

SOYBEANS

SOYBEANS: U.S. 2024/25 soybean yield came in at 53.1 bushels/acre versus the average estimate of 53.2 and September's 53.2. The range of expectations was 51.7 to 54. Stable crop conditions over the last month was a clue that USDA wouldn't change yield much, and that was certainly the case. Harvested acres came in at 86.3 million. The average estimate was 86.3 million acres, and the range was 85.8 to 86.3. The September estimate was 86.3 million. Harvested acres are not typically revised in October. Production is estimated at 4.582 billion bushels versus 4.581 billion expected (range 4.462-4.66 billion) and 4.586 in the September report. U.S. ending stocks for 2024/25 are estimated at 550 million bushels, compared to 546 million expected (range 486-610 million) and 550 in September. World ending stocks for 2024/25 were 134.65 million tonnes, versus 134.6 million expected (range 132.4-136 million) and 134.6 in September. Brazil production for 2024/25 came in at 169 million tonnes versus 168.6 million expected (range 165-169 million) and 169 in September. Argentina production for 2024/25 came in at 51.0 million tonnes versus 51 million expected (range 50-52 million) and 51 in September. It is much too early in the growing season to expect USDA to make any changes to the South American outlook this month.

PRICE OUTLOOK: For those looking for increased volatility and a surprise in today's report, USDA made almost no changes to the U.S. balance sheet, resulting in about as dull a reaction to the October report numbers as we can remember. Traders will quickly look beyond this neutral report and refocus on U.S. harvest weather and South American planting weather, which is expected to improve over the next couple of weeks with monsoon rains finally arriving. With no bullish surprise in this report, 50% retracement support on November beans at 1012 looks vulnerable, and prices may sink to the next significant report support level at 999. The fundamental outlook remains bearish

| USDA SUPPLY/DEMAND | | | | |
|-------------------------|--------|--------|--------|--------|
| US SOYBEANS | Oct | Oct | Sep | Oct |
| | USDA | USDA | USDA | USDA |
| | 22-23 | 23-24 | 24-25 | 24-25 |
| Area (MAcres) | | | | |
| Planted | 87.5 | 83.6 | 87.1 | 87.1 |
| Harvested | 86.2 | 82.3 | 86.3 | 86.3 |
| Yield (Bu/Acre) | 49.6 | 50.6 | 53.2 | 53.1 |
| Beginning Stocks (M Bu) | 274 | 264 | 340 | 342 |
| Production | 4,270 | 4,162 | 4,586 | 4,582 |
| Imports | 25 | 21 | 15 | 15 |
| Supply, Total | 4,569 | 4,447 | 4,941 | 4,939 |
| Crushings | 2,212 | 2,287 | 2,425 | 2,425 |
| Exports | 1,980 | 1,695 | 1,850 | 1,850 |
| Seed | 75 | 78 | 78 | 78 |
| Residual | 39 | 45 | 38 | 36 |
| Use, Total | 4,305 | 4,105 | 4,391 | 4,389 |
| Ending Stocks | 264 | 342 | 550 | 550 |
| Stocks/Use Ratio | 6.1% | 8.3% | 12.5% | 12.5% |
| USDA SUPPLY/DEMAND | | | | |
| WORLD SOYBEANS | Oct | Oct | Sep | Oct |
| (Million Metric Tons) | USDA | USDA | USDA | USDA |
| | 22-23 | 23-24 | 24-25 | 24-25 |
| Supply | | | | |
| Beginning Stocks | 92.55 | 100.92 | 112.25 | 112.37 |
| Production | 378.70 | 394.71 | 429.20 | 428.92 |
| Imports | 167.82 | 177.41 | 177.74 | 177.61 |
| Use | | | | |
| Crush, Domestic | 315.32 | 330.42 | 346.67 | 346.38 |
| Total Domestic | 366.40 | 383.80 | 402.98 | 402.72 |
| Exports | 171.76 | 176.87 | 181.63 | 181.53 |
| Ending Stocks | 100.92 | 112.37 | 134.58 | 134.65 |
| Stocks/Use Ratio | 27.5% | 29.3% | 33.4% | 33.4% |

This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Opinions expressed are subject to change without notice. Any information or recommendation contained herein: (i) is not based on, or tailored to, the commodity interest or cash market positions or other circumstances or characterizations of particular investors or traders; (ii) is not customized or personalized for any such investor or trader; and (iii) does not take into consideration, among other things, risk tolerance, net worth, or available risk capital. Any use or reliance upon the information or recommendations is at the sole discretion and election of the subscriber. The risk of loss in trading futures contracts or commodity options can be substantial, and traders should carefully consider the inherent risks of such trading in light of their financial condition. Any reproduction or retransmission of this report without the express written consent of The Hightower Report is strictly prohibited.

CORN

CORN: U.S. 2024/25 corn yield came in at 183.8 bushels/acre, versus the average estimate of 183.5 and September's 183.6. The range of expectations was 181.6 to 184.8. The small increase in yield is not significant although most thought yield would be steady to slightly down. Harvested acres came in at 82.7 million. The average estimate was 82.7 million acres, and the range was 82 to 82.7. The September estimate was 82.7 million. Production is estimated at 15.203 billion bushels versus 15.173 billion expected (range 15-15.283 billion) and 15.186 in the September report. U.S. ending stocks for 2024/25 are estimated at 1.999 billion bushels, compared to 1.988 billion expected (range 1.835-2.167 billion) and 2.057 in September. USDA left the U.S. balance sheet mostly unchanged, except for a 25 million bushel bump up in U.S. exports. World ending stocks for 2024/25 came in at 306.5 million tonnes versus 307.3 million expected (range 305.5-310.2 million) and 308.4 in September. Not surprisingly, Ukraine corn was cut to 26.2 million tonnes, down 1 million from last month and China corn was cut 2 million tonnes to 209.3 million tonnes. Brazil's production for 2024/25 was 127 million tonnes, versus 126.6 million expected (range 123.1-127 million) and 127 in September. Argentina's production for 2024/25 was 51 million tonnes, versus 50.8 million expected (range 49-52 million) and 51 in September. It is too early in the season to expect any change from USDA in this report for South American crops.

PRICE OUTLOOK: Today's report failed to offer any major surprises, and with U.S. and South American weather leaning bearish, prices may move lower in the short-term, searching for a level that stimulates additional demand. USDA announced a significant sale of 577,948 tonnes of corn sold to Unknown this morning as U.S. prices remain very competitive, and that is expected to continue through the end of the year, offering demand-led support on breaks. 50% retracement support on December corn comes in at 410 and .618% at 404 1/4. Speculators can consider buying on a break below 410 as U.S. harvest is likely to past the 50% mark next week

| USDA SUPPLY/DEMAND | | | | |
|-------------------------|-----------------|-----------------|-----------------|-----------------|
| US CORN | Oct | Oct | Sep | Oct |
| | USDA | USDA | USDA | USDA |
| | 22-23 | 23-24 | 24-25 | 24-25 |
| Area (M Acres) | | | | |
| Planted | 88.2 | 94.6 | 90.7 | 90.7 |
| Harvested | 78.7 | 86.5 | 82.7 | 82.7 |
| Yield (Bu/Acre) | 173.4 | 177.3 | 183.6 | 183.8 |
| Beginning Stocks (M Bu) | 1,377 | 1,360 | 1,812 | 1,760 |
| Production | 13,651 | 15,341 | 15,186 | 15,203 |
| Imports | 39 | 28 | 25 | 25 |
| Supply, Total | 15,066 | 16,729 | 17,022 | 16,989 |
| Feed & Residual | 5,486 | 5,814 | 5,825 | 5,825 |
| Food, Seed & Industry | 6,558 | 6,862 | 6,840 | 6,840 |
| Ethanol for Fuel | 5,176 | 5,471 | 5,450 | 5,450 |
| Domestic Total | 12,044 | 12,676 | 12,665 | 12,665 |
| Total Exports | 1,662 | 2,292 | 2,300 | 2,325 |
| Use, Total | 13,706 | 14,969 | 14,965 | 14,990 |
| Ending Stocks | 1,360 | 1,760 | 2,057 | 1,999 |
| Stocks/Use Ratio | 9.9% | 11.8% | 13.7% | 13.3% |
| USDA SUPPLY/DEMAND | | | | |
| WORLD CORN | Oct | Oct | Sep | Oct |
| (Million Metric Tons) | USDA | USDA | USDA | USDA |
| | 22-23 | 23-24 | 24-25 | 24-25 |
| Supply | | | | |
| Beginning Stocks | 313.92 | 304.09 | 309.63 | 312.65 |
| Production | 1,160.67 | 1,225.92 | 1,218.57 | 1,217.19 |
| Imports | 173.39 | 192.81 | 185.40 | 183.84 |
| Use | | | | |
| Feed, Domestic | 734.46 | 770.19 | 772.18 | 774.27 |
| Total Domestic | 1,170.50 | 1,217.35 | 1,219.85 | 1,223.32 |
| Exports | 180.24 | 195.77 | 191.37 | 190.50 |
| Ending Stocks | 304.09 | 312.65 | 308.35 | 306.52 |
| Stocks/Use Ratio | 26.0% | 25.7% | 25.3% | 25.1% |

This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Opinions expressed are subject to change without notice. Any information or recommendation contained herein: (i) is not based on, or tailored to, the commodity interest or cash market positions or other circumstances or characterizations of particular investors or traders; (ii) is not customized or personalized for any such investor or trader; and (iii) does not take into consideration, among other things, risk tolerance, net worth, or available risk capital. Any use or reliance upon the information or recommendations is at the sole discretion and election of the subscriber. The risk of loss in trading futures contracts or commodity options can be substantial, and traders should carefully consider the inherent risks of such trading in light of their financial condition. Any reproduction or retransmission of this report without the express written consent of The Hightower Report is strictly prohibited.

WHEAT

WHEAT: U.S. 2024/25 U.S. ending stocks came in at 812 million bushels versus 820 million expected (range 788-846 million) and 828 in September. Harvested acres increased 600,000 from last month, but yields were cut to 51.2 BPA, down 1 bushel from last month. Exports were left unchanged while feed and residual increased by 10 million bushels. Although the balance sheet changes are relatively minor, the yield cut is mildly bullish. World ending stocks for 2024/25 came in at 257.7 million tonnes versus 255.9 million expected (range 252.5-258.8 million) and 257.2 in September. USDA lowered E.U. wheat by 1 million tonnes to 123 million and lowered Russian wheat production 1 million to 82 million tonnes. SovEcon lowered Russian production to 81.5 this morning. Further cuts the Russian crop are possible if significant rains do not occur soon. Interestingly, Ukraine wheat production was raised.6 million tonnes to 22.9 million.

PRICE OUTLOOK: The U.S. balance sheet changes were not significant but leaned slightly bullish. However, prices have been pushing higher this week ahead of the report, and futures are now seeing a minor selloff. The report will quickly move into the rearview mirror, and focus will return to the important change in Russian war strategy this week, striking Ukraine's port facilities and grain ships multiple times. If the attacks continue next week, a resumption of the rally can be expected. Retracement support for Chicago December starts at 580 1/2 and extends down to 570. Look for good speculative buying in that zone as geopolitical tensions remain elevated.

| USDA SUPPLY/DEMAND | | | | |
|-------------------------|--------|--------|--------|--------|
| US WHEAT | | Oct | Sep | Oct |
| | USDA | USDA | USDA | USDA |
| | 22-23 | 23-24 | 24-25 | 24-25 |
| Area (M Acres) | | | | |
| Planted | 45.8 | 49.6 | 46.3 | 46.1 |
| Harvested | 35.5 | 37.1 | 37.9 | 38.5 |
| Yield (Bu/Acre) | 46.5 | 48.7 | 52.2 | 51.2 |
| Beginning Stocks (M Bu) | 674 | 570 | 702 | 696 |
| Production | 1,650 | 1,804 | 1,982 | 1,971 |
| Imports | 122 | 138 | 105 | 115 |
| Total Supply | 2,446 | 2,512 | 2,789 | 2,783 |
| Food | 972 | 961 | 964 | 964 |
| Seed | 68 | 62 | 62 | 62 |
| Feed/Residual | 74 | 85 | 110 | 120 |
| Domestic Total | 1,114 | 1,108 | 1,136 | 1,146 |
| Total Exports | 762 | 707 | 825 | 825 |
| Use, Total | 1,876 | 1,815 | 1,961 | 1,971 |
| Ending Stocks | 570 | 696 | 828 | 812 |
| Stocks/Use Ratio | 30.4% | 38.3% | 42.2% | 41.2% |
| USDA SUPPLY/DEMAND | | | | |
| WORLD WHEAT | | Oct | Oct | Sep |
| | USDA | USDA | USDA | USDA |
| (Million Metric Tons) | 22-23 | 23-24 | 24-25 | 24-25 |
| Supply | | | | |
| Beginning Stocks | 273.57 | 273.61 | 265.25 | 266.18 |
| Production | 789.49 | 790.38 | 796.88 | 794.08 |
| Imports | 213.10 | 221.80 | 210.27 | 210.77 |
| Use | | | | |
| Feed, Domestic | 152.70 | 158.54 | 151.91 | 151.80 |
| Total Domestic | 789.44 | 797.81 | 804.90 | 802.54 |
| Exports | 221.73 | 221.32 | 216.51 | 215.82 |
| Ending Stocks | 273.61 | 266.18 | 257.22 | 257.72 |
| Stocks/Use Ratio | 34.7% | 33.4% | 32.0% | 32.1% |

This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Opinions expressed are subject to change without notice. Any information or recommendation contained herein: (i) is not based on, or tailored to, the commodity interest or cash market positions or other circumstances or characterizations of particular investors or traders; (ii) is not customized or personalized for any such investor or trader; and (iii) does not take into consideration, among other things, risk tolerance, net worth, or available risk capital. Any use or reliance upon the information or recommendations is at the sole discretion and election of the subscriber. The risk of loss in trading futures contracts or commodity options can be substantial, and traders should carefully consider the inherent risks of such trading in light of their financial condition. Any reproduction or retransmission of this report without the express written consent of The Hightower Report is strictly prohibited.

The Hightower Report

Futures Analysis & Forecasting

USDA SUPPLY & DEMAND

REVIEW

October 11, 2024

COTTON

| USDA SUPPLY/DEMAND | | | | |
|----------------------------|--------------|--------------|--------------|--------------|
| COTTON | Oct | Oct | Sep | Oct |
| | USDA | USDA | USDA | USDA |
| | 22-23 | 23-24 | 24-25 | 24-25 |
| Area (M Acres) | | | | |
| Planted | 13.75 | 10.23 | 11.17 | 11.17 |
| Harvested | 7.29 | 6.44 | 8.63 | 8.63 |
| Yield (Lb/Acre) | 953 | 899 | 807 | 789 |
| Beginning Stocks (M Bales) | 4.60 | 4.65 | 3.15 | 3.15 |
| Production | 14.47 | 12.07 | 14.51 | 14.20 |
| Imports | 0.00 | 0.00 | 0.01 | 0.01 |
| Supply, Total | 19.07 | 16.72 | 17.67 | 17.36 |
| Domestic Use | 2.05 | 1.85 | 1.90 | 1.80 |
| Exports | 12.45 | 11.75 | 11.80 | 11.50 |
| Use, Total | 14.50 | 13.60 | 13.70 | 13.30 |
| Unaccounted | -0.08 | -0.03 | -0.03 | -0.04 |
| Ending Stocks | 4.65 | 3.15 | 4.00 | 4.10 |
| Stocks/Use Ratio | 32.1% | 23.2% | 29.2% | 30.8% |

| USDA SUPPLY/DEMAND | Oct | Oct | Sep | Oct |
|-------------------------|---------------|---------------|---------------|---------------|
| WORLD COTTON | USDA | USDA | USDA | USDA |
| (Million 480-lb Bales) | 22-23 | 23-24 | 24-25 | 24-25 |
| Supply | | | | |
| Beginning Stocks | 71.01 | 75.97 | 75.61 | 75.20 |
| Production | 116.46 | 113.66 | 116.42 | 116.64 |
| Imports | 37.65 | 43.97 | 42.99 | 42.48 |
| Use | | | | |
| Domestic | 112.64 | 113.85 | 115.75 | 115.74 |
| Exports | 36.78 | 44.75 | 42.99 | 42.47 |
| Loss | -0.27 | -0.21 | -0.21 | -0.22 |
| Ending Stocks | 75.97 | 75.20 | 76.49 | 76.33 |
| Stocks/Use Ratio | 67.4% | 66.1% | 66.1% | 65.9% |

This report includes information from sources believed to be reliable and accurate as of the date of this publication, but no independent verification has been made and we do not guarantee its accuracy or completeness. Opinions expressed are subject to change without notice. Any information or recommendation contained herein: (i) is not based on, or tailored to, the commodity interest or cash market positions or other circumstances or characterizations of particular investors or traders; (ii) is not customized or personalized for any such investor or trader; and (iii) does not take into consideration, among other things, risk tolerance, net worth, or available risk capital. Any use or reliance upon the information or recommendations is at the sole discretion and election of the subscriber. The risk of loss in trading futures contracts or commodity options can be substantial, and traders should carefully consider the inherent risks of such trading in light of their financial condition. Any reproduction or retransmission of this report without the express written consent of The Hightower Report is strictly prohibited.