

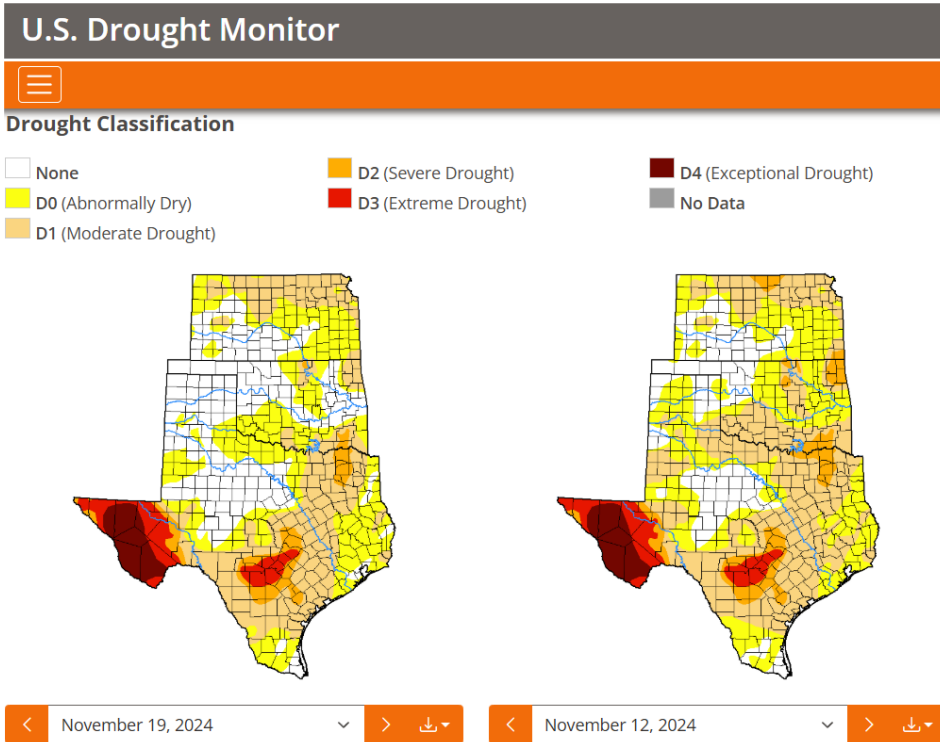


# Wheat Outlook

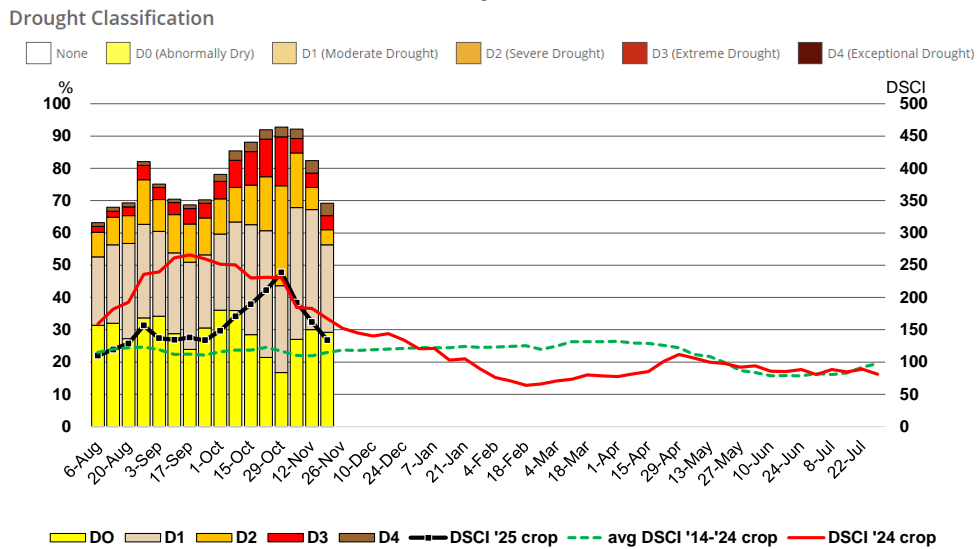
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**Weather.** The drought monitor for the Southern Plains Climate Hub shows the area impacted by drought down 13 points last week to 69%. The index was 134, down 28 points. The index last year at this time was 168. The average index for this week of the crop year is 115.



### Southern Plains Drought Monitor 11/19/2024



Drought Severity and Coverage Index (DSCI) = (D0\*1)+(D1\*2)+(D2\*3)+(D3\*4)+(D4\*5);  
 min 0--no drought conditions reported; max 500--100% under exceptional drought conditions

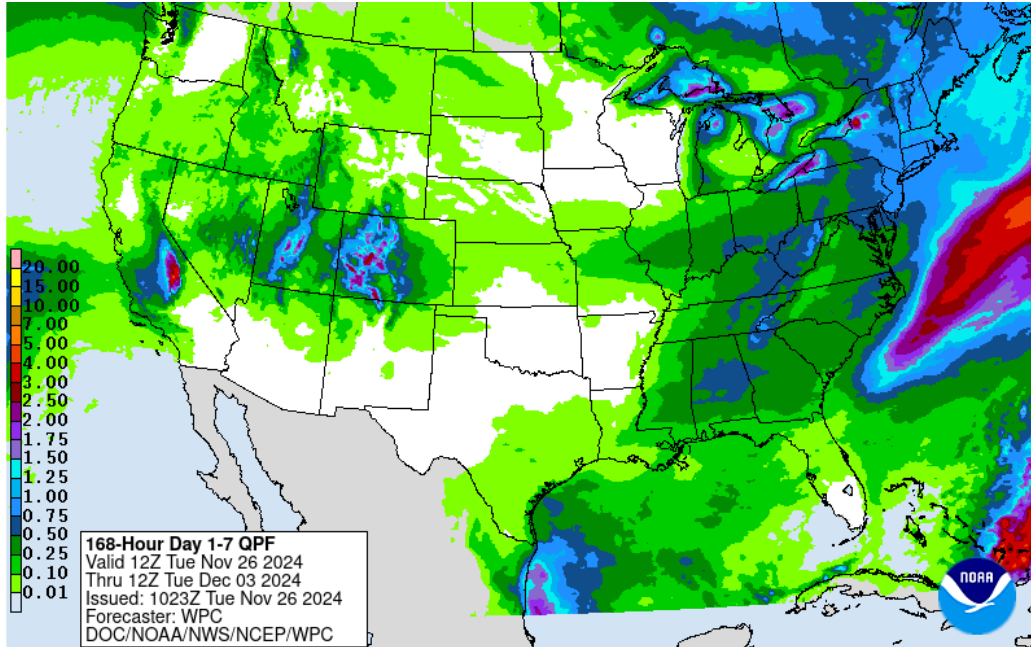
Drought Monitor, 11/21/2024, Southern Plains Climate Hub, <http://droughtmonitor.unl.edu/>

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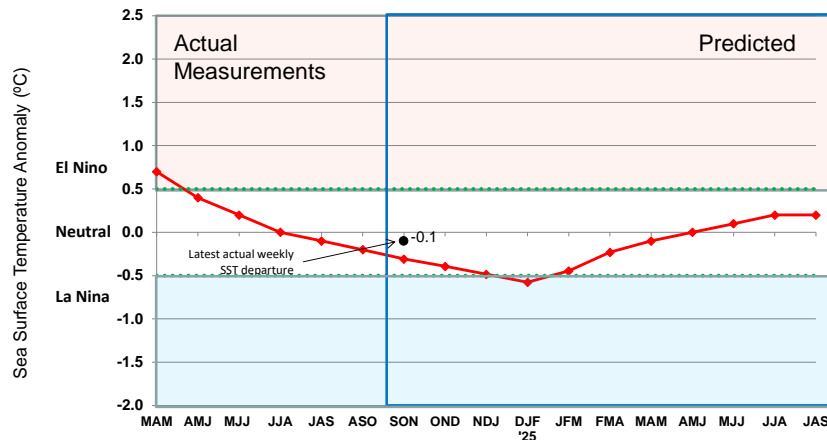
A mostly dry week ahead is the forecast for the Southern Plains the next 7-days (11/26-12/3/2024).



Sea surface temperatures in the eastern Pacific are running  $-0.1^{\circ}\text{C}$  below normal this week. The Oceanic Niño Index is currently neutral with a forecast for La Niña conditions to develop in the current October-December period. But forecast models to date continue to show a La Niña that is relatively mild and short-lived.

### Oceanic Niño Index (ONI) ENSO Alert System Status: La Niña Watch

CPC: La Niña is most likely to emerge in October-December 2024 (57% chance) and is expected to persist through January-March 2025.



El Niño/Southern Oscillation (ENSO) Diagnostic Discussion, November 25, 2024  
[http://www.cpc.ncep.noaa.gov/products/analysis\\_monitoring/enso\\_advisory/](http://www.cpc.ncep.noaa.gov/products/analysis_monitoring/enso_advisory/)  
Australian Bureau of Meteorology, <http://www.bom.gov.au/climate/enso/>

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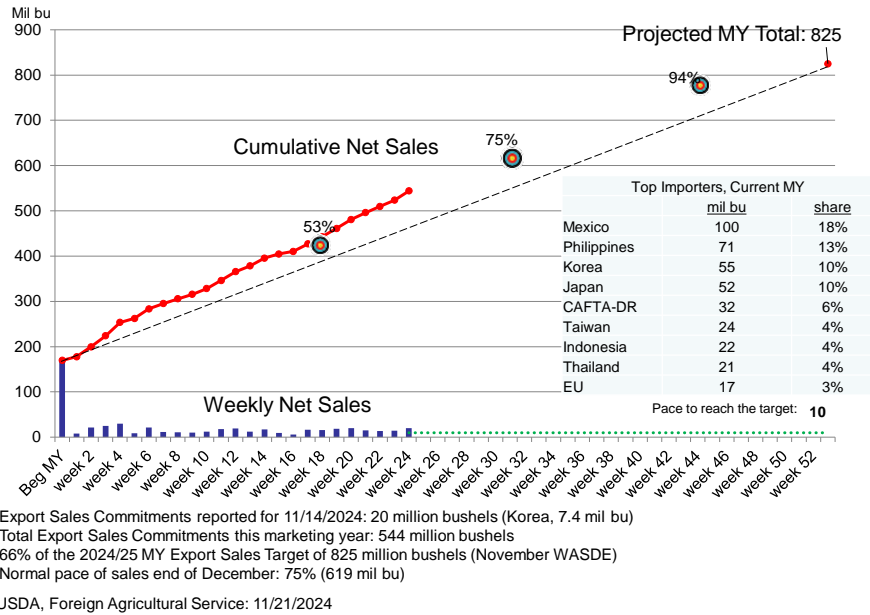
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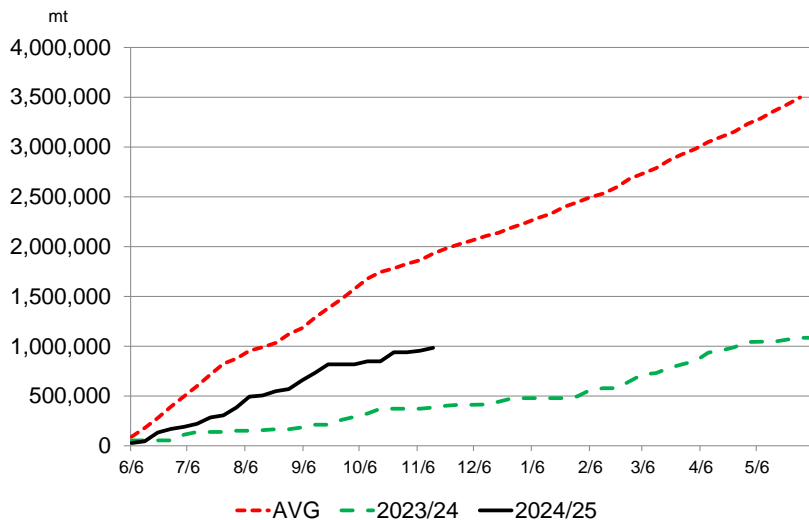
**Grain Use.** All wheat export sales continue on a strong pace to reach USDA’s marketing year projection. Sales for the week of November 14 were 20 million bushels, 7.4 million to Korea. That brings the total for the marketing year to 544 million bushels, 66% of the 825 million bushel target. Normally, 75% of the marketing year total is on the books by the end of December.

## 2024/25 U.S. All Wheat Export Sales Commitments



Wheat exported out of the Texas Gulf so far this marketing year is ahead of last year but still about half of average.

## Wheat Inspected for Export, Texas Gulf



U.S. Dept. of Agriculture, Agricultural Marketing Service. Grain Transportation Report. November 21, 2024

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## Cash Wheat Prices, \$/bu.

	Nearby KC Futures	Avg TX cash elevator	basis	Houston Port	basis	Elevator to Export Spread
October 24	5.87	4.94	-0.93			
October 31	5.69	4.76	-0.93			
November 7	5.69	4.76	-0.93			
November 14	5.33	4.40	-0.93			
November 21	5.56	4.62	-0.93			
10-year avg			-0.44		0.78	-1.22

USDA, AMS, Market News: TX cash = average (North, Central, and South Panhandle); Houston Port, DTN

**Commitment of Traders.** Speculative traders took on a more bearish posture in numbers reported by the Commodity Futures Trading Commission’s Commitment of Traders for November 19. The dominant trade in corn was to get out of long contracts, soybean traders added to short positions held, while Chicago wheat traders added to both sides of the market, taking on more shorts than longs. Net longs were up slightly in Kansas City wheat as traders added about equally to longs and shorts.

	Wheat--SRW				Wheat--HRW			
	Long	Short	Net Long	Price	Long	Short	Net Long	Price
10/15/2024	108,406	122,120	(13,714)	579.50	61,430	44,487	16,943	583.00
10/22/2024	111,145	128,227	(17,082)	576.00	61,005	56,885	4,120	586.50
10/29/2024	106,934	129,825	(22,891)	570.50	63,615	67,535	(3,920)	574.25
11/5/2024	104,711	127,252	(22,541)	572.50	64,600	70,550	(5,950)	576.75
11/12/2024	105,967	144,496	(38,529)	552.25	63,586	80,560	(16,974)	546.50
11/19/2024	116,397	162,436	(46,039)	549.75	68,406	84,820	(16,414)	558.25
Change	10,430	17,940	(7,510)	(2.50)	4,820	4,260	560	11.75

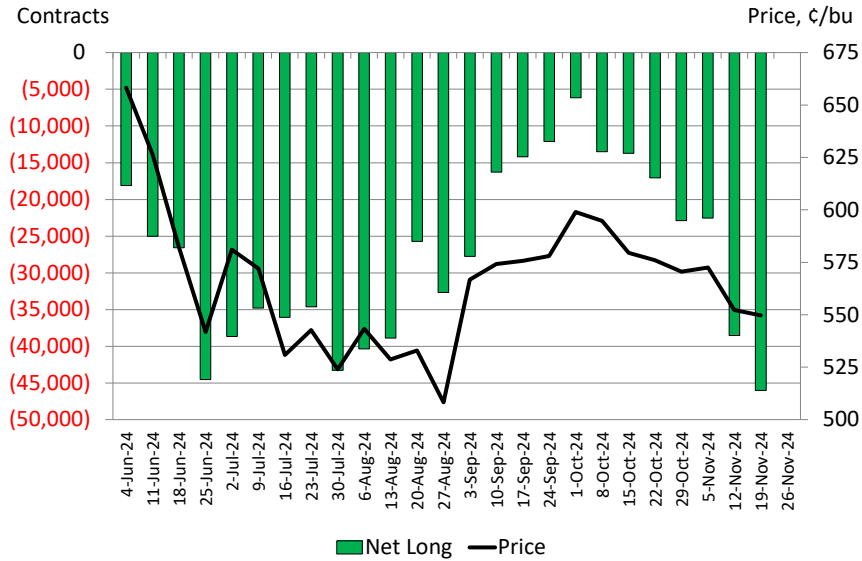
	Corn				Soybeans			
	Long	Short	Net Long	Price	Long	Short	Net Long	Price
10/15/2024	333,139	338,291	(5,152)	401.25	154,755	220,134	(65,379)	991.00
10/22/2024	377,721	359,881	17,840	416.50	157,837	236,132	(78,295)	991.75
10/29/2024	405,262	321,958	83,304	413.75	145,891	237,951	(92,060)	965.25
11/5/2024	422,877	320,229	102,648	418.50	151,032	240,015	(88,983)	1001.75
11/12/2024	434,784	257,138	177,646	428.50	161,342	238,455	(77,113)	1010.50
11/19/2024	418,990	255,689	163,301	427.25	168,134	254,465	(86,331)	998.50
Change	(15,794)	(1,449)	(14,345)	(1.25)	6,792	16,010	(9,218)	(12.00)

# Wheat Outlook

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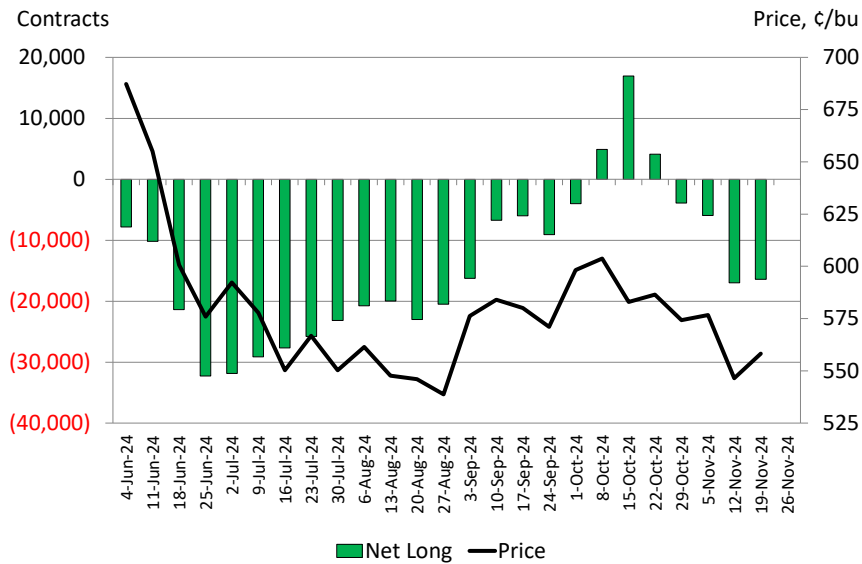
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## Non-commercial Investment in CBOT Wheat, 11/19/2024



CFTC Legacy Report, Futures Only  
<https://www.cftc.gov/MarketReports/CommitmentsofTraders/index.htm>

## Non-commercial Investment in KC Wheat, 11/19/2024



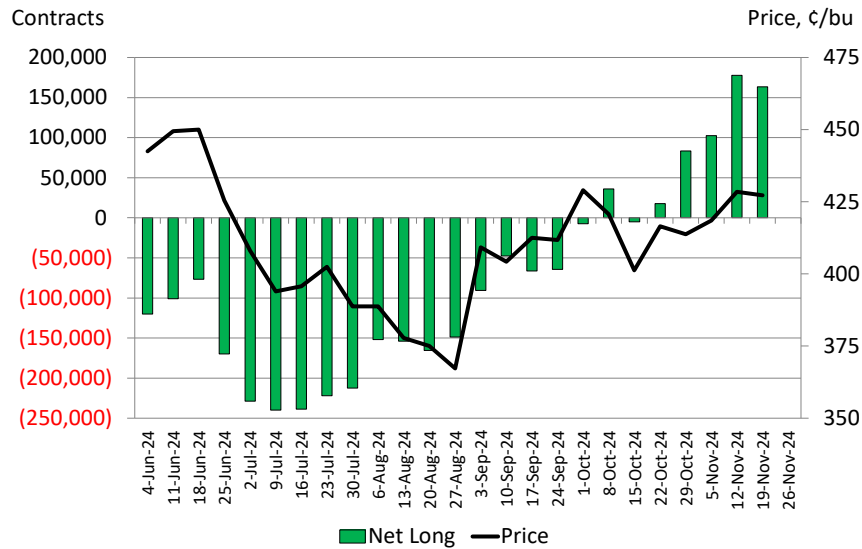
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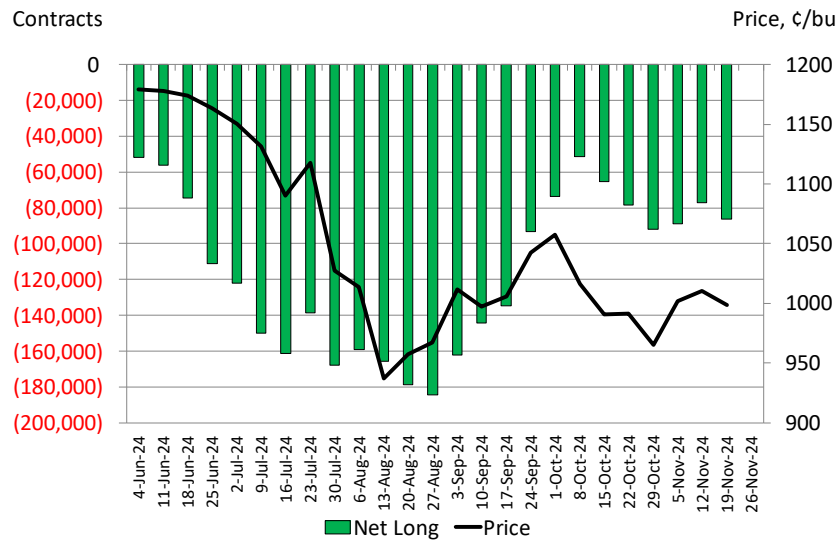
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## Non-commercial Investment in Corn, 11/19/2024



CFTC Legacy Report, Futures Only  
<https://www.cftc.gov/MarketReports/CommitmentsofTraders/index.htm>

## Non-commercial Investment in Soybeans, 11/19/2024



CFTC Legacy Report, Futures Only  
<https://www.cftc.gov/MarketReports/CommitmentsofTraders/index.htm>

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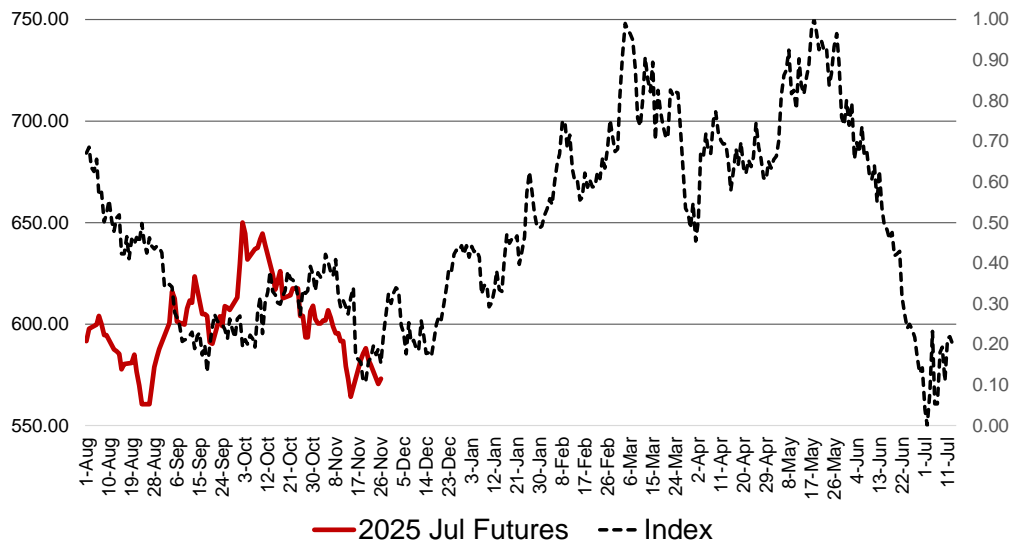
For November 19, based on whether the net long number (long contracts held minus short contracts held) is positive or negative and whether that net long number increased or decreased compared to the week before, speculators were:

- more bearish Chicago soft red winter wheat,
- less bearish KC hard red winter wheat,
- less bullish corn, and
- more bearish soybeans.

## Marketing Strategies

**Seasonal Index.** A chart of simple averages of prices over the growing season offers a picture of seasonal price tendencies. For the July Kansas City wheat contract, prices typically decline from August to the end of the calendar year. Prices tend to trend upwards in late-winter associated with crop condition concerns, topping out in February/March as the crop breaks dormancy. Another price rally in April/May is often associated with late-season weather risk before the seasonal price decline into harvest.

July KC Wheat average price index  
2004-2024





# Wheat Outlook

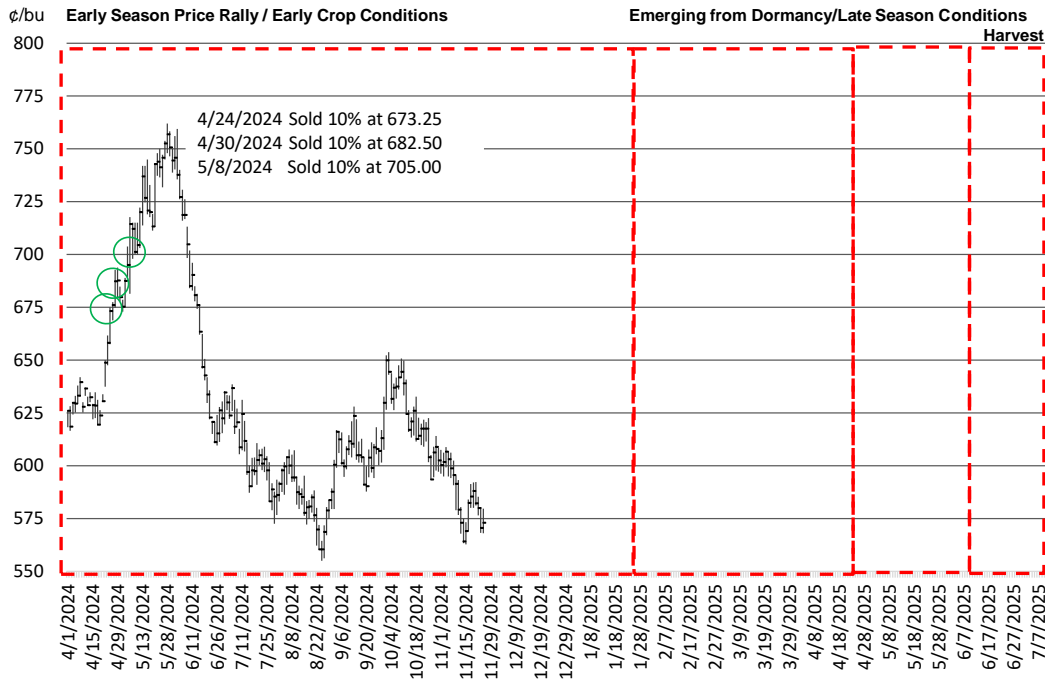
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**Wheat Marketing Plan.** For the 2025 wheat crop, I am 30% sold.

## July 2025 KC Wheat and Marketing Plan



### Upcoming Reports/Events

November 27	3 <sup>rd</sup> Quarter GDP (second estimate), Bureau of Economic Analysis
December 6	Employment Situation, November 2024
December 10	Crop Production WASDE Short-term Energy Outlook, Energy Information Administration
December 11	Consumer Price Index, Bureau of Labor Statistics
December 17-18	Federal Open Market Committee, Federal Reserve
December 23	Hogs and Pigs
January 5-11	The Executive Program for Agricultural Producers (TEPAP) San Antonio, Texas

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