NESVICK TRADING GROUP, LLC

Thursday, January 29, 2026
NTG Morning Comments
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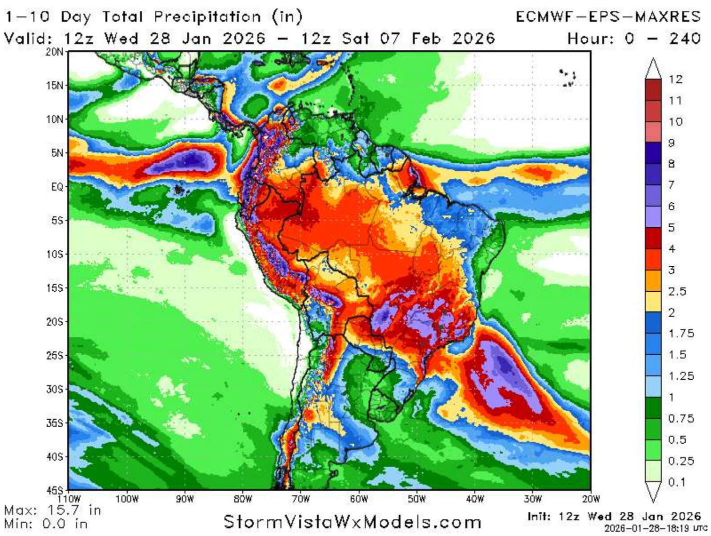
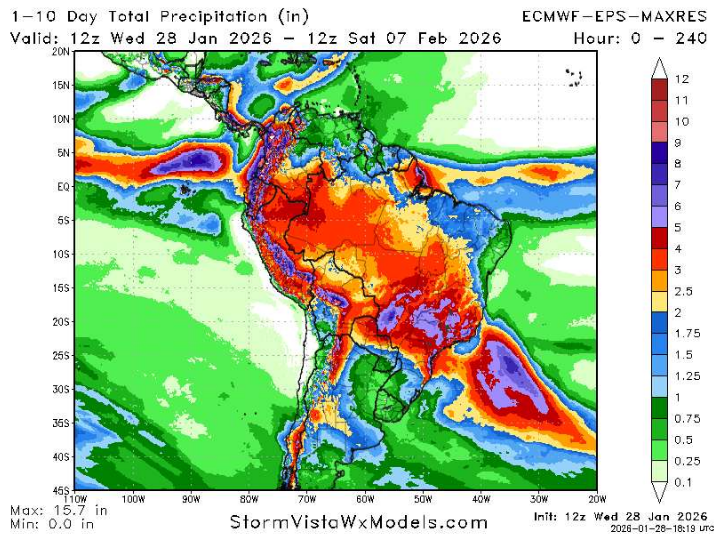
Weather

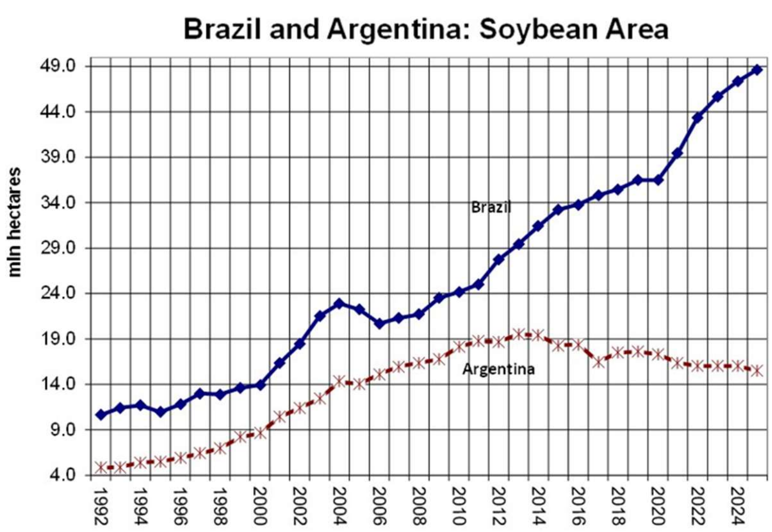
The precipitation outlook for northern Brazil continues to look wet, with midday GFS guidance showing almost no deviation from yesterday's forecast; widespread 2-4 inch accumulations continue to target Goiás and Minas Gerais over the next week, ensuring that soybean harvest delays and safrinha planting disruptions will persist through the 1-5 day period. In southern Brazil, while afternoon radar imagery confirms that the anticipated beneficial moisture is currently falling across Paraná and Rio Grande do Sul, the longer-range forecast has become more tenuous; the midday GFS run has diverged from the European ensemble by trending notably drier for the Week Two period, raising the risk that the coming dry spell—expected to begin Saturday—may extend beyond the February 5 timeframe initially targeted for relief. Meanwhile, confirmed rainfall totals of over 4 inches in Southern Cordoba verify recent improvements in western Argentina, though the region must now endure a return to dryness and 90-95 degree heat before the next significant storm system arrives in the February 4-8 window.





Grains

Just going to continue to try to dissect price action. Everything rallied Wed with oil turning lower after making a new high. Wheat was the strongest market and has the most dire fundamentals. Given that, it felt like short covering and technical in nature. Gold was sideways Tues but made new highs Wed. The dollar did firm up, retracing a good deal of Tuesday's losses. The Fed left interest rates unchanged as expected with two dissents for a cut. Maybe there was a touch of Arg weather in there, but that doesn't explain wheat strength. Meal was strong and that could make sense – meal should lead if there is an Arg crop scare. The lowest bean crop estimate I have seen is 46 mmt from Craig with Rosario at 47 mmt. The highest is 48.5 (BACE and USDA). The next rain in southern/eastern areas is not until mid-next week with 90-95 F temps in the meantime. There is definitely room for the Arg crop to get smaller with roughly 2/3 of the area at risk. A 46.5 mmt crop still implies a historically high yield (area is the lowest in 20 years). Meanwhile, some Brazil estimates are edging over 180 mmt (Ag Rural, Agroconsult, Craig) while CONAB is the



lowest at 176.1 and USDA is at 178 mmt. Corn also rallied to the highest levels since the report and there was talk of China interest in Brazilian corn.

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

Month end is here and that always means we must be aware of flows. This month we have a decent fund long, a technical picture with futures that are nudging the upper end of the recent sideways range, a firm cash market, and USDA's Cattle inventory report. Daily volumes have been very light and should increase through Monday or Tuesday.

Some details: The most recent MM positions are long with LC at +101k (+1.0 standard deviations) and FC at 16k (at +1.2 std dev).

Cattle inventory will be released after the close on Friday. It would be unusual if there isn't something for both bulls and bears to ruminate on over the weekend.

How fed cattle trade develops today and tomorrow could matter, along with today's expiration of Jan feeders. Given all these factors I'd expect a firmer futures market for the next few sessions as the market absorbs the increased volume.

Livestock commentary provided by David Holloway. For questions or comments, David can be reached by email at david@holloway-trading.com *or on Trillian at dholloway05@trillian.im.*

Macro/Financials

We've spent a lot of time talking gold and other precious metals recently, but while these physical assets have been surged to record highs, we've seen the dollar take major hits over the past few days. While most of the headlines are focused on the speed of the moves – Bloomberg's dollar gauge just logged its steepest four-day drop since April of last year, when Trump first rolled out the new tariffs – let's take a few minutes to talk about the driving forces for the weakening dollar.

One reason for this move is the "debasement trade" that we've talked about with gold; as investors have seen increasing uncertainty – such as the Trump administration's attempts to control Greenland, increased pressure on the Fed to cut rates, and the high likelihood of another government shutdown – they have increasingly tried to reduce risk by moving their money from the dollar into hard assets, which has sent gold and other precious metals to record prices while putting downward pressure on the USD. Additionally, US debt has increased to $39 trillion, and is expected to hit $40+ trillion in the next year. With a debt-to-GDP ratio hovering around 120%, the math for servicing that debt gets more challenging by the day, making the dollar less attractive for investors.

Despite this weakening, President Trump stated Tuesday afternoon that "the dollar's doing great," which led the market to sell off the dollar further. So, why does Trump think a weakening dollar is great? The answer possibly lies in a paper nicknamed the "Mar-a-Lago Accord." Written by Stephen Miran (Trump's former CEA Chair and current Fed Governor), it outlines a tactic where the US purposely weakens the dollar to boost exports and GDP – key goals of this administration. Miran's playbook suggests that in exchange for strengthening their own currencies, foreign nations would need to support US Treasuries. This would create a looser financial condition designed to keep Treasury yields artificially lower and flatten the yield curve, making that $39 trillion debt pile easier to service. It would also make US goods more attractive to other countries, reducing the US trade deficit. It's a bold gamble to fix the deficit and increase US exports, but for the average household, it comes with the very real downside potential of sticky inflation and higher costs at the register.

Macro/Financials 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)

- Non-Farm Productivity – 7:30 AM
- Jobless Claims – 7:30 AM
- Export Sales – 7:30 AM
- Factory Orders – 9:00 AM
- Durable/Cap Goods – 9:00 AM
- Nat. Gas Storage Change – 9:30 AM

Thanks for reading,

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