

Weather

The bulk of the rains in the Corn Belt will fall very early and very late in the day 1-5 period. Much like the past two days, today will feature widely scattered thundershowers in the Corn Belt, localized nice amounts but poor coverage. It is then primarily dry for tomorrow through Saturday, then rains for Sunday, especially in the far southeastern and far northwestern areas. Rains in eastern parts of the northern Plains are for the weekend; they would be welcome in nature. Rains shown for the Mid-South/Southeast can fall daily in this period. Rain chances throughout this time frame are very low for the central and southern Plains.

The day 6-7 QPF model offers very little value at this time as “ridge-rider” thunderstorm activity should dominate the Corn Belt in this time frame. It is likely a complete guess that will change significantly in the coming days.

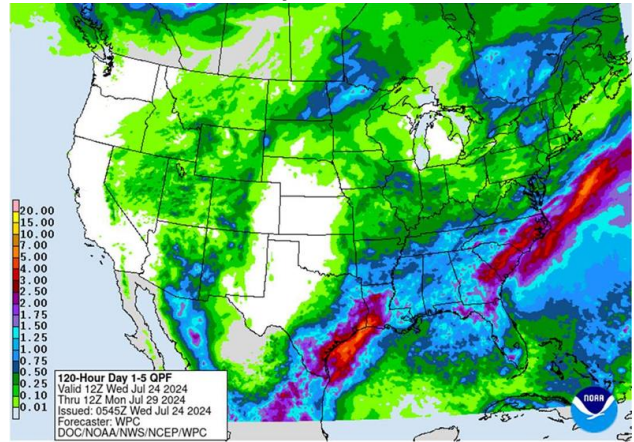
Above and much-above-normal temperatures will cover the entire northern Plains by tomorrow, reaching the western Corn Belt/central Plains by Friday and covering all of the Corn Belt and Plains by Monday (July 29). Once in place, weather models show NO temperature moderation through the end of the 15-day forecast (which today goes through August 7).

Most every day from tomorrow through the end of the 15-day forecast will feature areas of the Plains and western Corn Belt with temperatures averaging 10+ degrees above normal. The 11-15 day period of August 3-7 features an especially brutal heat period for those areas.

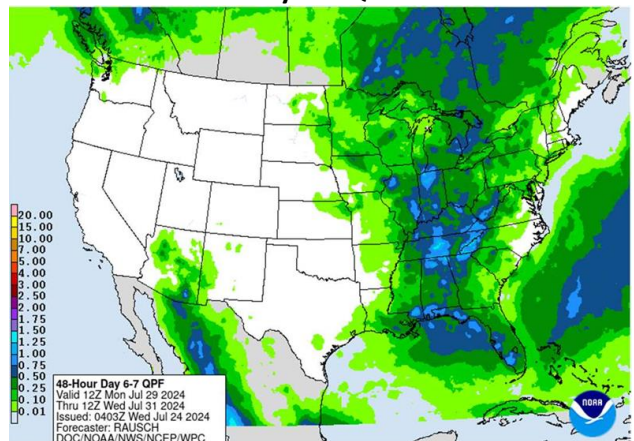
Grains

We are going to review 23/24 soybean export projections today. We can get reasonably close to the final soybean export number by estimating the outstanding soybean sales to be shipped this marketing year (and what will roll to the next). As of July 11th, there are ~3.6mmt of outstanding sales. Over the past ten years, ~60% of outstanding soybean sales as of the middle of July were shipped, and the other 40% were rolled. Assuming an average year, this implies that ~2.2mmt (80mm bu) are likely to be shipped, and ~1.4mmt are likely to roll to new crop.

Day 1-5 QPF



Day 6-7 QPF



CMY Soybean Sales (MT)	
Week Ending	Rollover
9/2/2010	1,623,138
9/1/2011	2,281,856
9/6/2012	2,016,848
9/5/2013	928,476
9/4/2014	1,340,458
9/3/2015	822,875
9/1/2016	1,989,794
8/31/2017	2,359,003
9/6/2018	2,430,948
9/5/2019	1,934,254
9/3/2020	2,538,211
9/2/2021	1,805,841
9/1/2022	2,479,791
8/31/2023	2,359,003
9/5/2024*	1,400,000
*Estimated	

Census data through May and inspection data in June/MTD July suggest that ~1,610mm bu have been exported thus far in the crop year. We can then estimate final 23/24 exports by adding the 1,610mm bu estimate with outstanding sales to be shipped. This equates to ~1,690mm bu, or 10mm bu below USDA's estimated 1,700mm bu. To meet USDA's estimate, the weekly shipping pace must average 16mm bu or 424tmt. The bottom line is that USDA is unlikely to adjust its soybean export figure in August, but there is the potential for a small (10-20mm bu) downward revision in their final export number.

23/24 Soybean Export Estimate	
USDA Estimate (MM Bu)	1,700
Outstanding Sales (MT)	3,583,636
Estimated Roll to NMY (MT)	(1,400,000)
Outstanding Sales to be Shipped in 23/24 (MT)	2,183,636
MT to MM Bu	80
Crop Year Census Exports through May (MM Bu)	1,528
Estimated June and MTD July Census Exports (MM Bu)	79
Total (MM Bu)	1,607
Estimated Final Figure	1,687
Weekly Pace (MM Bu)	16
Weekly Pace Required (TMT)	424

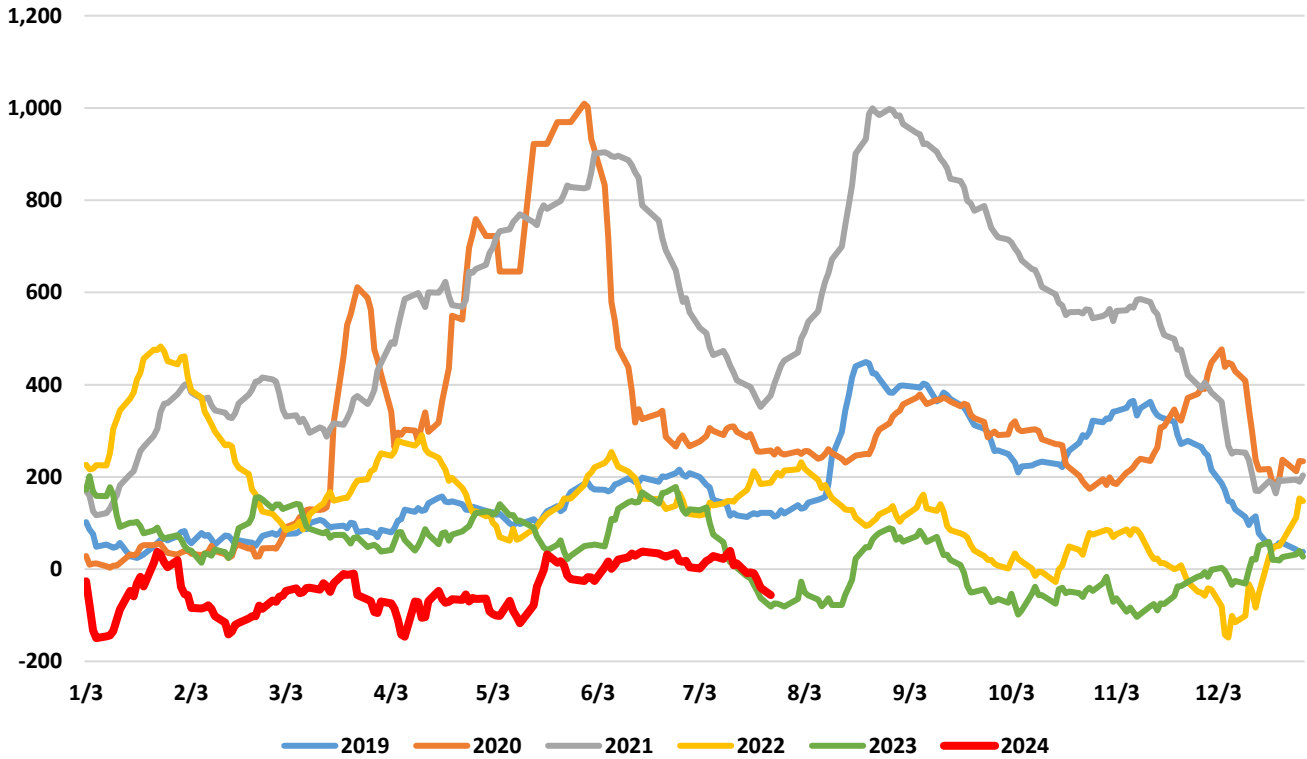
Livestock

Estimated beef packer margins have remained near breakeven or negative for most of the year and recently declined ~\$50 over the past week to an estimated margin of ~-\$50/head. A significant reason for the decline is that choice cutout values have dropped nearly \$20 since the first week of July.



It appears that the negative margin is causing the packer to be less aggressive with kills. Fed slaughter was estimated at ~470k last week (some plant disruption was involved) and at ~485k this week. For July, fed cattle marketings are expected to be down nearly 2% YoY on the weekly average. If the packer continues to limit kills to this range, they will eventually be able to gain some leverage.

HedgersEdge Beef Packer Margin Estimate (USD / Head)



Today's Calendar (all times Central)

- Retail Inventories – 7:30am
- S&P Global Manufacturing/Services PMI – 8:45am
- New Home Sales – 9:00am
- EIA Energy Stocks – 9:30am

Thanks for reading.

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