United States Department of Agriculture

Economic Research Service | Situation and Outlook Report

FDS-24g | July 16, 2024

Next release is August 14, 2024

Feed Outlook: July 2024

Aaron M. Ates, coordinator

Christele Marsh, contributor

Claire Hutchins, contributor

In this report:

Increased U.S. Corn Production Lifts the 2024/25 Feed Grain Supply Projection

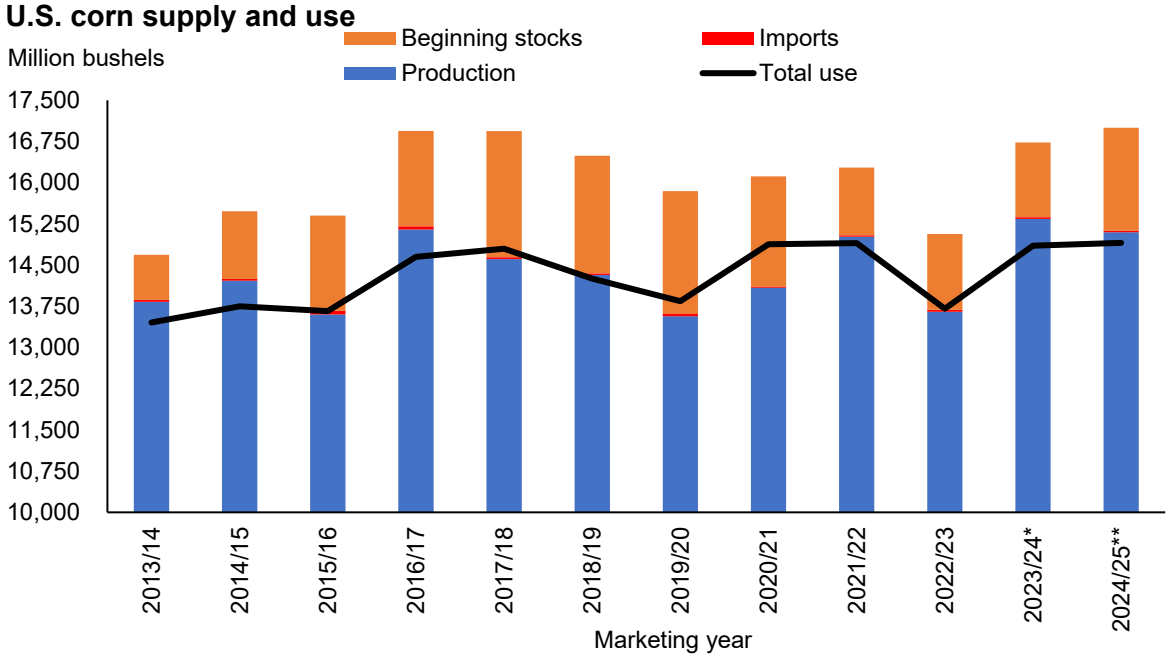
The 2024/25 U.S. feed grain supply forecast is 449.9 million metric tons this month, up 2.1 million metric tons from the June *World Agricultural Supply and Demand Estimates (WASDE)* forecast. An increase in corn planted and harvested acreage is the main driver of the increase in supply. Oats harvested area and yield are also forecasted higher. However, the production increase from oats is more than offset by lower expectations of production from sorghum and barley, on lower harvested acres and lower yields for barley. Projected total U.S. feed grain use is raised by 2.2 million metric tons, resulting in a slight decline in ending stocks that are projected at 56.3 million metric tons. The expected increase to overall U.S. feed grains production is expected to impact prices received by farmers.

Foreign coarse grain production for 2024/25 (global minus U.S. output) is projected lower this month, down 4.6 million tons. With fewer supplies available, domestic use is expected to fall with the largest impact in feed use. However, after accounting for the expected reduction in export volumes, the overall projected decline in overall total coarse grain use more than offsets output declines—lifting foreign ending stocks.

Approved by USDA's World Agricultural Outlook Board

Figure 1

U.S. corn supply and use



Note: Asterisk (*) denotes estimate, (**) denotes forecast.
Source: USDA, Economic Research Service using data from USDA, World Agricultural Outlook Board, *World Agricultural Supply and Demand Estimates*.

Domestic Outlook

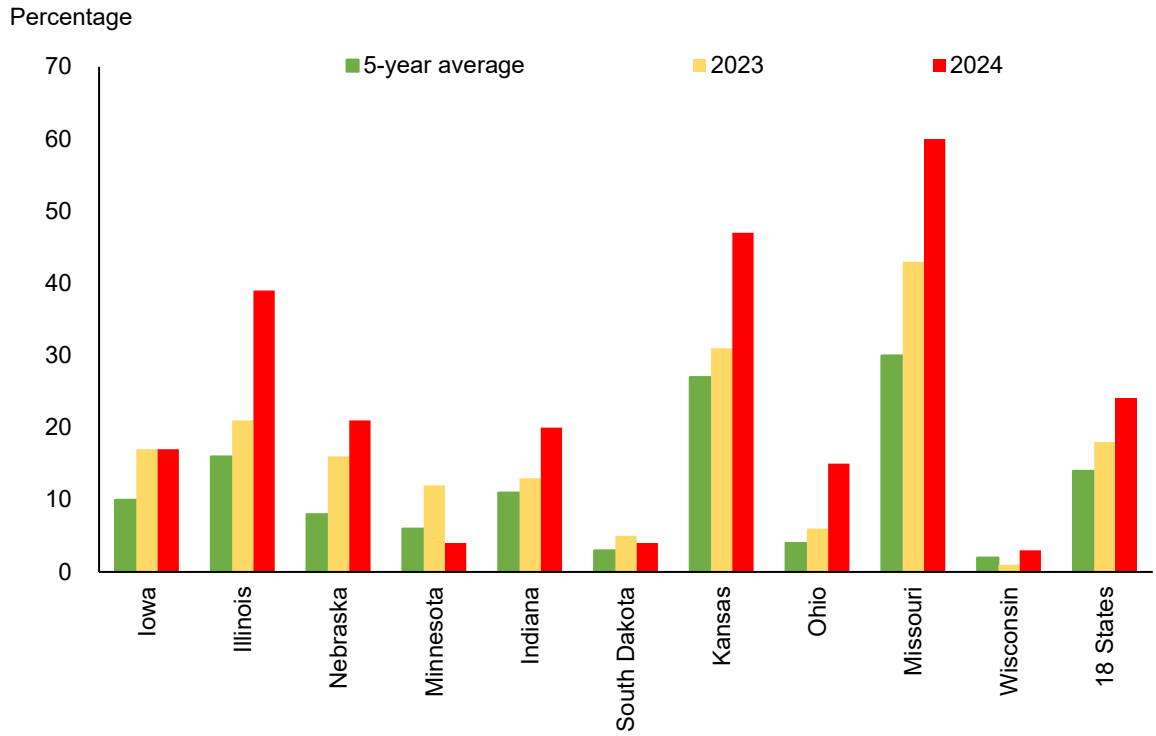
2024/25 Corn Supply Is Up on Larger Corn Acreage

The 2024/25 U.S. corn supply is projected at 17,002 million bushels, up 95 million bushels from the June *World Agricultural Supply and Demand Estimates (WASDE)* forecast. This supply increase reflects competing changes in production and beginning stocks. More specifically, higher U.S. corn acreage drives a 240 million bushel increase in U.S. corn production expectations, on unchanged yields from the June *WASDE* report.

The *Acreage* report (released on June 28 by USDA's National Agricultural Statistics Service (NASS)) forecasted 91.5 million acres of corn planted in the United States for the 2024/25 marketing year. U.S. planted corn acres increased by 1.4 million acres from what was reported in NASS's *Prospective Plantings* on March 28. Most of the U.S. corn producing States reported higher or unchanged acres relative to intentions. Notably, with an addition of 600,000 acres, Kansas led the increase in area planted relative to prospective plantings. Iowa and North Dakota followed with increases of 300,000 acres each. The overall increase in U.S. acres from what was reported in *Prospective Plantings* was slightly offset by declines in a small number of States, mainly Michigan and Wisconsin, with a reduction of 100,000 acres each. Harvested acreage increased in tandem with planted acreage and is expected to be 83.4 million acres, up 1.3 million acres from the June *WASDE* forecast.

The U.S. corn crop is progressing in its development. A large proportion of the crop is silking earlier in the crop cycle than in years past. NASS's *Crop Progress* report indicates that 24 percent of the national corn crop reached the silking stage on July 7, compared to 18 percent a year ago and 14 percent for the 5-year average. In major corn producing States of Illinois, Nebraska, Indiana, Ohio, Kansas, and Missouri—crops are even further along in the reproductive stage compared to a year ago and the 5-year average (see figure 2). As silking has begun, crop conditions continue to be favorable. The last rating of the U.S. corn crop is 68 percent good to excellent, per NASS's *Crop Progress* report for the week ending July 7. This rating is 13 percentage points above last year. These crop conditions and development rates, particularly in major producing States, support the current yield forecast of 181 bushels per acre. However, adequate temperatures and moisture in the fields will continue to be critical in the next few weeks as the corn silks are pollinated. NASS will release its first survey-based yield forecast for U.S. corn in August.

Figure 2
U.S. corn silking progress by selected States



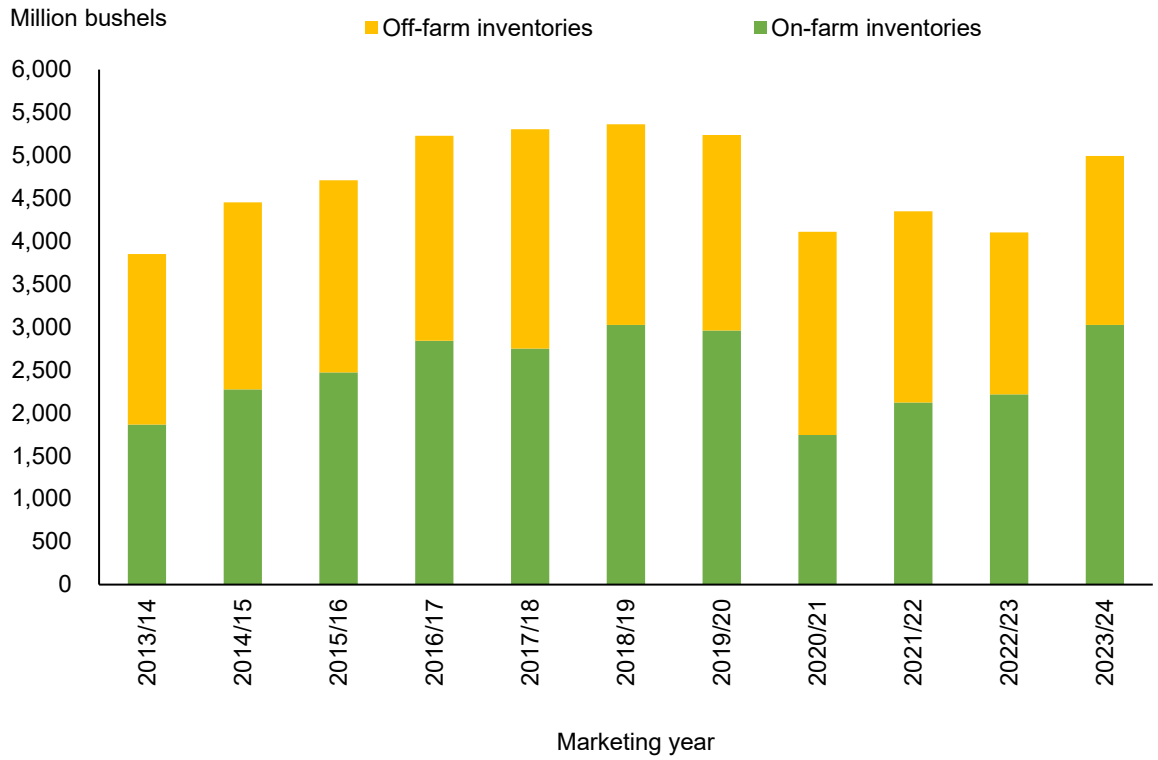
Source: National Agricultural Statistics Service, July 7 *Crop Progress* report.

Corn Use Is Higher for 2023/24 and 2024/25

A larger 2024/25 U.S. corn production forecast is partly offset by a reduction in beginning stocks that mostly reflects an expected increase in 2023/24 U.S. corn usage (see figure 1).

Beginning stocks for the 2024/25 U.S. corn marketing year are estimated at 1,877 million bushels, a reduction of 145 million bushels from the June *WASDE* estimate. June 1 inventories provided by NASS's June 28 *Grain stocks* report help estimate domestic corn use for 2023/24. As of June 1, U.S. corn inventories totaled 4,993 million bushels in all positions (on-farm and off-farm inventories), well above last year's inventories of 4,103 million bushels (see figure 3). Notably, most of the year-on-year increase in corn inventories was held on farms, with 2023/24 June 1 on-farm inventories 890 million bushels above the previous year. When compared to the last 10 marketing years, the quantities of corn stored on farms were the highest they have been (3,026 million bushels) and accounted for the highest share of total inventories (60.6 percent). With U.S. corn prices lower than the last 3 marketing years, farmers have seemingly been unmotivated sellers thus far, although on farm inventories may include bushels which have already been forward priced.

Figure 3
U.S. corn inventories as of June 1



Source: USDA, National Agricultural Statistics Service, *Grain Stocks* report.

Corn import volumes in the third quarter of the year further boost fourth quarter supplies. Since the start of the 2023/24 marketing year and through May, corn imports in the United States stand at 23 million bushels according to data from the U.S. Department of Commerce, Bureau of the Census. With one quarter left to account for in the marketing year, the pace of imports supports an increase in total imports expectations for 2023/24. Thus, corn imports in the United States for 2023/24 are raised 5 million bushels to 30 million bushels.

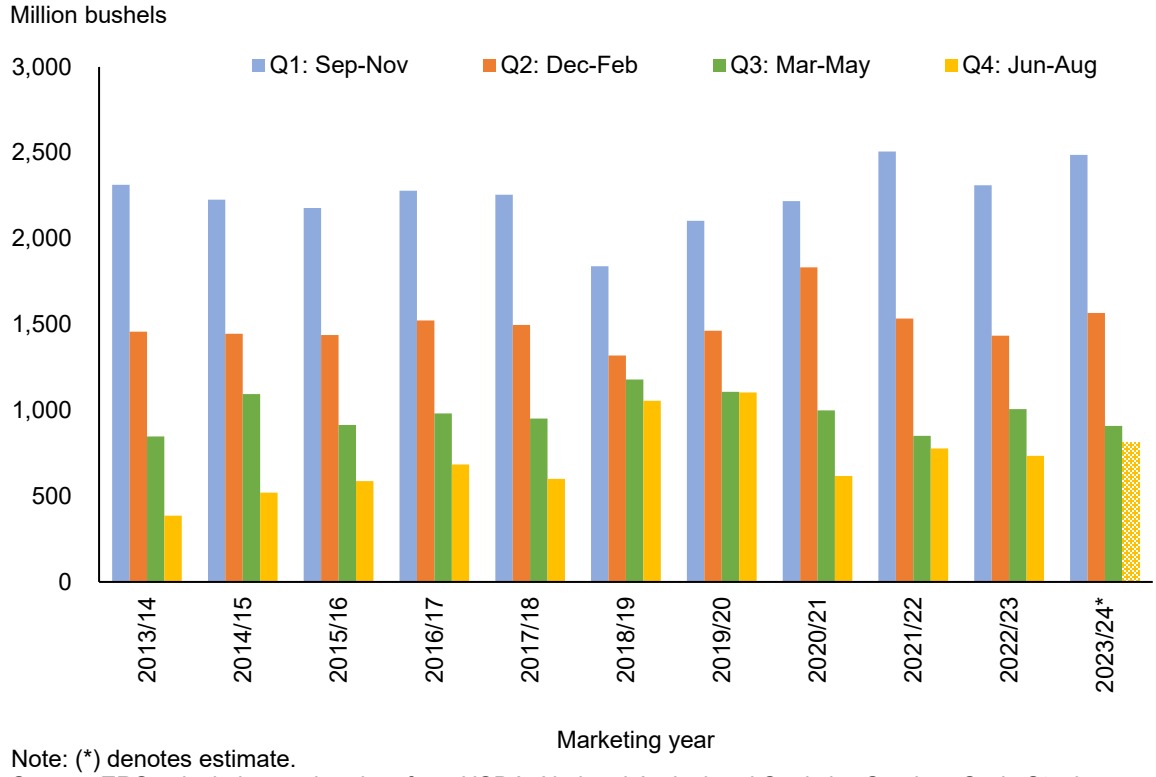
Considering the inventory change between June 1 and the beginning of the marketing year, estimated corn disappearance for the first 9 months of 2023/24 is estimated at 11,731 million bushels, up 785 million bushels from a year ago. The higher disappearance is in part due to higher exports and food, seed, and industrial use (FSI) compared to a year ago. According to the Census Bureau (with data incorporating the 13-month revisions), the United States has exported 1,666 million bushels of corn during the first 9 months of the marketing year. This volume of exports stands 351 million bushels above the same period in 2022/23, already surpassing the entire 2022/23 exported volume of 1,662 million bushels. With ample U.S. corn supplies available and considering that export commitments (outstanding sales and shipments) reported to USDA's Foreign Agricultural Service (FAS) stand at 2,137 million bushels as of July

4, exports are expected to be higher. U.S. 2023/24 corn exports are raised by 75 million bushels to 2,225 million.

Corn used for ethanol is the next driver in the increase in FSI use during 2023/24, up 229 million bushels year on year during the September through May period. Considering the pace of crushing, unchanged expectations for domestic and export demand for ethanol as well as the relative low corn prices compared to gasoline, the expected corn use for ethanol still holds. Estimated FSI use for 2023/24 remains unchanged from the previous month, at 6,855 million bushels.

Feed and residual use over the first 9 months of the year in 2023/24 is estimated at 4,963 million bushels, 212 million bushels above a year ago. With large corn supplies (and declining prices) heading into the fourth quarter of 2023/24, feed and residual corn use in the fourth quarter is expected to be above last year (see figure 4). Thus, feed and residual for 2023/24 is expected to exceed prior expectations and is raised by 75 million bushels, to 5,775 million bushels.

Figure 4
U.S. corn feed and residual use



Note: (*) denotes estimate.
Source: ERS calculations using data from USDA, National Agricultural Statistics Service, *Grain Stocks* report.

Due to raised usage estimates, the corn stocks-to-use ratio for 2023/24 is estimated at 12.6 percent, down 1.1 percentage points from the June *WASDE* report. Considering average prices received by farmers reported through May by NASS *Agricultural Prices* report, the 2023/24 corn season-average price remains estimated at $4.65 per bushel.

U.S. corn demand for 2024/25 is also expected higher. Larger U.S. corn supplies in 2024/25 are expected to help keep prices low and incentivize demand. Feed and residual use is raised by 75 million bushels, to 5,825 million bushels. In addition, U.S. corn exports are expected to remain strong in 2024/25, particularly with a reduced production outlook for Canada. Mexico is expected to continue to import corn as the country is building back supplies from low production in 2023/24 (see International section). Thus, as U.S. corn is expected to be competitive and continue capturing export markets. U.S corn exports are raised by 25 million bushels for 2024/25, to total 2,225 million bushels.

After incorporating changes to U.S. corn supply and demand, 2024/25 ending stocks stand at 2,097 million bushels, down 5 million bushels from the June *WASDE* report. The projected 2024/25 corn-ending stocks-to-use ratio is 14.1 percent, 0.1 percentage point below the June *WASDE* report. As harvest nears, elevated corn supplies are expected to place further pressure on prices for the 2024/25 marketing year. The 2024/25 season-average corn farm price is projected to be $4.30 per bushel, down 10 cents from the June *WASDE* estimate and 35 cents lower than in 2023/24.

Sorghum Supply Is Down on Lower 2024/25 Harvested Acres Forecast

The 2024/25 projected U.S. sorghum supply is 395 million bushels, down 15 million bushels from the June *WASDE* on account of a lower harvested acres forecast. Despite this reduction, the 2024/25 sorghum crop is projected to exceed 2023/24 output by 55.3 million bushels. The June 28 NASS *Acreage* report forecasted 6.4 million acres of sorghum were planted in the United States. This amount includes a small, rounded, increase of 10,000 acres from the March 28 *Prospective Plantings* report and the June *WASDE* report. Kansas, the largest U.S. sorghum producing State, reported a decrease of 150,000 acres planted, relative to the March 28 NASS *Prospective Plantings* report. Smaller producing States of Nebraska and South Dakota also reported a decrease of 80,000 acres combined. Decreases in sorghum acres were entirely offset by an increase of 100,000 acres for Texas and Colorado each, and a small increase of 40,000 acres for Oklahoma. With drought conditions remaining in the sorghum producing areas,

NASS expected harvested acreage was 0.2 million acres below what was expected in the June *WASDE* report.

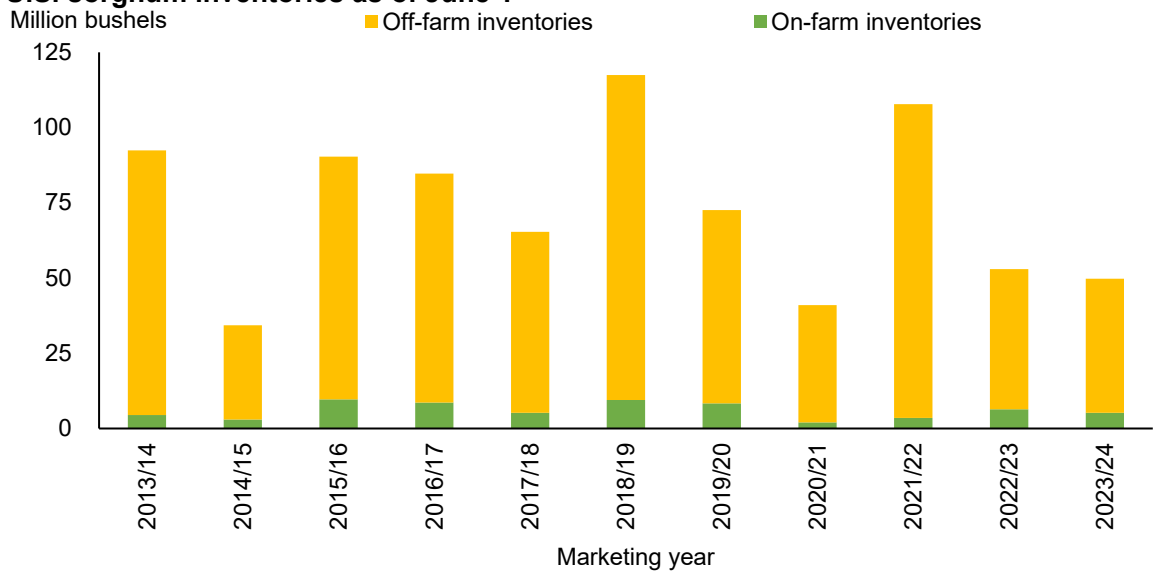
The U.S. sorghum crop received an overall crop rating of 59 percent in good to excellent condition as of July 7, per NASS's *Crop Progress* report. This rating compares with 55 percent a year ago. The crop is 23 percent headed (1 percentage point below the previous year and 5-year average). Crop conditions will become more meaningful as the crop progresses, mainly in Kansas. Nonetheless, drought conditions continue to be significantly better with only 19 percent of the U.S. sorghum crop located in moderate to severe drought versus 55 percent a year ago, per USDA World Agricultural Outlook Board (WAOB) *Agriculture in Drought* report as of July 9. As a result, the 2024/25 sorghum yield projection remains unchanged this month at 69.2 bushels per acre. NASS will release its initial survey-based yield forecast for sorghum in August.

Despite this month's reduction in sorghum output, domestic disappearance of sorghum is unchanged for 2024/25. To ensure domestic use requirements are satisfied, sorghum exports are lowered 15 million bushels in response to reduced supplies, leaving 2024/25 U.S. sorghum ending stocks unchanged at 35 million bushels. The 2024/25 season-average sorghum farm price is lowered to $4.30 per bushel, down 10 cents from June, as sorghum will have to compete with large supplies of corn.

There are no changes to the 2023/24 U.S. sorghum balance sheet. U.S. inventories of sorghum as of June 1 are 50 million bushels, down 3 million bushels from a year ago and largely in commercial hands (see figure 5).

Figure 5

U.S. sorghum inventories as of June 1



Source: USDA, National Agricultural Statistics Service, *Grain Stocks* report.

Disappearance during the third quarter indicates domestic feed and residual sorghum use is on pace for 50 million bushels for 2023/24. The 2023/24 U.S. sorghum export estimate also remains unchanged at 245 million bushels. According to the Census Bureau, U.S. sorghum exports totaled 197 million bushels during the first 9 months of the marketing year. With low inventories, export sales of sorghum reported to FAS on a weekly basis have been sporadic during the month of June. Nonetheless, while waiting for harvest to begin in the southern areas, the total quantity of U.S. sorghum commitments (as of June 27) stands at 219 million bushels as of July 4, per the weekly FAS *Export Sales* report, supportive of the current export estimate.

With no changes to the 2023/24 sorghum supply and demand and after review of prices received, there are no changes to the 2023/24 average sorghum farm-price estimate received by farmers.

Weakened Yield Potential and a Slight Dip to Harvested Area Weigh on U.S. Barley Supplies in 2024/25

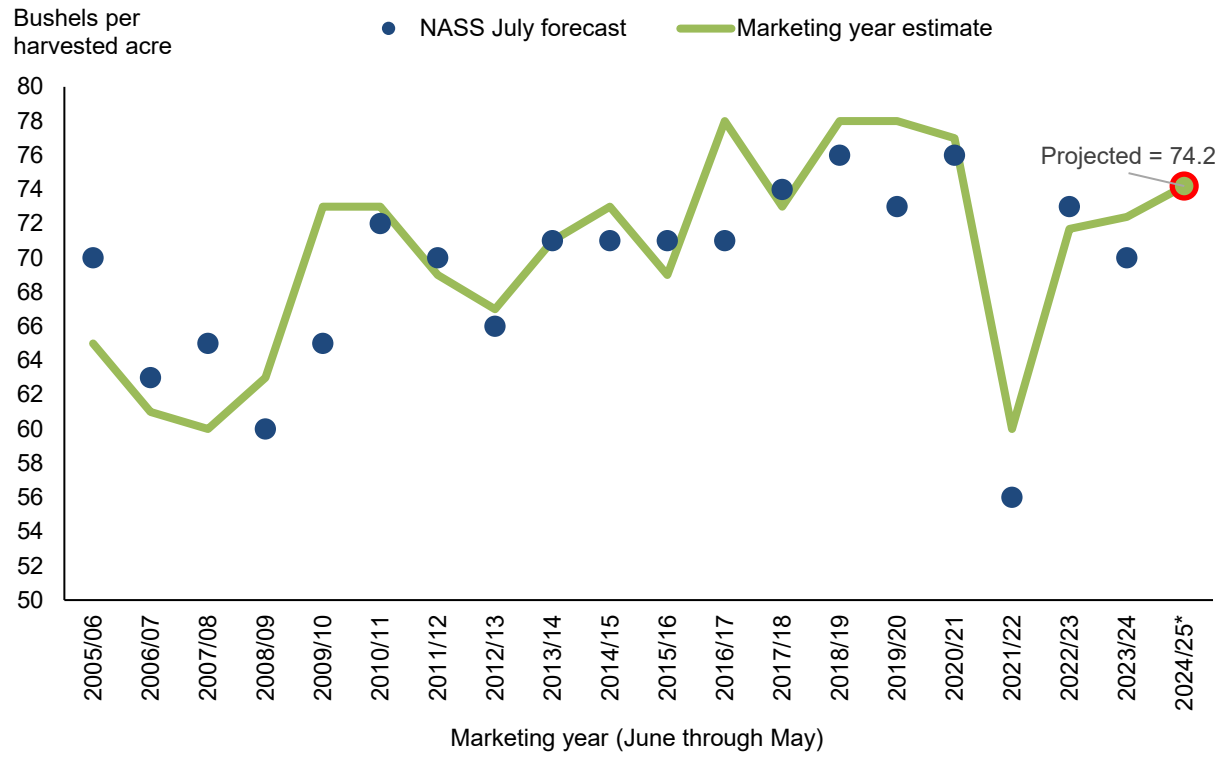
U.S. farmers are projected to harvest 150 million bushels of barley in 2024, down 11 million bushels from the June *WASDE* forecast and 19 percent lower than 2023. In July, the total national barley yield forecast slipped 2.5 bushels per acre to a projected 74.2 bushels per acre for the 2024/25 harvest. This yield forecast, coupled with slightly weaker harvested area, weighed on the first NASS survey-based production forecast of the season (see figure 6). While month-to-month declines were reported, the overall barley yield forecast is 2.5 percent higher than last year and 3 percent greater than the 5-year average—though a substantial drop in planted area from last year more than offsets favorable growing conditions early in the season.

NASS currently estimates total U.S. barley planted area in 2024 at 2.56 million acres, down 18 percent from last year and 10 percent below the previous 5-year average. Between its March *Prospective Plantings* report and its June *Acreage* report, NASS slightly reduced its barley planted area forecast. Furthermore, NASS forecasts that U.S. barley farmers will harvest just over 2.0 million acres for the 2024/25 marketing year (June-May), down 21 percent from last year and 12 percent below the previous 5-year average. This decrease follows a continued decline in barley area over the last several decades as other crops (like corn and soybeans) offer the potential for higher returns to producers—particularly in North Dakota where the development of row-crop seed varieties has allowed for more diverse crop rotations relative to other major barley-producing States. According to NASS, most of the land planted to barley in the United States in 2024 is largely concentrated in Montana (40 percent), Idaho (23 percent),

and North Dakota (14 percent), but a significant shift in the distribution of planted area has occurred since the early 2000's (see figure 7).

Figure 7

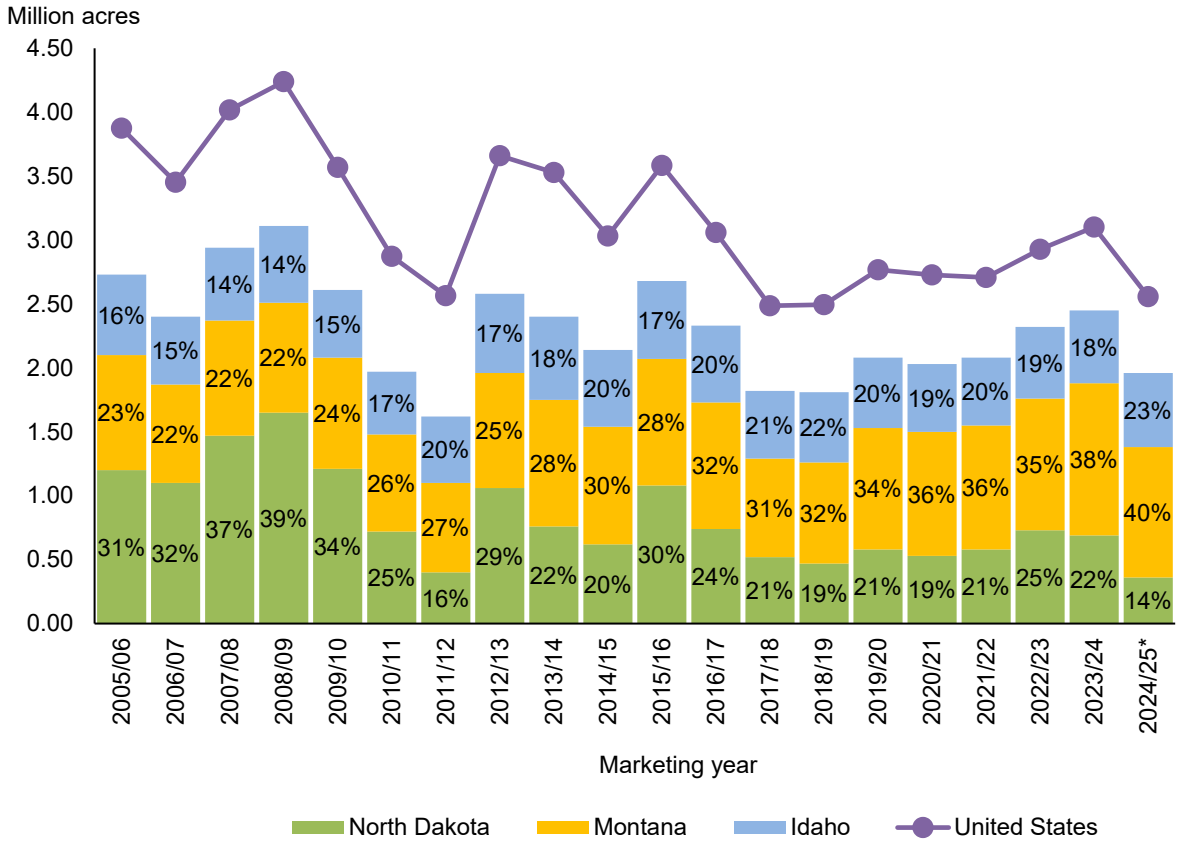
U.S. barley yield, July NASS yield forecasts compared to the final marketing year estimate



Note: Asterisk (*) denotes forecast. For 2024/25, the July value is forecasted by USDA, National Agricultural Statistics Service (NASS), and the year value is forecasted by the World Agricultural Outlook Board.
Source: USDA, Economic Research Service using data from USDA, National Agricultural Statistics Service, July 2024 *Crop Production* report.

North Dakota has led the overall decline in U.S. barley planted area compared to other major-producing States (like Montana and Idaho) during this time period. The climate and weather patterns in the eastern portion of North Dakota—that support the development of seed varieties that contribute to a more flexible crop rotation—better accommodate growing conditions for competing crops that demand more water than barley.

Figure 7
U.S. barley planted area and percent of total acreage, by State



Note: Asterisk (*) denotes forecast.
Source: USDA, Economic Research Service using data from USDA, National Agricultural Statistics Service, June 2024 *Acreage* report.

This shift in producers' ability to diversify crop rotations is reflected in a significant decline in barley planted area in North Dakota. Between 2005 and 2009, the average area planted to barley in North Dakota was 1.33 million acres (comprising an average of 34.5 percent of the country's total acres seeded to barley), but that number has fallen substantially to an estimated 360,000 acres in 2024. However, the continued strength of barley production in Idaho (the largest barley-producing State) and Montana (the second-largest barley-producing State) have helped offset overall reductions in the national supply. Idaho barley acres have remained mostly stable over time as large, localized malt-demand centers have incentivized producers to not only plant consistent acreage, but also lean on yield-boosting technology such as irrigation. Both Montana barley acreage and yields have remained relatively stable over the past few decades. A more arid climate in the central-western part of the State offers producers less overall opportunities for row-crop rotations compared to other parts of the United States.

Mostly reflecting overall reductions to yield and area, the total barley supply in 2024/25 saw a 9-million-bushel decline this month (to a projected 241 million bushels) as a slight increase in beginning stocks carried over from 2023/24 partly offsets declines in production. NASS data (as of June 1) showed final barley-ending stocks for 2023/24 at 78 million bushels, up 3 million bushels from last month's forecast.

There were minimal changes to the backyear (2023/24) balance sheet for barley between the June and July *WASDE.* Both imports and feed and residual values were revised down, based on market year-end data from Census and NASS. The volume of barley used for feed and residual was reduced by 5 million bushels in July for the 2024/25 marketing year on lower supplies, reducing the ending stocks forecast by 4 million bushels to 73 million. The season-average barley price received by farmers in 2023/24 is $7.39 per bushel, up 4 cents from the June *WASDE* forecast.

Record Yields Boost the U.S. Oats Production Forecast in 2024/25

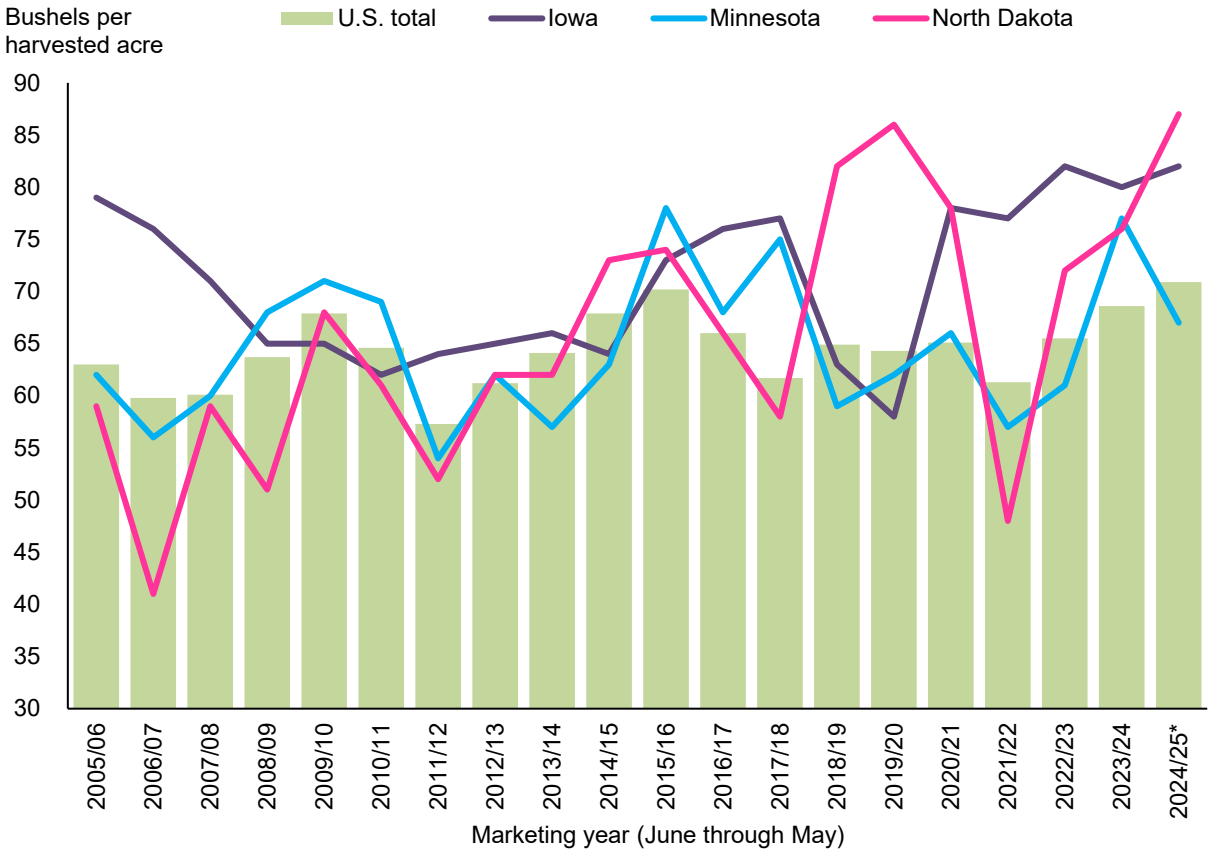
The 2024/25 U.S. oats harvest is shaping up to be the strongest since marketing year 2020/21, as phenomenal yields augment a rebound in projected harvested area. Total oat supplies are forecast to reach 173 million bushels this year—up 4 percent from 2023/24—strengthened by a record yield projection (of 70.9 bushels per acre) and increased harvested area (now forecast at 900,000 acres).

Ideal weather conditions throughout the growing season support the 3.8-bushel-per acre jump in the current marketing year yield forecast between June and July. The NASS July 8 *Crop Progress* report showed 67 percent of the country's oat crop in good to excellent condition—unchanged from the prior week and 20 percentage points higher than this time in 2023. Producers in North Dakota (the largest oats-producing State) are projected to have a State-record yield of 87 bushels per acre, and producers in Iowa are expected to harvest an average of 82 bushels per acre which—if realized—would tie for the State's highest harvested oats yield in more than two decades (see figure 8). Moreover, the potential for high yields across the board supports NASS's forecast that more area of oats harvested in proportion to area planted could help strengthen new crop production in 2024. In 2023/24, oat producers harvested an estimated 33 percent of planted acres, but that ratio is forecast to increase in 2024/25 as producers are expected to harvest 38 percent of planted area, as shown in the NASS July *Crop Production* report.

Reflecting the increase to supplies, the 2024/25 oats balance sheet shows an upward revision to feed and residual (up 5 million bushels) and ending stocks (up 12 million bushels). The oats season-average farm price for 2024/25 is unchanged from June at $3.60 per bushel.

Figure 8

U.S. oats yield by State



Note: Asterisk (*) denotes forecast. Iowa, Minnesota, and North Dakota were the three largest oats-producing States in 2023/24.
Source: USDA, Economic Research Service using data from USDA, National Agricultural Statistics Service, July 2024 *Crop Production* report.

International Outlook

United States Boosts Global Coarse Grain Production

Foreign coarse grain production for 2024/25 (global minus U.S. output) is projected lower this month, down 4.6 million tons. However, an increase in coarse grain production of 5.8 million tons for the United States (higher corn, oats, and rye—but lower sorghum and barley output) is more than offsetting, bringing global coarse grain output projected 1.2 million tons higher at 1,512.4 million tons.

Foreign production prospects for 2024/25 are lower across the coarse grain complex, with the largest decrease expected in **barley**, followed by **corn**. The **European Union** and **Canada** constitute the largest reductions in barley and corn output, and combined, account for more than 70 percent of the anticipated decline in foreign output for each commodity. Reports of dwindling barley hectares in **Russia** further contribute to the foreign output decline and are minimally offset by a slight uptick in **Morocco's** production projection.

For **corn**, **Russia's** corn crop forecast is lowered this month, as prolonged early-season heat is expected to negatively impact yields. Combined with a reduction to **Serbia's** corn crop projection, and the lower EU and Canadian corn production forecasts, foreign corn production is cut 1.9 million tons this month. Lastly, **Canada's** oats and rye crops are reduced this month.

For the **2023/24** crop year, global coarse grain production is projected lower. This decline is largely driven by a 1 million ton decrease in expected **Argentine** corn output, where the 2023/24 corn-crop year began in March 2024 and will end in February 2025. Harvest results, corroborated by export volumes, support this change. Further, as **Mexico** is wrapping up its 2023/24 corn harvest, the impacts of prolonged heat and drought are more apparent (as indicated by the Mexican ministry of agriculture), warranting a decrease in yield estimates. **Pakistan's** corn output is reduced this month, reflecting official harvest results provided by government agencies. Minor upward adjustments are made for other coarse grain output forecasts but are not enough to offset these reductions.

For more information and a visual display of this month's changes in coarse grain production, see tables A1 and A2 below. The changes in global, foreign, and U.S. coarse grain production (by type of grain) are shown in table A1, while changes in coarse grain production by country are given in table A2. For barley and corn production changes, see maps A and B, respectively.

Table A1 – World and U.S. coarse grain production at a glance (2024/25), July 2024					
	Region or country	Production	Change from previous month	YoY change[1]	Comments
		Million tons			
Coarse grain production (total)					
↑	**World**	**1,512.4**	**+1.2**	**+12.2**	
↓	**Foreign**	**1,114.9**	**–4.6**	**+17.6**	Changes are made for a number of countries and commodities, mainly in barley and corn. See table A2.
↑	**United States**	**397.5**	**+5.8**	**–5.4**	See section on U.S. domestic output.
World production of coarse grains by type of grain					
CORN					
↑	**World**	**1,224.8**	**+4.2**	**–0.7**	
↓	**Foreign**	**841.2**	**–1.9**	**+5.5**	Reductions in the European Union, Canada, Russia, and Serbia.
↑	**United States**	**383.6**	**+6.1**	**–6.1**	See section on U.S. domestic output.
BARLEY					
↓	**World**	**145.1**	**–2.9**	**+2.8**	
↓	**Foreign**	**141.8**	**–2.6**	**+3.6**	Higher projected production for Morocco is more than offset by reductions for Russia, Canada, and the EU[2]. See table A2.
↓	**United States**	**3.3**	**–0.2**	**–0.8**	See section on U.S. domestic output.
SORGHUM					
↓	**World**	**63.3**	**–0.4**	**+4.9**	
↓	**Foreign**	**53.8**	**Small change.**	**+3.5**	Small reduction to Colombia's sorghum output projection.
↓	**United States**	**9.5**	**–0.4**	**+1.4**	See section on U.S. domestic output.
OATS					
↓	**World**	**22.3**	**+0.1**	**+2.9**	
↓	**Foreign**	**21.4**	**–0.1**	**+2.8**	A slight reduction to Canada's oat production projection is based on official data from Statistics Canada.
↓	**United States**	**0.9**	**+0.2**	**+0.1**	See section on U.S. domestic output.
RYE					
↓	**World**	**11.9**	**+0.1**	**+0.3**	
↓	**Foreign**	**11.6**	**Small change.**	**+0.2**	
↓	**United States**	**0.3**	**+0.1**	**+0.1**	See section on U.S. domestic output.

[1]YoY: year-over-year changes. [2] EU=European Union, doesn't include United Kingdom (UK).

Changes to sorghum output are only relevant to the United States. Fractional changes are made for oats and rye in Canada.

For changes and notes by country, see table A2.

Source: USDA, Foreign Agricultural Service, *Production, Supply, and Distribution database*.

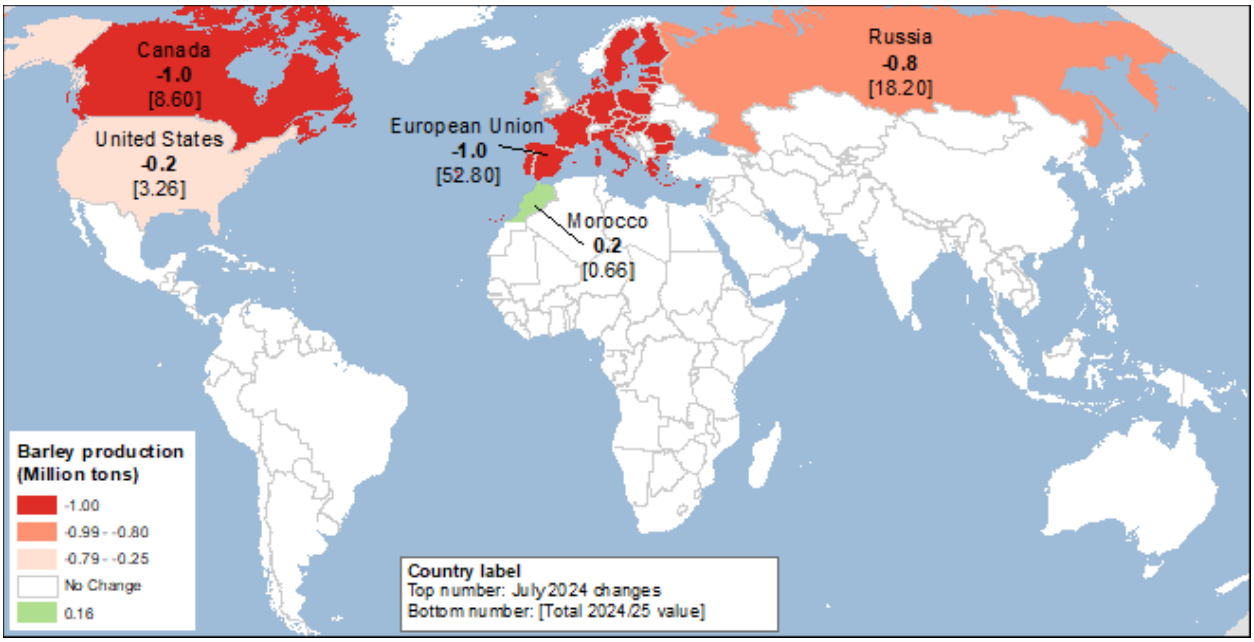
Table A2 – Coarse grain foreign production changes by country at a glance, July 2024						
	Type of crop	Crop year	Production	Change in forecast[1]	YoY[2] change	Comments
			Million tons			
2024/25 crop year						
EUROPEAN UNION (EU)[3]						
↓	**Barley**	*Jul–Jun*	**52.8**	**–1.0**	**+5.1**	Heavy rains in France continued and are expected to dampen yields.
↓	**Corn**	*Oct–Sep*	**64.0**	**–0.8**	**+3**	Prolonged heat and dryness in southeast Europe are expected to impact yields.
CANADA						
↓	**Barley**	*Aug–Jul*	**8.6**	**–1.0**	**–0.3**	A reduction to production is based upon results from Statistics Canada's June Survey.
↓	**Corn**	*Sep–Aug*	**14.5**	**–0.5**	**–0.6**	A reduction to area reflects current conditions in southwest Ontario and Quebec, and is based on official data from Statistics Canada.
↓	**Oats**	*Aug–Jul*	**3.4**	**–0.1**	**+0.8**	A slight reduction to area is based upon official data from Statistics Canada.
RUSSIA						
↓	**Barley**	*Jul–Jun*	**18.2**	**–0.8**	**–2.3**	A reduction of barley area and output is based upon official data from the Russian Ministry of Agriculture. Spring barley plantings are complete and are historically low.
↓	**Corn**	*Oct–Sep*	**15.0**	**–0.4**	**–1.6**	Early reduced yield estimates validate concerns about prolonged heat and soil moisture deficiencies in the south of Russia.
SERBIA						
↓	**Corn**	*Oct–Sep*	**6.7**	**–0.2**	**–0.1**	High temperatures combined with scant precipitation warrant a reduction to yields.
2023/24 crop year						
ARGENTINA						
↓	**Corn**	*Mar–Feb*	**52.0**	**–0.1**	**+16**	Impacts of a flash drought, exacerbated by a leaf hopper infestation, are verified through harvest results and lighter than expected export volumes. Accordingly, the yield projection is reduced this month.
MEXICO						
↓	**Corn**	*Oct–Sep*	**22.7**	**–0.6**	**–5.4**	A reduction of corn yields and output is based upon official data from the Mexican ministry of agriculture SADER (Secretaría de Agricultura y Desarrollo Rural).
PAKISTAN						
↓	**Corn**	*Jul–Jun*	**9.9**	**–0.7**	**–1.1**	Pakistan's Federal Bureau of Statistics (FBS) released the PK Economic survey in early July. Adjustments to corn area and yield are reflected in revised USDA estimates.
PHILIPPINES						
↓	**Corn**	*Jul–Jun*	**8.1**	**–0.4**	**–0.2**	A revision based on the Government second quarter preliminary results.

[1] Change from previous month. Smaller changes for coarse grain output are made for several countries.

[2] YoY: year-over-year changes. [3] EU=European Union, doesn't include United Kingdom (UK).

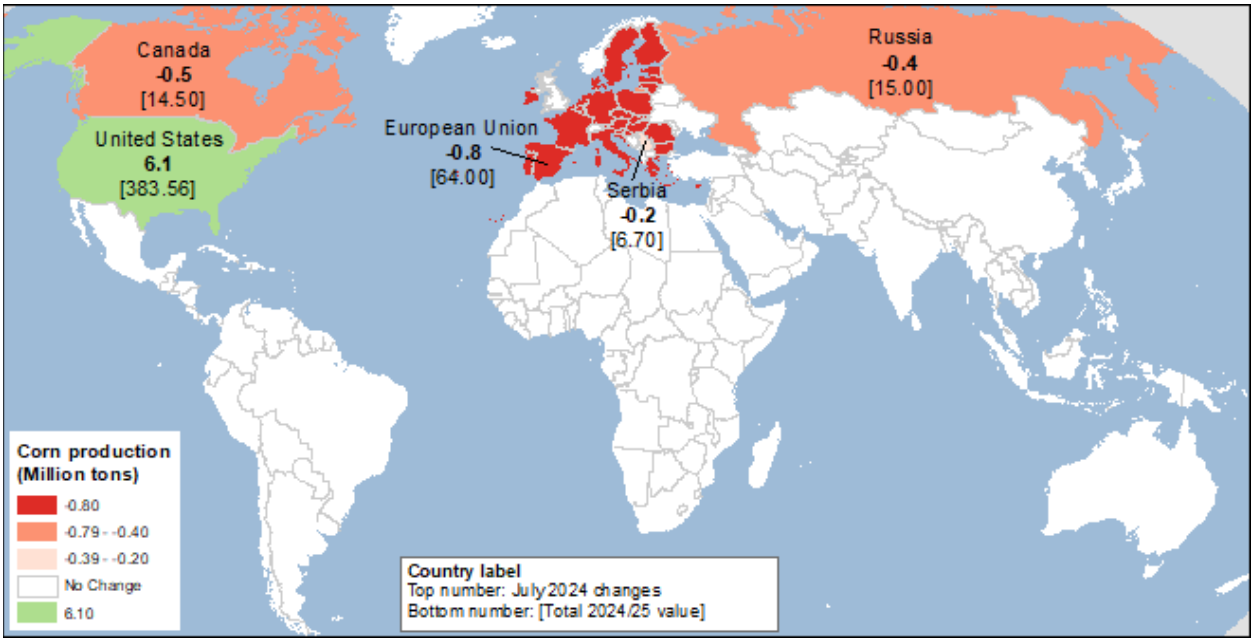
Source: USDA, Foreign Agricultural Service, *Production, Supply, and Distribution database*.

Map A – Global barley production changes for 2024/25, July 2024



Source: USDA, Economic Research Service using data from USDA, Foreign Agricultural Service, *Production, Supply, and Distribution* database.

Map B – Global corn production changes for 2024/25, July 2024



Source: USDA, Economic Research Service using data from USDA, Foreign Agricultural Service, *Production, Supply, and Distribution* database.

World Coarse Grain Trade Is Lowered This Month

The July forecast for world **coarse grain exports** for the 2024/25 October-September international trade year (TY) is 1.3 million tons lower this month at 234 million tons. Although offset by changes across other crops and countries, this reduction is mainly attributed to lower **barley TY exports**. With less supplies available on reduced output expectations, export forecasts were reduced for—**Russia** (down 0.8 million tons), the **European Union** (down 0.3 million tons), and **Canada** (down 0.1 million tons). The reduction to Russian barley exports matches the output decline and maintains prior assumptions regarding domestic use—particularly for feed use. More specifically, agricultural policies in Russia generally tend to subsidize producers in an effort to support and spur livestock production.

For **Canada** and the **European Union**, the barley use for feed projections is lowered in addition to export reductions for both countries. Much like the European Union, it is expected that Canada will replace barley with alternative feeds to satisfy domestic needs.

***Foreign* corn TY exports** are projected 0.67 million tons lower this month for 2024/25—with the largest reduction in **Russia** (0.4 million tons), followed by **the European Union** (0.20 million tons), and **Serbia** (0.10 million tons)—stemming from reduced production projections. However, given the expected increase in U.S. corn supplies, U.S. export volumes are increased by 1 million tons to 56 million for 2024/25. This increase offsets the aggregated reduction in foreign corn export levels, resulting in a net increase in global export expectations of 0.33 million tons to 194.2 million tons. Canada is expected to import half of the projected increase in U.S. corn exports to offset its output losses. Thus, with corn imports expected to climb by 0.50 million tons, domestic corn use for Canada remains unchanged this month.

Sorghum TY exports for 2024/25 are projected 0.40 million tons lower this month in response to a reduced U.S. crop (see Domestic section). Because **China** is the main U.S. sorghum trade partner, sorghum imports are lowered accordingly for China.

For the **2023/24** international TY, that will end in September 2024, **China** continues to capture a larger share of barley trade from other importers. Because cumulative import volumes have exceeded prior expectations, China's barley import forecast for 2023/24 TY is raised by 2.2 million tons this month, bringing the 2023/24 estimate to 14.5 million tons. **Australia** and **France** are some of the main sources for these imports. Accordingly, this is reflected in higher barley export estimates for these countries/regions. Although the strong barley demand by China is expected to dampen import prospects for other importers, like **Saudia Arabia**, **Iran**,

and **Turkey**—all of whom have lower barley import forecasts for 2023/24—global barley imports are still higher this month.

Changes in projected corn exports for the **2023/24** international TY result in a net increase of 1.94 million tons, with the estimate now sitting at just over 198 million tons. This estimate includes some large competing changes for major exporting countries, such as the **United States** and **Argentina**. With ample supplies and cooling prices that are expected to remain competitive in the global corn export market, the United States is expected to export a larger volume of corn in the fourth quarter of the 2023/24 marketing year than previously expected. The 1.5-million-ton increase to U.S. corn exports partly offsets the 1-million-ton reduction to Argentina's export expectations in the global trade balance. Export indicators (e.g., export sales) support the changes for both of these countries. Although reductions to **India's** and **Pakistan's** corn export projections offset the net increase of the aforementioned competing changes, a boost to **Ukraine's** export forecast moves the global projection upwards—resulting in a monthly net-increase in global corn exports. Recorded corn trade volumes thus far suggest Ukraine will export an additional 2 million tons through the end of the 2023/24 international TY.

In part, increased global corn exports are supported by large commitments for **Mexico** through the end of the 2023/24 international TY. Mexico's distressed 2023/24 corn crop, and low reservoir levels, suggest Mexican corn demand in the global market will not weaken as the marketing year progresses. As such, Mexico's 2023/24 and 2024/25 corn import forecasts are lifted by 0.90 and 0.20 million tons, respectively—each to 22 million. **Turkey** continues to record large corn import volumes, with cumulative estimates through May nearly exceeding last year's total corn import volume. Much of these imports are sourced by **Ukraine**, which allow for a 0.60-million-ton increase in Turkey's 2023/24 corn import forecast to 3 million tons. Similarly, **Indonesia** has matched last year's corn import volumes. With no signs of weakening demand, Indonesia's corn import forecast is raised 0.20 million tons to 1.4 million. Conversely, corn demand by the **European Union** in the global market is waning. Given the level of cumulative exports relative to last month's forecast, a downward move (0.50 million tons) in the 2023/24 EU corn import forecast is warranted, which now sits at 20.50 million tons.

Suggested Citation

Ates, A. M., Marsh, C., & Hutchins, C. (2024). *Feed outlook: July 2024* (Report No. FDS-24g). U.S. Department of Agriculture, Economic Research Service.