

### July 2019 Monthly Commodity Report

**Market Headlines:** Delayed/Prevented planting should cause acres and yields to be below trend in the US for this year. Trade discussions with China continue, but no progress as of this time.

**Sugar/Sweeteners:** Bookings for next year’s crop have started. Crop progress is behind average, but the USDA raised the sugar stocks outlook for the current crop year. Cane sugar remains at a \$.02/lb premium to beet prices. Corn Sweeteners market has been quiet as the market waits on the true corn picture.

Raw Material (No Freight)	This Week	Two Weeks Ago	Last Month	Last Year	Year-on-Year \$ Change	Year-on-Year % Change
Bulk Refined Beet Sugar ( \$/lb)	\$ 0.3600	\$ 0.3600	\$ 0.3600	\$ 0.3600	\$ -	0.0%

**Cocoa:** Prices are supported by strong demand and an increase in cocoa futures due to Ghana & Ivory Coast implementing a farmer floor price. Changes to the pricing mechanism were established to help relieve farmer poverty for the 2020/2021 crop.

Raw Material (No Freight)	This Week	Two Weeks Ago	Last Month	Last Year	Year-on-Year \$ Change	Year-on-Year % Change
10/12 % BF Cocoa (\$/lb)	\$ 0.95	\$ 0.95	\$ 0.95	\$ 0.84	\$ 0.1100	13.1%

**Dairy:** Dry dairy and cheese prices have firmed due to strong demand and lower production. Butter prices have increased due to production declines as the manufacturers compete with ice cream makers for the availability of cream.

Raw Material (No Freight)	This Week	Two Weeks Ago	Last Month	Last Year	Year-on-Year \$ Change	Year-on-Year % Change
Butter (\$/lb)	\$ 2.41	\$ 2.37	\$ 2.36	\$ 2.27	\$ 0.1400	6.2%



**Eggs:** Eggs product pricing has been steady to weaker. Liquid Egg prices (particularly yolks) are soft with many shell eggs still being diverted to breaking stock.

Raw Material (No Freight)	This Week	Two Weeks Ago	Last Month	Last Year	Year-on-Year \$ Change	Year-on-Year % Change
Whole Frozen Eggs (\$/lb)	\$ 0.56	\$ 0.56	\$ 0.56	\$ 0.84	\$ (0.2800)	-33.3%

**Wheat/Flour:** Wheat futures have declined due to drier weather, allowing winter wheat harvest and spring wheat conditions to trend near 5-year averages. However, domestic stocks continue to grow as the US market is still uncompetitive in the international market.

Raw Material (No Freight)	This Week	Two Weeks Ago	Last Month	Last Year	Year-on-Year \$ Change	Year-on-Year % Change
Bulk Cake Flour (\$/lb)	\$ 0.1630	\$ 0.1620	\$ 0.1520	\$ 0.1545	\$ 0.0085	5.5%
Bulk Spring Flour (\$/lb)	\$ 0.1520	\$ 0.1565	\$ 0.1465	\$ 0.1600	\$ (0.0080)	-5.0%

**Corn:** Corn markets have grown in volatility due to mixed perceptions of how much the weather has played a part in preventative planting. The USDA increased acres in the July WASDE report, which increased the 2019 production and carryover. The market has discounted these numbers since the release and prices rebounded back to higher levels.

Raw Material (No Freight)	This Week	Two Weeks Ago	Last Month	Last Year	Year-on-Year \$ Change	Year-on-Year % Change
Corn (\$/bu)	\$ 4.25	\$ 4.58	\$ 4.27	\$ 3.59	\$ 0.6600	18.4%

**Oil:** Soybean oil moved in sympathy with soybeans in reaction to the USDA printing a production number below the lowest market expectations. Cash Soybean and Canola oil are firm to higher due to high demand from biodiesel. Palm continues to struggle to meet expectations for exports, keeping a lid on the market.

Raw Material (No Freight)	This Week	Two Weeks Ago	Last Month	Last Year	Year-on-Year \$ Change	Year-on-Year % Change
Bulk Refined Soybean Oil (\$/lb)	\$ 0.2900	\$ 0.2800	\$ 0.2775	\$ 0.2850	\$ 0.0050	1.8%
Palm Oil at Ports (\$/lb)	\$ 0.2725	\$ 0.2775	\$ 0.2825	\$ 0.3150	\$ (0.0425)	-13.5%



**Energy:** Crude Oil market continues to have volatility due to escalation in the Gulf, but is struggling to find a direction. Natural Gas has found some footing due to warmer weather, but continues to build back stocks to the 5 year average, helping to pressure prices.

Raw Material (No Freight)	This Week	Two Weeks Ago	Last Month	Last Year	Year-on-Year \$ Change	Year-on-Year % Change
Diesel	\$ 3.04	\$ 3.10	\$ 3.15	\$ 3.22	\$ (0.1800)	-5.6%

Sources: USDA AMS Dairy Market News, USDA AMS Processed Eggs, U.S. Energy Information Administration, Sosland Publishing Company, Reuters News, Dow Jones Newswires, RJ O'Brien, Bloomberg, Prophet X, NASS



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