AUGUST 27 2025

GERALD GRAIN CENTER

BUSHELS AND BOTTOM LINES

CLOSING MARKET PRICES: AUGUST 27TH

CORN: DEC 2025
$4.06
Weekly Change: Up 2

BEANS: NOV 2025
$10.47
Weekly Change: Up 11

WHEAT: SEP 2025
$5.02
Weekly Change: Down 3

BEAN OIL STRENGTH

Soybeans were up this week, supported by bean oil strength that pushed futures to a two-month high. The rally in oil followed the EPA's announcement on small refinery exemptions (SREs). The agency granted full exemptions to 63 plants and partial exemptions to 77 others, while denying 28 petitions and ruling 7 claims ineligible. The bigger driver, however, was EPA's decision to prohibit the use of RINs generated in 2022 or earlier to meet 2024 and future obligations. By shrinking the available pool of biofuel RINs, the policy shift offered strong support to the oil market- and by extension, to soybeans.

CROP PROGRESS

Conditions (Good + Excellent)	
Corn Conditions	G/E: 71% TW vs. 71% LW, 65% LY
Soybean Conditions	G/E: 69% TW vs. 68% LW, 67% LY
Milo Conditions	G/E: 63% TW vs. 63% LW, 48% LY
Spring Wheat Conditions	G/E: 49% TW vs. 50% LW, 69% LY
Crop Progress Summary	
Corn Dough	83% TW vs. 72% LW, 83% LY, 84% AVG
Corn Dented	44% TW vs. 27% LW, 44% LY, 44% AVG
Corn Mature	7% TW vs. 3% LW, 10% LY, 7% AVG
Soybean Setting Pods	89% TW vs. 82% LW, 88% LY, 89% AVG
Soybean Dropping Leaves	4% TW vs. (NA)% LW, 6% LY, 4% AVG
Milo Headed	88% TW vs. 78% LW, 89% LY, 88% AVG
Milo Coloring	44% TW vs. 34% LW, 47% LY, 46% AVG
Milo Mature	23% TW vs. 18% LW, 22% LY, 21% AVG
Milo Harvested	16% TW vs. (NA)% LW, 18% LY, 17% AVG
Winter Wheat Harvested	98% TW vs. 94% LW, 99% LY, 98% AVG
Spring Wheat Harvested	53% TW vs. 36% LW, 48% LY, 54% AVG
Source: USDA/NASS	

U.S./CHINA NEGOTIATIONS

Bloomberg reports that China's top trade negotiator will soon travel to the U.S. for continued talks. No date has been set, but the U.S. is expected to push for soybean purchases- China currently has none booked for new crop. At the same time, the U.S. still holds a 20% tariff on Chinese goods tied to fentanyl concerns, and China is likely to press for that duty to be removed.

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US/EU TRADE DEAL

The U.S. and EU have reached a trade agreement that sets a 15% tariff on most goods, while also committing the EU to purchase U.S. natural gas, oil, and nuclear energy through 2028. For agriculture, the EU granted “preferential access” to U.S. ag products. The challenge is that the EU rarely buys much U.S. corn or wheat. Where the opportunity lies is in soy: the EU is the world’s largest importer of soybean meal, bringing in nearly 50% more than it produces. Imports for 2024/25 are running 24% higher year-over-year, but currently only about 3% comes from the U.S., with Brazil dominating. On whole beans, however, the U.S. is already the EU’s top supplier, covering more than half of its import needs after shipments hit a five-year high. Bottom line: unless U.S. soybean meal gets cheap enough to compete with Brazil, this deal likely won’t shift demand in a big way.

PRO FARMER TOUR RESULTS

Pro Farmer wrapped up its tour by projecting the U.S. corn crop at an average yield of 182.7 bpa (range: 180.9–184.5). Soybeans came in at 53.0 bpa (range: 51.9–54.1). These figures came in below USDA’s August 1 estimates of 188.8 bpa for corn and 53.6 bpa for soybeans. The difference highlights timing- USDA’s snapshot reflected early-season potential, while Pro Farmer’s numbers account for three more weeks of dryness and disease pressure. Just how much those factors have cut into yield won’t be clear until harvest or USDA’s next survey, and opinions vary on whether the damage will be widespread or only marginal.

Historically, Pro Farmer tends to run about 3 bpa lighter than USDA on corn and 1 bpa on soybeans, so this year’s spread isn’t unusual. At this point, the market seems comfortable with something in the neighborhood of 184–185 bpa for corn and around 53 bpa for beans. With supply largely factored in, traders appear ready to turn their focus toward demand drivers going forward.

BEAN RALLY

November 2025 soybean futures ended the week last Friday at $10.58 ½, climbing 16 cents over the prior five sessions and posting a 71-cent gain in just two weeks. With prices now sitting above the spring insurance guarantee, those confident in their yield outlook may want to take advantage of the rally with some catch-up sales. It’s not often we see this kind of strength right ahead of harvest, and history suggests rallies of this size don’t always last.