

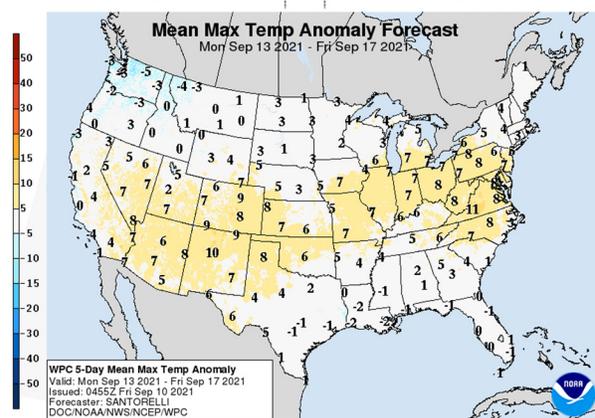
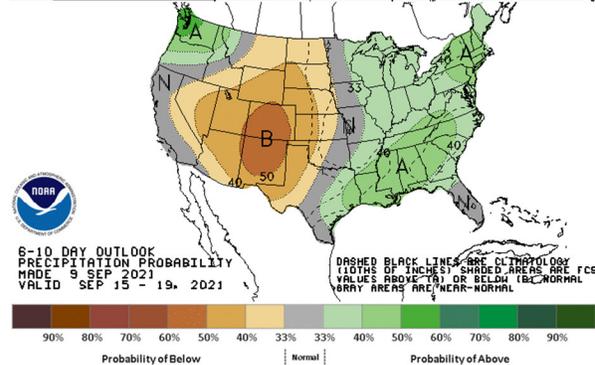
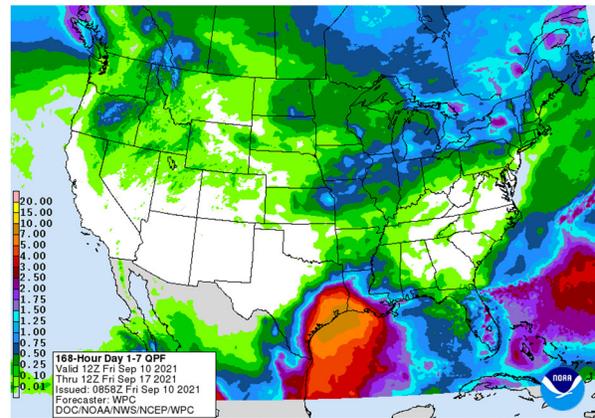
Weather

No real changes to the forecast this morning. The map at the right shows the 7-day QPF. The majority of the rainfall shown in the Corn Belt will come on Mon/Tues of next week. Aside from that activity, the Corn Belt is looking mostly dry for much of the next several days. At the tail end of the 7-day period we should start to see rainfall chances increase for the Delta and southeastern Corn Belt again, and this map should look a little wetter when it is rereleased later this morning. While the forecast calls for an uptick in rainfall for the Week 2 period, it still isn't a truly "wet" forecast for the Corn Belt. Temps should continue to average mostly above normal across the US, with the hottest weather (relative to normal) seen in the western US.

Crops

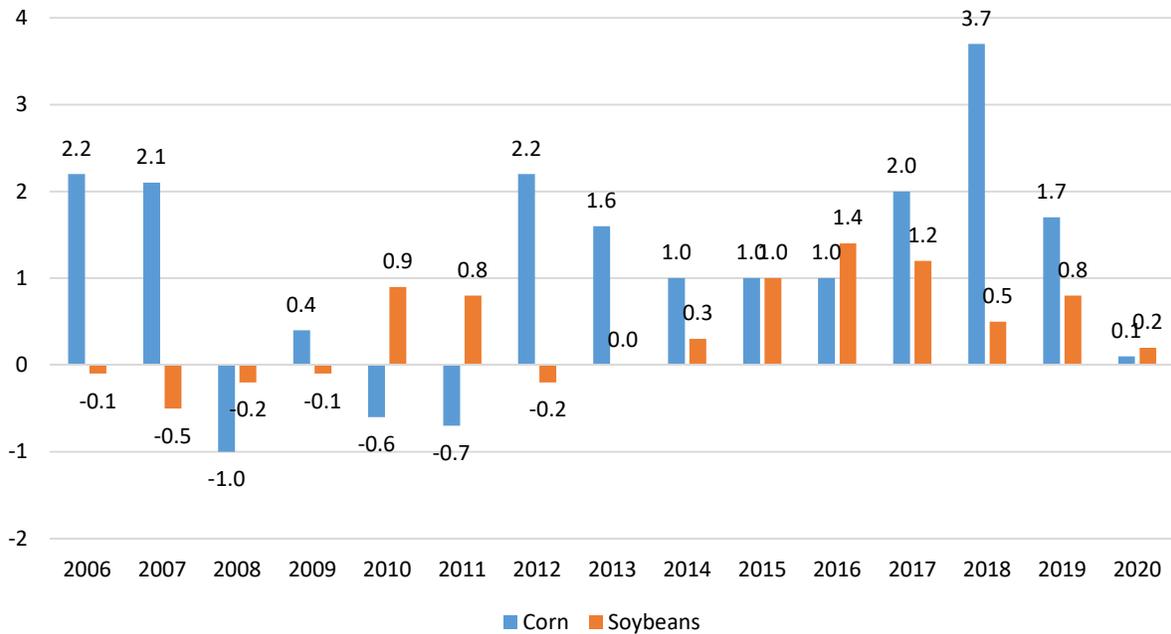
The Crop Production and WASDE reports are due today. I've spent the past several days going over expectations, so no need to rehash all of that. Just a few quick bullet points:

- Remember no changes to US wheat production today. That will be handled in the month-end Small Grains Summary. There will be changes to world production levels, however. It seems like we could see reductions in Canadian and maybe EU production. At the same time, increases are likely for Russia and Australia.
- The accidentally released FSA acreage numbers support consensus expectations for an increase to corn area today. The numbers are a bit more fuzzy for soybeans, with some calling for an unchanged figure while others (myself included) looking for a minor increase.
- With the added area I think is possible, I think one key risk for today's report is that corn ending stocks could turn out larger than expected. Famous last words....



Good luck today. For reference here is a rundown of the recent history of NASS corn and soybean yields vs. the average guess heading into the Sep report. You can plainly see there is a pretty solid tendency in recent years for the NASS yield to come in larger than expected.

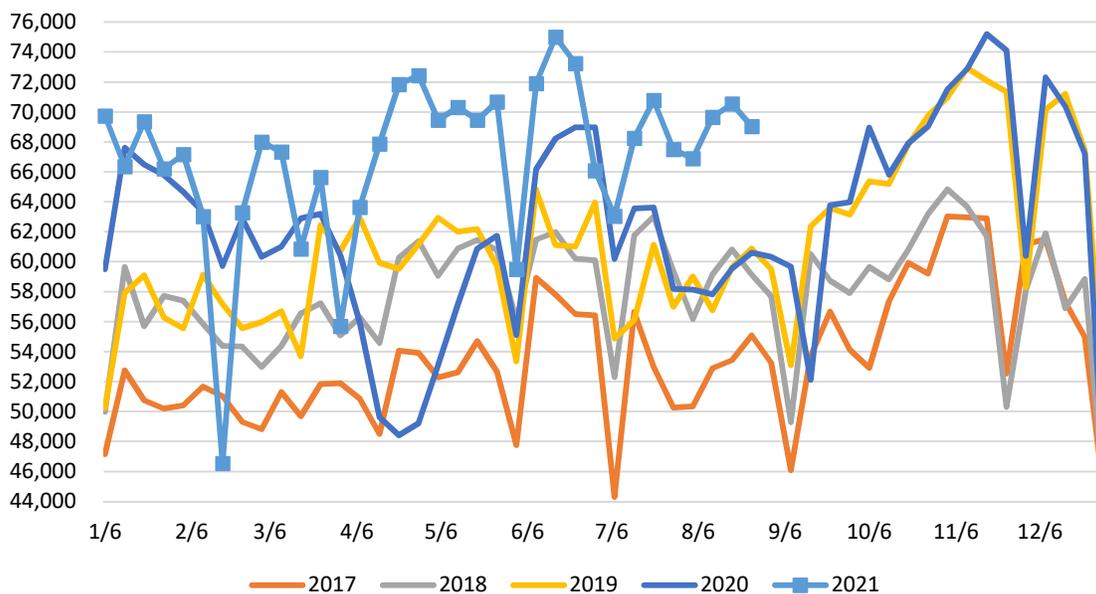
Actual September NASS Yield Estimate vs. Average Guess



Livestock

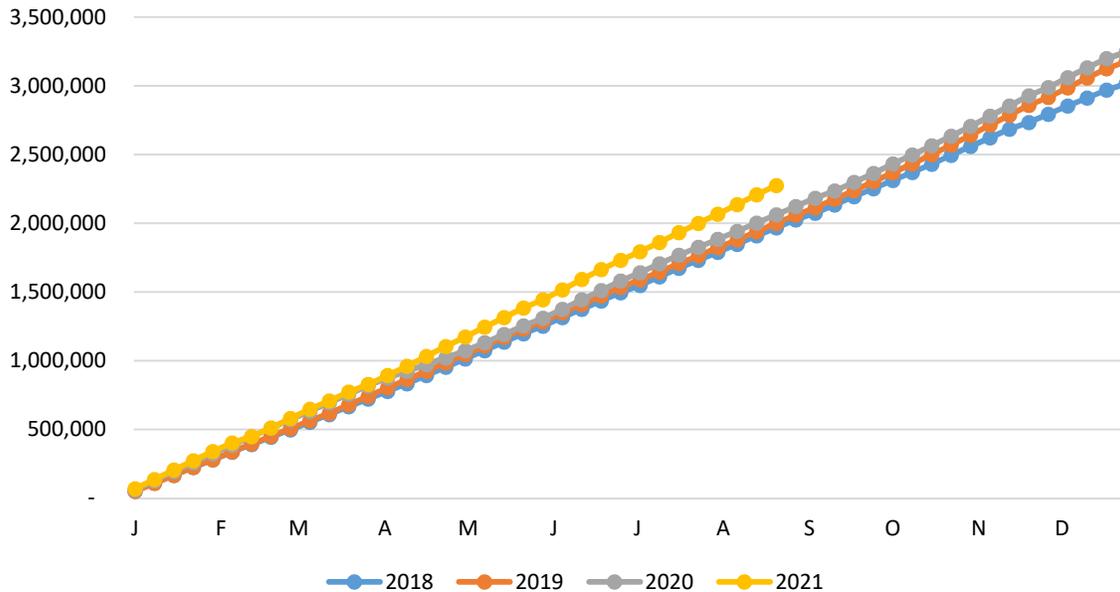
Something we haven't mentioned in a while...but no change in the trend. Beef cow kill continues to run at a very strong clip. Obviously we're not yet to the seasonal "hot spot" either, so it'll be interesting to see what happens at that time.

Total FI Non-Dairy Cow Slaughter



The YTD pace of the beef cow kill is really starting to pull away from recent years. So far YTD the beef cow kill is about 150k or 7% higher than at this point last year.

YTD Cumulative Non-Dairy Cow Kill



Financials

Just a quick observation. Unless something dramatic happens today, this week will be the first time in a long time that we have not posted a new high in the S&P. The chart below looks at the SPX on a weekly basis this year. The recent streak started the week-ending 6/11 and through last week we marked 13 straight weeks where the index posted a new all-time high. We will fall short of a new high this week.



Not much new to report this morning. Biden calling for vaccine mandates will certainly get people fired up and angry, but Supreme Court precedent is clearly on the side of mandates. The WH is reporting that Biden and Chinese President Xi talked yesterday, but it doesn't sound like the call amounted to much.

Energy

I stumbled across the following chart on Twitter yesterday and thought it would be worth a share. It doesn't require much commentary. This is showing global oil consumption going back several years. The idea here is that global oil consumption has still not yet recovered pre-pandemic levels, but it also isn't too far off either. Clearly global oil production remains further below its pre-pandemic baseline than production, which of course is illustrated in ongoing global oil inventory drawdowns.

Today's Calendar (all times Central)

- Export Sales – 7:30am
- WASDE & Crop Production – 11:00am

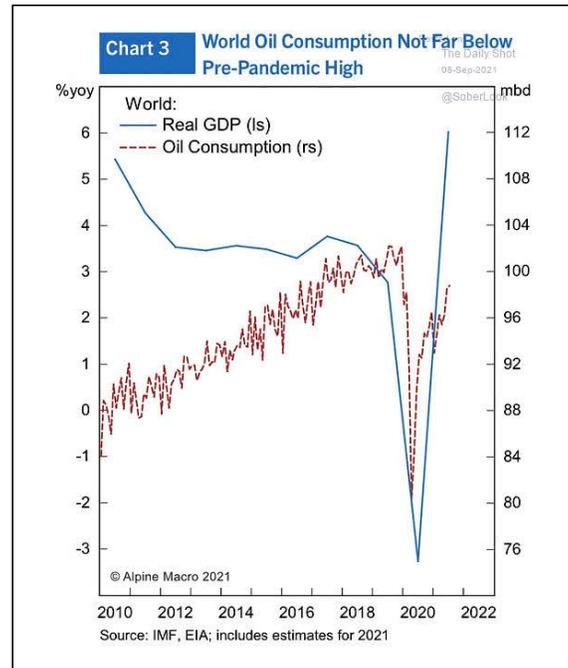
Thanks for reading.

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