Monthly Commodity Futures Overview
September 18, 2026

Our Contributors…

Grains
Mark Soderberg, Senior Grain Market Specialist,

Softs and Energy
Mark Bowman, Senior Global Market Analyst

Livestock
Chris Lehner, Senior Livestock Analyst

Stock Indices, Currencies, and Precious Metals
J.P. Steiner, Associate Economist

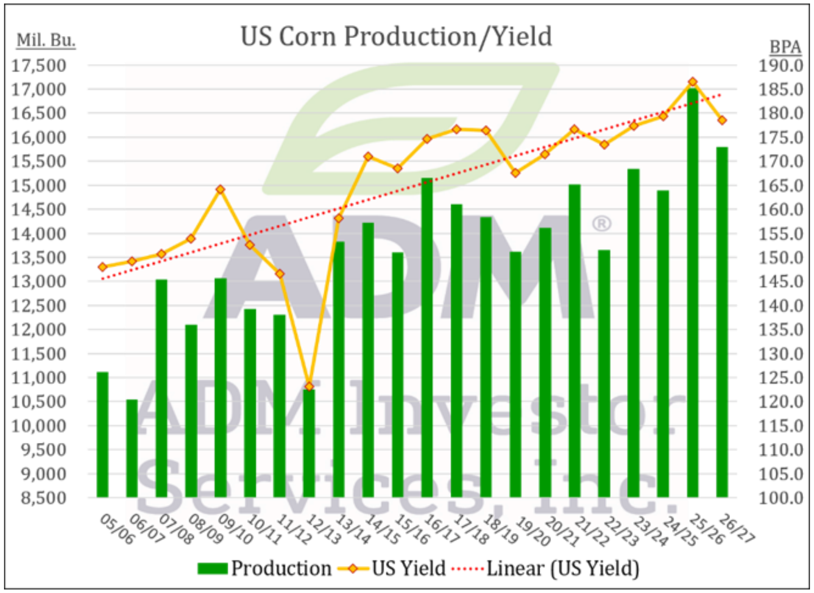
Grains - Corn

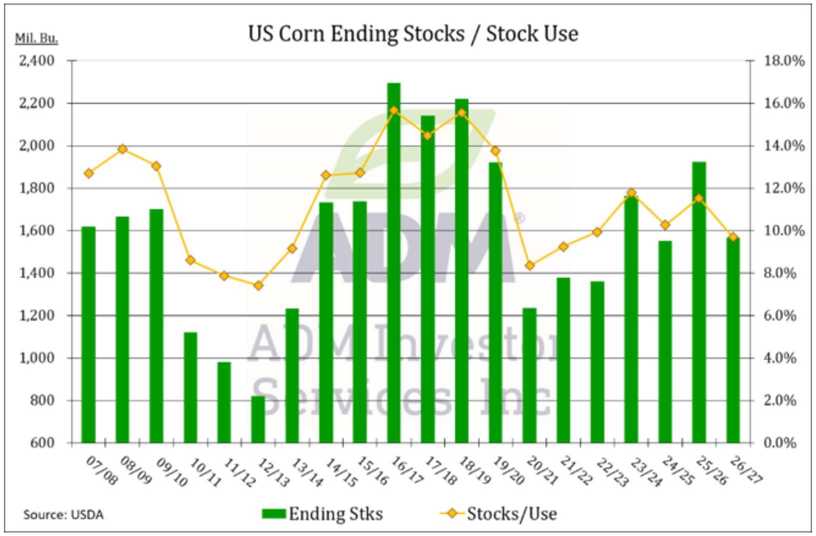
Fundamental Update

- In In the September WASDE report, US 2025/26 corn ending stocks were cut 22 million bushels to 1.922 billion, in line with expectations.
- 2026 US production cut 213 million bushels to 15.80 billion, in line with expectations.
- Harvested area down 86,000 acres to 88.506 million, while yields were cut by 2.2 bushels per acre to 178.5.
- New crop feed usage was lowered by 150 million bushels.
- US 2026/27 ending stocks were lowered 86 million bushels to 1.567 billion, 40 million above expectations.
- World 2026/27 stocks were cut by 2.5 million metric tons to 272 million, slightly above expectations.
- Brazil 2025/26 production was up another 1 million metric tons to 141 million.
- Brazil 2026/27 exports were cut 1 million metric tons, while usage for ethanol was raised 2 million.

Price Outlook

- 2025/26 average farm price left unchanged at $4.15 per bushel, while 2026/27 was raised $0.30 to $4.80.
- Speculative buying has pushed the managed net long position to an all-time high just above 430,000 contracts.
- Potential Chinese buying, tighter US/global stocks, and potential weather threats from “super El Nino” raising price floor above $4.75.
- Once more certain with US production, the market’s focus will shift to South American weather.
- Expected range for December Corn: $4.90-$5.65.





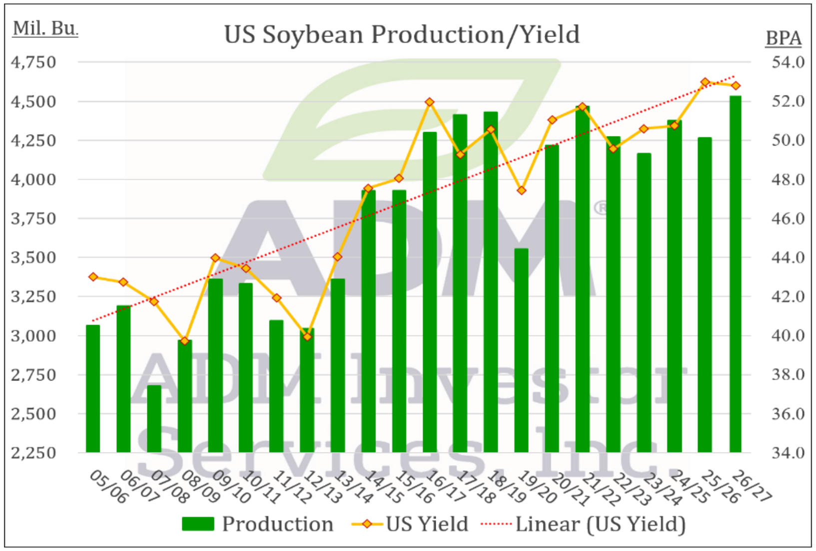
Soybeans

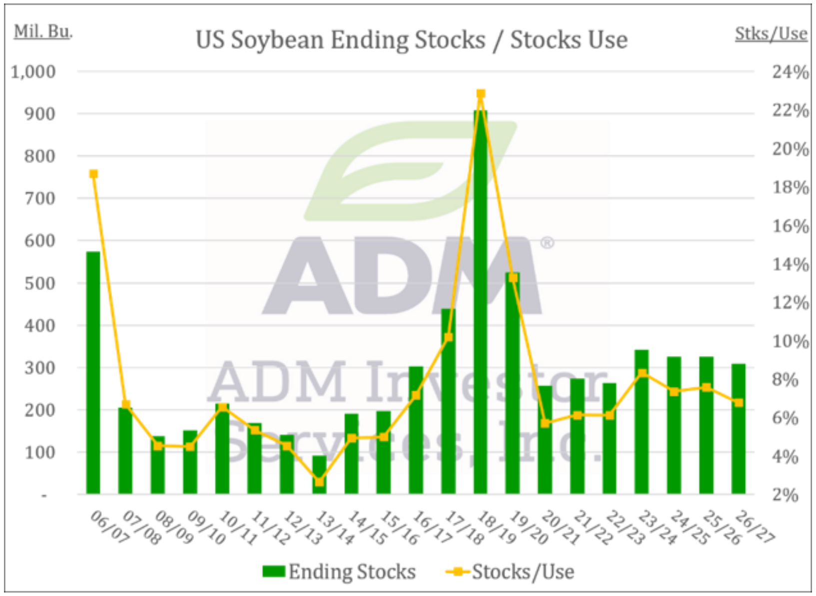
Fundamental Update

- In the September WASDE report, US 2025/26 soybean ending stocks were left unchanged at 325 million bushels, 10 million above trade expectations.
- Higher domestic meal usage was offset by higher imports.
- 2026 US production was up 16 million bushels to a record 4.535 billion, 35 million above expectations.
- Harvested area was up 100,000 acres to 85.881 million, with average yield raised 0.1 bushels per acre to 52.8.
- New crop exports were up 25 million bushels to 1.685 billion .
- 2026/27 US ending stocks were lowered 10 million bushels to 310 million, 10 million above expectations.
- 2026/27 global ending stocks little changed at 124 million metric tons, in line with expectations.
- Chinese import and South American production forecasts all left unchanged.
- Chinese purchases of US beans likely more than 13 million metric tons ahead of Trump/Xi summit.

Price Outlook

- 2025/26 average farm price was up $0.10 to $10.50 per bushel, and the 2026/27 price was up $0.60 to $12.00.
- Chinese buying, record US crush, slowing acreage expansion in Brazil, and potential weather threats from “super El Nino” raising price floor above $12.50.
- Record speculative length in soybean complex at over 527,000 contracts may limit upside in the near-term.
- Expected range for November Soybeans: $12.65-$13.75.





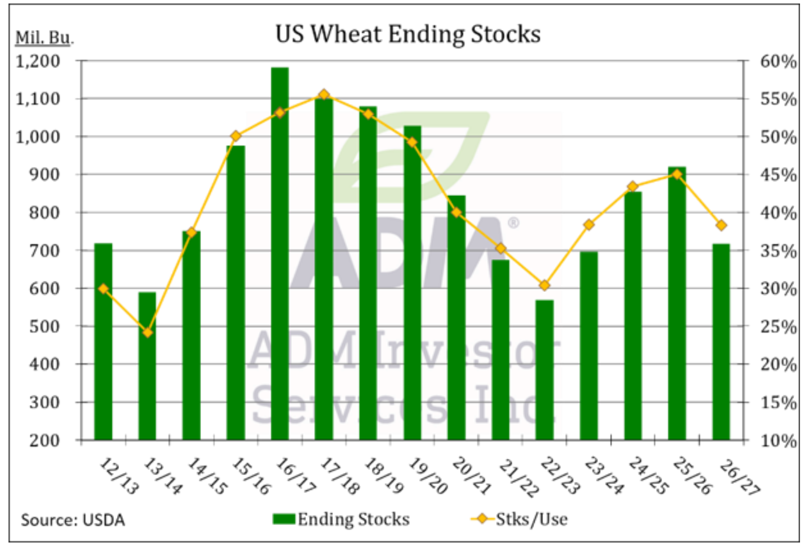
Wheat

Fundamental Update

- In the September WASDE report, US 2026/27 all-wheat ending stocks were left unchanged at 717 million bushels, in line with expectations.
- US production will be updated on September 30th.
- Shifting exports sent HRW stocks up 15 million bushels, SRW up 5 million, and white wheat down 20 million.
- World 2026/27 ending stocks were up 3 million metric tons to 276 million versus expectations for no change.
- Australian production up 3 million metric tons, Canada up 1 million, Argentina up 0.5 million, and Ukraine up 0.6 million.
- Russian exports down 3 million metric tons and Ukraine down 1 million nearly offset by Canada and Australia up 1.5 million each.
- Ukraine/Russian war continues to prevent grain shipments from the Black Sea.

Price Outlook

- 2026/27 average US farm price up $0.20 to $6.40 per bushel.
- Global importers are shifting away from Black Sea to more expensive supplies.
- Low interior prices in Ukraine/Russia may trigger lower planted acres this fall.
- The speculative net long position across the three classes peaked at nearly 86,000 contracts, the highest since May 2022.
- US spring wheat harvest nearing completion, while winter wheat plantings have been slowed due to dryness in the southern plains.
- December CGO futures range $6.75-$7.85, December KC futures range $7.50-$8.65.



USDA Office of the Chief Economist
United States Department of Agriculture

World Wheat Production

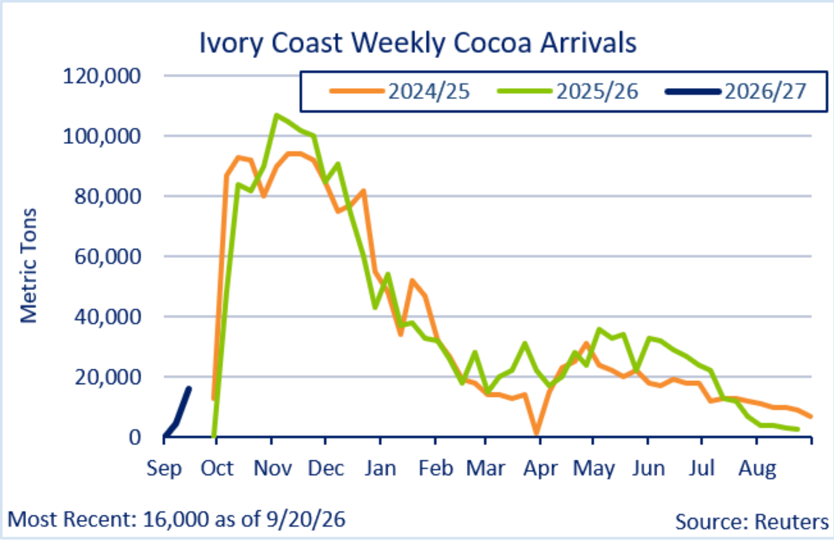
Country or Region	2025/2026 estimate	2026/2027 forecast	Change from August 12	Change from 2025/2026
		---------------- Million Tons ----------------		
World	844.0	822.4	3.1	-21.6
United States	54.0	41.7	--	-12.4
Foreign	790.0	780.8	3.1	-9.2
Argentina	27.9	21.5	0.5	-6.4
Canada	40.6	36.0	1.0	-4.6
Australia	36.0	31.0	3.0	-5.0
European Union	145.1	133.8	-0.4	-11.3
Turkey	16.8	22.5	--	5.7
Russia	90.3	88.0	-0.5	-2.3
Ukraine	24.1	26.0	0.6	1.9
Kazakhstan	19.3	15.0	-1.0	-4.3
China	140.1	141.0	--	0.9
India	117.9	121.0	--	3.1
Northwest Africa	8.0	12.9	--	4.9

-- No change.

September 11, 2026

Cocoa

- December Cocoa reached its highest level in 11 months on August 31 and then proceeded to drop 23% in value in just three weeks.
- Concerns about a dry spell in West Africa (egged on by talk of a "super El Nino ") faded as rains started to reach the region.
- Ivory Coast has established a new marketing system this year to meet EU reporting requirements for anti-deforestation regulations. As a result, they started their marketing year on September 1 rather than their usual date of October 1. As of September 20 some 20,500 metric tons were estimated to have arrived, which is about half of the arrivals for the first two weeks in October last year, but that is understandable.
- An uncertain global outlook could reduce cocoa consumption, as confectioners reducing the amount of chocolate their products, a trend that started when prices reached $13,000 per ton in 2024.
- There are also concerns that the runup will reduce third quarter consumption. European, North American, and Asia grind stats are due to be released on October 15.
- The global cocoa crop is not out of the woods year with regards to El Nino. The phenomenon is expected to reach a peak in November and last into February. This could reduce rainfall for balance of the rainy season in West Africa, which could have an adverse effect on this year's main crop, and it could also make the upcoming dry season more severe than normal.
- Indonesia is already experiencing extreme drought due to El Nino, which damages their cocoa production prospects. They are the sixth largest producer in the world at roughly 200 metric tons versus 1.6 million for Ivory Coast, 600 million for Ghana and 570 million for Ecuador.
- The rally this summer took nearby cocoa to the 0.382 retracement of the selloff from the all-time high, an important resistance level.



Weekly Nearby NY Cocoa

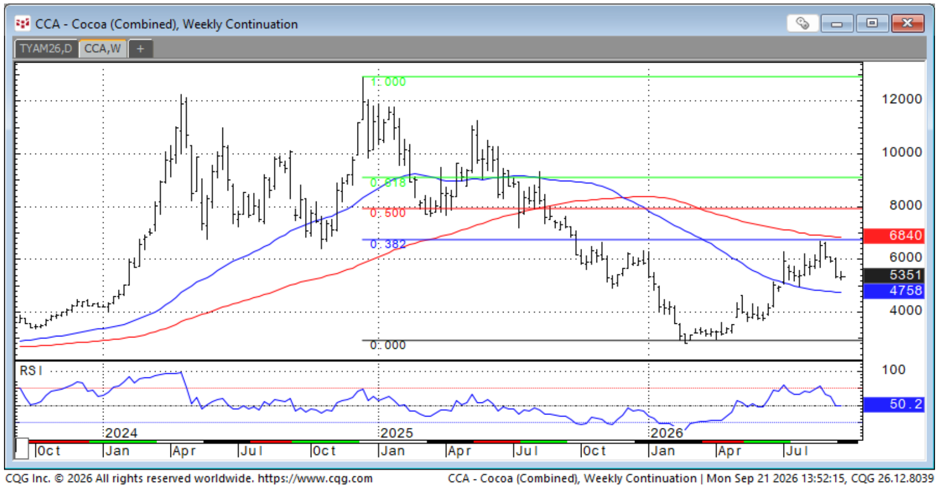


Chart Source: CQG

Coffee

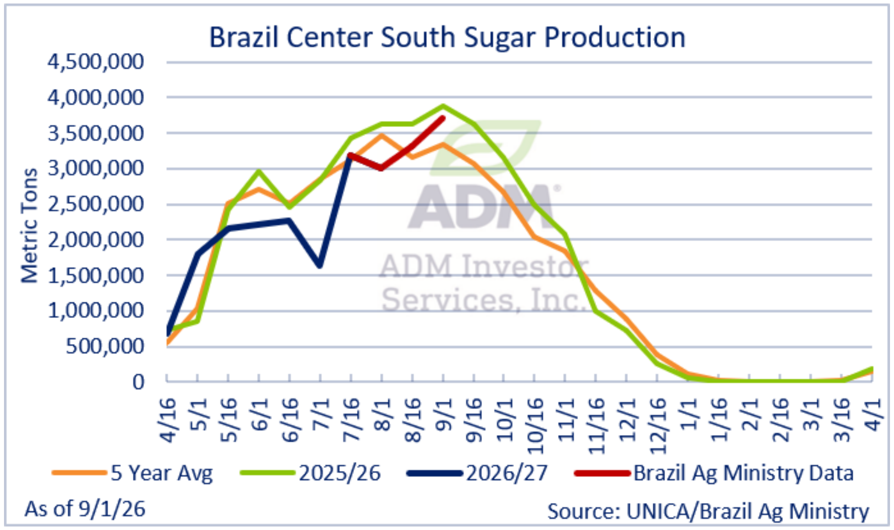
- December Coffee came close to contract highs in late August on a peak of concern over the slow harvest pace from Brazil, but then a revision of estimated exports changed the picture in a heartbeat.
- The market turned technically bearish it failed to take out contract highs from September 2025, which ushered in a round of profit taking.
- The market also experienced a fundamental turnaround after the Brazilian exporters association Cecafé corrected the coffee shipment data on its website. The site had been showing cumulative totals for export registrations running 22.5% behind last July, but they later corrected the data to show export licenses were up 20.5% as of August 26, thus turning the outlook suddenly bearish.
- Brazil's 2027/28 crop is getting off to a strong start, with early flowering following unusually high rainfall. Favorable weather is still needed to ensure development, and there is a risk of quality problems or that El Nino leads to severe heat and or bacterial and fungal disease.
- Exchange stocks have finally started to recover after falling to 26 year lows.
- As of September 18 ICE certified arabica stocks had reached 258,415 bags, their highest since August 3 after increasing by 40,769 bags in just three sessions.
- El Niño has brought extremely dry conditions to key robusta grower Indonesia, raising concerns about their crop, but Vietnam, the world's largest robusta producer has seen decent moisture levels.

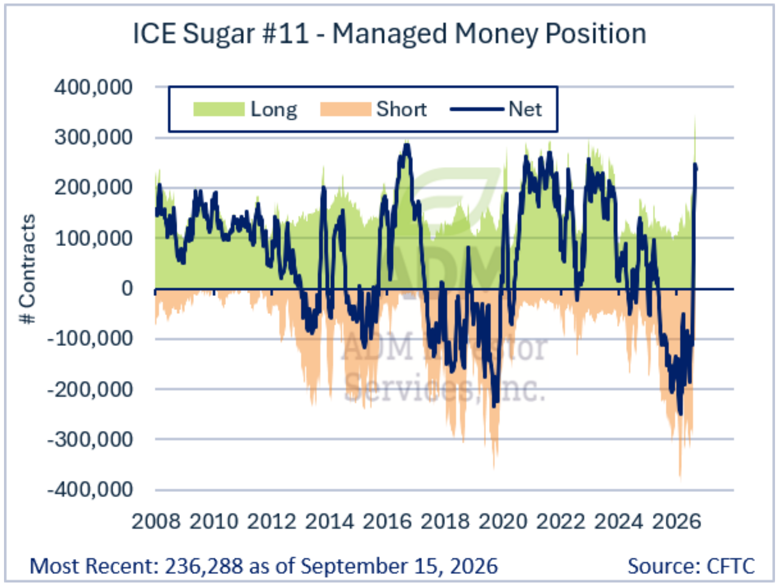
Daily December NY Coffee

Chart Source: CQG

Sugar

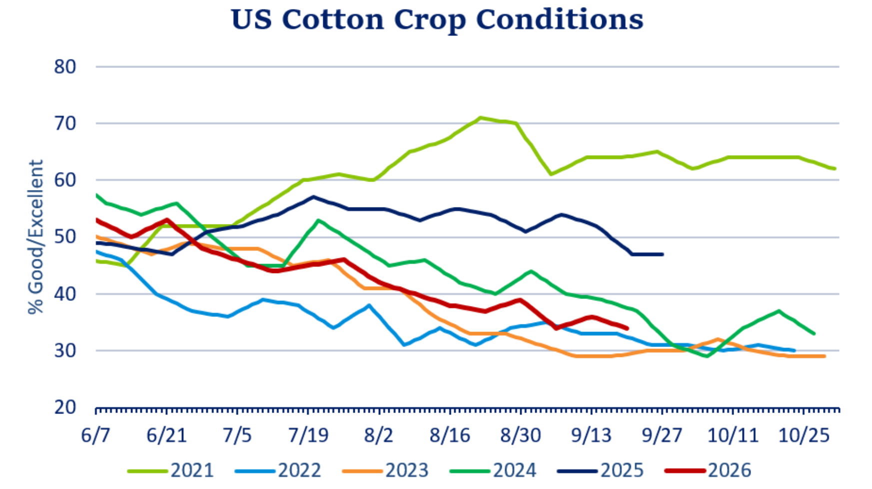
- The sugar market faces a lineup of bullish fundamentals from lower production for key global producers, but the funds have a large net long position, which leaves the market vulnerable to heavy selling if support levels are taken out.
- The European beet crop, especially in France, was hit by extreme heat and drought this summer, and this was on top of lower plantings.
- India has seen an uneven monsoon, and lower production expected.
- The Indian government has allows 1 million metric tons of imports this year after domestic refined prices reached all-time highs in advance of their festival season.
- Thai production expected to be down, primarily due to growers switching to more lucrative cassava.
- Brazil Agriculture Ministry data showed center-south sugar production for the second half of August was 3.72 million metric tons, down 4.8% in from the same period last year. Cane crushing was up 3.3% from a year ago, and ethanol production (cane and corn-based) was up 3.5%. Crushing for ethanol remains firm, a trend that started about a year ago.
- The Commitments of Traders Report for the week ending September 15 showed managed money traders were net long 236,288 contracts, which is in the vicinity of the all-time high of 286,000 contracts from 2016.



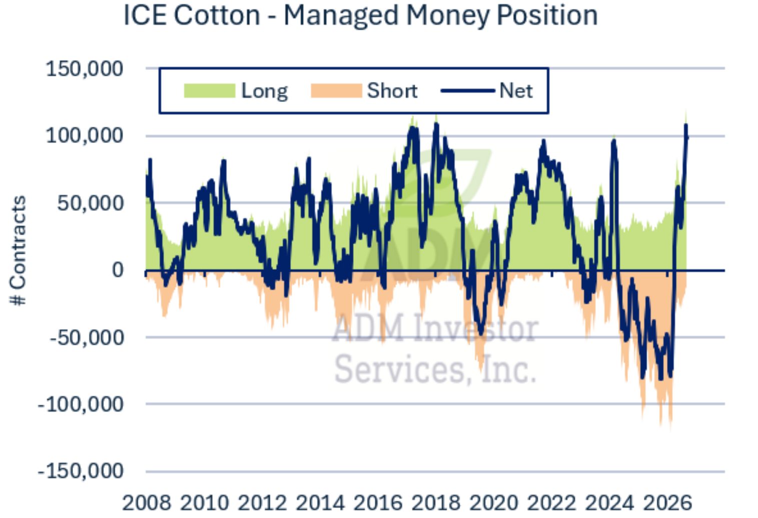


Cotton

- US cotton crop conditions are dicey, especially in Texas, the largest producing state in the nation, but a record fund net long position sparked a steep selloff when the weekly conditions report showed a modest improvement in late August.
- Crop conditions have been wavering back and forth the last few weeks, but overall they are not very good. As of September 20, 34% of the US crop was rated good/excellent versus 47% at a year prior and a five-year average of 42%. Texas was 15% G/E versus a five-year average of 30%.
- There were 65% with bolls open versus a five-year average of 58%.
- It is too late in the season for rain to help the crop. Instead, heavy rains could cause quality issues if they fall on open bolls.
- The slow pace of export sales continues to worry the bulls, as does recent strength in the dollar. Weekly sales were below year ago and five-year average levels for four straight weeks through September 10. Cumulative sales for 2027/28 had reached 39% of the USDA forecast versus a five-year average of 48% for that point in the marketing year.
- The September USDA WASDE report showed US 2026/27 cotton production at 13.20 million bales versus an average trade expectation of 13.19 million and 13.61 million in the August update.
- Average yield was lowered to 776 pounds per acre versus 798 in August.
- Ending stocks were 3.60 million bales versus 3.79 million expected and 4.00 million in August.
- This put the stocks/use ratio at 26.1% versus 28.8% in August, 30.1% last year, and a five-year average of 28.5%.
- Commitments of Traders data showed managed money traders were net long 97,903 contracts as of September 15, down from 107,976 two weeks before but still very large.



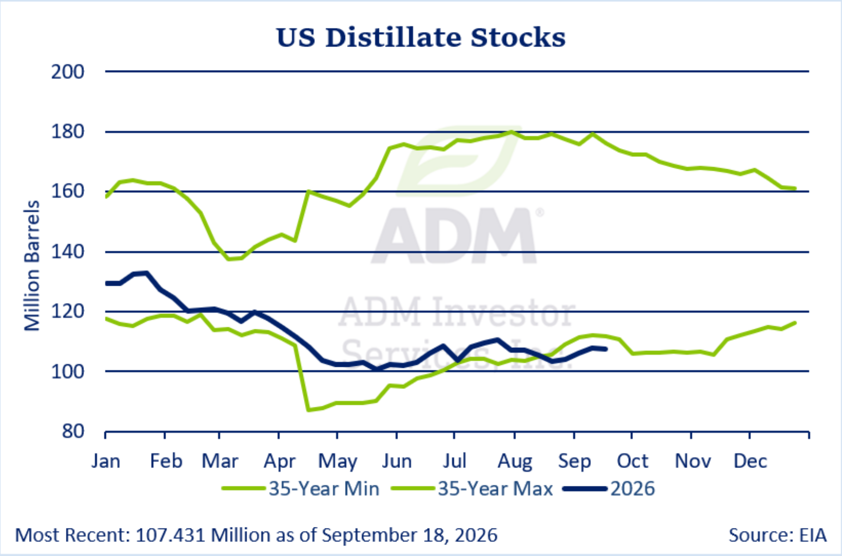
Most Recent: 34% Good/Excellent as of September 20, 2026 Source: USDA

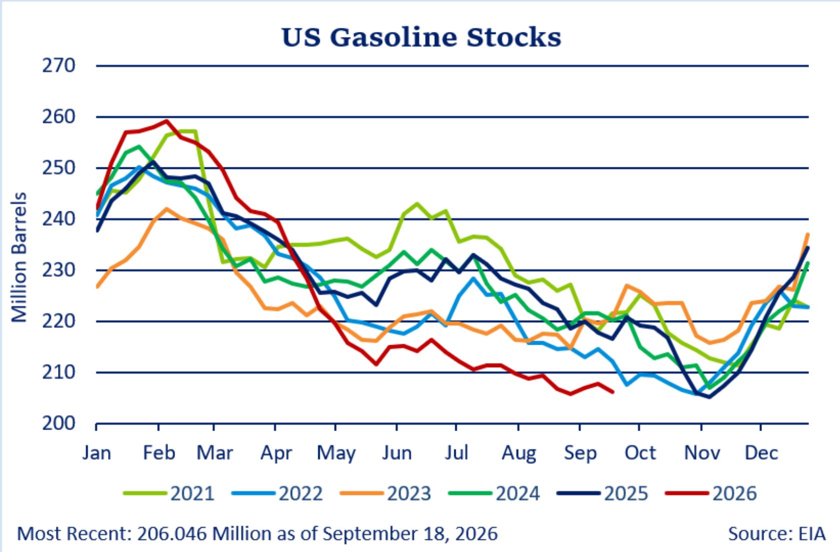


Most Recent: 97,903 as of September 15, 2026 Source: CFTC

Crude Oil

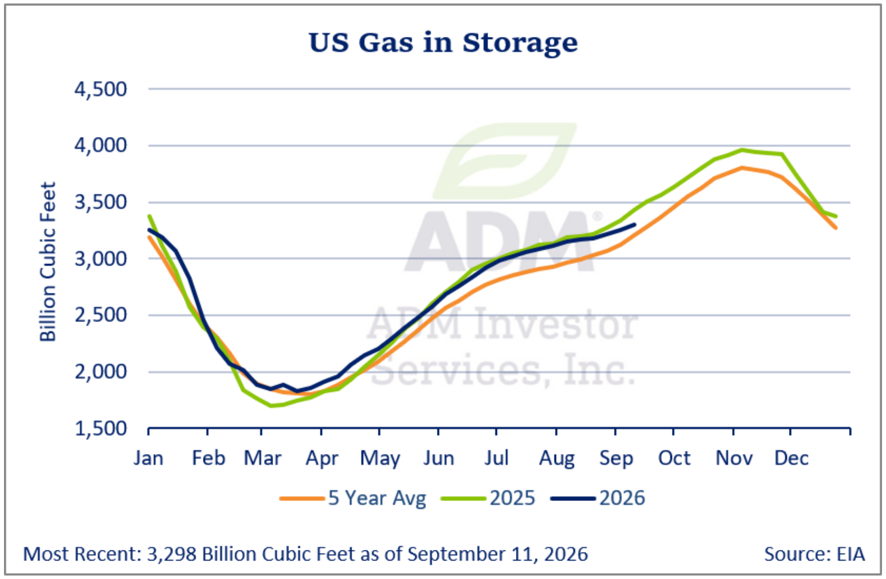
- When Iran closed the Strait of Hormuz this spring, Saudi Arabia started diverting more oil via pipeline to the Red Sea via the East-West pipeline.
- Iran-backed Houthi rebel in Yemen attacked ships traveling through the Bab-al-Mandeb Straight, interrupting shipping and reducing flows out of the Red Sea into the Indian Ocean. The Houthis upped their game in September, gaining control over more lands around the Bab-al Mandeb. The same week, militants in Iraq sympathetic to Iran launched an attack on the East-West Pipeline forcing a temporary shutdown and stopping the flows to the Red Sea.
- There are also indications that despite all the blockages, a fair amount of oil is still making it out of the Persian Gulf. Ship-to-ship transfers of oil outside the Strait of Hormuz are estimated around 2.4 million barrels per day for September, up from 1.4 million in August and 730,000 in July. Total exports through the strait are estimated at 6.1 million bpd, up from 4.4 million in August, 5.3 million in July and just shy of the 6.2 million in June, which was the peak since the war started at the beginning of March. (In February, exports were 16.0 million bpd.) (Data according to Reuters, LSEG, and Kpler.)
- The possibility of some sort of peace agreement resurfaced in September when Iran offered to reopen the strait within seven days if the United States were to take initial steps toward easing military pressure, including an end to the US blockade of Iranian ports. That proposal coincided with the meeting of the UN General Assembly where representatives of the US and Iran met to talk about reestablishing peace proposals.
- US product supplies, especially distillates are historically tight owing to the Iran war, the Russia/Ukraine war, and record exports from the US.

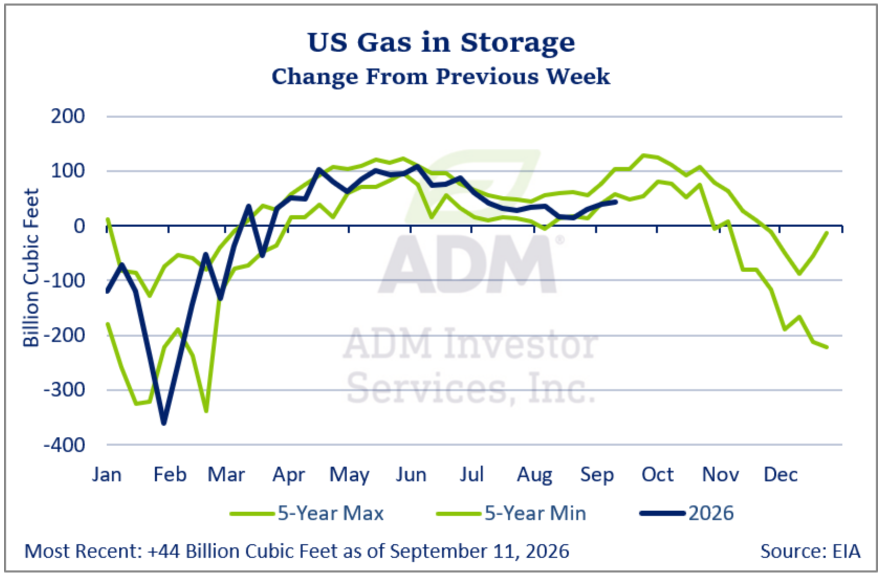




Natural Gas

- US natural gas in storage is above the five year average but below a year ago. As of September 11, US gas in storage was -3.9% from a year ago and 2.9% above the five-year average.
- The warmest summer on record supported cooling demand and helped limit US storage builds despite record US production.
- Above normal temperatures in the forecast through October 7 across the US lower 48 states will help support cooling demand in the south, but as the season move on, those above normal temperatures also mean lower heating demand, especially in the north.
- LNG export demand remains firm and helps offset higher production.
- As of mid-September, average gas output in the US Lower 48 states has risen to 113.0 billion cubic feet per day (bcfd) up from a record of 112.2 bcfd in August, while average gas flows to the nine big US LNG export plants had risen to 18.0 bcfd from 17.2 bcfd in August.





Live Cattle

- Bearish news slammed the cattle market in August. On August 21 President Trump announced tariff-free beef imports of 300,000 metric tons for 90 days. The following Monday the US reopened the border for Mexican cattle, lifting the quarantine from the New World Screwworm. The market was also absorbing news on August 13 that Tyson Foods was closing two beef facilities and selling another and an August 21 Cattle on Feed Report showing the on feed up 2% from the a year earlier.
- At the time of President Trump's import announcement, US beef imports for 2026 were already up 14% 2025. The additional imports are believed to be from Brazil and Argentina.
- On August 21 the choice boxed beef cutout was valued at $385.69/cwt, with the select cutout at $361.32. By September 18, choice had fallen to $371.33 and select $353.70. The cuts most affected have been chucks, rounds, flanks and plates, which are the the ones that go to grinders. Choice rib sections have kept the cutout value from falling even more, gaining more than $25 due to buyers storing for the peak demand period-from Thanksgiving through New Years, when 70% of rib primals are used.
- Feeder cattle started crossing the border from Mexico on August 24 at roughly 700/day, increasing to 900/day in the second week and ultimately reaching 1300/day. The avearage weight of imported feeders prior to the quarantine was 700 pounds. If that is still the case and these cattle are fed to around 1400 or 1500 pounds, they should start to affect cattle slaughter in the first quarter of 2027.
- The September Cattle on Feed Report showed on-feed up 1% from 2025, with August placements down 9% and marketings down 3%.

Daily December Live Cattle

Chart Source: ESignal Interactive

Lean Hogs

- Hog and pork prices have been under pressure despite cumulative US federal hog slaughter as of September being down 937,249 head from the same period in 2025.
- One reason is increased competiton with imported ground beef.
- USDA Economic Research Service is forecasting US pork consumption to rise modestly in 2026, to 49.6 pounds per capita from 49.3 pounds in 2025.
- Consumers are buying more pork trimmings-based products and fewer cuts like pork roasts, chops, or hams.
- Increasing pork cold storage stocks are another indicator of slower demand.
- Lean hog futures are dominated by speculative traders, who trade inter- and intra-market spreads.
- Hog and pork prices posted by the USDA make up just 7%-10% of actual cash market trade. Instead, previously-contracted prices makeup most of the volume.
- The first half of 2026 showed US pork exports having a small gain of 2% relative to 2025, with Mexico the biggest buyer by far.

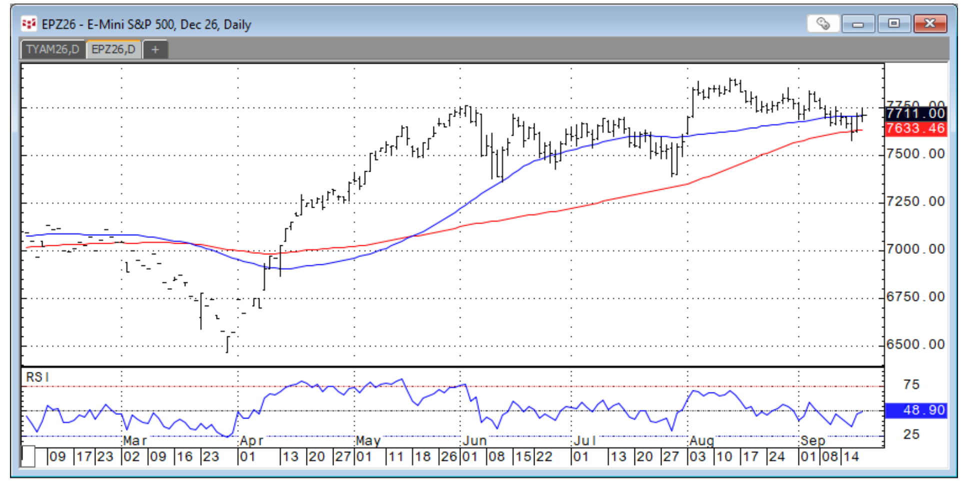
Daily December Lean Hogs

Chart Source: ESignal Interactive

Stock Index Futures

- Stock index futures have experienced downside action, as rate hike expectations and a rise in oil prices predominantly affected cyclical, financials and consumer facing blue chip names, yet volatility has been relatively low. From August 18 to September 17, the December S&P was -0.9%, the December Dow -2.9%, and the December Nasdaq -0.45%. Heavy pressure in the Dow came from investors rotating out of health care, consumer staples, consumer discretionary, industrials, and interest-rate-sensitive shares.
- The VIX continues to reflect one of the calmest periods in 2026, having closed at a 2026 low on August 14. It has closed lower only six times Since President Trump began his second term. Still, geopolitical risk remains in play as US-Iran strikes and renewed Houthi strikes on Saudi oil infrastructure has raised oil prices and added to upside inflation risks.
- The macro narrative has changed moderately from July. Inflation worries have not subsided after the August CPI report showed no meaningful progress on inflation, a factor that led the Fed to raise rates at their September meeting. Market expectations for a hike at the September meeting surged. Regardless, the overall picture for the equities remains supportive amid strong economic activity and favorable corporate earnings.
- On a cautionary note, September is historically volatile for equities, especially during an election season. A potential bond-vigilante revolt could offer some roadblocks as well, though stocks blinked when the 10-year yield hit 5%. For now, one or two Fed hikes appear tolerable if growth and earnings remain firm. The more adverse scenario would be if repeated tightening were found necessary, as that materially raises financing costs, and could slow corporate capital spending and interrupts the AI infrastructure buildout. In that scenario, weaker earnings expectations would compound the existing contraction in valuation multiples.

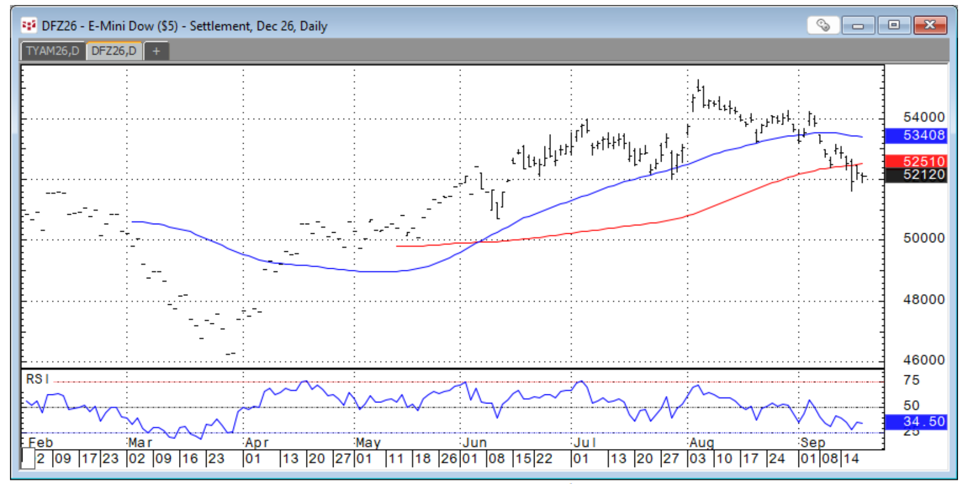
Daily December E-Mini S&P 500



 EPZ26 - E-Mini S&P 500, Dec 26, Daily | Fri Sep 18 2026 13:56:32, CQG 26.12.8039

Chart Source: CQG

Daily December E-Mini Dow



 DFZ26 - E-Mini Dow ($5) - Settlement, Dec 26, Daily | Fri Sep 18 2026 13:57:41, CQG 26.12.8039

Chart Source: CQG

Currencies

- The US Dollar Index increased roughly 0.6% between August 18 and September 17, thanks to a resurgence in Fed tightening expectations and the subsequent rate increase. Core inflation still rests above the Fed's 2% target, and the market expects one more hike this year. Money markets are priced for an additional hike by December after the Fed's dot plot revealed most policymakers expect another increase. Fed policy expectations will continue to play an outsized role in dollar direction.
- The euro fell nearly 1% against the dollar between August 18 and September 17, as market expectations of Fed tightening outweighed a rate hike from the European Central Bank and bets for additional tightening ahead.
- As of September 17, markets were priced for around 37 bps of ECB tightening by year-end and 81 bps of total tightening over the next 12 months. President Lagarde has retained a hawkish bias, and the current inflation environment across the globe favors tighter policy as well. Second-round inflation effects from the initial surge in energy prices add potential for an additional hike by year-end.
- The yen gained roughly 1.9% between August 18 and September 17, as expectations of quicker tightening path from the Bank of Japan and a violent reversal of an overcrowded bearish-yen/carry-trade position strengthened the currency ahead of the BOJ's September rate decision.
- The BOJ raised rates to a 31-year high at 1.25%. Governor Ueda signaled the bank is now focused on a new phase of preventing inflation from running beyond target. However, the yen sold off after the decision was announced, as two policymakers dissented, and the message from Ueda was apparently not hawkish enough.
- A Reuters poll sees the BOJ hiking to 1.75% by Q2 2027, faster than previously expected. Investors began to speculate that Japanese institutions, mainly the $2 trillion government pension fund, could shift assets toward Japan, setting up further demand for the yen.

Daily US Dollar Index

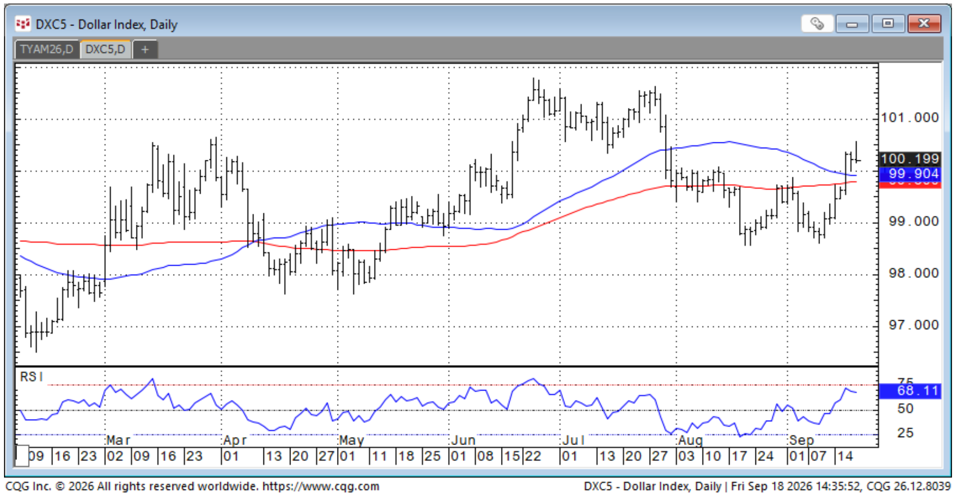


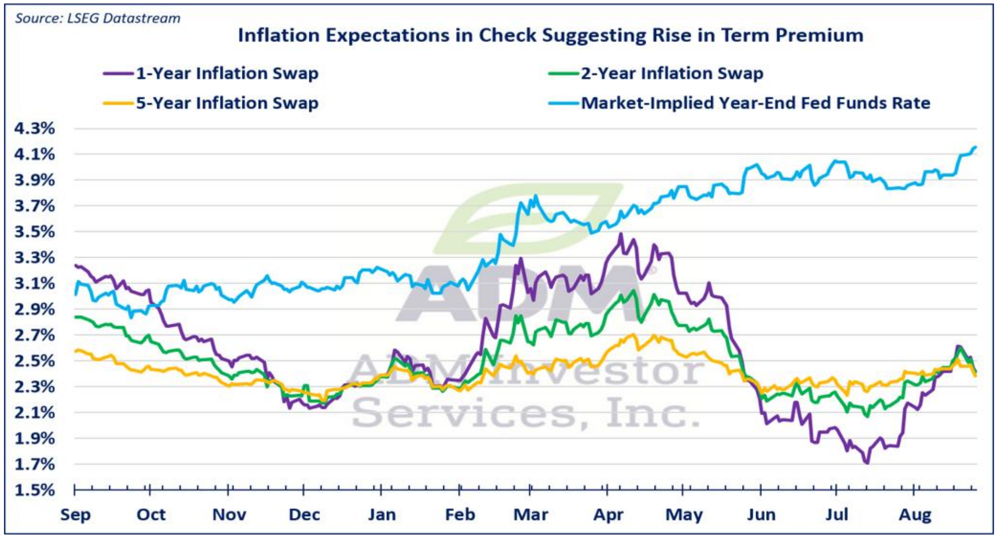
Chart Source: CQG

Daily December Japanese Yen

Chart Source: CQG

Interest Rates

- Corporate supply, government debt, and Fed rate hike expectations have driven yields higher were behind the increase in yields over the past month.
- Inflation expectations have remained anchored over the past few months.
- The Treasury Department's announcement that it would double the size of its buyback operations for longer-dated debt has led traders to test the department's ability to manage prices at the long end, which it has so far been unable to do.
- Long end Treasury yields are no longer at the mercy of Fed rate hike expectations or oil prices. Instead, focus remains on over the size of the US debt and ever-increasing supply.
- The vast amounts of corporate debt being issued to fund AI capital expenditure has created an environment where Treasury instruments will have to compete for investors, which is likely to continue to put upward pressure on yields.
- While many expected Fed Chair Warsh to hint at a one and done hike, his press conference led market participants to believe the bank is at the beginning of a new hike cycle. There are several takeaways to support this idea: 1) The unanimous 12-0 vote for the hike, 2) The dot-plot indicating d that most FOMC members expect to hike at least one more hike this year, 3) Warsh framing the hike as part of the bank's discipline and his mention of removing some accommodation, and 4) Warsh repeatedly framing the economy as stronger than expected.
- The monetary policy statement supported this interpretation by dropping July's language attributing elevated inflation partly to sector-specific supply shocks, including energy. Instead, it simply stated that inflation remains elevated and that the rate increase would support a more timely return to the 2% target, indicating the FOMC views inflation as broader and more persistent.

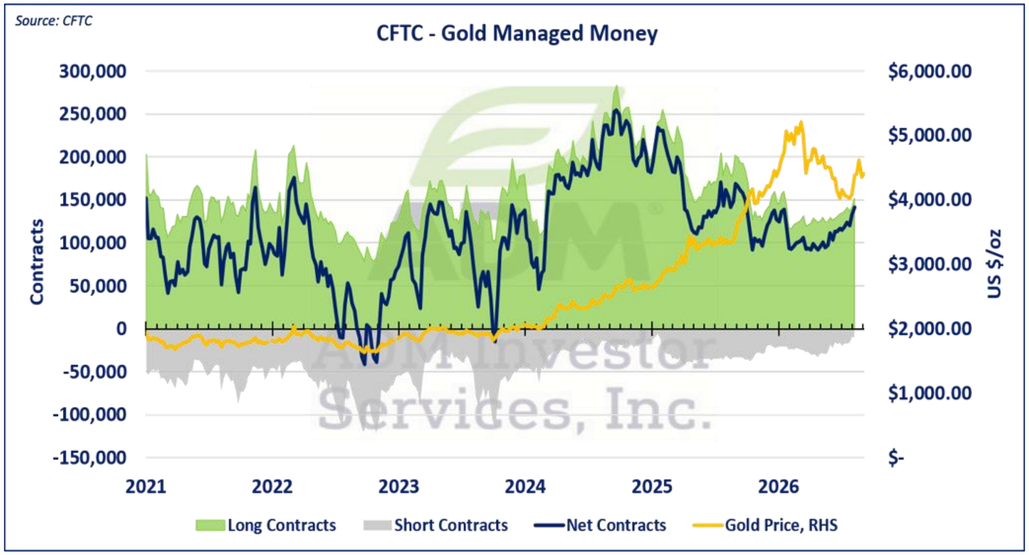


Daily December 10-Year Notes

Data Source: CQG

Gold

- December COMEX Gold fell roughly 0.5% from August 18 to September 17, as near-term Fed tightening expectations surged and real yields rose modestly. The dollar recovered recent losses during that period as well.
- The challenges gold has faced in recent months are still present, and the advent of a potential Fed tightening cycle presents downside risks.
- With core CPI at 2.4%, headline inflation running well over the Fed's 2% target, and the Fed's recent hike, the market has priced in significantly more Fed tightening than it did in August.
- Gold is still trading as a pure macro asset, with a relatively tight inverse relationship to the dollar and US 2-Year yields.
- Gold's near-term path is likely to be dictated by the trajectory of dollar and short-term yields, as traders await further clarity on the Fed's course of action.
- A sustained recovery probably requires either softer inflation expectations, lower yields, or a renewed bout of growth anxiety that revives safe-haven demand.



Daily December Gold

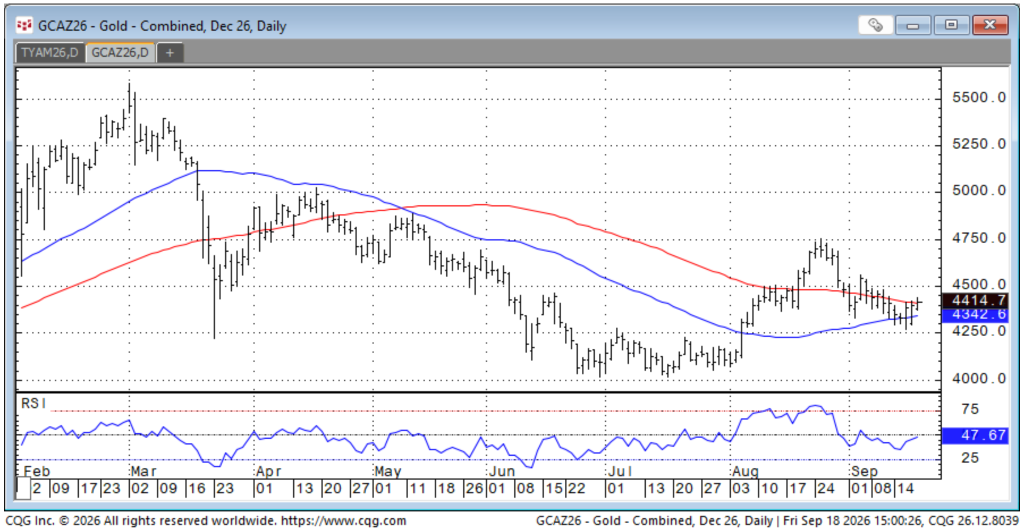
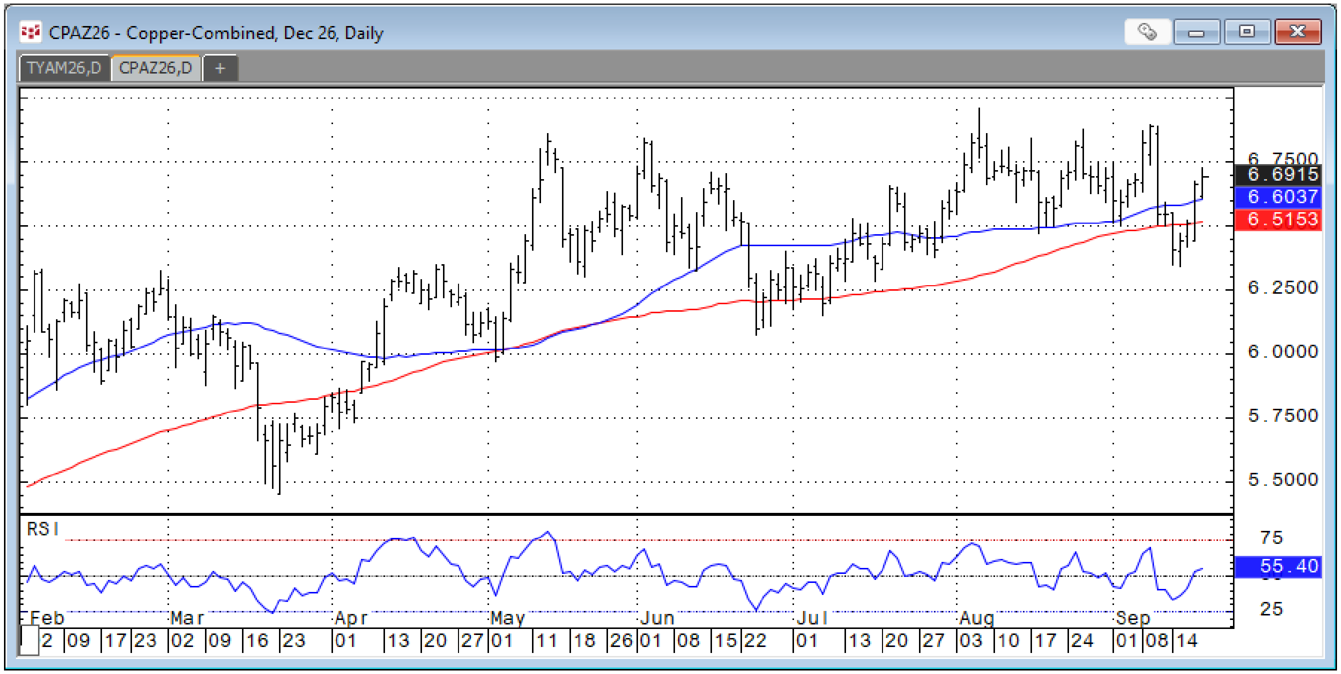


Chart Source: CQG

Copper

- COMEX copper futures prices rose roughly 2% on volatile two-sided trade from August 18 to September 17, and cash LME prices touched record highs in September on worries over lower LME inventory, shipments to the US amid expectations of US tariffs, and broad demand for AI infrastructure and energy transition.
- Supply worries continue, as warehouse inventory is shipped to the US. The LME cash contract is no longer trading at a premium to the three-month benchmark, as some copper has flowed back into the LME system. The premium was trading near $270 on August 18 and $545 on September 17.
- Available LME stocks are sitting near 140,000 metric tons, and COMEX stocks are sitting at more than 670,000 tons.
- The lack of transit through the Strait of Hormuz has disrupted global sulfur supply, as Gulf countries account for a significant share. This has raised copper processing costs and threatened global SX-EW copper production. China's ban on sulfuric acid exports beginning May 1, aimed at protecting domestic supply, is estimated to jeopardize up to 200,000 tons of Chilean production, approximately 1% of global supply.

Daily December COMEX Copper



CPAZ26 - Copper-Combined, Dec 26, Daily | Sun Sep 20 2026 11:31:10, CQG 26.12.8039

Chart Source: CQG

Support and Resistance

Grains	Support	Resistance
December Corn	$4.90	$5.65
November Soybeans	$12.65	$13.75
December Chicago Wheat	$6.75	$7.85
December KC Wheat	$7.50	$8.65

Softs		
December Cocoa	$4,500	$6,500
December Coffee	240.00	300.00
March Sugar	16.00	22.00
December Cotton	76.50	90.00

Energy		
November Crude Oil	$80.00	$120.00
November RBOB	$2.8000	$3.8000
November ULSD	$3.7300	$5.8500
November Natural Gas	$2.900	$3.500

Livestock		
December Live Cattle	$197.00	$230.50
December Lean Hogs	$67.50	$76.50

Stock Indices	Support	Resistance
December S&P 500	7,537.67	7,581.92
December Nasdaq	28,850.58	30,487.08
December Dow	51,103	53,329

Currencies		
December US Dollar Index	99.435	100.050
December Euro Currency	1.14532	1.15792
December Japanese Yen	0.0063938	0.0065153

Treasury		
December 30-Year T-Bond	105-20	109-09
December 10-Year T-Note	108-060	107-005
December 5-Year Note	103-187	104-280
December 2-Year Note	103-255	104-317

Metals		
December Gold	4,192.9	4,579.3
December Copper	6.5085	6.8580

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