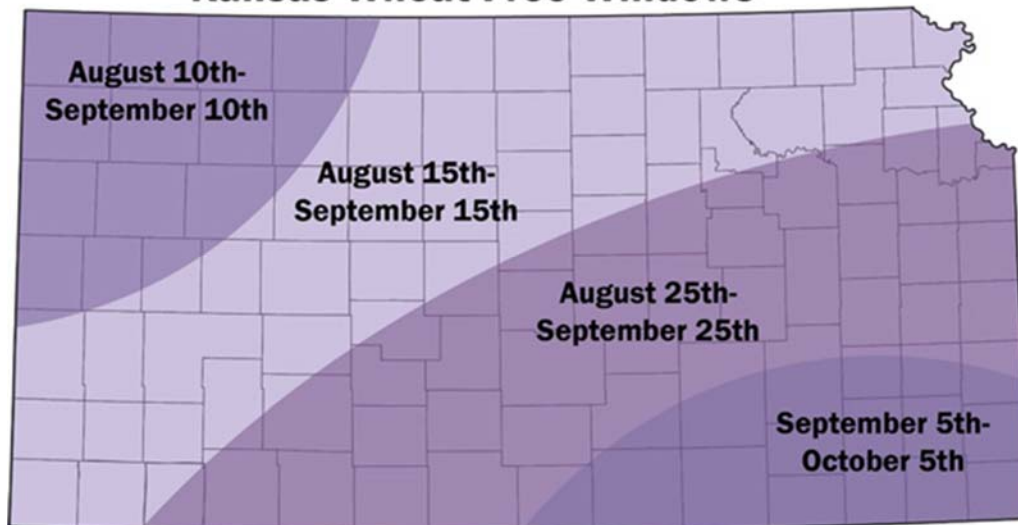


## Kansas Wheat-Free Windows



KSU proposed wheat-free windows designed to reduce the likelihood of a wheat streak mosaic complex. Defined as the 30-day period prior to the start of the optimal winter wheat planting date for the region.



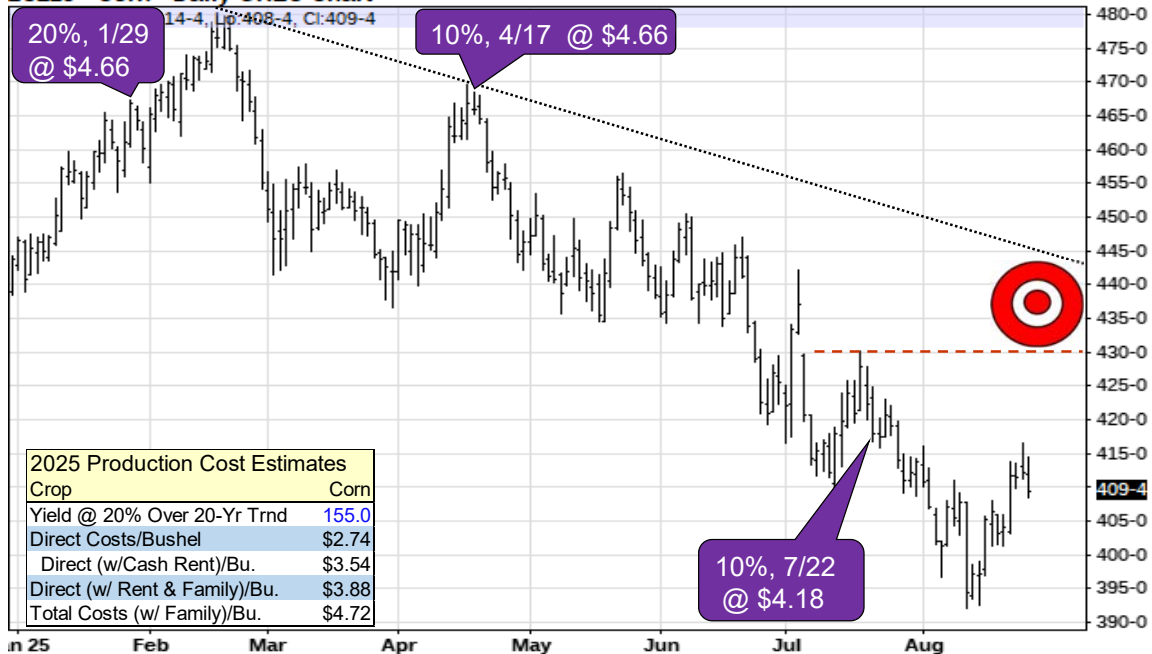
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## 2025 Preharvest Corn Plan Implementation

Plan start: Jan 1  
DEC CME corn @ \$4.46 ½

Currently 40% priced @ \$4.54;  
Expected net cash price of \$4.24

ZCZ25 - Corn - Daily OHLC Chart



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# 2025 Preharvest Corn Plan Implementation

Plan start: Jan 1

DEC CME corn @ \$4.46 ½

Examining New Crop Corn Bids 8/26/2025					
Forward Cash Contracts & "Price Target" conversions		Actual	\$4.35 Fut. Target	10/15/2025	
		New Crop	Equivalent	5-Yr. Avg.	Current
		Basis	Forw. Contr.	New Crop	Basis Vs.
DEC Corn Futures	\$4.095			Basis	5-Yr Avg.
Colby - Cornerstone Ag	\$3.70	(\$0.40)	\$3.96	\$0.21	(\$0.61)
Garden City Coop	\$4.05	(\$0.04)	\$4.31	(\$0.00)	(\$0.04)
Concordia East - Ag Mark	\$3.60	(\$0.50)	\$3.86	(\$0.11)	(\$0.38)
Haven - Producer Ag, MKC	\$3.67	(\$0.43)	\$3.93	\$0.08	(\$0.51)
Topeka - Gordon, Cargill	\$3.70	(\$0.40)	\$3.95	(\$0.13)	(\$0.27)
Chanute - Beachner	\$3.50	(\$0.60)	\$3.75	(\$0.06)	(\$0.54)
Six Location Average	\$3.70	(\$0.39)	\$3.96	(\$0.00)	(\$0.39)

Do you know your  
cost of production

2025 Production Cost Estimates	
Crop	Corn
Yield @ 20% Over 20-Yr Trnd	155.0
Direct Costs/Bushel	\$2.74
Direct (w/Cash Rent)/Bu.	\$3.54
Direct (w/ Rent & Family)/Bu.	\$3.88
Total Costs (w/ Family)/Bu.	\$4.72

The average FC bid [\$3.70] is down \$0.09 from last month, and covers direct costs & cash rent. The "futures" price target of \$4.35 covers direct costs, cash rent, & family living.

New crop basis bids are ~\$0.39/bu. weaker than avg., and \$0.07 weaker than last month.

**WINNING THE GAME**

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# 2025 Preharvest Corn Plan Implementation

## Examining Preharvest Marketing Alternatives

PREHARVEST	FIXED PRICE ALTs		RETAINING UPSIDE			OPTION COLLARS	
Marketing Alternatives DEC-25 Corn	Forward Cash Contract (FCC)*	Sell Futures (Short Hedge)*	Buy a Put Option*	Buy a Put Option	Forward Contract & Buy a Call Opt.	Buy the Put & Sell a Call Option*	Buy the Put & Sell a Call Option
Futures Price	\$4.10	\$4.10				\$4.10	\$4.10
Expected Basis	(\$0.43)	(\$0.40)	(\$0.40)	(\$0.40)		Put	Put
Expected Price	\$3.67	\$3.69					
Option Strike			\$4.10	\$4.35	\$4.10	\$4.40	\$4.65
Option Premium			(\$0.141)	(\$0.267)	(\$0.135)	\$0.045	\$0.021
Minimum Price	\$3.67	\$3.69	\$3.55	\$3.67	\$3.53	\$3.58	\$3.56
Maximum Price	\$3.67	\$3.69	???	???	???	\$3.88	\$4.11
Estimated Option Costs per Contract			(\$705)	(\$1,335)	(\$675)	(\$480)	(\$600)
** Alternatives are graphed on the following slide.							

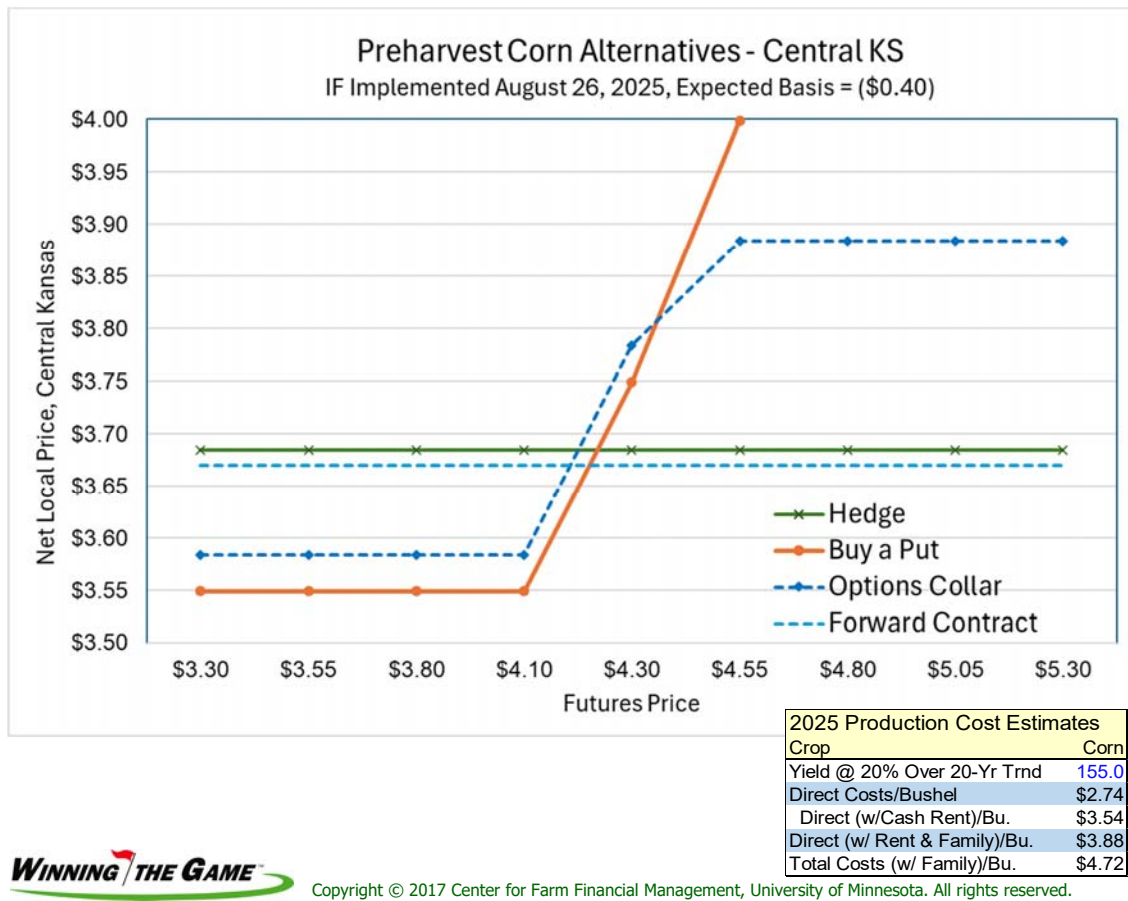
2025 Production Cost Estimates	
Crop	Corn
Yield @ 20% Over 20-Yr Trnd	155.0
Direct Costs/Bushel	\$2.74
Direct (w/Cash Rent)/Bu.	\$3.54
Direct (w/ Rent & Family)/Bu.	\$3.88
Total Costs (w/ Family)/Bu.	\$4.72

"Buying up the Put (ITM), is more costly but provides a price equal to the forward contract and has unlimited upside potential if futures rally.

Selling Calls raises the minimum price slightly but limits your upside price potential.

**WINNING THE GAME**

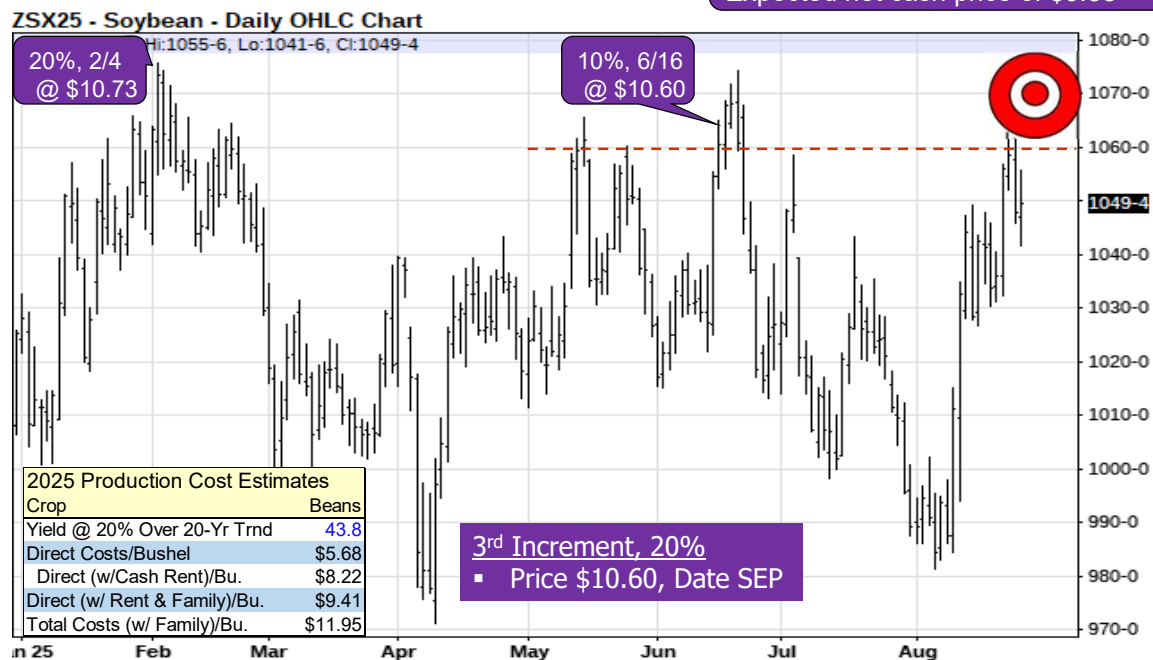
ONLY work with tools you're comfortable with, and a broker/grain buyer you trust.  
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## 2025 Preharvest Bean Plan Implementation

Plan start: Jan 1  
NOV CME soybeans @ \$10.28

Currently 30% priced @ \$10.68;  
Expected net cash price of \$9.88



# 2025 Preharvest Bean Plan Implementation

Plan start: Jan 1

NOV CME soybeans @ \$10.28

Examining New Crop Bean Bids 8/26/2025					
Forward Cash Contracts & "Price Target" conversions			\$10.60	10/25/2025	
		Actual New Crop Basis	Fut. Target Equivalent Forw. Contr.	5-Yr. Avg. New Crop Basis	Current Basis Vs. 5-Yr Avg.
NOV Soybean Futures	\$10.495				
Colby - Cornerstone Ag	\$9.35	(\$1.15)	\$9.46	(\$1.05)	(\$0.10)
Garden City Coop	\$9.50	(\$0.99)	\$9.61	(\$0.99)	(\$0.01)
Concordia East - Ag Mark	\$9.75	(\$0.74)	\$9.86	(\$0.71)	(\$0.03)
Haven - Producer Ag, MKC	\$9.81	(\$0.68)	\$9.92	(\$0.56)	(\$0.12)
Topeka - Gordon, Cargill	\$9.85	(\$0.65)	\$9.95	(\$0.45)	(\$0.20)
Chanute - Beachner	\$9.74	(\$0.76)	\$9.84	(\$0.55)	(\$0.21)
Six Location Average	\$9.67	(\$0.83)	\$9.77	(\$0.72)	(\$0.11)

2025 Production Cost Estimates	
Crop	Beans
Yield @ 20% Over 20-Yr Trnd	43.8
Direct Costs/Bushel	\$5.68
Direct (w/Cash Rent)/Bu.	\$8.22
Direct (w/ Rent & Family)/Bu.	\$9.41
Total Costs (w/ Family)/Bu.	\$11.95

The average FC bid [\$9.67] is \$0.34 stronger than last month, and it, along with the "futures" price target of \$10.60 cover direct costs, cash rent, and family living.

New crop basis bids are slightly weaker than avg.



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# 2025 Preharvest Bean Plan Implementation

PREHARVEST	FIXED PRICE ALTs		RETAINING UPSIDE			OPTION COLLARS	
Marketing Alternatives NOV-25 Beans	Forward Cash Contract (FCC)*	Sell Futures (Short Hedge)*	Buy a Put Option*	Buy a Put Option	Forward Contract & Buy a Call Opt.	Buy the Put & Sell a Call Option*	Buy the Put & Sell a Call Option
Futures** Price	\$10.50	\$10.50				\$10.50	\$10.50
Expected Basis	(\$0.68)	(\$0.60)	(\$0.60)	(\$0.60)		Put	Put
Expected Price	\$9.81	\$9.89					
Option Strike			\$10.50	\$10.70	\$10.50	\$10.80	\$11.00
Option Premium			(\$0.25)	(\$0.37)	(\$0.25)	\$0.08	\$0.06
Minimum Price	\$9.81	\$9.89	\$9.64	\$9.72	\$9.55	\$9.71	\$9.68
Maximum Price	\$9.81	\$9.89	???	???	???	\$10.01	\$10.18
Estimated Option Costs per Contract			(\$1,260)	(\$1,835)	(\$1,230)	(\$855)	(\$980)

\*\* Alternatives are graphed on the following slide.

2025 Production Cost Estimates	
Crop	Beans
Yield @ 20% Over 20-Yr Trnd	43.8
Direct Costs/Bushel	\$5.68
Direct (w/Cash Rent)/Bu.	\$8.22
Direct (w/ Rent & Family)/Bu.	\$9.41
Total Costs (w/ Family)/Bu.	\$11.95



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"Buying up the Put (ITM), is more costly but provides a min price nine cents less than a forward contract but unlimited upside if futures rally further.

Selling Calls raises the minimum price, but limits your upside price potential.

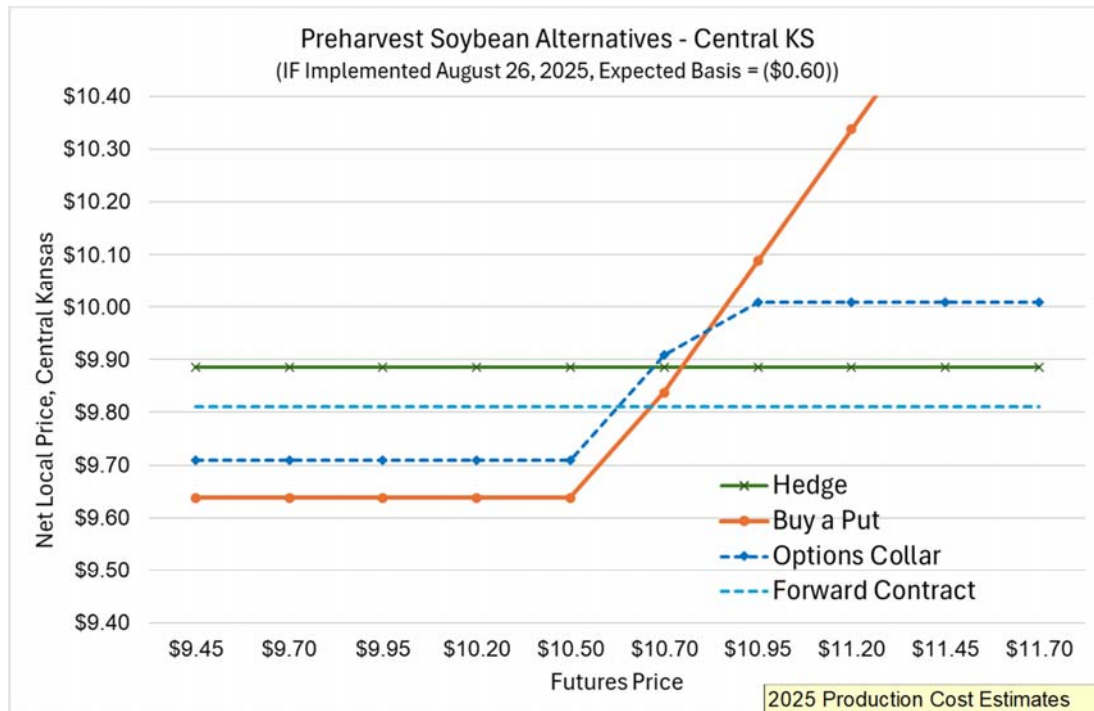


Chart suggested by our good friend Steve Clanton



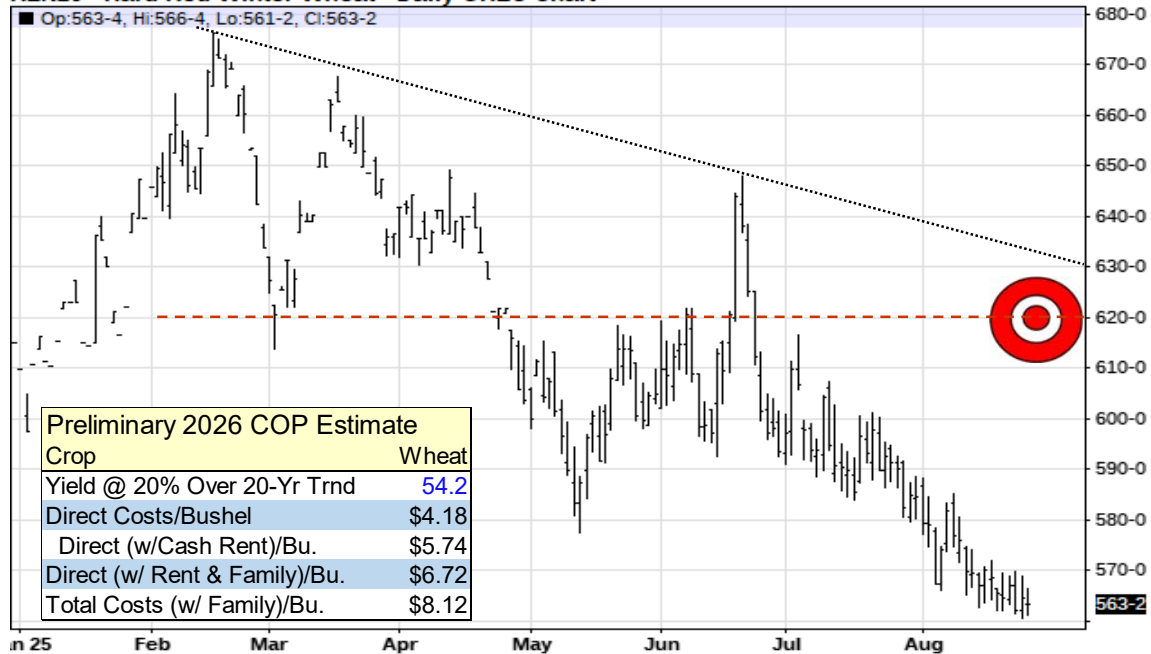
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## 2026 Preharvest Wheat Plan Implementation

Plan start: Oct 1

JUL CME HRW @ \$???

**KEN26 - Hard Red Winter Wheat - Daily OHLC Chart**



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# 2026 Preharvest Wheat Plan Implementation

Plan start: Oct 1

JUL CME wheat @ \$6.29 ¾

Examining New Crop Wheat Bids			8/26/2025		
Forward Cash Contracts & "Price Target" conversions		Actual New Crop Basis	Fut. Target Equivalent Forw. Contr.	7/3/2025 5-Yr. Avg. New Crop Basis	Current Basis Vs. 5-Yr Avg.
JUL Hard Wheat Futures	\$5.633				
Colby - Cornerstone Ag	\$4.93	(\$0.70)	\$5.50	(\$0.43)	(\$0.27)
Garden City Coop	\$4.93	(\$0.70)	\$5.50	(\$0.43)	(\$0.27)
Concordia East - Ag Mark	\$5.08	(\$0.55)	\$5.65	(\$0.29)	(\$0.27)
Haven - Producer Ag, MKC	\$5.04	(\$0.59)	\$5.61	(\$0.40)	(\$0.20)
Topeka - Gordon, Cargill	-	#VALUE!	#VALUE!	(\$0.13)	#VALUE!
Chanute - Beachner	-	#VALUE!	#VALUE!	(\$0.37)	#VALUE!
Six Location Average	\$5.02	(\$0.64)	\$5.56	(\$0.39)	(\$0.25)

Preliminary 2026 COP Estimate	
Crop	Wheat
Yield @ 20% Over 20-Yr Trnd	54.2
Direct Costs/Bushel	\$4.18
Direct (w/Cash Rent)/Bu.	\$5.74
Direct (w/ Rent & Family)/Bu.	\$6.72
Total Costs (w/ Family)/Bu.	\$8.12

Both the average FC bid [\$5.02] and our first "futures" price target of \$6.20 only cover direct costs.

New crop basis bids on average are \$0.25/bu. weaker than the 5-Yr average.



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# 2026 Preharvest Wheat Plan Implementation

PREHARVEST	FIXED PRICE ALTs		RETAINING UPSIDE			Option "Collars"	
Marketing Alternatives JUL-26 Wheat	Forward Cash Contract (FCC)	Sell Futures (Short Hedge)	Buy a Put Option	Buy a Put Option	Forward Contract & Buy a Call Opt.	Buy the Put & Sell a Call Option	Buy the Put & Sell a Call Option
Futures** Price	\$5.63	\$5.63				\$5.65	\$5.65
Expected Basis	(\$0.59)	(\$0.50)	(\$0.50)	(\$0.50)		Put	Put
Expected Price	\$5.04	\$5.12					
Option Strike			\$5.65	\$6.00	\$5.65	\$6.15	\$6.45
Option Premium			(\$0.46)	(\$0.68)	(\$0.44)	\$0.28	\$0.21
Minimum Price	\$5.04	\$5.12	\$4.68	\$4.81	\$4.59	\$4.95	\$4.88
Maximum Price	\$5.04	\$5.12	???	???	???	\$5.45	\$5.68
Estimated Option Costs per Contract			(\$2,305)	(\$3,405)	(\$2,215)	(\$905)	(\$1,250)

The "time value" of options this early in the marketing year make their use relatively cost prohibitive.

- "intrinsic value" of a put is the strike price – futures.
- "time value" of a put is the premium – intrinsic value



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# THANKS!

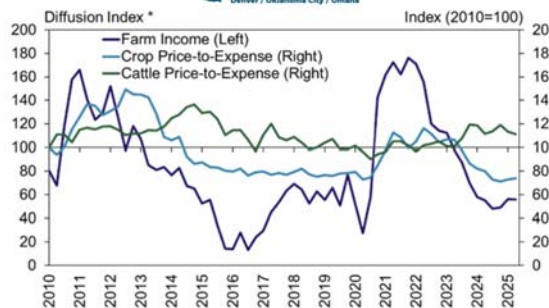
**Mark Nelson**  
 Director of Commodities  
 nelsonm@kfb.org



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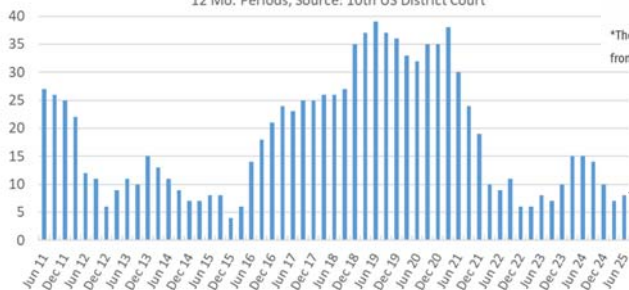


Chart 1: Tenth District Farm Income and U.S. Farm Price-to-Total Production Expenses



Diffusion Index showing that overall farm income and crop price-to-expenses ratios are negative. Only the Cattle price-to-expense ratio is positive.

Kansas Quarterly Chapter 12 Bankruptcy Filings  
 12 Mo. Periods, Source: 10th US District Court



\*The index numbers are computed by subtracting the percentage of respondents who responded "lower" from the percentage who responded "higher" and adding 100.

Quarterly Chapter 12 (farm reorganizational) bankruptcies ticked slightly higher in the 2<sup>nd</sup> quarter but well below levels in the 2016-2021 period.



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