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Morning Highlights

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Highlights

- At last look the US Dollar index was down 0.036 to 95.634 points.
- The mini Dow Jones futures are down 182 points to 23,678 points in the overnight session.
- The energy markets were lower after the run up in prices last week. Nearby crude is down \$0.63 to \$50.95 per barrel.
- The US government has now been in a partial shutdown for 24 days. President Trump and Democrats have not been at negotiations since last Wednesday.
- USDA Export Inspections are expected to be released again this week at 10:00 am central time.

Corn

- The corn market was nominally lower in sympathy with soybeans and wheat to start off the week.
- China's Ag ministry is estimating corn output down 0.7% year over year while their consumption is expected to rise 5.5%.
- A private analyst is estimating the South African corn crop will not reach the 12.2 mmt forecast, due to delayed planting and possible frost.
- Chinese corn futures were down 7 cents overnight.
- Spreads: H/K 8 ¼ cent carry, K/N 7 ¾ cent carry, H/Z 23 ¾ cent carry.

Outlook: Choppy to lower trade on lack of major corn headlines this morning.

Oilseeds

- The soybean market was lower on news of smaller Chinese soybean purchases last month.
- China confirmed its total soybean purchases were 5.72 mmt in the month of December according to their General Administration of Customs. This was

slightly ahead of the 5.38 mmt they purchased and below the 6.5 mmt expected. This was the lowest December purchase since 2011.

- China's Ag Ministry has confirmed another case of African Swine Fever in the Gansu province.
- NOPA crush comes out tomorrow at 11:00 am.
- Malaysian palm oil was down 35 ringgits to 2,136 ringgits to start the week off. Chinese soybean futures down 9 cents overnight. Their soymeal was off \$10 per ton.
- Rain fell across Northern Argentina and Southern Brazil over the weekend. The forecast calls for more rain in those regions this week, while the central and northern part of Brazil is expected to remain dry.
- Spreads: H/K 13 $\frac{3}{4}$ cent carry, H/N 26 cent carry, N/X 15 $\frac{3}{4}$ cent carry.

Outlook: Lower off the open on continued lack of demand.

Wheat

- The wheat market was weaker to start the week on news of an increased Russian export pace.
- Russian wheat exports for the first half of the 2018/19 marketing year totaled 24.3 mmt according customs data. This was up 13.5% over the same period last year.
- Russia's Ag Ministry confirmed its grain export forecast of 42 mmt for the 18/19 marketing year.
- Russian export prices were relatively flat going home last week.
- Spreads: H/K Chicago 5 $\frac{1}{4}$ cent carry, KC 11 $\frac{1}{2}$ cent carry, Mpls 4 $\frac{3}{4}$ cent carry.

Outlook: Choppy to lower off the open on technical selling.