



**Commercial Feed Yards:**

Ingalls Feed Yard 620.335.5174  
 Beefland Feed Yard 620.275.2030  
 Gray County Feed Yard 620.855.3486  
 Irsik & Doll Feed Yard 620.275.7131  
 Royal Beef Feed Yard 620.872.5371  
 Sunbelt Feed Yard 620.544.4379  
 Turon Feed Yard 620.497.6421

Toll Free 800.362.0722

**Elevator Locations:**

Cimarron 620.855.2444  
 Ingalls 620.335.5173  
 Pierceville 620.335.5141  
 Garden City 620.275.7120  
 Sublette 620.675.2207  
 Hutchinson 620.662.0239  
 Grain Merchandising 620.855.3747

By: Eduardo Ramirez - Garden City  
 Patrick Schwab - IDFY

January 11, 2019

**Grain:** The grain markets provided mixed signals this week guided by trade talk optimism and potential of export business to follow. Stock markets around the globe were also mostly higher early as the latest round of U.S.-China trade negotiations extended for a third day. Chinese importers were reported to have purchased at least 3 cargoes of U.S. soybeans on Monday, with unconfirmed reports estimating the sale closer to 15 cargoes, or about 900,000 tons. Both U.S. and Chinese officials want guarantees of the execution of any agreement reached as the U.S. wants China to be specific about what will be purchased and by what dates. In what seems to be a goodwill gesture in the negotiations, China approved five genetically modified crop varieties for import, which includes both corn and soybeans. At the end of the day, the key will be enforcing any agreement, and the market still senses tough negotiations lie ahead. The markets appear to be stuck in park in the absence of USDA reports, relying mainly on cash values and outside sources for information. USDA did extend the deadline for producers to apply for payment under the Market Facilitation Program this week. Given the recent dryness, the Brazilian CONAB (“USDA”) lowered production estimates from last month, but less than expected, which pressured prices. Cash prices on Thursday in Garden City closed sharply lower with corn and milo finishing at \$3.71 and \$3.21, respectively, down 7 cents for the week. Soybeans were 15 cents lower to \$7.67, while wheat closed at \$4.49, off 7 cents from last Friday’s settlement. For reference, the average private trade estimates compiled for the January 11<sup>th</sup> USDA report, which was canceled, expected a corn yield of 177.8 bushels per acre (bpa) versus the December USDA estimate at 178.9 bpa. Ending stocks were estimated at 1.716 billion bushels versus 1.781 last month and 2.140 a year ago. The soybean yield estimate of 51.7 bpa was down from 52.1 bpa last month, while the carryout estimate was 922 million bushels compared to 955 last month and 438 last year. Locally, a winter weather system is providing rain this morning in Southwest Kansas before turning to snow overnight. Irsik & Doll appreciates your business and we look forward to working with you in marketing crops and handling the 2019 harvest.

***In appreciation of your business, the Irsik & Doll Grain Division will be hosting a luncheon Monday, January, 21<sup>st</sup> at the Gray County Recreation Building in Cimarron. Lunch will be served from 11:30 a.m. to 12:30 p.m.***

**Cattle:** Winter weather and the government shutdown have cattle feeders in the Central Plains trying to figure out where the fed market will be this week. Cash prices have jumped higher post-storm trading at \$123 last week with decent movement of 14,800 head in Kansas, 39,100 in Nebraska, and 122,500 nationally. The Kansas feeding region is the wettest on record from October 1<sup>st</sup> to December 31<sup>st</sup>, with northern feeding areas much of the same. In 6 of the last 8 weather markets, fat cattle prices have rallied nearly 20% from the fall lows, which would project a trade of \$130 to \$132 sometime during the first quarter 2019. The large number of cattle on feed will offset some of the potential gain with 180,000 more cattle estimated for harvest during the first four months of 2019 compared to the same period in 2018. The big questions are, how much will the carcass weights drop following the storms and are feed yards pushing cattle back in hope of recapturing lost weight and performance. New Kansas showlists were down 2,600 head to 84,100, Nebraska offerings were down 6,200 head to 86,000, and Texas showed a modest jump of 3,700 head to 57,500. Last week’s holiday shortened slaughter came in at 520,000 head while this week’s kill bounced back to 626,000 head as packers refill the pipeline after very good holiday beef movement. Beef packer margins are estimated at \$115 per head, which is off the very high levels in 2018 but well above historical profits for January and expected to keep slaughter at a strong level. Boxed beef prices have been steady with the blended cut-out down 35 cents to \$212.87. With lower Choice values and slightly higher Select values, the Choice/Select spread narrowed to \$6.19. Middle meats have remained strong following the holiday’s while grinds and end meats have yet to show strength. Forward and export sales were down for the week ending January 4<sup>th</sup>, however, the four-week averages are well ahead of last year with exports up 8% YOY. Fueled by anticipated performance losses, the February Live Cattle contract reached a contract high of \$125.65 today with producers expecting a \$1 to \$3 jump in cash prices from last week’s \$123. Thanks to everyone who stopped by the Irsik & Doll booth at the Missouri Cattle Convention, we appreciate your business. Please call any of our locations to visit about the markets and placement opportunities. Eat BEEF!

	CIMARRON - INGALLS				PIERCEVILLE				GARDEN CITY			
CASH	WHEAT	CORN	MILO	BEANS	WHEAT	CORN	MILO	BEANS	WHEAT	CORN	MILO	BEANS
Last Friday	4.56	3.78	3.28	7.82	4.56	3.78	3.28	7.82	4.56	3.78	3.28	7.82
Monday	4.53	3.77	3.27	7.84	4.53	3.77	3.27	7.84	4.53	3.77	3.27	7.84
Tuesday	4.55	3.75	3.25	7.79	4.55	3.75	3.25	7.79	4.55	3.75	3.25	7.79
Wednesday	4.56	3.77	3.27	7.84	4.56	3.77	3.27	7.84	4.56	3.77	3.27	7.84
Thursday	4.49	3.71	3.21	7.67	4.49	3.71	3.21	7.67	4.49	3.71	3.21	7.67
Friday	4.55	3.73	3.23	7.70	4.55	3.73	3.23	7.70	4.55	3.73	3.23	7.70

	SUBLETTE			
CASH	WHEAT	CORN	MILO	BEANS
Last Friday	4.56	3.83	3.33	7.82
Monday	4.53	3.82	3.32	7.84
Tuesday	4.55	3.80	3.30	7.79
Wednesday	4.56	3.82	3.32	7.84
Thursday	4.49	3.76	3.26	7.67
Friday	4.55	3.78	3.28	7.70

	HUTCHINSON		
WHEAT	CORN	MILO	
4.89	3.63	3.43	
4.86	3.62	3.42	
4.90	3.60	3.40	
4.91	3.62	3.42	
4.84	3.56	3.36	
4.95	3.58	3.38	

K. C. WHEAT	MAR	MAY	JUL	SEP	DEC
Last Friday	5.07	5.18	5.28	5.40	5.57
Monday	5.03	5.15	5.25	5.37	5.54
Tuesday	5.05	5.17	5.27	5.40	5.56
Wednesday	5.06	5.17	5.27	5.39	5.56
Thursday	4.99	5.10	5.20	5.32	5.49
Friday	5.05	5.16	5.26	5.38	5.54

CHICAGO CORN	MAR	MAY	JUL	SEP	DEC
Last Friday	3.83	3.91	3.98	4.00	4.04
Monday	3.82	3.90	3.98	4.00	4.04
Tuesday	3.80	3.88	3.96	3.99	4.03
Wednesday	3.82	3.90	3.98	4.00	4.04
Thursday	3.76	3.85	3.92	3.95	3.99
Friday	3.78	3.87	3.94	3.97	4.02

LIVE CATTLE	FEB	APR	JUN	AUG	OCT
Last Friday	121.92	124.00	115.55	113.35	114.97
Monday	123.20	125.07	116.52	114.05	115.62
Tuesday	125.30	126.15	117.47	114.45	116.12
Wednesday	124.80	125.80	117.25	114.05	116.02
Thursday	124.87	125.92	117.37	114.20	116.05
Friday	124.97	126.37	117.20	114.27	116.12

SOYBEANS	JAN	MAR	MAY	JUL	AUG
Last Friday	9.10	9.22	9.35	9.46	9.51
Monday	9.12	9.24	9.37	9.49	9.53
Tuesday	9.06	9.19	9.32	9.44	9.48
Wednesday	9.12	9.24	9.37	9.49	9.54
Thursday	8.96	9.07	9.20	9.32	9.37
Friday	8.99	9.10	9.24	9.36	9.41

FEEDER CATTLE	JAN	MAR	APR	MAY	AUG
Last Friday	144.90	142.82	143.65	144.17	148.50
Monday	146.00	143.90	144.70	145.10	149.50
Tuesday	147.62	145.45	146.10	146.42	150.70
Wednesday	146.82	144.90	145.47	145.75	150.02
Thursday	146.75	145.07	145.67	145.92	150.00
Friday	146.12	144.90	145.75	146.05	149.90