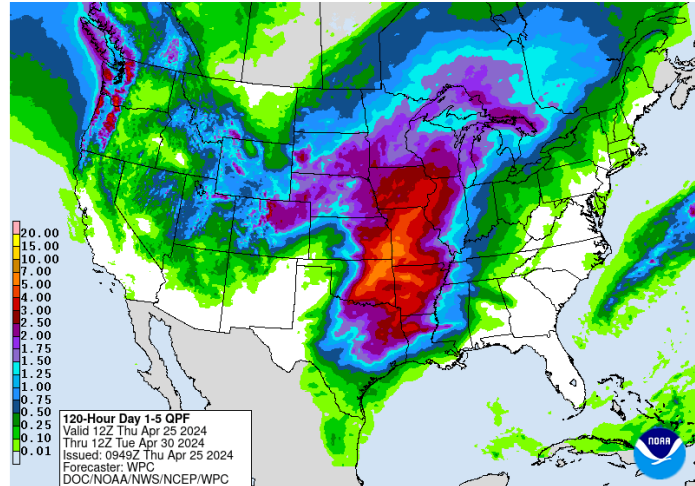


Weather

Fieldwork continues to progress in the Corn Belt right now, and note that Ohio and southeastern Indiana are not looking at much rain through the end of the weekend (and are never looking at “heavy” rain at any point). Fieldwork will get shut down by this time tomorrow in the western Corn Belt as rain spreads into that area for tonight. Two notable storms will impact the Corn Belt and nearby areas for tonight and through the weekend. It remains a situation where heavy rains have to be expected; certainly, shutting down fieldwork for a number of days, but at the same time providing tremendous long-term drought relief for an area that has had and varying severities of drought problems going all the way back to 2020.



Multiple threats of rain / thunderstorms are in the forecast for the HRW wheat belt over the next 15 days, including threats associated with an “enhanced” risk of severe weather over the next 24 hours and again for Saturday. It will take time, but there is still optimism that we can eventually get the bulk of the area the type of rain that it so badly needs.

Below-normal rainfall will dominate safrinha corn areas of Brazil over the next 15 days, and the pattern clearly does not look wet for the ongoing corn / soybean harvest in Argentina. Where it does look wet in South America is the state of Rio Grande do Sul, where heavy rains will be a persistent feature over the next 15 days. That can impact the soybean harvest in that state; AgRural estimates that a little more than half of the soybean crop in RGDS was still left to be harvested as of April 19.

Grains

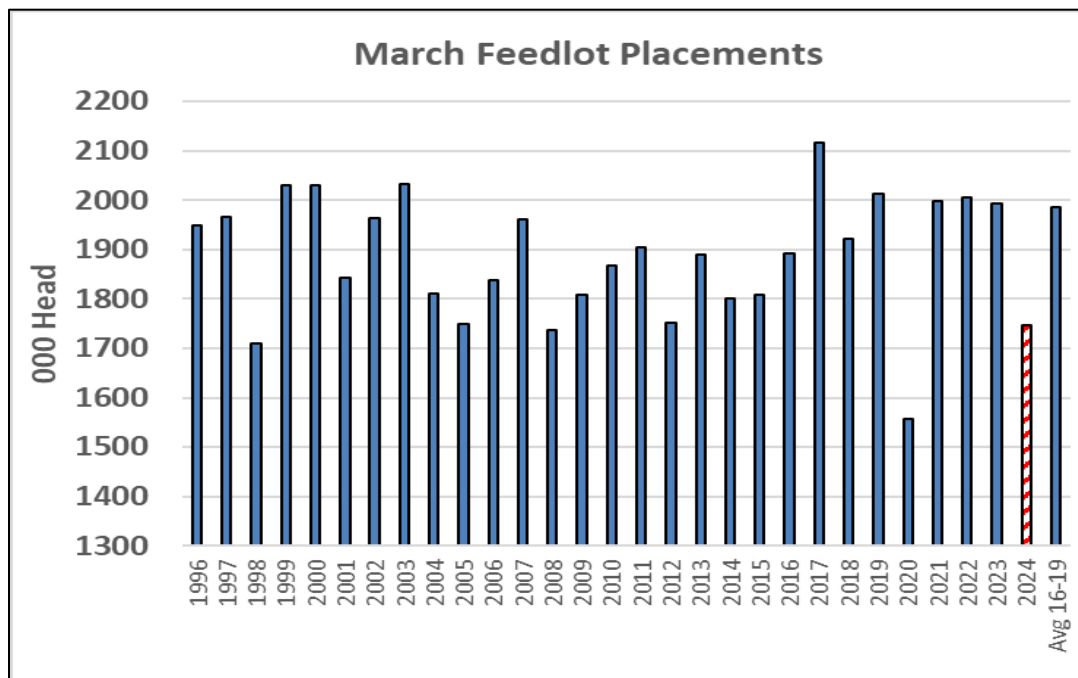
10-yr average front month corn seasonality price changes show that corn tends to gain from January through April and then sheds premium during the summer months once potential planting and weather concerns are alleviated. The 10-yr average shows that July is historically the worst performing month, declining an average of 8.83%. There has only been two months since 2014 where corn increased in July.

2024 has counter seasonally declined from January through April and mimics last year’s performance. In 2023, corn shed an average of 7.72% per month from May through August once poor condition concerns were resolved and once it became known that farmers added more acreage from March intentions.

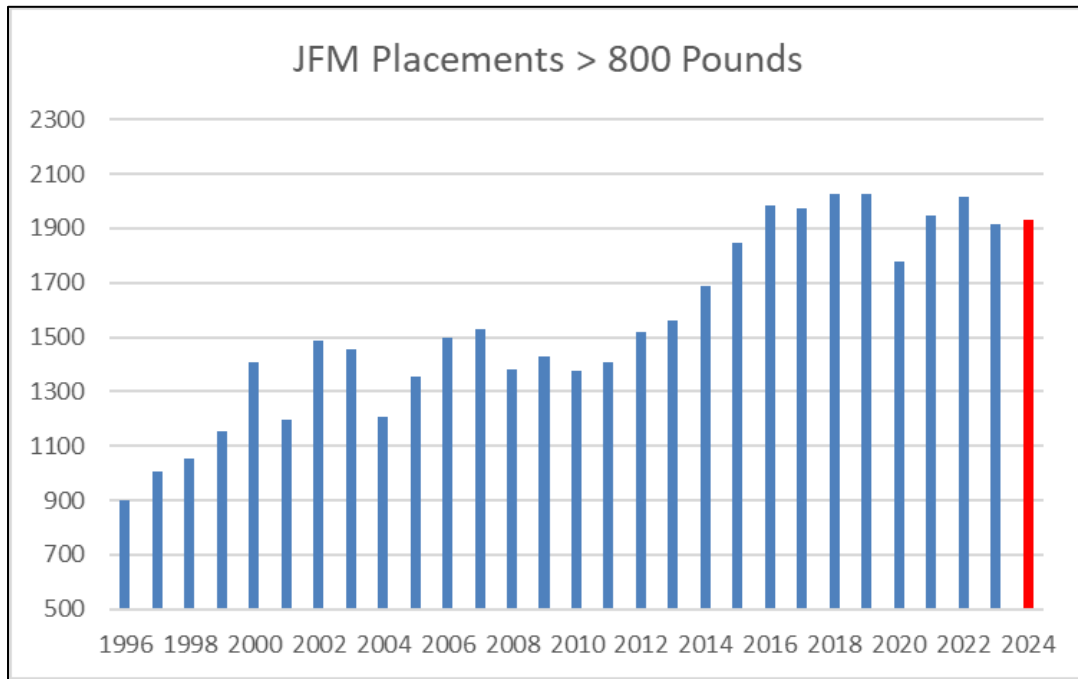
Corn 10-Yr Seasonality Price Changes (%)												
	January	February	March	April	May	June	July	August	September	October	November	December
10 Yr. High	13.02%	11.42%	9.73%	31.15%	20.88%	17.78%	6.28%	10.28%	11.69%	17.46%	5.33%	15.31%
10 Yr. Average	2.24%	0.78%	1.52%	3.65%	-0.47%	-1.00%	-8.83%	-2.65%	3.45%	3.47%	-1.76%	4.24%
10 Yr. Low	-6.80%	-7.39%	-7.03%	-8.58%	-11.25%	-11.37%	-24.03%	-10.56%	-10.65%	-2.67%	-5.07%	-1.71%
2024	-4.88%	-7.25%	6.31%	-1.24%								

Livestock

Smaller feedlot placements during March were widely anticipated and, compared to the pre-report estimate of an 8% decline, the actual decline exceeded expectations, plunging 12% below a year earlier and below the expected range of 5-11% lower. Those smaller headline placements garnered much of the attention—but, the absolute difference between the expectations and actual was about 95,000 head—certainly significant, but spread over a 30–60-day marketing window some of that significance is lost. In addition, most of the decline in placements was composed of cattle weighing less than 700 pounds. Those cattle were down over 16% and near record small—exceeded only the March 2020 pandemic debacle. At the other end of the weight spectrum, placements over 800 pounds declined a more moderate 7%. The decline in heavier weight placements still point to smaller late summer and fall fed cattle supplies, but more moderate than the headline number suggests.



Wide swings in monthly total placements have characterized recent months with January declining more than 7% followed by a catch-up 9% increase in February and March’s 12% decline. But, averaging across those monthly totals, JFM placements were about 4% smaller than last year. And, focusing more narrowly on placements over 800 pounds, JFM placements were actually 1% larger than last year; or placements over 700 pounds were only 2% smaller than last year—in either case, the implied change in fed cattle supplies later this year appear to be modest.



Today's Calendar (all times Central)

- Q1 GDP – 7:30am
- Initial Jobless Claims – 7:30am
- Retail Inventories – 7:30am

Thanks for reading.

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