By **Al Kluis**
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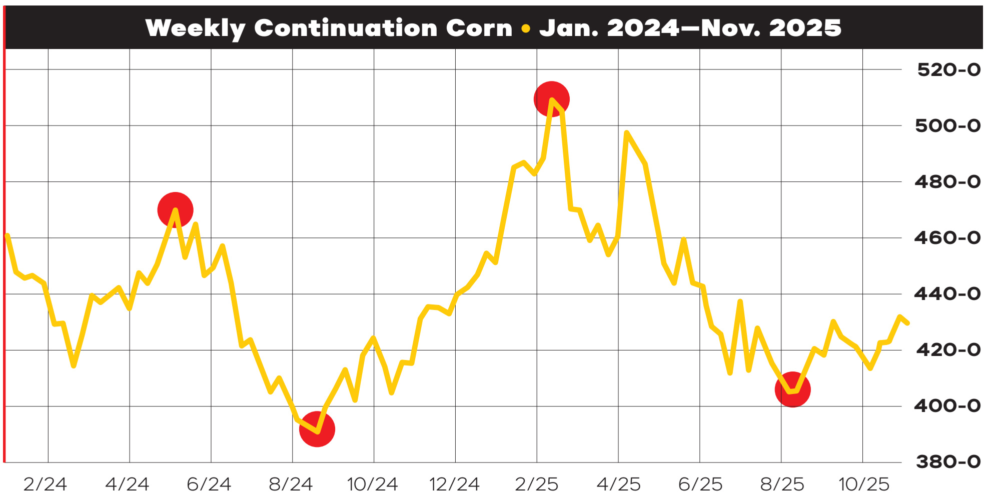


This is the weekly CBOT corn continuation chart. You can see how in 2024 and in 2025, the grain markets put in early seasonal highs. The high in 2024 came in April, and the 2025 high was in February. From those highs, futures corn prices moved lower, with prices bottoming out both years in late August. I want to make sure I have no cash corn to sell in August 2026.

Source: Barchart

Putting Together a Game Plan for 2026

Will what worked in 2025 work next year?

During the last few winters, I have enjoyed speaking at farmer meetings and conferences, from Manitoba to New York, Mexico, and all the way south to Brazil. Often, the organizers get very specific about what they want me to cover. The most interesting topic is the most challenging: laying out a plan for managing risk next year, before the year has even begun.

2025 Market Factors

We start by looking at the four main factors that impacted grain prices in 2025:

- **Weather in South America.** Brazil and Argentina had favorable weather in the 2024/2025 growing season and produced record corn and soybean crops. This created an early high in all the grain markets.
- **Early planting in the U.S.** Farmers got off to a fast start, resulting in many more corn acres, fewer soybean acres, and reduced prevent-plant corn acres. Nearly ideal weather through July resulted in high crop ratings and huge yield projections.
- **China.** Prior to the two countries striking a trade deal in late October, China avoided buying any U.S. soybeans. This was viewed as bearish not only for soybeans but also the entire grain complex.
- **The U.S. dollar.** In January 2024, the U.S. Dollar Index was at 109 to 110, then started sliding, bottoming just below 97 in July 2025. The combination of the lower dollar and lower CBOT prices resulted in huge export demand. A record amount of corn moved to Mexico.

As a firm, we sold a lot of corn, soybeans, and wheat in January and February 2025. That is when we had really good basis bids, and the revenue per acre was high enough to create an operating profit for most farms. This was the second year cash prices peaked in January and February. The much-hoped-for seasonal rally turned into a bust, with low prices again into August.

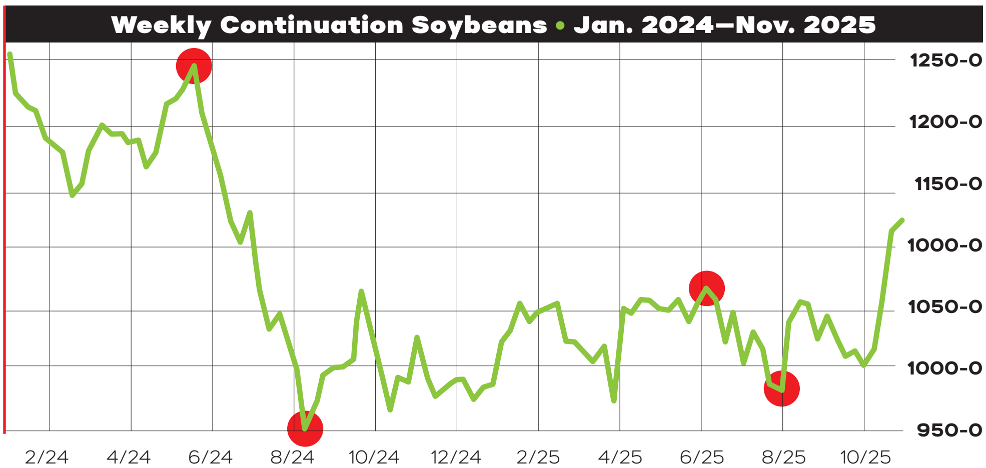
We had good results in our grain sales for the 2024 crop. We had 30% forward-sold for harvest delivery, made additional cash sales in January and February 2025, and wrapped up the 2024 sales in early July 2025. The July sales pulled our average selling price down, but selling in July was still a lot better than selling in August.

2026 Factors to Watch

Now, let's look ahead. It is hard to make predictions, but it is essential at least to try. Here is a list of the main factors I will watch in 2026 (with more sure to be added, as the growing season unfolds):

1. Again, weather and crop development in South America. As of early November, planting in South America is off to a fast start. They may have another record crop. Some private analysts I follow say total soybean production could be up 3–5%, and corn up 1–3%. I still hope to get one or two major weather scares this winter (from the Southern Hemisphere) to make additional grain sales in the next 30–90 days.

2. 2026 spring/summer weather. U.S. farmers had a rapid harvest in 2025. Most fall tillage was done, and a lot of fertilizer went on. I do see some concern about dry subsoil moisture in the central and western Corn Belt,➔



This is the weekly CBOT soybean continuation chart. You can see how in 2024 and 2025, the grain markets put in seasonal highs and then moved lower, with prices bottoming out both years in mid-August. Farmers who held onto soybeans into August made bad financial and marketing decisions both years.

but that can be fixed with snow and timely rain next spring. I anticipate 3–5 million fewer corn acres and 3–5 million more soybean acres next year. At this early stage, I project trend line yields for next year. It's all about the spring and summer weather.

3. Again, China. As of early November, China has committed to buying about 440 million bushels of soybeans in the next marketing year, with another 880 million bushels per year for the next three marketing years. However, they will buy them only if they need them and if we are price-competitive with South America. Watch what they do, not what they say.

4. Again, the U.S. dollar. The dollar index bottomed out in July 2025 at just below 97. Since then, prices have trended higher. Now, the combination of the higher dollar and higher grain prices may slow down U.S. grain exports. Price works, and we are watching currency values move lower in Brazil, Argentina, and Russia, our competitors in the global grain markets.

With these factors as a starting point, what should we plan for our 2026 marketing and risk management?

We came into the 2025 harvest with 30–50% of the corn, soybeans, and wheat sold ahead. We used the rally into November to make more sales, as prices rallied back into the profit zone. Now, the question is: What to do with the last 50–70% of the crop?

I will be watching cash basis bids and the alignment of the cash market. If you can generate enough income per acre to turn a profit, then stay disciplined and make the sales, even if it is early in the year. The money you save on interest can go right to your bottom line.

I had several customers who went to 100% sold in January and February 2025 and replaced some of the grain with long call options. The call options lost money, but it was a small loss compared with holding cash grain into August.

I am studying my long-term corn, soybean, and wheat charts. I have picked out chart resistance levels. Next, I will place offers just below those resistance levels to make incremental cash sales. My plan is to use a scale-up strategy to take sales up to 80%. If I sell out of the cash grain and replace with call options, then I will use those same price targets as a place to liquidate the calls.

Final Thoughts

What were the lessons I learned — or learned again — in 2025? What could I have done better? I usually suggest making cash corn and soybean sales in May, when you are planting. I made no recommendations to sell then, and that was a mistake. I did get 20–30% hedged ahead at good profit levels, but I wish I had sold a larger percentage and also bought some puts; I will do that in 2026.

What worked and created good results? Making sales based on revenue per acre. I had a lot of farmers sell earlier than usual. They hit their revenue targets and said "good enough." When you get a sell signal, make the sale! The cash corn and soybean sales I recommended in early July were hard to make, but when futures and basis collapsed late in July and right into mid-August, I was glad I made the decision.

By executing a marketing plan and making disciplined sales on the first 80% and then avoiding any sales in August, we came in with a good average selling price. •

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