Farm Journal
Pro Farmer
Trusted Analysis. Professional Insight.

Go to ProFarmer.com
September 12, 2026
Vol. 54, No. 37

News this week...

USDA weighs in — *Friday offered the main event in a holiday-shortened week with the release of USDA's September reports. USDA trimmed its average corn yield estimate and nudged its soybean yield estimate higher, affirming the direction of travel for both crops discovered by last month's Pro Farmer Crop Tour. The report put a damper on a soybean rally that had seen November hit contract highs, boosted by China demand and surging crude-oil and fuel prices. Wheat futures saw some pressure this week despite continued turmoil in the Black Sea, while USDA raised its global production estimate. Live cattle futures rallied, building hopes for a near-term bottom, buoyed by tight supplies and low slaughter. Hog futures saw sideways trade on weak cash and product fundamentals.*

USDA raises global wheat carryout

USDA left supply and demand categories for U.S. wheat unchanged in September, with ending stocks at 717 million bushels. Analysts had expected 719 million.

World production was pegged at 822.43 million MT, up from 819.30 million MT in August. Australia was raised 3.0 million tons to 31.0 million Canada was increased 1.0 million tons to 36.0 million. Ukraine was raised 0.6 million tons to 26.0 million on a record yield.

Global ending stocks rose to 276.29 million MT from 273.25 million MT, above the average estimate of 273.46 million MT. The rise in ending stocks was due mainly to increases for Russia, Australia and Ukraine.

World trade is seen 0.9 million tons lower at 211.8 million on reductions for Russia, Ukraine, Kazakhstan and Egypt only partially offset by higher exports for Australia, Canada, and Argentina. Russia and Ukraine exports are reduced based on weak August shipments as the war in the Black Sea region hampers logistics, USDA said.

USDA cuts cotton crop forecast

USDA forecast cotton production at 13.2 million 480-pound bales, down 3% from the August forecast and in line with market expectations. USDA lowered its yield estimate to 776 pounds per harvested acre, down from 798 pounds in August, with declines in yield and production in the Delta and Southwest not offset by slightly higher figures for the Southeast and West.

The export forecast for 2025-26 was steady at 12.3 million bales, while total use declined 100,000 bales to 13.8 million on a cut to domestic use. U.S. ending stocks are seen at 3.60 million bales, below the average forecast of 3.79 million.

Global production was lowered by over 300,000 bales to 117.3 million as reductions for the United States, Turkey and Pakistan more than offset increases for Brazil, the African Franc Zone and Kazakhstan.

USDA 2025-26 price: 78.0 cents, up from 75.0 cents in August. Global carryover: 75.31 million bales for 2025-26; 69.86 million for 2026-27, up from 69.69 million in August.

Inflation runs hot. Rate hike ahead?

The August consumer price index rose 0.4% in August, putting the year-over-year rise at 3.4%, due in large part to surging fuel prices. Gasoline rose 3.9% in August, while the other motor fuels category, which includes automotive diesel, jumped 10.1%. Stripping out food and energy, core CPI rose 0.3% in August and was up 2.4% year over year. Economists had warned that a monthly core rise of 0.3% would likely leave the Federal Reserve little choice other than to deliver a quarter-point interest-rate hike next week. Fed-funds futures traders priced in a roughly 90% probability of a quarter-point rate hike on Sept. 16.

Slower barge traffic on Mississippi

Drought in the upper and lower Mississippi River basins and the upper Missouri River basin, along with recent limited rainfall from portions of the Great Plains into the lower Midwest, have caused significant water level declines along the lower Mississippi River, said World Weather in a special report Thursday afternoon. "Water levels are still high enough to support barge traffic along the lower Mississippi River, with a few restrictions, but that should soon change. Runoff from rain Wednesday and Thursday in the lower Midwest is not likely to be great enough to prevent the river from reaching the low-water-level threshold near Cairo, Illinois, by Friday night. Significant restrictions to cargo size and tow limits for barges occur once the river drops to the low water threshold," said World Weather.

IEA cuts crude-oil demand forecast

The International Energy Agency lowered its forecast for oil demand and said consumption may have to decline further in the coming months as the U.S.-Iran war drags on. The Paris-based agency deepened its estimates for this year's decline in global oil demand by 940,000 barrels a day, to 2.5 million barrels a day. The return of a supply surplus will now be delayed until 2027, the IEA said. This year's expected decline in global oil demand is the biggest loss in annual average terms since the 2020 Covid pandemic.

Corn conditions slip, beans steady

USDA rated the U.S. corn crop 56% good to excellent as of Sept. 6, down one point from the previous week and the lowest for this time of year since 2023. The Pro Farmer Crop Condition Index (0 to 500 scale: 500 equals perfect), fell 1.67 points to 349.93 points with most states seeing minor declines. USDA pegged the crop at 5% harvested, ahead of the five-year average. The crop is maturing rather quickly following the early September heat wave.

Soybean conditions held steady at 58% good to excellent, though that was still the lowest since 2023. On the CCI, soy conditions fell 2.2 points to 355.35 points.

Cordonnier cuts his corn yield again

Pro Farmer crop consultant, Dr. Michael Cordonnier, in his weekly report lowered his 2026 U.S. corn yield was by 1.0 bushel this week, to 177.0 bu. per acre and with a neutral-to-lower bias. Cordonnier noted lower condition ratings, sinking soil moisture and increasing area in drought are leading to a poor finish.

Cordonnier left his 2026 U.S. soybean yield unchanged this week at 51.5 bu. per acre, with a neutral-to-lower bias. “The soybean crop was already ahead of average in its development, and the recent high temperatures should accelerate it even more,” said Cordonnier.

Argentine corn exports likely record

Argentina’s corn exports are expected to reach a record 10 MMT in August and September, says a Reuters report. A bumper harvest and robust international demand have driven exports to record levels. The lack of corn flowing out of Ukraine due to the effective closure of the Black Sea has spurred typical Ukrainian corn buyers to seek alternative sources for grain, the report said.

StoneX lowers U.S. corn yield estimate

Commodity giant StoneX lowered its U.S. corn yield to 182.9 bu. per acre from 184.8 bushels previously. Despite a lower yield, StoneX raised its corn production figure to 16.207 billion bushels, reflecting higher harvested acreage. The firm utilizes customer surveys to come up with its production estimate, utilizing thousands of customer responses.

StoneX left its soybean yield estimate at 53.0 bu. per acre but upped its production forecast to 4.547 billion bushels, reflecting higher harvested acres. The firm utilizes USDA’s harvested acreage estimates for both corn and soybeans.

Follow us on X (formerly Twitter):
@ProFarmer @wlwatts @iwatchcorn
@HillariMason @ChipFlory

Potential for corn exports in EU

A Politico report notes that this summer’s European drought and the virtual shutdown of Ukraine’s cheapest export routes is seen creating an opening for U.S. corn. Alexander Döring, secretary general of FEFAC, which represents Europe’s animal-feed industry, told Politico that buyers are looking mainly to North and South America to cover the expected jump in imports, saying his group sees little scope for Ukraine to supply much of the extra corn Europe needs. The EU expects to import around 25 million metric tons of corn between July this year and next June, up from 19.3 million over the previous 12 months, after domestic production fell by roughly 10 million tons, according to Louise Bogey, a European Commission spokesperson for agriculture. Ukraine typically supplies around half of the bloc’s imported corn, she added.

IRS gives insight on 45Z, ASA responds

The Internal Revenue Service released a notice outlining emissions rates and changes from 2025 tax law, adding practical rules for manure fuels and on-farm practices. The notice confirms that indirect land-use change (ILUC) is excluded from lifecycle emissions calculations for fuel produced after December 31, 2025. It also restricts qualifying fuel after 2025 to feedstocks grown or produced in the U.S., Mexico and Canada and allows regenerative practices recognized in USDA’s technical guidelines (cover crops, no-till/reduced till, enhanced nutrient management, nitrogen inhibitors, manure application) to lower a feedstock’s carbon intensity via the USDA Feedstock Carbon Intensity Calculator. Records must substantiate nutrient applications and claims.

The American Soybean Association (ASA) welcomed the notice, though emphasized that more work is needed on a flexible “book-and-claim” accounting system — a tracking method that lets producers claim carbon credits based on sustainable farming practices without needing to physically segregate low-carbon crops throughout the supply chain.

Bond market signals more pain ahead

The Treasury Department on announced it would buy back $6 billion worth of 10- to 20-year government bonds, aiming to boost prices and drive down yields. Instead, Treasury yields jumped sharply after the announcement, with the 10-year rate trading as high as 4.85%, the highest since November 2023, while the 30-year bond yield rose as high as 5.3%, the highest since 2007. Treasury Secretary Scott Bessent and officials have described lowering bond yields as a priority. Despite the Treasury Department’s best efforts, rates continue to march higher, a bad omen as the market attempts to price in higher Fed rates, inflation ramping up and a war in Iran with no end in sight (see *General Outlook,* analysis 4).

China crushers see poor margins

Chinese purchases of U.S. soybeans slowed this past week amid weak margins. Daily sales of U.S. soybeans have become the norm rather than the exception ahead of the anticipated Sept. 24 visit of Chinese President Xi Jinping. Chinese processor margins are in the red amid higher soybean costs and relatively weaker feed demand due to a shrinking hog herd, according to a Reuters report. Tariffs on U.S. soybeans have limited availability as well for firms other than state-owned entities as Brazilian inventories have tightened. U.S. Trade Representative Jamieson Greer said both countries would make "some announcements on agriculture and non-tariff barriers" during the summit.

Peace talks in Black Sea yield little

President Vladimir Putin remains committed to continuing Russia's war in Ukraine after his latest meeting with U.S. envoys Steve Witkoff and Jared Kushner, Bloomberg reported, citing people familiar with the discussions. "There was no breakthrough at the Kremlin talks," the people said, asking not to be identified because the matter is sensitive. Putin is determined to seize control of all of Ukraine's eastern Donetsk region and believes Russia's army can achieve this goal in the next six months, they said.

Ukraine President Volodymyr Zelensky urged the U.S. to push for additional peace talks, as he told Axios "My feeling is that Putin needs Trump," noting Putin could be pressured by the Trump administration to pursue diplomacy.

SovEcon cuts Russian wheat exports

Black Sea agri-consultancy firm SovEcon cut its Russian wheat export estimate to 41.4 MMT from 44.6 MMT previously as the country's Black Sea terminals are upended. Russian exports totaled 48 MMT in 2025-26, according to USDA.

Global shipping rates surge

A Bloomberg headline read "Surging Tanker Rates Signal a Deepening Global Energy Crisis." Tanker rates are climbing to record levels amid the War in Iran, with earnings for supertankers from the Middle East to China route at an astronomical $800,000 per day. The shipping market as a whole is stressed with bottlenecks and freight rates, the report said.

Ship traffic through Hormuz dips

Ship traffic through the Strait of Hormuz slid to the lowest mark since May following strikes on tankers from the U.S. and Iran. Currently just 10 commodity ships are transiting the strait per day on average, with some days seeing traffic below five vessels. Oil prices are not the only casualty as traffic slowing ahead of planting in South America could cut off key fertilizers and supplies, further pressuring margins.

India seeks to boost biofuel use

India is the latest country to seek higher biofuel use in order to strengthen energy security due to disrupted oil flows, says a Reuters report. Tarun Kapoor, an advisor in the Prime Minister's Office, said India needs to use all available domestic resources to strengthen its energy security. India is the world's third largest importer of crude oil and is looking to blend some biofuels with diesel. The country typically uses corn, rice and sugar based ethanol to mix with gasoline, but is looking to boost ethanol use with the adoption of flex-fuel vehicles.

No end in sight for diesel crunch

"Diesel Crunch Threatens Lasting Price Pain, Consumption Cutbacks," read a Bloomberg headline this week. "The global refining sector's diesel crunch is likely to result in tight supply for the coming months, keeping prices high and weighing on demand. Fuel exports lost from the major processing hubs in the Middle East and Russia now amount to 2 million barrels a day each, with consumers turning to distillate fuel stockpiles. The global refining system may struggle to sustain itself until the end of the year, creating the risk of 'a huge shortage' in fuels, particularly in Northwest Europe during the winter," said the report. The impact of Ukrainian drone strikes on Russian refineries as prompted the country to extend a ban on diesel exports.

MAHA preferences nonpartisan

Food preferences tied to the "Make America Healthy Again," or MAHA, movement don't split along partisan lines, according to data-driven polling firm Morning Consult. Majorities of U.S. adults call high protein – 70% – and avoiding artificial food additives – 57% – important to their food choices, while avoiding synthetic dyes stands at 53%, the firm said Monday.

"For a movement so identified with a Republican administration, opinions show no party split," the report said. Avoiding synthetic food dyes has 54% support among Democrats, 52% among independents and 53% among Republicans. Other perceived MAHA priorities, including avoiding additives and seed oils, sit within about 3 percentage points across parties,the report said.

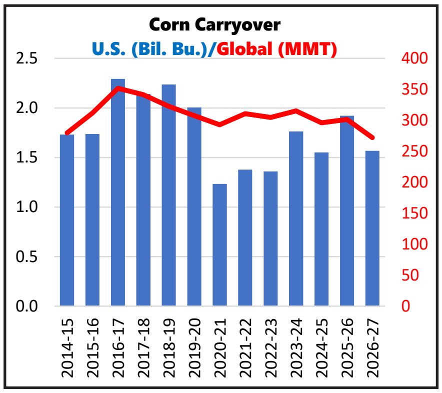
ECB raises rates as expected

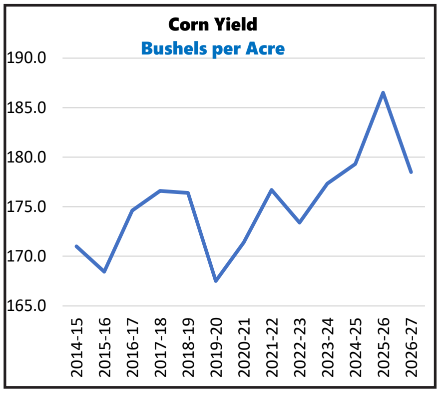
The European Central Bank raised its key interest rate by 25 basis points, the second hike since the U.S.-Iran war began. ECB said the conflict in the Middle East continues to fuel inflationary pressure. ECB left its 2026 inflation forecast at 3.0% but expects inflation will remain above its 2.0% goal for the next two years.

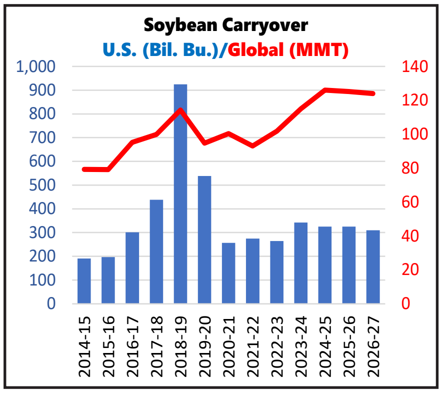
USDA cuts corn yield estimate, lifts beans

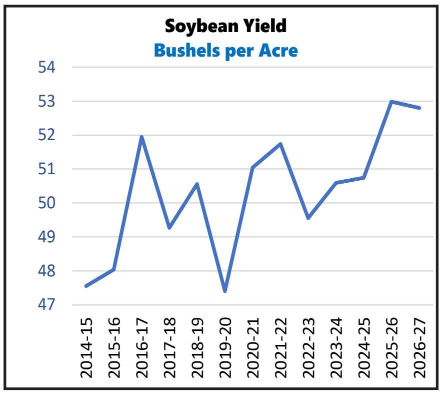
By Economists Spencer Langford and Lane Akre

Pro Farmer
Trusted Analysis. Professional Insight.









CORN — USDA's changes to the balance sheet received a mildly positive response from markets, given corn was able to briefly reverse early-session losses in the wake of the release while soybeans and wheat continued lower. The 1.567 billion bushel ending stocks did come in slightly above the average analyst estimate of 1.528 billion, but were still friendly overall. Exports in old-crop corn were raised by 25 million to 3.425 billion bushels as corn continued to see strong demand through the end of the marketing year. In new-crop, the supply-side of the balance sheet did most of the lifting with production dropping 213 million bushels from the previous forecast, largely due to the 2.2 bushel acre yield cut. While USDA's estimate remains well above the Pro Farmer estimate of 173.2, we did not expect the agency to make a cut that aggressive this early in the forecasting period. The largest reduction in yields USDA has made in this forecast since 2000 is 4.9 bushels. We consider it a positive sign that our yield prediction moved in the same direction as USDA, even if the magnitude is not matched at this time. Looking at the objective yield data from USDA, ear counts are down from a year ago, but not by as big of a margin as we had expected. That relatively smaller drop points to sharply lower implied ear weights. Based on the health of the corn crop, ear weights are expected to fall this year, but to what degree remains to be seen.

Our ending stocks forecasts are 1.945 billion bushels in 2025-26 and 1.459 billion bushels in 2026-27.

- USDA 2025-26 price: $4.15, steady from August; $4.80 for 2026-27, up 30¢. Global carryover: 301.38 MMT for 2025-26; 272.10 MMT for 2026-27

SOYBEANS — USDA made no change to the old-crop balance sheet, opting to update stocks in the Sept. 30 report, which is likely to show tighter stocks than what was seen today. As we expected, USDA lifted 2026 production, lifting yield 0.1 bu. per acre to 52.8 bushels, though that is still below our estimate. That marked a 16.0 million bushel increase to production, lifting total supplies by the same amount. USDA unexpectedly lifted new-crop bean export by 25 million bushels, reflecting persistent Chinese purchases over the past month. Still, tight Brazilian supplies and implied low exports outside of China leave room for exports to continue to work higher. USDA left its new-crop crush forecast unchanged at a lofty 2.78 billion bushels, well above this year's anticipated record of 2.655 billion bushels, but appears in reach given persistent records month after month. Despite higher production, USDA cut its ending stocks forecast to 310 million bushels for 2026-27. The main focus over the next couple of weeks will be how the crop is finishing, as reports of corn maturing earlier than normal is not the case for soybeans, where the crop still appears healthy and green, especially when compared to the last couple of years.

Our ending stocks forecasts are 318 million bushels for 2025-26 and 333 million bushels for 2026-27.

- USDA 2025-26 price: $10.50, up a dime; $12.00 for 2026-27, up 60¢. Global carryover: 125.27 MMT for 2025-26, 124.02 MMT for 2026-27.

News alert and analysis exclusively for Members of **Professional Farmers of America**® 30 West Pershing Rd. #410038 Kansas City, MO 64141
Editor Bill Watts • Editor Emeritus Chip Flory • Economist Lane Akre
Market Analyst Hillari Mason • Economist Spencer Langford • Technical Consultant Jim Wyckoff
Subscription Services: 1-800-772-0023 • Editorial: 1-888-698-0487

Farm Journal CEO, Prescott Shibles

CATTLE

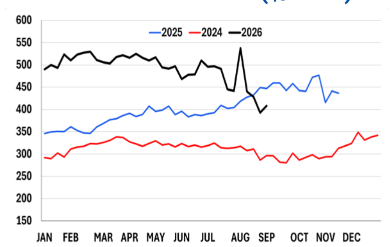
Cattle futures bounced after a phase of consolidation which trailed a two-month slide as traders covered shorts and refocused on a historically small U.S. herd. Tight supplies and lower slaughter still underpin prices, with 2026 beef output seen down about 4%. But feedlot inventories are running above a year ago, carcasses are heavier, and extra lean-beef import quotas plus Mexico cattle shipments cap the rally. Continued cash stabilization and mixed boxed beef must firm for the rebound to last. Whether packers pay up this week will decide if the bounce sticks.

Position Monitor

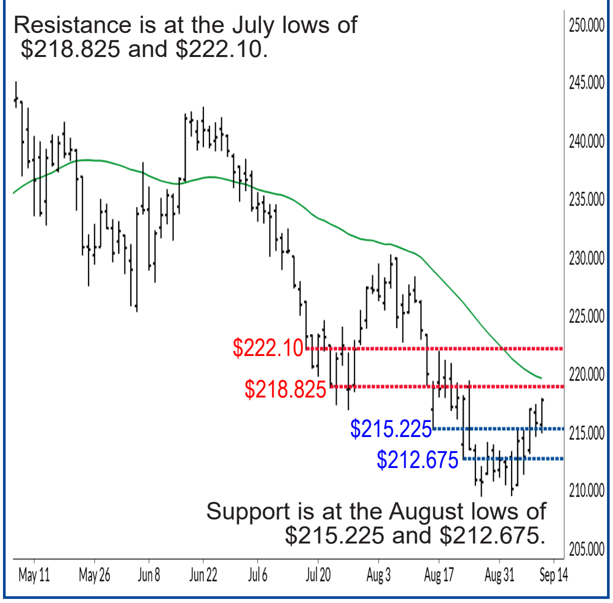
Game Plan: Live cattle have faced a notable pullback in recent weeks. Consider using LRP to establish price floors.

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

OKC STOCKER STEERS ($/CWT.)



DAILY OCTOBER LIVE CATTLE



HOGS

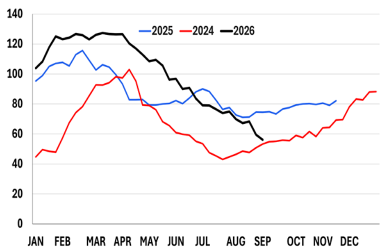
Lean hog futures have progressed technically, powered by short-covering strength, but remain choppy in the wake of a summer selloff. A sharp rally in primal bellies fueled a jump in pork cutout, which offered support to futures, while negotiated cash hogs also rose. However, lighter hog weights also hint that supplies are tightening after packers pulled animals forward. But, slaughter remains large, other primals are mixed and lacking China demand caps deferred contracts. Lasting strength needs smaller kills and steady strength in cutout, not just one-day belly spikes.

Position Monitor

Game Plan: Lean hogs have shown fresh strength amid seasonal support. Stay patient for now as we assess the next opportunity for hedges.

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

FEEDER PIG PRICES ($/CWT.)



DAILY OCTOBER LEAN HOGS

FEED

Feed Monitor

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

Corn Game Plan: On Aug. 5, we advised covering corn-for-feed needs through the end of September. Be prepared to establish additional coverage on an extended pullback.

Meal Game Plan: We advised covering meal needs through the end of September on Aug. 5. Be prepared to establish additional coverage.

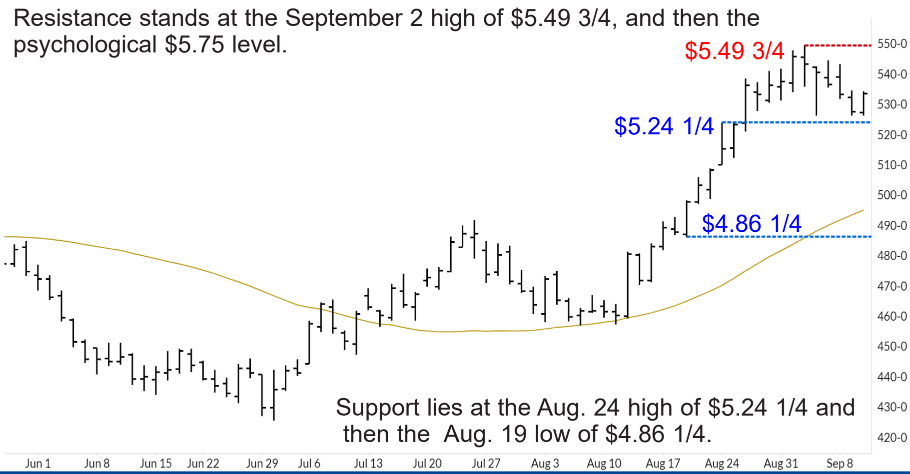
DAILY OCTOBER SOYBEAN MEAL

Position Monitor

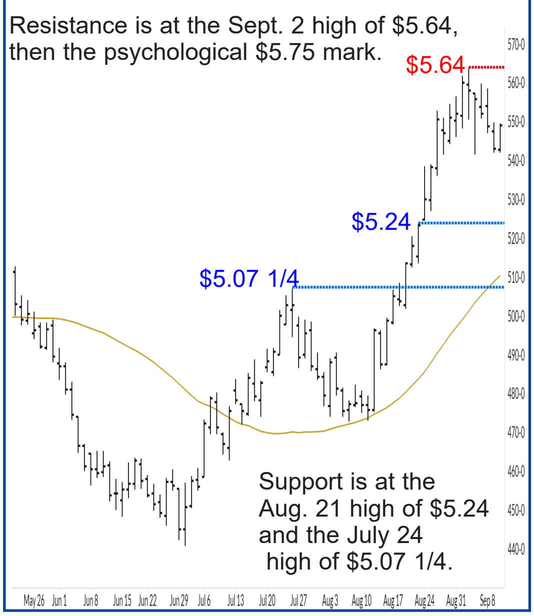
	'26 crop	'27 crop
Cash-only:	70%	10%
Hedgers (cash sales):	60%	10%
Futures/Options	0%	0%

Game Plan: Harvest pressure has begun to weigh on markets, putting a pause on the contra-seasonal strength that pushed prices higher through most of August. Concerns around inflation and uncertainty regarding production remain and leave the possibility for marketing opportunities further down the line. Remain patient on further sales for now.

DAILY DECEMBER CORN



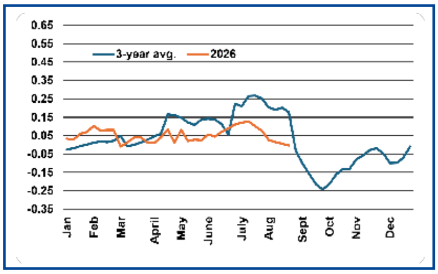
DAILY MARCH CORN



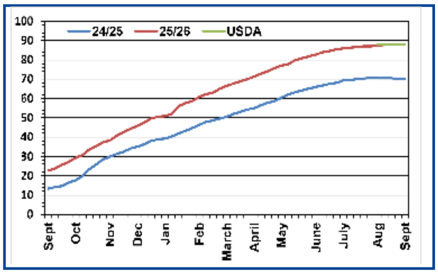
CORN

After notching a record high net-long across managed money funds, corn futures were mostly sideways ahead of the key Friday WASDE report. Harvest pressure has left funds cautious to extend their positioning much further at this time. Nymex crude futures surpassed $100 a barrel, which is generally price supportive for the entire raw commodities sector. Still, farmers will feel the pinch from rising oil as well, with diesel prices setting a new all-time high national average just as harvest season ramps up. USDA on Friday reported accumulated corn exports for the 2025-26 marketing year that ended on August 31 totaled 3.386 billion bushels.

AVERAGE CORN BASIS (DECEMBER)



CORN EXPORT BOOKINGS (MMT)



Position Monitor

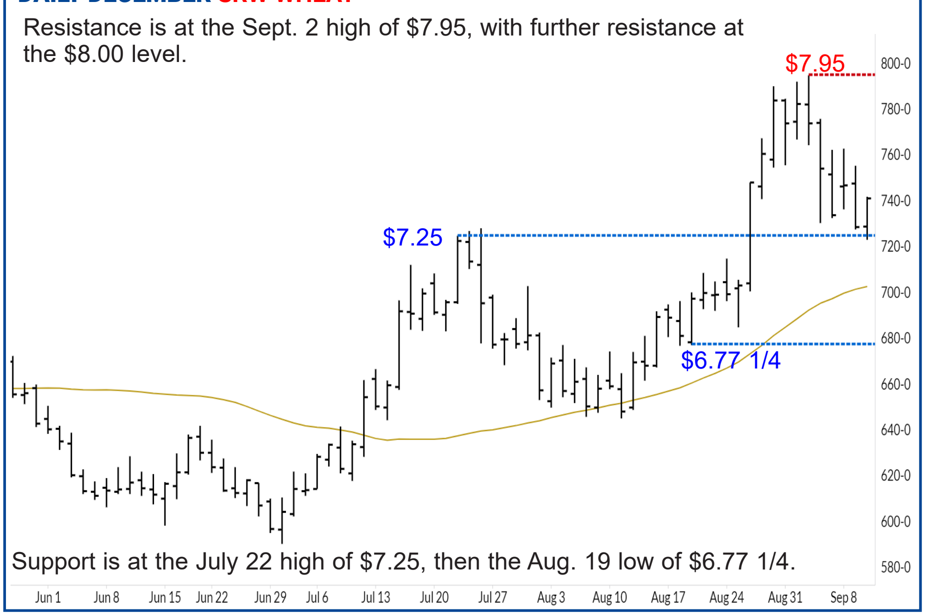
	'26 crop	'27 crop
Cash-only:	60%	10%
Hedgers (cash sales):	60%	10%
Futures/Options	0%	0%

Game Plan: On Aug. 27, we advised selling 30% of 2026 production to advance cash only marketers and hedgers to 60%. We also advised selling 10% of anticipated 2027 production.

WHEAT

SRW — The price uptrend markets have seen since mid-August stalled despite the escalating attacks on Russian and Ukranian port infrastructure in recent days. Traders appear reluctant to push wheat prices higher amid continued talk of interest in a peace deal from Putin.

DAILY DECEMBER SRW WHEAT



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 recently as the early harvest window approaches. Concerns around yield potential after a less than ideal finishing window and firm domestic crush use are two factors that are offering longer-term price support to soybeans. Cash-only marketers should be 75% sold on 2026-crop, with hedgers 65% sold. Remain patient on further sales for now.

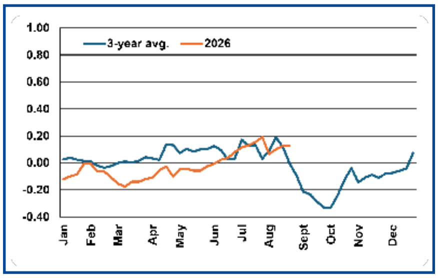
DAILY NOVEMBER SOYBEANS

DAILY JANUARY SOYBEANS

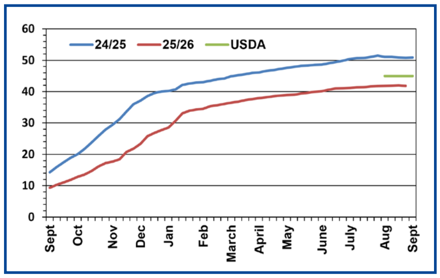
SOYBEANS

Soybean markets were sideways to begin the shortened week before carving fresh contract highs on Thursday. The continued flash sales to China ahead of the Trump-Xi meeting that is scheduled to begin on September 24 has added optimism to export demand. Markets also find support from the finish to the growing season that pushed USDA's rating of the soybean crop to its lowest since 2023 for this time of year. Farmers in the Brazilian state of Mato Grosso may now begin planting, as consultant Dr. Cordonnier noted that the mandatory soybean-free period ended on September 6. Early planting will likely be limited to irrigated fields.

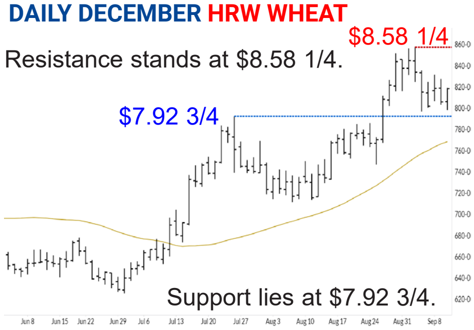
AVERAGE SOYBEAN BASIS (NOVEMBER)



SOYBEAN EXPORT BOOKINGS (MMT)

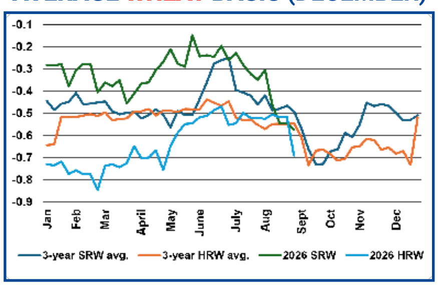


DAILY DECEMBER HRW WHEAT

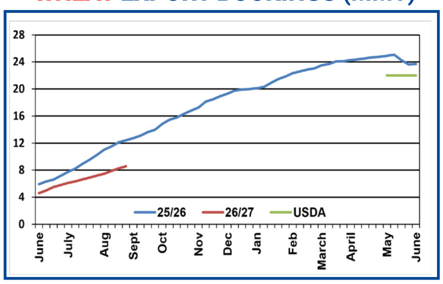


DAILY DECEMBER HRS WHEAT

AVERAGE WHEAT BASIS (DECEMBER)



WHEAT EXPORT BOOKINGS (MMT)



HRW — Planting progress in the U.S. has been slowed by hot, dry conditions in the Plains. Only 2% of the crop is planted according to USDA, the lowest for this time of year since records began in 1983. Plenty of time remains in the planting window, but many areas will be in need of soil moisture to aid germination this fall.

HRS — Harvest is nearing completion with USDA estimating progress at 86% complete. Most of the growing region remained dry again this week. The next major data dump for HRS will come at the end of the month in the *Small Grains Summary*, which includes a detailed breakdown of wheat production by class.

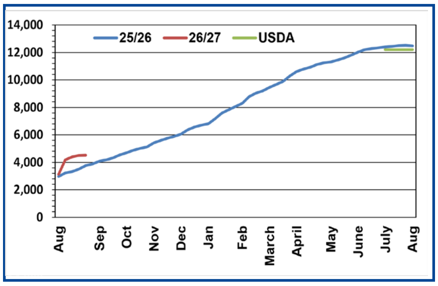
Position Monitor

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

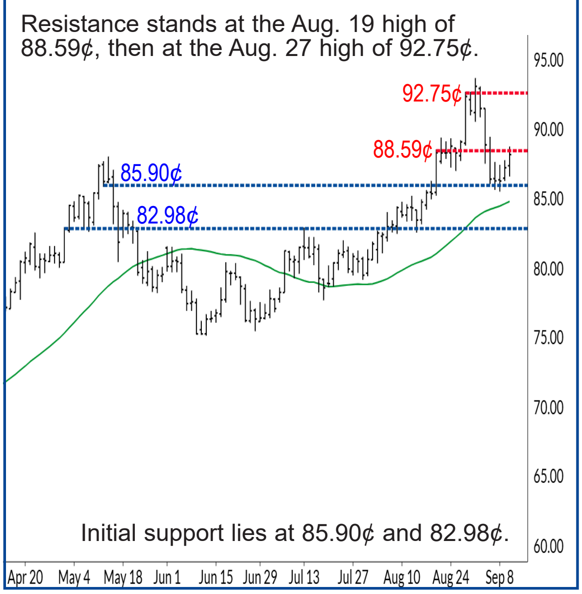
Game Plan: You should be sold out of old-crop production. With more than half of new-crop covered, be prepared to sell strength in futures and/or basis.

AVERAGE COTTON BASIS (OCTOBER)

COTTON EXPORT BOOKINGS ('000 BALES)



DAILY DECEMBER COTTON



COTTON

Cotton futures have steadied after a bout of technical selling knocked the December contract more than 6¢ off its recent high. Weaker U.S. crop ratings and Chinese reserve buying help limit further downside, though light volume points to a lack of fresh conviction.

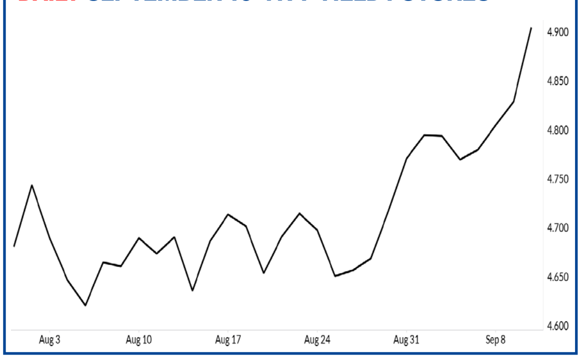
GENERAL OUTLOOK

TREASURIES: The "bond vigilantes" pushed back after the U.S. Treasury this past week announced it would buy back $6 billion in U.S. government securities, with the intent to drive down their yields. Instead, Treasury yields rose after the announcement, with the benchmark 10-year T-Note trading as high as 4.85% – the highest in nearly three years.

Treasury Secretary Bessent says lowering bond yields is a Trump administration priority. However, Bessent's jawboning has been met with skepticism by the bond vigilantes, who are concerned about rising inflation, the ballooning U.S. budget deficit and the economic impacts from the U.S.-Iran war.

The worrisome rise in bond yields comes right during the two most turbulent trading months of the year for stock and bond markets.

DAILY SEPTEMBER 10-YR T-YIELD FUTURES



FROM THE BULLPEN **By Editor Bill Watts**

An intensifying and increasingly bitter U.S.-Canada conflict means trade wars remain a top concern for producers jittery over rising input costs and access to foreign markets.

So far, energy and the grain trade have remained relatively unscathed. That's good news, primarily because both sides recognize that targeting those areas would bring significant domestic pain when the objective is to maximize the hurt on the other side of the border.

Canada is the world's second-largest importer of ethanol, according to USDA, and the U.S. is its top supplier. Canadian ethanol demand has grown with the implementation of mandates on use of low-carbon and renewable fuels. So it stands to reason that the reliance on U.S. corn-based ethanol by Canadian fuel refiners to meet strict domestic regulations is why Ottawa has so far avoided putting direct tariffs on U.S. ethanol. After all, the result would be an immediate jump in Canadian pump prices.

That only provides so much comfort. The other side of the coin is that Canada is by far the largest market for U.S. ethanol, accounting for over a third of exports. Ottawa could take other actions, including adjusting carbon-intensity scores or enhancing domestic credits to favor Canadian feedstocks – a potentially more enduring and insidious blow to demand for U.S. ethanol.

WATCH LIST

1	**Crop Progress** Conditions, harvest progress.	**MON 9/14** 3:00 p.m. CT
2	**NOPA Crush Report** August member crush.	**TUE 9/15** 11:00 a.m. CT
3	**Fed Interest Rate Decision** Will there be a rate hike?	**WED 9/16** 1:00 p.m. CT
4	**Weekly Export Sales Report** Traders eye new-crop sales.	**THU 9/17** 7:30 a.m. CT
5	**Cattle on Feed Report** August placements a focus.	**FRI 9/18** 2:00 p.m. CT