Tuesday, December 9, 2025

Mark's Top 5 at 5

CORN

COMMENTARY

REPORT DAY!!!! Okay so it really wasn't that exciting but with some changes in exports and usage we did move down to a 2 billion bushel carry out. This sets the stage to potentially get underneath that mark for the report that will come out in January. $4.90 is the high trade on March futures in the last year. Since the 23rd of October we have been trading in a $4.35 - $4.55 range. $4.50 futures is a point of resistance. Basis struggling to find a reason to narrow as bins are getting cored and rail car values are extremely high. New crop 2026 continues to trade 10 cents off the high and $4.70 or higher will be a place to start. Producers need to think about starting to price bushels in town on delayed price when we are near the top end of the range. Additionally, it may not be the worst idea to set basis on DP bushels in order to stop any further charges.

CONTRACT IDEAS

Bushels at home

- Basis contract – shrinks to 15%, no charges, wait and see if we get some better basis values towards the middle of December
- Extended Price – sell cash today and buy futures back – expecting appreciation in futures. Costs 3 cents
- Buy a Call – The value of calls today makes it a viable option to stay in the market with an upside bias. Costs 3 cents plus the value of the call.
- Buy a Put – Similar to calls the value of options makes this a viable option if your bias is that the market will take a step back. Great way to make money in a down market.
- Delayed Price – We will need to see enough basis appreciation and futures appreciation to justify the shrink and drying from 15 – 14%. Plus the 6 cents a month charge. It could be great option if corn was dry. If you have bushels on DP now unless we get to a price point that makes sense for you look to set basis in December to reduce charges and still have time for futures to rally.

New Crop 2026

- If we see opportunities at $4.70 futures, $4.20 cash or better this may not be a terrible place to make a sale on new crop. $4.77 is the high trade in the last year.

SOYBEANS

COMMENTARY

They changed nothing in the report on 2025 crop. Soybeans have failed to keep feeding the bull. China has been a quiet story and no news has led to profit taking by the funds. Historically, the soybean market does not like to trade between $11 and $12 futures. We are almost always either above it or below it. We still have downside to close the gap at $10.63 Jan futures. No one knows when we will close the gap but we will at some point. SA weather is no longer a story at this point. There is some chatter in the industry about China coming back to the table and buying after Jan 1. This would certainly be some of the news we need to push this back up again. Have we seen the highs? Maybe, unfortunately...going to need some help either through exports or something changing regarding South American weather.

CONTRACT IDEAS

Bushels in town

- Delay Price – price a percentage of these if you have not already. You have gained nicely. KEEP PIECING THESE OFF.
- Extended Price – sell cash today and buy futures back – expecting appreciation in futures. Costs 3 cents. Get 80% of the cash value up front to pay bills and reduce interest expense. NOT A TERRIBLE IDEA TO EXIT THESE. YOU HAVE GAINED NICELY!!!!!

Bushels at home

- **FIRM BID OFFERS** – pick a time of shipment and value and get an offer in. The market moves faster than you can dial a phone. Make sure you are capturing target values.
- Sell cash in the deferred months – we have seen values above $10.50 and $10.75.
- Look at futures only contracts off March, May, or July futures.
- Watch for quick ship bids around the holidays and new year

New crop 2026

- We have traded north of $11.00. This is not a terrible place to start. Look at doing a hedge to arrive contract and see if basis for harvest improves. Basis has narrowed on new crop and not terrible to sell just straight cash for fall delivered soybeans
- There are several value-added contracts with options to price Nov 26 futures at $11.50 or higher. That equates to a $10.70 cash at harvest.