

# USDA SUPPLY & DEMAND REVIEW

May 10, 2012

## SOYBEANS

**SOYBEANS:** The USDA report was considered supportive for soybeans, and the market is called 15-20 cents higher on the opening. The USDA pegged US soybean ending stocks for the 2011/12 season at 210 million bushels, which was slightly supportive against expectations and compares with 250 million estimated last month. For the 2012/13 season, ending stocks are projected at just 145 million bushels which is 20 million below expectations and is the lowest May estimate since 1988. World ending stocks for the 2011/12 season came in at 53.2 million tonnes which was right on expectations and compares with 55.52 million last month and down from 70.1 million last year. Brazil production came in at 65 million, down from 66 million last month and Argentina was revised down to 42.5 million from 45 million last month.

USDA SUPPLY/DEMAND				
US SOYBEANS	May	Apr	May	May
	USDA	USDA	USDA	USDA
	10-11	11-12	11-12	12-13
Area (M Acres)				
Planted	77.4	75.0	75.0	73.9
Harvested	76.6	73.6	73.6	73.0
Yield (Bu/Acre)	43.5	41.5	41.5	43.9
Beginning Stocks (M Bu)				
Production	3,329	3,056	3,056	3,205
Imports	14	15	15	15
Supply, Total	3,495	3,286	3,286	3,430
Crushings				
Exports	1,501	1,290	1,315	1,505
Seed	87	86	86	89
Residual	43	30	30	36
Use, Total	3,280	3,036	3,076	3,285
Ending Stocks	215	250	210	145
Stocks/Use Ratio	6.6%	8.2%	6.8%	4.4%

USDA SUPPLY/DEMAND				
WORLD SOYBEANS (Million Metric Tons)	May	Apr	May	May
	USDA	USDA	USDA	USDA
	10-11	11-12	11-12	12-13
Supply				
Beginning Stocks	60.54	69.12	70.10	53.24
Production	264.69	240.15	236.87	271.42
Imports	88.85	88.45	89.42	95.82
Use				
Crush, Domestic	221.17	223.30	224.11	234.22
Total Domestic	251.34	253.20	254.14	265.14
Exports	92.64	89.00	89.01	97.26
Ending Stocks	70.10	55.52	53.24	58.07
Stocks/Use Ratio	27.9%	21.9%	20.9%	21.9%

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## CORN

**CORN:** The USDA report this morning was considered bearish against trade expectations with the market called to open 10-15 cents lower. The USDA pegged ending stocks for the 2011/12 season at 851 million bushels which was up 50 million from last month and up about 100 million from trade expectations. Feed usage was adjusted lower by 50 million bushels and other usage numbers were left unchanged on the month. Brazil production was revised to 67 million tonnes from 62 million last month, As a result, world ending stocks came in at 127.56 million tonnes as compared with expectations at near 122 million. For the new crop season, the USDA pegged yield at a record high 166 bu/acre which pushed ending stocks to a whopping 1.881 billion bushels which is up from trade expectations near 1.71 billion. Total usage is pegged at 13.775 billion from 12.655 billion this season.

USDA SUPPLY/DEMAND				
US CORN	May	Apr	May	May
	USDA	USDA	USDA	USDA
	10-11	11-12	11-12	12-13
Area (M Acres)				
Planted	88.2	91.9	91.9	95.9
Harvested	81.4	84.0	84.0	89.1
Yield (Bu/Acre)	152.8	147.2	147.2	166.0
Beginning Stocks (M Bu)	1,708	1,128	1,128	851
Production	12,447	12,358	12,358	14,790
Imports	28	20	20	15
Supply, Total	14,182	13,506	13,506	15,656
Feed & Residual	4,793	4,600	4,550	5,450
Food, Seed & Industry	6,428	6,405	6,405	6,425
Ethanol for Fuel	5,021	5,000	5,000	5,000
Domestic Total	11,220	11,005	10,955	11,875
Total Exports	1,835	1,700	1,700	1,900
Use, Total	13,055	12,705	12,655	13,775
Ending Stocks	1,128	801	851	1,881
Stocks/Use Ratio	8.6%	6.3%	6.7%	13.7%

USDA SUPPLY/DEMAND				
WORLD CORN	May	Apr	May	May
	USDA	USDA	USDA	USDA
(Million Metric Tons)	10-11	11-12	11-12	12-13
Supply				
Beginning Stocks	143.93	125.02	124.43	127.56
Production	829.12	864.97	870.45	945.78
Imports	92.69	93.15	93.46	98.82
Use				
Feed, Domestic	501.07	509.03	508.48	549.54
Total Domestic	848.62	867.29	867.32	921.01
Exports	91.35	96.56	96.97	104.22
Ending Stocks	124.43	122.71	127.56	152.34
Stocks/Use Ratio	14.7%	14.1%	14.7%	16.5%

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## WHEAT

**WHEAT:** The USDA report this morning was considered mixed with the wheat market called to open 4-6 cents lower. The USDA pegged winter wheat production at 1.694 billion bushels which was about 55 million above trade expectations and compares with 1.494 billion last year. All wheat production was pegged at 2.245 billion bushels which is up 50 million from expectations and compares with 1.999 billion last year. The USDA pegged US ending stocks for the 2011/12 season at 768 million bushels which was about 12 million below trade expectations and down from 793 million last month. For the 2012/13 season, ending stocks were pegged at 735 million bushels which is 50 million below trade expectations. World ending stocks for the 2011/12 season came in at 197.03 million tonnes as compared with 206.27 million last month as feed usage was revised up by 16.5 million tonnes. For the 2012/13 season, world ending stocks were pegged at 188.13 million.

USDA SUPPLY/DEMAND				
US WHEAT	May	Apr	May	May
	USDA	USDA	USDA	USDA
	10-11	11-12	11-12	12-13
Area (M Acres)				
Planted	53.6	54.4	54.4	55.9
Harvested	47.6	45.7	45.7	49.2
Yield (Bu/Acre)	46.3	43.7	43.7	45.7
Beginning Stocks (M Bu)	976	862	862	768
Production	2,207	1,999	1,999	2,245
Imports	97	120	120	120
Total Supply	3,279	2,982	2,982	3,133
Food	926	930	930	945
Seed	71	79	79	73
Feed/Residual	132	180	180	230
Domestic Total	1,128	1,189	1,189	1,248
Total Exports	1,289	1,000	1,025	1,150
Use, Total	2,417	2,189	2,214	2,398
Ending Stocks	862	793	768	735
Stocks/Use Ratio	35.7%	36.2%	34.7%	30.7%

USDA SUPPLY/DEMAND				
WORLD WHEAT	May	Apr	May	May
	USDA	USDA	USDA	USDA
(Million Metric Tons)	10-11	11-12	11-12	12-13
Supply				
Beginning Stocks	200.06	198.72	196.74	197.03
Production	651.14	694.32	694.64	677.56
Imports	131.65	139.59	141.46	135.33
Use				
Feed, Domestic	116.33	137.89	147.64	133.70
Total Domestic	654.46	686.76	694.35	686.47
Exports	132.43	143.73	146.74	137.02
Ending Stocks	196.74	206.27	197.03	188.13
Stocks/Use Ratio	30.1%	30.0%	28.4%	27.4%

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