

Weather

Day 1-3 QPF from the Weather Prediction Center is shown on the right. Versus yesterday, the focus for the very heaviest rains in the Corn Belt has shifted northward, now looking to be centered over the IA/MN/WI/IL border area instead of IA/MO/IL. That rain will fall in two “waves.” Rainfall totals will be modest today then bigger amounts will fall for tomorrow night into Sunday. Northern Plains rains are mainly for today (especially early), while some of the rain shown for the Mid-South will fall in every day in this period.

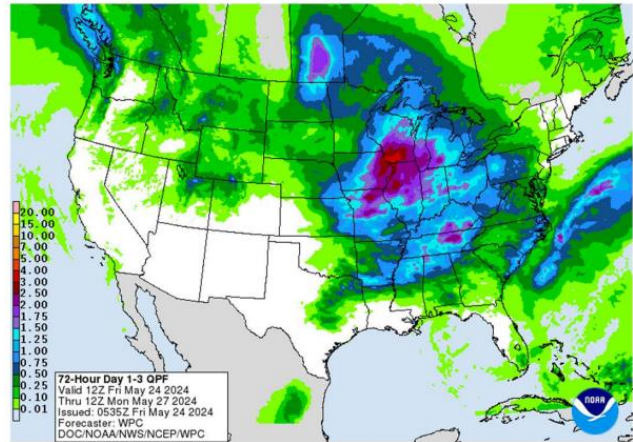
Day 4-5 and 6-7 QPF maps shows a downturn in rainfall in the middle of country and corn belt which should allow a good window for fieldwork and planting to get done. Note the increased rain chances in the southern Plains; starting late on Day 5 and continuing into Days 6-7 (May 29-30).

Grains

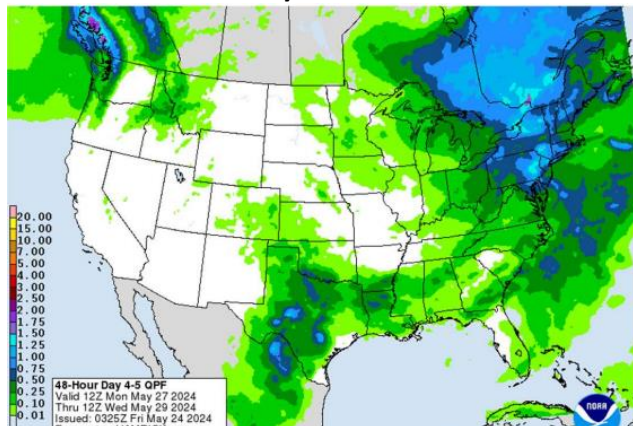
Just a quick scatter this morning. The chart on the next page plots end of May SX price close vs May WASDE New Crop beans stocks/use ratio. We are a few days early in reviewing this as the last official trading day of the month will be next Friday but I thought it was worth reviewing today. 2024 plots the price of SX at the time of writing.

The R² is surprisingly strong and suggests that 2024 is on the higher end of the value range right now given the initial new crop stocks/use ratio. Similar plotted data points in 2013 (green line in price chart on next page) and 2014 (purple line) show that price movements rose into the spring and broke into the summer on favorable weather/production.

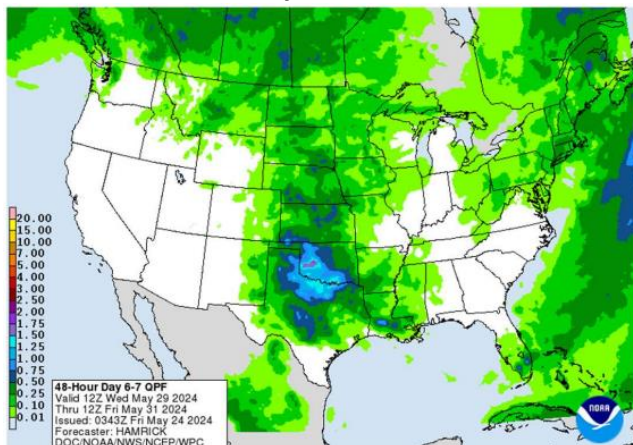
Day 1-3 QPF



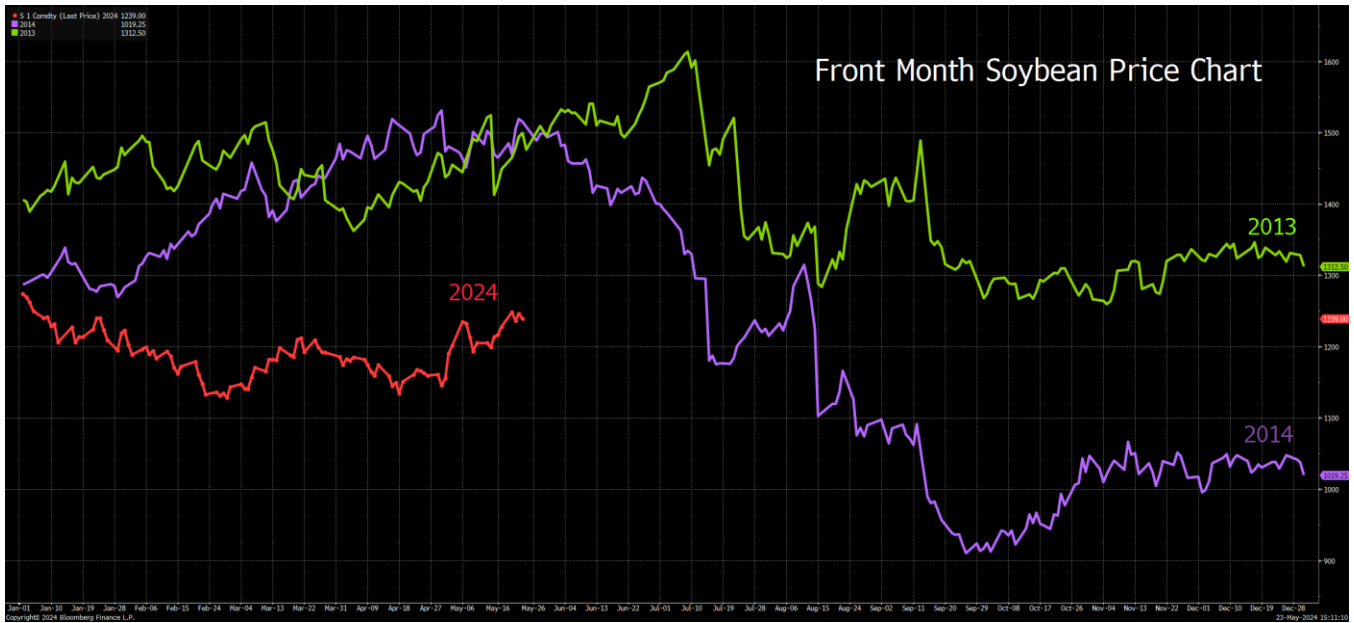
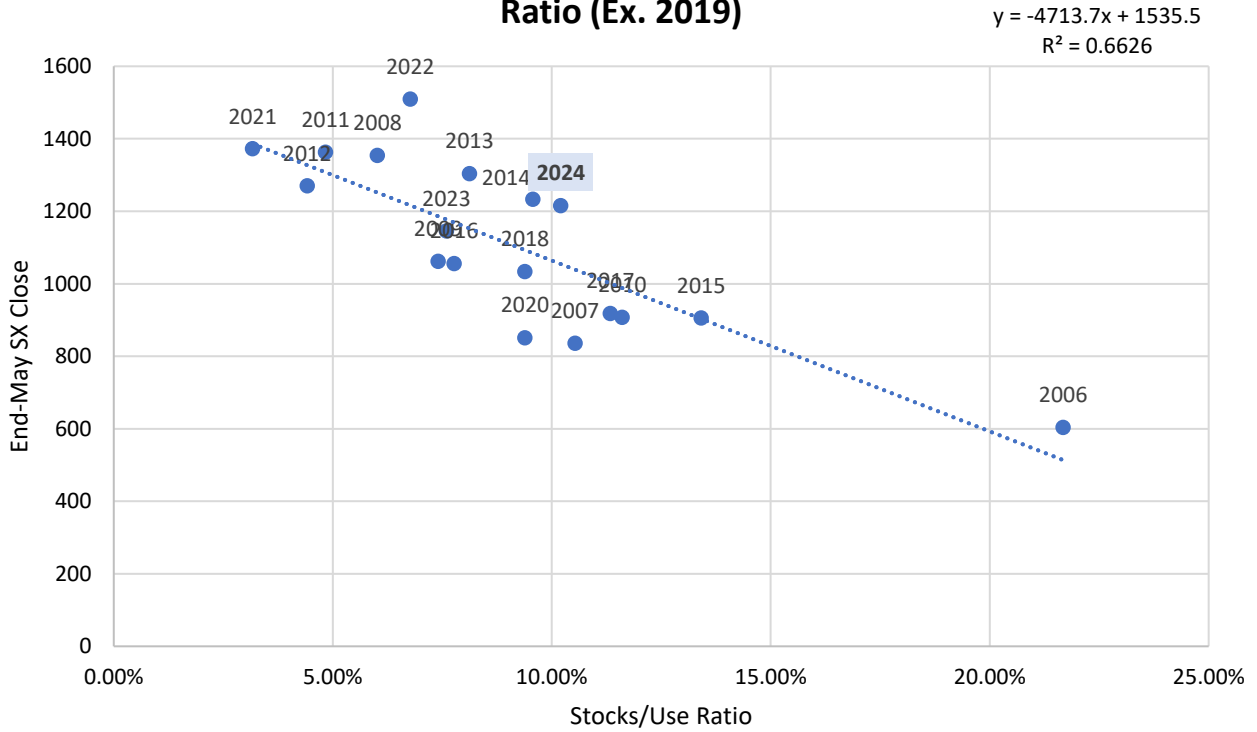
Day 4-5 QPF



Day 6-7 QPF



End-May SX Close Vs May WASDE New Crop Bean Stocks/Use Ratio (Ex. 2019)



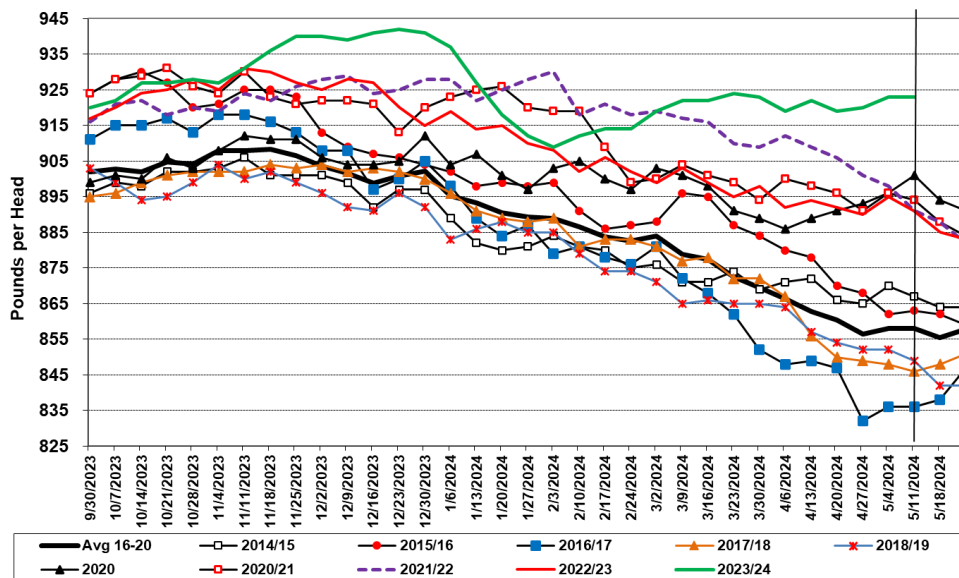
Livestock

This afternoon's Cattle on Feed report is expected to reveal smaller feedlot placements and larger marketings during April, along with a smaller May 1 feedlot count. April placements are projected near 94% of last year's modest volume, about 4% below the 2015-19 average, a seasonal decline from a month earlier, and the smallest April volume since 2020. April feedlot marketings are projected near 110% of last year's modest sales, but the total was boosted by two additional business days during the month. When adjusted for that difference, the marketing pace was about even with last year and generally consistent with previous placements and feedlot inventories. With net feedlot placements slipping well below projected marketings, the estimated May 1 feedlot inventory is near 99% of a year earlier, smaller than a month earlier and the smallest since last September.

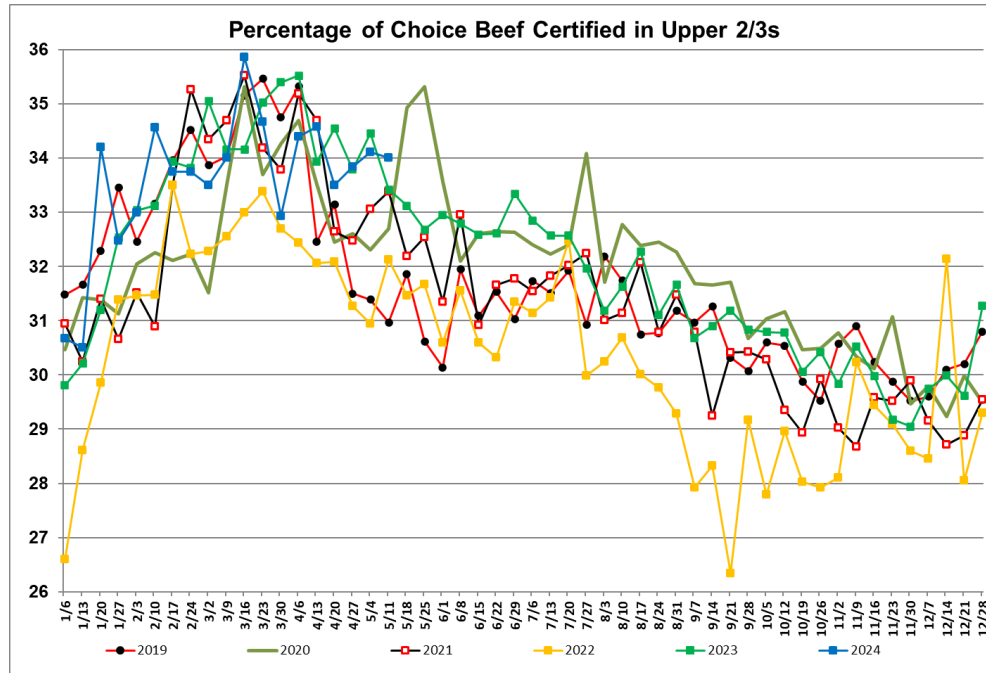
Cattle on Feed			
	Actual	Trade Average	Range
May 1 Cattle on Feed		99.1	97.9-100.5
April Placements		94.4	86.5-104.5
April Marketings		109.8	108.6-110.7

Carcass weights remain record high. Seasonally, steer carcass weights typically decline 50-55 pounds from the fall peak to the seasonal low in May or June. This year steer weights in mid-May have declined less than 20 pounds from the record high late last year. From spring lows weights trend higher again toward a fall peak—the stage is set for weights to remain record heavy in the months ahead, potentially eroding feeder leverage despite prospects for seasonal and year-over-year declines in feedlot inventories in the months ahead.

**Seasonal Decline in Steer Carcass Weights
 Compared to Recent Years & 2016-20 Average**



The percentage of Choice beef in the upper 2/3s of Choice likely represents a significant proportion of beef merchandised at food service and many retail cases, as well. With the heavier carcass weights and more days on feed, the percentage of beef in that category remains historically high.



Today's Calendar (all times Central)

- Durable goods orders – 7:30am
- Michigan inflation expectations – 9:00am
- Michigan consumer expectations / sentiment – 9:00am

Thanks for reading.

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