

## SOYBEANS

**SOYBEANS:** The USDA's May Supply/Demand report provides the first balance sheets for the 2026/27 crop year. US ending stocks for 2026/27 are estimated at 310 million bushels, compared to 366 million expected (range of 308-479 million). Exports and crush were increased from 2025/26. Soybean ending stocks for 2025/26 were 340 million bushels, versus the average estimate of 349 million bushels, down from 350 million in April. Crush up 20 million, exports down 10 million. The USDA's crop production report shows the 2026/27 crop at 4.435 billion bushels on a 53.0 bushel/acre yield. The average pre-report estimate for production was 4.447 billion bushels (4.405-4.521 billion bushels range). The average pre-report soybean yield estimate was 53, with a range of 52.5-53.2 bushels/acre. World soybeans ending stocks for 2026/27 were 125.01 million tonnes. The average trade estimate was 126.5 million tonnes (range 122.1-132.6 million tonnes). 2025/26 ending stocks came in at 124.78 million tonnes versus the average estimate of 125.1 million tonnes. Brazil's soybean production for 2025/26 is 180 million tonnes, unchanged from 180 million tonnes in April. The average estimate was 180.3 million tonnes (range 179-181.6 million). Argentina's 2025/26 soybean production is 48 million metric tons, unchanged from April. The average estimate was 48.4 million tonnes (range 48-49 million).

**PRICE OUTLOOK:** The report offered nothing surprising on old crop ending stocks, but new crop was lowered more than expected due to higher crush and exports. The initial reaction to the report was friendly, and prices are holding near \$0.10 gains post-report. No changes to South American production, but new crop world ending stocks were slightly friendly. The report does not change the fundamental outlook significantly but does give the new crop a slightly tighter balance sheet, which will be important for demand if the President can secure a Chinese purchase commitment later this week. Remember - final acreage for beans is likely to be significantly above today's 84.7 million, which means today's new crop ending stocks may rise in upcoming USDA reports.

| USDA SUPPLY/DEMAND      |        |        |       |        |
|-------------------------|--------|--------|-------|--------|
| US SOYBEANS             | MAY    | MAY    | APR   | MAY    |
|                         | USDA   | USDA   | USDA  | USDA   |
|                         | 24-25  | 25-26  | 26-27 | 26-27  |
| Area (M Acres)          |        |        |       |        |
| Planted                 | 87.3   | 81.2   | -     | 84.7   |
| Harvested               | 86.2   | 80.4   | -     | 83.7   |
| Yield (Bu/Acre)         | 50.7   | 53.0   | -     | 53.0   |
| Beginning Stocks (M Bu) | 342    | 325    | -     | 340    |
| Production              | 4,374  | 4,262  | -     | 4,435  |
| Imports                 | 29     | 25     | -     | 25     |
| Supply, Total           | 4,746  | 4,612  | -     | 4,800  |
| Crushings               | 2,445  | 2,630  | -     | 2,750  |
| Exports                 | 1,882  | 1,530  | -     | 1,630  |
| Seed                    | 70     | 73     | -     | 72     |
| Residual                | 23     | 39     | -     | 38     |
| Use, Total              | 4,421  | 4,272  | -     | 4,490  |
| Ending Stocks           | 325    | 340    | -     | 310    |
| Stocks/Use Ratio        | 7.4%   | 8.0%   | -     | 6.9%   |
| USDA SUPPLY/DEMAND      |        |        |       |        |
| WORLD SOYBEANS          | MAY    | MAY    | APR   | MAY    |
| (Million Metric Tons)   | USDA   | USDA   | USDA  | USDA   |
|                         | 24-25  | 25-26  | 26-27 | 26-27  |
| Supply                  |        |        |       |        |
| Beginning Stocks        | 115.13 | 125.91 | -     | 125.13 |
| Production              | 427.89 | 427.60 | -     | 441.54 |
| Imports                 | 179.19 | 184.77 | -     | 188.02 |
| Use                     |        |        |       |        |
| Crush, Domestic         | 359.09 | 369.53 | -     | 383.14 |
| Total Domestic          | 412.13 | 426.58 | -     | 440.69 |
| Exports                 | 184.17 | 186.57 | -     | 189.22 |
| Ending Stocks           | 125.91 | 125.13 | -     | 124.78 |
| Stocks/Use Ratio        | 30.6%  | 29.3%  | -     | 28.3%  |

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## CORN

**CORN:** The USDA's May Supply/Demand report showed US ending stocks for 2026/27 at 1.957 billion bushels, compared to 1.942 billion expected (range 1.776-2.110 billion). Corn ending stocks for 2025/26 were 2.142 million bushels, versus the average estimate of 2.130 million bushels. Food/industrial use dropped 15 million bushels. The USDA's crop production report shows the 2026/27 crop at 15.995 billion bushels on a 183 bushel/acre yield. The average pre-report estimate for production was 15.986 billion bushels (15.755-16.8 billion bushels range). The average pre-report corn yield estimate was 183.1, with a range of 181-186.4. World corn ending stocks for 2026/27 were 277.5 million tonnes. The average trade estimate was 291.2 million tonnes (range 268-305 million tonnes). 2025/26 ending stocks came in at 296.95 million tonnes versus the average estimate of 296.2 million tonnes. Brazil corn production for 2026/27 is projected at 139 million tonnes. Brazil's 2025/26 production came in at 135 million tonnes, higher than 132 million tonnes in April. The average estimate was 133.3 million tonnes (range 130-137 million). Argentina's 2026/27 corn production is projected at 55 million metric tonnes. 2025/26 corn production is 59 million metric tonnes, higher than 52 million metric tonnes in April. The average estimate was 55.3 million metric tonnes, with a range of 52-60 million tonnes.

**PRICE OUTLOOK:** USDA used a yield of 183 bpa for new crop, down 3.5 bushels from the 2025/26 season, and new crop ending stocks came in above guesses, loosening the balance sheet slightly more than expected. However, the most significant surprise was the reduction in new crop world ending stocks, which was at the lower end of the range of guesses. Overall, the report is mixed, but we stand by our belief that final corn acres will be at least 1–2 million below today's 95.3, which means today's new crop ending stocks are likely to come down in future USDA reports. Post-report, corn is holding marginal gains of 2-4 cents, and we see no reason to expect a major selloff in the current fundamental environment.

| USDA SUPPLY/DEMAND      |                      |                      |                      |                      |
|-------------------------|----------------------|----------------------|----------------------|----------------------|
| US CORN                 | MAY<br>USDA<br>24-25 | MAY<br>USDA<br>25-26 | APR<br>USDA<br>26-27 | MAY<br>USDA<br>26-27 |
| Area (M Acres)          |                      |                      |                      |                      |
| Planted                 | 90.9                 | 98.8                 | -                    | 95.3                 |
| Harvested               | 83.0                 | 91.3                 | -                    | 87.4                 |
| Yield (Bu/Acre)         | 179.3                | 186.5                | -                    | 183.0                |
| Beginning Stocks (M Bu) | 1,763                | 1,551                | -                    | 2,142                |
| Production              | 14,892               | 17,021               | -                    | 15,995               |
| Imports                 | 22                   | 25                   | -                    | 25                   |
| Supply, Total           | 16,677               | 18,597               | -                    | 18,162               |
| Feed & Residual         | 5,454                | 6,200                | -                    | 6,100                |
| Food, Seed & Industry   | 6,814                | 6,955                | -                    | 6,955                |
| Ethanol for Fuel        | 5,436                | 5,600                | -                    | 5,600                |
| Domestic Total          | 12,267               | 13,155               | -                    | 13,055               |
| Total Exports           | 2,858                | 3,300                | -                    | 3,150                |
| Use, Total              | 15,126               | 16,455               | -                    | 16,205               |
| Ending Stocks           | 1,551                | 2,142                | -                    | 1,957                |
| Stocks/Use Ratio        | 10.3%                | 13.0%                | -                    | 12.1%                |
| USDA SUPPLY/DEMAND      |                      |                      |                      |                      |
| WORLD CORN              | MAY<br>USDA<br>24-25 | MAY<br>USDA<br>25-26 | APR<br>USDA<br>26-27 | MAY<br>USDA<br>26-27 |
| (Million Metric Tons)   |                      |                      |                      |                      |
| Supply                  |                      |                      |                      |                      |
| Beginning Stocks        | 313.98               | 294.80               | -                    | 296.95               |
| Production              | 1,232.07             | 1,312.68             | -                    | 1,295.38             |
| Imports                 | 186.11               | 195.86               | -                    | 198.59               |
| Use                     |                      |                      |                      |                      |
| Feed, Domestic          | 784.33               | 819.20               | -                    | 829.26               |
| Total Domestic          | 1,251.26             | 1,310.53             | -                    | 1,314.79             |
| Exports                 | 187.32               | 213.61               | -                    | 206.91               |
| Ending Stocks           | 294.80               | 296.95               | -                    | 277.54               |
| Stocks/Use Ratio        | 23.6%                | 22.7%                | -                    | 21.1%                |

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## WHEAT

**WHEAT:** The May USDA Supply/Demand report estimates 2026/27 wheat ending stocks at 762 million bushels, the low end of pre-report estimates. The average estimate was 845 million tonnes with a range of 759-955 million tonnes. 2025/26 US wheat ending stocks at 935 million bushels was close to the average estimate and lower than the 938 million bushels in the April report. World wheat ending stocks for 2026/27 are 275 million tonnes versus the average of 280.7 million tonnes (274-291 million range). The 2025/26 world wheat ending stocks of 279.2 million tonnes was below the low estimate of 282 million tonnes. The April estimate was 283.1 million. All Wheat production for 2026/27 is projected at 1.561 billion bushels, below the low estimate of 1.616 billion bushels. The average estimate was 1.747 billion. All Winter Wheat production came in at 1.048 billion bushels versus the average estimate of 1.212 billion bushels (1.138-1.375 range) and 1.402 billion last year. Hard Red Winter production is 514.779 million bushels versus the average estimate of 638 million (585-775 million range) and 804 million in 2025. Soft Red Winter production is 300.9 million bushels versus the average estimate of 337 million (313-353 million range) and 353 million in 2025. White Winter production is 231.8 million bushels versus the average estimate of 234 million (200-250 million range) and 244 million in 2025.

**PRICE OUTLOOK:** The USDA surprised with the report, as new-crop ending stocks fell significantly below expectations due to a much larger production cut than anticipated. All wheat, all winter, HRW, and SRW production all came in well below even the lowest guess. This may not be surprising to those who have toured the Plains where drought has ravaged the crop, and the Kansas crop tour is moving through the state today, finding thin stands and freeze damage. The report is very bullish for wheat, and post-report action shows prices near \$0.40 higher on the day. Managed money came into this week with a short position and may now be looking to reverse that to a net long.

| USDA SUPPLY/DEMAND      |        |        |       |        |
|-------------------------|--------|--------|-------|--------|
| US WHEAT                | MAY    | MAY    | APR   | MAY    |
|                         | USDA   | USDA   | USDA  | USDA   |
|                         | 24-25  | 25-26  | 26-27 | 26-27  |
| Area (M Acres)          |        |        |       |        |
| Planted                 | 46.3   | 45.3   | -     | 43.8   |
| Harvested               | 38.6   | 37.2   | -     | 32.9   |
| Yield (Bu/Acre)         | 51.2   | 53.3   | -     | 47.5   |
| Beginning Stocks (M Bu) | 696    | 855    | -     | 935    |
| Production              | 1,979  | 1,985  | -     | 1,561  |
| Imports                 | 149    | 125    | -     | 140    |
| Total Supply            | 2,824  | 2,964  | -     | 2,636  |
| Food                    | 969    | 960    | -     | 960    |
| Seed                    | 61     | 60     | -     | 59     |
| Feed/Residual           | 113    | 100    | -     | 80     |
| Domestic Total          | 1,143  | 1,120  | -     | 1,099  |
| Total Exports           | 826    | 910    | -     | 775    |
| Use, Total              | 1,969  | 2,030  | -     | 1,874  |
| Ending Stocks           | 855    | 935    | -     | 762    |
| Stocks/Use Ratio        | 43.4%  | 46.1%  | -     | 40.7%  |
| USDA SUPPLY/DEMAND      |        |        |       |        |
| WORLD WHEAT             | MAY    | MAY    | APR   | MAY    |
| (Million Metric Tons)   | USDA   | USDA   | USDA  | USDA   |
|                         | 24-25  | 25-26  | 26-27 | 26-27  |
| Supply                  |        |        |       |        |
| Beginning Stocks        | 269.86 | 258.89 | -     | 279.21 |
| Production              | 799.31 | 843.84 | -     | 819.06 |
| Imports                 | 201.21 | 218.34 | -     | 207.31 |
| Use                     |        |        |       |        |
| Feed, Domestic          | 157.50 | 168.09 | -     | 160.92 |
| Total Domestic          | 810.27 | 823.52 | -     | 823.23 |
| Exports                 | 210.47 | 223.68 | -     | 211.70 |
| Ending Stocks           | 258.89 | 279.21 | -     | 275.04 |
| Stocks/Use Ratio        | 32.0%  | 33.9%  | -     | 33.4%  |

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# The Hightower Report

*Futures Analysis & Forecasting*

## USDA SUPPLY & DEMAND

### REVIEW

May 12, 2026

## COTTON

| USDA SUPPLY/DEMAND         |       |       |       |       |
|----------------------------|-------|-------|-------|-------|
| COTTON                     | MAY   | MAY   | APR   | MAY   |
|                            | USDA  | USDA  | USDA  | USDA  |
|                            | 24-25 | 25-26 | 26-27 | 26-27 |
| Area (M Acres)             |       |       |       |       |
| Planted                    | 11.18 | 9.28  | -     | 9.64  |
| Harvested                  | 7.76  | 7.83  | -     | 7.38  |
| Yield (Lb/Acre)            | 892   | 852   | -     | 866   |
| Beginning Stocks (M Bales) | 3.15  | 4.00  | -     | 4.40  |
| Production                 | 14.41 | 13.90 | -     | 13.30 |
| Imports                    | 0.00  | 0.01  | -     | 0.01  |
| Supply, Total              | 17.56 | 17.90 | -     | 17.71 |
| Domestic Use               | 1.70  | 1.60  | -     | 1.60  |
| Exports                    | 11.90 | 12.00 | -     | 12.30 |
| Use, Total                 | 13.60 | 13.60 | -     | 13.90 |
| Unaccounted                | -0.04 | -0.10 | -     | -0.10 |
| Ending Stocks              | 4.00  | 4.40  | -     | 3.90  |
| Stocks/Use Ratio           | 29.4% | 32.4% | -     | 28.1% |

| USDA SUPPLY/DEMAND     |        |        |       |        |
|------------------------|--------|--------|-------|--------|
| WORLD COTTON           | MAY    | MAY    | APR   | MAY    |
| (Million 480-lb Bales) | USDA   | USDA   | USDA  | USDA   |
|                        | 24-25  | 25-26  | 26-27 | 26-27  |
| Supply                 |        |        |       |        |
| Beginning Stocks       | 73.45  | 74.52  | -     | 77.27  |
| Production             | 119.34 | 122.64 | -     | 116.04 |
| Imports                | 43.03  | 43.78  | -     | 43.37  |
| Use                    |        |        |       |        |
| Domestic               | 119.11 | 120.13 | -     | 121.69 |
| Exports                | 42.43  | 43.78  | -     | 43.34  |
| Loss                   | -0.23  | -0.24  | -     | -0.20  |
| Ending Stocks          | 74.52  | 77.27  | -     | 71.84  |
| Stocks/Use Ratio       | 62.6%  | 64.3%  | -     | 59.0%  |

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