



## **WEEK IN REVIEW MARKET UPDATE 11/16/18**

### **Grain**

Corn – Dec 18 **down \$0.05** closing \$3.64<sup>3/4</sup>  
Soybeans – Jan 19 **up \$0.05<sup>1/2</sup>** closing \$8.92<sup>1/4</sup>  
Wheat – Dec 18 **up \$0.04<sup>3/4</sup>** closing \$5.06<sup>3/4</sup>  
Soybean Meal – Dec 18 **up \$5.30** closing \$310.90

### **Livestock**

Cattle – Dec 18 **up \$0.77** closing \$115.35  
Feeders – Jan 19 **up \$2.73** closing \$146.53  
Hogs – Dec 18 **up \$4.28** closing \$60.08  
Class III Milk – Dec 18 **up \$0.42** closing \$14.87

### **Outsides**

Dow – **down 611.04** closing 25408.80  
S&P – **down 48.57** closing 2734.80  
NASDAQ – **down 164.31** closing 7248.52  
US Dollar – December 18 **down 0.401** closing 96.333  
Crude Oil – January 19 **down 3.68** closing \$56.68

### **News/Reports:**

- Export report released Thursday 11/16. Corn came in at 35.1 million bushels, expected range 20 – 35. Beans came in at 17.3 million bushels, expected range 15 – 26. Wheat came in at 16.1 million bushels, expected range 15 – 24. Beanmeal came in at 432,300 metric tons, expected range 100 – 400.
- Ethanol output weekly data reports were out Wednesday 11/15 at 1,067,000 barrels per day versus 1,068,000 last week. Ethanol stocks were at 23.514 million barrels versus 22.150 million last week.
- Corn Harvested came out 11/19 at 90% this week versus 84% last week, 89% last year, and 93% 5-year average.
- Soybean Harvested came out 11/19 at 91% this week versus 88% last week, 96% last year, and 96% 5-year ave.

### **Notes:**

- At an Asia-Pacific trade meeting in Papua New Guinea this weekend, both Vice President Mike Pence and President Xi defended their actions and dug in their heels. Vice President Pence said “we put tariffs on \$250B of Chinese goods and we could more than double that number”. The Wall Street Journal reported that Chinese officials sought to block the publishing of a statement from the meeting that would have said “we agreed to fight protectionism including all unfair trade practices”. Ultimately nothing was published after the meeting. The Prime Minister of Papua New Guinea noted “the entire world is worried” at the meeting. We may have more light on this subject after the presidents meet at the G20 summit on December 1<sup>st</sup>. Unfortunately, the concern is there may not be much middle ground.
- Good South American conditions is keeping pressure on the markets. Soybean planting progress for all Brazil is at 79.9% planted versus 70.9% last year with an average of 69.3%, and plenty of rain helping to push the crop along. The soybean harvest is expected to begin during the 2<sup>nd</sup> half of December, 10 days earlier than last year. This makes the possibility of beans being able to export at the 1<sup>st</sup> of the year. The early bean harvest in South America also brings early planting for the safrinha corn crop. They should be able to plant all safrinha corn in the ideal planting window which ends February 20<sup>th</sup>.
- El Nino has formed for the first time in two years and there is a 70% probability that it will continue into the first quarter, according to Japan's weather bureau. This could raise concerns for Brazil's safrinha corn crop. Historically this has little to no impact on the 1<sup>st</sup> crop beans but typically curbs rain amounts coming into April, just when they are needed for the safrinha corn crop.
- Details on the 2<sup>nd</sup> half of Government Farm Payment to be announced December 3<sup>rd</sup>.
- African Swine Flu in China has now been confirmed in the southwestern province of Sichuan, their top hog producing state. This is the 18<sup>th</sup> of 34 provinces confirming an ASF outbreak. These 18 provinces account for approximately 75% of the nation's hog production. Also, this week, the first confirmed case in China's wild pig population as ASF was confirmed in a wild boar carcass found in the northeastern province of Jilian. The country's wild pig population is an estimated 33.5 million animals.
- The next USDA report will be the December WASDE report out on Tuesday December 11<sup>th</sup> at 12:00 est.