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Grains and Oilseeds Outlook

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GRAINS AND OILSEEDS OUTLOOK FOR 2014¹

Prepared by Members of the
Wheat, Feed Grains, Rice, and Oilseeds Interagency Commodity Estimates Committees
U.S. Department of Agriculture

Introduction

This paper provides USDA's projections of 2014/15 supply and demand for wheat, corn, rice, and soybeans and products. Projections presented in this paper include implications of the January 10th *Winter Wheat Seedings* report and assume normal weather conditions for spring planting and summer crop development. These projections will be updated in the May 9th *World Agricultural Supply and Demand Estimates* (WASDE) report. The May WASDE will incorporate farmers' 2014 planting intentions as reported in the March 31st *Prospective Plantings* and survey-based forecasts for winter wheat production, as well as global, country-by-country supply and demand projections.

Summary

The early 2014/15 outlook for grains and oilseeds is driven by expectations for larger crops and reduced prices for wheat, corn, and soybeans. Reduced plantings of wheat and corn are partly offset by an increase for soybeans as relative returns support more soybean plantings for many producers. Wheat production is projected slightly higher with an increase in harvested area expected across the Plains. Nonetheless, a decline in carryin stocks leaves wheat supplies down from 2013/14. Wheat use for 2014/15 is projected lower with declines in feed and residual use and exports, thus allowing ending stocks to increase modestly. Corn plantings are projected to decline with a reduced outlook for prices and producer returns. Higher expected yields boost production slightly from last year's record level, but supplies are up substantially following stock rebuilding in 2013/14. Higher domestic use more than offsets a small reduction in projected exports, but with production again exceeding usage, corn stocks continue to expand in 2014/15. Soybean planted area is projected higher than last year with relative prices and net returns favoring soybeans over corn. However, acreage gains are limited by reduced double cropping and increased cotton plantings in the Delta. With higher expected yields, soybean supplies are projected to increase to record levels in 2014/15. Despite gains in domestic use and exports, soybean ending stocks are projected to rise to the highest level in 8 years. Rice planted acreage is projected to expand in 2014 on the outlook for favorable returns for long-, medium-, and short-grain rice. Total use is projected higher with expected increases in domestic and residual use and exports. All-rice ending stocks are projected higher with long-grain accounting for all of the increase. The all-rice price is projected to decline slightly because of weaker long-grain prices that are partially offset by higher medium- and short-grain prices. Futures, cash, and farm-level prices for wheat, corn, and soybeans are all expected to fall in 2014/15 as record U.S. corn and soybean production continues to support large global supplies.

¹This paper incorporates contributions by analysts from the World Agricultural Outlook Board, the Economic Research Service, the Farm Service Agency, and the Foreign Agricultural Service.

Planted Acreage Outlook for 2014 (Table 1)

The 2014 outlook for U.S. plantings of wheat, corn, and soybeans is driven by substantially reduced prospects for prices and returns compared with the previous 2 years. Expected returns for wheat, corn, and soybeans were historically high in late 2012 and early 2013 supporting producer intentions to plant a combined 230.8 million acres in 2013, exceeding the 30-year high of 230.1 million acres in 2012. Persistent spring wetness prevented planting last year for some producers, particularly in the western Corn Belt and Northern Plains, limiting the final 3-crop total to 228.1 million acres for 2013. For 2014, the 3-crop total is projected at 227.0 million, down 1.1 million acres, mostly on lower Soft Red Winter (SRW) wheat seedings last fall. Corn and soybean plantings are projected to total 171.5 million acres for 2014, down just 400,000 acres from the final 2013 estimate. Lower corn area is mostly offset by an increase for soybeans as relative returns support more soybean plantings for many producers.

Wheat planted area for 2014 is projected down 0.7 million acres to 55.5 million. Winter wheat seeded area in the January 10, 2014, *Winter Wheat Seedings* was reported at 41.9 million acres, down 1.2 million from last year with the reduction mostly resulting from a sharp drop in SRW wheat area. SRW wheat seedings last fall were down 1.6 million acres to 8.4 million. White Winter (WW) wheat seedings were also lower, declining 0.1 million acres to 3.4 million. The other classes are all expected to be slightly higher in 2014. Hard Red Winter (HRW) wheat seedings were reported up 0.5 million acres to 30.1 million. Spring wheat (including durum) plantings are expected to increase slightly as an assumed return to more normal weather reduces prevented plantings of both Hard Red Spring (HRS) and Durum wheat in North Dakota. Large supplies in Canada, however, limit producer incentives to expand spring wheat area in the Northern Plains.

Corn plantings for 2014 are projected at 92.0 million acres, down 3.4 million acres from last year when high prices boosted expected returns and supported attractive crop insurance revenue guarantees for a second straight year. New-crop prices in both the futures and cash forward markets are down sharply from last year at this time as record 2013 production allows stocks to build for the first time in 4 years. New-crop futures during the first half of February averaged \$4.58 per bushel, down \$1.15 per bushel from early February last year. Bids for fall delivery at Central Illinois elevators for the first half of February averaged \$4.25 per bushel, down \$1.17 per bushel from last year. These lower prices sharply reduce expected market returns and crop insurance revenue coverage levels for 2014 corn. While an assumed return to more normal spring planting weather will sharply reduce prevented plantings, this year's planted area is expected to be well below the 97.3 million acres producers reported as intended area in last March's *Prospective Plantings* report.

Soybean planted area is projected at 79.5 million acres, up 3.0 million from 2013 and up 2.4 million from last year's planting intentions. Although new-crop soybean futures prices and current forward pricing opportunities are lower than last year at this time, pricing opportunities relative to corn are better. With a sharper decline in expected net returns for corn compared with soybeans, producers are expected to favor rotations that include less corn-on-corn planting, thus expanding the area that will be planted to soybeans in 2014. In addition to favorable relative prices, soybean planting may be higher than 2013 due to reduced prevented planting. Cold, wet weather hindered planting in the Northern Plains and in much of the Midwest leading to higher-than-anticipated prevented planting despite favorable pricing opportunities. A return to more typical weather in June 2014 is expected to allow for additional soybean planting in the states most affected by last year's unusual conditions. Factors that limit potential gains in soybean plantings in 2014 include some expansion of cotton in the Delta and a likely decline in double-cropped soybean area. Double-cropping was relatively high last year due to a

large base of winter wheat planted in traditional double crop states and relatively high soybean prices through June 2013. With reduced winter wheat seedings and lower prices in 2014, double cropped soybean area is expected to decline.

Total 2014 rice planted acreage is projected at 2.90 million acres, up 17 percent from 2013. Nearly all of this year's acreage expansion occurs in the Delta states, where producers are expected to increase plantings of long-grain and medium- and short-grain rice. The expansion in the Delta is driven by an expected decline in rice plantings in California due to impacts from the record drought and to tight supplies of long-grain rice in the South. Plantings of long-grain rice, grown almost exclusively in the South, are projected to increase 21 percent, while combined medium- and short-grain plantings are projected to expand 6 percent. California produces the bulk of the U.S. medium- and short-grain crop.

Wheat Supply, Demand, and Price Outlook for 2014/15 (Table 2)

Wheat Supplies: Wheat production is expected to increase slightly to 2,160 million bushels despite lower yields and planted area. The year-over-year production increase stems from a much higher harvested-to-planted ratio. Last year's harvested-to-planted ratio was the lowest since 2002 due to persistent drought and spring freezes in the Southern and Central Plains. An improved weather situation is expected to lead to a more normal harvested-to-planted ratio. Harvested area for 2014 is projected at 47.2 million acres, up 2.0 million acres from the previous year. The 2014 all-wheat yield is projected at 45.8 bushels per acre, down from a record 47.2 bushels per acre in 2013.

The drought in the Great Plains has eased from this time last year and crop conditions have improved significantly. Weighted by seeded area, the HRW states of Kansas, Nebraska, and Oklahoma have 36 percent of their crop rated good to excellent compared to just 14 percent last year at this time. Conditions have deteriorated during the winter. A month ago, these states had an average of 60 percent of their crop rated good or excellent. Dry conditions, little snow cover, and frigid temperatures are behind the worsening conditions. The SRW wheat crop is in better shape than the HRW crop, but conditions are down from the past few years. As an indication of SRW conditions, 56 percent of Illinois winter wheat is rated good or excellent, compared with 67 percent at this time last year.

Production is expected to increase in 2014 for HRW wheat and slightly for Durum, which will be mostly offset by reductions in output for SRW, other spring, and WW wheat. HRW wheat seedings are up 2 percent and improved weather conditions are expected to reduce abandonment this year. Acreage for spring wheat other than durum is expected to increase slightly; however, this will be offset by a return to more normal yields. Durum area is expected to increase in 2014, but this will be partly offset by a return to trend yields from last year's very high levels.

The slightly larger crop coupled with lower imports and especially lower beginning stocks reduce total supplies 5 percent to 2,868 million bushels. These would be the lowest supplies since 2007/08.

Wheat Domestic Use: Domestic wheat use for 2014/15 is expected to decrease 53 million bushels year to year. Food use is projected at 965 million bushels, up 5 million from 2013/14. Seed use for 2014/15 is also projected up slightly to 76 million bushels.

Wheat feed and residual use for 2014/15 is projected at 190 million bushels, down 60 million bushels from the 2013/14 projection. The decrease reflects ample supplies of relatively lower priced corn during the summer months and expectations for another large corn crop in 2014 with normal weather and trend

yields. A smaller SRW wheat crop, because of reduced plantings, also limits prospects for wheat feed and residual use. The wheat/corn price relationship is expected to be less favorable for wheat feeding than in 2013/14, particularly during the summer months when most wheat feeding occurs.

Wheat Exports: U.S. wheat exports in 2014/15 are expected to fall 125 million bushels from 2013/14 to 1,050 million bushels. Despite slightly higher projected wheat output, U.S. supplies are expected to remain relatively tight, limiting export prospects. Competition from other major wheat exporters is expected to remain strong. Supplies in most major exporting countries (Australia, Argentina, the European Union, Russia, Ukraine, and Kazakhstan) are expected to be on par with 2013/14. In Canada, last year's record crop results in a 20-year high in projected beginning stocks for 2014/15 providing another year of ample exportable supplies in spite of a smaller expected crop in 2014. World wheat exporters are likely to trim their exports to some extent in 2014/15 as world wheat trade struggles to match the 2013/14 record. The current year record trade level was partly the result of strong world demand for feed-quality wheat during the early months of the 2013/14 marketing year when corn supplies were tight and prices high.

World wheat production in 2014/15 is projected to decline from the 2013/14 record. Food use is projected to grow modestly, which should prevent an increase in global 2014/15 ending stocks. Winter weather in the Northern Hemisphere has been mostly favorable for winter wheat outside the United States. However, Russia's winter wheat planting was reduced by unfavorable planting conditions last fall. In the European Union, wheat area is projected to be above last year, and among the highest in history, in response to favorable prices and weather during planting.

Wheat Ending Stocks and Farm Prices: Although U.S. wheat ending stocks for 2014/15 are projected 5 percent higher than in 2013/14, at 587 million bushels, they are expected to remain well below levels in other recent years. The stocks-to-use ratio, at 25.7 percent, is up just slightly from the projected 2013/14 level of 22.7 percent, but as recently as 2009/10, wheat stocks-to-use hit 48.4 percent with stocks at 976 million bushels. The 2014/15 season-average farm price is projected at \$5.30 per bushel, down \$1.50 from the midpoint of the range projected for 2013/14. Wheat farm prices are expected to find some support during the early months of the June-May wheat marketing year from favorable forward pricing opportunities last fall, but prices will remain under substantial pressure from large world supplies of wheat and corn.

Corn Supply, Demand, and Price Outlook for 2014/15 (Table 3)

Corn Supplies: Corn production in 2014 is projected at 13,985 million bushels, up just slightly from the record 13,925 million in 2013. The 2014/15 corn supply is projected up 5 percent at a record 15,491 million bushels, mostly reflecting a 660-million-bushel increase in beginning stocks. Higher expected yields support the record crop with planted and harvested area both down on the year. Harvested area is projected at 84.6 million acres, down 3.1 million from 2013. The national average yield is projected at 165.3 bushel per acre, 6.5 bushels higher than in 2013 with an assumed return to more normal growing season weather. Last year's yields were trimmed by delayed plantings due to excessive moisture, particularly in the western Corn Belt, and late summer dryness. The trend yield projection is based on a model that accounts for planting progress and summer precipitation and temperatures. (See Westcott and Jewison, *Weather Effects on Expected Corn and Soybean Yields*, USDA, Economic Research Service, July 2013, <http://www.ers.usda.gov/publications/fds-feed-outlook/fds-13g-01.aspx>.)

Corn Use: Total corn use for 2014/15 is projected at a record 13,380 million bushels, up slightly from the 13,300 expected in 2013/14. Small increases in expected feed and residual use and use for sweeteners and starch boost domestic use 130 million bushels. Exports, however, decline slightly limiting the increase in total corn utilization.

Corn Feed and Residual Use: Corn feed and residual use for 2014/15 is projected at 5,400 million bushels, up 100 million bushels from the 2013/14 forecast. The relatively small increase reflects slightly higher residual disappearance with the larger crop, lower expected feeding of the other feed grains, and further declines in corn prices, which encourage expansion in the pork and poultry sectors. Expected increases in pork and poultry meat production, more than offset a reduction for beef. Tight supplies of feeder cattle and increased heifer retention are expected to extend the decline in beef production through 2015. Dairy cow numbers are expected to increase slightly and milk per cow is projected to continue to increase.

Corn Food, Seed, and Industrial Use: Food, seed, and industrial (FSI) use of corn in 2014/15 is projected at 6,430 million bushels, 30 million bushels higher than forecast for the current marketing year. This would be near the highest FSI levels reached in 2010/11 and 2011/12. The increase in FSI corn use is driven by increases for starch, high fructose corn syrup (HFCS), and glucose and dextrose, as ethanol production is forecast steady. The slow, but continuing economic recovery and lower corn prices support slightly higher corn use in non-fuel FSI categories. In general, domestic demand for all non-fuel FSI use categories is set to continue rising as the economy slowly recovers.

Corn Used in Ethanol Production: Corn used for ethanol production in 2014/15 is expected to remain unchanged at 5,000 million bushels as lower gasoline consumption limits blending opportunities domestically, but is offset by slightly higher export prospects. The Energy Information Administration forecasts a slight reduction in domestic gasoline consumption in 2015 reflecting continued increases in vehicle efficiency and declines in miles driven as a result of high gas prices, weak economic recovery, weather, and changing driver demographics. Slow growth in consumer acceptance and availability of higher (15 and 85 percent) blends for flex-fuel vehicles also limits substitution of ethanol for gasoline. Higher ethanol exports are expected to offset the decline in domestic consumption resulting in steady ethanol production.

Corn Exports: U.S. corn exports for 2014/15 are projected down 50 million bushels to 1,550 million. World corn production and use is expected to grow in 2014/15, however, global corn import demand is expected to be about the same. The United States will face renewed competition early in the season from Ukrainian new-crop 2014/15 corn and from Brazilian second-crop 2013/14 corn. Argentina is expected to return as a major competitor unless Government actions and foreign exchange concerns interfere significantly with trade. China's corn imports are expected to continue in 2014/15 but at a slower pace than during the current year because stocks are ample. Corn imports by the European Union and Mexico are also expected to stagnate after strong purchase paces in 2013/14.

Corn Ending Stocks and Farm Prices: U.S. corn ending stocks for 2014/15 are projected at 2,111 million bushels, up 43 percent from the 2013/14 forecast. While total use is projected to be record high in 2014/15, stocks continue to expand as production exceeds use for a second year. The stocks-to-use ratio is projected at 15.8 percent, up from 11.1 percent in 2013/14 and more than double the 7.4 percent experienced in the 2012/13 drought year. Abundant supplies in the United States and other major exporting countries keep downward pressure on corn prices in 2014/15. The season-average farm price is projected at \$3.90 per bushel, down \$0.60 from the midpoint of the projected range for 2013/14.

Rice Supply, Demand, and Price Outlook for 2014/15 (Tables 4 & 5)

Rice Supplies: Total 2014 rice planted acreage is projected at 2.90 million acres, up 17 percent from 2013. Nearly all of this year's acreage expansion occurs in the Delta states, where producers are expected to increase plantings of long-grain and medium- and short-grain rice. The U.S. rice area expansion is driven by higher prices for medium- and short-grain rice resulting from the record drought in California and tight supplies of long-grain rice in the South. Plantings of long-grain rice, grown almost exclusively in the South, are projected to increase 21 percent to 2.15 million acres while combined medium- and short-grain plantings are projected to expand 6 percent to 0.75 million acres. California produces the bulk of the U.S. medium- and short-grain crop. Limited supplies of water will likely reduce rice plantings in California as some growers are expected to sell their water rights to state water authorities. The decline in California medium-grain plantings are expected to be more than offset by increased acreage in the Delta as farmers respond to the large price premium over long-grain rice.

Assuming a normal harvested-to-planted acreage ratio, total harvested rice acreage is projected at 2.87 million acres, comprised of 2.13 million acres of long-grain rice and 0.74 million acres of medium- and short-grain rice. For all rice, average field yields are forecast to decline by 265 pounds from the 2013 record to 7,429 pounds per acre in 2014, assuming normal weather and planting dates. Based largely on 1990-2013 trend yields by class, average field yields are forecast decreasing in 2014 for long-grain rice by 187 pounds to 7,277 pounds per acre and decreasing for medium- and short-grain rice by 409 pounds to 7,863 pounds per acre. Some of the decline in the medium- and short-grain yield is due to a larger share of the crop coming out of the South which achieves lower yields than California. Total 2014 rice production is projected to increase by 12 percent to 213.5 million cwt. At 155.0 million cwt, long-grain accounts for almost all of the production increase, up 18 percent from 2013. Medium- and short-grain rice production is projected to increase less than 1 percent to 58.5 million cwt.

All-rice total supplies for 2014/15 are projected to increase by 6 percent to 261.8 million cwt, as a larger crop more than offsets a decrease in carryin and steady imports. Most of the supply increase occurs in long-grain rice, where supplies are projected to increase 10 percent to 189.8 million cwt as larger projected production in 2014 more than offsets lower beginning stocks and steady imports. In contrast, medium- and short-grain supplies are projected to decline 4 percent to 69.7 million cwt, as a smaller carry-in more than offsets a slightly larger crop and steady imports. Total rice imports in 2014/15 are projected at 21.0 million cwt, unchanged from a year earlier. Long-grain imports are forecast at 18.5 million cwt, with aromatic varieties from Thailand, India, and Pakistan accounting for most U.S. long-grain rice imports.

Rice Domestic Use: All-rice total domestic and residual usage for 2014/15 is projected to increase 5 percent to 126.0 million cwt, with the increase partly driven by a larger residual component associated with a larger crop. Long-grain domestic and residual use is projected to increase by 9 percent to 97.0 million cwt. In contrast, medium- and short-grain domestic and residual use is projected to decrease 6 percent to 29.0 million cwt largely due to smaller supplies and higher prices.

Rice Exports: All-rice exports for 2014/15 are projected at 105.0 million cwt, up 5 percent from a year earlier. The increase is largely due to an increase in exportable supplies of long-grain rice and a narrower price difference over major Asian competitors. Long-grain exports are projected at 73.0 million cwt, up 9 percent. Medium- and short-grain rice exports are projected at 32.0 million cwt, down 3 percent from 2013/14, a result of smaller supplies and higher prices.

Ending Stocks and Prices: Total all-rice ending stocks are projected at 30.8 million cwt, up 13 percent from 2013/14, a result of larger supplies. Long-grain rice accounts for all of the increase in ending stocks, rising by 22 percent to 19.8 million cwt. The long-grain rice stocks-to-use ratio increases to 11.6 percent from 10.4 percent a year earlier. The season-average farm price for long-grain rice is projected at \$15.00 per cwt, compared to the 2013/14 midpoint of \$15.40. Medium- and short-grain ending stocks are projected to remain constant at 8.7 million cwt, yielding a stocks-to-use ratio of 14.3 percent, up from 13.6 percent a year earlier. The season-average farm price for medium- and short-grain rice is projected to increase 50 cents from the midpoint of 2013/14 to \$18.00 per cwt. The 2014/15 all rice price is projected at \$15.90 per cwt, down 10 cents from the midpoint of 2013/14.

Soybean Supply, Demand, and Price Outlook for 2014/15 (Tables 6, 7 & 8)

Soybean Supplies: Soybean supplies for 2014/15 are projected at a record 3,715 million bushels, up 7 percent from 2013/14 mostly on higher soybean production. Soybean production for 2014 is projected at 3,550 million bushels, 8 percent above last year due to both increased area and higher yields. Plantings are projected to increase 3.0 million acres to a record 79.5 million for the 2014 crop. Soybean plantings are projected above last year as relative prices suggest some switching from corn. In addition, less prevented planting is expected in the Northern Plains and through parts of the Midwest, resulting in higher soybean planting compared with 2013. With normal abandonment, harvested acreage is projected at 78.5 million acres, up 2.6 million from 2013.

The national average soybean yield is projected at 45.2 bushels per acre, up 1.9 bushels from last year, which was reduced due to unfavorable dryness, especially in August. The trend projection is based on a weather-adjusted yield model that accounts for temperature and rainfall during the growing season. (See Westcott and Jewison, *Weather Effects on Expected Corn and Soybean Yields*, USDA, Economic Research Service, July 2013.)

Soybean Domestic Use: Soybean domestic use is projected at 1,830 million bushels, up 2 percent from 2013/14. Crush is projected expanding by 25 million bushels to 1,725 million, supported by moderate increases for domestic demand and exports of soybean meal. Based on modest expansion in the pork and poultry sectors, domestic soybean meal feeding is projected up 1.7 percent. Along with the projected sharp decline in soybean prices, soybean meal prices are also seen easing with improved global supplies. The average price for soybean meal in 2014/15 is projected at \$325 per short ton, down sharply from the midpoint of the forecast range for 2013/14 at \$445.

In the domestic market for soybean oil, 2014/15 consumption is projected to decline by 0.8 percent to 18.4 billion pounds mostly based on lower use for biodiesel. With an unchanged mandate level and competition from other feedstocks, soybean oil used in U.S. biodiesel production is projected to decline to 5.0 billion pounds from 5.2 billion in 2013/14.

Soybean oil ending stocks for 2014/15 are projected comparatively tight at 1.83 billion pounds, although up 85 million from 2013/14. Given ample global supplies of vegetable oil, soybean oil prices for 2014/15 are projected down moderately to an average of 34 cents per pound. Despite lower prices, soybean oil's share of the total processing value for soybeans may recover to a more typical level due to a larger percentage decline for soybean meal prices.

Soybean Exports: Larger supplies, moderate growth in foreign demand, and lower prices are projected to boost U.S. exports to a record 1.6 billion bushels in 2014/15. However, the U.S. share of global trade is likely to remain at the current level due largely to stiffer competition from South America, where exportable supplies are likely to reach record levels. Foreign demand will be driven by China, which accounts for more than half of global soybean imports. Key factors supporting China's imports for 2014/15 include expanding crushing capacity, growing demand for soybean oil in food, and greater use of soybean meal in feed rations. China's announcement to discontinue the reserve policy—starting with the 2014 crop—is expected to have little impact on imports as the crushing plants along the coast primarily depend on imported beans. Lower projected prices are anticipated to encourage sizable increases in soybean demand by other importing countries, including the European Union, Turkey, Russia, Vietnam, Indonesia, and South Korea.

Modest growth is expected for world trade in soybean meal supported by stronger demand in the European Union and Southeast Asian countries. U.S. exports are projected to grow slightly in 2014/15 to 11 million short tons due to more competitive prices and economic uncertainty in Argentina that may limit exportable supplies of soybean meal. Exports by Brazil are projected to expand, while exports by India are projected to remain unchanged due to strong growth in domestic consumption.

U.S. soybean oil exports are projected at 1.6 billion pounds, up 10 percent from the 2013/14 estimate due to larger supplies and lower prices. Soybean oil demand by top importers, India and China, could be limited by ample supplies of other vegetable oils.

Soybean Ending Stocks and Farm Prices: U.S. soybean ending stocks for 2014/15 are projected at 285 million bushels, the highest since 2006/07 and almost double the level projected for 2013/14. Despite a 4-percent increase in total use of soybeans, the ending stocks-to-use ratio of 8.3 percent would be the highest in the past 8 years. With increased soybean production and ending stocks and lower corn prices, the season-average farm price for soybeans is projected at \$9.65 per bushel, down from the \$12.70 midpoint of the 2013/14 projected range.

Table 1. Wheat, Corn, and Soybean Planted Acreage, 2007-2014

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 1/ |
|----------|-------------------|-------|-------|-------|-------|-------|-------|---------|
| | - Million Acres - | | | | | | | |
| Wheat | 60.5 | 63.2 | 59.2 | 53.6 | 54.4 | 55.7 | 56.2 | 55.5 |
| Corn | 93.5 | 86.0 | 86.4 | 88.2 | 91.9 | 97.2 | 95.4 | 92.0 |
| Soybeans | 64.7 | 75.7 | 77.5 | 77.4 | 75.0 | 77.2 | 76.5 | 79.5 |
| Total | 218.7 | 224.9 | 223.1 | 219.2 | 221.3 | 230.1 | 228.1 | 227.0 |

1/ Projection

Source: 2007-2013, USDA, National Agricultural Statistics Service.

Table 2. Wheat Supply, Demand, and Price, 2011/12-2014/15

| | 2011/12 | 2012/13 | 2013/14 1/ | 2014/15 2/ |
|---------------------------------|---------|---------|------------|------------|
| Area planted (mil. ac.) | 54.4 | 55.7 | 56.2 | 55.5 |
| Area harvested | 45.7 | 48.9 | 45.2 | 47.2 |
| Yield (bu./ac.) | 43.7 | 46.3 | 47.2 | 45.8 |
| Production (mil. bu.) | 1,999 | 2,266 | 2,130 | 2,160 |
| Beginning stocks | 862 | 743 | 718 | 558 |
| Imports | 112 | 123 | 170 | 150 |
| Supply | 2,974 | 3,131 | 3,018 | 2,868 |
| Feed & residual | 162 | 388 | 250 | 190 |
| Food, seed & industrial | 1,018 | 1,018 | 1,034 | 1,041 |
| Total domestic use | 1,180 | 1,406 | 1,284 | 1,231 |
| Exports | 1,051 | 1,007 | 1,175 | 1,050 |
| Total use | 2,231 | 2,414 | 2,459 | 2,281 |
| Ending stocks | 743 | 718 | 558 | 587 |
| Stocks/use (percent) | 33.3 | 29.7 | 22.7 | 25.7 |
| Season-avg. farm price (\$/bu.) | 7.24 | 7.77 | 6.80 | 5.30 |

1/ Acreage, yield, production, and beginning stocks are estimates from the National Agricultural Statistics Service. Imports, use, ending stocks, and season-average farm price are projections from the *World Agricultural Supply and Demand Estimates*, February 10, 2014. The season-average price is the midpoint of the projected range from the same report.

2/ Projections based on analysis by USDA's Wheat Interagency Commodity Estimates Committee.

Note: Totals may not add due to rounding.

Table 3. Corn Supply, Demand, and Price, 2011/12-2014/15

| | 2011/12 | 2012/13 | 2013/14 1/ | 2014/15 2/ |
|---------------------------------|---------|---------|------------|------------|
| Area planted (mil. ac.) | 91.9 | 97.2 | 95.4 | 92.0 |
| Area harvested | 84.0 | 87.4 | 87.7 | 84.6 |
| Yield (bu./ac.) | 147.2 | 123.4 | 158.8 | 165.3 |
| Production (mil. bu.) | 12,360 | 10,780 | 13,925 | 13,985 |
| Beginning stocks | 1,128 | 989 | 821 | 1,481 |
| Imports | 29 | 162 | 35 | 25 |
| Supply | 13,517 | 11,932 | 14,781 | 15,491 |
| Feed & residual | 4,557 | 4,335 | 5,300 | 5,400 |
| Ethanol 3/ | 5,000 | 4,648 | 5,000 | 5,000 |
| Food, seed & other industrial | 1,428 | 1,396 | 1,400 | 1,430 |
| Total food, seed & industrial | 6,428 | 6,044 | 6,400 | 6,430 |
| Total domestic use | 10,985 | 10,379 | 11,700 | 11,830 |
| Exports | 1,543 | 731 | 1,600 | 1,550 |
| Total use | 12,528 | 11,111 | 13,300 | 13,380 |
| Ending stocks | 989 | 821 | 1,481 | 2,111 |
| Stocks/use (percent) | 7.9 | 7.4 | 11.1 | 15.8 |
| Season-avg. farm price (\$/bu.) | 6.22 | 6.89 | 4.50 | 3.90 |

1/ Acreage, yield, production, and beginning stocks are estimates from the National Agricultural Statistics Service. Imports, use, ending stocks, and season-average farm price are projections from the *World Agricultural Supply and Demand Estimates*, February 10, 2014. The season-average price is the midpoint of the projected range from the same report.

2/ Projections based on analysis by USDA's Feed Grains Interagency Commodity Estimates Committee.

3/ Corn used to produce ethanol and by-products including, distillers' grains, corn gluten feed, corn gluten meal, and corn oil.

Note: Totals may not add due to rounding.

Table 4. Rice Supply, Demand, and Price, 2011/12-2014/15

| All Rice | 2011/12 | 2012/13 | 2013/14 1/ | 2014/15 2/ |
|----------------------------------|---------|---------|------------|------------|
| Area planted (mil. ac.) | 2.69 | 2.70 | 2.49 | 2.90 |
| Area harvested | 2.62 | 2.68 | 2.47 | 2.87 |
| Yield (pounds/ac.) | 7,067 | 7,449 | 7,694 | 7,429 |
| Production (mil. cwt) | 184.9 | 199.5 | 189.9 | 213.5 |
| Beginning stocks | 48.5 | 41.1 | 36.4 | 27.3 |
| Imports | 19.4 | 21.1 | 21.0 | 21.0 |
| Supply | 252.8 | 261.7 | 247.3 | 261.8 |
| Total domestic & residual use | 110.8 | 118.2 | 120.0 | 126.0 |
| Exports | 100.9 | 107.1 | 100.0 | 105.0 |
| Total use | 211.7 | 225.3 | 220.0 | 231.0 |
| Ending stocks | 41.1 | 36.4 | 27.3 | 30.8 |
| Stocks/use (percent) | 19.4 | 16.2 | 12.4 | 13.3 |
| Season avg. farm price (\$/cwt.) | 14.50 | 15.10 | 16.00 | 15.90 |

1/ Acreage, yield, production, and beginning stocks are estimates from the National Agricultural Statistics Service. Imports, use, ending stocks, and season-average farm price are projections from the *World Agricultural Supply and Demand Estimates*, February 10, 2014. The season-average farm price is the midpoint of the projected price range from the same report. 2/ Projections based on the analysis by USDA's Rice Interagency Commodity Estimates Committee.

Note: Totals may not add due to rounding.

Table 5. Rice-by Class Supply, Demand, and Price, 2011/12-2014/15

| Rice-by-class | 2011/12 | 2012/13 | 2013/14 /1 | 2014/15 /2 |
|----------------------------------|---------|---------|------------|------------|
| <u>Long-grain</u> | | | | |
| Area planted (mil. ac.) | 1.79 | 1.99 | 1.78 | 2.15 |
| Area harvested | 1.74 | 1.98 | 1.77 | 2.13 |
| Yield (pounds/ac) | 6,691 | 7,285 | 7,464 | 7,277 |
| Production (mil. cwt) | 116.4 | 144.2 | 131.9 | 155.0 |
| Beginning stocks | 35.6 | 24.3 | 21.9 | 16.3 |
| Imports | 16.9 | 18.7 | 18.5 | 18.5 |
| Supply | 168.9 | 187.2 | 172.3 | 189.8 |
| Total domestic & residual use | 78.0 | 89.2 | 89.0 | 97.0 |
| Exports | 66.7 | 76.1 | 67.0 | 73.0 |
| Total use | 144.7 | 165.3 | 156.0 | 170.0 |
| Ending stocks | 24.3 | 21.9 | 16.3 | 19.8 |
| Stocks/use (percent) | 16.8 | 13.2 | 10.4 | 11.6 |
| Season avg. farm price (\$/cwt.) | 13.40 | 14.50 | 15.40 | 15.00 |
| <u>Medium- and short-grain</u> | | | | |
| Area planted (mil. ac) | 0.90 | 0.71 | 0.71 | 0.75 |
| Area harvested | 0.88 | 0.70 | 0.70 | 0.74 |
| Yield (pounds/ac) | 7,812 | 7,912 | 8,272 | 7,863 |
| Production (mil. cwt) | 68.6 | 55.4 | 58.0 | 58.5 |
| Beginning stocks | 10.1 | 14.7 | 12.2 | 8.7 |
| Imports | 2.4 | 2.3 | 2.5 | 2.5 |
| Supply | 81.7 | 72.2 | 72.7 | 69.7 |
| Total domestic & residual use | 32.8 | 29.0 | 31.0 | 29.0 |
| Exports | 34.2 | 31.0 | 33.0 | 32.0 |
| Total use | 67.0 | 60.0 | 64.0 | 61.0 |
| Ending stocks | 14.7 | 12.2 | 8.7 | 8.7 |
| Stocks/use (percent) | 21.9 | 20.3 | 13.6 | 14.3 |
| Season avg. farm price (\$/cwt) | 17.10 | 17.40 | 17.50 | 18.00 |

1/ Acreage, yield, production, and beginning stocks are estimates from the National Agricultural Statistics Service. Imports, use, ending stocks, and season-average farm price are projections from the *World Agricultural Supply and Demand Estimates*, February 10, 2014. The season-average farm price is the midpoint of the projected price range from the same report. 2/ Projections based on analysis by USDA's Rice Interagency Commodity Estimates Committee. Note: Totals may not add due to rounding.

Table 6. Soybean Supply, Demand, and Price, 2011/12-2014/15

| | 2011/12 | 2012/13 | 2013/14 ^{1/} | 2014/15 ^{2/} |
|---------------------------------|---------|---------|-----------------------|-----------------------|
| Area planted (mil. ac.) | 75.0 | 77.2 | 76.5 | 79.5 |
| Area harvested | 73.8 | 76.2 | 75.9 | 78.5 |
| Yield (bu./ac.) | 41.9 | 39.8 | 43.3 | 45.2 |
| Production (mil. bu.) | 3,094 | 3,034 | 3,289 | 3,550 |
| Beginning stocks | 215 | 169 | 141 | 150 |
| Imports | 16 | 36 | 30 | 15 |
| Supply | 3,325 | 3,239 | 3,459 | 3,715 |
| Crush | 1,703 | 1,689 | 1,700 | 1,725 |
| Seed | 90 | 89 | 87 | 89 |
| Residual | -2 | 1 | 12 | 16 |
| Total domestic use | 1,790 | 1,779 | 1,799 | 1,830 |
| Exports | 1,365 | 1,320 | 1,510 | 1,600 |
| Total use | 3,155 | 3,099 | 3,309 | 3,430 |
| Ending stocks | 169 | 141 | 150 | 285 |
| Stocks/use (percent) | 5.4 | 4.5 | 4.5 | 8.3 |
| Season-avg. farm price (\$/bu.) | 12.50 | 14.40 | 12.70 | 9.65 |

1/ Acreage, yield, production, and beginning stocks are estimates from the National Agricultural Statistics Service. Imports, crush, exports, ending stocks, and season-average farm price are projections from the *World Agricultural Supply and Demand Estimates* report, February 10, 2014. The season-average price is the midpoint of the projected range from the same report. 2/ Projections based on analysis by the USDA's Oilseeds Interagency Commodity Estimates Committee.
Note: Totals may not add due to rounding.

Table 7. Soybean Meal Supply, Demand, and Price, 2011/12-2014/15

| | 2011/12 | 2012/13 | 2013/14 ^{1/} | 2014/15 ^{2/} |
|---|---------|---------|-----------------------|-----------------------|
| Production (thou. short tons) | 41,025 | 39,875 | 40,360 | 40,935 |
| Beginning stocks | 350 | 300 | 275 | 300 |
| Imports | 216 | 245 | 165 | 165 |
| Supply | 41,591 | 42,420 | 40,800 | 41,400 |
| Domestic Use | 31,548 | 29,031 | 29,600 | 30,100 |
| Exports | 9,743 | 11,114 | 10,900 | 11,000 |
| Total use | 41,291 | 40,145 | 40,500 | 41,100 |
| Ending stocks | 300 | 275 | 300 | 300 |
| Avg. price (\$/short ton) ^{3/} | 393.53 | 468.11 | 445.00 | 325.00 |

1/ Beginning stocks, production, imports, use, ending stocks, and average price are projections from the *World Agricultural Supply and Demand Estimates*, February 10, 2014. Price is the midpoint of the projected range from the same report.

2/ Projections based on analysis by the USDA's Oilseeds Interagency Commodity Estimates Committee.

3/ The average price is for 48-percent protein meal at Decatur, Illinois.

Note: Totals may not add due to rounding.

Table 8. Soybean Oil Supply, Demand, and Price, 2011/12-2014/15

| | 2011/12 | 2012/13 | 2013/14 ^{1/} | 2014/15 ^{2/} |
|--------------------------------------|---------|---------|-----------------------|-----------------------|
| Production (mil. lbs.) | 19,740 | 19,820 | 19,840 | 19,925 |
| Beginning stocks | 2,425 | 2,540 | 1,705 | 1,745 |
| Imports | 149 | 196 | 200 | 160 |
| Supply | 22,314 | 22,556 | 21,745 | 21,830 |
| Domestic Use | 18,310 | 18,686 | 18,550 | 18,400 |
| Biodiesel ^{3/} | 4,874 | 4,617 | 5,200 | 5,000 |
| Food, Feed, Other Industrial | 13,436 | 14,069 | 13,350 | 13,400 |
| Exports | 1,464 | 2,164 | 1,450 | 1,600 |
| Total use | 19,774 | 20,851 | 20,000 | 20,000 |
| Ending stocks | 2,540 | 1,705 | 1,745 | 1,830 |
| Avg. price (cents/lb.) ^{4/} | 51.9 | 47.1 | 36.0 | 34.0 |

1/ Beginning stocks, production, imports, use, ending stocks, and average price are projections from the *World Agricultural Supply and Demand Estimates*, February 10, 2014. Price is the midpoint of the projected range from the same report.

2/ Projections based on analysis by the USDA's Oilseeds Interagency Commodity Estimates Committee.

3/ Reflects only biodiesel made from methyl ester as reported by the U.S. Energy Information Administration.

4/ The average price is for crude soybean oil at Decatur, Illinois.

Note: Totals may not add due to rounding.