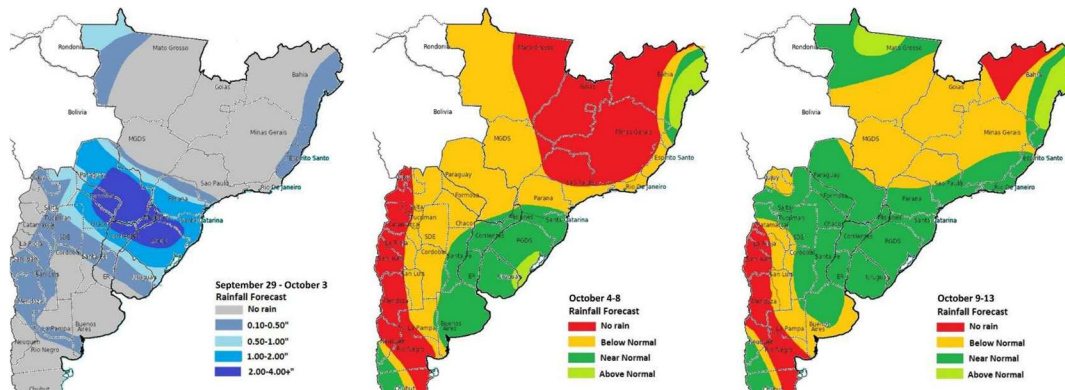
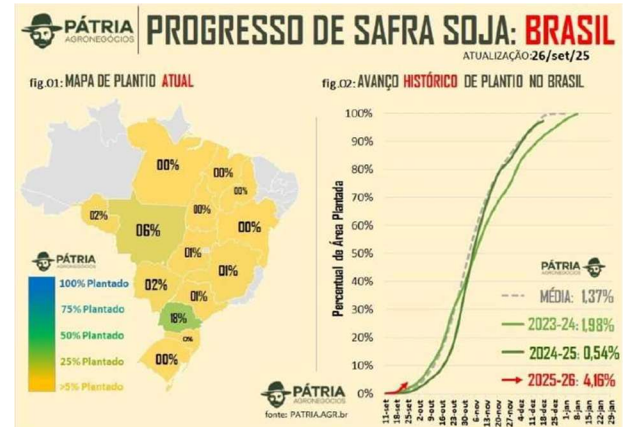
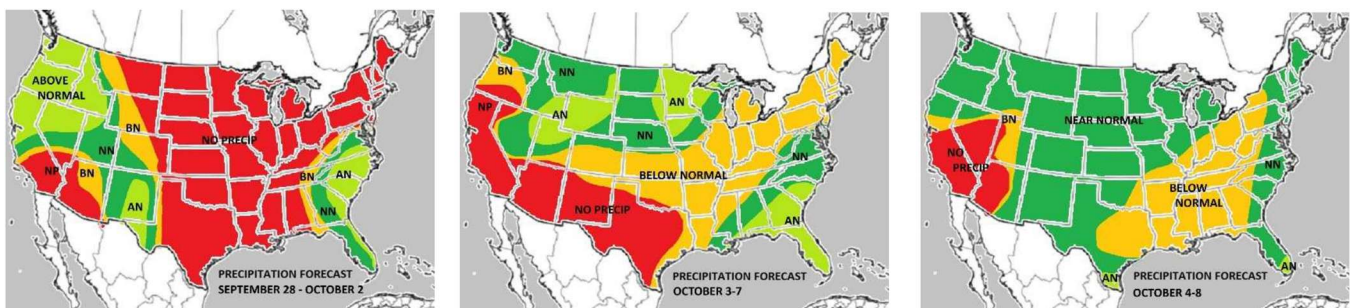


Weather

In South America, Brazilian soybean planting is off to a historically fast start, reported at 4.16% complete versus a 1.37% five-year average as of Friday. The concern for this early-planted crop remains, as the forecast for northern Brazil still calls for significantly dry conditions over the next 15 days. This dryness is especially abnormal as October rainfall is usually more than double that of September in the region. The forecast has now amplified the heat in the region, with high temperatures of 95-105 degrees expected during the first week of October, which will stress the crop. Conversely, the favorable outlook for southern Brazil and Paraguay is confirmed, with significant rainfall expected to arrive tomorrow night into Tuesday, supporting planting and early growth.



In the US, the forecast continues to be dominated by the same dry and exceptionally warm pattern mentioned last week, ensuring a rapid harvest pace will continue. Temperatures are expected to be well above normal, with no threat of a freeze through at least October 12th and the potential for some record highs to be set. The most significant change from Friday's forecast is the diminished tropical threat to the East Coast. Model agreement has become excellent that the system, now Tropical Depression Nine, will not make landfall in the Carolinas. Hurricane Humberto also remains a "fish storm" and is not a threat to any land. However, the persistence of this dry pattern reinforces the two primary concerns from last week: the potential for a rapid decline in river levels and the risk of harvesting crops at very low moisture levels. Craig Solberg notes in today's weather briefing that he is hearing several reports of widespread soybean harvesting below 10% moisture.



Outside of the Americas, the most significant weather development is the forecast for China's North China Plain. Rainfall totals are expected to be more than double their normal levels over the next 15 days, potentially impacting winter wheat activities. Elsewhere, conditions appear less extreme, with a drier trend in Europe, limited moisture for Russia and Ukraine, and a mixed forecast for Australia.

Grains

Friday was dead quiet with narrow ranges and seeming lack of interest. There is a lot of waiting going on right now. Waiting for more harvest results, waiting for trade talks, waiting for Supreme Court decisions on tariffs, waiting for biofuels guidance, waiting for USDA reports, and waiting to see if the government is going to shut down before the October crop report. Volatility is low and participation is lacking. Part of this could be the transitioning nature of the time of year. For the week, corn was down 3 cents. Chgo wheat was up 2, KC down 2, and Mpls unch. Beans were down 12 cents – seemed to absorb the Argentine news/selling fairly well. Or put another way, it could've been a lot worse. Meal, on the other hand, did not absorb it well, and was down \$14/ton. Oil finished down roughly 40 points. Only one more session of waiting for the stocks report. I'm adding a table with my Sep 1 wheat stocks by-class estimates. The USDA won't break out stocks by class (aside from durum) on Tues, but they will publish them in an ERS report later (I believe in Oct). I am expecting an increase in HRW, partially offset by a decrease in HRS. I expect SRW, white, and durum to be little changed from last year.

<i>U.S. Sept 1 Wheat Stock Estimates By Class</i>						
	White	HRS	HRW	SRW	Durum	Total
2014	212	560	701	372	62	1907
2015	217	603	860	343	74	2097
2016	275	562	1231	385	92	2545
2017	275	420	1110	397	64	2266
2018	301	535	1067	397	90	2390
2019	296	560	1086	313	88	2343
2020	329	534	944	281	71	2159
2021 actual usda	194	385	848	195	46	1668
2022 actual usda	256	486	702	280	54	1778
2023 actual usda	219	483	652	368	51	1780
2024 actual usda	268	521	816	320	67	1992
2025 pre- usda estimate	276	483	895	322	70	2046

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 USDA's 2025 Livestock and Products Annual report for Australia forecasts robust performance in the beef and pork sectors through 2026, driven by strong global demand, favorable seasonal conditions, and industry adaptations. Beef production is projected to remain near record highs in 2026 at around the second-highest level on record, following an estimated all-time high in 2025. This outlook is underpinned by a successful herd rebuild from 2021-2023, which expanded the breeding base and enabled elevated slaughter without immediate productivity declines. Adult cattle slaughter is expected to ease slightly to 9.65 million head in 2026 from 9.75 million in 2025—the highest levels in nearly 50 years, excluding drought-forced destocking. Female slaughter rates, exceeding male rates since 2024, are forecast to remain high but decline modestly in 2026, reaching 4.9 million head, while male slaughter rises to 4.75 million. Calf crop is anticipated to grow marginally to 10.88 million in 2026, supported by improved reproductive performance.

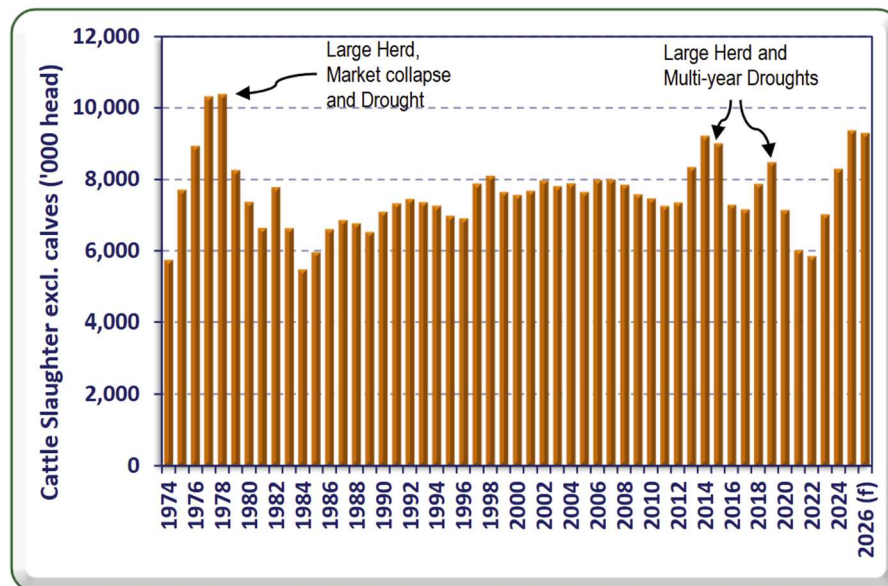
Key drivers include surging U.S. import demand amid its own herd rebuild phase, reduced Mexican feeder cattle supplies due to New World Screwworm Fly detections, and a 50% additional tariff on Brazilian beef (totaling 76.4% out-of-quota), redirecting demand to Australia. Australian beef exports are forecast to dip modestly in 2026 but stay 15% above 2024's record, with processors at full capacity limiting further growth. Live cattle exports are projected to soften to 700,000 head, remaining strong, primarily to Indonesia for its Free Nutritious Meal Initiative. However, competition from Brazilian access

and higher domestic prices may reduce availability from northern regions like Far North Queensland and the Northern Territory, diverting feeders to local feedlots.

Favorable weather bolsters the outlook: Major beef-producing areas in northern Australia received average to above-average rainfall in 2025's wet season (January-March), enhancing pasture growth and cow condition for breeding. Southern regions, recovering from early 2025 drought, are forecast for above-median rainfall through December, supporting calving in late winter-spring. Additionally, the expansion of Wagyu genetics—accelerated post-2017-2019 drought—has boosted fertility rates to 70-90% in suitable areas like central Queensland, compared to 60-70% for tropical breeds. This allows higher female slaughter while maintaining herd size, with Wagyu cross herds thriving in less harsh environments despite challenges like tick resistance in the far north.

For pork, production is forecast to grow by 1% in 2026, marking the fourth consecutive year of expansion, lifting domestic consumption similarly. Imports and exports are expected to edge higher, with the U.S. reclaiming dominance in 2024 (about 50% of imports) and maintaining it through 2026.

Overall, the report highlights Australia's positioned strength to meet global beef demand, though sustained high female slaughter may impact future calf crops beyond 2026. Pork's steady growth reflects resilient domestic supply chains.



Source: Australian Bureau of Statistics

Livestock commentary provided by Ashley Lowe. For questions or comments, Ashley can be reached by email at ashley@nesvick.com or on Trillian at ashley@nesvick.com.

Financials

Congress only has until tomorrow, September 30th, to avoid a government shutdown. There is a meeting scheduled today with congressional leaders from both sides of the aisle and President Trump to agree on a short-term spending bill that will push the risk of shutdown out to mid-November, but there is still a significant risk that no agreement is reached and the government shuts down October 1st. Although a shutdown would have broad consequences (for example, expect delays at airport security if this lasts more than a couple days), let's take a more focused look at how this shutdown could affect the agricultural industry.

The most immediate impact of a government shutdown is a data blackout, suspending critical USDA reports like Export Sales, WASDE, and Cattle on Feed. Without this official data, the market is forced to rely on conflicting private estimates

from various analysts. This void of reliable information directly increases price volatility and makes effective risk management far more challenging for both producers and traders.

A shutdown will also create direct financial obstacles for producers. USDA and Farm Service Agency (FSA) offices would largely close, halting the processing of critical financial services like farm loans, disaster assistance, and subsidy payments. The result is a direct and immediate strain on cash flow at a crucial time while producers are harvesting, marketing their new crop, and planning for the next season. And while FSIS meat inspection is considered essential, allowing slaughter facilities to remain open, there will likely still be staffing reductions and other regulatory bottlenecks that will limit slaughter rates. An extended shutdown would also cause uncertainty in financial institutions, making it even harder to get loans that would help keep the producer above water while waiting for FSA loans and disaster assistance payments.

Furthermore, exports could also grind to a halt while the government is shut down. USDA services such as the Federal Grain Inspection Service and APHIS will be limited or even stopped at the ports, creating severe bottlenecks in inspections and paperwork approval. Such delays could motivate foreign buyers of corn and soybeans to shift their sourcing to Brazil and Argentina, and beef buyers will likely look towards Australia. This would cause a further loss of demand for U.S. farmers, who have already lost the expected Chinese demand for this crop.

Financial commentary provided by Zachary Davis. For questions or comments, Zachary can be reached by email at zdavis@nesvick.com or on Trillian at zdavis@nesvick.com.

Today's Calendar (all times Central)

- Pending Home Sales – 9:00 AM
- Export Inspections – 10:00 AM
- Crop Progress – 3:00 PM

Thanks for reading,

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