Farm Journal
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February 7, 2026
Vol. 54, No. 6

News this week...

Soybeans surge on China hopes – *Price action was lackluster at the beginning of the week with corn, beans and wheat each poised to break lower, but a midweek pump following remarks on social media ffrom both President Trump and Xi Jinping powered soybean futures to multi-month highs. Funds became active buyers amid prospects that China will increase 2025-26 soybean purchases to 20 MMT. That led to spillover strength in the corn and wheat markets as well, each of which continues to trend higher from the January lows. The grain and soy market continues to look for follow through on deals, so the bullish tone will need to be fed over the coming weeks. Live cattle futures hit four-month highs before succumbing to profit-taking as concerns over New World screwworm continue to lurk in the back of traders' minds. Deferred lean hog futures surged to contract highs last week amid persistent strength in the cash cattle market, which continues to work higher seasonally.*

Trump touts China soybean buys

President Trump sparked a soybean rally Wednesday, posting on Truth Social that he had "an excellent telephone conversation" with Chinese President Xi Jinping. The post went on to say China is considering the purchase of additional agricultural products, including purchases of another 8 MMT of soybeans, bringing the 2025-26 total to 20 MMT. If realized, purchases on that scale would be a game changer, putting the balance sheet in an untenable situation that would require price to rise to limit demand. Chinese state media reported Xi said China is "willing to do more good, big things for U.S., China relations," corroborating Trump's post.

U.S., Argentina finalize trade deal

Argentina and the U.S. agreed to scrap hundreds of tariffs on each other's goods in a trade deal inked Thursday. The U.S. agreed to eliminate over 1,600 reciprocal tariffs on Argentine goods while Javier Milei's government will terminate more than 220 levies on U.S. products. Argentina will be able to export 100,000 tons of beef to the U.S. with preferential access as part of the agreement, up from the current quota of 20,000 tons, according to the foreign ministry's statement. That is still less than 1% of annual U.S. beef consumption.

Trump lowers tariffs on India

President Trump said he will slash tariffs on India to 18% after Prime Minister Narendra Modi agreed to stop buying Russian crude oil. Trump said India will also "move forward to reduce their tariffs and non-tariff barriers against the United States, to zero" and purchase "over $500 billion dollars of U.S. Energy, technology, agricultural, coal and many other products," Trump said in a social media post.

U.S. Trade Representative Jamieson Greer says the Trump administrati is working on putting the details of the trade deal with India on paper. India is allowed to maintain some ag import protections. Greer notes tariffs on tree nuts, wine, spirits, fruits and vegetables will go to 0%, but he did not mention rice, beef, soybeans, sugar or dairy, which were excluded from free trade in India's recent deal with the EU.

Ex-farm leaders warn of collapse

A bipartisan group of former leaders of U.S. farm groups, former USDA officials and state agriculture directors sent a letter to top House and Senate ag committee lawmakers warning the dire state of the farm economy risked a "widespread collapse" of U.S. agriculture. Noting a doubling in farm bankruptcies, limited profitability and a historic ag trade deficit, the signatories blamed a combination of administration policies and congressional inaction. They urged lawmakers to pursue a nine-point plan, including the exemption of farm inputs from tariffs, the repeal of tariffs affecting ag exports and passage of a new farm bill.

Net farm income set to fall in 2026

On Thursday, USDA forecast net farm income, a broad measure of profits, at $153.4 billion in 2026, down $1.2 billion or 0.7% from 2025. Adjusted for inflation, that's a drop of $4.1 billion, or 2.6%, in 2026 dollars. Net cash farm income, a measure that includes cash farm receipts and cash farm-related income, including government payments, is projected at $158.5 billion, an increase of $4.6 billion from 2025. Direct government farm payments are forecast at $44.3 billion for 2026, an increase of $13.8 billion or 45% from 2025.

FDA authorizes NWS preventative

The U.S. Food and Drug Administration issued an Emergency Use Authorization for Ivomec (ivermectin) injectable solution for use against New World screwworm (NWS). FDA determined it is reasonable to believe Ivomec can be effective in preventing NWS infestations in cattle when administered within 24 hours of birth, at the time of castration, or when a wound appears. NWS requires an open wound for infestation, though the wound can be as small as a tick bite. Research has indicated that not only does ivermectin work as a preventative, it also works as a treatment for animals already exposed to NWS. The public health emergency presented by NWS justifies the emergency use authorization., said a press release from FDA. Ivomec is available over the counter and without a prescription.

Cordonnier cuts Argy estimates

Crop consultant Dr. Michael Cordonnier left his 2025/26 Brazil soybean crop production estimate unchanged at 179.0 million MT, with a neutral-to-slightly higher bias. Soybeans in Brazil were 10% harvested as of late last week compared to 9% last year, according to AgRural. Cordonnier also left his 2025/26 Brazil corn production estimate unchanged this week at 137.0 million MT, with a neutral bias. Safrinha corn in Brazil was 12% planted as of late last week compared to 9% last year, according to AgRural.

Cordonnier lowered his Argentine soybean production estimate by 1.0 million MT, to 48.0 million MT, with a lower bias. "The conditions in Argentina continue to deteriorate under sunny skies, warm temperatures and a lack of rain," he said. For Argentine corn production, Cordonnier lowered his estimate by 1.0 million MT this week, to 53.0 million tons, with a lower bias.

StoneX bumps Brazilian estimate

StoneX Brazil's customer survey pushed the soybean crop to 181.6 million metric tons, up from 177.6 million MT the previous month, and up from USDA at 178.0 million MT, said Arlan Suderman, StoneX chief commodities economist, in a note. The firm put Brazil's total corn crop at 135.5 million MT, up from 134.3 million MT previously, and above USDA at 131.0 million MT.

Early soybean harvest results have been favorable," Suderman wrote. "The winter (safrinha) corn planting season is just beginning, but thus far there are few risks presenting themselves for the crop."

Celeres north of 180.0 MMT, too

South American consultancy Celeres said Brazil's soybean crop is expected to reach a record 181.3 MMT, up from its previous estimate of 177.2 MMT. The firm said "with the start of the 2025/26 harvest, some regions have surprised positively in terms of yields," and went on to note yields were especially impressive in southern parts of the country.

Crude oil pivoting on Iran talks

Crude oil futures saw a volatile week amid flip-flopping rhetoric around U.S. talks with Iran. Iranian Foreign Minister Abbas Araghchi confirmed in a social media post that negotiations will be held, Bloomberg said. There are concerns over whether the two sides can bridge major differences, which has pushed prices back above $60.00 a barrel. About a third of global crude production comes out of the Middle East.

Ag Barometer falls sharply

The new year didn't do much to lift spirits. Instead, the January Purdue University-CME Group Ag Economy Barometer reflected a big downturn in farmer sentiment. Deepening worries over farm finances and the outlook for exports was a big driver, the survey found. The poll was conducted Jan. 12-16, on the heels of the release of the Jan. 12 USDA crop production and supply-and-demand reports, which sparked a grain market selloff, particularly for corn.

Both the Index of Current Conditions (down 19 points to 109) and the Index of Future Expectations (down 25 points to 115) saw major retreats. The five-year outlook for the ag economy hit its lowest level since late 2024.

Half of the surveyed farmers reported their operations are in worse financial shape than a year ago. Looking forward, 30% expect their financial performance to weaken further in 2026, while only 20% anticipate improvement.

Asked about how they planned to use Farmer Bridge Assistance payments due to be delivered by the end of February, over 50% of the respondents said they would pay down debt. Another 25% said they would use these payments to improve working capital, while the remainder said they would be used for family living (10%) or to invest in farm machinery (12%).

U.S. plans for rare-earths stockpile

President Trump announced "Project Vault," or a stockpile of critical minerals to be funded with a $10 billion loan from the U.S. Export and Import Bank and nearly $1.67 billion in private capital. The administration is expected to unveil "its grandest plan yet to rebuild supply chains of critical minerals needed for everything from jet engines to smartphones, likely through purchase agreements with partners on top of creating a $12 billion U.S. strategic reserve to help counter China's dominance," the Associated Press reported.

Treasury gives guidance on renewables

On Feb. 3, the Treasury Department confirmed farmers will have a seat at the table to benefit from 45Z tax credits with its release of a 170-page document stating its proposed rule.

"They made a bunch of clarifications for the biofuel producers today — who qualifies, what qualifies, how to calculate and how to register," says Mitchell Hora, an Iowa farmer and founder of Continuum Ag. "It says farmers are going to a have a seat at the table, too, which is what we've been advocating for this whole time."

As written in the proposed rule, biofuels feedstocks would be limited to be sourced from the U.S., Canada and Mexico. The treasury confirmed the carbon intensity model will be from USDA, but the details of the model are still murky.

Winter wheat enters critical reproduction phase: rally potential?

Heading into the final quarter of the 2025/2026 marketing year for wheat, it's crucial to assess the possibility of a rally to finish marketing old-crop supplies and potentially secure price floors for the new crop.

Winter wheat is entering an important weather period, when the risk of freeze damage is typically at its highest, potentially affecting final yield. A close look at the timing and performance of past winter wheat rallies underlines the crucial role played by the weather during this period. Rallies tend to occur most often in early February, and follow a mostly linear trend of declining as the threat of cold temperatures inflicting winterkill on the crop fades.

Estimates from USDA indicated damage to the crop was relatively mild from the strong winter storm that swept across most of the U.S. in the past week. Kansas, which accounts for nearly a quarter of current winter wheat acreage, saw a one-point improvement from last month's good to excellent rating. The top five winter wheat states by acreage saw a net decline of 7 points in those categories. Compared to last year's February report, those five states saw an accumulated drop of 82 points in the good to excellent category, mainly driven by a 51-point loss in Montana due to poor snow cover.

The lack of weight given to recent geopolitical flare-ups, along with a quiet market reaction to the lower condition ratings compared to last year, indicate a rally may be hard to come by in the final quarter of the year. And if it does occur, it may be on the mild side, as seen since 2022. We'll keep a close eye on any short-lived rallies in the wheat market, on the lookout for selling opportunities given the lack of fundamental support for a long-term price uptrend.

Dollar index reversing losses

The U.S. dollar index negated much of its late January weakness after hitting a four-year low last month. The greenback has appreciated amid mostly upbeat U.S. economic data and in the wake of President Trump's decision to nominate Kevin Warsh as the next Federal Reserve chair. Warsh has in the past leaned hawkish on U.S. monetary policy. The dollar has likely found some safe-haven demand amid the rotation out of precious metals, which continue to see historic volatility following the Jan. 29 surge to record highs and subsequent plunge.

China published No. 1 Doc

China released its annual "No. 1 Document" outlining top policy priorites. China said it would stabilize grain and oilseed output, diversify agricultural imports and increase support for farmers, state media reported. The biggest theme in this year's document was diversification as it highlighted plans to expand oilseed supplies, diversify the food system and broaden agricultural imports. China-watcher Even Rogers Pay noted China's plan to diversify agricultural imports could cut reliance on traditional exporters and expand trade with the Global South. That would imply an even further reduction in demand for U.S. supplies.

DOANE Market Watch	ACTUAL			DOANE FORECASTS*		
	Year Ago	Last Week	This Week	Feb.	Mar.	Apr-Jun
				(Monthly & quarterly avg.)		
CORN						
Central Ill., bu.	4.16	4.10	4.09	4.20	4.30	4.40
Omaha, Neb., bu.	4.47	4.18	4.17	4.30	4.40	4.45
Dried Distillers Grain, IA, $/ton	192.32	144.28	145.00	–	--	--
SOYBEANS						
Central Illinois, bu.	11.75	10.48	10.38	11.00	11.50	11.75
Memphis, Ten., bu.	12.13	11.10	11.15	11.50	12.00	12.00
Soymeal, 48% Decatur, ton	375.80	299.30	300.20	325	325	325
WHEAT						
Kansas City, HRW, bu.	6.59	5.22	5.15	5.30	5.40	5.40
Minneapolis, 14% DNS, bu.	9.03	7.62	7.56	7.80	8.00	8.25
St. Louis, SRW, bu.	6.05	5.29	5.25	5.40	5.50	5.25
Portland, Soft White, bu.	6.53	5.99	5.95	6.15	6.25	6.10
Durum, Neb., MT HAD, 13%, bu.	8.53	5.71	5.67	5.75	5.85	6.00
SORGHUM, Kansas City, cwt	8.46	5.94	5.91	6.00	6.20	6.25
COTTON, 11/16 SLM, 7 areas, ¢/lb.	84.00	60.19	58.77	61.00	63.00	65.00
RICE, nearby futures, cwt	18.58	11.29	11.37	11.30	11.50	11.75
CANOLA, Enderlin, N.D., cwt	20.88	21.73	21.55	22.00	22.50	22.50
OATS, Minneapolis No. 2 heavy, bu.	4.51	3.75	3.80	3.90	4.00	4.10
ALFALFA, NW Iowa, lg. sq. prem., ton	--	140.00	125.00	125	125	125
SUNFLOWERS, Fargo, N.D., cwt	13.50	22.50	22.50	22.75	23.00	23.00
HOGS, Nat'l basecost 51%-52% cwt	72.78	80.86	85.49	90.00	105.00	110.00
FEEDER PIGS, 40 lb., Nat. avg, head	57.32	117.73	125.11	85.00	95.00	105.00
CHOICE STEERS, feedlots, cwt	177.80	234.70	239.44	245.00	250.00	250.00
FEEDER CATTLE, Oklahoma City						
Steers, 700 lb. to 800 lb., cwt	241.12	368.49	387.24	395.00	400.00	410.00
Steers, 500 lb. to 550 lb., cwt	311.25	493.36	---	500.00	510.00	515.00
Heifers, 450 lb. to 500 lb., cwt	280.86	437.60	---	450.00	450.00	450.00
COWS, utility, Sioux Falls, S.D., cwt	96.14	159.14	---	165.00	175.00	175.00
MILK, Class III, CME spot month, cwt	17.45	14.72	15.32	15.50	16.00	16.00
LAMBS, Slg., San Angelo, Texas, cwt	209.00	265.00	---	300.00	300.00	300.00
ENERGY						
Ethanol, IA, gallon	1.50	1.54	1.52	–	--	--
Farm diesel, U.S., gallon	3.31	2.97	3.01	2.67	2.72	2.80

**Average prices expected for the indicated time periods based on available information. Forecasts will be revised as necessary to reflect changing market conditions.*

Historical stocks-to-use and what it could mean for price action

By Lane Akre, Economist

The stocks-to-use ratio (STU) is a key scorecard that compares carryout, or the amount of a crop left over at the end of a marketing year, to total use. It's a useful tool when comparing commodity balance sheets across the years, particularly for corn and soybeans, because it accounts for how trend yields are steadily rising as new uses develop. This week, we are looking at how price action has stacked up over the years amid fluctuations in STU.

We looked at years when STU was above or below the five-year average as a guide to price action. STU runs in cycles of being above or below average, with the typical cycle lasting four to five years. Both corn and soybeans are coming off a cycle of tighter-than-average STUs, a potentially bearish omen.

Corn likely to see higher-than-average STU

A historic jump in harvested acres and a record yield led to record production in 2025. That's offset somewhat by record demand, but it isn't sufficient to shrink the balance sheet. July corn has made up some of the losses since the Jan. 12 USDA reports but still remains below the sideways range that capped prices in November and December. That's similar to the 2017-18 marketing year, which saw an abundant crop and record demand. The July contract saw weakness in early January 2018, then found support to rally through March and into the summer. It took anticipation of a robust crop and a trade war with China to pull prices lower into the July contract's expiration.

USDA estimated in January STU at 13.6%, up from the five-year average of 12.6%. Our estimate is in line with USDA. There remains potential for STU to chip lower as demand continues at a robust pace against a lower-quality crop (see News 2). Historically, when STU is above average, prices sustain modest selling pressure throughout the spring, but typically don't fall much more than 5% below where they started the year, which would be about $4.25 in the July contract.

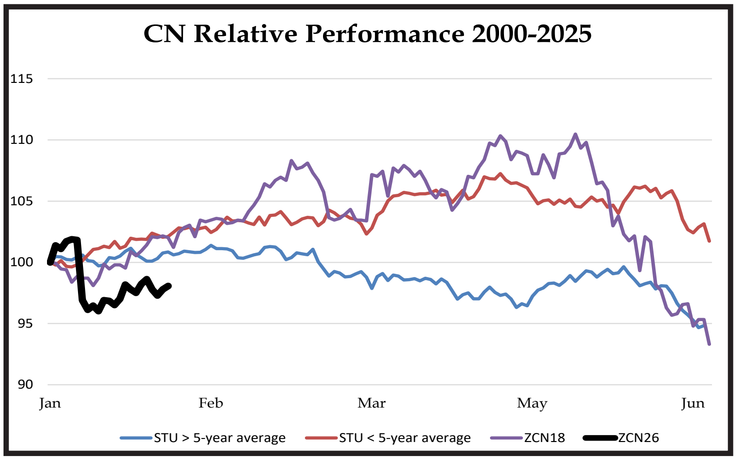
Soy STU could tighten

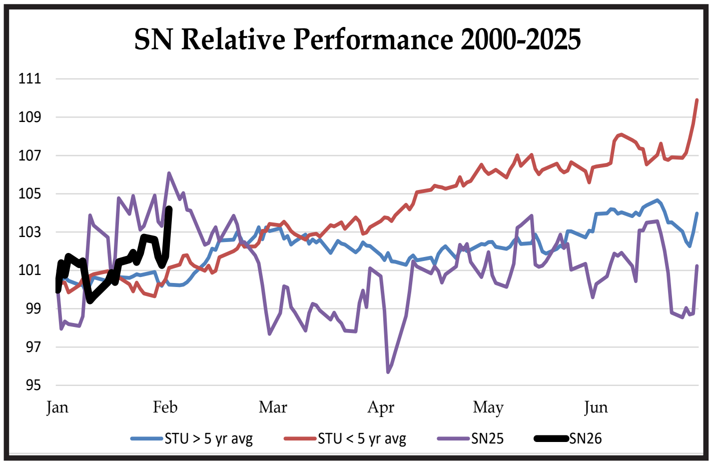
Regardless of STU, the July soybean contract tends not to trade much below where it started the year. Historically, an STU tighter than the five-year average has seen prices favor the upside more than years when STU is below the five-year average.

USDA estimated STU at 8.2% in its January update, which would be above the five-year average STU of 6.7%. We are more optimistic on use and hold a lower ending-stocks estimate than USDA at 6.1%. If our higher demand forecast is realized, which is likely if China follows through on additional purchases, it would be price-friendly. The market appears to be trading closer to USDA's figure than our estimate.

Final STU was 7.4% in 2024-25, 8.3% in 2023-24 and 6.1% in 2022-23. Each of those is a possibility for 2025-26. It is important to see where USDA estimated STU in the January update to give an apples-to-apples comparison.

January STU was 8.7% in 2024-25, 6.7% in 2023-24 and 4.8% in 2022-23, meaning USDA was above final STU in 2024-25 and below final STU in 2023-24 and 2022-23. That is reflected in price action in those years, with July soybeans in 2023 and 2024 seeing relative weakness followed by relative strength in 2025. If our assumption is correct and stocks end up tighter than what USDA anticipates, it should bode well for price action in old-crop futures.





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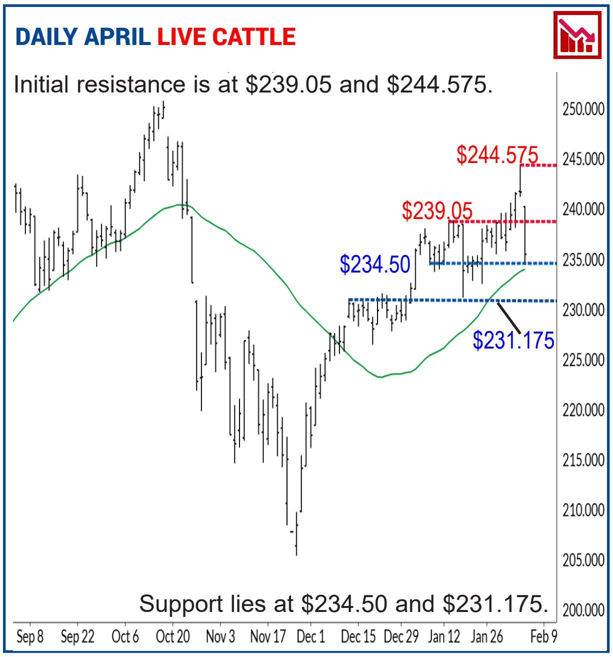
Farm Journal CEO, Prescott Shibles

CATTLE

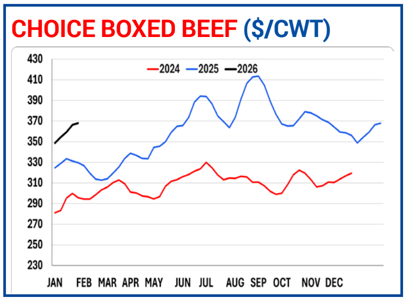
USDA's bi-annual Cattle Inventory Report confirmed the U.S. herd declined for the ninth straight year, and provided feedlots additional fodder in cash cattle negotiations, which scored a nearly $5 weekly gain. As a result, futures were able to notch levels not achieved since October early last week, with bulls still focused on the Oct. 16 record high. However, corrective selling appeared late-week, though strong technical support and supply fundamentals remain fully supportive. Meanwhile, strong demand for hamburger, combined with reduced slaughter, is likely to limit an extended selloff in the near-term.



Position Monitor

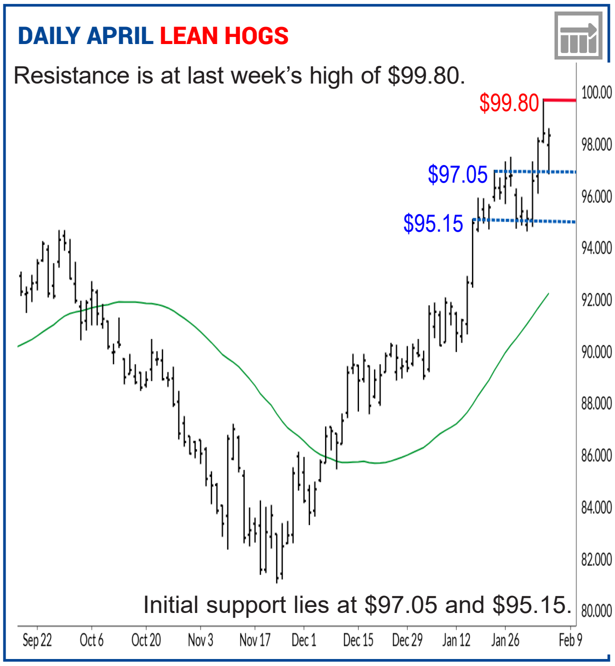
Game Plan: Nearby live cattle futures are at a premium to the cash market. Be prepared to purchase puts for downside protection.

	Feds	Feeders
I'26	0%	0%
II'26	0%	0%
III'26	0%	0%
IV'26	0%	0%



HOGS

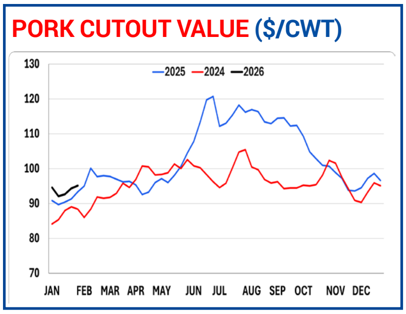
A recent string of gains in the cash market was momentarily halted last week, though it had little bearing on bulls' quest to achieve fresh contract highs. Improving wholesale fundamentals were certainly supportive in early-week trade as grocers ramp up pork purchases to compensate for more snug beef supplies, exacerbated by recent weather and reduced slaughter. A strong technical posture is likely to stand between a downside correction in the near-term, though we would continue to raise caution around heading into spring without hedge protection.



Position Monitor

Game Plan: We advised buying $104.00 July puts on Jan. 28 as a hedge for 50% of Q2 production. Stay patient for now as we assess the next opportunity to hedge.

	Lean Hogs
I'26	0%
II'26	50%
III'26	0%
IV'26	0%



FEED

Feed Monitor

Corn

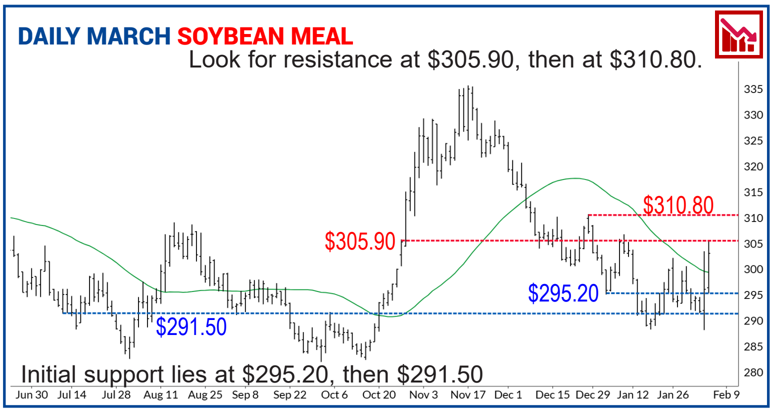
I'26	100%
II'26	0%
III'26	0%
IV'26	0%

Corn Game Plan: Your corn-for-feed needs should be covered through March. Be prepared to make additional purchases.

Meal

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

Meal Game Plan: Your meal needs should be covered through the end of March. Be prepared to make additional purchases on an extended pullback.

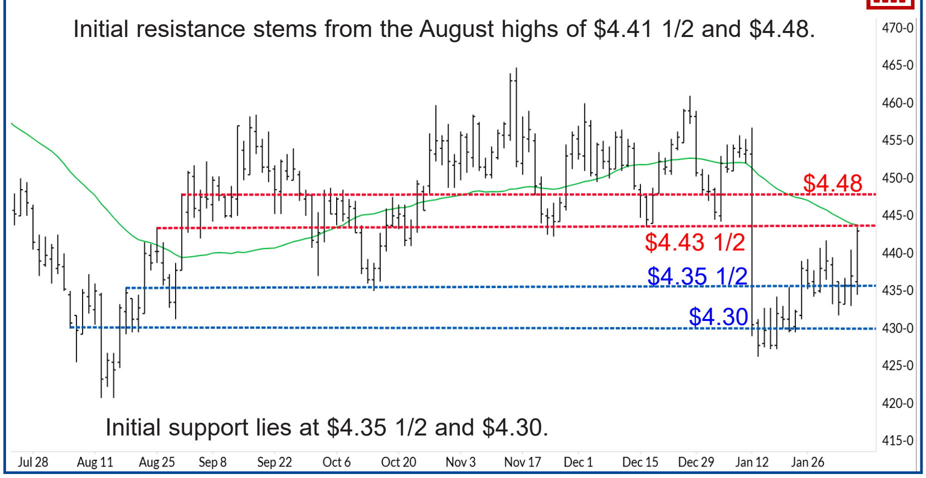


Position Monitor

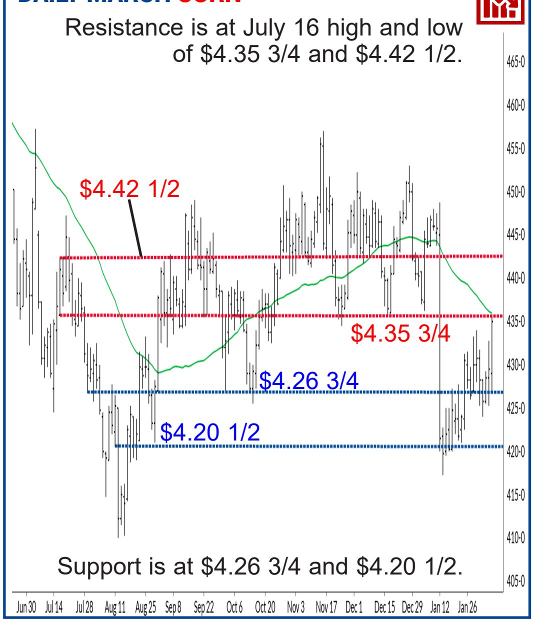
	'25 crop	'26 crop
Cash-only:	25%	10%
Hedgers (cash sales):	25%	10%
Futures/Options	0%	0%

Game Plan: We advised hedging 10% of 2026 production at $4.50 or better basis December futures on Jan. 14. You should be 25% sold for the 2025 crop in the cash market. Additional sales for both crops will continue to be closely assessed. Our goal is to establish a floor with upside potential using a combination of options and futures hedges for new crop flexibility.

DAILY MAY CORN



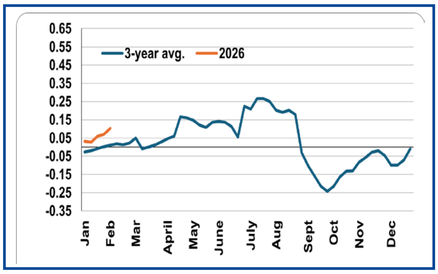
DAILY MARCH CORN



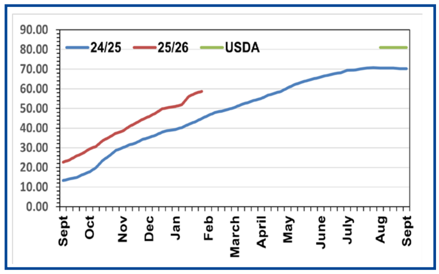
CORN

Futures faced pressure early last week from outside markets but were able to find spillover support from a rally in soybeans to end the week higher. Price action in crude oil has been driven by headlines around the ongoing discussions between Iran and the U.S., developments will be closely watched by traders to influence the direction in corn next week. Reports of later than normal safrinha plantings indicate the potential for slightly lower corn production out of Brazil as well but it will take multiple weeks to see if that trend holds. Bullish news will be needed to push corn back to it's pre-January WASDE trading range.

AVERAGE CORN BASIS (MARCH)



CORN EXPORT BOOKINGS (MMT)



Position Monitor

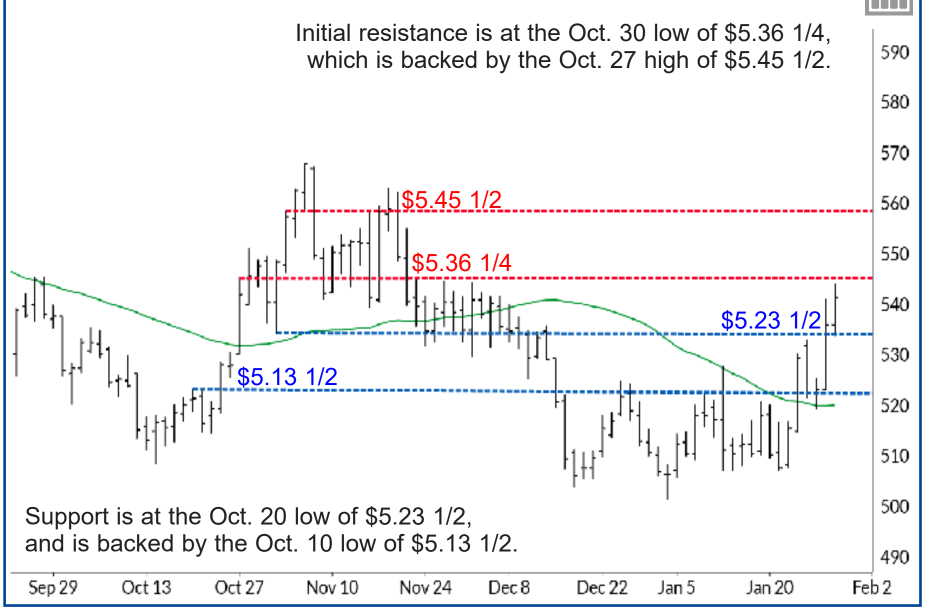
	'25 crop	'26 crop
Cash-only:	70%	30%
Hedgers (cash sales):	70%	20%
Futures/Options	0%	0%

Game Plan: On Jan. 30, we advised selling 20% of old crop basis March futures and 10% of 2026 production basis July futures. You should have 70% of the 2025 crop and 30% of 2026 crop sold in the cash market.

WHEAT

SRW – Short-covering efforts resumed last week despite a rebound in the U.S. dollar. Bitter cold temperatures in the Black Sea region are set to return this week, while a warm-up across the Midwest may kick crops in gear. Technical challenges remain, though support should curb

DAILY MARCH SRW WHEAT



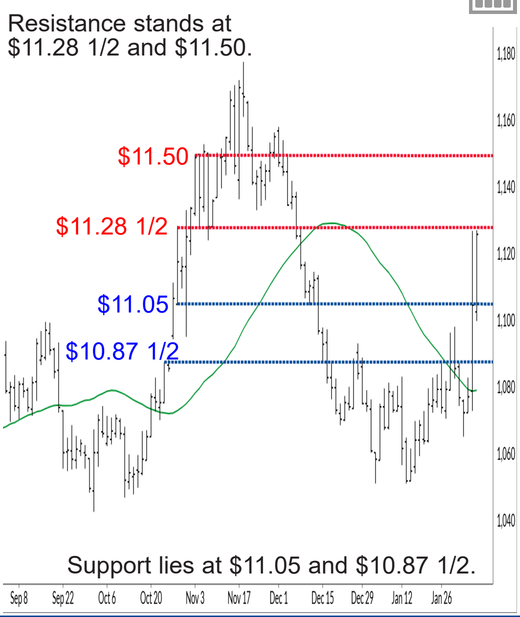
Position Monitor

	'25 crop	'26 crop
Cash-only:	50%	10%
Hedgers (cash sales):	50%	10%
Futures/Options	0%	0%

Game Plan: We advised selling 20% of the 2025 crop on Feb. 4 at $11.00 or better basis March futures. You should be 50% sold in the cash market for the 2025 crop. Sales for both the 2025 & 2026 crops will continue to be assessed. Be prepared for guidance on an option strategy to establish floors for new crop production.

DAILY MARCH SOYBEANS

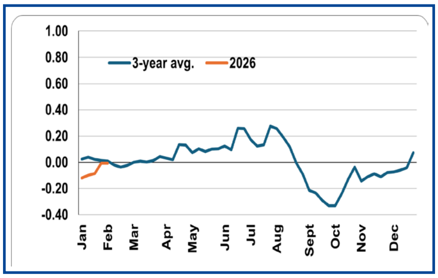
DAILY MAY SOYBEANS



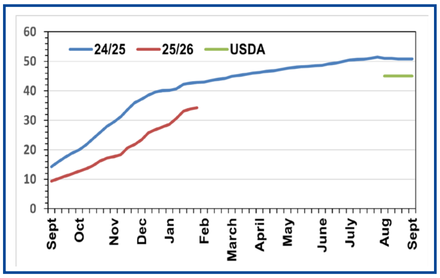
SOYBEANS

News that China was considering additional U.S. soybean purchases during the 2025-26 marketing-year lit an intense rally last week, though an undertone of skepticism lingers. Nonetheless, the push higher has put U.S. producers on notice as they hammer out 2026 planting intentions. The soybean to corn price ratio continues to favor corn plantings, especially on the best producing soils. USDA will update its supply and demand estimates on Feb. 10, though minimal changes are expected. In South America, weather continues to cause concern, especially in Argentina, though issues in central and southern growing areas of Brazil are gaining attention.

AVERAGE SOYBEAN BASIS (MARCH)



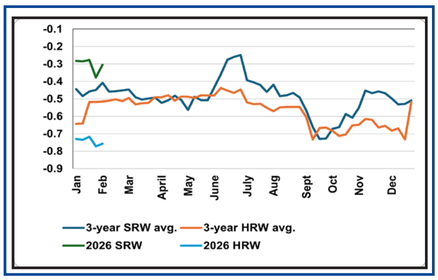
SOYBEAN EXPORT BOOKINGS (MMT)



DAILY MARCH HRW WHEAT

DAILY MARCH HRS WHEAT

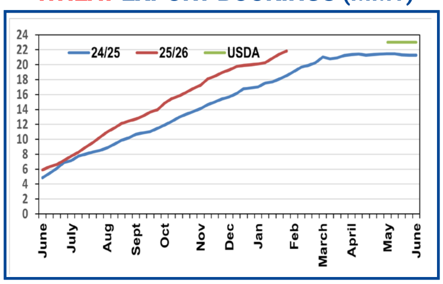
AVERAGE WHEAT BASIS (MARCH)



HRW — Not much precipitation is likely in U.S. HRW wheat country, while unusually elevated temperatures will cause soil temps to rise notably. A reduction in winter dormancy may result, which could stir extended short-covering efforts. As spring inches near, the effects of winter will become more apparent.

HRS — Bears reclaimed recent gains to continue the months-long sideways consolidative range, as technical hurdles and ample global wheat supplies continue to stave off earnest buyer interest. However, as planting season approaches, weather and outside market forces will become a greater focus.

WHEAT EXPORT BOOKINGS (MMT)



Position Monitor

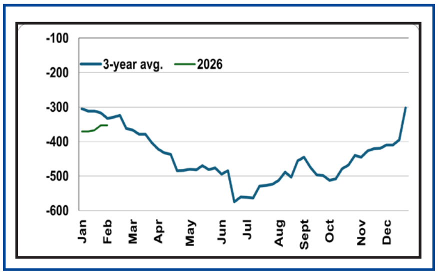
	'25 crop	'26 crop
Cash-only:	20%	0%
Hedgers (cash sales):	20%	0%
Futures/Options	0%	0%

Game Plan: You should have 20% of 2025 crop sold in the cash market. We are currently viewing 67.00¢ basis March futures as the next target.

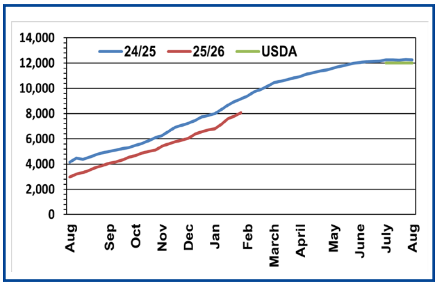
COTTON

A string of losses led March futures to a fresh contract and nine-month low last week as bears continue to prove their dominance. While low prices have spurred an increase in export interest, subdued prices are likely to discourage 2026 plantings.

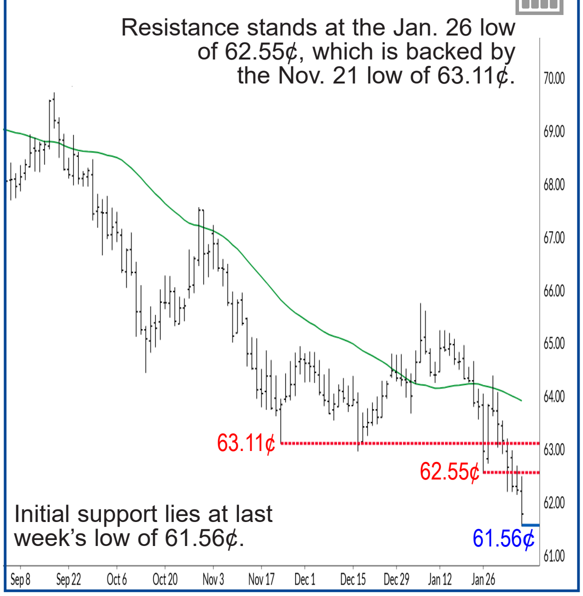
AVERAGE COTTON BASIS (MARCH)



COTTON EXPORT BOOKINGS ('000 BALES)



DAILY MARCH COTTON



GENERAL OUTLOOK

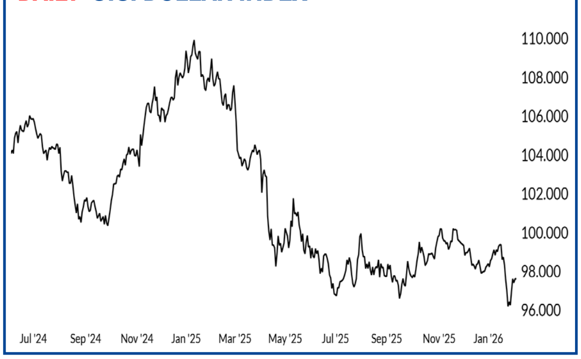
CURRENCIES: The U.S. dollar index (a basket of six major currencies weighted against the greenback) in late January scored a four-year low. Since then it has made a strong rebound, including producing a technically bullish V-bottom reversal pattern, to suggest a price bottom for the USDX is in place. That suggests sideways to higher values for the greenback.

Meanwhile, Nymex crude oil futures in late January hit a six-month high, backed off, then last week made a strong recovery.

Grain futures traders will continue to closely monitor these two key "outside markets" for guidance on grain price direction.

At present, the postures for the two markets are offsetting, with the rising USDX being grains-bearish and the up-trending crude oil market, bullish.

DAILY U.S. DOLLAR INDEX



FROM THE BULLPEN By Market Analyst Hillari Mason

Managed money flow paints an undeniable portrait of where speculative traders are placing their bets, thus should not go unnoticed as rotations are hammered out and inputs are secured for the 2026 crop.

With the U.S. reaping a record 2025 corn crop, it wasn't a surprise to see fund managers holding a net short of 72,050 in corn futures and options contracts at the end of January. But that was 9,724 contracts lighter than the biggest net short during the month, as fund managers gradually covered shorts following USDA's Production Report.

The current stocks-to-use ratio of 13.6% is one of the higher January projections in recent years and could muffle potential rallies. Though record feed, export and ethanol usage could lead to demand increases in the coming months, which would in turn soften stocks-to-use and entice more robust fund length into the planting and growing seasons.

For soybeans, fund managers held a net long of 17,321 contracts at the end of January, down notably from a net long of 229,625 in mid-November, which was the largest net long since Oct. 27, 2020. Additional export demand from China could certainly reignite buyer interest, though traders will surely need confirmation of such to make a convicted move toward a sizable net long position.

WATCH LIST

1. **USDA WASDE Report** — Feb. tends to be a quiet report. — **TUE 2/10** 11:00 a.m. CT
2. **Weekly Ethanol Production** — Will weather affect production? — **WED. 2/11** 9:30 a.m. CT
3. **Weekly Export Sales Report** — Soybean sales a focus. — **THUR 2/12** 7:30 a.m. CT
4. **Conab Brazil Crop Estimates** — First estimate for safrinha corn. — **FRI 2/13** 6:00 a.m. CT
5. **U.S. Consumer Inflation** — CPI, core prices for January. — **FRI 2/13** 7:30 a.m. CT