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Record-high 2025/26 U.S. Corn Supplies Support Elevated Corn Exports

U.S. old and new corn crop export forecasts are both raised this month on increased price competitiveness and the slower-than-expected pace of shipments from Argentina and Brazil. 2024/25 U.S. corn exports were raised 50 million bushels this month to 2,600 million, the highest since the 2020/21 marketing year, when exports reached 2,747 million bushels (figure 1). Recent trade developments combine with the strong pace of old-crop movement to provide support for the new-crop export projection of 2,675 million bushels—up 75 million bushels from the revised 2024/25 forecast. Higher projected total utilization is more than offset by the impact of expanded corn supplies, resulting in an outyear stock-to-use ratio that is currently forecast at 11.6 percent, 2.4 percent above the 2024/25 ratio. Projections for larger U.S. corn supplies and ending stocks support a year-to-year decline in the season-average farm price, currently projected at \$4.20/bushel for the 2025/26 marketing year, down 15 cents from 2024/25.



Note: (*) denotes estimate, (**) denotes forecast.

Source: ERS calculations based on USDA World Agricultural Supply and Demand Estimates report.

Domestic Outlook

Corn Production Is Projected at a Record High in the Outyear

On year-to-year planted area gains—as indicated in the March 31, 2025 USDA, National Agricultural Statistics Service (NASS) *Prospective Plantings* report—and yields based on a weather-adjusted trend (assuming normal planting progress and summer growing season weather), the 2025/26 U.S. corn crop is on track to be the largest on record. Estimated corn-planted area is set to jump by nearly 5 million acres in the new marketing year to 95.326 million, an increase of 4.7 million from a year ago. Forty of the 48 reporting U.S. States indicate expectations for unchanged or expanded corn acres—with record-high plantings anticipated for Idaho, Nevada, North Dakota, Oregon, and South Dakota. Elevated planted area and application of the average harvested-to-planted ratio (taking into account historical abandonment and use for silage) lift harvested area to 87.4 million acres. In combination with trend yields, corn production for the 2025/26 marketing year is projected at a record high 15,820 million bushels.

As of the week ending May 4, 2025, planting in key corn-producing States (Iowa and Illinois) lagged the 5-year average pace, with 32 and 49 percent planted in 2025, compared to averages of 44 and 53 percent, respectively. Beneficial rains fell across large swaths of the United States between late April and early May, creating largely favorable conditions for corn development. As of the week ending May 4th, emergence stood at 11 percent compared to the 5-year average of 9 percent. Iowa, Kansas, and Texas each reported emergence at 4 to 8 percentage points ahead of the average pace.

Total corn supply for the 2025/26 marketing year is set at 17,260 million bushels, up year to year. The impact of production gains on total supply are slightly offset by this month's reduction in 2024/25 carryout, which is down 348 million bushels from 2023/24. Domestic use for the current marketing year is unchanged from the April forecast, with growth in the domestic-use forecast for 2025/26. A 150-million-bushel increase in 2025/26 feed and residual is attributable to both a larger corn crop (and associated expectations for a larger residual component) and elevated use of corn, in feed rations, on the basis of lower prices. The growing use of corn for feed use in 2025/26 comes at the expense of substitute feed grains—sorghum, barley and oats—all which are anticipated to have lower feed and residual use in the out year.

Food-seed and industrial use is lowered by 5 million bushels (reflecting a reduction in corn used for high fructose corn syrup) year to year, with ethanol demand projected to remain

on par with 2024/25. The late April announcement by the U.S. Environmental Protection Agency, Energy Information Agency to allow nationwide year-round E15 sales (which is intended to aid in lowering fuel prices) is not expected to materially impact demand for ethanol in the short term nor total corn use estimates (figure 2).



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.*

Corn exports for the current year are raised 50 million bushels this month and expectations for 2025/26 are for an increase of 275 million bushels, based on lower world market prices and growth in world trade. The evolving trade situation is expected to create trade opportunities for the United States in major grain importing countries such as China. Trade data reported by the USDA, Economic Research Service, based on data from the U.S. Department of Commerce, Bureau of the Census and available through March show generally strong U.S. corn-grain and total corn exports through the first 3 months of the calendar year. These data show the 3-month total exceeding the same period a year prior by more than 157 million bushels. Given the strength in shipments to date, as well as the current price competitiveness of U.S. corn, the outlook for old-crop corn exports supports a modest boost to 2,600 million bushels.

For the new marketing year, projected record-high global consumption of corn—raised 2 percent year to year, supports demand-driven increases in exports for a number of key corn-producing countries. With record-high domestic corn production in the United States an abundance of competitively-priced exportable supplies will be available. The United States is forecast to be the only major exporter with an increase in stocks.

In the new marketing year, Argentina and Ukraine are both expected to harvest larger corn crops and to concurrently see exports rise, while growth in corn production in Brazil is expected to support continued growth in domestic demand, with exports unchanged year to year. The U.S.'s share of global corn exports (on a trade year basis, October-September) is expected to decline slightly from 2024/25, despite a year-over-year increase in corn exports. However, the United States will remain the world's largest corn exporter, with shipments projected at 2,675 million bushels for the new marketing year. Please see the USDA, Foreign Agricultural Service *Grain: World Markets and Trade* report for additional details on global coarse grains markets.

The season-average farm price (SAFP) for 2024/25 corn is unchanged this month and remains at \$4.35 per bushel. New-crop-corn futures prices have been trending lower since late February reflecting the downward pressure of an expected record-high new-corn crop. Accordingly, the 2025/26 corn SAFP is lower year to year at \$4.20 per bushel.

Barley Supplies Are Down Modestly in New Marketing Year

Plantings data reported in the USDA, NASS *Prospective Plantings* report indicate a modest reduction in barley area planted in 2025. However, using linear trend yields (1995–2024), barley production is projected to be up modestly (to 147 million bushels) in the new marketing year. Barley production is up 3 million bushels from 2024/25. The total volume of barley supplies for the 2025/26 marketing year is up modestly from the current marketing year. For 2024/25, exports are raised 1 million bushels (based on U.S. Bureau of the Census trade data for March, reflecting strong U.S. barley shipments to Canada, where a short crop has increased domestic demand). On net, total supplies for the 2025/26 marketing year are projected at slightly more than 223 million bushels.

Demand for feed barley is expected to fall in the outyear, down 10 million bushels from the 2024/25 forecast, to 30 million, on reduced price competitiveness with corn for use in feed rations. Food, seed, and industrial use is unchanged year to year at 115 million bushels, a reflection of stagnant demand for barley and barley products in beer and spirits production. In mid-April, Statistics Canada released its *Outlook for Principal Field Crops, 2025* report, which revealed expectations for reduced barley-planted area and production for the new marketing year. However, weather reports indicate that summer crops—including barley—are benefiting from milder conditions than prior years when drought was widespread, potentially to the benefit of yields. The next update on Canada's production of principal field crops is expected in late May.

Concurrent with other feed grains, the barley season-average farm price (SAFP) is lower year to year. At \$5.30 per bushel, the SAFP is \$1.20 below the 2024/25 price. Barley prices—despite being composed of both malt and feed components—directionally follow corn prices. Further, the barley balance sheet, with an anticipated stock-to-use ratio of 48.6 percent for the 2025/26 marketing year, is exhibiting some slackness. For comparison the stock-to-use ratio for 2024/25 stands at 40.8 percent and the 5-year average is 36.2 percent.

Sorghum Export Prospects Are Elevated on Demand from China

At a total of 250 million bushels, U.S. sorghum exports from 2025/26 are up 150 million from 2024/25 on prospects of (figure 3). U.S. sorghum-export prospects are aided by projections from elevated production in the new marketing year. Both area planted and harvested are expected up 0.265 million and 0.095 million acres, respectively. The March *Prospective Plantings* report indicated area gains in 4 of the 6 reporting States, with notable expansions for Kansas and Texas, where close to 75 percent of the 2024/25 sorghum (or milo) crop was planted. In total, sorghum acreage is expected to increase by 265,000 acres in 2025/26. In combination with the historical harvested-to-planted and median-trend yields (2005–24), U.S. sorghum production is expected to rise by nearly 50 million bushels year to year.



Source: ERS calculations based on USDA World Agricultural Supply and Demand Estimates report.

5 Feed Outlook: May 2025, FDS-25e, May 14, 2025 USDA, Economic Research Service Relatively weak sorghum exports in 2024/25, at 100 million bushels, contributed to sizable old-crop carryout at 51.6 million bushels. This number is carried into the new marketing year, augmenting total supplies that were already elevated on expanded production. At 444 million bushels, sorghum supplies are the highest since the 2021/22 marketing year. With reduced prospects for feed and residual, owning to a record-large corn crop, total domestic use is projected 70 million bushels lower year to year. 2025/26 sorghum exports aide in elevating total use to 405 million bushels and contribute to lower carryout. Growth in total utilization combines with reduced new-crop carryout to tighten the 2025/26 balance sheet, relative to the preceding marketing year. The sorghum stocks-to-use ratio for 2025/26 is projected at 9.5 percent, down from 15.8 percent for 2024/25 and the 5-year average of nearly 11 percent. A tighter new-crop balance sheet helps to somewhat offset the sorghum season-average farm price (SAFP) from the price-dampening effects of a lower corn price, as evidenced by the proportionally smaller year-to-year sorghum SAFP decline, as compared to the decline in corn prices.

Oats Supplies Are Projected Down for 2025/26

U.S. production of oats is projected to fall sharply in the new marketing year, on the basis of reduced area and trend yields—which are expected to be down significantly from last year's weather-enhanced 76.5 bushels per acre—at 68.6 bushels/acre. Carry-in for 2025/26 is down from a year ago, despite larger-than-expected imports of oats from Canada in March—which, in turn, serve to augment the 2024/25 carryout figure. USDA's Foreign Agricultural Service reported in the *Canada: Grain and Feed Annual* report, released May 1, 2025, that the monthly exchange rate between the Canadian Dollar to the U.S. Dollar (spot-exchange rate) was at its highest rate since 2003. The weak Canadian dollar is favorable for exports of Canada's grains and grain products, including oats.

Domestic feed and residual oats use is projected down 25 million bushels for 2025/26, compared to the year prior, due to the abundance of competitively-priced feedgrains, including corn. Food, seed and industrial use is lowered 1 million bushels from 2024/25, reflecting smaller expected imports from Canada. This decrease brings the updated 2025/26 projection into closer alignment with the 5-year average of nearly 80 million bushels. On net, total utilization for oats in the new marketing year is down 32.5 million bushels from 2024/25. With total supply down 26.5 million bushels year to year, the new crop balance sheet exhibits slightly more tightness than the old crop, with associated stocks-to-use ratios of 19.2 percent and 19.9 percent, respectively. Modestly increasing tightness is not enough to offset the effects of the lower season-average

farm price (SAFP) of corn on the equivalent-oats projection. At \$3.10 per bushel, the 2025/26 oats SAFP is the lowest since 2020/21, when farmers realized \$2.77 per bushel of oats.

International Outlook

Global Coarse Grains Production Record-High Is Projected for 2025/26

The production of coarse grains—composed of corn, barley, millet, mixed grains (such as teff), rye, oats, and sorghum—is expected to reach a new record high for the forthcoming 2025/26 marketing year. Global production is expected up for all coarse grains except oats. Oats production in both the European Union and the United States is projected lower year over year based on reduced plantings. Coarse grains consumption is forecast to rise on growth in feed and residual use, as well as food seed and industrial use. More coarse grains—mainly corn—are expected to be fed to support expanding animal agriculture, on the basis of lower feed grains prices. Additionally, growth in coarse grain-based production of biofuels supports elevated industrial use—especially for corn-based ethanol in select countries, including Brazil and India. With global utilization of coarse grains rising more than total supply, ending stocks for 2025/26 are projected to decline from 316.42 million metric tons to 305.34 million.





Note: Asterisk (*) denotes forecast. Data are reported on an October/September trade year basis. Source: USDA, Economic Research Service using data from USDA, Foreign Agricultural Service, *Production, Supply, and Distribution* database.

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World production of corn is set to grow by more than 3.5 percent in 2025/26, largely on the basis of hearty-harvest gains expected for the United States, Brazil, Argentina, and Ukraine. Brazil's corn production projection for marketing year 2025/26 (which begins in March 2026-February 2027) is 131 million tons, 1 million tons higher than the revised 2024/25 production forecast. Brazil harvests 2 crops of corn in a given marketing year, with the largest share (about 75 percent) known as the safrinha crop, which is typically planted in the first 3 months of the calendar year. With limited irrigation, the safrinha corn crop depends on beneficial weather during April and May in Brazil's Center-West region. For the 2024/25 marketing year however, the start of the rainy season was delayed in 2024 and had the potential to negatively impact the planting and development of the 2024/25 corn crop. Analysis by USDA, FAS International Production Assessment Division and appearing in their latest circular indicates that, despite a rougher start than optimal for the production cycle, the majority of regions where safrinha corn is grown in Brazil have vegetative health that "far exceeds average". Well-timed rains in April contributed to the green-up and recovery of the crop, providing substantiation for improved yields and production for 2024/25, now forecast at 5.83 metric tons per hectare and 130 million metric tons. For more information, please see the USDA, FAS World Agricultural Production circular.

Among key global coarse grain importers, significant year-to-year changes are projected for China, Canada, the European Union, South Africa, and Vietnam. Coarse grain imports are raised 6.5 million metric tons for China, on expectations for greater energy-feedstuff imports. Statistics Canada reports a 2-percent decrease in corn production for the forthcoming marketing year, supporting Canada's projected 300,000 metric ton corn-import increase. Corn imports for the European Union are elevated on a tight 2024/25 balance sheet and to augment modest production gains for 2025/26. South Africa, one of a few corn-importing countries projected to reduce purchases in 2025/26, is expected to import less based on a larger local crop—evidenced by the year-to-year boost in the projected yield—a typical occurrence during La Niña years. Vietnam corn imports are raised 500,000 metric tons, on rising feed demand and abundant global supplies.

Many major coarse grain exporting nations are expected to see growth in production for select grains in the new marketing year. Increased supplies provide support for expanded exports for 2025/26. Notably, Ukraine is projected to increase corn exports by 2 million metric tons, on expanded production (raised to 30.5 million metric tons, up from 26.8 million in 2024/25)—both on area and yield growth. Brazil's corn exports are set to rise by 1 million metric tons, also on the basis of rising production, however, growth in domestic demand for corn as an

ethanol feedstock is expected to temper export gains. Brazil largely uses sugar to produce ethanol but is increasingly using corn. Calendar year-to-date data from the Brazilian National Agency for Petroleum, Natural Gas and Biofuels indicate that corn accounts for close to 40 percent of Brazil's ethanol output. Both Australia and the United States are projected to increase sorghum exports in 2025/26. Australia's sorghum exports are elevated by 300,000 metric tons from 2024/25 levels, as tariffs are expected to limit some export opportunities for U.S. sorghum. However, trade developments with China over the weekend are expected to result in prospects for energy feedstuff imports by China, particularly of sorghum. The 2025/26 U.S. sorghumexport projection is forecast to rise nearly 4.0 million tons from a year ago. China largely imports U.S. and Australian sorghum for the production of baijiu—a sorghum based liquor, though the low tannin varieties grown by both countries are relatively palatable in feed preparations. For more information on global coarse grains production, global trade, and global balance sheets, please see USDA, FAS' *Grain: Worlds Markets and Trade, World Agricultural Production*, and various reports from USDA, FAS' *Global Agricultural Information Network (GAIN*).

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