

News this week...

- 2** – IEA sees diesel crunch continuing well into 2027.
- 3** – Ukraine resumes attacks on Russian energy facilities.
- 4** – Cash grain market and USDA aren't on the same page.

Drifting to the downside – Corn futures kicked off the week with a bounce after getting routed in the wake of a surprisingly bearish Oct. 9 WASDE report, but then proceeded to slowly edge lower on harvest pressure, a spike higher by the U.S. dollar and a lack of fresh demand news. November soybeans held their ground after the WASDE but sank to six-week lows this week despite renewed Chinese buying. Wheat futures also saw pressure, with improved soil moisture expected to speed planting in the Plains while aiding the crop already in the ground. Traders continue to monitor fighting between Russia and Ukraine that has closed off Black Sea exports. Live cattle rallied to a nine-week high on firm cash expectations, while lean hogs saw more contract lows on weak cash hog fundamentals.

U.S.-Mexico trade talks stall

Momentum toward a U.S.-Mexico trade deal has stalled due to opposition from Commerce Secretary Howard Lutnick, the Wall Street Journal reported, citing people familiar with the matter. News reports had previously described the U.S. and Mexico as zeroing in on a deal that could cut tariffs on steel, aluminum and automobiles in exchange for a series of concessions from Mexico. The Journal said progress has slowed significantly, with Lutnick objecting to significant reductions in tariffs on Mexican autos, aluminum and steel, and some finished metal products. Officials from both sides have denied any impasse, but the report described Lutnick's position as a significant obstacle to a deal after months of talks led by U.S. Trade Representative Jamieson Greer. Mexico is the top export destination for U.S. pork, corn and wheat exports and the second-largest buyer of soybeans.

Record ARC and PLC payments

U.S. farmers are expected to receive record Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments totaling between \$13.2 and \$13.8 billion for the 2025 crop year by late October. Estimated per-acre payouts average \$51 for corn, \$29 for soybeans, \$47 for wheat, and up to \$344 for long-grain rice, according to a farmdoc daily paper by economists at the University of Illinois, University of Minnesota and Ohio State. While a record, actual payouts may fall short of earlier budget projections due to rising commodity prices, mandatory sequestration cuts and farm payment limits.

Tractor sales continue to lag

September was another tough month for U.S. tractor and combine sales. The Association of Equipment Manufacturers this week said two-wheel drive tractor sales totaled 14,791, down 16.4% from the same month last year. Four-wheel drive sales of 233 units were down 20.2%, while self-propelled combine sales at 369 were down 10.9%. For the year to date, total farm tractor sales are down 12.6% and combine sales are 9.4% behind the 2025 pace.

Warsh mum on Fed's next move

In keeping with his long-stated aversion to tipping his hand on rate decisions, Federal Reserve Chairman Kevin Warsh offered no signals on whether the central bank will deliver a rate hike when policy makers meet later this month. Speaking Thursday night at an International Monetary Fund event in Thailand, Warsh offered no remarks on monetary policy or the U.S. economic outlook, but reiterated the Fed will deliver on its inflation target. Fed funds futures traders pared back bets the Fed will deliver a quarter-point hike on Oct. 28, pricing in a 15% probability of a tightening, down from around 33% earlier this week after a hot September consumer price index reading that, along with a jump in the September producer price index, indicated soaring energy prices are beginning to lift prices in core sectors of the economy.

The CPI data triggered a spike in Treasury yields and the dollar, with the closely watched dollar index hitting an 18-month high but then retreating. Economists and traders do expect the Fed to eventually deliver further tightening in response to stubborn inflation.

Signs of tighter feeder supplies

Oklahoma feeder cattle auction volumes are running significantly behind last year's pace, signaling tighter supplies for the fall calf run, according to Oklahoma State University extension economist Derrell Peel. Total auction volume since July 1 is down 23.2% year-over-year, a drop of roughly 78,000 head. Despite severe drought conditions driving 51% of Oklahoma pasture and range conditions into poor or very poor shape, expected seasonal volume surges have failed to materialize. Addressing the delayed marketings, Peel wrote, "Perhaps larger auction runs are coming yet this fall...or maybe the cattle just aren't there."

While dry conditions have slowed wheat planting, expected rains could spark renewed wheat stocker demand, Peel said. Limited market supplies alongside steady demand are projected to support stocker and feeder cattle prices heading into the fourth quarter, he said.

Harvest ramps up amid dry weather

Dry weather allowed producers to gain ground on corn and soybean harvest last week, though both remain behind the average pace for this time of year. USDA said corn harvest was 33% complete as of Oct. 11, up from 23% the previous week but behind the five-year average for this time of year at 39%. Iowa, which saw historic rains in September, was 14% complete, up from 7% a week earlier but well behind the five-year average of 34%. Nebraska was 27% complete, up from 15% but lagging the average of 35%.

The corn crop rated good or excellent rose two points to 56% as of Oct. 11. The Pro Farmer Crop Condition Index (0 to 500 scale, 500 equals perfect) rose to 348.16 from 347.28.

USDA said the soybean crop was 46% harvested, behind the five-year average of 50%. USDA said 57% of the soybean crop was rated good or excellent, unchanged from the previous week. The Pro Farmer soybean CCI rose to 355.18 from 352.77.

Winter wheat plantings were pegged at 51% complete, up from 36% a week ago. The five-year average is 58%.

Cordonnier boosts U.S. crop pegs

Pro Farmer crop consultant Dr. Michael Cordonnier echoed skepticism regarding the USDA's surprise decision to lift its U.S. corn yield estimate by 2.7 bushels per acre to 181.2 bu. per acre in October. Questioning how yield estimates could rise while crop condition ratings fell, he said production figures may be trimmed in November or January. Cordonnier raised his U.S. corn yield estimate to 180.0 bu. per acre while calling the USDA's 53.1 bu. per acre soybean yield reasonable, reflecting good early yield reports.

Brazil's soybean planting is off to a record pace at 19.7% complete (versus the 11.5% average), despite El Niño concerns. Mato Grosso leads at 33.2% finished, and Paraná reached 36% despite recent rain delays. If favorable weather holds, early-planted soybeans should allow an early January harvest, opening an ideal window for planting safrinha corn.

IEA sees lasting diesel crunch

The International Energy Agency said diesel supply will remain tight well into next year. "Falling inventories, soaring cracks, and steepening levels of backwardation have signaled the need for additional supplies," the Paris-based agency said. "However, even with a rapid recovery expected in refinery throughputs into year-end, gasoil supply falls short of meeting demand in 4Q26, suggesting that the replenishment of lost inventories, outside of typical seasonal fluctuations, is unlikely before 2H27."



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EPA proposes full reallocation

EPA Administrator Lee Zeldin announced a proposed Renewable Fuel Standard rule to fully reallocate 1.76 billion RINs in 2025 small refinery exemptions (SREs) back to large refiners. The EPA is seeking public comment through Dec. 4 on two options:

Option 1: Divide waived 2025 volumes evenly between 2026 and 2027 compliance years.

Option 2: Reallocate all waived volumes into 2027.

The rule may also extend the 2026 reporting deadline beyond March 31, 2027. Major agricultural groups, including the National Corn Growers Association and American Soybean Association, praised the proposal for keeping bio-fuel demand whole.

Tracking Brazil's election

A new poll showed right-wing candidate Flavio Bolsonaro holding a slim lead over President Lula Inacio da Silva less than two weeks before Brazil's Oct. 25 presidential runoff election, Bloomberg reported Wednesday. The poll, conducted for O Globo newspaper, showed Bolsonaro receiving 51% of votes to Lula's 49%, the report said. It noted the lead is within the survey's margin of error of plus or minus two percentage points. The Brazilian real surged after Bolsonaro outperformed expectations in the first round of voting earlier this month. A stronger real can be a boon to U.S. soybean prices. While Brazilian soybeans for export are priced in U.S. dollars, a stronger currency means fewer reais in the pockets of Brazilian farmers, which can cause them to delay selling.

Judge halts USDA reorganization

A federal judge has ordered USDA to halt its reorganization and relocation efforts, finding that the department had likely violated a congressional directive prohibiting it from spending money on the plan, Agri-Pulse reported. The fiscal 2026 agriculture spending bill barred USDA from reprogramming funds to proceed with the reorganization affecting thousands of department employees and said USDA had to obtain permission from the Senate and House appropriations committees before doing so, the report noted. Both the plaintiffs, who include employee unions, and USDA agreed that the approval provision is unconstitutional, and U.S. District Judge Vince Chhabria agreed. However, he said the prohibition on reprogramming remains, the report said.

NOPA crush hits 13-month low

U.S. crush slid more in September than anticipated amid a seasonal slowdown for maintenance and a lack of supplies. The National Oilseed Processors association said crush slid to 196.3 million bushels, the least since August 2025.

China advances U.S. bean buys

USDA announced two daily sales during the week, accounting for 800,000 MT (29.4 million bushels) of sales. This ends a drought of sales dating back to the summit between President Donald Trump and Chinese President Xi Jinping. China sales are up to at least 11.9 MMT, just shy of half of the stated 25 MMT goal. Unknown destinations accounts for another 6.1 MMT of sales, bringing total potential sales to 18.0 MMT.

COFCO speaks on U.S. corn imports

Amid speculation of Chinese imports of U.S. corn, COFCO research director Zhang Dalong said U.S. supplies are “not an option yet” because they remain uneconomical. China’s corn output is expected to rise this year, limiting demand for imports. Still, Zhang forecast 2026-27 China corn imports at 3.5 MMT, down 170,000 MT from the previous year, but he does pencil in 900,000 MT of imports from the U.S. It is difficult to take COFCO at its word. The state-owned entity is a savvy trader and often will publish bearish takes ahead of purchases. The news piece below speaks more to that.

China’s crushers face overcapacity

China’s soybean crushers face significant overcapacity with daily crushing capacity of imports set to exceed 520,000 MT by the end of the year, according to Lv Xiuping, a leader at state-run COFCO. These remarks came before two daily sales of soybeans for delivery to China.

Chinese exports soar

China’s exports rose 36.3% in September from a year ago, accelerating after a 25% rise in August, according to data from the General Administration of Customs. The Wall Street Journal said the figure topped the 25% increase forecast by economists in a survey. The surge threatens to raise trade tensions with major partners, the report noted. The export boost widened China’s trade surplus to \$133.5 billion in September from \$119.1 billion in August, and exceeded the \$111.4 billion forecast by economists. Imports also grew rapidly, rising 31.0% from a year earlier. The Journal noted the data comes amid rising trade friction with the European Union, which is pressing Beijing to address a widening trade imbalance.

U.S. weighs easing sanctions

The Trump administration is considering easing sanctions on so-called shadow fleet vessels transporting oil and petroleum products from countries including Russia, Iran and Venezuela, in an effort to bring down record-high global freight rates, Reuters reported, citing a U.S. official. There remains some question on how much easing sanctions will have an impact.

Civilian ships sank in Black Sea

A ship was sunk by drone attack off the coast of Bulgaria, leaving 11 sailors missing, marking what may be the second deadly sinking of a cargo vessel in the area, Reuters reports. Bulgaria summoned Russia’s ambassador. Bulgarian officials said two cargo ships were hit by drones and one was sunk. The report said that Bulgarian Prime Minister Rumen Radev stopped short of blaming Moscow for the attack but said the outcome “benefits the Russian federation.” Cargo ships, including grain carriers, have been struck near Bulgaria and Romania this month, serving to further choke off traffic from the Black Sea.

Ukraine renews attack on energy

Ukrainian President Volodymyr Zelensky ended a three-day pause on attacks on Russian oil refineries in an escalating confrontation with U.S. President Donald Trump over restrictions on U.S. intelligence sharing, Bloomberg reported. The report said that hours after Zelensky announced the move, normal service on Starshield internet terminals used by Ukraine’s military appeared to resume. Moscow had continued attacking Ukrainian energy infrastructure and civilian targets over the last few days, despite Trump’s Sunday declaration that Russia and Ukraine had agreed to a truce on strikes on energy targets. The moves come after Trump last week announced a controversial deal to ease sanctions on Russian oil and diesel exports in a bid to ease soaring fuel costs ahead of next month’s midterm elections.

IKAR trims Russian production pegs

Russia’s IKAR consultancy cut its 2026 grain production forecast 1 MMT to 137 MMT. The agency cut its wheat estimate 500,000 MT to 88 MMT. IKAR cut Russia’s grain export estimate to 52.8 MMT from 55 MMT previously, including 42 MMT of wheat. Expectations are getting trimmed for production after a summer of reduced exports due to persistent attacks on vessels in the Black Sea.

ICE plans to launch livestock futures

Intercontinental Exchange, owner of the New York Stock Exchange, plans to offer contracts on future cattle and hog prices in bid to take on CME Group, Bloomberg reports. The first cattle and hog contracts will be listed before year-end, targeting a Dec. 7 launch date, pending a regulatory review. ICE plans to offer physically settled cattle futures, as well as three cash-settled contracts for cattle and hog prices. The move comes as CME prepares to move its matching engine for certain instruments to a new Google Cloud data center, which the report says has sparked concern among some firms that the shift might boost costs and slow trading speeds.

Cash market at odds with USDA on corn crop

By Lane Akre, Economist

USDA added 177 million bushels to the 2025-26 balance sheet on Sept. 30 then added 234 million bushels to the 2026 corn crop in the October Crop Production report. That finding of 411 million additional bushels quickly shifted the balance sheet from restrictive to relatively abundant. December corn futures are down around 65¢ since the early September peak in a sell-off that was accelerated by the recent additions to the balance sheet.

Market doubtful of extra bushels

Since Friday's crop report, national cash basis has improved. Buyer behavior has provided a reality check with cash bids working to pull in bushels, a sign that corn yields may not be as good as USDA is expecting. Futures spreads indicate something similar. The Dec-Mar calendar spread narrowed from 14 3/4¢ carry prior to the report to 13 1/2¢ carry in less than a week. The relative strength of nearby futures shows a need for more bushels now. That's a sign of a supply-constrained market, not a supply-abundant market.

USDA raised its national average corn yield to 181.2 bu. per acre, up from its previous estimate of 178.5 bushels. Needless to say, USDA took the market, which was looking for a 0.7-bu./acre cut, by surprise. Meanwhile, details have stirred controversy, particularly given an 11 bu./acre bump to Nebraska's average corn yield despite deteriorating crop conditions in the western Corn Belt.

A deeper look into USDA's estimate

USDA began using objective yield data, which is based on physical field samples, in its September report. At the 10-state level, October ear counts fell as we expected to 28,600 ears per acre, 50 ears per acre below the September estimate. Nebraska garnered most of the market's attention with a big monthly shift. All corn ear counts in Nebraska rose from 25,000 ears per acre to 26,700 ears per acre month-over-month. That huge change is despite drops in both the irrigated ear counts and non-irrigated ear counts. In the September Crop Production report, USDA allocated just 10% of Nebraska's corn crop to irrigated corn, pulling the all corn figure lower. In October, they rectified that, allocating 55% of corn acres to irrigated. In commentary around why the September figure was so far off, some speculated that enumerators just happened to do checks in non-irrigated fields at a non-representative rate, skewing the all corn figure

lower. The probability of enumerators randomly sampling 90% dry-land corn in a majority irrigated state is a statistical anomaly. It seems more likely a mistake was made, considering the balance between irrigated/non-irrigated went from 10%/90% in September to 55%/45% in October. This miss raises further questions about the credibility of USDA's monthly production reports. Even if enumerators sampled 90% dryland fields, Nebraska's all state yield estimate should have taken that into consideration.

With 10-state ear counts down, there can be only one culprit behind sharply higher yields — higher ear weights. Ear weights were implied at .365 lbs. per ear in September. That figure jumped to .371 lbs per ear in the October report, which would be the second highest ever behind .381 lbs per ear in 2025.

Both ear counts and ear weights are above what Pro Farmer Crop Tour data implied. Ear counts have been moving lower as more data rolls in, but still indicate a year-over-year increase. In contrast, Crop Tour saw counts fall 1.8% across the seven Crop Tour states. Ear weights are down 2.6%, according to USDA data, while Crop Tour saw ear length down 4.3% (while not a perfect match, ear weights and ear length typically correlate very well). Given the ear length found on tour, one would expect weights to be near .353 lbs. per ear.

USDA's October report incorporated more harvest results, but the slow pace throughout the Corn Belt limited the pace compared to normal years. USDA aims to have Oct. 1 as the reported date for the October production report. As of Oct. 4, just 7% of the Iowa corn crop was harvested and just 15% of the Nebraska crop was cut. Indiana, Michigan, Minnesota, Ohio, South Dakota and Ohio are all behind average as well.

What we expect going forward

We maintain our Pro Farmer Crop Tour estimates of 173.2 bu. per acre on corn and 53.3 bu. per acre on soybeans. The difference between our Crop Tour observations and USDA's objective yield data so far could hardly be starker. It is highly unlikely that the discrepancy can remain historically wide, but the damage done by the recent reports cannot be undone. Bushels need to be sold, revenue is being lost and stake-holders are left pondering why the market and USDA data are telling different stories.

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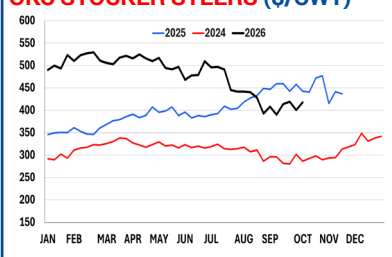
CATTLE

The October WASDE's surprise increase in the U.S. corn production forecast sent corn prices sharply lower, improving feedlot margins and lifting feeder cattle to multi-month highs. Live cattle followed, supported by expectations for tighter fed supplies into 2027. However, rising beef imports—up roughly 15% year-over-year amid temporary tariff relief—are capping upside, while futures trading at a premium to a steady cash market and technical resistance have limited further gains. Overall, fundamentals remain supportive, but the market is sensitive to cash trade, corn prices, and import developments.

Position Monitor

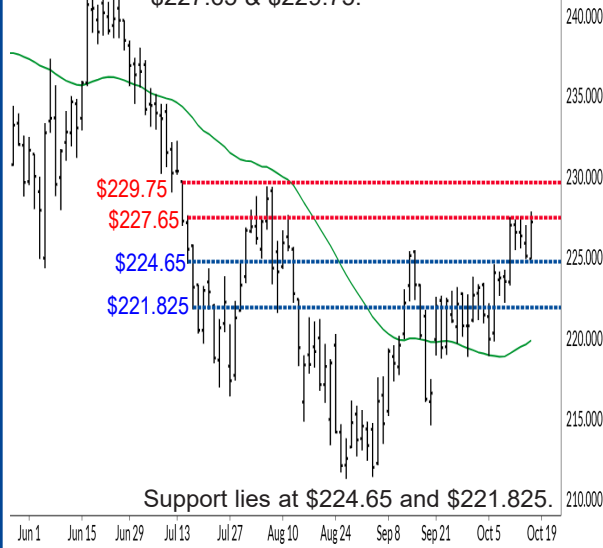
Game Plan:	Feds Feeders	
Live cattle	III'26	0%
have faced	IV'26	0%
a notable	I'27	0%
	II'27	0%
pullback in recent weeks. Consider using LRP to establish price floors.		

OKC STOCKER STEERS (\$/CWT)



DAILY DECEMBER LIVE CATTLE

Resistance is at the July highs of \$227.65 & \$229.75.



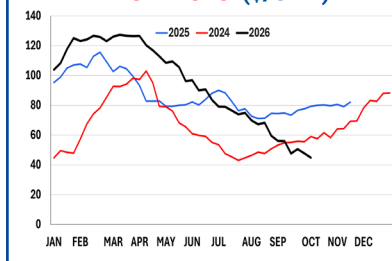
HOGS

Lean hogs plunged to a fresh contract low, as fundamental and technical headwinds keep bears in the driver seat. December futures and several deferred contracts posted life-of-contract lows. The primary pressure is weak demand, as cutout continues to linger around multiyear lows. Heavy fund short positions and ongoing technical selling have reinforced the decline, while cash hog values remain under pressure. Although hog supplies are not burdensome, soft domestic demand continues to outweigh supply-side support and keeps the market on the defensive.

Position Monitor

Game Plan:	Lean Hogs	
Lean hogs have re-	III'26	0%
bounced in recent	IV'26	0%
trade. Stay patient	I'27	0%
	II'27	0%
for now, but be ready to establish hedges in the event of an extended move.		

FEEDER PIG PRICES (\$/CWT)



DAILY DECEMBER LEAN HOGS

Resistance is at the Oct. 9 low of \$67.325, then at the Sept. 16 low of \$69.10.



FEED

Feed Monitor

Corn

IV'26	100%
I'27	0%
II'27	0%
III'27	0%

Corn Game Plan: On Oct. 13, we advised covering corn-for-feed needs in the cash market through the end of December. Be prepared to establish additional coverage.

Meal

IV'26	0%
I'27	0%
II'27	0%
III'27	0%

Meal Game Plan: You are hand to mouth for meal for feed needs. Be prepared to establish additional coverage on extended selling.

DAILY DECEMBER SOYBEAN MEAL

Look for resistance at \$363.50 and \$377.60.



Position Monitor

	'26 crop	'27 crop
Cash-only:	70%	10%
Hedgers (cash sales):	60%	10%
Futures/Options	0%	0%

Game Plan: An unexpected increase in the U.S. corn yield from USDA's Crop Production pushed futures to near six-week lows. Harvest pressure could limit the ability of corn to restart a rally in the near-term. Markets will closely watch yield reports as combines continue to roll. With over half of 2026 crop covered, remain patient on further sales for now.

DAILY DECEMBER CORN

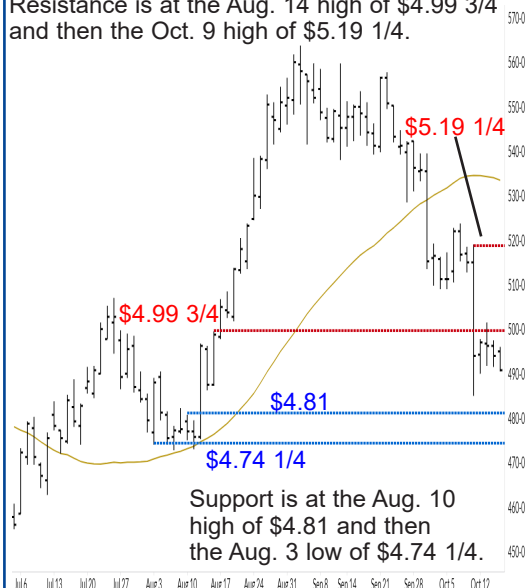
Resistance stands at the Aug. 18 high of \$4.93, then at the Oct. 9 high of \$5.04 3/4.



Support lies at the Aug. 13 low of \$4.70 1/2 and the July 31 low of \$4.61.

DAILY MARCH CORN

Resistance is at the Aug. 14 high of \$4.99 3/4 and then the Oct. 9 high of \$5.19 1/4.

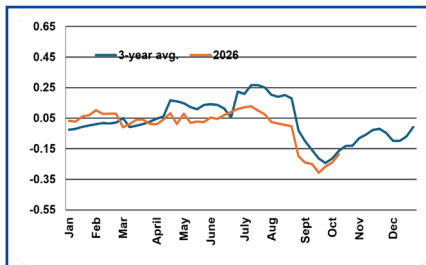


Support is at the Aug. 10 high of \$4.81 and then the Aug. 3 low of \$4.74 1/4.

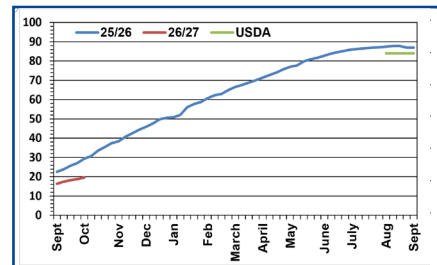
CORN

Price action in corn was mostly stagnant with markets now weighed down by increased U.S. ending stocks. Traders still seemed reluctant to push futures much lower though, as the potential for forecast adjustments as harvest progresses (see News, p.4). The U.S. dollar index spike to an 18-month high was also a firmly bearish outside factor for corn. The International Grains Council raised its global corn production figure on Thursday, with most of the increase coming from the increased U.S. corn estimate. Corn remains below technical resistance at the 10-day moving average of \$4.90 3/4 and other key benchmarks as well.

AVERAGE CORN BASIS (DECEMBER)



CORN EXPORT BOOKINGS (MMT)



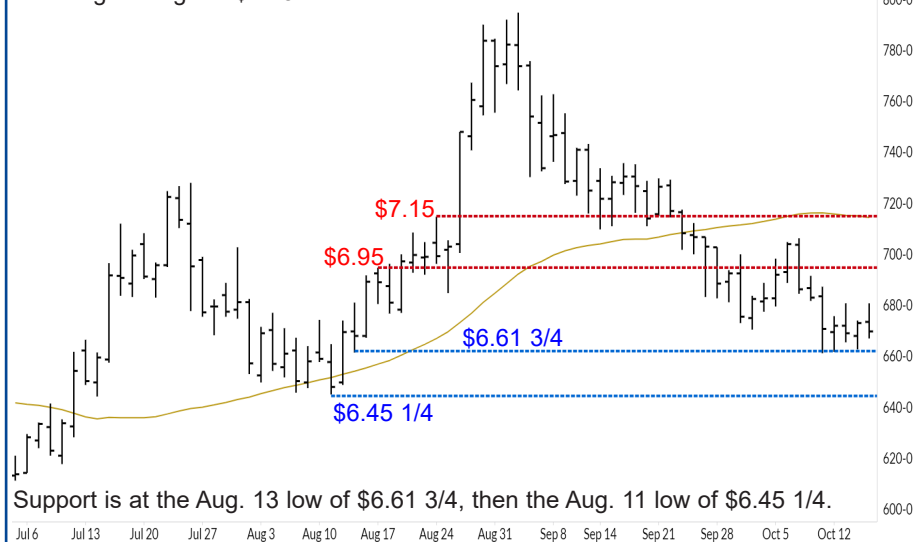
Position Monitor

	'26 crop	'27 crop
Cash-only:	60%	10%
Hedgers (cash sales):	60%	10%
Futures/Options	0%	0%

Game Plan: Wheat futures are finding support from escalating Black Sea tensions as strikes resumed on energy facilities. Remain patient on sales for now as potential exists for a larger war premium.

DAILY DECEMBER SRW WHEAT

Resistance is at the Aug. 17 high of \$6.95, with further resistance at the Aug. 24 high of \$7.15.



Support is at the Aug. 13 low of \$6.61 3/4, then the Aug. 11 low of \$6.45 1/4.

WHEAT

SRW — Wheat found support this week from reports of potentially lower production from Canada, which could result in tighter global stocks. Expectations of food prices to rise in coming months as oil and fertilizer flows remain restricted also lifted futures.

Position Monitor

	'26 crop	'27 crop
Cash-only:	75%	10%
Hedgers (cash sales):	65%	0%
Futures/Options	0%	0%

Game Plan: Price action has turned sideways to lower with the harvest window open. Soybeans continue to find good demand as crush capacity expands. Domestic and foreign capacity is expanding around the globe as biofuels demand continues to grow. Cash-only marketers should be 75% sold on 2026-crop, with hedgers 65% sold. Remain patient on further sales for now.

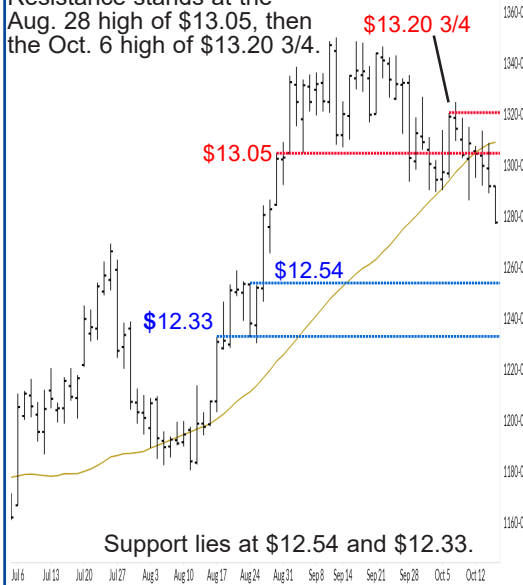
DAILY NOVEMBER SOYBEANS

Resistance stands at the Aug. 28 high of \$12.90 and the Oct. 7 high of \$13.09.



DAILY JANUARY SOYBEANS

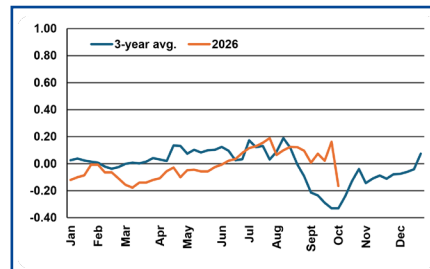
Resistance stands at the Aug. 28 high of \$13.05, then the Oct. 6 high of \$13.20 3/4.



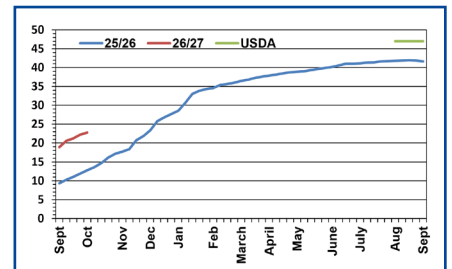
SOYBEANS

Soybean futures failed to move higher despite 1.56 million metric tons of flash sales announced throughout the week, with China accounting for 1.35 MMT of that total. NOPA reported on Thursday that US soybean crush hit a 13-month low of 196.3 million bushels as harvest delays prevented crushers from operating at their usual rates, with the agency noting Iowa saw a particularly sharp decline. As a result of the decline in production, soybean stocks fell to their lowest point since November 2014. The Brazilian agency Conab released their updated production estimate of 181.6 MMT, below the WASDE estimate of 186 MMT.

AVERAGE SOYBEAN BASIS (NOVEMBER)

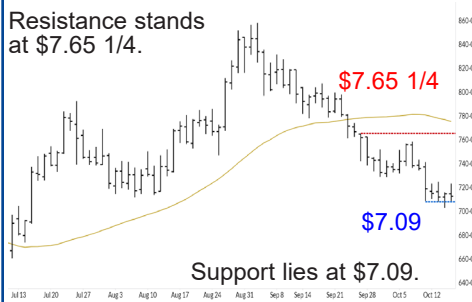


SOYBEAN EXPORT BOOKINGS (MMT)



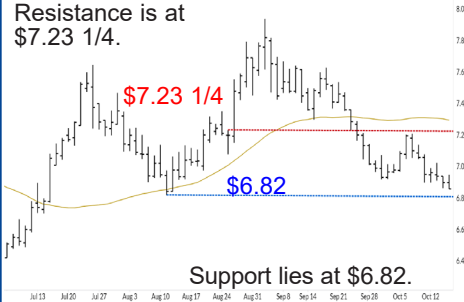
DAILY DECEMBER HRW WHEAT

Resistance stands at \$7.65 1/4.

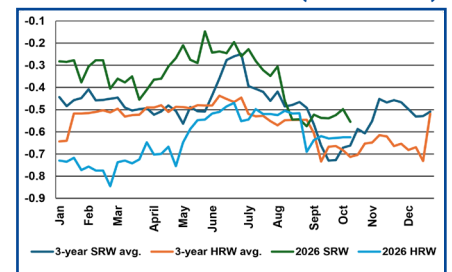


DAILY DECEMBER HRS WHEAT

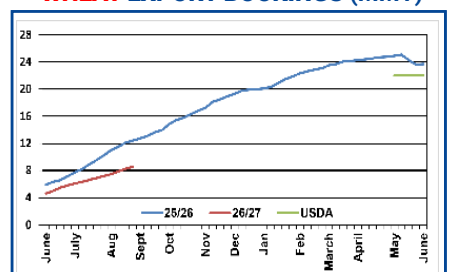
Resistance is at \$7.23 1/4.



AVERAGE WHEAT BASIS (DECEMBER)



WHEAT EXPORT BOOKINGS (MMT)



HRW — Spotty rains in the southern Plains have helped early fall vegetative growth. World Weather Inc. expects planting to occur rapidly over the next two weeks as soil moisture has improved. Some bands of rainfall are expected over that time as well, which should allow for germination to occur favorably.

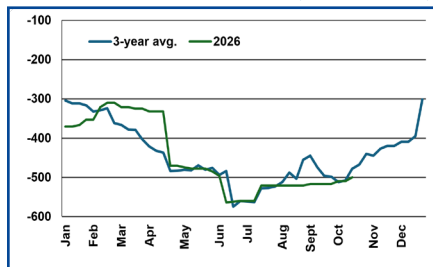
HRS — Ukraine launched another round of attacks on Russian infrastructure, reducing hopes for a truce. Russia is preparing to export wheat from at least one of its Arctic ports in Murmansk. The port is thousands of miles from the grain producing areas, a sign that operations in the Black Sea may not return to normal anytime soon.

Position Monitor

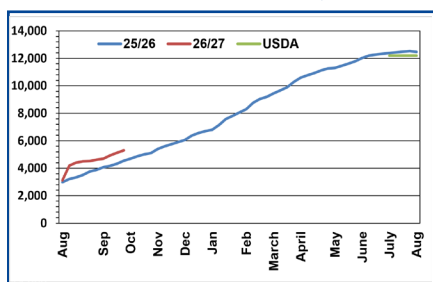
	'26crop	'27 crop
Cash-only:	70%	0%
Hedgers (cash sales):	70%	0%
Futures/Options	0%	0%

Game Plan: With more than half of new-crop covered, be prepared to sell strength in futures and/or basis. Be prepared to advance on a rally.

AVERAGE COTTON BASIS (DECEMBER)



COTTON EXPORT BOOKINGS ('000 BALES)



DAILY DECEMBER COTTON

Resistance stands at the June 4 high of 81.08¢ and July 13 high of 82.96¢.



COTTON

Futures continue to hold a sideways consolidative range, with resistance at the 20-day moving average curbing near-term momentum. Traders will watch for clearer signs of export demand and weather impacts on remaining crop quality.

GENERAL OUTLOOK

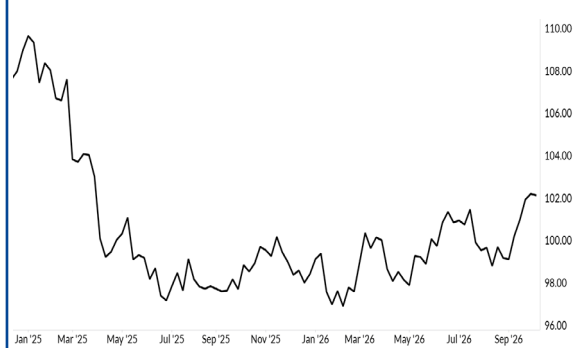
U.S. DOLLAR: The U.S. dollar index the past week hit a 1.5-year high amid a more hawkish U.S. Federal Reserve that could raise U.S. interest rates again as soon as the end of this month.

The strong greenback, which still serves as the world's de facto reserve currency with no strong rival, is an overall positive for the U.S. economy, keeping U.S. borrowing costs lower due to strong global demand for U.S.

Treasuries, which are still viewed by most as the safest investment asset on the planet.

However, there are drawbacks to the stronger dollar, including making U.S. ag exports more expensive to purchase in non-U.S. currency on the world trade markets. The grain futures markets have seen buying interest notably dented by the recently surging dollar.

WEEKLY U.S. DOLLAR INDEX



FROM THE BULLPEN By Market Analyst Hillari Mason

It may seem early to focus on 2027 crop plantings while the 2026 harvest is still under way, but many producers across the Corn Belt are already thinking about input purchases. Rotations continue to drive a lot of acreage decisions, yet thin margins have put fertilizer and other input costs more front-and-center than usual.

Looking at the November 2027 soybean : December 2027 corn futures ratio (currently near 2.44), the market is pricing soybeans and corn in a range that has historically been roughly neutral to modestly supportive of soybeans relative to corn. Ratios in this zone have often left the two crops relatively competitive, with small shifts

able to tip marginal acres one way or the other once spring arrives. This is not an especially strong signal yet, and the ratio can move considerably between now and the main 2027 planting window as new supply and demand information emerges.

Still, it is one factor producers are watching as they evaluate relative profitability and decide how aggressively to lock in inputs for next year, particularly with fertilizer costs remaining elevated and margins tight. Local basis and yields will be important factors in acreage going forward, but any significant shifts in supply or demand will show up in the ratio over the coming months.

WATCH LIST

1	Crop Progress Report Harvest progress in focus.	MON 10/19 3:00 p.m. CT
2	U.S. Bioenergy Statistics A look at biofuel-based demand.	TUE 10/20 1:00 p.m. CT
3	Weekly Ethanol Production Will a seasonal rebound continue?	WED 10/21 9:30 a.m. CT
4	USDA Export Sales Report Wheat sales continue to disappoint.	THU 10/22 7:30 a.m. CT
5	Cotton Ginnings Running bales ginned to date.	THU 10/22 12:00 p.m. CT

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