



## April 2 Webinar

### Prospective Kansas Crop Plantings



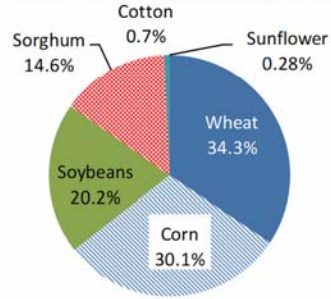
Source: the National Agricultural Statistics Service (NASS), USDA Released: March 31, 2025

Prospective Plantings in Kansas (thousands of acres)

Crop Year	5-Yr Avg*	2024	2025	% Change
Corn	5,870	6,300	6,400	1.6%
Soybeans	4,732	4,530	4,300	-5.1%
Sorghum	3,300	3,000	3,100	3.3%
Sunflower	39	10.5	15.0	42.9%
Cotton	142	131	140	6.9%
Wheat	7,380	7,600	7,300	-3.9%
Big Six	21,463	21,572	21,255	-1.5%

\* Previous 5 years

2025 Kansas Planted Acreage



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## April 2 Webinar

- ✓ Address the questions from webinar registration
- ✓ Adjust our per bushel cost estimates, better accounting for family living
- ✓ Share 2025 wheat, corn, soybean marketing plan progress



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## “Tariff” Impacts: Short and Long Run

- Tariffs are a tax. Economic theory suggests that the **efficient use of resources**, plus **trade**, **results in greater prosperity** for all.
- Short run: The **uncertainty** [and fear of retaliatory tariffs] is negatively impacting perceptions of the U.S. economy and commodity prices.
- Long run: This will be negative for agricultural trade. The U.S. is demonstrating that we are an unreliable source, and our trading partners, as we speak, are working on infrastructure and forging agreements and relationships with our competitors.



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## The impact of different levels of crop insurance on marketing decisions

- 1) For the most part, I like look at crop insurance and marketing as two important, yet separate decision areas, that are only tangentially related.
- 2) Make the best crop insurance decision for your situation (APH, counties farmed, premiums). Affordably providing a farm income and cashflow base, that can **cover any preharvest delivery commitments**.
  - 42% of Kansas acres are insured at the 75% level, 35% are at 70%
  - Corn RP price election, \$4.70; Grain Sorghum, \$4.72; Soybeans, \$10.54
- 3) Marketing decisions: will be based on production costs, seasonal trends and timing, pricing tools, local markets, transportation, basis.

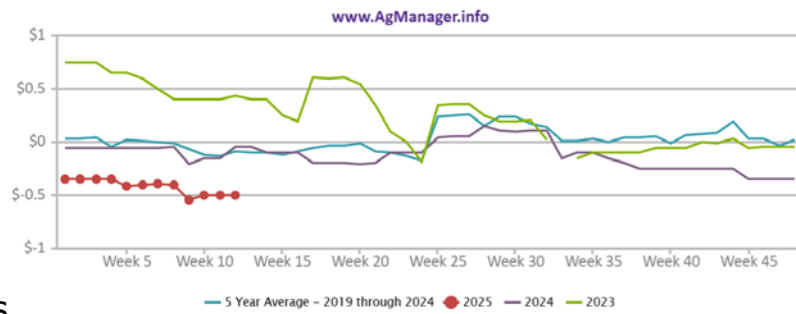


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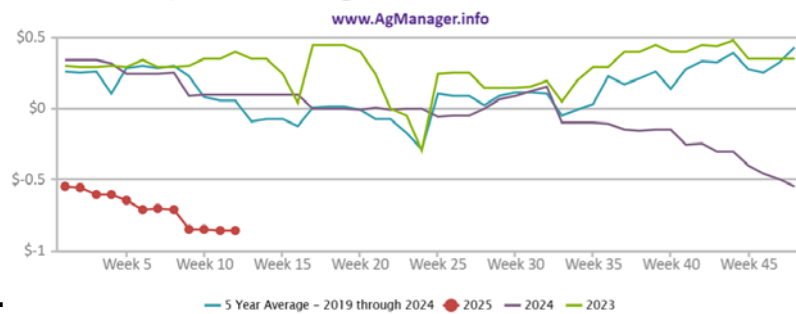
# Grain Sorghum vs. Corn: Basis Expectations

- ✓ In Salina, grain sorghum basis has on average been stronger (more positive) than corn basis.
- ✓ In the fall, grain sorghum's basis has on average strengthened while corn basis is flatter.
- ✓ 2024 crop grain sorghum basis has plummeted and is now running \$0.32 weaker (less) than corn basis in Salina.

SALINA, KS: Corn Basis - SCOULAR GRAIN CO



SALINA, KS: Grain Sorghum Basis - SCOULAR GRAIN CO

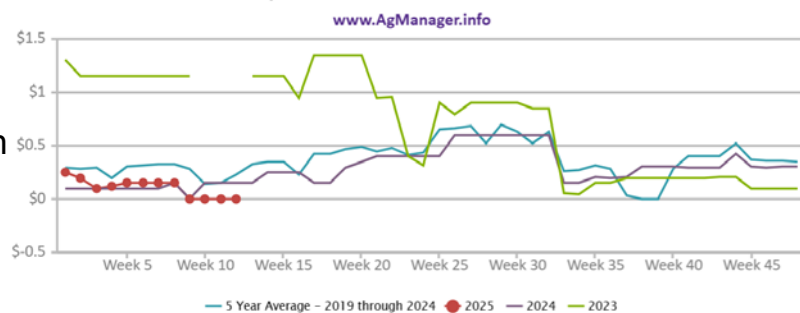


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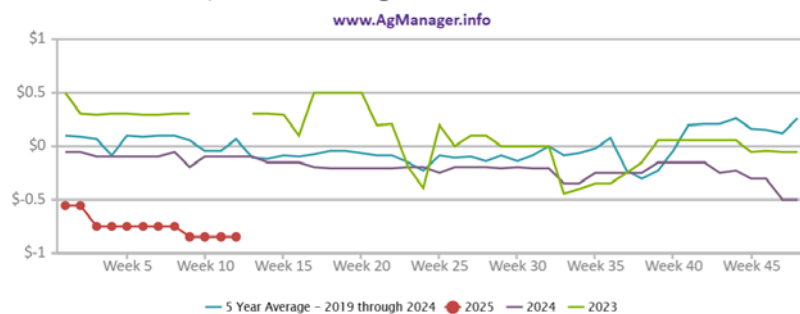
# Grain Sorghum vs. Corn: Basis Expectations

- ✓ In Garden City, the **opposite occurs**, grain sorghum basis has on average been weaker (less positive) than corn.
- ✓ 2024 crop grain sorghum basis has plummeted and is now running \$0.85 weaker (less) than corn basis in GC.

GARDEN CITY, KS: Corn Basis - GARDEN CITY COOP

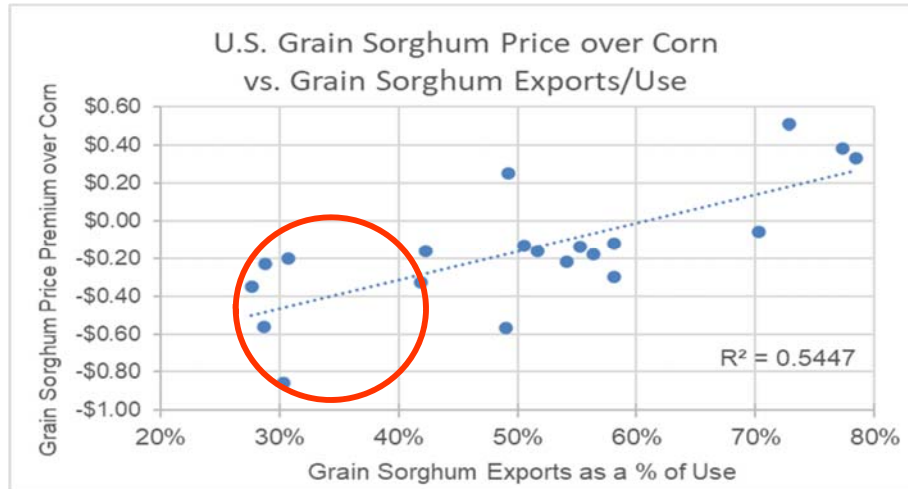


GARDEN CITY, KS: Grain Sorghum Basis - GARDEN CITY COOP



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# Grain Sorghum vs. Corn: Basis Expectations



- ✓ Grain sorghum's "advantage," is when exports are high (largely to China).
- ✓ IF we see 6.57 million acres planted, 87.5% harvested and a trend yield of 63 bu., we'll likely have greater production (362 mbu) than 2024, but with retaliatory tariffs, will we exceed the 100 mbu of exports?



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## Accounting for Family Living

Estimating Family Living w/ KFMA Data		
Source: <i>Family Living Report</i>	2023	2023
Total Family Living + Taxes	\$123,835	\$123,835
less Non-Farm Income	\$77,950	\$0
equals Income Needed	\$45,885	\$123,835
Source: <i>State Summary Report</i>	2023	2023
Total Cropland	1,634	1,634
Per Acre Income Needed	\$28.08	\$75.79
Per Bushel Family Living Expense		
Corn yield @ 155.0 bushels	\$0.18	\$0.49
Soybean yield @ 43.8 bushels	\$0.64	\$1.73
Wheat yield @ 54.2 bushels	\$0.52	\$1.40

Avg. of 234 farm families

Average of 823 farms

It's very important to know YOUR family living costs

\* Per bushel crop costs will be calculated using 1/2 of Non-farm Income.

Both with and without Non-farm income



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# Adjusted Production Cost Estimates

2025 Winning the Game Production Cost Estimates			
Crop	Wheat	Corn	Soybeans
Yield @ 20% Over 20-Yr Trnd	54.2	155.0	43.8
Direct Costs/Bushel	\$4.06	\$2.74	\$5.68
Direct (w/Cash Rent)/Bu.	\$5.57	\$3.54	\$8.22
Direct (w/ Rent & Family)/Bu.	\$6.53	\$3.88	\$9.41
Total Costs (w/ Family)/Bu.	\$7.89	\$4.72	\$11.95

**Kansas estimates. Includes irrigated and non-irrigated, multiple rotations, weighted by acres planted and region, and based on KSU Ag Economics, Farm Management Guides ([www.AgManager.info](http://www.AgManager.info)).**

\* Direct (w/Cash Rent)/Bu., aims to reflect those farms where a majority of acres are cash rented, and therefore are a "direct cost" that must be paid.

\* Family Living costs are included, along with 1/2 of Non-farm Income.

It's very important to know YOUR costs of production



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## 2025 Preharvest Wheat Plan Implementation

Plan start: Oct 1  
JUL CME wheat @ \$6.29 <sup>3</sup>/<sub>4</sub>

30% of expected production priced at an avg. \$6.12 CME 2025 July Wheat

**KEN25 - Hard Red Winter Wheat - Daily OHLC Chart**



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# 2025 Preharvest Wheat Plan Implementation

Plan start: Oct 1  
JUL CME wheat @ \$6.29 ¾

30% of expected production priced at an avg. \$6.12 CME 2025 July Wheat

Examining New Crop Wheat Bids		4/1/2025		7/3/2025	
Forward Cash Contracts & "Price Target" conversions		Actual New Crop Basis	Fut. Target Equivalent Forw. Contr.	5-Yr. Avg. New Crop Basis	Current Basis Vs. 5-Yr Avg.
JUL Hard Wheat Futures	\$5.768		\$6.20		
Colby - Cornerstone Ag	\$5.02	(\$0.75)	\$5.45	(\$0.43)	(\$0.31)
Garden City Coop	\$5.07	(\$0.70)	\$5.50	(\$0.53)	(\$0.17)
Concordia East - Ag Mark	\$5.32	(\$0.45)	\$5.75	(\$0.29)	(\$0.16)
Haven - Producer Ag, MKC	\$5.33	(\$0.44)	\$5.76	(\$0.40)	(\$0.04)
Topeka - Gordon, Cargill	\$5.67	(\$0.10)	\$6.10	(\$0.13)	\$0.03
Chanute - Beachner	\$5.21	(\$0.56)	\$5.64	(\$0.37)	(\$0.19)
Six Location Average	\$5.27	(\$0.50)	\$5.70	(\$0.36)	(\$0.14)

It's very important to know your costs of production

### 3<sup>rd</sup> Increment, 10%

- Price targets?
- Date target, May
- Min price, \$7.89/\$6.53 for any cash market sales

Both the average FC bid [\$5.27] and our first "futures" price target cover direct costs, the futures target covers DC w/cash rent but neither cover family living, or the fixed costs of production.

New crop basis bids are \$0.14/bu. weaker than the 5-Yr average.



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# 2025 Preharvest Corn Plan Implementation

Plan start: Jan 1  
DEC CME corn @ \$4.46 ½

Currently 20% priced @ \$4.66

ZCZ25 - Corn - Daily OHLC Chart



### 2<sup>nd</sup> Increment, 10%

- Price targets?
- Date target, June 15
- Min price, \$4.72/\$3.88 for any cash mkt sales



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# 2025 Preharvest Corn Plan Implementation

Plan start: Jan 1  
DEC CME corn @ \$4.46 ½

Currently 20% priced @ \$4.66

Examining New Crop Corn Bids 4/1/2025			10/15/2025		
Forward Cash Contracts & "Price Target" conversions	Actual New Crop Basis	Fut. Target Equivalent Forw. Contr.	5-Yr. Avg. New Crop Basis	Current Basis Vs. 5-Yr Avg.	
DEC Corn Futures	\$4.495				
Colby - Cornerstone Ag	\$4.15	(\$0.35)	\$4.21	\$0.21	(\$0.56)
Garden City Coop	\$4.55	\$0.05	\$4.61	(\$0.00)	\$0.06
Concordia East - Ag Mark	\$4.10	(\$0.40)	\$4.16	(\$0.11)	(\$0.28)
Haven - Producer Ag, MKC	\$4.33	(\$0.17)	\$4.39	\$0.08	(\$0.25)
Topeka - Gordon, Cargill	\$4.05	(\$0.45)	\$4.10	(\$0.13)	(\$0.32)
Chanute - Beachner	\$4.14	(\$0.36)	\$4.19	(\$0.06)	(\$0.30)
Six Location Average	\$4.22	(\$0.28)	\$4.27	(\$0.00)	(\$0.27)

It's very important to know your costs of production

## 2<sup>nd</sup> Increment, 10%

- Price targets?
- Date target, June 15
- Min price, \$4.72/\$3.88 for any cash mkt sales

Both the average FC bid [\$4.22] and our first "futures" price target cover direct costs, cash rent, & family living, but not fixed costs.

New crop basis bids are \$0.27/bu. weaker than avg.



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# 2025 Preharvest Bean Plan Implementation

Plan start: Jan 1  
NOV CME soybeans @ \$10.28

Currently 20% priced @ \$10.73

ZSX25 - Soybean - Daily OHLC Chart



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# 2025 Preharvest Bean Plan Implementation

Plan start: Jan 1  
NOV CME soybeans @ \$10.28

Currently 20% priced @ \$10.73

Examining New Crop Bean Bids 4/1/2025				10/25/2025	
Forward Cash Contracts & "Price Target" conversions		Actual New Crop Basis	Fut. Target Equivalent Forw. Contr.	5-Yr. Avg. New Crop Basis	Current Basis Vs. 5-Yr Avg.
NOV Soybean Futures	\$10.393		\$10.60		
<a href="#">Colby - Cornerstone Ag</a>	\$9.14	(\$1.25)	\$9.35	(\$1.05)	(\$0.20)
<a href="#">Garden City Coop</a>	\$9.39	(\$1.00)	\$9.60	\$0.99	(\$1.99)
<a href="#">Concordia East - Ag Mark</a>	\$9.64	(\$0.75)	\$9.85	(\$0.71)	(\$0.04)
<a href="#">Haven - Producer Ag, MKC</a>	\$9.73	(\$0.66)	\$9.94	(\$0.56)	(\$0.10)
<a href="#">Topeka - Gordon, Cargill</a>	\$9.74	(\$0.65)	\$9.95	(\$0.45)	(\$0.20)
<a href="#">Chanute - Beachner</a>	\$9.79	(\$0.60)	\$10.00	(\$0.47)	(\$0.13)
Six Location Average	\$9.57	(\$0.82)	\$9.78	(\$0.37)	(\$0.45)

It's very important to know your costs of production

## 2<sup>nd</sup> Increment, 10%

- Price targets?
- Date target, June 15
- Min price, 11.95/\$9.41

Both the average FC bid [\$9.57] and our first "futures" price target cover direct costs, cash rent, & family living, but not fixed costs.

New crop basis bids are \$0.45/bu. weaker than avg.



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Thank you so much!

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## April 2 Webinar

### Effective, marketing plans must include:

- a) Pricing Increments, (how much each time);
- b) Price Targets, (the price/profit you'll sell at);
- c) Date Targets, (designed to compel action when/if price targets aren't reached).

These, coupled with the pricing TOOLS you select, can guide your decisions, lead to action, and help take some of the emotion out of marketing.

*Note: WTG Marketing Plans and Decision Outlines are not advice, but benchmarks for you to compare your plans and decisions to.*



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## A Sample Preharvest 2025 Wheat Plan

- Initially built with a bearish view but now, a bit more positive.
- Seasonally, we see our best pricing opportunities in late October to early November, early March, and again in May.
- Seasonally, there's an 87% chance for a \$0.35+ rally over the January 1 price; 67% chance for \$0.45+; 40% for \$1.00+; and a 20% for \$2.00+.
- If using a "cash" marketing alternative, **avoid** pricing at less than your expected production cost per bushel. **WTG/KSU: Total costs estimated at \$6.91/bu.–Direct (w/cash rent) \$5.54**
- Plans should begin no later than Oct 1, but last fall, wheat futures were in a major "freefall," so priced 30% of expected APH prior to the 1<sup>st</sup> of October, at levels below estimated total costs but above direct cost (w/cash rent).
- On Oct 1, JUL Wheat @ 6.29¾



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## A Sample Preharvest 2025 Feedgrain Plan

- For me, the outlook is getting a little more bearish.
- Seasonally, we see our best pricing opportunities from early April thru first half of May, and again in the first half of June.
- Seasonally, there's an 80% chance for a \$0.20+ rally over the January 1 price; 50% chance for \$0.65+; 25% for \$2.00+.
- If using a "cash" marketing alternative, **avoid** pricing at less than your expected production cost per bushel. [WTG/KSU: Total costs estimated at \\$4.32/bu. & Direct \(w/cash rent\) at \\$3.59/bu.](#)

WTG Plans Began Jan 1, DEC @ \$4.46 ½: Buy crop insurance to protect production risk and maximize price on bushels sold preharvest.

Pricing four increments of total expected APH production (40% total)

1 Price 20% at \$4.66 December futures or by April 15 (+\$0.20 v. Jan 1)

2 Price 10% at \$4.83 December futures or by Jun 15 (+\$0.37 v. Jan 1)

3a Price 10% at \$4.93 December futures (+\$0.47 v. Jan 1)

3b Price 10% at \$5.10 December futures (+\$0.64 v. Jan 1)



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## A Sample Preharvest 2025 Soybean Plan

- Initially bearish, but flat to better prices vs. 2024 are possible.
- Seasonally, we see our best pricing opportunities in mid June, late July, and again in September.
- Seasonally, there's an 80% chance for a \$0.40+ rally over the January 1 price; 50% chance for \$1.00+; 25% for \$2.90+.
- If using a "cash" marketing alternative, **avoid** pricing at less than your expected production cost per bushel. [WTG/KSU: Total costs estimated at \\$9.12/bu. & Direct \(w/cash rent\) at \\$7.15/bu.](#)

WTG Plans Began Jan 1, NOV @ \$10.28: Buy crop insurance to protect production risk and maximize price on bushels sold preharvest.

Pricing four increments of total expected APH production

1 Price 20% at \$10.70 November futures or by May 15 (+\$0.42 v. Jan 1)

2 Price 10% at \$11.00 December futures or by Jun 15 (+\$0.72 v. Jan 1)

3 Price 10% at \$12.00 December futures (+\$1.72 v. Jan 1)

4 Price 10% at \$12.60 December futures (+\$2.32 v. Jan 1)



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