

Feed Grain Outlook

November 26, 2024

Volume 33, Number 71

Today's Newsletter

Market Situation

Crop Progress 1

Grain Use 1

Cash Grain Markets 2

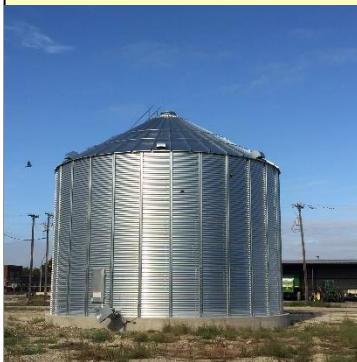
Outside Markets 3

Marketing Strategies

Seasonality 6

Feed Grain Marketing Plan 7

Upcoming Reports/Events 7

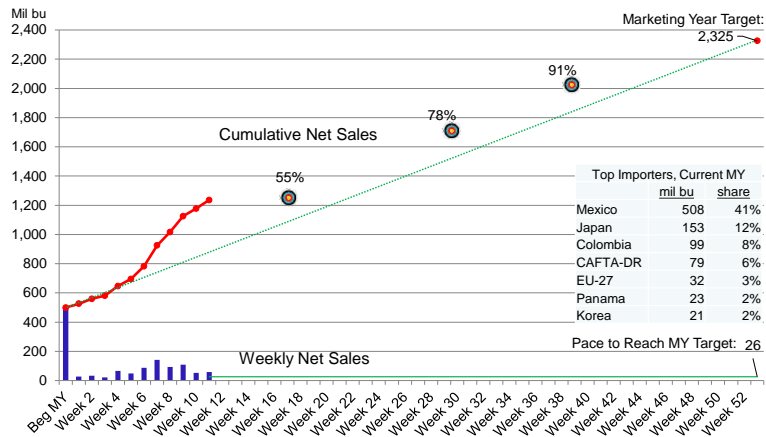


Market Situation

Crop Progress. Corn harvest was 95% complete on November 10. Sorghum hit that benchmark November 17. From this week's report: *Today's publication is the last weekly Crop Progress report issued for the 2024 season. The first weekly report for 2025 will be released on Monday, April 7, 2025.*

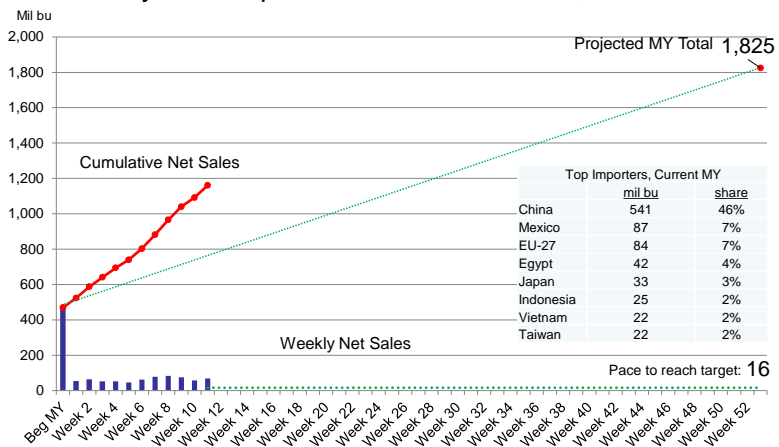
Grain Use. Strong export sales to date for corn and soybeans. Grain sorghum sales are starting to pick up.

U.S. Corn Export Sales Commitments, 2024/25 MY



Export Sales Commitments reported 11/14/2024: 59 million bushels (Mexico, 31 mil bu)
 Total Export Sales Commitments this marketing year: 1,236 million bushels
 53% of the 2024/25 MY Export Sales Target of 2,325 million bushels (November WASDE)
 On average, 55% of the marketing year total is accounted for by the end of December
 USDA, Foreign Agricultural Service: 11/21/2024

U.S. Soybean Export Sales Commitments, 2024/25 MY



Export Sales Commitments for the week 11/14/2024: 68 million bushels (China, 44 mil bu)
 Total Export Sales Commitments this marketing year: 1,165 million bushels
 64% of the 2024/2025 MY Export Sales Target of 1,825 million bushels (November WASDE)

USDA, Foreign Agricultural Service: November 21, 2024

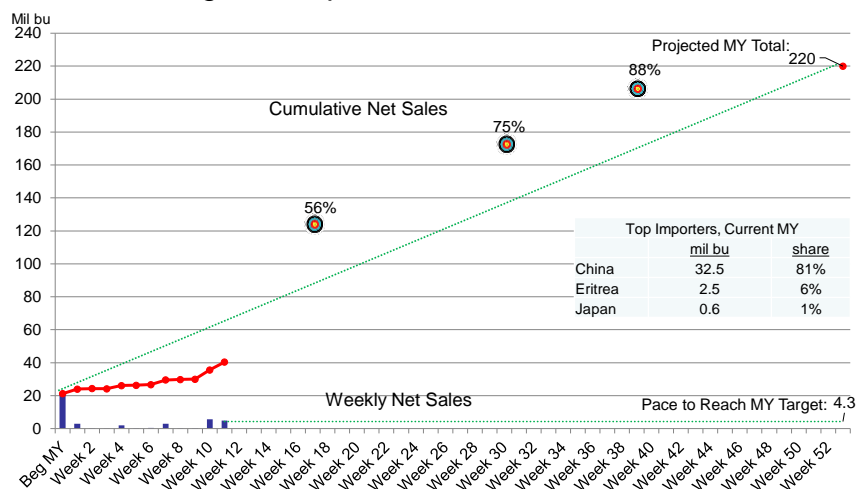
Feed Grain Outlook

November 26, 2024

Volume 33, Number 71



U.S. Grain Sorghum Export Sales Commitments, 2024/25 MY



Export Sales Commitments for the week 11/14/2024: 4.8 million bushels
 Total Export Sales Commitments this marketing year: 40 million bushels
 18% of the 2024/25 MY Export Sales Target of 220 million bushels (November WASDE)
 On average, 56% of the marketing year total is accounted for by the end of December

USDA, Foreign Agricultural Service: 11/21/2024

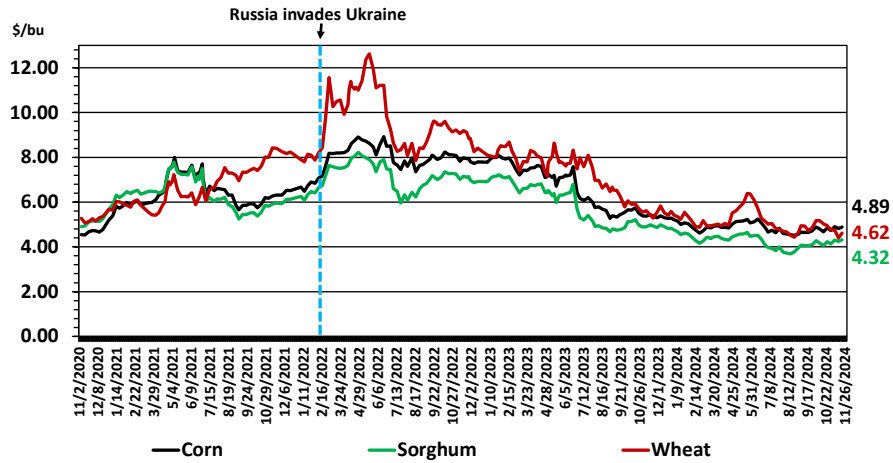
Cash Feed Grain Prices, \$/bu.

	Nearby Corn Futures	TX Corn Avg Cash Elevator	TX Basis	TX Corn Feedlot	Corn LA Gulf Export bid
October 24	4.22	4.84	0.58	5.58	4.93
October 31	4.11	4.73	0.63	5.46	4.82
November 7	4.28	4.90	0.63	5.76	5.16
November 14	4.19	4.82	0.63	5.69	5.08
November 21	4.27	4.89	0.63	5.75	5.11
10-yr average			0.46		

	Nearby Corn Futures	TX Sorghum Avg Cash Elevator	TX Basis	TX Sorghum Feedlot	Sorghum TX Gulf Export bid
October 24	4.22	4.24	0.02	4.82	
October 31	4.11	4.13	0.02	4.76	
November 7	4.28	4.31	0.03	4.93	
November 14	4.19	4.24	0.05	4.84	
November 21	4.27	4.32	0.05	4.92	
10-yr average			0.02		

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

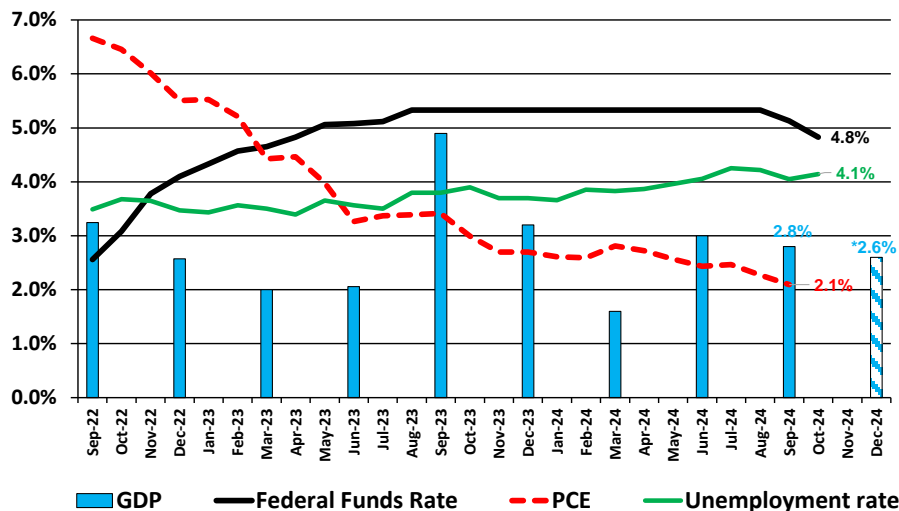
Texas Cash Grain Prices November 2020-November 2024



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 Bureau of Economic Analysis will release its 3rd Quarter GDP (second estimate) numbers on Wednesday, November 27. The third quarter advance estimate of GDP growth was 2.8%. The latest projected GDP estimate from the Atlanta Federal Reserve for fourth quarter growth is 2.6%.

Interest Rates, Inflation, Unemployment, and Quarterly GDP



Federal Reserve Bank of St. Louis, <https://fred.stlouisfed.org/>,
 *Federal Reserve Bank of Atlanta, GDPNow, <https://www.atlantafed.org/cqer/research/gdpnow>
 Personal Consumption Expenditures Index, Federal Reserve Economic Data
 Updated November 26, 2024

Feed Grain Outlook

November 26, 2024

Volume 33, Number 71



Ahead of the next meeting of the Federal Open Market Committee to set monetary policy on December 17 and 18 will be inflation measures--the Personal Consumption Expenditures Index and Consumer Price Index--and an unemployment update in the November Employment Situation from the Bureau of Labor Statistics.

Prices about 10:30 am CT November 26, 2024:

	IV QTR	10/1/2024	11/26/2024	net change	% change
S&P 500	SPX:IN	5,709.00	6,007.50	298.50	5.23%
10-yr T Note	Yield, %	3.74	4.41	0.67	17.91%
CRB	CRY:IND	286.37	287.51	1.14	0.40%
Dollar Index	December 2024	100.93	107.03	6.10	6.04%
Crude Oil	March 2025	68.62	68.76	0.14	0.20%
Copper	December 2024	4.59	4.07	(0.52)	-11.38%
Corn	December 2024	4.29	4.21	(0.09)	-1.98%
	March 2025	4.47	4.28	(0.19)	-4.14%
Soybeans	January 2025	10.57	9.78	(0.79)	-7.50%
	March 2025	10.90	9.88	(1.02)	-9.32%
SRW Wheat	December 2024	5.99	5.38	(0.61)	-10.23%
	March 2025	6.20	5.57	(0.63)	-10.09%

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.

Feed Grain Outlook

November 26, 2024

Volume 33, Number 71

Charts, 10/1/2024-11/26/2024 (<https://www.barchart.com/>):



Feed Grain Outlook

November 26, 2024

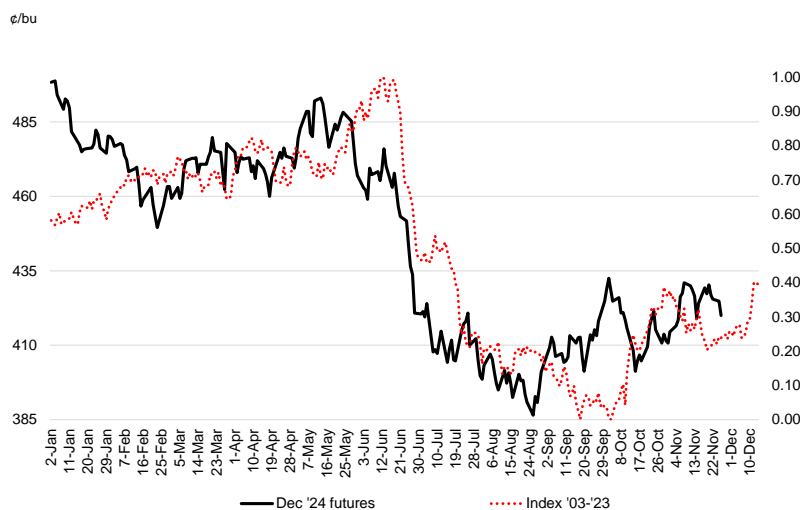
Volume 33, Number 71



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 like the seasonal low has been set about a month earlier too.

2024 December Corn Futures and 21-year Seasonal Index Pattern



Feed Grain Outlook

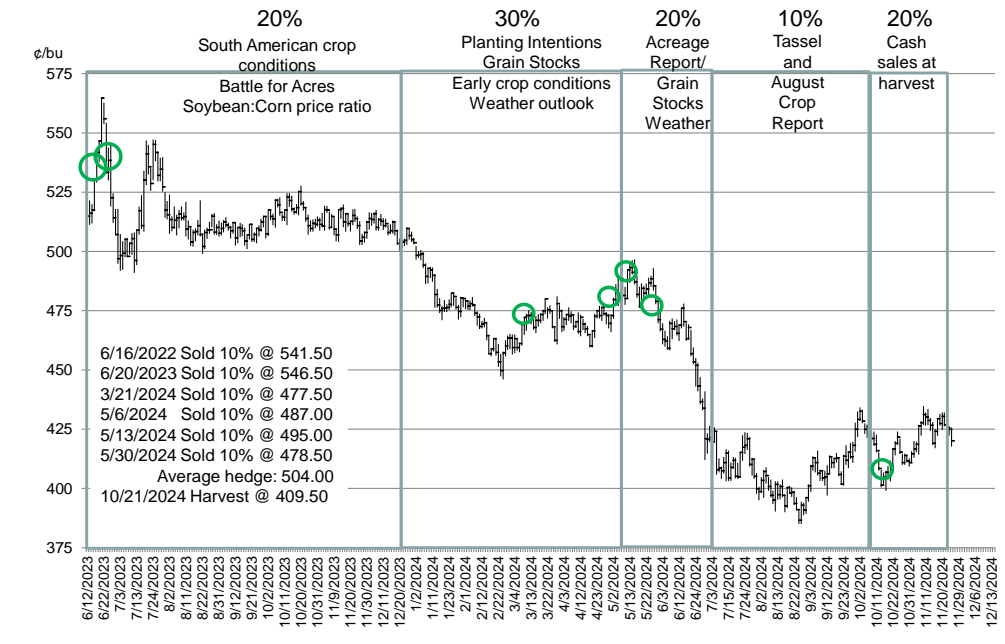
November 26, 2024

Volume 33, Number 71

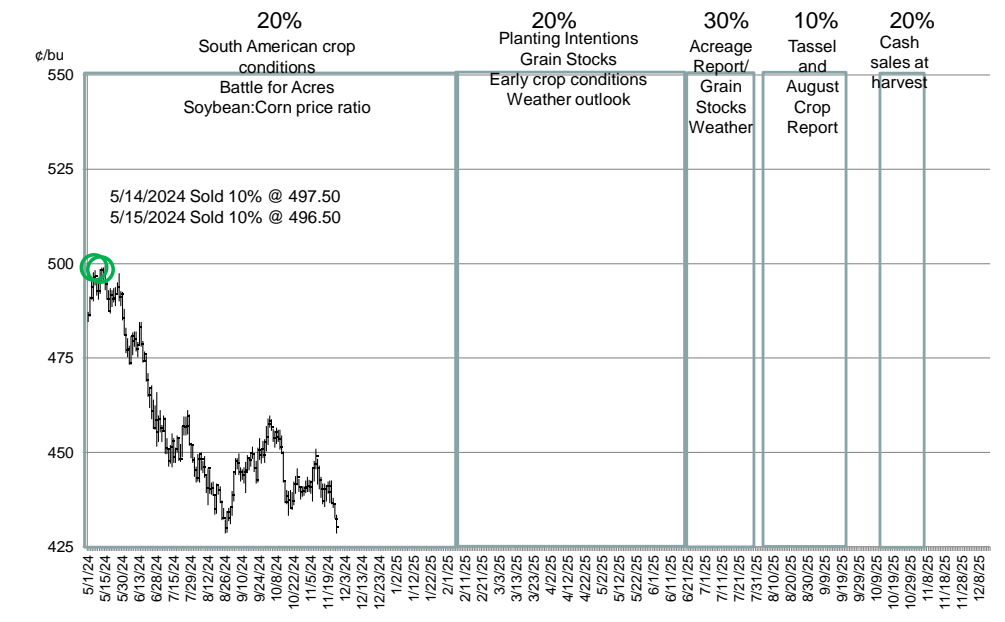


Feed Grain Marketing Plan. With harvest completed in late October, I exited all my hedges and priced the last 40% of the 2024 corn crop. My focus shifts to my 2025 marketing plan where I am 20% priced.

December Corn Futures and 2024 Marketing Plan



December Corn Futures and 2025 Marketing Plan



Feed Grain Outlook

November 26, 2024

Volume 33, Number 71



Upcoming Reports/Events

November 27	3 rd Quarter GDP (second estimate), Bureau of Economic Analysis
December 6	Employment Situation, November 2024
December 10	Crop Production WASDE Short-term Energy Outlook, Energy Information Administration
December 11	Consumer Price Index, Bureau of Labor Statistics
December 17-18	Federal Open Market Committee, Federal Reserve
December 23	Hogs and Pigs
January 5-11	The Executive Program for Agricultural Producers (TEPAP) San Antonio, Texas

Mark Welch, Texas A&M AgriLife Extension Economist

600 John Kimbrough Blvd, Suite 330B

College Station, Texas 77843

Tel. (979)845-8011

Fax. (979)845-4906

JMWelch@tamu.edu

The opinions and recommendations expressed are solely those of the author and are intended for educational purposes only as part of the Texas A&M AgriLife Extension Service. The author and Texas A&M AgriLife Extension Service assume no liability for the use of this newsletter. The Texas A&M AgriLife Extension Service provides equal access in its programs, activities, education and employment, without regard to race, color, sex, religion, national origin, disability, age, genetic information, veteran status, sexual orientation or gender identity.

The Texas A&M University System, U.S. Department of Agriculture, and the County Commissioners Courts of Texas Cooperating