

**AgCountry Farm Credit Services**  
**AUGUST 2024 MARKET UPDATE**  
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This time of the year is crucial for crop growth. Record yields have captured major headlines among the trade after beneficial rains moved across many parts of the U.S. throughout the growing season. Beef continues to be a bright spot among U.S. commodities.

**Corn**

Old crop and new crop corn have once again traded new contract lows throughout the trading month. Old crop corn trading off the September 2024 contract traded in a \$.37 range, between \$4.09 and \$3.72 futures. New crop corn trading off the December 2024 contract traded in a \$.33 range, between \$4.23 and \$3.90 futures.

USDA estimates the U.S. corn yield will top a record 183.1 bushels per acre in this month's USDA World Agricultural Supply and Demand Estimates (WASDE) report. The number is 2.1 bushels above last month's USDA WASDE report. Driving the increase in yield is brought upon by USDA estimating that 10 states will set record yields this year. The increase in yield results in an increase in production from last month's estimate of 47 million bushels bringing production estimates to 15.147 billion bushels. U.S. exports are estimated to rise 75 million bushels to a total of 2.3 billion bushels due to low world market prices.

**Soybeans**

Old and new crop soybeans trading off the November 2024 contract traded in a \$1.05 range, between \$10.80 and \$9.75. The November 2024 contract set a new contract low throughout the month.

USDA estimates higher production, exports, and ending stocks. U.S. production is estimated at 4.589 billion bushels—154 million bushels more than July's production estimate. The increase in production is due to an increase in area harvested, which increased one million acres to a total of 86.3 million acres. Also contributing is USDA's estimation of a record yield of 53.2 bushels per acre—1.2 bushels per acre above July's estimate. Six states are estimated to have record yields.

U.S. export estimates rose 25 million bushels to 1.850 billion bushels due to the increase in supply. U.S. ending stocks also rose 125 million bushels from July's report to 560 million bushels, reflecting the increase in production. This is the highest ending stocks estimate since 2018.

**Spring Wheat**

Old and new crop spring wheat trading off the September 2024 contract traded in a \$.55 range, between \$6.29 and \$5.74 futures. For the first time in months the USDA provided some bullish

news in the wheat markets. U.S. spring wheat production is estimated at 544 million bushels, 34 million bushels below July's estimate. U.S. all wheat production is estimated at 1.982 billion bushels, 26 million bushels below July's estimate. The U.S. all wheat ending stocks is estimated at 828 million bushels, 28 million bushels below July's estimate.

### **Sugarbeets**

Another reduction due to shrink reported by processors has cut 2023/2024 sugarbeet production by 60,970 short tons, raw value. New crop 2024/2025 sugarbeet production is estimated at 5.363 short tons, raw value. This is an increase of 127,000 short tons, raw value from July's estimate due to an increase in yield estimated at 32.9 tons per acre. That is 31.2 tons per acre above last year.

### **Ethanol**

The Energy Information Administration (EIA) left their ethanol production estimate unchanged from last month for 2024 at 1.03 million barrels per day. That is slightly ahead of last year's production of 1.02 million barrels per day. The EIA left their estimate of 2025's ethanol production unchanged from last month as well at 1.02 million barrels per day.

### **Lean Hogs**

Pork production estimated dropped following a lower-than-anticipated slaughter rate and decreased dressed weights. Exports for 2024 decreased due to lower export competitiveness. That also caused 2025 export estimates to drop.

### **Feeder/Live Cattle**

Beef production increased due to a higher-than-anticipated slaughter rate. Those estimates will change in the first quarter of 2025 with a lower expected slaughter rate. Continued strong demand has 2024 exports rising. Exports in 2025 were left unchanged from last month. The 2024 cattle price forecasts are rising in the third and fourth quarters while continuing into 2025 based on strong demand for fed cattle.

### **Dairy**

The Milk Production report shows lower cow inventories as well as reductions in output-per-cow. This caused 2024 and 2025 milk production estimates to lower. Higher-than-anticipated shipments of butter and milkfat have fat basis exports rising in 2024 but remain unchanged in 2025. The skim-solids exports are unchanged for 2024, while anticipated competitive prices of U.S. non-fat dry milk has 2025 exports increasing.