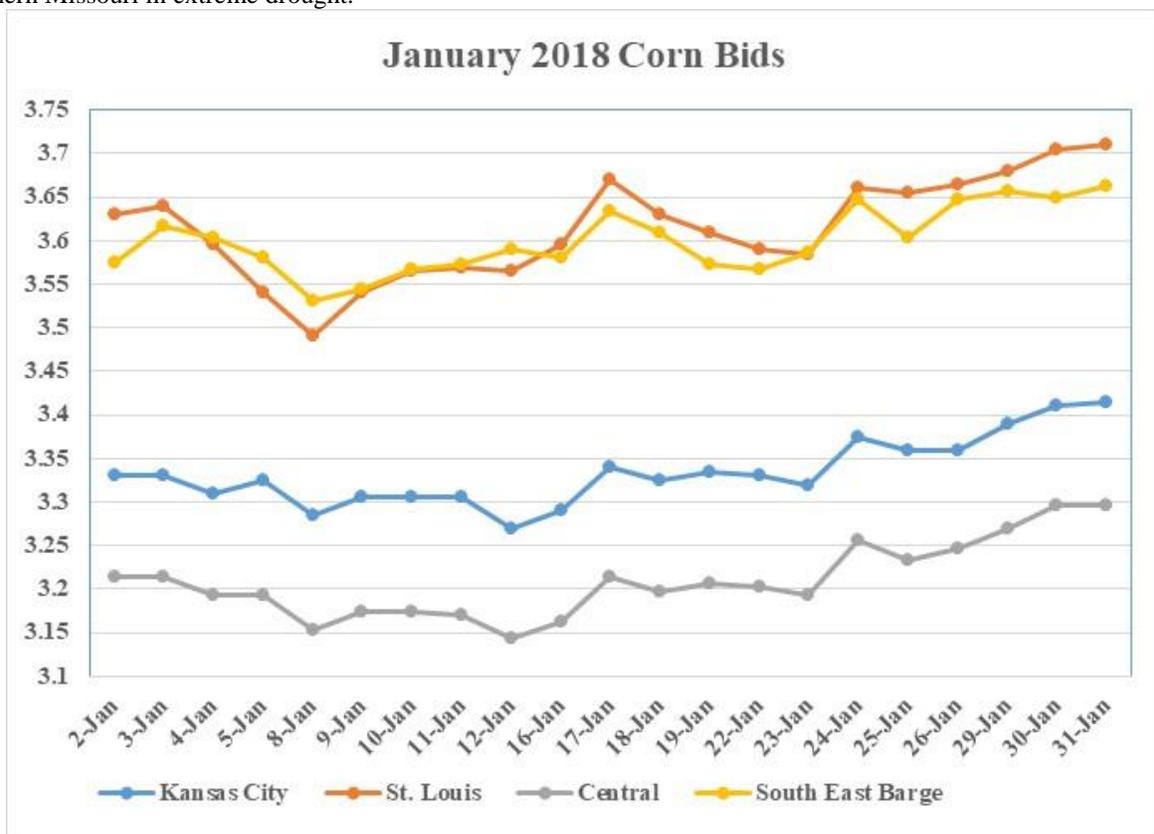


Monthly Grain Crop Review

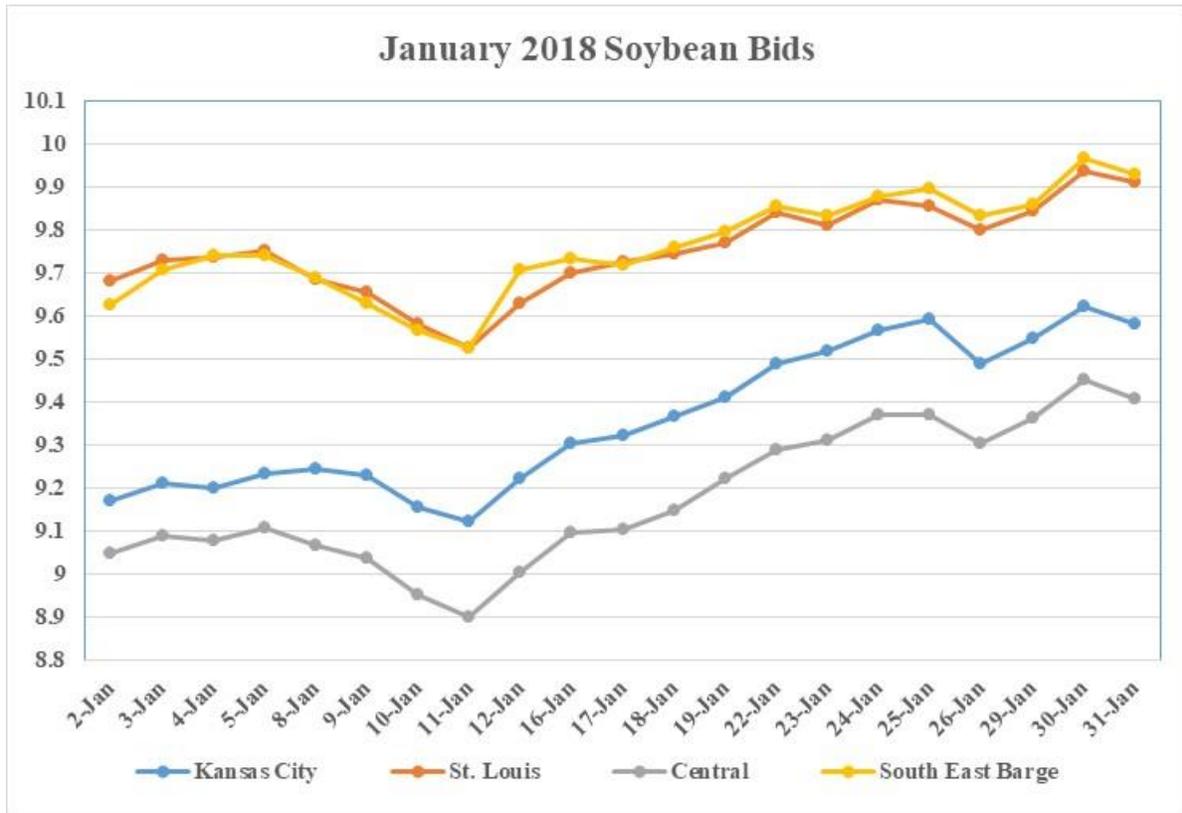
January 2018

Jefferson City, MO Thu Feb 01, 2018 MO Dept of Ag/USDA Market News

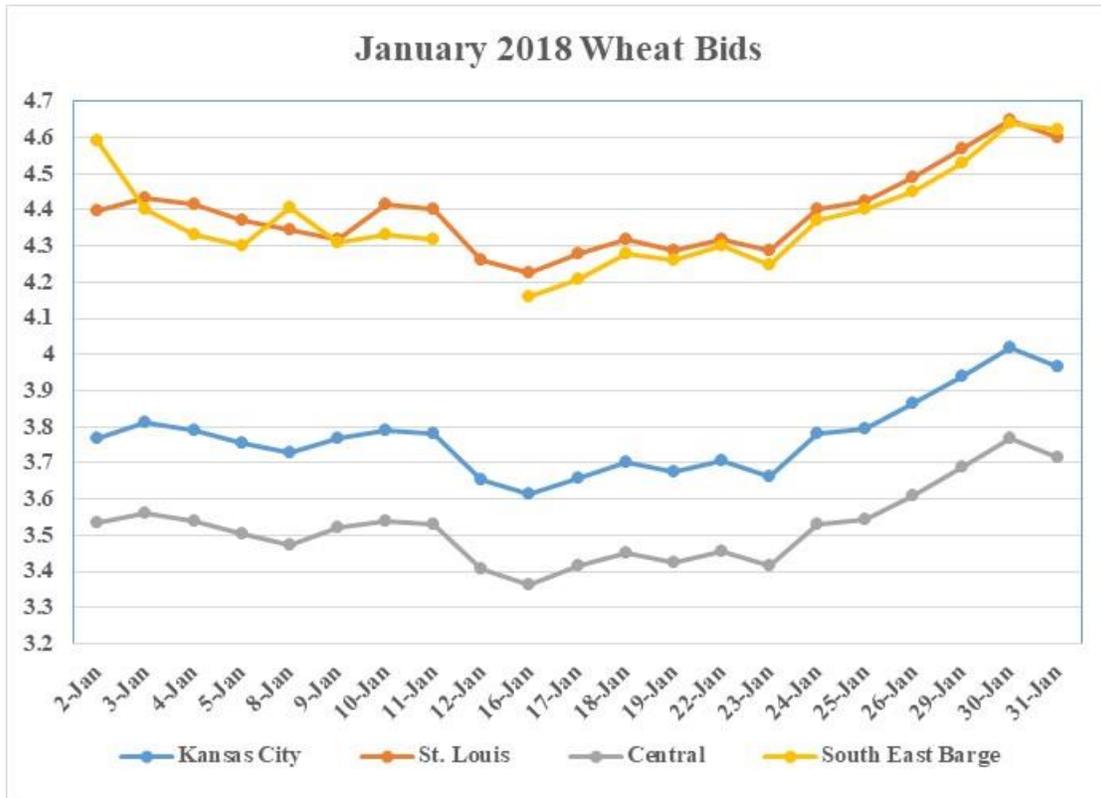
Grain markets were quiet starting the year out. Corn, soybean, and wheat export sales for 2017-2018 reached marketing year lows for the last week of the year, according to USDA. January weather in Missouri was all over the charts. Although the monthly average temperature was not far from normal, there were several extremes in both directions. The US National Weather Service in Kansas City noted that there were lows that reached 5 to 20 below zero at the beginning of the month. Along the Mississippi River, there were a couple of days that the ice and low water conditions caused some delays when transporting grain. Then, after January 19, excluding only a couple of days, temperatures were above normal. On the warmest days, temperatures rose to the 50s, 60s, and even lower 70s in some areas. The month closed out slightly below normal. While there was some precipitation around Missouri, most counties are still seeing dry conditions and are currently categorized as abnormally dry, moderate drought, or severe drought. There are portions of three counties in southern Missouri in extreme drought.



Some more sideways trading in the corn markets again this month, if not a little more upward than last month. South American weather kept the attention of traders throughout the month. The forecasts of dry weather or precipitation made analysts want to change estimates of harvest in South America. Domestic demand was active, as prices show the slight increase throughout the month. While corn prices are still lower than producers would like, corn prices have continued the slight steady increase since the middle of November. The spike on the 17th was attributed to commercial buying and the ongoing concerns of dry weather around the US. Farmers cleaned out some bins after seeing some of the highest corn prices seen in five months. While it followed with lower bids the next days, it was made up again to carry on the climb upwards. Another record corn crop is expected, according to USDA, but harvested acres are expected to decrease, limiting overall production.



Soybeans took a beating during December and it looked like January may continue that trend until mid-month when things started to improve. Bids in January gained back about all that was lost in December. The WASDE report showed a higher soybean acreage expected for this coming year, however soybean production is estimated down 33 million on lower yields, at 4,392 million bushels. Crush activity has increased and meal shipments are higher than a year ago, even though soybean shipments were down.



*Missing data is due to elevators in that area not receiving wheat at that time.

Wheat bids had more life in January than they did in December. While December Wheat bids were about as sideways as you can get, January bids had a few dips and an overall upwards trend, like the other commodities in this report. Farmers are keeping their eyes on forecasts, now that some wheat is starting to show through the ground. Dry conditions could affect wheat that is in the ground, but we will have to see what the next few months bring us.

*Sets of data for the graphs are from the Missouri Grain Cash Bids report that is published daily. Only dates in which markets are trading are represented.

Source: MO Dept of Ag/USDA Market News Service, Jefferson City, MO
 Caroline Tyler-Carter, Market Reporter, (573)751-5618