



WEEK IN REVIEW MARKET UPDATE 1/5/18

Grain	12/31/16	12/31/17	Difference
Corn – March 18 up \$0.00^{1/2} closing \$3.51 ^{1/4}	\$3.52	\$3.50 ^{3/4}	\$0.01^{1/4}
Soybeans – March 18 up \$0.09 closing \$9.70 ^{3/4}	\$10.04	\$9.61 ^{3/4}	\$0.42^{1/4}
Wheat – March 18 up \$0.03^{3/4} closing \$4.30 ^{3/4}	\$4.08	\$4.27	\$0.19
Soybean Meal – March 18 up \$5.10 closing \$321.90	\$316.60	\$316.80	\$0.20
Livestock			
Cattle – Feb 18 down \$2.30 closing \$119.25	\$116.25	\$121.55	\$5.30
Feeders – March 18 down \$4.02 closing \$141.98	\$125.10	\$146.00	\$20.90
Hogs – Feb 18 down \$0.35 closing \$71.43	\$68.08	\$71.78	\$3.70
Class III Milk – Feb 18 down \$0.33 closing \$13.45	\$16.46	\$14.08	\$2.38
Outsides			
Dow – up 558.80 closing 25294.40	19762.60	24735.60	4973.00
S&P – up 68.53 closing 2742.89	2238.83	2674.36	435.53
NASDAQ – up 228.82 closing 7135.60	5383.12	6906.78	1523.66
US Dollar – March 18 down 0.156 closing 91.670	102.286	91.826	10.46
Crude Oil – Feb 18 up 1.02 closing \$61.44	\$53.72	\$60.42	\$6.70

News/Reports:

- Export report released Friday 1/5. Corn came in at 4.0 million bushels, expected range 24 – 35 (This was a marketing year low and the lowest single week number we've seen since January of 2013). Beans came in at 20.4 million bushels, expected range 22 – 33. Wheat came in at 4.8 million bushels, expected range 8 – 18. Beanmeal came in at 109,000 metric tons, expected range 100 – 350K.
- Ethanol output weekly data reports were out Thursday 1/4 at 1,032,000 barrels per day versus 1,090,000 last week. Ethanol stocks were at 22.619 million barrels versus 22.031 million last week.

Notes:

- Starting January 1st China will require less than 1% foreign material, including weed seeds, in soybean imports. The US will therefore add a declaration to our exports that exceed this amount. In 2017 half of the shipments from China were above the 1% level. The declarations are a temporary measure until other best practice systems are put in place in 2018.
- Global soybean demand has grown for nine consecutive years; however, in that time Brazil has replaced the US as the top exporter. Brazil exports 43% of the world's soybeans compared to 39.7% for the US. The quality of the 2017 US soybean crop tied for the lowest crude protein content (with 2008) at 34.1%. This compares with Brazil's higher protein beans at 37%. It is important to note that US soybean meal has higher amino acid digestibility and less variability than other countries, including Brazil, Argentina, China and India.
- Here are a few of the top agricultural marketing stories of 2017:
 - Surprisingly high corn yields
 - China protein demand continues to impress
 - Hog prices post strong recovery into summer before sliding
 - Russia strengthens grip as world's top wheat exporter
 - Rapid decline in corn market underscores importance of defending balance sheet
 - Price volatility remains a constant in live cattle market
 - Record corn crops in South America see US world export share decline
 - US soybean acreage surges to new high
 - Dairy herd expansion sends milk prices sharply lower
 - Drought cuts US hard red spring wheat yields
- The next USDA report will be the January quarterly stocks report out on Friday January 12th at 12:00 est.