

Friday August 1, 2025

KG's Grain Gauge

Weekly Commentary by Evan James

Grain markets were lower yet again this week as traders assess extended forecasts and respect the potential for a strong August finish to U.S. crops. Analysis of private crop estimates (beginning Monday) will likely gain some attention with the August WASDE coming the week after. Seems likely of a yield increase by the USDA, but how high will they go? Basis, spreads, prices, technicals, sentiment? It's all weaker...

As of Sunday, the national corn condition rating declined one point to 73% good/excellent vs the 64% five-year average. Silking was reported at 76%, compared to 77% on average. Doughing came in at 26%, above 24% on average. National soybean condition rating improved 2 points to 70% good/excellent vs the 62% five-year average. 76% of the crop is blooming, in line with 76% on average, while 41% is setting pods, slightly behind 42% on average. Indiana's corn rating came in at 61% good/excellent, soybeans also at 61%. Winter wheat harvest is 80% complete, compared to 81% on average.

Basis has started to fall rather quickly across Indiana and in the SE as a larger than normal crop is seen in those states with harvest kicking off. Processors have also backed out in some areas, causing elevators and feed mills to follow suit. In addition, corn and soybean spreads have started to depict the large crop coming as nearby spreads weakened to historical levels Wednesday. Soybeans more so with fear of light demand.

Argentina permanently lowered their agricultural export taxes Saturday. Said tax will drop from 12% to 9.5% for corn and from 33% to 26% for soybeans. The decision aimed to restore the nation's credibility as a dependable agricultural exporter and strengthen its global market position. With safrinha corn harvest slightly behind, Brazilian exports will likely pick up in August. Slowed harvest is good for our old crop to remain competitive, but that will likely balance out with slower new crop sales if Brazil's presence in the export market is still strong deep into our harvest.

Sunday, the U.S. and the EU were able to strike a deal, which includes \$750 billion in energy purchases, our ag and auto markets opening up to EU countries, and additional military purchases by the EU. A 15% tariff will be subject to all goods entering the U.S., with some exceptions. Wednesday, the U.S. made a trade deal with South Korea, a top 10 ag export market for the U.S., which includes tariff-free access for U.S. ag exports.

To the charts. September corn support at \$3.80, resistance at \$3.9850. December corn support at \$4.0750, resistance at \$4.1725. November soybeans support at \$9.71, resistance at \$10.1350. September wheat support at \$5.15, resistance at \$5.3925.

Funds were net sellers of 181 corn contracts, net sellers of 33,881 soybean contracts, and net sellers of 12,891 wheat contracts last week.

Weekly Price Changes

Futures Contract	Close	Weekly Change	% Change
Sep 25 Corn	\$3.8950	-\$0.1000	-2.5%
Dec 25 Corn	\$4.1075	-\$0.0825	-2.0%
Nov 25 Soybeans	\$9.8925	-\$0.3175	-3.1%
Sep 25 Wheat	\$5.1675	-\$0.2150	-4.0%
July 26 Wheat	\$5.7550	-\$0.1950	-3.3%

Quick Notes

Upcoming:

- August 12th: WASDE Report
- September 1st: Labor Day, Markets are closed
- September 12th: WASDE Report
- September 30th: Quarterly Grain Stocks & Updated Acres

Nearby & Deferred Corn & Soybean Charts

CU (below) and CZ (right) both appear to be grinding lower in the channels shown. The December contract is flirting with the bottom side of the long-term channel that proved to be support on July 14th. If we break through it, we will likely continue lower in this shorter-term channel shown. Keep an eye on this as it is common for the deferred month to seek out the front month's low in a bear market.



SX (right) broke through this upward trending channel, likely heading for April's low of \$9.71.



Weekly Exports Summary in Million Bushels

Commodity	Weekly Sales	Weekly Shipments	YTD Sales	YTD Shipments	Net New Crop Sales	All New Crop Sales
Corn	13.42	58.61	2773.51	2427.48	74.48	339.13
Soybeans	12.83	18.36	1877.43	1736.82	15.78	111.48
Wheat	21.75	10.90	350.67	118.56	1.40	1.74

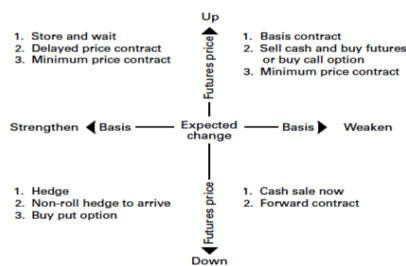
Source: John Stewart & Associates

Point of Interest: Marketing Alternatives

Average Price

Call your KG merchandiser for more information!

Figure 1. Best-fit alternatives for selected market conditions*



* Adapted from NCR 215-4, Developing Marketing Strategies and Keeping Records on Corn, Soybeans, and Wheat, John Ferris, December 1985.

Graphic Source: Iowa State

Average Price Contract

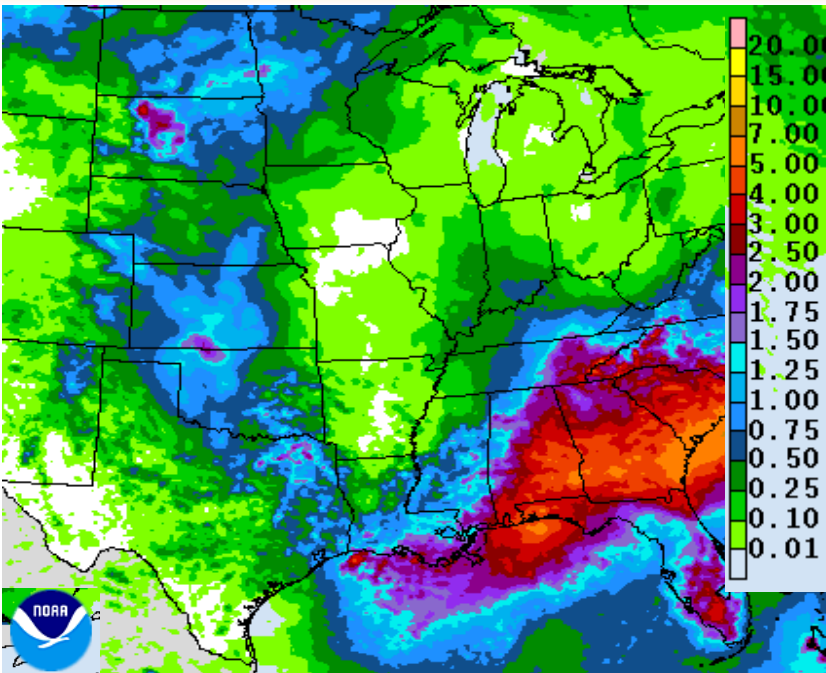
- Useful for busy farmers that don't have time to check bids every day
- Allows you to price an equal number of bushels each day/week for the duration of a pricing season
- At the end of the pricing duration, customer is given an average price
- Pricing periods are customized depending on the farmer's need
- Can be a cash price or an HTA

*fees may apply

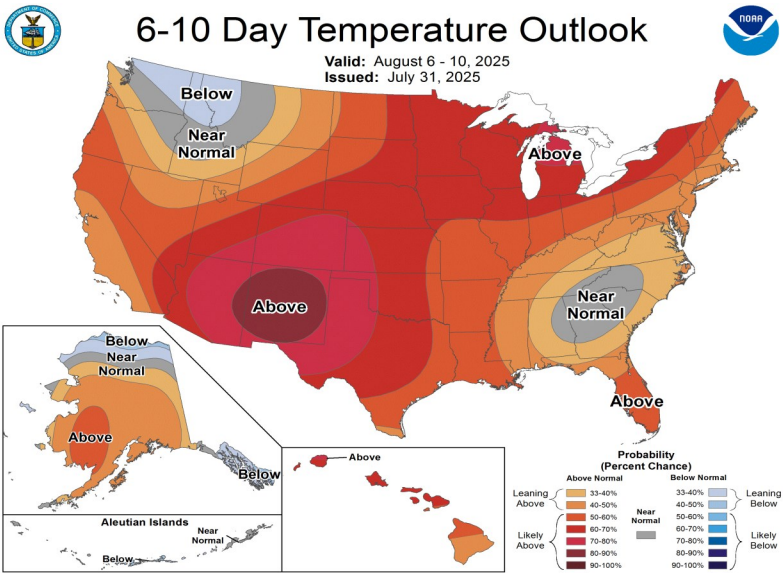
Created by Abby Jordan, Kokomo's Grain Merchandiser Intern!

The views and opinions expressed in this article are those of the author and do not necessarily reflect the official policy or position of Kokomo Grain .

8/1 - 8/8 Precipitation Forecast



8/6 - 8/10 Temperature Outlook



CFTC Managed Money Futures Only Net Positions (# cnts)

Date	Corn	Soybeans	Wheat
2/11/2025	326,244	42,221	-74,173
2/18/2025	359,733	33,704	-47,844
2/25/2025	333,843	23,714	-65,094
3/4/2025	206,844	-24,525	-82,646
3/11/2025	132,412	-7,922	-76,346
3/18/2025	104,430	-17,984	-78,666
3/25/2025	73,920	-33,821	-90,137
4/1/2025	128,433	-3,681	-100,584
4/8/2025	131,184	-27,334	-90,724
4/15/2025	145,154	43,348	-86,238
4/22/2025	132,414	53,245	-81,861
4/29/2025	86,129	58,928	-112,216
5/6/2025	29,019	41,728	-105,936
5/13/2025	-64,272	55,667	-120,541
5/20/2025	-95,483	31,330	-100,541
5/27/2025	-90,149	60,919	-93,855
6/3/2025	-133,979	34,604	-94,543
6/10/2025	-150,143	35,071	-87,669
6/17/2025	-169,072	62,289	-74,256
6/24/2025	-175,396	35,396	-63,868
7/1/2025	-189,540	13,901	-63,414
7/8/2025	-179,287	7,184	-57,593
7/15/2025	-159,044	-17,192	-63,034
7/22/2025	-150,763	9,109	-53,989
7/29/2025	-150,944	-24,772	-66,880
Weekly Change	-181	-33,881	-12,891
Record +	409,444	240,937	66,351
Record -	-356,415	-183,145	-171,269

CFTC data as of Tuesday of report week, reported on Friday.

Helpful Links

- Drought Monitor: [Current Map](#) | [U.S. Drought Monitor](#)
- Purdue Crop Basis Tool: [Purdue Center for Commercial Agriculture Crop Basis Tool - Center for Commercial Agriculture](#)
- Purdue Ag Economy Barometer: [Home Ag Economy Barometer](#)

Prices

- [Kokomo Grain - Market Overview](#)
- [Kokomo Grain - Cash Prices](#)

Charts

- [Kokomo Grain - Corn \(September 2025\) - Chart](#)
- [Kokomo Grain - Corn \(December 2025\) - Chart](#)
- [Kokomo Grain - Soybean \(November 2025\) - Chart](#)
- [Kokomo Grain - Wheat \(September 2025\) - Chart](#)