

Feed Grain Outlook

March 28, 2025

Volume 34, Number 21

Today's Newsletter

Market Situation

Crop Progress and
Condition 1

Prospective Plantings
2

Grain Use 4

Cash Grain Markets 9

Outside Markets 10

Marketing Strategies

Seasonality 14

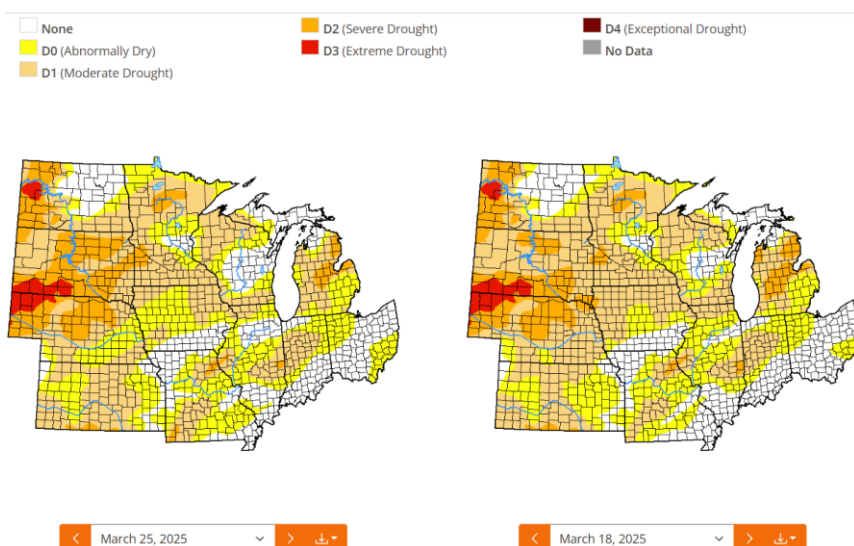
Feed Grain Marketing
Plan 14

Upcoming
Reports/Events 15

Market Situation

Crop Progress and Condition. With planting season just a few weeks away, the area of the North Central region under drought dropped one point this week to 78%. The drought severity index is down 3 to 146.

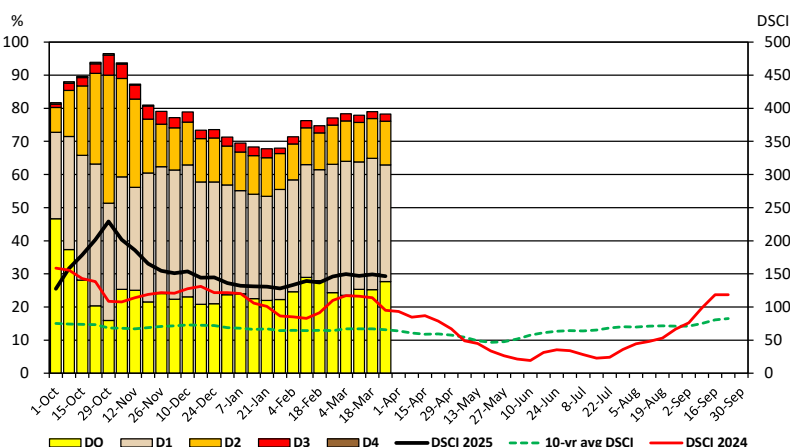
Last year at this time the area impacted by drought was 63% and the index was 95. Average over the last 10 years for late-March is a drought index of 66.



North Central Drought Monitor, 3/25/2025

Drought Classification

None D0 (Abnormally Dry) D1 (Moderate Drought) D2 (Severe Drought) D3 (Extreme Drought) D4 (Exceptional Drought)



Drought Severity and Coverage Index (DSCI) = $(D0 \times 1) + (D1 \times 2) + (D2 \times 3) + (D3 \times 4) + (D4 \times 5)$;
min 0--no drought conditions reported; max 500--100% under exceptional drought conditions
Drought Monitor, 3/27/2025, North Central, <http://droughtmonitor.unl.edu/>



Feed Grain Outlook

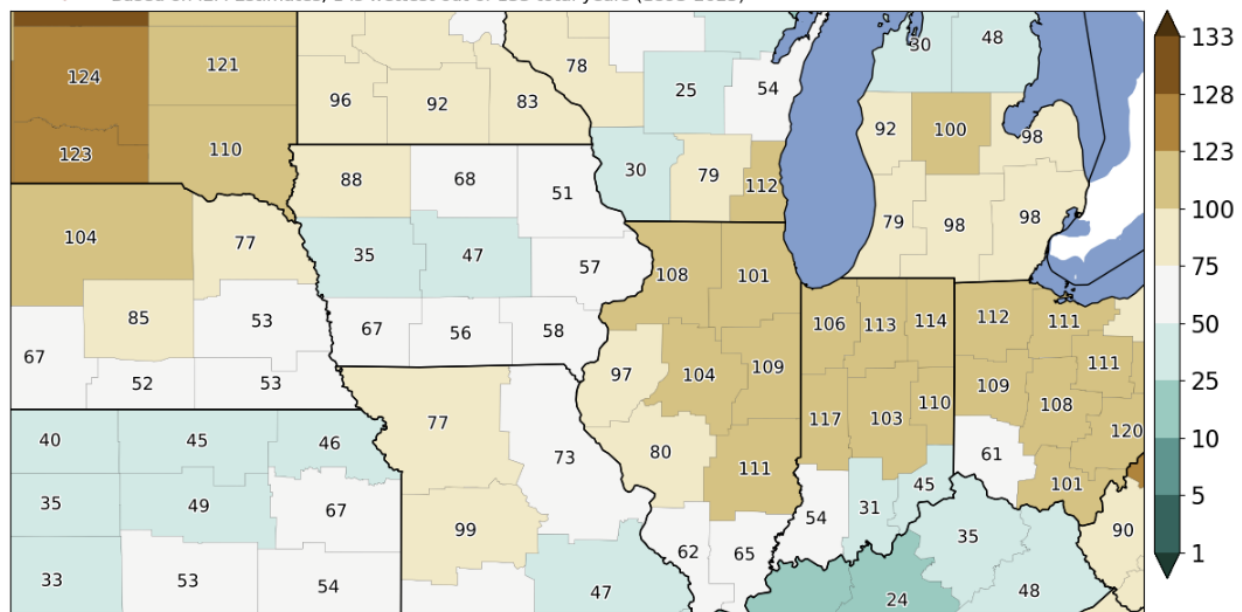
March 28, 2025

Volume 34, Number 21

Looking at precipitation in the Corn Belt by Climate District since last fall, much of Illinois to Ohio rank among the driest of the previous 133 years of weather records. A rank of 133 represents the driest since 1893 and 1 is the wettest.



30 Sep 2024 ~7 AM till 27 Mar 2025 ~7 AM Total Precipitation Ranks by Climate District
Based on IEM Estimates, 1 is wettest out of 133 total years (1893-2025)



Generated at 28 Mar 2025 9:22 AM CDT in 81.51s

data units ::
IEM Autoplot App #24

<https://mesonet.agron.iastate.edu/>

Prospective Plantings. USDA will release its Prospective Plantings report, a survey of farmers' intended acres for 2025, on Monday March 31. At USDA's Outlook Conference in February, projected corn acres in 2025 were 94.0 million. The average trade estimate ahead of the report is 94.4 million (Ryan Hanrahan, Farm Policy News, March 28, 2025, [Home - Farm Policy News](#)).

United States Planted Acres 2025

Trade estimates for Prospective Plantings; millions of acres

@kannbwx
Data sources: USDA; Reuters

Trade Average

CORN	SOY	WHEAT
------	-----	-------

94.361	83.762	46.475
--------	--------	--------

Trade Range

92.5 – 96.6	82.5 – 85.5	45.4 – 47.815
-------------	-------------	---------------

USDA Feb. Ag Outlook

94.0	84.0	47.0
------	------	------

USDA 2024

90.594	87.05	46.079
--------	-------	--------

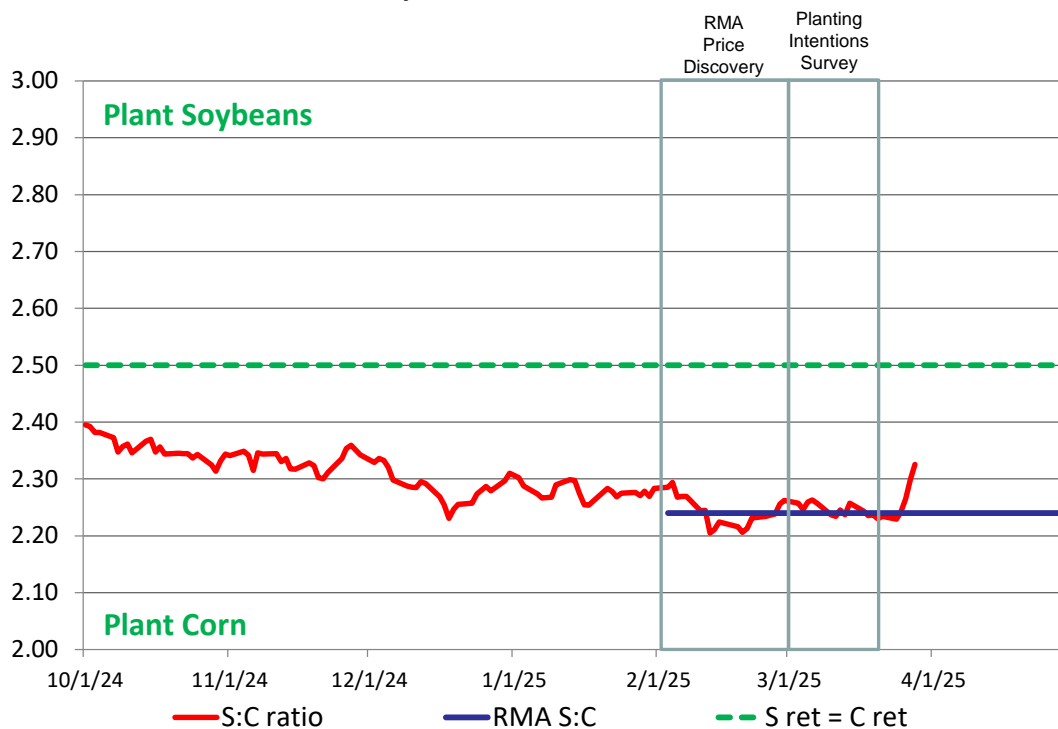
Feed Grain Outlook

March 28, 2025

Volume 34, Number 21

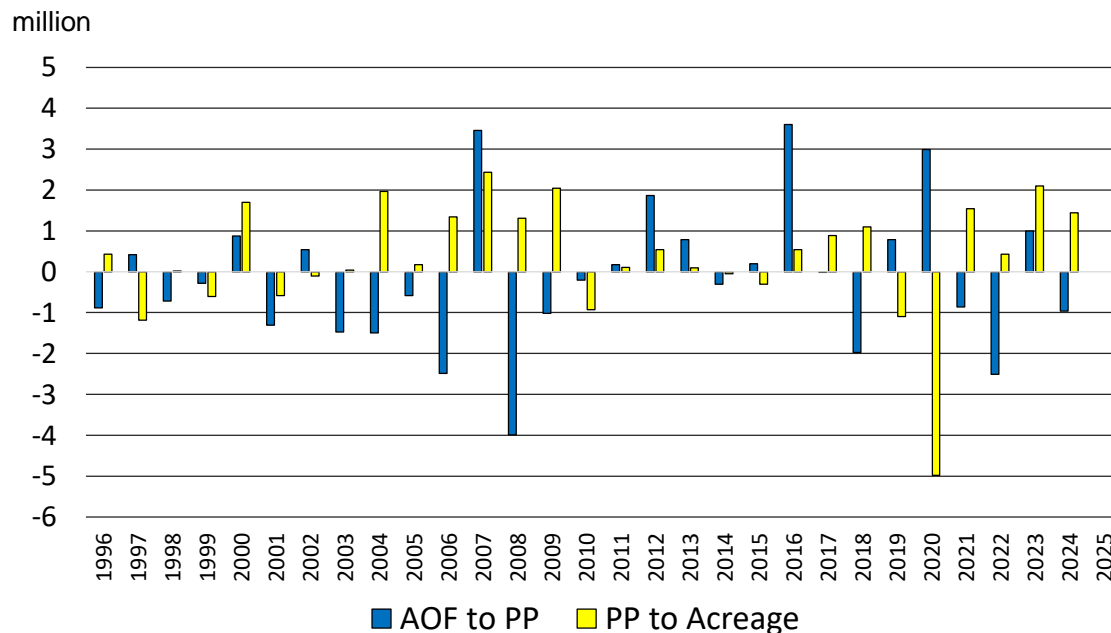
A common benchmark relationship between the profitability of planting soybeans relative to corn is a soybean to corn price ratio of 2.5. A ratio below 2.5 suggests increased profitability from corn production while a ratio above 2.5 favors planting soybeans. That ratio has been below 2.5 since last October. The ratio of base prices for crop insurance purposes (average closing prices during the month of February for November soybeans and December corn, 10.54/4.70) is 2.24. The ratio at the close today was 2.33.

2025 Nov Soybean:Dec Corn Price Ratio



Of course, Monday's report will not be the final word on 2025 planted acres. USDA will survey again in June to gauge final acres planted and remaining acres intended. In 17 of the 29 years since 1996 (Freedom to Farm), prospective corn plantings have been below the Ag Forum projection. But by the June acreage report, actual plantings have been above acres intended 20 times.

U.S. Corn Acres: Change from the Ag Outlook Forum to Prospective Plantings and Prospective Plantings to the Acreage Report



Source: USDA, Agricultural Outlook Forum, *Prospective Plantings*, *Acreage*

Grain Use. Important for corn for feed estimates (the largest use category) are updated inventory reports for cattle, pork, and poultry.

March Cattle on Feed of 11.577 million head were down 139,000 from February, 98% of last year's number, and 97% of the five-year average. The beef cow inventory in the U.S. started to fall in the January 2020 report. Cattle on feed started trending lower in the fall of 2022.

The March Quarterly Hog and Pigs reports showed total inventory about the same as March a year ago and the five-year average. For this corn marketing year, numbers are down 1%. The trend in hog numbers was down from December 2020 to June 2022 before trending back higher. The inventory has now been back below the 12-month average the last two months.

The U.S. chicken layer average monthly inventory in February was down 6% compared to last year and is down 3% this marketing year. Since February 2022, the month USDA confirmed this present outbreak of avian influenza, layers are down 10%. Broiler chick placements are trending higher: up 2% for the week of March 22 and up 3% for the marketing year.

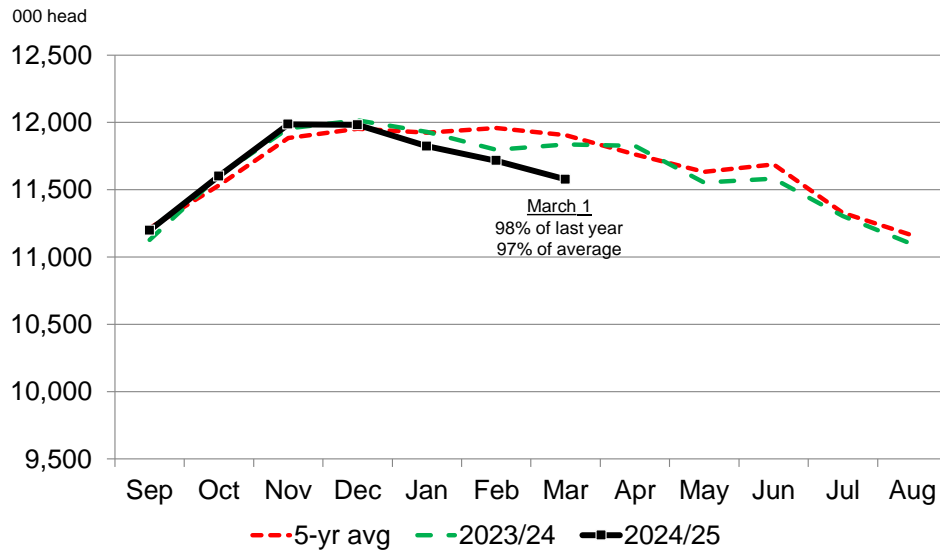
Feed Grain Outlook

March 28, 2025

Volume 34, Number 21

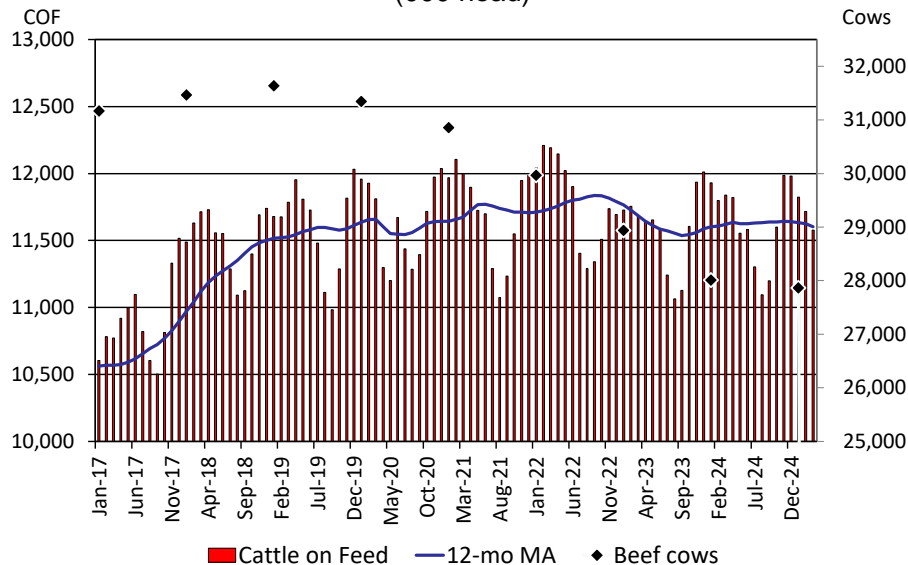
2024/25 Cattle on Feed 1,000+ capacity feedlots

MY to date
Year ago: 100%
Average: 99%



Source: USDA/NASS, March 2025

Cattle on Feed and Beef Cows (000 head)



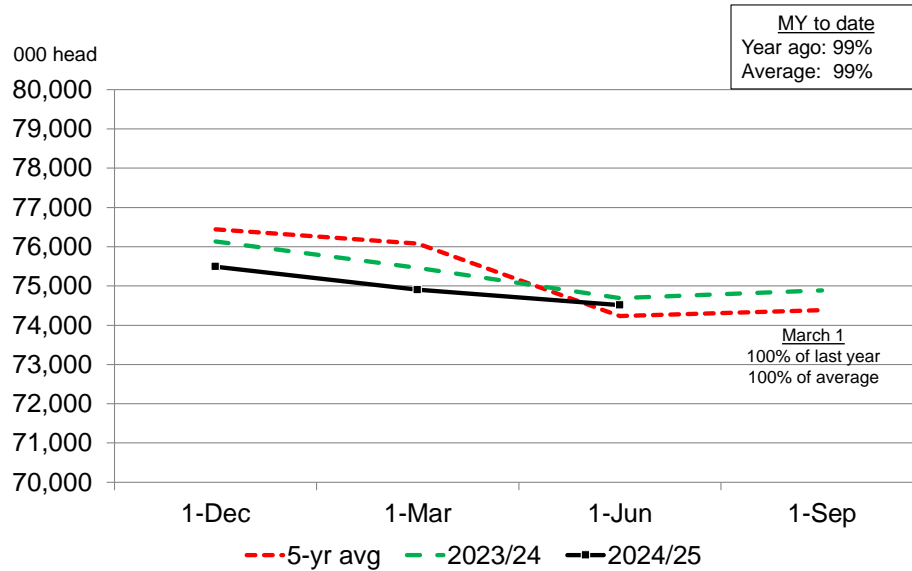
Source: USDA/NASS, March 2025

Feed Grain Outlook

March 28, 2025

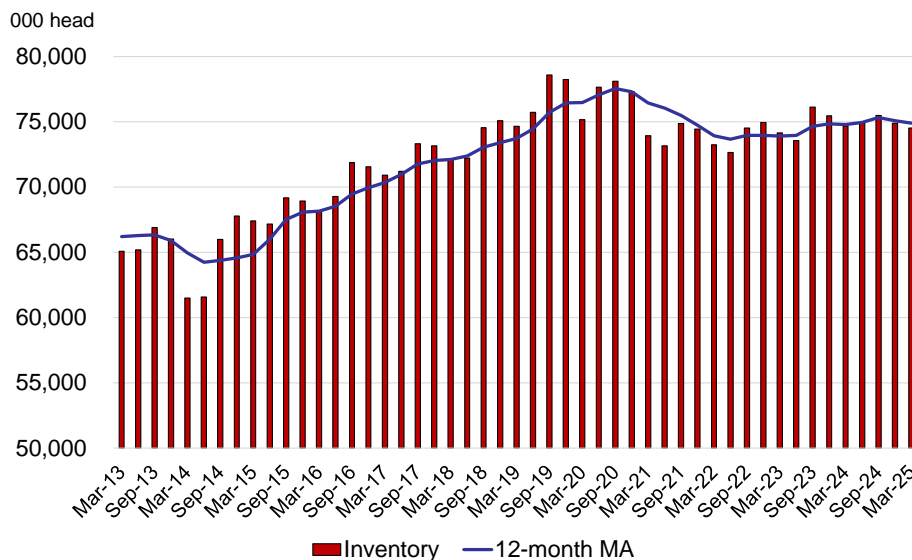
Volume 34, Number 21

2024/25 U.S. All Hogs and Pigs Inventory



Source: Quarterly Hogs and Pigs, USDA/NASS, March 27, 2025

U.S. All Hogs and Pigs Inventory



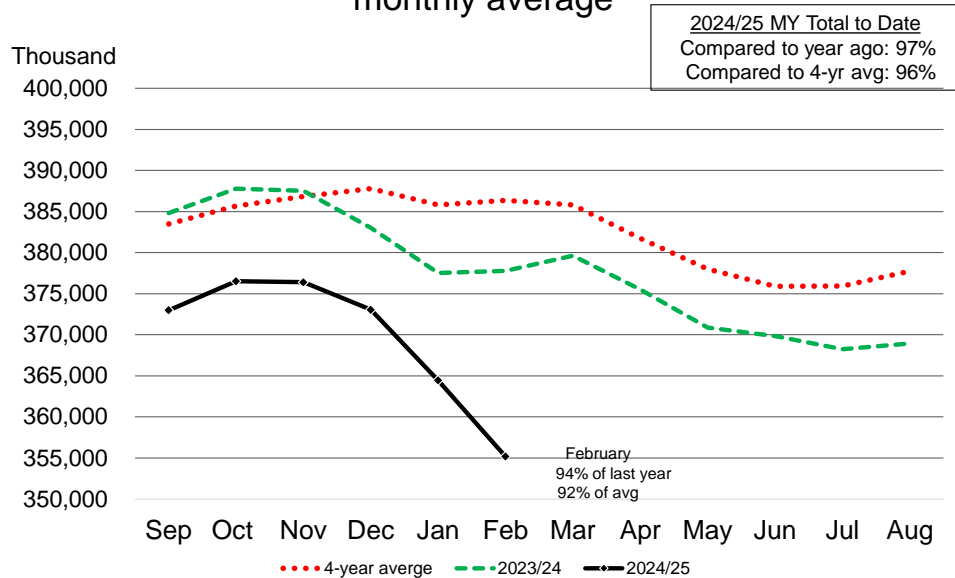
Source: Quarterly Hogs and Pigs, USDA/NASS, March 27, 2025

Feed Grain Outlook

March 28, 2025

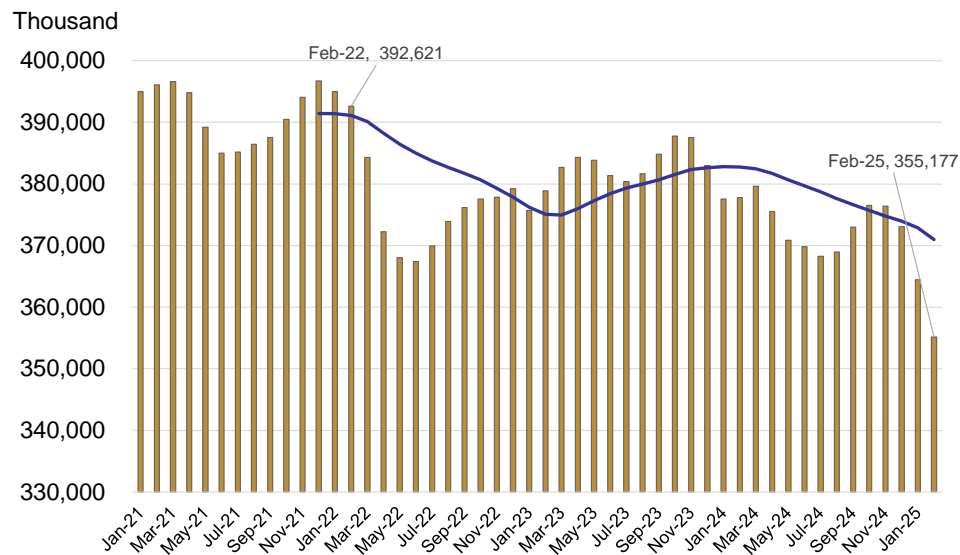
Volume 34, Number 21

U.S. Chicken Layer Inventory monthly average



Source: USDA/NASS, Chickens and Eggs, March 21, 2025

U.S. Chicken Layer Inventory monthly average



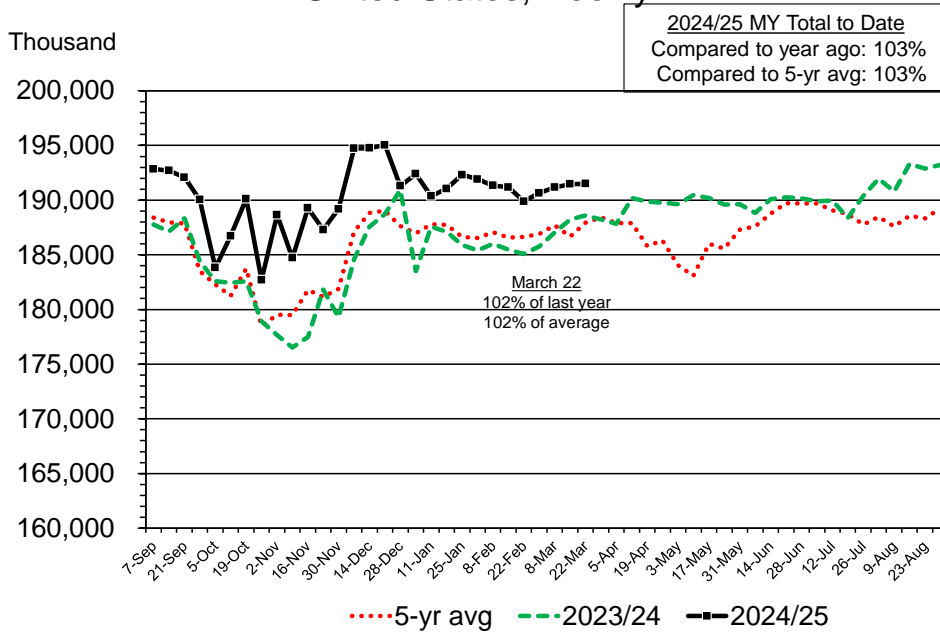
Source: USDA/NASS, Chickens and Eggs, March 21, 2025

Feed Grain Outlook

March 28, 2025

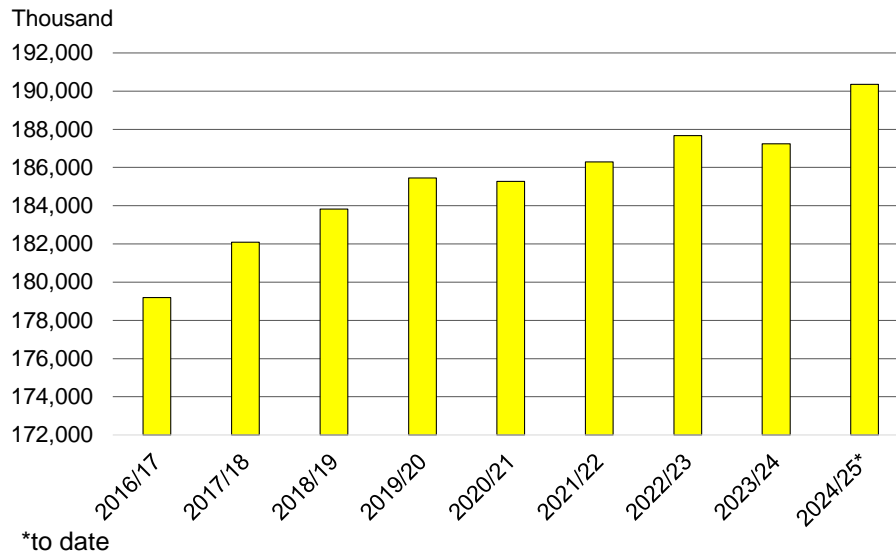
Volume 34, Number 21

2024/25 Broiler Chicks Placed United States, weekly



Source: USDA/NASS, Broiler Hatchery, March 26, 2025

Average Weekly Broiler Chick Placements by Corn Marketing Year



Source: USDA/NASS, Broiler Hatchery, March 26, 2025

Feed Grain Outlook

March 28, 2025

Volume 34, Number 21

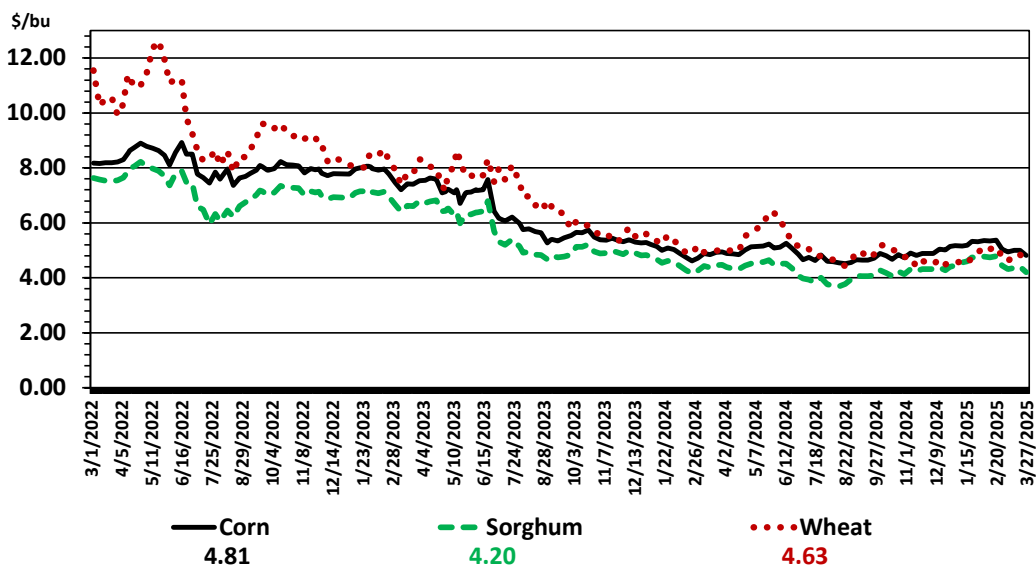
Cash Feed Grain Prices, \$/bu.

	Nearby Corn Futures	TX Corn Avg Cash Elevator	TX Basis	TX Corn Feedlot	Corn LA Gulf Export bid
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	
March 20	4.69	5.00	0.31	5.95	5.37
March 27	4.50	4.81	0.31	5.76	5.22
10-yr average			0.41		

	Nearby Corn Futures	TX Sorghum Avg Cash Elevator	TX Basis	TX Sorghum Feedlot	Sorghum TX Gulf Export bid
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	
March 20	4.69	4.40	-0.29	5.07	
March 27	4.50	4.20	-0.30	4.88	
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)

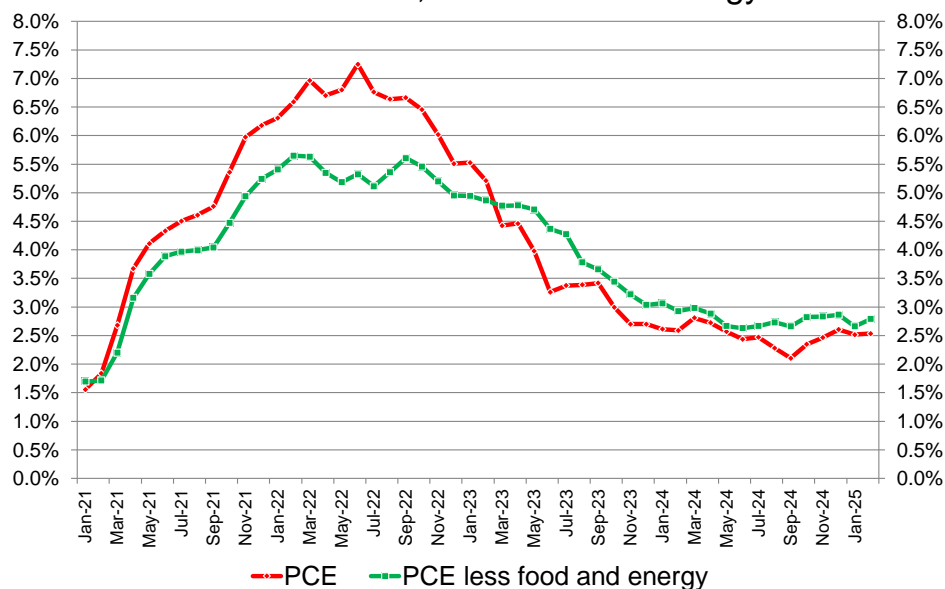
Feed Grain Outlook

March 28, 2025

Volume 34, Number 21

Outside Markets. The Fed's preferred measure of inflation, the Personal Consumption Expenditures Index, shows an inflation rate in February of 2.54%, up from 2.52% in January. Core PCE, less food and energy, was up 2.8%, up from 2.7%.

U.S. Inflation: 12-month % change
PCE and PCE, less food and energy

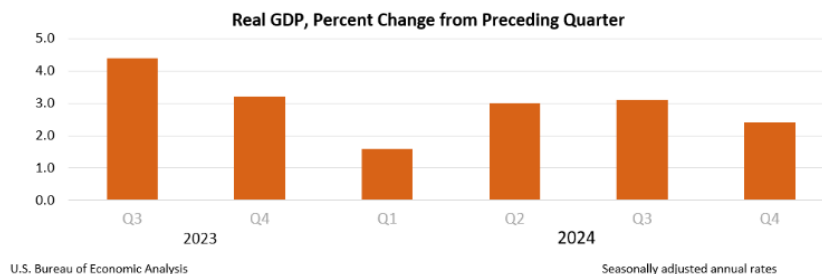


Source: Personal Consumption Expenditures (PCE), U.S. Bureau of Economic Analysis, March 28, 2025

The Bureau of Economic Analysis' update of U.S. GDP shows the economy growing by 2.4% in the 4th quarter of 2024, up from a previous estimate of 2.3%. The current forecast for U.S. GDP growth in the current first quarter of 2025 is -2.8%. The next meeting of the Federal Open Market Committee to evaluate monetary policy is May 6-7.

Gross Domestic Product, 4th Quarter and Year 2024 (Third Estimate), GDP by Industry, and Corporate Profits

Real gross domestic product (GDP) increased at an annual rate of 2.4 percent in the fourth quarter of 2024 (October, November, and December), according to the third estimate released by the U.S. Bureau of Economic Analysis. In the third quarter, real GDP increased 3.1 percent.



U.S. Bureau of Economic Analysis

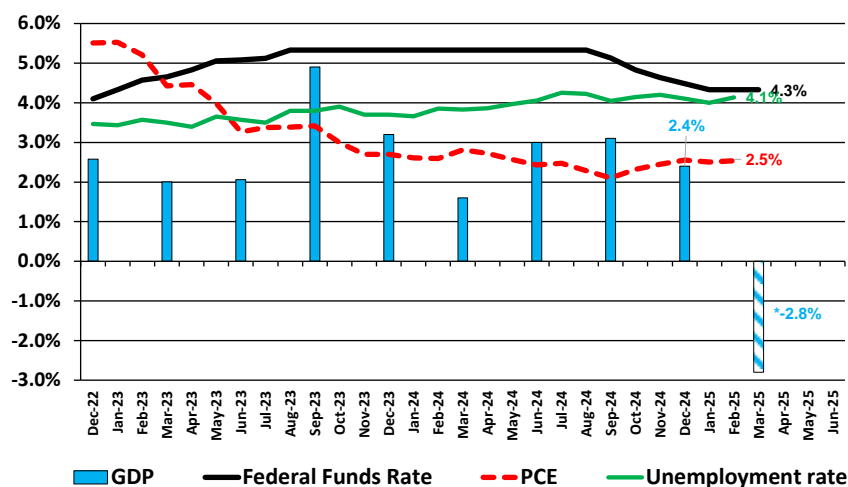
Seasonally adjusted annual rates

Feed Grain Outlook

March 28, 2025

Volume 34, Number 21

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 March 28, 2025

Prices about 1:00 pm CT March 28, 2025:

	I QTR	1/2/2025	3/28/2025	net change	% change
S&P 500	SPX:IN	5,868.55	5,578.58	(289.97)	-4.94%
10-yr T Note	Yield, %	4.57	4.35	(0.22)	-4.81%
CRB	CRY:IND	298.98	307.05	8.07	2.70%
Dollar Index	June 2025	108.85	103.71	(5.14)	-4.73%
Crude Oil	June 2025	71.21	68.83	(2.38)	-3.34%
Copper	June 2025	4.08	5.16	1.08	26.61%
Corn	May 2025	4.67	4.53	(0.15)	-3.16%
	July 2025	4.70	4.60	(0.11)	-2.29%
Soybeans	May 2025	10.25	10.21	(0.04)	-0.39%
	July 2025	10.38	10.35	(0.03)	-0.24%
SRW Wheat	May 2025	5.58	5.26	(0.32)	-5.74%
	July 2025	5.65	5.41	(0.24)	-4.21%

Feed Grain Outlook

March 28, 2025

Volume 34, Number 21

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.

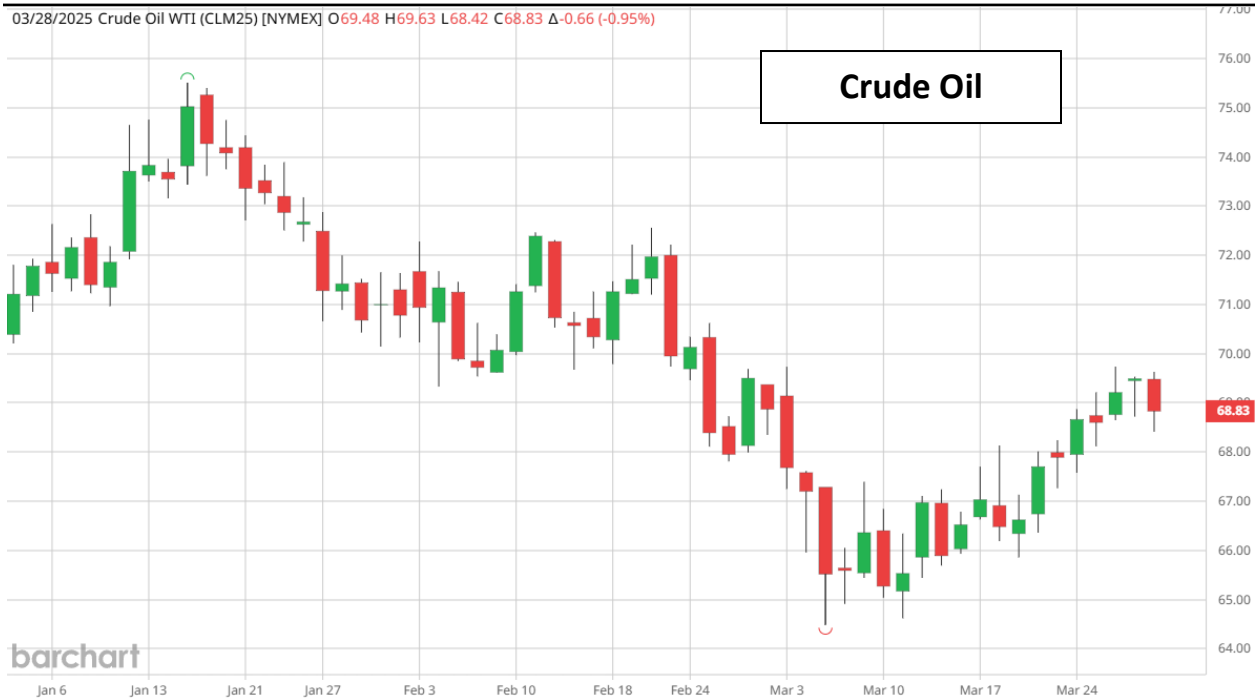
Charts, 1/2/2025-3/28/2025 (<https://www.barchart.com/>):



Feed Grain Outlook

March 28, 2025

Volume 34, Number 21



Feed Grain Outlook

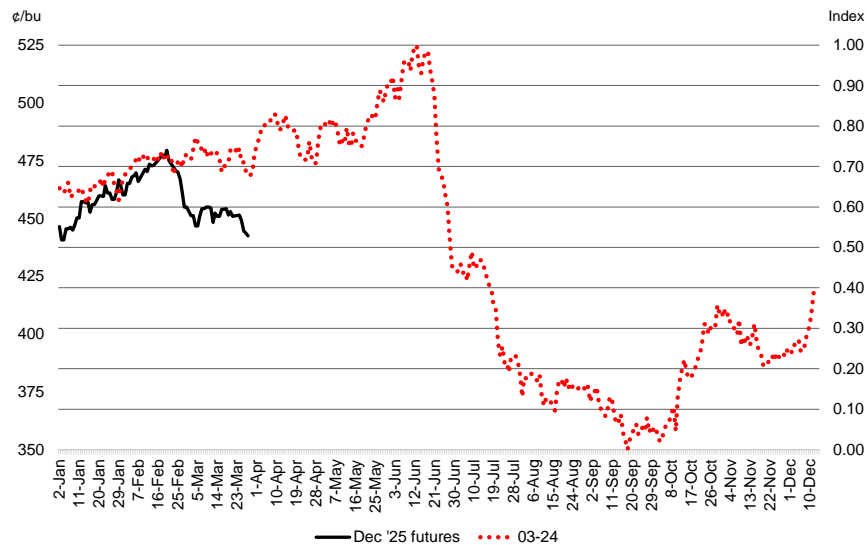
March 28, 2025

Volume 34, Number 21

Marketing Strategies

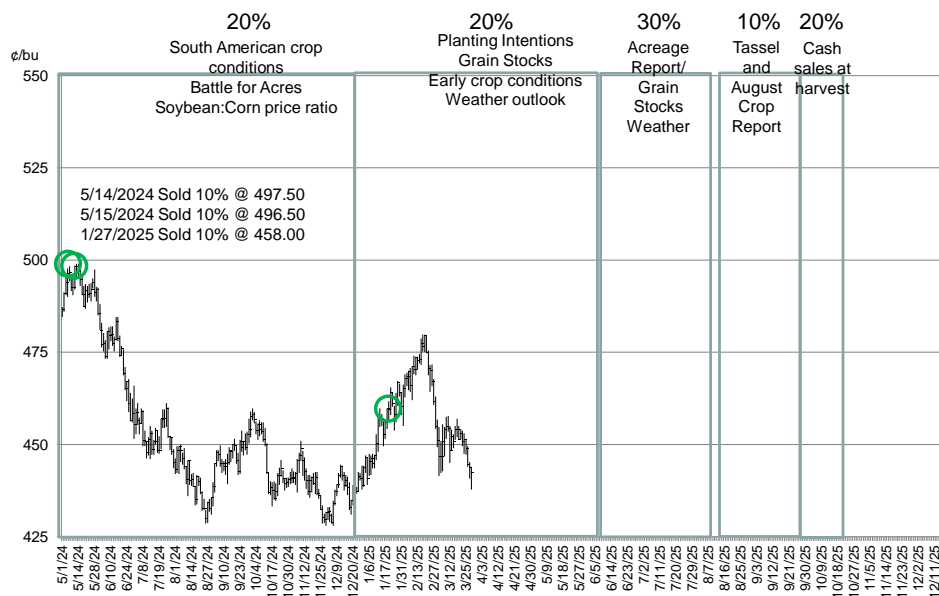
Seasonality. The seasonal price pattern for the December corn contract shows the best pricing prospects in the first half of the year (peaking in June) with prices falling below average (0.50 on the index) in late-June/early July and then bottoming out late September/early October. This is the foundation of my marketing plan.

December 2025 Corn Futures and
Seasonal Pattern 2003-2024



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



Feed Grain Outlook

March 28, 2025

Volume 34, Number 21



Current marketing plan performance:

	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 28, 2025	442.50	454.95	30%	2.8%

Upcoming Reports/Events

March 31	Prospective Plantings Grain Stocks
April 4	Employment Situation March 2025, Bureau of Labor Statistics
April 7	Crop Progress reports resume
April 8	Short-term Energy Outlook
April 10	Crop Production WASDE Consumer Price Index, Bureau of Labor Statistics
April 23-24	Master Marketer: Building a Marketing Plan: Grain, Cotton, Livestock, Weslaco

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*