

## U.S. Commodities Markets

## What's Driving Price Discovery in the Agricultural Markets?

- For most of market year (MY) 22/23, cash and futures prices of U.S. row crops (corn, soybeans and wheat) have been influenced by domestic and global supply shocks (geopolitical and weather).
- Market year MY 23/24 promises to be different from MY 22/23. The global agricultural supply shocks are dissipating while feed grain demand is softening.
- Agricultural markets should continue pricing a Ukraine risk premium, but the La Nina driven weather risks are disappearing.
- U.S. and global renewable fuel policy will help support and drive global oilseed demand.
- Can U.S. corn and wheat evolve past being the residual supplier to the world?
- The U.S. hog herd is showing no signs of expansion as disease and input costs are prohibitive.
- U.S. beef cattle are structurally short supplies.

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