

Grain Market Update 9/23/16

Wheat has been on a slow rebound since hitting lows before Labor Day weekend which caused the LDP rates to skyrocket. Wheat is waiting for the Small Grains Summary and stocks report to be released on the 30th to make a move one way or the other. This report in the past has surprised the market and caused some drastic shifts in the futures. Exports will be a key factor with needing to find destinations for the quality of this year's crop. For those of you with a lot of wheat still stored in bins, HTA contracts may not be a bad option to hedge some of that risk.

The USDA's Supply and Demand report was released last Monday afternoon. Corn had been seeing some positives with six straight days of gains before the report, but that ended with the S&D report. The national yield average came in at 174.4 which was a couple points higher than most estimates. The market will know more as harvest progresses into the Corn Belt as to what kind of yields we'll be dealing with, as there are still some skeptical about the high yield estimates. The corn crop also showed a 74% good/excellent rating this week which was unchanged from last week and tied 2014 as the highest in the last seven years. The corn market has come back up since the report, but is having a hard time really making a strong push past some resistance levels. Harvest is right around the corner; give us a call, 308-487-3325, to talk marketing strategies for this year's corn crop as well as next years.



Have a great week!