

# Wheat Outlook

May 22, 2025

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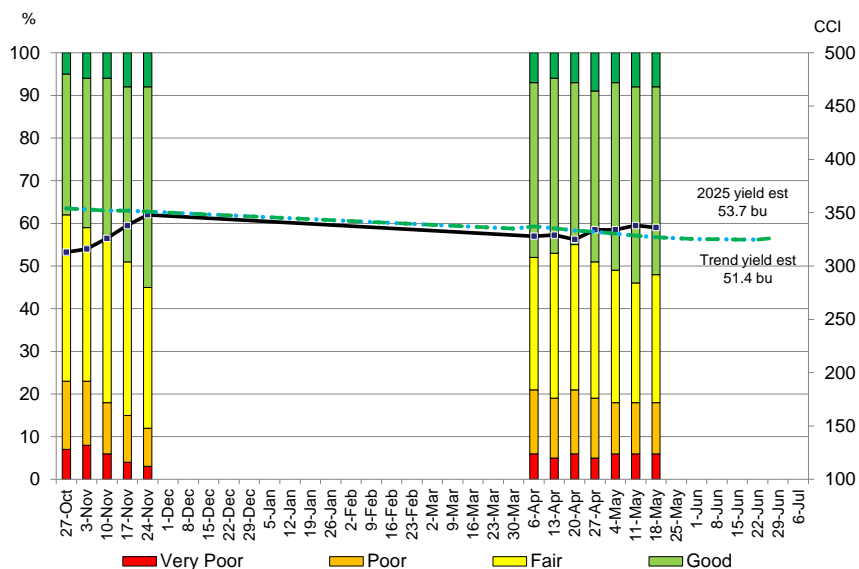
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## Market Situation

**Crop Progress and Condition.** The U.S. winter wheat crop condition index fell 2 points this week to 336. The index average for this week of growing season is 327 and normally shows a slow decline into harvest. The share of crop in the good category was down 2 points. Very poor and poor were unchanged.

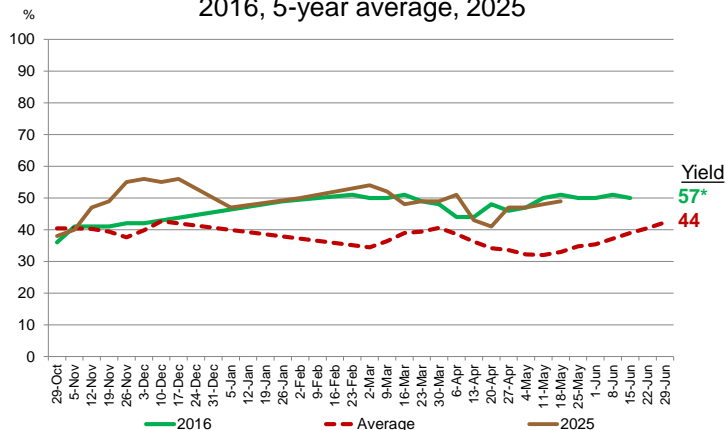
### 2025 U.S. Winter Wheat Crop Condition Ratings, May 18



USDA Crop Progress, May 19, 2025

The share of wheat rated good and excellent in Kansas this week was up 1 to 49%.

### Kansas Winter Wheat Crop Condition Ratings Percent Good and Excellent 2016, 5-year average, 2025



\*Record high  
USDA Crop Progress, May 19, 2025



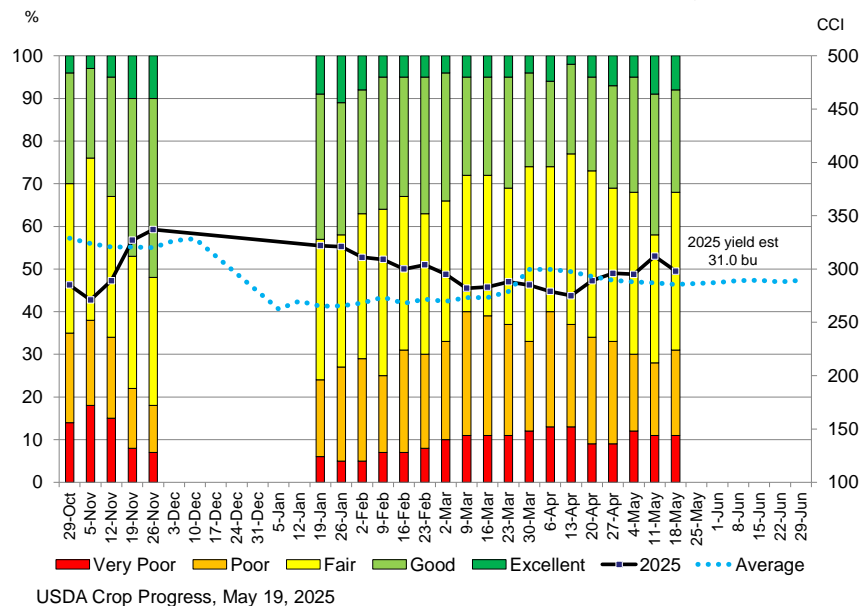
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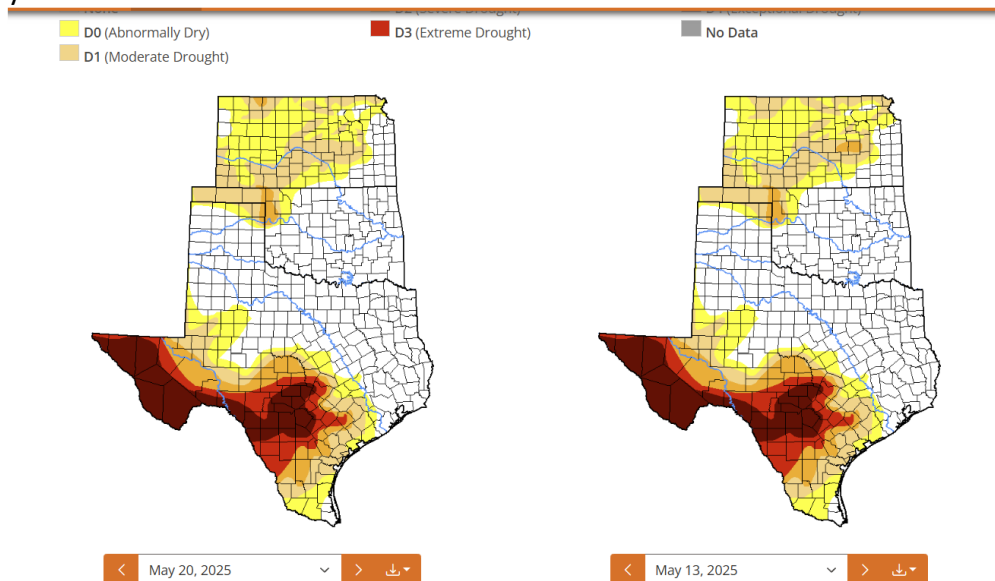
The crop condition index for Texas wheat was down 14 points this week to 298. That is still above the 286-point average. The share of wheat rated poor was up 3 and good and excellent down 10%.

## 2025 Texas Winter Wheat Crop Condition Ratings, May 18



Spring wheat planted is 82%, ahead of the 65% average.

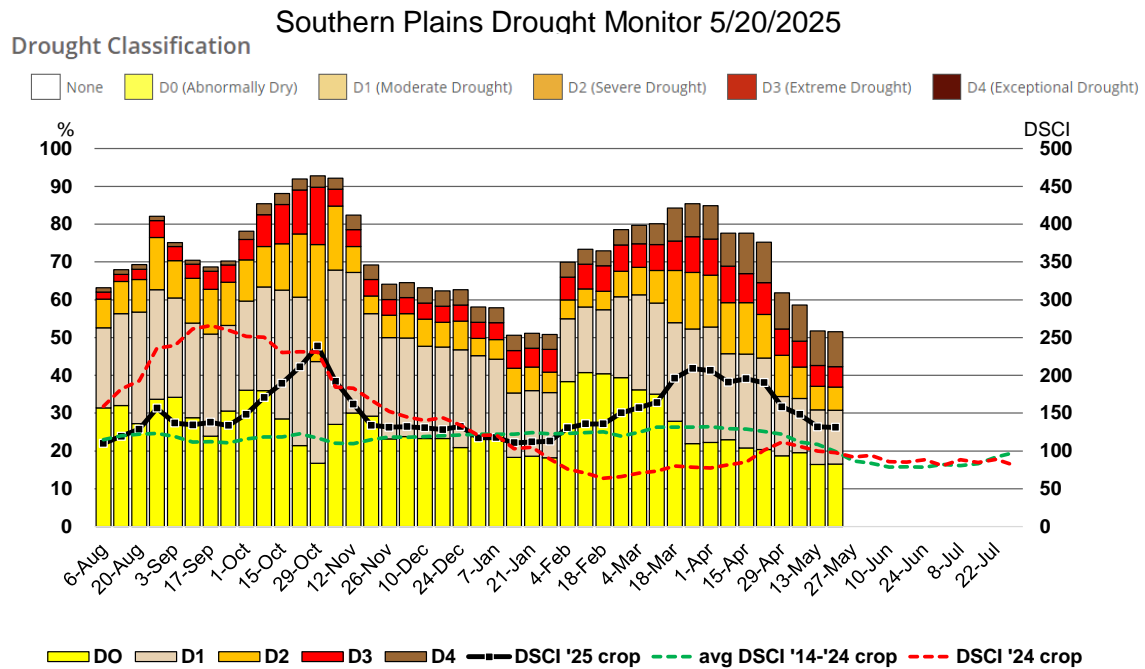
**Weather.** The area of the Southern Plains experiencing drought conditions held steady this week at 52%. The drought index was down 1 point to 131. The index average is 99 and stood at 98 last year.



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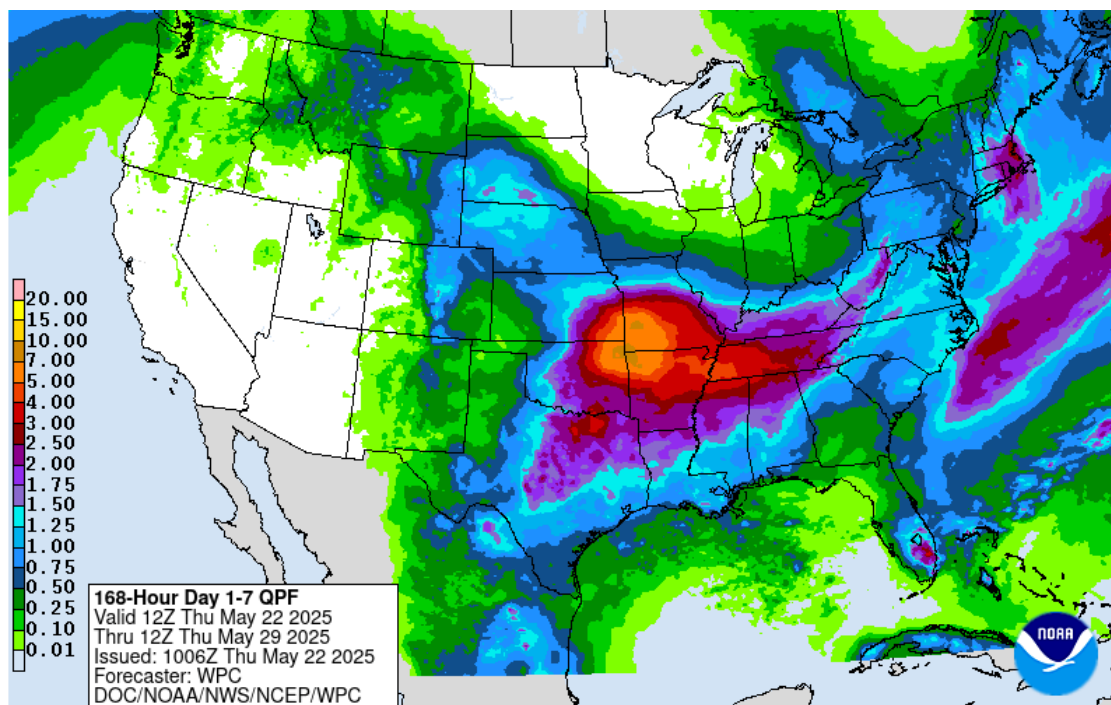
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Drought Severity and Coverage Index (DSCI) =  $(D0 \times 1) + (D1 \times 2) + (D2 \times 3) + (D3 \times 4) + (D4 \times 5)$ ;  
min 0--no drought conditions reported; max 500--100% under exceptional drought conditions

Drought Monitor, 5/22/2025, Southern Plains Climate Hub, <http://droughtmonitor.unl.edu/>

Precipitation the next 7-days (5/22-5/29/2025) again favors the eastern half of the Southern Plains. Heavy rain is in the forecast for southeast Kansas and northeast Oklahoma.



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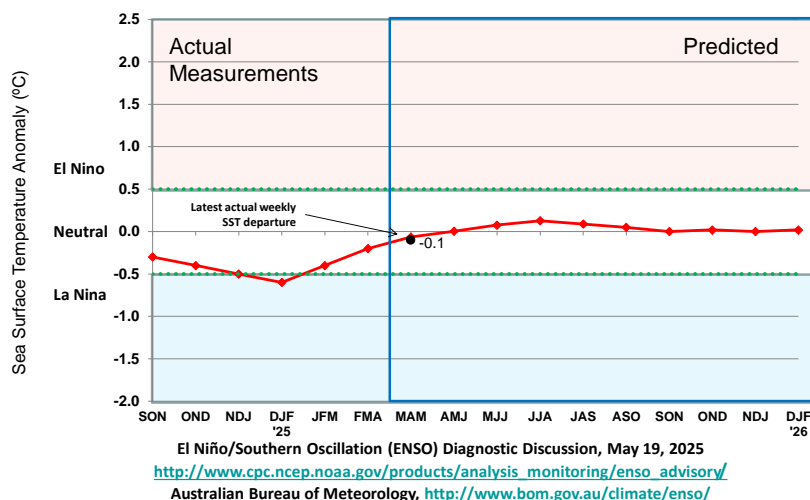
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This week's ENSO update from the Climate Prediction Center shows a temperature departure from normal of -0.1°C. Neutral conditions are forecast to last through the summer.

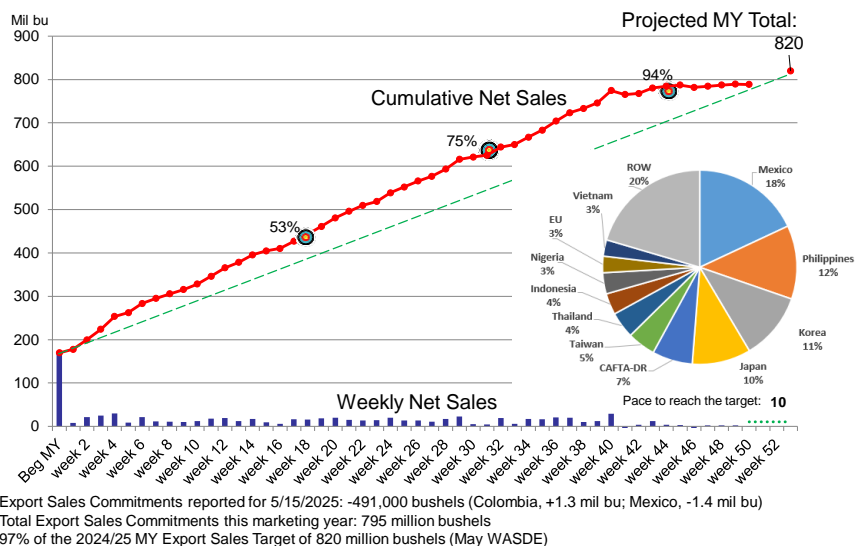
## Oceanic Nino Index (ONI) ENSO Alert System Status: Not Active

CPC: ENSO-neutral is favored through the Northern Hemisphere summer 2025 (74% chance during June-August), with chances exceeding 50% through August-October 2025.



**Grain Use.** The weekly export sales report for wheat May 15 showed net cancellations of 491,000 bushels. The top buyer for the week was Colombia with 1.3 million bushels. Mexico cancelled sales of 1.4 million bushels for the old crop year but added 2.8 million bushels to new crop wheat purchases. The year to date sales total is 795 million bushels, 97% of the 820-million-bushel target.

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



USDA, Foreign Agricultural Service: 5/22/2025

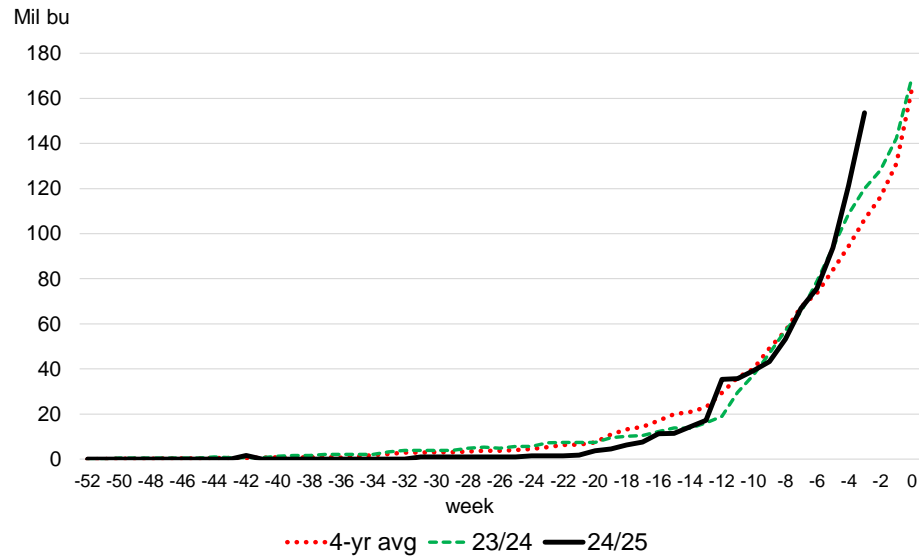
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Wheat sales commitments for the new crop are running ahead of last year's levels and average. The top buyer of 2025/2026 wheat this week was the Philippines at 5 million bushels.

### All Wheat Export Sales Commitments Next Marketing Year



USDA, Foreign Agricultural Service: 5/22/2025

### Cash Wheat Prices, \$/bu.

	Nearby KC Futures	Avg TX cash elevator	basis	Houston Port	basis	Elevator to Export Spread
April 24	5.38	4.33	-1.04	6.23	0.85	-1.90
May 1	5.28	4.21	-1.07			
May 8	5.25	4.21	-1.04	6.05	0.80	-1.84
May 15	5.28	4.25	-1.04	6.03	0.75	-1.78
May 21	5.41	4.37	-1.04	6.21	0.81	-1.84
10-year avg			-0.32		0.82	-1.14

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

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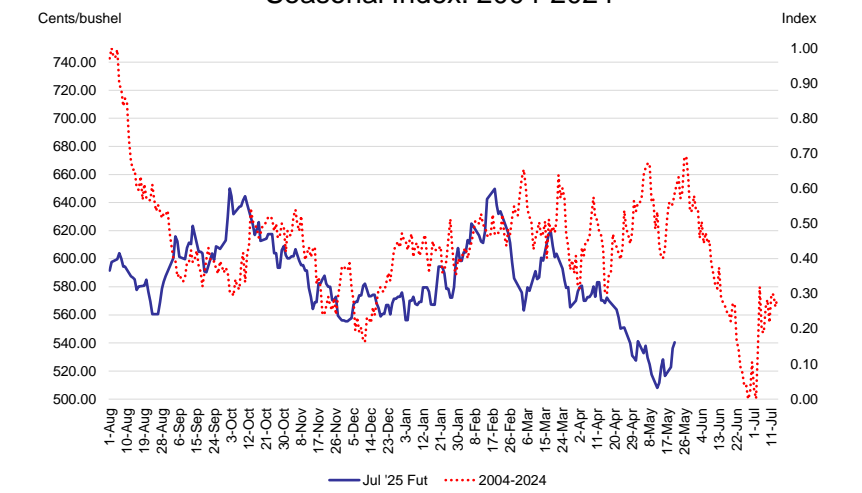
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## Marketing Strategies

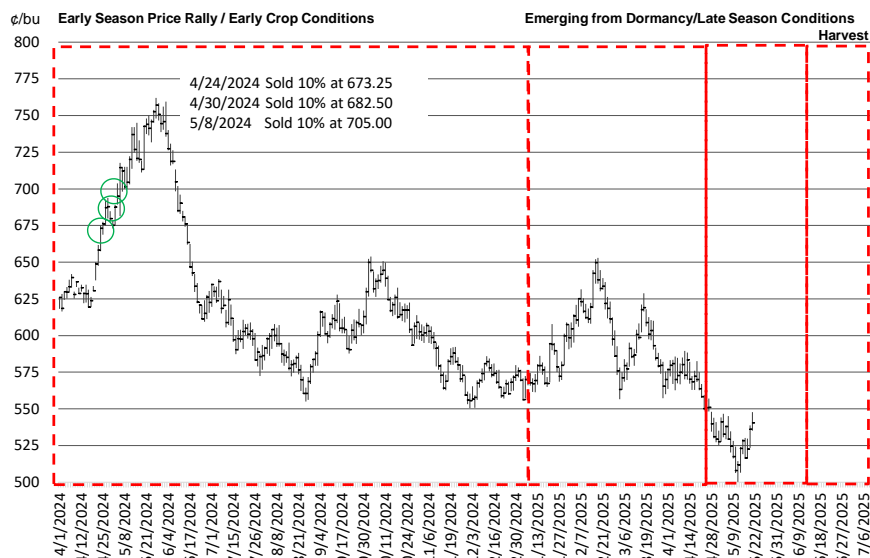
**Seasonal Index.** The seasonal index for the July Kansas City Wheat futures contract shows prices typically declining from August to the end of the calendar year. Prices tend to trend upwards in late-winter associated with crop condition concerns, topping out in February/March as the crop breaks dormancy. 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



**Wheat Marketing Plan.** For the 2025 wheat crop, I am 30% sold. With strong counter-seasonal price movement, I failed to get more wheat priced March to May (at least to this point).

July 2025 KC Wheat and Marketing Plan



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## Upcoming Reports/Events

May 23	Cattle on Feed Chickens and Eggs
May 26	Memorial Day Holiday
May 29	GDP, 1 <sup>st</sup> Quarter 2025 (Second Estimate)
June 6	May Employment Situation
June 17-18	FOMC, Federal Reserve
June 26	Hogs and Pigs
June 30	Acreage Grain Stocks

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