



WEEK IN REVIEW MARKET UPDATE 2/15/19

Grain

Corn – March 19 **up \$0.00^{1/2}** closing \$3.74^{3/4}
Soybeans – March 19 **down \$0.07** closing \$9.07^{1/2}
Wheat – March 19 **down \$0.13** closing \$5.04^{1/4}
Soybean Meal – March 19 **up \$0.40** closing \$306.50

Livestock

Cattle – April 19 **down \$0.75** closing \$127.18
Feeders – March 19 **down \$1.50** closing \$142.60
Hogs – April 19 **up \$1.10** closing \$59.53
Class III Milk – March 19 **down \$0.06** closing \$14.52

Outsides

Dow – **up 1152.87** closing 25877.76
S&P – **up 66.79** closing 2774.67
NASDAQ – **up 171.44** closing 7469.64
US Dollar – March 19 **up 0.324** closing 96.740
Crude Oil – March 19 **up 2.87** closing \$55.59

News/Reports:

- Export sales report for the week ending 1/3/19 were out Thursday 2/14/19. Corn came in at 18.1 million bushels, expected range 20 – 35. Beans at (22.5) million bushels, expected range 22 – 51. Wheat at 4.8 million bushels, expected range 7 – 20. Soybean Meal at 124.7 million metric tons, expected range 100 - 300.
- Ethanol output weekly data reports were out Wednesday 2/13 at 1,029,000 barrels per day versus 967,000 last week. Ethanol stocks were at 23.466 million barrels versus 23.947 million last week.

Notes:

- Trade talks continued in Beijing this week with a surprise visit from President Xi. The next round of US-China trade talks to begin in Washington DC on Tuesday. The markets are very susceptible to any new/media reports or old USDA reports that are still playing catch up from the government shut down (take this week's negative export sales report from the 1st of the year). Depending on what the market pays attention to, the market will run with it from one day to the next. These two articles from Reuters and Bloomberg are perfect examples...
Reuters: US President Donald Trump said on Friday that trade talks with China "are going extremely well," and the United States is closer than ever to having a "real" trade deal with Beijing that levels the playing field for US companies. **Bloomberg:** The US and China have made little progress so far during trade talks in Beijing, leaving much work to be done before President Donald Trump and his counterpart Xi Jinping look to seal a deal at a yet-to-be scheduled summit, according to people familiar with discussions.
- Bloomberg reported this week that the white house is considering a 60day extension for China's tariff deadline in hopes that it will help them reach a deal. Congress unveiled its 1,159-page border security / spending bill which will fund the government through September. The President agreed to sign the spending bill; however, he plans to declare a national emergency to get additional funding for the border wall.
- This week Informa updated its planting estimates by raising US corn planting intentions 100,000 acres to 91.6 million, up 2.5 million acres from last year. Soybeans were lowered by 200,000 acres from last month to 86.0 million, 3.2 million acres less than last year. All wheat seedings were lowered 381,000 acres from last month to 46.782 million, 1.018 million acres less than last year.
- February is insurance month and so far in 2019 insurance corn average is \$4.01 versus \$3.96 last year, Soybeans \$9.57 versus \$10.16 last year and HRS \$5.85 versus \$6.31 last year.
- South America's weather has allowed them to stay ahead of the average. Safras is call soybean harvest at 37% complete versus the average of 18% and Brazil's Safrinha corn is to be 56% planted versus 33% last year.
- No new African Swine Fever cases were reported last week in China. Chinese officials continue to say that ASF is under control. However, there are a lot of reports from both inside and outside China that pork products are testing positive for ASF. ASF virus was detected in some frozen dumplings produced by Sanquan Food, a large fast food manufacturer in China and has been detected in 10 other food manufacture companies.
- The next USDA report will be the March WASDE report out on Friday March 8th at 12:00 est.