

2024 Grain Market Outlook

“Winning-The-Game” Grain Marketing Webinars

Kansas State University

January 29, 2024

DANIEL O'BRIEN

EXTENSION AGRICULTURAL ECONOMIST

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Department of Agricultural Economics



U.S. & Global Weather

2

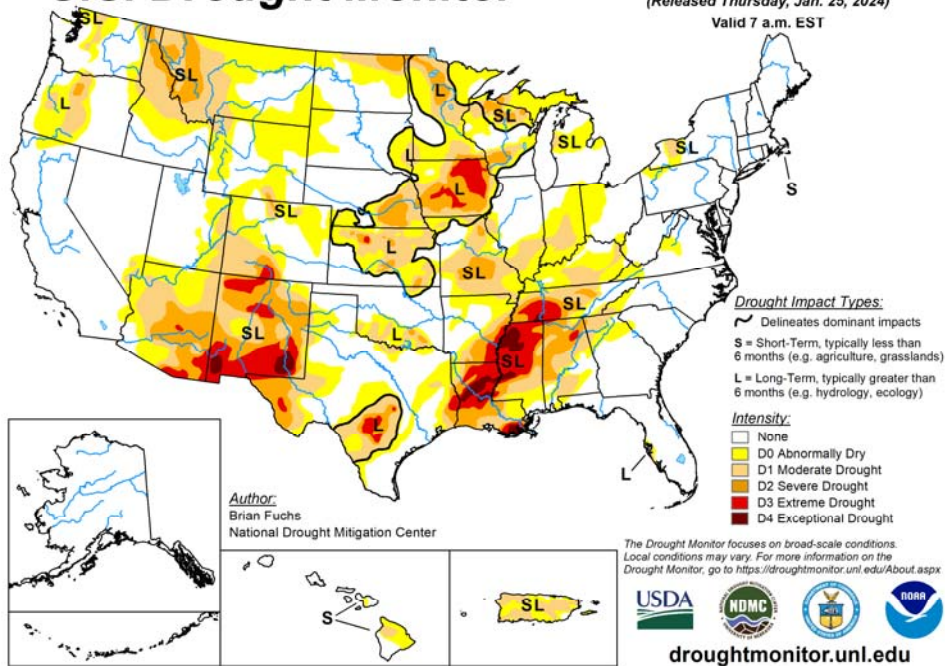


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U.S. Drought Monitor

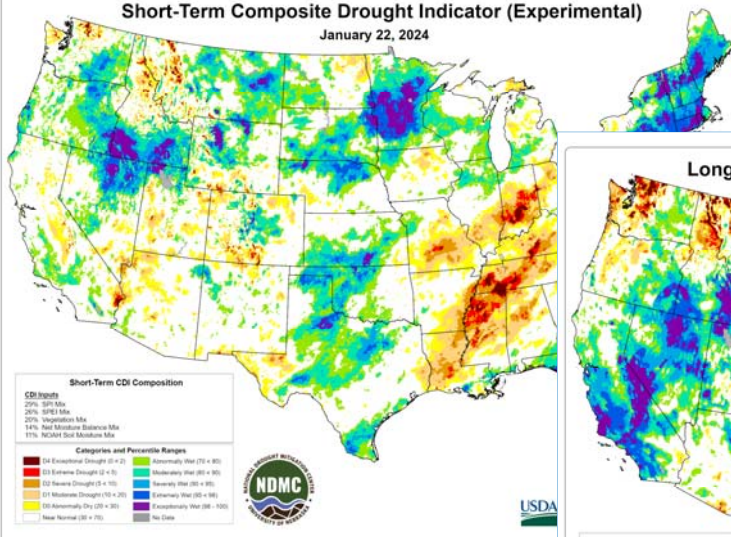
January 23, 2024
(Released Thursday, Jan. 25, 2024)
Valid 7 a.m. EST



3

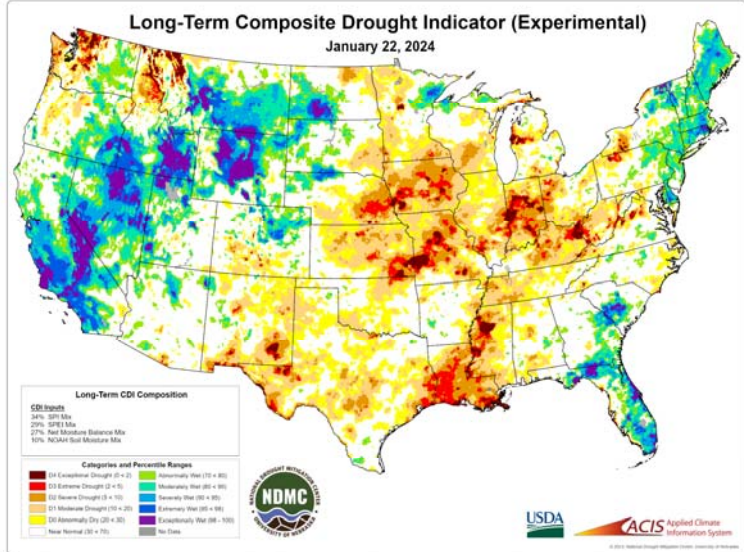
Short-Term Composite Drought Indicator (Experimental)

January 22, 2024

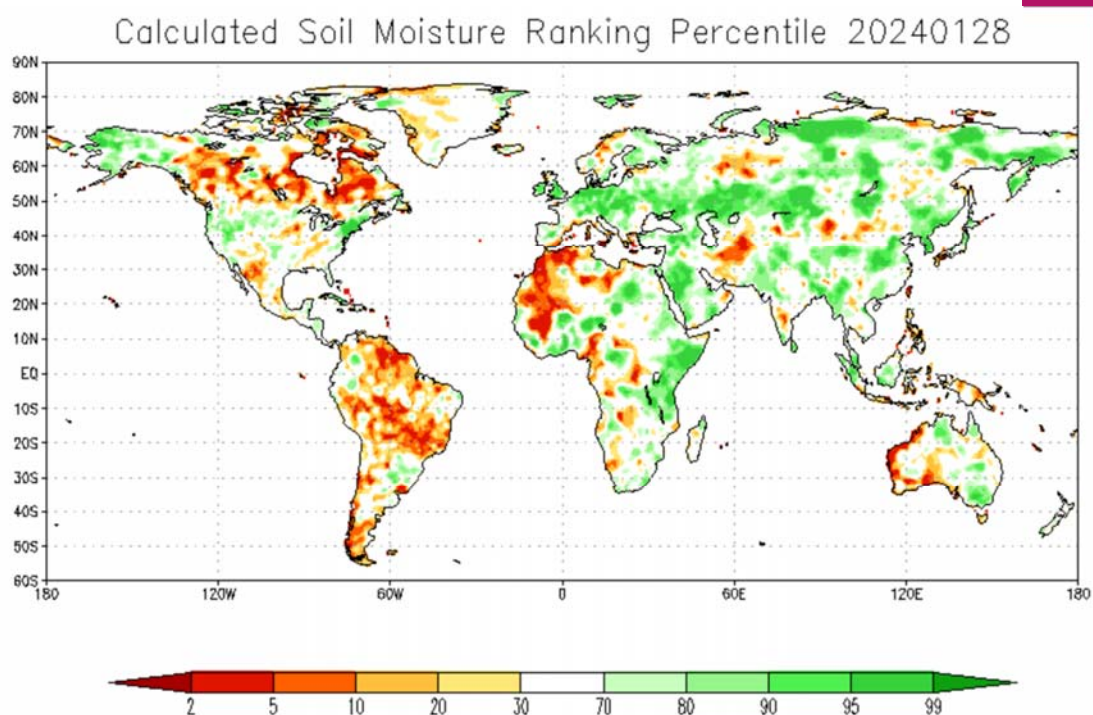


Long-Term Composite Drought Indicator (Experimental)

January 22, 2024



4



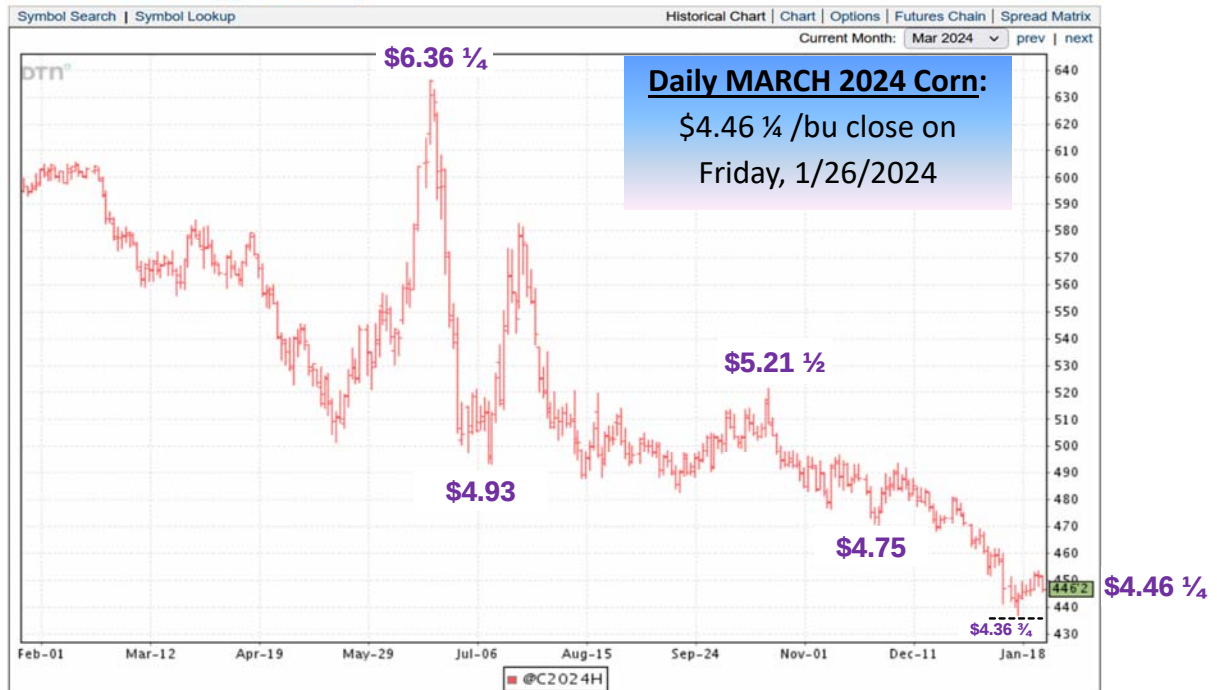
Feedgrain Markets

6



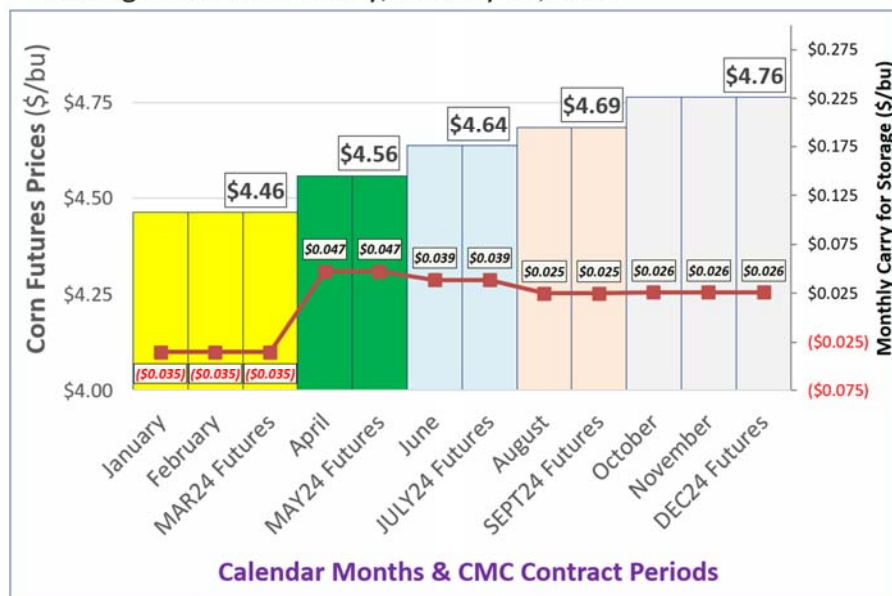
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CME Corn Futures *Lead & Deferred Contracts*

Closing Prices as of Friday, January 26, 2024



Monthly Commodity Futures Price Chart Corn (Globex) (CBOT)

TFC Commodity Charts

9

ZC - Corn (Globex) - Monthly Chart

Change: -30.750

01/29/2024 O: 470.500 H: 470.750 L: 436.750 C: 439.750 Vol: 305643 OI: 147935

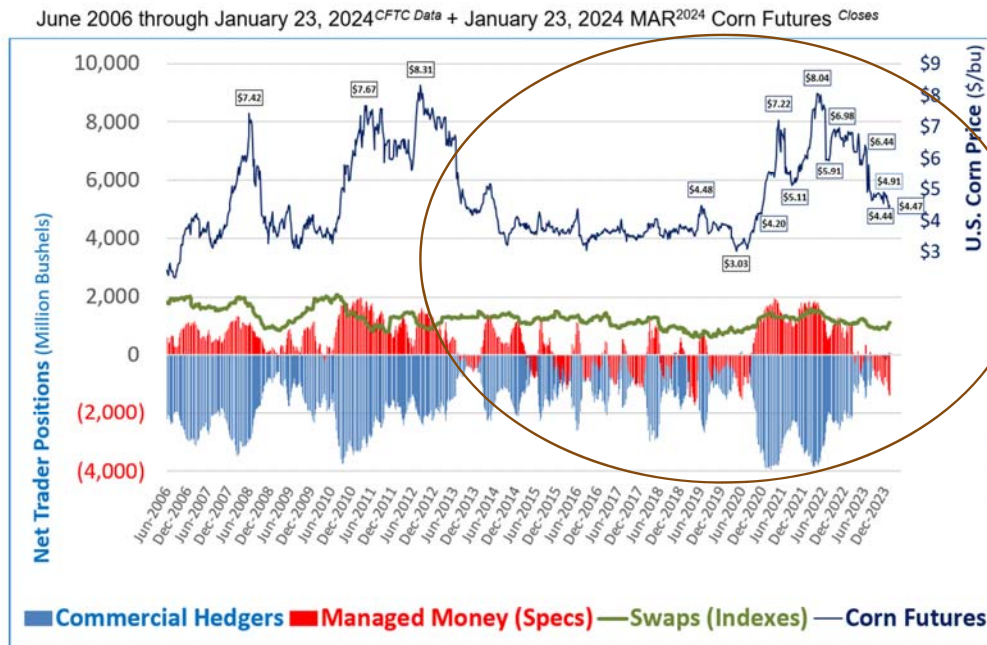


10

Kansas Cash & Futures Prices						
Date						
1/26/2024 Closes						
Grain Futures Contracts		Closing \$				
MAR 2024 Corn	(2023/24 Lead Contract)	\$4.4625				
DEC 2024 Corn	(2024 New Crop Harvest Forward Contract)	\$4.7625				
1/26/2024 Closes		Cash Grain & Harvest Contract Prices @ Kansas Grain Elevators				
		Representing the highest bids available at each location				
Cash Market Spot & FC Bids	Colby ^{Area}	Salina ^{Area}	Topeka ^{Area}	Garden City ^{Area}	Hutchinson ^{Area}	Columbus ^{Area}
	NW KS	NC KS	EC-NE KS	SW KS	SC KS	SE KS
Corn Spot Cash\$	\$4.46	\$4.41	\$4.36	\$4.66	\$4.51	\$4.42
October Corn Harvest Cash Basis	(\$0.00)	(\$0.05)	(\$0.10)	\$0.20	\$0.05	(\$0.04)
Corn Harvest FC\$: Fall ²⁰²⁴	\$4.52	\$4.51	\$4.46	\$4.86	\$4.66	\$4.36
2024 New Crop Harvest Forward Contract	(\$0.24)	(\$0.25)	(\$0.30)	\$0.10	(\$0.10)	(\$0.40)
Grain Sorghum Spot Cash\$	\$4.61	\$4.86	\$4.71	\$4.51	\$4.96	\$3.99
October Sorghum Spot Cash Basis	\$0.15	\$0.40	\$0.25	\$0.05	\$0.50	(\$0.47)
Grain Sorghum Harvest FC\$: Fall ²⁰²⁴	\$4.26	\$4.46	\$4.31	\$4.41	\$4.46	\$4.08
2024 New Crop Harvest Forward Contract	(\$0.50)	(\$0.30)	(\$0.45)	(\$0.35)	(\$0.30)	(\$0.68)

Corn Futures-Net Position of Traders

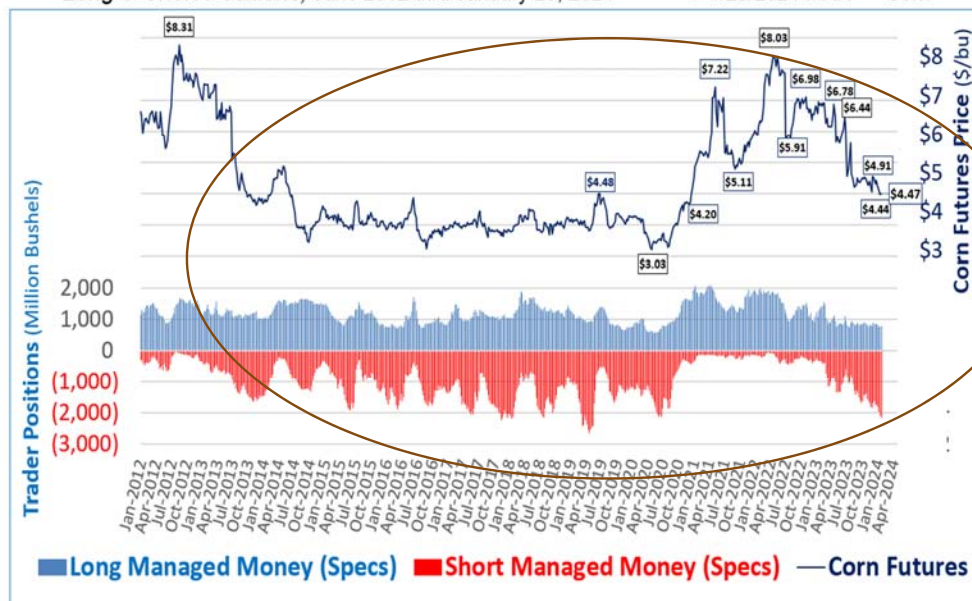
11



Corn Futures - Managed Money Traders Specs

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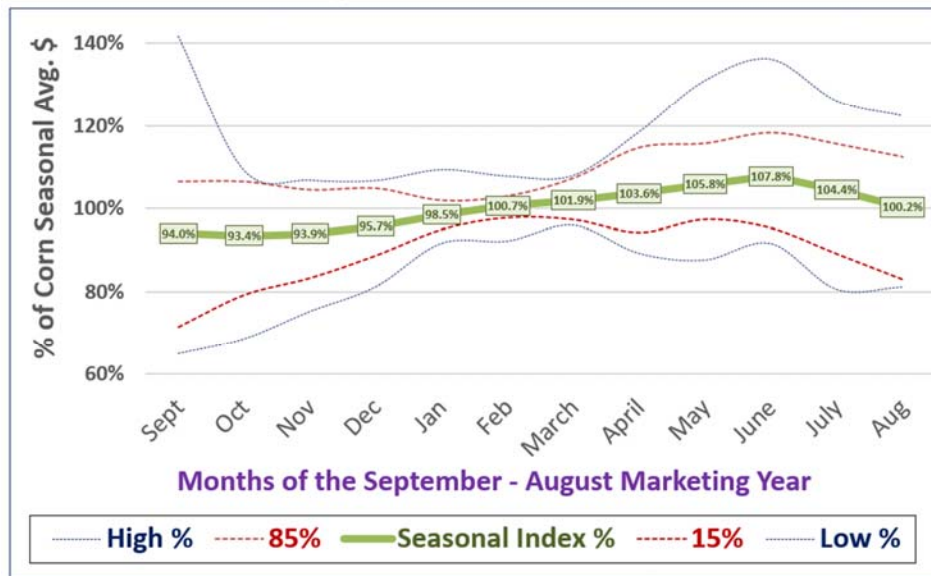
Long & Short Positions, June 2012 thru January 23, 2024^{CFTC Data + 1/23/2024 MAR²⁰²⁴ Corn}



Corn Seasonal Price Index ^{Kansas}

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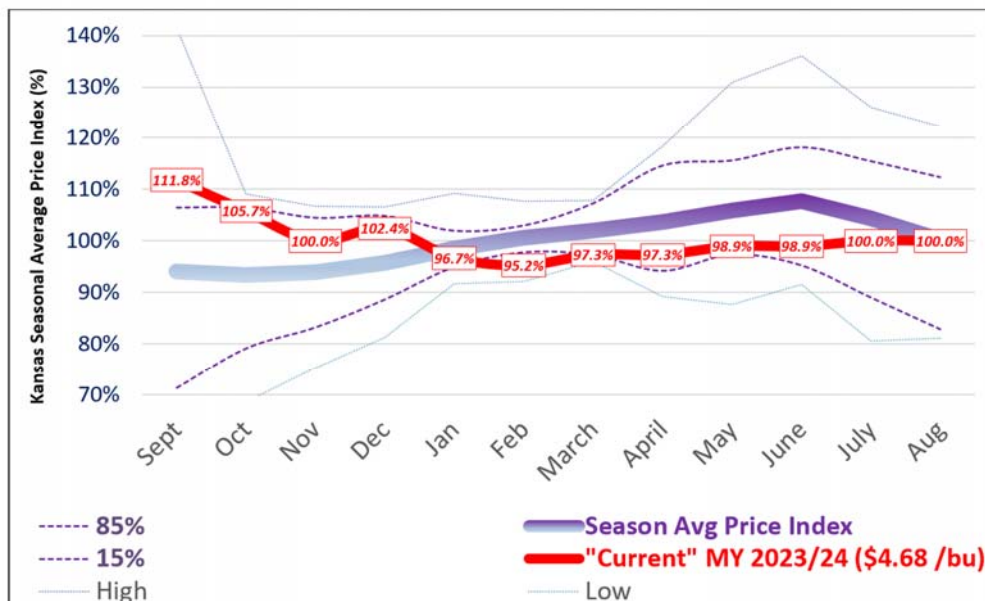
Last 24 Full Marketing Years: 1999/2000 - 2022/2023



U.S & Kansas Corn Seasonal \$'s

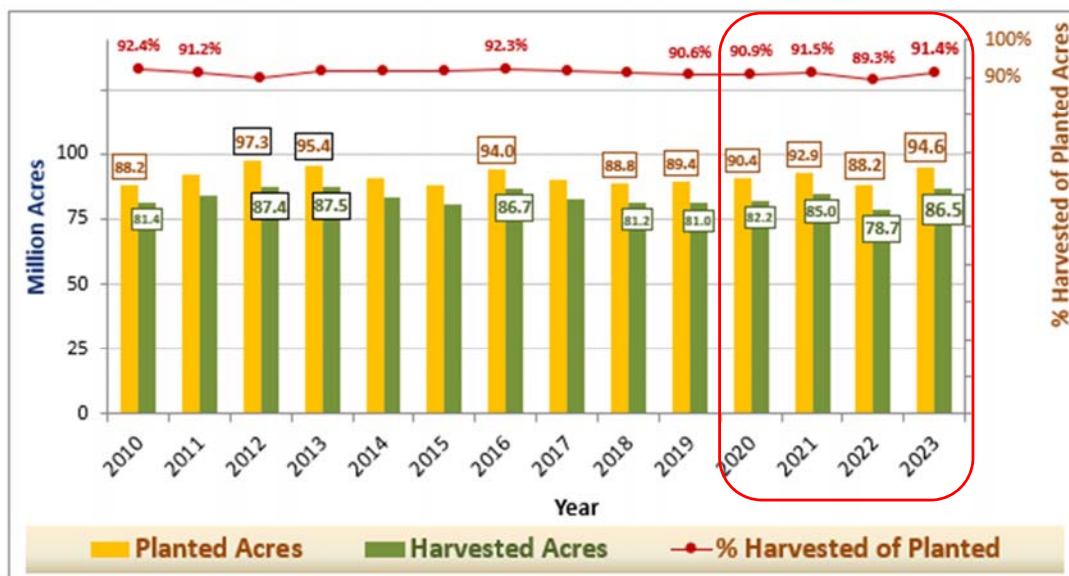
14

MY 1999/00 – MY 2022/23 plus "Current" 2023/24 as of 1/26/2024 – Futures Estimate



U.S. Corn Acres for 2010-2023

Sources: USDA Crop Production & WASDE Reports 1/12/2024



U.S. Corn Yields for 2014-2023

Through USDA reports on January 12, 2024 + 90% USDA Production Forecast Confidence Interval

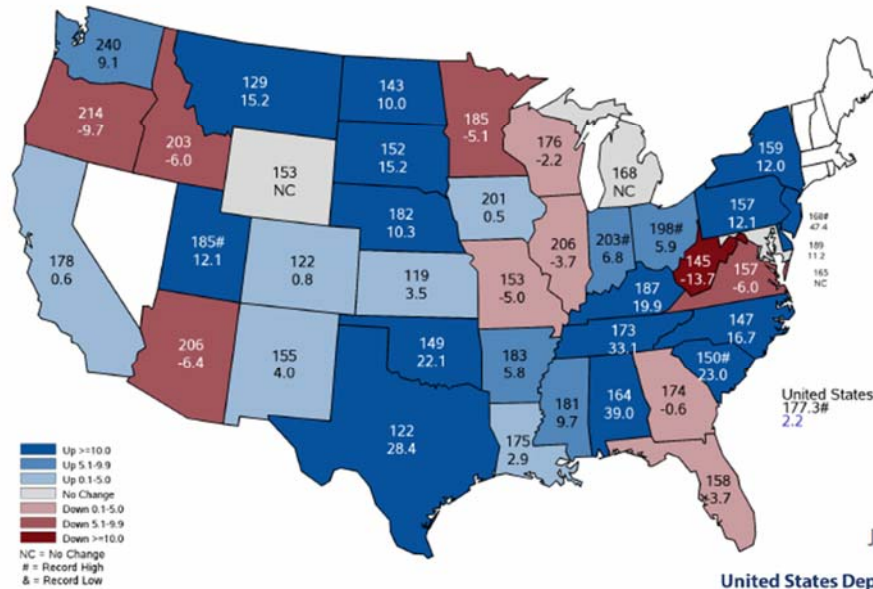
177.8 bu/ac
in 2023^{USDA}





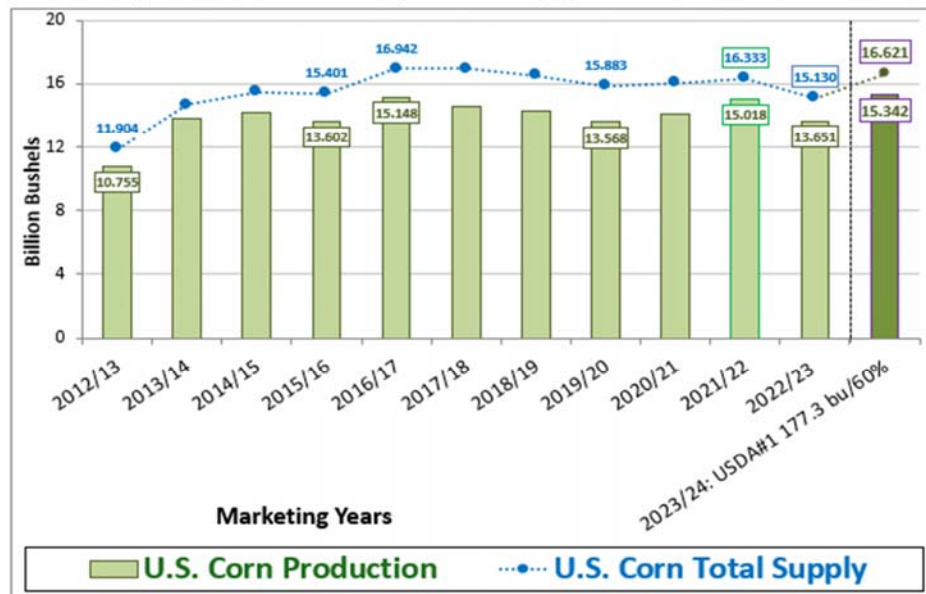
2023 Corn Yield

Bushels and Percent Change from Previous Year



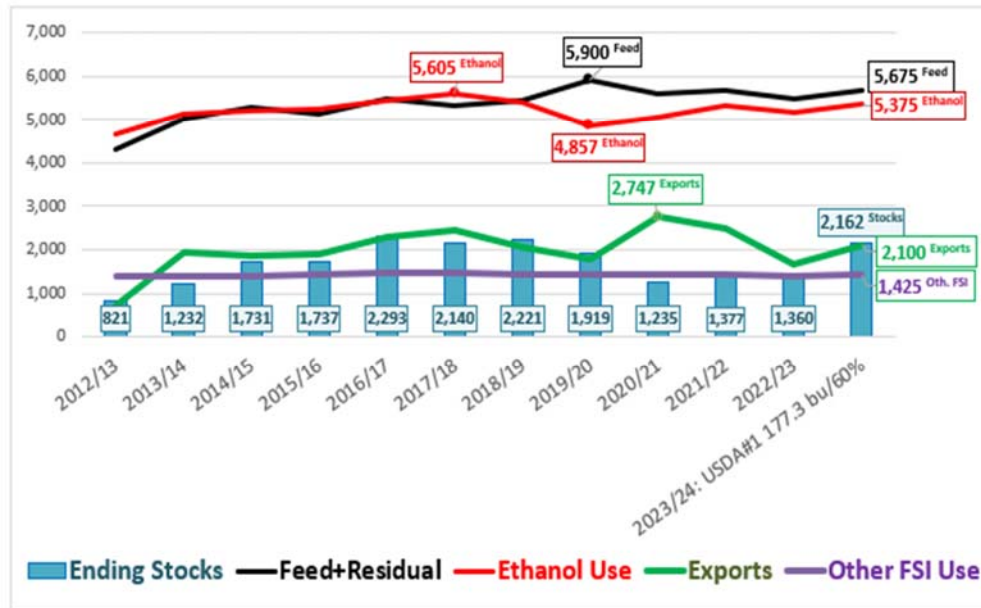
U.S. Corn Production & Supplies

MY 2012/13 - "Current" MY 2023/24: as of the 1/12/2024 USDA #s w. KSU Estimates



U.S. Corn Use & Ending Stocks

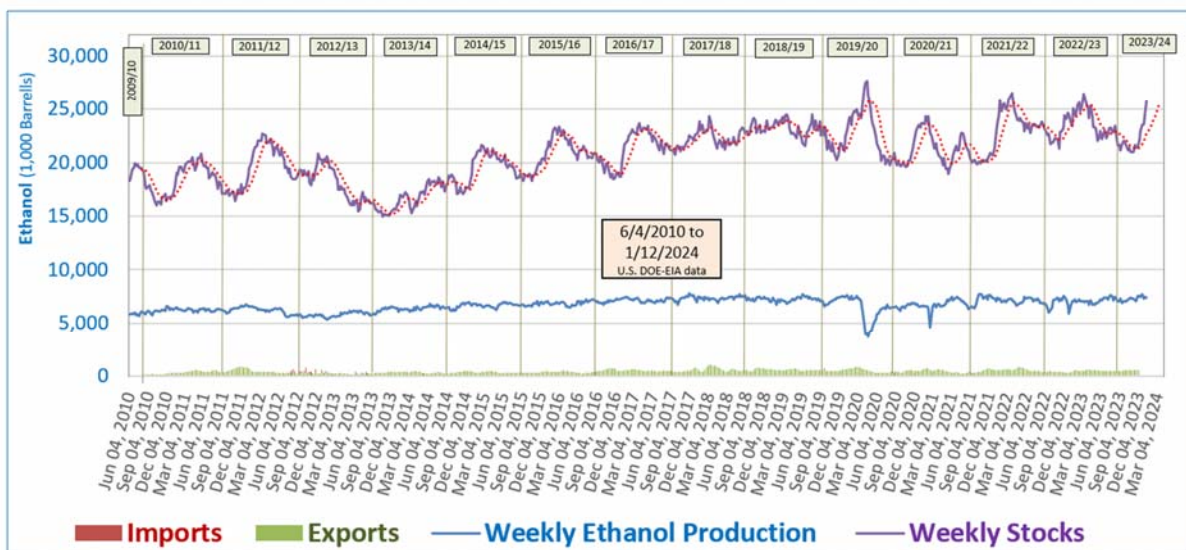
MY 2012/13 thru "Current" MY 2023/24 as of USDA Reports thru January 12, 2024



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U.S. Ethanol Production & Stocks Weekly

Based on U.S. DOE – EIA on U.S. Ethanol Industry Trends as of January 12, 2024

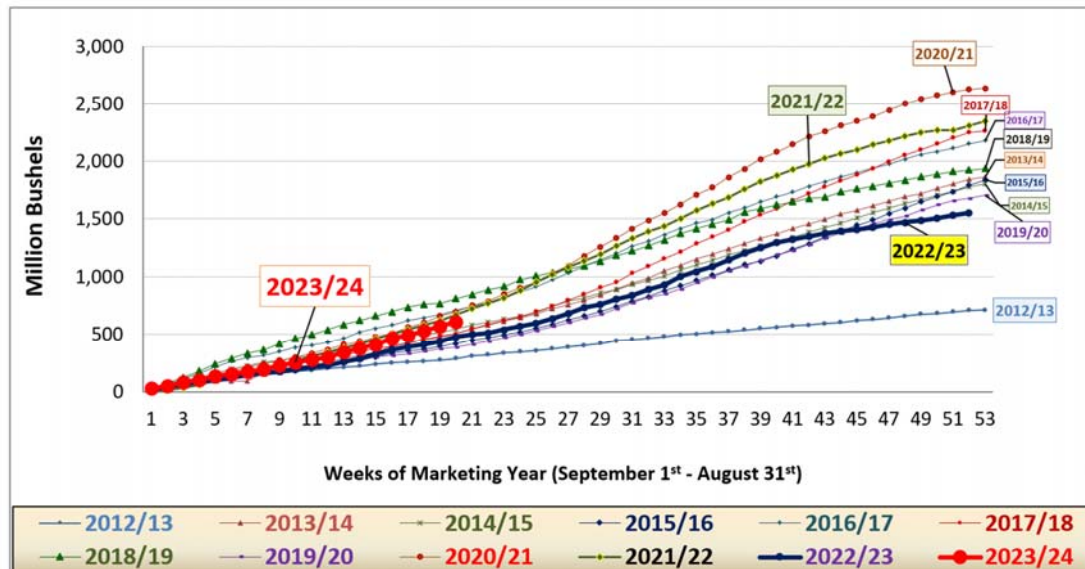


20

U.S. Corn Exports: MY 2012/13 thru "Current" MY 2023/24

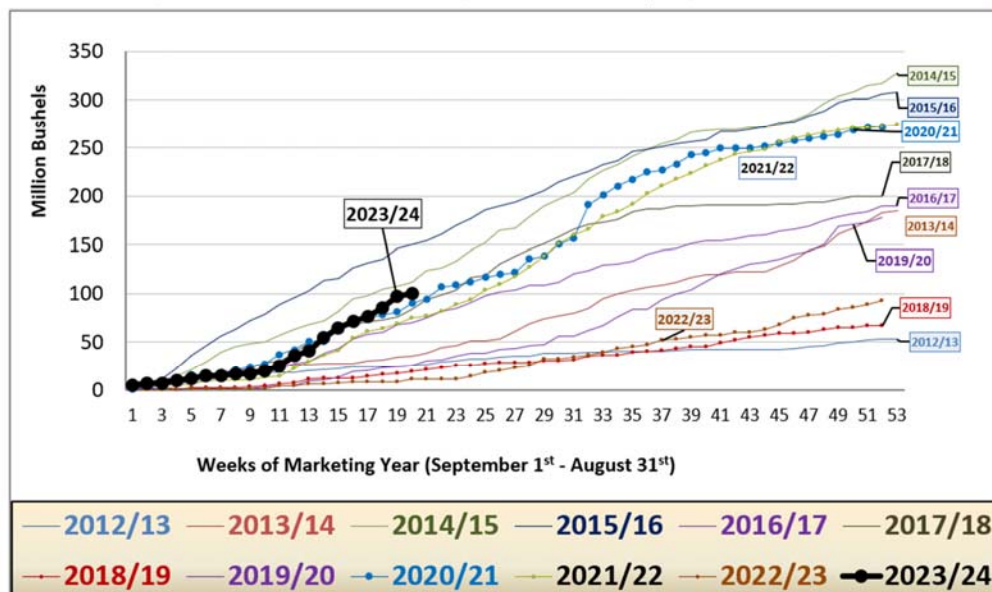
21

Based on USDA FAS Weekly Export reports through 1/18/2024



U.S. Grain Sorghum Exports

MY 2012/13 - "Current" MY 2023/24 as of January 18, 2024 - via USDA FAS



U.S. Corn Stocks & % Stocks-to-Use

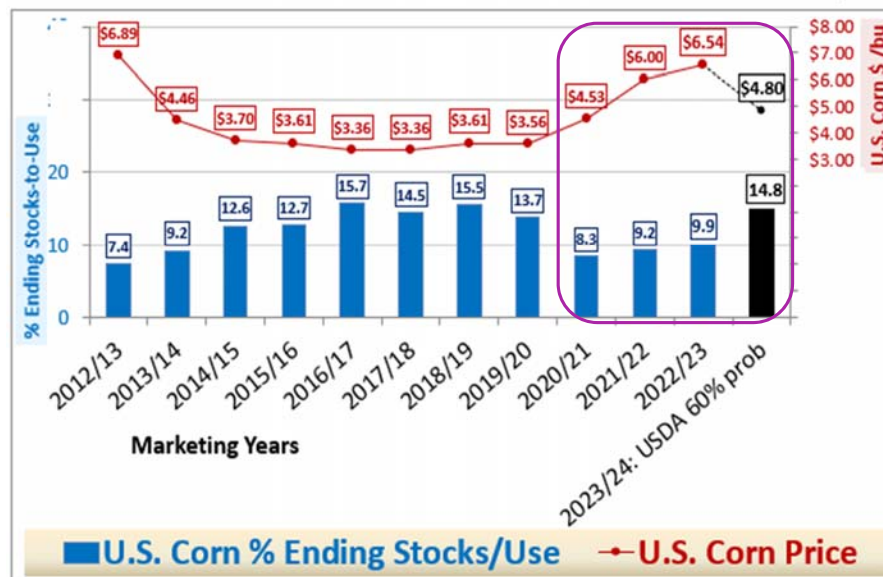
MY 2012/13 thru "Current" MY 2023/24 as of the 1/12/2024 USDA + KSU Estimates



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U.S. Corn % Stocks/Use vs Corn \$

MY 2012/13 thru "Current" MY 2023/24 as of the 1/12/2024 USDA WASDE Report



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U.S. Corn Supply-Demand Balance Sheet

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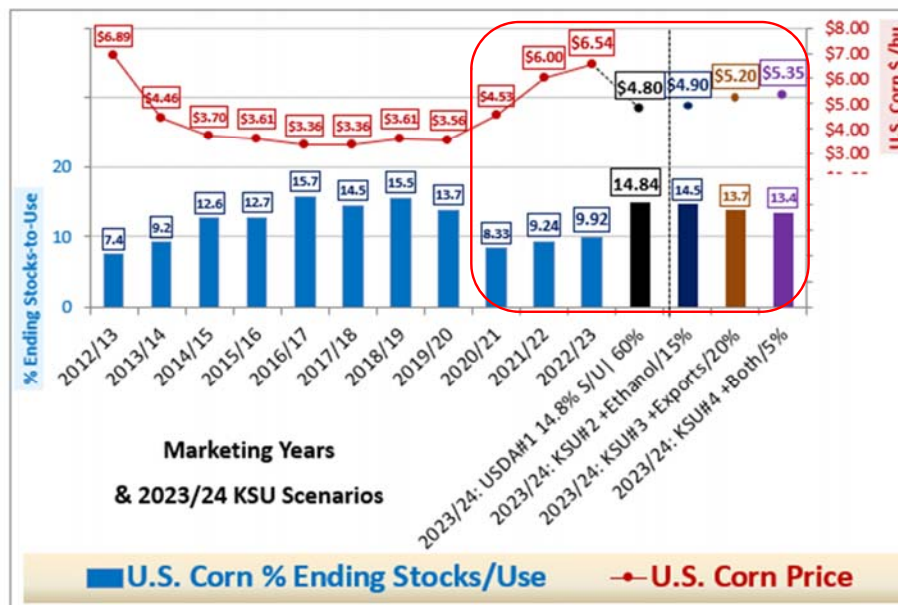
"New Crop" MY 2023/24 as of the January 12, 2024 USDA WASDE + KSU Estimates As of 1/22/2024

Item	A. USDA #1 1/12/2024 "Current" 2023/24 = 177.3 bu/ac 15.342 bb Corn Crop	B. KSU #2 "Current" 2023/24 "Higher Ethanol" + 40 mb @ 5.415 bb Higher Ethanol Use	C. KSU #3 "Current" 2023/24 "Higher Exports" + 150 mb @ 2.250 bb Higher Exports	D. KSU #4 "Current" 2023/24 "+ Ethanol & Exports" + 40 mb Ethanol & + 150 mb Exports
% Probability of Occurring (KSU)	60% ^{KSUest}	15% ^{KSUest}	20% ^{KSUest}	5% ^{KSUest}
Planted Area (million acres)	94,641	94,641	94,641	94,641
Harvested Area (million acres)	86,513	86,513	86,513	86,513
Yield / harvested acre (bu/ac)	177.3	177.3	177.3	177.3
Production (million bu.)	15,342	15,342	15,342	15,342
Total Supply (million bu.)	16,727	16,727	16,727	16,727
Ethanol for fuel Use (million bu.)	5,375	+ 40 mb 5,415	5,375	+ 40 mb 5,415
Exports (million bu.)	2,100	2,100	+ 150 mb 2,250	+ 150 mb 2,250
Feed & Residual Use (million bu.)	5,675	5,675	5,675	5,675
Total Use (million bu.)	14,565	+ 40 mb 14,605	+ 150 mb 14,715	+ 190 mb 14,755
Ending Stocks (million bu.)	2,162	- 40 mb 2,122	-150 mb 2,012	-190 mb 1,972
% Ending Stocks-to-Use	14.84%	14.53%	13.67%	13.37%
U.S. Corn Avg. Farm \$ (5/bu)	\$4.75 ^{USDA} \$4.68 ^{KSU 1/22/2024}	\$4.90 ^{KSU}	\$5.20 ^{KSU}	\$5.35 ^{KSU}

U.S. Corn % Stocks/Use vs Corn \$

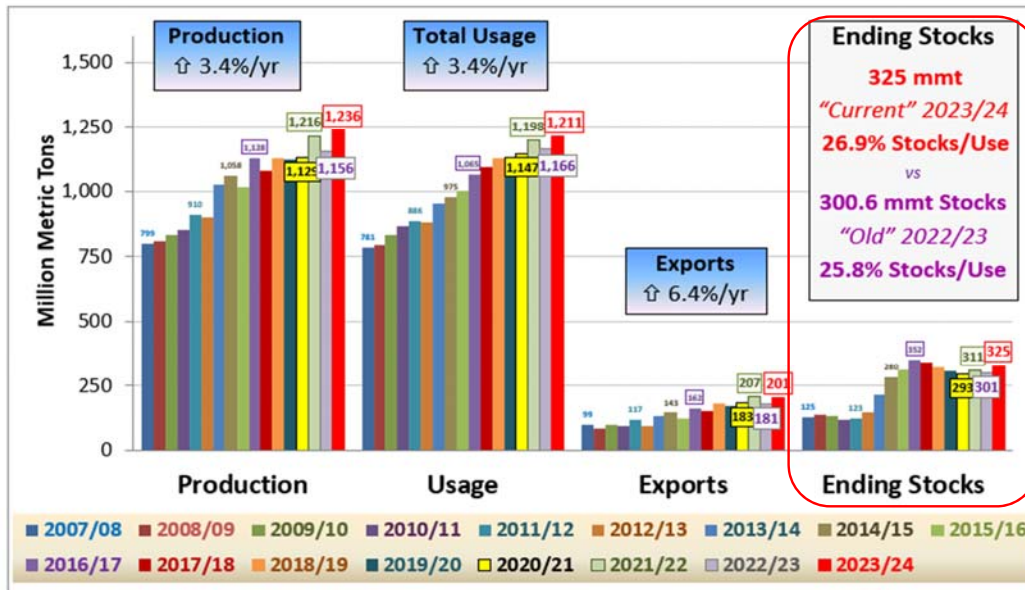
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MY 2012/13 thru "Current" MY 2023/24 as of the 1/12/2024 USDA WASDE + KSU Estimates



World Corn Supply-Demand

MY 2007/08 – “Current” MY 2023/24 as of the January 12, 2024 USDA WASDE Report



World vs World^{Less-China} Corn % Stocks-to-Use

MY 2007/08 through “Current” MY 2023/24, as of the January 12, 2024 USDA WASDE report



Brazil Corn Supply-Demand

MY 2007/08 – “Current” MY 2023/24, as of the January 12, 2024 USDA WASDE report

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Argentina Corn Supply-Demand

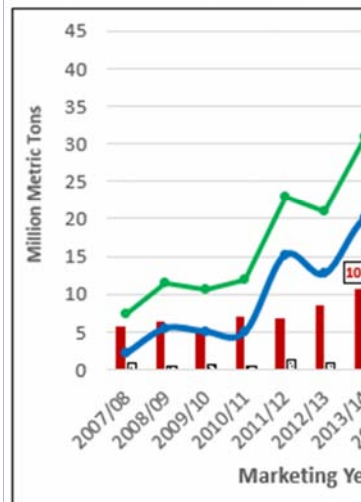
MY 2007/08 – “Current” MY 2023/24, as of the January 12, 2024 USDA WASDE report



Ukraine Corn Supply-Demand

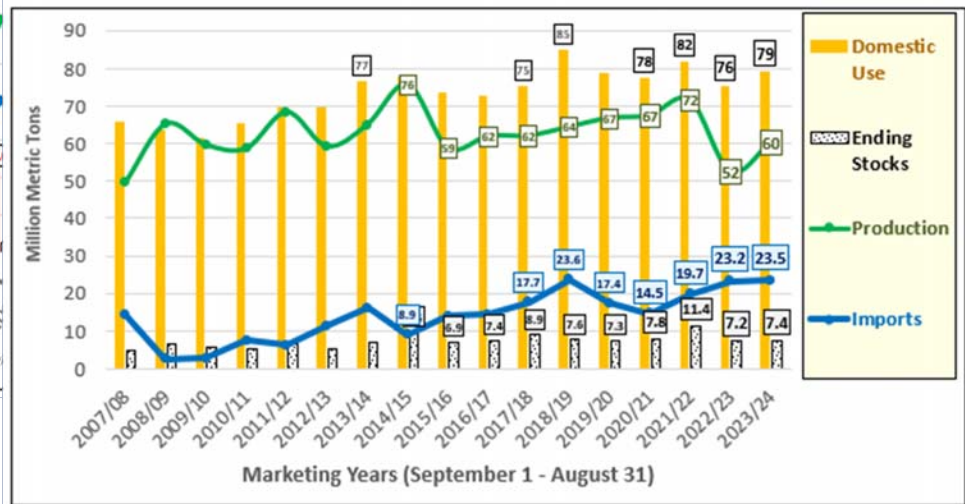
MY 2007/08 – “Current” 2023/24, as of the January 12, 2024 USDA WASDE Report

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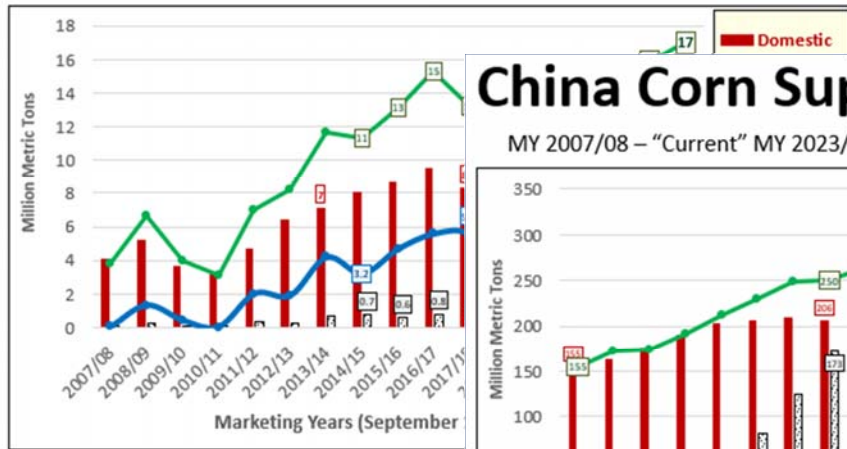
European Union Corn Supply-Demand

MY 2007/08 – “Current” 2023/24, as of the January 12, 2024 USDA WASDE



Russia Corn Supply-Demand

MY 2007/08 – “New Crop” 2023/24, as of the January 12, 2024 USDA WASDE



China Corn Supply-Demand

MY 2007/08 – “Current” MY 2023/24, as of the January 12, 2024 USDA WASDE report



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Soybean Markets

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SOYBEANS

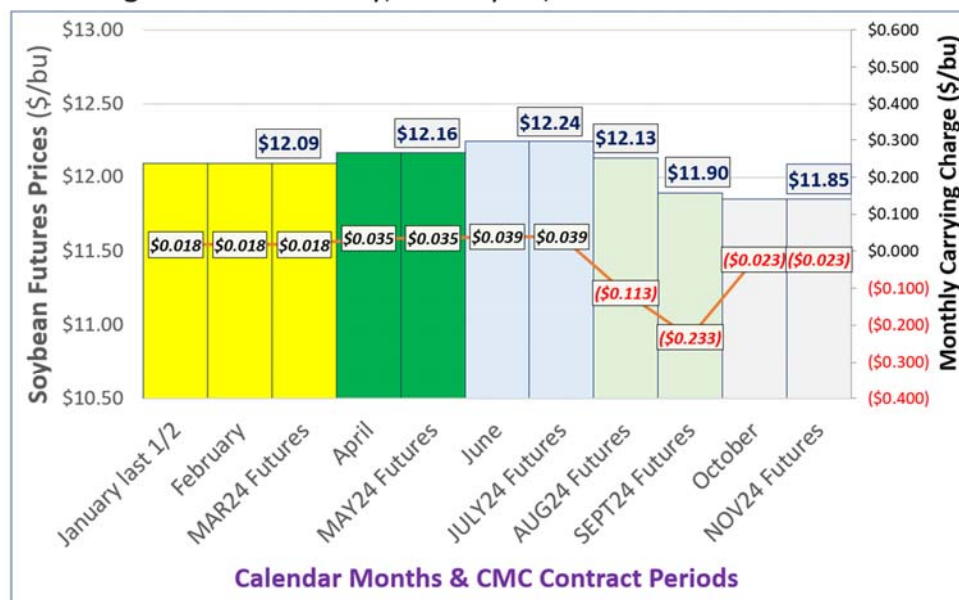
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CME Soybean Futures *Lead & Deferred Contracts*

Closing Prices as of Friday, January 26, 2024



Monthly Commodity Futures Price Chart Soybeans (Globex) (CBOT)

TFC Commodity Charts

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ZS - Soybeans (Globex) - Monthly Chart

Change: -88.250

01/29/2024 O: 1290.500 H: 1290.750 L: 1194.250 C: 1202.250 Vol: 224178 OI: 68357

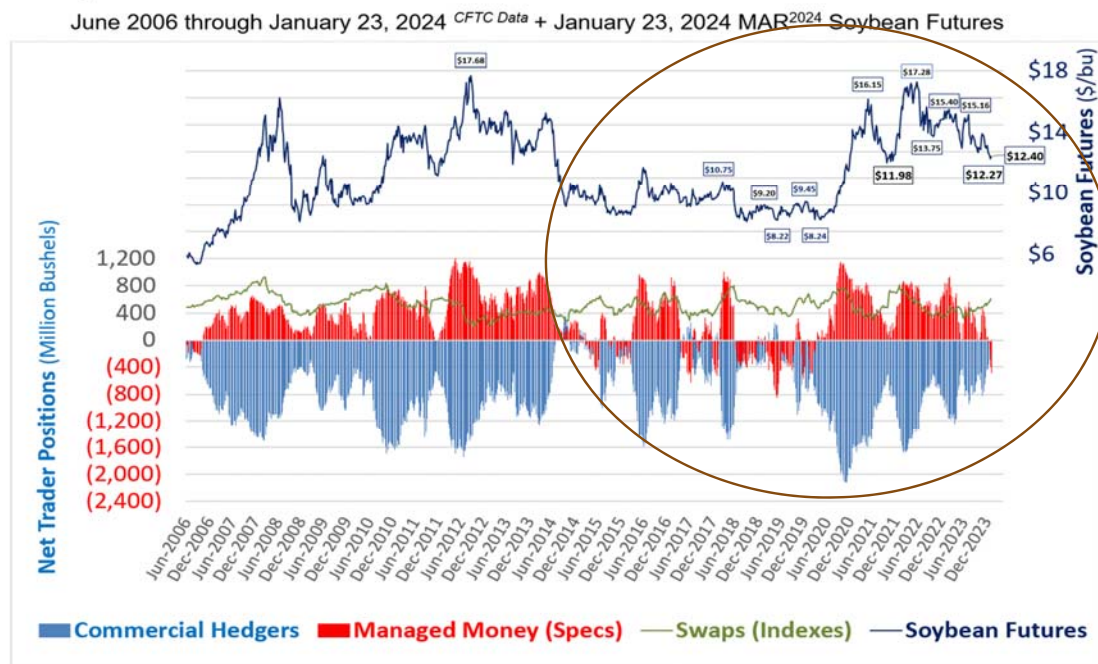


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Kansas Cash & Futures Prices							
Date							
1/26/2024 Closes							
Grain Futures Contracts		Closing \$					
MAR 2024 Soybeans	(2023/24 Lead Contract)	\$12.0925					
NOV 2024 Soybeans	(2024 New Crop Harvest Forward Contract)	\$11.8500					
1/26/2024 Closes		Cash Grain & Harvest Contract Prices @ Kansas Grain Elevators					
		<i>Representing the highest bids available at each location</i>					
Cash Market Spot & FC Bids		Colby ^{Area}	Salina ^{Area}	Topeka ^{Area}	Garden City ^{Area}	Hutchinson ^{Area}	Columbus ^{Area}
		NW KS	NC KS	EC-NE KS	SW KS	SC KS	SE KS
Soybean Spot Cash\$		\$10.99	\$11.59	\$11.74	\$11.24	\$11.99	\$11.63
October Soybean Spot Cash Basis		(\$1.10)	(\$0.50)	(\$0.35)	(\$0.85)	(\$0.10)	(\$0.46)
Soybean Harvest FC\$: Fall ²⁰²⁴		\$10.85	\$11.20	\$11.20	\$11.00	\$11.35	\$11.29
2024 New Crop Harvest Forward Contract		(\$1.00)	(\$0.65)	(\$0.65)	(\$0.85)	(\$0.50)	(\$0.56)
"Spot Cash" Soybean vs Corn \$ Ratio		2.46	2.63	2.69	2.41	2.66	2.63
"New Crop" Soybean vs Corn \$ Ratio		2.40	2.48	2.51	2.26	2.44	2.59

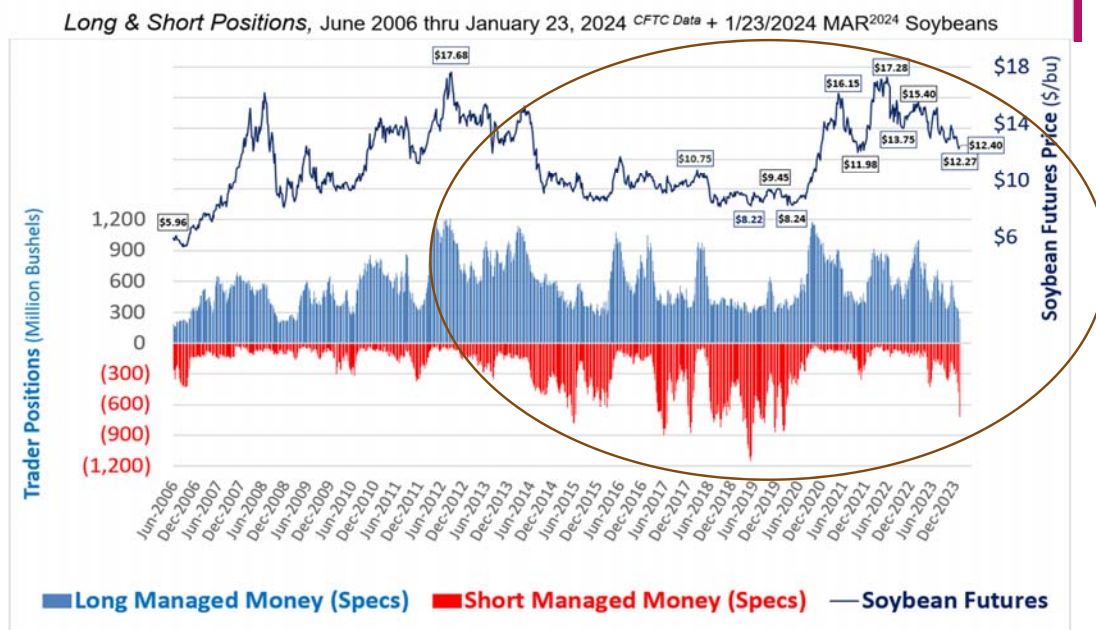
Soybean Futures-Net Position of Traders

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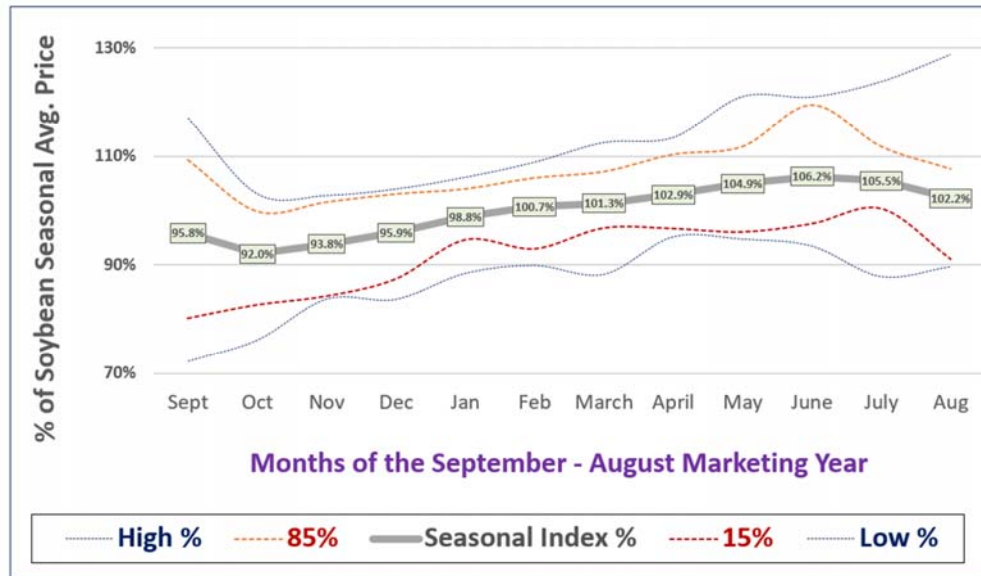
Soybean Futures - Managed Money Traders Specs

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Kansas Soybean Seasonal Price Index

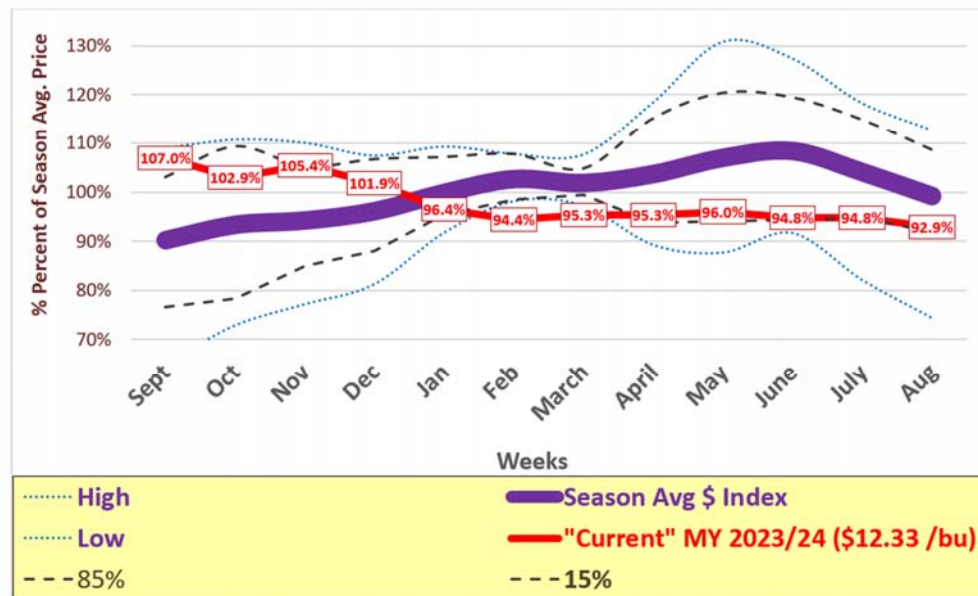
(MY 1999/00 – MY 2022/23) – Source: KSU Seasonal Grain Price Indices



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U.S. & Kansas Soybean Seasonal Prices

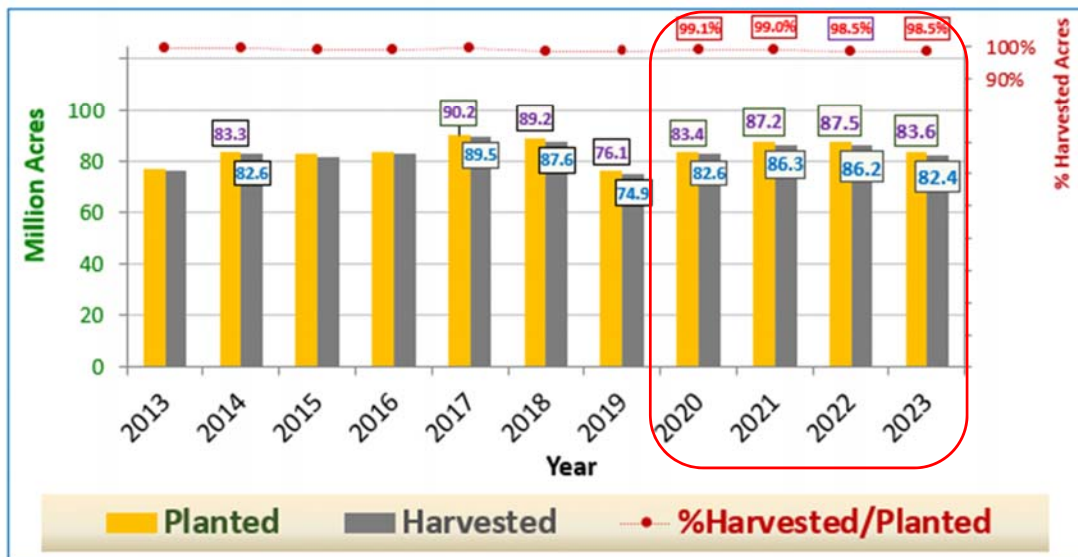
MY 2016/17 – 2022/23 *Last 7 Mktg Years* & "Current" MY 2023/24, on 1/18/2024



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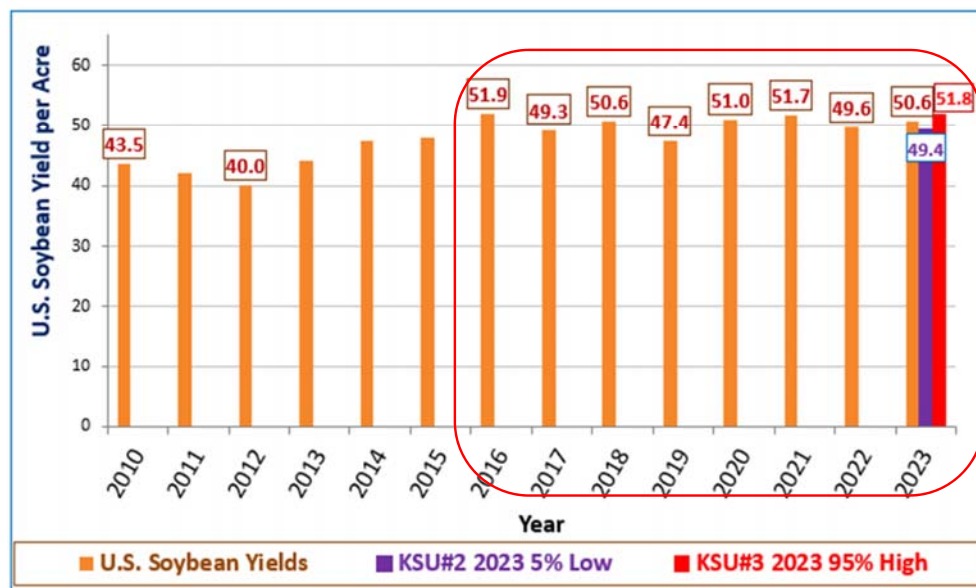
U.S. Soybean Acres for 2013-2023

Years 2013-2023 as of the January 12, 2024 USDA Reports



U.S. Soybean Yields: 2010-2023

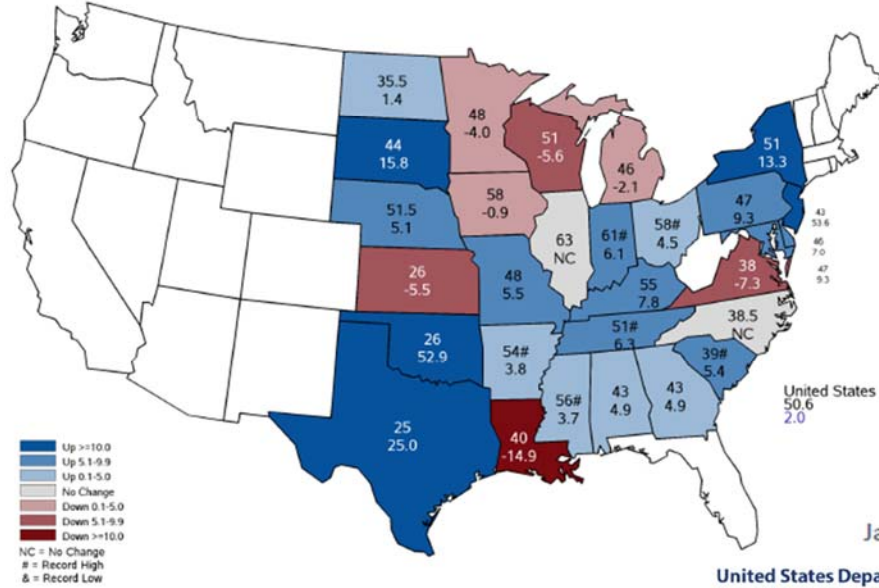
As of the January 12, 2024 USDA WASDE & ERS Reports + KSU Estimates





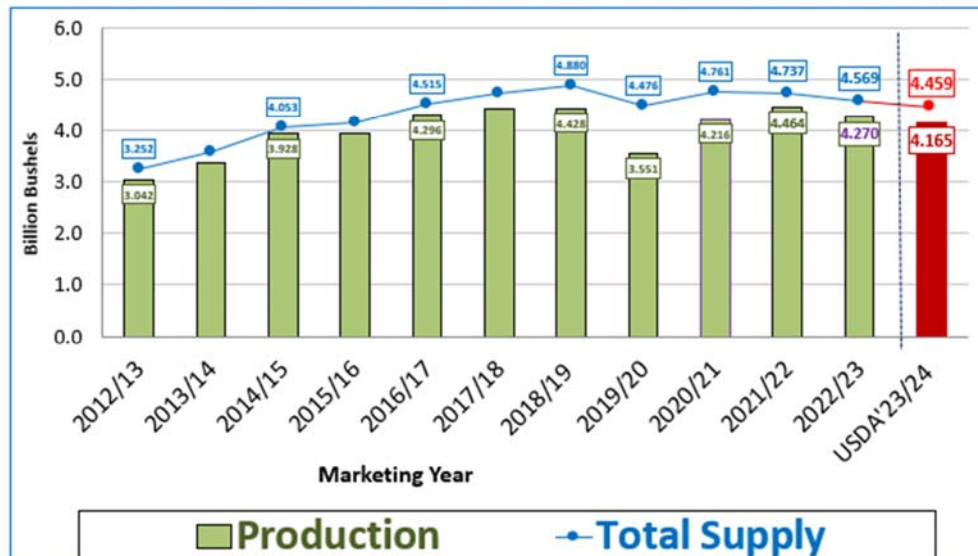
2023 Soybean Yield

Bushels and Percent Change from Previous Year



U.S. Soybean Production & Supply

MY 2012/13 thru "Current Crop" MY 2023/24 as of the January 12, 2024 USDA Reports

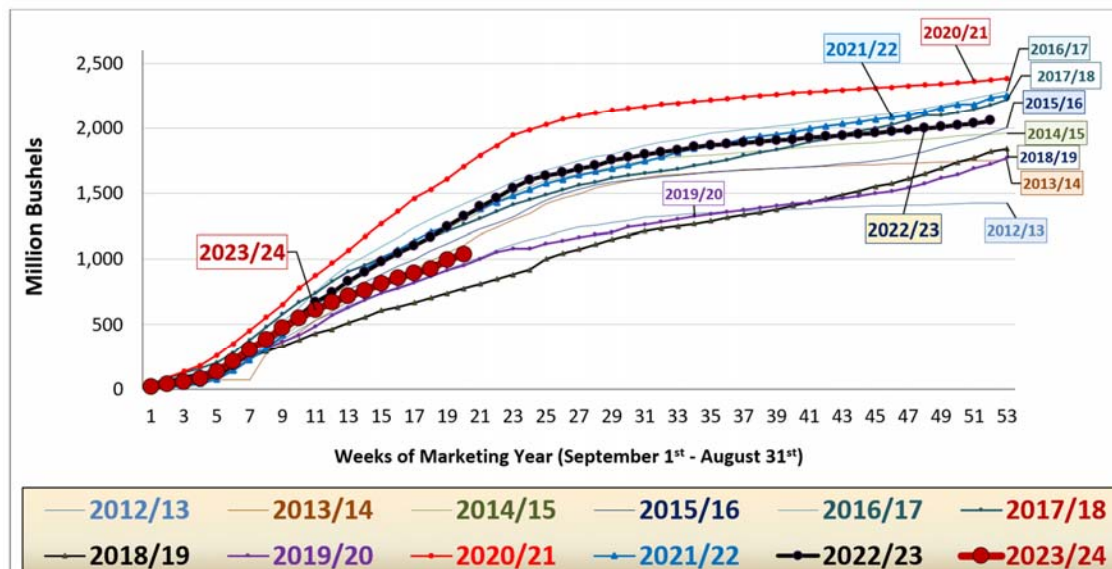


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MY 2012/13 thru "Current" MY 2023/24, USDA FAS Weekly Export reports thru 1/18/2024



U.S. Soybean Stocks & % Stocks-to-Use

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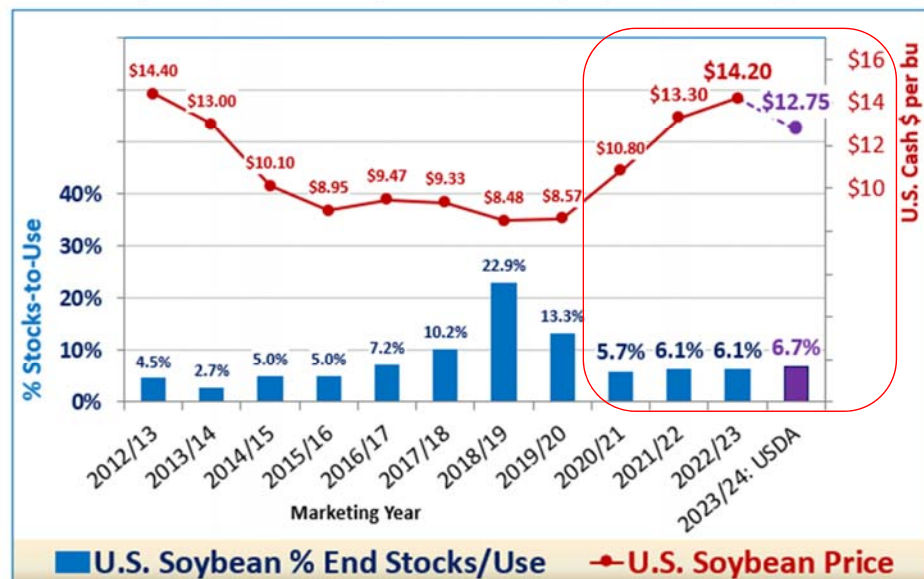
MY 2012/13 thru "Current" MY 2023/24 as of the 1/12/2024 USDA Reports



U.S. Soybean % Stocks/Use vs U.S. \$'s

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MY 2009/10 – "Current" 2023/24 as of January 12, 2024 USDA Reports



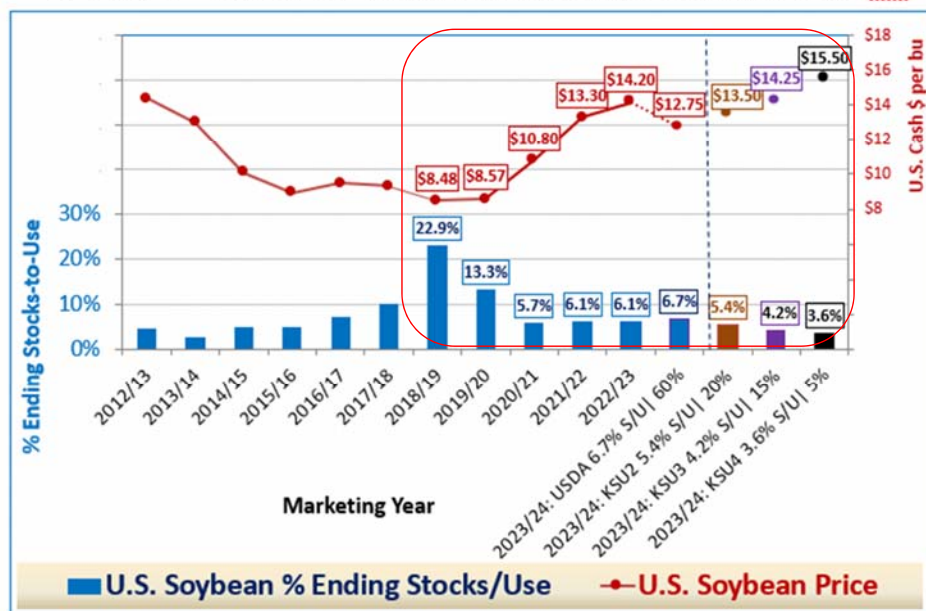
U.S. Soybean Projected S-D "Current" MY 2023/24

As of the January 12, 2024 USDA WASDE Report + KSU Scenarios As of 1/22/2024

Item	A. USDA Scenario #1 "Current" 2023/24 1/12/2024 WASDE. 280 mb End Stocks, 6.70% S/U	B. KSU Scenario #2 "Current" 2023/24 Medium Brazil Problems High Exports +50 mb	C. KSU Scenario #3 "Current" 2023/24 Serious Brazil Problems High Exports +100 mb	D. KSU Scenario #4 "Current" 2023/24 Serious Brazil Problems Crush: +50 mb Exports: +100 mb
% Probability of Occurring (KSU)	60% ^{KSUest}	20% ^{KSUest}	15% ^{KSUest}	5% ^{KSUest}
Planted Area (million acres)	83.600	83.600	83.600	83.600
Harvested Area (million acres)	82.356	82.356	82.356	82.356
Yield / harvested acre (bu/ac)	50.6	50.6	50.6	50.6
Production (million bu.)	4,165	4,165	4,165	4,165
Total Supply (million bu.)	4,459	4,459	4,459	4,459
Domestic Crushings	2,300	2,300	2,300	(+25 mb) 2,325
Exports	1,755	(+50 mb) 1,805	(+100 mb) 1,855	(+100 mb) 1,855
Total Use	4,179	(+50 mb) 4,229	(+100 mb) 4,279	(+125 mb) 4,304
Ending Stocks	280	(-50 mb) 230	(-100 mb) 180	(-125 mb) 155
% Ending Stocks-to-Use	6.70%	5.44%	4.21%	3.60%
U.S. Avg. Farm Price (\$/bu)	\$12.75 ^{USDA} \$12.32 ^{KSU 1/18/2024}	\$13.50 ^{KSU} \$12.32 ^{KSU 1/18/2024}	\$14.75 ^{KSU} \$12.32 ^{KSU 1/18/2024}	\$15.50 ^{KSU} \$12.32 ^{KSU 1/18/2024}

U.S. Soybean % S/U vs U.S. Cash\$

MY 2009/10 – "Current" MY 2023/24 as of the 1/12/2024 USDA WASDE + KSU Ests.



Brazil Soybean Supply-Demand

MY 2007/08 – "New Crop" MY 2023/24 as of the December 8, 2023 USDA WASDE Report



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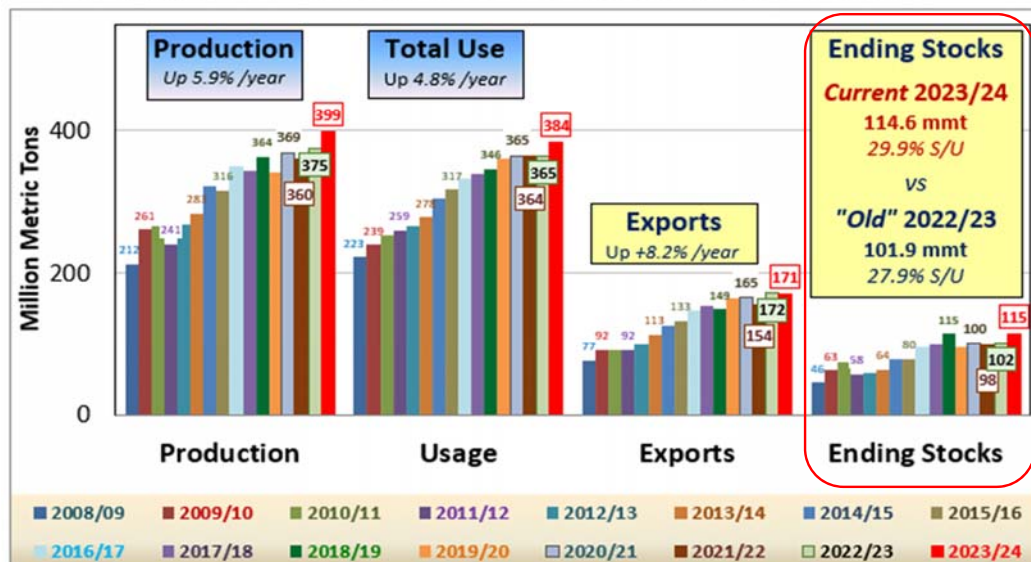
Argentina Soybean Supply-Demand

MY 2007/08 – "New Crop" MY 2023/24 as of the December 8, 2023 USDA WASDE Report



World Soybean Use & End Stocks

MY 2008/09 thru "Current" MY 2023/24 as of the 1/12/2024 WASDE



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World vs "World Less-China" Soybean % S/U

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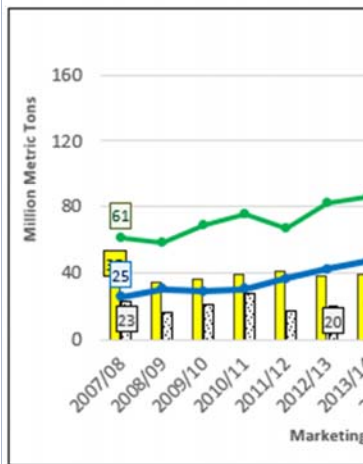
MY 2007/08 through "Current" MY 2023/24, as of the January 12, 2024 USDA WASDE report



Brazil Soybean Supply-Demand

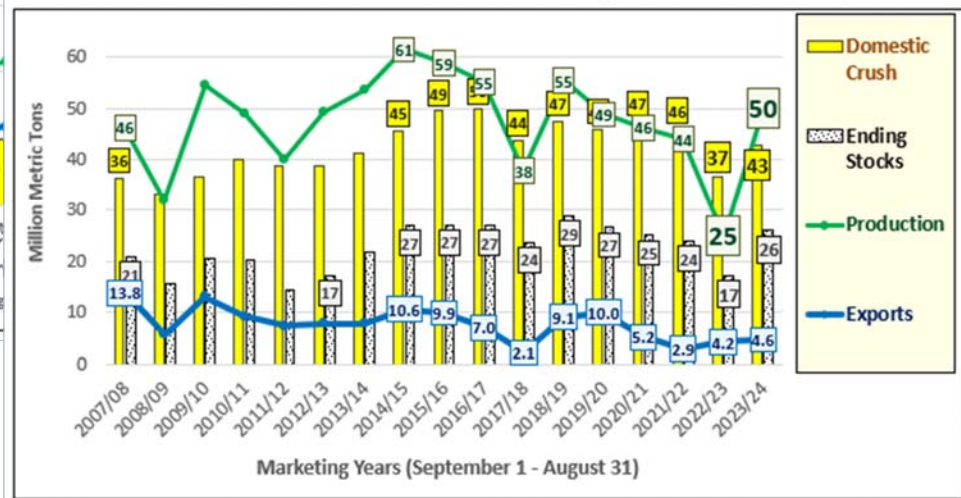
MY 2007/08 – "Current" MY 2023/24 as of the January 12, 2024 USDA WASDE Report

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Argentina Soybean Supply-Demand

MY 2007/08 – "Current" MY 2023/24 as of the January 12, 2024 USDA WASDE Report



China Soybean Supply-Demand

MY 2007/08 – “Current” MY 2023/24 as of the January 12, 2024 USDA WASDE Report



Wheat Markets

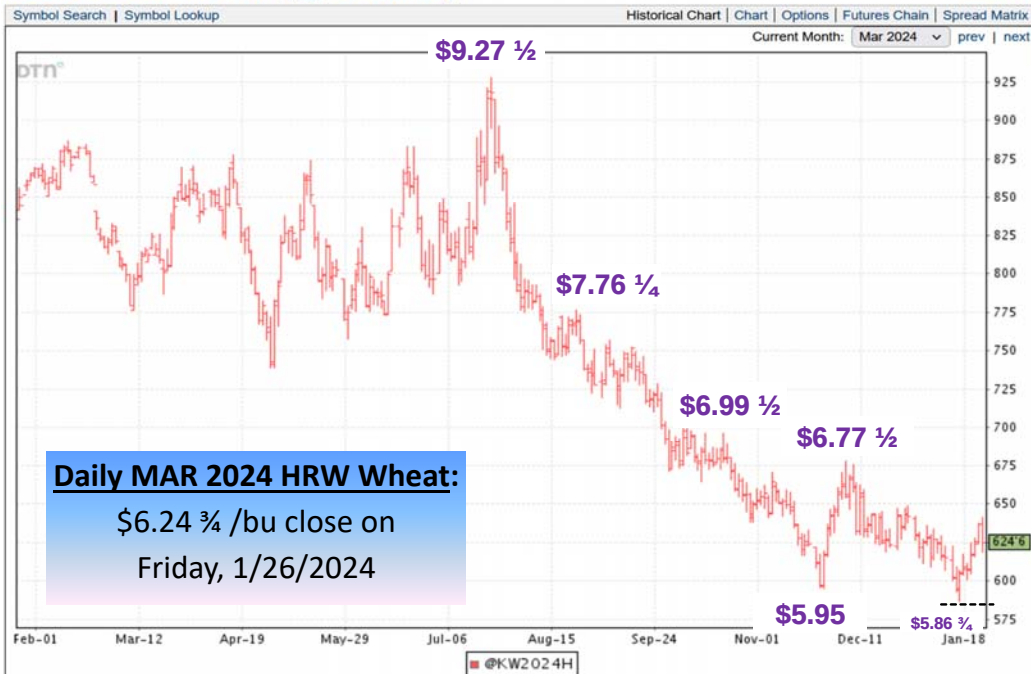
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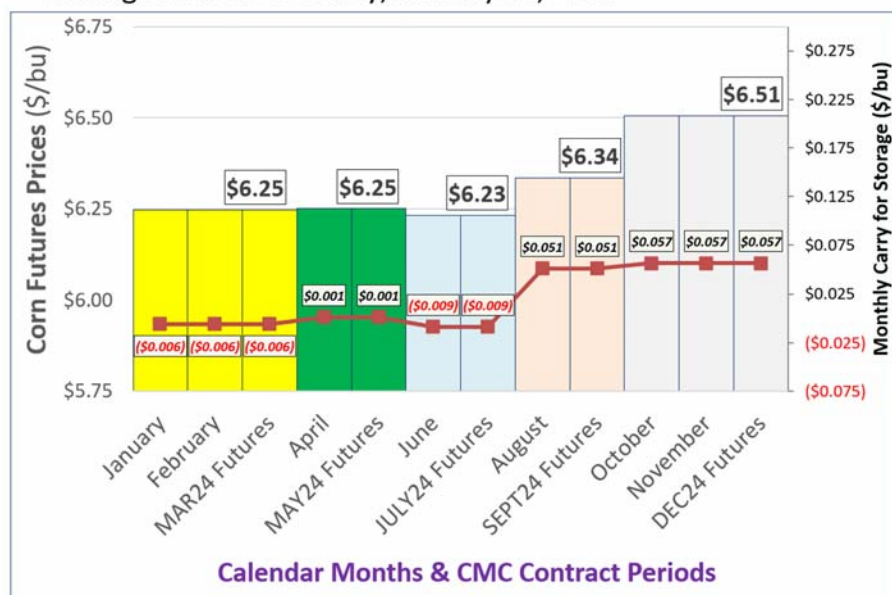
ELEC. HRW WHEAT (@KW2024H)



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CME HRW Wheat Futures *Lead & Deferred Contracts*

Closing Prices as of Friday, January 26, 2024



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Monthly Commodity Futures Price Chart
Wheat (Kansas) (Electronic) (KCBT)

TFC Commodity Charts

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KE - Wheat (Kansas) (Electronic) - Monthly Chart

Change: -28.750

01/29/2024 O: 640.500 H: 642.000 L: 586.750 C: 611.750 Vol: 48921 OI: 21953



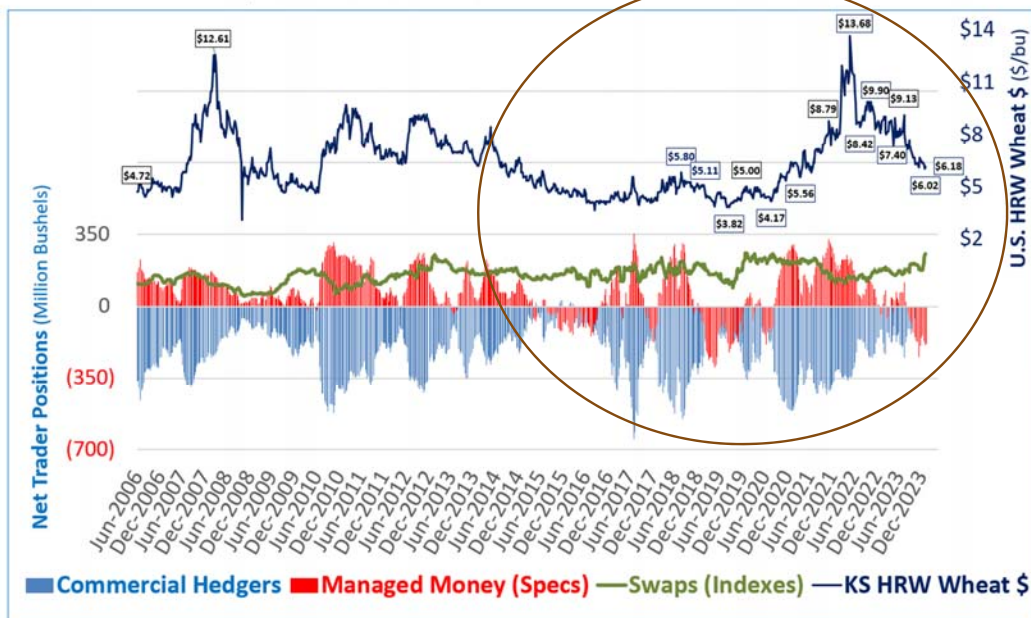
60

Kansas Cash & Futures Prices							
Date							
1/26/2024 Closes							
Grain Futures Contracts		Closing \$					
MAR 2024 KC HRW Wheat (2023/24 Lead Contract)		\$6.2475					
SEPT 2024 KC HRW Wheat (2024 Harvest Forward Contract)		\$6.3325					
1/26/2024 Closes		Cash Grain & Harvest Contract Prices @ Kansas Grain Elevators					
		Representing the highest bids available at each location					
Cash Market Spot & FC Bids	Colby ^{Area}	Salina ^{Area}	Topeka ^{Area}	Garden City ^{Area}	Hutchinson ^{Area}	Columbus ^{Area}	
	NW KS	NC KS	EC-NE KS	SW KS	SC KS	SE KS	
KC HRW Wheat Harvest Spot Cash\$		\$5.50	\$6.05	\$6.00	\$5.70	\$6.04	\$5.74
HRW Wheat Pre-Harvest Spot Cash Basis		(\$0.75)	(\$0.20)	(\$0.25)	(\$0.55)	(\$0.21)	(\$0.51)
KC HRW Wheat FC\$ - Next Harvest ²⁰²⁴		\$5.63	\$5.83	\$5.93	\$5.73	\$5.98	\$5.67
HRW Wheat 2024 Harvest FC\$ Basis		(\$0.70)	(\$0.50)	(\$0.40)	(\$0.60)	(\$0.35)	(\$0.66)
"Spot Cash" HRW Wheat vs Corn \$ Ratio		1.23	1.37	1.38	1.22	1.34	1.30
"New Crop" HRW Wheat vs Corn \$ Ratio		1.25	1.29	1.33	1.18	1.28	1.30

CME KS HRW Wheat Net Position of Traders w. Futures \$'s

61

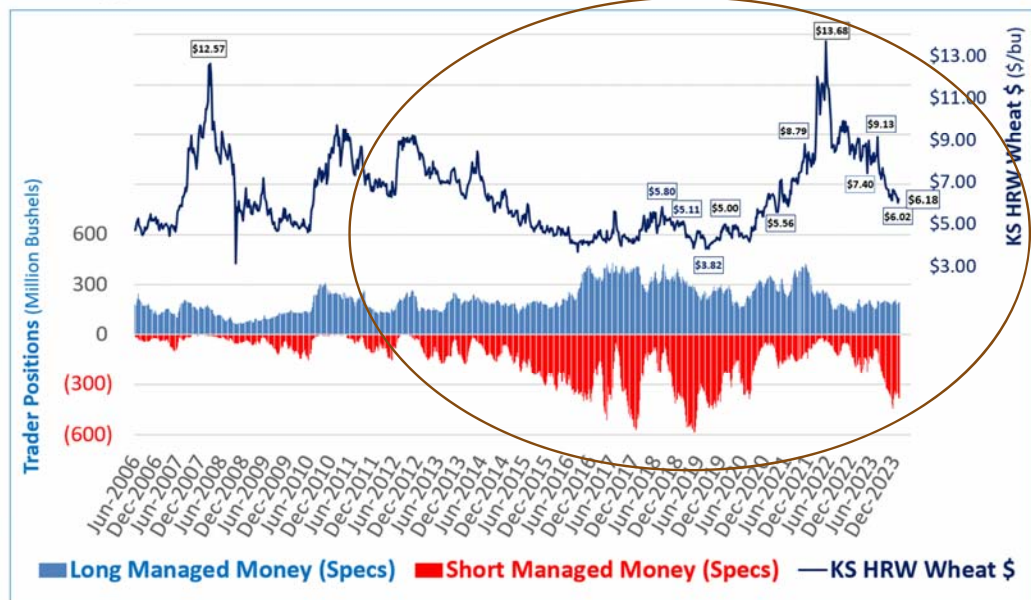
June 2006 thru January 23, 2024 (Weekly CFTC Data) with 1/23/2024 Futures Market Closes for MAR 2024 Kansas HRW Wheat



CME KS HRW Wheat Managed Money Traders Specs

62

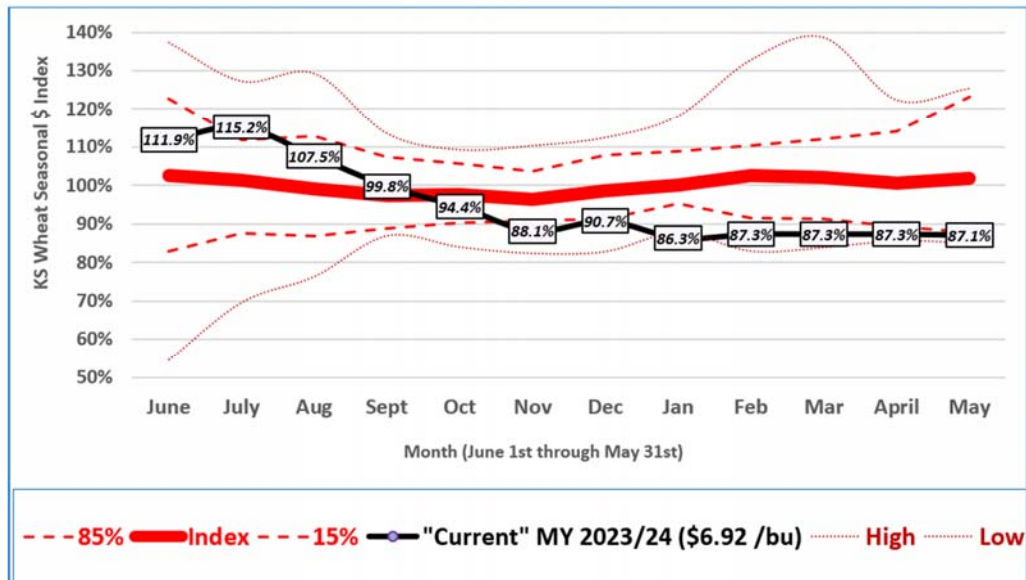
Long/Short Positions + Futures \$'s: June 2006 – 1/23/2024 CFTC Data with 1/23/2024 Futures for MAR 2024 KS HRW Wheat



Hard Red Winter ^{HRW} Wheat Seasonal \$'s

63

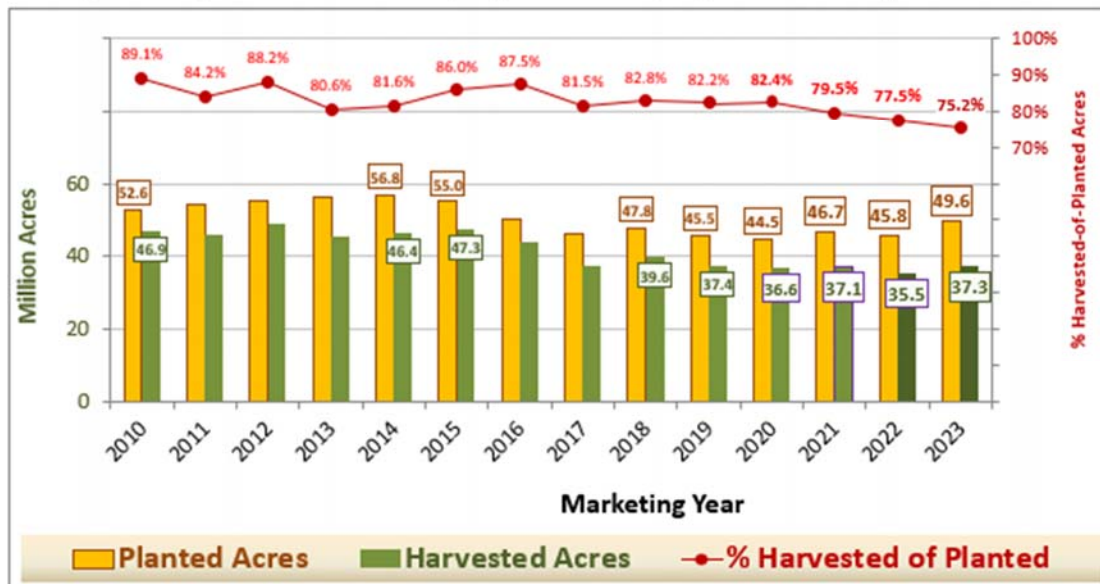
MY 2006/07 – 2022/23 Seasonal Index + "Current" 2023/24 Futures as of 1/26/2024



U.S. Wheat Planted & Harvested Acres

64

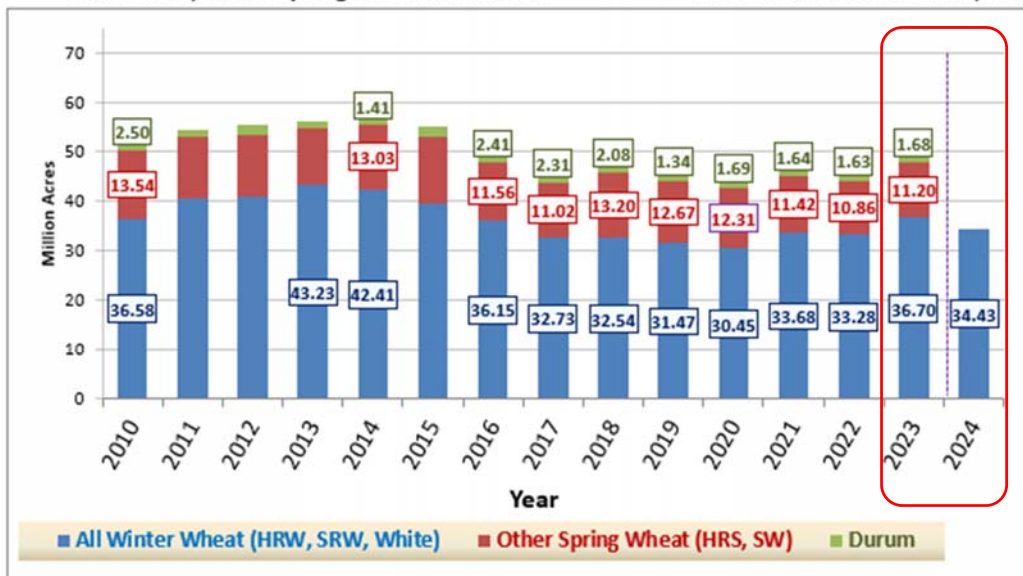
(MY 2010/11 – "Current" 2023/24) as of January 12, 2024 USDA Reports



U.S. Wheat Planted Acreage 2010-2024

65

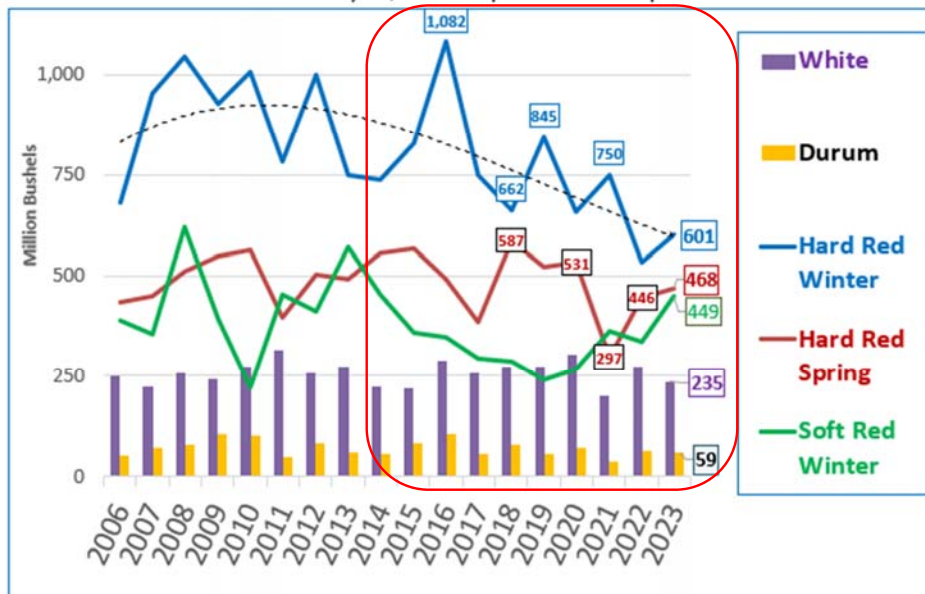
All Winter, Other Spring & Durum Classes (since MY 2000/01) as of the 1/12/2024 USDA Reports



U.S. Wheat Production by Class

66

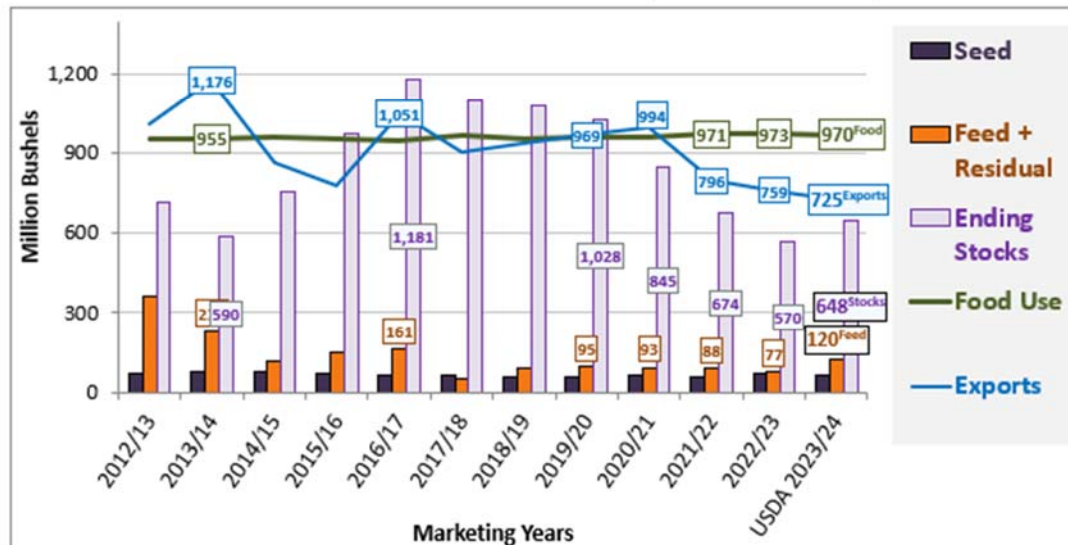
As of the USDA NASS January 12, 2024 Crop Production Report & Wheat Yearbook



U.S. Wheat Use & Ending Stocks

67

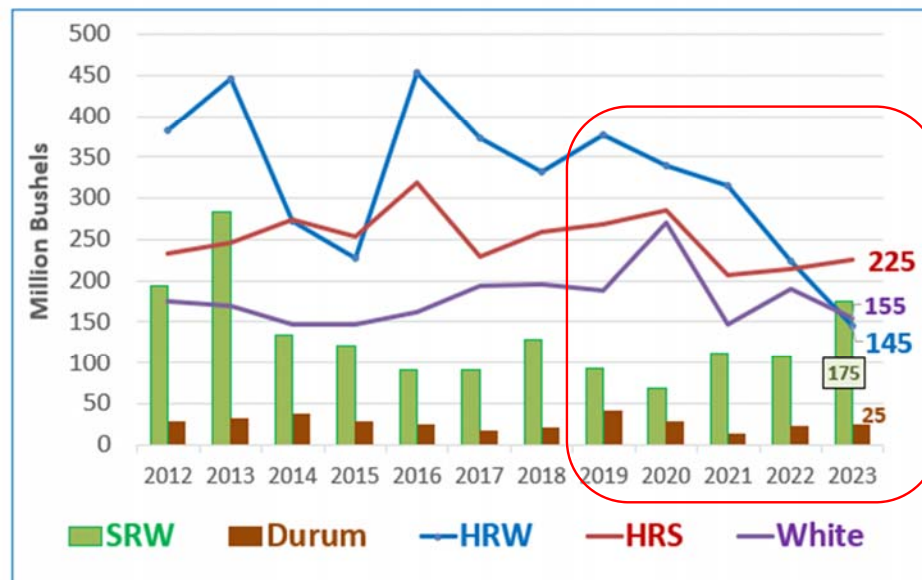
MY 2012/13 – “Current” 2023/24 as of the January 12, 2024 USDA Reports



U.S. Wheat Exports by Class

68

Since Year 1990 as of the January 12, 2024 USDA WASDE Report



U.S. All Wheat Exports

U.S. HRW Wheat Exports

MY 2015/16 - "Current" 2023/24 as of 1/18/2024 USDA FAS Weekly Exports



U.S. HRS Wheat Exports

MY 2015/16 - "Current" 2023/24 as of 1/18/2024 USDA FAS Weekly Exports



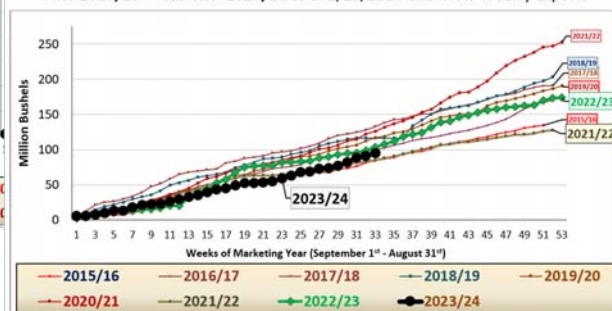
U.S. SRW Wheat Exports

MY 2015/16 - "Current" 2023/24 as of 1/18/2024 USDA FAS Weekly Exports



U.S. White Wheat Exports

MY 2015/16 - "Current" 2023/24 as of 1/18/2024 USDA FAS Weekly Exports



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U.S. Wheat % Stocks/Use vs Cash \$'s

MY 2012/13 thru "Current" MY 2023/24 - As of the January 12, 2024 USDA Reports



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U.S. Wheat Market Scenarios “Current” 2023/24

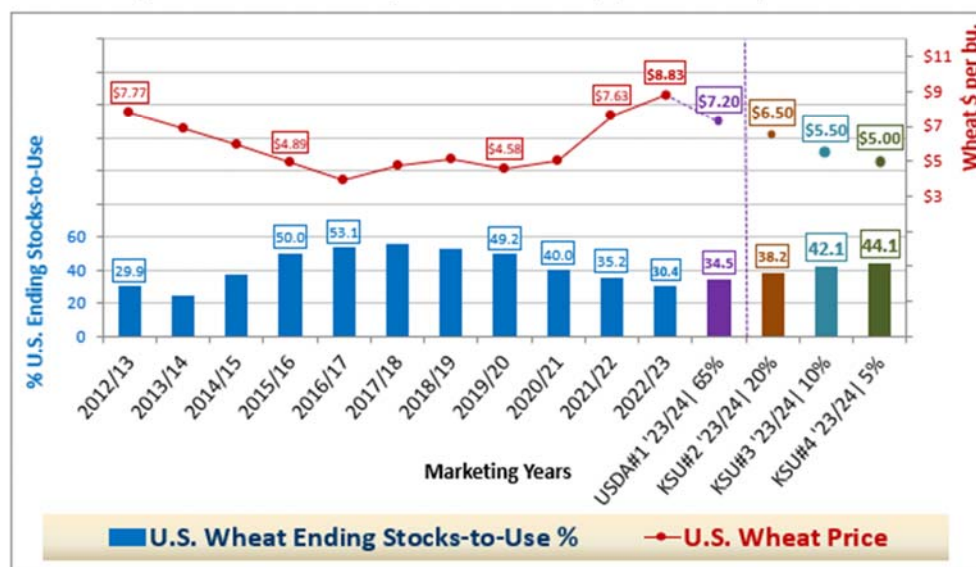
USDA & KSU Projections based on the January 12, 2024 USDA Report + KSU Scenarios

Item	USDA Scenario #1 “Current” 2023/24 1/12/2024 USDA	KSU Scenario #2 “Current” 2023/24 KSU: 675 mb Exports 38.2% Stocks/Use	KSU Scenario #3 “Current” 2023/24 KSU: 625 mb Exports 42.1% Stocks/Use	KSU Scenario #4 “Current” 2023/24 Low Exports & Crush 44.1% Stocks/Use
% Probability <i>KSU est.</i>	65% prob	20% prob.	10% prob	5% prob.
Planted Area (million acres)	49.575	49.575	49.575	49.575
Harvested Area (mil. acres)	37.272	37.272	37.272	37.272
Yield / harvested acre	48.6	48.6	48.6	48.6
	Million			
Production	1,812	1,812	1,812	1,812
Total Supply (million bushels)	2,527	2,527	2,527	2,527
Exports	725	- 50 mb 675	- 100 mb 625	- 100 mb 575
Feed & Residual Use	120	120	120	- 25 mb 95
Total Use (million bushels)	1,879	- 50 mb 1,829	- 100 mb 1,779	- 125 mb 1,754
Ending Stocks (million bushels)	648	+ 50 mb 698	+ 100 mb 748	+ 125 mb 773
% Ending Stocks/Use	34.49%	38.16%	42.05%	44.07%
U.S. Wheat Avg. Farm Price (\$/bushel)	\$7.20	\$6.50	\$5.50	\$5.00

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U.S. Wheat % S/U vs U.S. Cash \$'s

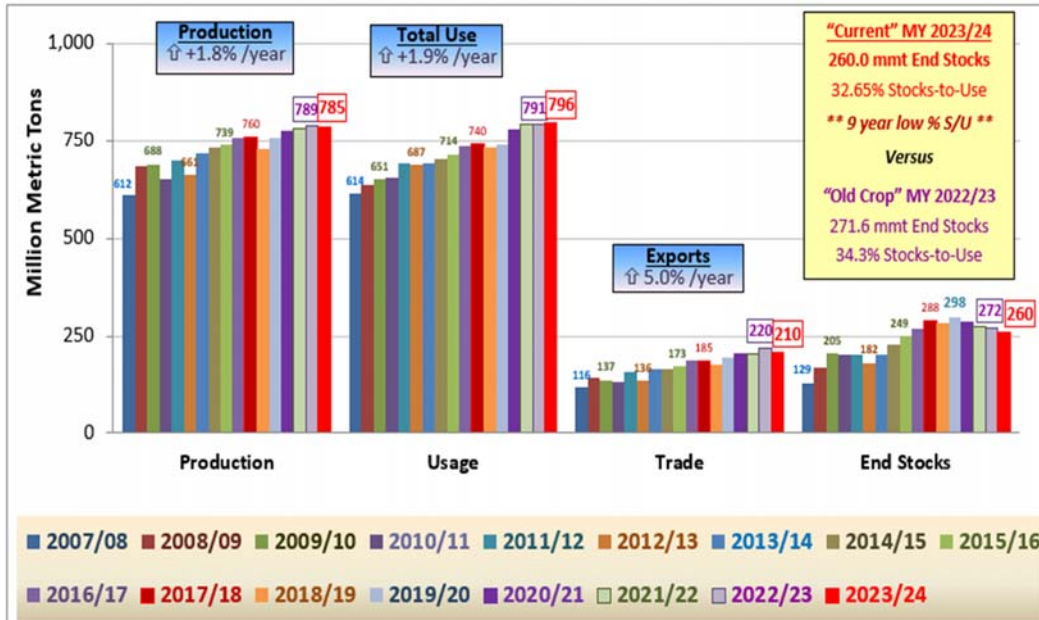
MY 2012/13 thru “Current” 2023/24 – As of the January 1, 2024 USDA Reports + KSU Estimates



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World Wheat Usage & Ending Stocks

MY 2007/08 - "Current" 2023/24 as of the January 12, 2024 USDA WASDE Report



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World vs "World Less-China" Wheat Stocks & % S/U

MY 2007/08 through "Current" MY 2023/24 as of the January 12, 2024 USDA WASDE report

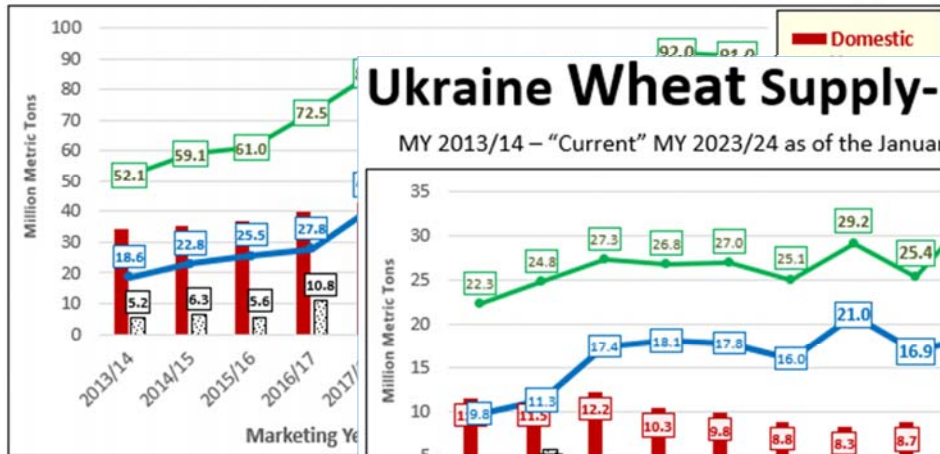


74

Russia Wheat Supply-Demand

MY 2013/14 – "Current" 2023/24 as of the January 12, 2024 USDA WASDE report

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Ukraine Wheat Supply-Demand

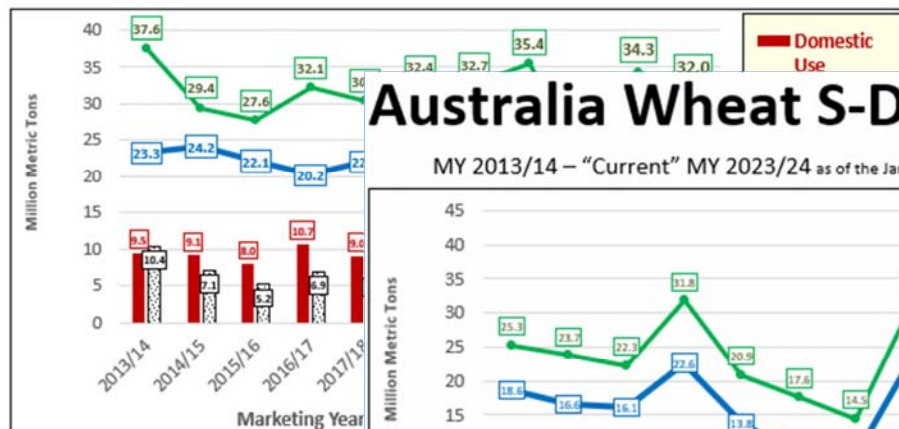
MY 2013/14 – "Current" MY 2023/24 as of the January 12, 2024 USDA WASDE report



Canada Wheat S-D Trends

MY 2013/14 – "Current" MY 2023/24 as of the January 12, 2024 USDA WASDE report

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Australia Wheat S-D Trends

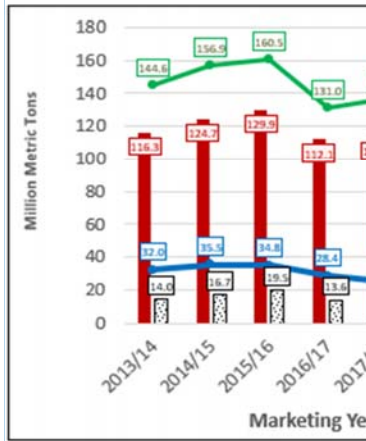
MY 2013/14 – "Current" MY 2023/24 as of the January 12, 2024 USDA WASDE report



European Union Wheat S-D Trends

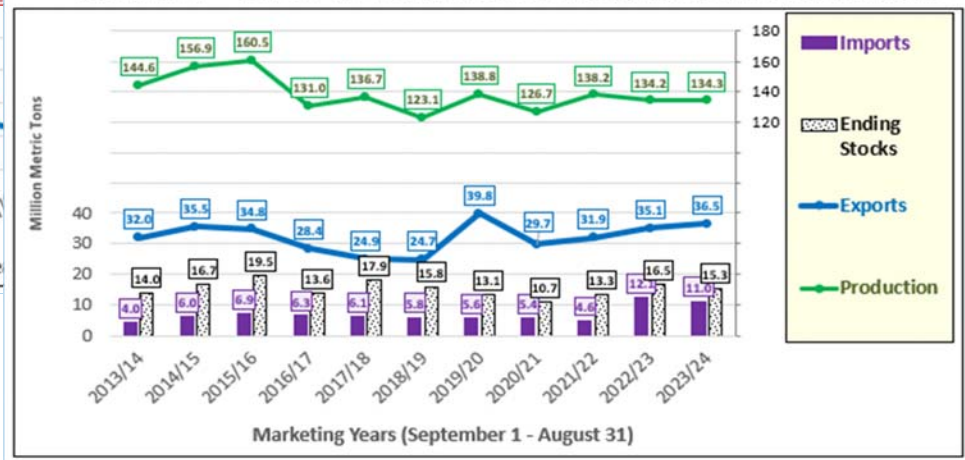
MY 2013/14 – “Current” MY 2023/24 as of the January 12, 2024 USDA WASDE report

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EU Wheat Export-Import Trends

MY 2013/14 – “Current” MY 2023/24 as of the January 12, 2024 USDA WASDE report



Closing Perspectives

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KANSAS STATE UNIVERSITY

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Questions?

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