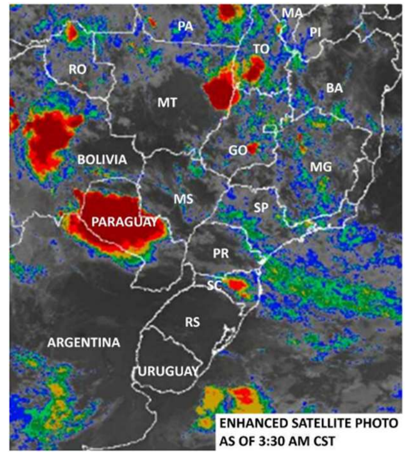
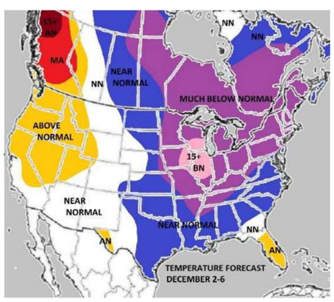
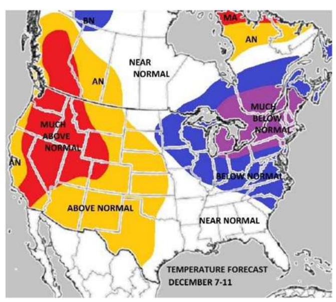
## Weather

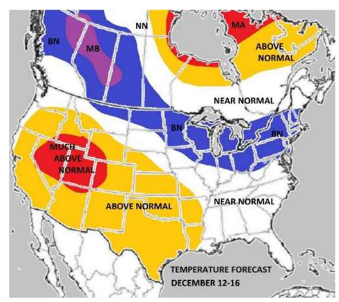



The "wet season" for northern soybean growing areas of Brazil is fully underway, with the 15-day outlook projecting widespread rainfall totals of 4-8 inches that will maintain favorable soil moisture levels; the heaviest precipitation is targeted for the December 3-7 period. Conversely, a distinct drying trend has established itself over Southern Brazil and Paraguay, where the forecast calls for minimal to no rainfall for the December 2-8 timeframe accompanied by temperatures running 5 degrees or more above normal for December 5-8. This pattern is becoming increasingly notable for Rio Grande do Sul, which has already experienced two weeks of limited precipitation, though models suggest a return to near-normal rainfall starting December 9. In Argentina, the immediate outlook remains stressful for early planted crops as dry weather dominates through Thursday alongside significant heat of 5-7 degrees above normal for December 3-7; while rain chances return in the 6-10 day period, expectations for totals remain modest with few areas likely to see substantial relief.

In the United States, the primary meteorological event is the descent of a bitterly cold air mass into the Corn Belt, where temperatures on Thursday are forecast to plummet 20-30 degrees below normal, bringing widespread sub-zero lows and record-low maximums to the heart of the region. While the overall pattern is not wet, a series of clipper systems will generate light snow accumulations over the coming days and into the weekend, complicating logistics in the snow-covered areas. The forecast remains critically dry for the Hard Red Winter wheat belt and cattle feedlots of the Southern Plains, where 15-day precipitation totals are expected to run less than 25-50% of normal, and temperatures will rebound to above-normal levels starting December 6, further depleting topsoil moisture.



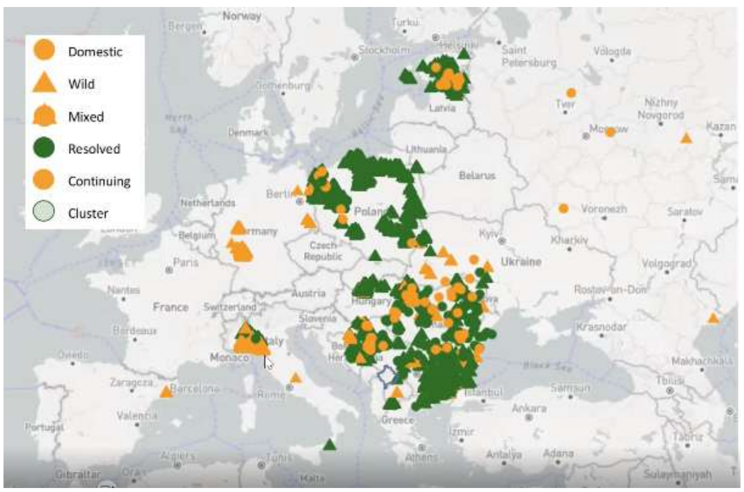

## Grains

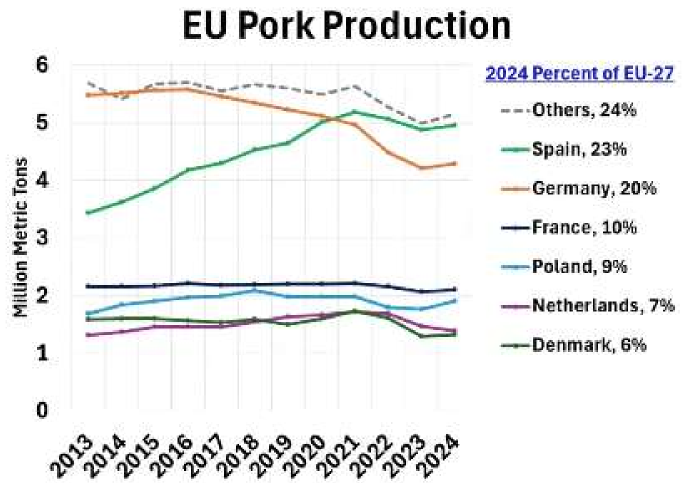

Was mixed/weaker to start the month in quiet trade. Beans and corn had gotten to about halfway back from the recent highs in mid-Nov to the bottom of the recent range. There were no sales announcements today and we are not caught up. We got the sales report for the w/e Oct 23 Monday. Meal sales were massive at 640 tmt. I don't understand why we can't get the most recent sales report in addition to the backlog. Same with Commitment of Traders. Oil gained on meal. The share has staged a decent comeback from sharp Oct break. Meal's $50 rally lost steam. The big sales were done when meal was still under $300/ton. Everything feels like it's in a holding pattern. We have a WASDE next week (I haven't heard otherwise), but won't get updated final production until January. Beans need confirmation of the trade agreement as well as the 12 mmt in sales, which isn't even half completed. US beans have gone back to discount to Brazilian (without tariff considerations). Central and northern areas in Brazil (particularly Goias, Minas Gerais, and parts of Mato Grosso) will need to see better rains materialize this month. There is plenty of rain in the forecast. But there was in November too and it kept getting pushed out. Oct-Nov precip isn't key to production outcomes, but December is more important. In Arg, BA received additional unneeded rain (a bit more than expected at 1-3"). This week should be dry, which is needed as 1.5 mil hectares are at risk of not getting planted at all.

*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.*

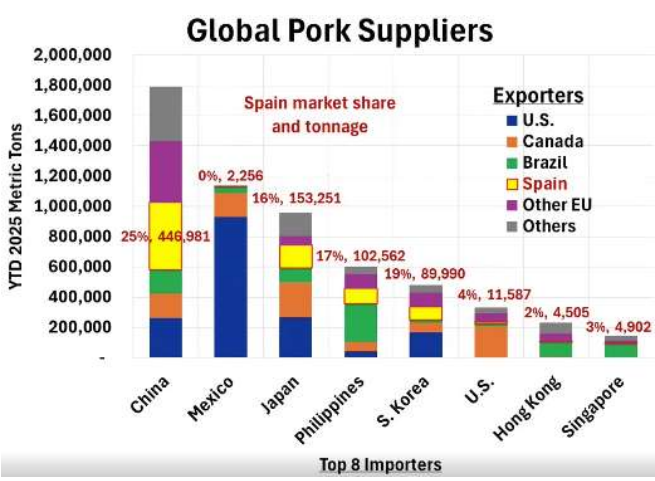
## Livestock

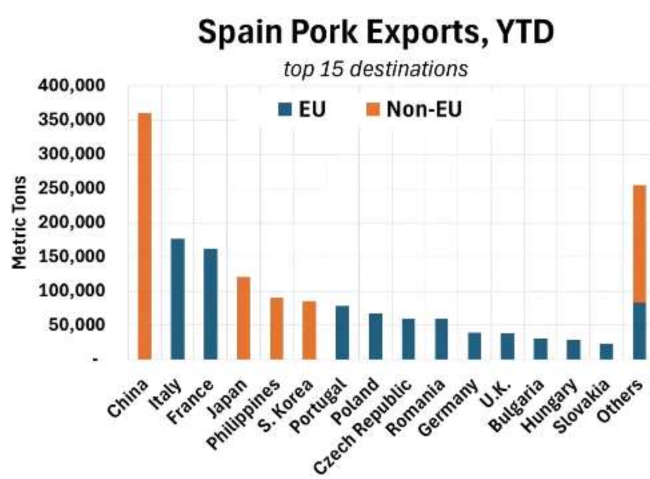
Over the weekend, Spain confirmed that wild boars found dead in the region have tested positive for African Swine Fever (ASF). The chart below illustrates the progression of ASF through the EU over recent years; while the virus had been controlled in Western Europe, the data indicates it is now clearly moving westward. Germany has unfortunately been unsuccessful in its containment efforts, allowing the virus to reach Spain.




This is a major market disruption, as Spain is the largest pork producer and exporter in Europe, with 2.6 million sows and a production of 4.9 mmt of pork; they export $8.5B work of pork (2.5 mmt), with half of those exports going to other EU countries. The discovery in Catalonia is particularly concerning, as 42% of Spain's hog slaughter occurs in this region. This prompts the critical question: has ASF already crossed into France, and are we just now discovering a significantly larger issue than has been reported?



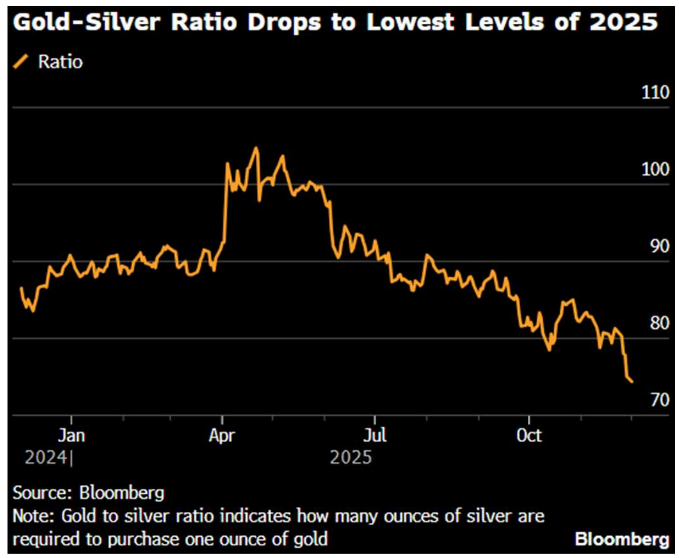
The economic fallout has been immediate. China, the UK, Mexico, Taiwan, and Cuba have announced bans on pork imports from Catalonia, with Japan and South Korea likely to announce similar bans this week. The Spanish Agriculture Minister has stated these restrictions amount to a ban on 33% of all Spanish pork exports. Spain is a key pork supplier into Asia, with Spanish exports accounting for 25% of all pork sent to China, 19% to South Korea, 17% to the Philippines, and 16% to Japan. Additionally, Spain has voluntarily suspended all exports to non-EU nations while they deal with this issue. As Spanish flows are curtailed, competitors will benefit from the market shift, and the US is the country best equipped to capture this demand.

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

## Macro/Financials

While Bitcoin has grabbed the headlines recently for its rapid retreat from its all-time highs in early October, silver has been quietly stealing the show. The metal has rallied nearly 100% this year, hitting a fresh record peak of $58.51 on Monday.

With gold having been effectively treading water over the last several weeks, we've seen the gold-silver ratio collapse to around 73—its lowest level of 2025. But behind the scenes, a real driving force here is a massive dislocation in global stockpiles. London imported record amounts to ease its own historic squeeze, but that effectively just shifted the shortage elsewhere. By diverting metal to the UK, we've now drained inventories in places like Shanghai, which just hit their lowest levels in nearly a decade. These shortages have caused elevated costs of borrowing silver, and the new highs for this precious metal indicate that the market believes supply will remain tight.




However, the options market is showing the highest speculative skew since 2022, indicating a "fast money" chase rather than purely fundamental accumulation. Silver was also added to the US Geological Survey list of critical minerals last month, which could indicate that tariffs may be placed on the metal; this has added concern to the market about letting any physical silver leave the US, further exacerbating the shortages in other countries.

*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)

- Purdue Agricultural Sentiment Index – 8:30 AM
- Commitment of Traders (10/21/2025) – 2:30 PM

Thanks for reading,

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