

News this week...

- 2** – Crop conditions steady, could mean record yield
- 3** – Soybean crush use sets July record, ethanol use strong too
- 4** – EPA proposal muddies the waters on biofuel policy

Crop futures hit lows – December corn futures splashed below the psychological \$4.00 mark midweek and saw a sharp rebound, though the 10-day moving average limited gains late in the week as technical sellers continue to hold control of the market. November soybeans hit for-the-move lows as non-threatening August weather looks to boost yields. Wheat futures fell to fresh lows as well before seeing a modest bounce later in the week. Export sales continue to indicate robust demand for each crop amid low prices. Cattle futures continue to push to record highs as cash cattle are back to setting weekly records despite packer margins remaining deep in the red. Lean hog futures saw strength early in the week before reversing lower as supplies pick up seasonally.

Net drying expected over Midwest

Excessive heat is expected in the central and southern Plains but a series of rain and thunderstorms is expected to break the heat. World Weather Inc. forecasts a healthy mix of rain and sunshine over the next week, allowing for continued favorable crop development. Current subsoil moisture and forecast showers should keep conditions favorable in the near term.

StoneX survey shows record yields

Clearing firm and commodity trader StoneX Group released its annual August customer survey for both corn and beans. The survey indicated a corn yield of 188.1 bu. per acre (production of 16.323 billion bushels) and a soybean yield of 53.6 bu. per acre (production of 4.425 billion bushels). Historically, the August StoneX survey averages 0.24 bu. per acre above USDA's final corn yield and 0.28 bu. per acre below USDA's final soybean yield, though last year's August estimates were above final production levels, which could be attributed to the crop's poor finish.

USDA typically shoots too high

USDA will likely raise its corn yield estimate this week. In the past 32 years, USDA has raised its corn yield in August 17 times. Final yields came in below the August estimate in 15 of those years. Each time in the past decade USDA has increased their yield estimate in August, yields have come in below that forecast. So, while this week's USDA yield is likely to be a record, there is a good chance it will be the highest production number released all year.

Farmer sentiment down

The Purdue University-CME Group Ag Economy Barometer index declined for the second straight month, falling 11 points from June. The July Current Conditions Index fell 17 points while the Future Expectations Index declined seven points. Despite sentiment declining, producer sentiment remains much more positive than at this time last year. When asked if the U.S. is heading in the right direction, 74% said the U.S. is on the right track.

Trump and Putin to meet

Presidents Vladimir Putin and Donald Trump will meet for summit talks soon, the Kremlin said.

"Together with our American colleagues, we are starting to work on specific issues," with the aim of holding the talks this week, Kremlin foreign policy aide Yuri Ushakov told reporters, according to Bloomberg.

The announcement came a day after Putin met with Trump's envoy Steve Witkoff in the Kremlin for nearly three hours as the U.S. pushes to end Russia's war in Ukraine.

Trump increases India tariff

Trump issued an executive order imposing an additional 25% levy on Indian goods citing New Delhi's continued imports of Russian oil, sharply escalating tensions between the two countries after trade talks collapsed. China is also a big importer of Russian oil, but Trump has not commented on if that will affect talks.

Record bean imports by China

China imported 11.67 MMT of soybeans in July, a record for the month and up almost 19% from last year. That puts 2024-25 imports at 84.22 MMT with two months to go, up 4% year-over-year. The bulk of the July total came from Brazil, whose exports are falling after seasonally peaking in June as world importers shift purchases to the U.S.

BOE cuts rates

The Bank of England cut interest rates by 25 basis points to 4%, the lowest since March 2023. The rare two-round vote underscored sharp divisions over how to tackle sticky inflation and a softening economy. Many of the world's top economies have begun cutting rates.

U.S. rate cut expected

The Fed is expected to cut rates by 25 basis points in September. Trump announced Fed Governor Waller as his pick for a temporary Fed chair, who was one of two dissenters in the July FOMC meeting and is more ideologically similar to Trump than current Fed chair Jerome Powell.

Soybean conditions dip, corn steady

This week, USDA rated the corn crop as 73% “good” to “excellent” and 7% “poor” to “very poor.” The soybean crop was rated as 69% “good” to “excellent” and 7% “poor” to “very poor.”

On the weighted *Pro Farmer* Crop Condition Index (CCI; zero to 500-point scale, with 500 representing perfect), the corn crop declined less than one point to 384.8. This is despite no change in the overall national ratings from the prior week.

The soybean crop declined one point to 370 and now sits about one point above last year.

What ratings could mean for yield

USDA will almost surely estimate record yields in the Aug. 12 Crop Production Report following extensive surveys the past couple weeks. Our analysis points to a likely estimate between 183 bushels per acre and 188 bushels per acre for corn and 51 bushels per acre to 54 bushels per acre in soybeans. Last year, USDA’s estimates were 183.1 bushels per acre and 53.2 bushels per acre.

Spring wheat ratings steady

USDA now rates the spring wheat crop 48% “good” to “excellent” and 17% “poor” to “very poor,” each down a point from the previous week. On the CCI, the spring wheat crop rating declined 1.6 point to 344.2 and remains well below last year’s rating of 382.6 at this time.

Harvest has started for spring wheat with little change likely in conditions in the coming weeks.

Cordonnier leaves yields steady

Crop consultant Michael Cordonnier left his 2025 U.S. corn yield estimate unchanged this week at 182 bushels per acre, with a neutral bias going forward.

“The hot and humid weather during July was generally beneficial for the corn, except for isolated pollination issues, but good July rains have probably offset any losses from poor pollination,” Cordonnier says.

Nighttime temperatures during this past July were warmer than normal. In fact, they were on record as the third highest temperatures since 2000, behind only two years: 2011 and 2012.

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



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Producer crop comments...

Please send crop comments to editors@profarmer.com

Champaign Co. (central) Illinois:

“Drove over a thousand miles through Illinois and Iowa corn and soybean fields the last four days. As many others have reported, the crops look amazing from the windshield. It is hard to overemphasize the lush appearance of the corn and soybean fields after all the July rains.”

Nodawau Co. (northwest) Missouri:

“I’m not screaming complete train wreck by any means, but there are some issues in some fields. Still some really good ears out there for sure. Beetle clipping and uneven emergence as well.”

Polk Co. (central) Iowa:

“Trying to manage northern corn leaf blight and southern rust. Getting too wet again and can’t get into fields to do any fungicide, insecticide, anything like that, so disease is starting to come in.”

Winnebago Co. (northern) Illinois:

“Walked some 112-day corn in east central Illinois today and it was starting to dent. R5 corn before Aug. 1.”

Northwest North Dakota:

“Cautiously optimistic at this point to get this crop to the finish line. Wheat seems decent, flax has a good stand but long ways to go. Beans think they are in Iowa not western N.D. Have been lucky to get good rain throughout July. Canola is coming along nicely also. Beans are podding and flowering the rain should help them quite a bit.”

Southeast Nebraska:

“Been in several fields not sprayed with a fungicide with multiple guys over the last couple days. Southern rust went from concerning to “oh no” in about seven days. Gray leaf spot really accelerated in the upper canopy. Corn isn’t showing milk line yet. Looks good from the road.”

Northeast Iowa:

“Still have the potential for the best year ever. Corn looks really good still despite the extra rain. Beans looking really good, a little behind. A lot of disease has moved in the past few days, SDS seems kind of prevalent. Not too much disease in corn, a little bit of northern leaf blight.”

High input cost risk persists

The National Corn Growers Association and 25 state-based corn grower groups sent a letter to Trump administration officials painting a grim picture for the ag economy due to elevated prices for inputs critical for corn. In the letter, sent to the U.S. trade representative, secretary of commerce and secretary of agriculture, signatories pledged to work with officials to address concerns, implement new trade deals and remove trade barriers.

Trump fires BLS head

President Donald Trump has fired the head of the Bureau of Labor Statistics (BLS), which is the agency that produces the monthly jobs figures. This news comes after the Bureau's recent jobs report showed hiring slowed in July and was also much weaker in May and June than had previously been reported.

Trump, in a post on his social media platform Truth Social, alleged the jobs figures were manipulated for political reasons and said that Erika McEntarfer, the director of the BLS, who was appointed by former President Joe Biden, needs to be fired.

"I have directed my team to fire this Biden political appointee, immediately," Trump wrote on Truth Social.

OPEC raises crude oil production

Nymex crude oil futures fell under pressure last week following the announcement that OPEC-plus made the decision to raise its collective output. OPEC confirmed a widely expected production increase of 547,000 barrels per day starting in September.

While the move had already been anticipated, it reinforces expectations that global oil supplies could potentially outpace oil demand later on this year. Uncertainty still remains as to whether or not OPEC will pause any further output increases.


Top trade official named

The Senate confirmed Luke Lindberg to be the Agriculture Department's under-secretary for trade and foreign agricultural affairs. Lindberg has been a senior fellow with the Trump-aligned America First Policy Institute, co-founded by U.S. Secretary of Agriculture Brooke Rollins, and is president and CEO of South Dakota Trade, which assists businesses in that state with trade issues.

Ethanol, crush use is up

USDA reported the June 2025 U.S. soybean crush totaled 197.137 million bushels, a record for the month but down 6.6 million bushels from May. Crush looks poised to meet, if not exceed, USDA's estimate of 2.42 billion bushels. Soy-oil for biofuel use has rebounded from the lull seen earlier this year following clarity on support from the Trump admin.

USDA reported the corn for ethanol use for June 2025 at 447.966 million bushels, up 3.5 million bushels from May. Corn for ethanol looks to hit USDA's estimate of 5.5 billion bushels. Ethanol use remains quite strong with stocks below year-ago levels for the first time since May. High exports have helped, with summer exports up 23% year-over-year, helping crush margins.

|  | ACTUAL | | | DOANE FORECASTS* | | |
|---|----------|-----------|-----------|----------------------------|--------|------------|
| | Year Ago | Last Week | This Week | May | June | July-Sept. |
| | | | | (Monthly & quarterly avg.) | | |
| CORN | | | | | | |
| Central Illinois, bushel | 3.67 | 3.77 | 3.69 | 4.25 | 4.50 | 4.70 |
| Omaha, NE, bushel | 4.09 | 3.93 | 3.81 | 4.35 | 4.60 | 4.80 |
| Dried Distillers Grain, IA, \$/ton | 127.19 | 132.69 | 131.53 | | | |
| SOYBEANS | | | | | | |
| Central Illinois, bushel | 10.41 | 9.77 | 9.65 | 10.30 | 10.75 | 11.00 |
| Memphis, TN, bushel | 10.07 | — | — | 10.40 | 10.75 | 11.00 |
| Soymeal, 48% Decatur, ton | 382.50 | 258.70 | 253.30 | 275 | 290 | 290 |
| WHEAT | | | | | | |
| Kansas City, HRW, bushel | 5.92 | 5.03 | — | 5.50 | 5.75 | 6.00 |
| Minneapolis, 14% DNS, bushel | 7.93 | 6.79 | 7.10 | 7.75 | 8.00 | 8.40 |
| St. Louis, SRW, bushel | 5.27 | 5.05 | 4.78 | 5.50 | 5.75 | 6.00 |
| Portland, Soft White, bushel | 5.78 | 6.22 | 6.07 | 6.25 | 6.50 | 6.75 |
| Durum, NE MT HAD, 13%, bu. | 6.50 | 6.40 | 6.36 | 6.50 | 6.75 | 7.00 |
| SORGHUM , Kansas City, cwt. | 7.12 | 5.81 | 5.65 | 5.75 | 6.00 | 6.15 |
| COTTON , 11/16 SLM, 7 area, ¢/lb. | 58.84 | 63.19 | 62.86 | 65.00 | 67.00 | 68.00 |
| RICE , nearby futures, cwt. | 15.20 | 12.36 | 12.51 | 12.75 | 13.00 | 13.25 |
| CANOLA , Enderlin, N.D., cwt | 19.21 | 22.39 | 21.82 | 22.00 | 23.00 | 24.00 |
| OATS , Minneapolis No. 2 heavy, bu. | 4.10 | 3.82 | 3.63 | 4.00 | 4.10 | 4.25 |
| ALFALFA , NW Iowa, lg. sq. prem., ton | 115.42 | — | — | 135 | 135 | 135 |
| SUNFLOWERS , Fargo, N.D., cwt. | 17.50 | 27.50 | 27.00 | 26.00 | 23.00 | 24.00 |
| HOGS , Nat'l carcass 51%-52% cwt. | 91.32 | 113.03 | 112.49 | 100.00 | 94.00 | 82.00 |
| FEEDER PIGS , 40 lbs., Nat. avg, head | 46.41 | 77.61 | 72.68 | 81.00 | 78.00 | 84.00 |
| CHOICE STEERS , feedlots, cwt. | 194.45 | 239.38 | 243.17 | 230.00 | 235.00 | 225.00 |
| FEEDER CATTLE , Oklahoma City | | | | | | |
| Steers, 700-800 pounds, cwt. | 266.46 | 344.61 | 356.75 | 345.00 | 330.00 | 320.00 |
| Steers, 500-550 pounds, cwt. | 317.42 | 404.30 | 418.57 | 415.00 | 395.00 | 385.00 |
| Heifers, 450-500 pounds, cwt. | 283.43 | 380.64 | 394.09 | 385.00 | 360.00 | 340.00 |
| COWS , utility, Sioux Falls, SD, cwt. | 139.93 | 166.02 | 167.79 | 175.00 | 160.00 | 155.00 |
| MILK , Class III, CME spot month, cwt. | 20.24 | 17.15 | 17.33 | 18.50 | 19.00 | 19.00 |
| LAMBS , Sfg., San Angelo, TX, cwt. | 179.00 | 261.00 | 271.00 | 275.00 | 260.00 | 250.00 |
| ENERGY | | | | | | |
| Ethanol, IA, gallon | 1.66 | 1.65 | 1.65 | — | — | — |
| Farm diesel, U.S., gallon | 3.16 | 3.13 | 3.11 | 3.12 | 3.08 | 2.95 |

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

EPA proposal muddies biofuels policy waters

By Pro Farmer editors

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Biofuels supporters were on a roll, and still might be, but a proposed deregulation at the Environmental Protection Agency (EPA) threatens to hinder some programs. EPA Administrator Lee Zeldin recently proposed rescinding the endangerment finding, which is an Obama-era determination that led to, according to EPA, “over \$1 trillion in regulations, including the Biden-Harris administration’s electric vehicle (EV) mandate.”

Define “Endangerment Finding”

Congress directed EPA under Section 202(a) of the Clean Air Act to set emission standards for new motor vehicles and engines in 2009. Simply, EPA was told to determine which emissions from any class of vehicle pollute the air and endanger public health or welfare.

That’s when carbon became a pollutant. It’s unlikely anyone had the foresight to see what it would lead to under the Biden administration. Rules and regulations on everything from the internal combustion engine to gas stoves were floated to the American public.

Some regulations were quickly enacted. Diesel Exhaust Fluid (DEF) technology on tractors, heavy trucks and diesel pickups is probably the best-known example.

The rescission proposal

“With this proposal, the Trump EPA is proposing to end 16 years of uncertainty for automakers and American consumers. In our work so far, many stakeholders have told me that the Obama and Biden EPA’s twisted the law, ignored precedent and warped science to achieve their preferred ends and stick American families with hundreds of billions of dollars in hidden taxes every single year. We heard loud and clear the concern that EPA’s GHG emissions standards themselves, not carbon dioxide which the finding never assessed independently, was the real threat to Americans’ livelihoods. If finalized, rescinding the Endangerment Finding and resulting regulations would end \$1 trillion or more in hidden taxes on American businesses and families,” Zeldin says. “If finalized, the proposal would repeal all greenhouse gas standards for light-, medium- and heavy-duty vehicles and heavy-duty engines, thereby reinstating consumer choice while decreasing the cost of living on all products that trucks deliver.”

Details are lacking, but this certainly implies technology like DEF emissions systems would become optional.

A sneak attack?

Opposition to this deregulation accused Zeldin of “back room deal-making” and a “sneak attack on the Clean Air Act.” However, on March 12, EPA announced a formal reconsideration of the Endangerment Finding. That’s hardly a sneak attack, and if there is any deal-making, it’s difficult to spot.

Potential impact on low carbon fuels programs

“This is a potentially a very big deal. It would kind of kneecap 45Z. If EPA were to classify carbon as a non-greenhouse gas, you would not be able to sequester it and monetize it,” says Jordan Fife, president of trading at BioUrja Group. “It’s not just the [CO₂] pipelines. It’s the actual down-well sequestration. All of that becomes null-and-void if carbon is not classified as a greenhouse gas.”

The 45Z incentive was just extended to 2029 in the One Big Beautiful Bill Act, and it seems unlikely rescission of the Endangerment Finding would unwind that process.

“I have a feeling this was more of a trial balloon,” Fife says. “The ‘Chuck Grassleys’ of the world and the rest of the ag senators and congressmen will say, ‘Whoa, whoa, whoa, what are we doing here?’ and find a way to thread the needle and satisfy both parties.”

If the Endangerment Finding rescission is finalized, it should not have an impact on the Renewable Fuels Standard (RFS) and the associated Renewable Volume Obligations (RVOs). The RFS predates the Endangerment Finding, and ethanol’s first role was to replace MTBE as an oxygenate under reformulated gasoline regulations. However, this is a murky area that needs clarification and that will come later with details.

What’s next

EPA will initiate a public comment period to solicit input from stakeholders. Further information regarding the comment process will be published in the Federal Register and on the EPA website.

If rescinded, it is also important that it will not likely prevent state-level low-carbon fuels standards like already in place in California and a few other states.

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Farm Journal CEO, Prescott Shibles

CATTLE - Fundamental Analysis

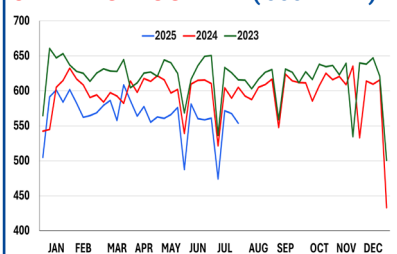
An extended pullback certainly was not in the cards for cattle last week. Another week of record cash trade, coupled with solid technical and fundamental support continued to drive fats and feeders to fresh all-time highs. While seasonality indicates a correction may be looming, strong price action continues to suggest bulls intend to drive prices higher in the near term. Meanwhile, wholesale values should continue to improve as retailers build inventories for Labor Day features. Negative packer margins should ease up a bit as a result, with light slaughter levels providing leverage amid supply constraints.

Position Monitor

| Game Plan: | Feds Feeders | |
|-------------|--------------|----|
| Summer | III'25 | 0% |
| live cattle | IV'25 | 0% |
| futures re- | I'26 | 0% |
| | II'26 | 0% |

main at discounts to the cash market. Any hedging should be done by buying put options.

CATTLE SLAUGHTER ('000 HEAD)



DAILY AUGUST LIVE CATTLE



HOGS - Fundamental Analysis

Hogs continued to climb from the mid-July low last week, and gained a technical edge, with futures pushing to a five-and-a-half week high despite fading cash fundamentals. A seemingly unstoppable cattle market continued to lend strong support to hogs. That trend could linger into Labor Day as retailers secure purchases for the upcoming holiday, though seasonality indicates a correction could be ahead. Moreover, strong discounts in deferred futures send a bearish tone, as the marketplace ponders the possibility of an expanding U.S. hog herd, amid a potentially large corn crop, along with less export demand from China.

Position Monitor

| Game Plan: | Lean Hogs | |
|----------------------|-----------|----|
| Carry | III'25 | 0% |
| all risk in the cash | IV'25 | 0% |
| market. Summer | I'26 | 0% |
| hog futures have | II'26 | 0% |

erased premiums to the cash index, so hedging in a "hole" is not currently attractive.

HOG SLAUGHTER ('000 HEAD)



DAILY AUGUST LEAN HOGS



FEED

Feed Monitor

Corn

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

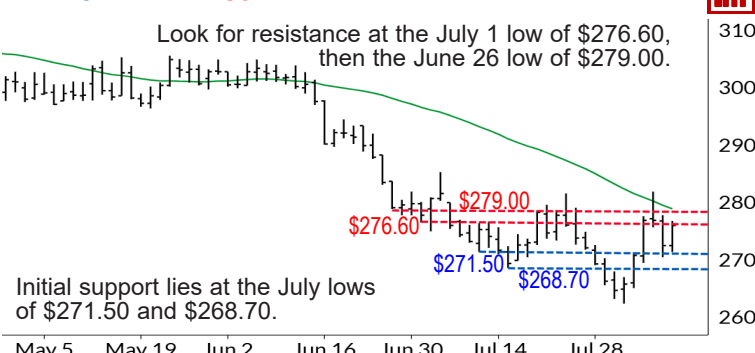
Corn Game Plan: You should have all corn-for-feed needs covered through October. Be prepared to make additional purchases amid evidence of a confirmed low.

Meal

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

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

DAILY SEPTEMBER SOYBEAN MEAL

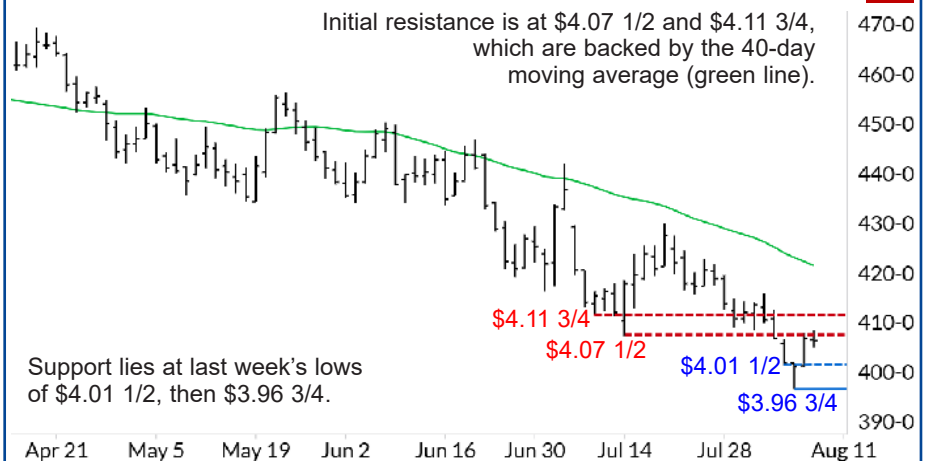


Position Monitor

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

Game Plan: Wait on a price rebound to extend sales. However, with less than a month left in the old-crop marketing year and 30% of the crop unsold, any uptick in price should be viewed as a selling opportunity. We expect to make a series of year-ending sales rather than one final sale. We can be more patient on new-crop sales with prices near contract lows.

DAILY DECEMBER CORN



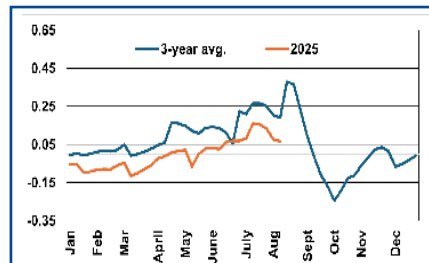
DAILY SEPTEMBER CORN



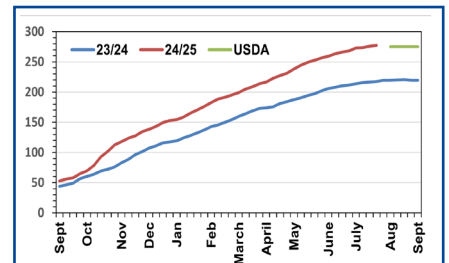
CORN - Fundamental Analysis

A reach to new contract lows spurred short-covering strength from technically oversold territory as the week progressed. Traders have seemingly baked in a heap of bearishness as the marketplace continues to muse about a record crop. USDA is likely to bump its new-crop yield estimate, though to what extent is the \$15 billion question. Meanwhile, demand continues to prove solid, with 2025-26 export sales now more than double year-ago at this time. Moreover, old-crop exports are also on pace to top USDA's current peg of 2.75 billion bushels. Look for a quiet tone ahead of USDA's WASDE update Tuesday, Aug. 12.

AVERAGE CORN BASIS (SEPT.)



CORN EXPORT BOOKINGS (MMT)



Position Monitor

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

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

DAILY DECEMBER SRW WHEAT



WHEAT - Fundamental Analysis

SRW — December futures posted a 91¢ selloff from the mid-June high to last week's contract low. Unsurprisingly, this, along with strong export sales data, spurred some short-covering, though technical pressure continued to limit momentum. Trade uncertainty also lingers, keeping buyers at bay.

Position Monitor

| | '24 crop | '25 crop |
|-----------------------|----------|----------|
| Cash-only: | 65% | 10% |
| Hedgers (cash sales): | 65% | 10% |
| Futures/Options | 0% | 0% |

Game Plan: Wait to get current with advised sales. Additional sales will wait for an extended price recovery. We would also likely make additional new-crop sales at the same time. Given the trade uncertainty and favorable weather pattern thus far, price rallies should be used to advance sales, especially for old-crop, as the new crop year quickly approaches.

DAILY NOVEMBER SOYBEANS

Resistance is layered at \$10.01 1/2 and \$10.12 1/2.



DAILY JANUARY SOYBEANS

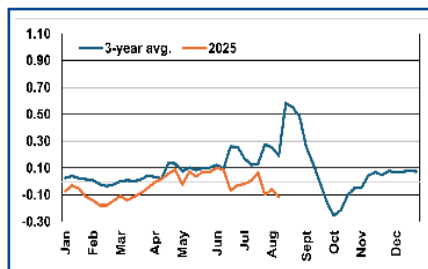
Resistance stands at the March lows of \$10.18 1/4 and \$10.27 1/4.



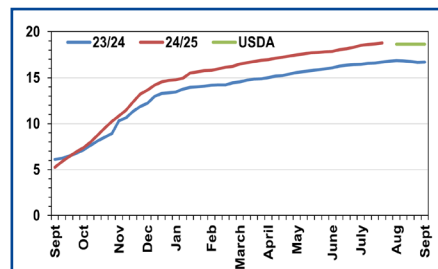
SOYBEANS - Fundamental Analysis

Soybeans remained technically strapped after posting for-the-move lows last week, while the marketplace continues to anxiously await new-crop purchases from China. However, some short-covering was featured after notable weekly export sales data was released by USDA. Weekly soybean inspections were also strong, reaching the highest level in four months. Meanwhile, crop conditions remained mostly steady, though storms across South Dakota and Minnesota may have had an impact on the crop, though the extent is unknown. Heat has also returned to much of the Midwest, which isn't ideal during the most crucial growth phase for the soybean crop.

AVERAGE SOYBEAN BASIS (NOV.)



SOYBEAN EXPORT BOOKINGS (MMT)



DAILY DECEMBER HRW WHEAT

Resistance is at \$5.44.

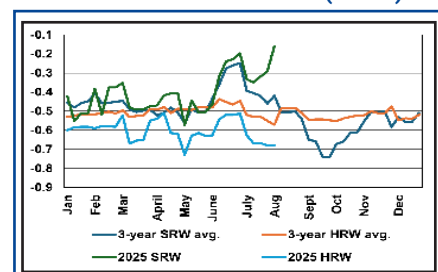


DAILY SEPTEMBER HRS WHEAT

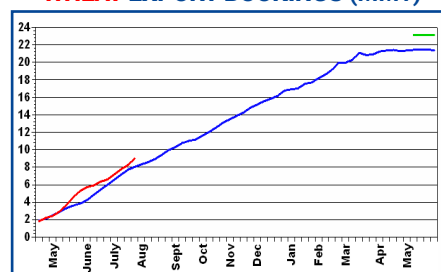
Resistance is at \$5.76 3/4.



AVERAGE WHEAT BASIS (SEPT.)



WHEAT EXPORT BOOKINGS (MMT)



HRW — A push to new contract lows combined with U.S. dollar weakness led to short-covering gains in HRW last week. While the technical posture improved slightly, strong resistance and a push into overbought territory will likely curb an extension higher in the near-term. However, we wouldn't be surprised if bargain buyers start to surface.

HRS — An immediate bounce from contract lows last week lent promise, though a catalyst will likely be required to spur extended short-covering. USDA's weekly condition ratings continued to slide, with recent storms across the northern Plains likely limiting potential for an improvement as harvest nears.

Position Monitor

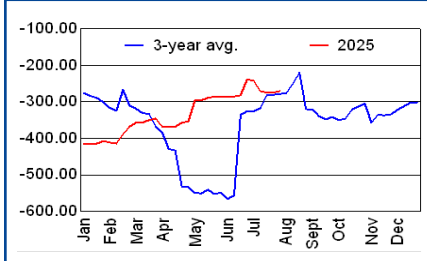
| | '24 crop | '25 crop |
|-----------------------|----------|----------|
| Cash-only: | 100% | 0% |
| Hedgers (cash sales): | 100% | 0% |
| Futures/Options | 0% | 0% |

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

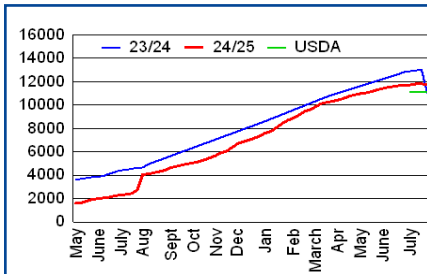
COTTON - Fundamental Analysis

Cotton inched higher last week, though it continued to face technical headwinds. Demand for the natural fiber continues to prove lackluster as robust interest rates crimp disposable incomes and ongoing trade tensions continue to curb export demand.

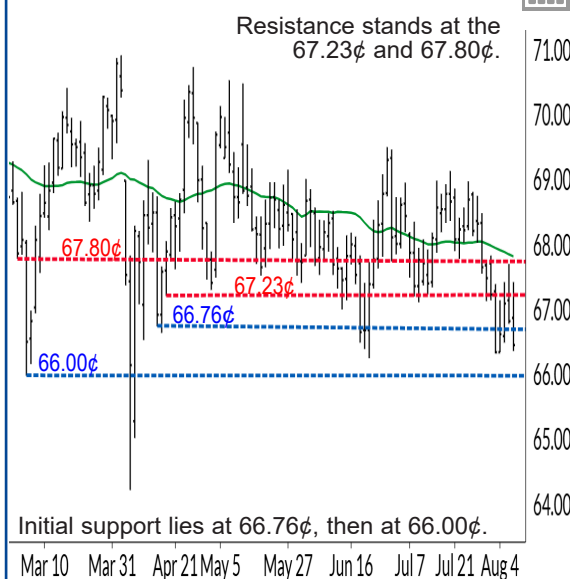
AVERAGE COTTON BASIS (OCTOBER)



COTTON EXPORT BOOKINGS ('000 BALES)



DAILY DECEMBER COTTON



GENERAL OUTLOOK

ENERGY: The Nymex crude oil futures market sold off last week following news that the OPEC-plus oil cartel was raising its collective crude oil production quota by 547,000 barrels per day.

In late July, crude oil prices hit a five-week high of \$70.51 a barrel. A weaker U.S. jobs report for July and some downbeat economic data coming out of China recently have somewhat

spooked the crude oil market bulls, on worries about decreased energy demand growth coming from the world's two largest economies in the coming months.

However, the U.S., China and other major global economies are not close to being in the throes of recession, which suggests the price downside for crude oil at present levels is likely to be limited.

DAILY SEPTEMBER CRUDE OIL FUTURES



FROM THE BULLPEN By Pro Farmer Editors

The growing disparity between corn prices and inputs has swelled to unprecedented levels in recent months as supplies remain unstable amid disrupted trade flows and logistic uncertainties. This is especially crucial as producers plan fall fertilizer applications and crop rotations for the 2026-27 growing season.

While for years conventional wisdom has said fertilizer prices follow corn futures, that has not been the case in recent months. December '26 corn futures and November '26 beans have each fallen around 40 cents from highs carved in June, while a barge of DAP traded \$820 on July 30, which put the DAP/corn ratio at an all time high of 184, according to Josh Linville, vice president of fertilizer at

StoneX. Meanwhile, Urea and UAN have also held an elevated tone as U.S. production relies heavily on imports of these products.

In high fertilizer price environments, producers tend to cut potash then phosphate but rarely reduce nitrogen applications. Phosphates have been overpriced for going on two years now, with producers likely opting to save money on phosphates to keep nitrogen. The current corn/soybean ratio favors corn acres currently for the 2026-27 crop.

Persistent trade woes will likely continue to set the tone for volatility as the calendar inches toward a new year and production decisions are made beyond 2025-26.

WATCH LIST

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| 1 | USDA Crop Progress Report Corn conditions stay strong. | MON 8/11 3:00 p.m. CT |
| 2 | USDA Crop Production Yield changes are likely. | TUES 8/12 11:00 a.m. CT |
| 3 | USDA WASDE Balance sheet update. | TUES 8/12 11:00 a.m. CT |
| 4 | Weekly Export Sales New-crop soybean sales a focus. | THUR 8/14 7:30 a.m. CT |
| 5 | NOPA Crush July soybean crush data. | FRI 8/15 11:00 a.m. CT |

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