

# Wheat Outlook

May 30, 2025

Volume 34, Number 40

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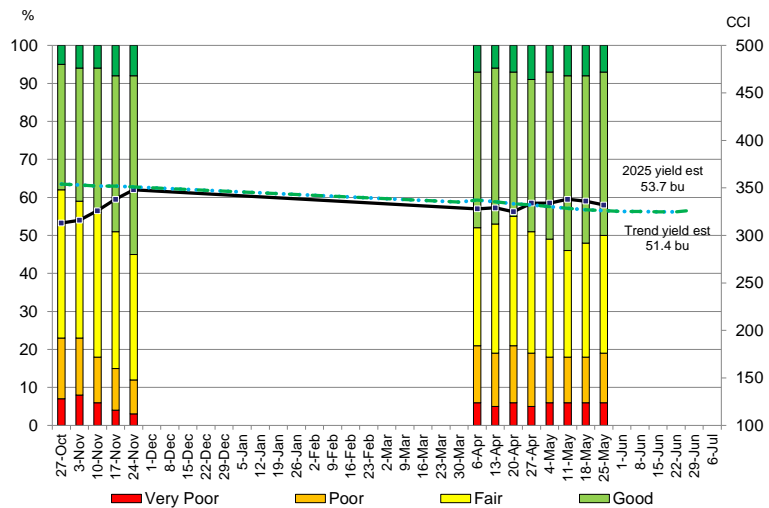
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## Market Situation

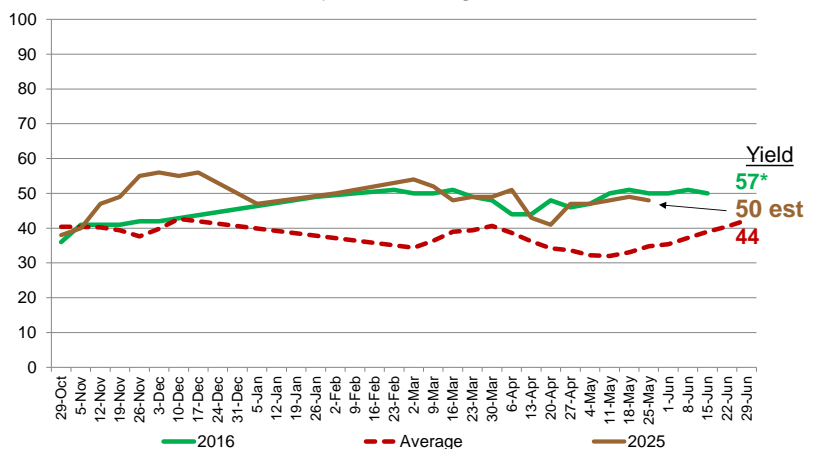
**Crop Progress and Condition.** The U.S. winter wheat crop condition index was down 4 points this week to 332. The index average for this week of growing season is 326 and normally shows a slow decline into harvest. The share of crop rated good and excellent was down 2 points, very poor and poor up 1.

2025 U.S. Winter Wheat Crop Condition Ratings, May 25



The share of wheat rated good and excellent in Kansas this week was down 1 to 48%.

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



\*Record high  
USDA Crop Progress, May 27, 2025



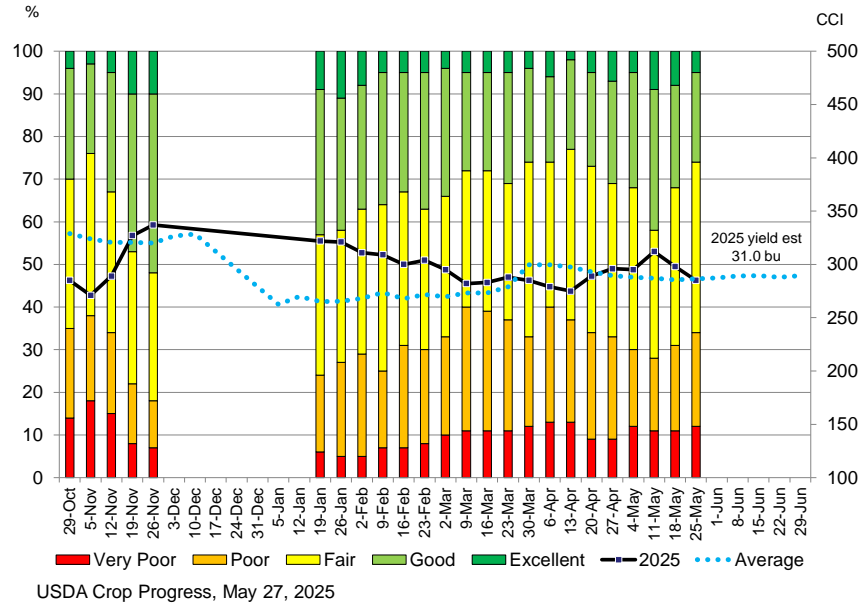
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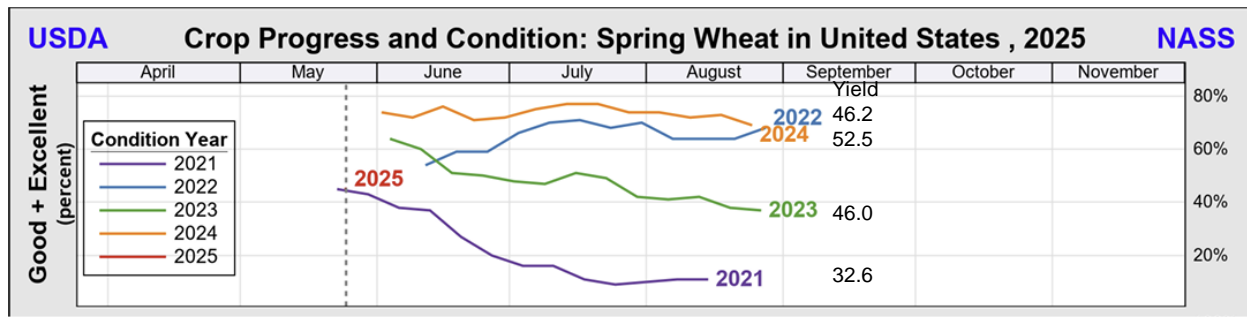
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The crop condition index for Texas wheat was down another 13 points this week to 285. That is just below the 286-point average. The share of wheat rated very poor and poor was up 3 and good and excellent down 6.

2025 Texas Winter Wheat Crop Condition Ratings, May 25



Spring wheat planted is 87%, ahead of the 80% average. The share of crop rated good and excellent is 45%, below the starting point of the season the last two years.



**Weather.** The area of the Southern Plains experiencing drought conditions fell 5 points this week to 47%. The drought index was down 13 points to 118. The index average is 87 and stood at 92 last year.

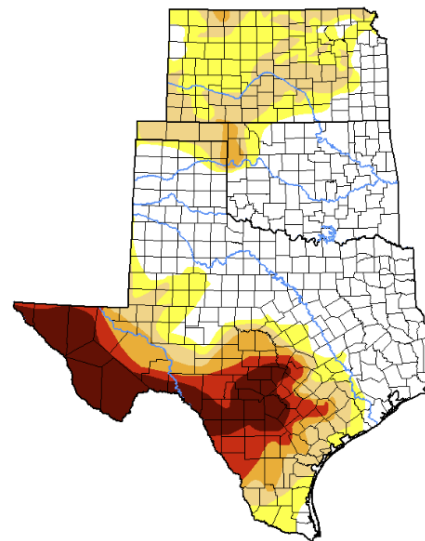
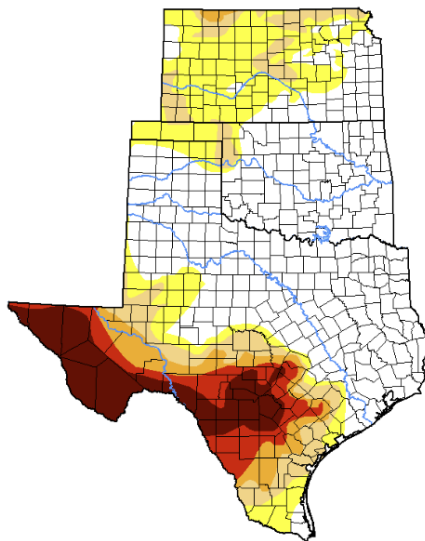
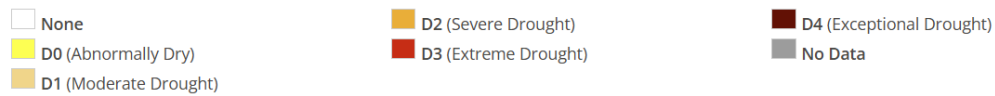
Precipitation the next 7-days (5/30-6/6/2025) again favors the eastern half of the Southern Plains. Heavy rain is in the forecast for southeast Kansas and eastern Oklahoma.

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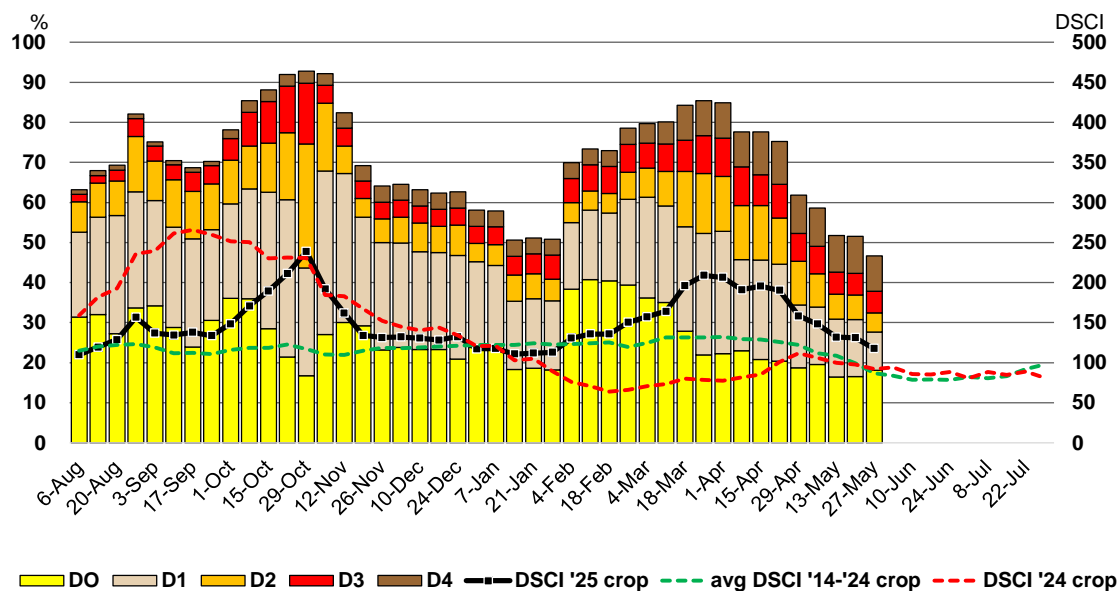
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## Drought Classification



## Southern Plains Drought Monitor 5/27/2025

### Drought Classification



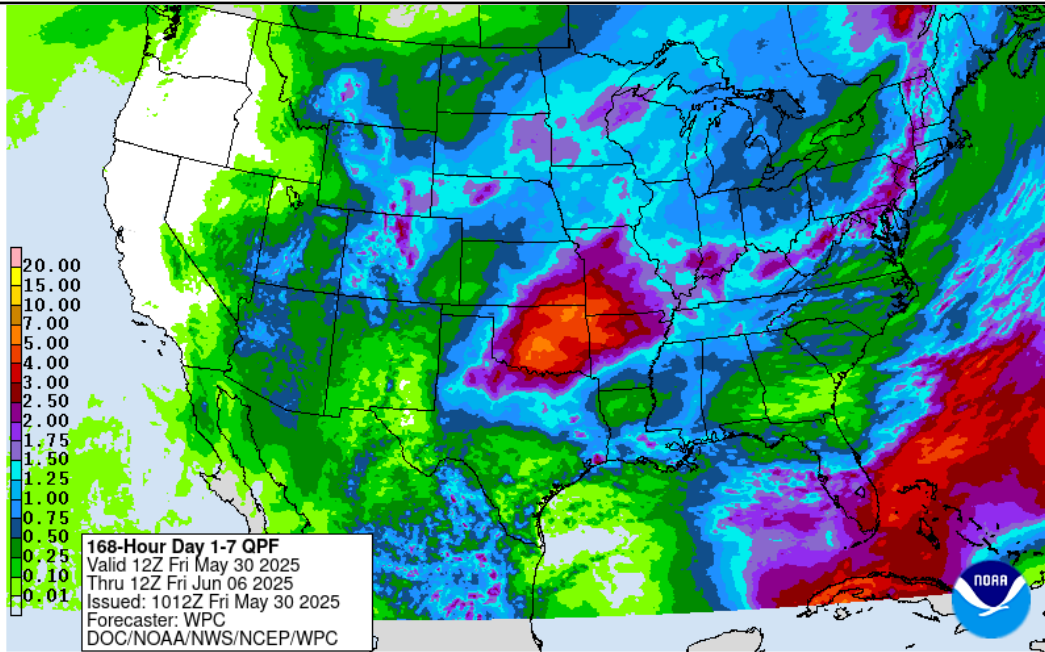
Drought Severity and Coverage Index (DSCI) = (D0\*1)+(D1\*2)+(D2\*3)+(D3\*4)+(D4\*5);  
min 0--no drought conditions reported; max 500--100% under exceptional drought conditions

Drought Monitor, 5/29/2025, Southern Plains Climate Hub, <http://droughtmonitor.unl.edu/>

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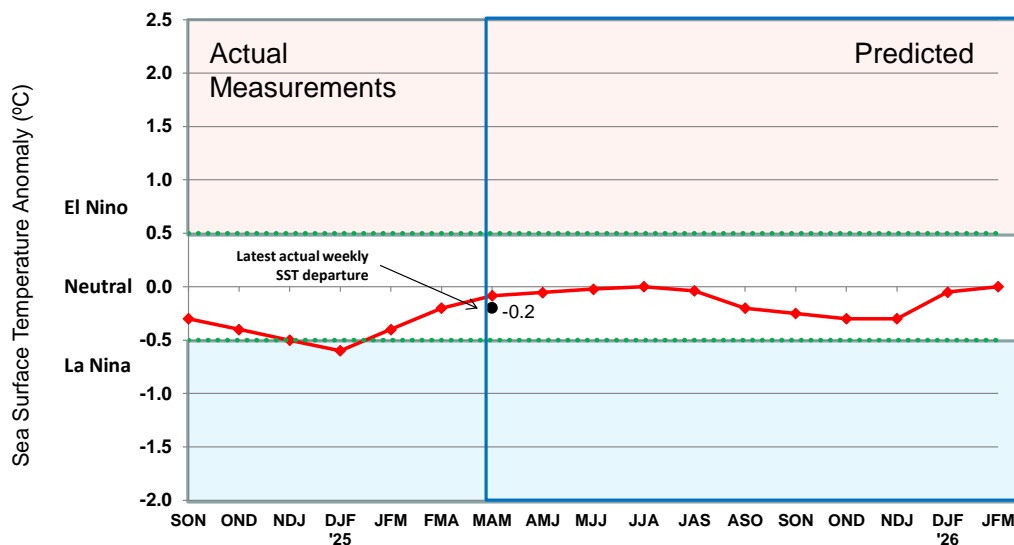
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This week's ENSO update from the Climate Prediction Center shows a temperature departure from normal of  $-0.2^{\circ}\text{C}$ . Neutral conditions are forecast for this summer and the fall and winter of 2025/26.

## 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. Most models favor ENSO-neutral to prevail through the Northern Hemisphere fall and winter 2025-26.



El Niño/Southern Oscillation (ENSO) Diagnostic Discussion, May 27, 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/>

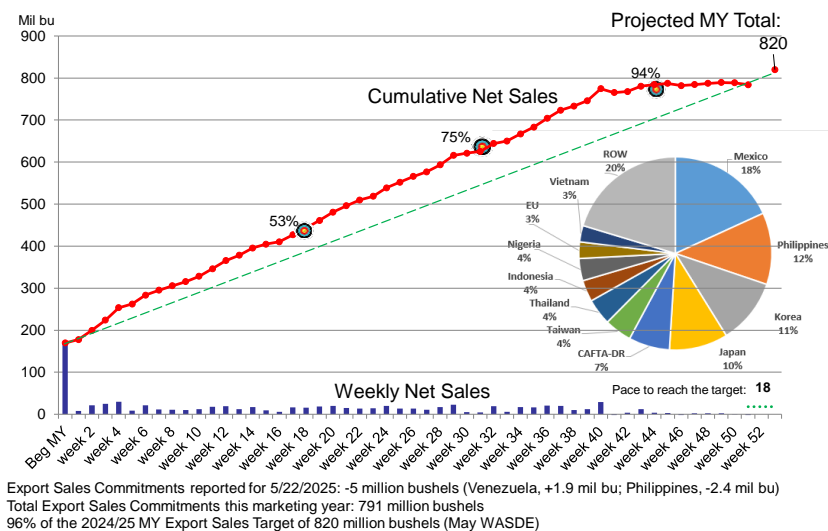
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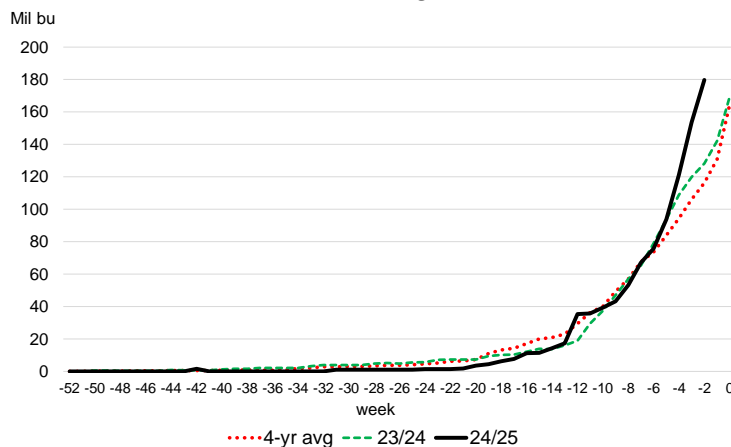
**Grain Use.** With two reports to go before the end of the marketing year (May 29 and end of year), all wheat export sales are about 36 million bushels short of the 820-million bushel target. The week of May 22 saw net sales cancellations of 5 million bushels. Venezuela was the top buyer of the week at 1.9 million bushels. The Philippines cancelled orders for 2.4 million bushels but booked a purchase of the same amount for the new crop year.

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



Wheat sales commitments for the new crop stand at 180 million bushels. Last year at this time we had new crop sales of 128 million bushels. The 4-year average is 116 million bushels. The top buyer of 2025/2026 wheat this week was Mexico at 5 million bushels.

## All Wheat Export Sales Commitments Next Marketing Year



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## Cash Wheat Prices, \$/bu.

	Nearby KC Futures	Avg TX cash elevator	basis	Houston Port	basis	Elevator to Export Spread
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
May 29	5.32	4.28	-1.03	6.17	0.85	-1.89
10-year avg			-0.32		0.82	-1.14

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

**Commitment of Traders.** Speculators in Chicago soft red winter wheat, Kansas City hard red winter wheat, and corn got out of trades on both sides of the market this week. Exits in both wheat markets, longs and shorts, were about equal leaving net long position balances little changed. Corn traders got out of more bets that prices would go up (longs) relative to their exits on the short side of the market pushing their net long balance more negative. Soybean traders added to bets for higher prices and held fewer bets that prices would go lower. Net longs in soybeans were up by 24,648 contracts.

	Wheat--SRW				Wheat--HRW			
	Long	Short	Net Long	Price	Long	Short	Net Long	Price
4/8/2025	119,544	211,468	(91,924)	540.00	60,702	100,886	(40,184)	561.50
4/15/2025	116,030	204,356	(88,326)	542.00	61,931	101,220	(39,289)	553.00
4/22/2025	114,514	208,483	(93,969)	535.00	60,461	104,231	(43,770)	546.00
4/29/2025	114,740	231,548	(116,808)	505.75	62,237	116,582	(54,345)	515.25
5/6/2025	119,875	227,412	(107,537)	536.00	62,450	120,588	(58,138)	538.00
5/13/2025	126,006	244,106	(118,100)	517.25	60,167	122,856	(62,689)	511.75
5/20/2025	127,701	227,327	(99,626)	546.00	61,905	121,108	(59,203)	536.25
5/27/2025	115,201	213,956	(98,755)	528.50	58,709	118,443	(59,734)	524.50
Change	(12,500)	(13,371)	871	(17.50)	(3,196)	(2,665)	(531)	(11.75)

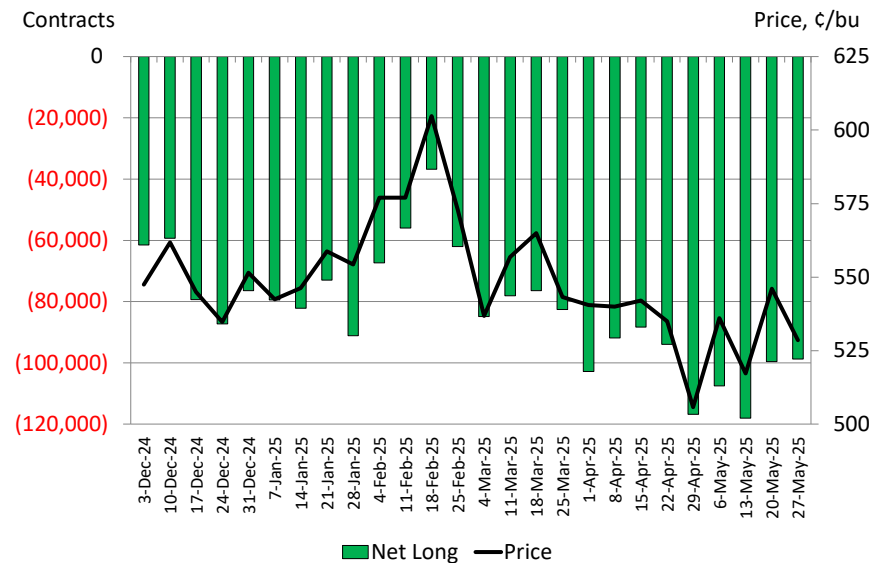
	Corn				Soybeans			
	Long	Short	Net Long	Price	Long	Short	Net Long	Price
4/8/2025	418,031	245,149	172,882	469.00	162,286	179,134	(16,848)	992.75
4/15/2025	438,836	204,654	234,182	481.25	182,824	132,663	50,161	1036.00
4/22/2025	450,712	230,869	219,843	475.75	191,535	135,851	55,684	1035.00
4/29/2025	412,036	236,607	175,429	460.50	184,167	124,694	59,473	1041.00
5/6/2025	376,617	260,718	115,899	455.50	177,646	128,261	49,385	1041.25
5/13/2025	341,178	323,072	18,106	442.50	188,820	123,642	65,178	1072.50
5/20/2025	342,329	353,881	(11,552)	454.50	180,039	132,126	47,913	1053.00
5/27/2025	324,377	344,710	(20,333)	459.50	195,013	122,452	72,561	1062.50
Change	(17,952)	(9,171)	(8,781)	5.00	14,974	(9,674)	24,648	9.50

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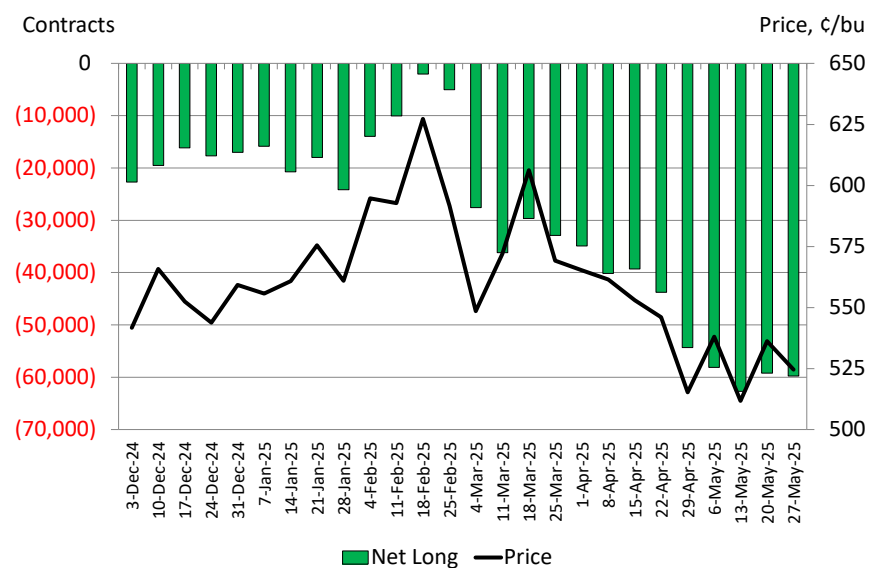
## Non-commercial Investment in CBOT Wheat, 5/27/2025



CFTC Legacy Report, Futures Only

<https://www.cftc.gov/MarketReports/CommitmentsofTraders/index.htm>

## Non-commercial Investment in KC Wheat, 5/27/2025



CFTC Legacy Report, Futures Only

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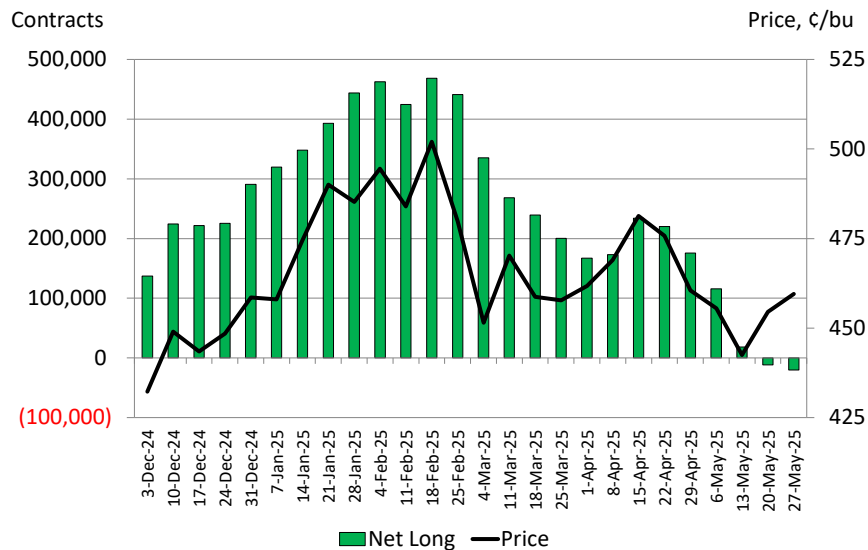


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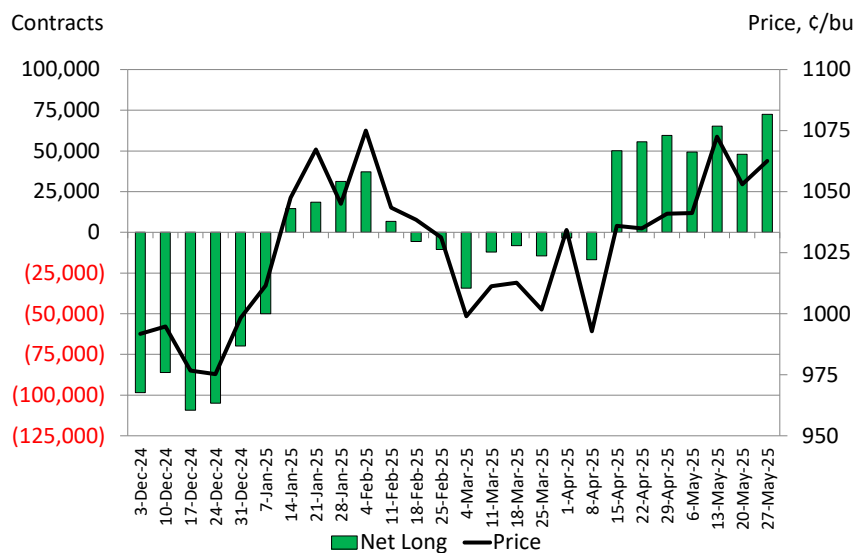
## Non-commercial Investment in Corn, 5/27/2025



CFTC Legacy Report, Futures Only

<https://www.cftc.gov/MarketReports/CommitmentsofTraders/index.htm>

## Non-commercial Investment in Soybeans, 5/27/2025



CFTC Legacy Report, Futures Only

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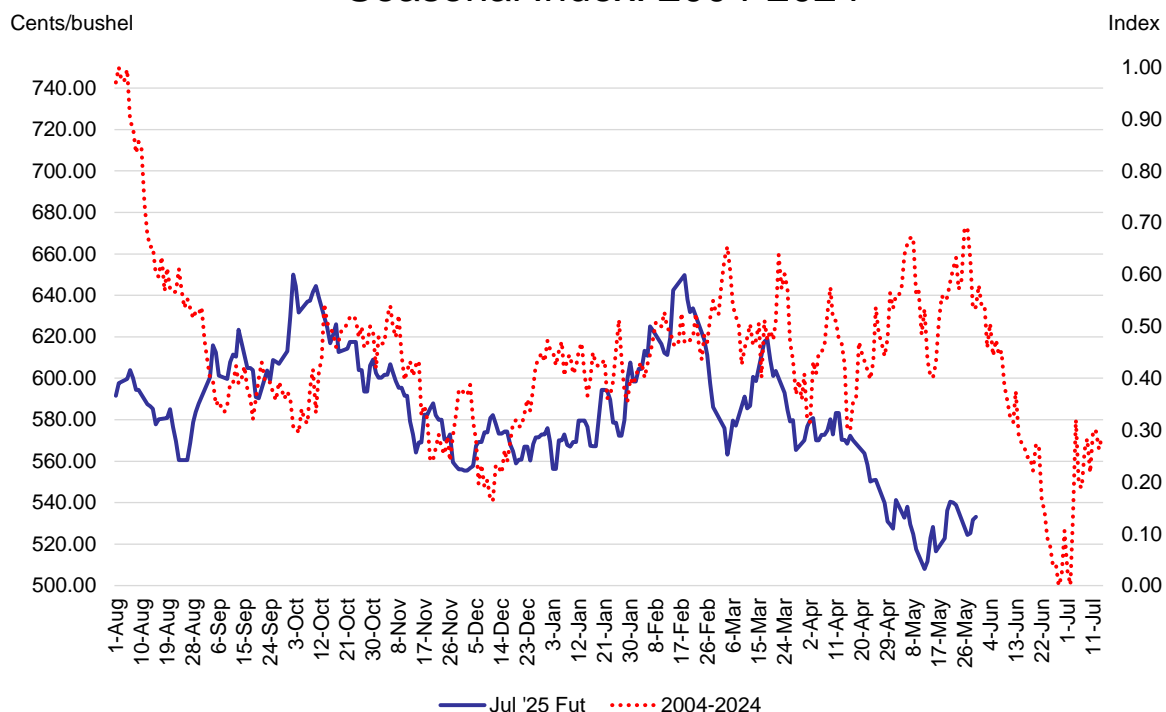
For May 27, based on whether the net long number (long contracts held minus short contracts held) is positive or negative and whether that net long number increased or decreased compared to the week before, speculators were:

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



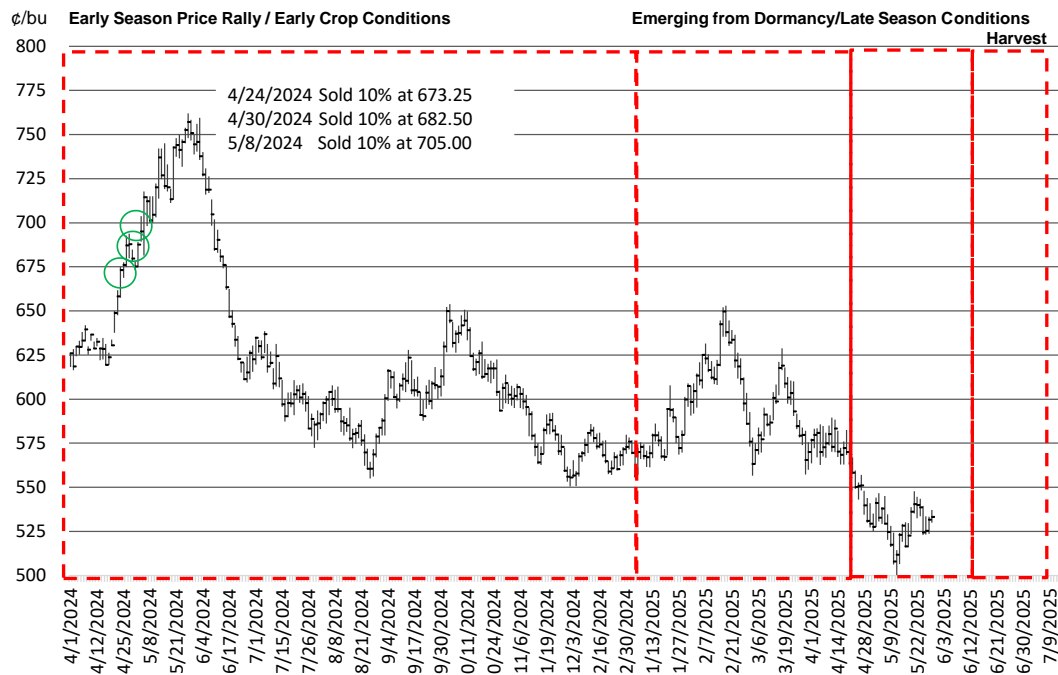
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**Wheat Marketing Plan.** For the 2025 wheat crop, I am 30% sold. With strong contraseasonal price movement, I failed to get more wheat priced March to May.

## July 2025 KC Wheat and Marketing Plan



### Upcoming Reports/Events

June 6	May Employment Situation
June 10	Short-term Energy Outlook
June 11	Consumer Price Index
June 12	WASDE Crop Production
June 17-18	FOMC, Federal Reserve
June 20	Cattle on Feed
June 26	Hogs and Pigs
June 30	Acreage Grain Stocks

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