

Feed Grain Outlook

January 23, 2026
Volume 35, Number 5

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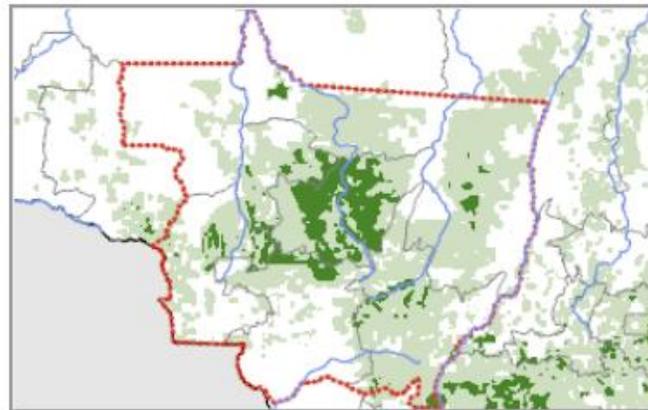
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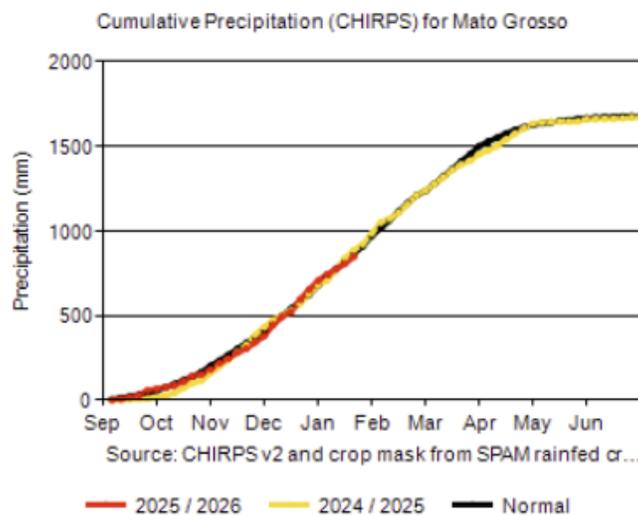


Market Situation

Crop Progress and Condition. Corn crop conditions in Brazil continue to look favorable (USDA, FAS, Crop Explorer, <https://ipad.fas.usda.gov/cropexplorer>). Focusing on the largest corn producing state of Mato Grosso, cumulative precipitation is running right at normal.



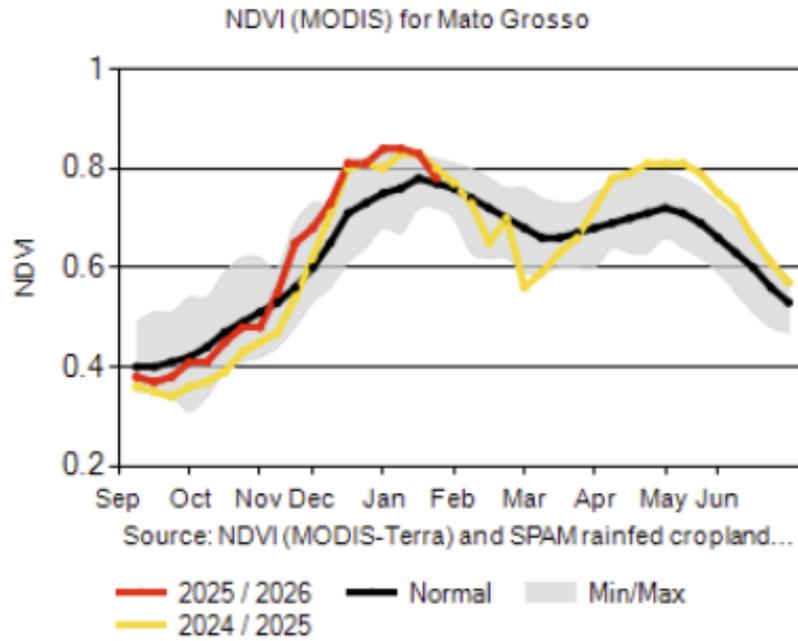
Mato Grosso
(37% of total corn production)



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The Normalized Difference Vegetation Index (NDVI), a measure of plant health has fallen in January—from record high levels back to normal.



Grain Use. The focus of the grain use section this week is the feed use category, with a look at recent updates to livestock and poultry inventory numbers and the impact that may have on feed grain consumption. Quarterly Hogs and Pigs report on December 23 showed total inventory of hogs and pigs in the U.S on December 1 of 75.545 million head. That is up from 75.318 million head in September and about 1% higher than December last year and above even with the 5-year average.

Broiler chick placements so far this corn marketing year (as of 1/18/2026) are running about 1% above year ago levels and 4% above average.

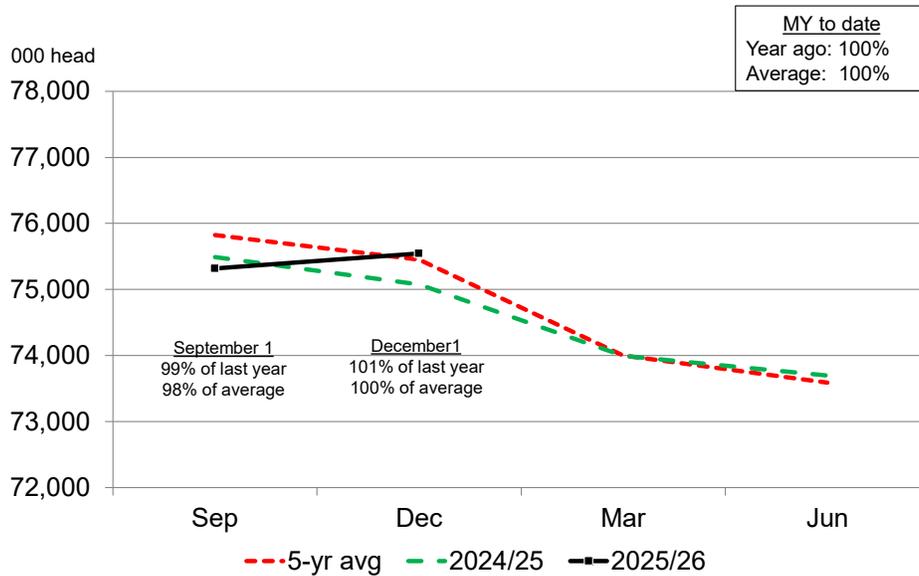
Today's Cattle on Feed report showed inventories in lots of at least a thousand head capacity of 11.450 million head, down from 11.727 million in December. This is 3% below January a year ago and 4% below the 5-year average.

The 12-month moving average of cattle on feed is the lowest since September 2018. The 24-month the lowest since November 2022.

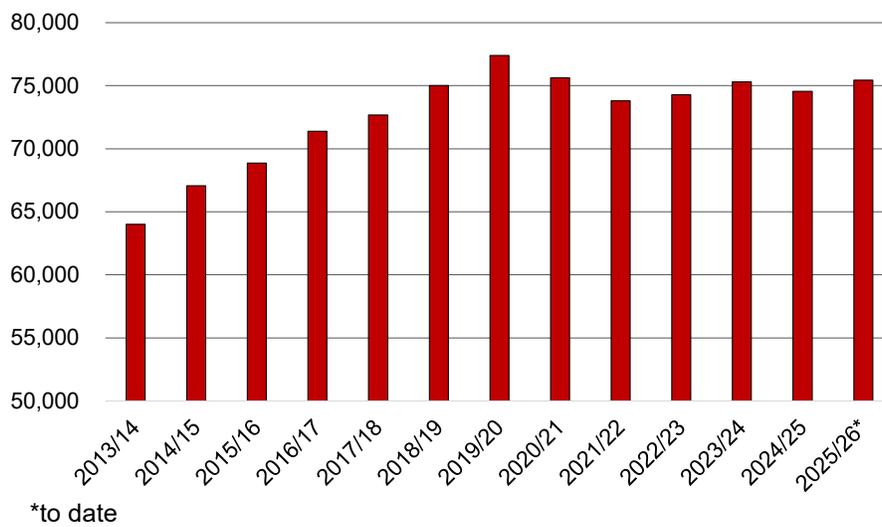
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2025/26 U.S. All Hogs and Pigs Inventory



Average Quarterly Hogs and Pigs Inventory by Corn Marketing Year (000 head)

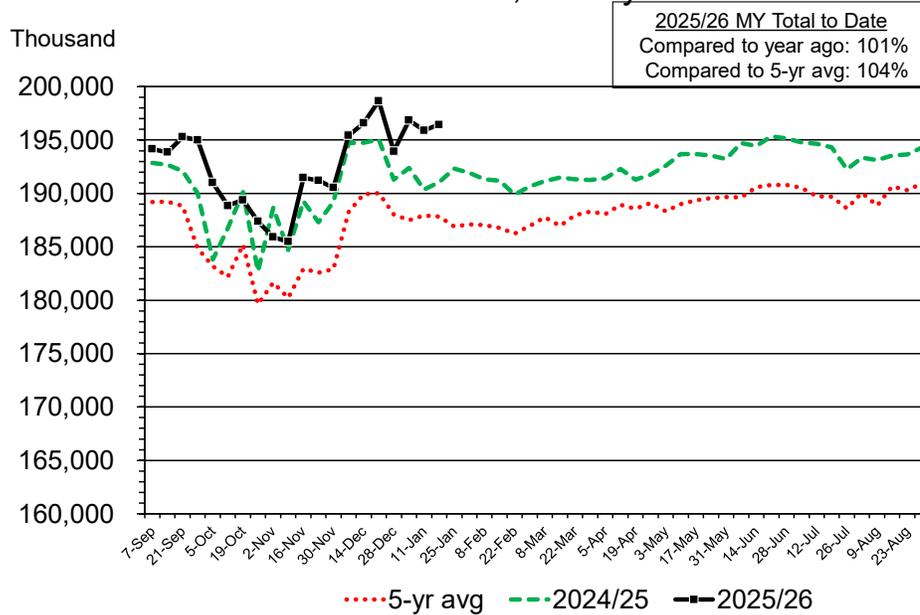


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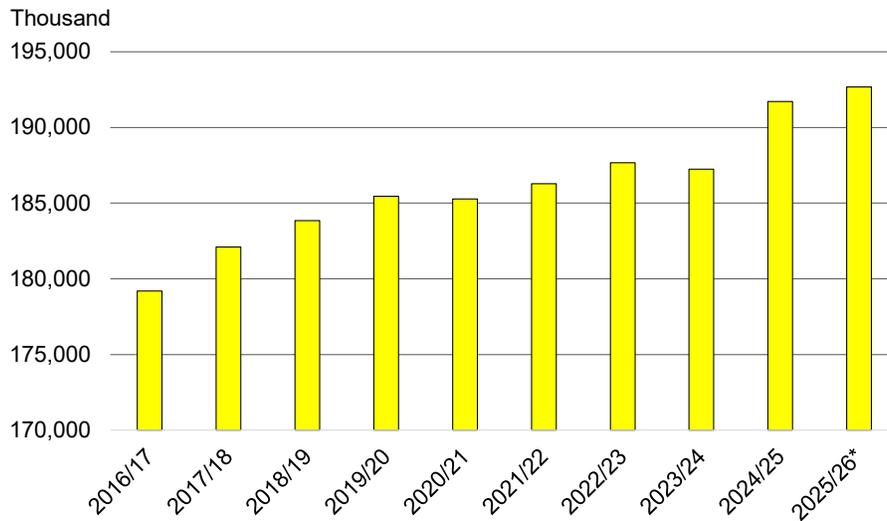


2025/26 Broiler Chicks Placed United States, weekly



Source: USDA/NASS, Broiler Hatchery, January 21, 2026

Average Weekly Broiler Chick Placements by Corn Marketing Year



*to date
Source: USDA/NASS, Broiler Hatchery, September 3, 2025

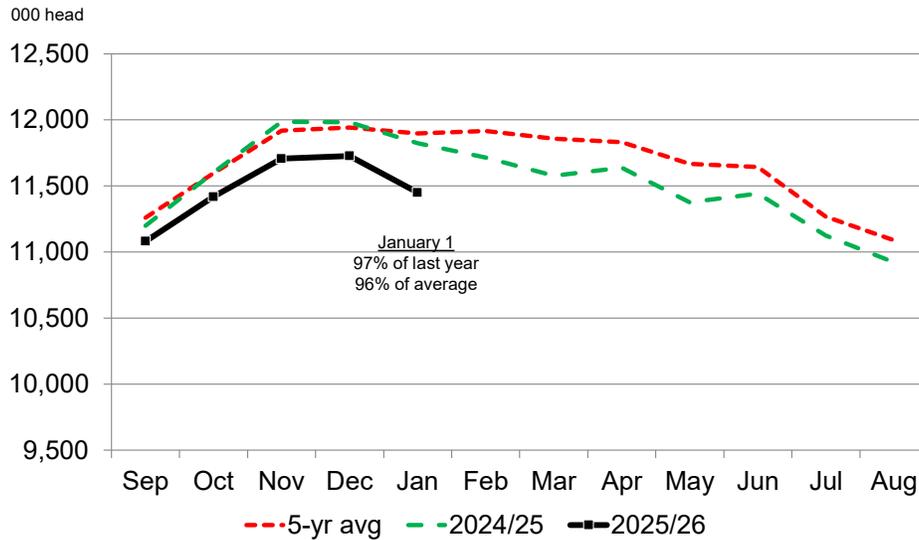
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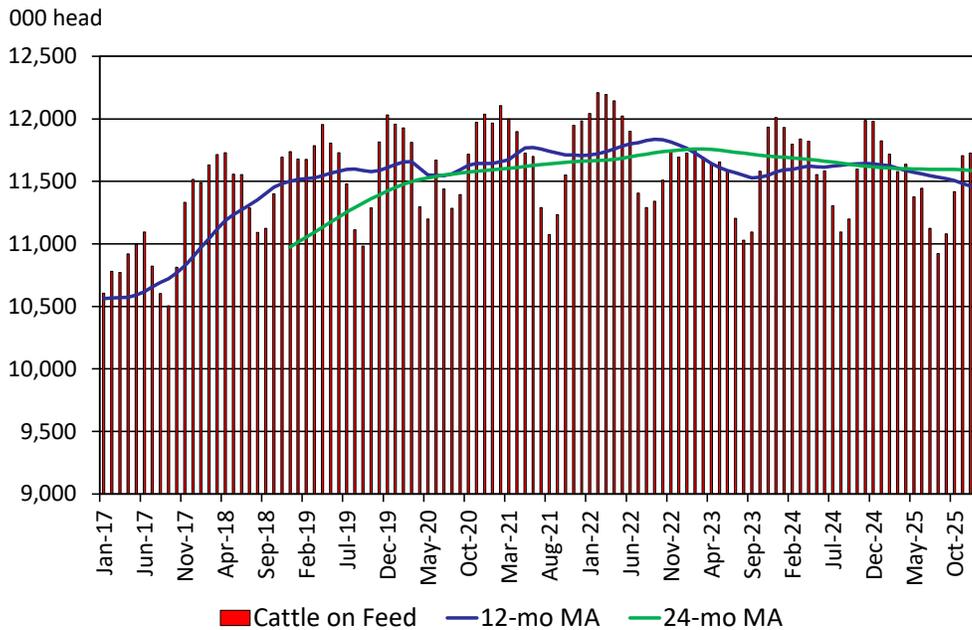
2025/26 Cattle on Feed 1,000+ capacity feedlots

MY to date
Year ago: 98%
Average: 98%



Source: USDA/NASS, January 23, 2026

Cattle on Feed



Source: USDA/NASS, December 19, 2025

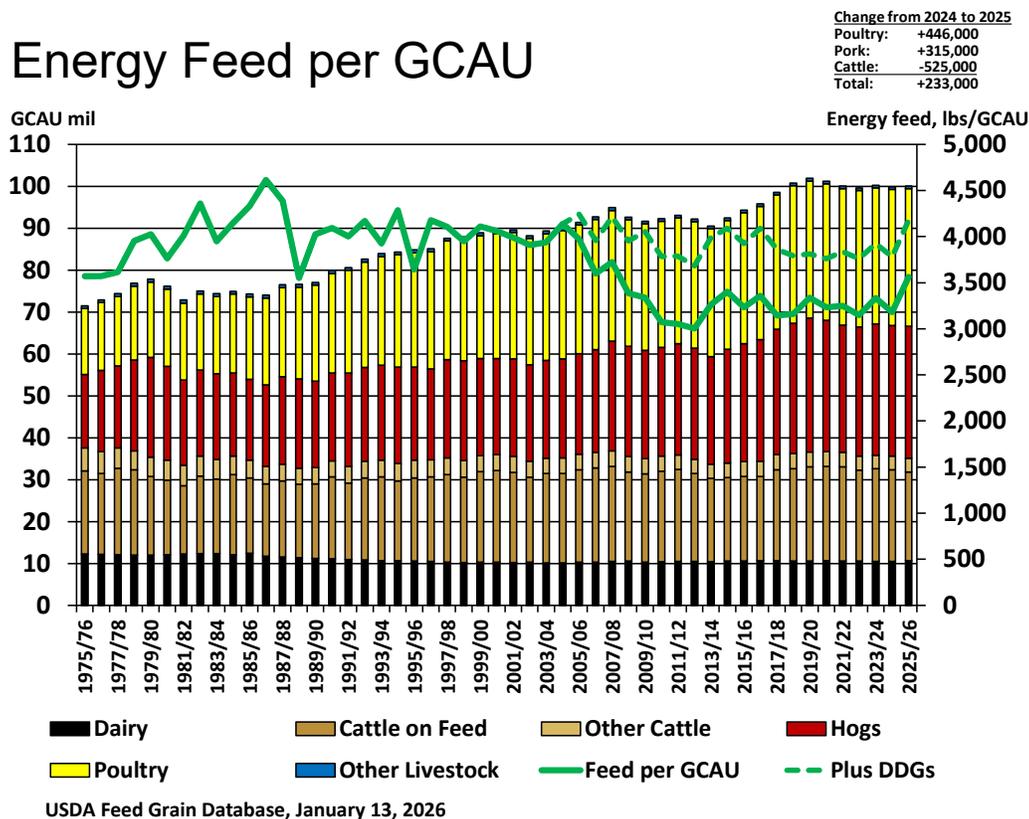
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USDA’s measure of grain consuming animal units shows little change in the total number the last several years. For 2025 that number is 100.1 million, up from 99.9 million in 2024 but down from 100.2 in 2023. Poultry is up 446,000, pork up 315,000, and cattle down 525,000. But feed per grain consuming animal unit is rising sharply, up from 3,779 pounds per gcau (includes ddgs) in 2024 to 4,177 pounds in 2025.

Energy Feed per GCAU



Cash Feed Grain Prices, \$/bu.

	Nearby Corn Futures	TX Corn Avg Cash Elevator	TX Basis	TX Corn Feedlot	Corn LA Gulf Export bid
December 18	4.45	4.69	0.25	5.45	
December 30	4.41	4.65	0.25	5.41	
January 8	4.46	4.71	0.25	5.46	5.29
January 15	4.20	4.44	0.24	5.23	
January 22	4.24	4.48	0.24	5.27	
10-yr average			0.44		

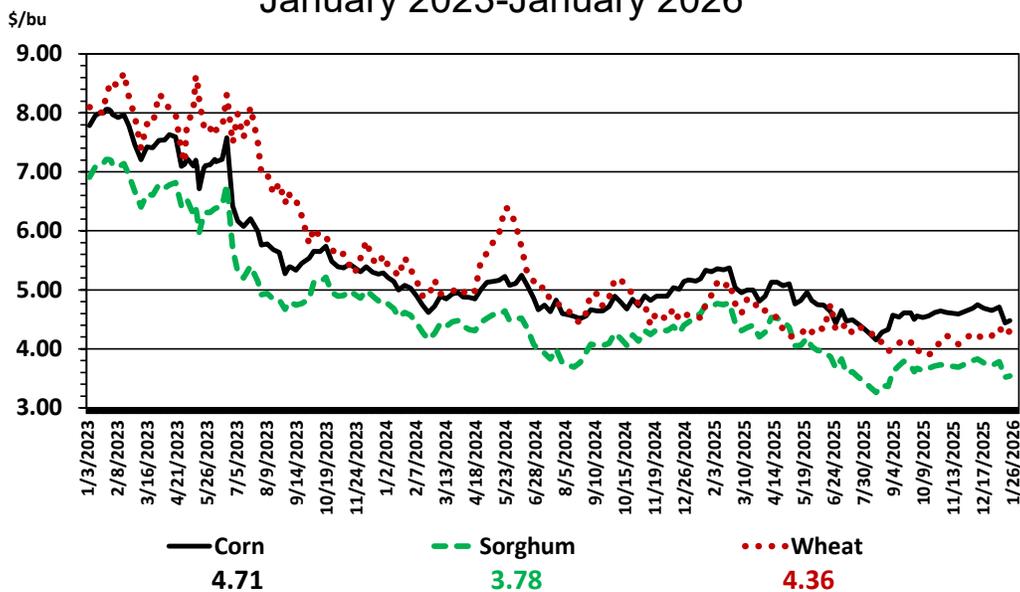
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	Nearby Corn Futures	TX Sorghum Avg Cash Elevator	TX Basis	TX Sorghum Feedlot	TX Sorghum Coastal Bend
December 18	4.45	3.76	-0.68	4.53	
December 30	4.41	3.72	-0.68	4.49	
January 8	4.46	3.78	-0.68	4.54	
January 15	4.20	3.52	-0.68	4.28	
January 22	4.24	3.56	-0.68	4.32	
10-yr average			0.02		

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

Texas Cash Grain Prices January 2023-January 2026

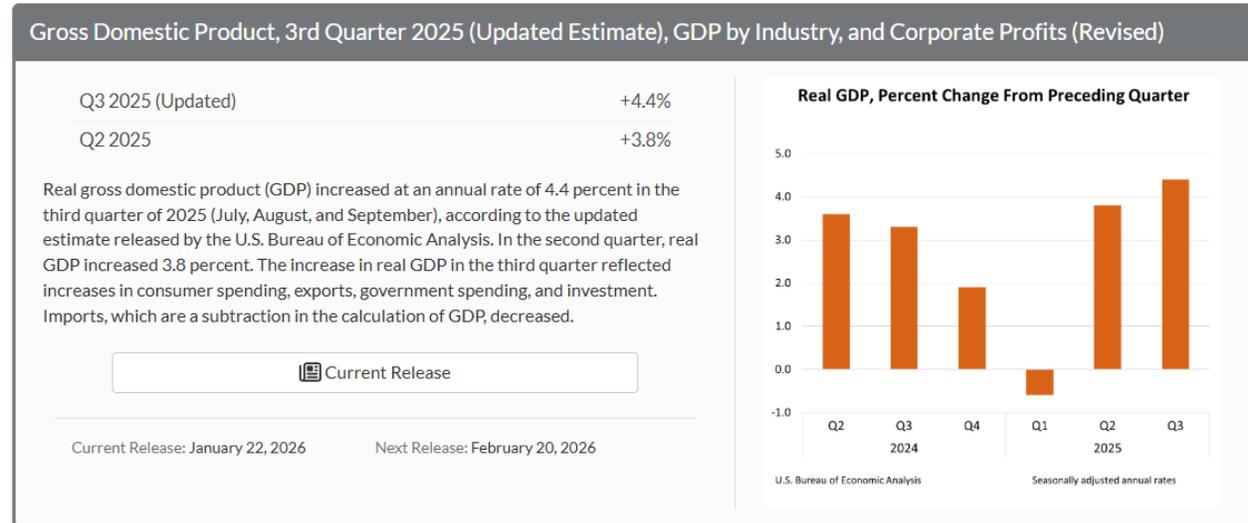


USDA, AMS, Market News: TX cash = average (North Panhandle, Central Panhandle, South Panhandle)

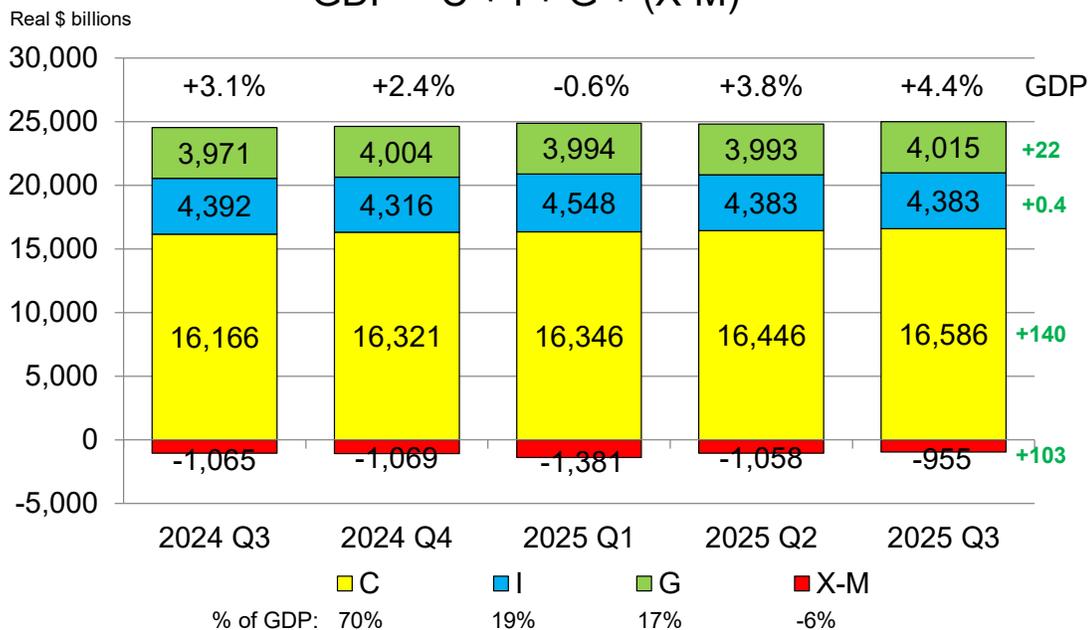
Outside Markets. The Bureau of Economic Analysis updated its estimate of U.S. GDP in the 3rd quarter of 2025 this week. It increased estimated growth in the economy from 4.3% previously to 4.4%. The increase from the earlier estimate came as exports and investments increased offsetting lower consumer spending and increased imports.

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Real Gross Domestic Product GDP = C + I + G + (X-M)



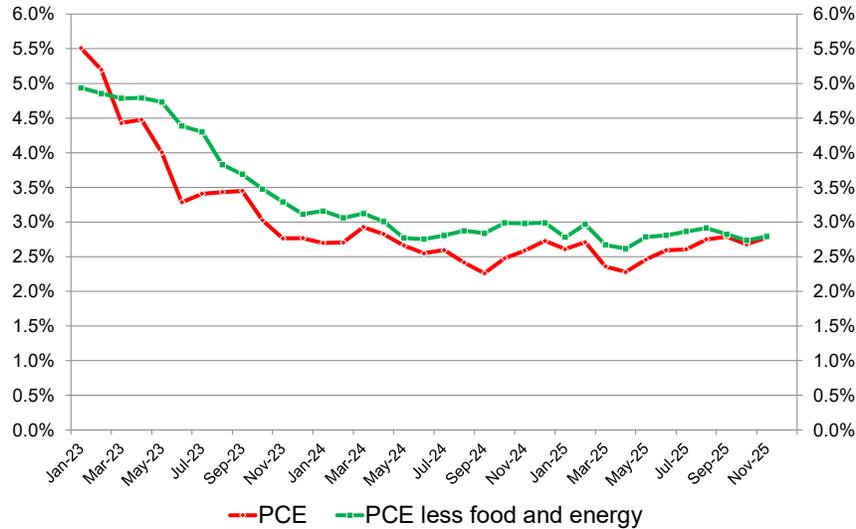
The inflation gauge preferred by the Federal Reserve was updated this week as well. The Personal Consumption Expenditures Index (CPI) increased 2.8% in November. That is from the lowest inflation rate reported so far in 2025 of 2.3% in April.

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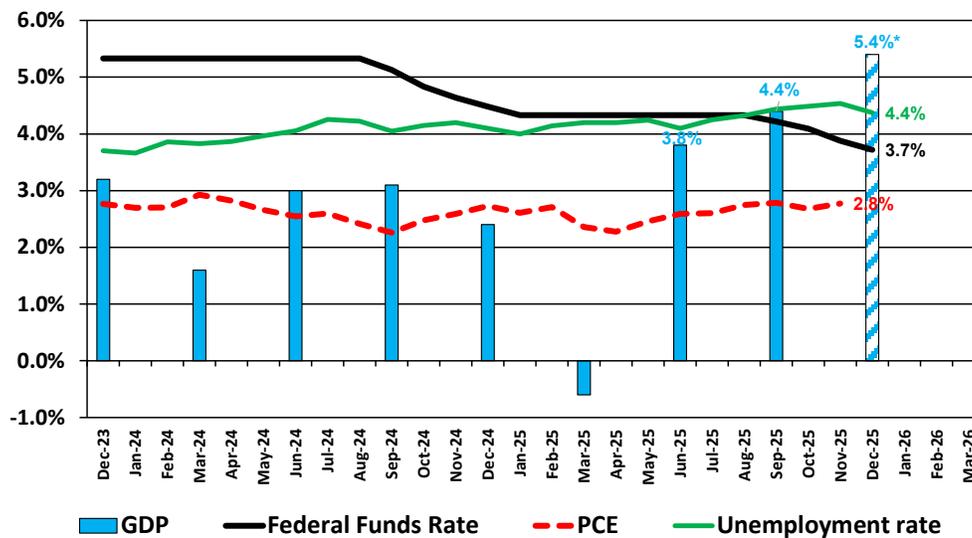
U.S. Inflation: 12-month % change
PCE and PCE, less food and energy



Source: Personal Consumption Expenditures (PCE), U.S. Bureau of Economic Analysis, January 22, 2026

With inflation stubbornly above the Fed’s target rate of 2.0%, recent stability in the unemployment rate, and relatively strong GDP growth, it seem increasingly unlikely that the Fed will move to cut interest rates again when it meets next month.

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 January 23, 2026

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Prices about 11:45 am CT January 23, 2026

	QTR I	1/2/2026	1/23/2026	net change	% change
S&P 500	SPX:IN	6,858.02	6,920.26	62.24	0.91%
10-yr T Note Futures	March	112.20	111.59	(0.61)	-0.54%
CRB	CRY:IND	297.82	308.41	10.59	3.56%
Dollar Index	March	98.06	97.61	(0.45)	-0.46%
Crude Oil	March	57.05	61.07	4.02	7.05%
Copper	March	5.69	5.96	0.27	4.78%
Corn	March	4.38	4.31	(0.07)	-1.60%
	May	4.46	4.39	(0.07)	-1.57%
Soybeans	January	10.46	10.70	0.24	2.32%
	March	10.59	10.82	0.23	2.17%
SRW Wheat	March	5.07	5.27	0.21	4.08%
	May	5.18	5.37	0.19	3.67%

Items in the table and reasoning for inclusion:

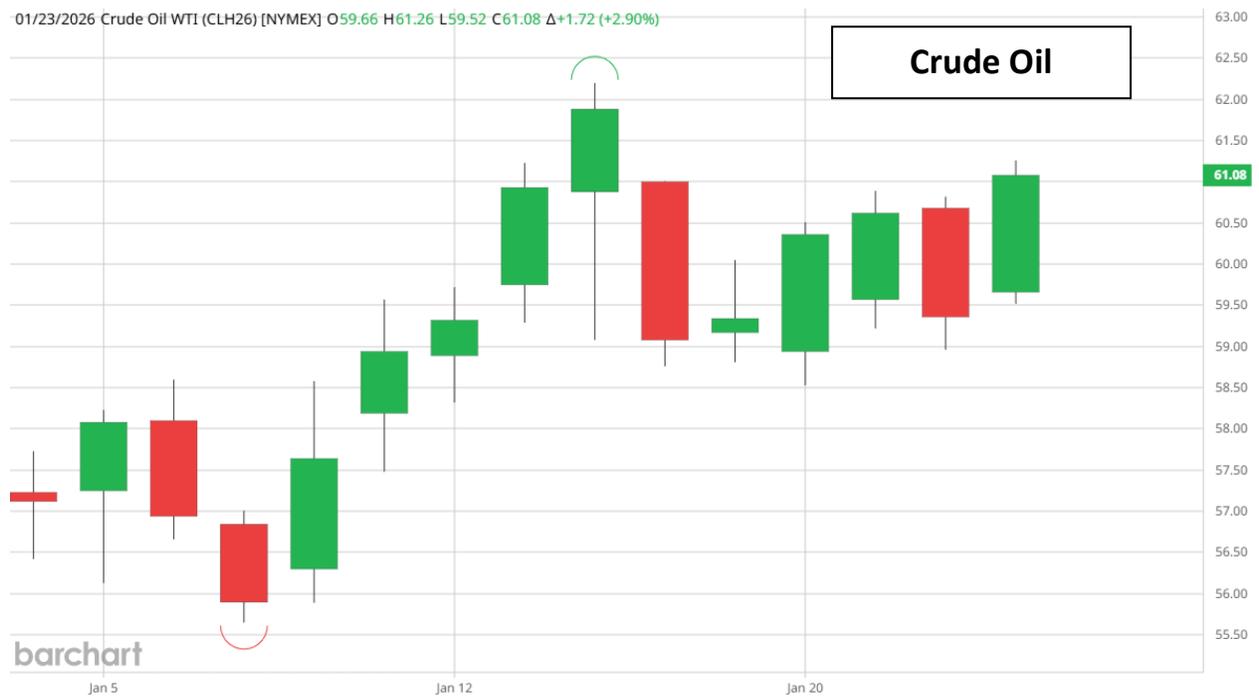
- S&P 500 Index—a reflection of market expectations of future earnings and economic growth;
- 10-year T-note: expectations of economic growth—as bond prices fall, yields (interest rates) increase and may reflect investor concerns over rising inflation, fading prospects of a recession, or less investment 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.

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Charts, 1/2/2026-1/23/2026 (<https://www.barchart.com/>):



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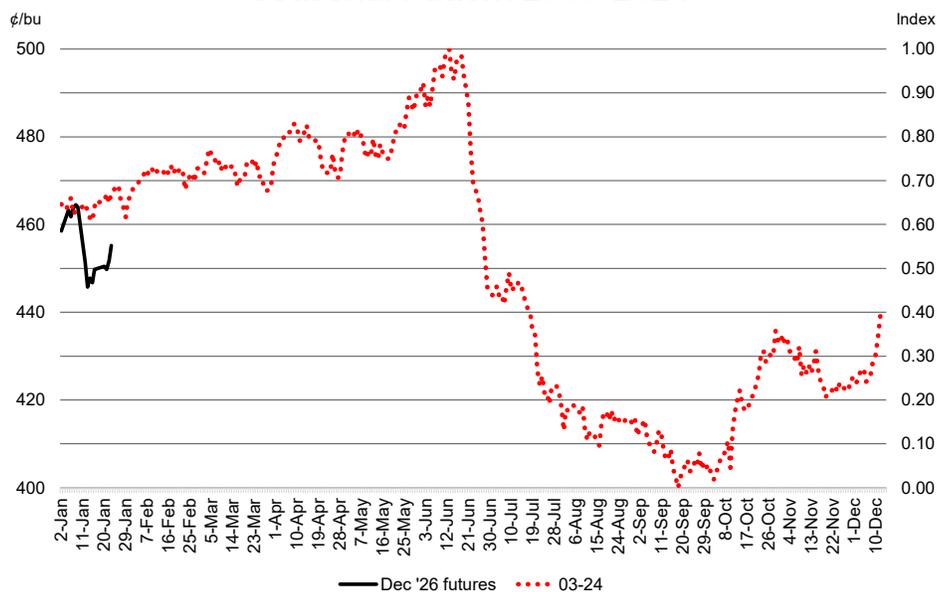
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Marketing Strategies

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. This price pattern is the foundation of my marketing plan.

December 2026 Corn Futures and Seasonal Pattern 2003-2024



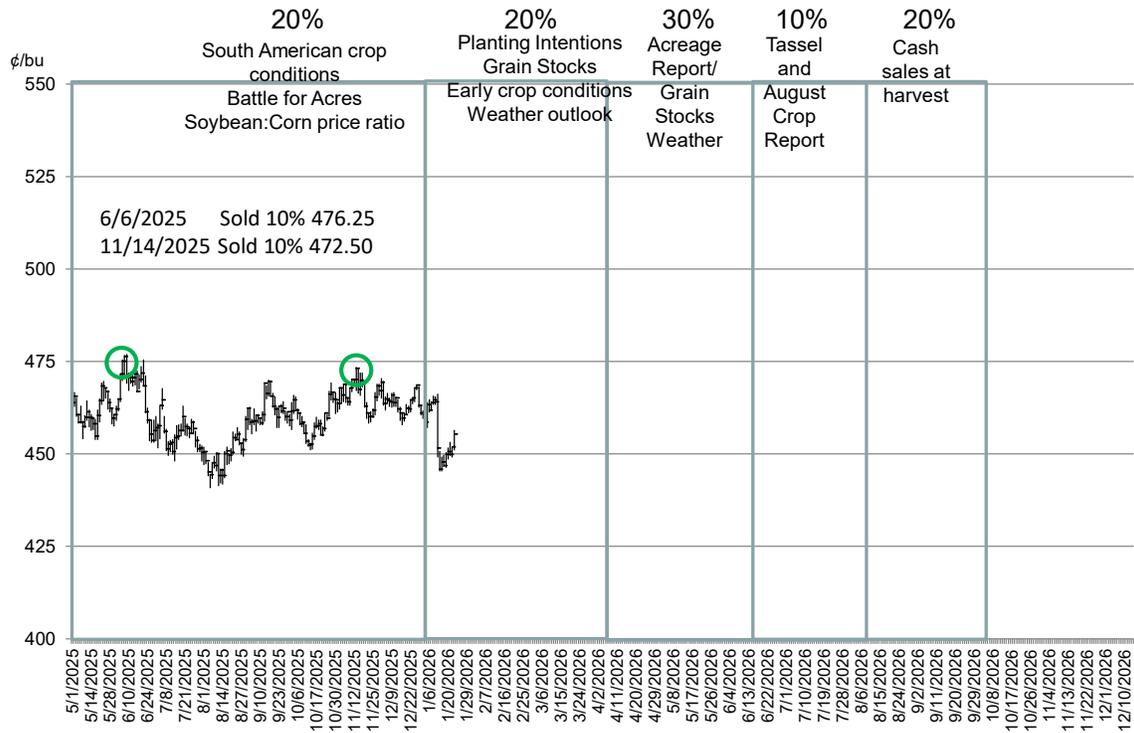
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Feed Grain Marketing Plan. I am 20% sold on 2026 corn.

December Corn Futures and 2026 Marketing Plan



Upcoming Reports/Events

January 27-28	Federal Open Market Committee of the Federal Reserve
February 4	State Stories
February 6	Employment Situation, January 2026
February 10	Crop Production WASDE
February 11	Consumer Price Index
February 11-12	Developing a Marketing Plan for Cattle and Grain, High Plains Research and Extension Center, Canyon, Texas
February 19-20	USDA Agricultural Outlook Forum
February 20	Cattle on Feed GDP (Advance Estimate) 4 th Quarter 2025

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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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