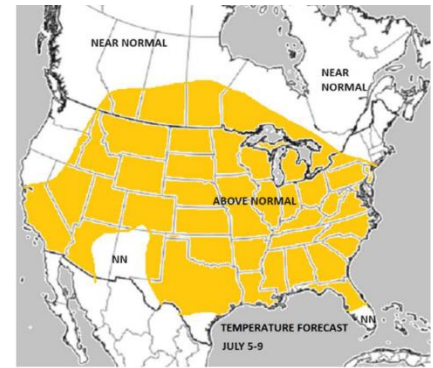
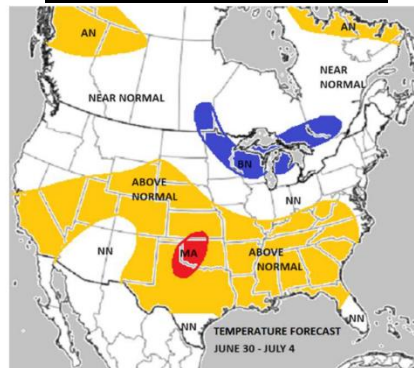
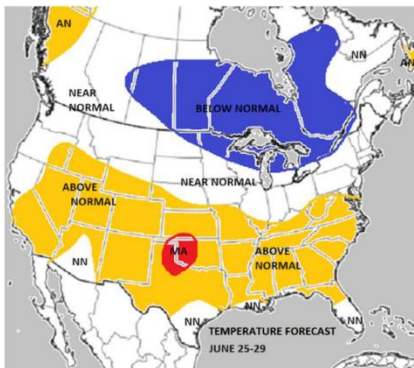


Weather

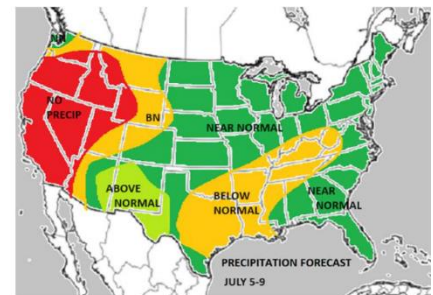
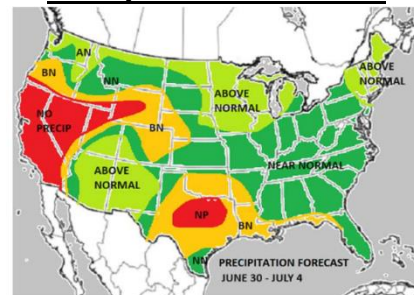
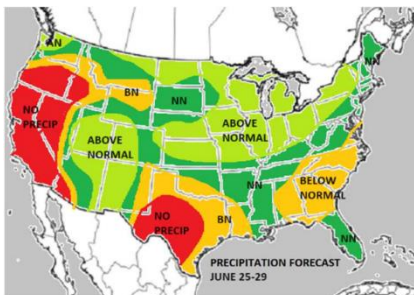
The Corn Belt is going to see a good mix of above- and below-normal temperatures for the next 10 days, which is cooler than what was presented last week. After heat today, temperatures will turn much cooler for tomorrow and Thursday. Another very notable shot of cool air will arrive for the very end of the month as well. Model agreement remains good that another run at sustained above-normal temperatures for the region can be recorded for the 11–15-day period (which today is July 5-9).

The precipitation pattern suggests a “classic” set-up for “ridge-rider” thunderstorm activity in the Corn Belt. There’s one such event ongoing this morning in the vicinity of Lake Michigan, and we might very well see that activity continue to press southeastward through the morning and even afternoon hours in a big part of roughly the eastern third of the region. We should also see thunderstorms development in the western Corn Belt this afternoon. Other time frames to monitor for especially notable “ridge-rider” activity in the Corn Belt would be at least for Thursday through Saturday and again for the opening few days of July. It is a pattern that remains favorable for bringing rains to areas of the Corn Belt that badly need it, but it is going to take some time for everyone to get the type of rain that they want.

Temperature Forecast



Precipitation Forecast



Grains

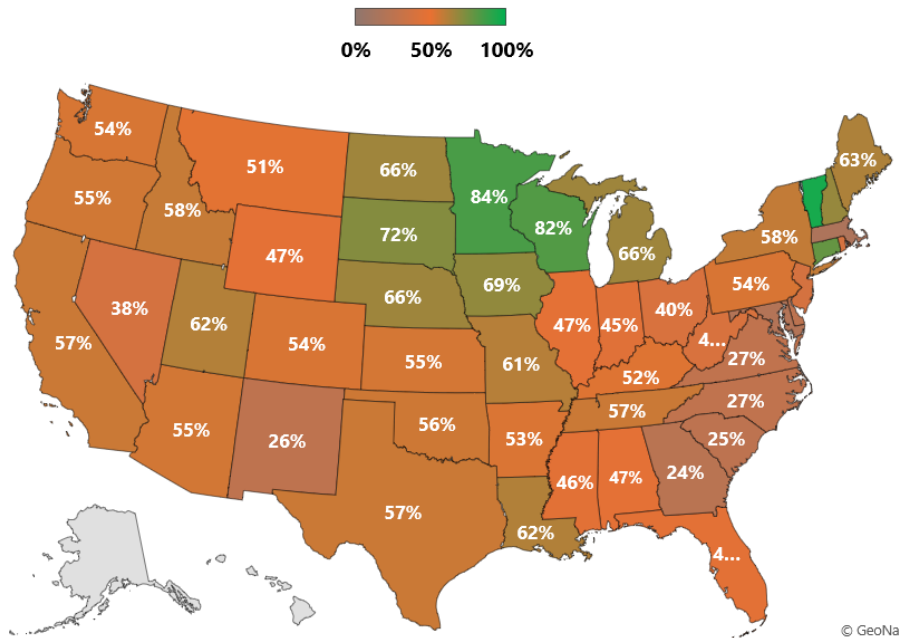
Week #25 crop progress showed that national corn and soybean conditions were down 3% in good + excellent ratings. Crop conditions varied widely across states producing an interesting dichotomy. Minnesota and Wisconsin are extremely wet. 54% of the cropland in Minnesota has surplus moisture (3rd highest on record for June) and 47% of the cropland in Wisconsin has surplus moisture (5th highest on record for June). In the eastern Corn Belt, heat has eroded excess soil moisture causing a 13% decline in corn conditions in Ohio and an 8%

decline in Indiana. As of right now, it appears that Iowa has received the right amount of heat and moisture as conditions have counter seasonally improved each of the past two weeks to a condition rating of 77%.

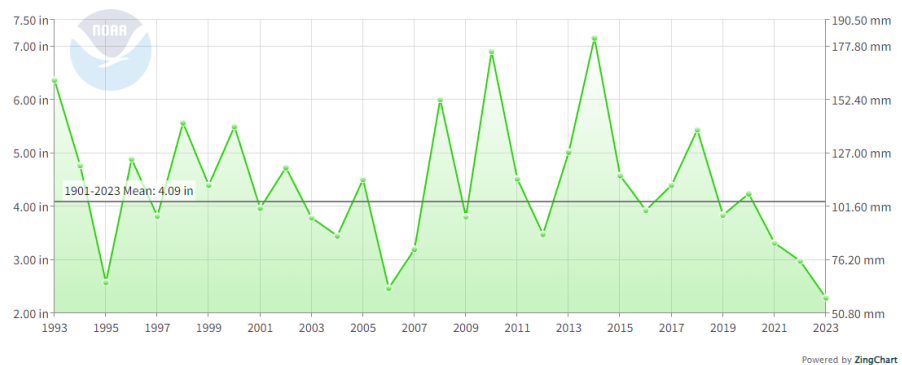
There has been a lot of discussion over heavy rains in the upper Midwest and I wanted to review some analog years that have been discussed over the past few days to understand how those years performed against trend yield. Comparisons have primarily been made to 2011 and 2014. The precipitation chart from NOAA shows upper Midwest precipitation for the month of June. You'll notice that 2014 (7.16") and 2011 (6.91") are the highest rainfall totals since 1993. We'll focus on MN and WI in 2011 and 2014 as those are most relevant to today.

The table to the right shows that both MN and WI had similar topsoil moisture conditions in analog years relative to 2024. Topsoil moisture peaked in 2011 and 2014 in late June and declined thereafter which should provide a good indication on yield potential for 2024 assuming both states experience normal to below rainfall for the remainder of the growing season.

Topsoil Moisture Index: Week #24 (55-80% is ideal)

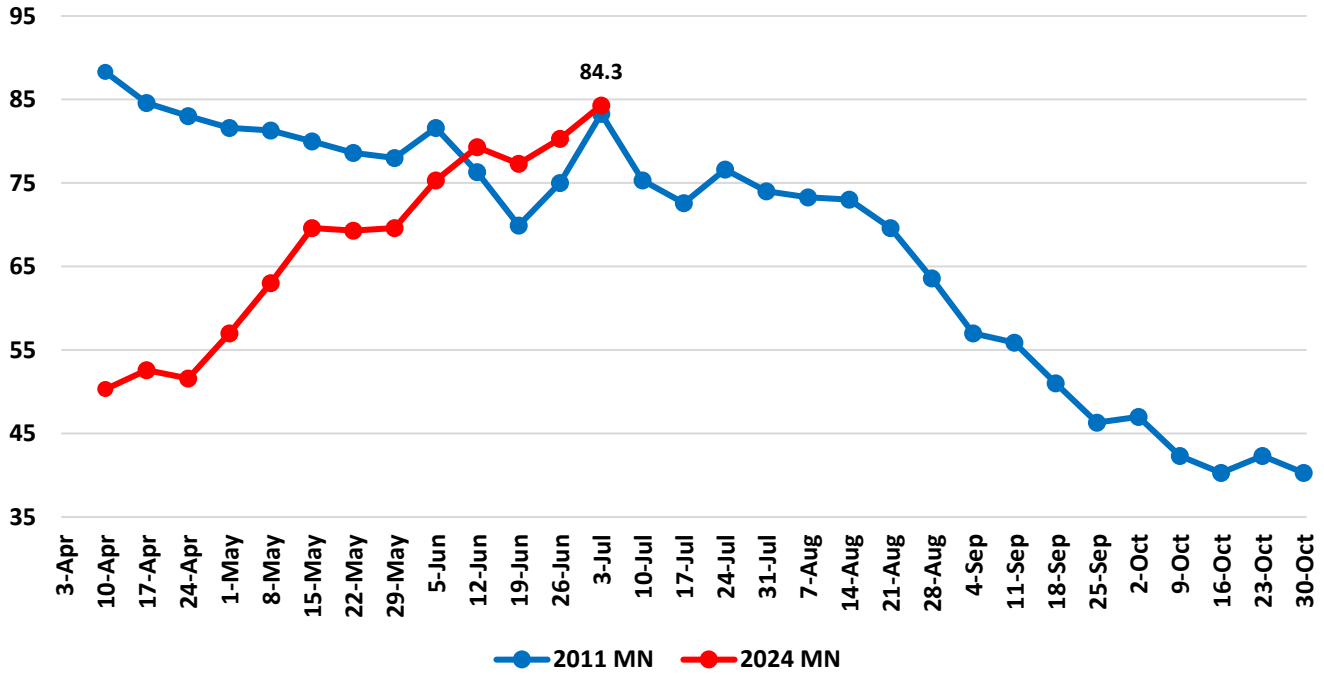


Upper Midwest Precipitation
June

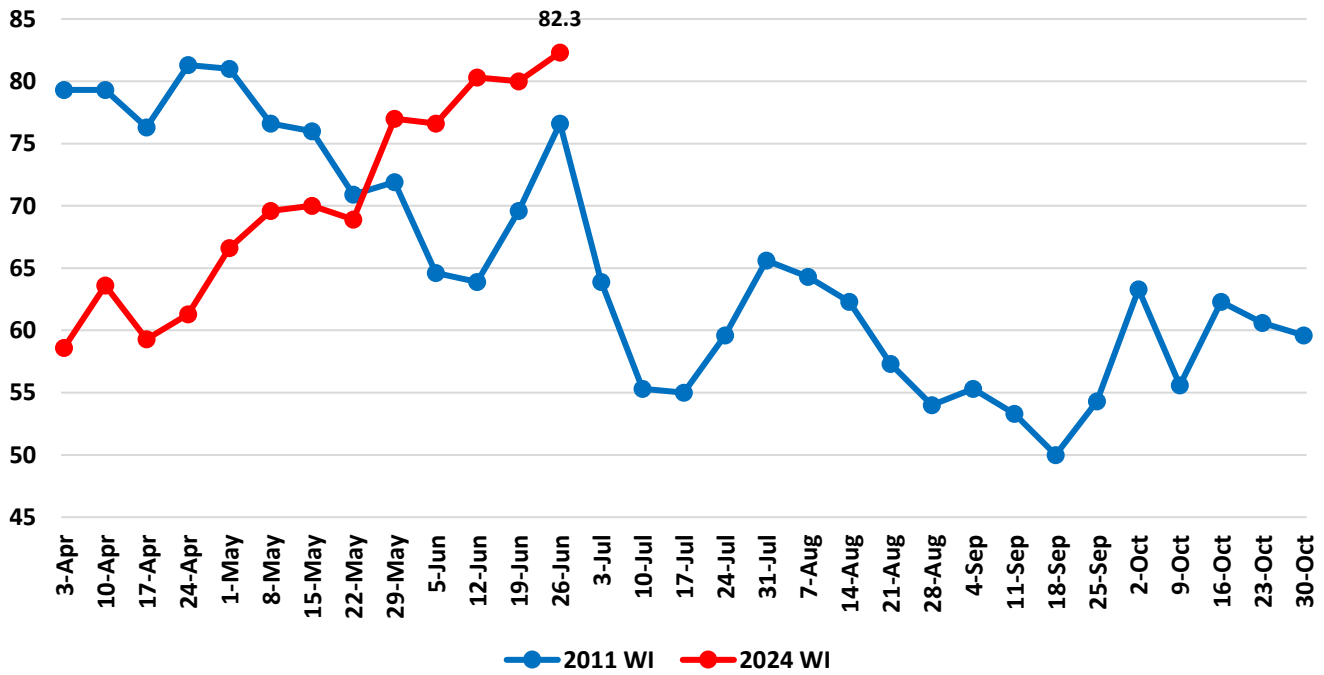


MN and WI Topsoil Moisture Index			
	2011	2014	2024
Minnesota	83	86	84
Wisconsin	77	80	82

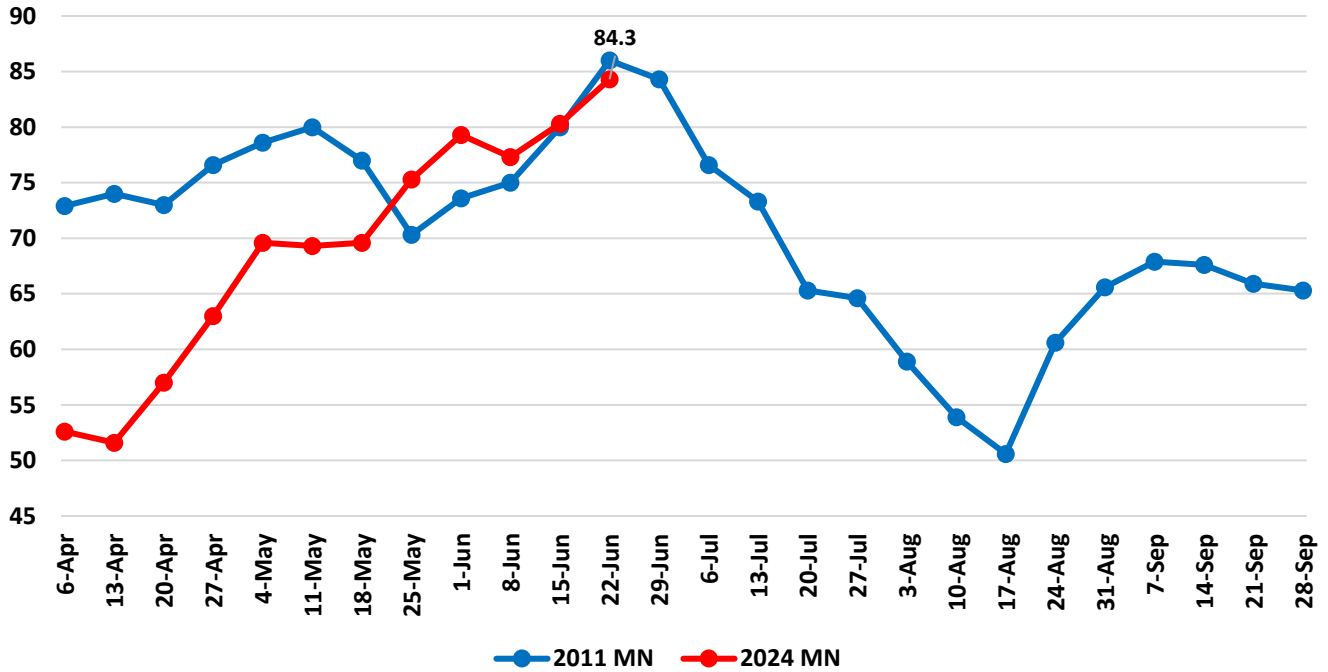
2011 vs 2024 MN Topsoil Moisture Index



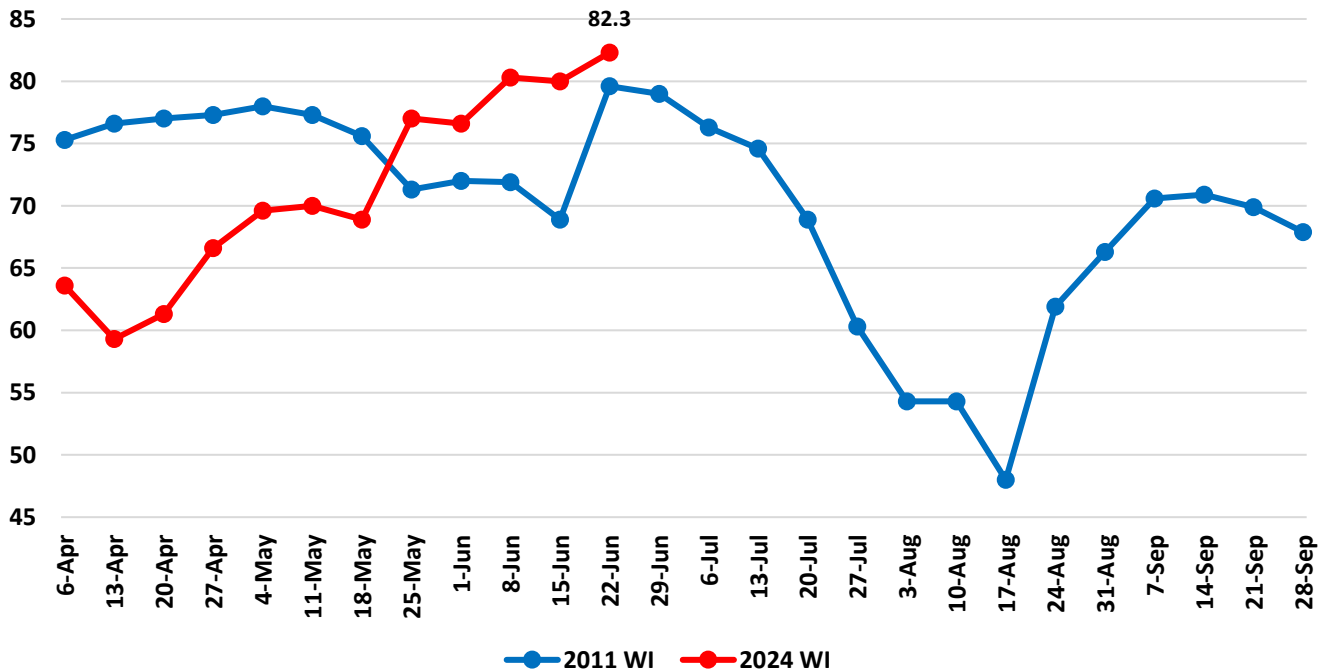
2011 vs 2024 WI Topsoil Moisture Index



2014 vs 2024 MN Topsoil Moisture Index



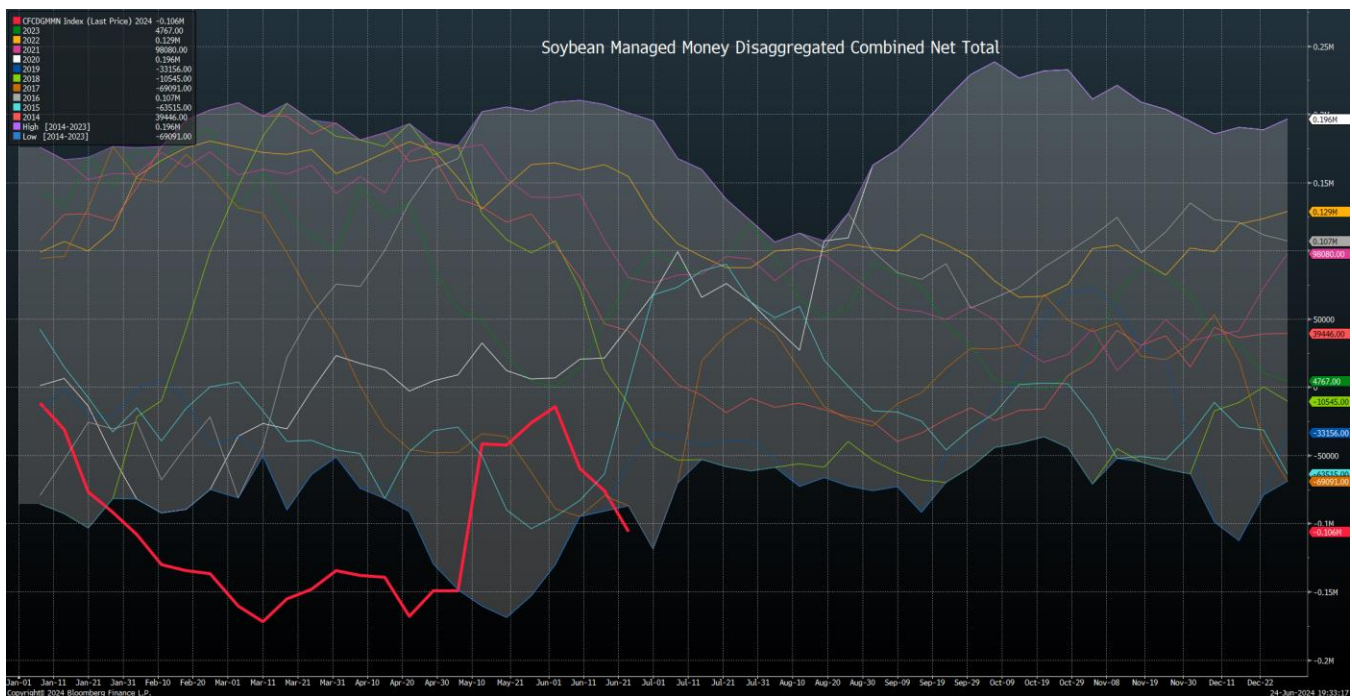
2014 vs 2024 WI Topsoil Moisture Index



The results were mixed in the analog years. Minnesota was well below trend yield for both corn and soybeans while Wisconsin was above trend in all scenarios. It's a small sample size but my takeaway is that it is too early to make yield revisions to these states. There is potential for trend yields (WI) but at the same time there could be large losses relative to trend (MN). These states have a combined ~21mm acres of corn and beans so depending on summer weather they will likely act as "swing states" in determining national yields.

Corn and Soybeans Yield Against 30-Yr Trend				
	MN		WI	
	Corn	Soybeans	Corn	Soybeans
2011	-10.4%	-8.5%	2.9%	7.9%
2014	-12.0%	-4.2%	2.2%	0.1%

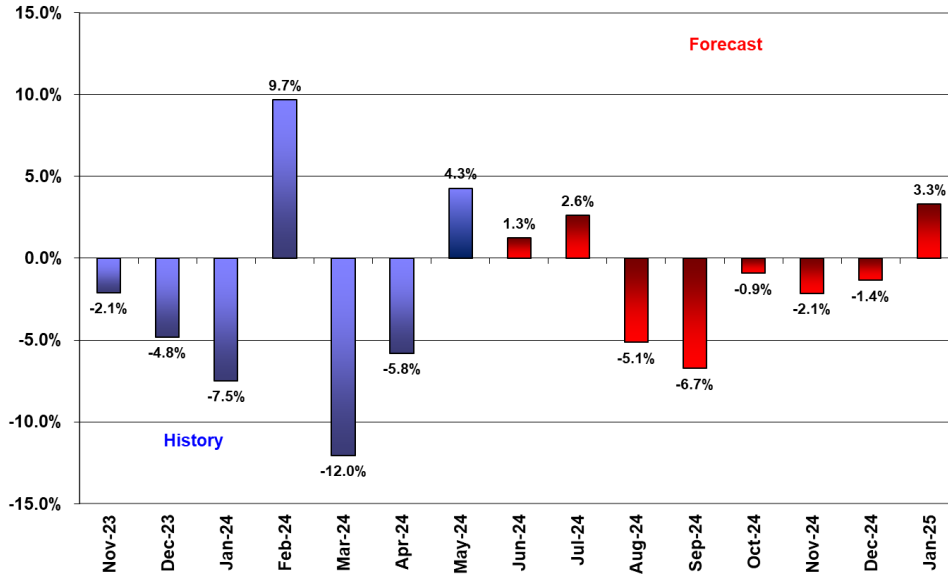
Switching gears, managed money increased their net short soybean position to ~106k contracts which is a record level for this time of the year. Will managed money take some risk off the table before the report on Friday?



Livestock

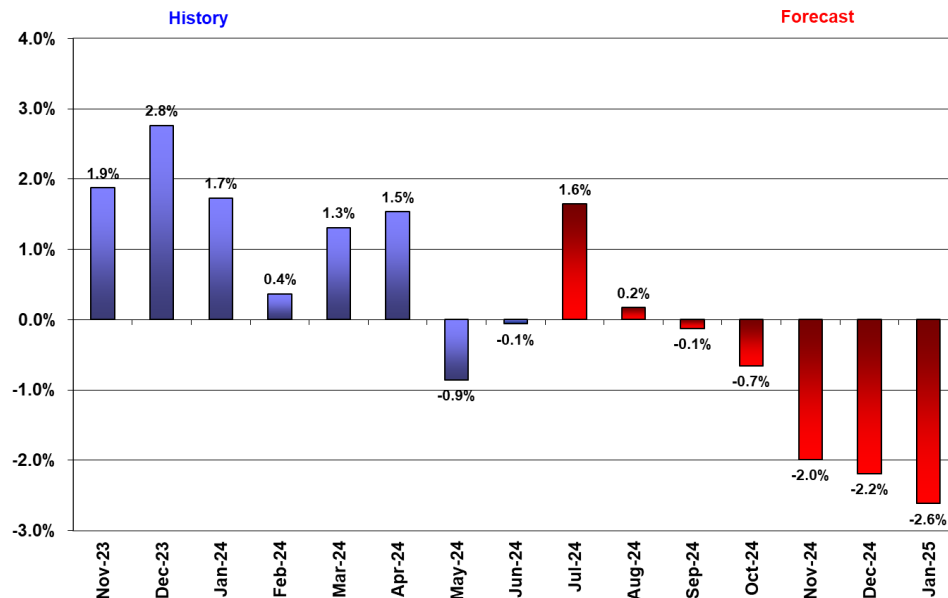
Feedlot placements during May were reported 4% larger than last year, with all major weight categories posting increases, although the largest rise was registered by the placements weighing over 800 pounds, up more than 6% from last year. January-May placements weighing over 800 pounds were nearly 2% larger than last year and initial indications suggest that pattern—larger total placements and larger heavier weight placements—may continue through July. Both June and July placements will be compared with small volumes last year. And, at least for June some of the industry data is running significantly above last year, although the volume of cattle going into the feeder index is only modestly larger than last year, while total reported feeder movement is smaller than a year ago. Prospects for larger Jan-Jun placements suggest July-December fed cattle marketings may be close to last year, as well, while marketing weights remain record heavy.

US Cattle Placed on Feed, % Change Previous Year

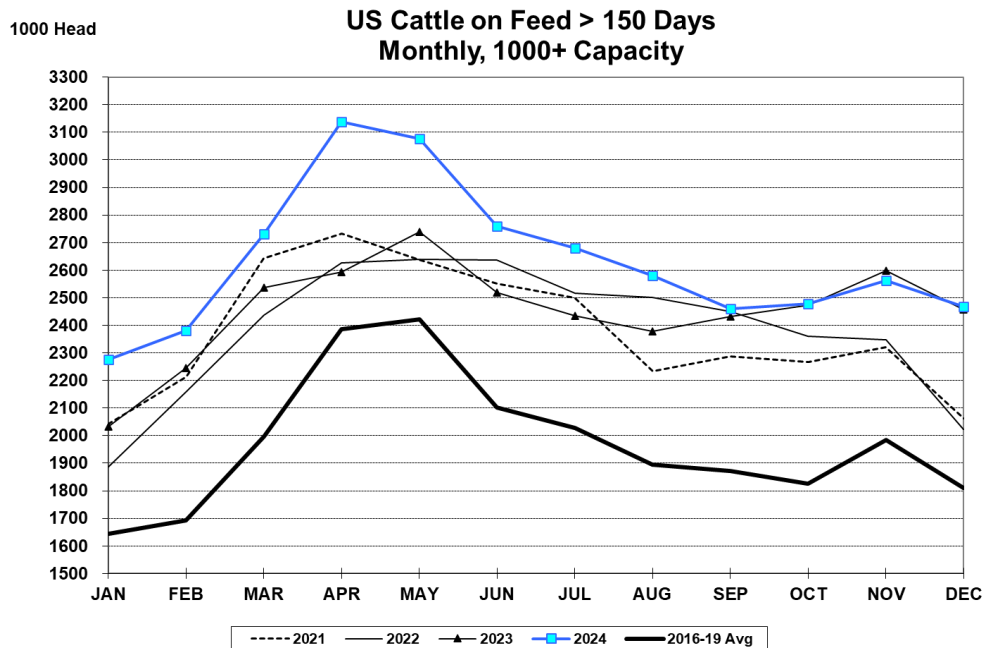


A projected modest rise in June placements likely will be accompanied by smaller marketings, largely due to two less business days during the month. Current estimates put total June marketings near 9% below last year, but adjusted for the difference in days, the weekly marketing pace may be about the same as last year. Larger June placements, coupled with smaller monthly marketings may bump the July 1 feedlot inventory 1-2% larger than a year earlier. Again, a larger mid-year feedlot inventory suggests little, if any, decline in fed cattle supplies during the last half of 2024.

US Cattle on Feed, % Change Previous Year



The continuing slow marketing pace is maintaining large front-end supplies of fed cattle, signaled by record heavy carcass weights and the elevated volume of cattle on feeder over 150 days. Although the volume of long-day cattle declined seasonally on June 1, the calculated inventory remains record large and about 9% larger than last year.



Today's Calendar (all times Central)

- Consumer Confidence – 9:00am
- Cold Storage – 2:00pm
- Various Fed Speakers

Thanks for reading.

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