GRAINS AND OILSEEDS OUTLOOK FOR 2010[1]

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

Introduction

This paper provides USDA's current 2010/11 supply and demand outlook for wheat, corn, rice, and soybeans and products. These projections will be updated in the May 11 *World Agricultural Supply and Demand Estimates* (*WASDE*) report. The May *WASDE* will incorporate survey-based forecasts for U.S. planted area and winter wheat production, as well as global, country-by-country supply and demand projections. Projections presented in this paper are based on the *Winter Wheat Seedings* report and analysis by members of USDA's Interagency Commodity Estimates Committees for Wheat, Feed Grains, Rice, and Oilseeds. Projections assume the current net returns outlook and normal weather conditions for spring planting and summer crop development.

Summary

The 2010/11 outlook for the major grains and oilseeds in the United States is heavily influenced by the unusual 2009 growing season. Late planting and a cool, wet fall delayed summer-crop harvesting and combined with a lower price outlook to limit last fall's winter wheat seedings to a 97-year low. Combined planted area for corn and soybeans is expected to expand for a fourth straight year with lower winter wheat area and higher expected net returns. Not all of the unseeded wheat area is expected to be made up dropping the combined 3-crop planted area total to its lowest level since 2007/08. Wheat production is projected lower with sharply reduced winter wheat area and lower expected yields because of the area reduction in higher-yielding soft red winter wheat. Wheat stocks are expected to decline modestly in 2010/11, but remain burdensome as U.S. wheat exports struggle under pressure from continued large world supplies. Corn plantings are expected to expand with less winter wheat area and higher expected net returns. A return to trend yields, however, is expected to keep production nearly unchanged from this past year's record. Ending stocks are projected to decline slightly as higher corn use for ethanol and exports more than offset increased carryin and lower feed and residual use. Soybean planted area is expected to decline slightly from last year when a sharp rise in soybean prices resulting from the Argentina drought led to record planted area. In addition, sharply lower winter wheat area is expected to reduce double cropped soybean plantings. Soybean supplies are projected to decline only modestly as higher beginning stocks partly offset lower production. Ending soybean stocks are projected to rise due to reductions in crush and exports. Rice planted acreage for 2010 is projected higher with long-grain accounting for all of the area increase as medium/short-grain acreage is expected to decline across the South. Total rice supplies are projected to be record high, a result of a larger crop, near-record imports, and a very large carryin. Total rice use is projected up from the current year at a near-record level with exports accounting for most of the increase. Rice ending stocks are projected to be the largest since 1986/87.

[1]This 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 2010 (Table 1)

The 2010 outlook for plantings of the major grains and soybeans in the United States is significantly influenced by last year's unusual growing season weather. Planting delays resulting from a wet spring and early summer in the United States combined with worsening drought in Argentina, to boost prices sharply during May and June, which encouraged producers to increase 2009 corn and soybean planted area a combined 2.9 million acres from their March intentions. Abundant moisture and a lack of heat stress during the summer months pushed yields for corn, soybeans, and spring wheat to record levels pressuring prices lower into the fall. A cool, wet fall delayed summer-crop harvesting and combined with a lower price outlook to limit winter wheat seeding for the 2010 crop to a 97-year low. With higher expected net returns for both corn and soybeans compared to last year at this time and lower winter wheat area, combined planted area for corn and soybeans is expected to expand for a fourth straight year to a record 166 million acres. Not all of the area lost from wheat is expected to go to corn and soybeans, with the combined 3-crop total falling 3.3 million acres to its lowest level since 2007.

Less land is expected to be cropped in 2010 as prices continue to ease from their record levels in 2008. Despite a 2.4-million-acre reduction in land enrolled in the Conservation Reserve Program (CRP), total planted area for the 8 major crops (wheat, corn, barley, oats, sorghum, soybeans, upland cotton, and rice) is expected to decline to 247.3 million acres, down 1.6 million from 2009. Much of the land that came out of CRP due to expiring contracts was in the Great Plains and mostly suitable for wheat. Last fall's wet weather provided little opportunity to put idled land back into production and historically only a limited portion of former CRP land actually returns to production, particularly in the first year. Lower fertilizer prices boost the net returns outlook year-to-year for the major field crops, but the sharp reduction in winter wheat area cannot be completely made up by spring plantings. The projected 8-crop total is down 5.7 million acres from the recent high in 2008 as the net returns outlook remains less favorable than 2 years ago when commodity prices, except for rice, were much higher. Soybean planted area for 2010 is expected to fall from last year's record as improved returns for corn and rotational considerations related to unplanted soft red winter wheat favor corn plantings in many areas. Increased cotton area and reduced double cropping will also limit soybean area.

Wheat planted area for 2010 is expected to decline 5.3 million acres to 53.8 million. Winter wheat seeded area at 37.1 million acres is down 6.2 million from 2009 and the lowest since 1913. The January 12, 2010, *Winter Wheat Seedings* reported hard red winter wheat seedings down 3.8 million acres to 27.8 million and soft red winter wheat seedings down 2.4 million acres to 5.9 million. Partly offsetting the decline in winter wheat area is an expected increase in spring wheat (including durum) plantings with most of the increase expected in areas of the northern Plains where winter wheat seeding was limited by fall weather. Higher marketing assistance loan rates for durum wheat in the northern Plains are also expected to limit declines in durum area.

Corn plantings for 2010 are expected to rise 2.5 million acres from last year to 89.0 million. This year's planted area is expected to be up sharply from producer planting intentions last March of 85.0 million acres. Net returns to corn production are expected to be much improved from 2009 as fertilizer prices have fallen from their highs during the fall and winter of 2008/09. Also boosting corn area for 2010 is lower winter wheat seedings, particularly in the eastern Corn Belt where soft red winter wheat typically follows soybeans in the crop rotation. A disproportionate share of this unplanted wheat area is expected to be planted to corn in 2010. Corn area expansion, however, is constrained well below the recent high in 2007 as strong relative returns for soybeans over the past 3 years continue to support historically high soybean plantings.

Soybean area is projected at 77.0 million acres, down 0.5 million from 2009. This year's planted area is expected to decline from last year's record level as corn and cotton are expected to see strong gains in the Corn Belt and Southern States, respectively. Lower projected area also results from reduced double cropping as soft red winter wheat plantings decline in the Delta and the eastern Corn Belt. In addition, last year's soybean plantings, up 1.4 million acres from March intentions, were influenced by the sharp price rise last spring and early summer as the drought worsened in Argentina.

Rice planted acreage for 2010 is projected at 3.2 million acres, up 65,000 acres from last year. An increase of plantings of long-grain rice—grown almost entirely in the South—is expected to offset smaller U.S. medium/short-grain plantings. The increase in long-grain acreage is based on strong returns for rice production in the Delta compared with competing crops—primarily soybeans and corn. Adverse weather limited long-grain plantings in the Delta in 2009. As in 2009/10, projections for world prices in 2010/11 indicate growers will not receive loan deficiency payments.

Wheat Supply, Demand, and Price Outlook for 2010/11 (Table 2)

Wheat Supplies: Wheat production for 2010 is expected to decline 12 percent to 1,945 million bushels with lower harvested area and yields. Harvested area is projected at 45.7 million acres based on the 5-year average harvested-to-planted ratio of 0.85. The national average yield is projected at 42.6 bushels per acre, 0.9 bushels below the simple trend of national average yields for 1985-2009, reflecting reduced area in higher-yielding soft red winter wheat states. The projected 2010 wheat yield is down 1.8 bushels per acre from last year when yields for durum and other spring wheat hit new records. Although wheat conditions have declined since early December in the hard red winter wheat states, current conditions remain substantially improved from last year in Oklahoma and Texas. State crop weather reports indicate that more than half of all wheat in Kansas, Nebraska, and Oklahoma is in good-to-excellent condition. Weighted by seeded area, the hard red winter wheat states have 12 percentage points more wheat in good-to-excellent condition as compared to last year at this time. The Midwestern soft red winter wheat crop is generally in less favorable condition this year. Only 38 percent of Illinois winter wheat was reported in good-to-excellent condition as of early February compared with 73 percent last year at that time.

Production in 2010 is expected to fall for all classes of wheat except white wheat. Lower area accounts for most of the decline in hard red winter and soft red winter wheat production. A return to trend yields, from last year's records, is expected to account for the drop in hard red spring and durum wheat. Spring wheat area is expected to be higher as northern Plains producers offset some of the lost winter wheat acres with spring plantings. Planted area for white winter wheat is mostly unchanged for 2010. A rebound to trend yields in the Pacific Northwest is expected to push white wheat production higher.

Despite lower expected production, wheat supplies for 2010/11 are projected 2 percent higher as beginning stocks jump 324 million bushels or nearly 50 percent from those for 2009/10 and imports fall only slightly. Total supplies, projected at 3,036 million bushels, would be a 10-year high.

Wheat Domestic Use: Domestic use of wheat for 2010/11 is expected to increase by 64 million bushels year-to-year. Food use is expected up 20 million bushels from the 2009/10 forecast. The projected 960 million bushels for food use for 2010/11 assumes a population growth rate of just less than 1.0 percent, constant per capita flour consumption, and a flour extraction rate that reflects both the higher-than-average extraction rate for carryin stocks from the 2009 crop and the expectation of a more normal extraction rate for the 2010 crop. A high extraction rate means that fewer bushels of wheat are needed to produce a given quantity of flour.

Seed use for 2010/11 is projected up 4 million bushels from the low of 72 million bushels forecast for 2009/10. The low seed use forecast for 2009/10 is due to the small winter wheat seedings for the 2010 crop. Winter wheat seedings for 2010 were down 14 percent from 2009 and the lowest since 1913 because of the delayed 2009 row crop harvest and lower prices.

Wheat feed and residual use for 2010/11 is projected at 210 million bushels, up 40 million bushels from the 2009/10 projection. A large carryin is expected to provide opportunities to move more wheat into feeding during the summer months; however, wheat prices are expected to remain relatively strong, limiting the overall increase in wheat feeding.

Wheat Exports: U.S. wheat exports for 2010/11 are projected at 850 million bushels, bouncing back slightly from this year's expected 38-year low. U.S. exports will face another difficult year as large stocks in most major exporting countries and an expected bumper world wheat crop continue to limit market opportunities. Canada's exportable supplies are expected to be lower, but Argentina's wheat crop is likely to return to normal after back-to-back years of drought-reduced production. Argentina's 2010/11 exportable supplies will not be available until the second half of the 2010/11 U.S. marketing year, providing a window for U.S. exports to the Western Hemisphere. Large supplies from the Black Sea region will also continue to limit opportunities for U.S. wheat in North Africa and the Middle East where favorable early-season weather is supporting production prospects for 2010.

Wheat Ending Stocks and Farm Prices: Lower expected production and higher use more than offset the large increase in carryin to reduce ending stocks 4 percent in 2010/11. At 940 million bushels, ending stocks would be the second highest in 10 years. The stocks-to-use ratio for 2010/11 is projected at 44.8 percent, down 4 percentage points from the current year projection, but still the second highest in 23 years. The 2010/11 season-average farm price is projected at $4.90 per bushel, up $0.05 from the midpoint of the projected range for 2009/10. Domestic prices remain under pressure from large global supplies, but prices during the early months of the 2010/11 marketing year, when producers market the largest share of the crop, are expected to find support from seasonally higher corn prices.

Corn Supply, Demand, and Price Outlook for 2010/11 (Table 3)

Corn Supplies: Corn supplies are projected at a record 14,894 million bushels for 2010/11. This is up less than 1 percent or just 60 million bushels from the current year's record with small expected increases in both carryin and production. Production is projected at 13,160 million bushels, nearly unchanged from the 2009 record crop of 13,151 million. Higher area more than offsets a return to trend yield. Area harvested for grain is projected at 81.8 million acres based on the 2004-08 average of area harvested for silage plus abandonment. At 7.2 million acres, this is higher than the 6.9 million acres estimated for 2009. Record high silage yields and abundant supplies of forages in 2009 reduced silage harvested area to its lowest level in 13 years. The national average corn yield is projected at 160.9 bushels per acre based on a simple trend of national average yields for 1990-2009. This is down 4.3 bushels per acre from the record 2009 yield.

Corn Use: Total corn use is expected to increase only 125 million bushels or 1 percent in 2010/11, as the rise in projected ethanol use and exports is mostly offset by lower feed and residual use. Domestic disappearance is projected at a record 11,140 million bushels, up 25 million bushels from the current year forecast, mostly due to increased use for ethanol production.

Corn Feed and Residual Use: Feed and residual use for 2010/11 is projected at 5,350 million bushels, down 4 percent from 2009/10 with lower expected residual use and increased feeding of distillers grains.

Animal numbers are expected to be little changed as relative high feeding costs and slow growth in meat demand continue to pressure margins. Per capita meat consumption is expected to remain relatively flat and weaker than earlier highs. Export prospects are improved for pork and beef, but broiler export prospects remain under pressure because of trade disputes with a number of countries. Broiler production and turkey production are expected to increase in 2010. In 2011, poultry, egg, and milk production are expected to increase but red meat production is forecast to decline.

Corn Food, Seed, and Industrial Use: Food, seed, and industrial (FSI) use of corn in 2010/11 is expected to total 5,790 million bushels, up 225 million from 2009/10. Most of the increase will come from growth in corn use for ethanol production. The remaining FSI categories rise modestly as the economy begins to recover from the recent recession; however, weakness in consumer demand for caloric soft drinks is expected to limit growth in sweetener production.

Corn Ethanol Use: Corn used to produce ethanol in 2010/11 is projected at 4,500 million bushels, up 5 percent from 2009/10. At this level, ethanol production will account for 34 percent of total corn use, up from 33 percent forecasted for 2009/10. The recently released Renewable Fuel Standard 2 (RFS2) rule is not expected to have a significant impact on the ethanol sector in the near term and any potential policy change allowing for mid-range ethanol blends (e.g., E12 or E15) is not assumed.

Rising corn ethanol use in 2010/11 reflects higher mandates for biofuels. Under the Energy Independence and Security Act of 2007, the amount of the Renewable Fuel Standard that can be met from conventional biofuels (mostly corn starch based ethanol) is set at 12.0 billion gallons for 2010 and 12.6 billion gallons for 2011. These RFS conventional biofuels levels translate into a 2010/11 September-August corn marketing year level of about 12.4 billion gallons, the equivalent of nearly 4.6 billion bushels of corn. This is slightly above the 2010/11 ethanol corn use projection which allows for ethanol from other feedstocks and for a minimal level of imports. The year-to-year increase in projected corn use is lower than for 2009/10, as the increase in the 2011 calendar year RFS is smaller than the increase from 2009 to 2010. Another factor limiting growth in ethanol demand is continued weakness in gasoline demand as recovery in gasoline consumption remains slow in the wake of the recession. Fuel efficiency gains in the vehicle fleet are also expected to slow the growth in gasoline consumption.

Ethanol production capacity during the 2010/11 marketing year is expected to expand, but at a slower pace than in past years. Ethanol plant data reported by the Renewable Fuels Association (RFA) as of February 9, 2010, puts currently operating ethanol production capacity at 12.0 billion gallons per year with total existing capacity at 13.1 billion gallons. RFA reports new plant construction and existing plant expansions that will add 1.3 billion gallons bringing the total annual available capacity to 14.4 billion when these projects are completed. Last year at this time, RFA reported existing capacity at 12.4 billion gallons annually.

Corn Exports: U.S. corn exports for 2010/11 are projected up 100 million bushels to 2,100 million. Global corn imports are expected to increase modestly as world livestock production rebounds from the global economic recession. The increase in U.S. corn exports is expected to be limited by continued large global supplies of feed-quality wheat. Argentina is expected to remain the largest competitor to the United States. Exports from Brazil are expected to decline as increased domestic feeding reduces exportable supplies with Brazil losing market share to Argentina and the United States.

Corn Ending Stocks and Farm Prices: Corn ending stocks for 2010/11 are projected to decline 65 million bushels or 4 percent from the current year projection. The stocks-to-use ratio is projected at 12.5 percent, down slightly from the 13.1 percent projected for 2009/10. The season-average price received

by farmers is projected at $3.60 per bushel, down $0.10 from the midpoint of the projected range for 2009/10 forecast as forward pricing opportunities will be at lower levels than they were for the current year. Cash bids for fall delivery in Central Illinois have averaged $3.56 per bushel since mid-January. During the same period last year, prices for fall delivery at these locations averaged $3.67 per bushel. Prices for fall delivery also advanced sharply during last year's delayed planting season. With a return to more normal planting weather, such a rally is unlikely ahead of the 2010/11 marketing year.

Rice Supply, Demand, and Price Outlook for 2010/11 (Table 4)

Rice Supplies: Rice planted acreage for 2010 is projected at 3.2 million acres, up 2 percent from last year. Long-grain accounts for all of the area increase. Medium/short-grain acreage is projected to decline, with most of the decline occurring in the South. Assuming a normal harvested-to-planted ratio, harvested rice area is projected to increase 2 percent to 3.17 million acres in 2010. Based on 1990-2009 trend yields, the 2010 average field yield is forecast at 7,136 pounds per acre, up 51 pounds from a year earlier and the second highest on record. Production in 2010 is projected to increase almost 3 percent to 226 million cwt, with long-grain accounting for all of the increase. The total crop is second only to the 2004 record.

Total supplies are projected to increase 6 percent to a record 287.8 million cwt, a result of a larger crop, near-record imports, and very large carryin stocks. Long-grain accounts for almost all of the buildup in supplies in 2010/11. Carryin of all rice is projected at 39.8 million cwt, up 31 percent from a year earlier, with medium/short-grain accounting for most of the increase. Imports are projected to increase 5 percent to a near-record 22 million cwt, with both long- and medium/short-grain imports projected to increase.

Rice Use: Total use of rice has increased 15 percent over the past decade, with increases in exports accounting for almost 58 percent of the expansion. Total use in 2010/11 is projected at a near-record 238 million cwt, up 3 percent from a year earlier. Exports account for most of the increase in total use in 2010/11.

Rice Domestic Use: Total domestic and residual use is projected at a record 133 million cwt, an increase of almost 2 percent from a year earlier. The rate of annual increase in domestic and residual use in 2010/11 is higher than the population growth rate, indicating an increase in per capita disappearance of rice.

Rice Exports: Total U.S. rice exports in 2010/11 are projected at 105 million cwt (rough equivalent of rough, brown, and milled rice exports), up 4 percent from a year earlier. Larger U.S. supplies and more competitive prices are the main factors behind the stronger export forecast for 2010/11. Both milled rice (including brown rice) and rough-rice exports are projected to increase in 2010/11. Rough rice is shipped mostly to Latin America. By class, long-grain exports are projected to account for all of the U.S. rice export expansion, mostly due to the larger supplies and increased price competition in certain milled rice markets. Medium/short-grain exports are projected to remain unchanged from the 2009/10 record. U.S. medium/short-grain growers continue to benefit from export restrictions by Egypt and a lack of exportable supplies in Australia.

Rice Ending Stocks and Farm Prices: U.S. rice ending stocks are projected at 49.8 million cwt in 2010/11, a 25-percent increase from a year earlier and the largest since 1986/87. The stocks-to-use ratio is calculated at 20.9 percent, up from 17.2 percent a year earlier and the highest since 1992/93. The U.S. season-average farm price is projected at $12.50-$13.50 per cwt, down from the 2009/10 midpoint of

$14.30. The forecasted price decline for 2010/11 is based on weaker global rice prices and larger U.S. supplies. U.S. prices for both long-grain and medium/short-grain are projected to be lower in 2010/11.

Soybean Supply, Demand, and Price Outlook for 2010/11 (Table 5)

Soybean Supplies: Soybean supplies for 2010/11 are projected at 3,478 million bushels, down only slightly from 2009/10 as decreased production is mostly offset by higher expected carryin. Soybean production for 2010 is projected at 3,260 million bushels, 3 percent below last year due to both decreased area and a return to trend yields. Soybean plantings are projected to decrease 0.5 million acres to 77.0 million for the 2010 crop. Most of the decrease is expected in the Corn Belt as lower fertilizer prices boost corn plantings. In addition, increased cotton area will trim soybean plantings in the South. However, soybean area losses are limited by fewer winter wheat plantings. With normal abandonment, soybean harvested acreage is projected at 76 million acres. The national average yield is projected at 42.9 bushels per acre based on a simple trend of national average yields for 1989-2009. This is 1.1 bushels per acre below 2009 when abnormally cool weather and abundant moisture during the growing season resulted in a record yield of 44 bushels per acre.

Soybean Domestic Use: Soybean domestic use is projected at 1,822 million bushels, 4 percent below 2009/10. Soybean crush is projected to decrease by 65 million bushels (3.8 percent) in 2010/11 to 1,655 million. This would be the lowest crush since the 2003/04 marketing year. The expected reduction is driven by lower projected soybean meal exports as U.S. crushers face unprecedented competition from record soybean crops in South America. Minimal expansion of U.S. livestock herds and poultry flocks expected in 2010/11 will limit projected gains in domestic soybean meal disappearance to less than 1 percent. At a projected 30.8 million short tons, domestic soybean meal use for feeding is down 10 percent from the peak year of 2006/07. This decline is in part due to lack of growth in the livestock sector and in part due to increased availability of substitute protein supplies such as distillers grains and canola meal. Soybean meal prices for 2010/11 are projected to average $260 per short ton, down 12 percent from the midpoint of the projected range for 2009/10.

U.S. domestic disappearance of soybean oil is expected to increase to 17 billion pounds in 2010/11 as increased use for biodiesel production is only partly offset by declining domestic food use. U.S. biodiesel production from soybean oil is projected at 2.8 billion pounds, up 600 million from 2009/10. At this level, soybean oil accounts for just under half of expected U.S. biodiesel production from all fats and oils.

Soybean oil used for domestic food consumption is projected to decline again in 2010/11 as manufacturers continue to replace soybean oil with other vegetable oils to reduce transfats. This would be the sixth consecutive annual decline in food use of soybean oil for a 2.8 billion pound (16 percent) overall reduction since 2004/05. Soybean oil prices are projected at 33 cents per pound, down 2 cents from the projected range for 2009/10.

Soybean Export Demand:

U.S. soybean exports are projected to decline in 2010/11 to 1,325 million bushels from this season's record 1,400 million. Although only a slight decrease in U.S. soybean supplies is anticipated, the U.S. share of global trade is expected to be reduced due to sharply larger South American supplies. Record 2009/10 crops in Brazil and Argentina are expected to swell those countries' carryin stocks for 2010/11. Exports from both countries in 2010/11 will intensify global competition for U.S. exports. China will again dominate the global soybean market accounting for more than half of world imports. Key factors

affecting China's soybean imports for 2010/11 include growth in livestock production and government policies regarding stocks. Increases in soybean trade from other major importing countries--including the EU-27, Japan, Taiwan, and South Korea—are expected to be minimal.

Intense competition from Argentina and Brazil in 2010/11 is also projected to scale back U.S. exports of soybean meal and soybean oil from this year's record levels. U.S. soybean meal exports are projected to drop to 8.8 million short tons from 10.0 million in 2009/10. Although foreign soybean meal consumption growth will be steady, rising demand for imports will be met primarily by South American processors. For the EU-27, a modest rise in imports of soybean meal next year is expected to be offset by lower soybean imports.

U.S. soybean oil exports are projected to decline to 2 billion pounds in 20010/11, down from 3.25 billion this year. In the international market for soybean oil, both China and India will still play leading roles, but lower prices in 2010/11 will also encourage import gains from developing countries in the Middle East and North Africa. For the EU-27, import demand for soybean oil is expected to be constrained by another large domestic supply of rapeseed, which (supplemented by expanding biodiesel imports from Argentina) will provide most of the continent's biodiesel feedstock.

Soybean Ending Stocks and Farm Prices:

U.S. soybean ending stocks for 2010/11 are projected at 330 million bushels, up 120 million from the level projected for 2009/10. If realized, this would be the highest soybean ending stocks since the 2006/07 record of 574 million bushels. With the soybean stocks-to-use ratio at 10.5 percent compared with 6.4 percent forecast for 2009/10 and slightly lower corn prices, the season-average farm price for soybeans is projected at $8.80 per bushel, down from the $9.45 midpoint of the 2009/10 projected range.

Table 1. Wheat, Corn, and Soybean Planted Acreage, 2003-2010

	2003	2004	2005	2006	2007	2008	2009	2010 1/
	- Million Acres -							
Wheat	62.1	59.6	57.2	57.3	60.5	63.2	59.1	53.8
Corn	78.6	80.9	81.8	78.3	93.5	86.0	86.5	89.0
Soybeans	73.4	75.2	72.0	75.5	64.7	75.7	77.5	77.0
Total	214.1	215.7	211.0	211.1	218.7	224.9	223.1	219.8

1/ Projection
Source: 2003-2009, USDA, National Agricultural Statistics Service.

Table 2. Wheat Supply, Demand, and Price, 2007/08-2010/11

	2007/08	2008/09	2009/10 1/	2010/11 2/
Area planted (mil. ac.)	60.5	63.2	59.1	53.8
Area harvested	51.0	55.7	49.9	45.7
Yield (bu./ac.)	40.2	44.9	44.4	42.6
Production (mil. bu.)	2,051	2,499	2,216	1,945
Beginning stocks	456	306	657	981
Imports	113	127	115	110
Supply	2,620	2,932	2,988	3,036
Feed & residual	16	258	170	210
Food, seed & industrial	1,036	1,002	1,012	1,036
Total domestic use	1,051	1,260	1,182	1,246
Exports	1,263	1,015	825	850
Total use	2,314	2,275	2,007	2,096
Ending stocks	306	657	981	940
Stocks/use (percent)	13.2	28.9	48.9	44.8
Season-avg. farm price ($/bu.)	6.48	6.78	4.85	4.90

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 9, 2010. 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, 2007/08-2010/11

	2007/08	2008/09	2009/10 1/	2010/11 2/
Area planted (mil. ac.)	93.5	86.0	86.5	89.0
Area harvested	86.5	78.6	79.6	81.8
Yield (bu./ac.)	150.7	153.9	165.2	160.9
Production (mil. bu.)	13,038	12,092	13,151	13,160
Beginning stocks	1,304	1,624	1,673	1,719
Imports	20	14	10	15
Supply	14,362	13,729	14,834	14,894
Feed & residual	5,913	5,246	5,550	5,350
Ethanol fuel	3,049	3,677	4,300	4,500
Food, seed & other industrial	1,338	1,276	1,265	1,290
Total food, seed & industrial	4,387	4,953	5,565	5,790
Total domestic use	10,300	10,198	11,115	11,140
Exports	2,437	1,858	2,000	2,100
Total use	12,737	12,056	13,115	13,240
Ending stocks	1,624	1,673	1,719	1,654
Stocks/use (percent)	12.8	13.9	13.1	12.5
Season-avg. farm price ($/bu.)	4.20	4.06	3.70	3.60

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 9, 2010. 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.
Note: Totals may not add due to rounding.

Table 4. Rice Supply, Demand, and Price, 2007/08-2010/11

	2007/08	2008/09	2009/10 1/	2010/11 2/
Area planted (mil. ac.)	2.76	3.00	3.14	3.20
Area harvested	2.75	2.98	3.10	3.17
Yield (pounds/ac.)	7,219	6,846	7,085	7,136
Production (mil. cwt)	198.4	203.7	219.9	226.0
Beginning stocks	39.3	29.4	30.4	39.8
Imports	23.9	19.2	21.1	22.0
Supply	261.6	252.4	271.3	287.8
Total domestic & residual use	127.4	128.4	130.5	133.0
Exports	104.7	93.6	101.0	105.0
Total use	232.2	222.0	231.5	238.0
Ending stocks	29.4	30.4	39.8	49.8
Stocks/use (percent)	12.7	13.7	17.2	20.9
Season avg. farm price ($/cwt.)	12.80	16.80	14.15	13.00

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 9, 2010. The season average price is the mid-point of the projected 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 5. Soybeans Supply, Demand, and Price, 2007/08-2010/11

	2007/08	2008/09	2009/10 1/	2010/11 2/
Area planted (mil. ac.)	64.7	75.7	77.5	77.0
Area harvested	64.1	74.7	76.4	76.0
Yield (bu./ac.)	41.7	39.7	44.0	42.9
Production (mil. bu.)	2,677	2,967	3,361	3,260
Beginning stocks	574	205	138	210
Imports	10	13	8	8
Supply	3,261	3,185	3,507	3,478
Crush	1,803	1,662	1,720	1,655
Seed 3/	89	90	89	86
Residual	5	12	88	82
Total domestic use	1,897	1,764	1,897	1,822
Exports	1,159	1,283	1,400	1,325
Total use	3,056	3,047	3,297	3,147
Ending stocks	205	138	210	330
Stocks/use (percent)	6.7	4.5	6.4	10.5
Season-avg. farm price ($/bu.)	10.10	9.97	9.45	8.80

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*, February 9, 2010. The season-average price is the midpoint of the projected range from the same report.
2/ Projections based on analysis by USDA's Oilseeds Interagency Commodity Estimates Committee.
3/ Seed use estimates are revised from the *World Agricultural Supply and Demand Estimates*, February 9, 2010, based on updated average row width estimates. Changes from previous seed use estimates are offset by adjustments to residual use.
Note: Totals may not add due to rounding.

Table 6. Soybean Meal Supply, Demand, and Price, 2007/08-2010/11

	2007/08	2008/09	2009/10 1/	2010/11 2/
Production (thou. short tons) 3/	42,284	39,104	40,525	39,435
Beginning stocks	343	294	235	300
Imports	141	88	140	165
Supply	42,768	39,486	40,900	39,900
Domestic Use	33,232	30,743	30,600	30,800
Exports	9,242	8,508	10,000	8,800
Total use	42,474	39,251	40,600	39,600
Ending stocks	294	235	300	300
Avg. price ($/short ton) 4/	335.94	331.17	295.00	260.00

1/ Beginning stocks are estimates from the U.S. Census Bureau. Production, imports, use, ending stocks, and average price are projections from the *World Agricultural Supply and Demand Estimates*, February 9, 2010. The average price is the midpoint of the projected range from the same report.
2/ Projections based on analysis by USDA's Oilseeds Interagency Commodity Estimates Committee.
3/ The soybean meal marketing year is October through September.
4/ The average price is for 48-percent protein soybean meal at Decatur, Illinois.
Note: Totals may not add due to rounding.

Table 7. Soybean Oil Supply, Demand, and Price, 2007/08-2010/11

	2007/08	2008/09	2009/10 1/	2010/11 2/
Production (mil. lbs.) 3/	20,580	18,746	19,160	18,785
Beginning stocks	3,085	2,485	2,742	2,227
Imports	65	90	75	85
Supply	23,730	21,321	21,977	21,097
Domestic Use	18,335	16,385	16,500	17,000
Methyl Ester	3,245	1,907	2,200	2,800
Exports	2,911	2,193	3,250	2,000
Total use	21,246	18,578	19,750	19,000
Ending stocks	2,485	2,742	2,227	2,097
Avg. price (cents/lb.) 4/	52.0	32.2	35.0	33.0

1/ Beginning stocks are estimates from the U.S. Census Bureau. Production, imports, use, ending stocks, and average price are projections from the *World Agricultural Supply and Demand Estimates*, February 9, 2010. The average price is the midpoint of the projected range from the same report.
2/ Projections based on analysis by USDA's Oilseeds Interagency Commodity Estimates Committee.
3/ The soybean oil marketing year is October through September.
4/ The average price is for crude soybean oil at Decatur, Illinois.
Note: Totals may not add due to rounding.