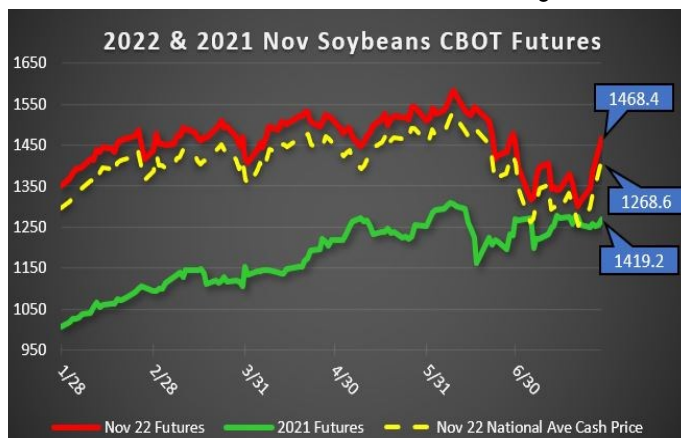
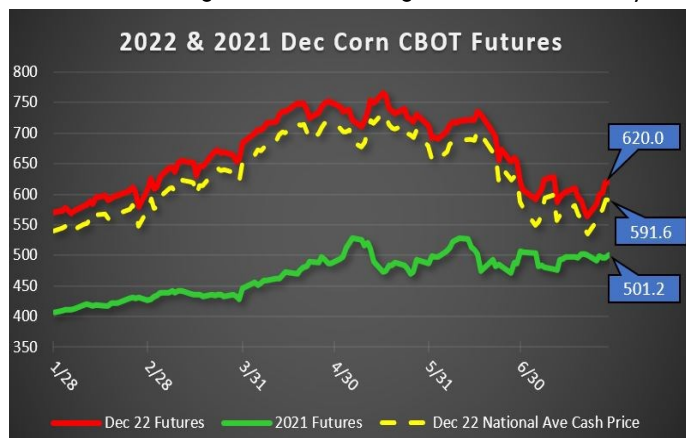


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KEY TAKE AWAYS:

- The latest GDP report showed that the U.S. economy has contracted for the second quarter in a row and the Fed raised interest rates another 0.75%. None of that mattered to the grain markets though. After being held down by outside factors for most of the summer, the corn and soybean markets are starting to acknowledge the dry weather that has been prevalent since June. The next two weeks are forecasted to be hot with limited chances for rain.
- The corn markets found solid footing after reaching its lowest prices in six months. The USDA's crop progress report called the corn crop 61% good-to-excellent. That's the lowest since 2019 and down 3% from last year. Despite the lower rating, the USDA is still projecting this year's national average yield to equal last year's record high 177 bu/ac.
- Soybeans had an incredible turnaround due to the dry weather and modest gains in crude oil. Soybean's good-to-excellent rating was reduced by 2% to 59% - about on par with this time last year. Bean meal hit contract highs this week indicating that there is still good demand for soybeans even if crude oil and diesel demand is starting to soften.

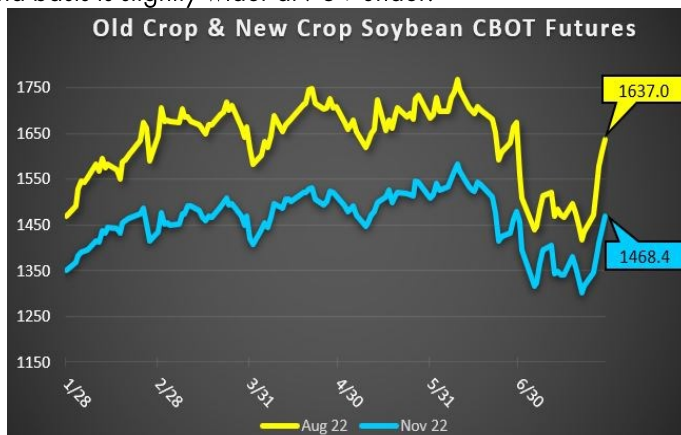
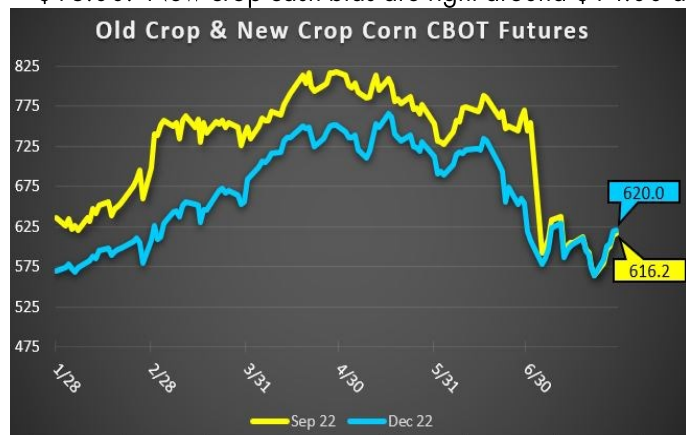


CASH PRICES

Cash prices and the corresponding basis's have been documented from grain elevators and processors from various locations throughout the state of Iowa.

KEY TAKE AWAYS:

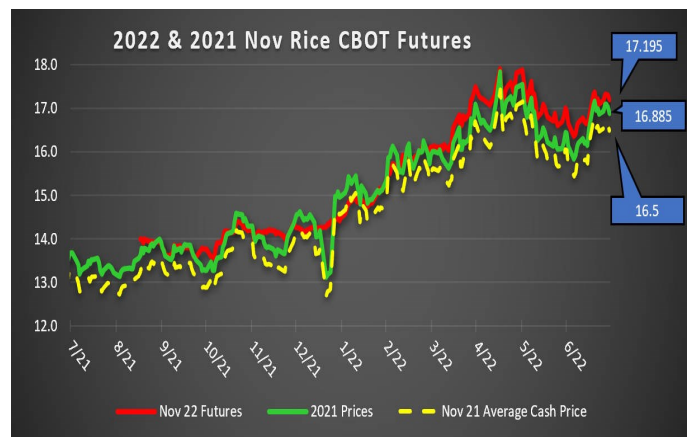
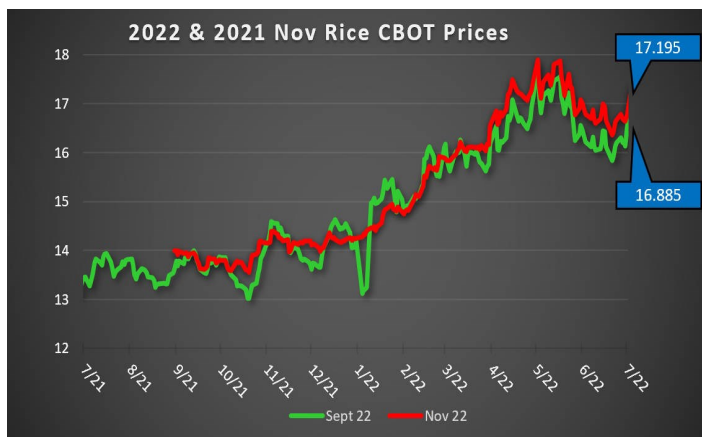
- Old crop cash corn bids are up at least 50¢ from last Friday. It's hard to find bids below \$7.00 anywhere except in the Northern Plains. Around Iowa, old crop bids are \$7.40 - \$7.60. New crop bids are \$5.75 - \$5.80 and basis has widened slightly to 45¢ under.
- Old crop cash soybeans are up \$1.00 in Iowa and up \$1.50 in Illinois and Indiana. West of the Mississippi Rivers, bids are \$15.00 - \$15.30. East of the Mississippi River, Bids are as high as \$16.50. In the Delta, bids are around \$16.00. New crop cash bids are right around \$14.00 and basis is slightly wider at 75¢ under.



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RICE:

- Although the cash market remains inactive, that may soon change with the notable export activity that finally materialized.
- Rice harvest is underway in Louisiana and Texas. No official word yet on yields. The biggest market driver this week was the Iraq news as stated a week prior.
- Considering the shipping date to Iraq is imminent. It will most likely aid old crop prices, and have little effect on new crop.
- Overall, paddy export demand is sluggish against last year, but milled rice demand is up 25% year-to-date on increased shipments to Haiti and Colombia. Export demand to Mexico is down 22%.
- The futures market was up against last week as every contract climbed at least \$0.60 per cwt. Since Monday, the trading volumes have shot upward, and open interest is also climbing.



COTTON:

- Over the past few weeks, the market resembles a rusty old truck trying to climb a rainy dirt road. Each time it seems to gather traction, it slips and slides further down the hill. That is until last week when it posted its first positive performance in six weeks.
- The market tried its hand at \$0.91-\$0.92 but could not generate a close above \$0.93.
- Volume short covering above the \$0.93 mark will give traders a look at the \$0.96-\$0.98 range.
- Texas, New Mexico, Oklahoma, and Kansas cotton acreage is burning up. The Mid-South and Southeast crops are good and getting better. The Mid-South does have a mixed crop, but fruit set and blooms have exploded over the past two weeks.
- Overall crop conditions remain much the same with 38% rated good to excellent as compared to 60% in 2021. Worse yet, more than 25% of the crop is rated poor to very poor while only 9% fell into this category last year.

