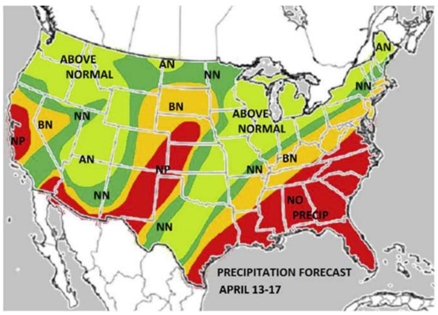
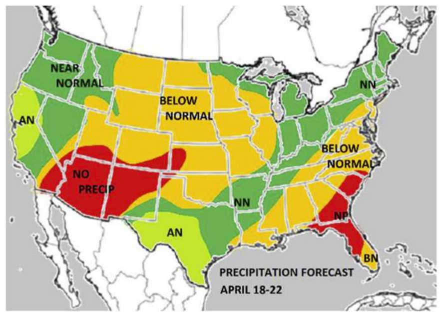
NESVICK TRADING GROUP, LLC

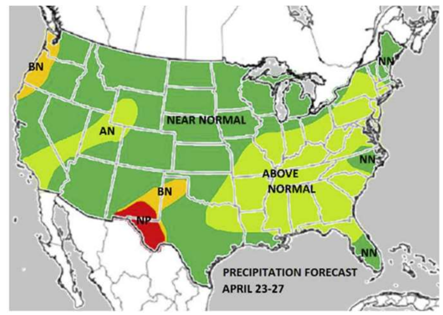
Monday, April 13, 2026
NTG Morning Comments
www.nesvick.com

Weather

A highly active and wet pattern is entrenched across the Corn Belt for the duration of the 15-day forecast, delivering widespread 2-4” precipitation totals and localized severe weather threats. This excessive moisture is accompanied by exceptional warmth through the 1-5 day period, with temperatures surging 10-20 degrees above normal, before a sharply colder airmass plunges into the western Corn Belt by Saturday and dominates the region through the 6-10 day period, dropping lows into the 20s-30s. In the Hard Red Winter wheat belt, a sharp precipitation divide persists, as eastern Kansas and Oklahoma receive 1-3” of beneficial rain, while the western third of Kansas, eastern Colorado, and the panhandles face an exceptionally dry pattern that will severely limit drought relief and likely pressure winter wheat ratings lower until at least the second half of the 11-15 day period. Meanwhile, the Mid-South and Southeast will remain largely dry with only minor rain threats until a widespread wet pattern emerges during the 11-15 day period.

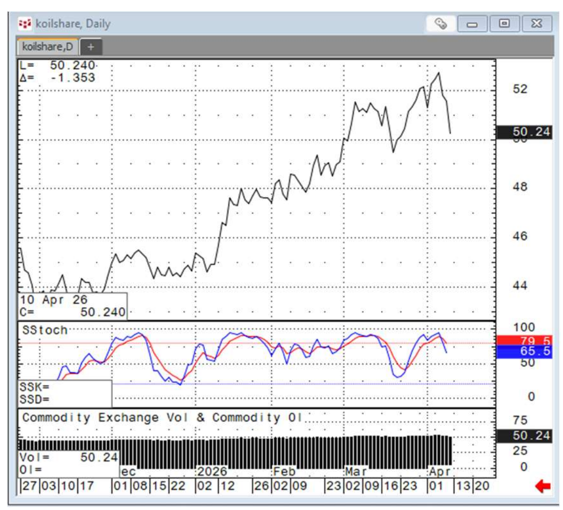




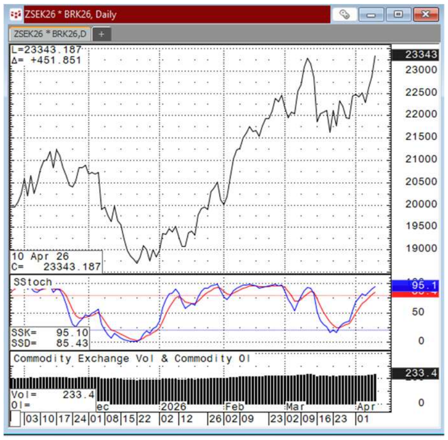
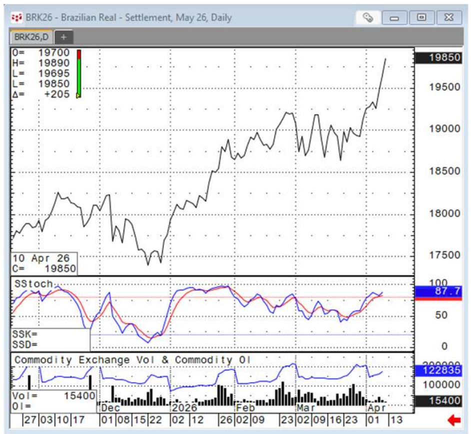


The 15-day forecast for northern Brazil safrinha corn areas continues to look highly favorable, with regular rains expected to bring 2-4” totals to key states like Mato Grosso and Goiás alongside near to above-normal temperatures. Conversely, southern Brazil and Paraguay remain devoid of a truly wet pattern, as areas like Paraná and southern Mato Grosso do Sul face near to mostly below-normal rainfall through the 1-10 day period, combined with temperatures running 4-7 degrees above normal. In Argentina, the 1-10 day period features significant 2-5” rainfall totals concentrated in northeastern Córdoba, central and northern Santa Fe, and Entre Ríos, but the outlook shifts abruptly to a much drier regime with below-normal precipitation expected across the entire country during the 11-15 day period.

Grains



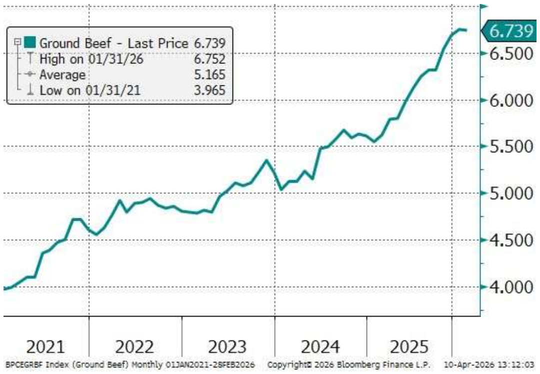
Going to take a look at oil share and beans. Oil share had a big unwind this week as oil (energies) corrected with the on again off again status of the war. Meal spreads and basis firmed this week with futures up almost $20/ton this week and inverses widening. Oil has been the “story”, but meal disappearance has been off the charts despite record crush levels and continues strong. With downtimes coming up in the US and Arg bean harvest just getting underway, there is room for further strength. In addition, beans have been supported by the strength in the Brazilian real which is hindering producer selling. Braz bean basis gained 20-25 cents last week with meal basis rallying $8-10/ton. When everything broke hard Wednesday on the ceasefire talk, beans were down 20 cents, but didn’t stay down long and finished the week 35 cents off those lows. The Trump/XI meeting is a month away, keeping hope alive for further purchases. The USDA lowered exports again so any extra business will be added back (unless rolls to new crop). And the USDA is probably still too low on crush. Beans in Reals are at the highs. S&D and charts attached.


SOYBEANS: U.S. SUPPLY AND DEMAND										
	19/20	20/21	21/22	22/23	23/24	9-Apr 24/25 USDA	25/26 MB	9-Apr 25/26 USDA	*26/27 MB*	*Outlook 26/27 USDA*
Planted Area	76.1	83.4	87.2	87.5	83.6	87.3	81.2	81.2	*84.7*	*84.7*
Harvested Area	74.9	82.6	86.3	86.2	82.3	86.2	80.4	80.4	*83.9*	*83.7*
Yield	47.4	51.0	51.7	49.6	50.6	50.7	53.0	53.0	*53.0*	*53.0*
Carryin	925	538	257	274	264	342	325	325	*291*	*350*
Production	3552	4216	4464	4270	4162	4374	4262	4262	*4448*	*4434*
Imports	15	20	16	25	21	29	25	25	*25*	*20*
Total Supply	4492	4774	4737	4569	4446	4746	4612	4612	*4764*	*4805*
Crush	2165	2141	2204	2212	2285	2445	2625	2610	*2690*	*2655*
Exports	1679	2266	2152	1980	1700	1882	1595	1540	*1700*	*1700*
Seed	97	101	102	72	75	70	73	73	*75*	*79*
Residual	15	9	5	41	44	23	30	39	*20*	*30*
Total Usage	3956	4517	4463	4304	4104	4420	4322	4262	*4485*	*4464*
Carryout	538	257	274	264	342	325	291	350	*280*	*339*
Carryout % Use	13.6%	5.7%	6.1%	6.1%	8.3%	7.4%	6.7%	8.2%	*6.2%*	*7.6%*

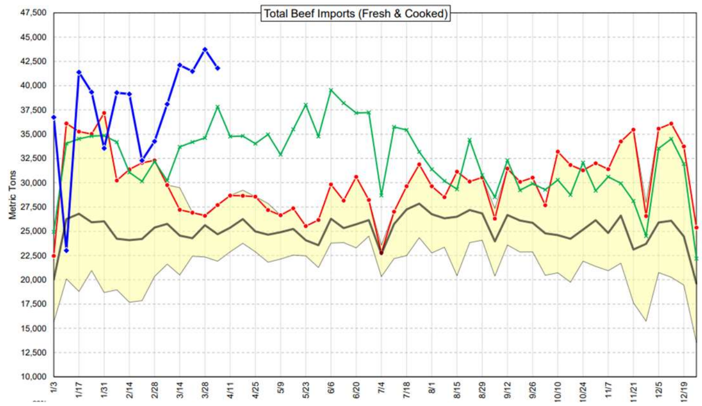
Grains commentary provided by Megan Bocken. For questions or comments, Megan can be reached by email at megan@bockentrading.com *or on Trillian at megan@nesvick.com.*

Livestock



For the first time in over a year, ground beef prices actually declined month-over-month, falling 0.5% in March to $6.739 per pound. It's a small move, with prices still running ~12% above year-ago levels, but after nearly two years of relentless increases driven by the shrinking cattle herd, even a modest dip is worth taking a look at. This could be the due, in part, to the increase of foreign beef being imported into the US.

Through the first 14 weeks of 2026, weekly beef imports are running consistently north of 35,000 metric tons and have topped 40,000 MT in recent weeks, compared to a pace closer to 25,000–30,000 MT during the same period last year. The year-to-date country breakdown tells the story: Brazil is the biggest mover, up ~29,000 MT year-over-year, followed by Australia (+10,500 MT), Argentina (+9,900 MT), Mexico (+9,300 MT), and Uruguay (+8,000 MT). Canada and New Zealand are actually down on the year, but the gains from South America and Australia are more than offsetting those declines. USDA data shows total beef product imports in January and February alone topped 389,000 MT, up more than 13% from the same period in 2025, a pace that prompted USDA to raise its full-year import forecast.

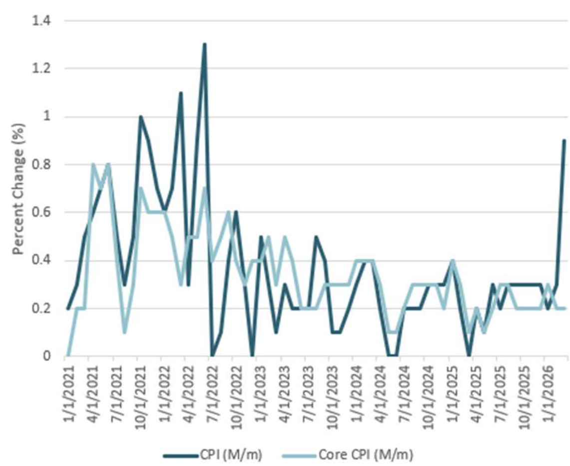


The key detail here is what's being imported. These aren't prime steaks — the surge is overwhelmingly lean trimmings, the 90/10 and 85/15 product that gets blended into domestic beef to produce ground beef. That's why the price relief, to the extent it exists, is showing up in the ground beef index first while wholesale cutout values for middle meats remain historically elevated. It's a targeted pressure valve, not a broad repricing of the beef complex.

The bigger question is whether imports can do more than take the edge off. Domestic beef production was down 4% year-over-year in February, some meat packing plants have already shuttered because they can't source enough cattle, and the herd rebuild that would actually fix the structural deficit hasn't begun in earnest. Imports can supplement the grind, but they can't replace the shortfall in the domestic cow herd – that's a multi-year biological cycle. So, while the March ground beef print is a welcome data point for consumers, I wouldn't extrapolate it into a broader trend just yet. The supply math still favors elevated beef prices for the foreseeable future, with imports acting as a ceiling on ground beef rather than a catalyst for meaningful deflation across the complex.

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.*

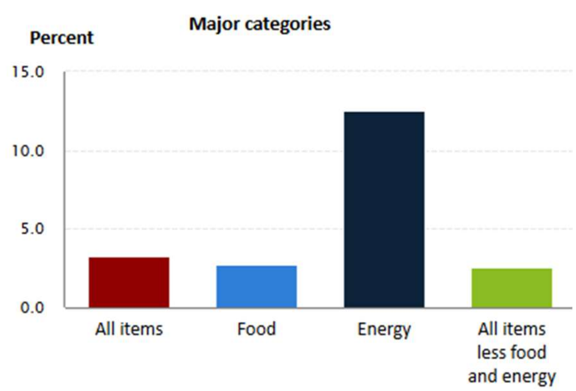
Macro/Financials



The March CPI came in at 3.3% year-over-year, the highest reading in nearly two years; if you just saw the headline, you'd think inflation is back with a vengeance. However, that 3.3% is doing more work as a war indicator than an inflation gauge, and markets seemed to agree – stocks rallied on the print, and rate cut odds actually slightly improved.

The story here is almost entirely energy. Gasoline surged 21.2% month-over-month, dragging the broader energy index up 10.9% and accounting for roughly three-quarters of the headline increase. Strip that out and the picture changes completely. Core CPI rose just 0.2% on the month and 2.6% from a year ago; both numbers a tenth below expectations. Shelter costs, which have been the stickiest piece of the inflation story for the past two years, cooled to 3% annually, the lowest since August 2021. Food was flat for the month; eggs fell another 3.4% and are now down 44.7% over the past year.

12-month percentage change, Consumer Price Index, selected categories, March 2026, not seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

The risk is that the core read was also influenced by a handful of one-off declines that probably won't stick. Used car prices fell 0.4% in March, even though wholesale auction data has been trending the other direction for months. Auction prices have climbed more than 6% since bottoming in October, putting the CPI measure at least two months overdue for a catch-up. Prescription drugs, health insurance, cable and streaming fees all dropped too, in some cases running contrary to what industry-level data show. Meanwhile, the categories that react quickly to supply shocks are already moving: airfares jumped 2.7%, and tariff-sensitive items like apparel and home furnishings also posted gains.

April is where this gets interesting. Gas was still running ~$4.15 a gallon nationally through the survey period, so the energy drag isn't going away yet. More importantly, there's a technical wrinkle in the shelter data: the October 2025 government shutdown meant the BLS had no housing survey that month, so they penciled in a zero. That distortion has been suppressing shelter inflation in the monthly calculations, but it rolls off in April when that panel gets resurveyed. The Fed can look through one month of energy-driven noise, and the ceasefire has taken some of the immediate pressure off, but the setup heading into April is uglier than March's core number suggests. The question isn't really whether March was bad; it's whether the conflict's inflation footprint stays contained to the pump or starts bleeding into everything else. Based on this March report and the expectations for April, it doesn't look like rate cuts are coming anytime soon.

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)

- Existing Home Sales – 9:00 AM
- Export Inspections – 10:00 AM
- Crop Progress – 3:00 PM

Thanks for reading,

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