**Afternoon Market Information**

**Friday July 26, 2019**

### CORN

Corn closed 3-4 cents lower today in an uninspired trade. Just not much urgency in the marketplace as we end the week. CZ fell 10 cents this week, western basis felt defensive in some areas starting mid-week, and spreads widened the past few days, all of which contributed to the defensive feel. Funds have been sellers this week and were thought to hold a long position of 126,000 contracts this morning. On top of these issues, early August weather forecast models seem to be in alignment regarding better precip chances. NWS forecast currently calls for first week of August to have normal to below normal temps and above normal precip for the heart of the Midwest. Most areas of the corn belt are still in reasonably good shape, but the latest drought monitor shows some dryness stretching from central IL to central IN. Yield forecasts range widely as do acreage estimates and the board will be volatile into the August 12th S&D report. News of ethanol plants slowing or stopping production until harvest continue. The dollar has rallied to an eight week high this week – not conducive to export demand. Brazil and Argentina FOB offerings steady this week and well below U.S. offerings.

**Basis Update:** CIF values are steady today in the nearby but 4 cents lower in the Aug/Sept slots. For the week nearby CIF is 8 cents firmer. ETA barges continue to trade a premium and as soon as barge freight logistics improve this situation most likely subsides. Western corn processor basis started backing off mid-week. SE rail basis mixed. SW rail basis also mixed. Secondary car costs defensive and point to lack of demand. Producer selling interest remained light again this week.

**Spread Update:** CU/CZ another 1 cent wider today and 5 cents wider this week – seemingly underscoring the lack of urgency in the marketplace. Buyers may be waiting for the August report to generate more clarity. CZ/CH to -10 today, 1 ¼ cents lower this week. CZ/CH orders at -10 started to get picked up today.

### BEANS

Soybeans closed a penny higher after trading 5-7 cents higher during the session. Funds were thought to be covering some of their estimated short position of 55,000 contracts today ahead of a possible breakthrough in U.S./Chinese trade relations over the weekend – this seems highly unlikely so it’s a stretch to make this reference. SX lost 18 cents this week, and as with corn, no urgency in the market as we end the week. Large carryout in 18/19, a large carryout in 19/20 unless there’s a real yield disaster, Brazil already calling for a possible 19/20 production of 123 MMT, and ongoing tension with China are having their impact on futures and urgency in the market. China apparently has dropped import tariffs on select ag products and may be looking for additional U.S. supply (Brazil FOB offerings are above U.S. FOB offerings but Argentine FOB offerings are coming on line and are below U.S.) The market did not seem to respond to the U.S./Chinese trade stories this week.

Wheat closed 3 cents lower today and WZ lost 9 cents this week. Dry weather issues around the world lent some support but not enough to offset the fact there’s plenty of wheat in the world.

**Basis Update:** CIF beans were lower today by 3-4 cents but nearby did firm 7 cents this week. Offers are 7 cents above bids. ETA barge premiums are not as aggressive at week’s end. Processor bids remain steady. Producer selling remains limited.

**Spread Update:** SQ/SU slightly weaker at -5½. SQ/SX at -17¼, unchanged for the week. FND for SQ is next Wednesday. Cash 30 cents below delivery. SX/SF a penny weaker for the week as there is less urgency regarding the 19/20 balance sheet.

### COMMODITIES, INC.

BLOOMINGTON, IL | 800-322-9371  URBANDALE, IA | 800-422-0896

<table>
<thead>
<tr>
<th></th>
<th>CU</th>
<th>CZ</th>
<th>CH</th>
<th>CK</th>
<th>SQ</th>
<th>SU</th>
<th>SX</th>
<th>SF</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4.14 ½</td>
<td>4.24 ½</td>
<td>4.34 ½</td>
<td>4.38 ¾</td>
<td>8.83 ¼</td>
<td>8.88 ¾</td>
<td>9.01</td>
<td>9.14 ¼</td>
</tr>
</tbody>
</table>

**Corn Spreads**

- **Settle:**
  - CU/CZ: -10
  - CZ/CH: -10
  - CH/CK: -4 ¼

- **Change:**
  - CU/CZ: -1
  - CZ/CH: -1/4
  - CH/CK: +0

<table>
<thead>
<tr>
<th></th>
<th>July</th>
<th>August</th>
<th>September</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIF Corn</td>
<td>WU/WZ</td>
<td>-8 ¼</td>
<td>-½</td>
</tr>
<tr>
<td>CIF Beans</td>
<td>WZ/WH</td>
<td>-11</td>
<td>+ 0</td>
</tr>
</tbody>
</table>

**Soybean Spreads**

- **Settle:**
  - SQ/SX: -17 ¼
  - SX/SF: -13 ¼
  - SF/SH: -11 ½

- **Change:**
  - SQ/SX: -1/2
  - SX/SF: + ¼
  - SF/SH: + 1/4

**IL River Freight %**

- 525
- 435
- 425

**Mid. Miss.**

- 575/525
- 450
- 425

**St. Louis**

- 450
- 350
- 325

*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.*