



Loewen and Associates

Commodity Consulting/Brokerage

Pete Loewen, Matt Hines

Doug Biswell, LaVell Winsor

866 341 6700

www.loewenassociates.com

Date: 7.1.14

Morning Ag Markets

Matt Hines

Yesterday was an ugly day for grain producers, cattle futures were mostly lower as well with expectations for a higher day there. Hogs though did follow through with limit higher moves for every contract except the nearby July contract.

Feeders in Oklahoma City and Joplin yesterday sold on good demand and steady to higher money. The recent rains have been quite a problem for wheat harvest but a blessing for those still trying to graze or now maybe for some buyers in those areas. Calves continue to fetch even higher money with reports of another \$5-\$10 higher this week compared to last.

Cash feedlot trade could be much smaller this week with Independence Day coming this Friday. Showlists appear to be smaller especially in the South with early asking prices at \$157 to \$158 live. In the North asking prices have started at \$8 over the August and \$250+ on a dressed basis.

Cattle slaughter from Monday estimated at 117,000 head, up 2,000 from a week ago and down 5,000 from a year ago.

Boxed beef cutouts higher on moderate demand

Choice Cutout__247.28 +1.30

Select Cutout__238.91 +1.16

Feeder Index:__215.25 +1.88

Hog slaughter from Monday estimated at 401,000 head, up 22,000 from a week ago and down 23,000 from a year ago.

Lean Index.__126.80 +.72

Pork carcass cutout__133.53 +.54

IA-S.MN direct avg__124.43 -.70

National cash avg__124.55 +.05

IMPORTANT—PLEASE NOTE

This does constitute a solicitation to buy or sell commodities futures and/or options. The information contained herein is provided for informational purposes only. The information is not guaranteed as to its accuracy or completeness, although the information was taken from sources we believe to be reliable. The market recommendations of Loewen and Associates, Inc. are based solely on the judgment of Loewen and Associates, Inc. personnel. We do not guarantee or warranty, either expressed or implied, of success to you in the use of this information. Loewen and Associates, Inc. disclaims responsibility for or loss associated with use of information from our commentary, analysis or recommendations. **There is risk of loss in trading commodity futures and options. The risk in trading can be substantial; therefore only genuine "risk" funds should be used.**

Moving on to the grains,

USDA shell shocked the markets yesterday by adding 3.7 million acres since the March Intentions report and 5.7 million acres to primary crop acres over last year. Acres planted to soybeans jumped to a new record by 7 million acres at 84.84. That is 3.35 million acres higher than what USDA had in March and 11% higher than last year's planted acreage. Acres planted to spring wheat also had a big jump, up from 12 million acres to 12.7. North Dakota was the major swing state planting over 1.4 million acres of wheat compared to last year, winter and spring varieties included in that total. Acres planted to Milo come up 700,000 as well from the March intentions. Corn acres were only decreased by 50,000 acres to 91.64 million.

The quarterly stocks report was also bearish yesterday with USDA finding more corn and beans on hand, at least compared to the average trade estimate. 3.854 billion bushels of corn on the farm or commercially stored as of June 1st means March through May disappearance was 3.15 billion bushels compared to 2.63 billion during the same period last year. Exports account for the main difference year over year and ending stocks could be raised slightly in USDA next supply and demand report coming out July 11th. Soybeans in storage as of June 1st were reported at 405 million bushels compared to an average estimate of 387 million. This still shows we are tight and will be for the next couple months but a little more room here as well.

Egypt announced yet another snap tender for an unspecified amount of both HRW and SRW to be delivered in August. The tender will close today and as of this morning 900,000 MT has been offered out of Romania, Russia and France with 1 cargo offered from the US.

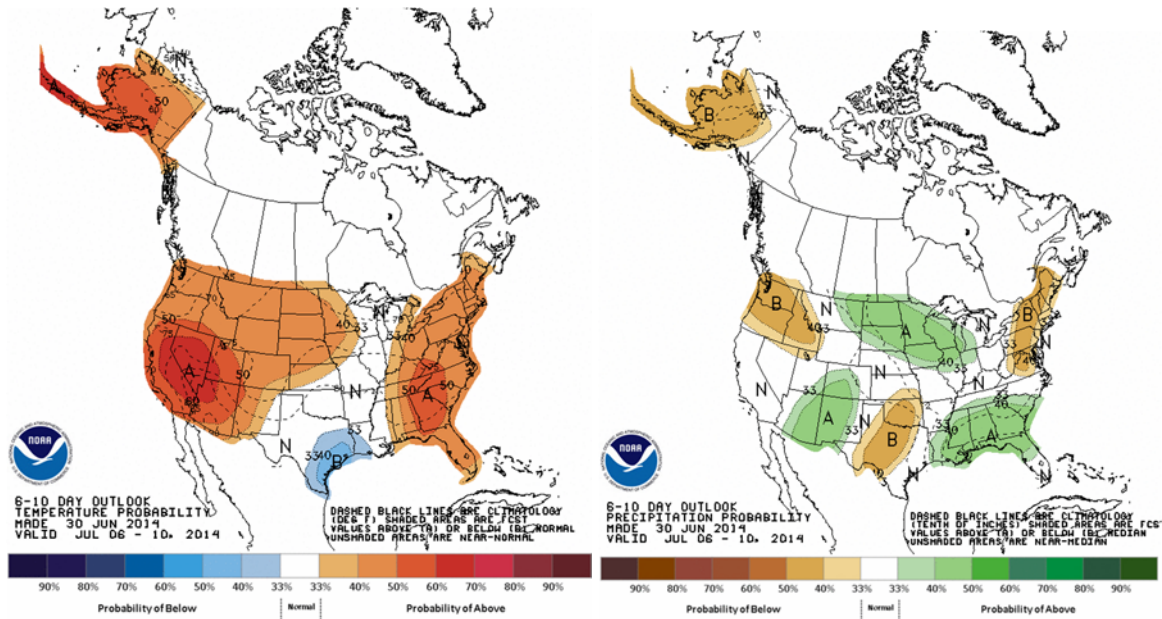
Crop conditions updated yesterday afternoon were bearish as most expected corn conditions to drop a point or two when in fact they improved by a point to 75% good to excellent. Soybeans conditions were unchanged at 72% good to excellent. 94% of the soybean crop has emerged and 10% is blooming. Winter wheat harvest should be able to make up some ground this week after only advancing 10% last week to 43% completed.

IMPORTANT—PLEASE NOTE

This does constitute a solicitation to buy or sell commodities futures and/or options. The information contained herein is provided for informational purposes only. The information is not guaranteed as to its accuracy or completeness, although the information was taken from sources we believe to be reliable. The market recommendations of Loewen and Associates, Inc. are based solely on the judgment of Loewen and Associates, Inc. personnel. We do not guarantee or warranty, either expressed or implied, of success to you in the use of this information. Loewen and Associates, Inc. disclaims responsibility for or loss associated with use of information from our commentary, analysis or recommendations. **There is risk of loss in trading commodity futures and options. The risk in trading can be substantial; therefore only genuine "risk" funds should be used.**

Overnight the grains continued lower with corn down 4 to 5, soybeans down 5 ½ nearby and 14 lower new crop. Wheat finished steady to 4 lower in all three pits.

The weather models haven't changed much, but some above normal temps are forecasted for the northern corn belt along with above normal precipitation though through the first 10 days of July.



Loewen and Associates, Inc.

Pete Loewen / Matt Hines / Doug Biswell / LaVell Winsor

www.loewenassociates.com

peteloewen@cox.net

matthines1@cox.net

866-341-6700

IMPORTANT—PLEASE NOTE

This does constitute a solicitation to buy or sell commodities futures and/or options. The information contained herein is provided for informational purposes only. The information is not guaranteed as to its accuracy or completeness, although the information was taken from sources we believe to be reliable. The market recommendations of Loewen and Associates, Inc. are based solely on the judgment of Loewen and Associates, Inc. personnel. We do not guarantee or warranty, either expressed or implied, of success to you in the use of this information. Loewen and Associates, Inc. disclaims responsibility for or loss associated with use of information from our commentary, analysis or recommendations. **There is risk of loss in trading commodity futures and options. The risk in trading can be substantial; therefore only genuine "risk" funds should be used.**