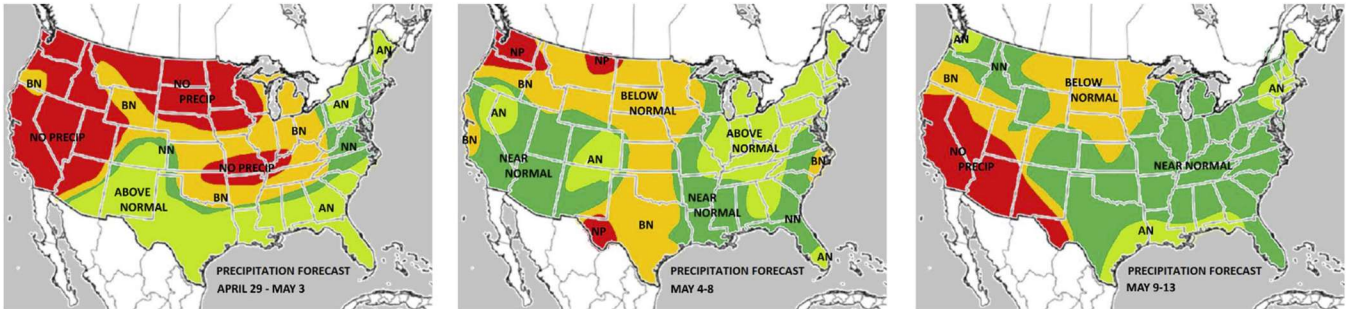


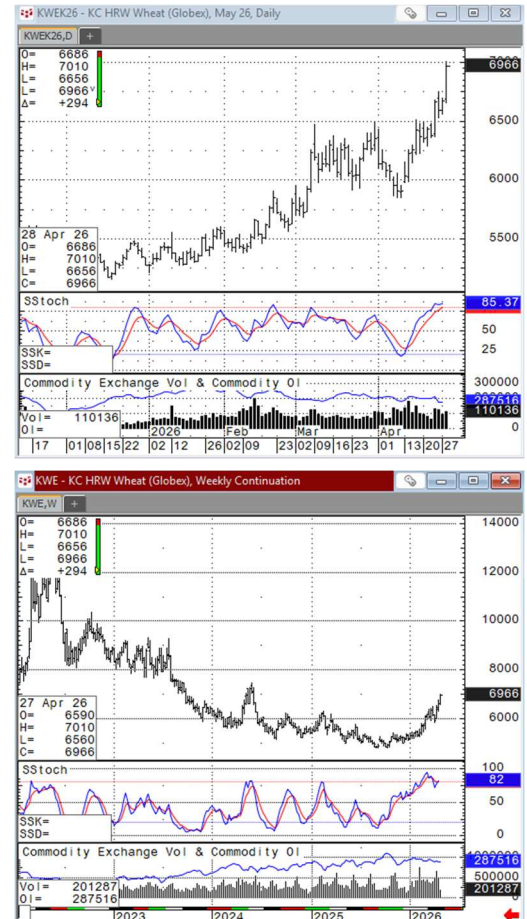
Weather

In the United States, significant forecast shifts now indicate mounting fieldwork concerns in the southeastern Corn Belt following heavy recent rainfall, with above-normal precipitation expected to return during Week Two to further delay regional planting progress. Conversely, the northwestern Corn Belt will remain notably dry over the next 15 days, where persistently cold temperatures running up to 10-15 degrees below-normal during the 6-10 day period will act as the primary impediment to corn and soybean planting rather than overly wet soils. In the Hard Red Winter wheat belt, while near-term precipitation through Friday will target extreme western and far southern areas to marginally improve conditions, overall totals are falling significantly short of previous expectations, particularly in southern Kansas, leaving developing crops increasingly vulnerable. Across the broader central Plains, a remarkably cold pattern will dominate, featuring freezing morning temperatures in localized areas such as western Nebraska and northwestern Kansas through the 1-5 day period, before an even colder air mass arrives for the 6-10 day window to further threaten emerged crops.



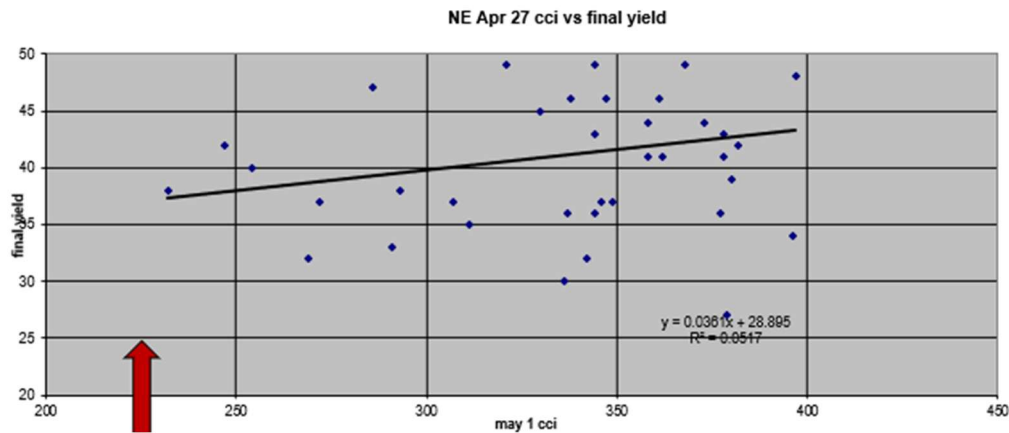
Grains

Going to look at HRW again as KC made new highs Tuesday, up 30+ cents bringing Chgo and corn with it. Weekend rains were disappointing in the western growing areas and this week's forecast has turned drier again. Light (trace to 1/2" locally heavier) rains fell in nw areas Tues, but that should be it for a while. A late week rain chance has been pushed south (mainly OK/TX). A week or so ago we were talking about a pattern change. There is also potential for another cold threat (EU model highlighted temps 15-20F below normal for May 6-9) and there is talk of zeroing out crops. Ratings in the main HRW states dropped again with only OK up slightly and NE and CO seeing sizable drops. After going through scatters in all of the states, my HRW crop estimate dropped to 585 milbus from 607 last week. I heard some in the 575 milbus range as well and could end up be considerably lower if abandonment is higher (which I also keep hearing). Attached is a table with the current yields I am using and an abandonment scenario that results in a 550 milbus crop. Some of the states have room to increase abandonment which could lead to a crop in the low 500's. That's the risk. Also attaching chart of the NE scatter. Their condition index is the lowest ever at 226. Also keep in mind this crop is ahead of schedule which is never a promising sign – KS wheat is 43% headed vs 17 last year and 11 ave (5-yr). Interesting to look at the weekly chart of KC – in the similar years we have been talking about - 2022 and 2023, futures were considerably higher than today. There are differences in that we have a bigger carry-in in HRW this year and more of a buffer and US carryout was tighter in general in those years.



Winter Wheat Crop Ratings			
	Good-Excellent	Fair	Poor-Very Poor
	Apr 27, 2026	Apr 20, 2026	Apr 27, 2025
KS	23/36/41	24/35/41	43/36/7
OK	14/41/45	10/45/45	44/37/19
TX	12/32/56	14/31/55	31/36/33
CO	8/38/54	14/37/49	48/23/29
NE	12/23/65	11/44/45	33/35/32
MT	23/65/12	25/71/4	70/19/11
OH	66/30/4	67/30/3	61/33/6
IL	67/25/8	64/29/7	57/37/6
IN	70/24/6	70/24/6	70/24/6
MO	64/31/5	65/30/5	75/22/3
AR	61/34/5	47/38/15	46/42/12
SD	35/44/21	39/40/21	17/50/33
Total	30/35/35	30/37/33	49/32/19

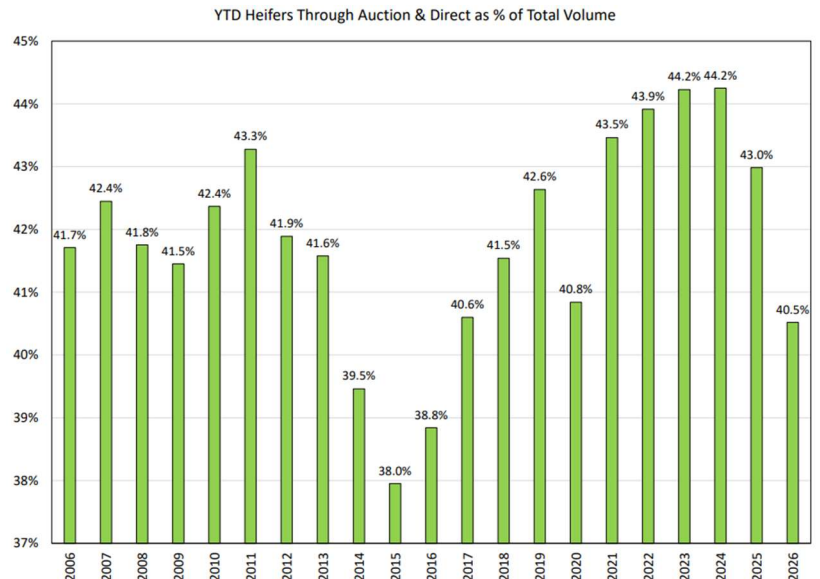
	2026 USDA pit				% harvested				
	Plant	Hvst	Yield	Prod	2022	2023	2024	2025	2026
Central/Southern Plains HRW	21220	12,885	34.6	446	2022	2023	2024	2025	2026
Colorado	2050	1,600	27	43	73%	75%	88%	85%	78%
Nebraska	900	700	35	25	84%	78%	92%	85%	78%
New Mexico	370	115	12	1	25%	21%	40%	41%	31%
Kansas*	7000	5,500	39	215	90%	71%	94%	93%	79%
Oklahoma*	4400	2,400	30	72	57%	54%	66%	67%	55%
South Dakota	690	575	53	30	88%	73%	88%	81%	83%
Texas*	5700	1,900	30	57	25%	33%	47%	42%	33%
Wyoming	110	95	31	3	83%	78%	83%	81%	86%



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

We've been waiting for the data to finally confirm what the cattle complex has been whispering about for months: the liquidation phase seems to be coming to the end. Looking at the year-to-date numbers through Week 17, heifers processed through auction and direct sales have dropped to just 40.5% of total volume. That is a sharp pivot from the 43% we saw last year, and a hard break from the 44.2% liquidation peak of 2023 and 2024. You actually have to look all the way back to the 2014 through 2017 herd expansion window to find YTD retention figures this low. This data could be an even more accurate indication of the herd rebuilding than the Cattle on Feed data since beef on dairy typically aren't sold at auction, but are instead contracted straight to the feedyard.



The near-term weekly data tells the exact same story. For the current week, heifers accounted for just 42% of the combined auction and direct sales volume, sitting noticeably below the five-year average of 45%. In absolute terms, that

translates to 86,000 head of heifers moving through those channels – down 14.5% versus the historical 5-year average of 100,600 head.

So, what does this actually tell us? While a few weeks of light volume don't immediately rebuild a herd, a sustained drop toward that 40% threshold suggests producers are finally starting to hold back breeding stock. If this is the start of a genuine retention cycle, feedlots are going to start finding themselves competing much more aggressively for a shrinking pool of placements. Just something to keep an eye on, but I suspect tighter feeder supplies will continue to act as a structural floor under the market as we move deeper into the year.

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 FOMC has its April rate decision meeting tomorrow, and barring something truly unexpected, the committee is going to hold rates at 3.50–3.75% for a third consecutive meeting. Markets have this essentially fully priced (Polymarket has it at 99.9%) and nobody on the Street is making waves. But this one carries more subtext than the decision itself suggests.

For starters, this is almost certainly Powell's last meeting as chair. His term expires May 15, the Senate Banking Committee votes on Kevin Warsh's confirmation tomorrow – the same day the rate decision drops – and the DOJ cleared the path last Friday by dropping its investigation into the Fed's building renovation project. Nomura's David Seif called it "as lame duck as they come," and he's probably right. Powell isn't going to box his successor in with new forward guidance two weeks before handing over the keys. The statement will likely be deliberately vague, and the press conference will be an exercise in saying as little as possible.

That matters because the committee isn't as placid as the hold decision implies. At the March meeting, several officials pushed to signal that the next move could be a rate increase – a reflection of the Iran war's energy shock pushing March CPI up by the most in nearly four years, driven largely by gasoline and diesel. That hawkish sentiment didn't make it into the statement, but it tells you there's a real debate happening inside the building that the public-facing language is papering over. KPMG's Diane Swonk put it bluntly: "The next move in rates could be up or down."

What makes this week especially interesting is the calendar. The Fed announces Wednesday afternoon, and then Thursday morning at 8:30, the BEA drops the advance Q1 GDP estimate, the March PCE, and the Q1 Employment Cost Index all at once – the heaviest macro data morning of the quarter. The Fed's staff will have had internal nowcasts for all of these, but the official prints land less than 18 hours after Powell's presser. If GDP comes in soft while PCE and ECI run hot, you get the stagflation configuration, and the committee will have just told you they're patient. So the real question this week isn't what the Fed does – it's whether the statement language survives Thursday morning. And with a lame-duck chair running out the clock, the data becomes the only real signal about where the Fed will be headed under Warsh.

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
- Housing Starts/Building Permits – 7:30 AM
- Durable/Cap Goods – 7:30 AM
- EIA Energy Stocks – 9:30 AM
- FOMC Rate Decision – 1:00 PM

Thanks for reading,

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