

News this week...

- 2** – Cordonnier lifts corn yield, leaves beans steady
- 3** – Examine USDA's balances sheets with updated production
- 4** – A look ahead to Crop Tour, first look at the 2025 crops

Volatile action across ag commodities – December corn futures saw heavy selling pressure following USDA's updated production figure but rebounded to end the week, signalling robust demand persists at lower prices. Soybeans surged on lower acres and ended the week on a high note near a six-week high. Wheat struggled to garner momentum on its own, largely following price action in corn. Cattle futures rebounded to start the week and traded near record highs once again before profit-taking led weakness mid-week, though cash cattle trade remains strong and continues to limit the downside. Lean hogs saw choppy action amid mixed signals from the cattle market and directionless cash trade, while pork cutout held a volatile tone throughout the week.

USDA pegs record corn, bean yields

USDA's initial estimates based on farmer surveys, FSA acreage data (see News page 2) and satellite imagery forecast record corn production and a record bean yield.

CORN: Crop of 16.742 bil. bu.; yield of 188.8 bu. per acre.

SOYBEANS: Crop of 4.292 bil. bu.; yield of 53.6 bu. per acre.

WHEAT: Crop of 1.927 bil. bu., down 2 mil. bu. from July.

COTTON: Crop of 13.214 mil. bales; yield of 862 lb. per acre.

China tariff truce extended

President Donald Trump extended a pause of higher tariffs on Chinese imported goods for another 90 days in an effort to stabilize trade ties. Trump signed the order extending the truce through Nov. 10, with all other elements of the agreement remaining the same. U.S. Treasury Secretary Scott Bessent says U.S. trade officials will reconvene with their Chinese counterparts within two to three months to discuss the future of bilateral trade between the two economies.

EU awaiting framework deal details

The European Union and the U.S. are reportedly working to finalize a list of products, including aircraft and other items, which would trade under a zero percent levy. Currently, EU semiconductors and pharmaceuticals enjoy duty-free status, but are likely to encounter an increase. The Trump administration says tariffs on the EU will not exceed 15%. While a framework deal was reached in July, the particulars remain in flux.

Inflation data sends mixed signals

According to the Bureau of Labor Statistics, Consumer Price Index inflation remained at 2.7% in July, steady with June but below forecasts of 2.8%. BLS reported Producer Price Inflation as rising 0.9% month-over-month in July, sharply up from a flat reading in June and the biggest monthly increase since June 2022. Costs of fresh and dry vegetables led PPI higher. See *General Outlook* for how it impacts rates.

Time to hit the fields on Crop Tour. Scout your fields, too!

While we're scouting fields across the Corn Belt Aug. 18-21 on the *Pro Farmer* Crop Tour, you can scout your own fields. Send your results to editors@profarmer.com for a chance to be featured in an upcoming newsletter.

In each corn field, get past the end rows and then take 25 paces into the field.

- At the 35th pace, lay out a 30' plot and count all the ears that will make grain on two 30' rows.
- From one of those rows, pull the fifth, eighth and 11th ears. This makes a consistently random process to select samples.
- Measure the length of grain (in inches, rounded to the nearest 1/4") on each ear.
- Count the number of kernel rows around each ear.
- Record the row width in the field.
- To calculate the estimated yield, take the average number of ears in the two 30' rows TIMES the average length of grain per ear TIMES the average number of kernel rows around. DIVIDE the total by row width.

Example: (50 ears x 6.5' x 16.7 kernel rows) / 30' rows = 180.9

This example gives you an estimated yield at that spot in the field of 180.9 bu. per acre.

In each soybean field, pick a 'representative spot' in the field.

- Measure a 3' section in one row and count all the plants in that plot. Randomly select three plants. Count all the pods on those three plants and calculate the average number of pods per plant.
- Multiply the average number of pods per plant by the number of plants in the 3' plot. Multiply that number by 36, and divide by row width.

Example: 14 plants x 32 pods/plant x 36/15" rows = 1,075.2 pods in a 3'x3' square

Compare your results to what we find on Tour.

Corn, soybean conditions slip

USDA rates the corn crop as 72% “good” to “excellent,” down one point from the previous week, and 7% “poor” to “very poor.” The soybean crop is rated as 68% “good” to “excellent,” down one point, and 7% “poor” to “very poor,” in line with the previous week. On the weighted *Pro Farmer* Crop Condition Index (CCI; 0 to 500-point scale, with 500 representing perfect), the corn crop is down 2 points to 382.8 and the soybean crop is 1.3 points lower to 368.7.

Spring wheat ratings up

USDA rates the spring wheat crop as 49% “good” to “excellent,” up a point from the previous week, and 18% “poor” to “very poor,” also up a point. On the CCI, the spring wheat rating is up 3 points from the previous week to 347.3.

Cordonnier raises corn; leaves bean yield steady

Crop consultant Michael Cordonnier raised his 2025 corn yield estimate to 183 bu. per acre this week and maintains a neutral bias going forward. He notes increased tip-back and attributes it to higher-than-normal overnight lows.

Cordonnier’s 2025 U.S. soybean yield was left unchanged for this week at 52.5 bu. per acre, with a neutral bias moving forward.

Reps work on ‘skinny farm bill’

House Ag Committee chair GT Thompson says he hopes to release some legislative text in September regarding what is being called a skinny farm bill. While the One Big Beautiful Bill Act took care of much of the farm bill, the deep cuts in the Supplemental Nutrition Assistance Program, commonly referred to as SNAP, might make it harder to get the legislation over the finish line.

SAF facility to open

According to *Bloomberg*, the world’s first ethanol to jet fuel production facility expects to begin production in September. LanzaJet’s \$200 million Georgia location received government funds to get production up and running after some delay from equipment issues.

The company’s CEO, Jimmy Samartzis, said in an interview: “My hope is that by the end of the third quarter we are fully operating. The modifications we made to the equipment that was hindering us, unrelated to the technology itself, should satisfy what we need.”

Producer crop comments...

Please send crop comments to editors@profarmer.com

Gibson Co. (southwest) Indiana:

“April corn is good but not as good as the plant looks. Some tip back from heat has probably hurt it some. May corn has more potential than the April corn, but if August turns hot and dry, it could trim it also. April beans look pretty good, but August heat isn’t helping.”

Cedar Co. (eastern) Iowa:

“Have had a good growing season, a little too much rain here lately. Overall, the crop looks pretty good, but not as good as last year’s record. There is probably some more tip back than people think. Beans are starting to show some sudden death.”

Washington Co. (eastern) Nebraska:

“It has been a tale of two different seasons so far this year. We were cool, but not wet, in April and then it got hot and windy. Since Fathers’ Day, it has rained nonstop. We have received over 22”. Everything looks pretty good. It will be a good crop, not sure if it will be a great crop.”

Johnson Co. (eastern) Kansas:

“Soybeans needed some water. The heat affected the pods over the past few weeks. We got 1.2” yesterday (Aug. 10) that will help for about 10 days.”

Eaton Co. (southern) Michigan:

“Big increase in corn being chopped for silage locally that would traditionally work into ethanol at harvest.”

Champaign Co. (eastern) Ohio:

“Checked three farms, each a different planting date and hybrid. We have a strong corn crop, but I don’t think we are as close to last year’s yield levels as many think.”

Knox Co. (southwest) Indiana:

“Mid-April corn is at 25% milk line remaining. High temps pushed the crop to maturity way too rapidly. Lots of tip back. This corn crop is not as good as it appears from the road. Beans will need some timely August rains.”

Peoria Co. (central) Illinois:

“Seeing a lot of good ears, next to great ears, next to questionable ears, next to ugly ears. Yes, there will be some big corn out there, but compared to last year, the averages on the whole are going to struggle.”

Ethanol for America

Senate Ag Committee members introduced the bipartisan “Ethanol for America Act” to help Americans fuel their vehicles with E15. The bill reportedly hopes to eliminate barriers by requiring EPA to finalize rulemaking from 2021. It would also confirm the compatibility of E15 with existing underground fuel storage and dispensing equipment, ensuring business owners are not required to make costly changes.



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USDA's grain, cotton balance sheets

CORN: Since last month, USDA cut old-crop carryover 35 mil. bu. to 1.305 bil. bu. Old-crop demand is estimated at 15.350 bil. bu., up 35 mil. bu. after a 35-mil.-bu. cut to FS&I use and a 70-mil.-bu. increase to estimated exports.

For 2024-25, USDA increased new-crop carryover 457 mil. bu. to 2.117 bil. bu. and increased total supplies 1.002 bil. bu. USDA increased total new-crop demand 545 mil. bu. Feed & residual use is up 250 mil. bu., FSI is up 95 mil. bu. and exports are estimated up 200 mil. bu.

Our corn ending stocks forecasts are 1.25 bil. bu. for 2024-25 and 1.72 bil. bu. for 2025-26.

2023-24 price remains \$4.30; 2025-26: \$3.90, down 30¢.

Global corn carryover: 283.11 MMT for 2024-25, down 1.07 MMT from July; 282.54 MMT for 2025-26, up 10.5 MMT.

SOYBEANS: USDA cut 20 mil. bu. from the 2024-25 soybean carryover estimate to 330 mil. bu., increased estimated old-crop bean crush 10 mil. bu. and increased estimated old-crop bean exports 10 mil. bu.

New-crop ending stocks are down 20 mil. bu. to 290 mil. bu. Total new-crop supplies were cut 63 mil. bu., with beginning stocks down 20 mil. bu. and the crop estimate down 43 mil. bu. USDA cut total use 43 mil. bu. with crush steady, exports down 40 mil. bu. and residual use down 3 mil. bu.

Our ending stocks forecasts are 330 mil. bu. for 2024-25 and 280 mil. bu. for 2025-26.

USDA prices for 2024-25 (\$10.00) and 2025-26 price (\$10.10) remain unchanged.

Global soybean carryover: 125.19 MMT for 2024-25, up 700,000 metric tons (MT) from July — 124.90 MMT for 2025-26, down 1.17 MMT.

WHEAT: The 2025-26 wheat carryover is at 869 mil. bu., down 21 mil. bu. Total supplies are down 1 mil. bu. on a slight adjustment to the all-wheat crop estimate. Food use is estimated down 5 mil. bu., but export demand was up 25 mil. bu.

Our ending stocks forecast for 2025-26 is 865 mil. bu.

USDA 2025-26 price: \$5.30, down 10¢.

Global wheat carryover: 262.70 MMT for 2024-25, down 890,000 MT; 260.08 MMT for 2025-26, down 1.44 MMT.

COTTON: USDA cut 1 mil. bales from 2025-26 cotton carryover to 3.6 mil. bales. Total supplies are down 1.49 mil. bales on a 1.39-mil.-bale cut to the crop estimate. Demand was reduced 500,000 bales.

Our 2025-26 ending stocks forecast is 3.95 mil. bales.

USDA 2025-26 price is unchanged at 63¢.

Global cotton carryover: 75.05 mil. bales for 2024-25, down 1.73 mil. bales; 73.91 mil. bales for 2025-26, down 3.41 mil. bales.

USDA's livestock meat balance sheets

BEEF: USDA lowered its 2025 beef production forecast 263 mil. lb. on reduced fed and non-fed cattle slaughter and lighter dressed weights. Beef production is expected to fall 3.9% from 2024. USDA decreased their beef export forecast based on tighter domestic supplies. Imports are seen as lower as well due to tariffs. USDA increased their 2025 cash steer price \$5.75 to \$227.06, up \$39.94 from last year.

For 2026, USDA cut beef production 345 mil. lb., a 2% decrease from this year. USDA anticipates reduced placements in the latter half of 2025 and heifer retention beginning in 2026. USDA foresees the average steer price increasing to \$244 in 2026, up from \$229 previously.

PORK: USDA cut its pork production forecast for this year by 294 mil. lb. reflecting official data reported through the first half of this year, as well as a slower slaughter rate and reduced dressed weights that are anticipated in the latter half of the year. Pork production is seen as falling less than 1% from 2024. The pork export outlook is up 9 mil. lb. from the previous estimate, reflecting official data through the first half of this year. USDA forecasts the average cash hog price will be at \$69.32, up 75¢ from July and up \$5.91 from a year ago.

For 2026, USDA lowered pork production 100 mil. lb., which is still up 2.3% from this year. The export forecast was left at 7,000 mil. lb., up less than 1% from this year. USDA increased its 2026 average cash hog price projection by \$1.00 from last month to \$66.00, with prices now expected to fall \$3.32 from this year.

Brazilian soy acres slow increase

Crop consultant Michael Cordonnier anticipates the smallest increase in soybean acres in recent years as low prices are discouraging increasing production. He estimates the 2025-26 Brazilian soybean acreage will increase 2% with production of 173.0 MMT. Last week, USDA pegged the crop at 175.0 MMT.

Trump warns Putin on Ukraine

President Donald Trump has warned he would impose "very severe consequences" if Russian President Vladimir Putin does not agree to a cease fire agreement. Heading into Friday's summit with Putin, Trump said he hoped to use the meeting to set up a "quick second meeting" with Ukrainian leader Volodymyr Zelenskyy. Trump said he had a good call with European leaders ahead of the summit. He assured European leaders he wouldn't negotiate territories with Putin and would push him to meet with Zelenskyy, according to sources briefed on the discussions.

A widespread, objective look at the 2025 corn, bean crops

By Pro Farmer editors

This marks the 33rd year of the Pro Farmer Crop Tour. USDA no longer collects objective yield samples in August, so this will be the industry's first broad look at field data from across the Corn Belt. The objective of Crop Tour is to find a representative sample of yield potential across the seven Corn Belt states from the more than 1,600 samples of each corn and soybeans.

How to receive up-to-date information from Crop Tour

There will be exclusive daily route reports from Tour leaders on *profarmer.com*. And don't forget about the in-person and virtual Crop Tour meetings each evening where you will get daily Tour results. The in-person nightly meetings will feature route observations and comments from Tour participants.

Tour leaders and consultants will provide daily commentary in "From the Rows" on *profarmer.com*. Tune into "AgriTalk" each day at 10:06 a.m. and 2:06 p.m. CT on *agweb.com/agritalk* or your favorite farm radio station to hear a Crop Tour update from the road.

#PFTour25 on X will have Tour-related tweets and photos. Follow @ChipFlory, @brent8320r, @yoohoo26 and @iwatchcorn for posts from the field. Follow @profarmer for daily Tour results and @emily_florag14 for data updates.

Compare with last year; apply the historical difference!

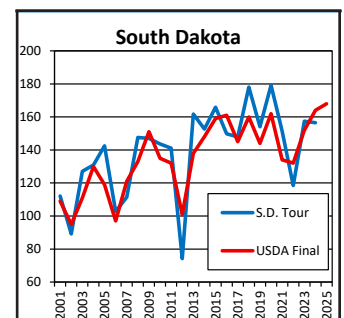
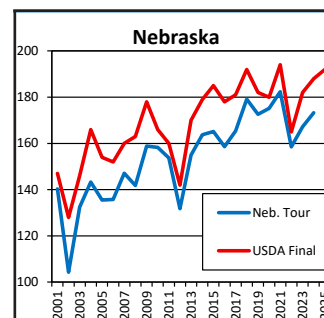
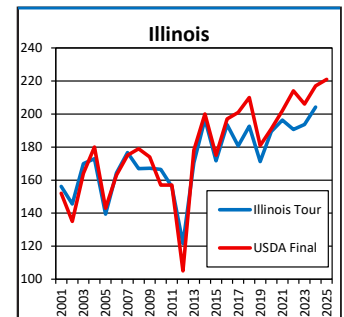
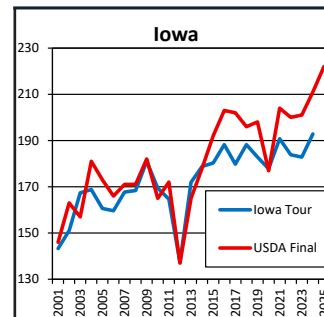
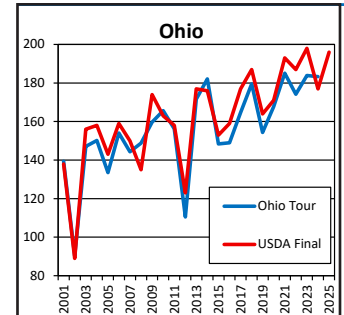
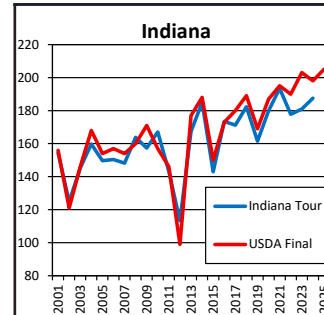
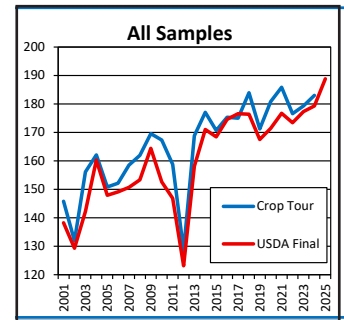
The best analysis of this year's data will be to compare state-by-state results to past Tour data, with close attention to percentage changes, and also applying the historical difference for each state. We know the yield calculated during Crop Tour will be different than USDA's final yield for each state. Fortunately, we know by how much on average.

The historical difference is the result of where the Tour travels. Examples: In Nebraska, about 60% of the corn crop is irrigated, but about half of the Crop Tour corn samples in the state are from irrigated fields. In Minnesota, we cover only the southern districts, which in most years are the highest yielding. There are reasons for the differences and understanding them makes Tour yields valuable.

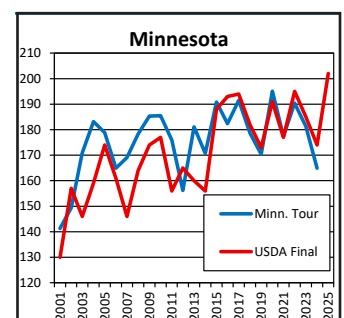
On soybeans... no yield, but lots of data!

The number of soybean pods it takes to make a bushel is different in each state. Instead of yield, we calculate the number of pods in a 3'x3' square. Compare pod counts to past Tour data to get an idea about the size of this year's yield "factory."

The best piece of data — The most reliable set of data is the average yield of all corn samples from the seven Tour states. On average since 2001, the yield calculated from all corn samples has been 5.9 bu. above USDA's final national average corn yield. (The average yield from the seven Tour states — Ohio, Indiana, Illinois, Iowa, Minnesota, South Dakota and Nebraska — should pull up the national average yield.)



Historical Difference — Tour Yield Versus USDA Final (avg. since 2001)		
Ohio	ADD	5.4 bu.
Indiana	ADD	4.5 bu.
Illinois	ADD	4.2 bu.
Iowa	ADD	7.3 bu.
Nebraska	ADD	14.1 bu.
Minnesota	SUB	5.7 bu.
S. Dakota	SUB	4.6 bu.
7-State	SUB	5.9 bu.

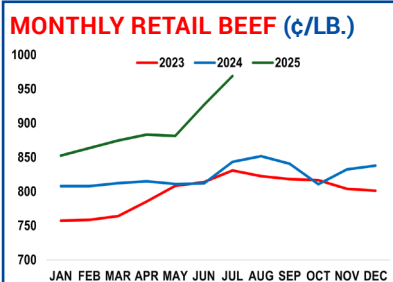


CATTLE - Fundamental Analysis

A more cautious tone was cast across the cattle market last week, though futures' discounts to cash and a firm technical posture continued to crimp earnest selling interest. Meanwhile, surging wholesale values conveyed just how short beef supplies are as retailers look to secure cuts for Labor Day features. Sputtering slaughter numbers coupled with uncertainty around beef imports from Brazil and a blocked U.S./Mexico border certainly lean in bulls' favor. However, demand implications loom as retailers increasingly look to pass along the recent jumps in beef cuts to the consumer.

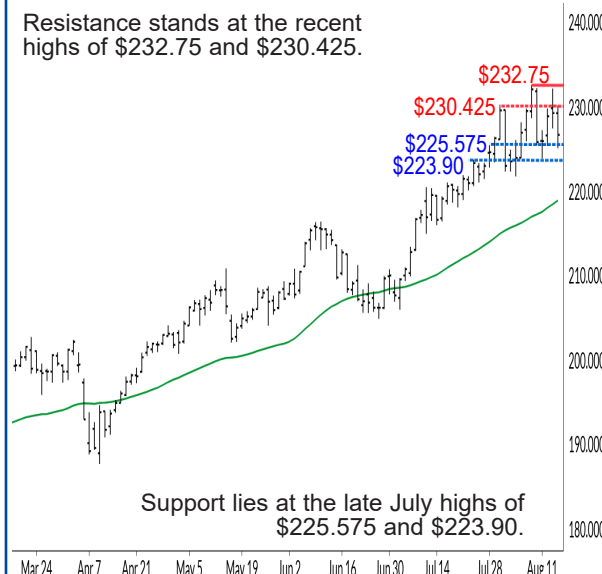
Position Monitor

Game Plan:	Feds Feeders		
Summer	III'25	0%	0%
live cattle	IV'25	0%	0%
futures re-	I'26	0%	0%
main at discounts to the cash market. Any hedging should be done by buying put options.	II'26	0%	0%



DAILY OCTOBER LIVE CATTLE

Resistance stands at the recent highs of \$232.75 and \$230.425.

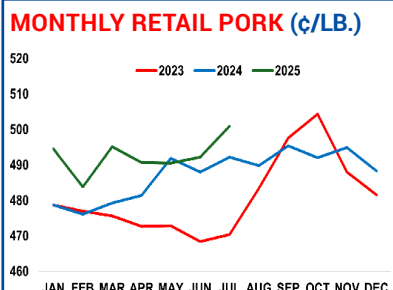


HOGS - Fundamental Analysis

New for-the-move highs were notched in the August contract as traders kept futures discounts to cash limited into expiration, while slaughter continued to trail the seasonal norm. However, weekly totals should rise notably into September, which likely translates into fading cash fundamentals. But consumers could certainly ramp up pork purchases into the fall and winter months, as demand remains strong amid elevated beef values. But, global demand will almost surely be a wild card in the coming months as trade negotiations are drawn out.

Position Monitor

Game Plan:	Lean Hogs		
Carry all risk in the cash market. Summer hog futures have erased premiums to the cash index, leaving hedges unattractive at this juncture.	III'25	0%	0%
	IV'25	0%	0%
	I'26	0%	0%
	II'26	0%	0%



DAILY OCTOBER LEAN HOGS

Expect resistance at the early-June highs of \$92.70 and \$91.475.



FEED

Feed Monitor

Corn

III'25	100%
IV'25	33%
I'26	0%
II'26	0%

Corn Game Plan: You should have all corn-for-feed needs covered through October. Be prepared to make additional purchases amid evidence of a confirmed low.

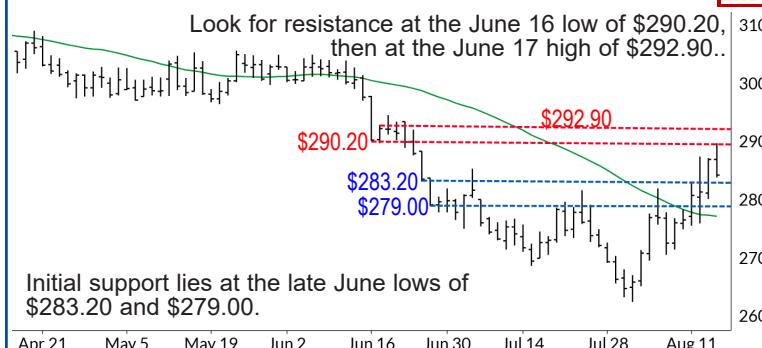
Meal

III'25	100%
IV'25	50%
I'26	0%
II'26	0%

Meal Game Plan: You should have your soymeal needs covered in the cash market through September, with half of your needs for October, November and December.

DAILY SEPTEMBER SOYBEAN MEAL

Look for resistance at the June 16 low of \$290.20, then at the June 17 high of \$292.90..

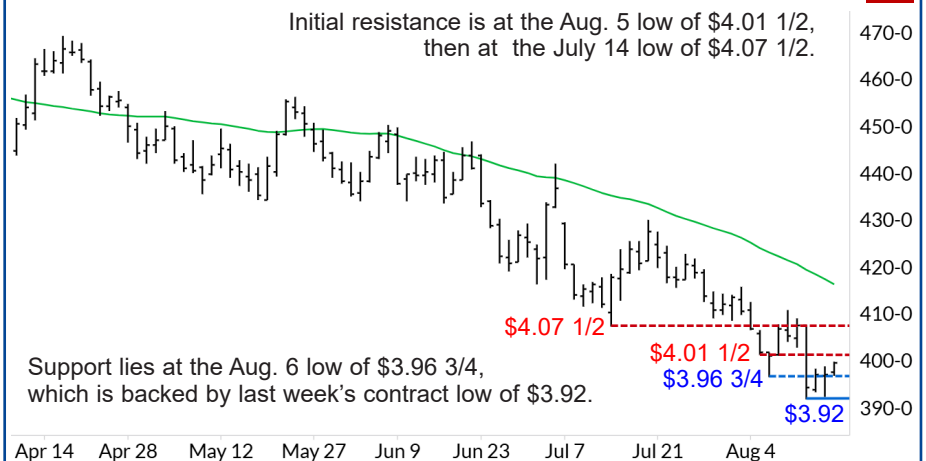


Position Monitor

	'24 crop	'25 crop
Cash-only:	70%	20%
Hedgers (cash sales):	70%	20%
Futures/Options	0%	0%

Game Plan: Wait on a price rebound to extend sales. However, with the old-crop marketing-year near its end and 30% of the crop unsold, any uptick in price should be viewed as a selling opportunity. Be prepared to make a series of sales and/or to finish old-crop sales over the next two weeks.. We can be more patient on new-crop sales with prices near contract lows.

DAILY DECEMBER CORN



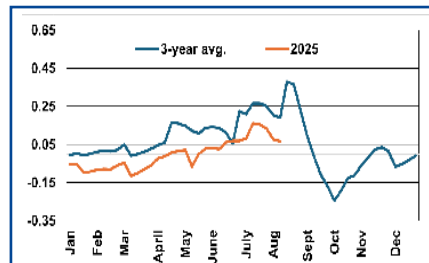
DAILY SEPTEMBER CORN



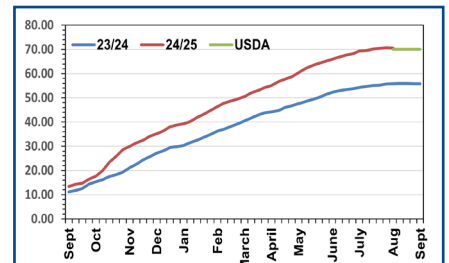
CORN - Fundamental Analysis

New contract lows were carved again last week following USDA's August Crop Reports and an unprecedented 7.8-bu.-per-acre yield increase and 1.9 million-acre bump in harvested acres. History shows increased acreage typically makes for a lighter national yield, but if realized, 2025 will bury that belief. Our annual [Pro Farmer Crop Tour](#) this week will provide greater insight around production. Meanwhile, demand has held strong as current prices and a subdued U.S. dollar continue to drive exports and domestic demand. However, high input costs and eroding working capitals have many producers entertaining fewer corn acres in 2026-27, which could make for an interesting market dynamic.

AVERAGE CORN BASIS (SEPT.)



CORN EXPORT BOOKINGS (MMT)

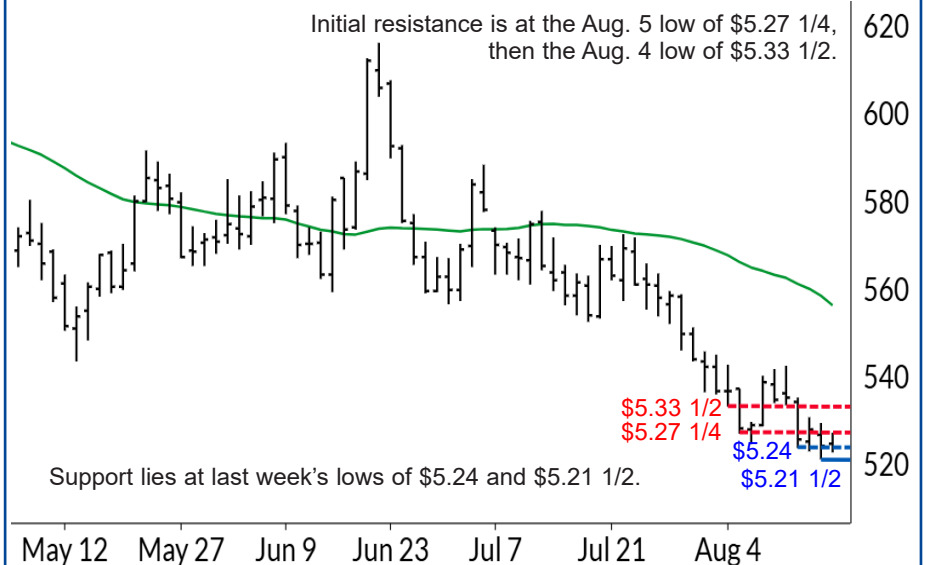


Position Monitor

	'25 crop	'26 crop
Cash-only:	30%	10%
Hedgers (cash sales):	30%	10%
Futures/Options	0%	0%

Game Plan: You should have 30% of your 2025-crop sold in the cash market and 10% of the 2026-crop sold for harvest delivery. Be prepared to make additional sales on an extended upside move.

DAILY DECEMBER SRW WHEAT



WHEAT - Fundamental Analysis

SRW — December futures continued to face technical selling, despite USDA's lower ending stocks estimate amid forecasts of increased export demand. Moreover, global ending stocks were lowered to a 10-year low amid lower stocks in both Ukraine and the U.S.

Position Monitor

	'24 crop	'25 crop
Cash-only:	90%	20%
Hedgers (cash sales):	90%	20%
Futures/Options	0%	0%

Game Plan: We advised selling 10% of old-crop on Aug. 11 and an additional 15% on Aug. 13 as the marketing-year winds down. We also advised selling 10% of new-crop. Rallies may be limited in the near-term, though be prepared to advance old-crop sales. We may wait on new-crop sales as harvest approaches and more will be known about the crop

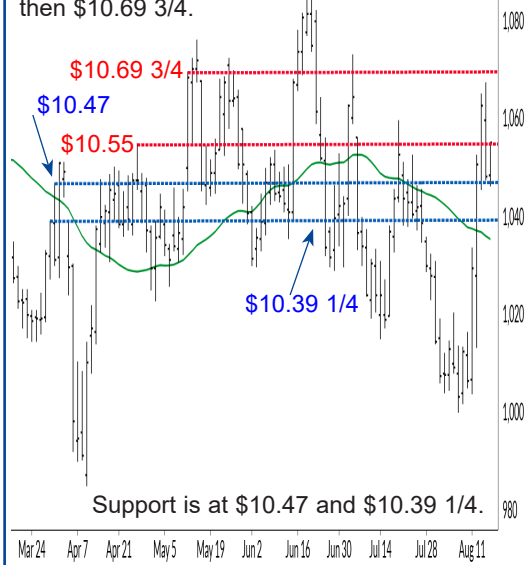
DAILY NOVEMBER SOYBEANS

Resistance stems from the Jan. 9 - 10 highs of \$10.39 1/2 and \$10.51 1/4.



DAILY JANUARY SOYBEANS

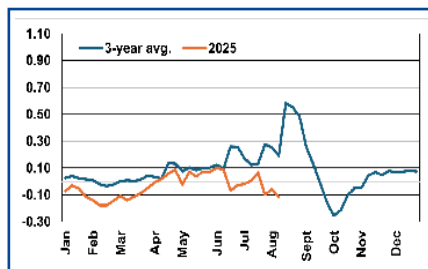
Resistance stands at \$10.55, then \$10.69 3/4.



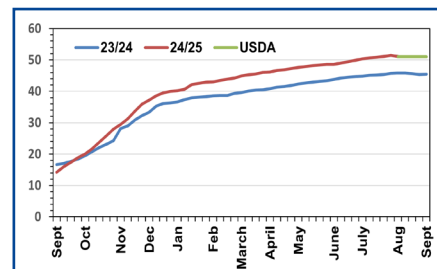
SOYBEANS - Fundamental Analysis

A nearly two-and-a-half-million acre cut to harvested acres in USDA's August Production Report drove solid gains last week, which made for sub 300-mil.-bu. ending stocks despite 1.1-bu. yield increase. This shifted some of the focus from a lack of new-crop purchases from China, though President Donald Trump's decision to extend the trade truce for an additional 90-day period does not stir solace in the marketplace. The pace of new-crop export sales sit at six-year lows, though USDA reported impressive sales in last week's Export Sales Report. Meanwhile, the U.S. crop is in the home stretch, with August weather a determinant of production. Any variances in yield or demand amid lower acres could spur volatility.

AVERAGE SOYBEAN BASIS (NOV.)



SOYBEAN EXPORT BOOKINGS (MMT)



DAILY DECEMBER HRW WHEAT

Resistance is at \$5.38 1/2.

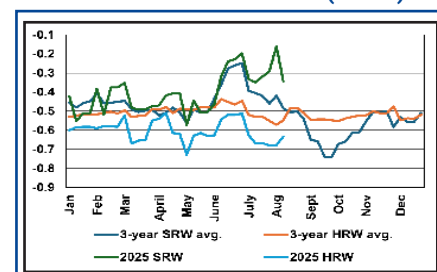


DAILY SEPTEMBER HRS WHEAT

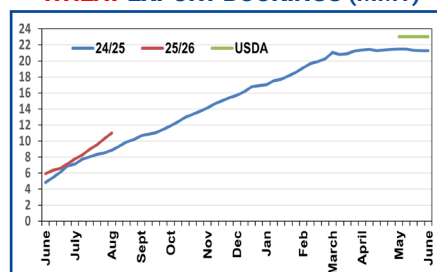
Resistance is at \$5.76 3/4.



AVERAGE WHEAT BASIS (SEPT.)



WHEAT EXPORT BOOKINGS (MMT)



HRW — December futures edged to yet another contract low as technical headwinds continue to curb short-covering interest. However, the downside seems limited, with support at the November 2024 low. Moreover, current prices are likely discouraging acreage expansion for the 2026 winter wheat crop.

HRS — Consolidative sideways trade was featured last week following a 92¢ drop from the June high to the August low. USDA's lower-than-expected spring wheat production estimate failed to excite since the all wheat forecast landed higher than expected. Harvest efforts continue to advance but lags the five-year average pace.

Position Monitor

	'24 crop	'25 crop
Cash-only:	90%	20%
Hedgers (cash sales):	90%	20%
Futures/Options	0%	0%

Game Plan: We advised selling 10% of old-crop on Aug. 11 and an additional 15% on Aug. 13 as the marketing-year winds down. We also advised selling 10% of new-crop. Rallies may be limited in the near-term, though be prepared to advance old-crop sales. We may wait on new-crop sales as harvest approaches and more will be known about the crop

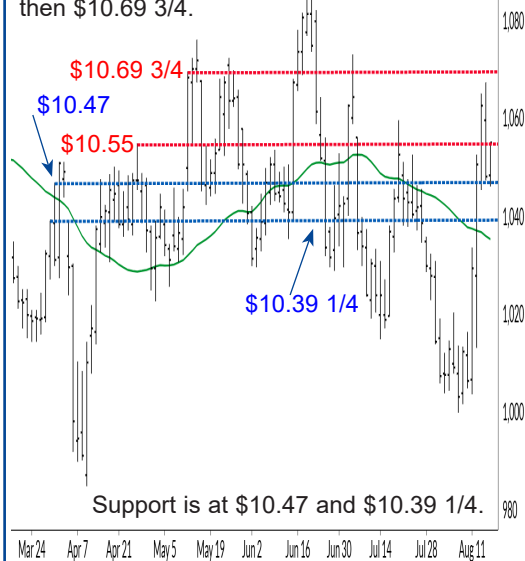
DAILY NOVEMBER SOYBEANS

Resistance stems from the Jan. 9 - 10 highs of \$10.39 1/2 and \$10.51 1/4.



DAILY JANUARY SOYBEANS

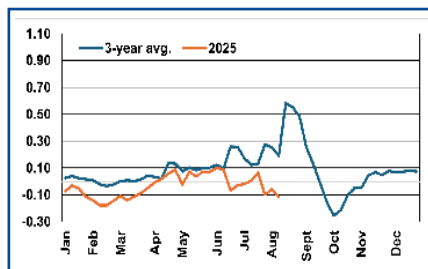
Resistance stands at \$10.55, then \$10.69 3/4.



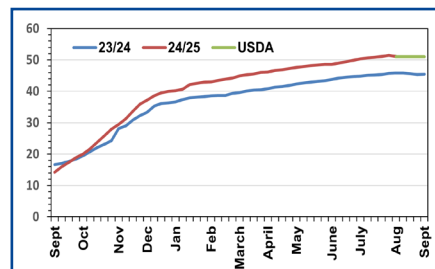
SOYBEANS - Fundamental Analysis

A nearly two-and-a-half-million acre cut to harvested acres in USDA's August Production Report drove solid gains last week, which made for sub 300-mil.-bu. ending stocks despite 1.1-bu. yield increase. This shifted some of the focus from a lack of new-crop purchases from China, though President Donald Trump's decision to extend the trade truce for an additional 90-day period does not stir solace in the marketplace. The pace of new-crop export sales sit at six-year lows, though USDA reported impressive sales in last week's Export Sales Report. Meanwhile, the U.S. crop is in the home stretch, with August weather a determinant of production. Any variances in yield or demand amid lower acres could spur volatility.

AVERAGE SOYBEAN BASIS (NOV.)



SOYBEAN EXPORT BOOKINGS (MMT)



DAILY DECEMBER HRW WHEAT

Resistance is at \$5.38 1/2.

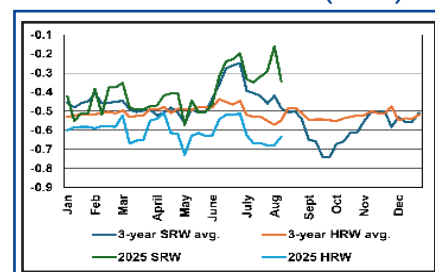


DAILY SEPTEMBER HRS WHEAT

Resistance is at \$5.76 3/4.



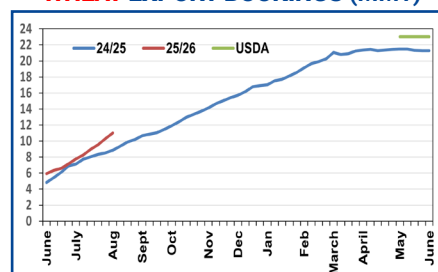
AVERAGE WHEAT BASIS (SEPT.)



HRW — December futures edged to yet another contract low as technical headwinds continue to curb short-covering interest. However, the downside seems limited, with support at the November 2024 low. Moreover, current prices are likely discouraging acreage expansion for the 2026 winter wheat crop.

HRS — Consolidative sideways trade was featured last week following a 92¢ drop from the June high to the August low. USDA's lower-than-expected spring wheat production estimate failed to excite since the all wheat forecast landed higher than expected. Harvest efforts continue to advance but lags the five-year average pace.

WHEAT EXPORT BOOKINGS (MMT)

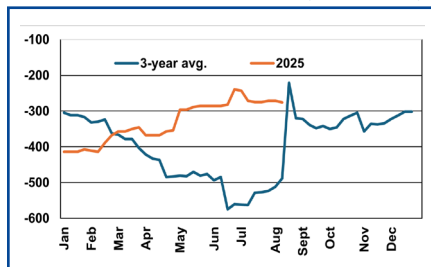


Position Monitor

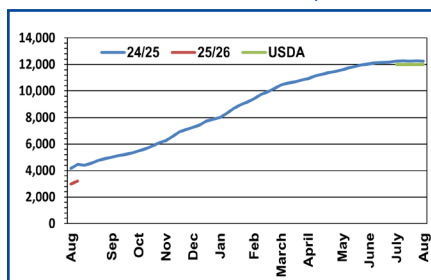
	'24 crop	'25 crop
Cash-only:	100%	0%
Hedgers (cash sales):	100%	0%
Futures/Options	0%	0%

Game Plan: You should have 100% of your 2024 crop sold, wait on an extended rally to make 2025 sales. We are targeting 69.00¢ to 70.00¢.

AVERAGE COTTON BASIS (OCTOBER)

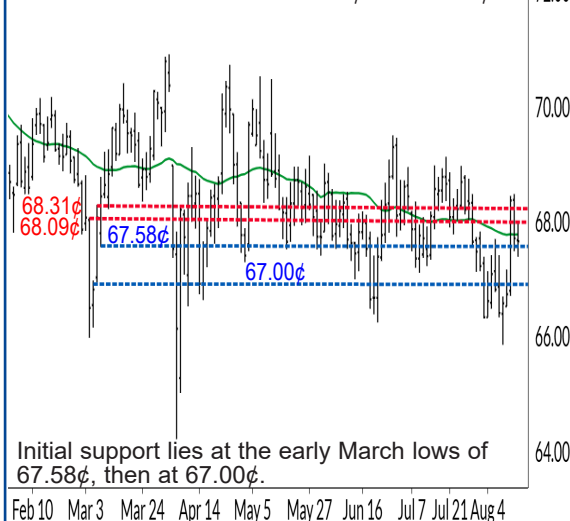


COTTON EXPORT BOOKINGS ('000 BALES)



DAILY DECEMBER COTTON

Resistance stands at the early March highs of 68.09¢ and 68.31¢.



COTTON - Fundamental Analysis

USDA's production update last week sparked a rally in cotton, though profit-taking ensued shortly after amid a push into technically overbought territory. Lower cotton acres could stir volatility as the calendar advances, especially amid the arrival of hurricane season.

GENERAL OUTLOOK

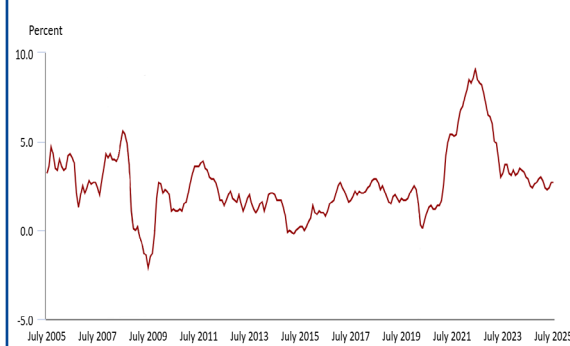
INTEREST RATES: More Wall Street firms are forecasting the Federal Reserve will begin cutting interest rates in September as the labor market weakened in July and inflation remains relatively tame, overall.

However, a hotter-than-expected producer price index report for July, released late last week, has slightly trimmed marketplace odds for a rate cut in September, which are still high.

The core PPI (excluding food and energy) rose 3.7%, year on year, well above market expectations. Last week's core consumer price index increased 3.1% in July, year-on-year, just above trade expectations.

What the hotter PPI probably did was take off the table a 50 basis-point Fed rate cut in September that a minority of the marketplace was thinking before the PPI data.

YEARLY CONSUMER PRICE INDEX



FROM THE BULLPEN By Economist Lane Akre

Last week's USDA Reports were oddly reminiscent of a year ago. USDA once again forecast record corn and soybean yields in the August Crop Production Report at 188.8 bu. per acre and 53.6 bu. per acre, respectively. Last year, USDA forecast record yields in August as well, though final production numbers came several bu. per acre below those forecasts.

USDA has a tendency to shoot too high in the August Report. Since 2000, USDA has estimated a record corn yield in August six times. Each of those years saw a decline from the August production estimate. USDA has been more conservative on beans (which have not boasted a record yield since 2016), with a forecast record in August just four times in the last 25 years

and making a record in two of those years. USDA is more conservative in projecting record soy yields in August since it's a crucial month for crop potential.

While historical data says USDA's initial estimates appear to be too high, that is not to say record yields are not likely. Since 2000, the average shift in the yield estimate from August to final is 4.2 bu. per acre in corn and 1.9 bu. per acre in soybeans. Historical precedent says corn will boast a record, it is just a matter of by how much. The jury is still out on beans.

Crop Tour will give the first look at broad from-the-field data as USDA utilized farmer surveys, FSA acreage, crop conditions and satellite imagery for its initial estimates.

WATCH LIST

- 1 Pro Farmer Crop Tour** MON 8/18 - THUR 8/22
Follow for daily Tour results.
- 2 Jackson Hole Econ Forum** WED 8/20- Fri 8/22
Will Fed tip hand on Sept. rate cut?
- 3 Weekly Export Sales Report** THUR 8/21 7:30 a.m. CT
Eye on new-crop soybean sales.
- 4 USDA Cattle on Feed Report** THUR 8/22 2:00 p.m. CT
Placements a key figure.
- 5 Pro Farmer U.S. Crop Tour Ests.** FRI 8/22 1:30 p.m. CT
Our corn, soybean crop estimates.

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