

Feed Grain Outlook

March 13, 2025

Volume 34, Number 17

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Market Situation

WASDE. After significant changes to the supply and demand balance sheet for U.S. corn in December (total use + 200 million bushels) and January (production -276 million bushels), USDA has left the numbers unchanged in February and March. With ending stocks of 1.540 billion bushels and total use of 15.115 billion bushels, days of use on hand in the 2024/25 corn marketing year are estimated at a relatively tight 37.2-day supply. The current estimate of the season average farm price is \$4.35 per bushel.

US CORN SUPPLY AND USE			March		
AREA			2024/25	February to March	
			3/11/2025	Net Δ	% Δ
	Planted	mil acres	90.6	0.0	0.00%
	Harvested	mil acres	82.9	0.0	0.00%
	% harvested		91.5%	0.0	0.00%
YIELD	Harvested acre	bu/ac	179.3	0.0	0.00%
SUPPLY					
	Beginning stocks	mil bu	1,763	0.0	0.00%
	Production	mil bu	14,867	0.0	0.00%
	Imports	mil bu	25	0.0	0.00%
	Total Supply	mil bu	16,655	0.0	0.00%
DEMAND					
	Feed and residual	mil bu	5,775	0.0	0.00%
	Food, seed, and indust	mil bu	1,390	0.0	0.00%
	Ethanol	mil bu	5,500	0.0	0.00%
	Total Domestic Use	mil bu	12,665	0.0	0.00%
	Exports	mil bu	2,450	0.0	0.00%
	Total Use	mil bu	15,115	0.0	0.00%
	Ending stocks	mil bu	1,540	0.0	0.00%
	Stocks to Use ratio	percent	10.2%	0.0%	0.00%
	Days of use on hand		37.2	0.0	0.00%
PRICE					
	Average farm price	\$/bu	\$ 4.35	0.00	0.00%
	Reference Price	\$/bu	\$ 4.01	0.00	0.00%
	PLC Payment	\$/bu	\$ -	0.00	



The changes for U.S. sorghum were relatively small but not favorable for the basis. USDA increased domestic feed use by 50 million bushels and lowered exports by 70 million bushels. A higher ratio of sorghum exports to sorghum domestic use is associated with sorghum trading at more of a premium to corn. The estimated season average farm price for sorghum was lowered 10 cents to \$4.15, now 20 cents below corn.

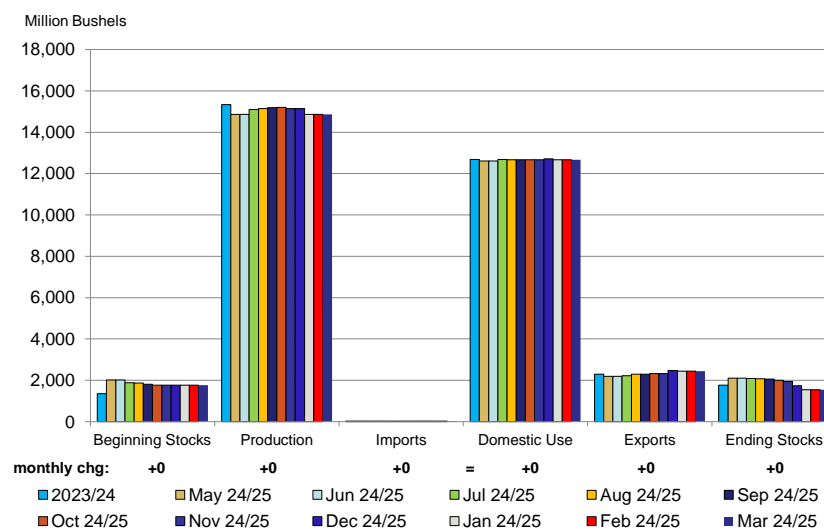
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US SORGHUM SUPPLY AND DEMAND			March		
AREA			2024/25	February to March	
			3/11/2025	Net Δ	% Δ
	Planted	mil acres	6.3	0.0	0.0%
	Harvested	mil acres	5.6	0.0	0.0%
			88.9%	0.0%	0.0%
YIELD	harvested acre	bu/ac	61.3	0.0	0.0%
SUPPLY					
	Beginning stocks	mil bu	33	0	0.0%
	Production	mil bu	344	0	0.0%
	Imports	mil bu	0	0	
	Total Supply	mil bu	377	0	0.0%
DEMAND					
	Feed and residual	mil bu	155	50.0	47.6%
	Food, seed, and indus	mil bu	70	0.0	0.0%
	Ethanol*	mil bu			
	Total Domestic Use	mil bu	225	50.0	28.6%
	Exports	mil bu	100	(70.0)	-41.2%
	Total Use	mil bu	325	(20.0)	-5.8%
	Ending stocks	mil bu	52	20.0	62.5%
	Stocks to Use ratio	percent	16.0%	6.7%	72.5%
	Days of Use on hand		58.4	24.5	72.5%
PRICE					
	Average farm price	\$/bu	\$ 4.15	(0.10)	-2.4%
	Reference Price	\$/bu	\$ 4.06	0.00	0.0%
	PLC Payment	\$/bu	\$ -	0.00	

U.S. Corn Supply and Demand, March 2025



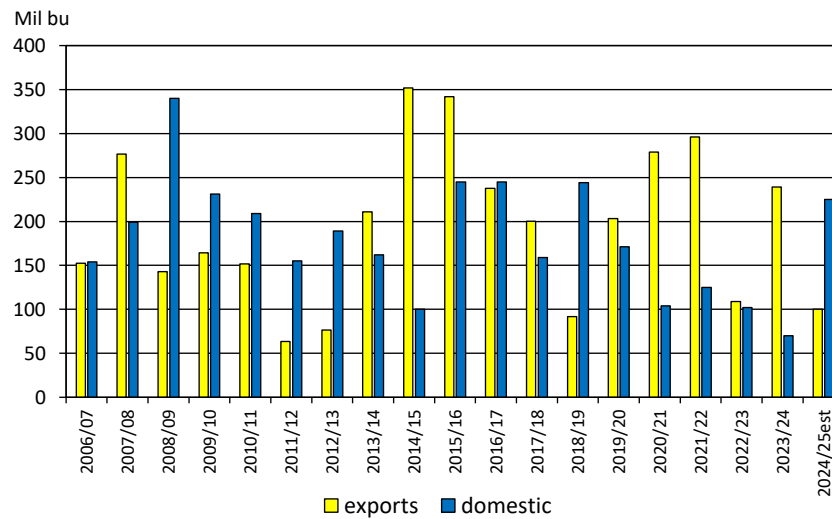
USDA, WASDE 3/11/2025

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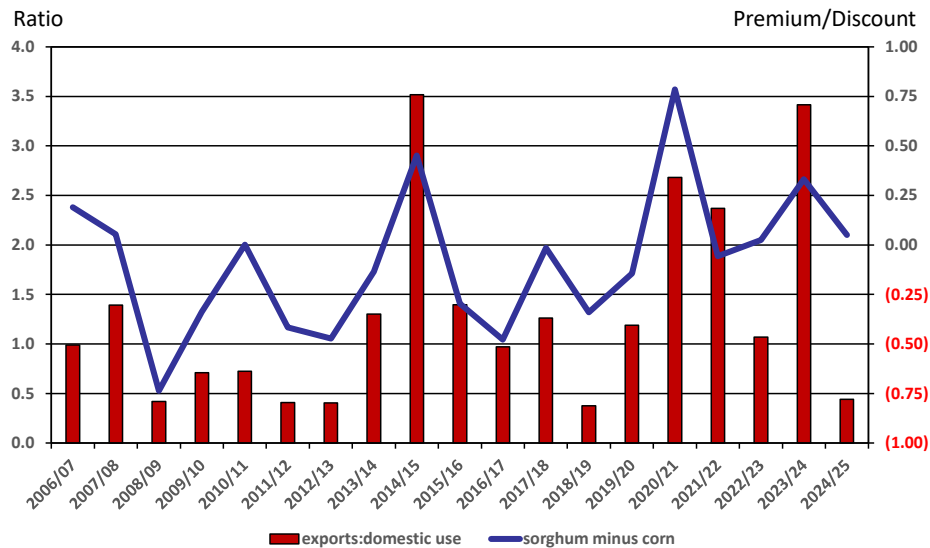
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Sorghum Use



Source: USDA, WASDE March 2025

Sorghum to corn (premium or discount) and the ratio of sorghum exports to domestic use



USDA March 2025 WASDE and February Monthly Ag Prices

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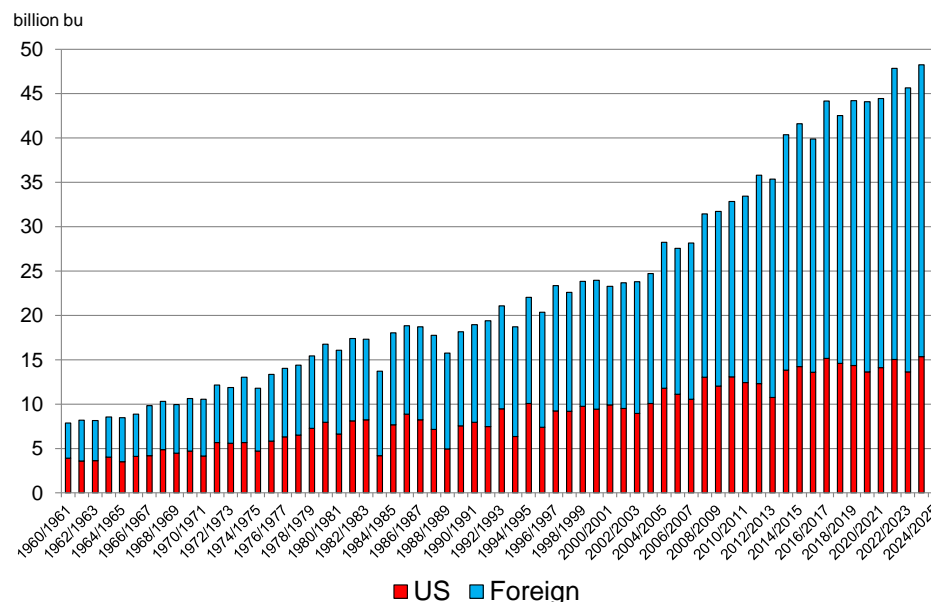
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USDA has lowered world estimated days of use on hand at the end of the marketing year in the last 9 WASDE reports. The current estimate of an 85.1-day supply would be the tightest since 2013/14. This month total supply was basically unchanged but an increase in use lowered world ending stocks.

WORLD CORN (MMT)		Beginning		Imports	Feed Use	Total Use	Exports	Ending		Stocks to Use	Days on Hand
		Stocks	Production					Stocks			
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		313.91	1,163.33	173.40	735.11	1,172.41	180.35	304.83		0.2600	94.9
2023/24		304.83	1,230.07	197.33	772.84	1,219.09	193.25	315.81		0.2591	94.6
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
2024/25	February	315.81	1,212.47	181.16	777.50	1,237.96	189.23	290.31		0.2345	85.6
2024/25	March	<u>313.95</u>	<u>1,214.17</u>	<u>180.30</u>	<u>779.42</u>	<u>1,239.19</u>	<u>186.36</u>	<u>288.94</u>		<u>0.2332</u>	<u>85.1</u>
	net change	(1.86)	1.70	(0.86)	1.92	1.23	(2.87)	(1.37)		(0.0013)	(0.49)
	% change	-0.59%	0.14%	-0.47%	0.25%	0.10%	-1.52%	-0.47%		-0.57%	-0.57%

Corn Production

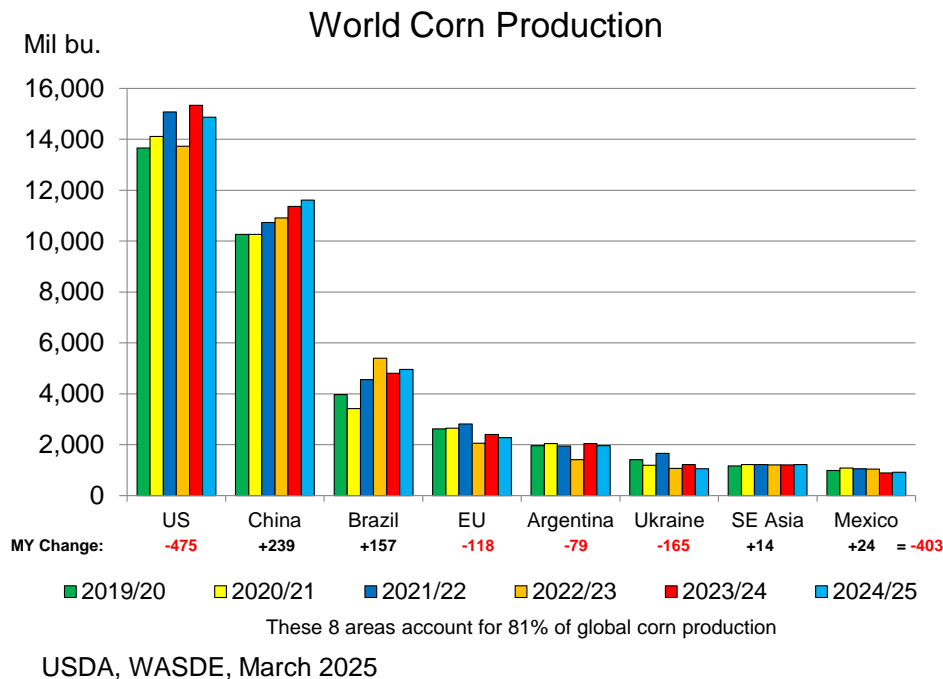


USDA, WASDE March 2025

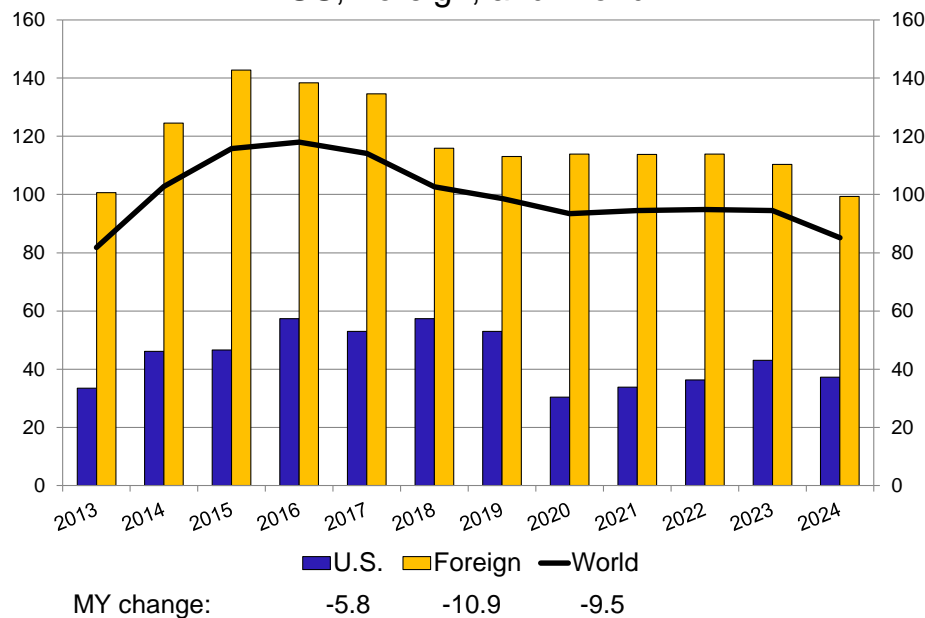
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Corn Days of Use on Hand at the End of the Marketing Year: US, Foreign, and World



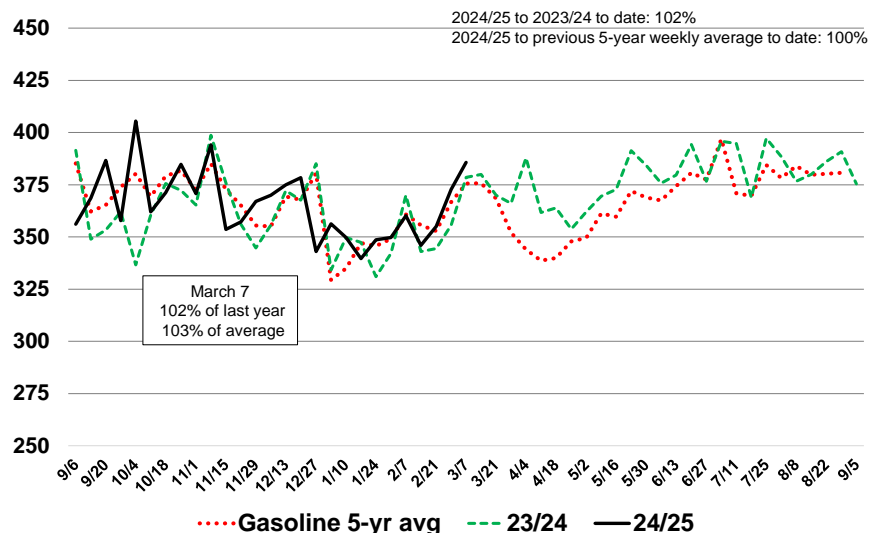
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Grain Use. Gasoline demand in the current corn marketing year is running at about 102% of last year and about on par with the 5-year average.

2024/25 Weekly U.S. Gasoline Demand, million gallons

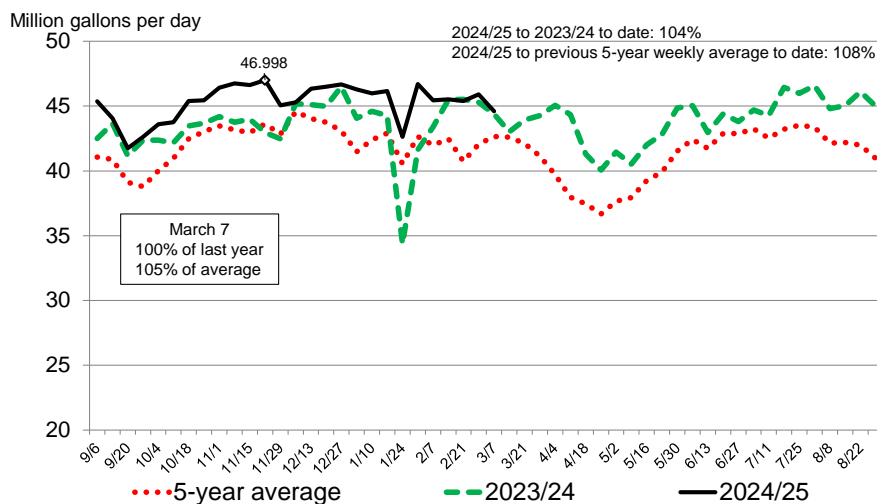


Energy Information Administration, This Week in Petroleum, March 12, 2025

Ethanol production is 104% of last year and 108% of average.

2024/25 U.S. Ethanol Production

2024/25 daily average = 45.3 mil gal per day 5-year daily avg = 41.6 mil gal
Implies use of 5,702 mil bu of grain (2.9 gal/bu) 2023/24 daily avg = 43.7 mil gal
March USDA estimate = 5,570 (5,500 mil bu corn for fuel + 70 mil bu sorghum fsi)



Energy Information Administration, Weekly Petroleum Status Report, March 12, 2025
Ethanol conversion rate, University of Illinois

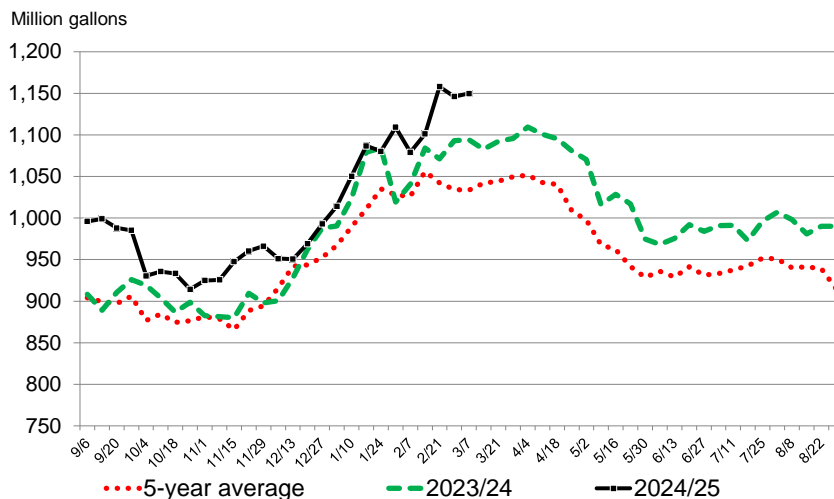
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Ethanol stocks are up about 6% compared to last year.

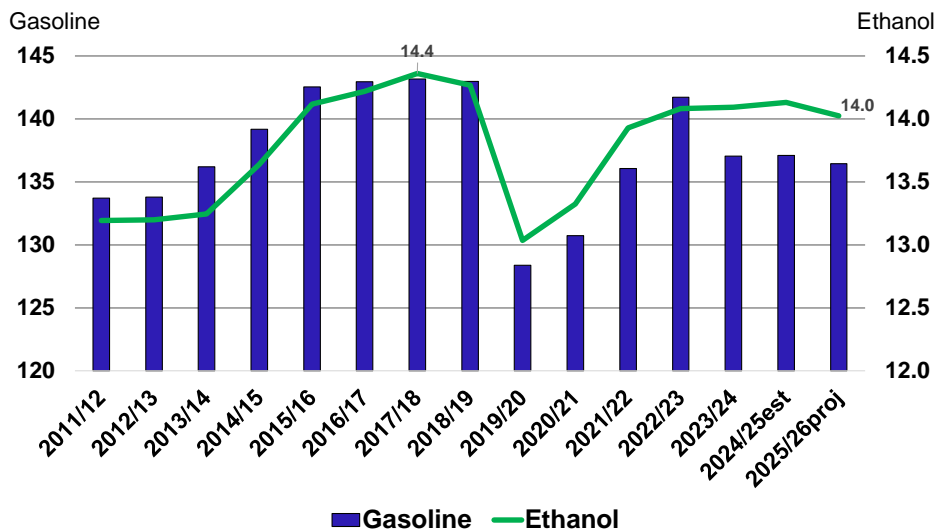
2024/25 U.S. Weekly Ending Ethanol Stocks



Energy Information Administration, Weekly Petroleum Status Report, March 12, 2025

Gasoline and ethanol consumption estimates in the Short-term energy outlook show levels this corn marketing year about steady with 2023/24 before a slight decline in 2025/26.

U.S. Motor Gasoline and Ethanol Consumption by Corn Marketing Year, billion gallons



EIA, Short Term Energy Outlook, March 2025
<http://www.eia.gov/>

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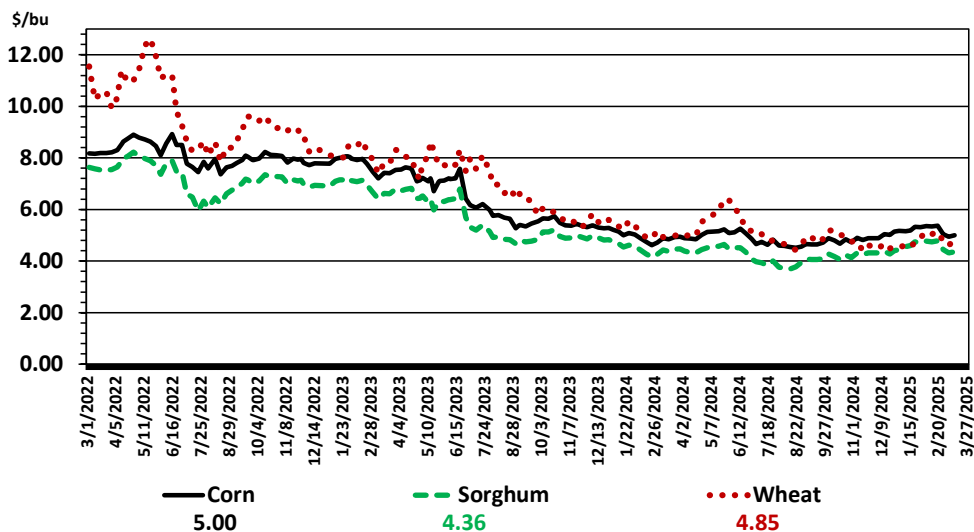
Cash Feed Grain Prices, \$/bu.

	Nearby Corn Futures	TX Corn Avg Cash Elevator	TX Basis	TX Corn Feedlot	Corn LA Gulf Export bid
February 13	4.94	5.34	0.41	6.17	5.65
February 20	4.98	5.37	0.39	6.25	5.76
February 27	4.65	5.04	0.39	5.97	5.48
March 6	4.64	4.95	0.31	5.89	5.26
March 13	4.65	5.00	0.35	5.91	
10-yr average			0.41		

	Nearby Corn Futures	TX Sorghum Avg Cash Elevator	TX Basis	TX Sorghum Feedlot	Sorghum TX Gulf Export bid
February 13	4.94	4.75	-0.19	5.45	
February 20	4.98	4.78	-0.20	5.49	
February 27	4.65	4.44	-0.20	5.07	
March 6	4.64	4.31	-0.33	5.02	
March 13	4.65	4.36	-0.29	5.03	
10-yr average			0.02		

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

Texas Cash Grain Prices March 2022-March 2025



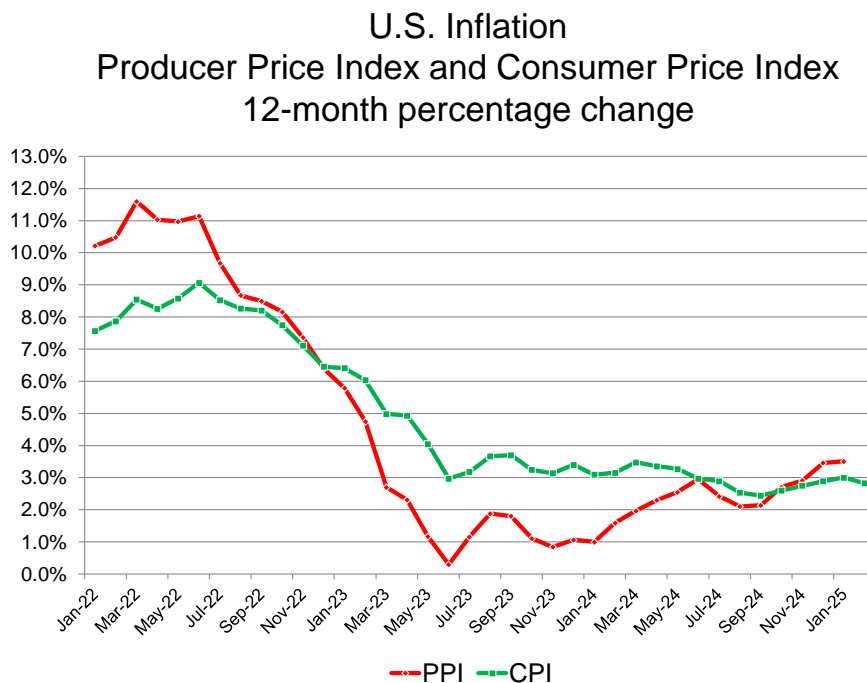
USDA, AMS, Market News: TX cash = average (North Panhandle, Central Panhandle, South Panhandle)

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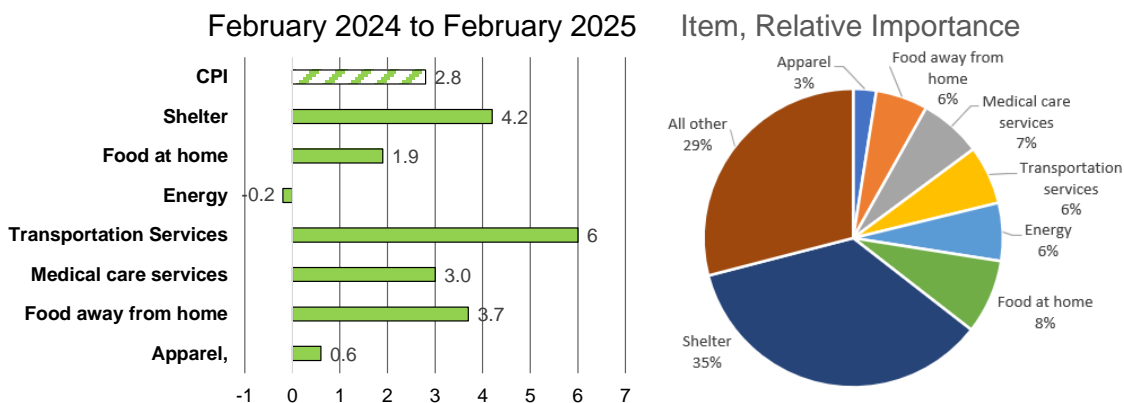
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Outside Markets. After climbing the last 3 months in a row from 0.2% to 0.5%, the consumer price index for February showed a monthly change back down at 0.2%. The annual inflation rate in February was 2.8%, down from 3.0% in January. Continuing to push prices higher in the index are transportation services, shelter, food away from home, and medical services.



Source: Consumer Price Index (CPI) U.S. Bureau of Labor Statistics, March 12, 2025
Producer Price Index (PPI), St. Louis Fed, February 13, 2025

Percent Change, CPI, year over year



Source: Consumer Price Index (CPI) U.S. Bureau of Labor Statistics, March 12, 2025

NEWS RELEASE

BUREAU OF LABOR STATISTICS
U. S. DEPARTMENT OF LABOR



Transmission of material in this release is embargoed until
8:30 a.m. (ET) Wednesday, March 12, 2025

USDL-25-0332

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CONSUMER PRICE INDEX – FEBRUARY 2025

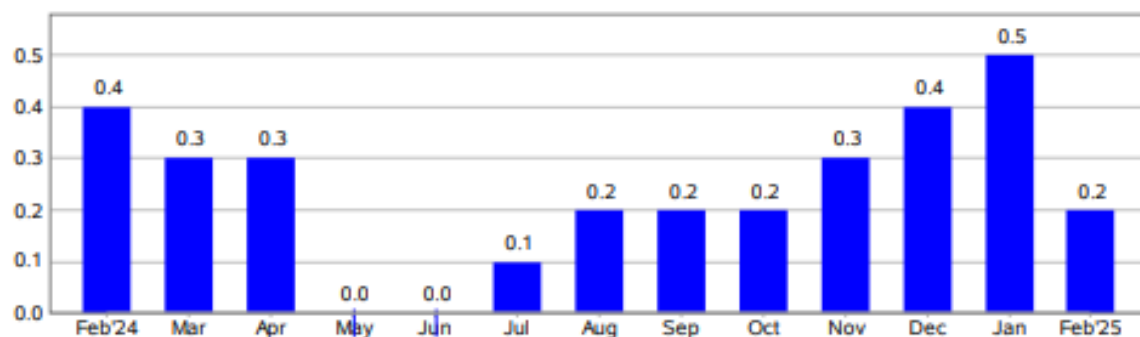
The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.2 percent on a seasonally adjusted basis in February, after rising 0.5 percent in January, the U.S. Bureau of Labor Statistics reported today. Over the last 12 months, the all items index increased 2.8 percent before seasonal adjustment.

The index for shelter rose 0.3 percent in February, accounting for nearly half of the monthly all items increase. The shelter increase was partially offset by a 4.0-percent decrease in the index for airline fares and a 1.0-percent decline in the index for gasoline. Despite the decrease in the gasoline index, the energy index rose 0.2 percent over the month as the indexes for electricity and natural gas increased. The index for food also increased in February, rising 0.2 percent as the index for food away from home increased 0.4 percent. The food at home index was unchanged over the month.

The index for all items less food and energy rose 0.2 percent in February, following a 0.4-percent increase in January. Indexes that increased over the month include medical care, used cars and trucks, household furnishings and operations, recreation, apparel, and personal care. The indexes for airline fares and new vehicles were among the few major indexes that decreased in February.

The all items index rose 2.8 percent for the 12 months ending February, after rising 3.0 percent over the 12 months ending January. The all items less food and energy index rose 3.1 percent over the last 12 months. The energy index decreased 0.2 percent for the 12 months ending February. The food index increased 2.6 percent over the last year.

Chart 1. One-month percent change in CPI for All Urban Consumers (CPI-U), seasonally adjusted, Feb. 2024 - Feb. 2025
Percent change



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The next meeting of the Federal Open Market Committee to set monetary policy is March 18-19.

Prices about 8:00 pm CT March 13, 2025:

	I QTR	1/2/2025	3/13/2025	net change	% change
S&P 500	SPX:IN	5,868.55	5,521.52	(347.03)	-5.91%
10-yr T Note	Yield, %	4.57	4.32	(0.25)	-5.47%
CRB	CRY:IND	298.98	303.01	4.03	1.35%
Dollar Index	June 2025	108.85	103.50	(5.35)	-4.92%
Crude Oil	June 2025	71.21	65.89	(5.32)	-7.47%
Copper	June 2025	4.08	4.95	0.87	21.42%
Corn	May 2025	4.67	4.61	(0.07)	-1.39%
	July 2025	4.70	4.68	(0.02)	-0.53%
Soybeans	May 2025	10.25	10.07	(0.19)	-1.80%
	July 2025	10.38	10.21	(0.17)	-1.66%
SRW Wheat	May 2025	5.58	5.60	0.02	0.40%
	July 2025	5.65	5.75	0.11	1.86%

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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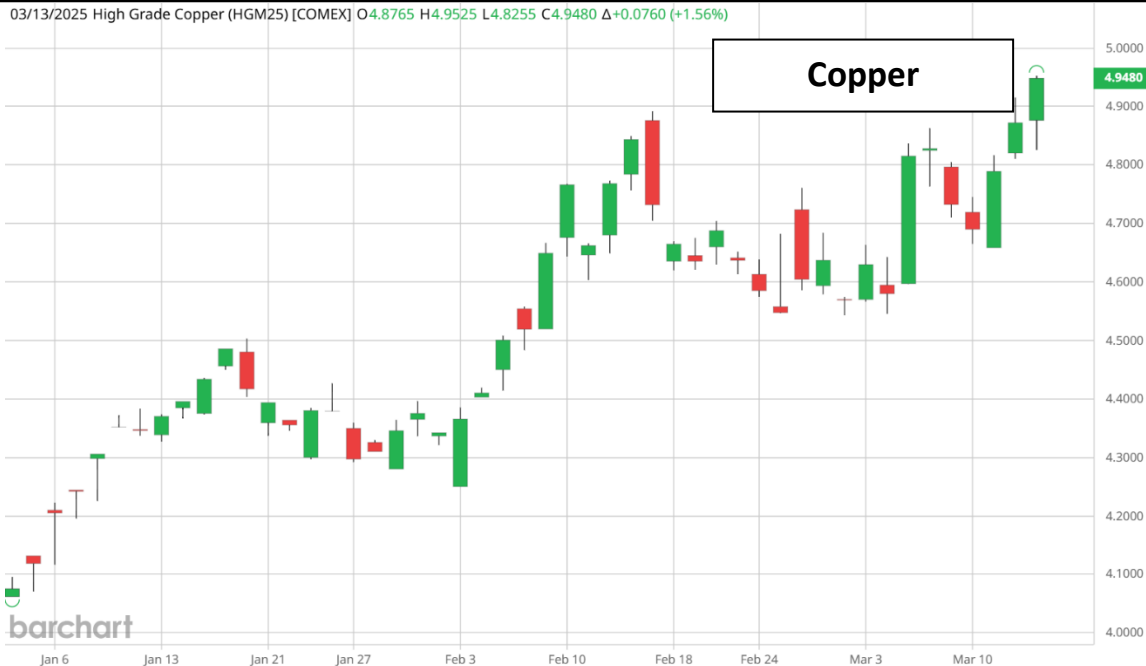
Charts, 1/2/2025-3/13/2025 (<https://www.barchart.com/>):



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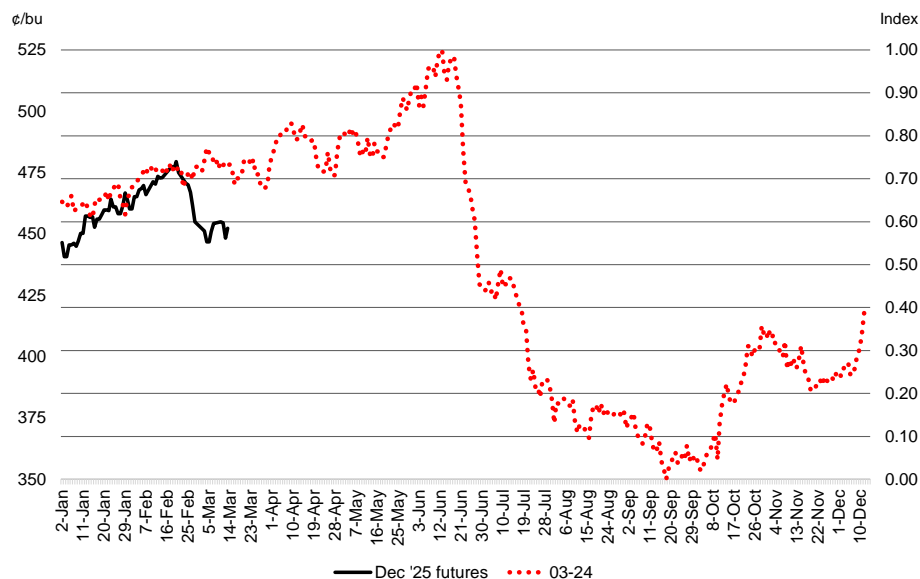
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Marketing Strategies

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 and Seasonal Pattern 2003-2024



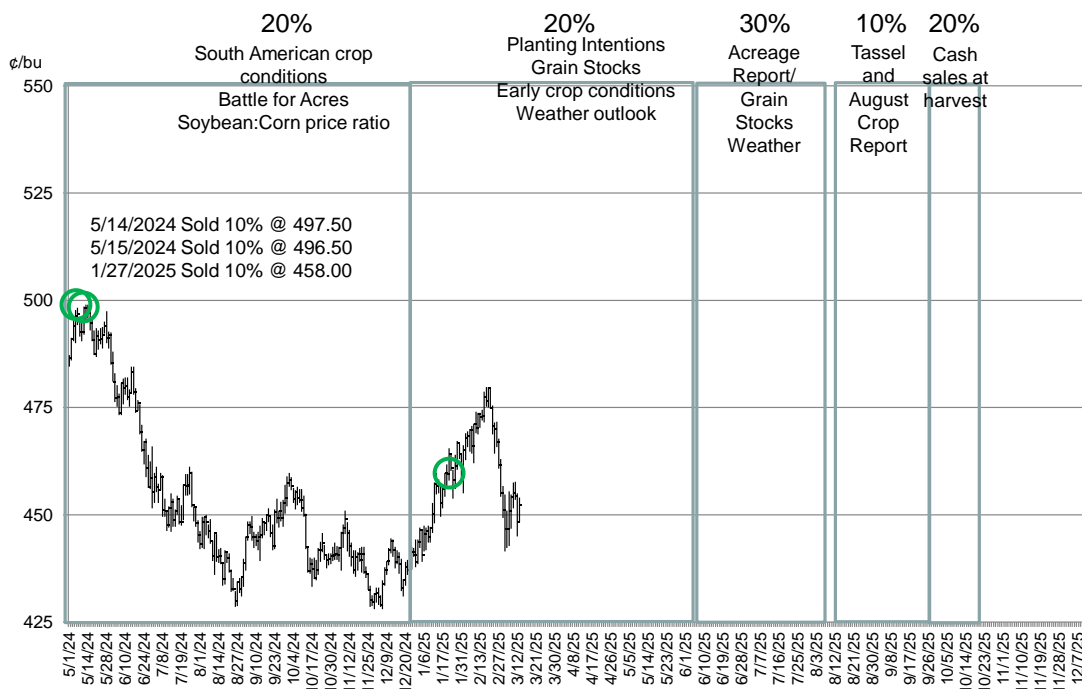
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Feed Grain Marketing Plan. I am 30% sold on the 2025 corn crop. My plan is to have 70% priced by July.

December Corn Futures and 2025 Marketing Plan



	December 2025 corn futures	2025 Marketing Plan average price	% of 2025 crop priced	Marketing Plan advantage, %
January 2, 2025	446.50	456.60	20%	2.3%
February 3, 2025	465.25	470.88	30%	1.2%
March 3, 2025	451.25	461.08	30%	2.2%
March 13, 2025	452.25	461.78	30%	2.1%

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Upcoming Reports/Events

March 18-19	Federal Open Market Committee, Federal Reserve
March 21	Cattle on Feed
March 25-26	Master Marketer: Building a Marketing Plan: Feed Grains, Waco
March 27	Hogs and Pigs
March 31	Prospective Plantings Grain Stocks
April 23-24	Master Marketer: Building a Marketing Plan: Grain, Cotton, Livestock, Weslaco

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