

Hello Colorado Wheat.

The 11-week Closing Table on page 2 shows **corn** eked out another **Blue Line**, while **soybeans** popped more than 20c and easily set a new **Blue Line**, and **wheat** is **playing along too** (although dropping a quick 11c Friday reminds you it's wheat...).

The **Stock Market** is back to revisiting the 6100 area and technically did set a **new Blue number**, while crude oil eased back a few dollars.

**Apparently everything is great.**

**Food Business News** ran an editorial saying **Trump's tariff strategy is becoming clearer** (this link hopefully takes you to the FBN article without being behind a paywall if you want to read it; <https://www.supplychainscene.org/resources/insights/president-trumps-tariff-strategy-becoming-clearer...>

I'm still not quite buying that, but when JP Morgan's **Jamie Dimon** talks, people listen. When he was asked about **Trump's tariffs**, he advised "**get over it**". <https://www.cnbc.com/2025/01/22/jamie-dimon-on-trumps-tariffs-get-over-it.html>

And that seems to be what's happening.

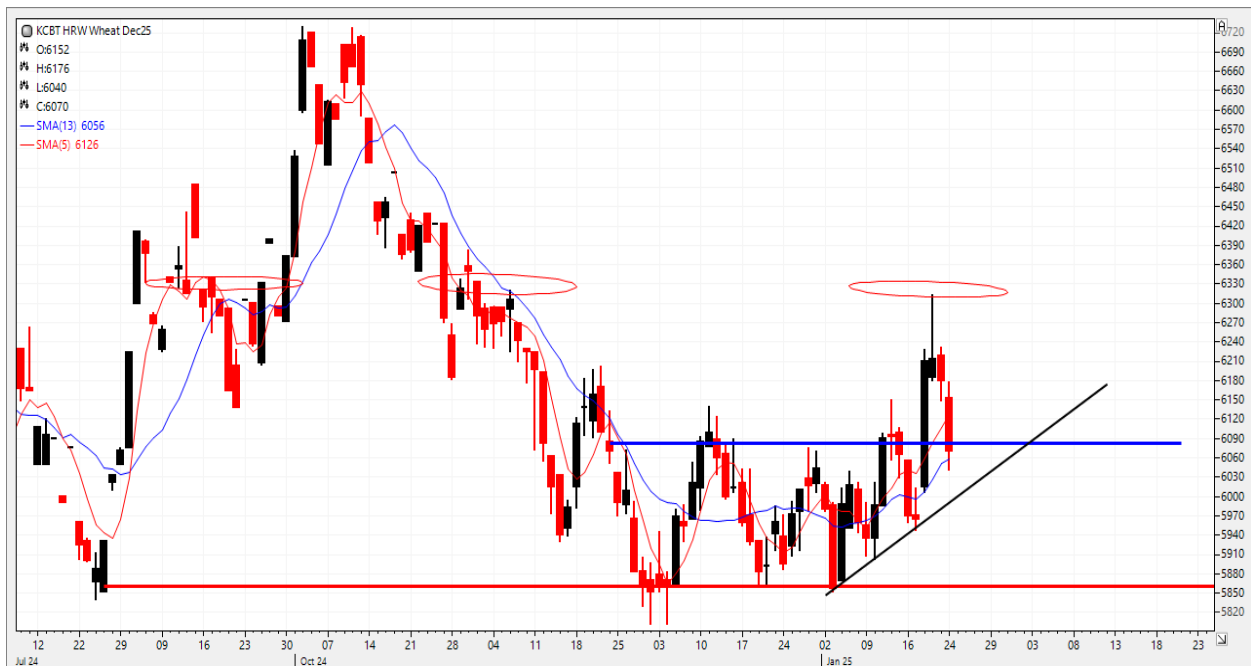
Somehow this guy said it best, a long time ago.

*Charts and discussions follow, with the goal of giving you useful information to help you with the business of marketing your crops. My disclaimer remains the same: these are my sometimes rapidly changing opinions. ALSO, USE THE BEST MANAGEMENT PRACTICES YOU CAN. **STUDIES SHOW GOOD MANAGEMENT ADDS AN AVERAGE OF 13 BU/ACRE; IT PAYS FOR ITSELF***

Hear's the 11-week Closing Table; the KC Dec wheat should be treated as a double top.

	KC MAR HRW	DEC 25 HRW	March CORN	DEC 25 CORN	Chgo H wheat	Springs MAR (H)	MAR'25 BEANS	NOV BEANS	Crude oil	S&P (H)
CLOSE	KWH25	KWZ25	CH25	CZ25	WH25	MWH25	SH25	SX25	CRD24	ES24
01/24	\$5.60	\$6.08	\$4.87	\$4.61	\$5.44	\$5.95	\$10.56	\$10.49	\$74.66	\$6133
01/17	\$5.49	\$5.97	\$4.84	\$4.56	\$5.39	\$5.84	\$10.34	\$10.28	\$77.39	\$6034
01/10	\$5.52	\$5.99	\$4.71	\$4.51	\$5.31	\$5.84	\$10.25	\$10.31	\$75.71	\$5866
01/03	\$5.39	\$5.86	\$4.51	\$4.41	\$5.29	\$5.78	\$9.92	\$10.08	\$73.96	\$5990
12/27	\$5.55	\$6.00	\$4.54	\$4.41	\$5.47	\$5.95	\$9.90	\$10.05	\$70.60	\$6027
12/20	\$5.45	\$5.90	\$4.46	\$4.38	\$5.33	\$5.90	\$9.79	\$9.87	\$69.46	\$6002
12/13	\$5.57	\$6.01	\$4.42	\$4.39	\$5.52	\$5.99	\$9.95	\$10.06	\$71.09	\$6056
12/06	\$5.54	\$5.97	\$4.40	\$4.37	\$5.57	\$5.97	\$9.99	\$10.05	\$67.20	\$6099
11/29	\$5.41	\$5.86	\$4.33	\$4.32	\$5.48	\$5.92	\$9.96	\$10.11	\$68.00	\$6052
11/22	\$5.66	\$6.08	\$4.35	\$4.36	\$5.65	\$6.01	\$9.92	\$10.09	\$71.27	\$5987
11/15	\$5.52	\$5.98	\$4.35	\$4.40	\$5.54	\$5.91	\$10.09	\$10.20	\$67.02	\$5897

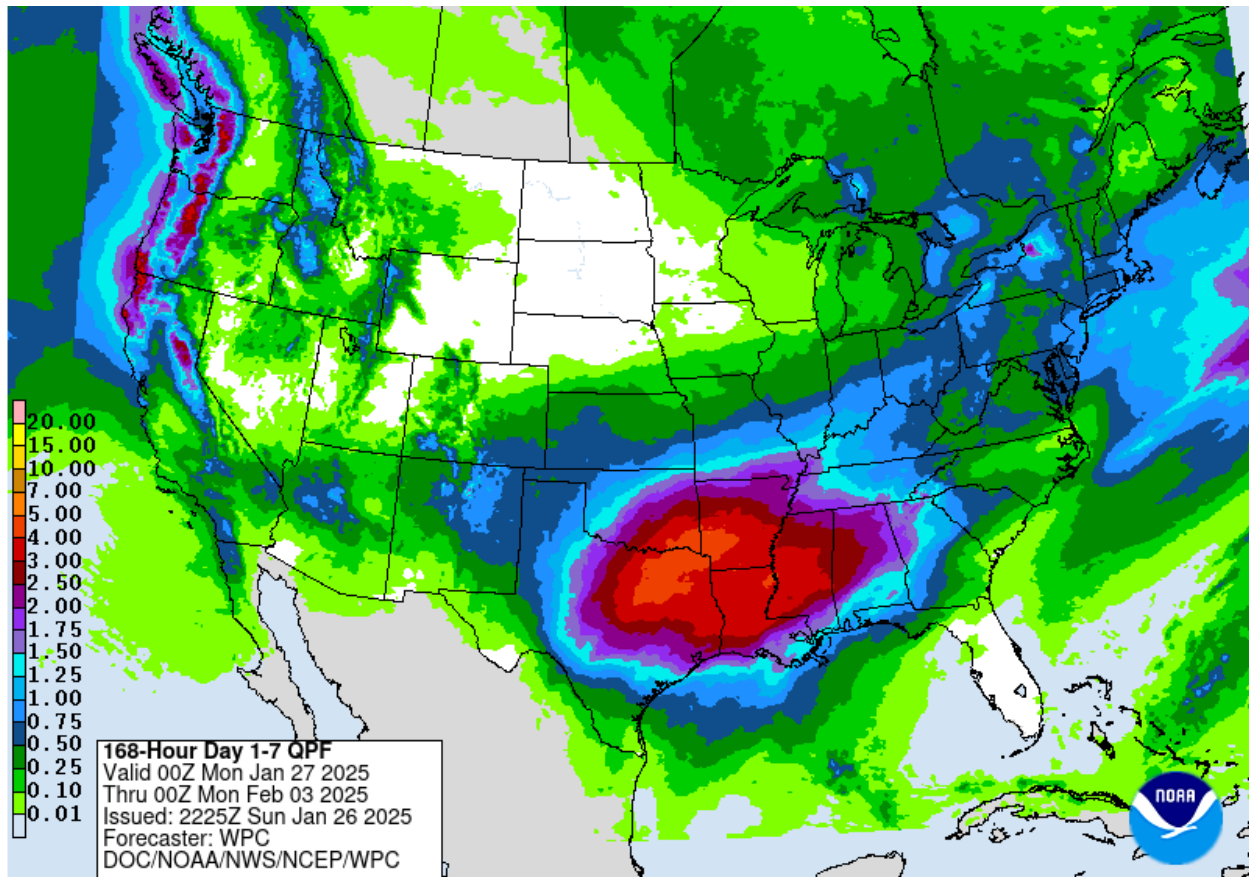
This is KC Dec wheat. That Blue line at \$6.08 had 20c or so spike high action above it last week, and you can see the \$6.33ish area has been tough resistance previously. I kinda like the looks of this chart, pointing higher as long as that black trendline stays intact, with an easily idetifiable sell-stop (\$5.86 red line.)



How much new crop wheat do you have on the books? Those ellipses around that \$6.33 area might be a great place to start if you haven't sold any, or dream big and put in a sell target, maybe something at \$6.54, and again, these is KC Dec we're talking about. **OK, I admit I haven't sold any, so I'm gonna put in an order to sell 25% of my expected production at \$6.54, basis KC Z. (And also put in a sell-stop at \$5.85)**

I doubt that sell order gets booked this week, but I think it's time to start thinking about it seriously.

Sunday night wheat starts a little lower as Friday's price collapse is still fresh in minds. Also...this weather forecast is currently a miss for most of the USA HRW Wheat Belt, but what if it stalls out over the TX and OK Panhandles ?



The market has been led by old-crop corn, which did indeed set another Blue number last week, but only by 3c. Early Sunday night action is a little defensive. Trump slapped tariffs on Columbia for not taking in refugee flights of illegal aliens from the USA :

<https://www.bbc.com/news/articles/cdxny0lnyepo>

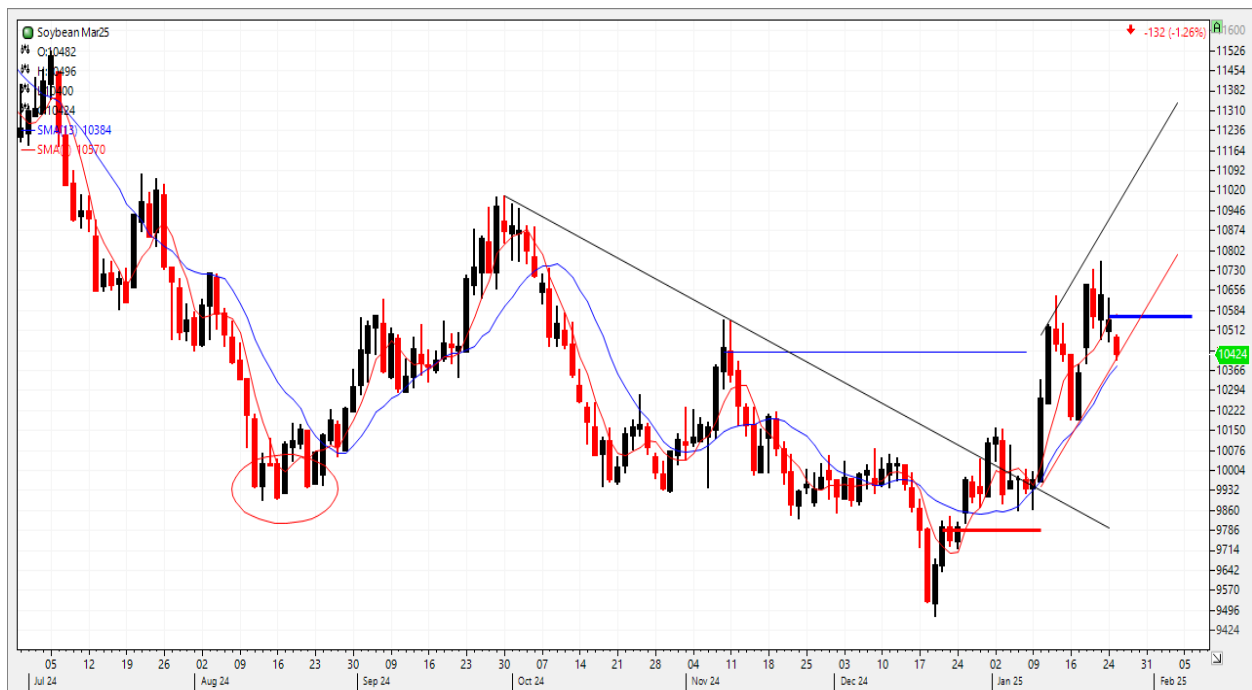
Columbia is currently the 3<sup>rd</sup> largest customer for USA corn this year, only behind Mexico and Japan, as China has been absent this year, but “What, me worry?”

So far, the USA corn export picture has been bright. Last week's loadings were more than 60 mil bu, the largest week of corn loadings since last mid-April, AND corn export Sales were huge at 65 mil bu.

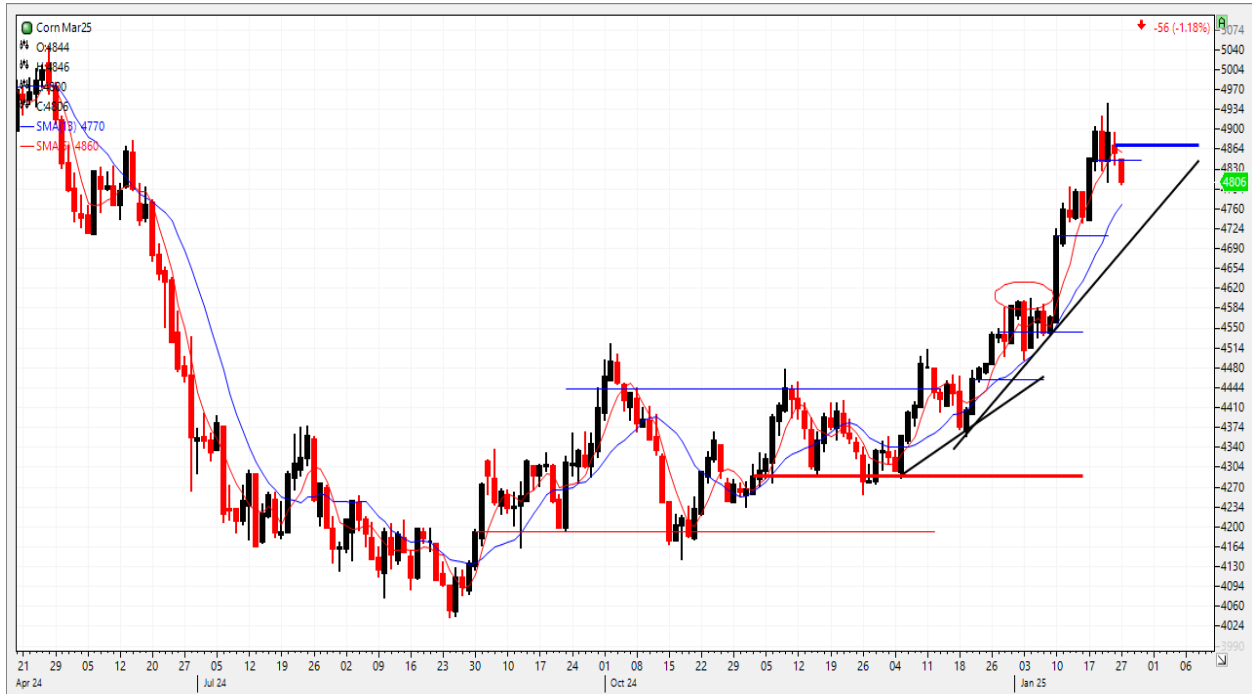
WEEK ENDED (01/16/24)	Weekly loadings	Accumulated in season (FGIS)	Estimated fudge factor	Total loaded est*	USDA projection	Amount needed	Weeks to go	Bu per week needed
Corn	60.7	<b>758.8</b>	243	<b>1002</b>	2,450	1448	<b>33</b>	<b>43.9</b>
Soybeans	35.8	<b>1186.7</b>	52	<b>1239</b>	1,825	586	<b>33</b>	<b>17.8</b>
All wheat	9.6	<b>487.9</b>	19	<b>507</b>	850	343	<b>20</b>	<b>17.2</b>
Milo	0.4	<b>54.4</b>	5	<b>59</b>	220	161	<b>33</b>	<b>4.9</b>
LAST update								
Corn	56.7	<b>697.1</b>	243	<b>940</b>	<b>2,450</b>	1510	34	<b>44.4</b>
Soybeans	49.6	<b>1150.7</b>	52	<b>1203</b>	1,825	622	34	<b>18.3</b>
All wheat	10.6	<b>477.9</b>	19	<b>497</b>	850	353	21	<b>16.8</b>
Milo	0.03	<b>54.0</b>	5	<b>59</b>	220	161	34	<b>4.7</b>

Soybean sales of almost 55 mil bu were huge too, especially since soybean export loadings are showing the expected seasonal decline as South America ramps up. Along that line, we note China rejected some Brazilian soybeans last week, which we have to assume will get corrected, but...that situation needs monitoring. <https://www.gov.br/secom/en/latest-news/2025/01/notification-regarding-non-conformities-detected-in-soybean-shipments-by-five-brazilian-companies>

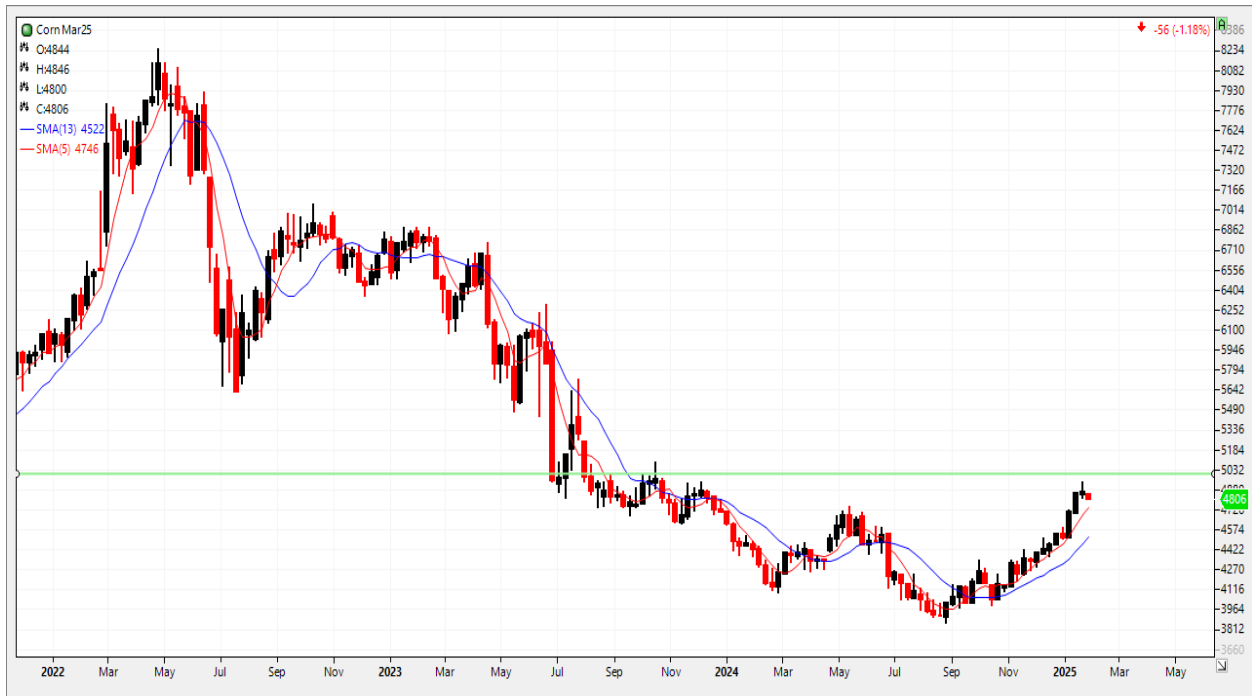
This March soybean chart looks constructive, climbing a wall of worry; I'd like to see that uptrending channel remain intact this week:



Here's March corn, showing Sunday night's action, trading down 5c:



And this is the weekly continuous corn chart, with a lateral line at \$5.00. You know I think those imaginary lines every 25c apart are real...



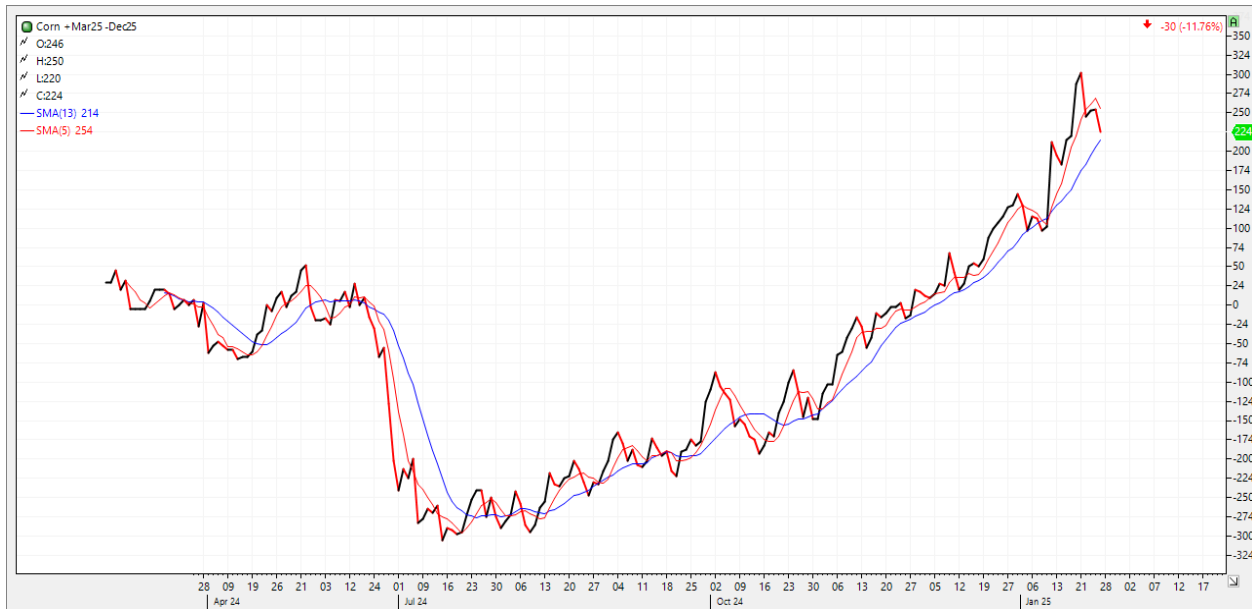
This is an interesting budget from FarmDoc Daily...which **suggests selling cash corn for about \$4.60/bu is about breakeven**. I know your budgets look different, as yields are not this good, but land costs are are cheaper.

**Table 1. 2025 Corn and Soybean Budgets for Northern, Central, and Southern Illinois**

	Northern		Central-High		Central-Low		Southern	
	Corn	Beans	Corn	Beans	Corn	Beans	Corn	Beans
Yield per acre	228	69	236	75	223	68	195	61
Price per bu	\$4.30	\$10.20	\$4.30	\$10.20	\$4.30	\$10.20	\$4.30	\$10.20
Crop revenue	\$980	\$704	\$1,015	\$765	\$959	\$694	\$839	\$622
ARC/PLC	10	10	10	10	9	9	9	9
Ad hoc Federal payments	0	0	0	0	0	0	0	0
Crop insurance proceeds	0	0	0	0	0	0	0	0
<b>Gross revenue</b>	<b>\$990</b>	<b>\$714</b>	<b>\$1,025</b>	<b>\$775</b>	<b>\$968</b>	<b>\$703</b>	<b>\$848</b>	<b>\$631</b>
Fertilizers	165	58	165	65	160	62	160	72
Pesticides	101	65	122	74	119	75	113	75
Seed	126	78	127	81	133	71	119	79
Drying	22	0	22	0	20	1	11	0
Storage	9	4	10	5	9	3	4	3
Crop insurance	19	10	19	8	19	9	23	12
<b>Total direct costs</b>	<b>\$442</b>	<b>\$215</b>	<b>\$465</b>	<b>\$233</b>	<b>\$460</b>	<b>\$221</b>	<b>\$430</b>	<b>\$241</b>
Machine hire/lease	31	26	21	22	24	24	24	22
Utilities	8	6	6	5	8	7	8	7
Machine repair	45	36	39	37	45	43	45	40
Fuel and oil	22	16	20	17	19	17	23	23
Light vehicle	2	2	2	2	2	2	2	2
Mach. depreciation	76	65	83	73	80	81	84	81
<b>Total power costs</b>	<b>\$184</b>	<b>\$151</b>	<b>\$171</b>	<b>\$156</b>	<b>\$178</b>	<b>\$174</b>	<b>\$186</b>	<b>\$175</b>
Hired labor	34	30	27	24	28	26	27	26
Building repair and rent	14	7	10	9	8	6	6	6
Building depreciation	18	9	17	13	19	12	12	12
Insurance	13	9	15	15	17	17	17	17
Misc	13	13	12	12	13	13	13	13
Interest (non-land)	39	31	30	28	26	21	23	21
<b>Total overhead costs</b>	<b>\$131</b>	<b>\$99</b>	<b>\$111</b>	<b>\$101</b>	<b>\$111</b>	<b>\$95</b>	<b>\$98</b>	<b>\$95</b>
<b>Total non-land costs</b>	<b>\$757</b>	<b>\$465</b>	<b>\$747</b>	<b>\$490</b>	<b>\$749</b>	<b>\$490</b>	<b>\$714</b>	<b>\$511</b>
<b>Operator and land return</b>	<b>\$233</b>	<b>\$249</b>	<b>\$278</b>	<b>\$285</b>	<b>\$219</b>	<b>\$213</b>	<b>\$134</b>	<b>\$120</b>
Land costs (cash rent)	295	295	339	339	275	275	194	194
<b>Farmer return</b>	<b>-\$62</b>	<b>-\$46</b>	<b>-\$61</b>	<b>-\$54</b>	<b>-\$56</b>	<b>-\$62</b>	<b>-\$61</b>	<b>-\$74</b>
<b>Breakeven price to cover:</b>								
Non-land costs	\$3.32	\$6.74	\$3.17	\$6.53	\$3.36	\$7.21	\$3.66	\$8.38
Total costs <sup>1</sup>	\$4.61	\$11.01	\$4.60	\$11.05	\$4.59	\$11.25	\$4.66	\$11.56
Corn minus Soybean Return	-\$15		-\$7		\$6		\$13	

<sup>1</sup> Equals non-land costs plus land costs.

Currently March corn is (was) up to a 30c inverse over Dec corn, although it's weaker this minute:



Looking at posted Illinois corn bids on the AMS website shows current cash corn bids were averaging more than \$4.60, so **IThink if Dec corn gets up to where March corn was (\$4.85 or so), you might have a chance at selling NEW-CROP CORN, and locking in at least a break-even scenario.**

This is Dec corn, with a Green Target line at \$4.85, where I will sell 25% of my expected corn crop (which hasn't been planted yet). I doubt this gets filled any time soon, but at least I have started thinking about it.



**We're putting in sales targets on new-crop corn and new-crop wheat, while sitting on quite a few unsold old-crop soybeans (and unsold unplanted new-crop beans.)**

Posted Gulf to-arrive basis bids are unchanged:

GULF date	12 pro	11's	diff
1/24/2025	125	115	10
1/17/2025	125	115	10
1/10/2025	125	115	10
1/3/2025	125	115	10
12/27/2024	120	115	5

Posted basis bids in the country didn't move much:

Date	SE Colorado	Chey. Wells	Burlington	Holyoke area	Roggen area
<b>01/24</b>	<b>\$4.65-\$4.90</b>	<b>\$4.60</b>	<b>\$4.60-\$4.60</b>	<b>\$4.45-\$4.65</b>	<b>\$4.92-\$5.40</b>
01/17	\$4.54-\$4.79	\$4.49	\$4.49-\$4.49	\$4.34-\$4.54	\$4.81-\$5.29
01/10	\$4.57-\$4.82	\$4.52	\$4.52-\$4.52	\$4.37-\$4.57	\$4.84-\$5.32
01/03	\$4.44-\$4.69	\$4.39	\$4.39-\$4.39	\$4.24-\$4.34	\$4.71-\$5.19
12/27	\$4.65-\$4.85	\$4.55	\$4.55-\$4.55	\$4.40-\$4.50	\$4.87-\$5.35
BASIS	SE Colorado	Chey. Wells	Burlington	Holyoke	Roggen area
<b>01/24(H)</b>	<b>-95, -70</b>	<b>-100</b>	<b>-100, -100</b>	<b>-115, -95</b>	<b>-68, -20</b>
01/17(H)	-95, -70	-100	-100, -100	-115, -95	-68, -20
01/10(H)	-95, -70	-100	-100, -100	-115, -95	-68, -20
01/03(H)	<b>-95, -70</b>	-100	-100, -100	-115, -105	-68, -20
12/27(H)	-90, -70	-100	-100, -100	-115, -105	-68, -20
Date	Concordia	Salina	Hutch/Wichita	Ark City	
<b>01/24(H)</b>	<b>-60</b>	<b>-40, -30</b>	<b>-50, -20</b>	<b>-50</b>	
01/17(H)	-60	-40, -30	-50, -20	-50	
01/10(H)	-60	-40, -30	-50, -20	-50	
01/03(H)	-60	-40, -30	-50, -20	-50	
12/27(H)	-60	-40, -30	-50, -20	<b>-50</b>	



European wheat was about unchanged last week; I saw Egypt announced their new military buying agency bought a chunk of Russian wheat. KC wheat narrowed the discount to the Euronext quote:

H									
11/29/2024	12/13/2024	12/20/2024	12/27/2024	1/3/2025	1/10/2025	1/17/2025	1/24/2025		
\$ 221.50	\$ 229.25	\$ 227.25	\$ 233.00	\$ 232.75	\$ 233.00	\$ 226.75	\$ 226.25	matif	
\$ 198.69	\$ 204.66	\$ 200.16	\$ 203.75	\$ 198.05	\$ 202.74	\$ 201.54	\$ 205.58	KC	
\$ 22.81	\$ 24.59	\$ 27.09	\$ 29.25	\$ 34.70	\$ 30.26	\$ 25.21	\$ 20.67	diff	

World wheat news shows Indian wheat prospects look pretty good...

<https://www.financialexpress.com/policy/economy-conducive-weather-boosts-prospects-of-robust-wheat-harvest-3726913/>

Here's a link to the Egyptian buying Russian wheat... <https://english.alarabiya.net/News/middle-east/2025/01/21/egypt-s-mostakbal-misr-makes-major-russian-wheat-purchase#:~:text=Egypt's%20state%20grain%20buyer%2C%20Mostakbal,sailing%20under%20the%20Egyptian%20flag.>

Here's an interesting story saying Russians are whining about unprofitable wheat prices...<https://www.yahoo.com/news/worlds-top-wheat-exporter-makes-104523423.html>

Have a good week. Stay Safe. Slow Down!

And get a couple sales targets in the pit. It's time.