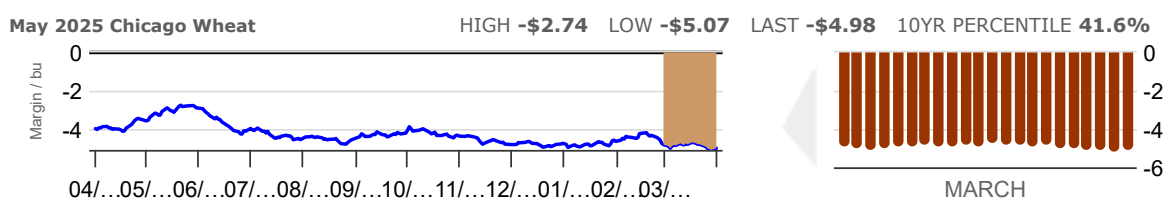
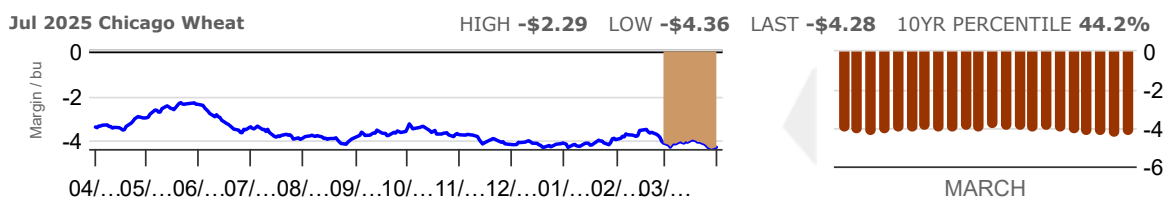


Wheat prices and margins continued to trend lower the last half of March, despite what was considered a bullish acreage report from USDA. The Prospective Plantings Report pegged all wheat planting intentions of 45.35 million acres which was below the average pre-report estimate of 46.392 million and outside the range of estimates between 45.4 and 47.0 million. The figure was also 729,000 acres below last year, and if realized represents the second lowest all-wheat planted area since records began in 1919. The Quarterly Grain Stocks report pegged March 1 wheat inventories at 1.237 billion bushels compared to the average pre-report estimate of 1.22 billion and down 336 million from March 1, 2024. By class, prospective winter wheat, spring wheat, and durum wheat seedings were all below expectations as well as last year's levels at 33.315 million, 10.02 million, and 2.015 million acres, respectively. Weather conditions continue to be monitored in the Plains with very little rainfall and high winds, although April and May weather are much more important for winter wheat emergence and development. Meanwhile, traders are bracing for what President Trump has deemed "Liberation Day" on April 2nd when a reciprocal tariff scheme is due to be implemented. While export markets are much more critical to corn and soybeans relative to wheat, demand could be harmed with key trading partners in Asia in response to an escalating trade war. Our clients continue monitoring opportunities to extend new-crop coverage with flexible strategies that will allow for potential margin improvement over time.



The estimated yield for the May 2025 crop is 81 bushels per acre and the non-land operating cost is \$523 per acre. Land cost for May 2025 is estimated at \$275 per acre ¹. Basis for the May 2025 crop is estimated at \$-0.5 per bushel.



The estimated yield for the Jul 2025 crop is 84 bushels per acre and the estimated operating cost is \$484 per acre. Land cost for Jul 2025 is estimated at \$300 per acre ¹. Basis for the Jul 2025 crop is estimated at \$-0.45 per bushel.

¹ The Chicago Wheat 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.

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