

2025 Grain Market Outlook

“Winning-the-Game” Grain Marketing Webinar

Monday, January 27, 2025

DANIEL O'BRIEN - EXTENSION AGRICULTURAL ECONOMIST

KANSAS STATE
UNIVERSITY

Department of Agricultural Economics



U.S. & Global Weather

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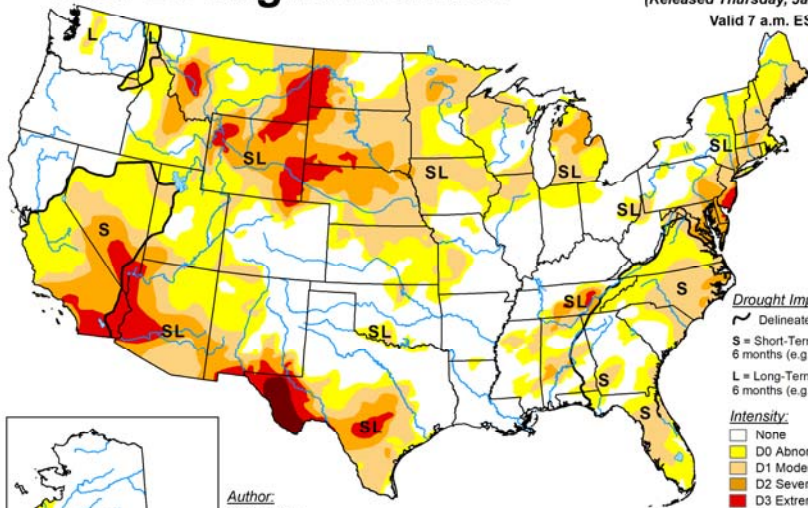


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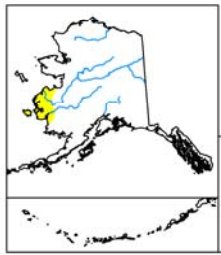
U.S. Drought Monitor

January 21, 2025
(Released Thursday, Jan. 23, 2025)
Valid 7 a.m. EST



Drought Impact Types:
 ✓ Delineates dominant impacts
 S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)
 L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)

Intensity:
 None
 D0 Abnormally Dry
 D1 Moderate Drought
 D2 Severe Drought
 D3 Extreme Drought
 D4 Exceptional Drought



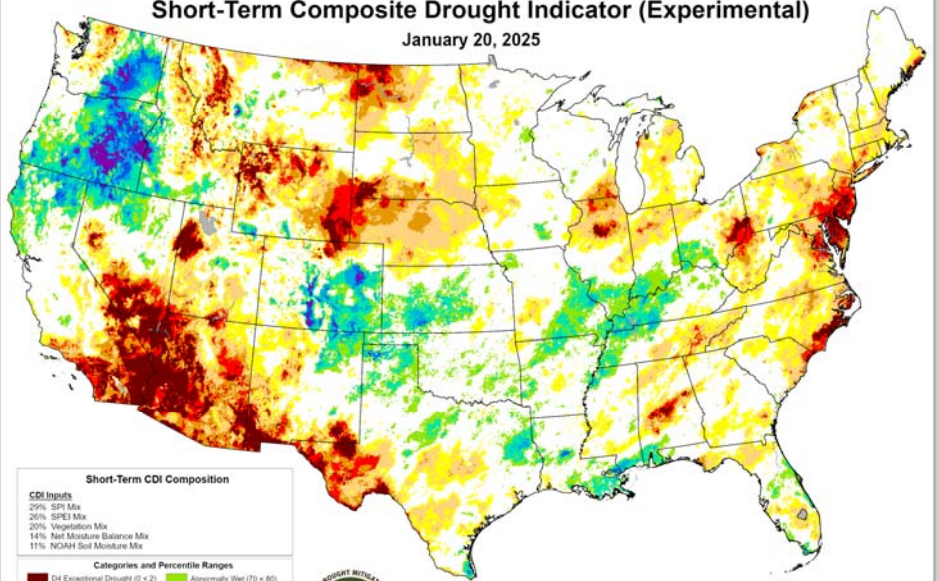
Author:
 Brian Fuchs
 National Drought Mitigation Center

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>



Short-Term Composite Drought Indicator (Experimental)

January 20, 2025



Short-Term CDI Composition

CDI Inputs
 29% SPI Mix
 26% SPEI Mix
 20% Vegetation Mix
 14% Net Moisture Balance Mix
 11% NOAA Soil Moisture Mix

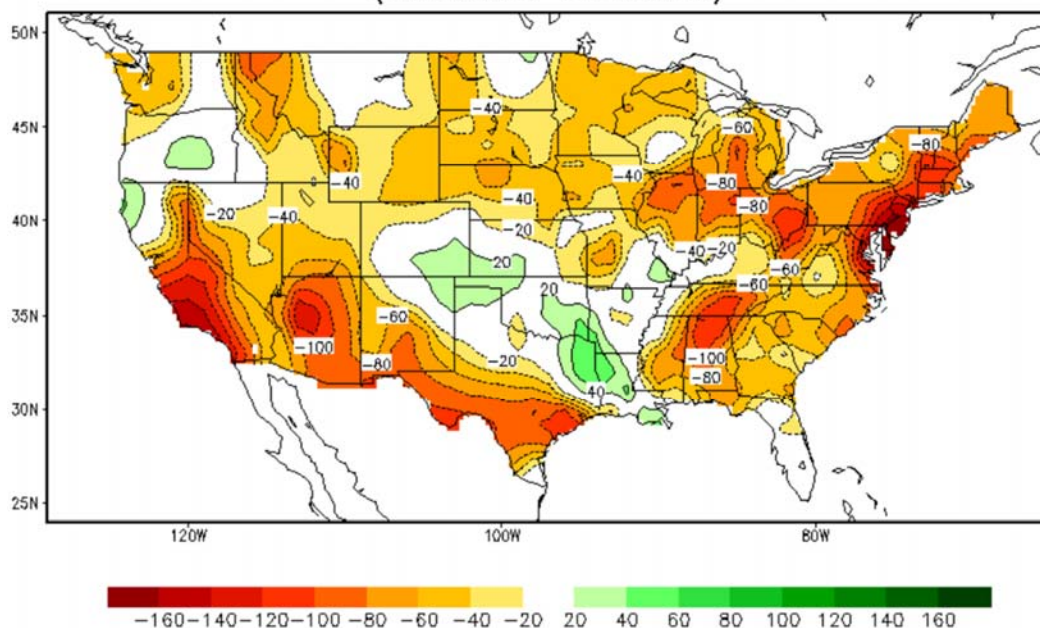
Categories and Percentile Ranges

D4 Exceptional Drought (2 < 2)	Abnormally Wet (75 < 80)
D3 Extreme Drought (2 < 5)	Moderately Wet (80 < 90)
D2 Severe Drought (5 < 10)	Severely Wet (90 < 95)
D1 Moderate Drought (10 < 20)	Extremely Wet (95 < 98)
D0 Abnormally Dry (20 < 30)	Exceptionally Wet (98 - 100)
None Normal (30 < 70)	No Data

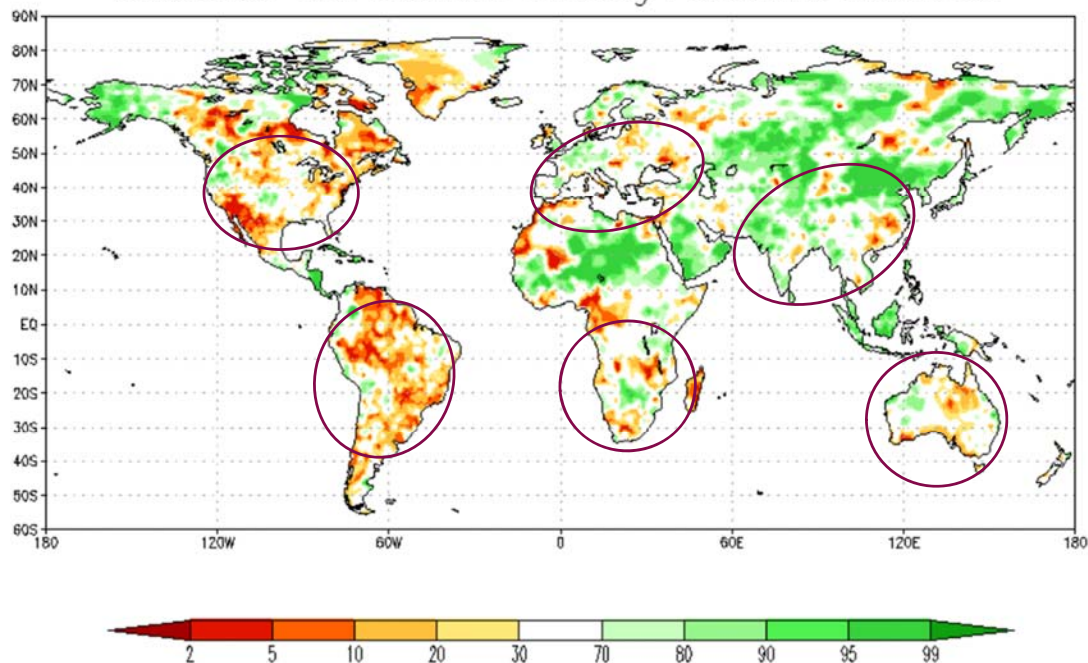


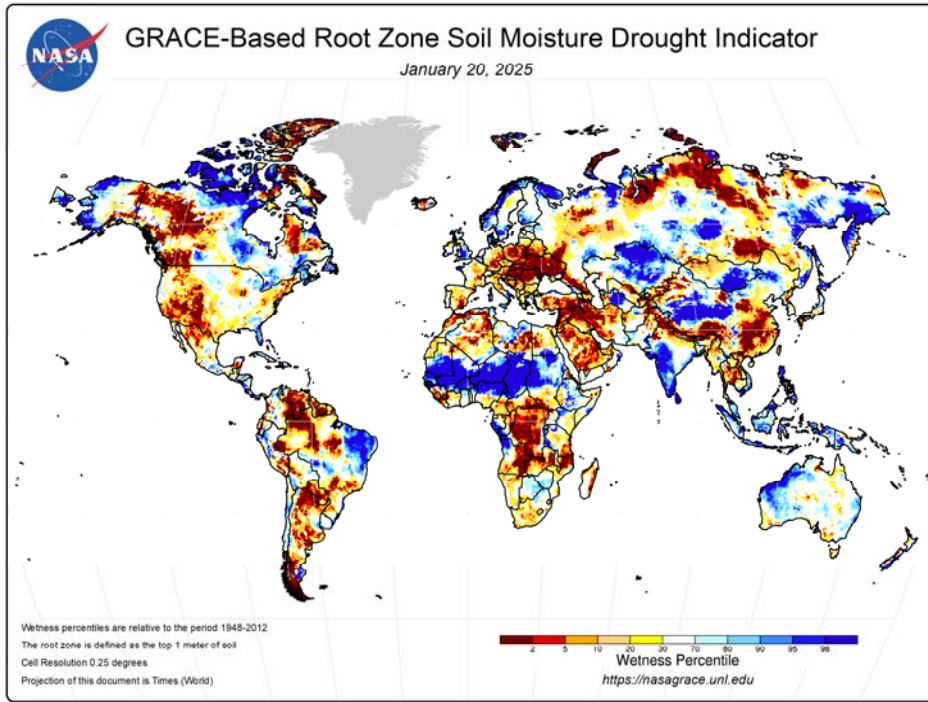
© 2025, National Drought Mitigation Center, University of Nebraska

Predicted Soil Moisture Anomaly (mm)
(25Jan2025–01Feb2025)



Calculated Soil Moisture Ranking Percentile 20250124





Feedgrain Markets



KANSAS STATE UNIVERSITY

Department of Agricultural Economics

Key Feedgrain Market Issues 1/27/2025

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- 1) **“Current” MY 2024/25:** With ↗ U.S. End Stocks *1.540 bb* & Stocks/Use *10.2%* the Corn market is “tight” & @Risk to 2025 U.S. crop-weather issues *May-September 2025*
- 2) **Emerging crop risks in Argentina** *Drought* & **Brazil** *Late 2nd crop planting* may impact 2025 South American Crops & Exports *(+ U.S. Exports)*
- 3) **Lagging U.S. Grain Sorghum exports** – mainly to China
- 4) **U.S. Trade & Tariffs Policy** *China, Mexico, Canada, Columbia, the EU & others*

More Feedgrain Market Issues 1/27/2025

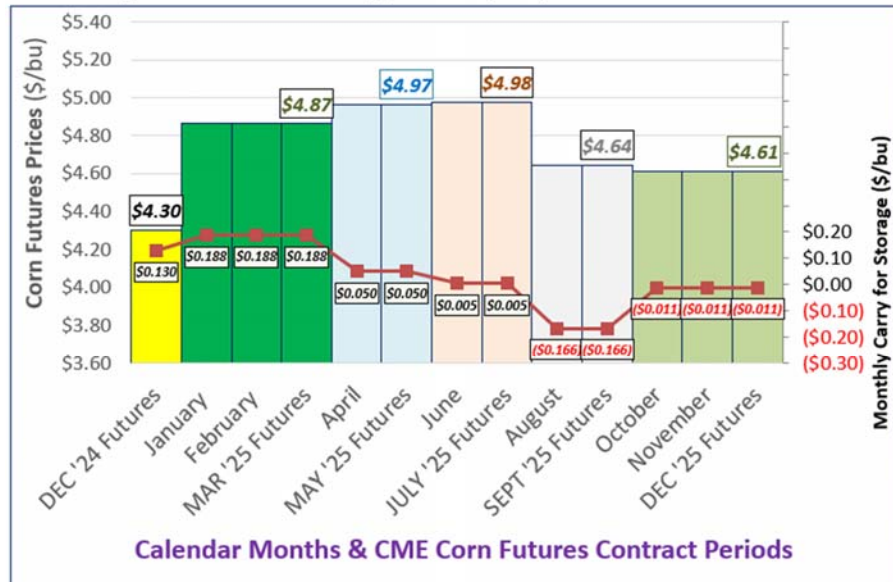
10

- 5) **“Weak” Corn-Sorghum basis** in parts of KS since Fall 2024
Why? What is the outlook for Feedgrain basis in Spring-Summer 2025?
- 6) **Higher U.S. Corn Plantings** likely in 2025 *Rising Corn vs Soybean \$'s*
- 7) **Ethanol Regulatory Policy & Trade** issues likely to be impacted by actions of the Trump Administration *(45Z? E-10 vs E-15? Waivers? etc.)*
- 8) **Watching for Corn-Sorghum market seasonality** *Spring-Summer 2025*

CME Corn Futures *Lead & Deferred Contracts*

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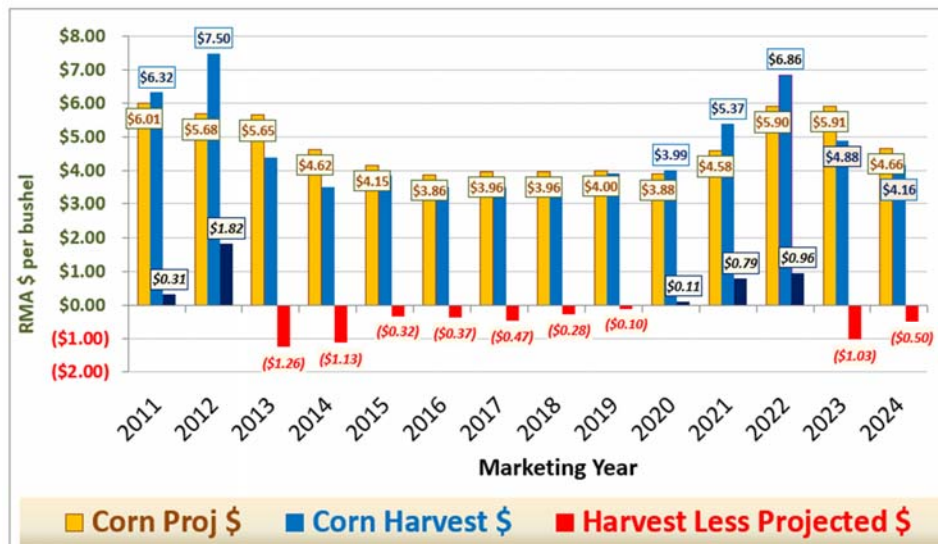
Closing Prices as of Friday, January 24, 2025



Corn Projected & Harvest \$'s ^{RMA}

12

Kansas \$'s, Years 2011-2024 ^{RMA}\$'s January 2025 *(Price ↓ 9 of last 14 years)*



Monthly Commodity Futures Price Chart
Corn (Globex) (CBOT)

<https://futures.tradingcharts.com>

ZC - Corn (Globex) - Monthly Chart

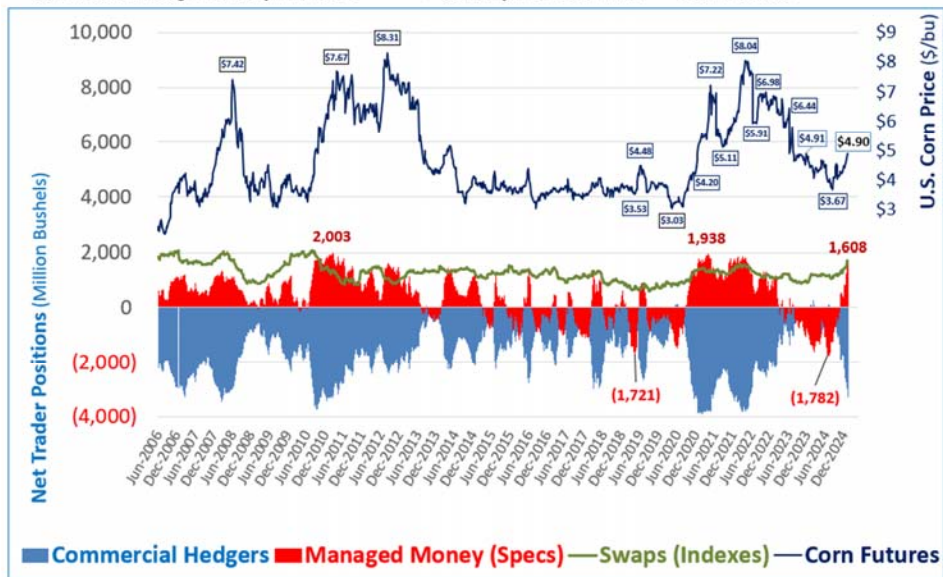
Change: 29.250

01/25/2025 O: 457.250 H: 494.500 L: 449.250 C: 486.500 Vol: 506234 OI: 1798510



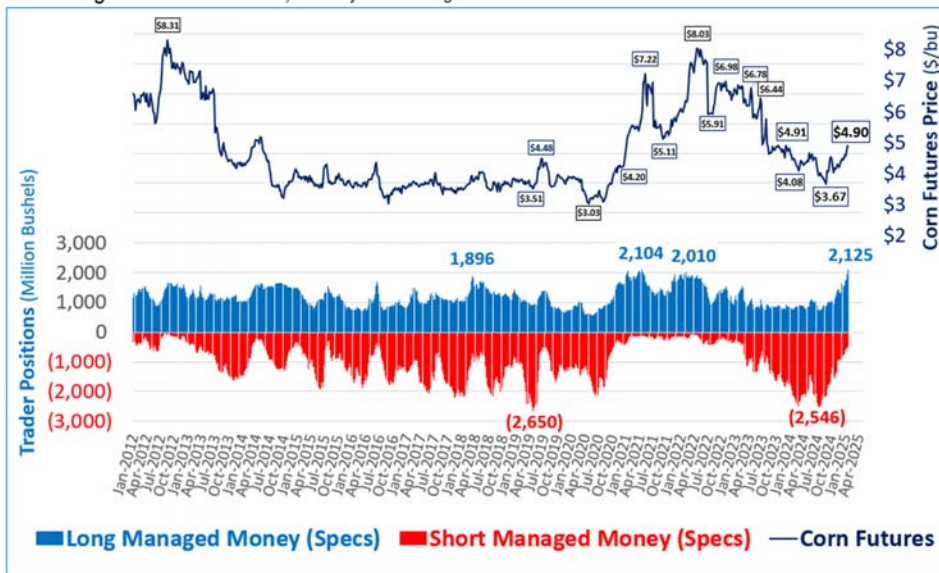
Corn Futures-Net Position of Traders

June 2006 through January 21, 2025 CFTC Data + January 21, 2025 MAR²⁰²⁵ Corn Futures Closes



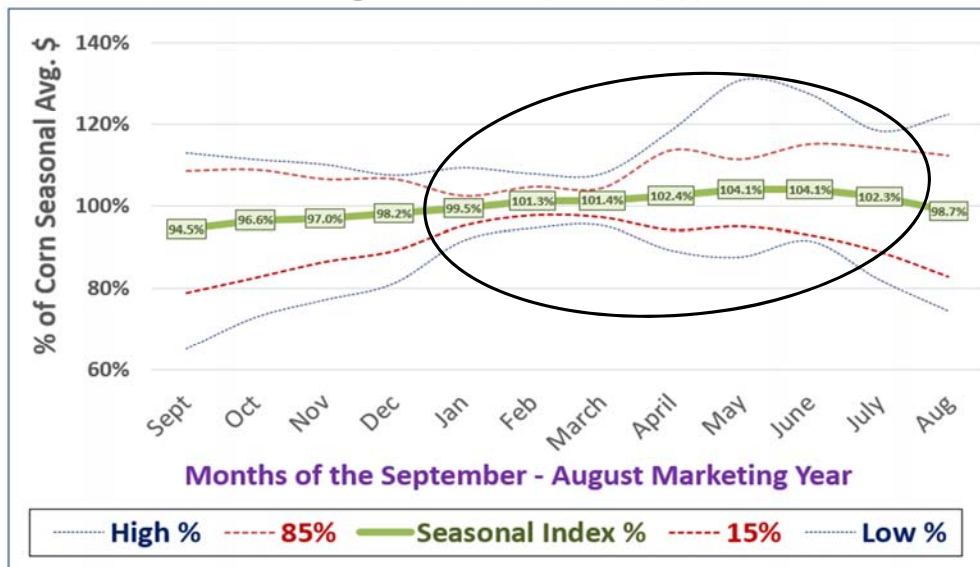
Corn Futures - Managed Money Traders Specs

Long & Short Positions, January 2012 through 1/21/2025^{CFTC Data} + 1/21/2025 MAR²⁰²⁵ Corn Futures Closes



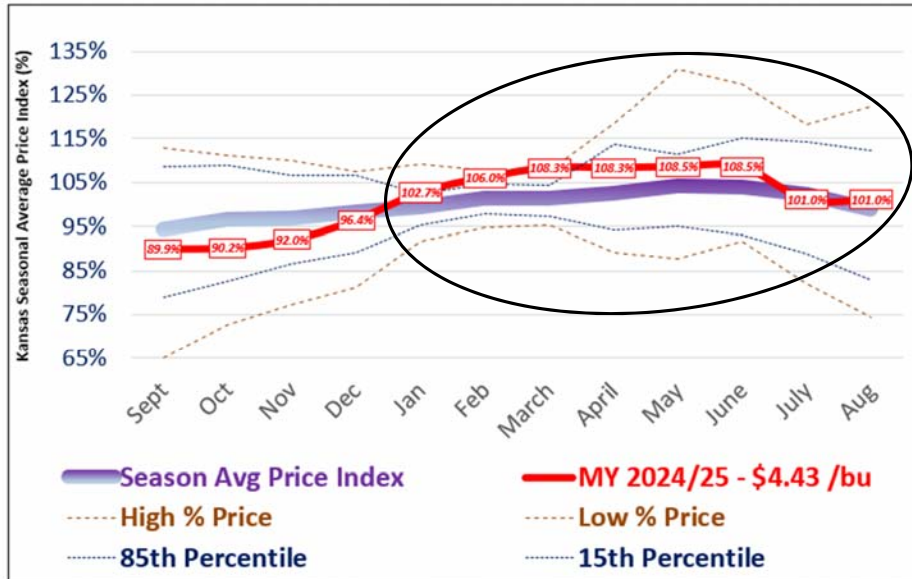
Corn Seasonal Price Index ^{Kansas}

Last 24 Full Marketing Years: 1999/2000 - 2023/2024

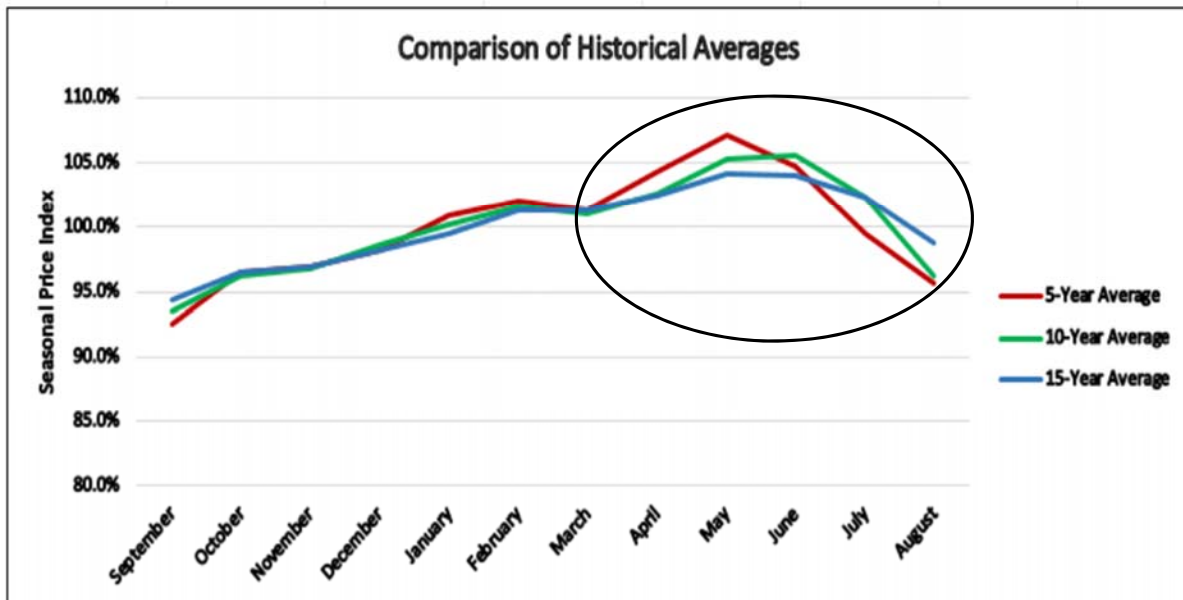


U.S & Kansas Corn Seasonal \$'s

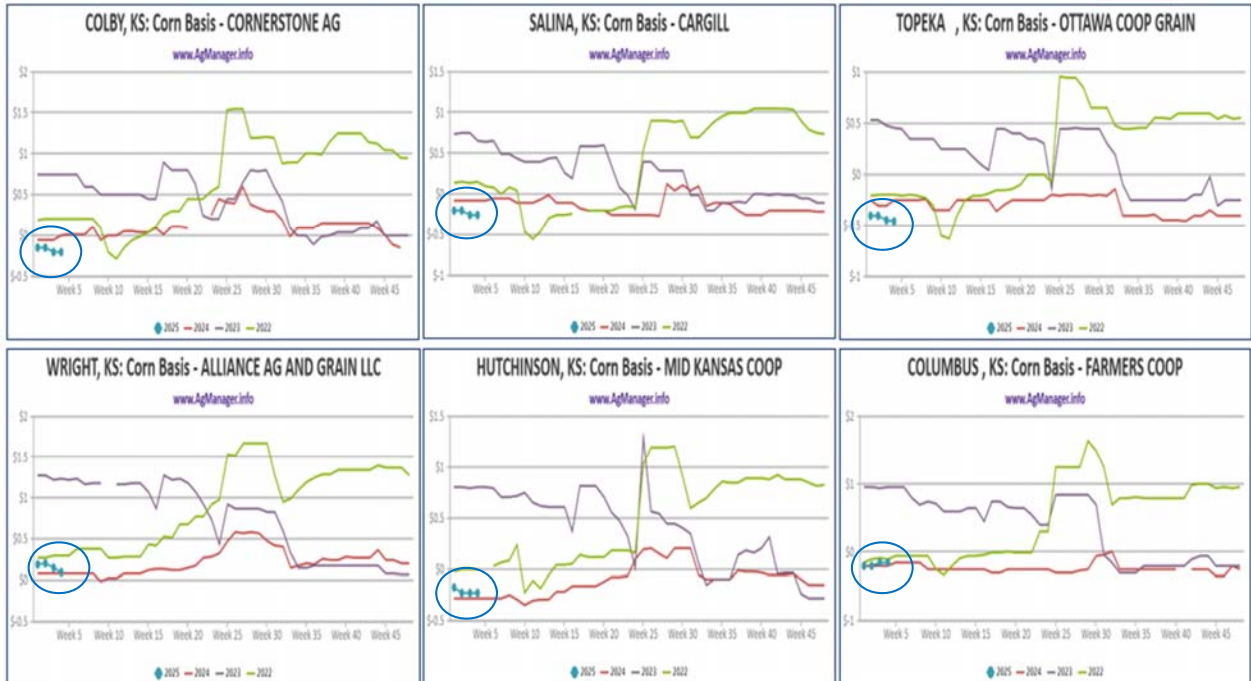
MY 1999/00 – MY 2023/24 plus "Current" 2024/25 as of 1/24/2024



Shifting Seasonality in Kansas Corn Prices



Kansas Cash & Futures Prices						
Date						
1/24/2025 - Closes						
Grain Futures Contracts		Closing \$				
MAR 2025 Corn	^{Next} MY 2024/25 Post-Harvest Futures	\$4.8650				
DEC 2025 Corn	^{Next} MY 2025/26 Harvest Futures	\$4.6100				
1/24/2025 - Closes		Cash Grain & Harvest Contract Prices @ Kansas Grain Elevators				
<i>Representing the highest bids available at each location</i>						
Market Area Spot Cash & Fwd Contract Bids	Colby	Salina	Topeka	Garden City	Hutchinson	Pittsburg
	NW KS	NC KS	NE KS	SW KS	SC KS	SE KS
Corn Spot Cash\$: Fall ²⁰²⁴	\$4.71	\$4.61	\$4.56	\$5.07	\$4.71	\$4.71
2024 Harvest Cash Market Basis	(\$0.16)	(\$0.26)	(\$0.31)	\$0.21	(\$0.16)	(\$0.16)
Corn Harvest FC\$: Fall ²⁰²⁵	\$4.67	\$4.34	\$4.26	\$4.66	\$4.41	\$4.46
"Next Crop" MY 2025/26 Harvest Frwd Contract	\$0.06	(\$0.27)	(\$0.35)	\$0.05	(\$0.20)	(\$0.15)
2024 "Spot Cash" Soybean vs Corn \$ Ratio	2.02	2.14	2.18	1.91	2.08	2.11
2025 "New Crop" Soybean vs Corn \$ Ratio	2.01	2.26	2.30	2.06	2.24	2.23
"Spot Cash" HRW Wheat vs Corn \$ Ratio	1.03	1.15	1.16	0.97	1.14	1.08



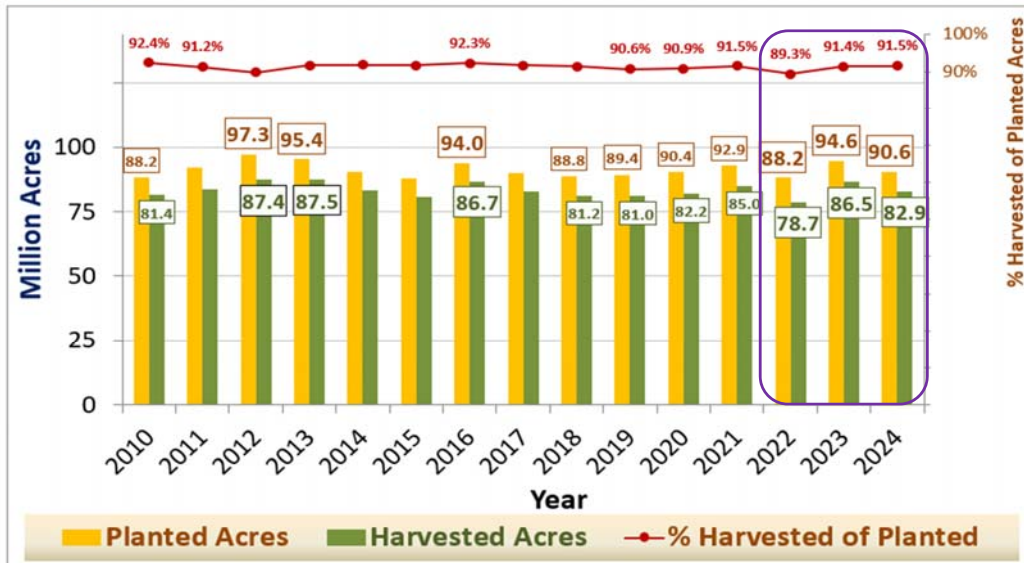


US #2 Yellow Corn -Bulk							
Ethanol Plant							
State/Province/Region	Sale Type	Basis (¢/bu)	Basis Change	Price (\$/Bu)	Price Change	Average	Year Ago
Illinois	Bid	-22.00H to 8.00H	UNCH	4.6775-4.9775	UP 0.0550	4.8146	4.5504
Indiana	Bid	-15.00H to 10.00H	UNCH	4.7475-4.9975	UP 0.0550	4.8419	4.4975
Iowa East	Bid	-31.00H to -17.00H	UNCH-DN 2	4.5875-4.7275	UP 0.0550-UP 0.0350	4.6717	4.6008
Iowa West	Bid	-34.00H to -12.00H	UNCH	4.5575-4.7775	UP 0.0550	4.6822	4.5575
Kansas	Bid	-18.00H to 5.00H	UNCH-DN 5	4.7175-4.9475	UP 0.0550-UP 0.0050	4.8542	4.8325
Michigan	Bid	-40.00H to -25.00H	UNCH	4.4975-4.6475	UP 0.0550	4.5475	4.2175
Minnesota	Bid	-58.00H to -22.00H	UNCH	4.3175-4.6775	UP 0.0550	4.5661	4.4346
Missouri	Bid	-36.00H to -20.00H	UNCH-DN 5	4.5375-4.6975	UP 0.0550-UP 0.0050	4.6150	4.5900
Nebraska	Bid	-37.00H to -14.00H	DN 2	4.5275-4.7575	UP 0.0350	4.6575	4.5832
Ohio	Bid	-10.00H to 5.00H	UNCH	4.7975-4.9475	UP 0.0550	4.8642	4.4358
South Dakota	Bid	-68.00H to -26.00H	UNCH	4.2175-4.6375	UP 0.0550	4.3706	4.2283
Wisconsin	Bid	-42.00H to -17.00H	UNCH	4.4775-4.7275	UP 0.0550	4.5750	4.1895

U.S. Corn Acres for 2010-2024



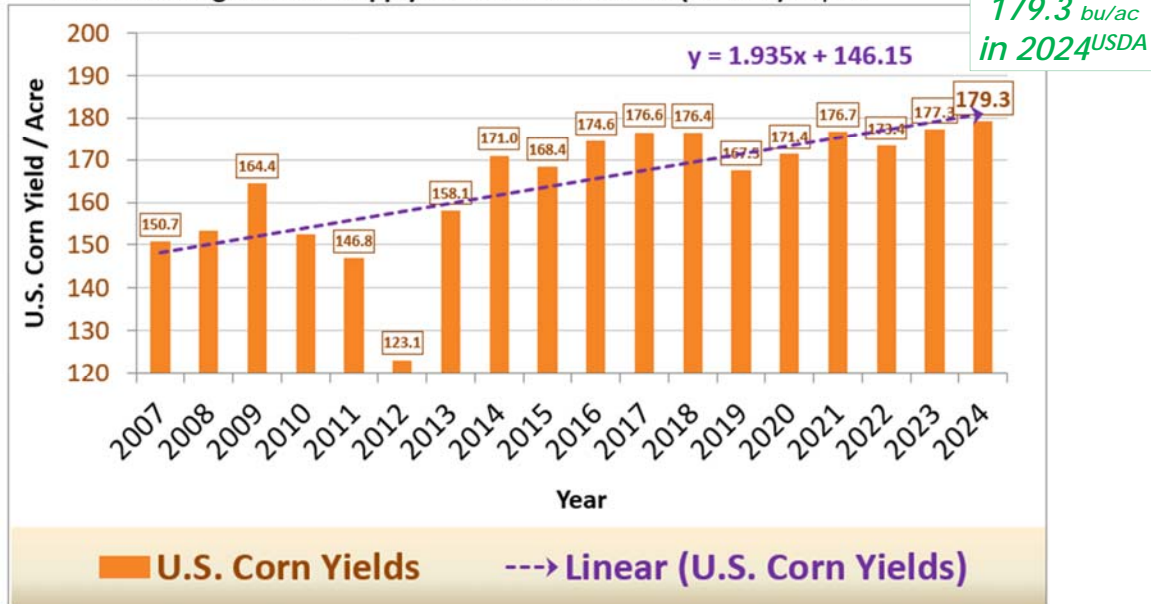
Source: USDA World Agricultural Supply & Demand Estimates (WASDE) Report 1/10/2025



U.S. Corn Yields for 2007-2024

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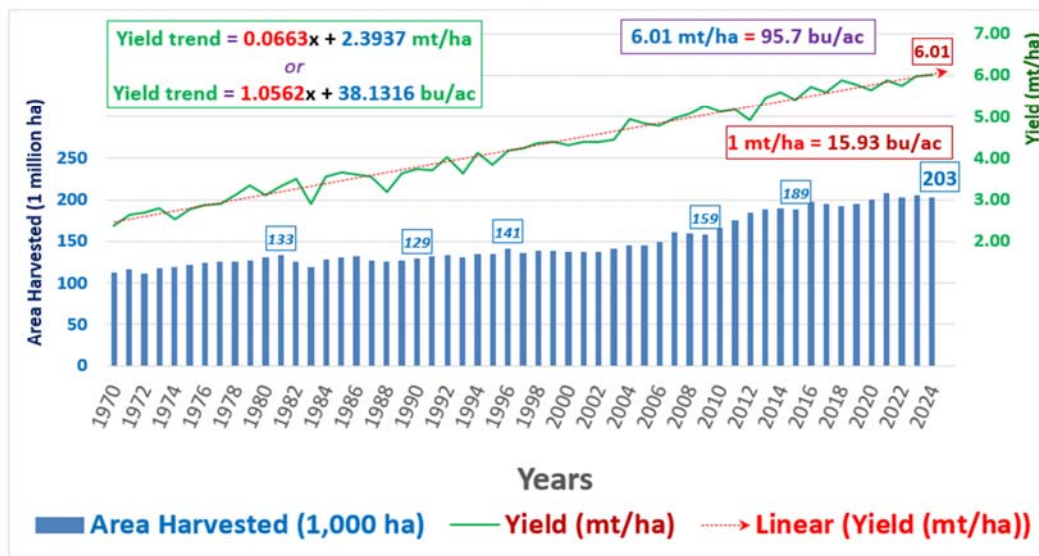
USDA World Agricultural Supply & Demand Estimates (WASDE) Report 1/10/2025



World Corn Area & Yields

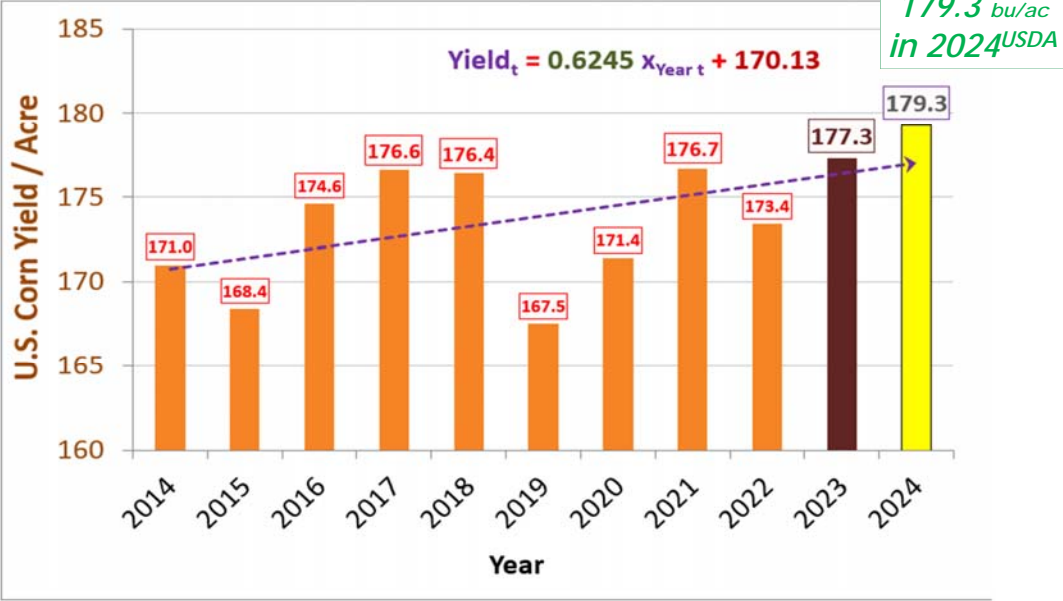
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As of the 12/10/2024 USDA WASDE Report & USDA FAS PSD Online



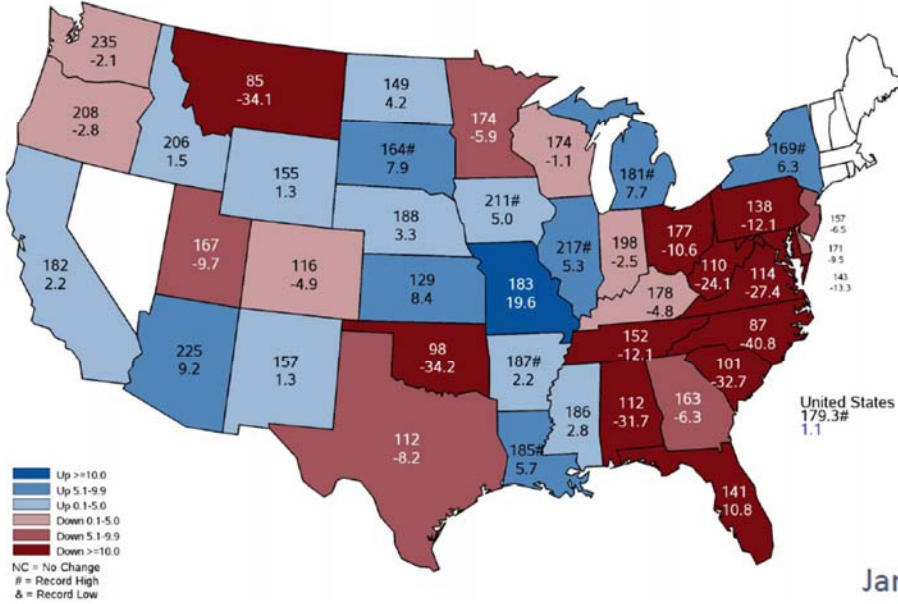
U.S. Corn Yields for 2014-2024

USDA World Agricultural Supply & Demand Estimates (WASDE) Report ^{1/10/2025}



2024 Corn Yield

Bushels and Percent Change from Previous Year

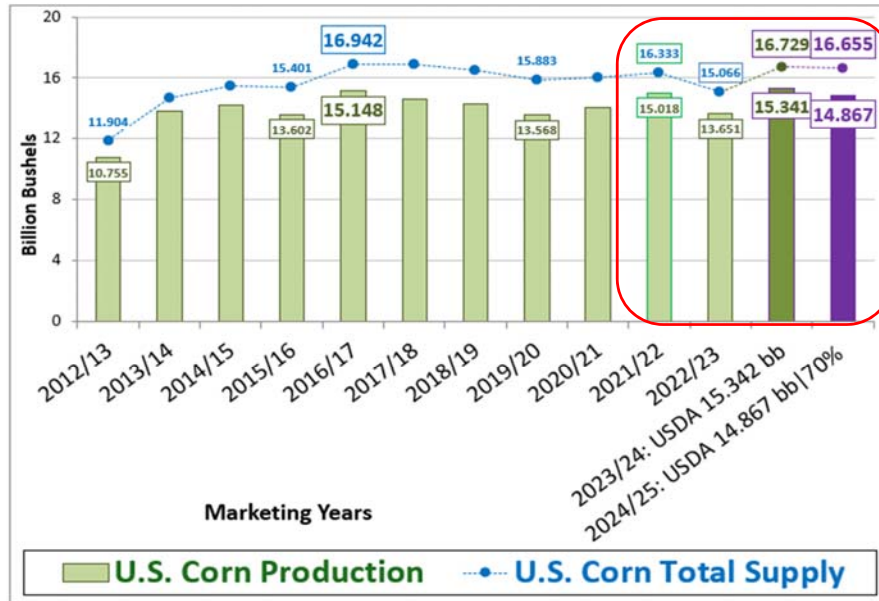


January 10, 2025

U.S. Corn Production & Supplies

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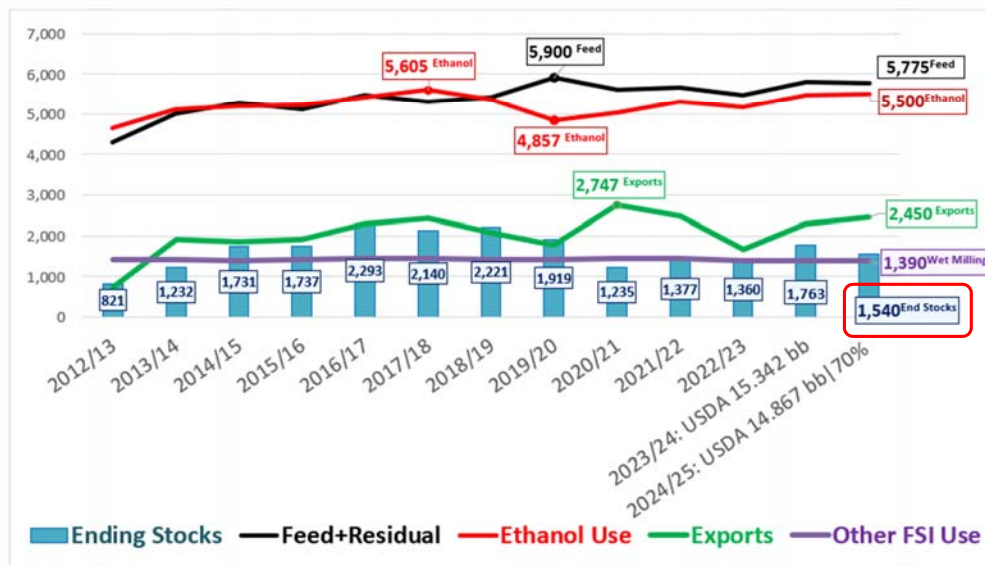
MY 2012/13 - "New" MY 2024/25: as of the 1/10/2025 WASDE Report + KSU estimates



U.S. Corn Use & Ending Stocks

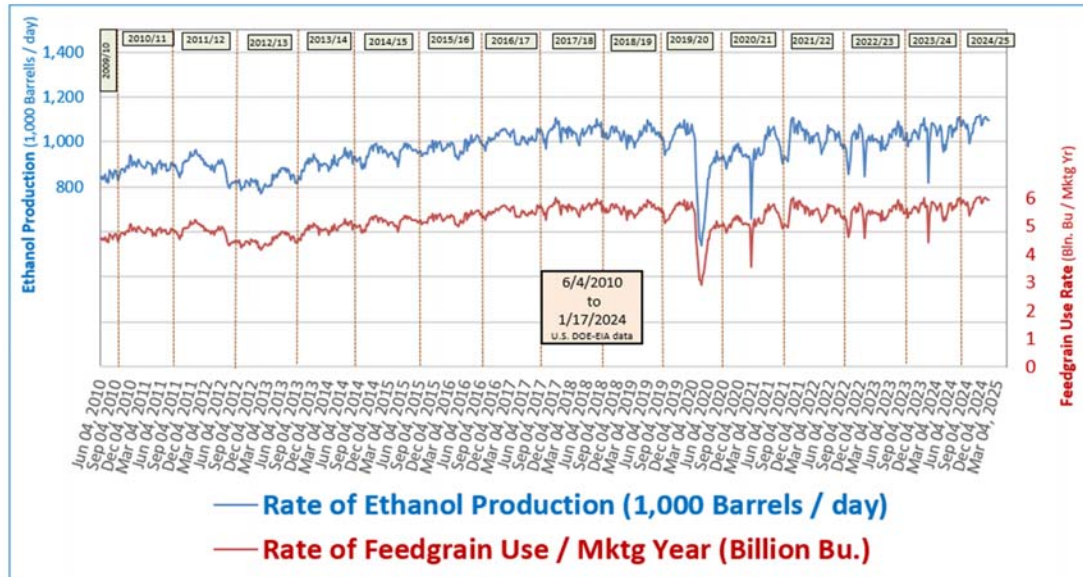
28

MY 2012/13 thru "New Crop" MY 2024/25 as of the 1/10/2025 WASDE Report + KSU estimates



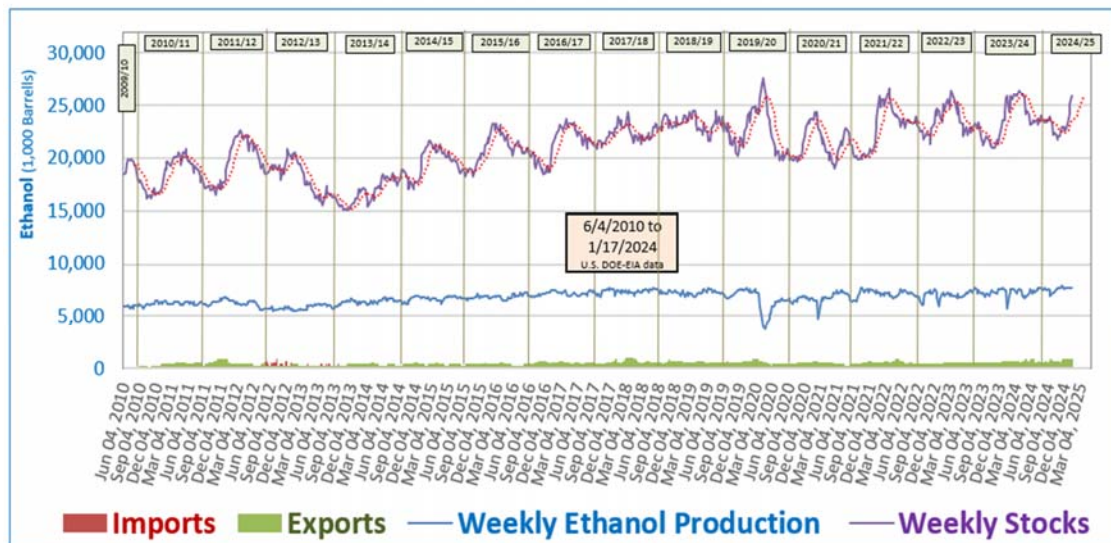
U.S. Ethanol Production & Corn Use Weekly

Based on DOE-EIA data on U.S. Ethanol Industry Trends as of January 17, 2025



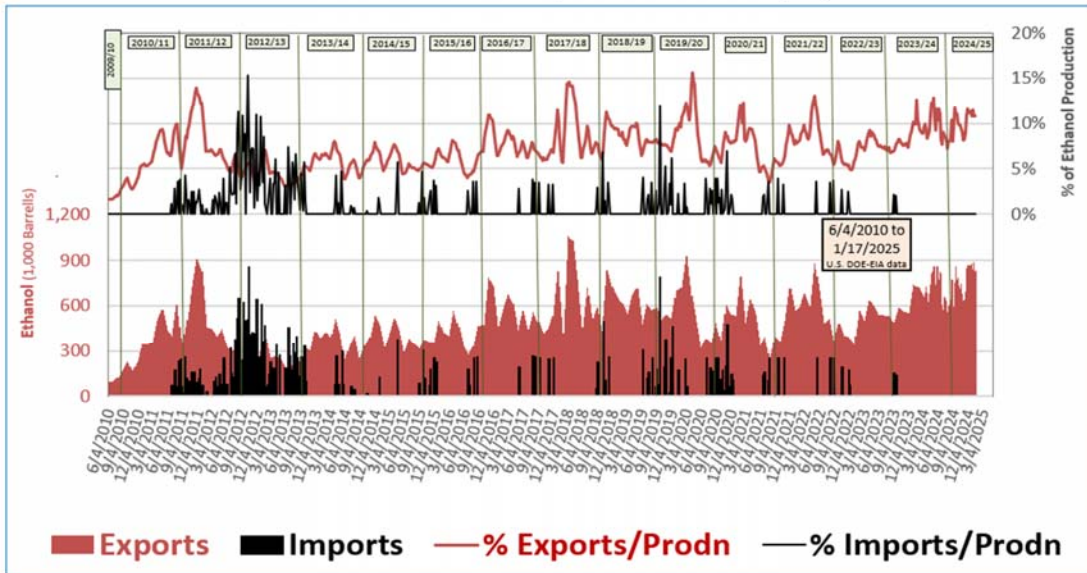
U.S. Ethanol Production & Stocks Weekly

Based on U.S. DOE – EIA on U.S. Ethanol Industry Trends as of January 17, 2025



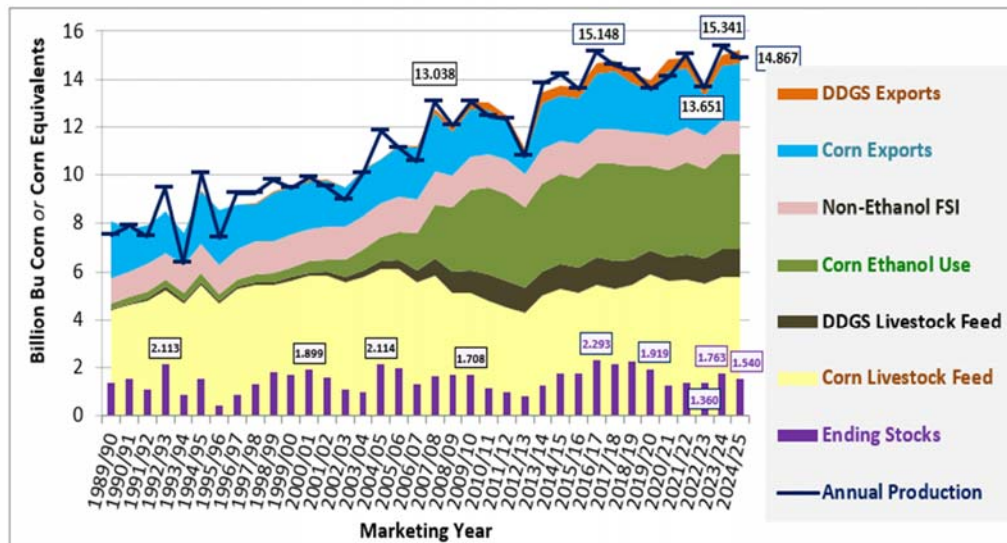
U.S. Ethanol Foreign Trade Weekly

Based on U.S. DOE – EIA on U.S. Ethanol Industry Trends as of January 17, 2025



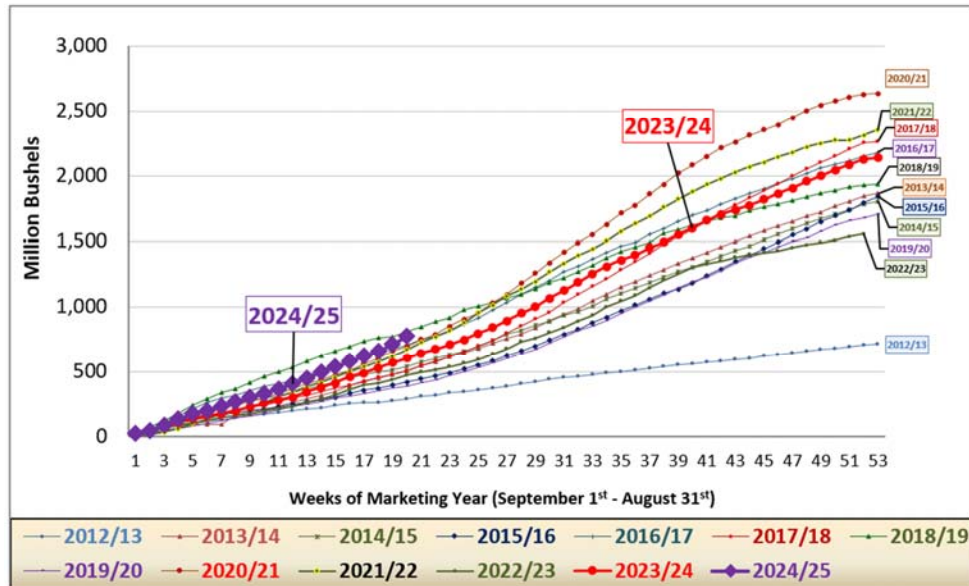
U.S. Corn Supply-Demand w. DDGS Adj.

MY 2012/13 thru "New Crop" MY 2024/25 as of the 1/10/2025 WASDE Report + KSU estimates



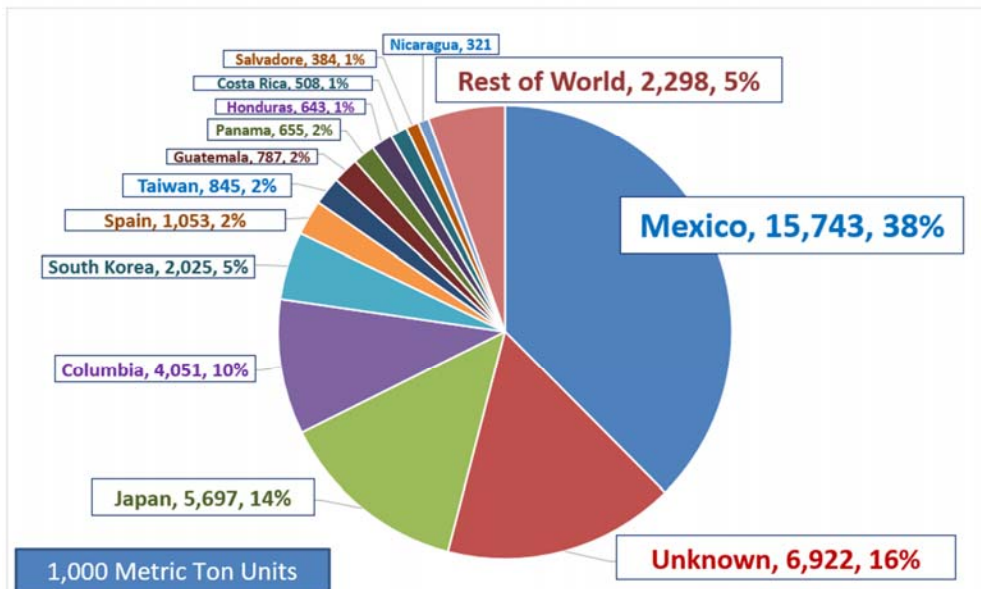
U.S. Corn Exports MY 2012/13 thru "Current" MY 2024/25

Based on USDA FAS Weekly Export reports through 1/16/2024



U.S. Corn Export Outstanding Sales + Shipments

"Current" MY 2024/25 as of the 1/16/2025 USDA U.S. Export Forward Purchases (1,000 mt)



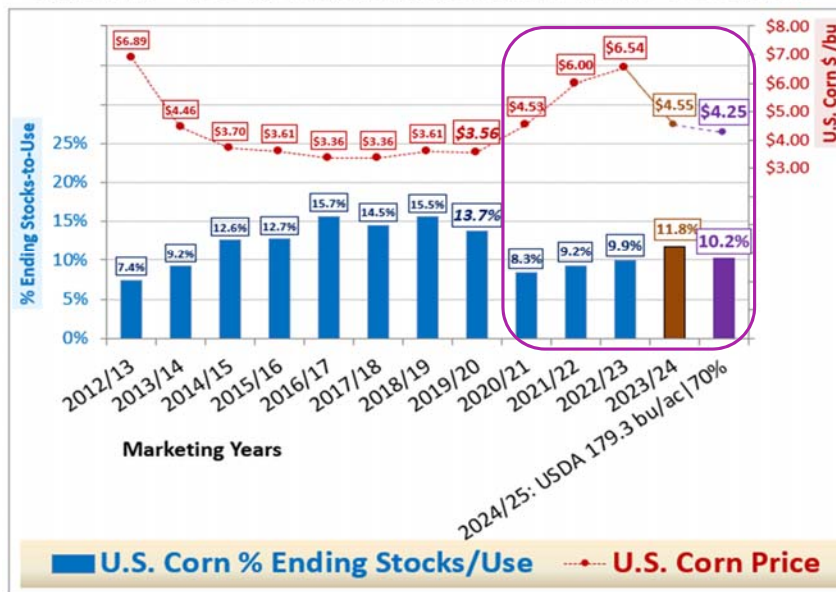
U.S. Corn Stocks & % Stocks-to-Use

MY 2012/13 – “New” MY 2024/25 as of the 1/10/2025 WASDE Report + KSU ests.



U.S. Corn % Stocks/Use vs Corn \$

MY 2012/13 – “New” MY 2024/25 as of the 1/10/2025 WASDE + KSU estimates



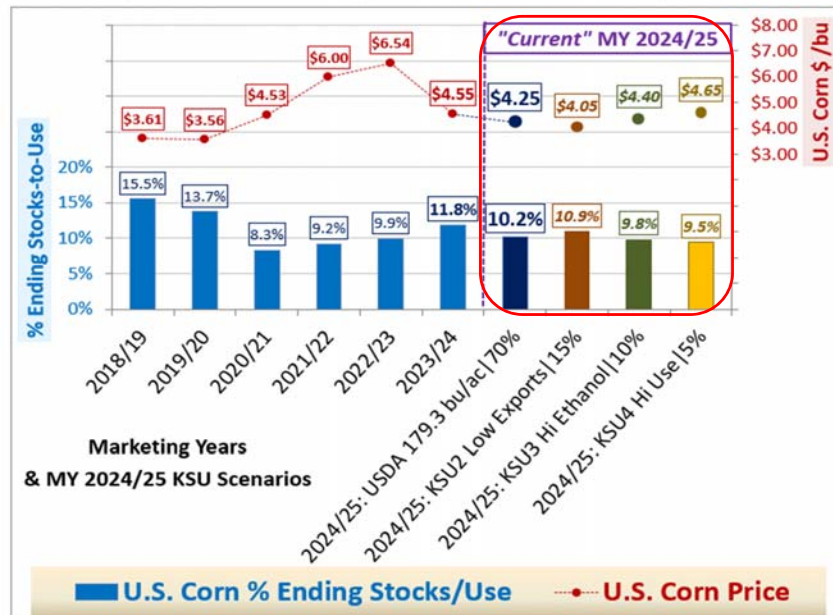
U.S. Corn Supply-Demand *KSU Perspectives*

"Current" MY 2024/25 as of the 1/10/2025 WASDE + KSU Estimates As of 1/20/2025

Item	A. USDA #1 "Current" MY 2024/25 14.867 bb Crop 1.540 bb End Stocks	B. KSU #2 "Current" MY 2024/25 100 mb <i>Lower</i> U.S. Corn Exports 1.640 bb End Stocks	C. KSU #3 "Current" MY 2024/25 50 mb <i>Higher</i> Ethanol Corn Use 1.490 bb End Stocks	D. KSU #4 "Current" MY 2024/25 50 mb \uparrow Ethanol Use 50 mb \uparrow Feed Use 1.440 bb End Stocks
% Probability of Occurring <small>(KSU)</small>	70% ^{KSUest}	15% ^{KSUest}	10% ^{KSUest}	5% ^{KSUest}
Planted Area (million acres)	90.594	90.594	90.594	90.594
Harvested Area (million acres)	82.896	82.896	82.896	82.896
Yield / harvested acre (bu/ac)	179.3	179.3	179.3	179.3
Production (million bu.)	14,867	14,867	14,867	14,867
Total Supply (million bu.)	16,655	16,655	16,655	16,655
Ethanol for fuel Use (million bu.)	5,500	5,500	+ 50 mb 5,550	+ 50 mb 5,550
Food & Industrial Use (million bu.)	1,359	1,359	1,359	1,359
Exports (million bu.)	2,450	- 100 mb 2,350	2,450	+ 50 mb 2,500
Feed & Residual Use (million bu.)	5,775	5,775	5,775	5,775
Total Use (million bu.)	15,115	- 100 mb 15,015	+ 50 mb 15,165	+ 100 mb 15,215
Ending Stocks (million bu.)	1,540	+ 100 mb 1,640	- 50 mb 1,490	- 100 mb 1,440
% Ending Stocks-to-Use	10.19%	10.92%	9.83%	9.46%
U.S. Corn Average Farm Price <small>(\$/bushel)</small>	\$4.25 ^{USDA} \$4.43 ^{Futures 1/24/2025}	\$4.05 ^{KSU} \$4.43 ^{Futures 1/24/2025}	\$4.40 ^{KSU} \$4.43 ^{Futures 1/24/2025}	\$4.65 ^{KSU} \$4.43 ^{Futures 1/24/2025}

U.S. Corn % Stocks/Use vs Corn \$

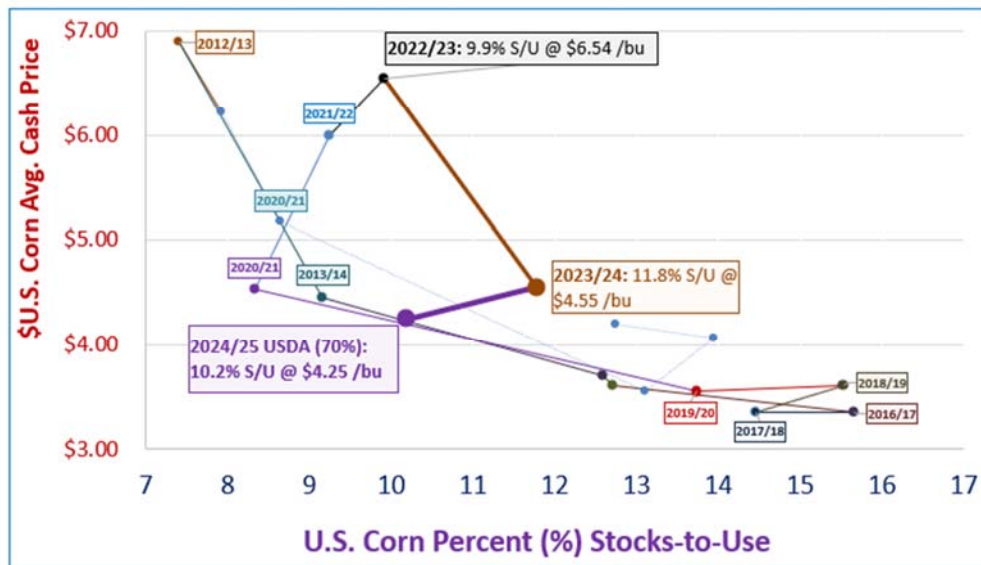
MY 2018/19 – "Current" MY 2024/25 as of the 1/10/2025 WASDE Report + KSU estimates



U.S. Corn \$ vs % Stocks-to-Use

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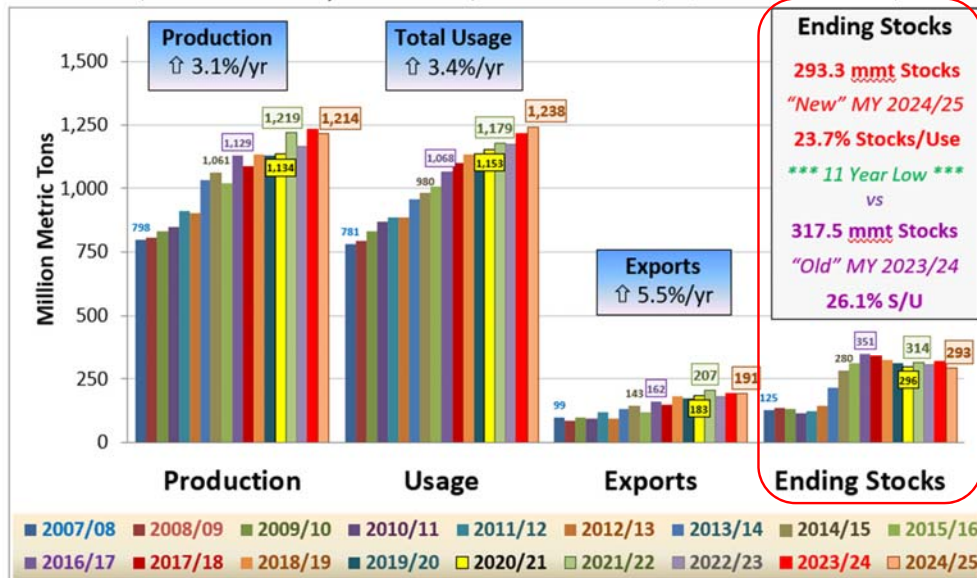
MY 2007/08 – “New” MY 2024/25 as of the 1/10/2025 WASDE + KSU % Estimates



World Corn Supply-Demand

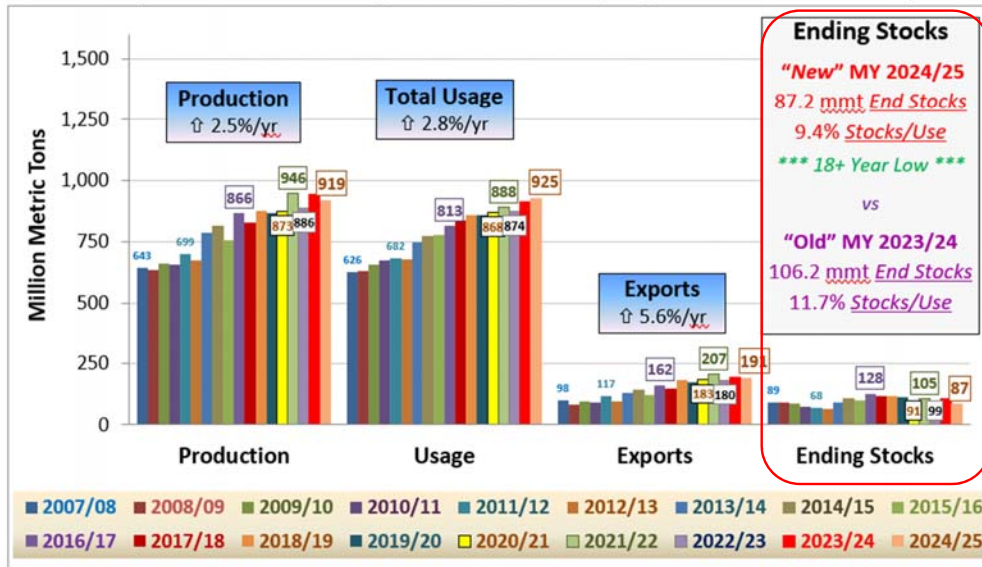
40

MY 2007/08 – “New Crop” MY 2024/25 as of the January 10, 2025 USDA WASDE Report



"World Less-China" Corn Supply-Demand

MY 2007/08 – "New" MY 2024/25 as of the January 10, 2025 USDA WASDE Report



World vs World Less-China Corn % Stocks-to-Use

MY 2007/08 thru "New Crop" MY 2024/25, as of the 1/10/2025 USDA WASDE report



Mexico Corn Supply-Demand

MY 2007/08 – “Current” 2024/25, as of the 1/10/2025 USDA WASDE



South America Corn S-D

MY 2007/08 – “Current” 2024/25, as of the 1/10/2025 USDA WASDE



Ukraine Corn Supply-Demand

MY 2007/08 – “New Crop” MY 2024/25, as of the 1/10/2025 USDA WASDE Report



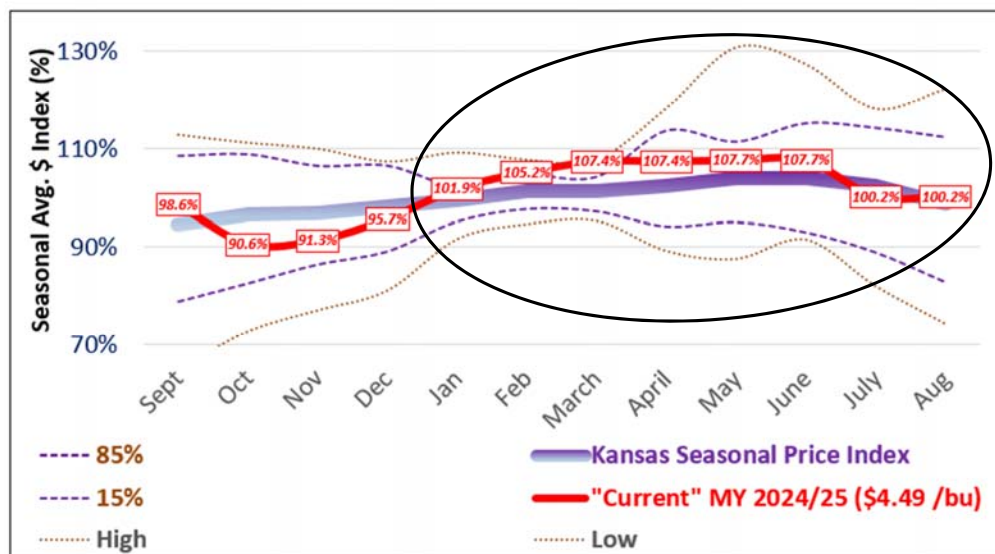
Russia Corn Supply-Demand

MY 2007/08 – “New Crop” MY 2024/25, as of the 1/10/2025 USDA WASDE Report



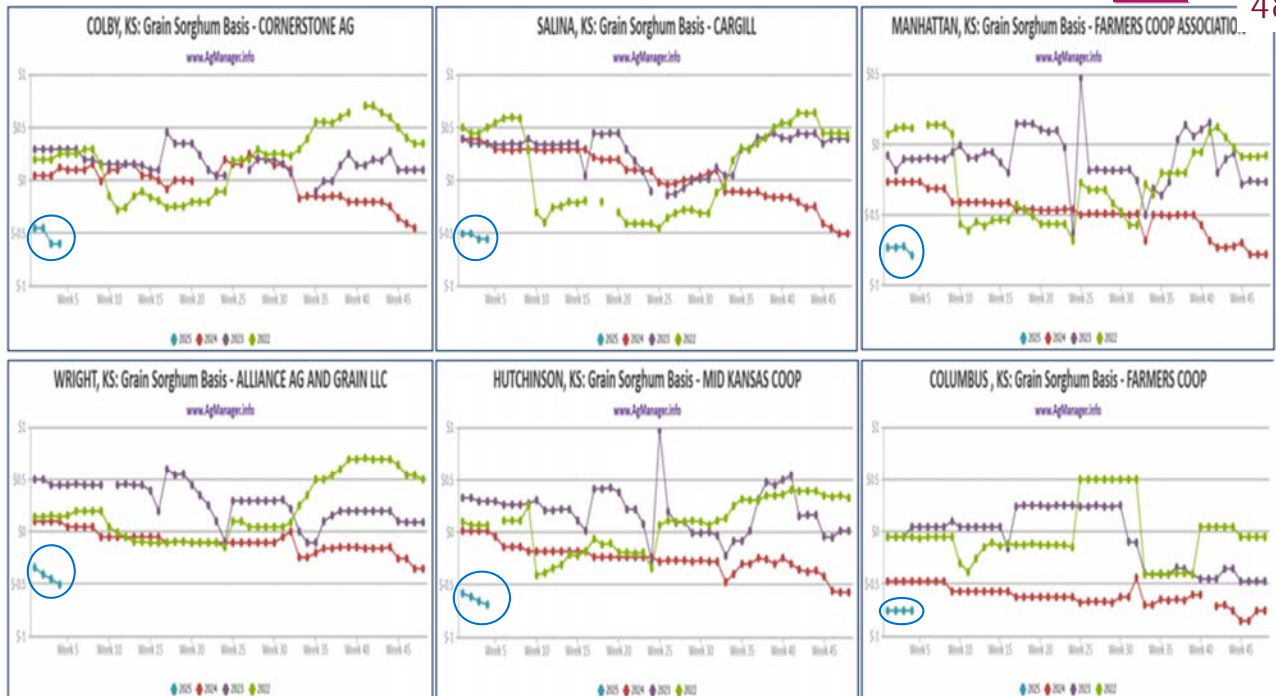
Kansas Sorghum Seasonal Prices

MY 1999/00 – MY 2023/24 and “Current” MY 2024/25 as of 1/24/2025



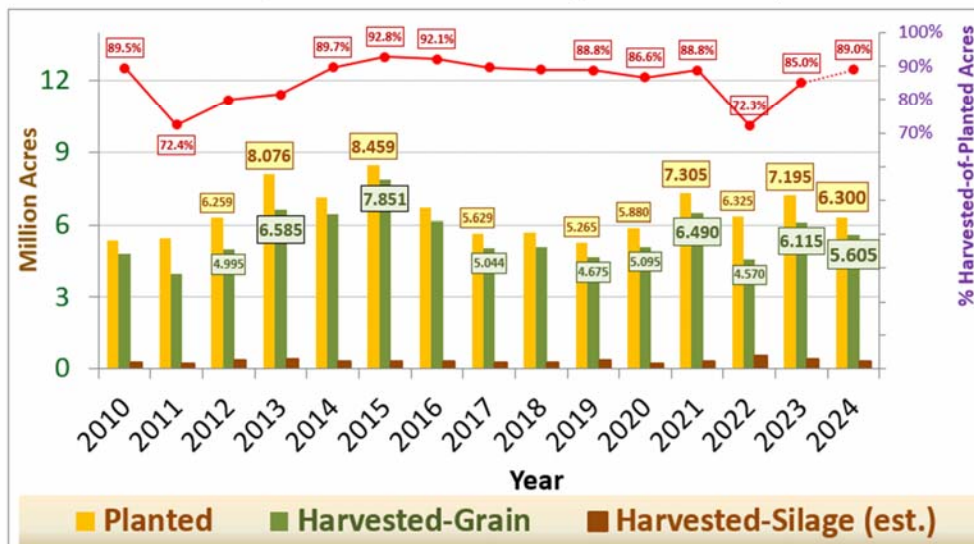
Kansas Cash & Futures Prices	
Date	
1/24/2025 - Closes	
Grain Futures Contracts	Closing \$
MAR 2025 Corn ^{"New" MY 2024/25 Post-Harvest Futures}	\$4.8650
DEC 2025 Corn ^{"Next" MY 2025/26 Harvest Futures}	\$4.6100

1/24/2025 - Closes		Cash Grain & Harvest Contract Prices @ Kansas Grain Elevators					
<i>Representing the highest bids available at each location</i>							
Market Area Spot Cash & Fwd Contract Bids	Colby	Salina	Topeka	Garden City	Hutchinson	Pittsburg	
	NW KS	NC KS	NE KS	SW KS	SC KS	SE KS	
Grain Sorghum Spot Cash\$: Fall ²⁰²⁴	\$4.37	\$4.31	\$4.41	\$4.21	\$4.36	\$4.23	
2024 Harvest Cash Market Basis	(\$0.50)	(\$0.56)	(\$0.46)	(\$0.66)	(\$0.51)	(\$0.64)	
Grain Sorghum Harvest FC\$: Fall ²⁰²⁵	\$4.21	\$4.09	\$4.06	\$4.16	\$4.21	\$3.99	
"Next Crop" MY 2025/26 Harvest Frwd Contract	(\$0.40)	(\$0.52)	(\$0.55)	(\$0.45)	(\$0.40)	(\$0.62)	



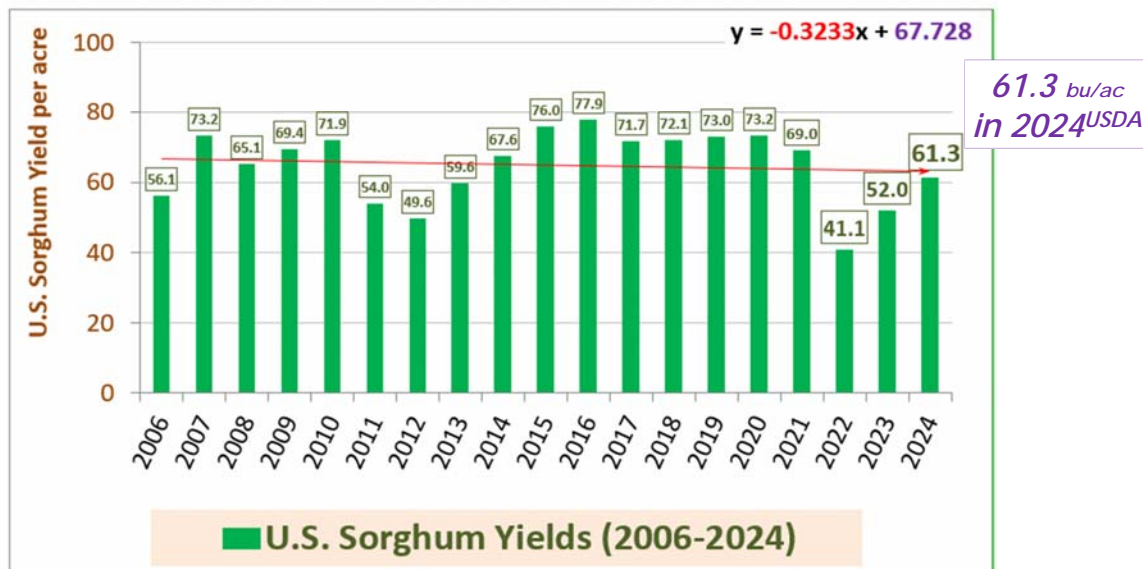
U.S. Grain Sorghum Acres

Years 2010 – 2024, Source: USDA NASS Crop Production Report 1/10/2025



U.S. Grain Sorghum Yields

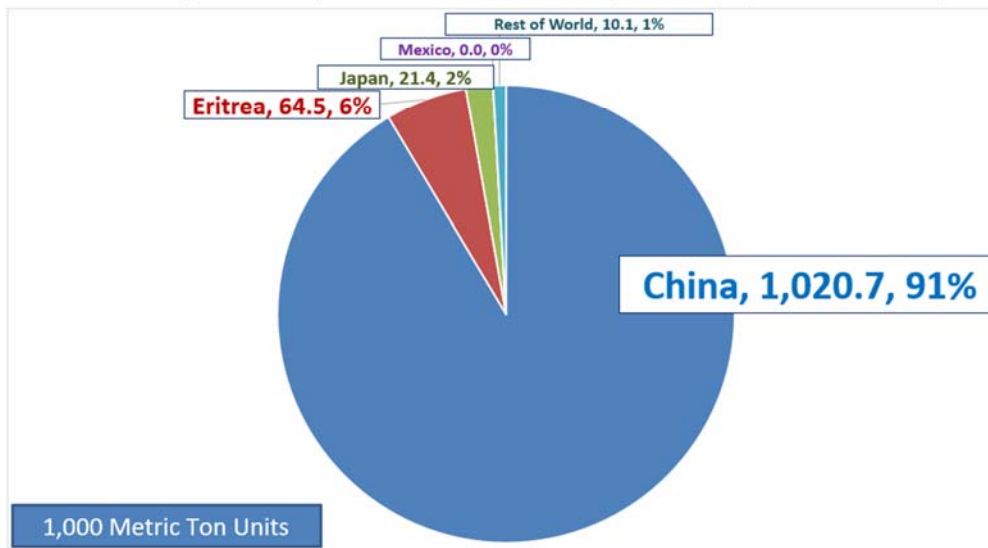
Years 2006 – 2024 as of the January 10, 2025 WASDE Report



U.S. Sorghum Export Buyers "Current" MY 2024/25

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Outstanding Sales + Shipments for "Current" 2024/25 as of 1/16/2025 USDA FAS Reports



China Sorghum Supply-Demand

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MY 2007/08 – "Current" 2024/25 as of the 1/10/2025 USDA WASDE report



Australia Sorghum S-D

MY 2007/08 – “Current” 2024/25 as of the January 10, 2025 USDA WASDE



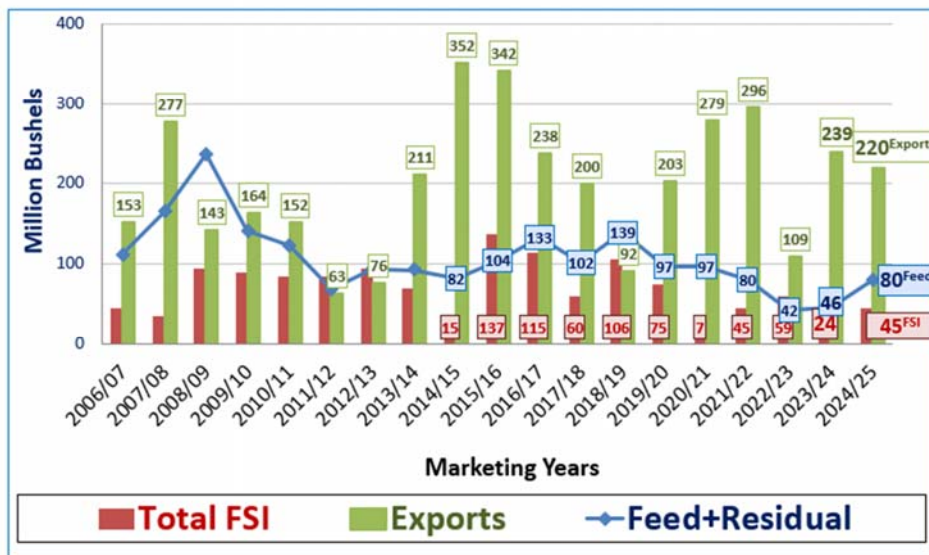
Argentina Sorghum S-D

MY 2007/08 – “Current” 2024/25 as of the 1/10/2025 USDA WASDE



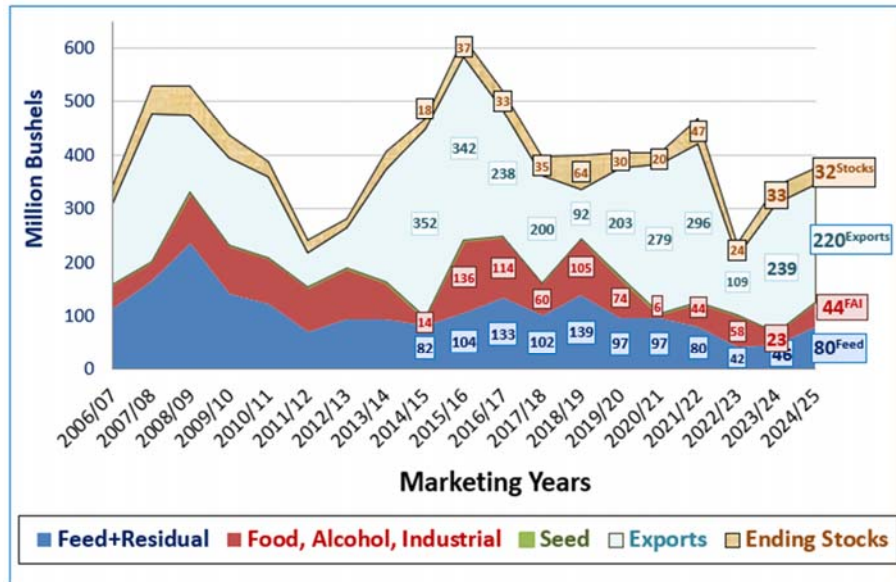
U.S. Sorghum Use Trends

MY 2006/07 - “New” 2024/25; as of the January 10, 2025 WASDE Report



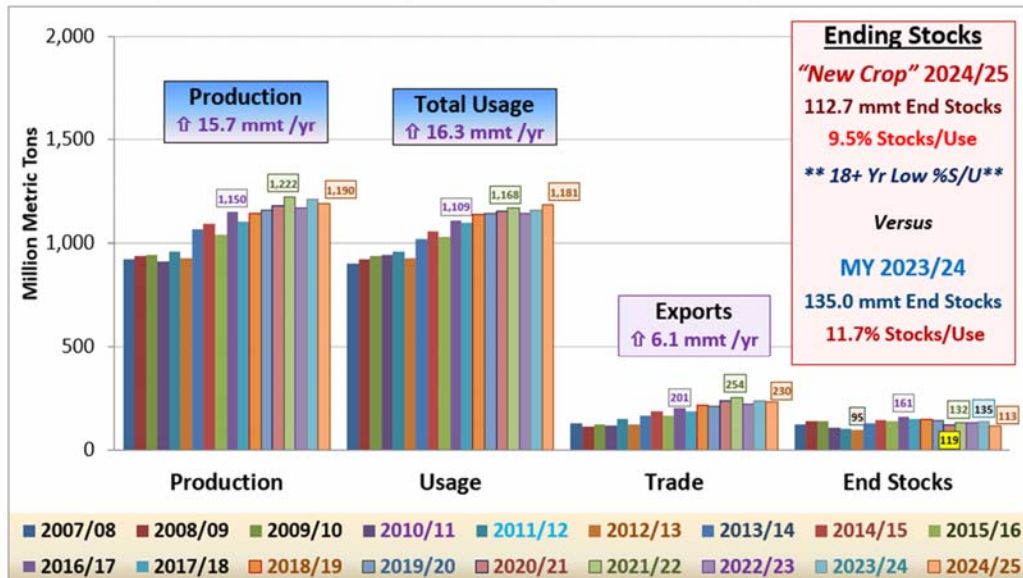
U.S. Sorghum Use & End Stocks

MY 2006/07 - "New Crop" 2024/25: Source in the 1/10/2025 WASDE



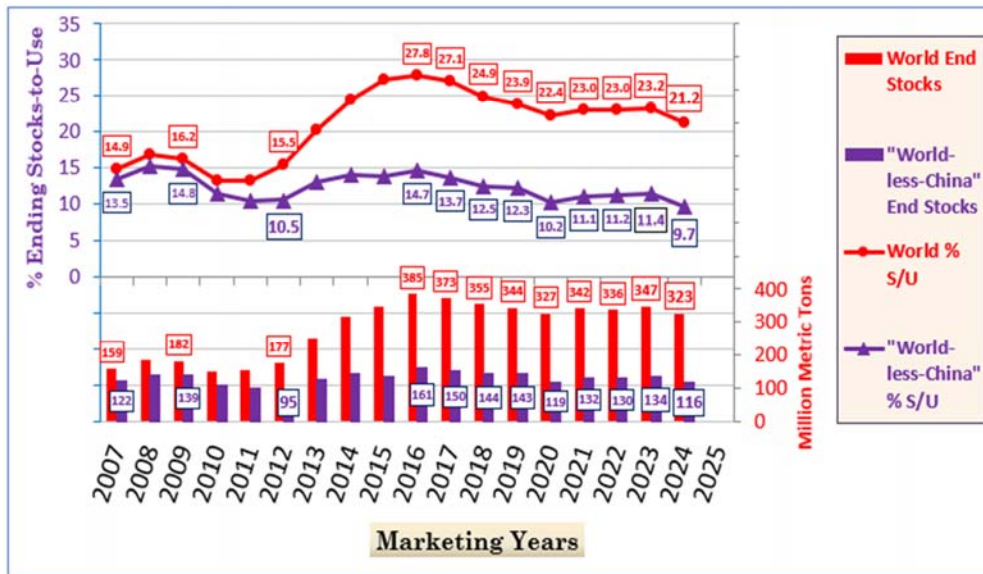
World Less-China Coarse Grain Supply-Demand

MY 2007/08 thru "New Crop" MY 2024/25 as of the January 10, 2025 USDA WASDE



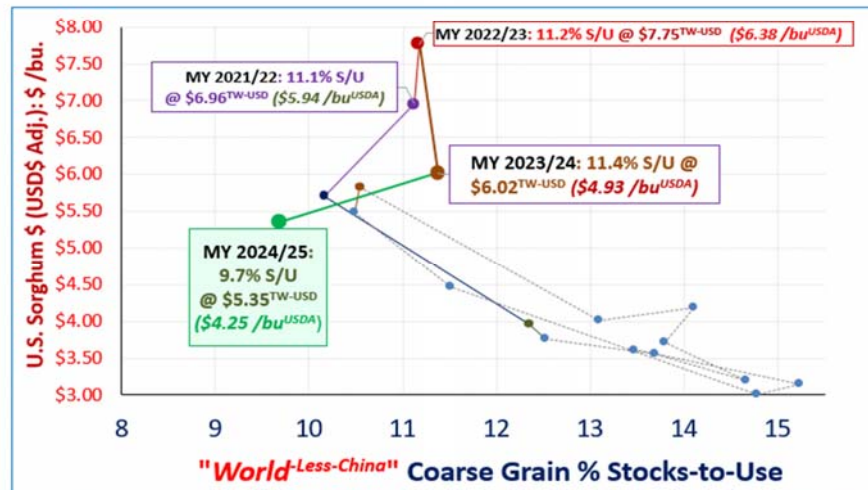
World vs World^{Less-China} Coarse Grain % S/U

MY 2007/08 thru "Current" 2024/25 as of the 1/10/2025 USDA WASDE



U.S. Sorghum Prices ^{USD\$ Adj.} vs Coarse Grain ^{World-Less-China} % S/U

MY 2007/08 thru "Current" 2024/25 as of the 1/10/2025 USDA WASDE



Feedgrain Marketing Strategies 1/27/2025

61

- a) Old Crop^{#1}: Storage-return opportunities into Spring-Summer 2025?
- b) Old Crop^{#2}: *IF* a strong Corn futures market rally occurs, *BUT* basis remains weak, *THEN* use a HTA^(basis later) or **Short Futures Storage Hedge** to *lock in futures & wait* for better **basis bids**
- c) Old Crop^{#3}: Consider *selling Cash & buying Call Options* *Basis??*
- d) New Crop: Use a *Scale-Up Pricing + Targeted Action Dates* forward sales plan for **New Crop 2025** (\$4.75 to \$6.00 monthly, March-to-August?)

Wheat Markets

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Key Wheat Market Issues 1/27/2025

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- 1) **“Current” MY 2024/25:** with *growing* U.S. **End Stocks** ^{798 mb} & **Stocks/Use** ^{39.9%} the Wheat market is “*over-supplied*” **BUT** still **@Risk** to **2025 U.S. crop-weather issues** *March-May 2025*
- 2) **Drought risks in Ukraine & Russia** may impact **2025 Black Sea Wheat Crops & Exports** (*+ U.S. Exports*)
- 3) **Lagging U.S. Wheat exports** *To all major buyers, especially U.S. HRW Wheat*
- 4) **U.S. Trade & Tariffs Policy** may impact U.S. Wheat markets (?)

More Wheat Market Issues 1/27/2025

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- 5) **“Weak” Wheat basis** in KS since Fall 2024
 - Primarily caused by poor U.S. Hard Red Winter ^(HRW) Wheat Exports
 - Due to the high value of the U.S. dollar & aggressive competitive export sales by Russia & Ukraine
- 6) **Watching for market seasonality** *in April-May 2025*
(*ahead of 2025 HRW harvest in late June-July*)

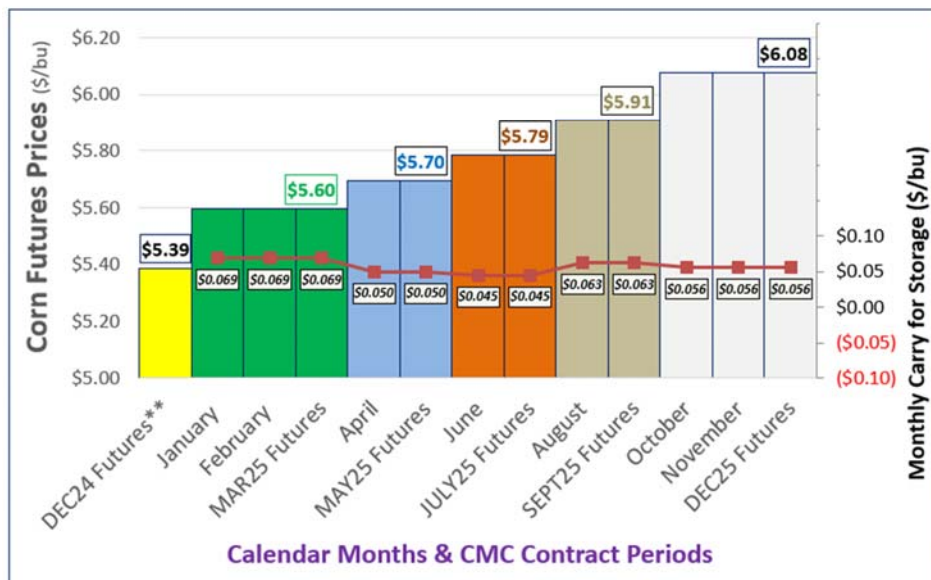
U.S. Dollar Index *Monthly Trade Weighted*

January 2006 through January 17, 2025 (St. Louis FED, FRED)



CME KS HRW Wheat Futures

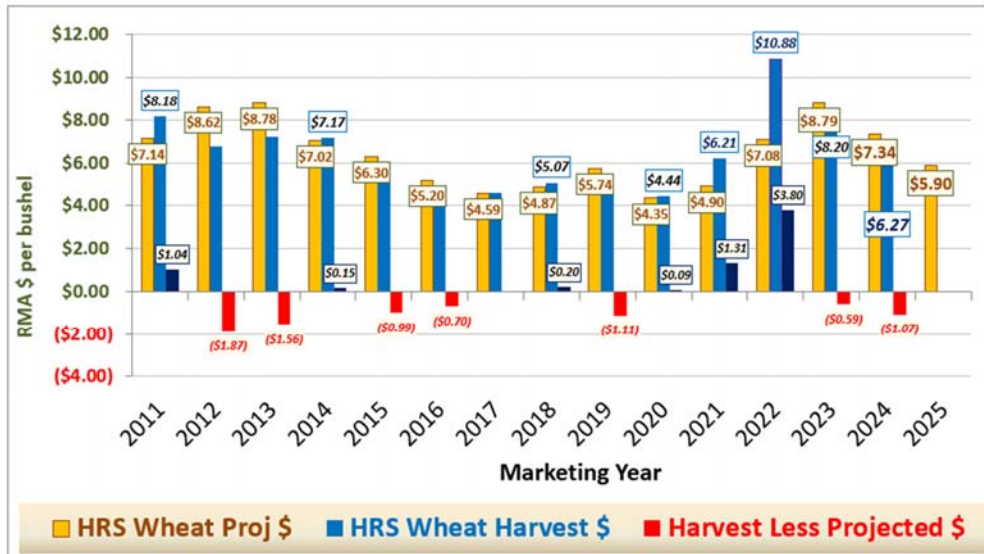
MAR²⁰²⁵ – DEC²⁰²⁵ Closing Prices as of Friday, January 24, 2025



HRW Wheat Projected & Harvest \$'s RMA

67

Kansas \$'s, Years 2011-2025 (Price increases in 6 of 14 years)



Monthly Commodity Futures Price Chart Wheat (Kansas) (Electronic) (KCBT)

<https://futures.tradingcharts.com>

68

KE - Wheat (Kansas) (Electronic) - Monthly Chart

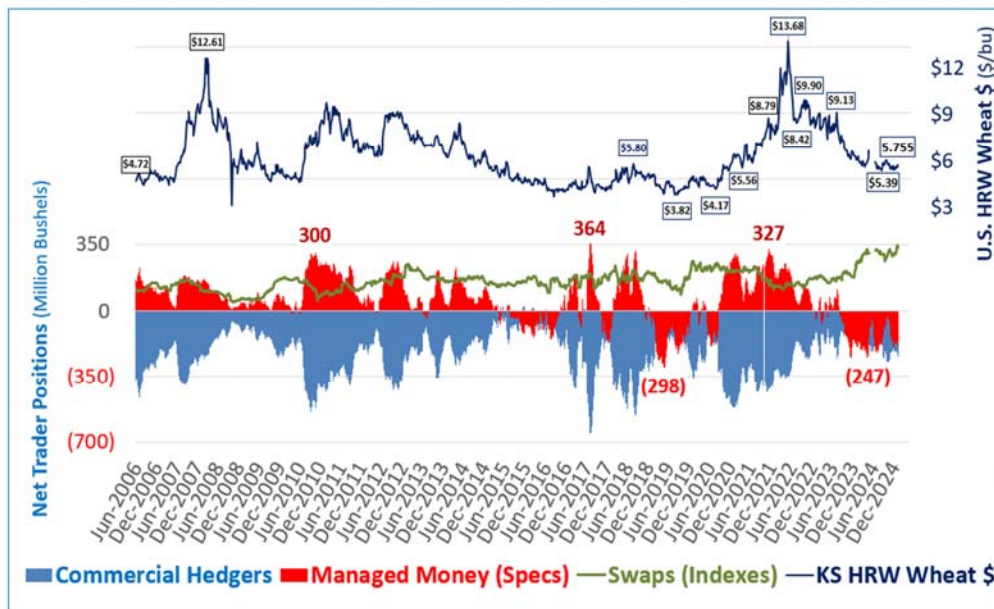
Change: -0.250

01/25/2025 O: 559.750 H: 586.000 L: 537.750 C: 559.500 Vol: 56610 OI: 285447



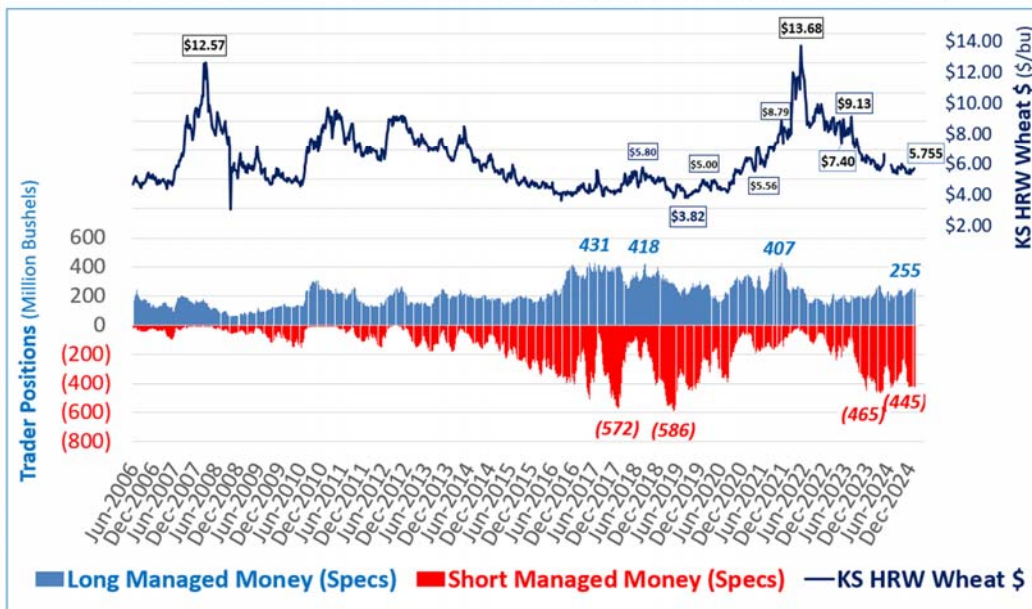
KS HRW Wheat ^{CME} - Net Position of Traders

June 2006 thru 1/21/2025 (Weekly CFTC Data) with 1/21/2025 Futures Market Closes for CME MAR 2025 Kansas HRW Wheat



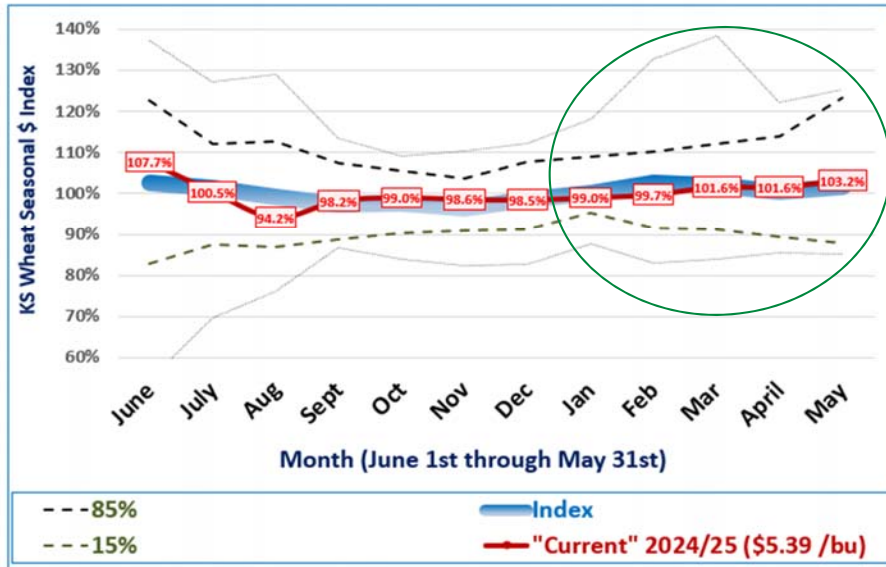
KS HRW Wheat ^{CME} - Managed Money Traders Specs

Long/Short Positions + Futures \$'s: June 2006 – 1/21/2025 CFTC Data with 1/21/2025 Futures for MAR 2025 KS HRW Wheat

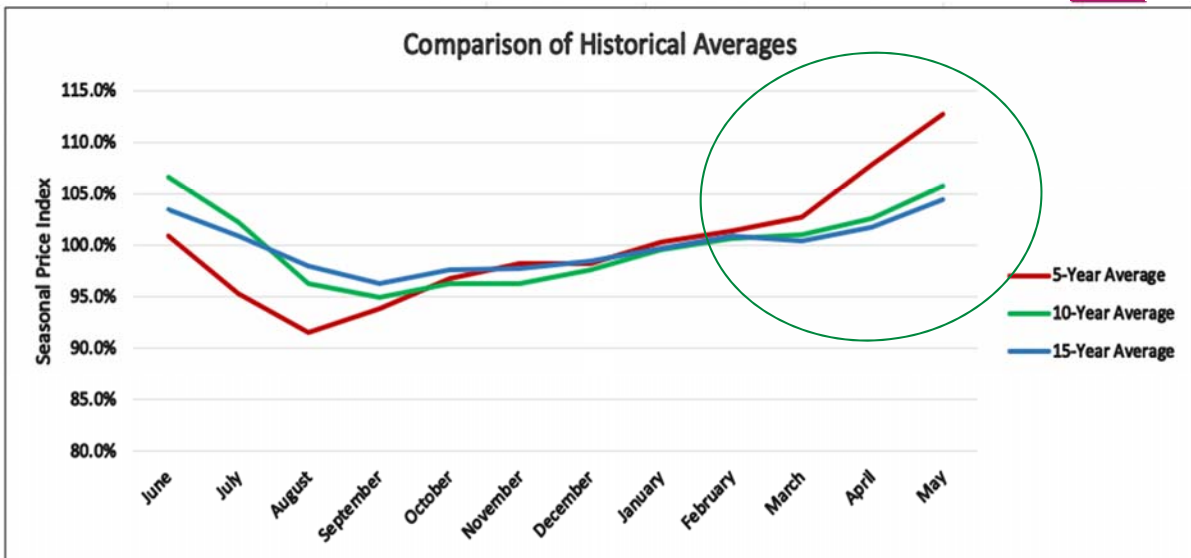


HRW Wheat Seasonal \$'s

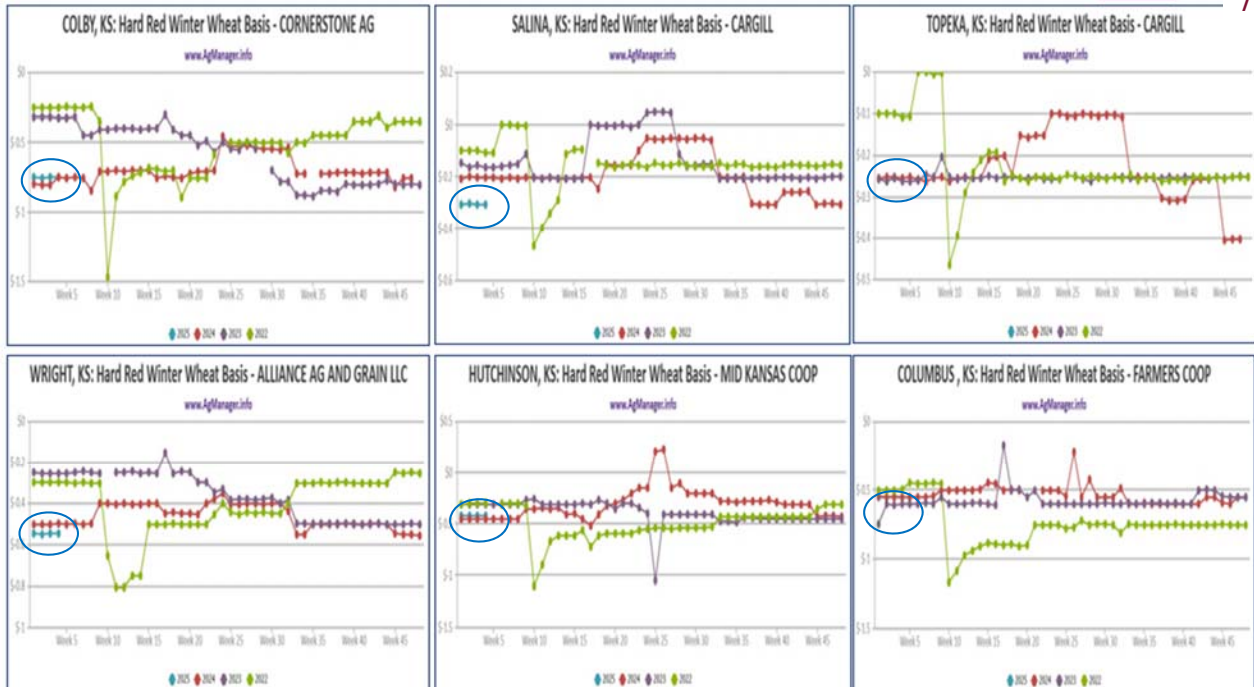
MY 1999/2000 – 2023/24 + "Current" MY 2024/25 as of 1/24/2025



Shifting Seasonality in Kansas Wheat Prices



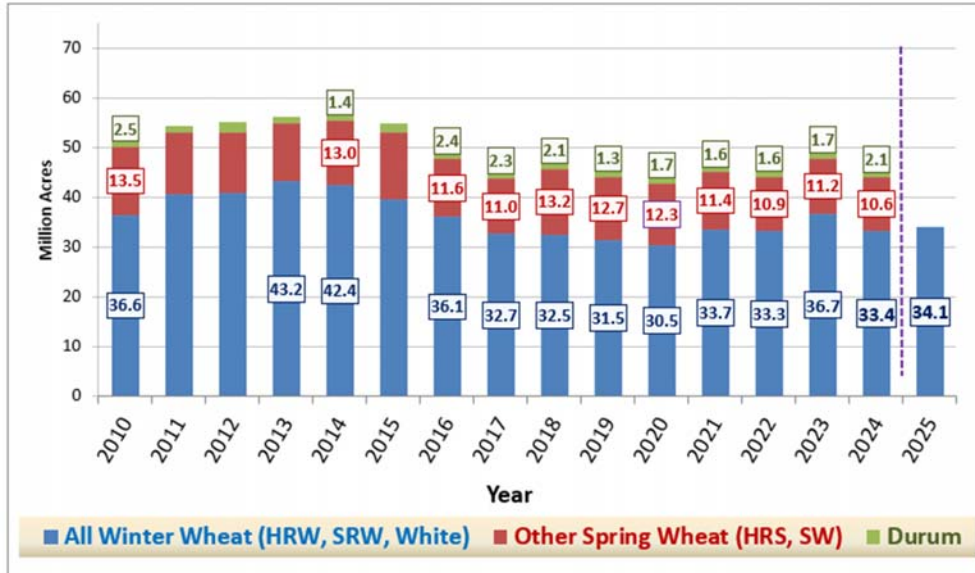
Kansas Cash & Futures Prices							
Date							
1/24/2025 - Closes							
Grain Futures Contracts		Closing \$					
MAR 2025 KC HRW Wheat ^{"Current" MY 2024/25 Futures}		\$5.5950					
JULY 2025 KC HRW Wheat ^{"Next" MY 2025/26 Harvest Future}		\$5.7850					
1/24/2025 - Closes		Cash Grain & Harvest Contract Prices @ Kansas Grain Elevators					
Representing the highest bids available at each location							
Market Area	Spot Cash & Fwd Contract Bids	Colby	Salina	Topeka	Garden City	Hutchinson	Pittsburg
		NW KS	NC KS	NE KS	SW KS	SC KS	SE KS
KC HRW Wheat Harvest Spot Cash\$		\$4.85	\$5.29	\$5.29	\$4.94	\$5.39	\$5.07
<i>"New Crop" MY 2024/25 HRW Wheat Spot Basis</i>		(\$0.75)	(\$0.31)	(\$0.31)	(\$0.65)	(\$0.21)	(\$0.52)
KC HRW Wheat FC\$ ^{2025 Harvest Futures}		\$4.94	\$5.38	\$5.38	\$5.19	\$5.41	\$5.24
<i>"Next Crop" MY 2025/26 HRW Hvst FC\$ Basis</i>		(\$0.85)	(\$0.41)	(\$0.41)	(\$0.60)	(\$0.38)	(\$0.55)
"Spot Cash" HRW Wheat vs Corn \$ Ratio		1.03	1.15	1.16	0.97	1.14	1.08



U.S. Wheat Planted Acreage 2010-2025

75

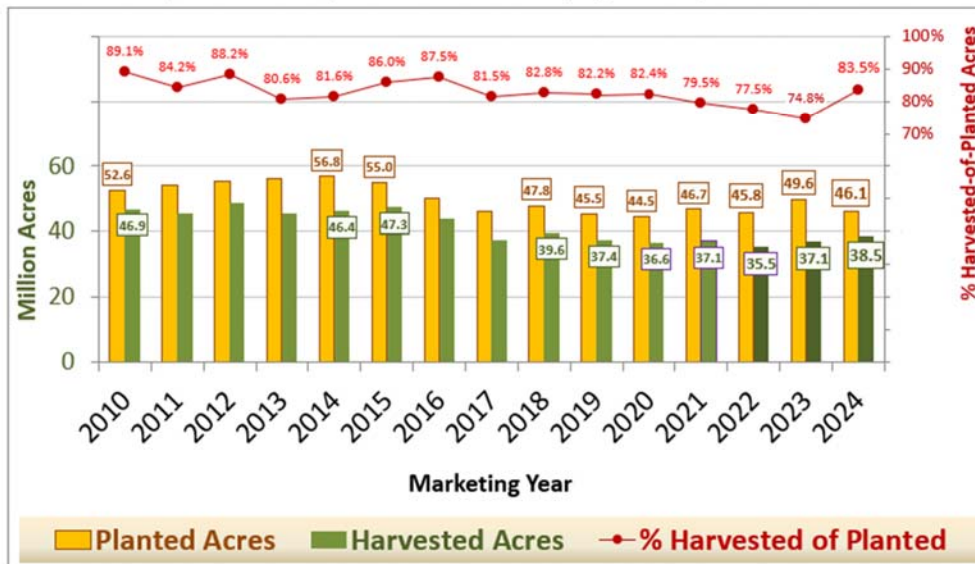
All Winter, Other Spring & Durum (2010+) – USDA Reports on 1/10/2025 + KSU Estimates



U.S. Wheat Acres

76

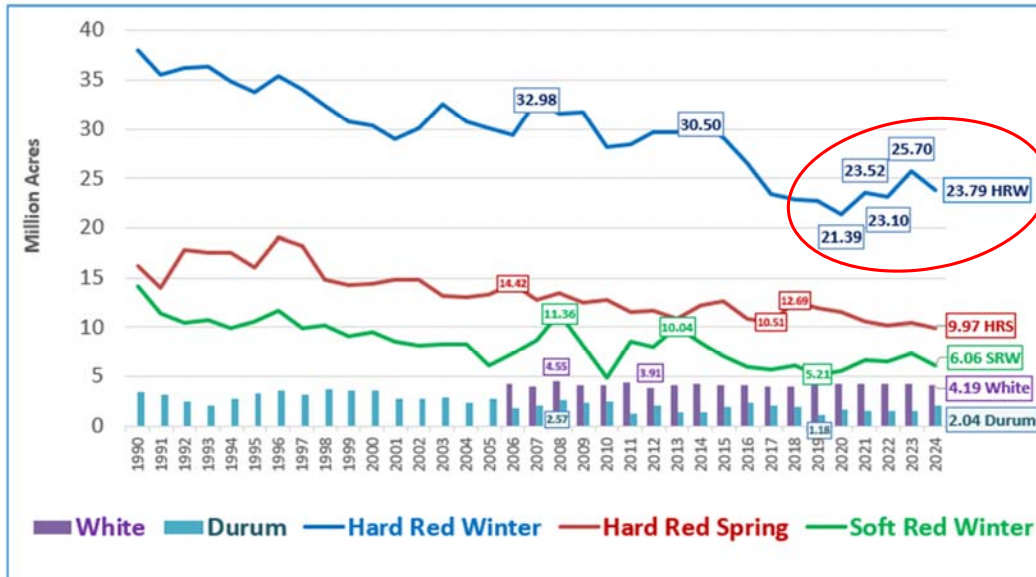
MY 2010/11 – MY 2024/25 – as of the USDA 1/10/2025 Reports



U.S. Wheat Planted Acres by Class

77

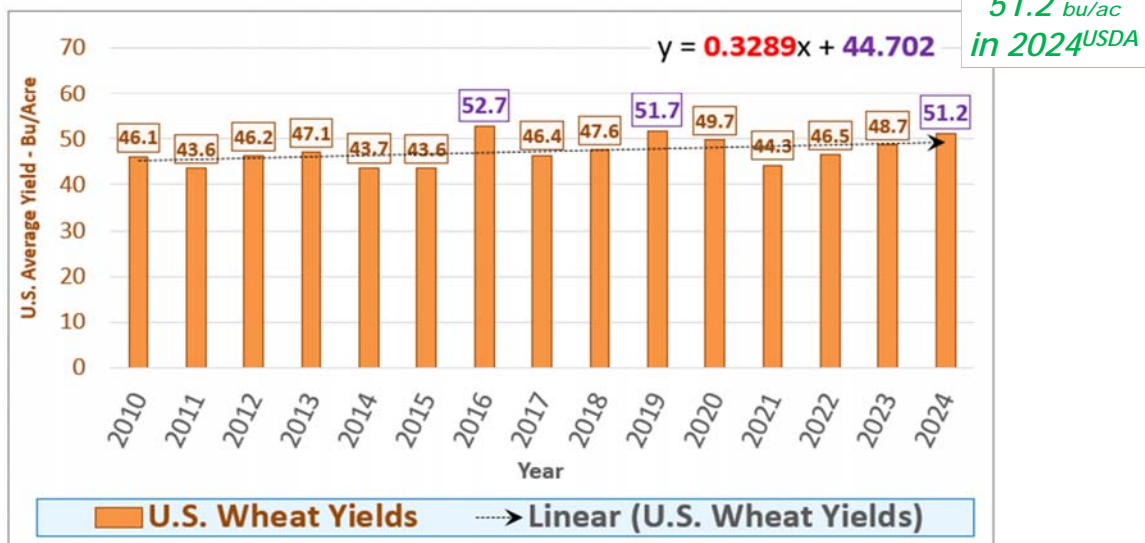
Since Year 1990 as of the USDA NASS Crop Production Report, January 10, 2025



U.S. Wheat Yield 2000-2024

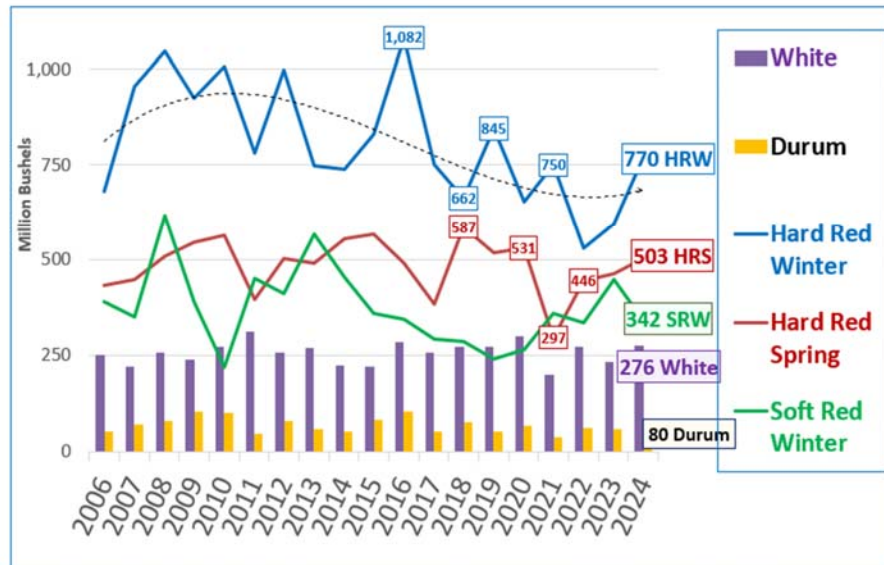
78

From the USDA 1/10/2025 Crop Production & WASDE Reports



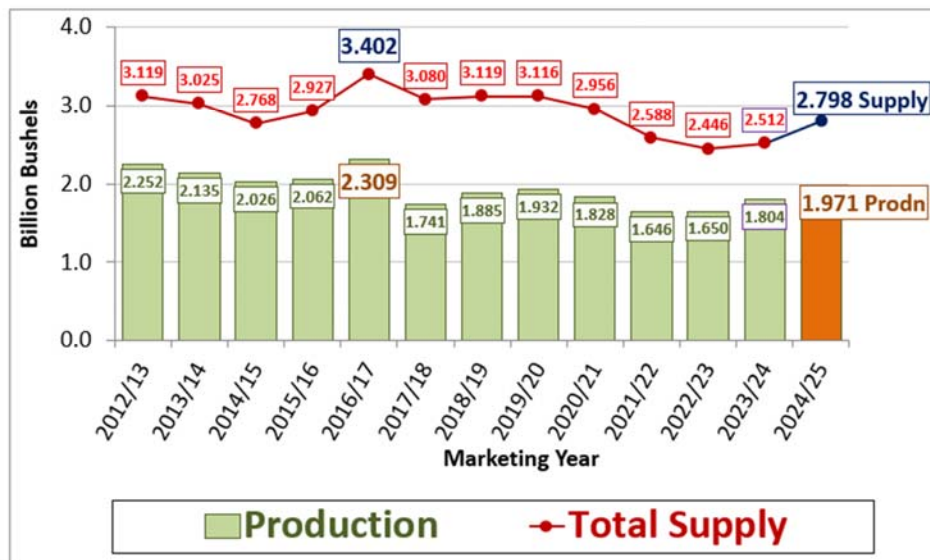
U.S. Wheat Production by Class

From the USDA 1/10/2025 Crop Production & WASDE Reports



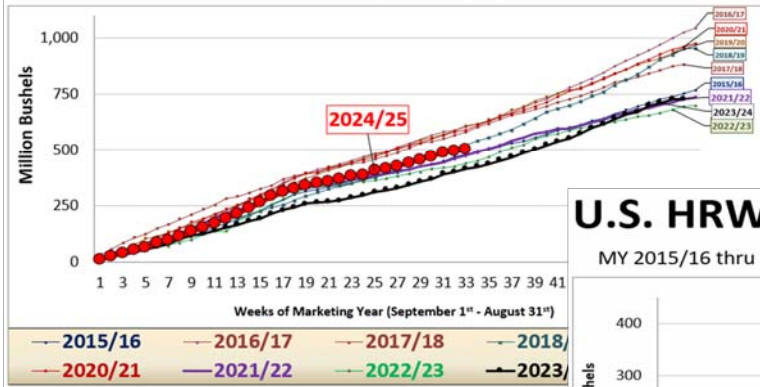
U.S. Wheat Total Supplies

From the USDA 1/10/2025 WASDE Report



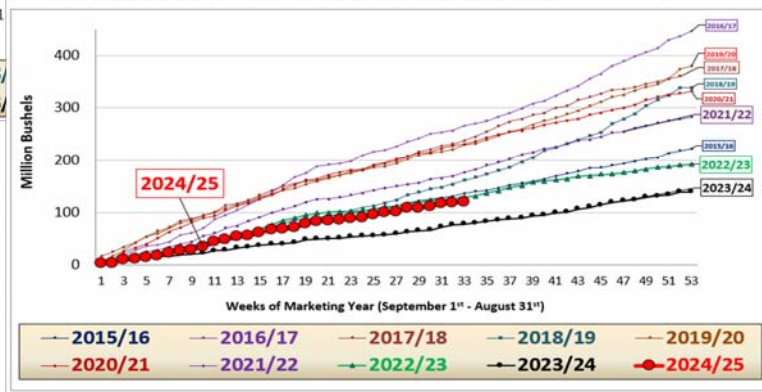
U.S. All Wheat Exports

MY 2015/16 thru "Current" MY 2024/25 as of 1/16/2025 USDA FAS Weekly Exports



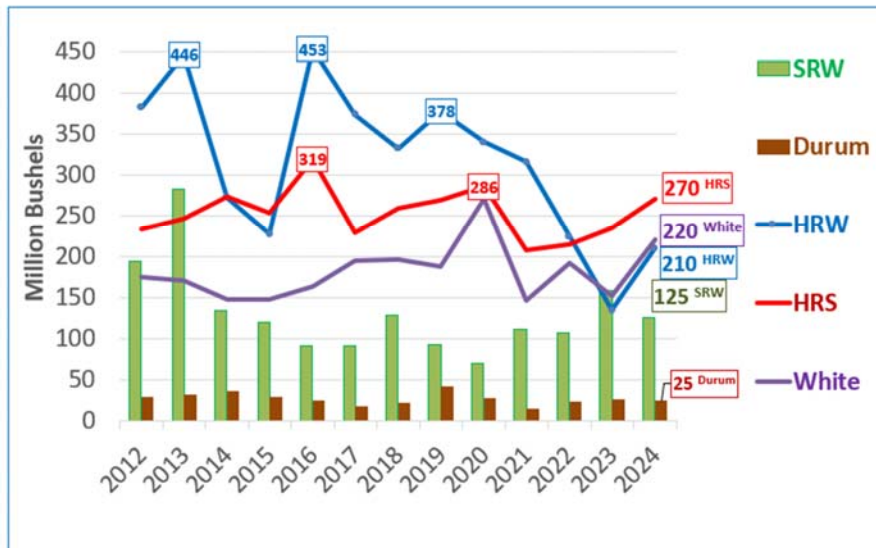
U.S. HRW Hard Red Winter Wheat Exports

MY 2015/16 thru "Current" MY 2024/25 as of 1/16/2025 USDA FAS Weekly Exports



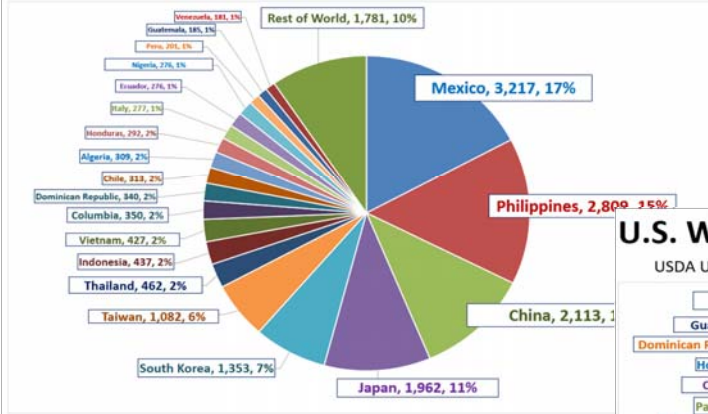
U.S. Wheat Exports by Class

Since Year 1990 as of the January 10, 2025 USDA Reports



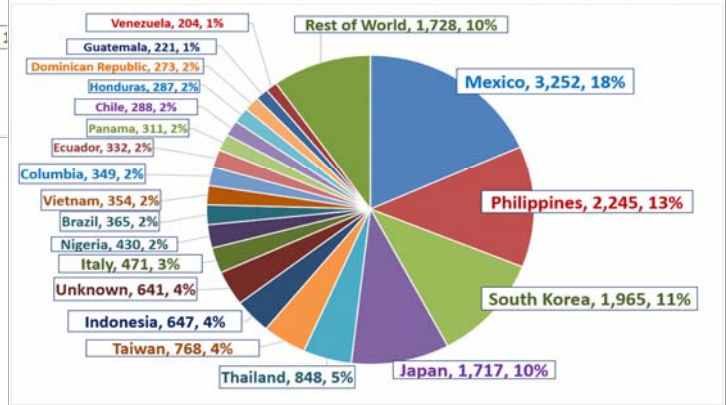
U.S. Wheat Export Buyers "Old Crop" MY 2023/24

USDA U.S. Export Sales report (1,000 mt), with Marketing Year from May 30, 2024



U.S. Wheat Export Buyers "Current" MY 2024/25

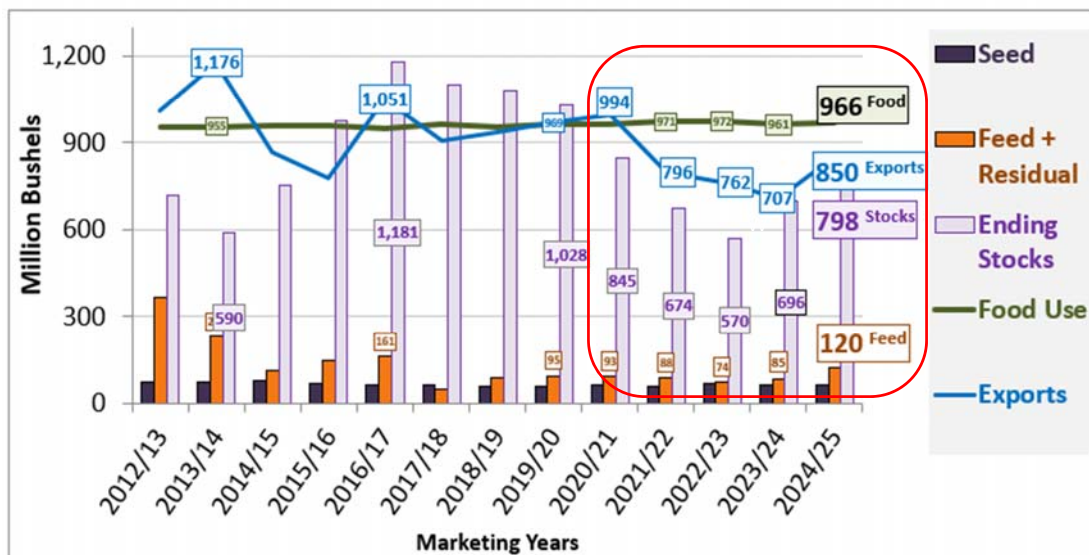
USDA U.S. Export Sales report (1,000 mt), with Marketing Year from January 16, 2025



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U.S. Wheat Use & Ending Stocks

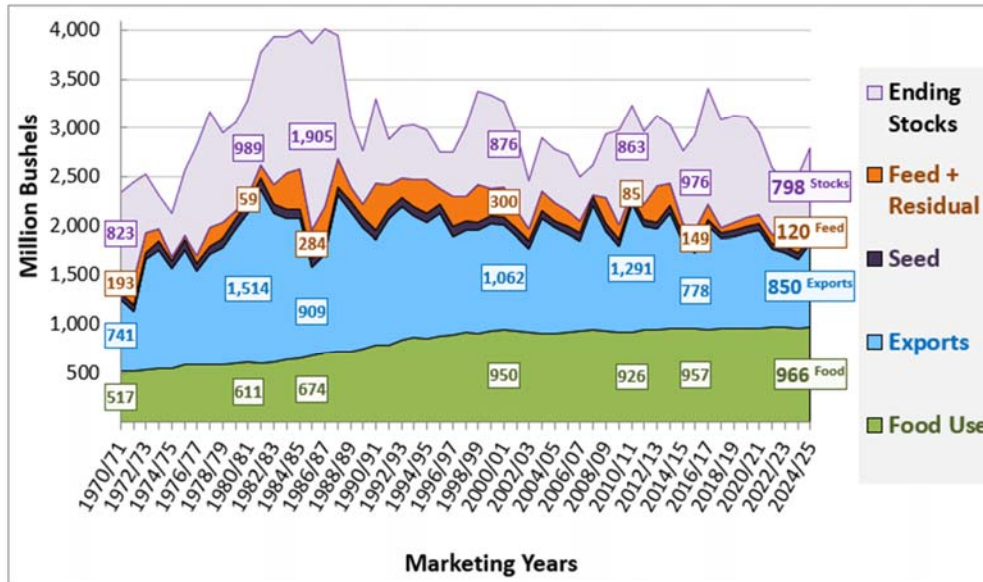
MY 2012/13 – "New" 2024/25; Source – USDA WASDE Report on 1/10/2025



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U.S. Wheat Use & Ending Stocks

MY 1970/71 – “New Crop” 2024/25; Source – USDA WASDE Report on 1/10/2025



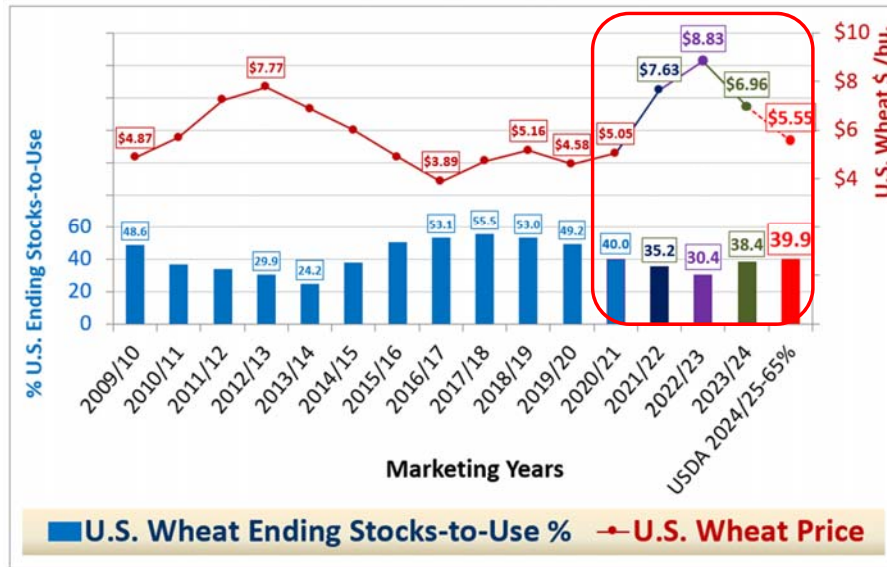
U.S. Wheat Ending Stocks & % S/U

MY 2006/07 – “New” 2024/25; Source – USDA WASDE Report on 1/10/2025



U.S. Wheat % Stocks/Use vs Cash \$'s

MY 2009/10 – “New” 2024/25; Source – USDA WASDE Report on 1/10/2025



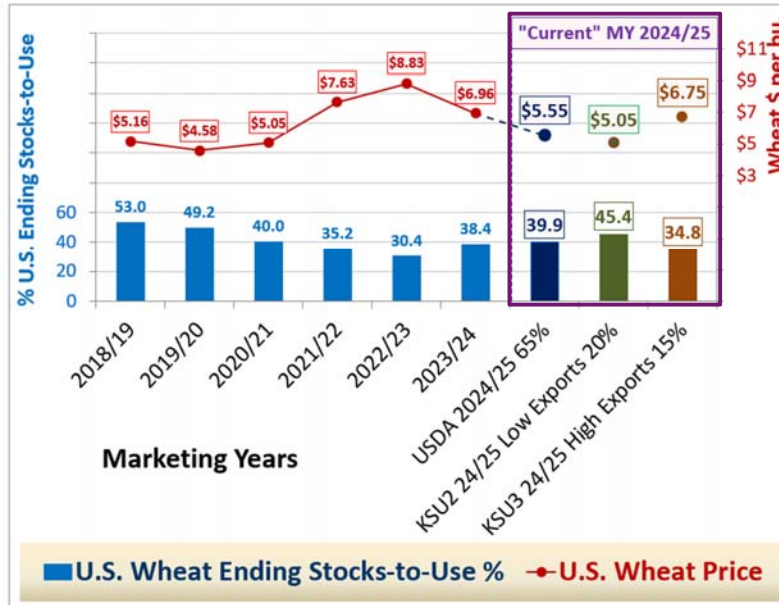
U.S. Wheat Market Scenarios “Current” 2024/25

KSU Projections from the 1/10/2025 USDA WASDE Report 1/25/2025

Item	USDA Scenario #1	KSU2 Scenario #2	KSU3 Scenario #3
	“New” 2024/25 12/10/2024 WASDE 39.9% Stocks/Use	“New” 2024/25 KSU: 775 mb Exports 45.4% Stocks/Use	“New” 2024/25 KSU: 925 mb Exports 34.8% Stocks/Use
% Prob. of Occurring ^{KSU}	65% prob	20% prob	15% prob.
Planted Area (million acres)	46.079	46.079	46.079
Harvested Area (million acres)	37.469	37.469	37.469
Yield / harvested aC. (bu/ac)	51.2	51.2	51.2
	Million		
Production	1,971	1,971	1,971
Total Supply (million bu)	2,798	2,798	2,798
Food Use	966	966	966
Exports	850	- 75 mb 775	+ 75 mb 925
Feed & Residual Use	120	120	120
Total Use (million bu.)	2,000	- 75 mb 1,925	+ 75 mb 2,075
Ending Stocks (million bushels)	798	+ 75 mb 873	- 75 mb 723
% End Stocks-to-Use	39.90%	45.35%	34.84%
U.S. Wheat Avg. Farm Price (\$/bushel)	\$5.55	\$5.05	\$6.75

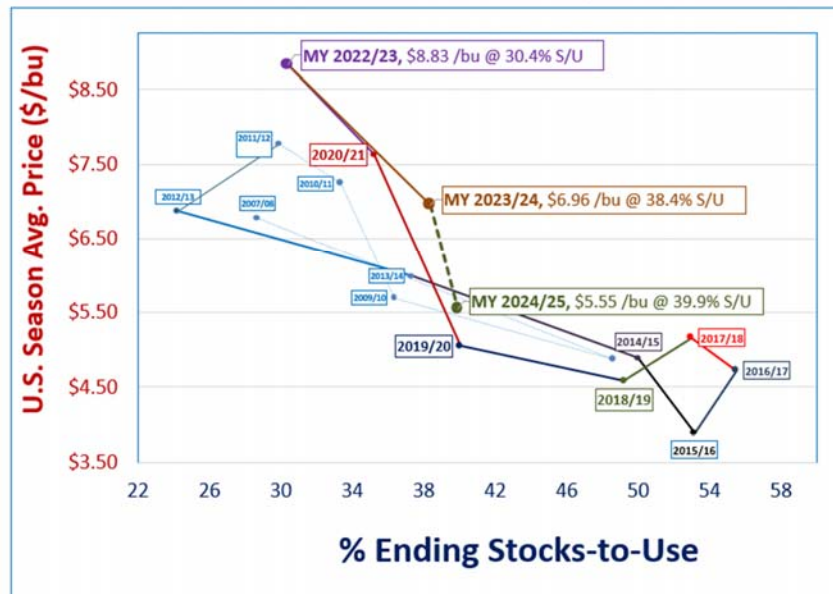
U.S. Wheat % S/U vs Cash Price's

MY 2018/19 – “New” 2024/25: USDA 1/10/2025 WASDE + KSU Ests.



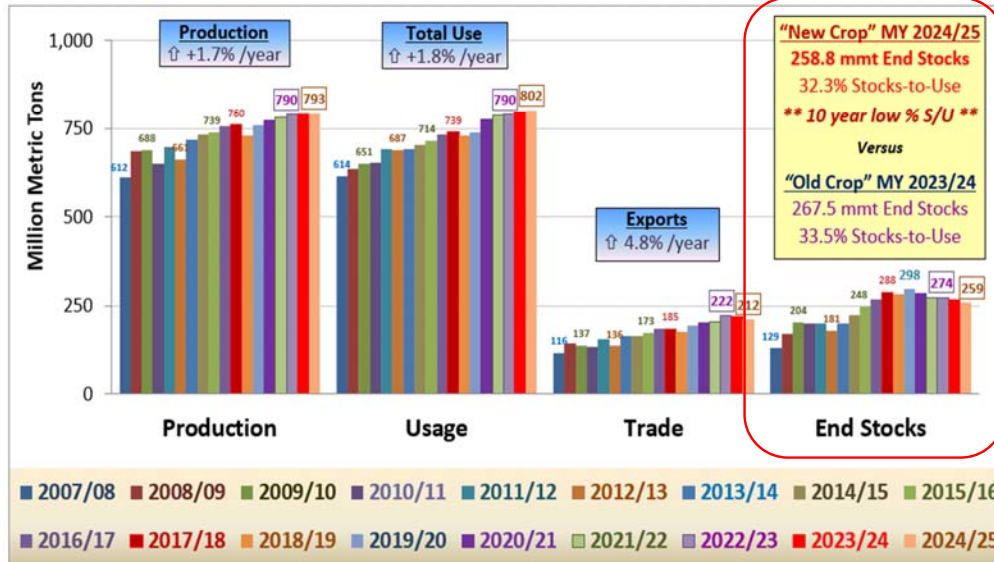
U.S. Wheat \$ vs % End Stocks/Use

MY 2008/09 – “New” 2024/25, USDA WASDE Report on 1/10/2025



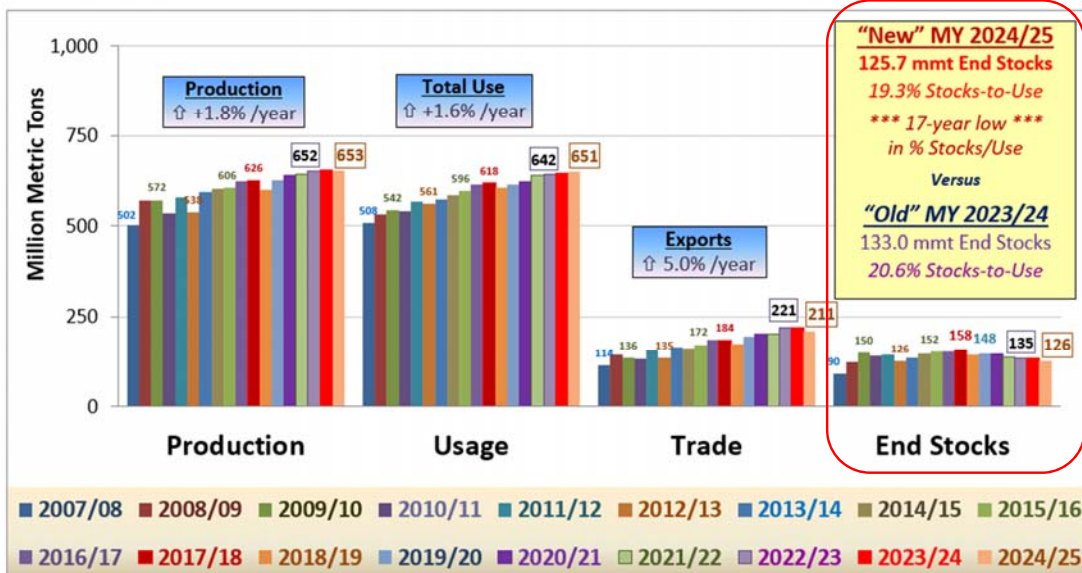
World Wheat Usage & Ending Stocks

MY 2007/08 - "New Crop" 2024/25 as of the 1/10/2025 USDA WASDE Report



“World Less-China” Wheat Usage & End Stocks

MY 2007/08 - "New Crop" 2024/25 as of the 1/10/2025 USDA WASDE Report



World vs "World Less-China" Wheat Stocks & % S/U

MY 2007/08 - "Current" MY 2024/25 as of the January 10, 2025 USDA WASDE



Ukraine Wheat Supply-Demand

MY 2013/14 - "Current" MY 2024/25 as of the January 10, 2025 USDA WASDE



Russia Wheat Supply-Demand

MY 2013/14 - "Current" MY 2024/25 as of the January 10, 2025 USDA WASDE



Canada Wheat S-D Trends

MY 2013/14 – “Current” MY 2024/25 as of the January 10, 2025 USDA WASDE



Australia Wheat S-D Trends

MY 2013/14 – “Current” MY 2024/25 as of the January 10, 2025 USDA WASDE



European Union Wheat S-D Trends

MY 2013/14 – “Current” MY 2024/25 as of the January 10, 2025 USDA WASDE



EU Wheat Export-Import Trends

MY 2013/14 – “Current” MY 2024/25 as of the January 10, 2025 USDA WASDE



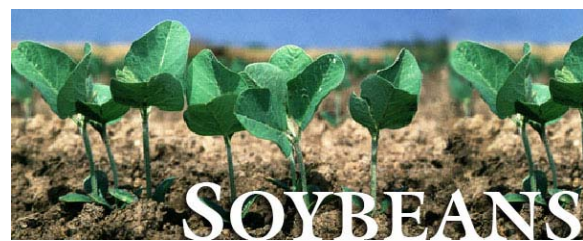
Wheat Marketing Strategies 1/27/2025

97

- a) **Old Crop#1**: Storage-return opportunities Into April-May 2025 in KS
- b) **Old Crop#2**: *IF* a strong HRW Wheat futures market rally occurs, *BUT* basis remains weak, *THEN* use a HTA^(basis later) or Futures Storage Hedge to *lock in futures & wait* for better basis bids
- c) **Old Crop#3**: Consider *selling Cash & buying Call Options*
- d) **New Crop**: Use a *Scale-Up Pricing + Targeted Action Dates* forward sales plan for **New Crop 2025** (\$5.75 to \$7.00 monthly, February-to-June?)

Soybean Markets

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KANSAS STATE
UNIVERSITY

Department of Agricultural Economics

Key Soybean Market Issues 1/27/2025

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- 1) **“Current” MY 2024/25:** With *moderate* U.S. **Ending Stocks** ^{380 mb} & **Stocks/Use** ^{8.7%} the Soybean market is *“not tight”* **BUT** still **@Risk** to **2025 U.S. crop-weather issues** May-September 2025
- 2) **Emerging crop risk in Argentina** *Drought* may impact **2025 South American Crops & Exports** (+ U.S. Exports)
- 3) **Strong U.S. Soybean Exports** *to date* – mainly to **China**
- 4) **U.S. Trade & Tariffs Policy** may impact Soybean \$’s (China, others)

More Soybean Market Issues 1/27/2025

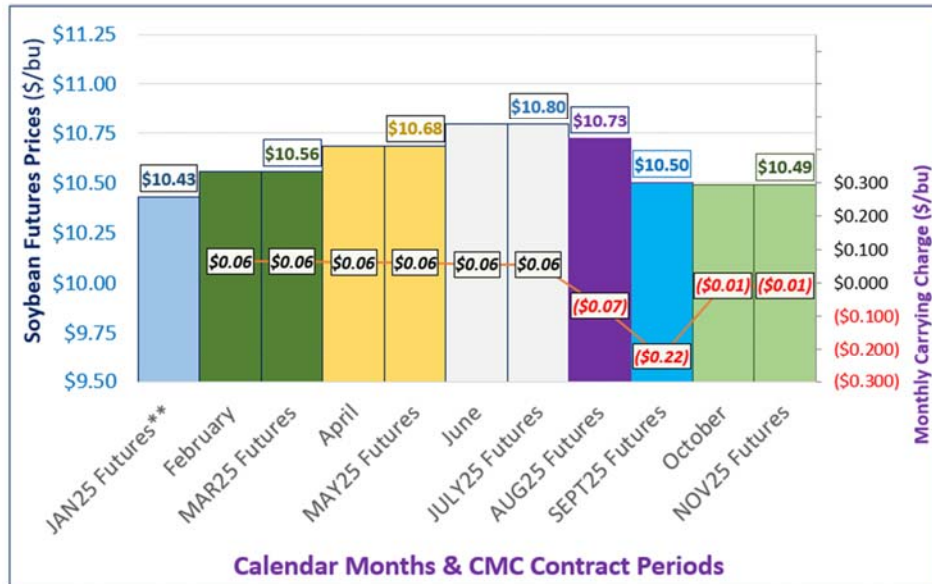
10
0

- 5) **Strong Soybean Oil & Moderately Strong SBMeal Exports**
- 6) **“Mostly Weak” Soybean basis** in KS since Fall 2024
- 7) **Unchanged-to-Lower U.S. Soybean Plantings** likely in 2025
- 8) **Biodiesel Regulatory Policy & Trade** issues likely to be impacted by the **Trump Administration** Renewable Diesel – Other issues
- 9) **Watching for market seasonality** March-September 2025, U.S. & South America

CME Soybean Futures *Lead & Deferred Contracts*

101

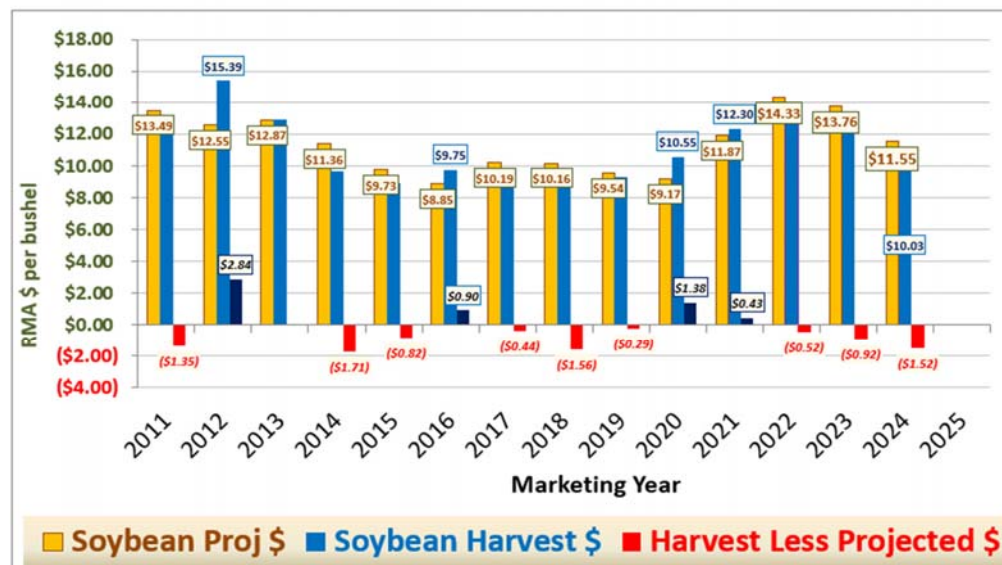
Closing Prices as of Friday, January 24, 2025



Soybean Projected & Harvest \$'s ^{RMA}

102

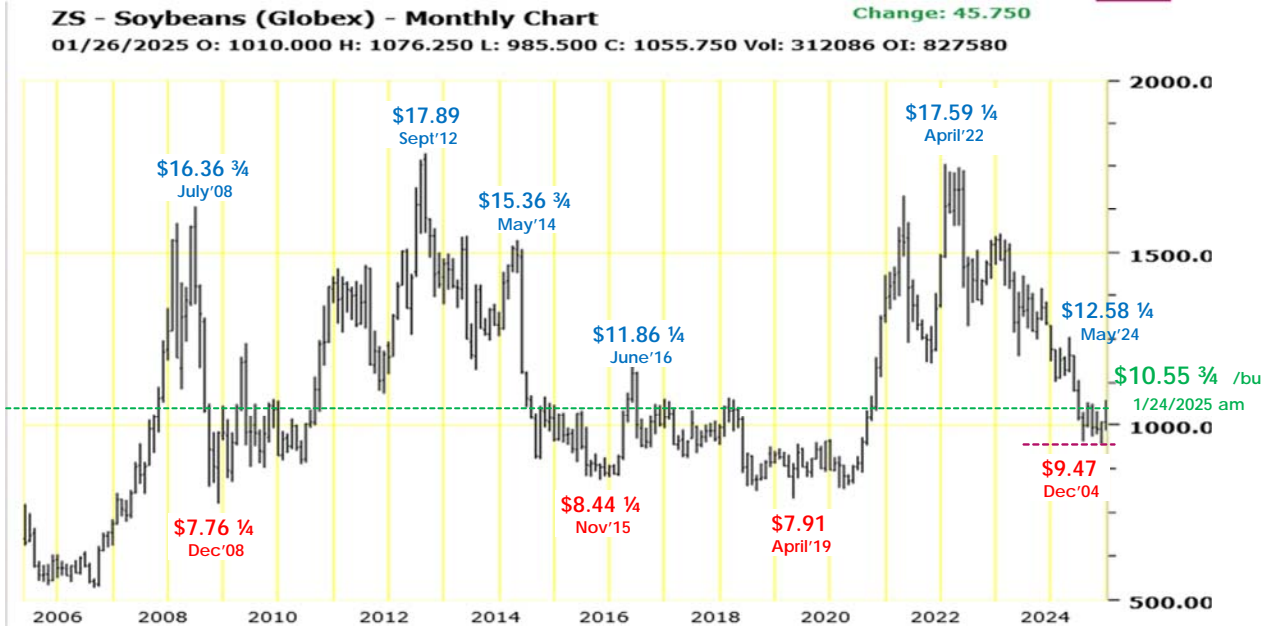
Kansas \$'s, Years 2011-2024 *January 2025* (Price increases in 4 of 14 years)



Monthly Commodity Futures Price Chart
Soybeans (Globex) (CBOT)

<https://futures.tradingcharts.com>

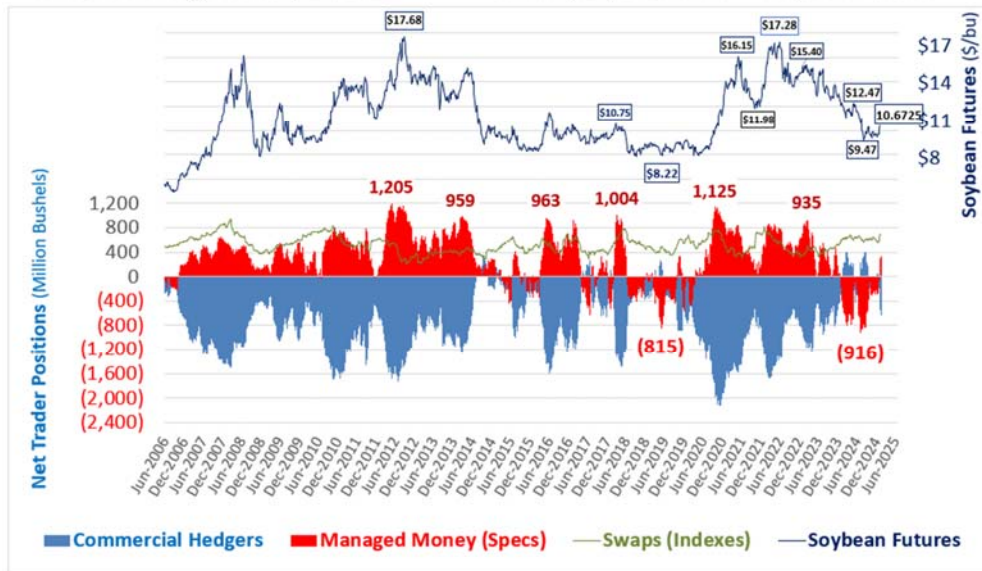
103



Soybean Futures *Net Position of Traders*

104

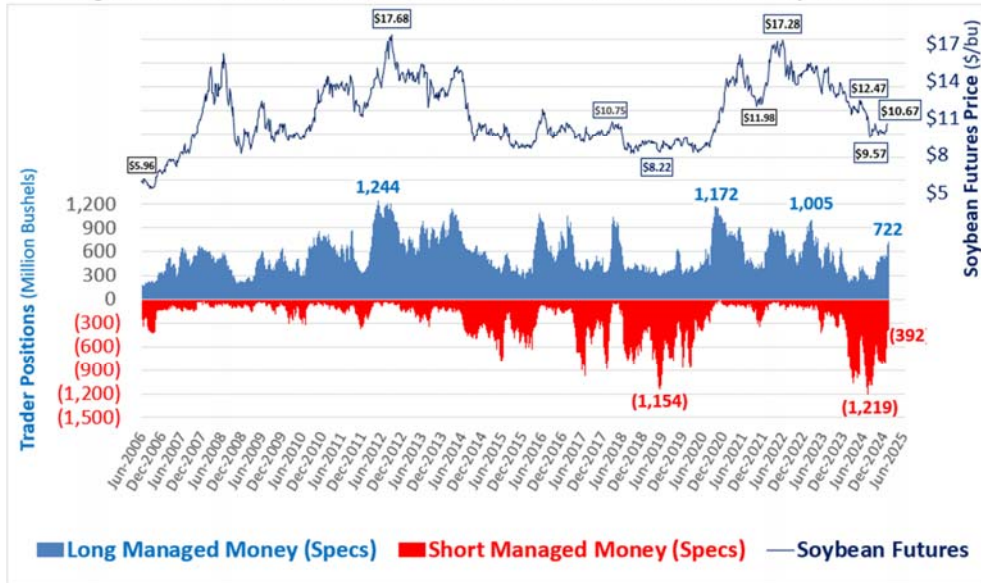
June 2006 through January 21, 2025 CFTC Data + January 21, 2025 MAR²⁰²⁵ Soybean Futures



Soybean Futures - Managed Money Traders Specs

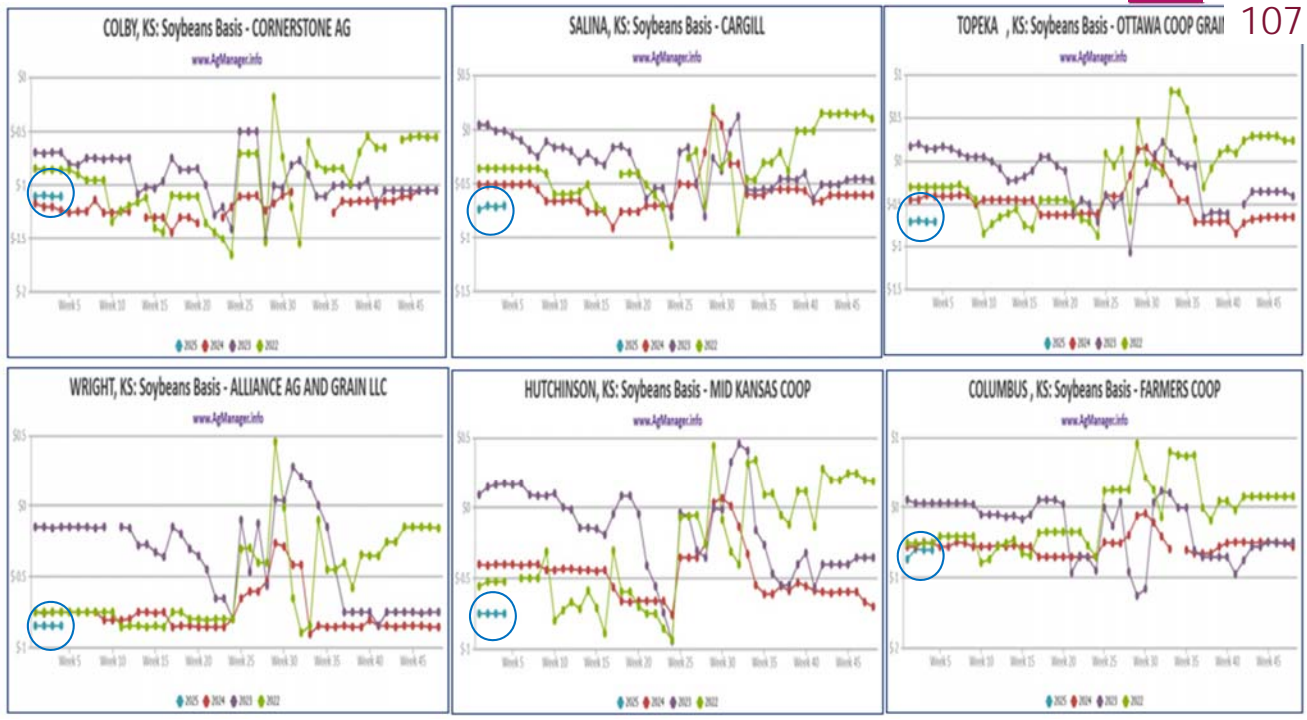
105

Long & Short Positions, June 2006 thru 1/21/2025 CFTC Data + 1/21/2025 MAR²⁰²⁵ Soybean Futures



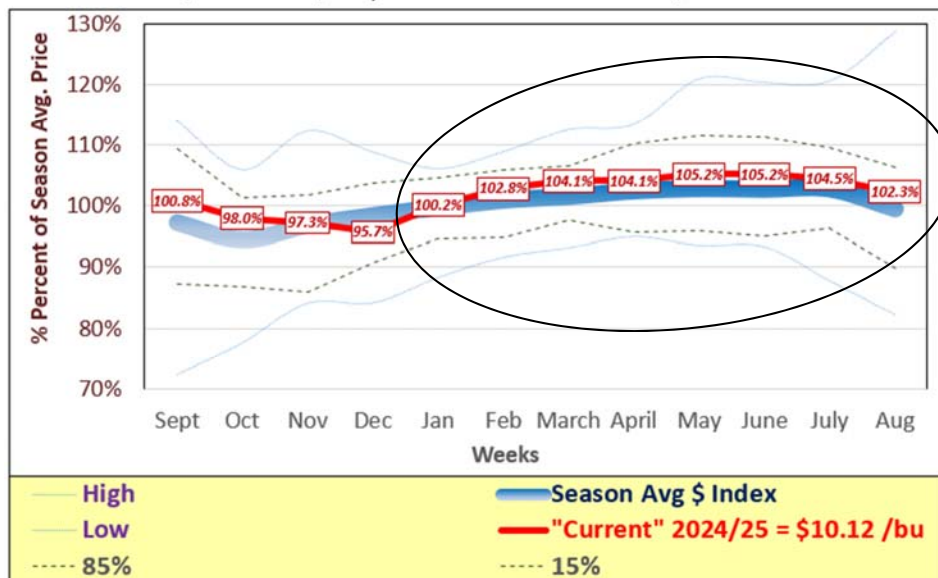
106

Kansas Cash & Futures Prices						
Date						
1/24/2025 - Closes						
Grain Futures Contracts		Closing \$				
MAR 2025 Soybean ^{"New" MY 2024/25 Post-Harvest Futures}		\$10.5575				
NOV 2025 Soybeans ^{"Next" MY 2025/26 Harvest Futures}		\$10.4875				
1/24/2025 - Closes		Cash Grain & Harvest Contract Prices @ Kansas Grain Elevators				
<i>Representing the highest bids available at each location</i>						
Market Area Spot Cash & Fwd Contract Bids	Colby	Salina	Topeka	Garden City	Hutchinson	Pittsburg
	NW KS	NC KS	NE KS	SW KS	SC KS	SE KS
Soybean Spot Cash\$: Fall ²⁰²⁴	\$9.51	\$9.85	\$9.95	\$9.66	\$9.81	\$9.96
2024 Harvest Cash Market Basis	(\$1.05)	(\$0.71)	(\$0.61)	(\$0.90)	(\$0.75)	(\$0.60)
Soybean Harvest FC\$: Fall ²⁰²⁵	\$9.39	\$9.79	\$9.79	\$9.59	\$9.89	\$9.94
^{"Next Crop" MY 2025/26 Harvest Frwd Contract}	(\$1.10)	(\$0.70)	(\$0.70)	(\$0.90)	(\$0.60)	(\$0.55)
2024 "Spot Cash" Soybean vs Corn \$ Ratio	2.02	2.14	2.18	1.91	2.08	2.11
2025 "New Crop" Soybean vs Corn \$ Ratio	2.01	2.26	2.30	2.06	2.24	2.23



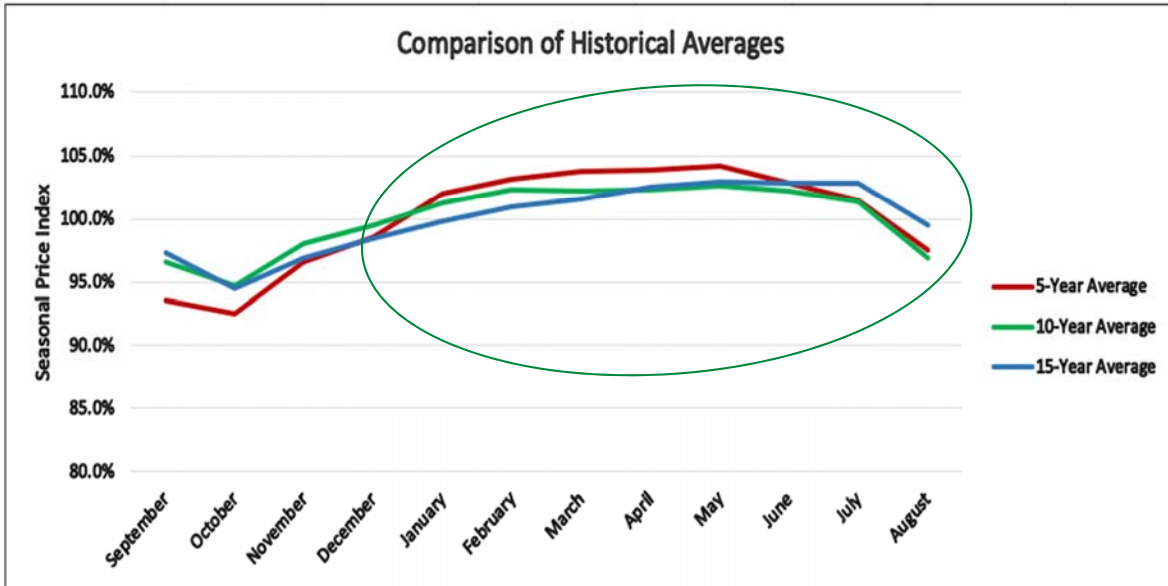
U.S. & KS Soybean Seasonal Prices

MY 1999/00 – 2023/24 plus "Current" MY 2024/25 January 24, 2025



Shifting Seasonality in Kansas Soybean \$'s

109



U.S. Soybean Acres 2013-2024

110

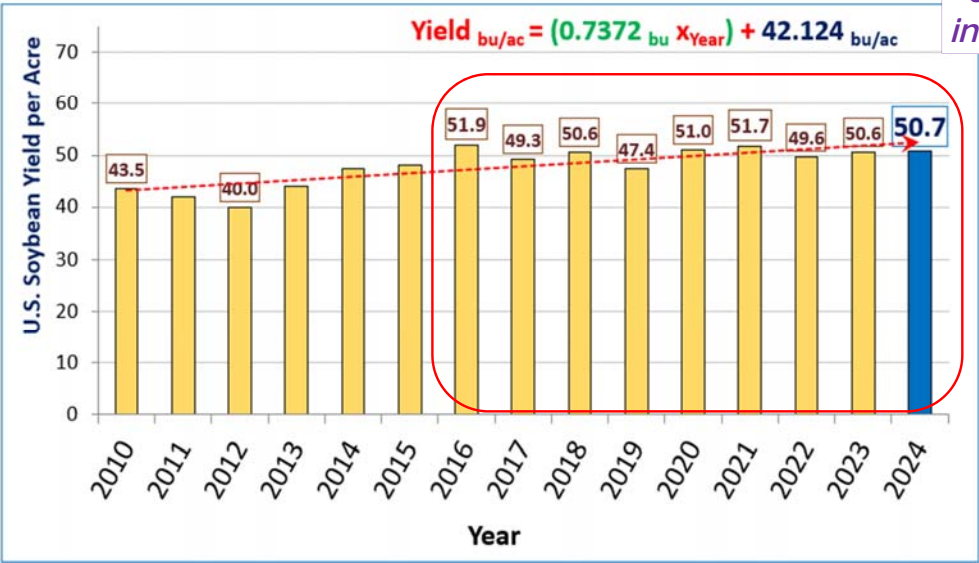
Source: 1/10/2025 USDA Crop Production & WASDE Reports



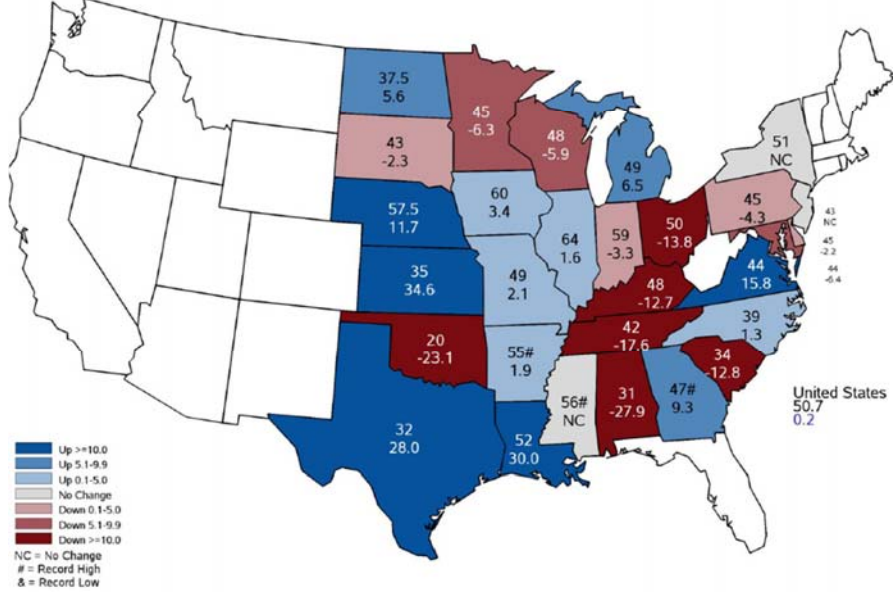
U.S. Soybean Yields: 2010-2024

Years 2010-2024, as of the USDA Reports on January 10, 2025

50.7 bu/ac
in 2024^{USDA}



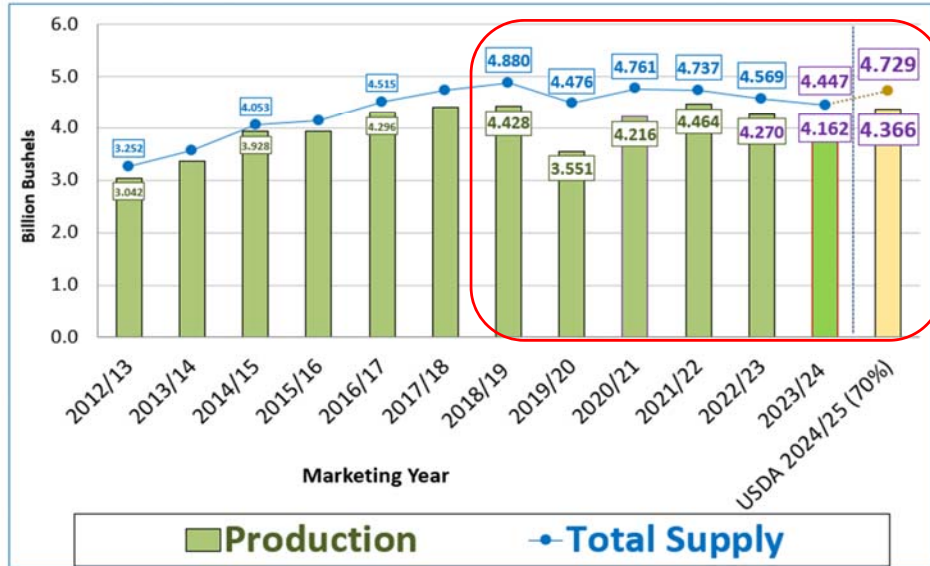
2024 Soybean Yield Bushels and Percent Change from Previous Year



U.S. Soybean Production & Supply

113

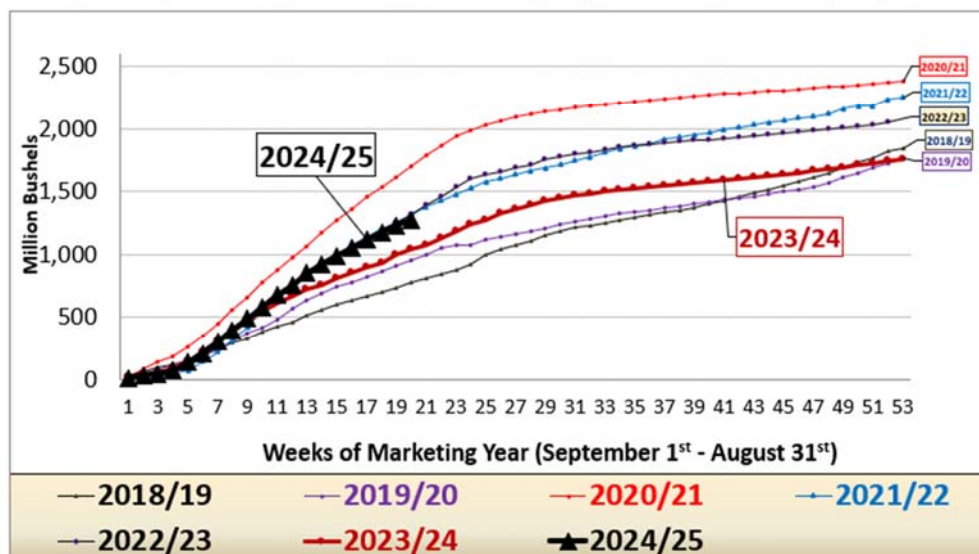
MY 2012/13 thru "New" 2024/25: As of the 1/10/2025 WASDE Report



U.S. Soybean Exports Through 1/16/2025

114

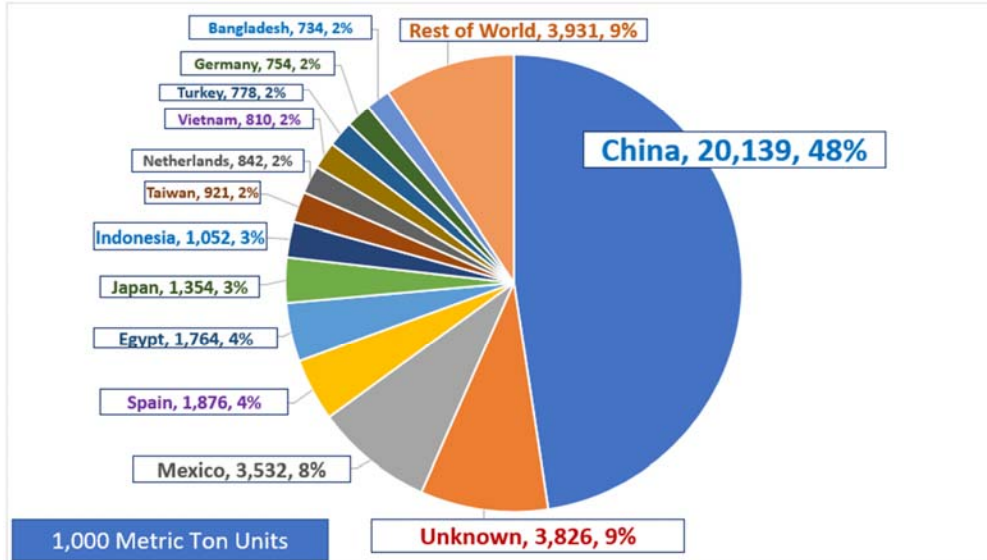
MY 2018/19 thru "Current" MY 2023/24, USDA FAS Weekly Export #s



U.S. Soybean Exports Outstanding Sales + Shipments

115

"New Crop" MY 2024/25 as of the 1/16/2025 USDA U.S. Export Forward Purchases (1,000 mt)



U.S. Soybean Use & Ending Stocks

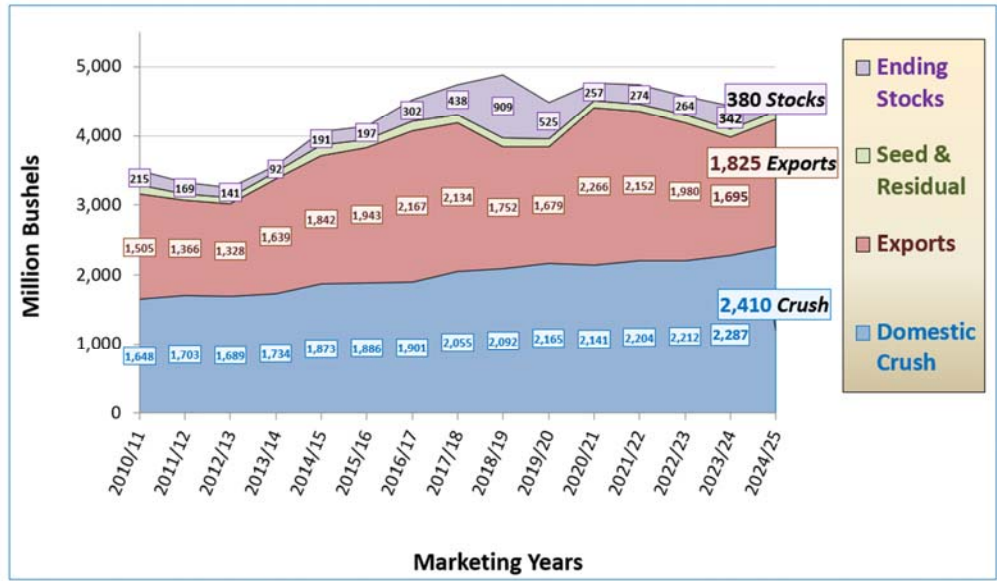
116

MY 2012/13 – "New" 2024/25, Source: 1/10/2025 WASDE Report



U.S. Soybean Use & Ending Stocks

MY 2010/11 through "New" 2024/25, Source: 1/10/2025 WASDE Report



U.S. Soybean Stocks & % S/U

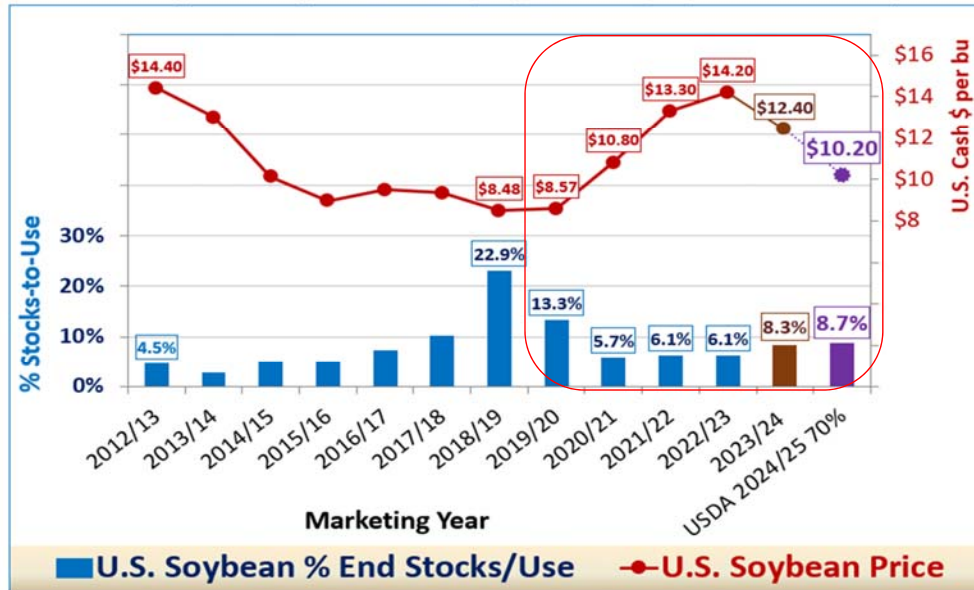
MY 2012/13 through "New" 2024/25; Source: 1/10/2025 WASDE Report



U.S. Soybean % Stocks/Use vs Price\$

119

MY 2012/13 through "New" 2024/25; Source: 1/10/2025 WASDE Report



U.S. Soybean Projected S-D "Current" MY 2024/25

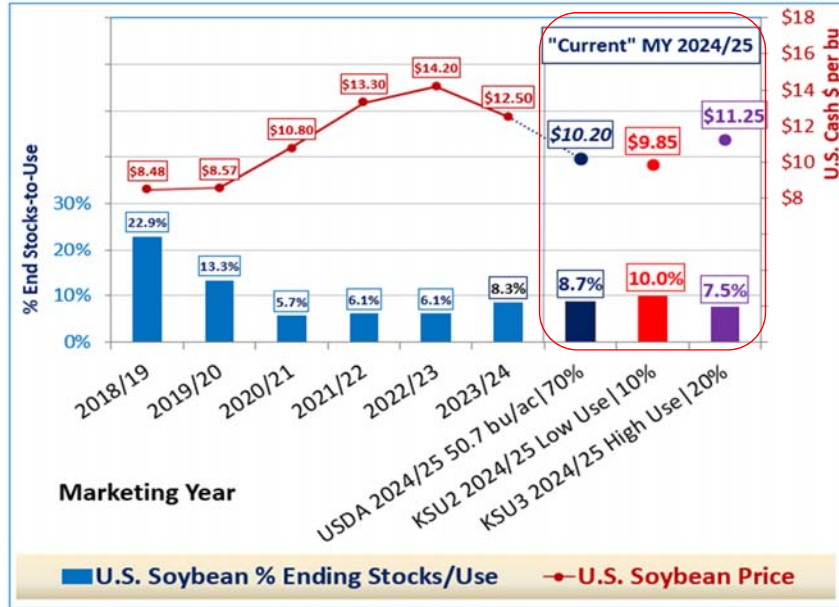
120

"Current" MY 2024/25 as of the January 10, 2025 WASDE + KSU Estimates 1/20/2025

Item	A. USDA Scenario #1 "Current" MY 2024/25 50.7 bu/ac Yield 380 mb End Stocks, 8.74% Stocks/Use	B. KSU Scenario #2 "Current" MY 2024/25 Less 50 mb Total Use 451 mb End Stocks, 10.27% Stocks/Use	C. KSU Scenario #3 "Current" MY 2024/25 Plus 50 mb Total Use 370 mb End Stocks, 8.47% Stocks/Use
	% Prob. of Occurring (KSU)	70% ^{KSUest}	10% ^{KSUest}
Planted Area (million acres)	87.050	87.050	87.050
Harvested Area (million acres)	86.050	86.050	86.050
Yield / harvested acre (bu/ac)	50.7	50.7	50.7
Production (million bu.)	4,366	4,366	4,366
Total Supply (million bu.)	4,729	4,729	4,729
Domestic Crushings	2,410	-25 mb 2,385	+25 mb 2,435
Exports	1,825	-25 mb 1,800	+25 mb 1,850
Total Use	4,349	-50 mb 4,299	+50 mb 4,399
Ending Stocks	380	+50 mb 430	-50 mb 330
% Ending Stocks-to-Use	8.74%	10.00%	7.50%
U.S. Avg. Farm Price (\$/bu)	\$10.20 ^{USDA}	\$9.85 ^{KSU}	\$11.25 ^{KSU}

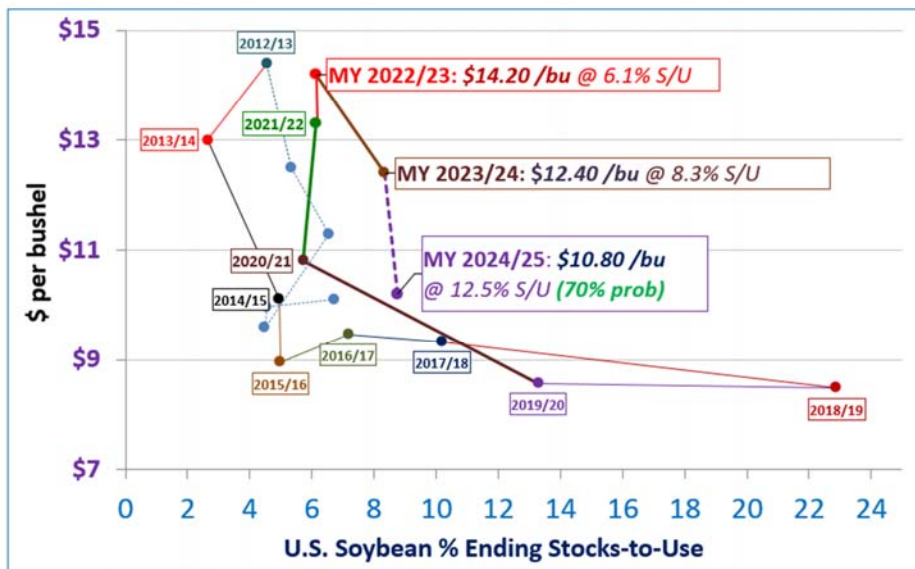
U.S. Soybean % S/U vs Cash\$ U.S.

MY 2018/19 thru "Current" 2024/25, as of the 1/10/2025 WASDE + KSU Est.



U.S. Soybean \$ vs % S/U

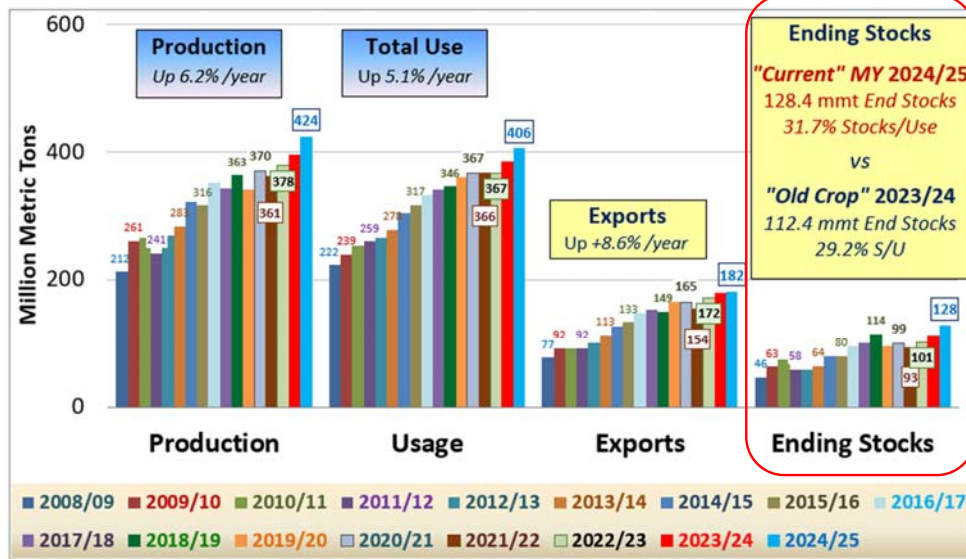
MY 2007/08 through "New" 2024/25; Source: 1/10/2025 WASDE Report



World Soybean S-D & End Stocks

123

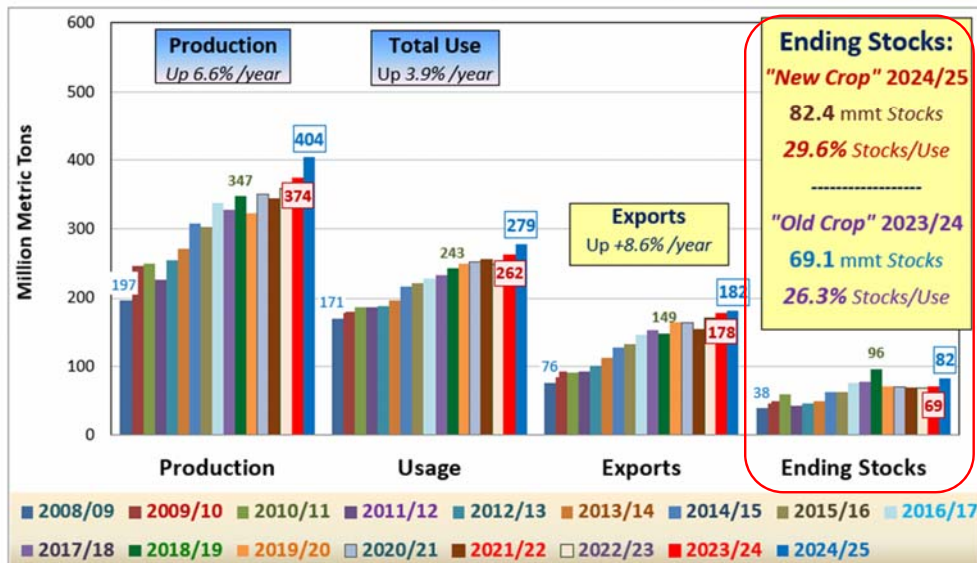
MY 2008/09 thru "New Crop" MY 2024/25 as of the 1/10/2025 WASDE Report



World *Less-China* Soybean S-D & End Stocks

124

MY 2008/09 thru "Current" MY 2024/25 as of the 1/10/2025 WASDE Report



World vs "World Less-China" Soybean % S/U

125

MY 2007/08 through "Current" MY 2024/25, as of the January 10, 2025 USDA WASDE



Brazil Soybean Supply-Demand

MY 2007/08 – "Current" MY 2024/25 as of the January 10, 2025 USDA WASDE

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Argentina Soybean S-D

MY 2007/08 – "Current" MY 2024/25 as of the January 10, 2025 USDA WASDE



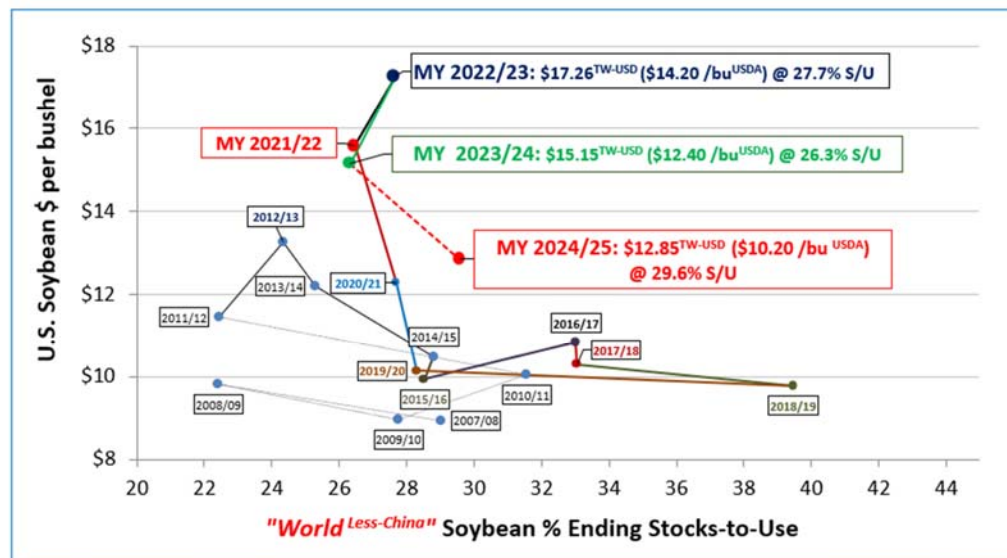
China Soybean S-D

MY 2007/08 – “Current” MY 2024/25 as of the January 10, 2025 USDA WASDE



U.S. Soybean \$^{USD}\$^{Adj} vs “World Less-China” % S/U

MY 2007/08 – “Current” MY 2024/25 as of the January 10, 2025 USDA WASDE



Soybean Marketing Strategies 1/27/2025

12
9

- a) **Old Crop^{#1}**: Storage-return opportunities into March-August 2025
- b) **Old Crop^{#2}**: **IF** a strong Soybean futures market rally occurs, **BUT** basis remains weak, **THEN** use a **HTA**^(basis later) or **Futures Storage Hedge** to *lock in futures & wait* for better **basis bids**
- c) **Old Crop^{#3}**: Consider *selling Cash & buying Call Options* ^{Basis???}
- d) **New Crop**: Use a *Scale-Up Pricing + Targeted Action Dates* forward sales plan for **New Crop 2025** (\$10.75 to \$13.00 monthly, March-to-August?)

Closing Perspectives

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Q? What impact could Trade actions by President Trump have on U.S. Grain Exports?

131

- The proposed tariffs on imports from China, Mexico, Canada & others ****could**** lead to **retaliatory measures**, making U.S. grain exports *more expensive & less competitive* globally
 - ↑ **Farm Machinery & other costs**– due to higher steel, aluminum, other input \$'s
 - ↓ **Grain Export Sales** - due to retaliatory import tariff's on U.S. grain
 - ↑ **Grain Market Instability & Uncertainty** – trade tensions driving away buyers
- The U.S. has stated intentions to place **25% Tariffs on imported goods from Canada & Mexico** on February 1, 2025 (*against those countries' tariffs vs U.S.*)

Other U.S. Trade Considerations....

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- Tariffs are part of a broader strategy to address **U.S. global trade imbalances** – particularly with **China**, which has long been a major trading partner for U.S. grain exports – especially for soybeans, corn, wheat & sorghum
- U.S. agriculture was seriously hurt during the previous **U.S.-China trade war** – with the U.S. Government paying farmers **\$23.2 billion** due to *trade war losses* during 2018-2023 via the **Market Facilitation Program (MFP)**
 - **Non-specialty crops** paid **\$21.9 billion** – focused on **soybeans, corn & wheat**
 - **3 “tranches” of payments** – 1st covering 50% of the est. payment, ≈ \$15 /ac.

Trade Study: How Potential New Tariffs Could Impact U.S. Soybeans and Corn

Oct 15, 2024



Krista Swanson, NCGA Lead Economist
 Scott Gerlt, PhD, ASA Chief Economist
 Jacquie Holland, ASA Economist

<https://ncga.com/stay-informed/media/the-corn-economy/article/2024/10/trade-study-how-potential-new-tariffs-could-impact-u-s-soybeans-and-corn>

Chinese Tariffs on U.S. Corn, Soybeans, & Products

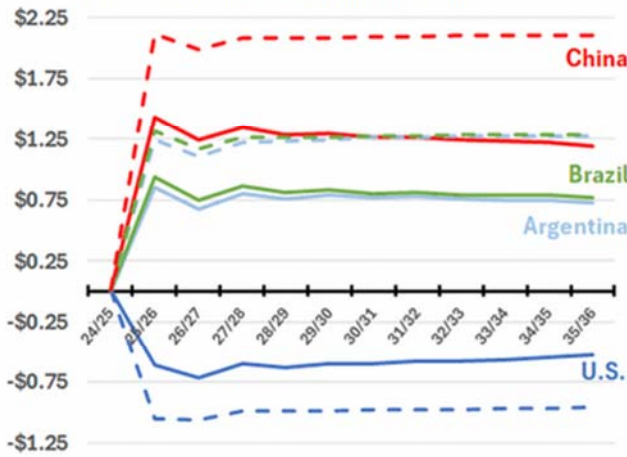
	Most Favored Nation	Round 1 301 Retalitory Tariffs	Round 2 301 Retalitory Tariffs	Reduction of Round 2 Tariffs by 50%	Total Tariff that Could be Applied	Tariffs with Waiver
Yellow soybeans, other	3.0%	25.0%	5.0%	2.5%	30.5%	3.0%
Soybean meal, other	5.0%	25.0%	0.0%	0.0%	30.0%	5.0%
Crude soybean oil	9.0%	25.0%	0.0%	0.0%	34.0%	9.0%
Other soybean oil	9.0%	25.0%	0.0%	0.0%	34.0%	9.0%
Corn (Maize) Excl. Seed, In-Quota	1.0%	25.0%	0.0%	0.0%	26.0%	1.0%
Corn (Maize) Excl. Seed, Out-of-Quota*	65.0%	25.0%	0.0%	0.0%	90.0%	65.0%
Corn Tariff Rate Quota	7.2 MMT					

* Import quantities suggest the over quota tariff rate is not being applied

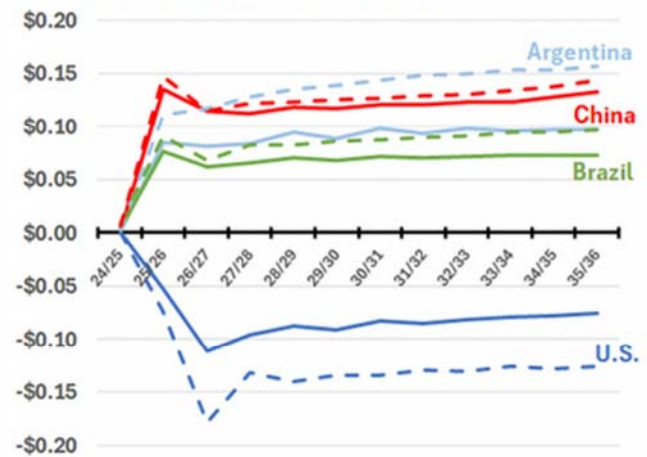
Source: WAEES

Projected Change in Soybean and Corn Prices Under Tariff Scenarios

Change in Price for Soybeans Relative to Baseline (\$/bu)



Change in Price for Corn Relative to Baseline (\$/bu)

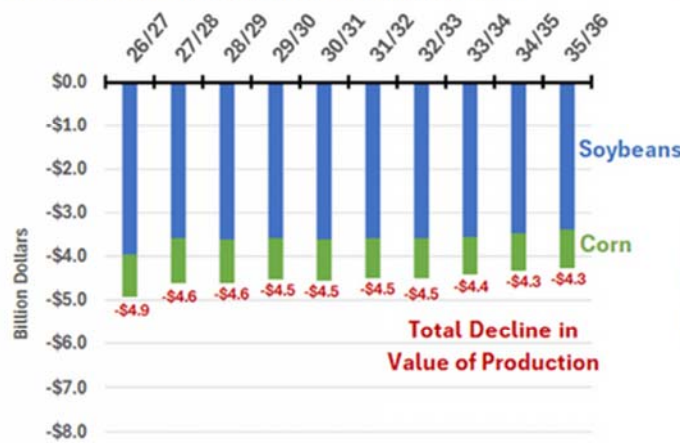


Solid Line = Scenario: China Removes Existing Waivers on Soybeans & Corn
 Dashed Line = Scenario: China Implements 60% Tariff on Soybeans & Corn
 Data Source: WAEES

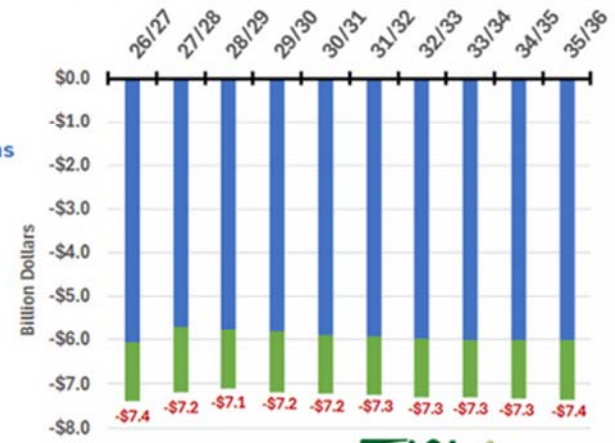


Projected Change in Total Soybean Plus Corn Value of Production Under Tariff Scenarios

Scenario: China Removes Existing Waivers on Soybeans & Corn



Scenario: China Implements 60% Tariff on Soybeans & Corn



Data Source: WAEES



i. Expansion of U.S. Domestic Energy Production

- Impact on U.S. ethanol & Biodiesel/Renewable Diesel Production?

ii. Development of new U.S. “45Z” Bioenergy Rules

- Is this an opportunity for renewable energy credits \$\$\$ at the farm level?
- **Question?** How much may farm level practices be impacted via “demand-pull” market forces & farmer incentives to provide **Sustainable Aviation Fuels (SAF)** to meet **EU-servicing Airline requirements?**

❑ *What direction will U.S. Ag Energy-Environmental policy take now?*



Questions?

Daniel O'Brien – Extension Ag Economist

Blog: www.ksugrains.wordpress.com

KSUGrains on Twitter

www.AgManager.info



KANSAS STATE
UNIVERSITY

Department of Agricultural Economics