

Hello Colorado Wheat.

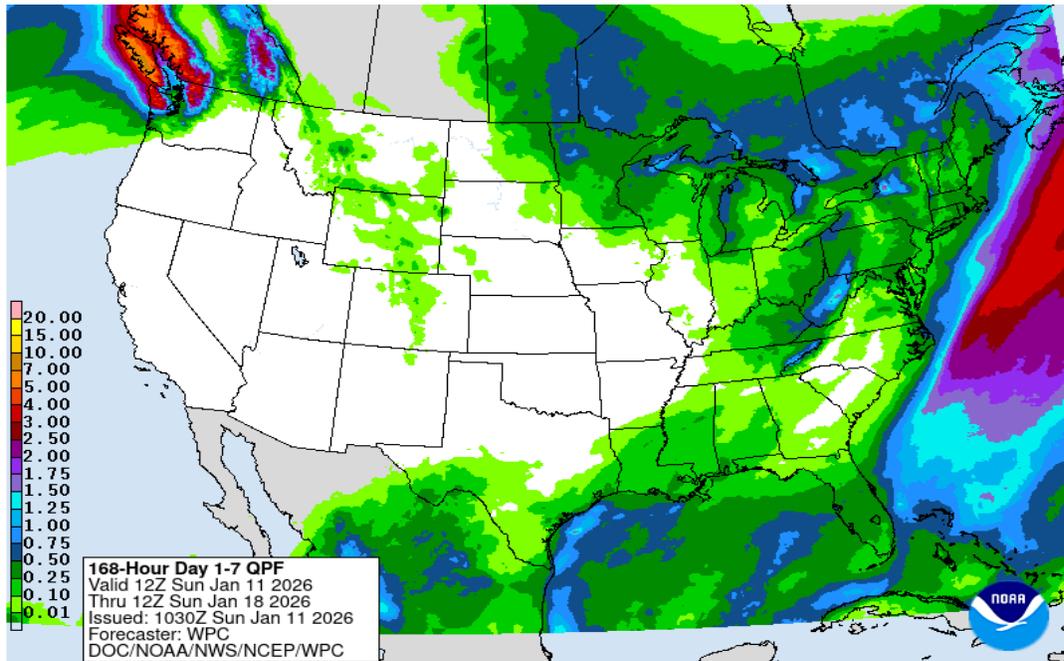
The previous week was the Venezuela extraction, and last week was the ICE Agent's shooting of a protestor in her car. I think this week we'll be talking about the fall of the current Iranian government...but who knows? Things seem more unpredictable than ever.

One thing we WILL be talking about is the January WASDE update, which comes out Monday morning at 11:00 am Central time and here in The Great Plains, we'll study the Winter Wheat Seedings report. We'll also look at the annual final Crop Production report, and...there's a good chance the Grain Stocks report release could move the markets too. Monday's reports give Grain Geeks something to concentrate on other than depressing Current Events.

But...similar to J.R. Tolkien's "one ring to rule them all" concept, I think the main, possibly ONLY report that matters is...the weather forecast, even though Bob Dylan said "you don't need a weatherman to know which way the wind blows".

*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***

So what is the weather forecast? The Plains...won't see any rains this week.

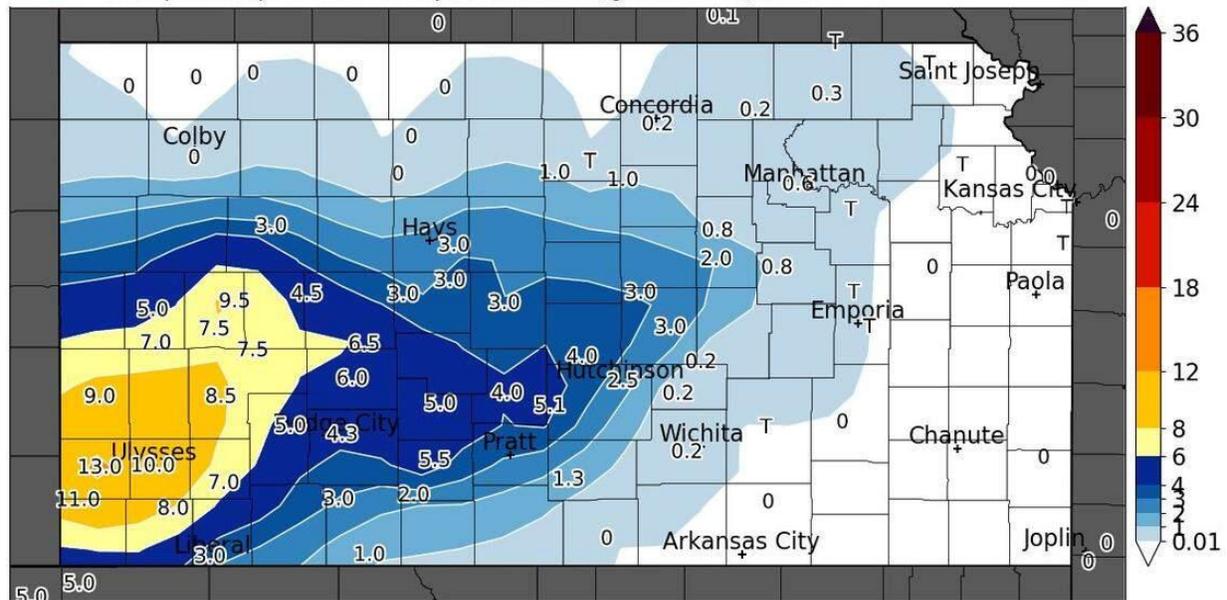


But last week's forecast didn't call for a FOOT of snow in Johnson, Kansas either...



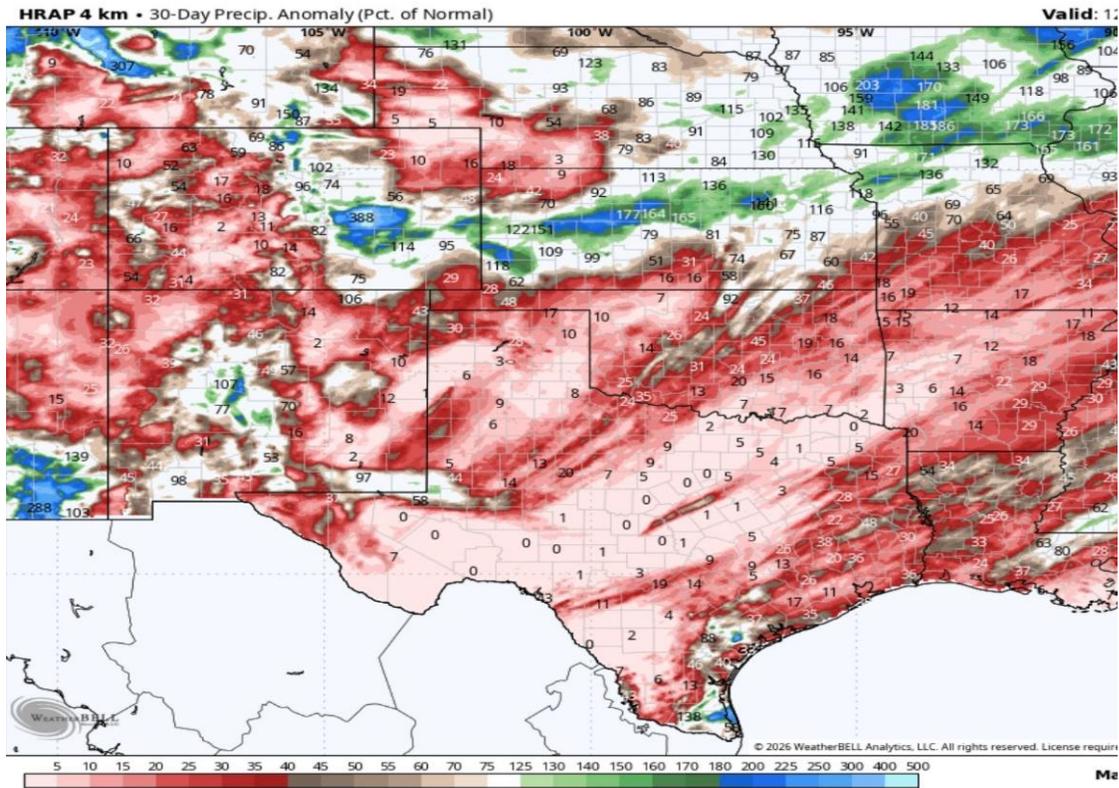
NWS Local Storm Report & CoCoRaHS Snowfall Total Analysis

146 reports over past 20 hours till 10 Jan 2026 07:35 AM, grid size: 50km, Rbf: linear

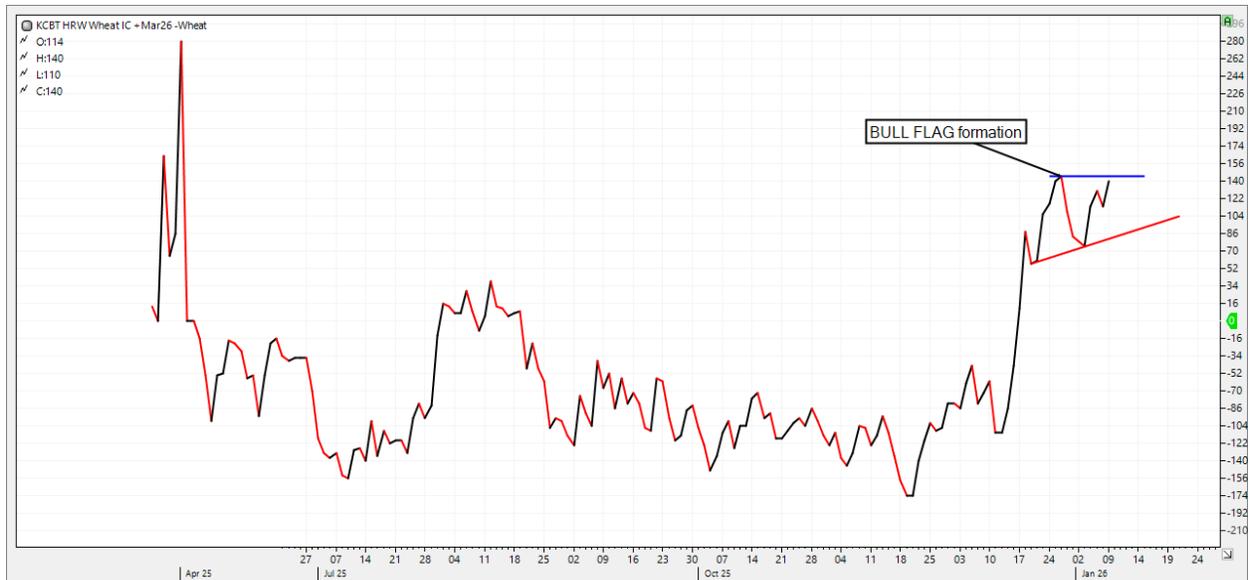


It's only mid-January. St. Patty's Day is 2 months away; a lot can change between now and then. This is from Brian Bledsoe's twitter account, showing past 30 days of precipitation percent of anomaly, or something...anyway, you can see a very dry pocket in Western NE,

NW KS and NE CO, and then drop south to the OK and TX Panhandles. You can see some “wet” (but much smaller) pockets exist too. There’s plenty of time to change all of this.



Currently, the situation is not dire, and frankly, not yet a true bullish impetus...The MAIN way the markets are recognizing the dryness is in this KC – Chgo wheat spread:



That chart is showing a Bull Flag formation, pointing higher...although facing headwinds.

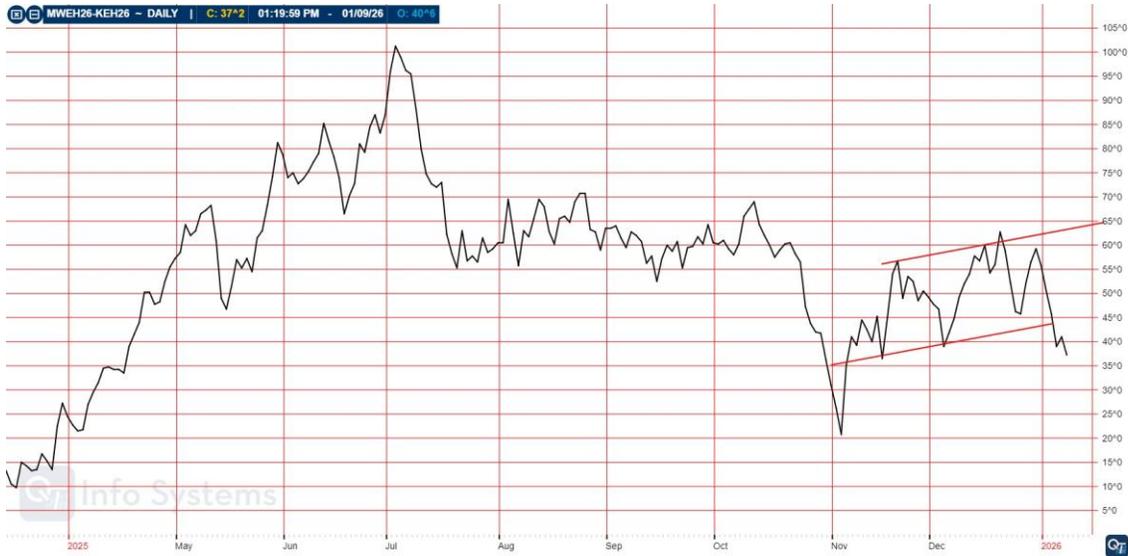
Certainly the January WASDE update world wheat numbers will show production increases in Argentina and probably Australia. And the thing about betting on a drought outlook is...a rain crashes the picture; sometimes just a dark cloud can do it. This one would be spooky:

Anyway, I assume the Iran situation doesn't go that way. Markets were mixed last week.

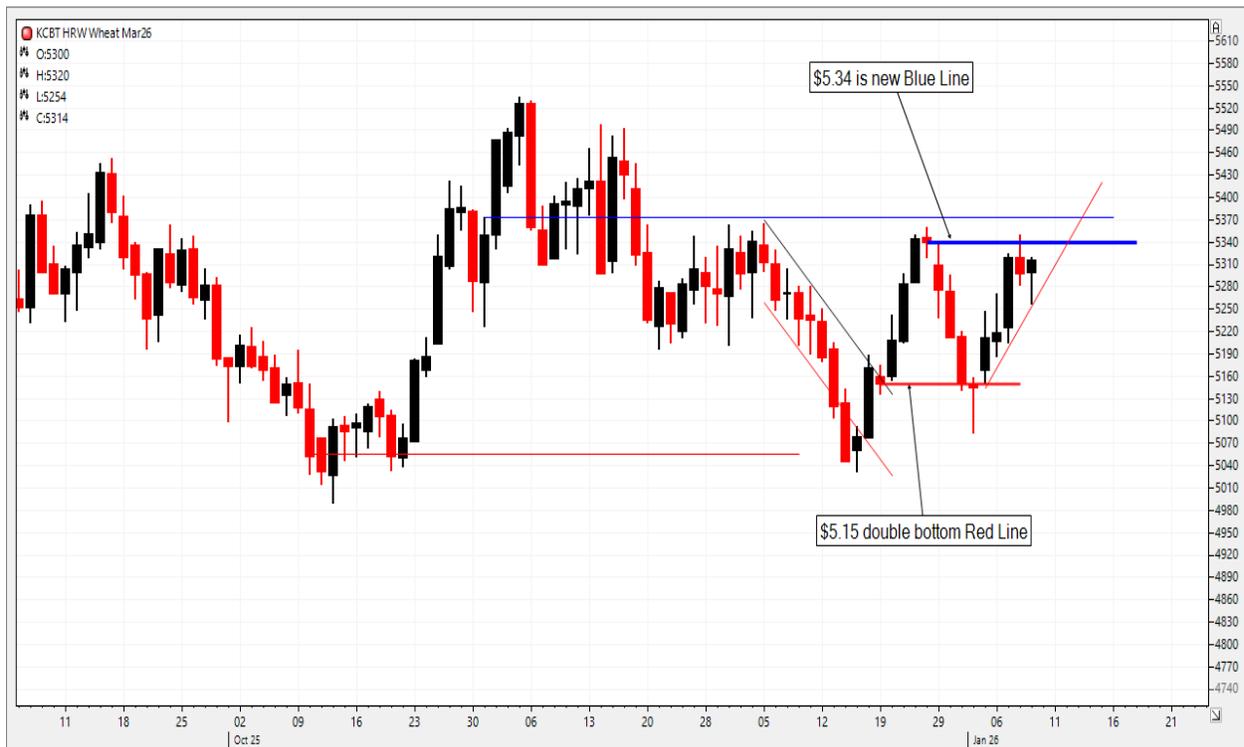
KC gained 15c while Chgo wheat gained a dime and spring wheat dropped 3c and posted another red number. Corn bounced but remains in Super Tight 12c range. Beans also bounced, as did Crude oil, and the Stock Market...closed above 7000.

	KC Mar HRW	DEC 26 HRW	Mar 26 CORN	DEC 26 CORN	Chgo H wheat	Springs Mar	MAR'26 BEANS	NOV'26 BEANS	Crude oil	S&P (H)
<i>CLOSE</i>	KWH26	KWZ26	CH26	CZ26	WH26	MWH26	SH26	SX26	CRD24	ES24
01/09	\$5.30	\$5.91	\$4.46	\$4.64	\$5.17	\$5.68	\$10.63	\$10.72	\$59.12	\$7005
01/02	\$5.15	\$5.77	\$4.38	\$4.59	\$5.07	\$5.71	\$10.46	\$10.63	\$57.32	\$6901
12/26	\$5.34	\$5.93	\$4.50	\$4.69	\$5.19	\$5.79	\$10.73	\$10.82	\$56.74	\$6979
12/19	\$5.15	\$5.75	\$4.44	\$4.62	\$5.10	\$5.78	\$10.60	\$10.68	\$56.52	\$6887
12/12	\$5.18	\$5.78	\$4.41	\$4.62	\$5.29	\$5.76	\$10.87	\$10.88	\$57.44	\$6831
12/05	\$5.31	\$5.89	\$4.45	\$4.64	\$5.36	\$5.73	\$11.16	\$11.04	\$60.08	\$6878
11/28	\$5.28	\$5.84	\$4.48	\$4.68	\$5.39	\$5.78	\$11.46	\$11.29	\$58.55	\$6859
11/21	\$5.26	\$5.83	\$4.38	\$4.60	\$5.40	\$5.75	\$11.34	\$11.12	\$58.06	\$6620
11/14	\$5.31	\$5.90	\$4.44	\$4.67	\$5.42	\$5.76	\$11.36	\$11.13	\$60.09	\$6755
11/07	\$5.32	\$5.87	\$4.42	\$4.64	\$5.42	\$5.73	\$11.26	\$11.01	\$59.75	\$6754
10/31	\$5.37	\$5.90	\$4.44	\$4.64	\$5.49	\$5.73	\$11.24	\$11.06	\$60.98	\$6874

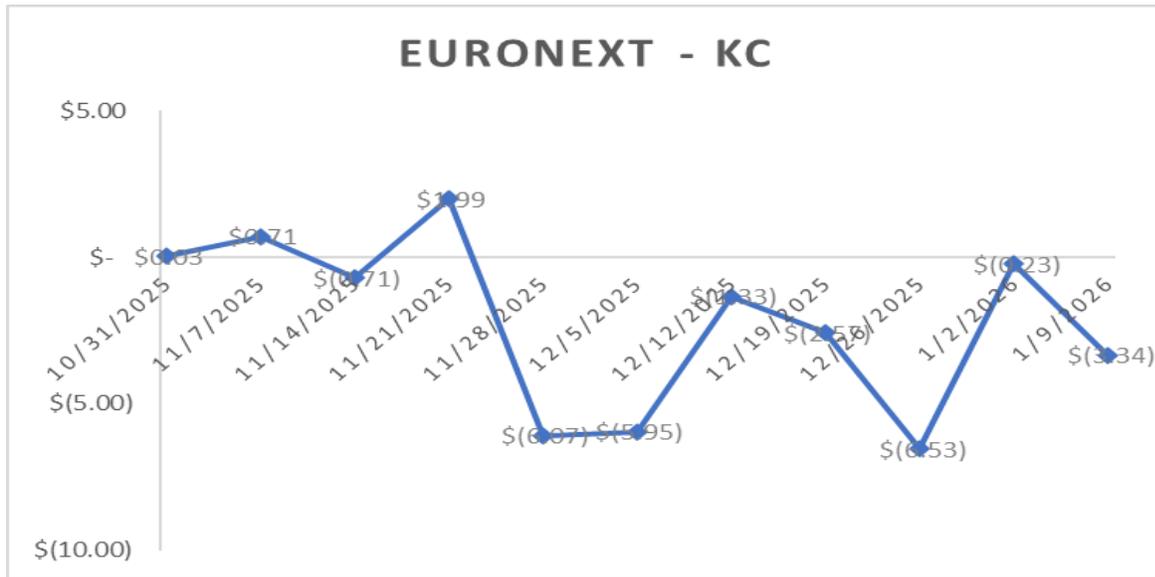
With that new Red number in spring wheat, the Minny March spring wheat – KC March wheat looks like spring wheat is breaking down against the winter wheat weather watch:



This is KC March wheat by itself. That’s a new lower Blue line as the old one rolled off the table. The chart doesn’t look particularly strong, but compared to Chgo wheat and Mpls wheat, it’s currently... the least weakest. (Is that like a restaurant review saying “it wasn’t as bad as expected?”)



Interestingly, KC vs. European wheat futures is in middle ground of the recent range:



Anyway...IF KC's recent rally survives the expected bump in world wheat production estimates, I'll be surprised, but...it's possible the drought story gains more attention.

One thing that almost certainly would derail the recent rally would be a drop in the USDA's USA wheat export forecasts. Unfortunately, the updated Export pace scorecard shows last week's wheat loadings were NOT GOOD; they were the worst week of wheat loadings since early November 2023. (I'd like to forget those 23/24 wheat exports were the lowest ever at 706 million, compared to this year's 900 million bu forecast.)

WEEK ENDED (01/01/26)	Weekly loadings	Accumulated in season (FGIS)	Estimated fudge factor	Total loaded est*	USDA projection	Amount needed	Weeks to go	Bu per week needed
Corn	47.5	1,055.5	110	1,166	3,200	2034	34	59.8
Soybeans	36.0	602.6	34	637	1,635	998	34	29.4
All wheat	6.7	560.8	27	588	900	317	21	14.9
Milo	9.6	33.9	5	39	225	186	34	5.5
LAST update								
Corn	51.2	1,006.7	110	1,117	3,200	2083	35	59.5
Soybeans	27.6	565.7	34	600	1,635	1035	35	29.6
All wheat	11.1	553.5	27	581	900	319	22	14.5
Milo	2.7	24.3	5	29	225	196	35	5.6

Export sales were NOT GOOD either, especially for wheat, at only 4.4 mil bu.

Corn sales weren't good at 14.9 mil bu. Milo had a good week of sales, 9.0 mil bu, and the loadings were good. Soybeans also had a good week of loadings and sales of 32.3 mil bu were more than enough to meet the forecast.

SO...looking at all the numbers...IF the USDA changes any export forecasts, I lean towards...we see a small decrease to their wheat export forecast, and that...will probably be enough to halt wheat's recent rally.

Plus we don't see a change to the Texas Gulf HRW to-arrive bids:

GULF

date	12 pro	11's	diff
1/9/2026	125	110	15
1/2/2026	125	110	15
12/26/2025	125	110	15
12/19/2025	125	110	15

BUT...We do see some scattered basis strength in Colorado and a couple better bids in Central KS.

Date	SE Colorado	Chey. Wells	Burlington	Holyoke area	Roggen area
01/09	\$4.20-\$4.35	\$4.48	\$4.20-\$4.30	\$4.10-\$4.33	\$4.70-\$5.10
01/02	\$4.05-\$4.20	\$4.21	\$4.05-\$4.15	\$3.94-\$4.05	\$4.50-\$4.95
12/26	\$4.24-\$4.39	\$4.40	\$4.24-\$4.34	\$4.13-\$4.24	\$4.69-\$5.14
12/19	\$4.05-\$4.20	\$4.21	\$4.05-\$4.15	\$3.94-\$4.05	\$4.50-\$4.95
BASIS	SE Colorado	Chey. Wells	Burlington	Holyoke	Roggen area
01/09(H)	-110, -95	-82	-110, -100	-120, -97	-60, -20
01/02(H)	-110, -95	-94	-110, -100	-121, -109	-65, -20
12/26(H)	-110, -95	-94	-110, -100	-121, -109	-65, -20
12/19(H)	-110, -95	-94	-110, -100	-121, -109	-65, -20
Date	Concordia	Salina	Hutch/Wichita	Ark City	
01/09(H)	-55	-55, -35	-85, -60	-80	
01/02(H)	-70	-57, -40	-85, -60	-80	
12/26(H)	-70	-58, -40	-85, -45	-80	
12/19(H)	-70	-58, -40	-85, -45	-80	

Can wheat keep moving higher? I think it will be difficult.

Can corn help wheat? The March corn chart is wound tighter than a drum; a 12c range between the Blue and Red lines is nothing. Corn Bulls, or anyone hoping to sell corn at a higher price have to be nervous about the Grain Stocks report. A bigger number would indicate that the corn feed/residual category is overstated, which seems more than just a little likely with the low Cattle herd size.



March Soybeans are trying to go sideways, but I can't imagine the Chinese view any Venezuela developments as positive to them at all.



Early Sunday night action is quietly a little lower, nervously waiting.

Wheat news other than the weather is skinny. Speaking of...a new study released last week says weight gain is rapid after topping the GLP-1 weight loss injections, which isn't totally surprising. <https://www.consumeraffairs.com/news/lost-weight-returns-after-glp-1-injections-stop-study-finds-010826.html>

This story is a couple weeks old, but kinda interesting...about why Midge Tolerant Wheat is sold as a blend...most winter wheat guys aren't familiar with the orange wheat blossom midge, but it certainly can be a problem in Western Canada ...
<https://www.farms.com/news/why-midge-tolerant-wheat-is-sold-as-a-blend-and-why-it-matters-for-spring-2026-236033.aspx> Here's a background article on the midge
<https://smallgrains.wsu.edu/insect-resources/occasional-pests/wheat-midge/>

Farmdocdaily posted this article, and Successful Farming then published it...saying land prices are now historically high compared to land rents...it doesn't say why, but...I suspect "asset ownership" is viewed as a way to beat inflation, but "rent" is viewed as an expense.
<https://farmdocdaily.illinois.edu/2026/01/the-dramatic-change-in-us-ag-land-price-rent-ratio.html>

And finally, I read an IRS agent stopped at a farm up by Holyoke, CO as he suspected the farm owner wasn't paying proper wages to his hired help. He asked the farmer how many worked for him. The farmer said "There's George. He's worked for me about 6 years; I pay him \$1000/week, and he gets room and board. And there's also the mentally challenged guy. He does about 80% of the work around here. He makes about \$30/week, has to pay his own room and board, but on Saturday night I buy him a bottle of tequila and about a dozen Budweisers so he can cope with the challenges of life... and occasionally he gets to sleep with my wife." The IRS agent said "OK, that's they man I want to talk to. The mentally challenged guy."

The farmer said "That would be me. What would you like to know?"

Have a good week.

Stay Safe. Slow Down.