

August 2019 Monthly Commodity Report

Market Headlines: Trade news and weather have increased volatility in the markets. Favorable growing weather is diminishing concerns on crop maturity in the market.

Sugar/Sweeteners: Bookings for next year continue at a good pace, with cane mostly done and beets finalizing a few large deals. Cane sugar remains at a \$0.02/lb premium to beet prices. Corn Sweetener markets have started conversations for next year, but no reportable bookings.

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)	\$ 0.3450	\$ 0.3450	\$ 0.3450	\$ 0.3400	\$ 0.0050	1.5%

Cocoa: Prices are supported by strong demand and lower cocoa butter prices. Ghana & Ivory Coast's Living Income Differential announcement has caused processors to increase their cocoa powder prices for 2020. The Living Income Differential was 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)	\$ 0.99	\$ 0.95	\$ 0.95	\$ 0.85	\$ 0.1400	16.5%

Dairy: Dry dairy and cheese prices have firmed due to strong demand and lower production. Butter prices have increased due to production declines as 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)	\$ 2.31	\$ 2.36	\$ 2.41	\$ 2.34	\$ (0.0300)	-1.3%



Eggs: Egg products pricing has found some interest on the back of shell egg market strength, mainly on liquid and frozen items. Dry egg products remain steady.

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	\$ 0.81	\$ (0.2500)	-30.9%

Wheat/Flour: Wheat futures have been pressured in sympathy with corn, as well as ideal weather for harvesting winter wheat and spring wheat development. 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)	\$ 0.1500	\$ 0.1490	\$ 0.1630	\$ 0.1545	\$ (0.0045)	-2.9%
Bulk Spring Flour (\$/lb)	\$ 0.1325	\$ 0.1380	\$ 0.1520	\$ 0.1525	\$ (0.0200)	-13.1%

Corn: Corn markets took a big hit with the release of the August WASDE report. December corn fell 10% in the days after the release of the report. Corn production was raised and exports were decreased, which raised stocks to use above 15% for the next crop year.

Raw Material (No Freight)	This Week	Two Weeks Ago	Last Month	Last Year	Year-on-Year \$ Change	Year-on-Year % Change
Corn (\$/bu)	\$ 3.66	\$ 4.15	\$ 4.25	\$ 3.58	\$ 0.0800	2.2%

Oil: China removed their import quota on vegetable oils, which fueled concerns about an already tight soybean oil market. Expect tighter soybean oil stocks through the next year. Palm stocks remain heavy but have started to recede.

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)	\$ 0.3075	\$ 0.2950	\$ 0.2900	\$ 0.2775	\$ 0.0300	10.8%
Palm Oil at Ports (\$/lb)	\$ 0.2825	\$ 0.2775	\$ 0.2725	\$ 0.3050	\$ (0.0225)	-7.4%



Energy: Crude Oil market have been weighted down by concerns of a global economic slowdown. While record natural gas electric production has increased summer demand, stocks continue to build faster than the 5 year average, keeping the market in check.

Raw Material (No Freight)	This Week	Two Weeks Ago	Last Month	Last Year	Year-on-Year \$ Change	Year-on-Year % Change
Diesel	\$ 3.03	\$ 3.04	\$ 3.04	\$ 3.22	\$ (0.1900)	-5.9%

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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