

Feed Grain Outlook

May 5, 2025

Volume 34, Number 31

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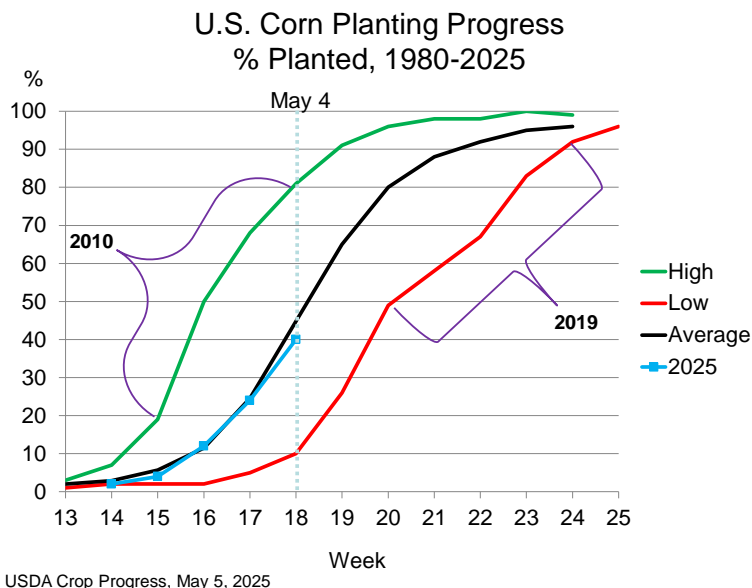
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Market Situation

Crop Progress and Condition. U.S. corn planting progress as of May 4 (week 18 of the crop year) was 40%. This is just below the average of 45% but ahead of 36% last year. The record high for corn planting from week 15 to 18 was set in 2010. In week 18 that year planting was 81% complete.



The drought monitor shows conditions improving again last week in the North Central Region. The area under drought was down from 58% to 55%.

The drought severity index is following a trend very similar to last year. For the week of April 29 the index was down 17 points to 90. Average for this week is 57. The index last year at this time was 67.

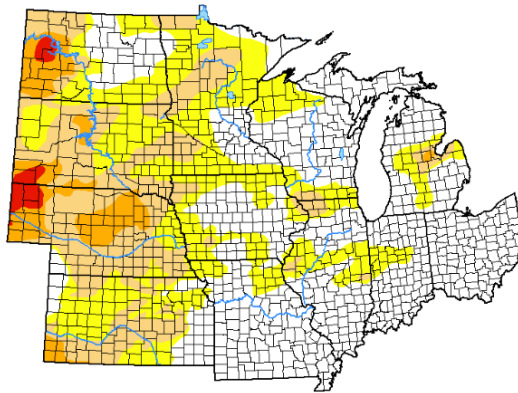
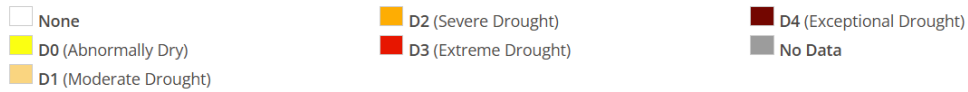
The area rated D3 (extreme) and D4 (exceptional) is 1.2%, down 0.14% for the week and down from 2.7% at the beginning of January. These conditions are confined to the far western edge of the region.

Since the first of April, the area under drought is down 22%, the drought severity index is down 50 points, and the area rated 'extreme' and 'exceptional' is down 0.7%.

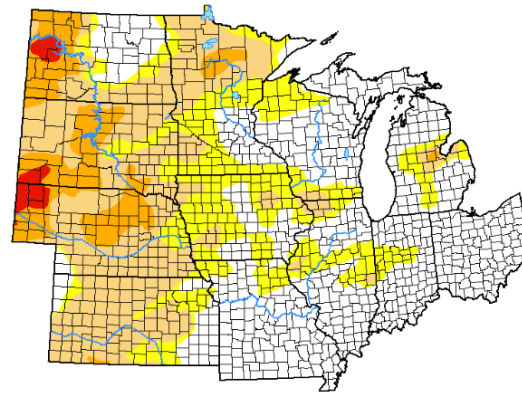
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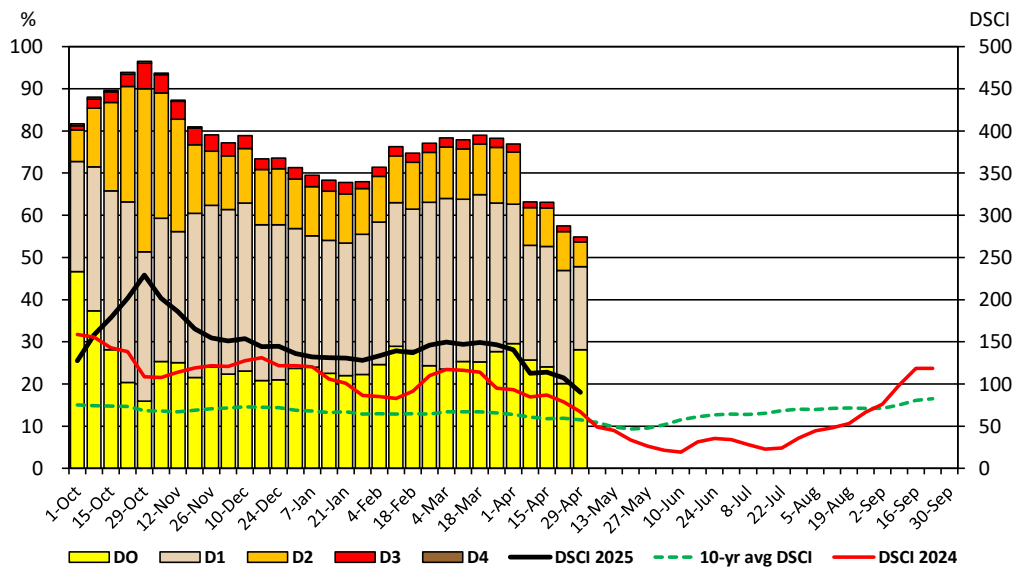
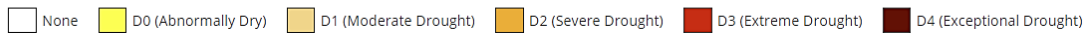
< April 29, 2025 > [Download Icon]



< April 22, 2025 > [Download Icon]

North Central Drought Monitor, 4/29/2025

Drought Classification



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, 5/1/2025, North Central, <http://droughtmonitor.unl.edu/>

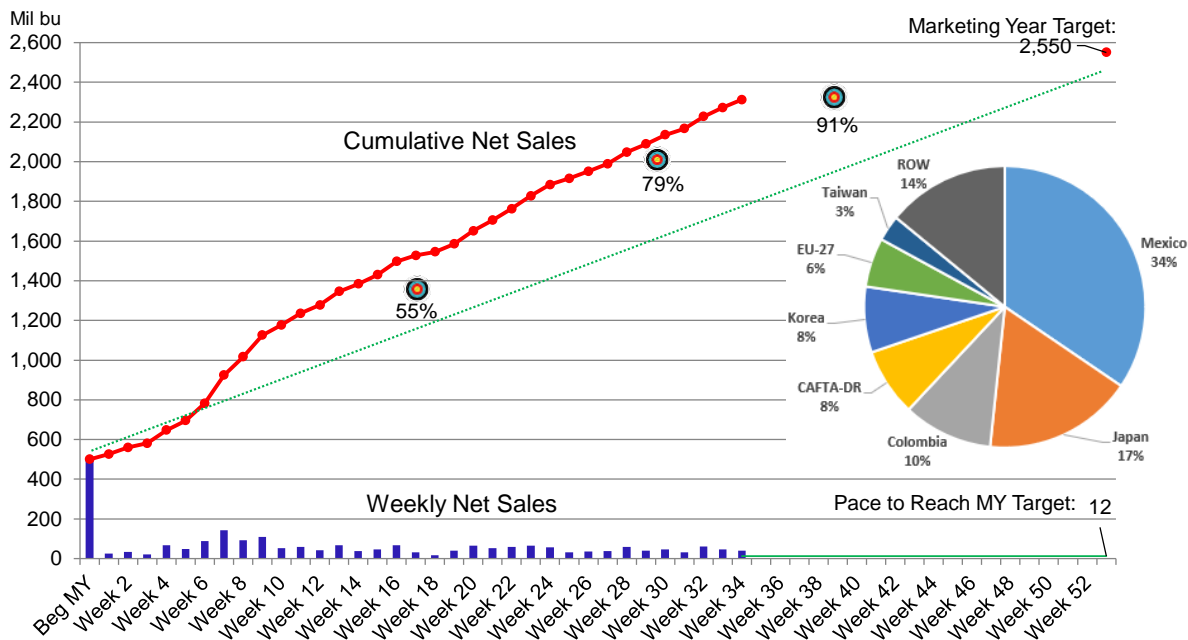
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Grain Use. Corn export sales reached 2.313 billion bushels on April 24, 91% of the 2024/25 export sales target of 2.550 billion bushels. Normally, this level of sales is not achieved until the end of May.

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



Export Sales Commitments reported 4/24/2025: 40 million bushels (Mexico, 17.8 mil bu)

Total Export Sales Commitments this marketing year: 2,313 million bushels

91% of the 2024/25 MY Export Sales Target of 2,550 million bushels (April WASDE)

On average, 91% of the marketing year total is accounted for by the end of May

USDA, Foreign Agricultural Service: May 1, 2025

Sorghum export sales of 54 million bushels are well below the normal pace for the marketing year. By the end of May, 88% of the total is normally on the books compared to the current 54%. Sorghum export sales at the end of April a year ago were 200 million bushels.

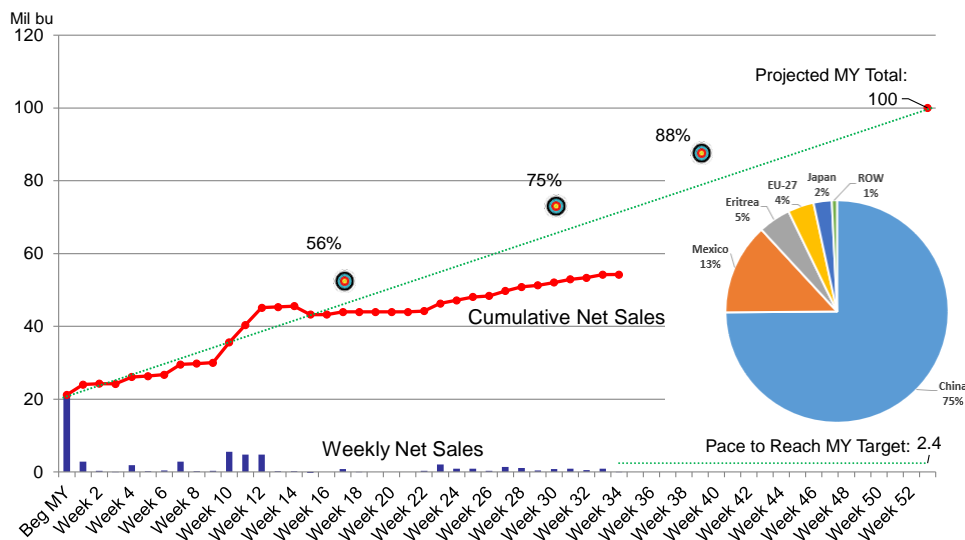
Soybean exports sales stand at 1.766 billion bushels, 97% of the projected marketing year total. Despite the current tariff situation, the biggest buyer reported for the week of April 24 was China at 5 million bushels.

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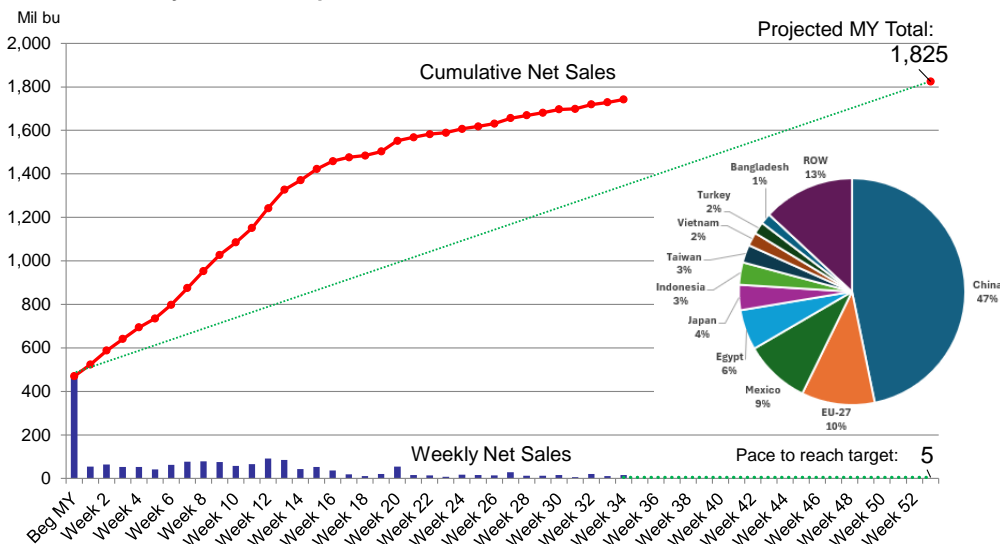
U.S. Grain Sorghum Export Sales Commitments, 2024/25 MY



Export Sales Commitments for the week 4/24/2025: -1,000 bushels
Total Export Sales Commitments this marketing year: 54 million bushels
54% of the 2024/25 MY Export Sales Target of 100 million bushels (April WASDE)
On average, 88% of the marketing year total is accounted for by the end of May

USDA, Foreign Agricultural Service: May 1, 2025

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



Export Sales Commitments for the week 4/24/2025: 16 million bushels (China: 5 mil bu)
Total Export Sales Commitments this marketing year: 1,766 million bushels
97% of the 2024/25 MY Export Sales Target of 1,825 million bushels (April WASDE)

USDA, Foreign Agricultural Service: May 1, 2025

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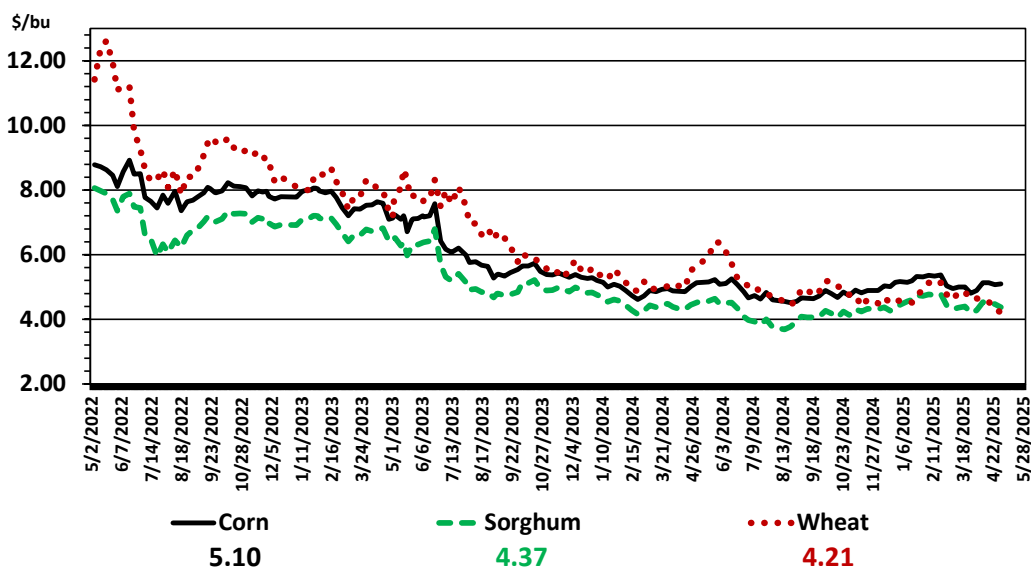
Cash Feed Grain Prices, \$/bu.

	Nearby Corn Futures	TX Corn Avg Cash Elevator	TX Basis	TX Corn Feedlot	Corn LA Gulf Export bid
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
April 24	4.77	5.07	0.30	6.01	5.46
May 1	4.42	5.10	0.37	5.88	5.38
10-yr average			0.41		

	Nearby Corn Futures	TX Sorghum Avg Cash Elevator	TX Basis	TX Sorghum Feedlot	Sorghum TX Gulf Export bid
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	
April 24	4.77	4.47	-0.31	5.25	
May 1	4.42	4.37	-0.35	5.12	
10-yr average			0.02		

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

Texas Cash Grain Prices May 2022-May 2025



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

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Outside Markets. The April Employment Situation report from the Bureau of Labor Statistics showed the U.S. economy added 177,000 jobs last month and an unemployment rate holding steady at 4.2%. The labor force participation rate was up slightly at 62.6%. The average change in non-farm payrolls the previous six months has been 171,000.

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, May 2, 2025

USDL-25-0658

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THE EMPLOYMENT SITUATION — APRIL 2025

Total **nonfarm payroll employment** increased by 177,000 in April, and the **unemployment rate** was unchanged at 4.2 percent, the U.S. Bureau of Labor Statistics reported today. Employment continued to trend up in health care, transportation and warehousing, financial activities, and social assistance. Federal government employment declined.

Chart 1. Unemployment rate, seasonally adjusted,
April 2023 – April 2025

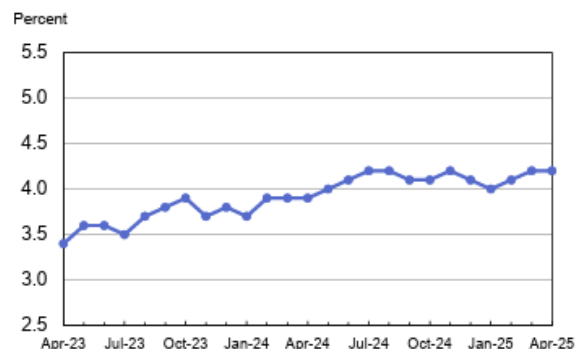
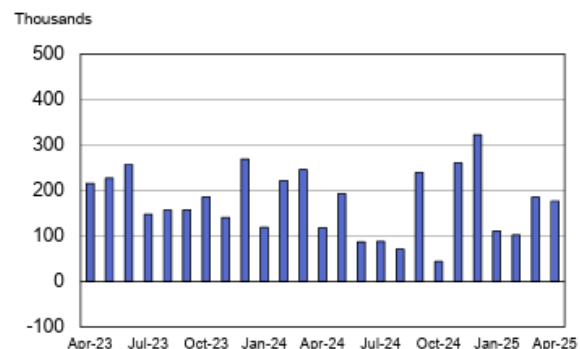
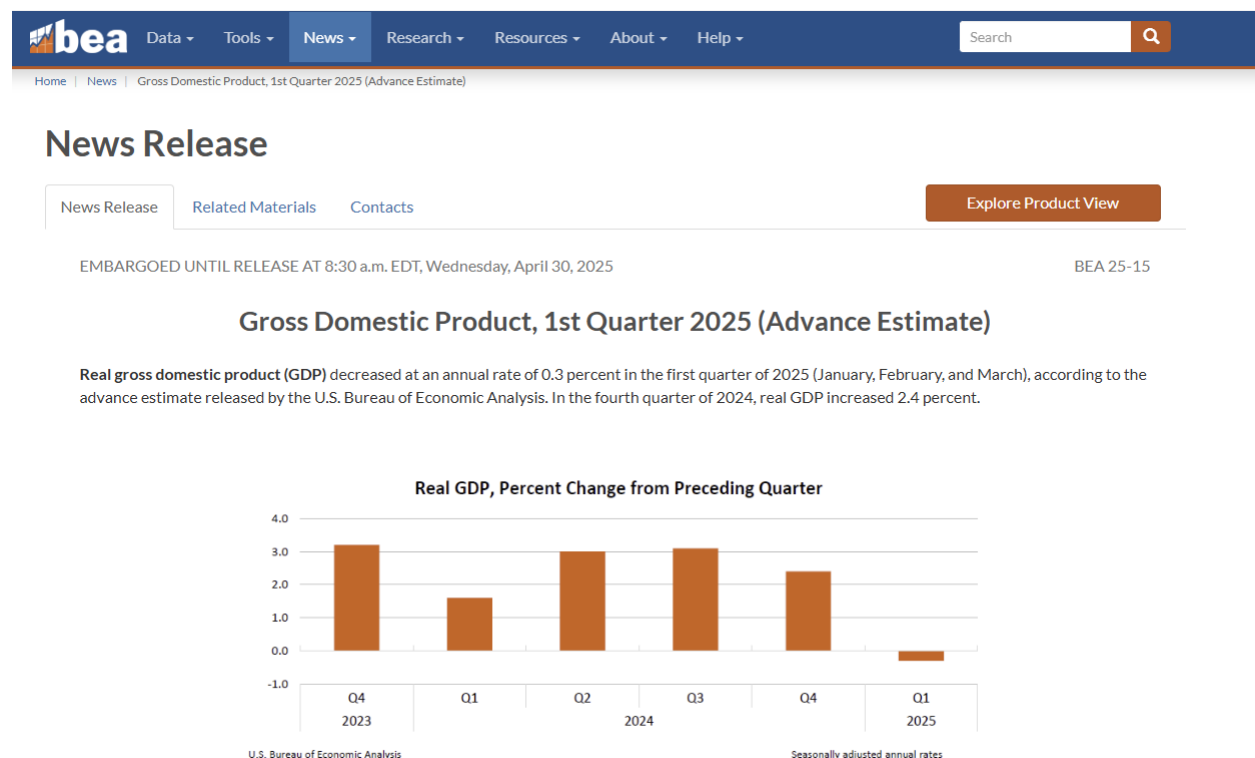


Chart 2. Nonfarm payroll employment over-the-month change,
seasonally adjusted, April 2023 – April 2025



numbers in thousands						change in	
	non-inst	civilian			unemployment	non-farm	labor force
	population	labor force	employed	unemployed	rate	payroll	part. rate
Jan-25	272,685	170,744	163,895	6,849	4.0%	111	62.6%
Feb-25	272,847	170,359	163,307	7,052	4.1%	102	62.4%
Mar-25	273,023	170,591	163,508	7,083	4.2%	185	62.5%
Apr-25	<u>273,197</u>	<u>171,109</u>	<u>163,944</u>	<u>7,165</u>	<u>4.2%</u>	<u>177</u>	<u>62.6%</u>
Change	174	518	436	82	0	(8)	0

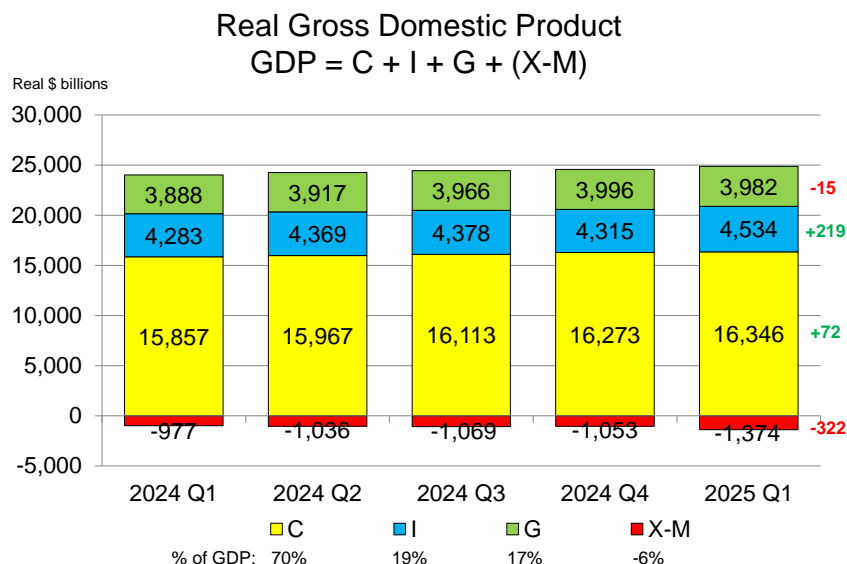
Also last week was the 'advance' estimate of U.S. first quarter GDP. It showed the economy contracted by 0.3% January through March. Consumer spending and business investment were up with government spending and net exports lower. The net export number was driven by a surge in import activity. Imports for the quarter were up \$333 billion and exports up \$12 billion for a net export number that was lower by -\$322 billion from the 4th quarter of 2024.



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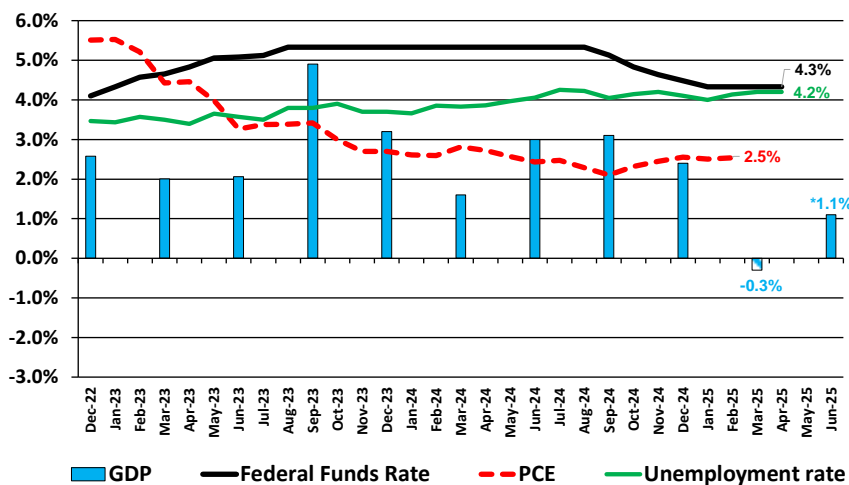
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Source: Federal Reserve Bank of St. Louis, updated April 30, 2025

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 May 5, 2025

The forecast for GDP growth in the second quarter of 2025 from the Atlanta Federal Reserve, GDPNow, is 1.1%.

The Federal Open Market Committee of the Federal Reserve meets this week to set monetary policy. Though GDP growth has weakened, the employment report was favorable and inflation is still above the 2% target. It seems unlikely that the Committee will lower the federal funds rate at this time.

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Prices about 11:00 am CT May 5, 2025:

	II QTR	4/1/2025	5/5/2025	net change	% change
S&P 500	SPX:IN	5,633.07	5,659.32	26.25	0.47%
10-yr T Note Futures	June 2025	111.78	111.11	-0.67	-0.67%
CRB	CRY:IND	310.78	290.30	(20.48)	-6.59%
Dollar Index	June 2025	103.95	99.67	(4.28)	-4.12%
Crude Oil	June 2025	70.74	57.00	(13.74)	-19.42%
Copper	July 2025	5.08	4.67	(0.41)	-8.09%
Corn	July 2025	4.68	4.58	(0.10)	-2.19%
	September 2025	4.42	4.33	(0.09)	-2.09%
Soybeans	July 2025	10.49	10.52	0.02	0.21%
	August 2025	10.48	10.45	(0.03)	-0.29%
SRW Wheat	July 2025	5.54	5.35	(0.19)	-3.34%
	September 2025	5.70	5.49	(0.21)	-3.64%

Items in the table and reasoning for inclusion:

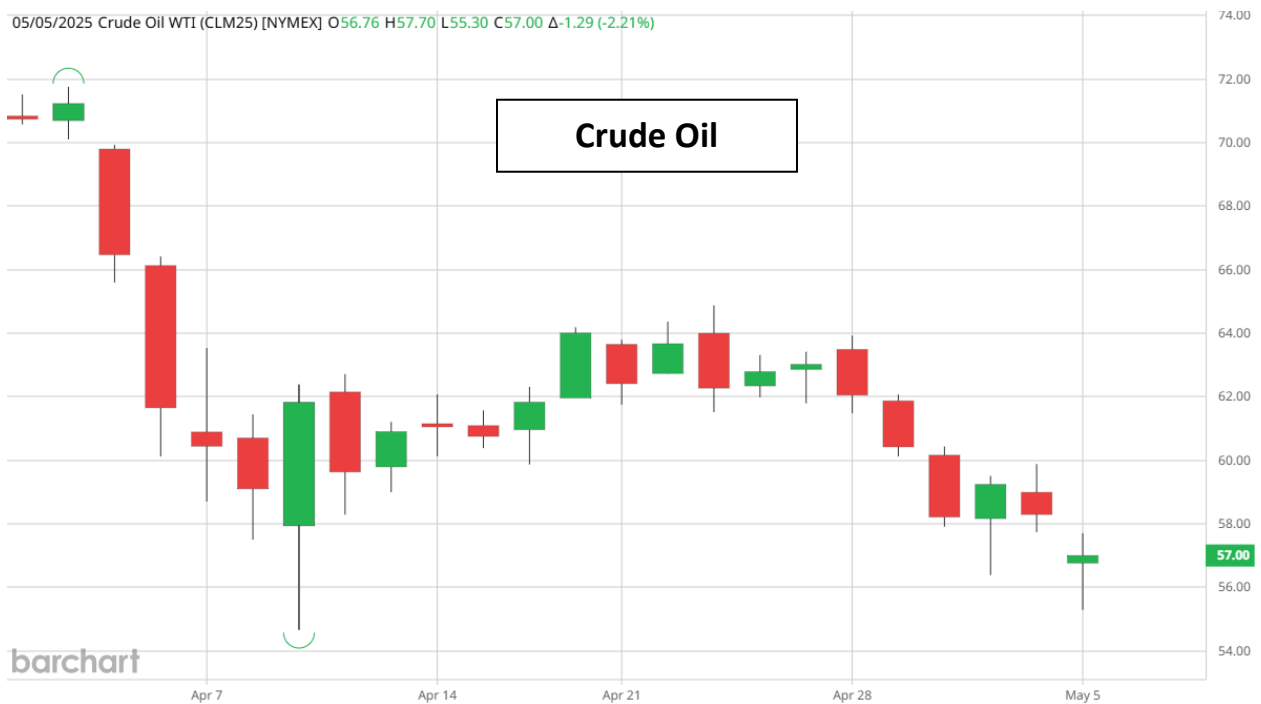
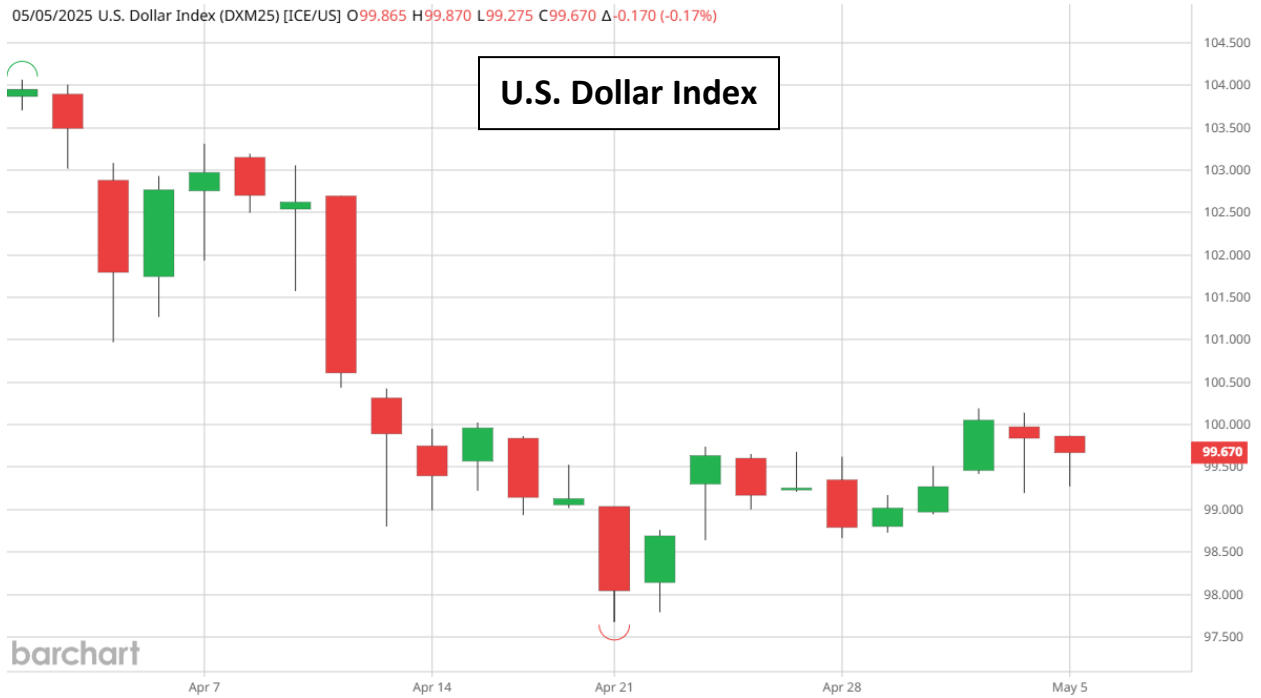
- S&P 500 Index—a reflection of market expectations of future earnings and economic growth;
- 10-year T-note: expectations of economic growth—as bond prices fall, yields (interest rates) increase and may reflect investor concerns over rising inflation or slower economic growth;
- CRB Index—price direction 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, 4/1/2025-5/5/2025 (<https://www.barchart.com/>):

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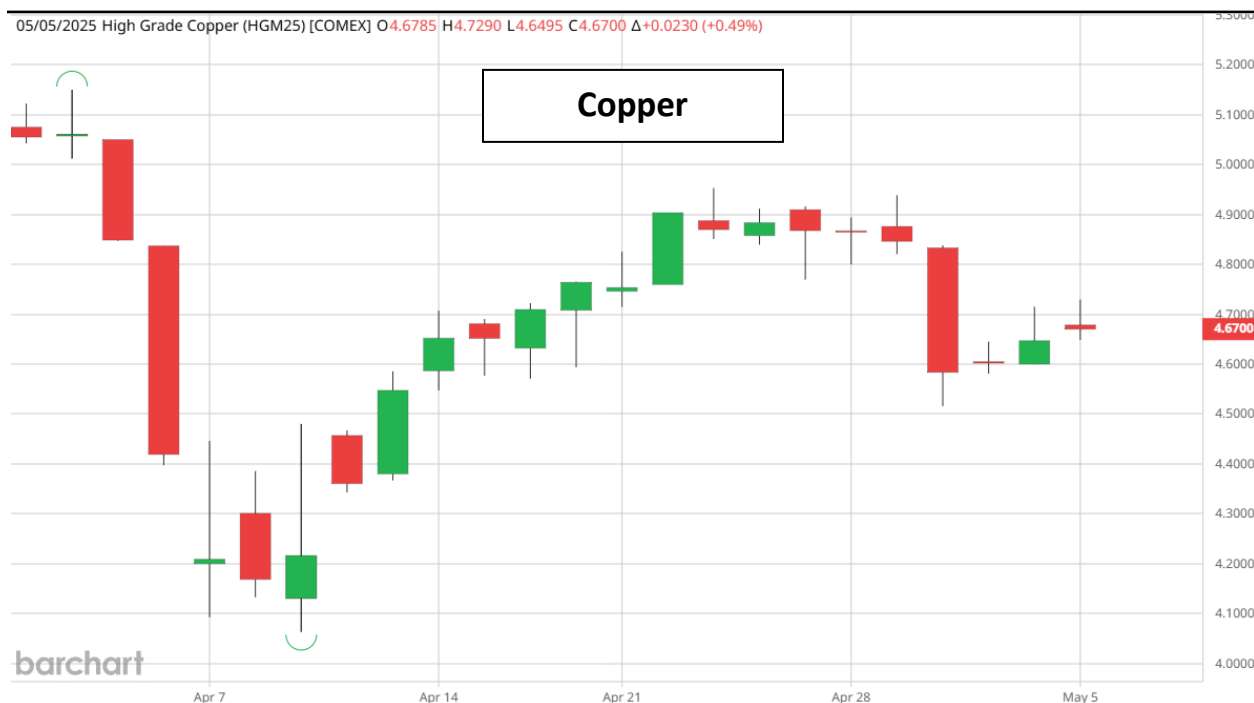
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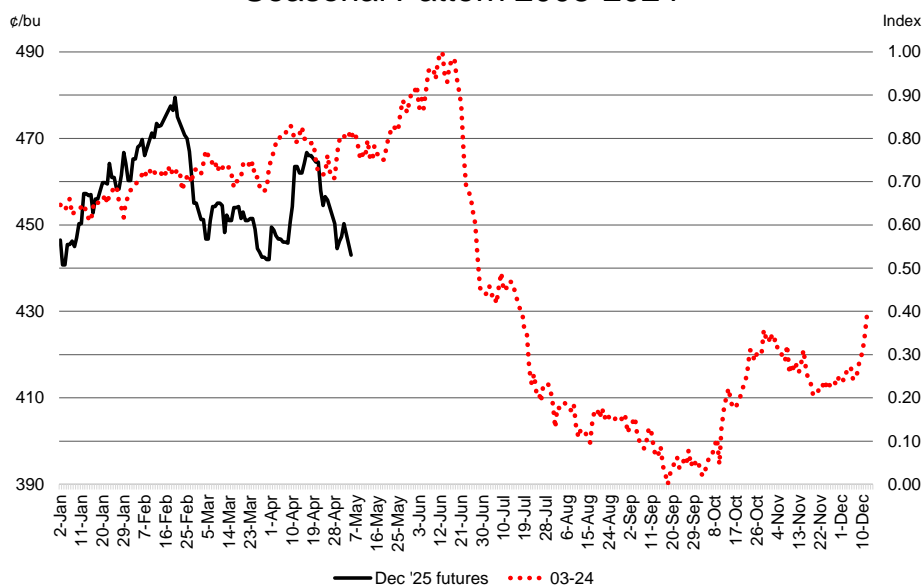
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Marketing Strategies

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



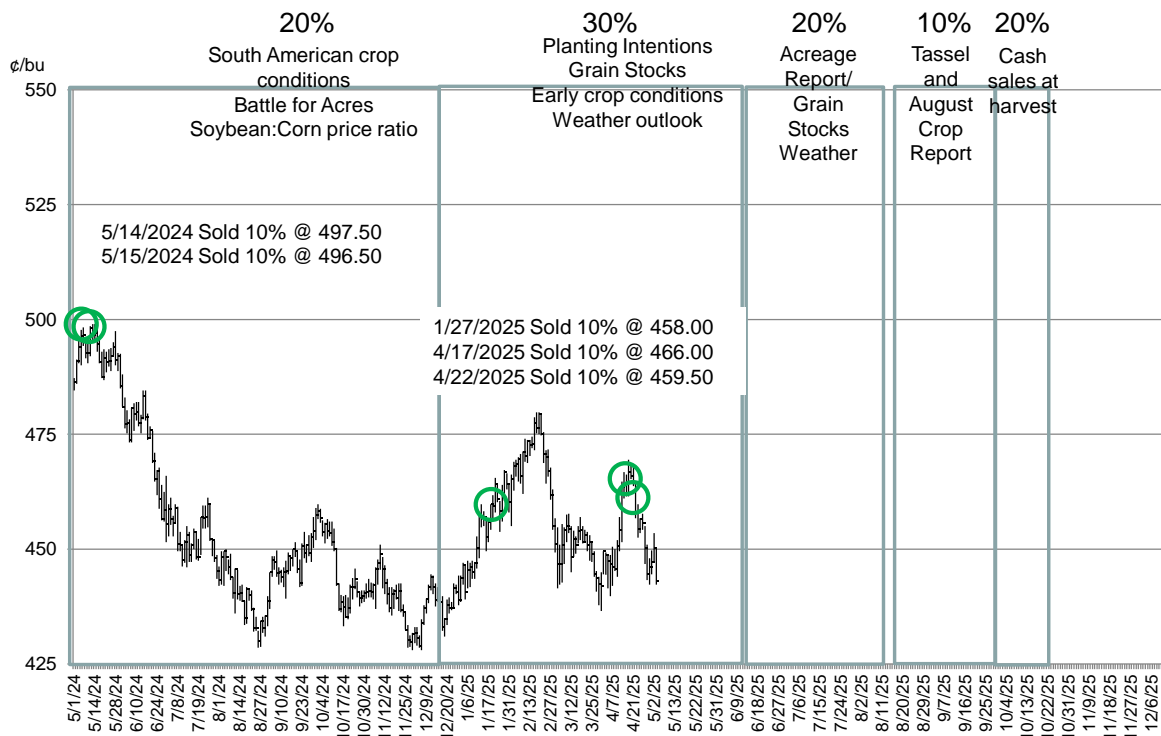
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Feed Grain Marketing Plan. I am 50% sold on the 2025 corn crop. My plan is to have 70% priced by July.

December Corn Futures and 2025 Marketing Plan



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%
May 1, 2025	447.25	461.38	50%	3.2%
May 5, 2025	443.00	459.25	50%	3.7%

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Upcoming Reports/Events

May 6-7	Federal Open Market Committee, Federal Reserve
May 6	Short-term Energy Outlook
May 12	WASDE Crop Production
May 13	Consumer Price Index
May 23	Cattle on Feed Chickens and Eggs
May 26	Memorial Day Holiday
May 29	GDP, 1 st Quarter 2025 (Second Estimate)
June 6	May Employment Situation
June 26	Hogs and Pigs
June 30	Acreage Grain Stocks

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