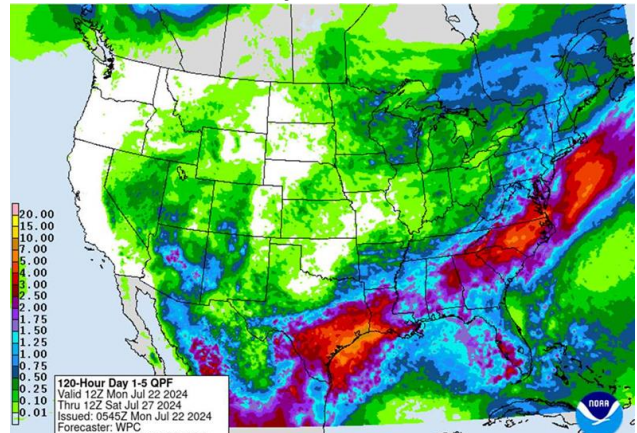


Weather

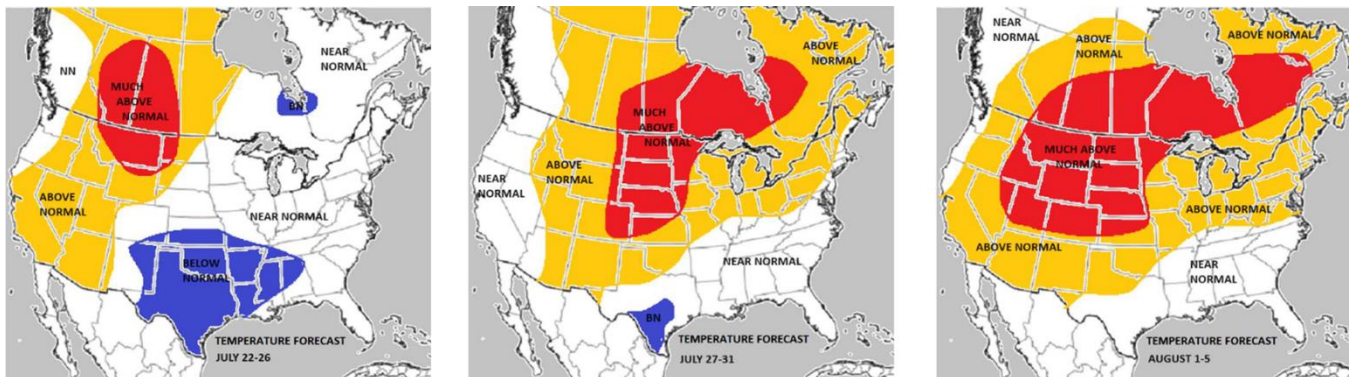
Rains shown in the Corn Belt on the Day 1-5 QPF map are for today through Wednesday before that area is largely dry for Thursday and Friday. The rains for the next three days will probably be as inconsequential as shown; just isolated spots seeing over a half inch with big areas picking up meager totals (or nothing at all). For the Mid South and Southeast, there is a daily threat of rain for the period in question, and as a result, amounts should be every bit as notable as shown.

Temperatures will stay cool (versus what is normally seen this time of year) in the middle of the country in the near term, but temperatures will turn above-normal in the central/northern Plains and far western Corn Belt by Friday and across the Corn Belt and Plains by July 28. Once in place, there are no suggestions of any notable moderation in temperatures through the end of the 15-day forecast (which today goes through August 5). Today's forecast is showing some warmer trends versus what was forecast yesterday. Heat will be especially notable in the northern Plains for July 25-28 and again for August 3-5. It will be July 27-29 and August 5 that will be hottest in the Corn Belt, favoring western areas for both time frames.

Day 1-5 QPF



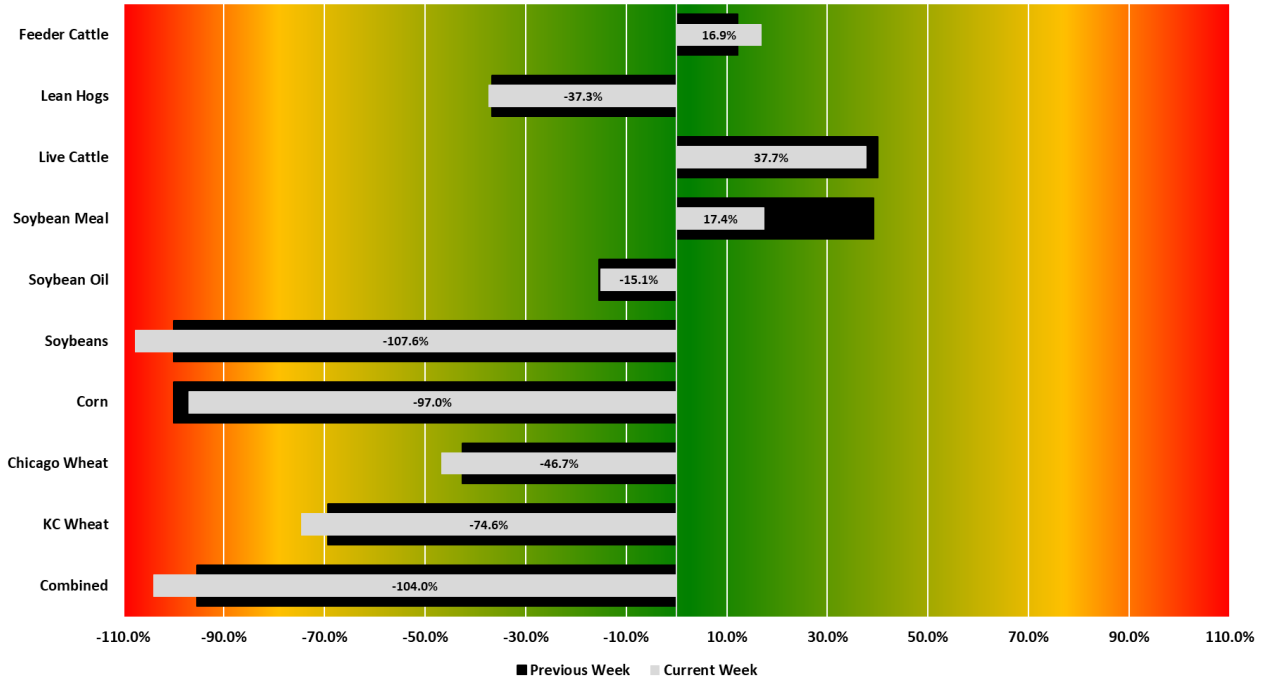
Temperature Forecast



Grains

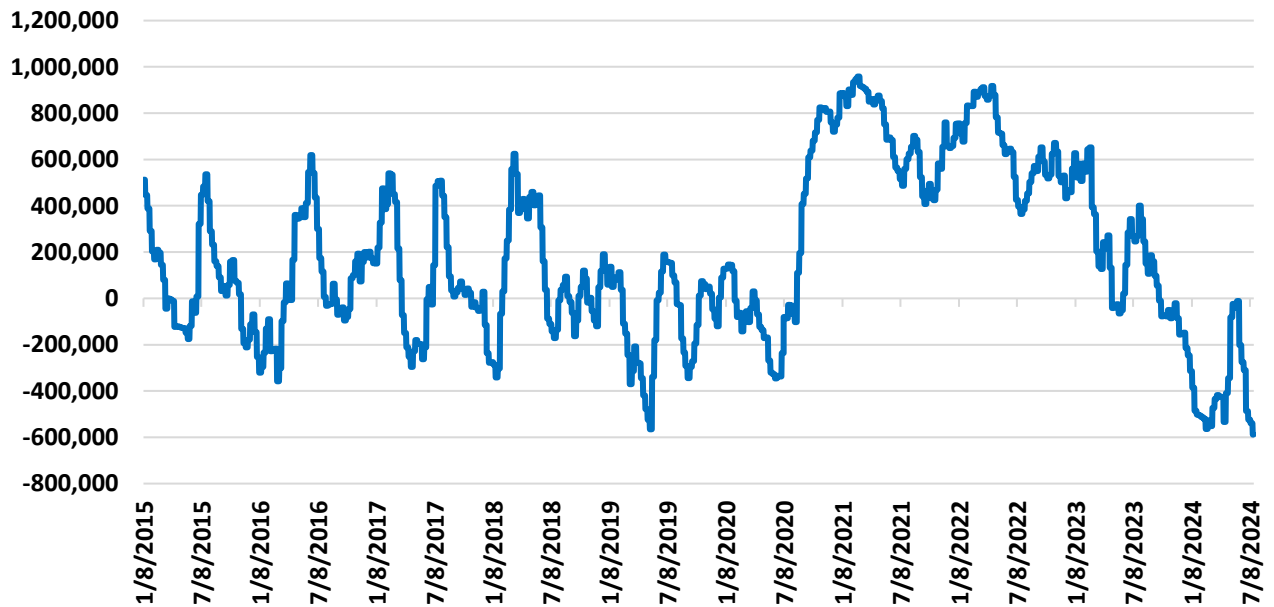
We'll take a quick look at CFTC Commitment of Trader's data today. Managed money continued to add to their short position in soybeans (down 13k contracts), CBOT wheat (down 7k contracts) and KC wheat (down 3k contracts). Managed money pared back their short position in corn (up 11k contracts). A new record short position was recorded in soybeans last week at 186k contracts and on a combined basis for feeder cattle, lean hogs, live cattle, soybean meal, soybean oil, soybeans, corn, CBOT wheat, and KC wheat, managed money was record short at 588k contracts for the week ending 7/16.

CFTC Money Managers' Futures & Options Combined Net Position (% of Historical Range)



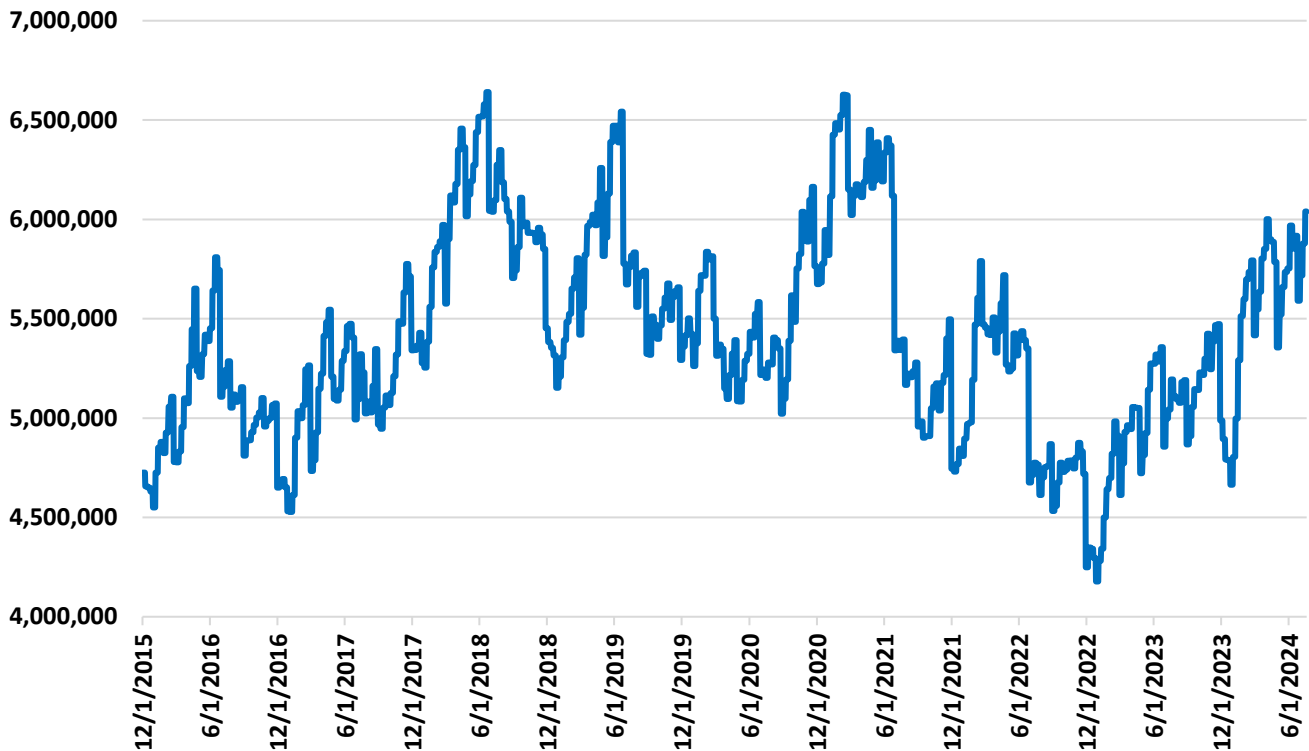
Note: Above 100% denotes a record long position and below -100% denotes a record short position.

CFTC Money Managers Futures & Options Combined Net Position in Total Contracts (Feeder Cattle, Lean Hogs, Live Cattle, Soybean Meal, Soybean Oil, Soybeans, Corn, Chicago Wheat, KC Wheat)



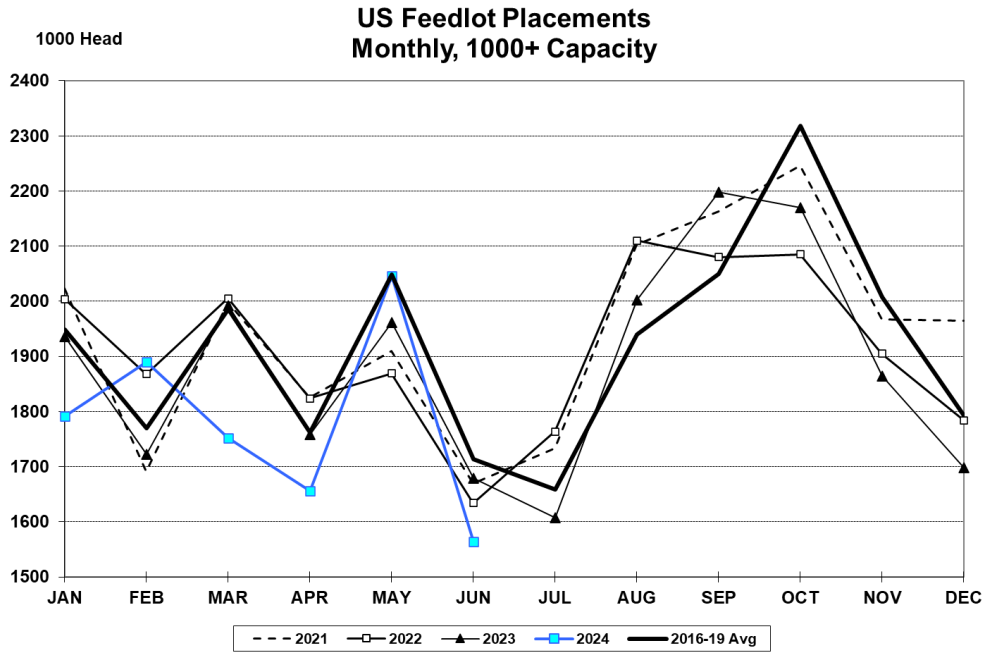
Futures and options combined open interest across selected ag commodities increased by 160k contracts for the week ending 7/16 to the highest level since 2021. Increased open interest is thought to be a confirming indicator of existing price trends.

Futures & Options Combined Open Interest (Feeder Cattle, Lean Hogs, Live Cattle, Soybean Meal, Soybean Oil, Soybeans, Corn, Chicago Wheat, KC Wheat)

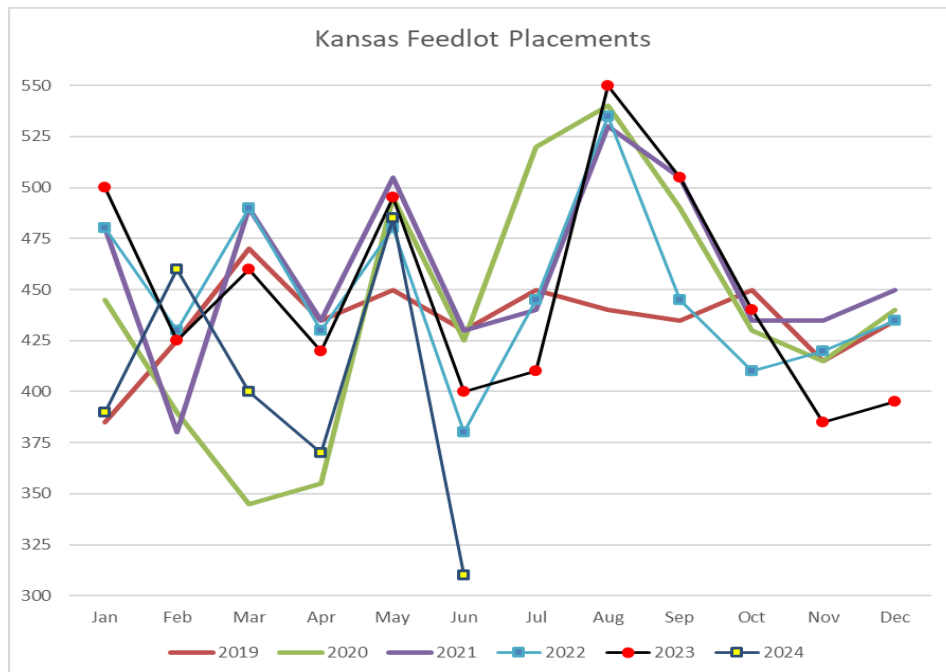


Livestock

The headline numbers from the monthly Cattle on Feed report indicated smaller than trade expectations on both June placements and marketings, while nearly matching the expected July 1 feedlot inventory. June feedlot placements were reported near 93% of last year compared to the trade guess near 96% and marketings near 91% compared to 91.7%. The decline in placements was spread across most weight categories with placements under 700 and over 700 pounds down nearly 7%. Placements over 800 pounds were down 6%.

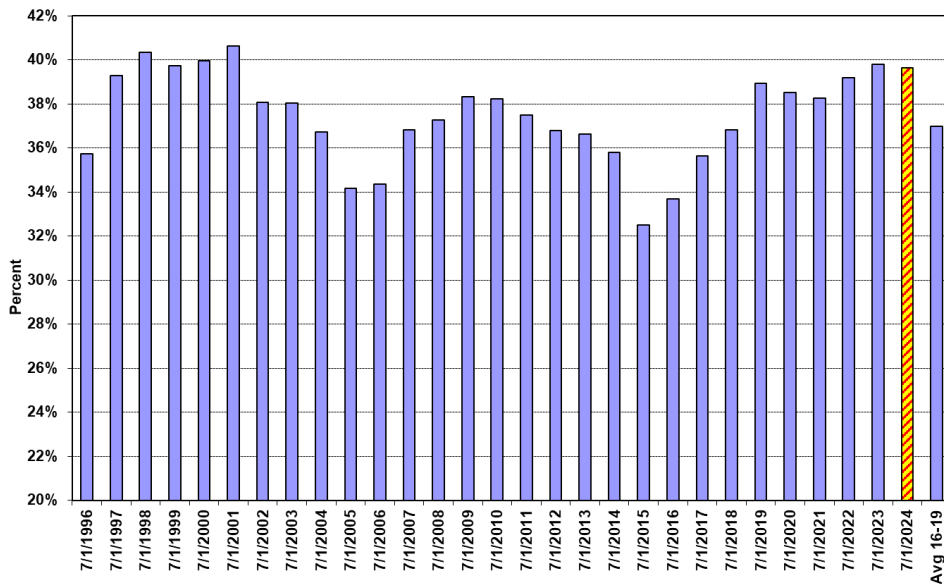


Placement declines were noted in most key states, but modest declines in IA, 13,000 head; NE, 10,000; and TX, 5,000 were dwarfed by the 90,000 head plunge in KS. June placements in KS were the smallest since 2014 and historically small, paring the July 1 feedlot count in the state by about 180,000 head or nearly 8% below last year. In contrast, NE placements slipped a more modest 10,000 head and the July 1 feedlot count was nearly 3% larger than last year and second only to the slightly larger 2018 total.



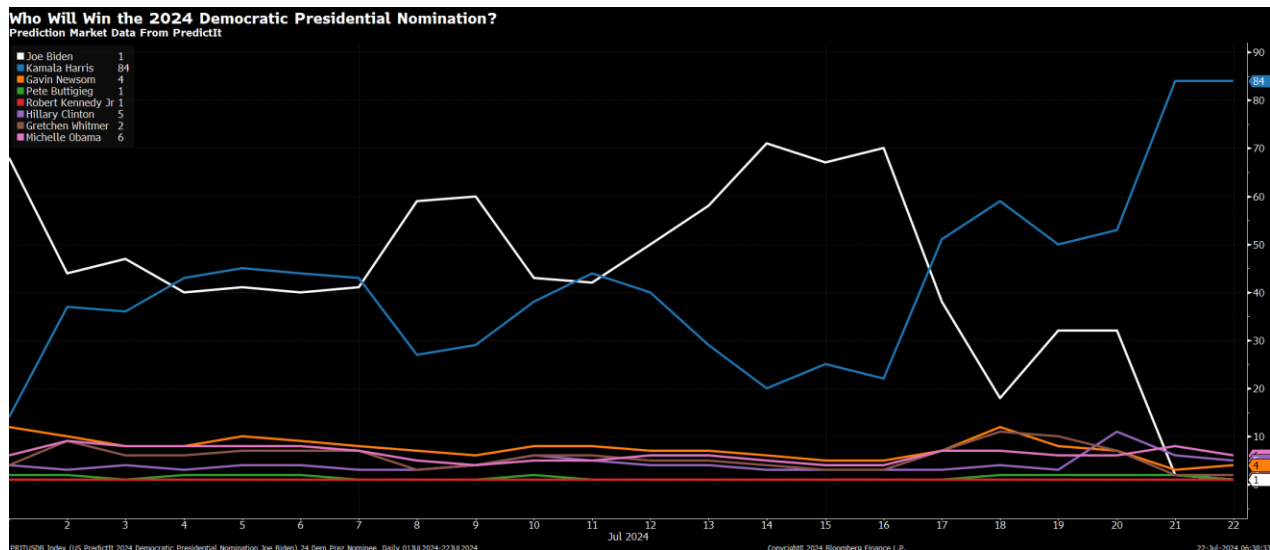
Feedlot placements over 700 pounds since the beginning of the year were only 2% smaller than last year and heifers on feed have been historically large since the beginning of the year—totals that likely would not have been achieved without a large number of heifers in the mix—likely suggesting little or no significant heifer retention through the first half of 2024. The number of heifers on feed July 1 was reported 1% larger than last year and were record large. In addition, heifers accounted for a historically high 39.6% of the July 1 feedlot inventory. Amid active herd growth, the proportion of heifers on feed will slip below 36% of the inventory.

Heifers as a % of July 1 Feedlot Inventory

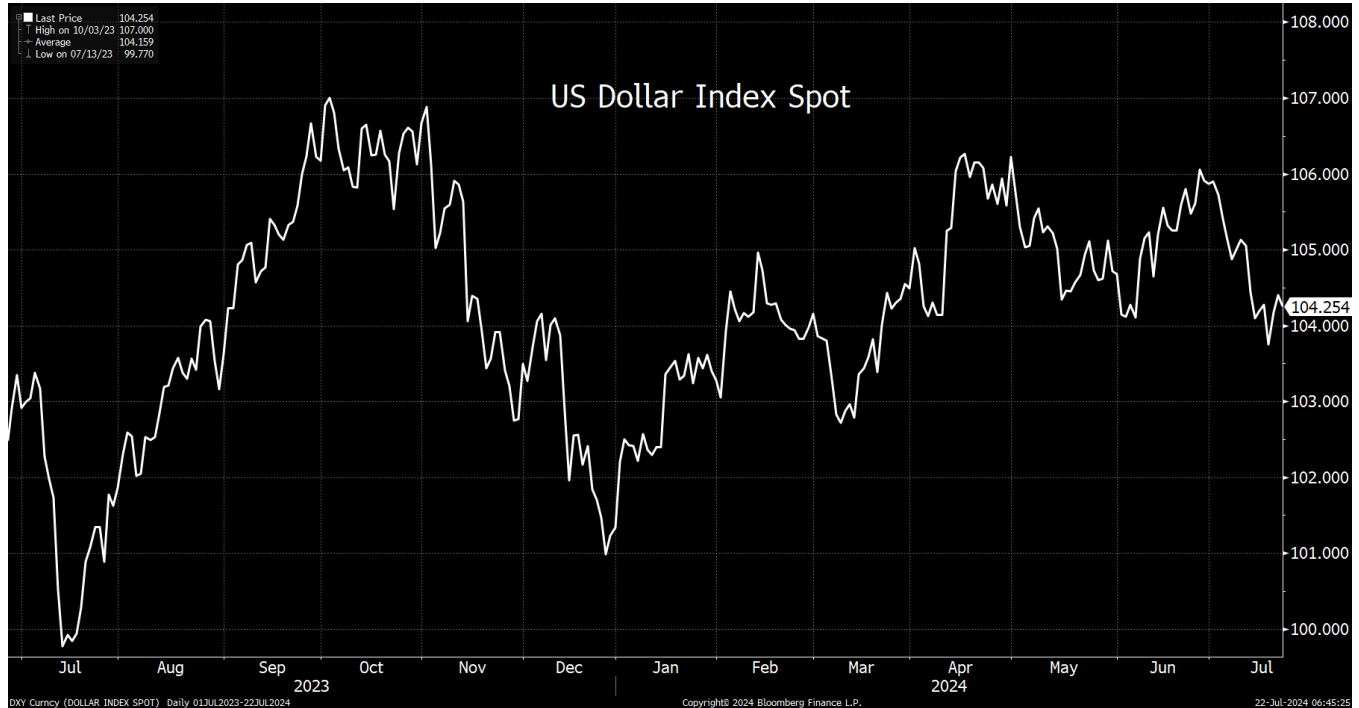


Financials

President Biden decided to step out of the 2024 presidential race on Sunday. As of writing, all indicators point to Kamala Harris as being the 2024 Democratic presidential nomination.



The dollar has slipped since opening as Biden’s exit has added volatility to the marketplace.



Today's Calendar (all times Central)

- Export Inspections – 10:00am
- Crop Progress – 3:00pm

Thanks for reading.

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