

MID-CO COMMODITIES, INC.

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Morning Market Commentary
Thursday, July 19, 2018

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OVERNIGHT MARKETS (as of 7:15 AM)

Contract	Last	Change	Support	Resistance	RSI	Contract	Last	Change	Contract	Last	Change
CU18	346	-1 1/4	339	360	36.74	OU18	233 3/4	-1/4	Dollar I.	95.55	0.463
CZ18	359 3/4	-1 1/4	350	370	37.65	CTV18	88.44	-0.39	Crude	68.27	-0.49
SQ18	838	-4 1/4	810	860	32.28	SMQ18	328.4	0.2	Gold	1215	-12.9
SX18	853 1/2	-4 1/4	826	880	32.72	BOQ18	27.9	-0.17	RBOB	2.0305	-0.0141
WU18	493 3/4	-3/4	471	495	47.47	LCQ18	108.95	2.525	Ethanol	1.401	-0.011
WZ18	510 1/4	-1/2	490	513	46.57	LHQ18	67.2	-0.7	Dow J.	25,063	-98.00

SPREADS

CORN	Last	Full Carry	% Full Carry	BEANS	Last	Full Carry	% Full Carry	WHEAT	Last	Full Carry	% Full Carry
CU18:CZ18	-13 3/4	-18.56	74.08%	SQ18:SX18	-15 1/4	-23.35	65.32%	WU18:WZ18	-16 1/4	-38.02	42.75%
CZ18:CH19	-11 1/2	-18.69	61.51%	SX18:SF19	-10 1/4	-15.75	65.09%	WZ18:WH19	-15 1/2	-38.18	40.60%
CH19:CK19	-6 3/4	-12.40	54.44%	SF19:SH19	-9 1/4	-15.82	58.48%	WH19:WK19	-10 1/4	-25.48	40.22%

	This Week	-Sales-	Last Week	YTD	USDA	% Complete	Estimates (mb)
Corn	25.2 Mln. Bu.		15.83 Mln. Bu.	2.312 Bln. Bu.	2.400 Bln.	96.3%	11.8-23.6 Mln.
Beans	9.27 Mln. Bu.		5.83 Mln. Bu.	2.120 Bln. Bu.	2.085 Bln.	101.6%	7.3-18.4 Mln.
Wheat	11.02 Mln. Bu.		5.01 Mln. Bu.	236 Mln. Bu.	975 Mln.	24.2%	5.5-18.4 Mln.

**New crop bean sales @ 22.5 mb; corn @ 30.5 mb.

- The bears are gaining the upper hand this morning as corn, beans & wheat futures are on the defensive. Commodities in general are being pressured as the dollar makes new highs for the move and trading at a 1-yr high. The dollar has found renewed buying interest as the Fed signaled the central bank still wants to gradually raise interest rates "for now". Gold continues its recent collapse, dropping by more than 1% today and trading at the lowest level in a year while crude oil is down roughly 50 cents.
- Mexico's Economy Minister stated that senior U.S. and Mexican officials have agreed to step up negotiations to overhaul the North American Free Trade Agreement with the aim of reaching a preliminary deal by late August. On Wednesday, President Trump said the U.S. may complete separate agreements with Mexico and Canada, suggesting that aiming for a preliminary NAFTA deal by late August is still in question at the White House.
- Some of today's weakness is attributed to moisture moving across portions of the WCB as a line of thunderstorms are moving across parts of IA, MN and the Dakotas. The Central US weather forecast is a little wetter for the ECB. Scattered showers will blanket the Central and Eastern Corn Belt today through tomorrow. The extended forecast continues to show cooler and mostly drier conditions dominating until the end of the month.
- OPEC and non-OPEC's compliance with oil output curbs has declined to around 120 percent in June from 147 percent in May. OPEC and non-OPEC countries agreed to gradually bring compliance back to 100 percent at a meeting at the end of June.

Managed Money Activity	Previous Day's Est Activity	Estimated Net Position	Record Long	Record Short
Corn	4,000	-97,000	429,189	-230,556
Beans	2,000	-61,000	253,889	-118,683
Chicago Wheat	-2,000	7,000	80,827	-162,327

Opening Calls

Commodities are generally pressured as the dollar continues to rally.
Weekly export sales were near expectations; new crop sales were strong.
US dollar trading at a one year high; gold futures are at a one year low.

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