



WEEK IN REVIEW MARKET UPDATE 11/23/18

Grain

Corn – Dec 18 **down \$0.05^{3/4}** closing \$3.59
Soybeans – Jan 19 **down \$0.11^{1/4}** closing \$8.81
Wheat – Dec 18 **down \$0.07** closing \$4.99^{3/4}
Soybean Meal – Dec 18 **down \$5.10** closing \$305.80

Outsides

Dow – **down 1131.90** closing 24276.90
S&P – **down 102.04** closing 2632.76
NASDAQ – **down 311.71** closing 6936.81
US Dollar – December 18 **up 0.492** closing 96.825
Crude Oil – January 19 **down 6.26** closing \$50.42

Livestock

Cattle – Dec 18 **up \$1.75** closing \$117.10
Feeders – Jan 19 **up \$2.85** closing \$149.38
Hogs – Dec 18 **down \$1.00** closing \$59.08
Class III Milk – Dec 18 **down \$0.61** closing \$14.26

News/Reports:

- Export report released Friday 11/23. Corn came in at 34.5 million bushels, expected range 24 – 35. Beans came in at 25.0 million bushels, expected range 20 – 31. Wheat came in at 12.1 million bushels, expected range 11 – 22. Beanmeal came in at 229,700 metric tons, expected range 200 – 500.
- Ethanol output weekly data reports were out Wednesday 11/21 at 1,042,000 barrels per day versus 1,067,000 last week. Ethanol stocks were at 22.791 million barrels versus 23.514 million last week.
- Corn Harvested came out 11/26 at 94% this week versus 90% last week, 94% last year, and 96% 5-year average.
- Soybean Harvested came out 11/26 at 94% this week versus 91% last week, 99% last year, and 98% 5-year ave.

Notes:

- The Brazilian soybean crop is off to its best start in recent memory with weather continuing to be beneficial. It currently has a rating of 95% good/excellent. The Argentina Soybean crop is not off to the same start. Ratings are now at 59% fair, 17% good, 21% poor, and 0% excellent. It had a good/excellent dropped of 11% week on week and poor/very poor increased 15% due to heavy rains.
- The safrinha corn producing areas are expected to begin soybean harvest during 2nd half of December, 10 days earlier than last year. This should allow the Brazilian farmer time to plant all safrinha corn in the ideal planting window which ends February 20th.
- The USTR released a report that accused China of continuing a government back campaign of intellectual property & technology theft. "China fundamentally has not altered its acts, policies, and practices related to technology transfer, intellectual property, and innovation, and indeed appears to have taken further unreasonable actions in recent months." The report cited an incident in October that found China Telecom trying to hijack internet traffic and direct it through mainland servers for collection & analysis.
- China's largest animal feed producer is reportedly slowing down their planned expansion into the hog breeding business due to the growth in cases of African swine fever. China's growing concern of further spread of ASF and possible fraudulent or under reporting has driven them to set up a whistleblower program. They are trying to eliminate false or delayed outbreak reports, anyone falsifying tests improperly, or anyone improperly disposing/dumping infected carcasses. China has now confirmed ASF in 20 provinces as of November 22nd and has so far culled about 600,000 head.
- The October cattle on feed report stated placements were lower than expected, with poor pen conditions in a number of key feeding areas possibly a contributing factor. In turn, this caused the total number of cattle on feed to be lower than what analysts expected (103.2 vs. 104.3). There are still more cattle available for marketing in the short term than a year ago, which should help keep fed cattle prices in check. The inventory of cattle that have been on feed over 150 days was estimated at 2.085 million head, 18.5% higher than a year ago while the inventory of +120-day cattle was estimated at 3.825 million head, 10.1% higher than last year.
- Upcoming dates of importance:
 - December 1st - President Trump meets with President Xi of China at the G20 summit in Argentina.
 - December 3rd – Details on the 2nd half of Government Farm Payment to be announced.
 - December 11th – December WASDE report at 12:00 est.