



WEEK IN REVIEW MARKET UPDATE 7/20/18

Grain

Corn – Sept 18 **up \$0.14** closing \$3.55^{1/4}
Soybeans – Aug 18 **up \$0.31** closing \$8.49^{3/4}
Wheat – Sept 18 **up \$0.19** closing \$5.16
Soybean Meal – Aug 18 **up \$0.90** closing \$326.90

Livestock

Cattle – August 18 **up \$4.38** closing \$108.93
Feeders – August 18 **up \$2.95** closing \$153.68
Hogs – August 18 **down \$3.70** closing \$66.45
Class III Milk – August 18 **down \$0.14** closing \$14.64

Outsides

Dow – **up 37.36** closing 25060.16
S&P – **up 0.29** closing 2802.00
NASDAQ – **down 7.99** closing 7819.33
US Dollar – September 18 **down 0.269** closing 94.226
Crude Oil – September 18 **down 1.69** closing \$68.26

News/Reports:

- Export report released Thursday 7/19. Corn came in at 25.2 million bushels, expected range 12 – 24. Beans came in at 9.3 million bushels, expected range 7 – 18. Wheat came in at 11.0 million bushels, expected range 6– 18. Beanmeal came in at 131,000 metric tons, expected range 50 – 200K.
- Ethanol output weekly data reports were out Wednesday 7/18 at 1,064,000 barrels per day versus 1,033,000 last week. Ethanol stocks were at 21.768 million barrels versus 22.393 million last week.
- Corn Conditions came out 7/23 at 72% good to excellent versus 72% last week, and 62% last year.
- Soybean Conditions came out 7/23 at 70% good to excellent versus 69% last week, and 57% last year.

Notes:

- China imported 520,000 metric tons of corn in June. Raising total imports from January through June to 2.2 million metric tons, doubling its year to year total.
- Safras (Brazil's USDA) sees a "timid" increase in Brazilian bean plantings this fall, up just 2.3% to 36.0 million hectares. The USDA is a "bit" more aggressive, forecasting a jump of 6.8% and increase of 2.4 million ha (5.9 million acres). This is similar to adding another Missouri or Indiana to the US production base.
- May through June was 2nd warmest of the last 124 years in the Corn Belt and June was 16th wettest.
- A new executive order calls on Ohio Department of Agriculture to deem Maumee River Basin as a watershed in distress, due to "increased nutrient levels from phosphorus attached to soil sediment". ODA and Ohio Department of Natural Resources and Ohio EPA would need to recommend a remediation package. This would include measures for development of nutrient management plans for agriculture land and operations within the watershed; and setting requirement for the storage and handling of farm products.
- Friday's USDA Cattle on Feed confirmed a second consecutive month of increased placements into feedyards. While the 1% year-on-year increase was relatively small, it was enough to make these the largest June placements since 2006. June's year-on-year increase in placements followed a 0.2% gain during May. Marketings were also above last year even though this year had one less workday. When compare on a per workday basis, marketings this June were 6% larger than last year and were the largest per workday marketings during June since 2007. The number of cattle on feed remain well above year ago levels. Cattle on feed on July 1 were up 4% from last year and is the largest July 1 on feed supply on USDA records back to 1996. The USDA also released the semi-annual Cattle Inventory report. It counts the total number of cattle in the US and indicates the herd continues to grow, but at a slowing pace. The total number of cattle and calves on July 1 were up 1% from a year earlier. The number of beef cows in the breeding herd was also 1% larger than a year ago. But, the number of heifers being retained for future beef cow replacements was down 2% from last year, indicating future growth of the herd could slow.
- The Permian Basin and Eagle Ford oilfields are expected to produce 5.6M barrels per day by 2019, topping the 4.8M barrels per day output of Iraq and 3M barrels per day of Iran. That would make Texas the world's No. 3 oil producer, behind only Russia and Saudi Arabia.
- The next USDA report will be the August WASDE report out on Friday August 10th at 12:00 est.