

FWA DJ Global Commodities Roundup: Market Talk
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The latest Market Talks covering Commodities. Published exclusively on Dow Jones Newswires throughout the day.

1555 ET - Grains futures post increases across the board, led by a turnaround in wheat after four straight sessions of losses. "We are nearing the September first notice day when wheat often posts a bottom," says Jack Scoville of Price Futures Group. Most-active December wheat settles up 2%, at \$5.35 a bushel. Corn rises 1.6%, helped by a USDA report of a 127,760 ton private sale to Mexico of 2024/25 crop. Soybeans gain 0.6%. (anthony.harrup@wsj.com)

1536 ET - Treasury yields give up early gains and fell after a Conference Board report showed consumer confidence rising, but amid declining optimism about jobs. The perception that jobs will become harder to find is "likely putting a crimp on consumer spending in the coming months," LPL Financial's Jeffrey Roach says in a note. "We expect the Fed to be especially watchful over labor market conditions and could cut aggressively should conditions warrant," he says. No relevant data is coming tomorrow, but GDP, labor and inflation reports are due later this week. The 10-year yield settles 0.016 percentage point higher than yesterday at 3.832%, while the two-year falls 0.029 percentage point to 3.904%. (paulo.trevisani@wsj.com; @ptrevisani)

1529 ET - Cattle futures add to yesterday's gains and hogs rise as fears of an economic recession ease, which should be supportive for demand. "Futures already imply a significant drop in cash cattle prices over the next three to four months," says Rich Nelson of Allendale. "There should be some kind of lower pricing, the question is how much, especially given the light supply declines which are still going on into 2025," he says. Live cattle futures settle up 1.4% at \$1.7938 a pound. Lean hogs rise 2.1% to 82.075 cents a pound. (anthony.harrup@wsj.com)

1506 ET [Dow Jones]--U.S. natural-gas futures extend their losing streak to six sessions on continuing concerns about the large storage surplus. Record high temperatures in the upper Midwest should drive strong power-sector demand, which would be a major bullish factor if it were June, BOK Financial's Dennis Kissler says in a note. "However, occurring in late August it becomes a non-starter as most traders know in two to three weeks it will become jacket weather in Chicago." Storage at 12.6% above the five-year average "remains the pressure point for prices," he adds. Nymex natural gas for September, which expires Wednesday, settles down 2.7% at \$1.904/mmBtu. (anthony.harrup@wsj.com)

1501 ET - Crude futures roll back most of the previous session's geopolitically driven gains to snap a three-session rally. "Israel's pre-emptive strike on Hezbollah positions in Lebanon on Sunday appears to have largely thwarted a retaliation by Hezbollah for the 30 July assassination of

Fuad Shukr - for now," says Benjamin Hoff, global head of commodity research at Societe Generale in a note. "WTI positioning remains more bullish than that of Brent positioning, reflecting the relatively bullish supply situation, notably for light sweet crudes, in North America." The EIA's weekly inventories report is expected to show crude stocks falling by 2.1 million barrels, which would be an eighth decline in nine weeks, according to a Wall Street Journal survey of analysts. WTI settles down 2.4% at \$75.53 a barrel, and Brent falls 2.3% to \$79.55 a barrel. (anthony.harrup@wsj.com)

1441 ET - Campbell Soup's sale of its Pop Secret popcorn brand to snack company Our Home could become a single transaction in a larger trend. "Over the coming months, we expect packaged foods companies will continue to actively manage their portfolios to improve their growth outlooks, both through divestitures and M&A," Stifel analysts say in a research note. The sale, which Campbell said would trim its per-share earnings by about 4 cents in fiscal 2025, follows Mars's nearly \$30 billion deal for Kellanova. "We view the Pop Secret divestiture positively for Campbell, focusing the snacks portfolio with minimal financial impact," analysts say. Shares of Campbell, scheduled to report its fiscal 4Q earnings Thursday, fall 1%. (connor.hart@wsj.com; @connorhart22)

1433 ET - Domestic wheat prices in Russia are at their highest level since May, supported by strong demand primarily from livestock farms and feed compounders, while supply is constrained as producers hold back sales anticipating higher prices, research firm SovEcon says in a note. A weaker ruble has contributed. Export demand for Russian wheat remains relatively high, although a stabilization in port prices the past week could be indicating a slight decrease, the firm adds. (anthony.harrup@wsj.com)

1351 ET - December wheat is up after four straight days of losses, amid a broad advance in grains. The drop in spring wheat crop condition ratings reported yesterday was "a bit of a surprise," says Jack Scoville of the Price Futures Group. "The winter wheat harvest is over and so is the selling in those markets," he adds. Wheat is up 1.9% at \$5.35 a bushel. Corn rises 1.6% and soybeans are up 0.5%. (anthony.harrup@wsj.com)

1218 ET [Dow Jones]--Fears of corn stunt disease spread by the leafhopper insect prompt Argentine farmers to reduce planned corn acreage for 2024/25 by 21% or 5 million acres, Cristin Russo of the Rosario grains exchange says. The leafhopper, endemic to the north of the country, in the last cycle also damaged corn in central Argentina and was even found in the south, he says. The insect mostly affects late planted crops, so the next crop will depend even more on September and October rain, and intentions could change depending on the amount of rainfall. But "even in the best of cases, where it rains in spring as expected, a large part of the Argentine corn planting will be concentrated a

early dates and with a high climate risk," Russo says. (anthony.harrup@wsj.com)

1128 ET - Gold futures slip 0.15% to \$2,551.40 a troy ounce, though they remain close to record highs. With few macroeconomic catalysts ahead of the Labor Day week, any price action will be limited and sentiment-driven, says Benjamin Hoff, global head of commodity research at Societe Generale. The precious metal gained after Friday's Jackson Hole speech from Federal Reserve Chair Jerome Powell effectively confirmed a U.S. interest-rate cut in September, a boon for non-interest bearing bullion. Now in a light week for news, the next focus for commodity traders will be Chinese manufacturing purchasing managers' index data at the end of the week, and then a host of U.S. data culminating in initial jobless claims data on Sept. 5, Hoff says in a note. The data should provide more hints as to the size and scope of rate cuts. (joseph.hoppe@wsj.com)

1109 ET - Lean hog futures rise to their highest level since mid-August amid expectations of resilient demand with bigger supply. "It does look like some of the concerns about a recession fear have been lightly lifted in recent days," says Rich Nelson of Allendale. He notes October hog prices are similar to what they were a year ago. "This is a very firm market for hogs considering that we have not just a seasonal increase in supplies, but the fact we're putting out more pork than last year." October lean hogs are up 2.1% at 82.05 cents a pound. Live cattle are up 1.2% at \$1.7905 a pound. (anthony.harrup@wsj.com)

1005 ET - U.S. grain futures are broadly higher after the USDA reported lower weekly crop ratings for corn and soybeans. The ratings may be helping a little, says Arlan Suderman of StoneX. "I think it takes away a little bit of the fear that the crop may be a lot bigger," he says. "So maybe a little bit of short-covering, but nothing to sustain a rally by any means." Most-active soybeans are up 0.5%, corn is 0.4% higher and wheat up 0.7%. (anthony.harrup@wsj.com)

(END) Dow Jones Newswires

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