



CGI MARKET NEWS

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COLUMBIA GRAIN INTERNATIONAL, LLC



CGI AGRONOMY

Lars Birkeland, Seed Production Agronomist

Last week's hailstorm in Montana served as a powerful reminder of the formidable challenges faced by our farming community. Countless hours of hard work and dedication can be wiped away in just a matter of minutes. However, after speaking with several producers who suffered significant crop losses, I was inspired by the remarkable resilience and toughness inherent in Montana farmers.

In the face of unpredictable weather, fluctuating commodity prices, and rising costs, it is crucial to explore innovative solutions to ensure our farmers thrive. Columbia Grain is committed to being at the forefront of this effort by diversifying crop options and varieties to support our collective success during these trying times.

This fall, we are excited to introduce a winter canola program, which has shown promising results in Montana in recent years. While it comes with its own set of risks and challenges, the potential rewards are substantial. If you're interested in learning more, please don't hesitate to reach out to me or visit one of our local locations or elevators.

Thank you for your unwavering dedication. Together, we will navigate these challenges and emerge stronger.



SOFT WHITE WHEAT

Steve Yorke, Merchant



- Current market conditions
 - Cash prices remain in a tight range – 6.10-6.25
 - Exports have been steady but behind last year's pace (-35%)
 - Grower selling remains light as we head into the gut slot of harvest which has helped keep prices stagnant.
 - Basis levels have been all over the place as usual for SWW. Currently we are hovering around .80c/BU.
- Harvest Quality
 - Early reports out of our draw area are showing good TW and slightly higher protein at this stage.
 - Yields are slightly better than expected but off from last year.

- No FN problems at this time.
- Marketing thoughts
 - Continue to look for rallies to set HTA's or Accumulators for Dec and March '26. Plenty of uncertainty still in the Black Sea that could provide rallies. Russian crop was also just reduced to 88-89MMT.
 - Basis will continue to be all over the place so placing orders is the best way to capture rallies. Current range is .50-1.00.
- Australia update
 - Wheat production is forecast to fall by 10% to 30.6MMT in 2025/26.
 - Started off very dry but rains of late headed into their spring (growing season).

DURUM

Ryan Statz, Merchant



- A mixed bag for durum markets the last 2 weeks.
 - Significant rainfall scattered throughout NE Montana, Western North Dakota, and into the Canadian Prairies has pressured prices going into harvest.
 - On the flip side, crop conditions (see below) in Montana aren't reflecting the aid provided by the needed rainfall.
 - Either crop conditions report lags actuality OR the crop is too far along to help in a significant way.
- Montana still is in very tough shape. North Dakota still hanging in there. Canadian Prairies are in tough position to the West but much better to the East.
- Crop Conditions released July 21 are reflecting the dire situation. Good/Excellent conditions for Durum in MT are near all-time lows at 2% compared to the 5-yr average of 39%.

MT	Very Poor	Poor	Fair	Good	Excellent
5 Year	9	15	37	36	3
Last Year	0	6	31	61	2
Last Week	1	44	54	1	0
Current	3	45	50	2	0

ND	Very Poor	Poor	Fair	Good	Excellent
5 Year	4	7	22	60	7
Last Year	0	1	11	78	10
Last Week	0	5	23	70	2
Current	0	5	22	71	2

- From here, markets will be dictated by quality and overall production. By next CGI Market News Report, harvest will have begun for some, and the market will begin to drill down on these two components.

HARD RED SPRING WHEAT

Justin Beach,
Red Wheat Product Line Manager



- As of 7-23 we have seen new contract lows following contract lows this Monday
- On the heels of trade deals with Japan, Philippines, and Indonesia we have not seen increased DNS/NS demand
- The old crop program is carrying some length forward into new crop and market participants have seen much more engagement on HRW globally
 - MIAK-KC spreads have condensed aggressively
- Some country shippers have increased spring wheat sales as a hedge against the potential for a very limited soybean program
- We have seen recent DP hauling and give up selling from producers
- However, the backdrop is large carries coupled with record low acreage and a weak dollar which should support basis and cash prices in the future
- FOB Vancouver CWRS remain considerably cheaper than PNW for October-December, PNW competitive for September
- We believe millers got overbought for July and that will carry in to August and harvest time frame
- At some point the farmer will shut off at these cash prices but the market feels heavy today

HARD RED WINTER WHEAT

Ryan Statz, Merchant



- Harvest is upon us in the PNW and in Montana and until the market truly deciphers quality and overall production within, interior markets have remained steady.
- The biggest concern in Montana quality will reside with the ramifications from the abundant rainfall the state has received over the course of the last 2 weeks.
- Grower selling has been slow thus far which is following suite with the lessened production prospects with mixed quality uncertainties.
- Excellent overall May, June, July 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 in a big way.
 - US trade deals is also a feature the market is watching.... Bangladesh in particular is one market where deals are being finalized. The details are still coming out.
- For now, local basis levels are steady – balancing lower production (bullish) with weaker demand (bearish).
- Harvest will ramp up in most places throughout the CGI draw area next week. We want to wish you a safe and bountiful harvest! Please keep in touch with your local CGI representative in regard to programs and marketing options on how to ultimately add value to your operations and marketing plans.



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Phil Symons

Harvest is getting ramped up in wheat along the northern tier of the US and so is the volatility in the futures markets.

- Be sure to use GTC orders for all aspects of your pricing a alternative. If you are starting an Accumulator or a HTA at the same time place an order to set basis giving you a desired cash price.
 - We have seen basis on SWW move higher rather quickly over the last 2 weeks. Those that have HTA or accumulator contracts have had some nice opportunities recently, especially since we are on the cusp / in harvest. We typically do not see basis improve during harvest time periods.
- Minimum Price Contracts are getting some attention now as we have seen the futures markets come down over the last few months.
 - Minimum Price Contracts allow you to sell cash grain, take cash settlement for cash flow purposes but also allows you to 'keep your feet in the market' in case we see the futures markets move higher, the call you purchased giving you your minimum price should provide an enhanced return to your cash sale. The great thing about a Minimum Price contract is that is locks in the floor and establishes the minimum price you will be selling your grain for.
- Cash Flow needs - Use of Basis contracts are another good option for marketing your grain and can provide you with some cash flow assistance as well.
 - We can advance up to 70% of the contract value against basis contracts to help with cash flow needs. Get in touch with your local manager and buyers to go over the basis contract and cash flow advantages they can provide your farming operation with.
 - At the same time, you are writing a basis contract be sure to place some orders to set the futures portion of the basis contract. You want to be prepared in the event we do see the futures snap back higher so you can take advantage of the reactions in the market.

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CORN

Joe Foley, Merchant



Futures nearly unchanged over the last two weeks

U.S. crop conditions remain favorable

- 74pct of the crop rated good/excellent
- 56pct is silking vs. 58pct avg
- yields / production likely to be raised in the aug waste

ND crop prospects continue to be encouraging

- 69pct good/excellent currently
- 33pct is pollinating, ahead of 24pct avg pace

U.S. exports remain on record pace for '24-25 crop year

- total sales (shipped and unshipped) are 70mmt vs. 55mmt last year
- PNW shipments are 16.4mmt vs. 11.9mmt a year ago
- U.S. corn remains competitive to Asia for the balance of 2025.

Brazil winter corn crop is 40-45pct harvested

- production (summer and winter crops) expected 130-140mmt
- lack of farmer selling and increased domestic demand keeping cash premiums firm

Watch U.S. weather forecasts, export sales and China trade news for forward price

SOYBEAN



CBOT soybean futures are modestly higher

- U.S. crop conditions 68pct good/excellent, 57pct for ND
- 26pct of the national crop is setting pods, 8pct in ND

Brazil remains the dominant supplier to the world market

- 81mmt shipped in 2025 as of 7/26/25, 4.8mmt above last year
- U.S. shipments stand at 46.5mmt, vs. 41.5mmt a year ago
- China represents 22.5mmt (48pct of U.S. total)
- future sales prospects to China are highly suspect amid trade spat woes.
- Brazil cash values are very firm as China opts for their soybeans for sep/oct shipment

Trade developments and august weather will likely drive future price levels



INTERNATIONAL

Yuichiro Kawata
Tomo Watanabe
Wiley Wang
International Merchants



Corn

- Asian buyers have completed their purchases up to the September shipment.
- The progress of business for the October shipment is as follows:
 - Japan, remaining 12-14 vessels
 - Korea, remaining 6 vessels
 - Taiwan, remaining 4 vessels
- Korea purchased 4 vessels for the October shipment yesterday, progressing 40% of the total demand.
- Although purchases are made under worldwide conditions, currently PNW is the cheapest origin, so all exports are likely to come from PNW.
- Taiwan's demand is sluggish due to damage to livestock farmers caused by a typhoon, and they are considering purchasing LH Oct.
- Japan has purchased some new crop corn, but most of the demand remains.
- They are targeting LH Oct-FH Nov.
- PNW FOB prices fell this week due to new crop farmer sales but have temporarily

stopped falling.

- However, need to be careful of uncertainty of soybean demand from China, which could lead to a decline in corn FOB prices.
- Also, if the futures rises, the demand from Asia, such as Korea which purchases with flat prices could be slower, while farmer selling would be accelerated.
- Need to be careful of a scenario where corn overflows at the origination area.

Soybeans

- No particular activity.
- Japan has begun showing their interest in new crop soybeans.

Wheat

- Canadian prairies got more than seasonal precipitations in the past two weeks, except the most southern end and Peace River region. Northern US States received good moisture as well. The spring wheat crop now has the potential to achieve trend line yield.
- Eastern European harvesting has been delayed with heavy rains. This has pushed some of the demand to PNW for low protein and feed wheat. But also this will create more feed wheat in that region and these will eventually come to market.
- Most of global demand will be covered for September after this week.



BARLEY



Tariffs Update

- Trade discussions are still ongoing between Canada and the US, but no official changes have been made to tariffs on US barley exports to Canada. Barley continues to be imported into Canada under processing remissions, which allow for 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 the main topic of conversation with recent rains raising quality risk, notably on germination.
- Weak demand continues to make price discovery challenging, but overall trend is a slightly lower bid structure. This can change if we see quality issues as noted above.
- Both buyers and sellers seem to be waiting patiently to gauge quality before making any marketing decisions.

Canadian Domestic Feed Market

- The Canadian feed market continues to decline as the old and new crop pricing converge, largely due to the recent rain events in the prairies giving confidence in the crop production. As a result, feeder bid have dropped considerably off the highs, and market sentiment is shifting.
- Feed grain demand August is hand-to-mouth as they try to bridge the gap between old and new crop.
- Cattle placements for new crop have not been finalized making it hard to determine demand for feed grains. As a result, feeders are slower to engage in new crop positions.
- Corn futures seem to have found some support and basis has firmed into the Lethbridge market. However, with barley values declining, corn is not competitive against Canadian feed barley at this time.
- This will slow the demand for corn in the short term until feeder demand is better known.



Sean Ferguson, Merchant

FLAX



- Northern Kazakhstan/Southern Russian acreage increases year-over-year.
- Increased acreage, combined with favorable moisture and growing conditions, continues to benefit the overall Black Sea crop.
- Old crop demand remains sparse. Buyers of old crops continue to purchase hand-to-mouth, which puts further pressure on flax prices.
- Rains in the Canadian Prairies continue to benefit the overall flax crop.

Flax Crop Conditions:

- North Dakota: 74% Good/Excellent, 12% Fair, 1% Poor/Very Poor
- Saskatchewan: 88% Good/Excellent, 24% Fair, 12% Poor/Very Poor=

CANOLA



Perks of Growing Winter Non-GMO Canola:

- Higher yields compared to spring canola varieties.
- Great rotational benefits.
- Breaks pest, disease, and weed cycles when rotated with cereals or pulses.
- Helps manage grassy weeds.
- Non-GMO price premium.
- Lower input costs compared to GMO canola.

Canola Market Info:

- Good rains in the Canadian Prairies have helped overall canola crop.
- The Canadian canola crop is forecasted to exceed the 19 MMT mark this year.
- Crush margins are higher, following firmer vegetable oil prices.
- Forecasted U.S. biofuel usage continues to provide support.
- Expect managed money to trim their canola length as long as rain remains in the forecast for the Canadian Prairies.
- Managed money is long ~107k contracts, which is equivalent to ~47% of overall ICE canola open interest.
- PNW canola has begun to come off with yields better than expected.



PULSES

Cameron Underwood, Merchant



Peas

- North American peas continue to weaken with lack of India demand and uncertainty on Chinese demand
- Overall production seems to be slightly above average as peas start coming off the farm
- Just shy of 25% pea acres are reportedly in 'poor' condition as of 7/21/2025
- Cheap Russian peas are beating North American peas on price into feed pea markets

Lentils

- Spreads between green and red lentils continue to tighten
- Total production of green lentils in North America is expected to jump from 1.12 to 1.5 million metric tons
- Prices continue to weaken into destination markets
- Green lentils on track for a potential global record in production of 1.9 Million MT

Chickpeas

- Smaller caliber chickpea pricing continues to weaken
- The prevalence of high caliber chickpeas in North America will have direct correlation to market in the coming weeks
- North American chickpeas continue to find demand into middle eastern destination markets but margins are thinning

Dry Beans

Dry Bean markets have been very defensive in recent weeks with Central Mexico receiving more than adequate rains for their crop. South American Black Bean suppliers continue to offer large volumes at steep discounted prices versus American product. The US Dry Bean convention concluded this week in Denver, CO and South America was the biggest conversation piece of the week. Overall, buyers want to be patient and not take on additional price risk.



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Columbia Grain Intl LLC | 1300 SW 5th Ave, 29th Floor | Portland, OR 97201 US

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