

Grain Market Outlook for 2017 - 2018

2017 Crop Insurance Workshop

Salina, Kansas

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KANSAS STATE
UNIVERSITY

Department of Agricultural Economics



Topics to be discussed.....

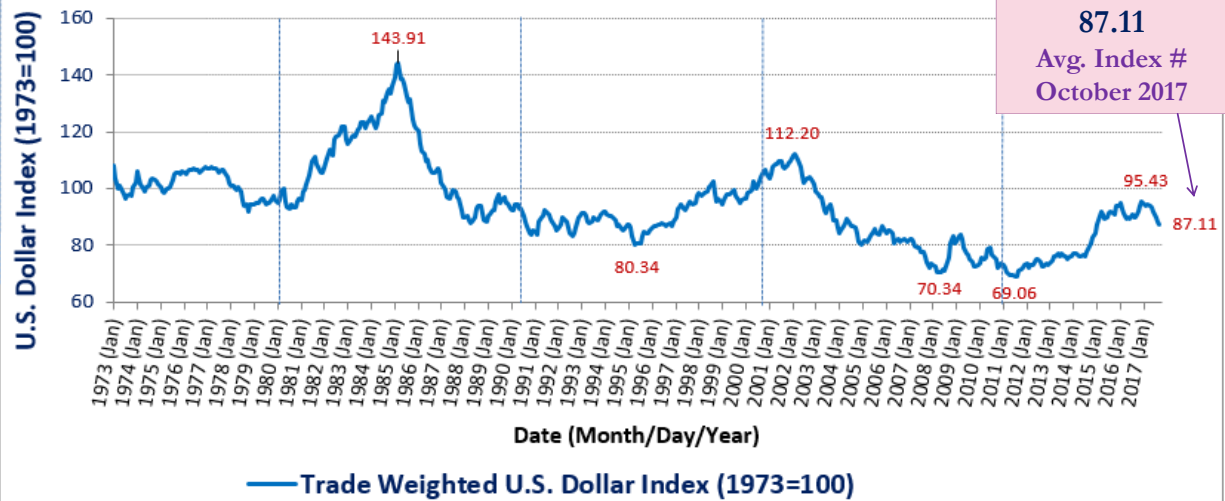
1) Grain Market Analysis & Outlook

- 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 October 13, 2017



Corn & Sorghum Markets



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U.S. Corn & Sorghum Supply-Use

- Prospects ➡ "*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} = 5.500 bln bu (*10 year high* – vs 5.858 bb in 2007/08)
 - Ethanol ^{2017/18} = 5.475 bln bu (*Record high* – vs 5.438 bb last year)
 - Other FSI ^{2017/18} = 1.460 bln bu (*2nd highest* – vs 1.462 bb in 2016/17)
 - Exports ^{2017/18} = 1.850 bln bu (vs 2.293 bb in '16/17 & 1.901 in '15/16)

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

- Corn: "*Large*" Stocks & % Stx/Use
 - End Stocks ^{2017/18} ⇒ 2.340 bln bu (*2nd highest since 1987/88*)
 - % Stocks/Use ^{2017/18} ⇒ 16.4% S/U (*Highest since 2005/06*)
- Grain Sorghum: "*Tighter*" Stocks & % Stx/Use than Corn
 - End Stocks ^{2017/18} ⇒ 28 Mln bu (*15 - 55 mb since 2008/09*)
 - % Stocks/Use ^{2017/18} ⇒ 7.6% S/U (*Highest since 2005/06*)

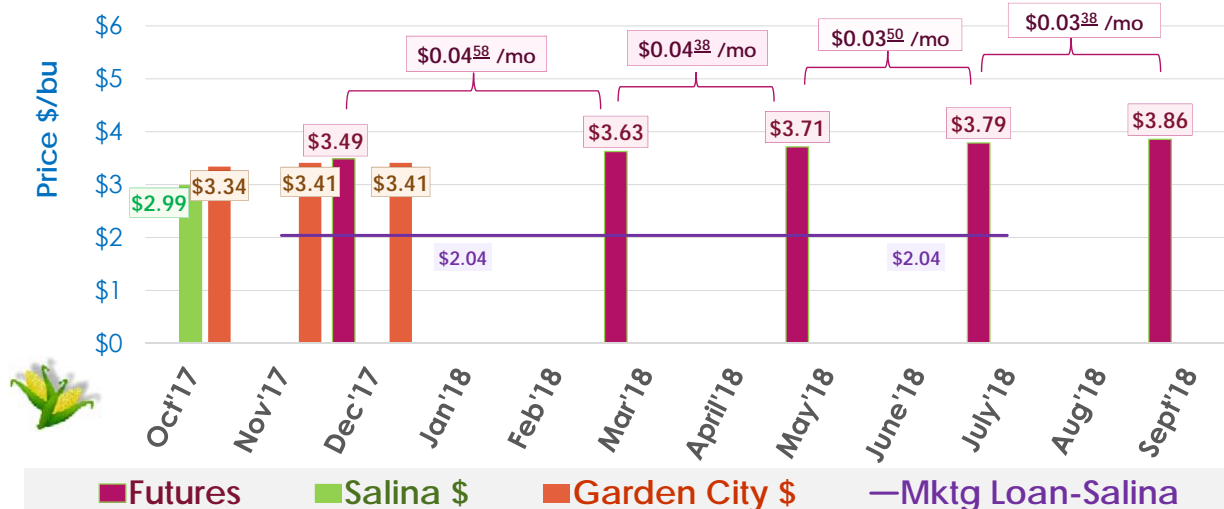
CME Corn Futures

Weekly Chart: August 2008 – September 2018 + 10/28/2017



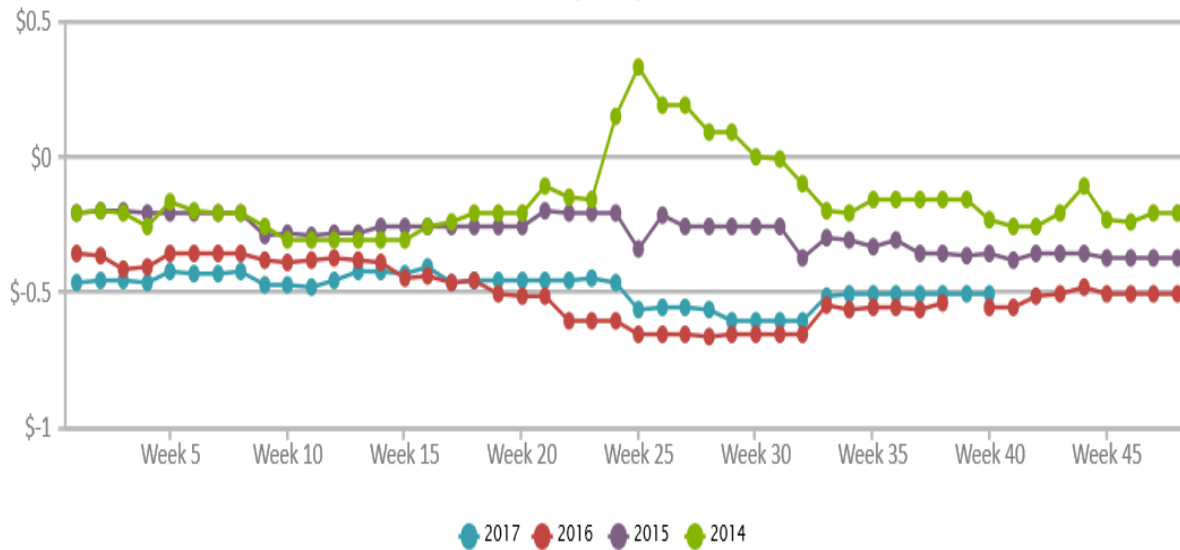
Corn Cash & Futures \$'s

Salina & Garden City, KS Local Elevators – October 28, 2017



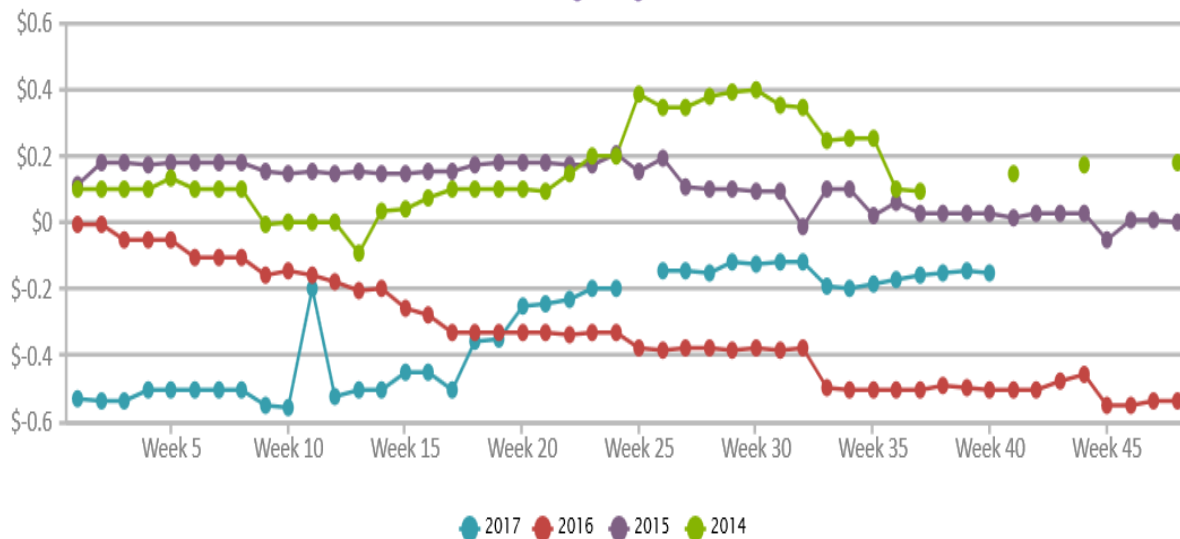
SALINA, KS: Corn Basis - CARGILL

www.AgManager.info



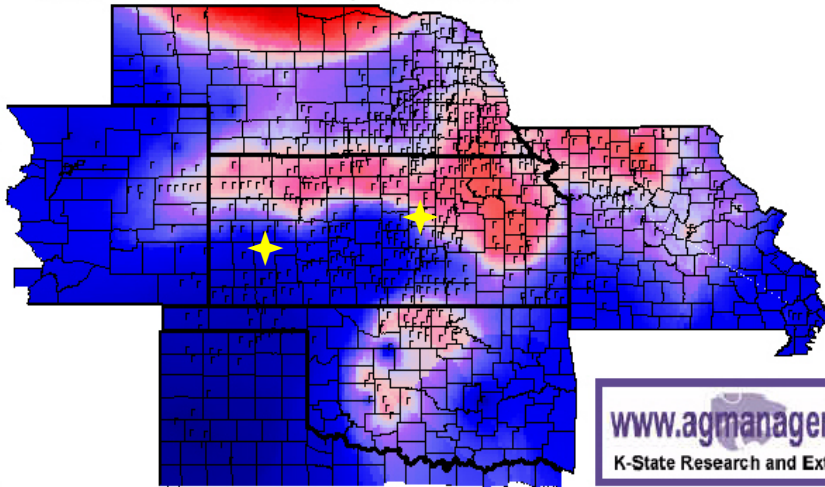
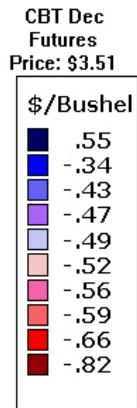
GARDEN CITY, KS: Corn Basis - GARDEN CITY COOP

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Corn Basis, 10-25-2017

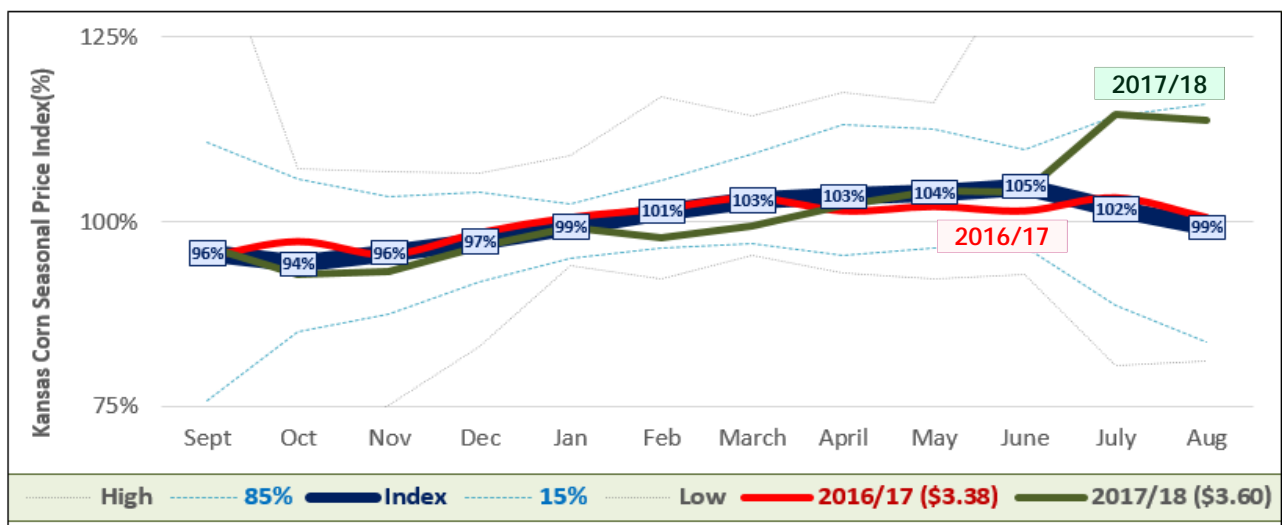
Basis = Cash Price - Nearby Futures Price



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K-State Research and Extension

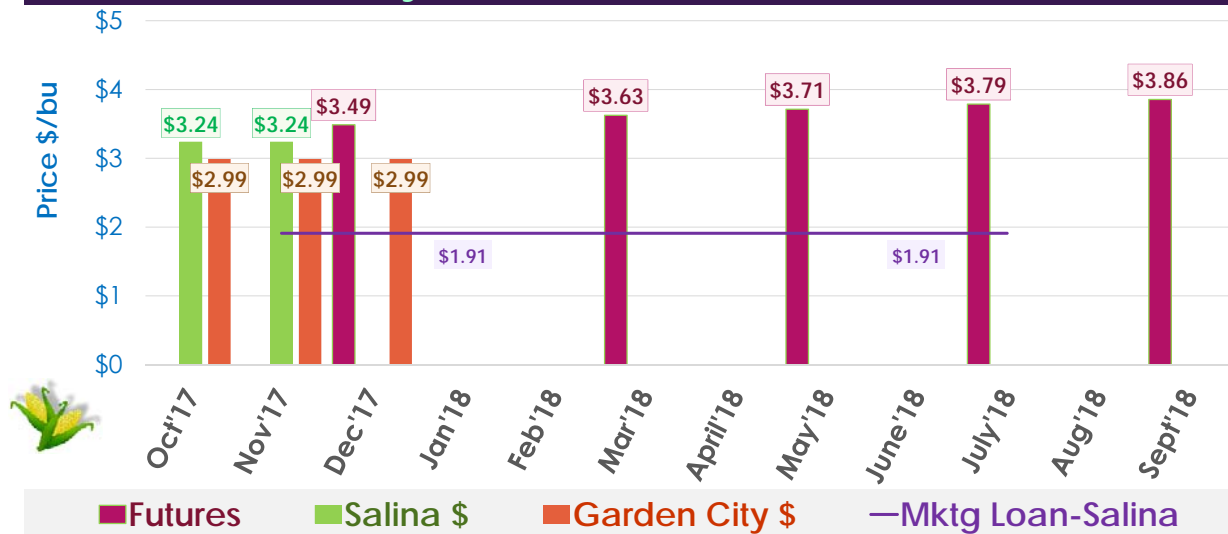
Kansas Corn Seasonal Cash \$ Index

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



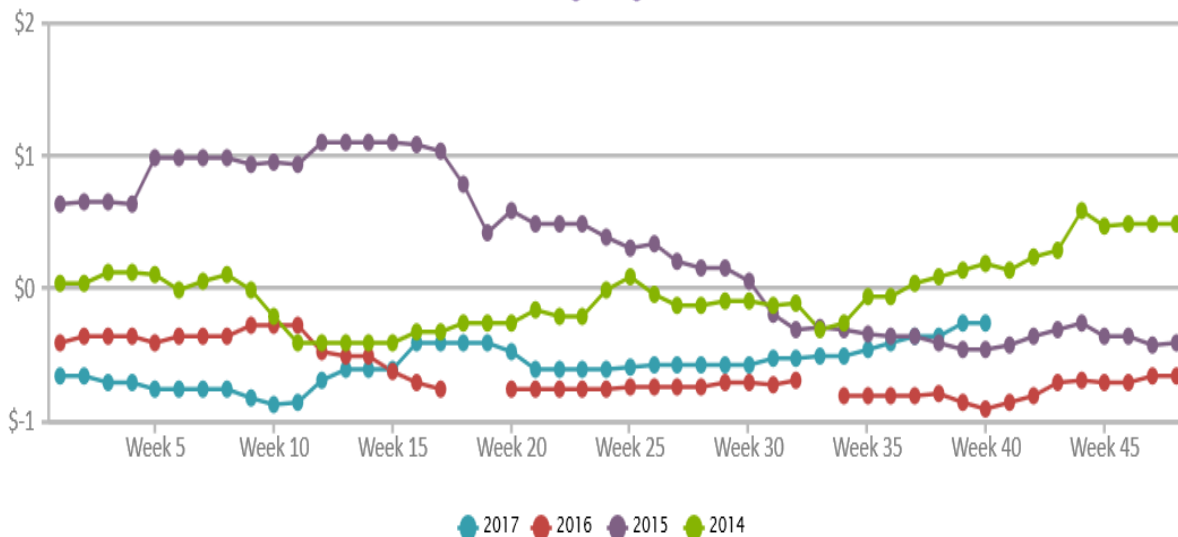
Grain Sorghum Cash & Futures \$'s

Salina & Garden City, KS Local Elevators – October 28, 2017



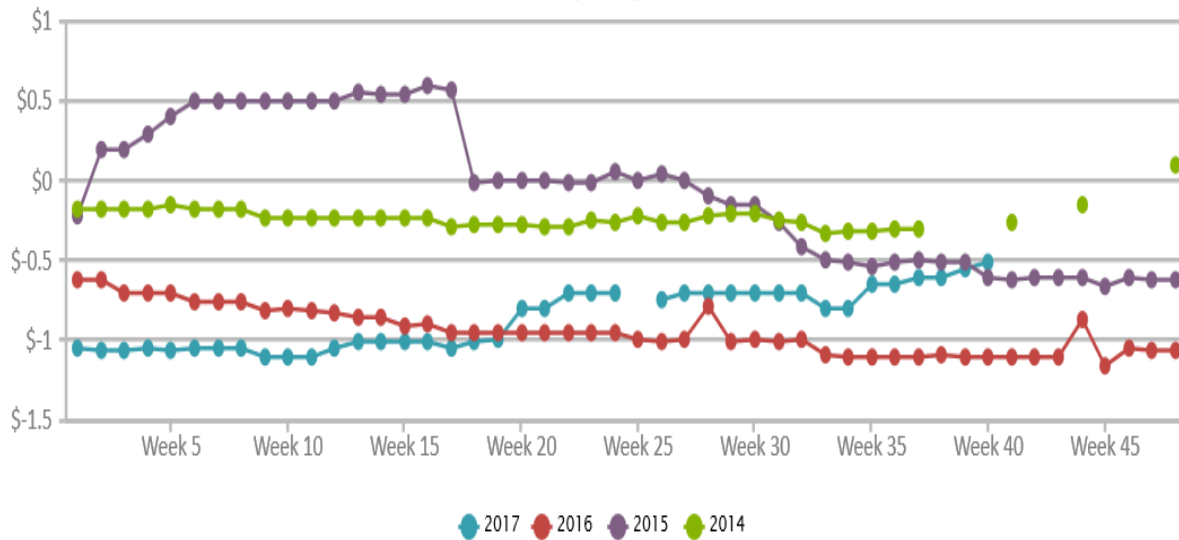
SALINA, KS: Grain Sorghum Basis - CARGILL

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

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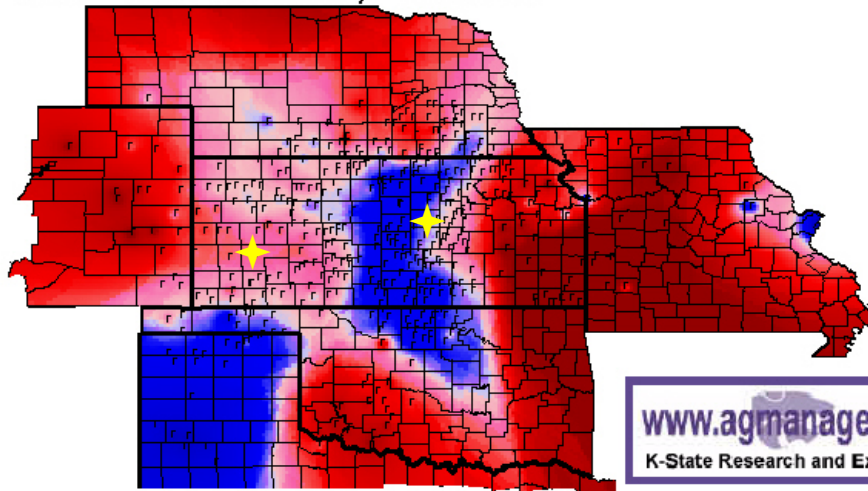
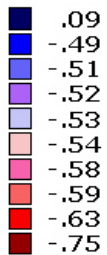


Grain Sorghum Basis, 10-11-2017

Basis = Cash Price - Nearby Futures Price

CBT Corn
Dec Futures
Price: \$3.46

\$/Bushel

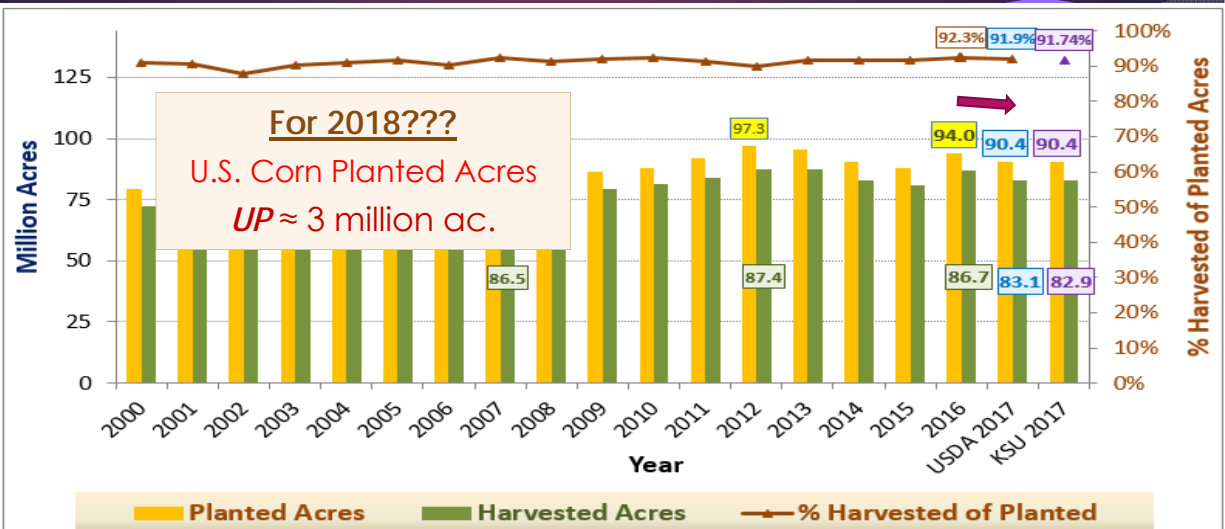


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U.S. Corn Supply and Demand

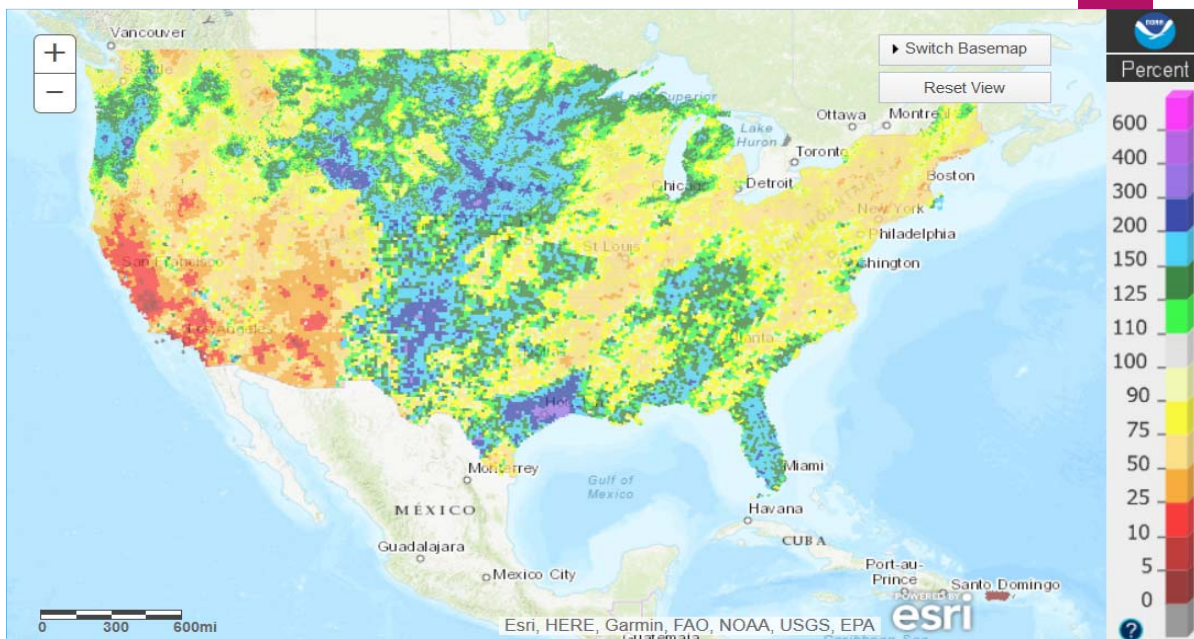
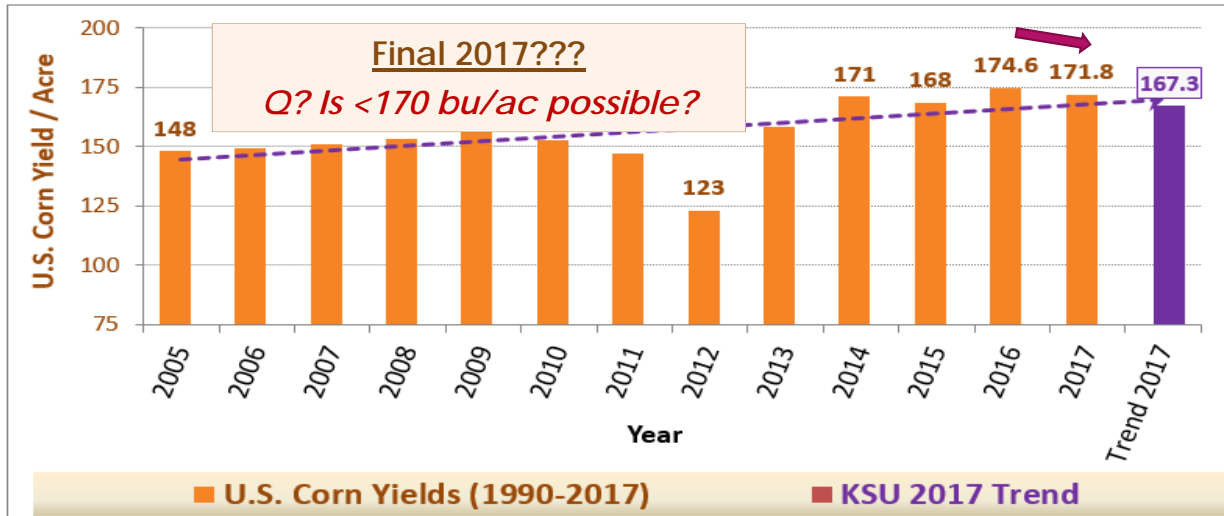
	2016/17 estimate	2017/18 forecast	2017/18 Change from September 12	Change from 2016/17	
Planted area (million acres)	94.0	90.4	-0.5	-3.6	↓ Crop BUT still Large Supply
Harvested area (million acres)	86.7	83.1	-0.4	-3.6	
Yield (bushels per acre)	174.6	171.8	1.9	-2.8	
	<i>Million bushels</i>				
Beginning stocks	1,737	2,295	-55	558	↑ Domestic Use & ↓ Exports
Production	15,148	14,280	96	-868	
Imports	57	50	--	-7	
Total supply	16,942	16,625	41	-317	↑ Stocks/Use & ↓ Prices
Feed and residual	5,464	5,500	25	36	
Food, seed, and industrial	6,890	6,935	10	45	
Ethanol	5,438	5,475	--	37	
Domestic use	12,354	12,435	35	81	
Exports	2,293	1,850	--	-443	
Total use	14,647	14,285	35	-362	
Ending stocks	2,295	2,340	6	45	
	<i>Percent</i>				
Stocks to use ratio	15.7	16.4	0.0	0.7	
	<i>Dollars per bushel</i>				
Average market price	3.36	2.80/3.60	--	-0.16	

U.S. Corn Acreage



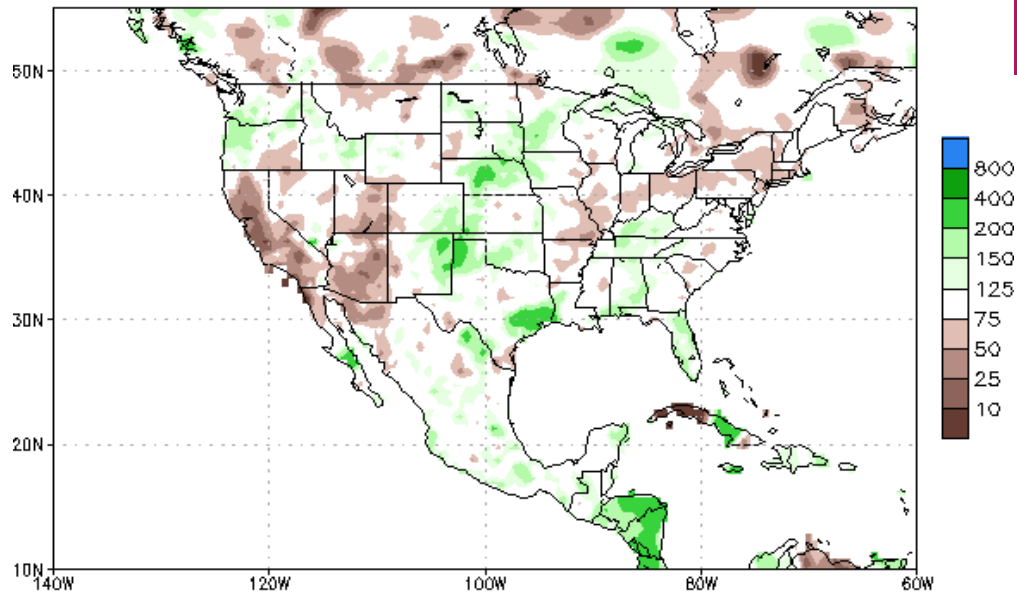
U.S. Corn Yields

USDA 2017 USDA Forecast = 169.9 bu/ac



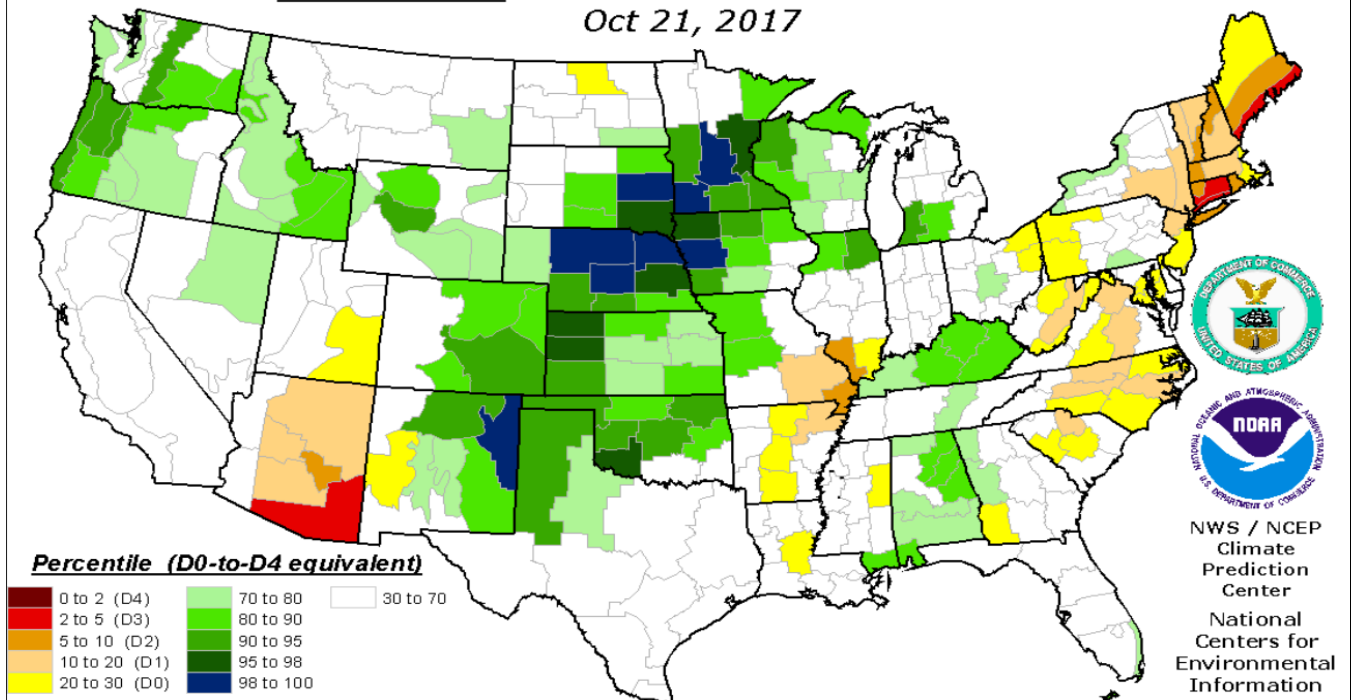
Displaying Last 90-Day Percent of Normal Precipitation
Valid on: October 27, 2017 12:00 UTC

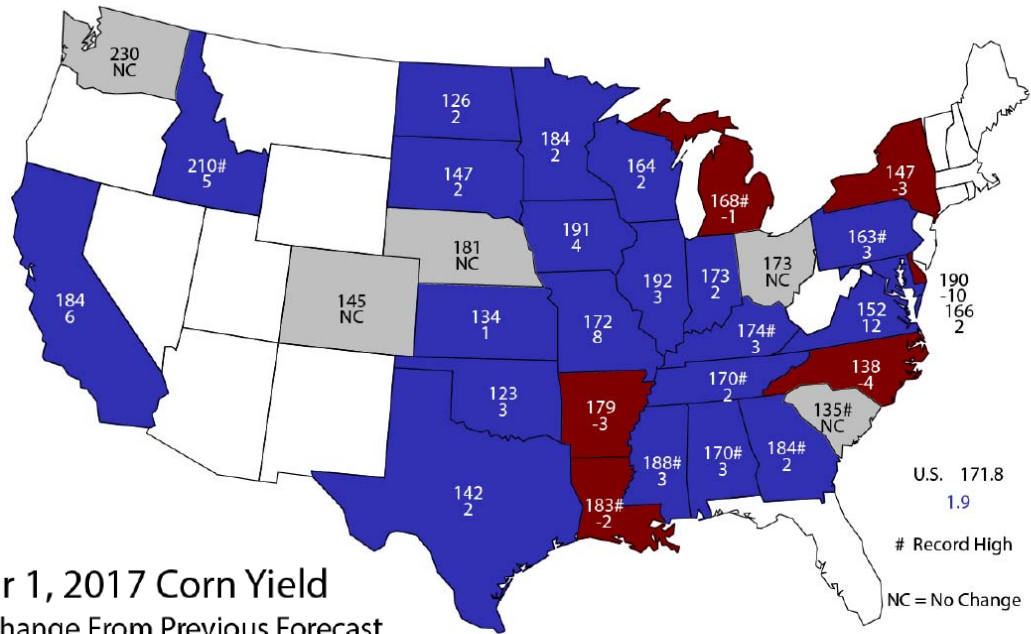
90-day Accumulated Precip % of Normal 29JUL2017-26OCT2017



Data Source: CPC Unified (gauge-based & 0.5x0.5 deg resolution) Precipitation Analysis Climatology (1981-2010)

Objective Short-Term Drought Indicator Blend Percentiles Oct 21, 2017

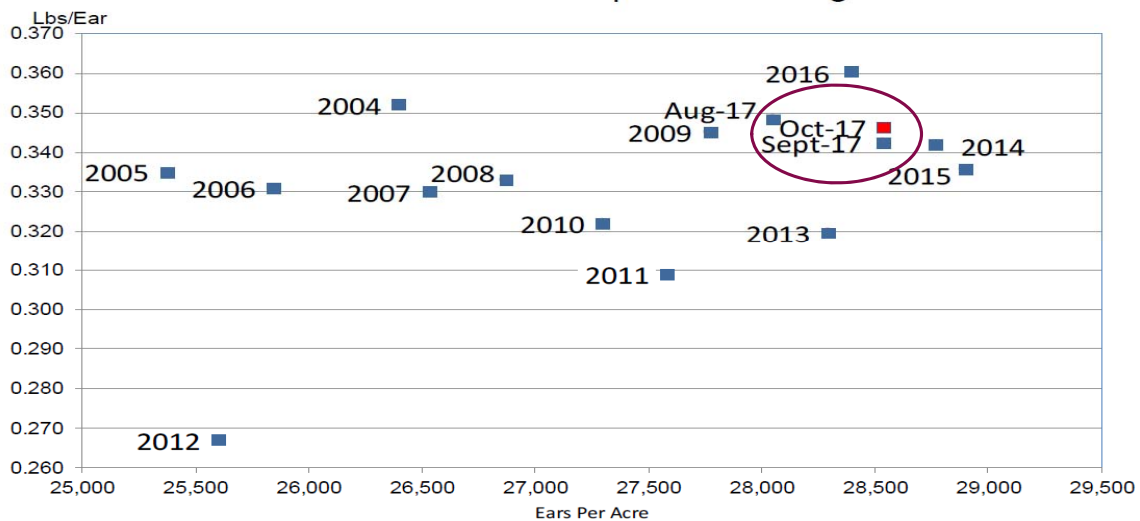




USDA-NASS
10-12-17



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

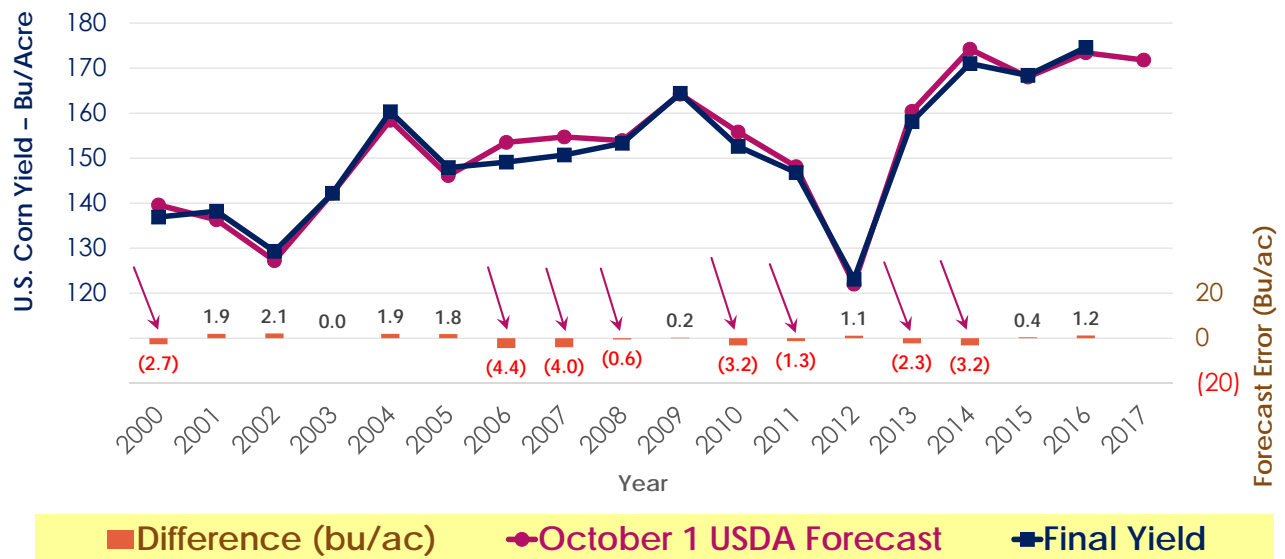


Implied Ear Weight = (Published Yield * 56) / Ears

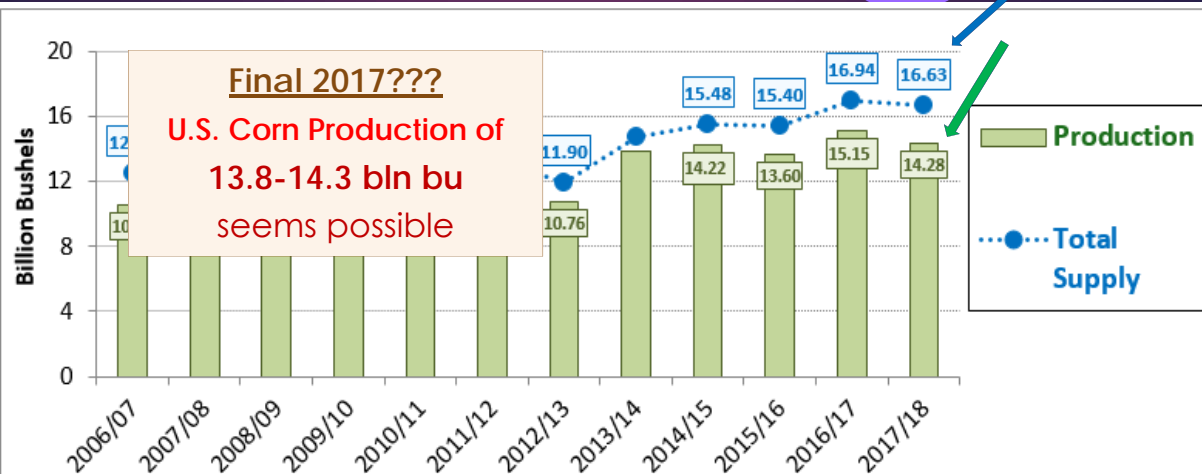
USDA-NASS
10-12-17

U.S. Corn Yields: 2000-2017

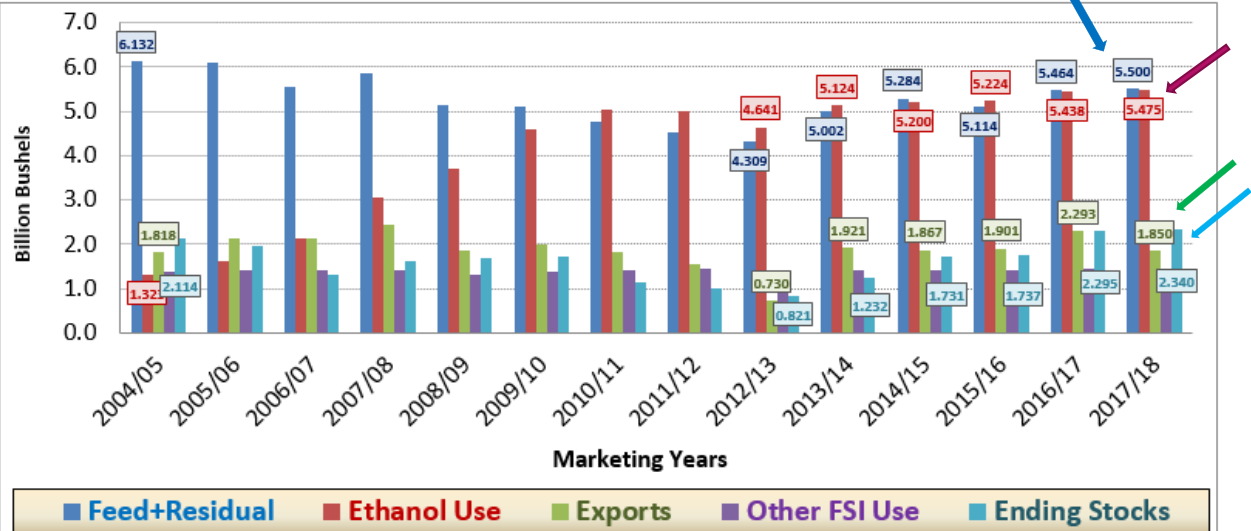
Accuracy of October 1st USDA Forecasts



U.S. Corn Production & Supplies



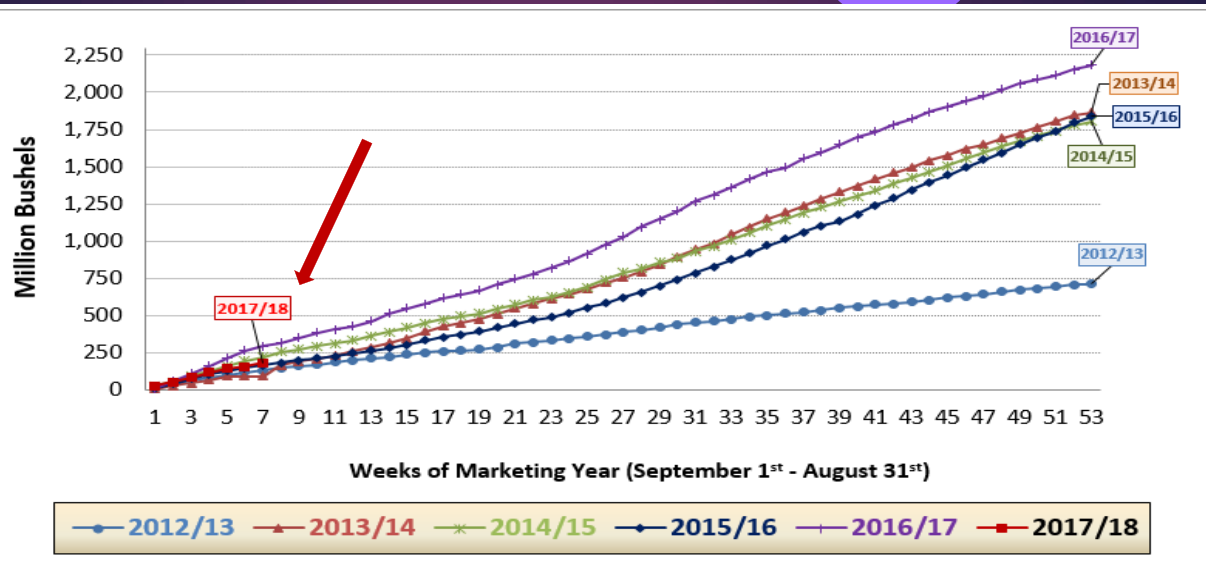
U.S. Corn Use – By Category



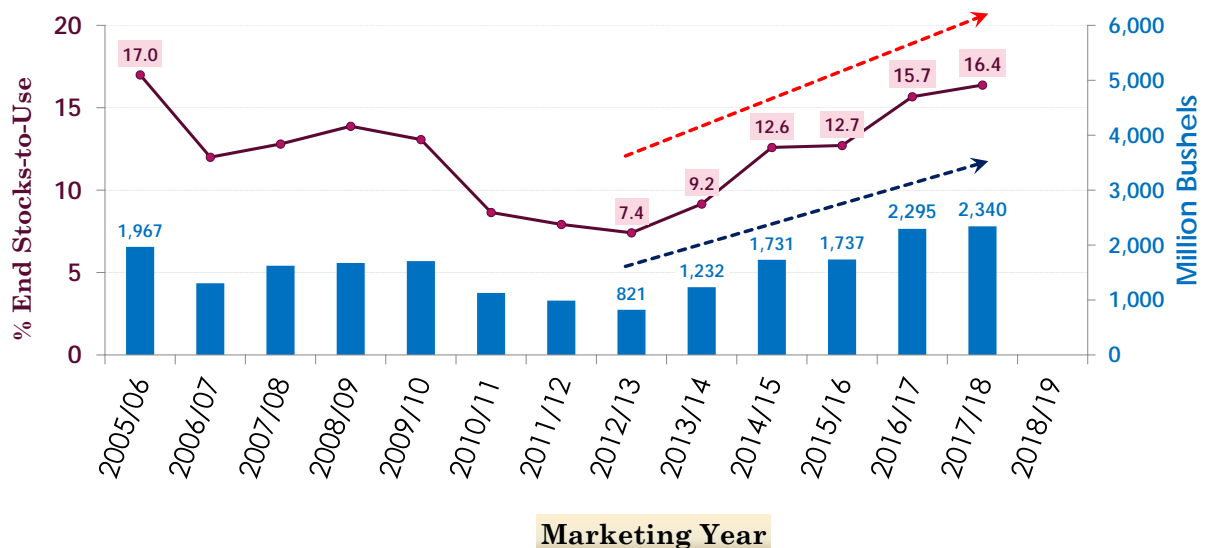
U.S. Meat Production and Prices

	2017 forecast	2018 forecast	2018 Change from September 12	Change from 2017
Production		<i>Billion pounds</i>		
Beef	26.55	27.30	0.02	0.75
Pork	25.83	26.86	0.14	1.03
Broilers	41.44	42.28	--	0.84
Turkey	6.01	6.14	-0.04	0.13
Total meat	100.59	103.34	0.12	2.75
Prices		<i>Dollars/cwt</i>		
Steers	119.55	115.25	--	-4.30
Hogs	49.01	45.25	-3.00	-3.76
		<i>Cents/lb</i>		
Broilers	93.8	88.5	--	-5.3
Turkey	98.8	104.3	-0.3	5.4

U.S. Corn Exports - Weekly thru October 19, 2017



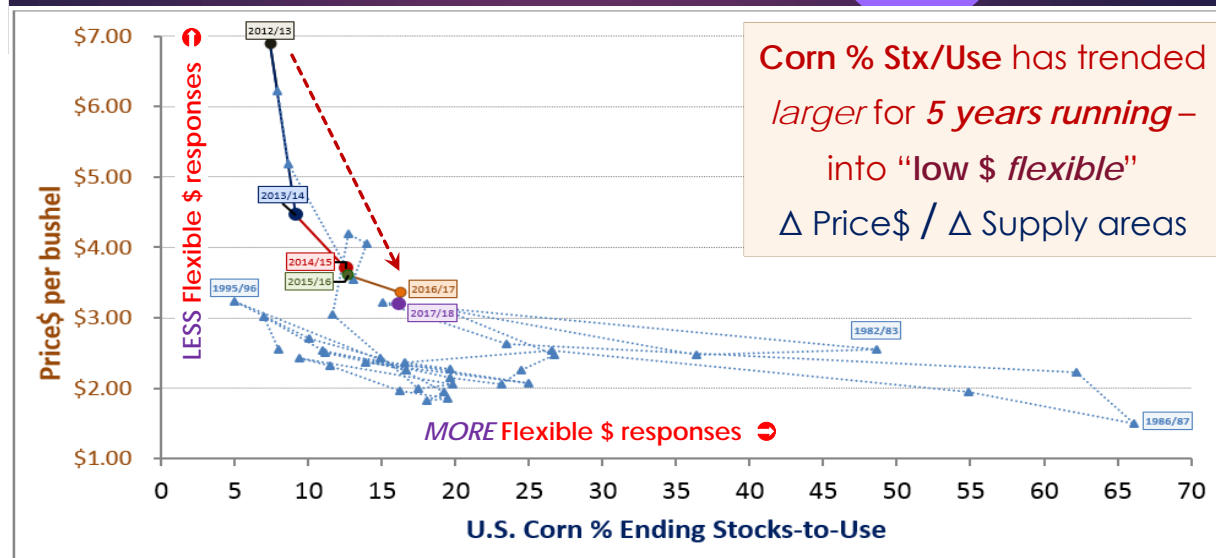
U.S. Corn Ending Stocks & % Stx/Use



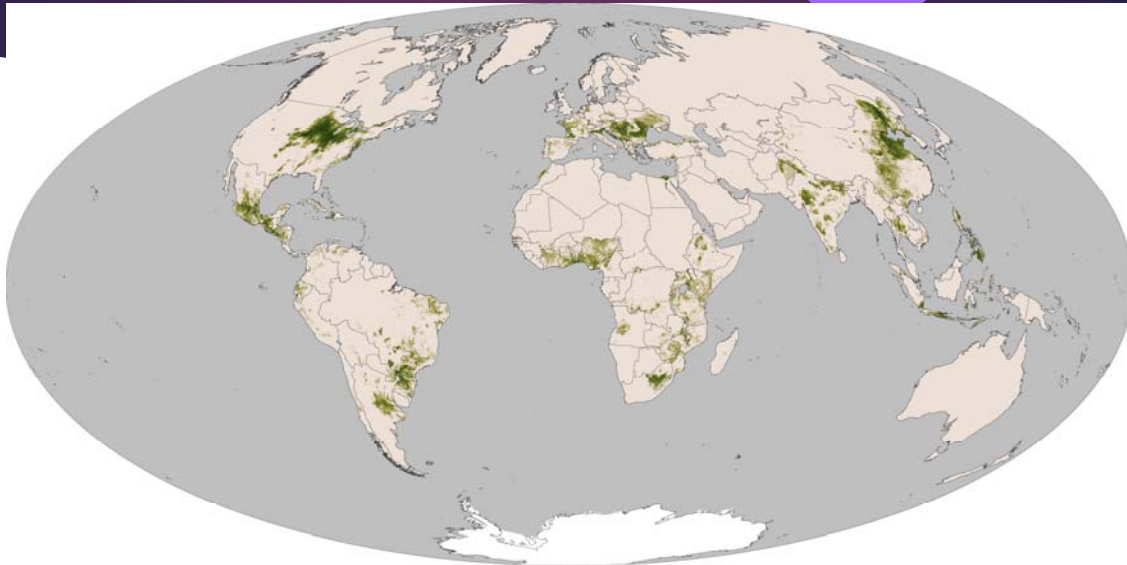
U.S. Corn % Stocks/Use vs Price\$



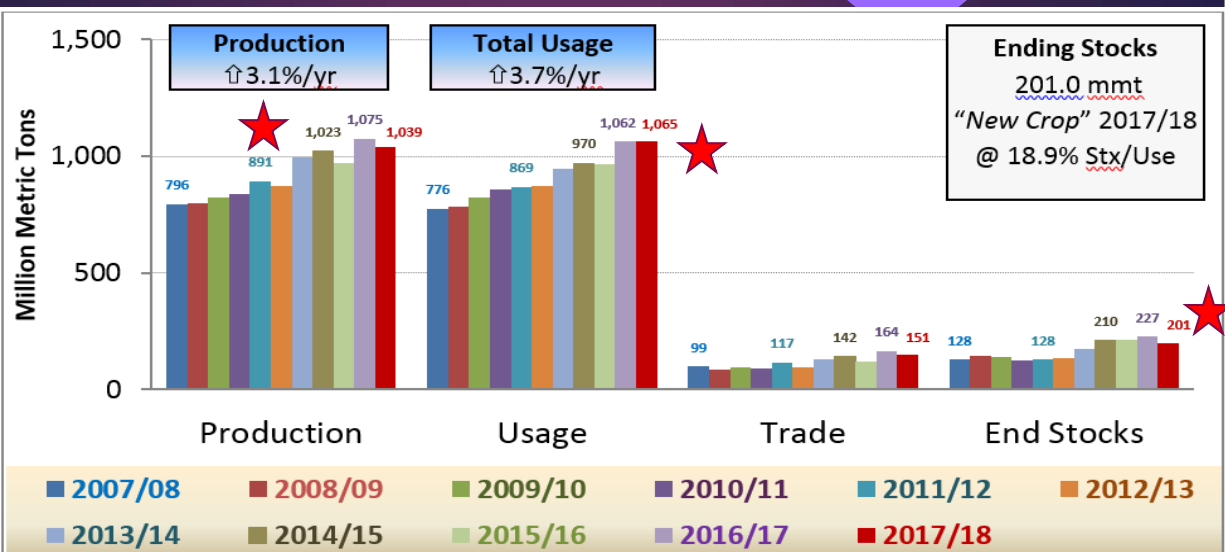
U.S. Corn % Stocks/Use vs Price\$



World Corn (Maize) Production Regions



World Corn Supply, Use & Stocks

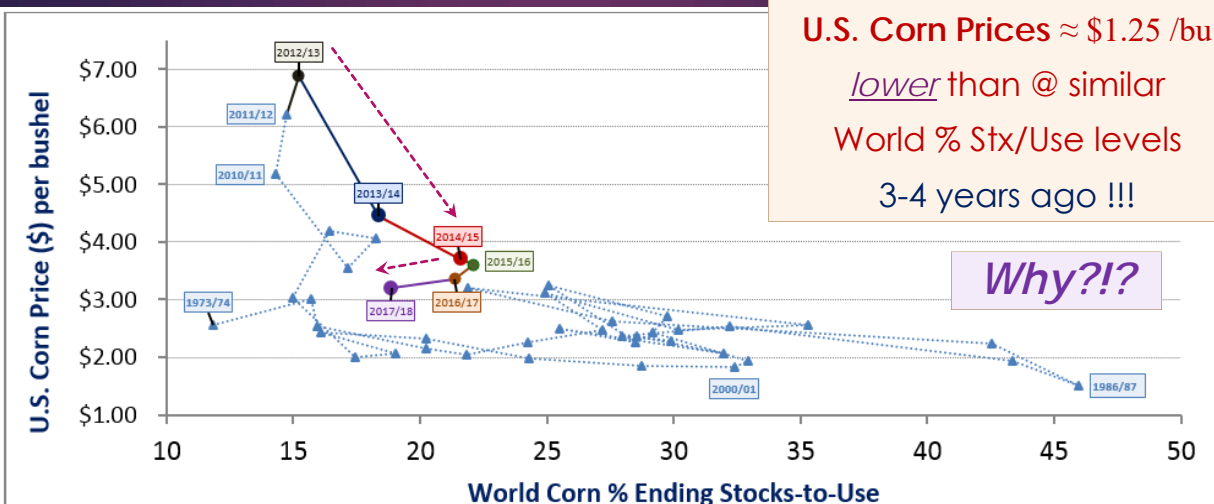


World Corn Production

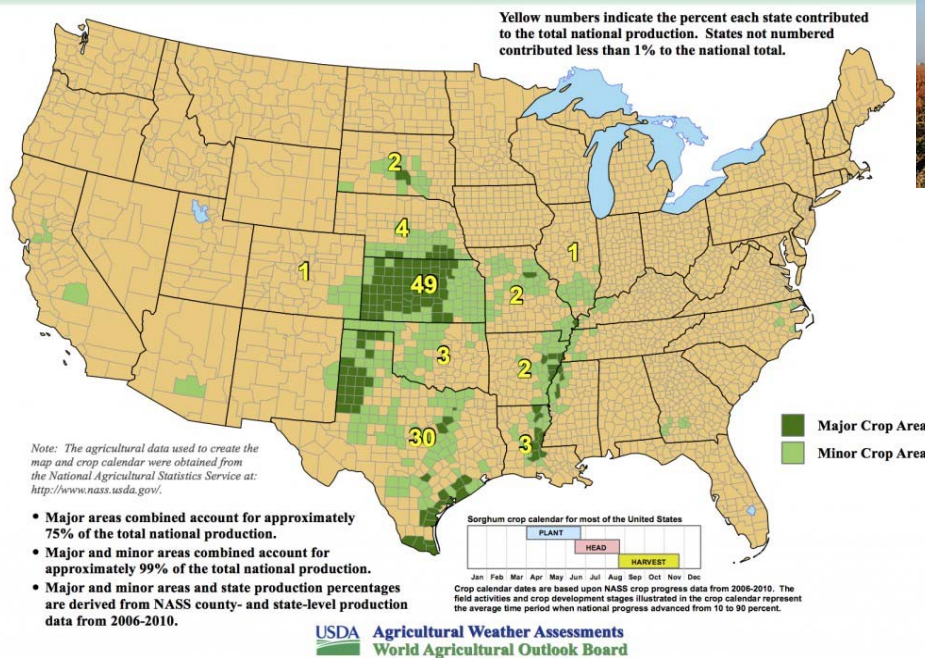
Country or Region	2016/17 estimate	2017/18 forecast	Change from September 12	Change from 2016/17	
<i>Million Tons</i>					
World	1,075.3	1,038.8	6.17	-36.5	↓ World Crop BUT still Large Supply
United States	384.8	362.7	2.43	-22.0	
Foreign	690.6	676.1	3.74	-14.5	
Argentina	41.0	42.0	--	1.0	↓ China ↓ EU ↓ Brazil BUT ↑ Argentina ↑ Canada
Brazil	98.5	95.0	--	-3.5	
Mexico	27.6	26.2	0.20	-1.4	
Canada	13.2	14.1	0.20	0.9	
European Union	61.1	59.4	--	-1.7	
Serbia	7.6	4.0	--	-3.6	
FSU-12	47.4	46.5	-1.20	-0.8	
Ukraine	28.0	27.0	-0.50	-1.0	
Russia	15.3	15.3	-0.70	-0.0	
South Africa	17.5	12.5	--	-5.0	
China	219.6	215.0	--	-4.6	
India	26.3	25.0	--	-1.3	

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

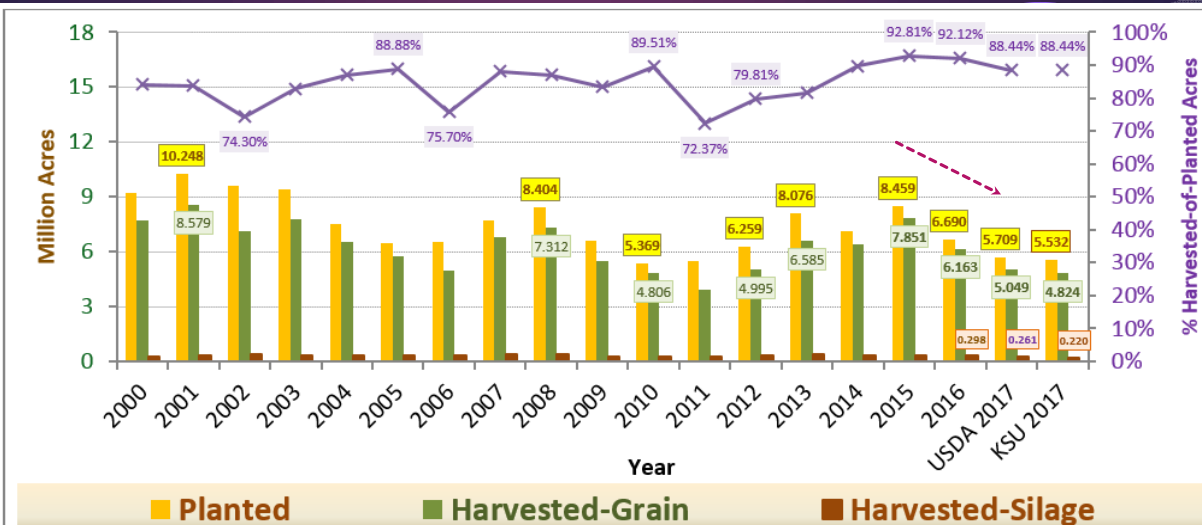
MY 1973/74 through "New Crop" MY 2016/17



United States: Sorghum

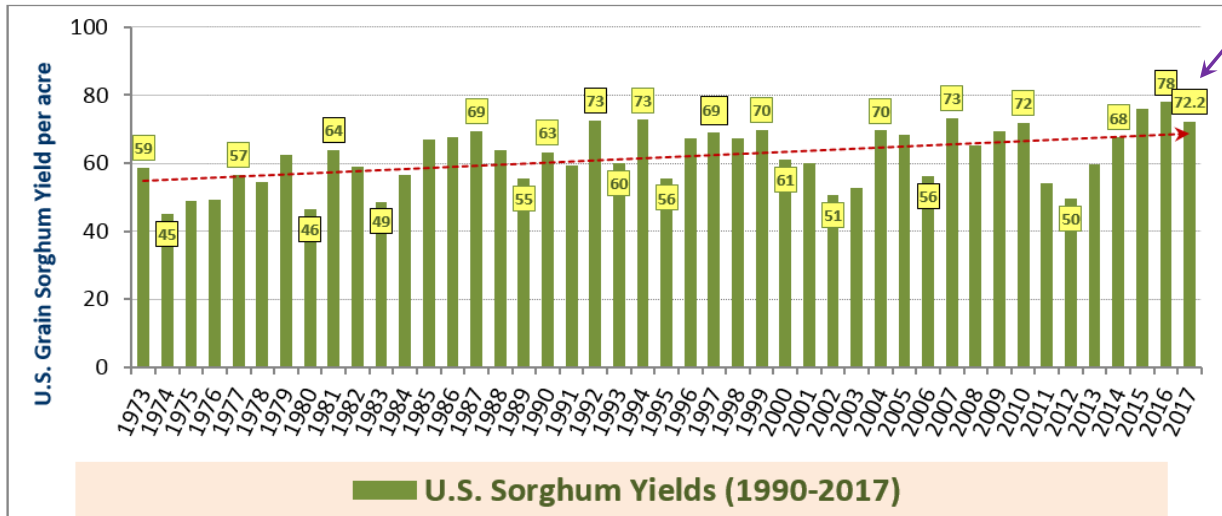


U.S. Sorghum Acreage



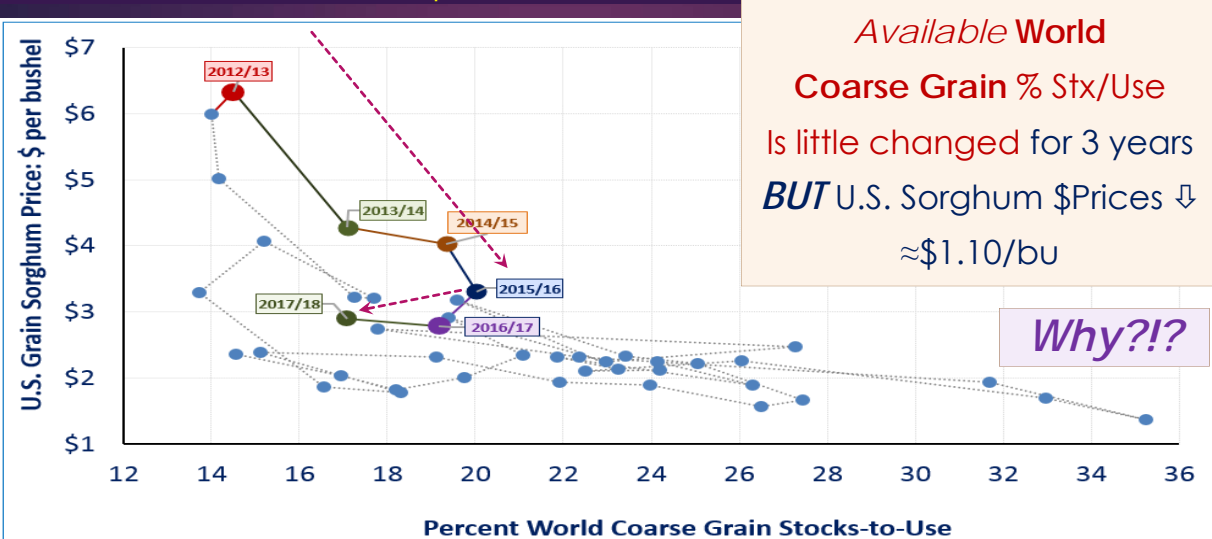
U.S. Sorghum Yields

USDA 2017 USDA Forecast = 72.2 bu/ac



U.S. Milo \$ vs World Coarse Grains^(Less China) % S/U

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



Wheat Markets



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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} = 120 mln bu (*Down from 228-365 mb in 2012 - 2013*)
 - HRW Exports ^{2017/18} = 390 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} ⇒ 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 (but also *declining*)
 - End Stocks ^{2017/18} ⇒ 487 mln bu (589 mb last year)
 - % Stocks/Use ^{2017/18} ⇒ 56.6% S/U (62.5% 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 \Rightarrow 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***

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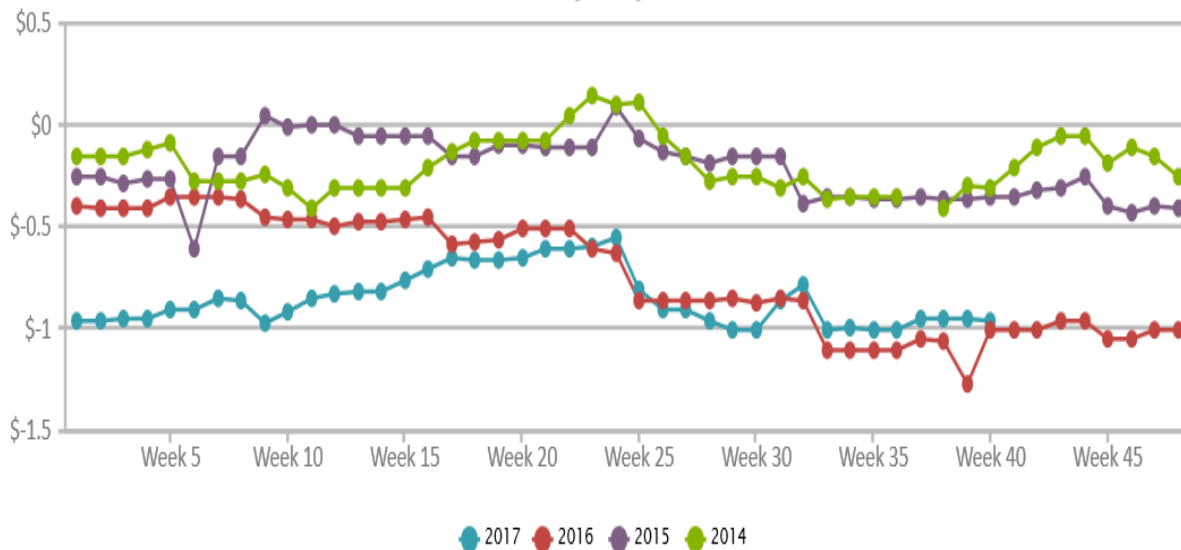
CME Kansas Hard Red Winter Wheat

Monthly Chart: August 2008 – September 2017 + 10/28/2017



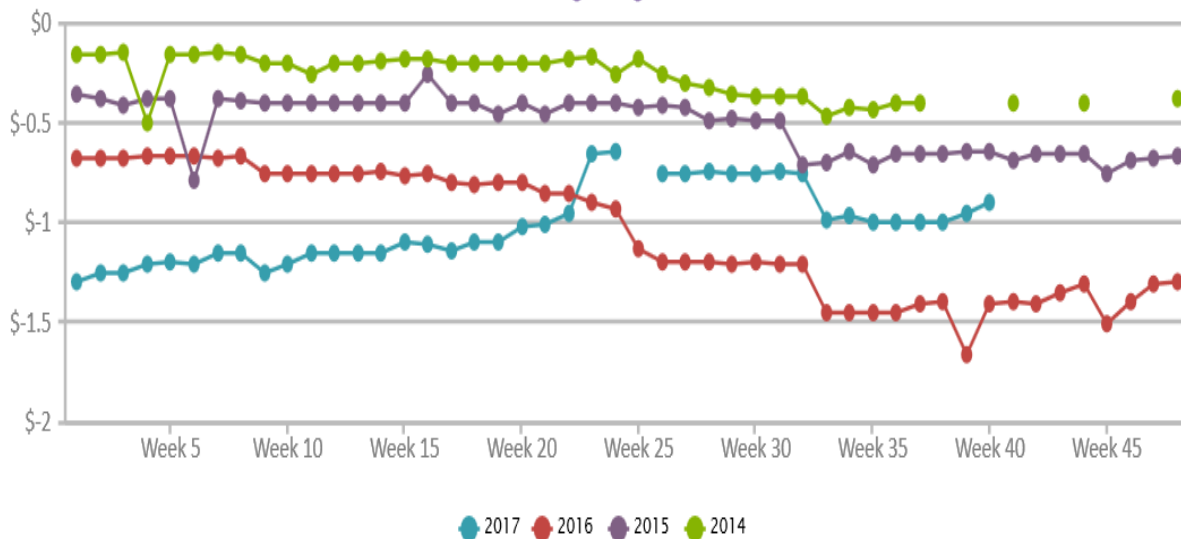
SALINA, KS: Hard Red Winter Wheat Basis - CARGILL

www.AgManager.info



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

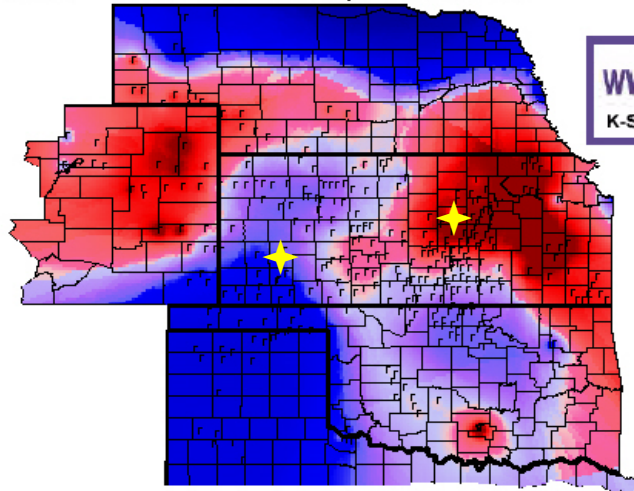
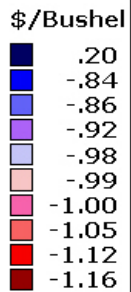
www.AgManager.info



Wheat Basis, 10-25-2017

Basis = Cash Price - Nearby Futures Price

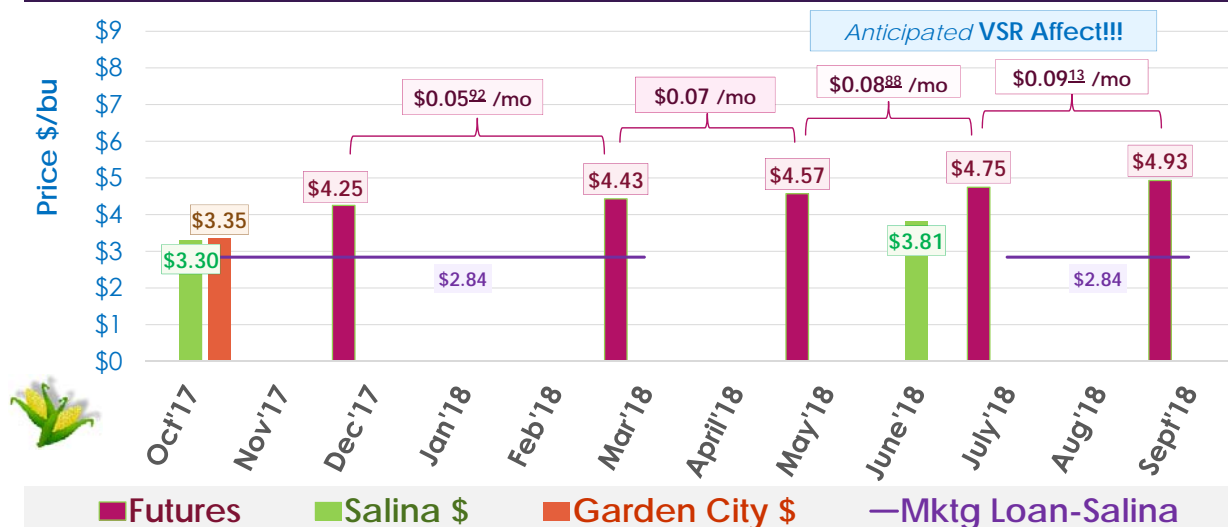
KCBT Dec
Futures
Price: \$4.34



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Wheat Cash & HRW Wheat Futures

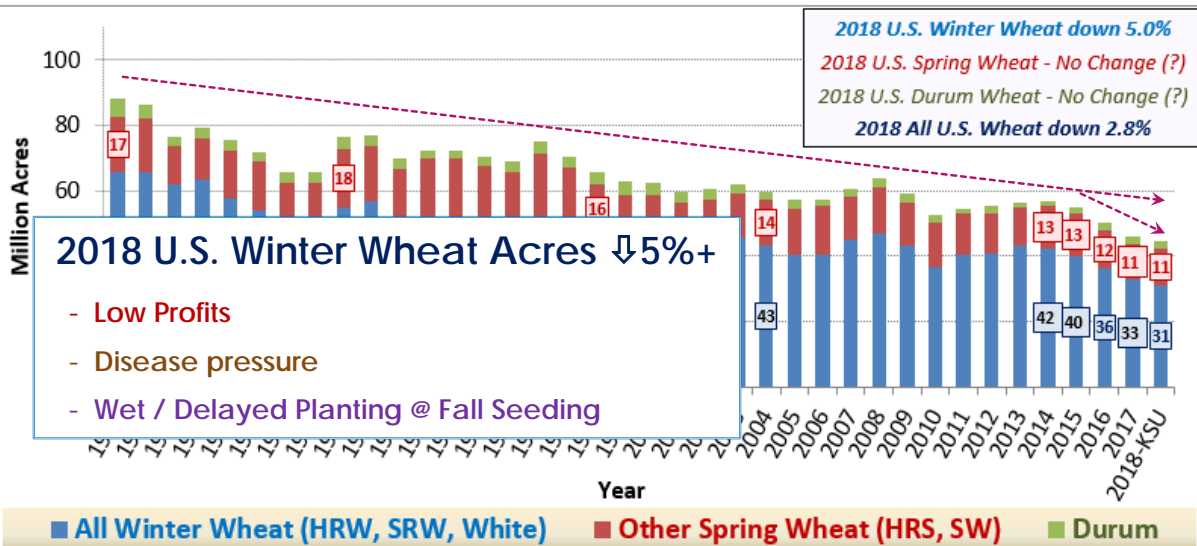
Salina & Garden City, KS Local Elevators – October 28, 2017



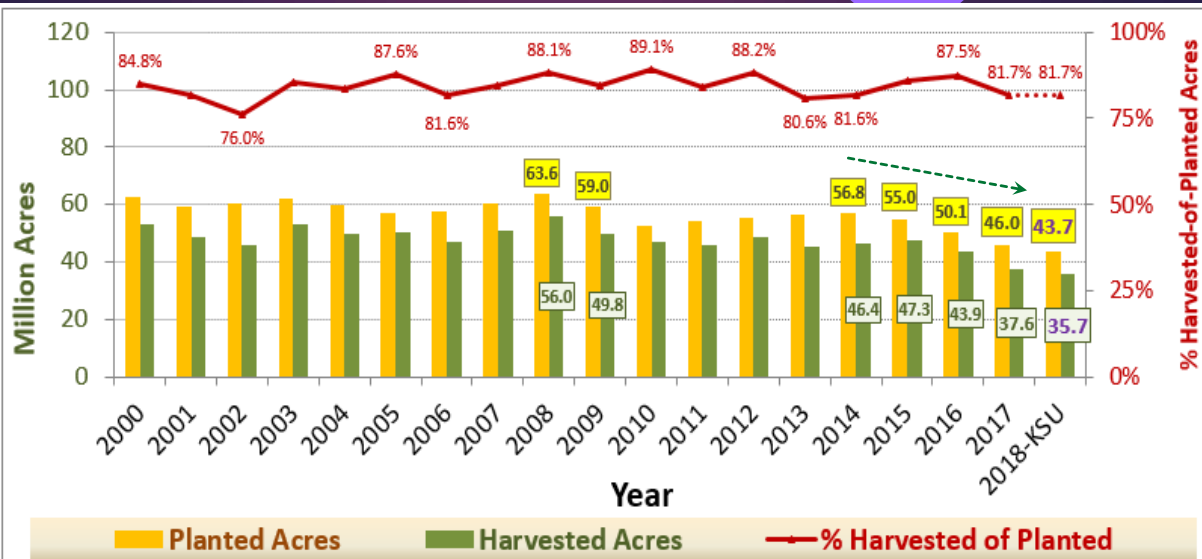
U.S. Wheat Supply and Demand

	2016/17 estimate	2017/18 forecast	Change from September 12	Change from 2016/17	
Planted area (million acres)	50.1	46.0	0.4	-4.1	↓ Crop BUT still Large Supply
Harvested area (million acres)	43.9	37.6	-0.5	-6.3	
Yield (bushels per acre)	52.7	46.3	0.7	-6.3	
Million bushels					
Beginning stocks	976	1,181	-4	205	Less Domestic Use & ↓ Exports
Production	2,309	1,741	1	-568	
Imports	118	150	--	32	
Total supply	3,402	3,071	-2	-331	
Food use	949	950	--	1	↓ Stocks/Use & ↑ Prices
Seed	61	66	--	5	
Feed and residual	157	120	-30	-37	
Domestic use	1,167	1,136	-30	-31	
Exports	1,055	975	--	-80	
Total use	2,222	2,111	-30	-111	
Ending stocks	1,181	960	28	-220	
Percent					
Stocks to use ratio	53.1	45.5	1.9	-7.7	
Dollars per bushel					
Average market price	3.89	4.40/4.80	--	0.71	

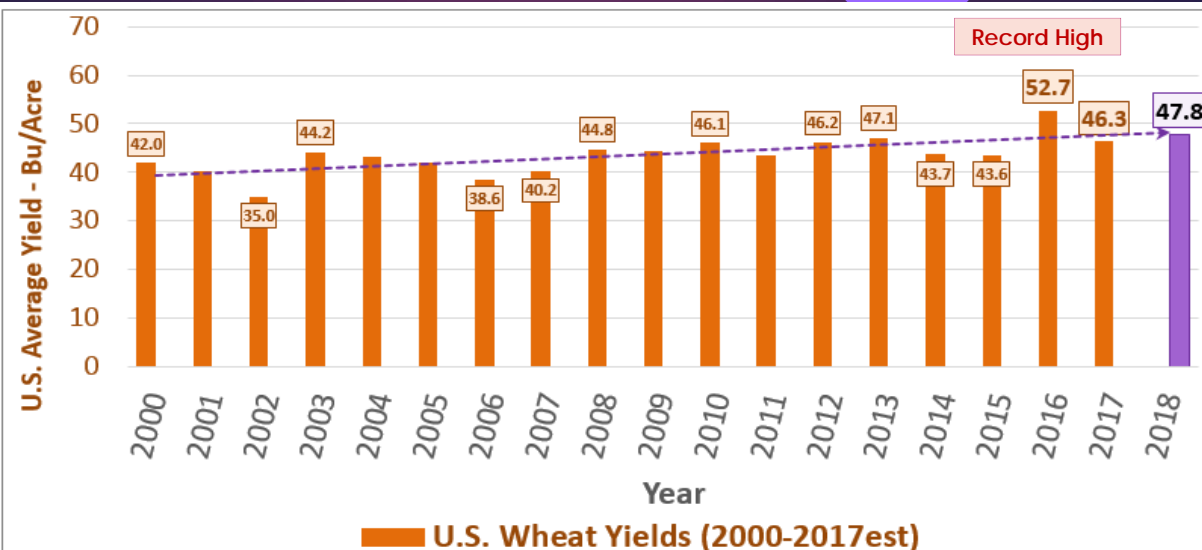
U.S. Wheat Seeded Acreage

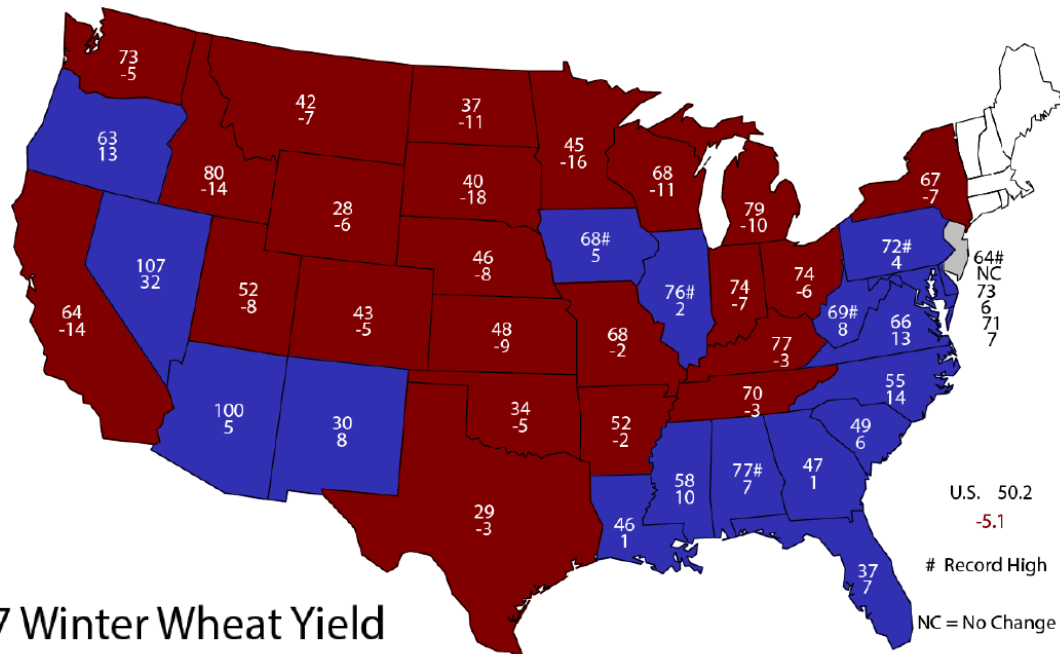


U.S. Wheat Acreage



U.S. Wheat Yields





U.S. 50.2
-5.1
Record High
C = No Change

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/>.

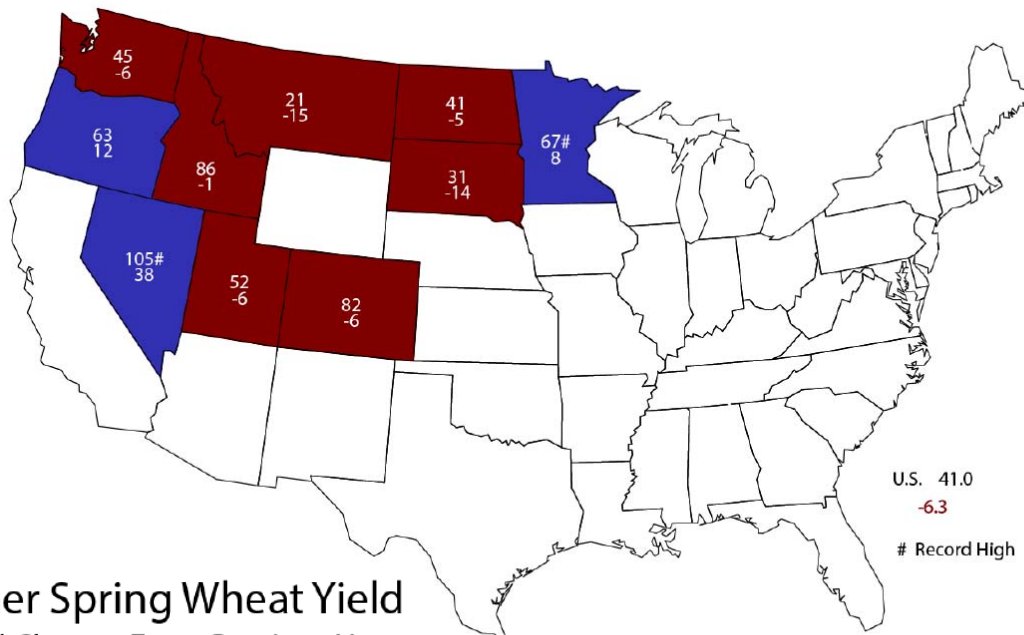
Major agricultural areas combined account for 75% of the total regional cropland.

Legend:

- Drought Areas (Red hatched)
- Major Wheat Areas (Brown)
- Minor Wheat Areas (Green)

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.



2017 Other Spring Wheat Yield

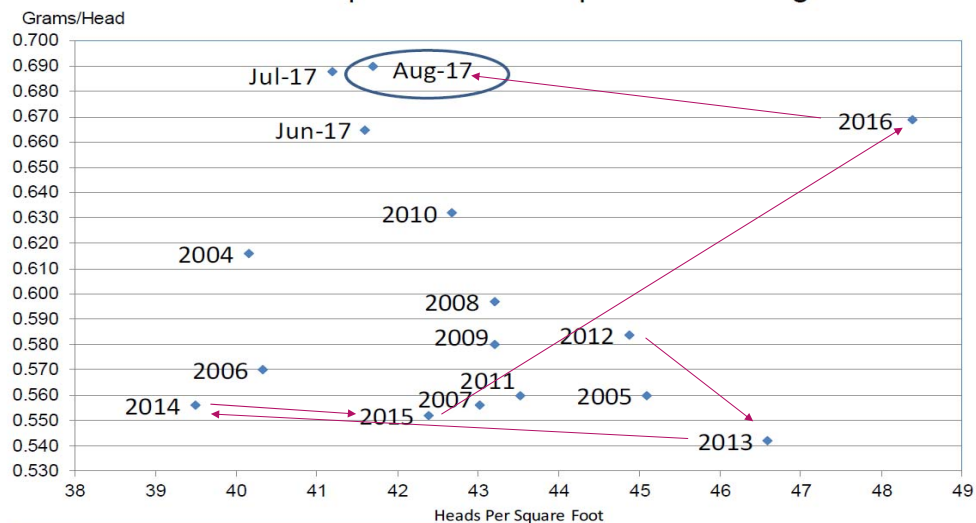
Bushels and Change From Previous Year

USDA-NASS
9-29-17



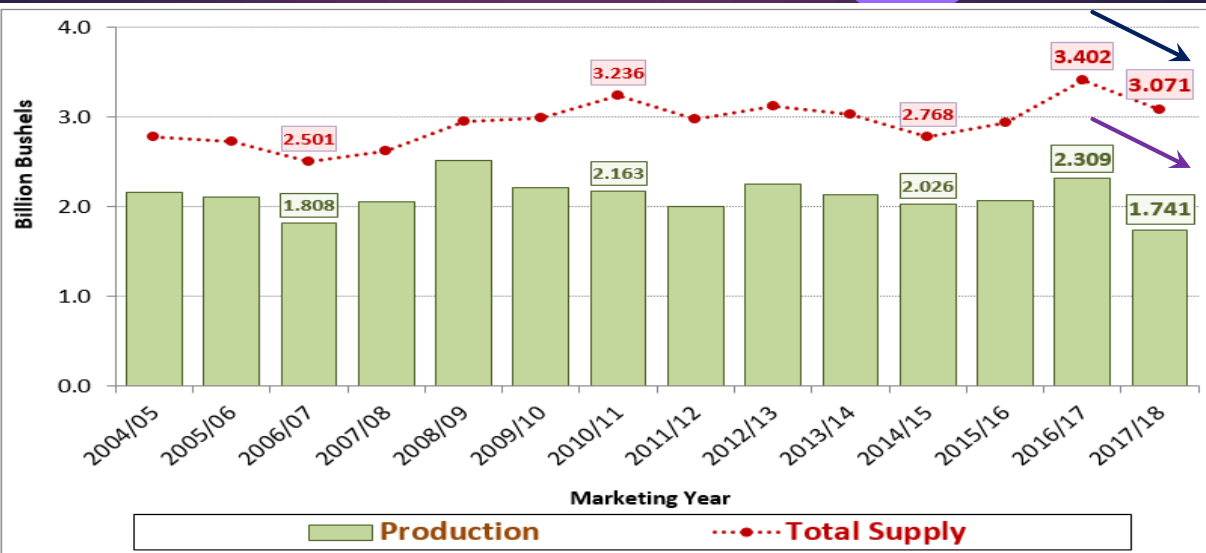
Wheat Objective Yield Region

Heads Per Square Foot vs. Implied Head Weight

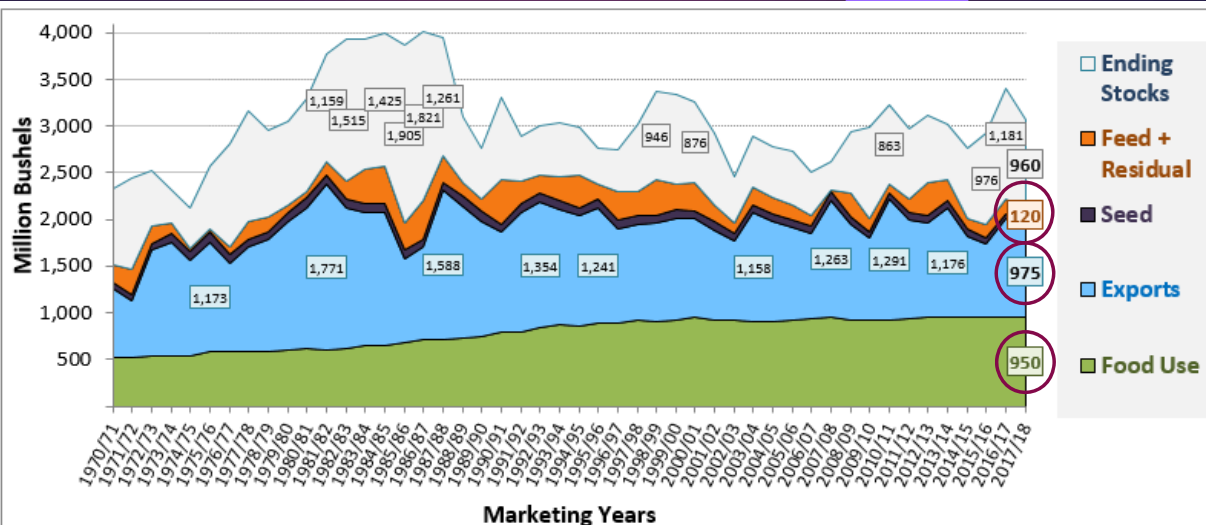


USDA-NASS
8-10-17

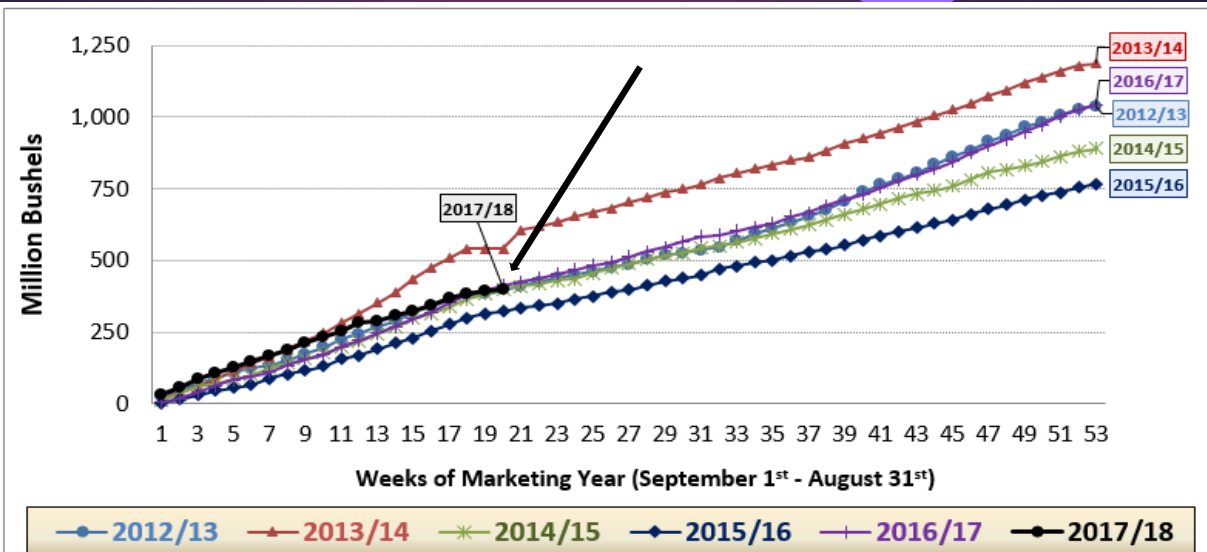
U.S. Wheat Production & Supplies



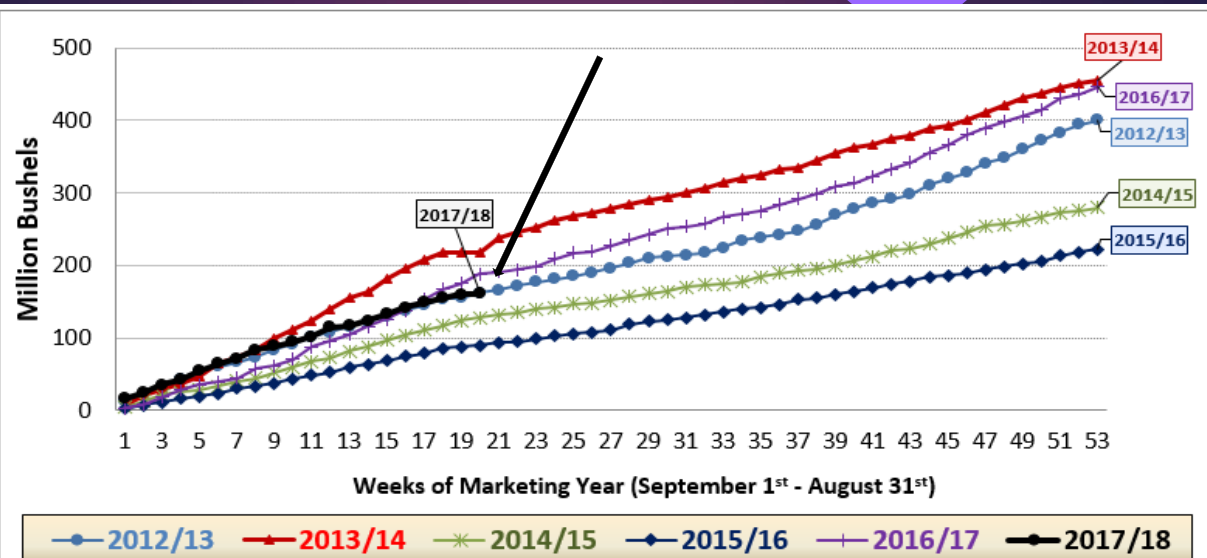
U.S. Wheat Use by Category



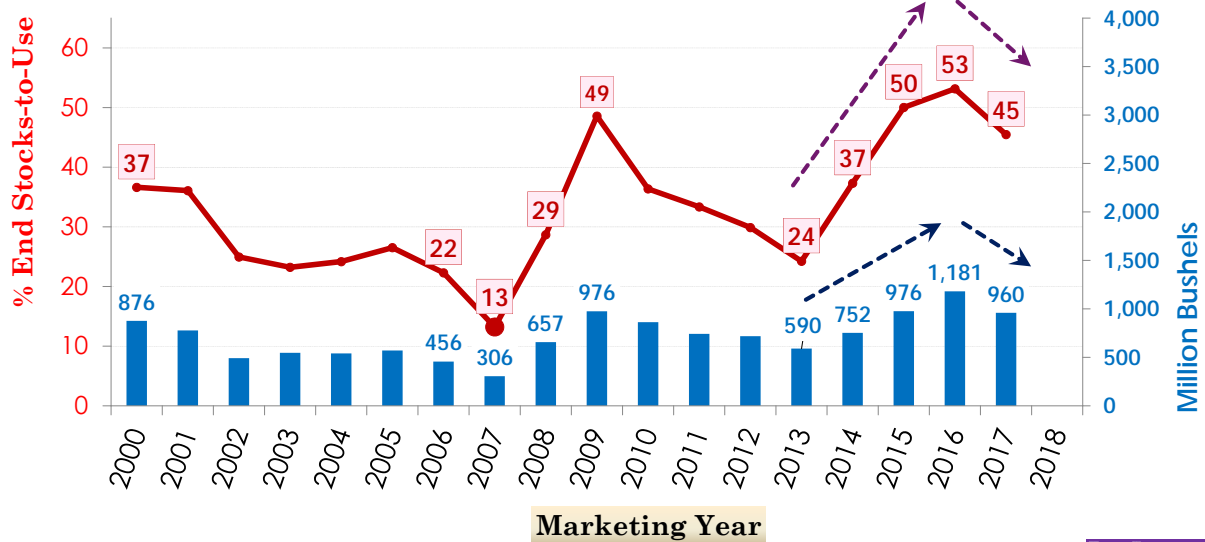
U.S. All Wheat Exports - Weekly thru October 5, 2017



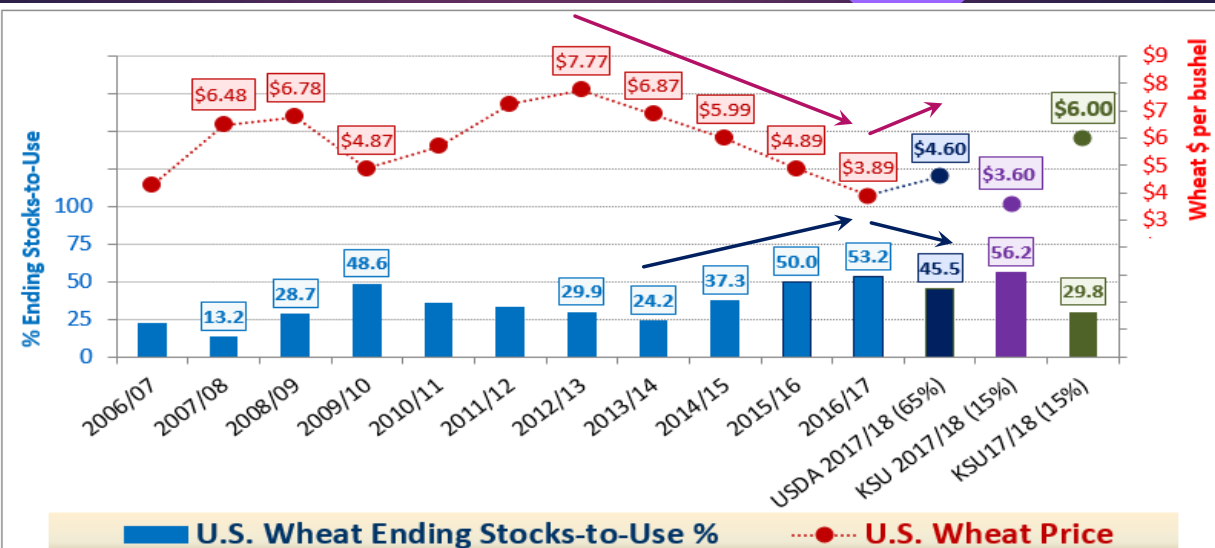
U.S. Hard Red Winter Wheat Exports - Weekly



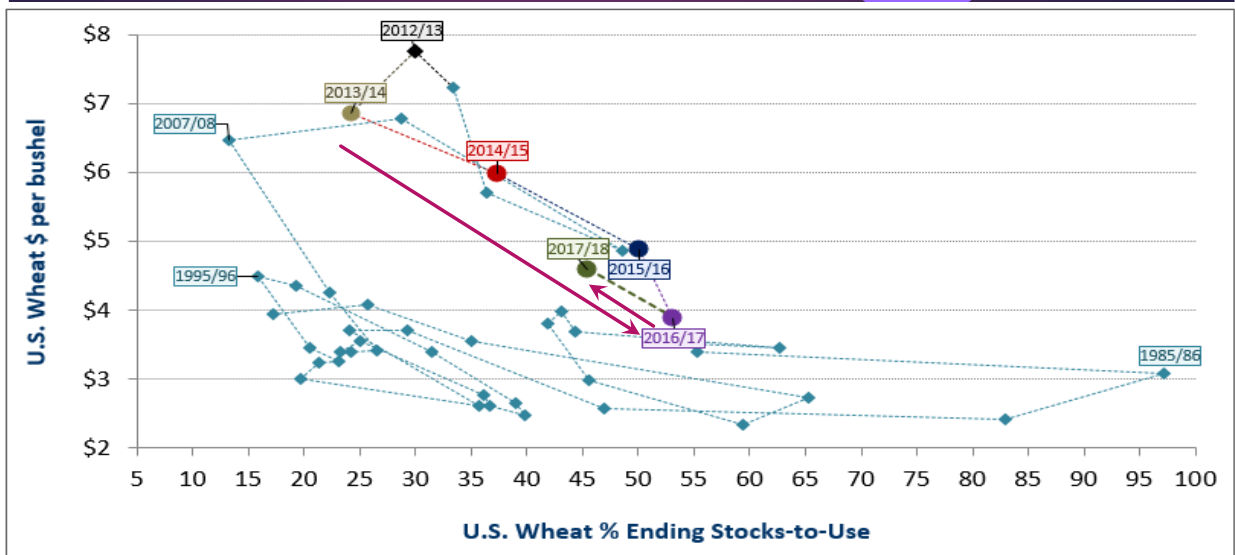
U.S. Wheat Ending Stocks & % Stx/Use



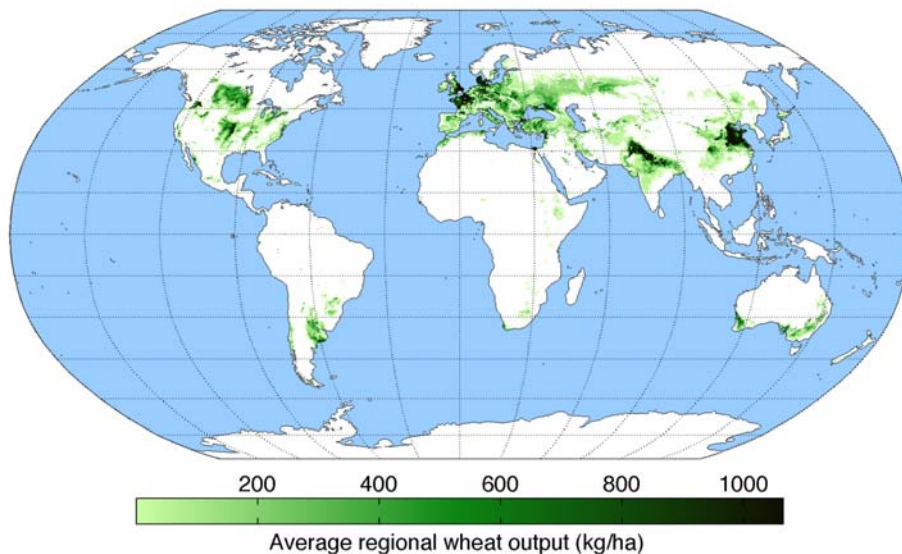
U.S. Wheat Ending Stocks & Prices



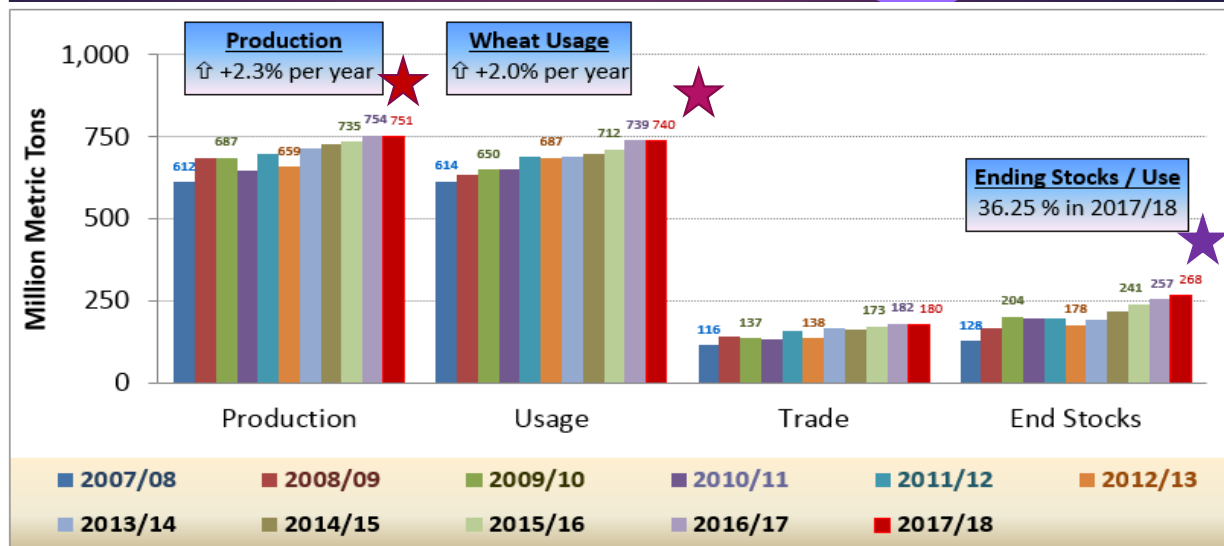
U.S. Wheat Price vs U.S. Stocks-to-Use



World Wheat Production Regions



World Wheat Supply, Use & Stocks



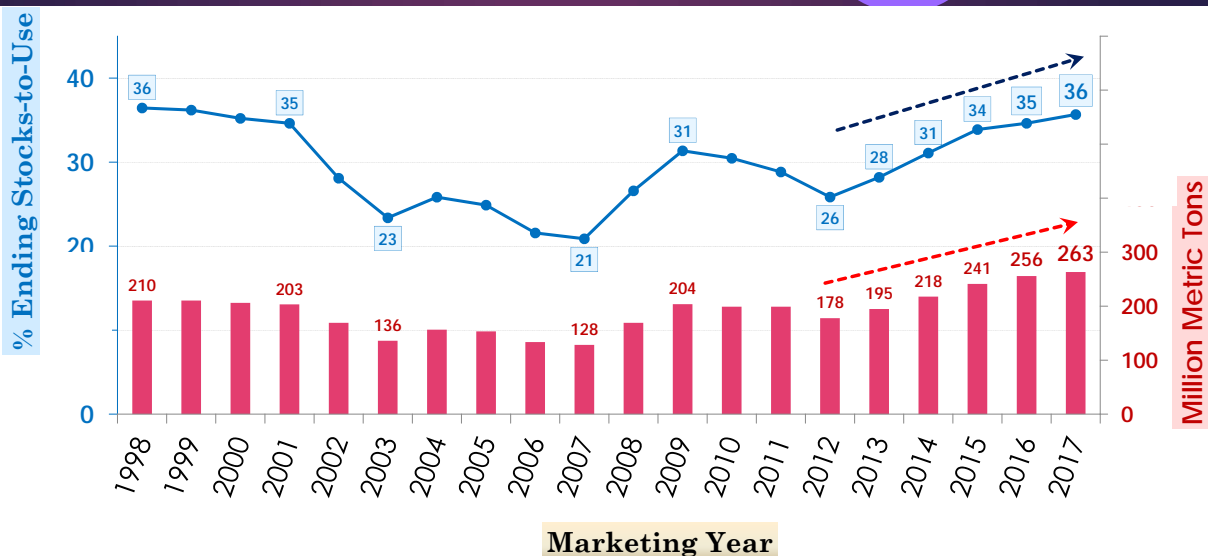
World Wheat Production

Country or Region	2016/17 estimate	2017/18 forecast	Change from September 12	Change from 2016/17	
<i>Million Tons</i>					
World	754.2	751.2	6.3	-3.0	↓ World & U.S. Crops BUT ↑ Foreign Wheat
United States	62.8	47.4	0.0	-15.5	
Foreign	691.3	703.8	6.3	12.5	
Argentina	18.4	17.5	--	-0.9	↑ Russia, Turkey, ↑ EU, India, China BUT ↓ Canada ↓ Australia ↓ Kazakhstan
Canada	31.7	27.0	0.5	-4.7	
Australia	33.5	21.5	-1.0	-12.0	
European Union	145.5	151.0	2.2	5.6	
Turkey	17.3	21.0	1.0	3.8	
Russia	72.5	82.0	1.0	9.5	
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	2.4	11.4	

World Wheat Supply and Use

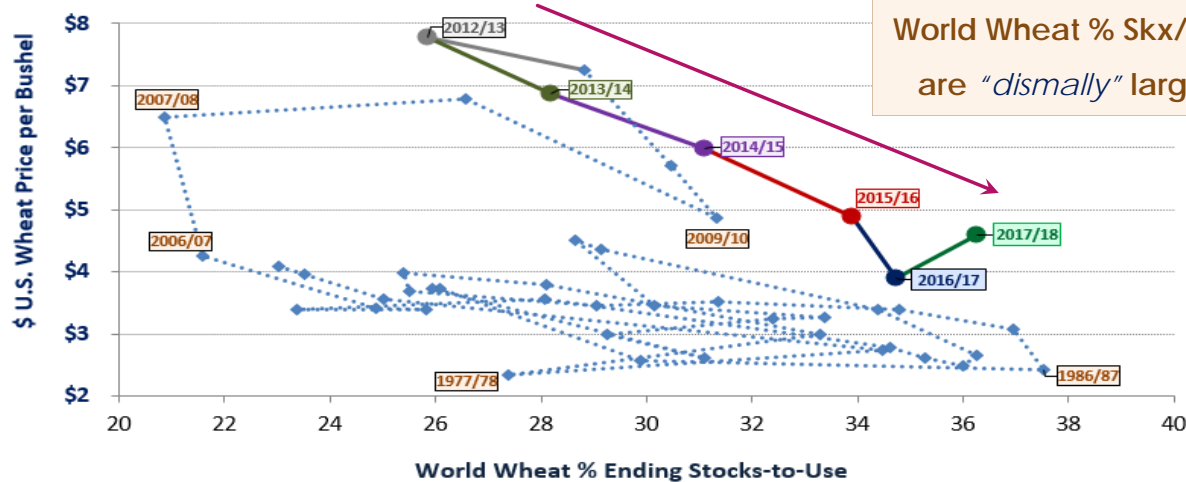
	2016/17 estimate	2017/18 forecast	Change from September 12	Change from 2016/17	
<i>Million Tons</i>					
Beginning stocks	241.2	256.6	0.7	15.4	↑ Beg. Stocks
Production	754.2	751.2	6.3	-3.0	↓ Production
Total Supply	995.4	1,007.8	7.1	12.4	↑ Supplies
Feed use	147.3	141.5	0.9	-5.8	↓ Total Use & ↑ Ending Stocks
Total use	738.8	739.6	2.1	0.9	
Trade	182.5	180.0	0.0	-2.4	
Ending Stocks	256.6	268.1	5.0	11.6	

World Wheat Ending Stocks & % Stx/Use



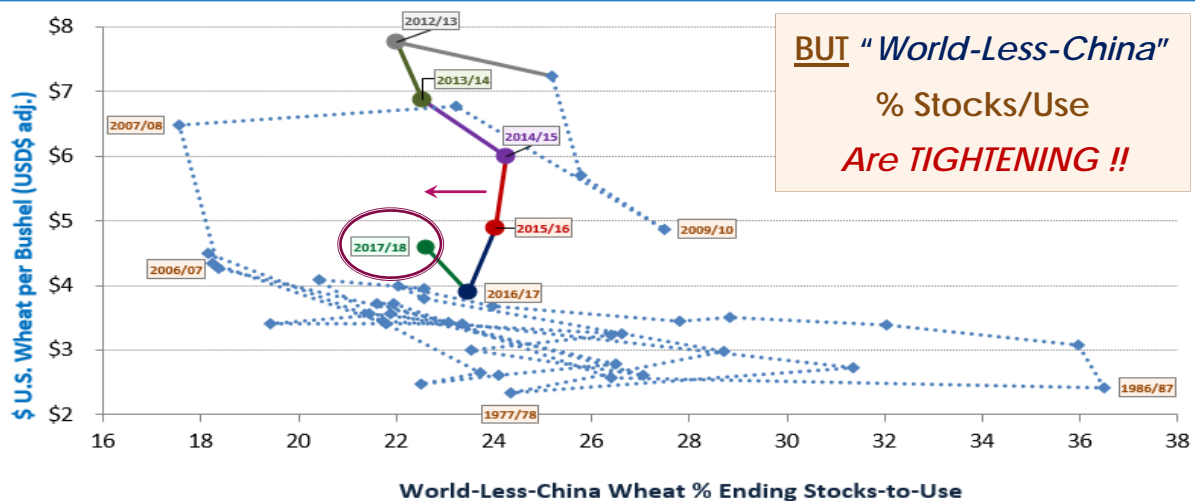
U.S. Wheat Price (\$) vs World % Stx/Use

MY 1973/74 – “New Crop” MY 2017/18

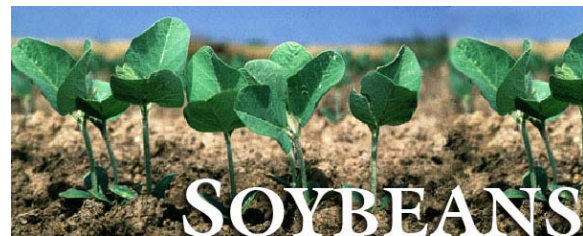


U.S. Wheat \$ vs Non-China % Stx/Use

MY 1973/74 – “New Crop” MY 2017/18



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 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 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 @ *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} = 2.250 bln bu (*Record* – vs 2.174 bb 1 year ago)
 - Total Use ^{2017/18} = 4.326 bln bu (*Record* – vs 4.214 bb 1 year ago)
 - SBM Use ^{2017/18} = 46.4 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} ⇒ 430 mln bu (*High* vs 574 mb in 2006/07)
 - % Stocks/Use ^{2017/18} ⇒ 9.9% S/U (*High* vs 18.6% in 2006/07)
- Cotton: "*Large*" 2017 Crop & "*Growing*" Stocks
 - Production ^{2017/18} ⇒ 21.1 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} ⇒ 32.5% S/U** (*15.1% & 30.2% last 2 years*)

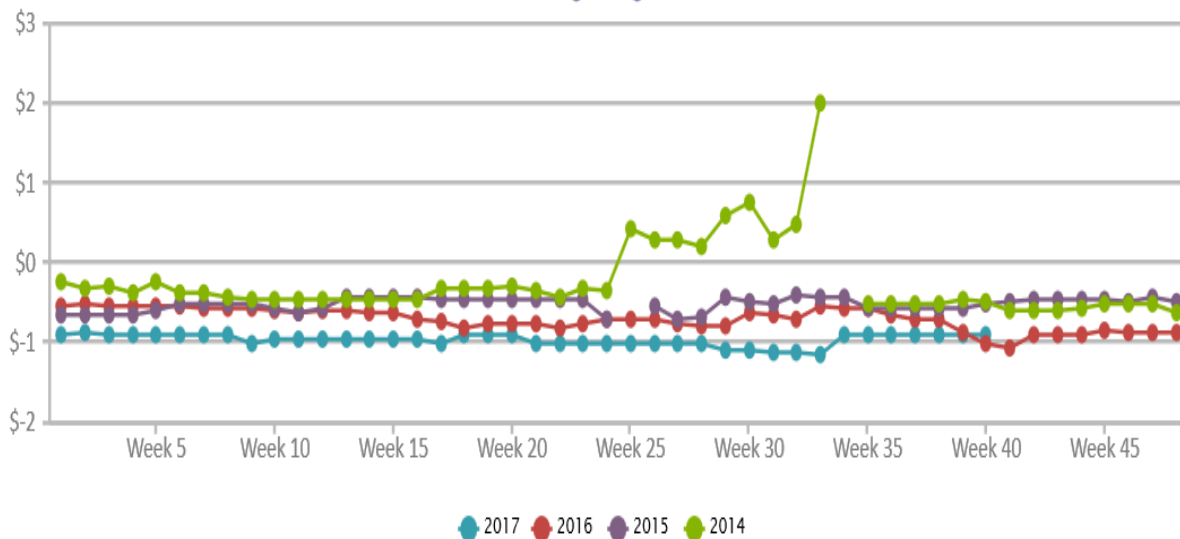
CME Soybean Futures

Monthly Chart: August 2008 – September 2017 + 10/28/2017



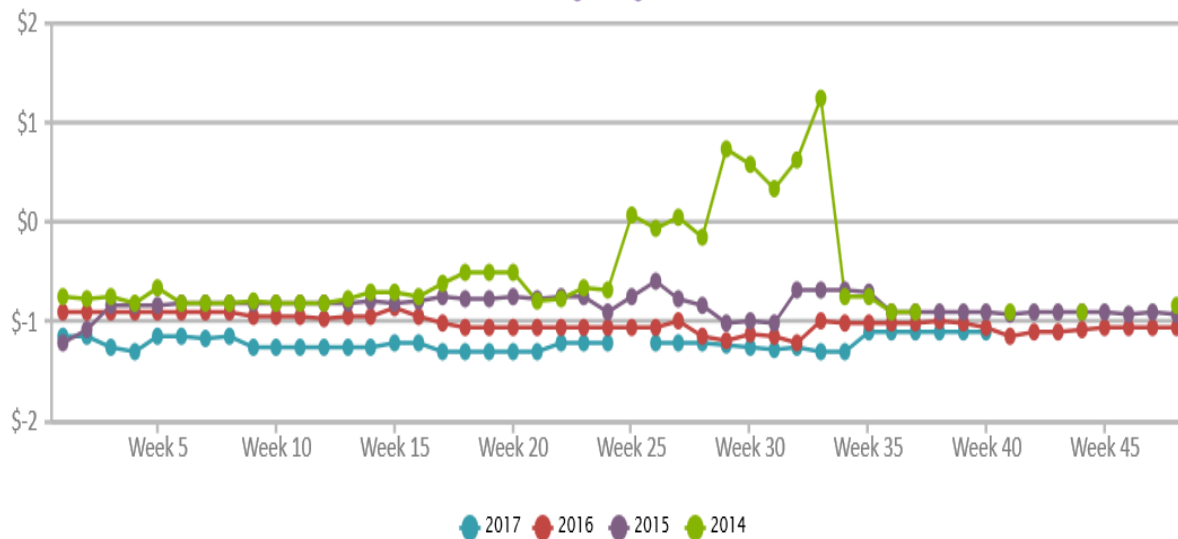
SALINA, KS: Soybeans Basis - CARGILL

www.AgManager.info



GARDEN CITY, KS: Soybeans Basis - GARDEN CITY COOP

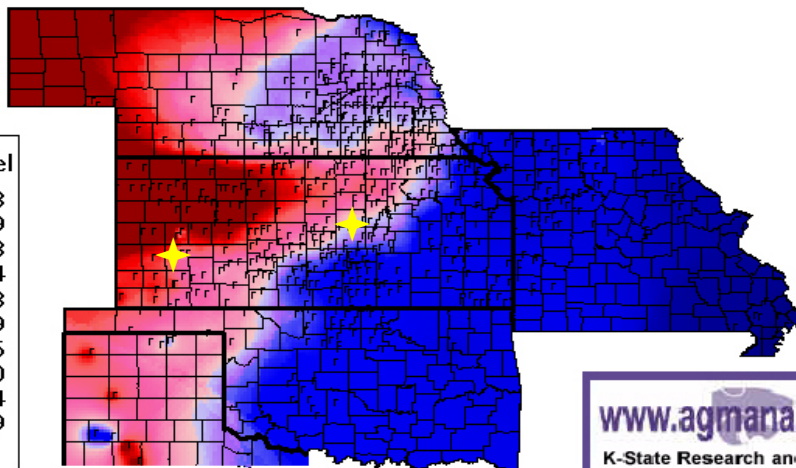
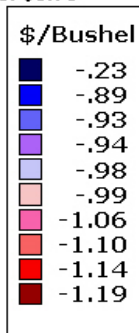
www.AgManager.info



Soybean Basis, 10-25-2017

Basis = Cash Price - Nearby Futures Price

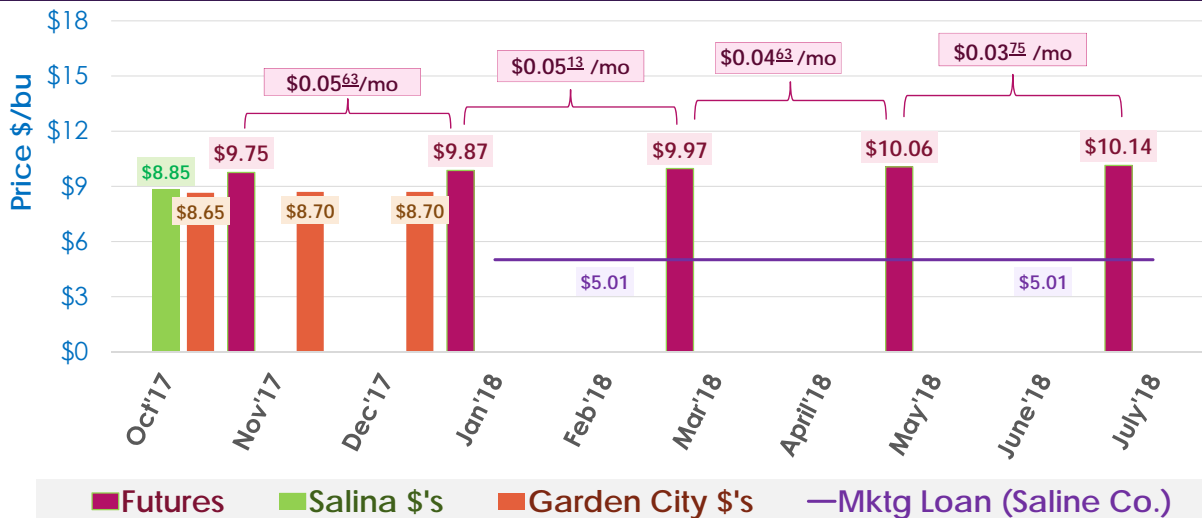
CBT Nov
Futures
Price: \$9.76



www.agmanager.info
K-State Research and Extension

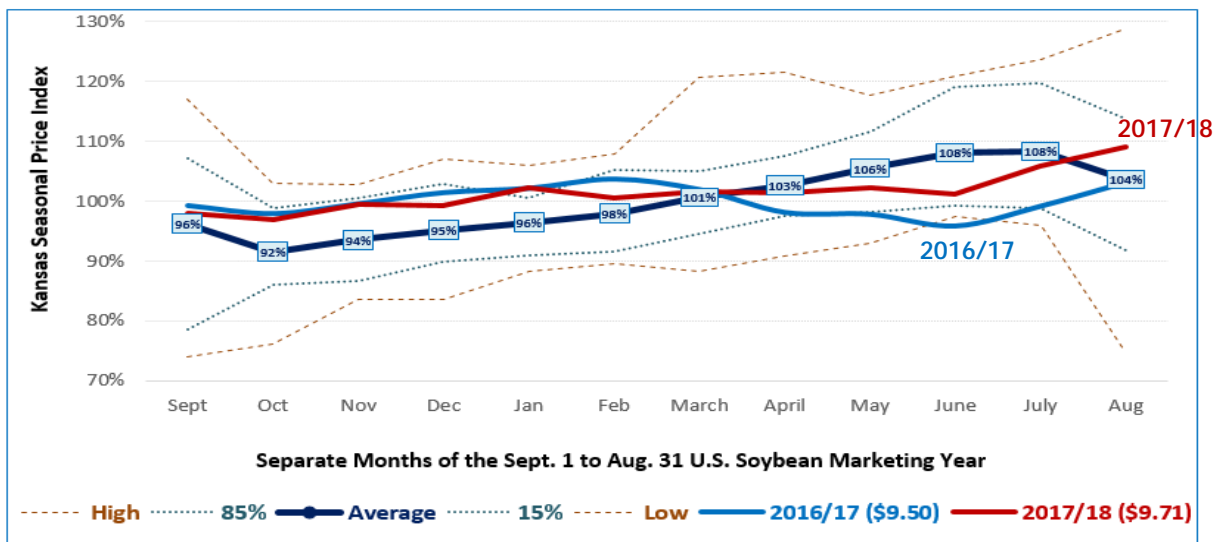
Soybean Cash & Futures Price\$'s

Salina & Garden City, KS Local Elevators - October 28, 2017



Kansas Soybean Seasonal Cash \$ Index

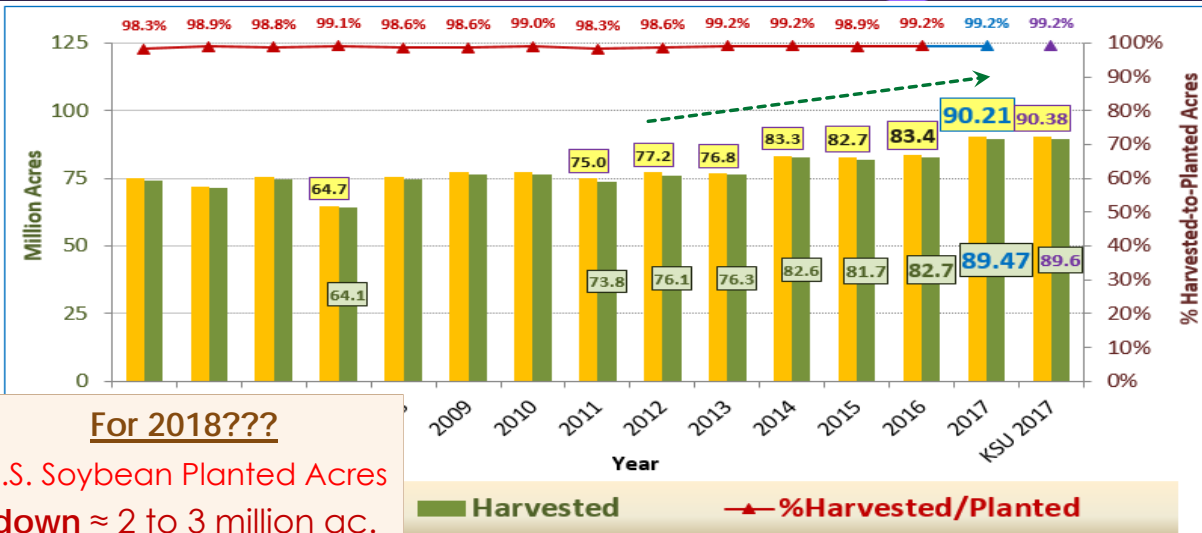
Monthly Prices: "Old Crop" MY 2016/17+ "New Crop" MY 2017/18



U.S. Soybean Supply and Demand

	2016/17 estimate	2017/18 forecast	Change from September 12	Change from 2016/17	
Planted area (million acres)	83.4	90.2	0.7	6.8	
Harvested area (million acres)	82.7	89.5	0.7	6.8	
Yield (bushels per acre)	52.0	49.5	-0.4	-2.4	↑ Record Crop
		<i>Million bushels</i>			and
Beginning stocks	197	301	-44	105	Large Supply
Production	4,296	4,431	-0	135	
Imports	22	25	--	3	
Total supply	4,515	4,757	-45	242	
Crush	1,899	1,940	--	41	↑ Record Use
Seed and residual	141	136	-0	-5	&
Domestic use	2,040	2,076	-0	36	↑ Exports
Exports	2,174	2,250	--	76	
Total use	4,214	4,326	-0	113	
Ending stocks	301	430	-45	129	↑ Stocks/Use
		<i>Percent</i>			&
Stocks to use ratio	7.2	10.0	-1.0	2.8	↓ Prices
		<i>Dollars per bushel</i>			
Average market price	9.47	8.35/10.05	--	-0.27	

U.S. Soybean Acreage



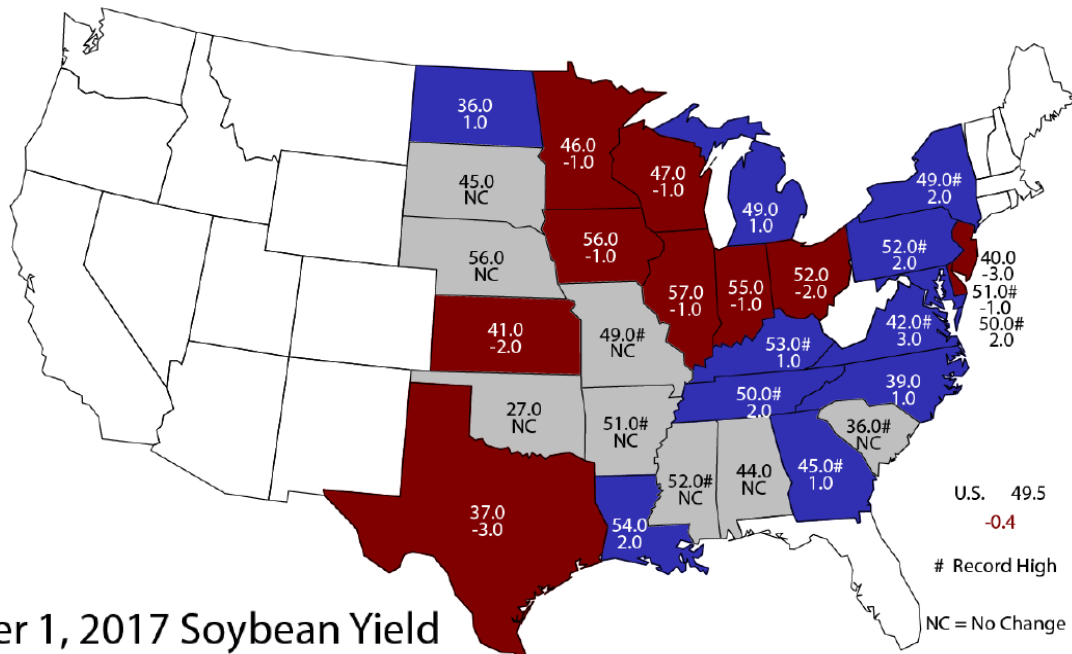
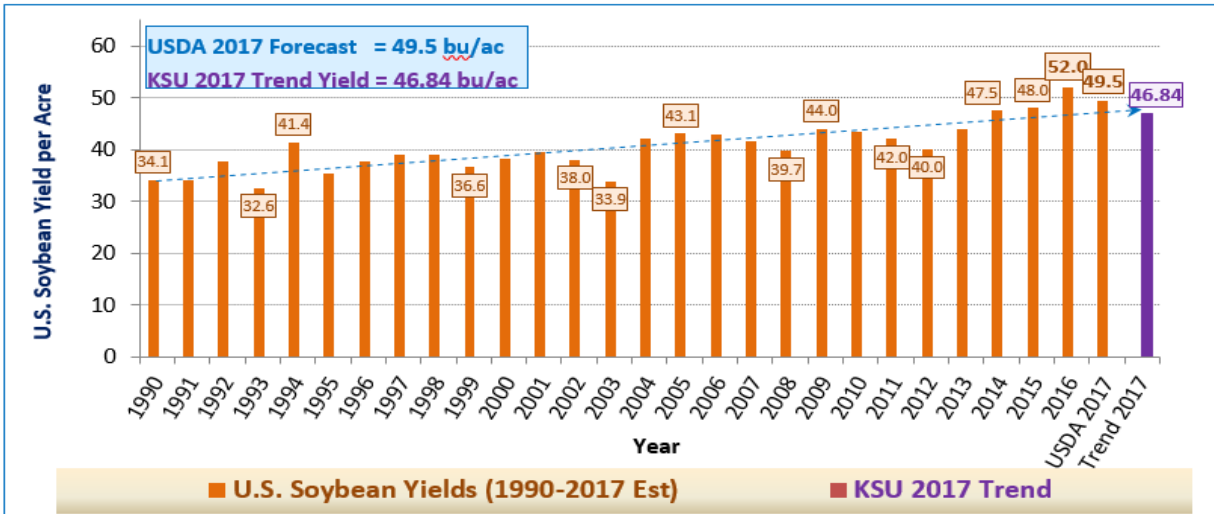
U.S. Soybean Yields

USDA 2017 = 49.5 bu/ac; 2017 Trend¹⁹⁷³⁻²⁰¹⁷

Final 2017???

Impact of Dry Regions???

≈48-51 bu/ac is still possible

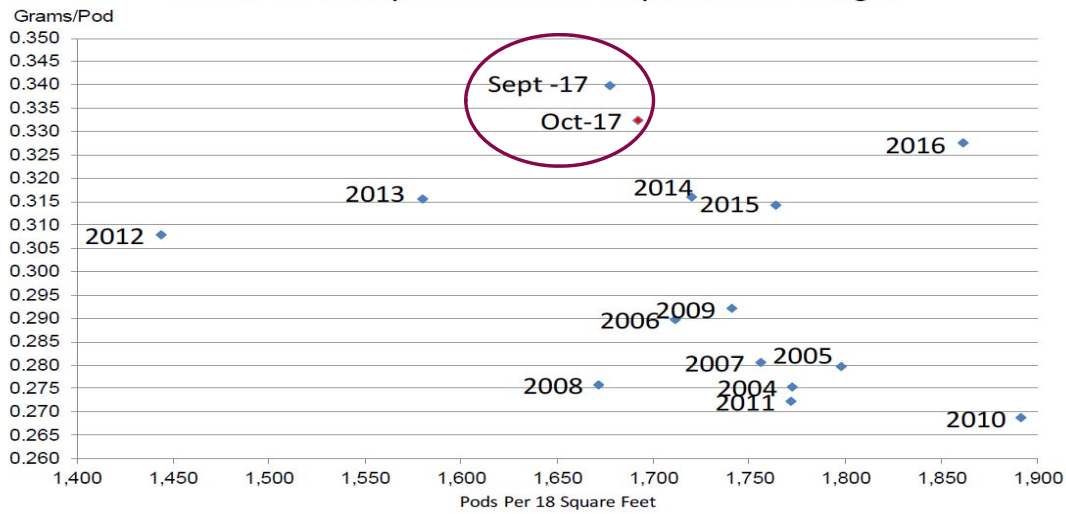


October 1, 2017 Soybean Yield
 Bushels and Change From Previous Month

USDA-NASS
 10-12-17



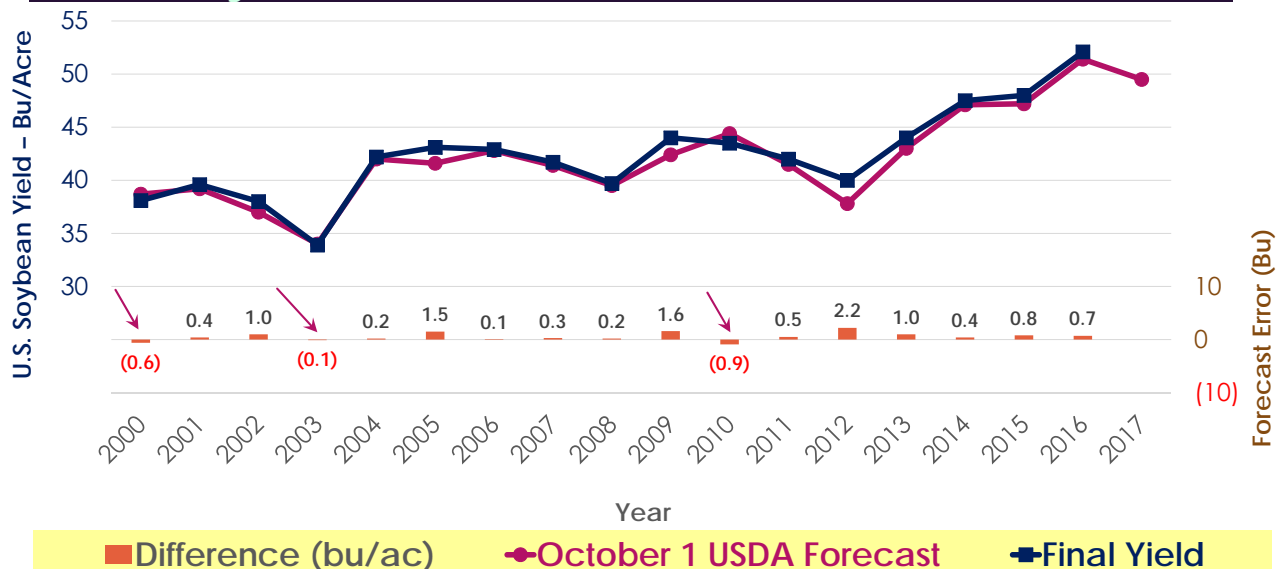
Soybean Objective Yield Region Pods Per 18 Square Feet vs. Implied Pod Weight



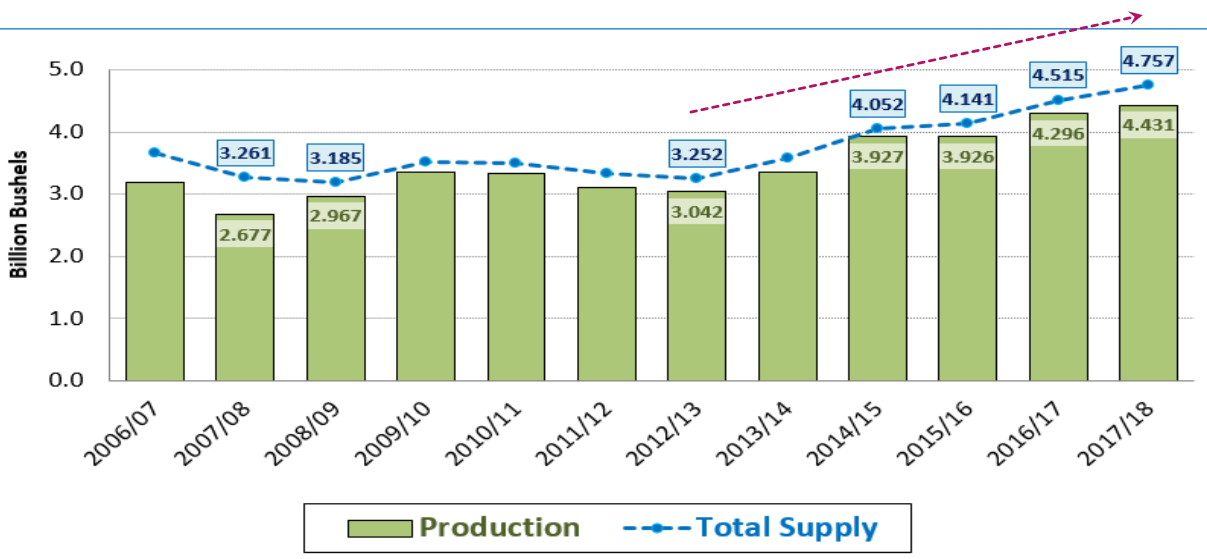
USDA-NASS
10-12-17

U.S. Soybean Yields: 2000-2017

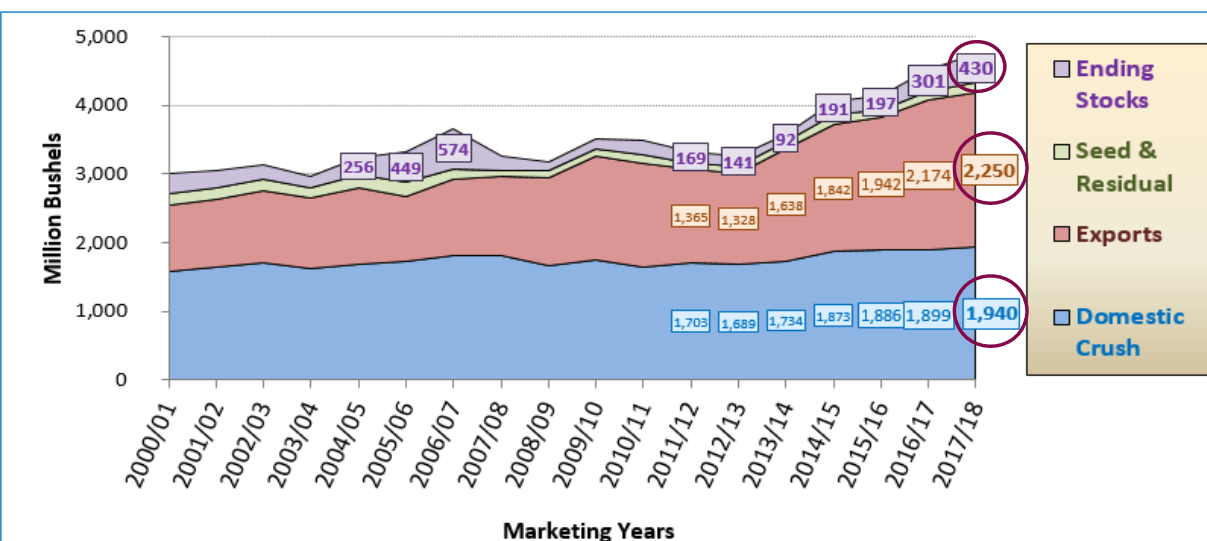
Accuracy of October 1st USDA Forecasts



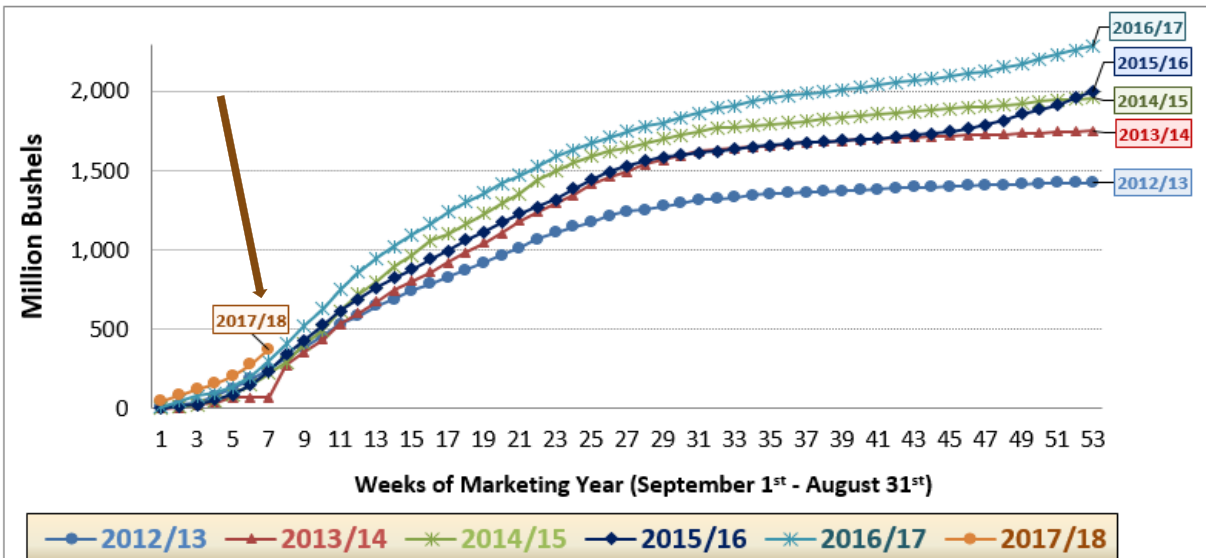
U.S. Soybean Production & Supplies



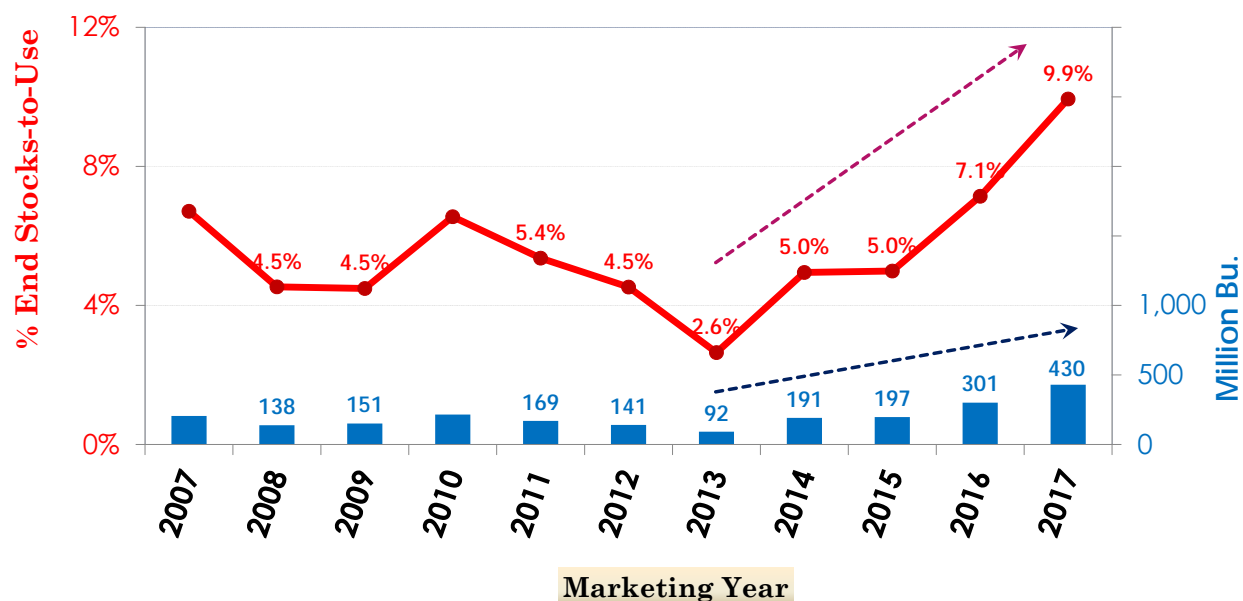
U.S. Soybean Use & End Stocks



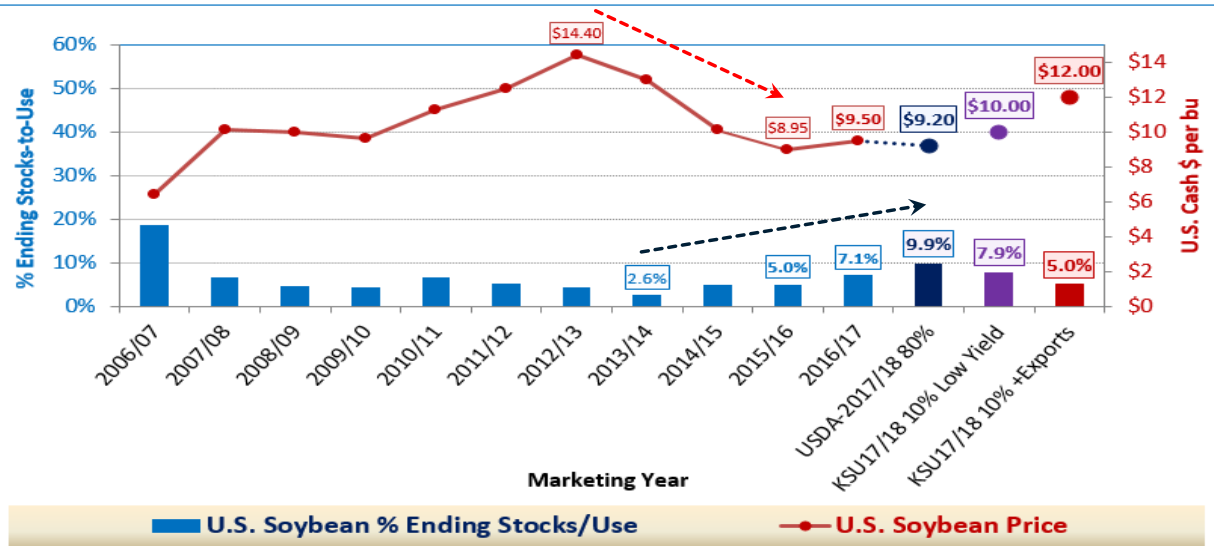
U.S. Soybean Exports - Weekly



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

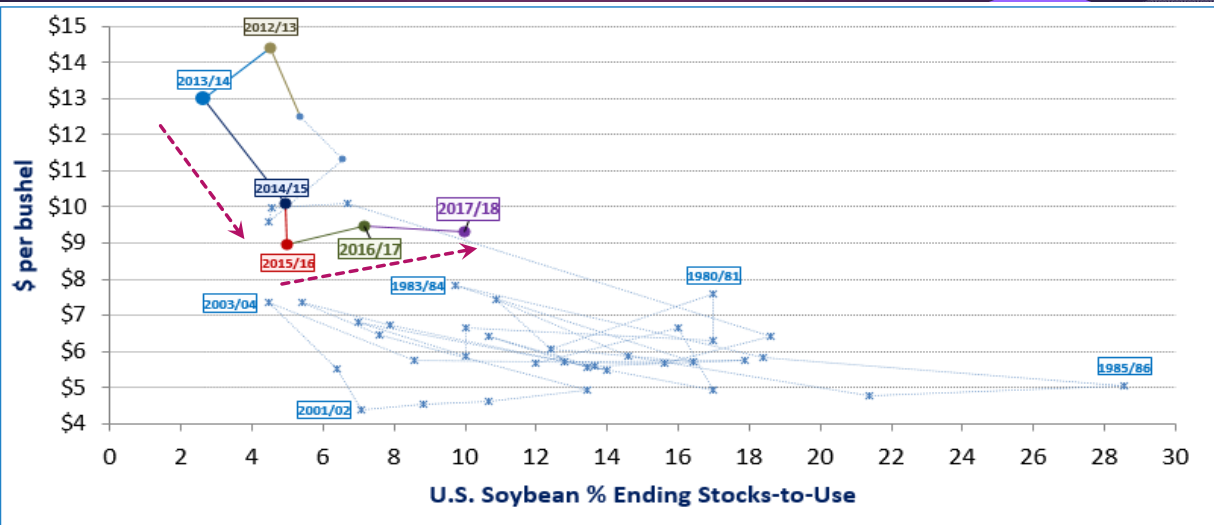


U.S. Soybean % Stocks/Use vs Price\$

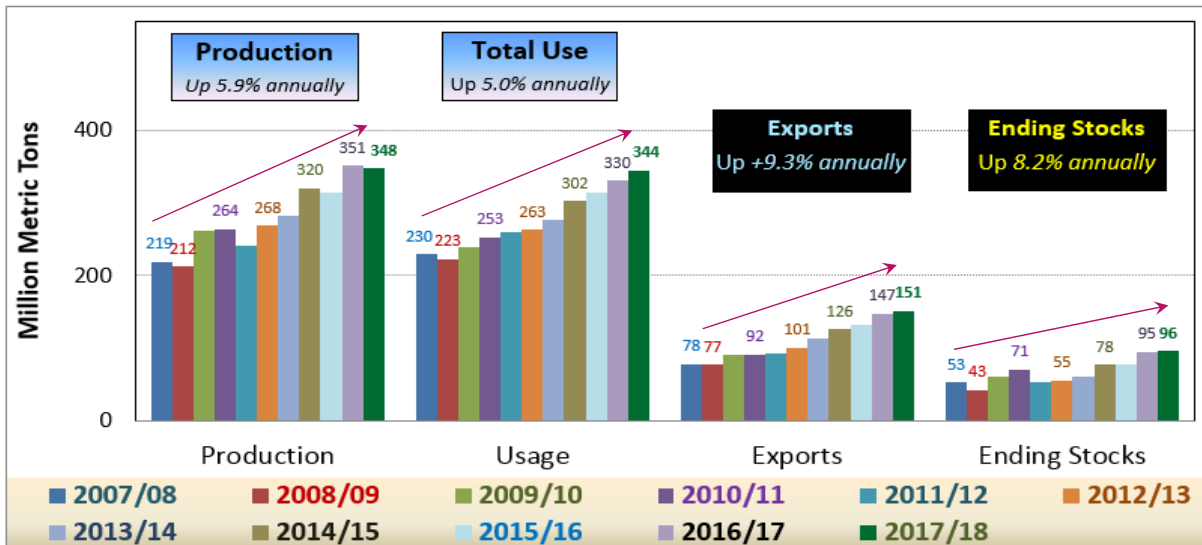


U.S. Soybean \$ vs U.S. Stx-to-Use

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



World Soybean Supply, Use & Stocks



World Soybean Production

Country or Region	2016/17 estimate	2017/18 forecast	Change from September 12	Change from 2016/17	
<i>Million Tons</i>					
World	351.3	347.9	-0.6	-3.4	↓ World Crop
United States	116.9	120.6	0.0	3.7	↑ U.S. Crop
Foreign	234.3	227.3	-0.5	-7.0	↓ Foreign Crop
Argentina	57.8	57.0	--	-0.8	↑ Canada ↑ China ↓ Brazil ↓ Paraguay ↓ India
Brazil	114.1	107.0	--	-7.1	
Paraguay	10.7	9.4	--	-1.3	
Canada	6.5	8.2	--	1.7	
India	11.5	10.0	--	-1.5	
China	12.9	14.2	0.2	1.3	

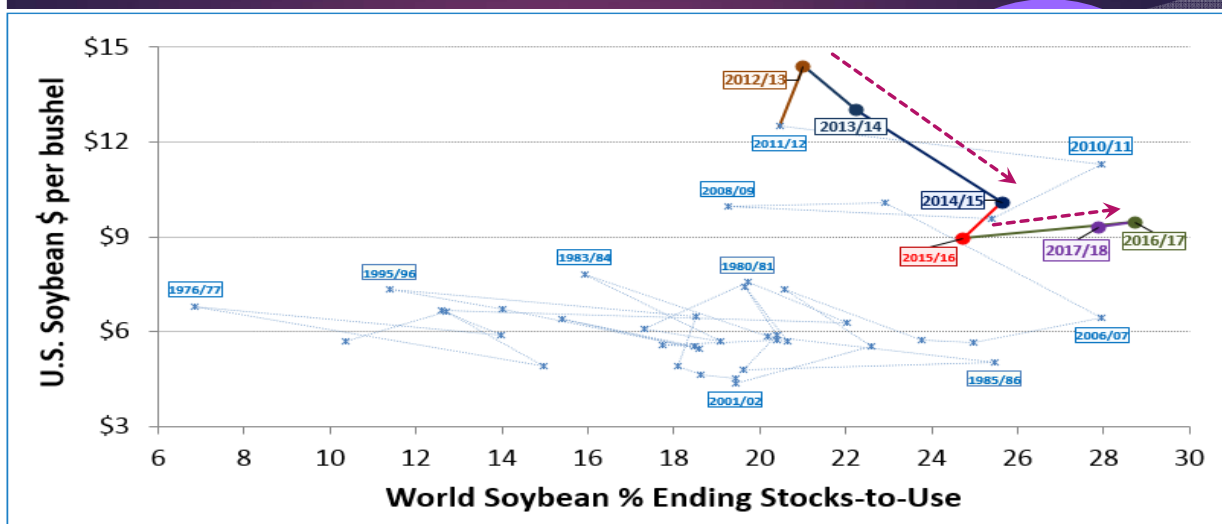
World Soybean Supply and Use

	2016/17 estimate	2017/18 forecast	Change from September 12	Change from 2016/17
<i>Million Tons</i>				
Beginning stocks	77.7	94.9	-1.1	17.1
Production	351.3	347.9	-0.6	-3.4
Total Supply	429.0	442.8	-1.6	13.7
Domestic crush	288.4	301.3	0.6	12.8
Total use	330.3	344.4	0.1	14.1
Trade	147.5	151.0	-0.5	3.5
Ending Stocks	94.9	96.0	-1.5	1.2

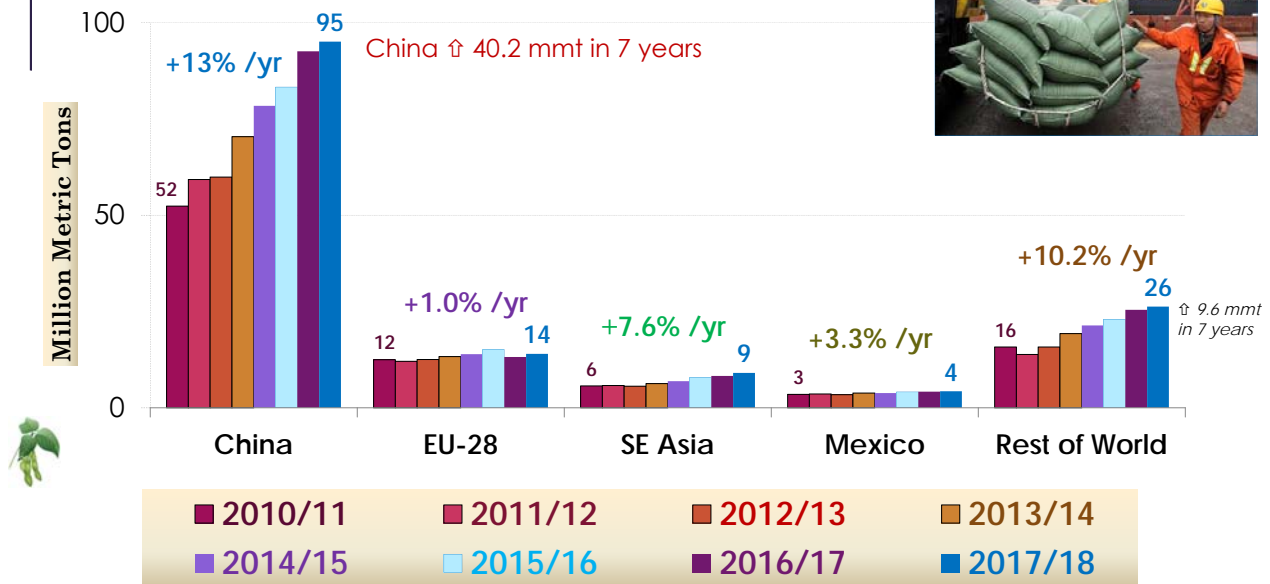
Addendum:				
Beginning stocks				
Argentina plus Brazil	49.9	60.4	-0.5	10.5
Imports*				
China	92.5	95.0	--	2.5

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

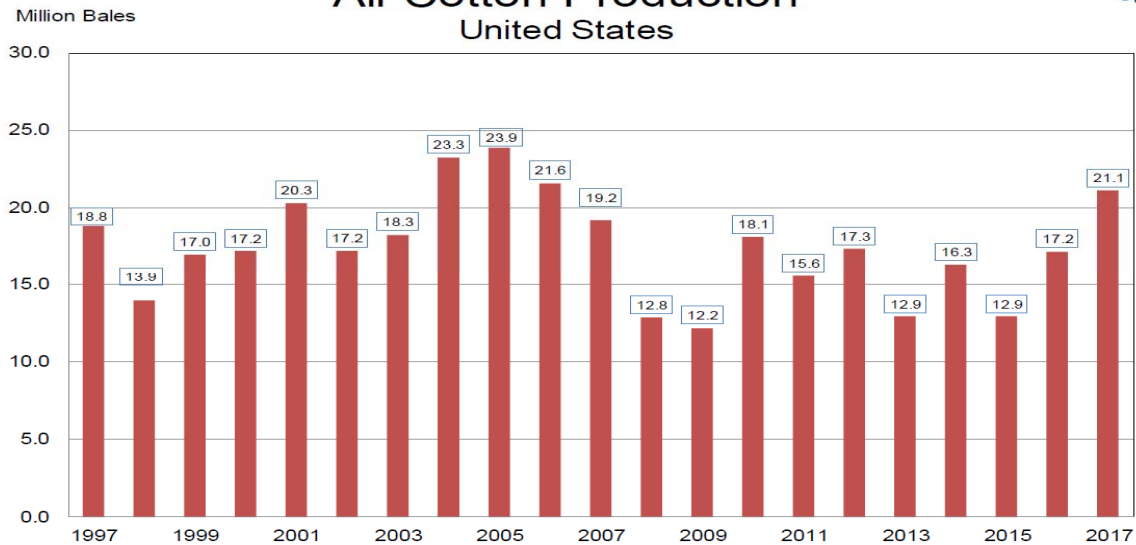
MY 1973/74 through "New Crop" MY 2017/18



Soybean Importer Purchases



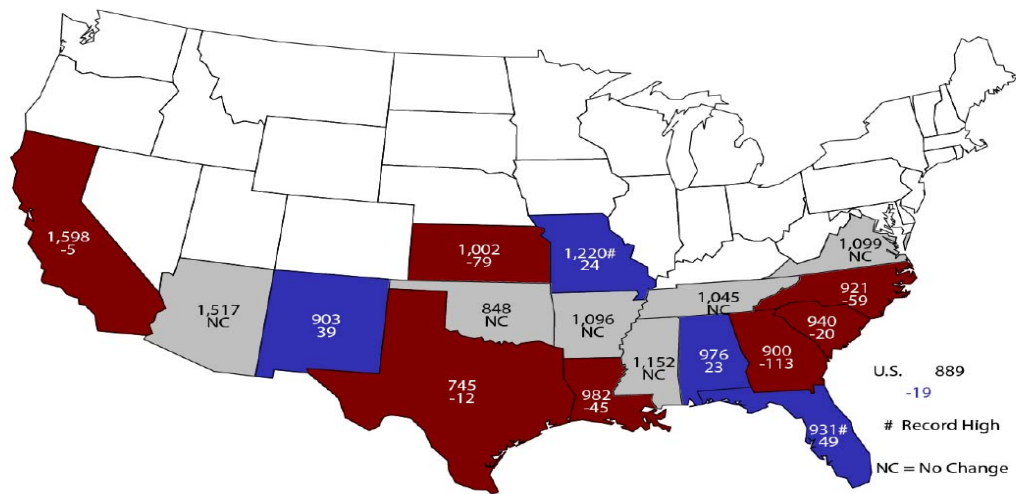
All Cotton Production United States



USDA-NASS
10-12-17



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



USDA-NASS
10-12-17

U.S. Cotton Supply and Demand

	2016/17 estimate	2017/18 forecast	Change from September 12	Change from 2016/17
Planted area (million acres)	10.07	12.62	--	2.55
Harvested area (million acres)	9.51	11.41	-0.10	1.90
Yield (pounds per acre)	867	889	-19	22
<i>Million bales</i>				
Beginning stocks	3.80	2.75	--	-1.05
Imports	0.01	0.01	--	0.00
Production	17.17	21.12	-0.64	3.95
Total supply	20.98	23.88	-0.64	2.90
Mill use	3.25	3.35	--	0.10
Exports	14.92	14.50	-0.40	-0.42
Total use	18.17	17.85	-0.40	-0.32
Unaccounted	0.06	0.23	-0.04	0.17
Ending stocks	2.75	5.80	-0.20	3.05
<i>Percent</i>				
Stocks/use	15.1	32.5	-0.4	17.4
<i>Cents per pound</i>				
Average market price	68.00	55.0/65.0	--	-8.00

World Cotton Supply and Use

	2016/17 estimate	2017/18 forecast	Change from September 12	Change from 2016/17
<i>Million Bales</i>				
Beginning stocks	96.7	89.6	0.00	-7.1
Production	106.6	120.9	0.11	14.3
Total Supply	203.3	210.4	0.11	7.1
Consumption	113.7	118.0	0.26	4.3
Trade	37.4	38.2	0.44	0.8
Ending Stocks	89.6	92.4	-0.16	2.8
Addendum:				
China Ending Stocks	48.4	39.5	--	-9.0



Questions?

Daniel O'Brien – Extension Ag Economist

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