Staff Report No. 2025-28 **March 14, 2025**

March Market Update
Corn, Soybeans, Rice, and Cotton

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Prices at a Glance

Crop	2023/24 U.S. MYA Price Projection	2024/25 U.S. MYA Price Projection
Corn	$4.55 per bu.	$4.35 per bu.
Soybeans	$12.40 per bu.	$9.95 per bu.
Long Grain Rice	$15.90 per cwt.	$14.20 per cwt.
South. Med. Grain Rice	$17.20 per cwt.	$15.20 per cwt.
Upland Cotton Lint	$0.761 per lb.	$0.630 per lb.
Seed Cotton	$0.3949 per lb.	$0.3368 per lb.

WASDE Summary

This month's **2024/25 U.S. corn** outlook remains unchanged relative to last month. The season-average corn price received by producers also remains unchanged at $4.35 per bushel.

As with corn, **U.S. 2024/25 soybean** supply and use projections remain unchanged. The soybean oil balance sheet includes higher exports and lower soybean oil used for biofuel. But unlike corn, season-average soybean price has been revised downward by 15 cents to $9.95 per bushel.

The outlook for **2024/25 U.S. rice** this month calls for slightly higher supplies, larger exports, and unchanged domestic use and ending stocks. Total rice supply has been increased, all on higher imports. All rice imports are raised 1.0 million cwt, to a record 48.0 million, with all of the increase in imports occurring in long-grain rice given current strong demand for Thai jasmine and Indian basmati rice in the U.S. market. All rice exports are raised 1.0 million cwt to 97.0 million, with all of the increase in medium- and short-grain rice being ascribed to the continued strong pace of sales and shipments, mostly to Northeast Asia. Projected ending stocks are unchanged at 47.0 million cwt and remain the highest since 2014/15. The season-average farm price for all rice is raised $0.20 per cwt to $15.60 on higher-than-

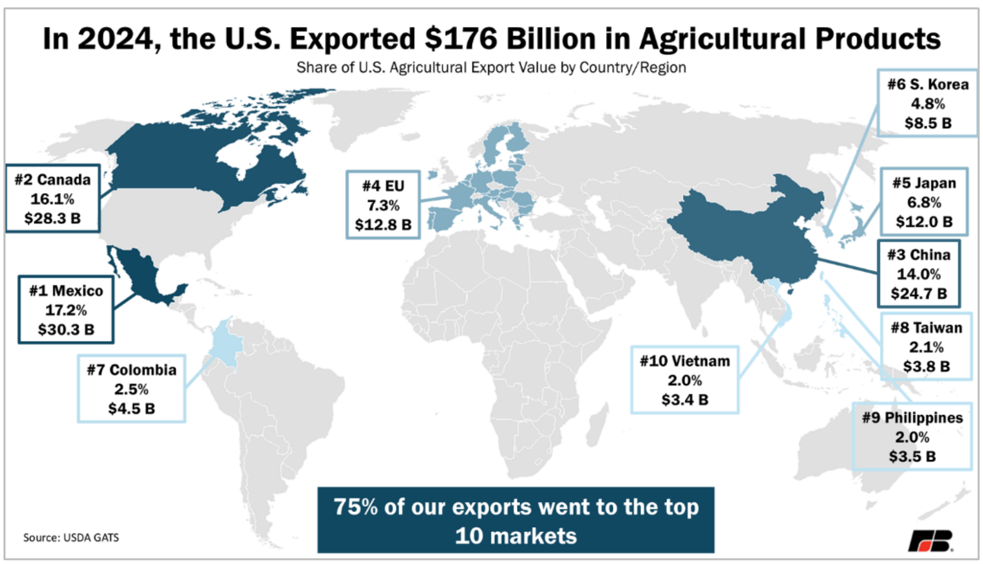
expected prices for the month of January for both classes of rice reported in the February NASS Agricultural Prices.

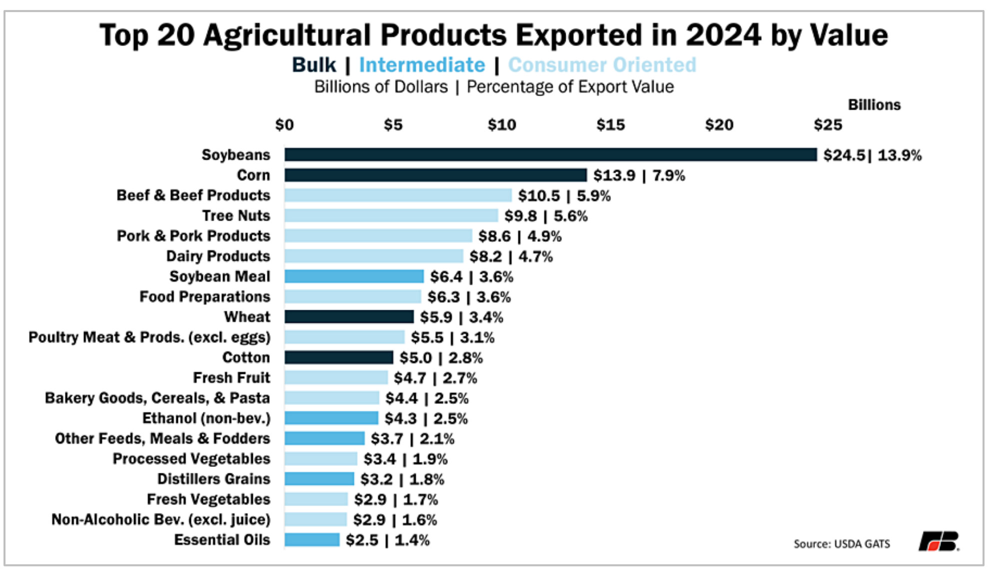
There are no changes to this month's **2024/25 U.S. cotton** balance sheet. The 2024/25 season average upland farm price projection was slightly reduced from 63.5 cents to 63 cents per pound.

The WASDE report only considers trade policies that are in effect at the time of publication. Further, unless a formal end date is specified, the report also assumes that these policies remain in place.

U.S. Tariffs on Canada and Mexico have been suspended until April 2nd for all products covered under USMCA, which include most agricultural products in the WASDE. Reciprocal tariffs are also scheduled to begin on April 2nd. However, until these are in effect, WASDE does not incorporate them into commodity forecasts. Despite U.S. tariffs being suspended, Canada's retaliatory tariffs remain in place. These are accounted for in WASDE estimates and are assumed to continue. U.S. tariffs on China and Chinese retaliatory tariffs on the U.S. are assumed to remain in place.

Tariffs





In 2024, the U.S. exported $176 billion in agricultural products to a total of 189 countries and territories. However, 75% of our total exports went to only 10 markets and nearly half (47%) of our agricultural exports went to only three countries: Mexico, Canada, and China. Mexico became the top destination for U.S. agricultural products for the first time in 2024. Additionally, nearly half of all agricultural exports (49%) go to markets with whom the U.S. has a free trade agreement. This is a new record, and interesting since the U.S. has not signed an FTA with a new partner since 2012, when agreements with South Korea, Colombia and Panama entered into force.

Despite low commodity prices, soybeans and corn directly accounted for 22% of all exports by value in 2024 ($38.4 billion). These products also benefit from exports in numerous other ways: as fed to livestock, feedstock for ethanol and as components of alcoholic beverages, among other export products.

The three largest countries receiving US agricultural exports are China, Canada, and Mexico. China has used imported agricultural products to increase the quality of Chinese diets as incomes have risen. Canada and Mexico are large trading partners due to their geographical proximity, and the ratification of the United States-Mexico-Canada Agreement (USMCA) on trade (a.k.a. North American Free Trade Agreement or NAFTA).

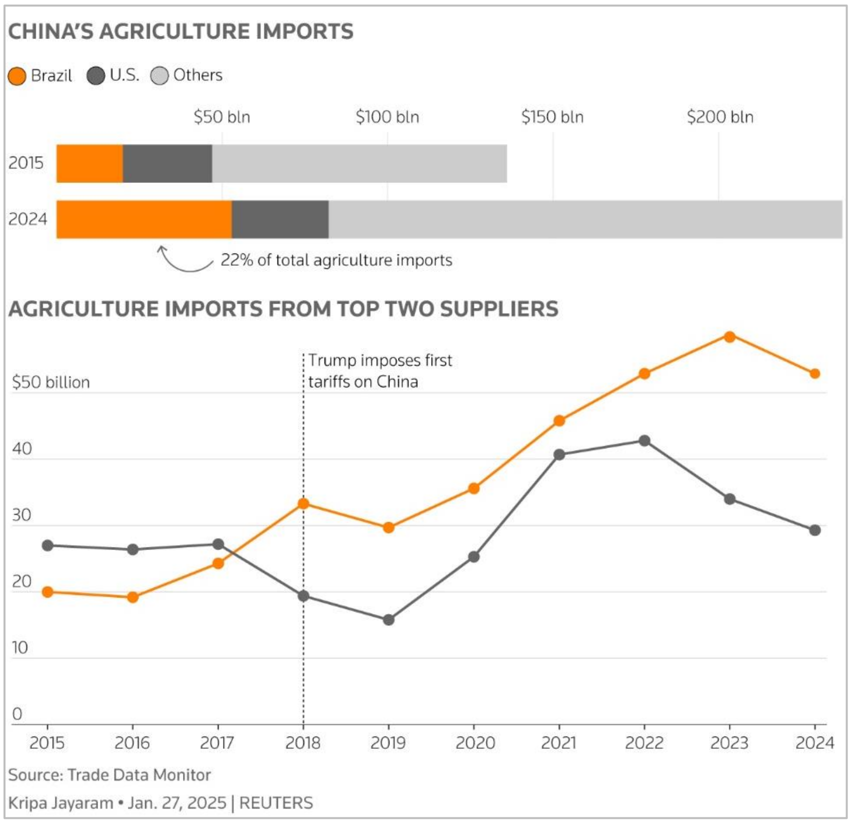
Three countries drive international trade in soybeans. The U.S. and Brazil are large soybean-producing countries, with a major export destination for both countries being China. China has continually increased soybean imports primarily to increase meat consumption in their country. Brazil has increased production to meet this demand, surpassing the U.S. in soybean production from 2017 on. Total soybean exports from both the U.S. and Brazil are large, with Brazil's exports growing while U.S. exports have stabilized over recent years. China is the largest destination for soybeans exported by Brazil and the U.S. In 2024, China was expected to account for 73% of Brazilian soybean exports and 52% of U.S. soybean exports. Over time, the share of total soybean exports destined for China has been higher for Brazil than for the U.S. Chinese share of US soybean exports has varied more over time than has Chinaese share of Brazilian soybean exports. Chinese share of US soybean exports has been as low as 18% in 2018 during the beginning of the trade war with China. Chinese share of US soybean exports has recovered to around 50% but has not returned to the 60% share that existed before 2018.

Relative to production, a lower percentage of U.S. corn is exported relative to soybeans. The export percentage of U.S. corn production was 15% in 2023 and 16% in 2024. In 2023, the largest country receiving U.S. corn was Mexico, with a value of $5.39 billion. Japan was second at $2.07 billion. Over time, Mexico and Japan have been consistent buyers of U.S. corn. The third largest country was China at $1.63 billion. Chinese corn purchases began in 2020, reaching relatively high levels in 2021 and 2022. Those levels declined in 2023. The U.S. is by far the largest corn-producing country in the world. However, Brazil has become an important exporter of corn, with corn exports exceeding those of the U.S. in 2023. Brazil has established itself as an alternative source for corn in global trade

China retaliated against fresh U.S. tariffs with hikes to import levies covering $21 billion worth of American agricultural and food products. Analysts say Beijing still hopes to negotiate a truce on tariffs, deliberately setting its hikes below 20% to leave its negotiators room to hash out a deal, but each escalation reduces the chance of a rapprochement. China placed an additional tariff of 15% tariff on U.S. chicken, wheat, corn and cotton and an extra levy of 10% on U.S. soybeans, sorghum, pork, beef, aquatic products, fruits and vegetables and dairy imports from March 10. The additional levies will hit about 15% of U.S. exports to China or $21 billion worth of trade, according to Reuters calculations based on U.S. census data for 2024.

China is the biggest market for U.S. agricultural products, and the sector has long been vulnerable to being used as a punching bag at times of trade tension. Chinese imports of U.S agriculture goods fell for a second year to $29.25 billion in 2024, from $42.8 billion in 2022.

Trade tension risks exacerbating U.S. inflation and hampering Chinese efforts to ensure a durable post-COVID economic recovery, which has been heavily reliant on exports. Since the U.S. and China imposed tit-for-tat tariffs during Trump's first term, Beijing elected to cut its reliance on American farm goods by spurring domestic production and by buying more from other countries such as Brazil. U.S. agricultural exporters could also step up efforts to replace the Chinese market by shipping more to Southeast Asia, Africa, and India. China has pivoted from U.S. farm imports as a means of diversifying supply since 2018 in efforts to reduce its dependency on U.S. goods with Brazil overtaking the U.S. as the Asian nation’s biggest supplier.



Also, recently, the European Union announced $28 billion in retaliatory measures, including levies on Kentucky bourbon, jeans, and Harley-Davidson motorcycles. European Commission President Ursula von der Leyen said the EU was acting to "protect consumers and business" after the Trump administration's move to place a 25% tariff on imports of steel and aluminum. On April 13th, an additional round of new tariffs will be placed on over $19 billion worth of U.S. goods, subject to approval of EU member states. They would include levies on agricultural products, industrial machinery, and household appliances. The top five U.S. agricultural and related products exported to the European Union by value are soybeans ($3 billion), almonds ($1.2 billion), pistachios ($689 million), whiskies ($533 million) and food preparation products ($521 million).

Soybeans, almonds, distilled spirits, food preparation products, dairy and pork products are all on the list for tariffs. For the current marketing year, which began Sept. 1, European countries have bought 4.5 million metric tons (mmt) of soybeans, up 710,000 metric tons from the same period last year. Spain, Netherlands, and Germany are the largest buyers, according to USDA data.

Canada imposed new retaliatory tariffs against the U.S., targeting $20.6 billion in U.S. imports. These measures include a 25% tariff on $8.8 billion worth of U.S. steel products, $2 billion in aluminum products, and other goods such as sports equipment, cast iron, and computers. This marks the latest development in a dizzying tit-for-tat trade dispute between the two nations, sparked by Trump's 25% tariffs on most imports from Canada and Mexico, which took effect earlier this month. Shortly after imposing the tariffs, Trump temporarily lifted them on automobiles and goods covered by the U.S.-Mexico-Canada Agreement, delaying enforcement until April 2nd.

Mexico initially planned to impose retaliatory tariffs in response to U.S. tariffs on steel and aluminum imports, but President Claudia Sheinbaum suspended these plans ahead of the April 2nd deadline. The tariffs on all auto imports and goods compliant with the United States-Mexico-Canada Agreement were also postponed. Mexico had indicated it would place levies on U.S. goods but has opted to hold off for now.

Corn

The corn market had been steadily drifting higher relatively undisturbed since late fall, but this all changed in the last week or so of February when nervous traders, holding their longest position in corn futures since spring of 2022, began to sell. The aftermath of this was the largest weekly selloff in May corn futures since the contract's earliest trading days back in late June 2023. Prices have since recovered to an extent once the U.S., Canada, and Mexico compromised. The trade remains very uneasy with bullish traders looking to Tuesday's report for reassurance following last week's price plunge.

On the domestic balance sheet, considerable interest is on corn exports, where the pace at the halfway point of the 2024-25 marketing year remains very stout at 26% more commitments as compared to this time in 2024. The USDA is still penciling in a 7% increase in year-over-year exports, a figure that was left unchanged last month to the frustration of bullish traders. According to the Dow Jones pre-report survey of 16 analytic firms, the average trade guess is calling for 1.523 billion bushels of ending stocks, a moderate decline from February if true. Increased exports seem like the most likely way the government could accomplish this reduction in stocks, but strong corn usage for ethanol at 2% higher year-over-year may also be a candidate.

On the world balance sheet, South American production will be of keen interest to traders again. Following a very dry end to 2024 and start to 2025, recent conditions in Argentina have reversed course and have turned very wet over the past two weeks. In fact, since the previous WASDE report which saw USDA cut Argentine corn production by 1 million metric tons, corn rated normal to excellent by the Buenos Aires Grain Exchange (BAGE) fell 7 points through the first half of February but has since recovered 4 points, but is still rated 16% overall lower than in 2024. There was likely still damage done to yield potential in January that is yet unaccounted for by USDA, as reflected in the Dow Jones survey where average analyst expectations are for an additional 1 million metric ton cut in corn production in Argentina. As for Brazil, the USDA somewhat surprised the market with a 1 mmt cut to production expectations in the February WASDE, perhaps the result of what was at the time a very slow start to the safrinha planting season. Throughout February, the weather in central Brazil became ideal and planting pace mounted an impressive recovery to overtake the five-year average by the end of the month. As a result of this and good precipitation to get the crop started, USDA may opt to hold this estimate steady

until more of the growing season passes. The Dow Jones survey agrees, with the average analyst calling for a fractional increase to 126.2 million metric tons for Brazilian corn production.

There were no changes to the US corn balance sheet this month. US corn ending stocks for 2024/25 were unchanged from January at 1.54 billion bushels, compared to 1.518 billion expected (range 1.415-1.63billion). US exports for 2024/25 are estimated at 2.45 billion bushels, also unchanged from January. The average estimate was 2.46 billion, with a range of 2.375- 2.56 billion. World corn ending stocks for 2024/25 came at 288.9 million tonnes versus 289.9 million expected (range 288-291.6 million) and 290.3 in January. Cuts were made to China and Argentina ending stocks but increases in Russia and India partly offset these. Brazil's production for 2024/25 was 126 million tonnes, versus 126 million expected (range 124-130.9 million) and unchanged from January. Argentina's production for 2024/25 was 50 million tonnes, unchanged from January. The average trade estimate was 48.9 million, with a range of 48-51 million.

With no changes to the US balance sheet and slightly lower world ending stocks than anticipated, the tone of the report is perceived by many analysts as being mostly neutral in tone. USDA chose to wait for the end of March quarterly stocks and acreage report before making any changes. May corn prices remain higher on the day post-report, mainly due to the falling US dollar and slightly higher energy prices. Even though ending stocks did not tighten in this report, the recent strong export pace will likely continue through March and April and will provide underlying support on pullbacks.

In the case of corn, this could count as something of a surprise, as analysts on average were expecting the 1.540-billion-bushel carryout to be cut, to 1.516 billion. As has been noted for a while, U.S. corn export sales and shipments are running well ahead of the pace needed to meet USDA's corn export projection, and analysists are expecting that increase to be reflected in the report at some point.

Some analysts in the trade still expect an increase to corn exports at some point, although the ongoing tariff situation, with Mexico in particular, is a complicating factor. But with today's punt, the trade will now start focusing more squarely on U.S. Spring acreage expectations, and with that the weather outlook. The forecast for the Delta and Southeast calls for a mix of rain and sunshine over the next two weeks according to World Weather Inc., slowing early fieldwork to some degree, but providing a welcome boost to soil moisture. In the Midwest, three rounds of rain are expected over the next two weeks: Friday into Saturday, March 19-21, and March 23-25. Those rains will generally be welcome given pervasive dryness across the Corn Belt.

The corn futures market saw follow-through technical buying interest from the speculators, but faded into the close on keener risk aversion in the general marketplace following new U.S. trade tariff moves against Canada today. A deteriorating U.S. dollar index that today hit a four-month low limited the downside in corn. World Weather Inc. today said that in South American corn regions, drier weather in Argentina this week "will be good for many areas that have received a little too much rain recently. Northeastern crop areas, however, are too dry and will remain that way for at least another 10 days. A band of rain across central parts of the nation today and Wednesday will maintain wet fields in that region." Meantime, Brazil's weather is mostly good for crops and fieldwork.

The corn futures bull and bears are on a level overall near-term technical playing field as a bullish V-Bottom reversal pattern has formed on the daily bar chart to negate a price downtrend. The next upside price objective for the bulls is to close May prices above solid chart resistance at $5.00. The next downside target for the bears is closing prices below chart support at the March low of $4.42 1/2. First resistance is seen at today's high of $4.77 1/2 and then at $4.80. First support is seen at this week's low of $4.66 1/2 and then at $4.60. May corn fell 7.75 cents to $4.6250 per bushel late in overnight trading after

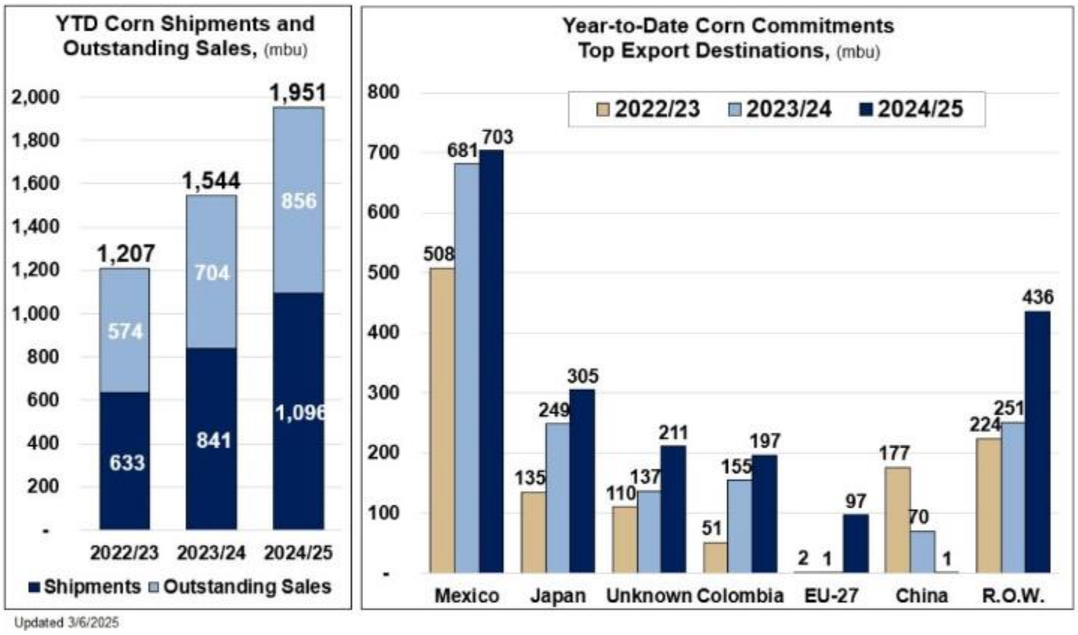
dropping 1.75 cents Tuesday to end a four-day winning streak. In early trading Tuesday, May futures touched $4.7750, the contract's highest intraday price since February 28. December futures fell 5 cents to $4.4950 overnight.

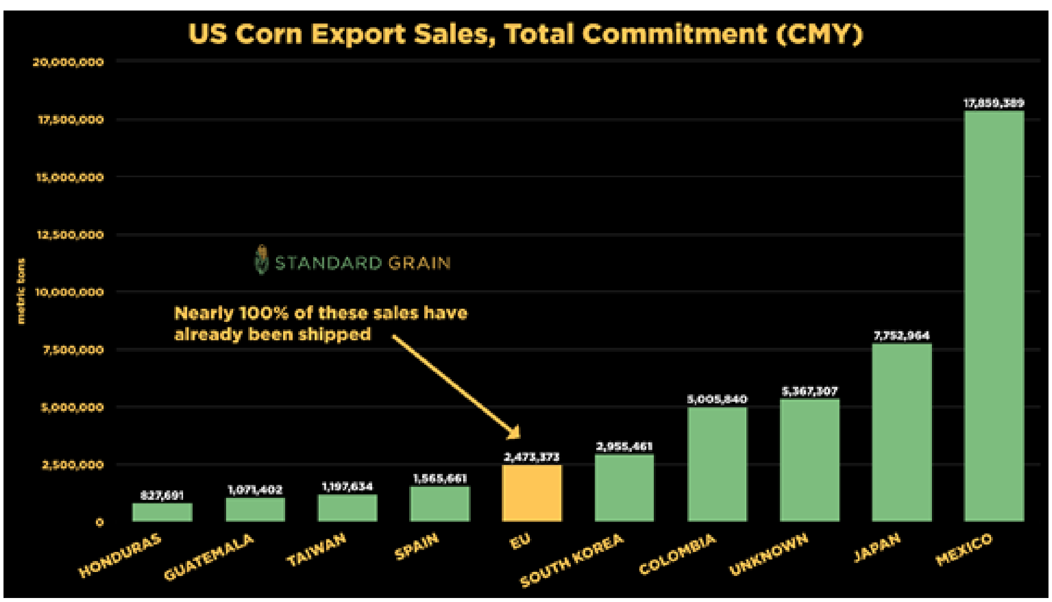
Despite the market's recent soft finish, corn's sharp bounce from a 2 1/2-month low a week ago has shored up market technical to some extent, though May futures remain well-below a 14-month intraday high around $5.19 hit in mid-February. Near-term support includes the 200-day simple moving average (SMA) at about $4.56. Commodity funds have reduced a historically large bullish bet in corn futures but appear inclined to defend a still-sizable net long position for the time being, barring another technical breakdown or a severe turn for the worse in trade tensions or the global economy. On Wednesday, May corn ended the session below the 10- and 100-day moving averages, each trading around $4.65 with the 200-day moving average of $4.55 1/2 now serving as initial support. Bears continue to show their dominance and will continue to look towards holding a close below support at $4.50, while bulls will need to edge back above this week’s high of $4.77 1/2. However, initial resistance will now serve at today’s failed support levels, then at $4.70 and $4.72.

Corn futures sold off another 5 3/4 to 9 1/2 cents under pressure from trade concerns after the EU announced it will reinstate a suspended 25% tariff on U.S. corn in response to new U.S. tariffs on steel and aluminum. The absence of any supportive news in Tuesday’s USDA report was also a negative market factor along with technically-driven selling and a stronger dollar. May futures fell 9 1/2 cents to $4.60 3/4 and July futures fell 9 1/2 cents to $4.67 1/2, while December futures finished 6 1/4 cents lower at $4.48 1/4.

Corn futures are not looking good technically after posting their lowest closes in 5 sessions and settle in the lower third of their daily price ranges. May futures did hold just above their 200-day moving avg, and now have nearby chart support at $4.55 1/2-$4.56 1/4, with nearby resistance at $4.72. The short-term rally that recently ended may have been just a bear-flag and a May close below $4.50 would suggest a downside objective of about $4.01. Likewise for December corn, the recent rally looks to have been a bear flag and a close below $4.41 1/2 would confirm a downside objective of $4.19 1/2. December has nearby resistance now at $4.55.

The EU said that as part of its retaliation against U.S. tariffs on steel and aluminum it plans to reinstate on April 1 a suspended 25% import tariff on U.S. corn that was originally levied back in 2018. The 25% tariff could price U.S. corn out of EU markets. EU nations have accounted for just under 5% of U.S. corn export sales so far in 2024-25, with most of those sales being to Spain, which has been the fifth largest destination for U.S. corn this year. The EU has not really been a consistent buyer of U.S. corn over the years, though and European buyers are likely now turning their attention to Argentine new-crop corn supplies.

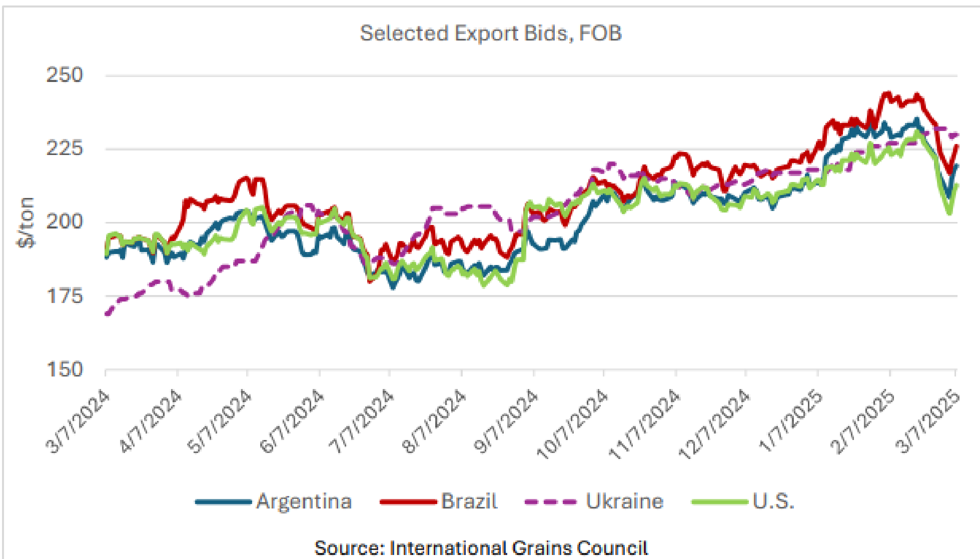




Corn futures erased recent gains as risk-off sentiments returned to the grain complex amid escalating trade tensions. Weighing on corn were remarks from Canada's energy minister Jonathan Wilkinson, which indicated Canada is considering imposing tariffs on U.S. ethanol as a part of a second tranche of trade penalties. Wilkinson noted, "everything is on the table" and specifically noted ethanol is "absolutely

on the list of things" that could face tariffs. Traders will continue to closely monitor the situation as it advances. The Energy Information Administration reported weekly ethanol production averaged 1.062 million barrels per day (bpd) during the week ended March 7, down 31,000 bpd (2.8%) from the previous week but up 38,000 bpd (3.7%) from the same week last year. Ethanol stocks rose 87,000 barrels to 27.376 million barrels.

Since the February WASDE, export bids for all major origins excluding Ukraine have declined on benign weather for crops in South America and tariff uncertainty. U.S. bids were down $13/ton to $213. Expectations for enhanced supplies in the United States are outweighing uncertainty due to evolving trade policy. Argentine export bids were also down $13/ton to $219. Pressure from the ongoing harvest continues to soften export bids. Brazilian bids were down $18/ton to $226. Rapid planting progress and an improved weather outlook have eased bids. Ukrainian export bids rose $3/ton to $230, as tight supplies from last fall's poor harvest continue to fall short of partner demand.



Export bids (US$ per metric ton)	7-Mar-25	6-Feb-25	7-Mar-24	% change, '24 - '25
Argentina, Up River	219	232	188	16%
Brazil, Paranaguá	226	244	191	18%
Ukraine	230	227	169	36%
U.S. #3 Yellow Corn, Gulf	213	226	189	12%

Soybeans

Prior to February's WASDE, the soybean market was already top heavy, and the overall neutral report did nothing to support prices as it simply reconfirmed substantial South American production figures, even with a 3-million metric ton cut to Argentine production. In late February, losses accelerated because of increased trade tensions with Mexico, Canada, and China. Now, on the domestic balance sheet, the market is again expecting a quiet report for soybeans. Average analyst estimates for soybean ending stocks lean towards a 1 million bushel increase to 381 million bushels. Currently, soybean demand is a two-way street, where going one direction you have a brisk pace in crushing, which continues to impress and is running ahead of the USDA's record expectations through January, but in the other direction one is faced with the sluggish pace of soybean exports, which have seen commitments crumble through 2025 thus far. Total commitments still hold a 13% lead over last year, with the USDA expecting an 8%

increase. This may be enough for the USDA to hold off for now on a cut to export demand, but if ending stocks are to rise in Tuesday's report exports appear to be the most likely culprit.

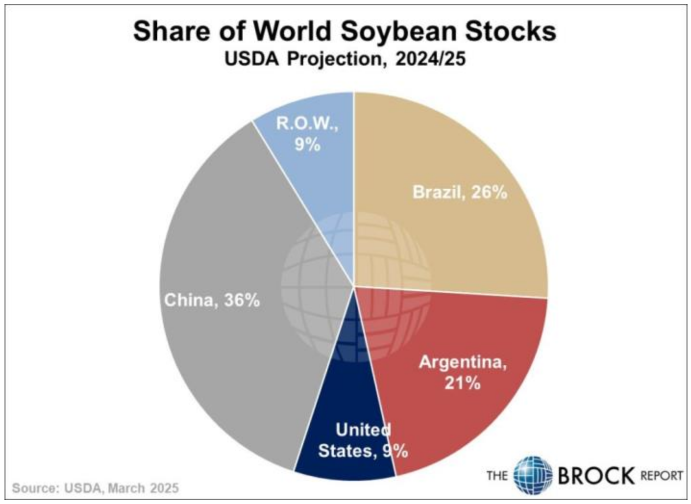
Globally, improvements in Argentine weather are leading some analysts to believe USDA was overzealous in February with its surprising 3-million metric cut, especially considering that week under half of the total soybeans in Argentina were setting or filling pods. The arrival of steady rainfall through February certainly has worked to improve conditions for later-maturing soybeans. However, analysts surveyed by Dow Jones are still, on average, calling for a slight cut to Argentine soybean production to 48.6 million metric tons, although most expectations are for an unchanged estimate.

In Brazil, a sluggish start to soybean harvest in central Brazil gave way to rapid pace recovery through the month of February, and thus far the yield reports there are good. More recently, the market has turned its attention to southern Brazil where full-season soybeans have been subjected to hot and dry conditions over the past week, which are forecast to continue over the next two weeks, especially for southernmost state Rio Grande do Sul, where early yield reports have disappointed. Currently, analysts see the situation in Brazil remaining fairly steady at 169.3 million metric ton average trade guess versus 169 million metric tons in February's report. Greater production in the central areas is likely to offset any potential for losses in the southern growing areas. The bottom line should see world soybean stocks steady near 124 million metric tons, still a record as estimated.

Except for a slight offsetting adjustment to seed and residual categories, the U.S. balance sheet for soybeans remains unchanged this month. U.S. soybean ending stocks for 2024/25 are estimated at 380 million bushels, compared to 380 million expected (range 330-405 million) and 380 in February. Soymeal and soyoil ending stocks were both left unchanged as well for 2024/25. Exports are estimated at 1.825 billion bushels versus the average estimate of 1.821 billion, and a range of 1.8-1.86 billion and 1.825 billion in February. USDA did not lower its U.S. export projection despite China's 10% tariff on U.S. beans. World ending stocks for 2024/25 came at 121.14 million tonnes, versus 124.6 million expected (range 122.2-126 million) and 124.3 in February. Cuts to China and Argentina's stocks accounted for the larger-than-expected decline. Brazil's production for 2024/25 was 169.0 million tonnes, versus 169.5 million expected (range 168-171 million) and 169 in February. Argentina's production for 2024/25 was 49.0 million tonnes, versus 48.9 million expected (range 48-51 million) and 49.0 in February.

Even though there were virtually no changes made to the U.S. balance sheet, world ending stocks were tightened more than expected, which is viewed as being mildly supportive. The focus of this report was U.S. exports and whether USDA would adjust them lower due to the Chinese tariffs. But they did not make any change, which relieves one of the major bearish concerns heading into the report. With the report now behind us, traders can return their focus to trade policy headlines and the U.S. dollar. May beans have had little reaction to the report, and bullish catalysts are lacking, save for the U.S. dollar weakness.

Soybean carryout remains at 380 million bushels, this is in line with trade expectations. And USDA also made now changes to its corn and soybean crop estimates, both for Argentina and Brazil. The trade on average was not expecting any changes to these estimates, except for Argentine corn. A Reuters survey showed an average analyst estimate of 49.0 million metric tons, 1 million tons down from last month. Instead, USDA left the estimate alone.



Soybeans held onto gains into USDA's March Supply & Demand Report, which featured minimal changes from February. Meanwhile, an extension lower in the U.S. dollar was positive for commodities. However, escalating trade tensions kept buying to a minimum as President Trump doubled tariffs on steel and aluminum imports from Canada to 50%.

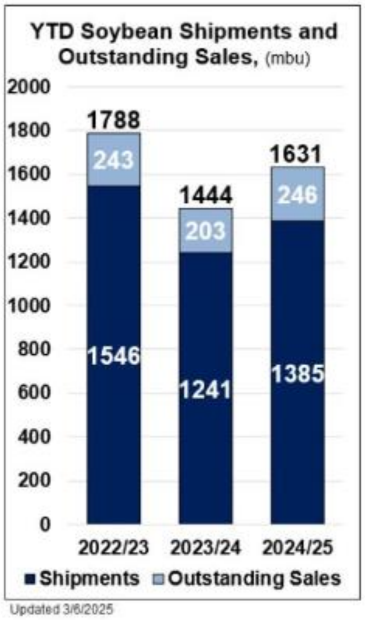
May soybean gains were hemmed by the 10-day moving average of $10.20 1/2, while support served at Monday's low of $10.09 3/4, which is backed by support at $10.06 1/2. With bears holding the near-term technical advantage, the camp is poised to edge below psychological support at $10.00, with the March low of $9.91 ultimately in their sights. Conversely, bulls will continue to look to secure a close above resistance at $10.65. May soybeans fell 5.75 cents to $10.0550 late in overnight trading after shedding 2.75 cents recently to $10.1125, the contract's third straight daily decline and its lowest settlement in a week. November soybeans fell 6.5 cents to $10.09 recently.

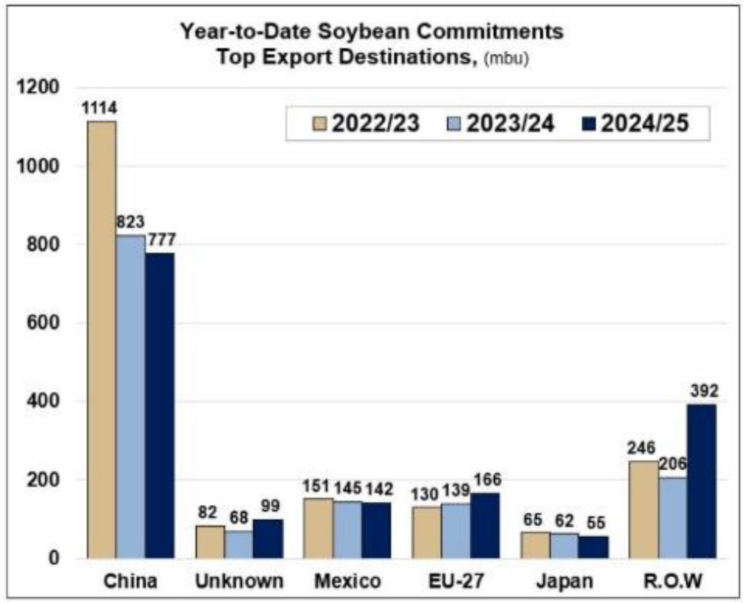
Soybean technicals continue to lean bearish, with large speculators returning to the sell side after buying actively late last week. Funds were net sellers of about 9,500 futures contracts the first two days this week. May futures remain in a near five-week downtrend after hitting a four-month intraday high of $10.9250 on February 5th. Further price weakness could prompt bears to test the 2 1/2-month intraday low of $9.91 posted March 4th. At the midweek point, the soybean, meal, and bean oil bears have the firm overall near-term technical advantage. May soybean prices are in a five-week-old downtrend on the daily bar chart. The next near-term upside technical objective for the soybean bulls is closing May prices above solid resistance at $10.40. The next downside price objective for the bears is closing prices below solid technical support at the contract low of $9.55 1/2. First resistance is seen at today's high of $10.14 and then at $10.25. Initial support is seen at the March low of $9.91 and then at $9.75.

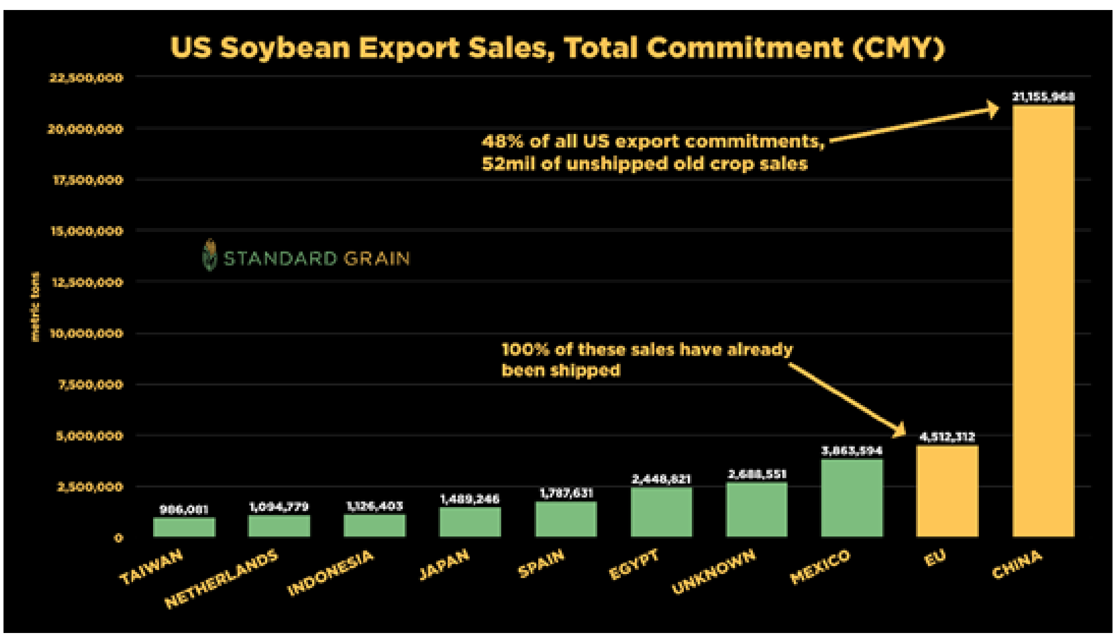
Soybean futures are in clear trouble technically after posting their lowest closes in 6 sessions and settling just above key support at last week's lows. May soybeans now have nearby chart support at $9.91-$9.94, while July soybeans have nearby support at $10.06-$10.09. The recent rebound by soybean futures appears to have been a bear flag and a close by July futures below $10.06 would confirm a potential bear-flag objective for the market of $9.48 1/2, although the contract low will be key support at $10.66. November soybeans now have nearby support at $9.96-$10.00, with nearby resistance at $10.18. A November close below $9.96 would suggest a possible bear-flag objective of about $9.52.

The EU's 25% tariff on U.S. soybeans, which will take effect on April 1st is certainly a negative factor for export demand if it stays in place for long. Slightly more than 10% of all U.S. soybean export sales so far

in 2024-25 have been to EU nations – mostly to Spain and the Netherlands. The near-term market impact should not be great, though, as all 2024-25 export sales to the EU have already been shipped and European buyers already figured to be purchasing mostly South American soybeans over the remainder of the marketing year.







The soybean complex futures saw more speculative selling pressure today, much of which was weak long liquidation, amid still-elevated risk aversion in the general marketplace amid worries about a global trade war sparking a world economic recession. Solidly lower corn futures prices also spilled over into selling pressure in the soy markets. Key outside markets were neutral today, as a firmer U.S. dollar index was a negative for soybeans, while higher crude oil prices were a positive element. Also bearish for soybeans, the expiration of the $1-per-gallon blenders tax credit on December 31, 2024, has led to the shutdown of multiple biodiesel plants in Iowa. Industry leaders face uncertainty as the Treasury Department has yet to

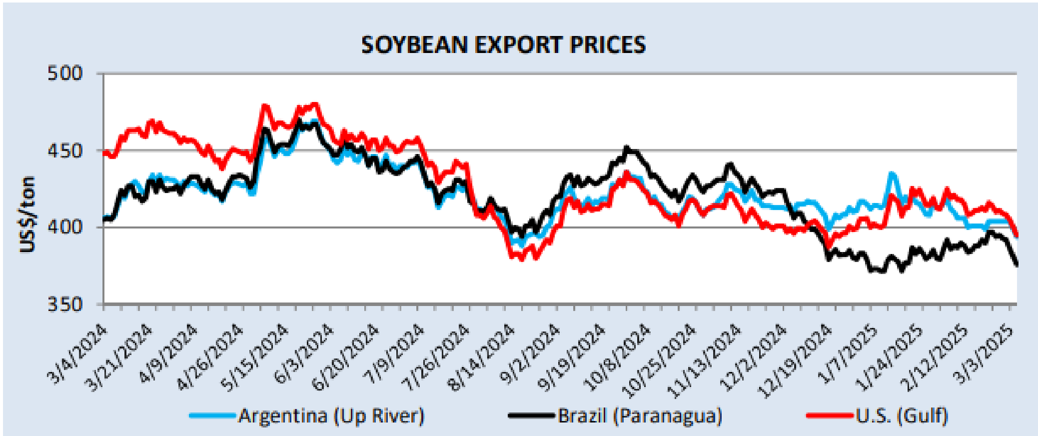
finalize rules for the replacement 45Z Clean Fuel Production Tax Credit. Industry groups are urging Congress to reinstate the expired 40A Biodiesel Tax Credit.

Soybean prices remain under pressure from eroding U.S. exports and heavy supplies from South America's harvest. Brazil's soybean exports are expected to reach 15.45 million metric tons (567.6 million bushels) in March, up more than 4% compared with last week's forecast and up 15% from March 2024, according to data reported Tuesday by the grain exporters lobby ANEC.

In Tuesday's report, USDA kept its forecast for Brazil's 2025 soybean harvest unchanged at a record 169 million metric tons (6.21 billion bushels), contrary to analysts' expectations for a slight increase to about 169.2 million metric tons. Argentina's estimated soybean crop was held at 49 million metric tons (1.8 billion bushels). Analysts expected a cut of about 0.2% based on beliefs drought in some of the country's key growing areas may have curbed yields.

Brazil's harvest would still be up nearly 11% from 2024 if its crop comes in around the USDA forecast. Projected global soybean stocks at the end of the 2024/25 marketing year were cut 2.4% to 121.41 million metric tons, contrary to expectations for a slight increase but still up almost 8% from 2023/24.

Since the February WASDE, soybean prices have seen little movement despite a drop in prices on March 3rd which was caused chiefly by tariff concerns. Prior to this, an anticipated surplus in global production balanced with unfavorable weather in South America worked to keep prices consistent throughout most of the month. Brazilian soybeans have remained the most price competitive all month. Global soybean meal prices tracked with soybean prices. Soybean crushing continues to remain high and consumers are switching to competitively priced soybean oil as the global supply of palm oil continues to tighten.



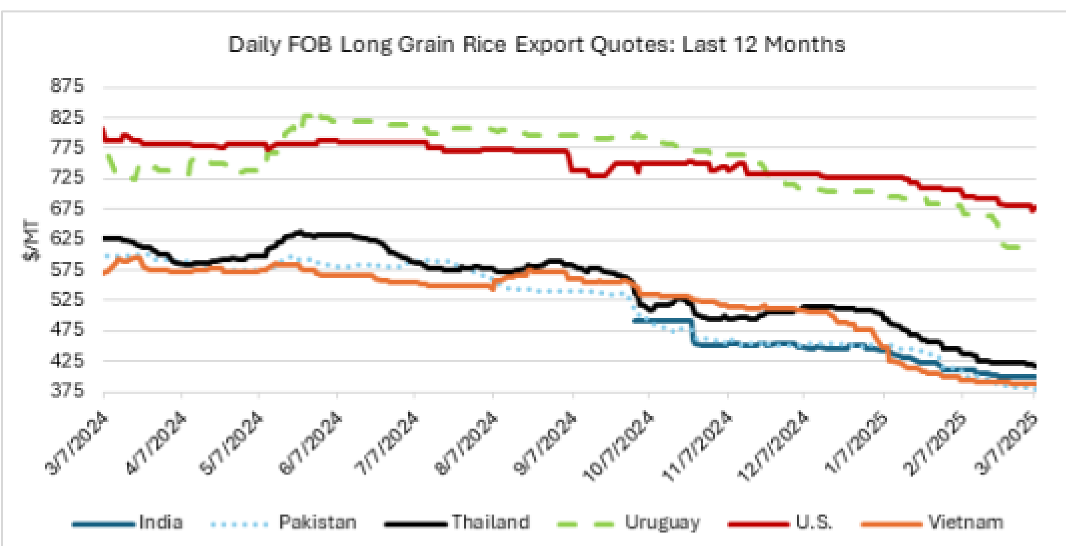
Source: International Grains Council. All prices are FOB: U.S. Gulf, Argentina Up River, and Brazil Paranagua.

Rice

Most recent revisions in USDA's rice balance sheet turned slightly negative, as USDA raised long-grain carryout by approximately 3 percent (1 million hundredweight) from last month, to 35.3 million, up from 19.3 million a year ago. The increase was caused by a 1-million-cwt. increase in projected long-grain imports, which USDA said was driven by the strong pace of Thai Jasmine and Indian Basmati rice. Despite that, USDA raised its long-grain season average price outlook by 20 cents, to $14.20.

Rice futures were lower. March rice settled up 21 cents to $13.54. May rice settled down 13 cents to $13.84, after trading a range of $13.70 to $13.95, and September rice settled down 7 cents to $13.90. The market did not challenge the two-week high of $14.09 ½ set in the May contract yesterday. If May futures take out that high, the next target would be $14.27. First, the May contract needs to close back above $14.00.

Since February, global export quotes have continued to decline sharply. Pakistani quotes decreased $20/ton to $380 and Indian quotes are down $10/ton to $400 with large supplies. Vietnamese quotes decreased $7/ton to $387 and Thai quotes dropped $19/ton to $418 with reduced sales to Southeast Asian markets. U.S. prices dropped $19/ton to $678 on weaker sales to Latin America. Uruguayan quotes fell $56/ton to $612 following the harvest of its new crop.



Cotton

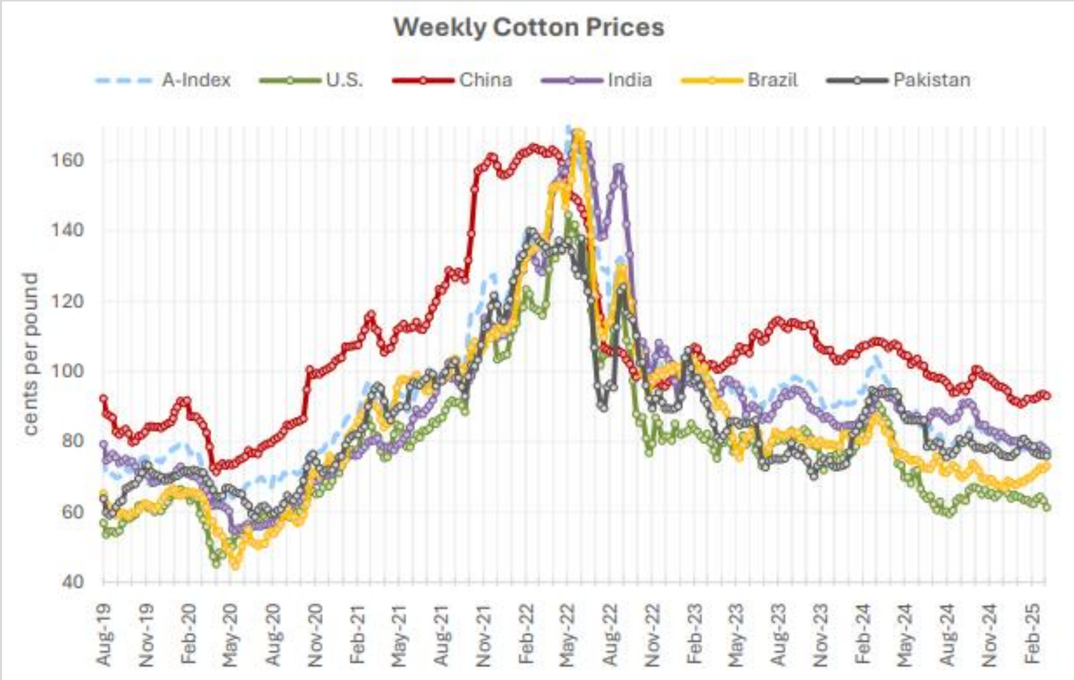
Cotton futures held an inside range and mostly between the 20- and 10-day moving averages, with outside markets lending support as the U.S. dollar resumed its recent decline. However, lingering trade uncertainties continued to pressure equities, casting doubt across the marketplace. USDA released its March supply and demand estimates, which included minimal changes from February. There were no changes to either side of the balance sheet, though global ending stocks were reported at 78.33 million bales, down from 78.41 million in February, but up from 73.71 million bales a year ago.

May cotton consolidated mostly between the 10- and 20-day moving averages of 67.88 cents and 67.91 cents, with bulls looking to edge above 68.30 cents and ultimately 70.00 cents, while bears continue to look towards breaching the March 4 low of 62.54 cents. Initial resistance will continue to serve at the 20-day moving average, and again at the 40-day moving average of 67.37 cents, then at 67.68 cents. Meanwhile support is layered at the 10-day moving average, then at 64.78 cents and 63.94 cents. The cotton futures bears have the firm overall near-term technical advantage at the midweek point. Prices are in a downtrend on the daily bar chart. The next upside price objective for the cotton bulls is to produce a close in May futures above technical resistance at the February high of 69.25 cents. The next downside price objective for the cotton bears is to close prices below solid technical support at the contract low of 60.00 cents. First resistance is seen at this week's high of 67.07 cents and then at 68.00 cents. First support is seen at today's low of 65.95 cents and then at this week's low of 65.42 cents.

While the market has not confirmed a bottom yet, the technical outlook is starting to improve. May cotton posted its highest close in two weeks. It also closed back above its 18-day moving average of 66.46. The next target is the 40-day moving average, currently at 67.32, which has only closed above once since last October. Above that, potential resistance is at 69.25, and 70 cents. Fundamentally, the cotton market is underpinned by expectations of a big drop in acreage this spring.

The cotton futures market saw more short covering. A tame U.S. CPI report today that saw inflation come in slightly lower than expectations was a friendly element for the cotton market, as were higher crude oil prices. However, gains in cotton were somewhat limited by a firmer U.S. dollar index.

Since February's WASDE, cotton futures on the Intercontinental Exchange (ICE) remain unchanged at around 66 cents per pound with prices now reflecting the May 2025 contract. With additional Chinese tariffs on U.S. cotton, cotton futures reached their lowest level since August 2020 at 63 cents per pound earlier this month. However, prices have recovered due, in part, to strong export sales for U.S. cotton. The latest Commodity Futures Trading Commission Commitment of Traders supplemental report for futures and options showed the net long (buy) position for both Non-Commercial and Index participants (as of March 4, 2025) falling to nearly -25,000 contracts compared with over 140,000 contracts last year. Cotton futures are still more than 30 cents lower compared with last year, yet speculators continue selling cotton futures contracts with the prediction that prices will fall even further.



Changes Since February *WASDE* (cents per pound)

	A-Index	U.S.	China	India	Brazil	Pakistan
7-Feb	77.4	61.8	92.0	77.2	70.8	78.5
7-Mar	77.0	62.6	93.0	77.6	72.8	75.1
Change	-0.4	0.8	1.0	0.4	2.0	-3.4

U.S. spot prices remain unchanged at around 62 cents per pound. Southeast basis was slightly higher at -100 basis points and North and South Delta were also higher at -200. West Texas-Kansas-Oklahoma increased slightly to -425, and average basis across the United States edged higher to around -350. Average U.S. basis is 200 points higher compared with the previous year and likely owed to significantly lower futures. Chinese prices are up 1 cent to 93 cents per pound despite prices for the nearby futures contract (May) on the Zhengzhou Commodity Exchange (ZCE) unchanged compared with last month. Basis (relative to ICE) was up once again to more than 200 points compared with last month to 2,800 points. India prices are unchanged at around 77 cents per pound. Basis is up more than 150 points to 1,250 and remains significantly higher compared with last year's level of around -150 points. Brazil prices are up 2 cents once again to around 73 cents per pound, and basis is up nearly 400 points for the third consecutive month to roughly 800 points, significantly higher compared with last year's level of -950. Pakistan prices are more than 3 cents lower at around 75 cents per pound. Basis declined more than 100 points this month to around 1,100 points. The observed A-Index this month includes the simple average of the following 5 quotes: Brazil, Memphis/Orleans/Texas, Memphis/Eastern, Côte d'Ivoire, and Burkina Faso. Brazil is once again the lowest quoted origin at 74.50 cents per pound; Burkina Faso is the highest at 79.00 cents. The A- Index relative to ICE is roughly 11 cents higher and notably higher compared with the previous year. Note the A-index includes the 5 cheapest origins of 'medium grade' cotton landed at a port in East Asia; quotations are compiled and published daily.

PLC Farm Program Payment Projections – 2023/24 CY and 2024/25 CY

The table below projects the national marketing year average prices for Price Loss Coverage (PLC) program. A PLC program payment is triggered when the national Marketing Year Average (MYA) price for a commodity falls below that commodity's effective reference price. The payment rate is then multiplied by the farm's program yield and made on 85% of base acres.

Covered Commodity	***2023/24 MYA Price****	*Effective Reference Price*	***2023/24 PLC Payment Rate***
Corn	$4.55	$3.70	--
Grain Sorghum	$4.93	$3.95	--
Long Grain Rice	$15.90	$14.00	--
Medium Grain Rice	$17.20	$14.00	--
Seed Cotton	$0.3949	$0.3670	--
Soybeans	$12.40	$8.40	--
Wheat	$6.96	$5.50	--

**national marketing year average (MYA) prices reflect the prices contained in the USDA WASDE report on March 11, 2025.

Covered Commodity	***2024/25 MYA Price****	*Effective Reference Price*	***2024/25 PLC Payment Rate***
Corn	$4.35	$4.26	$0.10
Grain Sorghum	$4.15	$4.51	$0.36
Long Grain Rice	$14.20	$14.00	--
Medium Grain Rice	$15.20	$14.00	--
Seed Cotton	$0.3368	$0.3670	$0.0302
Soybeans	$9.95	$9.66	--
Wheat	$5.50	$5.56	$0.06

*The 2024/25 national marketing year average (MYA) prices reflect the prices contained in the USDA WASDE report on March 11, 2025.

Sources: USDA Agriculture Market Service (AMS), USDA Foreign Agriculture Service (FAS), USDA Farm Service Agency (FSA), USDA National Agriculture Statistics Service (NASS), USDA Economic Research Service (ERS), USDA FAS GAIN Report, USDA Office of Communications, USDA World Supply Demand Estimates (WASDE), ADM Investor Services, AgDay, Ag Fax Media, AEI, Ag Market Network, Agri-Pulse, AgRural, Ag Resource Company, Ag Web, Agricultural Market Information System (AMIS), Allendale, American Farm Bureau Federation, Bloomberg News, Brock Report, CME Group, Co-Bank, Cotbase.com, Cotton Grower, Cotton Incorporated, Cotton Outlook, Creed Rice Report, O.A. Cleveland, Daniels Trading, Delta Farm Press, DTN Progressive Farmer, Farm Futures, Fastmarkets, Fiber 2 Fashion, Gro Intelligence, Hightower Report, Intercontinental Exchange, International Grains Council, Iowa State University, INTER-RICE, Lakefront Futures and Options, LSU AgCenter, Mississippi State University, NOAA, National Cotton Council, No Bull, Peterson Institute of International Economics, Plains Cotton Cooperative Association, Plexus Cotton, Pro Farmer, Refinitiv, Reuters (Karen Braun), Rice Market Letter, Southeast Farm Press, Sovecon, StoneX, Standard Grain, Successful Farming, Texas A&M University (John Robinson), Textile Exchange, Total Farm Marketing, University of Arkansas, University of Georgia, University of Illinois, University of Tennessee, U.S. Grains Council, U.S. Rice Producers Association, USA Rice Federation, U.S. Soybean Export Council, United Nations Food and Agriculture Organization (FAO), and the Wall Street Journal.

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