



WEEK IN REVIEW MARKET UPDATE 4/10/20

Grain

Corn – May 20 **up \$0.01** closing \$3.31^{3/4}
Soybeans – May 20 **up \$0.09^{1/4}** closing \$8.63^{1/2}
Wheat – May 20 **up \$0.07** closing \$5.56^{1/2}
Soybean Meal – May 20 **down \$10.70** closing \$292.50

Livestock

Cattle – June 20 **up \$3.53** closing \$84.38
Feeders – May 20 **up \$10.85** closing \$118.95
Hogs – June 20 **up \$0.35** closing \$48.68
Class III Milk – April 20 **down \$0.51** closing \$13.56

Outsides

Dow – **up 2649.46** closing 23704.08
S&P – **up 300.47** closing 2789.04
NASDAQ – **up 777.84** closing 8150.10
US Dollar – June 20 **down 1.090** closing 99.590
Crude Oil – May 20 **down 5.12** closing \$23.26

News/Reports:

- Export sales report released Thursday 4/9. Corn came in at 72.8 million bushels, expected range 28 – 47. Beans came in at 19.2 million bushels, expected range 15 – 33. Wheat came in at 9.5 million bushels, expected range 2 – 7. Soybean Meal came in at 193.3 million metric tons, expected range 100 – 250K.
- Ethanol output weekly data reports were out Wednesday 4/8 at 672,000 barrels per day versus 840,000 last week. Ethanol stocks were at 27.091 million barrels versus 25.717 million last week.
- Winter Wheat Conditions came out 4/13 at 62% good to excellent this week vs 62% last week, & 60% last year.
 - Ohio 74% good to excellent this week versus 75% last week, and 33% last year.
 - Michigan 56% good to excellent this week versus 55% last week, and 28% last year.

Notes:

- Americans staying at home to avoid the COVID-19 virus have shocked the livestock economy as a whole. With restaurants, colleges, and schools closed, demand has dwindled and has caused a very rapid oversupplied and packaging problem. Two-thirds of Pork bellies (bacon) go into the food service industry, this market hit an all-time price low as there are several reports that bacon is being ground and going into trim. Some dairy producers are being asked to cull cows and cut their milk production (if not dump) as the sales of dairy products in grocery stores cannot make up the cutbacks from other closers. The International Dairy Foods Association estimates that 10% of US milk production will not have a home for the foreseeable future. And not to be left out, packing plants and slaughterhouses are struggling to operate due to employees getting the coronavirus. This now adds complexity to what was demand destruction from losing restaurant business, into supply chain interruption with meat backing up and getting heavy on hoof.
- The US Department of Agriculture confirmed the country's first case of virulent avian flu in commercial poultry since 2017. The agency found H7N3 avian influenza, a virulent or highly pathogenic strain, in a turkey flock in Chesterfield County, South Carolina. No human cases of the virus have been detected and there is no immediate public health concern, the USDA said. The worst-ever US outbreak of avian flu in 2014 and 2015 killed about 50 million birds, most of which were egg-laying hens in Iowa.
- OPEC+ announced this week that they will cut oil production by 10 million barrels a day for May and June. While this will help, demand pre-virus was roughly 100 million barrels a day and demand is now down around 20 to 35%.
- Applications for unemployment benefits logged in at 6.6 million in the week ended April 4th (5 million expected) after reaching a record 6.9 million revised figure from a week earlier. Claims were hovering at just over 200,000 per week before the coronavirus-related shutdowns put millions of people out of work in mid-March.
- NASS will resurvey Michigan, Minnesota, South Dakota, and Wisconsin for May 12th crop report and North Dakota to be done at a later date.
- The next USDA report will be the May WASDE Report out on Tuesday May 12th at 12:00 est.