

# Feed Grain Outlook

October 14, 2024

Volume 33, Number 61

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## Market Situation

**Crop Production and WASDE.** USDA increased the average corn yield this month from 183.6 bushels per acre in September to 183.8, an all-time record high. But the biggest changes to the supply and demand balance sheet came from increases in use in old crop corn, lowering the beginning stock number for 2024/25 by 52 million bushels. Domestic use categories in new crop corn were unchanged, but USDA increased the export number by 25 million bushels.

World corn ending stocks were down slightly as the 1.6 million metric ton (mmt) increase in supply was met with a 3.5 mmt increase in use.

US CORN SUPPLY AND USE			October		
AREA			2024/25	September to October	
			10/11/2024	Net Δ	% Δ
	Planted	mil acres	90.7	0.0	0.00%
	Harvested	mil acres	82.7	0.0	0.00%
	% harvested		91.2%	0.0%	0.00%
YIELD	Harvested acre	bu/ac	183.8	0.2	0.11%
SUPPLY					
	Beginning stocks	mil bu	1,760	(52)	-2.87%
	Production	mil bu	15,203	17	0.11%
	Imports	mil bu	25	0	0.00%
	Total Supply	mil bu	16,989	(33)	-0.19%
DEMAND					
	Feed and residual	mil bu	5,825	0	0.00%
	Food, seed, and indust	mil bu	1,390	0	0.00%
	Ethanol	mil bu	5,450	0	0.00%
	Total Domestic Use	mil bu	12,665	0	0.00%
	Exports	mil bu	2,325	25	1.09%
	Total Use	mil bu	14,990	25	0.17%
	Ending stocks	mil bu	1,999	(58)	-2.82%
	Stocks to Use ratio	percent	13.3%	-0.41%	-2.98%
	Days of use on hand		48.7	(1.5)	-2.98%
PRICE					
	Average farm price	\$/bu	4.10	0.00	0.00%
	Reference Price	\$/bu	4.01	0.00	0.00%
	PLC Payment	\$/bu	0.00		

WORLD CORN (MMT)	Beginning Stocks	Production	Imports	Feed Use	Total Use	Exports	Ending Stocks	Stocks to Use	Days on Hand	
2021/22	292.95	1,217.27	184.45	744.55	1,199.70	206.59	310.51	0.2588	94.5	
2022/23	313.92	1,160.67	173.39	734.46	1,170.50	180.24	304.09	0.2598	94.8	
2023/24	304.09	1,225.92	192.81	770.19	1,217.35	195.77	312.65	0.2568	93.7	
2024/25	313.08	1,219.93	184.37	774.03	1,220.75	191.10	312.27	0.2558	93.4	
2024/25	312.39	1,220.54	186.16	774.44	1,222.16	191.75	310.77	0.2543	92.8	
2024/25	309.13	1,224.79	186.51	774.75	1,222.28	191.81	311.64	0.2550	93.1	
2024/25	308.52	1,219.82	185.85	772.80	1,218.17	191.47	310.17	0.2546	92.9	
2024/25	309.63	1,218.57	185.40	772.18	1,219.85	191.37	308.35	0.2528	92.3	
2024/25	312.65	1,217.19	183.84	774.27	1,223.32	190.50	306.52	0.2506	91.5	
	net change	3.02	(1.38)	(1.56)	2.09	3.47	(0.87)	(1.83)	(0.0022)	(0.81)
	% change	0.98%	-0.11%	-0.84%	0.27%	0.28%	-0.45%	-0.59%	-0.88%	-0.88%

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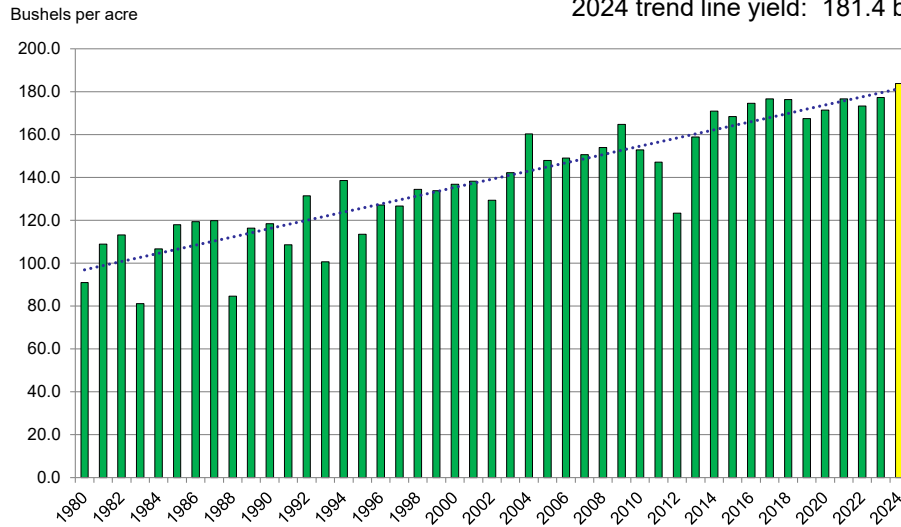
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## US Average Corn Yield, 1980-2023, 2024 est. and trendline

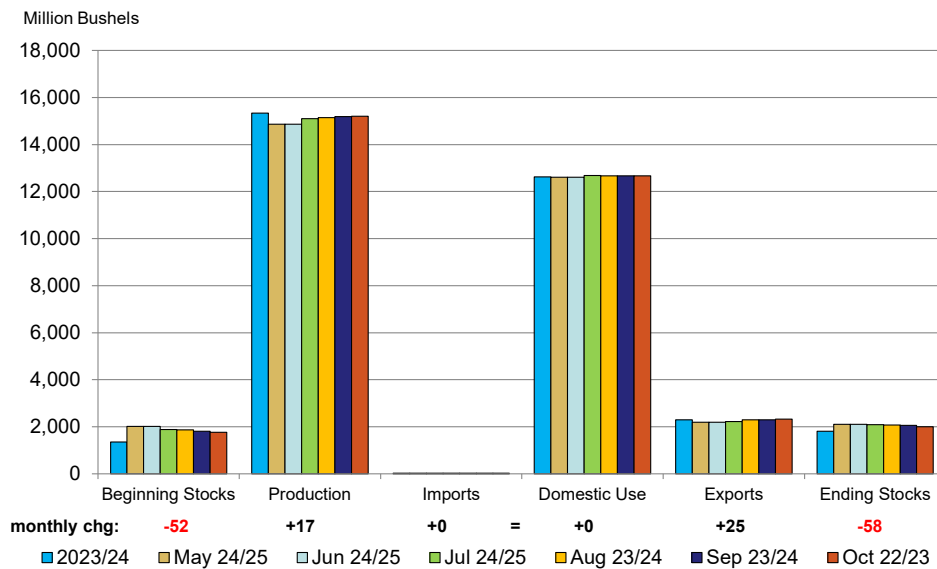
2024 USDA estimate: 183.8 bu

2024 trend line yield: 181.4 bu



USDA, WASDE 10/11/2024

## U.S. Corn Supply and Demand, October 2024



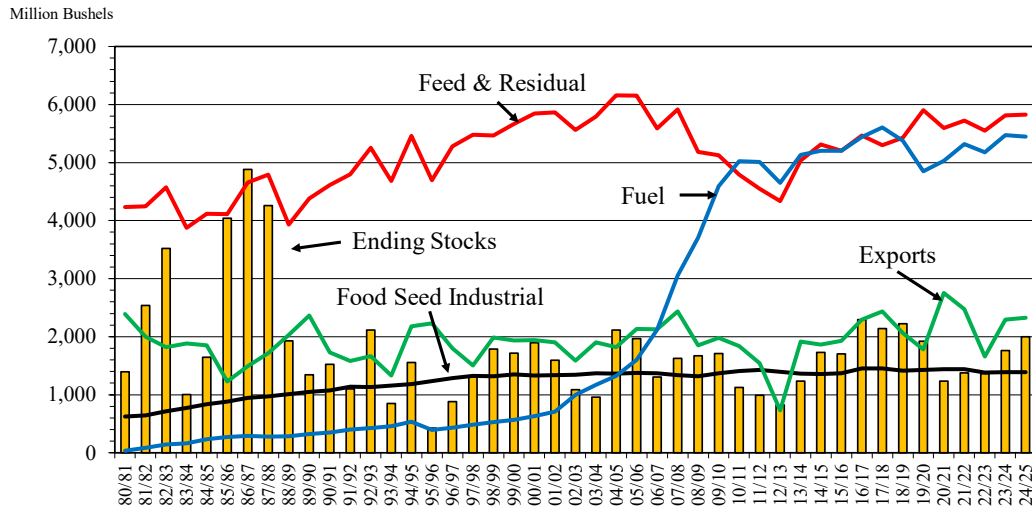
USDA, WASDE 10/11/2024

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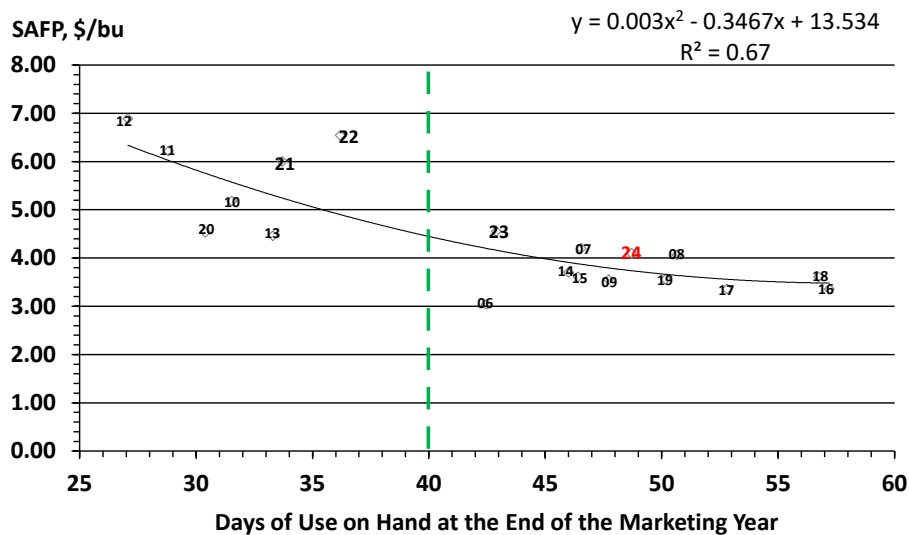
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## U.S. Corn Use October WASDE



Source: USDA WASDE, 10/11/2024

## U.S. Corn Average Farm Price and Days of Use on Hand 2005/06-2023/24, 2024/25 estimate



Source: USDA, WASDE 10/11/2024

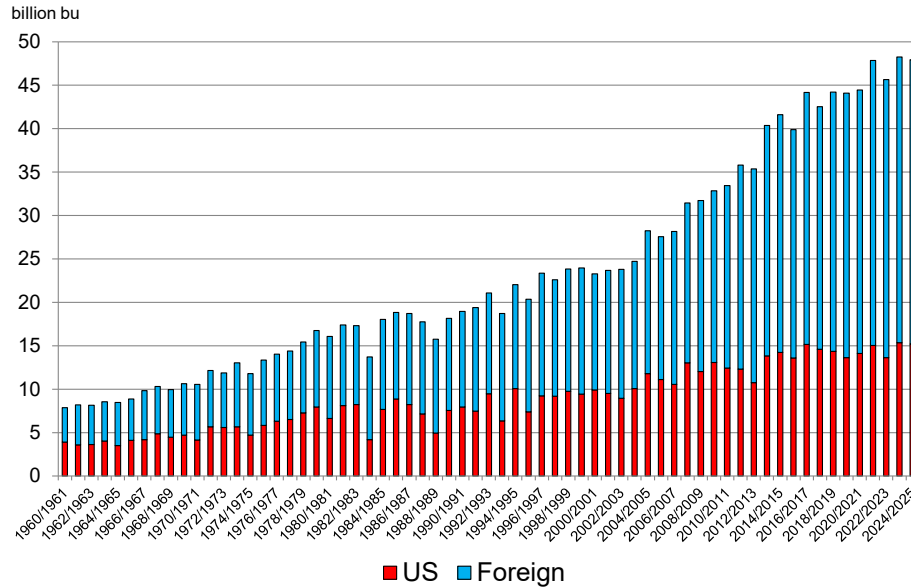
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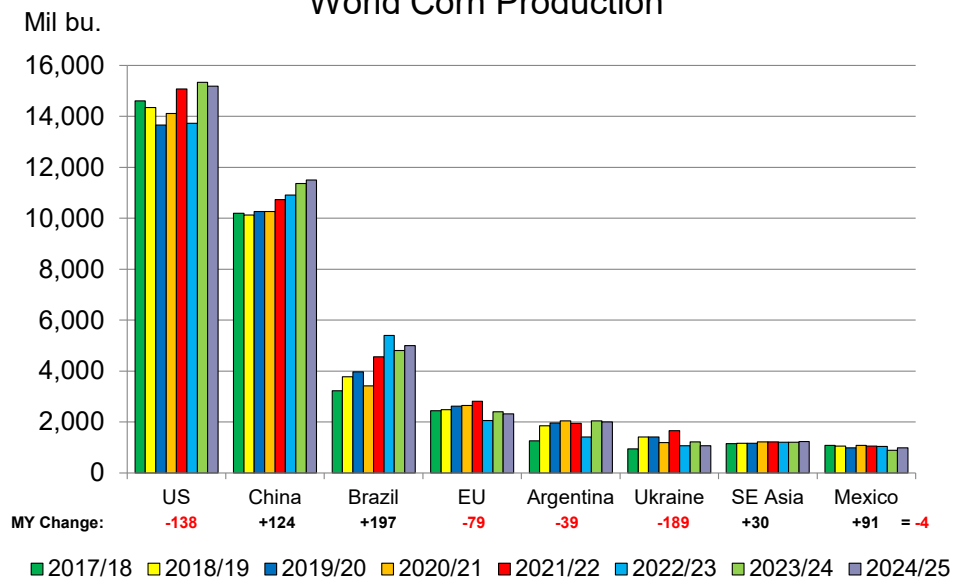
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## Corn Production



## World Corn Production



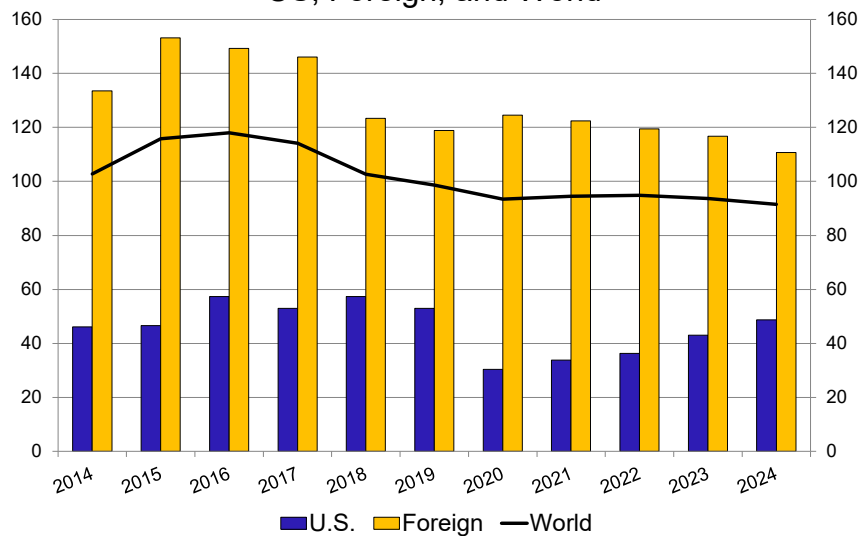
USDA, WASDE, October 2024

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Corn Days of Use on Hand at the End of the Marketing Year:  
US, Foreign, and World



MY change: +5.7 -6.0 -2.2

USDA, WASDE, 10/11/2024

## Cash Feed Grain Prices, \$/bu.

	Nearby Corn Futures	TX Corn Avg Cash Elevator	TX Basis	TX Corn Feedlot	Corn LA Gulf Export bid
September 12	4.06	4.65	0.59	5.42	4.61
September 19	4.06	4.64	0.59	5.47	4.71
September 26	4.13	4.72	0.59	5.52	4.73
October 3	4.28	4.89	0.61	5.62	4.91
October 10	4.19	4.80	0.61	5.58	4.81
10-yr average			0.40		

	Nearby Corn Futures	TX Sorghum Avg Cash Elevator	TX Basis	TX Sorghum Feedlot	Sorghum TX Gulf Export bid
September 12	4.06	4.06	0.00	4.66	
September 19	4.06	4.06	-0.00	4.66	
September 26	4.13	4.09	-0.04	4.73	
October 3	4.28	4.27	-0.01	4.88	
October 10	4.19	4.18	-0.01	4.79	
10-yr average			-0.05		

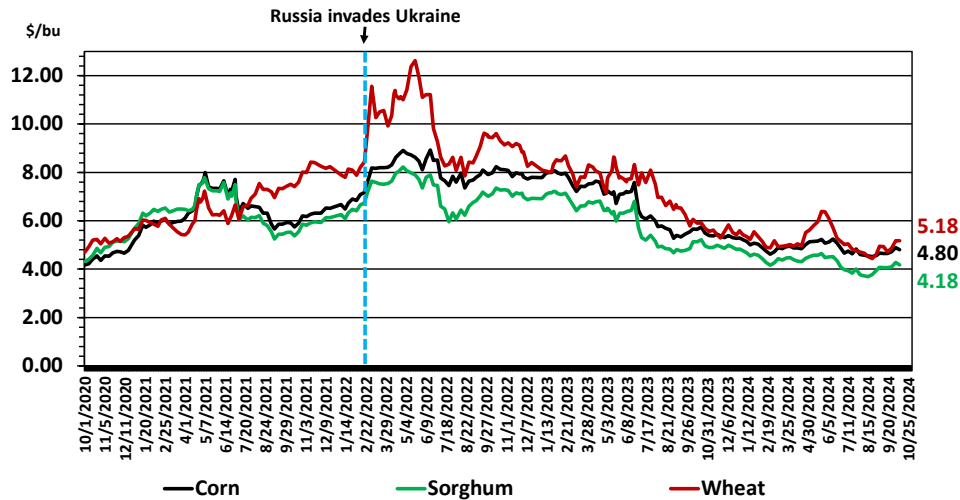
AMS Market News: TX cash = average (North, Central, and South Panhandle), Gulf sorghum: DTN

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## Texas Cash Grain Prices October 2020-October 2024

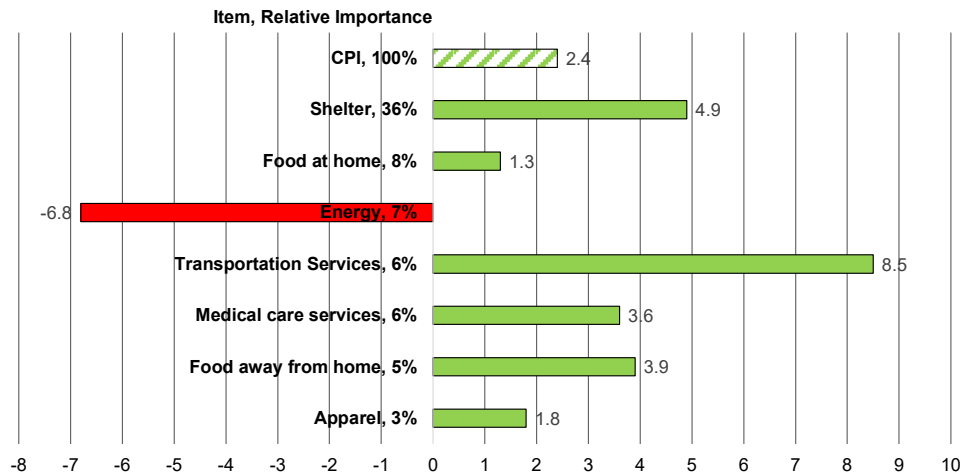


USDA, AMS, Market News: TX cash = average (area North of the Canadian River, Triangle Area from Plainview to Canyon to Farwell, area South of a Line from Plainview to Muleshoe)

**Outside Markets.** The inflation indices for September shows inflation continuing to moderate. The Consumer Price Index was 2.4%, down from 2.5% in August. The Producer Price Index, inflation at the wholesale level, was 1.8%, down from 1.9%.

## Percent Change, CPI, year over year

September 2023 to September 2024



Source: Consumer Price Index (CPI) U.S. Bureau of Labor Statistics, October 10, 2024

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## NEWS RELEASE

BUREAU OF LABOR STATISTICS  
U. S. D E P A R T M E N T O F L A B O R



**Transmission of material in this release is embargoed until  
8:30 a.m. (ET) Thursday, October 10, 2024**

USDL-24-2101

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### CONSUMER PRICE INDEX – SEPTEMBER 2024

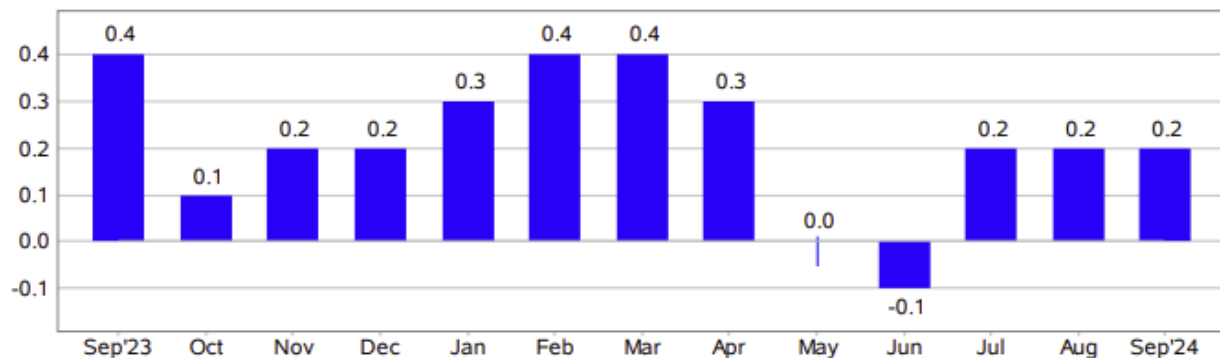
The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.2 percent on a seasonally adjusted basis, the same increase as in August and July, the U.S. Bureau of Labor Statistics reported today. Over the last 12 months, the all items index increased 2.4 percent before seasonal adjustment.

The index for shelter rose 0.2 percent in September, and the index for food increased 0.4 percent. Together, these two indexes contributed over 75 percent of the monthly all items increase. The food at home index increased 0.4 percent in September and the food away from home index rose 0.3 percent over the month. The energy index fell 1.9 percent over the month, after declining 0.8 percent the preceding month.

The index for all items less food and energy rose 0.3 percent in September, as it did the preceding month. Indexes which increased in September include shelter, motor vehicle insurance, medical care, apparel, and airline fares. The indexes for recreation and communication were among those that decreased over the month.

The all items index rose 2.4 percent for the 12 months ending September, the smallest 12-month increase since February 2021. The all items less food and energy index rose 3.3 percent over the last 12 months. The energy index decreased 6.8 percent for the 12 months ending September. The food index increased 2.3 percent over the last year.

**Chart 1. One-month percent change in CPI for All Urban Consumers (CPI-U), seasonally adjusted, Sep. 2023 - Sep. 2024**  
Percent change



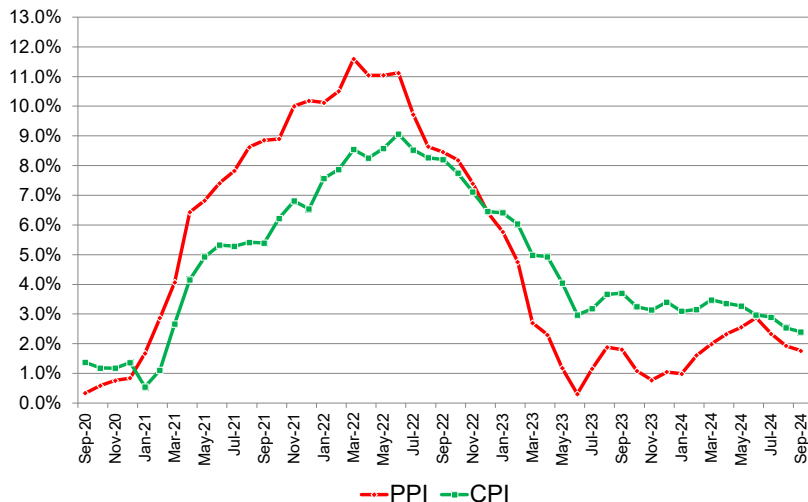
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**U.S. Inflation  
Producer Price Index and Consumer Price Index  
12-month percentage change**



Source: Consumer Price Index (CPI) U.S. Bureau of Labor Statistics, October 10, 2024  
 Producer Price Index (PPI), St. Louis Fed, October 11, 2024

Prices about 11:30 am CT October 14, 2024:

	IV QTR	10/1/2024	10/14/2024	net change	% change
S&P 500	SPX:IN	5,709.00	5,856.10	147.10	2.58%
10-yr T Note	Yield, %	3.74	4.09	0.35	9.36%
CRB	CRY:IND	286.37	272.99	(13.38)	-4.67%
Dollar Index	December 2024	100.93	103.06	2.13	2.11%
Crude Oil	December 2024	69.39	73.31	3.92	5.65%
Copper	December 2024	4.59	4.40	(0.19)	-4.22%
Corn	December 2024	4.29	4.09	(0.20)	-4.60%
	March 2025	4.47	4.26	(0.21)	-4.65%
Soybeans	November 2024	10.57	9.98	(0.59)	-5.60%
	January 2025	10.57	10.13	(0.45)	-4.21%
SRW Wheat	December 2024	5.99	5.85	(0.14)	-2.38%
	March 2025	6.20	6.07	(0.13)	-2.10%



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Items in the table and reasoning for inclusion:

- S&P 500 Index—a reflection of market expectations of future earnings and economic growth;
- 10-year T-note: expectations of economic growth--rising yields suggest increases in economic growth and inflation;
- CRB Index—price direction of a representative indicator of global commodities;
- US dollar Index—impact on export prospects as a strong dollar makes our products relatively more expensive in the global marketplace;
- Crude Oil and Copper—barometers positively correlated to global economic activity.

Charts, 10/1/2024-10/11/2024 (<https://www.barchart.com/>):

## U.S. Dollar Index Dec '24 (DXZ24)

103.060 +0.383 (+0.37%) 11:44 CT [ICE/US]

103.060 x 11 103.065 x 87

INTERACTIVE CHART for Mon, Oct 14th, 2024

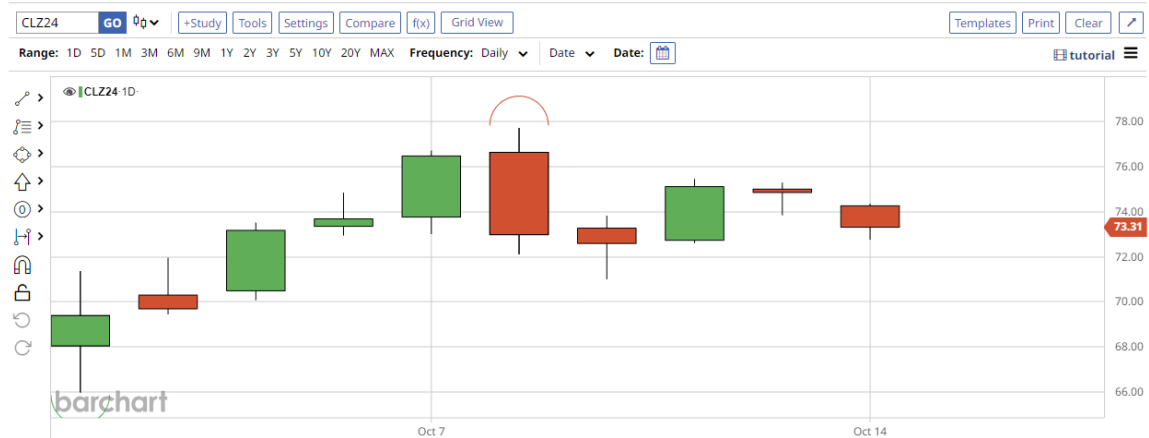


## Crude Oil WTI Dec '24 (CLZ24)

73.31 -1.54 (-2.06%) 11:46 CT [NYMEX]

73.30 x 4 73.31 x 2

INTERACTIVE CHART for Mon, Oct 14th, 2024



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## High Grade Copper Dec '24 (HGZ24)

4.3955 -0.0980 (-2.18%) 12:55 CT [COMEX]

4.3955 x 5 4.3960 x 4

INTERACTIVE CHART for Mon, Oct 14th, 2024

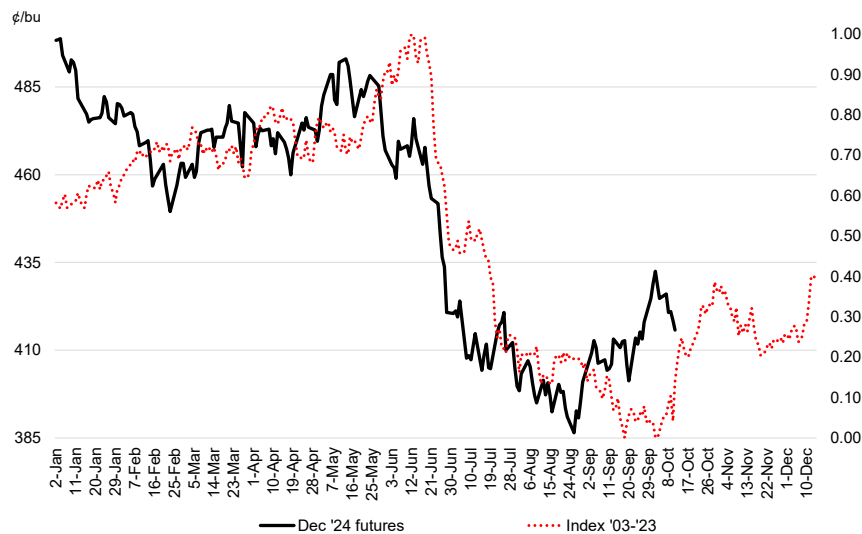
Notes My Charts Alerts Watch Help



## Marketing Strategies

**Seasonality.** The seasonal price pattern for the December corn contract shows the best pricing prospects in the first half of the year (peaking in June) with prices falling below average (0.50 on the index) in mid-July and then bottoming out late September/early October. This year the seasonal high occurred about a month earlier than the average index. It looks increasingly like the seasonal low have been set about month earlier too.

### 2024 December Corn Futures and 21-year Seasonal Index Pattern



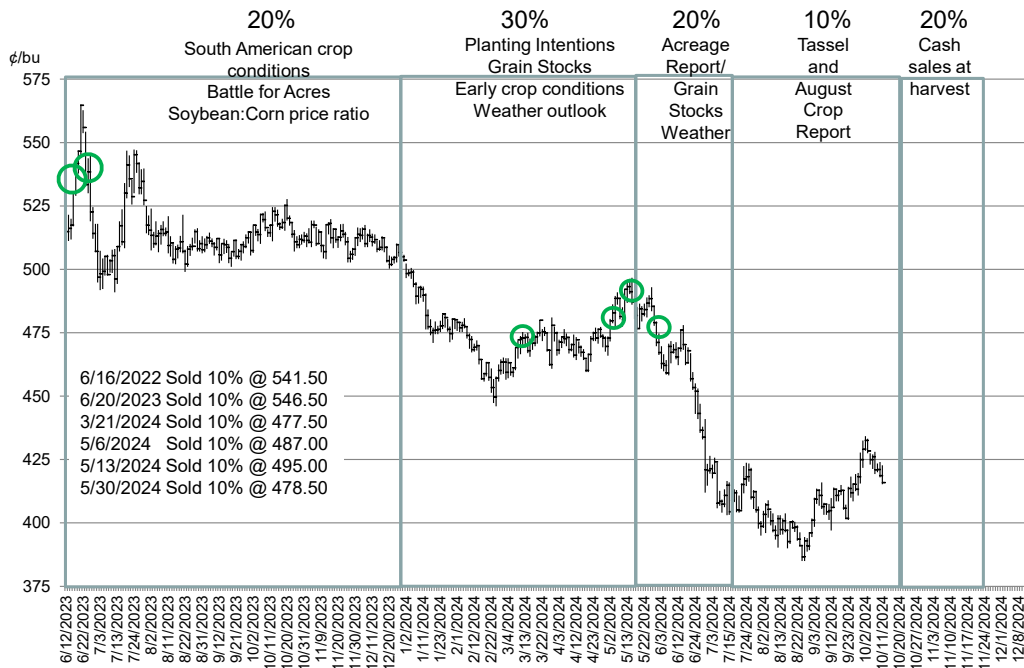
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**Feed Grain Marketing Plan.** I am 60% sold on the 2024 corn crop. My plan was to have 70% priced but the bounce we got in late July was short of my price objective. I will wrap up sales of the 2024 crop at harvest, looking like late this week. I have also priced 20% of the 2025 crop.

## December Corn Futures and 2024 Marketing Plan



### Upcoming Reports/Events

October 25	Cattle on Feed
October 30	Gross Domestic Product, 3rd Quarter 2024 (Advance Estimate)
November 1	October Employment Situation, Bureau of Labor Statistics
November 6-7	Federal Open Market Committee, Federal Reserve
November 8	Crop Production WASDE
November 13	Short-term Energy Outlook, Energy Information Administration
January 5-11	The Executive Program for Agricultural Producers (TEPAP) San Antonio, Texas

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