

Corn and Soybean Market Outlook



Todd Hubbs

jhubbs3@illinois.edu

Department of Agricultural and Consumer Economics
University of Illinois

 ILLINOIS

Key Points

- Corn
 - Large crops in U.S. and South America
 - Domestic demand
 - Increased ethanol production
 - Strong export numbers
 - Large ending stocks; Highest since 1987/88
 - Lower acreage in 2017?
- Soybeans
 - Large crops in U.S. and Brazil
 - Ending stocks at record level
 - Stable but strong demand
 - Export market strong; Brazilian potential huge
 - Biodiesel mandate and soybean crush
 - Higher acreage in 2017

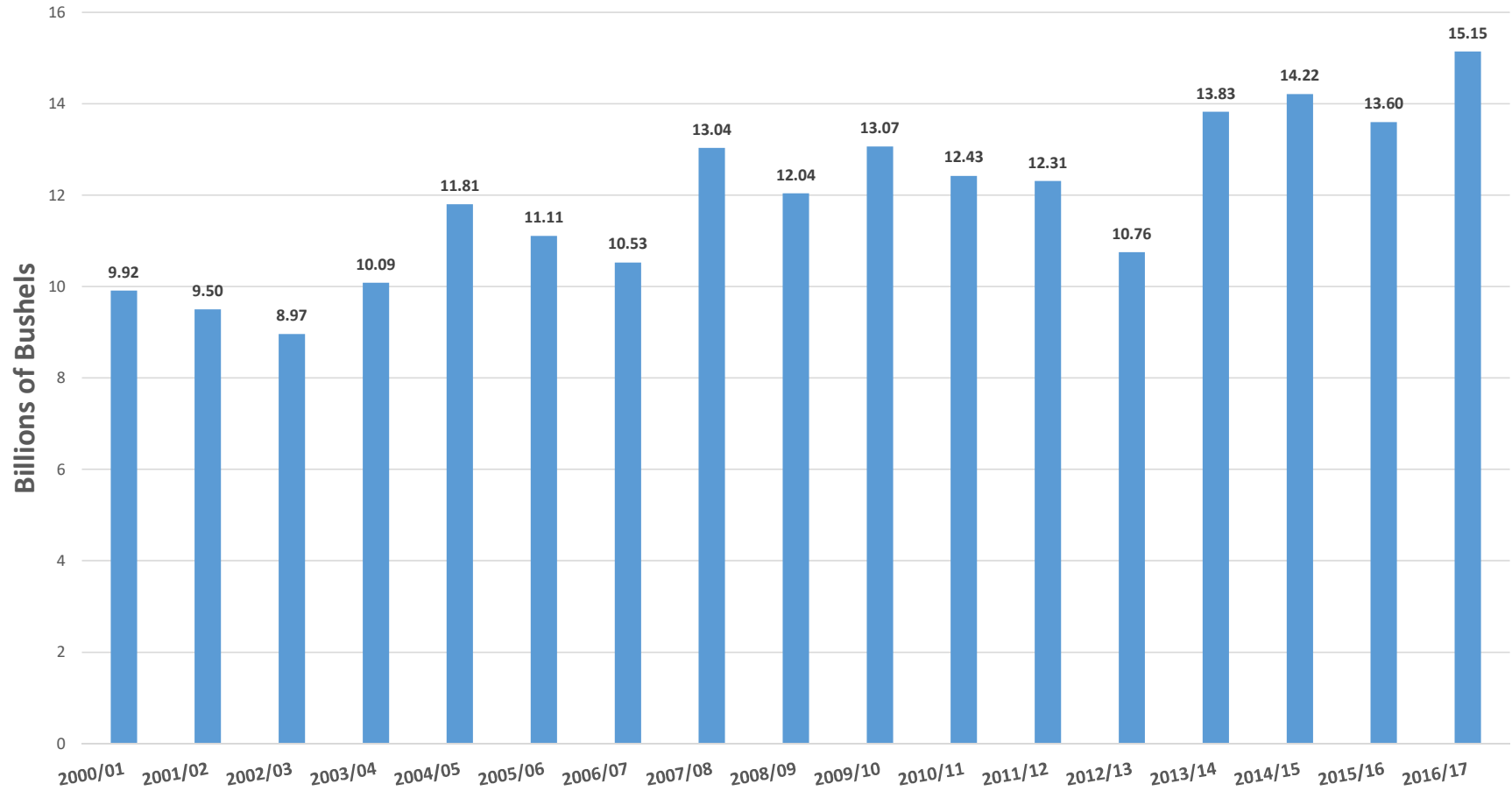
U.S. Corn Supply and Use

		2012/13	2013/14	2014/15	2015/16 Est	2016/17 Proj. January
Area Planted	(mil. Acres)	97.3	95.4	90.6	88	94.0
Area Harvested	(mil. Acres)	87.4	87.5	83.1	80.8	86.7
Yield	(Bu./acre)	123.1	158.1	171	168.4	174.6
Production	(mil. Bu.)	10,755	13,829	14,216	13,602	15,148
Imports	(mil. Bu.)	160	36	32	67	55
Total Supply	(mil. Bu.)	11,904	14,686	15,479	15,401	16,940
Feed and Residual	(mil. Bu.)	4,315	5,040	5,280	5,131	5,600
Food, Seed, and Industrial	(mil. Bu.)	6,038	6,493	6,601	6,635	6,760
Ethanol	(mil. Bu.)	4,461	5,124	5,200	5,206	5,325
Exports	(mil. Bu.)	730	1,920	1,867	1,898	2,225
Total Use	(mil. Bu.)	11,083	13,454	13,748	13,664	14,585
Ending Stocks	(mil. Bu.)	821	1,232	1,731	1,737	2,355
Season Average Price	(\$ per Bu.)	\$6.89	\$4.46	\$3.70	\$3.61	\$3.10-\$3.70

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U.S. Corn Production



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World Corn Production

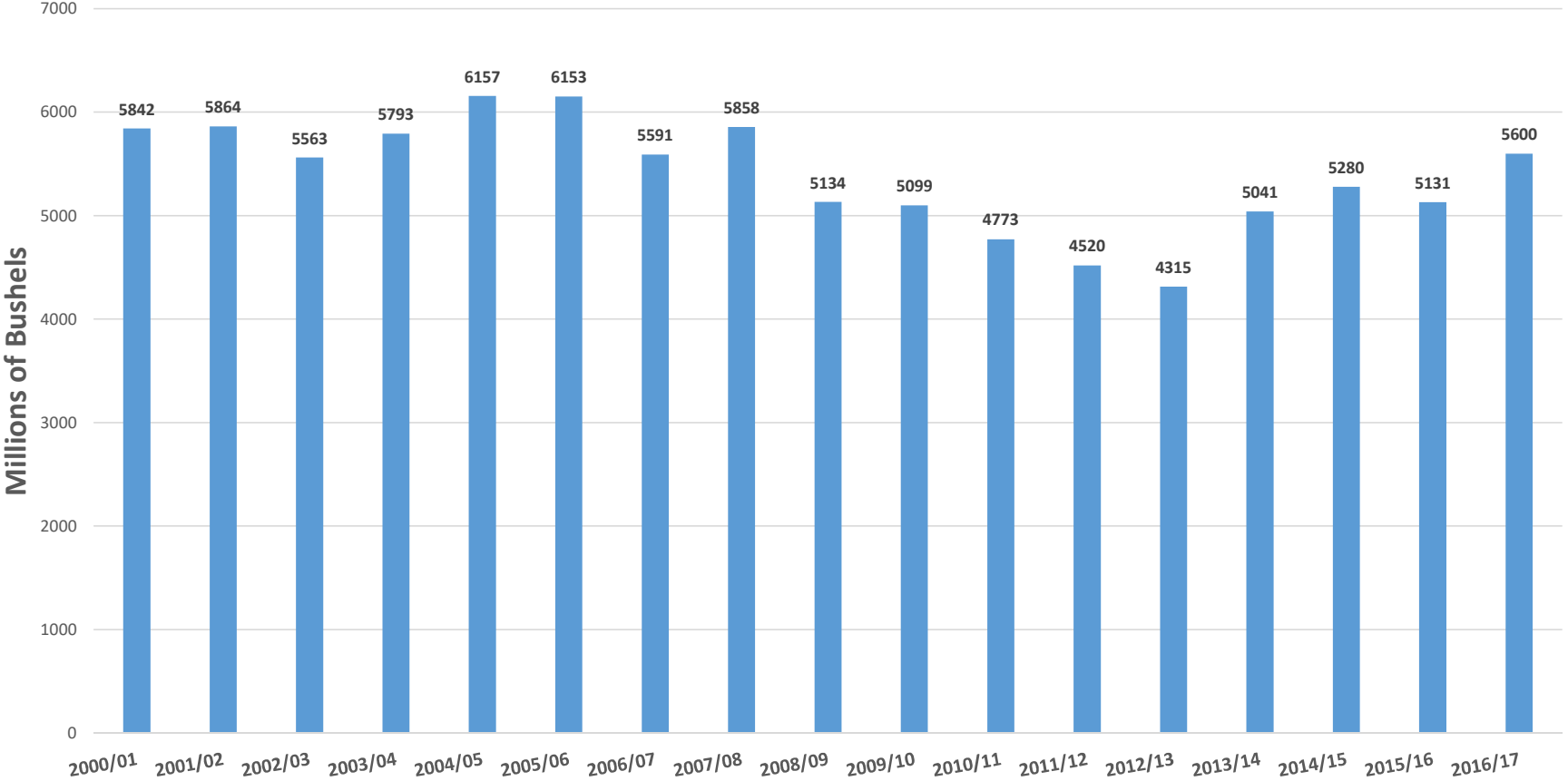
Country/Region	2015/16 Estimate	2016/17 forecast	Change from Dec. 12	Change from 2015/16
	<i>Billion Bushels</i>		<i>Percent</i>	
World	37.84	40.86	-.2	+7.9
United States	13.60	15.15	-.5	+11.4
Total Foreign	24.23	25.71	-	+6.1
Major Exporters	4.09	5.35	-	+30.9
Argentina	1.14	1.44	-	+25.7
Brazil	2.64	3.41	-	+29.0
Major Importers	4.66	4.71	-	+1.0
E.U.	2.30	2.39	-	+3.8
Mexico	1.02	0.96	-	-5.0
Canada	0.53	0.52	-	-1.9
China	8.84	8.64	-	-2.2
FSU-12	1.57	1.83	-	+16.8

U.S. Corn Supply and Use

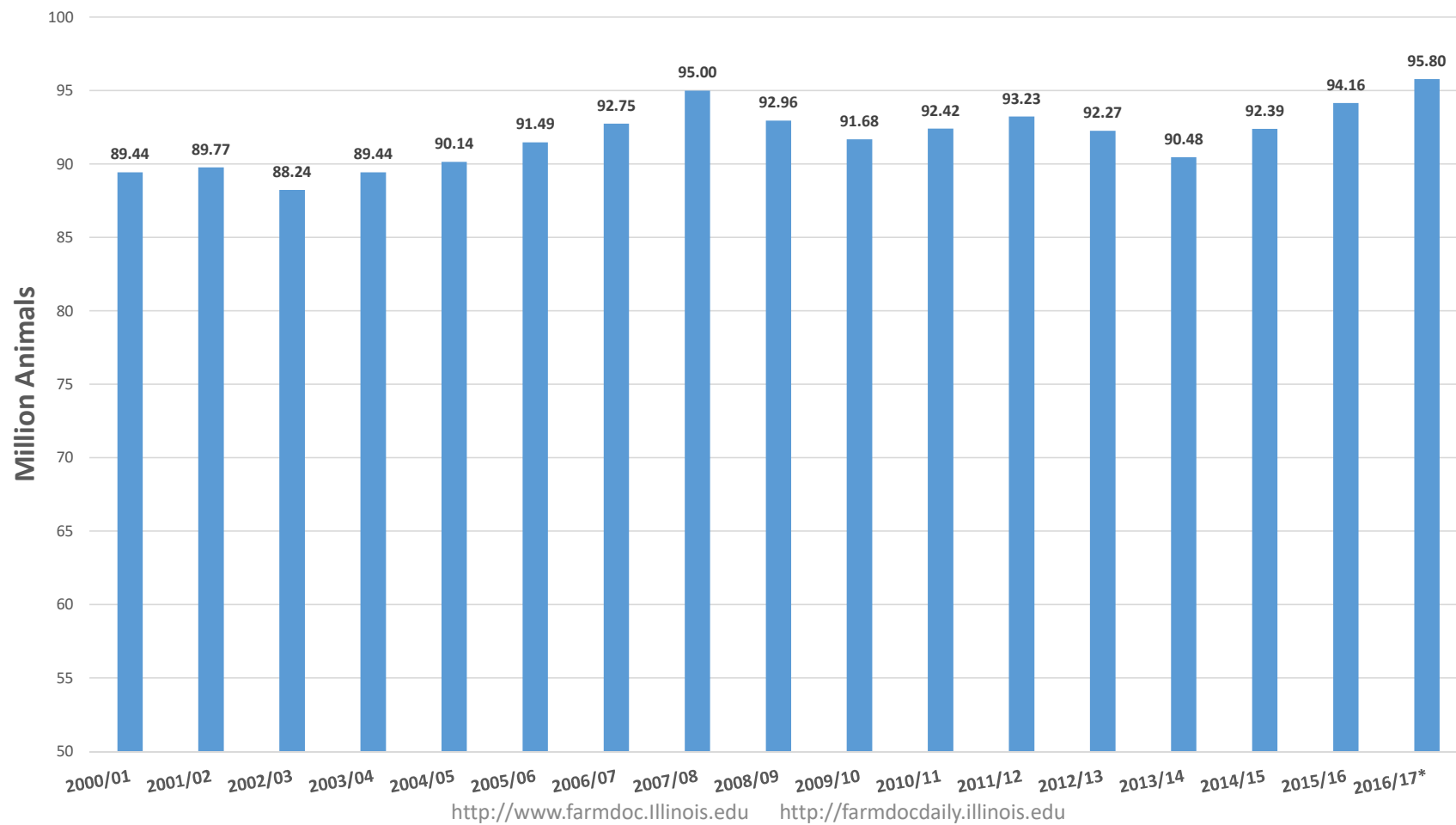
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U.S. Corn Feed and Residual Use

2017/2018 = 5,500



Grain Consuming Animal Units

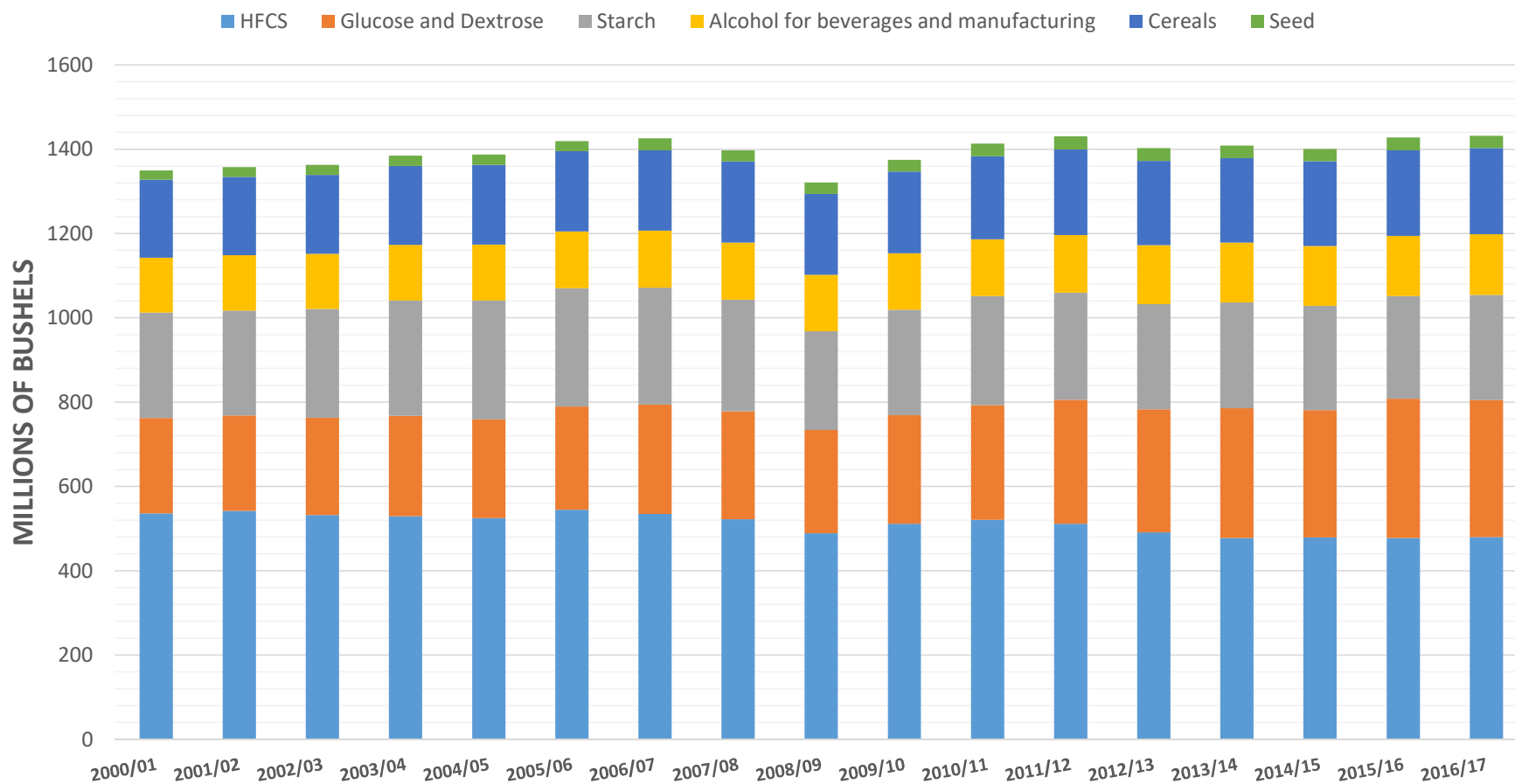


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U.S. Corn Food, Seed, and Industrial Use less Ethanol

2017/18 = 1450



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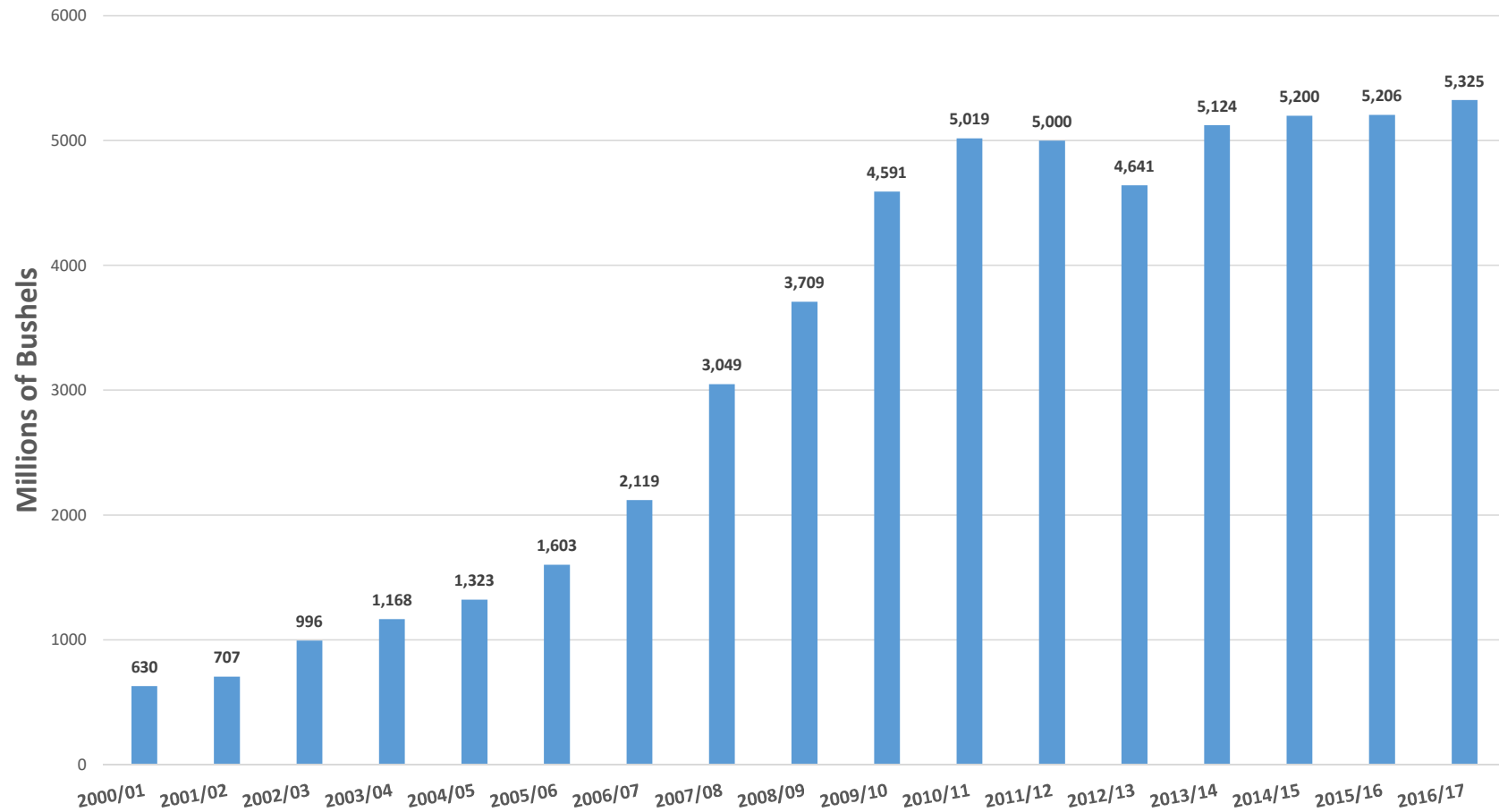
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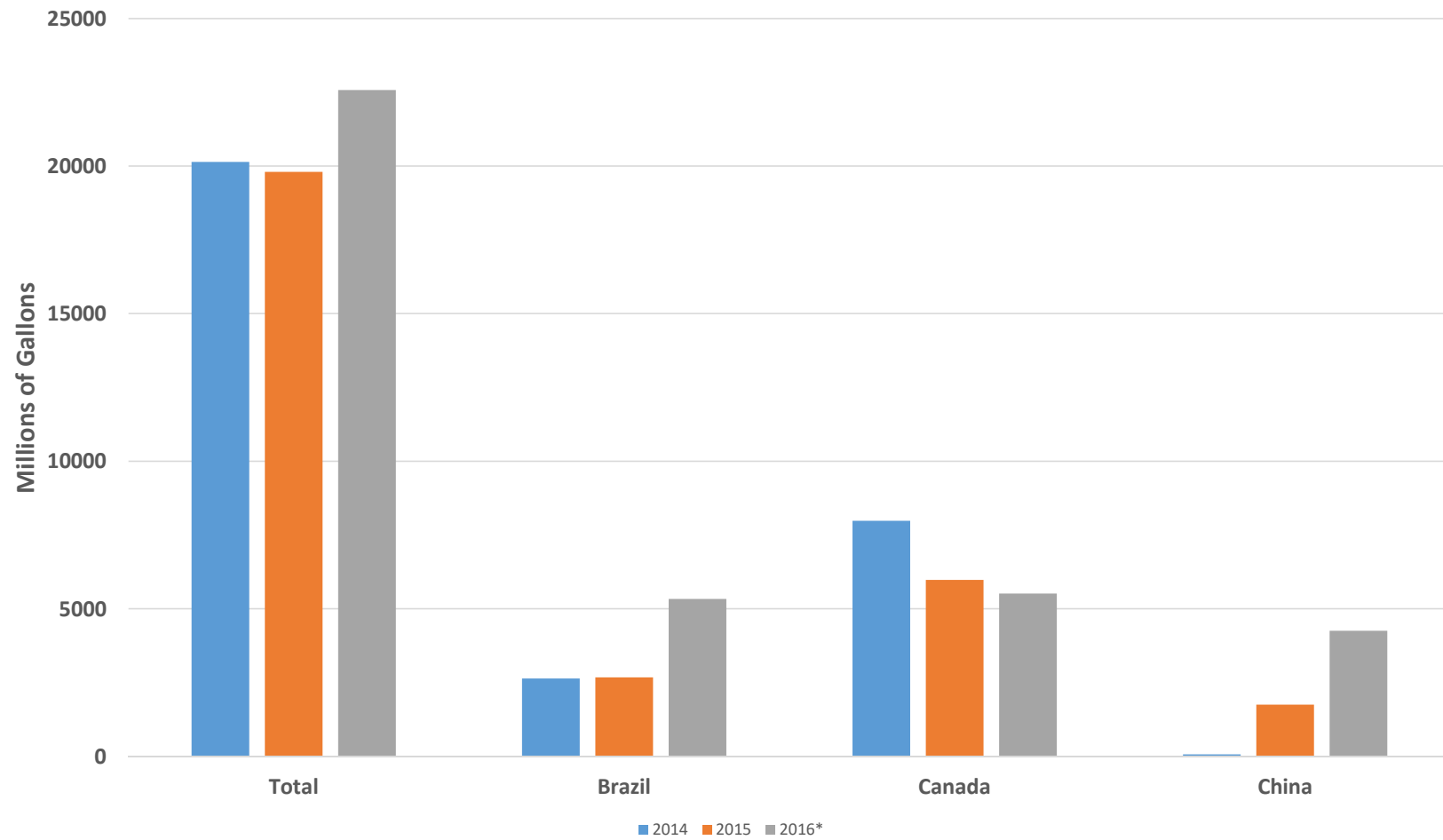
U.S. Corn Used for Ethanol

2017/18 = 5,400



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U.S. Ethanol Exports

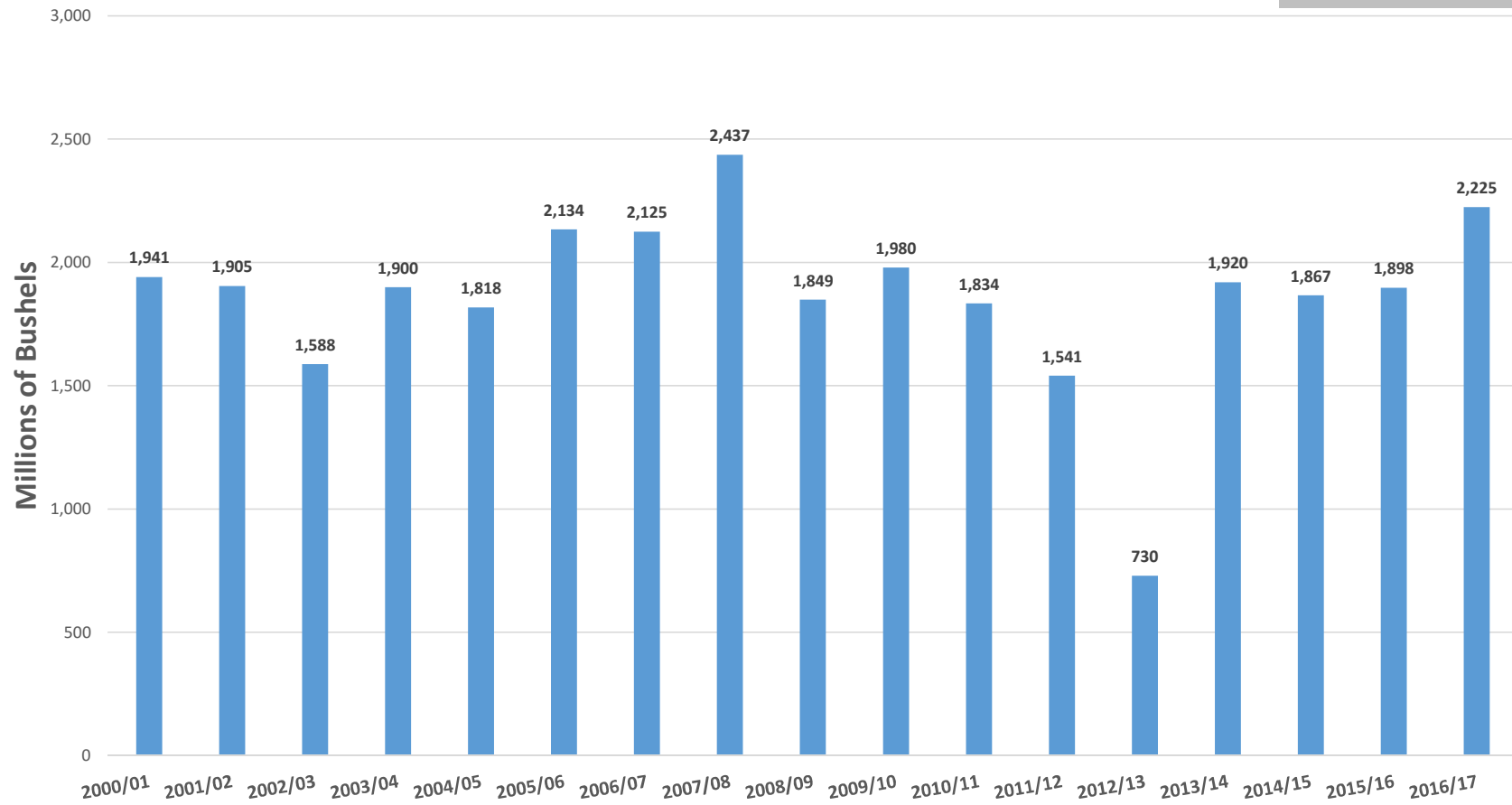


U.S. Corn Supply and Use

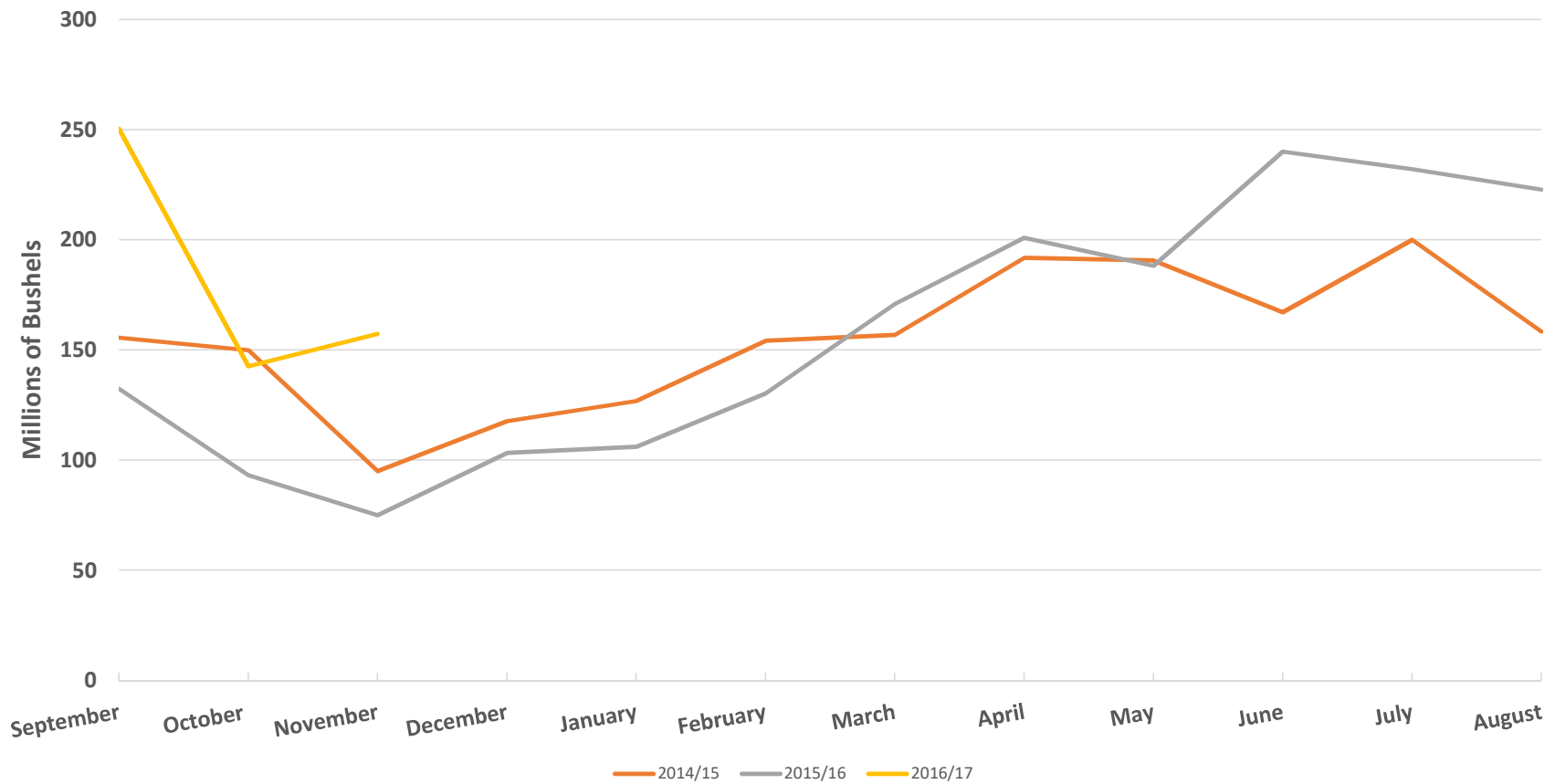
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U.S. Corn Exports

2017/18 = 1,950



Monthly U.S. Corn Exports by Marketing Year

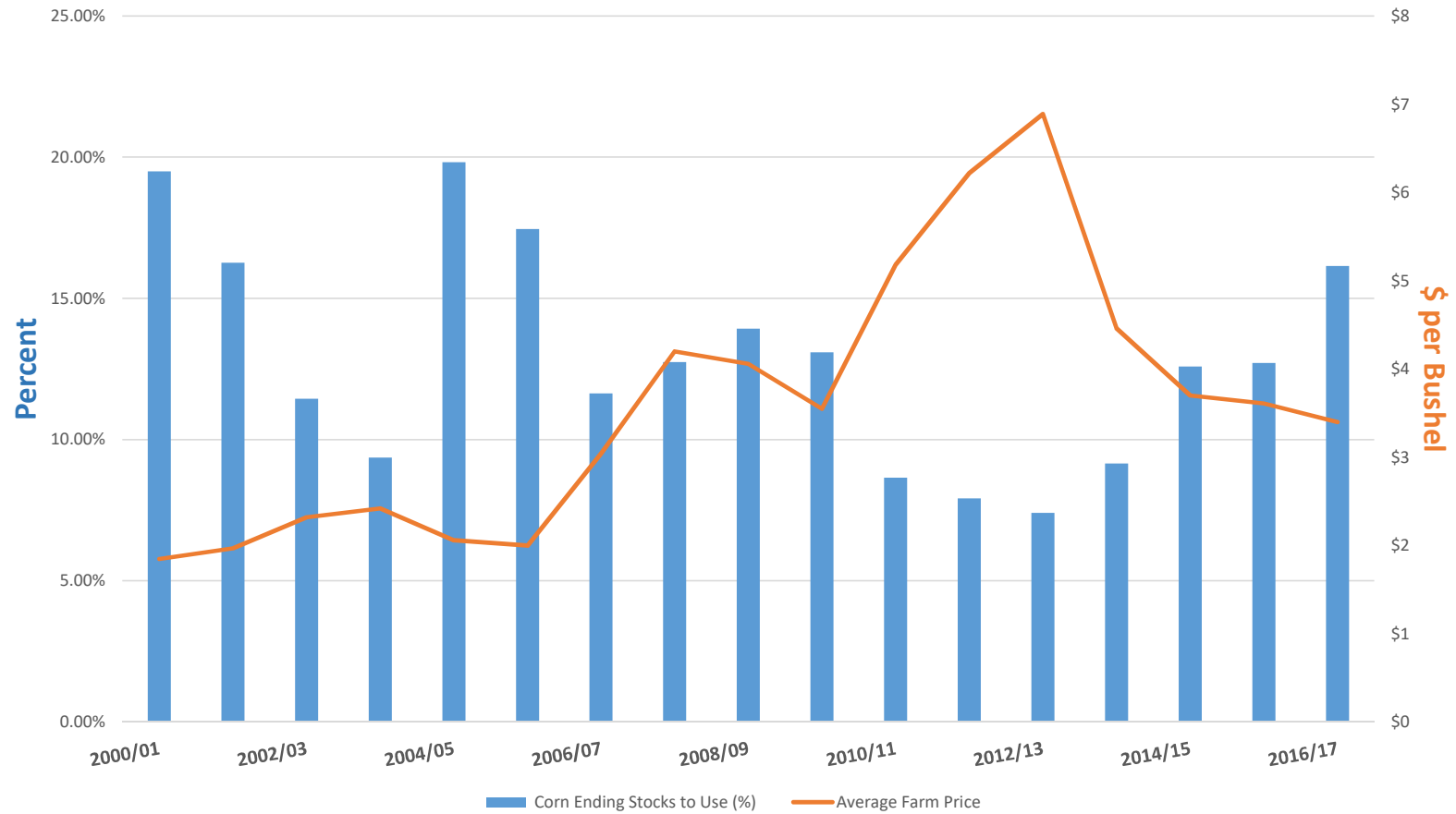


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U.S. Corn Ending Stocks to Use Ratio and Average Farm Price

2017/18
Total Use = 14,300
Ending Stocks = 2,214
Stocks to Use = 15.5%



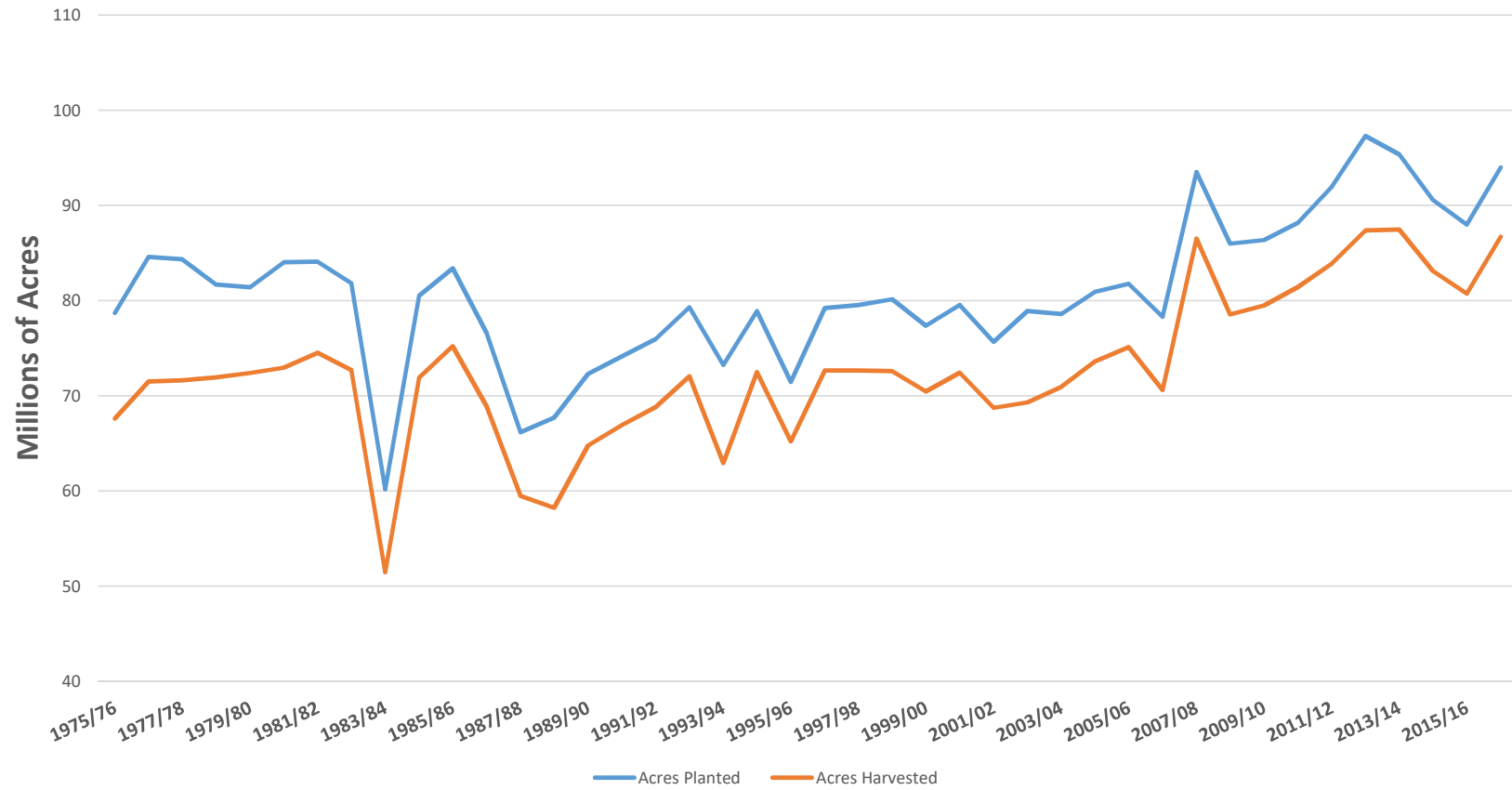
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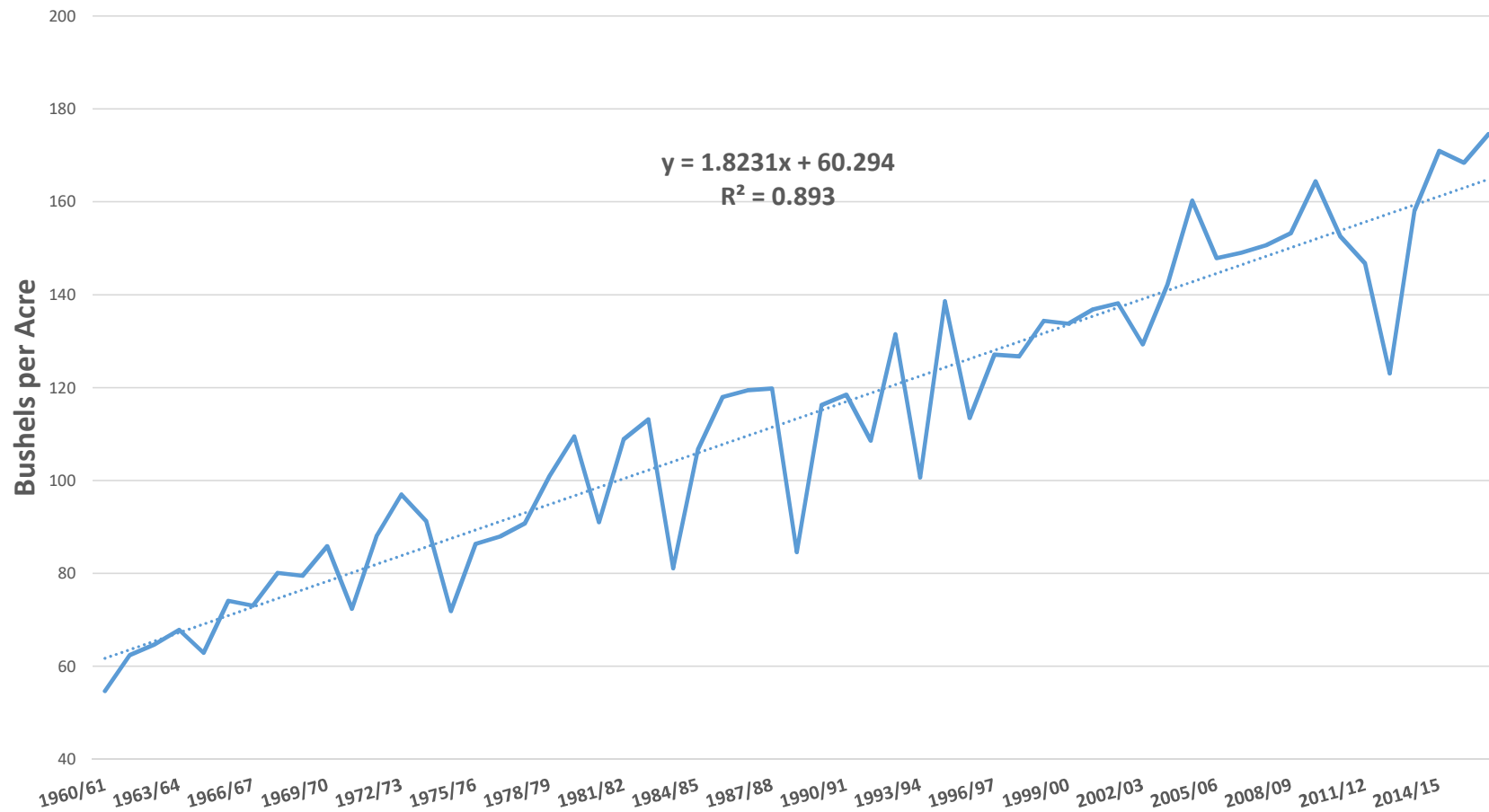
U.S. Corn Acreage

2017/18
Planted = 90.5 million acres
Harvested = 83.2 million acres



U.S. Corn Yield per Harvested Acre

2017/18 Trend Yield = 169



U.S. Corn Supply and Use

		2016/17 Projection January	2017/2018 Forecast
Area Planted	(mil. Acres)	94.0	90.5
Area Harvested	(mil. Acres)	86.7	83.2
Yield	(Bu./acre)	174.6	169
Production	(mil. Bu.)	15,148	14,061
Imports	(mil. Bu.)	55	50
Total Supply	(mil. Bu.)	16,940	16,466
Feed and Residual	(mil. Bu.)	5,600	5,500
Food, Seed, and Industrial	(mil. Bu.)	6,760	6,850
Ethanol	(mil. Bu.)	5,325	5,400
Exports	(mil. Bu.)	2,225	1,950
Total Use	(mil. Bu.)	14,585	14,300
Ending Stocks	(mil. Bu.)	2,355	2,214
Season Average Price	(\$ per Bu.)	\$3.10-\$3.70	\$3.65

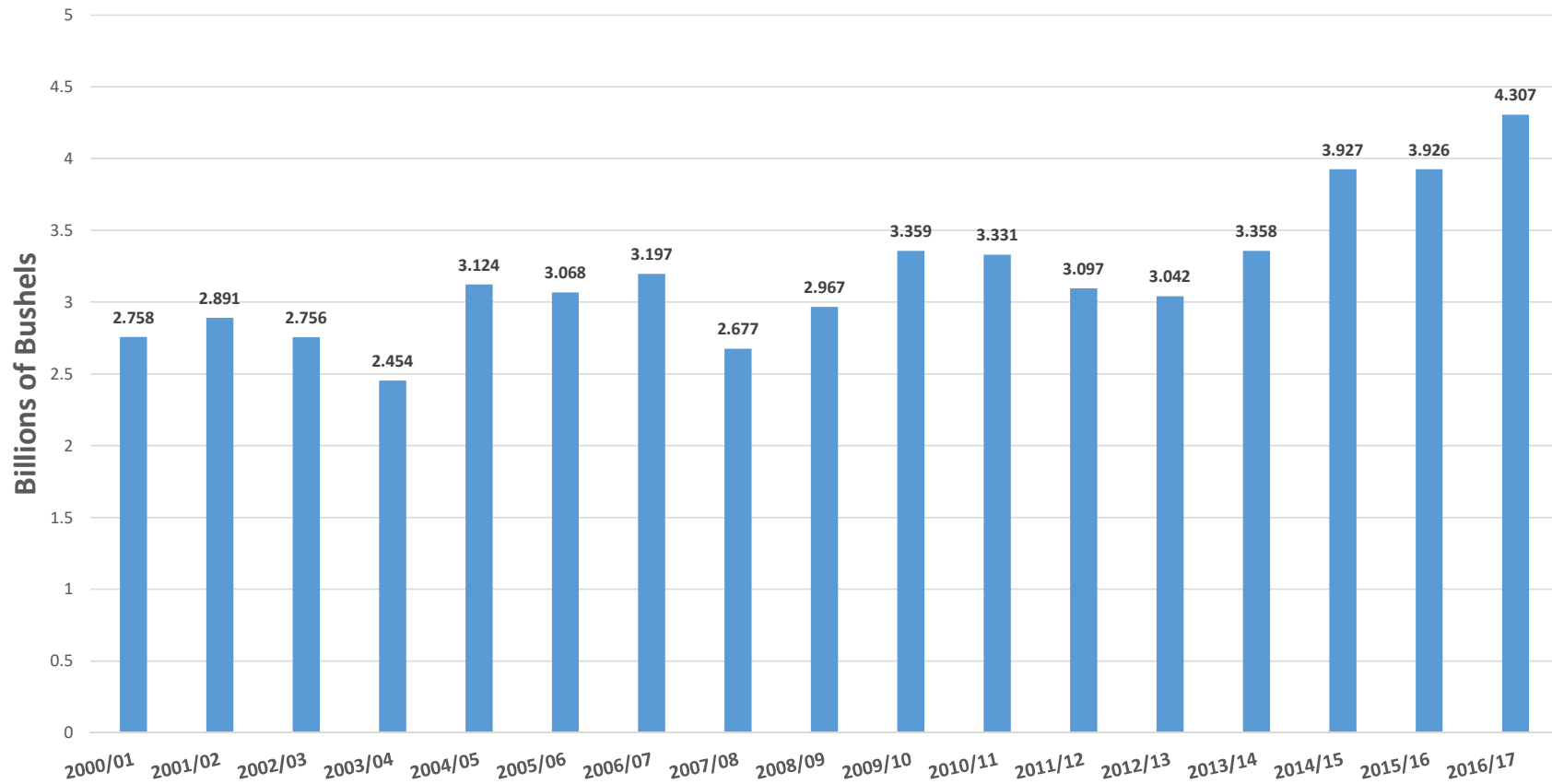
U.S. Soybean Supply and Use

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Area Planted	(mil. Acres)	77.2	76.8	83.3	82.7	83.4
Area Harvested	(mil. Acres)	76.1	76.3	82.6	81.7	82.7
Yield	(Bu./acre)	40	44	47.5	48	52.1
Production	(mil. Bu.)	3,042	3,358	3,927	3,296	4,307
Imports	(mil. Bu.)	41	72	33	24	25
Total Supply	(mil. Bu.)	3,252	3,570	4,052	4,140	4,528
Crush	(mil. Bu.)	1,689	1,734	1,873	1,886	1,930
Seed and Residual	(mil. Bu.)	105	107	146	122	128
Exports	(mil. Bu.)	1,317	1,638	1,842	1,936	2,050
Total Use	(mil. Bu.)	3,111	3,478	3,862	3,944	4,108
Ending Stocks	(mil. Bu.)	141	92	191	197	420
Season Average Price	(\$ per Bu.)	\$14.40	\$13.00	\$10.10	\$8.95	\$9.00-\$10.00

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U.S. Soybean Production



World Soybean Production

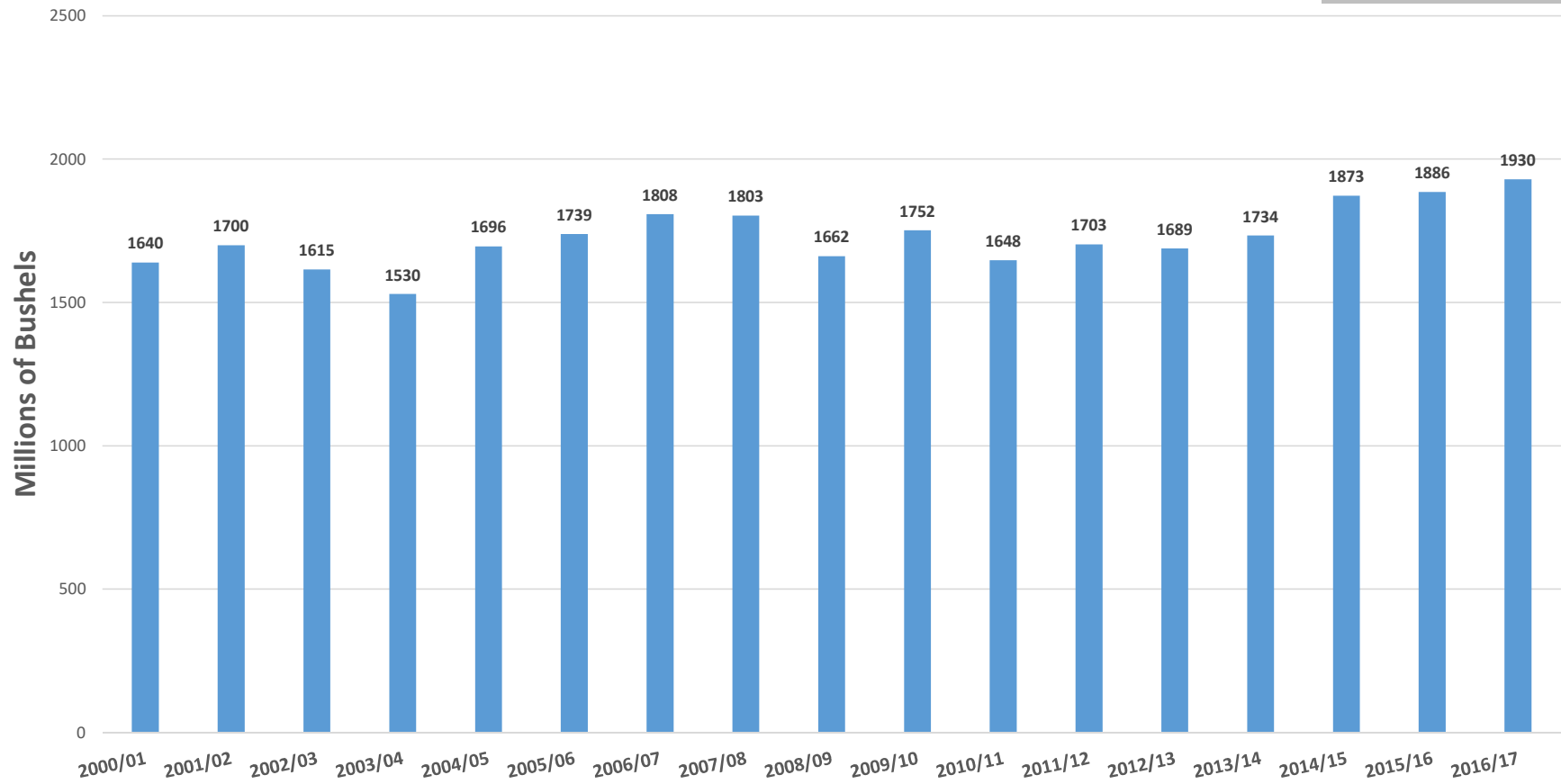
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World	11.50	12.32	-0.78	+7.15
United States	3.93	4.28	-1.94	+8.78
Total Foreign	7.59	8.04	-0.15	+6.02
Major Exporters	6.04	6.30	+0.24	+4.39
Argentina	2.087	2.079	-	-0.38
Brazil	3.55	3.79	+1.15	+6.85
Paraguay	0.33	0.34	-	+1.35
Major Importers	0.57	0.61	+1.94	+7.31
China	0.43	0.47	+2.28	+9.42
E.U.	0.08	0.09	-	+10.33

U.S. Soybean Supply and Use

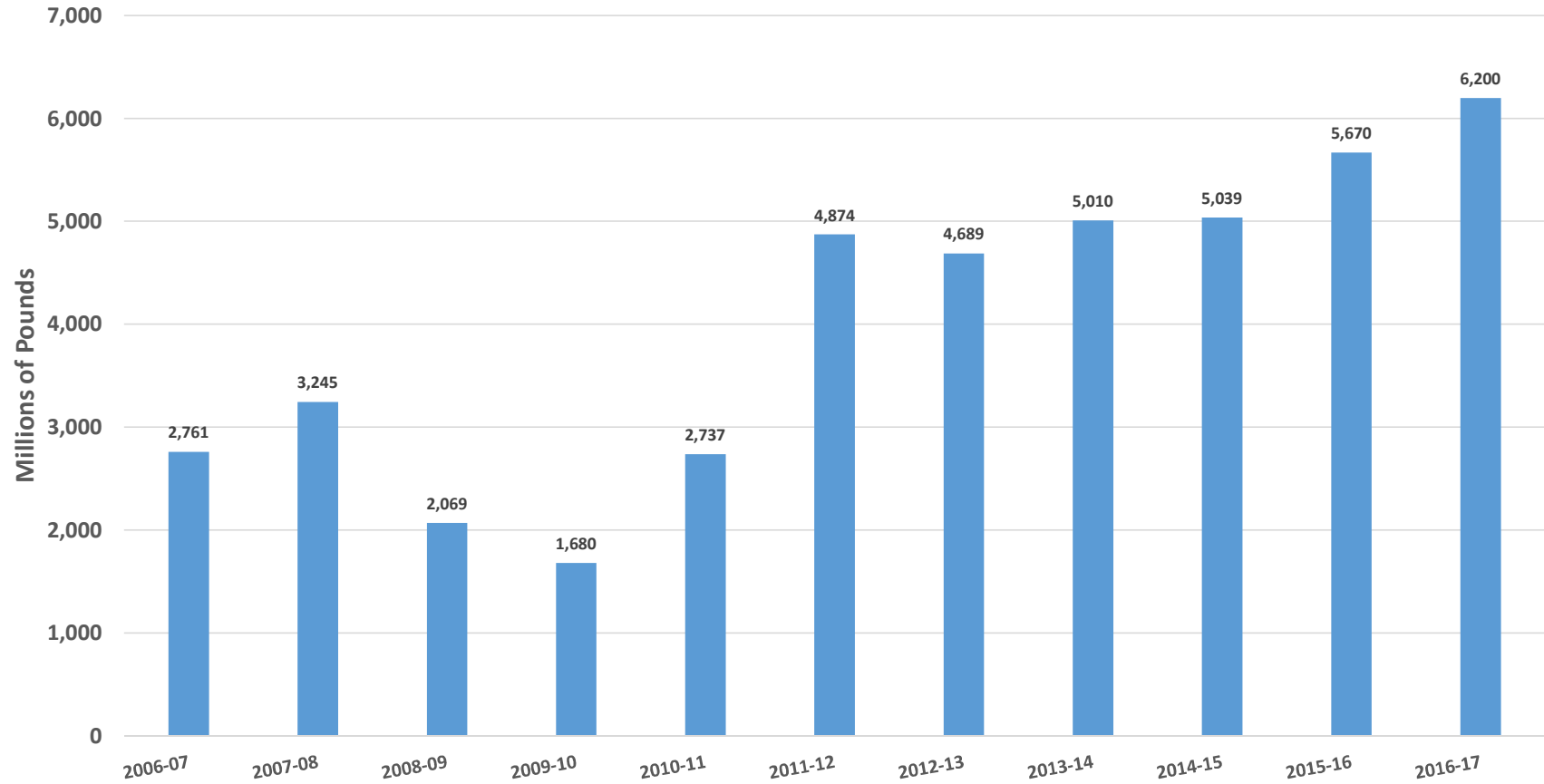
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U.S. Soybean Crush

2017/18 = 1,940



Soybean Oil used for Biodiesel

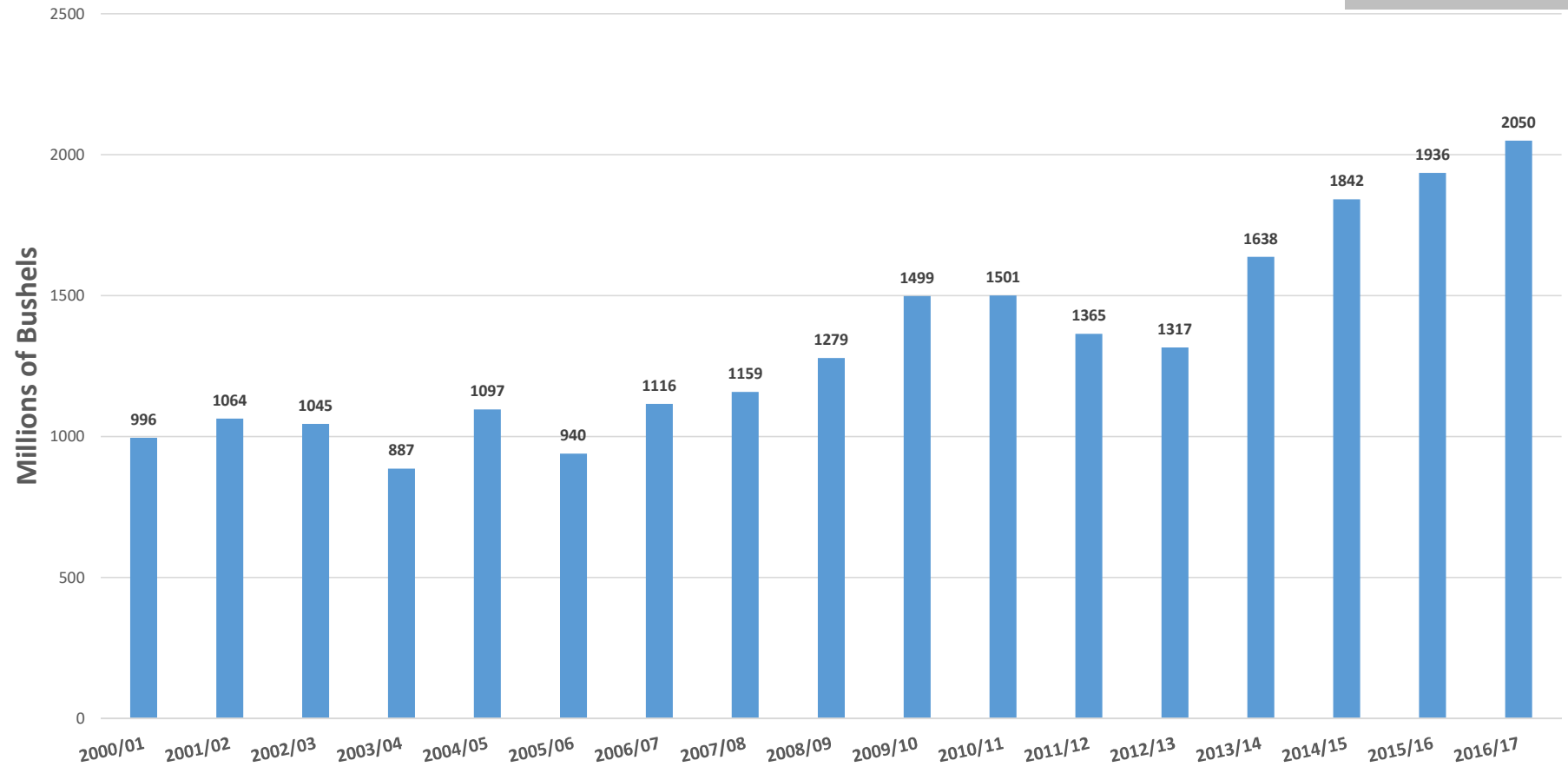


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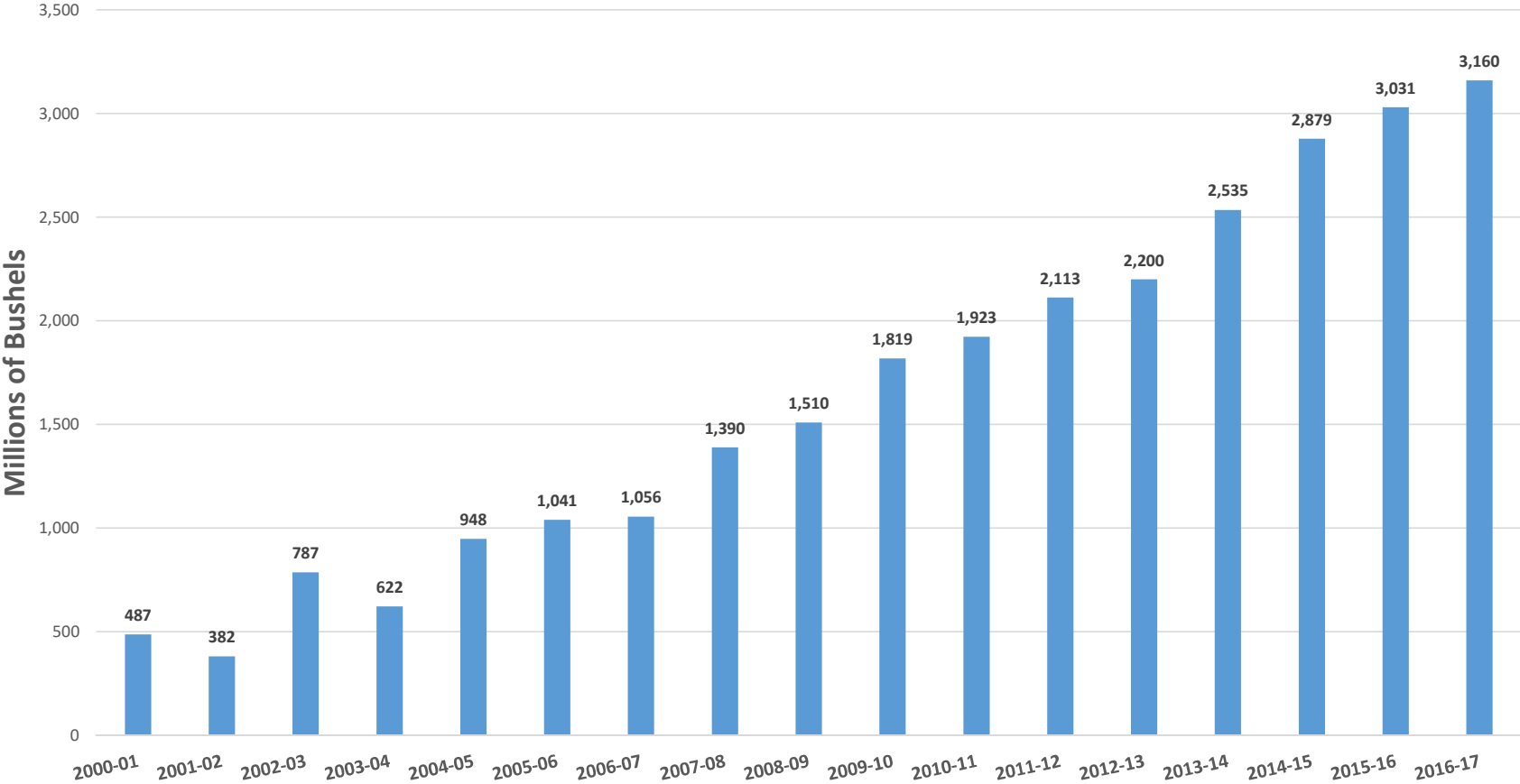
U.S. Soybean Exports

2017/18 = 2,050

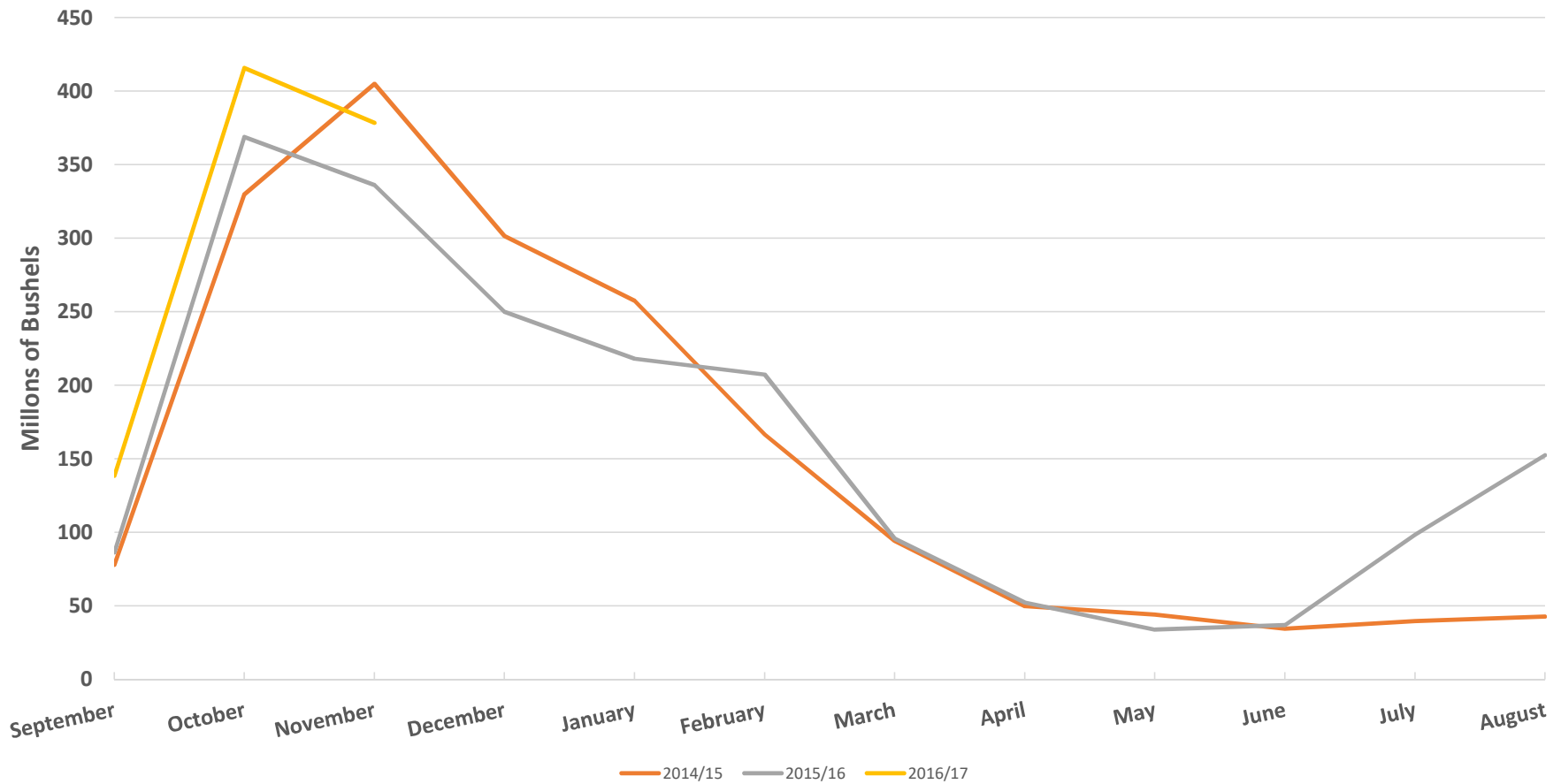


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Chinese Soybean Imports



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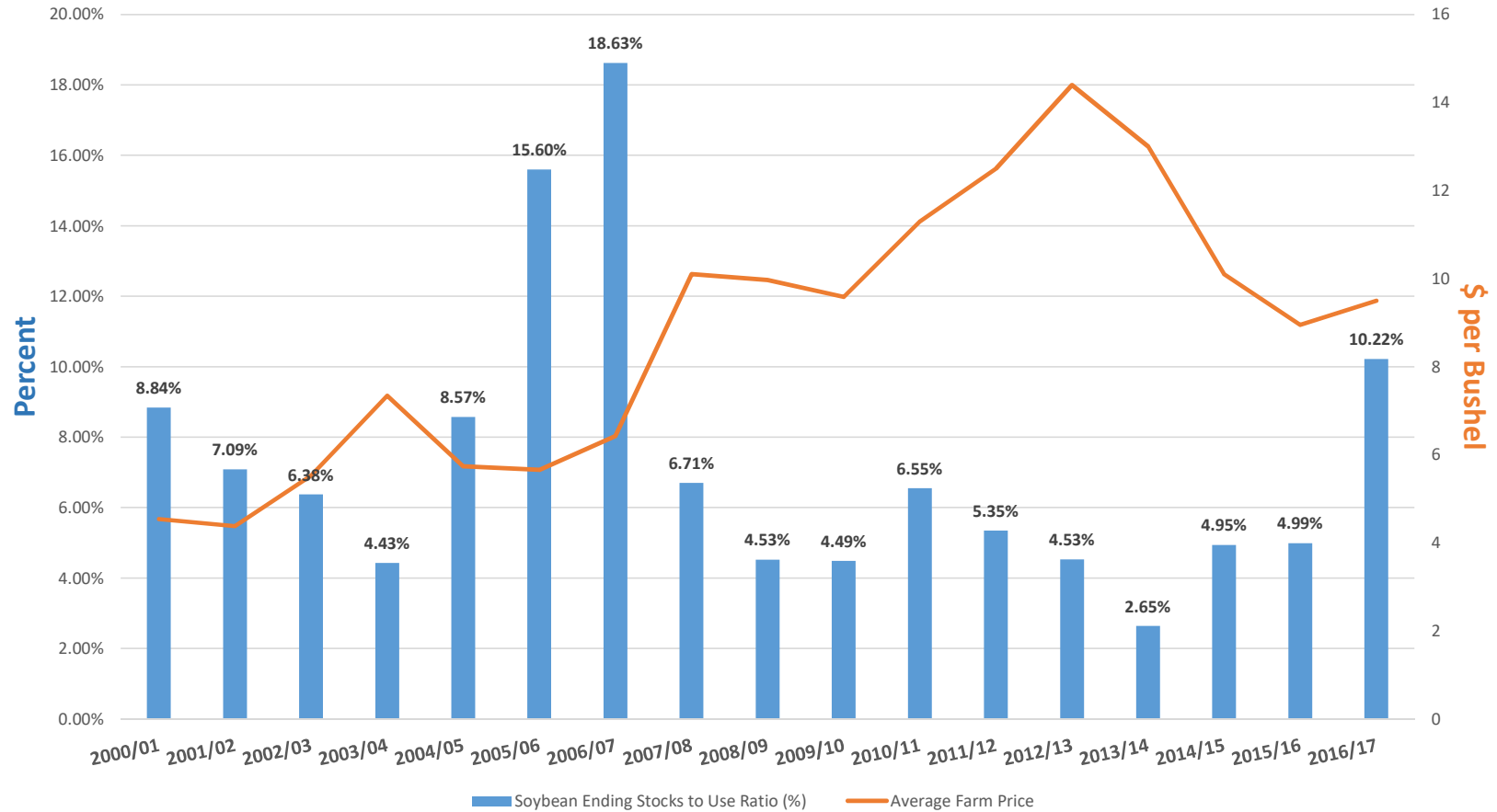


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Yield	(Bu./acre)	40	44	47.5	48	52.1
Production	(mil. Bu.)	3,042	3,358	3,927	3,296	4,307
Imports	(mil. Bu.)	41	72	33	24	25
Total Supply	(mil. Bu.)	3,252	3,570	4,052	4,140	4,528
Crush	(mil. Bu.)	1,689	1,734	1,873	1,886	1,930
Seed and Residual	(mil. Bu.)	105	107	146	122	128
Exports	(mil. Bu.)	1,317	1,638	1,842	1,936	2,050
Total Use	(mil. Bu.)	3,111	3,478	3,862	3,944	4,108
Ending Stocks	(mil. Bu.)	141	92	191	197	420
Season Average Price	(\$ per Bu.)	\$14.40	\$13.00	\$10.10	\$8.95	\$9.00-\$10.00

Soybean Ending Stocks to Use Ratio and Average Farm Price

2017/18
Total Use = 4,120
Ending Stocks = 481
Stocks to Use = 11.7%

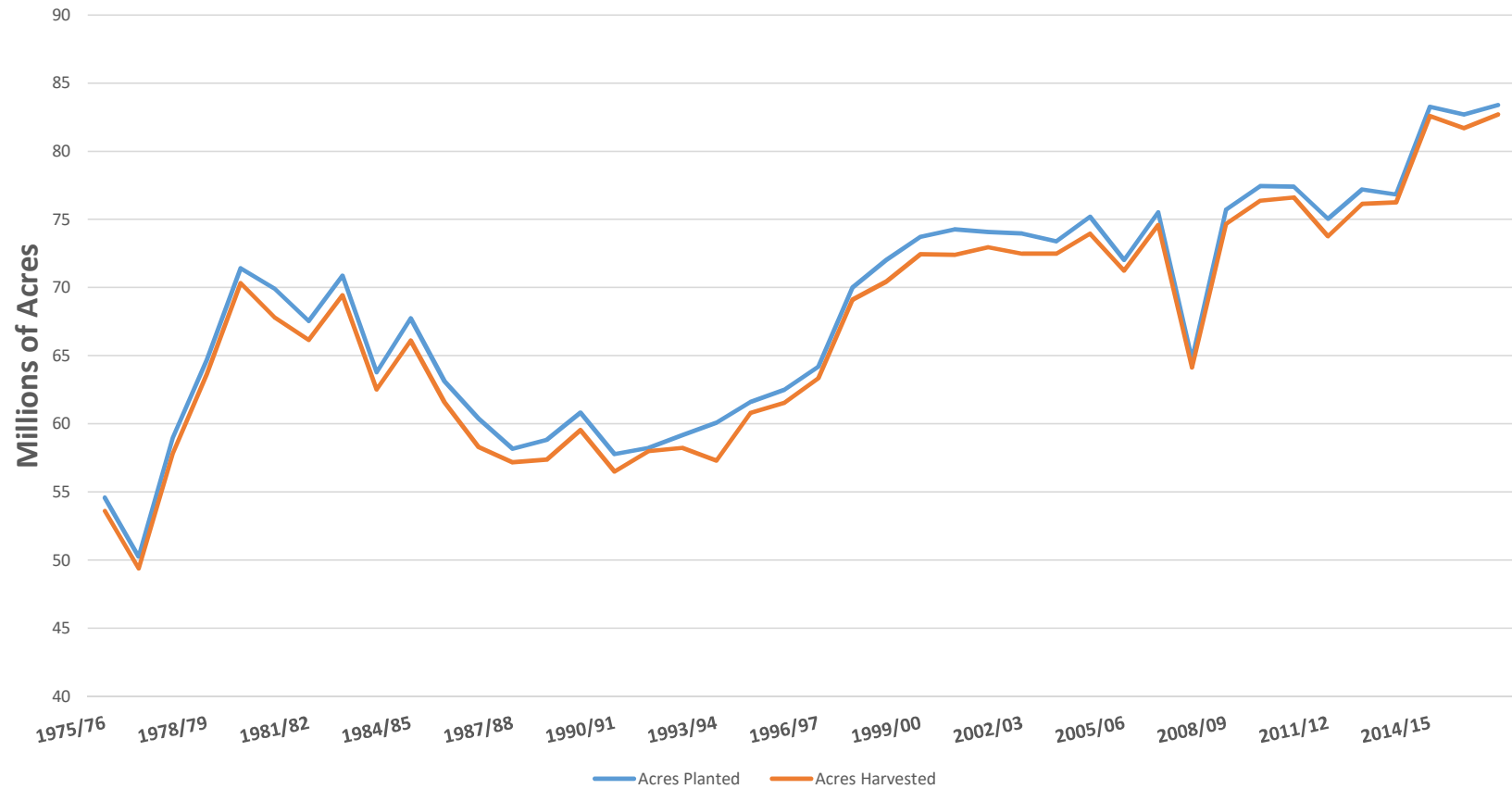


U.S. Soybean Supply and Use

		2012/13	2013/14	2014/15	2015/16 Est	2016/17 Proj. January
Area Planted	(mil. Acres)	77.2	76.8	83.3	82.7	83.4
Area Harvested	(mil. Acres)	76.1	76.3	82.6	81.7	82.7
Yield	(Bu./acre)	40	44	47.5	48	52.1
Production	(mil. Bu.)	3,042	3,358	3,927	3,296	4,307
Imports	(mil. Bu.)	41	72	33	24	25
Total Supply	(mil. Bu.)	3,252	3,570	4,052	4,140	4,528
Crush	(mil. Bu.)	1,689	1,734	1,873	1,886	1,930
Seed and Residual	(mil. Bu.)	105	107	146	122	128
Exports	(mil. Bu.)	1,317	1,638	1,842	1,936	2,050
Total Use	(mil. Bu.)	3,111	3,478	3,862	3,944	4,108
Ending Stocks	(mil. Bu.)	141	92	191	197	420
Season Average Price	(\$ per Bu.)	\$14.40	\$13.00	\$10.10	\$8.95	\$9.00-\$10.00

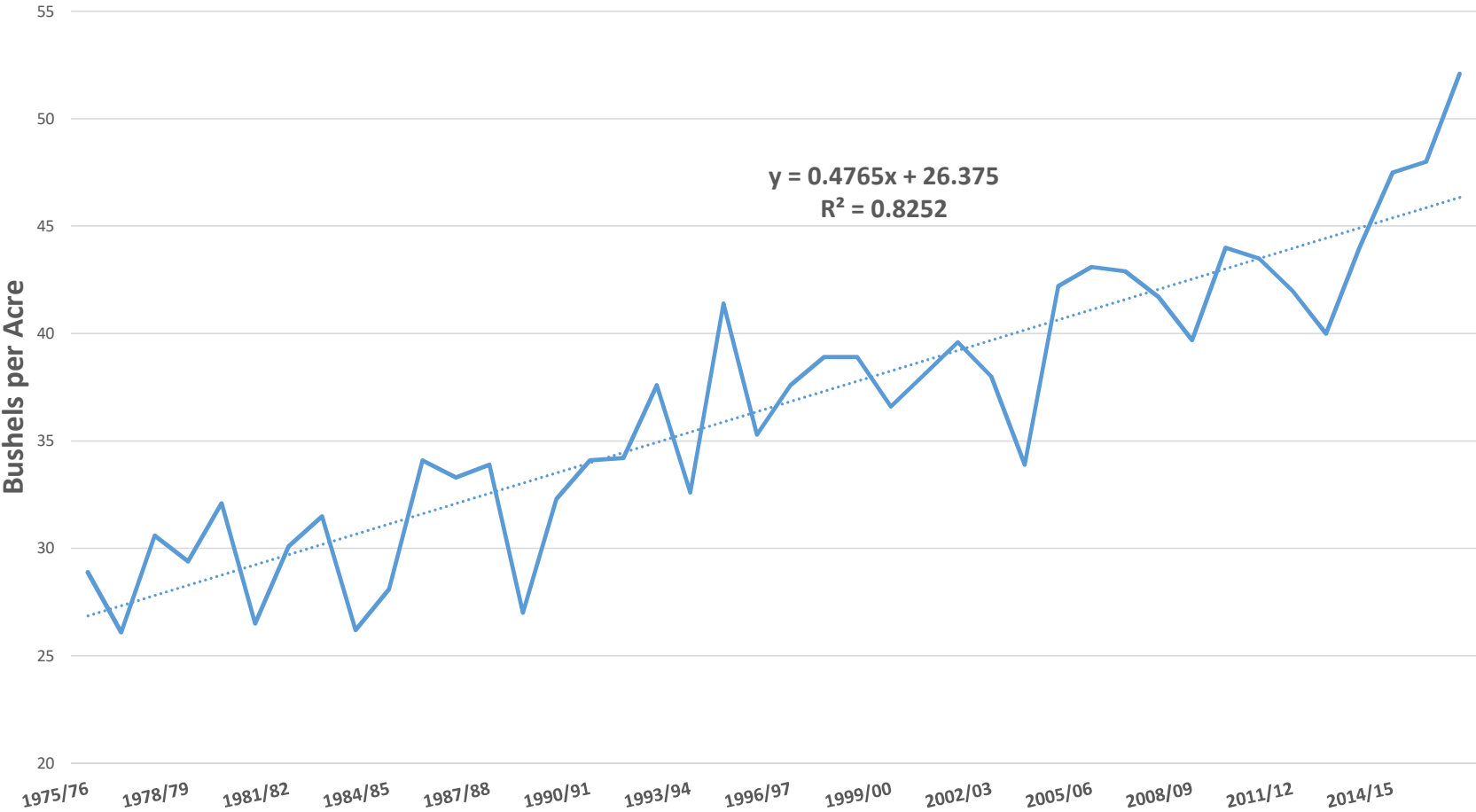
U.S. Soybean Acreage

2017/18
Planted = 87.4 million
Harvested = 86.7 million



U.S. Soybean Yield

2017/18 Yield = 48



U.S. Soybean Supply and Use

		2016/17 Proj. January	2017/18 Projections
Area Planted	(mil. Acres)	83.4	87.4
Area Harvested	(mil. Acres)	82.7	86.7
Yield	(Bu./acre)	52.1	48
Production	(mil. Bu.)	4,307	4,162
Imports	(mil. Bu.)	25	25
Total Supply	(mil. Bu.)	4,528	4,601
Crush	(mil. Bu.)	1,930	1,940
Seed and Residual	(mil. Bu.)	128	130
Exports	(mil. Bu.)	2,050	2,050
Total Use	(mil. Bu.)	4,108	4,120
Ending Stocks	(mil. Bu.)	420	481
Season Average Price	(\$ per Bu.)	\$9.00-\$10.00	\$8.90

- Thank You

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