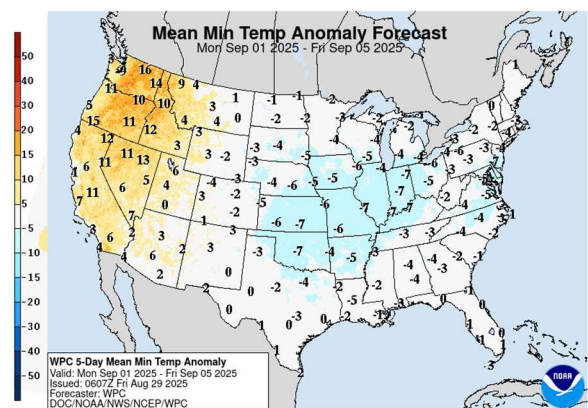
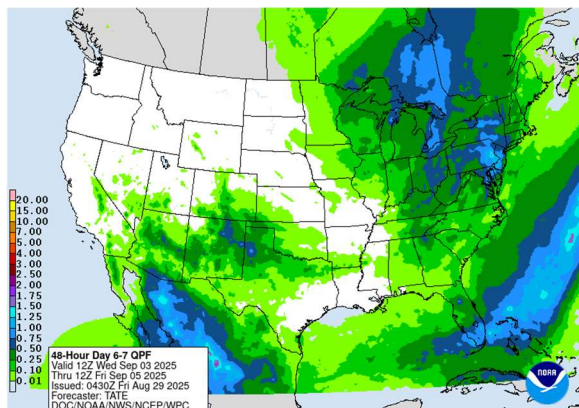
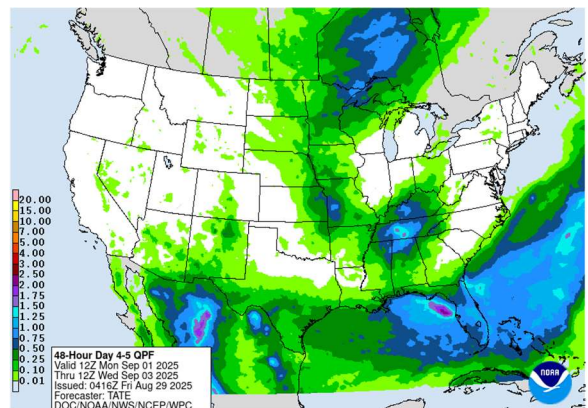
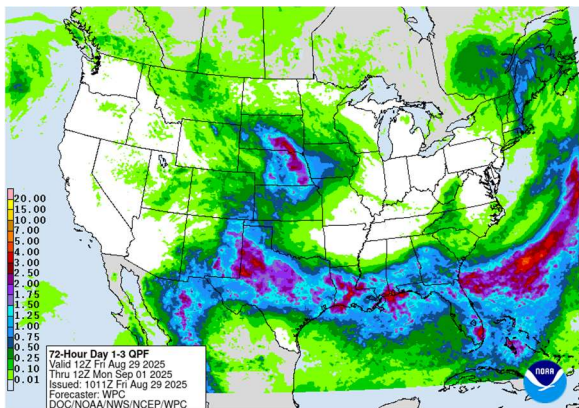
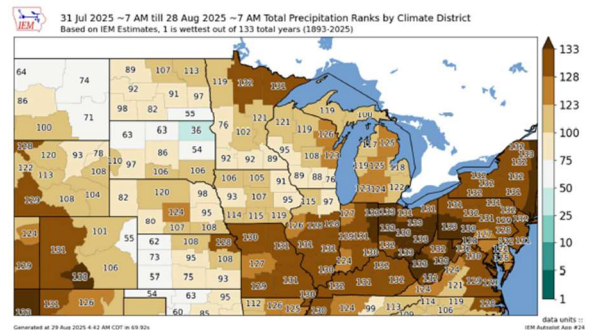
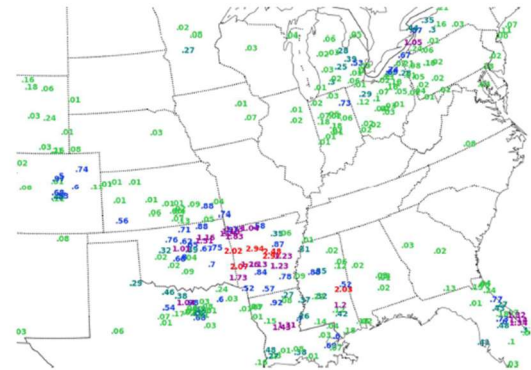


Weather

Rains past 24 hours were as expected in the S Plains and the Mid-South. WCB has rain chances in the far west through Sep 3. Central and eastern areas dry through the 7th. Rain chances in the 11-15 also favor the WCB. Nearly all Corn Belt areas are in need of a rain with the ECB driest.

Temps should be below normal with another cold shot Sep 3-6 with temps expected to be 10-15 degrees below normal. In northern areas, highs in the 50's and lows in 30's are forecast. Still no sub-freezing. Warmer temps are likely to follow in the 11-15.

The S Plains should remain wet throughout the 15-day period with some flooding occurring. The Mid-South has another rain chance on Tues. Western portions will be favored. The N Plains are forecast to be mostly dry for this week with rain chances on the weekend (mostly in SD) and next week.



Grains

Struggling with what to write about. Has been a quiet week with drifting trade. There has been no real catalyst to follow through with further upside. Meal likely discounted the nearby tightness early in the week. SMU traded almost \$306/ton and is now \$20 off the highs. The SMU-Z traded \$12.80 inverse and is back to a carry. Basis continued to firm however with WCB basis up \$10-20 from last week and ECB mostly steady to \$5 higher. There will likely be few/no meal deliveries as receipts continue to be canceled. With today being FND for Sep and month end, as well as looking into a three-day weekend, there could be a bit more volatility (if everyone hasn't already left). There were no fresh registrations for delivery aside from 200 add'l in KC to 619 ctrs.

For the week so far, prior to the night session, beans are down 8 cents with meal down \$10.40/ton and oil down 309 points. Corn is up 3. Wheat is up 5 in Chgo, down 11 cents in KC, and down 14 in Mpls. Crush margins got hit hard again this week as did oil share.

Export sales continued to be strong across the board. It seems Brazil is finally starting to ramp up their corn export program. Braz FOB's have started slipping a bit. Ukraine is still high priced, likely need more harvest and Arg is closer to US. US beans are still cheapest. There was no real news out of the China meeting in DC. It would be quite friendly if make any of deal/start buying again. New crop bean sales are 7.2 mmt, lagging recent years considerably and compare to 10.2 at the same time last year (which at the time was considered very low). Still thinking how could they get much worse. Wheat sales were decent at 580 tmt but with world FOB values coming down in the last couple weeks, particularly Russia, the US window could be closing. Both Canada and Australia crop estimates are getting bigger, spring wheat harvests are around the corner, as is winter wheat seeding.

I'm hearing Stone X will be out Tuesday after the close with their yield forecasts ahead of the next USDA report (Sept 12). For reference, they were 188.1 in Aug vs USDA's 188.8 with Informa at 186. In beans, they were 53.6 and USDA came out 53.6. Informa was 53.5. It will be interesting to see what the effects of the dry August have been, but that probably won't come until later.

Going to throw in some weekly futures charts for reference.





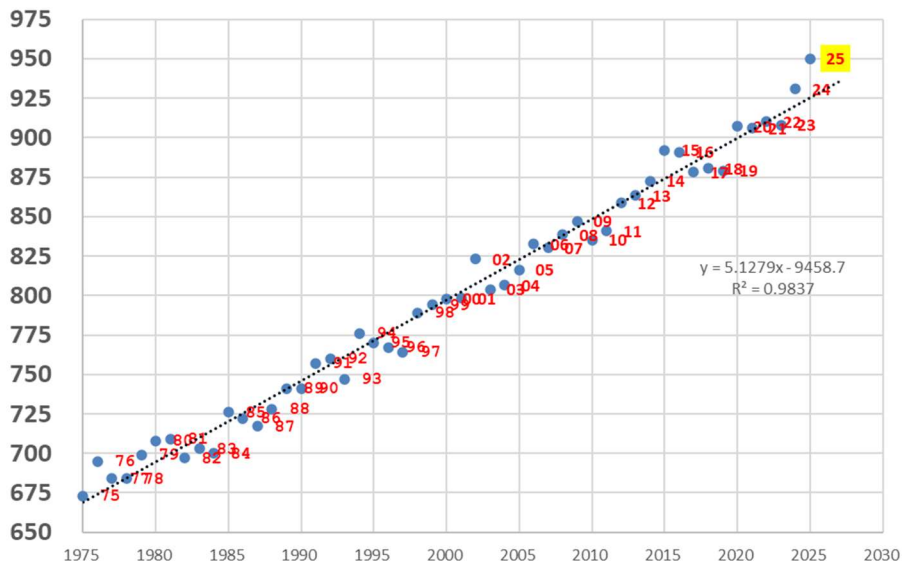


Grains commentary provided by Megan Bocken. For questions or comments, Megan can be reached by email at megan@bockentrading.com or on Trillian at megan@nesvick.com.

Livestock

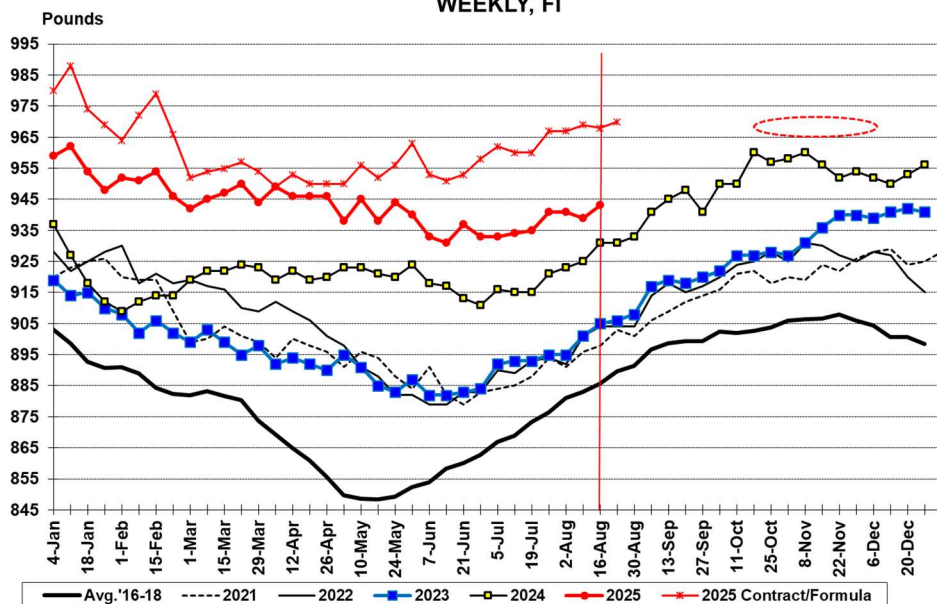
The long-term uptrend in cattle weights has been well-documented, but advances in recent years have far exceeded historic norms. Steer carcass weights, for example, have increased a little over 5 pounds per year, dating back to the mid '70s. Surely there have been years where weight increases have exceeded trend—often associated with cyclically tight fed cattle supplies—the industry simply makes what it has larger. Other large weight-increase years are associated with significant market back-log years—2015 & 2016 come to mind. High feed cost years have had a tendency to hold weight increases at or below trend. None of those explanations seem to fit current conditions: fed cattle supplies remain ample and steer weights are well above trend—14 pounds above trend in 2024 and may be nearly 30 pounds above trend this year.

Long-term Trend FI Steer Carcass Weights
 Annual Average

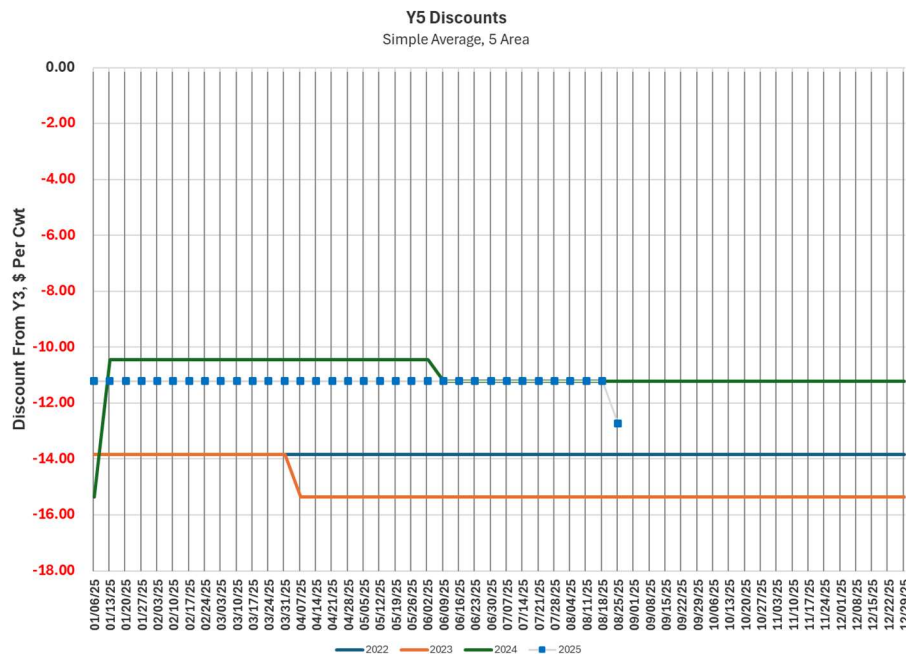


Carcass weights typically rise from seasonal lows in the spring to register peaks in the fall, often about 50 pounds above the spring lows. Over the last couple of years, the weight shifts have been more muted—less of a seasonal decline in the spring and perhaps somewhat less of a rise to the fall peak. In mid-August, FI steers averaged 943 pounds, up four pounds from the previous week and 12 pounds heavier than last year. A seasonal advance into the fall would push steer weights into 965-970 lb. range—which is about where the contract & formula steer weights currently reside (contract and formula cattle represent something over 80% of the total trade, so heavier weights in this group will tend to pull FI weights higher).

STEERS-- AVERAGE DRESSED WEIGHTS
 WEEKLY, FI



USDA's weekly premium/discount schedule for last week noted larger discounts on YG4 and YG5 cattle for the first time in over a year. While the average change in discounts was modest, about a dollar on Y4s and \$1.50 on Y5s, the steepest reported Y5 discounts went from \$24 to \$32 per cwt—likely sufficient to garner some attention. Given the apparent large inventory of long-day cattle in feedyards on September 1 and the seasonal pattern on carcass weights, there is some risk discount schedules may get worse before they get better.



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

Financials

PCE data comes out this morning and headline PCE is expected to come in at 2.6% y/y while the core number is expected at 2.9% (up slightly from the prior month). If the trend looks to continue its path higher, we could be looking to surpass 3.0% in the last few months of the year.



July PCE price index forecasts

	Headline		Core	
	m/m	y/y	m/m	y/y
Bank of America	0.25%	2.7%	0.31%	2.9%
Barclays	0.22%	2.6%	0.30%	2.9%
BNP Paribas	0.23%	2.6%	0.30%	2.9%
Citi			0.27%	2.9%
Deutsche Bank			0.29%	2.9%
Employ America	0.18%	2.6%	0.26%	2.9%
Goldman Sachs	0.18%	2.6%	0.26%	2.9%
Inflation Insights	0.17%	2.6%	0.25%	2.9%
JP Morgan			0.27%	2.9%
Moody's Analytics	0.19%	2.6%	0.28%	2.9%
Morgan Stanley	0.20%	2.6%	0.27%	2.9%
Nomura	0.21%	2.6%	0.29%	2.9%
SGH Macro	0.17%	2.6%	0.25%	2.9%
UBS	0.21%	2.6%	0.28%	2.9%
Underlying Inflation	0.22%	2.6%	0.30%	2.9%
Median forecast	0.21%	2.6%	0.28%	2.9%
<i>Previous month (June)</i>	<i>0.28%</i>	<i>2.6%</i>	<i>0.26%</i>	<i>2.8%</i>

Source: The Wall Street Journal

Financial commentary provided by Mark Sigman. For questions or comments, Mark can be reached by email at msigman@nesvick.com or on Trillian at [msigman@nesvick.com](https://trillian.im/msigman@nesvick.com).

Today's Calendar (all times Central)

- Personal Income/Spending – 7:30 AM
- PCE Price Index – 7:30 AM
- Wholesale Inventories MoM – 7:30 AM
- MNI Chicago PMI – 8:45 AM
- U. of Mich. Consumer Sentiment – 9:00 AM

Thanks for reading,

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