



WEEK IN REVIEW MARKET UPDATE 4/20/18

Grain

Corn – July 18 **down \$0.11^{1/2}** closing \$3.85^{1/2}
Soybeans – July 18 **down \$0.04^{1/2}** closing \$10.40^{1/4}
Wheat – July 18 **down \$0.11^{1/4}** closing \$4.77^{1/4}
Soybean Meal – July 18 **down \$11.50** closing \$378.60

Outsides

Dow – **up 104.04** closing 24466.97
S&P – **up 13.75** closing 2669.94
NASDAQ – **up 38.81** closing 7144.58
US Dollar – June 18 **up 0.275** closing 90.075
Crude Oil – June 18 **up 6.30** closing \$68.40

Livestock

Cattle – June 18 **up \$0.08** closing \$103.73
Feeders – August 18 **up \$3.05** closing \$144.50
Hogs – June 18 **down \$0.10** closing \$77.55
Class III Milk – May 18 **up \$0.18** closing \$14.90

News/Reports:

- Export report released Thursday 4/19. Corn came in at 43.0 million bushels, expected range 28 – 47. Beans came in at 38.2 million bushels, expected range 33 – 51. Wheat came in at (2.5) million bushels, expected range 4 – 13. Beanmeal came in at 164,900 metric tons, expected range 150 – 400K.
- Ethanol output weekly data reports were out Wednesday 4/18 at 1,009,000 barrels per day versus 1,034,000 last week. Ethanol stocks were at 21.344 million barrels versus 21.846 million last week.
- Winter Wheat Conditions came out 4/23 at 31% good to excellent versus 31% last week, and 54% last year.
- Corn Progress came out 4/23 at 5% planted versus 3% last week, 15% last year, 14% 5-year average.
- Soybean Progress came out 4/23 at 2% planted versus NA last week, 5% last year, 2% 5-year average.

Notes:

- A cold, damp April has significantly slowed field work and according to some, increased the likelihood that corn yields will fall short of trend and that prevent plant acres could rise with more soybean acres planted. With these talks it is important to look back and see how fast we can plant corn in the US. The record the US has planted in one week came back in May of 2013, 43% (41.83 million acres) of corn acres were planted in just one week. It is also worth noting, that in May of 2011, Iowa planted 61% (8.48 million acres) of its corn crop in 1 week.
- China imposed anti-dumping measures on sorghum imports from the US, claiming damage to the country's domestic sorghum industry. Effective immediately, a 178.6% deposit must be paid to the customs office. Twenty ships carrying over 1.2 million tons of US sorghum are on the water. This cargo is valued at more than \$216 million, at least five have changed course within hours of China's announcing tariffs on US sorghum imports. China's announcement of duties on sorghum, reiterated the concerns that a 25% tariff on soybeans could be imposed on June 3rd.
- China's March soybean imports were the lowest in the last 4 years.
- US oilseed processors crushed a record 171.9 million bushels of soybeans in March, 3.7 million more than the average trade guess. Soybean stocks came in 16 million below the average trade guess but rose for a fifth straight month and hit a 21-month high the National Oilseed Processors Association (NOPA) said this week.
- The Farm Bill was released last week and approved by the House Agriculture Committee this week. Funding was included for the FMD Vaccine Bank, Market Access Program, Foreign/International Market Development Program, and feral swine eradication, upon others. 75% of the \$87 billion per year Farm Bill will provide SNAP (formerly known as food stamps) funding. SNAP related changes included requirements for employment training for participants. The approval also included 20 amendments covering such topics as broadband speed, gene editing, precision plant breeding, and the approval listings for organic production.
- US pork has gained approval to export to Argentina. Pork consumption in Argentina has grown by 60% since 2011, to 29.8 pounds per person today. Pork butts, hams, and picnics are of most interest for that market. Brazil is currently the primary supplier of pork to Argentina.
- Friday's USDA Cattle on Feed report did show cattle placements into feedyards fell below year earlier levels for the first time in 13 months. However, to keep the decline in perspective, it should be noted last year's placements were the largest during March on USDA records back to 1996. So, even with a 9% year-on-year decline, these were still the second largest March placements since 2007. Marketings also fell short of last year, but here again, this year had one less marketing day than a year ago. When compare on a per workday basis, marketings this year were 1% larger than last year and the largest for March since 2012. In the end, the number of cattle on feed still remain well above year ago levels. Cattle on feed on April 1 were up 7% from last year and were the largest for this time of year since 2006.
- The next USDA report will be the May WASDE report out on Thursday May 10th at 12:00 est.