

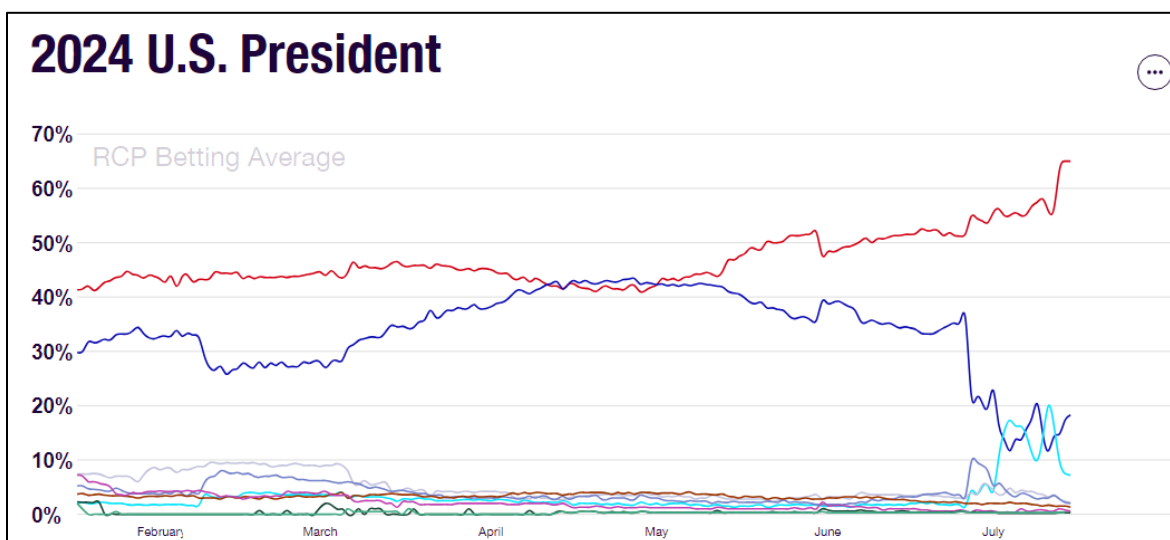
July 15, 2024

## Macroeconomic

There are several macroeconomic stories of interest. At the current moment there is no story larger than Saturday's assassination attempt on former president Donald Trump. The graph below shows the current betting odds for this year's presidential race, according to [RealClearPolitics](#). As the chart indicates, Trump's (red line) odds have significantly increased to a 65% likelihood of becoming the next president. The reason for showing this graph is not to comment on political matters, but to illustrate what market participants, across all sectors, must anticipate for their given market activity. Participants are wrestling with the following questions: how does domestic policy change with a new administration? What does trade involving foreign nations look like with a new president? These types of questions are currently being asked and certainly have been asked across the agriculture sector, especially as it pertains to future trade relations with China, as well as emerging domestic markets for agriculture (ex. SAF).

## Grains and Oilseeds

Grains and oilseeds markets have moved sharply lower recently. There are several factors to address for corn, soybeans, and wheat. To put it bluntly, there is ample supply of each commodity and that is playing a key role in driving prices lower. Production of the 2024/25 wheat crop is estimated north of 2 billion bushels, compared to 1.8 billion last year. Brazil and Argentina soybean production looks very strong yet again, at 169 and 51 million metric tons, respectfully. Lastly, despite the WASDE's sizable reduction in U.S. corn ending stocks, prices continue to move lower on the back of expectations of another strong U.S. harvest season.



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