



August '10 USDA Supply and Demand Estimates						
(In Millions Bushels)						
	Corn		Wheat		Soybeans	
	09/'10	10/'11	09/'10	10/'11	09/'10	10/'11
Area						
Planted	86.5	87.9	59.1	54.3	77.5	78.9
Harvested	79.6	81.0	49.9	48.3	76.4	78.0
Yield per harvested acre	164.7	165.0	44.4	46.9	44.0	44.0
Beginning Stocks	1,673	1,426	657	973	138	160
Production	13,110	13,365	2,216	2,265	3,359	3,433
Imports	8	10	119	100	15	10
Supply, total	14,791	14,802	2,991	3,338	3,512	3,603
Feed and residual	5,525	5,350	149	170	133	158
Food, seed & industrial	5,865	6,090	987	1,016	1,750	1,650
Ethanol for fuel	4,500	4,700	-	-	-	-
Domestic, total	11,390	11,440	1,137	1,186	1,883	1,808
Exports	1,975	2,050	881	1,200	1,470	1,435
Use, total	13,365	13,490	2,018	2,386	3,353	3,243
Ending stocks, total	1,426	1,312	973	952	160	360
Domestic Stocks to Use, %	10.67%	9.72%	48.23%	39.90%	4.76%	11.10%
Domestic Stocks to Use, Days	38.9	35.5	176.1	145.6	17.4	40.5

*Significant changes are highlighted

- **'09/'10 Corn** – Slightly Bullish
 - Feed and residual as well as export use was increased by 25 million bushels each.
 - Ethanol usage was revised 50 million bushels lower leaving ending stocks down 125 million bushels from last month's estimate.
 - Ending stocks were 52 million bushels lower at 1.43 billion bushels and below private estimates.
- **'10/'11 Corn** – Neutral
 - Yield was increased to 165 bushels/acre based on the first USDA field surveys expanding total production by 120 million bushels.
 - Exports were increased 100 million bushels reflected changing world needs with the Black Sea drought.
 - Ending stocks are projected at about 1.31 billion bushels or a historically very tight 35.5 days of use. This was in line with trade estimates.
- **'09/'10 Soybeans** - Neutral
 - The crush and export estimates were increased 5 and 10 million bushels respectively leaving ending stocks at 160 million bushels or a very tight 17.4 days of use.
 - This was in line with trade estimates.
- **'10/'11 Soybeans** - Neutral
 - Yield was increased to 44 bushels/acre based on the first USDA field surveys expanding total production by 88 million bushels.
 - Exports were increased by 65 million bushels leaving ending stocks unchanged at a comfortable 360 million bushels or 40.5 days of use
 - This was slightly above trade estimates.



- **Other Markets – Bullish**
 - World wheat production for the '10/'11 market year was revised down 15.9 million tons (585 million bushels) due to drought conditions in the Black Sea region. This pushed projected world ending stocks down 12.3 million tons to 174.8 million total which is still 49.9 million tons higher than the '07/'08 lows. The market was surprised by the severity of the production cut.
 - World coarse grain production was estimated down 10.6 million tons (417 million bushels) due to the same reasons as wheat. Ending stocks projections declined 8.1 million tons including a 1.9 million ton reduction in corn to 174 and 139 million tons for coarse grains and corn respectively.
 - US meat production was revised lower for 2010 with lower cattle carcass weights and reduced Canadian hog imports. Dairy production was estimated higher with increased livestock numbers and greater efficiency in milk per cow but increased exports offset expanded production.

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