

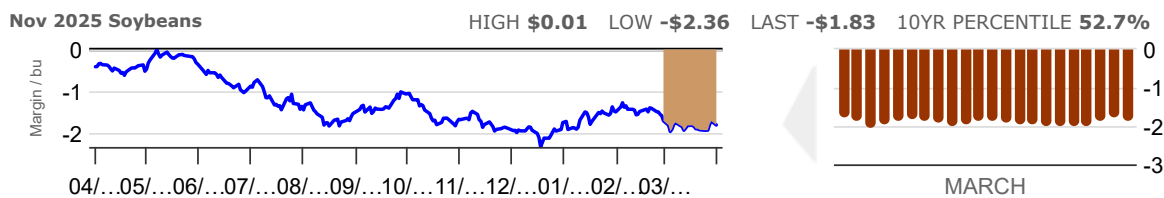
Soybeans Margin Watch: March



Soybean prices rallied sharply over the second half of March, led primarily by soybean oil in response to ideas of potential new credits for the biodiesel industry and a general move higher in the energy complex in response to the threat of additional U.S. sanctions on Russian oil shipments. Soybeans also drew support from a bullish acreage estimate in USDA's Prospective Plantings Report. While the Quarterly Grains Stocks report was neutral with March 1 soybean inventories pegged at 1.91 billion bushels compared to the average trade estimate of 1.895 billion, preliminary soybean planted area in 2025 was estimated at 83.495 million acres, down 3.6 million from last year. The figure was not unexpected relative to the average pre-report estimate of 83.76 million and was within the range of estimates between 82.5 and 85.5 million acres, but growers appear concerned that a looming trade war could be much more detrimental to soybean export prospects relative to corn. President Trump has declared April 2 "Liberation Day," with a new reciprocal tariff scheme to be implemented that is expected to be particularly punitive to China who has already shifted a bulk of their soybean buying to Brazil. Spring weather conditions join trade concerns as major drivers of price going forward as planting gets underway in the Midwest over the next few weeks. Our clients continue to monitor targets to extend new-crop coverage and favor flexible strategies to allow for margin improvement with prices below the cost of production.



The estimated yield for the May 2025 crop is 67 bushels per acre and the non-land operating cost is \$513 per acre. Land cost for May 2025 is estimated at \$275 per acre ¹. Basis for the May 2025 crop is estimated at \$-0.2 per bushel.



The estimated yield for the Nov 2025 crop is 68 bushels per acre and the estimated operating cost is \$490 per acre. Land cost for Nov 2025 is estimated at \$300 per acre ¹. Basis for the Nov 2025 crop is estimated at \$-0.4 per bushel.

¹ The Soybeans Margin Watch yield, land and non-land operating cost values are based upon central Illinois low productivity farmland crop estimates in the "Historic Corn, Soybean, Wheat, and Double-crop Soybeans" report published by the Department of Agricultural and Consumer Economics at the University of Illinois.

The information contained in this publication is taken from sources believed to be reliable, but is not guaranteed by Commodity & Ingredient Hedging, LLC, nor any affiliates, as to accuracy or completeness, and is intended for purposes of information and education only. Nothing therein should be considered as a solicitation to trade commodities or a trade recommendation by Commodity & Ingredient Hedging, LLC. All references to market conditions are current as of the date of the presentation. Futures and options trading involves the risk of loss. Past performance is not indicative of future results. Please visit www.cihedging.com to subscribe to the CIH Margin Watch report.