



# CGI MARKET NEWS

**ISSUE 150**, June 27, 2025

**COLUMBIA GRAIN INTERNATIONAL, LLC**



**Chief Commercial Officer**  
**Kurt Haarmann**

We are very thankful that none of our employees were injured during the savage storms that hit North Dakota on Friday, June 20. At the same time, we know that many of our customers suffered property damage to their homes, farms and grain storage. We suffered the same type of damage at multiple facilities in the state, with most serious come from straight-line winds in Berea and Rogers. The pictures shown here highlight that damage. We want our customers to know that we are working feverishly to repair and replace these storage bins, as well as add additional emergency storage to handle this year's harvest. We hope the storms left you unscathed, but if you did have damage to farm storage, rest assured that we will be there to help this harvest.





Bin Damage at Columbia Grain's Berea  
Location in Valley City, ND



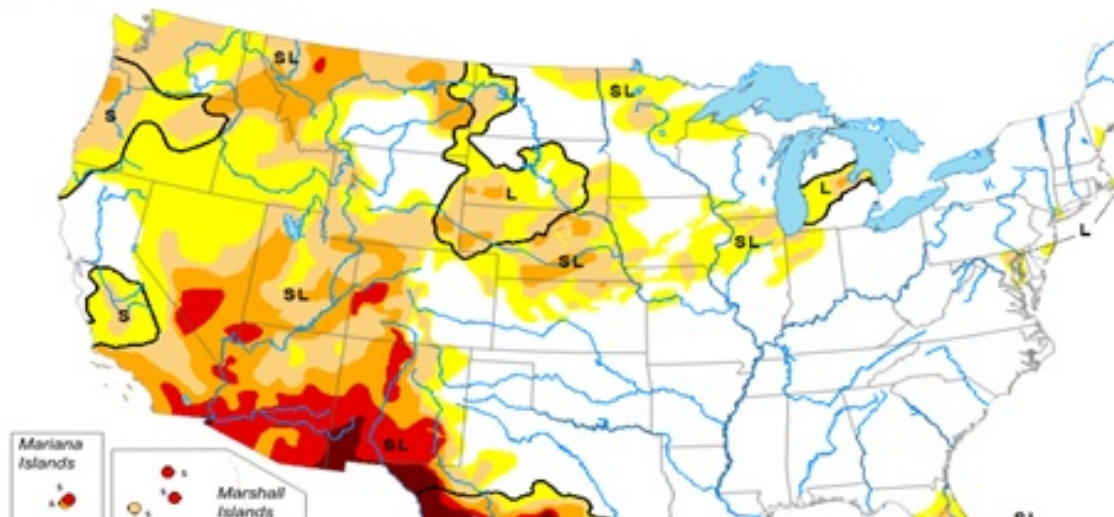
Bin Damage at Columbia Grain's Rogers  
Location in Rogers, ND

# DURUM

**Ryan Statz**, Merchant



- Weather markets, weather markets, weather markets....
- Good rains June 20-22, but more is needed.



- Crop Conditions released June 23 are reflecting the dire situation. Good/Excellent conditions for Durum in MT are near at all time lows at 15% compared to the 5-yr average of 49%.

MT	Very Poor	Poor	Fair	Good	Excellent
5 yr	1	6	44	47	2
LY	0	5	36	57	2
LW	1	29	46	24	0
Current	2	38	45	15	0

ND	Very Poor	Poor	Fair	Good	Excellent
5 yr	2	6	25	62	5
LY	0	1	23	71	5
LW	0	2	30	66	2
Current	0	3	21	74	2

- If timely rain is received and average yields materialize, markets likely trend lower. If drought conditions persist, prices likely surge higher.
  - Wait and see mode by buyers and growers on how it will shake out.
- Good world crops (other than Mexico) with many world production areas in the middle of harvest.

Ryan Statz, Merchant

# HARD RED



# WINTER WHEAT



- Kansas City futures falling on the week on 'easing or settling' geopolitical tensions and better overall U.S. / World crop conditions and outlooks.
  - Locally, we aren't seeing that in Montana with 'dryness' being shouted from the rooftops.
  - Montana HRW conditions retreated from 75% rated G/E 2 weeks ago to 47% rated G/E last week to 38%% rated G/E this week

## Winter Wheat Condition - Selected States: Week Ending June 22, 2025

[These 18 States planted 90% of the 2024 winter wheat acreage]

State	Very poor (percent)	Poor (percent)	Fair (percent)	Good (percent)	Excellent (percent)
Montana .....	5	22	35	38	-

- With the dryness, many are expecting protein to be there, but will other factors falter?
- Excellent overall May and early June demand – but mostly through the Gulf, not the PNW.
  - Currently, PNW is only seeing routine demand. This alone is not enough to strengthen basis levels.
- For now, local basis levels are steady – balancing lower production (bullish) with weaker demand (bearish).
- Key factors we're watching:
  - Rail freight and transportation
  - Global turmoil in Russia, the Black Sea, and China
  - Feed wheat vs. corn spread
  - Trade policy and tariffs

Justin Beach, Merchant

# HARD RED SPRING WHEAT



- The last 2 weeks yielded a sizeable rally that brought plenty of HRS to market and hurt basis levels in ND
  - We believe the market saw 20+MBU trade in ND
  - 5 red days in a row have shut off cash movement
- The MT producer was engaged however trade was muted given current conditions
- ND is the #2 producer of HRS and G/E conditions are at 15%
  - This is a 10 year low
- ND conditions continue to improve
  - The market is concerned about selling higher DHV vessels
- StatsCan Friday morning should be market moving for MGEX
  - The market may need to ration HRS/DNS and we could see wider MGEX-KC spreads moving forward
  - We should see increased interest with the recent board sell off
  - Miller coverage picked up rapidly for Aug-Sep breaking basis in the East but there's still plenty of business to do
  - Strong volumes traded to Houston over the past 2 weeks of 13.5 pro NSW





# SOFT WHITE WHEAT

Steve Yorke, Merchant



- Markets gave us a little hope last week but that was quickly erased at the start of this week.
  - Cash prices topped out at 6.40 for August
  - A board pop along with steady demand and very little grower selling helped spark the run up.
  - Currently we are sitting at 6.15-6.20
- Exports
  - Demand remains firm for Aug/Sept ship dates but nothing crazy
  - Only routine buyers in the market at this time
    - No CCC Gov biz
    - Indo remains quiet
    - Korean feed biz quiet as well
- Australia update
  - Dry conditions persist
  - Timely rainfall will be needed soon



- Area planted to wheat down 3% from last year
- Wheat production is forecast to fall by 10%, still 11% above the 10-year average
- CPS
  - Call into your local office to discuss all the contracts available through Columbia Producer Solutions
    - Accumulators
      - HTA's
      - CASH +
        - Have your orders in and working to insure you are rewarded with market rallies.



## INTERNATIONAL

**Yuichiro Kawata, Tomo Watanabe, Wiley Wang,** International Merchants



- Corn
  - Asian buyers continue to wait for the opportunity of purchasing September shipments.
  - In the PNW area, the track market remains illiquid due to continued lack of farmer selling, and FOB offers from export terminals have been unavailable for about a week.

- With futures prices plummeting, old crop selling is not expected for some time.
- Similarly in Brazil, FOB prices remain firm due to insufficient farmer selling.
- Additionally, due to the abundant old crop soybean harvest, most export terminals are likely to focus on handling soybeans until around August, and it will still take time before corn offers become more aggressive.
- Meanwhile, Korean buyers, noticing the drop in flat prices due to falling futures, held a tender yesterday and purchased four vessels.
- As mentioned above, with Brazil's FOB prices rising, U.S., GULF, and Argentine prices for Asian destinations are beginning to align with Brazil's, and two of the four vessels purchased by Korean buyers in yesterday's tender have the origin option.
- Other buyers are likely to follow Korea's move.
- Futures need to rise to stimulate farmers selling their stocks, which would make PNW competitive again.
- Soybean
  - This week, Taiwanese buyers held multiple tenders for August to September shipments, but no trades have been made so far as price has not reached to their target.
  - PNW continues to face challenges in offering due to the lack of liquidity in the track market.
- Wheat
  - South Korea bought a July/Aug shipment last night. They delayed this purchase until they got the prices they wanted. They are in market for two more shipments starting from mid Aug shipment.
  - Heavy competition has driven export price lower, and the trade feels more comfortable to connect businesses with recent rainfalls. It is yet to be seen how well first half July will bring.
  - Most other end users moved to September or October position already.
  - Will see how low CWRS offer goes under today's environment.
- Key factors we're watching:
  - Weather for the next two weeks.
  - Trade negotiations.

# BARLEY

**Matthew Schorn**, Merchant





- As of June 26th, discussions regarding trade continue following the G7 meeting, but no official changes have been made to tariffs on U.S. barley exports to Canada. That said, barley is now being imported into Canada under processing remissions, which allow for the 25% tariff exemption.

#### **Malt Demand and Price Trends**

- Malt demand remains quiet with limited buyer activity in both the old and new crop positions.
  - Crop conditions are being closely monitored, as any potential issues could lead to quality concerns and a lower rate of malt selection.
  - Price fluctuations have been minimal recently, with weak demand making price discovery challenging.

#### **Canadian Domestic Feed Market**

- The Canadian feed market is facing a downturn, largely due to an influx of Montana barley entering the market through tariff workarounds, a softer corn market, and a rain event that took place last weekend. As a result, feeder bids are dropping, and market sentiment is shifting.
- New crop imported corn is competitive against Canadian feed barley in animal rations. However, buyers are currently holding off, awaiting clearer insights into Canadian production before committing to imported corn.



# **PULSES**



## PEAS

- Yellow and green peas values have weakened
- India to allow duty free yellow pea imports through March 2026
- Russian yellow peas into India are out pricing North American peas
- Russian sellers to continue to offer aggressively and India and China remain largely uninterested
- Stocks on farm Montana and North Dakota are nearly depleted

## LENTILS

- Despite production concerns due to drought, destination markets continue to weaken on low demand
- Spreads between red and green lentils continue to tighten
- U.S. stocks are dwindling, but with weak demand, there is virtually no positive impact on price
- Many end users waiting for new crop
- Seeding intentions indicate more North American acres from last year, but uncertainty looms on what was truly planted, given the drastic Tariff changes of lately

## CHICKPEAS

- Domestic demand continues to be steady
- Argentina and Canada continue to be aggressive sellers, driving price down
- Mexico is struggling to sell their crop due to low destination demand
- Decent amount of stocks remain in Montana and PNW relative to other pulses
- India continues to lack short term demand

## DRY BEANS

- Markets continue to work lower as focus shifts to new crop
- Crop damage across North Dakota continues to be assessed following high winds and a natural disaster
- Roughly 4-5 weeks from having clarity on Mexican crop conditions
- Planting is virtually complete in Canada and about 90% complete in the U.S.



- Dominican Republic market remains relatively quiet stemming from issues with Haiti



**Columbia Producer Solutions**  
**Phil Symons**

- Harvest Pressure
  - Futures markets continue to see harvest pressure driving futures prices lower.
  - Geopolitical influences gave us some pricing opportunities for a brief period.
  - Take advantage of knee jerk reactions in the marketplace be sure to have GTC orders working for any of our pricing alternatives in the Columbia Producer Solutions Platform.
- Large Speculators in the Commodity complex continue to win on their short futures positions.
  - The commitment of trader's report continues to show the large speculators are being rewarded for holding a short futures position.
- Volatility continues to be the name of the game with daily price movements.
  - Predicting the futures markets can be a very difficult, if not impossible task. Get those orders working to remove the emotional roller coaster on pulling the trigger for your grain sales.
- Use Stop loss orders to protect the floor – ratchet or collar orders are a great way to protect the floor price.
  - Select a price below to market to make sure you have some form of safety net to protect your floor price.





Sean Ferguson, Merchant

## CANOLA



- StatsCan planted acres report to be released 6/27.
- Average trade estimate of Canadian canola acreage lies in the 21.5 – 22.5 million acreage range.
- The price of canola increasing relative to spring wheat during seeding is likely to result in a higher acreage print.
- The EPA recently released their renewable volume obligations (RVO) for 2026 and 2027.
- The mandate sets physical volume targets at 5.61 billion gallons in 2026 and 5.86 billion gallons in 2027. This is expected to dramatically increase the volumes of vegetable oil needed for blending feedstock for biofuel.
- The EPA also is calling for a cut to imported biofuel feedstocks being available for subsidy (RIN program).
- This decision by the EPA has significantly firmed domestic vegetable oils, which has subsequently impacted oilseeds, namely canola and soybeans.
- Funds hold a ~126k net canola futures position.



- This equates to ~56% of overall open interest in ICE canola futures.
- Canola trading weather markets – oil/meal buyers and growers alike are slowing new crop purchases/sales as more visibility on crop conditions and subsequent moisture received in the coming weeks.
- Cash crush margin is widening with recent run up in vegetable oil values.

**Sean Ferguson**, Merchant

## FLAX



- Demand rationing has begun in North America as buyers start to pull back bids and/or exit the market altogether.
- Expect old crop prices to drop and converge with new crop pricing in the coming weeks.
- North American flax stocks remain tight; however, with decreasing demand, prices have started to slide.
- Traders will continue to monitor weather forecasts.
- Black Sea flax growing regions are currently faring well. The increase in overall planted acreage, along with favorable yields, will put pressure on the flax market going forward.



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