

2025 Illinois Farm Economics Summit



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farmdoc

Grain Market Outlook

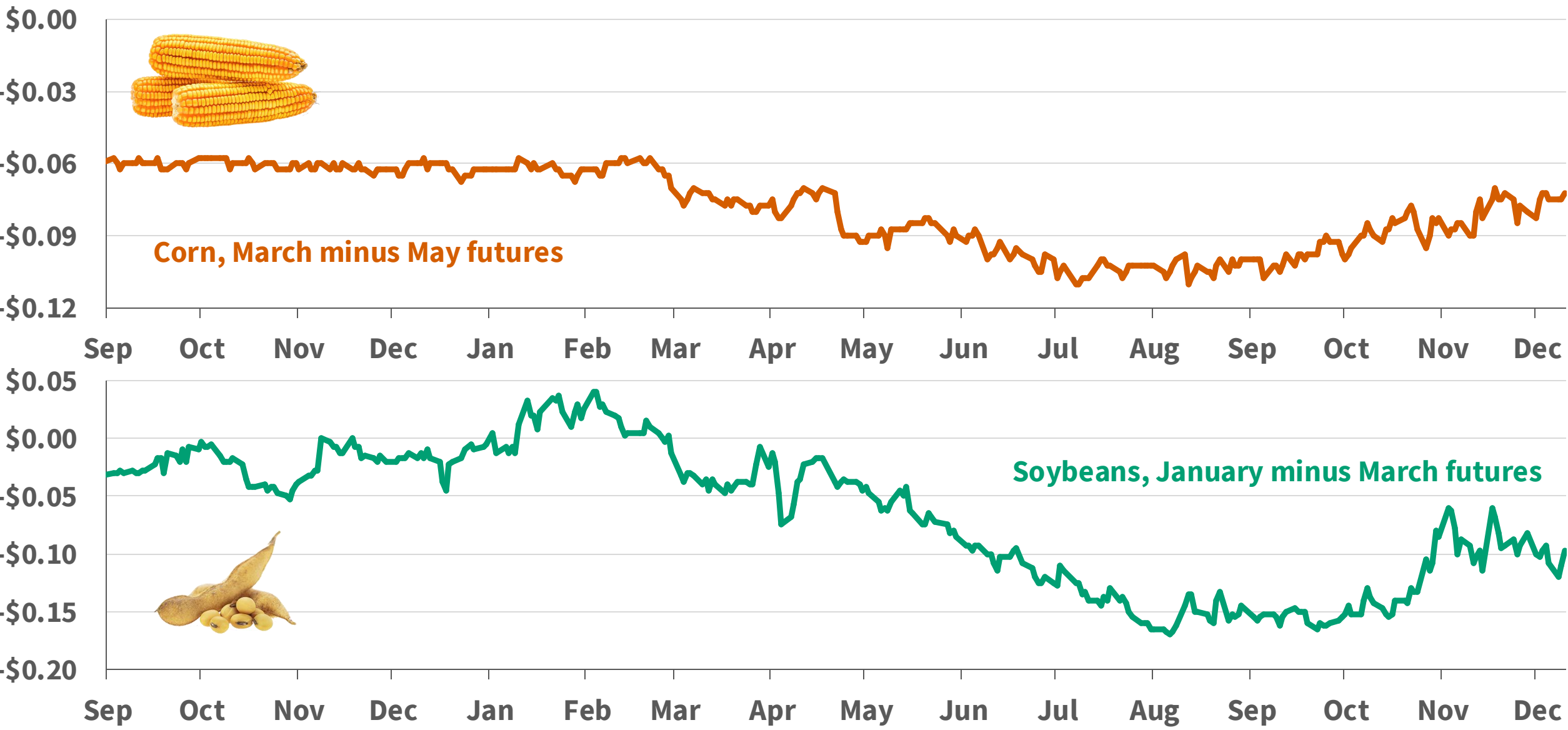
Corn and Soybean Futures Prices,

in \$/bushel, daily, September 1, 2024 to December 10, 2025



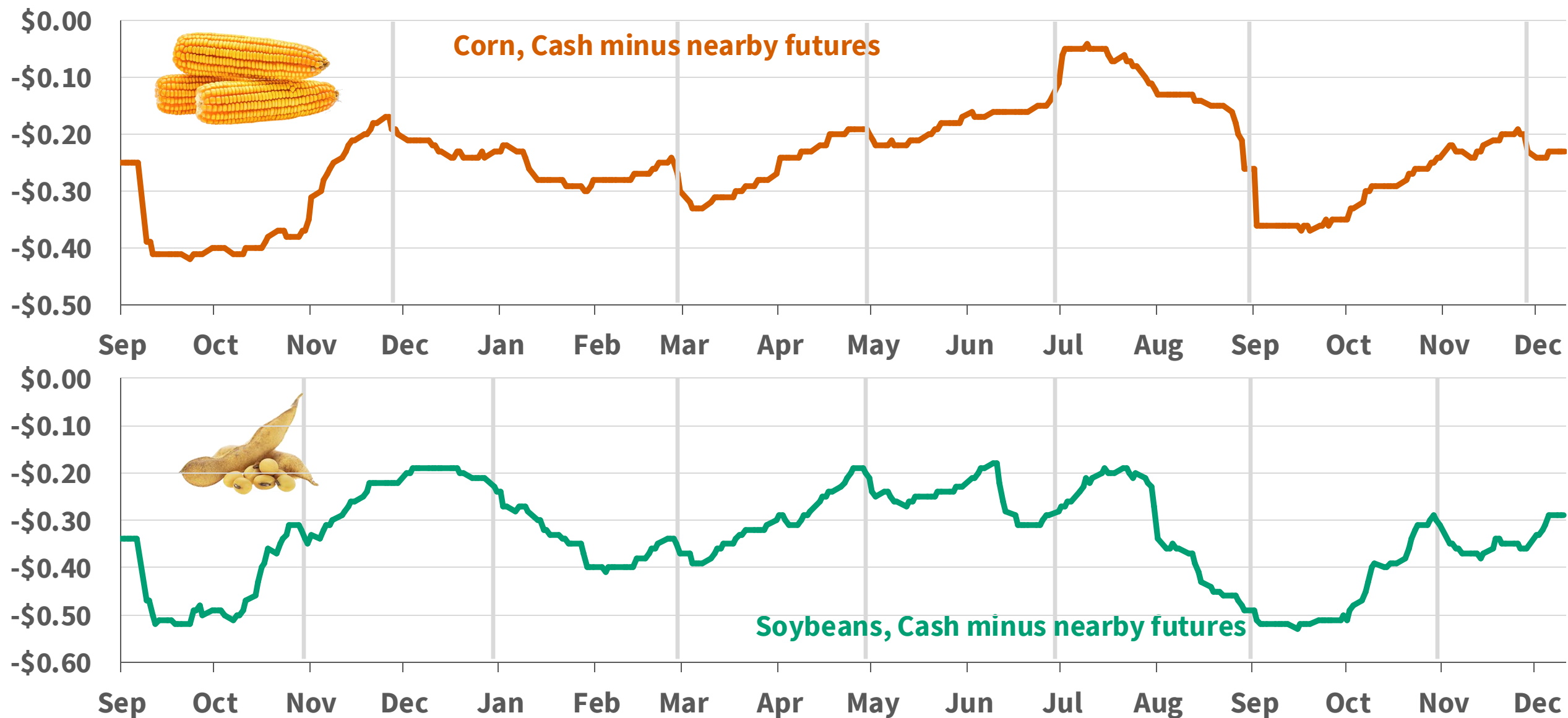
Corn and Soybean Futures Calendar Spreads,

in \$/bushel, daily, September 1, 2024 to December 10, 2025



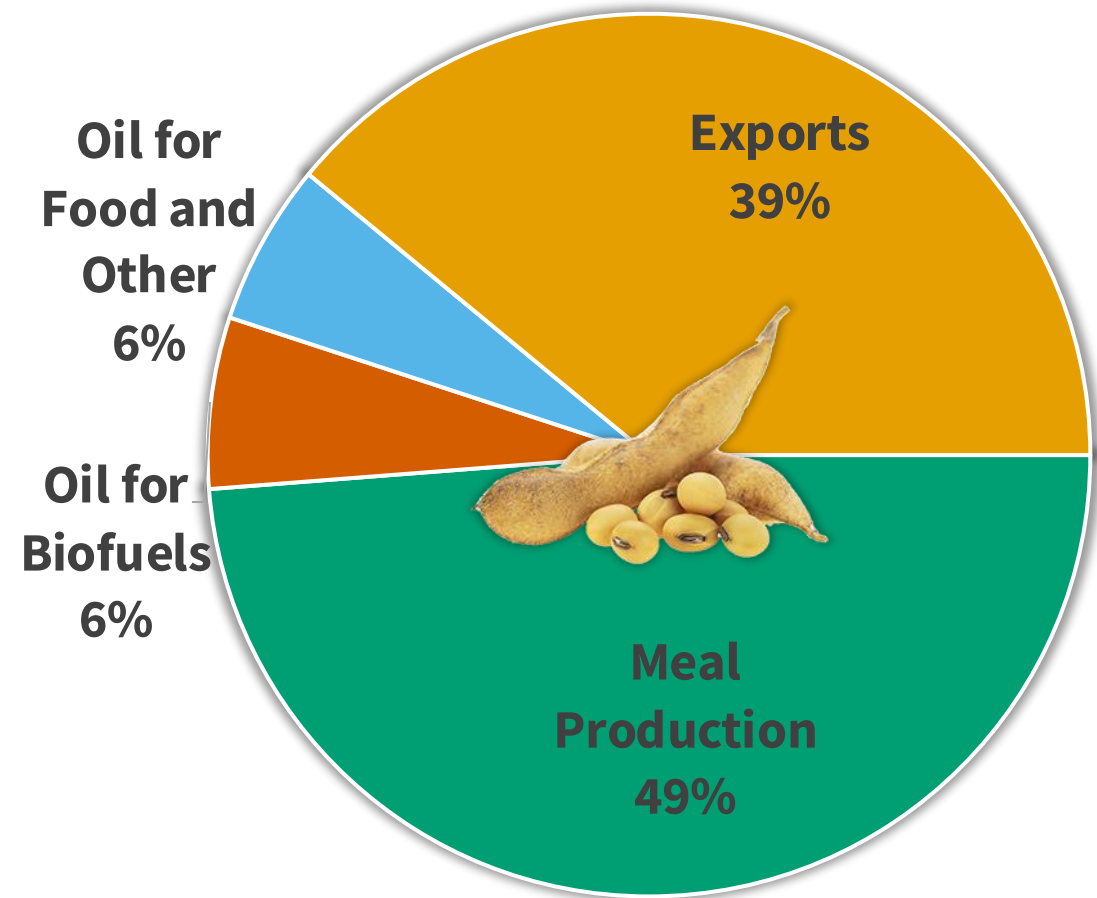
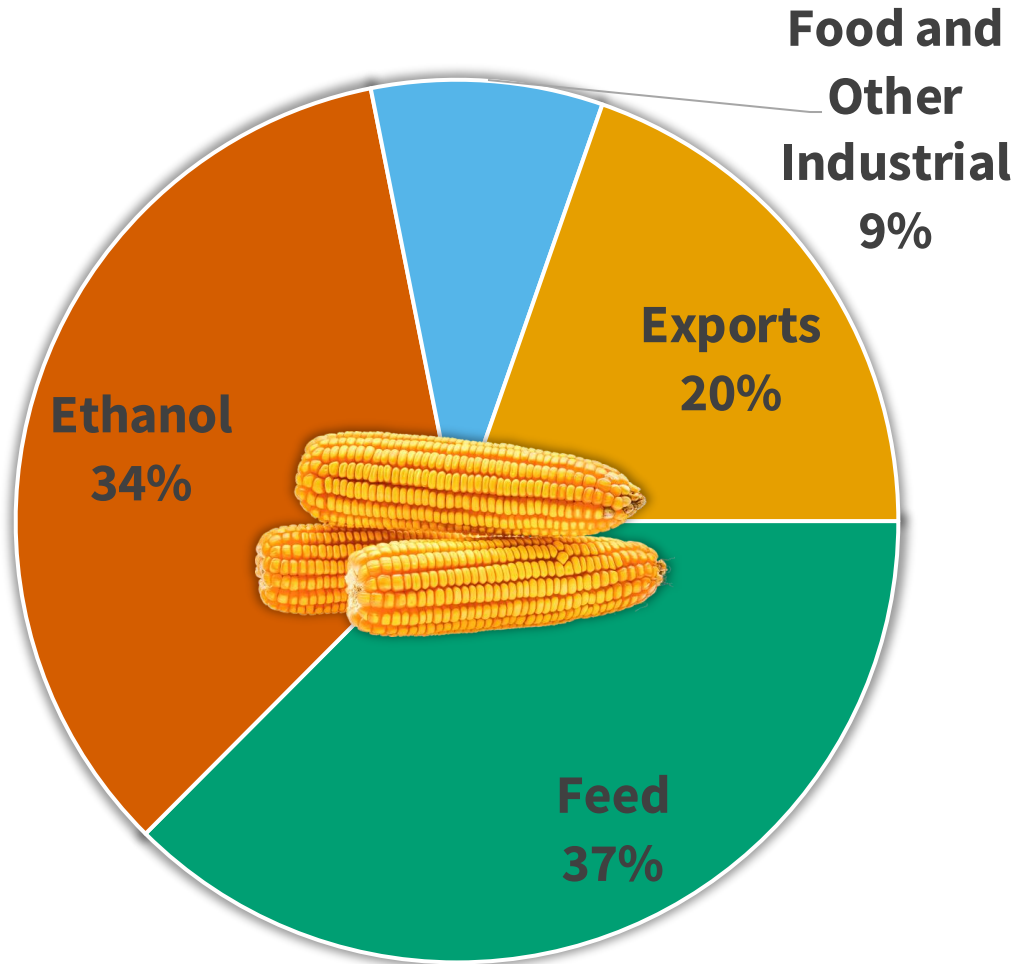
Corn and Soybean Basis,

Average value in Illinois, in \$/bushel, daily, September 1, 2024 to December 10, 2025



Composition of US **Corn** and **Soybean** Use

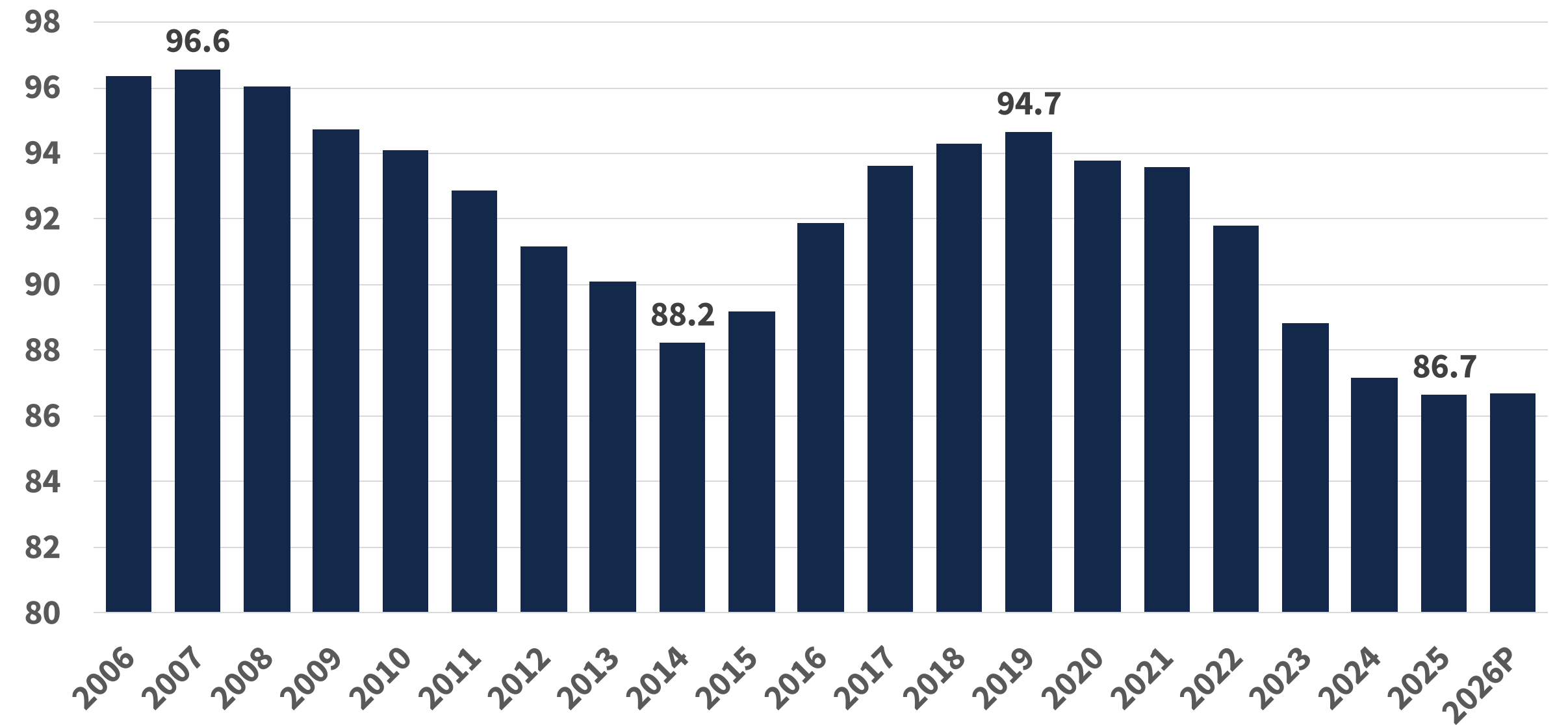
percentage of total, estimates for 2025/26 marketing year



Source: USDA Office of the Chief Economist

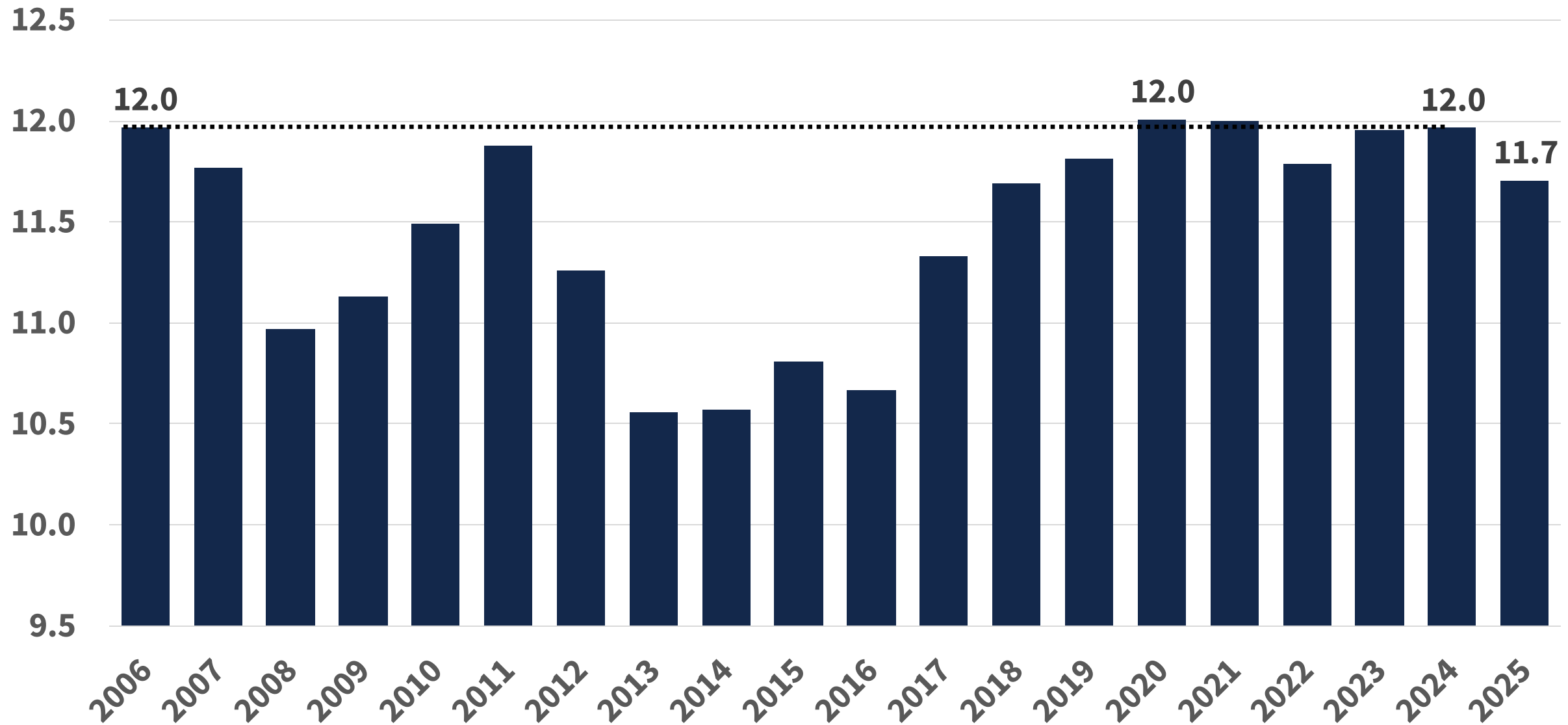
US Cattle Inventory

millions of head, including calves, annual as of January 1, 2006-2026P



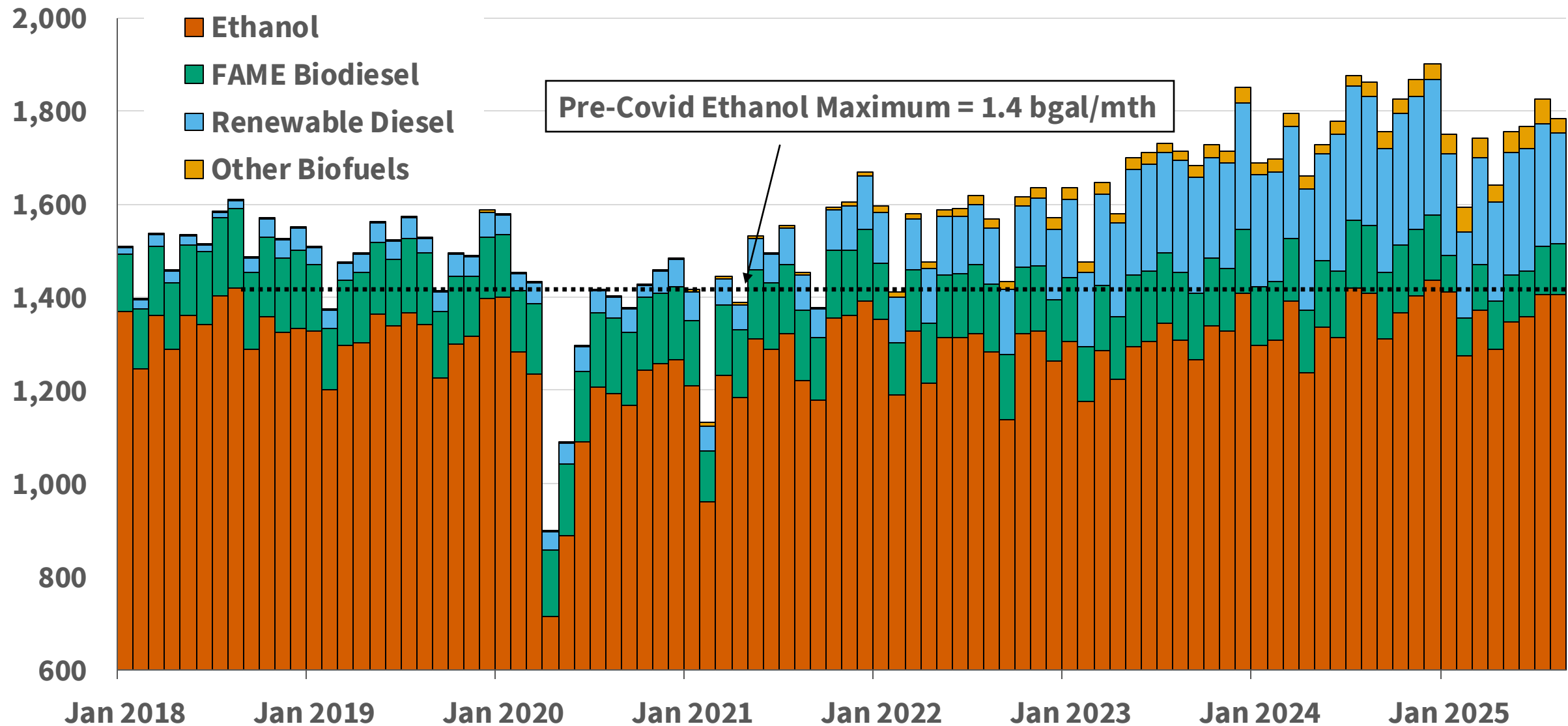
US Cattle on Feed

millions of head in >1000-capacity feedlots, annual as of Nov 1, 2006-2025



US Biofuels Production

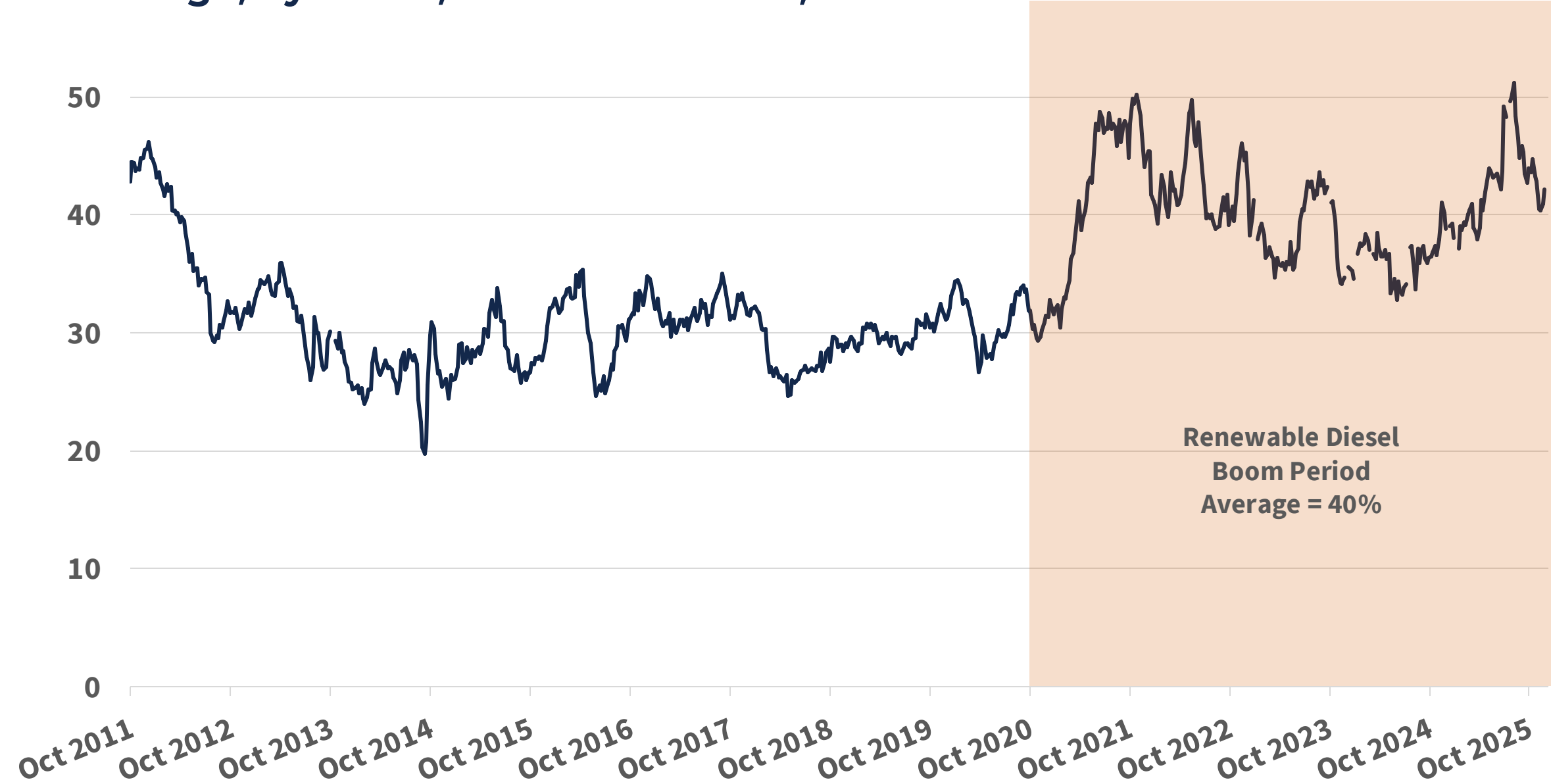
in millions of gallons, by type, monthly, Jan 2018 - August 2025



Pre-Covid Ethanol Maximum = 1.4 bgal/mth


Soybean Oil Share of Crush Value

Percentage, by Week, in Central Illinois, October 2011 to December 2025



Renewable Diesel
Boom Period
Average = 40%


Has the tariff war cooled off?

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Chinese 'right on schedule' for US soybean purchases, Bessent tells CNBC

By Reuters


November 25, 2025 7:43 AM CST · Updated November 25, 2025



U.S. Treasury Secretary Scott Bessent looks on as he speaks to the media, following the trade talks between the U.S. and China, in Kuala Lumpur, Malaysia October 26, 2025. REUTERS/Hasnoor Hussain/File Photo/File Photo [Purchase Licensing Rights](#)

WASHINGTON, Nov 25 (Reuters) - Chinese purchases of American soybeans are "right on schedule", U.S. Treasury Secretary Scott Bessent said on Tuesday, citing an agreement for Beijing to buy 87.5 million metric tons of the U.S. product over the next three and a half years.


The U.S. and China will always be natural rivals, Bessent said in an interview with CNBC, but the two countries' relationship is in a good place.

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USDA expects deals on farmer aid, Chinese soy buys within weeks

By Susan Heavey and Leah Douglas

November 24, 2025 9:35 PM CST · Updated November 24, 2025



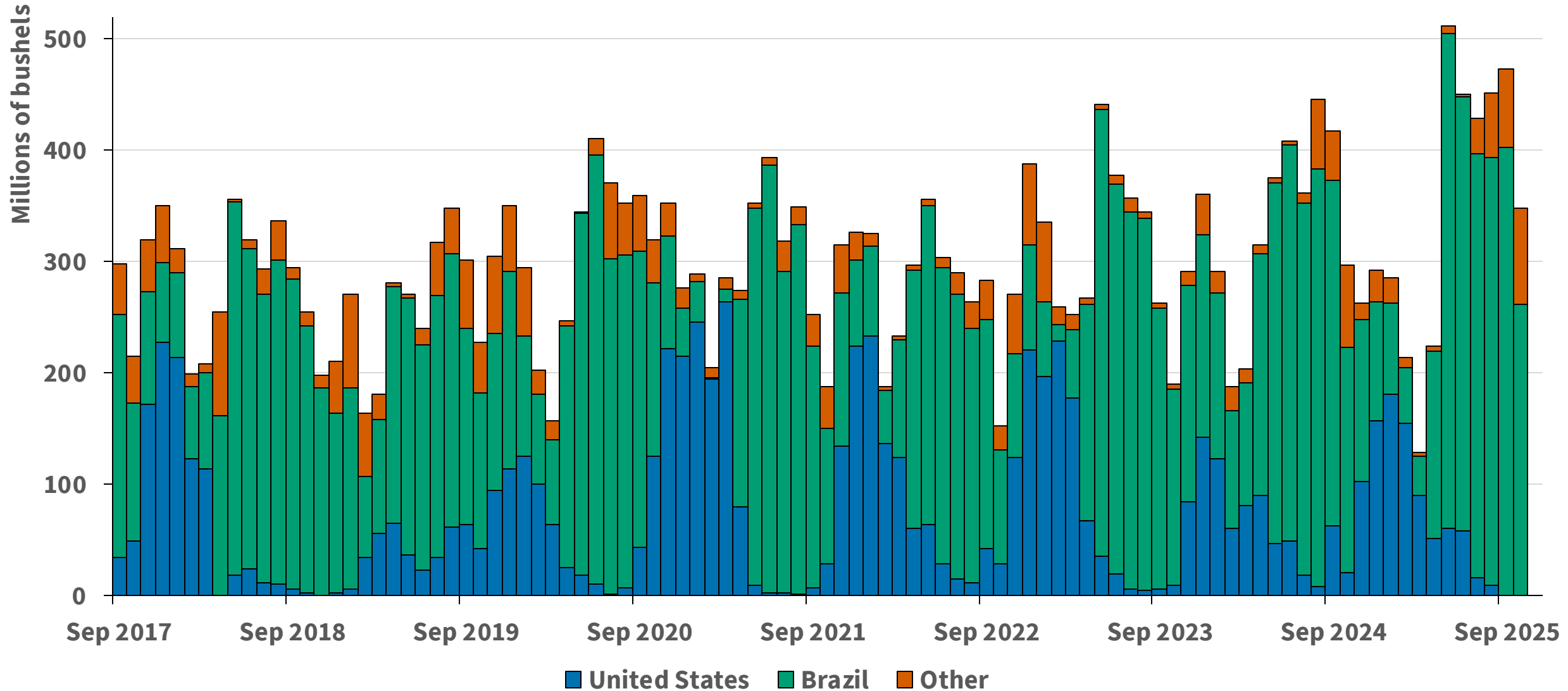
U.S. Secretary of Agriculture Brooke Rollins speaks with reporters on the West Wing driveway at the White House in Washington, D.C., U.S., October 16, 2025. REUTERS/Jonathan Ernst [Purchase Licensing Rights](#)

Summary

- USDA head Rollins expects farm aid announcement within two weeks
- American Farm Bureau Federation says aid 'urgently needed'

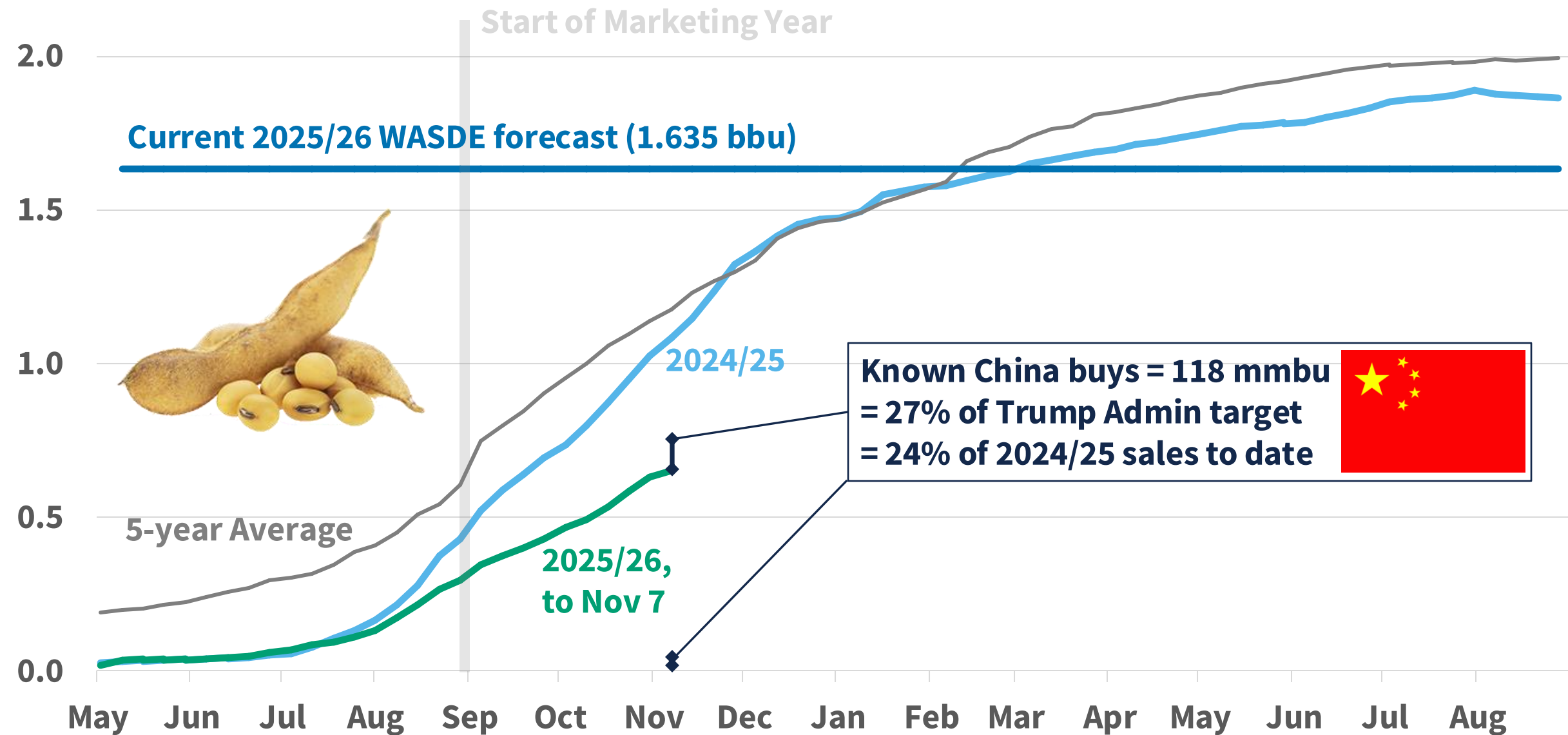
Soybean Imports in China,

in millions of bushels, by origin, monthly, Sep 2017 to August 2025



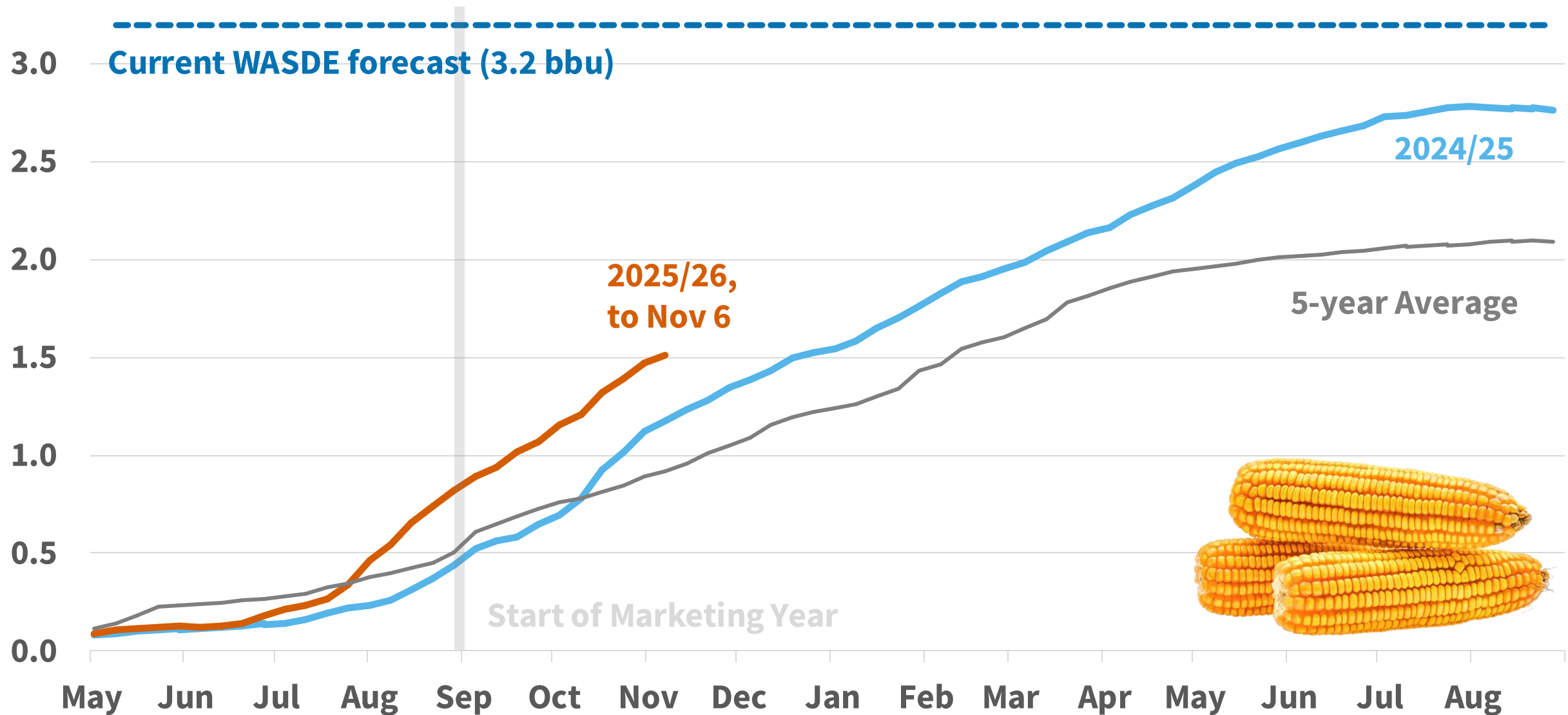
US Soybean Export Sales

by marketing year and week, in billions of bushels



US Corn Export Sales

by marketing year and week, in billions of bushels



Tariffs remain subject to legal challenge

- Most non-product specific tariffs implemented under IEEPA authority
 - Legality depends on definition of 'national emergency' and 'regulate importation'
- SCOTUS heard Nov 5, ruling pending



Will the Supreme Court rule in favor of Trump's tariffs?



23% chance ▼ 35 ⓘ

Kalshi



\$1,443,358 vol

6H 1D 1W 1M ALL

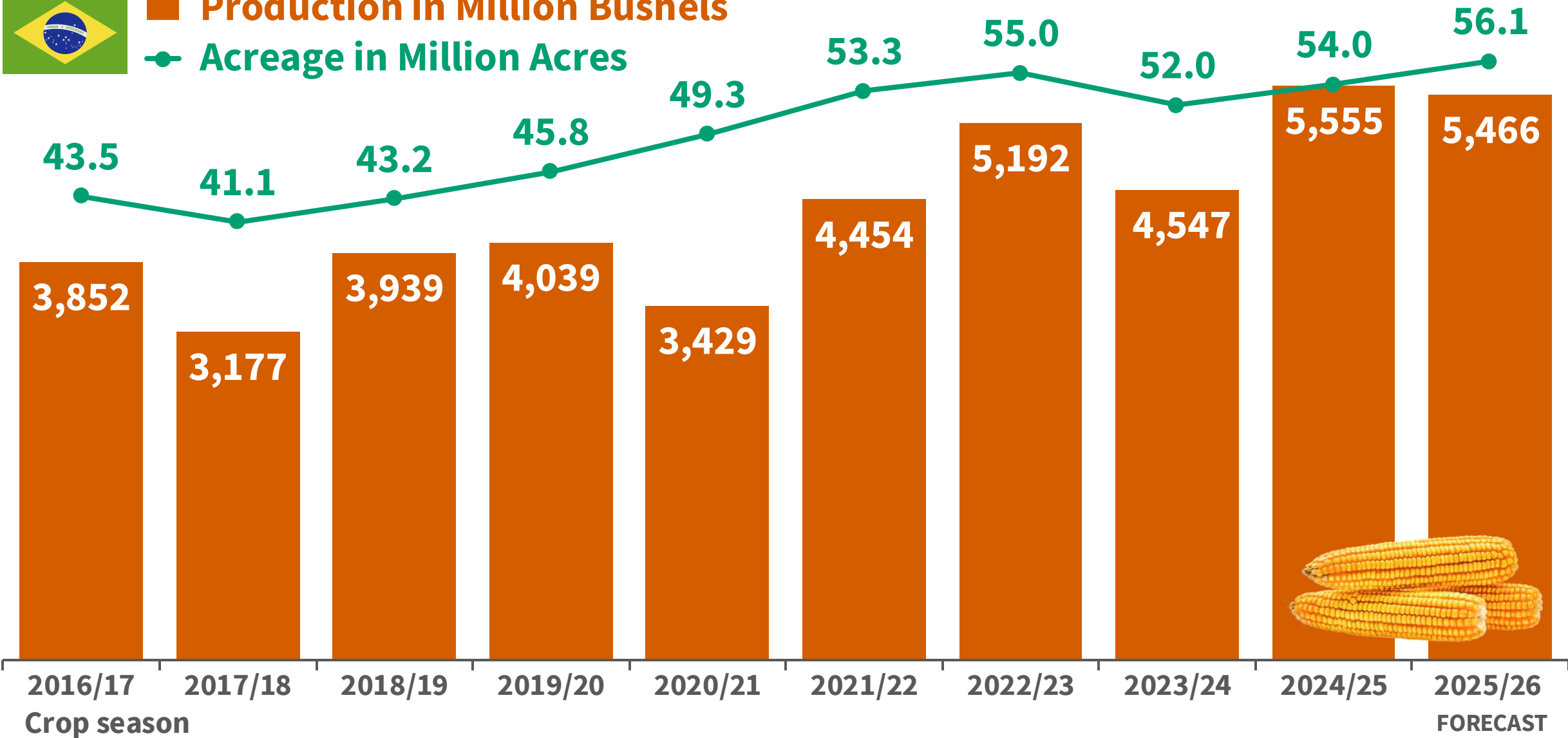
Source: Kalshi

Total Corn Acreage and Production in Brazil

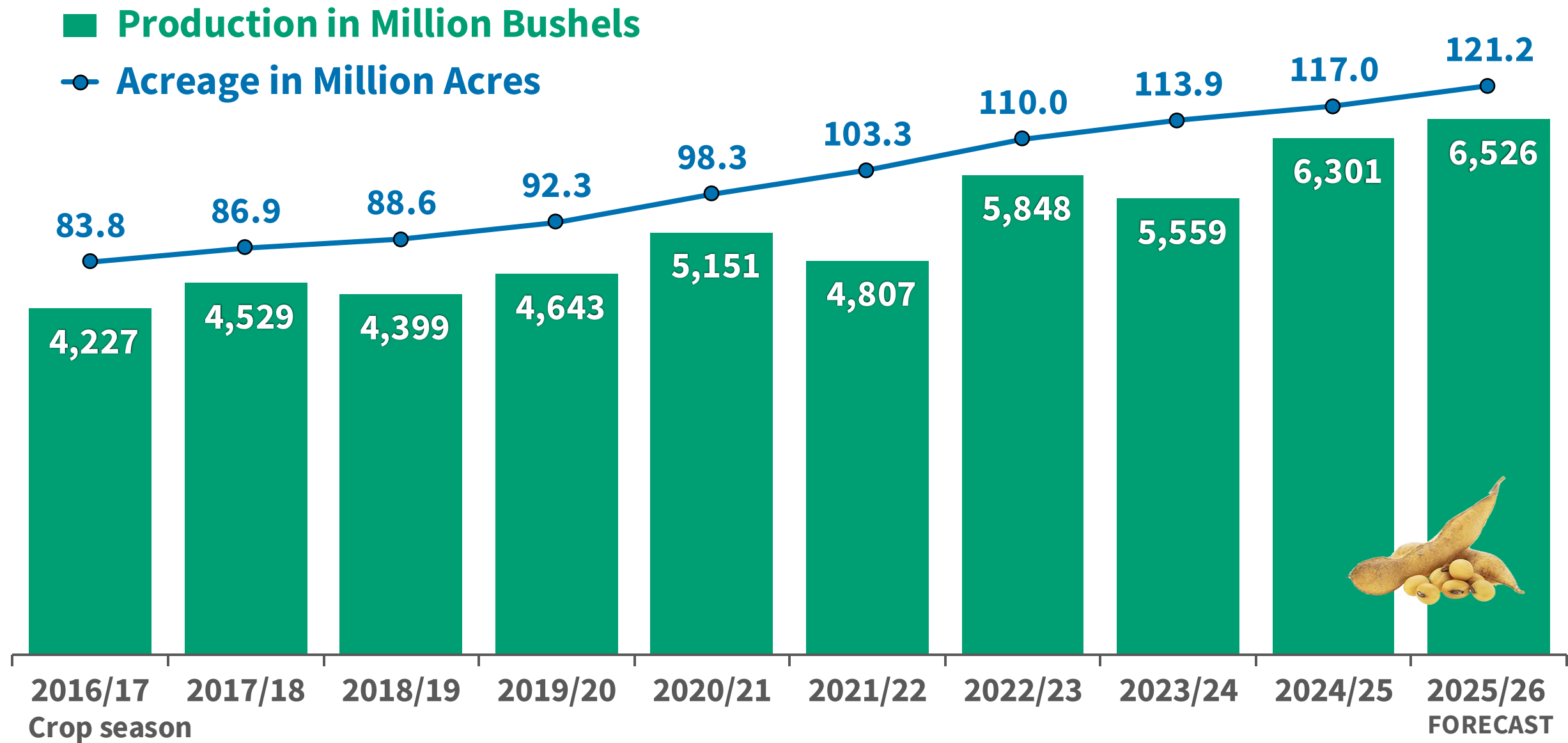


■ Production in Million Bushels

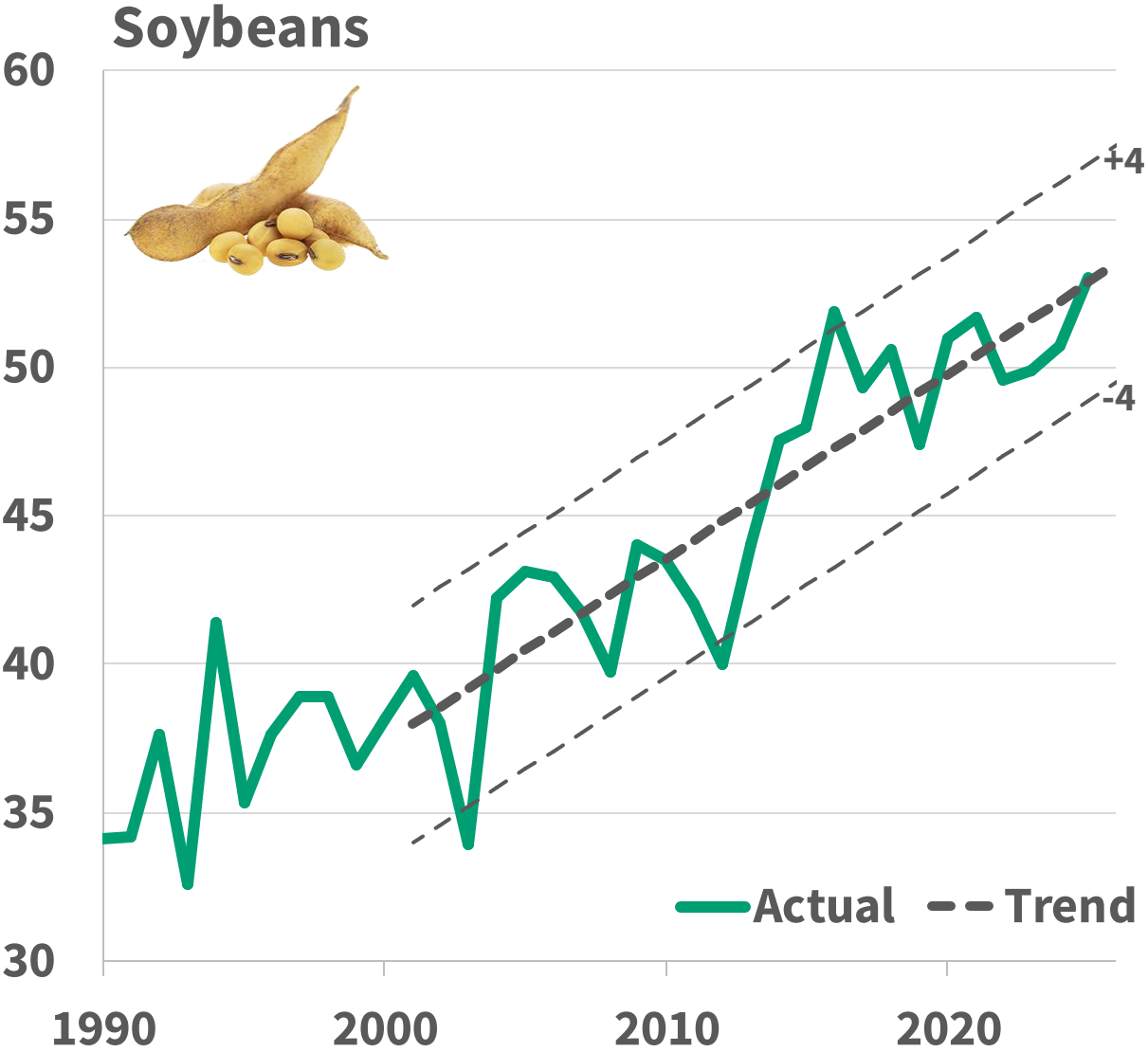
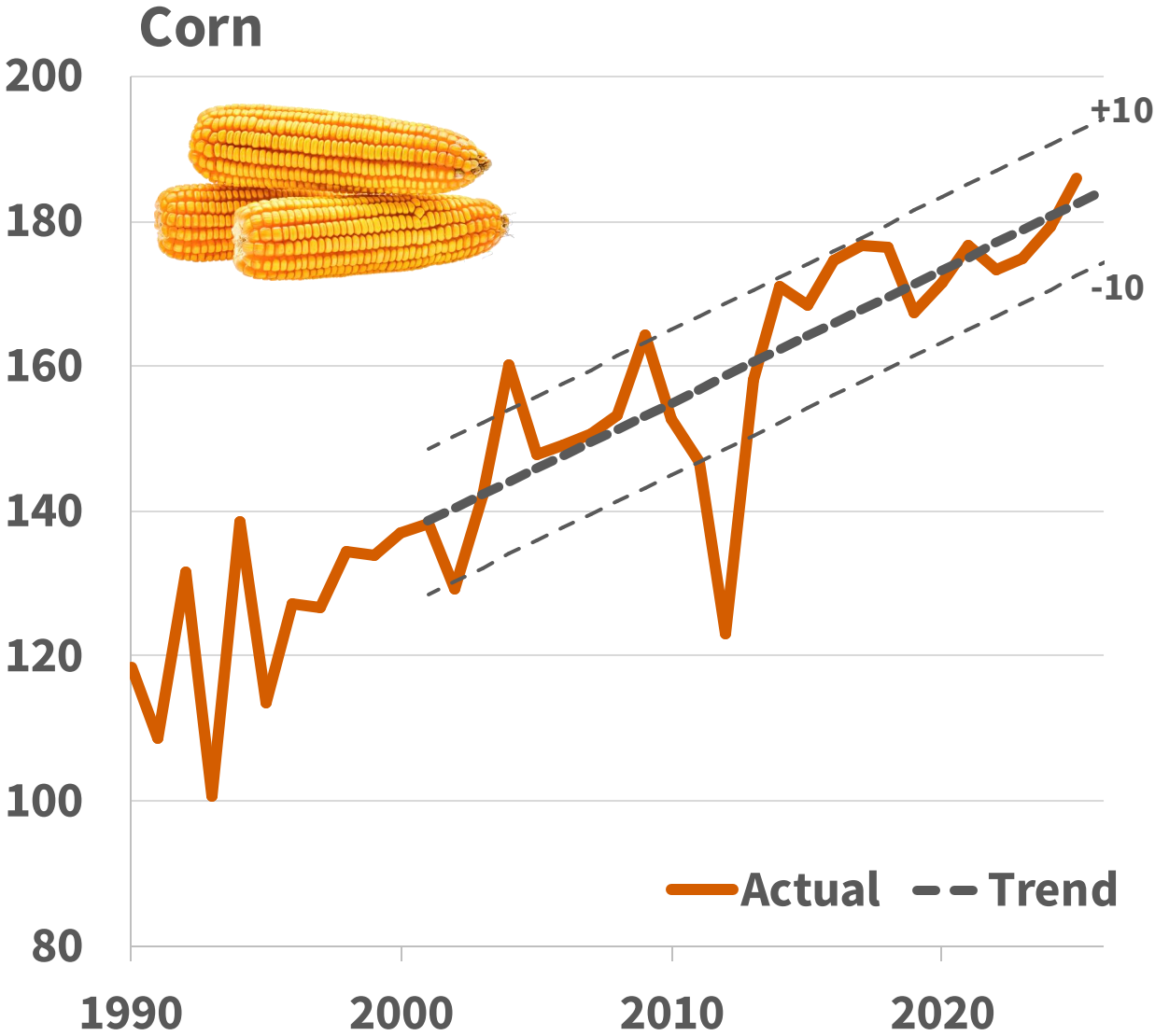
● Acreage in Million Acres



Total Soybean Acreage and Production in Brazil

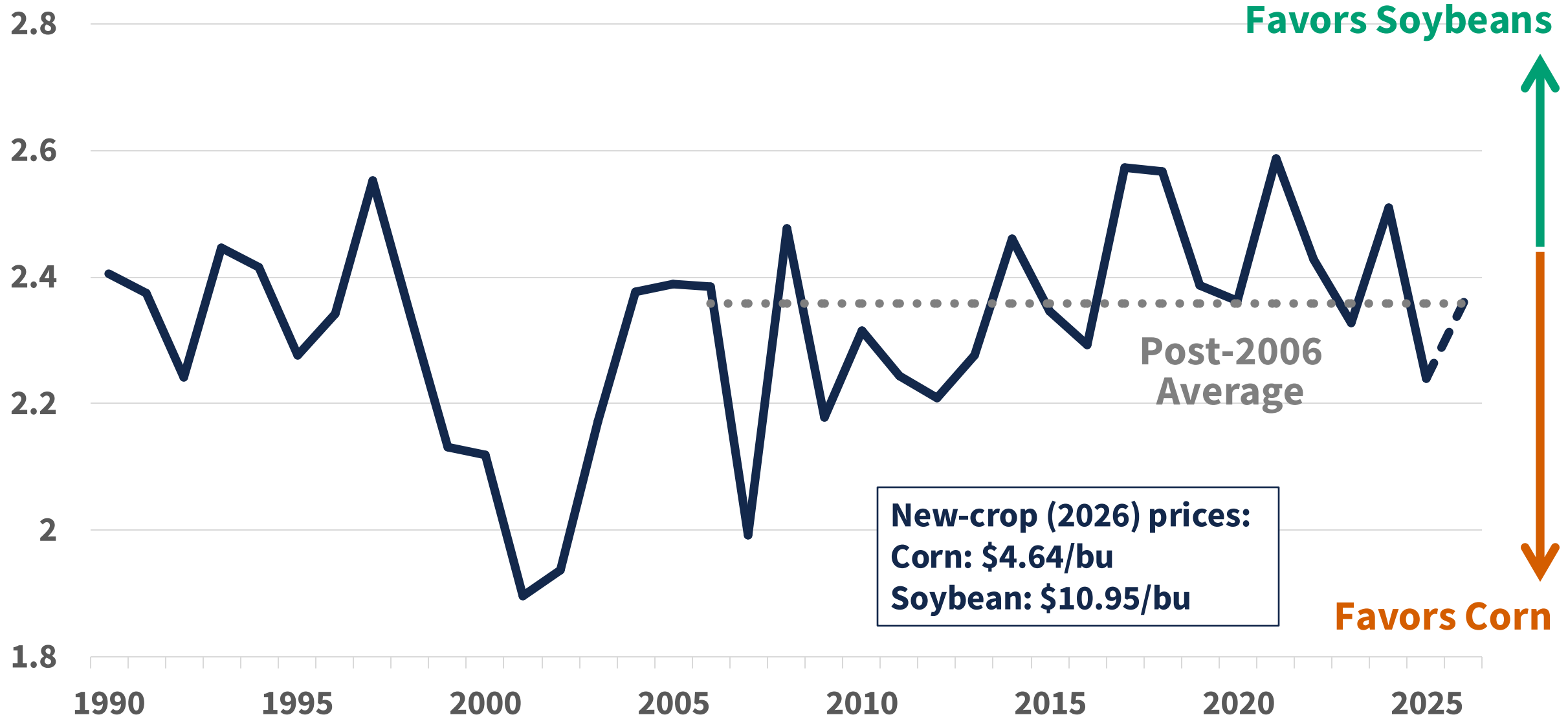


US Corn and Soybean Yield, in bushels per acre, 1990-2025P



Soybean-Corn New-crop Futures Price Ratio

Planting-time (February) average, 1990-2026P



US Corn Supply and Demand Balance Sheet

	(mil. bushels unless noted)	2024/25	2025/26 USDA Dec WASDE	2025/26 <i>farmdoc</i> forecast	2026/27 USDA LR Baseline
Supply	Area Planted (mil. acres)	90.9	98.7	98.7	95.0
	Area Harvested (mil. acres)	83.0	90.0	90.0	86.9
	Yield (bu./acre)	179.3	186.0	184.5	182.0
	Beginning Stocks	1,763	1,532	1,532	2,154
	Production	14,892	16,752	16,605	15,815
	Imports	20	25	25	25
	Total Supply	16,675	18,309	18,162	17,994
Use	Feed and Residual	5,492	6,100	5,900	6,000
	Food, Seed, and Industrial	6,821	6,980	6,980	6,975
	Ethanol	5,436	5,600	5,600	5,600
	Exports	2,830	3,200	3,150	3,000
	Total Use	15,144	16,280	16,030	15,975
IIL	Ending Stocks	1,532	2,029	2,132	2,019
	Stocks-to-Use (%)	10.1	12.5	13.3	12.6
	Season Average Price (\$/bu.)	\$4.24	\$4.00	\$4.00	\$4.10

US Soybean Supply and Demand Balance Sheet

	(mil. bushels unless noted)	2024/25	2025/26 USDA Dec WASDE	2025/26 <i>farmdoc</i> forecast	2026/27 USDA LR Baseline
Supply	Area Planted (mil. acres)	87.3	81.1	81.1	85.0
	Area Harvested (mil. acres)	86.2	80.3	80.3	84.2
	Yield (bu./acre)	50.7	53.0	52.5	53.0
	Beginning Stocks	342	316	316	290
	Production	4,374	4,253	4,216	4,465
	Imports	27	20	20	20
	Total Supply	4,744	4,590	4,547	4,775
Use	Crushings	2,445	2,555	2,555	2,640
	Exports	1,875	1,635	1,500	1,715
	Seed	70	73	75	75
	Residual	37	37	40	30
	Total Use	4,427	4,300	4,170	4,300
IL	Ending Stocks	316	290	377	254
	Stocks-to-Use (%)	7.1	6.7	9.0	5.9
	Season Average Price (\$/bu.)	\$10.00	\$10.50	\$10.50	\$10.30

Implications for farmer marketing



Grain marketing considerations

- Old-crop:

- Higher than usual post-harvest inventories?

- Is Jan 1 enough to pull grain out of bins?
 - Deteriorating carry diminishes risk management options
 - Do ad hoc payments allow farmers to buy time?

- New-crop:

- Price ratio promotes return to soybeans

- Early price levels (e.g., \$11 NC soybean futures) tend to be fragile

Closing thoughts

- Corn and soybean prices (futures and basis) have moved off of harvest lows
 - How much is China trade optimism driving soybean rally?
- Current volatility (esp. in calendar spreads) suggests potential for more price volatility in 2026
- Farmer marketing may be complicated by large post-harvest inventory, ad hoc support payments
 - What do you need to pull grain out of bins, into supply chain?

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