

# Wheat Outlook

April 4, 2025

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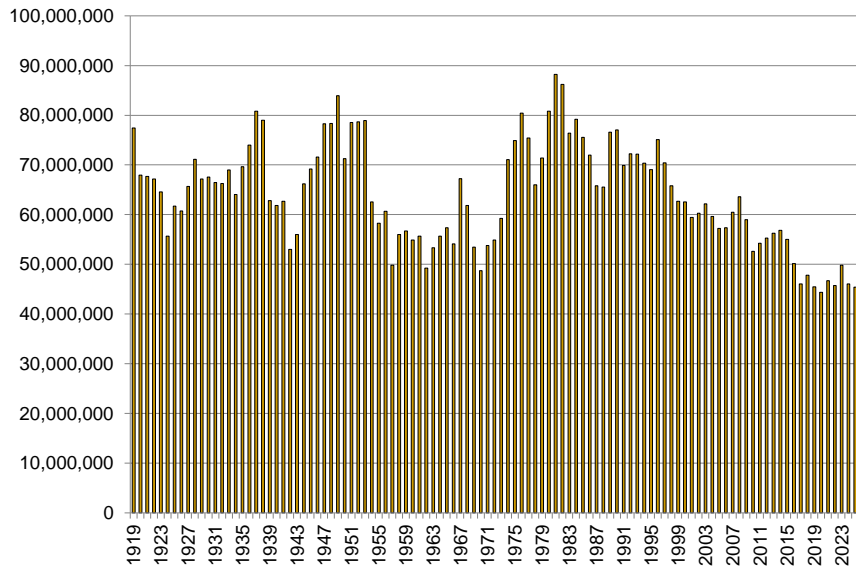
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## Market Situation

**Prospective Plantings.** Monday's Prospective Plantings report showed U.S. farmers intend to plant 45.350 million acres of wheat for 2025, down from 46.079 million in 2024. This is the second lowest planted acreage of all-wheat since USDA began reporting in 1919 (2020 was 44.450).

U.S. All Wheat Acres



USDA, Prospective Plantings, March 31, 2025

All classes of wheat are lower this year with the biggest decrease coming from spring wheat acreage.

	2024	2025	Change
All wheat	46.079	45.350	-0.729
Winter	33.390	33.315	-0.075
Spring	10.625	10.020	-0.605
Durum	2.064	2.015	-0.049

**Crop Progress and Condition.** National winter wheat condition ratings will resume next Monday, April 7. Conditions were improving in the last report back in November (index of 348). The index normally declines spring through harvest, down to about 325.

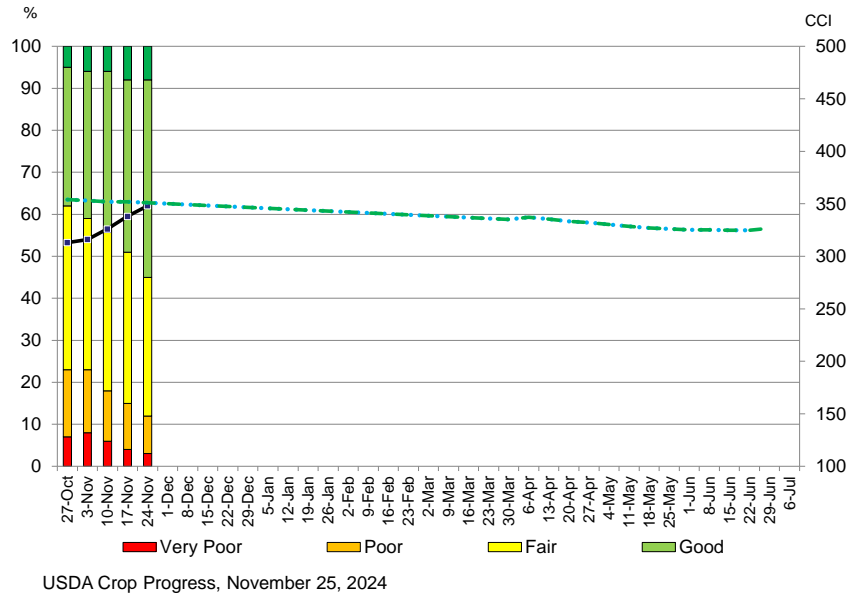
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## 2025 U.S. Winter Wheat Crop Condition Ratings



Crop conditions scores in the Southern Plains this week were steady in Kansas, down in Oklahoma and Texas, and up in Colorado. The Southern Plains winter wheat crop condition score was unchanged overall (326).

### 2025 Southern Plains Weighted Wheat Crop Condition Index 100% very poor = 100; 100% excellent = 500

	Kansas, 55%	Oklahoma, 18%	Texas, 14%	Colorado, 13%	Index
October 27	317	285	285	321	307
November 3	316	302	271	335	310
November 10	337	305	289	331	324
November 17	343	320	327	356	338
November 24	349	336	337	364	347
December 31	333			362	
January 26			321		
February 2	339	317	311	346	332
February 9			309		
February 16			300		
February 23		307	304		
March 2	344	296	295	359*	330
March 10	337	323	282	359*	330
March 16	331	310	283	356	324
March 23	334	302	288	363	326
March 30	334	301	285	371	326
Change	+0	-1	-3	+8	+0

\*End of February

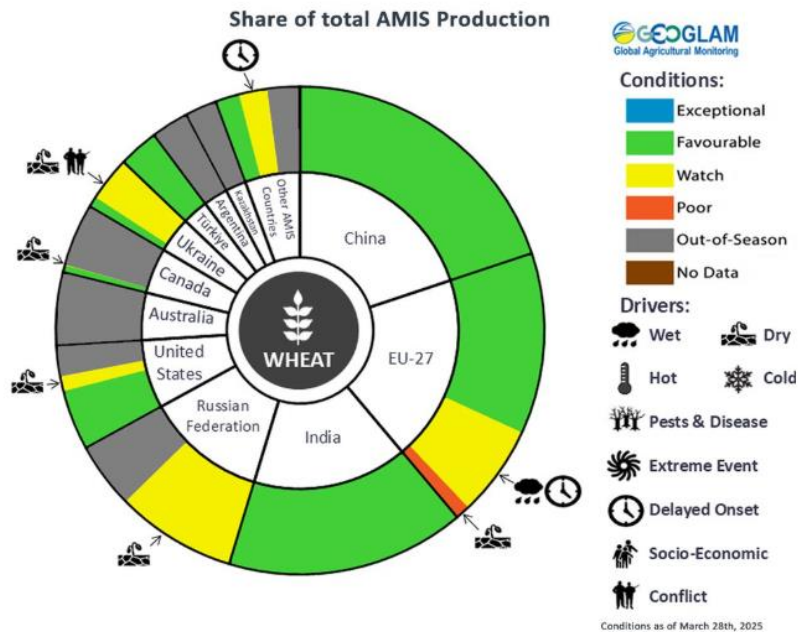
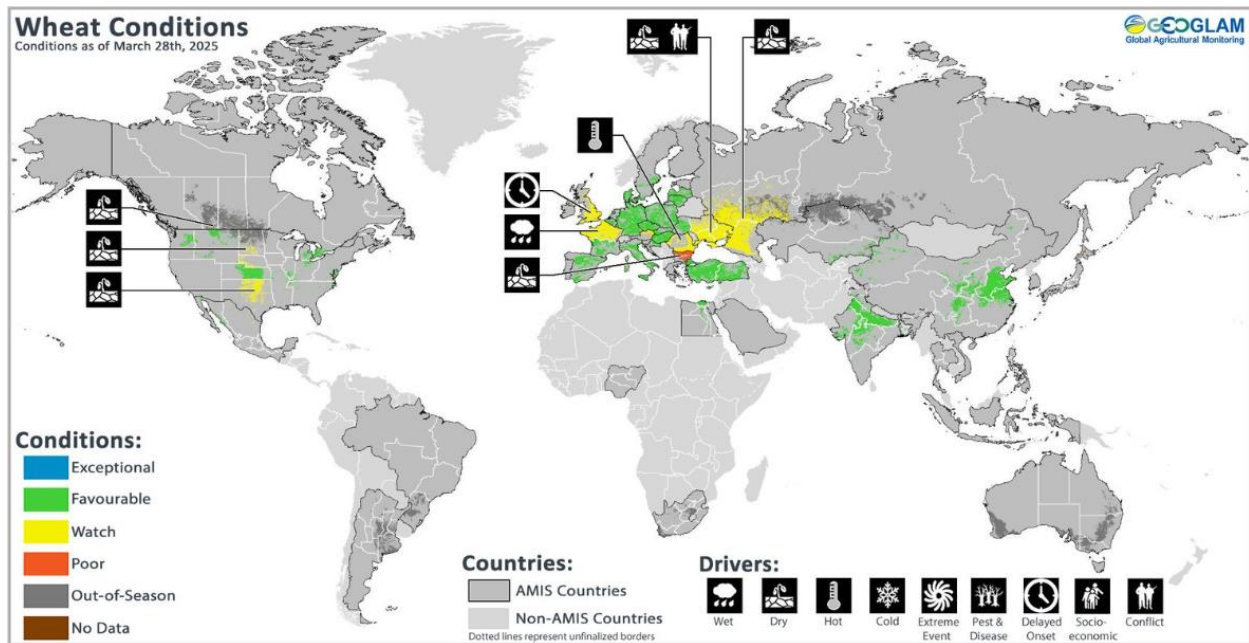
Southern Plains accounts for about 25% of national winter wheat production

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The GEOGLAM Crop Monitor (<https://www.cropmonitor.org/>) shows significant areas of concern (the ‘watch’ category) for wheat at the end of March. China, the largest producer of wheat in the world, is mostly favorable and the report notes acres are up for 2025. In Europe, conditions are mostly favorable with the exception of areas wet in the west and dry in the east. Dry conditions are impacting wheat in Ukraine and Southern Russia as well along with warmer than normal temperatures. The crop has broken dormancy and begun vegetative growth earlier than normal. Harvest is underway in India under favorable conditions.

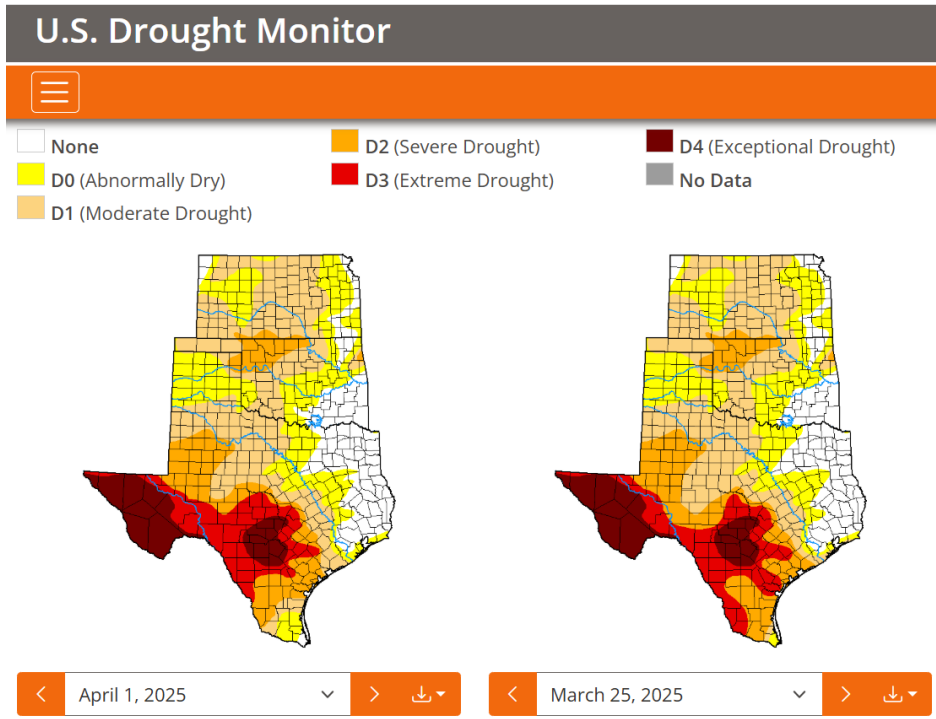


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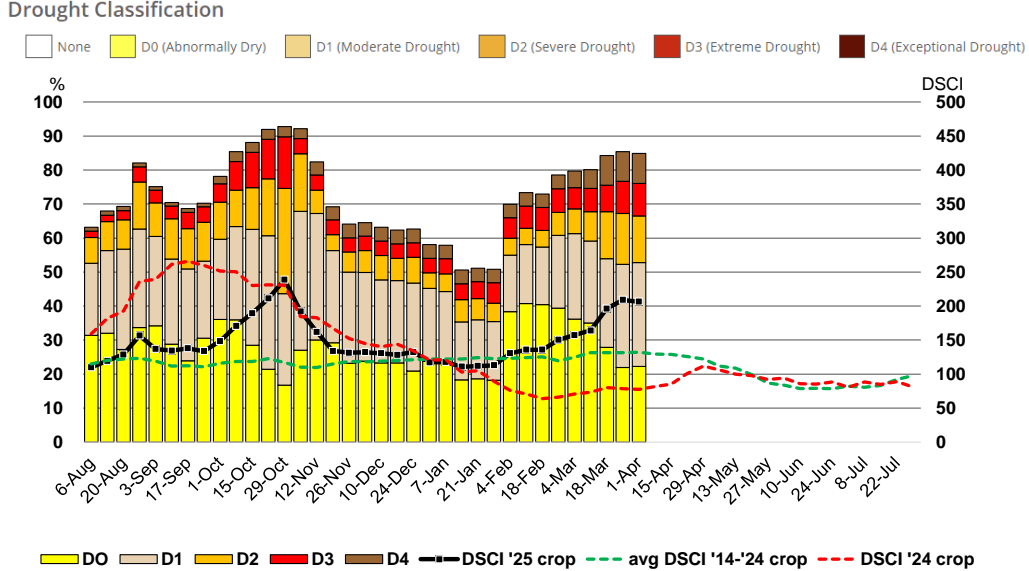
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**Weather.** The area of the Southern Plains experiencing drought conditions held steady this week at about 85%. The drought severity index decreased a point to 207. The reading last year at this time was 77. The average for this week of wheat growing season is 132. Since the end of February, the area rated D3 (extreme) and D4 (exceptional) has increased from 11% to 18%.



Southern Plains Drought Monitor 4/1/2025



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

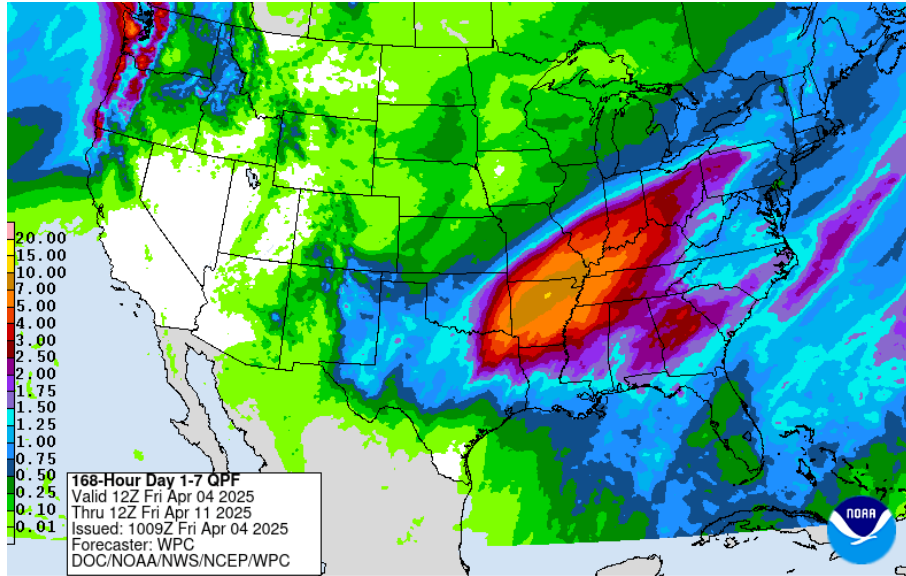
Drought Monitor, 4/3/2025, Southern Plains Climate Hub, <http://droughtmonitor.unl.edu/>

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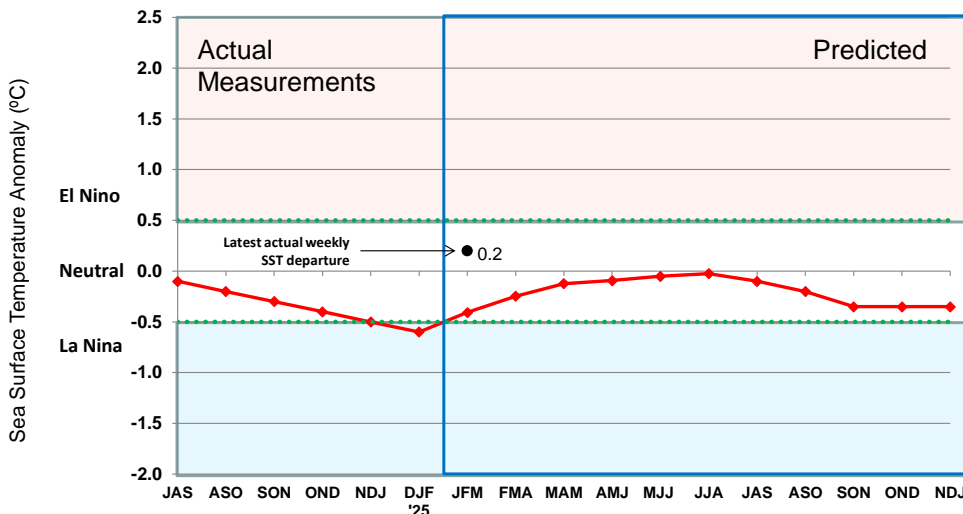
Precipitation is in the forecast for most of the Southern Plains the next 7 days (4/4-4/11/2025) with a half inch or better for wheat country across Texas and Oklahoma.



We are in the early stages of leaving La Nina conditions behind for now. The current sea surface temperature departure from normal this week is +0.2°C. Neutral conditions are forecast to last through the summer.

### Oceanic Nino Index (ONI) ENSO Alert System Status: **La Nina Advisory**

*CPC: ENSO-neutral is favored to develop in the next month and persist through Northern Hemisphere summer (62% chance in June-August 2025).*



El Niño/Southern Oscillation (ENSO) Diagnostic Discussion, March 31, 2025

[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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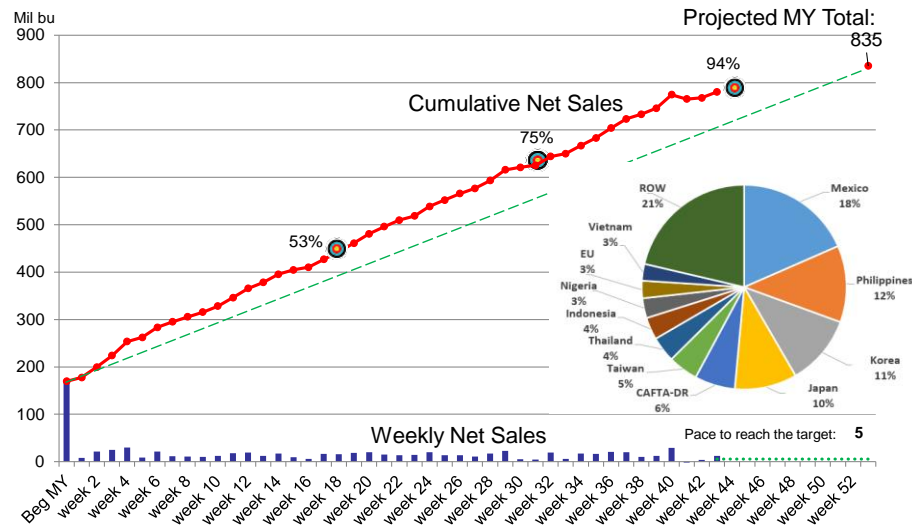
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**Grain Use.** All wheat export sales for the week of March 27 are right on pace to reach the marketing year target of 835 million bushels: 94% of the total on the books at end of March. Sales for the week of March 27 were 12 million bushels. Ecuador was the big buyer for the week at 2.6 million bushels.

Wheat exported out of the Texas Gulf has reached 2 million metric tons for the marketing year. That is well above last year but still below the previous four.

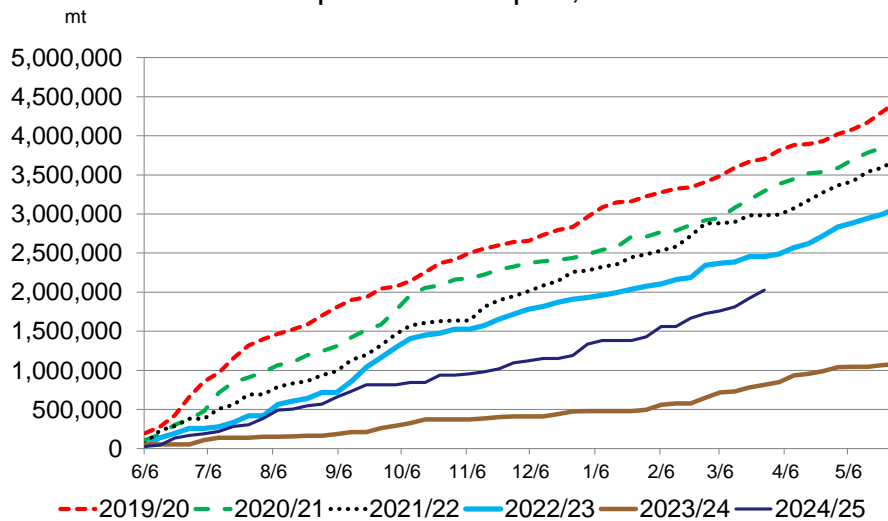
## 2024/25 U.S. All Wheat Export Sales Commitments



Export Sales Commitments reported for 3/27/2025: 12 million bushels (Ecuador, 2.6 mil bu)  
Total Export Sales Commitments this marketing year: 787 million bushels  
94% of the 2024/25 MY Export Sales Target of 835 million bushels (March WASDE)  
Normal pace of sales end of March: 94% (785 mil bu)

USDA, Foreign Agricultural Service: 4/3/2025

## Wheat Inspected for Export, Texas Gulf



U.S. Dept. of Agriculture, Agricultural Marketing Service. Grain Transportation Report. April 4, 2025



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## Cash Wheat Prices, \$/bu.

	Nearby KC Futures	Avg TX cash elevator	basis	Houston Port	basis	Elevator to Export Spread
March 6	5.66	4.60	-1.06			
March 13	5.88	4.85	-1.03			
March 20	5.87	4.84	-1.03	6.42	0.56	-1.58
March 27	5.66	4.63	-1.04	6.20	0.54	-1.58
April 4	5.69	4.65	-1.04	6.24	0.55	-1.59
10-year avg			-0.45		0.75	-1.20

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

**Commitment of Traders.** Just ahead of the major tariff announcements on April 2, speculative traders on April 1 added to bets for lower prices in Chicago wheat, Kansas City wheat, and corn (short contracts held increased). Soybean traders exited both sides of the market, more so with short contracts held than longs.

	Wheat--SRW				Wheat--HRW			
	Long	Short	Net Long	Price	Long	Short	Net Long	Price
3/4/2025	116,367	201,209	(84,842)	536.75	50,098	77,673	(27,575)	548.50
3/11/2025	120,935	199,008	(78,073)	556.75	52,893	89,087	(36,194)	572.00
3/18/2025	116,964	193,443	(76,479)	565.00	55,013	84,666	(29,653)	606.25
3/25/2025	121,763	204,311	(82,548)	543.25	52,273	85,137	(32,864)	569.25
4/1/2025	<u>119,598</u>	<u>222,398</u>	<u>(102,800)</u>	<u>540.50</u>	<u>60,579</u>	<u>95,461</u>	<u>(34,882)</u>	<u>565.25</u>
Change	(2,165)	18,087	(20,252)	(2.75)	8,306	10,324	(2,018)	(4.00)

	Corn				Soybeans			
	Long	Short	Net Long	Price	Long	Short	Net Long	Price
3/4/2025	492,878	157,440	335,438	451.50	161,354	195,637	(34,283)	999.00
3/11/2025	449,005	180,648	268,357	470.25	165,758	177,898	(12,140)	1011.25
3/18/2025	441,602	202,226	239,376	458.75	167,323	175,600	(8,277)	1012.75
3/25/2025	416,135	215,764	200,371	457.75	161,713	176,123	(14,410)	1001.75
4/1/2025	<u>412,771</u>	<u>245,902</u>	<u>166,869</u>	<u>461.75</u>	<u>158,653</u>	<u>162,165</u>	<u>(3,512)</u>	<u>1034.25</u>
Change	(3,364)	30,138	(33,502)	4.00	(3,060)	(13,958)	10,898	32.50

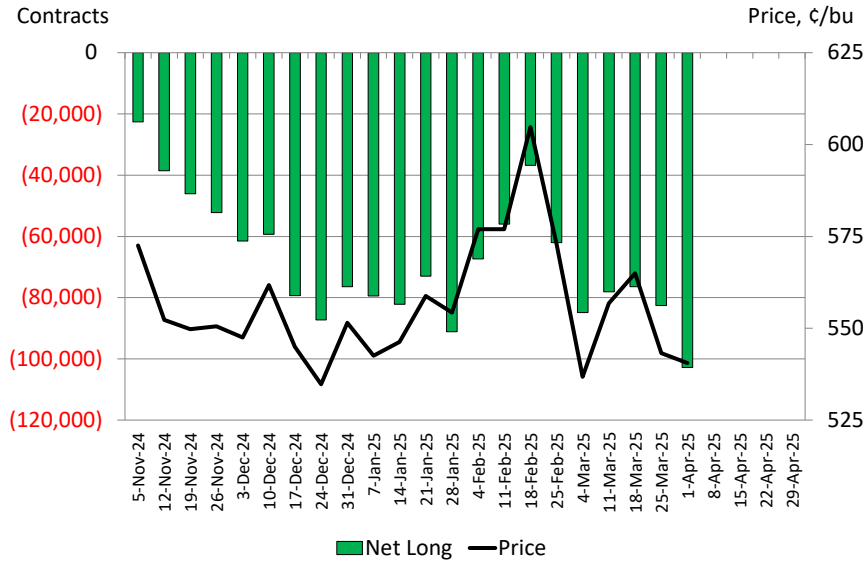
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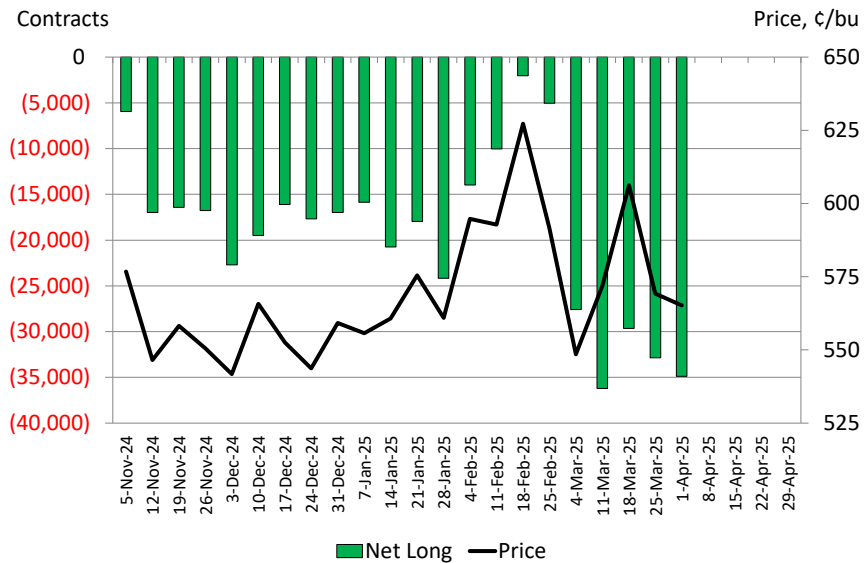


## Non-commercial Investment in CBOT Wheat, 4/1/2025



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

## Non-commercial Investment in KC Wheat, 4/1/2025



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

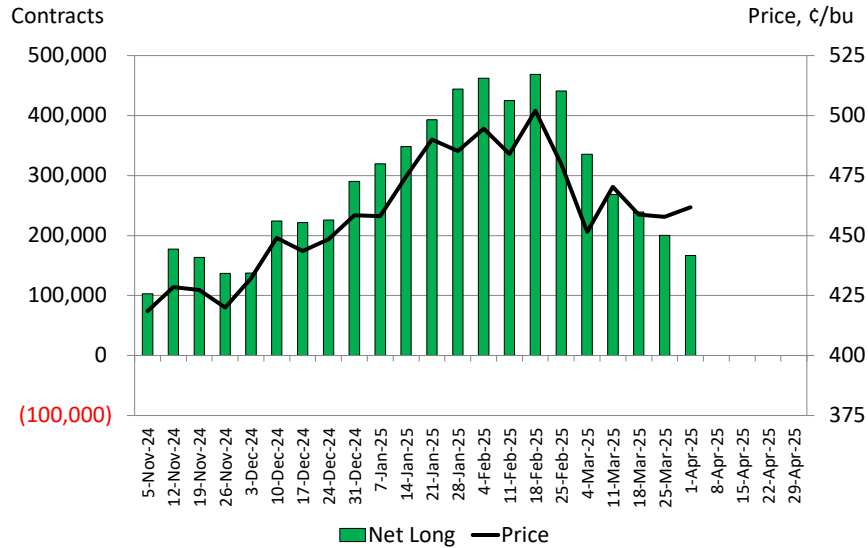


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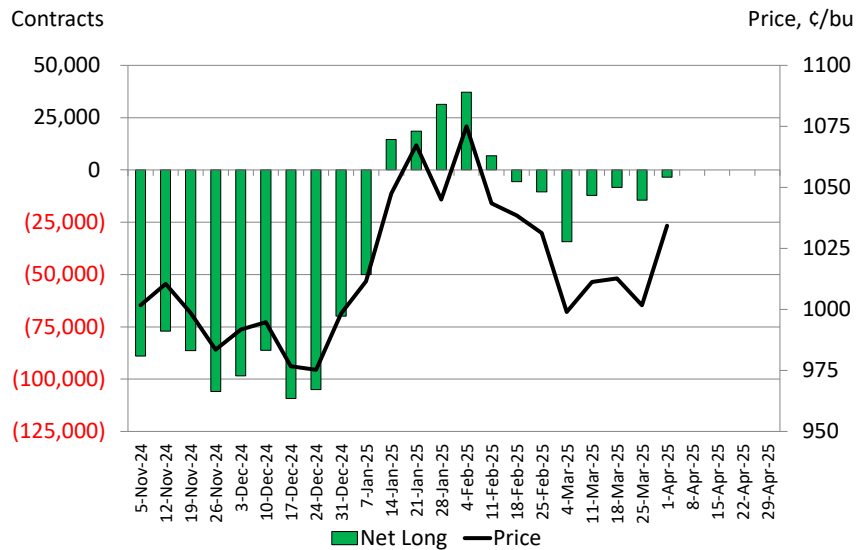
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## Non-commercial Investment in Corn, 4/1/2025



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

## Non-commercial Investment in Soybeans, 4/1/2025



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

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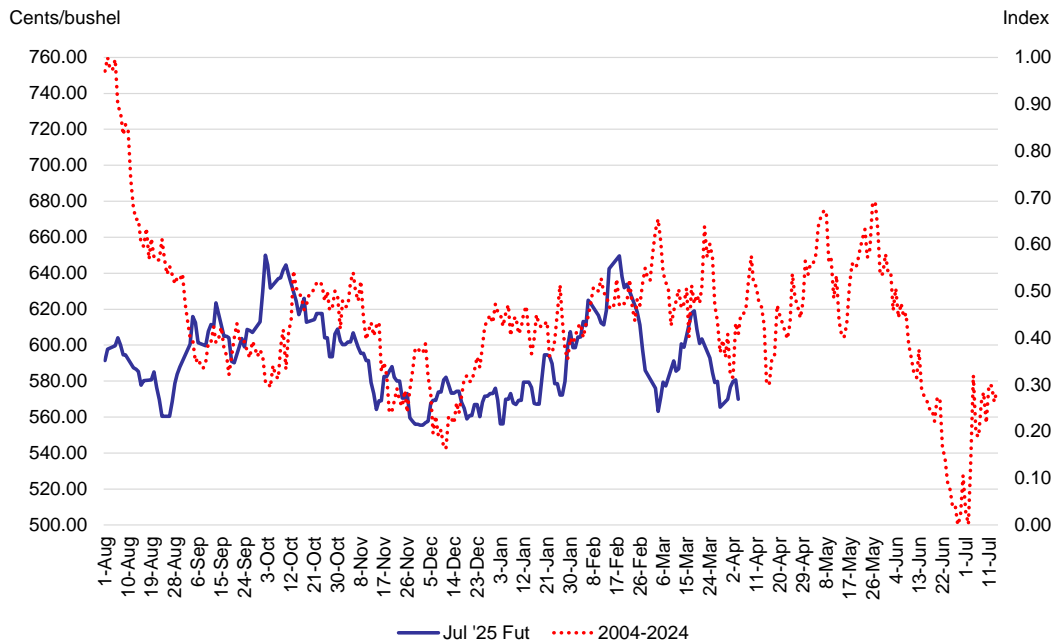
For April 1, based on whether the net long number (long contracts held minus short contracts held) is positive or negative and whether that net long number increased or decreased compared to the week before, speculators were:

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

## Marketing Strategies

**Seasonal Index.** The seasonal index for the July Kansas City Wheat futures contract shows prices typically declining 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.

### 2025 July KC Wheat Futures and Seasonal Index: 2004-2024



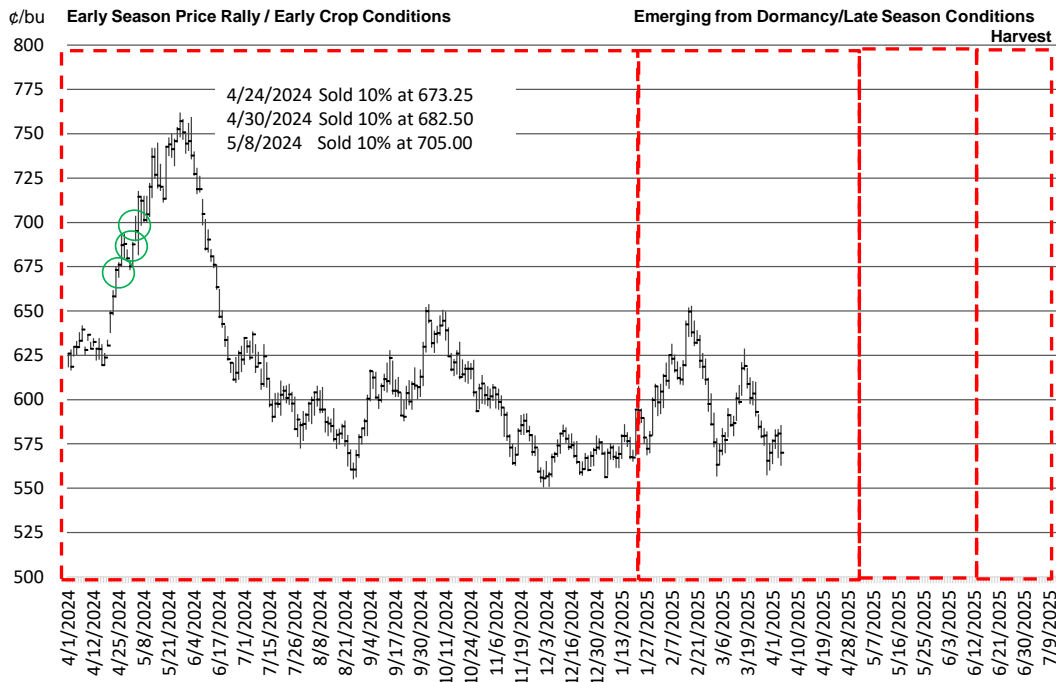
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**Wheat Marketing Plan.** For the 2025 wheat crop, I am 30% sold. We are in the time frame when I look to add to sales.

## July 2025 KC Wheat and Marketing Plan



### Upcoming Reports/Events

April 7	Crop Progress reports resume
April 8	Short-term Energy Outlook
April 10	Crop Production WASDE Consumer Price Index, Bureau of Labor Statistics
April 17	Cattle on Feed
April 21	Chicken and Eggs
April 23-24	Master Marketer: Building a Marketing Plan: Grain, Cotton, Livestock, Weslaco
April 30	Gross Domestic Product, 1st Quarter 2025 (Advance Estimate)

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**Mark Welch, Texas A&M AgriLife Extension Economist**

600 John Kimbrough Blvd, Suite 330B

College Station, Texas 77843

Tel. (979)845-8011

Fax. (979)845-4906

[JMWelch@tamu.edu](mailto:JMWelch@tamu.edu)

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