



Friday, August 29, 2025

Good morning. Happy Friday. Markets continue to be choppy/mixed this morning to begin wrapping up the end of the week, with corn and wheat again trading up a penny/down a penny and the soy complex trading marginally lower. Looking at the big picture, we would expect today's market action to be similar to other recent Fridays in that it will likely be a day of fund positioning and risk adjustment ahead of the three-day Labor Day holiday weekend. As we've said all week, until more is known regarding yields or crop sizes, traders are simply unlikely to press markets too far in either direction; however, unless the 'good' crops somehow far outweigh the 'bad', it would appear there have been enough weather issues over the past month that corn and soybean prices could've very well scored early-season lows. Corn futures to start Friday are trading 1-2 cents higher, soybean futures are trading 4-5 cents lower, and the Chicago wheat market is trading around unchanged. Products are lower, soybean meal is down around 50 cents/ton and soybean oil is down 40-50 points. Outside markets are again mixed, crude oil futures are down 20-30 cents/bbl, the Dow Jones index is down 150 points and the US\$ index is up around 20 points; the S&P500 is down 20 points and the NASDAQ is down 130 points.

Today's Reports: Monthly PCE Price Index; CFTC Commitment of Traders

- On the first day of September deliveries, the CME Group announced that it had assigned 21 contracts of soybean meal, 7 contracts of soybean oil, 345 contracts of rough rice, 181 contracts of hard red spring wheat, 328 contracts of KC wheat, and 3 contracts of soybeans.
- USDA will release monthly soybean crush and corn grind data on Tuesday next week following the long holiday weekend. Traders see the Fats and

Oils report showing the US soybean crush in July at 207.2 million bushels, which would be up 5% from June and up 7% from July of last year. Of note, NOPA estimated US July soybean crush earlier this month at 195.7 million bu. Traders also see the report showing soybean oil stocks as of July 31st at 1.903 bil lbs, which would be up 0.5% from June and down 5% from July of last year.

- Reuters is reporting this morning, citing multiple cash sources familiar with the situation, that Chinese purchases of soybeans from Argentina and Uruguay could possibly reach 10 MMTs over the next year, which would be nearly double their normal pace of purchases from the two South American countries. Data shows China has already booked nearly 2.5 MMTs from the two countries for shipment between September and May of next year.
- A weekly update from the Buenos Aires Grain Exchange, released yesterday, showed the country's corn harvest had reached 97.2% complete over the past week, while production was maintained at 49 MMTs. The report also showed that 99.5% of the wheat crop was in good or excellent condition, which has led to above average yield expectations.
- The European Commission, in a monthly update, lowered their estimate of the EU's total grain production in the 2025/26 season from 278.4 MMTs previously to now 276.9 MMTs. Corn production was cut from 60.1 MMTs to 57.6 MMTs, while soft wheat production was increased from 127.3 MMTs to 128.1 MMTs.
- According to the USDA, barge shipments down the Mississippi River in the week ending August 23rd totaled 485k tons, which was down more than 27% from the week prior. Corn shipments at 259k tons were down 29% on the week, and soybean shipments at 183k tons were down 27%. STL barge freight rates were seen at \$18.63/short ton, up 12 cents on the week prior.
- Though there isn't a lot of US trade-related news this morning, it was reported yesterday that Canada and India had announced appointments of new high commissioners to each other's countries, signaling a thawing of

relations between the two after Canada expelled six Indian diplomats last fall over allegations that they were linked to the killing of a Sikh separatist leader on Canadian soil. Meanwhile, Indian PM Modi will be in China this weekend and next week for talks aimed at improving relations here also.

- Following news that Mexico was preparing to authorize more Brazilian meatpackers for export yesterday, Mexico's Economy Minister reiterated that his country was not pursuing a free trade agreement with Brazil and that they would continue to be more focused on the established framework within the USMCA agreement as opposed to trying to form a bilateral pact with a South American country.
- Aside from ongoing trade happenings, the financial world for Friday will be tuned into this morning's monthly PCE price index update, which is the Fed's preferred gauge of inflation. Economists see the reading for July coming in at 2.6% on an annual rate, which would match the reading seen in June and would compare to the April reading from earlier this year of 2.2%. Core inflation is seen ticking up to 2.9%, compared to 2.8% last month.
- Weather forecasts have continued to trend wetter in the northern/northwestern Corn Belt over the next 72 hours, with the EU model now showing rain potential of 1-2" through eastern NE, while a narrow band of light precip is also seen from east-central MN down through WI. Otherwise, rains will likely continue to favor the south and southeast, where storms are expected to continue popping up into the first part of next week.
- In the extended forecast, there continues to be a noticeable lack of precip for the central Corn Belt and broader Midwest, while areas along the southern border of the US from west to east look to continue seeing above average precip biases. Temperature outlooks for the period have continued to zig and zag again this morning, though are overall maintaining a cooler than normal bias. The GFS 10-15 day outlook is now cooler in the west than was seen the rest of this week, and is also now cooler through Midwest again, while the EU model has maintained cooler than normal temps for the eastern 2/3's of the country all week.

- As a reminder, there will be no CBOT ag markets Sunday night or Monday for the Labor Day holiday, with trade resuming at 7pm central time Monday evening. Have a great weekend!

NICK DUPPERLE

Managed Money Position

	Previous days' estimated activity	Today's estimated net position	Record long	Record short
Corn	+5,000	-134,000	429,189	-353,983
Soybeans	-3,000	-8,000	253,889	-185,750
Chicago Wheat	+1,000	-94,000	80,827	-162,327

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