



Loewen and Associates

Commodity Consulting/Brokerage

**Pete Loewen, Matt Hines,
Doug Biswell, Matt Burgener
866 341 6700**

www.loewenassociates.com

Date: August 21st, 2017

Morning Ag Markets

Matt Hines

Livestock futures traded both sides of unchanged to end the week and in the end all nearby contracts settled above their long term support levels after reaching down for new recent lows. Cash feedlot trade for week wrapped up mostly at \$110 live, \$5 lower than a week ago and \$173 to \$175 dressed, \$8 to \$10 lower. Volume was light though as some cattle will be carried over.

For the week, from Friday August 11th to Friday August 18th, August Live Cattle - \$3.35, October -\$1.50, August Feeder Cattle -\$1.27, September -\$2.20, October Lean Hogs -\$2.50, December -\$1.92. Boxed Beef, Choice -\$5.31 @ \$194.29, Select -\$3.62 @ 192.50.

Cattle slaughter from Friday is estimated at 115,000 head, up 1,000 from the week previous and up 2,000 compared to a year ago. For the week, 634,000 head, down 7,000 from the week previous but up 32,000 compared to a year ago.

Hog slaughter from Friday is estimated at 425,000 head, down 1,000 from the week previous but up 1,000 compared to a year ago. For the week, 2,332,000 head, up 60,000 from a week ago and up 37,000 compared to a year ago.

Boxed beef cutout values lower on light to moderate demand and heavy offerings for a total of 124 loads sold.

Choice Cutout__194.29 -1.34

Select Cutout__192.50 -1.70

CME Feeder Index:__145.80 +.36

CME Lean Hog Index.__83.19 -.51

Pork Carcass Cutout__90.14 -1.83

IA-S.MN Wtd Avg Carcass Base__73.11 -2.40

National average Wtd Avg Carcass Base__73.34 -2.06

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.**

October live cattle broke well below the \$106 support on Friday and closed just below it with the next area of support in the \$102 area. August feeders dipped below \$140 for the first time in almost 4 months. The charts look very bearish below that with support next at \$135 then \$131. October lean hogs are very volatile right now, technicals pointing lower again, support at \$64.12 from earlier this month. Resistance at \$68 and then up to the high last week at \$71.32.

I wasn't sure if corn futures were even going to break +/- a penny on Friday, but in the end we did close 1 ½ higher which was near the session's high. Wheat wasn't much better, with a 5 to 12 cent range and mixed results when looking at all three classes. Soybeans continue to be the leader higher from nearby and continued strong Chinese demand.

For the week, from Friday August 11th to Friday August 18th, September Corn - \$.08 ¾, December -\$.09, November Soybeans -\$.07 ¾, September KC Wheat - \$.26 ¾, September Chicago Wheat -\$.23 ¼, September MPLS Wheat -\$.05 ¼, December Soybean Meal -\$3.7/T

Grains overnight were lower with good rain across the WCB and more in the forecast. Soybeans finished 5 lower, corn 3 lower and wheat steady to 2 lower.

More soybeans sales announced by USDA this morning, all new crop, with 198,000 MT or 7.3 MBU sold to China and 463,000 MT or 17.0 MBU sold for unknown destinations.

The Pro Farmer crop tour kicks off today with final results released after the close on Friday. The past few years they have been under USDA final but many hoping this will be a year like 2010 where they actually were overestimating the crop.

Expectations are for crop conditions to be steady to maybe a point better for both corn and soybeans later this afternoon. 62% of the corn crop was rated good to excellent last week compared to 74% last year. 59% of the soybean crop was rated good to excellent last week compared to 72% last year.

The 7 day precipitation accumulation map issued this morning continues to show 1-3 inches from TX to MN. The 6-10 day forecast shows above normal temps for

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.**

the western 1/3 of the U.S. and normal to below normal central and east with above normal precip only for the South now, below normal for the PNW and NE.

Dec corn held above \$3.63 last week but below it overnight pointing to a possible test of \$3.52 to \$3.50, major resistance area up at \$3.88. November soybeans holding the reversal higher from last Wednesday, support at \$9.07 and \$9 with resistance up at \$9.60. KC and Chicago wheat trying to hold off from a test of the \$4 mark while September MPLS rallied back last week with support at \$6.50, resistance at \$6.81.

Loewen and Associates, Inc.

Pete Loewen / Matt Hines / Doug Biswell / Matt Burgener

www.loewenassociates.com pete@loewenassociates.com matt@loewenassociates.com

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.**