stocks are still at record levels. Additionally, foreign nations continue to increase acres as their currency still incentivizes producers to do so. U.S. wheat remains uncompetitive on the global market due to a firm USD, and as a result, export sales are sluggish, but they have bounced back from last year's 44-year low. Going forward, trade will carefully watch crop conditions as we enter the spring, and while we should see lower production out of the United States this year, its impact on prices will be limited until we can lighten the burdensome supplies seen both in the United States and around the world.

In the 2017-2018 rice crop year, we are looking for a 500-750K U.S. acre reduction, with many acres switching to soybeans. Reports from the USDA state that we are going to see an INCREASE in global rice acres as foreign governments continue to support rice farmers and local currencies fall against the strengthening U.S. dollar. While final acres are not set by any means, we do know that 2016-2017 U.S. rice carryout will be, barring any large demand/use changes, 50.1 million cwt or roughly a 75-day supply of rice stocks, which would be the second-highest stock number in history. The U.S. dollar has come off its 2016 highs, and most analysts believe it will continue to trade at these elevated levels. But with the new administration that has taken office, the uncertainty and unknown have placed a larger risk to the downside. If we were able to achieve this downside action, U.S. rice would price itself back into a world export market. (Currently, the world is experiencing a large surplus of rice stocks compounded by an even lower use/consumption rate.) Looking forward to a U.S. 2017-2018 balance sheet, if we were able to take 600K harvested acres out of the equation, given a yield of 7,300 pounds per acre, that would put production at 182.5 million cwt. Combine that

with 2016-2017 record carryout and we are sitting at total supply of 255.6 million. I have domestic use hovering around a 124 number, but I am bearish towards U.S. rice exports with how the dollar is setting up, and given the current administration stance on trade, we could lose some business as buyers turn to easier and cheaper markets. This puts total use at 224 million cwt, but we end the year with a carryout 63 percent lower than 2016-2017 and it lowers supply to 51.46 days. This creates a much tighter balance sheet if there are any production issues or disruptive geopolitical

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events. Overall, 2017-2018 for U.S. rice will come down to (1) how many long-grain acres will be lost in the south, (2) what direction the dollar will take, (3) what direction the new administration takes trade, (4) global production, and of course, (5) Mother Nature still has her say. I do expect prices to make a bit of recovery in the next year (both cash and flat price) but have reasonable marketing and execution goals. While volatile prices are healthy for the markets, opportunities could be quick and short-lived because of a world flush with excess grain and very big unknowns in the geopolitical arenas.

To receive Big River updates electronically, please visit bigriverriceandgrain.com, click on "Newsletter" and fill out the contact form.

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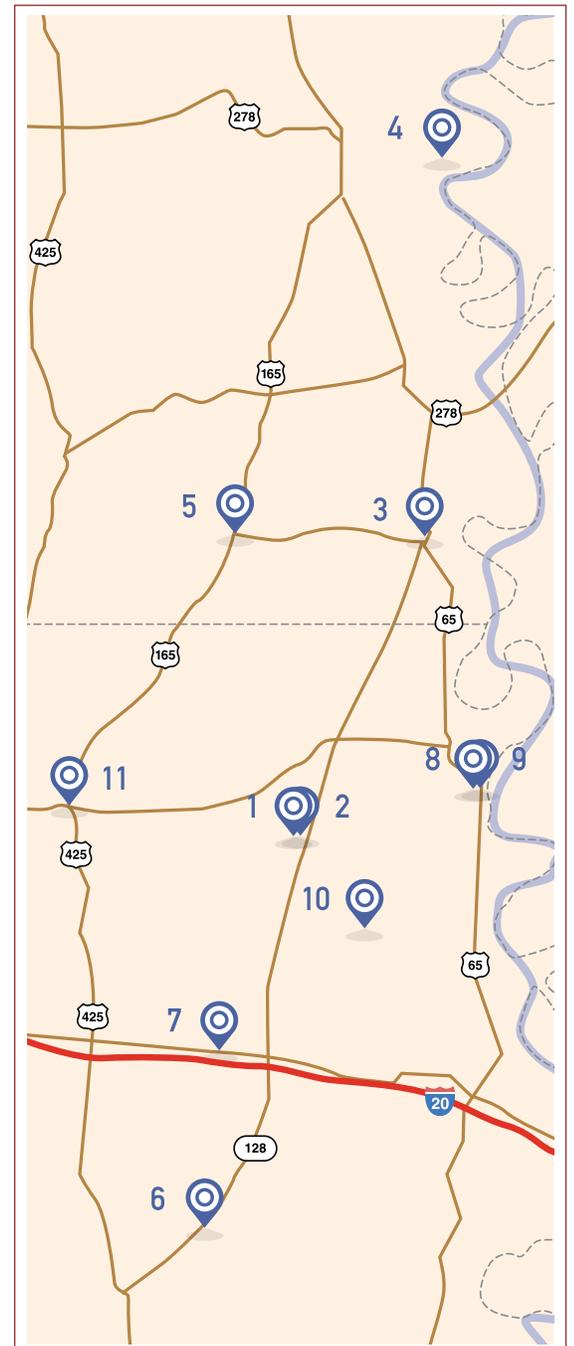
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C = Corn S = Soybeans W = Wheat R = Rice M = Milo