USDA-NASS Releases March Reports

On March 31st, the USDA’s National Agricultural Statistics Service (NASS) released its quarterly report on Prospective Plantings and Grain Stocks for the United States. These reports have historically been pivotal in informing farm management decisions in the Republican River Valley.

The Prospective Plantings report projects that in 2023 the U.S. will plant 92 million acres of corn, up 4% from 2022, 87.5 million acres of soybeans, even with 2022, 37.5 million acres of winter wheat, up 13% from 2022, and 6 million acres of grain sorghum, down 6% from 2022. The report also published data on the historical reliability of the March report’s projections. Over the past 20 years, projected acres deviated from actual acres, on average, 1.4 million acres for corn, 1.6 million acres for soybeans, 0.6 million acres for winter wheat, and 0.4 million acres for grain sorghum. While grain sorghum has had the smallest deviation, it has the largest percent deviation because of fewer planted acres. This is partially offset in Kansas figures by the fact that KS is projected to plant 53% of all grain sorghum acres in the U.S.

The Prospective Plantings report also projects that in 2023 Kansas will plant 5.6 million acres of corn (6% of U.S.), up 2% from 2022, 4.6 million acres of soybeans (5% of U.S.), down 9% from 2022, 8.1 million acres of winter wheat (22% of U.S.), up 11% from 2022, and 3.2 million acres of grain sorghum (53% of U.S.), down 5% from 2022. If these numbers bear out, they indicate seasonal price support for soybeans and especially grain sorghum, despite corn winning the acreage battle in the U.S. and in Kansas; however, the results from this report are likely already reflected in new crop futures markets.

The Grain Stocks report showed the U.S. currently holds stocks of 7,401 million bushels of corn, down 5% from 2022, 1,685 million bushels of soybeans, down 13% from 2022, 946 million bushels of wheat, down 8% from 2022, and 109 million bushels of grain sorghum, down 47% from 2022.

The Grain Stocks report also showed that Kansas currently holds stocks of 238 million bushels of corn, down 19% from 2022, 60 million bushels of soybeans, down 27% from 2022, 166 million bushels of wheat, down 29% from 2022, and 73 million bushels of grain sorghum, down 47% from 2022. These historically low quantities of grain stocks may offer modest price support for the remaining old crop still in storage, but the 2023 crop will likely be influenced by a bevy of additional factors. Relative to recent years, grain sorghum has the tightest stocks both in Kansas and nationwide, which may offer Kansas grain sorghum producers a more stable marketing advantage, considering Kansas’ majority role in U.S. grain sorghum planted acreage. Kansas’ stock values of corn, soybeans, and wheat have decreased much more precipitously relative to U.S. stock values, which may mute the effect that tight stocks may have in supporting prices for the 2023 crop year.

The March Prospective Plantings and Grain Stocks reports from USDA-NASS indicate that grain sorghum currently has a marketable advantage over north-central Kansas’ other staple
crops for the 2023 crop year; however, the higher standard deviation in the report’s reliability for grain sorghum does not make this set in stone.

The next USDA-NASS report covering planted acreage and grain stocks is scheduled to be released on Friday, June 30th, at 12:00 PM. Please monitor the changing market environment with your risk management consultant to financially position your farm for a successful growing season. If you have any questions about the USDA-NASS Prospective Plantings and Grain Stocks reports, or about how you can keep yourself informed about agricultural commodity markets, please contact Luke Byers, your Agriculture & Natural Resources Extension Agent for the River Valley Extension District, at (785) 632-5335, or by email at lsbyers@ksu.edu.

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