

**AgCountry Farm Credit Services**  
**APRIL 2024 MARKET UPDATE**  
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The April World Agricultural Supply and Demand Estimates (WASDE) report didn't bring any fireworks to the market, as anticipated. One surprise found in the report helped the corn market by stating a decrease in corn ending stocks of 50 million bushels due to an increase of corn used for ethanol. Even with the decrease in stocks we are still have a large carry over.

**Corn**

Throughout the trading month old and new crop corn were in a very narrow trading range. Old crop corn trading off the May 2024 contract traded in a \$0.24 range between \$4.48 and \$4.24 futures. New crop corn trading off the December 2024 futures traded in a \$0.21 range between \$4.81 and \$4.60—reaching both the monthly high and low in the same day.

The USDA released their Prospective Planting report in March that gave the market an idea of what the 2024 production year for the U.S. will look like. The USDA estimates that 90 million acres of corn will be planted this year, which is 2 million acres below pre-report estimates and would be 4.6 million acres less than last year. Even with the decrease in acres, there is potential for the U.S. to have the highest ending stocks since 1987 and 1988, which is continuing to put pressure on the corn market.

In USDA's April WASDE report, Argentina's corn production is estimated to decreased 39 million bushels from last month's report to 2.165 billion bushels. This is right in line with pre-report estimates. Brazil's corn production was left unchanged from last month's report at 4.881 billion bushels.

The U.S. balance sheet shows ending stocks were lowered 50 million bushels to 2.122 billion bushels. This number remains above the pre-report estimate of 2.105 billion bushels and well above last year's ending stocks of 1.360 billion bushels.

**Soybeans**

The soybean market continues to be the roller coaster of the trading market by finding no help to stay above the \$12.00 futures level. Old crop soybeans trading off the May 2024 contract traded in a \$0.75 range between \$12.26 and \$11.51. New crop soybeans trading off the November 2024 contract traded in a \$0.60 range between \$12.16 and \$11.56.

We continue to see large estimates for the South American production. Argentina soybean production was unchanged from last month's report at 1.837 billion bushels, which is still twice the size of their production last year. Brazil's soybean production was left unchanged from last month's report at 5.695 billion bushels. That number comes in well above the average pre-report trade estimates of 5.574 billion bushels.

The USDA is estimating U.S. soybean production at 86.5 million acres, which is 200,000 acres above pre-report estimates and 2.9 million acres more than last year. U.S. Ending stocks increased 25 million bushels to 340 million bushels, reflecting a lack in exports. This is 21 million bushels higher than pre-report trade estimates and well above last year's ending stocks of 264 million bushels.

### **Spring Wheat**

Both old and new crop contracts continue to create new contract lows. Old crop spring wheat trading off the May 2024 contract traded in a \$0.52 range between \$6.77 and \$6.25 futures. New crop spring wheat trading off the September 2024 contract traded in a \$0.39 range between \$6.85 and \$6.46 futures. All wheat acres for 2024 were estimated at 47.5 million acres, which is 200,000 less acres than pre-report estimates and 2.1 million less acres than last year. Spring wheat acres were estimated at 11.3 million acres to be planted in 2024. This is 400,000 more acres than pre-report estimates and only 100,000 acres more than last year.

The U.S. ending stocks increased 24 million bushels from last month's report due to a decrease in usage to 698 million bushels. This is 12 million bushels above pre-report estimates and well above last year's ending stocks of 570 million bushels.

### **Sugar Beets**

U.S. beet production for 2023/2024 is lowered to 5.144 million short tons, raw value. This is largely due to a decrease of 27,340 short tons, raw value due to an unchanged beet pile shrink.

### **Ethanol**

Corn used for ethanol increased by 25 million bushels to 5.4 billion bushels. The U.S. Energy Information Administration raised their 2024 estimates from last month of 1.02 million barrels per day to now 1.03 million barrels per day in 2024. They also kept their estimates for 2025 unchanged at 1.03 million barrels per day.

### **Lean Hogs**

Pork production rose due to a higher-than-expected slaughter rate, despite a slight weight decline. This is reflecting higher pig crops and stronger growth in pig per litter than previously reported in late 2023. Hog prices also rose as strong export demand continues.

### **Feeder/Live Cattle**

Beef production increase for the month after larger weights and a higher-than-expected slaughter rate. Following suit with the hog market, continued strong demand for exports and estimated cattle prices both rose.

### **Dairy**

Slower-than-expected growth in milk per cow led to a lowering of 2024 milk production. Class III milk prices forecasts also declined because of lower cheese and whey prices.