Grain Market Outlook for 2023-24

K-State 2023 Agricultural Lenders Conferences

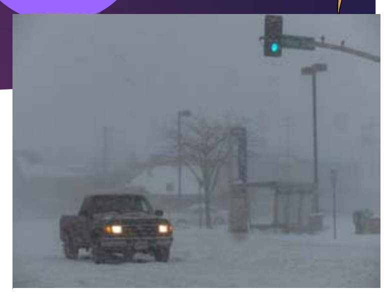
Garden City & Manhattan, Kansas

September 26-27, 2023

DANIEL O'BRIEN
EXTENSION AGRICULTURAL ECONOMIST

KANSAS STATE UNIVERSITY Department of Agricultural Economics

U.S. & Global Weather



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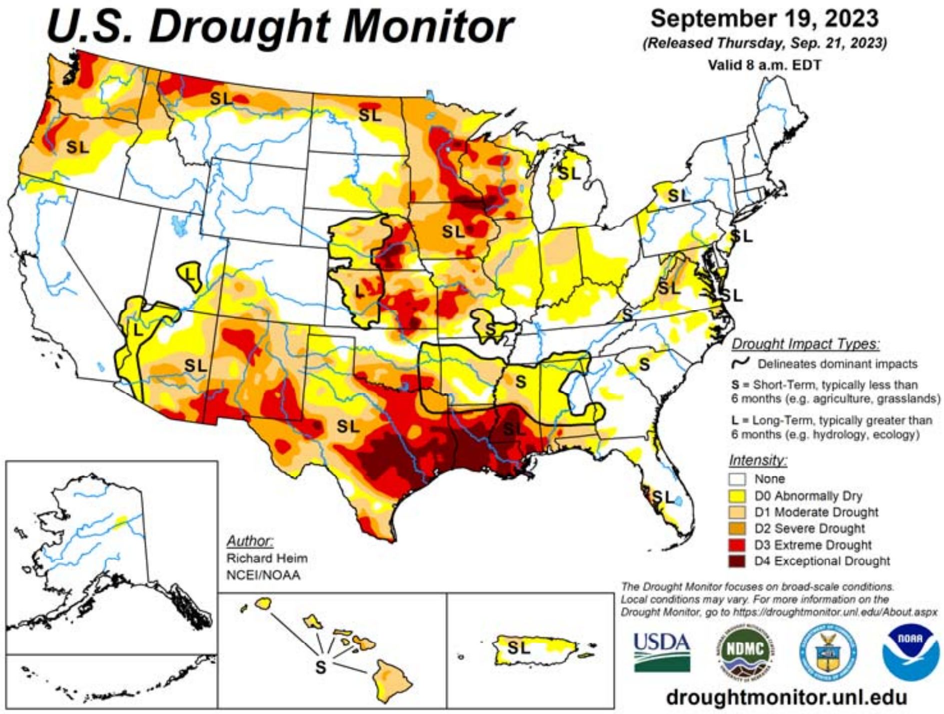
U.S. Drought Monitor
September 19, 2023
(Released Thursday, Sep. 21, 2023)
Valid 8 a.m. EDT
Drought Impact Types:
Delineates dominant impacts
S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)
L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)
Intensity:
None
D0 Abnormally Dry
D1 Moderate Drought
D2 Severe Drought
D3 Extreme Drought
D4 Exceptional Drought
Author:
Richard Heim
NCEI/NOAA
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to https://droughtmonitor.unl.edu/About.aspx
USDA
NDMC
droughtmonitor.unl.edu

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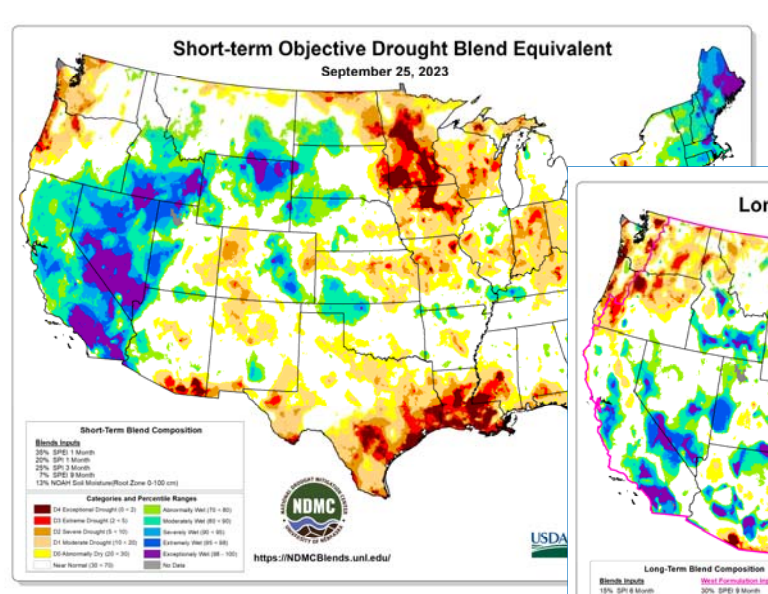
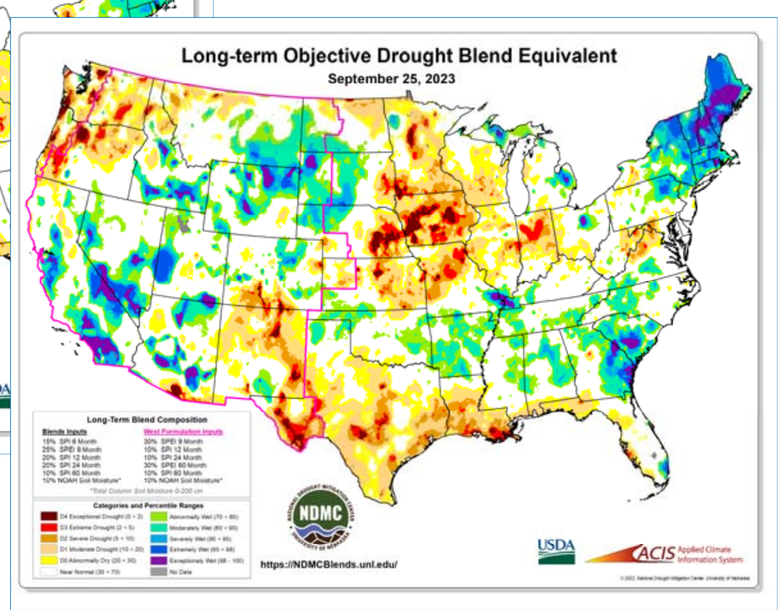
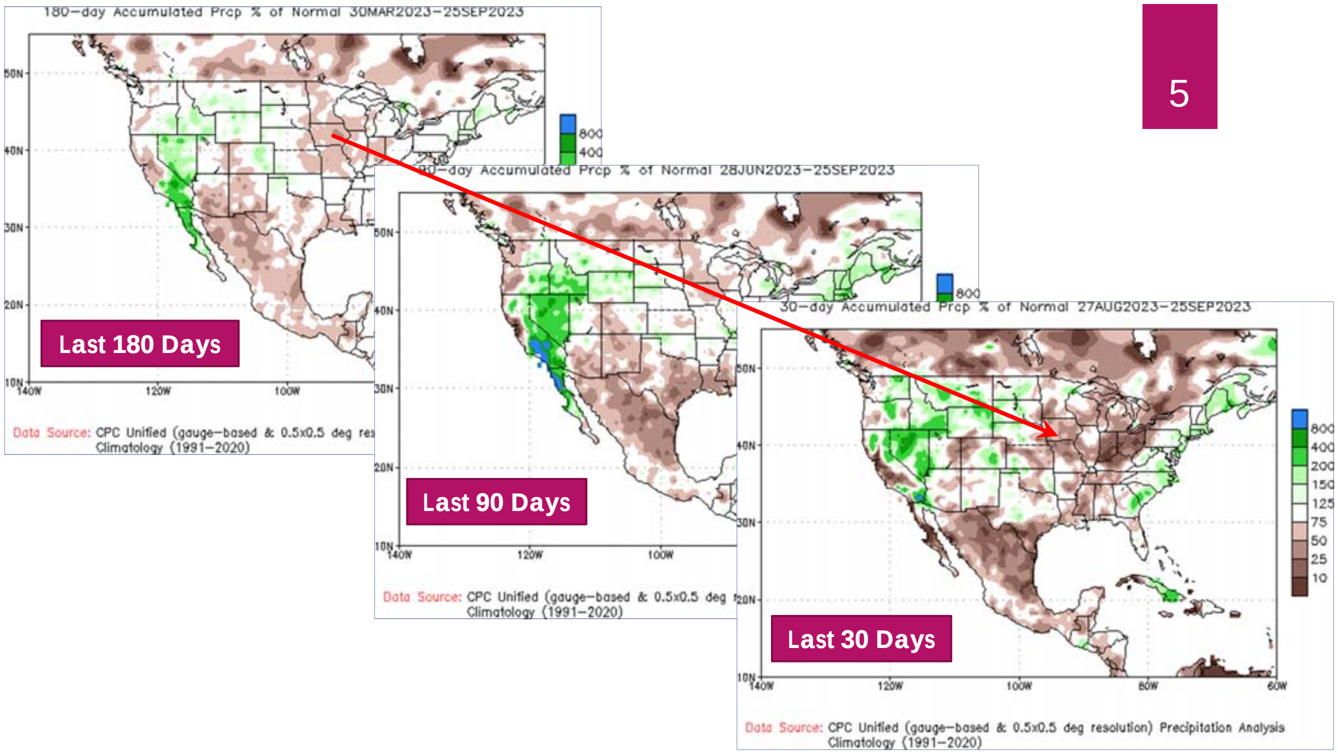

Short-term Objective Drought Blend Equivalent
September 25, 2023
Short-Term Blend Composition
Categories and Percentile Ranges
NDMC
https://NDMCBlends.unl.edu/


Long-term Objective Drought Blend Equivalent
September 25, 2023
Long-Term Blend Composition
Categories and Percentile Ranges
NDMC
USDA
ACIS Applied Climate Information System
https://NDMCBlends.unl.edu/



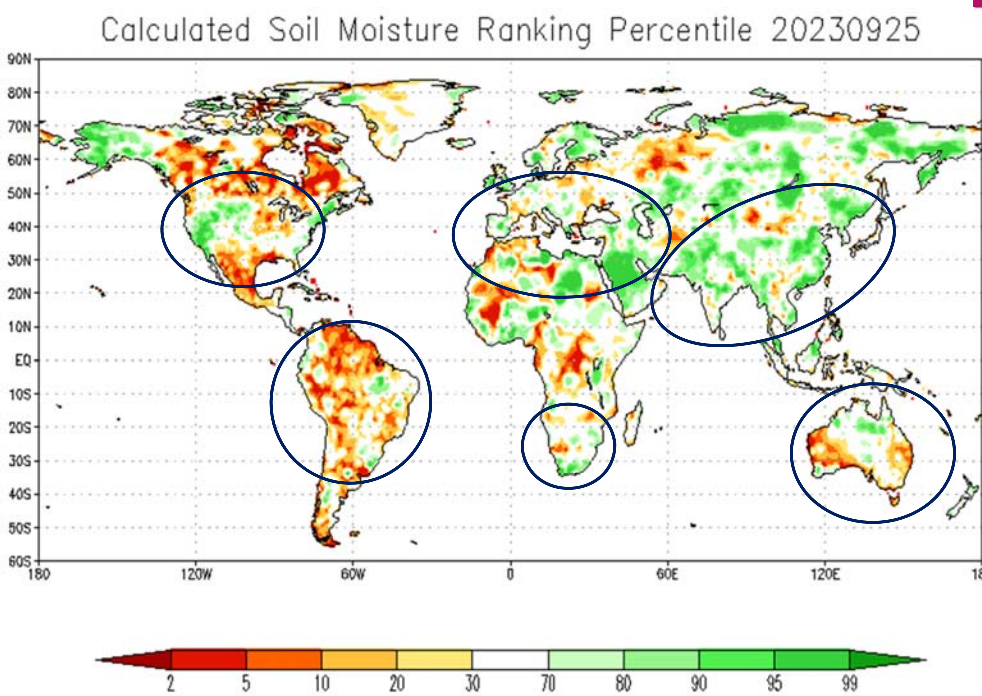
USDA United States Department of Agriculture

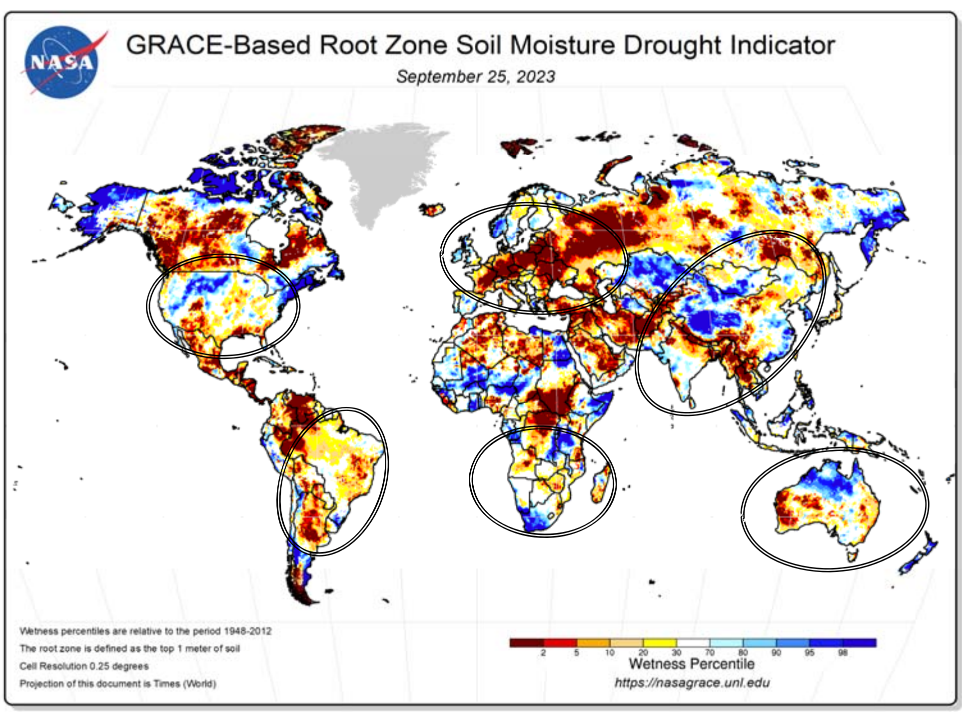
Agriculture in Drought*

* Numbers represent the percent of each commodity located in moderate or more intense drought (D1+) and the changes since last week and last year.

hief Economist (OCE)
utlook Board (WAOB).

	Sep 19	Previous		Change		
	2023	Week	Year	Week	Year	
Corn	58%	54%	34%	4%	24%	(summer crops)
Soybeans	53%	48%	29%	5%	24%	
Cotton	41%	46%	46%	-5%	-5%	
Peanuts	25%	26%	15%	-1%	10%	
Rice	41%	32%	45%	9%	-4%	
Sunflowers	14%	14%	48%	0%	-34%	
Barley	37%	37%	62%	0%	-25%	
Sorghum	53%	56%	73%	-3%	-20%	
Durum Wheat	56%	56%	84%	0%	-28%	
Spring Wheat	59%	59%	49%	0%	10%	
Winter Wheat	47%	46%	57%	1%	-10%	(winter crop)
Hay	38%	37%	47%	1%	-9%	(forage)
Alfalfa Hay	35%	35%	55%	0%	-20%	

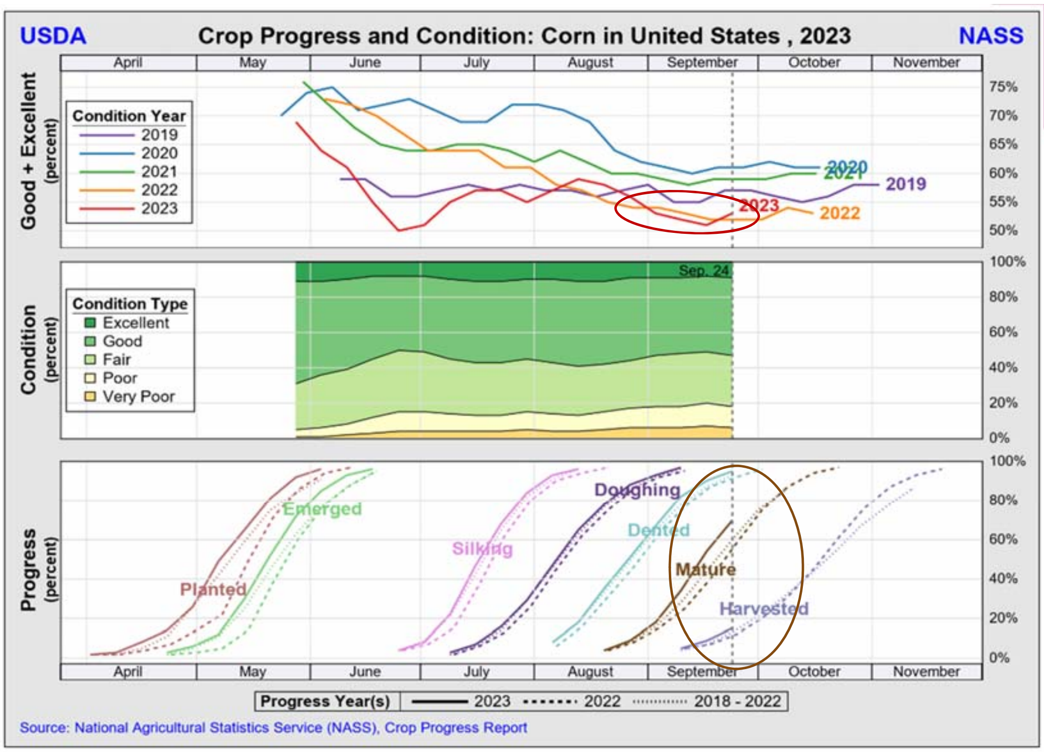

Calculated Soil Moisture Ranking Percentile 20230925
90N
80N
70N
60N
50N
40N
30N
20N
10N
EQ
10S
20S
30S
40S
50S
60S
180
120W
60W
0
60E
120E
180
2
5
10
20
30
70
80
90
95
99

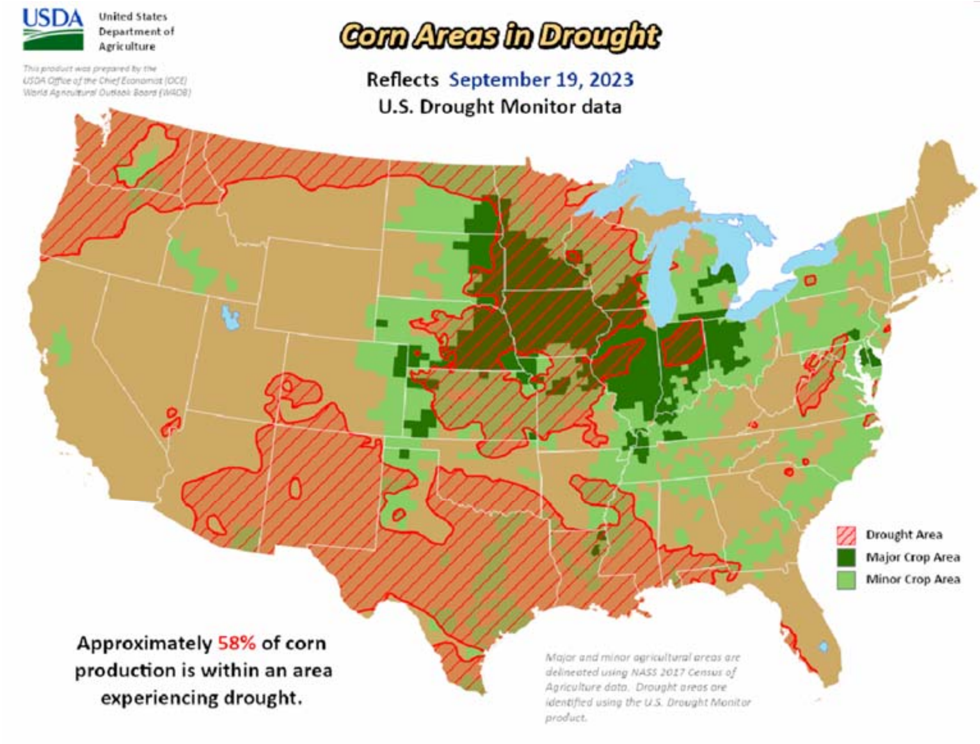

GRACE-Based Root Zone Soil Moisture Drought Indicator
September 25, 2023
NASA
Wetness percentiles are relative to the period 1948-2012
The root zone is defined as the top 1 meter of soil
Cell Resolution 0.25 degrees
Projection of this document is Times (World)
2
5
10
20
30
70
80
90
95
98
Wetness Percentile
https://nasagrace.unl.edu

Corn Markets

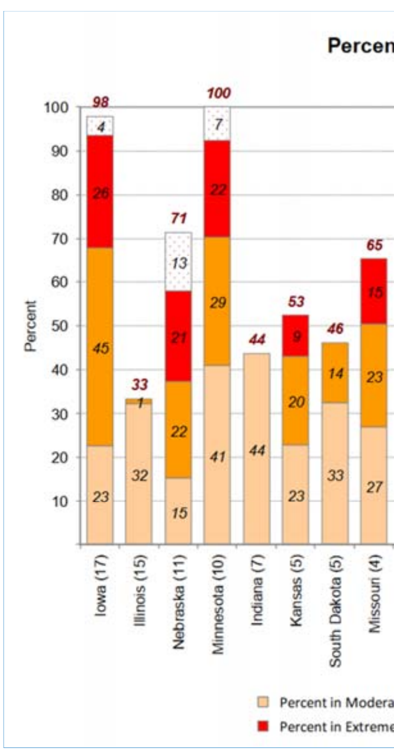
Kansas State University

Department of Agricultural Economics

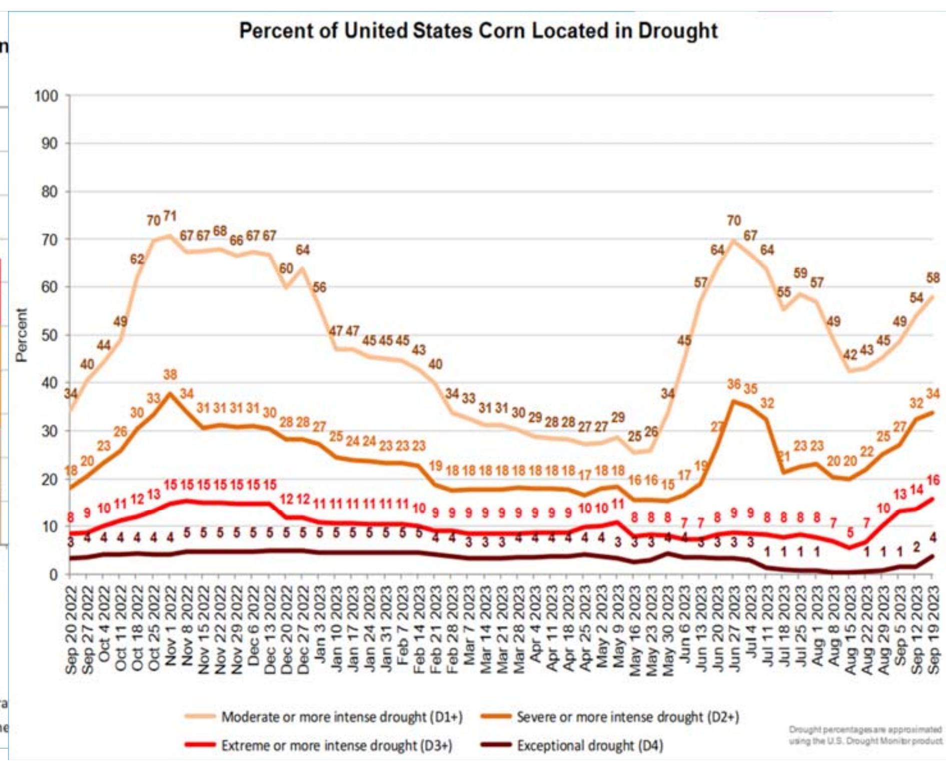




USDA
United States Department of Agriculture
This product was prepared by the USDA Office of the Chief Economist (OCE) World Agricultural Outlook Board (WAOB)
Corn Areas in Drought
Reflects September 19, 2023
U.S. Drought Monitor data
Drought Area
Major Crop Area
Minor Crop Area
Approximately 58% of corn production is within an area experiencing drought.
Major and minor agricultural areas are delineated using NASS 2017 Census of Agriculture data. Drought areas are identified using the U.S. Drought Monitor product.



Percen
Percent
Iowa (17)
Illinois (15)
Nebraska (11)
Minnesota (10)
Indiana (7)
Kansas (5)
South Dakota (5)
Missouri (4)
Percent in Modera
Percent in Extreme



Percent of United States Corn Located in Drought
Percent
Moderate or more intense drought (D1+)
Severe or more intense drought (D2+)
Extreme or more intense drought (D3+)
Exceptional drought (D4)
Drought percentages are approximated using the U.S. Drought Monitor product.

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ELEC. CORN (@C2023Z)
Print
Symbol Search | Symbol Lookup
Historical Chart | Chart | Options | Futures Chain | Spread Matrix
Current Month: Dec 2023 prev | next
$6.29 ¾
$5.72 ¼
Daily DEC 2023 Corn:
$4.79 ¾ /bu on
Tuesday, 9/26/2023
$4.90 ¾
$4.67 ¾
$4.79 ¾ /bu
Oct-03
Nov-09
Dec-19
Jan-26
Mar-07
Apr-14
May-24
Jul-03
Aug-09
Sep-18
@C2023Z

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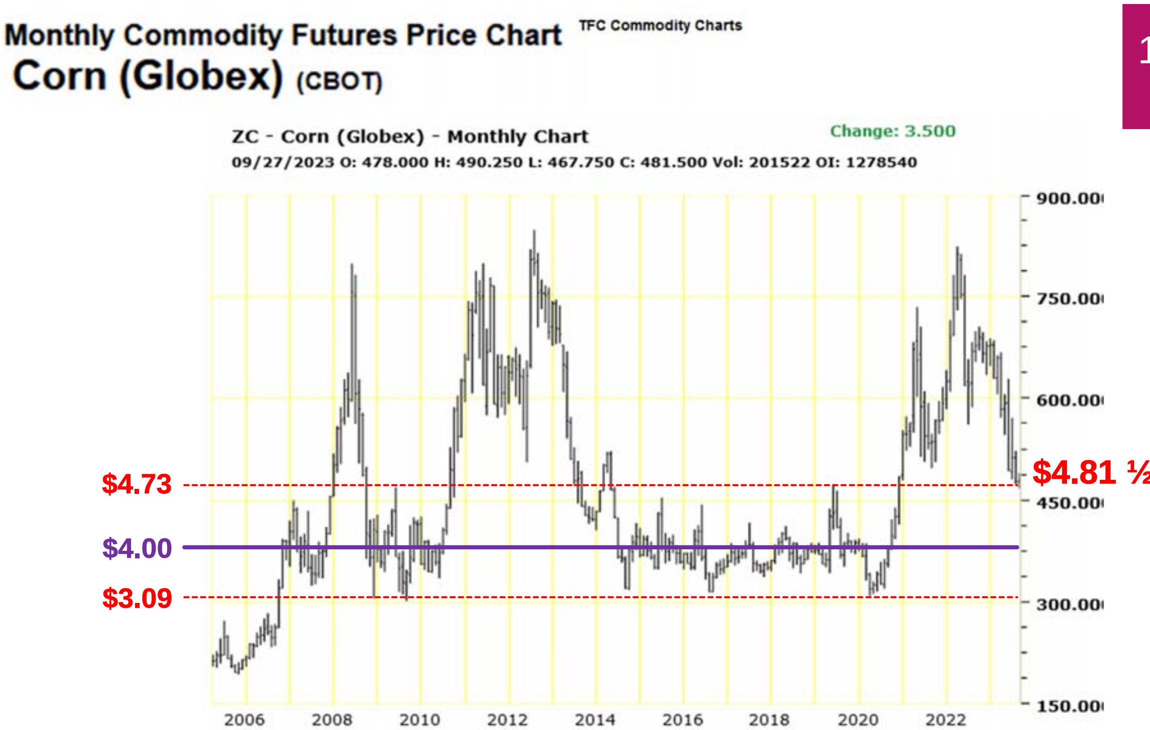
Monthly Commodity Futures Price Chart
TFC Commodity Charts
Corn (Globex) (CBOT)
ZC - Corn (Globex) - Monthly Chart
Change: 3.500
09/27/2023 O: 478.000 H: 490.250 L: 467.750 C: 481.500 Vol: 201522 OI: 1278540
$4.73
$4.00
$3.09
$4.81 ½
900.00
750.00
600.00
450.00
300.00
150.00
2006
2008
2010
2012
2014
2016
2018
2020
2022

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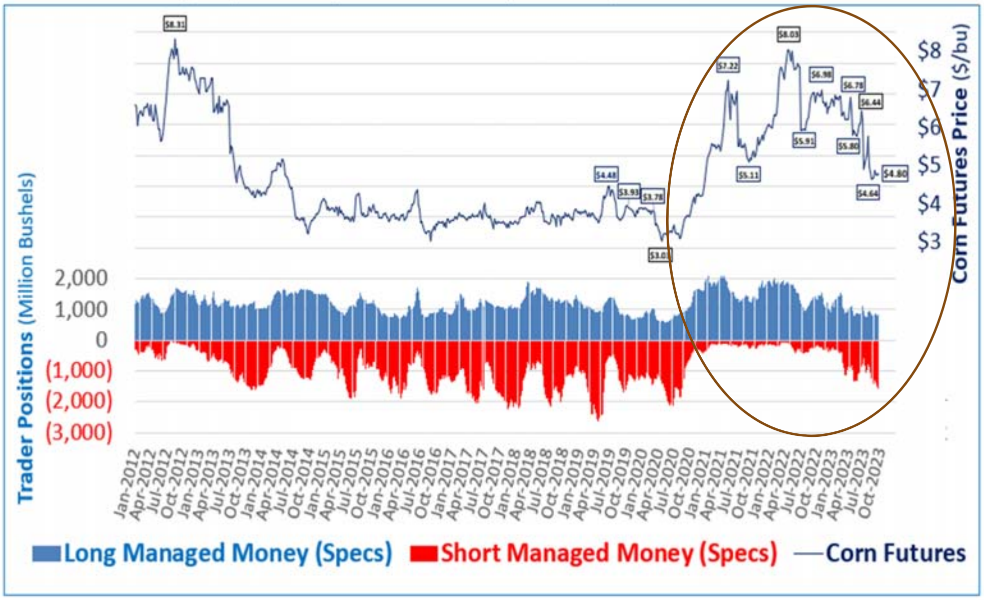
Corn Futures-Managed Money Traders (Specs): *Long & Short Positions*

June 2012 through September 19, 2023 CFTC Data + September 26, 2023 DEC2023 Corn Futures Closes



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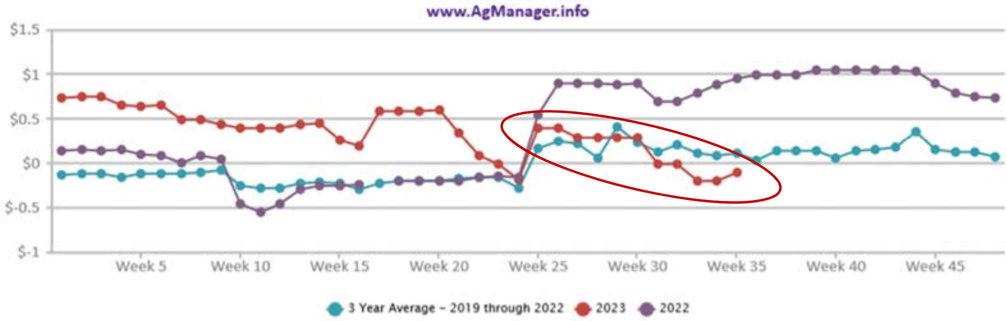
SALINA, KS: Corn Basis - CARGILL

www.AgManager.info



WRIGHT, KS: Corn Basis - ALLIANCE AG AND GRAIN LLC

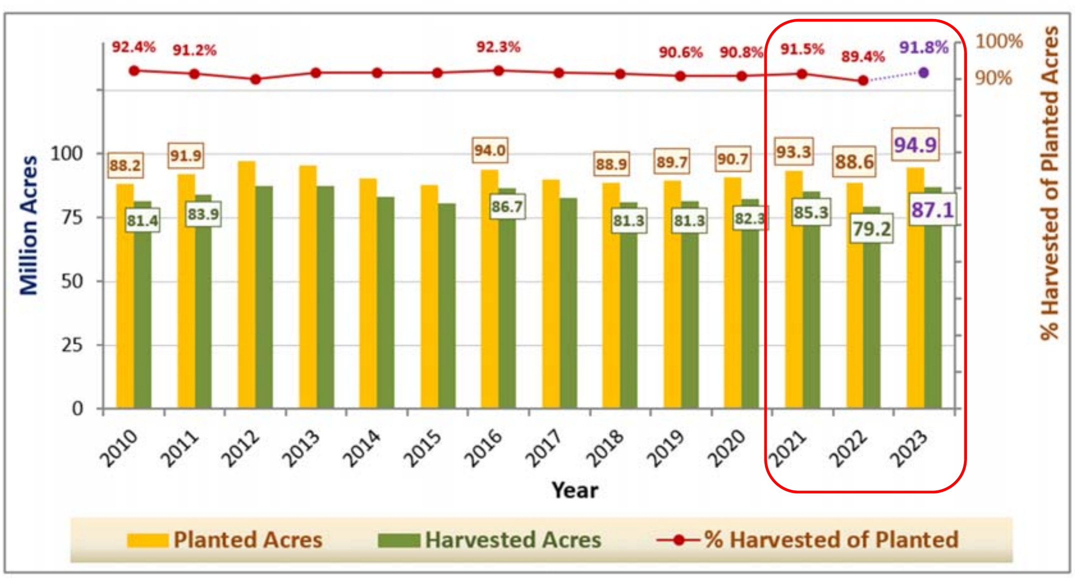
www.AgManager.info

Kansas Cash & Futures Prices

Date						
9/26/2023 Closes						
Grain Futures Contracts	Closing $					
DEC 2023 Corn (2023 Lead Contract - September Delivery)	$4.8100					
DEC 2023 Corn (2023 October Harvest Delivery)	$4.8100					
9/26/2023 Closes	Cash Grain & Harvest Contract Prices @ Kansas Grain Elevators					
	Representing the highest bids available at each location					
Cash Market Spot & FC Bids	Colby Area	Salina Area	Topeka Area	Garden City Area	Hutchinson Area	Columbus Area
	NW KS	NC KS	EC-NE KS	SW KS	SC KS	SE KS
Corn Spot Cash$	**$4.81**	**$4.71**	**$4.61**	**$5.11**	**$4.90**	**$4.61**
September Corn Spot Cash Basis	*$0.00*	*($0.10)*	*($0.20)*	*$0.30*	*$0.09*	*($0.20)*
Corn Harvest FC$: Fall 2023	**$4.80**	**$4.71**	**$4.61**	**$5.01**	**$4.81**	**$4.61**
October Corn Harvest FC$ Basis	*($0.01)*	*($0.10)*	*($0.20)*	*$0.20*	*$0.00*	*($0.20)*

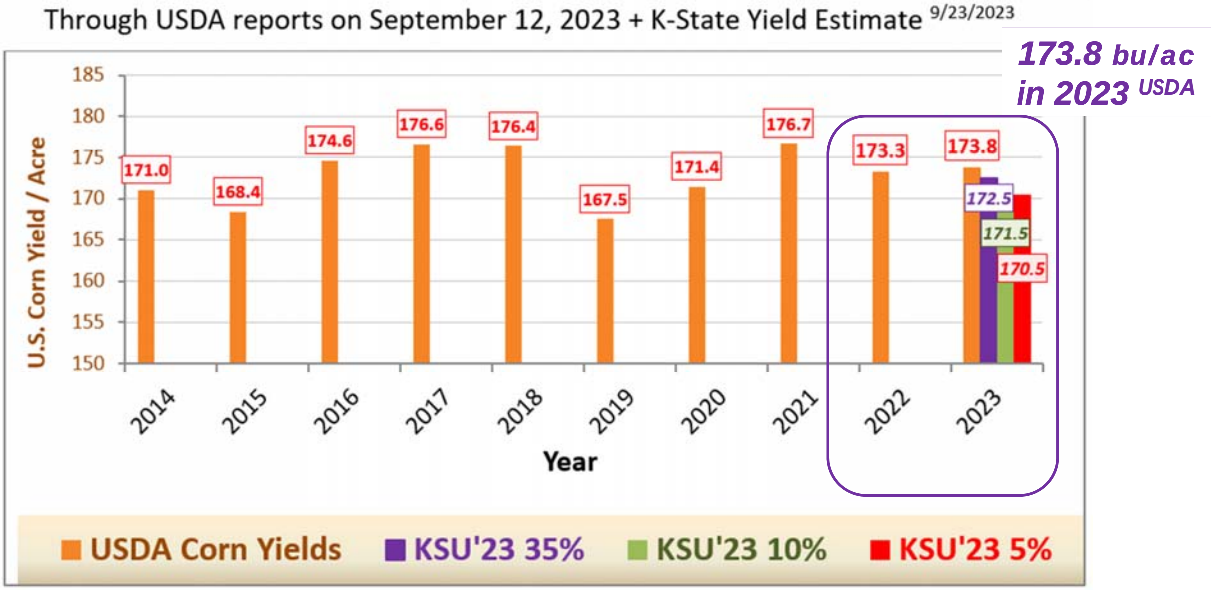
U.S. Corn Acreage for 2010-2023

Sources: USDA Crop Production & WASDE 9/12/2023 Reports



U.S. Corn Yields for 2014-2023

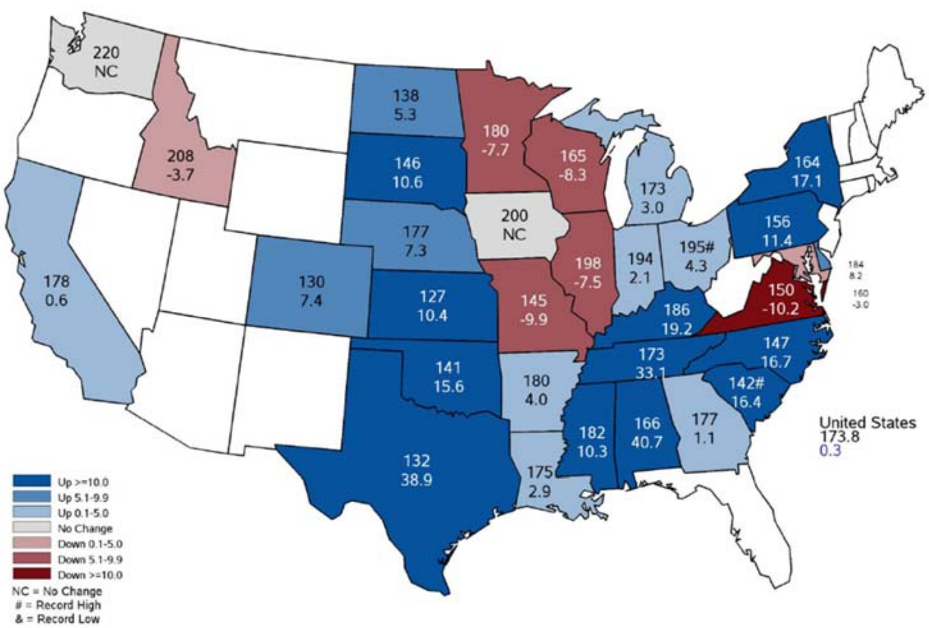
Through USDA reports on September 12, 2023 + K-State Yield Estimate 9/23/2023



September 12, 2023

September 2023 Corn Yield

Bushels and Percent Change from Previous Year



U.S. Corn Supply and Demand

Item	2022/2023 Estimate	2022/2023 Change from August 11	2023/2024 Forecast	2023/2024 Change from August 11	Change from 2022/2023
Planted area (million acres)	88.6	--	94.9	0.8	6.3
Harvested area (million acres)	79.2	--	87.1	0.8	7.9
Yield (bushels per acre)	173.3	--	173.8	-1.3	0.4
		------------ *Million bushels* ------------			
Beginning stocks	1,377	--	1,452	-5	75
Production	13,730	--	15,134	23	1,404
Imports	40	5	25	--	-15
Total supply	15,147	5	16,611	18	1,464
Feed and residual	5,425	--	5,625	--	200
Food, seed, and industrial	6,605	-30	6,715	--	110
Ethanol	5,195	-30	5,300	--	105
Domestic use	12,030	-30	12,340	--	310
Exports	1,665	40	2,050	--	385
Total use	13,695	10	14,390	--	695
Ending stocks	1,452	-5	2,221	18	769
		---------------- *Percent* ----------------			
Stocks to use ratio	10.6	**	15.4	0.1	4.8
		------------ *Dollars per bushel* ------------			
Average market price	6.55	-0.05	4.90	--	-1.65

-- No change. ** Rounds to zero.

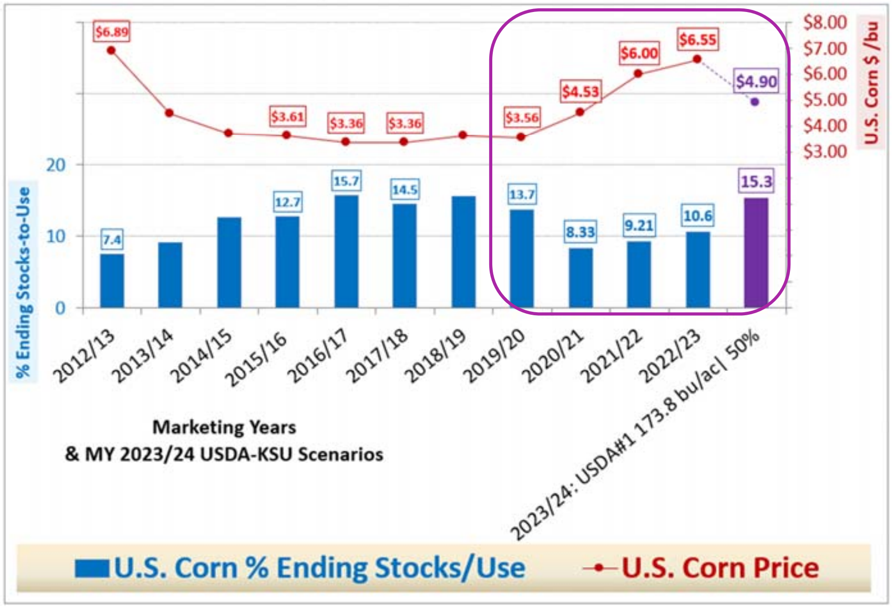
September 12, 2023

U.S. Corn Stocks & % Stocks-to-Use

MY 2012/13 thru "New Crop" MY 2023/24 as of the 9/12/2023 USDA + KSU Ests.

U.S. Corn % Stocks/Use vs Corn $

MY 2012/13 thru "New Crop" MY 2023/24 as of the September 12, 2023 USDA #s



U.S. Corn Supply-Demand Balance Sheet

"New Crop" MY 2023/24 as of the 9/12/2023 USDA WASDE + KSU Estimates As of 9/12/2023

Item	A. USDA #1 "New Crop" MY 2023/24 *"Average Yields"* = 173.8 bu/ac 15.134 bb Corn Crop	B. KSU #2 "New Crop" MY 2023/24 *"Lower Yields"* 172.5 bu/ac @ 15.024 bb *with No Rationing*	C. KSU #3 "New Crop" MY 2023/24 *"Yet Lower Yields"* 171.5 bu/ac @ 14.937 bb *with No Rationing*	D. KSU #4 "New Crop" MY 2023/24 *"Still Lower Yields"* 170.5 bu/ac @ 14.850 bb *with No Rationing*
% Probability of Occurring (KSU)	*50%KSUest*	*35%KSUest*	*10%KSUest*	*5%KSUest*
Planted Area (million acres)	**94.868**	**94.868**	**94.868**	**94.868**
Harvested Area (million acres)	87.096	87.096	87.096	87.096
Yield / harvested acre (bu/ac)	173.8	*–1.3 bu./ac* 172.5	*–2.3 bu./ac* 171.5	*–3.3 bu./ac* 170.5
	Million Bushels			
Production (million bu.)	**15,134**	*–110 mb* **15,024**	*–197 mb* **14,937**	*–284 mb* **14,850**
Total Supply (million bu.)	**16,611**	*–110 mb* **16,501**	*–197 mb* **16,414**	*–284 mb* **16,327**
Total Use (million bu.)	**14,390**	**14,390**	**14,390**	**14,390**
Ending Stocks (million bu.)	**2,221**	*–110 mb* **2,110**	*–197 mb* **2,024**	*–284 mb* **1,937**
% Ending Stocks-to-Use	**15.43%**	**14.66%**	**14.07%**	**13.46%**
U.S. Corn Average Farm Price ($/bushel)	**$4.90 USDA** *$4.95 KSU 9/25/2023*	**$5.15 KSU** *$4.95 KSU 9/25/2023*	**$5.35 KSU** *$4.95 KSU 9/25/2023*	**$5.60 KSU** *$4.95 KSU 9/25/2023*

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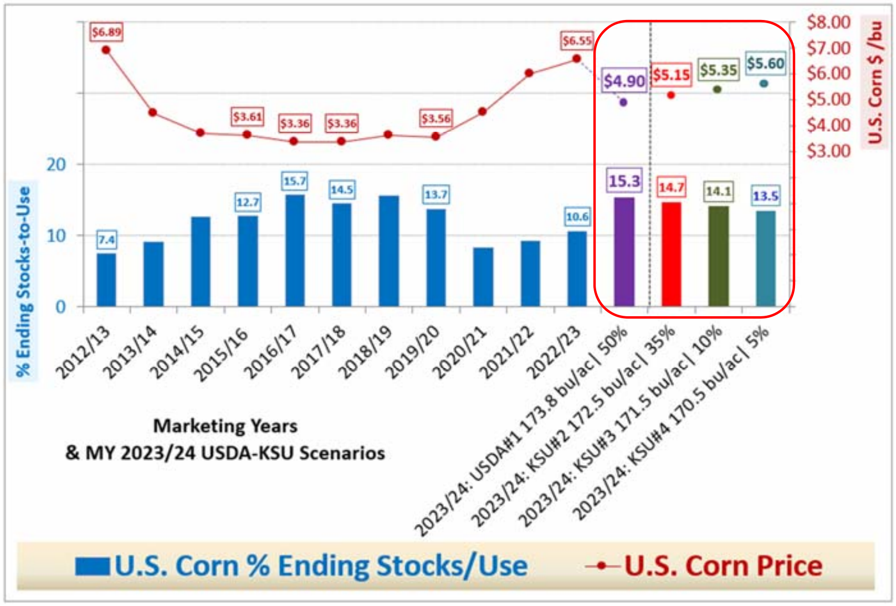
U.S. Corn % Stocks/Use vs Corn $

MY 2012/13 thru "New Crop" MY 2023/24 as of the Sept. 12, 2023 USDA #s + KSU Ests. 9/23/2023



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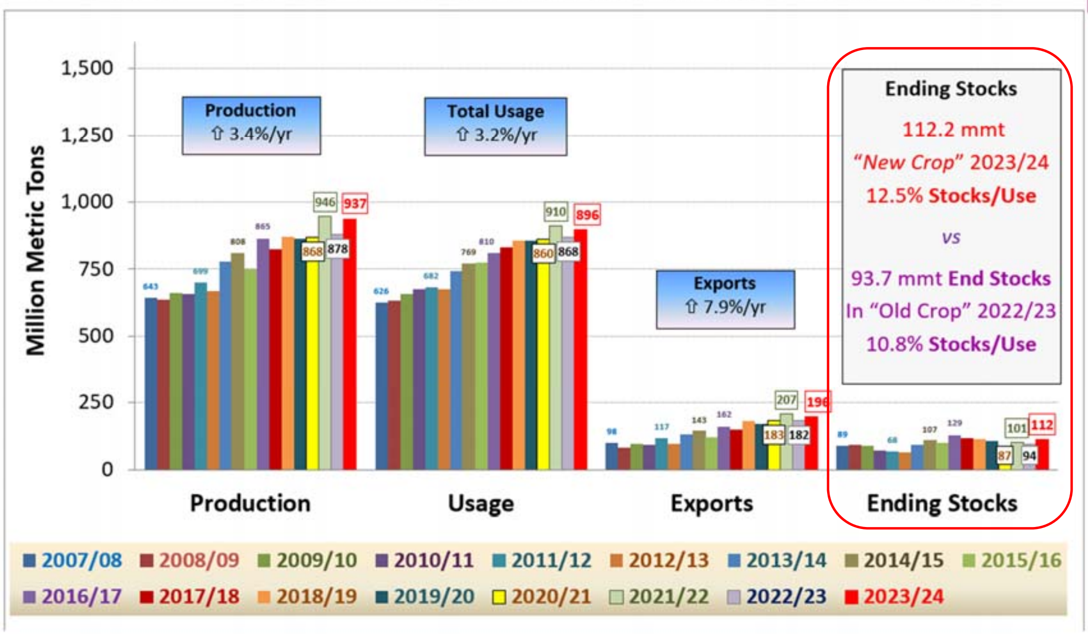
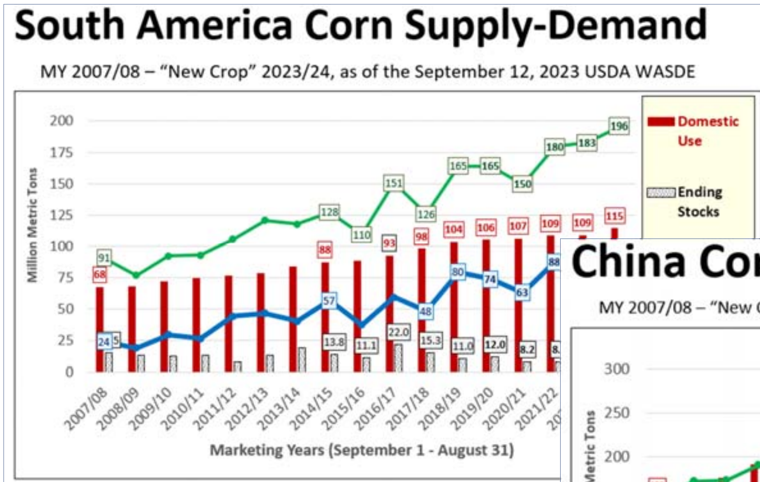
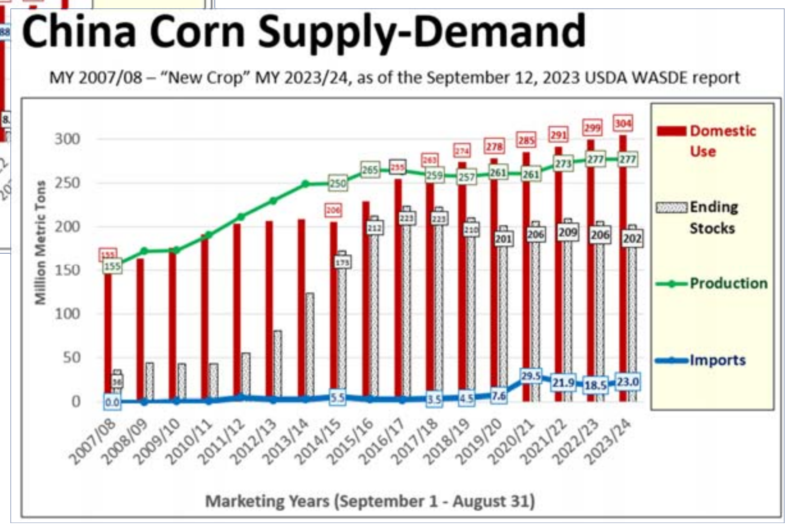
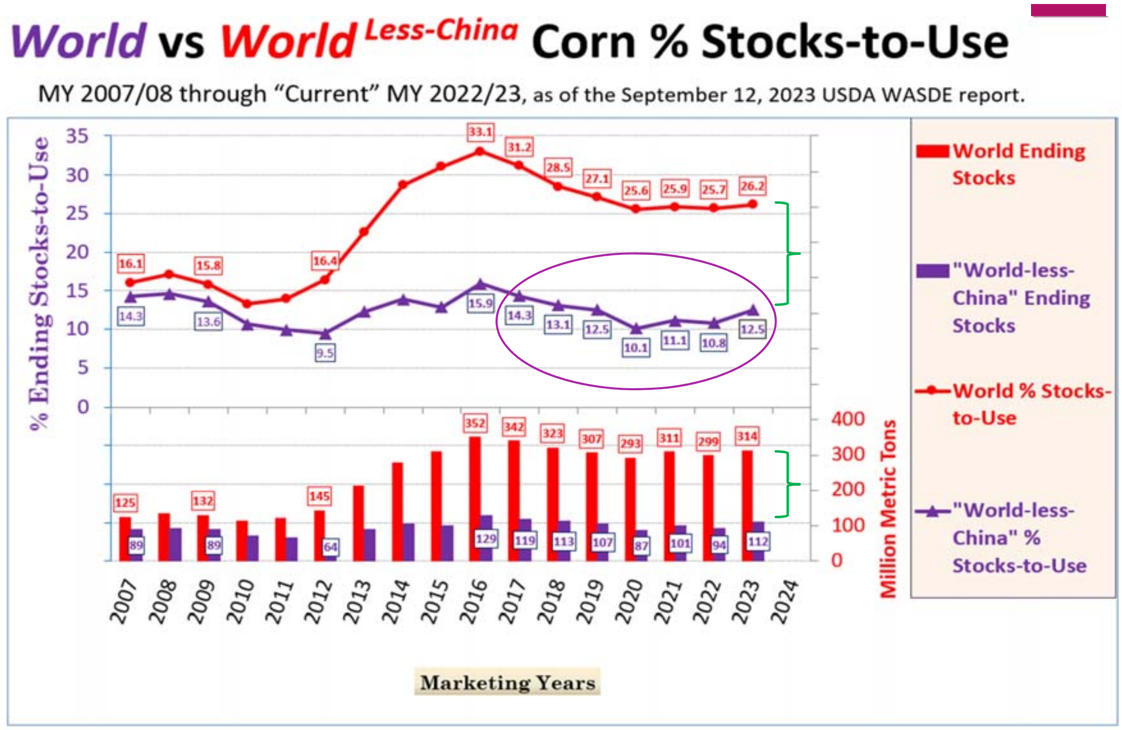
"World Less-China" Corn Supply-Demand

MY 2007/08 – "New Crop" MY 2023/24 as of the September 12, 2023 USDA WASDE Report

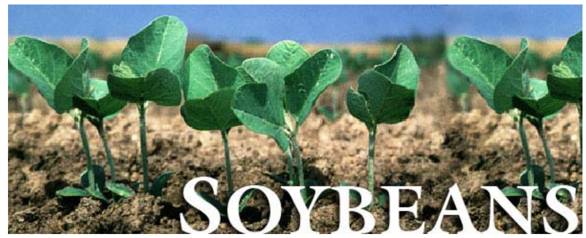



South America Corn Supply-Demand
MY 2007/08 – "New Crop" 2023/24, as of the September 12, 2023 USDA WASDE
Domestic Use
Ending Stocks
Million Metric Tons
Marketing Years (September 1 - August 31)

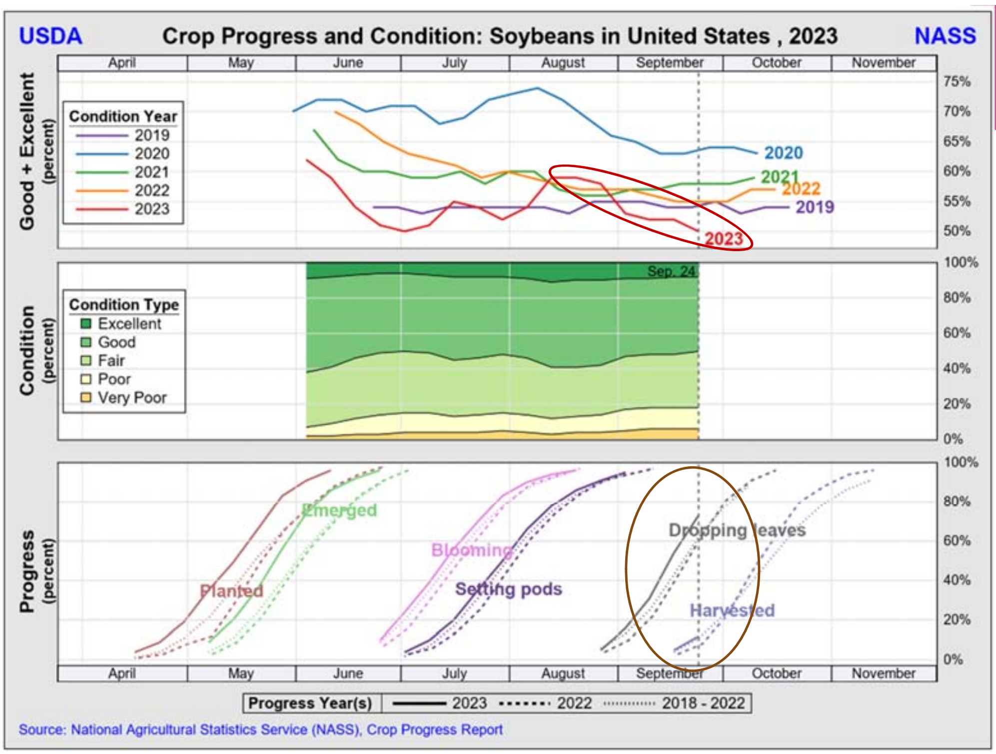

China Corn Supply-Demand
MY 2007/08 – "New Crop" MY 2023/24, as of the September 12, 2023 USDA WASDE report
Domestic Use
Ending Stocks
Production
Imports
Million Metric Tons
Marketing Years (September 1 - August 31)

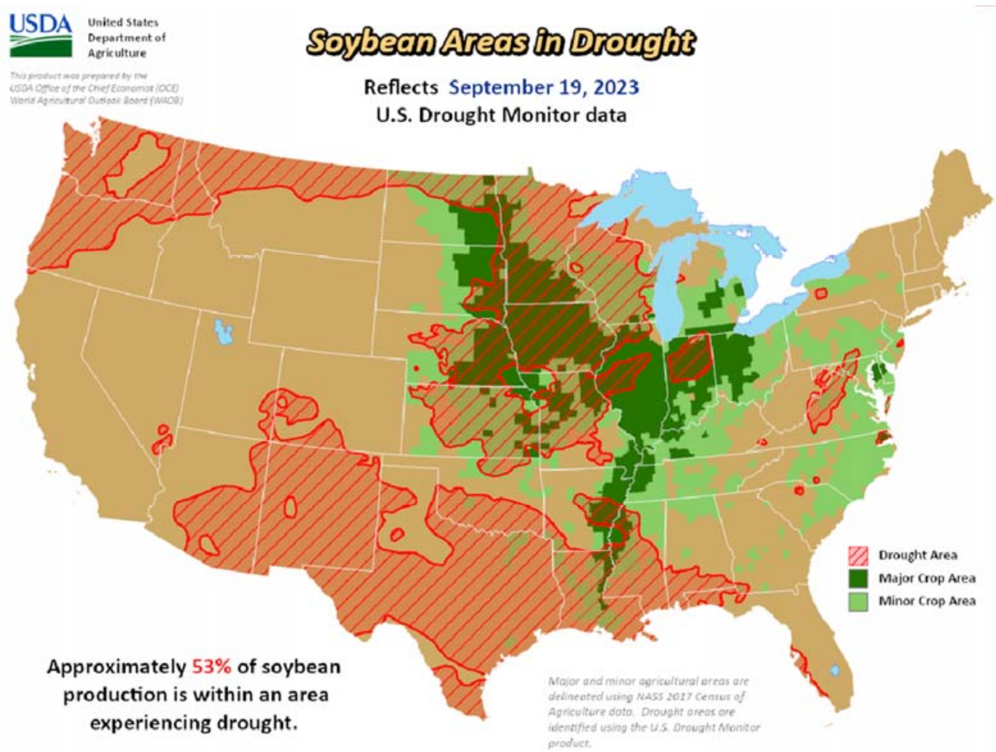

World vs World Less-China Corn % Stocks-to-Use
MY 2007/08 through "Current" MY 2022/23, as of the September 12, 2023 USDA WASDE report.
% Ending Stocks-to-Use
Million Metric Tons
World Ending Stocks
"World-less-China" Ending Stocks
World % Stocks-to-Use
"World-less-China" % Stocks-to-Use
Marketing Years

Soybean Markets



KANSAS STATE UNIVERSITY Department of Agricultural Economics




USDA
United States Department of Agriculture
This product was prepared by the USDA Office of the Chief Economist (OCE) World Agricultural Outlook Board (WAOB)
Soybean Areas in Drought
Reflects September 19, 2023
U.S. Drought Monitor data
Drought Area
Major Crop Area
Minor Crop Area
Approximately 53% of soybean production is within an area experiencing drought.
Major and minor agricultural areas are delineated using NASS 2017 Census of Agriculture data. Drought areas are identified using the U.S. Drought Monitor product.

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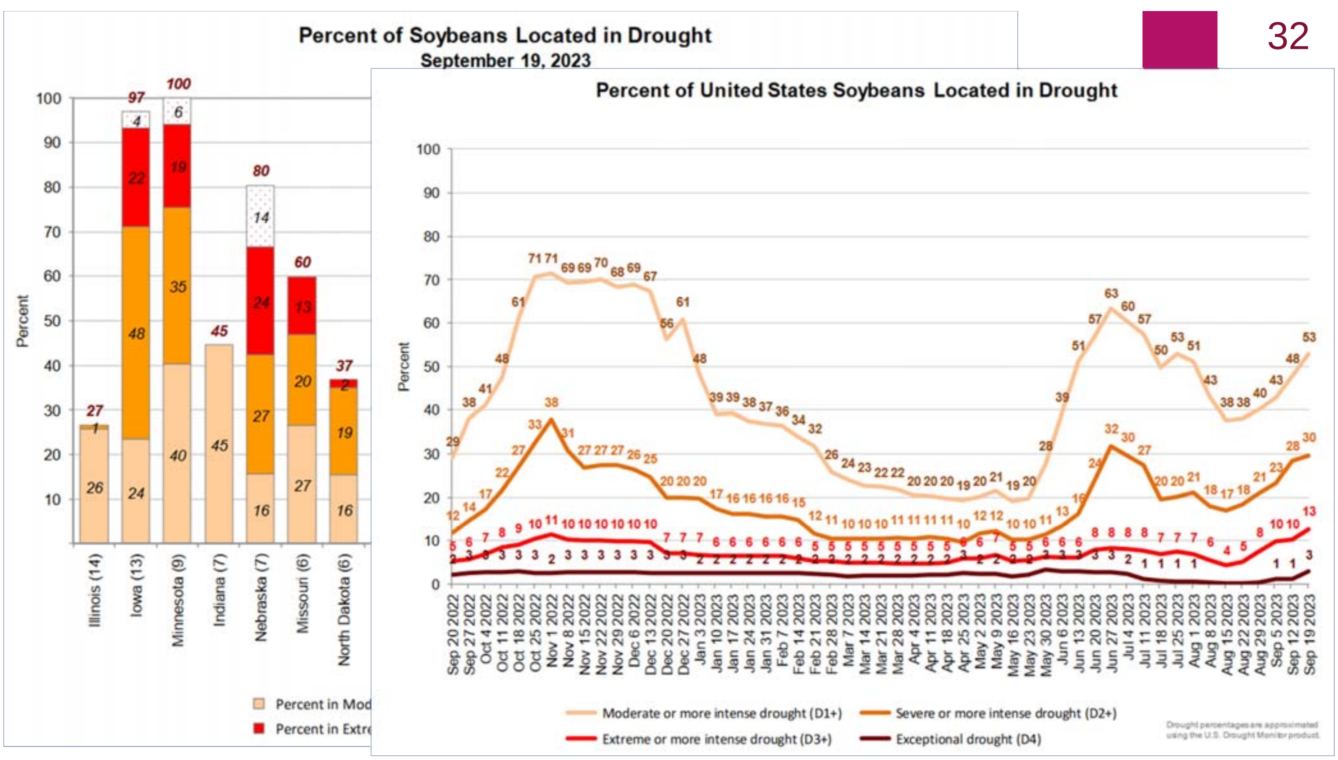
Percent of Soybeans Located in Drought
September 19, 2023
Percent
Illinois (14)
Iowa (13)
Minnesota (9)
Indiana (7)
Nebraska (7)
Missouri (6)
North Dakota (6)
27
97
100
45
80
60
37
Percent in Mod
Percent in Extre
Percent of United States Soybeans Located in Drought
Percent
Moderate or more intense drought (D1+)
Severe or more intense drought (D2+)
Extreme or more intense drought (D3+)
Exceptional drought (D4)
Drought percentages are approximated using the U.S. Drought Monitor product.

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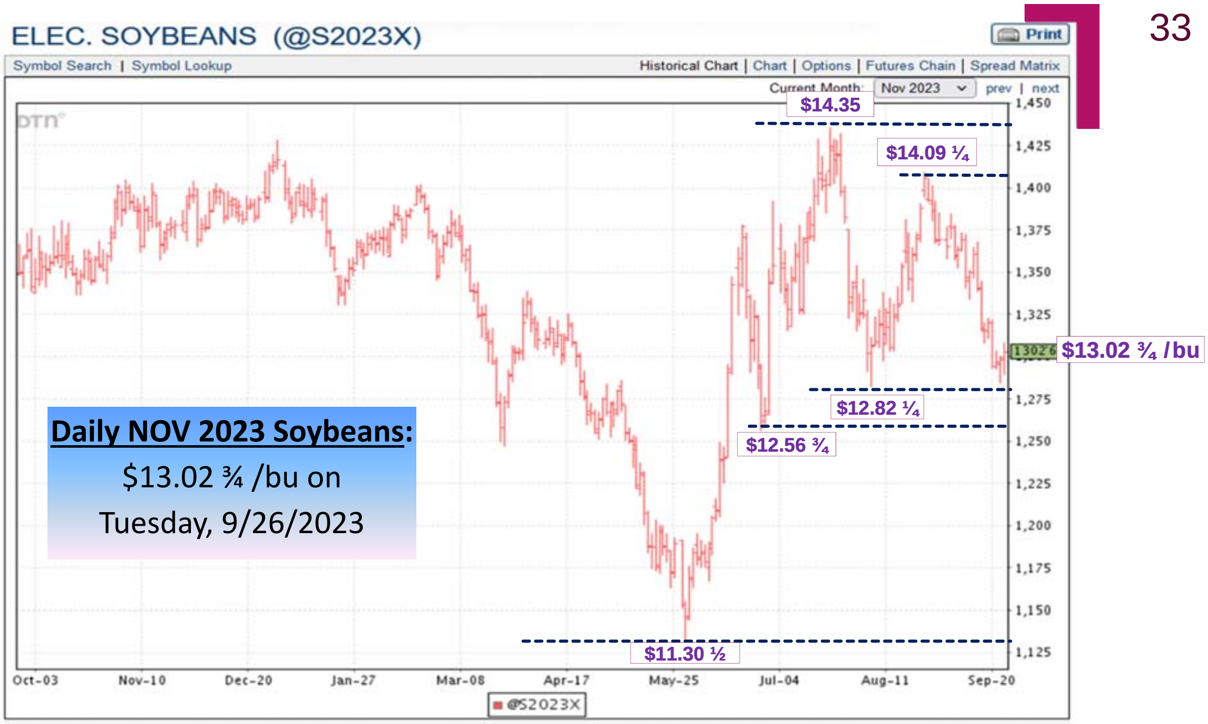
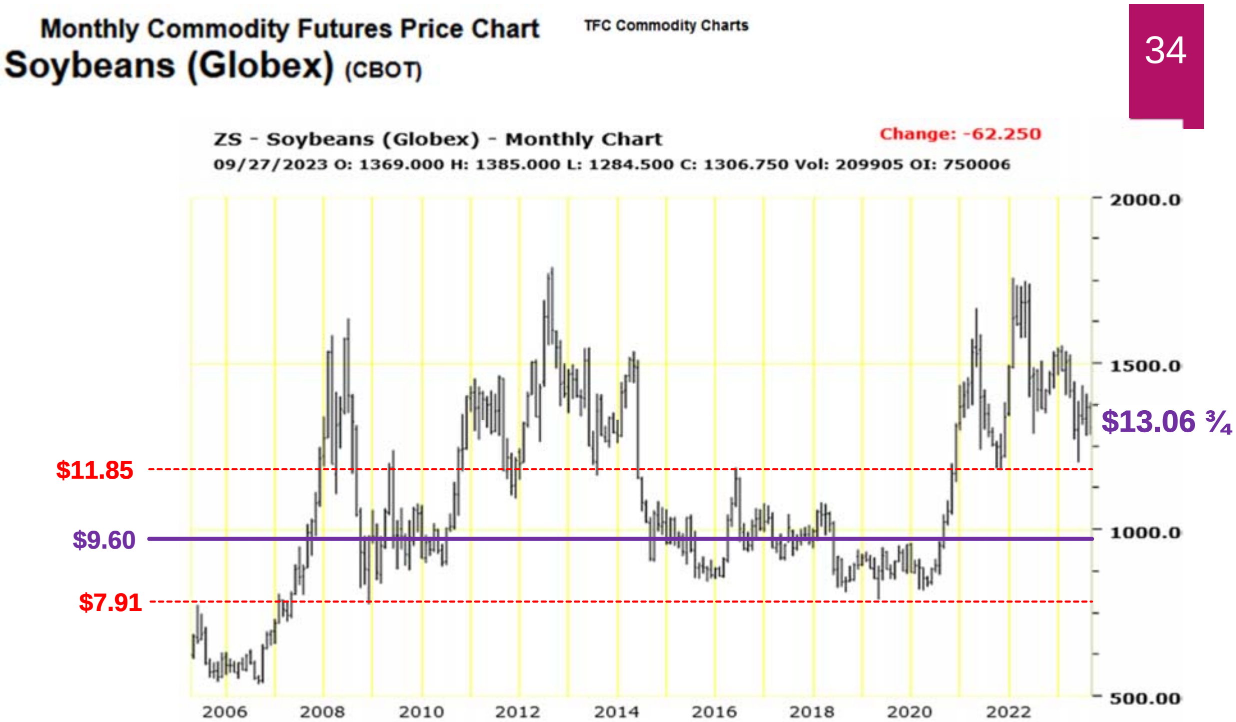

ELEC. SOYBEANS (@S2023X)
Print
Symbol Search | Symbol Lookup
Historical Chart | Chart | Options | Futures Chain | Spread Matrix
Current Month: Nov 2023
prev | next
$14.35
$14.09 ¼
$13.02 ¾ /bu
$12.82 ¼
$12.56 ¾
$11.30 ½
Daily NOV 2023 Soybeans:
$13.02 ¾ /bu on
Tuesday, 9/26/2023
Oct-03
Nov-10
Dec-20
Jan-27
Mar-08
Apr-17
May-25
Jul-04
Aug-11
Sep-20
@S2023X


Monthly Commodity Futures Price Chart
TFC Commodity Charts
Soybeans (Globex) (CBOT)
ZS - Soybeans (Globex) - Monthly Chart
Change: -62.250
09/27/2023 O: 1369.000 H: 1385.000 L: 1284.500 C: 1306.750 Vol: 209905 OI: 750006
2000.0
1500.0
1000.0
500.00
$13.06 ¾
$11.85
$9.60
$7.91
2006
2008
2010
2012
2014
2016
2018
2020
2022

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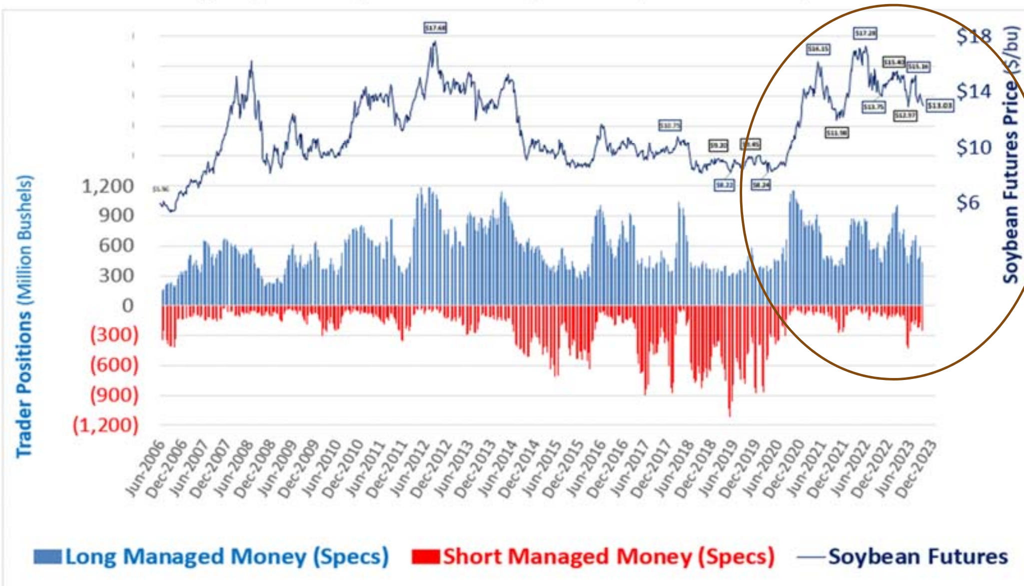
Soybean Futures-Managed Money Traders (Specs): *Long & Short Positions*

June 2006 through September 19, 2023 *CFTC Data* + September 26, 2023 NOV2023 Soybean Futures *Closes*



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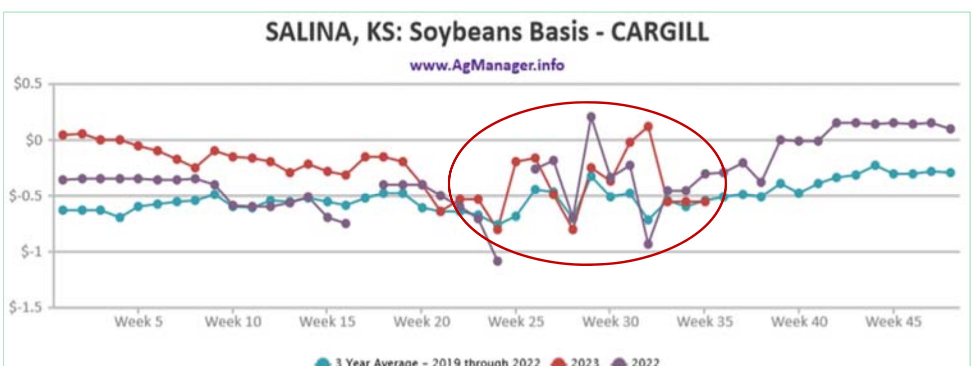
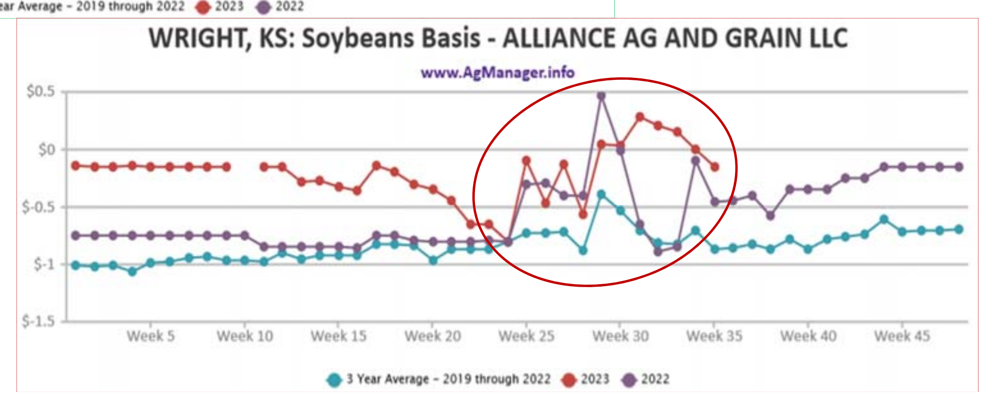




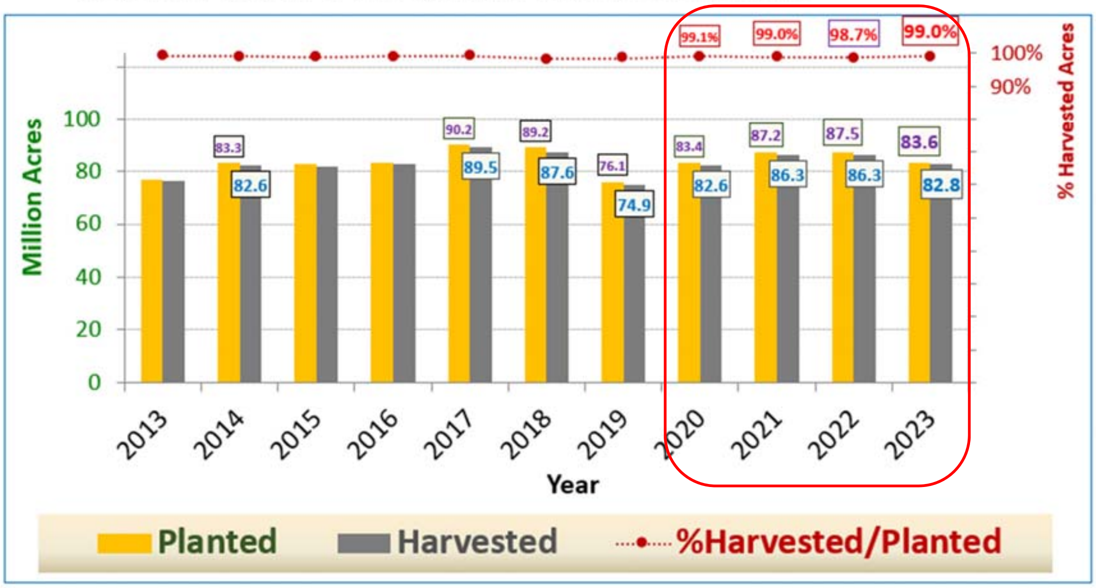
Kansas Cash & Futures Prices

Date	
9/26/2023 Closes	
Grain Futures Contracts	Closing $
NOV 2023 Soybeans (2023 Lead Contract - September Delive	$13.0800
NOV 2023 Soybeans (2023 October Harvest Delivery)	$13.0800

9/26/2023 Closes	Cash Grain & Harvest Contract Prices @ Kansas Grain Elevators					
	Representing the highest bids available at each location					
Cash Market Spot & FC Bids	Colby Area	Salina Area	Topeka Area	Garden City Area	Hutchinson Area	Columbus Area
	NW KS	NC KS	EC-NE KS	SW KS	SC KS	SE KS
Soybean Spot Cash$	**$12.13**	**$12.56**	**$13.03**	**$12.63**	**$13.08**	**$13.09**
September Soybean Spot Cash Basis	*($0.95)*	*($0.52)*	*($0.05)*	*($0.45)*	*$0.00*	*$0.01*
Soybean Harvest FC$: Fall 2022	**$12.23**	**$12.53**	**$12.47**	**$12.18**	**$12.68**	**$12.38**
October Soybean Harvest FC$ Basis	*($0.85)*	*($0.55)*	*($0.61)*	*($0.90)*	*($0.40)*	*($0.70)*

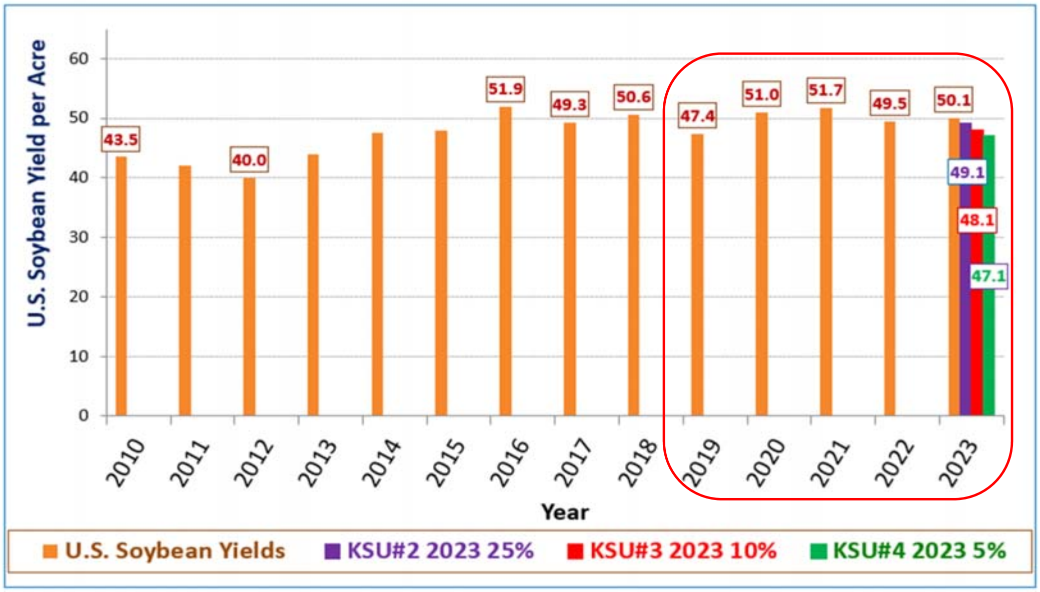
U.S. Soybean Acreage for 2013-2023

Years 2013-2023 as of the September 12, 2023 USDA Reports



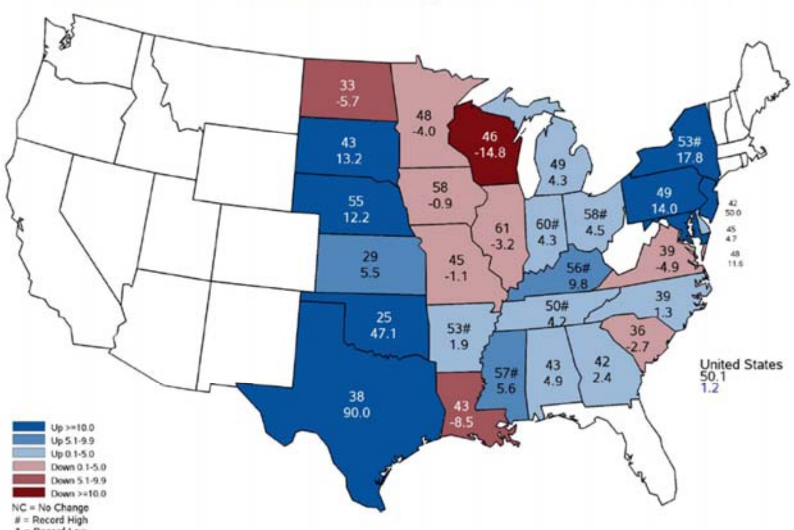
U.S. Soybean Yields: 2010-2023

As of the September 12, 2023 USDA WASDE & ERS Reports + KSU Estimates



September 2023 Soybean Yield

Bushels and Percent Change from Previous Year



United States Department of Agriculture
National Agricultural Statistics Service

September 12, 2023

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U.S. Soybeans Supply and Demand

Item	2022/2023 Estimate	2022/2023 Change from August 11	2023/2024 Forecast	2023/2024 Change from August 11	2023/2024 Change from 2022/2023
Planted area (million acres)	87.5	--	83.6	0.1	-3.9
Harvested area (million acres)	86.3	--	82.8	0.1	-3.5
Yield (bushels per acre)	49.5	--	50.1	-0.8	0.5
		Million bushels			
Beginning stocks	274	--	250	-10	-24
Production	4,276	--	4,146	-59	-130
Imports	30	--	30	--	0
Total supply	4,581	--	4,426	-70	-154
Crush	2,220	--	2,290	-10	70
Seed and Residual	120	**	126	1	6
Domestic use	2,340	**	2,416	-9	76
Exports	1,990	10	1,790	-35	-200
Total use	4,330	10	4,206	-44	-124
Ending stocks	250	-10	220	-25	-30
		Percent			
Stocks to use ratio	5.8	-0.2	5.2	-0.5	-0.5
		Dollars per bushel			
Average market price	14.20	--	12.90	0.20	-1.30

-- No change. ** Rounds to zero.

September 12, 2023

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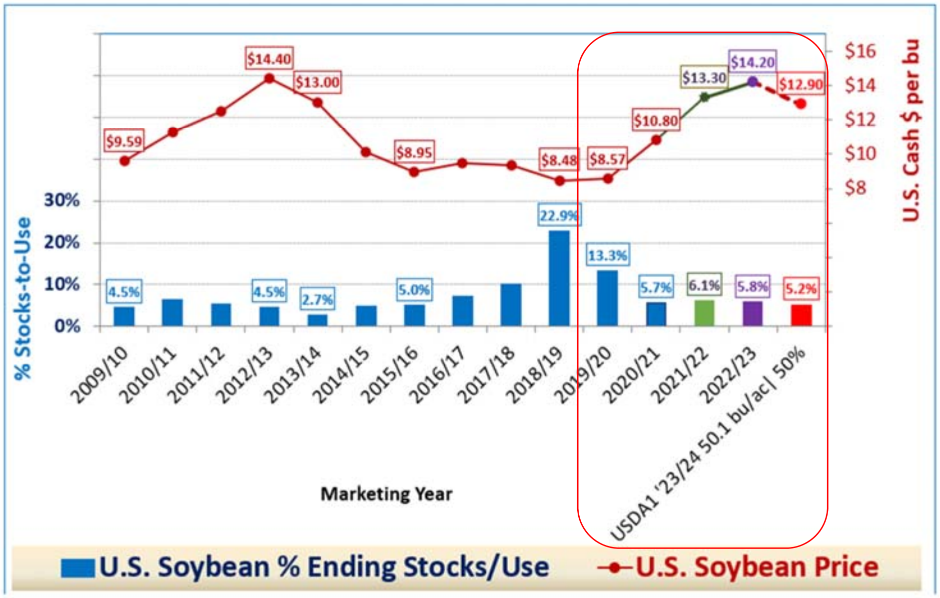
U.S. Soybean Use & Ending Stocks

MY 2012/13 - Projected "New Crop" MY 2023/24 as of the September 12, 2023 USDA Reports

U.S. Soybean % Stocks/Use vs U.S. $'s

MY 2009/10 – "Next Crop" 2023/24 as of September 12, 2023 USDA Reports



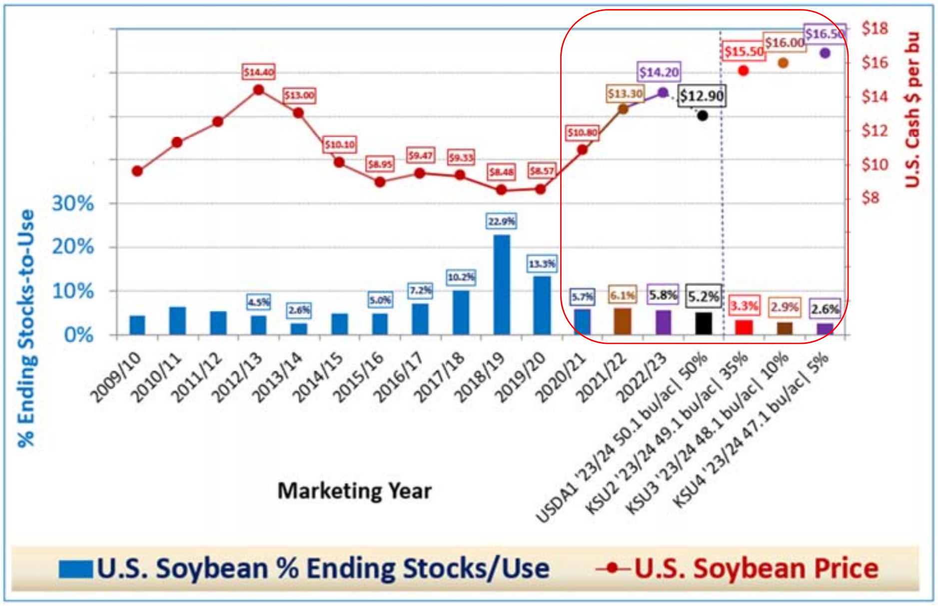
U.S. Soybean Projected S-D *"New Crop" MY 2023/24*

As of the September 12, 2023 USDA WASDE Report + **KSU Scenarios** *As of 9/24/2023*

Item	**A. USDA WASDE** Scenario #1 *"New Crop" 2023/24* Using 8/11/2023 USDA Info. Yield: 50.1 bu/acre	**B. KSU** Scenario #2 *"New Crop" 2023/24* Yield: 49.1 bu/ac + USDA Usage #'s	**C. KSU** Scenario #3 *"New Crop" 2023/24* Yield: 48.1 bu/ac + Rationed Usage	**D. KSU** Scenario #4 *"New Crop" 2023/24* Yield: 47.1 bu/ac + Rationed Usage
% Probability of Occurring (KSU)	*50%* KSUest	*35%* KSUest	*10%* KSUest	*5%* KSUest
Planted Area (million acres)	83.600	83.600	83.600	83.600
Harvested Area (million acres)	82.791	82.791	82.791	82.791
Yield / harvested acre (bu/ac)	50.1	*(-1 bu/ac)* 49.1	*(-2 bu/ac)* 48.1	*(-3 bu/ac)* 47.1
Production (million bu.)	4,146	*(-81 mb)* 4,065	*(--164 mb)* 3,982	*(--247 mb)* 3,899
Total Supply (million bu.)	4,426	*(-81 mb)* 4,345	*(-164 mb)* 4,262	*(-247 mb)* 4,179
Domestic Crushings	2,290	2,290	*(--32 mb)* 2,258	*(--66 mb)* 2,224
Exports	1,790	1,790	*(--32 mb)* 1,758	*(--66 mb)* 1,790
Total Use	4,206	4,206	*(--64 mb)* 4,142	*(--132 mb)* 4,074
Ending Stocks	220	*(-81 mb)* 139	*(-100 mb)* 120	*(-115 mb)* 105
% Ending Stocks-to-Use	5.23%	*3.30%*	*2.90%*	*2.58%*
U.S. Avg. Farm Price ($/bu)	**$12.90** USDA $13.28 *KSU 9/25/2023*	$15.50 KSU $13.28 *KSU 9/25/2023*	$16.00 KSU $13.28 *KSU 9/25/2023*	$16.60 KSU $13.28 *KSU 9/25/2023*

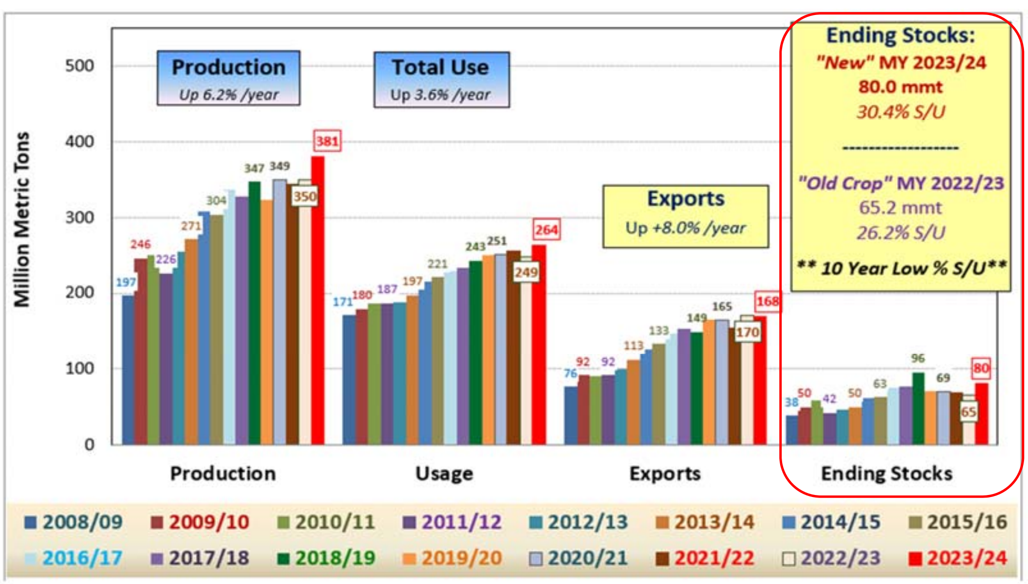
U.S. Soybean % Stocks/Use vs U.S. Cash$

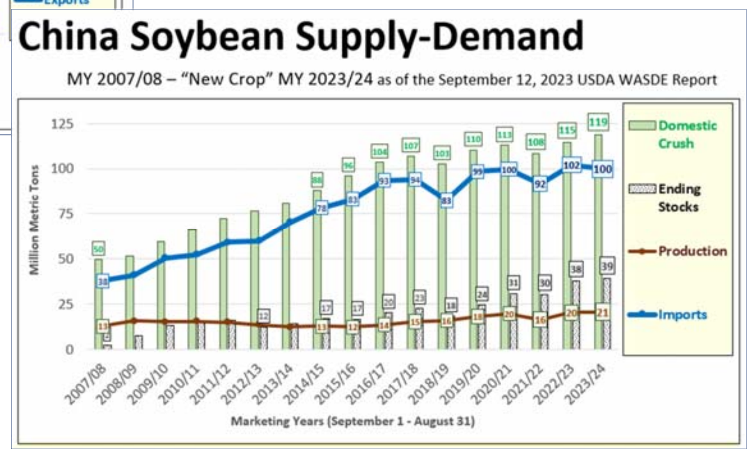
MY 2009/10 – "New Crop" MY 2023/24 as of the September 12, 2023 USDA WASDE + KSU Estimates



World Less-China Soybean Use & End Stocks

MY 2008/09 - "New Crop" MY 2023/24 as of the September 12, 2023 WASDE





Wheat Markets

Kansas State University
Department of Agricultural Economics

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RMA Price Discovery | Your Price

https://prodwebnlb.rma.usda.gov/apps/PriceDiscovery/GetPrices/YourPrice

Commodity: Wheat
State: Kansas
Sales Closing Date: September 30, 2023

Type: Winter
Practice: Conventional
Year: 2024

Base Contract: KCBT July HRW Wheat 2024 (KEN24)

	Projected Price	Price Volatility	Harvest Price
	$7.44 per Bushel	0.23	Not Yet Available
Status	In Discovery	In Discovery	Yet To Start
Start Date	8/15/2023	8/15/2023	N/A
End Date	9/14/2023	9/14/2023	N/A

Commodity: Wheat
State: Kansas
Sales Closing Date: September 30, 2022

Type: Winter
Practice: Conventional
Year: 2023

Base Contract: KCBT July HRW Wheat 2023 (KEN23)

	Projected Price	Price Volatility	Harvest Price
	$8.79 per Bushel	0.31	$8.20 per Bushel
Status	Released	Released	Released
Start Date	8/15/2022	8/15/2022	6/1/2023
End Date	9/14/2022	9/14/2022	6/30/2023

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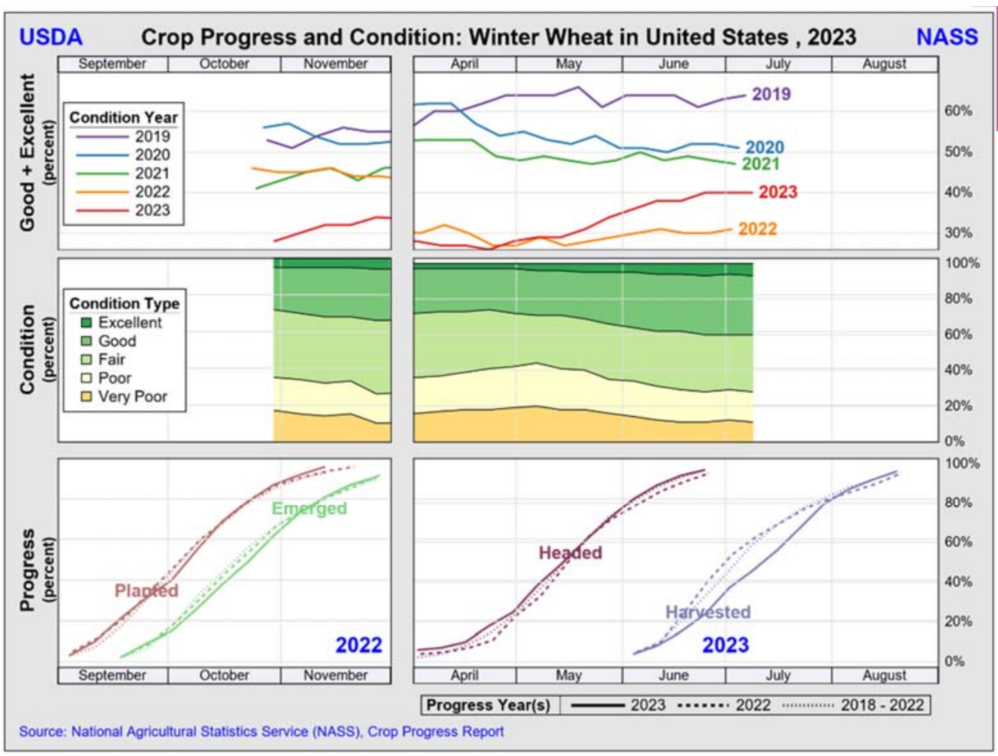
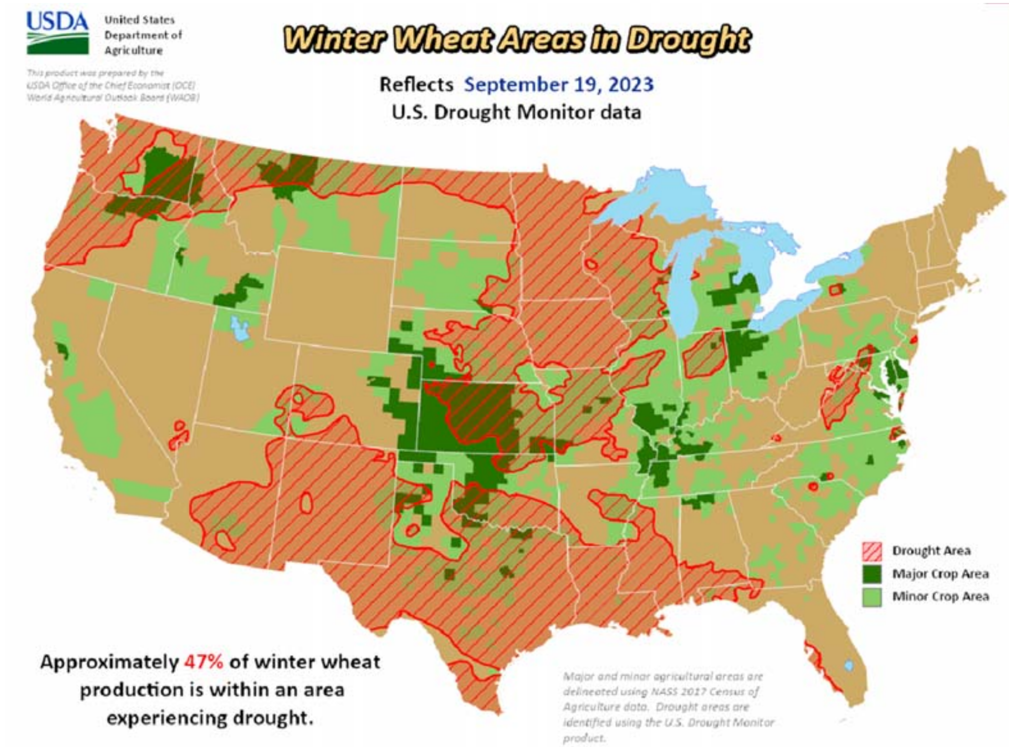
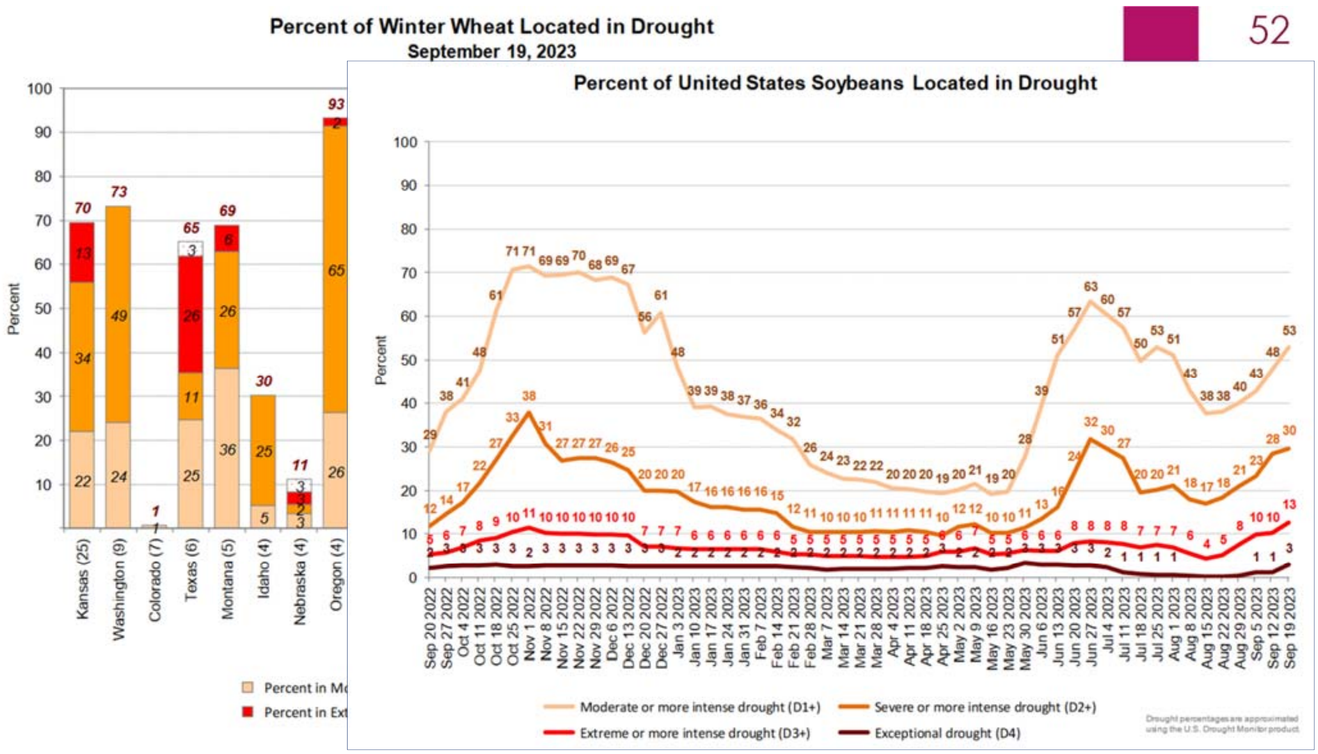
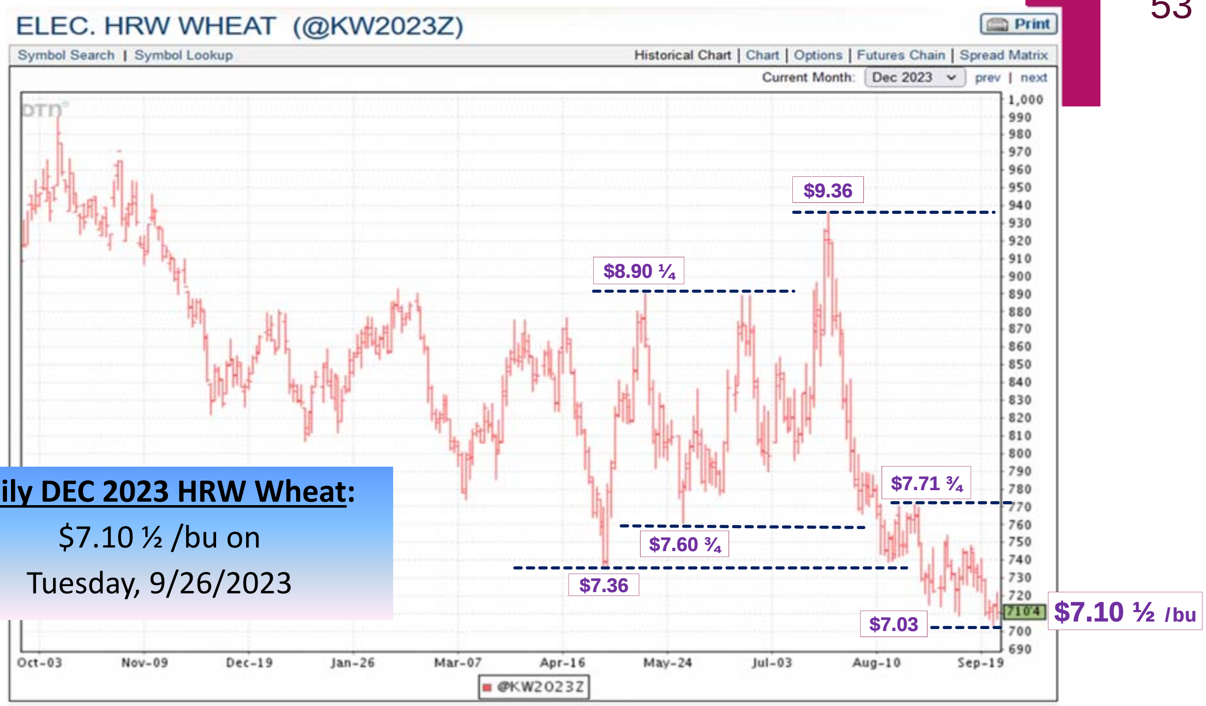




USDA
United States Department of Agriculture
This product was prepared by the USDA Office of the Chief Economist (OCE) World Agricultural Outlook Board (WAOB)
Winter Wheat Areas in Drought
Reflects September 19, 2023
U.S. Drought Monitor data
Drought Area
Major Crop Area
Minor Crop Area
Approximately 47% of winter wheat production is within an area experiencing drought.
Major and minor agricultural areas are delineated using NASS 2017 Census of Agriculture data. Drought areas are identified using the U.S. Drought Monitor product.



Percent of Winter Wheat Located in Drought
September 19, 2023
Percent
Kansas (25)
Washington (9)
Colorado (7)
Texas (6)
Montana (5)
Idaho (4)
Nebraska (4)
Oregon (4)
Percent in Mo
Percent in Ext
Percent of United States Soybeans Located in Drought
Percent
Moderate or more intense drought (D1+)
Severe or more intense drought (D2+)
Extreme or more intense drought (D3+)
Exceptional drought (D4)
Drought percentages are approximated using the U.S. Drought Monitor product.



Daily DEC 2023 HRW Wheat:
$7.10 ½ /bu on
Tuesday, 9/26/2023

Monthly Commodity Futures Price Chart
TFC Commodity Charts
Wheat (Kansas) (Electronic) (KCBT)

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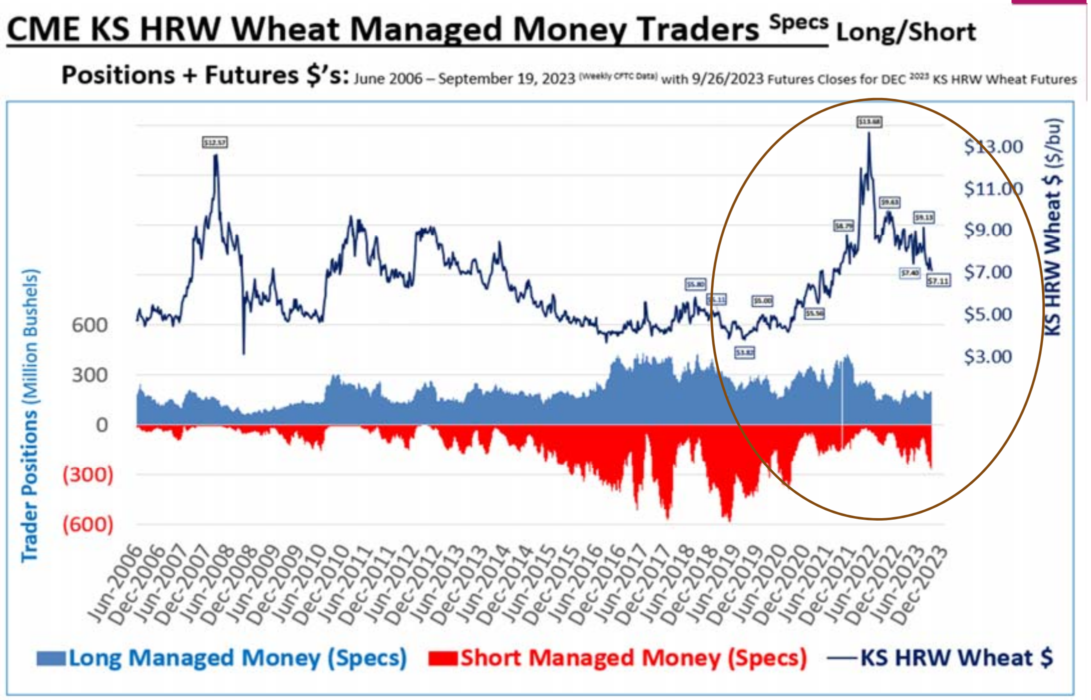
CME KS HRW Wheat Managed Money Traders Specs Long/Short
Positions + Futures $'s: June 2006 – September 19, 2023 (Weekly CFTC Data) with 9/26/2023 Futures Closes for DEC 2023 KS HRW Wheat Futures
Trader Positions (Million Bushels)
KS HRW Wheat $ ($/bu)
Long Managed Money (Specs)
Short Managed Money (Specs)
KS HRW Wheat $

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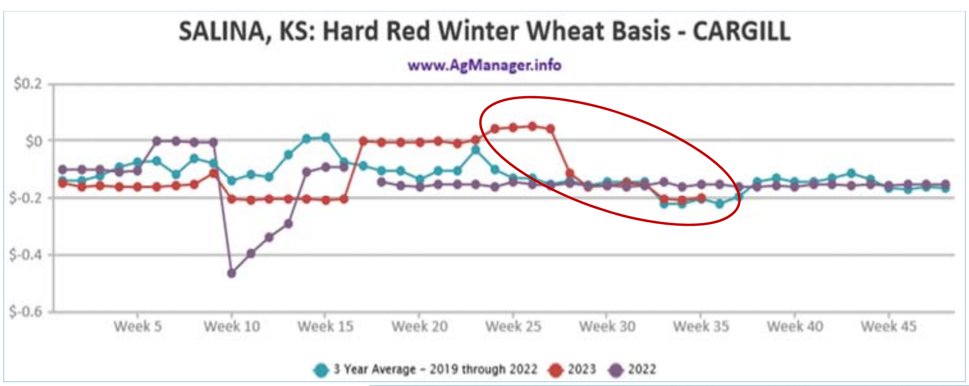
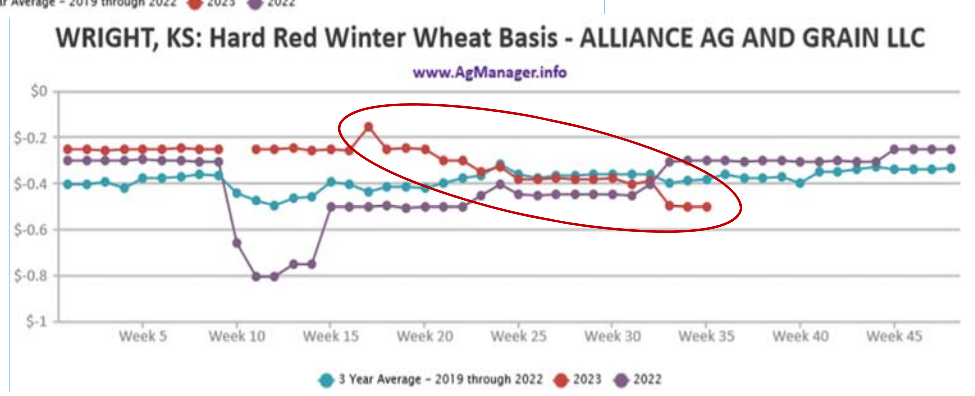

SALINA, KS: Hard Red Winter Wheat Basis - CARGILL
www.AgManager.info
3 Year Average – 2019 through 2022
2023
2022


WRIGHT, KS: Hard Red Winter Wheat Basis - ALLIANCE AG AND GRAIN LLC
www.AgManager.info
3 Year Average – 2019 through 2022
2023
2022

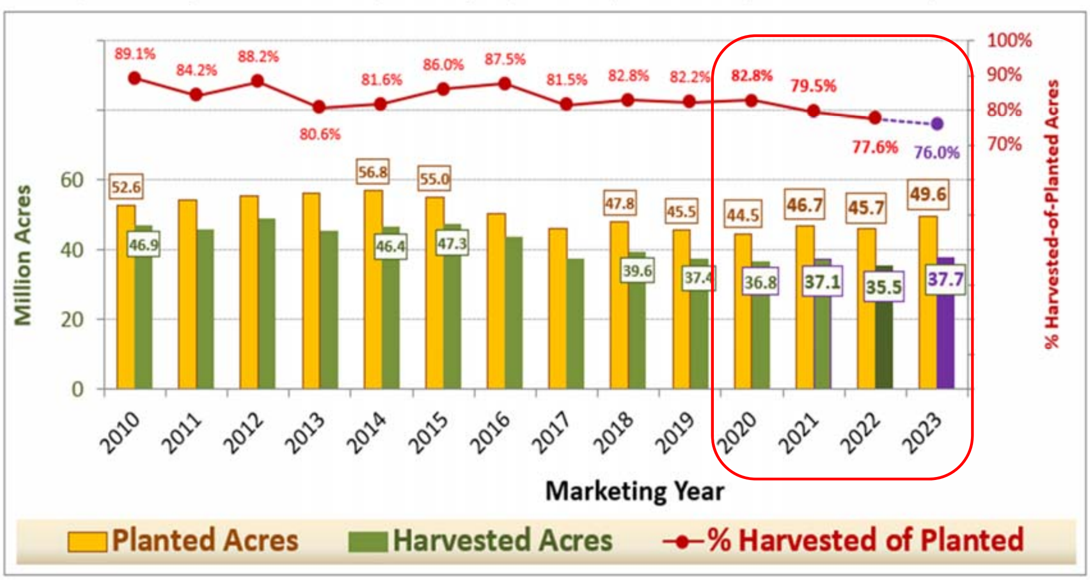
Kansas Cash & Futures Prices

Date	
9/26/2023 Closes	
Grain Futures Contracts	**Closing $**
DEC 2023 KC HRW Wheat (2023 Lead Contract)	$7.0900
JULY 2024 KC HRW Wheat (2024 Harvest Contract)	$7.1300

9/26/2023 Closes	Cash Grain & Harvest Contract Prices @ Kansas Grain Elevators					
	Representing the highest bids available at each location					
Cash Market Spot & FC Bids	Colby Area	Salina Area	Topeka Area	Garden City Area	Hutchinson Area	Columbus Area
	NW KS	NC KS	EC-NE KS	SW KS	SC KS	SE KS
KC HRW Wheat Harvest Spot Cash$	$6.25	$6.89	$6.83	$6.49	$6.89	$6.49
HRW Wheat Pre-Harvest Spot Cash Basis	($0.84)	($0.20)	($0.26)	($0.60)	($0.20)	($0.60)
KC HRW Wheat FC$ - Next Harvest 2024	$6.53	$6.73	$6.83	$6.63	$6.73	$6.57
HRW Wheat 2024 Harvest FC$ Basis	($0.60)	($0.40)	($0.30)	($0.50)	($0.40)	($0.56)

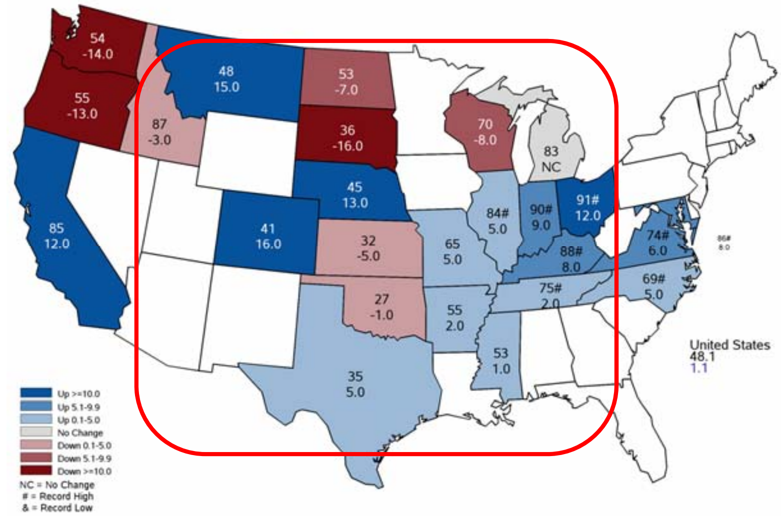
U.S. Wheat Planted & Harvested Acreage

(MY 2010/11 – "New Crop" 2023/24) as of September 12, 2023 USDA Reports



August 2023 Winter Wheat Yield

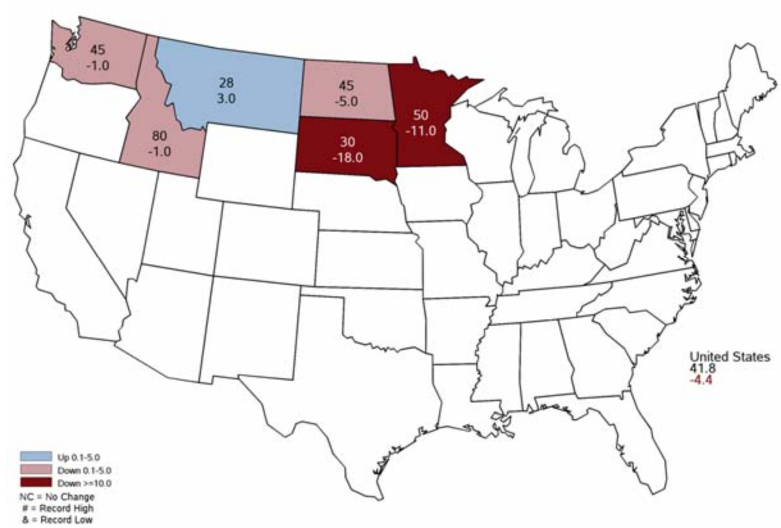
Bushels and Change from Previous Year



August 11, 2023

August 2023 Other Spring Wheat Yield

Bushels and Change from Previous Year



August 11, 2023

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U.S. Wheat Supply and Demand

Item	2022/2023 estimate	2023/2024 forecast	Change from August 11	Change from 2022/2023
Planted area (million acres)	45.7	49.8	--	4.1
Harvested area (million acres)	35.5	37.9	--	2.4
Yield (bushels per acre)	46.5	45.8	--	-0.7
		------------ *Million bushels* ------------		
Beginning stocks	698	580	--	-118
Production	1,650	1,734	--	84
Imports	122	130	--	8
Total supply	2,470	2,444	--	-26
Food use	973	974	--	1
Seed	69	65	--	-4
Feed and residual	90	90	--	**
Domestic use	1,131	1,129	--	-2
Exports	759	700	--	-59
Total use	1,890	1,829	--	-61
Ending stocks	580	615	--	35
		----------------- *Percent* -----------------		
Stocks to use ratio	30.7	33.6	--	2.9
		------------ *Dollars per bushel* ------------		
Average market price	8.83	7.50	--	-1.33

September 12, 2023

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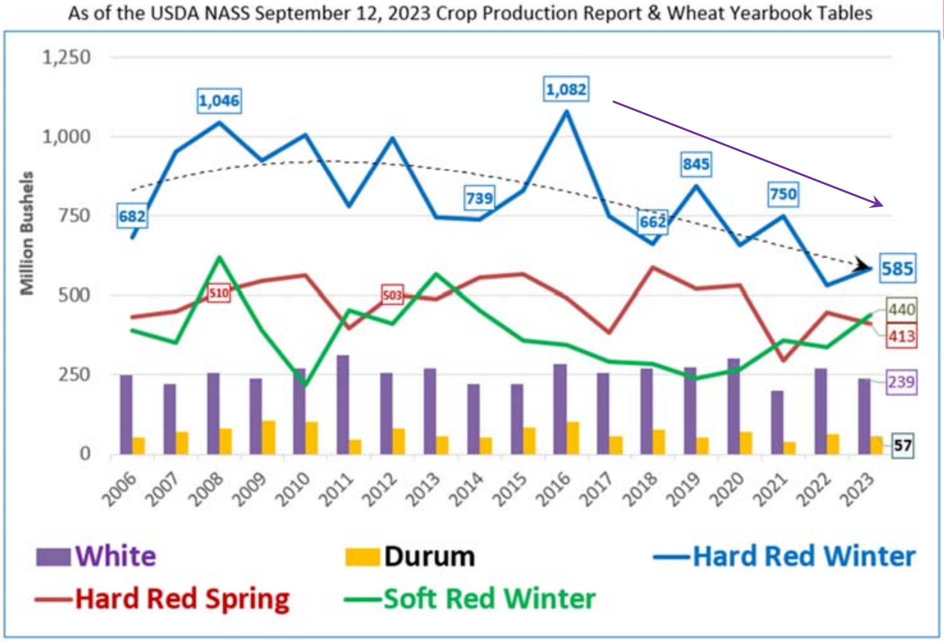
U.S. Wheat Production by Class

As of the USDA NASS September 12, 2023 Crop Production Report & Wheat Yearbook Tables



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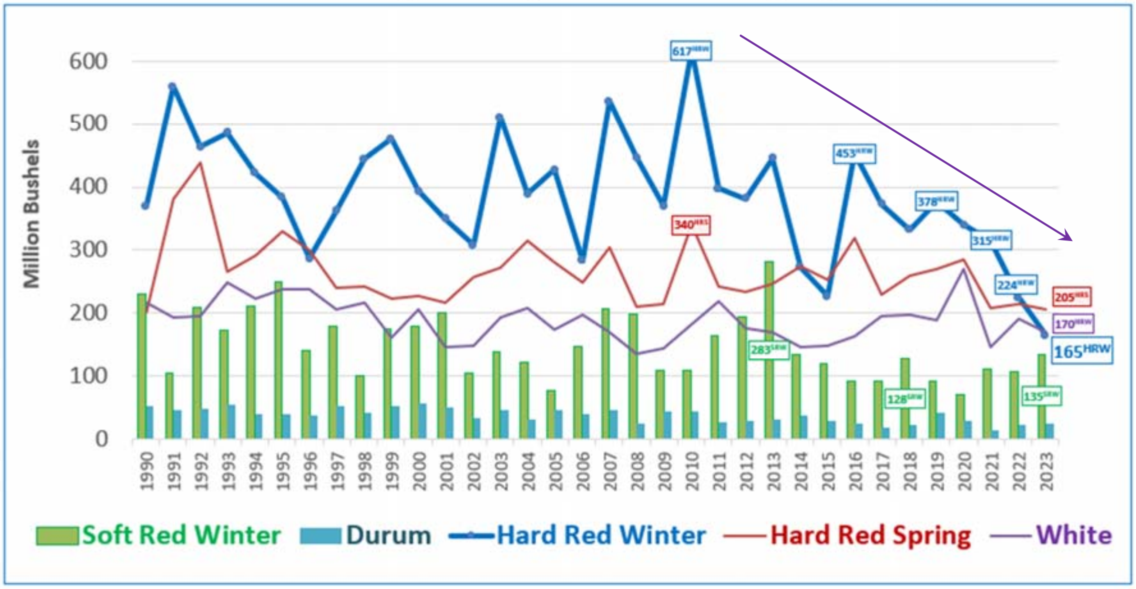
U.S. Wheat Exports by Class

Since Year 1990 as of the September 12, 2023 USDA WASDE Report (incomplete)



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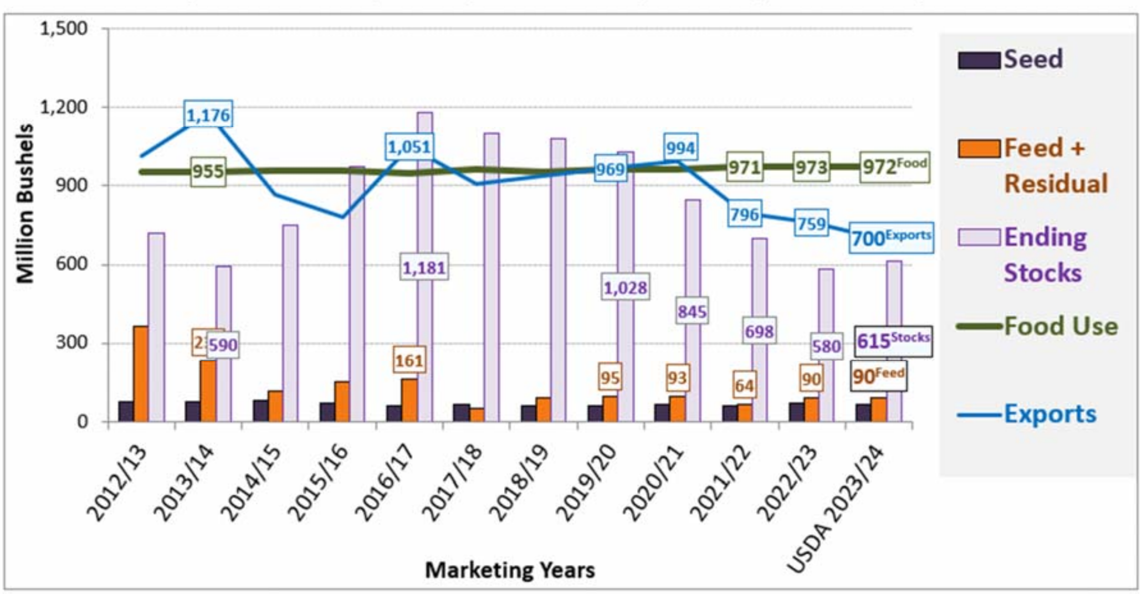
U.S. Wheat Use & Ending Stocks

MY 2012/13 – "*Next Crop*" 2023/24 as of the September 12, 2023 USDA Reports



U.S. Wheat % Stocks/Use vs Cash $'s

MY 2009/10 thru "New Crop" MY 2023/24 – As of the September 12, 2023 USDA Reports

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U.S. Wheat Market Outcomes for "Current" MY 2023/24

USDA & KSU Projections based on the September 12, 2023 USDA Report + KSU Scenarios

Item	USDA Scenario #1 "New Crop" 2023/24 Sept. 12, 2023 USDA	KSU Scenario #2 "New" 2023/24 KSU: 650 mb Exports 37.4% Stocks/Use	KSU Scenario #3 "New" 2023/24 KSU: 47.0 bu/ac Prodn: +1 Frcst Err[SD]	KSU Scenario #4 "New" 2023/24 KSU: 44.6 bu/ac Prodn: -1 Frcst Err[SD]
% Probability of Happening [KSU est.]	*50% prob*	*30% prob.*	*10% prob*	*10% prob.*
Planted Area (million acres)	49.808	49.808	49.808	49.808
Harvested Area (million acres)	37.872	37.872	37.872	37.872
Yield / harvested acre (bu/ac)	45.8	45.8	+ 1.2 bu/ac. 47.0	- 1.2 bu/ac. 44.6
	Million			
Production	1,734	1,734	+ 2.6% Fcst. Err. 1,779	- 2.6% Fcst. Err. 1,689
Total Supply (million bushels)	**2,444**	**2,444**	+ 45 mb **2,489**	- 45 mb **2,399**
Exports	700	- 50 mb 650	700	700
Total Use (million bushels)	**1,829**	- 50 mb **1,779**	**1,829**	**1,829**
Ending Stocks (million bushels)	615	+ 50 mb 665	+ 45 mb 660	- 45 mb 570
% Ending Stocks-to-Use	**33.62%**	**37.38%**	**36.09%**	**31.16%**
U.S. Wheat Avg. Farm Price ($/bushel)	**$7.50** Vs $7.17 /bu [9/25/2023] KSU-HRW Futures	**$6.00** Vs $7.17 /bu. [As of 9/25/2023] KSU-HRW Futures Forecast	**$6.65** Vs $7.17 /bu. [As of 9/25/2023] KSU-HRW Futures Forecast	**$8.50** Vs $7.17 /bu. [As of 9/25/2023] KSU-HRW Futures Forecast

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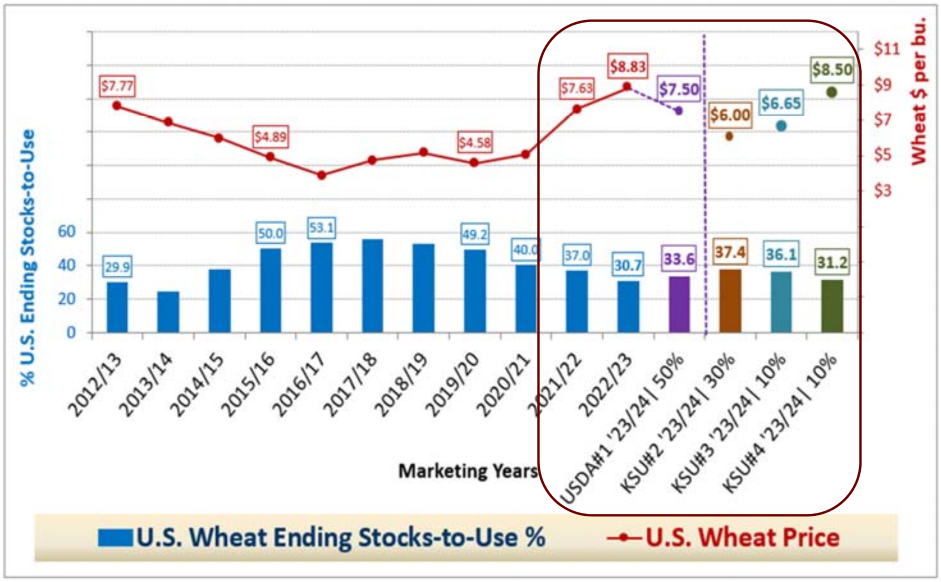
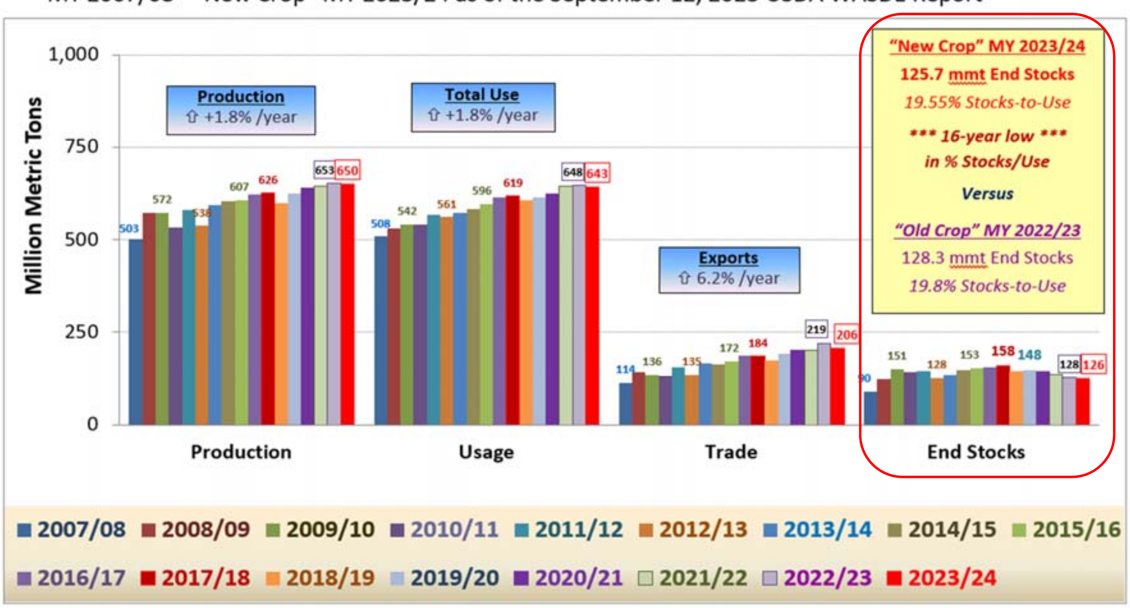
U.S. Wheat % Stocks/Use vs U.S. Cash $'s

MY 2012/13 thru *"New Crop"* 2023/24 – As of the September 12, 2023 USDA Reports + KSU Ests.



"World Less-China" Wheat Usage & Ending Stocks

MY 2007/08 - "New Crop" MY 2023/24 as of the September 12, 2023 USDA WASDE Report



Ukraine Wheat Supply-Demand

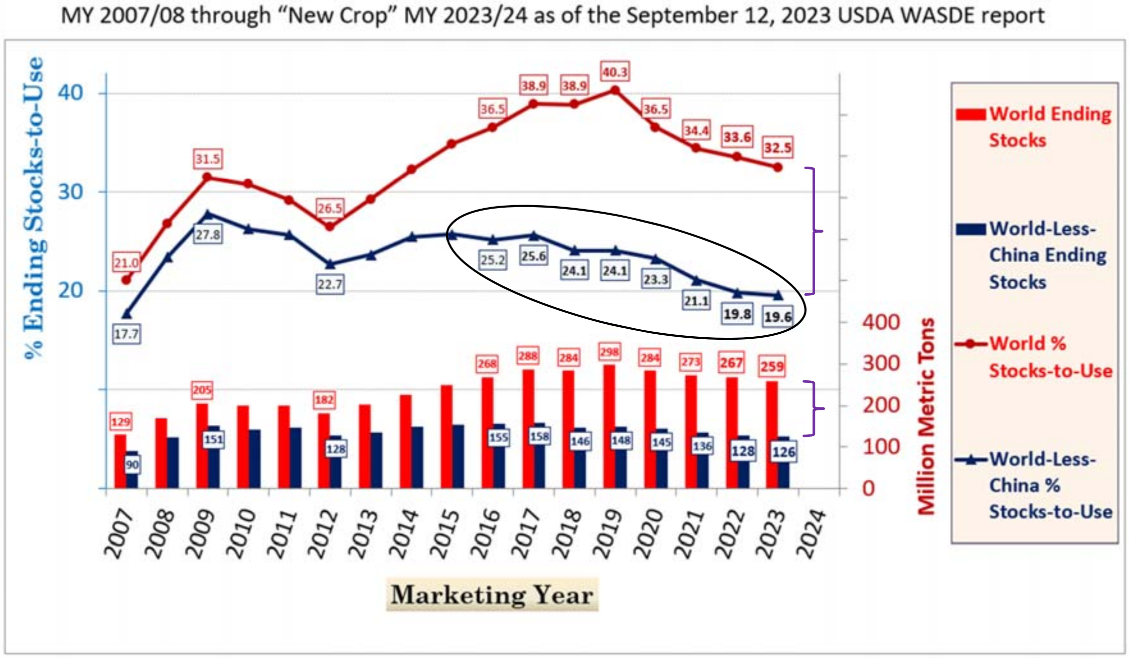
MY 2013/14 – "New Crop" MY 2023/24 as of the September 12, 2023 USDA WASDE report

Russia Wheat Supply-Demand

MY 2013/14 – "New Crop" 2023/24 as of the September 12, 2023 USDA WASDE report

World vs "World Less-China" Wheat Stocks & % S/U

MY 2007/08 through "New Crop" MY 2023/24 as of the September 12, 2023 USDA WASDE report




Grain Sorghum Markets
KANSAS STATE UNIVERSITY
Department of Agricultural Economics

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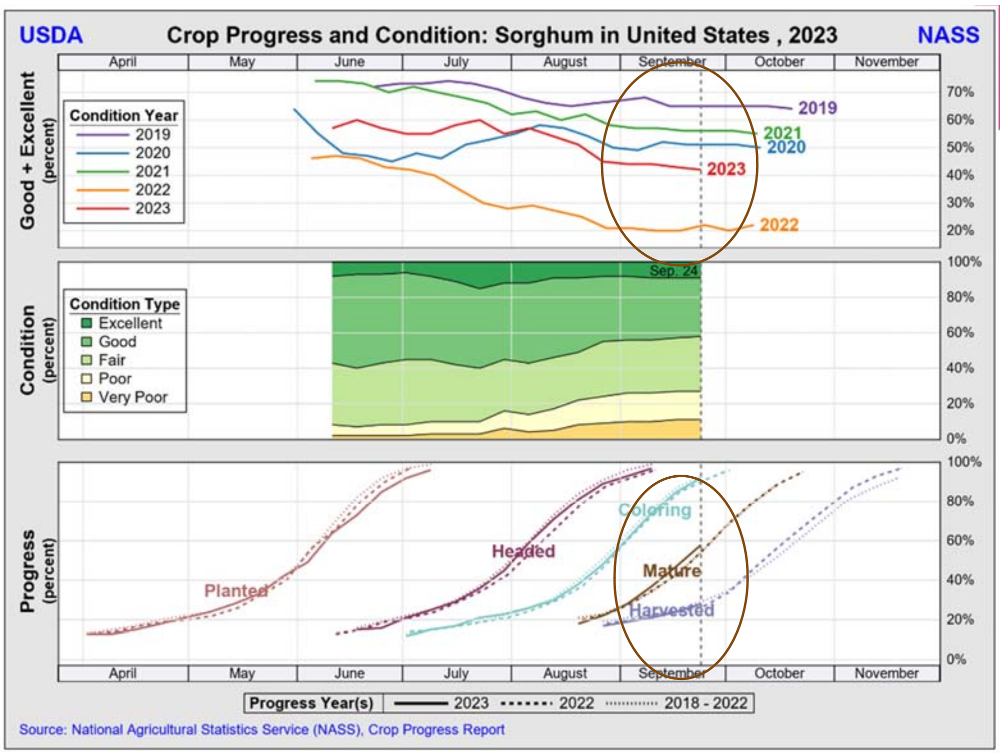
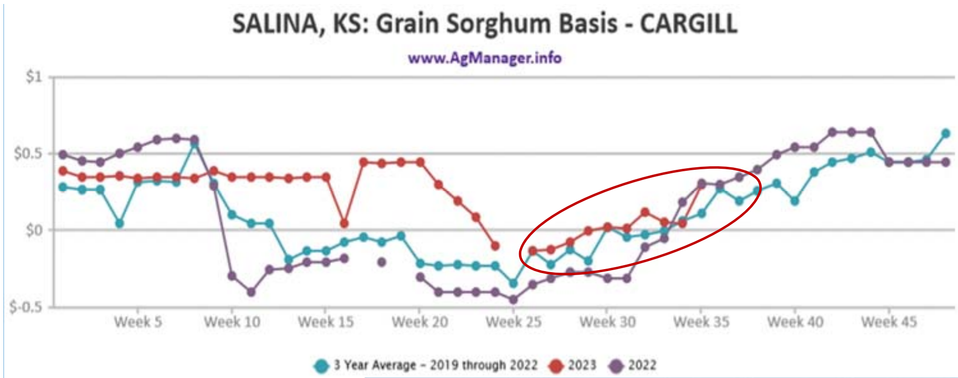
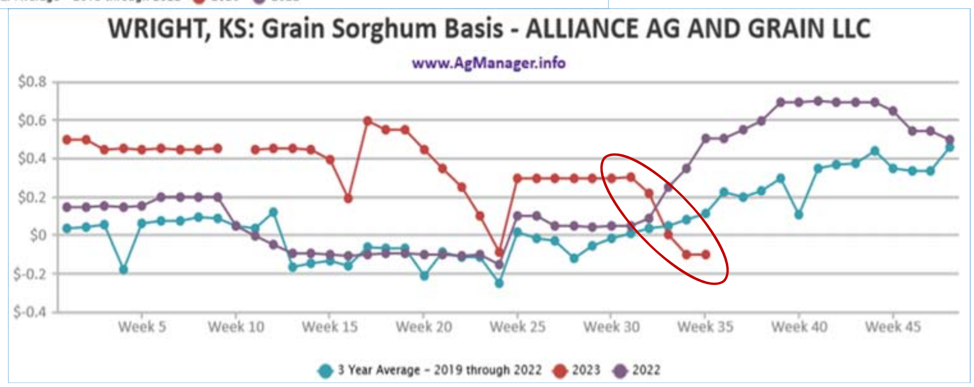

USDA
Crop Progress and Condition: Sorghum in United States , 2023
NASS
Good + Excellent (percent)
Condition Year
2019
2020
2021
2022
2023
Condition (percent)
Condition Type
Excellent
Good
Fair
Poor
Very Poor
Sep. 24
Progress (percent)
Planted
Headed
Coloring
Mature
Harvested
April
May
June
July
August
September
October
November
Progress Year(s)
2023
2022
2018 - 2022
Source: National Agricultural Statistics Service (NASS), Crop Progress Report

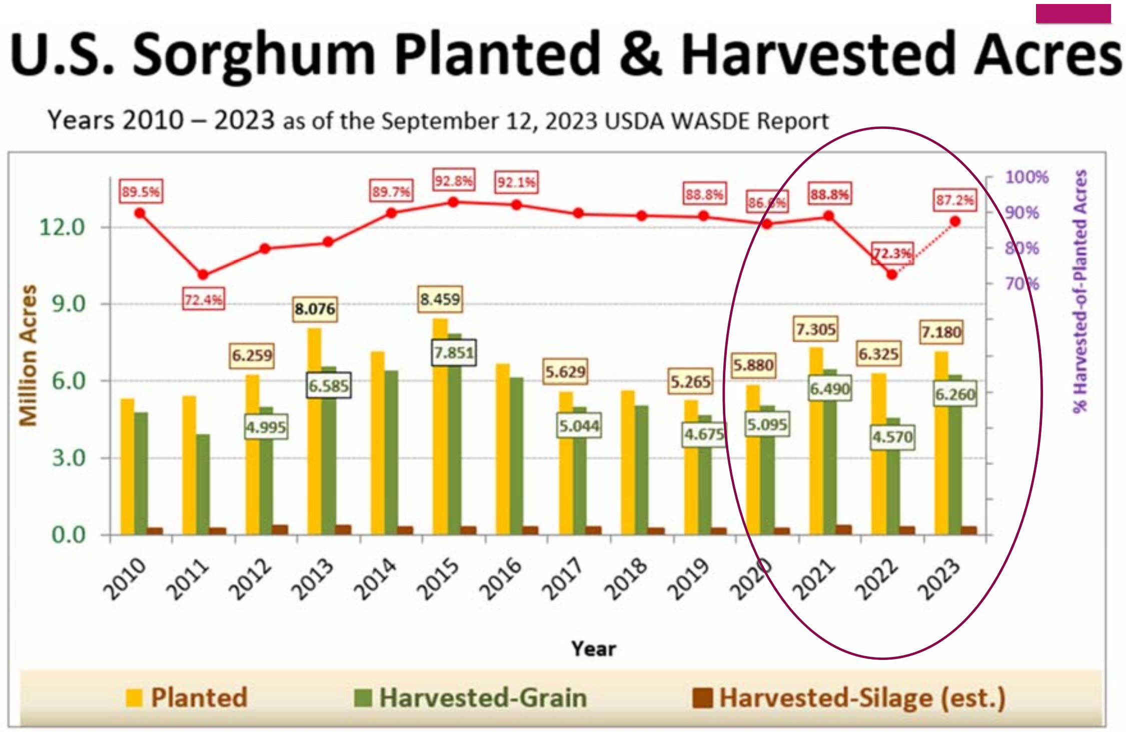




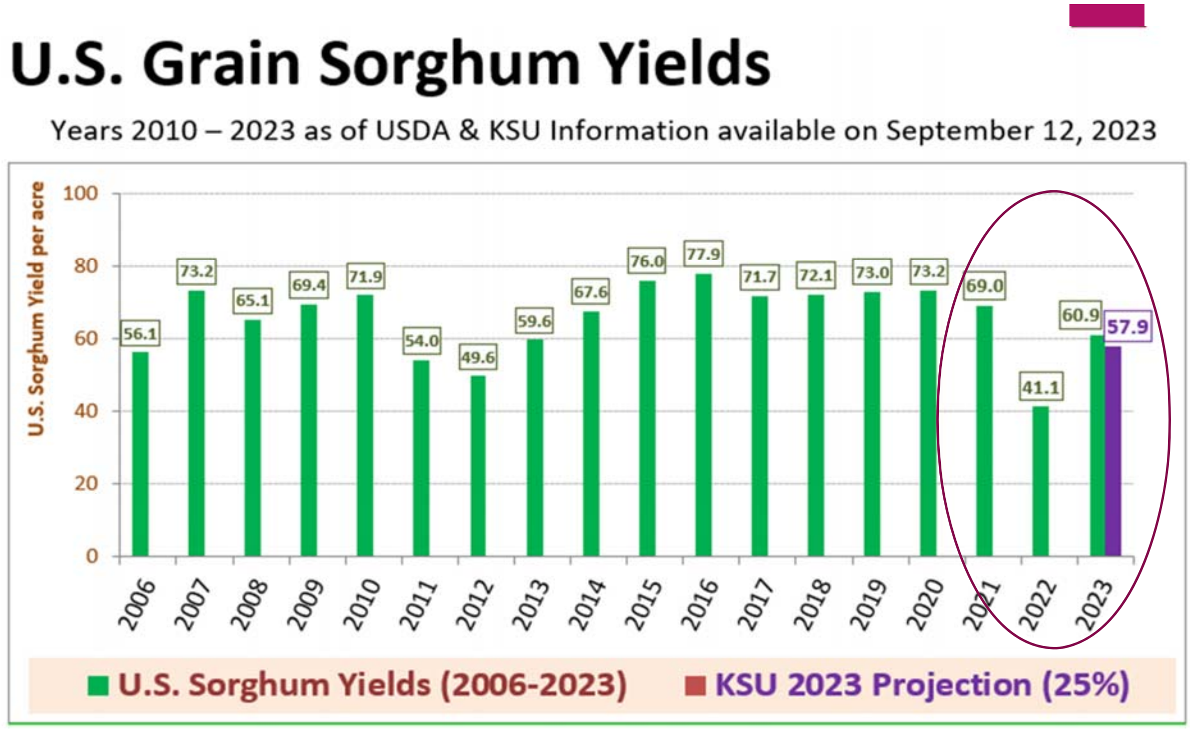
Kansas Cash & Futures Prices

Date	
9/26/2023 Closes	
Grain Futures Contracts	Closing $
DEC 2023 Corn (2023 Lead Contract - September Delivery)	$4.8100
DEC 2023 Corn (2023 October Harvest Delivery)	$4.8100

9/26/2023 Closes	Cash Grain & Harvest Contract Prices @ Kansas Grain Elevators					
	Representing the highest bids available at each location					
Cash Market Spot & FC Bids	Colby Area	Salina Area	Topeka Area	Garden City Area	Hutchinson Area	Columbus Area
	NW KS	NC KS	EC-NE KS	SW KS	SC KS	SE KS
Corn Spot Cash$	**$4.81**	**$4.71**	**$4.61**	**$5.11**	**$4.90**	**$4.61**
September Corn Spot Cash Basis	*$0.00*	*($0.10)*	*($0.20)*	*$0.30*	*$0.09*	*($0.20)*
Corn Harvest FC$: Fall 2023	**$4.80**	**$4.71**	**$4.61**	**$5.01**	**$4.81**	**$4.61**
October Corn Harvest FC$ Basis	*($0.01)*	*($0.10)*	*($0.20)*	*$0.20*	*$0.00*	*($0.20)*
Grain Sorghum Spot Cash$	**$4.81**	**$5.11**	**$4.81**	**$4.81**	**$5.30**	**$4.63**
September Sorghum Spot Cash Basis	*$0.00*	*$0.30*	*$0.00*	*$0.00*	*$0.49*	*($0.18)*
Grain Sorghum Harvest FC$: Fall 2022	**$4.61**	**$5.11**	**$4.61**	**$4.81**	**$5.31**	**$4.63**
October Sorghum Harvest FC$ Basis	*($0.20)*	*$0.30*	*($0.20)*	*$0.00*	*$0.50*	*($0.18)*



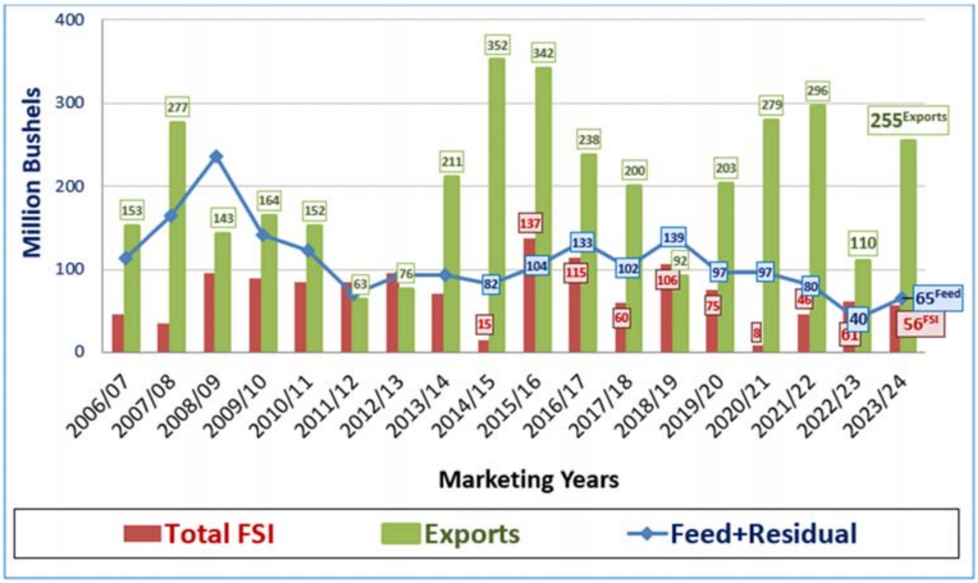
U.S. Sorghum Planted & Harvested Acres
Years 2010 – 2023 as of the September 12, 2023 USDA WASDE Report
Million Acres
% Harvested-of-Planted Acres
Year
89.5%
72.4%
89.7%
92.8%
92.1%
88.8%
86.6%
88.8%
72.3%
87.2%
6.259
8.076
8.459
5.629
5.265
5.880
7.305
6.325
7.180
4.995
6.585
7.851
5.044
4.675
5.095
6.490
4.570
6.260
Planted
Harvested-Grain
Harvested-Silage (est.)



U.S. Grain Sorghum Yields
Years 2010 – 2023 as of USDA & KSU Information available on September 12, 2023
U.S. Sorghum Yield per acre
56.1
73.2
65.1
69.4
71.9
54.0
49.6
59.6
67.6
76.0
77.9
71.7
72.1
73.0
73.2
69.0
41.1
60.9
57.9
U.S. Sorghum Yields (2006-2023)
KSU 2023 Projection (25%)

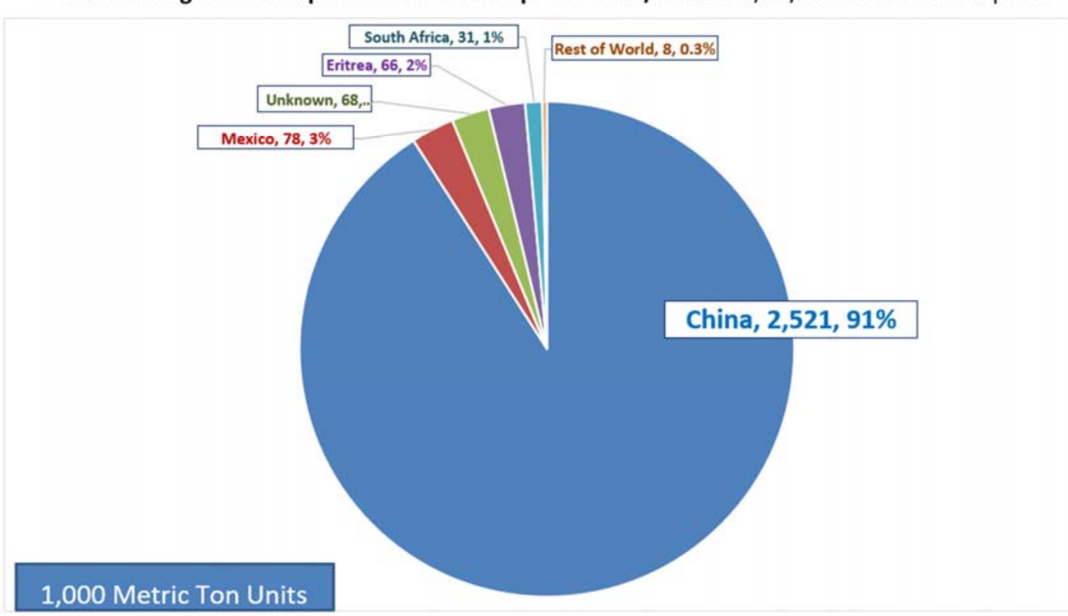
U.S. Grain Sorghum Use Trends

MY 2006/07 - *"New Crop"* MY 2023/24 as of USDA Info. available on September 12, 2023



U.S. Grain Sorghum Export Buyers "Old Crop" MY 2022/23

Outstanding Sales + Shipments for "Old Crop" MY 2021/22 as of 8/31/2023 USDA FAS Reports



U.S. Grain Sorghum S-D "New Crop" MY 2023/24

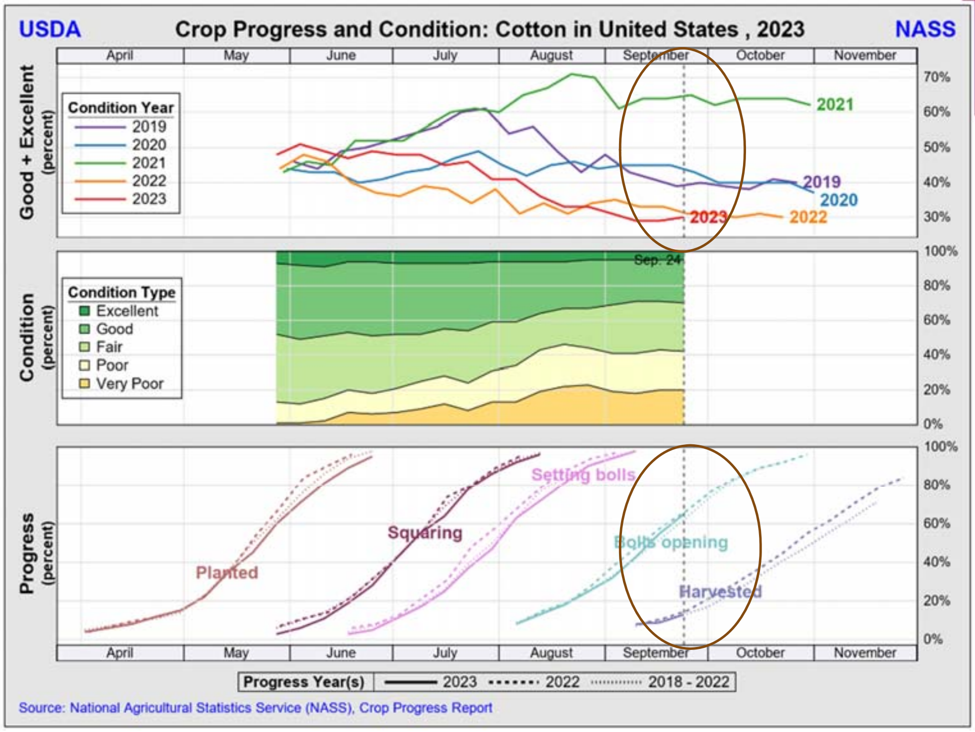
As of the September 12, 2023 USDA WASDE report, with KSU Scenarios

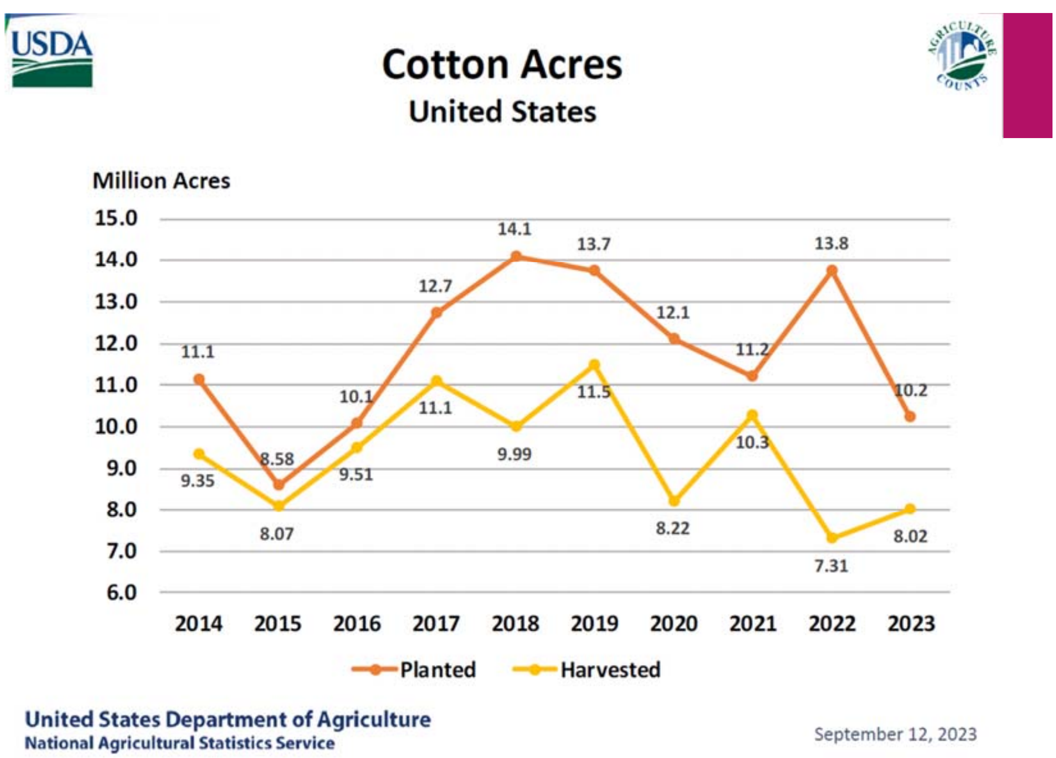
Item	A. USDA Scenario #1 "New Crop" MY 2023/24 as of 9/12/2023	B. KSU Scenario #2 "New Crop" MY 2023/24 Lower Yield = 57.9 bu/ac 2023 Production = 362 mln. Bu + Export Rationing	C. KSU Scenario #3 "New Crop" MY 2023/24 Higher Yields = 63.9 bu/ac 2023 Production = 400 mln bu
% Probability of Occurring ***(KSU)***	*60%* KSU Estimate	*25%* KSU Estimate	15% KSU Estimate
Planted Area (million acres)	7.180	7.180	7.180
Harvested Area (million acres)	6.260	6.260	6.260
Yield / harvested acre (bu/ac)	60.9	−3 bu./ac. 57.9	+3 bu./ac. 63.9
		Million Bushels	
Production (million bu.)	381	−19 mb 362	+19 mb 400
Total Supply (million bu.)	406	−19 mb 387	+19 mb 425
Exports (million bu.)	255	−15 mb 240	255
Total Use (million bu.)	375	−15 mb 360	375
Ending Stocks	33	−18 mb 17	+17 mb 50
% Ending Stocks-to-Use	8.57%	4.72%	13.33%
U.S. Grain Sorghum Avg. Farm Price ($ / bushel)	**$4.90** USDA $4.75 KSU 9/25/2023	**$5.50** KSU *** $4.75 KSU 9/25/2023	**$4.75** KSU *** $4.75 KSU 9/25/2023

9f449f9b-1b04-4265-8485-8eba77c62e4e-cotton_bales_on_trailer.webp

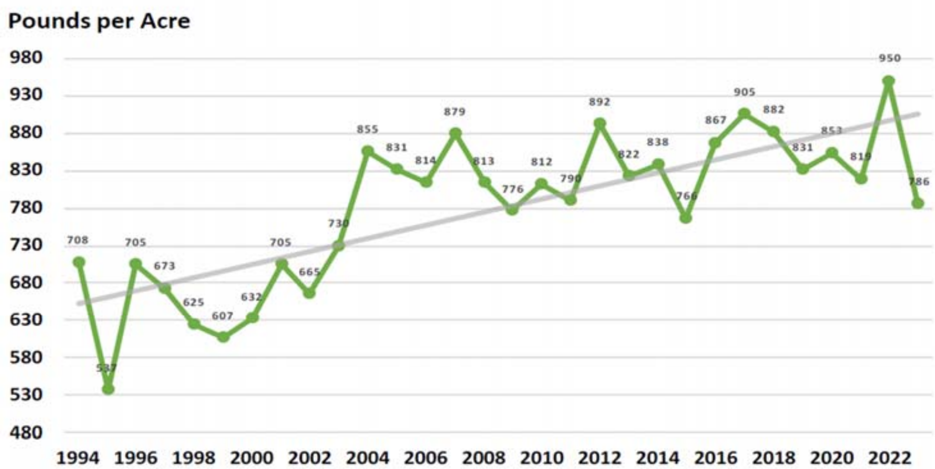
Cotton Markets

Kansas State University Department of Agricultural Economics


USDA
Crop Progress and Condition: Cotton in United States , 2023
NASS
Good + Excellent (percent)
Condition Year
2019
2020
2021
2022
2023
Condition (percent)
Condition Type
Excellent
Good
Fair
Poor
Very Poor
Sep. 24
Progress (percent)
Planted
Squaring
Setting bolls
Bolls opening
Harvested
April
May
June
July
August
September
October
November
Progress Year(s)
2023
2022
2018 - 2022
Source: National Agricultural Statistics Service (NASS), Crop Progress Report


USDA
Cotton Acres
United States
Million Acres
Planted
Harvested
2014 2015 2016 2017 2018 2019 2020 2021 2022 2023
Planted: 11.1 8.58 10.1 12.7 14.1 13.7 12.1 11.2 13.8 10.2
Harvested: 9.35 8.07 9.51 11.1 9.99 11.5 8.22 10.3 7.31 8.02
United States Department of Agriculture
National Agricultural Statistics Service
September 12, 2023

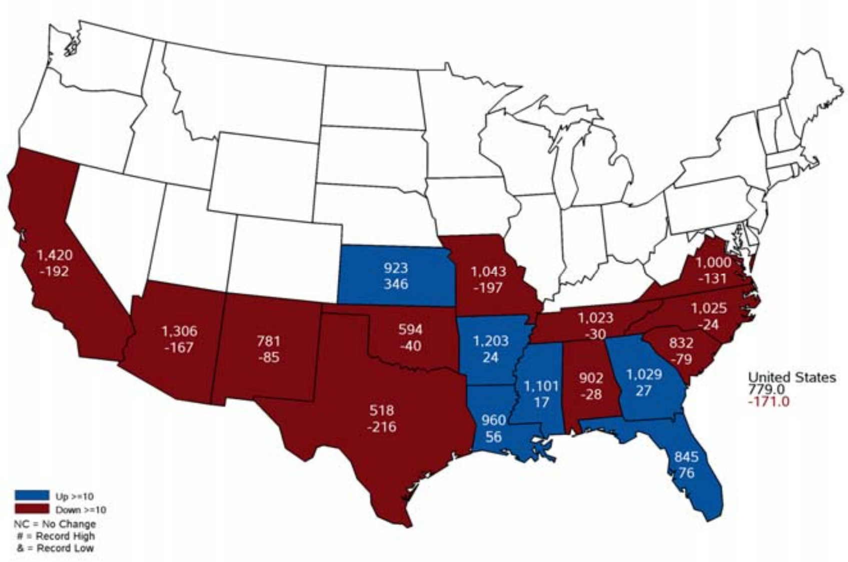
Cotton Yield
United States



United States Department of Agriculture
National Agricultural Statistics Service

September 12, 2023

August 2023 Cotton Yield
Pounds and Change from Previous Year



August 11, 2023

U.S. Cotton Supply and Demand

Item	2022/2023 estimate	2023/2024 forecast	Change from August 11	Change from 2022/2023
Planted area (million acres)	13.76	10.23	-0.85	-3.53
Harvested area (million acres)	7.31	8.02	-0.60	0.71
Yield (pounds per acre)	950	786	7	-164
		------------ Million bales ------------		
Beginning stocks	4.05	4.25	0.55	0.20
Production	14.47	13.13	-0.86	-1.34
Imports	0.00	0.01	--	**
Total supply	18.52	17.39	-0.31	-1.13
Mill use	2.05	2.15	--	0.10
Exports	12.77	12.30	-0.20	-0.47
Total use	14.82	14.45	-0.20	-0.37
Unaccounted	-0.55	-0.06	-0.01	0.48
Ending stocks	4.25	3.00	-0.10	-1.25
		----------------- Percent -----------------		
Stocks to use ratio	28.7	20.8	-0.4	-7.9
		------------ Cents per pound ------------		
Average market price	82.00	80.00	1.00	-2.00

-- No change. **Rounds to zero.

September 12, 2023

Closing Perspectives

Kansas State University Department of Agricultural Economics

Questions?






Daniel O'Brien – Extension Ag Economist

Blog: www.ksugrains.wordpress.com

KSUGrains on Twitter

www.AgManager.info

Kansas State University Department of Agricultural Economics