

Tennessee Market Highlights

Trends for the Week Compared to a Week Ago

Slaughter Cows

Slaughter Bulls

Feeder Steers

Feeder Heifers

Feeder Cattle Index: 261.77

Fed Cattle

The 5-area live price on Thursday of \$196.80 up \$5.45 compared to last week and \$312.38 dressed, up \$10.38.

Corn

March closed at \$4.50 a bushel, down 4 cents since last Friday.

Soybeans

March closed at \$9.81 a bushel, up 1 cent since last Friday.

Wheat

March closed at \$5.29 a bushel, down 17 cents since last Friday.

Cotton

March closed at 67.66 cents per lb, down 1.23 cents since last Friday.

**No
Trends**

Livestock Comments by Dr. Andrew P. Griffith

FED CATTLE: Fed cattle traded \$4 to \$5 higher on a live basis compared to last week. Prices were mainly \$195 to \$197 on a live basis. Dressed trade was mainly \$312 to \$314.

The 5-area weighted average prices thru Thursday were \$196.80 live, up \$5.45 compared to last week and \$312.38 dressed, up \$10.38 from a week ago. A year ago, prices were \$174.65 live and \$274.74 dressed.

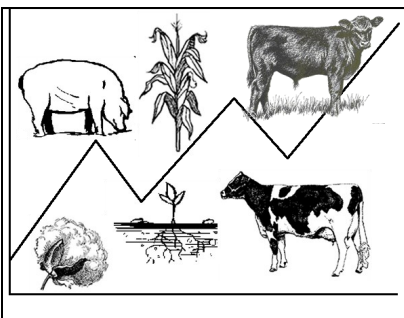
Cattle trade was slow to develop as the New Year holiday was likely part to blame. However, feedlot managers and packers got back to business on Thursday with more activity on Friday as packers were eager to purchase cattle. Stronger wholesale beef prices are encouraging packers to hang more animals on the rail. This has been further supported by live cattle futures advancing more than \$7 per hundredweight since Christmas Eve. There is no guarantee any of these market movements will persist as markets have the ability to change direction. The thought is that the finished cattle market should be supported at current price levels and may be even increase further, but surprise declines are possible.

BEEF CUTOUT: At midday Friday, the Choice cutout was \$324.94 up \$1.46 from Thursday and up \$8.67 from two weeks ago. The Select cutout was \$296.06 up \$1.83 from Thursday and up \$12.50 from two weeks ago. The Choice Select spread was \$28.88 compared to \$32.71 a week ago.

What a difference two weeks can make especially when availability is constrained by holiday shortened slaughter weeks. The increase in wholesale beef prices the past two weeks is likely due to two factors. The first is restaurants, retailers and food service participants restocking following holiday sales while the second rea-

son is reduced availability of product due to slaughter facilities being closed for Christmas and New Year holiday celebrations. The price movement this time of year is typical as the holidays seem to show up every year. Another market mover that may soon come into play is winter precipitation. Winter precipitation tends to slow the movement of beef especially at the restaurant level as consumers may have a difficult time traveling and dining away from home and beef suppliers have difficulty moving product via truck across the nation. Additionally, extreme cold can also have a negative influence as many people simply make a decisions to stay indoors instead of going out in the cold.

OUTLOOK: There are no trends to report this week as most auction markets have been on a two week break encompassing Christmas and the New Year holiday. This means there has been little to no information as it relates to calf and feeder cattle prices over the past two weeks. The holiday marketing break generally results in a strong run of cattle the first couple of weeks of January as producers look to offload cattle so they do not have to feed them the rest of the winter. One would think this may result in a strong run of calves starting Monday January 6th. However, the forecast of rain, winter precipitation and extremely cold temperatures across a large portion of the country the first full week of January may delay early year marketings just like it did to start 2024. Given the limited price information the past two weeks and the potential for another week of limited information, the only thing most market participants can work off of is the futures market and the limited quantity of cattle accounted for in the CME feeder cattle index. Considering the futures market, December 20th was the last trading day before most livestock



Livestock Comments by Dr. Andrew Griffith

(Continued from page 1)

auction markets closed for the two holiday weeks. Over that time, the January feeder cattle futures price increased \$10 to \$11 per hundredweight. Alternatively, the CME feeder cattle index value actually decreased less than \$0.50 per hundredweight over the same time period. One cannot read too much into the change in the CME feeder cattle index as very few cattle have traded over that time period, but it is still in contrast to the direction of feeder cattle futures. This is why the market waits in anticipation of the next couple of weeks of calf and feeder cattle trade. Cattle marketed at livestock auctions across the country will provide the information needed to determine what actual cash traders will do relative to what digital traders have done the past couple of weeks. One local video sale on Friday did provide some insight in that 850 pound steers were in the mid \$250s and 950 pound steers were in the mid \$240s.

ASK ANDREW, TN THINK TANK: A question was asked this week concerning the University of Tennessee’s estimated cost of carrying a cow and calf in 2025. This provides a great opportunity to share a link to the 2025 cow-calf and stocker/backgrounding budgets we publish each year. The aforemen-

tioned cattle budgets and field crop budgets can all be accessed at the following web address <https://arec.tennessee.edu/extension/budgets/>. These budgets are a good resource for planning, determining potential profitability, and calculating end of the year profitability. There are PDF budget files as well as Excel file. The Excel files allow users to input their own values for quick calculations. Back to the original question, the cost estimate of carrying a cow and calf in 2025 is \$816 in variable expenses and \$348 in fixed expenses for a total cost of \$1,164 per cow-calf pair. This will be highly variable across operations as there are lower cost producers and higher cost producers. Some producers may have herds on different farms that differ in cost by a few hundred dollars.

FRIDAY’S FUTURES MARKET CLOSING PRICES: Friday’s closing prices were as follows: Live/fed cattle –February \$194.03 +0.43; April \$196.00 -0.05; June \$190.58 -0.78; Feeder cattle – January \$264.80 -1.68; March \$264.03 -2.18; April \$264.35 -2.18; May \$263.83 -2.15; March corn closed at \$4.51 down 9 cents from Thursday.

Please use this link for cattle and market definitions: [Cattle and Beef Market Definitions Publication W801](#)

Crop Comments by Dr. Aaron Smith

Overview

Corn was mixed; soybeans were up; and cotton and wheat were down for the week.

2024 was a year many Tennessee row crop farmers would like to put in the rearview mirror. Elevated input costs, high interest rates, and low yields combined with commodity price declines facilitated an unprofitable year for many farmers. Futures prices continued to decline for the second consecutive year. Nearby corn futures closed the end of the 2024 at \$4.58 ½ compared to \$4.71 ¼ at the end of 2023, a 2.8% decline. The nearby futures contract trading range was \$3.85 to \$4.75 ½ for the year, a \$0.90 ½ range. Nearby soybean futures closed at \$10.10 ½ at the end of 2024 compared to \$12.98 at the end of 2023, a 22.1% decline. The trading range was \$9.47 to \$13.16 ¾ for the year, a \$3.69 ¾ range. Nearby cotton futures closed at 68.4 cents at the end of 2024 compared to 81 cents at the end of 2023, a 15.6% decline. The trading range was 66.26 to 103.8 cents for the year, a 37.54 cent range. Nearby wheat futures closed at \$5.46 ¾ cents at the end of 2024 compared to \$6.28 cents at the end of 2023, a 12.9% decline. The trading range was \$5.14 ¼ to \$7.20 for the year, a \$2.05 ¾ cent range.

Unfortunately, prices are likely to remain in a low-price environment in 2025 necessitating robust production, risk management, and marketing strategies. Input costs will need to be managed with an eye towards maximizing profit. Yield is incredibly important but maximizing yield and maximizing profit are not the same thing. The cost of the input needs to be less than the revenue generated.

Farmers will need to consider when to strategically mitigate risk throughout the year. Crop insurance will play an important role in managing risk. Lower futures prices will result in lower revenue guarantees, but if volatility remains low, premiums paid by farmers should be reduced. Evaluating buy-up coverage, unit structure, and the purchase of companion policies for the premium paid is essential to receive the most efficient coverage.

When developing a marketing plan farmers should consider production, price points, and timing. Farmers need to estimate their cost of production. This should include estimates for cash costs and total economic costs, such as capital recovery (example - replacement of equipment over time). Pricing a portion of production incrementally helps to mitigate the risk of

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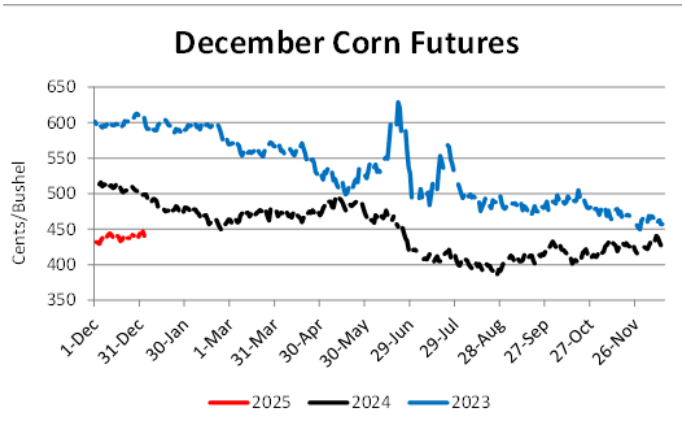
	Previous	Current	Change
USD Index	107.79	108.77	0.97
Crude Oil	70.6	74	3.4
DJIA	42,992	42,752	-240

making all sales during a period when prices are lowest (typically harvest). A marketing plan will include evaluating access to on-farm storage relative to projected production and the cost of carrying inventory relative to anticipated price appreciation.

Corn

Across Tennessee, average corn basis (cash price-nearby futures price) weakened at West elevators and barge points and strengthened or remained unchanged at Northwest, West-Central, North-Central, and Mississippi River elevators and barge points. Overall, basis for the week ranged from 20 under to 24 over, with an average of 7 over the March futures at elevators and barge points. Ethanol production for the week ending December 27 was 1.111 million barrels per day, up 4,000 from the previous week. Ethanol stocks were 22.639 million barrels, up 0.565 million barrels compared to last week. Corn net sales reported by exporters for December 20-26 were net sales of 30.6 million bushels for the 2024/25 marketing year. Exports for the same period were down 11% compared to last week at 39.5 million bushels. Corn export sales and commitments were 62% of the USDA estimated total annual exports for the 2024/25 marketing year (September 1 to August 31) compared to the previous 5-year average of 58%. Cash prices ranged from \$4.23 to \$4.85 at elevators and barge points. March 2025 corn futures closed at \$4.50, down 4 cents since last Friday. For the week, March 2025 corn futures traded between \$4.49 and \$4.59. May 2025 corn futures closed at \$4.58, down 3 cents since last Friday.

Corn	Mar 25	Change	Dec 25	Change
Price	\$4.50	-\$0.04	\$4.40	\$0.00
Support	\$4.41	\$0.08	\$4.29	\$0.00
Resistance	\$4.62	\$0.10	\$4.50	\$0.04
20 Day MA	\$4.46	\$0.08	\$4.39	\$0.04
50 Day MA	\$4.38	\$0.04	\$4.39	\$0.00
100 Day MA	\$4.32	\$0.03	\$4.41	-\$0.01
4-Week High	\$4.59	\$0.08	\$4.47	\$0.03
4-Week Low	\$4.28	\$0.03	\$4.28	\$0.00
Technical Trend	Up	=	Up	=



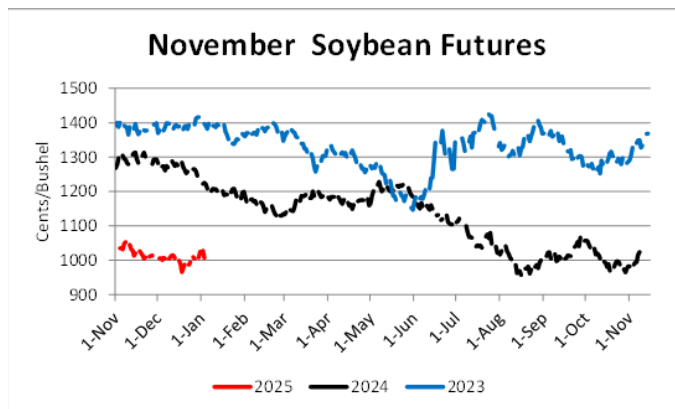
Mar/May and Mar/Dec future spreads were 8 and -10 cents. December 2025 corn futures closed at \$4.40, unchanged since last Friday. Downside price protection could be obtained by purchasing a \$4.40 December 2025 Put Option costing 35 cents establishing a \$4.05 futures floor.

Soybeans

Across Tennessee the average soybean basis weakened or remained unchanged at Northwest, West, North-Central, West-Central, and Mississippi River elevators and barge points. Basis ranged from 34 under to 25 over the March futures contract, with an average basis at the end of the week of 1 over. Soybean net weekly sales reported by exporters were net sales of 17.8 million bushels for the 2024/25 marketing year – a marketing year low. Exports for the same period were up 8% compared to last week at 62.6 million bushels. Soybean export sales and commitments were 81% of the USDA estimated total annual exports for the 2024/25 marketing year (September 1 to August 31), compared to the previous 5-year average of 79%. Cash soybean prices at elevators and barge points ranged from \$9.65 to \$10.34. January 2025 soybean futures closed at \$9.81, up 1 cent since last Friday. For the week, January 2025 soybean futures traded between \$9.74 and \$10.04. March soybean-to-corn price ratio was 2.20 at the end of the week. March 2025 soybean futures closed at \$9.91, up 2 cents since last Friday.

Crop Comments by Dr. Aaron Smith

Soybeans	Jan 25	Change	Nov 25	Change
Price	\$9.81	\$0.01	\$10.08	\$0.04
Support	\$9.54	\$0.16	\$9.68	\$0.14
Resistance	\$10.11	\$0.22	\$10.38	\$0.38
20 Day MA	\$9.83	-\$0.01	\$10.02	\$0.00
50 Day MA	\$9.91	-\$0.03	\$10.15	-\$0.04
100 Day MA	\$10.07	-\$0.04	\$10.34	-\$0.04
4-Week High	\$10.04	\$0.01	\$10.32	\$0.11
4-Week Low	\$9.45	\$0.00	\$9.61	\$0.00
Technical Trend	Down	=	Down	=

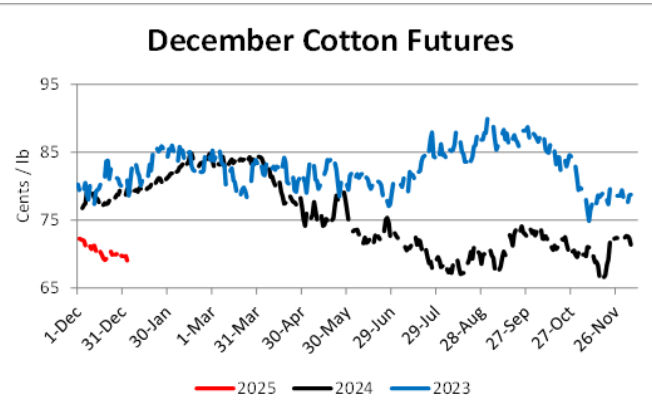


Jan/Mar and Jan/Nov future spreads were 10 and 27 cents. November 2025 soybean futures closed at \$10.08, up 4 cents since last Friday. Downside price protection could be achieved by purchasing a \$10.20 November 2025 Put Option which would cost 66 cents and set a \$9.54 futures floor. Nov/Dec 2025 soybean-to-corn price ratio was 2.29 at the end of the week.

Cotton

North Delta upland cotton spot price quotes for January were 66.07 cents/lb (41-4-34) and 68.07 cents/lb (31-3-35). Adjusted World Price (AWP) increased 0.48 cents to 55.03 cents. Cotton net weekly sales reported by exporters were net sales of 128,900 bales for the 2024/25 marketing year and 5,300 bales for the 2025/26 marketing year. Exports for the same period were down 18% compared to last week at 115,800 bales. Upland cotton export sales were 72% of the USDA estimated total annual exports for the 2024/25 marketing year (August 1 to July 31), compared to the previous 5-year average of 78%. March 2025 cotton futures closed at 67.66 cents, down 1.23 cents since last Friday. For the week, March 2025 cotton futures traded between 67.63 and 69.44 cents. May 2025 cotton futures closed at 68.81 cents, down 1.15 cents since last Friday.

Cotton	Mar 25	Change	Dec 25	Change
Price	67.66	-1.23	69.06	-0.96
Support	66.89	-0.30	68.61	0.05
Resistance	69.94	0.86	70.75	0.61
20 Day MA	69.05	-1.14	70.23	-0.97
50 Day MA	70.63	-0.78	71.45	-0.52
100 Day MA	71.67	-0.07	71.74	-0.07
4-Week High	71.93	-0.22	72.45	-0.26
4-Week Low	67.48	0.00	68.81	0.00
Technical Trend	Down	=	Down	=



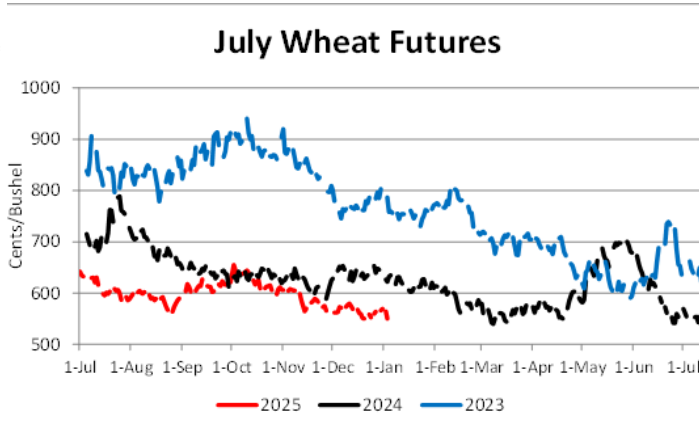
Mar/May and Mar/Dec cotton futures spreads were 1.15 cents and 1.4 cents. December 2025 cotton futures closed at 69.06 cents, down 0.96 cents since last Friday. Downside price protection could be obtained by purchasing a 70 cent December 2025 Put Option costing 4.04 cents establishing a 65.96 cent futures floor.

Wheat

Wheat net weekly sales reported by exporters were net sales of 5.2 million bushels for the 2024/25 marketing year – a marketing year low. Exports for the same period were up 2% compared to last week at 14.0 million bushels. Wheat export sales were 74% of the USDA estimated total annual exports for the 2024/25 marketing year (June 1 to May 31), compared to the previous 5-year average of 82%. Wheat cash prices at elevators and barge points ranged from \$5.03 to \$5.31. March 2025 wheat futures closed at \$5.29, down 17 cents since last Friday. The March wheat-to-corn price ratio was 1.18. March 2025 wheat futures traded between \$5.27 and \$5.54 this week. May 2025 wheat futures closed at \$5.41, down 15 cents since last Friday.

Crop Comments by Dr. Aaron Smith

Wheat	Mar 25	Change	Jul 25	Change
Price	\$5.29	-\$0.17	\$5.49	-\$0.14
Support	\$5.27	\$0.04	\$5.47	\$0.05
Resistance	\$5.57	\$0.11	\$5.77	\$0.14
20 Day MA	\$5.47	-\$0.04	\$5.64	-\$0.03
50 Day MA	\$5.62	-\$0.10	\$5.79	-\$0.09
100 Day MA	\$5.77	-\$0.04	\$5.94	-\$0.03
4-Week High	\$5.69	-\$0.08	\$5.84	-\$0.10
4-Week Low	\$5.27	-\$0.02	\$5.47	\$0.00
Technical Trend	Down	=	Down	=



Mar/May and Mar/Jul future spreads were 12 and 20 cents. July cash contracts at elevators and barge points ranged from \$5.18 to \$5.48. July 2025 wheat futures closed at \$5.49, down 14 cents since last Friday. Downside price protection could be obtained by purchasing a \$5.50 July 2025 Put Option costing 37 cents establishing a \$5.13 futures floor.

Additional Information:

Links for data presented:

U.S. Export Sales - <https://apps.fas.usda.gov/export-sales/esrd1.html>

USDA FAS: Weekly Export Performance Indicator – <https://apps.fas.usda.gov/esrquery/esrpi.aspx>

EIA: Weekly ethanol Plant Production - https://www.eia.gov/dnav/pet/pet_pnp_wprode_s1_w.htm

EIA: Weekly Supply Estimates - https://www.eia.gov/dnav/pet/pet_sum_sndw_a_EPOOXE_sae_mbbl_w.htm

Upland Cotton Reports - <https://www.fsa.usda.gov/FSA/epasReports?area=home&subject=ecpa&topic=fta-uc>

Tennessee Crop Progress - https://www.nass.usda.gov/Statistics_by_State/Tennessee/Publications/Crop_Progress_&_Condition/

U.S. Crop Progress - <http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1048>

USDA AMS: Market News - <https://www.ams.usda.gov/market-news/search-market-news>

If you would like further information or clarification on topics discussed in the crop comments section or would like to be added to our free email list please contact me at aaron.smith@utk.edu.

Prices Paid to Farmers by Elevators					
Friday, December 27, 2024---Thursday, January 2, 2025					
	Friday Average	Monday Average	Tuesday Average	Wednesday Average	Thursday Average
No. 2 Yellow Soybeans	-----\$/bushel-----				
Northwest	9.65	9.66	9.81		9.78
North Central	10.05	10.07	10.16		10.17
West	10.15	10.17	10.33		10.20
Mississippi River	10.11	10.12	10.28		10.30
Yellow Corn					
Northwest	4.56	4.54	4.61		4.62
North Central	4.34	4.32	4.39		4.50
West	4.78	4.76	4.83		4.78
Mississippi River	4.70	4.67	4.75		4.78
Wheat					
Northwest	5.07	5.08	5.12		5.06
North Central	5.02	5.03	5.07		5.31
Mississippi River	5.17	5.18	5.17		5.26
Cotton	-----\$/pound-----				
Memphis	66.39-68.39	65.98-67.98	65.90-67.90		66.07-68.07

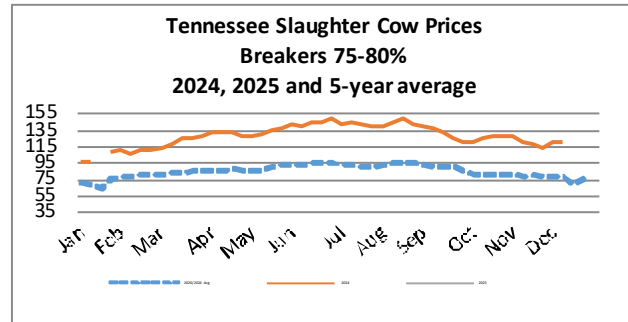
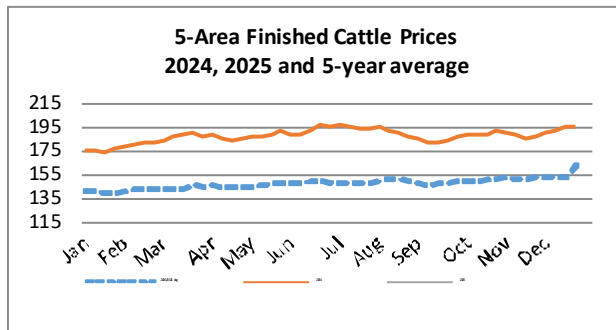
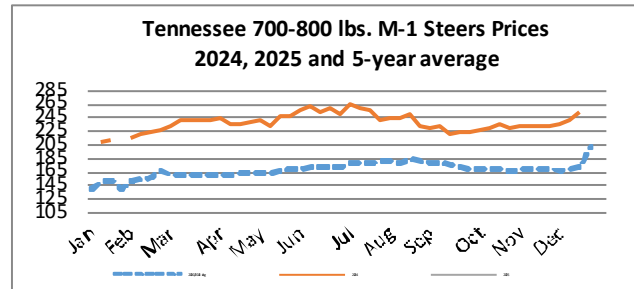
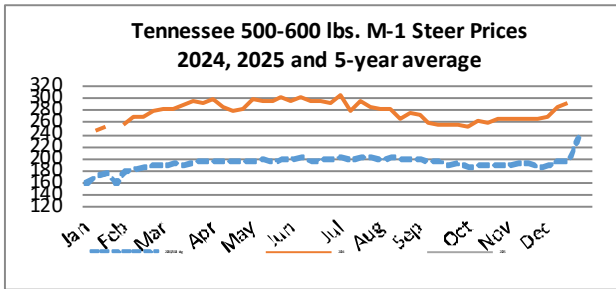
Graded Sales, Video Board Sales, Video Sales & Loads

Lower Middle Tennessee Cattlemen's Association - Video Board Sale-Columbia, TN

Weighted Average Report for 1/3/25

For complete report:

https://www.ams.usda.gov/mnreports/ams_3340.pdf



Futures Settlement Prices: Crops & Livestock

Corn: <https://www.cmegroup.com/trading/agricultural/grain-and-oilseed/corn.html>

Soybeans: <https://www.cmegroup.com/trading/agricultural/grain-and-oilseed/soybean.html>

Wheat: <https://www.cmegroup.com/trading/agricultural/grain-and-oilseed/wheat.html>

Soybean Meal: <https://www.cmegroup.com/trading/agricultural/grain-and-oilseed/soybean-meal.html>

Cotton: <https://www.theice.com/products/254/Cotton-No-2-Futures/data?marketId=5352193>

Live Cattle: <https://www.cmegroup.com/trading/agricultural/livestock/live-cattle.html>

Feeder Cattle: <https://www.cmegroup.com/trading/agricultural/livestock/feeder-cattle.html>

Lean Hogs: <https://www.cmegroup.com/trading/agricultural/livestock/lean-hogs.html>

Class III Milk: <https://www.cmegroup.com/trading/agricultural/dairy/class-iii-milk.html>

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