

Feed Grain Outlook

April 18, 2025

Volume 34, Number 27

Today's Newsletter

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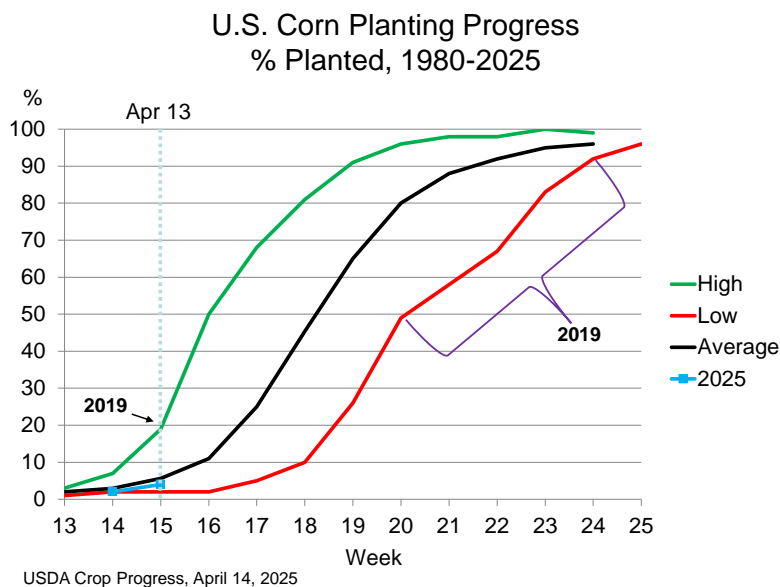
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Market Situation

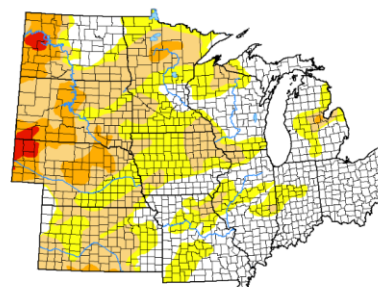
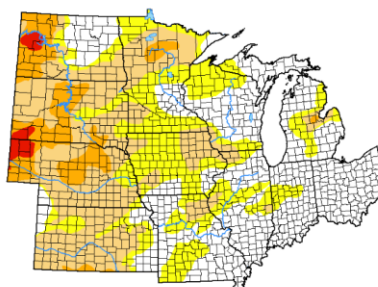
Crop Progress and Condition. U.S. corn planting progress as of April 13 (week 15 of the crop year) was 4%. This is just below the average of 6%. The record high for corn planting for week 15 was 19% in 2010.



The drought monitor shows conditions holding about steady in the North Central Region as corn planting is getting underway. The area under drought was unchanged this week at 63%. The drought severity index was up 2 points to 114. Average for mid-April is 59. The index last year at this time was 87.

Drought Classification

None (White), D0 (Abnormally Dry) (Yellow), D1 (Moderate Drought) (Orange), D2 (Severe Drought) (Dark Orange), D3 (Extreme Drought) (Red), D4 (Exceptional Drought) (Dark Red), No Data (Grey)



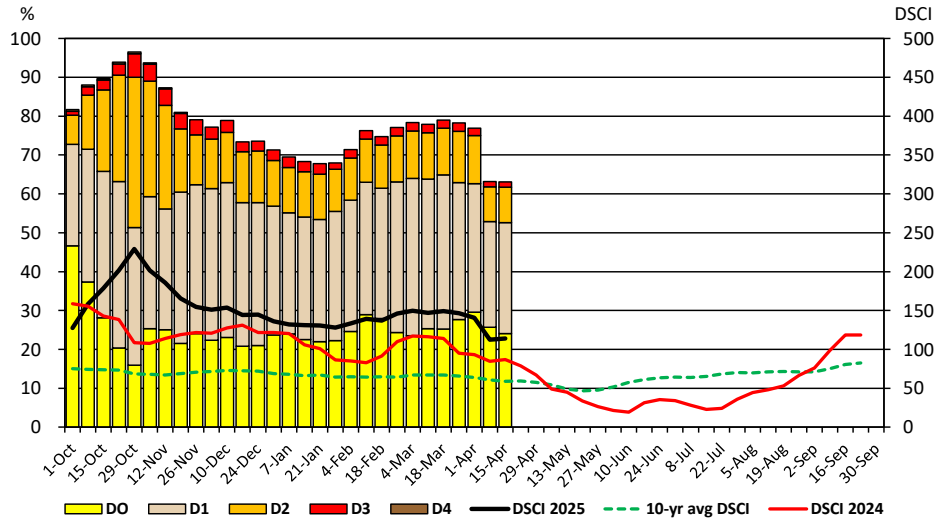
< April 15, 2025 >

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North Central Drought Monitor, 4/15/2025

Drought Classification

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



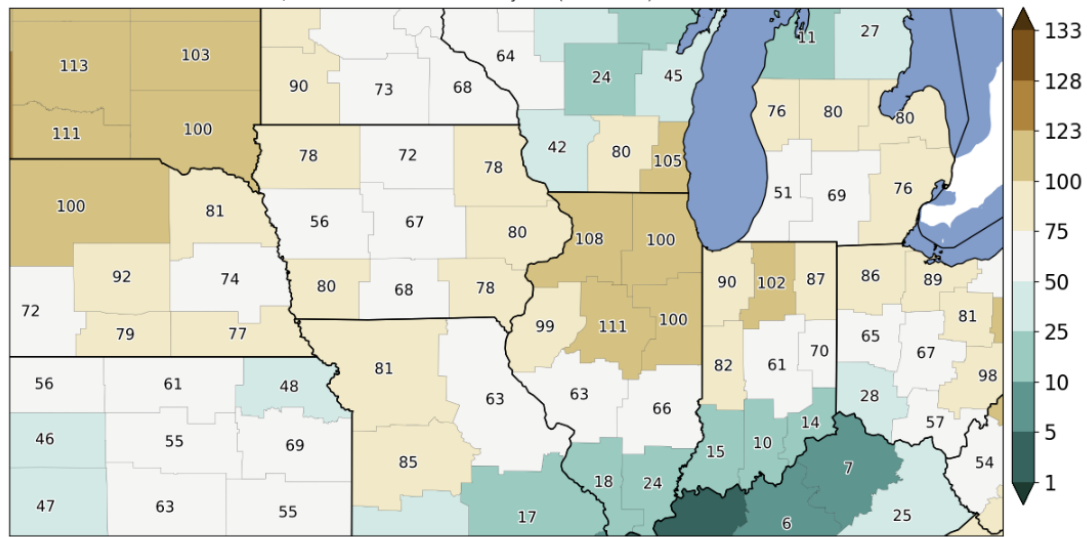
Drought Severity and Coverage Index (DSCI) = $(D0*1)+(D1*2)+(D2*3)+(D3*4)+(D4*5)$; min 0--no drought conditions reported; max 500--100% under exceptional drought conditions

Drought Monitor, 4/17/2025, North Central, <http://droughtmonitor.unl.edu/>

Precipitation ranks by Climate District for the Corn Belt show the period from last October 1 through mid-April as in the driest third (rank of 89 and above) for northern Illinois and northeast Indiana as well as eastern North Dakota.



30 Sep 2024 ~7 AM till 17 Apr 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 18 Apr 2025 8:16 AM CDT in 92.51s

data units ::
IEM Autoplot App #24

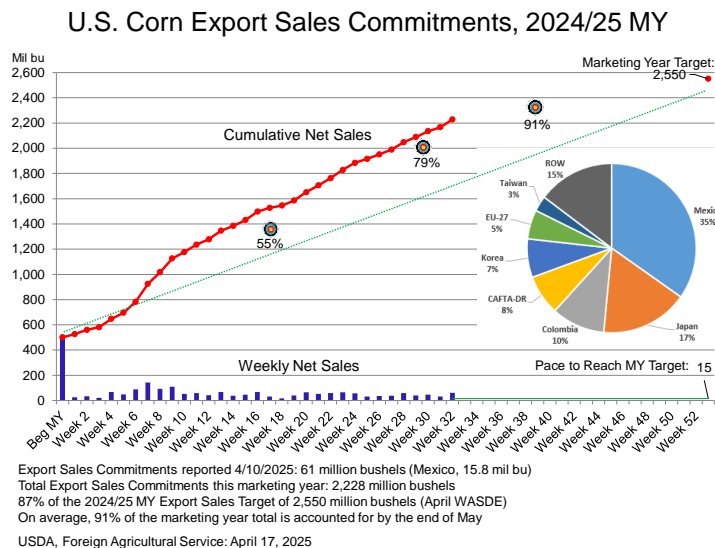
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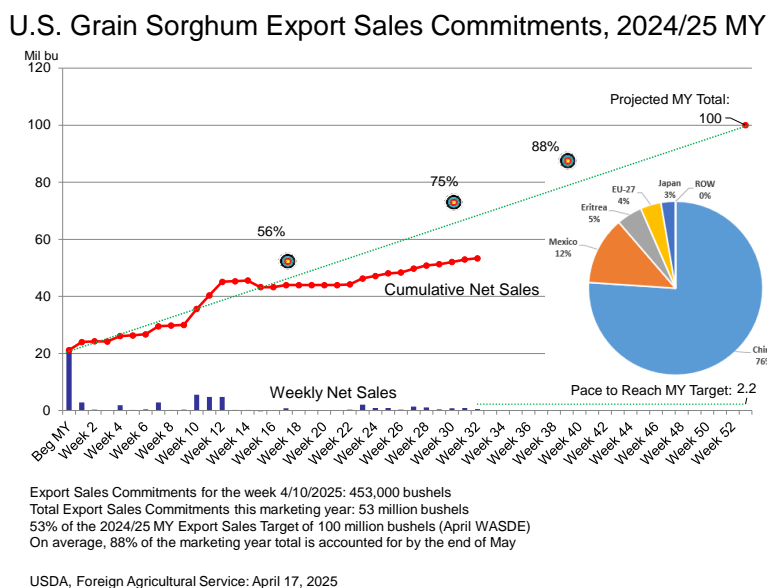
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Grain Use. Exports sales will be a closely watched category in the supply and demand tables given the turmoil around tariffs and trade.

USDA raised the corn export target in the April WASDE by 100 million bushels to 2.550 billion bushels. Sales for the week of April 10 were 61 million bushels, bringing the total for the year to 2.228 billion bushels, 87% of the projected total.



With China the primary export customer, grain sorghum sales are significantly impacted by the current tariff situation. Sales so far this year are 53 million of a 100 million bushel target.

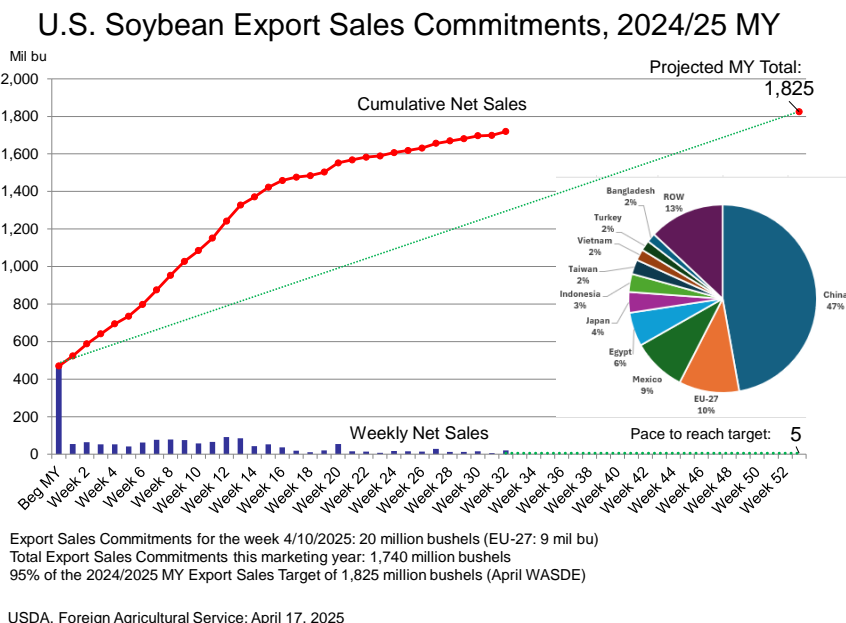


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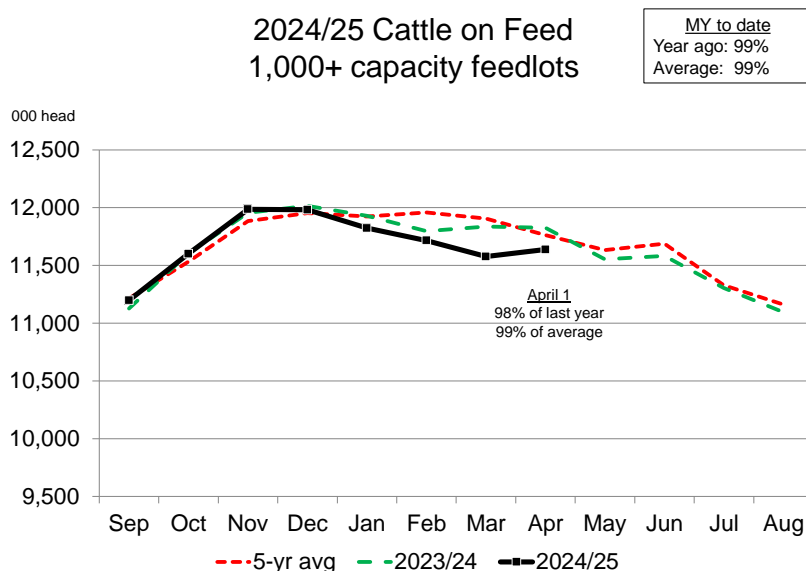
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China is also the largest export destination for U.S. soybeans. Export sales have slowed considerably the last several weeks but USDA has maintained its 1.825 billion bushel target. Cumulative sales this marketing year of 1.740 billion bushels is at 95% of that total.



The April Cattle on Feed report showed 11.638 million head in lots with a capacity of 1,000 head or more, up from 11.577 million in March. Compared to last year, cattle on feed are down 2% and are 1% below the April 1 five-year average. For this corn marketing year, the cattle on feed inventory is down 1%.



Source: USDA/NASS, April 2025

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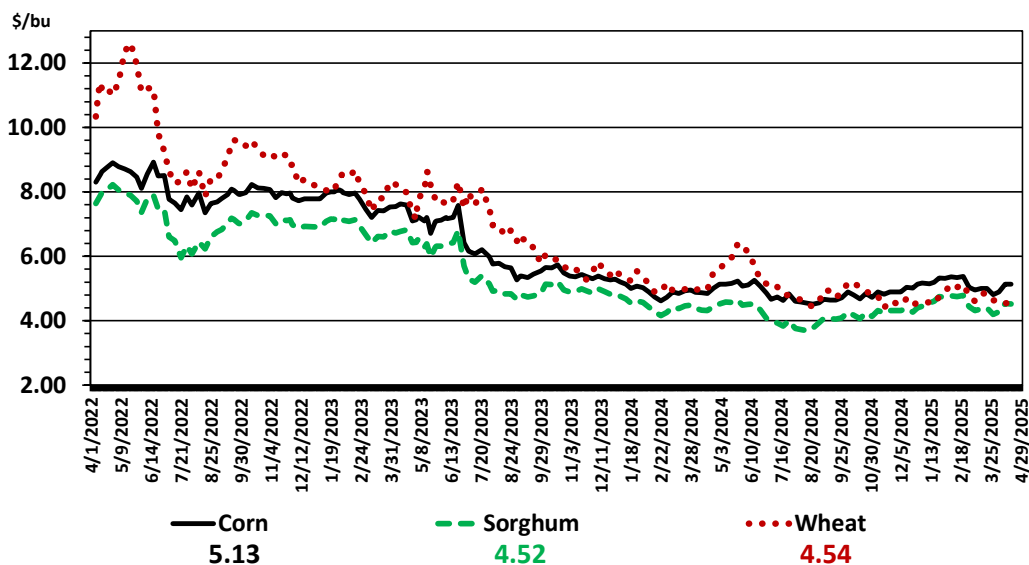
Cash Feed Grain Prices, \$/bu.

	Nearby Corn Futures	TX Corn Avg Cash Elevator	TX Basis	TX Corn Feedlot	Corn LA Gulf Export bid
March 20	4.69	5.00	0.31	5.95	5.37
March 27	4.50	4.81	0.31	5.76	5.22
April 3	4.58	4.89	0.32	5.85	5.33
April 10	4.83	5.13	0.30	6.09	5.60
April 17	4.82	5.13	0.30	6.08	5.58
10-yr average			0.41		

	Nearby Corn Futures	TX Sorghum Avg Cash Elevator	TX Basis	TX Sorghum Feedlot	Sorghum TX Gulf Export bid
March 20	4.69	4.40	-0.29	5.07	
March 27	4.50	4.20	-0.30	4.88	
April 3	4.58	4.28	-0.29	4.96	
April 10	4.83	4.53	-0.30	5.21	
April 17	4.82	4.52	-0.30	5.30	
10-yr average			0.02		

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

Texas Cash Grain Prices April 2022-April 2025



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

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Outside Markets. U.S. tariffs currently in place are across the board 10% tariffs on imports from most countries, 25% tariffs on aluminum and steel, and 25% tariffs on automobiles and auto parts. Exceptions apply to Canada and Mexico under separate agreements (USMCA compliant goods, most ag products, continue with a 0% tariff). The tariff rate on goods from China is 145%. China has responded with a 125% tariff of U.S. imports.

Prices about 11:00 am CT April 18, 2025:

	II QTR	4/1/2025	4/18/2025	net change	% change
S&P 500	SPX:IN	5,633.07	5,282.70	(350.37)	-6.22%
10-yr T Note	US10Y	101.11	102.09	0.98	0.97%
CRB	CRY:IND	310.78	296.38	(14.40)	-4.63%
Dollar Index	June 2025	103.95	99.13	(4.82)	-4.64%
Crude Oil	June 2025	70.74	64.01	(6.73)	-9.51%
Copper	June 2025	5.06	4.76	(0.29)	-5.76%
Corn	May 2025	4.62	4.82	0.21	4.44%
	July 2025	4.68	4.90	0.22	4.70%
Soybeans	May 2025	10.34	10.37	0.02	0.22%
	July 2025	10.49	10.48	(0.02)	-0.14%
SRW Wheat	May 2025	5.41	5.49	0.08	1.53%
	July 2025	5.54	5.62	0.09	1.53%

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—falling bond prices mean yields (interest rates) are rising and may reflect investor concerns over rising inflation or slower economic growth;
- CRB Index—price direction of a representative indicator of global commodities;

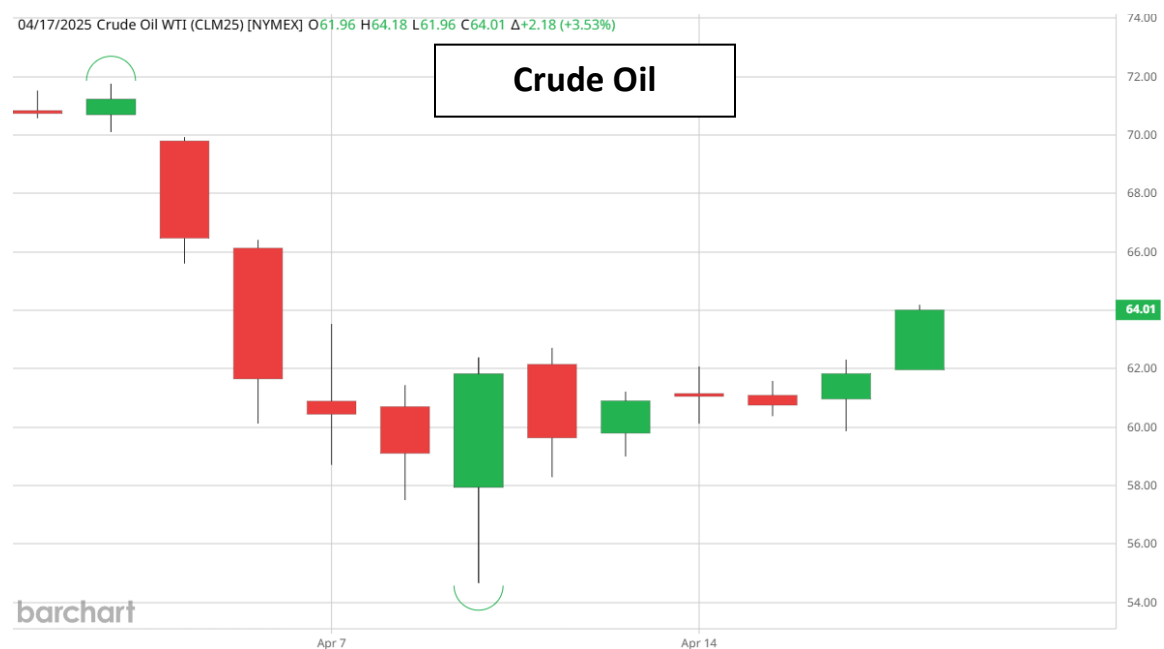
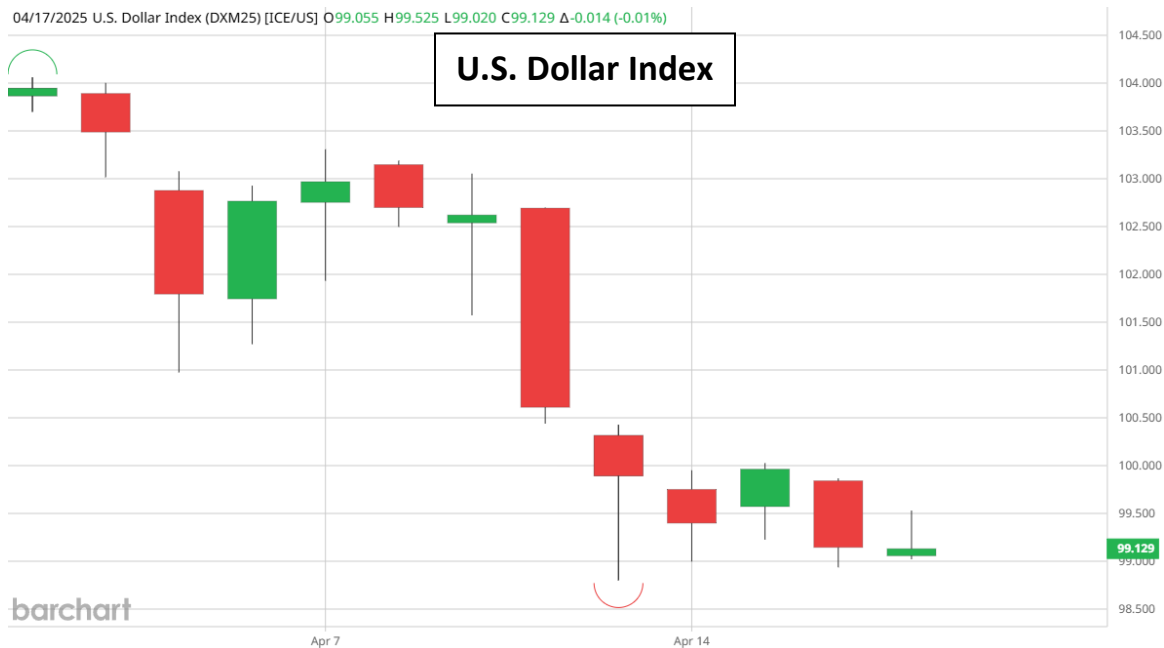
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- US dollar Index—impact on export prospects as a strong dollar makes our products relatively more expensive in the global marketplace;
- Crude Oil and Copper—barometers positively correlated to global economic activity.

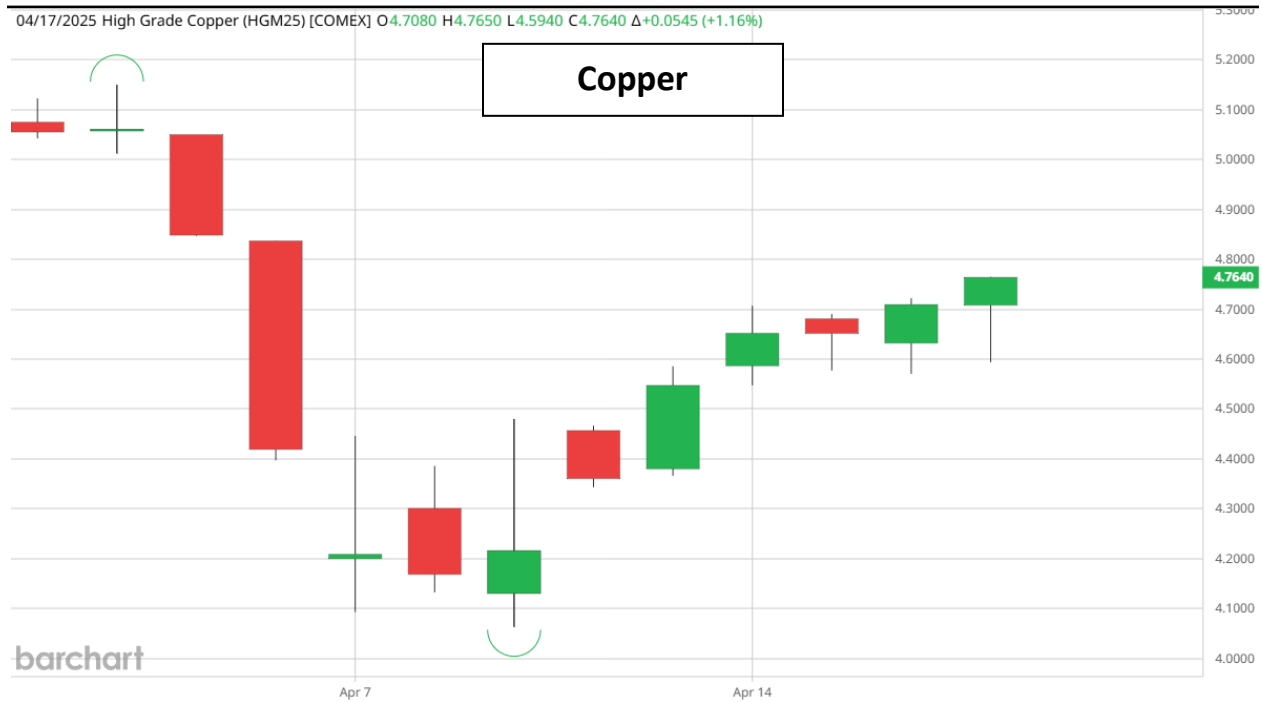
Charts, 4/1/2025-4/18/2025 (<https://www.barchart.com/>):



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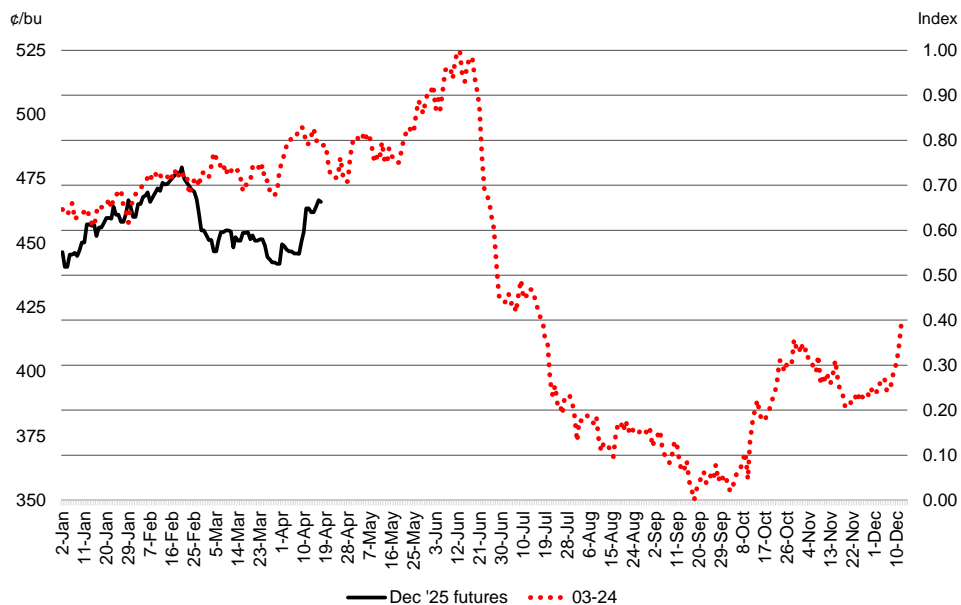
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Marketing Strategies

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.

December 2025 Corn Futures and Seasonal Pattern 2003-2024



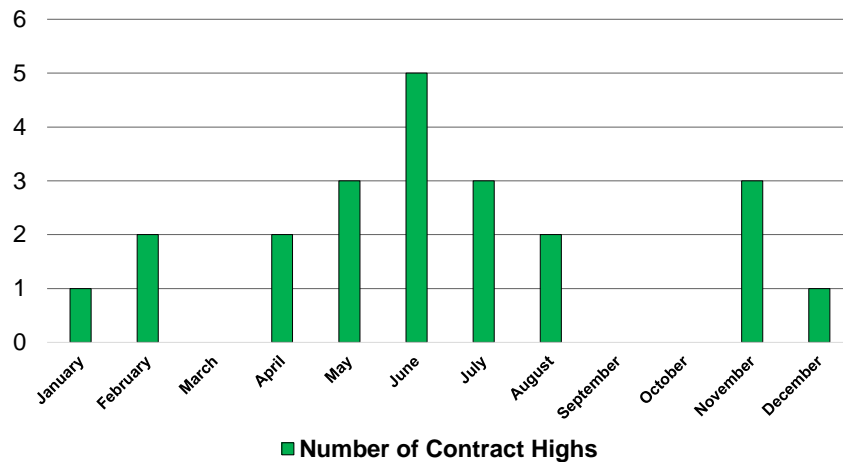
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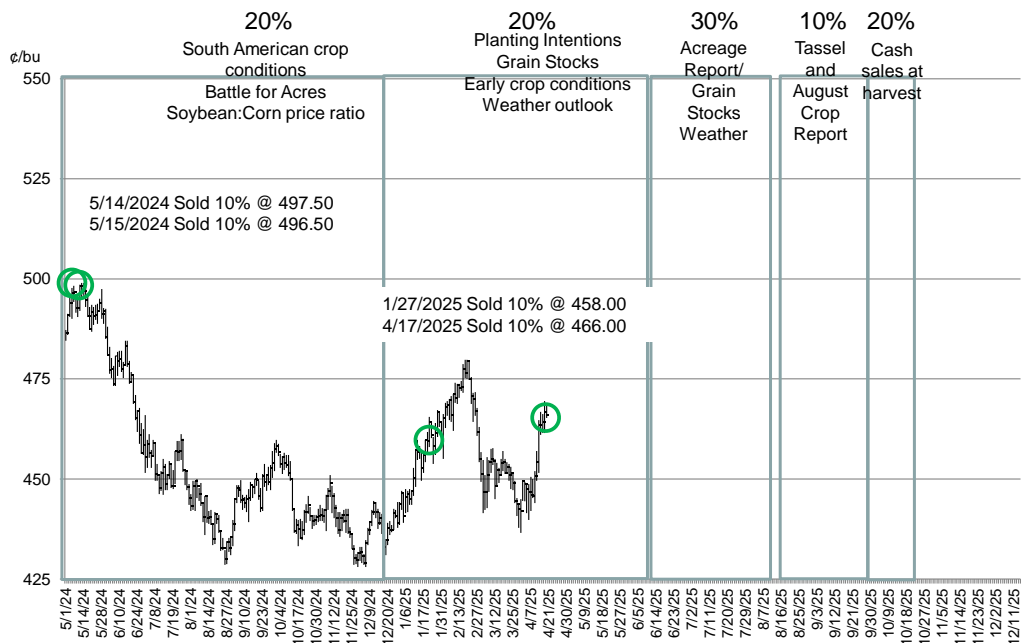
Since 2003, the calendar year contract high has occurred once in January, twice in February, zero in March, twice in April, three times in May, five times in June, and three times in July. This is the foundation of my marketing plan.

December Corn Futures Calendar Year Contract Highs, 2003-2024



Feed Grain Marketing Plan. I am 40% sold on the 2025 corn crop. I priced another 10% on this move back above 460. My plan is to have 70% priced by July.

December Corn Futures and 2025 Marketing Plan



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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%
April 1, 2025	449.50	459.85	30%	2.3%
April 18, 2025	466.00	471.40	40%	1.2%

Upcoming Reports/Events

April 21	Chicken and Eggs
April 23-24	Master Marketer: Building a Marketing Plan: Grain, Cotton, Livestock, Weslaco
April 30	Gross Domestic Product, 1st Quarter 2025 (Advance Estimate)
May 1	Flour Milling
May 2	April 2025 Employment Situation
May 6-7	Federal Open Market Committee, Federal Reserve
May 12	WASDE and Crop Production

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

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