

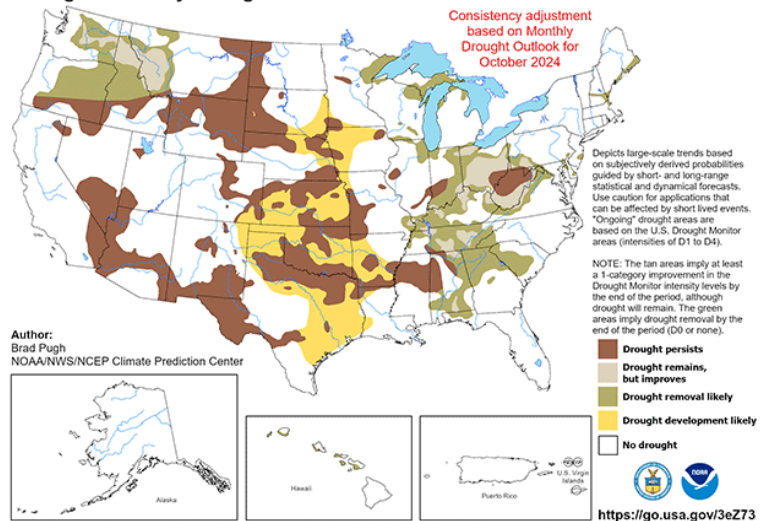
Area Crop Report 9/30 – 10/4

Winter Wheat Concern

On October 1st, the NOAA (National Oceanic and Atmospheric Administration) Climate Prediction Center issued a bulletin titled “Dry Conditions Anticipated to Expand in the Central U.S. During October as Dry Weather Prevails.” Within the bulletin, “Below-normal precipitation is expected to prevail throughout much of the central U.S. during October, including the Plains and the Rockies” was a key point that jumped out. Rapid onset drought, otherwise known as “flash drought” is forecasted to worsen in the Plains region where we’re located. Reduced water availability, stressed vegetation (winter wheat), and dry soils are the trifecta we are currently staring down the barrel at, with very little precipitation forecasted to bring some relief.

U.S. Seasonal Drought Outlook Drought Tendency During the Valid Period

Valid for October 1 - December 31, 2024
Released September 30, 2024



NOAA’s Climate Prediction Center info-graph looking at drought tendencies based on monthly Drought Outlook for October 2024. Valid for October 1st – December 31st, 2024

“There’s a lot of this (Central U.S.) region where it’s actually drier than in 2022. And for the (winter) wheat crop, if it doesn’t rain soon, it could be a disaster” – Eric Hunt, University of Nebraska-Lincoln Extension Climatologist

What the Eastern Port Strike Means for Producers

Members of the International Longshoremen’s Association (ILA) began a work stoppage, in large to automation and wages, on Tuesday, October 1st, affecting 36 East Coast and Gulf Coast ports and directly impacting around 40% of the nation’s agricultural exports. Around 20% of U.S. agriculture is exported to other countries, with almost half of those exports moving through the closed ports. Biggest exports include soybeans and grain, with Houston, Savannah, Norfolk, and New Orleans (heavy action in fertilizer markets) being of the busiest agriculture export ports.

From a recent IFPRI (International Food Policy Research Institute) report,

“Most agricultural imports and exports transiting through ports on the East Coast are containerized and are to be affected, while Gulf Coast ports handle more bulk commodities and may be less impacted. For example, of the \$16.8 billion in agricultural exports transitioning through New Orleans in 2023, only \$700 million was in containers.”

When looking at how long the potential strike could last, Transportation Secretary Pete Buttigieg said “We’ve been engaging the parties on all sides, urging them to come to the table and get to a deal. We think that economically, they are not so far apart that they can’t bridge these differences, especially when you consider this is a very, very profitable industry.”

“The only limit to our realization of tomorrow will be our doubts of today.”



Franklin D. Roosevelt