Meeting summary

Quick recap

Josh conducted a marketing update meeting for farmers, discussing current market conditions for corn, soybeans, and wheat. He reviewed recent price movements, noting that markets had pulled back from highs and were waiting for August weather reports and yield confirmations. Josh discussed drought conditions affecting 26-58% of spring wheat, corn, and soybean crops compared to last year's low levels, and mentioned China's potential soybean purchases. He presented updated marketing recommendations and basis levels, noting that most farmers should remain in a hold position for soybeans and corn until harvest yields are known, while post-harvest wheat strategies would be considered at the next meeting. Josh also shared calculations for ARC County PLC payments, projecting approximately $30 average payments across crops for the three counties, and reminded attendees that the deadline to increase base acres was August 31st.

Next steps

Josh

- Update baseline prices for August 2026 crops on Monday, August 12th, after the WASDE report.
- Provide an estimate for post-harvest wheat strategies at the next meeting, depending on yields and remaining bushels to sell.

Collaboration

- Attendees (those with base acres): Consider adjusting base acres by demonstrating new acres in production before the August 31st deadline.

Summary

Document Pickup and Conference Planning

Josh discussed arrangements for document pickup and signing, confirming that sheets are available on his desk for anyone to collect. He also agreed to drive for the fall conference and requested that his car be cleaned before the trip. The meeting appeared to be waiting for additional participants to join before proceeding.

Grain Market Update

Josh provided a marketing update on grain markets, noting that prices have decreased from recent highs and are awaiting direction on new crops and yield confirmations. He reported that wheat harvest is underway with varying yields depending on rainfall, and protein premiums have been adjusted by elevators. Josh also mentioned that drought conditions are expanding, with 28% of U.S. corn area currently experiencing drought.

Global Agricultural Market Conditions Update

Josh discussed the current drought conditions affecting 26% of soybeans and 58% of spring wheat, noting how this tightens balance sheets and impacts market expectations for above-trendline yields. He mentioned China's recent soybean purchase commitments and upcoming USDA reports, while also highlighting export demand pressures from a strong U.S. dollar and corn exports. The discussion included updates on global market factors, including Brazil's proposed ethanol mandate changes and European Union's record high temperatures affecting corn yields, as well as the ongoing situation in the Black Sea region following Russia's attack on a Ukrainian grain vessel.

Crop Yields and Marketing Update

Josh reported on early crop yields, noting yields of 20-70 bushels with some reports of 80 bushels in Polk County, and discussed protein levels and limited premiums at elevators. He reviewed current marketing comparisons, highlighting a pullback in prices for corn and soybeans, while wheat sales were being made ahead of schedule. Josh provided breakeven price expectations for corn at $4.55 and soybeans at $11.45, while noting wheat challenges at $7.70 based on 70 bushel yields, and mentioned recent price increases of about 4-5 cents across corn, beans, and wheat.

Grain Market Update and Strategy

Josh provided a market update on grain prices and sales recommendations. He noted that Van On prices increased slightly with 27 sales and 26 wheat, and mentioned the upcoming WASDE report on August 12th that will update baseline prices. Josh recommended holding current positions rather than making pre-harvest sales, with potential for post-harvest wheat strategies depending on yield results. He also discussed carry market incentives for wheat storage at CHS and Yulin facilities, noting that while there are some benefits, storage costs reduce overall carry value.

ARC PLC Data and Payments

Josh discussed fuel prices, noting that diesel prices are decreasing at a slower rate than gas prices. He then focused on ARC PLC data, explaining that the USDA has official information available on their website, including Excel documents with detailed payment calculations for different counties. Josh highlighted that wheat payments for ARC County have been calculated using final marketing year prices and known yields, while other crops like corn and soybeans cannot be calculated yet as their marketing year is still ongoing.

PLC Payment Comparison Analysis

Josh presented a comparison of PLC yields and ARC County payments for different counties, explaining how payments are calculated based on guaranteed revenue versus actual revenue. He noted that while the projected payment rates are around $29 for corn, $8 for soybeans, and $56 for spring wheat in Clay County, actual payments will vary based on individual farm yields and base acres. Josh concluded by explaining that while the average payment across all three crops is projected at $30, the actual average would be lower for farmers focusing only on corn and soybeans.

Crop Updates and Policy Changes

Josh provided updates on crop yields and pricing, noting that prices were locked in as of July 31st and marketing year prices for corn and soybeans would continue into September. He reminded attendees that the deadline to increase base acres is August 31st, allowing for adjustments only to reflect newly produced acres without reallocating to different crops. Josh also informed the group that the farm bill did not pass committee and will likely result in a continuation of current policies, with uncertainty about progress before year-end.