NESVICK TRADING GROUP, LLC

Tuesday, July 29, 2025

NTG Morning Comments

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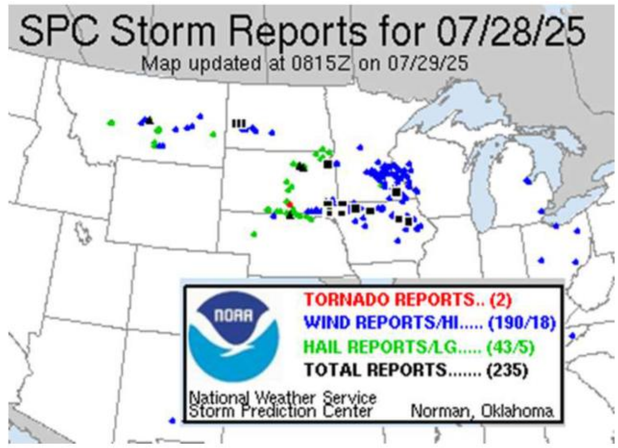
Weather

Strong thunderstorms swept through the northwestern Corn Belt last night, with thunderstorms as big as expected. The event will likely be classified as a derecho. Wind gusts hit 92 mph at Spencer, IA, and nearly 100 mph in Sioux County, IA. The map to the right shows widespread wind reports, including several over 70 mph. Expect plenty of photos showing flattened corn fields circulating on social media today.

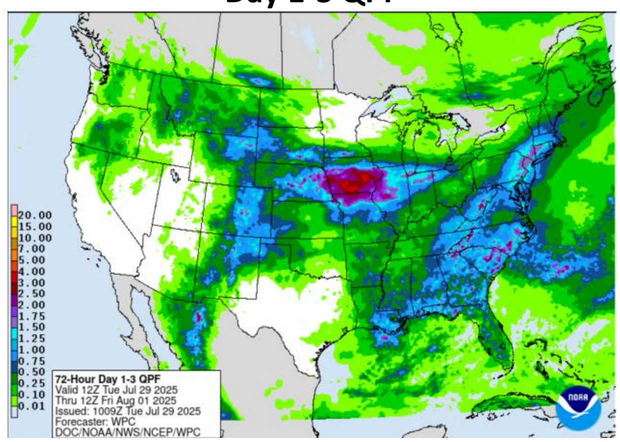
Storm Reports since 7/28/25



Storm reports since 7 AM CDT on Monday

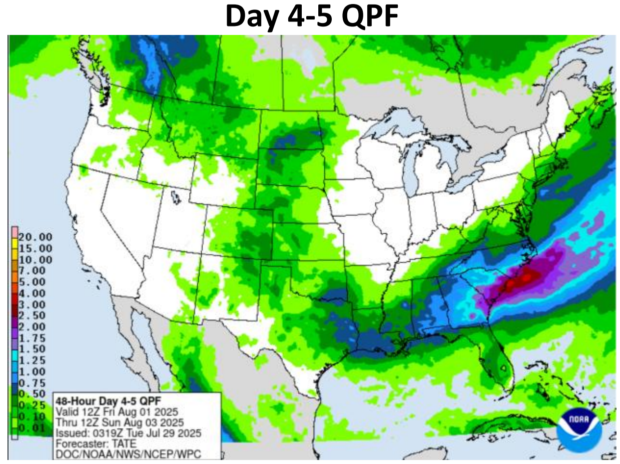
Storms will continue across the Corn Belt for the next three days, though the focus will shift from wind to heavy rain.

Day 1-3 QPF



The driest and coolest stretch over the next 15 days still looks to fall in the near term, though some rain may sneak into western areas. Rain chances increase again around August 5–6 as a classic ridge-rider thunderstorm pattern sets up, with high pressure centered over the Four Corners. This favors better rainfall coverage in the eastern Corn Belt versus the west.

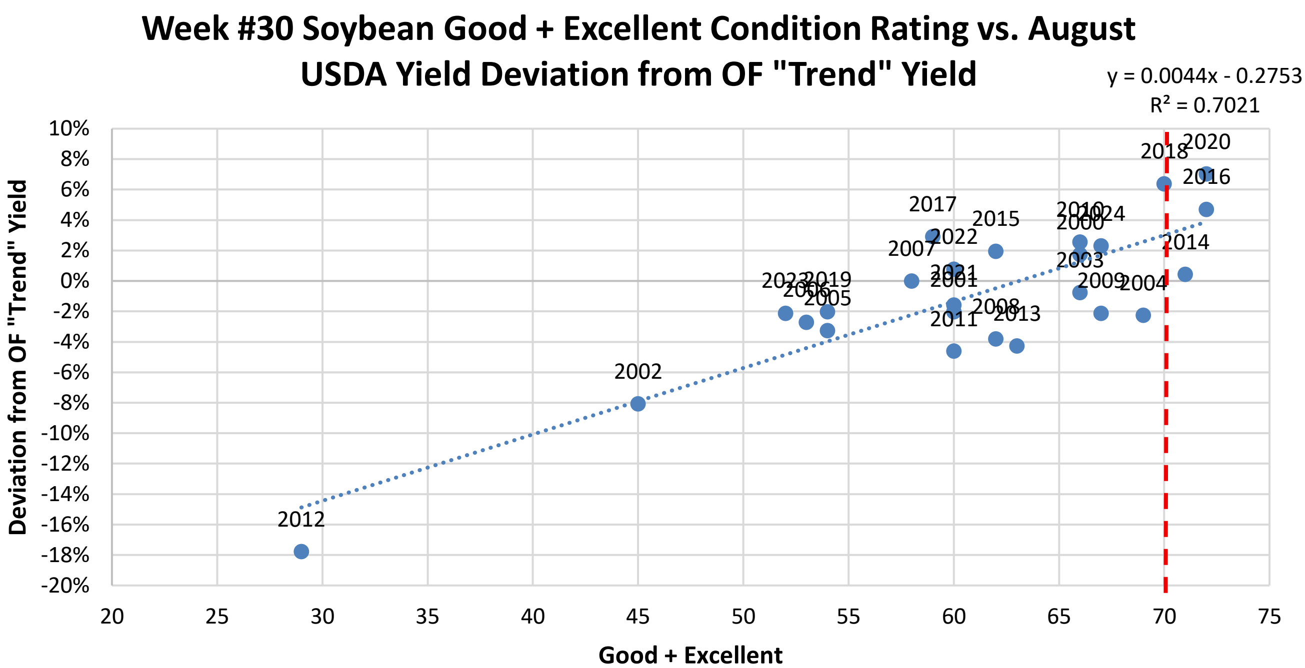
Day 4-5 QPF



Heat was widespread yesterday, with McCook, NE, hitting 105°F and South Bend, IN, recording a record-warm low of 74°F. Temps remained above 80°F early this morning in Topeka and St. Louis. The heat lingers today for areas south of I-80 but retreats south of I-70 by tomorrow, with 70s expected across the central and northern Plains into the weekend. Above-normal temperatures return around August 5, with the Corn Belt running 2–4°F above normal and the southern Plains 4–6°F above.

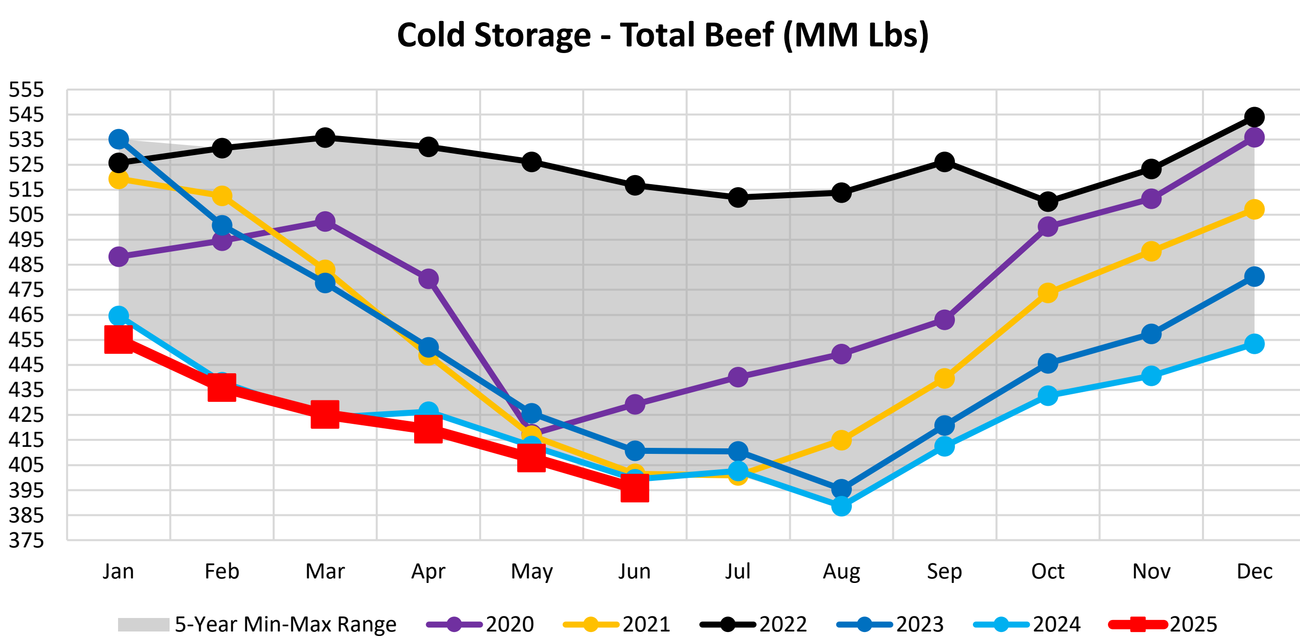
Grains

Continuing the theme from yesterday, let's take a look at how Week #30 soybean conditions line up with the USDA's August yield estimate. As of yesterday, soybeans were rated 70% good to excellent, up two percent from the prior week. The chart on the following page shows the historical correlation between Week #30 ratings and NASS's August yield estimate. Based on current conditions, the implied yield would be roughly 3% above the OF "trend" yield, or about 54.2 bpa (compared to USDA's current estimate of 52.5). Since 2000, there has never been a sub-trend soybean yield in August with conditions at or above 70 during this week.

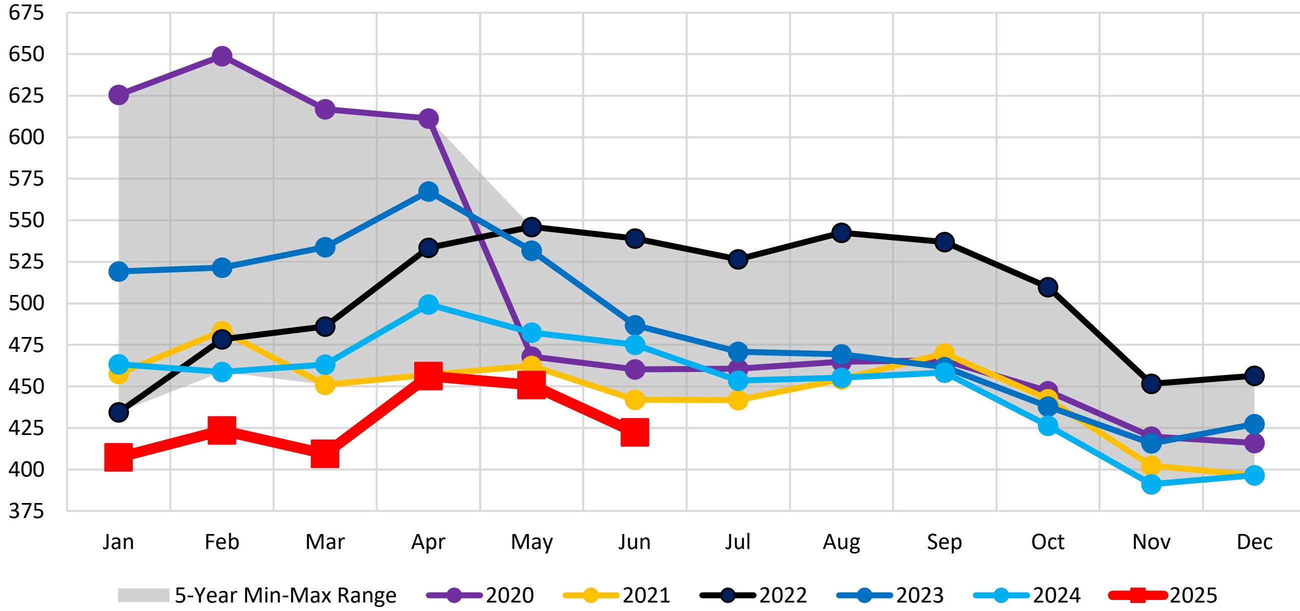


Livestock

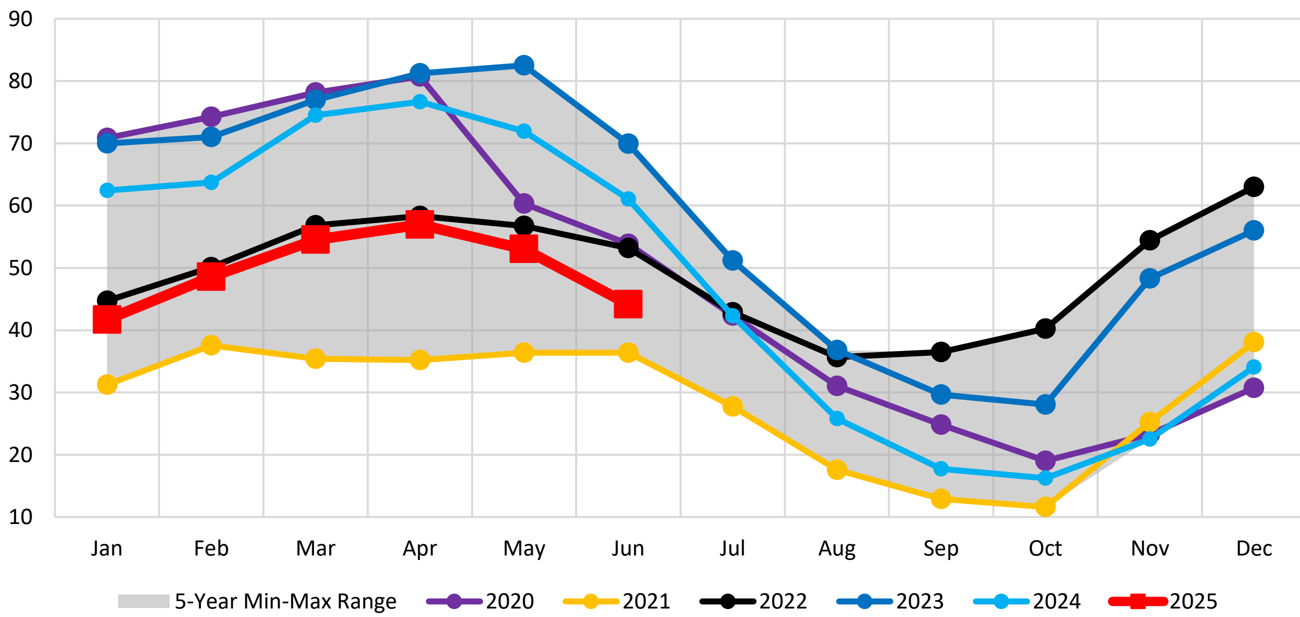
Not market-moving, but let's briefly catch up on some cold storage numbers from last Friday. Pork and beef stocks remain at the bottom of the five-year range. June beef cold storage was the lowest for the month since 2014, while pork hit its lowest June level since 2010. For reference, I've also included pork belly stocks, which are sitting at a four-year low for June.



Cold Storage - Total Pork (Million Lbs.)

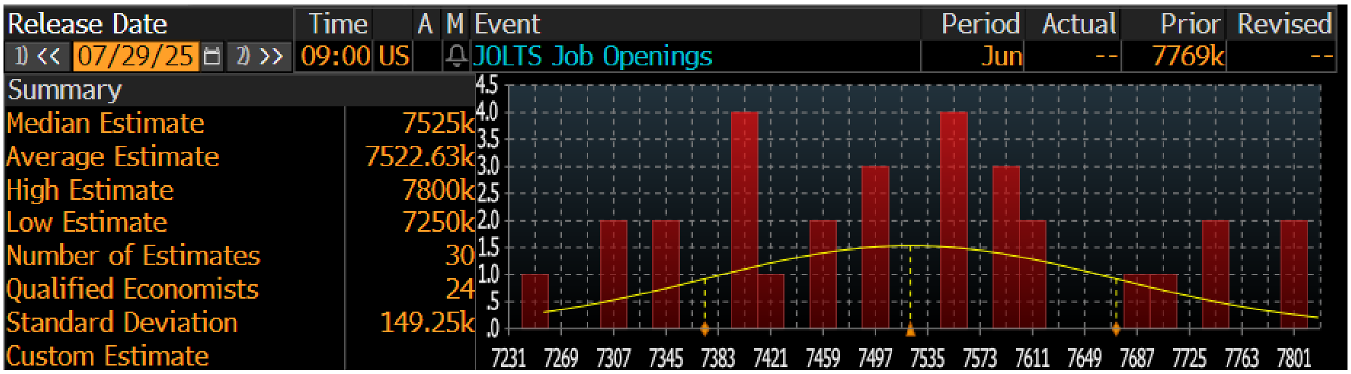


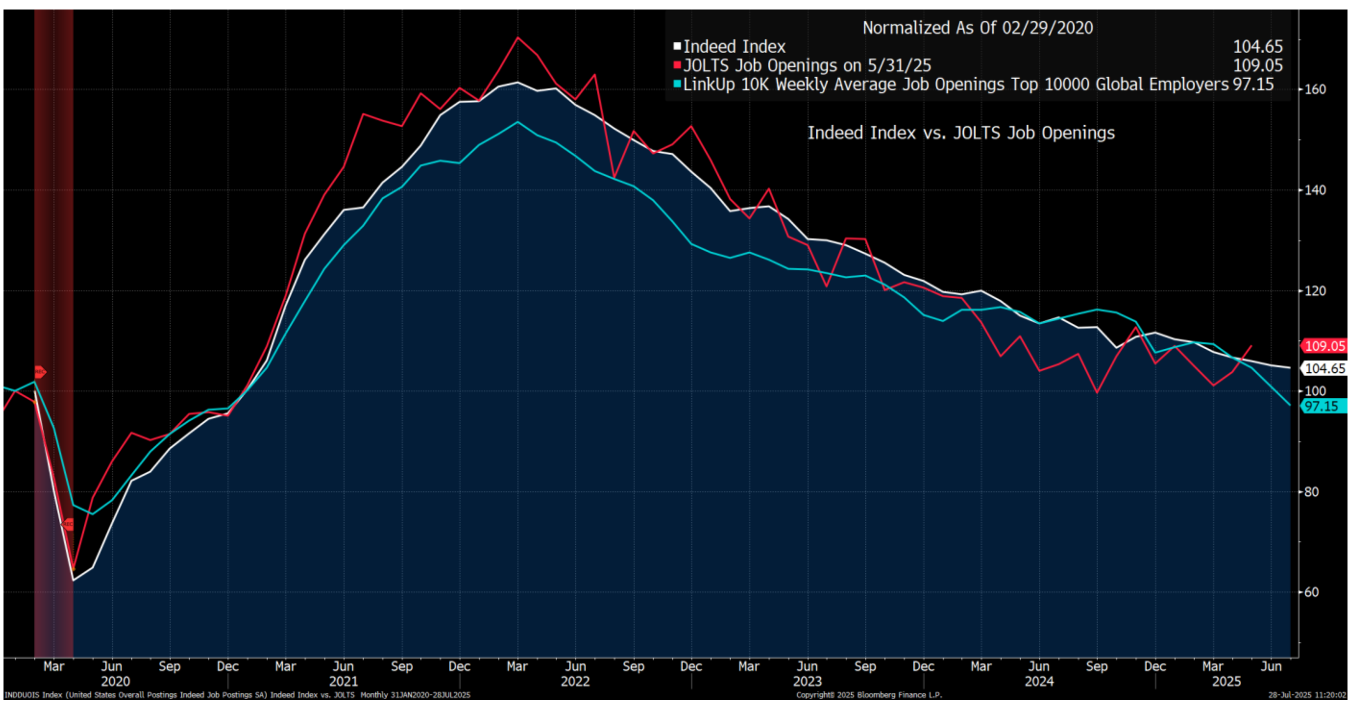
Cold Storage - Pork Bellies (Million Lbs.)



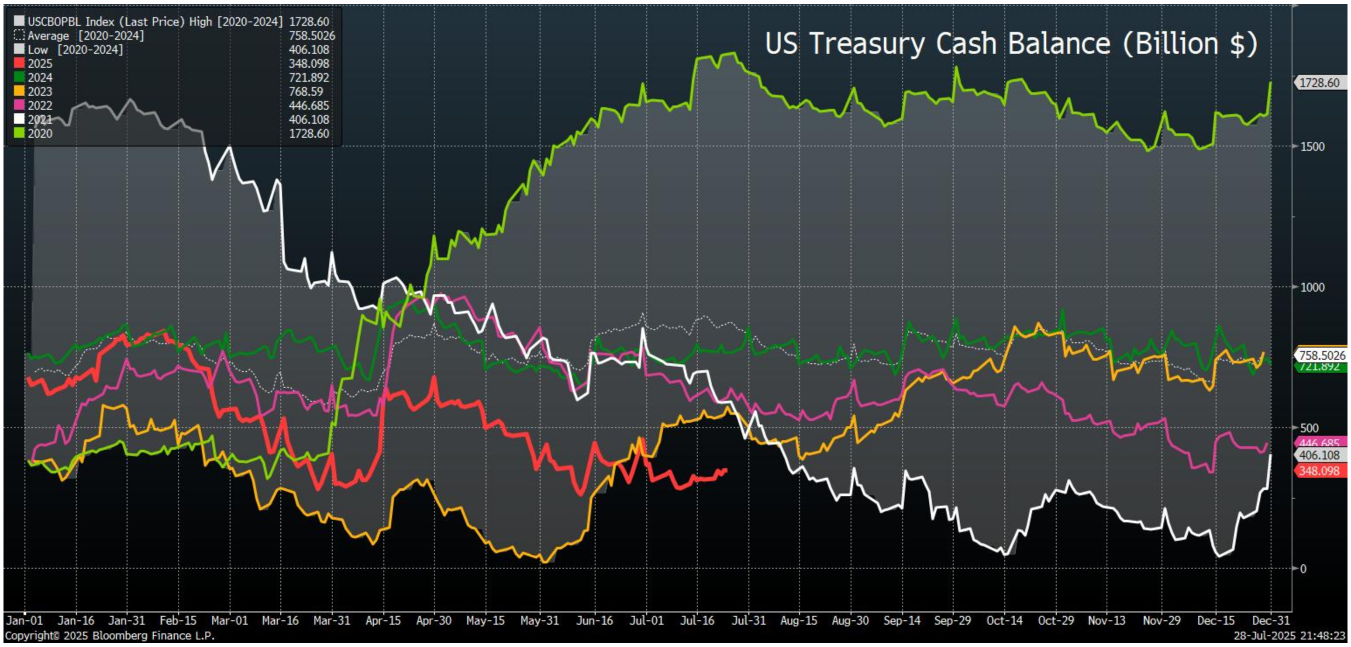
Financials

Today kicks off a big week of economic releases, starting with the JOLTS report. The headline number is expected to show a meaningful decline in job openings, dropping from 7,769k to 7,525k. This aligns with trends observed in real-time indicators, such as the Indeed Job Postings Index and the LinkUp 10,000, which tracks job openings from the top 10,000 global employers posting U.S.-based listings on their websites. All signs continue to point toward a weakening U.S. labor market, as reflected in the steady decline in job openings.





Worth noting from a casual macro perspective: the U.S. Treasury sharply revised its Q3 borrowing estimate higher, now just over $1 trillion, up from $453 billion estimated in April, citing the need to rebuild its cash balance. The Treasury General Account, which reflects the government's cash on hand at the Federal Reserve, fell below target and hit its lowest level for this time of year in the past five years (see chart below). Slower-than-expected revenue collections and a tight starting balance were key drivers behind the dip.



Today's Calendar (all times Central)

- JOLTS – 9:00 am
- Consumer Confidence – 9:00 am

Thanks for reading.

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