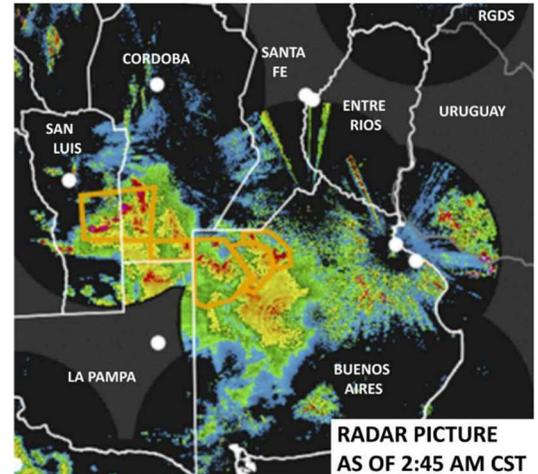
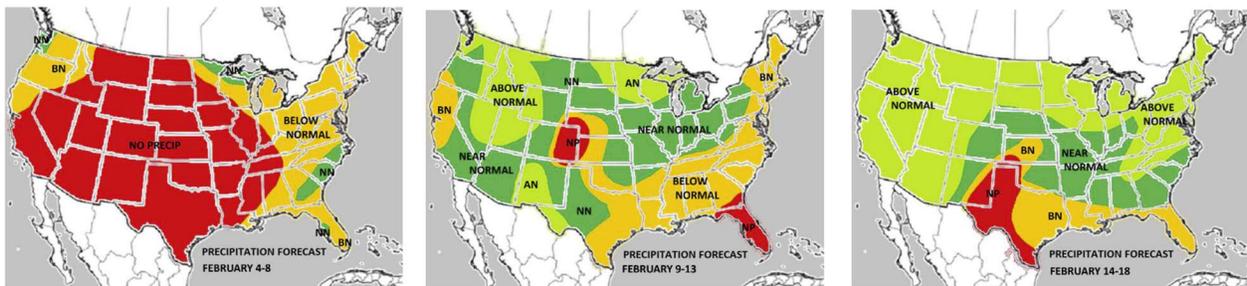


Weather

Rainfall activity in northern Brazil remains intense through the end of the 10-day period, particularly across Minas Gerais and Bahia where accumulations of 3-5 inches continue to impede the final stages of soybean harvesting and slow safrinha corn planting; however, the forecast for Week Two has trended even more decisively toward a drier pattern, with below-normal precipitation now expected to encompass a larger portion of the northern growing region. In southern Brazil, Rio Grande do Sul is currently enduring its final stretch of extreme stress as highs reach 95-100 degrees through Friday, but confidence has increased in the transition to a much wetter pattern starting this weekend, with widespread totals of 1.50-3.00 inches still on track for the 11-15 day period. The optimistic set-up for Argentina is now being realized as current thunderstorms in southwestern areas initiate a more frequent rain cycle for the region; these rains will spread into the northeastern growing areas by Friday and are now forecast to maintain an above-normal trend for the entire 15-day window, delivering critical moisture that should eventually reach 3-4 inch totals in many provinces.



The United States remains under the influence of an exceptionally dry pattern for the next week, though recent precipitation in the Mid-South and Southeast exceeded expectations with localized totals of 0.50-1.00 inch; the rest of the country, particularly the Plains and Western Corn Belt, will remain mostly dry through February 10. A significant temperature divide persists through the weekend, with the eastern third of the nation averaging 8-15 degrees below normal while the west remains warm, but a major pattern shift is now firmly forecast to bring 15+ degree above-normal temperatures to the central US by Monday and a more active, stormy weather pattern for the 11-15 day period.

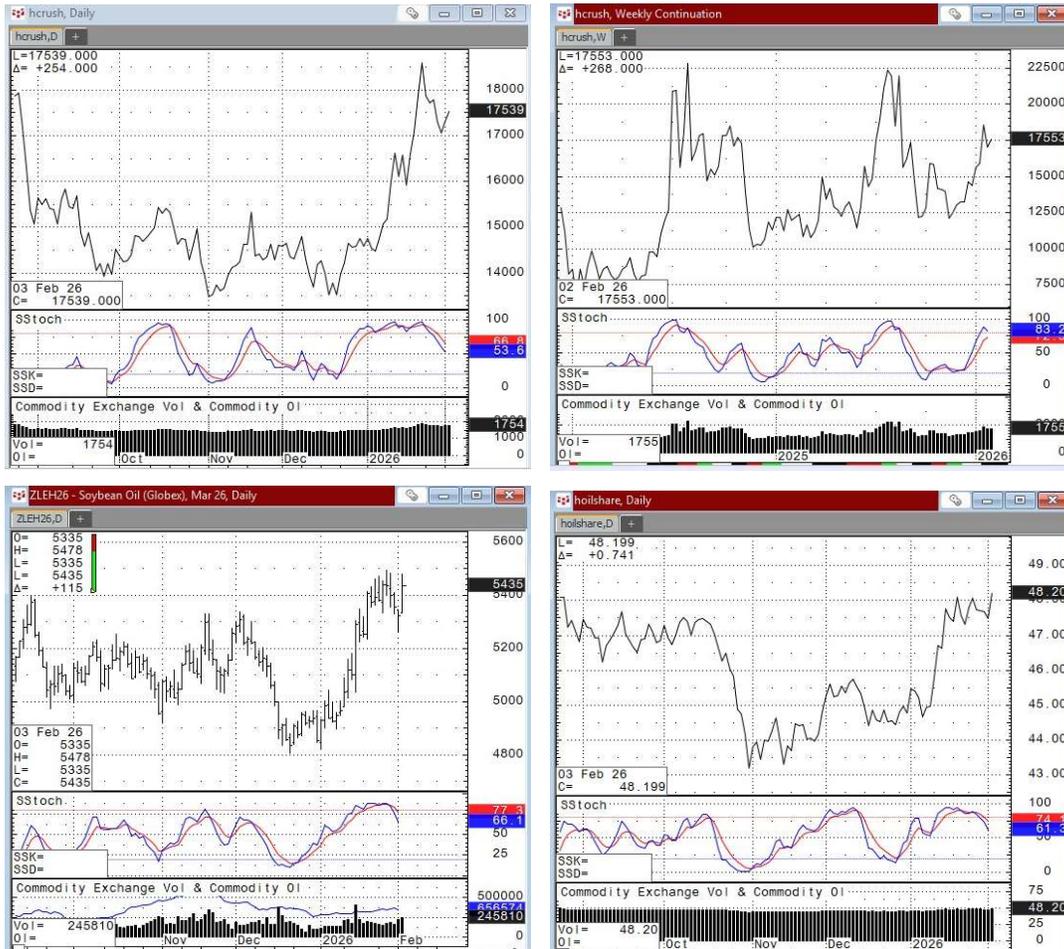


Grains

Finally got the guidance on 45Z and after breaking on Monday, oil was firm. It started in the overnight session. NASS oil stocks came in lower than expected (mainly due to a downward revision in November stocks) which provided support. Diesel rallied back some from Monday which was also supportive as was a new trade deal with India. The 45z key points are as follows (it's 170 pages) - a 32 cent/gln increase with the Indirect Land Use Penalty removed, allows biofuel producers to qualify for the tax credits no matter who they sell to (resellers or consumers), and it limits approved feedstocks to those grown or produced in the US, Canada, and Mexico. I had thought it may be a sell the fact event given the action Monday and that details were expected this week, but futures held gains and also provided support to beans. EPA decisions are still awaited including the



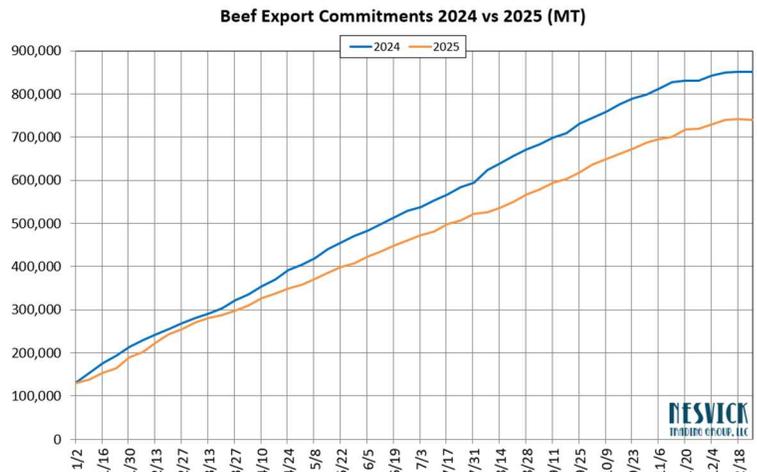
RVO blending requirements and SRE allocations, which is supposed to be out by the end of Mch. The market is also waiting on better rains in parts of Argentina and in RGDS – both are forecast this week. Northern Brazil needs to dry out a bit for harvest, but another week of wet conditions are forecast before turning drier. In general, the guidance was supportive and should continue to support crush margins.



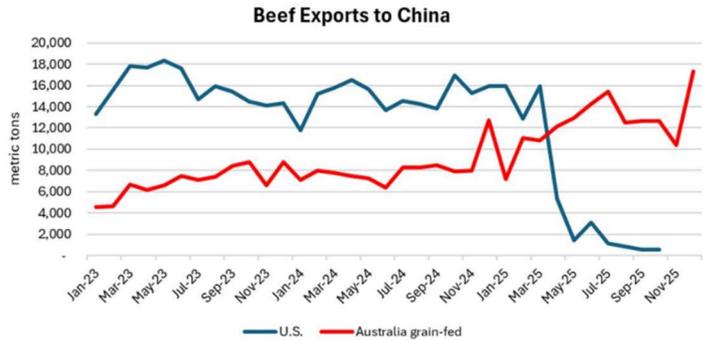
Grains commentary provided by Megan Bocken. For questions or comments, Megan can be reached by email at megan@bockentrading.com or on Trillian at megan@nesvick.com.

Livestock

I wanted to take a little time to discuss US beef exports in 2025, which definitely felt a squeeze throughout the year. Total volume for the year sat at about 740 thousand metric tons, which was down ~12% from the same time in 2024. Export value has followed a similar path, dropping 11% to roughly \$8.52 billion. We also saw this show up in the value per head, which averaged \$391.82—a 5% dip from last year’s pace. On the production side, we’re currently exporting about 12.8% of our total beef and variety meat production, compared to 13.8% during the same period in 2024.



The elephant in the room is undoubtedly China, who hasn't taken US beef since March of 2025. Pulling China out of the equation, total export volume in 2025 was only down about 3%, with total export value down just 1%. The current trade dispute with China is hitting the industry where it hurts, with the US Meat Export Federation estimating a \$150 to \$165 loss in value for every fed head produced in the US. That adds up to a staggering industry-wide hit of between \$3.7 billion and \$4.125 billion annually. Australia has been the biggest beneficiary for beef sales with this US-China trade war, with Australian beef exports surging 53% to become China's top grain-fed supplier. That being said, China has started to become more focused on domestic production, and as such has limited Australian and Brazilian beef imports through quotas in an attempt to provide extra support to their domestic ranchers. Surprisingly, China gave the US a beef import quota of 164 tmt, well over 138 tmt the US exported to China in 2024; this is also surprising because China has yet to approve a single US beef plant for export.



Despite the trade war with China, the other US export markets in Asia held steady. South Korea remains a strong customer for U.S. beef, topping 200 tmt for the eighth year in a row. While November specifically saw a sharp 20% volume drop, the year-to-date numbers are still up 1% in both volume and value. Japan is also proving its reliability, with year-to-date volume down only 2%. An additional bright spot there has been variety meats—specifically tongues and skirts—which saw a massive 81% jump in volume and a 59% increase in value for the month of November. Between Japan and Korea, these two markets account for 41% of our total export volume, proving that they are more critical than ever to keeping the carcass value supported.

Livestock 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.

Macro/Financials

The MSTR experiment has officially shifted from being an "infinite money glitch" into a high-stakes structural test. While the broader market is focused on the multibillion-dollar unrealized loss hitting the income statement due to falling Bitcoin prices, the more technical danger lies in the collapse of the equity premium. In 2025, we saw mNAV premiums as high as 2.2x acting as the engine for Saylor's model, essentially allowing the firm to print expensive stock to buy "cheap" Bitcoin. That engine has now effectively stalled; the basic mNAV has compressed toward 1.09x, and the fully diluted mNAV—which accounts for the total \$8.2 billion debt overhang—has actually inverted to 0.9x. This means every new share issued today is technically dilutive, breaking the "Bitcoin per share" growth story that institutional investors were originally buying into. If all the debt-holders converted today, they'd be getting Bitcoin at a 9% discount to the market.



The psychological strain on this strategy hit a major milestone on Monday, February 2, when Bitcoin's price dropped below the company's average purchase cost of \$76,052 for the first time since 2023. The token falling as low as \$74,541 put the world's largest corporate crypto treasury "underwater," erasing the cost-basis floor that many traders used as a mental safety net. This happened just days after the company announced the purchase of another 855 Bitcoin for \$75.3 million

in late January. This aggressive accumulation is happening while the company's fixed annual obligations are quietly climbing; following a recent hike in the preferred dividend rate to 11.25%, Strategy now has to find roughly \$689 million a year just to keep the lights on and the lenders happy.

To handle these mounting pressures, Strategy has bulked up its "defensive wall" of a \$2.25 billion cash reserve through stock sales, which now offers about 30 months of runway to cover these payments without being forced to touch the Bitcoin stash. This buys Saylor plenty of time, but it doesn't change the underlying math: if Bitcoin doesn't rally hard and restore that share premium before that cash reserve empties, the company will effectively turn into a closed-end fund trading at a discount to BTC.

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)

- MBA Mortgage Applications – 6:00 AM
- ADP Employment Change – 7:15 AM
- S&P Global Services PMI – 8:45 AM
- ISM Services Index – 9:00 AM
- EIA Energy Stocks – 9:30 AM

Thanks for reading,

Zachary Davis
zdavis@nesvick.com
 (901) 604-7712
 Trillian IM: zdavis@nesvick.com
 Bloomberg IB: zrdavis@bloomberg.net

DISCLAIMER:

This communication is a solicitation for entering into derivatives transactions. It is for clients, affiliates, and associates of Nesvick Trading Group, LLC only. The information contained herein has been taken from trade and statistical services and other sources we believe are reliable. Opinions reflect judgments at this date and are subject to change without notice. These materials represent the opinions and viewpoints of the author and do not necessarily reflect the opinions or trading strategies of Nesvick Trading Group LLC and its subsidiaries. Nesvick Trading Group, LLC does not guarantee that such information is accurate or complete and it should not be relied upon as such.

Officers, employees, and affiliates of Nesvick Trading Group, LLC may or may not, from time to time, have long or short positions in, and buy or sell, the securities and derivatives (for their own account or others), if any, referred to in this commentary.

There is risk of loss in trading futures and options and it is not suitable for all investors. PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RETURNS. Nesvick Trading Group LLC is not responsible for any redistribution of this material by third parties or any trading decision taken by persons not intended to view this material.

