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NOVEMBER EDITION

This monthly MarketMix highlights the latest WASDE report findings and what that means for you, your customers and your operation.

TOP TOPICS FOR NOVEMBER

- Government Reopens
- Record Milk Surge
- Consumer Sentiment Record-Low
- Feed Supplies Abundant

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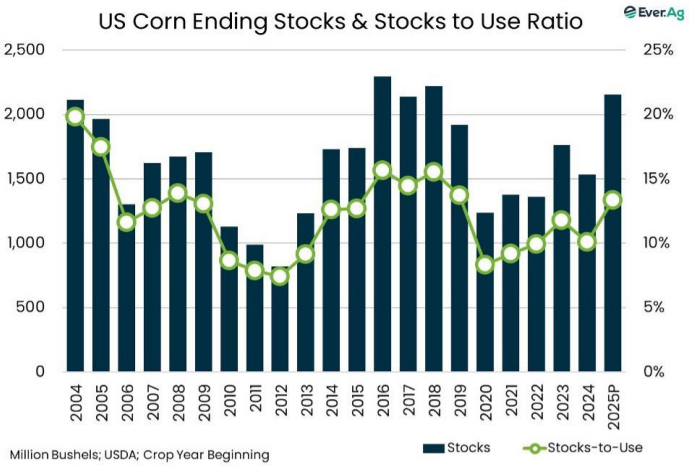
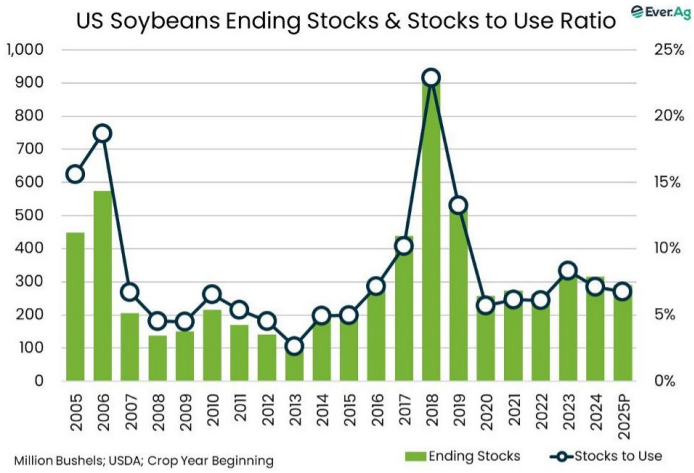
Like many things, export sales have been a guessing game during the government shutdown.

NOVEMBER *WASDE* UPDATE

November's delayed *World Agricultural Supply and Demand Estimates (WASDE)* report brought bearish news for corn markets. USDA trimmed corn yield to 186.0 bushels per acre, down from 186.7 in September but above expectations for 184.0 bushels per acre. That cut in yield reduced total production to 16.752 billion bushels, down 62 million bushels but ahead of the consensus call. However, USDA increased beginning stocks numbers by 207 million bushels, more than offsetting the lower output. The net result was US ending stocks climbed 44 million bushels from September and now sit at 2.154 billion bushels, above expectations. Even with reduced yield expectations, we expect big final production numbers when harvest is complete.





The report landed more neutral for soybeans. USDA also dropped soybean yield projections down to 53.0 bushels per acre, compared to 53.5 in September and expectations for 53.1. That lowered overall production by 48 million bushels to 4.253 billion bushels, compared to 4.301 billion in September and below expectations. US ending stocks came in at 121.99 million metric tons, compared to 123.99 million in September and below analyst expectations. Though a tighter balance sheet would normally offer price support, the market is already trending higher, so this data may do little to move the needle.

Global corn ending stocks fell slightly from September and sit at 281.34 million metric tons, below expectations. Global soybean stocks were also below expectations, with 121.99 million metric tons compared to 123.99 in September.

NOVEMBER *WASDE* UPDATE CONTINUED

Futures responded with immediate moves lower across all grain and feed commodities. The bearish tone held throughout the remaining two hours of trade despite relatively small changes to overall ending stocks' numbers.

December corn finished the day down about 11 cents per bushel at $4.3025, less than a penny from the low trade of the day. December soybean meal closed at $322.50, down almost $6.00 per ton and just $1.00 off its low for the session. January soybeans had a final print of $11.2450, down $0.2250 and erasing nearly all the gains from the week.

USDA WASDE Report: November

2025-2026 US Production Estimates (Billion Bushels)			
	Corn	Soybeans	Wheat
November	16.752	4.253	
Consensus	16.557	4.266	
Range	16.362-16.751	4.152-4.336	
September	16.814	4.301	
2025-2026 US Yield Estimates (Bushels Per Acre)			
	Corn	Soybeans	Wheat
November	186.0	53.0	
Consensus	184	53.1	
Range	181.7-186.0	51.7-54.0	
September	186.7	53.5	

2025-2026 US Ending Stocks (Billion Bushels)			
	Corn	Soybeans	Wheat
November	2.154	0.290	0.901
Consensus	2.136	0.304	0.867
Range	1.944-2.470	0.187-0.494	0.835-0.905
September	2.110	0.300	0.844
2025-2026 World Ending Stocks (Million Metric Tons)			
	Corn	Soybeans	Wheat
November	281.34	121.99	271.43
Consensus	282.75	124.21	266.13
Range	277.2-293.0	122.5-126.0	264.0-270.2
September	281.40	123.99	264.06

Fast Facts:

- WASDE Report

EXPORT EXPECTATIONS

Like many things, export sales have been a guessing game during the government shutdown. The biggest export news followed President Trump's meeting with Chinese leaders, when Treasury Secretary Scott Bessent announced China's commitment to buy 12 million metric tons of soybeans from the US by the end of this year and 25 million metric tons annually the next three years.

However, details of this agreement have been sparse. Does this mean calendar year 2025? Or the end of the marketing year? The US soybean market still spiked at the prospect of sales to China, sending soybean futures more than 40 cents higher - above South American prices. So, instead of purchasing US beans, China booked 10 cargos from Brazil for this year and 10 for next spring.

Corn futures have been riding on the tail of soybeans to some extent, but remain somewhat stuck in the range they have been all summer. Prices for other commodities also rose in October and early November as distillers, soy hulls and other staple ingredients rallied on the back of soybean meal and corn futures over the last few weeks.

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Fast Facts:

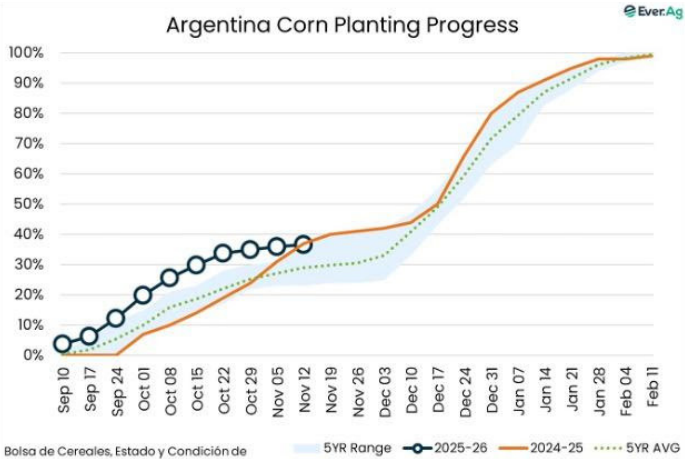
- China Stalls Purchases

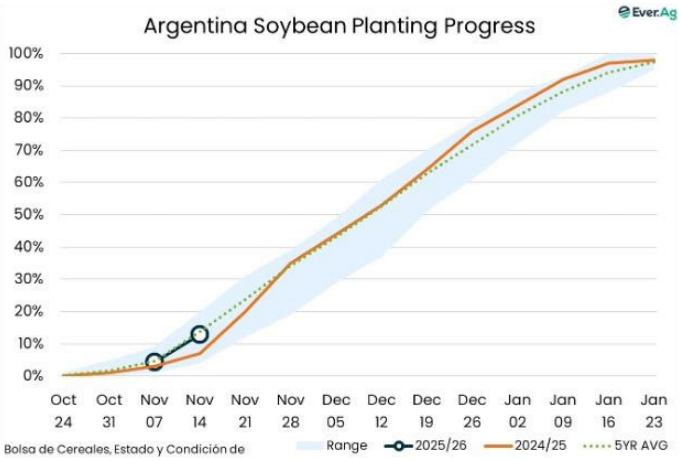
PROGRESS IN THE FIELDS

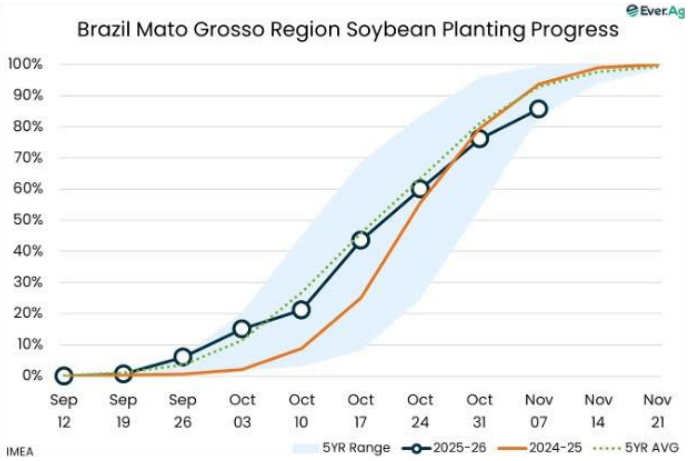
Both corn and soybeans are in the final stretch of harvest season, and many markets are seeing a slight tick higher in basis values as truck traffic slows. The recent futures rally has triggered some selling, but if seasonal trends hold true, cash values will remain steady until January.

Feed supplies should be abundant across much of the US. The exception is New York, where a wet spring delayed planting and negatively impacted the corn crop. Some of those dairies will need to pull alternative fiber sources – such as corn silage and soy hulls – from the Midwest, drawing down local supplies and elevating prices. Cottonseed price has been relatively stable recently, but with a smaller 2025 crop, supply will be tight and prices are likely to only go up.

Favorable weather kept planters rolling in South America. In Argentina, corn planting progress jumped ahead early, but recently slowed to even with the five-year average. Soybeans are also getting in the ground on pace with prior years. Soybean planting in Brazil is nearing 90% completion, near the bottom end of the five-year average this late in the season. While some of the crop is ahead of schedule, delays to the remaining acres could reduce future yields on the safrihna corn crop later in the growing season.







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Fast Facts:

- Brazil Reaps Record Crop

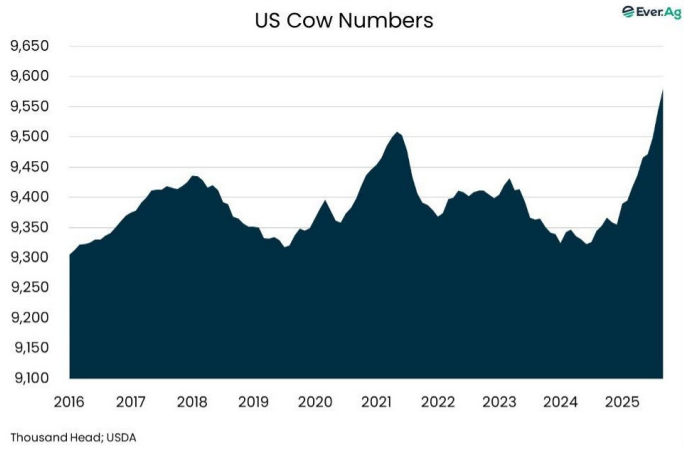
MILK PRODUCTION SURGES

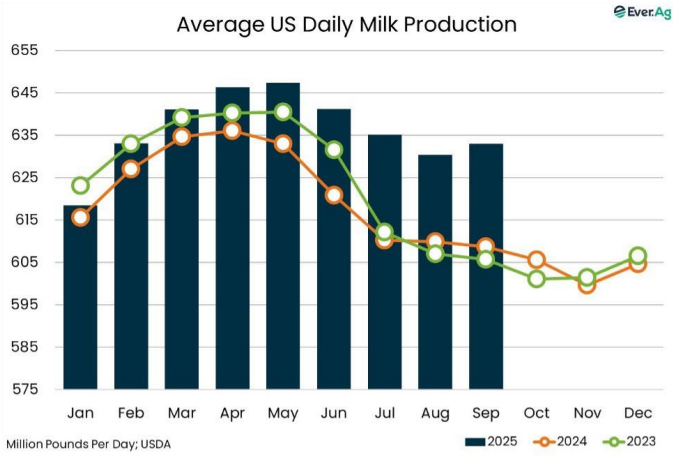
There's no shortage of milk in the US or around the world right now. USDA's delayed September Milk Production report showed a 4.0% year-over-year gain in milk output for the month. Production was up across the country in all major milksheds. Output rose 5.3% in the Southwest, +4.5% in the Northwest, +4.0% in the Northeast and +3.5% in the Midwest. California production was 2.4% higher compared to last September when avian influenza was just starting to spread across the state.
A major driver of more milk: Cow numbers surged in September by 40,000 head. August cow numbers were revised upward by 42,000 head as well, marking the two largest monthly increases since 2008. Through September, cow numbers are up 228,000 head compared to last year. The US dairy herd now sits at 9.581 million head, the biggest herd in more than 30 years.

Inexpensive and plentiful feed is keeping herds in growth mode. Beef sales are also adding valuable income, so there is incentive to keep cows around longer to carry dairy-beef calves. Live cattle and feeder cattle futures did retreat in early November on uncertainty about potential beef imports from Argentina, the possibility of relaxed tariffs on Brazil and talk about reopening the border to Mexican cattle. Beef demand is still strong, though, and supply remains tight. While producer reports indicate that prices for dairy-beef calves have softened slightly, income from calf and cull cow sales is still an important revenue stream for dairy producers, especially as milk prices slump.

Overseas, milk production growth in the European Union surprised most buyers. Output was up 2.9% year-over-year in August, and estimates for September reveal +4.3% growth. Contacts report above-average Fall production, and herds are not experiencing the typical seasonal declines. September data showed growth in several key dairy countries, including the Netherlands (+6.9%), France (+5.8%) and Germany (+5.0%). Good pasture conditions and favorable farm margins are helping drive production. Bluetongue virus infections across Europe in 2024 hurt milk output and conception rates, leading to delayed calving in 2025 and easier year-on-year comparisons. More milk and more components mean more cheese production in the European Union, which sent cheese prices there on a downward spiral. Now that European prices are close to or lower than US cheese prices, the US has lost the competitive edge that sent cheese exports soaring in 2025. This could spell trouble for US cheese prices, especially when domestic demand has not been impressive and cheese production continues to grow.

Whey continues to be a bright spot for dairy. Demand for high-protein whey in the form of whey protein concentrate or whey protein isolate is sky high. Recently, major companies like PepsiCo and Starbucks launched new protein-enhanced beverage options, further increasing consumer interest in dairy proteins. While high protein whey does not directly influence producer milk checks, strong whey prices support the Class III price. Every 1-cent gain in whey price translates to 6 cents of value in the Class III milk price.





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Fast Facts:
- Milk Production Report

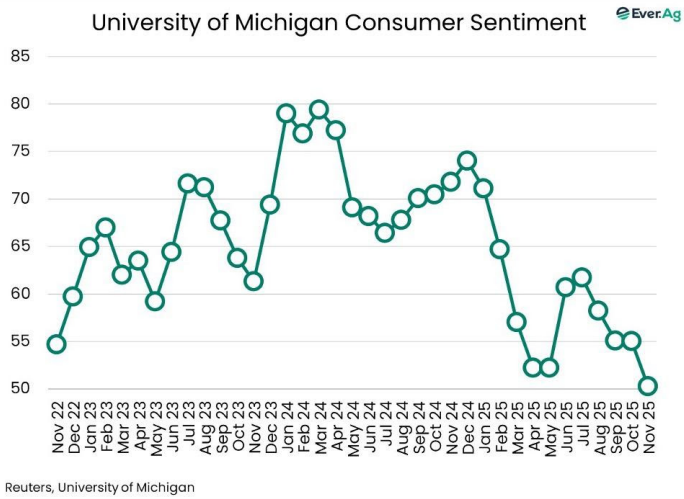
CONSUMER SENTIMENT

Delayed inflation data from the Bureau of Labor Statistics came in below expectations for September, but it was still up 0.3% month-over-month and 3.0% year-over-year.

This was the biggest year-over-year increase since mid-2024. The Food at Home Index was up 0.3% from the month before and up 2.7% compared to last September. Food Away from Home was up just 0.1% compared to August and +3.7% year-over-year, the lowest year-over-year comparison since January.

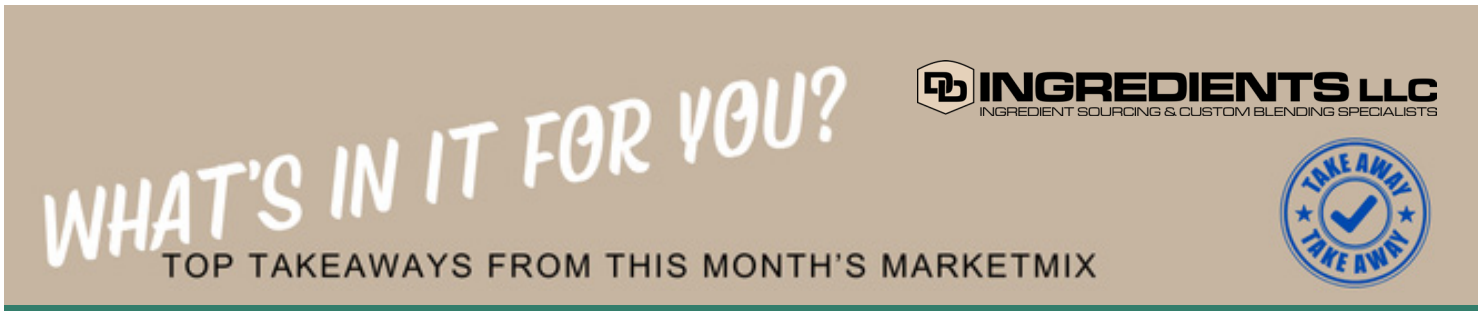
Tighter consumer budgets are still taking a toll on restaurant traffic. This includes pizza places, which are a big outlet for cheese use. While Domino's experienced positive same-store sales growth in Q3 (+5%), sales were down 7% year-over-year at Pizza Hut and nearly 3% for Papa Johns®.

Besides inflation, concerns about the government shutdown soured consumer sentiment in November. This month's preliminary reading in the University of Michigan Consumer Sentiment survey fell to 50.3, down from 53.6 in October and 71.8 from last November. This was the lowest reading since June 2022 and the second lowest reading since the survey began in 1978.



Fast Facts:

- **Consumer Sentiment Record Low**



WHAT DOES ALL THIS MEAN FOR YOU?

The Bottom Line

1. Consider alternative fiber sources
2. Whey is a bright spot for dairy farmers
3. Cow numbers surge
4. Ask how you can maximize efforts before the new year

MINTREX® Trace Minerals for Dairy

A balanced trace mineral program can help maximize herd performance and reduce ration cost. MINTREX® Bis-Chelated Trace Minerals are organic minerals bonded to methionine source HMTBa, making them more available and absorbable. More mineral absorbed by the cow means less mineral needs to go in the ration and less mineral is excreted into the environment.

Learn more by watching the MINTREX webinar.

If you would like to talk with a D&D Ingredients representative, please contact Pat Kahle at 517-260-8295 or Pat@DDIngredient.com.

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