



## CHS GRAIN MARKET RECAP ROCHESTER, MN

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Monday August 21, 2017

Check current cash bids: <http://www.chsrochester.com/grain/cash-bids/>

CLOSING FUTURES		
8.21.17		
CU7	\$3.4900	- \$0.0300
CZ7	\$3.6300	- \$0.0275
CN8	\$3.8750	- \$0.0250
CZ8	\$4.0075	- \$0.0125
SX7	\$9.3625	- \$0.0150
SF8	\$9.4450	- \$0.0125
SN8	\$9.6775	+ \$0.0100
SX8	\$9.5400	+ \$0.0275

### CALENDAR:

**8/21:** Farm Journal Crop Tour

**8/23:** CHS Learning Center Plot Day - Grand Meadow

**8/24:** Export Sales

**8/28:** Export Inspections

**Crop Progress**

### Market Snapshot:

Rain makes grain. As simplistic as that sounds, that is the operating assumption futures traders right now. Rainfall has been better than anticipated throughout much of the Midwest over the past several days, leading to a substantially bearish mentality across the board. While the rains have been good, the heat units are still lacking, but that is not yet being factored into prices. Nearby September corn hit a new contract low today of \$3.4650 before bouncing back ever so slightly. Weekly crop progress report showed corn unchanged at 62% in the good and excellent categories. Soybean conditions improved one point in the good and excellent categories this week. Combined, this is likely to pressure both commodities more in the coming trade sessions.

This week marks the annual Farm Journal Midwest Crop Tour (formerly Pro Farmer.) The market is hoping to hear lower yield reports come out throughout the week to at least slow the commodity sell off. Snap shots from day one results, while less than impressive, were quite variable and failed to impact the markets much to start the week.

**Consider this...** The falling board prices have helped widen the board carries to more attractive levels. In other words, the market is telling us to there is no supply concerns and we should continue to hold our grain. Now is the time to set targets for rolling new crop futures to next spring or summer for later shipment and capture those carries. But what about those producers without on farm storage? Take a look at the cash price for new crop versus next spring or summer. Depending on the location there is a good chance the cash carry from new crop to April, for example, is more than enough to cover storage charges. This is a good opportunity to consider your breakeven prices and cash needs to determine the right time and price to sell grain. Even if the April, or spring price isn't quite where you need to be today, put in a sell offer so if the market turns around, your offer is ready.

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