

Today's Newsletter

Market Situation

Crop Condition 1

Grain Use 2

Cash Grain Prices 3

Outside Markets 4

Marketing Strategies

Seasonality 9

Feed Grain Marketing Plan 9

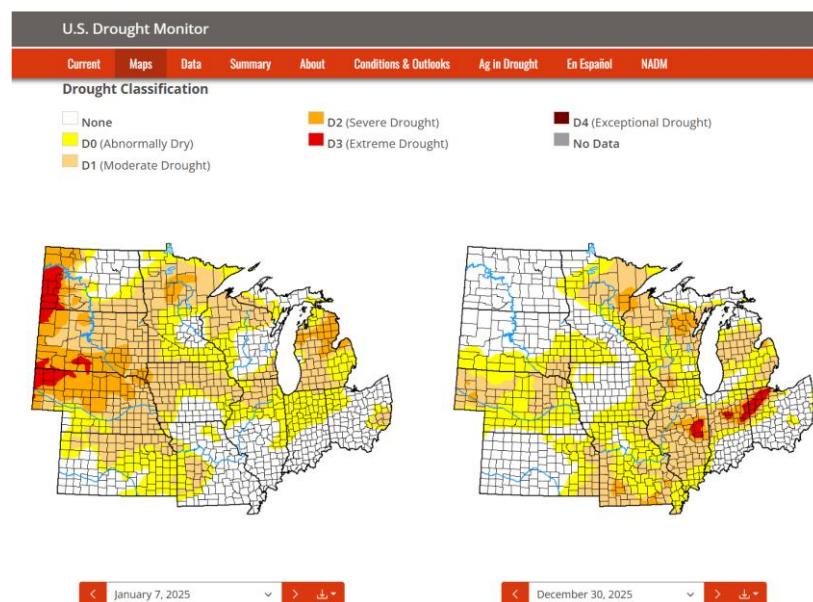
Upcoming Reports/Events 10



Market Situation

Crop Condition. The Drought Monitor for the North Central region shows a considerable shift in severe and extreme conditions over the last 12 months, moving from the west to the east.

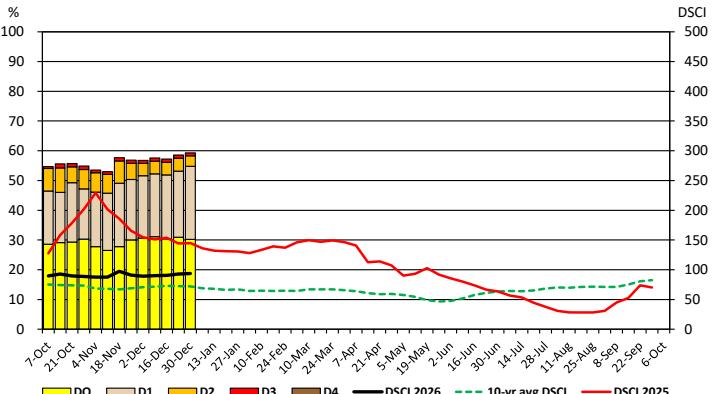
The area currently under drought is about 60%. The drought severity index is basically steady since the first of October, running below a year ago and just above average.



North Central Drought Monitor, December 30, 2025

Drought Classification

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



Feed Grain Outlook

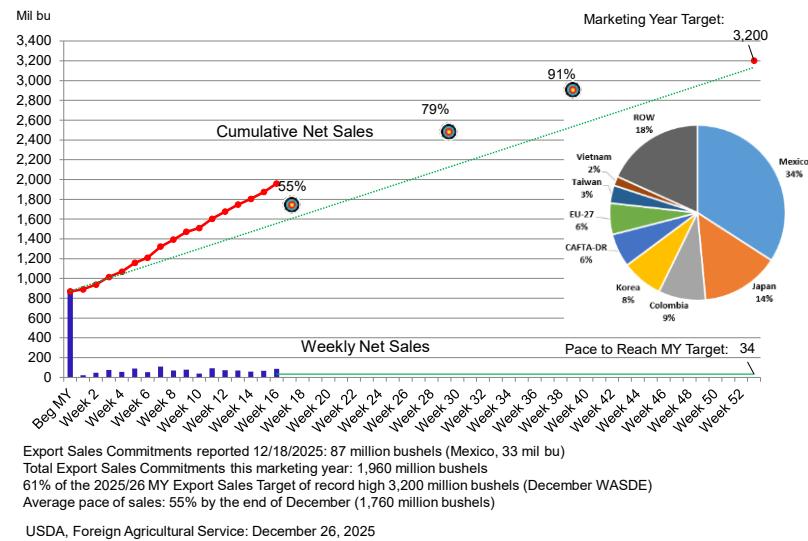
January 4, 2026

Volume 35, Number 1

TEXAS A&M
AGRILIFE
EXTENSION

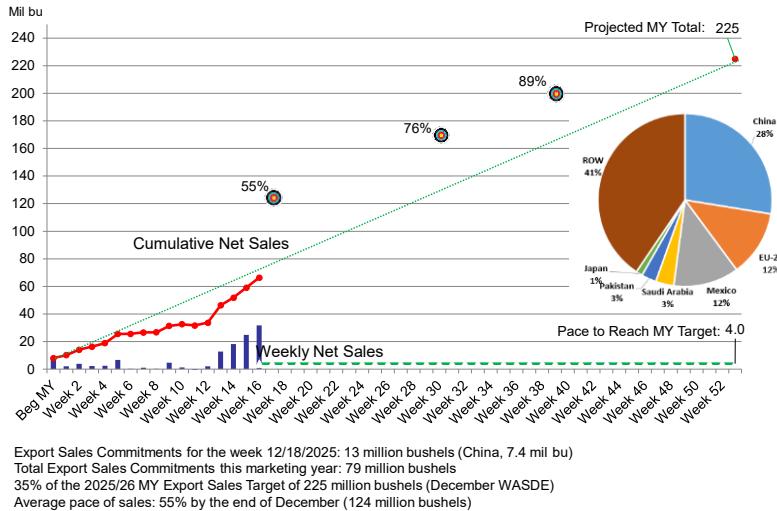
Grain Use. Export sales as of December 18 have been reported as FAS still catches up from the governmental shutdown. Corn export sales remain well on track to reach the projected record high total of 3.2 billion bushels. Sales for the week of December 18 were 87 million bushels, 33 million of that going to Mexico. Cumulative sales this marketing year have reached 61% of the total. Normally, 55% of marketing year sales are on the books by the end of December.

U.S. Corn Export Sales Commitments, 2025/26 MY



Grain sorghum sales are gaining momentum with China returning to the market. Sales so far this year of 79 million bushels are 35% of the projected marketing year total of 225 million bushels.

U.S. Grain Sorghum Export Sales Commitments, 2025/26 MY



Feed Grain Outlook

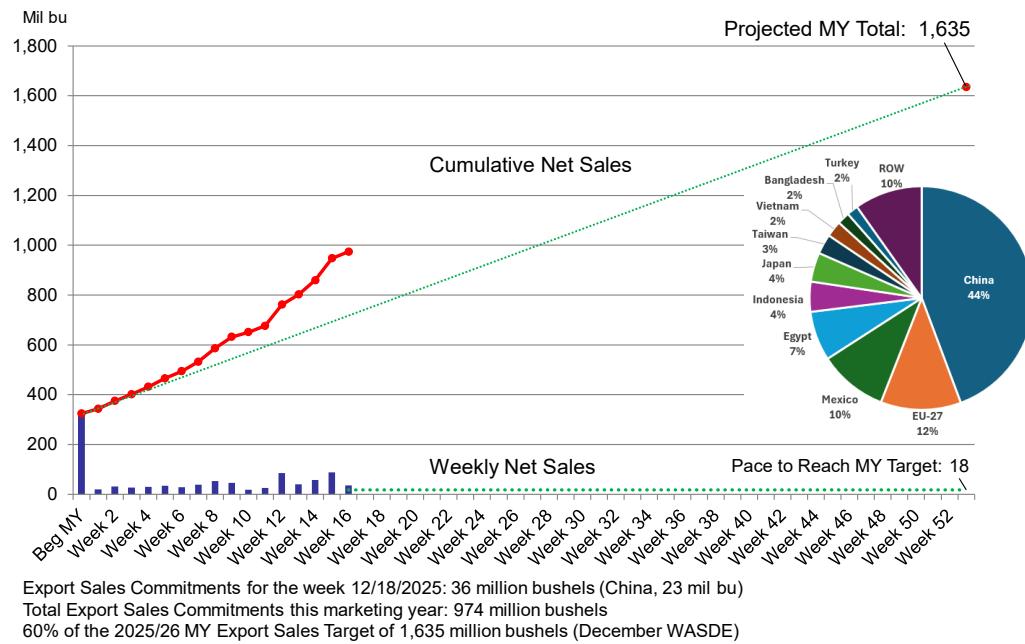
January 4, 2026

Volume 35, Number 1



Soybean export sales reported for December 18 were 36 million bushels, 23 million of that to China. Current marketing year sales have reached 974 million bushels, 60% of the marketing year target of 1.635 billion bushels. A year ago at this time sales stood at 1.458 billion bushels, 78% of the eventual marketing year total of 1.869 billion bushels.

U.S. Soybean Export Sales Commitments, 2025/26 MY



USDA, Foreign Agricultural Service: December 26, 2025

Cash Feed Grain Prices, \$/bu.

	Nearby Corn Futures	TX Corn Avg Cash Elevator	TX Basis	TX Corn Feedlot	Corn LA Gulf Export bid
November 27					
December 4	4.47				
December 11	4.47	4.75	0.28	5.47	5.29
December 18	4.45	4.69	0.25	5.45	
December 30	4.41	4.65	0.25	5.41	
10-yr average			0.44		

Feed Grain Outlook

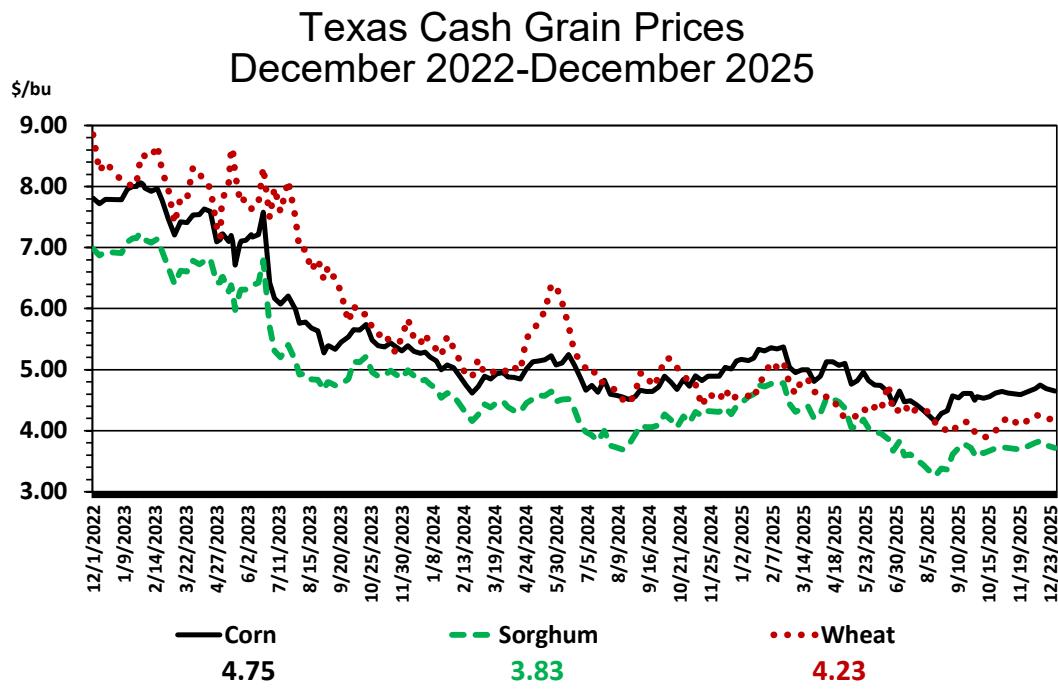
January 4, 2026

Volume 35, Number 1



	Nearby Corn Futures	TX Sorghum Avg Cash Elevator	TX Basis	TX Sorghum Feedlot	TX Sorghum Coastal Bend
November 27					
December 4	4.47				
December 11	4.47	3.83	-0.64	4.49	3.61
December 18	4.45	3.76	-0.68	4.53	
December 30	4.41	3.72	-0.68	4.49	
10-yr average			0.02		

AMS Market News: TX cash = average (North, Central, and South Panhandle); Coastal Bend: DTN



Outside Markets. U.S. GDP increased by 4.3% in the third quarter of 2025 according to the initial estimate proved by the Buruea of Economic Analysis. Contributing to the increase was higher consumer spending, government spending, and a smaller trade deficit (exports were up, imports were down). Business investment for the quarter was down.

Feed Grain Outlook

January 4, 2026

Volume 35, Number 1



bea Data ▾ Tools ▾ News ▾ Research ▾ Resources ▾ About ▾ Help ▾ Search Search

News Release Related Materials Contacts Explore Product View

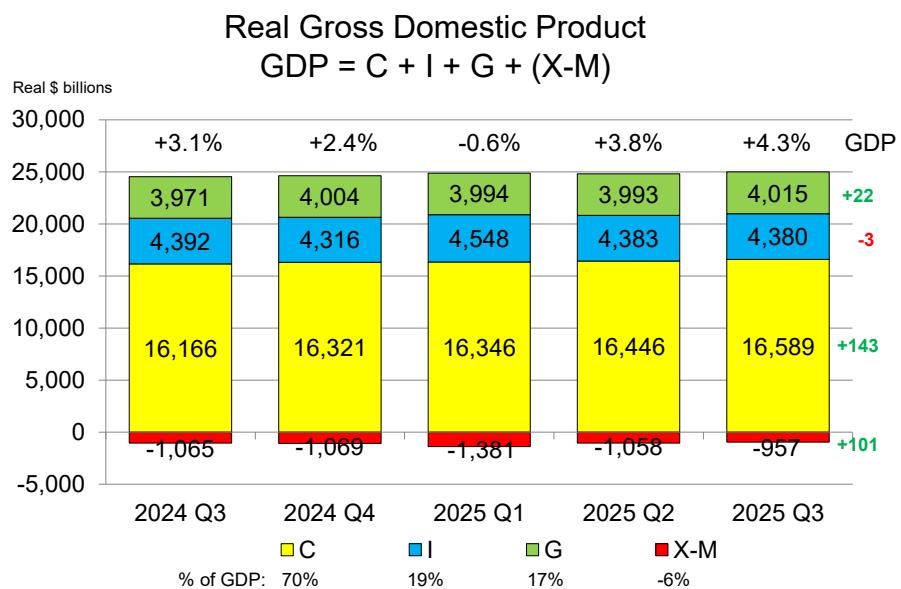
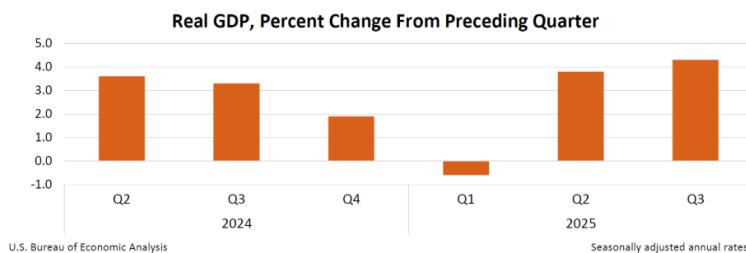
EMBARGOED UNTIL RELEASE AT 8:30 a.m. EST, Tuesday, December 23, 2025

BEA 25-48

Gross Domestic Product, 3rd Quarter 2025 (Initial Estimate) and Corporate Profits (Preliminary)

Real gross domestic product (GDP) increased at an annual rate of 4.3 percent in the third quarter of 2025 (July, August, and September), according to the initial estimate released by the U.S. Bureau of Economic Analysis. In the second quarter, real GDP increased 3.8 percent.

Due to the recent government shutdown, this initial report for the third quarter of 2025 replaces the release of the advance estimate originally scheduled for October 30 and the second estimate originally scheduled for November 26.



Source: Federal Reserve Bank of St. Louis, updated December 23, 2025

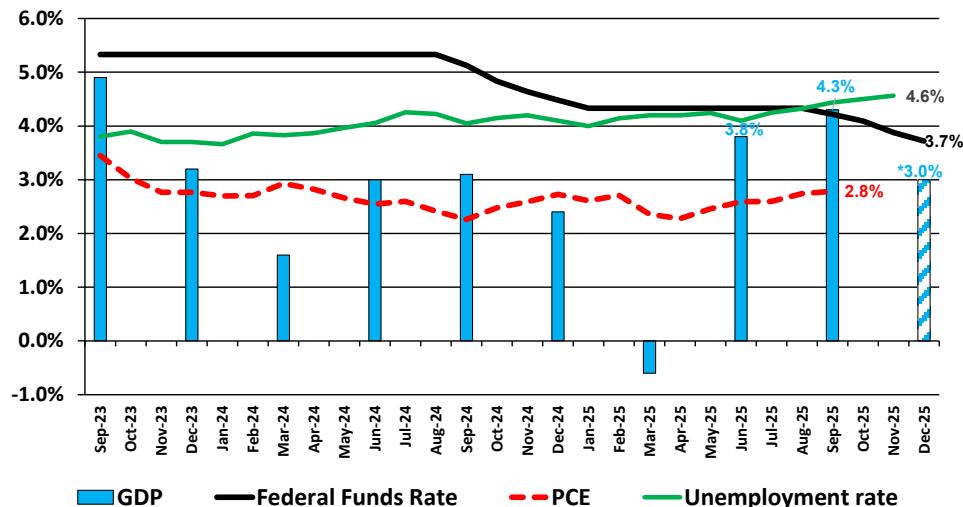
Feed Grain Outlook

January 4, 2026

Volume 35, Number 1

TEXAS A&M
AGRILIFE
EXTENSION

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/cger/research/gdpnow>

Personal Consumption Expenditures Index, Federal Reserve Economic Data

Updated December 23, 2025

Year to year change in prices: January 3, 2025 to January 2, 2026

	Year to year	1/3/2025	1/2/2026	net change	% change
S&P 500	SPX:IN	5,931.73	6,858.02	926.29	15.62%
10-yr T Note Futures	March	108.81	112.20	3.39	3.12%
CRB	CRY:IND	298.98	297.82	(1.16)	-0.39%
Dollar Index	March	108.79	98.06	(10.73)	-9.86%
Crude Oil	March	73.38	57.05	(16.33)	-22.25%
Copper	March	4.07	5.34	1.27	31.25%
Corn	March	4.50	4.38	(0.13)	-2.78%
	May	4.58	4.46	(0.13)	-2.73%
Soybeans	January	9.89	10.46	0.57	5.74%
	March	10.01	10.59	0.58	5.74%
SRW Wheat	March	5.29	5.07	(0.22)	-4.24%
	May	5.41	5.18	(0.23)	-4.21%

Feed Grain Outlook

January 4, 2026

Volume 35, Number 1



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, fading prospects of a recession, or less investment from foreign buyers;
- 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, 1/3/2025-1/2/2026 (<https://www.barchart.com/>):



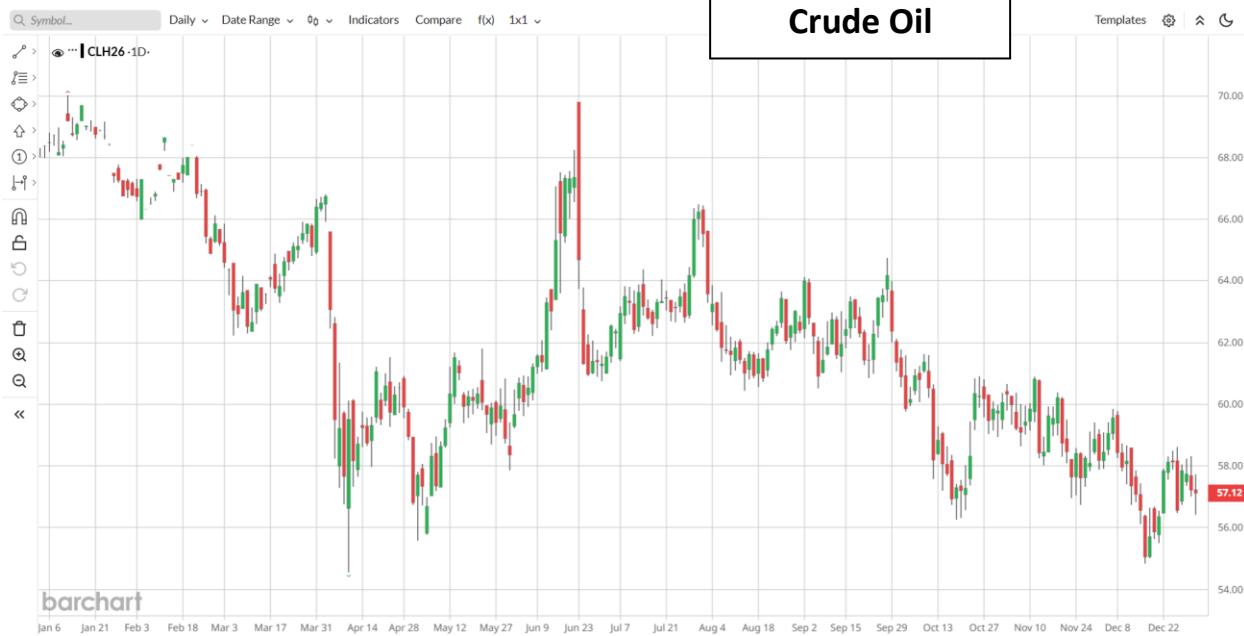
Feed Grain Outlook

January 4, 2026

Volume 35, Number 1



Crude Oil WTI (CLH26) O:57.23 H:57.73 L:56.42 C:57.12s ^-0.10 (-0.17%) 01/02/26 DELAYED



High Grade Copper (HGH26) O:5.6970 H:5.7590 L:5.6680 C:5.6915s ^+0.0095 (+0.17%) 01/02/26 DELAYED



Feed Grain Outlook

January 4, 2026

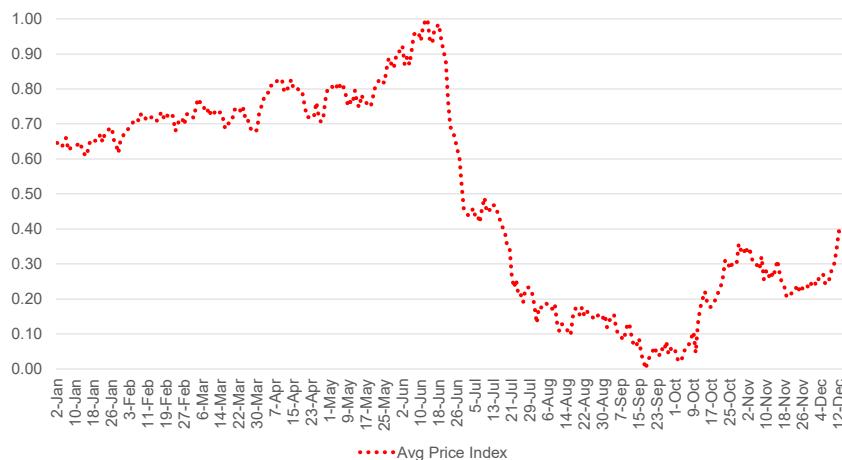
Volume 35, Number 1



Marketing Strategies

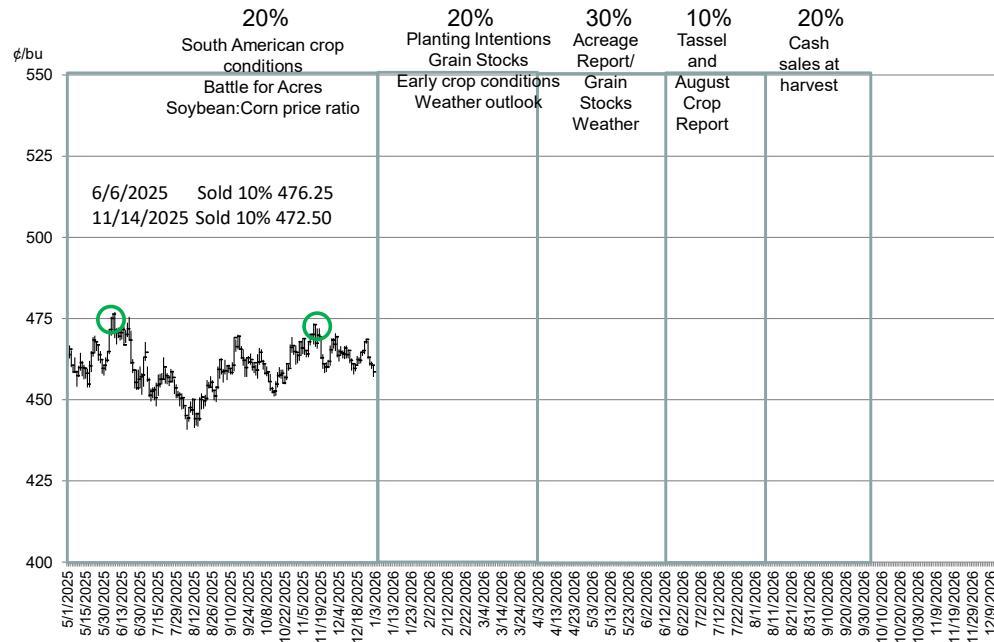
Seasonality. The seasonal price pattern for the December corn contract shows the best pricing prospects in the first half of the year (peaking in June) with prices falling below average (0.50 on the index) in late-June/early July and then bottoming out late September/early October. This price pattern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

Seasonal Price Index December Corn Futures 2003-2024



Feed Grain Marketing Plan. At the end of the calendar year, I am 20% sold on 2026 corn.

December Corn Futures and 2026 Marketing Plan



Feed Grain Outlook

January 4, 2026

Volume 35, Number 1



Upcoming Reports/Events

January 4-10	The Executive Program for Agricultural Producers, San Antonio https://tepap.tamu.edu/
January 12	Crop Production WASDE
January 21-22	Developing a Marketing Plan—2026, Wall, Texas, register at https://agriliferegister.tamu.edu/ereg/newreg.php?eventid=865023&

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