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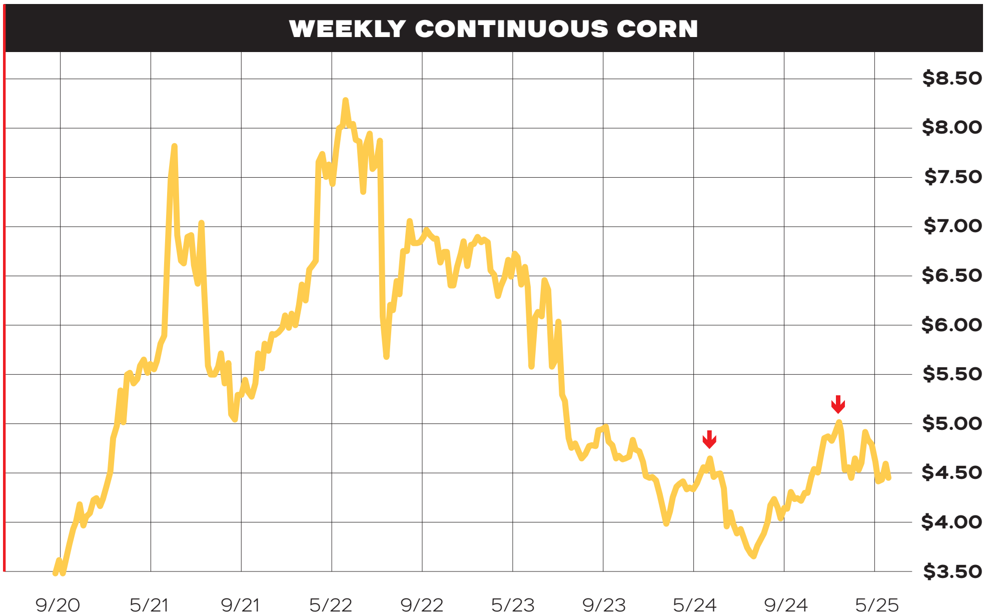


This chart shows that over the last several years, selling corn in January and May has been better than in April. The lows have usually come during August and September.

Source: Barchart

Seasonal Patterns Are Changing

Increased South American production has shifted grain market peaks.

In 1984, I teamed up with former Successful Farming Editor in Chief Loren Kruse to write the textbook "Charting for Profit," which had some of the first-ever seasonal price pattern studies. The concept was simple: Look back five or 10 years and study price changes, month by month. This method showed when prices usually peaked for the corn, soybean, and wheat markets, as well as when they usually put in lows.

The concept of selling during the right time period and avoiding selling in the low month (usually at harvest) worked. The corn study I worked on showed prices usually put in highs in July and bottomed in September. For soybeans, the pattern was for highs in May, and the seasonal lows in October. For wheat, the seasonal pattern was for highs in November, and the low prices during harvest in July. Over the next 20 years, these patterns worked over 80% of the time.

The First Shift

In 2008, I noticed that the seasonal price pattern was changing. The highs for corn started coming most often in May, and the lows in August or November. For soybeans, the highs came earlier, in March and April, with the lows in September.

What caused this change?

My theory is farmers were doing a better job of marketing and had learned to avoid selling at harvest. In the 1980s, farmers sold 45% of their soybean crop right off the combine. This consistently created a harvest low in late October, often during the week of the World Series. A large amount of new storage construction made it easier for farmers to wait to sell.

After this shift in the seasonal patterns, I updated my recommendations and started making more corn sales in April and May, and more soybean sales in March and April. For wheat, the best sales were in November and February, and I avoided sales in July.

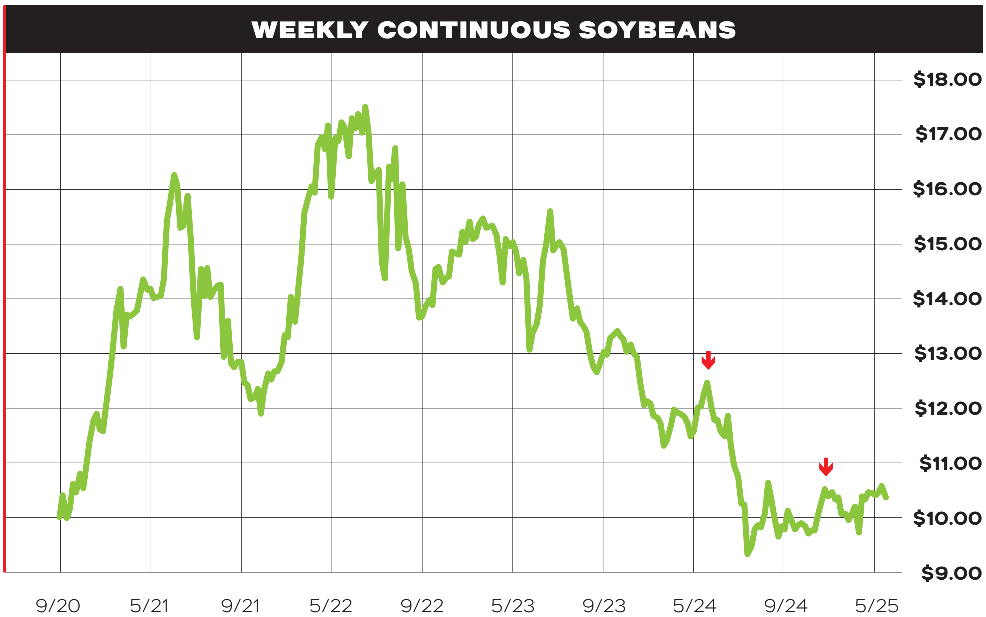
The Pattern Changed Again

The seasonal selling pattern concept is still a reliable marketing tool, but starting in 2021, the timing changed. Again, I searched for why.

The answer: the huge increase in corn and soybean production in South America.

Corn production in Argentina has been creeping up, from 800 million bushels 20 years ago to 1.967 billion bushels this year. Argentine soybean production has increased as well, from 1.6 billion bushels to 1.780 billion.

For Brazil, the change has been more dramatic. Twenty years ago, Brazilian corn production was 2.2 billion bushels. This year, it was just over 5 billion bushels. For soybeans, the old production of 2.3 billion bushels has nearly tripled, to a record crop estimated at 6.2 billion bushels in 2025. Brazil now produces 1.9 billion bushels more soybeans than the ➔



This chart shows that over the last several years, selling soybeans in November and May has usually been the right decision. Selling early in the marketing year has worked better than holding on until July or August.

U.S.! (See table below.)

Today, the harvest low to avoid is the South American harvest low. This change in global production and its impact on export demand has indeed shifted the seasonal pattern. For corn, the highs come in earlier. The best prices are in January and April, and the lows are in July and August. For soybeans, the highs are in November and January, and you need to avoid the South American soybean harvest lows, in March and April.

For wheat, the huge production increase in the EU, Russia, Ukraine, and Kazakhstan created year-round export competition. Now, the best selling opportunity is usually November–February. I avoid sales in July.

What Does This Mean?

Not only has the pattern shifted for corn and soybeans, but also, the markets now tend to put in a double top. This is good news because it sets up two key selling periods rather than one. On the other hand, you have to act fast. The rallies do not last as long. In between, the markets often spend months in an extended trading channel, which is different from the trend-driven markets 20 years ago. If the markets move faster, you also need to have a plan, and move faster when the time is right.

Final thoughts: First, the futures market has become much more efficient. In today's internet age, farmers and traders all over the world get instant quotes and market news. As a result, trends change as quickly as a headline goes viral. Second, farmers who focus on grain marketing are doing a better job. Third, farmers have built a lot of storage but still need to manage risk. "Hold and hope" is not a marketing plan. •

This table shows the dominance of the U.S. in corn production. The U.S. crop is roughly twice total corn production out of South America. However, for soybeans, you can see Brazil is now the largest producer in the world. This change is one of the key factors that shifted the seasonal price pattern.

Billions of bushels	Corn		Soybeans	
	2024	2025	2024	2025
Brazil	4.680	5.076	5.670	6.202
Argentina	1.960	1.967	1.770	1.780
South America	**6.900**	**7.340**	**8.100**	**8.600**
U.S.	**15.341**	**14.966**	**4.162**	**4.366**

Note: The risk of loss in trading futures and/or options is substantial, and each investor and/or trader must consider whether this is a suitable investment. Past performance — whether actual or indicated by simulated historical tests of strategies — is not indicative of future results. Trading advice reflects good-faith judgment at a specific time and is subject to change without notice. There is no guarantee that the advice given will result in profitable trades. •

Source: Barchart and USDA