

# Grain Market Outlook for 2017 - 2018

2017 KSU Ag Lenders Conferences

Garden City & Manhattan, Kansas

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**KANSAS STATE**  
UNIVERSITY

Department of Agricultural Economics



## Topics to be discussed.....

### 1) Grain Market Analysis & Outlook

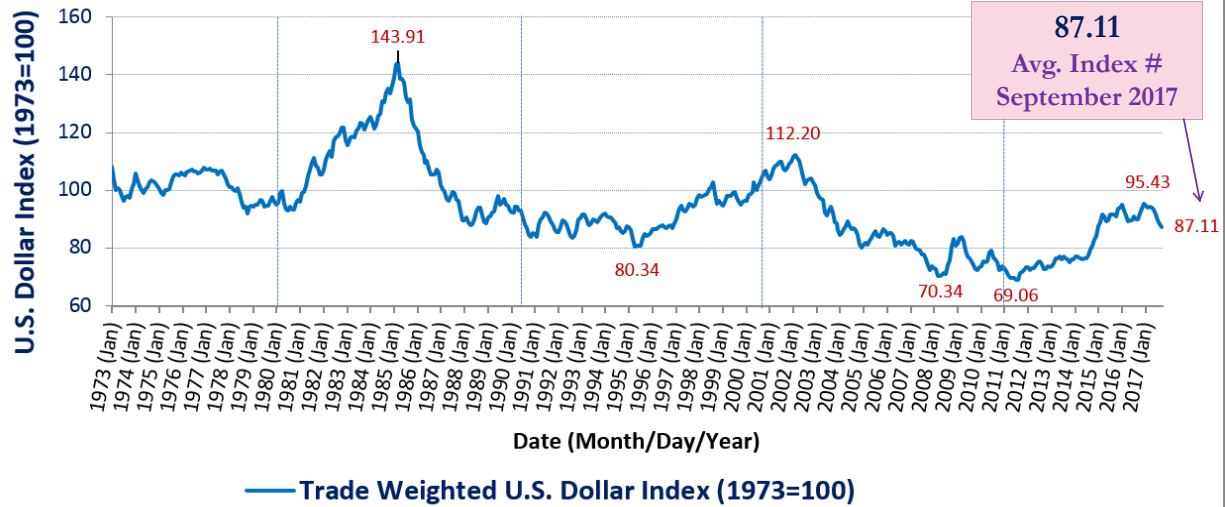
- Corn & Grain Sorghum
- Wheat
- Soybeans & Cotton

### 2) Economic “forces at work” in the grain markets

*& where they are taking us...*

# U.S. Dollar Index (ICE Futures)

Monthly Chart: January 1973 through September 29, 2017



# Corn & Sorghum Markets



**KANSAS STATE UNIVERSITY**

Department of Agricultural Economics

## U.S. Corn & Sorghum Supply-Use

- Prospects for a “large” 14 billion bu+ 2017 U.S. Corn Crop
- Large Supplies & Stocks are limiting Feedgrain Price\$’s
- Low Price\$’s are supporting Corn Use
  - **Livestock Feed** 2017/18 = 5.475 bln bu (*10 year high – vs 5.858 bb in 2007/08*)
  - **Ethanol** 2017/18 = 5.475 bln bu (*Record high – vs 5.435 bb last year*)
  - **Other FSI** 2017/18 = 1.450 bln bu (*4 year high – vs 1.435 bb in 2016/17*)
  - **Exports** 2017/18 = 1.850 bln bu (*vs 2.295 bb in ‘16/17 & 1.901 in ‘15/16*)

## U.S. Corn & Grain Sorghum Stocks.....

- Corn: “Large” Stocks & % S/U
  - **End Stocks** 2017/18 ⇒ 2.335 bln bu (*2<sup>nd</sup> highest since 1987/88*)
  - **% Stocks/Use** 2017/18 ⇒ 16.4% S/U (*Highest since 2005/06*)
- Grain Sorghum: “Tighter” S/D & Stocks than for Corn
  - **End Stocks** 2017/18 ⇒ 29 Mln bu (*15 - 55 mb since 2008/09*)
  - **% Stocks/Use** 2017/18 ⇒ 7.8% S/U (*Highest since 2005/06*)

# CME Corn Futures

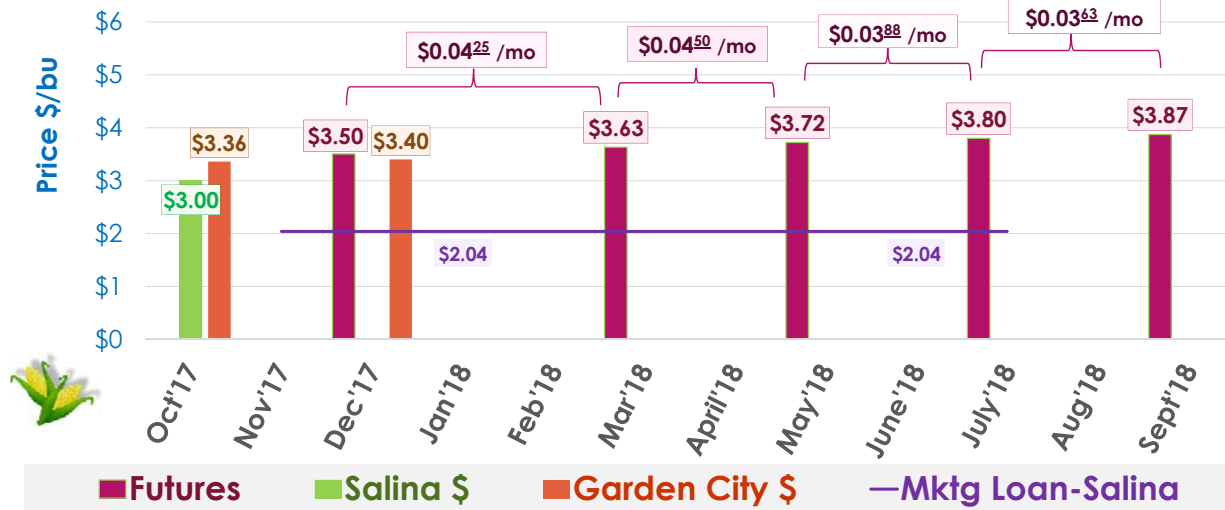


Weekly Chart: August 2008 – September 2018 + 10/6/2017 a.m.



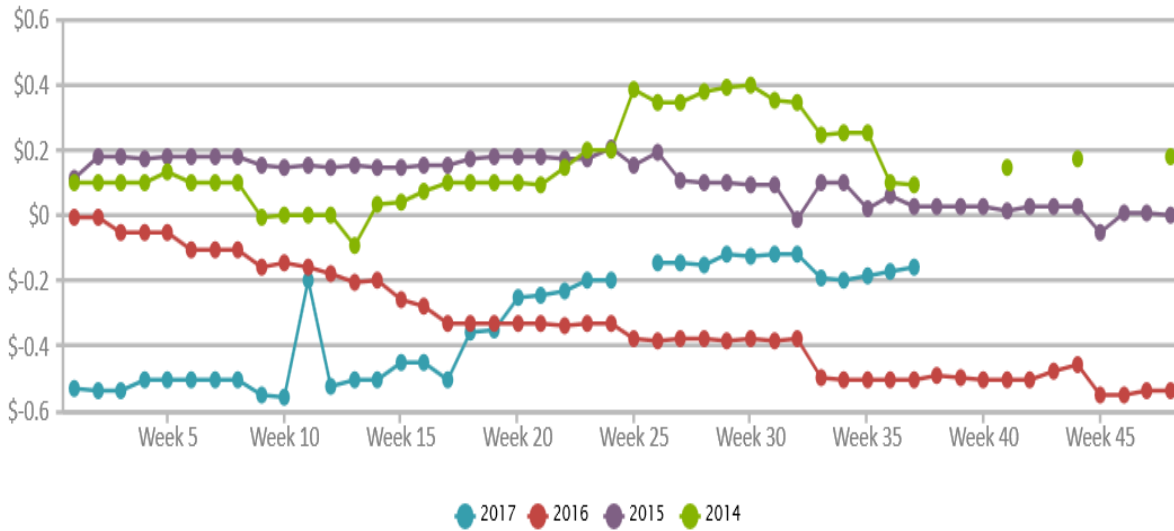
# Corn Cash & Futures \$'s

Salina & Garden City, KS Local Elevators – October 6, 2017



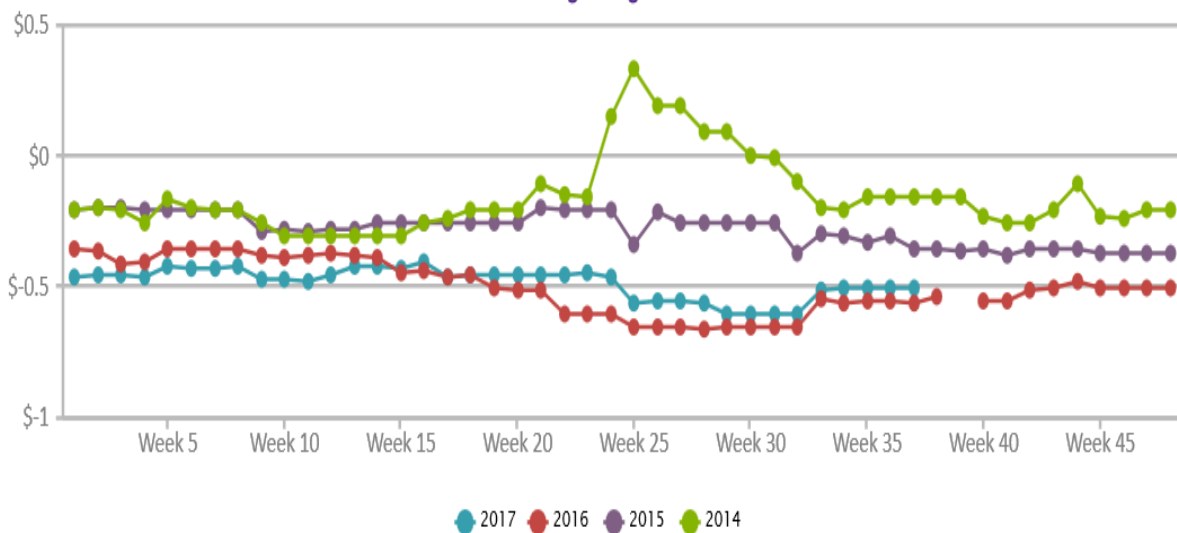
## GARDEN CITY, KS: Corn Basis - GARDEN CITY COOP

[www.AgManager.info](http://www.AgManager.info)



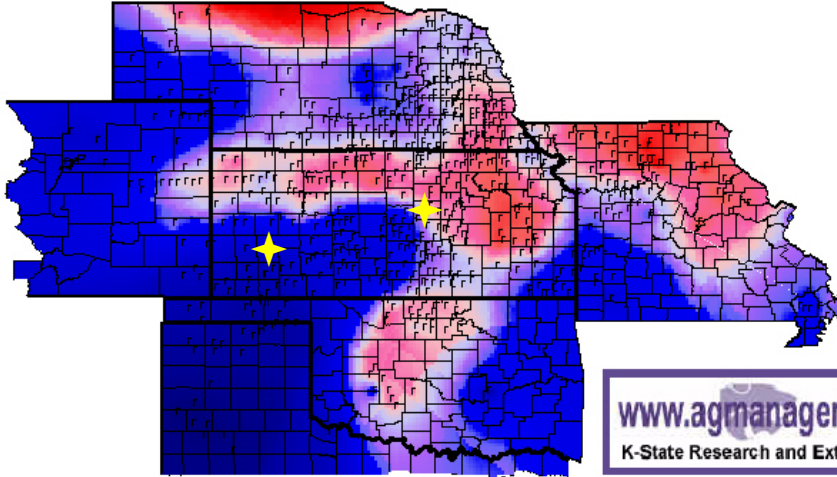
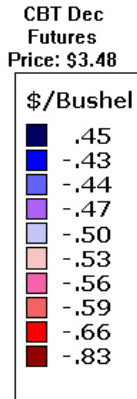
## SALINA, KS: Corn Basis - CARGILL

[www.AgManager.info](http://www.AgManager.info)



## Corn Basis, 10-04-2017

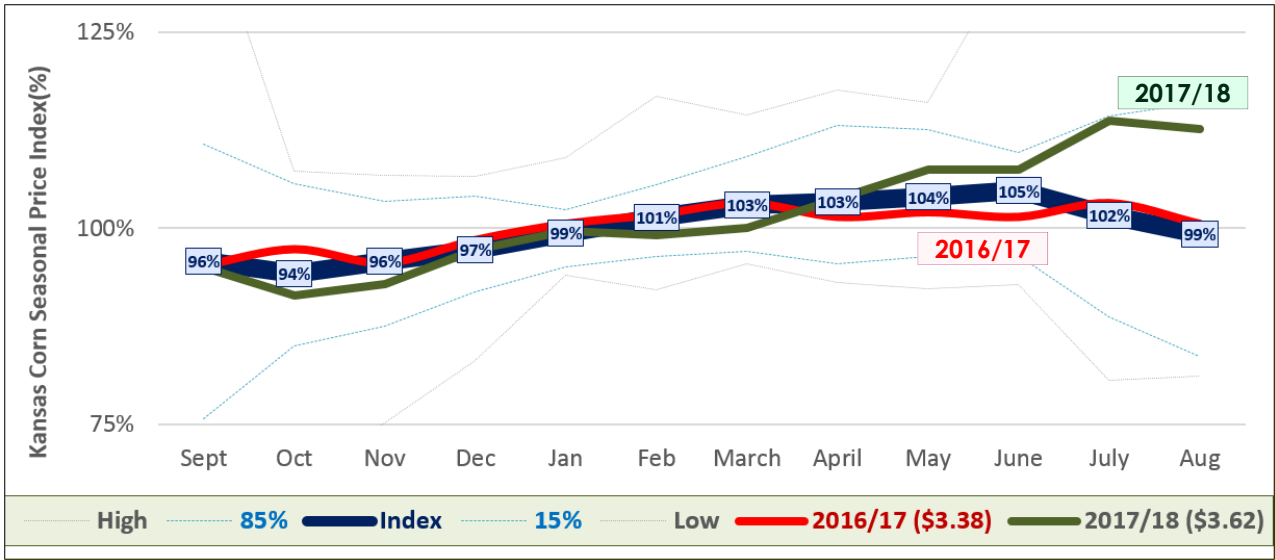
Basis = Cash Price - Nearby Futures Price



[www.agmanager.info](http://www.agmanager.info)  
K-State Research and Extension

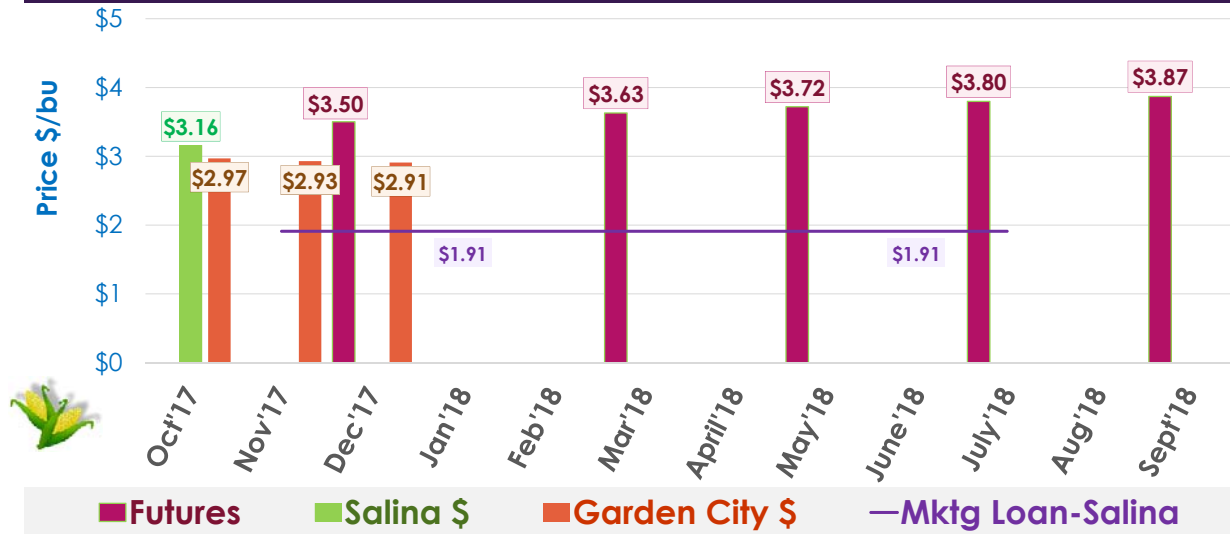
## Kansas Corn Seasonal Cash \$ Index

Monthly: 17 yr Avg thru 2015/16 + MY 2016/17 & MY2017/18



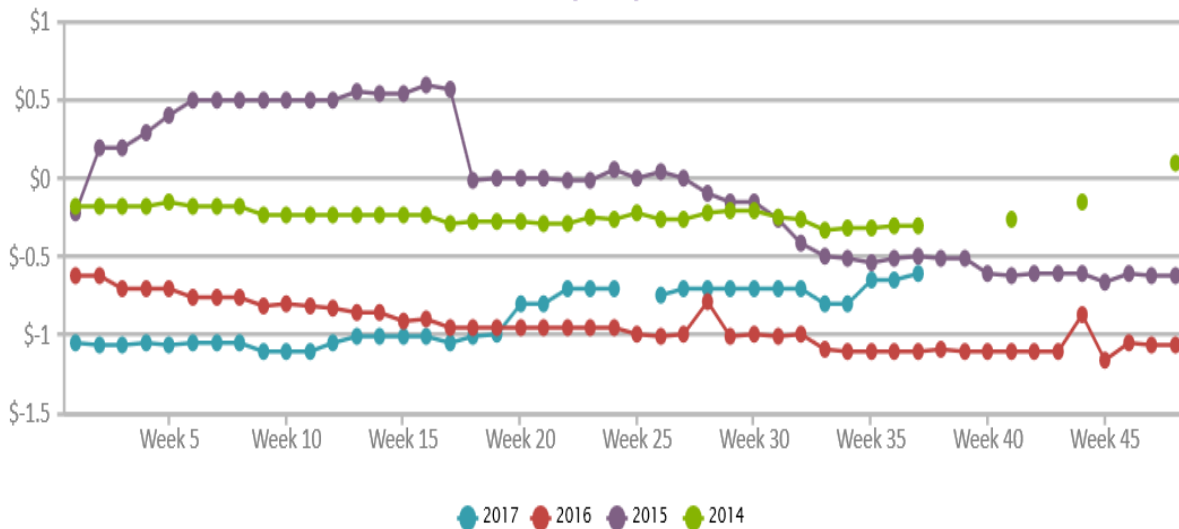
# Grain Sorghum Cash & Futures \$'s

Salina & Garden City, KS Local Elevators – October 6, 2017



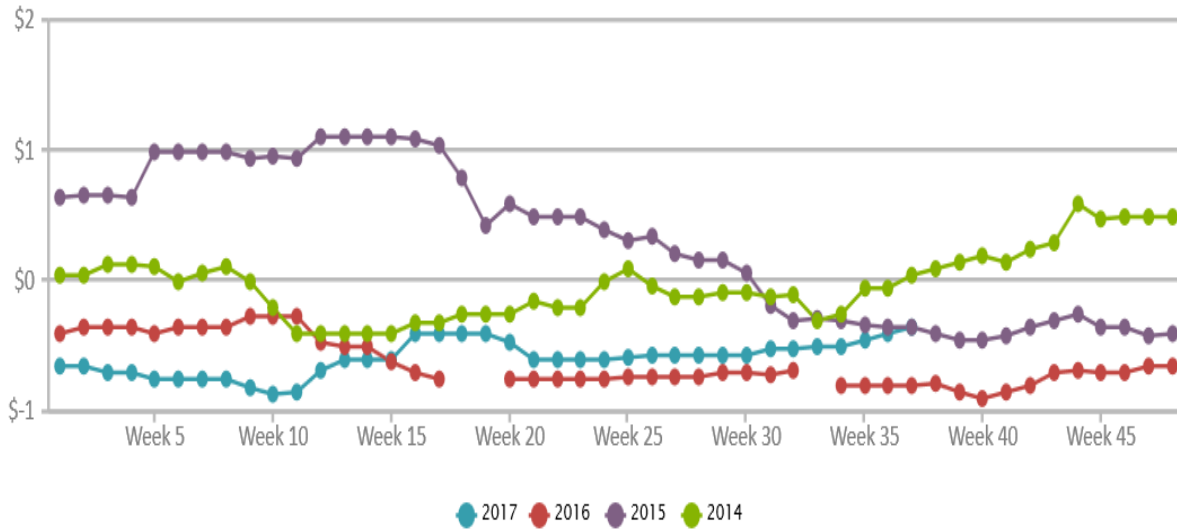
## GARDEN CITY, KS: Grain Sorghum Basis - GARDEN CITY COOP

[www.AgManager.info](http://www.AgManager.info)



# SALINA, KS: Grain Sorghum Basis - CARGILL

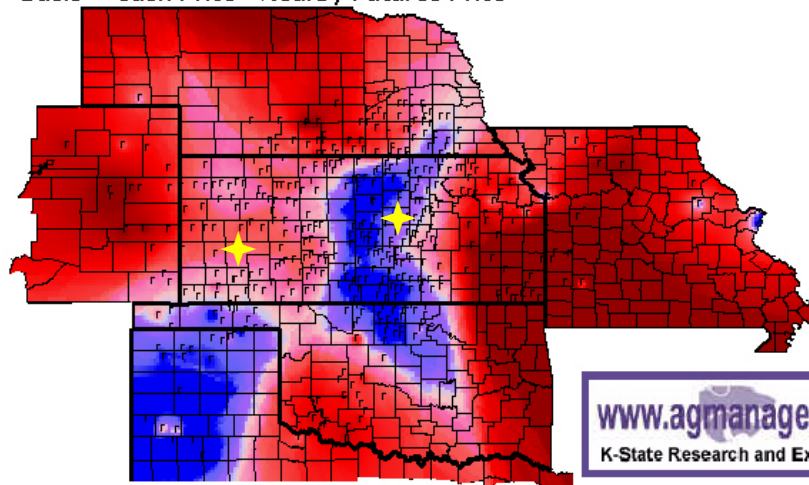
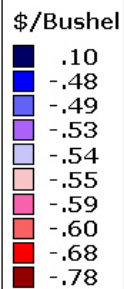
www.AgManager.info



# Grain Sorghum Basis, 10-04-2017

Basis = Cash Price - Nearby Futures Price

CBT Corn  
Dec Futures  
Price: \$3.48



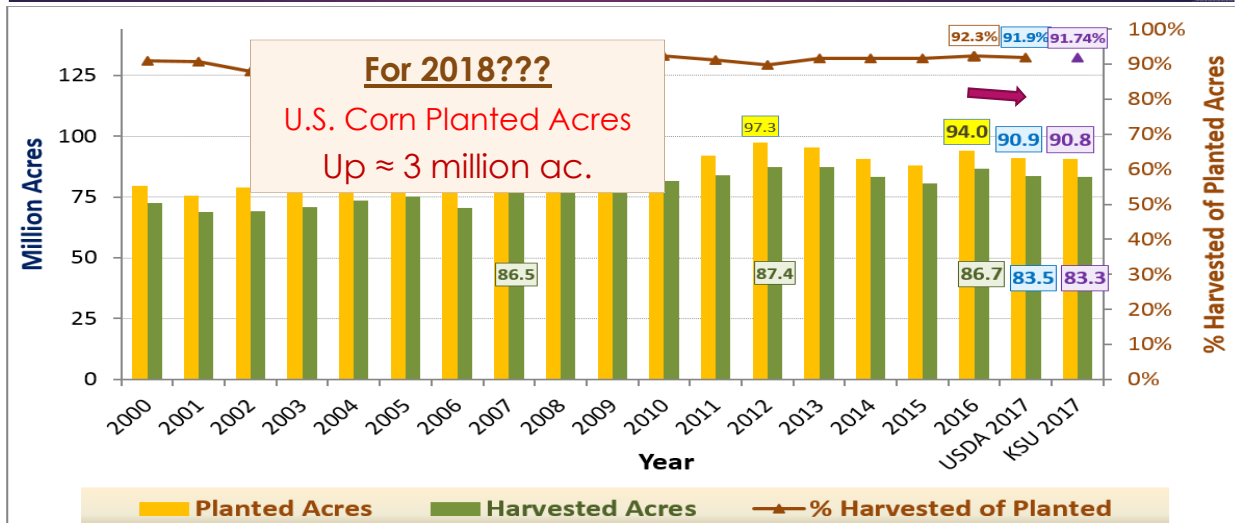
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K-State Research and Extension



# U.S. Corn Supply and Demand

	2016/17 estimate	2017/18 forecast	2017/18 change from August 10	Change from 2016/17	
Planted area (million acres)	94.0	90.9	--	-3.1	↓ Crop <i>BUT still</i> Large Supply
Harvested area (million acres)	86.7	83.5	--	-3.3	
Yield (bushels per acre)	174.6	169.9	0.4	-4.7	
		<i>Million bushels</i>			
Beginning stocks	1,737	2,350	-20	613	↑ Domestic Use & ↓ Exports
Production	15,148	14,184	32	-964	
Imports	55	50	--	-5	
Total supply	16,940	16,585	12	-356	
Feed and residual	5,425	5,475	25	50	↑ Stocks/Use & ↓ Prices
Food, seed, and industrial	6,870	6,925	-75	55	
Ethanol	5,435	5,475	-25	40	
Domestic use	12,295	12,400	-50	105	
Exports	2,295	1,850	--	-445	
Total use	14,590	14,250	-50	-340	
Ending stocks	2,350	2,335	62	-16	
		<i>Percent</i>			
Stocks to use ratio	16.1	16.4	0.5	0.3	
		<i>Dollars per bushel</i>			
Average market price	3.30/3.40	2.80/3.60	-0.10	-0.15	

## U.S. Corn Acreage



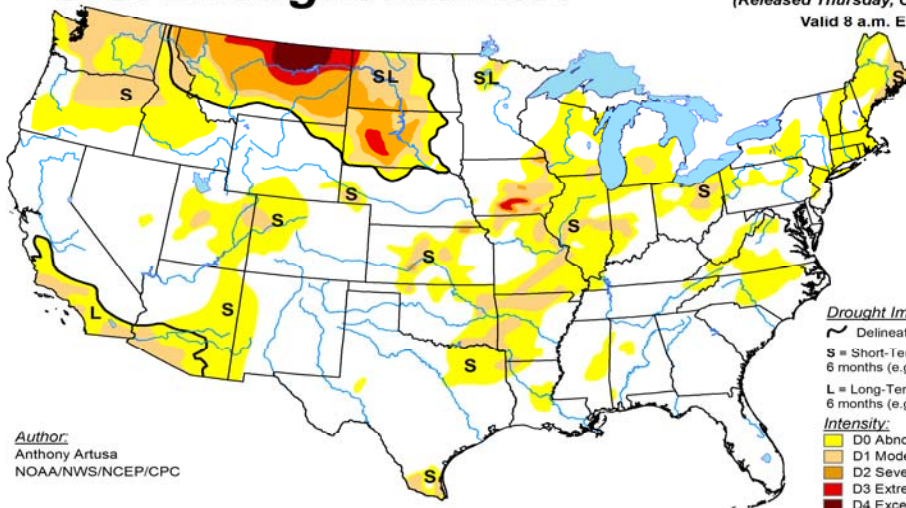
# U.S. Corn Yields

USDA 2017 USDA Forecast = 169.9 bu/ac

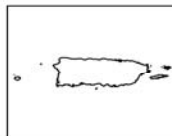
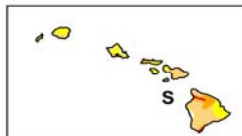
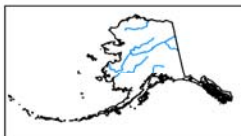


## U.S. Drought Monitor

October 3, 2017  
(Released Thursday, Oct. 5, 2017)  
Valid 8 a.m. EDT



Author:  
Anthony Artusa  
NOAA/NWS/NCEP/CPC



<http://droughtmonitor.unl.edu/>

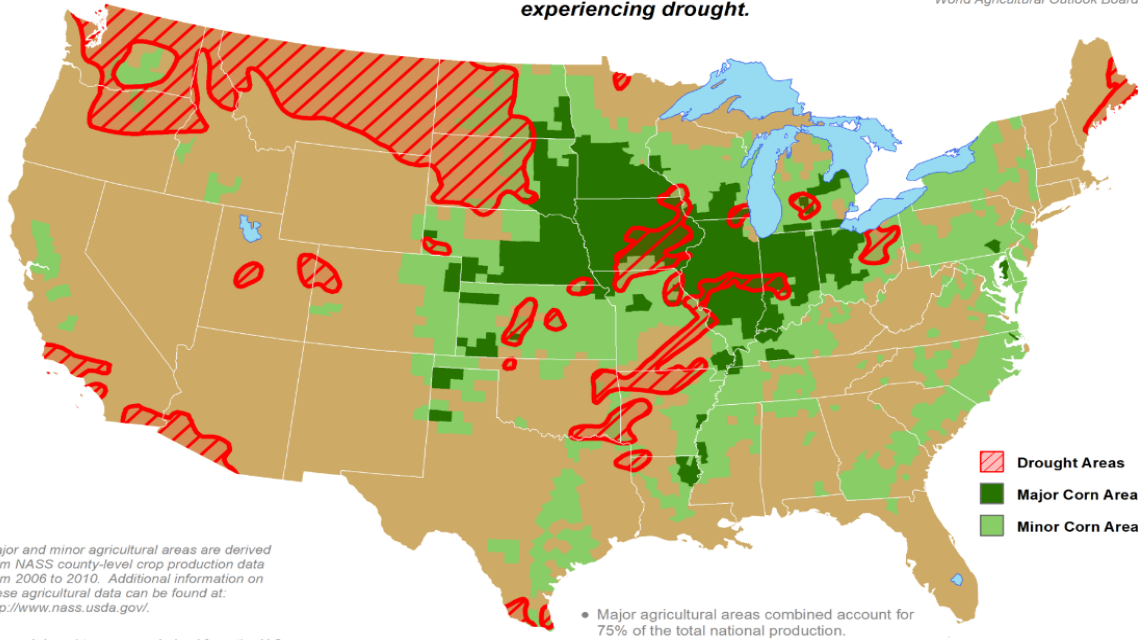
# U.S. Corn Areas Experiencing Drought

Reflects **October 3, 2017**  
U.S. Drought Monitor data

Approximately **11%** of corn  
production is within an area  
experiencing drought.

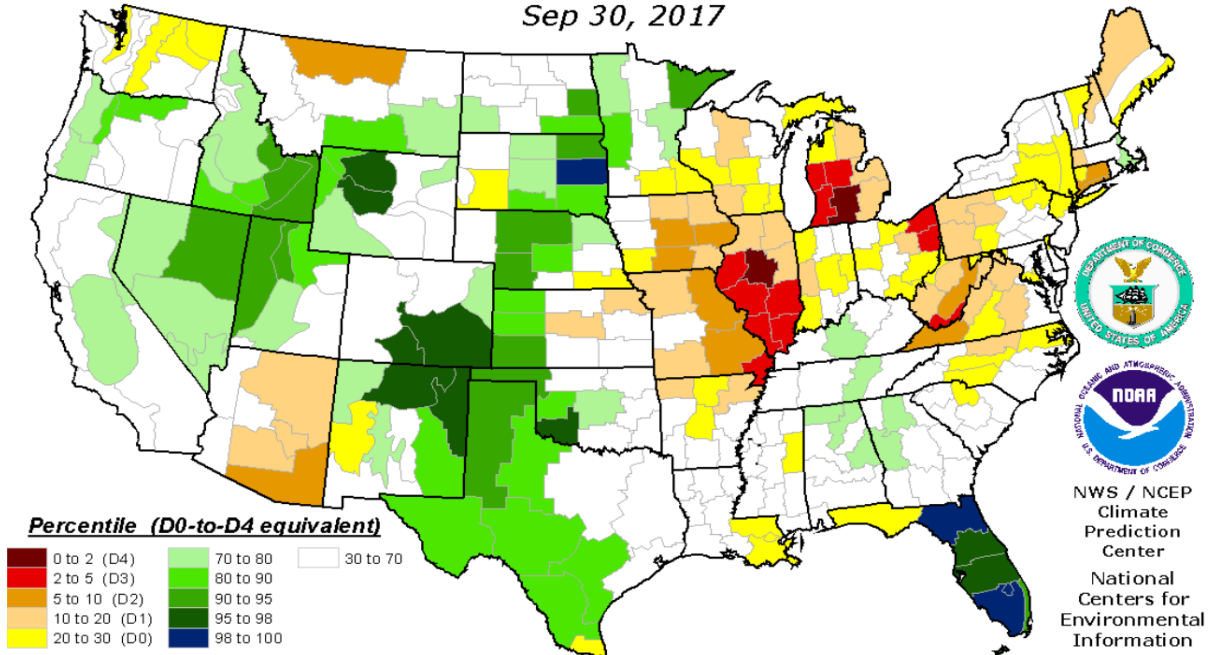


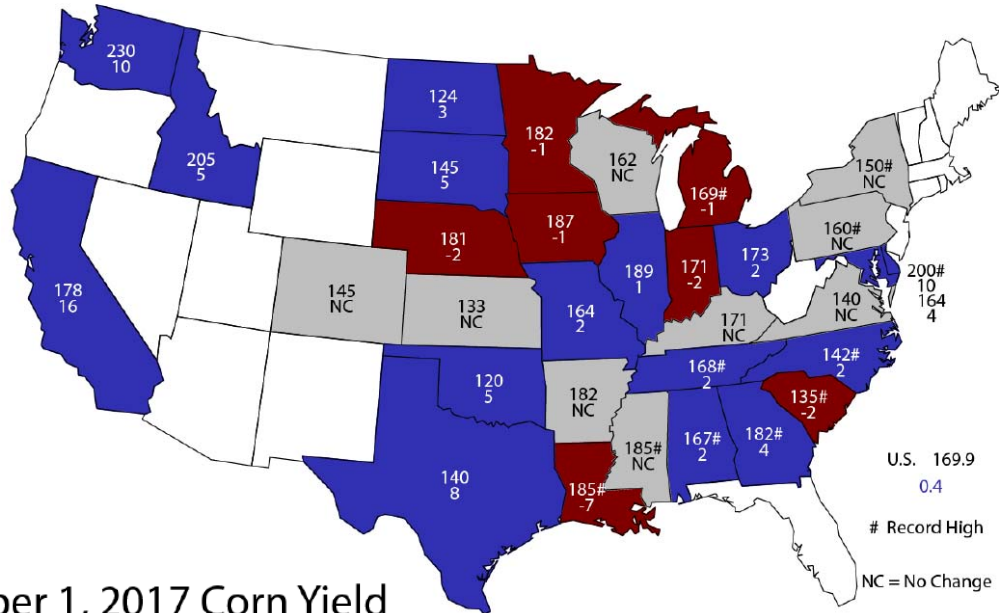
This product was prepared by the  
USDA Office of the Chief Economist  
World Agricultural Outlook Board



## Objective Short-Term Drought Indicator Blend Percentiles

Sep 30, 2017



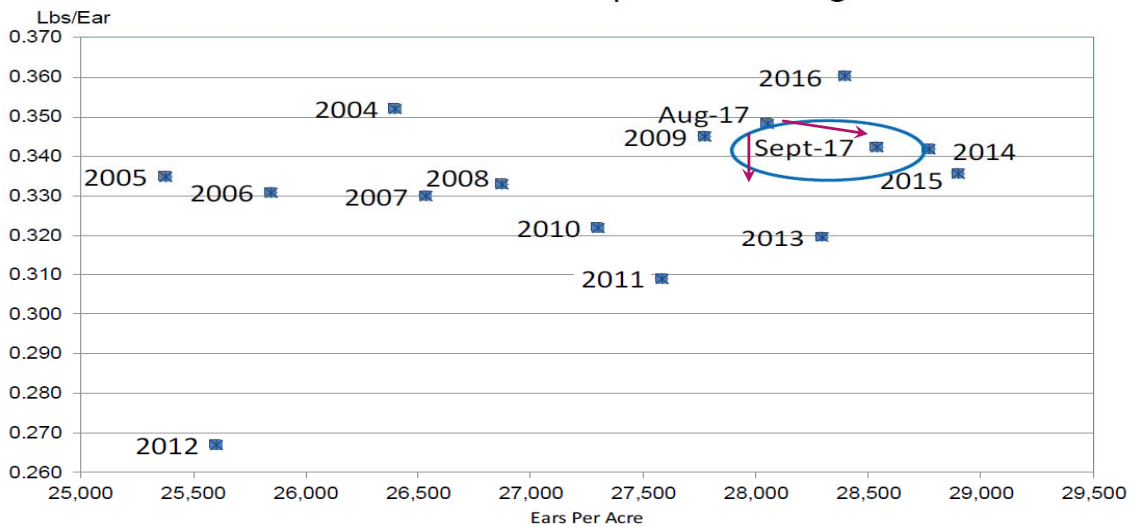


### September 1, 2017 Corn Yield Bushels and Change From Previous Forecast

USDA-NASS  
9-12-17



### Corn Objective Yield Region Ears Per Acre vs. Implied Ear Weight

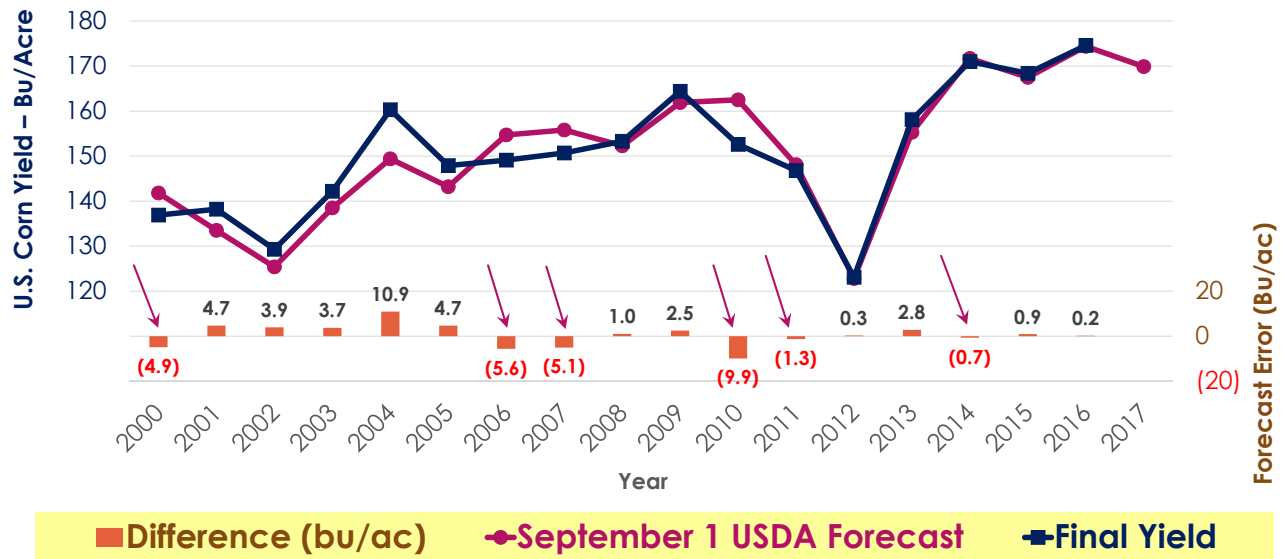


Implied Ear Weight = (Published Yield \* 56) / Ears

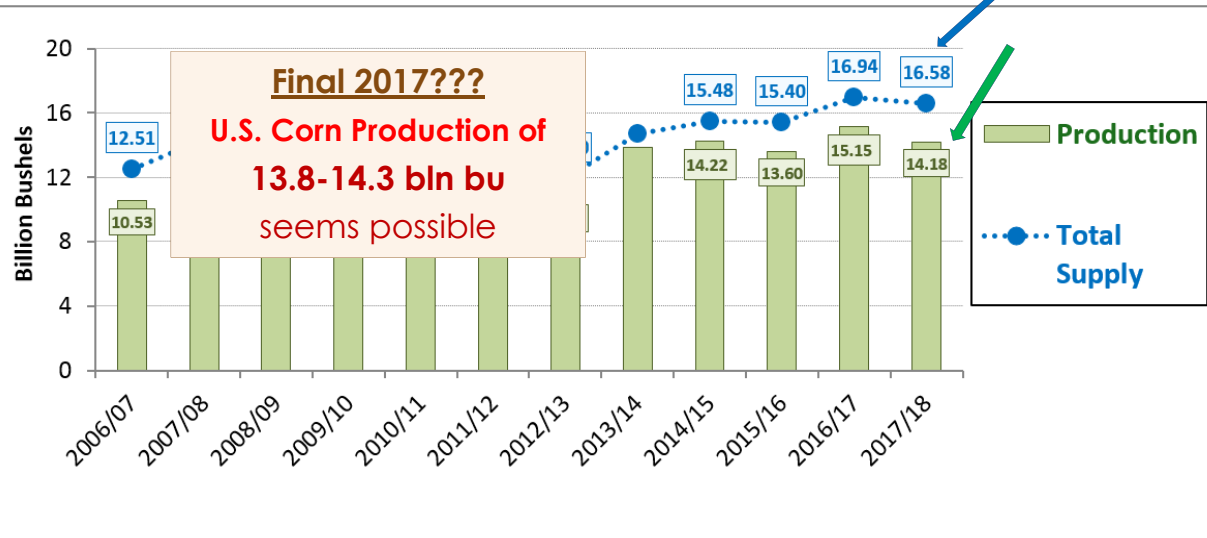
USDA-NASS  
9-12-17

# U.S. Corn Yields: 2000-2017

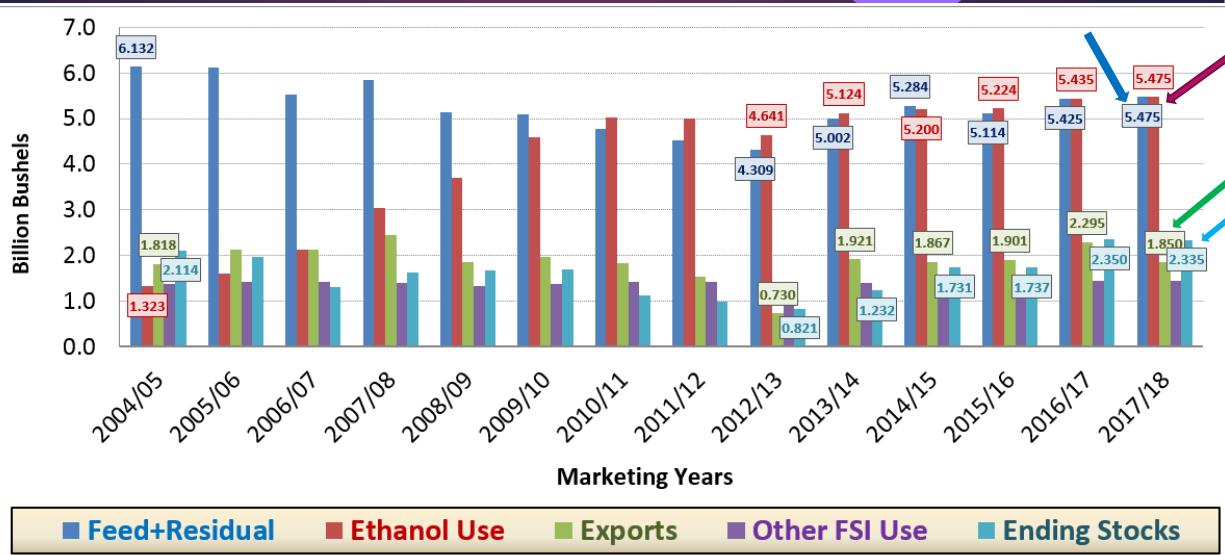
## Accuracy of September 1<sup>st</sup> USDA Forecasts



# U.S. Corn Production & Supplies



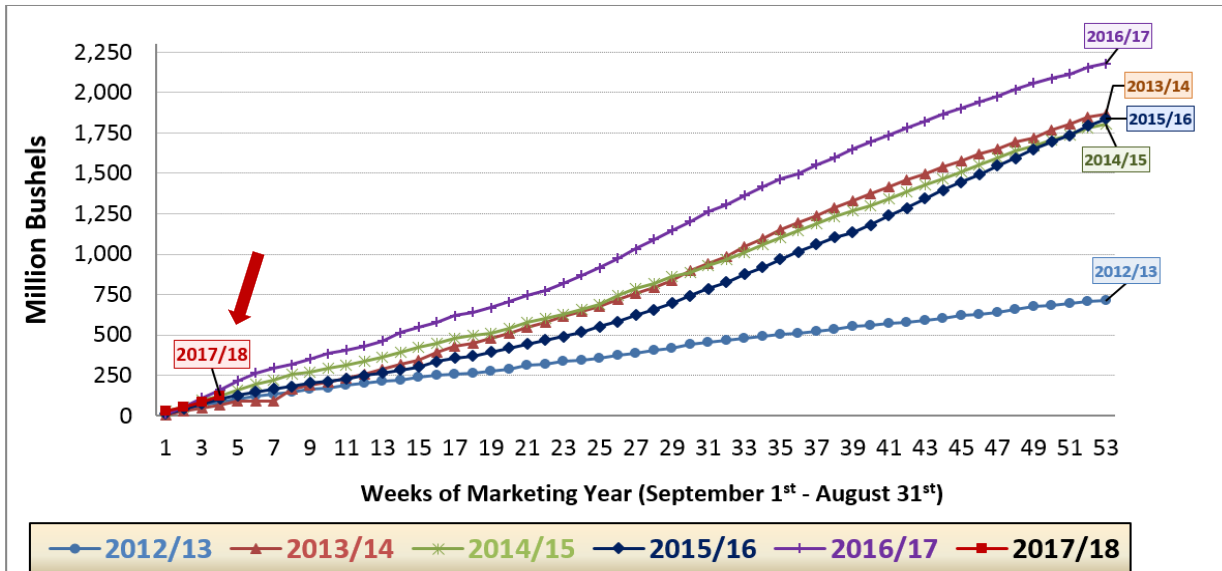
# U.S. Corn Use – By Category



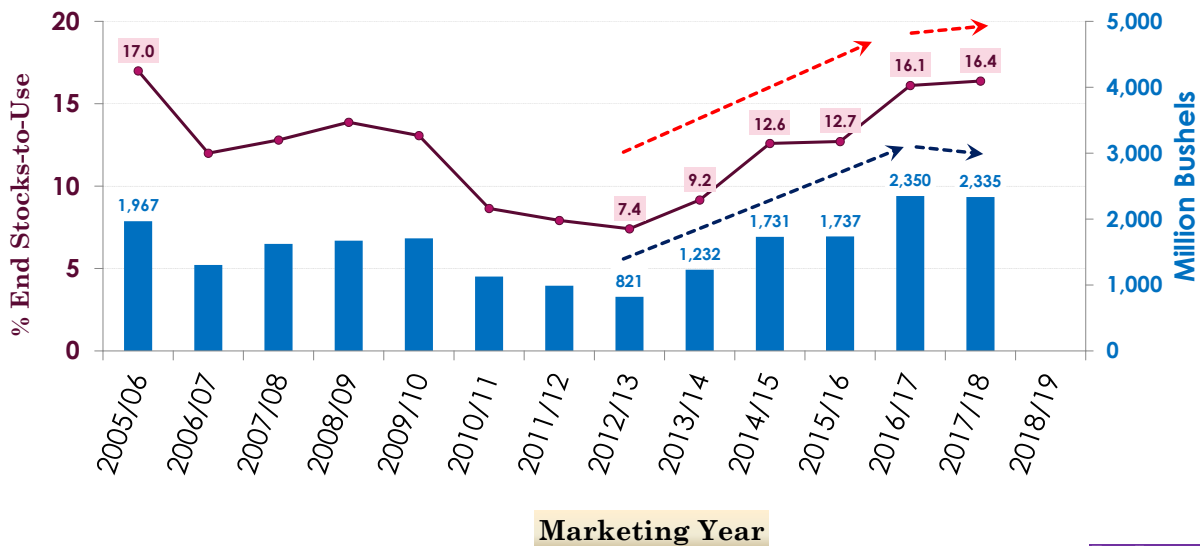
# U.S. Meat Production and Prices

	2017 forecast	2018 forecast	2018 change from August 10	Change from 2017
<b>Production</b>	<i>Billion pounds</i>			
Beef	26.56	27.28	-0.09	0.72
Pork	25.84	26.72	-0.02	0.87
Broilers	41.29	42.28	--	0.98
Turkey	6.00	6.18	--	0.18
<b>Total meat</b>	<b>100.45</b>	<b>103.21</b>	<b>-0.11</b>	<b>2.76</b>
<b>Prices</b>	<i>Dollars/cwt</i>			
Steers	119.31	115.25	-1.00	-4.06
Hogs	50.98	48.25	--	-2.73
	<i>Cents/lb</i>			
Broilers	94.2	88.5	--	-5.7
Turkey	100.0	104.5	--	4.5

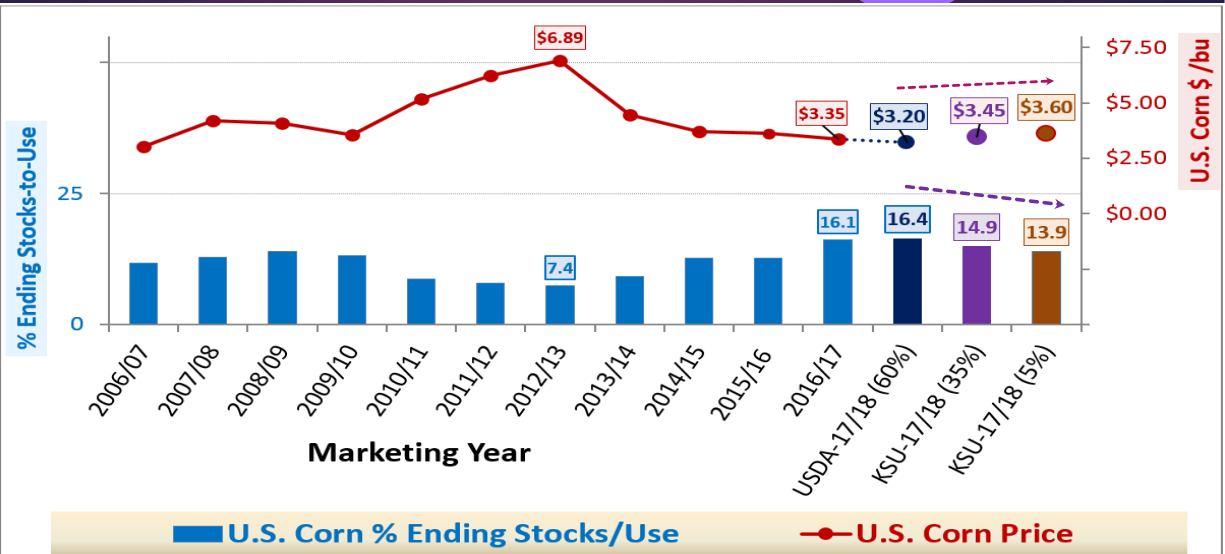
# U.S. Corn Exports – Weekly thru Sept. 28, 2017



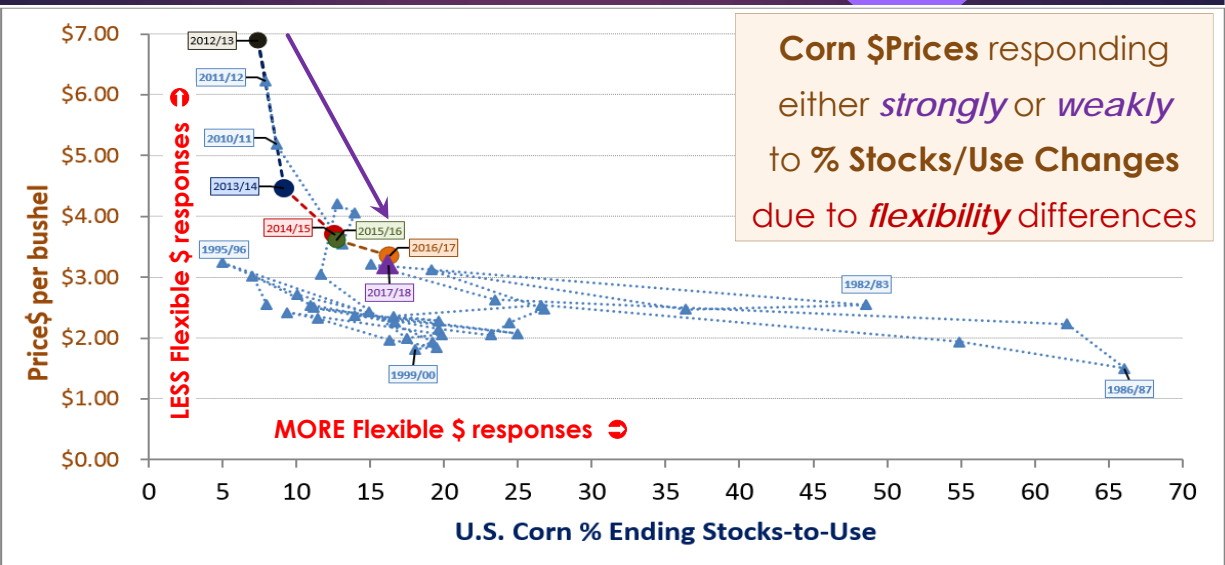
# U.S. Corn Ending Stocks & % Stx/Use



# U.S. Corn % Stocks/Use vs Price\$

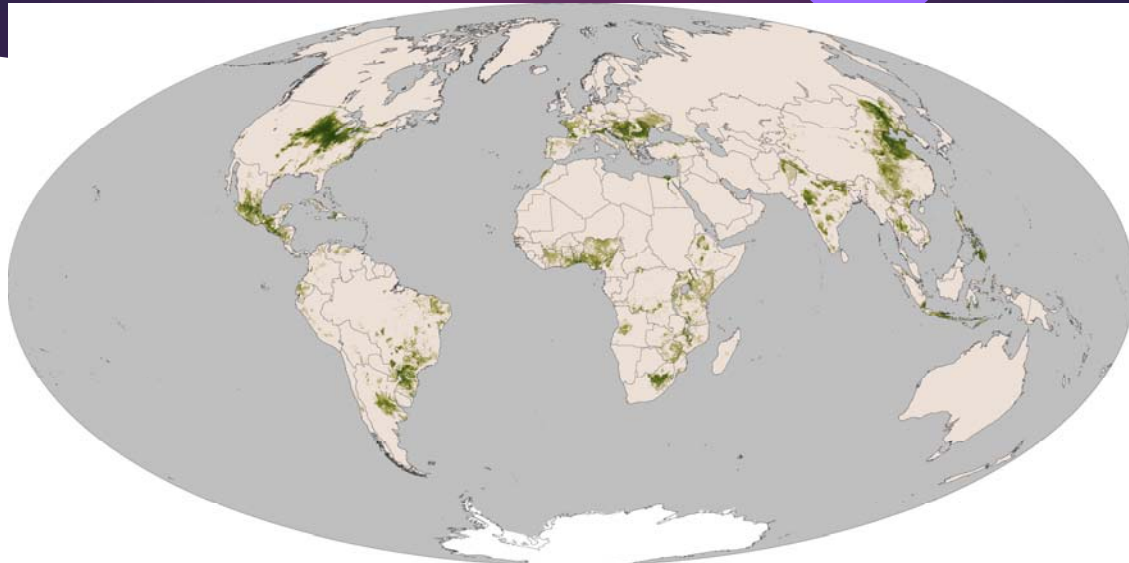


# U.S. Corn % Stocks/Use vs Price\$

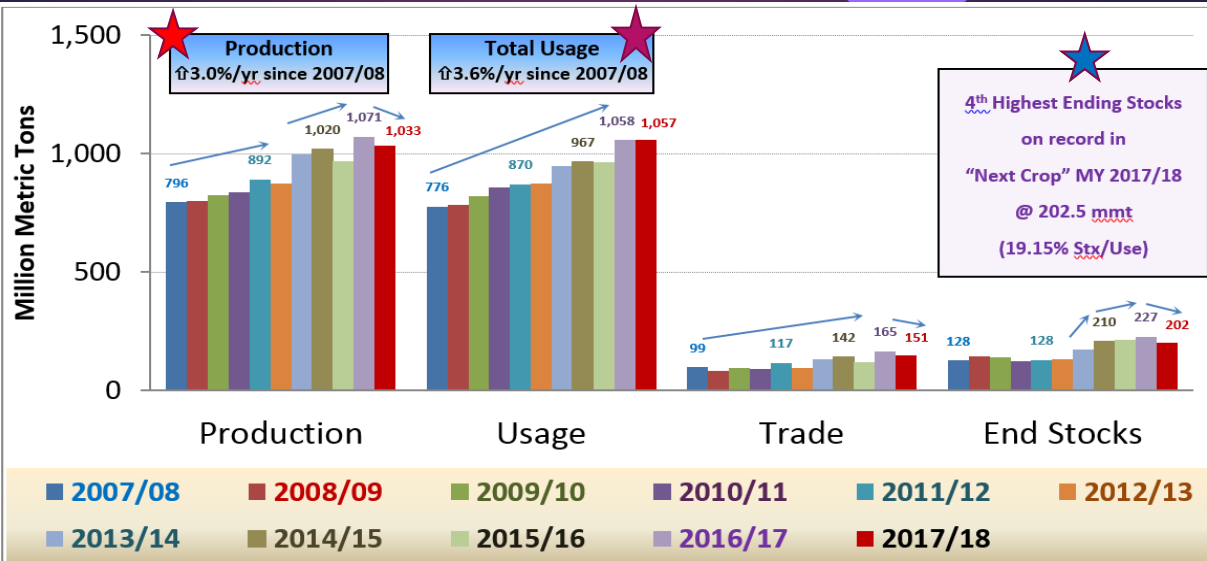




# World Corn (Maize) Production Regions



# World Corn Supply, Use & Stocks



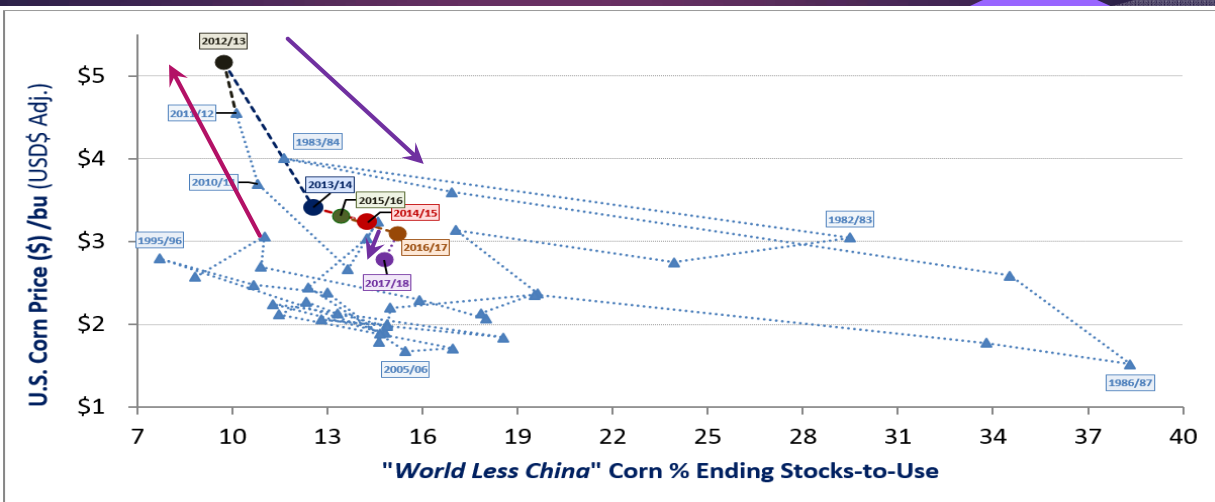
# World Corn Production



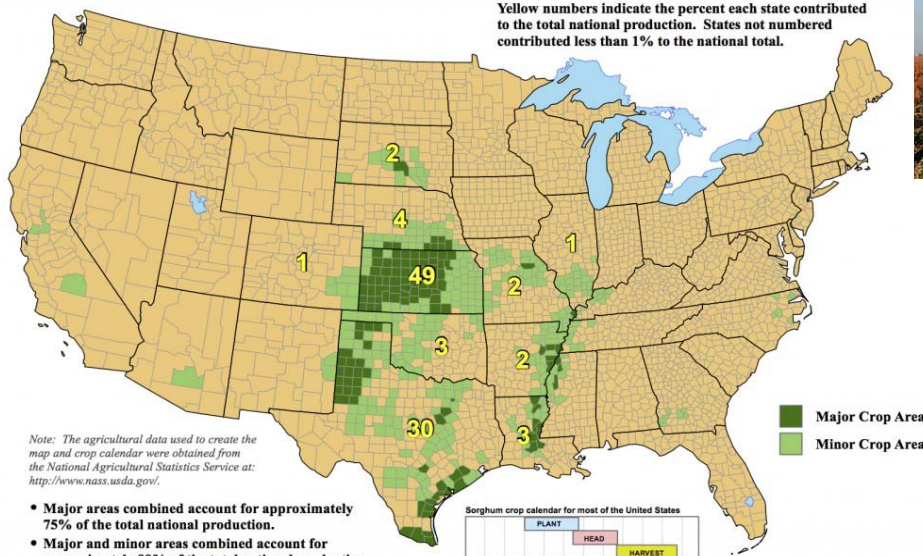
Country or Region	2016/17 estimate	2017/18 forecast	2017/18 change from August 10	Change from 2016/17	
<i>Million Tons</i>					
World	1,071.2	1,032.6	-0.84	-38.6	} ↓ World Crop BUT still Large Supply
United States	384.8	360.3	0.80	-24.5	
Foreign	686.4	672.3	-1.64	-14.1	
Argentina	41.0	42.0	2.00	1.0	
Brazil	98.5	95.0	--	-3.5	
Mexico	27.4	26.0	1.00	-1.4	
Canada	13.2	13.9	--	0.7	} ↓ China & EU BUT ↑ Argentina ↑ Russia
European Union	61.3	59.4	-0.62	-1.9	
Serbia	7.6	4.0	-2.60	-3.6	
FSU-12	47.4	47.7	-1.55	0.4	
Ukraine	28.0	27.5	-1.00	-0.5	
Russia	15.3	16.0	-0.50	0.7	
South Africa	17.1	12.5	--	-4.6	
China	219.6	215.0	--	-4.6	
India	26.3	25.0	--	-1.3	

## U.S. Corn Price\$ vs World % Stocks-to-Use

MY 1973/74 through "New Crop" MY 2016/17

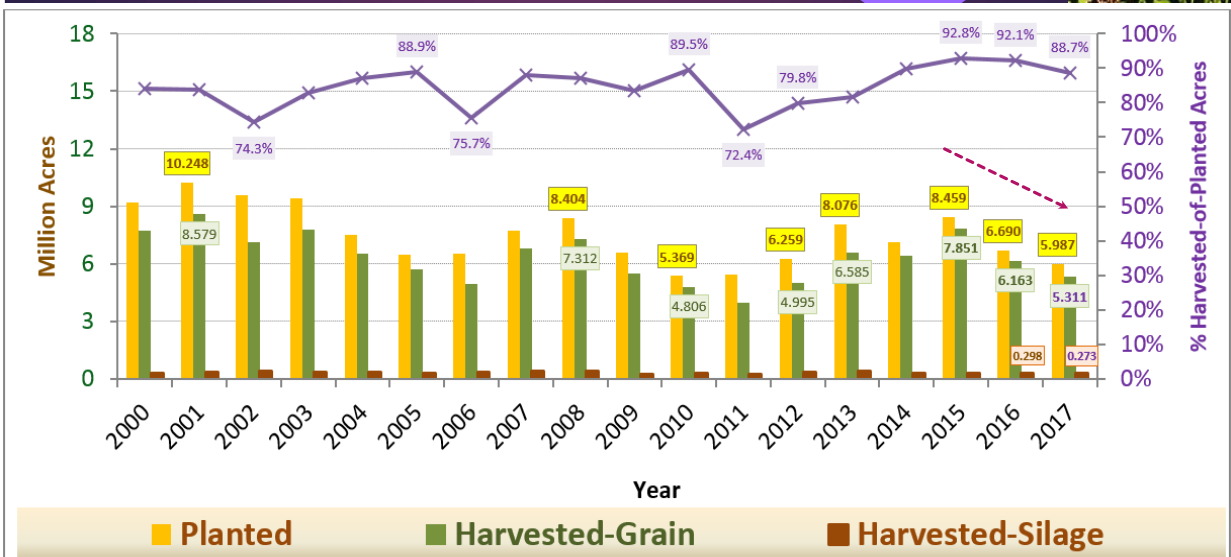


## United States: Sorghum



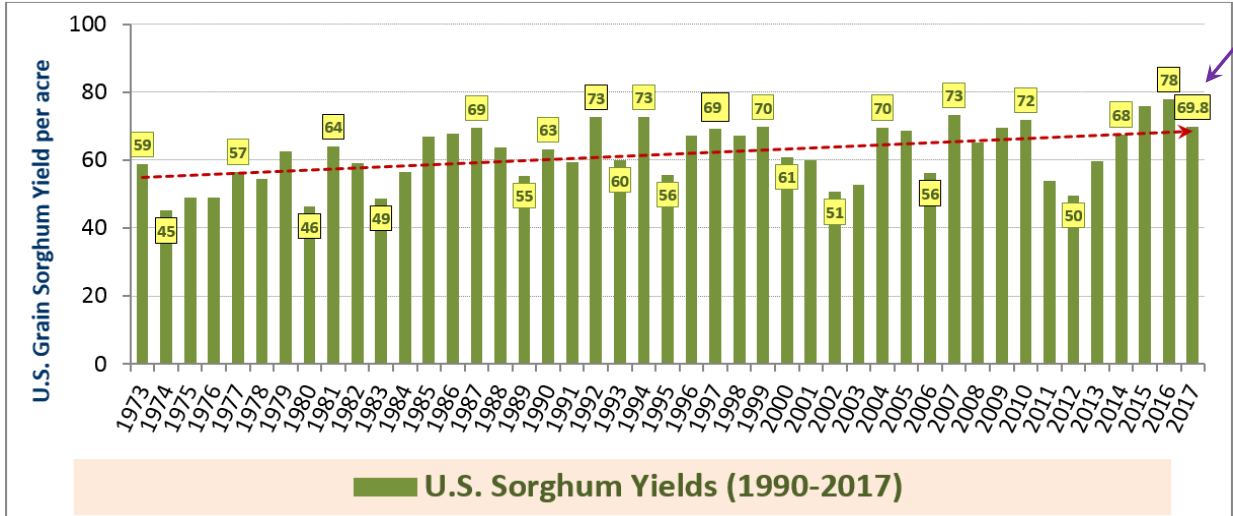
USDA Agricultural Weather Assessments  
 World Agricultural Outlook Board

## U.S. Sorghum Acreage



# U.S. Sorghum Yields

USDA 2016 USDA Forecast = 69.8



# Wheat Markets



## U.S. Wheat Market Overview

- **U.S. Wheat Production** trending *lower* (to a 15 year low in 2017)
- *Large* **U.S. & World Stocks** continue to *limit* **Wheat Price\$'s** \*\*
- “Moderate” **Exports** limiting **2017/18 Wheat Disappearance**
  - **Exports** 2017/18 = 975 mln bu (*778 mb – 1.291 bb range since 2008/09*)
  - **Food Use** 2017/18 = 950 mln bu (*Level Food Use since MY 2012/13*)
  - **Feed Use+** 2017/18 = 150 mln bu (*Down from 228-365 mb in 2012 - 2013*)
  - **HRW Exports** 2017/18 = 400 mln bu (*Down from 455 mb in MY 2016/17*)

## U.S. Wheat Stocks.....

- **All U.S. Wheat:** “Large” **Stocks** (but *declining*)
  - **End Stocks** 2017/18 ⇒ 933 mln bu (*1.184 bb last year*)
  - **% Stocks/Use** 2017/18 ⇒ 43.6% S/U (*53.4% S/U last year*)
- **U.S. HRW Wheat:** “Large” **Carryovers** (but *also declining*)
  - **End Stocks** 2017/18 ⇒ 463 mln bu (*593 mb last year*)
  - **% Stocks/Use** 2017/18 ⇒ 51.7% S/U (*63.2% S/U last year*)

## U.S. Wheat Quality & Grade



- **U.S. HRW Wheat 2017** ⇒ **11.4% protein**, 60.8 lb test, 1.1% defects
  - *Versus 11.2% protein, 60.7 lb test wt, 1.2% defects in 2016*
- **U.S. SRW Wheat 2017** ⇒ **9.5% protein**, 58.8 lb test, 1.7% defects
  - *Versus 9.4% protein, 58.6 lb test wt, 1.4% defects in 2016*
- **U.S. Soft White 2017** ⇒ **9.6% protein**, 60.9 lb test, 0.6% defects
  - *Versus 10.1% protein, 60.8 lb test wt, 0.6% defects in 2016*
- **U.S. HRS Spring Wheat 2017** ⇒ **14.6% protein**, 61.2 lb test, 1.0% defects
  - *Versus 14.2% protein, 61.3 lb test wt, 0.9% defects in 2016*

## World Wheat Market Prospects:

Large Supplies ⇒ A “Buyer’s Market”



- **Record Supplies & Large Usage Forecast for 2017/18**
  - 4 consecutive record high World wheat crops
- **Varying 2017/18 Crop Prospects by Country**
- **Still a “buyer’s market” for World Wheat Trade....but....**
  - *Uncertainty about U.S. & World Crops in 2017-2018?*
  - **BUT a TIGHT “World-Less-China” supply situation has emerged\*\*\***

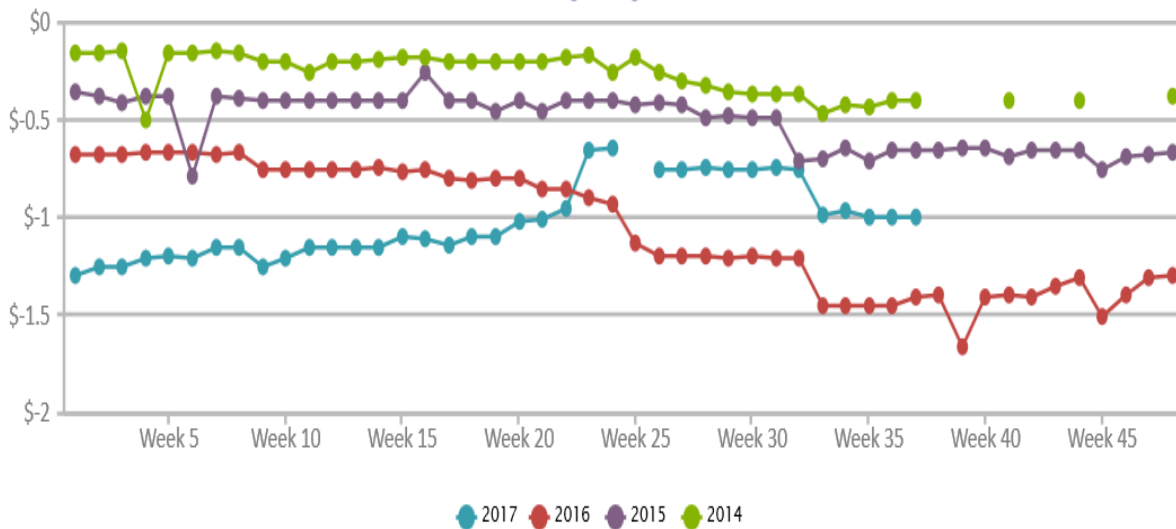
# CME Kansas Hard Red Winter Wheat

Monthly Chart: August 2008 – September 2017 + 10/6/2017



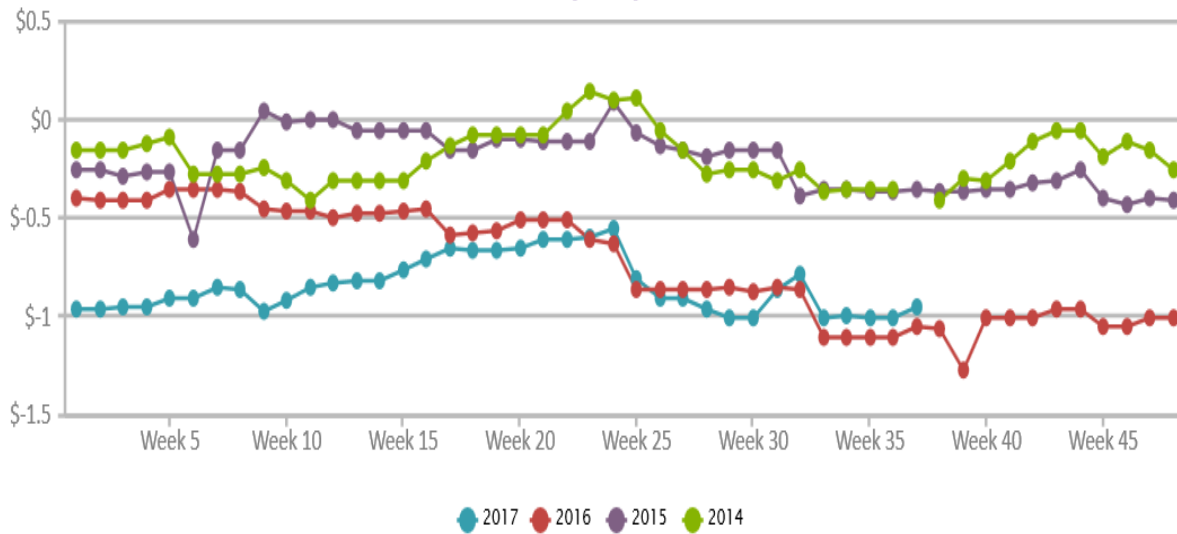
## GARDEN CITY, KS: Hard Red Winter Wheat Basis - GARDEN CITY COOP

[www.AgManager.info](http://www.AgManager.info)



## SALINA, KS: Hard Red Winter Wheat Basis - CARGILL

www.AgManager.info



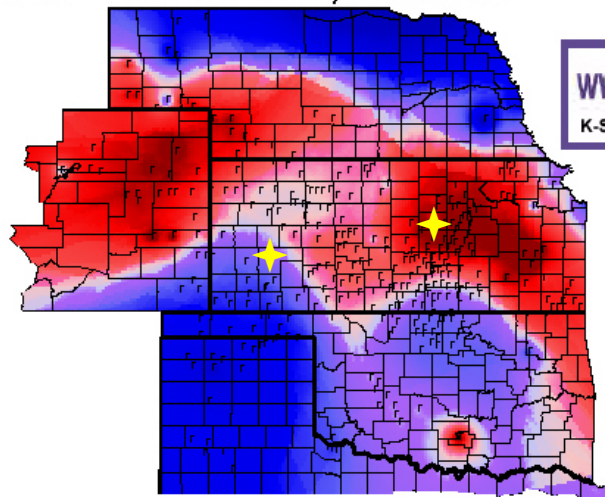
## Wheat Basis, 10-04-2017

Basis = Cash Price - Nearby Futures Price

KCBT Dec  
Futures  
Price: \$4.36

\$/Bushel

Dark Blue	.55
Blue	-.75
Light Blue	-.87
Very Light Blue	-.98
White	-.99
Light Pink	-1.02
Pink	-1.04
Red	-1.05
Dark Red	-1.15
Dark Red	-1.20

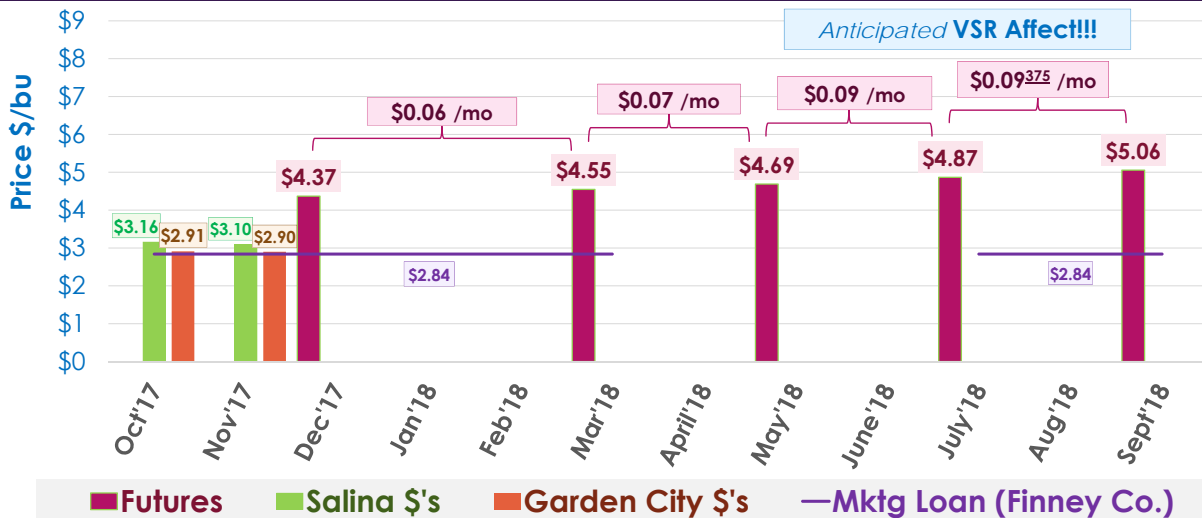


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K-State Research and Extension



# Wheat Cash & HRW Wheat Futures

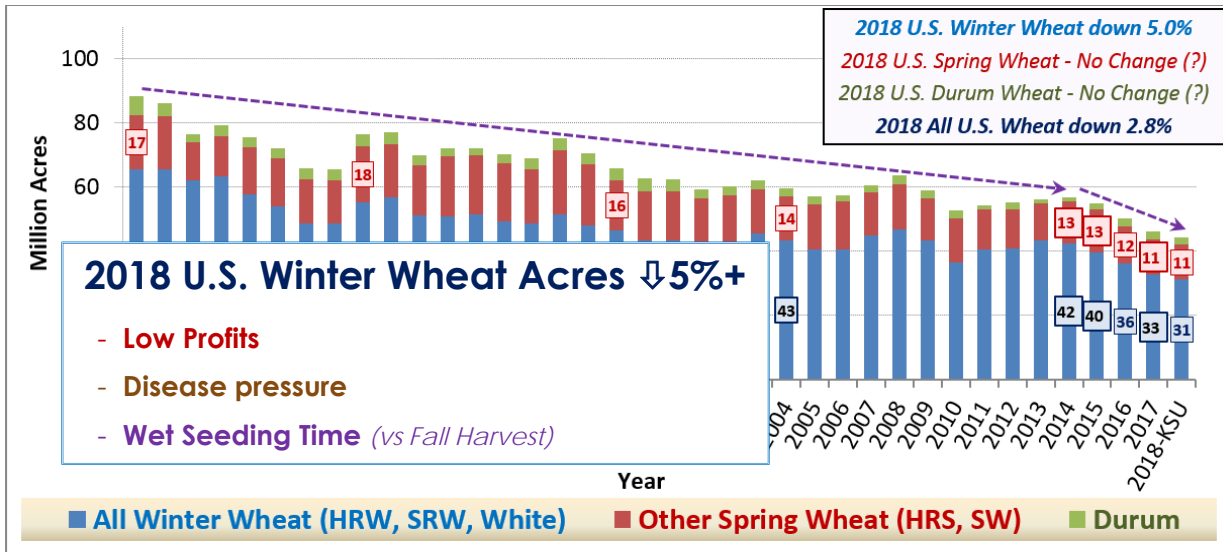
Salina & Garden City, KS Local Elevators - October 6, 2017



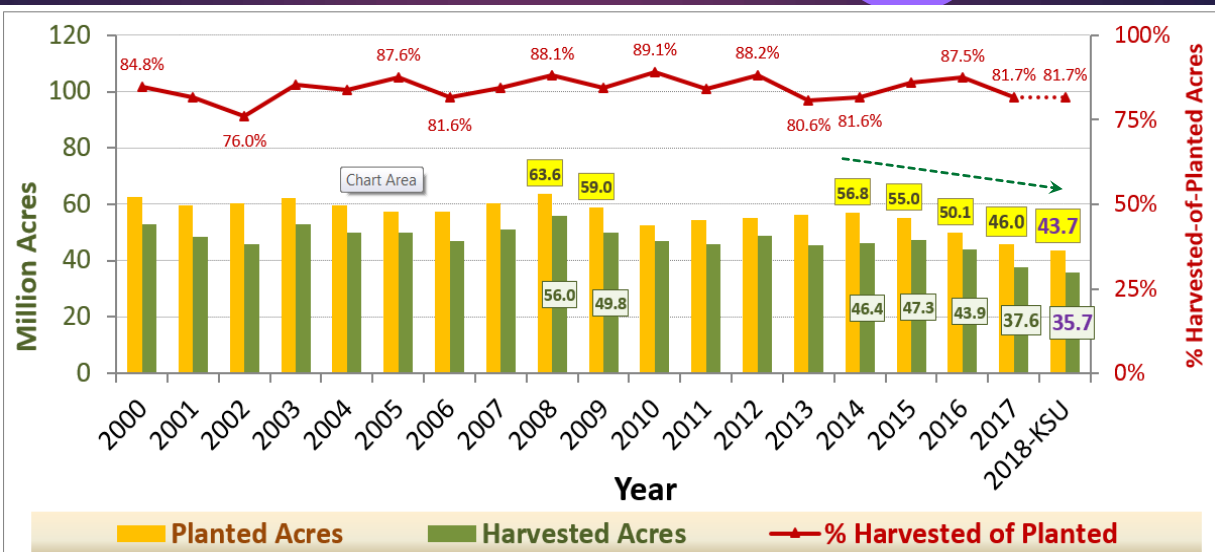
## U.S. Wheat Supply and Demand

	2016/17 estimate	2017/18 forecast	2017/18 change from August 10	Change from 2016/17	
Planted area (million acres)	50.2	45.7	--	-4.5	↓ Crop BUT still Large Supply
Harvested area (million acres)	43.9	38.1	--	-5.8	
Yield (bushels per acre)	52.6	45.6	--	-7.0	
		<i>Million bushels</i>			
Beginning stocks	976	1,184	--	209	Same Domestic Use & ↓ Exports
Production	2,310	1,739	--	-570	
Imports	118	150	--	32	
Total supply	3,403	3,074	--	-330	
Food use	949	950	--	1	
Seed	61	66	--	5	↓ Stocks/Use & ↑ Prices
Feed and residual	154	150	--	-4	
Domestic use	1,164	1,166	--	2	
Exports	1,055	975	--	-80	
Total use	2,219	2,141	--	-78	
Ending stocks	1,184	933	--	-252	
		<i>Percent</i>			
Stocks to use ratio	53.4	43.6	--	-9.8	
		<i>Dollars per bushel</i>			
Average market price	3.89	4.30/4.90	-0.20	0.71	

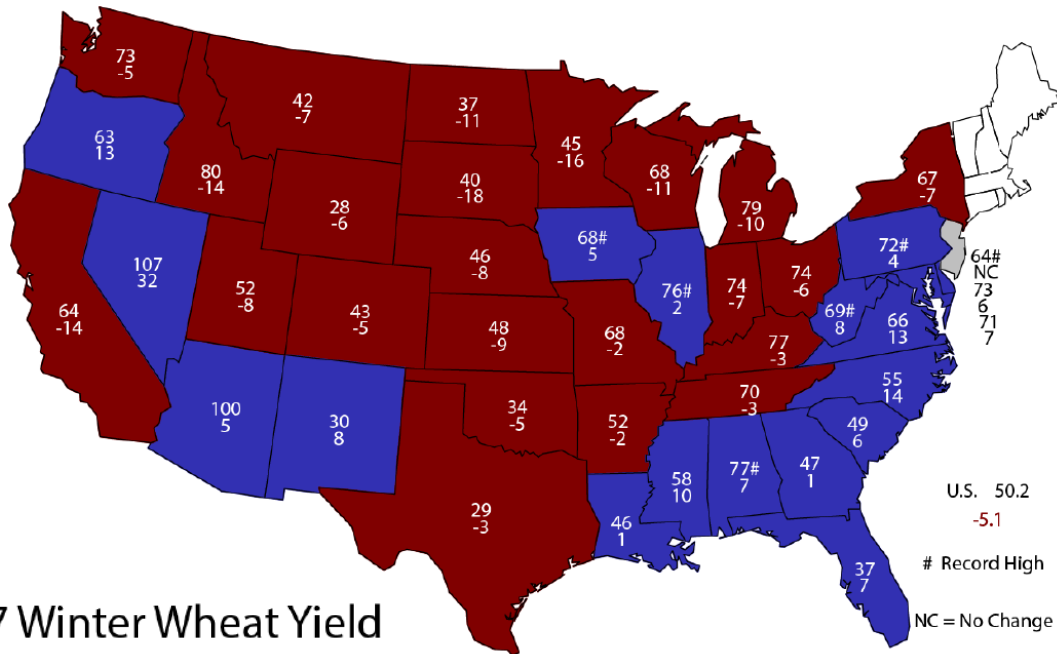
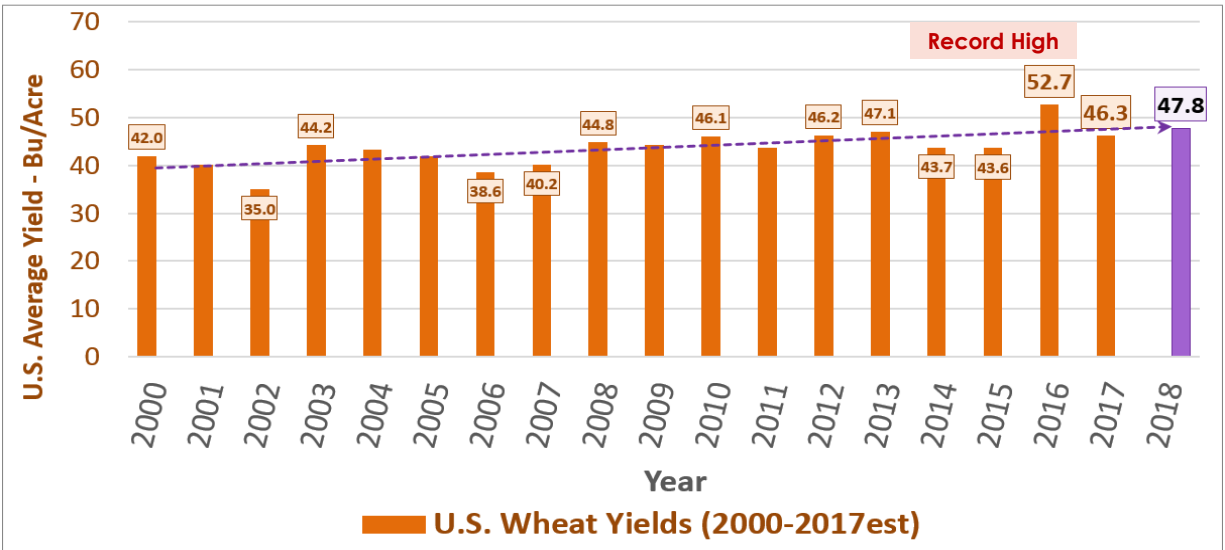
# U.S. Wheat Seeded Acreage



# U.S. Wheat Acreage



# U.S. Wheat Yields



2017 Winter Wheat Yield  
Bushels and Change From Previous Year

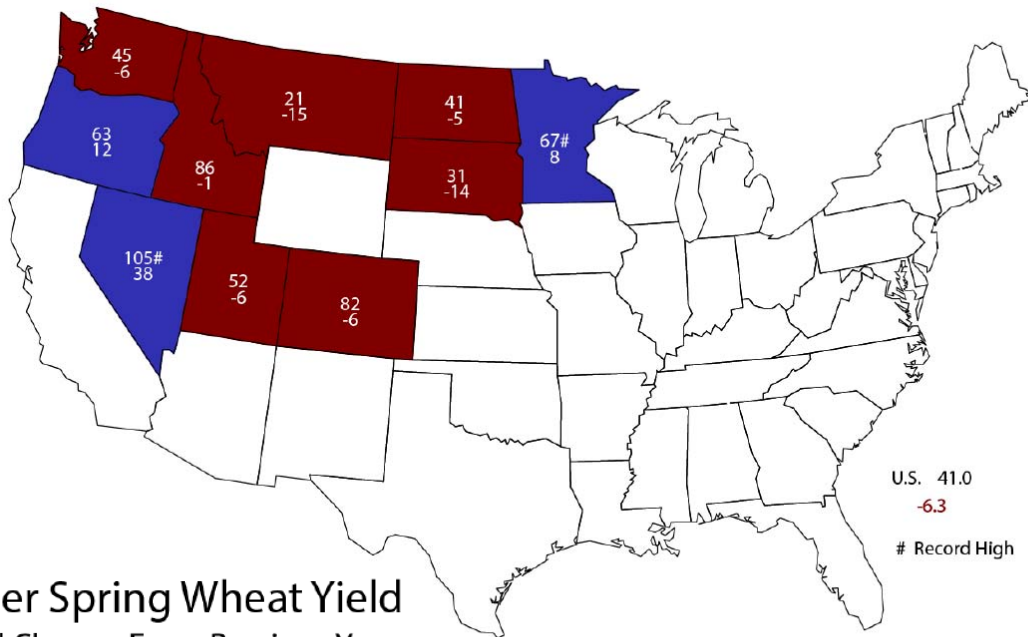
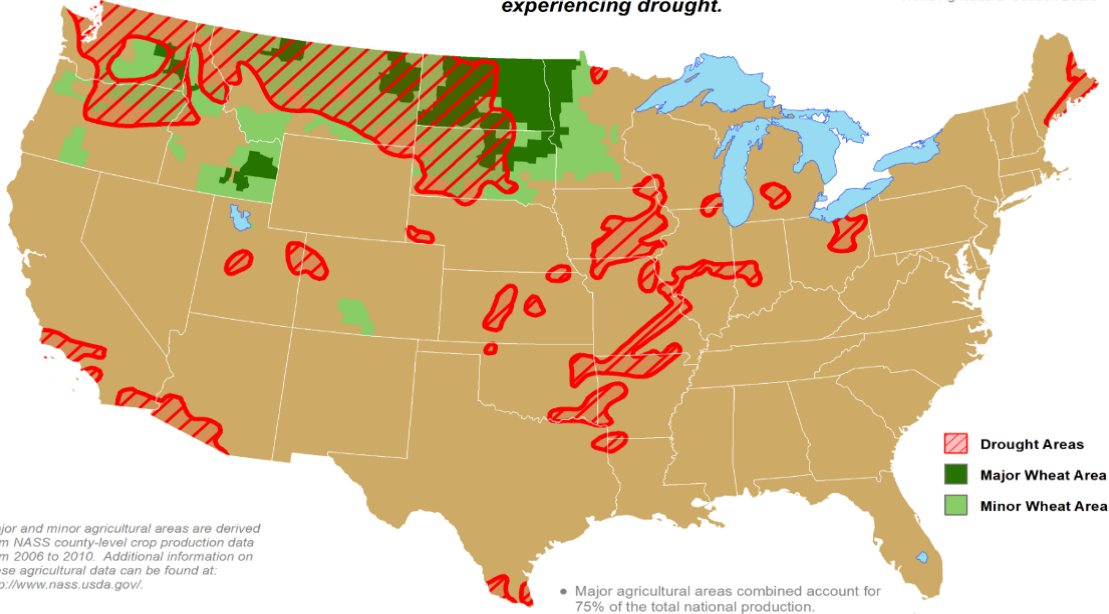
# U.S. Spring Wheat Areas Experiencing Drought



Reflects **October 3, 2017**  
U.S. Drought Monitor data

Approximately **51%** of spring wheat  
production is within an area  
experiencing drought.

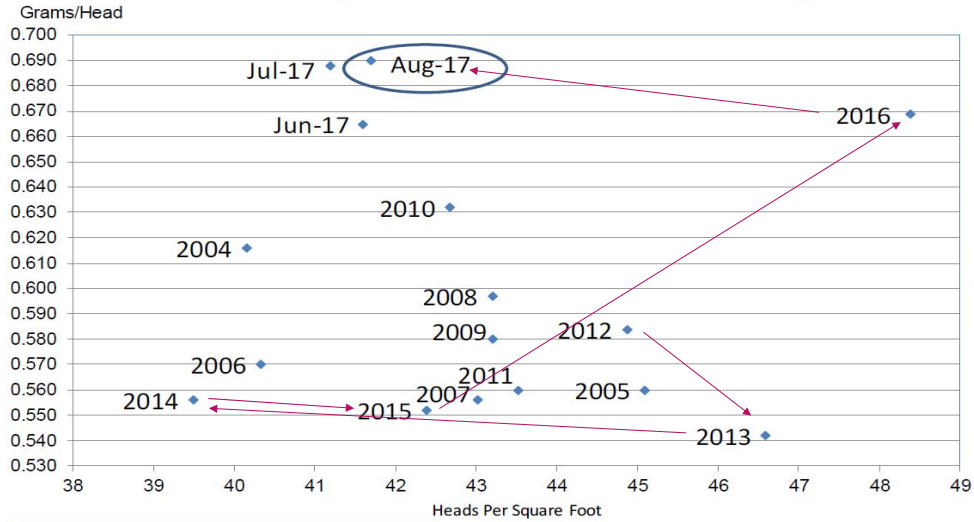
This product was prepared by the  
USDA Office of the Chief Economist  
World Agricultural Outlook Board



## 2017 Other Spring Wheat Yield Bushels and Change From Previous Year



## Wheat Objective Yield Region Heads Per Square Foot vs. Implied Head Weight



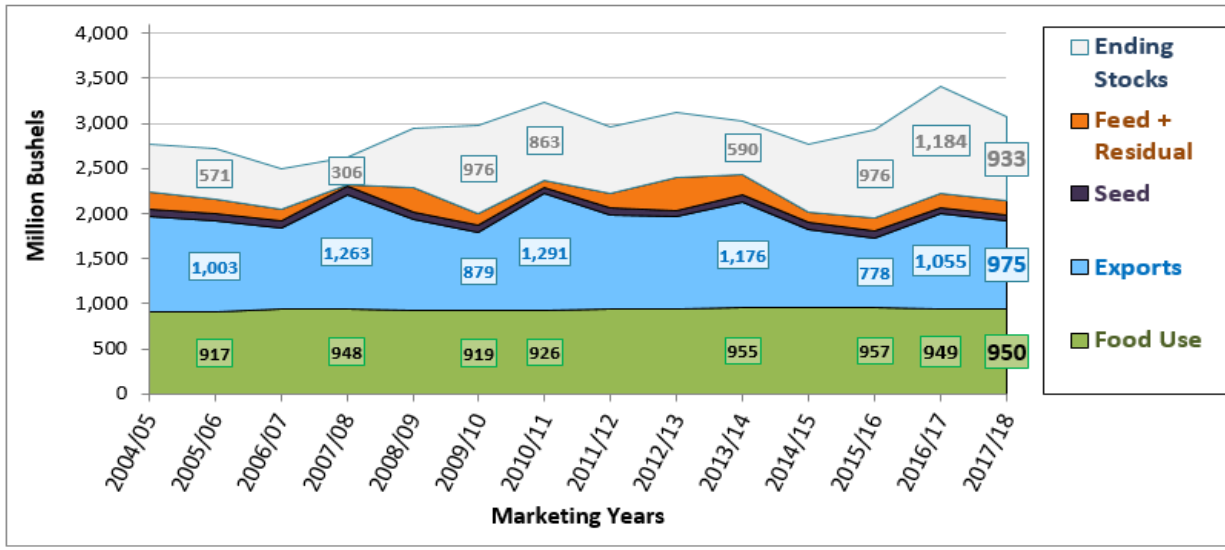
Implied Head Weight = Published Yield / (Heads\*1.6006)

USDA-NASS  
8-10-17

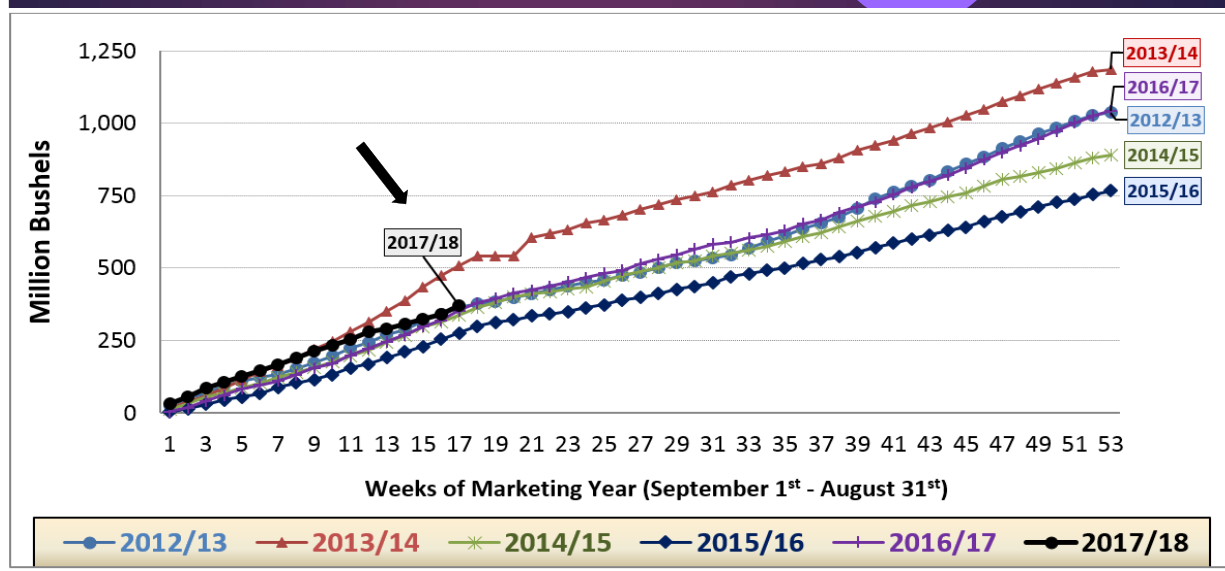
## U.S. Wheat Production & Supplies



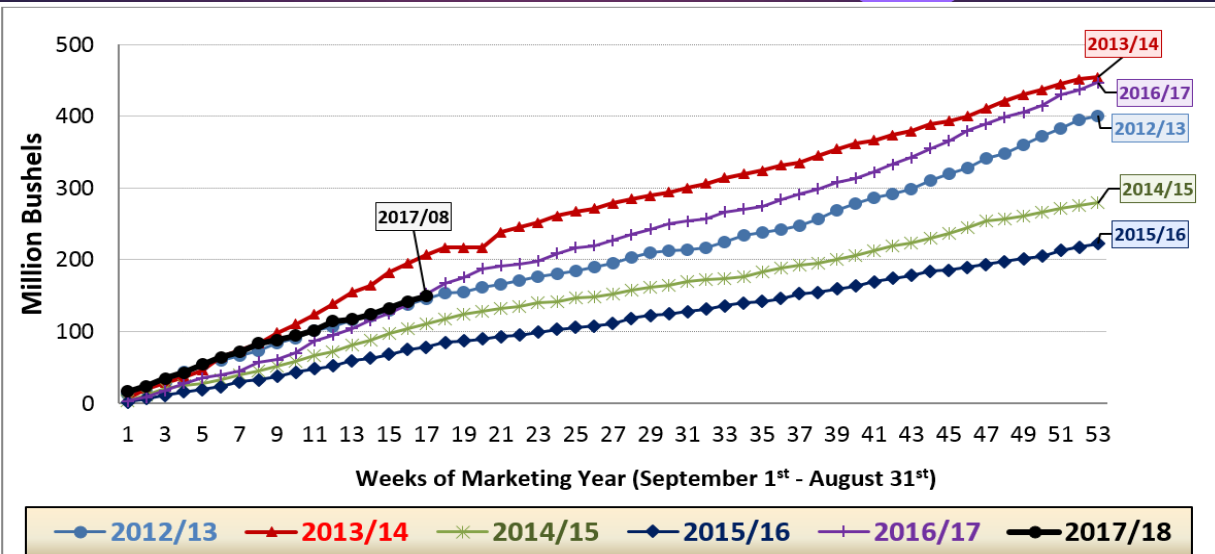
# U.S. Wheat Use by Category



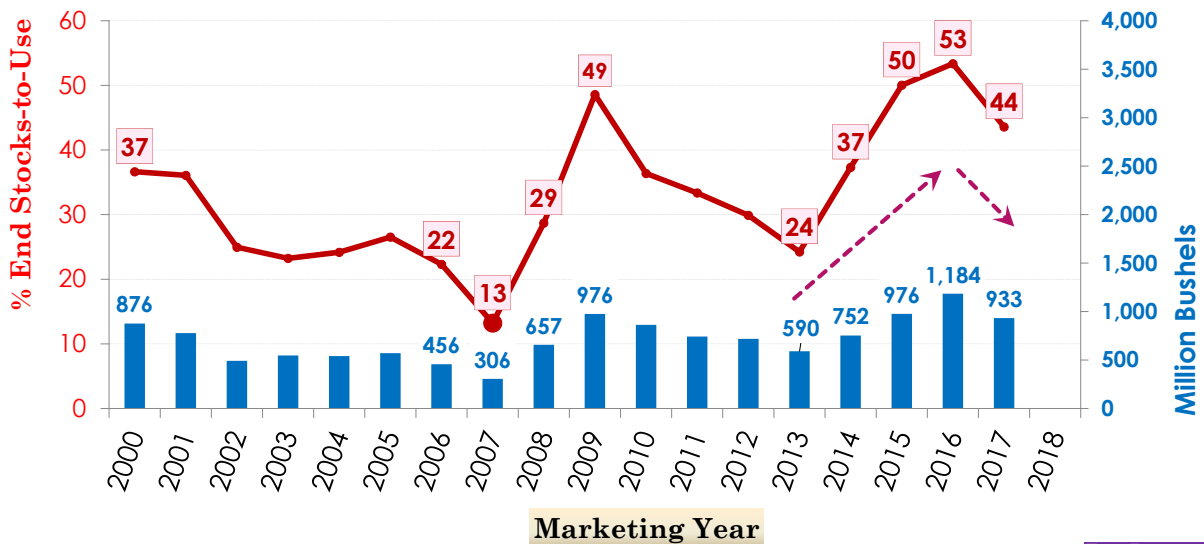
# U.S. All Wheat Exports – Weekly thru Sept. 28, 2017



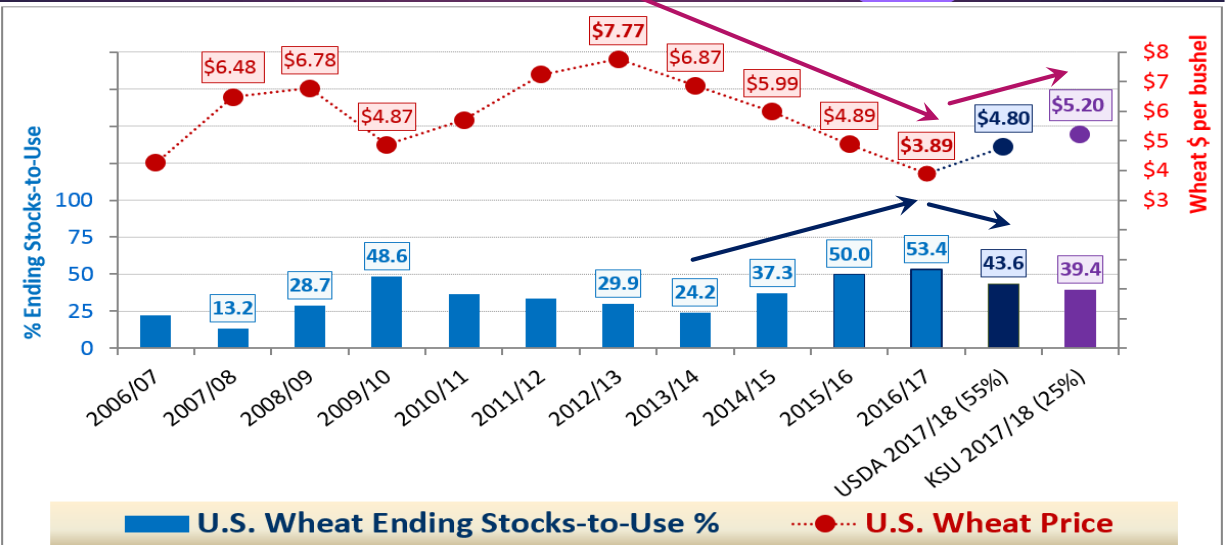
# U.S. Hard Red Winter Wheat Exports - Weekly



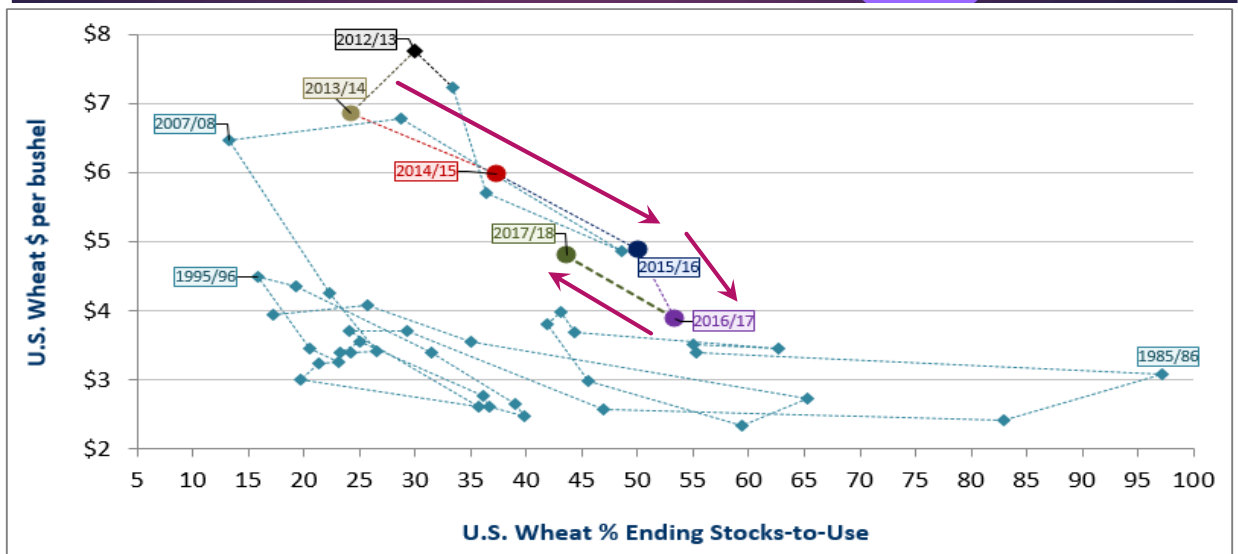
# U.S. Wheat Ending Stocks & % Stx/Use



# U.S. Wheat Ending Stocks & Prices

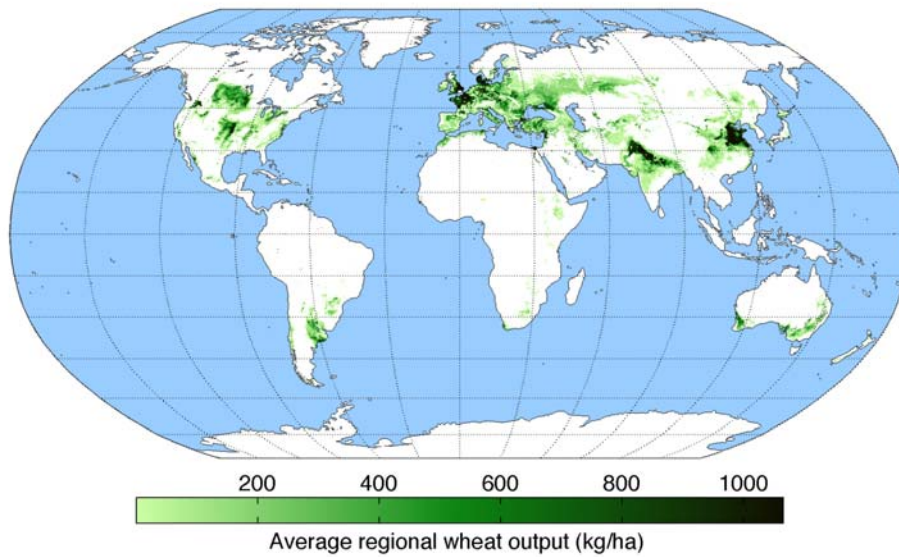


# U.S. Wheat Price vs U.S. Stocks-to-Use

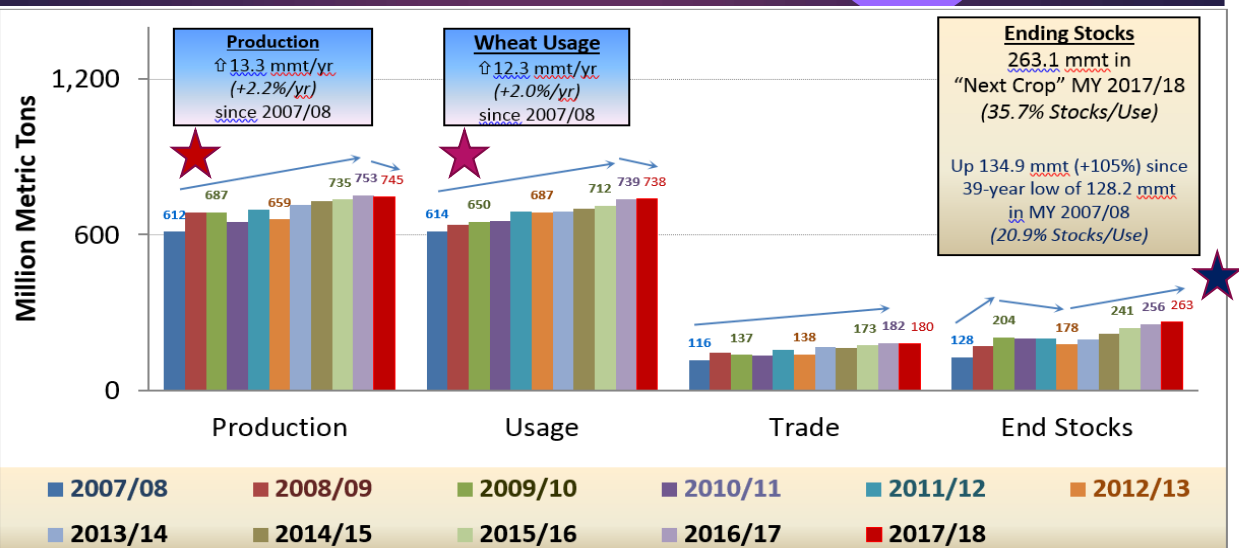




# World Wheat Production Regions



# World Wheat Supply, Use & Stocks



# World Corn Production

Country or Region	2016/17 estimate	2017/18 forecast	2017/18 change from August 10	Change from 2016/17
<i>Million Tons</i>				
World	1,071.2	1,032.6	-0.84	-38.6
United States	384.8	360.3	0.80	-24.5
Foreign	686.4	672.3	-1.64	-14.1
Argentina	41.0	42.0	2.00	1.0
Brazil	98.5	95.0	--	-3.5
Mexico	27.4	26.0	1.00	-1.4
Canada	13.2	13.9	--	0.7
European Union	61.3	59.4	-0.62	-1.9
Serbia	7.6	4.0	-2.60	-3.6
FSU-12	47.4	47.7	-1.55	0.4
Ukraine	28.0	27.5	-1.00	-0.5
Russia	15.3	16.0	-0.50	0.7
South Africa	17.1	12.5	--	-4.6
China	219.6	215.0	--	-4.6
India	26.3	25.0	--	-1.3

↓ World Crop  
BUT still  
Large Supply

↓ China & EU  
BUT  
↑ Argentina  
↑ Russia

# World Wheat Production

Country or Region	2016/17 estimate	2017/18 forecast	2017/18 change from August 10	Change from 2016/17
<i>Million Tons</i>				
World	753.3	744.9	1.7	-8.5
United States	62.9	47.3	--	-15.5
Foreign	690.5	697.5	1.7	7.1
Argentina	17.5	17.5	--	0.0
Canada	31.7	26.5	--	-5.2
Australia	33.5	22.5	-1.0	-11.0
European Union	145.4	148.9	-0.7	3.4
Turkey	17.3	20.0	0.5	2.8
Russia	72.5	81.0	3.5	8.5
Ukraine	26.8	26.5	--	-0.3
Kazakhstan	15.0	14.0	--	-1.0
China	128.9	130.0	--	1.2
India	87.0	96.0	--	9.0

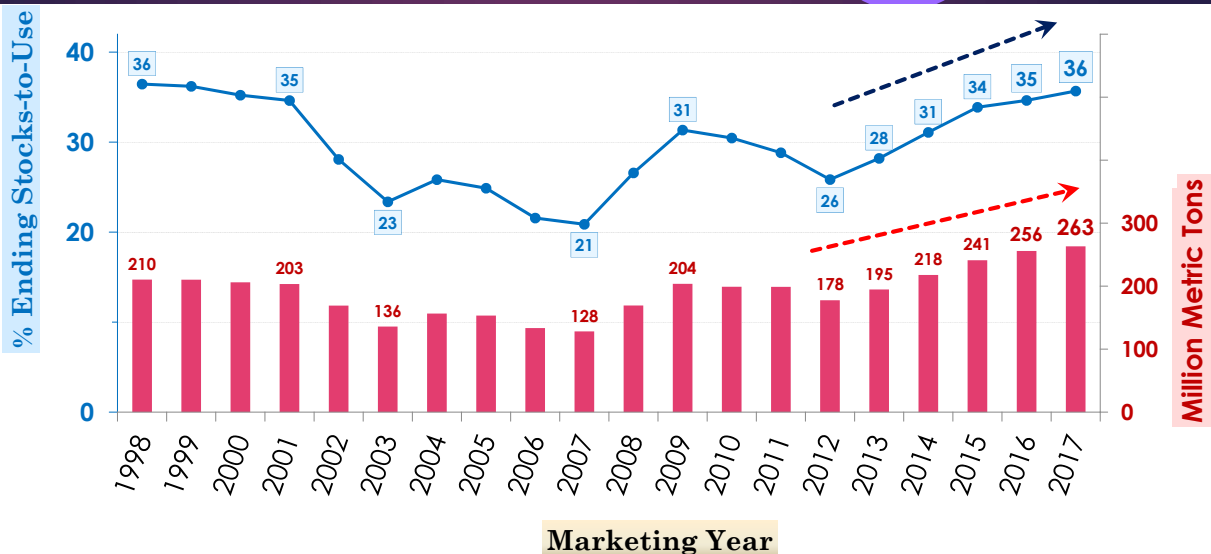
↓ World & U.S. Crops  
BUT  
↑ Foreign Wheat

↑ Russia, Turkey,  
↑ EU, India, China  
BUT  
↓ Canada, Australia  
↓ Kazakhstan

# World Wheat Supply and Use

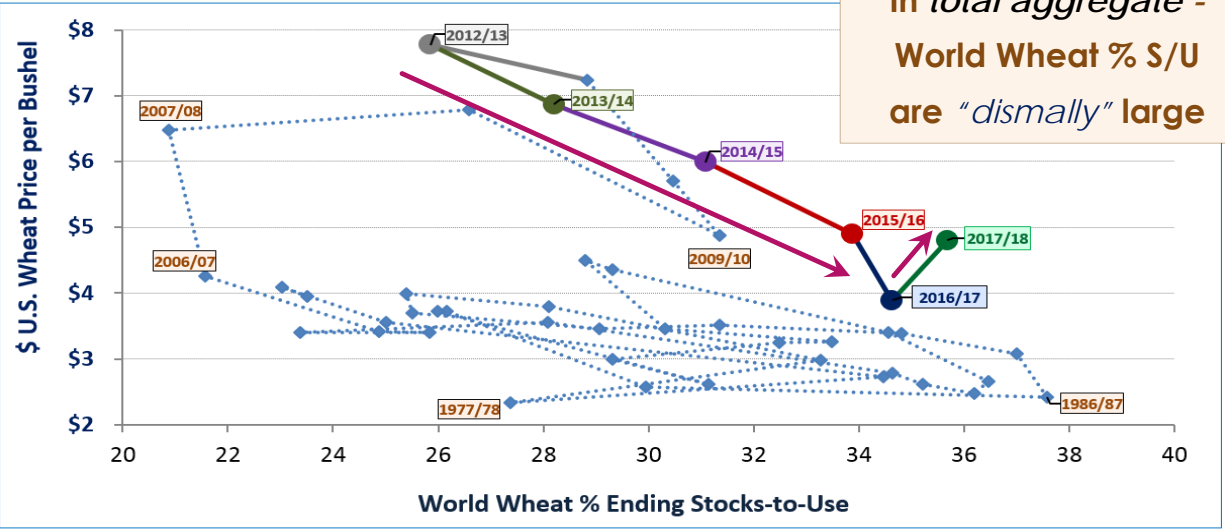
	2016/17 estimate	2017/18 forecast	2017/18 change from August 10	Change from 2016/17	
<i>Million Tons</i>					
Beginning stocks	241.2	255.8	-2.7	14.6	↑ Beg. Stocks
Production	753.3	744.9	1.7	-8.5	↓ Production
Total Supply	994.5	1,000.7	-1.1	6.2	↑ Supplies
Feed use	147.1	140.6	0.0	-6.5	↓ Total Use & ↑ Ending Stocks
Total use	738.7	737.6	0.5	-1.1	
Trade	181.7	180.0	0.1	-1.6	
Ending Stocks	255.8	263.1	-1.6	7.3	

## World Wheat Ending Stocks & % Stx/Use



# U.S. Wheat Price (\$) vs World % Stx/Use

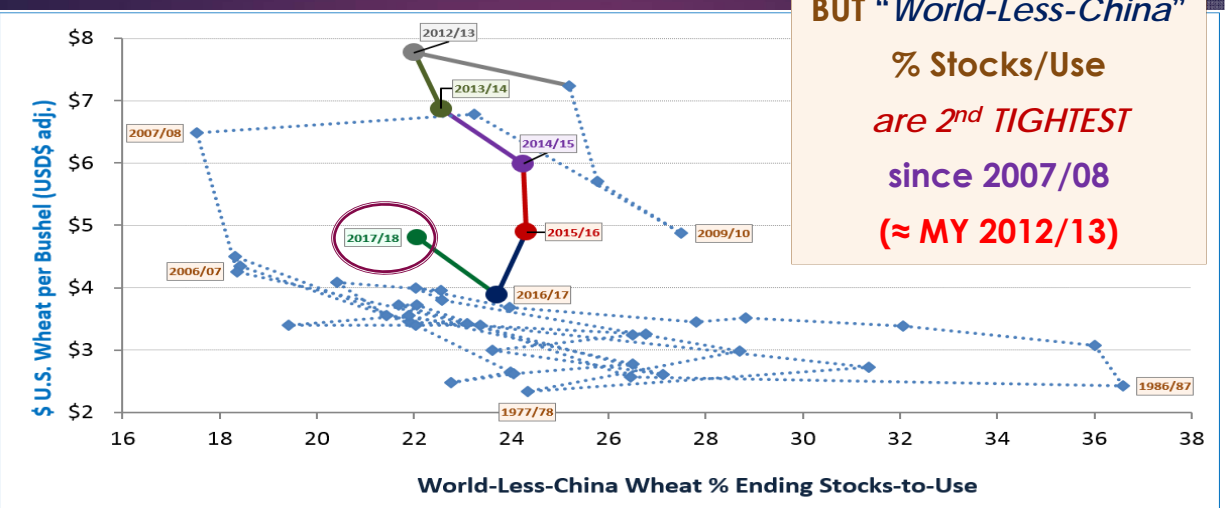
MY 1973/74 – “New Crop” MY 2017/18



In total aggregate -  
World Wheat % S/U  
are “dismally” large

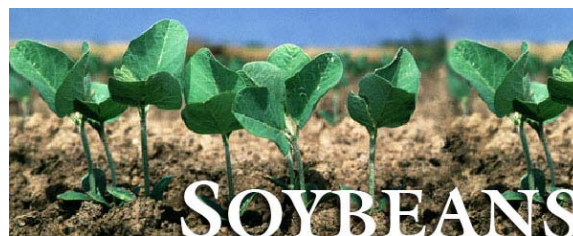
# U.S. Wheat \$ vs Non-China % Stx/Use

MY 1973/74 – “New Crop” MY 2017/18



BUT “World-Less-China”  
% Stocks/Use  
are 2<sup>nd</sup> TIGHTEST  
since 2007/08  
(≈ MY 2012/13)

# Soybean & Cotton Markets



**KANSAS STATE**  
UNIVERSITY

Department of Agricultural Economics

## U.S. Soybean Market Prospects

- *Strong Use & Exports, Large Stocks, & Weaker Prices*
  - U.S. soybean exports in 2017/18 to remain *historically large* in spite of large 2017 South American Production
    - ❖ Depends on continued growth in import demand from **China, EU, Southeast Asia, Mexico**, elsewhere
  - Questions & concerns to emerge in fall-winter 2017-2018 re: **2018 South American soybean** crop size

## U.S. Soybean Supply-Use

- 2017 U.S. Soybean Production & Supplies @ a record high
- Large Soybean Stocks in U.S. & So. America limit Price\$'s
- Low Price\$'s supporting “*New Crop*” MY 2017/18 Usage \*\*\*
  - **Soy Crush** 2017/18 = 1.940 bln bu (*Record – vs 1.895 bb 1 year ago*)
  - **Exports** 2017/18 = 2.250 bln bu (*Record – vs 2.170 bb 1 year ago*)
  - **Total Use** 2017/18 = 4.326 bln bu (*Record – vs 4.183 bb 1 year ago*)
  - **SBM Use** 2017/18 = 46.4 mln tons (*vs 44.9 in MY 2016/17 & 45.1 in MY 2015/16*)

## U.S. Soybean & Cotton Stocks.....

- Soybean: “*Large*” Stocks & % S/U
  - **End Stocks** 2017/18 ⇒ 475 mln bu (*High vs 574 mb in 2006/07*)
  - **% Stocks/Use** 2017/18 ⇒ 11.0% S/U (*High vs 18.6% in 2006/07*)
- Cotton: “*Large*” 2017 Crop & “*Growing*” Stocks
  - **Production** 2017/18 ⇒ 21.8 mln bales (*17.2 & 12.9 mb last 2 years*)
  - **End Stocks** 2017/18 ⇒ 6.0 mln bales (*2.8 & 3.8 mb last 2 years*)
  - **% Stocks/Use** 2017/18 ⇒ 32.9% S/U (*14.9% & 30.2% last 2 years*)

# CME Soybean Futures

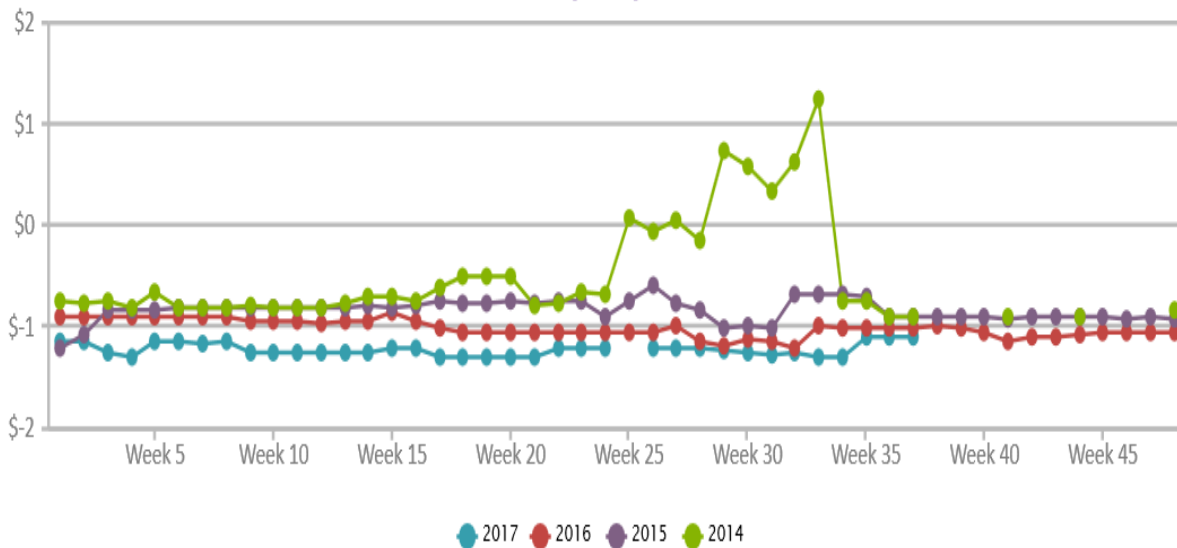


Monthly Chart: August 2008 – September 2017 + 10/6/2017



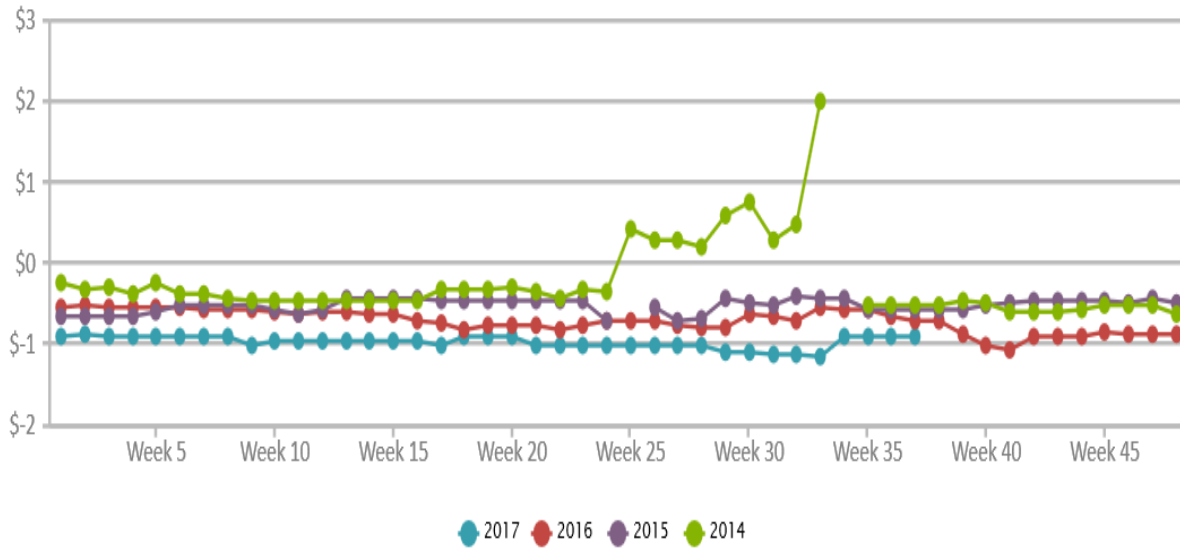
## GARDEN CITY, KS: Soybeans Basis - GARDEN CITY COOP

[www.AgManager.info](http://www.AgManager.info)



# SALINA, KS: Soybeans Basis - CARGILL

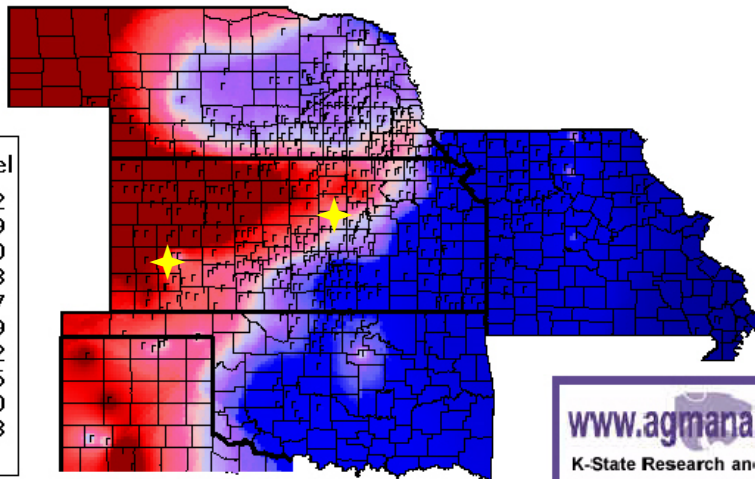
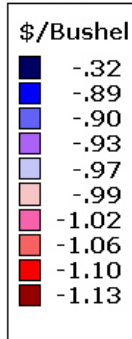
www.AgManager.info



# Soybean Basis, 10-04-2017

Basis = Cash Price - Nearby Futures Price

CBT Nov  
Futures  
Price: \$9.58

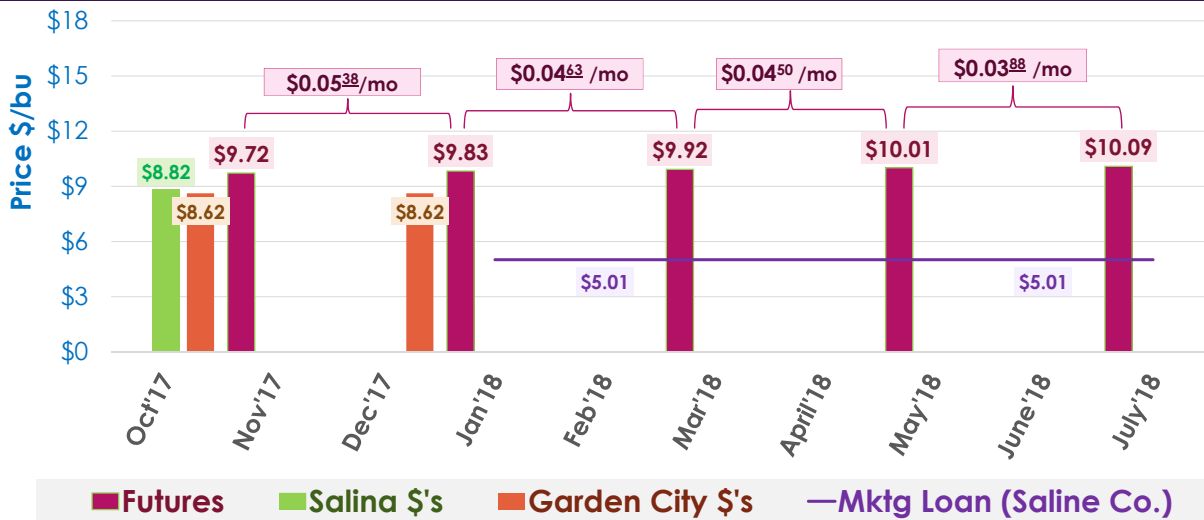


www.agmanager.info  
K-State Research and Extension



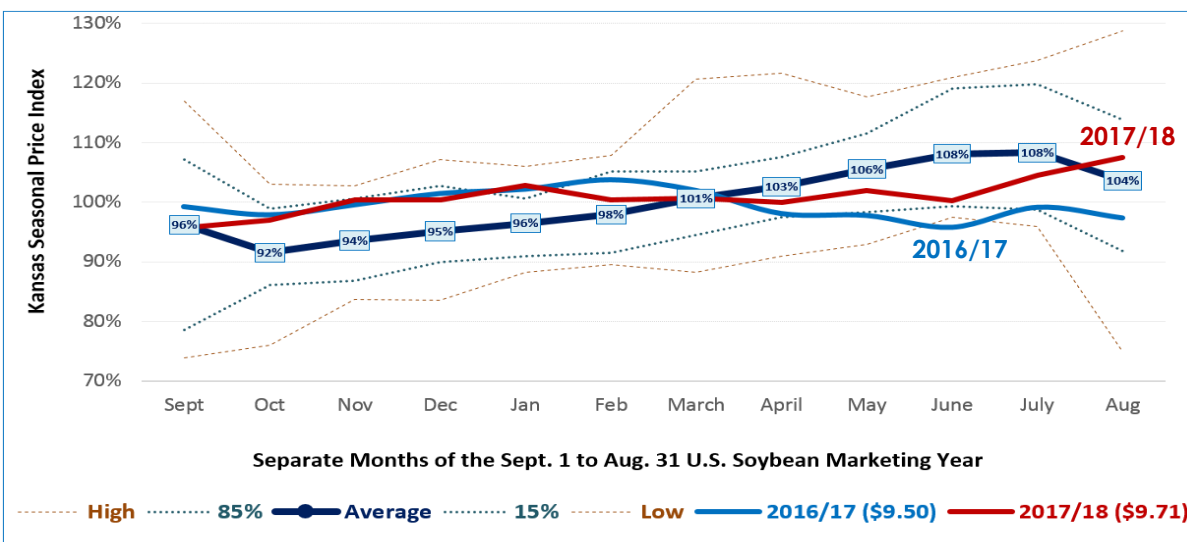
# Soybean Cash & Futures Price\$'s

Salina & Garden City, KS Local Elevators - October 6, 2017



# Kansas Soybean Seasonal Cash \$ Index

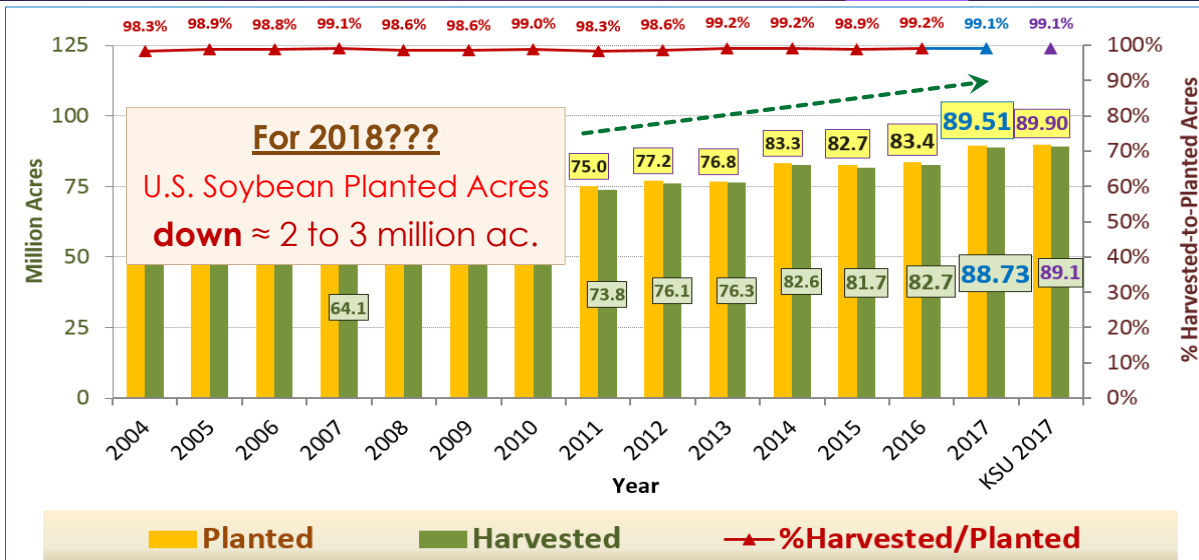
Monthly Prices: 1999/00 – 2014/15 + "New Crop" MY 2016/27



# U.S. Soybean Supply and Demand

	2016/17 estimate	2017/18 forecast	2017/18 change from August 10	Change from 2016/17	
Planted area (million acres)	83.4	89.5	--	6.1	↑ Record Crop and Large Supply
Harvested area (million acres)	82.7	88.7	--	6.0	
Yield (bushels per acre)	52.1	49.9	0.6	-2.1	
		<i>Million bushels</i>			
Beginning stocks	197	345	-25	149	↑ Record Use & ↑ Exports
Production	4,307	4,431	50	124	
Imports	25	25	--	0	
Total supply	4,528	4,801	25	273	
Crush	1,895	1,940	--	45	↑ Stocks/Use & ↓ Prices
Seed and residual	118	136	0	19	
Domestic use	2,013	2,076	0	64	
Exports	2,170	2,250	25	80	
Total use	4,183	4,326	25	144	
Ending stocks	345	475	-0	130	
		<i>Percent</i>			
Stocks to use ratio	8.3	11.0	-0.1	2.7	
		<i>Dollars per bushel</i>			
Average market price	9.50	8.35/10.05	-0.10	-0.30	

## U.S. Soybean Acreage

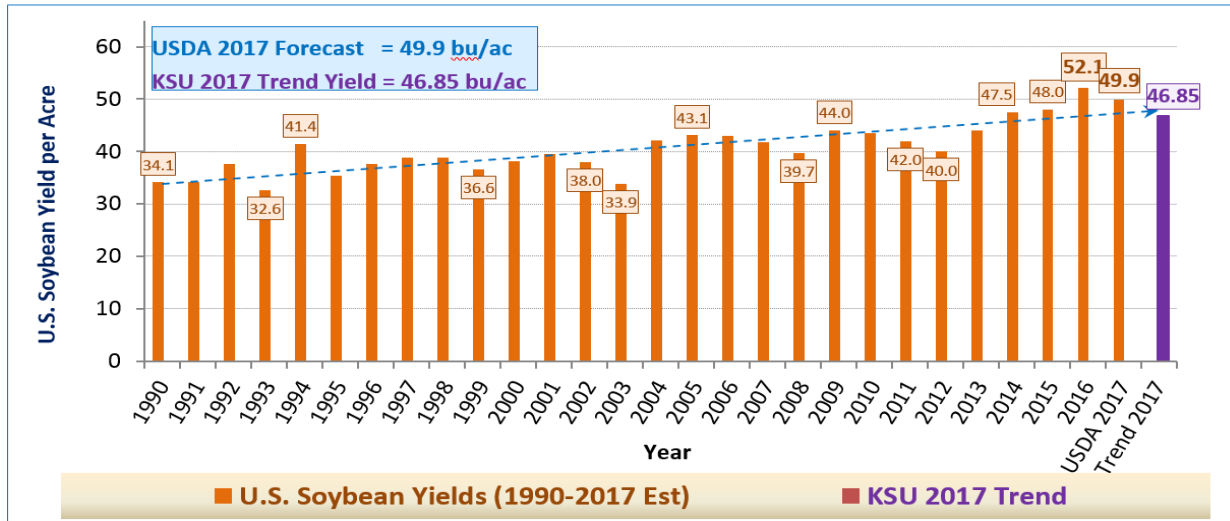


# U.S. Soybean Yields

USDA 2017 = 49.4 bu/ac; 2017 Trend<sup>1973-2</sup>

**Final 2017???**

Impact of Dry Regions???  
47-48 bu/ac is still possible



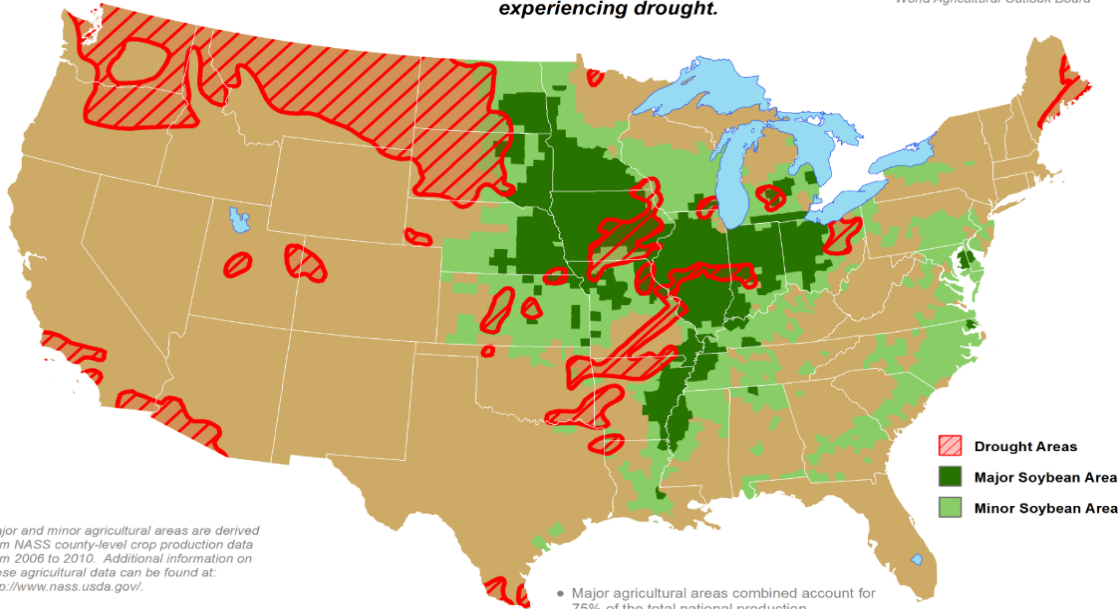
## U.S. Soybean Areas Experiencing Drought

Reflects October 3, 2017  
U.S. Drought Monitor data

Approximately 11% of soybean  
production is within an area  
experiencing drought.

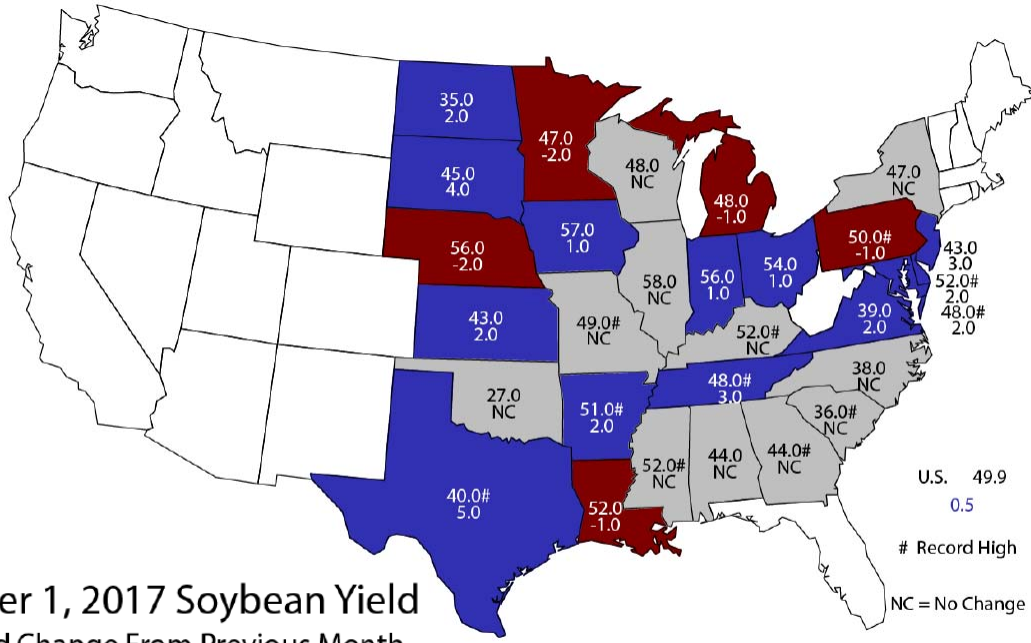


This product was prepared by the  
USDA Office of the Chief Economist  
World Agricultural Outlook Board



Major and minor agricultural areas are derived from NASS county-level crop production data from 2006 to 2010. Additional information on these agricultural data can be found at: <http://www.nass.usda.gov/>.

• Major agricultural areas combined account for 75% of the total national production.



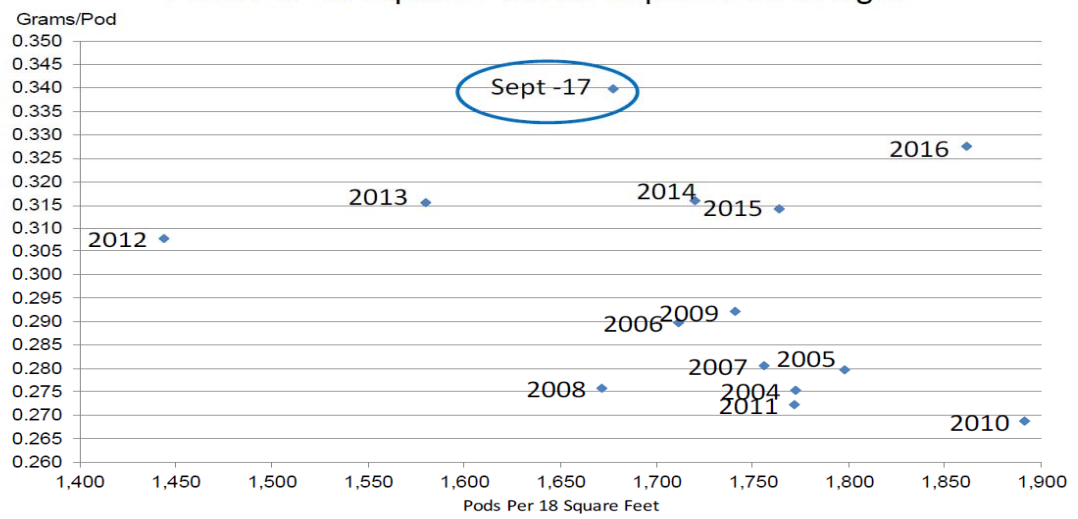
September 1, 2017 Soybean Yield  
Bushels and Change From Previous Month

U.S. 49.9  
0.5  
# Record High  
NC = No Change

USDA-NASS  
9-12-17



Soybean Objective Yield Region  
Pods Per 18 Square Feet vs. Implied Pod Weight

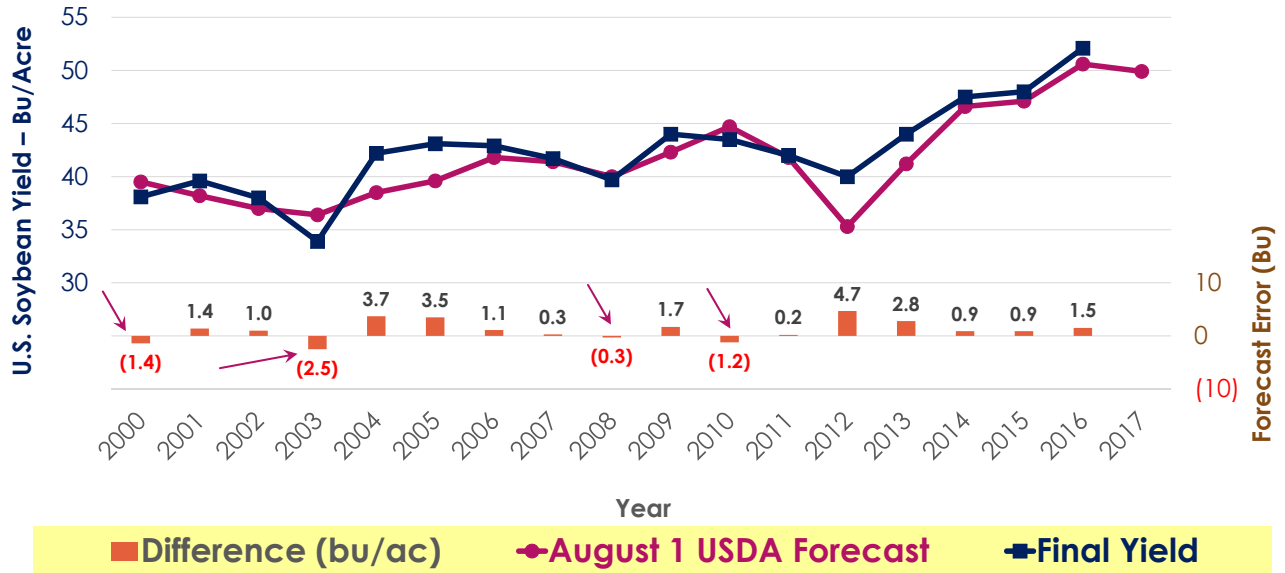


Implied Pod Weight = (Published Yield / Pods) / 0.0889

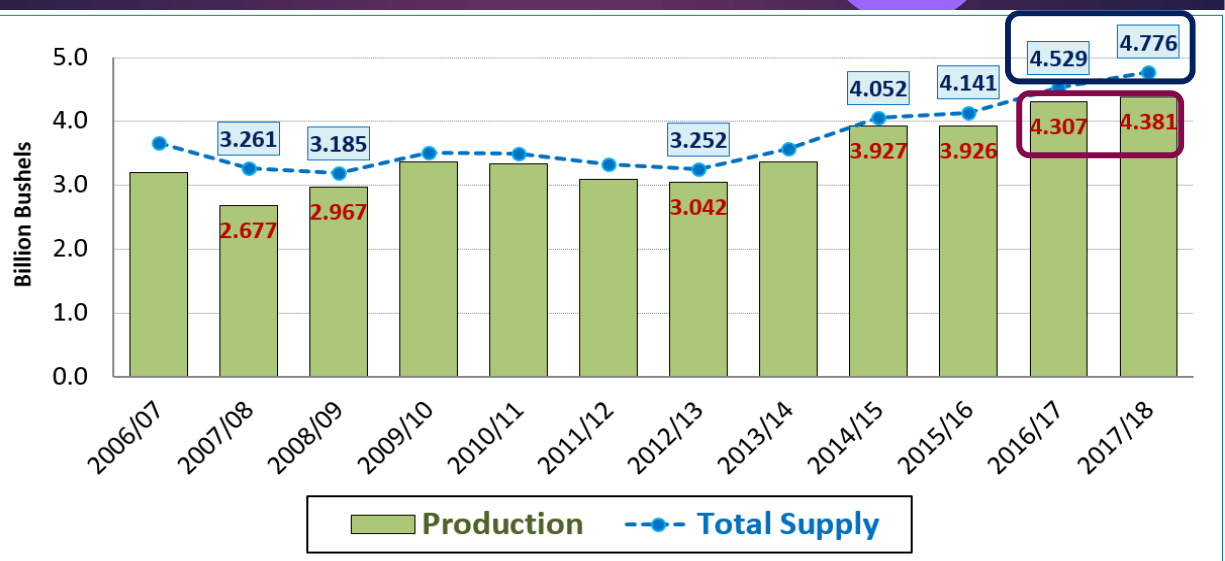
USDA-NASS  
9-12-17

# U.S. Soybean Yields: 2000-2017

## Accuracy of September 1<sup>st</sup> USDA Forecasts

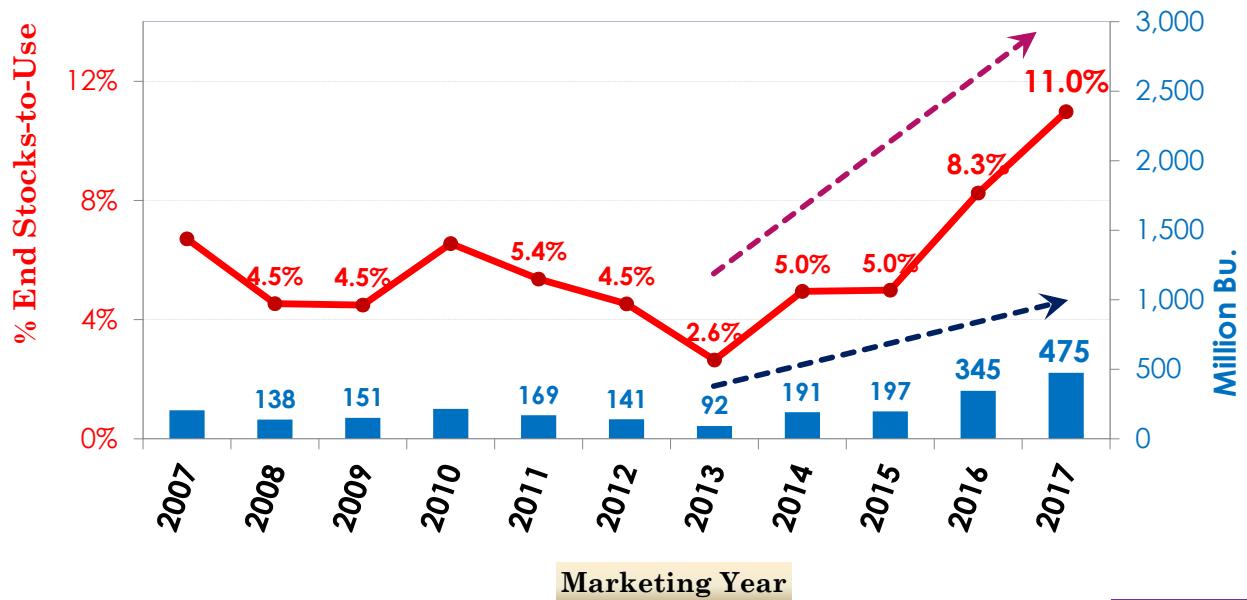


# U.S. Soybean Production & Supplies



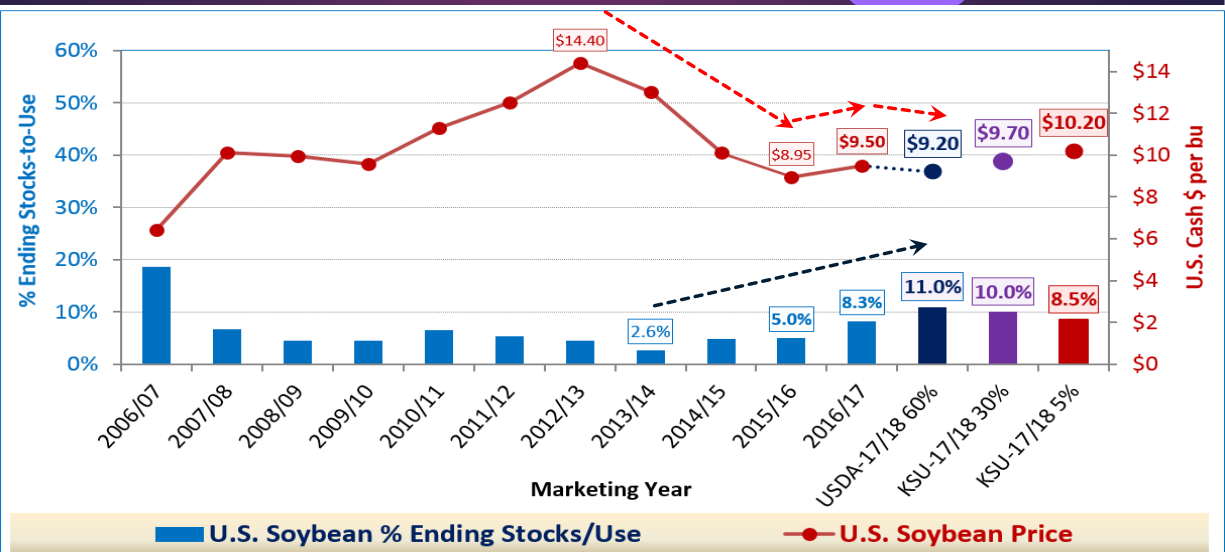


# U.S. Soybean Ending Stocks & % Stx/Use



Ernst & Young

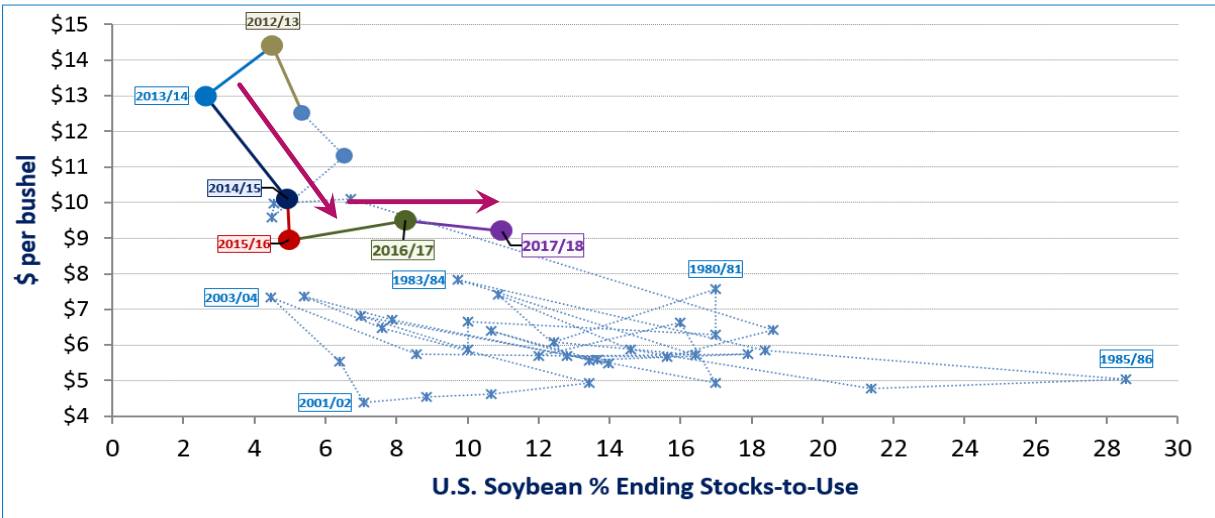
# U.S. Soybean % Stocks/Use vs Price\$



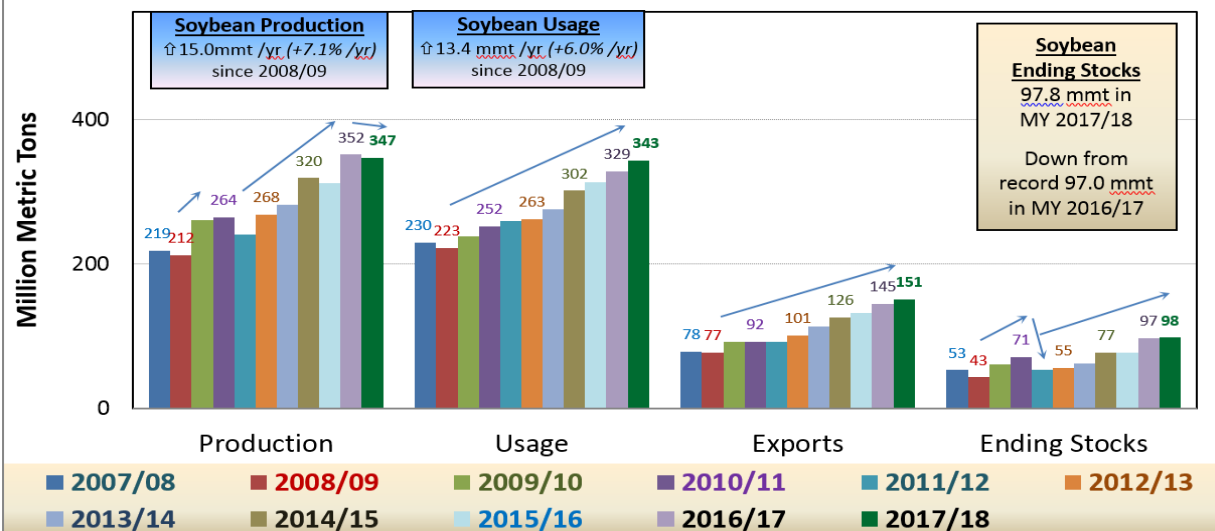
# U.S. Soybean \$ vs U.S. Stx-to-Use



MY 1973/74 through "Next Crop" MY 2017/18



# World Soybean Supply, Use & Stocks



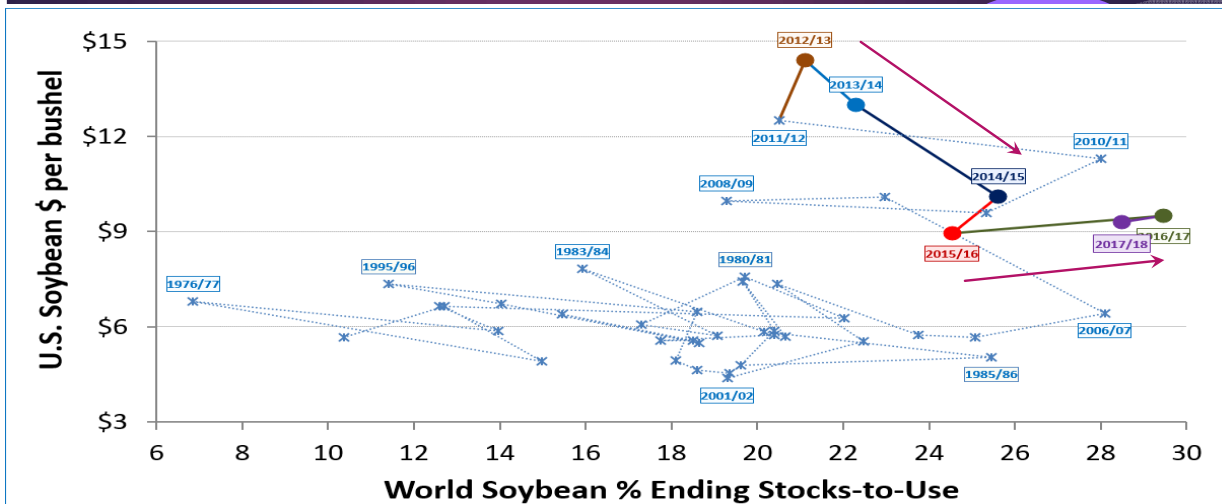


# World Soybean Production

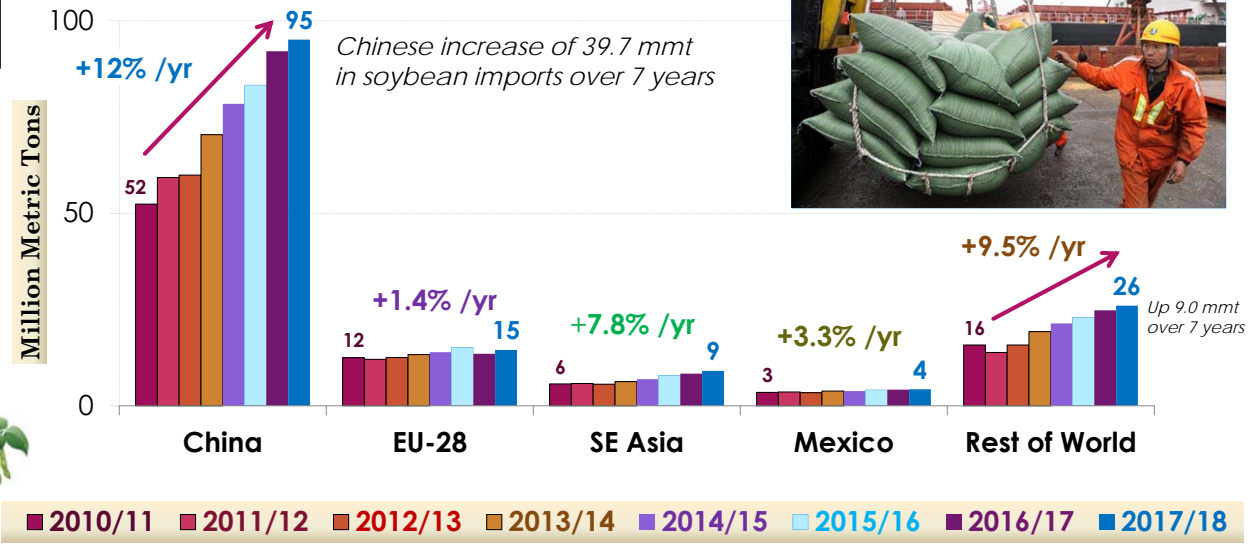
Country or Region	2016/17 estimate	2016/17 change from August 10	2017/18 forecast	2017/18 change from August 10	Change from 2016/17
<i>Million Tons</i>					
World	351.4	-0.3	348.4	1.1	-3.0
United States	117.2	--	120.6	1.4	3.4
Foreign	234.2	-0.3	227.8	-0.3	-6.4
Argentina	57.8	--	57.0	--	-0.8
Brazil	114.0	--	107.0	--	-7.0
Paraguay	10.7	--	9.4	--	-1.3
Canada	6.5	-0.1	8.2	--	1.7
India	11.5	--	10.0	--	-1.5
China	12.9	--	14.0	--	1.1

## U.S. Soybean \$ vs World %Stx/Use

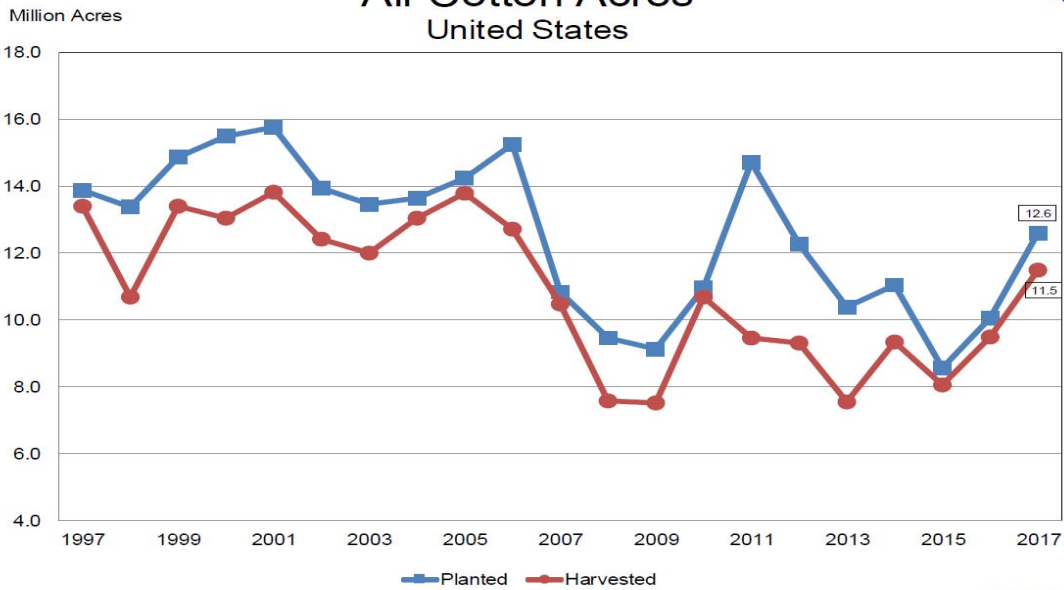
MY 1973/74 through "New Crop" MY 2017/18



# Soybean Importer Purchases

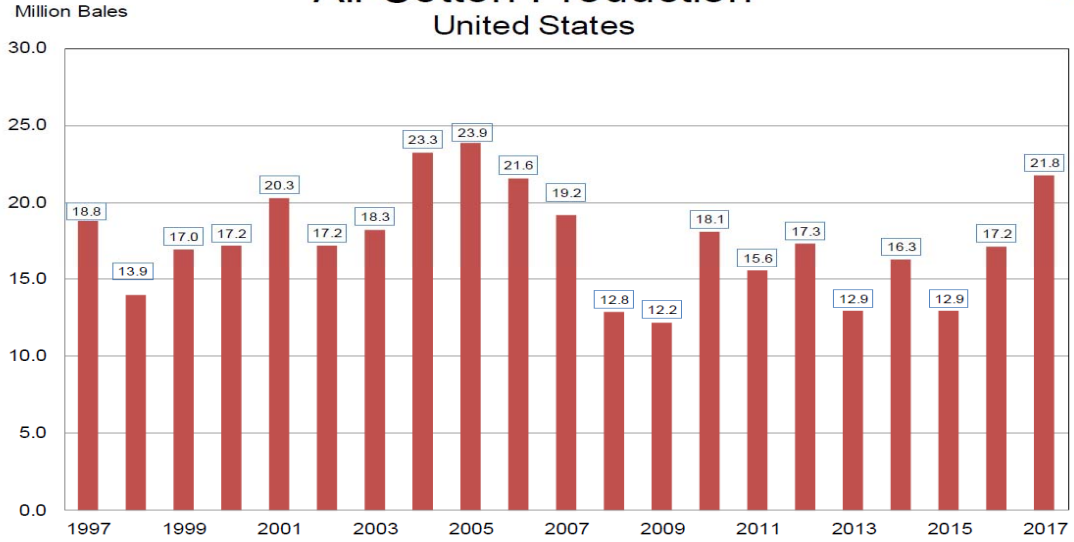


## All Cotton Acres United States





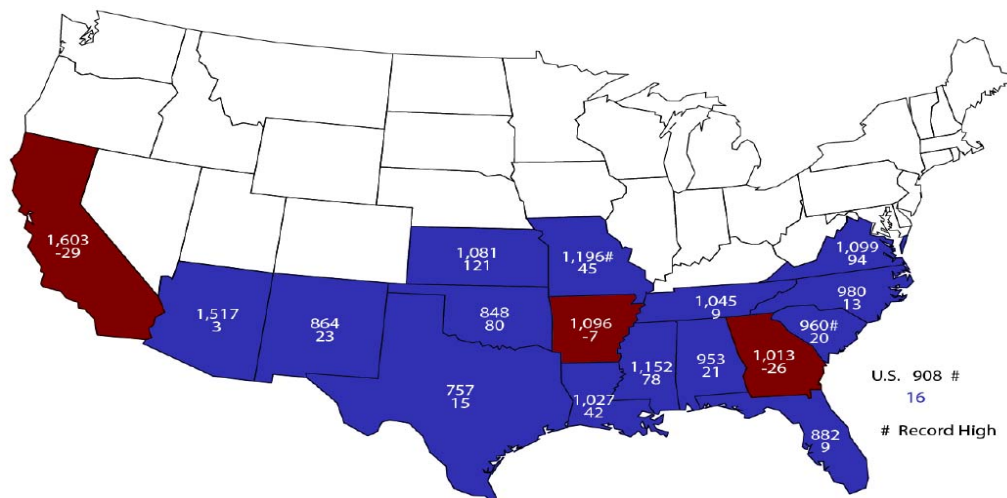
## All Cotton Production United States



USDA-NASS  
9-12-17



## September 1, 2017 All Cotton Yield Pounds and Change From Previous Forecast



USDA-NASS  
9-12-17

# U.S. Cotton Supply and Demand

	2016/17 estimate	2016/17 change from August 10	2017/18 forecast	2017/18 change from August 10	Change from 2016/17
Planted area (million acres)	10.07	--	12.62	0.56	2.55
Harvested area (million acres)	9.51	--	11.51	0.45	2.00
Yield (pounds per acre)	867	--	908	16	41
			<i>Million bales</i>		
Beginning stocks	3.80	--	2.75	-0.05	-1.05
Imports	0.01	--	0.01	--	0.00
Production	17.17	--	21.76	1.21	4.59
Total supply	20.98	--	24.52	1.16	3.54
Mill use	3.25	--	3.35	--	0.10
Exports	14.92	--	14.90	0.70	-0.02
Total use	18.17	--	18.25	0.70	0.08
Unaccounted	0.06	0.05	0.27	0.26	0.21
Ending stocks	2.75	-0.05	6.00	0.20	3.25
			<i>Percent</i>		
Stocks/use	15.1	-0.28	32.9	-0.2	17.7
			<i>Cents per pound</i>		
Average market price	68.00	--	54.0/66.0	-1.0	-8.00
-- No change					



## Questions?

**Daniel O'Brien – Extension Ag Economist**

Blog: [www.ksugrains.wordpress.com](http://www.ksugrains.wordpress.com)

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