

# Weekly Crop Market Update

April 15, 2018

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The Trump administration is showing interest in returning to the Trans-Pacific Partnership (TPP). The TPP-11, signed on March 8, is a trade agreement between Australia, New Zealand, Canada, Japan, Mexico, Brunei, Chile, Malaysia, Peru, Singapore and Vietnam. The initial response from the TPP-11 nations was mixed. There is a willingness to discuss the potential for the U.S. to re-enter the agreement, but no interest in making major adjustments to the existing agreement.

During a keynote speech at the Boao Forum in Asia, Chinese President Xi Jinping discussed a “new phase of opening up” by reducing foreign ownership limits on manufacturing and expand protection to intellectual property. U.S. commodity and stock markets responded favorably to the speech and believe it may signal a reduction in trade tensions between the U.S. and China.

The Buenos Aires Grain Exchange estimates that 23 percent of the Argentine soybeans and 25 percent of the Argentine corn have been harvested as of Thursday, April 12, 2018.

Vicentin SAIC, an Argentine oilseed processor and top exporter of soybean oil, purchased a total of 240,000 tons of soybeans from the U.S. last week. This is the first Argentine purchase of U.S. soybeans in the past 20 years, signaling the impact of the drought conditions in Argentina. The sales are registered for the 2018/19 marketing year, which begins in September, 2018.

On Monday, April 9, President Trump held a meeting with Environmental Protection Agency Administrator Scott Pruitt and Secretary of Agriculture Sonny Perdue to discuss alternatives to help gasoline refiners manage the costs of complying with the RFS, Renewable Fuels Standard, without damaging ethanol demand. One proposal was to cap, or put an upper limit, on the price of RINs, Renewable Identification Numbers. RINs are used to balance the required blending of ethanol fuels across refiners (i.e. those that blend more than required versus those that blend less than required). The biofuels industry has lobbied against a cap. No agreement was found during the meeting and additional negotiations will not be held for several months.

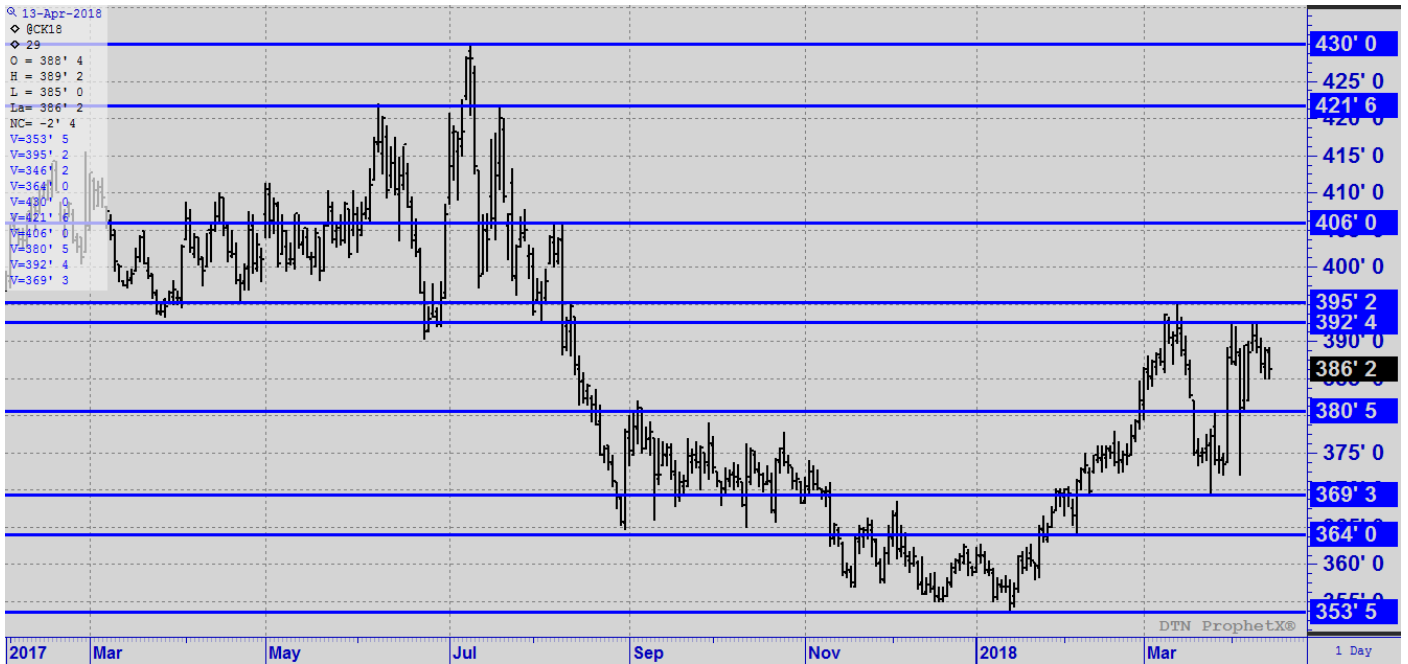
## Futures market prices at the close of trading

	03-19-18	03-26-17	04-02-18	04-09-18
Spring Wheat	May = 5.96	May = 5.97	May = 5.74	May = 6.26
Corn	May = 3.75	May = 3.74	May = 3.87	May = 3.91
Soybean	May = 10.22	May = 10.26	May = 10.36	May = 10.47
Canola	May = 517.70	May = 522.70	May = 524.80	May = 531.00

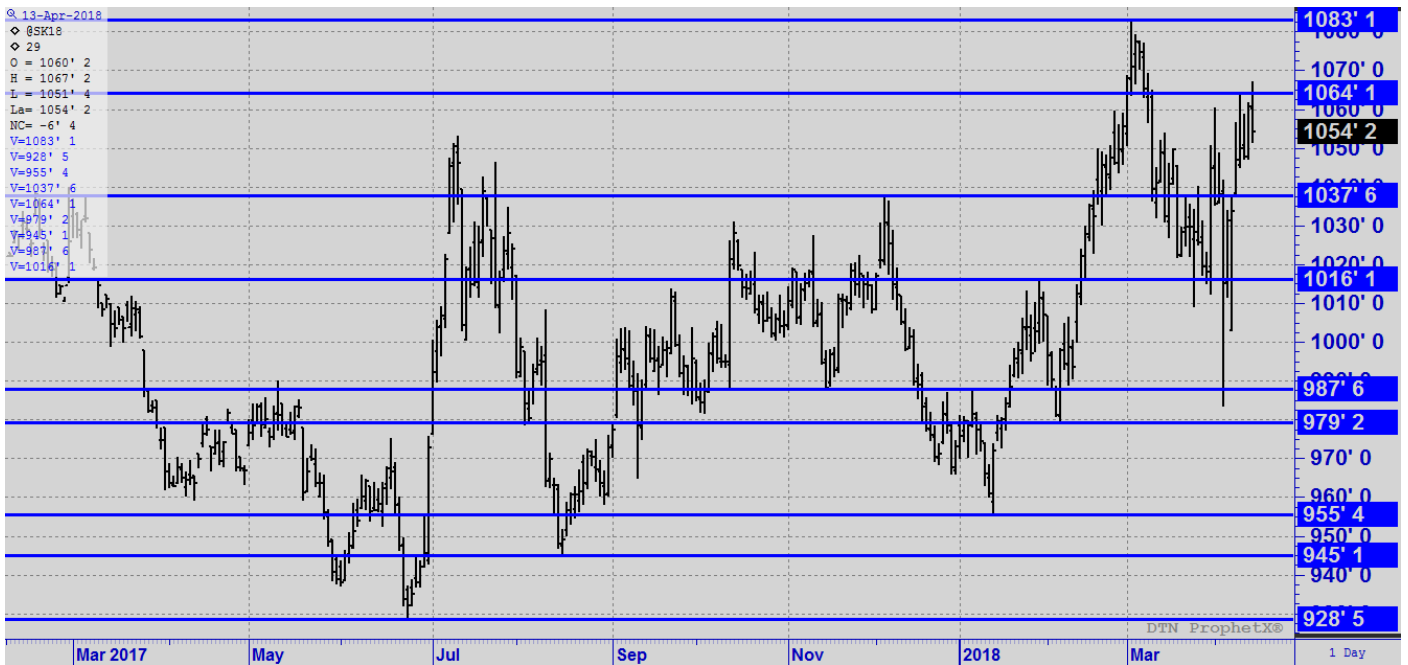
Spring Wheat, Corn and Soybean prices in U.S. Dollars/Bushel  
 Canola prices in Canadian Dollars/Metric Ton

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### May Chicago Board of Trade Corn Futures Prices (04-15-18 pm)



### May Chicago Board of Trade Soybean Futures Prices (04-15-18 pm)



## May Minneapolis Grain Exchange Spring Wheat Futures Prices (04-15-18 pm)



The **BLUE** lines in the above futures market price graphs have been inserted to indicate **support** and **resistance** price levels. A **support line** is a historical price level that represents a potential floor when prices are decreasing. A **resistance line** is a historical price level that represents a potential ceiling when prices are increasing. Support and resistance lines become psychological barriers to price movements because these are levels where sellers have overwhelmed buyers (resistance line) or buyers have overwhelmed sellers (support line). The support and resistance levels are often used as price targets for future buying or selling activity.

**2016/17 and 2017/18 Marketing Year Average (MYA) Prices**

**April 10, 2018 Report 1/**

Commodity	Marketing Year	Publishing Dates for the Final 2015/16 MYA Prices	Unit	Projected (P) or Final (F) 2016/17 MYA Price	Projected 2017/18 MYA Price
Wheat	Jun. 1-May 31	June 2018	Bushel	\$3.89 F	\$4.65 P
Barley	Jun. 1-May 31	June 2018	Bushel	\$4.96 F	\$4.50 P
Oats	Jun. 1-May 31	June 2018	Bushel	\$2.06 F	\$2.55 P
Corn	Sep. 1-Aug. 31	September 2018	Bushel	\$3.36 F	\$3.35 P
Soybeans	Sep. 1-Aug. 31	September 2018	Bushel	\$9.47 F	\$9.30 P
Dry Peas	Jul. 1-Jun. 30	September 2018	Pound	\$0.1100 F	\$0.1190 P
Lentils	Jul. 1-Jun. 30	September 2018	Pound	\$0.2850 F	\$0.2700 P
Large Chickpeas	Sep. 1-Aug. 31	November 2018	Pound	\$0.3210 F	\$0.3400 P
Small Chickpeas	Sep. 1-Aug. 31	November 2018	Pound	\$0.2490 F	\$0.2500 P
Sunflower Seed	Sep. 1-Aug. 31	November 2018	Pound	\$0.1740 F	\$0.1750 P
Canola	Jul. 1-Jun. 30	November 2018	Pound	\$0.1660 F	\$0.1750 P
Flaxseed	Jul. 1-Jun. 30	November 2018	Bushel	\$8.00 F	\$9.40 P
Mustard Seed	Sep. 1-Aug. 31	November 2018	Pound	\$0.3270 F	\$0.3270 P
Safflower	Sep. 1-Aug. 31	November 2018	Pound	\$0.2070 F	\$0.1860 P

MYA Price=national average price received by producers during the 12-month marketing year.

1/ Final MYA prices--Source: National Agricultural Statistics Service (NASS), Agricultural Prices on the publishing dates. P=Projected MYA prices--Source: USDA's World Agricultural Supply and Demand Estimates report or Interagency Commodity Estimates Committee Minutes. MYA price projections are the mid-point of the price forecast range, when applicable.