NESVICK TRADING GROUP, LLC

Friday, March 13, 2026
NTG Morning Comments
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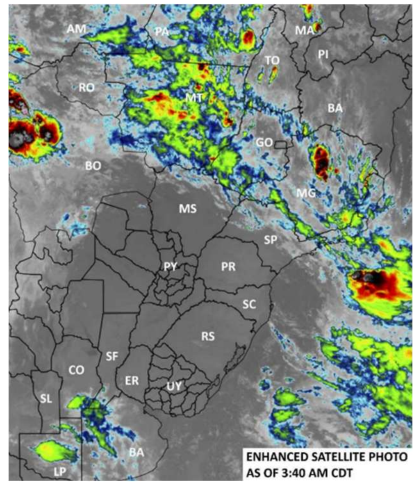
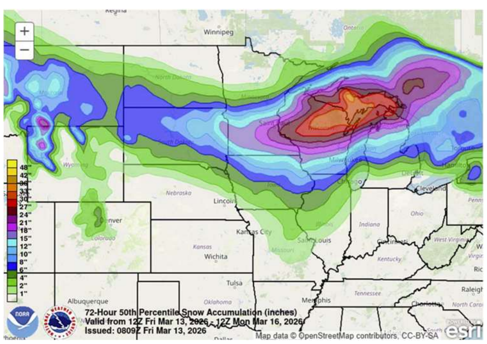
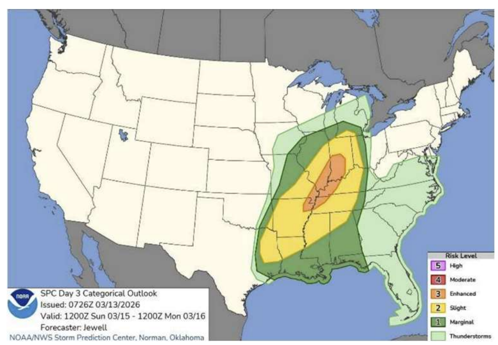
## Weather




The forecast for northern Brazilian soybean and safrinha corn growing areas maintains a heavily saturated trajectory, with near to above-normal rainfall expected over the next 15 days prioritizing the southern parts of the region; this consistent moisture will undoubtedly hinder ongoing soybean harvesting operations while establishing near-perfect conditions for the recently planted safrinha corn crop. In southern Brazil, the precipitation outlook for Rio Grande do Sul remains decidedly pessimistic and dry through Monday, continuing to severely stress the developing soybean crop, though a transition to better rainfall is expected by Tuesday and beyond, which will unfortunately be accompanied by an unfavorable shift to above-normal temperatures targeting the region for March 15 and beyond. For Argentina, rainfall will remain largely limited across corn and soybean growing areas through Sunday, before a significant eastward expansion of moisture arrives Sunday night to initiate a widespread wet pattern that will deliver highly beneficial rainfall through the end of the 6-10 day period, successfully mitigating the impact of above-normal temperatures and heat expected for Sunday and Monday.

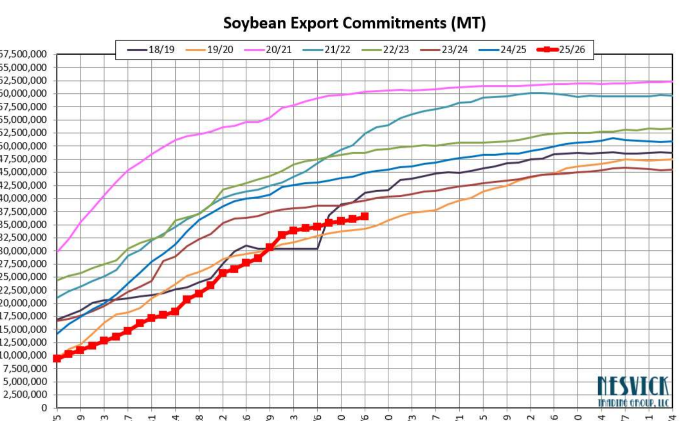
In the United States, a historic blizzard will profoundly impact the northern Plains and northern Corn Belt through the weekend, driven by two strong clipper systems that will deliver significant accumulating snow and widespread blizzard conditions before the pattern turns very dry for at least a week starting Monday. Meanwhile, the outlook for the HRW wheat belt of the southern Plains remains exceptionally concerning with an ongoing lack of significant precipitation compounded by extremely strong winds through the weekend. This severe crop stress will be further exacerbated by extreme temperature volatility, featuring a notable shot of cold air that will drop readings 15 to 25 degrees below normal during the 1-5 day period of March 15-18, followed by a rapid transition to notable warming during the 6-10 and 11-15 day periods of March 19 and beyond.



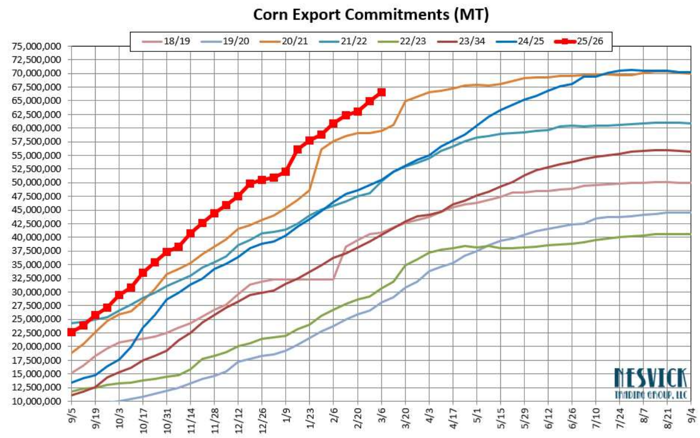



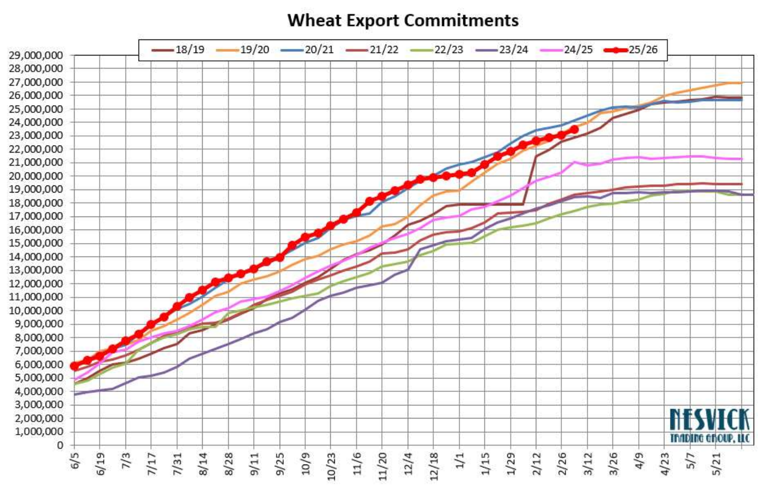

## Grains

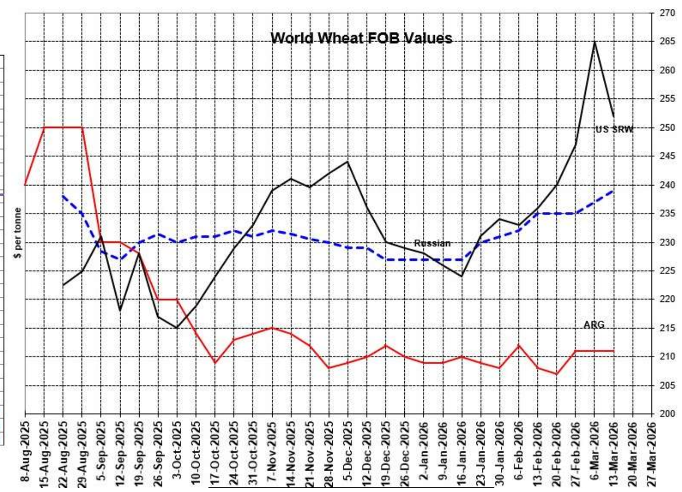
This week has worn me out between daylight savings and headline driven trading. Markets worked back near the recent highs and in the case of beans, made new highs Thursday. Futures settled in the mid-low end of the day's ranges however as crude came off the highs. Bean spreads firmed as well. There is increasing talk of Brazil having trouble sourcing quality beans due to ongoing heavy rain. China has tightened its specs for Brazilian origin and CGL said they can't make it (although there were reports of CGL selling a cargo to Brazil). This may have provided strength to nearby beans as it could mean increased demand for US. We also have the pre-meeting in Paris with Hegseth ahead of the Trump/Xi



meeting in China at the end of the month. So, headline trading likely continues. Weekly bean sales of 457 tmt were above the needed pace to meet both my and the USDA's forecast. But obviously much will depend if China takes more US. Corn and wheat sales were also strong at 1.5 mmt and 455 tmt respectively. CONAB will be out this am. Their previous bean crop forecast was 178.0 mmt and compares to the USDA 180 mmt. They last forecast corn at 138.5 mmt (26.7 mmt first crop and 109.3 safrinha) – well above the USDA at 132 mmt. Also note that the BACE raised Argentina's wheat crop to 29.5 mmt. The USDA is at 27.8 mmt. Wheat FOB levels continue to improve (aside from Arg) with Russian values nearing $240/ton. Chart included as well as sales commitment charts for beans, corn and wheat.



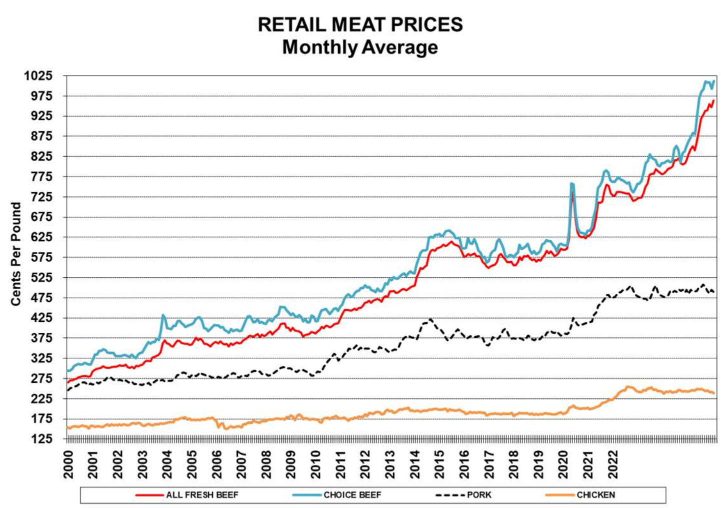




*Grains commentary provided by Megan Bocken. For questions or comments, Megan can be reached by email at* megan@bockentrading.com *or on Trillian at megan@nesvick.com.*

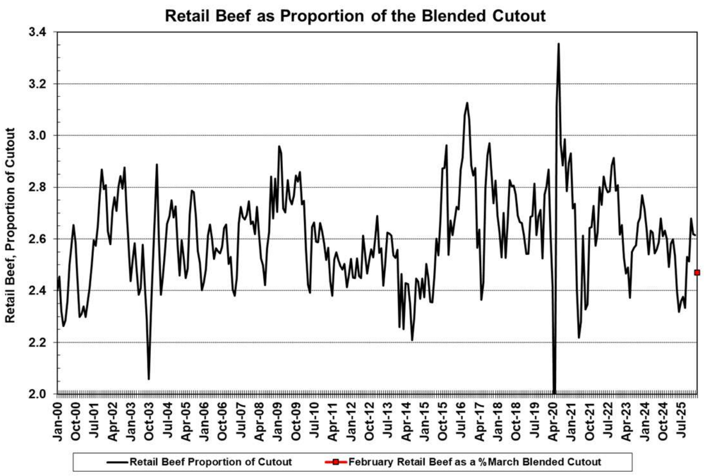
## Livestock

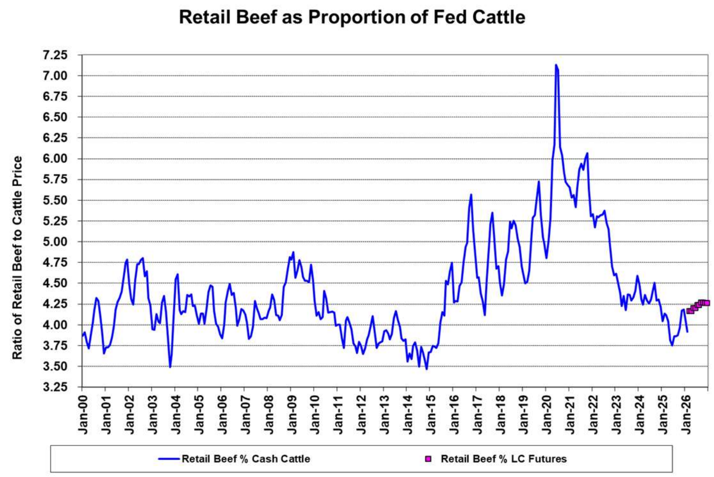
Following a brief pause in January, retail beef prices resumed their upward trajectory last month with all fresh beef averaging a record high, near $9.64 per pound, up 2% from a month earlier and 16% higher than a year earlier. Choice beef prices continue to range above $10. Beef prices continue to rise more rapidly than competing pork and chicken items, but those competing proteins also are hovering near historical highs. While retail beef prices are record high relative to pork and chicken, and have been since last summer, there is little evidence that financially stressed consumers are actively substituting lower-valued proteins for beef, resulting in lower demand for beef. However, amid the continuing tariff turmoil (tariffs are a tax on consumers) and more recently the



surge in energy costs, higher inflation rates are likely. As inflation erodes consumer purchasing power amid the weakening labor market and slowing economic growth, the economic incentives to trade down the protein scale will intensify. The strong beef demand engine, which has underpinned the surge in beef and cattle prices, may be buffeted by more challenging headwinds.

Late last year and early this year retail beef prices were around 2.6x the blended cutout—not particularly high relative to history when retail prices have often ranged from 2.6x to more than 2.8x the cutout value. The recent surge in the cutout to over $390, suggests the record February retail price is less than 2.5x the cutout, which is “low” relative to history. With retail beef prices lagging recent advances in the cutout, incentives to boost retail prices further will mount. Should cutout values range $380-$390 or higher, historical relationships suggest higher retail beef prices—likely breaching the $10 mark.



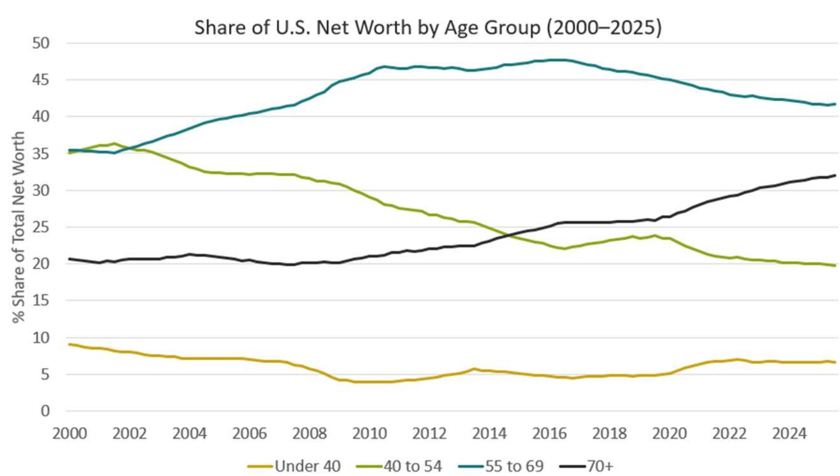




Similar to cutout values, current record high retail beef prices are not historically “high” relative to fed cattle prices, although the lower fed market and even lower futures prices in recent weeks have boosted retail to around 4.25x the fed futures market from around 3.9x the cash market in February. Again, retail prices do not appear “out of line” relative to the fed market and with the cyclical decline in beef production likely to extend into next year, retail and food service accounts will have little incentive to pare sale prices.

*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.*

## Macro/Financials

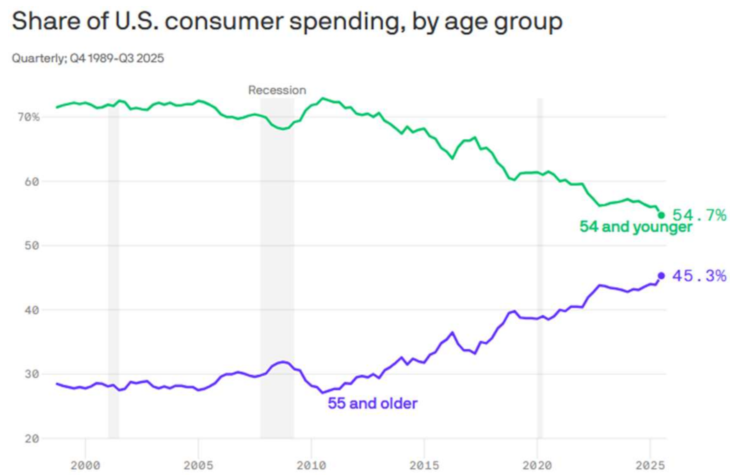
There’s a lot of discourse right now about a recent Fed report showing that 73.7% of all US wealth is held by people 55+ years old, compared to 56.2% in 2000. The framing, predictably, was about generational hoarding – Boomers sitting on $85 trillion while younger Americans can't buy homes. There's a kernel of truth in there, but I think the data tells a more nuanced story than the discourse suggests.




Start with the demographic math. The 55+ population has gone from ~23.5% of the country in 2000 to ~30.6% today; the 65+ cohort alone nearly doubled, from 35 million to 61.2

million. Divide the wealth share by the population share and you get a ratio of about 2.39x in 2000 and 2.41x today. It barely moved. Older people have always held disproportionate wealth because they've had decades to accumulate it, and what actually changed over the past 25 years isn't how rich each older person is relative to the population – it's that the Boomer generation is enormous and has aged into the brackets where wealth naturally concentrates. The 55-to-69 cohort's share of net worth peaked around 2014–2016 at ~47% and has since declined to ~42% as Boomers roll into the 70+ bucket. It's a conveyor belt into older age groups, not a widening gap.

What is genuinely new is how deeply the broader economy depends on this cohort. Americans 55+ now drive 45.3% of all consumer spending, the highest share in nearly three decades, and 97% of net private-sector job creation in 2025 was in healthcare and social assistance – sectors built, in large part, around serving an aging population. Without older, wealthy consumers increasing their spending, demand would collapse and the U.S. would likely be heading deep into a recession.




Data: Moody's Analytics analysis of Federal Reserve, BEA and Census data; Note: Consumer spending is the sum of personal consumption expenditures, non-mortgage interest expense and charitable donations; Chart: Axios Visuals

Boomers were born 1946–1964, making the oldest 80 and the youngest 62. Life expectancy hit a record 79 in 2024 – 75.8 for men, 81.4 for women. We're entering the front edge of the window where mortality starts converting that $85 trillion concentration into the largest intergenerational transfer in history, with some projections as high as $124 trillion in total wealth transfers occurring by 2048. But the transfer is heavily skewed: the top 5% of households pass on inheritance ~50% of the time, while the bottom half manage it only 12% of the time. And Boomers are spending aggressively – only one-fifth say they plan to leave a bequest, even as a third of Millennials expect to receive one. So, the real question isn't whether the wealth shifts. It's how much is left when it does, and how will the economy shift towards the next generations during that shift.

*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)**

- CONAB – 7:00 AM
- Durable/Cap Goods – 7:30 AM
- GDP – 7:30 AM
- PCE – 7:30 AM
- Personal Income/Spending – 7:30 AM
- JOLTS Job Report – 9:00 AM
- U. of Mich Sentiment – 9:00 AM

Thanks for reading,

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