



Loewen and Associates, Inc.
Commodity Consulting/Brokerage
Pete Loewen, Matt Hines,
Doug Biswell, Matt Burgener
866 341 6700
www.loewenassociates.com

Date: July 7, 2015

Tough day for the ag markets as a whole as uncertainties in the latest Greece debacle spurred a lot of selling in the meat complex as well as the grains. There were a few isolated higher quotes showing on the screen at the close in the meats, but still far more red than green.

Coming off the last major holiday until Labor Day in September, assessing meat demand and clearance will dictate some of the direction in cattle and hogs when world political news finally takes the back seat. July and August typically aren't stellar months for beef demand in the first place, so hoping for a sharp post-holiday rally in the choice and select would be a long shot at best. The positive momentum will have to come from building on the higher negotiated cash that was paid last week by packers. Actually, the positive hope for live futures comes from cash. In feeder cattle it comes from the corn market finally taking a breather to the downside after rallying hard in late June.

Cattle slg. ___ 108,000 -5k wa -3k ya. The wtd kill last week was 521,000, -34k wa, +28k ya

Choice Cutout ___ 247.65 -2.47

Select Cutout ___ 243.92 -4.13

Feeder Index: ___ 221.81 -1.48

Lean Index. ___ 77.13 +.09

Pork cutout ___ 82.26 +1.27

IA-S.MN direct avg ___ 77.17 +1.77

Hog slg. ___ 398,000 -26k wa, +12k ya The wtd kill last week was 1.857 mln, -286k wa, +224k ya

Copyright © Loewen and Associates, Inc.

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.**

In the grains, deep losses from the Sunday night session carried into the open yesterday, but didn't last the entire day as strength returned late, particularly in the wheat complex. Interestingly enough, wheat to me should have been the least likely to find buyers considering harvest has solidly pushed into the central US and US wheat prices compared to other foreign exporters are still too high. I'm not trying to wish wheat lower, but at the same time we have to look at the fundamental facts as well. Looking past the fundamentals, after the big rally in recent weeks, there was a setback coming at some point anyway.

Crop progress and condition data yesterday had some negative spin to it in the fall crop markets. Corn condition ratings improved to 69% g/ex, up 1 point from the previous week and 6 points below last year still. Missouri, Ohio and Indiana are still in the worst shape while Iowa and Minnesota have fantastic ratings this year, which is a definite flip flop from last year's conditions.

Soybean plantings rose 2 points to 96% complete versus 100% done on average. Missouri came up 11 points, but still sits at only 73% done compared to 97% normally. Kansas was at 94% compared to 99% normally. I'm guessing Missouri will end up with a lot of prevent plant acres and following a year like last year when yields in corn and beans were unbelievably good in that state this is a stark year to year contrast. Soybean condition ratings remained unchanged from the previous week at 63% g/ex. Last year nationwide we were 72% g/ex.

Winter wheat harvested levels went from 38% done up to 55%, which is only 4 points behind normal. Condition ratings in winter wheat were 40% g/ex, down 1 from last week, but still 9% ahead of last year at the same time. Spring wheat ratings were 70% g/ex, down 2 points from last week and unchanged from last year.

6-10's last night were calling for normal to above temps, normal to above precip in the far east and normal to below central and west.

Crop report out Friday and we'll talk about estimates heading into those numbers later this week.

Pete Loewen

Loewen and Associates, Inc.

Pete Loewen / Matt Hines / Doug Biswell / Matt Burgener

www.loewenassociates.com

peteloewen@cox.net

866 341 6700

Copyright © Loewen and Associates, Inc.

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.**