CGI MARKET NEWS

ISSUE 147, May 2nd, 2025

COLUMBIA GRAIN INTERNATIONAL, LLC

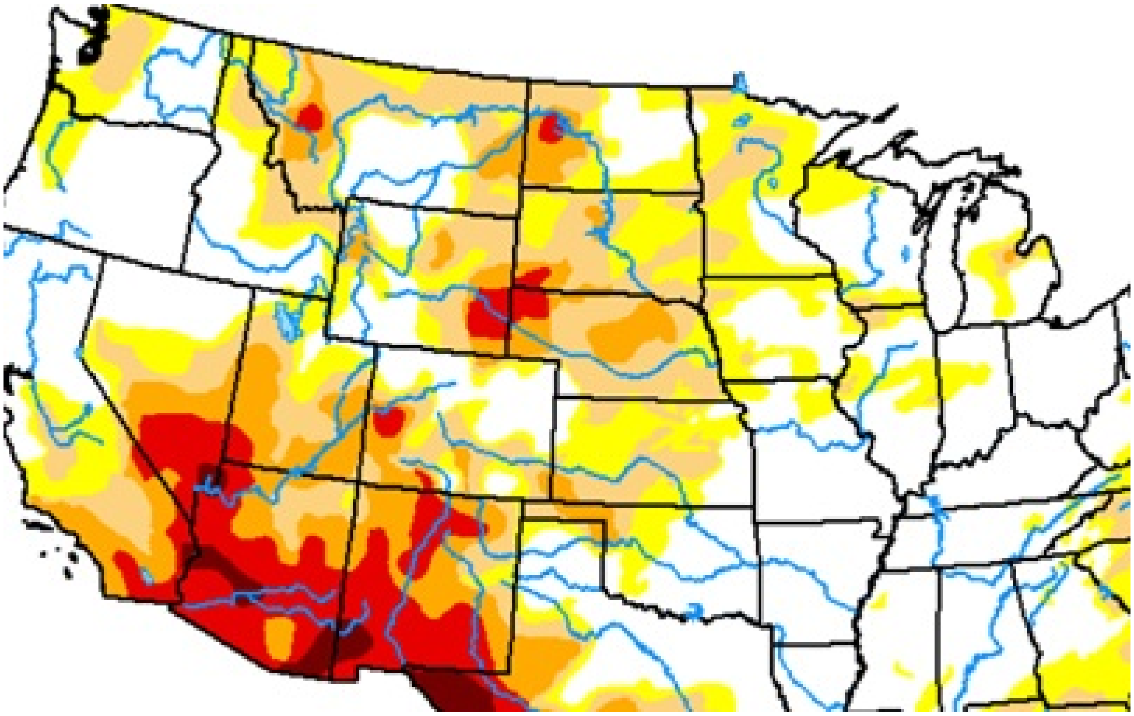
DURUM

Ryan Statz, Merchant

- Seeding season is upon us. For the week ending April 27, Montana had planted 30% of its durum crop compared to 12% completed as of the previous week, 20% completed as of last year at this time and against a 5-year average of 10% completed. All said, things are off to a nice start and with the current forecast, we anticipate this to continue.
- From a marketing perspective, the planting pace would typically send bearish waves into the market. This coupled with good world weather (other

than Mexico, Morocco, and parts of Turkey) has most buyers on the sidelines waiting for further developments.

- Conditions/forecast will likely lead to a faster paced seeding environment, but the other side of that coin is that it is dry and durum country needs rainfall. See below for current US drought monitor.



- Everyone is watching this map as it is the #1 bullish feature out there at the moment. It is keeping markets supported as limited new supply will flow through from growers until crops are known to be adequate. Until then, coverage will be minimal, and prices likely stay supported to obtain 'some' coverage.

WHITE WHEAT

Steve Yorke, Merchant

Just like that and we are into May and screaming through spring seeding. Not much has changed on the marketing side for white wheat. Bids are stuck in a tight range; 6.10-6.30 with no reason to break out to either side. Export business has lightened up as expected with only routine buyers in the market at the moment. Currently we sit at 210MBU, and I think this will be the final number for the marketing year which ends May 31st. We are starting to see some business pick up for July and August but that is also slow currently. Carry out will be a touch tighter but still on the higher end of the range (70-80MBU). At this time crops are looking nice, but we will need some more moisture soon to finish things off on a good note. Basis levels continue to hover around 70-80c for new crop so anyone with HTA's or Accumulators should have orders in and working at or above these levels. As we all know white wheat basis has lots of volatility so be prepared. Watch for local grower meetings in May and always feel free to contact us for more information on all our marketing tools.

Hard Red Wheats

Ryan Statz, Merchant

- The old adage, "First the cash, then the spreads, then the flat price" has been ringing true of late. We saw this play out the last few weeks with more domestic coverage being sought and when this is coupled with limited farmer engagement, basis values and markets have firmed to respond – especially for quality/proteins.

- On the flip side, recent rains in the Midwest—particularly beneficial for winter wheats—have eased some supply concerns. When this is combined with tepid global demand, futures have come under pressure in spots.
- While the US dollar remains weak, export demand has been paltry, and lineups have been slow which leads us into an interesting spot. Did overall flat prices do enough out the curve to entice export coverage?
    - While HRS has felt a demand divergence between export and domestic markets – more so in the nearby markets. HRW 'feels' oversold and cheap especially compared to the past five years as we head into May. As HRW approaches feed wheat values in many places and as HRW trades cheaper than corn in other spots, many participants are wondering when export milling demand will come? With U.S. wheat theoretically pricing itself back into the export market as one of the cheapest FOB values in the world one can assume soon.... but we wait for now.

See state by state crop planting and conditions index below:

CROP AND LIVESTOCK PROGRESS

Commodity	Current week (percent)	Previous week (percent)	Previous year (percent)	5-year average (percent)
Spring wheat				
Planted	32	16	31	20

CROP, PASTURE AND RANGE CONDITION

Commodity	Current week (percent)	Previous week (percent)	Previous year (percent)	5-year average (percent)
Winter wheat				
Very poor	1	1	--	6
Poor	10	12	5	11
Fair	19	22	52	42
Good	60	51	41	38
Excellent	10	14	2	3

North Dakota:

Spring wheat planted was 19%, near 18% last year, and ahead of 12% for the five-year average. Emerged was 2%, near 1% both last year and average.

Winter wheat condition rated 7% very poor, 12% poor, 38% fair, 43% good, and 0% excellent. Winter wheat jointed was 2%, near 6% last year, and behind 11% average.

Crop Progress — Idaho: Week Ending 04/27/25

Crop and activity	Percent completed			
	This week	Last week	Last year	5 Year average
Spring wheat planted	71	54	70	57
Spring wheat emerged	28	15	27	20

Crop Progress — Oregon: Week Ending 04/27/25

Crop and activity	Percent completed			
	This week	Last week	Last year	5 Year average
Winter wheat headed	-	-	-	1
Spring wheat planted	94	83	94	(NA)
Spring wheat emerged	59	36	57	60

Crop Progress — Washington: Week Ending 04/27/25

Crop and activity	Percent completed			
	This week	Last week	Last year	5 Year average
Spring wheat planted	79	57	74	76
Spring wheat emerged	32	12	35	42

- In addition to futures action, the market continues to watch:
    - Rail Freight / Transportation
    - Global crop conditions/turmoil – particularly Russia/Black Sea
    - World 'feed' markets. Note corn/HRW spread mentioned above.
    - Sluggish USD currency
    - Tariffs
- Happy Planting!

BARLEY

Matthew Schorn, Merchant

Tariffs Update

- As of May 1st, trade talks are continuous, but there has been no significant headway on the de-escalation of tariffs globally.
    - As it relates to barley, U.S. feed barley exports to Canada remain at a standstill with 25% tariffs on barley going north into Canada.
    - Canada has elected Mark Carney as Prime Minister. Trump and Carney are expected to speak soon, after which we should see more clarity from the Canadian government on a path forward.
    - Both buyers and suppliers are hopeful that a long-term resolution to these tariffs will be reached.

Malt Demand and Price Trends

- Malt demand remains at a standstill, with limited buyer activity in both the old and new crop positions.
    - Prices have had little change as of late with the market searching for a price floor as weak demand makes price discovery difficult.
    - New crop demand seems well covered from the Big 3 at this time, with new demand taking time as tariffs provide uncertainty on markets.
    - The malt-feed spread is tightening, as malt barley seeks alternative outlets amid growing concerns over quality.

Canadian Domestic Feed Market

- The Canadian feed market has seen demand step in for May forward feed barley as both feeders and suppliers look to get coverage positions.
    - The Canadian domestic feed market is firming on both feed barley and feed wheat, with limited liquidity from the grower as on farms stocks tighten and the focus switches to seeding.
    - The Canadian feed market is the strongest value to the Montana Triangle grower with alternative feed barley demand to California, Montana, and Idaho taking a pause.
    - Imported corn is still not competitive in the feed ration compared to Canadian domestic barley, and buyers are hesitant to switch to a corn ration for the last 30-60 days on feed.

CORN

Joe Foley, Merchant

Corn futures have been trending lower over the last two weeks amid near ideal weather in both the U.S. and in S. America. The USDA estimates 24% of the U.S. corn crop has been planted, just slightly ahead of the 22% 5-year average. The eastern belt is generally behind the west, following heavier precip, especially along the Ohio river. Near term forecasts are drier, so we expect very active planting in the coming weeks. In Argentina, harvest is 31% complete and most observers are still calling for 49-50mmt of production, but perhaps leaning more to the upside. On the demand front, the U.S. is still selling 1-1.5mmt per week, with total sales (shipped and unshipped) now impressively exceeding a year ago by over 12mmt. Indeed, shipments from the PNW this crop year stand at 10.6mmt vs. only 7.4mmt last year at this time. Weather in both hemispheres should remain the key driver going forward, with one eye kept on how long the U.S. remains competitive in world corn markets. As of this writing we would expect into August, after which Brazil should take the lead.

SOYBEANS

Joe Foley, Merchant

Soybean prices have also enjoyed a moderate bounce since our last writing. The weaker dollar, steady exports (despite a record harvest in Brazil that's nearing completion), and higher corn prices all contributive. The funds are still modestly short soy futures, apparently waiting for the next bit of fundamental developments. The USDA will issue their first '25-26 supply and demand estimates next month, and it will be interesting to see how they tackle export demand in the midst of the ongoing trade spat with Washington and the Chinese. The supply side will necessarily incorporate the March 31 planting intentions and trend yields, but the exports are an extreme wild card given the current state of affairs. Recall the PNW is far more reliant on China than are other U.S. ports, so all eyes need stay focused on the ongoing tariff chaos. Brazil is still expecting a 170mmt crop (last year's U.S. crop was 119mmt), and yields in Argentina are so far better than expected for both soy and yc. Estimates for their corn and soy crops are 48-50mmt, each. Weather and tariff noise will continue to drive near term prices.

PULSES

Matt Searcy, Merchant

DRY PEAS

Peas have weakened to an odd place of uncertainty. With export availability largely in question from U.S. peas, and Canadian peas seeming quite risky to procure for U.S. end use, the market is left in an interesting place. Domestic demand is very strong for U.S. raised peas, but with a huge void in export demand, the U.S. pea price doesn't have much leverage to work higher. Until something gives in key destination markets like China and

India, expect prices to remain on the weaker side.

LENTILS

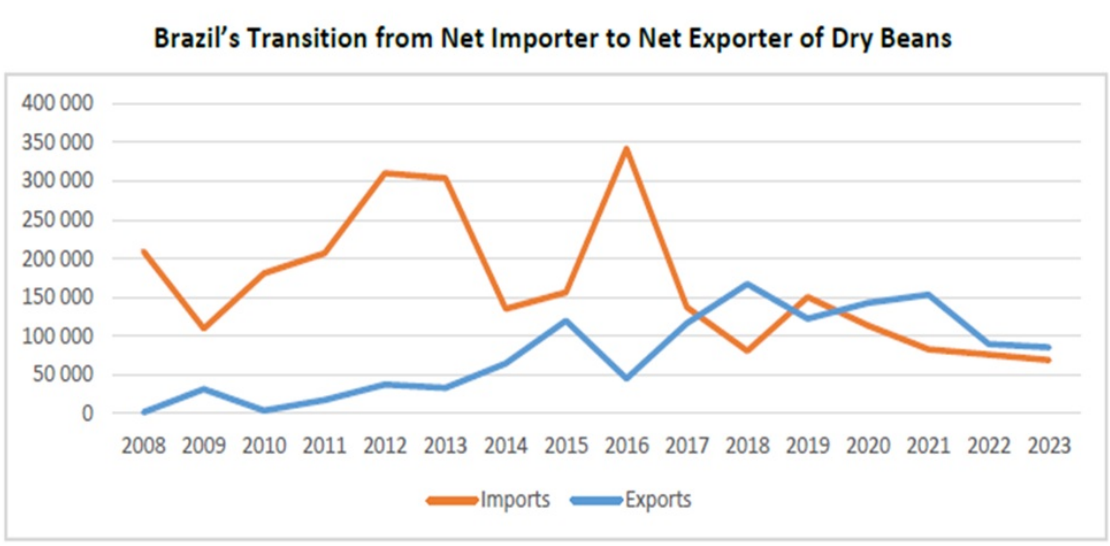
Green lentil markets remain quiet following U.S. tariff clarity and the start of planting in the U.S./Canada. U.S. planted acreage is still expected to increase from last year which, barring any yield issues, has end-users believing prices will be lower this harvest. Reduced inbound container volumes from China to the west coast due to Import tariffs are a risk for higher container costs. Largely the market is in wait and see mode at the moment until further clarity in the trade is defined.

CHICKPEAS

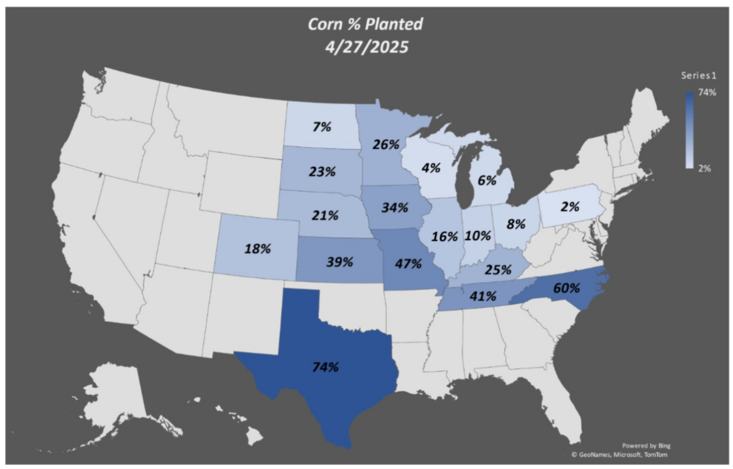
Chickpeas have continued to have steady demand internationally, but most of the demand continues to be met with countries outside of the United States. Farmers in both Australia and the northern hemisphere are preoccupied with spring seeding, leaving the farmers with little interest in selling currently. In the interim, prices have firmed up a bit to influence continued farmer selling. There is speculation that growing conditions in the black sea and eastern Europe are a bit of concern for chickpeas. Desi and small caliber Kabuli seem to have strong demand in the Indian subcontinent, but U.S. chickpeas struggle to be competitive in those markets currently.

DRY BEANS

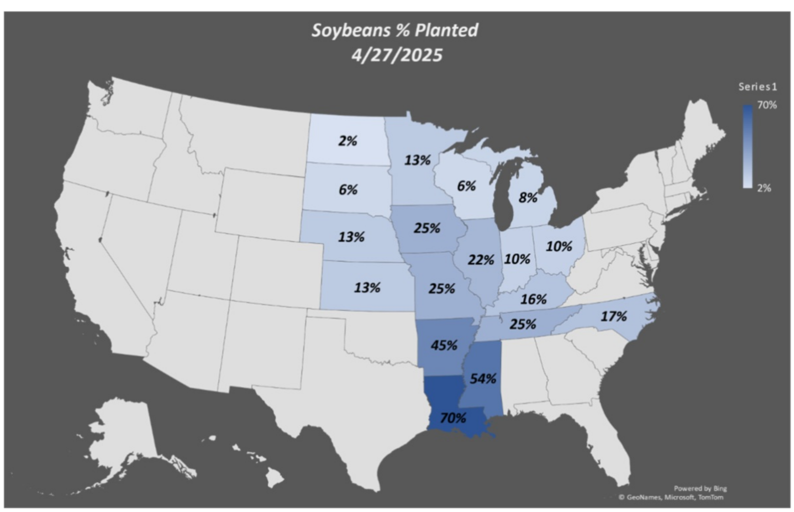
The hot topic in the Dry Bean market as of recent has been Brazil. Brazil has been the leading offer in the Black Bean market with their harvest taking place throughout May. Their offers have been around $3-5/cwt below U.S. prices. Brazil has been trending from a Net Importer to Net Exporter of Black Beans dating back 10 years now. Historically, Brazil has largely only exported to India/Vietnam, but improved container logistical services has allowed greater trade into Mexico and other Central American countries that traditionally used U.S. buyers. The next round of supply to hit the market behind the Brazil crop is Argentina in July. Argentina is different than Brazil in that they export 66%+ of their dry bean crop whereas Brazil only exports 5%. It's noteworthy that Brazil's crop is 6x larger than Argentina as well.



Phil Symons



Emotion coming into full swing as the wheat complex futures trade to new life of contract lows in new crop September futures for Chicago, KC and Minneapolis wheat(s). New crop corn and soybeans both have been able to hold off from testing the life of contracts lows for new crop for now at least.
Now that we are starting to see spring planting get into the swing of things we will be taking the next step into the weather market of 2025.



In the last NASS crop progress report the U.S. corn planting pace was showing 24% complete, compared to the 5-year average at this time of 22%, showing that we are slightly ahead of average. Similarly, soybeans are showing 18% planted in the last report from NASS, this compared to the 5-year average of 12%. The winter wheat ratings have been bouncing around as well. Most of the 'breadbasket' is showing some signs of concern with the dryness showing up on the drought monitor index, when compared to last year. But again, there will be a lot of weather to trade into the market that will be affecting futures prices rather erratically as we are getting into that time of year.

Changes in the market are the one thing that will be consistent…. with that, the market will tell us which type of marketing tool to use. In historically higher futures price environments, we should be looking to lock in those values in either HTA or accumulator contracts. Since we are grinding lower (in wheat futures and soybean futures primarily) now would be the time to look at basis contracts for new crop. Locking in a basis contract now you would be anticipating seeing some kind of a rally in the futures markets to potentially enhance your ultimate cash price. It is important to remember that even if you do a basis contract you are still exposed to futures price risk and futures could continue to decline.

If we do a basis contract remember that we can use either the regular futures to set your futures price or we can use an accumulator as well. If we utilize the accumulators to set your futures price, we can add even more premium to the traditional ways of setting your futures on a basis contract.

Be sure to reach out to your local manager and buyers to go over all the different options available through Columbia Producers Solutions to help enhance your selling prices.

Sean Ferguson, Merchant

CANOLA

ICE canola futures have traded flat this past week. Managed money has provided recent directional support of the board. As of the last CFTC report, managed money held a ~49k contract long, which increased by ~25k contracts week-over-week. The North American grower has been leaning into the board rally and selling old crop length. Basis across North America continues to drop as crush margin trades lower with seed values outpacing oil and meal values. Despite the recent consolidation of crush margin, there is hope on the biofuel front with used cooking oil no longer being eligible as a biofuel blending feedstock within the US. Continued support from the biofuel market will likely bleed into vegetable oil prices, which in theory, should be supportive of canola values.
Growers across North America have begun fieldwork, with North Dakota 4% planted and Montana 12% planted. Growers getting into the field should provide nearby support for canola basis at the crush; however, upside potential will likely be capped as most crushers seem to have nearby coverage to get through the planting season.
The CAD/USD exchange rate remained stable over the past week despite lower-than-expected GDP figures from Canada. The continued weakness of the USD has helped stabilize the exchange rate despite the weakness seen in the CAD.

CGI is pleased to announce a non-GMO canola Act of God contract. Contract specs include 20 bu/acre AOG on dryland and 40 bu/acre AOG on irrigated land. Experience the yields of commodity canola with the benefit of a healthy non-GMO price premium.

Planting seed is available for purchase. Please contact your local CGI representative for more information.

FLAX

The flax market has traded nominally higher week over week as stocks tighten in North America. There are also reports of the EU and Chinese buyer being active the past few weeks, which continues to support the North American market. For the time being, buyers in North America seem amply supplied, which should keep prices at bay. One thing to keep an eye out for, is the convergence of old crop with new crop values. Expected acreage increases in the U.S., Canada, and across the Black Sea should refresh global stocks and keep the old crop/new crop inverse firm. There is still a lot of time between now and harvest, so the trade will keenly watch weather and soil conditions as we go forward.

CGI's flax AOG pricing has now been released. Contact your local CGI elevator for up-to-date pricing.