

Friday, October 3, 2025

Futures markets in the grain and soy space put in mostly lower closes to end the week this week, as choppy, lifeless trade throughout the bulk of the session gave way to hedge selling the last half hour or so going into the close. A new round of optimism regarding progress with China this week led to small rallies in corn and soybeans, but like we've talked about in recent days, we remain rather skeptical of what the meeting in Korea at the end of the month is going to accomplish. Trump isn't sending out billions of dollars in aid to turn around and make an announcement he's well aware the market would react sharply too. Our bet is that at best, spot soybean futures retest the September highs at some point in the next week or two on speculative/hope buying and then drift backwards from there until details are known.

Stay safe with farming and harvest this weekend!





- December Corn (CZ): \$4.19, down 2 3/4 cents
- March Corn (CH): \$4.35 3/4, down 2 1/4 cents
- December/March Spread (CZ/CH): -16 3/4, down 1/2 cent
- For the week: CZ was down 3 cents; CH was down 3 cents

Market Headlines:

The Buenos Aires Grain Exchange said in a weekly update that corn
planting in Argentina has reached almost 20% complete, which continues
to be well ahead of both last year and the average from the last ten years
despite the State of Buenos Aires reporting delays due to excessive
moisture.

Summary:

Corn futures ended the week on a lower note Friday, as futures prices traded near unchanged for most of the session before hedge pressure showed up late in the day to press the downside into the close. There wasn't a lot new from a harvest standpoint this week, with a lot of producers opting to go for beans over corn due to the relatively lower moisture levels. However, a lot of those folks will likely be wrapped up with their soy cutting sometime in the next week to 10 days, which means we'll then likely see another jump in corn harvest activity. Otherwise, we don't know that anything happened the last five days that gives the market reason to leave the trading range its been in, with \$4-\$4.30 still likely being the path of least resistance for the foreseeable future.





- November Soybeans (SX): \$10.18, down 5 3/4 cents
- January Soybeans (SF): \$10.37, down 4 3/4 cents
- December Soybean Meal (MZ): \$278.60, down 70 cents/ton
- December Soybean Oil (LZ): 50.05, down 0.39 cents/lb; inside day lower
- November/January Spread (SX/SF): -19, down a penny
- For the week: SX was up 4 1/4 cents; SF was up 4 cents; MZ was down \$14.10/ton; LZ was down 0.43 cents/lb

Market Headlines:

 As some operations in the Midwest get wrapped up with soybean harvest in the next week or two, farmers in Brazil are still slow to get planting operations underway for the most part due to a relatively late start to their rainy season that usually shows up in late September/early October. With rains forecast for mid-month, concern to this point is low.

Summary:

The soy complex kept itself in pole position of the ag space on Friday, with the China rumors from this week and the ensuing spec/algorithm trading that followed being the most dominant features in the space the last several days. Computer traders have been hyper-sensitive to any sort of headlines regarding soybeans and China really since Trump's first time in office in 2018, and this week was nothing more than another good example of that. Add in that news was, on the margin, already slow to begin with, and the headlines created fairly volatile trade in the space this week. For next week, Tuesday's aid announcement will steal a bit of the attention, but besides that, we assume the China rumors and harvest yield reports will continue to dominate most of the day-to-day chatter.

Wheat Market Update

Prices:

- December Chicago Wheat (WZ): \$5.15 1/4, up 1/2 cent
- March Chicago Wheat (WH): \$5.32 1/2, unchanged
- December/March Spread (WZ/WH): -17 1/4, up 1/2 cent
- For the week: WZ was down 4 1/2 cents; WH was down 5 3/4 cents

Market Headlines:

 Cash traders reported on Friday that the Taiwan Flour Milling Group reportedly purchased just over 80k MTs of US milling wheat for shipment in late November or early December. Sources said the purchase included durum, HRW wheat, and soft white wheat.

Summary:

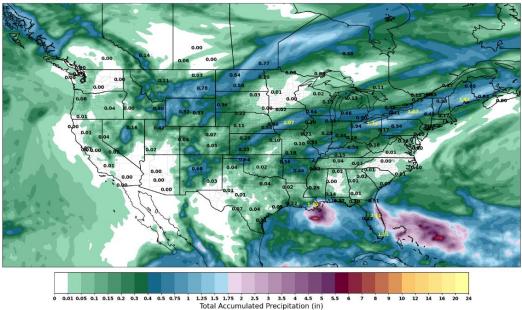
Sometimes when markets close a day unchanged, they've had a volatile session and just happen to land in the middle; other times, there was nothing at all that went on and one could make the argument there wasn't a lot of reason to even have the market open at all. Today's price action falls firmly into the latter, with spot futures not getting more than a penny or two away from even throughout the entirety of the session. With the government closed, we'll have little way of knowing otherwise, but the funds seem content to just sit on their short position for the time being as they await a reason to do anything different. There is little weather concern in the southern hemisphere as things stand today, which is helping to limit the effects of friendly seasonal price trends.

In Other News

- Livestock markets finished the week in the green:
- December live cattle: \$234.50, up \$1.02
- November feeder cattle: \$355.42, up \$3.02; inside day higher
- December lean hogs: \$87.30, up 62 cents
- Outside markets saw mostly mixed trade to end the week:
- Crude oil futures: up 20-30 cents/bbl
- Stock index futures: The Dow Jones index is up 280 points, the S&P500 index is up 5 points, and the NASDAQ is down 100 points
- US \$ Index: down 10-15 points
- As a reminder, there will be no CFTC Commitment of Traders update this
 afternoon due to the ongoing government shutdown. Going into the day
 today, analysts estimated managed money traders to be net-short 97,000
 contracts of corn, net-long 5,000 contracts of soybeans, and net-short
 99,000 contracts of Chicago wheat.
- Sources on Friday reported that China is pressing the Trump administration to ease national-security restrictions on Chinese deals in the US, offering the prospect of a massive investment package upwards of \$1 trillion in return. The proposal includes lowering tariffs on Chinese inputs used in US-based Chinese factories and shifting Washington's stance on Taiwan.



GFSv16 12Z 132hr fcst of Total Precipitation (in) - Init. Oct 03, 2025 Valid for: 00Z, 07:00 PM (Central) Wednesday Oct 08, 2025



◆ Short-term Forecast:

- Weekend weather across the Midwest will be much like the rest of this
 week to start, though temperatures will begin gradually cooling as a front
 moves through the western US Saturday into Sunday, with this trend then
 continuing through the week next week.
- Precip-wise, this front also looks to provide moisture to the Dakotas and parts of the northern Plains Saturday night into Sunday, while a narrow band of rainfall is also seen for parts of NE/MO/IA Sunday night into Monday. This area looks to see the best coverage through the week next week, with regions both east and west of here seeing more scattered precip.

iii Extended Forecast:

 Week two forecasts continue to see notable run-to-run differences, with today's EU model seeing slightly above average precip potential further north in the period into IA/WI/MN as opposed to being more in IA/IL yesterday. The GFS, meanwhile, is back to seeing no better than average precip chances for the area in the same period. Both models are in agreement on the western and southwestern US staying wet.

Temperature forecasts through mid-month are similar to the rest of the
week, but are beginning to see a bit of divergence in the models; the EU
forecast today see's a fairly sharp temperature gradient from west to east
with the west being cool and the east staying warm, while the GFS forecast
sees just slightly warmer than normal air through the mid-section of the
US, with cooler air on both coasts.

South America Forecast:

- Not a lot new on the forecast for South America going into the weekend, as
 the bulk of Brazil's ag belt looks to continue seeing mostly dry conditions
 for another 10-15 days before the rainy season is seen picking up beyond
 mid-month. Southern Brazil will be wet, while most of Argentina also still
 looks to pick up decent rains over the weekend and into the first part of
 next week.
- Brazil's monsoon season typically picks up in October, and while slightly later than normal this year, the dryness is not overly concerning due to last year having been on a similar schedule and subsequently yielded record production.

NICK AUPPETELE

Bloomington, IL

Des Moines, IA

800-322-9371

800-422-0896

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