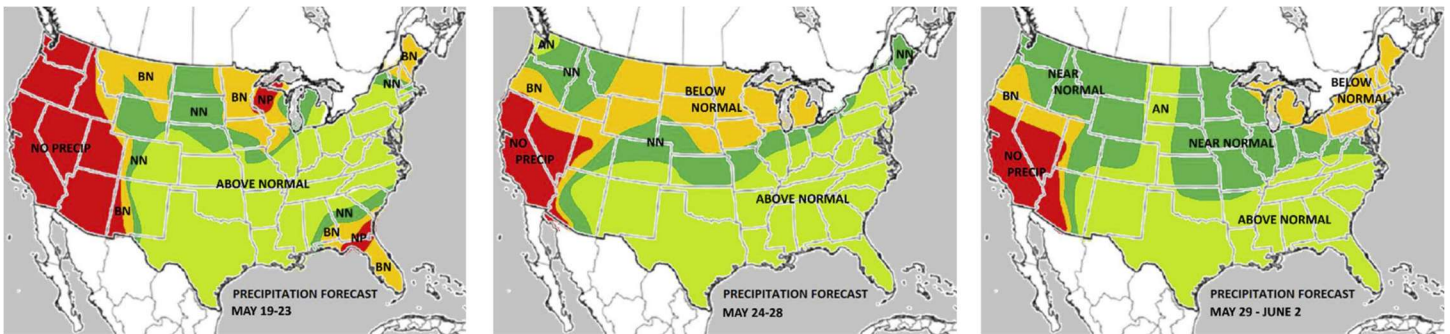


Weather

The 15-day rainfall forecast for the Corn Belt will range from strictly below-normal in the northwest to easily above-normal in the southeast, with the southeastern Corn Belt trending significantly wetter; this introduces major concerns for fieldwork delays as the region has already been remarkably wet since mid-April. In the western Corn Belt and northern Plains, recent rainfall has mitigated extreme topsoil dryness, but these areas will transition into a decisively drier pattern with near-normal to below-normal rainfall for the 6-10 and 11-15 day periods, accompanied by below-normal temperatures and an active frost threat through Saturday before a much warmer pattern emerges next week. Concurrently, the Mid-South is entering an exceptionally wet pattern over the next 15 days that will deliver 5-8" of rain, drastically improving extreme drought conditions but inevitably threatening significant logistical delays and localized flooding. Additionally, the HRW wheat belt is facing its wettest forecast of the season with above-normal rainfall expected, which will highly benefit summer row crops and pastures although the winter wheat crop is likely too far gone to recover.

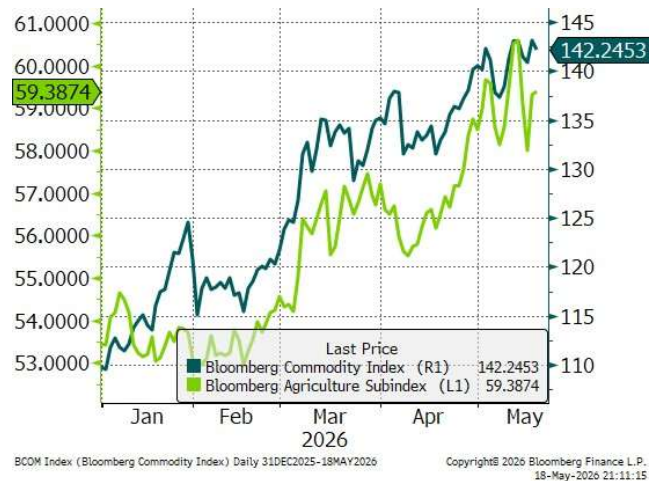


Grains

On Sunday, the White House announced that China committed to at least \$17B/yr in aggregate US ag purchases for 2026 through 2028 – beef, dairy, grains, and the rest – on top of the October 2025 soybean pledge of 25 MMT/yr for the next three crop years. While China hasn't made a statement confirming this deal, the market took it as a buy signal across the grains complex. July beans posted the eye-catcher, up 36c to \$12.13, but on a percentage basis corn actually led, up +21¼c to \$4.77 (+4.7%), with July SRW wheat right behind at +28¾c to \$6.64½ (+4.5%). KC and Minneapolis wheats both added 16–18c near \$7.03.

But the interesting wrinkle is in the bean move. Sunday's deal didn't actually add anything new for soybeans – that 25 MMT was already on the books from October, and the 12 MMT pledged for the 25/26 crop year was filled at the beginning of the year. The fresh \$17B in aggregate dollars realistically flows to corn, wheat, beef, and dairy. So, corn and wheat outperforming on actual incremental demand is the read; beans rallying on the same headline is a sympathy bid that I think will probably give some of the move back.

And this catalyst lands at an interesting moment for the broader commodity tape. The BCOM has been ripping all year, up ~28.5% YTD with the headline index at 143.14 and printing new highs into Monday's close. But that's been almost entirely a petroleum story due to the Iran conflict, with the petroleum subindex up 102.6% YTD and energy +71.5%. Industrial metals are up only 11.5%, grains 9.9%, ag 8.6%, precious metals 6%, and softs are actually down 8%. The ag complex hasn't been left behind



exactly – the agriculture subindex has been climbing steadily off its August 2025 low near 53 – but it's running at a fraction of the broader index's pace.

It's possible that China could lean harder into beans inside that aggregate bucket of ag products, or a broader China-ag bid could just keep dragging the whole complex higher regardless of which line item is technically funded. But based on the fact-sheet text, the cleaner expression is corn and wheat. If you believe Sunday's deal is a catalyst that lets ag start closing the gap to the overall BCOM, export sales data in corn and wheat to China would be the signal confirming China's stance and would likely provide another strong rally for whichever ag products are purchased.

Grains 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.

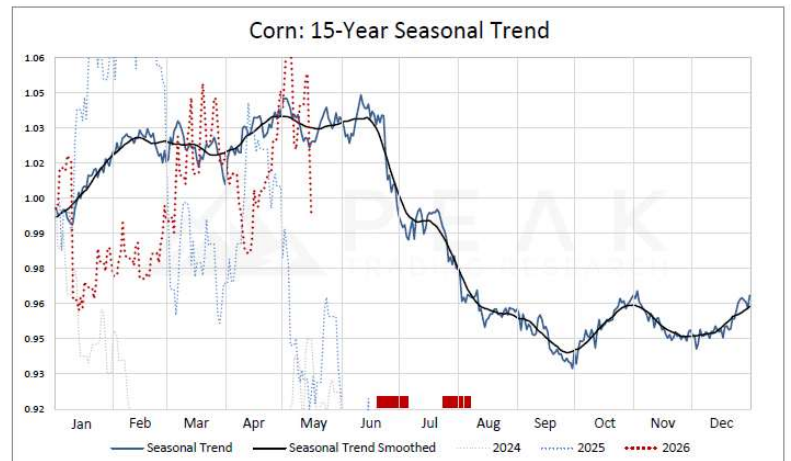
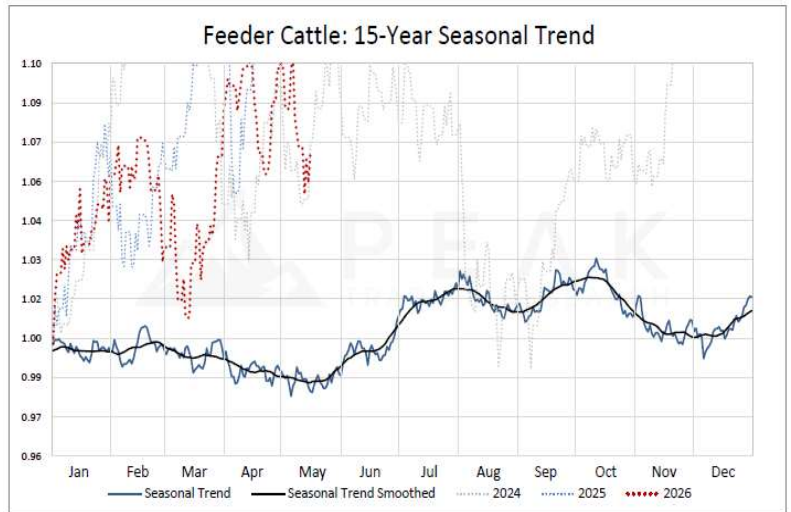
Livestock

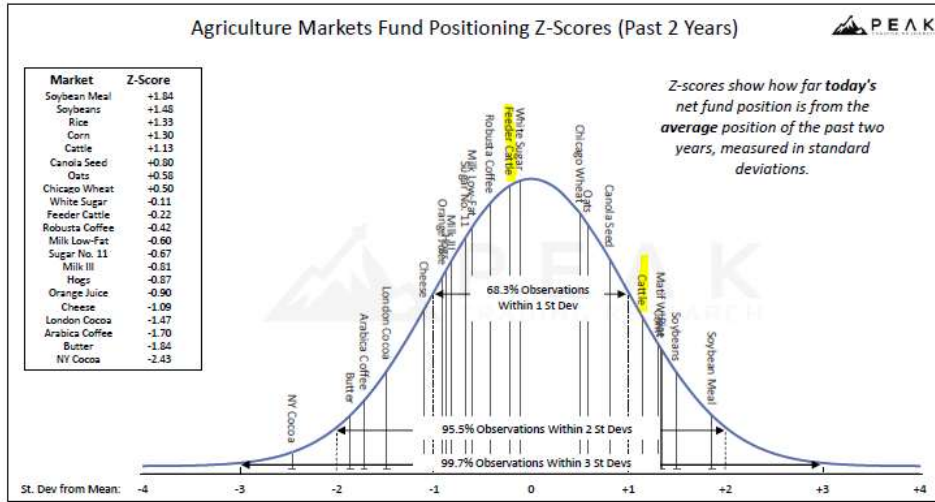
Sometimes, when markets become overly difficult, and headlines drive emotion and programmed algorithms run prices, it helps to step back and focus on the seasonals. Seasonal tendencies are often harder to overwhelm than short-term market noise, even when world trade deals or other headline-driven developments create temporary volatility. These forces dominate markets in the near term, and while algos and programmed AI supply-and-demand models may not capture them right away, they are often proven wrong over time.

One such seasonality is the feeder cattle market. August feeder cattle typically reach their low point in May before trending higher into late summer, ahead of August expiration. Prices have been under pressure recently due in part to drought conditions in certain areas, which are causing pastures to dry up and, in some cases, have been literally burnt out. Craig has noted several times that the recent dryness is expected to be followed by more rain from June through August. If that plays out, today's drought-related weakness may create a better buying opportunity ahead of August. Also supportive of this seasonal pattern for feeder cattle is a seasonal peak in corn prices (shown below).

That said, this Friday's Cattle on Feed report is likely to show placements up around 105% or possibly more, which could be a bearish short-term input for prices still into next week. Still, when this seasonal is combined with the corn seasonal attached below, it suggests that all this current selling feeders on weakness in the near term may end up providing support for later-summer prices.

When looking at the statistical Z-scores of the Managed money positions in Corn, Feeders, and Cattle, you can see that Corn and Cattle are similar (excessive) longs, while Feeders are paring back.





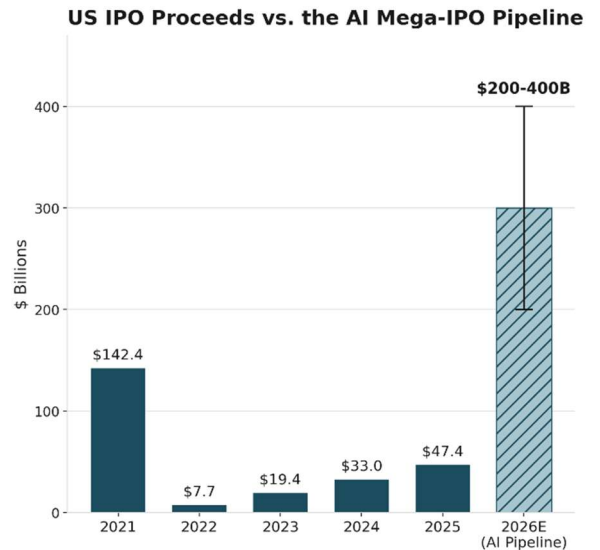
Livestock commentary provided by Scott Shepard. For questions or comments, Scott can be reached by email at scott@mnrcapital.us or on Trillian at scott@nesvick.com.

Macro/Financials

A jury in Oakland needed less than two hours on Monday to clear the last meaningful legal obstacle between OpenAI and its IPO. Musk's suit got dismissed on statute-of-limitations grounds; the jury never reached the merits, and Judge Gonzalez Rogers said she was prepared to dismiss on the spot. The verdict itself isn't really the story for markets, though. What matters is what it unlocks: OpenAI is now the second confirmed leg of an AI-focused mega-IPO pipeline that could test absorption capacity in a way we haven't seen this cycle.

I've mentioned the potential IPO lineup this year in previous comments, but here's a quick recap. SpaceX, which absorbed xAI after February's merger, filed confidentially in April at a ~\$1.25T valuation, and the prospectus could go public as early as this week. OpenAI, last marked at \$850B on a \$122B raise in March, is now talked about closer to \$1T with its path cleared post-verdict. Anthropic is the speculative third leg. It carries a \$380B post-money tag from February and a \$19B revenue run-rate as of March, and is reportedly floating a \$60B+ raise for Q4. Prediction markets price 2026 odds in the single digits, so I'd treat Anthropic as a 2027 story, but the prep is real. Three names, all with an AI-focus, and all queued for IPO inside a 12-month window.

The trillion-dollar headlines overstate immediate absorption. These names will float 5–15% at IPO, not the full cap, so real capital uptake is more like \$200–400B aggregate across the three. That sounds digestible until you anchor it to the recent baseline: total US IPO proceeds were \$33B in 2024 and \$47.4B in 2025. Even on the low end of the float range, this pipeline runs ~4–8x a typical recent year's total, concentrated in one sector. And that's just the primary-market piece. The bigger story is what happens after these names list. They enter the indices, and every passive dollar gets captured automatically. That's where the structural crowding really sits. The real risk isn't whether they get done; it's how much of the marginal risk-asset dollar ends up tied to a single thesis when they do. If the AI capex story stutters even briefly in 2026, the asymmetric pain won't be in OpenAI or SpaceX



Source: Renaissance Capital (2021-2025, IPOs only, mkt cap >= \$50M).
 2026E = estimated 5-15% float on combined private valuation of OpenAI (~\$1T) + SpaceX (~\$1.25T) + Anthropic (~\$380B).

themselves. It'll be in everything competing for the same flow bucket – broader equities, EM, and the risk-on side of the cross-asset complex.

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)

- ADP Weekly Employment Change – 7:15 AM
- Pending Home Sales – 9:00 AM

Thanks for reading,

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