

Grain Market Outlook for 2018

"Farming for the Future" Conference

Emporia, Kansas

DANIEL O'BRIEN

EXTENSION AGRICULTURAL ECONOMIST

KANSAS STATE
UNIVERSITY

Department of Agricultural Economics



Topics to be discussed.....

1) Grain Market Analysis & Outlook for 2018

- Corn & Grain Sorghum
- Wheat
- Soybeans & Cotton

2) 2018 Grain Marketing Strategies to consider

& focus on seasonal opportunities that may come...

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 U.S. Wheat Use**
 - **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} = 120 mln bu (*Down from 228-365 mb in 2012 - 2013*)
 - **HRW Exports** ^{2017/18} = 405 mln bu (*Down from 455 mb in MY 2016/17*)

U.S. Wheat Stocks.....

- All U.S. Wheat: "*Large*" Stocks
 - **End Stocks** ^{2017/18} ⇒ 960 mln bu (*1.181 bb last year*)
 - **% Stocks/Use** ^{2017/18} ⇒ 45.5% S/U (*53.2% S/U last year*)
- U.S. HRW Wheat: "*Large*" Carryovers
 - **End Stocks** ^{2017/18} ⇒ 470 mln bu (*589 mb last year*)
 - **% Stocks/Use** ^{2017/18} ⇒ 53.7% S/U (*62.5% S/U last year*)

U.S. Wheat Quality & Grade



- **U.S. HRW Wheat 2017** ⇒ **11.4% protein**, 60.5 lb test, 0.6% dockage
 - *Versus 5 yr avg: 11.2% protein, 60.3 lb test wt, 0.6% dockage*
- **U.S. SRW Wheat 2017** ⇒ **9.5% protein**, 59.1 lb test, 0.4% dockage
 - *Versus 5 yr avg: 9.8% protein, 58.4 lb test wt, 0.6% dockage*
- **U.S. Soft White Wheat 2017** ⇒ **9.6% protein**, 60.9 lb test, 0.5% dockage
 - *Versus 5 yr avg: 10.2% protein, 60.6 lb test wt, 0.5% dockage*
- **U.S. HRS Spring Wheat 2017** ⇒ **14.6% protein**, 61.6 lb test, 0.5% dockage
 - *Versus 14.2% protein, 61.3 lb test wt, 0.9% defects in 2016*



World Wheat Market Prospects:

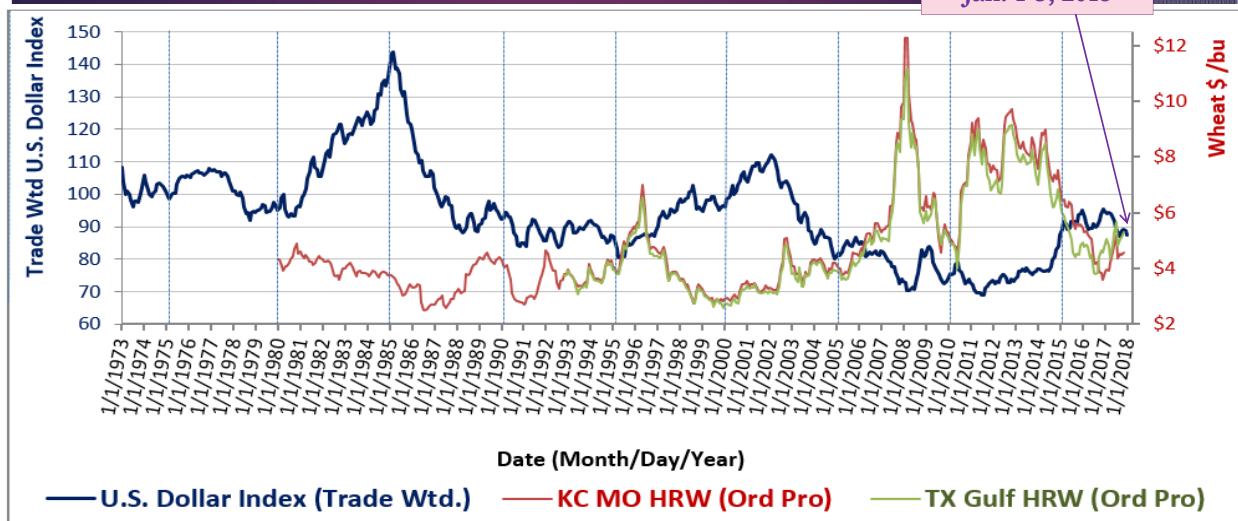
Large Supplies ⇒ A “Buyer’s Market”

- Record Supplies & Large Usage Forecast for 2017/18
 - 5 consecutive record high World wheat crops !!!
- Negative impact of stronger U.S. Dollar vs other currencies
- Still a “buyer’s market” for World Wheat Trade....but....
 - *Uncertainty* about U.S. & World Crops in 2018?
 - BUT a **TIGHT** “World-Less-China” supply situation has emerged***

U.S. Dollar Index & Cash Prices

Monthly Chart: January 1973 through January 5, 2018

88.2
Avg. Index #
Jan. 1-5, 2018



CME Kansas Hard Red Winter Wheat



Monthly Chart: November 2008 – December 2017 + 1/10/2018

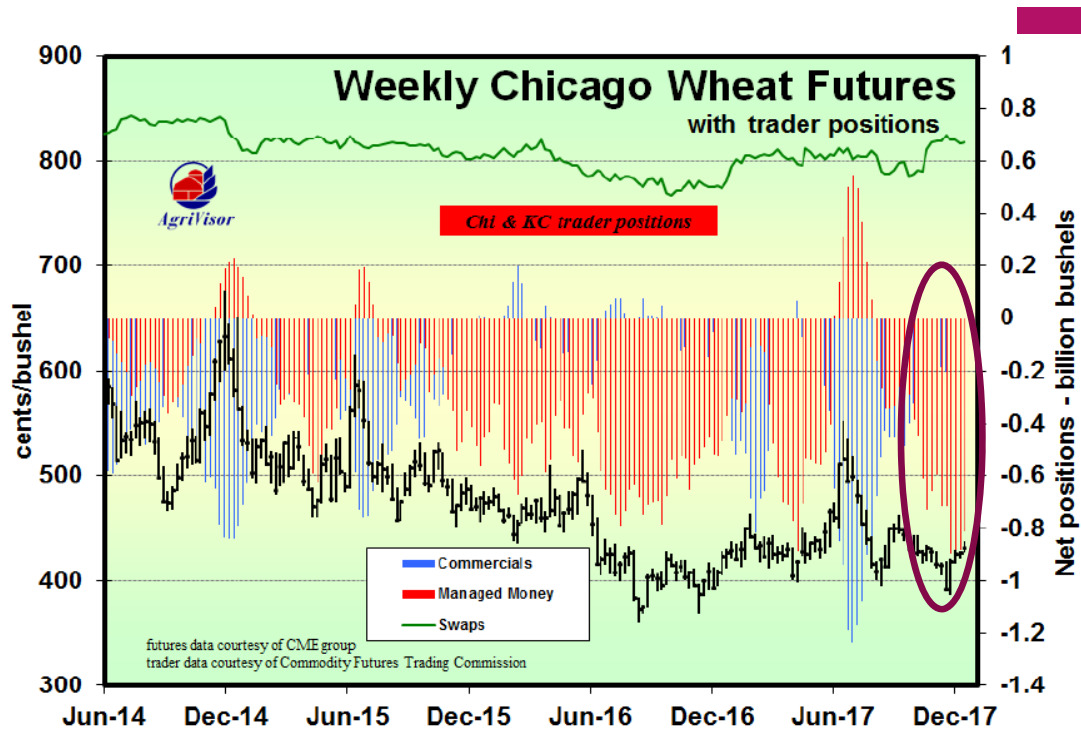


CME Kansas Hard Red Winter Wheat



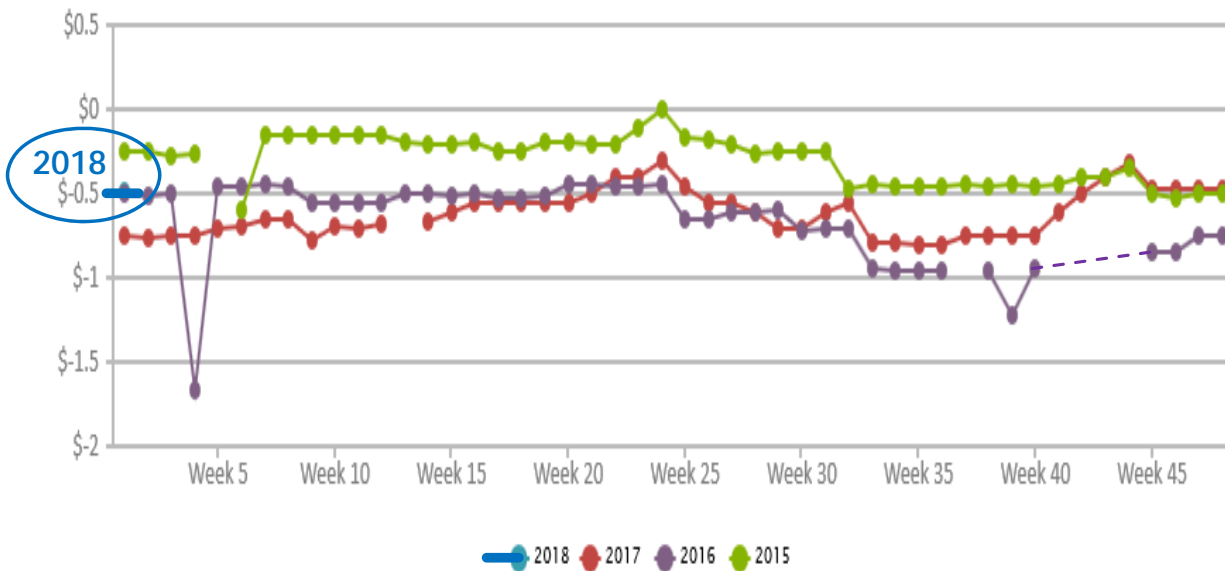
Monthly Chart: November 2008 – December 2017 + 1/10/2018





TOPEKA, KS: Hard Red Winter Wheat Basis - CARGILL

www.AgManager.info

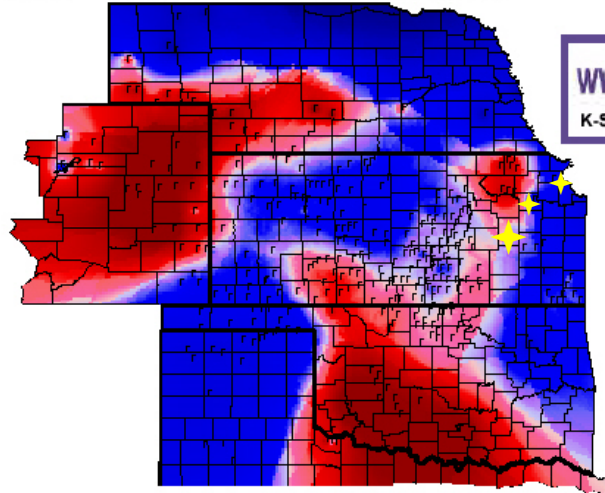


Wheat Basis, 01-03-2018

Basis = Cash Price - Nearby Futures Price

KCBT Mar
Futures
Price: \$4.41

\$/Bushel



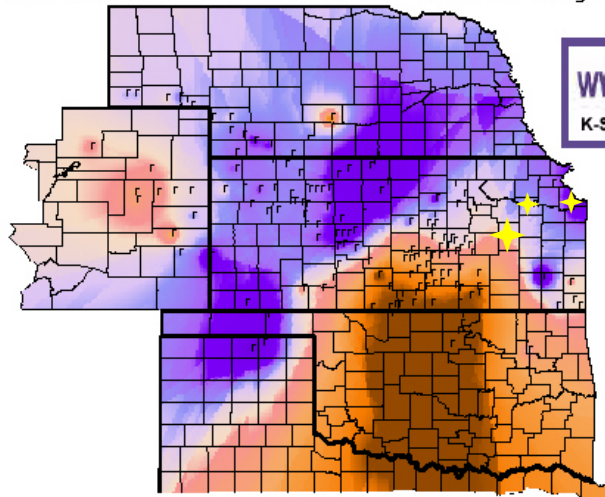
www.agmanager.info

K-State Research and Extension

Wheat Basis Deviation, 01-03-2018

Basis Deviation = Current Basis - 3 Year Average Basis (2015, 2016, 2017)

\$/Bushel

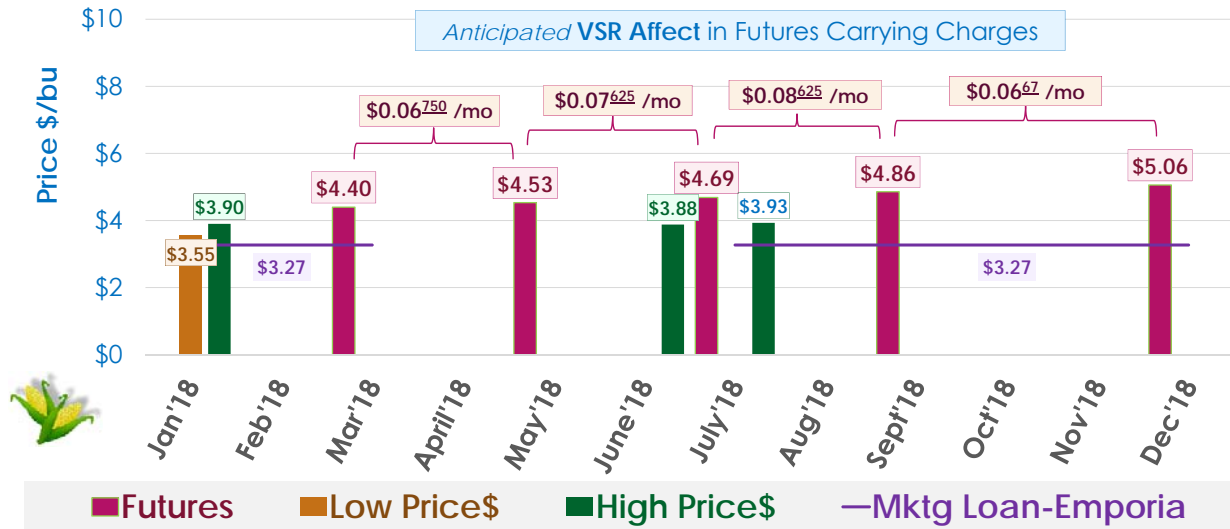


www.agmanager.info

K-State Research and Extension

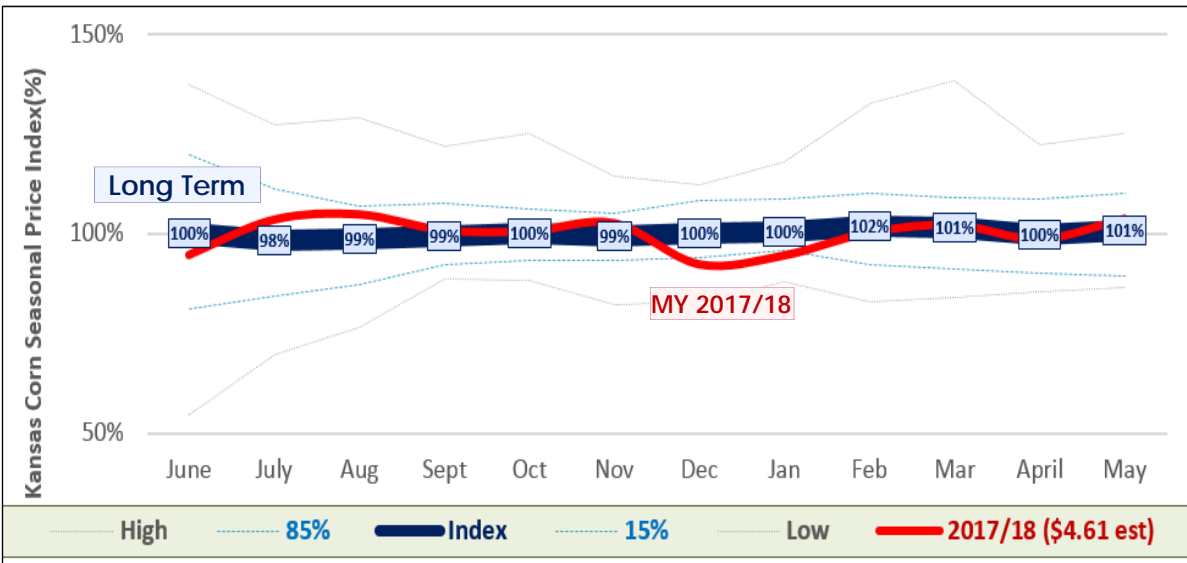
Wheat Cash & KC HRW Wheat Futures

Emporia, KS Local Elevators – January 10, 2018



Kansas Wheat Seasonal Cash \$ Index

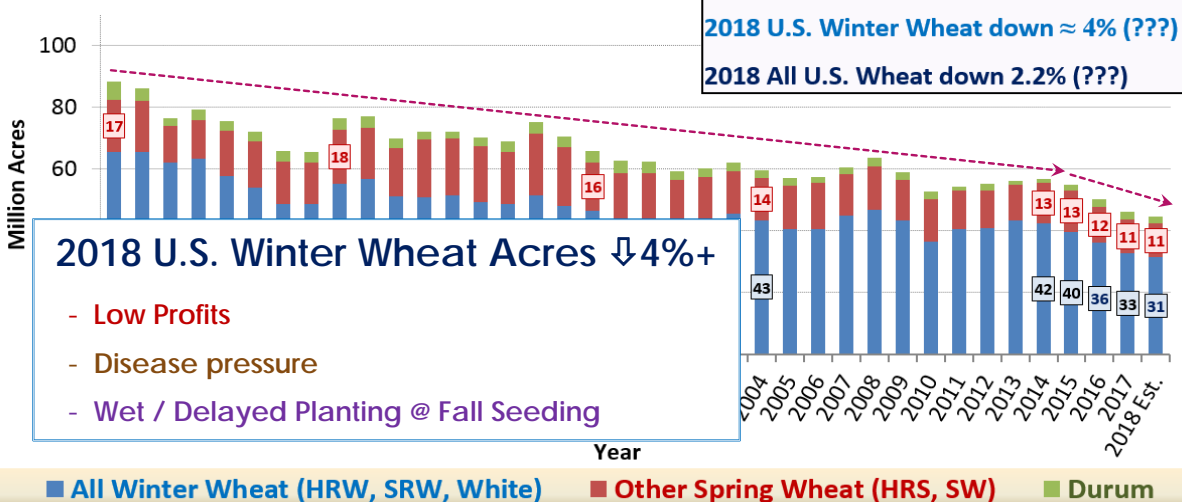
Monthly Prices: Long Term Average + "New Crop" MY 2017/18



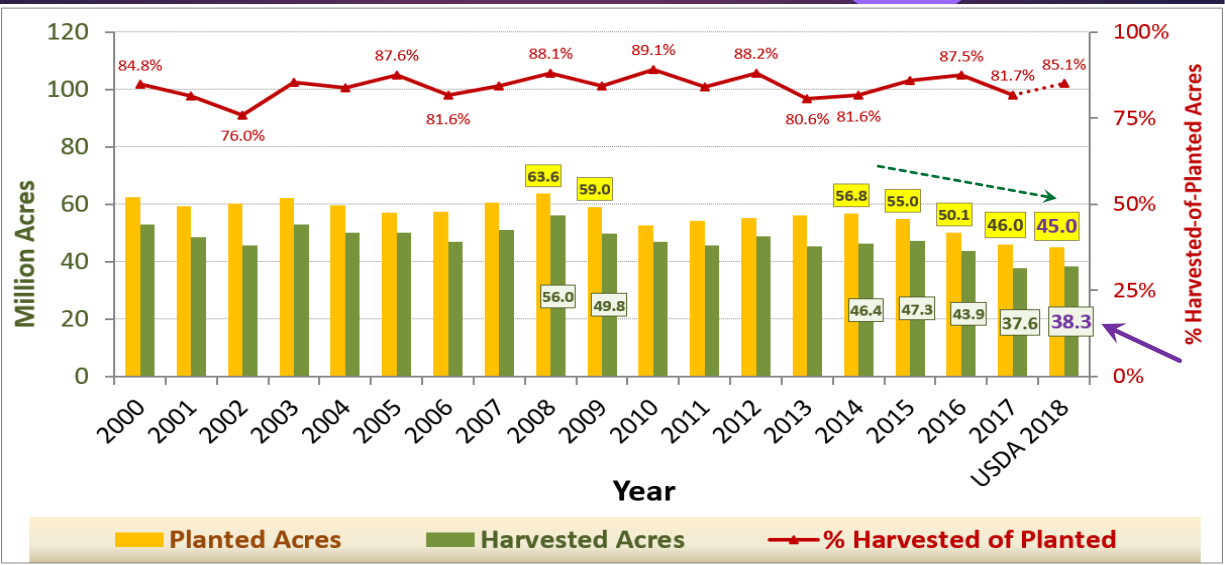
U.S. Wheat Supply and Demand

	2016/17 estimate	2017/18 forecast	Change from November 9	Change from 2016/17	
Planted area (million acres)	50.1	46.0	--	-4.1	↓ Crop BUT still
Harvested area (million acres)	43.9	37.6	--	-6.3	
Yield (bushels per acre)	52.7	46.3	--	-6.3	
<i>Million bushels</i>					
Beginning stocks	976	1,181	--	205	Large Supply
Production	2,309	1,741	--	-568	
Imports	118	150	--	32	
Total supply	3,402	3,071	--	-331	Less Domestic Use & ↓ Exports
Food use	949	950	--	1	
Seed	61	66	--	5	
Feed and residual	156	120	--	-36	↓ Stocks/Use & ↑ Prices
Domestic use	1,167	1,136	--	-31	
Exports	1,055	975	-25	-80	
Total use	2,222	2,111	-25	-111	
Ending stocks	1,181	960	25	-220	
<i>Percent</i>					
Stocks to use ratio	53.1	45.5	1.7	-7.7	
<i>Dollars per bushel</i>					
Average market price	3.89	4.50/4.70	--	0.71	

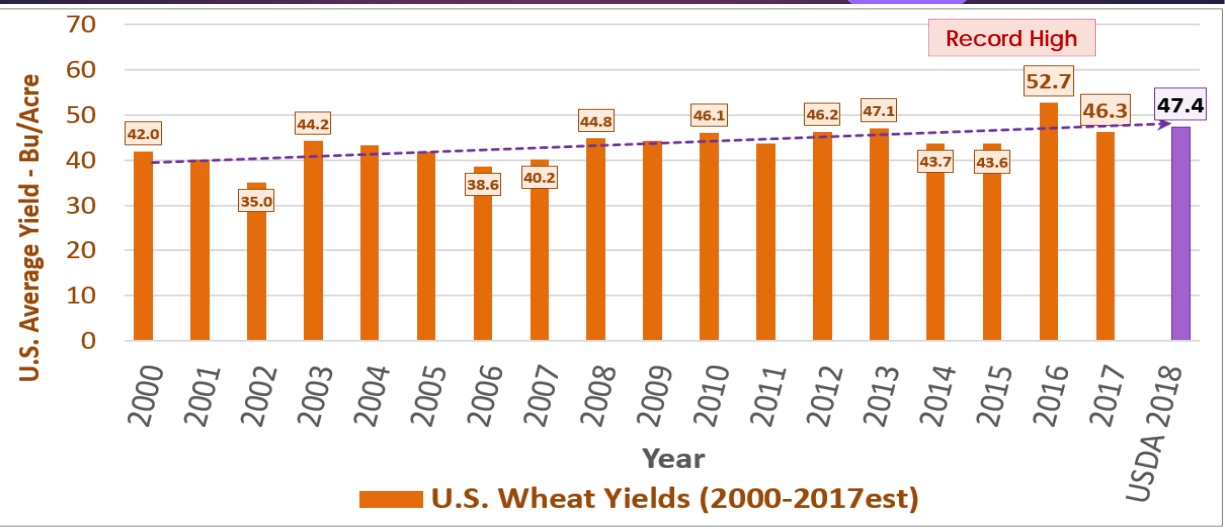
U.S. Wheat Seeded Acreage

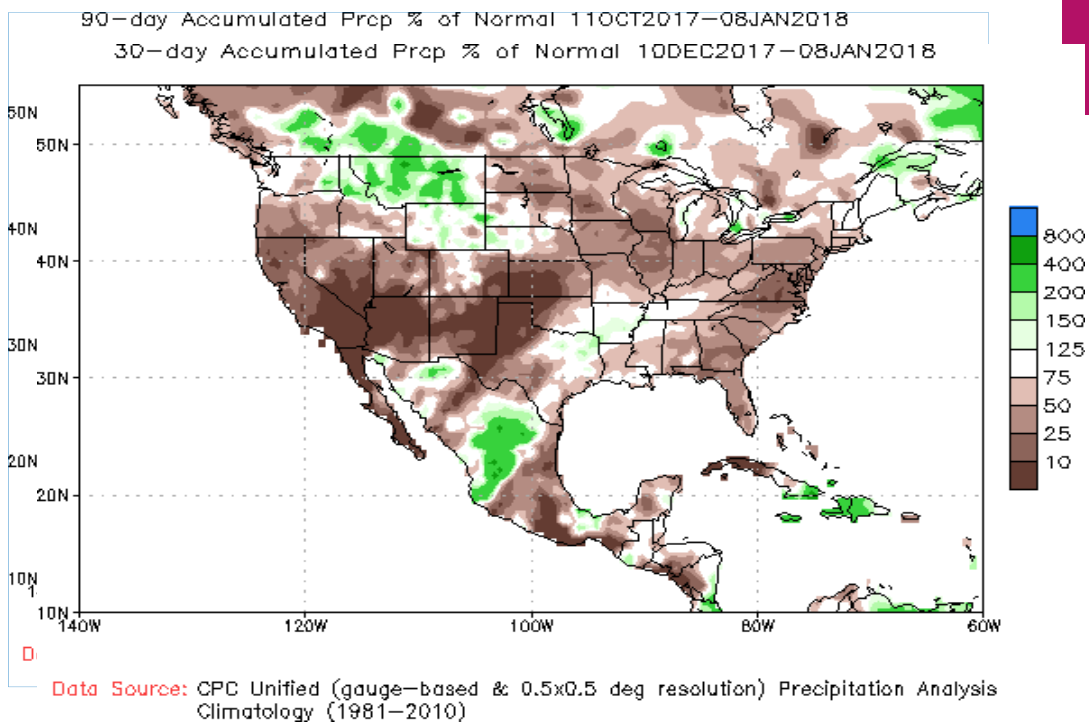
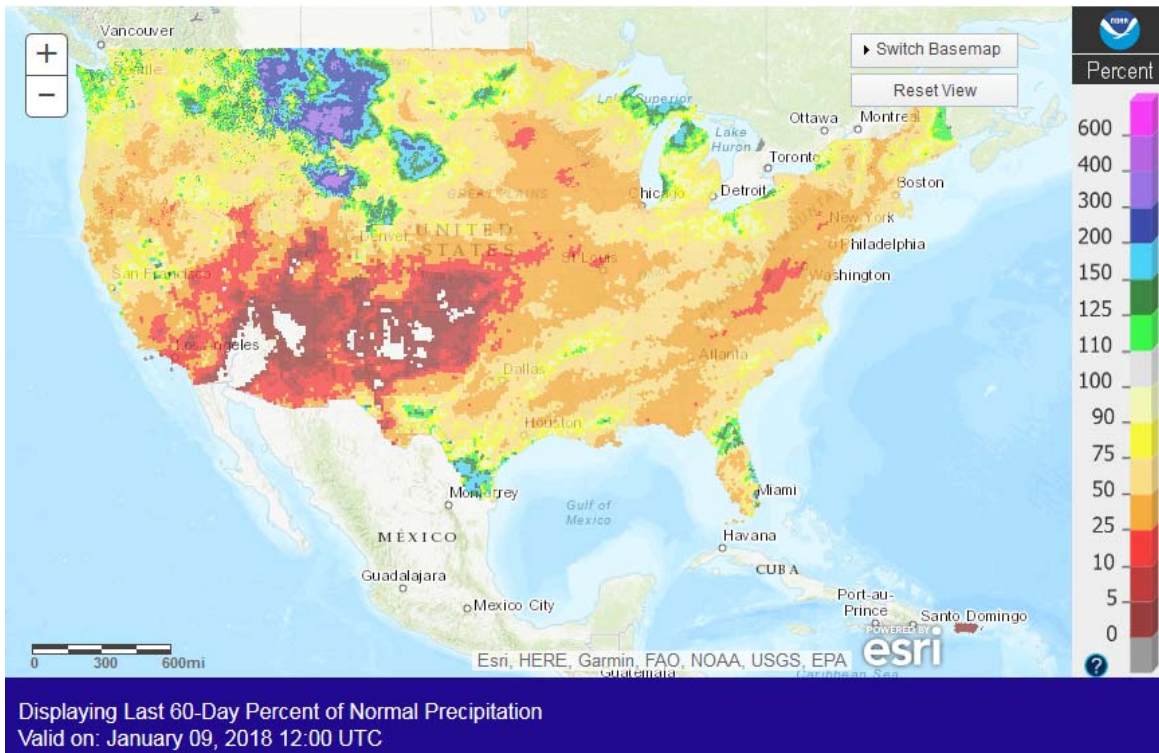


U.S. Wheat Acreage



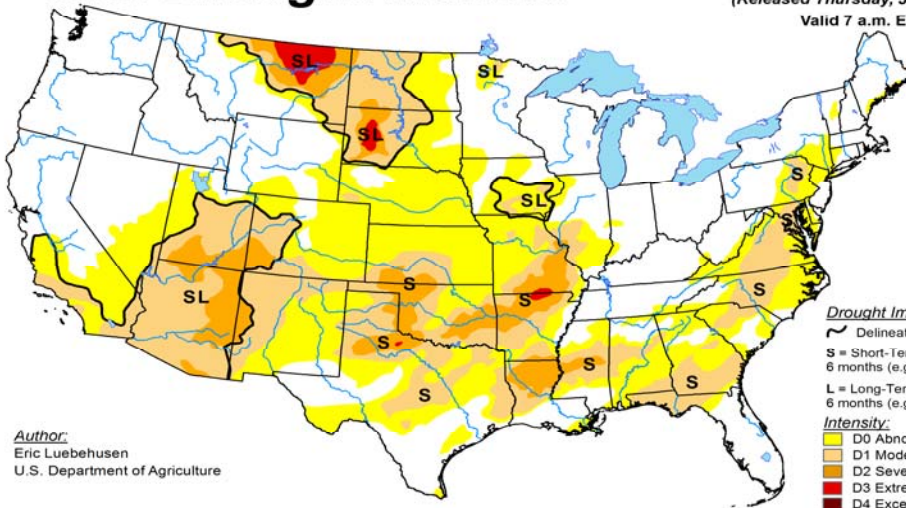
U.S. Wheat Yields





U.S. Drought Monitor

January 2, 2018
 (Released Thursday, Jan. 4, 2018)
 Valid 7 a.m. EST

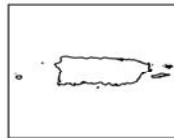
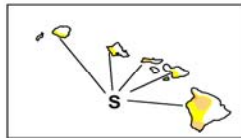
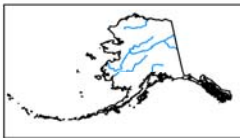


Author:
 Eric Luebbehusen
 U.S. Department of Agriculture

Drought Impact Types:
 ~ Delineates dominant impacts
 S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)
 L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)

Intensity:
 D0 Abnormally Dry
 D1 Moderate Drought
 D2 Severe Drought
 D3 Extreme Drought
 D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

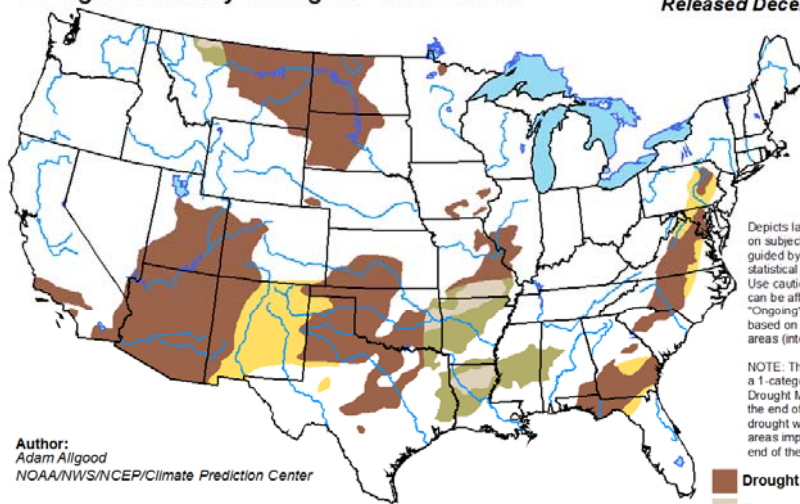


<http://droughtmonitor.unl.edu/>

U.S. Monthly Drought Outlook

Drought Tendency During the Valid Period

Valid for January 2018
 Released December 31, 2017

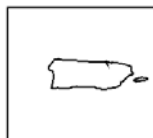
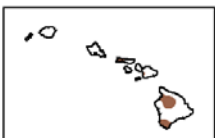


Author:
 Adam Allgood
 NOAA/NWS/NCEP/Climate Prediction Center

Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Use caution for applications that can be affected by short lived events. *Ongoing* drought areas are based on the U.S. Drought Monitor areas (intensities of D1 to D4).

NOTE: The tan areas imply at least a 1-category improvement in the Drought Monitor intensity levels by the end of the period, although drought will remain. The green areas imply drought removal by the end of the period (D0 or none).

Drought persists
 Drought remains but improves
 Drought removal likely
 Drought development likely



<http://go.usa.gov/3eZGd>

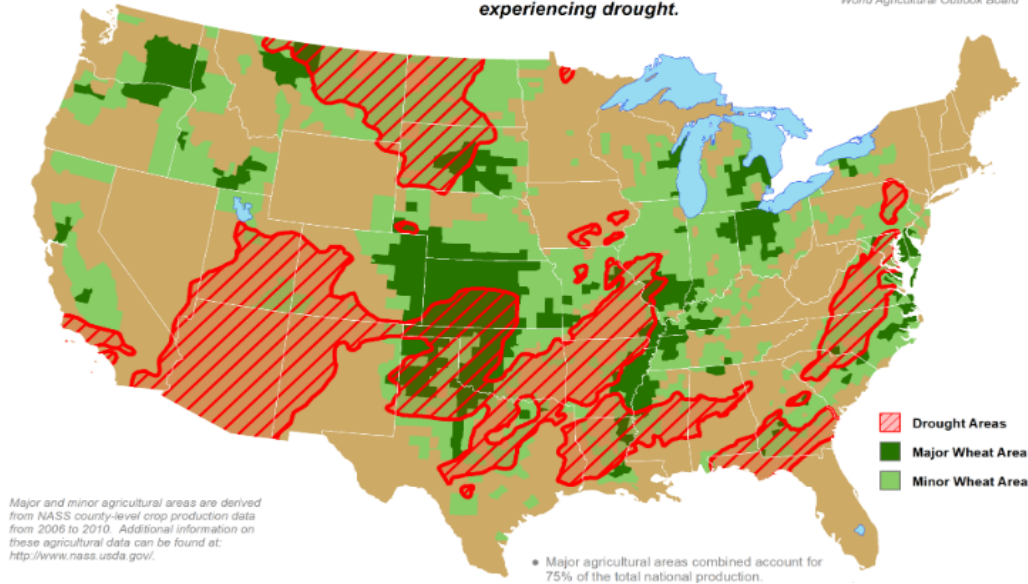
U.S. Winter Wheat Areas Experiencing Drought

Reflects January 2, 2018
U.S. Drought Monitor data

Approximately 33% of winter wheat production is within an area experiencing drought.

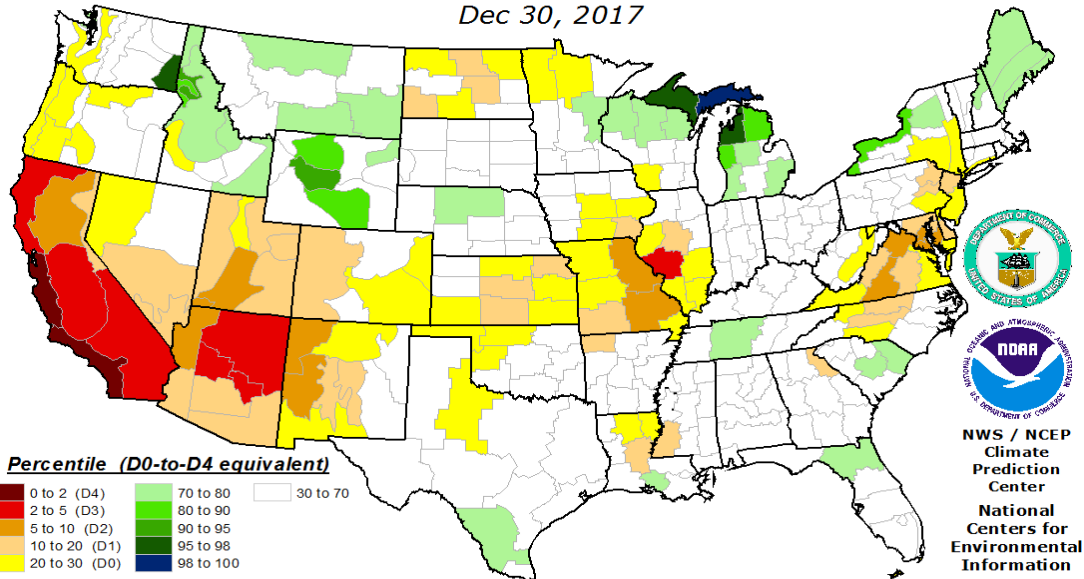


This product was prepared by the
USDA Office of the Chief Economist
World Agricultural Outlook Board



Objective Short-Term Drought Indicator Blend Percentiles

Dec 30, 2017

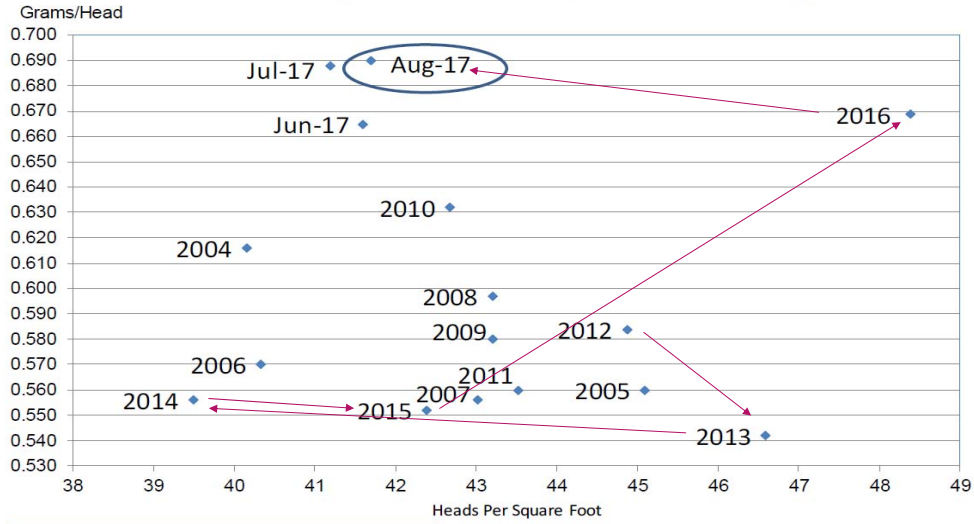


This map approximates impacts that respond to precipitation over several days to a few months, such as agriculture, topsoil moisture, unregulated streamflows, and most aspects of wildfire danger. The relationship between indicators and impacts can vary significantly with location and season. Do not interpret this map too literally.

This map is based on preliminary climate division data. Local conditions and/or final data may differ. See the detailed product suite description for more details.



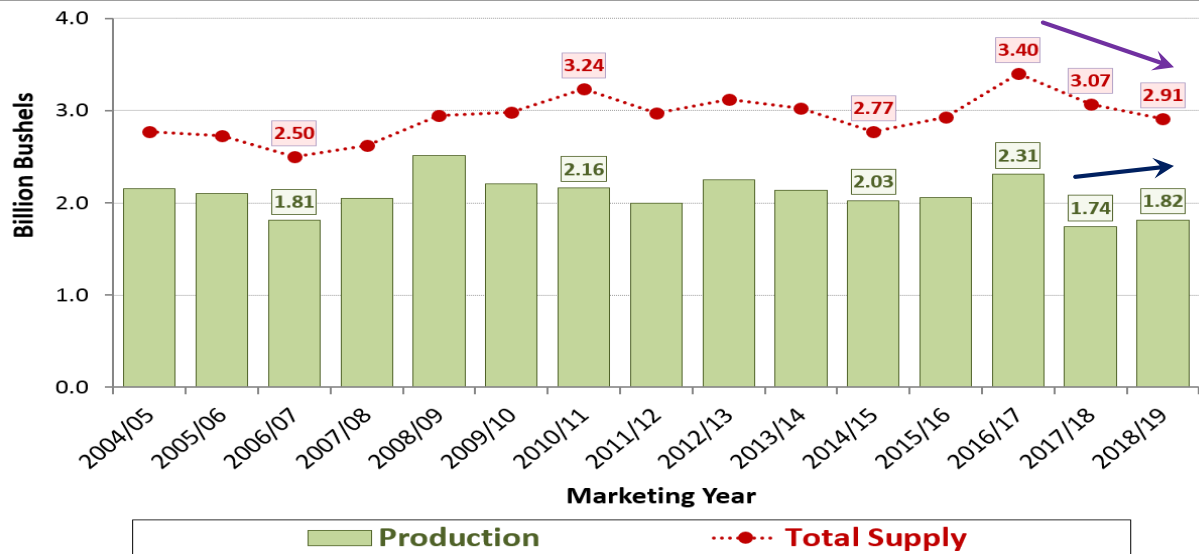
Wheat Objective Yield Region Heads Per Square Foot vs. Implied Head Weight



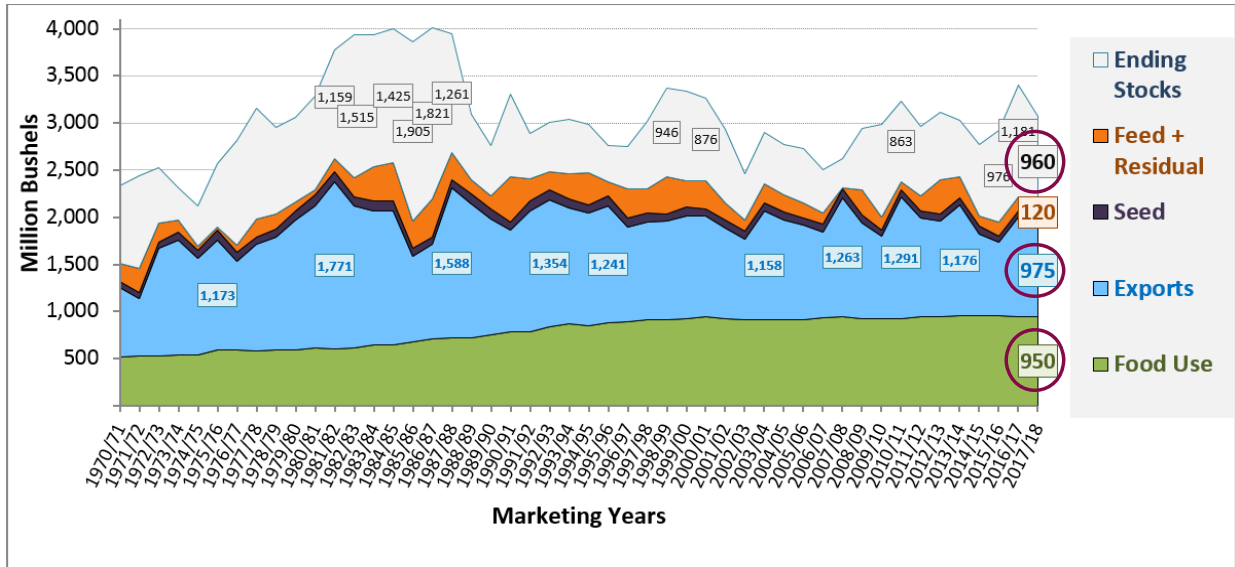
Implied Head Weight = Published Yield / (Heads*1.6006)

USDA-NASS
8-10-17

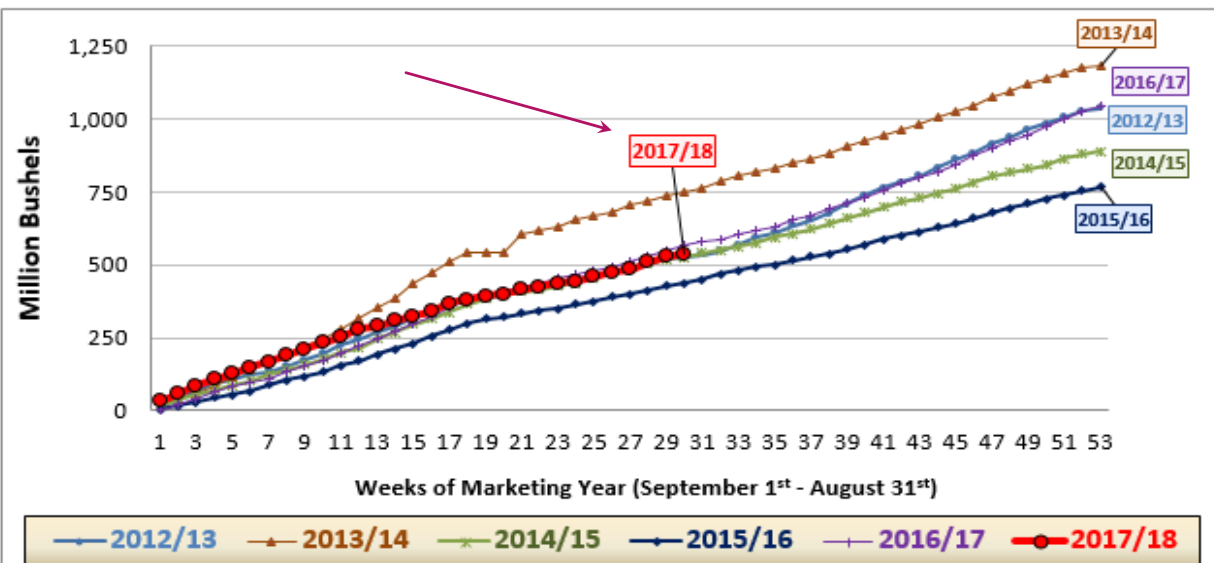
U.S. Wheat Production & Supplies



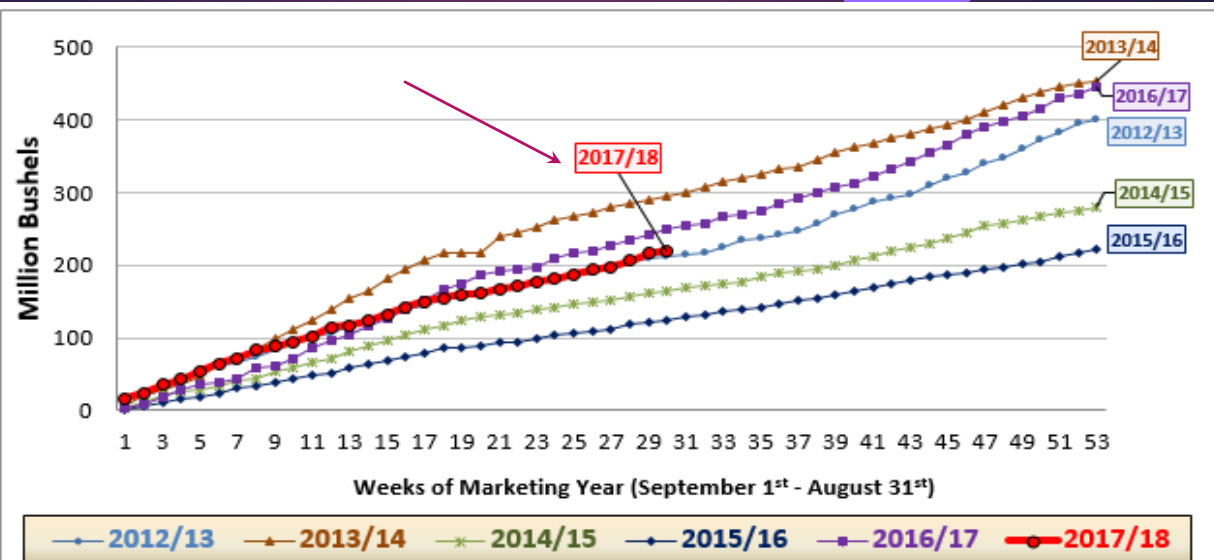
U.S. Wheat Use by Category



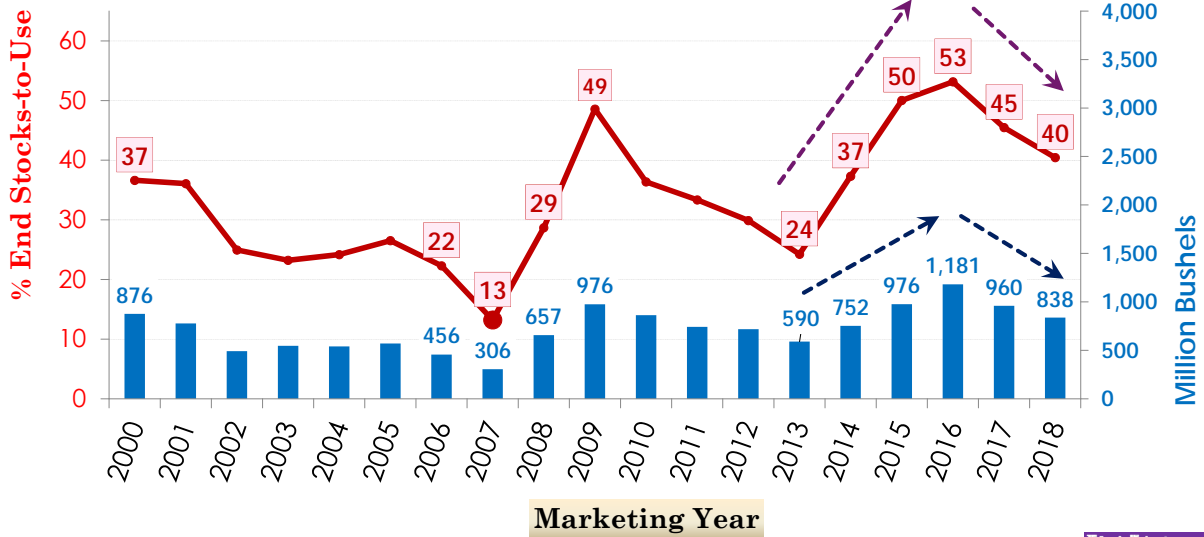
U.S. All Wheat Exports – Weekly thru December 28, 2017



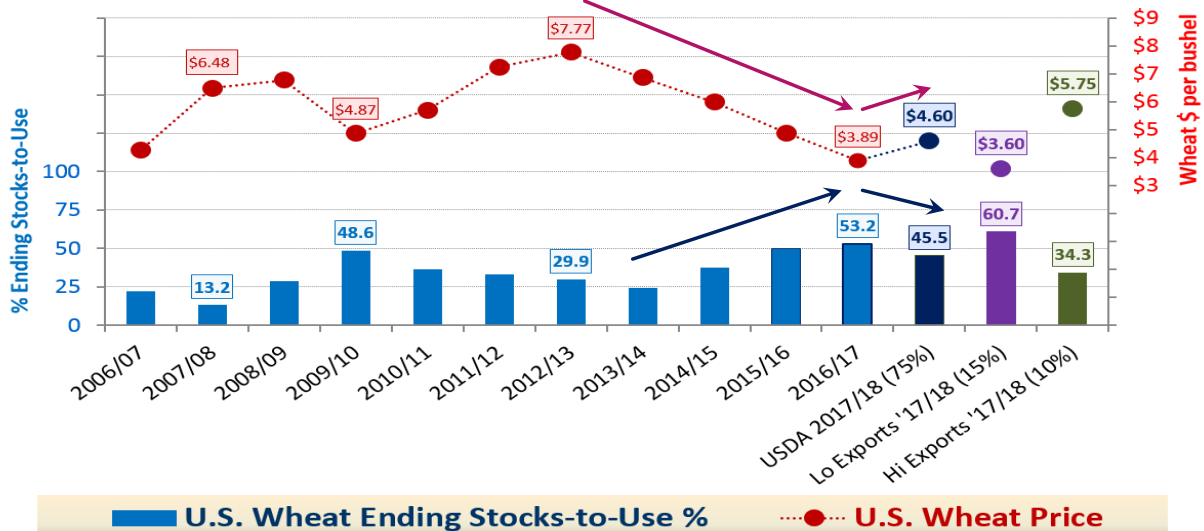
U.S. Hard Red Winter Wheat Exports - Weekly



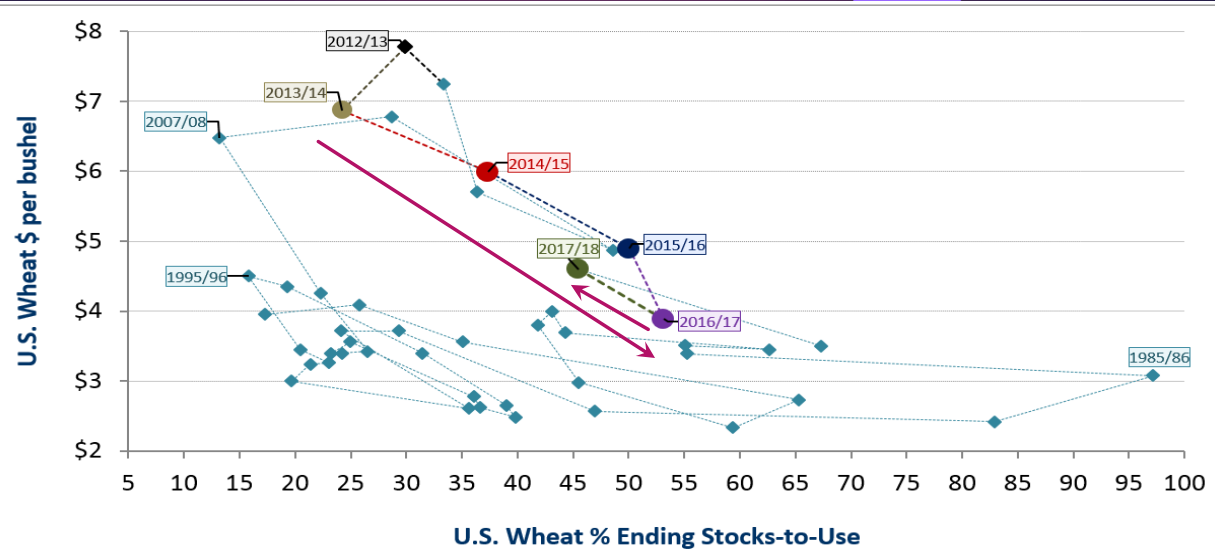
U.S. Wheat Ending Stocks & % Stx/Use



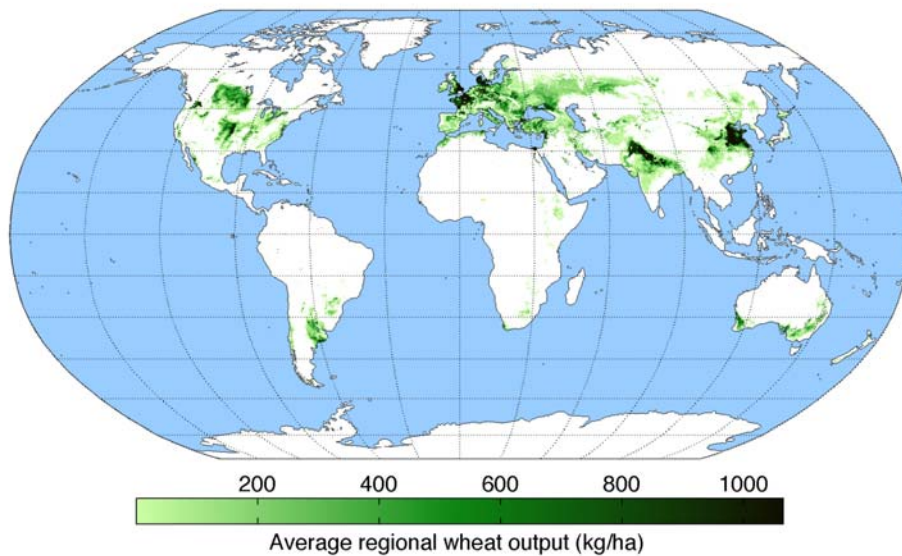
U.S. Wheat Ending Stocks & Prices



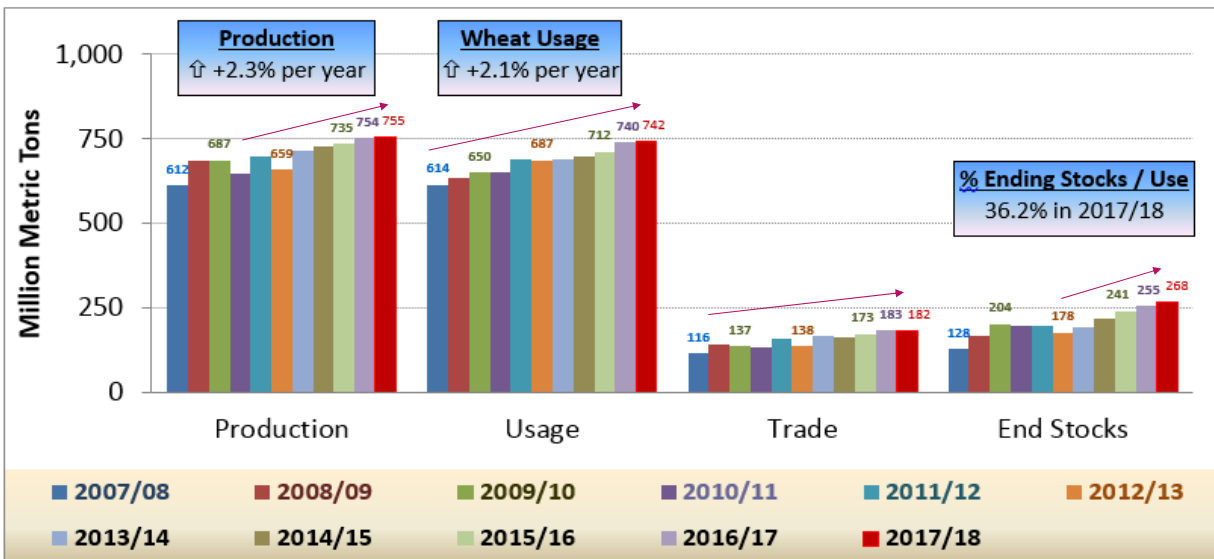
U.S. Wheat Price vs U.S. Stocks-to-Use



World Wheat Production Regions



World Wheat Supply, Use & Stocks



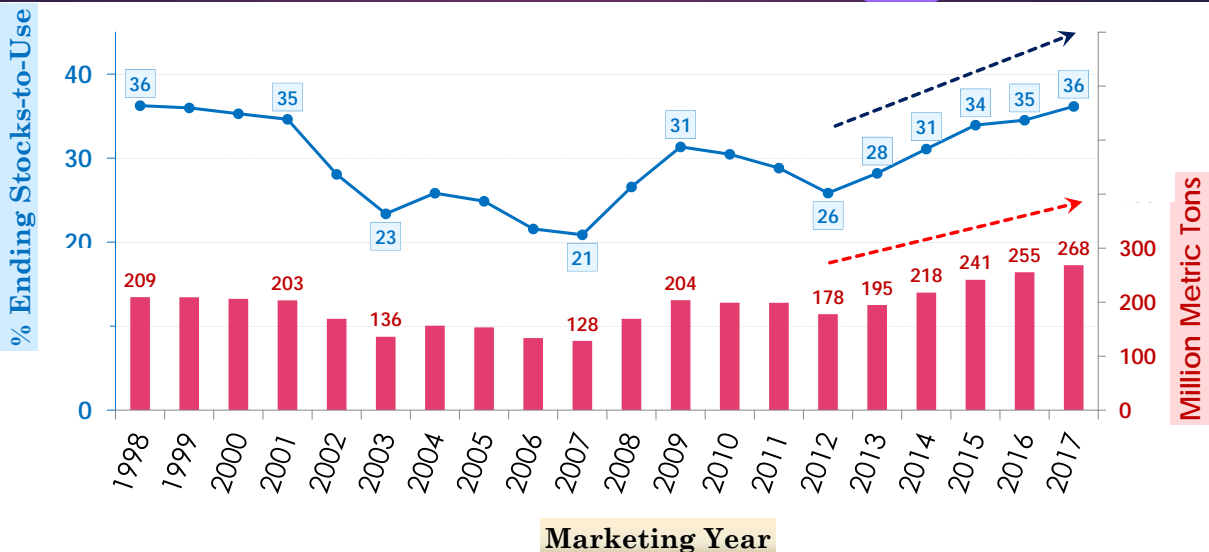
World Wheat Production

Country or Region	2016/17 estimate	2017/18 forecast	Change from November 9	Change from 2016/17	
<i>Million Tons</i>					
World	753.6	755.2	3.2	1.6	↓ U.S. Crops BUT
United States	62.8	47.4	--	-15.5	
Foreign	690.8	707.8	3.2	17.1	↑ Foreign Wheat
Argentina	18.4	17.5	--	-0.9	↑ Russia, Turkey, ↑ EU, India, China
Canada	31.7	30.0	3.0	-1.7	
Australia	33.5	21.5	--	-12.0	BUT
European Union	145.3	152.5	1.0	7.3	
Turkey	17.3	21.0	--	3.8	↓ Canada ↓ Australia ↓ Kazakhstan
Russia	72.5	83.0	--	10.5	
Ukraine	26.8	26.5	--	-0.3	
Kazakhstan	15.0	14.0	--	-1.0	
China	128.9	130.0	--	1.2	
India	87.0	98.4	--	11.4	

World Wheat Supply and Use

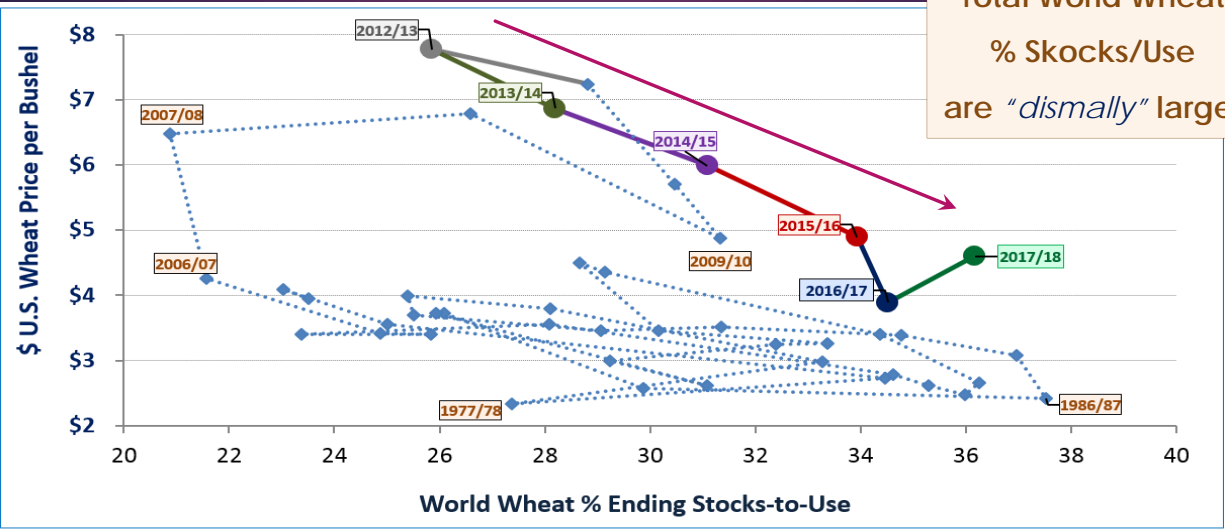
	2016/17 estimate	2017/18 forecast	Change from November 9	Change from 2016/17	
<i>Million Tons</i>					
Beginning stocks	241.4	255.3	-0.3	13.9	↑ Beg. Stocks
Production	753.6	755.2	3.2	1.6	↑ Production
Total Supply	995.1	1,010.6	2.9	15.5	↑ Supplies
Feed use	147.5	142.7	1.9	-4.8	↓ Feed Use
Total use	739.7	742.1	2.1	2.4	↓ Export Trade
Trade	183.2	182.2	1.5	-1.0	
Ending Stocks	255.3	268.4	0.9	13.1	↑ Ending Stocks

World Wheat Ending Stocks & % Stx/Use



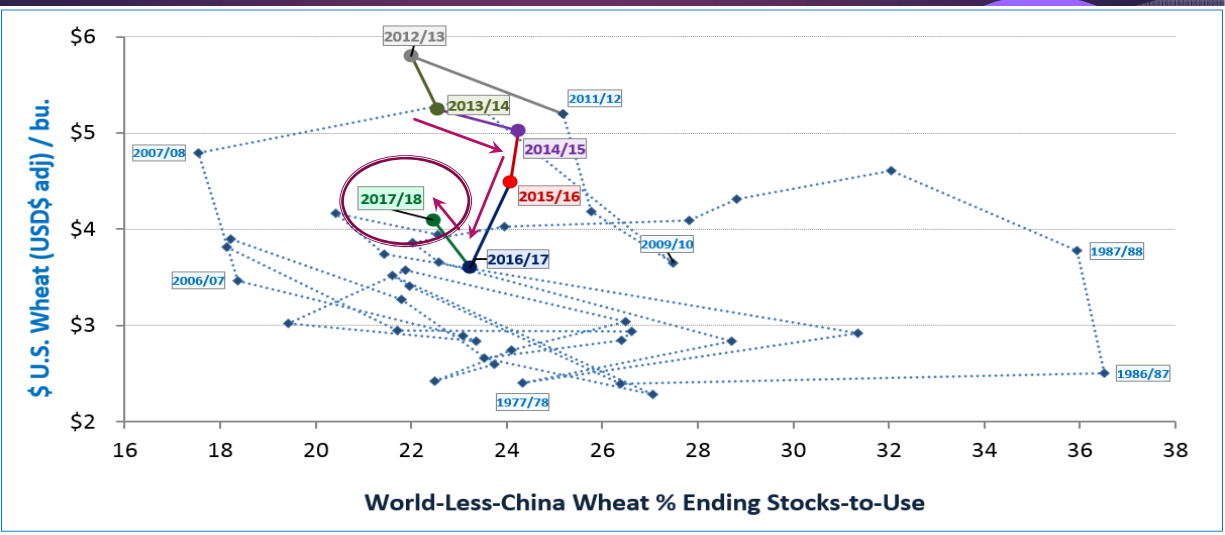
U.S. Wheat Price (\$) vs World % Stx/Use

MY 1973/74 – “New Crop” MY 2017/18



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

MY 1973/74 – “New Crop” MY 2017/18



Corn & Sorghum Markets



**KANSAS STATE
UNIVERSITY**

Department of Agricultural Economics

U.S. Corn & Sorghum Supply-Use

- Prospects ➔ "*LARGE*" 14.6 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} = 5.575 bln bu (*10 year high* – vs 5.858 bb in 2007/08)
 - Ethanol ^{2017/18} = 5.525 bln bu (*Record high* – vs 5.439 bb last year)
 - Other FSI ^{2017/18} = 1.460 bln bu (*Record high* – vs 1.452 bb in 2016/17)
 - Exports ^{2017/18} = 1.925 bln bu (*vs 2.293 bb in '16/17 & 1.901 in '15/16*)

U.S. Corn Supply-Use

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

- Corn: "**Large**" Stocks & % Stx/Use
 - End Stocks ^{2017/18} ⇒ 2.437 bln bu (*2nd highest since 1987/88*)
 - % Stocks/Use ^{2017/18} ⇒ 16.8% S/U (*Highest since 2005/06*)
- Grain Sorghum: "**Tighter**" Stocks & % Stx/Use than Corn
 - End Stocks ^{2017/18} ⇒ 21 Mln bu (*15 - 55 mb since 2008/09*)
 - % Stocks/Use ^{2017/18} ⇒ 5.7% S/U (*Tightest since 2014/15*)

CME Corn Futures



Weekly Chart: November 2008 – December 2017 + 1/10/2018

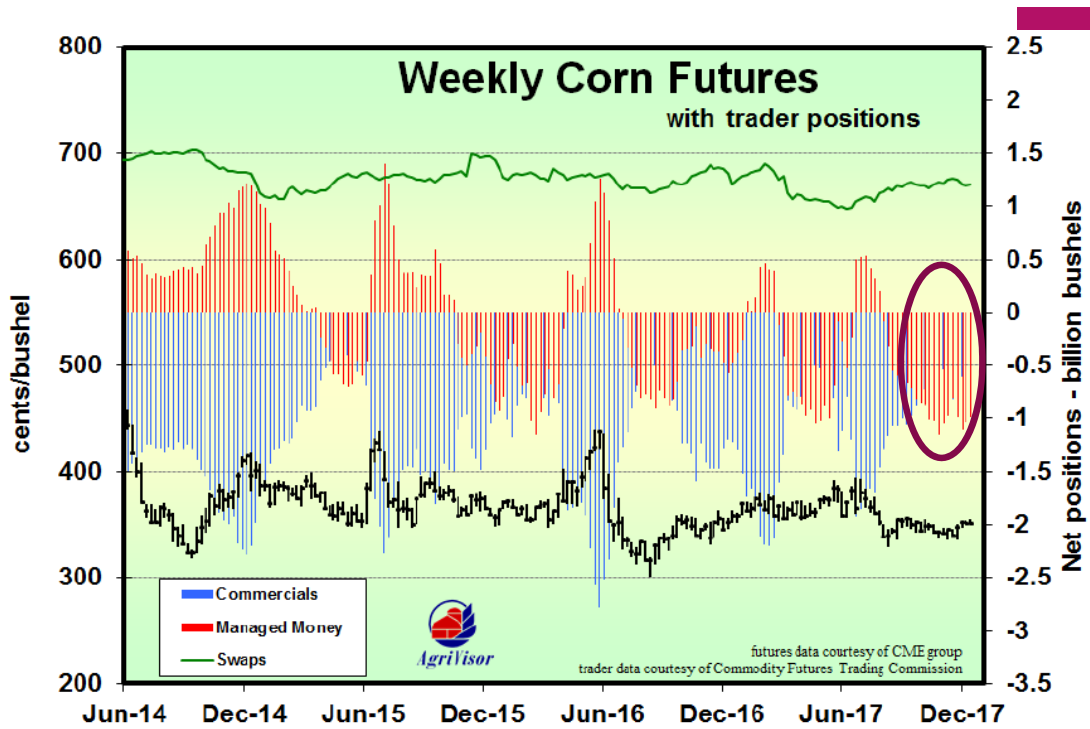


CME Corn Futures



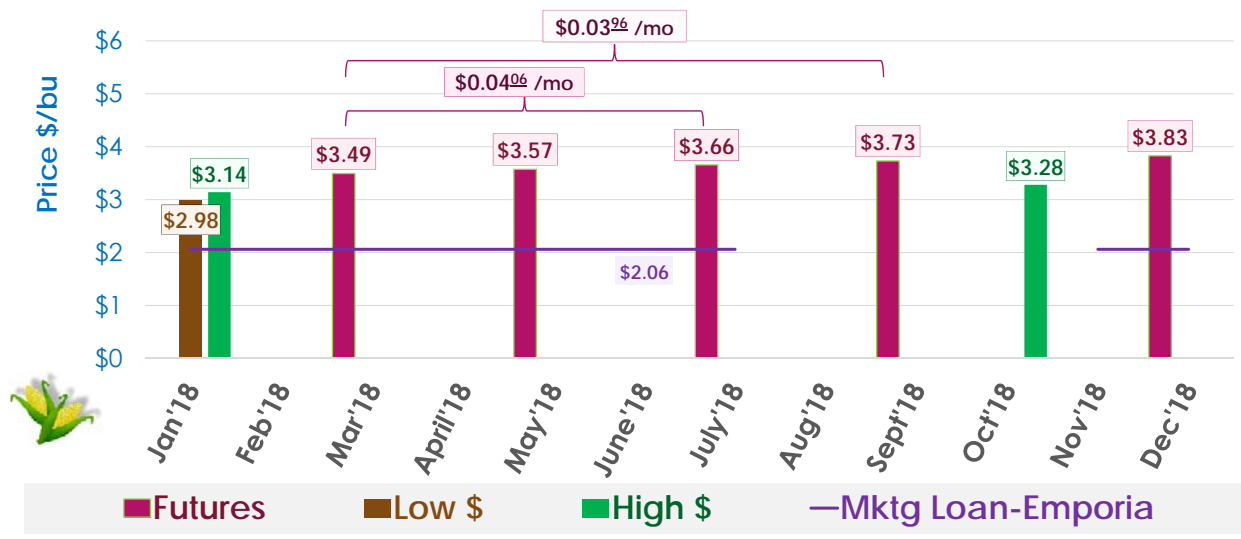
Weekly Chart: November 2008 – December 2017 + 1/10/2018





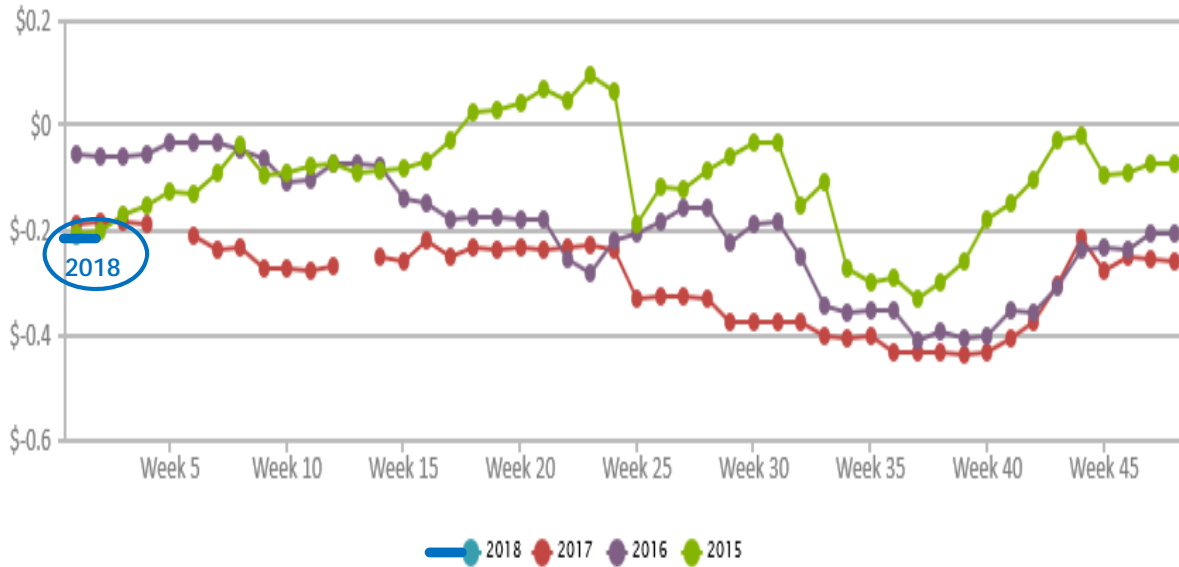
Corn Cash & Futures Prices (\$/bu)

Emporia, KS Local Elevators – January 10, 2018



TOPEKA, KS: Corn Basis - CARGILL

www.AgManager.info

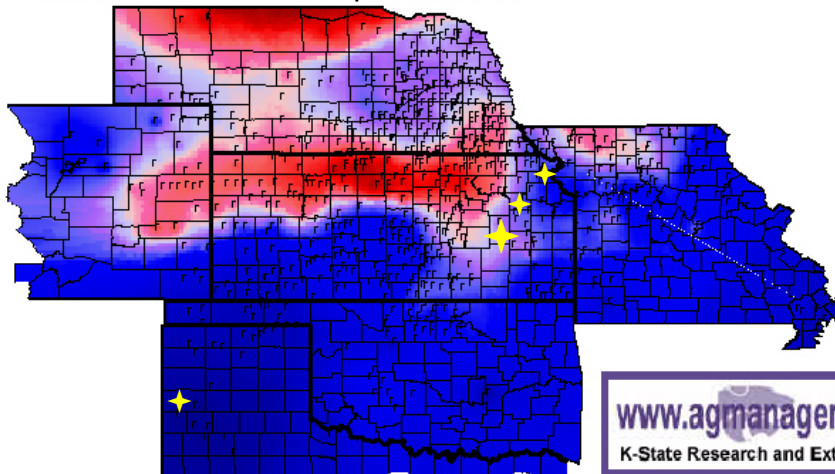
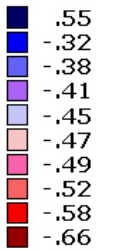


Corn Basis, 01-03-2018

Basis = Cash Price - Nearby Futures Price

CBT Mar
Futures
Price: \$3.53

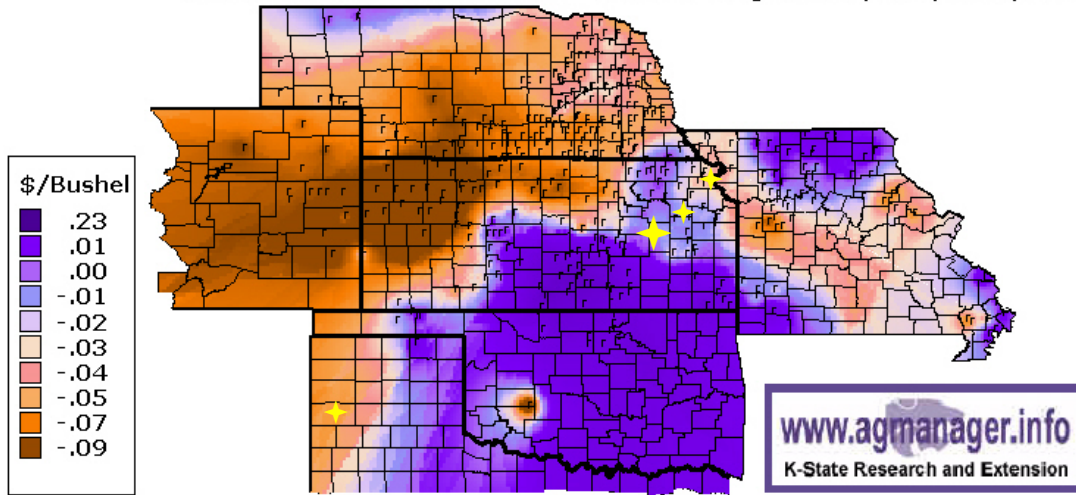
\$/Bushel



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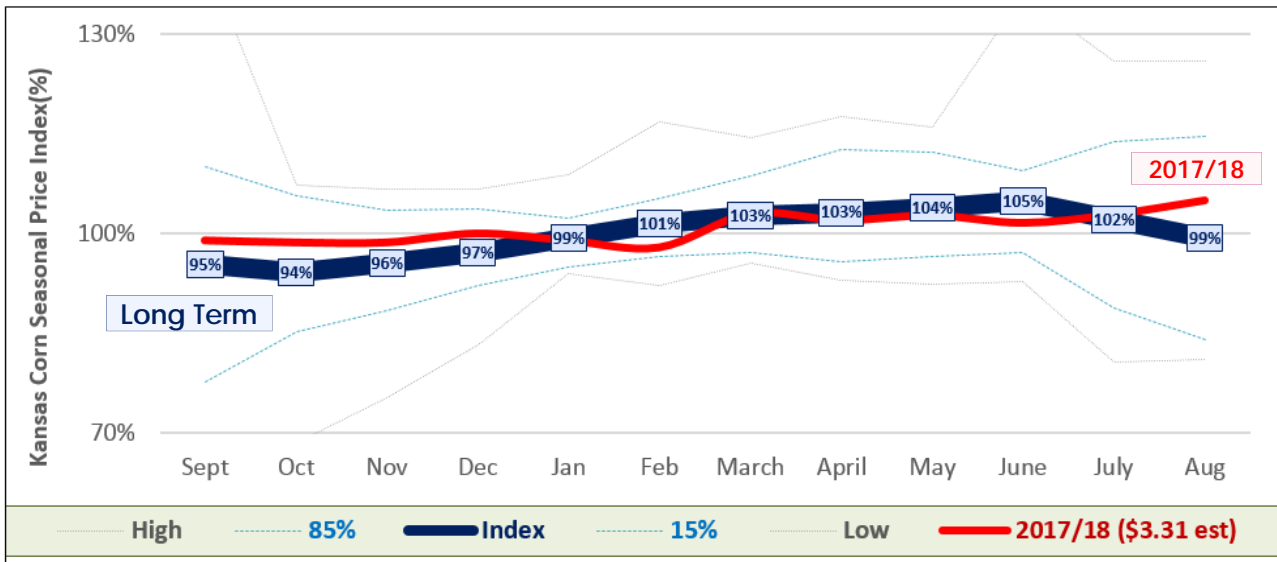
Corn Basis Deviation, 01-03-2018

Basis Deviation = Current Basis - 3 Year Average Basis (2015, 2016, 2017)



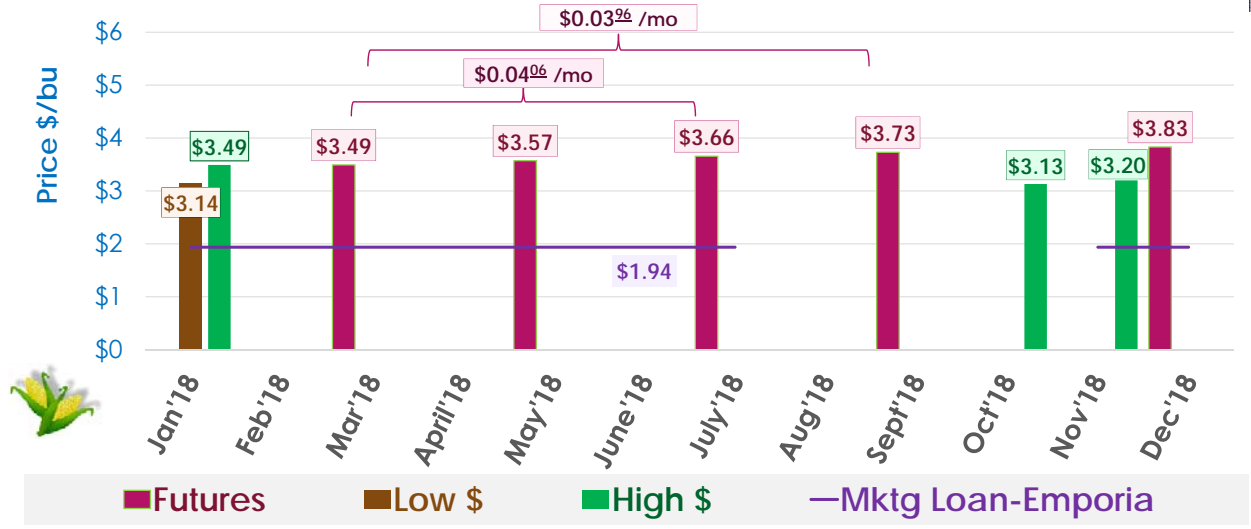
Kansas Corn Seasonal Cash \$ Index

Monthly: Long Term Average & "New Crop" MY 2017/18 Forecast



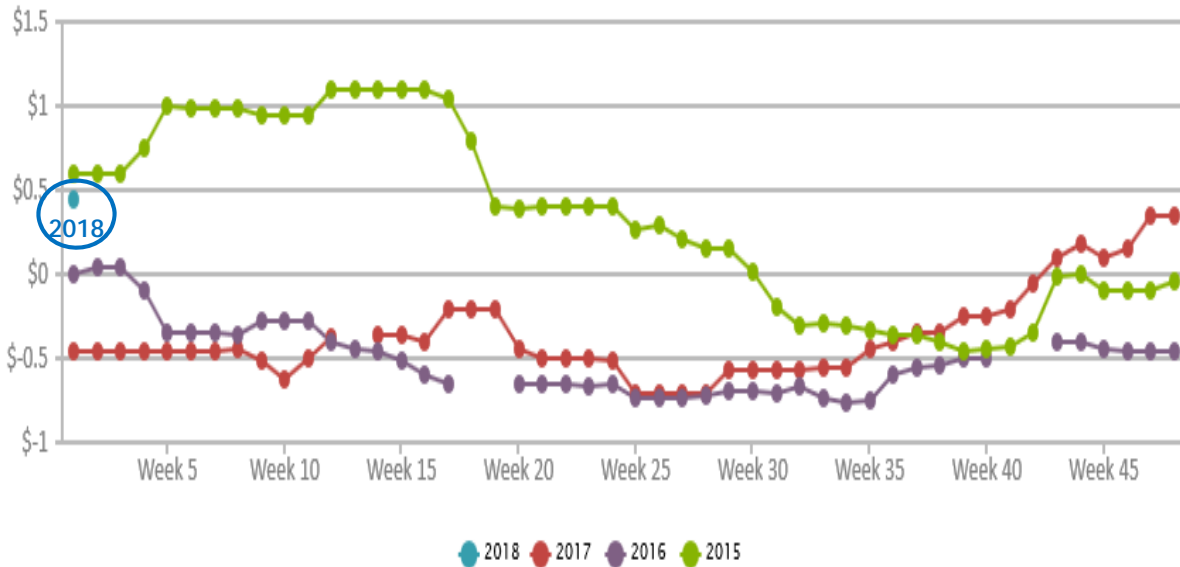
Grain Sorghum Cash & Corn Futures \$'s

Emporia, KS Local Elevators – January 10, 2018



TOPEKA, KS: Grain Sorghum Basis - CARGILL

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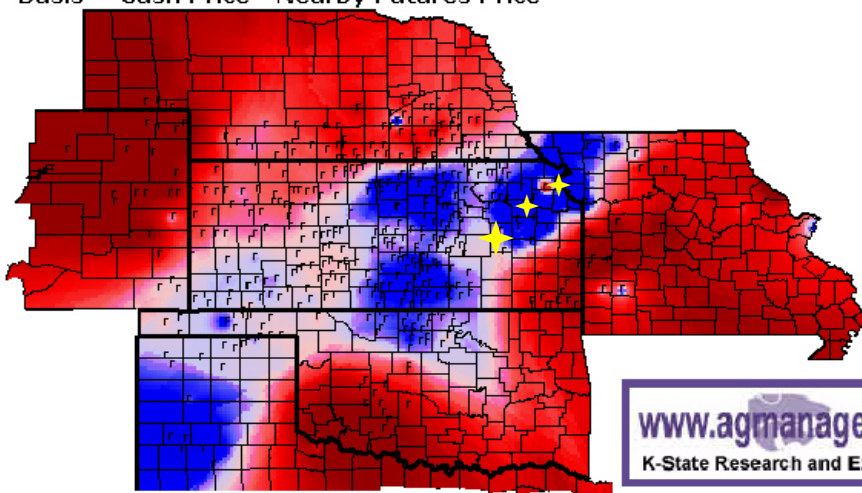
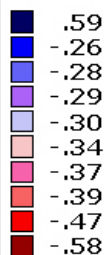


Grain Sorghum Basis, 01-03-2018

Basis = Cash Price - Nearby Futures Price

CBT Corn
Mar Futures
Price: \$3.53

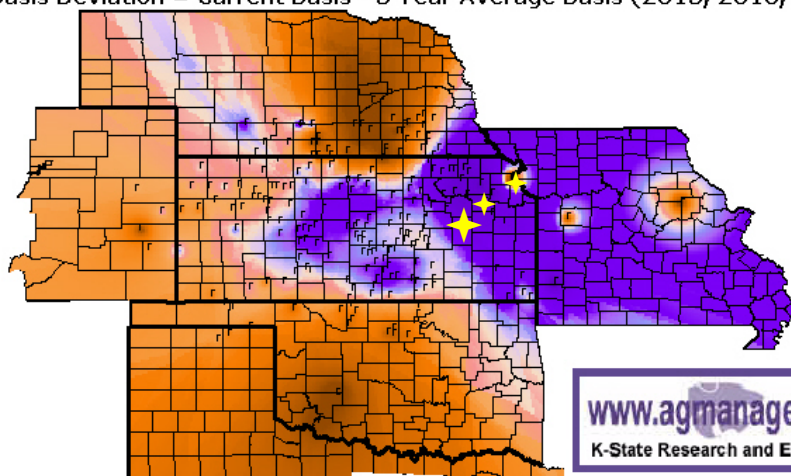
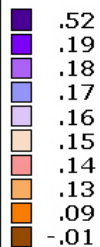
\$/Bushel



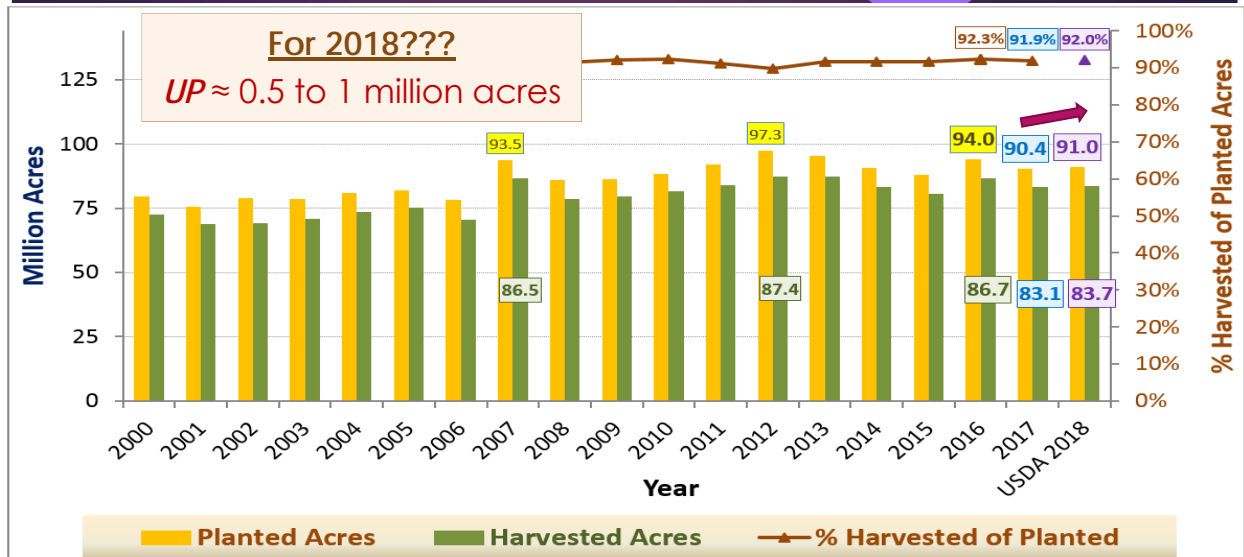
Grain Sorghum Basis Deviation, 01-03-2018

Basis Deviation = Current Basis - 3 Year Average Basis (2015, 2016, 2017)

\$/Bushel



U.S. Corn Acreage



U.S. Corn Yields

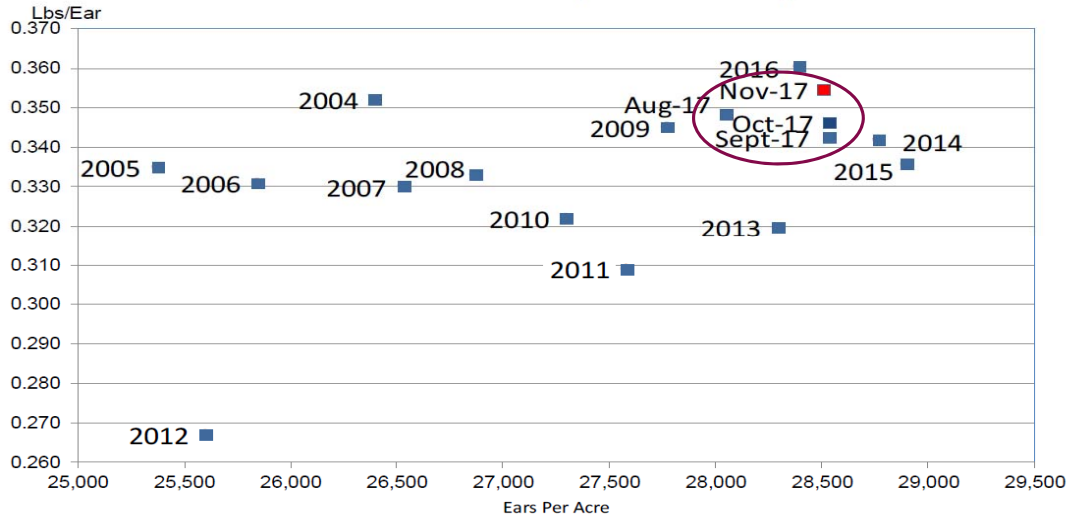
USDA 2017 USDA Forecast = 175.4 bu/ac

Final 2017???
Q? Is >175 bu/ac possible?





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

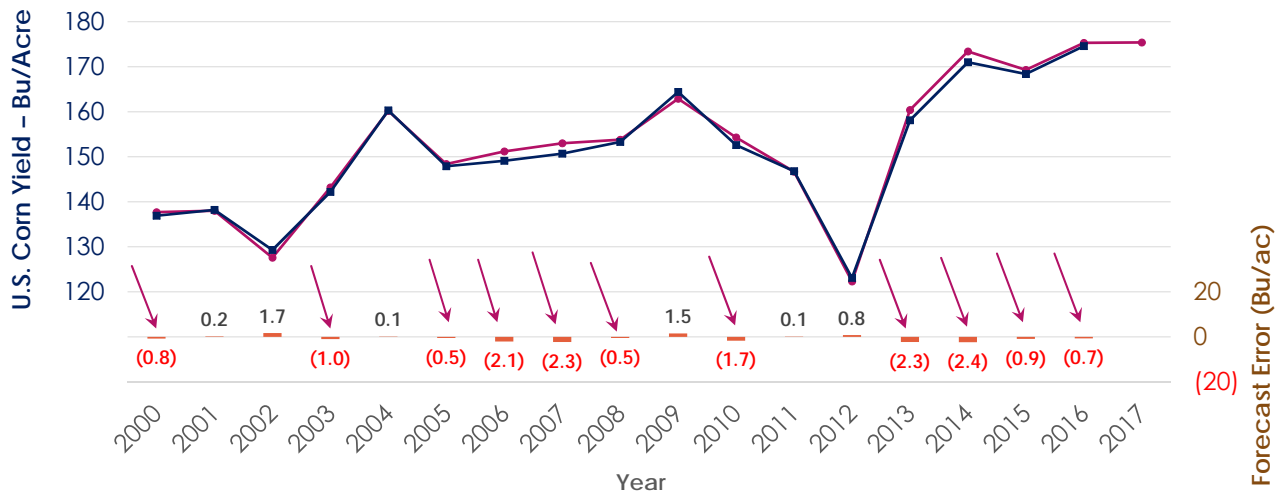


Implied Ear Weight = (Published Yield * 56) / Ears

USDA-NASS
11-9-17

U.S. Corn Yields: 2000-2017

Accuracy of November 1st USDA Forecasts

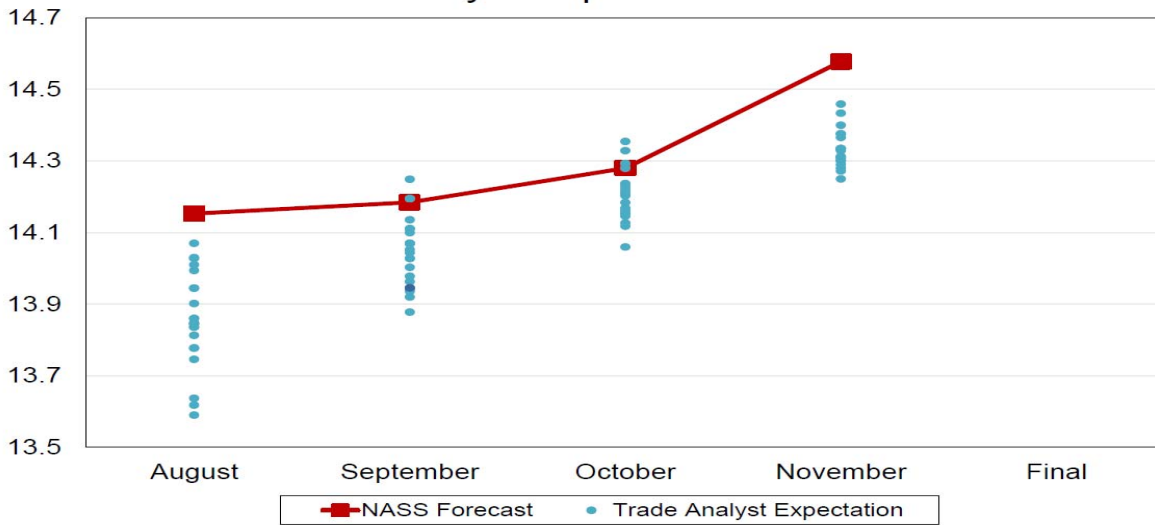


■ Difference (bu/ac) ↖ November 1 USDA Forecast → Final Yield



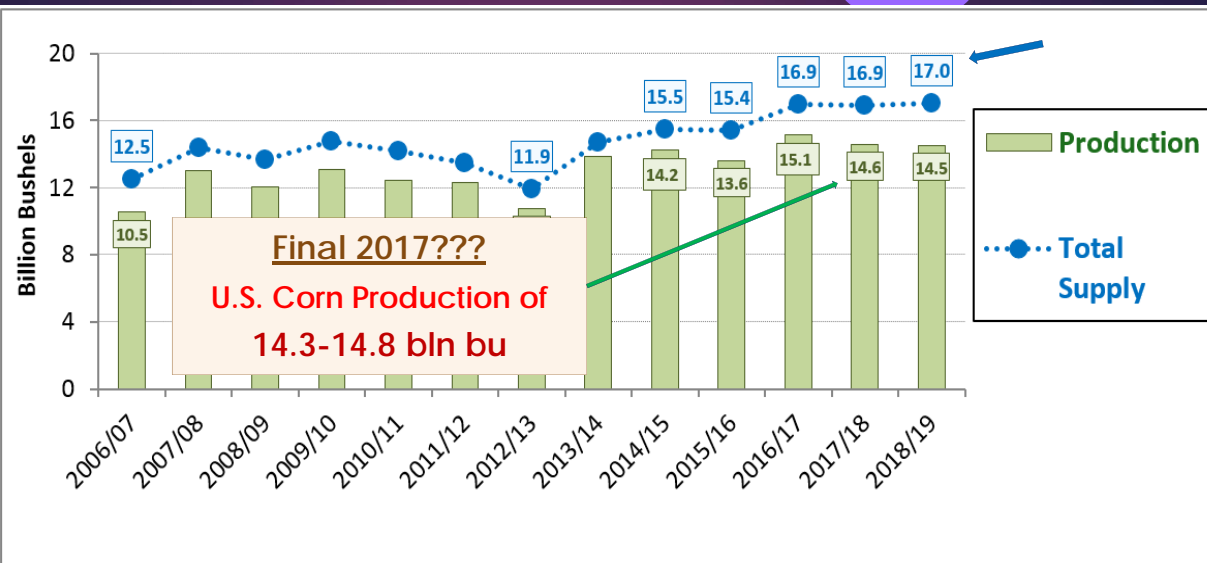
2017 United States Corn Production Trade Analyst Expectations vs NASS

Billion Bushels

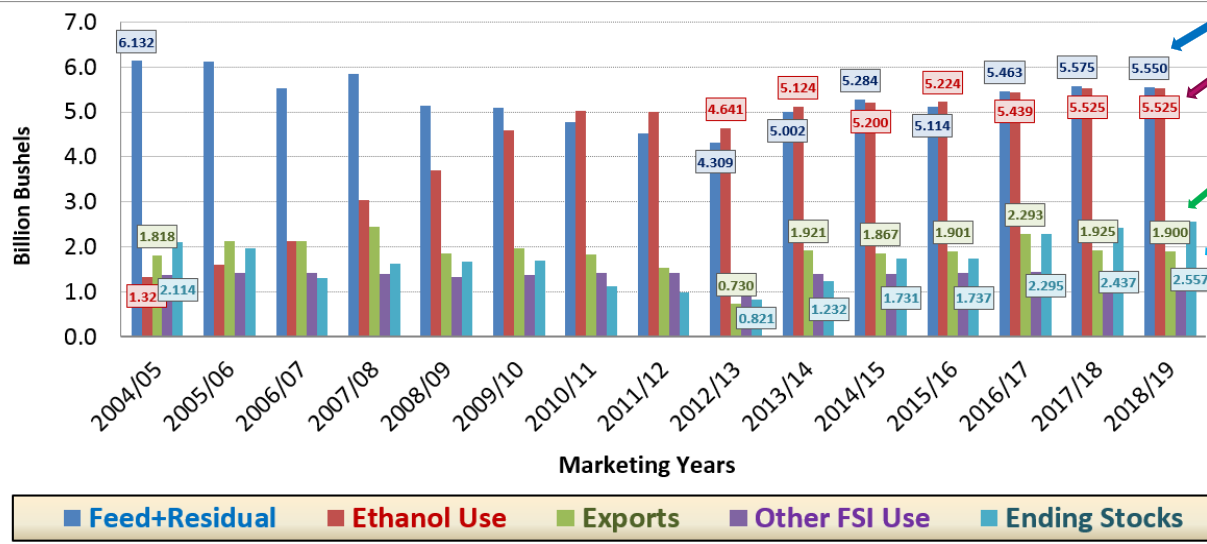


USDA-NASS
11-9-17

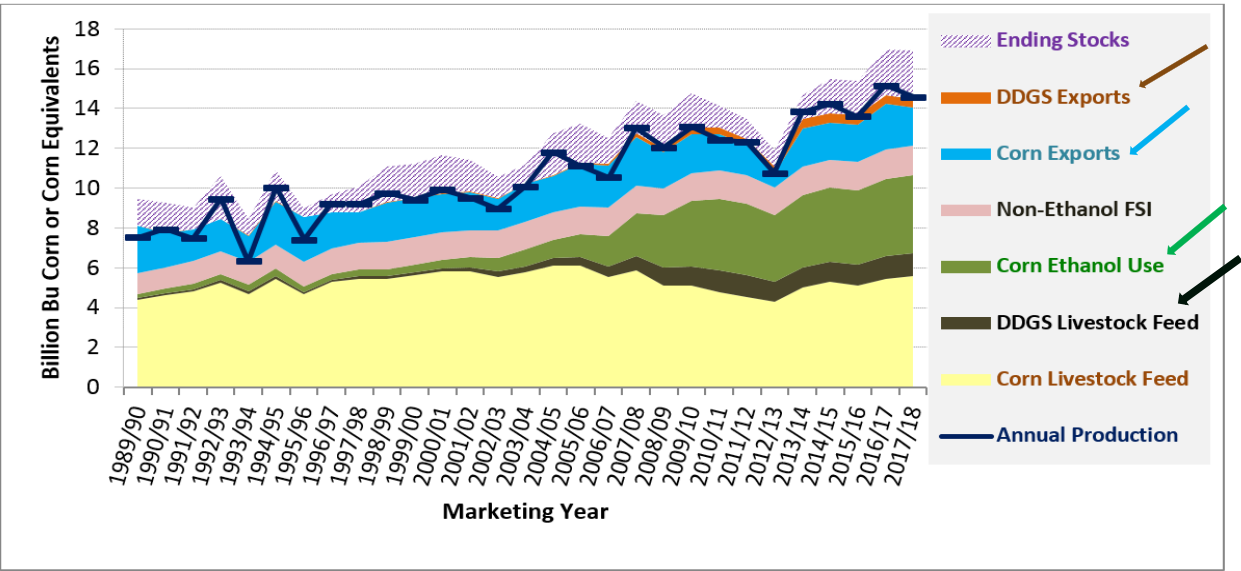
U.S. Corn Production & Supplies



U.S. Corn Use – By Category



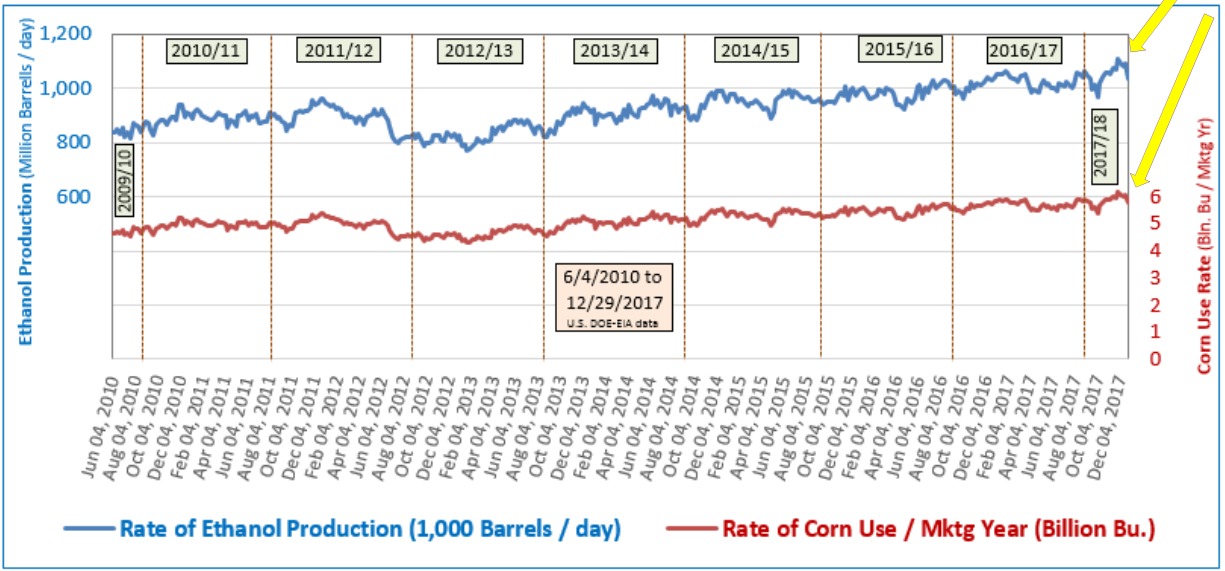
U.S. Corn Use – By Category



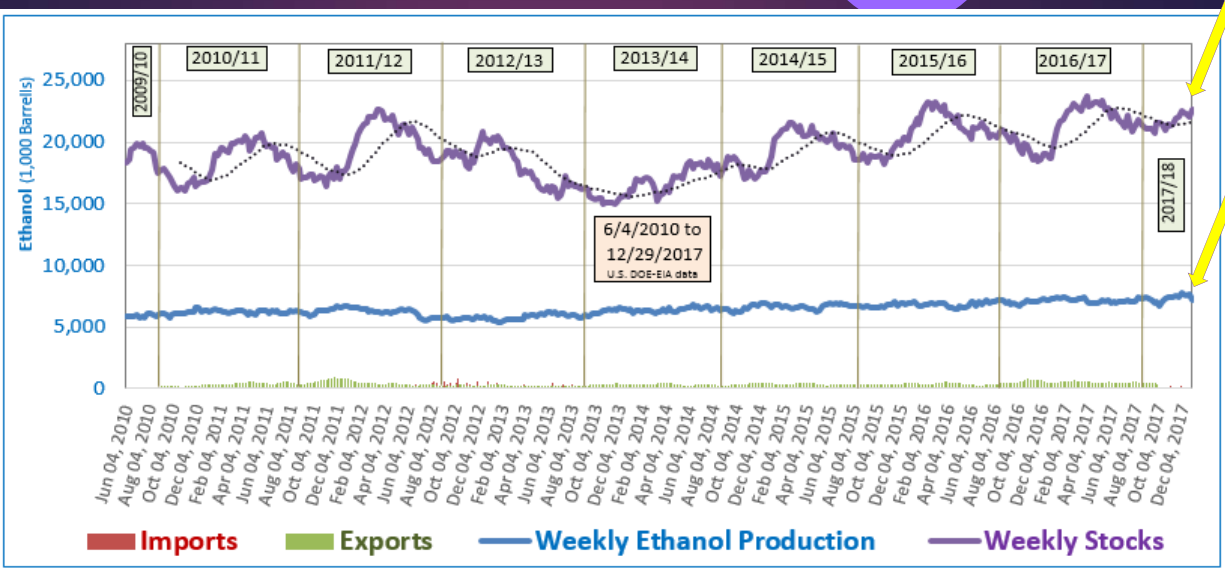
U.S. Meat Production and Prices

	2017 forecast	2018 forecast	2018 Change from November 9	Change from 2017	
Production					
<i>Billion pounds</i>					
Beef	26.30	27.59	-0.03	1.29	+4.9%
Pork	25.56	26.92	-0.01	1.36	+5.3%
Broilers	41.54	42.28	--	0.73	+1.8%
Turkey	6.00	6.03	--	0.03	+0.5%
Total meat	100.16	103.57	-0.04	3.42	+3.4%
Prices					
<i>Dollars/cwt</i>					
Steers	121.42	117.25	--	-4.17	} Prices to decline
Hogs	50.38	47.50	2.50	-2.88	
<i>Cents/lb</i>					
Broilers	93.4	88.5	--	-4.9	} Prices to decline
Turkey	95.7	96.3	-3.0	0.5	

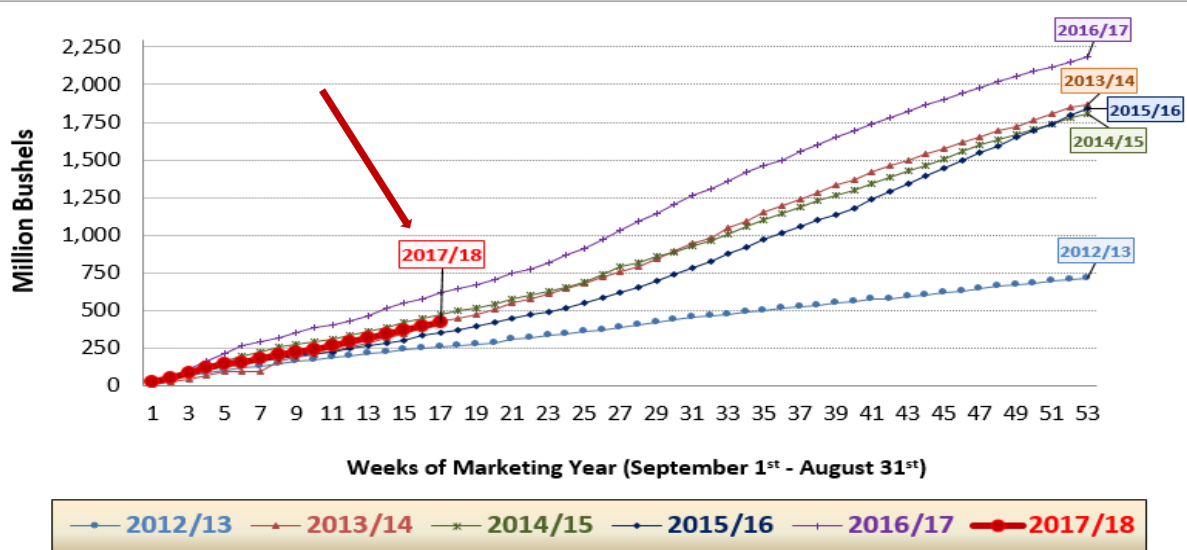
U.S. Corn Ethanol Use - Weekly thru Dec. 29, 2017



U.S. Ethanol Prodn, Stocks, & Trade - Thru 12/29/17

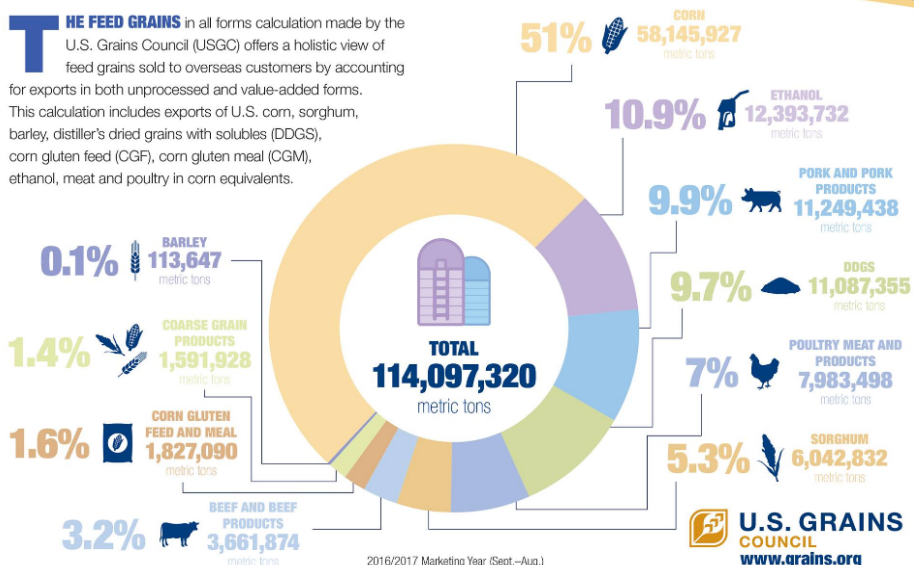


U.S. Corn Exports - Weekly thru December 28, 2017

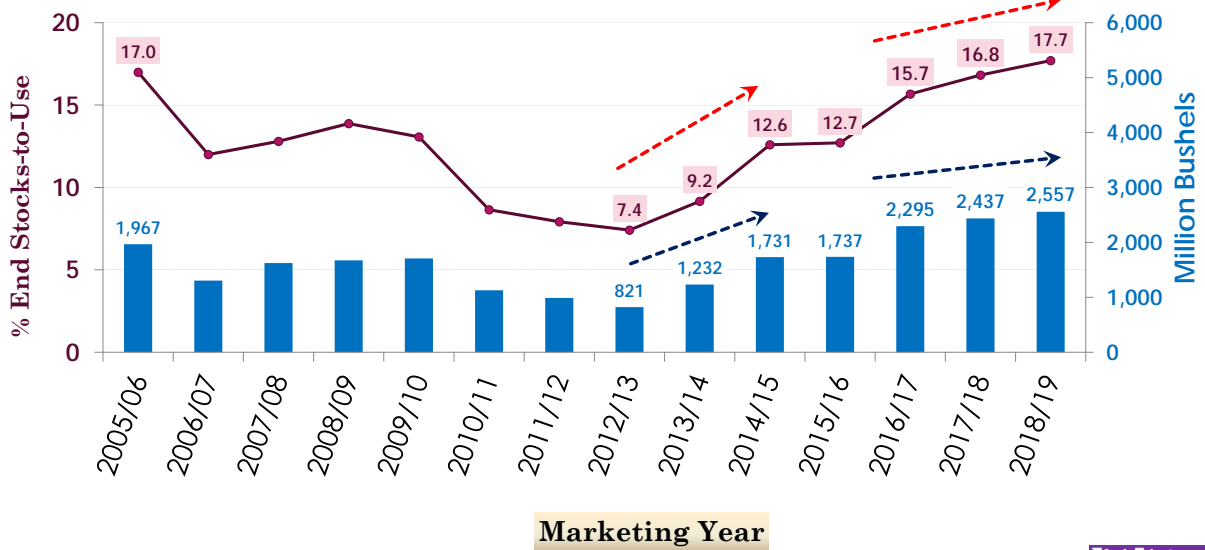


How US Grain Was Exported in 2016/2017

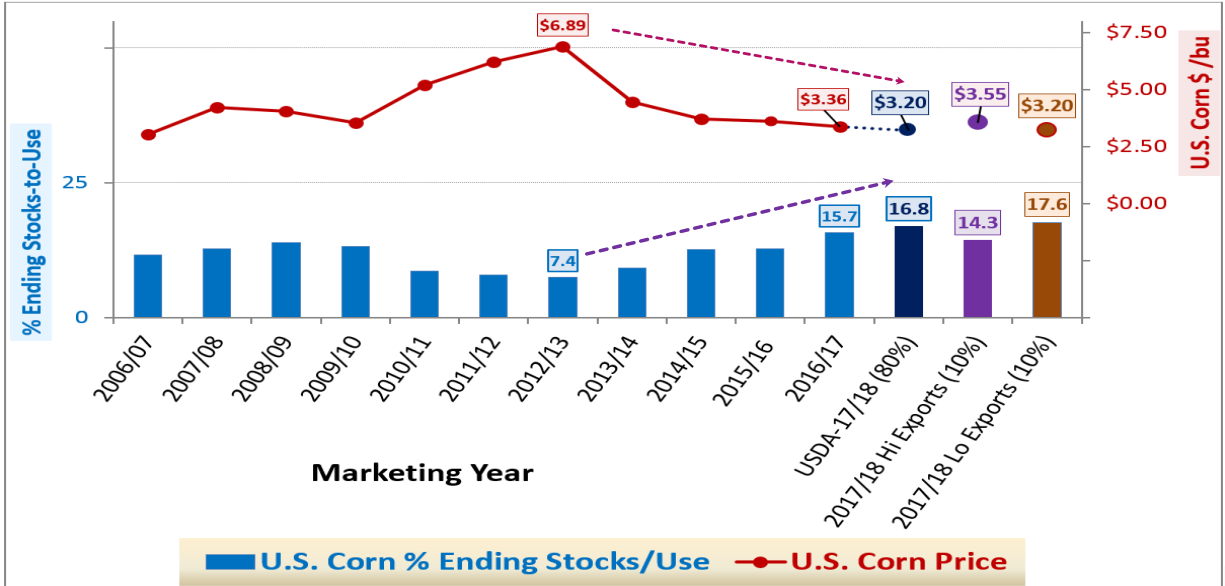
THE FEED GRAINS in all forms calculation made by the U.S. Grains Council (USGC) offers a holistic view of feed grains sold to overseas customers by accounting for exports in both unprocessed and value-added forms. This calculation includes exports of U.S. corn, sorghum, barley, distiller's dried grains with solubles (DDGS), corn gluten feed (CGF), corn gluten meal (CGM), ethanol, meat and poultry in corn equivalents.



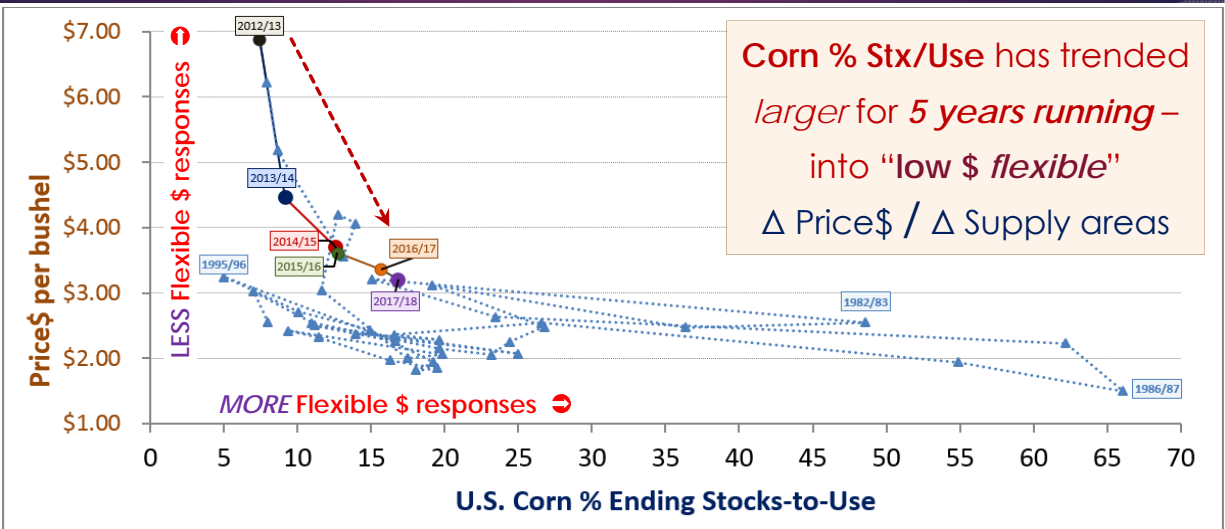
U.S. Corn Ending Stocks & % Stx/Use



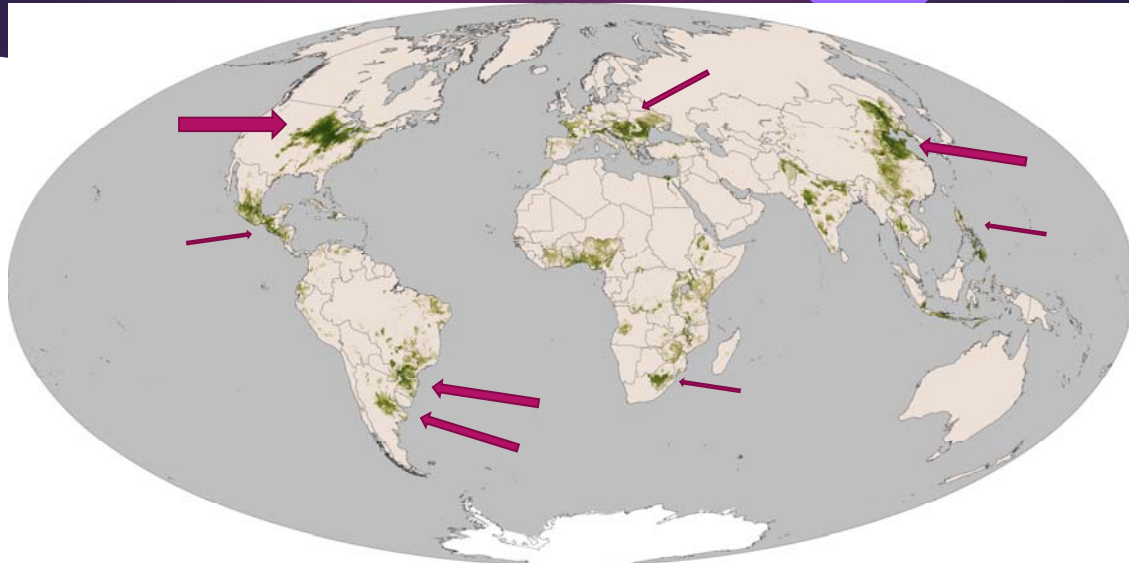
U.S. Corn % Stocks/Use vs Price\$



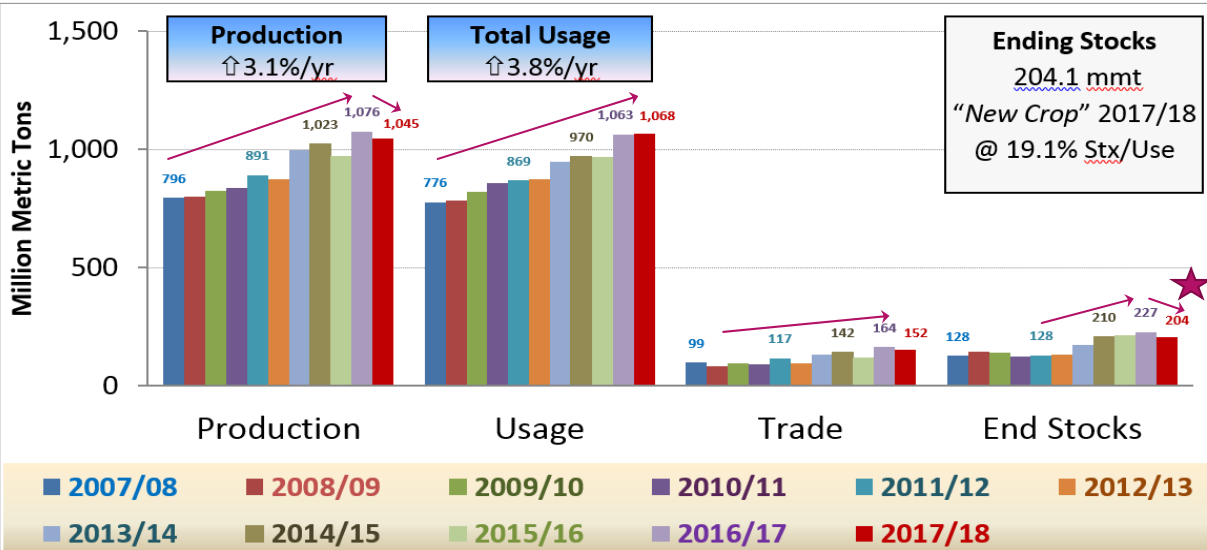
U.S. Corn % Stocks/Use vs Price\$



World Corn (Maize) Production Regions



World Corn Supply, Use & Stocks

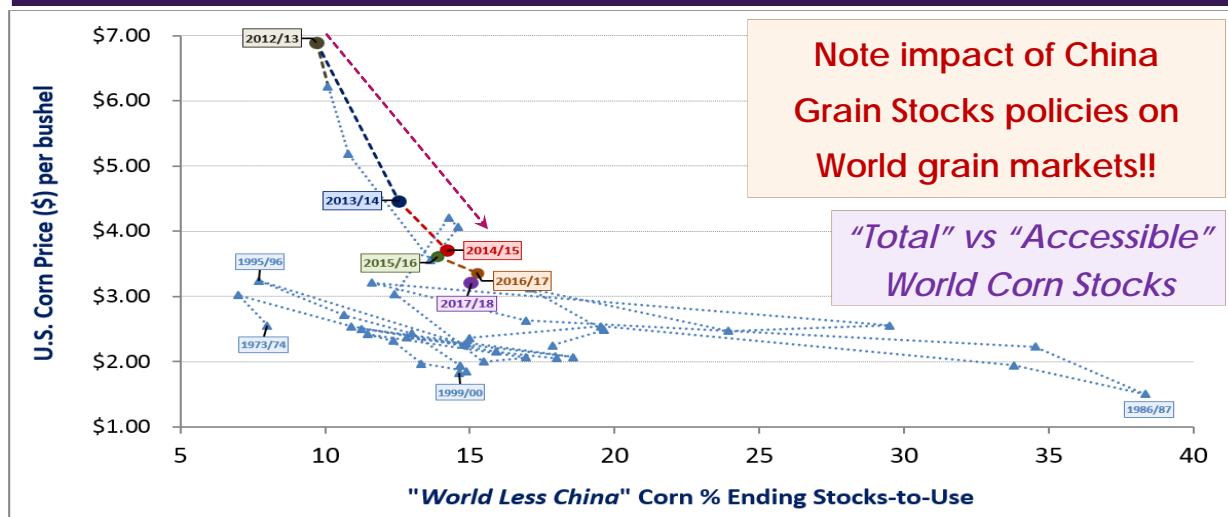


World Corn Production

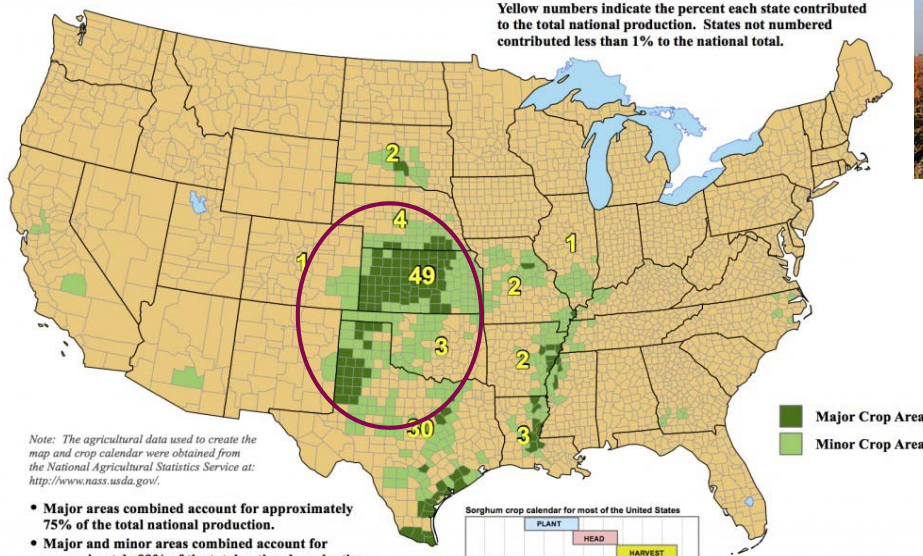
Country or Region	2016/17 estimate	2017/18 forecast	Change from November 9	Change from 2016/17	
<i>Million Tons</i>					
World	1,075.5	1,044.7	0.85	-30.8	} ↓ World Crop BUT still Large Supply
United States	384.8	370.3	--	-14.5	
Foreign	690.8	674.5	0.85	-16.3	} ↓ China ↓ EU ↓ Brazil ↓ FSU-12 ↓ So. Africa ↓ Mexico ↑ Argentina ↑ Canada
Argentina	41.0	42.0	--	1.0	
Brazil	98.5	95.0	--	-3.5	
Mexico	27.6	26.2	--	-1.4	
Canada	13.2	14.1	--	0.9	
European Union	61.5	60.1	0.51	-1.4	
Serbia	7.6	4.0	--	-3.6	
FSU-12	47.3	43.2	-1.00	-4.0	
Ukraine	28.0	25.0	--	-3.0	
Russia	15.3	14.0	-1.00	-1.3	
South Africa	17.5	12.5	--	-5.0	
China	219.6	215.9	0.89	-3.7	
India	26.3	25.0	--	-1.3	

U.S. Corn Price\$ vs "World-China" % S/U

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



United States: Sorghum



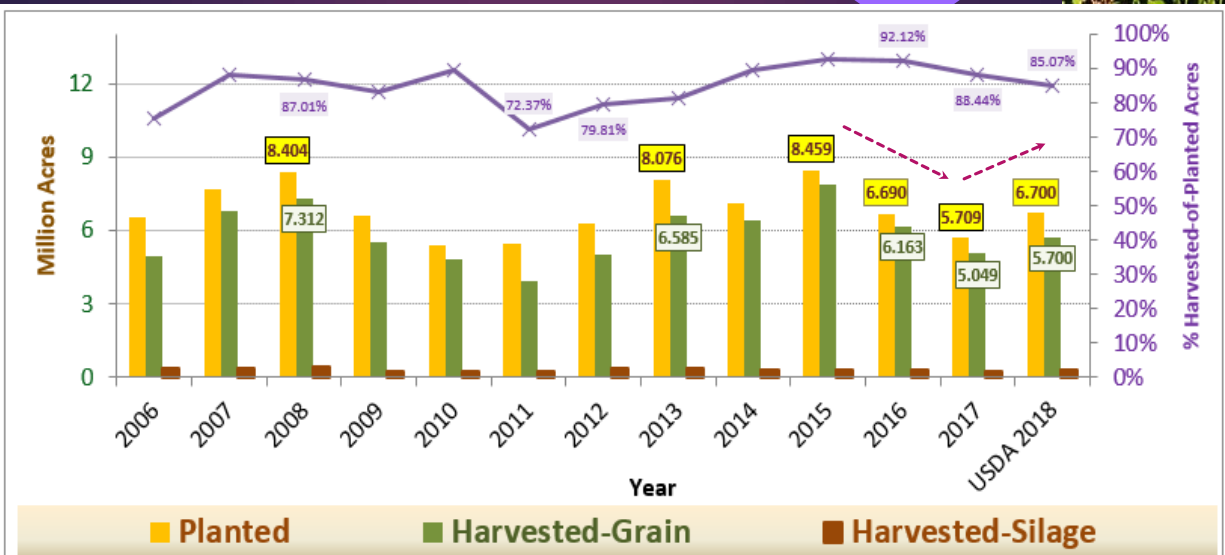
Note: The agricultural data used to create the map and crop calendar were obtained from the National Agricultural Statistics Service at: <http://www.nass.usda.gov/>.

- Major areas combined account for approximately 75% of the total national production.
- Major and minor areas combined account for approximately 99% of the total national production.
- Major and minor areas and state production percentages are derived from NASS county- and state-level production data from 2006-2010.

Crop calendar dates are based upon NASS crop progress data from 2006-2010. The field activities and crop development stages illustrated in the crop calendar represent the average time period when national progress advanced from 10 to 90 percent.

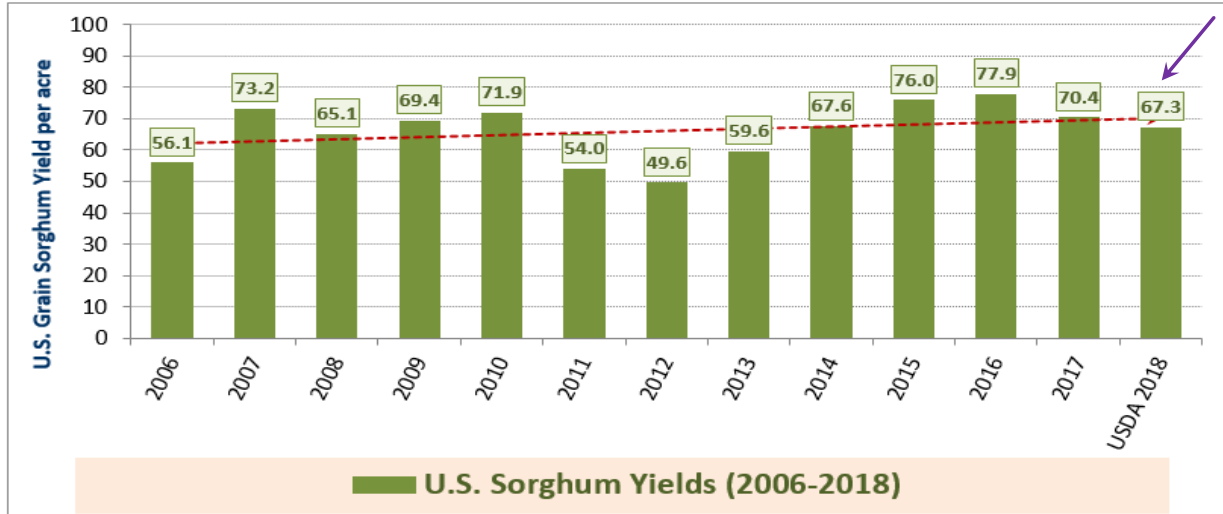
USDA Agricultural Weather Assessments
World Agricultural Outlook Board

U.S. Sorghum Acreage

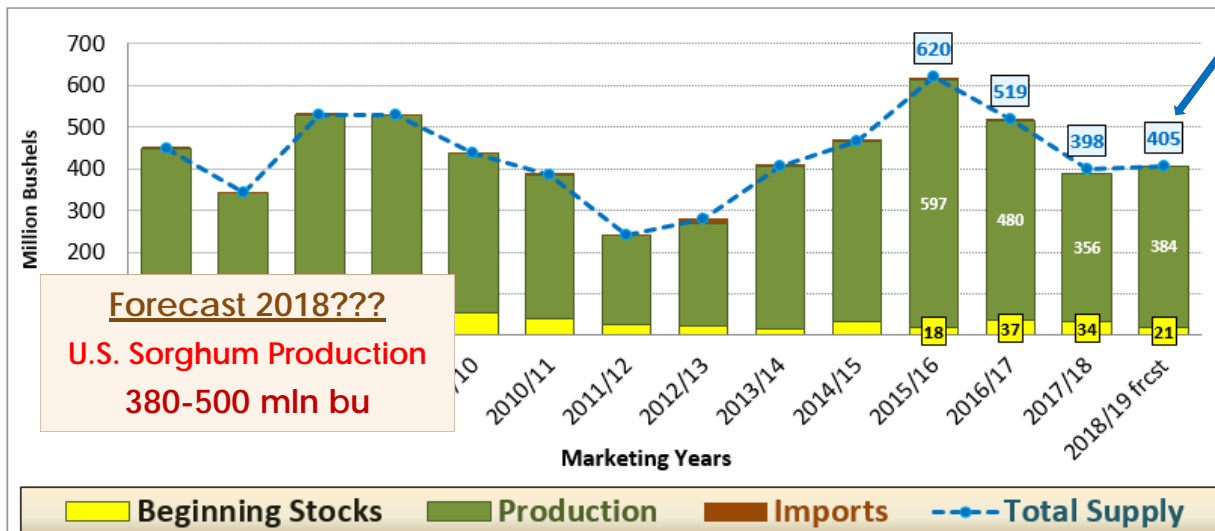


U.S. Sorghum Yields

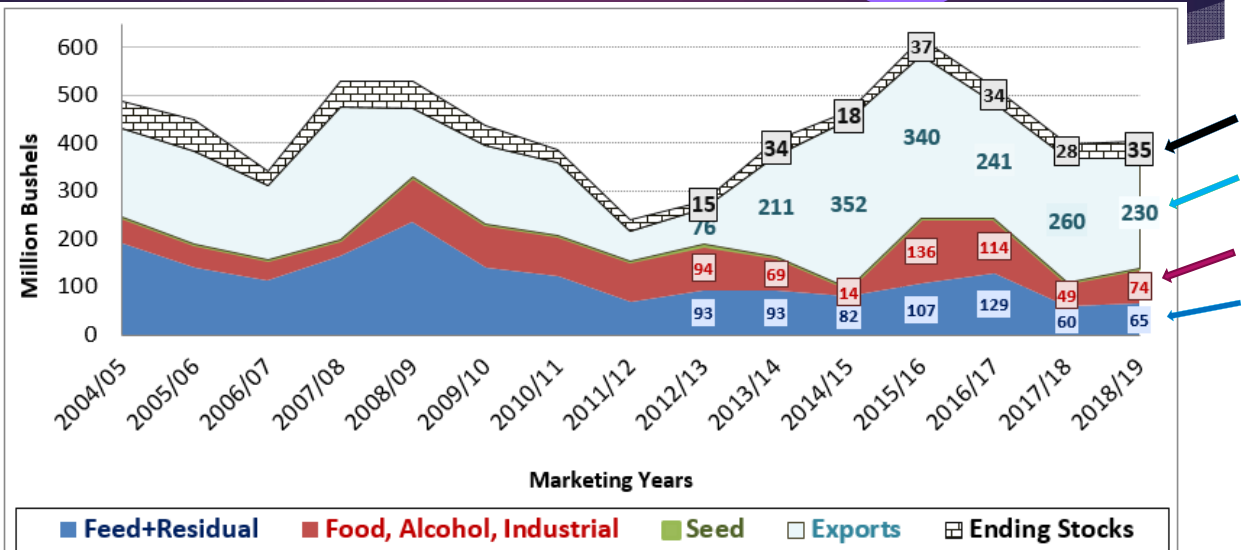
USDA 2018 USDA Forecast = 67.3 bu/ac



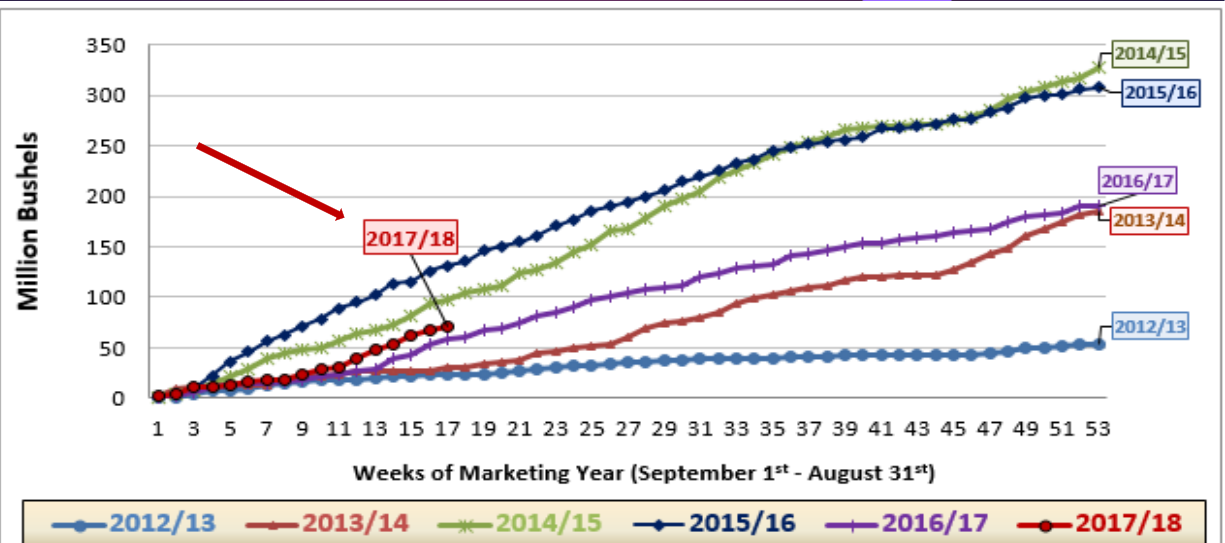
U.S. Sorghum Crop & Supplies



U.S. Sorghum Use – By Category



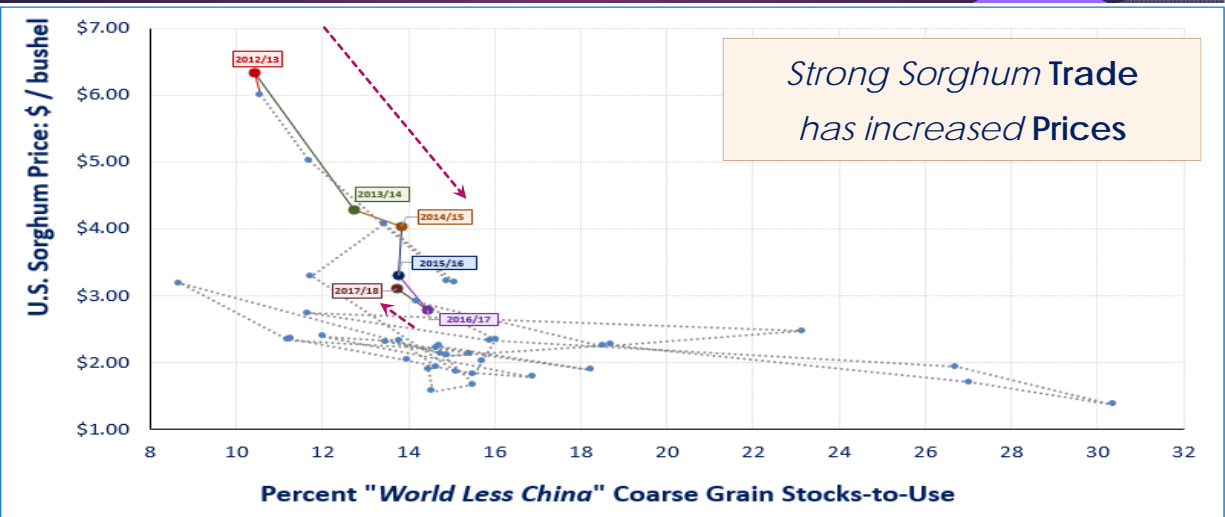
U.S. Sorghum Exports – Weekly thru December 28, 2017





U.S. Milo \$ vs U.S. Feedgrain % Stocks/Use

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



Soybean & Cotton Markets



KANSAS STATE UNIVERSITY Department of Agricultural Economics

USDA



U.S. Soybean Market Prospects

- *Strong Use & Exports - BUT Large Stocks, & Weaker Prices*
 - U.S. soybean exports in 2017/18 to be *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 have emerged in fall-winter 2017-2018 re: **2018 South American soybean crop risk** (*i.e., La Nina effects, etc.*)

U.S. Soybean Supply-Use

- 2017 U.S. Soybean Production & Supplies @ *record HIGHS*
- Large Soybean Stocks in U.S. & So. America** limit Price\$'s
- Low Price\$'s support Use in "*New Crop*" MY 2017/18 ***
 - Soy Crush^{2017/18} = 1.940 bln bu (*Record - vs 1.899 bb 1 year ago*)
 - Exports^{2017/18} = 2.225 bln bu (*Record - vs 2.174 bb 1 year ago*)
 - Total Use^{2017/18} = 4.306 bln bu (*Record - vs 4.214 bb 1 year ago*)
 - SBM Use^{2017/18} = 46.5 mln tons (*vs 44.95 in MY 2016/17 & 45.1 in MY 2015/16*)

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

- Soybean: "Large" Stocks & % S/U

- End Stocks ^{2017/18} ⇒ 445 mln bu (High vs 574 mb in 2006/07)

- % Stocks/Use ^{2017/18} ⇒ 10.3% S/U (High vs 18.6% in 2006/07)

- Cotton: "Large" 2017 Crop & "Growing" Stocks

- Production ^{2017/18} ⇒ 21.4 mln bales (17.2 & 12.9 mb last 2 years)

- End Stocks ^{2017/18} ⇒ 5.8 mln bales (2.75 & 3.8 mb last 2 years)

- % Stocks/Use ^{2017/18} ⇒ 32.0% S/U** (15.1% & 30.2% last 2 years)



CME Soybean Futures

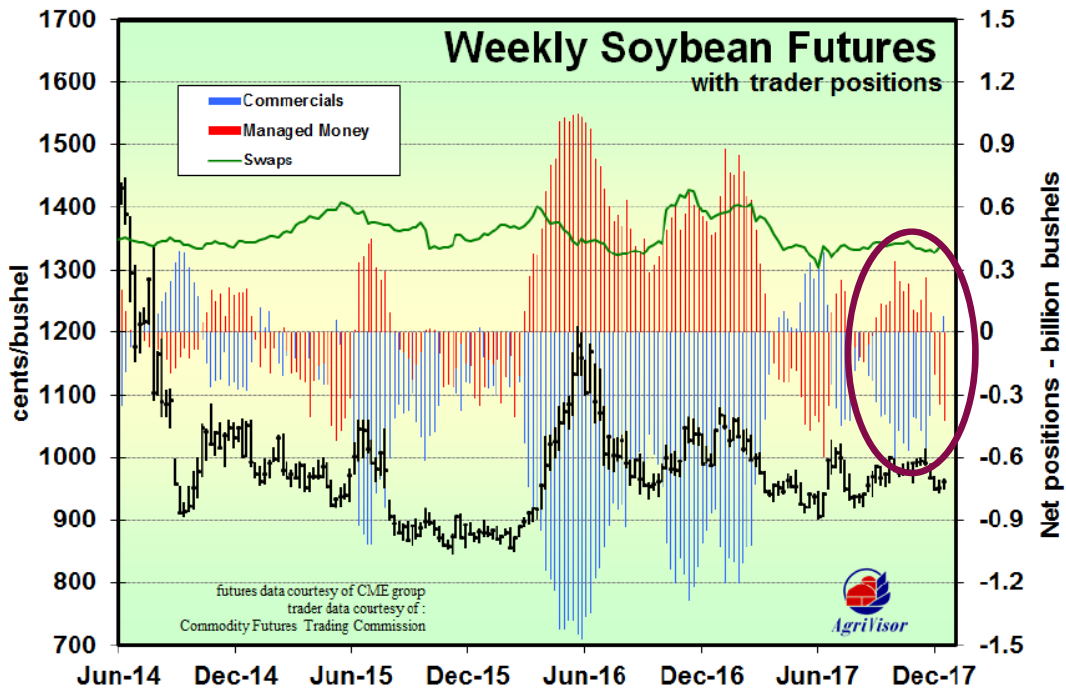
Monthly Chart: November 2008 – December 2017 + January 10, 2018



CME Soybean Futures

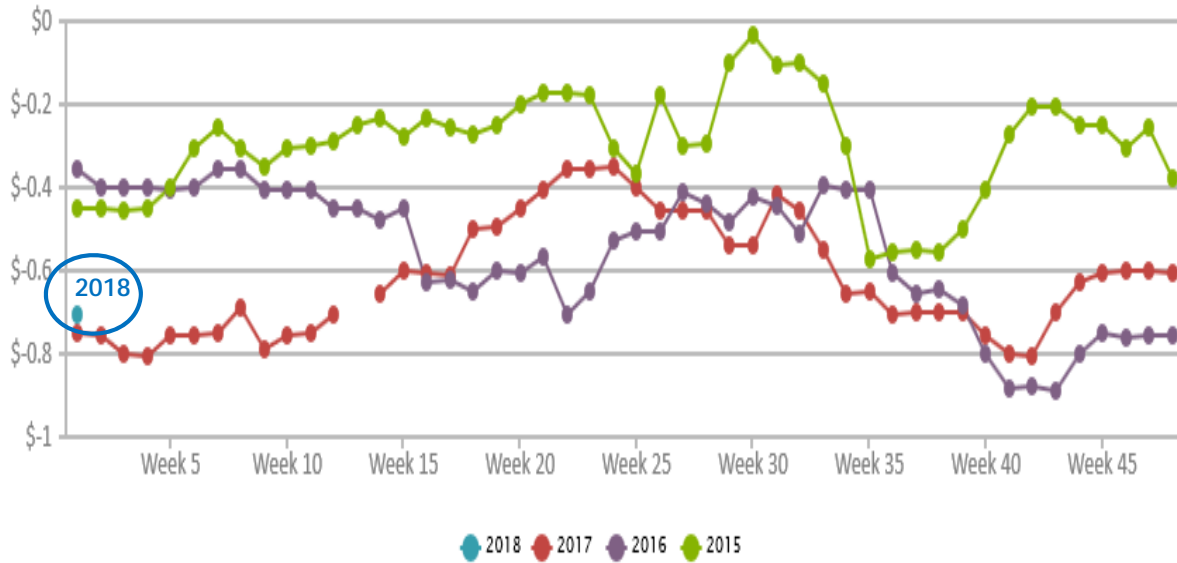


Monthly Chart: November 2008 – December 2017 + January 10, 2018



TOPEKA, KS: Soybeans Basis - CARGILL

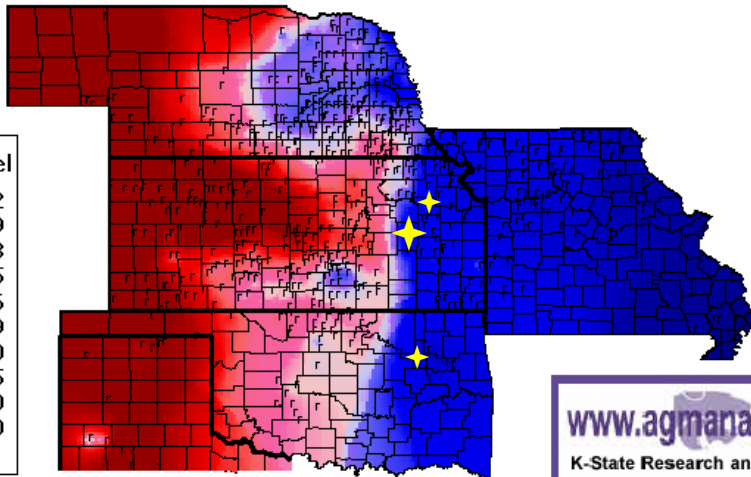
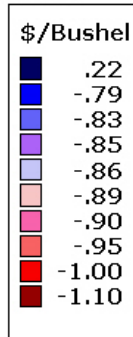
www.AgManager.info



Soybean Basis, 01-03-2018

Basis = Cash Price - Nearby Futures Price

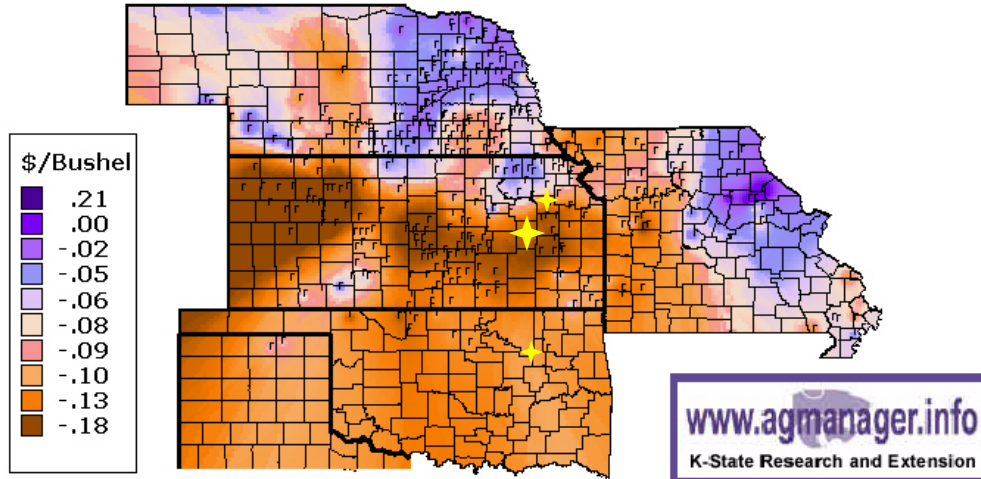
CBT Mar
Futures
Price: \$9.60



www.agmanager.info
K-State Research and Extension

Soybean Basis Deviation, 01-03-2018

Basis Deviation = Current Basis - 3 Year Average Basis (2015, 2016, 2017)



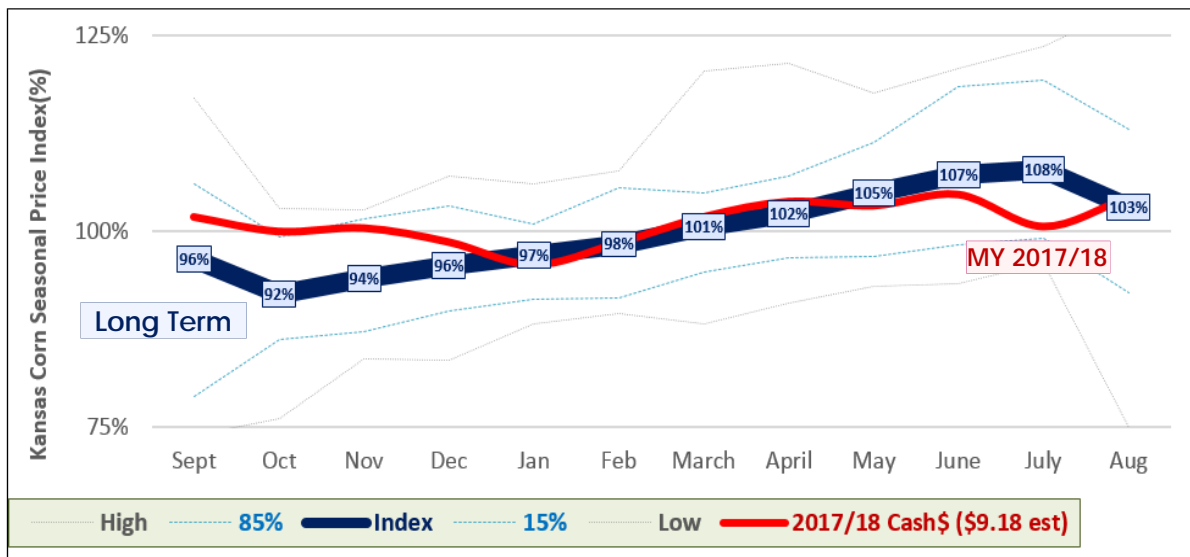
Soybean Cash & Futures Price\$'s

Emporia, KS Local Elevators - January 10, 2018



Kansas Soybean Seasonal Cash \$ Index

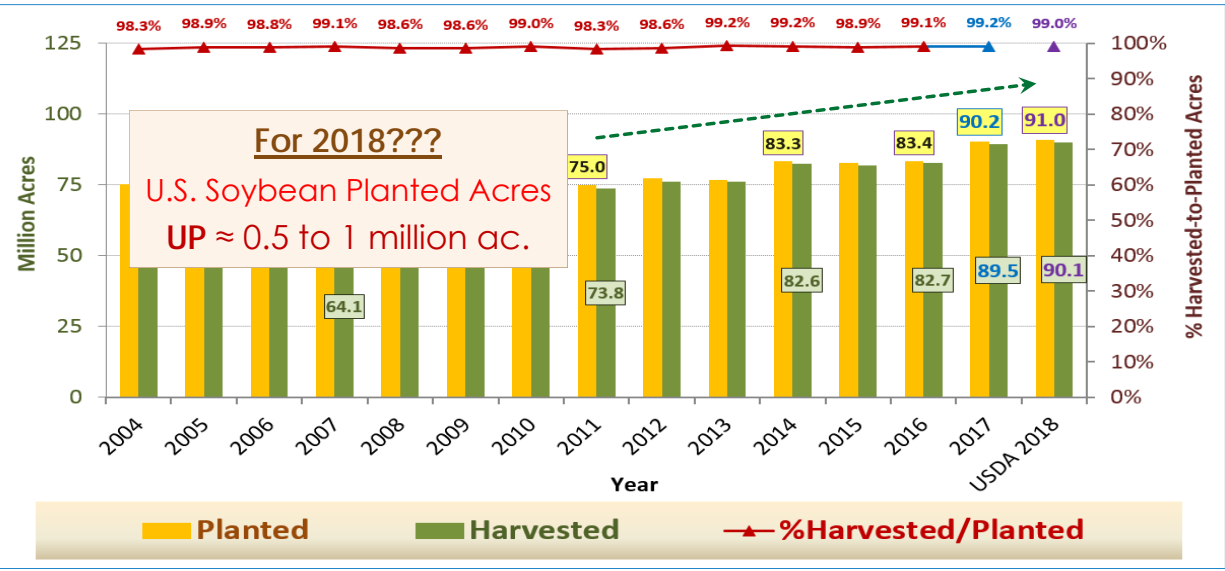
Monthly Prices: Long Term Average + "New Crop" MY 2017/18



U.S. Soybean Supply and Demand

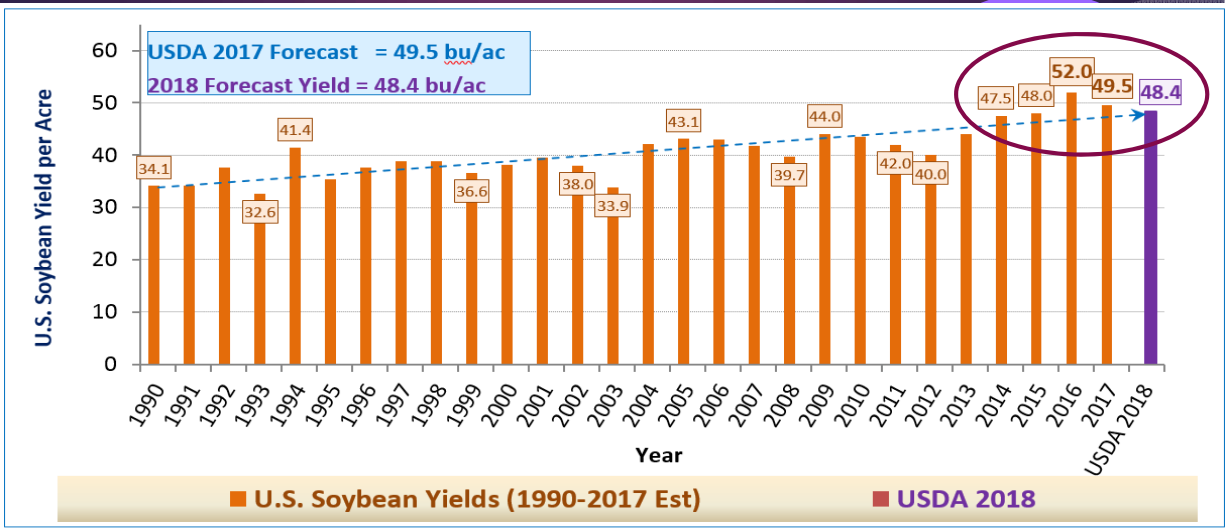
	2016/17 estimate	2017/18 forecast	Change from November 9	Change from 2016/17	
Planted area (million acres)	83.4	90.2	--	6.8	↑ Record Crop and Large Supply
Harvested area (million acres)	82.7	89.5	--	6.8	
Yield (bushels per acre)	52.0	49.5	--	-2.5	
		<i>Million bushels</i>			
Beginning stocks	197	301	--	105	↑ Record Use & ↑ Exports
Production	4,296	4,425	--	129	
Imports	22	25	--	3	
Total supply	4,515	4,752	--	237	↑ Stocks/Use & ↓ Prices
Crush	1,899	1,940	--	41	
Seed and residual	141	141	5	0	
Domestic use	2,040	2,081	5	41	
Exports	2,174	2,225	-25	51	
Total use	4,214	4,306	-20	92	
Ending stocks	301	445	20	144	
		<i>Percent</i>			
Stocks to use ratio	7.2	10.3	0.5	3.2	
		<i>Dollars per bushel</i>			
Average market price	9.47	8.60/10.00	--	-0.17	

U.S. Soybean Acreage



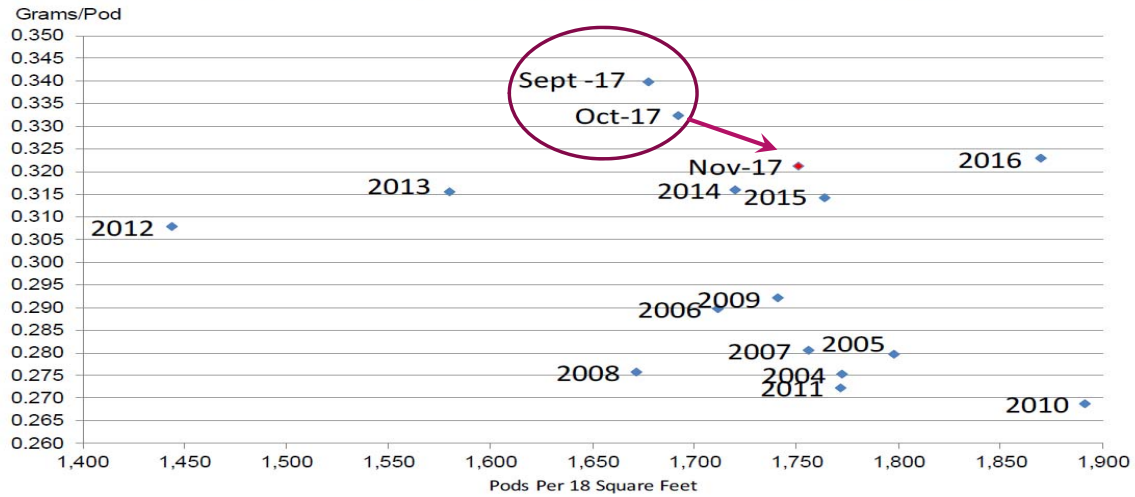
U.S. Soybean Yields

USDA 2017 = 49.5 bu/ac; 2018 Forecast = 48.4





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

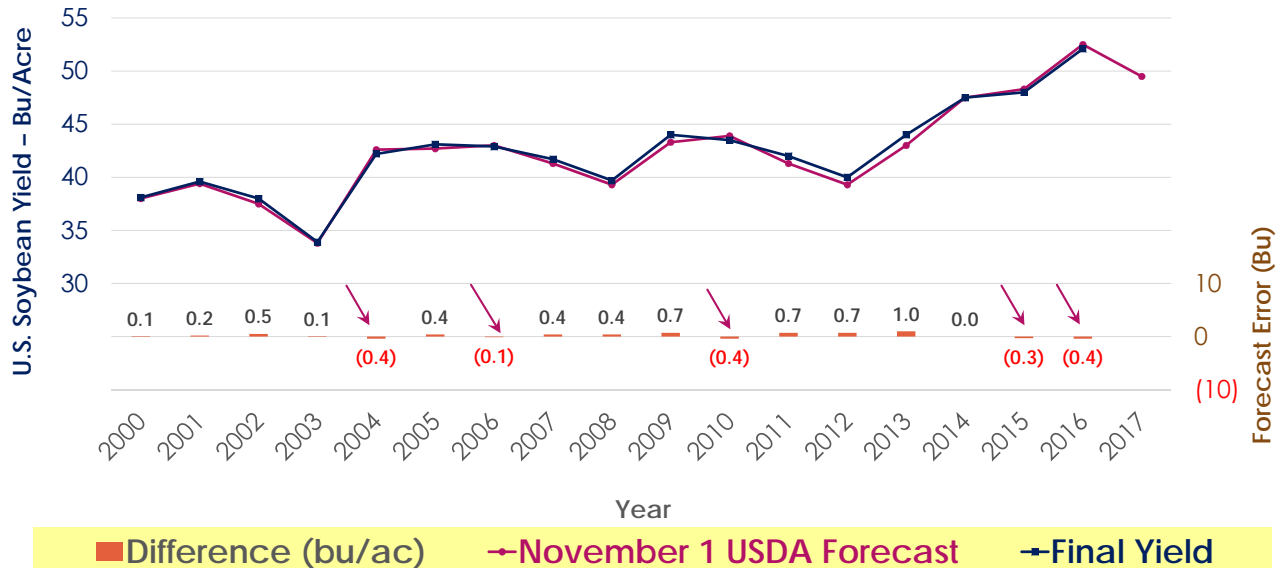


Implied Pod Weight = (Published Yield / Pods) / 0.0889

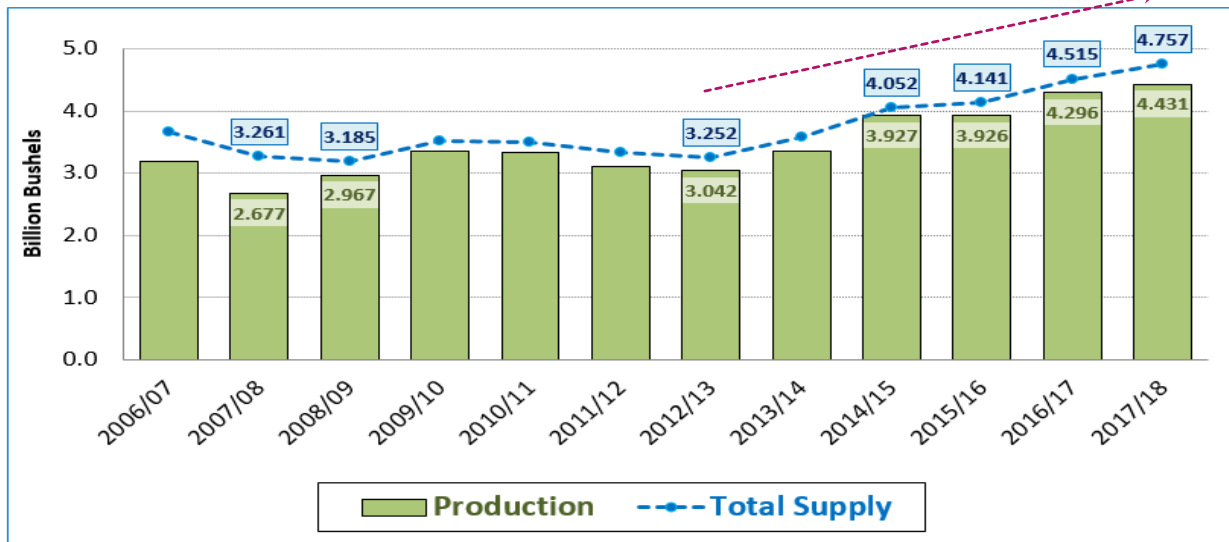
USDA-NASS
11-9-17

U.S. Soybean Yields: 2000-2017

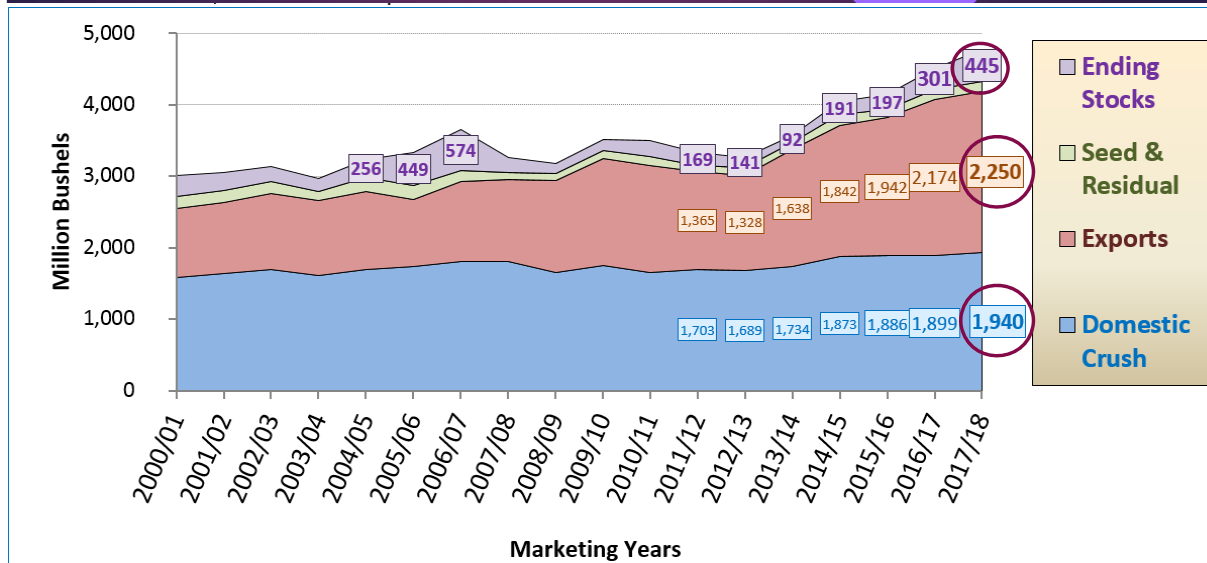
Accuracy of November 1st USDA Forecasts



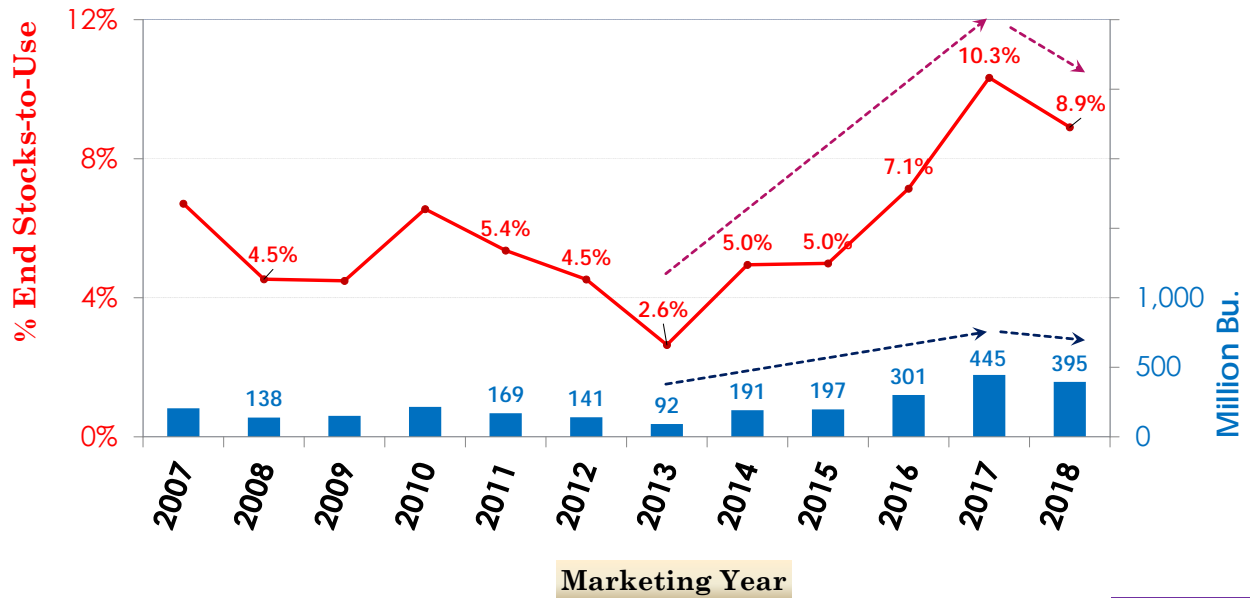
U.S. Soybean Production & Supplies



U.S. Soybean Use & End Stocks



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

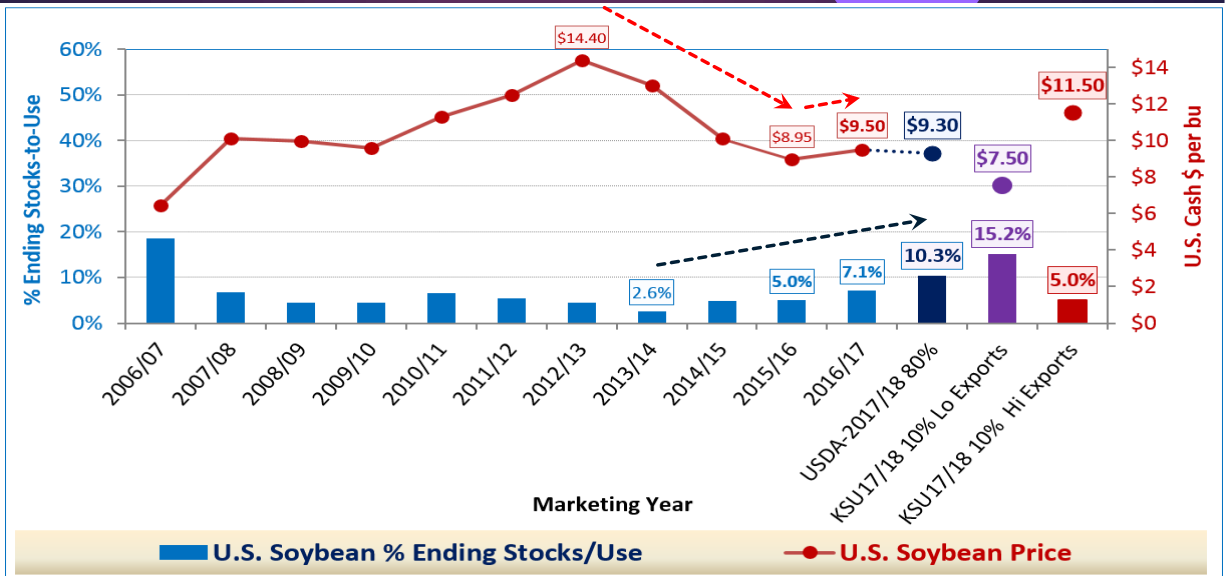


Ernst & Young



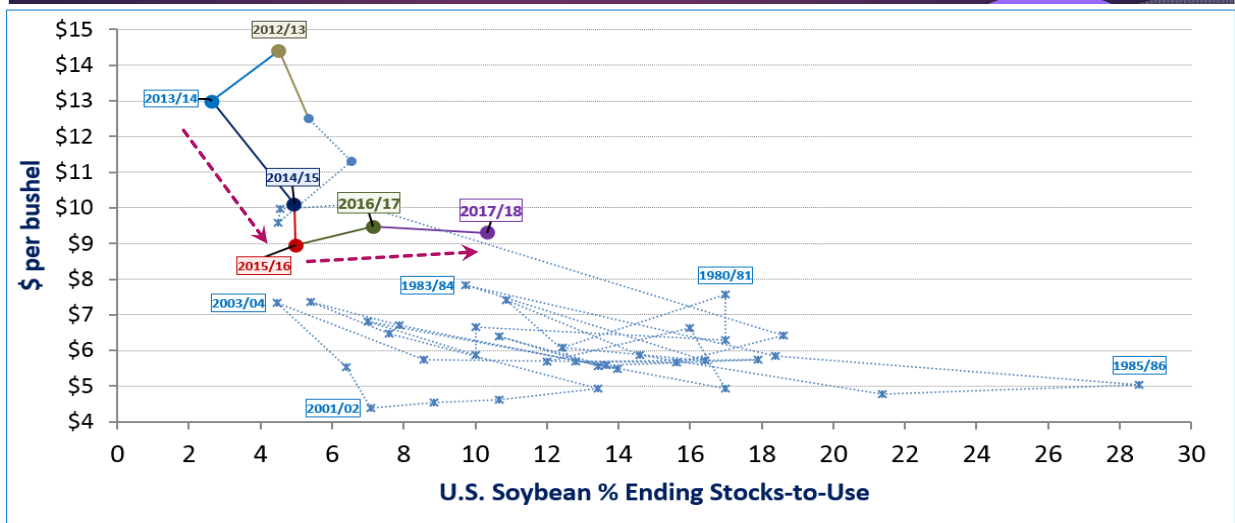


U.S. Soybean % Stocks/Use vs Price\$

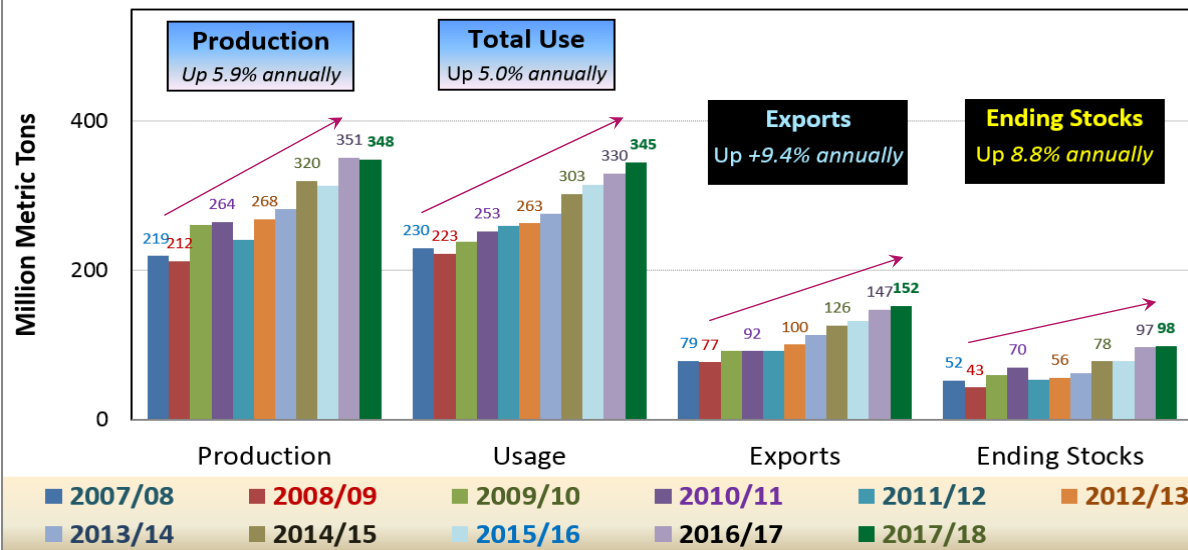


U.S. Soybean \$ vs U.S. Stx-to-Use

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



World Soybean Supply, Use & Stocks



Agribusiness Intelligence



edn PROGRESSIVE FARMER

Brazil Logistics Improve - 1

World Soybean Production

Country or Region	2016/17 estimate	2017/18 forecast	Change from November 9	Change from 2016/17	
<i>Million Tons</i>					
World	351.3	348.5	-0.4	-2.8	↓ World Crop ↑ U.S. Crop ↓ Foreign Crop
United States	116.9	120.4	--	3.5	
Foreign	234.4	228.0	-0.4	-6.4	
Argentina	57.8	57.0	--	-0.8	↑ Canada ↑ China ↓ Brazil** ↓ Argentina** ↓ Paraguay ↓ India
Brazil	114.1	108.0	--	-6.1	
Paraguay	10.7	9.4	--	-1.3	
Canada	6.6	8.0	-0.2	1.4	
India	11.5	10.0	--	-1.5	
China	12.9	14.2	--	1.3	

World Soybean Supply and Use

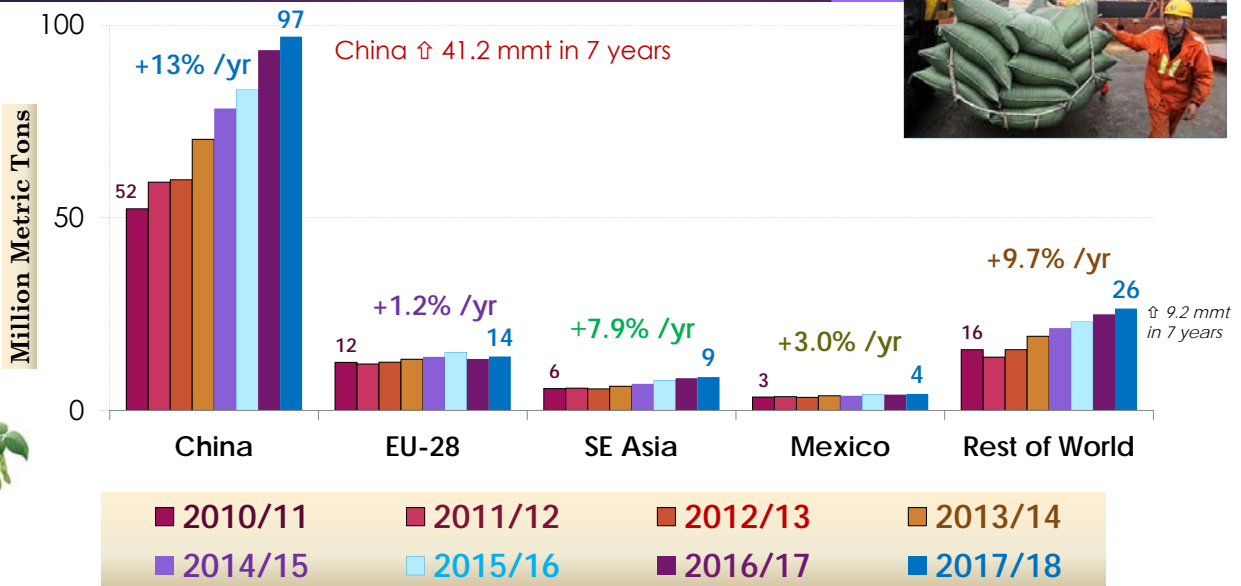
	2016/17 estimate	2017/18 forecast	Change from November 9	Change from 2016/17	
<i>Million Tons</i>					
Beginning stocks	77.9	96.6	0.3	18.7	↑ Beg. Stocks ↓ Production
Production	351.3	348.5	-0.4	-2.8	
Total Supply	429.2	445.1	-0.1	15.8	↑ Total Supply
Domestic crush	288.1	301.6	-0.4	13.4	↑ Crush ↑ Total Use ↑ Trade ↑ End Stocks
Total use	329.7	344.7	-0.2	15.0	
Trade	147.3	152.5	0.0	5.2	
Ending Stocks	96.6	98.3	0.4	1.7	

Addendum:

Beginning stocks				
Argentina plus Brazil	49.9	61.3	0.0	11.4
Imports*				
China	93.5	97.0	--	3.5



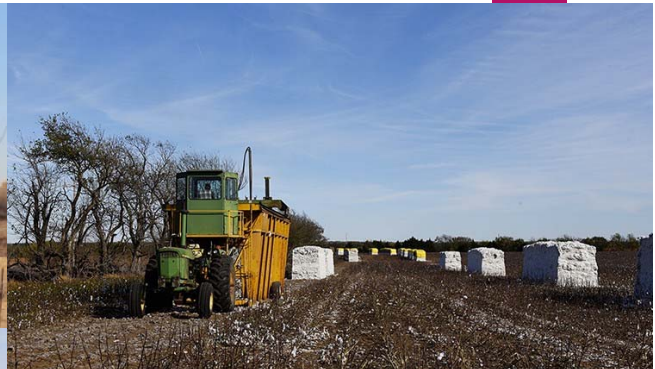
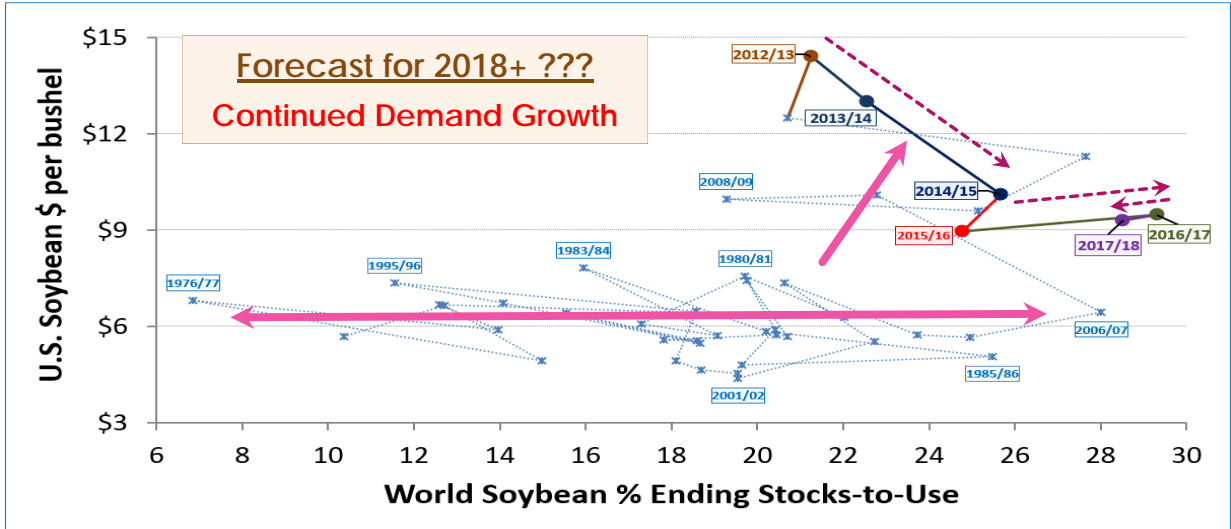
Soybean Importer Purchases



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

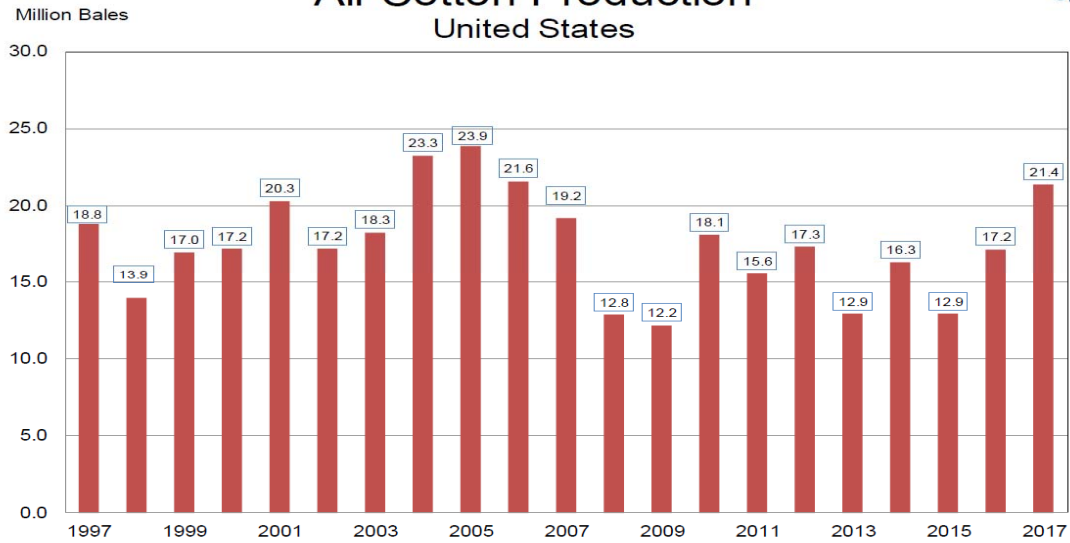


MY 1973/74 through "New Crop" MY 2017/18





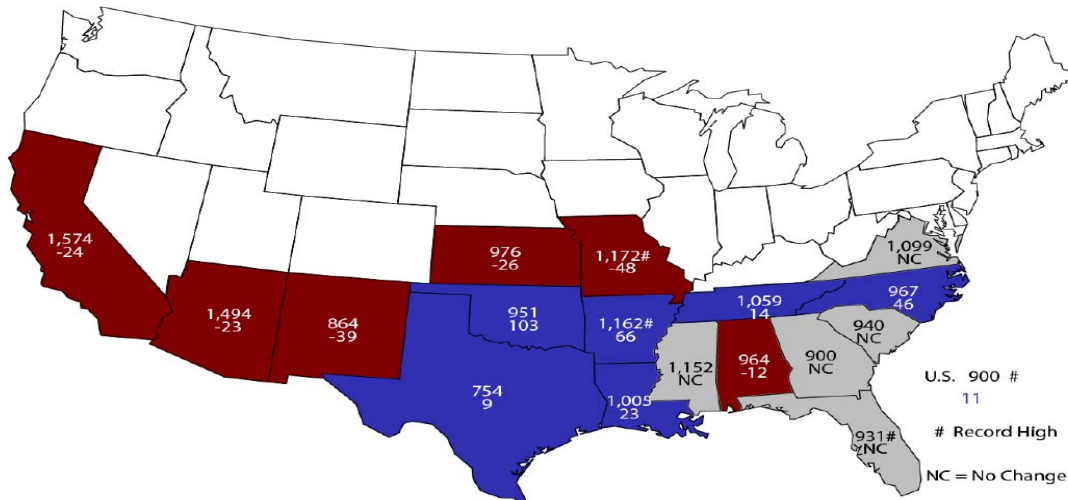
All Cotton Production United States



USDA-NASS
11-9-17



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



USDA-NASS
11-9-17

U.S. Cotton Supply and Demand

	2016/17 estimate	2017/18 forecast	Change from November 9	Change from 2016/17
Planted area (million acres)	10.07	12.62	--	2.55
Harvested area (million acres)	9.51	11.41	--	1.90
Yield (pounds per acre)	867	902	2	35
<i>Million bales</i>				
Beginning stocks	3.80	2.75	--	-1.05
Imports	0.01	0.01	--	0.00
Production	17.17	21.44	0.06	4.27
Total supply	20.98	24.20	0.06	3.22
Mill use	3.25	3.35	--	0.10
Exports	14.92	14.80	0.30	-0.12
Total use	18.17	18.15	0.30	-0.02
Unaccounted	0.06	0.25	0.06	0.19
Ending stocks	2.75	5.80	-0.30	3.05
<i>Percent</i>				
Stocks/use	15.1	32.0	-2.2	16.8
<i>Cents per pound</i>				
Average market price	68.00	63.0/69.0	3.0	-2.00

World Cotton Supply and Use

	2016/17 estimate	2017/18 forecast	Change from November 9	Change from 2016/17
<i>Million Bales</i>				
Beginning stocks	95.4	87.7	-1.02	-7.7
Production	106.6	120.0	-1.50	13.4
Total Supply	201.9	207.6	-2.51	5.7
Consumption	114.8	119.6	0.33	4.8
Trade	37.2	38.5	0.42	1.2
Ending Stocks	87.7	88.0	-2.88	0.3
Addendum:				
China Ending Stocks	48.4	39.7	--	-8.8



Questions?

Daniel O'Brien – Extension Ag Economist

Blog: www.ksugrains.wordpress.com

KSUGrains on Twitter & Facebook

www.AgManager.info



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Department of Agricultural Economics