



Corn Market Outlook to 2025/2026

Data from The ProExporter Network – October 2017

The Corn Marketing Program of Michigan recently hired the ProExporter Network to complete a study examining the market outlook for Michigan corn farmers. Based on the data, we have compiled the following key points that guide CMPM as we work to improve the economic position of Michigan corn farmers.

Key Findings

1. ***The U.S. is facing much more competition for corn exports.*** Historically, the U.S. made up 80 percent of the global corn market. However, higher corn prices pulled in many competitors including the former Soviet Union, Argentina and Brazil. As a result, the U.S. share of the global corn market is just 30 percent. (Fig. 1)
2. ***Farm price will continue to fluctuate with weather induced yield changes. The only positive structural corn price mechanism in the short term is to increase ethanol exports.*** Domestic meat and ethanol consumption are projected to remain flat. However, there is potential for large increases in corn demand to produce ethanol for export to foreign markets. (Fig. 2 and 3)
3. ***The U.S. is well-positioned to take advantage of increased ethanol exports.*** The Renewable Fuel Standard has given U.S. producers an advantage by creating an installed industrial corn processing base that our competitors do not have.
4. ***Michigan has some key advantages for ethanol exports.***
 - 10.7 percent of Michigan's fuel is ethanol, which is above the national average of 9.9 percent.
 - The Port of Detroit currently exports more than 100 million gallons of ethanol.
 - We share a border with Canada, which is a major importer of ethanol.
5. ***The efficiency of meat consumption is increasing at a rapid pace.*** Efficiency per animal in terms of how much meat can be produced per bushel of corn consumed has increased by 42 percent since 1990. Unless there is a continual increase in meat exports, U.S. producers stand to lose ground in this area. (Fig. 4)
6. ***Michigan also has some reasons to be optimistic.*** The farm price differential in Michigan is steady and shows a chance of increasing in the future. This is in contrast to other states, which are seeing decreases. (Fig. 5)

Fig. 1

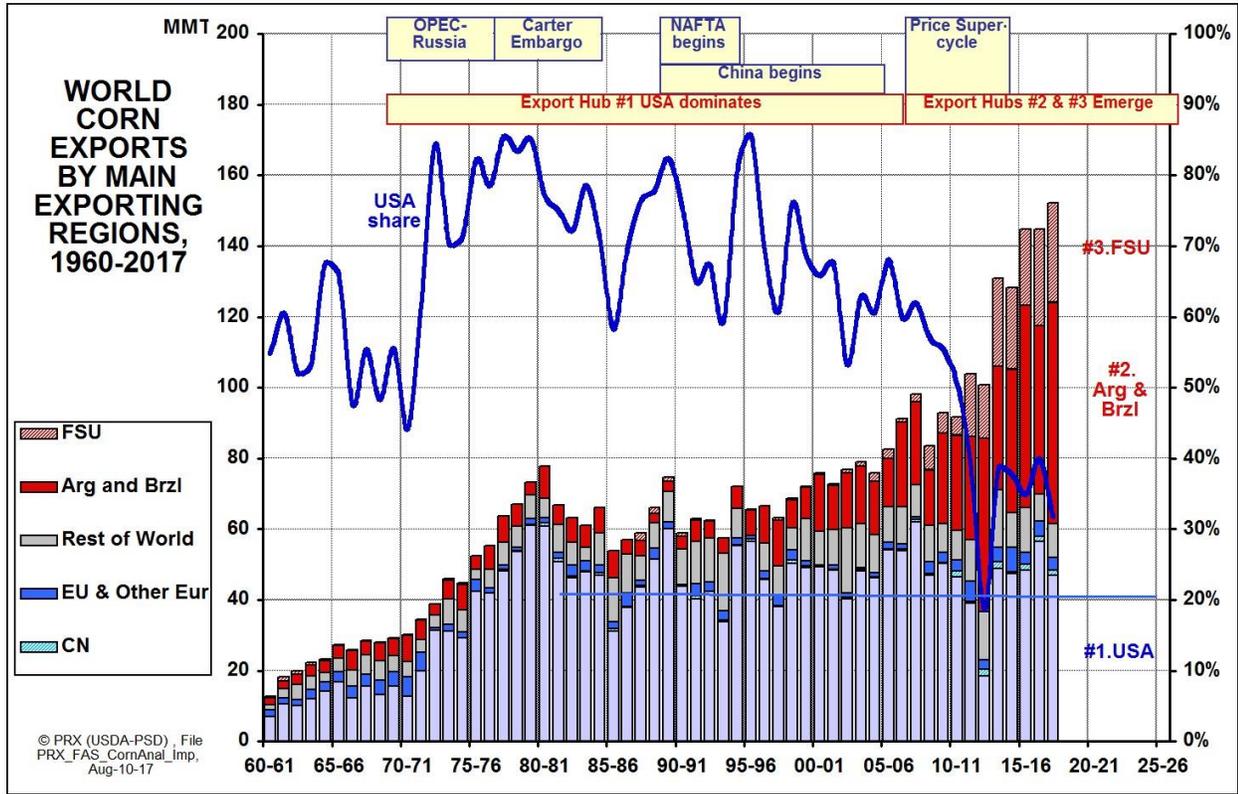


Fig. 2

US CORN EXPORT SUMMARY, Blue Sky #44

PRX_BS1_OverviewDeckC_Start, Blue Sky #44, Aug-10-17

Item	Unit	Crop Year														25-26 vs. 15-16
		12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26	
Corn Exports by Type Summary																
DDG/CGF	mil bu	273	351	323	346	250	309	333	343	356	367	365	390	400	410	64
Ethanol Eqv	mil bu	199	276	313	295	456	497	570	642	713	784	855	925	995	1064	769
Meat Equiv	mil bu	801	834	842	750	776	835	842	853	864	875	886	896	907	918	168
Whole Corn	mil bu	730	1921	1863	1898	2226	1875	2000	2150	2150	2026	2072	1300	2000	2000	102
Subtotal	mil bu	2004	3382	3341	3289	3707	3516	3745	3988	4083	4053	4178	3511	4302	4392	1103

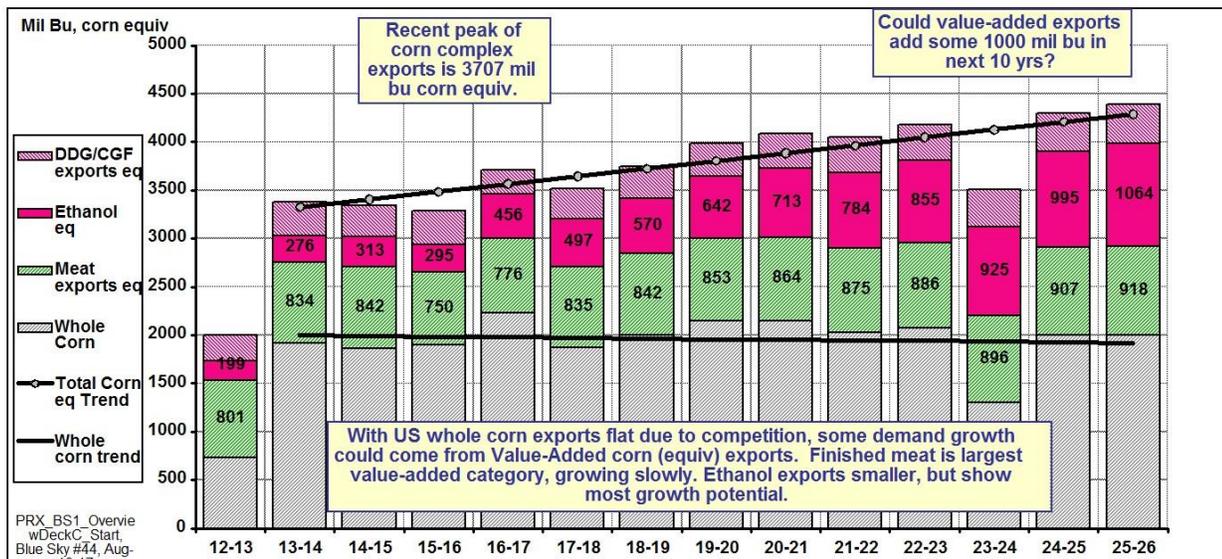


Fig. 3

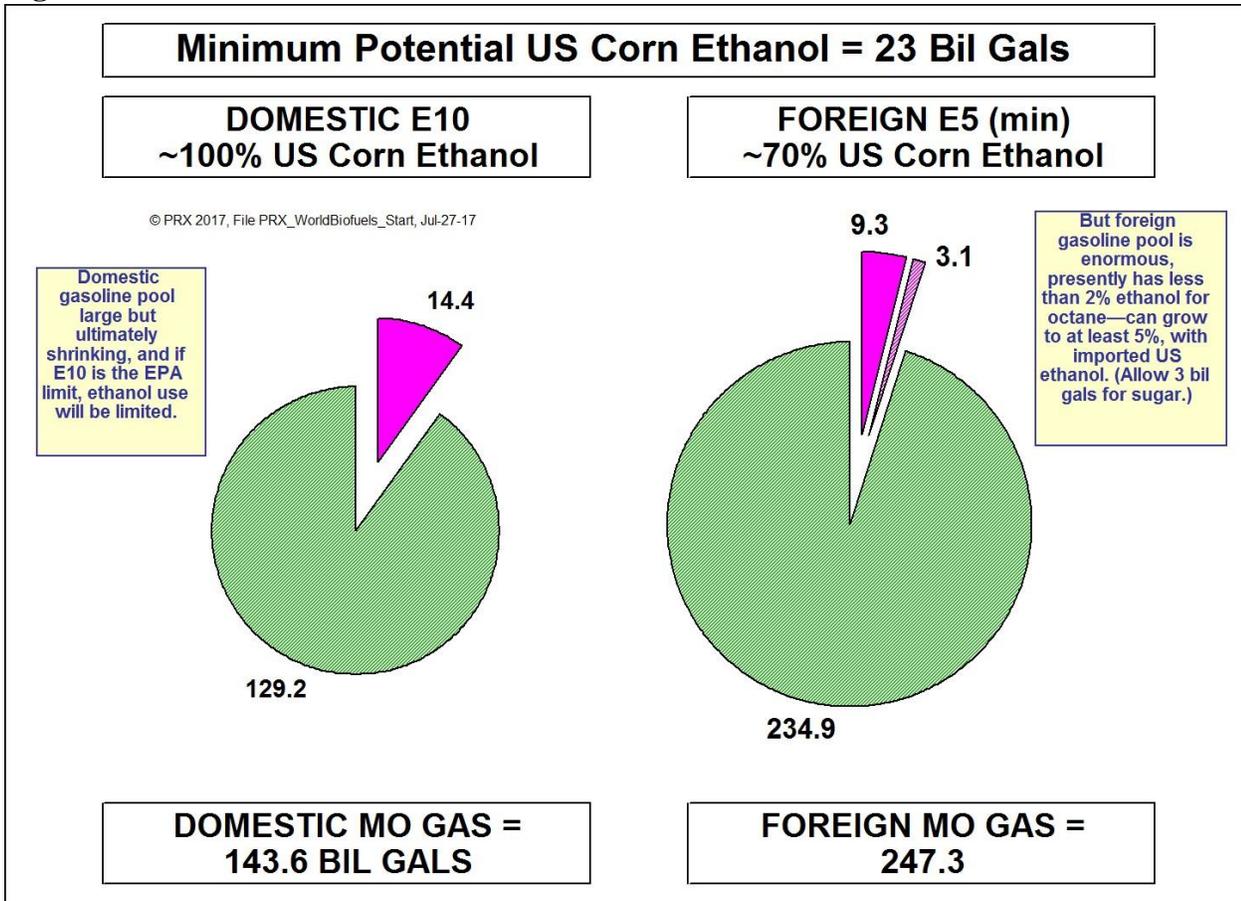


Fig. 4

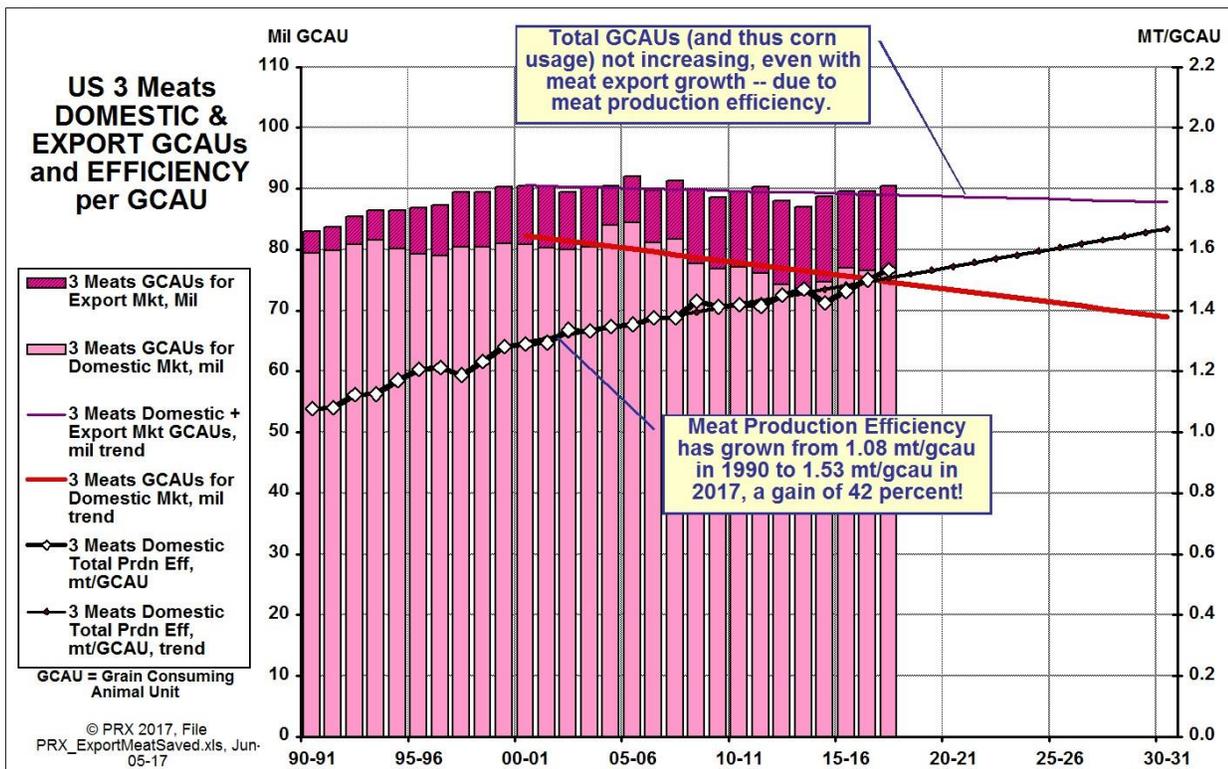


Fig. 5

