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August Market Update
Corn, Soybeans, Rice, and Cotton

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Prices at a Glance

Crop	2023/24 U.S. MYA Price Projection	2024/25 U.S. MYA Price Projection
Corn	$4.65 per bu.	$4.20 per bu.
Soybeans	$12.50 per bu.	$10.80 per bu.
Long Grain Rice	$16.00 per cwt.	$14.50 per cwt.
South. Med. Grain Rice	$17.70 per cwt.	$14.50 per cwt.
Upland Cotton Lint	$0.76 per lb.	$0.66 per lb.
Seed Cotton	$0.3910 per lb.	$0.3430 per lb.

WASDE Summary

The **2024/25 U.S. corn outlook** is for larger supplies, lower domestic use, greater exports, and smaller ending stocks. Projected beginning stocks for 2024/25 are 10 million bushels lower based on a slightly higher use forecast for 2023/24. For 2023/24, higher corn exports are partly offset by reductions in corn used for glucose, dextrose, and starch. Corn production for 2024/25 is forecast at 15.1 billion bushels, up 47 million from last month as a 0.7-million-acre decline in harvested area is more than offset by an increase in yield. The season’s first survey-based corn yield forecast, at a record 183.1 bushels per acre, is 2.1 bushels higher than last month’s projection. Total U.S. corn use for 2024/25 is forecast 60 million bushels higher to 15.0 billion. Corn used for glucose and dextrose and starch is projected lower based on observed use during 2023/24. Exports for 2024/25 are raised 75 million bushels to 2.3 billion reflecting U.S. export competitiveness and relatively low world market prices. With supply rising less than use, ending stocks are down 24 million bushels to 2.1 billion. The season-average corn price received by producers is lowered 10 cents to $4.20 per bushel.

The **2024/25 outlook for U.S. soybeans** includes higher production, exports, and ending stocks. Soybean production for 2024/25 is forecast at 4.6 billion bushels, up 154 million on higher area and yield.

Harvested area is forecast at 86.3 million acres, up 1.0 million from July. The first survey-based soybean yield forecast is 53.2 bushels per acre, up 1.2 bushels from last month. Soybean supplies for 2024/25 are projected at 4.9 billion bushels, up 11 percent from last year. With soybean exports up 25 million bushels on higher supplies and crush unchanged, ending stocks are forecast at 560 million bushels, up 125 million from last month. The U.S. season-average soybean price for 2024/25 is forecast at $10.80 per bushel, down $0.30 from last month.

The **outlook for 2024/25 U.S. rice** this month is for reduced supplies, unchanged domestic use and exports, and lower ending stocks. Supplies are lowered on a combination of reduced beginning stocks and lower production. The first survey-based 2024/25 production forecast reduced total rice production by 0.9 million cwt to 220.8 million with most of the reduction in long grain. The average all rice yield is forecast at 7,623 pounds per acre, down 22 pounds from last month. Long-grain production is forecast at 167.2 million cwt and combined medium- and short grain production at 53.6 million cwt. Projected 2024/25 all rice ending stocks are lowered by 2.4 million cwt to 43.6 million, still up 14 percent from last year. The 2024/25 all rice season-average farm price is unchanged.

The **U.S. cotton estimates for 2024/25** show lower acreage, production, exports, and ending stocks compared to last month. Estimated domestic use is unchanged and beginning stocks are raised slightly. NASS's first survey-based estimate of U.S. production is 15.1 million bales, 1.9 million bales down from last month's WASDE forecast. The Crop Production report lowered All-cotton planted area by about 500,000 acres based on the Farm Service Agency administrative data, while abandonment is up 6 percentage points from last month at 23 percent. Subsequently, estimated harvested area of 8.6 million acres is about 11 percent lower than the July WASDE forecast. The all-cotton yield estimate of 840 pounds per acre is minimally lower than last month. Exports are reduced 1 million bales due to lower world trade and the smaller crop. Ending stocks are reduced about 800,000 bales to 4.5 million, or 32 percent of use, primarily due to the smaller estimated crop. The 2024/25 season average upland farm price is reduced 2 cents from the July forecast to 66 cents per pound.

Corn

July's reduction in the USDA's U.S. corn ending stocks projection was frankly surprising following higher-than-expected June 1st stocks and a 1.5 million-acre increase to planted acres. Since then, the December corn contract may have at least put a temporary bottom in place, as managed funds extended their net short positions to a record 354,000 contracts (as of July 2023). Looking ahead to the August WASDE report, one prominent issue facing the market is the mostly favorable growing weather and relatively high good/excellent crop ratings in the weekly USDA Crop Progress reports. This has some in the market floating the idea that the USDA could increase its corn yield projection from the current 181 bushels-per-acre estimate. One analyst thinks that the market could already be trading a 182-yield number.

Could there be any changes in the planted and/or harvested acre forecast? The USDA announced changes to its acreage reporting practices last October, noting that the agency will update acreage estimates in the August and September WASDE reports. That said, it begs the question, will USDA make any adjustments to the current estimate of 91.5 million corn-planted acres? In a special note published with the June 28 Grain Stocks and Acreage reports, the USDA noted that 3.36 million corn acres were still intended and yet to be planted. Given some of the wet conditions in the northwestern Corn Belt at the time of planting, we could see a downward revision of that number that could offset a potential increase to yield.

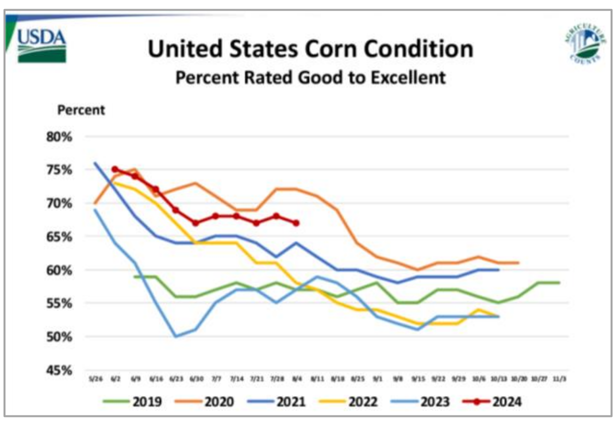
Lastly, ethanol margins have been strong, encouraging production. There have been thoughts that the USDA could raise its ethanol demand production estimates slightly, which would help the overall demand picture.

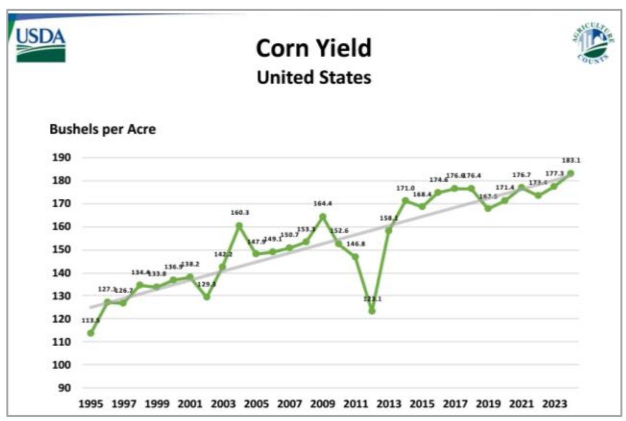
USDA's first corn production estimate increased 47 million bu. from the July projection and was 35 million bushels greater than analysts expected. USDA estimates the yield at a record 183.1 bushels per acre, 2.1 bushels above trendline and 5.8 bushels above last year's record. Record corn yields are forecast in Idaho, Illinois, Indiana, Iowa, Louisiana, Michigan, Nebraska, South Dakota, Washington, and Wisconsin. Incorporating FSA certified acres, USDA estimates harvested acreage at 82.710 million acres, down 728,000 acres from the June estimate and 257,000 acres less than analysts expected.

Across the Corn Belt, corn yields are estimated at 225 bushels per acre in Illinois, 207 bu. in Indiana, 209 bushels in Iowa, 128 bushels in Kansas, 177 bushels in Michigan, 185 bushels in Minnesota, 181 bushels in Missouri, 194 bushels in Nebraska, 144 bushels in North Dakota, 188 bushels in Ohio, 162 bushels in South Dakota and 183 bushels in Wisconsin.

Corn Crop Conditions

GoodExcellent	8/11	8/4	Change	Last Yr	10 Yr	High (Year)	Low(Year)	Yield Last	Area
Select States	67%	67%	0%	59%	66%	84% (1986)	18% (1988)	177.3	91.475
Iowa	77%	77%	0%	59%	70%	99% (1994)	6% (1988)	201.0	13.100
Illinois	77%	81%	-4%	62%	69%	97% (1986)	3% (1988)	206.0	10.900
Nebraska	69%	70%	-1%	61%	70%	93% (1994)	32% (2012)	182.0	10.100
Minnesota	59%	58%	+1%	43%	69%	90% (2010)	2% (1988)	185.0	8.100
Indiana	69%	70%	-1%	66%	61%	91% (1989)	6% (1991)	203.0	5.100
PoorVeryPoor	**8/11**	**8/4**	**Change**	**Last Yr**	**10 Yr**	**High (Year)**	**Low(Year)**	**Yield Last**	**Area**
Select States	10%	10%	0%	13%	11%	52% (1988)	3% (1994)	177.3	91.475
Iowa	5%	5%	0%	10%	8%	64% (1988)	0% (1994)	201.0	13.100
Illinois	5%	4%	+1%	11%	9%	75% (2012)	0% (1992)	206.0	10.900
Nebraska	11%	10%	+1%	16%	10%	41% (2002)	1% (1994)	182.0	10.100
Minnesota	10%	10%	0%	21%	9%	73% (1988)	1% (2015)	185.0	8.100
Indiana	8%	7%	+1%	10%	13%	71% (2012)	0% (1987)	203.0	5.100





Although USDA's corn yield was higher-than-expected, increases to US corn exports and a 700,000 acre drop in harvested acres took new crop ending stocks below guesses. Trade sentiment is that USDA was correct to acknowledge stronger corn exports given the recent drop in the US Dollar and decreases in EU and Black Sea corn production to boost US competitiveness. December corn has turned higher post report after setting a new contract low this morning. The fact that a new record US yield did not increase ending

stocks is a sign price may be reaching a longer-term value zone. Look for strong long-term support in the 370–380 range on December corn.

Despite USDA reporting a record yields, corn futures were surprisingly able to pull off a rally from a fresh near-term low. The bearishness of USDA's production estimate was obviously eclipsed by lower-than-expected ending stocks for both old- and new-crop, at 1.867 million bushels and 2.073 million bushels, respectively, with the biggest change to the balance sheet resulting from a 25-million-bushels increase in estimated corn exports. However, a 15-million-bushel decrease in estimated food, seed & industrial (FSI) use negated a portion of the bump in exports. Meanwhile, the forecast for new crop exports also rose 75 million-bushels to 2.3 billion bushels, though FSI use was trimmed down by 15 million bushels to 6.84 billion bushels.

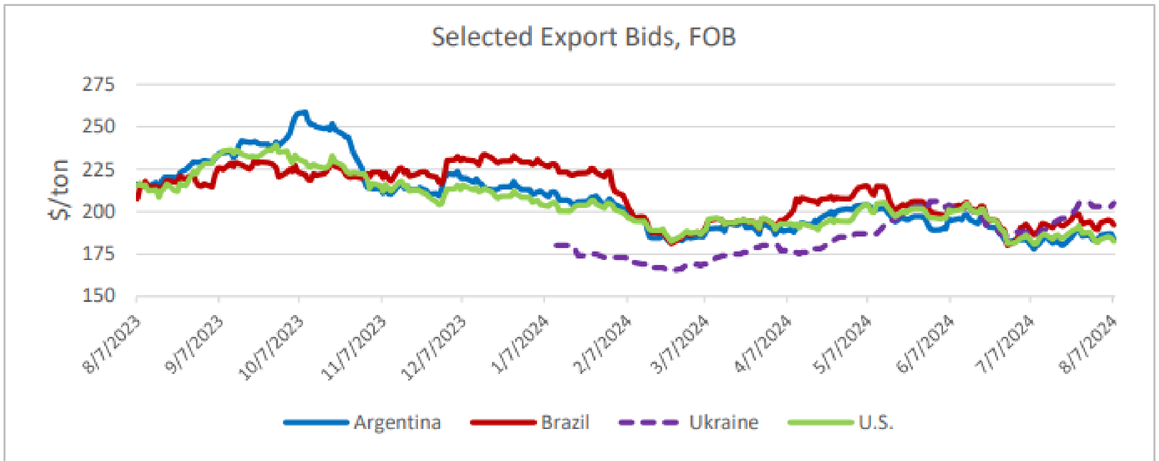
Meanwhile, weather continues to prove favorable for grain fill across most of the Corn Belt, with western areas to receive some rainfall this week, while eastern areas of the region as well as portions of Kentucky, the lower Delta and interior southern states should be mostly dry though Friday. Rains are expected across the eastern Corn Belt during the upcoming weekend and early next week, according to World Weather Inc.

From a technical perspective, December corn rallied from an earlier contract low on Monday, August 12th, ending the session above the 10-day moving average of $4.01 1/4, which has served as initial resistance since the end of July. An extension of post-WASDE report gains could indicate a near-term bottom is in place, though the 20-day moving average of $4.06 3/4, which has also served as a key resistance level, will now serve as initial resistance, and is backed by the 40-day moving average of $4.19 1/4. Conversely, initial support will now lie at the psychological $4.00 level, followed by $3.92 1/2, today's low of $3.90 1/4 and then $3.87 1/4.

Corn exports during the 2024/25 marketing year increased 75 million bushels to 2.3 billion, which USDA attributes to U.S. competitiveness and "relatively low world market prices." Ending stocks eased 24 million bushels lower to 2.1 billion, and the season-average farm price eased 10 cents lower to $4.20 per bushel.

Corn export inspections trended 23% below the prior week's volume with 38.4 million bushels. That was also on the lower end of analyst estimates, which ranged between 31.5 million and 51.2 million bushels. Mexico was the No. 1 destination, with 15.5 million bushels. Cumulative totals for the 2023/24 marketing year are still noticeably above last year's pace after reaching1.926 billion bushels.

Since the July WASDE, export bids for all major exporters have increased. U.S. bids experienced the least change, up just $1/ton to $182, and are currently the most price competitive on expectations of plentiful supplies. For the week ending August 4, NASS estimates 67 percent of the corn crop to be in good-to-excellent condition, compared to 68 percent a week prior and 57 percent a year ago. Ukrainian bids were up $19/ton to $205. Hot, dry weather in Ukraine may be influencing supply expectations for the upcoming crop. Brazilian bids were up $5/ton to $192 and Argentine bids were up $4/ton to $184. Farmer sales and exports have been sluggish in both countries.



Source: International Grains Council

Export bids (fob, US$ per ton)	7-Aug-24	9-Jul-24	7-Aug-23	*% change, '23 - '24*
Argentina, Up River	184	180	216	-15%
Brazil, Paranaguá	192	187	208	-7%
Ukraine	205	186	N/A	N/A
U.S. #3 Yellow Corn, Gulf	182	181	215	-15%

Soybeans

Like corn, the July WASDE report showed both old-crop and new-crop ending stocks projections decreasing where slight increases were expected. The USDA increased planted acres slightly to 86.5 million and kept yield at 52 bushels per acre. Since the release of that report, November soybeans have posted a market bottom, at least temporarily. Managed funds increased their net short position to a record 186,000 contracts on mostly favorable growing weather and the best good/excellent crop conditions since 2020. As the market looks ahead to the August WASDE report a similar question can be posed for the soybean balance sheet as we did for corn. Considering the relatively good growing conditions and crop ratings, one must ask the question: Will the USDA raise its soybean yield from the current 52 bushels per acre? Some traders have the idea that the market could be trading a yield closer to 53 bushels per acre. Given current prices, there is some validity to that thought.

It remains possible that USDA will adjust its planted acreage estimates. If they do, the market will lean towards the expectation of a downward revision. In the special note that the USDA published back in June, there were 12.8 million intended soybean acres yet to be planted when farmers were surveyed for the June 28th Acreage report. For the August WASDE, the USDA will rely upon survey, Farm Service Agency, and satellite data to help fine tune its estimates.

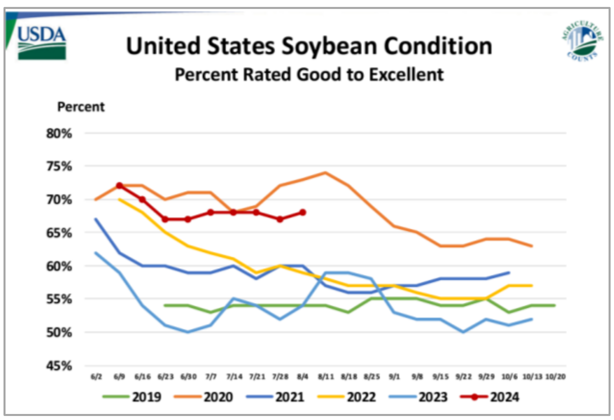
On the demand side, new-crop export demand has been slow with very little having been sold officially to China, though sales to unknown destinations (potentially China) have picked up recently. The USDA currently has a 7% increase in export sales penciled in for the 2024/2025 crop year over 2023/2024. Right now, this seems a bit aggressive given the current sales pace. One could argue that the USDA could lower its export sales estimate, though it may still be a little early.

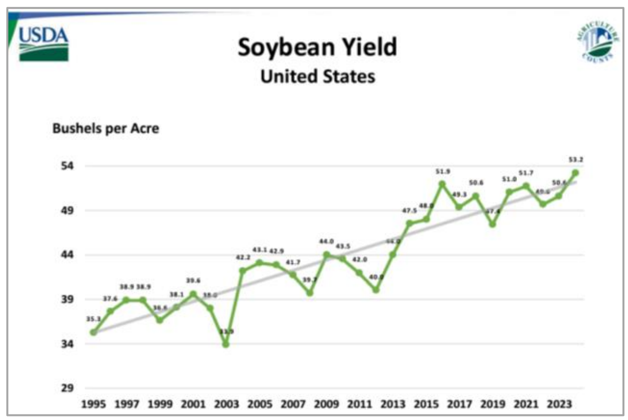
USDA's first soybean crop estimate increased 154 million bu. from the July projection and topped the average pre-report estimate by 120 million bushels. USDA estimates the soybean yield at a record 53.2

bushels per acre, 1.2 bushels above trendline and 2.6 bushels above last year. Record soybean yields are expected in Arkansas, Illinois, Indiana, Mississippi, Missouri, and Ohio.

Across the Corn Belt, soybean yields are estimated at 66 bushels per acre in Illinois, 62 bu. in Indiana, 61 bushels in Iowa, 38 bushels in Kansas, 49 bushels in Michigan, 49 bushels in Minnesota, 51 bushels in Missouri, 59 bushels in Nebraska, 36 bushels in North Dakota, 59 bushels in Ohio, 47 bushels in South Dakota and 53 bushels in Wisconsin.

Soybean Crop Conditions									
GoodExcellent	8/11	8/4	Change	Last Yr	10 Yr	High (Year)	Low(Year)	Yield Last	Area
Select States	68%	68%	0%	59%	63%	79% (1994)	23% (1988)	50.6	86.100
Illinois	72%	75%	-3%	67%	67%	90% (1992)	12% (2012)	63.0	10.700
Iowa	77%	76%	+1%	56%	68%	97% (1994)	8% (1988)	58.0	9.900
Minnesota	62%	63%	-1%	47%	66%	87% (2010)	7% (1993)	48.0	7.600
Indiana	68%	68%	0%	67%	60%	87% (1989)	14% (1991)	61.0	5.750
Ohio	59%	63%	-4%	69%	58%	82% (1986)	15% (2002)	58.0	4.850
PoorVeryPoor	8/11	8/4	Change	Last Yr	10 Yr	High (Year)	Low(Year)	Yield Last	Area
Select States	8%	8%	0%	12%	10%	38% (2012)	2% (1994)	50.6	86.100
Illinois	8%	6%	+2%	11%	10%	55% (2012)	0% (1992)	63.0	10.700
Iowa	5%	5%	0%	9%	8%	45% (1988)	0% (1994)	58.0	9.900
Minnesota	10%	9%	+1%	15%	8%	60% (1988)	1% (2015)	48.0	7.600
Indiana	8%	7%	+1%	10%	13%	50% (2012)	0% (1986)	61.0	5.750
Ohio	6%	8%	-2%	4%	12%	51% (2002)	0% (1986)	58.0	4.850





Soybeans faced accelerated selling pressure following higher-than-expected production as reported by the USDA. Many trade analysts had penciled in a record yield to be contained within the USDA's recently released Crop Production Report and those analysts expectations were vindicated when USDA released an estimated 53.2 bushels per acre yield for this fall's crop, though most did not see acres topping the June Acreage Report, especially considering how many acres were left to be planted when USDA surveyed for the June report. USDA raised planted acres an additional million acres to 87.1 million acres, bringing production to 4.589 billion bushels, a record. That more than offset minor adjustments to use, as the agency raised expected exports by 25 million bushels to 1.85 billion bushels. They raised residual use modestly, bringing total use up to 4.389 billion bushels, leading to ending stocks of 560 million bushels, which would be the most since 2018-19 and well above the prior estimate of 435 million bushels. USDA opted to leave the old-crop balance sheet unchanged, projecting ending stocks at 345 million bushels.

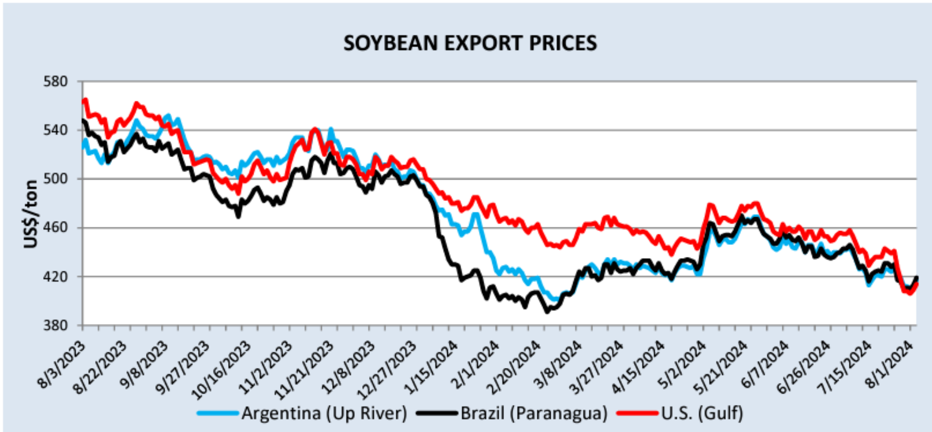
November soybean futures continue to undergo heavy pressure to sell as bears retain the technical advantage. Prices broke downtrend support following the release of USDA's Crop Production Report,

further cementing bears' edge. Bulls managed to close prices above $9.80 support, which has been a key level for soybeans on the long-term chart. Further selling finds support at $9.75. Bulls are seeking to overcome resistance at $9.94 1/2, then the psychological $10.00 mark. Prices are well below the 10-day moving average at $10.16 1/2, which could spark some short covering.

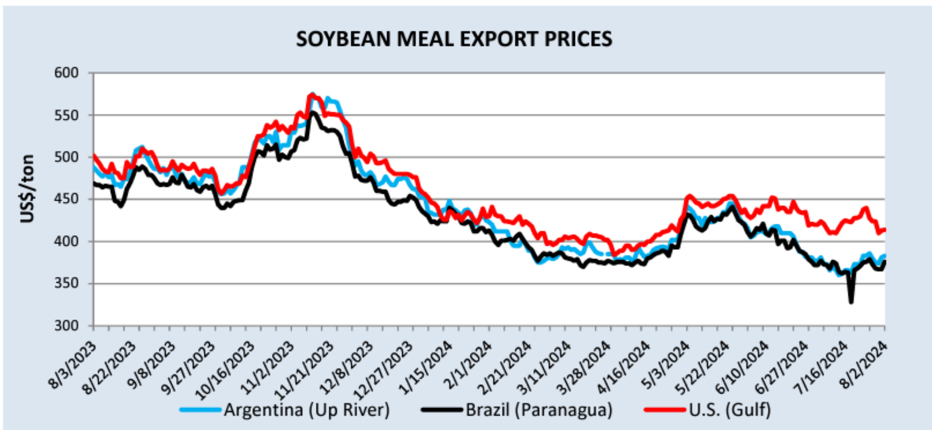
Not only did USDA offer a much higher yield than expected, harvested acres were increased 100,000 when most were expecting at least a small decrease. The higher US crop sent US new crop ending stocks above even the highest guess. New crop world ending stocks also were well above the highest guess. There is no way to spin this report other than bearish, and rallies back toward $10 in November futures will likely find plenty of selling. Prices look headed to longer term support in the 950–970 range.

Favorable weather and crop developments in the U.S. pressured soybean prices in July. Soybean prices in South America continued to decline on high current year supplies as well as anticipated large output in the Northern Hemisphere in 2024/25.

Global soybean meal prices rallied briefly in July, most likely on strong international import demand and additional 2024/25 export sales announcements in the United States. U.S. soybean oil prices spiked briefly in July before falling to previous levels due to declining domestic supplies of vegetable oils and shifting demand dynamics for biofuel feedstocks. Additionally, a mid-July report from the National Oilseed Processors Association (NOPA) showed soybean oil stocks falling to a 6-month low. Palm oil prices went up following reduced production in Indonesia.

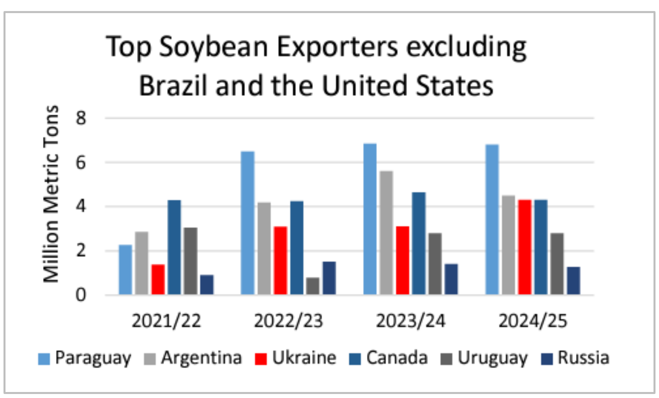


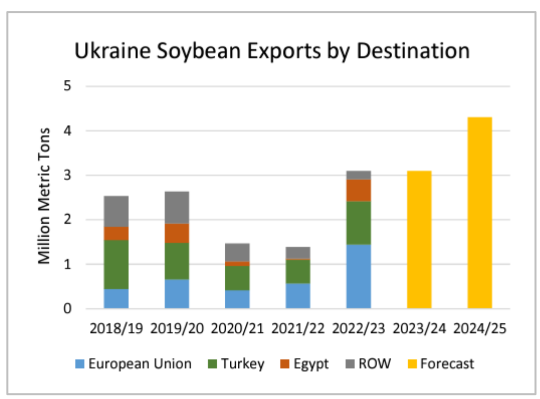
Source: International Grains Council. All prices are FOB: U.S. Gulf, Argentina Up River, and Brazil Paranagua.



Source: International Grains Council. All prices are FOB: U.S. Gulf, Argentina Up River, and Brazil Paranagua.

This month, USDA raised 2024/25 Ukrainian soybean exports to 4.3 million tons on expectations of higher production. This would mark the third consecutive year of record exports and the second consecutive year of record production. From 2018/19 to 2022/23, Ukraine soybean production averaged around 4.0 million tons. Since, farmers have been dedicating more area to soybeans, which have been more profitable than other crops, resulting in 5.2 million tons produced in 2023/24 and 6.8 million tons expected in 2024/25.





Over half of Ukraine's soybeans are typically exported, and the share has been growing in recent years as more soybeans ship to regional markets rather than are processed domestically. In 2022/23, Ukraine soybean exports ticked upward, more than doubling to 3.1 million. Ukraine became the sixth largest global exporter of soybeans, a position which it is expected to maintain in 2023/24. During this period, Ukraine became a top supplier to Egypt, which relied on low-price Ukrainian soybeans to satisfy its feed demand. Exports to the European Union also grew significantly, more than doubling to record levels in 2022/23 and continuing to show strength in 2023/24. Türkiye, a longstanding destination for Ukrainian soybeans, also saw significant growth in 2022/23.

In 2024/25, Ukraine is expected to become the fifth largest global exporter of soybeans alongside Canada. A record crop will facilitate export growth of nearly 40 percent while still allowing for increased domestic stocking and crush. Ukraine soybeans should remain competitive, especially in the regional markets that have been strong buyers in recent years.

Rice

In Louisiana, bids for long grain are ranging $24.00-$24.10 per barrel. In the Mid-south, futures' prices were mostly up last week. Most of the contracts were up a few cents. The cash paddy market is still mostly quiet. The latest prices have been even to $0.20 over the CME Sept contract for November/December delivery.

There has been legitimate progress from the government on behalf of the U.S. rice industry to help reopen trade for the coming marketing year. There is positive news coming from government intervention, and having access to the Iraqi market certainly qualifies. Because the U.S. crop supply was dwindling when the problem initially emerged in the late spring, the alarm bells were not going off. However, steady work from private industry and government partners has found purchase just in time to book business as harvest gets underway. This has been a complicated process that involves the U.S. Treasury Department putting sanctions on the bank that finances Iraq's food purchasing arm. The sanctions were imposed because of the Iraqi bank's ties to Iran and terrorist organizations. Rice was caught in the crossfire, but the consistent effort has resulted in opening back up the second-largest milled market for U.S. long grain once again.

Resolving the problems associated with Iraqi purchases has been front and center in the face of the large U.S. crop that is just getting harvested. Louisiana is reported to be 34% complete, with Texas as 16%. No other states have started yet. The crop continues to look significantly better than last year, with 80% in the Good to Excellent conditions whereas last year it was only 71%. Missouri is reported at only 64% headed and California is trailing at 55%. All other states are reporting over 80% headed and harvest beginning in the coming weeks.

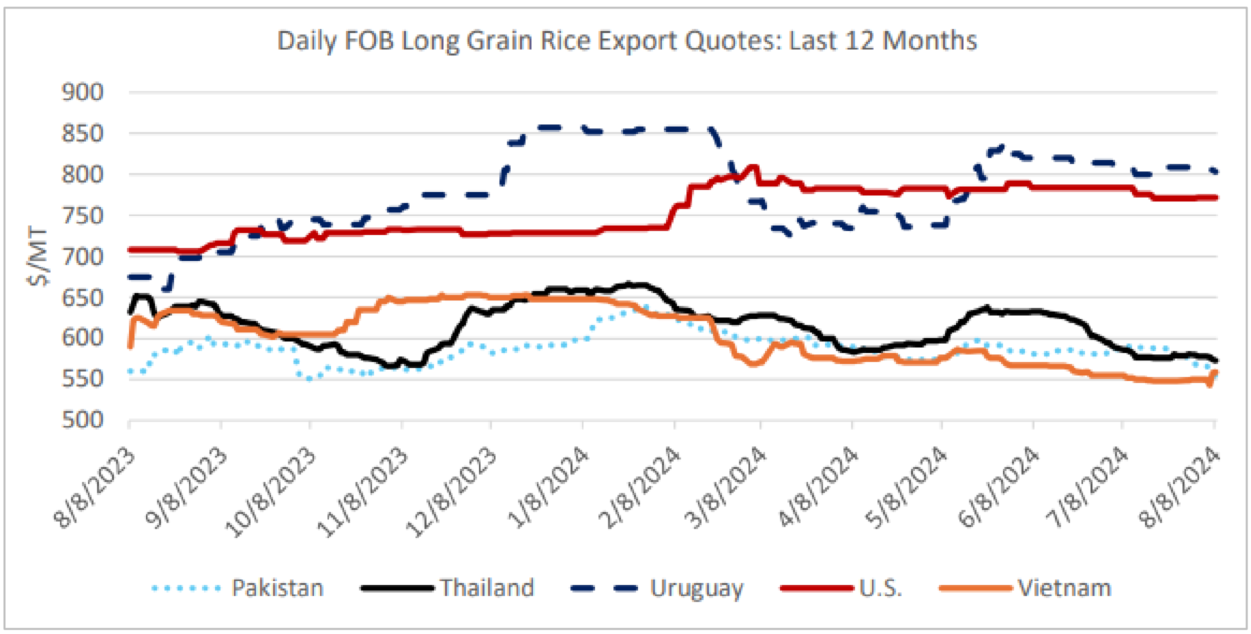
In early-August, ADM Rice sold a vessel of U.S. rice which will be loaded and sail to Iraq early this fall. News of this sale comes after Senators John Boozman (R-AR), Bill Cassidy (R-LA) and Cindy Hyde-Smith (R-MS) met with Iraq's Ambassador to the United States Nazar Al Khirullah recently to inquire about progress with the resumption of U.S. rice purchases for Iraq's food basket items. The news of Iraq has been one of the biggest weights on pricing expectations for the coming U.S. crop. Not only will the industry benefit from the needed demand, but the mills will keep busy churning through paddy and be able to avoid dropping the price in other markets to generate business to get the mills running. Iraq was the fourth largest export market for U.S. rice in 2023 and the second largest export market for long grain milled rice.

Rice futures ended lower, retreating despite a mildly friendly USDA report. September rice fell 30 cents to $14.53 ½, after trading a range of $14.52 to $14.80. November rice was down 28 ½ cents to $14.75. The September contract fell to a three-week low and has no clear support above the contract low, which is at $14.15.

USDA proffered mildly supportive news for the rice market, lower its U.S. production estimate to 220.8 million hundredweight (cwt.) from 221.7 million and cutting its projected 2024-25 U.S. carryout to 43.6 million cwt. from 46.0 million. For long-grain specifically, the crop estimate was lowered slightly to 167.2 million cwt., down from 168.0 million previously but still up from 153.9 million a year ago. Long-grain ending stocks of 23.2 million cwt. are down from 24.0 million last month but still up from 17.0 million last year. USDA left its long-grain 2024-25 average price unchanged at $14.50.

The Crop Progress report (August 12th) showed the good/excellent rating at 79%, down one point from last week but well above 67% the same time a year ago. The Arkansas crop is 78% good/excellent. The harvest is 13% done, up from 7% last week and the five-year average of 10%. The harvest activity at this point is mostly limited to Louisiana and Texas, both of which are slightly ahead of their normal pace.

Since the July WASDE, major Asian exporters have experienced a narrowing of their price quote spread as market volatility has subsided. Over the past month, U.S. prices decreased by $12 to $772/ton despite continued demand from Latin America on expectations of a larger U.S crop. Uruguayan quotes decreased $4 to $803/ton as purchases by Brazil and the EU declined. With the price quote spread narrowing, Vietnam jumped $7 to $559/ton, while Thai increased slightly by $2 to $573/ton with only limited demand from Indonesia and the Philippines. Pakistani quotes fell $33 to $555/ton due to slowing demand from importers.



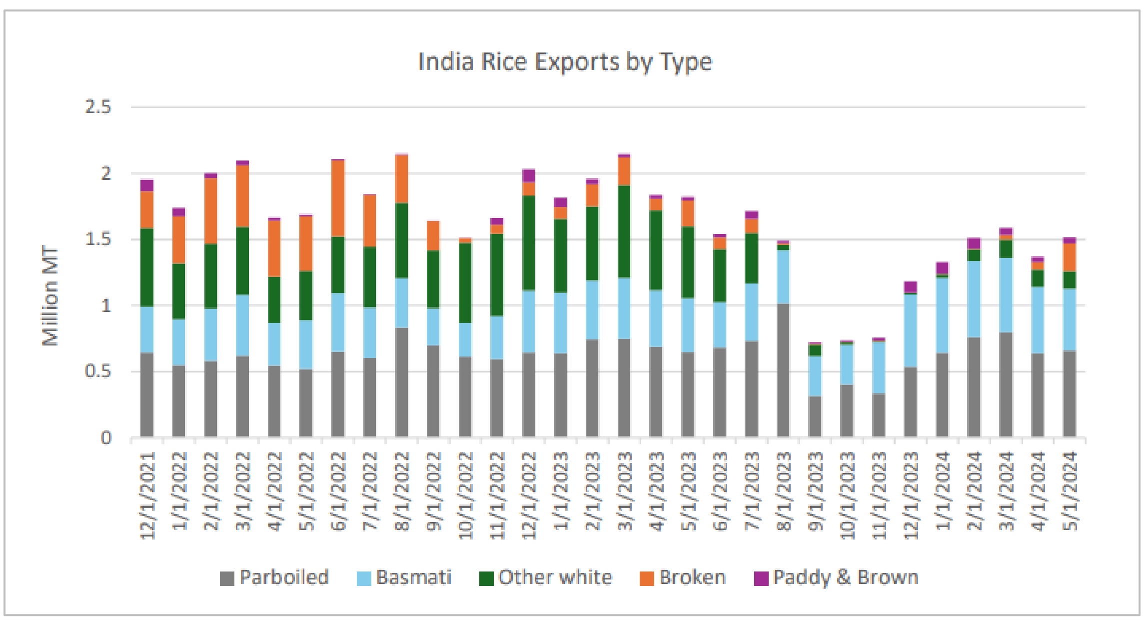
In Asia, the market has not changed much in the past few weeks. Prices have hovered in Thailand and Vietnam in the $575-$580 per metric ton range. There continues to be chatter about when and how India will release or relax its export ban, so the imminent glut of rice is a concern that is keeping many traders up at night.

Indian rice export prices fell this week due to sluggish demand and depreciation in the rupee to a record low, while Vietnam rates edged higher, reports Reuters. Top exporter India's 5 per cent broken parboiled variety was quoted at $539-$545 per ton, down from last week's $543-$551. "Asian and African buyers are not active in the market; they are postponing purchases anticipating a drop in prices," said a New Delhi-based dealer with a global trade house.

The Indian rupee this week recently depreciated to a record low, increasing exporters' return from overseas sales. Vietnamese 5 per cent broken rice was offered at $565 per ton, up from $560 a week ago, traders said. There are growing demands from Philippine clients, while exports to the Philippines and Indonesia have increased in recent days, said a Ho Chi Minh City-based trader. "Supplies are stable, but the quality of rice is not good due to continuous rainfall in the Mekong Delta."

Perhaps the most daunting statistic throughout Asia is the July 1st government release stating FCI rice stocks have reached 48.1 million metric tons. This number smothered the previously reported 19 million metric tons and speaks volumes about why the government was becoming concerned about stocks and now seems a given they will drop the export ban. Especially in view of the Khariff harvest is not far off. The Indian traders are aggressively pursuing offshore/ border Basmati buyers in hope of regaining market share that evaporated in favor of Pakistani vendors during the ban. Pakistan's 2023/24 fiscal year exports recorded a record $3.88 billion, a remarkable 78% increase over a year earlier. Certainly, export tonnage (over 5 million metric tons) contributed, but it has been the incredible rise in global and local prices that unveils the reality of this industry accomplishment.

India, the world's largest rice exporter, has placed numerous restrictions on rice exports, including bans on both broken rice (September 2022) and other (non-basmati non-parboiled) white rice (July 2023). These restrictions have reduced India's exports, which are down nearly 25 percent in the first half of the year from the same time last year. The reduction in the banned types of rice is only partially offset by more basmati and parboiled rice exports.

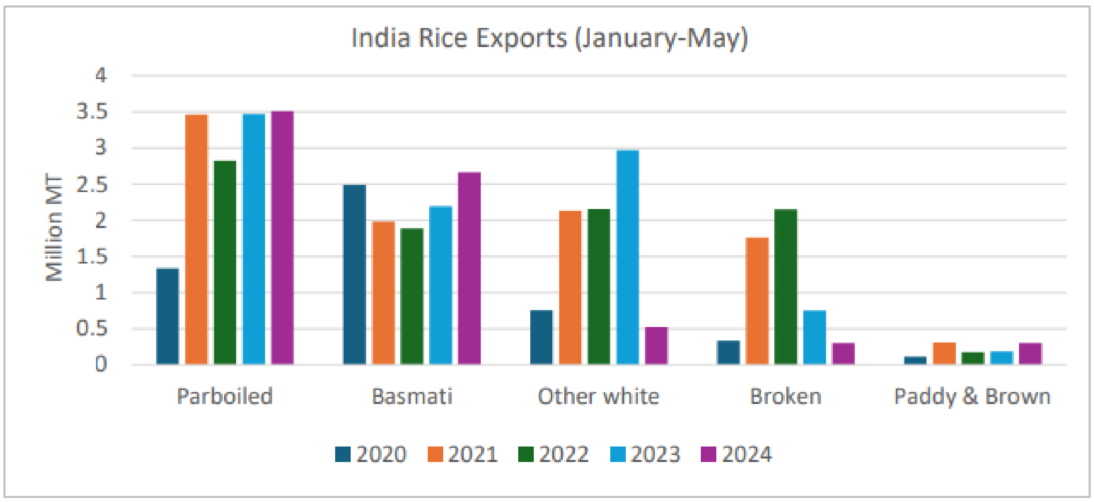


Broken rice has typically been a minor portion of India's overall rice exports. However, exports spiked in 2021 and 2022 with stronger demand from Asia. Senegal is traditionally India's largest market for broken rice, but China and Vietnam began buying large quantities as broken rice was used as a partial substitute

for feed when other grains experienced inflated prices. Shortly after the ban on broken rice, exports dropped sharply as trade with China and Vietnam came to a halt. So far in 2024 (January-May), India has only exported 300,000 tons of broken rice, to Senegal and Indonesia. Vietnam has partly compensated by buying more brown rice from India, which is not banned.

Like broken rice, exports for other white rice experienced a large increase in demand between 2021 and 2023 on competitive prices. Non-basmati non-parboiled rice exports exceeded 6.0 million tons in 2023, accounting for 35 percent of India's total rice exports. In July 2023, India banned exports of white rice after concerns of insufficient domestic availability. Core markets within Africa are still impacted, while some have been allowed to continue buying via government-to-government agreements. Countries like Benin, Mozambique, and Madagascar, where India was the sole supplier, have turned to buying from Pakistan and Thailand.

In contrast to the decline in export volume for broken and non-parboiled/non-basmati white rice, India has seen growth in basmati exports. Basmati rice is a premium fragrant rice and is not a substitute for the other rice types. Basmati rice exports are not banned but are listed with a minimum export price. In line with rising population, demand for basmati has jumped in core markets Saudi Arabia, Iraq, and Yemen.



Parboiled rice, India's largest class of rice export, has only been taxed and not banned, with exports continuing to core markets like Nigeria. Parboiled exports nearly doubled in 2021 and have averaged more than 7.6 million tons annually between 2021 and 2023. In 2021, Bangladesh imported more than 2.2 million tons of India parboiled rice to battle high domestic prices. With a larger crop, Bangladesh imports have declined, but growing sales to Africa have nearly offset the loss. Some countries affected by the India export bans, like Mozambique, have shifted to buying India parboiled rice.

Cotton

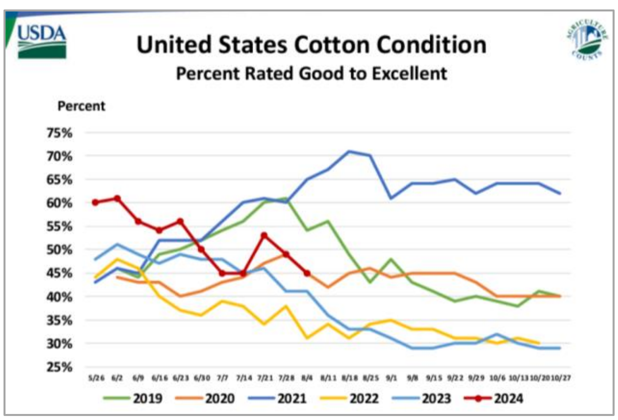
Cotton futures rallied to their highest intraday level since July 23rd, with a whole host of favorable data from USDA allowing the natural fiber to extend gains. Meanwhile, continued strength in crude oil futures also proved positive for prices along with a fading U.S. dollar.

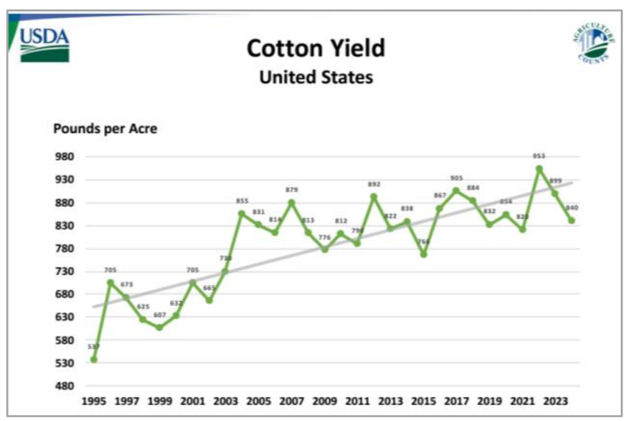
USDA forecast cotton production at 15.108 million bales, well below trade expectations of 17.02 million bales and 17.00 million bales in July. However, 2023-24 ending stocks were pegged at 3.15 million bales, up from 3.05 million bales in July, with no changes made to the supply side of the balance sheet. On the demand side, exports increased 150,000 bales to 11.75 million bales, though unaccounted use was

trimmed 250,000 bales to an estimated -430,000 bales. Moreover, new crop ending stocks were forecast at 4.5 million bales, down from 5.3 million bales in July due to a 1.79 million-bale-drop in supplies due to a smaller crop estimate. Total use slid 1 million bales, with the entire cut in estimated exports, now estimated at 12 million bales. Unaccounted use was adjusted up 10,000 bales to an estimated -140,000.

World Weather Inc. reports cotton producing areas in West Texas a scant chance of receiving any moisture in the coming week to ten days, although it will not be completely dry. Cotton in southeastern states experienced some serious flooding last week from remnants of Hurricane Debby, but the crop has potential to recover well if dry weather can prevail for a while. Drying may occur for a while this week, but more rain next week could maintain some concern over the crop.

Cotton Crop Conditions									
GoodExcellent	8/11	8/4	Change	Last Yr	10 Yr	High (Year)	Low(Year)	Yield Last	Area
Select States	46%	45%	+1%	36%	49%	72% (2004)	31% (2011)	947.0	11.670
Texas	33%	32%	+1%	15%	36%	74% (2004)	12% (2011)	796.0	6.430
Georgia	61%	67%	-6%	68%	66%	92% (1991)	7% (1986)	975.0	1.100
Arkansas	76%	74%	+2%	78%	79%	90% (1994)	33% (1989)	1,196.0	0.670
Mississippi	57%	56%	+1%	67%	65%	84% (2002)	10% (1986)	1,079.0	0.520
North Carolina	67%	63%	+4%	55%	63%	94% (1994)	22% (1987)	1,043.0	0.410
PoorVeryPoor	8/11	8/4	Change	Last Yr	10 Yr	High (Year)	Low(Year)	Yield Last	Area
Select States	25%	27%	-2%	43%	20%	43% (2023)	3% (1988)	947.0	11.670
Texas	37%	40%	-3%	63%	29%	63% (2023)	1% (1987)	796.0	6.430
Georgia	10%	7%	+3%	8%	8%	48% (1986)	0% (1992)	975.0	1.100
Arkansas	6%	7%	-1%	6%	6%	19% (1997)	0% (2020)	1,196.0	0.670
Mississippi	9%	8%	+1%	6%	7%	36% (1986)	0% (1992)	1,079.0	0.520
North Carolina	12%	8%	+4%	12%	12%	28% (2007)	0% (1994)	1,043.0	0.410



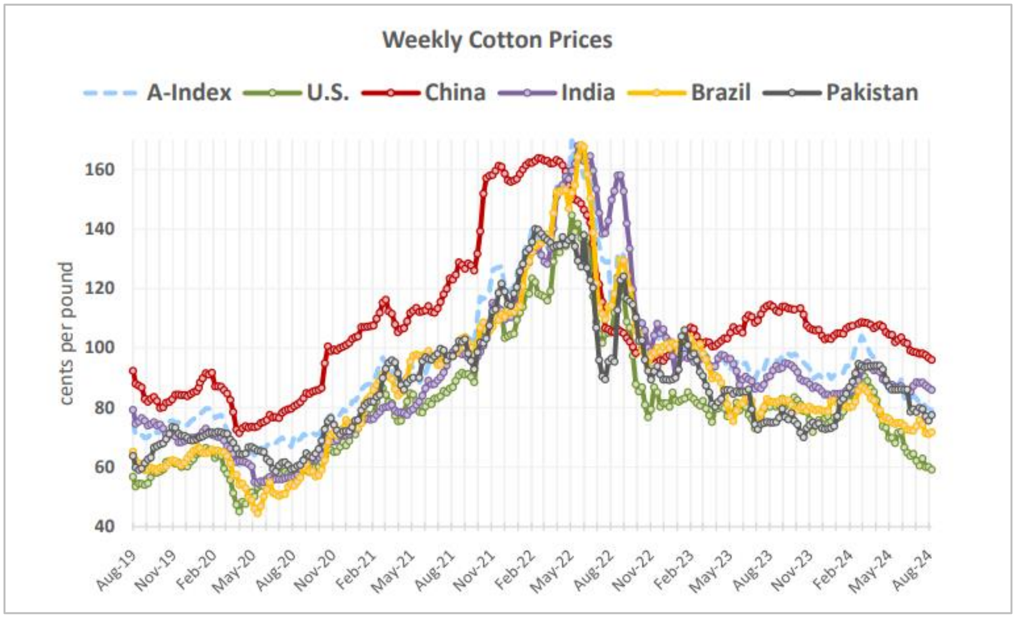


December cotton recently trended downward in the low-range after testing the 20-day moving average of 69.16 cents and forging an intraday high at the 40-day moving average of 70.80 cents, a crucial area for bulls to achieve to advance recent gains. Conversely, the 10-day moving average of 68.22 cents will continue to serve as initial support, and is backed by support at 67.41 cents, last week's low of 66.55 cents and 65.79 cents.

The 2024/25 global cotton production is forecast down over 2.5 million bales to 117.6 million due to decreases in the United States and India on lower area harvested. Global consumption is down roughly 1.0 million bales to 116.2 million as decreases in China and Bangladesh more than offset greater consumption in Pakistan and Türkiye.

Global trade is projected down again by nearly 1.0 million bales to 43.6 million as lower Chinese imports more than offset higher Indian imports. U.S. exports are lowered 1.0 million bales. Global ending stocks are projected down more than 5.0 million bales to 77.6 million on historical revisions to Chinese production and lower U.S. production.

Since the last WASDE report, cotton futures on the Intercontinental Exchange (ICE) fell to their lowest level in nearly 4 years before settling at roughly 68 cents per pound. Lower commodity prices and greater short positions from Non-Commercial participants pressured the 2024 December contract. The latest Commodity Futures Trading Commission Commitment of Traders supplemental report for futures and options showed the net long position for both Non-Commercial and Index participants was the lowest in nearly 5 years at around 8,000 contracts.



The observed A-Index this month includes the simple average of the following 5 quotes: Brazil, Côte d'Ivoire, Burkina Faso, Greece, and Memphis/Orleans/Texas. Brazil is once again the lowest quoted origin at 76.26 cents per pound; Memphis/Orleans/Texas is the highest at 80.25 cents. The A-Index relative to ICE is roughly 11 cents higher and slightly above the previous year. Note the A-index includes the 5 cheapest origins of 'medium grade' cotton landed at a port in the Far East; it should be pointed out that price quotations are compiled and published on a daily basis.

U.S. spot prices are down once again to below 60 cents per pound, over 30 cents lower compared with prices in February. Basis is up with Southeast at -350 basis points, North Delta climbing to -450, and West Texas-Kansas-Oklahoma rising to -825. Average basis across the United States is down 400 points relative to last year to -800. Chinese prices are down nearly 4 cents to 94 cents per pound with the nearby futures contract (September) on the Zhengzhou Commodity Exchange (ZCE) also down for the third consecutive month to roughly 13,400. Basis (relative to ICE) was up slightly to around 2,900 points, the same level as last year. India prices are down around 2 cents, settling at 86 cents per pound. Basis is up for the third consecutive month to around 1,800 points, more than 1,100 above the same time last year. Brazil prices are down 3 cents to 73 cents reflecting lower ICE futures. Basis remains unchanged from last month at 400 points but above last year's level of -400 points.

USDA NASS Louisiana Crop Production Report (August 12, 2024)

Area Harvested, Yield, and Production - Louisiana and United States: 2023 and Forecasted August 1, 2024

Crop	Unit	Area harvested		Yield		Production	
		2023	2024	2023	2024	2023	2024
Louisiana		(1,000 acres)	(1,000 acres)	(per acre)	(per acre)	(1,000 units)	(1,000 units)
Corn, for grain	bushels	680.0	445.0	175.00	185.00	119,000	82,325
Cotton, upland	1	115.0	150.0	872.00	1,008.00	209	315
Hay, excluding alfalfa	tons	390.0	430.0	2.10	2.70	819	1,161
Rice, all	2	462.0	466.0	6,800.00	6,650.00	31,431	30,989
Soybeans, for beans	bushels	980.0	1,060.0	40.00	49.00	39,200	51,940
Sugarcane (sugar/seed)	net tons	505.5	520.0	30.10	30.40	15,208	15,808
United States		(1,000 acres)	(1,000 acres)	(per acre)	(per acre)	(1,000 units)	(1,000 units)
Corn, for grain	bushels	86,513.0	82,710.0	177.30	183.10	15,341,595	15,146,590
Cotton, upland	1	6,301.8	8,441.6	895.00	828.00	11,750	14,555
Hay, excluding alfalfa	tons	37,187.0	35,904.0	1.85	2.07	68,853	74,450
Rice, all	2	2,854.0	2,896.0	7,649.00	7,623.00	218,291	220,761
Soybeans, for beans	bushels	82,356.0	86,271.0	50.60	53.20	4,164,677	4,589,190
Sugarcane (sugar/seed)	net tons	929.6	921.0	36.30	37.00	33,766	34,094

[1] Cotton yield in pounds per acre, production in 480 pound bales.
[2] Rice yield in pounds per acre, production in hundredweight (cwt).

PLC Farm Program Payment Projections – 2023/24 CY and 2024/25 CY

The table below projects the national marketing year average prices for purposes of the Price Loss Coverage (PLC) program. A PLC program payment is triggered when the national Marketing Year Average (MYA) price for a commodity falls below that commodity's effective reference price. The payment rate is then multiplied by the farm's program yield and made on 85% of base acres.

Covered Commodity	***2023/24 MYA Price****	*Effective Reference Price*	***2023/24 PLC Payment Rate***
Corn	$4.65	$3.70	--
Grain Sorghum	$4.90	$3.95	--
Long Grain Rice	$16.00	$14.00	--
Medium Grain Rice	$17.70	$14.00	--
Seed Cotton	$0.3910	$0.3670	--
Soybeans	$12.50	$8.40	--
Wheat	$6.96	$5.50	--

**national marketing year average (MYA) prices reflect the prices contained in the USDA WASDE report on August 12, 2024.

Covered Commodity	***2024/25 MYA Price****	*Effective Reference Price*	***2024/25 PLC Payment Rate***
Corn	$4.20	$4.01	--
Grain Sorghum	$4.20	$4.06	--
Long Grain Rice	$14.50	$14.00	--
Medium Grain Rice	$14.50	$14.00	--
Seed Cotton	$0.3430	$0.3670	$0.0240
Soybeans	$10.80	$9.26	--
Wheat	$5.70	$5.50	--

*The 2024/25 national marketing year average (MYA) prices reflect the prices contained in the USDA WASDE report on August 12, 2024.

Sources: USDA Agriculture Market Service (AMS), USDA Foreign Agriculture Service (FAS), USDA Farm Service Agency (FSA), USDA National Agriculture Statistics Service (NASS), USDA Economic Research Service (ERS), USDA FAS GAIN Report, USDA Office of Communications, USDA World Supply Demand Estimates (WASDE), ADM Investor Services, AgDay, Ag Fax Media, AEI, Ag Market Network, Agri-Pulse, AgRural, Ag Resource Company, Ag Web, Agricultural Market Information System (AMIS), Allendale, American Farm Bureau Federation, Bloomberg News, Brock Report, CME Group, Co-Bank, Cotbase.com, Cotton Grower, Cotton Incorporated, Cotton Outlook, Creed Rice Report, O.A. Cleveland, Daniels Trading, Delta Farm Press, DTN Progressive Farmer, Farm Futures, Fastmarkets, Fiber 2 Fashion, Gro Intelligence, Hightower Report, Intercontinental Exchange, International Grains Council, Iowa State University, INTER-RICE, Lakefront Futures and Options, LSU AgCenter, Mississippi State University, NOAA, National Cotton Council, No Bull, Peterson Institute of International Economics, Plains Cotton Cooperative Association, Plexus Cotton, Pro Farmer, Refinitiv, Reuters (Karen Braun), Rice Market Letter, Southeast Farm Press, Sovecon, StoneX, Standard Grain, Successful Farming, Texas A&M University (John Robinson), Total Farm Marketing, University of Arkansas, University of Georgia, University of Illinois, University of Tennessee, U.S. Grains Council, U.S. Rice Producers Association, USA Rice Federation, U.S. Soybean Export Council, United Nations Food and Agriculture Organization (FAO), and the Wall Street Journal.

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