

Grain Market Update 10/14/16

The USDA's October crop report came out Wednesday, and didn't really show the market anything it wasn't already expecting. The tables below show the updated yields for corn and soybeans as well as the updated carryout. Corn ended up for the third straight week, this week closing 14 ¾ cents higher. Looking at the chart below, corn has moved past the 10 and 20 day moving averages and tested the 40 day moving average this week. Speculative buying helped drive the market up towards the end of the week, and export sales have remained ahead of what's needed to meet the USDA expectation.

Wheat ended the week up 13 ¼ cents, and has been stuck in the same futures price range since around July. Short fund covering was the main thing behind the rise in price Thursday and Friday. There has been a continued export demand in the wheat market that has also helped push the price up, but carryout is still large. Wheat needs to be able to price itself in the feed sector to help move some wheat.

Harvest seems to be underway around all of our facilities. Give us call if you have any questions on the discounts for this year. With the prices up, it's not a bad time to look at getting some corn sold if you're under-contracted heading into this year's harvest.





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USDA 2016 Yield (bu/acre)					
	USDA Oct 2016	Avg Trade Est	Range of Trade Est	USDA 2016	Sept
Corn	173.4	173.5	169.5-175.2	174.4	
Soybeans	51.4	51.5	50.1-52.6	50.6	

USDA 2016/2017 U.S. Carryout (billion bushels)					
	USDA Oct 2016	Avg Trade Est	Range of Trade Est	USDA 2016	Sept
Corn	2.320	2.359	2.181-2.662	2.384	
Soybeans	0.395	0.413	0.325-0.517	0.365	
Wheat	1.138	1.153	1.050-1.400	1.100	

Have a great weekend!