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Morning Commentary
July 9, 2025

CORN: LOWER
The selloff continues overnight with fresh lows put in both in the Sept. and December contracts and I feel like I'm a broken record but don't have any headlines to shift sentiment. Corn harvest in Argentina continues to progress ahead of average and is sitting about 62% harvested. Brazilian harvest is also progressing nicely at 23.7% completed and only picking up steam. Forecast continue to look favorable for the U.S. looking at the 8-10 and 8-14 day forecasts I don't know that I've seen so much "below normal/ normal" temps and "above average" forecasts for the month of July. We do have the July WASDE ahead on Friday, estimates calling for a slight reduction to 24/25 carryout, as well as a slight reduction to 25/26 carryout. We'll see what numbers they actually print, but tightening carryouts don't match with what the market is doing and at a certain point you have to ask yourself where we're going to find convergence.
At the break, CU25 was ¾ lower.

SOYBEANS: LOWER
An overnight rally didn't hold, and we are lower again as I type. The overall weather pattern is going to produce a good crop, but better than that could still happen as could worse. However, to this point in time all looks pretty spiffy. 139 meal certs delivered. OI there at 656. Beans finally found a home. Demand and old crop size will be main topics for USDA's report on Friday. Domestic vs. Exports will be front and center. If either stumble, then we have a problem with too many beans. Spreads in NC are still not showing the confidence to put carry into the market. At least not to the level it could be if the yields are around 52-52, and for good reason. Illinois got some good rains overnight with more predicted.

Beans: V-296,140/OI-848,564(+4,268); Meal: V-155,680/OI-647,639(+5,912); Oil: V-156,373/OI-607,301(-3)
At the break, SQ25 was 4 ½ lower.

WHEAT: LOWER
Selling continues in the wheat market, as harvest rolls on and nothing supportive is stepping forward in any part of the grain complex. Paris wheat found a little support this week, but chops sideways with the Sep contract low at €192.75/MT attracting buying over the last week. Buyers are supporting spot rail HRW, with slow movement and high pro needs surfacing. Cash bids into delivery houses has pulled back below delivery-equivalent in response to production, and that will allow carries to continue to walk out. Deliverable stocks continue to build in KC houses, adding 7.96 MB last week to 69.71 MB vs. 54.33 MB last year, with KC +176k, Hutch +2.18 MB, Salina +3.91 MB, and Wichita +1.69 MB. The USD index remains on a higher trend that will pressure U.S. export values in the global market. Look for modest pressure to start the day, showing a need to find support but not seeing funds piling on shorts today.
At the break, KWU25 was 2 lower.

CATTLE: STEADY-HIGHER
Nearby Aug LC futures filled the old chart gap it'd left about four weeks ago and powered into fresh highs yesterday. New contract highs everywhere for that matter – all live cattle and feeder cattle contracts. Futures' performance this week has been impressive and rooted in a still-firm cutout and futures which are quickly closing their extreme discounts to cash markets. Last week's basis of near +$12 in TX, for example, is record wide in our 20-year data set by $5. The industry has slowly become accustomed to firm basis dating back 12 months, but last week was abnormally extreme. Once again, we'll expect Aug futures to fully converge with cash, or even go premium to cash (as was the case with the June contract), in the final days of August, but that's still a long way out and just how this convergence occurs will not be a linear line. In the short term, the choice cutout remains firm as some post-holiday restocking occurs. Last year it was July 8th when the cutout topped before embarking on an $18 (5%) break in the coming three weeks.

Fund Position	Accumulative	Yesterday
Corn	-193,540	-16,000
Soybeans	8,901	-2,000
Soybean Meal	-132,872	-2,000
Soybean Oil	40,126	4,000
Chicago Wheat	-62,414	2,000
KC Wheat	-42,527	1,000

%

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