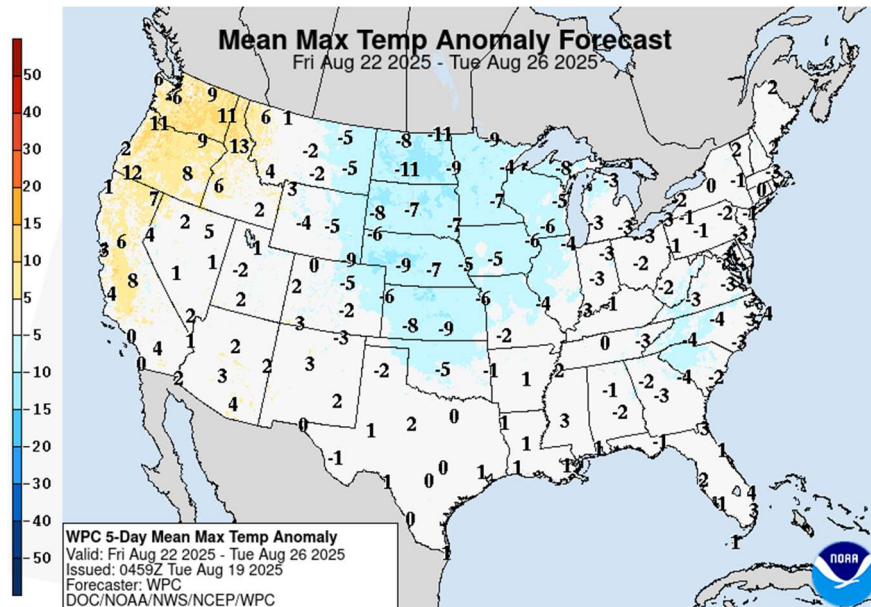
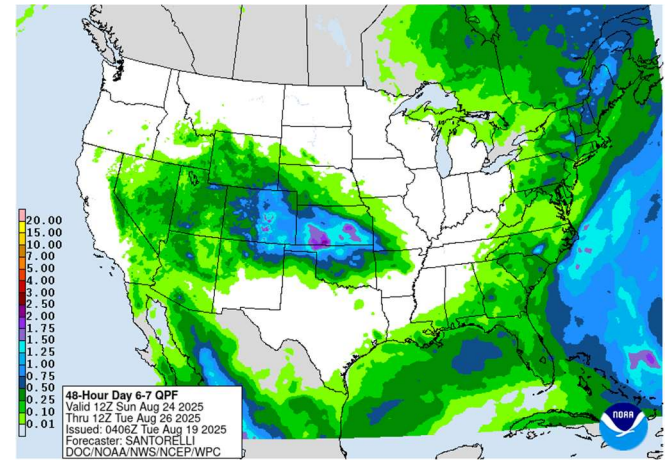
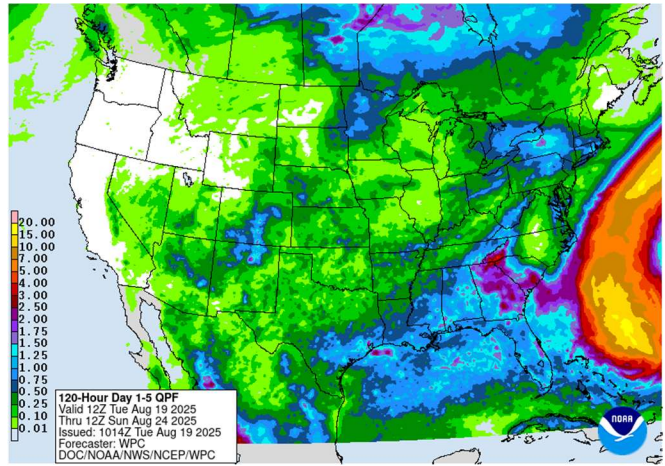


Weather

The P 24 saw light scatter rains in eastern IA, northern IL, and far northwestern IN. Today's forecast is considerably drier with very little rain expected in the Corn Belt for at least the next 10 days. Normal to normal-below rain is forecast for the 11-15. This will give northern areas, especially MN, the chance to dry out, but the drier areas in the ECB really need a rain.

Hot weather is expected into tomorrow in the Corn Belt and through Thurs in the Plains. Temps should then cool off with especially cool temps forecast in the 6-10 day. The coolest period should be Aug 24-28th.

The Mid-South is expected to be unfavorably dry for at least the next week. It is a drier forecast in the N Plains for the next 15 days with heat through Thurs and then cooler. The S Plains should be hot/dry until Fri and then turn much cooler and wetter.



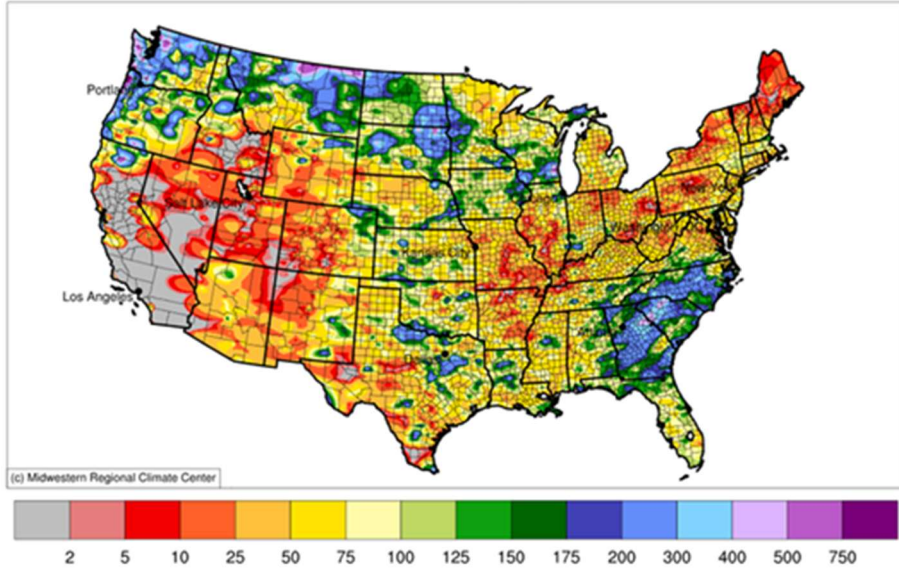
Grains

Today, we'll look at the bean scatter (2012 drought year excluded) and throw in some weather charts. I plotted the stocks-to-use vs the SX futures closing value on Oct 1. The USDA forecast 25/26 bean stocks-to-use at 6.7% last week and SX rallied from 9.94 to end the week at 10.43. Last year in the Aug report, USDA forecast the stocks-to-use at 12.76% and SX closed at 9.86 on report day. Futures then made a new low of 9.55 a few days later and on Oct 1, SX24 closed at 10.57. Not far from where we are today (1044 at the time of writing). The difference is only a mere 6% divergence in their stocks to use forecast and the fact that we need to realize the USDA's record yield to keep the forecast at 6.7% (I realize lower exports will also move it). The last time the USDA forecast stocks to use near 6.7% was 13/14 at 6.93%, and on Oct 1, SX were at 12.68. I am not saying we're going up \$2. Corn was higher priced that year and the bean-corn ratio was closer to 2.9 (currently 2.56). It just doesn't seem to take a lot of imagination to at least get closer to 11.00, especially with the weather so far in Aug and the forecast for the remainder of the month.

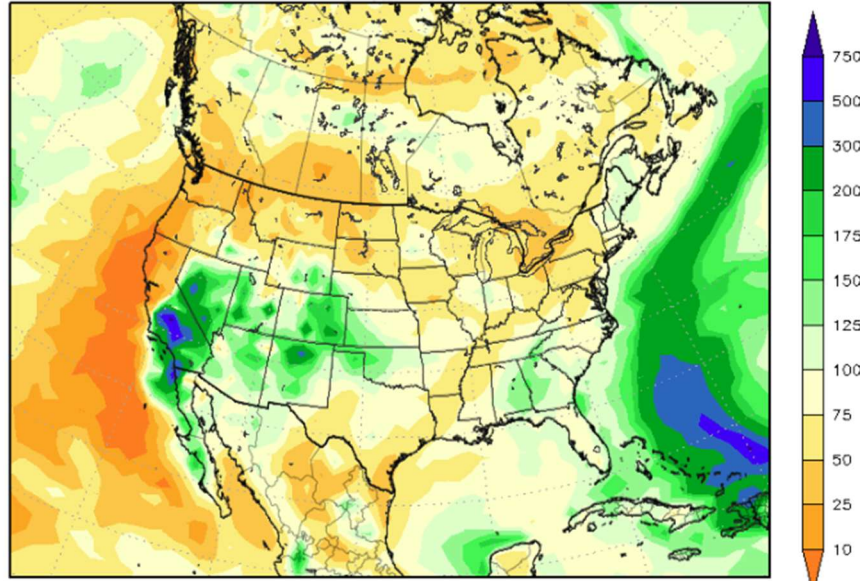


Was the start of the Pro Farmer crop tour today. Lots of tweets to talk about but nothing really to latch onto. Sounds like a lot of disease pressure in corn. Should make for a choppy week. Commitment of traders showed funds got shorter in corn and covered more beans and meal than expected. I still don't think we have the finishing weather we need for corn or the precip we need in the forecast for the rest of the month for beans. In addition, some of the overnight lows over the weekend were 10-15 degrees above normal. I have attached the % of normal precip map Aug to date as well as a map of % of normal rain forecast (European Ensemble) for the remainder of the month.

Accumulated Precipitation (in): Percent of 1991-2020 Normals
 August 01, 2025 to August 17, 2025



1-15 Day Precipitation Anomaly (% of Normal) GFS-ENS
 Valid: 00z Mon 18 Aug 2025 - 00z Tue 02 Sep 2025 Hour: 6 - 360

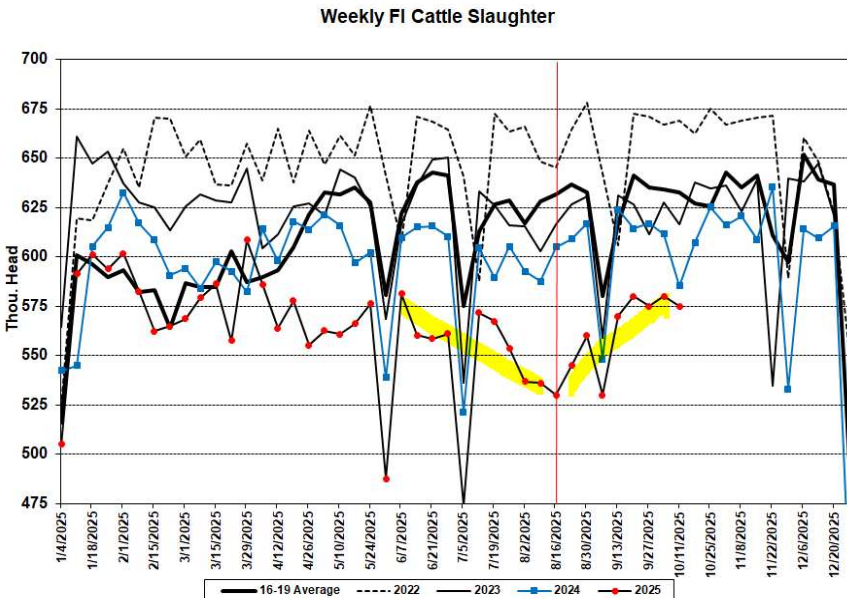


Compared to 30Y (1991-2020) Init: 00z Mon 18 Aug 2025
 StormVistaWxModels.com 2025-08-18-02:22 E

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

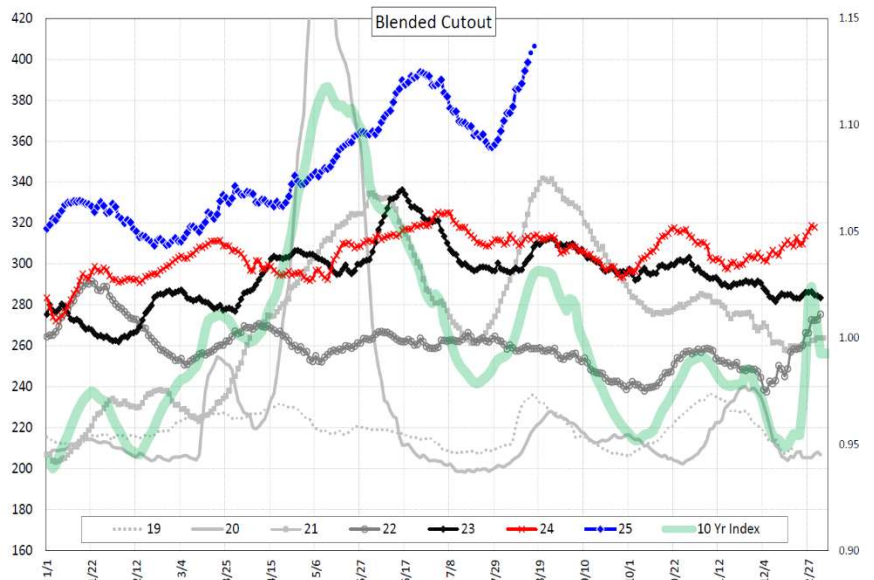
Beef prices have seen some unprecedented moves in the past 60 days. Moving up to \$395 in June, then collapsing to \$360 in July, and now surging to new highs, with prices approaching \$410 in the middle of August. What is hard to comprehend about this move in prices is that it has come on a steady diet of very restricted slaughter rates from early June through mid-August (last week). These kills have been some of the smallest non-holiday kills we have seen since COVID. It is important to understand that while supplies continue to be



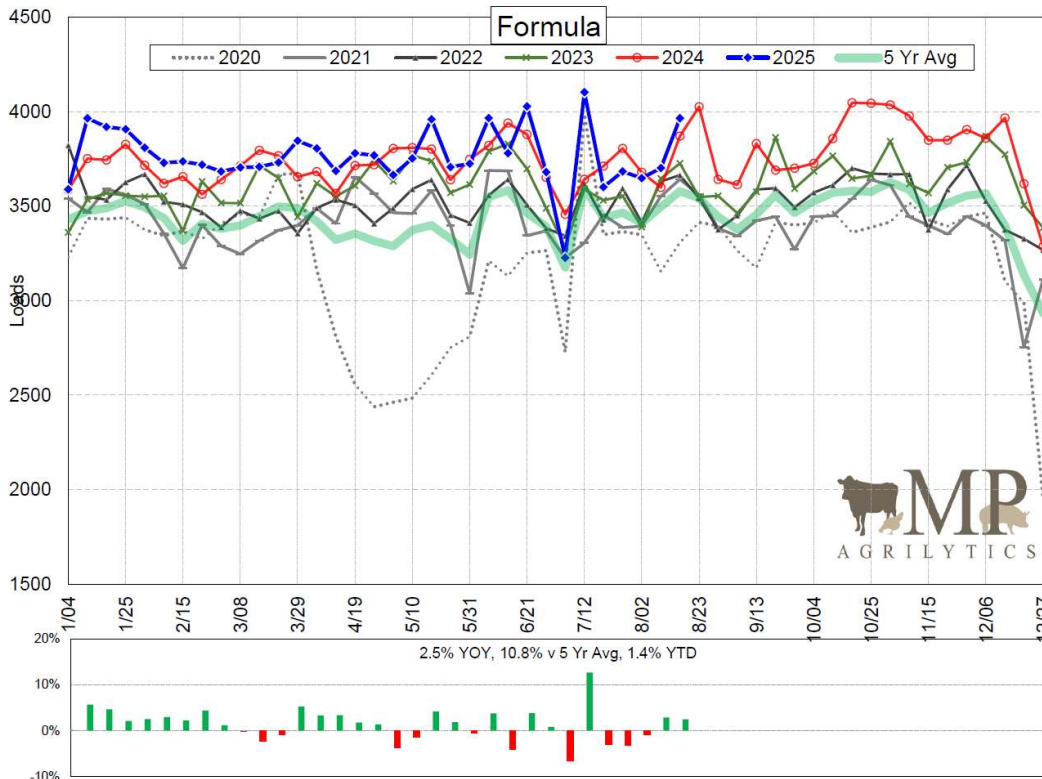
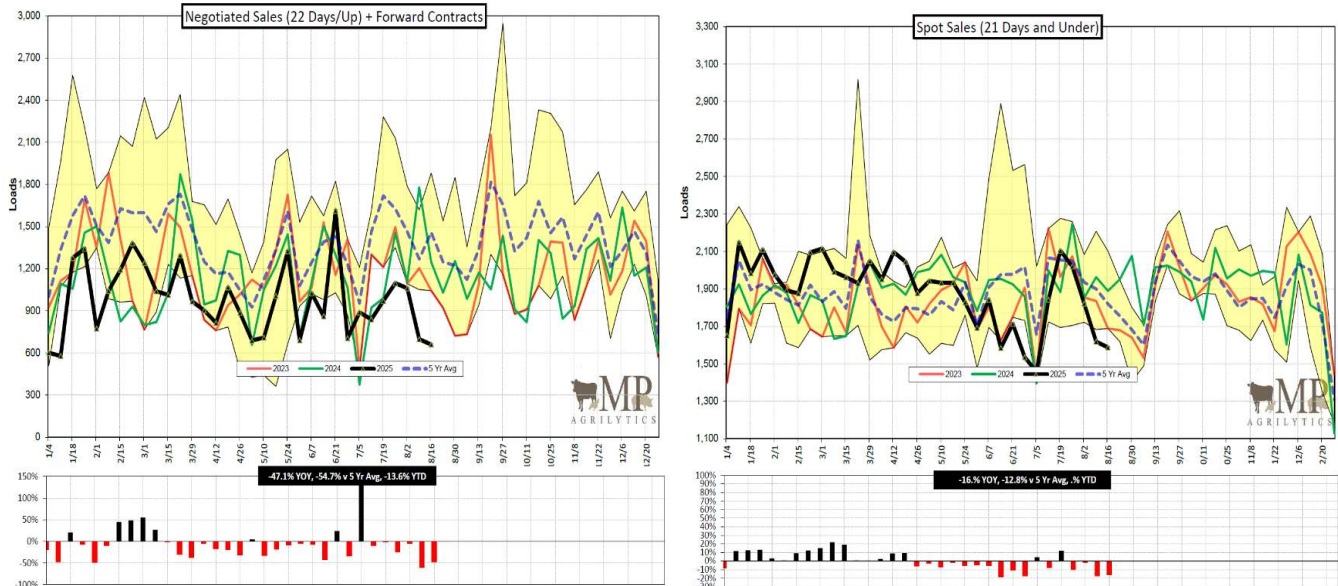
restrained, prices were both down \$35 and back up \$45. Driving this roller coaster to the downside in July was due to a major big box retailer pulling back on regular “turn” business orders in July, effectively giving back beef to the market they forecasted would sell, but was not. Following this give-back, if you will, prices have soared to new heights, driven by what appears to be the residual effect of packer grind and other procurement buyer needs surrounding a shortfall in Brazilian imports that has resulted since the US added the extra 40% tariffs in early August. I have marked on the weekly slaughter chart where I feel is the

availability of cattle supplies from the end of August into early October. This shift is denoted by the horizontal red line that marks last week’s kill at 530,000 hd. One of two things happens: either the packer brings up the kills and beef prices collapse, or the packer keeps kills reigned in and cattle become backed up to where leverage shifts from the feeder to the packer, which will lead to kills coming up as well. Either way, between now and October, beef prices remaining at \$400+ should prove to be a statistical anomaly.

One factor to watch for against structural shifts in demand will be the formula orders given to packers. For those of you who are not familiar with how beef trades, there are more or less 3 buckets: spot sales, forward sales (both negotiated fixed prices), and formula sales (unknown prices, here is my volume, just give me the beef). Up until now, we have seen spot and forward buying decline, but the formula business has remained strong. If these formula volumes collapse while spot and forward volumes remain low, this will confirm



some rather drastic shifts in retail buying patterns. If formulas remain strong, well, that tells us all we need to know.



Livestock commentary provided by Scott Shepard. For questions or comments, Scott can be reached at scott@nesvick.com or on Trillian at scott@mnrcapital.us.

Today's Calendar (all times Central)

- Housing Starts – 7:30 AM
- Building Permits – 7:30 AM

Thanks for reading.

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