

Corn futures bounced from recent lows to finish the first half of December slightly higher. USDA on December 10 released its monthly WASDE report. For corn, the domestic 2024/25 balance sheet called for higher ethanol demand, larger exports, and lower ending stocks. Corn production and yield was left unchanged from November while domestic demand was increased 50 million bushels from last month on higher ethanol demand based on the most recent data from the Grain Crushings and Co-Products Production report as well as weekly ethanol production data as reported by the Energy Information Administration for the month of November. These data imply corn used for ethanol during the September to November quarter was the highest since 2017. Corn exports were raised 150 million bushels to 2.5 billion bushels reflecting the pace of sales and shipments to date. With no other changes to the domestic balance sheet, corn ending stocks were lowered 200 million bushels to 1.738 billion bushels, below the range of pre-report estimates between 1.8 and 1.938 billion bushels. On the world balance sheet, global ending stocks were lowered 7.7 million metric tons to 296.4 million. This was also below the range of pre-report estimates between 300.0 to 305.3 million metric tons. Argentina has planted 55.6 percent of its corn crop, well above last year and the 5-year average. Corn was rated 43 percent excellent. This marks one of the best starts in years as timely rains continue to fall. Argentina's new crop corn will hit the global market in April rather than the typical May timeframe. The State Statistical Bureau of China revealed the 2024 Chinese corn crop was record-large and 2.1 percent higher than a year ago. In 2025, China will allow and encourage the seeding of genetically modified corn. Market attention will continue to focus on the pace of export sales, any major shifts in U.S. trade policy, and South American yield estimates. Our clients are remaining patient on existing coverage and will be looking to scale into additional coverage and increase delta if prices continue to move higher.



The estimated yield for the Mar 2025 crop is 216 bushels per acre and the non-land operating cost is \$788 per acre. Land cost for Mar 2025 is estimated at \$275 per acre¹. Basis for the Mar 2025 crop is estimated at \$-0.2 per bushel.



The estimated yield for the Dec 2025 crop is 224 bushels per acre and the estimated operating cost is \$749 per acre. Land cost for Dec 2025 is estimated at \$300 per acre¹. Basis for the Dec 2025 crop is estimated at \$-0.25 per bushel.

¹ The Corn Margin Watch yield, land and non-land operating cost values are based upon central Illinois low productivity farmland crop estimates in the "Historic Corn, Soybean, Wheat, and Double-crop Soybeans" report published by the Department of Agricultural and Consumer Economics at the University of Illinois.

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