

Top Tips: Is 181.2 too good to be true?

Ben Potter, Bruce Blythe

Top Tips on a Thursday

Last Friday's World Ag Supply and Demand Estimates report stopped traders dead in their tracks after estimating corn yields at 181.2 bushels per acre. But despite an initial drop in grain prices, many are still skeptical of the agency's assessment.

As just one example, Chase Koopmans of The Grain Ledger Rundown notes that Illinois producers have reported yields 20 to 40 bushels per acre below last year, and tar spot problems in Nebraska is slashing yields 40 to 80 bpa lower in some fields. SatYield's satellite-driven models suggest 179 bpa, not 181.2. That would trim production by 600 million bushels, if realized.

That's just two of nearly a dozen experts sharing their thoughts in today's edition of Top Tips. Be sure to keep reading for a wealth of intel and some potential actionable items you may want to consider!

- Rains are still expected to delay harvest in some areas later this month.
- Consider incremental sales over waiting for a full price recovery.
- Plus: Time is still on your side if you have a solid grain-marketing strategy in place.

Yoav Sharaby, SatYield

"USDA's surprise 181.2 bushel-per-acre national corn yield came largely from Nebraska, which was raised from 177 to 188 even as its good [to] excellent rating fell from 53% to 46%. Our Nebraska estimate has held at 188 to 194 since July, likely because irrigated fields offset local drought, so the USDA moved toward our 194.5.

"The real gap is elsewhere. Because our model tracks crop stages, not just greenness, it caught July pollination heat in Illinois (202 vs. USDA's 208) and the late-August dry spell that cut grain fill in Wisconsin (161 vs. 182), Michigan (166 vs. 180) and North Dakota (124 vs. 132). In Iowa, we estimate 212 vs. the USDA's 219, likely reflecting drought and pollination stress in the West.

"Our estimate also puts planted corn about 2.3 million acres below the USDA's. Together, that points to roughly 15.4 billion bushels at 179 bushels per acre, not 16. Soybeans are close: 52.6 vs. 53.1."

— [Yoav Sharaby](#), crop science team lead, SatYield

ACTION: Watch Iowa and Illinois harvest results and USDA's Nov. 10 update. If they move toward SatYield numbers, the October sell-off may prove overdone.

Dan O'Brien, Kansas State University

“Because we are now in the fall harvest season for the U.S., there will be a sizable amount of ‘habit’ or ‘regular harvest’ grain sales. Crop-share landlords prone to immediate sales at the delivery points, farms without on farm storage, or areas where grain elevators incentivize ‘short storage windows’ by providing one- to two-week free storage periods on delivered grain followed by required 5- to 7-cents-plus-per-month storage charges, etc., are some of the reasons for ‘harvest’ grain sale flows at grain elevators.

“Because of these reflexive harvest grain sale patterns for a portion of the crop coming in, grain market prices tend to soften at harvest, and grain user [or] buyers seek to take advantage of the opportunities they have to buy lower-cost grain.

“This year with the generally bearish corn and soybean findings of both the Sept. 30 USDA Grain Stocks report and the USDA Crop and WASDE reports on Oct. 9, the motivation of farmers with access to on farm storage to delay sales into the postharvest period — away from and after the time period of ‘regular sales right off of the combine’ — will be strong.”

— [Dan O'Brien](#), professor, Kansas State University

ACTION: Cash-flow demands and the need for storage space for the next crop will force cash sales in early-mid 2027 if no other cash sales opportunities have happened in the corn market before then.

John Zanker, Farmer's Keeper

“Soybean futures initially weathered the USDA storm well Friday but not so well so far this week. It's not ‘carnage,’ but given that funds are still carrying a heavy long in both beans and products, it's difficult to see any rebounds of note on the horizon. The yield reports contain more ‘better-than-expected’ comments than not, but that could be more about supporting the USDA's current yield projection than expanding it.

“If you're delivering unpriced soybeans off the combine, I'd lean heavily toward the pricing-vs.-storage side right now.”

— [John Zanker](#), senior analyst, Farmer's Keeper

ACTION: Talk to buyers about a minimum-price attachment that guarantees a price floor and preserves upside potential, in case weather turns sour in South America.

Mike Zuzolo, Global Commodity Analytics & Consulting LLC

“As the grains try to work past the supply increase for both corn and soybeans from last week's WASDE, I'm suggesting to clients to continue to keep their eyes peeled on a couple key factors: First and foremost, how much can bond yields and the U.S. dollar rally and potentially thwart a recovery in grains and soy? Second, French corn prices are back above \$8.50 per bushel. At the time of this writing, and some very big tenders [or] purchases of wheat on the international market in the past couple weeks (think Saudi Arabia and Algeria), it seems that the Black Sea

supply constraints are causing end users to act and find new sources of grains on the international market. Which one of these opposing forces is likely to win out?

“Fundamentally, I am not in agreement with USDA’s corn yield number, so I think that the corn could be led higher by a potential demand low in wheat. But because we are within just a couple weeks from both the next Fed decision and the U.S. midterm elections — and the U.S. dollar has been appreciating — I’m inclined to think that the grains and soy need to see a reversal in the macro markets in order to move counter-seasonally higher.

“The record net longs by managed money funds in soymeal makes me cautious of the soy complex, especially in the very short term. Commodity trading involves substantial risk of loss and is not suitable to all investors. The information provided is not meant to be advice to buy or sell commodities.”

— [Mike Zuzolo](#), founder, Global Commodity Analytics & Consulting LLC

ACTION: Mind the rising U.S. dollar, which could add a bearish wrinkle to grain prices if it keeps going up.

Chad Merrill, AccuWeather

“Following a dry break this weekend and early next week, we expect showers to move back into the Midwest by the middle of next week. There is an opportunity for flash flooding to occur in the fields during this wet period. There will likely be a lull in the rain thereafter. However, there’s a higher-than-average risk for a moderate-to-hard frost around Halloween. Farmers should pay particular attention to the overnight low temperatures in the days around Halloween.

“In South America, conditions have been mostly favorable for corn and soybean planting in Argentina and Brazil. Key producing regions have received ample rains. However, the very strong El Niño still needs to be monitored closely due to the potential it could bring lots of rain to Argentina, Uruguay and Brazil during the Southern Hemisphere summer.

“Similar to the problems that we saw in Iowa in September, there could be too much rain and the fields could become very muddy and waterlogged, especially in southeast Brazil. Wet weather could slow harvesting of corn and soybeans in some areas during their autumn, but those problems would likely be localized and not widespread or significant.”

— [Chad Merrill](#), senior meteorologist, AccuWeather

ACTION: Keep close tabs on dry periods in the near-term forecast and take advantage by getting out in the fields for harvest.

Andrew McCarty, Pluto Commodities

“Corn is still trying to absorb USDA’s larger-than-expected crop and higher ending stocks, which has shifted the burden back onto demand. Soybeans have a tighter balance sheet, but the big crop and harvest pressure are limiting rallies until exports improve. Wheat remains under pressure as U.S. prices struggle to stay competitive globally. Overall, harvest supply is still hitting the market faster than demand can absorb it ... for now.”

“Watch actual corn yields closely to see if USDA’s 181.2-bpa estimate holds up, along with

weekly export demand and Chinese soybean buying. Basis will also be important as harvest pressure builds locally. Take advantage of quick-ship bids and watch calendar spreads, if you have storage.”

— [Andrew McCarty](#), founder and president, Pluto Commodities

ACTION: Stay patient after the recent break but continue using good rallies to make incremental sales rather than waiting for a full price recovery.

Chase Koopmans, The Grain Ledger Rundown

“USDA’s 181.2-bushels-per-acre corn yield is getting questioned hard. The 2.7-bpa jump was the largest October yield increase in two decades. But here’s the catch: The field reports coming off actual combines keep running cooler than USDA’s number. USDA has Illinois corn down only 6 bpa from last year and Nebraska down 6 bpa, but producers are reporting Illinois off 20 to 40 bpa in some areas, while in Nebraska, tar spot is cutting 40 to 80 bpa in the worst fields. The national figure is being held up largely by a monster Iowa number [219 bpa].

“That gap between the government’s print and what farmers are actually seeing in the field is the bulls’ best argument, and it’s a legitimate one. History backs up the skepticism. Of the eight prior times USDA raised its corn yield in October over the past two decades, it cut the yield the following November on five of them. Another catch: Those November cuts are usually small (under half a bushel), and only once, in 2009, did it pull back more than a bushel after a big October increase. The revision risk is real and worth watching, but betting on a large November reversal would be the exception, not the rule.”

— Chase Koopmans, writer, [The Grain Ledger Rundown](#)

ACTION: Watch \$4.70 in December futures and last Friday’s low, and lean on protection but don’t chase it lower.

Chris Swift, Swift Trading Co.

“Weather will continue to dictate the speed of harvest. With improvements in some areas, and just now starting to rain in others, pace is expected to remain slightly behind last year. Soaring energy prices are believed a benefit to grains and oilseeds. With no reduction of military actions around the world, and no increase of refining capacity, renewable fuels are expected to produce a firm undertone, even if lower at the moment.

“Two USDA reports in a row were damning to corn. The significance of the increases of supply suggests it will take strong demand, or revisions of supply, to reverse corn to higher. I think both are very possible, leading me to not want to market corn at the lower price levels.

“If storage is an option, consider using the slight carry to March and buy at-the-money put options. This will limit your risk of the derivative to the premium paid, and leave the top side open. Beans remain in a bull market and at the higher end of their trading range. If concerned with beans moving lower, sell them off the combine while prices remain at the higher levels and re-own them with a call option.”

— [Chris Swift](#), founder, Swift Trading Co.

ACTION: I think the more time you can give yourself in marketing, the more opportunities that may present themselves.

Chris Trant, Hedgepoint Global Markets

“In recent history, the FOB Black Sea wheat price was the single most consequential price point in global wheat markets. Over a quarter of the world’s wheat exports originated from Black Sea ports, with vessels loading at Odessa, Ukraine; Novorossiysk, Russia; and Constanta, Romania, helping to feed mouths around the world. In September, loadings of Black Sea wheat were down nearly 80% from a year ago. Early indications are that October could be even worse.

“The military conflict between Russia and Ukraine is well into its fourth year. The summer of 2026 saw an escalation of fighting in the Black Sea campaign. Both sides targeted each other’s port infrastructure with increasingly sophisticated drone technology. The great wheat port of Odessa experienced 124 attacks in July alone. In August, Ukraine forced Russia’s largest grain export facilities in Novorossiysk to halt operations. So far in October, at least five vessels have been attacked in the Black Sea, three of them sunk. All of this has pushed Russian wheat flows north, to the cold and distant Baltic Sea.

“Commodity markets are resilient in the sense that when logistics routes are interrupted, the goods eventually find a way out, at a higher price and with less volume. The NATO Baltic countries (Estonia, Latvia and Lithuania) are already calling for NATO to prevent Russian wheat from leaving the Baltic Sea. It remains to be seen whether that will happen, but recent headlines suggest Russia is already working on alternate plans.”

— [Chris Trant](#), U.S. agriculture lead, Hedgepoint Global Markets

ACTION: Track changes in Russian export flows, shipping costs and competing sources to determine whether the disruption is reducing global wheat availability or simply redirecting trade.

Brady Huck, Empower Ag Trading

“Based on the October reports, USDA thinks the yields are going to be there. But the balance sheets are going to be dynamic. There’s been a lot of change over the last couple of months and changes will continue. This was not the last ending stocks numbers we will see for 2026-27. The USDA is not afraid to whipsaw these numbers back and forth, and not afraid to make big changes. That is a recipe for future volatility.”

“Look at ownership and your current situation with your marketing plan. If you were heavily sold prior to the October reports, this is an opportunity to make sure you have the upside opportunity through owning call options. I like having time on my side. March options have been my go-to.”

[Brady Huck](#), Principal and Advisor, Empower Ag Trading

ACTION: Defend any sales already made and get some call ownership to extend upside opportunities.

Dinese Watson, Merchants Bank

“Midwest farmers are in the middle of one of the busiest times of the year. During harvest, farmers endure long days in the fields with little time to rest. While it can be an exciting, frustrating and stressful period all at once, this season is an important reminder of just how much farmers rely on their communities.

“Whether you're a fellow farmer, family member, financial partner or agricultural vendor, it's important that we all take a moment to check in on the farmers in our life. A simple text of encouragement, dropping off a meal in the field or offering to lend a hand can make a huge difference in supporting a farmer's health and well-being.”

“The agricultural industry is incredibly rewarding. However, harvest season can also be marked by real dangers to a farmer's physical, mental and emotional health. Supporting the people who keep our agricultural communities thriving is a shared responsibility, and it's important to remember that a little compassion can go a long way. We all have a responsibility to care for our community, and making sure farmers know they're not alone can make all the difference.”

— [Dinese Watson](#), senior vice president, ag lending, Merchants Bank

ACTION: Check in with each other and support each other during this busy, stressful time of year.