AGRICULTURE

Crop Outlook Newsletter

11/11/2025

Market News:

Most of the major agricultural commodity markets sold off last Thursday erasing a good portion of the gains witnessed since the trade news from China. Bearish job report estimates out of the private sector for October seems to have set up a risk off scenario that spread across many markets. A trickle of actual buying of soybeans, wheat and sorghum from China combined with little on a solid confirmation of a trade deal did not help.

On Friday November 14, USDA is releasing the Crop Production and WASDE reports. These reports could generate price volatility. While there has been plenty of speculation on the size of the spring crops from industry sources, the lack of government information due to the shutdown is an issue. The release of these reports will at least provide clarity over the near term and give markets information to talk about and trade on until the government reopens.

Wheat Market Outlook:

Wheat prices were volatile last week as the wheat complex was caught in the risk off episode on Thursday, November 7. KC December Hard Red Winter futures contract closed Monday at $5.27 per bushel after seeing a low of $5.19 on Friday last week, down from a high of $5.40 earlier in the week. Wheat basis across Oklahoma remains stable with local hard red wheat prices following the futures price.

Oklahoma cash hard red wheat prices select locations

	Hooker, OK		Medford, OK		Hobart, OK		Weatherford, OK	
	Cash	Basis	Cash	Basis	Cash	Basis	Cash	Basis
24-Oct	$4.16	-85	$4.26	-75	$4.16	-85	$4.21	-80
31-Oct	$4.39	-85	$4.49	-75	$4.39	-85	$4.44	-80
7-Nov	$4.34	-85	$4.49	-70	$4.34	-85	$4.39	-80

Data: USDA, AMS

Little trading data came in over the last week other that reports that China bought 120,000 metric tons (MT) of US wheat, with the 60,000 MT estimated to be soft wheat and 60,000 MT spring wheat. Additionally, a South Korea mill importer tendered for 50,000 MT of U.S. wheat late last week. Export inspections through November 6 indicated 10.7 million bushels moved over

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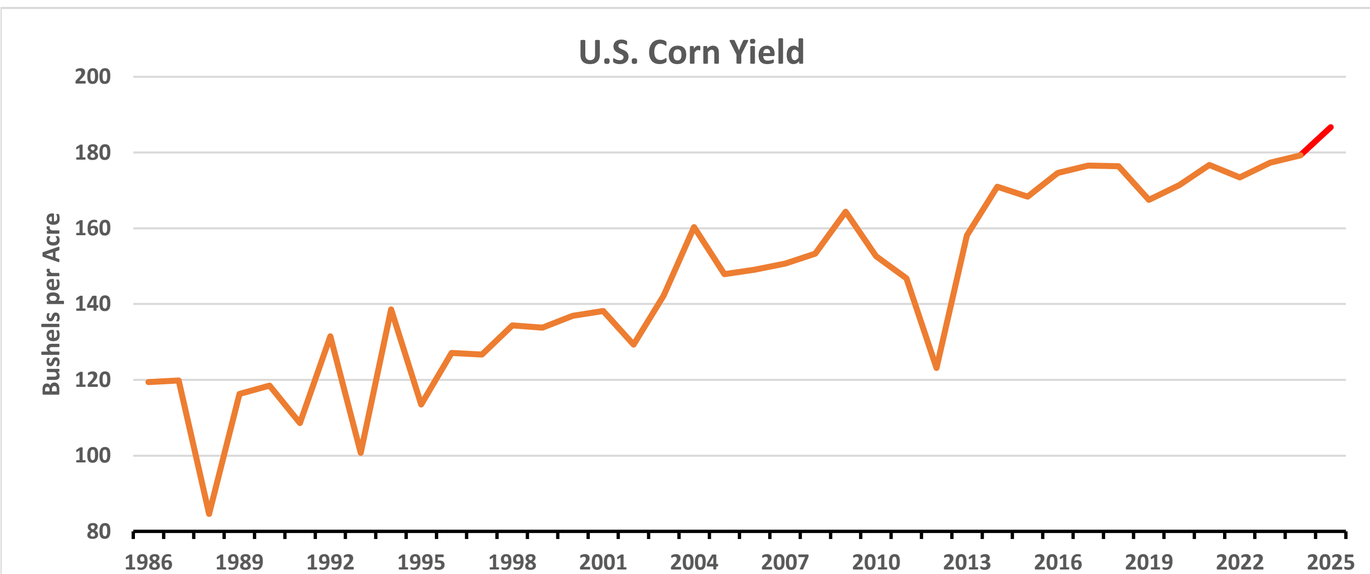
the previous week bringing marketing year inspections totals to 445 million bushels.

Attention turns to the USDA reports due out Friday after over a month of missing data. Expect minor changes to the wheat balance sheets for the U.S. with focus turning to world production and stocks. The Small Grains report at the end of September estimated wheat production at 1.985 billion bushels, up fifty-eight million bushels from the previous WASDE report. Expectations of higher exports and slightly higher ending stocks seem feasible come Friday.

Corn Market Outlook:

The Crop Production report looks to set the tone for the corn market over the near term. A variety of yield estimates from non-governmental sources have been put forth since the start of the shutdown. My model has national yield at 184.6 bushels per acre, 2.1 bushels lower than the crop report from September. A tough finish to the crop year, particularly in the eastern Corn Belt, opens the potential for yields moving even lower when the final tabulation is completed. A lower corn yield in this report seems certain. The lower yield, however, does not imply a bullish scenario given the demand situation put forth in the September WASDE.



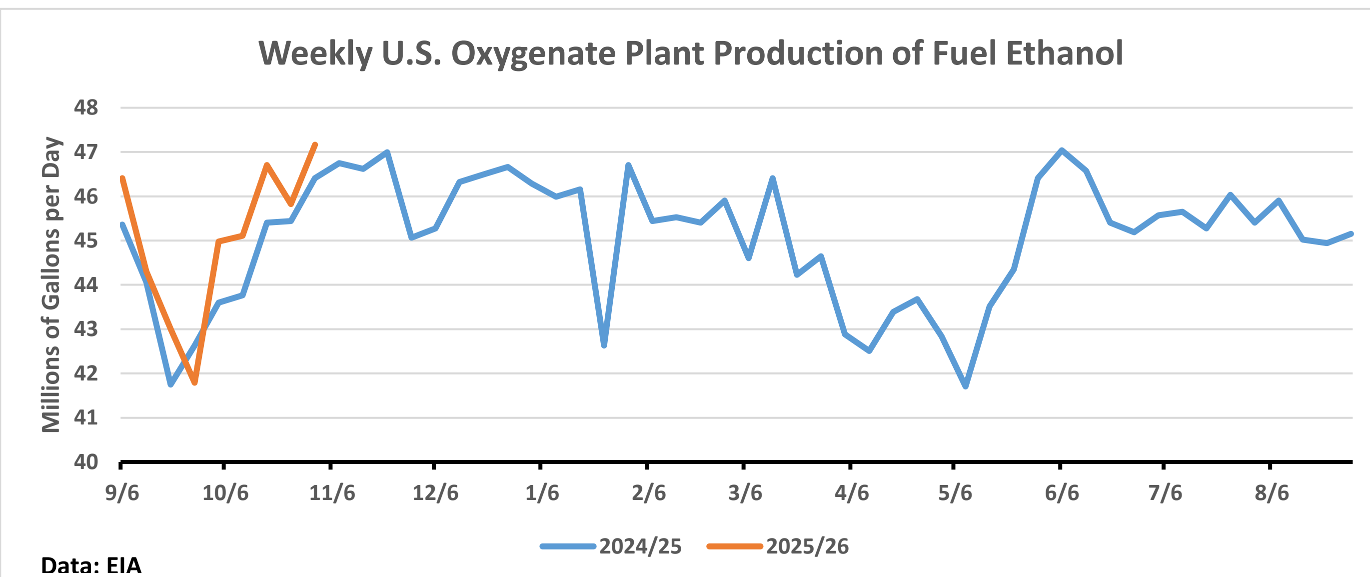
It is easy to forget the bearish shock for demand given in the September stocks report. A 2024/25 marketing year carryout of 1,530 million bushels came in 205 million bushels above the USDA estimate. The implication is that feed and residual for 2024/25 should come in near 5.5 billion bushels depending on final trade data, down approximately 175 million bushels from the September WASDE estimate. It also brings into question the 2025/26 feed and residual forecast of 6.1 billion bushels. A two bushel drop in yield equates to a 180 million bushel drop in production. Given the potential for feed and residual in the current marketing year to be substantially lower, the loss of any production will

Corn outlook continued from page 2.

likely be offset on the demand side of the balance sheet relatively easily. Expect ending stocks to stay the same or move higher with a moderate yield change.

On a positive demand note, corn exports and corn use for ethanol remain robust. Export inspection data through November 6 show corn exports up 66 percent over last year at 540 million bushels. Mexico, Columbia, and other traditional importers continue to support a hot start to the marketing year along with healthy buying out Asia. If corn prices stay near current levels, corn exports could hit USDA's 2.975 billion bushel forecast for 2025/26. Without a good understanding of outstanding sales from the export sales report, it is difficult to forecast but inspections data indicate the strength in the export market.

Ethanol production thus far in the marketing year is running 1.7 percent above last marketing year. Weekly ethanol plant production provided by the EIA hit a record level at the end of October. Strong grind margins and demand have corn use for ethanol on track for a big year. The potential for corn use for ethanol to hit 5.6 billion bushels projected in the September WASDE report relies on a strong ethanol export program. Last marketing year, ethanol exports came in slightly above 2.1 billion gallons and in doing so set a new high for a marketing year. While the potential for eclipsing last marketing year's export level is very attainable, corn use for ethanol came in around 5.435 billion bushels last year even with that record export level for ethanol. Increased ethanol production from other commodities like sorghum and increased efficiency point toward the need for an extraordinarily strong export program indeed to get to 5.6 billion bushels.



December corn prices closed on Monday at $4.29 per bushel. Oklahoma prices are reported to be averaging around $4.15 per bushel with stronger prices in the northwest part of the state averaging $4.37 and the north central area seeing $3.87. Basis remains stable across the state.

Sorghum outlook

Sorghum Outlook:

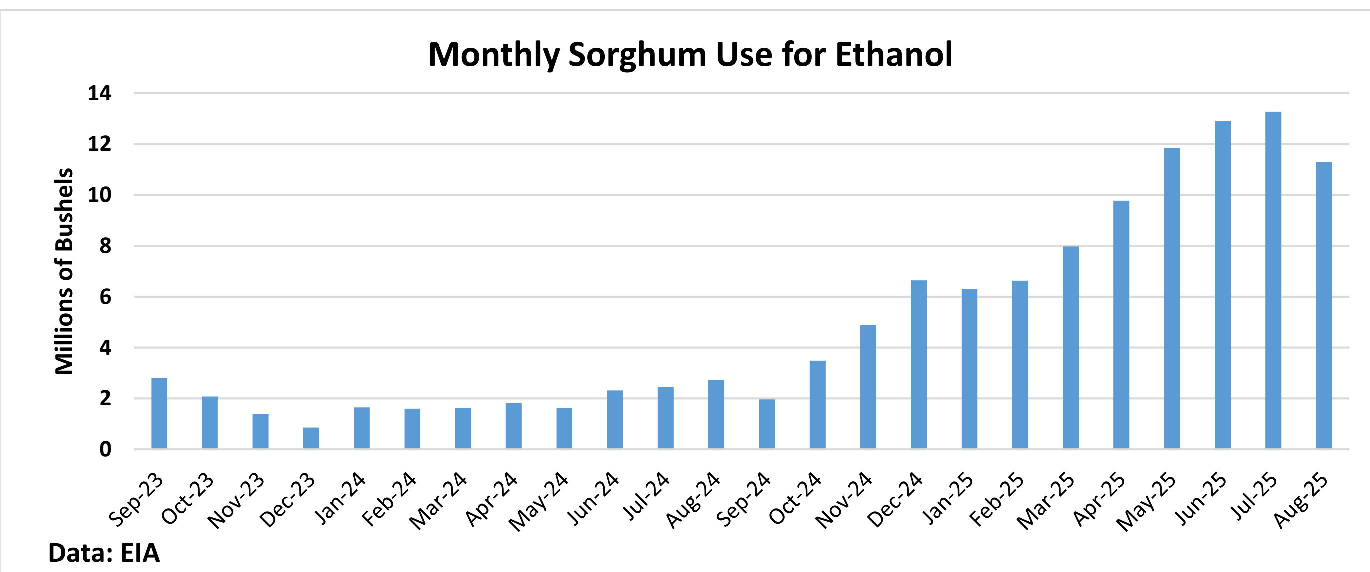
Sorghum prices continue to struggle with lack of Chinese export demand. Reports of China buying a cargo of sorghum hit the rumor mill last week. If true, it cannot hurt, but they need to follow through with significant purchases. Export inspections through November 6 came in slightly above ten million bushels for the marketing year, down from almost twenty-eight million bushels at the same point last year.

Oklahoma cash sorghum prices select locations

	Hooker, OK		Ponca City, OK		Hobart, OK		Weatherford, OK	
	Cash	Basis	Cash	Basis	Cash	Basis	Cash	Basis
24-Oct	$3.38	-85	$3.23	-100	$3.08	-115	$3.13	-110
31-Oct	$3.46	-85	$3.31	-100	$3.16	-115	$3.21	-110
7-Nov	$3.42	-85	$3.27	-100	$3.12	-115	$3.17	-110

Data: USDA, AMS

At present, USDA forecasts sorghum exports at 225 million bushels for the 2025/26 marketing year. An assumption of substantial Chinese buying is built into that forecast. When China does not buy sorghum, lower sorghum prices tend to push usage into ethanol production and feed. Sorghum use in ethanol production averaged over twelve million bushels per month from May through August of 2025. At present, data on ethanol grind from sorghum is only available through August. Given the low level of exports over the last couple of months, an expectation of continued strong sorghum usage for ethanol appears likely.



An expectation of sorghum prices staying depressed seems reasonable at this point without substantial buying from China.