

News this week...

2 – An update on the export pace for corn, soy and wheat.

3 – USDA finds New World Screwworm case in wildlife.

4 – Making sense of the soybean market as harvest plays catchup.

Harvest pressure on display – Corn and soybean futures attempted to stabilize heading into the weekend. Soybeans on Thursday snapped an eight-day losing streak, while corn ended a similar slide the previous session. Both have felt commercial hedge pressure as farmers took advantage of clear weather to continue catching up on harvest activity. The drop in prices has attracted buyers, with China maintaining a stream of soybean purchases and weekly data showing strong corn demand. Wheat futures remained under pressure on a reduced Black Sea war premium, Southern Hemisphere harvest activity and a continued dearth in U.S. export demand. Live and feeder cattle futures hit three-month highs on strong cash trade and concerns over feeder numbers. Lean hog futures hit a series of contract lows, dogged by weak cash fundamentals.

U.S.-Iran re-escalation fears on rise

Volatility in energy markets this week was driven in part by fears of a re-escalation of U.S.-Iran hostilities and threats by Tehran to widen attacks on Middle East energy infrastructure. Reports said the U.S. and Israel were planning renewed attacks on Iran following next month's midterm elections, while strikes on Saudi Arabia by Iran-backed Houthi rebels continued. Iran has warned publicly and via private diplomatic channels that renewed strikes by the U.S. and Israel would prompt attacks on airports, pipelines and other economic infrastructure across the Persian Gulf, the Wall Street Journal reported. The report said analysts estimate Iran has hundreds to thousands of ballistic missiles, and that U.S. and regional officials believe it has resumed production of ballistic missiles in limited numbers using stockpiled components and working in underground facilities.

Top MAHA ally resigns

Calley Means, a high-profile ally of Health Secretary Robert F. Kennedy Jr., resigned from the Trump administration on Thursday. Means was a senior adviser to Kennedy who also worked in the White House to promote "Make America Healthy Again" policies, particularly on food policy. The Wall Street Journal reported the resignation came after administration officials deferred announcements on a definition of ultra-processed foods and a regulation mandating less added sugar and more protein in school meals. Shares of food companies, including General Mills, Kraft Heinz, Conagra Brands and Campbell's Co. ended sharply higher following the news on Thursday.

Flight to safety sinks Treasury yields

The U.S. government bond market showed it's still seen as a port in a storm Thursday, with the yield on the 10-year note dropping nearly 20 basis points as investors piled into Treasuries amid a plunge in tech stocks, rising oil prices and escalating geopolitical jitters. The scramble for safety pulled the 10-year yield back below the 5% threshold.

Trump announces \$8B in diesel relief

President Donald Trump, in a campaign rally Monday night in Kansas ahead of next month's midterm elections, announced USDA would provide \$8 billion in relief to farmers squeezed by soaring diesel prices. USDA said it will tap Commodity Credit Corporation funds for the Harvest Fuel Relief Program. USDA said, similar to the \$12 billion Farmer Bridge Assistance (FBA) program announced late last year, the Harvest Fuel Relief (HFR) program will provide proportional support to producers using a uniform formula to cover a portion of modeled losses during the 2026 crop year. This national loss average will be based on FSA reported planted acres, Economic Research Service cost of production estimates, and World Agricultural Supply and Demand Estimates yields and prices. FSA is expected to provide per acre and crop calculations by next month.

Soaring fuel costs pose basis threat

Rising freight rates and diesel fuel surcharges could affect local cash bids, particularly as harvest wraps up, according to a report by CoBank lead economist Tanner Ehmke. "A railroad surcharge of 50¢ per railcar-mile over a 1,000-mile shipment translates to approximately 14¢ per bushel," Ehmke wrote. "If end users are unwilling to absorb the additional transportation cost, elevators must recover it through weaker local bids, effectively widening basis." Ehmke said fuel costs might not be fully reflected in the market and may become more apparent after harvest when grain movement increases and transportation demand intensifies.

USDA's \$573M fertilizer investment

Vice President JD Vance and USDA Secretary Brooke Rollins announced Thursday that eight fertilizer projects will receive a total of \$573 million in funding through USDA's Fertilizer Investment & Expansion for Long-Term Domestic Supply Program. The program is designed to reduce reliance on global supply chains after fertilizer prices soared following the start of the Iran war.

Harvest catches up amid dry weather

The soybean harvest nearly caught up with the five-year average as of Oct. 18, while corn harvest still lags behind despite a significant leap, USDA's weekly Crop Progress data showed.

Corn was rated 56% good or excellent, USDA said, unchanged from the previous week. Harvest was 44% complete, up from 33% a week earlier and lagging behind the five-year average of 52%. The Pro Farmer Crop Conditions Index (0 to 500 scale, 500 equals perfect) rose by a marginal 1.08 points.

The soybean crop was 64% harvested, up from 46% last week, a point behind the five-year average of 65%.

Cordonnier boosts Brazilian crop pegs

Pro Farmer crop consultant Dr. Michael Cordonnier raised his 2026-27 Brazil soybean estimate by 2 million metric tons (MMT) to 182 MMT, with a neutral bias, reflecting an "OK start" to planting and slightly larger soybean acreage than anticipated. Conab has soybean acreage increasing 1.4% to 49.3 million hectares, while USDA hiked acreage 3% from last year to 50.0 million hectares. Cordonnier bumped up his planting estimate to 49.3 million hectares from 49.2 million for now. Conab estimates the 2026-27 Brazil soybean crop at 181.6 MMT with USDA at 186.0 MMT.

Cordonnier also raised his 2026-27 Brazil corn production estimate by 2 MMT to 140 MMT with a neutral bias, reflecting increased corn acreage and a good start to the first corn crop in southern Brazil. The first crop accounts for only around one-quarter of total Brazilian production, so final output will depend on weather during the safrinha, or second crop, growing season, he noted.

Brazil's farm lobby and the election

Brazil's powerful farm lobby is expected to gain even more influence if challenger Flavio Bolsonaro defeats President Luiz Inacio Lula da Silva in Sunday's presidential election runoff, Bloomberg reported. Polls show the race has tightened to a statistical tie, but Bolsonaro has remained the betting favorite. The report noted that he has promised to let the Frete Parlamentar da Agropecuária, known as the farm caucus and made up of lawmakers dedicated to the industry, to choose his agriculture minister. That would give the group a bigger say in government decisions, with farmers seeking to counter rural debt with subsidized credit and bring down double-digit interest rates they say are stifling business, the report said. It noted that environmental law is also on the agenda, with industry-backed lawmakers largely in favor of loosening regulations.

USDA announces new cattle report

USDA is overhauling regional cash fed cattle reporting as a persistent data blackout spreads across major feeding states, reports Drovers' Angie Stump Denton and AgriTalk's Michelle Rook. Beginning with the afternoon market reports on October 26, USDA's Agricultural Marketing Service (AMS) will begin publishing an aggregated cash cattle regional report that combines data from Colorado, Texas, New Mexico, Oklahoma and Kansas. The goal is to restore price transparency to the Southern Plains and Western feeding belts, where shrinking negotiated cash trade had caused published USDA market reports to go completely dark under federal confidentiality restrictions, but analysts warn structural price-discovery challenges persist.

Farm Bill faces MCOOL challenge

Mandatory country-of-origin labeling (MCOOL) for beef faces a tough path into the final farm bill, Agri-Pulse reports. While the Senate Agriculture Committee adopted an amendment from Senate Majority Leader John Thune, R-S.D., in its version of the farm bill, the House excluded it. The "four corners" – the heads of the House and Senate ag committees – must resolve MCOOL alongside partisan SNAP funding differences. Proponents argue labeling protects domestic ranchers, but opponents warn of higher consumer costs and the potential for renewed trade disputes with Canada and Mexico if the policy violates WTO rules.

Export pace update for soy, corn, wheat

Total commitments for soybeans (outstanding sales plus accumulated shipments) totaled 962.7 million bushels for the week ended Oct. 15. That is the most for this time of year since 2022-23. The pace of export shipments as a proportion of expected annual exports is off to the best start since 2023-24, a positive sign that exports could top current expectations.

Total commitments for corn stand at 873.7 million bu., sharply below 1.321 billion bu. last year and the lowest since 2023-24. While commitments are down, shipments are robust, with the export pace coming in at the quickest rate since 2018-19. Sales have been slower than the last couple marketing years which led USDA to cut its export forecast, but the current rapid shipment pace indicates opportunity for exports to end up higher than the agency's current forecast of 3.3 billion bushels.

Four-and-a-half months into the new wheat marketing year, total commitments of 392 million bu. are the lowest since we started keeping track in 1990. Still, the pace of shipments have been robust, totaling 52% of USDA's export estimate. Sales have been abysmal, leading USDA to cut its export forecast, but strong shipments are a good sign.



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U.S., China negotiators see time crunch

Negotiators for the U.S. and China are racing to secure concrete investment deals ahead of a meeting between President Donald Trump and Chinese leader Xi Jinping at next month's Shenzhen APEC summit, the South China Morning Post reported. Trump and Xi agreed to just a two-month extension of a trade truce until January, which had disappointed Beijing but was viewed as an opportunity for China to strengthen its bargaining position on commitment purchases, particularly for Boeing aircraft, the report said. Washington, meanwhile, saw the short-term window as a chance to pressure Beijing into increasing purchases of U.S. agricultural goods and expanding rare-earth flows. Both sides are negotiating an investment board structure and short-term trade extensions but significant gaps remain, the report said, raising doubts about whether concrete deals will be completed before the summit.

Aussie canola heads to China

Oilseed buyers in China have snapped up around 1 MMT of Australian canola in recent deals, a sign of improved relations between Beijing and Canberra as well as lower tariffs and stronger processing margins, Reuters reported. The cargoes, for arrival in early 2027, were bought at around \$695 to \$705 per metric ton, including cost and freight to China, the report said.

Trump's Canada tariffs challenged

Food importer Gellert Global Group sued to stop the Trump administration's latest tariffs on imports from Canada, arguing the duties represent another attempt to claim presidential tariff power that has been rejected in court, Reuters reported. The Trump administration imposed 50% tariffs on a wide range of Canadian imports over the summer in response to what it called Canada's discriminatory treatment of US-made cars, alcohol and dairy goods.

France corn output seen at 50-year low

A farmers group sees French grain maize, or corn, output on track to fall by nearly half this year to 7.0 MMT, after a decline in plantings and a devastating summer drought that devastated crops, Reuters reported. AGPM said the crop would be the smallest since 1976. "The worst has happened," AGPM Chairman Franck Laborde said.

EU maize imports soar after drought

European Union corn imports in 2026-27 surged 40% year-on-year by Oct. 18, led by an increase in shipments from the U.S., Reuters reported. Animal feed makers and starch companies are importing crops to make up for the drought ravaged EU harvest, which is expected to cut production to the lowest mark since at least 2000.

USDA finds NWS case in wildlife

New World Screwworm was found in an elk in Texas, marking the first case of the parasite in U.S. wildlife, Bloomberg reported. The elk was located on a game ranch in Pecos County (southwest Texas). Spread among wildlife is a chief concern as it is difficult to track and animals travel in the same corridors as livestock, USDA said. USDA is calling for help from hunters to spot cases this fall.

USDA opens additional cattle ports

USDA said in an X post that it plans to resume cattle imports from Mexico at ports in Columbus, New Mexico, on Oct. 26, and Nogales, Arizona, on Nov. 30 if conditions for safe trade are in place for both ports. Horse imports at Santa Teresa, New Mexico, are planned to resume on Oct. 26, USDA said. Livestock imports resumed in Douglas, Arizona, in August and in Santa Teresa, New Mexico, last month. USDA announced a phased-in reopening of the border earlier this year after halting imports last year in an effort to keep out the New World Screwworm parasite.

No quick fix for high beef prices

There are no quick fixes to bring down beef prices because rebuilding the national cattle herd is a slow, multiyear process that requires ranchers to hold back heifers for breeding, which tightens beef supplies further in the near term, Oklahoma State University agribusiness professor and well-known extension livestock marketing specialist Derrell Peel wrote in a guest column published in Tuesday's New York Times. Instead, softer consumer demand and a pivot toward cheaper alternative proteins will play a key role in easing price pressures over time, he said.

"We can't grow cows any faster. We can't make the weather better. And we are only just starting the process of rebuilding the herd, which requires holding some heifers back for breeding — a process that will make tight supplies even tighter," Peel said. "For the rest of the decade, then, expect inventories to remain constrained and prices to remain high."

Trump waives Russian sanctions

President Donald Trump waived new sanctions on Russia that were due to go into effect under the Graham Act he signed in September, further easing pressure on Moscow and drawing bipartisan objections. The Wall Street Journal reported the diesel deal and sanctions waivers are creating headaches for Republican candidates ahead of next month's mid-term elections. Iowa GOP Senate candidate Ashley Hinson said in a debate that Trump should consider alternative measures to lower energy prices at home.

A look at the internals of the soy market

By Lane Akre, Economist

USDA anticipates a record soybean yield, pegging the national average at 53.1 bu. per acre in its October Crop Production Report. That is modestly shy of the Pro Farmer Crop Tour estimate of 53.3 bu. per acre. Crop Tour found ample pods and a crop that had the moisture needed to finish. While harvest got off to a late start due to a wet September, it has caught up to average.

Yield reports across the Soybean Belt carry a consistent tune. Record yields are the norm rather than the exception this year, especially in Crop Tour states. The risk is for yields to work higher, possibly surpassing our estimate, yet the market has shown resilience, especially compared to corn and wheat over the past several weeks.

Our analysis of FSA certified acres indicates a late-season change to harvested acres is unlikely, meaning any change to the supply side of the balance sheet will have to come from a change in yield.

Domestic demand remains robust

Crushers continue to make money hand-over-fist, averaging around \$2.50 per bu., well above the long-term average around \$1.38 per bushel. Crushers took time for seasonal maintenance in August ahead of anticipated new-crop supplies in September, which ultimately led to relatively low crush for two consecutive months. Crush use totaled around 201 million bushels in September, the lowest since Aug. 2025. Harvest delays led to a lack of supplies, especially in Iowa, drawing the national number down despite most crushers operating at capacity.

Soyoil stocks fell to the lowest mark in nearly 12 years, showing robust demand. The combination of the closure of the Strait of Hormuz, war in the Black Sea and high renewable volume obligations are driving demand for soyoil. Meal demand has held up better than expected, which led to the ongoing rally in meal prices, further bolstering crusher margins.

China demand living up to expectations

China has purchased 15.1 MMT of soybeans with unknown destinations adding another 6.2 MMT, a significant portion of which is likely booked by China. That total of 21.3 MMT is just 3.7 MMT shy of the 25

MMT goal for the marketing year, a target that is within reach. The market has not reacted to 2.1 MMT of purchases over the past week announced via daily sales, indicating that either funds are in liquidation mode and ignoring fundamentals or that Chinese demand was already priced in. We sit in the former camp.

Our analysis of the export pace (see News p. 2) indicates USDA is likely behind the curve on the export estimate. Given the huge influx of Chinese buying since the latest export data, that holds even more true. The demand prospects for U.S. soybeans on the domestic and world markets are likely to quickly consume any increase in production.

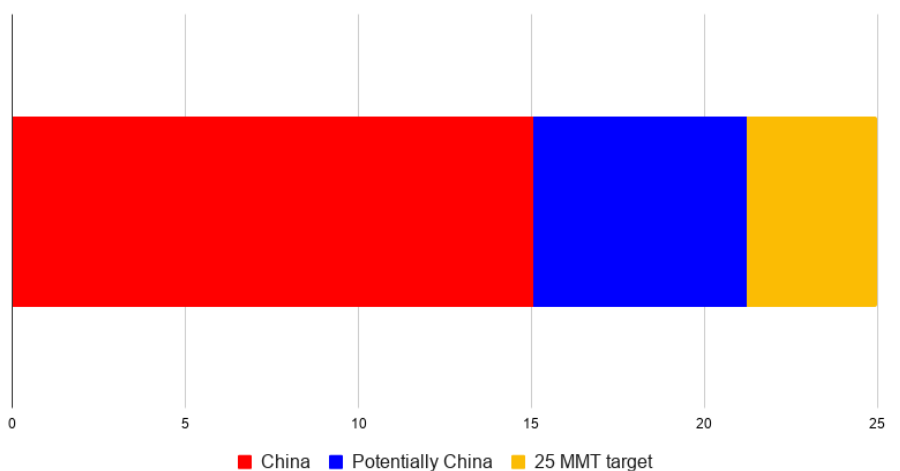
Quick look to 2027

The soybean/corn ratio has shifted in favor of higher bean acres in recent weeks amid relative strength. Concerns over input costs for corn have shifted producer preferences over to soybean plantings as well. Coming off a year of 183.7 million corn and soy acres, more of those acres could shift to soybeans next year.

Attention remains on South American production

Just this week, Dr. Michael Cordonnier, Pro Farmer crop consultant, increased his production estimate for Brazil. Conab and USDA have increased their estimates in recent weeks also. The effect of El Niño on Brazilian production remains a wild card. China has showcased its talent as a savvy trader, taking advantage of cheap products, whether from the U.S. market or from Brazil.

China Soybean Purchases versus 2026-27 goal



News alert and analysis exclusively for Members of **Professional Farmers of America**® 30 West Pershing Rd. #410038 Kansas City, MO 64141

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CATTLE

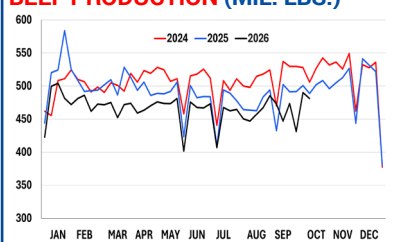
Cattle futures forged the highest levels since early July, which included a close above the key 200-day moving average for the December live cattle contract. Technical buying accelerated after confirmation of solidly higher cash cattle trade, while wholesale beef values firmed as consumer demand has remained resilient. Meanwhile, herd rebuilding efforts continue to lag, which reinforces a price-constructive fundamental backdrop and limits the prospect of a supply recovery. Feeder cattle continue to find support from the pullback in the grain complex, which is conducive to improved margins for cattle feeders.

Position Monitor

Game Plan:	Feds Feeders	
Live cattle	III'26	0%
have faced	IV'26	0%
a notable	I'27	0%
	II'27	0%

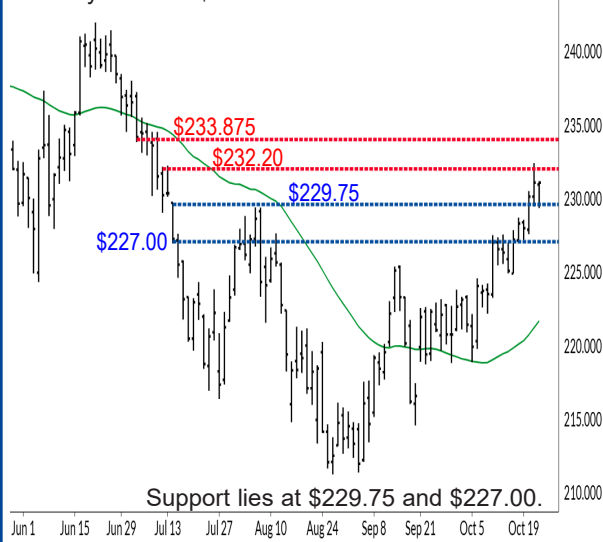
pullback in recent weeks. Consider using LRP to establish price floors.

BEEF PRODUCTION (MIL. LBS.)



DAILY DECEMBER LIVE CATTLE

Resistance is at the July 10 high of \$232.20 and the July 2 low of \$233.875.



HOGS

Fresh contract lows (see From the Bullpen on Analysis 4) trailed a period of sideways consolidation as technical and fundamental challenges continue to roil short-covering interest. Pork cutout continues to linger around multi-year lows amid pressure from weak consumer demand. Rising energy costs and softer consumer sentiment have weighed heavily on pork, even as production has run slightly below year-ago levels. Bouts of short covering has lifted contracts off of lows, though managed money remains heavily short, which has curbed sustained buying interest and limited followthrough strength.

Position Monitor

Game Plan:	Lean Hogs	
Lean hogs	III'26	0%
have re-	IV'26	0%
bounded in recent	I'27	0%
trade. Stay patient	II'27	0%

for now, but be ready to establish hedges in the event of an extended move.

PORK PRODUCTION (MIL. LBS.)



DAILY DECEMBER LEAN HOGS

Resistance is at the Oct. 14 high of \$66.675, then at the Oct. 7 low of \$68.70.



FEED

Feed Monitor

Corn

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

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

Meal

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

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

DAILY DECEMBER SOYBEAN MEAL

Look for resistance at \$345.70 and \$350.80.



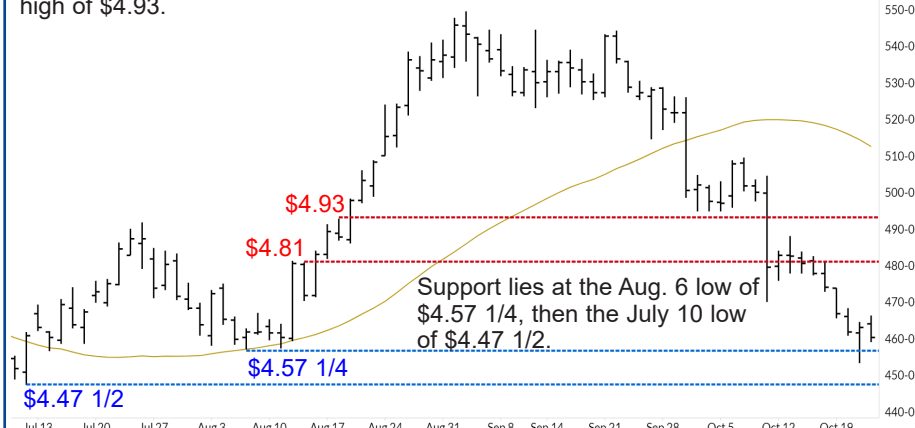
Position Monitor

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

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

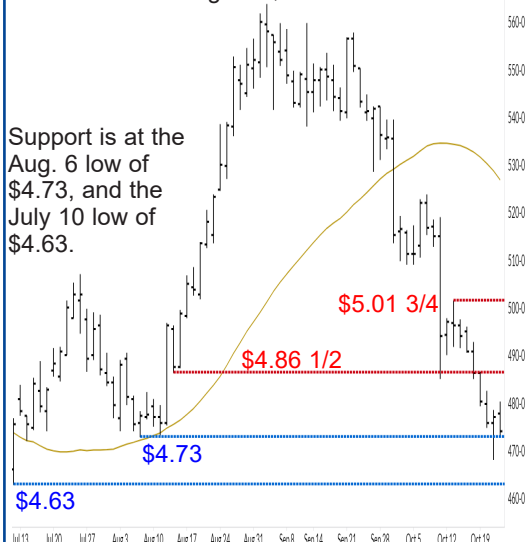
DAILY DECEMBER CORN

Resistance stands at the Aug. 13 high of \$4.81 and then the Aug. 18 high of \$4.93.



DAILY MARCH CORN

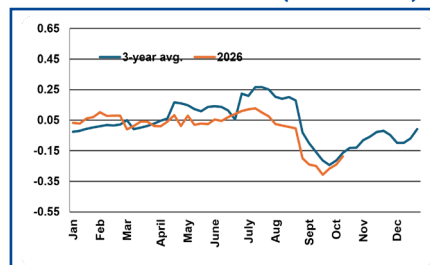
Resistance is at the Aug. 13 low of \$4.86 1/2, then the Oct. 13 high of \$5.01 3/4.



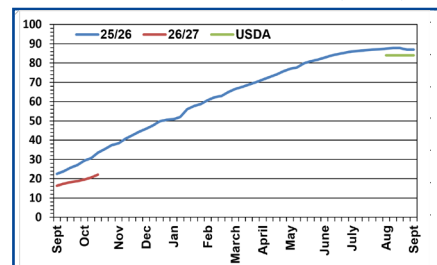
CORN

Price action across the grains complex continues to be dominated by harvest pressure as corn traded near two-month lows. With harvest now firmly underway in the bulk of the Corn Belt managed money funds were also continuing to exit the abnormally net-long position they held through most of September. Outside markets saw the U.S. dollar index weaken slightly and crude oil continuing to trade near \$100 a barrel, which may have helped to soften some selling pressure. Ethanol production the week ending Oct. 16 hit a six-week high at 1.094 million barrels per day. Cash bids for ethanol in Iowa continue to trade just under the \$2.00 per gallon mark, up roughly 17% from year-ago.

AVERAGE CORN BASIS (DECEMBER)



CORN EXPORT BOOKINGS (MMT)



Position Monitor

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

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

DAILY DECEMBER SRW WHEAT

Resistance is at the Aug 11. high of \$6.65, then the Aug. 17 high of \$6.95.



WHEAT

SRW — Egypt's state grain buyer announced intentions to purchase wheat with the likely sources from central or western Europe. The country is typically a reliable importer of wheat sourced from the Black Sea, another early sign of the impact of transit disruptions.

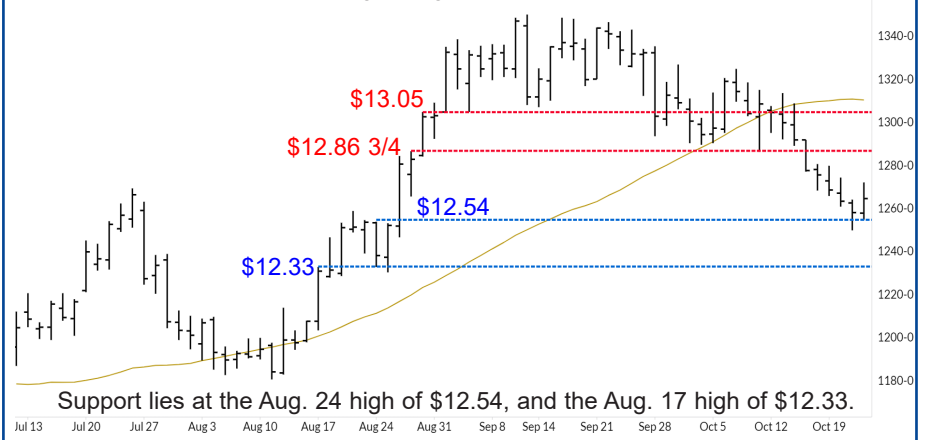
Position Monitor

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

Game Plan: Price action has turned sideways to lower with the harvest window now progressing rapidly. Funds will likely continue to exit long positions until the glut of harvest supplies begins to wane after the coming weeks. Cash-only marketers should be 75% sold on 2026-crop, with hedgers 65% sold. With over half of 2026-crop sold, remain patient on further sales for now.

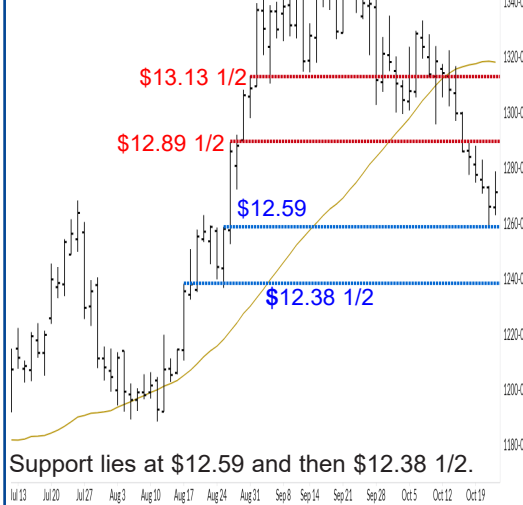
DAILY JANUARY SOYBEANS

Resistance stands at the late August highs of \$12.86 3/4 and \$13.05.



DAILY MARCH SOYBEANS

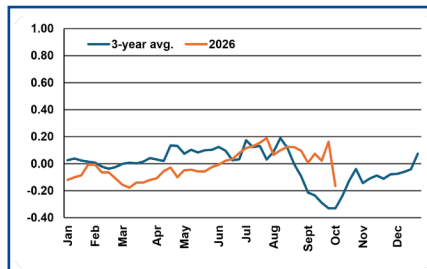
Resistance stands at the Aug. 26 high of \$12.89 1/2, then the Aug. 31 high of \$13.13 1/2.



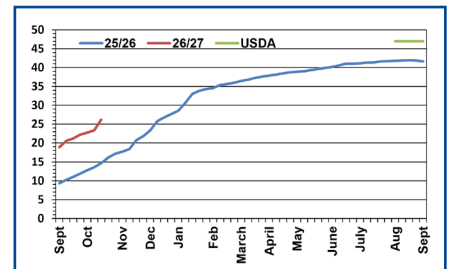
SOYBEANS

Soybean futures notched eight consecutive sessions of losses before getting a corrective bounce higher on Thursday. Futures also found technical support in the area of the 100-day moving average of \$12.40 3/4. Flash sales to China continued to happen on a daily basis (see News, p.4). Spain and unknown destinations were also reported purchasing a combined 426,000 MT. Harvest has occurred quickly as fields began to dry out, with USDA estimating U.S. harvest as of Oct. 18 at 64 percent, just one point behind the five-year average. Still, soybeans are likely to face seasonal pressure in the near-term.

AVERAGE SOYBEAN BASIS (NOVEMBER)



SOYBEAN EXPORT BOOKINGS (MMT)



DAILY DECEMBER HRW WHEAT

Resistance stands at \$7.06 1/4.

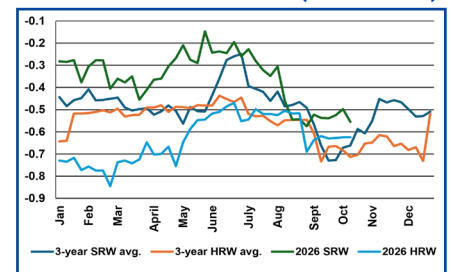


DAILY DECEMBER HRS WHEAT

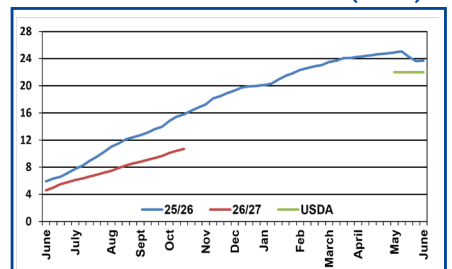
Resistance is at \$6.74 1/4.



AVERAGE WHEAT BASIS (DECEMBER)



WHEAT EXPORT BOOKINGS (MMT)



HRW — The Kremlin reported Putin has agreed to resume U.S. mediated peace talks with Ukraine. Those headlines weighed on wheat futures, though tensions remain high. Production prospects also rose in Argentina, with the Rosario Stock Exchange increasing their production estimate to 23.8 MMT on higher yields.

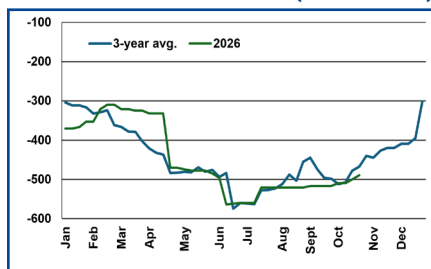
HRS — Spring wheat saw somewhat milder losses than winter wheat. Still, poor export commitments (see News, p.2) are still pressuring prices as demand remains weak. Price action drove futures into technically oversold territory late in the week which saw traders ease up on selling pressure compared to earlier sessions.

Position Monitor

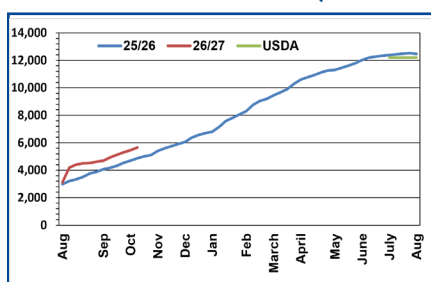
	'26crop	'27 crop
Cash-only:	70%	0%
Hedgers (cash sales):	70%	0%
Futures/Options	0%	0%

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

AVERAGE COTTON BASIS (DECEMBER)



COTTON EXPORT BOOKINGS ('000 BALES)



DAILY DECEMBER COTTON

Resistance stands at the July 14 high of 82.29¢ and Aug. 5 high of 84.08¢.



COTTON

An improved technical posture underscores lingering weather-related production concerns, with additional support coming from a retreat in the U.S. dollar and strength in crude oil. U.S. harvest progress and export sales remain key data points to watch.

GENERAL OUTLOOK

CRUDE OIL: The crude oil markets have been whipsawed the past week, amid on-again, off-again reported cease-fire/peace talks regarding the U.S.-Iran war and the Russia-Ukraine war.

However, crude oil prices the past week did flash what is one of the strongest technical signals yet that the oil markets have put tops in prices.

After nearby Nymex crude oil futures hit a nearly six-month high of \$110.48 a

barrel on Oct. 20, prices promptly backed way off to trade below \$100.00. That price action produced a bearish "buying exhaustion tail" on the daily continuation chart for nearby Nymex crude futures. That suggests oil bulls have run out of gas and no longer have conviction to support prices at such elevated levels. The sharp reversal raises the prospect of further downside pressure if nearby support levels fail to hold.

DAILY DECEMBER CRUDE OIL FUTURES



FROM THE BULLPEN By Economist Spencer Langford

Hog futures have been under pressure since early September, with the December contract notching lows this week not seen since August of 2024. Pork production remains near steady with year-ago levels as slaughter counts trail 2025 by less than 1%.

When combined with expectations of lower per capita pork consumption in the U.S. this year, that's led to cutout values falling 23.5% from the peak notched during BLT season this past summer. With the final quarter of the year underway, cutout is entering a time when seasonal pressure is likely to increase, limiting the ability for cash fundamentals to offer support and reverse the price downtrend in

hogs.

Pork cutout's fourth quarter high landed in the first half of October in four of the past five years, with the lone exception occurring in early November. Four out of five years have also seen the low price over that time come in early December, meaning if seasonal patterns persist, cutout has likely already seen its highs for the year.

Demand for hams in the holiday season may provide a mild boost to cutout, though most sourcing by retailers typically occurs a few weeks in advance and recent history has shown it is often not enough to carve fresh highs in the closing weeks of the year.

WATCH LIST

- Crop Progress Report** **MON 10/26**
Harvest progress in focus. 3:00 p.m. CT
- Weekly Ethanol Production** **WED 10/28**
Will a seasonal rebound continue? 9:30 a.m. CT
- Fed Interest Rate Decision** **WED 10/28**
Potential rate hike on the table. 1:00 p.m. CT
- USDA Export Sales Report** **THU 10/29**
Wheat sales continue to disappoint. 7:30 a.m. CT
- PCE Price Index** **THU 10/29**
Fed's preferred inflation gauge. 12:00 p.m. CT

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