
2024 Corn, Soybean, and Wheat Outlook

Main Takeaways

- Tighter margins are expected in 2024 for corn, soybeans, and wheat as commodity prices are forecast to be lower and input prices are expected to be flat.
- Growing demand for sustainable biodiesel fuels will slow soybean price declines relative to the decline in corn prices.
- Expect more acres planted to soybeans and fewer acres planted to corn and wheat.

2024 Corn, Soybean and Wheat Situation

Last year's harvest saw bountiful production of the major U.S. grain crops. Production was driven by more planted acres of corn and wheat combined with forecasts of higher yields in corn, soybeans, and wheat.

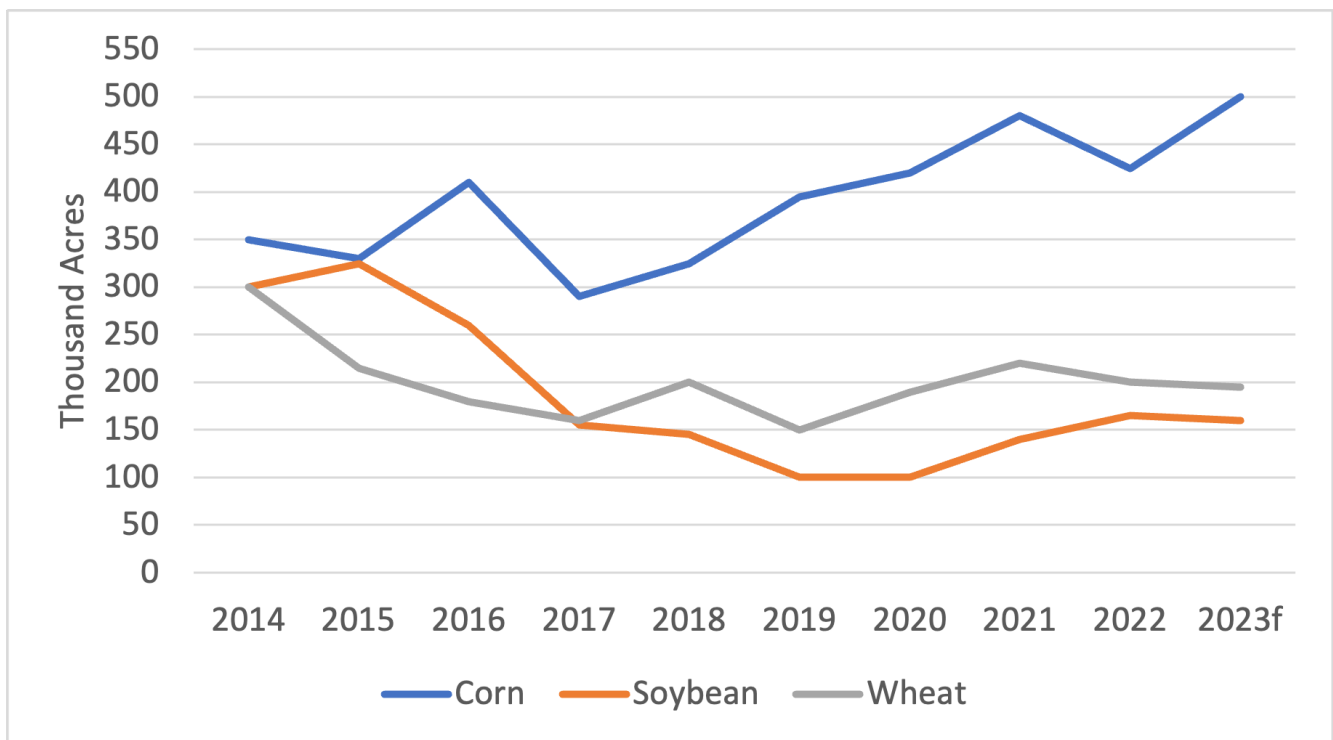


Figure 1. Georgia Planted Acres of Corn, Soybeans, and Wheat, 2014–2023f.

On the demand side, exports were up year over year as the South American crop was lower than expected because of drought conditions. Crop prices were all lower by the end of last year relative to 2022. However, they were still above the pre-pandemic lows and above the reference prices in the farm bill safety net. Despite decreases in fertilizer, pesticides, and fuel prices, production expenses were up because of increases in labor, seed, interest, and rents. All these factors resulted in tighter margins and forecasts of lower net farm incomes.

Looking ahead to 2024, margins will be even more concerning for grain producers with lower price expectations and lingering high input costs.

Corn

The United States planted 94.9 million acres of corn in 2023, which was the highest number of acres planted in the past decade. Higher U.S. corn yields were predicted in 2023 at 174.9 bushels per acre. If realized, total U.S. corn production will reach a record-high 15.2 billion bushels. Projected ending stocks for the 2023–2024 marketing year are up 770 million bushels from 2022 to 2.1 billion bushels in 2023. U.S. corn exports are an important component of demand. For the 2023–2024 marketing year, around 2.1 billion bushels of U.S. corn are estimated to be exported to foreign markets, up 439 million bushels from 2022.

Georgia producers planted 500,000 acres of corn, 17.6% more than in 2022. Yields were forecast at a record 183 bushels per acre. If realized, Georgia's corn production will be the highest it has been in over 15 years. With the large U.S. supply, prices are expected down in 2024. Based on futures prices at the writing of this article and a positive historical local basis, expected corn prices in Georgia will likely average \$5.40 per bushel in 2024.

Soybeans

U.S. planted acres in 2023 were down 4.4% to 83.6 million acres. With forecast yields up slightly at 49.9 bushels per acre, the U.S. soybean crop was estimated to be 4.13 billion bushels, down just 3.3% from 2022. On the usage side, soybean crush was up 88 million bushels to 2.3 billion, and exports were down 167 million bushels to 1.8 billion, leaving the total soybean use down 119 million bushels to 4.2 billion for 2023. U.S. ending stocks were tight in 2023, at 245 million bushels, down 8.5% from 2022. Lower ending stocks combined with growing demand for sustainable biodiesel indicate the United States may need more supply of soybeans. U.S. planted acres are likely to go up for soybeans in 2024.

Georgia growers planted fewer soybean acres in 2023 at 160,000 acres. Yields were projected to be level at 41 bushels per acre. In Georgia, growers generally see a positive local basis for soybeans. Based on futures prices and a positive historical local basis, expected season average soybean prices in Georgia likely would be around \$12 per bushel.

Wheat

For 2023, the ongoing Russia-Ukraine war and conflicts in the Middle East will continue another year of tight world wheat supply. World wheat production is projected down in the 2023–2024 marketing year to 28.8 billion bushels, which is 411 million bushels short of the projected demand of 29.2 billion bushels. World wheat ending stocks are estimated at 9.5 billion bushels, the lowest since the 2015–2016 marketing year.

U.S. wheat production for 2023–2024 was projected to be 1.8 billion bushels, up for the first time in 3 years because of more planted acres and higher yields. Georgia wheat production, forecast at 4.7 million bushels, continued trending down on fewer planted acres and lower yields. Planted wheat acres in the United States were up about 3.8 million acres from 2022–2023 to 49.6 million acres in 2023–2024. U.S. ending stocks are projected to be just under 659 million bushels, up 77 million from 2022–2023. Georgia farmers are estimated to have planted 195,000 acres; 2.5% fewer than last year. Georgia growers generally see a negative basis for wheat. Based on futures prices and a negative historical local basis, expected season average wheat prices in Georgia likely would be around \$6.40 per bushel.