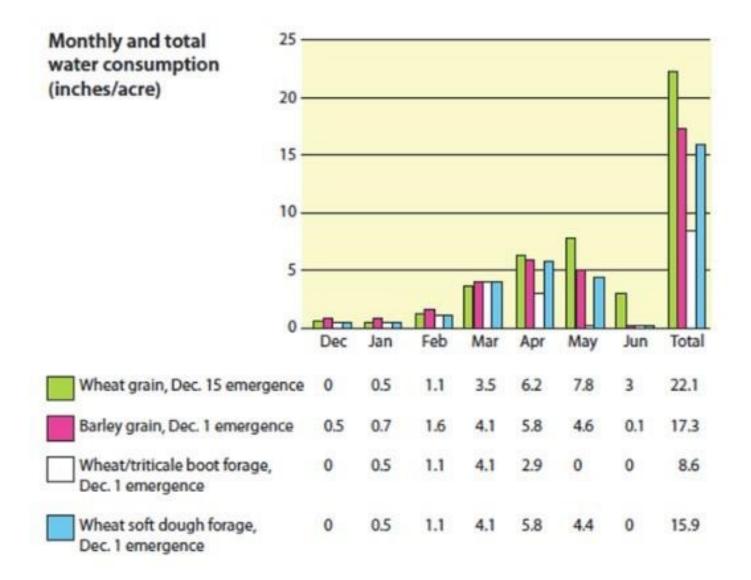
Wheat Update

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As wheat harvest is well underway in the southern plains, weather conditions continue to challenge the crop. Much of the South has seen multiple rain cells pound the area in recent weeks just as combines were starting to roll. There has finally been a break in the weather that is allowing more of the wheat crop to be harvested. The yield range is all over the board this year as the early crop took a significant drag without having sufficient moisture. What will the crop look like as we move north and west over the next 45 days?



Wheat has been a crop that has fascinated me over the years. It is relatively simple to grow as long as the necessary inputs are present for optimal yield. Nutrients are important for yield and protein, but the most important yield factor is moisture. Although wheat is a deep rooting crop, adequate moisture needs to be present at the optimal times to get the maximum yields. In some areas irrigation can supplement the moisture needs. However, the dryland growers are at the mercy of Mother Nature. This spring Mother Nature has delivered very timely precipitation in the Pacific Northwest to give a boost to all wheat growers.



The Pacific Northwest is poised to have one of the best wheat harvests on record, as timely spring rains have boosted the dryland wheat crop. According to the Columbia Basin Herald, in mid-May, the Washington State wheat harvest is forecasted to increase by 70% from its dismal harvest in 2021. NASS is expecting wheat yields in Washington to average 67 bushels per acre, up 25 bushels from the previous year. Wheat yields in Oregon are expected to average 61 bushels per acre, up 16 bushels from the previous year. Whereas the nationwide average yield is tapped at 47.9 bushels per acre, down 2.3 bushels from the previous year. Wheat harvest in the Pacific Northwest will begin on some dryland farms after the 4th of July weekend and we will be able to assess the benefits of the above-normal precipitation.



Peoples Company's managed farms near Walla Walla, Washington have seen record rainfall in May and June. This rainfall came just as the wheat started flowering and grain fill. Table 1 shows the May 2022 rainfall vs. historical averages in key wheat-growing areas in Washington. This extra precipitation has filled a lot of the crop needs, both for irrigated and dryland growers alike. Figure 1 shows some areas receiving as much as 200% of normal precipitation in May.

Area	May Average	May Actual
Walla Walla	2.1	3.66
Yakima	0.7	0.85
Kennewick	0.8	1.7

Table 1: May 2022 Precipitation Results, National Weather Service - Pendleton, OR

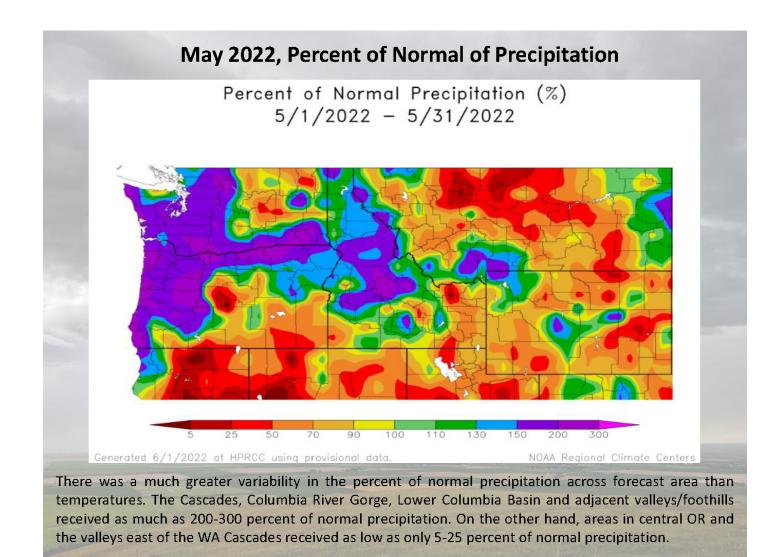


Figure 1: National Weather Service - Pendleton, OR

There will be mixed results in wheat harvest for 2022. Some areas will see the unfortunate affects of early drought causing lower than normal yields. Other areas may see the timely effects of precipitation resulting in above average yields. Either way prices have been strong which should allow opportunities for many to capture some upside. One thing is for sure Mother Nature tends to let us know that she is in charge.

Landowners who are interested in learning more about wheat production or agriculture in the Pacific Northwest are encouraged to reach out to the Peoples Company Land Management Team at LandManagement@PeoplesCompany.