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

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Volatility in the cattle complex continued on Thursday with live cattle futures up well over $1.00 in some contract months and feeders up more than $2.00 on the front four contract months. This week's action so far included a big rally Monday, big selloffs on Tuesday and Wednesday and back to rallying in yesterday's action. From a net gain or loss standpoint on front end August Feeders for instance, we're still not back to Monday's highs.

For the week ending May 13th, steer and heifer carcasses gained two pounds apiece from the previous week's number. Compared to previous year weights, those carcasses are still incredibly light, yet versus 5 year average numbers they are very close to normal. There have been a significant number of cattle pulled forward this spring and that evidence is apparent in both these weights and the marketing rates from the On Feed reports. To a large extent, that's what has allowed what was once projected to be a massive drop in cash to be a strongly elevated market that has pulled futures up and just recently found cash starting to work lower. An $8 positive basis between the earlier week cash and yesterday's spot June futures close is still wide, but it came in about $4 this week.

Cattle on Feed report data will be released at 11:00 a.m. CST this morning, instead of the normal 2:00 p.m. The average guess for the report cite the May 1 On Feed total at 101% of a year ago. April Placements are pegged at 106.5% and April Marketings at 101%. With one less business day in April compared to 2016, a marketing rate at 101% in the report data would mean an actual marketing rate of around 5.5% - 6% larger than year ago totals, which tames down some of that disparity between the larger placement guesses versus the marketing total.

Cattle slg.___ 115,000 +8k wa +3k ya

Choice Cutout__246.11 +.03

Select Cutout___218.98 -.62

Feeder Index:___143.09 -.31

Lean Index.__76.25 +.18

Pork cutout___90.30 +.44

IA-S.MN direct avg__72.47 +1.11

Hog slg.___ 440,000 +4k wa   +10k ya

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Grain trade finished mildly lower yesterday while the soybean losses were bordering on moderate. The additional pressure in beans relative to the other markets may very well still be coming from all the government turmoil and scandals going on in Brazil and influencing their currency. Funds were estimated sellers of 5000 corn, 6000 beans and 2000 wheat.

Oddly enough, the only commodity that export sales were friendly to was beans, yet they were down the most. Soybean sales were 17.4 mln bushels, corn 18 mln, milo a net negative 100,000 and wheat 7.4 mln.

6-10's last night were showing above normal temps in the far Northern Plains and below normal in a diagonal line stretching from central Nebraska to northern Wisconsin. Everything south and east of that line was below normal. Precip was pegged at below normal from southern Iowa into the Northern Plains, normal from central Nebraska to central Illinois and above normal from Kansas and southern Illinois south. For HRW wheat, that's a bearish forecast from the perspective of production increasing, although it also increases disease pressure from rust. For the Corn Belt, I'd view the forecast as a little bearish corn and beans because it should allow a fairly rapid completion of corn and soybean planting (and replanting) once it dries out. That "replant" notation is also a factor that makes crop progress reports somewhat misleading. There's definitely some areas in the central and eastern belt where significant replanting has been done or needs to be done. That skews the planting data and it's also something to note from the standpoint of prevent plant potential.

Pete Loewen

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