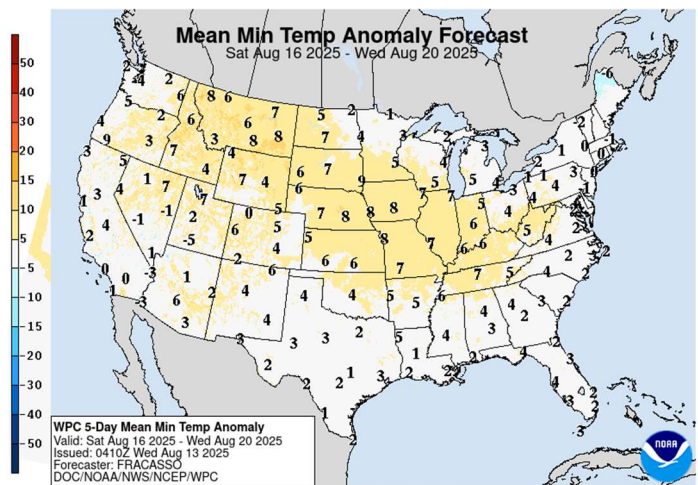
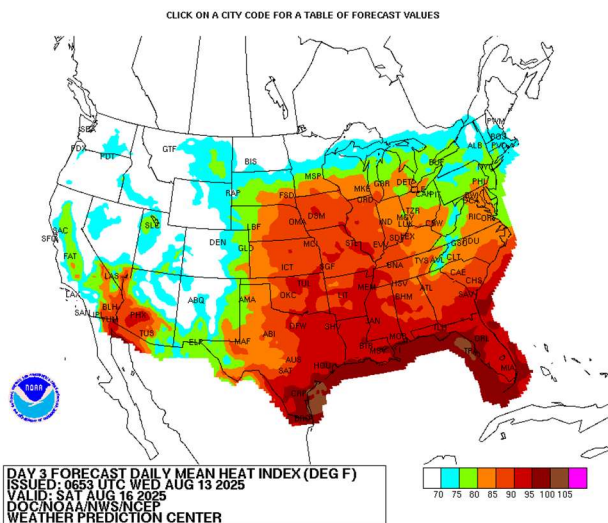
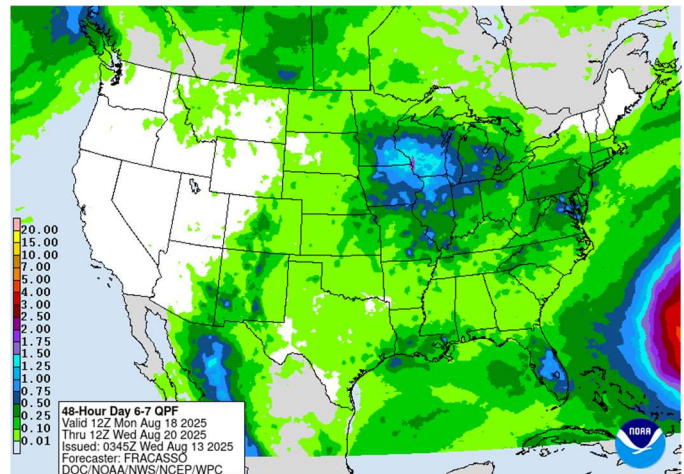
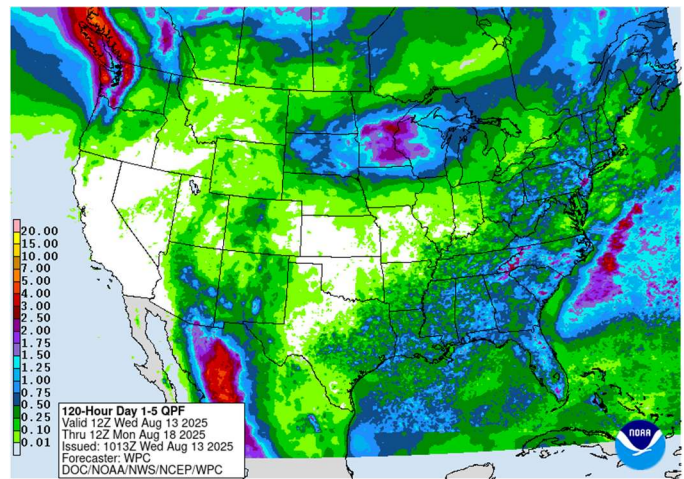


Weather

P24 saw light rains in IL/IN/OH with a few isolated 1+” amounts. It’s a quiet radar right now with a drier near- term forecast. The next 5 days are expected to be mostly open in the main Corn Belt. There should be rain Sat-Mon, but only in northern areas – SD, MN, WI. The next rain for IA/IL and parts of IN isn’t until Mon-Wed next week. Confidence is low on rainfall chances from late next week forward.

Temps should be mostly seasonable/slightly above normal for the next few days and then significant heat is forecast starting Thursday or Fri for at least five days with daytime highs at least 4-8 degrees above normal (hotter far west) and overnight temps even warmer. Midday maps yesterday were warmer from Aug 20th forward, but today it looks to moderate following the big heat.

It does not look very promising for rain in the Mid-South, but there are chances. Rain in the N Plains should continue but not as excessive as was seen recently. The S Plains should be dry for a full week now with a lot of heat.



Grains

My head is still spinning. Going to do a quick USDA recap stream-of-consciousness style and include S&D's. We'll dive deeper into each commodity over the next few days.

The corn yield was very large at 188.8, but in the realm of ideas - near StoneX. The big surprise was the acreage changes. The USDA reconciled the FSA data, adding 2.0 mil to corn acreage (1.9 mil harvest) and reducing bean planted acreage by 2.5 mil (2.4 mil harvest). Last year the USDA did tweak acreage as well – adding 1.0 mil to soybean acreage and reducing corn by 800 thousand acres. The USDA printed a 53.6 bu/a soybean yield, which was in line with trade ideas. But the reduction in area is a market changer in my opinion. Crop ratings have inched down a bit and there are some dry spots in the ECB and Mid-South that have gained the market's attention. The forecast has turned a bit drier and it is now much more important that we achieve this type of yield. Many will argue that the USDA is still overstating exports, and they very well could be, but that will be a realizing situation. They raised old crop crush and exports by 10 milbus each and lowered 24/25 ending stocks by 20 milbus. The lower acres more than offset the 1.0 bu/a increase in yield, with supply down 63 milbus from July. The USDA did go in the right direction on exports, lowering by 40 milbus. After a 3 milbus reduction in seed use, the net was a 20 milbus lower carryout than they printed in July – 290 milbus vs 310, and below the average trade estimate of 358 milbus. I am working with a lower yield, but acknowledge it could be too low and 53.6 bu/a may be a good working estimate. There were not many changes in the world numbers aside from Argentina old crop production being raised by 1.0 mmt. They left China imports at 112.0 mmt new and 106.5 mmt old (which could prove low). I don't think beans need to go down much more until we get later into Aug, especially if the dry areas don't get helped. US beans have been competitive with Brazilian, although that likely narrowed some today.

SOYBEANS: U.S. SUPPLY AND DEMAND									
	19/20	20/21	21/22	22/23	12-Aug 23/24 USDA	24/25 MB	12-Aug 24/25 USDA	25/26 MB	12-Aug 25/26 USDA
Planted Area	76.1	83.4	87.2	87.5	83.6	87.1	87.1	80.9	80.9
Harvested Area	74.9	82.6	86.3	86.2	82.3	86.1	86.1	80.1	80.1
Yield	47.4	51.0	51.7	49.6	50.6	50.7	50.7	51.8	53.6
Carryin	925	538	257	274	264	342	342	358	330
Production	3552	4216	4464	4270	4162	4366	4366	4150	4290
Imports	15	20	16	25	21	20	25	20	20
Total Supply	4492	4774	4737	4569	4446	4729	4734	4528	4641
Crush	2165	2141	2204	2212	2285	2422	2430	2530	2540
Exports	1679	2266	2152	1980	1700	1847	1875	1652	1705
Seed	97	101	102	72	75	78	70	75	73
Residual	15	9	5	41	44	24	29	25	34
Total Usage	3956	4517	4463	4304	4104	4371	4404	4282	4352
Carryout	538	257	274	264	342	358	330	246	290
Carryout % Use	13.6%	5.7%	6.1%	6.1%	8.3%	8.2%	7.5%	5.8%	6.7%

The corn S&D was blown a double whammy of bearish inputs, with the huge yield and 2.0 mil increase in acres. Old crop exports were raised a further 70 milbus and they lowered ethanol use by 35, with ending stocks down 35 milbus. For new crop, supply was up by 1.0 *bilbus*, but the USDA raised usage by 545 milbus – 250 for feed, 100 for ethanol, and 200 for exports. It is typical to raise feed/residual when production jumps, but their overall usage forecasts could be overestimated now. I had been of the opinion that this could be the largest yield in print, and I am still leaning that way given the “warm summer” histories and heat in the forecast/finishing weather.

That said, while my S&D and the USDA's differ in crop size and usage, the end result is not that different. We could be getting close to fall lows. For reference, last year's fall low was 3.85 CZ and in Sept of 2024 the new crop carryout forecast was 2057 milbus, with a 13.7% stocks-to-use. Today the ending stock forecast was pegged at 2117 milbus with a 13.3% stocks-to-use.

CORN: U.S. SUPPLY AND DEMAND (September - August Marketing Year)										
	18/19	19/20	20/21	21/22	22/23	12-Aug 23/24 USDA	24/25 MB	12-Aug 24/25 USDA	25/26 MB	12-Aug 25/26 USDA
Planted Acres	88.9	89.7	90.7	92.9	88.2	94.6	90.6	90.6	97.3	97.3
Harvested Acres	81.3	81.3	82.3	85.0	78.7	86.5	82.9	82.9	88.7	88.7
Yield (Bu/Ac)	176.4	167.5	171.4	176.7	173.4	177.3	179.3	179.3	182.4	188.8
Begin Stocks	2140	2221	1919	1235	1377	1360	1763	1763	1314	1305
Production	14340	13620	14111	15018	13651	15341	14867	14867	16177	16741
Total Supply	16508	15883	16055	16277	15067	16729	16654	16655	17516	18071
Exports	2066	1777	2747	2472	1662	2255	2800	2820	2675	2875
Feed Use	5429	5900	5607	5671	5486	5842	5649	5675	5750	6100
Food/Ind/Seed	6793	6286	6467	6757	6558	6869	6890	6855	6885	6980
Ind Use-Swtmr/Star	1090									
Ind Use-Bevg/Mfg A	150									
Ind Use-Fuel Alcoh	5378	4857	5028	5320	5176	5478	5550	5470	5500	5600
Food/Seed	240									
Total Usage	14288	13963	14821	14900	13707	14966	15339	15350	15310	15955
End Stocks	2221	1919	1235	1377	1360	1763	1314	1305	2207	2117
End Stks/Use %	15.5%	13.7%	8.3%	9.2%	9.9%	11.8%	8.6%	8.5%	14.4%	13.3%

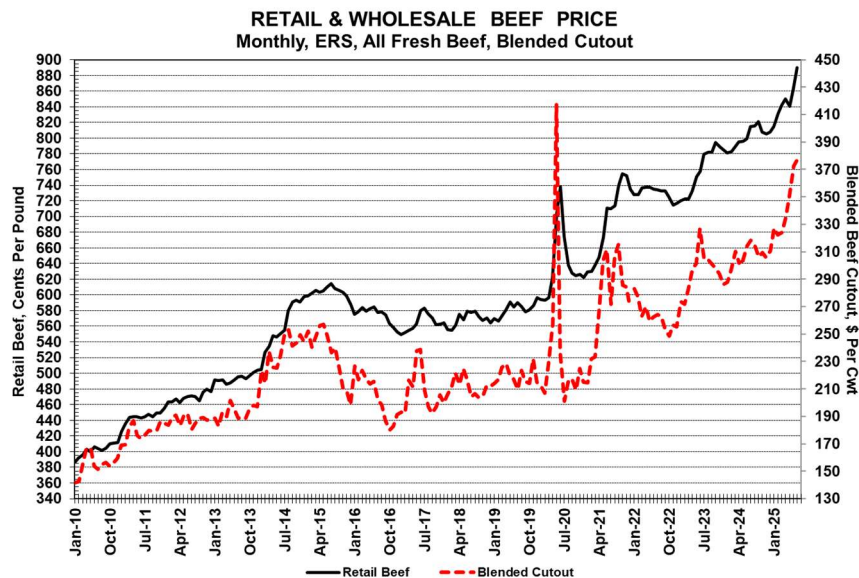
The wheat numbers were much less exciting, and am not going to spend a lot of time on them right now. All-wheat production was nearly unchanged from July, with winter up more than expected and springs down. The USDA raised new crop exports by 25 milbus (all in HRW) given the recent pace. The world stats didn't see a lot of changes either. China's crop was down 2 mmt to 140 mmt, but imports were left at 6.0 mmt. They raised EU production by 1.0 mmt, as expected. They left Ukraine at 22.0 mmt, with early yields suggesting something closer to 20.0 mmt. Also, Russian exports at 46 mmt look too high by 3-5 mmt. Wheat likely remains a follower of corn in the near term.

WHEAT: U.S. SUPPLY AND DEMAND (JUNE - MAY MARKETING YEAR)									
	2019/20	2020/21	2021/22	2022/23	12-Aug USDA 2023/24	MB 2024/25	12-Aug USDA 2024/25	MB 2025/26	12-Aug USDA 2025/26
Planted Area	45.5	44.5	46.7	45.8	49.6	46.1	46.1	45.3	45.4
Harvest Area	37.4	36.6	37.1	35.5	37.1	38.5	38.5	36.5	36.6
Yield	51.7	49.7	44.3	46.5	48.7	51.2	51.2	52.3	52.7
Carry-in	1080	1028	845	674	570	696	696	851	851
Production	1,932	1,820	1,646	1,650	1,804	1,971	1,971	1,910	1,927
Imports	104	100	96	122	138	149	149	120	120
Total supply	3115	2948	2588	2446	2512	2816	2816	2881	2897
Seed	62	64	58	68	62	62	62	64	62
Domestic Mill	962	961	971	972	961	975	969	975	972
Feed/Residual	95	85	88	76	86	103	109	130	120
Exports	969	994	796	761	706	826	826	875	875
Total Use	2088	2104	1913	1876	1815	1966	1965	2044	2029
Carry-out	1028	845	674	570	696	851	851	837	869
Carryout/use	49.2%	40.1%	35.2%	30.4%	38.3%	43.3%	43.3%	41.0%	42.8%

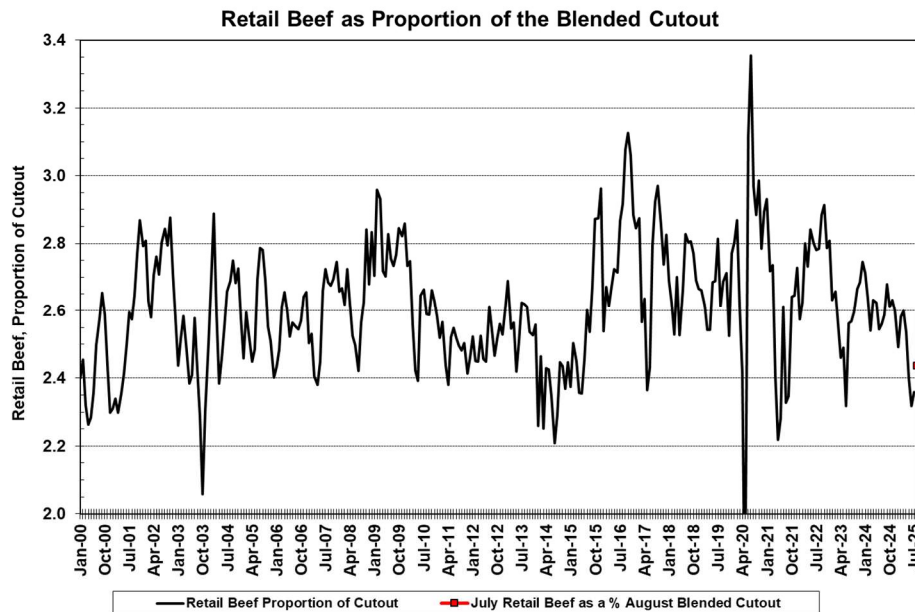
Grains commentary provided by Megan Bocken. For questions or comments, Megan can be reached at megan@bockentrading.com or on Trillian at megan@nesvick.com.

Livestock

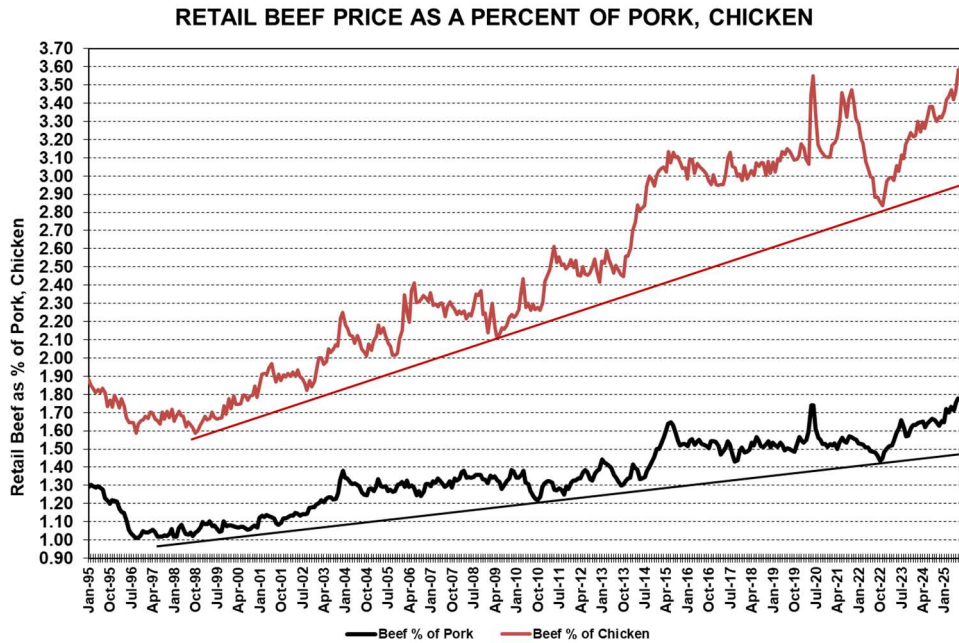
Led by beef, retail meat prices continued their upward march during July with both beef and pork establishing record highs for the month and chicken not far behind. All fresh beef at \$8.90 per pound was up more than 3% from a month earlier and over 9% higher than the same month a year earlier. The rise in retail beef prices was underpinned by smaller fed beef production during the month, estimated about 4.5% below a year earlier as heavier carcass weights partially offset about a 6% decline in fed slaughter. In addition, the rise in cutout values likely will maintain upward pressure on retail beef prices.



Despite the continuing upsurge, retail beef prices in July were not “high” in relation to the cutout. And, when comparing July retail beef prices with the August cutout, it’s likely that the upward momentum on retail beef prices will be sustained into mid and late summer with new record high retail beef prices likely in the offing.



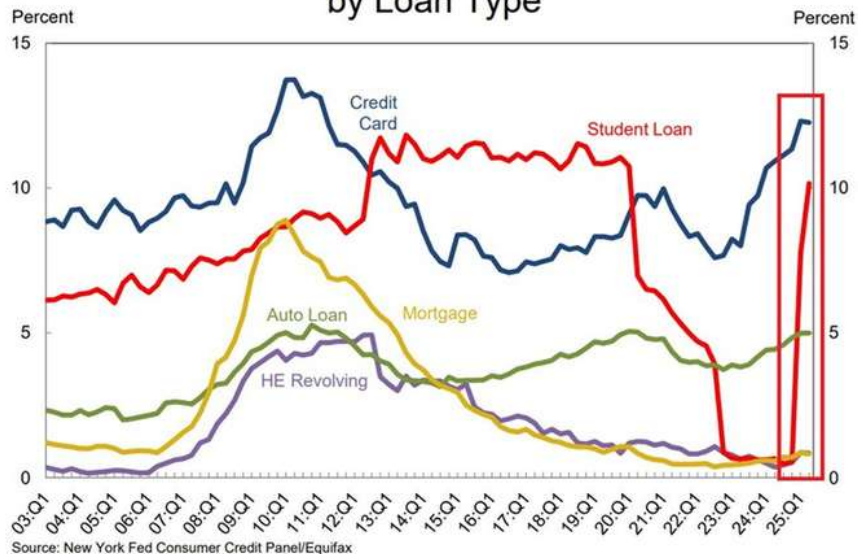
Rising retail prices is a “good news/bad news” story. Rising retail prices injects more dollars in the beef marketing channel, helping facilitate higher prices down the marketing channel to packers, cattle feeders and the cow/calf industry. But, rising prices also pose some challenges; less beef will be consumed at higher prices, which probably isn’t a major concern as long as production is declining. Those higher prices, however, if sustained will also curtail beef consumption should beef production rebound. And, another challenge posed by high retail beef prices is the relationship to competing meats—pork and chicken. Besides being record high in July, beef prices were also record high in relation to pork and chicken. Historically, it’s been a challenge to confirm whether relatively lower competing meat prices have unequivocally damaged consumer beef offtake, but the risk is certainly apparent that relatively lower-priced competing meats could replace beef in some consumer’s shopping carts.



Livestock commentary provided by Mike Sands. For questions or comments, Mike can be reached at msands@nesvick.com or on Trillian at miksan66@trillian.im.

Financials

**Percent of Balance 90+ Days Delinquent
by Loan Type**



Pretty eye-opening chart above. US serious delinquencies have shot up. Never a good sign. Three standouts here. 1) Credit card debt has reached 12.3% in Q2 2025, highest since Q2 2011. The all-time high is 13.7% as a result of the U.S. subprime crisis (peaking around Q4 2009/Q1 2010). 2) Student loans. This, to me, is the craziest move. Spiked 9.4% over the last 2 quarters to 10.2%, the highest since Q1 2020. 3) Lastly, auto loan delinquencies. 5.0% of auto loans are now delinquent, only 0.3% below the record set in Q4 2010.

1. Auto Loan Delinquencies Surging on Record Payments, High Rates

A record 19.3% of new car buyers are paying \$1,000 or more a month, according to Edmunds, helping drive auto-loan delinquencies higher at a faster pace than other consumer lending products. We don't anticipate these unforgiving conditions to abate soon: about 27% of trade-ins carry negative equity averaging \$6,800, while elevated vehicle prices and interest rates continue to strain household budgets. Captive finance units at Ford, GM, Toyota, Honda, Mercedes and others have seen net charge-offs rise, though the surge in delinquencies has yet to materially dent profit outlooks compared with the impact of higher interest costs. The trend adds risk to their credit profiles heading into 2026. (08/11/25)

Financials commentary written by Mark Sigman. For questions or comments, Mark can be reached at msigman@nesvick.com or on Trillian at msigman@nesvick.com.

Today's Calendar (all times Central)

- EIA Energy Stocks - 9:30 am

Thanks for reading.

Zachary Davis

zdavis@nesvick.com

(901) 604-7712

Trillian IM: zdavis@nesvick.com

Bloomberg IB: zrdavis@bloomberg.net

DISCLAIMER:

This communication is a solicitation for entering into derivatives transactions. It is for clients, affiliates, and associates of Nesvick Trading Group, LLC only. The information contained herein has been taken from trade and statistical services and other sources we believe are reliable. Opinions reflect judgments at this date and are subject to change without notice. These materials represent the opinions and viewpoints of the author and do not necessarily reflect the opinions or trading strategies of Nesvick Trading Group LLC and its subsidiaries. Nesvick Trading Group, LLC does not guarantee that such information is accurate or complete and it should not be relied upon as such.

Officers, employees, and affiliates of Nesvick Trading Group, LLC may or may not, from time to time, have long or short positions in, and buy or sell, the securities and derivatives (for their own account or others), if any, referred to in this commentary.

There is risk of loss in trading futures and options and it is not suitable for all investors. PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RETURNS. Nesvick Trading Group LLC is not responsible for any redistribution of this material by third parties or any trading decision taken by persons not intended to view this material.