

Ag Decision Maker

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A BUSINESS NEWSLETTER FOR AGRICULTURE

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UPDATES

The following [Information Files](#)
have been updated on
extension.iastate.edu/agdm:

C3-25 Your Farm Income Statement

C6-82 Storage Capacity for Grains,
Forages, and Liquids

C6-84 Agricultural Test Weights
and Conversions

The following [Videos and Decision
Tools](#) have been updated on
extension.iastate.edu/agdm:

A1-10 Chad Hart's Latest Ag
Outlook Video

C2-75 Farmland Value Survey
(REALTORS® Land Institute)

The following [Profitability Tools](#)
have been updated on [extension.
iastate.edu/agdm/outlook.html](https://extension.iastate.edu/agdm/outlook.html):

A1-85 Corn Profitability

A1-86 Soybean Profitability

A2-11 Iowa Cash Corn and Soybean
Prices

A2-15 Season Average Price
Calculator

D1-10 Ethanol Profitability

D1-15 Biodiesel Profitability



Hog and pig inventories settling in

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The inventory of all hogs and pigs on US farms on March 1, 2025 was 74.512 million head according to the latest [Quarterly Hogs and Pigs report](#), <https://downloads.usda.library.cornell.edu/usda-esmis/files/rj430453j/9c67zk107/b2775s101/hgpg0325.pdf>, published by USDA's National Agricultural Statistics Service (Table 1). This was down 179,000 head or 0.2% from March 1, 2024. There were 24.300 million hogs and pigs on Iowa farms. The total Iowa hogs and pigs inventory was down 900,000 head or 3.6% from a year ago.

The US breeding herd inventory on March 1, 2025, at 5.980 million head, was down 0.6% from March 1, 2024. This is the smallest March 1 breeding herd since 2016. The ratio of intended sows farrowing during March-May 2025 to the March 1, 2025 breeding herd would be 48.71%. This would compare to 48.54% a year prior and the 10-year average of 48.74%. This consistency suggests the March-May 2025 sows farrowing number could be very close to the 2.913 million head indicated

in the report. This would be 0.2% below actual sows farrowing the year prior.

During the first half of December 2024, producers said they intended to farrow 2.953 million sows in March-May 2025 (Figure 1). The 40,000 head reduction in sow farrowing intentions for March-May 2025 in the latest report comes as the forward profit curve was cut in half from the beginning of December 2024 to the beginning of March 2025. In the more recent period, an average annual profit of \$6 per head was forecast for 2025. That was derived using lean hog, corn, and soybean meal futures prices to represent the market's expectations on March 7 and the parameters from the Iowa State University Estimated Returns Model for farrow to finish production. Margins have eroded even further over the last month with a breakeven profit level currently projected for 2025.

There were 860,000 breeding hogs on Iowa farms on March 1, 2025. This was up 4.9% from a year ago. As of early March, Iowa producers planned to farrow 470,000 sows and gilts in



the March-May 2025 quarter and 485,000 head during the June-August 2025 quarter. This would be up 9.3% and 5.4% from the sows and gilts farrowed in the respective quarters a year prior.

The market hog inventory on US farms on March 1, 2025, at 68.532 million head, was down 0.2% from March 1, 2024. This is about a million head lower than the record 69.629 million head on March 1, 2020. The Iowa market hog inventory, at 23.440 million head, was down 3.9% from last year.

Iowa accounted for 14.4% of the breeding herd, 34.2% of the market hog inventory and 32.6% of the total hogs and pigs in the United States this last quarter.

Figure 1. Quarterly United States sows farrowing and intentions.
Source: USDA NASS.

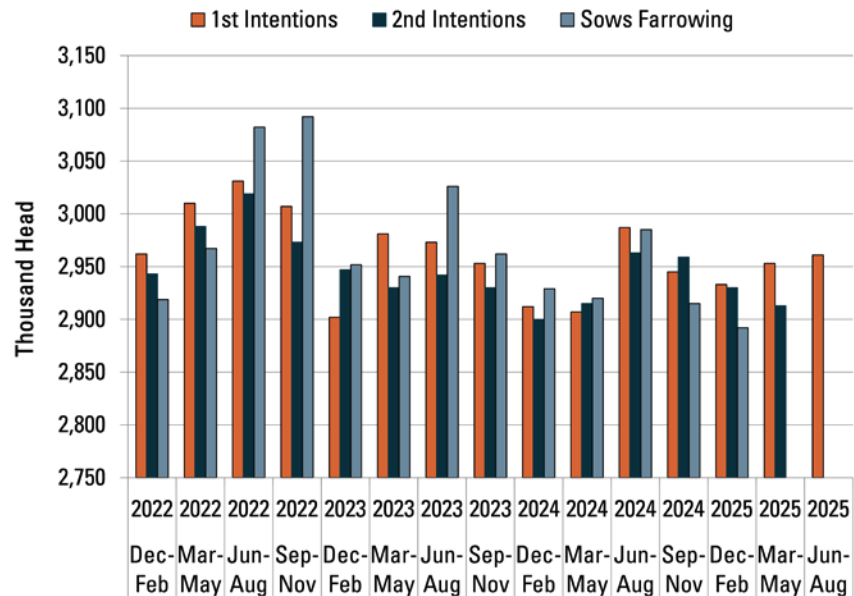


Table 1. USDA quarterly hogs and pigs report summary. Data source: USDA NASS.

United States				Iowa			
	2024	2025	2025 as % of '24		2024	2025	2025 as % of '24
Mar 1 inventory *							
All hogs and pigs	74,691	74,512	99.8		25,200	24,300	96.4
Kept for breeding	6,016	5,980	99.4		820	860	104.9
Market	68,676	68,532	99.8		24,380	23,440	96.1
Under 50 pounds	21,369	21,301	99.7		6,030	5,800	96.2
50–119 pounds	19,113	19,032	99.6		7,550	7,170	95.0
120–179 pounds	15,754	15,700	99.7		6,160	6,060	98.4
180 pounds and over	12,440	12,499	100.5		4,640	4,410	95.0
Sows farrowing **							
Sep–Nov	2,962	2,915	98.4		455	475	104.4
Dec–Feb ¹	2,929	2,892	98.7		440	445	101.1
Mar–May ²	2,920	2,913	99.8		430	470	109.3
Jun–Aug ²	2,985	2,961	99.2		460	485	105.4
Dec–Feb pigs per litter	11.53	11.65	101.0		11.80	11.60	98.3
Dec–Feb pig crop *	33,756	33,701	99.8		5,192	5,162	99.4

Full USDA report: <https://downloads.usda.library.cornell.edu/usda-esmis/files/rj430453j/9c67zk107/b2775s101/hgpg0325.pdf>.

* 1,000 head; **1,000 litters; ¹ December preceding year. ² Intentions for 2025.

Slaughter days matter

The [Daily Livestock](#)

[Slaughter report](#), https://mymarketnews.ams.usda.gov/filerepo/sites/default/files/3208/2025-03-26/1228967/ams_3208_01305.pdf, published on Wednesday, March 26, 2025 which was the day prior to the release of the March 2025 Hogs and Pigs report, showed that 2025 year to date hog slaughter was down 4.1% compared 2024 year to date. This number published by the Livestock, Poultry, and Grain Market News Division of USDA's Agriculture Marketing Service got some traction in the press. Yes, slaughter was down year over year, but this statistic should be interpreted with caution. Each year there can be a discrepancy in the number of slaughter days between January 1 and whatever cutoff day is used. As such, comparing year to date numbers can be misleading.

The [Livestock Slaughter](#), <https://usda.library.cornell.edu/concern/publications/rx913p88g?locale=en&page=2#release-items>, report is released monthly by USDA's National Agricultural Statistics Service and lists the number of weekdays, the number of weekday holidays and the number Saturdays in the month. Here holidays refer to federal holidays. The number of weekdays, or working days, then accrue to the number of slaughter days in a month after accounting for non-working holidays. Some packing plants do operate reduced

hours compared to weekdays on Saturdays, but available weekdays are the determinant of slaughter days.

In January 2025, there were 23 weekdays, including two holidays, and four Saturdays. The two holidays were New Year's Day on Wednesday, January 1 and Martin Luther King Jr. Day on Monday, January 20. While packing plants were closed on January 1, most plants carried out business functions on January 20 making it count as a working day. As such the number of slaughter days in January 2025 was 22. There were also 22 slaughter days in January 2024. February 2024, contained 21 weekdays, including Washington's Birthday on Monday, February 19 and four Saturdays. February 2025 contained 20 weekdays, including the one holiday, and four Saturdays. The year 2024 was a leap year while 2025 is a common year. February 2024 had 21 slaughter days and February 2025 had 20 slaughter days. Both March 2024 and March 2025 had 21 weekdays, no holidays, and five Saturdays which equated to 21 slaughter days each.

Rather than looking at year to date daily slaughter, a more appropriate measure of year over year differences in slaughter can be use of full slaughter weeks and comparing them with the same period the previous year. For the week ending January 4, 2025 through the week ending March 22, 2025, hog slaughter was down

1.3% compared to the week ending January 6, 2024 through the week ending March 23, 2024. Market hog inventories published in the December 2024 Hogs and Pigs report implied hog slaughter should have been up 0.1% year over year through the first twelve weeks of 2025.

We can lament how far off market hog inventories are in a Quarterly Hogs and Pigs report from what actually transpires in slaughter levels but it is prudent to account for the number of slaughter days. Saying a report missed by 4.2 percentage points is much different than saying a report missed by 1.4 percentage points. In this case, the latter would be more correct. Not adjusting for slaughter days, can imply declines and jumps in slaughter that simply do not actually occur.

USDA is aware of the importance of accounting for the number of slaughter days. The Livestock Slaughter report released on February 19, 2015, providing January 2015 slaughter data, moved the listing of the slaughter day information to the top of the report. Prior to this, the information was on the bottom of the first page. While this was a step in the right direction, more should be done so that data users do not overlook the impact of the number of slaughter days changing from one year to the next. For example, publishing a daily average slaughter number would inherently account for the number of slaughter days in a given period. A daily

average is calculated by dividing the total number of hogs slaughtered by the total number of days in the period. This means the average considers the daily slaughter volume, regardless of how many days are in the calculation.

Year-to-date hog slaughter from Monday, January 1, 2024 through Wednesday, March 27, 2024 was 31,716,804 head.

Year-to-date hog slaughter from Wednesday, January 1, 2025 through Wednesday, March 26, 2025 was 30,420,306 head. The difference was 1,296,498 head or 4.1%. For this period the average daily hog slaughter per slaughter day was 511,561 head in 2024 and 507,005 head in 2025. That's only a difference of 4,556 head or 0.9%.

Commercial slaughter and price forecasts

Table 2 contains the Iowa State University price forecasts for the next four quarters. Prices are for the Iowa-Minnesota producer sold weighted average carcass base price for all purchase types. Basis forecasts along with lean hog futures prices are used to make cash price projections. The table also contains the projected year-over-year changes in commercial hog slaughter.

Table 2. Commercial hog slaughter projections and price forecasts, 2025.

	Year-over-Year Change In Commercial Hog Slaughter (%)	ISU Model Price Forecast, IA-MN Base Price, All Purchase Types (\$/cwt)	CME Futures (3/28/25) Adjusted for IA-MN Producer Sold Weighted Average Carcass Base Price for All Purchase Types Historical Basis (\$/cwt)
Apr–Jun 2025	-0.49	88.42	87-91
Jul–Sep 2025	0.29	89.92	88-92
Oct–Dec 2025	0.72	77.32	76-80
Jan–Mar 2026	1.22	77.94	76-80



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Webinar Series: 2025 Cattle Marketing

Earlier this month, a 3-part webinar series was presented for cattle producers focused on core components for better marketing as well as strategies to expand marketing knowledge. Each webinar recording includes the presentation along with a Q&A portion. Funding for this project was provided by the North Central Extension Risk Management Education Center, the USDA National Institute of Food and Agriculture under Award Number 2023-70027-40444.

- April 8, Cost of Production, Tim Christensen, <https://vimeo.com/1073973579>
- April 9, Yield and Quality Grade, Chris Clark, <https://vimeo.com/1074074259>
- April 10, Marketing Strategies, Joseph Lensing, <https://vimeo.com/1074452521>.

In-person courses are also being held across the state for [Women Marketing Cattle](#), www.extension.iastate.edu/news/new-course-helps-cattle-women-develop-market-strategies-and-analyze-profitability.



Exports still leading the charge

By Chad Hart, extension crop market economist, 515-294-9911 | chart@iastate.edu

The end of March and beginning of April brings a slew of data from USDA. In March, the Grain Stocks and Prospective Plantings reports revealed that crop usage remains strong, keeping stocks manageable, farmers expect to shift many acres from soybeans to corn. In April, USDA updates the WASDE report to shift their crop usage estimates to line up with those stock estimates. To summarize how these reports have adjusted the 2025 outlook, I have combined the latest crop usage estimates for the 2024 crops from the April WASDE report, the new estimates for 2025 plantings from the Prospective Plantings report, and the yield and 2025 crop usage estimates from the Ag Outlook Forum to create tentative balance sheets

for corn and soybeans. As usual, take these balance sheets with a block of salt as USDA will likely make several significant adjustments to the 2025 crop usage estimates starting in the May WASDE report (the first WASDE report that will have 2025 crop estimates). These balance sheets provide a good starting point for discussing the opportunities and challenges for the upcoming crops.

Let's start with corn. Corn usage has reached record levels and continues to grow. Combine that with the pullback in production last fall and ending stocks are falling. Yet despite that, season-average prices continue to drop. Looking at the annual numbers, USDA boosted 2024 exports by 100 million bushels, but lowered feed and residual usage by

25 million. The combination lowered 2024-25 ending stocks to 1.465 billion bushels. That's roughly 300 million bushels less than the 2023-24 ending stocks. While corn usage grew by roughly 230 million bushels, corn production declined by 474 million bushels. But the challenge looking forward is that with corn acreage expanding, corn production will likely grow, and usage could decline. The Prospective Plantings report showed more corn acres than both USDA and the trade expected, and with that expected corn production would set a new record. USDA's initial estimate for 2025 corn plantings was 94 million acres. The Prospective Plantings survey found farmers intend to plant 95.3 million acres of corn.

Table 1. Corn supply and use. Sources: USDA-WAOB, USDA-NASS, calculations.

Marketing Year (2024 = 9/1/24 to 8/31/25)		2023	2024	2025
Area Planted	(million acres)	94.6	90.6	95.3
Yield	(bushels per acre)	177.3	179.3	181.0
Production	(million bushels)	15,341	14,867	15,805
Beginning Stocks	(million bushels)	1,360	1,763	1,465
Imports	(million bushels)	28	25	25
Total Supply	(million bushels)	16,729	16,655	17,295
Feed and Residual	(million bushels)	5,805	5,750	5,900
Ethanol	(million bushels)	5,478	5,500	5,500
Food, Seed, and Other	(million bushels)	1,390	1,390	1,385
Exports	(million bushels)	2,292	2,550	2,400
Total Use	(million bushels)	14,966	15,190	15,185
Ending Stocks	(million bushels)	1,763	1,465	2,110
Season-Average Price	(\$ per bushel)	\$4.55	\$4.35	\$4.20

Keeping the ratio of planting to harvested acres and the yield from the Ag Outlook Forum and combining that with the new estimates of corn area leads to an adjusted 2025 production estimate of 15.8 billion bushels, which bests the 2023 record by more than 400 million bushels. Even with smaller corn stocks from 2024, total corn supplies for the 2025 marketing year are projected to be higher than 17.2 billion bushels.

If USDA were to stay with their Ag Outlook Forum 2025 corn usage estimates, then feed and residual usage is projected to be 150 million bushels higher, corn usage for ethanol would be steady, food, seed, and other uses would fall by 5 million, and exports would decrease by 150 million. So, total corn usage would contract slightly. Production would exceed usage by roughly 600 million bushels, implying a substantial year-over-year increase in ending stocks.

Higher stocks tend to lead to lower prices and USDA's early estimate for the 2025-26 season-average price is \$4.20 per bushel, 15 cents below the current year's price. We also need to remember that the 2025 export estimate was created before the reciprocal tariffs were announced and paused, adding more uncertainty to trade policy and flows.

While 2024 corn stocks are shrinking, 2024 soybean stocks are building. Soybean usage is rising, but the combination of production and leftover stocks increased more quickly. Looking at the 2024 crop, domestic crush of soybeans increased by 10 million bushels from last month. Over the past couple of years, increases in soy crush were driven by renewable diesel production. But over the past few months, the pressure on soy crush has come from the export markets. Soybean meal exports are at record levels. Meanwhile,

soybean oil exports have suddenly soared. The growth in soy product exports is good to see, but 2024-25 ending stocks are still building, now set at 375 million bushels of soybeans, up 33 million from the 2023-24 final level. And even with record soy crush, the 2024-25 season-average price has fallen to \$9.95 per bushel.

With the substantial fall in soybean prices, soybean planting intentions have been lowered to 83.5 million acres, down 3.6 million from last spring. Given the new acreage estimate, projected soybean production is slightly under 4.35 billion bushels, nearly equal to last fall's production. At the Ag Outlook Forum, USDA outlined 2025 domestic crush demand at 2.475 billion bushels, with exports taking 1.865 billion bushels. If USDA held to those usage estimates now, 2025-26 ending stocks would retreat to 289 million bushels. So, soybean

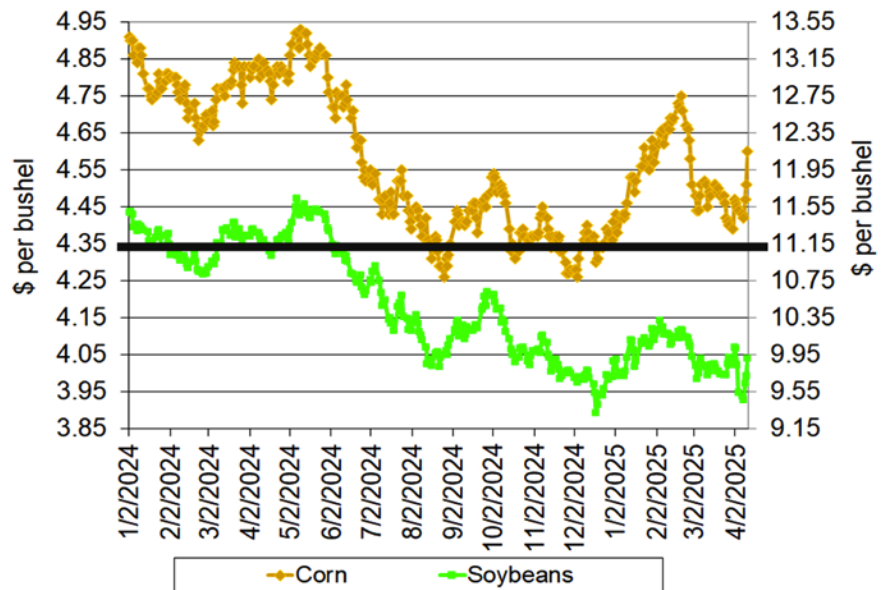
Table 2. Soybean supply and use. Sources: USDA-WA0B, USDA-NASS, calculations.

Marketing Year (2024 = 9/1/24 to 8/31/25)		2023	2024	2025
Area Planted	(million acres)	83.6	87.1	83.5
Yield	(bushels per acre)	50.6	50.7	52.5
Production	(million bushels)	4,162	4,366	4,344
Beginning Stocks	(million bushels)	264	342	375
Imports	(million bushels)	21	25	20
Total Supply	(million bushels)	4,447	4,734	4,739
Crush	(million bushels)	2,285	2,420	2,475
Seed and Residual	(million bushels)	125	114	110
Exports	(million bushels)	1,695	1,825	1,865
Total Use	(million bushels)	4,105	4,359	4,450
Ending Stocks	(million bushels)	342	375	289
Season-Average Price	(\$ per bushel)	\$12.40	\$9.95	\$10.00

usage is expected to exceed production, but that is not translating into higher prices. The 2025-26 season-average price for soybeans is set at \$10.00 per bushel, only 5 cents higher than the 2024-25 estimate.

Between the string of USDA reports and the everchanging tariff landscape, corn and soybean prices have been on a wild ride over the past couple of months. The figure below shows 2025-26 projected prices based on the futures markets. Since the beginning of the year, those price projections had worked their way higher. But the month of March provided a hard reset, especially for corn. And April brought showers, tariffs, and pauses. With estimated production costs at \$4.35 per bushel for corn

Figure 1. 2025-26 projected season-average prices. Derived from futures.



and \$11.15 per bushel for soybeans, corn prices are holding on the positive side of breakeven, but soybeans haven't seen breakeven for a while. Trade policy will still be a major price driver over the next few months, but as planting proceeds, weather issues and potential production will steal some of the spotlight.

The latest [Market Outlook video](https://youtu.be/VmRI4xV1CtU), <https://youtu.be/VmRI4xV1CtU>, is provided for further insight on outlook for this month.

Ag Decision Maker is written by extension ag economists and compiled by Ann Johanns, extension program specialist, aholste@iastate.edu.

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