

#### CORN: LOWER

Corn market starting out giving back nearly half of Friday's gains, jumping lower on the open and continuing to trade lower overnight. Friday's report was an interesting one, overall, the bottom line numbers came about as expected with an increase to 24/25 carryout (1.325b) and a reduction to 2025 yield (186.7) but the surprise came in with an increase to acres that they offset by an increase to exports to bring 25/26 carryout to 2.110, down from August but slightly higher than estimates. This all being said, we're still looking at a large crop and as much as I want to believe the USDA estimates for demand, I have a hard time being that optimistic with another large crop from our neighbors down south, especially now that we're seeing more and more countries purchase corn from South America. In addition, cattle prices are near record highs, because the herd numbers are tight, so I have a hard time believing we're going to see increased feed demand. CFTC showed funds reducing both their longs and shorts but ending with an 8.4k increase to their net short as of Tuesday.

**At the break, CZ25 was 4 ¼ lower.**

#### SOYBEANS: MIXED

Bean futures lower this am post report trade with daily charts into the 20-day moving average for a test of the lower high in play since August highs. 2 primary drivers right now for beans. Does the direction in US yield go lower and do the Chinese come to the trough. If both occur beans certainly can trade higher, substantially so. Half bushel increments lower in yield equate to 40 mil/bu per tic while USDA will be reluctant to pull Chinese export business down as that is far more of an emotional wild card trade. Beans should remain elevated until more is known while corn also trading supportive to beans. If we look at where bean yields were trimmed, (from -1 to -12 bpa), I have some questions with IL which was unchanged, OH, down just -1 bpa, and MO, down -2bpa, all could see more downside but this is purely a hunch. Western belt yields all showed higher numbers which is where rains were better. Bean oil remains in the trend higher, now into the 20-day for an upward test. Still think the direction given for retiring RIN credits is a go-ahead signal for blenders, some helped and some hurt. Chart says as much and the spread, Z/N26 also net positive off recent weakness.

**At the break, SX25 was ½ higher.**

#### WHEAT: MIXED

The whole grain complex closed higher on Friday, as traders took neutral USDA numbers and decided to buy into the weekend. USDA did not give much to sort through on wheat but reduced carryout by 25 MB due to an increase in HRW exports to reflect the bigger program we have seen. Global carryout rose by 4 MMT, with production increased in Russia (1.5 MMT), Ukraine (1.0 MMT), and Australia (+3.5 MMT). CFTC report showed funds adding 10k contracts to the CBOT short but reduced the KC net short by 1600 contracts through 9/9. Ukraine's state meteorologists said 50-60% of the winter grain area is suffering from drought conditions and optimal planting is before Sep. 25th. Plains areas from the Dakotas to OK are expected to see rain this week, which would be welcome ahead of planting season, but will cause sporadic delays to fall harvest. Look for a mixed start to the week, with prices starting firm and recovering from early morning selling but has minimal fresh news.

**At the break, KWZ25 was unchanged.**

#### CATTLE: HIGHER

Net for the week nearby Oct LC will finish with a \$6.00 loss, Oct FC a \$12.00 loss, the spot choice cutout down \$10.72, and cash fed cattle markets down \$2-5. That Southern fed cattle trade which was slow to develop did wind up trading mostly \$240 on Friday, down \$2 vs prior week. Weaker markets here in September shouldn't be all that uncommon, but is definitely a different mood than we'd experienced through most of the summer and as noted last week we have finally begun to see some material long liquidation from the spec crowd. Weekly slaughter totaled 561K head and less than expected with some mechanical issues reported Friday and compares to 624K head this same week last year - down 10.1% y/y. In Friday's monthly WASDE data, the USDA did again downwardly revise their 2025 beef production estimate this time by 100 mil lbs and this upcoming Friday's COF report should again show declining placement pace and on feed counts. Early ideas have the Sep 1 on feed count down 1-2% vs last year, Aug placements down 10%, and Aug marketings down 13%.

Fund Position	Accumulative	Yesterday
Corn	-76,593	17,000
Soybeans	-7,382	8,000
Soybean Meal	-84,499	1,000
Soybean Oil	18,414	3,000
Chicago Wheat	-86,267	3,000
KC Wheat	-48,163	1,000



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