

10/27/2025

Futures Price Changes

Corn up 7 (Dec) @ 4.30

Corn up 7 (Mar) @ 4.44

Soybeans up 21 (Nov) @ 10.63

Soybeans up 20 (Jan) @ 10.80

Wheat up 12 (Dec) @ 5.24

Wheat up 9 (Jul 26) @ 5.59



Perdue Grains Commentary



Good morning. And here we go! Futures came out of the box hot last night, as it appears some very good progress has been made on a trade agreement with China. The actual numbers and details are few and far between but the phrase of "substantial purchases of soybeans" is being tossed around frequently. That word "substantial" has a very broad range and may or may not include other commodities such as corn and wheat. China's harvest is moving along quite slowly due to the wet harvest conditions and it's not out of the question that they might eventually need some corn. We'll have plenty of it on hand and it's really good stuff, so come on over with some really big boats and take it away. For the most part, it appears that we do have a high-quality crop being produced, at least in the areas that aren't suffering heavily from the rust. Harvest is winding down quickly in many areas but I suspect there is at least 25% of the crop left to harvest. That could lead to some hedge pressure, especially with futures sitting near a five-week high. A bounce off the harvest lows is not an unusual move at this time of the year but if we can get the December contract to close above the \$4.31 1/4, mark, it would be the highest tick since July 8th. I'd like to see the March contract closer to the \$4.50 level before our next sale and I wouldn't rule out that happening before the end of the week.



Soybean futures are on a very strong roll this morning, with the January contract currently up 17 cents to **\$10.77 1/4**. The November is up 18 cents, so the spread tightening isn't quite enough to suggest that some actual purchases have already been made by the Chinese. If the Chinese were intending to start pulling beans early next month, I suspect the commercials would be getting in better position to stop/pull any deliveries made against the November contract at the end of the week. But hey, last night's news is a positive anyway you cut it and we should see some notable export buying activity in the coming weeks. That "substantial" word is going to be used frequently this week but my concern is that when the numbers are actually revealed, they're going to be a disappointment.

We need to keep in mind that China purchased 840 million soybeans over the past year and they currently have zero bushels on the books. And the heaviest shipment month of the year ends in four days. The next heaviest is November and I think we can cross off the first two weeks in regard to any Chinese shipments. I think the buying will be done for December and January shipment and those numbers will not be as impressive as past years. Beyond that, their interest will depend in large part on what is happening with the South American growing season. Currently, things are going as well as any year in recent memory but there's still a very long way to go and La Nina is still lurking out there. I'd be thinking long and hard about making some additional sales and hedges this week on any additional bounce, as we could be seeing the perfect set-up for a "buy the rumor, sell the fact" type of set-up.



Wheat futures are fully in on the party this morning and then some. The December contract is currently up 11 1/2 cents to **\$5.24**, which is its highest tick since September 26. The funds are heavily short and likely getting a little nervous over their position, especially if there is some additional upside for corn and soybeans. Perhaps the end users around the world will be getting a little nervous as well. They won't be getting nervous over a lack of supply but they don't want to totally miss out on the cheapest wheat of the past five years. We all love a bargain right?



The equity markets are also reacting well to the potential for a substantial agreement with the Chinese, as well as some other Asian nations this week. President Trump is currently in Japan and it's never a bad thing to be discussing trade with one of our key trading partners and friends. The early futures activity is suggesting another surge to new record highs, with the Dow blowing through the 47,000 mark for the first time in history on Friday. The Dollar Index is moderately lower this morning at **98.8**, while gold futures are down a very stout \$79 to **\$4,059**.



The energy markets are backing up a little this morning, with the nearby crude contract currently down 66 cents to **\$60.84**. Gasoline futures are down a couple of cents to **\$1.90**, while diesel is steady at **\$2.41**. That 51-cent spread is abnormally strong and suggests some heavy export activity is still going on for diesel, likely into Europe ahead of the winter months. A serious squeeze appears to be in the cards on Russian exports, which could be a supportive factor for futures at some point. On the retail end, I filled my tank for **\$2.52/gal** last night, which is the best bargain of the past several years. Declining demand for gasoline continues, despite the negativity currently in place for EV sales. That being said, almost 148,000 EVs

were sold in September, which was up 44% from last year. Whether that pace can be maintained without the \$7,500 tax credit remains to be seen.



The national radar map has a few areas of activity this morning but the Corn Belt is mostly on the dry side. The seven-day projected is putting some rain in for the bulk of the three I-states, so some harvesting delays will be seen. The extended maps are showing a dry track into the second week of next month, so no significant harvest delays are expected. Down south, another round of quality rains is expected to land over the bulk of the Brazilian crop areas over the next two weeks.

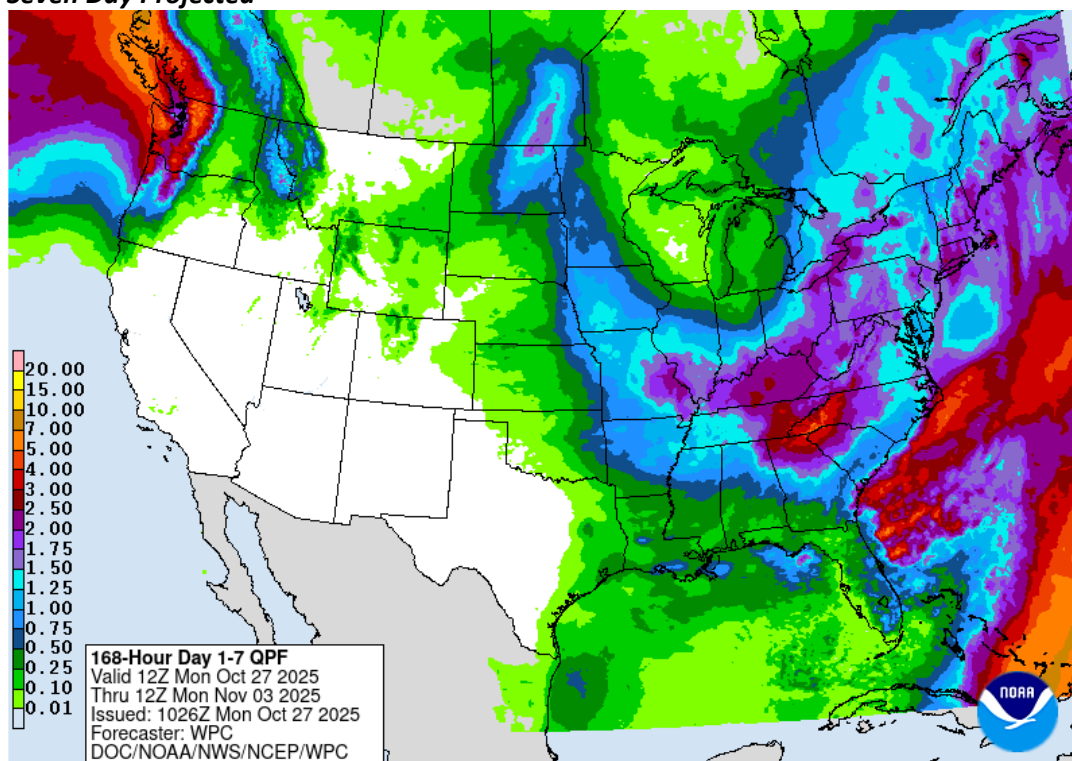
That's all for this morning. I hope your day is a safe and high yielding one.

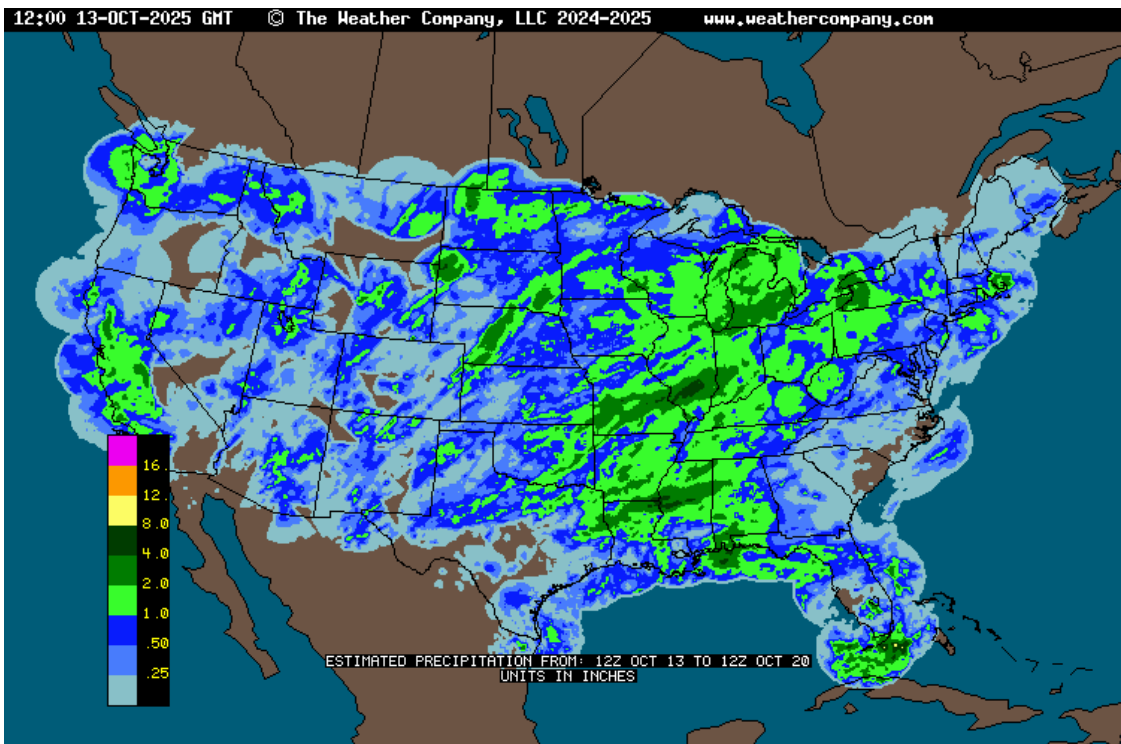
John

If you're pulling these comments up on a laptop or desktop computer, you'll need to right click on the little window next to "Morning Coffee Comments" at the top to get all the graphics and maps to download.

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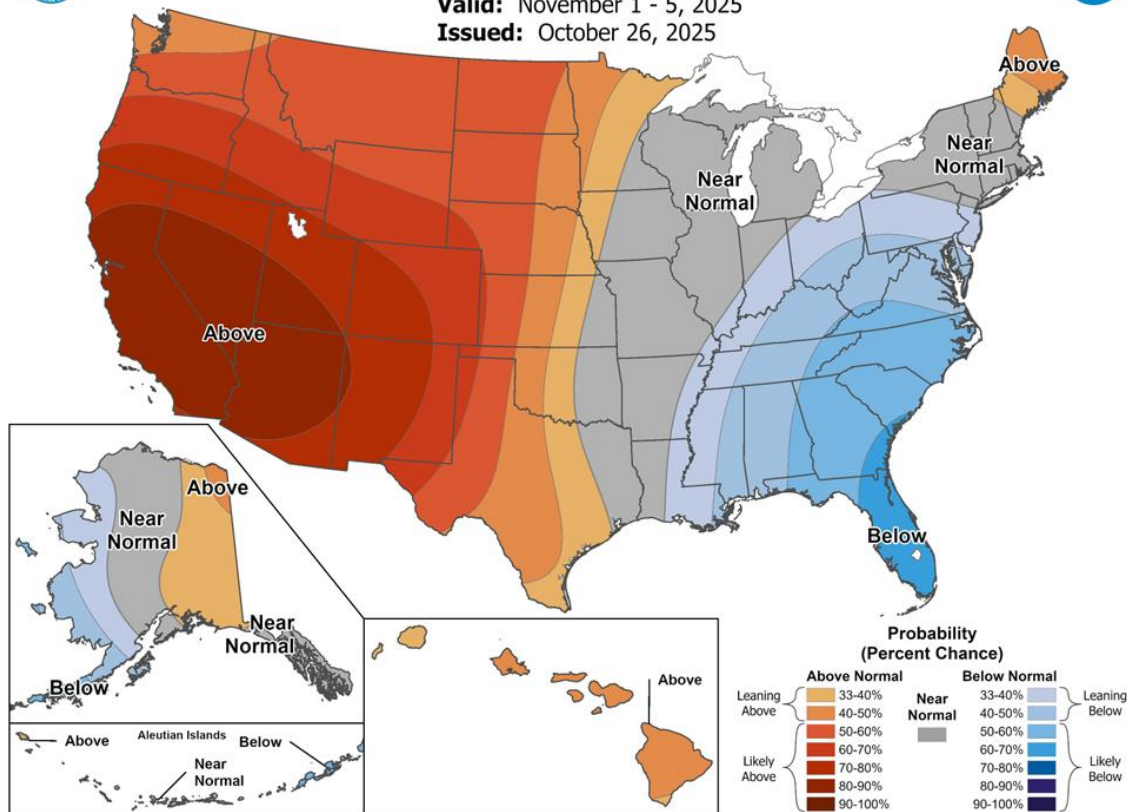
Seven Day Projected





6-10 Day Temperature Outlook

Valid: November 1 - 5, 2025
Issued: October 26, 2025

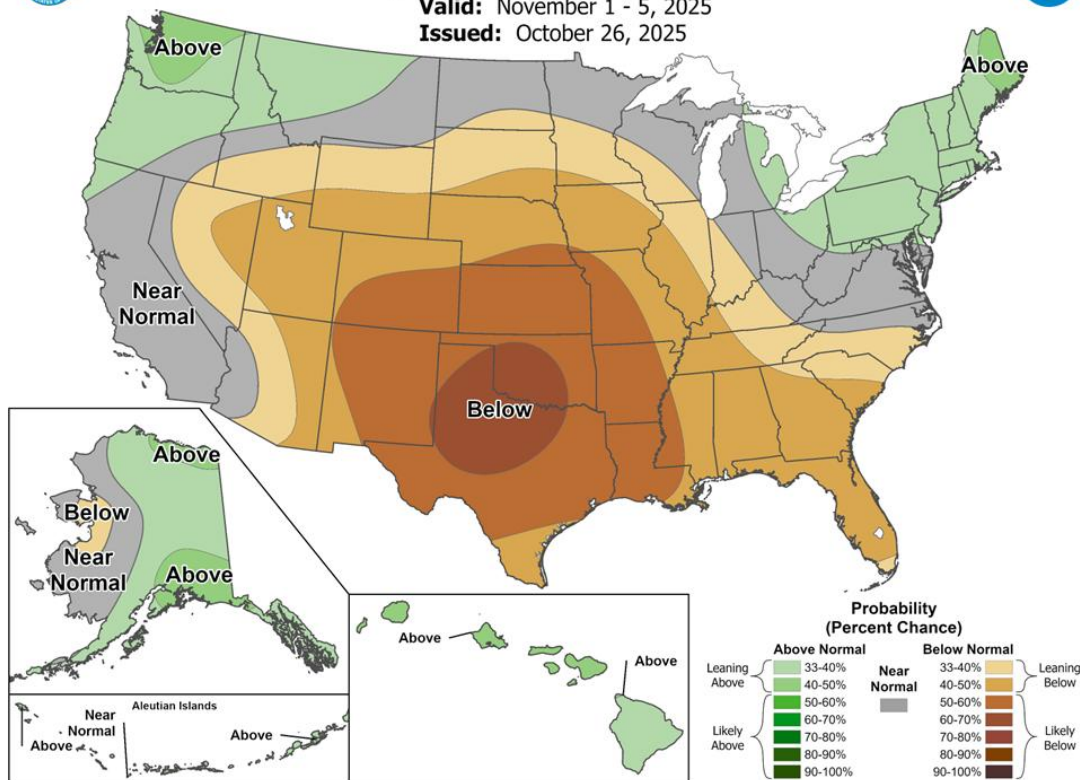




6-10 Day Precipitation Outlook

Valid: November 1 - 5, 2025

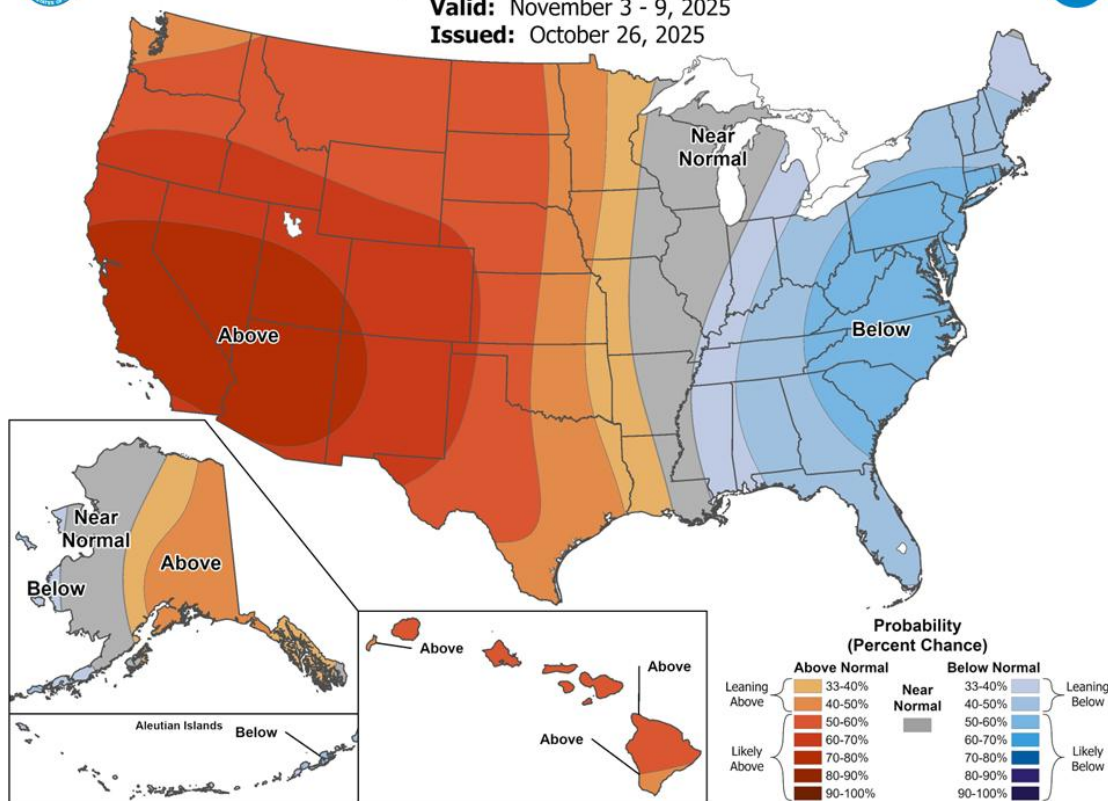
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8-14 Day Temperature Outlook

Valid: November 3 - 9, 2025

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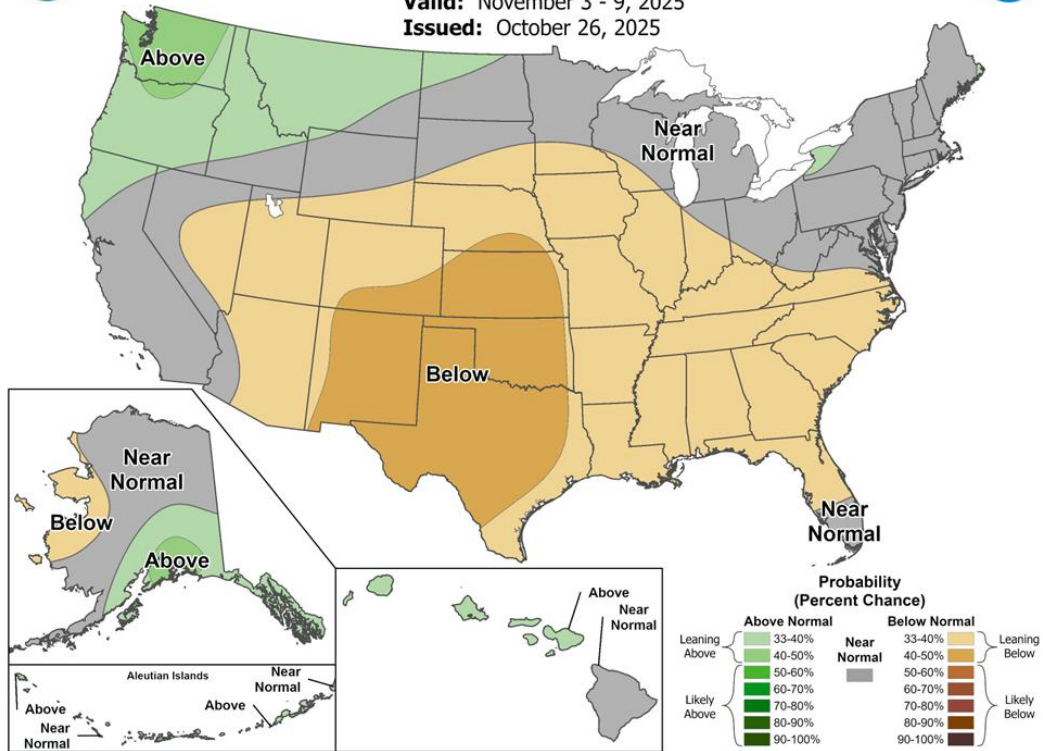




8-14 Day Precipitation Outlook

Valid: November 3 - 9, 2025

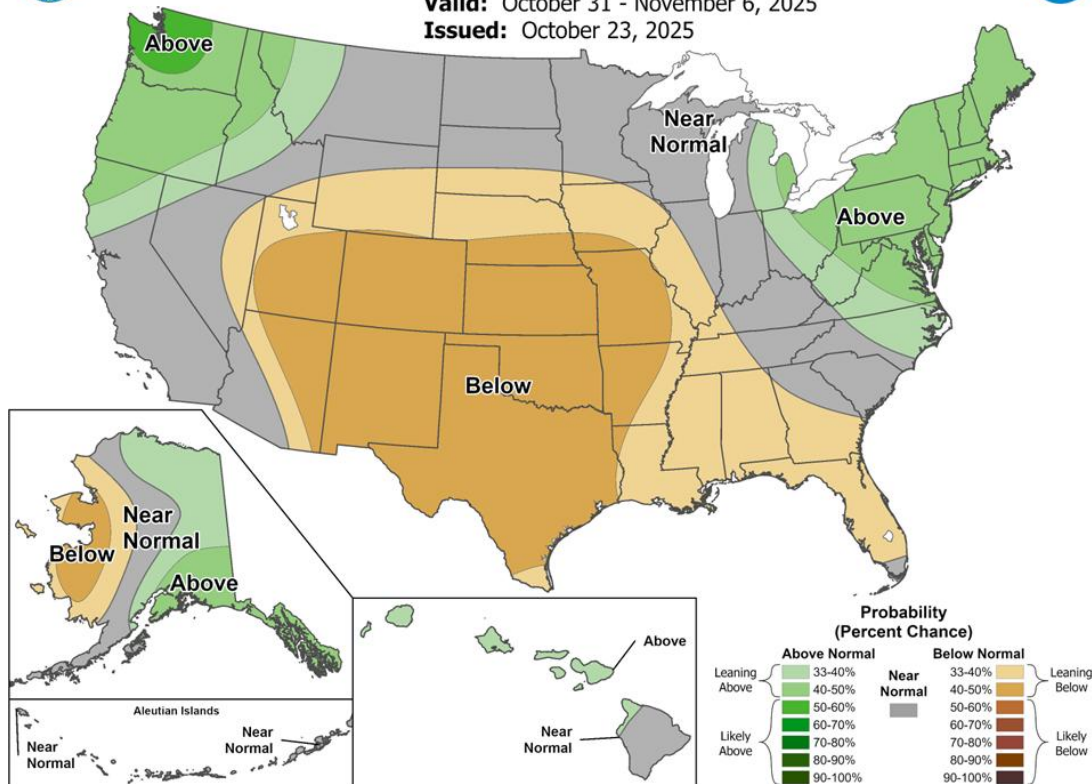
Issued: October 26, 2025



8-14 Day Precipitation Outlook

Valid: October 31 - November 6, 2025

Issued: October 23, 2025



U.S. Drought Monitor

October 21, 2025
(Released Thursday, Oct. 23, 2025)
Valid 8 a.m. EDT

