

Dynamic 2022-2023 Grain Markets

Tuesday, May 17, 2022

DANIEL O'BRIEN

EXTENSION AGRICULTURAL ECONOMIST

KANSAS STATE
UNIVERSITY

Department of Agricultural Economics



Our Focus.....

1) Key Grain Market Factors & Situations in 2022-2023

- Supply-Demand Issues U.S.-World $\Rightarrow$ “tight” Stocks/Use - “high” Price\$

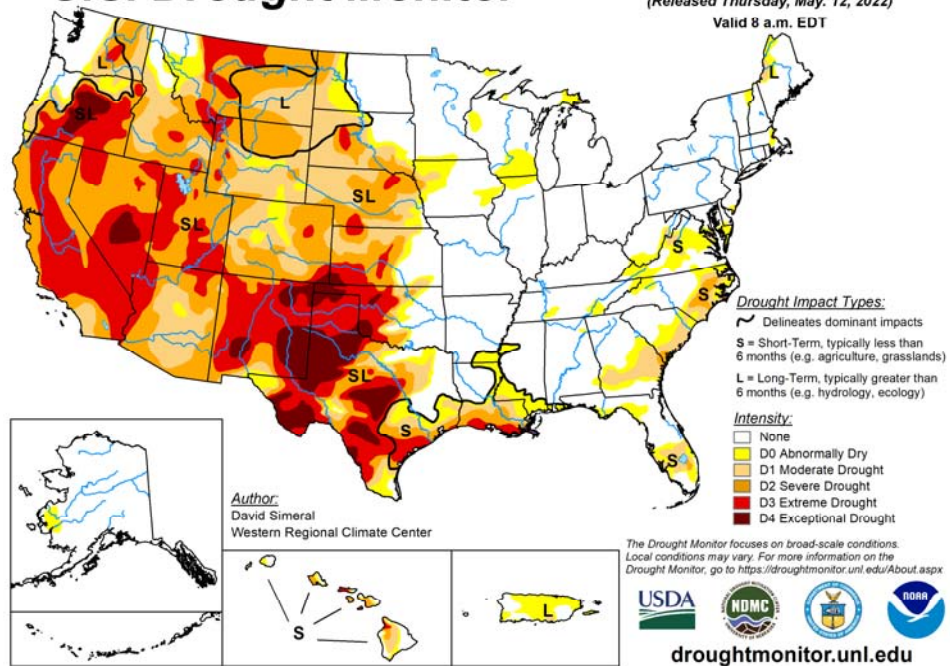
2) Grain Market Analysis & Outlook

- Corn
 - Sorghum
 - Wheat
 - Soybeans

U.S. Drought Monitor

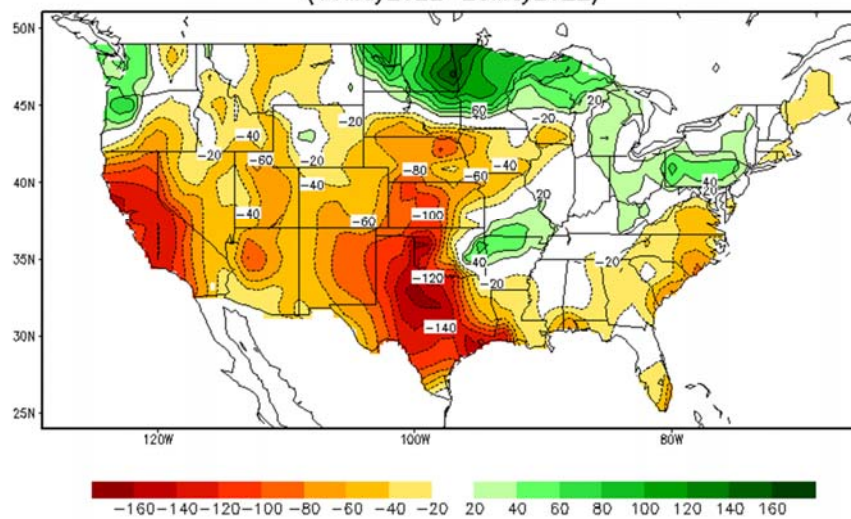
May 10, 2022
(Released Thursday, May. 12, 2022)
Valid 8 a.m. EDT

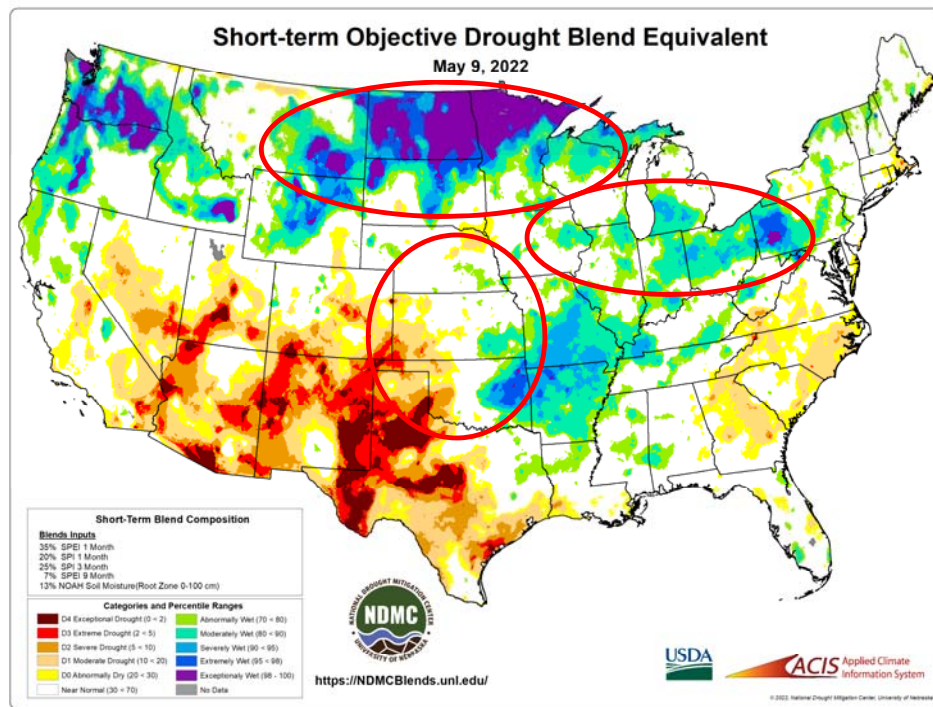
3



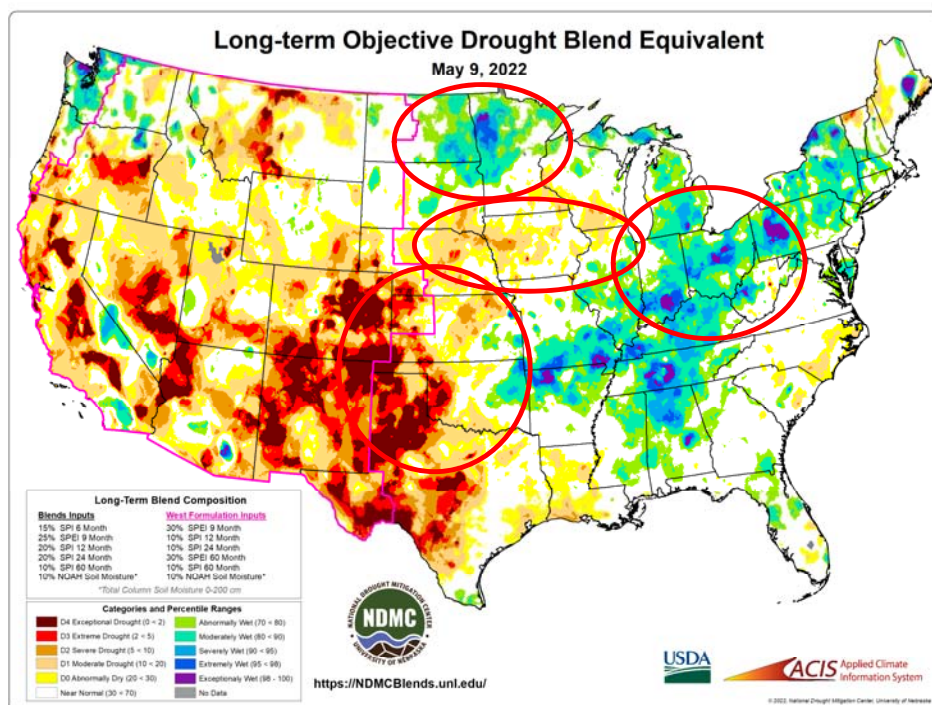
4

Predicted Soil Moisture Anomaly (mm)
(16May2022–23May2022)



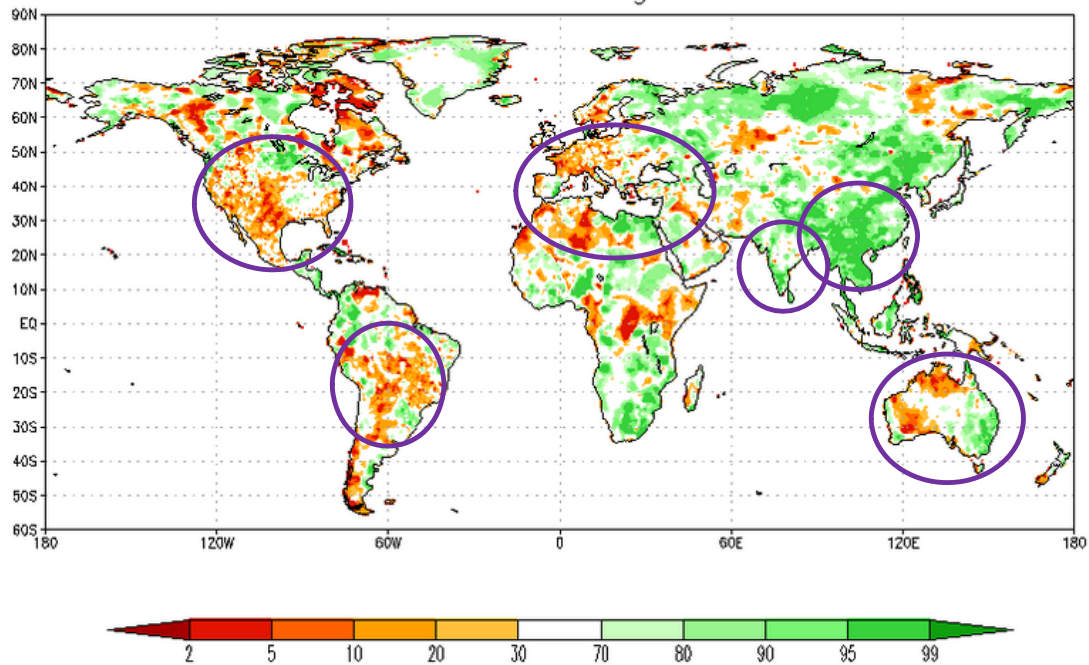


5



6

Calculated Soil Moisture Ranking Percentile 20220515



7

Corn & Sorghum Markets

8



KANSAS STATE
UNIVERSITY

Department of Agricultural Economics

I. Grain Futures Closes, Changes & Market Carry on Monday, May 16, 2022

9

Corn Futures			
Month	Close	Change	Carry /mo
<u>July^L 22</u>	\$8.09 ½	⬆ \$0.28 ¼	---
Sept 22	\$7.78	⬆ \$0.20 ½	-\$0.15 ¾
<u>Dec^H 22</u>	\$7.65 ½	⬆ \$0.16 ¾	-\$0.04 ⁶⁶⁷
Mar 23	\$7.68	⬆ \$0.16 ¼	-\$0.00 ⁸³³
May 23	\$7.66	⬆ \$0.16 ¼	-\$0.01
July 23	\$7.58 ¼	⬆ \$0.16 ¼	-\$0.03 ⁸⁷⁵
Sept 23	\$6.85 ¼	⬆ \$0.10 ¾	-\$0.33 ⁶²⁵
<u>Dec^H 23</u>	\$6.54 ½	⬆ \$0.09	-\$0.10 ³³³

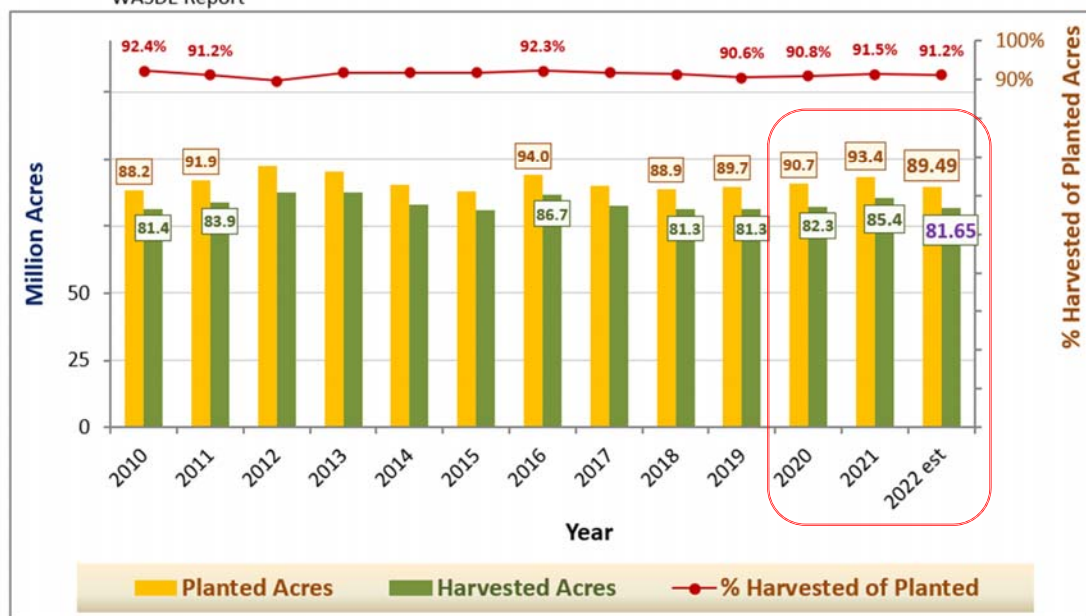
Kansas Cash & Futures Prices

10

Kansas Cash & Futures Prices						
Date						
5/16/2022						
Grain Futures Contracts		Closing \$				
JULY 2022 Corn (lead contract)		\$8.0250				
DEC 2022 Corn (2022 Harvest Contract)		\$7.6125				
5/16/2022		Cash Grain & Harvest Contract Prices @ Kansas Grain Elevators				
		Representing the highest bids available at each location				
Cash Market Spot & FC Bids	Colby	Salina	Topeka	Garden City	Hutchinson	Columbus ^{Area}
	NW KS	NC KS	EC-NE KS	SW KS	SC KS	SE KS
Corn Spot Cash\$	\$8.33	\$7.88	\$8.19	\$8.88	\$8.22	\$8.02
Corn Spot Cash Basis	\$0.31	(\$0.15)	\$0.16	\$0.86	\$0.20	(\$0.01)
Corn Harvest FC\$: Fall ²⁰²²	\$7.57	\$7.47	\$7.30	\$8.01	\$7.48	\$7.34
Corn Harvest FC\$ Basis	(\$0.04)	(\$0.14)	(\$0.31)	\$0.40	(\$0.13)	(\$0.27)
Grain Sorghum Spot Cash\$	\$7.78	\$7.71	\$7.71	\$7.93	\$8.02	\$7.90
Sorghum Spot Cash Basis	(\$0.25)	(\$0.32)	(\$0.32)	(\$0.10)	(\$0.01)	(\$0.13)
Grain Sorghum Harvest FC\$: Fall ²⁰²	\$7.47	\$7.41	\$7.40	\$7.26	\$7.38	\$7.19
Sorghum Harvest FC\$ Basis	(\$0.14)	(\$0.20)	(\$0.21)	(\$0.35)	(\$0.23)	(\$0.42)

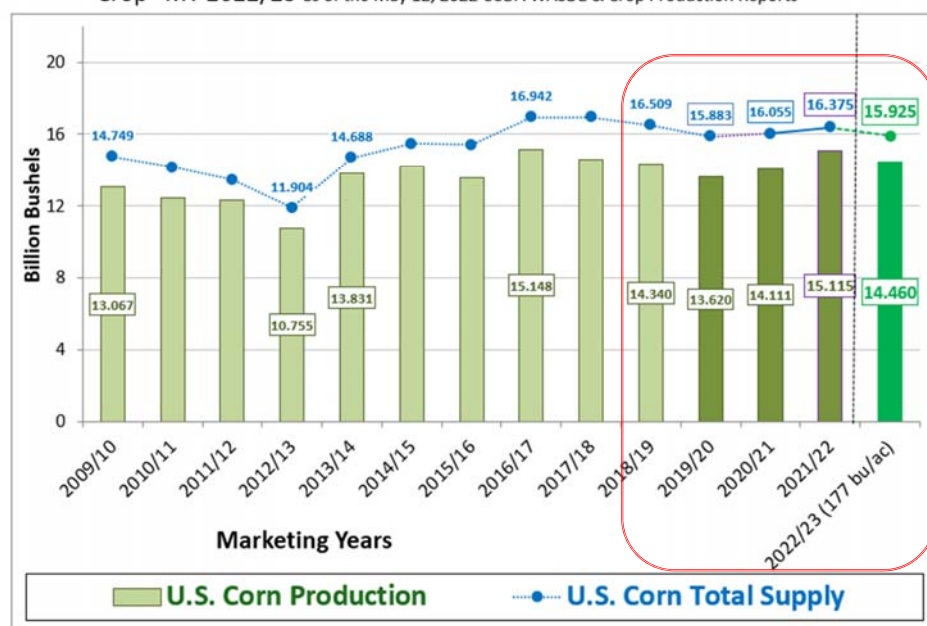
U.S. Corn Acreage for Years 2010-2022 as of the May 12, 2022 USDA

WASDE Report



11

U.S. Corn Production & Total Supplies: MY 2009/10 - "New Crop" MY 2022/23 as of the May 12, 2022 USDA WASDE & Crop Production Reports



12

U.S. Corn S/D & Stocks USDA WASDE Report, May 12, 2022

13

□ Corn: “Tightening” Stocks & % S/U

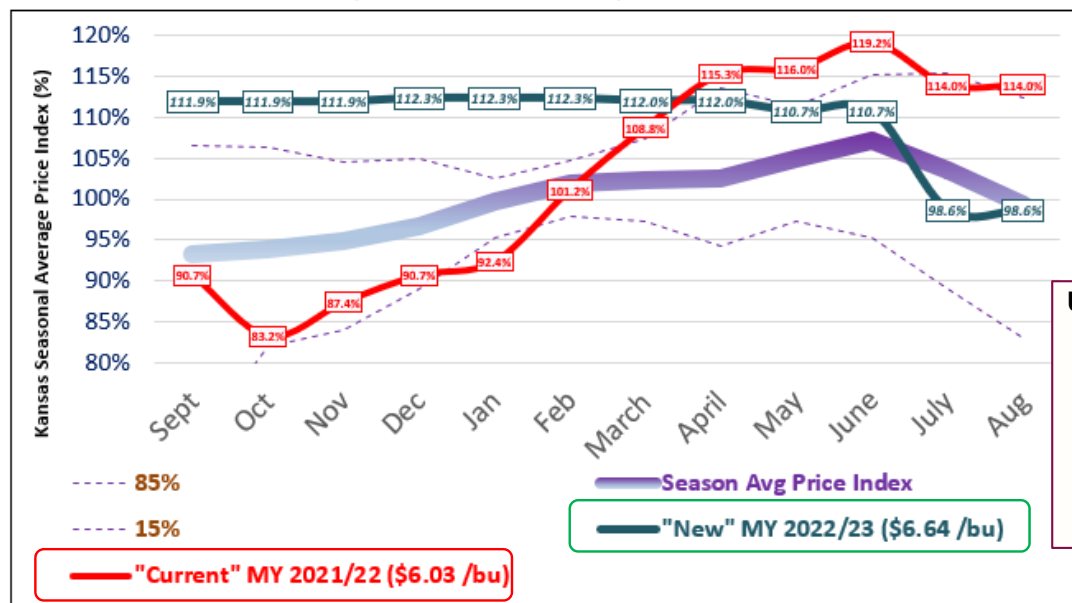
- **U.S. Corn Yield** ²⁰²² ⇒ **177 bu/ac**
- **Production** ²⁰²² ⇒ **14.460 bln bu** (vs **15.115 bb** in 2021)
- **Ending Stocks** ^{2022/23} ⇒ **1.360 bln bu** (vs **1.440 bb** last year)
- **% Stocks/Use** ^{2022/23} ⇒ **9.34% S/U** (↓ vs **9.64% S/U** year ago)
- **U.S. Farm \$** ^{2022/23} ⇒ **\$6.75 /bu** (vs **\$5.90** year ago)

KANSAS STATE UNIVERSITY Department of Agricultural Economics

Kansas Corn Seasonal Prices: MY 1999/00 – MY 2019/20 plus “Current”

14

MY 2021/22 & “New Crop” MY 2022/23 as of May 16, 2022 - closes



USDA Forecasts:

“Current” MY 2021/22
= \$5.90 /bu U.S.

“New Crop” MY 2022/23
= \$6.75 /bu U.S.

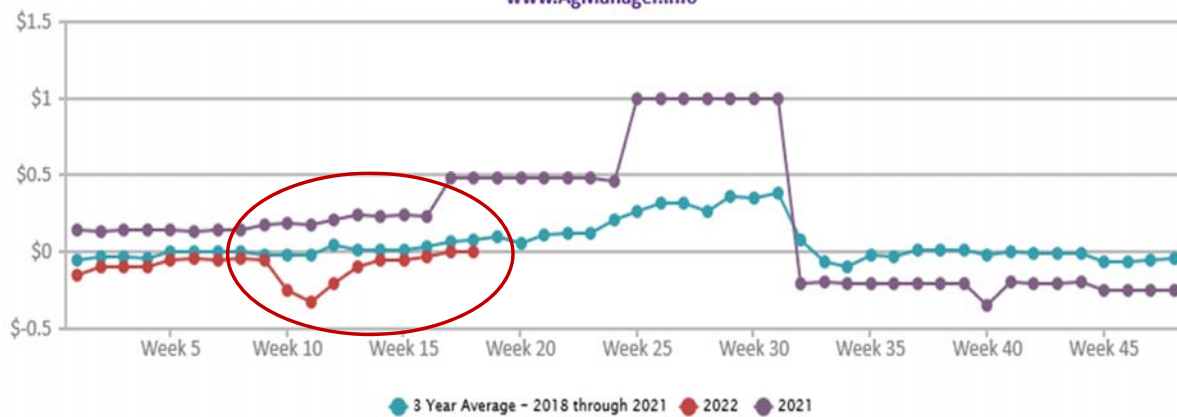
ELEC. CORN (@C2022N)



15

COLUMBUS , KS: Corn Basis - FARMERS COOP

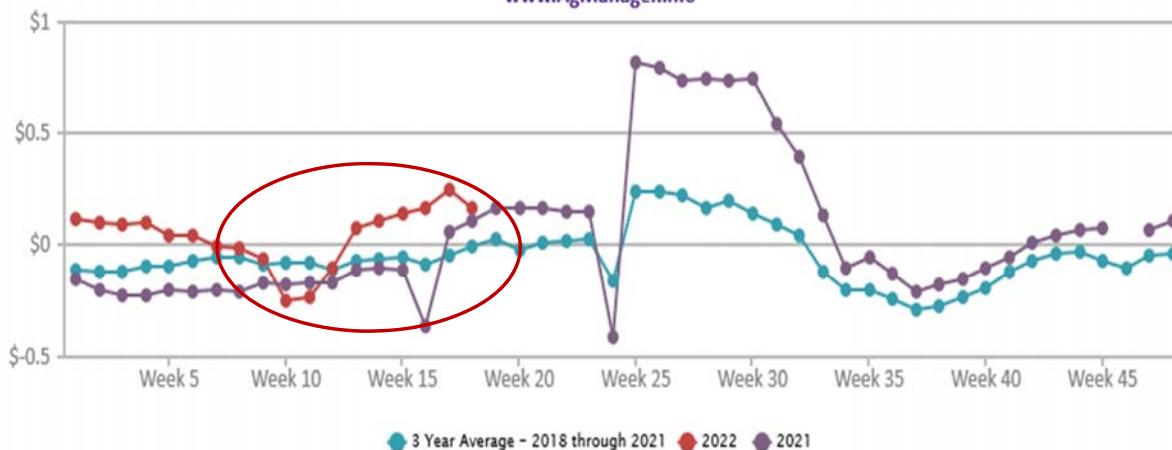
www.AgManager.info



16

TOPEKA, KS: Corn Basis - CARGILL

www.AgManager.info



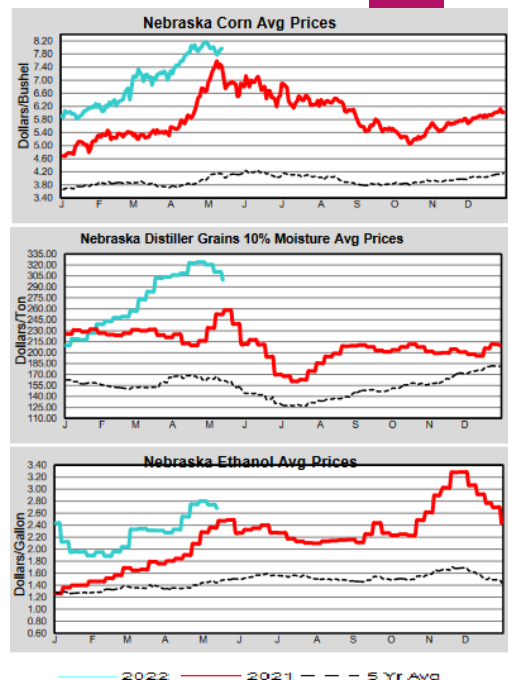
USDA Daily Ethanol Report
Agricultural Marketing Service
Livestock, Poultry & Grain Market News

Mon. May 16, 2022

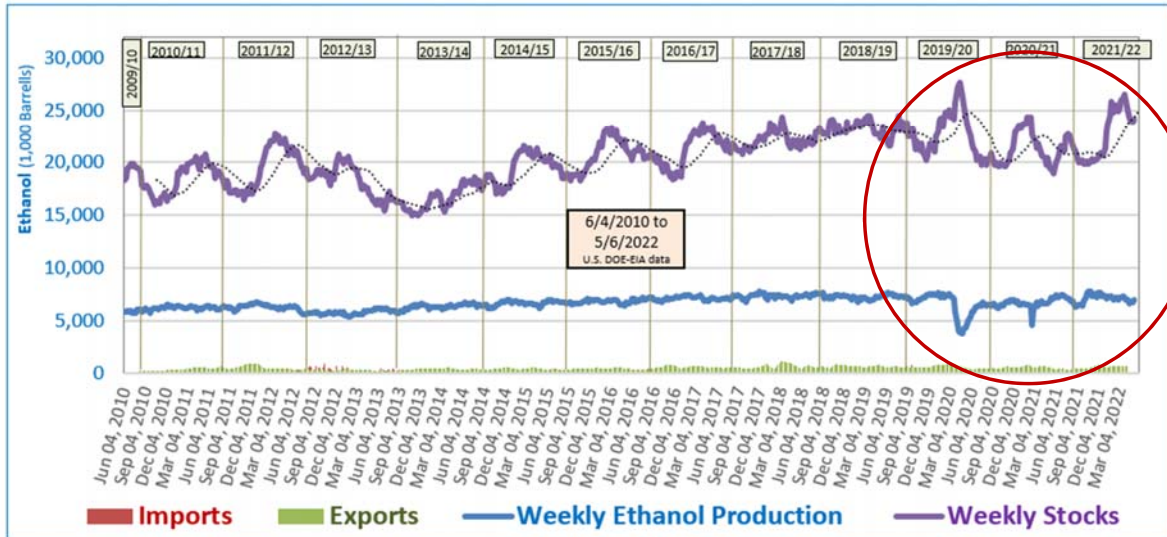
18

US #2 Yellow Corn - dollars/bushel

	Cash Bids	Chg	Basis	Avg:
Iowa-Eastern:	7.7725 - 7.9525	↓	-4N to 14N	7.50
Iowa-Western:	0.1200 - 8.1125	↓	12K to 30N	11.59
Illinois:	7.7125 - 8.4325	↓	-10N to 62N	22.40
Indiana:	7.8125 - 8.4125	↓	OptN to 60N	12.78
Ohio:	7.7125 - 7.9625	↓	-10N to 15N	
Michigan:	7.3625 - 7.6125	↓	-45N to -20N	-36.25
Kansas:	8.1625 - 8.3925	↓	35N to 58N	44.33
Minnesota:	7.5925 - 8.1325	↓	-22N to 32N	0.14
Nebraska:	7.6225 - 8.0325	↓	-19N to 22N	6.13
Wisconsin:	-0.4200 - 7.7125	↓	-42K to -10N	-28.80
South Dakota:	7.6325 - 7.9325	↓	-18N to 12N	-5.58
Missouri:	7.8725 - 8.1125	↓	6N to 30N	21.50



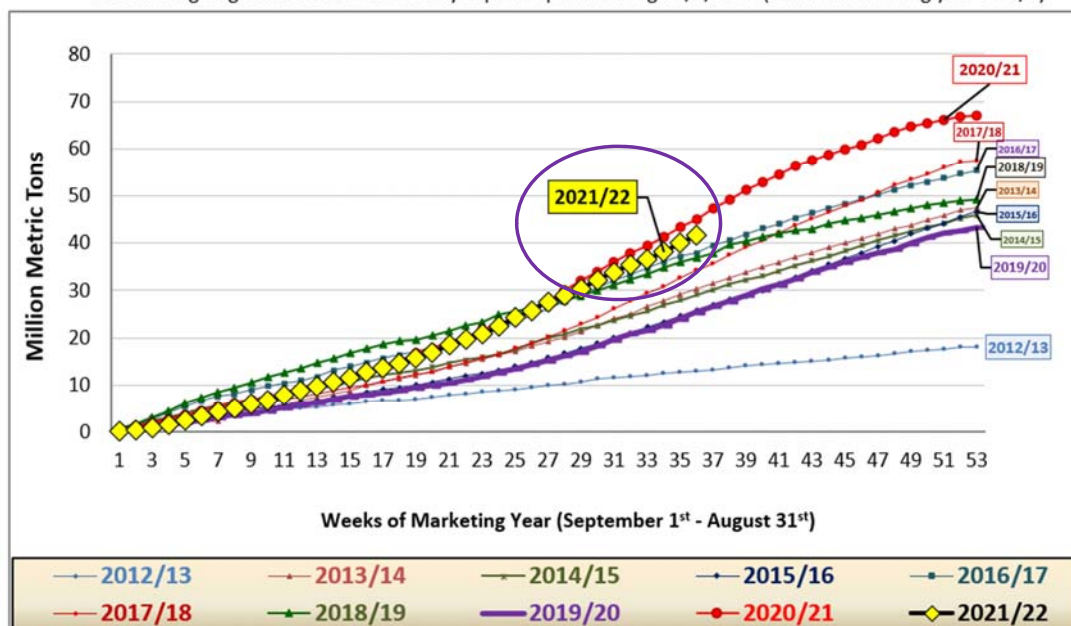
Weekly U.S. Ethanol Production & Stocks based on U.S. Department of Energy – Energy Information Agency data on U.S. Ethanol Industry Trends as of May 6, 2022



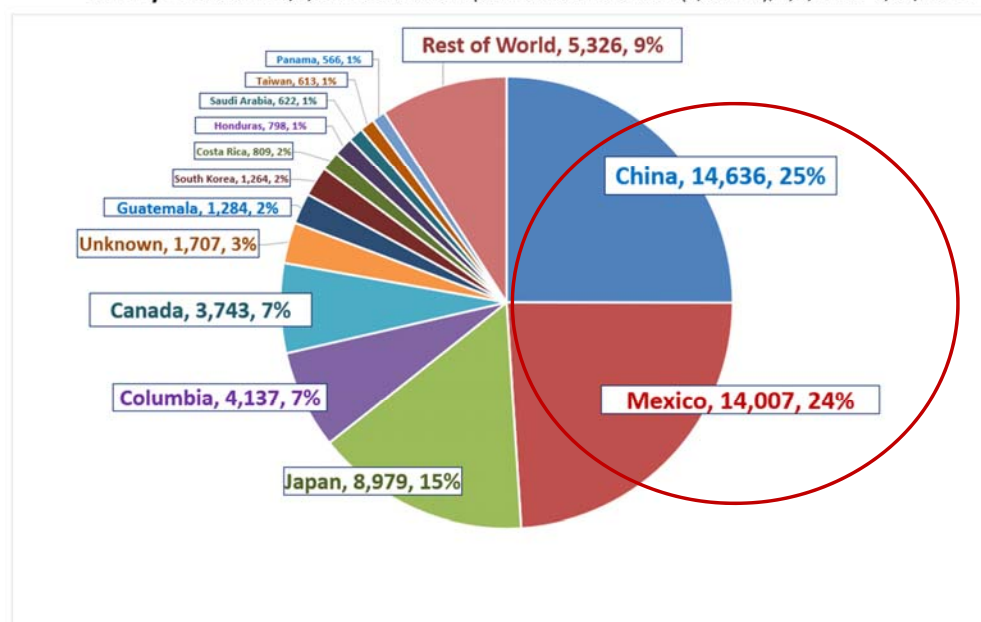
U.S. Corn Exports: “Bullish” short-term corn shipments with “Bullish-Positive” long-term “Current” MY 2021/22 total sales & “New Crop” MY 2022/23

- Weekly Export Shipments week of 5/5/2022 = 59.2 mb (Bullish)
vs 51.3 mb/wk needed to meet USDA’s April 8th projn of **2.500 bb exports**
- Total shipments through 5/5/2022 for “Current” MY 2021/22 = 1.635,4 mb
i.e., 63.0% of **2.500 bb** USDA projn with 67.3% of MY complete (35/52 weeks)
- Total sales through 5/5/2022 for “Current” MY 2021/22 = 2.302,7 bb (Bullish-Positive)
i.e., 91.8% of **2.500 bb** USDA projn w. 67.3% of MY complete (35/52 weeks)
- Total sales through 5/5/2022 for “New Crop” MY 2022/23 = 196.5 mb
i.e., 8.3% of **2.350 bb** USDA projn w. 0% of MY complete (0/52 weeks)

U.S. Corn Exports: MY 2012/13 through “New Crop” MY 2021/22 based on USDA Foreign Agricultural Service Weekly Export reports through 5/5/2022 (Start of marketing year on 9/1)

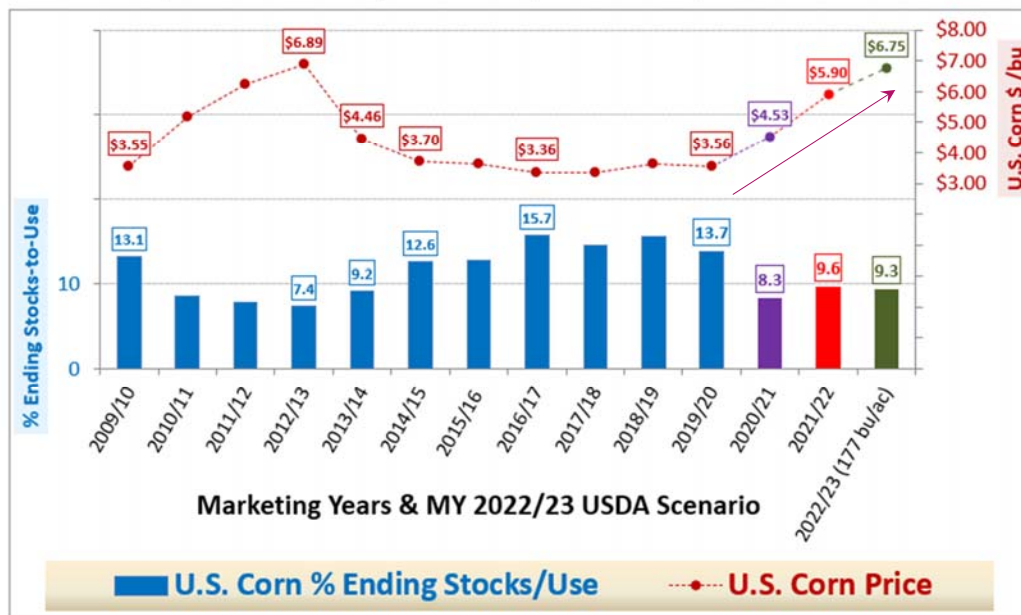


Top U.S. Corn Export Outstanding Sales + Shipments – “Current” MY 2021/22 as of the 5/5/2022 USDA U.S. Export Forward Purchases (1,000 mt); 9/1/2021 - 8/31/2022.



U.S. Corn % Ending Stocks vs U.S. Corn Prices:

MY 2009/10 – “New Crop” MY 2022/23 as of the May 12, 2022 USDA WASDE



23

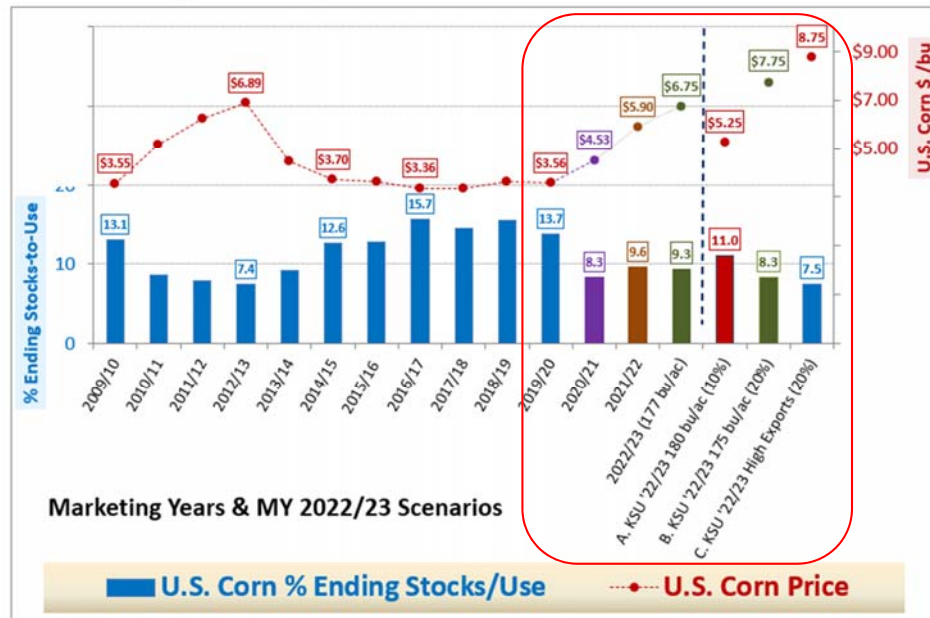
U.S. Corn Supply-Demand Balance Sheet: Projected “New Crop” MY 2022/23 as of the May 12, 2022 USDA WASDE report, with Alternative KSU “New Crop” 2022/23 Marketing Year Scenarios

Item	USDA 2022/23 5/12/2022 WASDE	A. KSU “New Crop” MY 2022/23 Scenario #1 “High Yields” = 180 bu/ac	B. KSU “New Crop” MY 2022/23 Scenario #2 “Low Yields” = 175 bu/ac	C. KSU “New Crop” MY 2022/23 Scenario #3 “Higher Exports” = 2.750 billion bushels
% Probability of Occurring (KSU)	50% ^{KSUtest}	10% ^{KSUtest}	20% ^{KSUtest}	20% ^{KSUtest}
Planted Area (million acres)	89,490	89,490	89,490	89,490
Harvested Area (million acres)	81,695	81,695	81,742	81,742
% Harvested/Planted Area	91.29%	91.29%	91.34%	91.34%
Yield / harvested acre (bu/ac)	177.0	180.0	175.0	175.0
Million Bushels				
Beginning Stocks (million bushels)	1,440	1,440	1,440	1,440
Production (million bu.)	14,460	14,705	14,305	14,460
Imports (million bu.)	25.0	25	25	25
Total Supply (million bu.)	15,925	16,170	15,770	15,925
Ethanol for fuel Use (million bu.)	5,375	5,375	5,375	5,375
Food & Industrial Use (mln bu.)	1,409	1,409	1,409	1,409
Seed Use (million bu.)	30.6	30.6	30.6	30.6
Exports (million bu.)	2,400	2,400	2,400	2,750
Feed & Residual Use (million bu.)	5,350	5,350	5,350	5,350
Total Use (million bu.)	14,565	14,565	14,565	14,815
Ending Stocks (million bu.)	1,360	1,605	1,205	1,110
% Ending Stocks-to-Use	9.34%	11.02%	8.27%	7.49%
Days of Supply (% S/U x 365 days)	34.1 days	40.2 days	30.2 days	27.3 days
U.S. Corn Average Farm Price (\$/bushel)	\$6.75 /bu vs \$6.48 KSU Futures	\$5.25 /bu vs \$6.48 KSU Futures	\$7.75 /bu vs \$6.48 KSU Futures	\$8.75 /bu vs \$6.48 KSU Futures

24

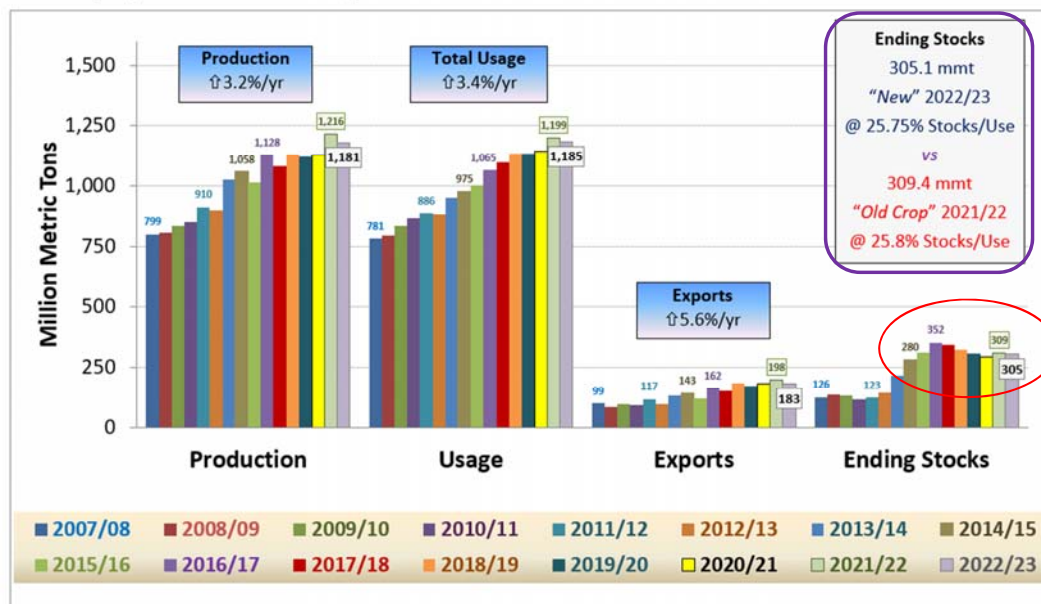
U.S. Corn % End Stocks vs U.S. Corn \$'s: MY 2009/10 – “New Crop” MY 2022/23 as of the May 12, 2022 USDA WASDE report + KSU Scenarios

25



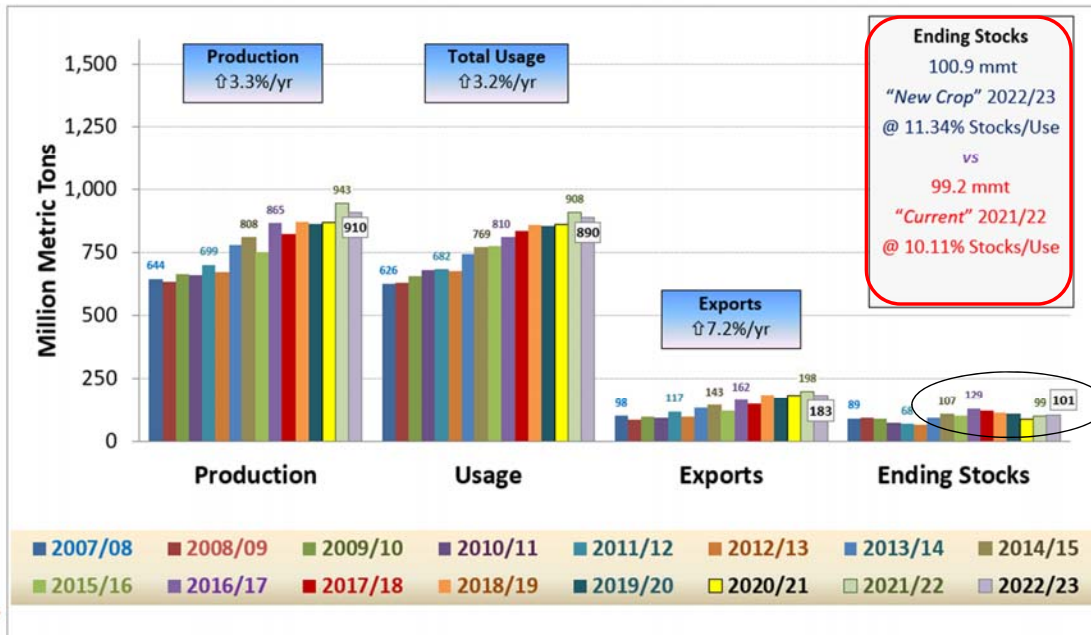
World Corn Supply-Demand: MY 2007/08 – “New Crop” MY 2022/23, as of the May 12, 2022 USDA WASDE Report

26

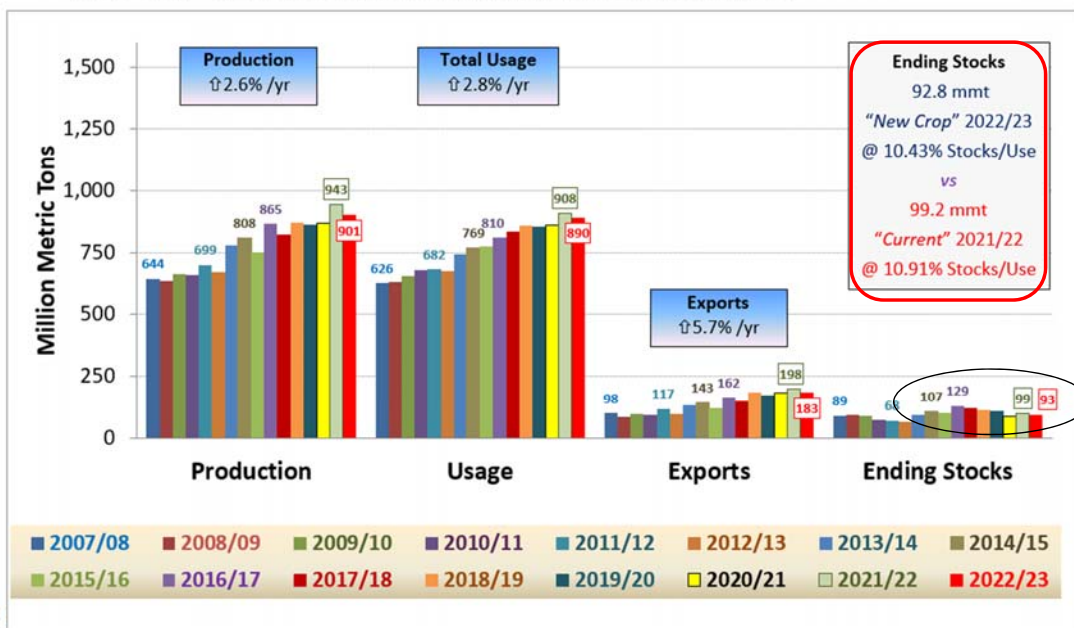


“World Less-China” Corn Supply-Demand: MY 2007/08 – “New Crop” MY

2022/23, as of the May 12, 2022 USDA WASDE Report



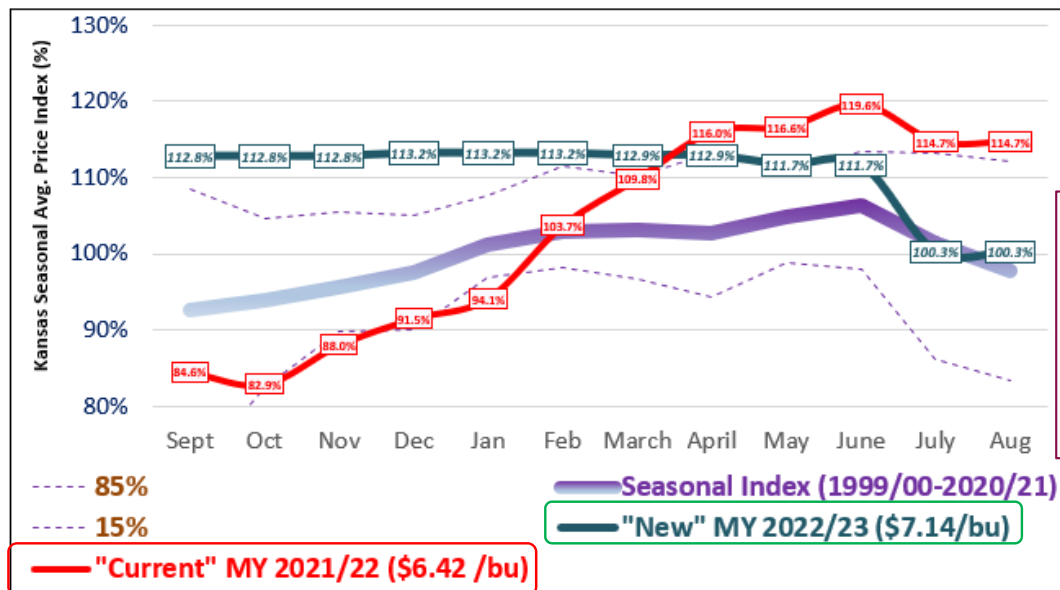
“World Less-China, & Less Ukraine in 2022/23” Corn Supply-Demand: MY 2007/08 – “New Crop” MY 2022/23, as of the May 12, 2022 USDA WASDE Report



Kansas Grain Sorghum Seasonal Prices

29

MY 1999/00 – MY 2020/21 plus "Current" MY 2021/22 & "New" MY 2022/23 as of May 16, 2022



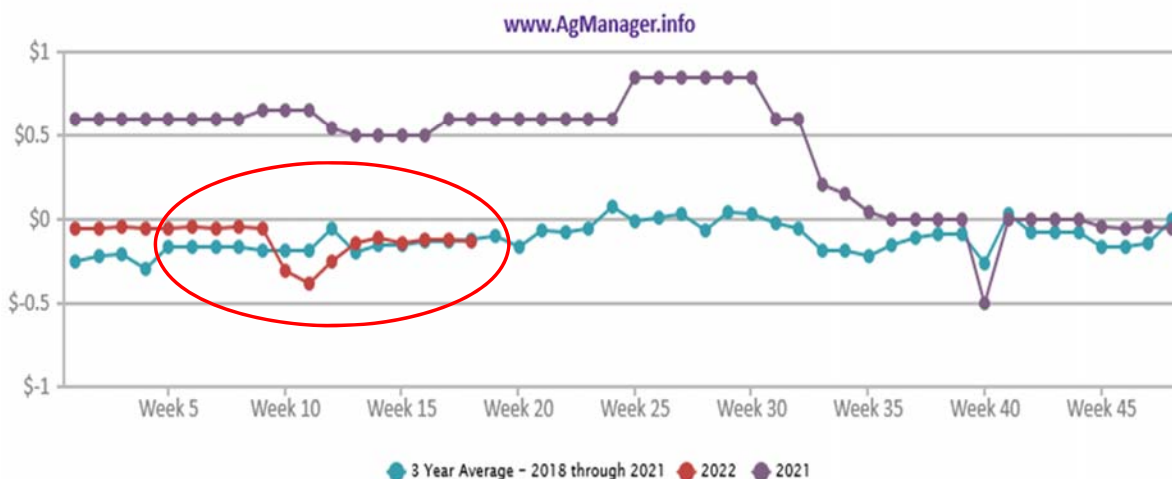
USDA Forecasts:

"Current" MY 2021/22
= \$5.95 /bu U.S.

"New Crop" MY 2022/23
= \$6.65 /bu U.S.

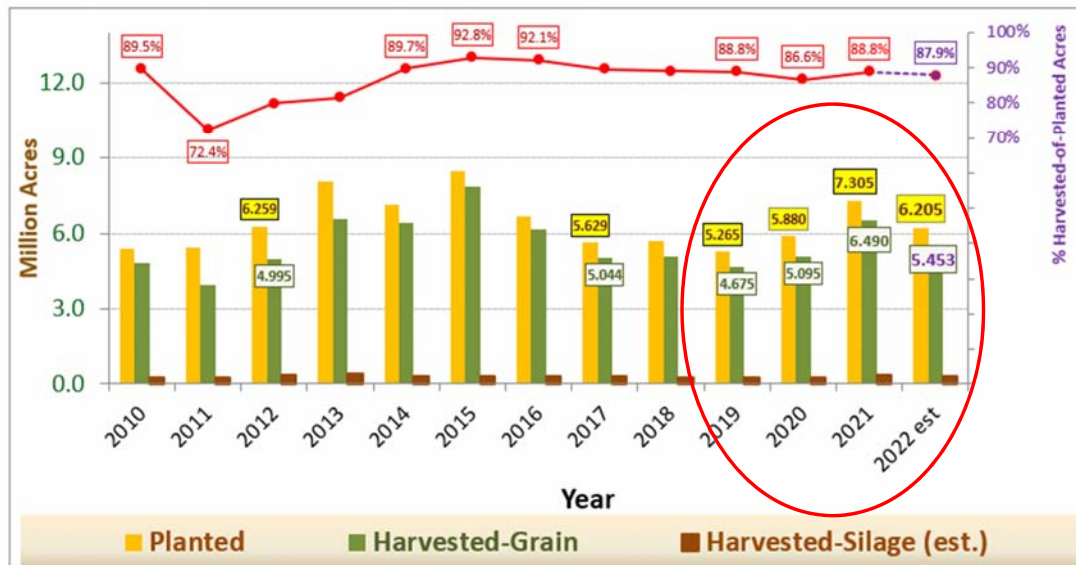
COLUMBUS, KS: Grain Sorghum Basis - FARMERS COOP

30



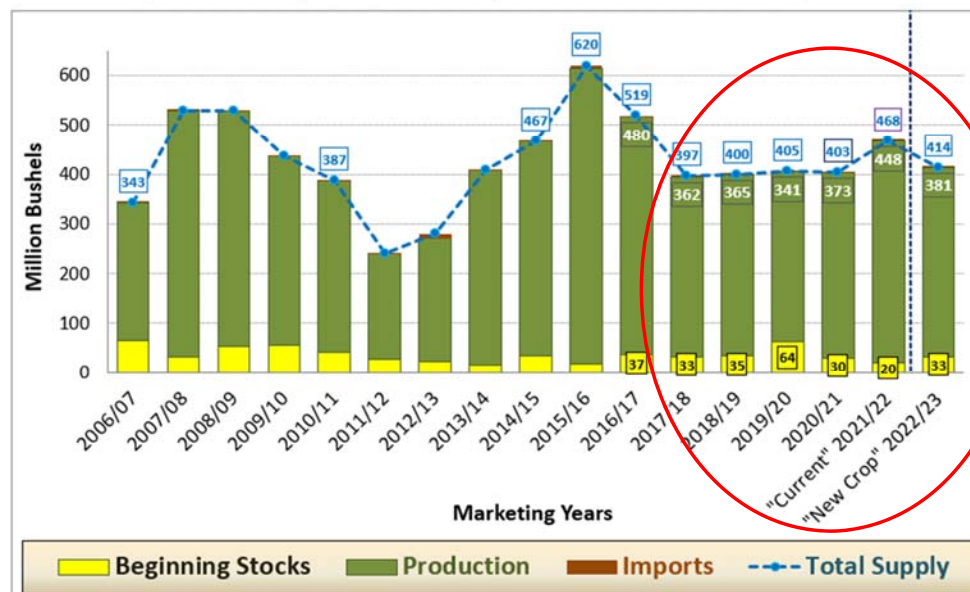
U.S. Grain Sorghum Planted & Harvested Acreage (2010 – 2022)

as of the May 12, 2022 USDA Prospective Plantings report



U.S. Grain Sorghum Total Supplies: MY 2006/07 - "New

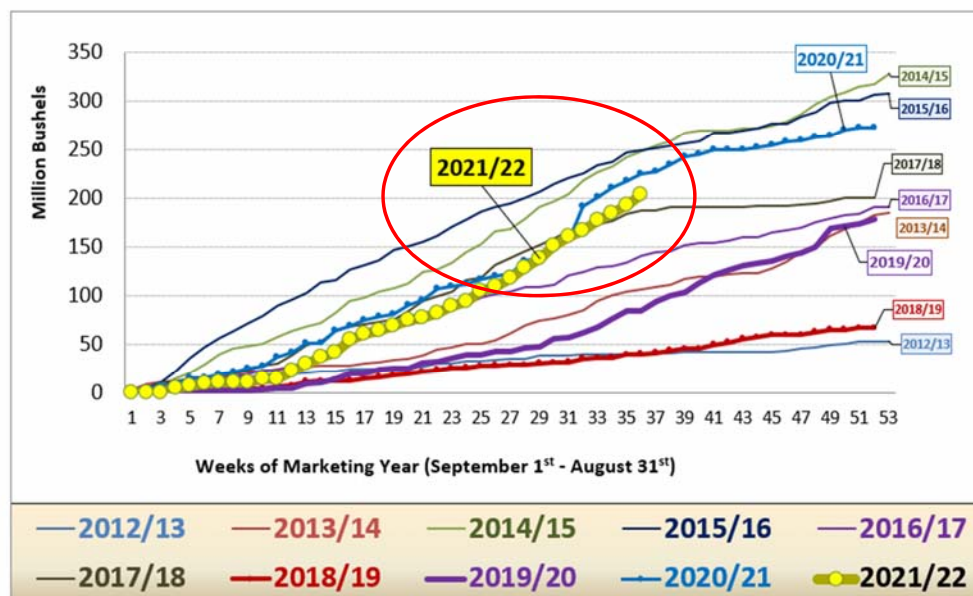
Crop" MY 2022/23 as of the May 12, 2022 USDA WASDE report



U.S. Grain Sorghum Exports: “Bullish” short-term shipments & “Positive” sales in “Current” MY 2021/22 & “New Crop” MY 2022/23

- Weekly Export Shipments week of 5/5/2022 for MY 2021/22 = 10.66 mb (Bullish) vs 6.55 mb/wk needed to meet USDA’s April 8th projn of 310 mb exports
- Total shipments through 5/5/2022 for “Current” MY 2021/22 = 202.8 mb i.e., 62.0% of 310 mb USDA projn with 67.3% of MY complete (35/52 weeks)
- Total sales through 5/5/2022 for “Current” MY 2021/22 = 269.0 mb (Positive) i.e., 86.4% of 310 mb USDA projn w. 67.3% of MY complete (35/52 weeks)
- Total sales through 5/5/2022 for “New Crop” MY 2022/23 = 0 mb i.e., 0% of 300 mb USDA projn w. 0% of MY complete (0/52 weeks)

U.S. Grain Sorghum Exports: for MY 2012/13 - “Current” MY 2021/22 as of May 5, 2022 - via USDA FAS Weekly Export reports



U.S. Grain Sorghum Supply-Demand Balance Sheet: *Projected "New*

35

Crop" MY 2022/23 as of the May 12, 2022 USDA WASDE report, with Alternative KSU "New Crop" 2022/23 Scenarios

Item	A. USDA "New Crop" MY 2021/22 5/12/2022 WASDE	B. KSU ^{Adjusted USDA} "New Crop" MY 2022/23 65.0 bu/ac Yield 473 million bu. crop	C. KSU ^{Adjusted USDA} "New Crop" MY 2021/22 + 25 mb Exports	D. KSU ^{Adjusted USDA} "New Crop" MY 2021/22 - 20 mb Exports
% Probability of Occurring (KSU)	50% ^{KSU}	25% ^{KSUest}	15% ^{KSUest}	10% ^{KSUest}
Planted Area (million acres)	6.205	6.205	6.205	6.205
Harvested Area (million acres)	5.498	5.498	5.498	5.498
% Harvested/Planted Area	88.6%	88.6%	88.6%	88.6%
Yield / harvested acre (bu/ac)	69.3	*Drought* 65.0	69.3	69.3
Million bushels				
Beginning Stocks (million bushels)	33	33	33	33
Production (million bu.)	381	357	381	381
Imports (million bu.)	0.05	0.05	0.05	0.05
Total Supply (million bu.)	414	390	414	414
Food & Industrial Use (mln bu.)	20	9	9	20
Seed Use (million bu.)	0.86	0.86	0.86	0.86
Exports (million bu.)	285	285	310	265
Feed & Residual Use (million bu.)	85	80	75	85
Total Use (million bu.)	390	375	395	370
Ending Stocks	24	15	19	44
% Ending Stocks-to-Use	6.15%	4.00%	4.81%	11.89%
Days of Supply (% S/U x 365 days)	22.5 days	14.6 days	17.6 days	43.41 days
U.S. Grain Sorghum Avg. Farm Price (\$ / bushel)	\$6.65 ^{USDA} \$6.99 ^{KSUest} 5/13/2022	\$7.25 ^{KSU}	\$7.10 ^{KSU}	\$6.25 ^{KSU}

Wheat Markets

36



KANSAS STATE
UNIVERSITY

Department of Agricultural Economics

I. Grain Futures Closes, Changes & Market Carry on Monday, May 16, 2022

Kansas HRW Wheat Futures			
Month	Close	Change	Carry /mo
<u>July^H 22</u>	\$13.52	⬆ \$0.70	---
Sept 22	\$13.53 ³ / ₄	⬆ \$0.70	\$0.00 ⁸⁷⁵
Dec 22	\$13.54 ³ / ₄	⬆ \$0.69 ³ / ₄	\$0.01
Mar 23	\$13.41 ¹ / ₄	⬆ \$0.65 ¹ / ₄	-\$0.04 ⁴⁸³
May 23	\$13.00 ¹ / ₂	⬆ \$0.56 ¹ / ₂	-\$0.20 ³⁷⁵
<u>July^H 23</u>	\$11.86 ¹ / ₄	⬆ \$0.28	-\$0.57 ¹²⁵
Sept 23	\$11.31 ¹ / ₄	⬆ \$0.18 ¹ / ₄	-\$0.27 ⁵⁰
Dec 23	\$11.06 ¹ / ₄	⬆ \$0.07 ³ / ₄	-\$0.08 ³³³

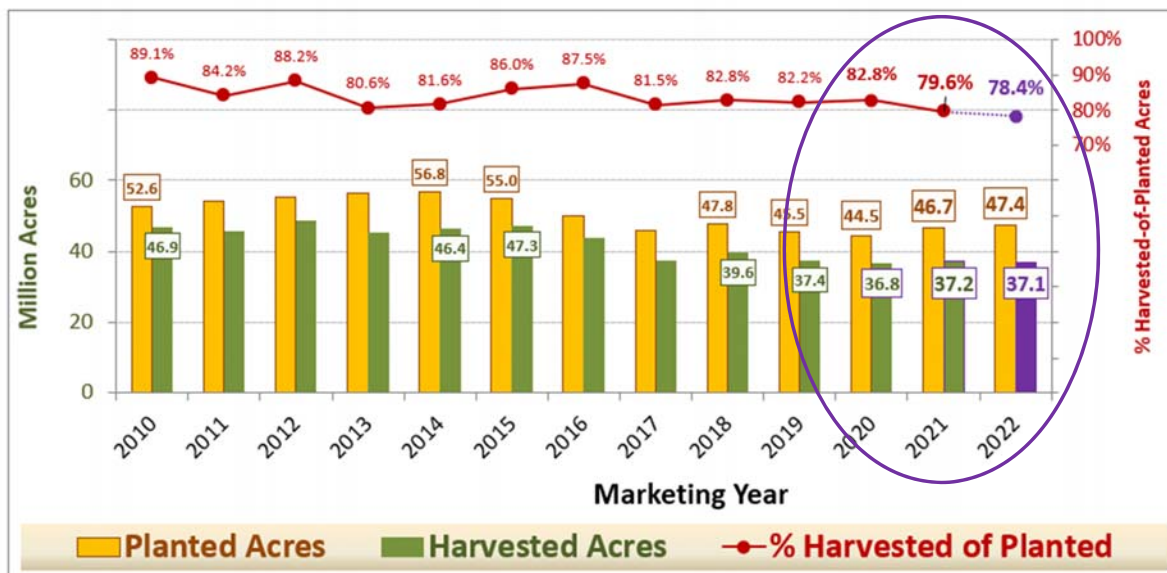
37

Kansas Cash & Futures Prices						
Date						
5/16/2022						
Grain Futures Contracts	Closing \$					
JULY 2022 KC HRW Wheat (Spot Price)	\$13.4500					
5/16/2022	Cash Grain & Harvest Contract Prices @ Kansas Grain Elevators					
	Representing the highest bids available at each location					
Cash Market Spot & FC Bids	Colby	Salina	Topeka	Garden City	Hutchinson	Columbus ^{Area}
	NW KS	NC KS	EC-NE KS	SW KS	SC KS	SE KS
KC HRW Wheat Spot Cash\$	\$12.75	\$13.30	\$13.20	\$12.98	\$13.28	\$12.51
HRW Wheat Spot Cash Basis	(\$0.70)	(\$0.15)	(\$0.25)	(\$0.47)	(\$0.17)	(\$0.94)
KC HRW Wheat FC\$ - Harvest ²⁰²²	\$12.75	\$12.89	\$13.20	\$12.93	\$12.82	\$12.06
HRW Wheat Harvest FC\$ Basis	(\$0.70)	(\$0.56)	(\$0.25)	(\$0.52)	(\$0.63)	(\$1.39)

38

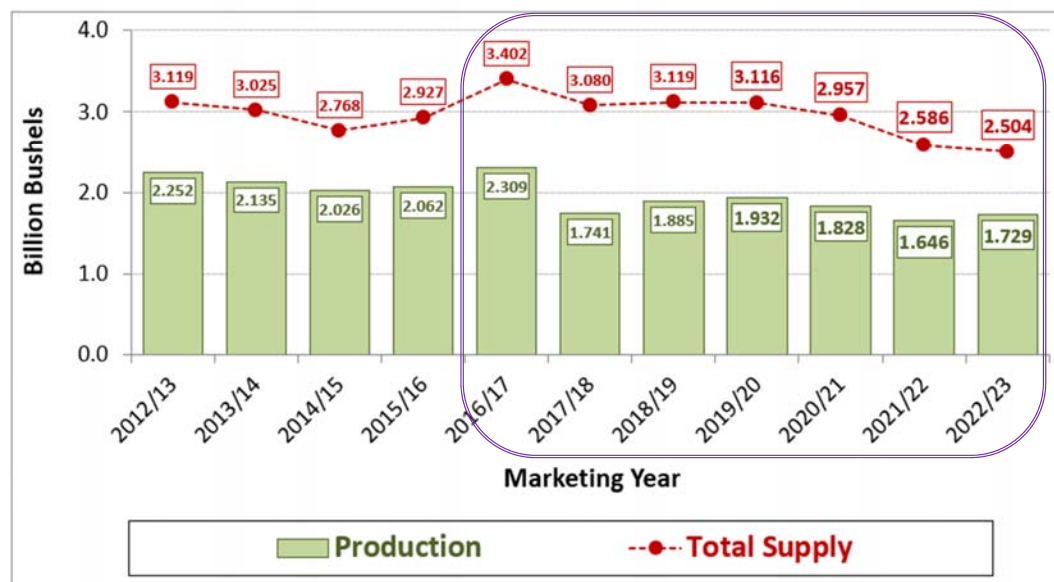
U.S. All Wheat Planted & Harvested Acreage (MY 2010/11 – MY 2022/23) as of the May 12, 2022 USDA NASS Crop Production Report

39



U.S. Wheat Total Supplies: MY 2012/13 – Projected MY 2022/23 as of the May 12, 2022 USDA WASDE Report

40



U.S. Wheat S/D & Stocks USDA May 12, 2022 WASDE Report

41

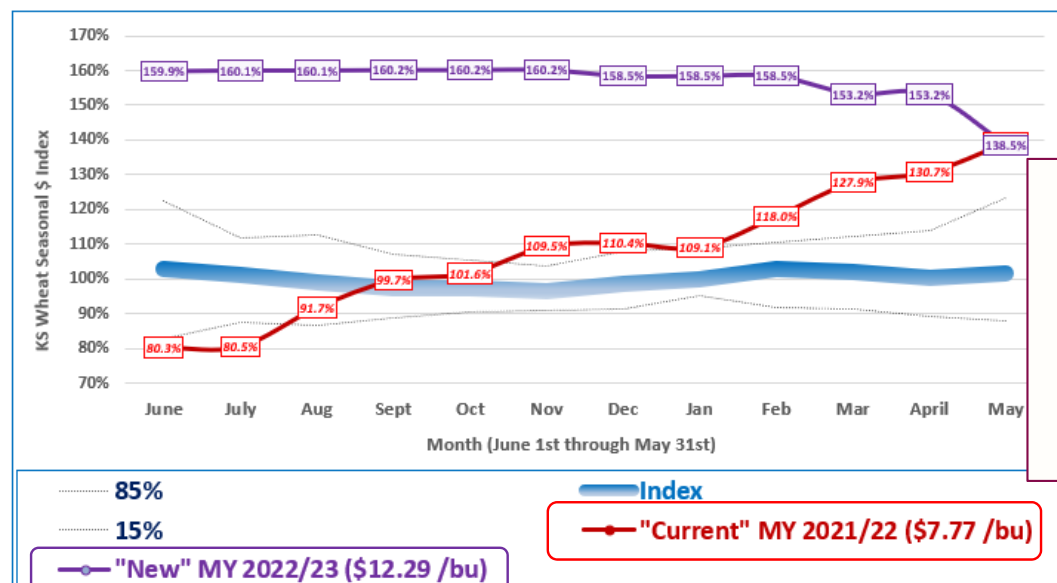
□ Wheat: “Tighter” Stocks & % S/U – Higher \$’s World S/U

- **U.S. Wheat Yield** ²⁰²² ⇒ **46.6 bu/ac** (vs 44.3 in 2021)
- **Production** ²⁰²² ⇒ **1.729 bln bu** (vs **1.646 bb** in 2021)
- **Ending Stocks** ^{2022/23} ⇒ **619 mln bu** (vs **655 mb** in 2021/22)
- **% Stocks/Use** ^{2022/23} ⇒ **32.8% S/U** (≈ **33.9% S/U** in 2021/22)
- **U.S. Farm \$** ^{2022/23, KSU} ⇒ **\$10.75 /bu** (**\$7.70** & **\$5.05** last 2 years)

KANSAS STATE UNIVERSITY Department of Agricultural Economics

Seasonal Prices for Kansas HRW Wheat: MY 1999/00 – 2019/20 +

“Current” MY 2021/22 & “New” MY 2022/23 Estimates thru May 16, 2022, closes



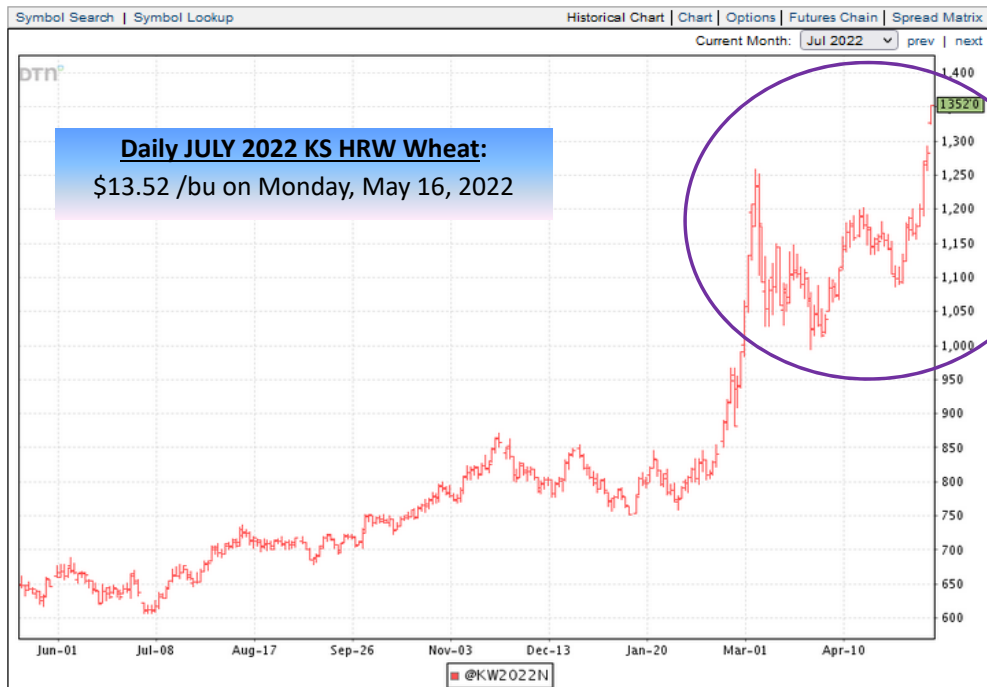
USDA Forecasts:

“Current” MY
2021/22
= \$7.70 /bu U.S.

“New Crop” MY
2022/23
= \$10.75 /bu U.S.

42

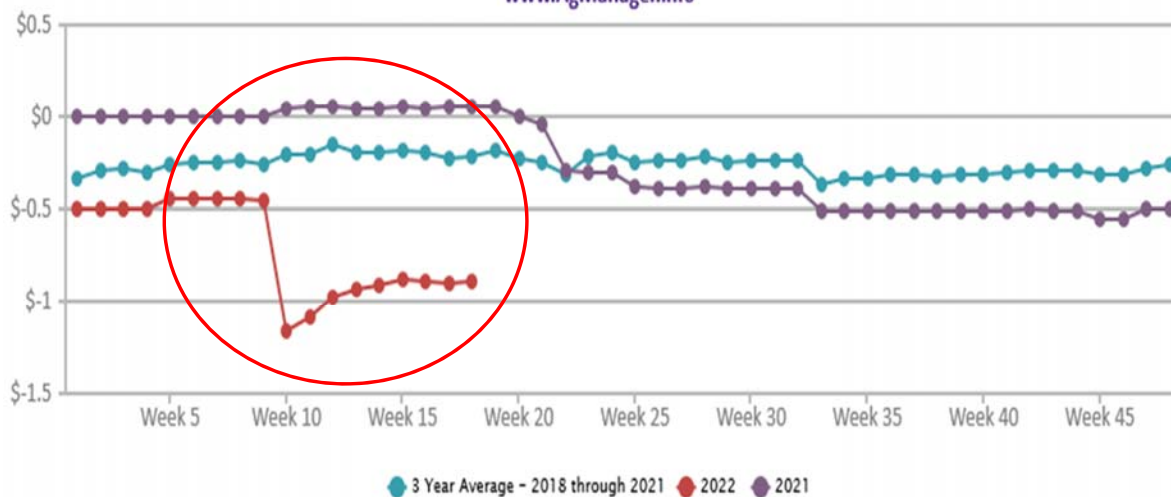
ELEC. HRW WHEAT (@KW2022N)



43

COLUMBUS, KS: Hard Red Winter Wheat Basis - FARMERS COOP

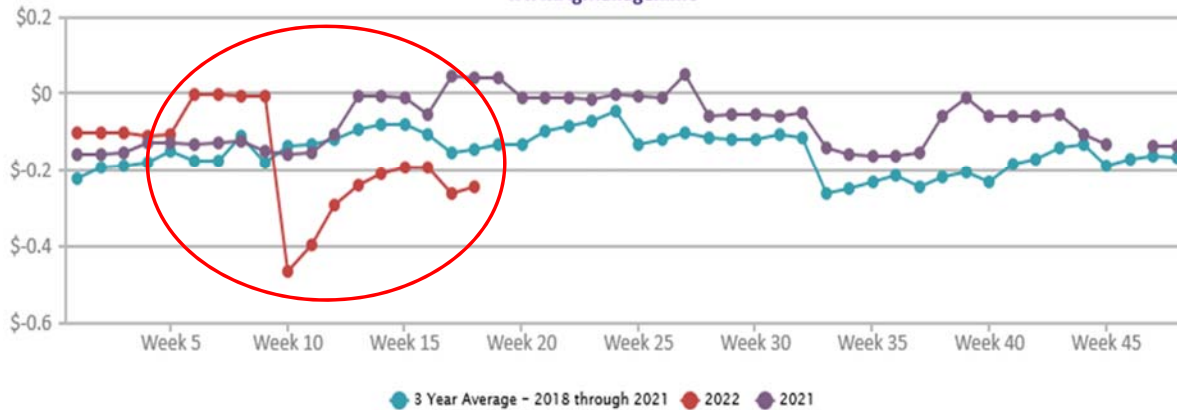
www.AgManager.info



44

TOPEKA, KS: Hard Red Winter Wheat Basis - CARGILL

www.AgManager.info



U.S. All Wheat Exports: "Bearish" short-term Export Shipments with "Neutral" longer term export prospects for "Current" MY 2021/22 & "New Crop" MY 2022/23

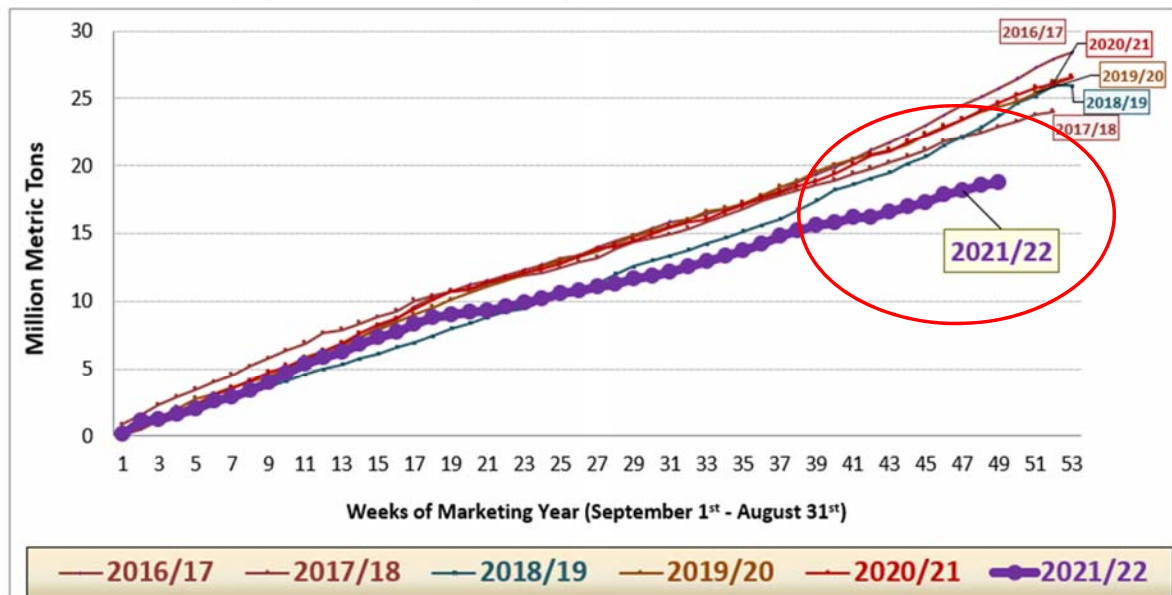
- Weekly Export Shipments wk of 5/5/2022 for "Current" MY 2021/22 = 8.830 mb (Bearish) vs 37.58 mb /wk needed to meet USDA's April 8th projn of 785 mb exports
- Total shipments through 5/5/2022 for "Current" MY 2021/22 = 643.5 mb i.e., 80.85% of 785 mb USDA projn with 94.2% of MY complete (49/52 weeks)
- Total shipments + new sales thru 5/5/2022 for "Current" MY 2021/22 = 713.4 mb i.e., 90.9% of 785 mb USDA #'s with 94.2% of MY complete (49/52 weeks) (Neutral)
- Total new sales thru 5/5/2022 for "New Crop" MY 2022/23 = 84.8 mb (0/52 weeks) i.e., 10.0% of 850 mb USDA #'s with 0% of MY complete (0/52 weeks)

U.S. Hard Red Winter (HRW) Wheat Exports: "Bearish" short-term Shipments with "Negative" long-term prospects for "Current" MY 2021/22 & "New Crop" MY 2022/23

- Weekly Export Shipments wk of 5/5/2022 for "New Crop" MY 2021/22 = 6.15 mb (Bearish) vs 16.50 mb /wk needed to meet USDA's April 8th projn of 310 mb HRW wheat exports
- Total shipments through 5/5/2022 for "Current" MY 2021/22 = 244.0 mb i.e., 78.7% of 310 mb USDA HRW-W exports with 94.2% of MY complete (49/52 weeks)
- Total shipments + new sales thru 5/5/2022 for "Current" MY 2022/23 = 275.6 mb i.e., 88.9% of 310 mb USDA HRW-W exports w. 94.2% of MY 2022/23 (49/52 weeks) (Negative)

U.S. All Wheat Exports: MY 2015/16 thru "New Crop" MY 2021/22 as of USDA

FAS Weekly Export reports through May 5, 2022



U.S. Wheat Ending Stocks vs U.S. Cash Prices: MY 2009/10

thru "New Crop" MY 2022/23 – May 12, 2022 USDA WASDE Report

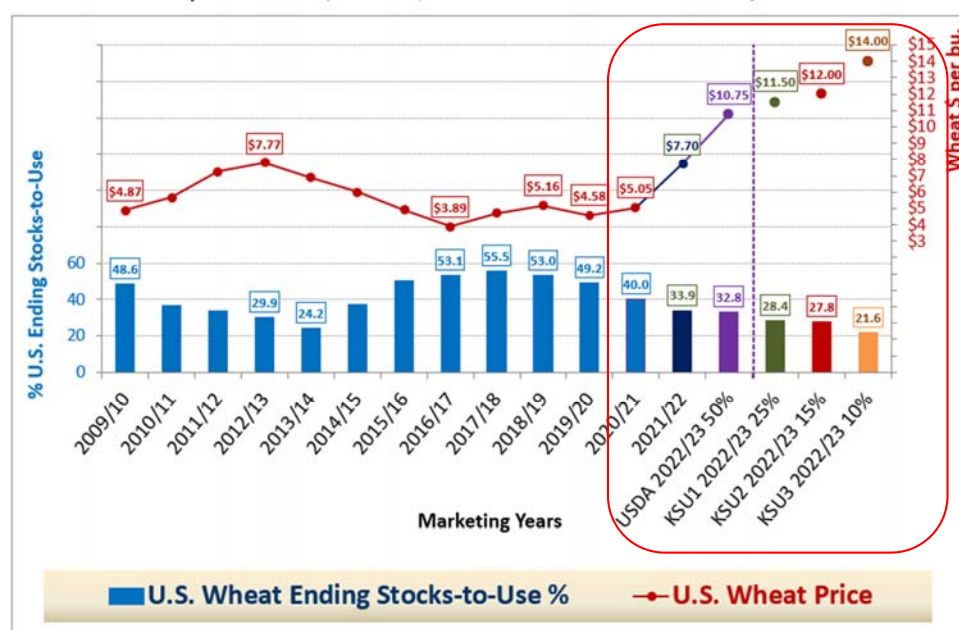


U.S. Wheat Supply-Demand Balance Sheet: "New Crop" MY

2022/23 as of the May 12, 2022 USDA WASDE & KSU scenarios

Item	USDA "New Crop" MY 2022/23 5/12/2022 USDA WASDE	KSU Scenario #1 "New Crop" 2022/23 Low 2022 U.S. Yield = 2021 Yield of 44.3 bu/ac	KSU Scenario #2 "New Crop" 2022/23 Higher U.S. Exports: 850 mb	KSU Scenario #3 "New Crop" 2022/23 Much higher U.S. Exports: 950 mb
% Probability of Happening ^{KSU est}	50% prob	25% prob.	15% prob	10% prob.
Planted Area (million acres)	46,751	46,751	46,751	46,751
Harvested Area (million acres)	37,103	37,103	37,103	37,103
% Harvested/Planted Area	79.36%	79.367%	79.36%	79.36%
Yield / harvested acre (bu/ac)	46.6	44.3	46.6	46.6
Million				
Beginning Stocks	655	655	655	655
Production	1,729	1,644	1,729	1,729
Imports	120	120	120	120
Total Supply (million bushels)	2,504	2,419	2,504	2,504
Food Use	964	964	964	964
Seed Use	66	66	66	66
Exports	775	775	850	950
Feed & Residual Use	80	80	80	80
Total Use (million bushels)	1,885	1,885	1,960	2,060
Ending Stocks (million bushels)	619	512	544	444
% Ending Stocks-to-Use	32.84%	28.39%	27.76%	21.55%
Days of Supply (% S/U x 365 days)	120 days	103 days	101 days	79 days
U.S. Wheat Avg. Farm Price (\$/bushel)	\$10.75 Vs \$11.61 /bu. KSU Futures-based forecast	\$11.50 Vs \$11.61 /bu. KSU Futures- based forecast	\$12.00 Vs \$11.61 /bu. KSU Futures- based forecast	\$14.00 Vs \$11.61 /bu. KSU Futures- based forecast

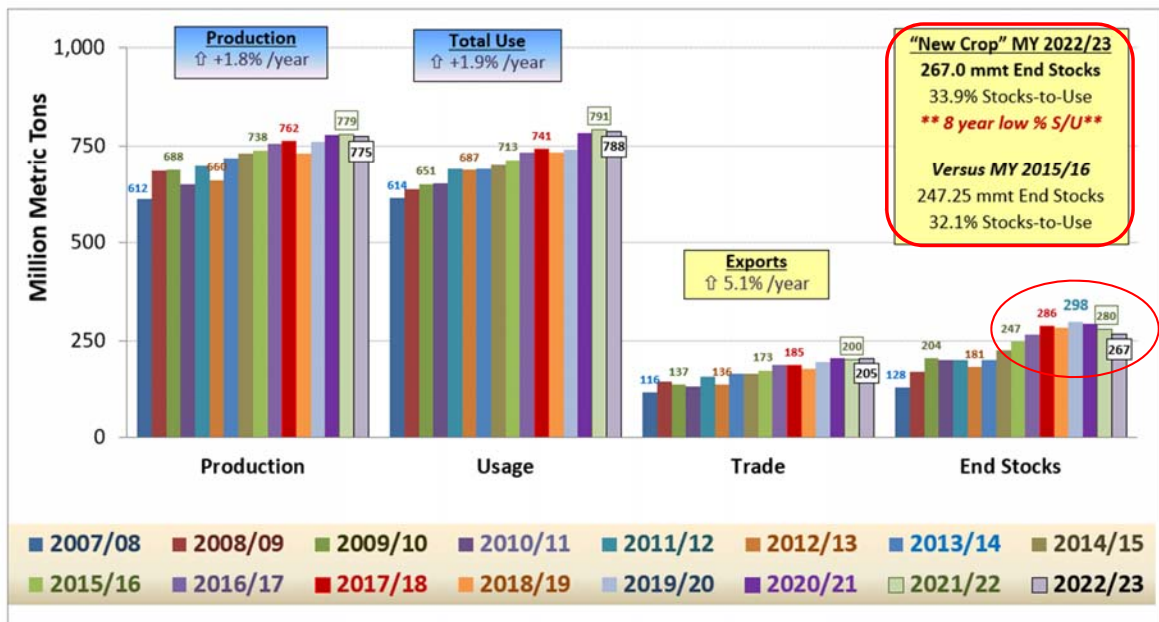
U.S. Wheat Ending Stocks vs U.S. Cash \$'s: MY 2009/10 thru "New Crop" MY 2022/23 – May 12, 2022 USDA WASDE with KSU Projections



World Wheat Usage & Ending Stocks: MY 2007/08 - "New Crop" MY 2021/22, as of the

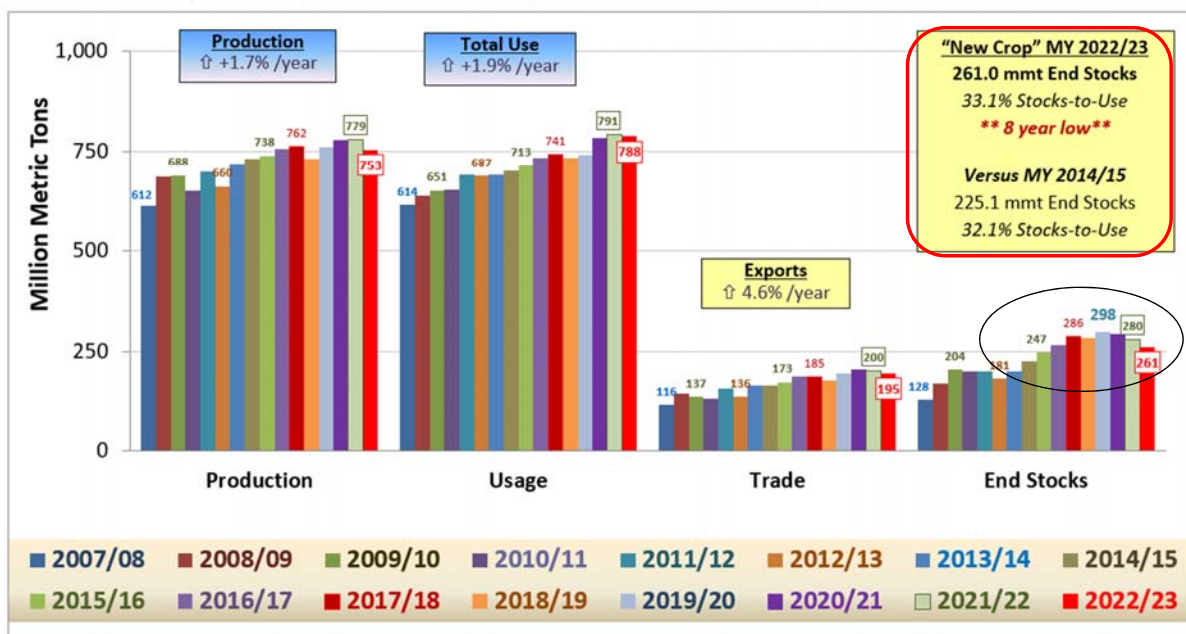
51

May 12, 2022 USDA WASDE Report



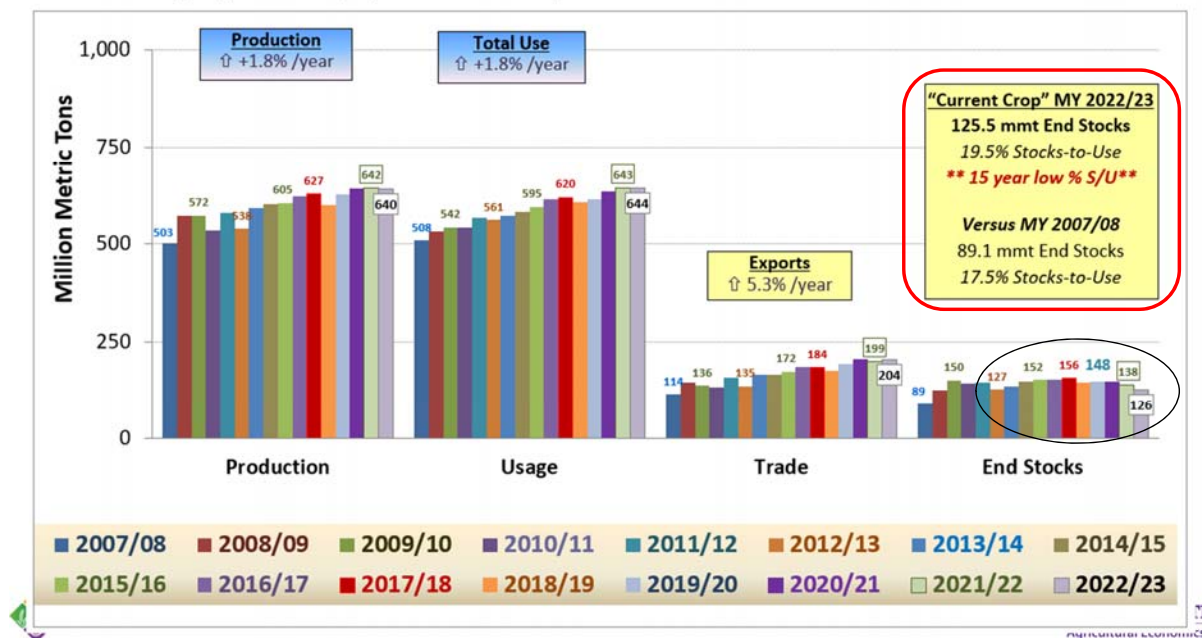
"World Less-Ukraine in 2022/23" Wheat Usage & Ending Stocks: MY 2007/08 - "Current Crop" MY

2021/22, as of the May 12, 2022 USDA WASDE Report + KSU Estimates for "New Crop" MY 2022/23 Less Ukraine



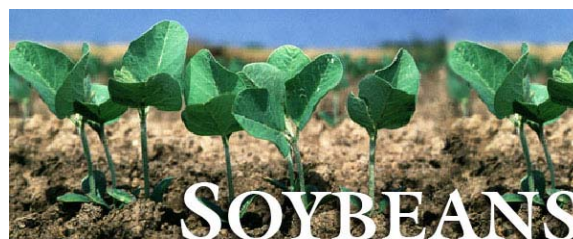
“World Less-China” Wheat Usage & Ending Stocks: MY 2007/08 - “Current” MY

2021/22, as of the May 12, 2022 USDA WASDE Report



Soybean Markets

54



KANSAS STATE
UNIVERSITY

Department of Agricultural Economics

I. Grain Futures Closes, Changes & Market Carry on Monday, May 16, 2022

Soybean Futures			
Month	Close	Change	Carry /mo
<u>July^L 22</u>	\$16.56 ½	⬆ \$0.07	---
Aug 22	\$16.07 ¼	⬆ \$0.11 ¾	-\$0.49 ²⁵
Sep 22	\$15.46 ½	⬆ \$0.13 ¼	-\$0.60 ⁷⁵
<u>Nov^H 22</u>	\$15.12	⬆ \$0.13 ¾	-\$0.17 ²⁵
Jan 23	\$15.13 ¼	⬆ \$0.13 ¾	\$0.00 ⁶²⁵
Mar 23	\$14.96 ½	⬆ \$0.12 ½	-\$0.08 ³⁷⁵
May 23	\$14.92 ¼	⬆ \$0.12 ¼	-\$0.02 ¹²⁵
July 23	\$14.88 ½	⬆ \$0.12	-\$0.01 ⁸⁷⁵

55

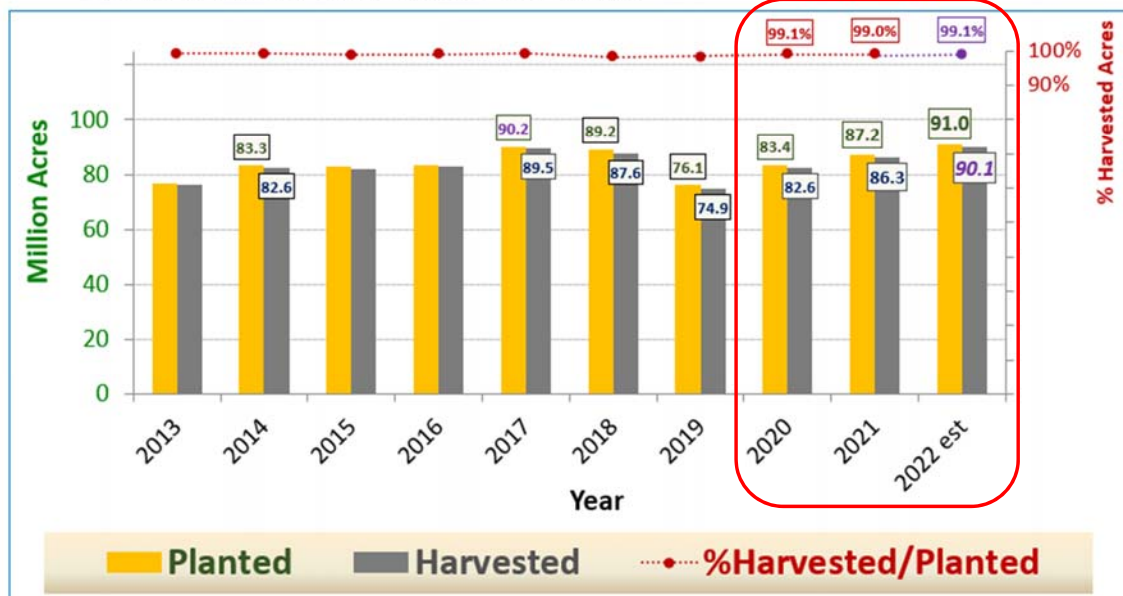
Kansas Cash & Futures Prices						
Date						
5/16/2022						
Grain Futures Contracts	Closing \$					
JULY 2022 Soybeans (Lead Contract)	\$16.5300					
NOV 2022 Soybeans (2022 Harvest Contract)	\$15.0700					
5/16/2022	Cash Grain & Harvest Contract Prices @ Kansas Grain Elevators					
	Representing the highest bids available at each location					
Cash Market Spot & FC Bids	Colby	Salina	Topeka	Garden City	Hutchinson	Columbus ^{Area}
	NW KS	NC KS	EC-NE KS	SW KS	SC KS	SE KS
Soybean Spot Cash\$	\$15.43	\$16.12	\$16.67	\$15.53	\$16.07	\$16.17
Soybean Spot Cash Basis	(\$1.10)	(\$0.41)	\$0.14	(\$1.00)	(\$0.46)	(\$0.36)
Soybean Harvest FC\$ Fall ²⁰²²	\$14.02	\$14.52	\$14.56	\$14.12	\$14.46	\$14.36
Soybean Harvest FC\$ Basis	(\$1.05)	(\$0.55)	(\$0.51)	(\$0.95)	(\$0.61)	(\$0.71)

56

U.S. Soybean Planted & Harvested Acreage: Years 2013-

57

2022 as of the May 12, 2022 USDA WASDE Report



U.S. Soybean Production & Total Supplies: MY 2010/11 thru

58

Projected "New Crop" MY 2022/23 as of the May 12, 2022 USDA WASDE Report



U.S. Soybean S/D & Stocks

USDA May 12, 2022 WASDE Report

59

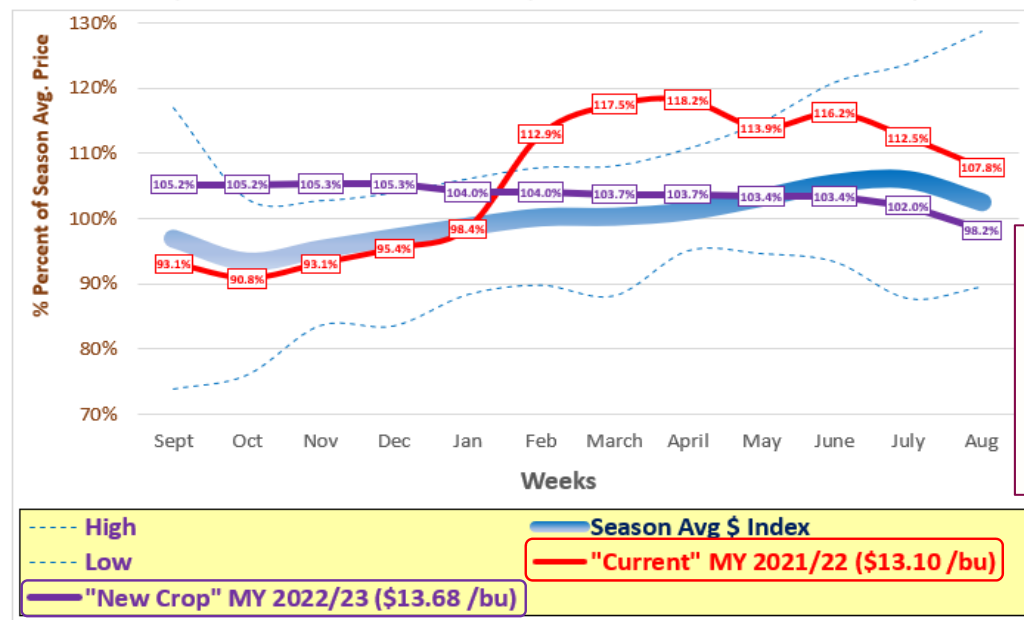
□ Soybeans: “Tight - Growing” Stocks & % S/U

- Yield ²⁰²² ⇒ **51.5 bu/ac** (vs **51.4 bu/ac** in 2021)
- Production ²⁰²² ⇒ **4.640 bln bu** (vs **4.435 bb** in 2021)
- Ending Stocks ^{2022/23} ⇒ **310 mln bu** (vs **235 mb** in 2021/22)
- % Stocks/Use ^{2022/23} ⇒ **6.77% S/U** (↑ vs **5.25% S/U** in 2021/22)
- U.S. Farm \$ ^{2022/23} ⇒ **\$14.40 /bu** (**\$10.80** & **\$13.25** last 2 yrs)

KANSAS STATE UNIVERSITY Department of Agricultural Economics

Kansas Soybean Seasonal Prices: MY 1999/00 – MY 2020/21 + “Old Crop” MY 2021/22 & “New Crop” MY 2022/23 Estimates, May 16, 2022

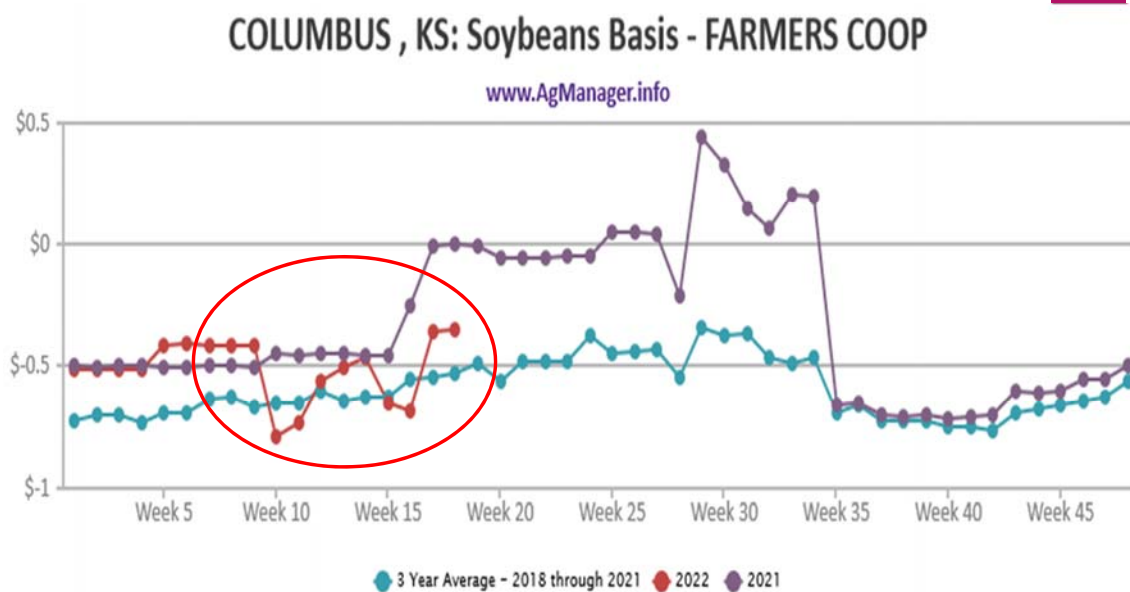
60



USDA Forecasts:

“Current” MY 2021/22
= \$13.25 /bu U.S.

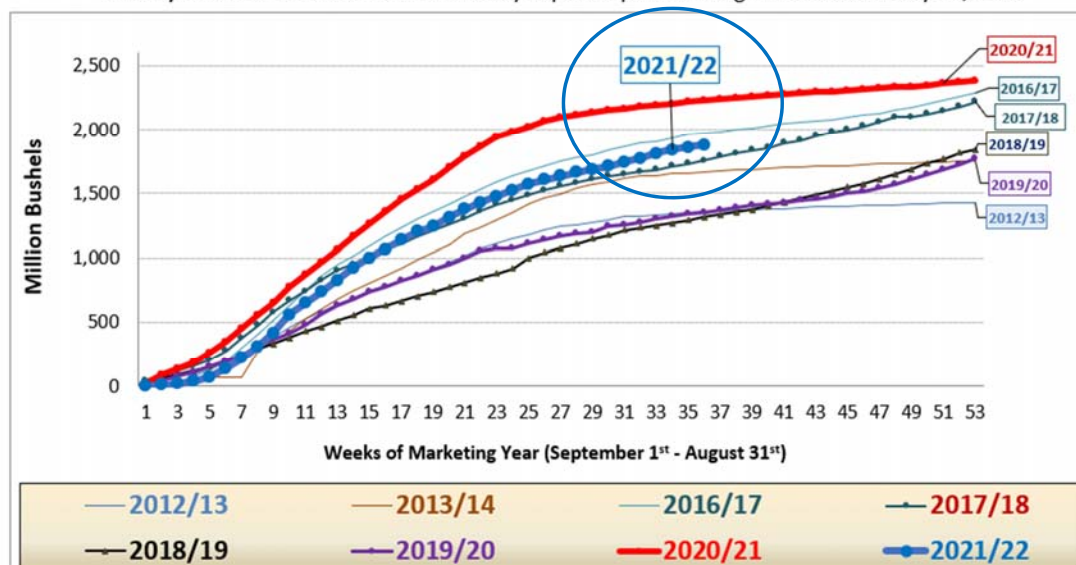
“New Crop” MY 2022/23
= \$14.40 /bu U.S.



❖ **U.S. Soybean Exports: “Neutral” short-term export shipments and “Bullish” for “Current” MY 2021/22 sales**

- Weekly Export Shipments week of 5/5/2022 for “Current” MY 2021/22 = 20.7 mb (Neutral) vs 20.96 mb /wk needed to meet USDA’s April 8th projn of 2.115 bb exports
- Total shipments through 5/5/2022 for “Current” MY 2021/22 = 1.737,7 bb i.e., 82.2% of 2.115 bb USDA projn with 67.3% of MY complete (35/52 weeks)
- Total sales through 5/5/2022 for “Current” MY 2021/22 = 2.142,6 mb (Bullish) i.e., 101.3% of 2.115 bb USDA^{KSU} projn w. 67.3% of MY complete (35/52 weeks)
- Total sales through 5/5/2022 for “New Crop” MY 2022/23 = 409.6 mb i.e., 19.05% of 2.150 bb USDA^{KSU} projn w. 0% of MY complete (0/52 weeks)

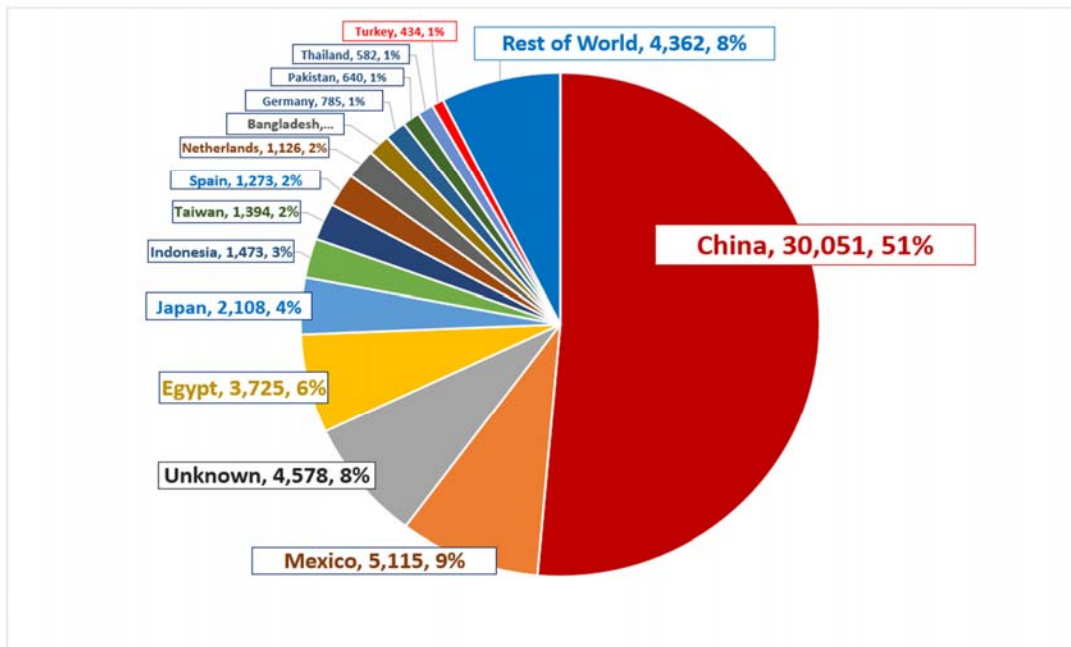
U.S. Soybean Exports: MY 2012/13 & MY 2016/17 - “New Crop” MY 2021/22 as of recent USDA FAS Weekly Export reports through the week of May 10, 2022



Top U.S. Soybean Export Buyers: “Current” MY 2021/22 through May 10, 2022 –

65

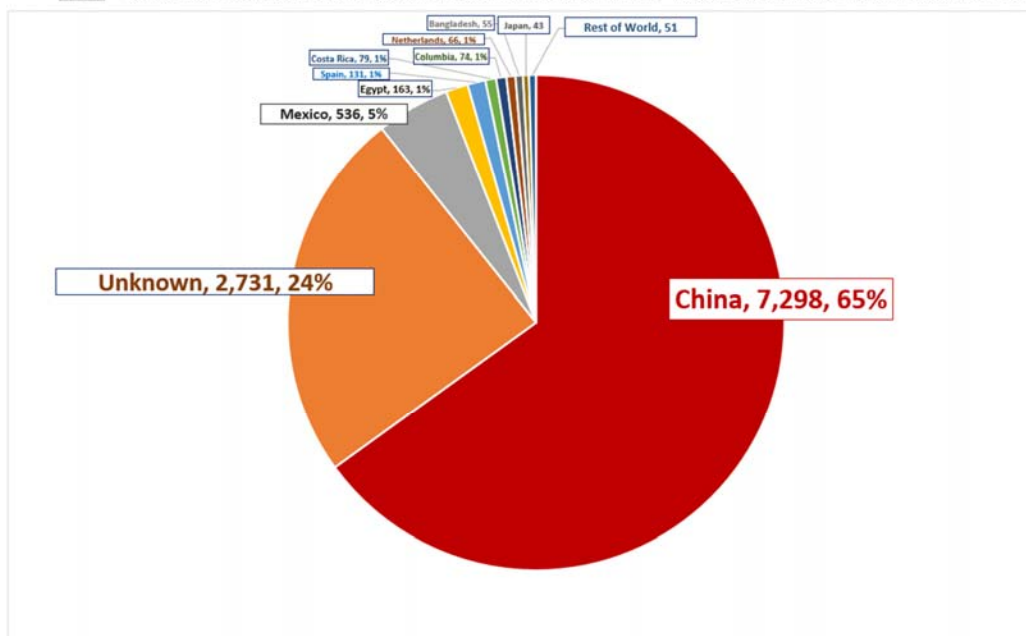
source: USDA U.S. Export Shipments & Sales (1,000 mt); September 1, 2021 – August 31, 2022 Marketing Year (1,000 metric tons)



Top U.S. Soybean Export Buyers: “New Crop” MY 2022/23 through May 10, 2022 –

66

source: USDA U.S. Export Shipments & Sales (1,000 mt); September 1, 2021 – August 31, 2022 Marketing Year (1,000 metric tons)



❖ **U.S. Soybean Meal Exports: “Negative” short-term export shipments in “New Crop” MY 2021/22, with “Positive” “Current” MY 2021/22 sales**

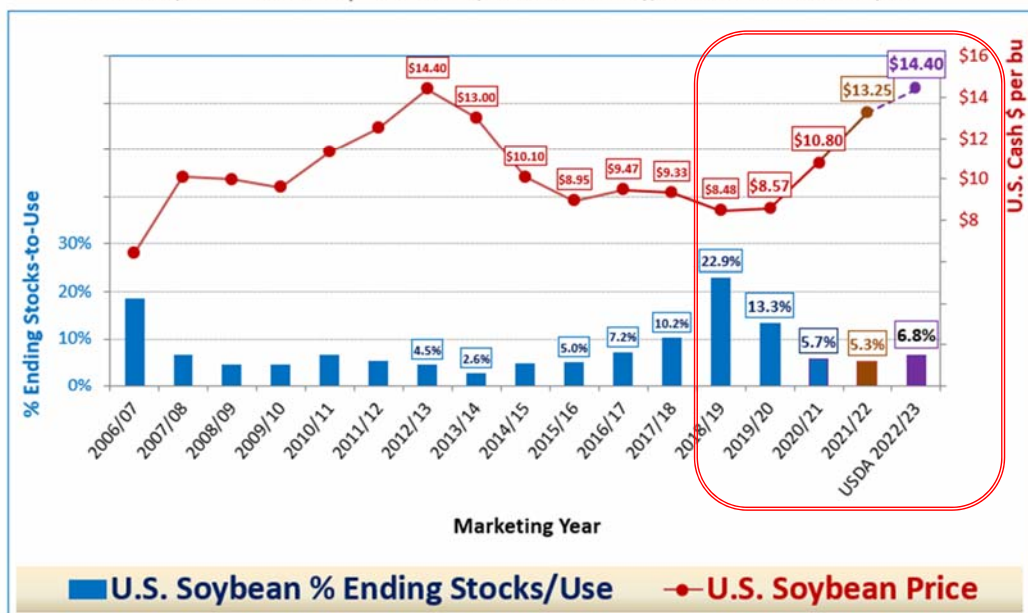
- Export Shipments for week of 5/5/2022 for “Current” MY 2021/22 = 233,500 mt (Negative)
vs 257,209 mt/wk needed to meet USDA’s April 8th projn of 12,880 mmt exports
- Total shipments through 5/5/2022 for “Current” MY 2021/22 = 7.221,4 mmt
i.e., 56.1% of 12.880 mmt USDA projn with 59.6% of MY complete (31/52 weeks)
- Total shipments & new sales (5/5/2022) for “Current” MY 2021/22 = 9.886,4 mmt
i.e., 76.78% of 12.880 mmt USDA projn with 59.6% of MY complete (31/52 wks) (Positive)

❖ **U.S. Soybean Oil Exports: “Bullish” short-term export shipments in “current” MY 2020/21 and “Bullish” intermediate-term “current” MY total sales**

- Export Shipments for week of 5/5/2022 for “Current” MY 2021/22 = 12,800 mt (Bullish)
vs 11,423 mt/wk needed to meet USDA’s April 8th projn of 780,000 mt exports
- Total shipments through 5/5/2022 for “Current” MY 2021/22 = 528,700 mt
i.e., 67.8% of 780,000 mt USDA projn with 59.6% of MY complete (31/52 weeks)
- Total shipments & new sales (5/5/2022) for “Current” MY 2021/22 = 665,100 mt
i.e., 85.3% of 780,000 mt USDA projn with 59.6% of MY complete (31/52 wks) (Bullish)

U.S. Soybean % Stocks/Use vs U.S. Cash Prices:

MY 2006/07 – “New Crop” MY 2021/22 as of the May, 2022 USDA WASDE Report



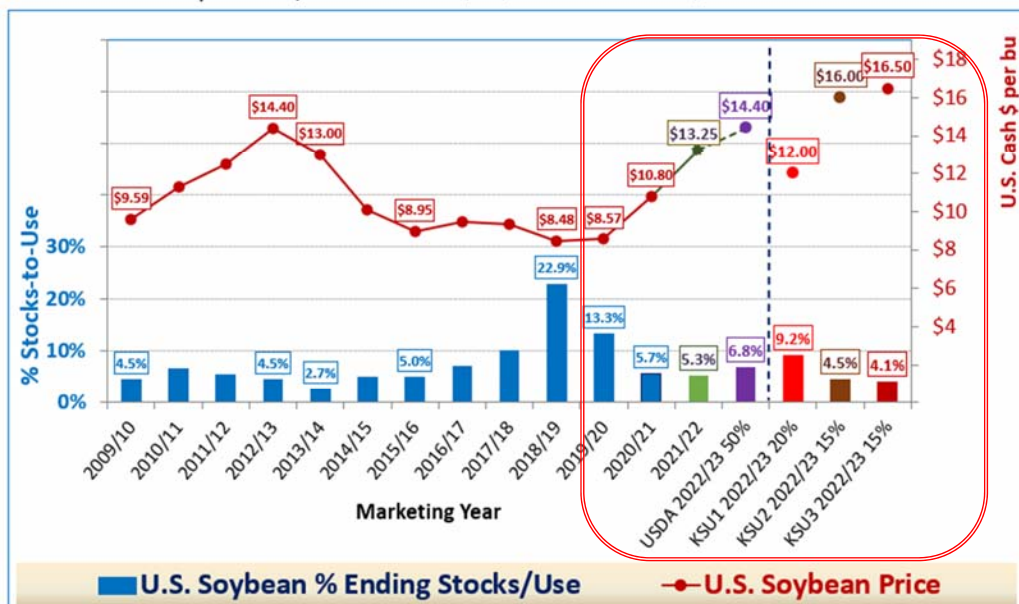
U.S. Soybean Supply-Demand Balance Sheet: "New Crop" MY 2022/23 as of the May 12, 2022 USDA WASDE report with KSU Scenarios for "New Crop" MY 2022/23

69

Item	A. USDA WASDE "New Crop" 2022/23 May 12, 2022	B. KSU Scenario #1 "New Crop" 2022/23 Low Exports: 2.10 bln bu	C. KSU Scenario #2 "New Crop" 2022/23 High Exports: 2.30 bln bu	D. KSU Scenario #3 "New Crop" 2022/23 Low Yields: 49.0 bu/ac Less Exports: 2.10 bln
% Probability of Occurring (KSU)	50% ^{KSUest}	20% ^{KSUest}	15% ^{KSUest}	15% ^{KSUest}
Planted Area (million acres)	90.955	90.955	90.955	90.955
Harvested Area (million acres)	90.097	90.097	90.097	90.097
% Harvested/Planted Area	99.06%	99.06%	99.06%	99.06%
Yield / harvested acre (bu/ac)	51.5	51.5	51.5	49.0
Beginning Stocks (million bushels)	235	235	235	235
Production (million bu.)	4,640	4,640	4,640	4,415
Imports (million bu.)	15	15	15	15
Total Supply (million bu.)	4,890	4,890	4,890	4,665
Domestic <u>Crushings</u>	2,255	2,255	2,255	2,255
Exports	2,200	2,100	2,300	2,100
Seed	102	102	102	102
Residual	23	23	23	23
Total Use	4,580	4,480	4,680	4,480
Ending Stocks	310	410	210	185
% Ending Stocks-to-Use	6.77%	9.15%	4.49%	4.13%
Days of Supply (% S/U x 365 days)	24.7 days	33.4 days	16.4 days	15.1 days
U.S. Avg. Farm Price (\$/bu)	\$14.40 ^{USDA} Vs \$13.64/bu KSU Futures & Basis-based forecast 8/10/2022	\$12.00 Vs \$13.64/bu KSU Futures & Basis-based forecast 8/10/2022	\$16.00 Vs \$13.64/bu KSU Futures & Basis-based forecast 8/10/2022	\$16.50 Vs \$13.64/bu KSU Futures & Basis-based forecast 8/10/2022

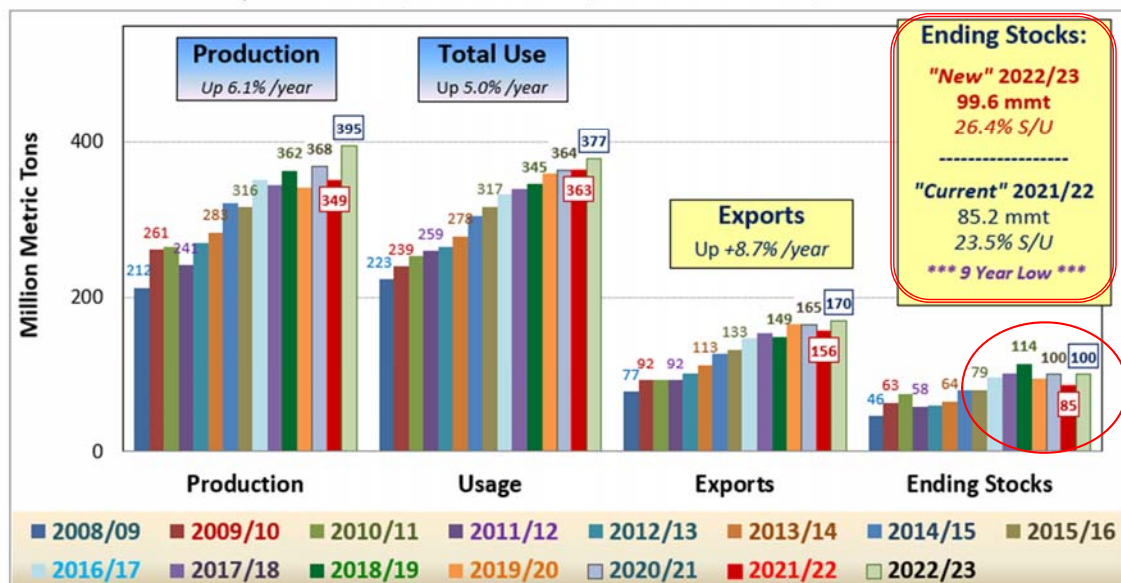
U.S. Soybean % Stocks/Use vs U.S. Cash Prices: 2009/10 – "New Crop" 2022/23 as of the May 12, 2022 USDA WASDE, with KSU forecast scenarios

70



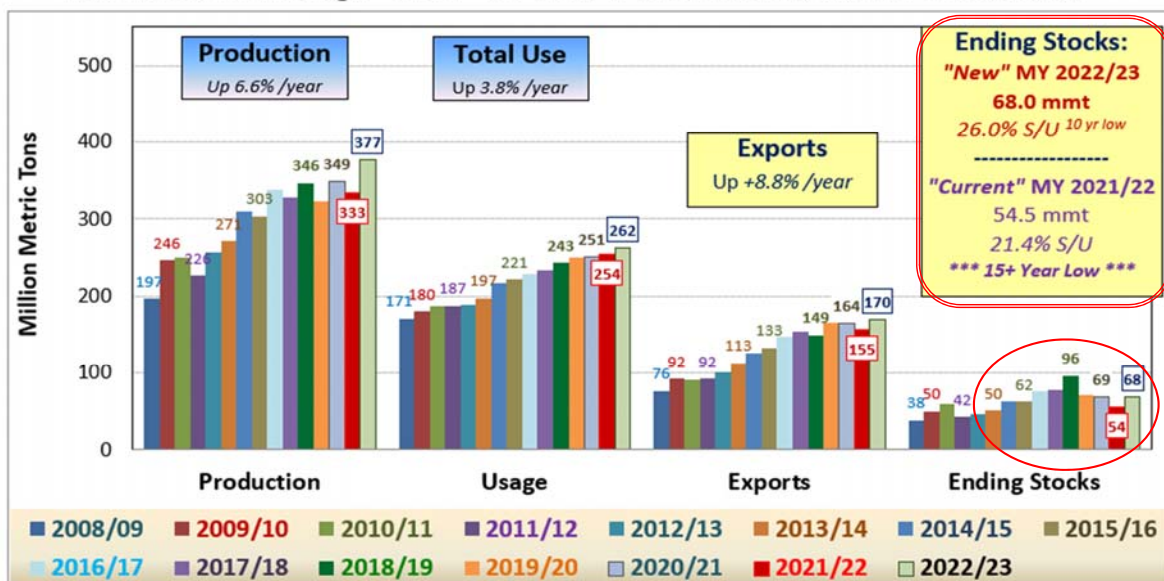
World Soybean Usage & Ending Stocks: MY 2008/09 through

"New Crop" MY 2022/23 as of the May 12, 2022 WASDE Report



"World Less-China" Soybean Usage & Ending Stocks:

MY 2008/09 through "New" MY 2022/23 as of the May 12, 2022 WASDE Report





Questions?

Daniel O'Brien – Extension Ag Economist

Blog: www.ksugrains.wordpress.com

KSUGrains on Twitter

www.AgManager.info



**KANSAS STATE
UNIVERSITY**

Department of Agricultural Economics