

Afternoon Market Information

Wednesday, August 16, 2017

CORN

Corn tried to move higher today, but an early rally failed with the market settling modestly lower and in the middle of the day's trading ranges. CU finished 2 ¾ cents weaker and CZ dropped 2 cents. Commodity funds were sellers of an estimated 6000 corn contracts as of midday. Corn was negatively impacted today by spillover weakness from a moderately lower Chicago wheat trade. Although corn is technically oversold and end users are using the recent weakness to extend coverage, commodity fund and other speculative selling continues to push the market lower. The EIA this morning reported that last week's ethanol production was the second highest on record at 7.4 million barrels. Inventories of ethanol increased by nearly 500,000 barrels to 21.8 million barrels. Tomorrow's export sales report is expected to include corn sales for the week ended August 10th near 18 million bu. (old and new crop combined).

Basis Update: CIF corn was firmer today with spot values 1 to 2 cents better and September 2 to 3 cents firmer. October values were steady. Interior bids were steady/firm with more processors looking for old crop supplies as the downtrend since last week's crop report has limited producer selling.

Spread Update: CU/CZ was ¾ cent weaker today, settling at -14. New crop spreads were little changed. CZ/CH was unchanged at -11 ¾. CH/CK was ¼ cent stronger at -6 ½. CZ17/CZ18 was ½ cent weaker at -35 ½.

BEANS

Soybeans managed to avoid a close in the red, but just barely so. SU was unchanged, with SX and SF a penny higher. Commodity funds were net sellers of an estimated 3700 soybean contracts as of midday. The market was lower much of the morning in concert with lower wheat and corn markets, but rallied at midday when updated weather forecasts reduced rain totals across the Midwest during the next ten to twelve days. Chinese buyers today signed letters of intent to buy 3.8 MMT's of U.S. soybeans in a ceremony held in Omaha, Nebraska. Traders expect the USDA to announce new sales to China in upcoming days as a result of the agreements. The University of Missouri is estimating that 3.1 million acres of soybeans nationwide have been damaged by Dicamba. It did not estimate the impact on yield. Tomorrow's export sales report is expected to show soybean sales for the week ended August 10th near 25 million bu.

Basis Update: CIF bean values showed more strength today with spot beans a penny firmer and Sept/Oct. values 1 to 2 cents better. A number of river locations were looking for old crop offers today as were processors. Soybeans look like a difficult commodity to originate from now to new crop.

Spread Update: SU/SX was a penny weaker to -3 ½. SX/SF was steady and SF/SH was ¼ cent stronger to -8. SX/SN was ¼ cent firmer, settling at -30.

<u>CU</u>	<u>CZ</u>	<u>CH</u>	<u>CK</u>	<u>SU</u>	<u>SX</u>	<u>SF</u>	<u>SH</u>
3.52 ½	3.66 ½	3.78 ¼	3.84 ½	9.21 ¾	9.25 ¼	9.33 ½	9.41 ½
Corn Spreads		<u>Settle</u>	<u>Change</u>	Soybean Spreads		<u>Settle</u>	<u>Change</u>
CU/CZ		- 14	- ¾	SU/SX		-3 ½	- 1
CZ/CH		- 11 ¾	+ 0	SX/SF		- 8 ¼	+ 0
CZ/CN		-23 ¾	+ 0	SX/SH		- 16 ¼	+ ¼
	August	September	October	Wheat Spreads			
CIF Corn	+30 U	+35/+38 U	+ 30 Z	WU/WZ		- 27 ¾	- 1 ¼
CIF Beans	+ 54 X	+ 52 X/51 X	+ 51 X	WZ/WH		- 22 ½	- 1 ¼
IL River Freight %	320	325/375	410	The information contained in this report is believed to be reliable but is not guaranteed to accuracy or completeness by MID-CO COMMODITIES, INC. or GROWMARK, Inc. This report is provided for informational purposes only and is not furnished for the purpose of, nor intended to be relied upon for specific trading in commodities herein named. This is not independent research and is provided as a service. As such, this is considered a solicitation.			
Mid. Miss.	310	325/375	415				
St. Louis	225	250/270	300				