



AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
<http://ageconsearch.umn.edu>
aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

Staff Paper

**Soybean Outlook/Discussion Presented for the
2004 Midwest/Great Plains & Western Outlook Conference
Kansas City, MO
August 16-17, 2004**

by
Jim Hilker

Staff Paper #04-11

August 2004



Department of Agricultural Economics
MICHIGAN STATE UNIVERSITY
East Lansing, Michigan 48824

MSU is an Affirmative Action/Equal Opportunity Institution

**Soybean Outlook/Discussion Presented for the 2004 Midwest/Great Plains & Western Outlook
Conference at Kansas City, MO August 16-17, 2004**

Jim Hilker

16 pages

Abstract:

We should expect 2004-05 soybean prices to be much lower than 2003-04, but near the historically average. On the other hand, while the numbers shown are my best analysis, I feel there is a lot of price risk in both directions as we go from now through the 2004-05 marketing year. While looking good now, the crop was planted late, and some disease problems are showing up. On the demand side, exports will be the key.

Copyright © 2004 by **Jim Hilker**. All rights reserved. Readers may make verbatim copies of this document for non-commercial purposes by any means, provided that this copyright notice appears on all such copies.

Soybean Outlook/Discussion

2004 Midwest/Great Plains & Western Outlook Conference

August 16-17, 2004
Kansas City, MO.

Staff Paper # 04-11

Jim Hilker*
Department of Agricultural Economics
Michigan State University

* Jim Hilker is Professor and Extension Marketing Specialist for the Department of Agricultural Economics at Michigan State University, East Lansing, MI 48824-1039. (hilker@msu.edu)

The numbers from the August 1 U.S. NASS crop survey that makes up the USDA Crop Production Report were released August 12 at 8:30 am EST. The 2004 U.S. soybean production estimate was 2877 million bushels. The average trade estimate was 2965 million bushels and the range of estimates was 2881 to 3042 million bushels, this puts the estimate a bit below all guesses in the survey. This August estimate is 63 million bushels, 2%, below the July estimate which relied on a trend yield. The August 2004 projection is 459 million bushels, 19%, larger than the drought reduced 2418 million bushel soybean crop harvested in 2003.

The saying goes that the soybean crop is made in August. The August 9 Crop Progress Report increased the soybean condition marginally. What did the August 16 Crop Progress Report say about soybean crop conditions? I have hardly had time to digest the August report and now I wish the September 1 survey results would be released on September 10. So even after the August 12 USDA Crop Production Report I still have more questions than answers. Therefore my soybean price forecast is the same as usual, prices will go up, down, or sideways. Or more exactly, soybean prices will fall within the probability distributions shown at my Web Site -<http://www.msu.edu/user/hilker/>.

2003-2004 Soybean Marketing Year

The August 12 2003-04 USDA U.S. Soybean Supply and Use estimates can be seen in Table 1. Expected crushings were raised 15 million bushels from the July Report and exports were lowered 10 million bushels. It appears we will reach this number over the next few weeks. See the attached Power Point Presentation for the export to date numbers. Ending stocks as a percent of use was left at 4.2%. The weighted season farm price is expected to be \$7.40. This is a bit lower than I would have expected given my price versus ending stocks-to-use ratio shown in Figure 1.

2004-2005 Soybean Marketing Year

The August USDA Supply/Demand estimates can be seen in Table 1. There were 74.8 million acres of soybeans planted in the U.S. this year, up 1.4 million from last year. Of that, 73.7 million acres are expected to be harvested. The first objective yield survey showed the U.S. at 39.1 bu/ac. This would be almost six bushels better than last year, and the third highest on record. This would be about a half bushel under trend (see Figure 2). When combined with the large harvested acres figure, this would be the second largest soybean crop in U.S. history, only 14 million bushels smaller than 2001.

The question becomes, will the yield get larger or smaller as we move through August? The August 9th crop progress report improved 3% in the good to excellent categories, shown in Figure 3. But, I have heard numerous stories of problems with the cool wet weather we saw for a week in a chunk of the soybean belt, i.e., white mold, SDS.

Crushings are expected to recover sharply this next year as we probably won't have to ration to the same degree. The Soybean Meal Supply/Demand Numbers can be seen in Table 2 and the Soybean Oil Supply/Demand Numbers can be seen in Table 3.

Soybean exports are expected to rebound, but not quite to the 2002-03 levels. This is due to expected huge crops from South America. Soy oil exports are only expected to recover to half of the 2002-03 levels, but soy meal exports are expected to get back to 86% of their 2002-03 levels.

Ending stocks as a percent of use is expected to grow to 190 million bushels, 6.8 % of use. The USDA's midpoint price with these numbers is \$5.90/bu. My price versus ending stocks-to-use ratio shown in the Power Point Presentation would suggest \$5.40 /bu., see Figure 1.

International Oilseed Situation

The World USDA forecasts are attached and will be discussed, in USDA Tables 413-26, 413-27 and 413-28. Excellent write ups of the international oilseed situation can be found in the July and August USDA Oilseed Situation and Outlook Reports. Also see "How Does Structural Change in the Global Soybean Market Affect U.S. Price," it can be found with the Outlook Reports.

World Soybean production is expected to be up 33 MMT, about 1.2 billion bushels. The U.S. is expected to come up with 13 MMT of the increase, and Argentina and Brazil another 19 MMT of the increase. See the increase in land and South American's Yields in Figures 4 and 5.

Longer Term

Look at the 10 year trend in U.S. soybean yields shown in Figure 6. It appears to have a negative slope. What does this mean as ethanol production increases the demand for corn? Would even 2% biodiesel, the minimum to get some pollution control, jack the price of soybean up?

Marketing Considerations and Strategies

In order to have a Marketing Plan you have to know where you are at, i.e., production, amount already priced, production costs, financial situation, and willingness and ability to assume risk. So much for that discussion, but the importance of that discussion should not be forgotten.

Weather is still in the picture in a very large fashion. Many of the soybeans were planted late and an early frost would be trouble. How does one price in this kind of market? At this point the spreads in the futures are saying the market will pay on-farm storage, but not commercial storage. What basis is your local elevator offering for new crop? Hopefully many have priced lots of soybeans at much higher prices. Should we pull some of our hedges, if the market hits loan rate?

Even though it is difficult to make decisions in a weather market a farmer should not give up and do nothing. It is possible to capture some of this weather premium and the attempt should be made. Don't get too greedy and don't be too timid. Take risks that you understand and can handle financially.

TABLE 1
SUPPLY/DEMAND BALANCE SHEET FOR SOYBEANS

	2000-01	2001-02	2002-03	Estimated 2003-04	Projected 2004-05
(Million Acres)					
Acres Planted	74.3	74.1	74.0	73.4	74.8
Acres Harvested	72.4	73.0	72.5	72.3	73.7
Bu./Harvested Acre	38.1	39.6	38.0	33.4	39.1
(Million Bushels)					
Beginning Stocks	290	248	208	178	105
Production	2758	2891	2756	2418	2877
Imports	4	2	5	6	6
Total Supply	3052	3141	2969	2602	2988
Use:					
Crushings	1640	1700	1615	1515	1625
Exports	996	1064	1045	890	1030
Seed, Feed, Residuals	168	169	131	92	143
Total Use	2804	2933	2791	2497	2798
Ending Stocks	248	208	178	105	190
Ending Stocks, % of Use	8.8	7.1	6.4	4.2	6.8
Regular Loan Rate	\$5.26	\$5.26	\$5.00	\$5.00	\$5.00
U.S. Season Average					
Farm Price, \$/Bu.	\$4.54	\$4.38	\$5.53	\$7.40	\$5.90

Source: USDA and Jim Hilker.

TABLE 2
SUPPLY/DEMAND BALANCE SHEET FOR SOYBEAN MEAL

	2000-01	2001-02	2002-03	Estimated 2003-04	Projected 2004-05
	(Thousand Short Tons)				
Beginning Stocks	293	383	240	220	175
Production	39,385	40,292	38,213	35,905	38,710
Imports	51	143	166	250	165
Total Supply	39,729	40,819	38,619	36,375	39,050
Use:					
Domestic	31,643	33,070	32,379	31,900	33,600
Exports	7,703	7,508	6,019	4,300	5,200
Total Use	39,346	40,579	38,399	36,200	38,800
Ending Stocks	383	240	220	175	250
U.S. Season Average					\$180.00
Price, \$/Short Ton	\$173.60	\$167.73	\$181.57	\$260.00	\$210.00

Source: USDA and Jim Hilker.

TABLE 3
SUPPLY/DEMAND BALANCE SHEET FOR SOYBEAN OIL

	2000-01	2001-02	2002-03	Estimated 2003-04	Projected 2004-05
	(Millions Pounds)				
Beginning Stocks		2,767	2,358	1,491	1,051
Production		18,898	18,438	16,825	18,280
Imports		46	46	285	105
Total Supply		21,711	20,843	18,601	19,436
Use:					
Domestic		16,833	17,089	16,700	17,200
Exports		2,519	2,263	850	1,050
Total Use		19,353	19,352	17,550	18,250
Ending Stocks		2,358	1,491	1,051	1,186
U.S. Season Average					23.00-
Price, ¢/lb.		16.46¢	22.04¢	30.00¢	26.00¢

Source: USDA and Jim Hilker.

USDA WASDE-413-26 World Soybean Supply and Use 1/
(Million Metric Tons)

=====									
	:	Supply			:	Use		:	
	:	=====							:
Region	:	:	:	:	:	:	:	Ending	
	:	Beginning	Production	Imports	Domestic	Crush	Total	Exports	
	:	stocks	stocks	stocks	Crush	Crush	Crush	stocks	
=====									
	:	2002/03							
World 2/	:	32.18	197.31	62.79	164.84	190.51	62.06	39.73	
United States	:	5.66	75.01	0.13	43.97	47.52	28.42	4.85	
Total foreign	:	26.52	122.30	62.67	120.87	142.99	33.63	34.88	
Major exporters 3/	:	21.33	92.50	1.72	51.90	55.92	32.04	27.59	
Argentina	:	10.16	35.50	0.40	23.53	24.86	8.71	12.48	
Brazil	:	11.07	52.50	1.32	27.17	29.76	20.13	15.00	
Major importers 4/	:	4.30	18.79	51.30	53.54	67.63	0.32	6.44	
China	:	2.10	16.51	21.42	26.54	35.29	0.27	4.47	
EU-25	:	1.08	0.89	16.82	16.26	17.84	0.03	0.93	
Japan	:	0.67	0.27	5.09	4.01	5.32	0.00	0.70	
Mexico	:	0.10	0.09	4.23	4.34	4.38	0.00	0.05	
	:	2003/04 (Estimated)							
World 2/	:	39.73	189.12	55.59	166.10	191.83	56.42	36.19	
United States	:	4.85	65.80	0.17	41.23	43.72	24.22	2.87	
Total foreign	:	34.87	123.32	55.42	124.87	148.10	32.20	33.32	
Major exporters 3/	:	27.59	90.60	0.93	56.06	60.67	29.96	28.49	
Argentina	:	12.48	34.00	0.33	24.78	26.36	8.00	12.46	
Brazil	:	15.00	52.60	0.60	29.93	32.84	19.50	15.85	
Major importers 4/	:	6.44	18.13	44.59	50.67	64.88	0.37	3.92	
China	:	4.47	16.00	16.90	25.72	34.97	0.30	2.10	
EU-25	:	0.93	0.73	15.59	14.92	16.38	0.03	0.84	
Japan	:	0.70	0.23	4.90	3.85	5.18	0.00	0.65	
Mexico	:	0.05	0.13	4.00	4.10	4.13	0.00	0.04	
	:	2004/05 (Projected)							
World 2/	:								
July	:	33.50	224.57	65.68	181.40	210.41	66.33	47.00	
August	:	36.19	222.84	64.48	179.70	208.51	64.81	50.20	
United States	:								
July	:	2.87	80.01	0.14	44.77	48.74	28.58	5.70	
August	:	2.87	78.29	0.16	44.22	48.11	28.03	5.18	
Total foreign	:								
July	:	30.63	144.55	65.55	136.64	161.67	37.76	41.30	
August	:	33.32	144.55	64.32	135.48	160.40	36.78	45.02	
Major exporters 3/	:								
July	:	25.78	110.00	1.15	62.60	67.63	35.27	34.03	
August	:	28.49	110.00	1.05	62.28	67.37	34.29	37.89	
Argentina Jul	:	12.20	39.00	0.35	26.00	27.57	8.92	15.06	
Aug	:	12.46	39.00	0.35	26.00	27.57	8.27	15.97	
Brazil Jul	:	13.49	66.00	0.80	35.00	38.36	23.35	18.58	
Aug	:	15.85	66.00	0.70	34.66	38.02	23.07	21.47	
Major importers 4/	:								
July	:	3.94	19.84	53.91	55.74	71.20	0.26	6.23	
August	:	3.92	19.84	52.58	54.76	70.01	0.26	6.08	
China Jul	:	2.10	17.50	24.00	29.10	39.00	0.20	4.40	
Aug	:	2.10	17.50	23.00	28.30	38.20	0.20	4.20	
EU-25 Jul	:	0.84	0.84	16.09	15.50	16.94	0.03	0.80	
Aug	:	0.84	0.84	16.16	15.50	16.96	0.03	0.85	
Japan Jul	:	0.65	0.28	5.00	3.88	5.26	0.00	0.67	
Aug	:	0.65	0.28	5.00	3.88	5.26	0.00	0.67	
Mexico Jul	:	0.04	0.11	4.40	4.47	4.51	0.00	0.04	
Aug	:	0.04	0.11	4.60	4.68	4.71	0.00	0.04	
=====									

USDA WASDE-413-27 World Soybean Meal Supply and Use 1/
(Million Metric Tons)

=====								
	:	Supply		:	Use		:	
	:	=====			:	=====		:
Region	:	:	:	:	:	:	Ending	
	:	Beginning	Production	:	Total	:	stocks	
	:	stocks	:	Imports	Domestic	Exports	:	
=====								
	:							
	:	2002/03						
World 2/	:	4.15	130.11	43.64	131.97	42.16	3.77	
United States	:	0.22	34.67	0.15	29.37	5.46	0.20	
Total foreign	:	3.93	95.44	43.49	102.60	36.69	3.57	
Major exporters 3/	:	1.09	42.77	0.32	9.86	33.44	0.89	
Argentina	:	0.30	18.59	0.00	0.23	18.46	0.20	
Brazil	:	0.75	21.46	0.32	8.12	13.75	0.64	
India	:	0.04	2.73	0.00	1.50	1.23	0.05	
Major importers 4/	:	1.38	35.93	26.64	61.63	1.14	1.19	
EU-25	:	1.05	12.88	21.64	34.36	0.35	0.87	
China	:	0.00	21.00	0.00	20.20	0.80	0.00	
	:							
	:	2003/04 (Estimated)						
World 2/	:	3.77	131.66	46.01	132.63	45.04	3.77	
United States	:	0.20	32.57	0.23	28.94	3.90	0.16	
Total foreign	:	3.57	99.08	45.78	103.69	41.14	3.61	
Major exporters 3/	:	0.89	48.06	0.28	10.24	37.98	1.01	
Argentina	:	0.20	19.82	0.00	0.24	19.69	0.10	
Brazil	:	0.64	23.64	0.28	8.75	14.94	0.87	
India	:	0.05	4.60	0.00	1.25	3.35	0.04	
Major importers 4/	:	1.19	34.11	27.94	61.20	0.92	1.13	
EU-25	:	0.87	11.86	23.60	35.18	0.30	0.85	
China	:	0.00	20.52	0.05	19.97	0.60	0.00	
	:							
	:	2004/05 (Projected)						
World 2/	:							
July	:	3.55	143.99	48.51	143.08	48.71	4.25	
August	:	3.77	142.44	47.97	141.55	48.16	4.47	
United States	:							
July	:	0.16	35.52	0.15	30.66	4.94	0.23	
August	:	0.16	35.12	0.15	30.48	4.72	0.23	
Total foreign	:							
July	:	3.39	108.46	48.36	112.42	43.76	4.03	
August	:	3.61	107.33	47.82	111.07	43.44	4.24	
Major exporters 3/	:							
July	:	0.74	52.22	0.15	11.38	40.38	1.36	
August	:	1.01	51.94	0.15	11.66	39.85	1.59	
Argentina	Jul	0.10	20.69	0.00	0.24	20.15	0.40	
	Aug	0.10	20.69	0.00	0.24	20.15	0.40	
Brazil	Jul	0.60	27.64	0.15	9.35	18.12	0.92	
	Aug	0.87	27.37	0.15	9.65	17.60	1.14	
India	Jul	0.04	3.88	0.00	1.78	2.10	0.04	
	Aug	0.04	3.88	0.00	1.77	2.10	0.05	
Major importers 4/	:							
July	:	1.18	38.01	29.90	67.05	0.93	1.11	
August	:	1.13	36.89	29.15	64.97	1.13	1.07	
EU-25	Jul	0.85	12.32	24.50	36.60	0.31	0.77	
	Aug	0.85	12.32	24.50	36.60	0.31	0.77	
China	Jul	0.00	23.42	0.00	22.82	0.60	0.00	
	Aug	0.00	22.60	0.00	21.80	0.80	0.00	
=====								

USDA WASDE-413-28 World Soybean Oil Supply and Use 1/
(Million Metric Tons)

=====							
	:	Supply		:	Use		:
Region	:	Beginning stocks		:	Production Imports		:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:
	:	:	:	:	:	:	:

1/ Data based on local marketing years except Argentina and Brazil which are adjusted to an October-September year. 2/ World imports and exports may not balance due to differences in local marketing years and to time lags between reported exports and imports. Therefore, world supply may not equal world use. 3/ Argentina, Brazil and Paraguay. 4/ Japan, China, and EU, Mexico, and Southeast Asia (includes Indonesia, Malaysia, Philippines, and Thailand).

1/ Data based on local marketing years except for Argentina and Brazil which are adjusted to an October-September year. 2/ World imports and exports may not balance due to differences in local marketing years and to time lags between reported exports and imports. Therefore, world supply may not equal world use. 3/ Argentina, Brazil, and India. 4/ Eastern Europe, China, EU, and Southeast Asia (includes Indonesia, Malaysia, Philippines, and Thailand)

1/ Data based on local marketing years except for Argentina and Brazil which are adjusted to an October-September year. 2/ World imports and exports may not balance due to differences in local marketing years and to time lags between reported exports and imports. Therefore, world supply may not equal world use. 3/ Argentina, Brazil and EU. 4/ India, China and Pakistan.

Figure 1

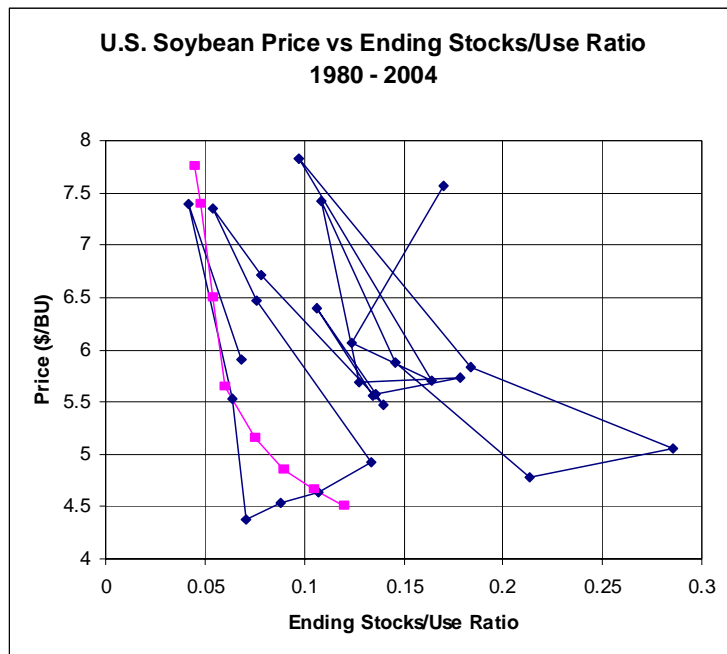


Figure 2

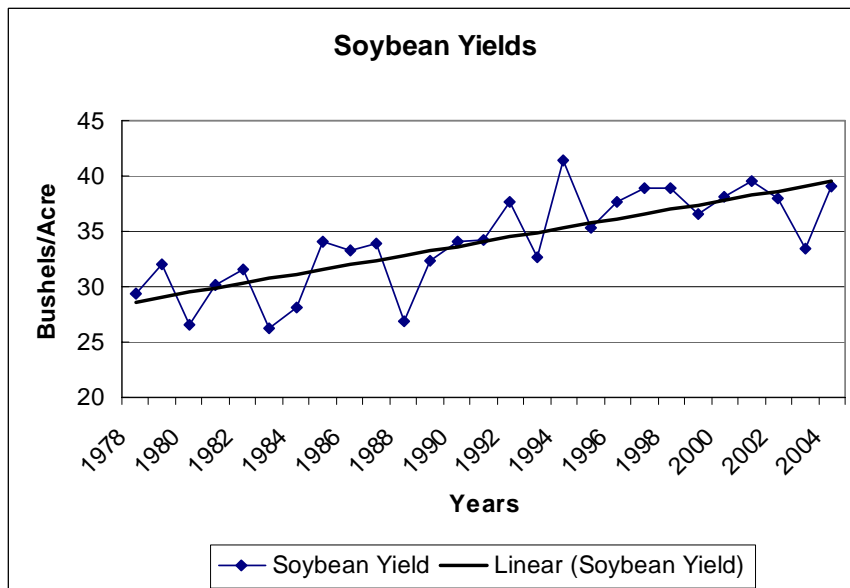


Figure 3

Soybeans: Percent Blooming,
Selected States 1/

	:	Week Ending		:
	:	-----		
State:	Aug 8,	Aug 1,	Aug 8,	1999-
	: 2004	: 2004	: 2003	: 2003
				Avg.

	:	Percent		:
	:			
AR	:	92	84	81
IL	:	96	93	90
IN	:	95	90	78
IA	:	98	95	94
KS	:	87	78	82
KY	:	75	63	63
LA	:	97	95	89
MI	:	82	60	82
MN	:	90	81	98
MS	:	100	99	99
MO	:	83	74	73
NE	:	95	85	93
NC	:	76	58	55
ND	:	96	83	97
OH	:	94	85	89
SD	:	91	81	94
TN	:	82	72	65
WI	:	75	58	81
	:			
18 Sts:	:	92	84	87
	:			91

1/ These 18 States planted 96% of
last year's soybean acreage.

Figure 4
from Bob Wisner, I.S.U.

**Figure 3. Brazil Soybean Area & Yields, 1964-2000
& Proj. 2004**

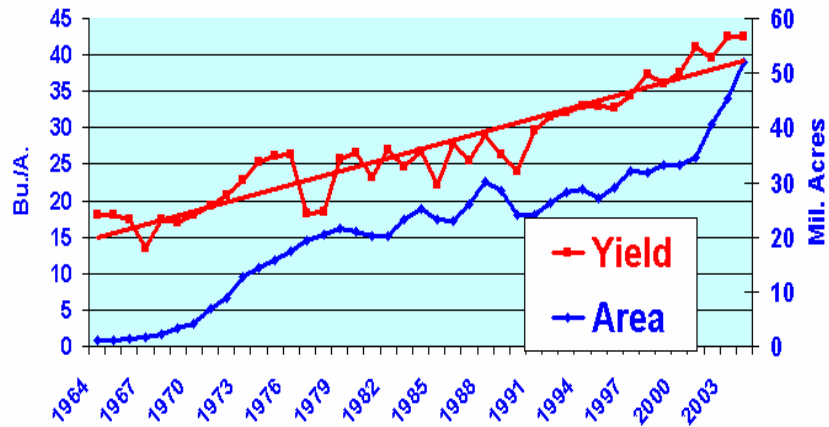


Figure 5
from Bob Wisner, I.S.U.

**Figure 3. Brazil Soybean Area & Yields, 1964-2000
& Proj. 2004**

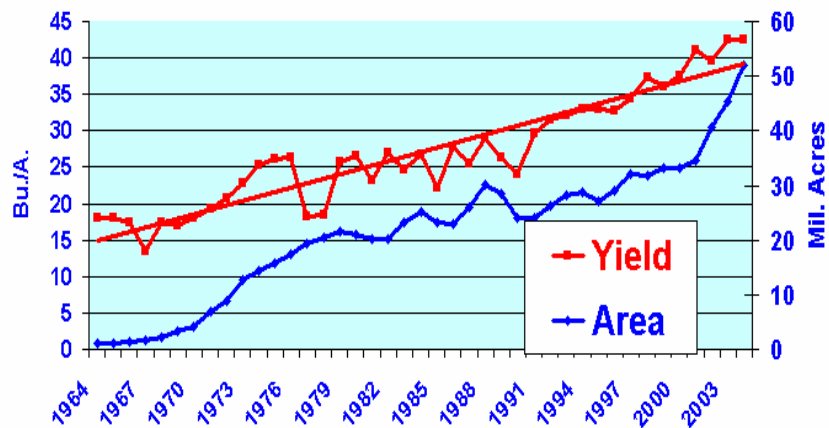


Figure 6

