



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.*

USDA 2018/19 U.S. Grain and Oilseed Outlook

Joanna Hitchner

Agricultural Economist

USDA World Agricultural Outlook Board

February 23, 2018





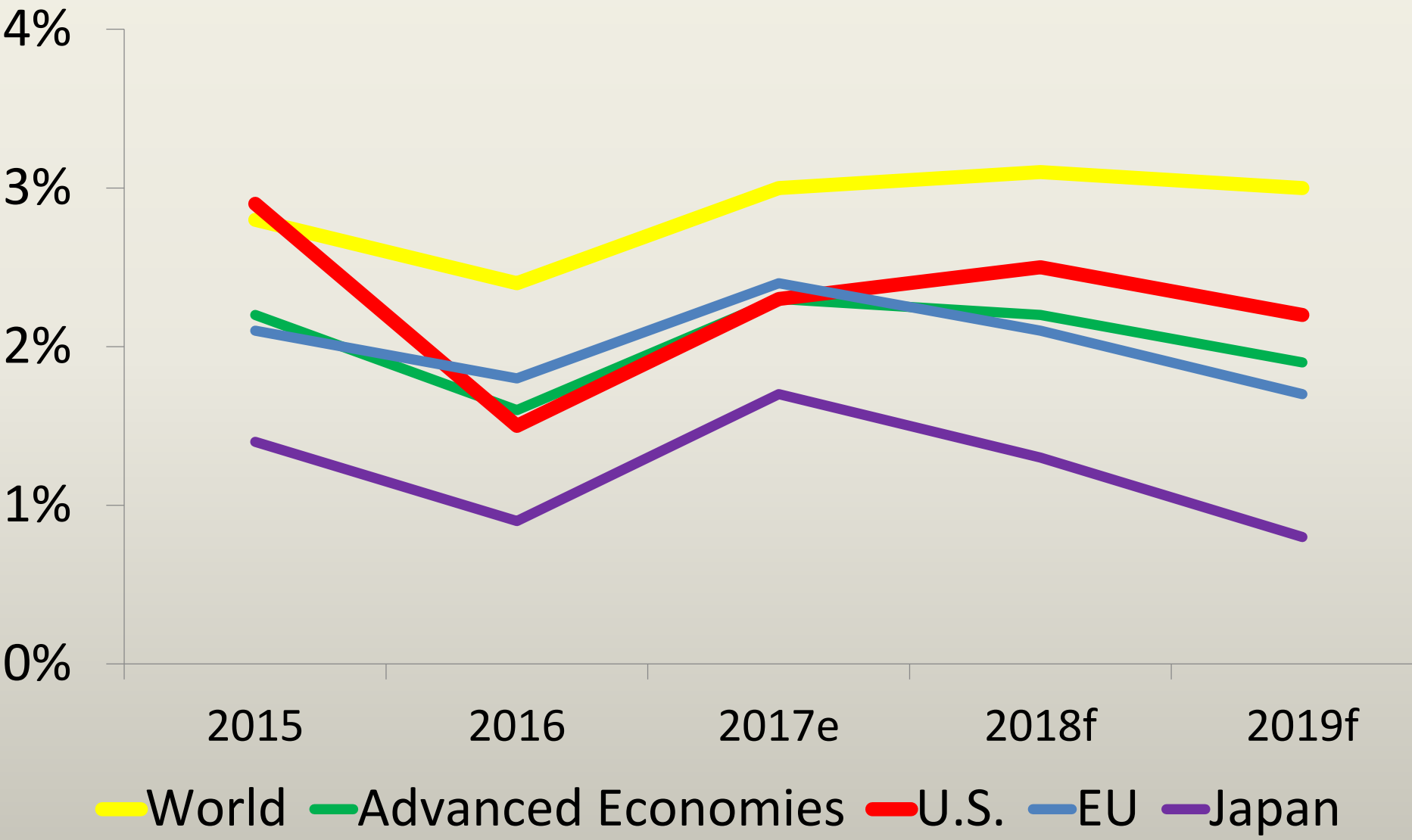
Ford Motor Company



**What are the factors
shaping 2018/19?**

Factors Shaping 2018:

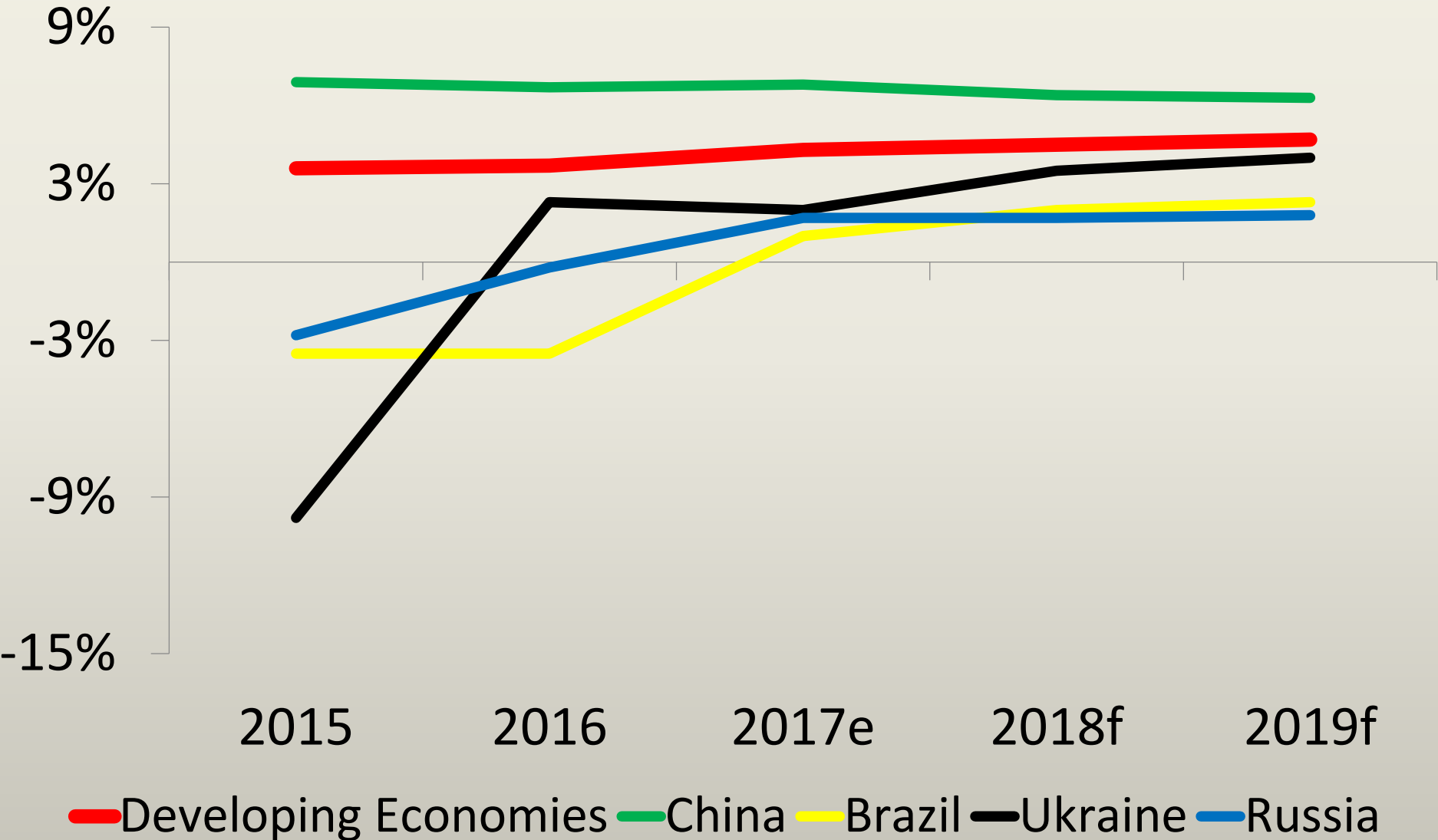
Stable Real GDP Growth in Developed Economies



World Bank: Aggregate growth rates calculated using constant 2010 U.S. dollar GDP weights

Factors Shaping 2018:

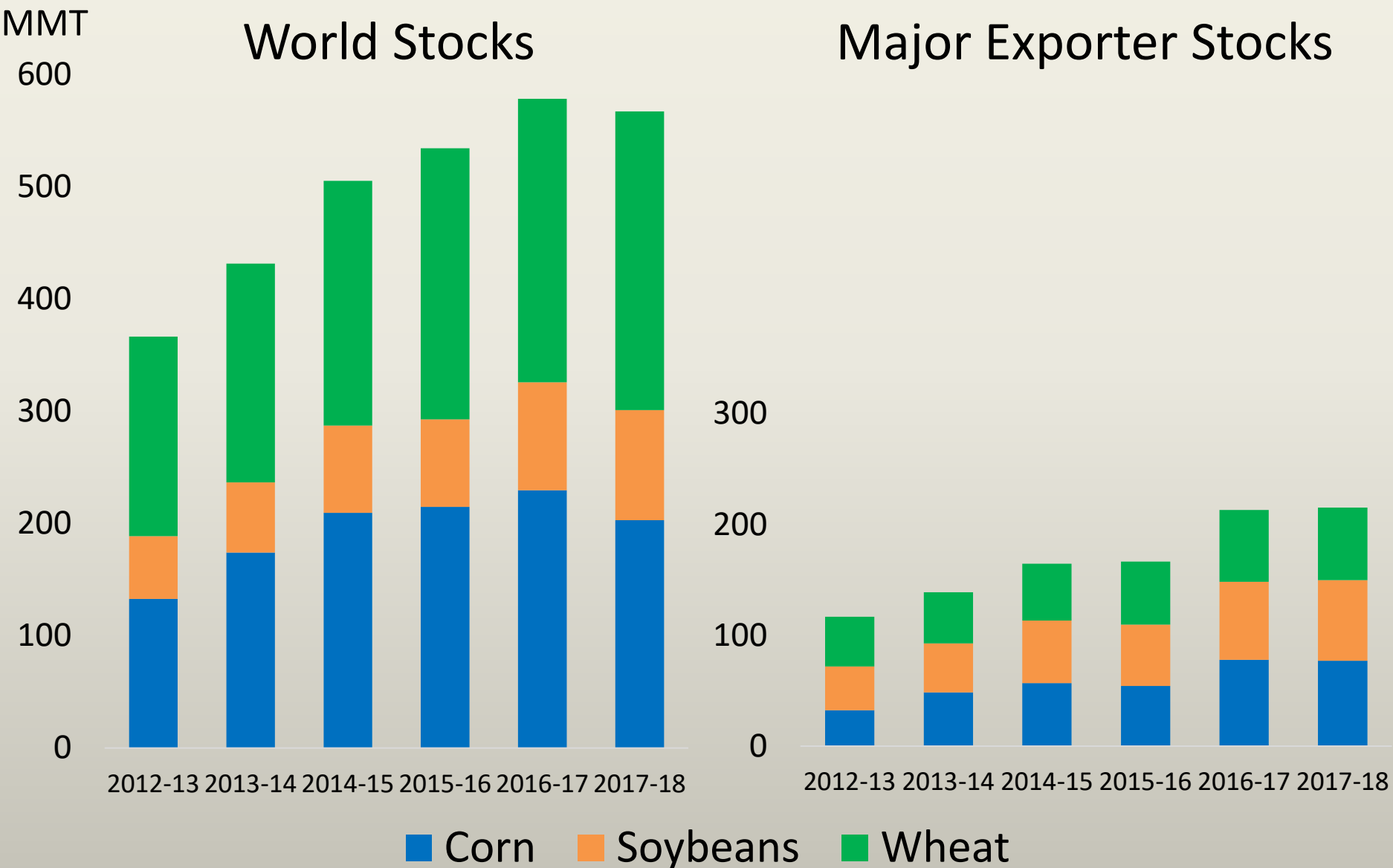
Many developing economies out of recent recessions



World Bank: Aggregate growth rates calculated using constant 2010 U.S. dollar GDP weights

Factors Shaping 2018:

Large supplies of global grains and oilseeds from 2017

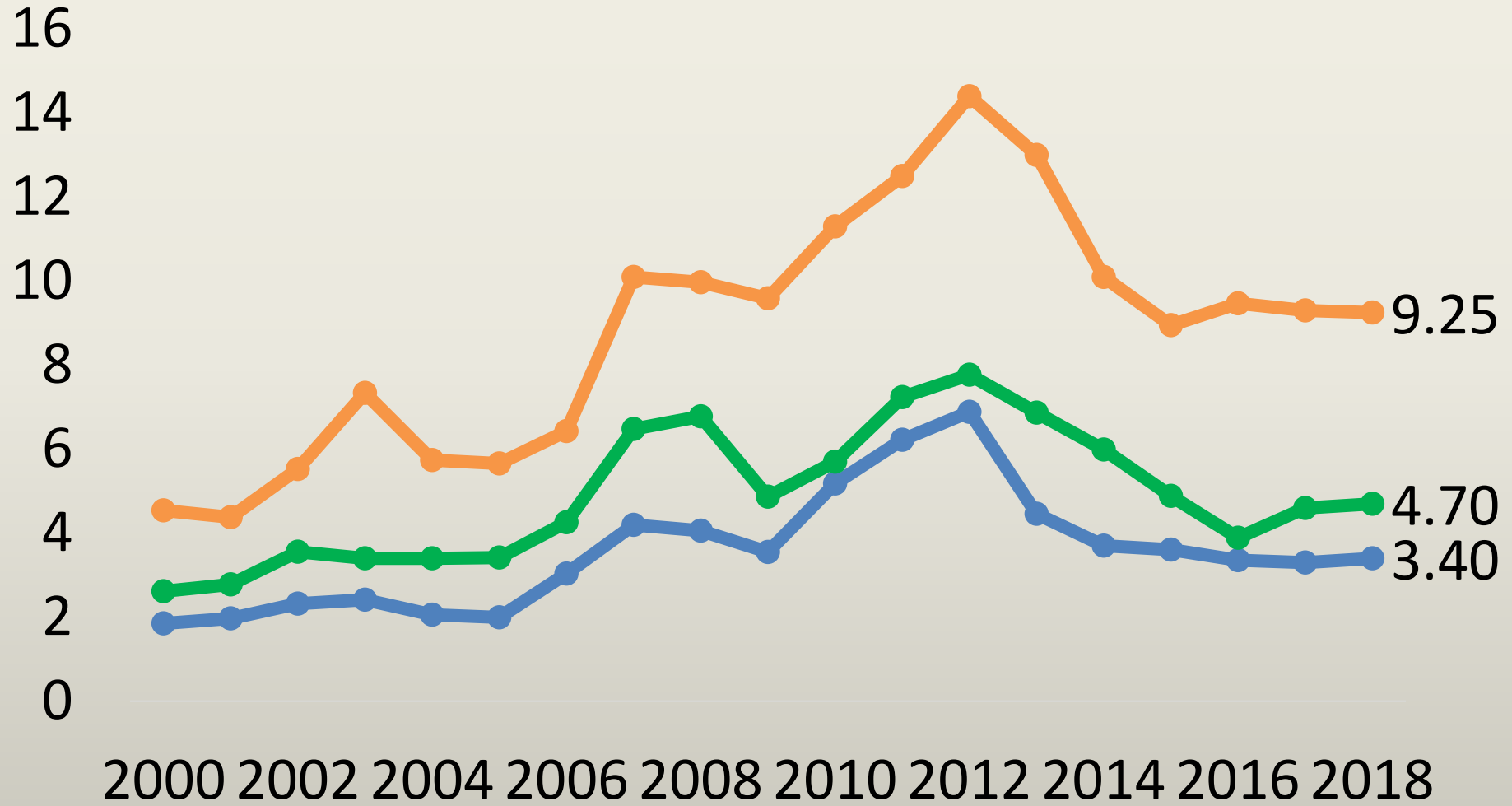


Factors Shaping 2018:

- Declining U.S. share of global exports
- Strong soybean demand for China
- Slower growth in U.S. ethanol demand
- Weakening U.S. dollar
- La Niña

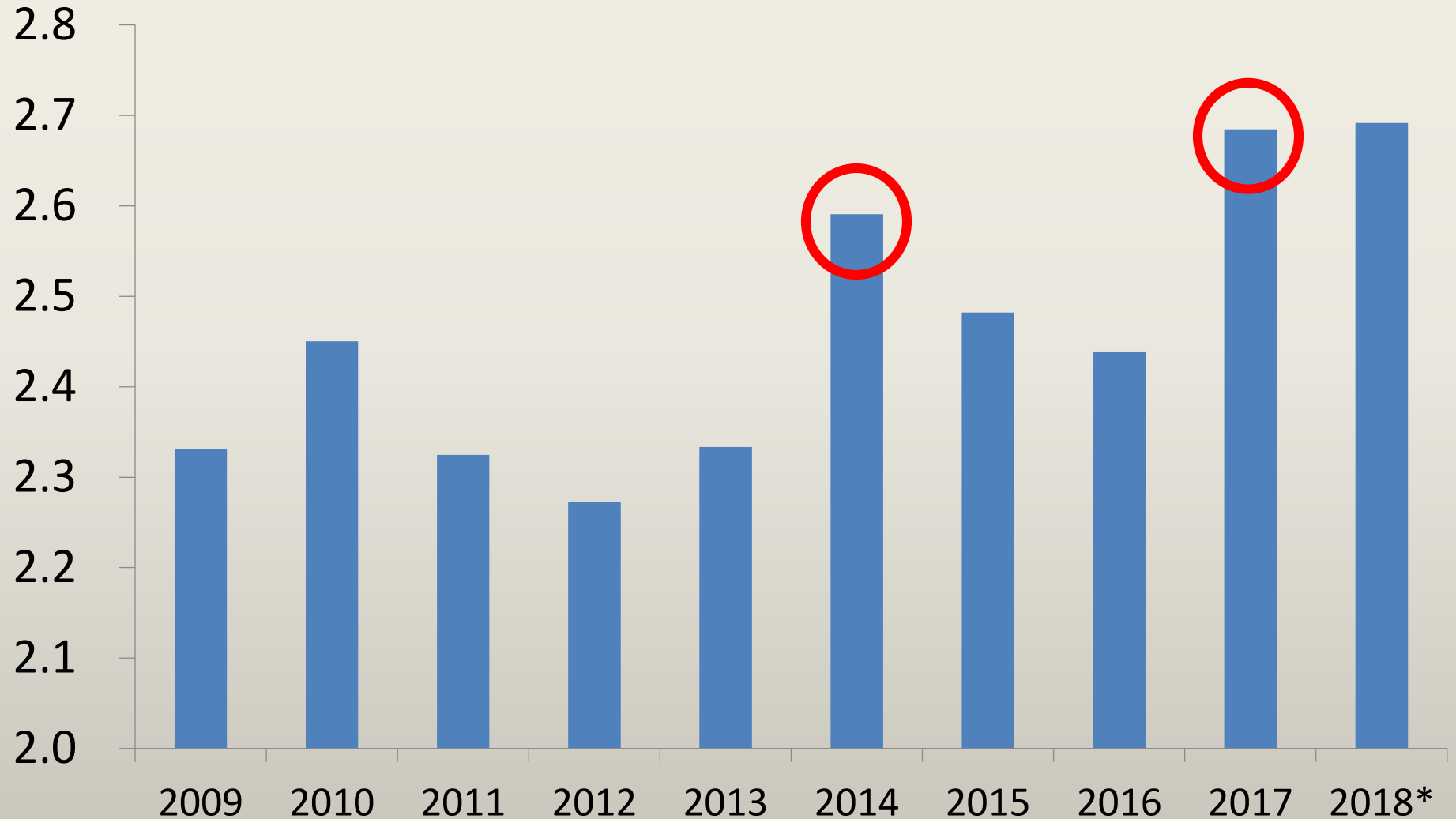
U.S. Farm Prices Remain Relatively Flat

\$/BU



● Corn ● Soybeans ● Wheat

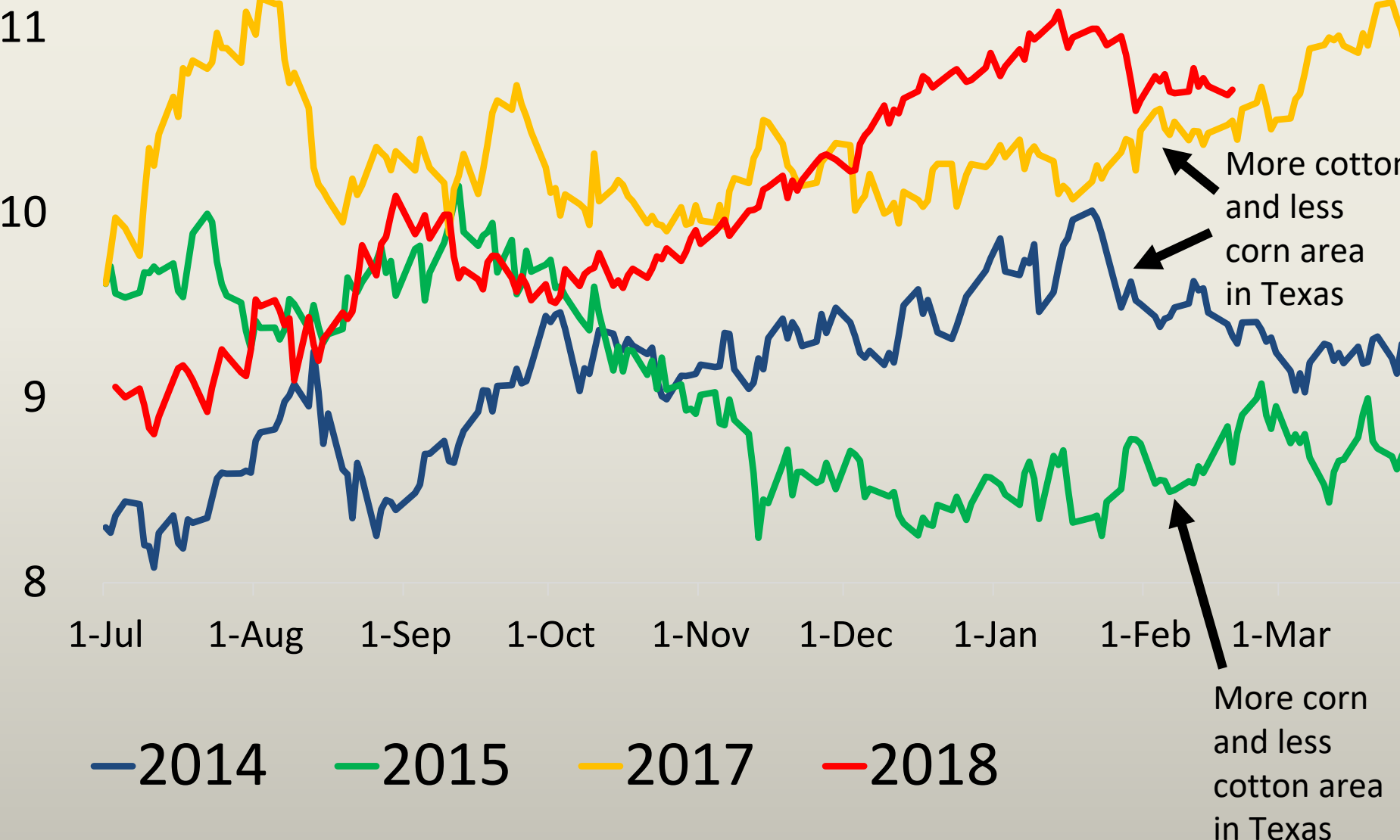
Illinois new crop delivery soybean-to-corn ratio during February



Note: Midpoint of high and low values for Illinois as reported by AMS in GX_GR113.

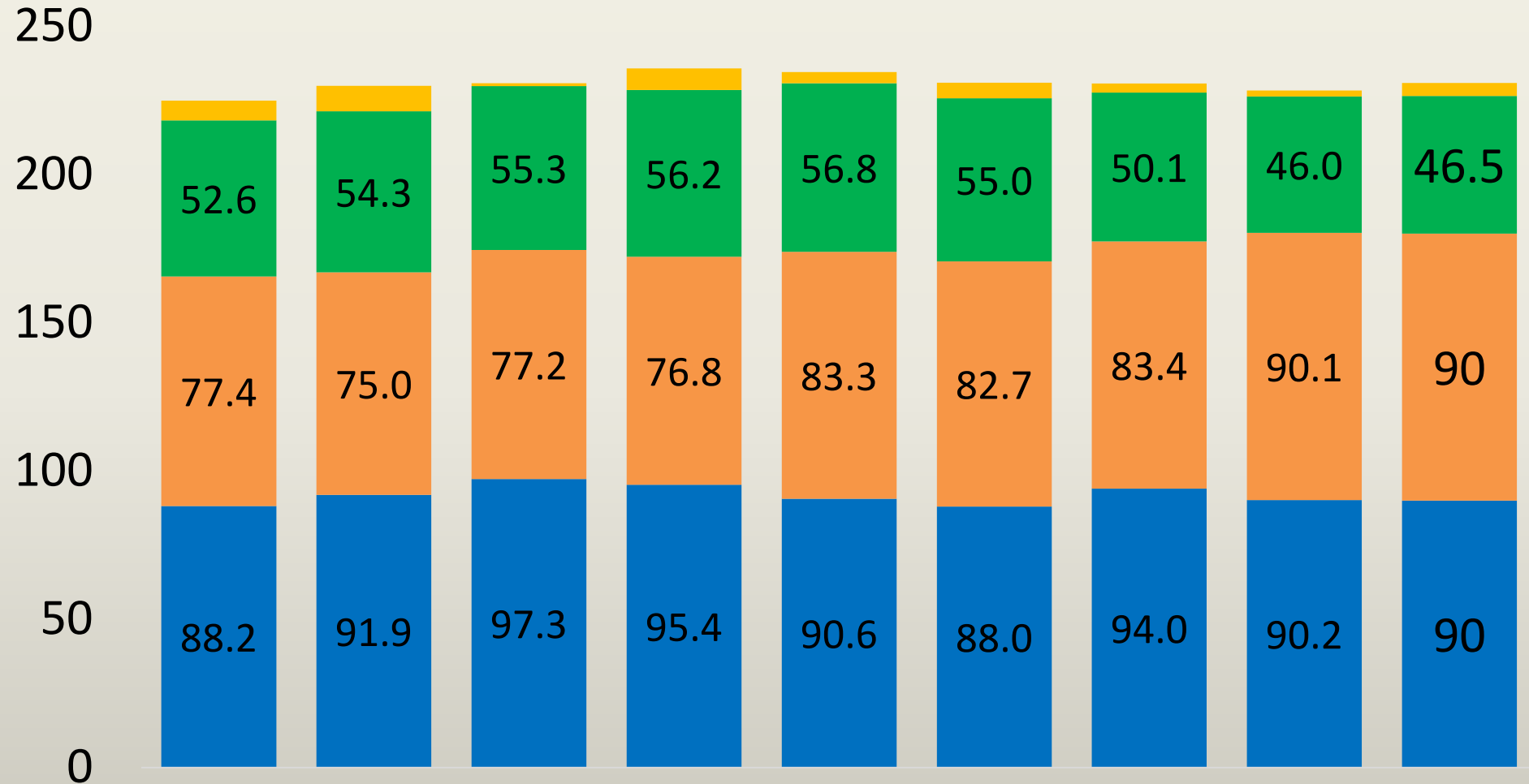
*Value for 2018 is average of month to date.

Cotton to corn price ratio December Futures Contract



Total 3-crop acreage projected slightly higher

Mil. Ac.

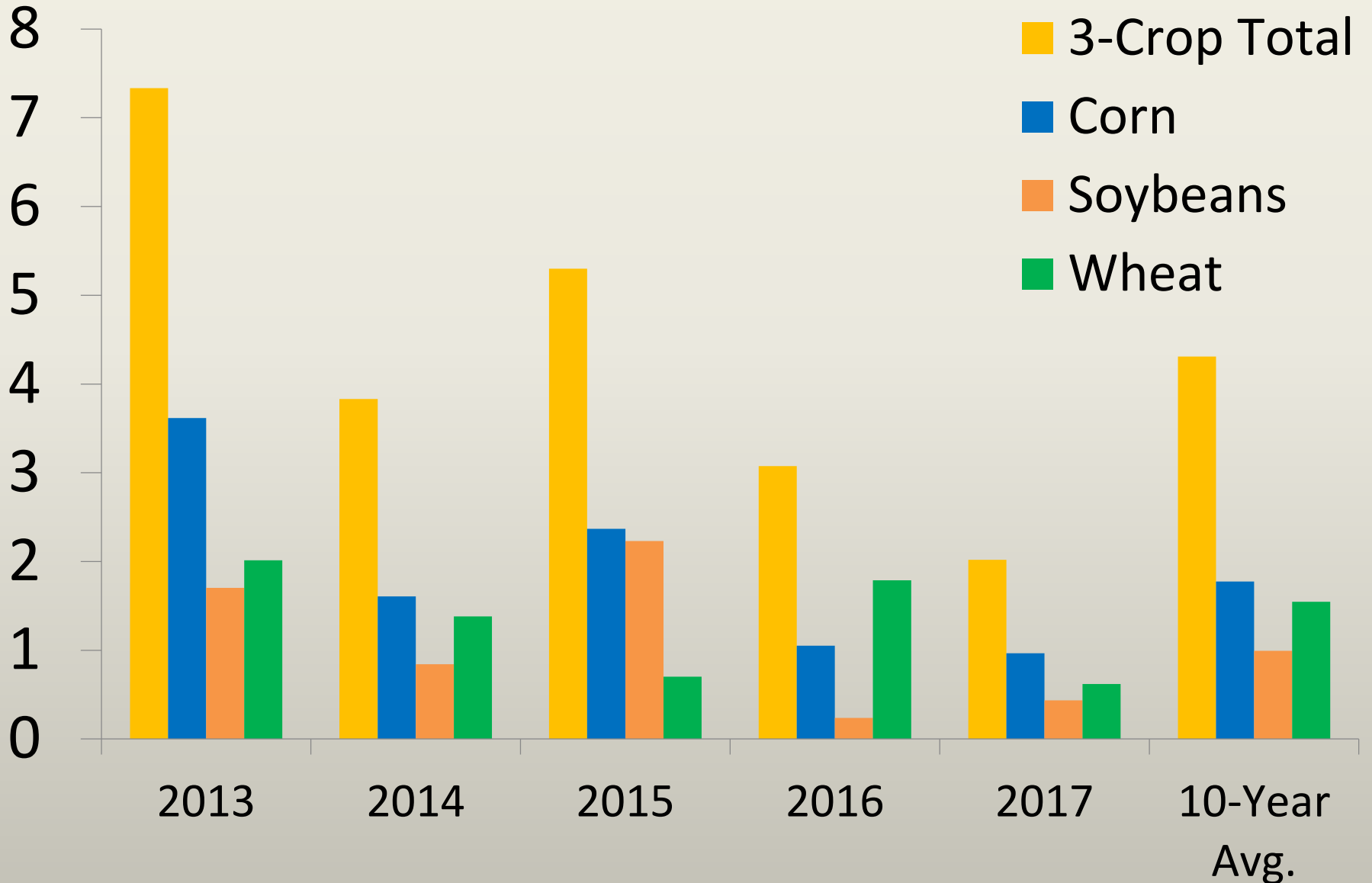


■ Corn ■ Soybeans ■ Wheat ■ 3-crop prevent plant*

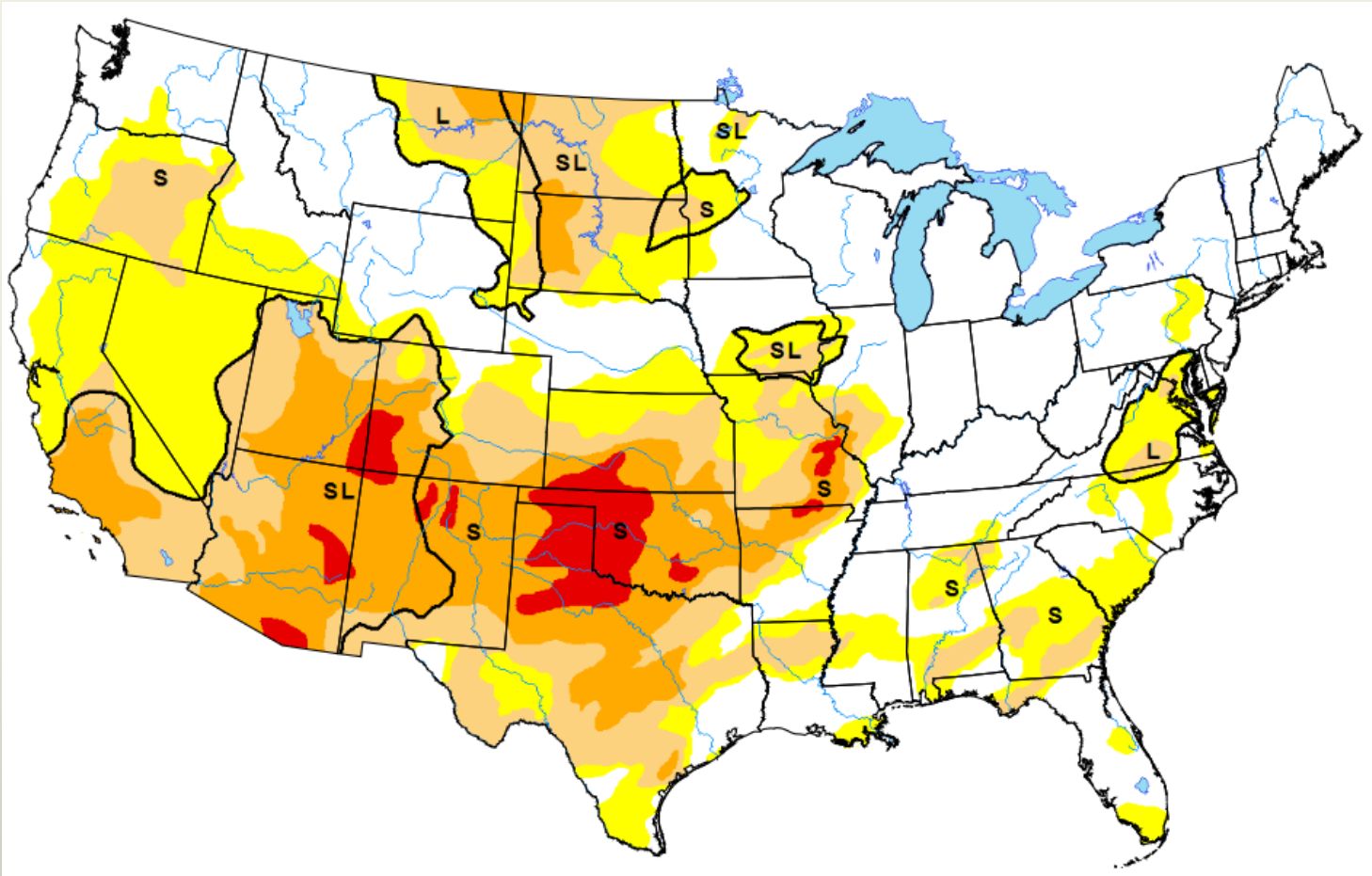
*Ten-year average prevent plant for 2018/19

FSA Prevented Plant

Mil. Acres



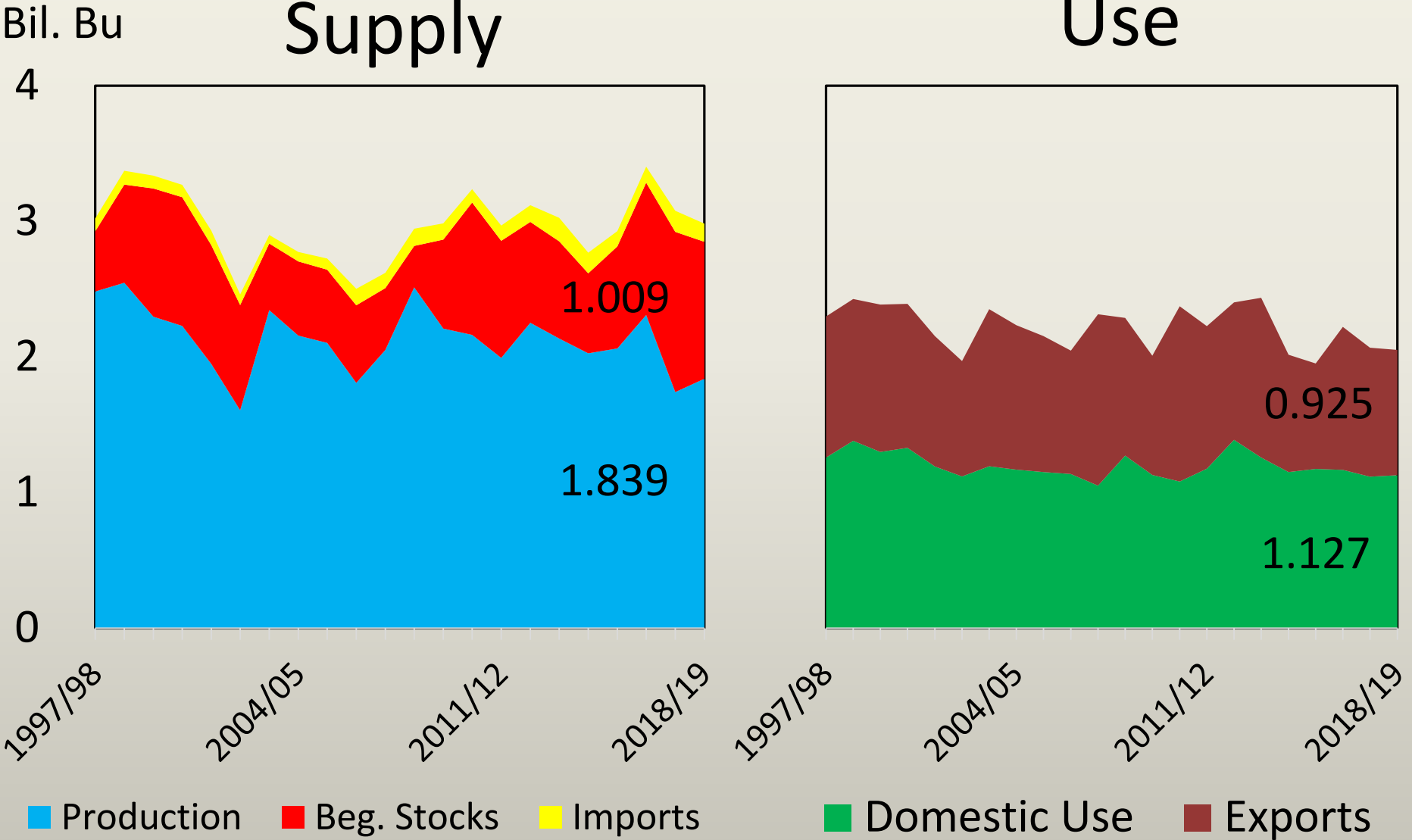
Drought Monitor (Feb. 20, 2018)



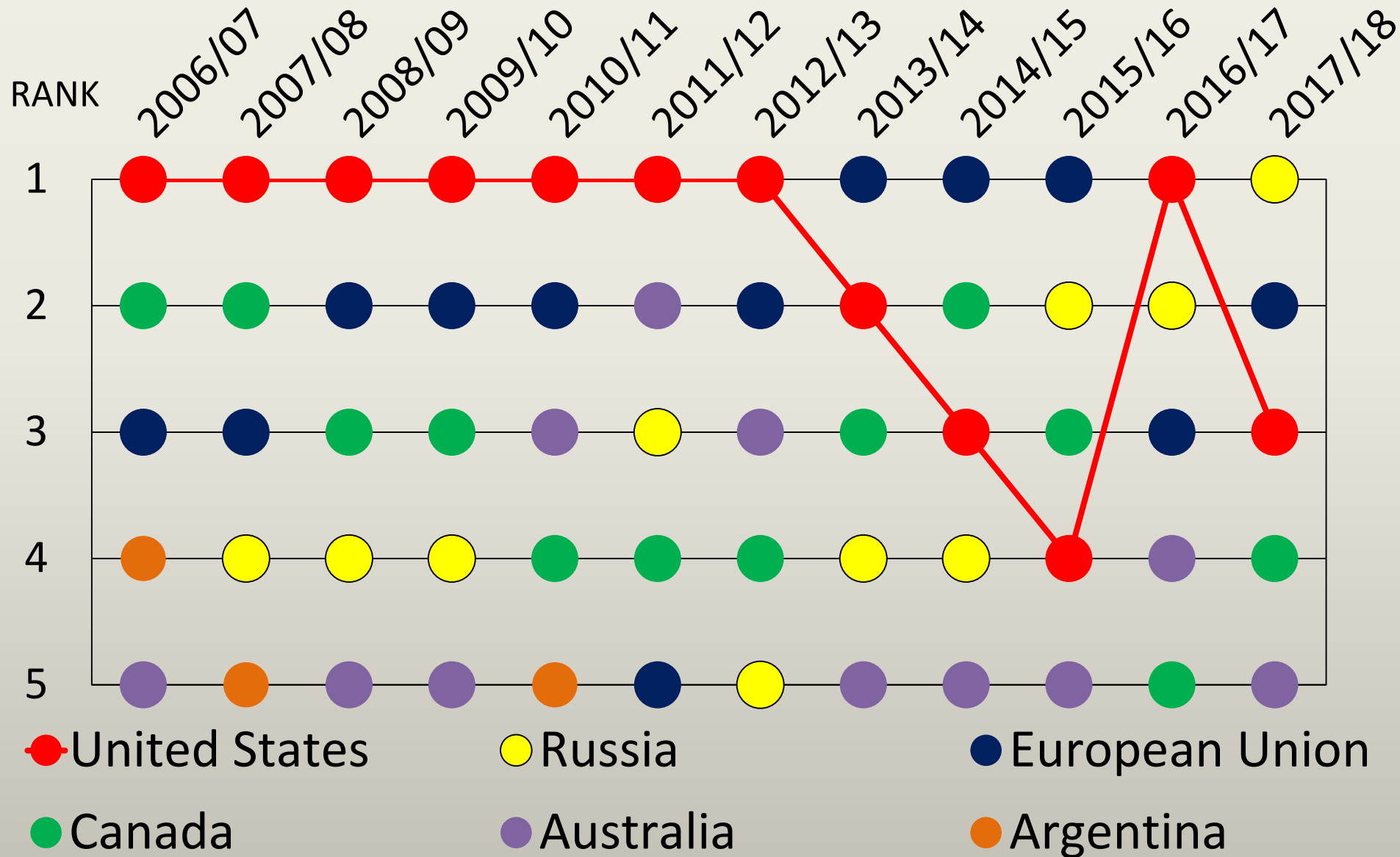
Intensity and Impacts



Wheat supply and use

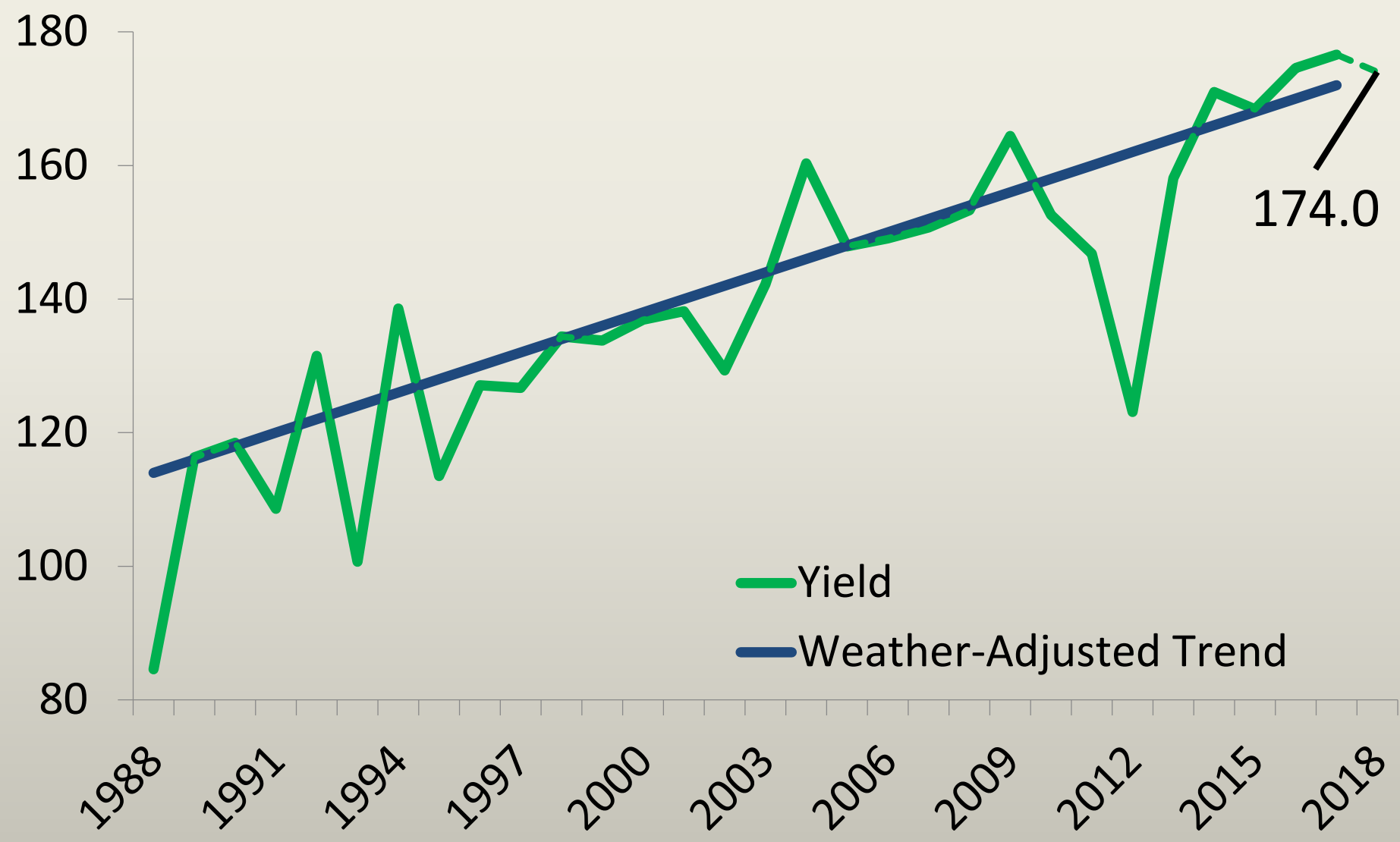


U.S. export rank for wheat declines as other countries increase share



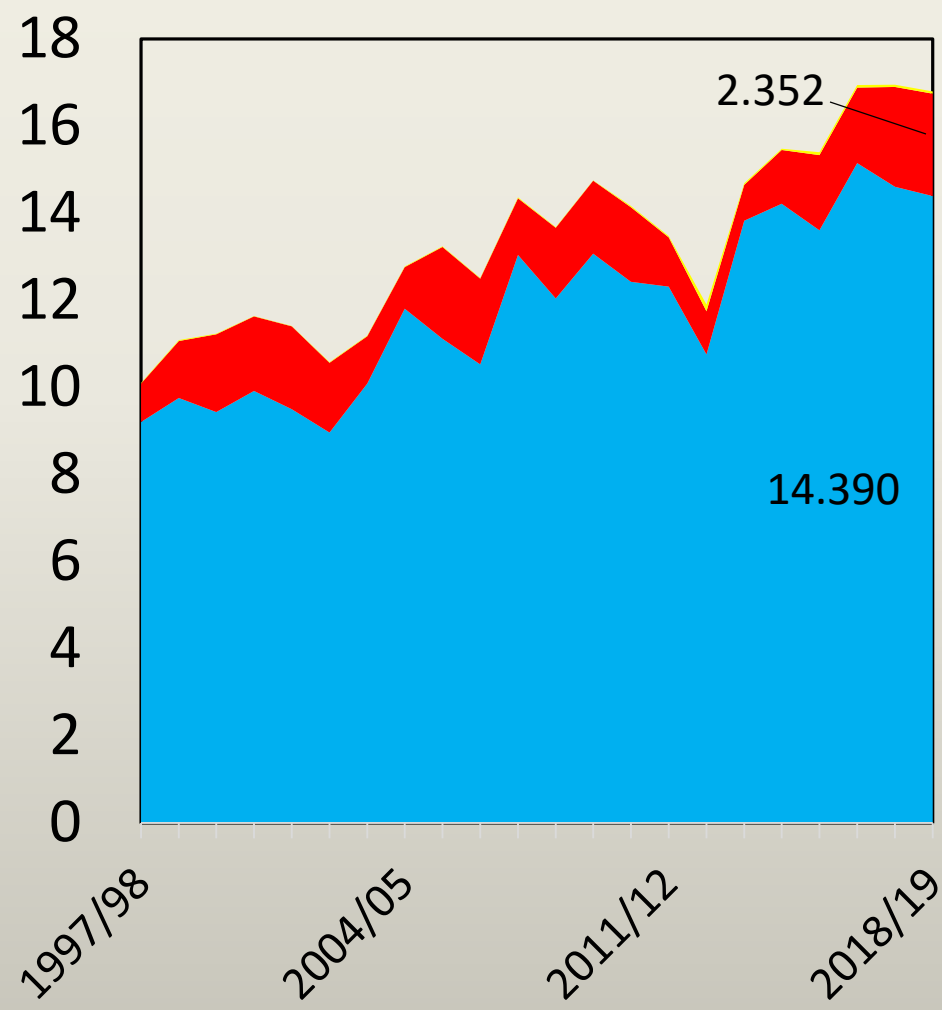
Corn Yield

Bu/Ac

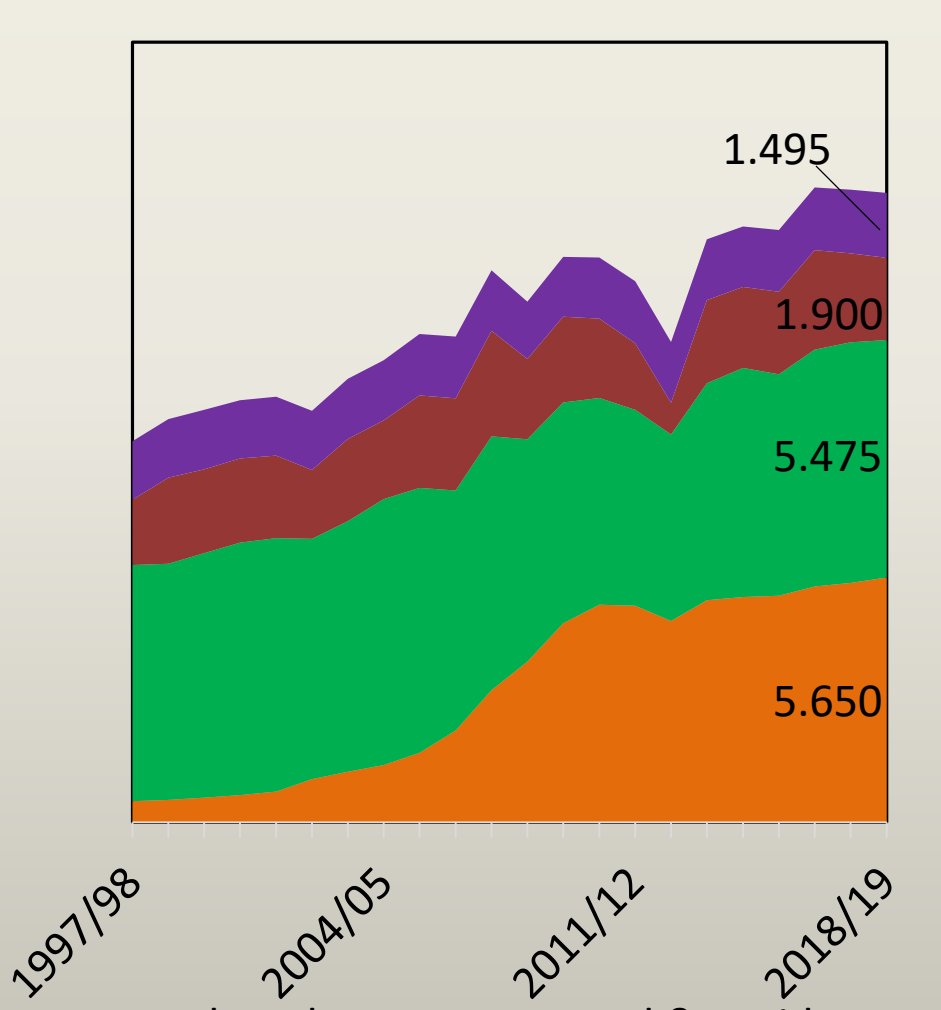


Corn Supply and Use

Bil. Bu Supply



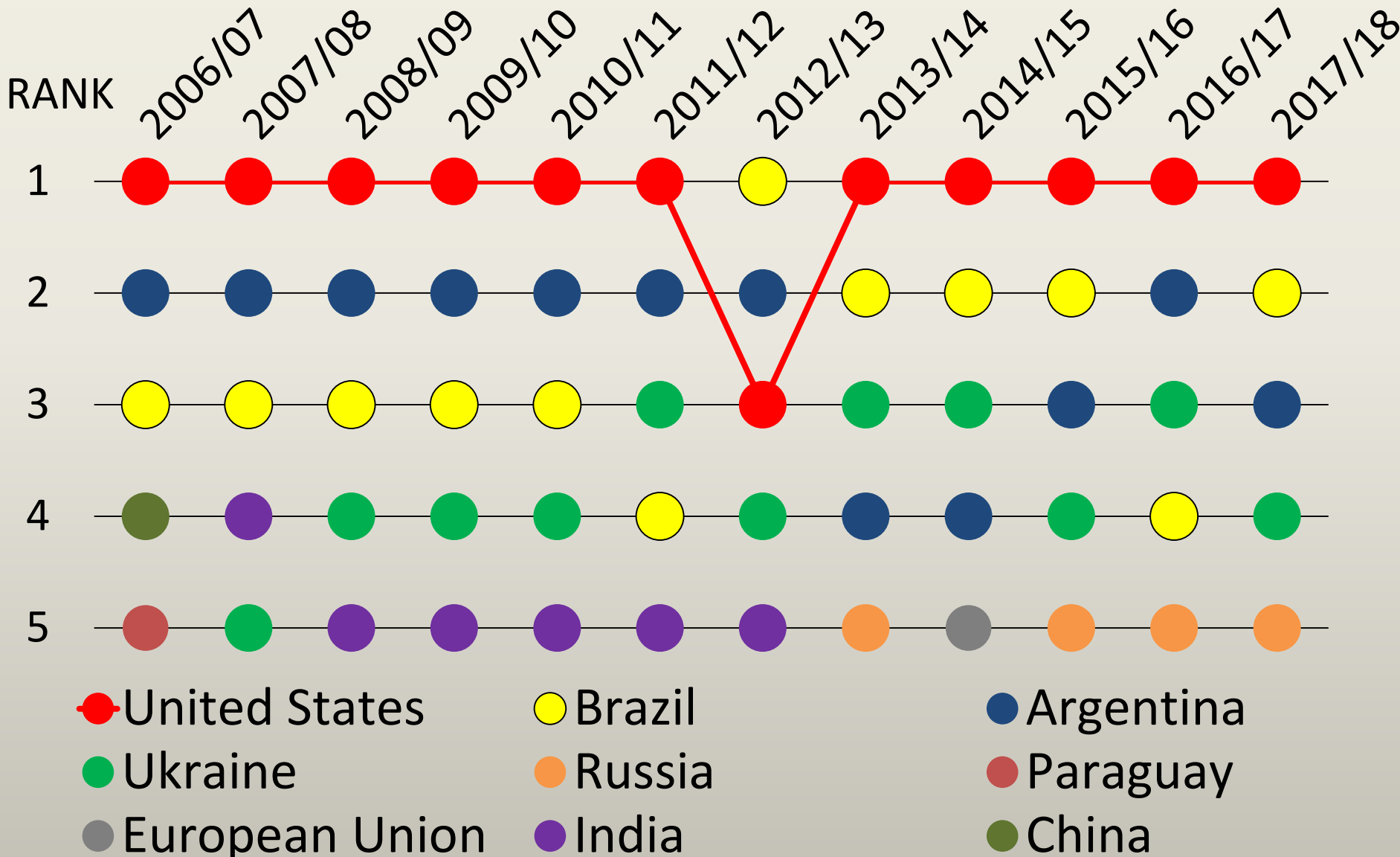
Use



Production Beg. Stocks Imports

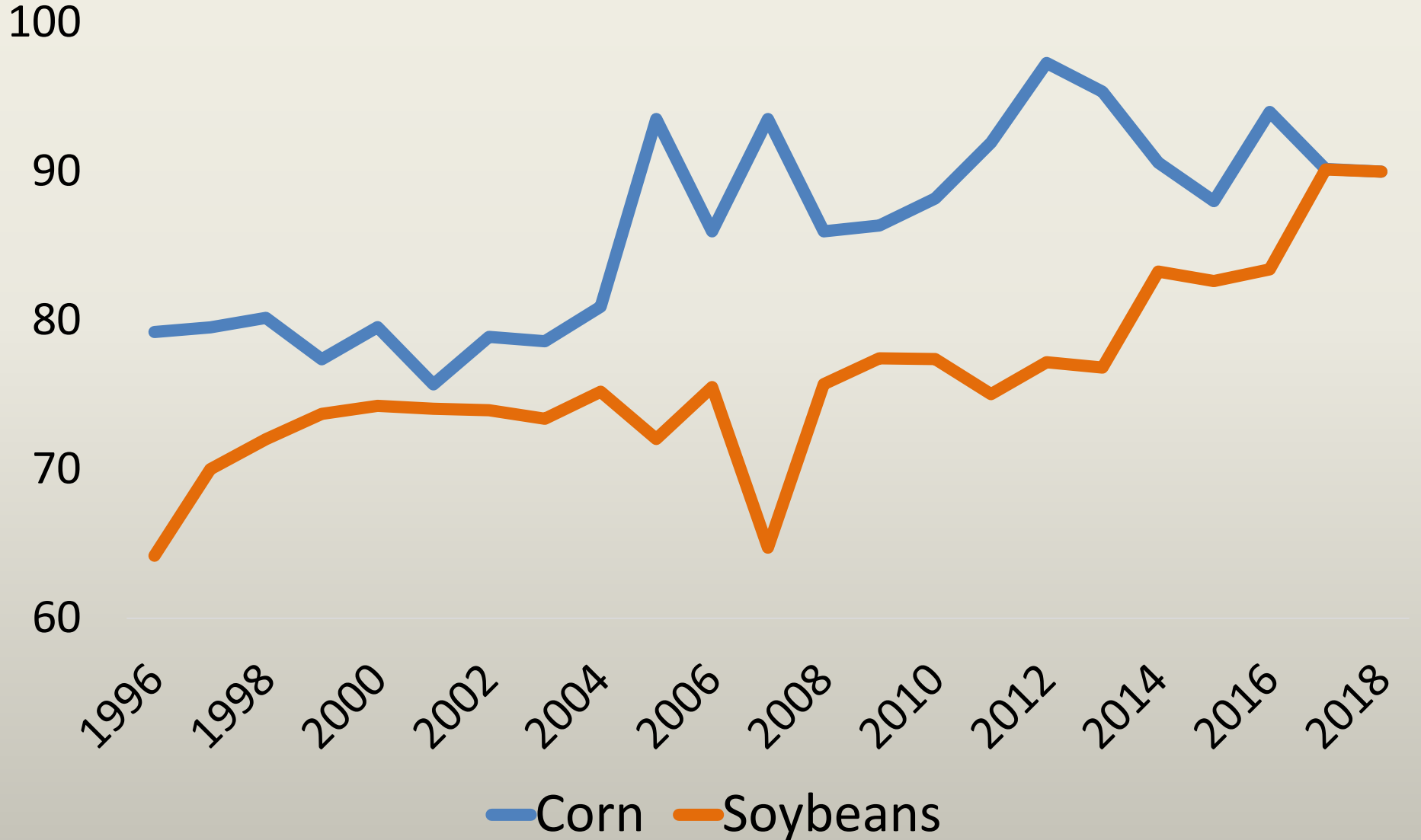
Ethanol Feed & Resid. Exports Other

U.S. remains top corn exporter but export share declining

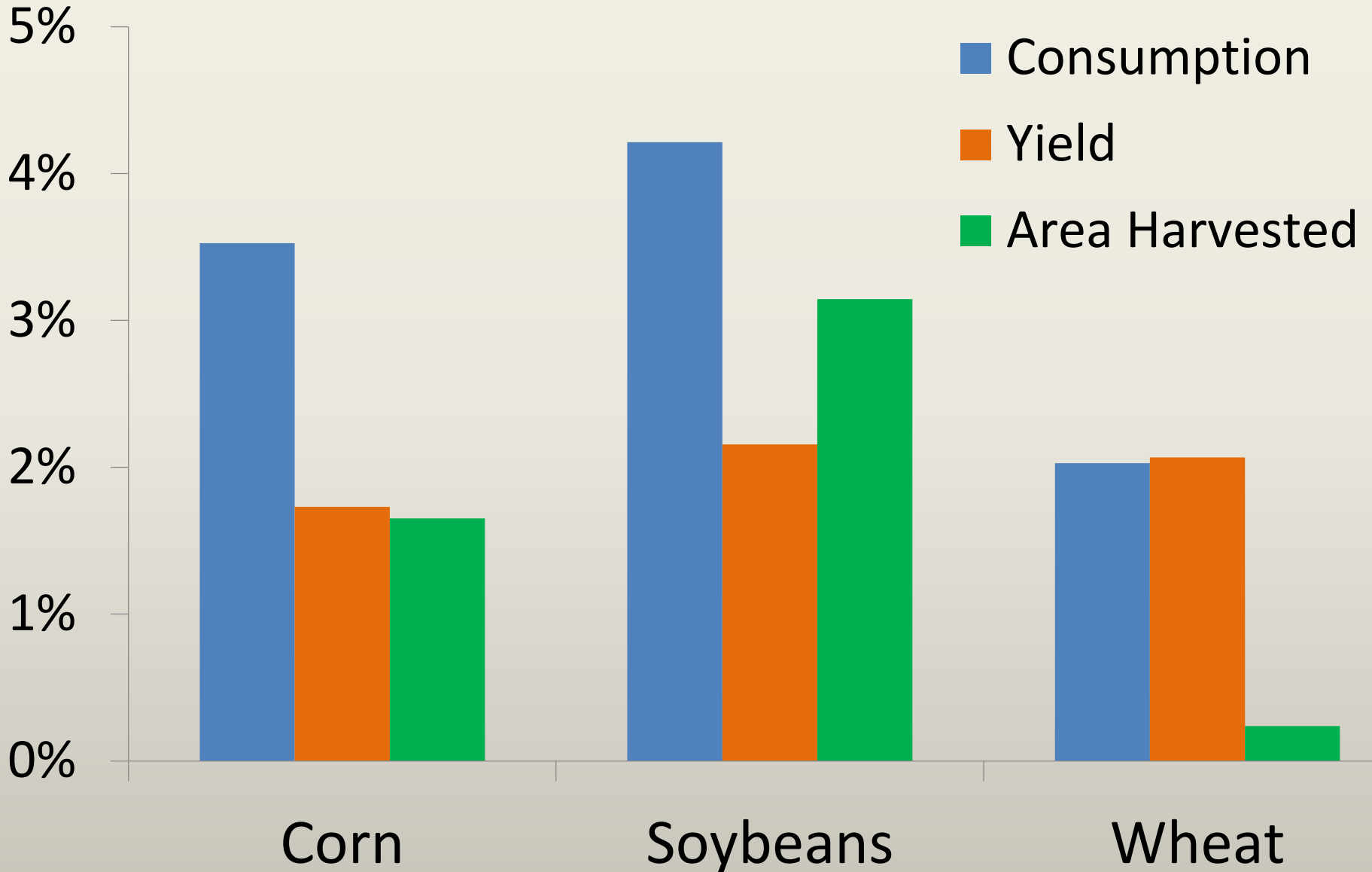


Corn and Soybean Planted Area

Mil. Acres



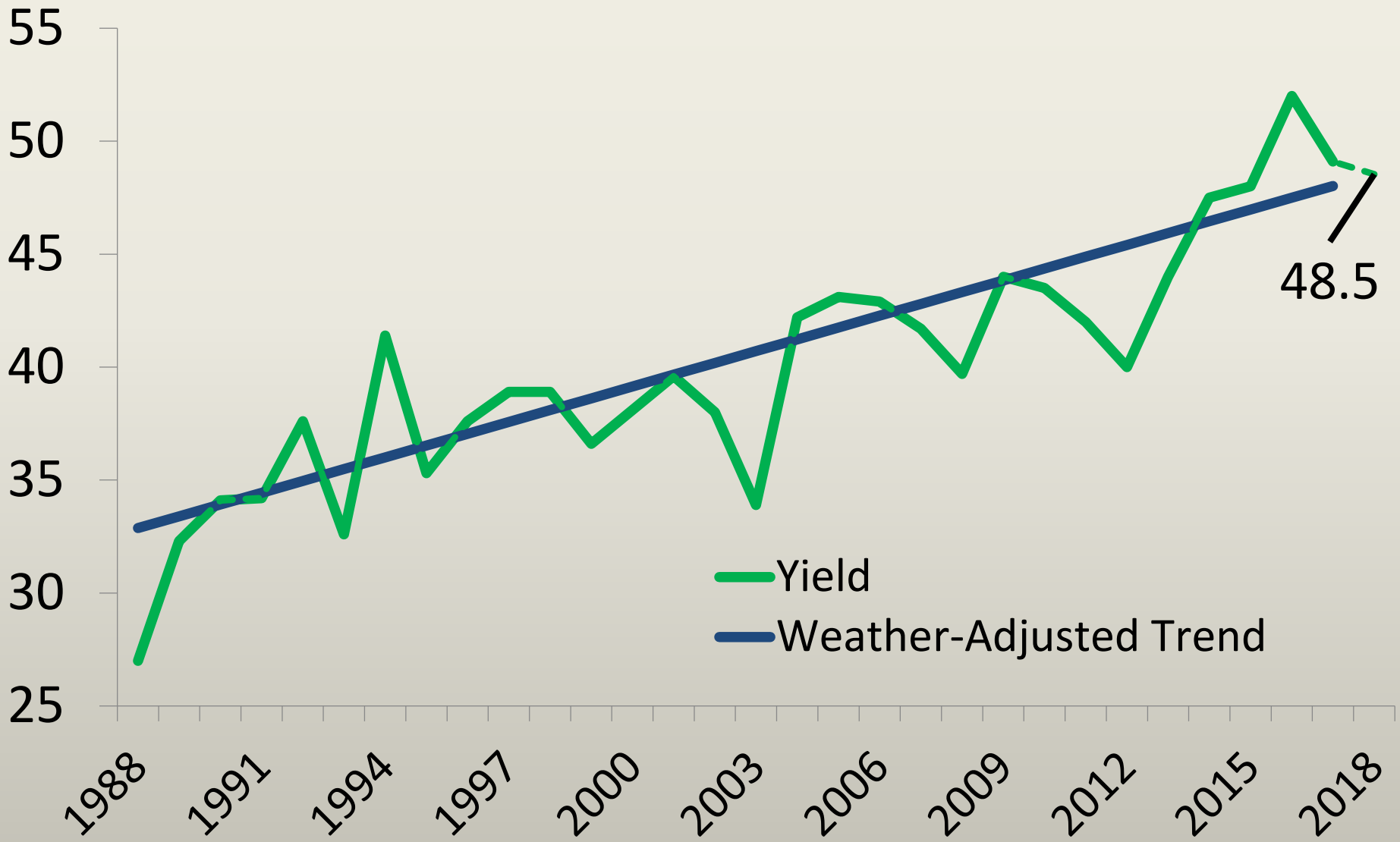
Area drives global soybean expansion



Growth Rate 2007-2016

Soybean Yield

Bu/Ac

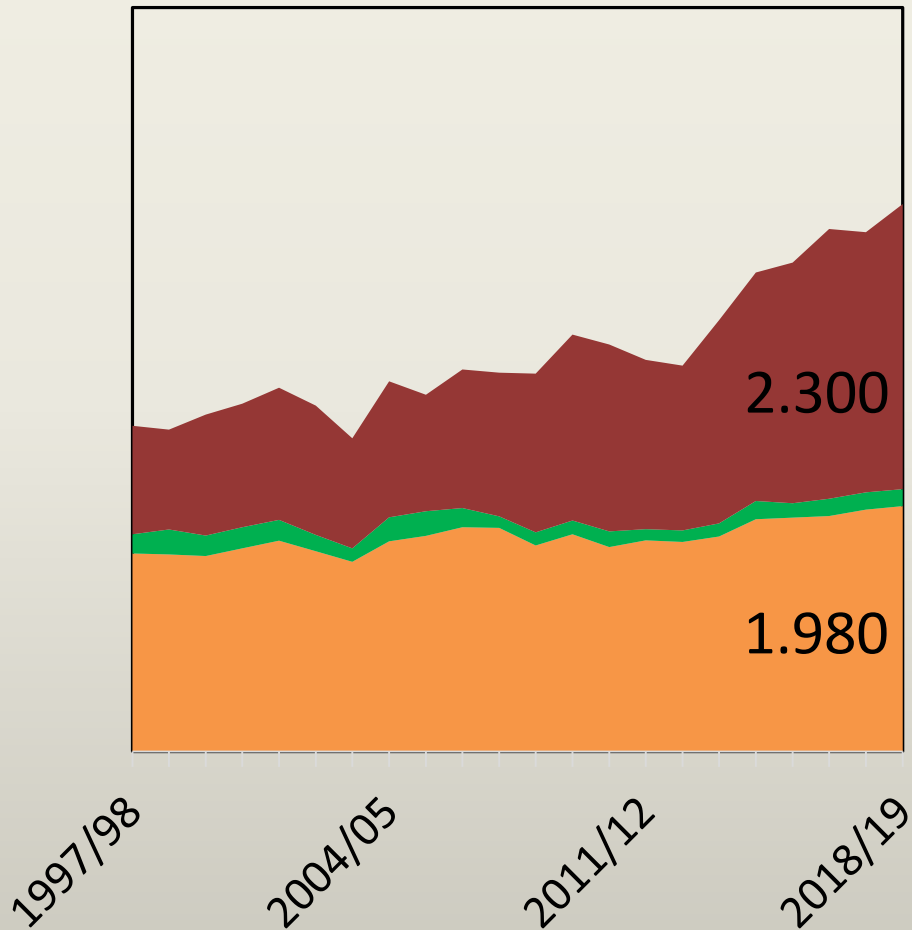
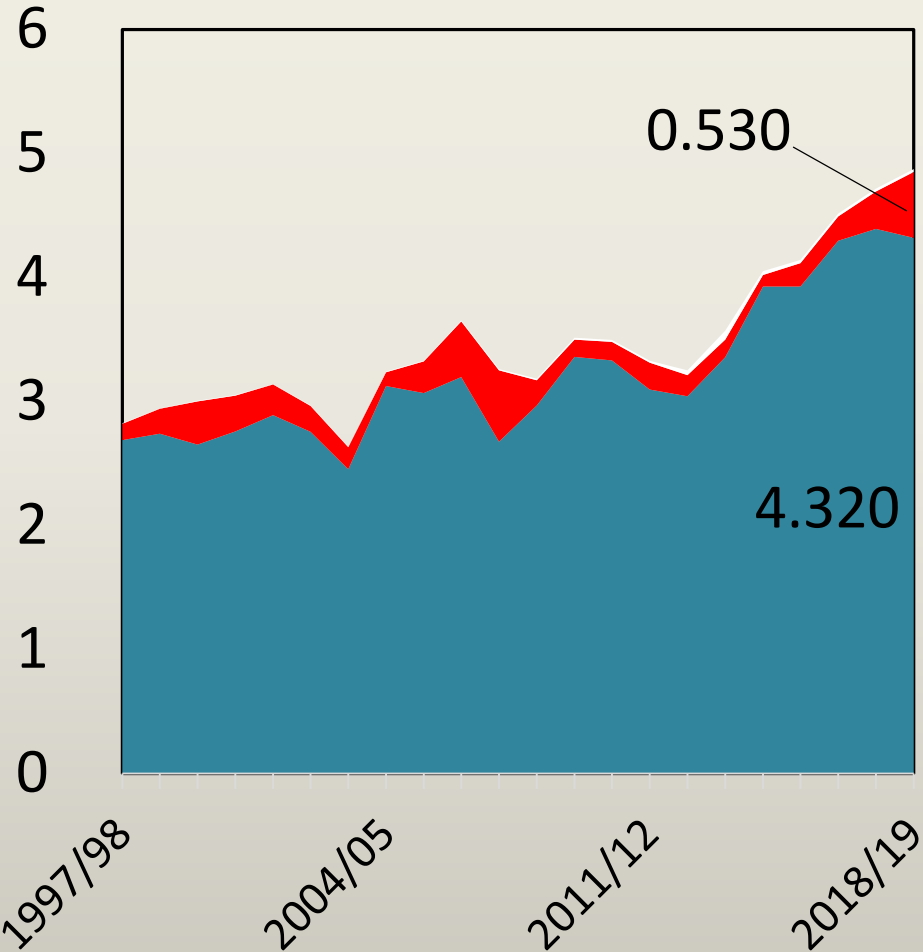


Soybean Supply and Use

Bil. Bu

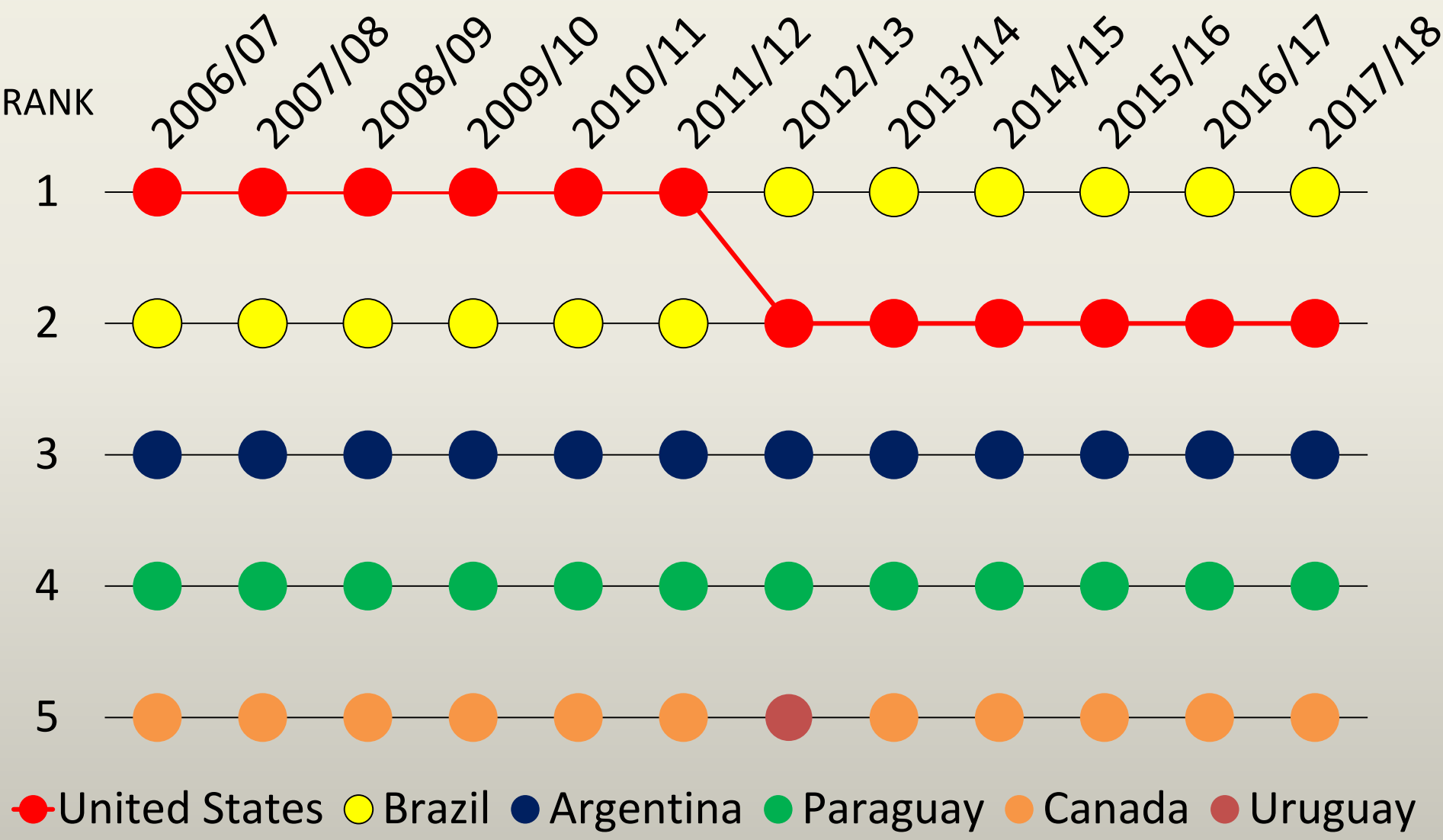
Supply

Use



■ Production
 ■ Beg. Stocks
 ■ Imports
 ■ Crush
 ■ Seed & Resid.
 ■ Exports

Brazil remains largest soybean exporter but U.S. market share to recover in 2018/19



Thank you!

