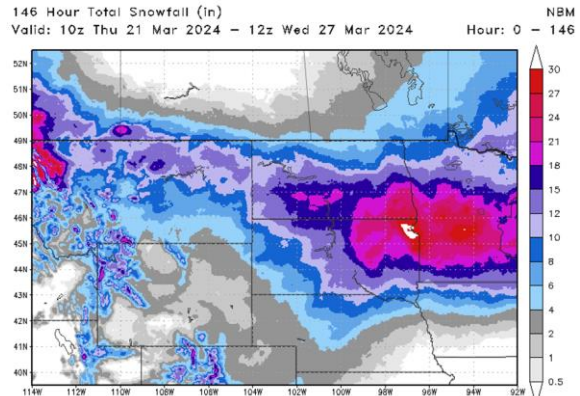


Weather

Winter weather advisories are posted through tomorrow for sizable sections of the northern Plains and for the north-central Corn Belt as snowfall amounts of 2-6+ inches are forecast for that area. The bigger story remains a storm that will begin on Saturday and last through as late as late as Tuesday, bringing MUCH heavier snow amounts with winds undoubtedly strong enough to create a lengthy period of blizzard conditions. The map shown is from the National Blend of Models, and it is total snowfall from today through 7 AM CDT on March 27. The model shows a HUGE swath of snowfall amounts of more than a foot in the Dakotas and Minnesota. There is a small area in northeastern South Dakota where it suggests snowfall accumulations of over 30". The snow is going to create all sorts of travel problems and will be a burden on livestock, but at the same time it is INCREDIBLY beneficial moisture for an area that is currently in the midst of a notable drought. Additional storms in the middle of the country are forecast for March 28-29 and again starting around April 1. Further "dents" will be made in the western Corn Belt drought in Week Two, and temperatures even then may be cold enough to keep much of the precipitation falling as snow in the northern Plains and/or northern Corn Belt.



The current 15-day forecast for northern safrinha corn areas of Brazil is as wet as you will ever see for this time of year, but it is not as wet as is needed for more southern safrinha corn areas. Rio Grande do Sul southward into Argentina will start into a lengthy period of very beneficial dry weather starting later today (those areas have been wet/very wet as of late).

Crops

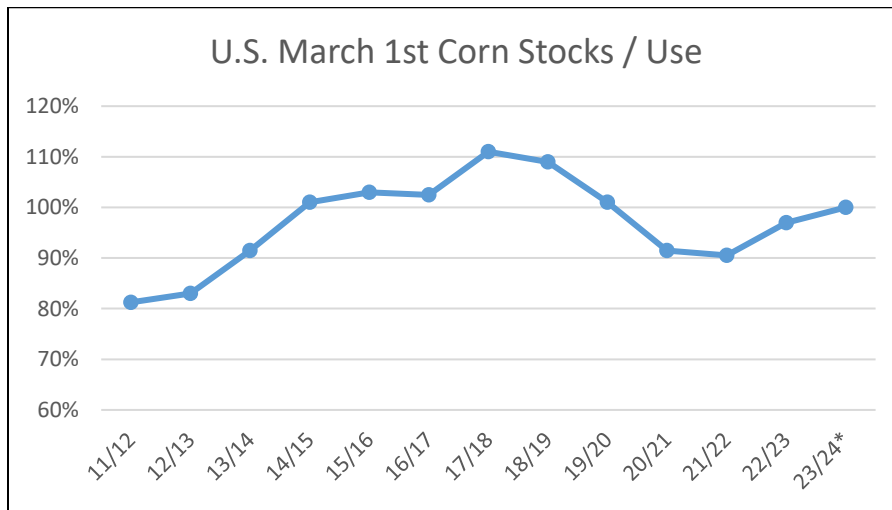
USDA's grain stocks report will be released on March 28th. In anticipation of the report, please see the below U.S. corn stocks estimate which forecasts March 1 U.S. ending stocks to be 8.4bn bu. This represents a 13.5% increase YoY and is the largest since 2019. Increased March 1 ending stocks are a function of last year's record corn production.

2023/2024 March 1 Stocks Estimate									
Crop Year	Dec 1 Stock	Imports	Total Supply	Food / Industrial	Feed / Residual	Exports	Total Use	March 1 Stocks	
11/12	9,647	4	9,651	1,640	1,543	444	3,627	6,024	
12/13	8,033	48	8,081	1,435	1,082	163	2,680	5,401	
13/14	10,453	7	10,460	1,602	1,459	390	3,451	7,009	
14/15	11,211	6	11,217	1,622	1,441	405	3,468	7,749	
15/16	11,235	18	11,253	1,655	1,435	340	3,430	7,823	
16/17	12,386	12	12,398	1,711	1,528	537	3,776	8,622	
17/18	12,567	9	12,576	1,739	1,497	447	3,683	8,893	
18/19	11,937	9	11,946	1,642	1,193	498	3,333	8,613	
19/20	11,327	9	11,336	1,711	1,319	355	3,385	7,951	
20/21	11,294	5	11,299	1,513	1,429	661	3,603	7,696	
21/22	11,631	7	11,638	1,689	1,534	664	3,881	7,757	
22/23	10,813	6	10,819	1,588	1,436	399	3,423	7,396	
23/24*	12,169	6	12,175	1,700	1,510	565	3,775	8,400	

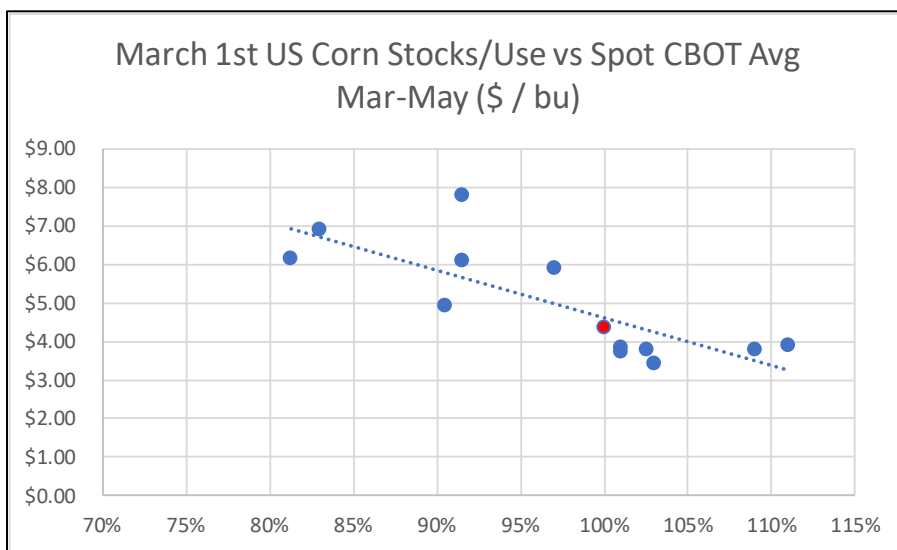
Note (): Denotes estimates*

Excess march 1 stock will provide a buffer against potential South American corn production declines and reduced U.S. seedings. Initial seeding estimates call for a 1.5-2mm reduction to U.S. corn acreage. This would likely be viewed as bearish by the marketplace due to high March 1 stocks.

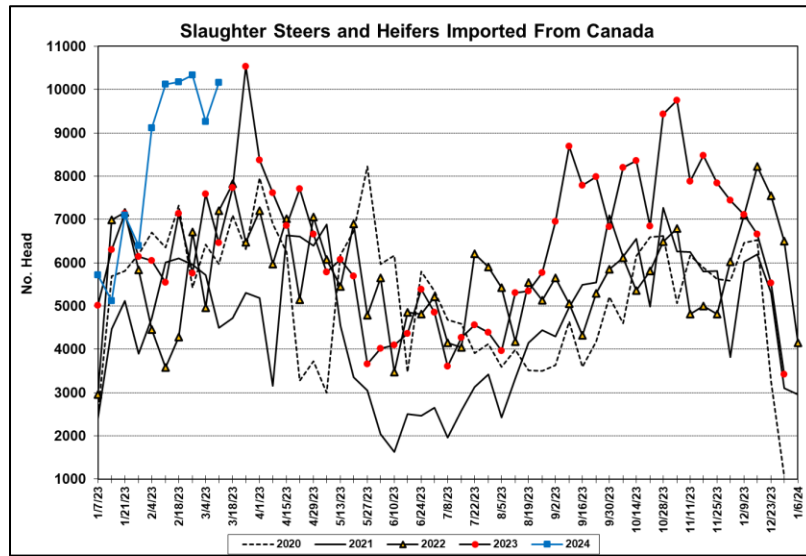
Relative to recent history, corn stocks are high but lower than crop years 2016/17 and 2017/18. March 1 stocks were 8.6 and 8.9 bn bu in 16/17 and 17/18, respectively. Relative to last year, the improvement in usage from exports and industrial has been important since last year's harvest.



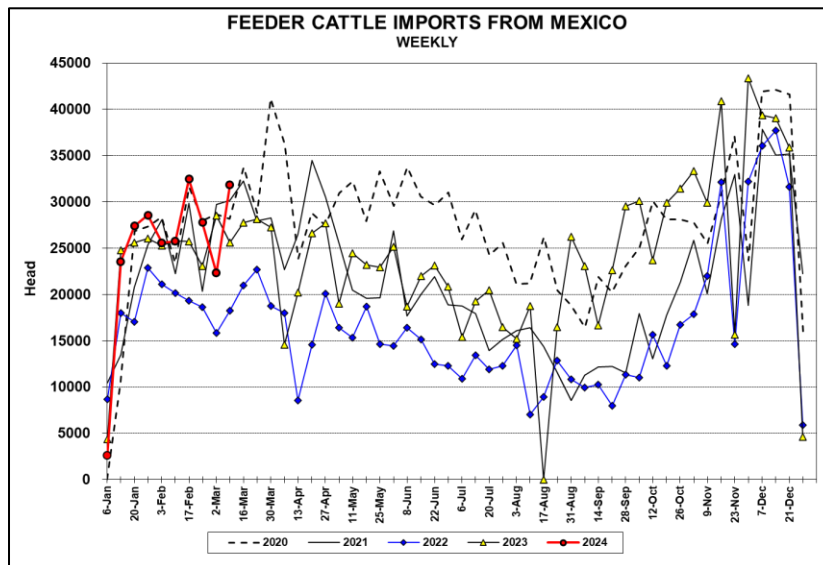
The graphic below displays the correlation between March 1st US corn stock/use, and the spot CBOT's average prices between March and May. May CBOT prices at \$4.30-\$4.45 align with the projected stocks and stock/use signifying that the May corn is fairly priced assuming the large March 1 stocks.



Fed cattle imports from Canada have ranged around 9-10,000 head per week during recent weeks, compared to 6-7,000 last year. The additional 3,500 head per week added to fed cattle slaughter during February doesn't necessarily change overall fed beef production by very much. But, the additional head may have some implications for fed cattle marketings on Friday's Cattle on Feed report. Fed cattle slaughter during February was about 104% of a year earlier, leading to a similar increase in trade expectations for February feedlot marketings. But, 3,500 head per week or around 14,000 head over four weeks did not originate from U.S. feedyards, suggesting that February feedlot marketings could be smaller than the average trade guess.



Feeder cattle imports from Mexico during 2023 added around 376,000 head to U.S. feeder cattle supplies, ultimately adding to feedlot placements and fed cattle supplies. Through early March, imports are similar to the elevated volumes of last year, but significantly larger than 2022.



Today's Calendar (all times Central)

- Export sales – 7:30am
- Initial jobless claims – 7:30am
- Philadelphia fed manufacturing index – 7:30am
- Manufacturing / services PMI – 8:45am
- Existing home sales – 9:00am

Thanks for reading.

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