NESVICK TRADING GROUP, LLC

Wednesday, April 1, 2026
NTG Morning Comments
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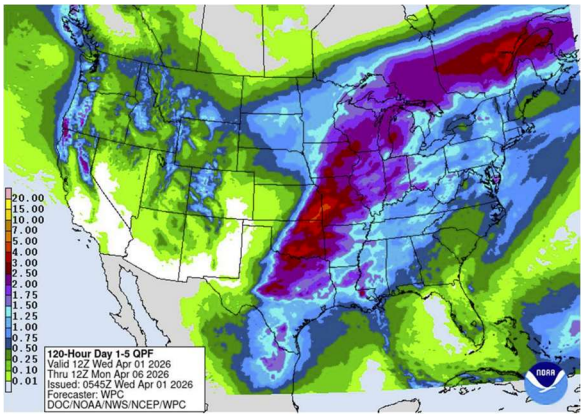
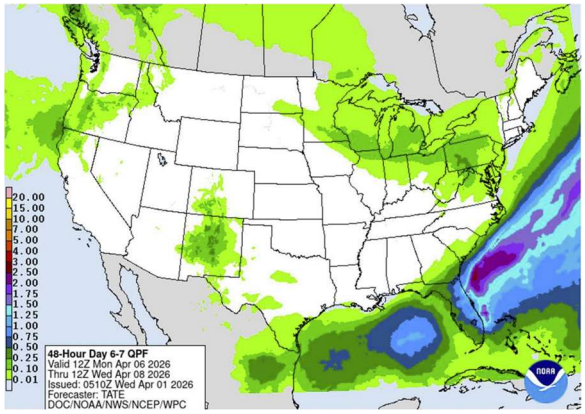
## Weather

A pair of strong storm systems will traverse the central United States through early Saturday, creating a sharp boundary that will deliver severe weather and heavy rainfall to the central and eastern Corn Belt while generating significant ice accumulations in northern Wisconsin and snowfall exceeding one foot across the Dakotas and Minnesota. This active pattern will establish a severe precipitation gradient across the Hard Red Winter wheat belt, delivering notable moisture to eastern Kansas, central Oklahoma, and central Texas while completely starving western Kansas, eastern Colorado, and the Texas and Oklahoma panhandles through the weekend. The middle of the country will turn broadly dry by Easter Sunday, remaining devoid of precipitation through April 8 before a significant pattern shift during the 11-15 day period brings highly anticipated moisture to the parched western wheat areas. A volatile temperature battle zone will persist through Friday with cold conditions paralyzing the northwest and extreme warmth dominating the southeast, before the entire region cools down through April 7 and subsequently warms again starting April 8.




## Grains

Overall, the report did not hold any major surprises. Corn acres came in a bit above trade ideas and beans a bit lower. Wheat acres came in light, both in winter and spring. Corn stocks were about 100 milbus under the average (and in the middle of a huge range of ideas) while bean stocks were slightly above the trade guess. I think the market was bracing (hoping?) for bearish bean acres. The knee-jerk was beans higher, wheat higher (already had been firm on ratings, more on that tomorrow), and corn trading mixed (not sure what to do).

| US Acreage | | | | | |
|---|---|---|---|---|---|
| mil acres | | | | | |
| | USDA Mch 31 | MB exp | Ave trade est | Jan/Outlook | Year Ago |
| Winter | 32.4 | 33.0 | 32.9 | 33.0 | 33.2 |
| Other spring | 9.4 | 9.0 | 9.8 | #N/A | 9.3 |
| Durum | 2.0 | 2.2 | 2.0 | #N/A | 2.2 |
| All-wheat | 43.8 | 44.9 | 44.7 | 45.0 | 45.3 |
| Corn | 95.3 | 93.0 | 94.5 | 94.0 | 98.8 |
| Beans | 84.7 | 86.0 | 85.5 | 85.0 | 81.2 |

Corn stocks came in exactly 100 milbus below my estimate and I ran the increase in feed/residual through to crop year feed/residual (more in line with USDA's forecast). Given that the USDA could still be too low on exports, the 25/26 balance sheet has room to tighten further. They forecast area at 95.3 mil acres, up from the average guess of 94.5 and up from 94.0 at the Feb Outlook, and down from 98.8 last year. Given the fertilizer issues (and potential for a wet April in the ECB and Delta), we could see acres down some in June. Running all this through the balance sheets, we have potential for slightly tighter ending stocks next year and we are back to needing a trend or better yield. See attached b/s (I assumed an increase of 1.0 hvst acres in the USDA and used their usage forecasts from Feb). The first official 26/27 S&D's will be out in the May WASDE.

For beans, Mch 1 stocks came in almost right at my estimate (guess) at 2105 milbus, vs 1911 year ago. This didn't warrant any overall balance sheet tweaks. Acres were forecast at 84.7 mil, down from the average estimate of 85.5 and my estimate of 86.0. The Feb Outlook forecast was 85.0 and we planted 81.2 mil acres to beans last year. Given either my or the USDA's usage forecasts (for both old and new crop), the 26/27 balance sheet doesn't expand even with larger acres. One can argue that acres will increase and I can get on board with that. The big question mark in my b/s remains 25/26 exports – I could be too high and we may be running out of time especially with the China meeting delayed until mid-May. Either balance sheet can't withstand a yield issue without tightening.

CORN: U.S. SUPPLY AND DEMAND (September - August Marketing Year)

| | 18/19 | 19/20 | 20/21 | 21/22 | 22/23 | 23/24 | 10-Mar 24/25 USDA | 25/26 MB | 10-Mar 25/26 USDA | Outlook 26/27 MB | Outlook 26/27 USDA |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Planted Acres | 88.9 | 89.7 | 90.7 | 92.9 | 88.2 | 94.6 | 90.9 | 98.8 | 98.8 | 95.3 | 95.3 |
| Harvested Acres | 81.3 | 81.3 | 82.3 | 85.0 | 78.7 | 86.5 | 83.0 | 91.3 | 91.3 | 87.0 | 87.1 |
| Yield (Bu/Ac) | 176.4 | 167.5 | 171.4 | 176.7 | 173.4 | 177.3 | 179.3 | 186.5 | 186.5 | 183.0 | 183.0 |
| Begin Stocks | 2140 | 2221 | 1919 | 1235 | 1377 | 1360 | 1763 | 1551 | 1551 | 2122 | 2127 |
| Production | 14340 | 13620 | 14111 | 15018 | 13651 | 15341 | 14892 | 17021 | 17021 | 15921 | 15938 |
| Total Supply | 16508 | 15883 | 16055 | 16277 | 15067 | 16729 | 16677 | 18596 | 18597 | 18068 | 18091 |
| Exports | 2066 | 1777 | 2747 | 2472 | 1662 | 2255 | 2858 | 3350 | 3300 | 3100 | 3100 |
| Feed Use | 5429 | 5900 | 5607 | 5671 | 5486 | 5831 | 5454 | 6215 | 6200 | 6000 | 6000 |
| Food/Ind/Seed | 6793 | 6286 | 6467 | 6757 | 6558 | 6880 | 6813 | 6909 | 6970 | 6975 | 6970 |
| *Ind Use-Swtnr/Star* | *1090* | | | | | | | | | | |
| *Ind Use-Bevg/Mfg A* | *150* | | | | | | | | | | |
| *Ind Use-Fuel Alcoh* | 5378 | 4857 | 5028 | 5320 | 5176 | 5489 | 5436 | 5545 | 5600 | 5650 | 5600 |
| *Food/Seed* | *240* | | | | | | | | | | |
| Total Usage | 14288 | 13963 | 14821 | 14900 | 13707 | 14966 | 15125 | 16475 | 16470 | 16075 | 16070 |
| End Stocks | 2221 | 1919 | 1235 | 1377 | 1360 | 1763 | 1551 | 2122 | 2127 | 1992 | 2020 |
| End Stks/Use % | 15.5% | 13.7% | 8.3% | 9.2% | 9.9% | 11.8% | 10.3% | 12.9% | 12.9% | 12.4% | 12.6% |

SOYBEANS: U.S. SUPPLY AND DEMAND

| | 18/19 | 19/20 | 20/21 | 21/22 | 22/23 | 23/24 | 10-Mar 24/25 USDA | 25/26 MB | 10-Mar 25/26 USDA | Outlook 26/27 MB | Outlook 26/27 USDA |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Planted Area | 89.2 | 76.1 | 83.4 | 87.2 | 87.5 | 83.6 | 87.3 | 81.2 | 81.2 | 84.7 | 84.7 |
| Harvested Area | 87.6 | 74.9 | 82.6 | 86.3 | 86.2 | 82.3 | 86.2 | 80.4 | 80.4 | 83.7 | 83.7 |
| Yield | 50.6 | 47.4 | 51.0 | 51.7 | 49.6 | 50.6 | 50.7 | 53.0 | 53.0 | 53.0 | 53.0 |
| Carryin | 438 | 925 | 538 | 257 | 274 | 264 | 342 | 325 | 325 | 213 | 350 |
| Production | 4428 | 3552 | 4216 | 4464 | 4270 | 4162 | 4374 | 4262 | 4262 | 4436 | 4434 |
| Imports | 14 | 15 | 20 | 16 | 25 | 21 | 29 | 25 | 25 | 25 | 20 |
| Total Supply | 4880 | 4492 | 4774 | 4737 | 4569 | 4446 | 4746 | 4612 | 4612 | 4674 | 4805 |
| Crush | 2092 | 2165 | 2141 | 2204 | 2212 | 2285 | 2445 | 2616 | 2575 | 2660 | 2655 |
| Exports | 1752 | 1679 | 2266 | 2152 | 1980 | 1700 | 1882 | 1682 | 1575 | 1700 | 1700 |
| Seed | 88 | 97 | 101 | 102 | 72 | 75 | 70 | 73 | 73 | 75 | 79 |
| Residual | 23 | 15 | 9 | 5 | 41 | 44 | 23 | 30 | 39 | 20 | 30 |
| Total Usage | 3955 | 3956 | 4517 | 4463 | 4304 | 4104 | 4420 | 4401 | 4262 | 4455 | 4464 |
| Carryout | 925 | 538 | 257 | 274 | 264 | 342 | 325 | 213 | 350 | 220 | 339 |
| Carryout % Use | 23.4% | 13.6% | 5.7% | 6.1% | 6.1% | 8.3% | 7.4% | 4.8% | 8.2% | 4.9% | 7.6% |

*U.S. Mch 1 Wheat Stock Estimates By Class*

| | White | HRS | HRW | SRW | Durum | Total |
|---|---|---|---|---|---|---|
| 2020 | 183 | 327 | 665 | 185 | 52 | 1412 |
| 2021 | 178 | 326 | 600 | 167 | 43 | 1314 |
| Actual usda 2022 | 100 | 240 | 495 | 163 | 30 | 1029 |
| Actual usda 2023 | 135 | 274 | 348 | 148 | 36 | 941 |
| Actual usda2024 | 138 | 319 | 395 | 200 | 36 | 1089 |
| Actual usda 2025 | 136 | 334 | 539 | 189 | 38 | 1237 |
| *Pre-report 2026* | *138* | *317* | *617* | *203* | *37* | *1312* |
| *Post-report 2026* | *158* | *291* | *588* | *216* | *47* | *1300* |

Mch 1 wheat stocks were reported at 1300 milbus, near the average trade estimate of 1306 and below my estimate of 1312. Durum stocks were reported at 47 milbus, up from 37 a year ago. The USDA won't print by-class stocks for a few weeks. My estimates are as follows 158 white, 291 HRS, 588 HRW, and 216 SRW. Table attached. Wheat area came in below Jan and below trade ideas at 43.8 mil (45.3 last year). Both HRW and SRW saw reductions and HRS came in below trade ideas. These acres reductions may translate to tightening of the above classes especially given the continued dry forecast in the S Plains. I will include the all-wheat balance sheet and by-class S&D's in tomorrow's wire.

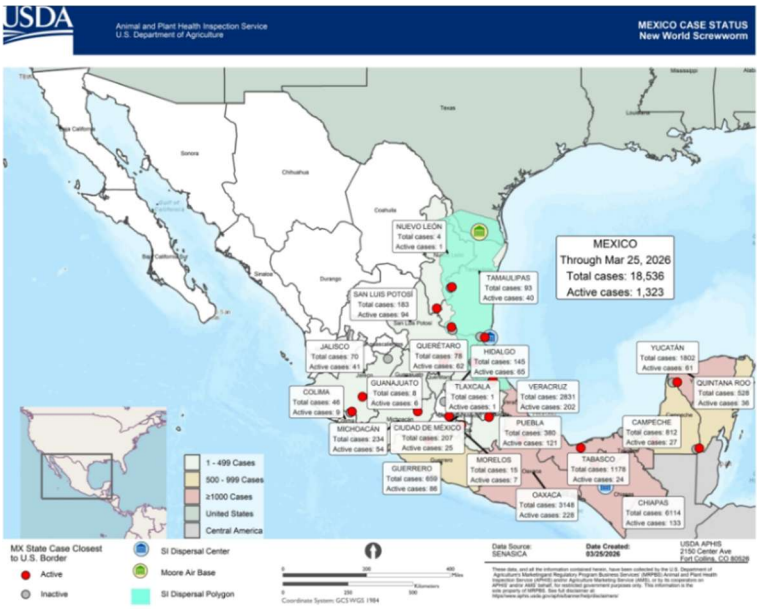
*Grains commentary provided by Megan Bocken. For questions or comments, Megan can be reached by email at* megan@bockentrading.com *or on Trillian at megan@nesvick.com.*

## Livestock

It's been a while since we talked about New World Screwworm, so I thought an update was due – and the situation has shifted in at least one direction I didn't fully expect. I said a couple months ago I didn't see much chance of the border reopening anytime soon, with active cases in Tamaulipas and San Luis Potosí continuing to push north. That skepticism was warranted, but Secretary Rollins is now signaling an announcement for a phased reopening plan could happen in as soon as the next 2-4 weeks.

There are 1,323 active cases in Mexico as of March 25th — but the distribution matters more than the count. The bulk is concentrated in southern and central Mexico: Chiapas alone accounts for 6,114 total cases, Oaxaca another 3,148, and Veracruz 2,831, all well removed from the Texas border. Where I'm paying closer attention is the central cluster — Hidalgo,

Querétaro, and San Luis Potosí together show 406 total cases and 221 still active as of last week, and that grouping sits meaningfully further north than the southern mass. Tamaulipas, the northeastern border state, has 93 total cases and 40 active — not zero, but a small share of the broader picture, and USDA is aerially dispersing 100 million sterile insects per week to keep it that way.



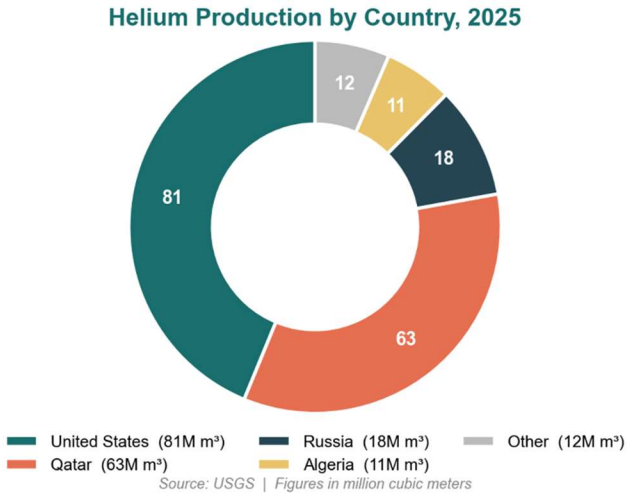

Against that backdrop, Secretary Rollins signaling a phased reopening makes more geographic sense than the headline might suggest. The leading candidate is Agua Prieta, Sonora – the westernmost crossing into Douglas, Arizona – which sits roughly 800 miles from where active cases are currently concentrated. The US cattle herd is near historic lows, and feeder imports from Mexico have been suspended since May 2025, so even a single-port reopening would begin to reintroduce some supply into a market that's been running tight.

The geographic case for Agua Prieta for being the first to open makes sense, and the phased approach is the right structure, but the timing gives me pause. A winter reopening, when screwworm fly populations thin out significantly, would have been a different risk calculus than opening now, heading into summer fly season, when populations are expanding and northward spread accelerates. The central Mexico cluster pushing north is more concerning in that context, and the sterile fly program is still leaning on Panama's production capacity to hold the line. The mid-April groundbreaking of the $1 billion South Texas facility matters for exactly that reason – if fly activity surges before domestic capacity comes online and containment slips, the window to reverse course on any reopening gets uncomfortably narrow.

*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

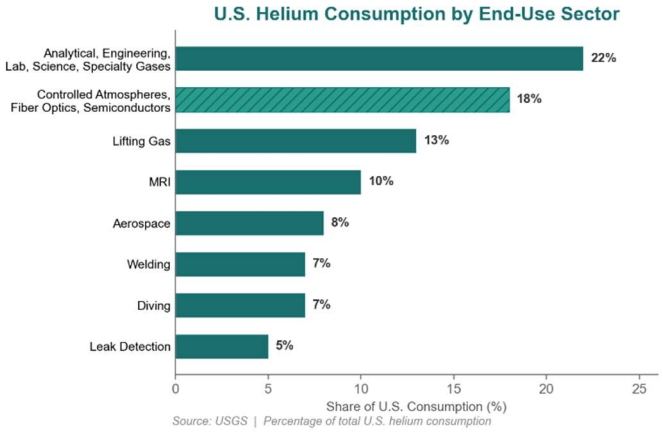
Since the Iran war started, most of the supply chain focus has been on oil, the Strait of Hormuz, and energy prices – and understandably so. But there's a lesser known, but nearly equally consequential, disruption with the gas best known for keeping birthday balloons afloat. Qatar produces ~1/3 of the world's helium as a byproduct of LNG processing, and when Iranian strikes knocked out the Ras Laffan facility in March, they didn't just hit natural gas — they took a critical semiconductor input offline. Repairs could take 3–5 years.




The supply picture is tight and getting tighter. Global helium production last year was ~190 million cubic meters, with the U.S. producing ~81 million, Qatar ~63 million, Russia ~18 million, and Algeria ~11 million. With Qatar's output halted, ~30% of global supply is effectively gone. But it's not just the production loss; the logistics are compounding the problem. Roughly 200 specialized cryogenic containers, each storing gas worth ~$1 million, are stranded in the Strait of Hormuz and could take months to reposition. Liquid helium has to be stored near absolute

zero and has a shelf life of 30–48 days before it boils off, so you can't just stockpile your way through this. Airgas has already declared force majeure, telling at least one customer it would meet only half of normal monthly demand. Force majeure notices have reached buyers as far away as India and Brazil, and helium prices have roughly doubled.

Here's why this matters beyond the commodity itself: helium is irreplaceable in semiconductor manufacturing. It cools wafers during fabrication, creates vacuum seals in lithography, and flushes toxic residue – and there's no viable substitute. TSMC, Samsung, SK Hynix, and Micron all depend on it, and chipmakers typically hold only 1.5–2 months of supply. South Korea is especially exposed, with ~2/3 of its helium imports sourced from Qatar last year. U.S. chipmakers are already receiving allocation letters warning of shortages.




The natural comparison is the neon crisis after Russia invaded Ukraine in 2022. Ukraine supplied ~50% of the world's neon, another gas critical to chipmaking, and the industry adapted impressively – ramping recycling systems to recover ~90% of neon in use. But helium is a fundamentally different problem. Industrial helium recycling rates sit at only ~19%, the physics of handling it are far more demanding, and building new recycling infrastructure will take time the industry doesn't have. The mechanisms that bailed out chip production last time simply aren't available for helium.

When helium gets scarce, semiconductor companies, which tend to have the deepest pockets, outbid everyone else. Pharma, MRI providers, and aerospace lose out, but the chip fabs keep running – just at significantly higher input costs. If the 3–5 year repair timeline at Ras Laffan holds, this isn't a temporary shock to trade through – it's a structural repricing of a critical input to the most important growth story in markets. I think there's been plenty of discussion about demand-side risks to the AI trade from tariffs and credit tightening, but a hard physical constraint on chip production is a different animal, and I'm not sure the market is fully pricing it in yet.

*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
- Retail Sales – 7:30 AM
- EIA Energy Stocks – 9:30 AM
- USDA Grain Crushings – 2:00 PM
- USDA Fats & Oils – 2:00 PM

Thanks for reading,

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