

Weather

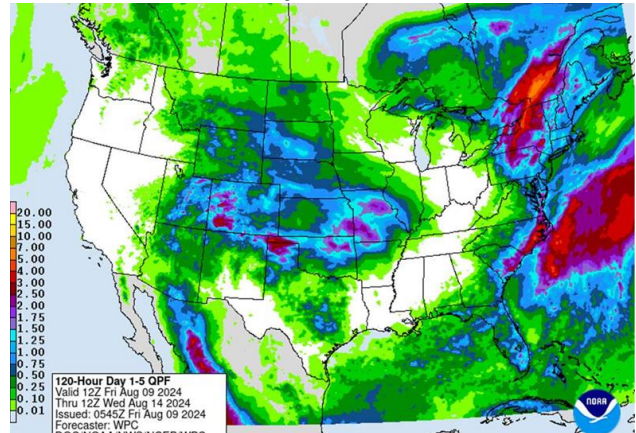
The Corn Belt is dry tomorrow, and the eastern/northeastern parts of the region (as well as the Mid-South) will stay dry through Tuesday. Rains will return to the western third of the Corn Belt on Sunday and extend as far east as the Mississippi River on Monday/Tuesday. The HRW wheat belt will have rain chances daily throughout this period. The KS/OK border area and Missouri will be the focus for the best amounts/coverage over the Day 1-5 period.

It is cool enough this morning that the NWS has issued a frost advisory for southwestern parts of North Dakota, though, at last check, a place like Dickinson was still 42 degrees. Nonetheless, near-term cool weather is impressive, with most of the central/northern Plains and western Corn Belt running 10-15 degrees below normal today, and some areas will still be 10+ below normal for tomorrow. August 14 is still when a warmer pattern will return, and there can be a few days of notable/severe heat in southern parts of the Southern Plains in that time frame. For the Corn Belt, the period will not feature extreme heat, and if anything, there are cooler trends in the forecast for that time frame than what was discussed yesterday.

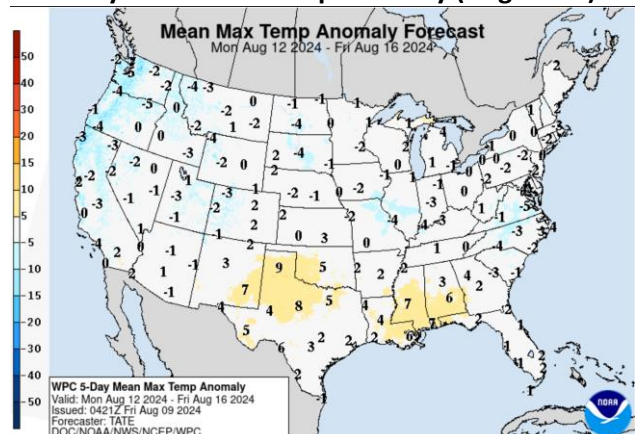
Grains

The official July weather numbers were released today. July Corn Belt productivity-weighted precipitation was 4.57 inches, above the average of 3.64 inches. It was the 30th wettest July on record for the contiguous United States, with the Corn Belt receiving most of the rainfall anomaly. Illinois, Iowa, Missouri, and Indiana recorded at least one inch above average precipitation, partially due to the rainfall associated with Hurricane Beryl.

Day 1-5 QPF



5-Day Mean Max Temp Anomaly (Aug 12-16)

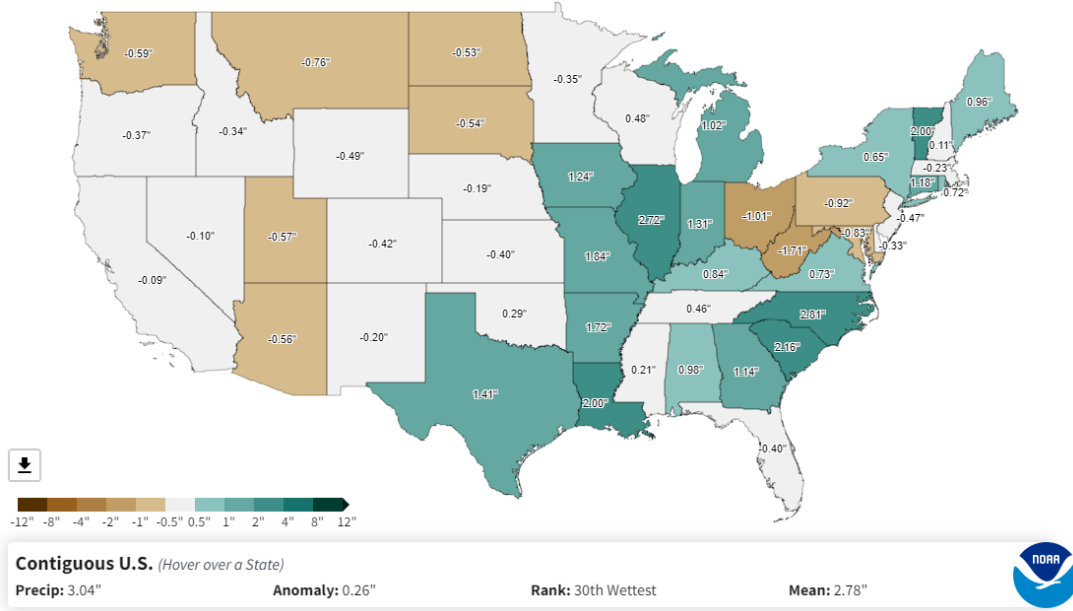


Corn Belt (Productivity Weighted) Precipitation July



Statewide Precipitation Anomaly

July 2024

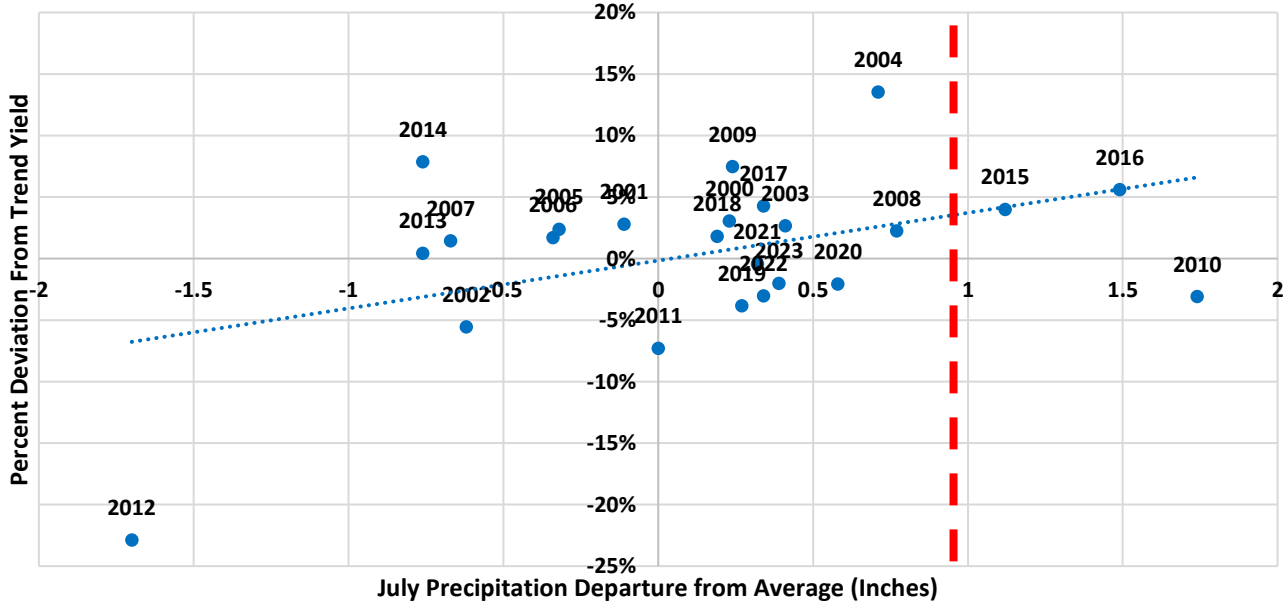


The below scatter shows July Corn Belt precipitation vs percent deviation from the 30-year trend corn yield. The R² isn't particularly strong, but the trendline suggests above trend corn yields for 2024.

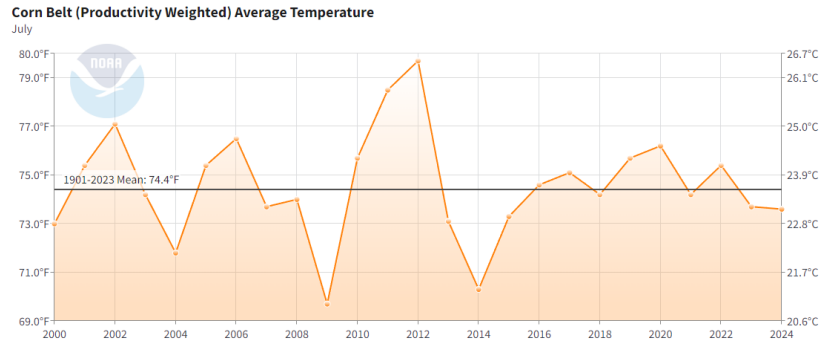
July Corn Belt Precipitation Departure from Average (1901-2023) vs Percent Deviation From 30-Yr Trend Corn Yield

$$y = 0.0388x - 0.0016$$

$$R^2 = 0.1903$$

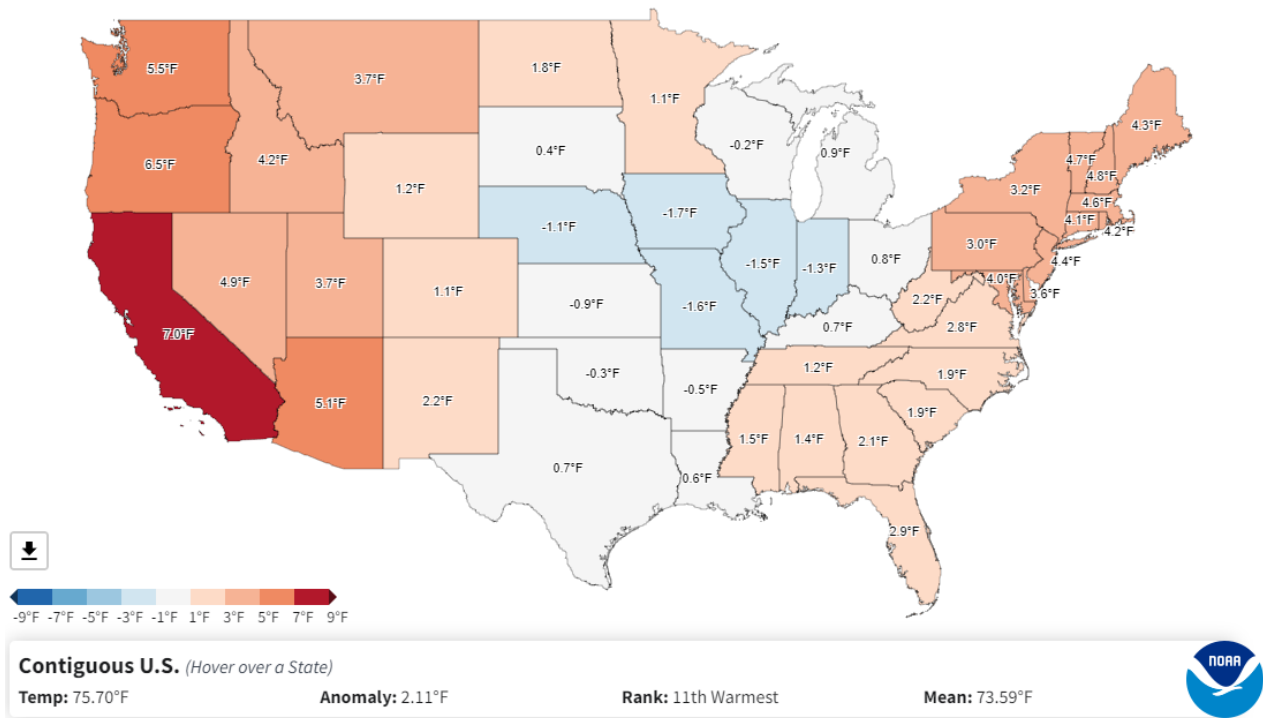


The July Corn Belt productivity weighted average temperature was 73.6 F, 0.8 degrees below average. For the contiguous United States, it was the 11th warmest July on record. But you'll notice from the below map that the heat was primarily centered along the coasts while the Corn Belt and interior of the United States enjoyed normal to below average temperatures. Key producing states of Nebraska, Iowa, Missouri, Illinois, and Iowa all had below-average temperatures.



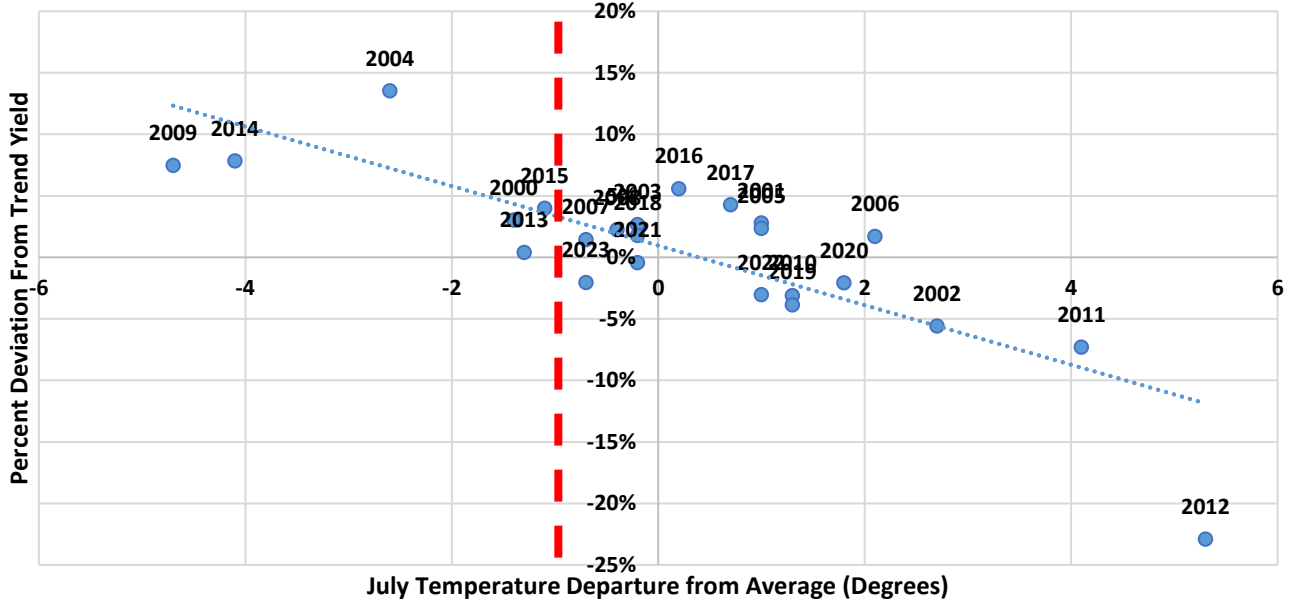
Statewide Average Temperature Anomaly

July 2024



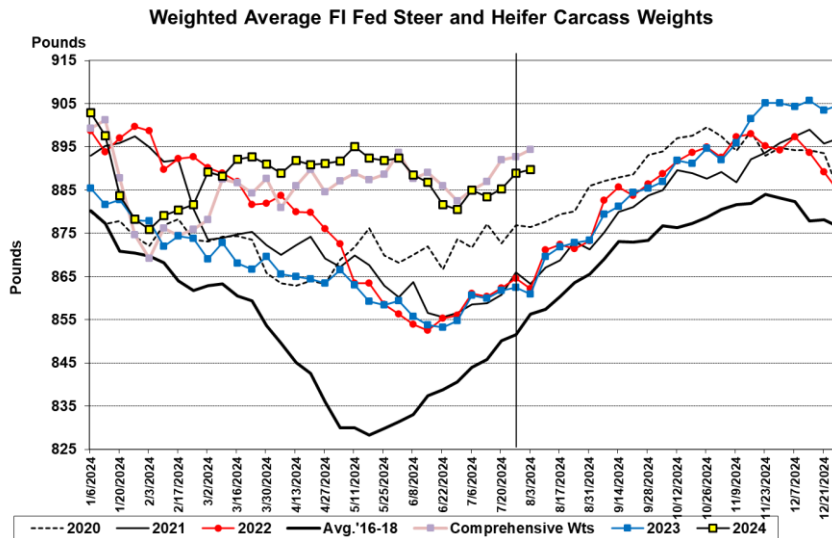
July temperatures dictate corn yields, and you'll see from the scatter on the following page that the R² for July temperatures is much stronger than it is for precipitation. The temperature and precipitation scatters argue for above-trend corn yields, consistent with the average survey guess of 182.2 for the August NASS corn yield estimate. There is still time for the crop to change, but it's hard to argue for a lower-than-trend yield, considering the weather we have had thus far.

**July Corn Belt Temperature Departure from Average (1901-2023) vs
 Percent Deviation From 30-Yr Trend Corn Yield**

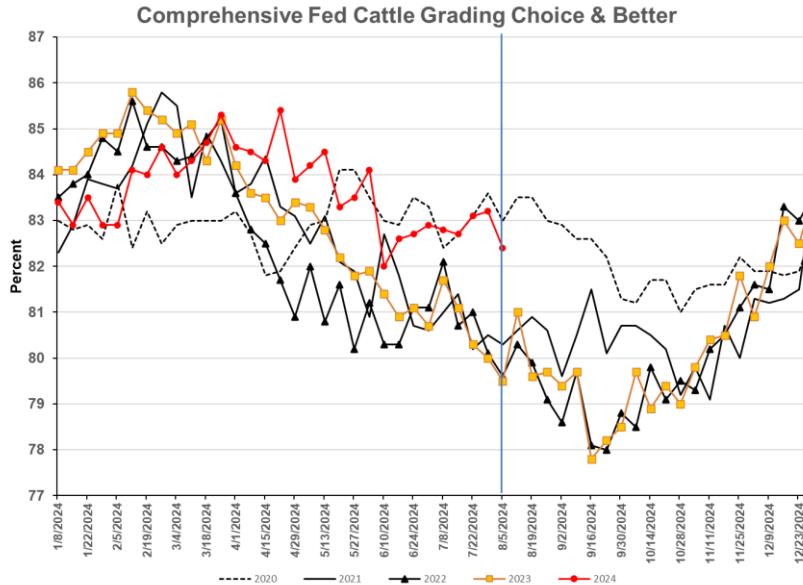


Livestock

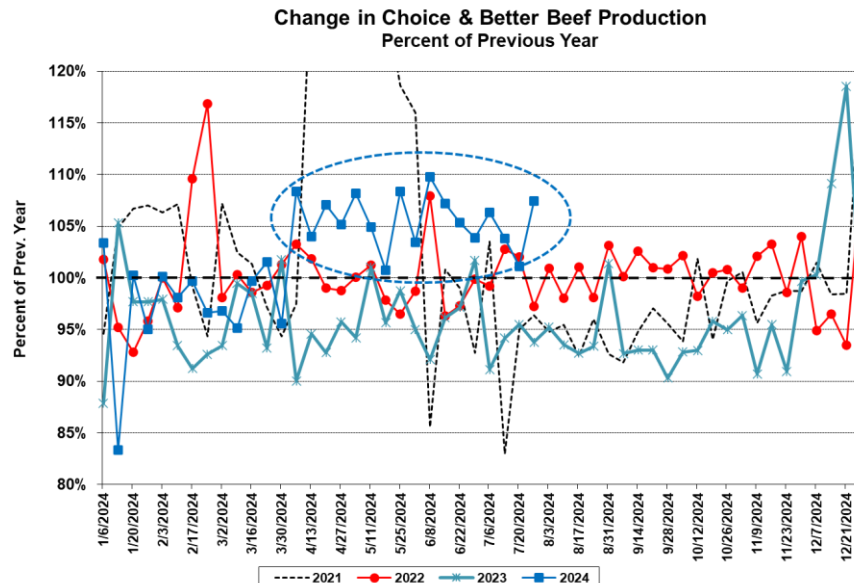
Fed cattle carcass weights continued adding to their record-heavy track at the end of July, averaging nearly 889 pounds, up four pounds from the previous week and 27 pounds heavier than the same date a year earlier. Although feedlot inventories since the beginning of the year have averaged about 1% larger than a year earlier, April-July fed cattle marketings have been about the same as last year. Despite no change in April-July fed slaughter, the heavier fed cattle carcass weights boosted fed beef production about 3.5% above a year earlier.



Besides the larger slaughter volumes, the slower fed cattle marketing pace and additional days on feed have boosted grading percentages. From April through July, fed cattle grading Choice and better averaged 1.6 percentage points higher than a year earlier.



Combining the larger fed beef production with the improved grading percentages indicates April-July Choice and better beef production has averaged about 5.5% higher than last year. Typically, that larger supply of quality beef would be expected to depress beef prices, but the April-July Choice cutout averaged about the same as last year. Despite the perception of weaker beef demand, selling a significantly larger quantity of quality beef at steady prices suggests beef demand has remained resilient.



Today's Calendar (all times Central)

- CFTC COT – 2:30 pm

Thanks for reading.

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