

CORN: STEADY

Market seems to be ho-humming it's way along, trading a higher overnight, trading lower overnight but wrapping up the night session within a penny of unchanged. Crop conditions steady this week at 71% G/E which is still 6 points ahead of last year and 11 points ahead of average. Then as far as the progress goes, the crop came in this week at 44% dented, up from 27% last week and right in line with last year and average. Yesterday's Shipment report was strong with 51.4mln bu shipped this past week leaving exports 52.4mln bu ahead of pace to meet estimates with one week left so it's looking like we'll meet USDA estimates for the year. This wouldn't have been possible without the help of Mexico and Japan, who were the top destinations this week but also this year, Thank you both!

At the break, CU25 was ¼ higher.

SOYBEANS: HIGHER

Bean futures holding the SX \$10.45 level in what can be taken as a higher high from the Aug lows so far. Smaller acreage, disease, and the unknown from team Trump on trade remain the standing bullish sentiment as the RVO volumes appear net positive to crush domestic demand. Beans are likely higher this am on news Chinese negotiators are headed back to Washington D.C. Chart technical are holding the daily chart sell signal for beans, with RSI still above 50, a net positive for momentum. Meal and bean oil both failing on momentum without new news on 45Z/RVO policy details nor a China trade idea. The EPA announced waivers to settle refiner obligations from blending mandates essentially sunseting current policy which leaves a larger portion of the new RVO going forward. RINs establish prior to 2023 will expire and will not be forced to pull them forward which the market took at bullish oil on higher blend demand, not forcing settlement of the credits. Spreads are trading as through new crop supplies will be adequate with the X/N back to -54 would like to see it break below -56/57 before adding any new comments. X/F close to -20c this am, best we saw last year was -21c into FND. Trade accordingly.

At the break, SX25 was 6 higher.

Labor Day Trading Schedule:

Sunday, Aug 31st: No overnight

Monday, Sept 1st: No day or overnight session

Tuesday, Sept 2nd: 8:30am CST open

WHEAT: MIXED

KC wheat was unable to hold gains to begin the week, even with good export shipments, but Chicago wheat posted gains of 2 cents per bushel, as funds cut shorts. Export inspections spiked last week for a new marketing year high, led by shipments to Indonesia and S. Korea of WW and HRW. HRW shipments also showed Nigeria and Senegal from the Gulf, along with railcars to Mexico. Spring wheat harvest advanced to 53% complete, just ahead of the avg guess and near the 5YA. IKAR raised its Russian production estimate by 0.5 MMT to 86.0 MMT, due to improved yield estimates in central areas, and raised exports by 0.5 MMT to 43.0 MMT. KC wheat posted new lows this morning, but found support from buying in Chicago wheat as funds cut shorts. Look for a mixed start for wheat, with Chicago keeping prices supported again, while KC has been unable to turn the tide while Black Sea offers creep lower.

At the break, KWU25 was 1 lower.

CATTLE: HIGHER

After a wild opening few minutes, cattle futures were able to claw themselves back to a mixed finish, slightly firmer in the spot month contracts and weaker across the deferreds. Despite the wild intra-session swings, open interest barely changed on the day - more evidence, we think, of the algo day traders currently active in this market.... Also interesting to note last Friday's weekly commitment of traders data showed managed money as net ZERO change in their position during the reporting week. Oct LC was up \$2+ in those five sessions and Sep FC \$6+, yet there was no net fund buying?? Last week's slaughter estimate was upwardly revised by 4K head to 551K, and we'll be expecting something near that level again this week. Slightly larger production rates given some improved packer margins, and now we'll see just where the beef markets can steady out. Yesterday's choice cutout was up \$0.58 to \$408.49 - a new high there.

Fund Position	Accumulative	Yesterday
Corn	-108,637	-12,000
Soybeans	-2,753	-15,000
Soybean Meal	-105,093	-3,000
Soybean Oil	51,877	-2,000
Chicago Wheat	-92,196	3,000
KC Wheat	-40,865	1,000

