



WEEK IN REVIEW MARKET UPDATE 11/17/17

Grain

Corn – Dec 17 **down \$0.00^{1/2}** closing \$3.43
Soybeans – Jan 18 **up \$0.03^{1/2}** closing \$9.90^{1/2}
Wheat – Dec 17 **down \$0.04^{1/4}** closing \$4.27^{1/4}
Soybean Meal – Jan 17 **up \$3.40** closing \$320.00

Livestock

Cattle – Feb 18 **down \$2.07** closing \$124.68
Feeders – Jan 18 **down \$5.45** closing \$151.73
Hogs – Feb 18 **down \$3.17** closing \$67.08
Class III Milk – Dec 17 **down \$0.33** closing \$15.27

Outsides

Dow – **down 63.53** closing 23361.48
S&P – **down 3.37** closing 2578.99
NASDAQ – **up 31.67** closing 6782.29
US Dollar – Dec 17 **down 0.703** closing 93.575
Crude Oil – Jan 18 **down 0.27** closing \$56.71

News/Reports:

- Export report released Thursday 11/16. Corn came in at 37.4 million bushels, expected range 47 – 67. Beans came in at 40.6 million bushels, expected range 40 – 55. Wheat came in at 18.0 million bushels, expected range 13 – 20. Beanmeal came in at 163,100 metric tons, expected range 125 – 350K.
- Ethanol output weekly data reports were out Wednesday 11/15 at 1,054,000 barrels per day versus 1,057,000 last week. Ethanol stocks were at 21.497 million barrels versus 21.345 million last week.
- Corn Harvested came out 11/20 at 90% this week versus 83% last week, 96% last year, and 95% 5-year average.
- Soybean Harvested came out 11/20 at 96% this week versus 93% last week, 98% last year and 97% 5-year average.

Notes:

- Plenty of talk on Friday of La Niña weather pattern surfacing, particularly in association with ongoing dryness in key growing areas of Argentina, although it remains very early in the growing season with planting in the early stages in some areas.
- Some indicating that Brazil's safrinha (double crop) corn acreage may decline as low prices discourage farmers from planting. In addition, late soybean planting could push safrinha planting beyond ideal window in February.
- Informa came out this week with updated 2018 acreage estimates. Winter wheat came in at 31.923 million (32.696 million last year), hard red winter came in at 22.8 million (23.4 million last year), soft red winter 5.67 million (5.74 million last year), corn was up 955,000 from October estimate 91.4 million and soybeans down 720,000 to 89.6 million.
- It is possible for China to remove or slightly cut the anti-dumping and anti-subsidy tariffs on US DDGS imports through further negotiation. The time may be as early as the beginning of 2018 when the anti-dumping and anti-subsidy tariffs will be implemented for a whole year.
- Friday's USDA Cattle on Feed report confirmed an eighth consecutive month of strong placements as an expanding cattle herd leads to more cattle feeding. October's 10% year-on-year increase in placements followed an average 10% increase during the preceding seven months (March – September). Placements were also the largest for October since 2011. Marketings also remained strong during October. However, this year did have one more marketing day than a year ago. When measured on a per workday basis, marketings this year were up just 1% from a year earlier, but were still 6% larger than the 5-year average for October. While larger marketings are helping to offset strong placements, the number of cattle on feed are still rising above year ago levels. Cattle on feed on November 1 were up 6% from last year and were the largest for this time of year since 2011.
- The largest shipment of beef in 14 years, six full containers, was just sent to China. This represents 22% of the year to date beef exports to China. China regularly imports 1.7 billion pounds of beef from Brazil, Australia, and Argentina. This looks promising for the U.S. and is hopefully just the start.
- The fate of TransCanada's \$8 billion XL oil pipeline lies in Nebraska. The state decides Monday 11/20 on the final permit needed to start building after years of lawsuits and delays. But it's unlikely to be the end of the saga, the loser is sure to fight the outcome. TransCanada spilled 5,000 barrels of oil from the existing Keystone pipeline in South Dakota last week.
- The next USDA report will be the December WASDE report out on Tuesday December 12th at 12:00 est.