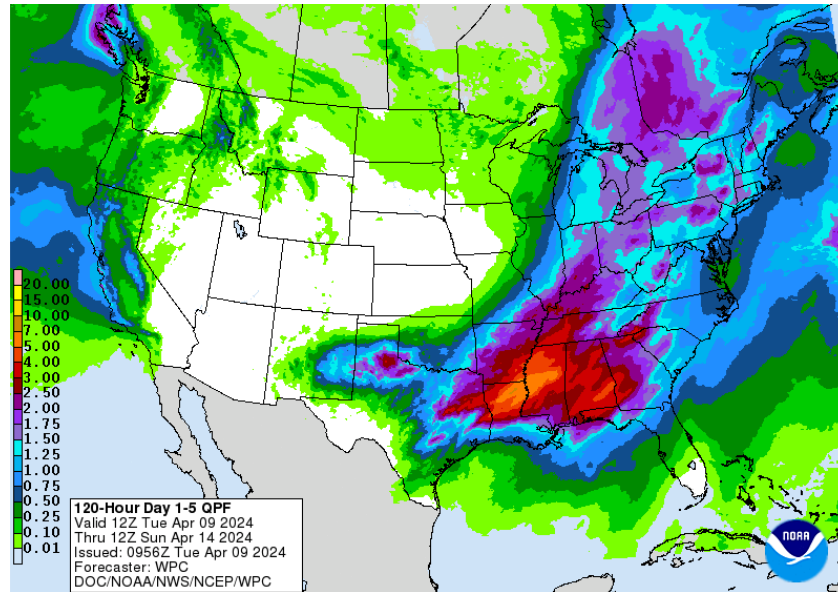


## Weather

Flood watches are currently posted for northeastern Texas eastward through central Alabama. Heavy rains are expected in that area (mostly falling over the next 48 hours). Rains will not be as big for the central / eastern Corn Belt, but will be heavy enough to halt any fieldwork currently going (the heaviest amounts will fall tomorrow / Thursday). Far southern parts of the HRW wheat belt are still forecast to see very welcome rains over the next 24 hours. The central / northern Plains and western Corn Belt are especially dry in the near term,

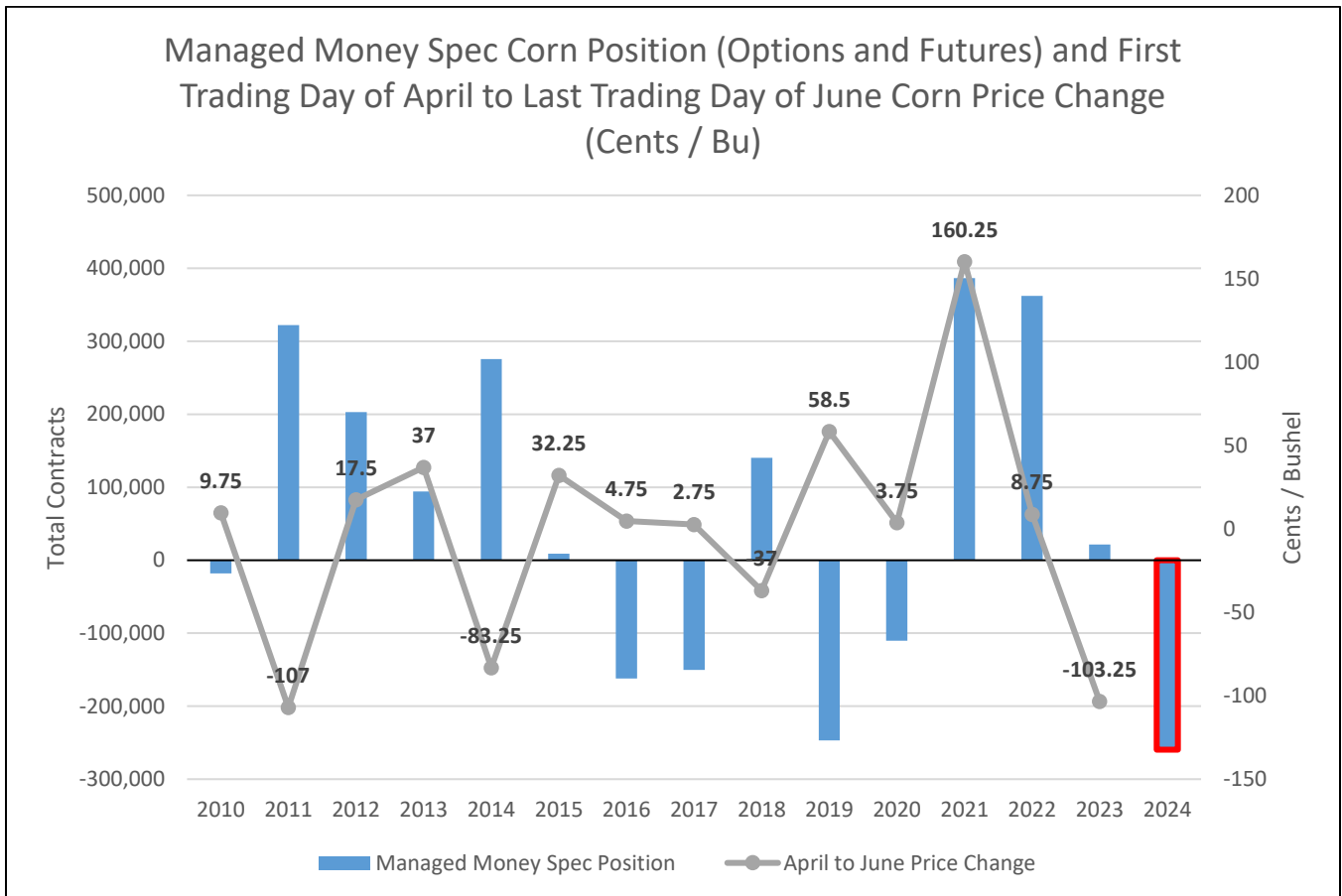


and in fact the dry weather there will extend one day beyond the period covered by the map on this page. With that in mind, look for unusually large amounts of fieldwork (relative to the time of year) to get done in those areas in the near term, especially with temperatures running above-normal (and looking especially warm for the weekend). Rains are forecast to return to the northern half of the Plains and into the western Corn Belt by next Monday night and for several days beyond that; likely enough to halt fieldwork, but any rainfall will be considered beneficial for an area that still has notable drought problems.

The 15-day forecast continues to feature above-normal rainfall for basically all major safrinha corn areas of Brazil. Conditions look wet enough in Rio Grande do Sul that we may start to hear complaints that the weather is impacting the soybean harvest in that state. Argentine corn and soybean areas will also see a round of heavy rainfall in the 6–10-day period.

## Grains

The managed money speculative net short corn position increased week over week, adding ~8k net short contracts bringing the total to ~260k contracts. Since 2010, there has never been a higher net short position in corn during the first week of April. Interestingly enough, 2019 had the second highest managed money net short position and the market rallied 90 cents in mid-June as shorts covered their position and went long ~185k contracts. 2011, 2014, and 2021 are other noteworthy years where other high managed money positions (either net long or short) produced dramatic price movements and increased volatility. 2024 could continue that pattern especially if there are planting or weather concerns.

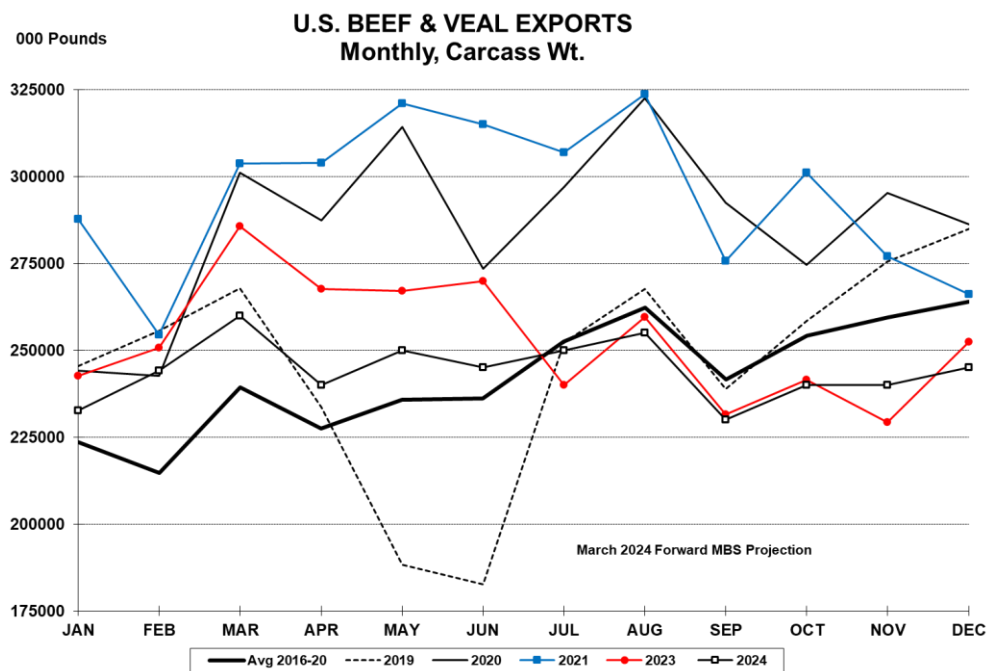


Spot gold extended its advance and logged another record high at ~2,365 / oz. Gold has rallied 18% since mid-February as Treasury yields have climbed to their highest level since November of 2023. A slew of economic data will be released this week including CPI (Wednesday) and PPI (Thursday) which should provide further clarity on inflation and potential rate cuts.

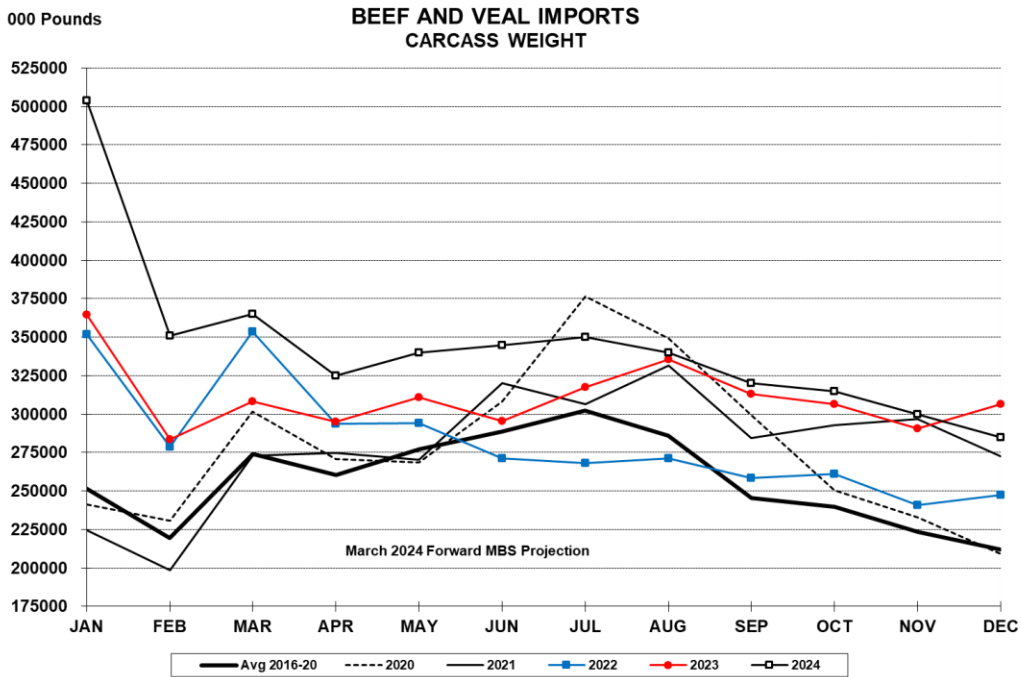


## Livestock

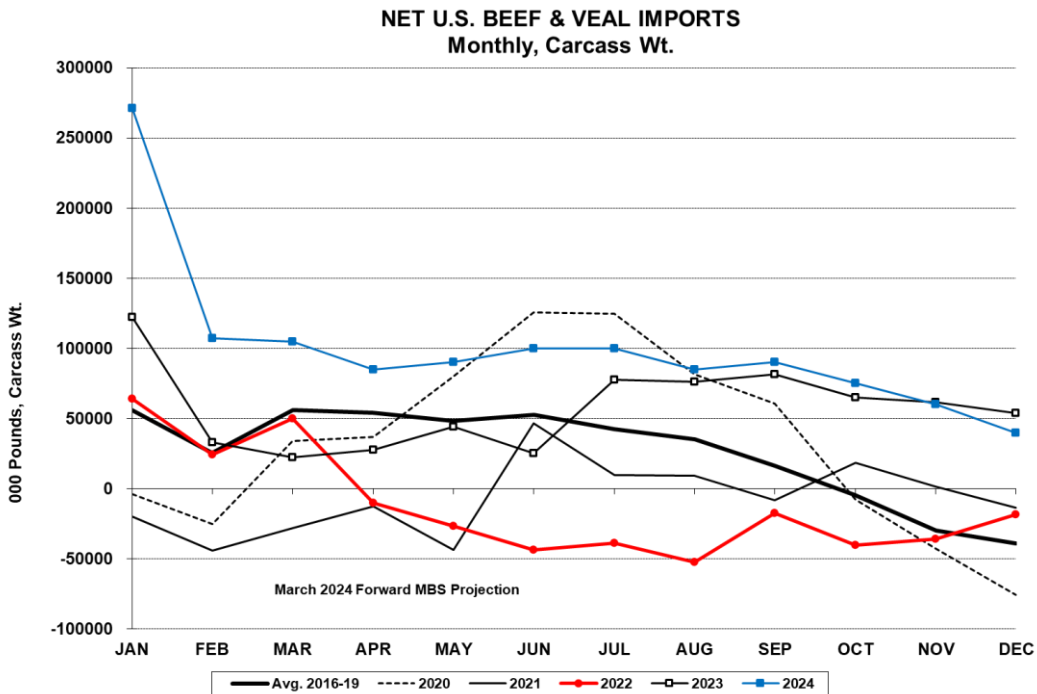
Following a slow start in January, beef exports moved seasonally higher during February, but remained about 3% below last year. Beef exports during 2023 dropped more than 14% below 2022, hampered by historically high prices, a strong dollar, and more intense competition from competing beef exporters such as Australia, Brazil, New Zealand, and Uruguay. Smaller February shipments were noted to major export destinations including Japan, South Korea, and China, but were partially offset by increases to Mexico and Canada. The export pace is expected to remain below last year and for the year may total near 2.9 bil pounds, around 4% smaller than 2023 and the smallest annual total since 2017.



Beef imports during February were nearly 24% higher than last year, but were much smaller than the massive total posted in January—much of that increase was related to Brazilian efforts to fill as much of the unallocated Other Country quota before competitors. Larger purchases were noted from all major suppliers, except Mexico. High US beef prices, coupled with a relatively strong dollar will remain a strong magnet, attracting interest from multiple sources. Imports are expected to remain elevated in the months ahead and may total near 4.1 bil pounds, a record volume and 10-12% larger than last year.



Larger net imports will continue to offset some of the decline in domestic beef production and may range around 100 mil pounds per month through mid-year. For the year, net imports may total near 1.2 bil pounds, up from nearly 700 mil pounds last year and the largest in nearly twenty years.



### Today's Calendar (all times Central)

- API weekly crude oil stocks– 3:30pm

Thanks for reading.

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