

Feed Grain Outlook

January 13, 2025
Volume 34, Number 3

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Market Situation

WASDE. A downward revision to the 2024 U.S. corn yield estimate was the major feature of the January World Agricultural Supply and Demand Estimates for corn. USDA lowered the corn yield to 179.3 bushels per acre (still a record high) from 183.1 bushels in December.

The production estimate is down 276 million bushels. Domestic use was down 50 million bushels on lower feed use and exports dialed back by 25 million bushels. These changes resulted in a 198 million bushel lower ending stock estimate.

Estimated days of use on hand at the end of the marketing year fell by 4.6 days to a 37.2-day supply. The season average farm price was revised higher by 15 cents to \$4.25 per bushel.

US CORN SUPPLY AND USE			January		
			2024/25	Dec to Jan	
AREA			1/10/2025	Net Change	% Change
	Planted	mil acres	90.6	-0.1	-0.11%
	Harvested	mil acres	82.9	0.2	0.24%
	% harvested		91.5%	0.3%	0.35%
YIELD	Harvested acre	bu/ac	179.3	-3.8	-2.08%
SUPPLY					
	Beginning stocks	mil bu	1,763	3	0.17%
	Production	mil bu	14,867	-276	-1.82%
	Imports	mil bu	25	0	0.00%
	Total Supply	mil bu	16,655	-273	-1.61%
DEMAND					
	Feed and residual	mil bu	5,775	-50	-0.86%
	Food, seed, and indus	mil bu	1,390	0	0.00%
	Ethanol	mil bu	5,500	0	0.00%
	Total Domestic Use	mil bu	12,665	-50	-0.39%
	Exports	mil bu	2,450	-25	-1.01%
	Total Use	mil bu	15,115	-75	-0.49%
	Ending stocks	mil bu	1,540	-198	-11.39%
	Stocks to Use ratio	percent	10.2%	-1.25%	-10.95%
	Days of use on hand		37.2	-4.57	-10.95%
PRICE	Average farm price	\$/bu	\$ 4.25	0.15	3.66%
	Reference Price	\$/bu	\$ 4.01	0.00	0.00%
	PLC Payment	\$/bu	\$ -	0.00	

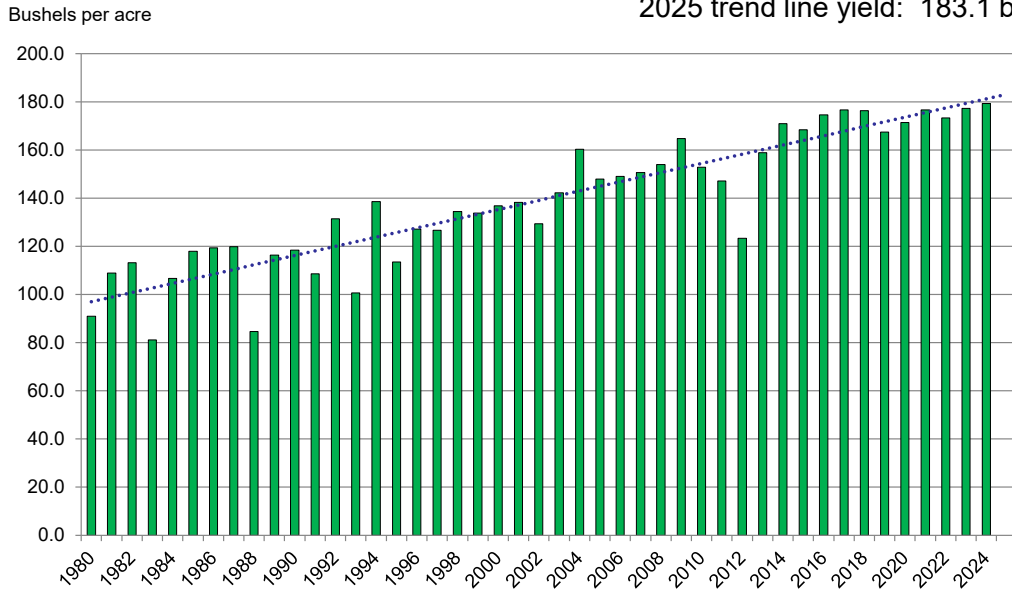
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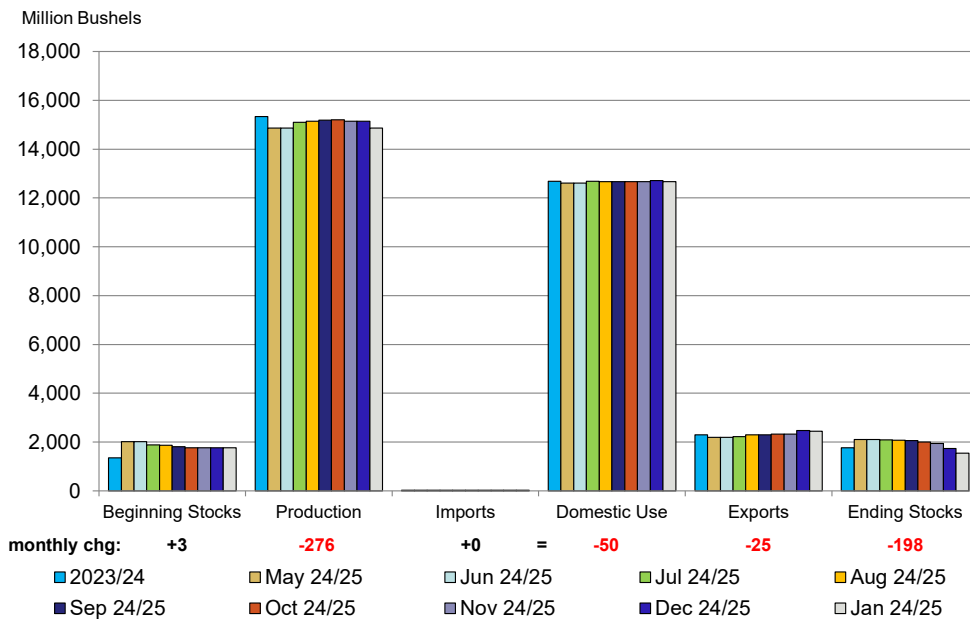
US Average Corn Yield, 1980-2023, 2024 est. and trendline

2024 USDA estimate: 179.3 bu
2025 trend line yield: 183.1 bu



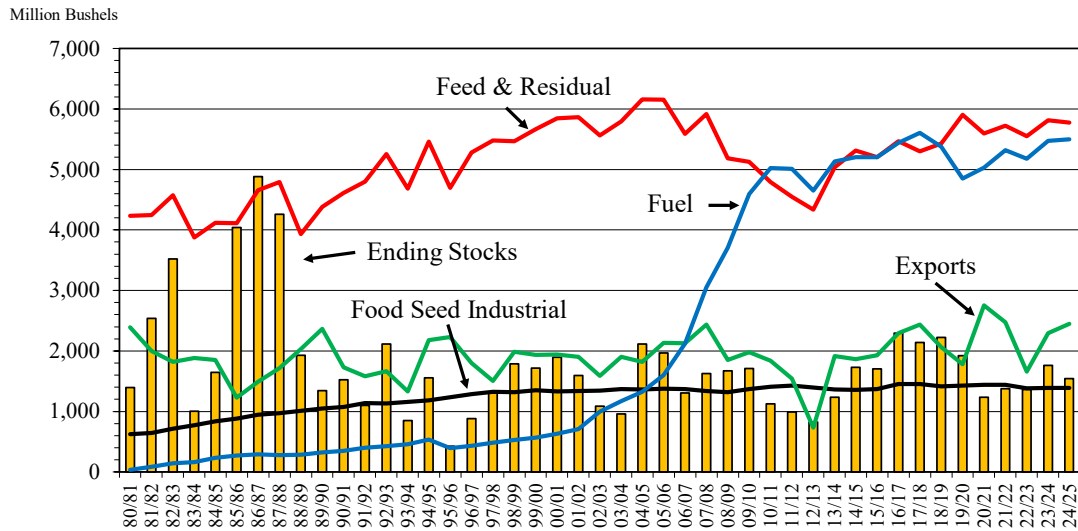
USDA, WASDE January 2025

U.S. Corn Supply and Demand, January 2025



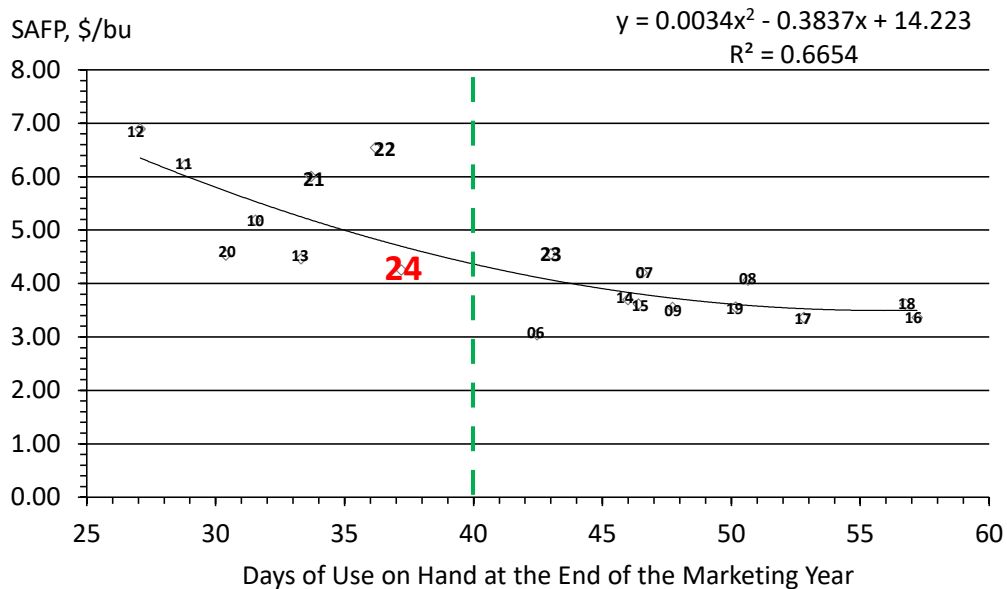
USDA, WASDE 1/10/2025

U.S. Corn Use January WASDE



Source: USDA WASDE, 1/10/2025

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



Source: USDA, WASDE January 2025

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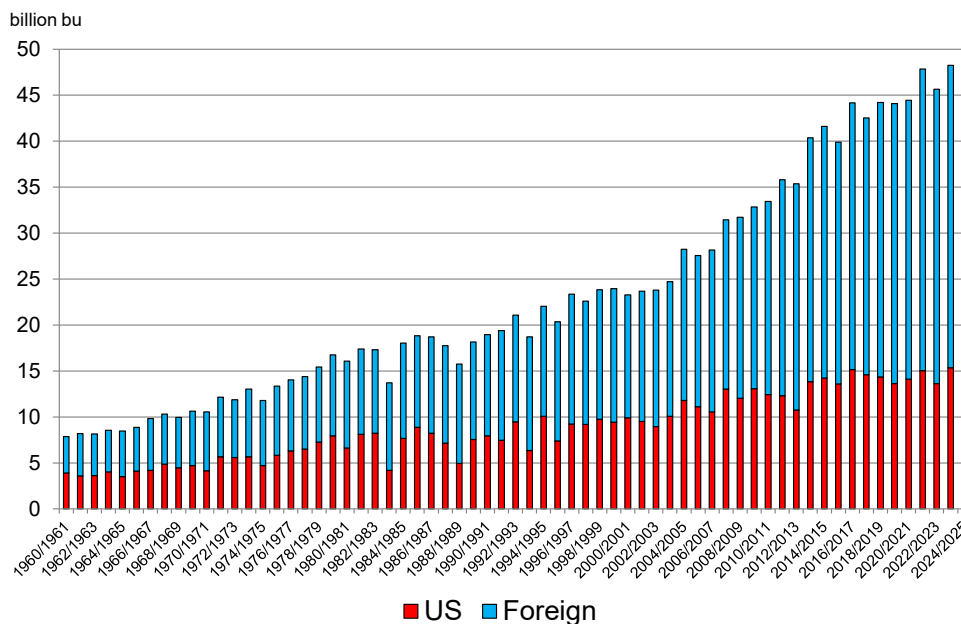
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World corn ending stocks were down this month as well. A 1.2 mmt increase in beginning stocks offset some of the 3.5 mmt decrease in production lowering the corn supply by 2.3 mmt (91 mil bu). Corn use was up 0.8 mmt (32 mil bu). Ending stocks were down 3.1 mmt (122 mil bu) and estimated days of use on hand at the end of the marketing year down about a day from 87.4 last month to an 86.5-day supply. This is the lowest stocks to use ratio for world corn since the 81.8-day supply in 2013/14.

WORLD CORN (MMT)	Beginning		Imports	Feed Use	Total Use	Exports	Ending Stocks	Stocks to Use	Days on Hand
	Stocks	Production							
2013/14	144.85	1,027.39	124.74	576.32	957.53	131.46	214.70	0.2242	81.8
2014/15	214.70	1,057.80	124.91	591.64	992.80	142.62	279.71	0.2817	102.8
2015/16	279.71	1,014.98	140.12	613.87	982.94	120.80	311.74	0.3172	115.8
2016/17	311.74	1,128.48	138.44	659.01	1,088.34	162.08	351.88	0.3233	118.0
2017/18	351.88	1,081.90	153.10	673.59	1,092.26	149.78	341.52	0.3127	114.1
2018/19	341.52	1,128.74	166.66	705.18	1,147.61	182.63	322.66	0.2812	102.6
2019/20	322.66	1,122.74	167.66	716.33	1,137.93	172.25	307.46	0.2702	98.6
2020/21	307.41	1,129.39	184.94	723.88	1,143.97	182.70	292.83	0.2560	93.4
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 May	313.08	1,219.93	184.37	774.03	1,220.75	191.10	312.27	0.2558	93.4
2024/25 June	312.39	1,220.54	186.16	774.44	1,222.16	191.75	310.77	0.2543	92.8
2024/25 July	309.13	1,224.79	186.51	774.75	1,222.28	191.81	311.64	0.2550	93.1
2024/25 August	308.52	1,219.82	185.85	772.80	1,218.17	191.47	310.17	0.2546	92.9
2024/25 September	309.63	1,218.57	185.40	772.18	1,219.85	191.37	308.35	0.2528	92.3
2024/25 October	312.65	1,217.19	183.84	774.27	1,223.32	190.50	306.52	0.2506	91.5
2024/25 November	314.22	1,219.40	183.41	776.50	1,229.48	189.83	304.14	0.2474	90.3
2024/25 December	316.22	1,217.89	183.92	779.36	1,237.66	193.04	296.44	0.2395	87.4
2024/25 January	317.46	1,214.35	183.15	778.33	1,238.47	191.41	293.34	0.2369	86.5
net change	1.24	(3.54)	(0.77)	(1.03)	0.81	(1.63)	(3.10)	(0.00)	(0.97)
% change	0.39%	-0.29%	-0.42%	-0.13%	0.07%	-0.84%	-1.05%	-1.11%	-1.11%

Corn Production

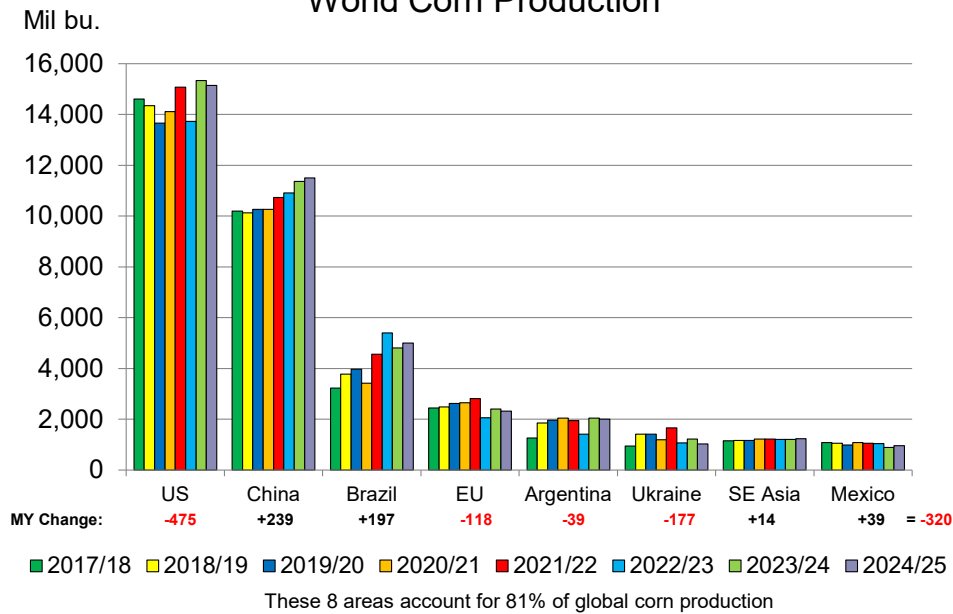


USDA, WASDE January 2025

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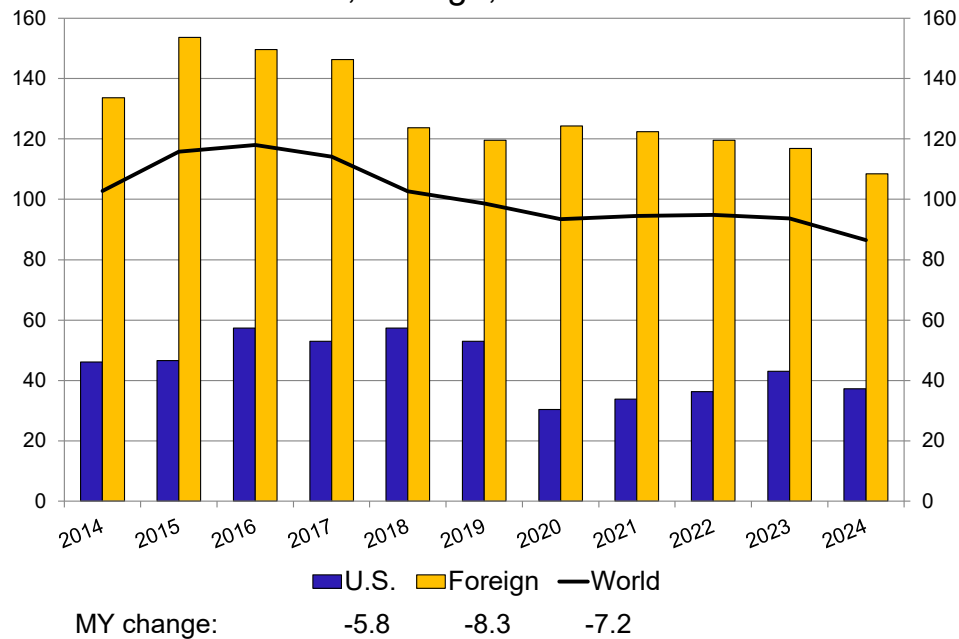
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World Corn Production



USDA, WASDE, January 2025

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



USDA, WASDE January 2025

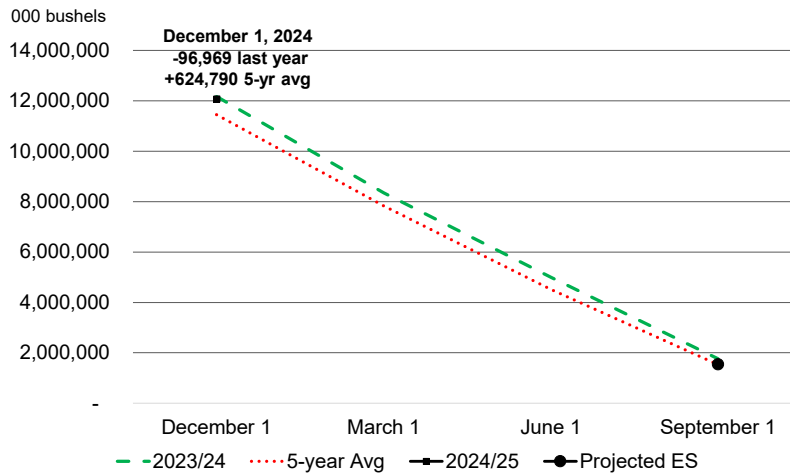
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Grain Stocks. The Grain Stocks report released last week showed 12.1 billion bushels of corn in storage on December 1, down from 12.2 billion bushels a year ago. While down 97 million bushels from last year, the corn supply on December 1 was up 625 million bushels compared to the most recent 5-year average. The current projection for ending stocks at the end of the marketing year is 1.540 billion bushels. This is below the 1.763 billion bushels of 2023/24 but about on par with the 5-year average of 1.531 billion bushels.

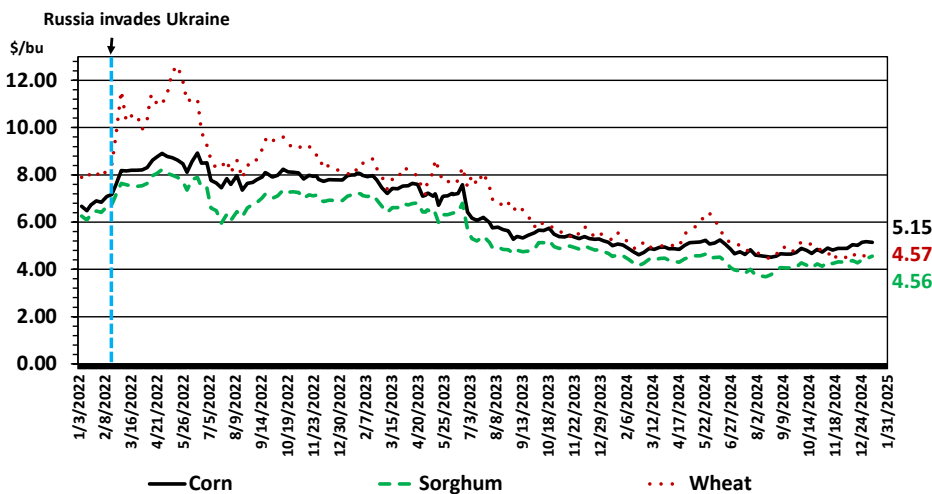
U.S. Corn Stocks, All Positions



USDA, NASS, Grain Stocks, January 2025

Cash Feed Grain Prices, \$/bu.

Texas Cash Grain Prices January 2022-January 2025



USDA, AMS, Market News: TX cash = average (North Panhandle, Central Panhandle, South Panhandle)

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	Nearby Corn Futures	TX Corn Avg Cash Elevator	TX Basis	TX Corn Feedlot	Corn LA Gulf Export bid
December 12	4.44	5.04	0.61	5.78	5.07
December 19	4.41	5.01	0.60	5.68	5.09
December 26	4.54	5.14	0.60	5.81	5.22
January 2	4.60	5.17	0.58	5.87	5.28
January 10	4.71	5.15	0.45	6.02	5.38
10-yr average			0.46		

	Nearby Corn Futures	TX Sorghum Avg Cash Elevator	TX Basis	TX Sorghum Feedlot	Sorghum TX Gulf Export bid
December 12	4.44	4.38	-0.05	5.14	
December 19	4.41	4.27	-0.14	5.11	
December 26	4.54	4.40	-0.14	5.24	
January 2	4.60	4.45	-0.15	5.30	
January 10	4.71	4.56	-0.15	5.41	
10-yr average			0.02		

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

Outside Markets. The Employment Situation report for December from the Bureau of Labor Statistics showed a stronger labor market compared to November. The U.S. economy added 256,000 new jobs in December, up from +212,000 in November. The number employed increased by 478,000 while unemployment fell by 235,000. The unemployment rate declined slightly to 4.1%. The labor force participation rate held steady at 62.5%.

	numbers in thousands				unemployment rate	change in non-farm payroll	labor force part. rate
	non-inst population	civilian labor force	employed	unemployed			
Jun-24	268,438	168,009	161,199	6,811	4.1%	118	62.6%
Jul-24	268,644	168,429	161,266	7,163	4.3%	144	62.7%
Aug-24	268,856	168,549	161,434	7,115	4.2%	78	62.7%
Sep-24	269,080	168,699	161,864	6,834	4.1%	255	62.7%
Oct-24	269,289	168,428	161,456	6,972	4.1%	43	62.5%
Nov-24	269,463	168,304	161,183	7,121	4.2%	212	62.5%
Dec-24	269,638	168,547	161,661	6,886	4.1%	256	62.5%
Change	175	243	478	(235)	-0.1%	44	0%

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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 news release is embargoed until
8:30 a.m. (ET) Friday, January 10, 2025

USDL-25-0003

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THE EMPLOYMENT SITUATION — DECEMBER 2024

Total **nonfarm payroll employment** increased by 256,000 in December, and the **unemployment rate** changed little at 4.1 percent, the U.S. Bureau of Labor Statistics reported today. Employment trended up in health care, government, and social assistance. Retail trade added jobs in December, following a job loss in November.

Chart 1. Unemployment rate, seasonally adjusted, December 2022 – December 2024

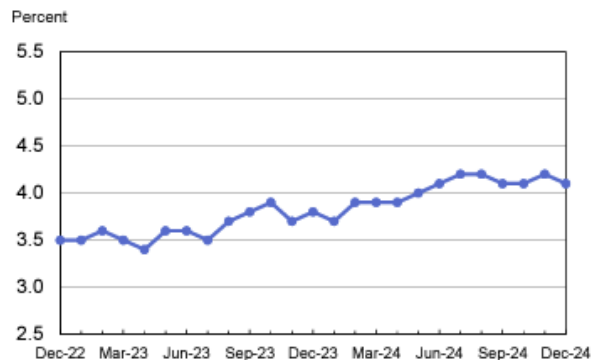
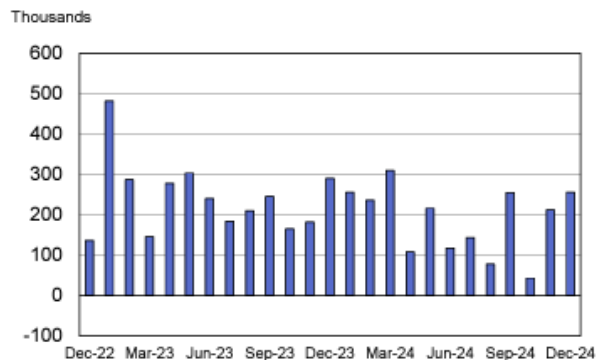


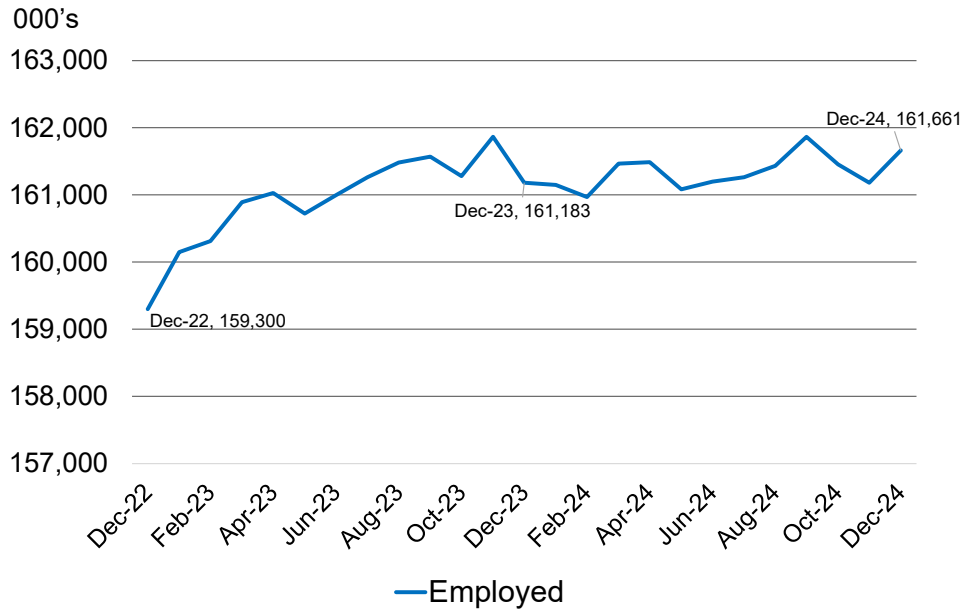
Chart 2. Nonfarm payroll employment over-the-month change, seasonally adjusted, December 2022 – December 2024



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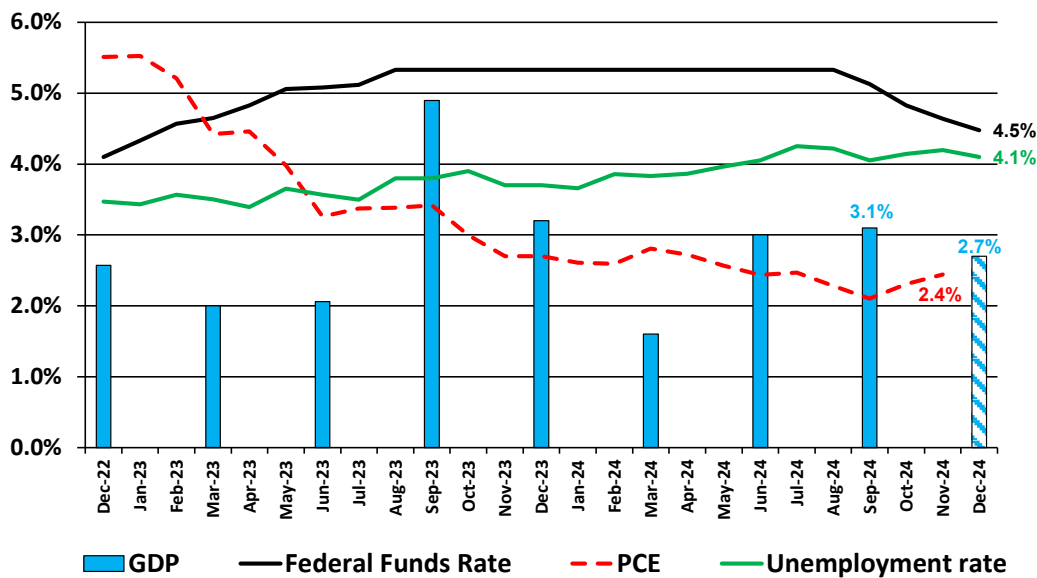
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U.S. Non-farm Employment



U.S. Bureau of Labor Statistics, January 10, 2025

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 January 13, 2025

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The Federal Open Market Committee of the Federal Reserve next meets January 28-29. A strong labor market is an argument for delaying further interest rate cuts as the Fed continues its effort to drive inflation back to its 2% target.

Prices about 11:45 am CT January 13, 2025:

	I QTR	1/2/2025	1/13/2025	net change	% change
S&P 500	SPX:IN	5,868.55	5,805.79	(62.76)	-1.07%
10-yr T Note	Yield, %	4.57	4.68	0.11	2.41%
CRB	CRY:IND	298.98	305.97	6.99	2.34%
Dollar Index	March 2025	109.21	109.69	0.48	0.44%
Crude Oil	March 2025	72.50	77.26	4.76	6.57%
Copper	March 2025	4.03	4.32	0.29	7.19%
Corn	March 2025	4.60	4.75	0.16	3.37%
	May 2025	4.67	4.85	0.18	3.80%
Soybeans	March 2025	10.12	10.43	0.31	3.04%
	May 2025	10.25	10.56	0.31	2.98%
SRW Wheat	March 2025	5.46	5.43	(0.03)	-0.60%
	May 2025	5.58	5.54	(0.03)	-0.58%

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.

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Charts, 1/2/2025-1/13/2025 (<https://www.barchart.com/>):

U.S. Dollar Index Mar '25 (DXH25)

109.685 +0.198 (+0.18%) 11:48 CT [ICE/US]

109.685 x 40 109.695 x 19

CHART PANEL for Mon, Jan 13th, 2025



Crude Oil WTI Mar '25 (CLH25)

77.26 +1.51 (+1.99%) 11:49 CT [NYMEX]

77.26 x 3 77.27 x 9

CHART PANEL for Mon, Jan 13th, 2025



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High Grade Copper Mar '25 (HGH25)

4.3155 +0.0115 (+0.27%) 11:50 CT [COMEX]

4.3150 x 14 4.3155 x 7

CHART PANEL for Mon, Jan 13th, 2025

Full Screen Chart

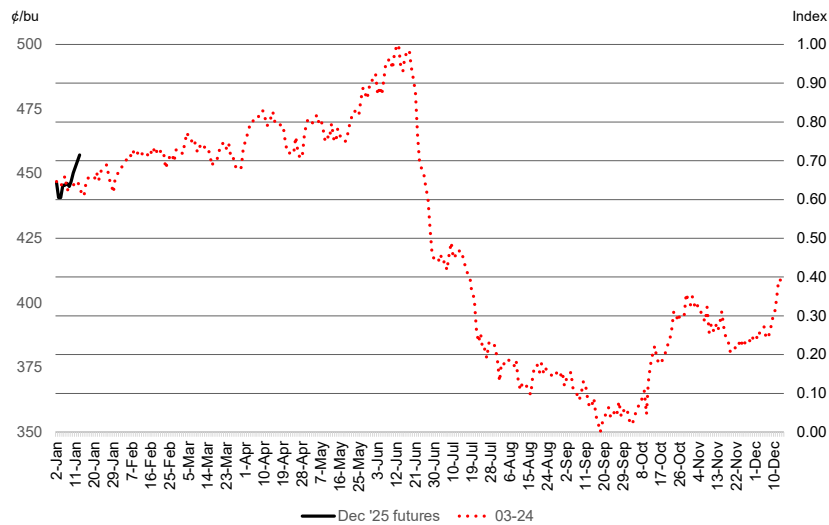
Notes My Charts Alerts Watch Actions Help



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 late-June/early July and then bottoming out late September/early October. This is the foundation of my marketing plan.

December 2025 Corn Futures Seasonal Pattern 2003-2024



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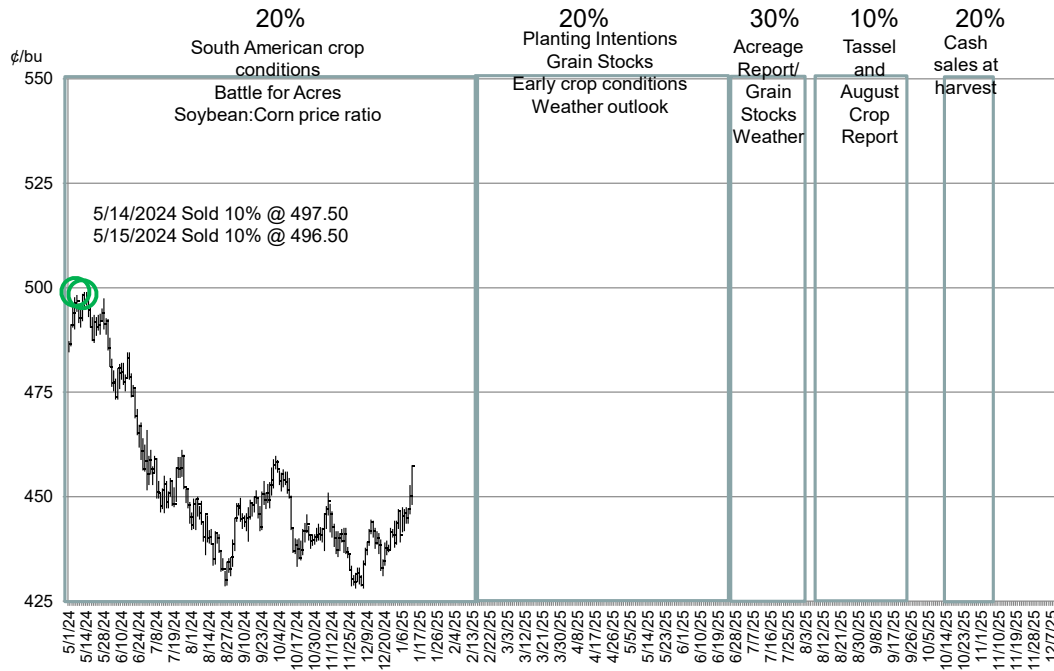
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Feed Grain Marketing Plan. I priced the first 20% of the 2025 corn crop back in May of 2024.

My plan is to have 70% of the 2025 crop priced by July.

December Corn Futures and 2025 Marketing Plan



Upcoming Reports/Events

January 5-11	The Executive Program for Agricultural Producers (TEPAP) San Antonio, Texas
January 10	Crop Production WASDE Grain Stocks Winter Wheat/Canola Seedings December Employment Situation, Bureau of Labor Statistics
January 15	Consumer Price Index
January 24	Cattle on Feed
February 11	WASDE Crop Production

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February 12-13	Master Marketer: Building a Marketing Plan: Feed Grains, Amarillo
February 27-28	USDA Ag Outlook Forum Master Marketer: Building a Marketing Plan: Cotton, Lubbock
March 25-26	Master Marketer: Building a Marketing Plan: Grain, Waco
April 23-24	Master Marketer: Building a Marketing Plan: Grain, Cotton, Livestock, Weslaco

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