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Wild ride once again yesterday in the live and feeder markets. Feeder cattle futures had contracts with ranges from high to low of over \$5.00. Live cattle had several over \$4.00. The closes showed a couple contracts at \$2.00+ higher in the fats and all the rest less than \$2.00. Feeders were all under \$2.00 higher.

In the feeder cattle and calf market trade on a light Thanksgiving week run, Ok City prices in yesterday's sale were \$6-\$8 higher on steer calves and \$10-\$20 higher on heifers. Feeder prices were \$2-\$4 higher than last week. Keep in mind, that's a week to week comparison from two Monday's ago to yesterday and futures have come up a long way over that timeframe.

In the negotiated cash feedlot trade, with this being a holiday shortened kill schedule, packers didn't need a lot of cattle for this week. The cattle that packers put together this week in the cash trade though will be for a full schedule next week, so they should need more numbers. Higher futures likely will have them needing to chase prices somewhat higher. However, yesterday's monthly Cold Storage report numbers might help tame that futures run.

Not that Cold Storage numbers have had much significant impacts on the trade historically, but as people dig deeper and deeper for market movement reasoning, the data is becoming more widely watched. The numbers across the board for all meats were bearish. Frozen poultry supplies were up 16% from a year ago in October. Frozen pork was 13% higher. Frozen beef was 34% higher. Total red meat in freezers was up 21% and that's the largest October number since data began being collected in 1916. In reality when looking at the increased numbers in all meats over the last several months, this might be an economic signal as a whole, not just a poor beef demand debacle. Nonetheless, it's also a good reason to remain somewhat pessimistic towards long term beef price, especially with herd expansion underway.

Cattle slg. ___ 112,000 +6k wa -2k ya
Choice Cutout ___ 202.79 -.35
Select Cutout ___ 191.05 +.10
Feeder Index: ___ 171.51 -2.88

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Lean Index. __ 55.37 -.15
Pork cutout __ 72.30 -.84
IA-S.MN direct avg __ 51.91 +.16
Hog slg. __ 440,000 +2k wa +4k ya

Yesterday's futures action in the grains and oilseeds was all higher with some significant bullish technical indicators hitting as well. Corn, soybeans and wheat all had outside trading ranges with the lows below the previous session and the highs above the previous session, along with higher closes. That's known as a bullish key reversal by the chartists. Key reversals often carry more weight when they happen at significant high or low points in markets. For soybeans and wheat there were new contract lows hit before the turnaround higher. In corn that wasn't the case, since new lows weren't hit.

The higher action was odd action yesterday considering the Argentine elections over the weekend likely mean a change in their currency policy and elimination of export taxes coming at the market. The gist of that message meaning Argentine farmers would become more active sellers, as well as increasing production, pressuring all three markets potentially. Those elections had been widely talked about and anticipated over the last several weeks though, so perhaps it could have resulted in a sell the rumors and buy the fact reaction by the markets.

6-10 day weather forecasts last night showed below normal temps for the Central and Southern Plains, creeping into the Delta. Far Northern Plains and Northern Corn Belt temps were above normal. Precip chances are above normal central, south and east and below normal in the far north.

Crop Progress and Condition data released yesterday afternoon didn't have a corn harvest number anymore, but milo was 94% done, up 3% from the previous week. Kansas and Nebraska still had 5% to go. Winter wheat planting pace is 96% complete, up 2 points from a week ago, but normally we're 100% done by now. Winter wheat condition ratings improved 1 point to 53% g/ex, which is still shy of last year's 58% g/ex rating at the same time.

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