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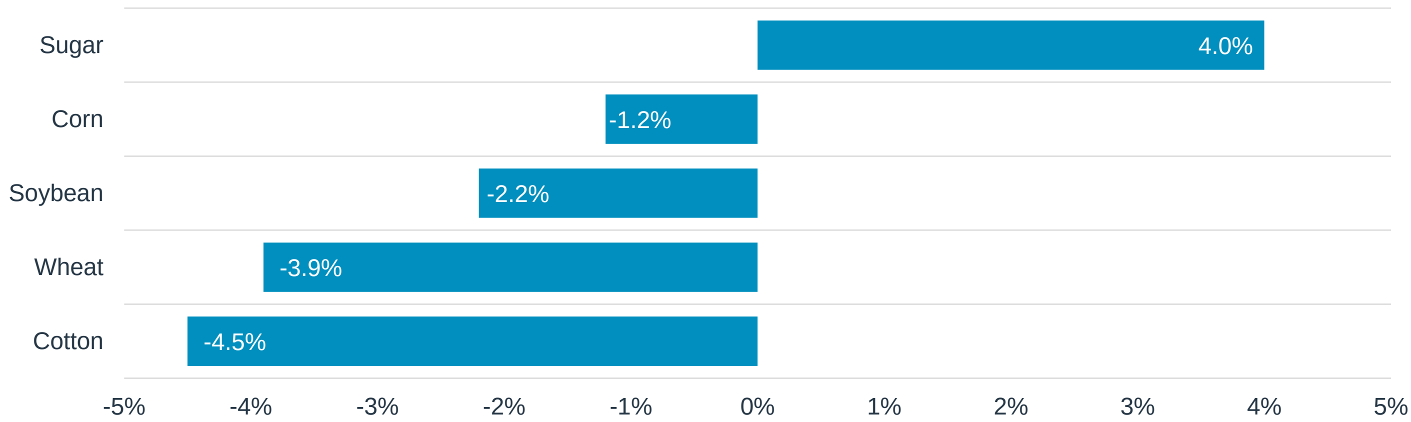
Quarterly review
3Q 2025

Agricultural commodity market review

Marketing communication | As of 30 September 2025

Agricultural commodity prices softened in Q3 2025. Corn, soybean, wheat and cotton prices declined due to favorable growing conditions across key producing regions. Sugar prices had a partial recovery, driven by lower Brazilian cane quality and yields. Fertilizer prices remain elevated; however, some relief has emerged as China resumed its nitrogen and phosphate export programs.

Commodity price movements



Performance data shown represent past performance and does not predict or guarantee future results. Quarter-over-quarter change calculated using front month contract price.
Source: Macrobond, Nuveen Natural Capital analysis.

Market review

- Traded agricultural commodity prices broadly softened in Q3 2025. Prices for corn, soybean, wheat and cotton declined due to favorable growing conditions across key producing regions, driving higher global stocks. Bearish pricing sentiment was worsened by volatile geopolitical tensions and tariff policies, weighing particularly on soybeans and cotton. Notably, sugar prices had a partial recovery from the significant decline last quarter, finishing 4% higher, driven by lower Brazilian cane quality and yields. Fertilizer prices remain elevated; however, some relief has emerged as China resumed its nitrogen and phosphate export programs and major buyers, including India, have so far held back from significant purchases.
- Corn (-1.2%) and soybean (-2.2%) prices softened in Q3 2025. Corn prices initially declined as much as 12% over the first half

of the quarter, pressured by projections of a record U.S. crop and amid upward revisions to Brazilian production forecasts. Prices recovered through late August and September as yield concerns emerged in the U.S. due to drier conditions. Similarly, soybean prices declined over the quarter, driven by strong U.S. production forecasts amidst an uncertain geopolitical outlook, with China yet to commit to new crop purchases from the U.S. This was exacerbated by Argentina's temporary suspension of export taxes which drove a surge in soybean exports to China.

- Wheat prices reduced by 3.9% over Q3 2025. Supply weighed on prices with the International Grain Council (IGC) projecting an 800 million ton global crop for the 2024 – 2025 season, up ~7 million tons from earlier estimates. New season, 2025 – 2026 crop projections are also echoing bearish sentiment, with IGC projecting a record-high 819 million metric ton global wheat production, indicating a ~2% year-on-year uplift.

- Cotton prices fell 4.5% in Q3 2025 amid mounting global supply pressures and tariff-driven uncertainty. Supply headwinds stemmed from strong 2024 – 2025 global production, up 5.9% year-on-year driven by an uptick in output from U.S., China and Brazil. Global cotton demand also remains subdued, particularly from the key Chinese market, due to tariff-driven uncertainty within the textile sector.

- Sugar finished up 4% over the quarter. Prices experienced some support as Brazil's harvested cane quality and yields largely underperformed, and most estimates indicated a sizeable deficit in global production. Despite this, strong price increases were hampered as expectations for a global supply surplus in the upcoming season emerged, driven by improved conditions in India, Thailand and the EU. Further, discussions of India introducing an export program and a larger projected Brazil crop next season have also constrained upside.

- Fertilizer prices in Q3 2025 were marked by volatility, with prices for phosphate rising, nitrogen easing later in the quarter, and potash prices remaining relatively stable. Early quarter price increases were driven by tight supply chains and aggressive restocking that had been ongoing across Q2 and in early Q3. August and September brought some relief as prices for nitrogen and phosphate fertilizers partially eased as China approved a new wave of export quotas, reversing earlier restrictions that had tightened global supply. Notably, urea prices finished the quarter down due to lower than expected purchasing from key buyers and as Chinese product came back onto the market. Phosphate fertilizers continue to experience tight global supplies which kept prices elevated. Potash markets remained relatively steady over the quarter, with weaker demand from Brazil and a well-supplied Indian market, easing pricing pressures. Despite some correction, prices remain elevated and will likely continue to compress row crop producers' margins, potentially limiting appreciation for farmland producing exchange-traded commodities like corn and soybeans.

- The 2024-2025 almond marketing year concluded in July with total shipments of 2.7 billion pounds, 1.7% below 2023-2024. Season-to-date (August 1 to September 30, 2025) shipments in the current crop year totaled 355 million pounds, down 7% compared to the same period last year and 13% below the three-year average. The slow start is largely explained by market caution, as both buyers and sellers await greater clarity on crop size and demand from key export markets. Despite this, almond pricing has remained firm throughout Q3, holding well above $2.00 per pound. Current industry expectations point to a ~2.8 billion-pound crop, and in combination with reduced new plantings and ongoing orchard removals, should support pricing in the coming months. U.S. pistachio shipments from September 2024 to August 2025 totaled 938.9 million pounds, a decrease of 21% relative to same prior year period, which is expected during an "off" production season. Overall, pistachio shipments remain on track which should help manage inventories and prices for the expected 2025–2026 "on" year of production.

- The wine grape market continues to see a slowdown in contracting activity due to an oversupply from the large crop in 2023 and a decline in wine sales as alcohol consumption has reduced more broadly. However, the effects of this slowdown have been most acute in lower quality and price point wine varieties. Still, with the decrease in production in 2024, an average-sized crop expected in 2025, and the industry continuing to rightsize with unharvested vineyards and vineyard removal, supply may tighten and support the market moving into 2026.

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