

Feed Grain Outlook

May 16, 2025

Volume 34, Number 35

Today's Newsletter

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Market Situation

WASDE. The first official estimates of supply and demand for the 2025/2026 marketing year for corn show an increase in supply greater than the projected increase in use. Supply is up on planting intentions reported back in March and an optimistic yield outlook. Planted acres of 95.3 million are up 4.7 million compared to last year. Not only is the yield projection of 181.0 bushels per acre a record high but USDA projects a slightly higher harvested percentage, 91.7% up from 91.5% last year. Corn supply in 2025/26 is up 605 million bushels (+3.6%).

Corn use is projected at a record high level for 2025/26 at 15.460 billion bushels. Feed use is up 150 million bushels and exports up 75 million. Fuel use is unchanged. Other food, seed, and industrial use is down 5 million bushels. Total use is up 220 million bushels (+1.4%).

US CORN SUPPLY AND USE			May		
			2024 to 2025/26		
AREA			5/12/2025	Net Δ	% Δ
	Planted	mil acres	95.3	4.7	5.2%
	Harvested	mil acres	87.4	4.5	5.4%
	% harvested		91.7%	0.2%	
YIELD	Harvested acre	bu/ac	181.0	1.7	0.9%
SUPPLY					
	Beginning stocks	mil bu	1,415	(348)	-19.7%
	Production	mil bu	15,820	953	6.4%
	Imports	mil bu	25	0	0.0%
	Total Supply	mil bu	17,260	605	3.6%
DEMAND					
	Feed and residual	mil bu	5,900	150	2.6%
	Food, seed, and indus	mil bu	1,385	(5)	-0.4%
	Ethanol	mil bu	5,500	0	0.0%
	Total Domestic Use	mil bu	12,785	145	1.1%
	Exports	mil bu	2,675	75	2.9%
	Total Use	mil bu	15,460	220	1.4%
	Ending stocks	mil bu	1,800	385	27.2%
	Stocks to Use ratio	percent	11.6%	2.4%	25.4%
	Days of use on hand		42.5	8.6	25.4%
PRICE					
	Average farm price	\$/bu	4.20	(0.15)	-3.4%
	Reference Price	\$/bu	4.26	0.25	6.2%
	PLC Payment	\$/bu	\$ 0.06	0.06	

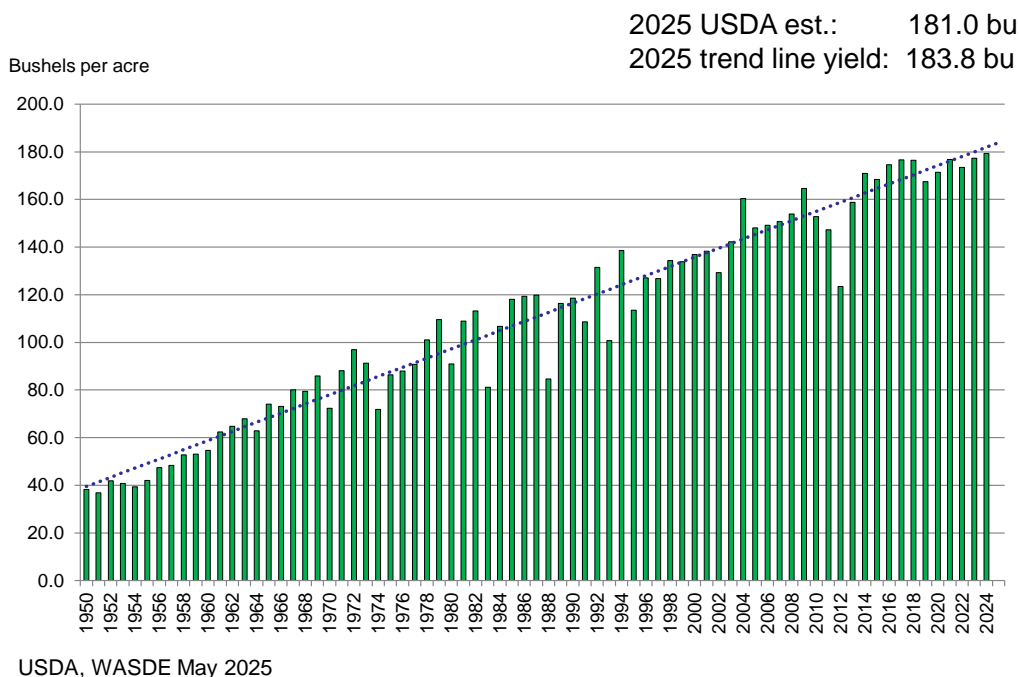
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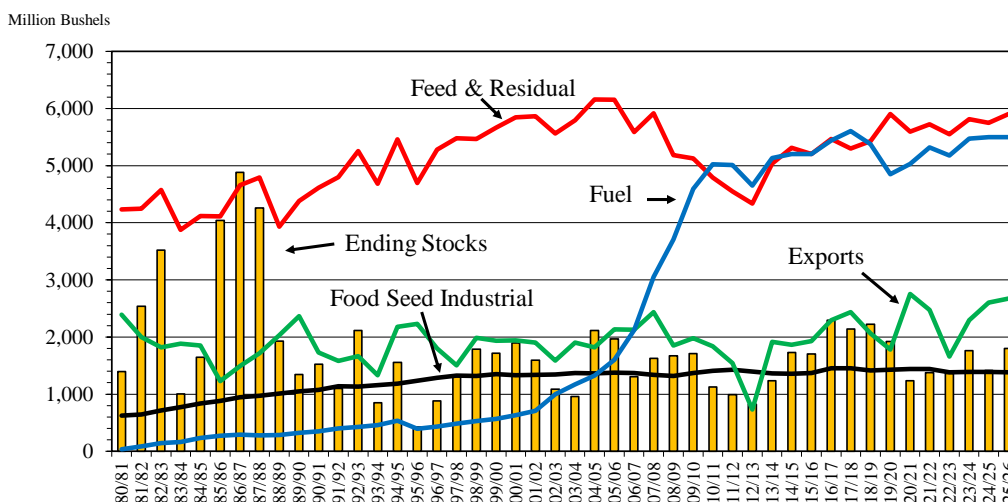
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These numbers result in ending stocks of 1.8 billion bushels, up 385 million from 2024/25. Days of use on hand at the end of the marketing year increase from a 33.9-day supply last year to 42.5-days of use on hand. The season average farm price is \$4.20 per bushel, down from \$4.35. The PLC reference price for 2025/26 is \$4.26 per bushel.

US Average Corn Yield, 1950-2024 and 2025 trendline



U.S. Corn Use May WASDE



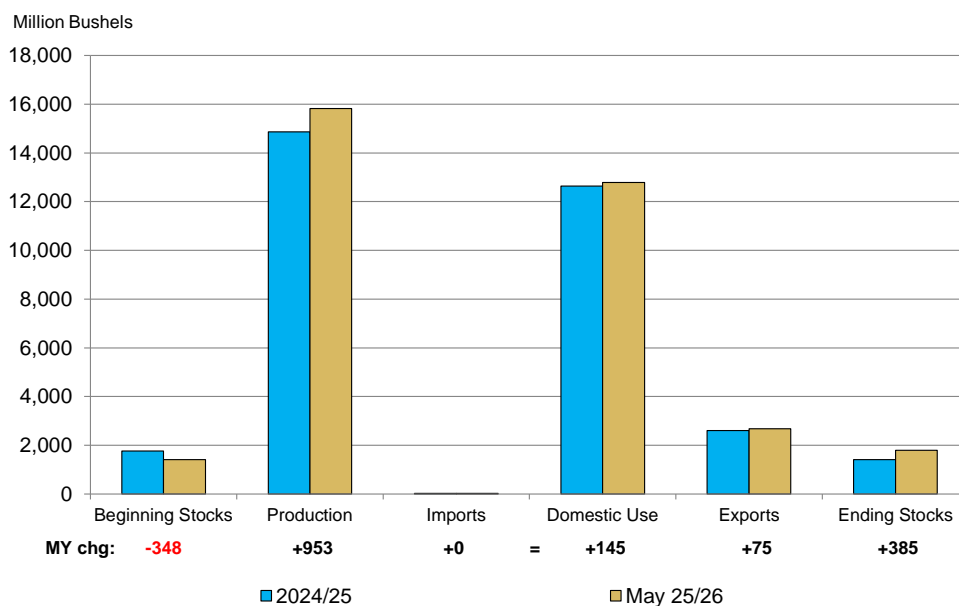
Source: USDA WASDE, 5/12/2025

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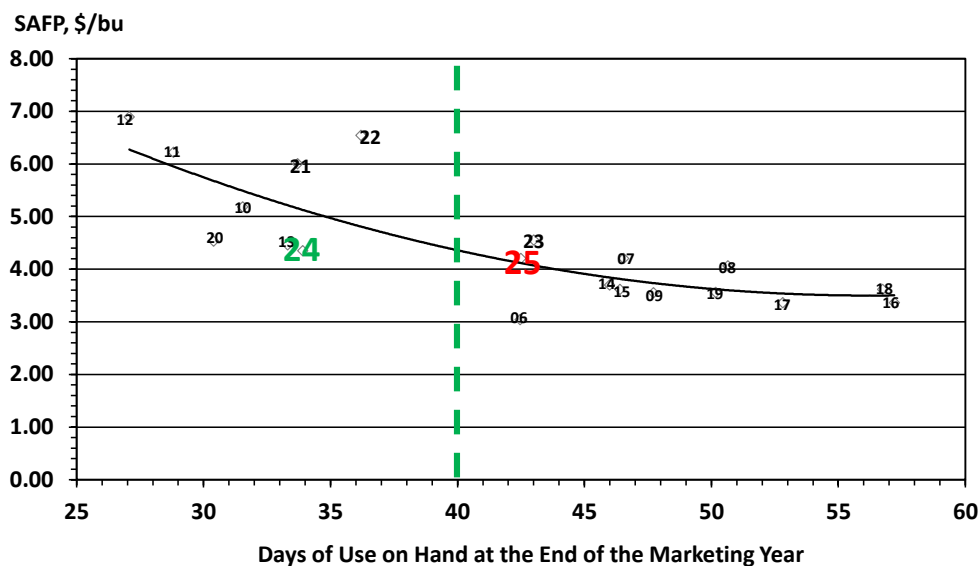
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U.S. Corn Supply and Demand, May 2025



USDA, WASDE 5/12/2025

U.S. Corn Average Farm Price and Days of Use on Hand 2005/06-2024/25 estimate, 2025/26 projection



Source: USDA, WASDE May 2025

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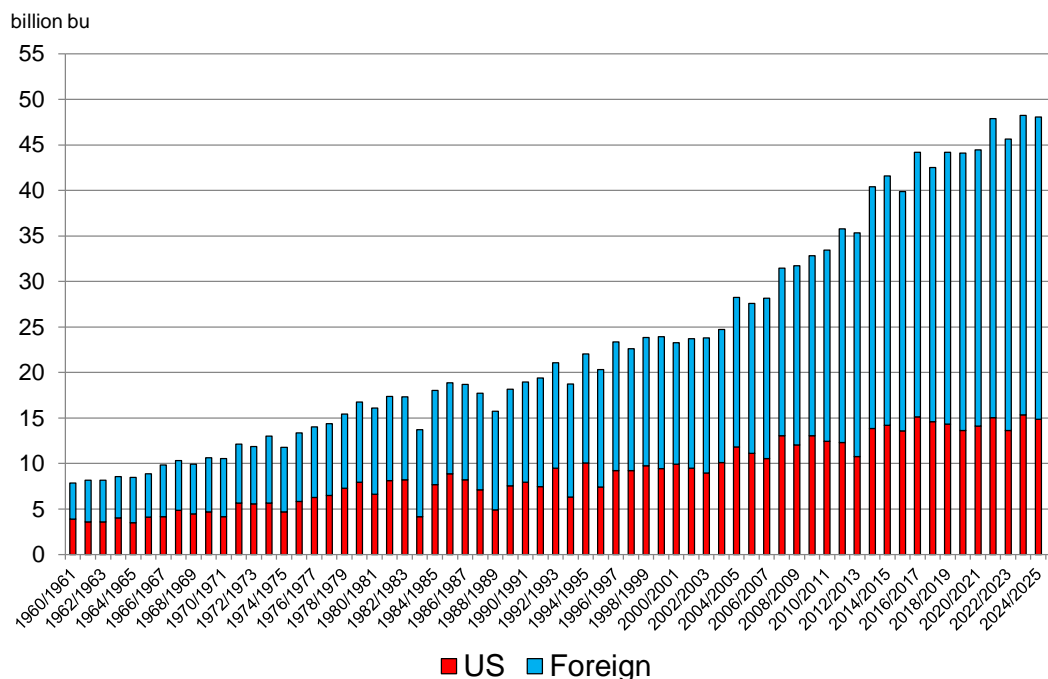
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World corn ending stocks are lower for 2025/2026. Production is a record high 1,265 mmt (49.8 billion bushels). Production is up in every major corn producing area. Total supply compared to 2024/25 is up 14.92 mmt (587 million bushels). Total use is up 24.37 mmt (959 million bushels) lowering ending stocks by 9.45 mmt (372 million bushels). World days of use on hand at the end of the marketing year of 79.6 is down from the 83.9-day supply for 2024/25 and is the lowest since 2012/13.

WORLD CORN (MMT)		Beginning				Total		Ending	Stocks	Days
		Stocks	Production	Imports	Feed Use	Use	Exports	Stocks	to Use	on Hand
2012/13		123.40	898.80	99.59	528.46	877.36	95.37	144.85	0.1651	60.3
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		314.25	1,164.18	173.45	735.41	1,173.66	180.40	304.77	0.2597	94.8
2023/24		305.68	1,230.52	198.21	769.07	1,220.13	193.55	316.07	0.2590	94.6
2024/25		316.07	1,221.28	183.53	781.92	1,250.06	189.35	287.29	0.2298	83.9
2025/26	May	287.29	1,264.98	187.48	801.55	1,274.43	195.81	277.84	0.2180	79.6
	net change	(28.78)	43.70	3.95	19.63	24.37	6.46	(9.45)	(0.0118)	(4.31)
	% change	-9.11%	3.58%	2.15%	2.51%	1.95%	3.41%	-3.29%	-5.14%	-5.14%

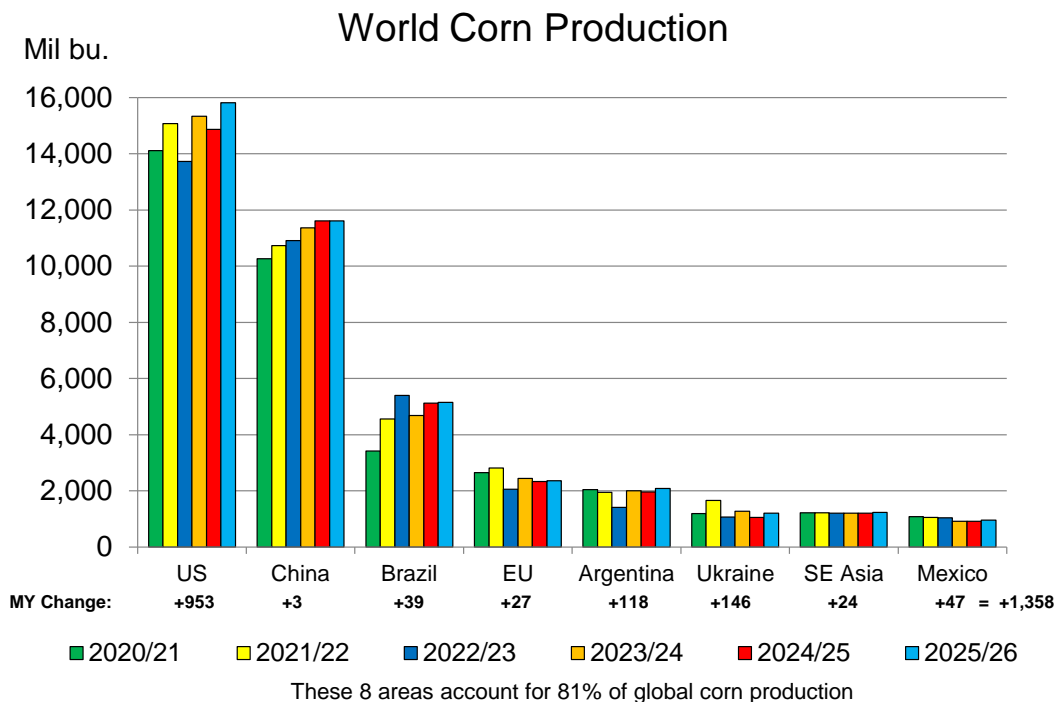
Corn Production



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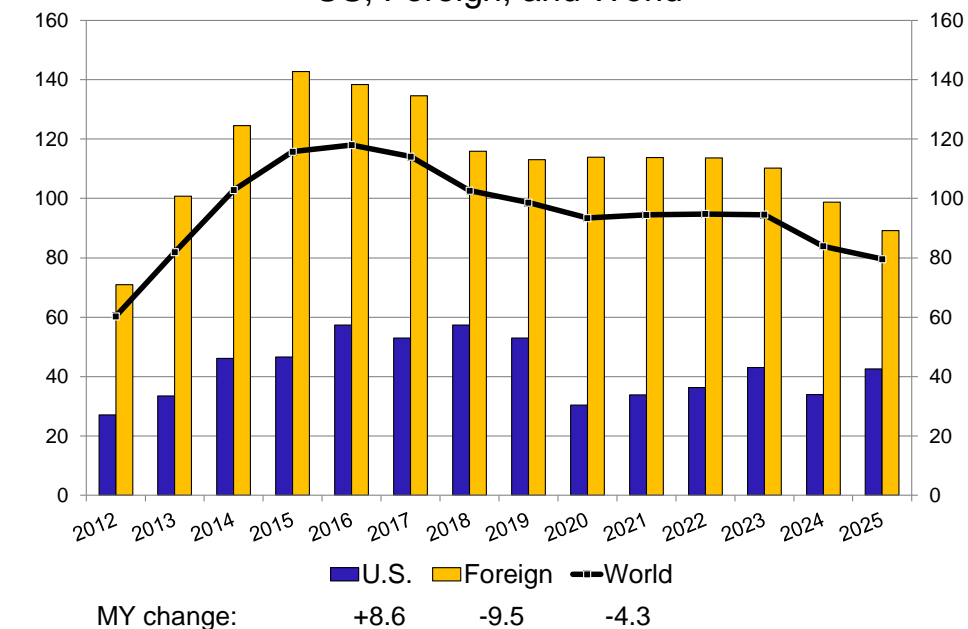
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USDA, WASDE, May 2025

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



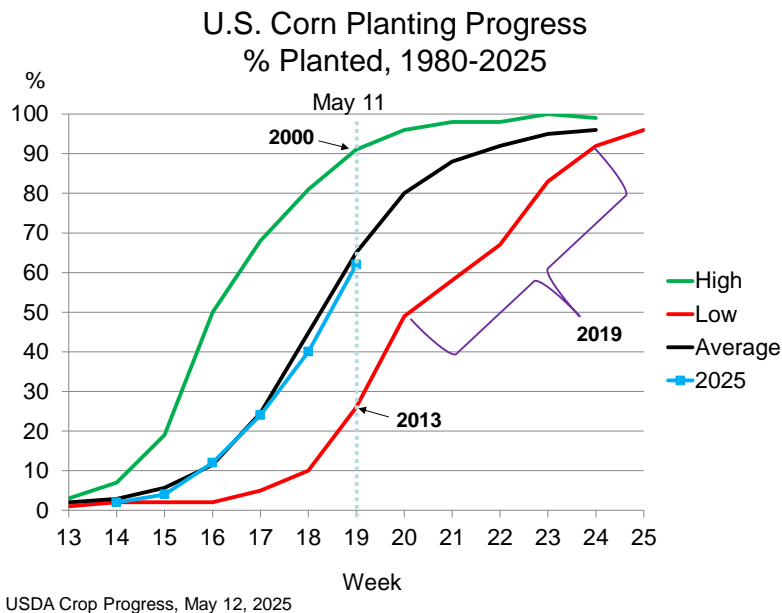
USDA, WASDE May 2025

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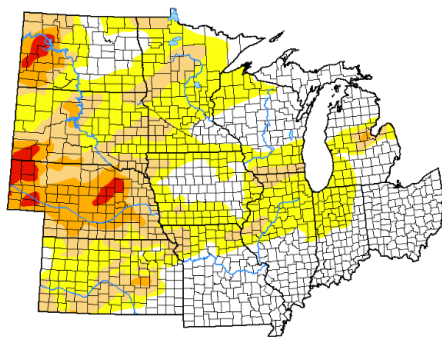
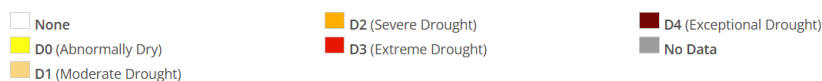
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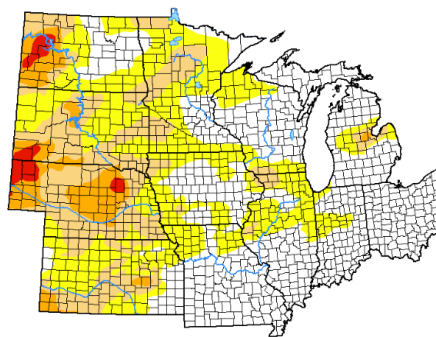
Crop Progress and Condition. U.S. corn planting progress as of May 11 (week 19 of the crop year) was 62%. This is just below the average of 65% but ahead of 49% last year. The record high for corn planting for week 19 is 91% in 2000. The record low is 26% in 2013.



The drought monitor for the North Central Region shows an increase in drought coverage and the severity index compared to last week. The area rated D3 (extreme) and D4 (exceptional) is 2.1%, up 0.5% for the week. Notable on the map is the expansion of area rated 'extreme' in Nebraska. The 7-day precipitation forecast calls for significant rainfall for most of the region (see the map in the Weather section of today's Wheat Outlook).



< May 13, 2025 > [Download]



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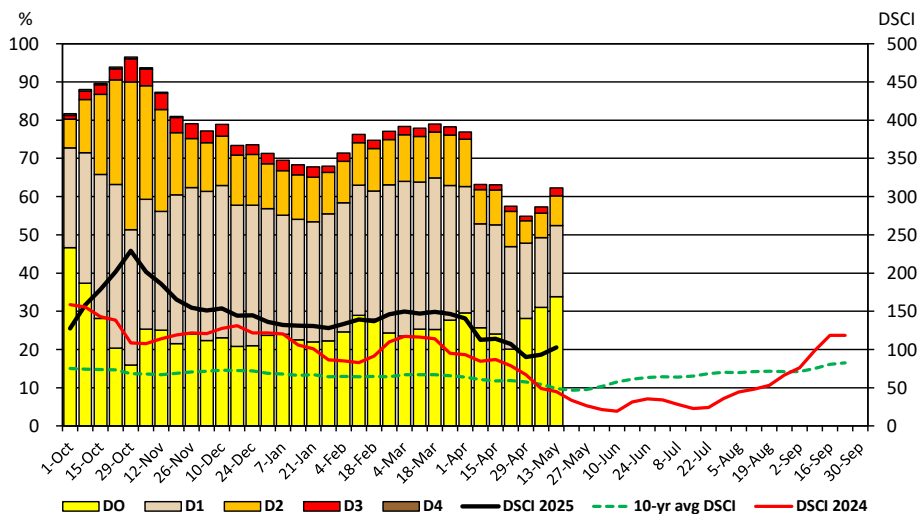
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North Central Drought Monitor, 5/13/2025

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, 5/15/2025, North Central, <http://droughtmonitor.unl.edu/>

Cash Feed Grain Prices, \$/bu.

	Nearby Corn Futures	TX Corn Avg Cash Elevator	TX Basis	TX Corn Feedlot	Corn LA Gulf Export bid
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	4.72	5.10	0.37	5.88	5.38
May 8	4.48	4.76	0.29	5.69	5.17
May 15	4.49	4.82	0.34	5.69	5.13
10-yr average			0.42		

	Nearby Corn Futures	TX Sorghum Avg Cash Elevator	TX Basis	TX Sorghum Feedlot	Sorghum TX Gulf Export bid
April 17	4.82	4.52	-0.30	5.30	
April 24	4.77	4.47	-0.31	5.25	
May 1	4.72	4.37	-0.35	5.12	
May 8	4.48	4.05	-0.43	4.84	
May 15	4.49	4.06	-0.43	4.85	
10-yr average			-0.08		

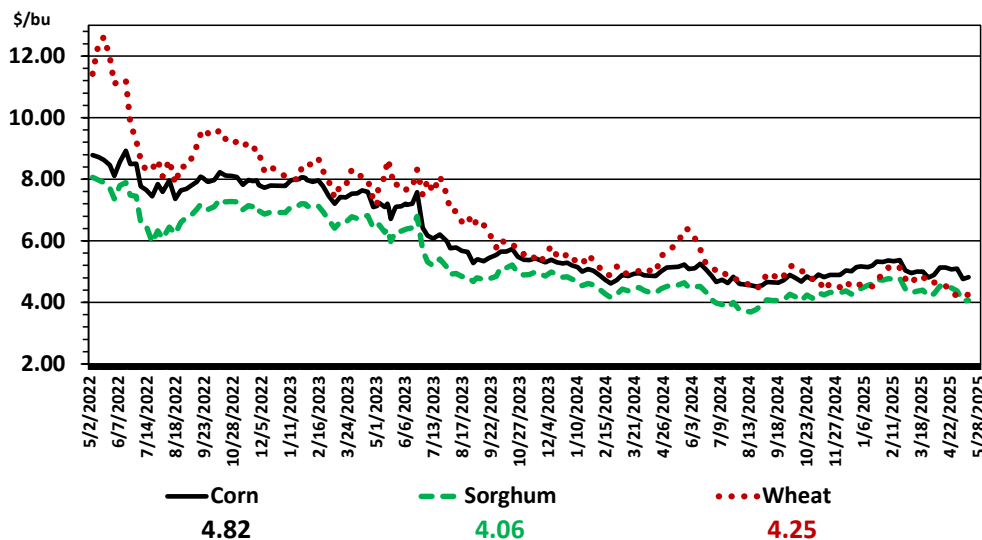
AMS Market News: TX cash = average (North, Central, and South Panhandle), Gulf sorghum: DTN

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Texas Cash Grain Prices May 2022-May 2025

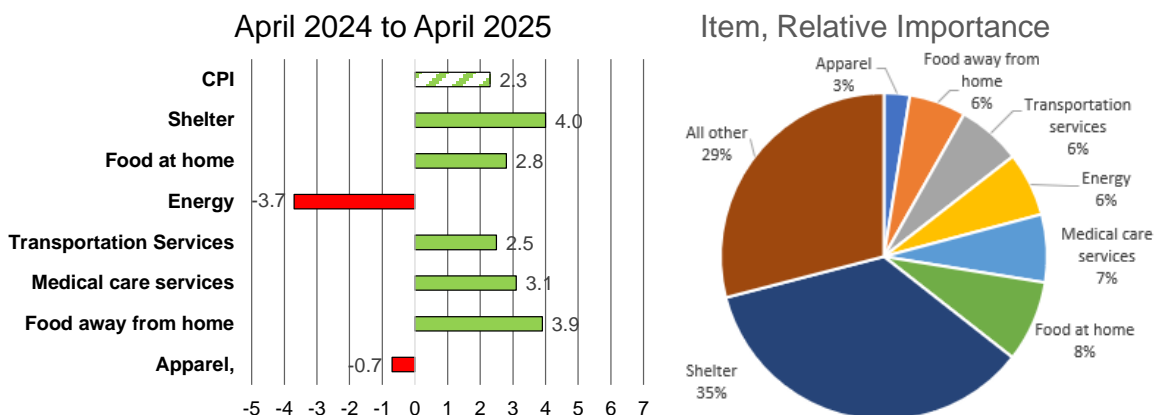


USDA, AMS, Market News: TX cash = average (North Panhandle, Central Panhandle, South Panhandle)

Outside Markets. The Consumer Price Index for April showed prices month to month increasing by 0.2% and a year-over-year increase of 2.3%. In March, prices fell 0.1% for the month and were up 2.4% on an annual basis.

Specific categories that contributed to lower prices in April were energy and apparel. Categories pushing the index higher were shelter, transportation and medical services, and food (both away from and at home).

Percent Change, CPI, year over year



Source: Consumer Price Index (CPI) U.S. Bureau of Labor Statistics, May 13, 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) Tuesday, May 13, 2025

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CONSUMER PRICE INDEX – APRIL 2025

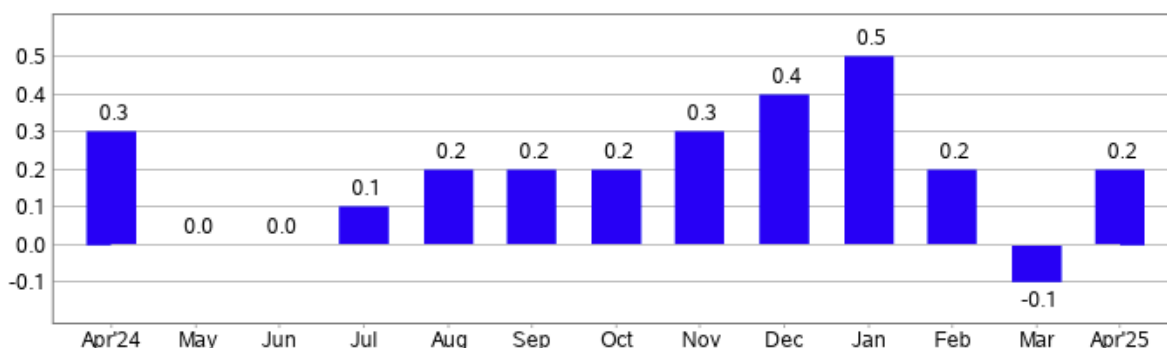
The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.2 percent on a seasonally adjusted basis in April, after falling 0.1 percent in March, the U.S. Bureau of Labor Statistics reported today. Over the last 12 months, the all items index increased 2.3 percent before seasonal adjustment.

The index for shelter rose 0.3 percent in April, accounting for more than half of the all items monthly increase. The energy index also increased over the month, rising 0.7 percent as increases in the natural gas index and the electricity index more than offset a decline in the gasoline index. The index for food, in contrast, fell 0.1 percent in April as the food at home index decreased 0.4 percent and the food away from home index rose 0.4 percent over the month.

The index for all items less food and energy rose 0.2 percent in April, following a 0.1-percent increase in March. Indexes that increased over the month include household furnishings and operations, medical care, motor vehicle insurance, education, and personal care. The indexes for airline fares, used cars and trucks, communication, and apparel were among the major indexes that decreased in April.

The all items index rose 2.3 percent for the 12 months ending April, after rising 2.4 percent over the 12 months ending March. The April change was the smallest 12-month increase in the all items index since February 2021. The all items less food and energy index rose 2.8 percent over the last 12 months. The energy index decreased 3.7 percent for the 12 months ending April. The food index increased 2.8 percent over the last year.

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



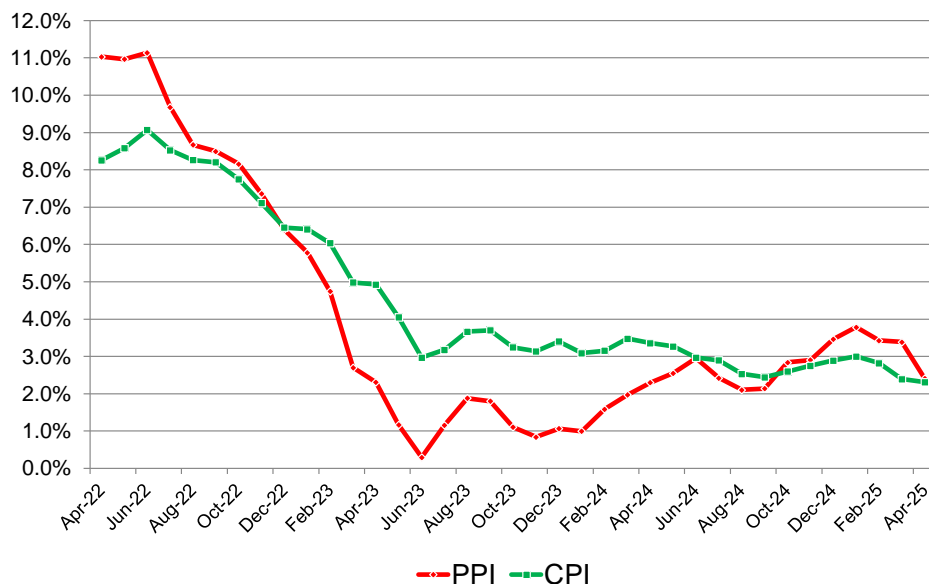
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Also reported this week was the Producer Price Index, inflation at the wholesale level and often a precursor to the Consumer Price Index. PPI was 2.4% in April, down from 3.4% in March.

U.S. Inflation Producer Price Index and Consumer Price Index 12-month percentage change



Source: Consumer Price Index (CPI) U.S. Bureau of Labor Statistics, May 13, 2025
Producer Price Index (PPI), St. Louis Fed, May 15, 2025

Prices about 10:00 am CT May 16, 2025:

	II QTR	4/1/2025	5/16/2025	net change	% change
S&P 500	SPX:IN	5,633.07	5,920.10	287.03	5.10%
10-yr T Note Futures	June 2025	111.78	110.42	(1.36)	-1.22%
CRB	CRY:IND	310.78	295.86	(14.92)	-4.80%
Dollar Index	June 2025	103.95	100.97	(2.98)	-2.87%
Crude Oil	July 2025	70.18	61.53	(8.65)	-12.33%
Copper	July 2025	5.08	4.59	(0.49)	-9.72%
Corn	July 2025	4.68	4.45	(0.23)	-4.97%
	September 2025	4.42	4.22	(0.20)	-4.52%

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Soybeans	July 2025	10.49	10.51	0.02	0.17%
	August 2025	10.48	10.48	(0.00)	-0.02%
SRW Wheat	July 2025	5.54	5.26	(0.28)	-5.10%
	September 2025	5.70	5.40	(0.30)	-5.27%

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, 4/1/2025-5/16/2025 (<https://www.barchart.com/>):

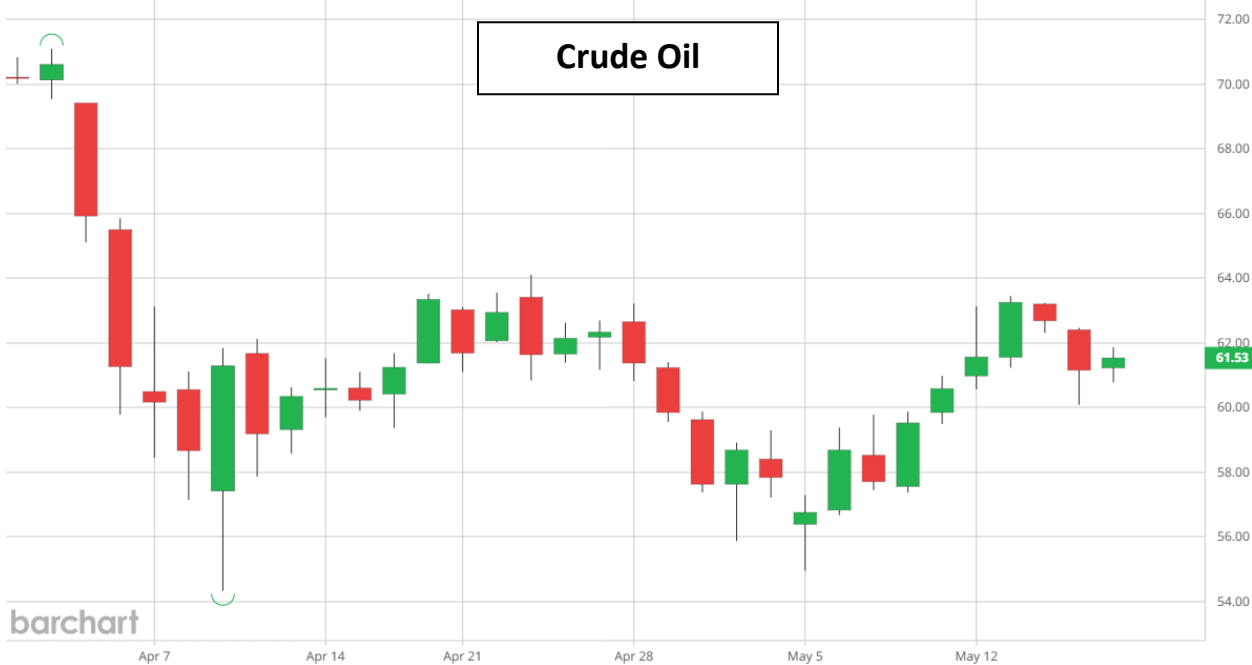


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05/16/2025 Crude Oil WTI (CLN25) [NYMEX] O 61.22 H 61.86 L 60.78 C 61.53 Δ +0.38 (+0.62%)



05/16/2025 High Grade Copper (HGN25) [COMEX] O 4.6820 H 4.6980 L 4.5725 C 4.5870 Δ -0.0965 (-2.06%)



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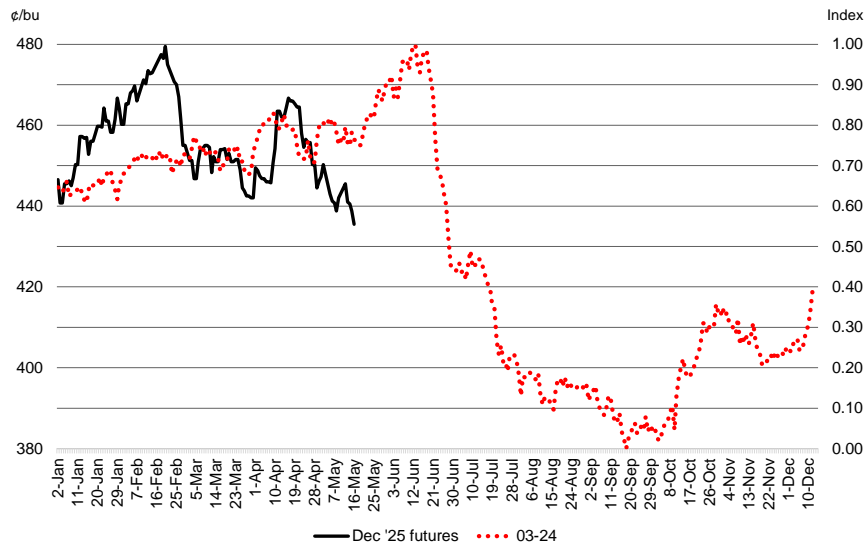
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Marketing Strategies

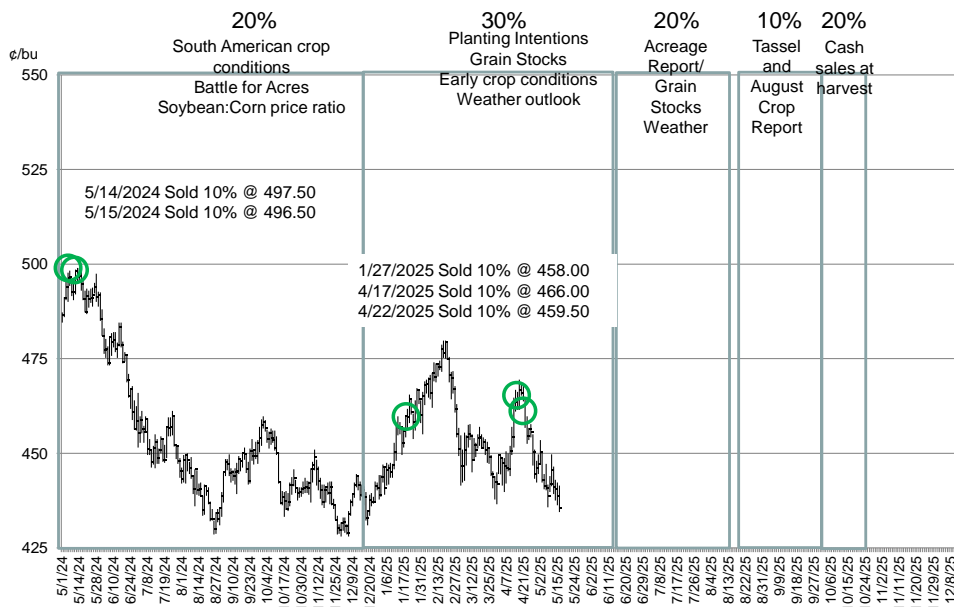
Seasonality. The seasonal price pattern for the December corn contract shows the best pricing prospects in the first half of the year (peaking in June) with prices falling below average (0.50 on the index) in late-June/early July and then bottoming out late September/early October.

December 2025 Corn Futures and
Seasonal Pattern 2003-2024



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



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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%
May 1, 2025	447.25	461.38	50%	3.2%
May 16, 2025	435.50	455.50	50%	4.6%

Upcoming Reports/Events

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 17-18	FOMC, Federal Reserve
June 26	Hogs and Pigs
June 30	Acreage Grain Stocks

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