
Friday, June 13, 2025

Happy Friday the 13th. Ag markets ended the week in the green on Friday as morning biofuel news caused buying to emerge in the soybean and wheat markets early that spilled into the corn market as the day went on. Yesterday's report is already now old news, with focus back squarely on weather and policy developments where it likely remains into the end of the month. Have a good weekend!

Corn Market Update

Prices:

- **July Corn (CN): \$4.44 1/2, up 6 cents**
- **December Corn (CZ): \$4.43, up 2 1/2 cents**
- **July/September Spread (CN/CU): 16, up 3 3/4 cents**
- **For the week: CN - up 2 cents; CZ - down 6 1/4 cents**

Market Headlines:

- Not a lot of headlines in the corn market Friday, as strength in the wheat and soybean markets generally pulled values higher throughout the day. Traders seem to continue to be uninterested in the relatively tight new crop balance sheet due at least in part to the fact that they assume exports are currently overstated.
- As we go into next week, weather will continue to be the primary driver of price action, as an ongoing mix of rain and sunshine will give funds little reason to exit their short positions ahead of the June stocks and acreage report due out at the end of the month.

Summary:

Like we said in the headline section, there simply wasn't a lot of corn specific news on Friday amid the abundance of noise and excitement going on in the soy complex. The USDA did little of note in yesterday's report, which turned attention back to crop prospects and weather going into the weekend. Both old and new crop futures have seem to found some sort of value in the low 4.30's area, which will be primary support as we go into next week.

Soybean Market Update

Prices:

- **July Soybeans (SN): \$10.69 3/4, up 27 1/2 cents**
- **November Soybeans (SX): \$10.54 3/4, up 27 1/2 cents**
- **July Soybean Meal (MN): \$291.90, down \$2.60/ton**
- **July Soybean Oil (LN): 50.61, up the 3.0 cents/lb trading limit**
- **July/August Spread (SN/SQ): 3/4, down 1/2 cent**
- **For the week: SN - up 12 1/2 cents; SX - up 12 3/4 cents; MN - down \$3.80/ton; LN - up 3.11 cents/lb**

Market Headlines:

- Soybean market headlines were dominated by biofuel policy announcements on Friday, as the EPA this morning proposed biomass based diesel blending rates for 2026 at 5.61 bil gallons and for 2027 at 5.86 bil gallons; this was well above what the industry had anticipated after erroneous reports were released yesterday indicating the level was likely to be smaller.
- In its announcement, the EPA also indicated it intended to cut RIN values for imported feedstocks by 50%; Last year, imported feedstocks, including UCO, accounted for roughly 45% of biomass-based diesel production.
- Lastly, and perhaps most importantly, sources also indicated that the EPA intends to announce a decision on small refinery exemptions before finalizing today's proposed blending requirement, but not a lot of other details were given. Next steps on the overall situation now include a public comment hearing scheduled for July 8th and 9th, so it will at least be several more weeks before anything is finalized.
- Due to today's limit move in bean oil, Monday will see expanded trading limits of 4.5 cents/lb in bean oil, \$30/ton in soybean meal, and \$1.15/bu in soybeans.

Summary:

Active day in the soybean complex to wrap up the week on Friday, as the morning biofuel announcement had soybean futures sharply higher and soybean oil futures locked limit down for most of the session. The proposed mandate is not a done deal yet and still has several hoops to jump through before being fully approved, which means headline risk regarding the situation will stay elevated. That said, that the Trump administration seems intent on offsetting some of the tariff pain with policy mandates is a positive sign today for US ag.

Wheat Market Update

Prices:

- **July Chicago Wheat (WN): \$5.26 1/2, down 8 1/4 cents**
- **December Chicago Wheat (WZ): \$5.63 1/2, down 7 cents**
- **July/September Spread WN/WU: -15 1/4, down 1/2 cent**
- **For the week: WN - down 12 cents; WZ - down 9 1/4 cents**

Market Headlines:

- Not really a specific reason for Friday's wheat rally; buying was likely related to increasing tensions in the Middle East and there was also probably some measure of profit taking by shorts going into the weekend.
- Weather forecasts continue to look generally favorable for harvest in the southwestern part of the US Wheat Belt, though areas further east have seen rains that will likely slow things down for a few days.
- Global wheat weather also remains decent as far as the forecast goes, as eastern Ukraine into the Russian ag area look to continue seeing regular rainfall, while China's wheat regions also see favorable rainfall in the forecast over the short term.

Summary:

Wheat futures seemed to benefit from overall bullishness in the space on Friday, as there wasn't anything specific to point in terms of reason for the market strength throughout the day. As we go into next week having put in an outside day higher on the charts this morning, the overnight low at 5.22 and 1/4 on the July contract will be key support next week.

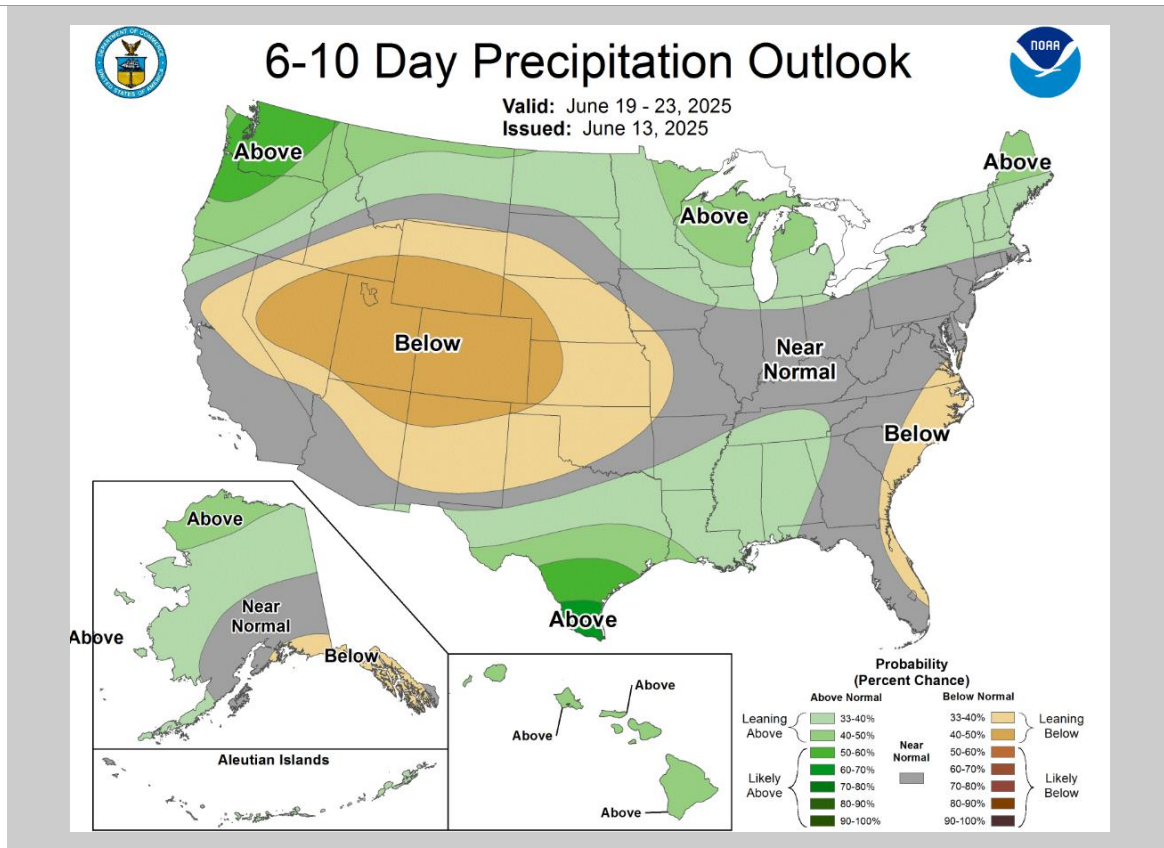


In Other News

- **Livestock markets** mostly lower to end the week:
 - **August live cattle: \$212.45, down \$4.50**
 - **August feeder cattle: \$306.42, down \$4.82 cents**
 - **July lean hogs: \$109.47, up 57 cents**
 - Crude oil futures spent the day trading sharply higher following an overnight escalation of tensions in the Middle East; Israel struck dozens of Iranian nuclear and military targets, while Iran pledged retaliation. Israeli PM Benjamin Netanyahu said the operation would likely take "weeks".
 - The US and Iran were scheduled to have another round of nuclear talks on Sunday, but sources have indicated that Iranian representation does not intend on attending the meeting despite repeated assertions from the US that they were not involved in the strikes.
 - As of this writing, social media is reporting that Iran's counter attack has begun, with at least three waves of missiles being launched towards Israel. It is unclear what effect these attacks might have or how long they might last.
 - **Outside markets:**
 - **Crude oil futures: up around \$5.50/bbl.**
 - **Stock index futures: The Dow Jones index is down 810 points, the S&P500 index is down 70 points, and the NASDAQ is down 300 points**
 - **US \$ Index: up 30 points**
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Weather Outlook



⚡ Short-term Forecast:

- Weather forecasts going into the weekend and next week are continuing to show a fairly active pattern, with multiple storm systems expected to provide rainfall to the Midwest.
- The European model, which has been the more accurate of the two, is noticeably wetter than the GFS both in the northern Corn Belt and also along the Gulf, but both models are in agreement on further rainfall accompanying the coming increase temperatures, which will be net-neutral for crop development.
- The temperature forecast into next week is like its been all this past week in showing increasing temperatures in the eastern US in the coming days. The west will stay comparatively warmer, but cool air pockets across the whole of the US will be limited through next week.

📅 Extended Forecast:

- Extended precip forecasts into the last week of January have continued to fluctuate, but have trended direr in the eastern US over the past 24 hours than they were the rest of this week. The northern part of the US along the Canadian border looks to stay wet, but the

models are less confident this afternoon on rainfall any further to the south.

- There continues to be concern over high pressure ridging across the central US into the end of June, but that models are keeping with a more progressive pattern is seemingly lessening the chances of a prolonged hot/dry spell through pollination, at least as it stands today.