MORNING COMMENTS

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October 23, 2025

What caught my eye:

Just under 5.1 MMT, Brazil crushed a record Sep soybeans. Feb-Sep is up 7.5%/3 MMT, above the USDA's 1.2 annual increase. October 1 stocks are estimated 2.25 MMT larger than LY at 38.1 million. Oct-Jan soybean exports, should end of year carry-over match LY's 6.2 MMT total, could run about 3 MMT greater at 13.1 MMT, helping China bridge the lack of U.S. soybeans should a trade agreement not be implemented. FWIW, increased Oct-Jan S Am exports TY should equal 1+ month's worth of Chinese crush.

TRENDS

CZ, +$.0150; SX, +$.0375; SMZ, -$.0120; BOZ, +$.0066; WZ, +$.0050; KWZ, +$.0175

Dalian: CX, -$0.0100; SX, +$0.1162; SMX, +$5.37; BOX -$0.0021; POF -$0.0069

Bursa Malaysia January Palm Oil: KPOF -49 @ 4,456 ringgit

Macro

Moscow meeting cancelled, stock futures slightly weaker.

WALL STREET FUTURES - Weaker:
Dow, -59; S&P, -2.5; NAS, -4

Asia - Mixed:
Nikkei, -1.35%; Shanghai, +0.22%; Hang Seng, +0.72%

EUROPE - Firmer:
DAX, +0.36%; FTSE, +0.44%; CAC +0.3%

Other Markets

December Gold: +$69 @4,134

December CRUDE: +$3.05 @$61.55

Dec U.S. Dollar Index: +0.187 @98.673

WEATHER

CORN

SOYBEANS

WHEAT

ENERGY / ETHANOL

LIVESTOCK

POULTRY

WEATHER

A potent system produces 1.00"-2.00" of rain Fri.-Sat. near and east of I-35 in southern KS, central/eastern OK and north-central TX to turn ~30% of U.S. HRW wheat much wetter. The system shifts eastward across the mid-South Sat.- Sun., resulting in 0.50"-1.50" of rain; however, amounts are reduced to under 0.25" in most of the Corn Belt. Another large and strong system brings 0.25"-0.75" of rain to much of the central U.S. Oct. 27-29. Temps will fluctuate much more freely going forward as the systems approach and pass to cause rapid warm-ups and cool-offs, leaving readings normal to cool east but mild in the Plains; highs/lows mostly in the 40s-50s-60s/30s-40s into Nov.

CORN / SORGHUM

- Ethanol grind: 1,112,000 bpd for week ending Oct. 17, up 3.5% vs. last week and 2.9% vs. last year. Stocks were 21.919 mb, dn 0.709 mb from the prior week and considerably below the average trade est. of a 0.038 increase
- Although the USDA *Export Sales* report will not be published until the government shutdown is ended, trade sources are continuing to provide estimate ranges; for the week ending Oct. 16—corn, 31-79 for 25/26
- Heavy thunderstorms occur Thu.-Fri. across a wide area of Argentina, where early corn planting is taking place; result is 1.25"-2.50", with the heaviest amounts in the already-wet province of Buenos Aires
- Avg. crop insurance harvest price for CZ5 corn as of Oct. 22 is $4.1892
- The Funds bought 4 K; firm domestic markets and record ethanol output

SOYBEANS

- December soybean meal futures closed at $290.00 on Wed.; this is the highest settlement price since Aug. 26
- Although the USDA *Export Sales* report will not be published until the government shutdown is ended, trade sources are continuing to provide estimate ranges; for the week ending Oct. 16
    - Beans: 22-73 for 25/26
    - Meal: 150-450 for 25/26
    - Oil: 5-25 for 25/26
- Avg. crop insurance harvest price for SX5 beans as of Oct. 22 is $10.1883
- Funds bot 2 K SB, bot 1 K SM, sold 4 K BO. Dec Crush, -$0.02 @ $1.58

WHEAT

- Although the USDA *Export Sales* report will not be published until the government shutdown is ended, trade sources are continuing to provide estimates; for the week ending Oct. 16, the range is 13-24
- A total of 73% of U.S. SRW wheat is forecast to receive near normal to above normal precipitation over the next 14 days
  - rainfall totals of 0.50"-1.00" over the next two weeks in the Midwest
- A total of 45% of U.S. HRW wheat is forecast to receive near normal to above normal precipitation over the next 14 days
  - 1.00"-2.00" Fri.-Sat. for HRW in southern KS and central/eastern OK
- The Funds bought 4 K; Europe was higher; talk of Chinese kicking tires

ENERGY / ETHANOL

- Chicago ethanol was -$.0100 weaker @ $1.81/gallon
- Ethanol basis - mixed
- New York, +$.0125 @ $.0725; Gulf, -$.0050 @ $.1000; Dallas, unch; @ $.0500; Tampa, -$.0050 @ $.0950; L.A., +$2.0150 @ $.2050
- RINS: -1.75 weaker: 23's, 100-102; 24's, 100-103; 25's, 101-104.5; 26's, 103.5-105.5
- The December RBOB/November ethanol spread is up .0275 @ $.0443
- CLZ, +$3.05; EBX, unch; RBZ, +$0.0583; HOX, +$0.0438; NGX, +$0.0340

LIVESTOCK / POULTRY

- Choice boxed beef was $1.28 lower on Wednesday at $370.65, and is up $4.17 compared to a week ago
- Trade estimates for USDA *Cattle on Feed* report (scheduled for release on Friday, but delayed due to govt. shutdown) : On Feed Oct. 1, 98.1% (range: 97.4%-98.4%); Placed in Sept., 91.3% (88.1%-94.0%); Marketed in Sept., 96.2% (93.0%-97.2%)
- The CME Lean Hog Index declined $0.8 to $94.183. December lean hog futures fell $0.875 on Wednesday to $82.4, and are $0.08 above the index
- USDA mandatory pork carcass cutout value was $0.50 lower on Wednesday at $99.70 and is $2.25 lower versus the previous week
- There has been erosion in the pork carcass cutout value of late; e.g., cutout has declined $13.23 since Sept. 26 and is at the lowest level since May 22

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