



# USDA Report

## USDA Lowers Quarterly Crop Demand for Corn, Soybeans and Wheat

U.S. CROP PRODUCTION 2017-2018 (million bushels)						
	Jan.	Avg.	High	Low	Dec.	2016-17
<b>Corn</b>	14,604	14,557	14,663	14,434	14,578	15,148
<b>Soybeans</b>	4,391	4,425	4,466	4,385	4,425	4,296
<b>Sorghum</b>	364	355	358	352	356	480
WINTER WHEAT ACREAGE (million acres) 2018-19						
	Jan.	Avg.	High	Low		2017-18
<b>All Winter</b>	32.6	31.4	32.0	30.1		32.7
<b>Hard Red</b>	23.1	22.4	22.9	21.1		23.4
<b>Soft Red</b>	6.0	5.5	5.9	5.2		5.7
<b>White</b>	3.6	3.5	3.8	3.1		3.5
QUARTERLY STOCKS (billion bushels)						
(Report date 1/12/18)	12/1/17	Avg.	High	Low	9/1/17	12/1/16
<b>Corn</b>	12.516	12.407	12.675	12.230	2.295	12.386
<b>Soybeans</b>	3.157	3.186	3.305	2.963	0.301	2.898
<b>Wheat</b>	1.873	1.849	1.906	1.795	2.253	2.077
<b>Sorghum</b>	0.226	0.305	0.310	0.300	0.034	0.308
U.S. ENDING STOCKS (billion bushels) 2017-2018						
	Jan.	Avg.	High	Low	Dec.	2016-17
<b>Corn</b>	2.477	2.414	2.519	2.263	2.437	2.295
<b>Soybeans</b>	0.470	0.477	0.595	0.425	0.445	0.301
<b>Sorghum</b>	0.240	0.019	0.022	0.016	0.021	0.034
<b>Wheat</b>	0.989	0.962	0.987	0.855	0.960	1.181
WORLD ENDING STOCKS (million tonnes) 2017-2018						
	Jan.	Avg.	High	Low	Dec.	2016-17
<b>Corn</b>	206.6	202.9	205.8	198.5	204.1	227.3
<b>Soybeans</b>	98.6	99.1	100.5	97.0	98.3	96.6
<b>Wheat</b>	268.0	267.9	271.0	265.0	268.4	255.3
WORLD PRODUCTION (million metric tons)						
	2017-18			2016-17		
	Jan.	Dec.		Jan.	Dec.	
<b>Argentina wheat</b>	17.5	17.5		18.4	18.4	
<b>Australia wheat</b>	21.5	21.5		30.4	33.5	
<b>Argentina corn</b>	42.0	42.0		41.0	41.0	
<b>Brazil corn</b>	95.0	95.0		98.5	98.5	
<b>Argentine soybeans</b>	57.0	57.0		57.8	57.8	
<b>Brazil soybeans</b>	110.0	108.0		114.1	114.1	



USDA on Friday tinkered with crop production for corn and soybeans but the bigger number changes came in Quarterly Grain Stocks where usage in the first-quarter of the 2017-18 crop year is down for corn, soybeans and wheat.

USDA lowered soybean production in the January annual Crop Production summary for the 2017-18 crop, lowering soybean production 34 million bushels to 4.39 billion bushels, still marking a record crop.

USDA also slightly increased corn production, bumping up the 2017-18 crop by 26 million bushels to 14.6 billion bushels.

USDA released the monthly World Agricultural Supply and Demand report, Quarterly Grain Stocks report, annual Crop Production and Winter Wheat Seedings reports.

## Quarterly Grain Stocks

Quarterly "disappearance" or usage for corn, soybeans and wheat are all below last year's use for the 2017-18 crop so far, reflecting slightly lower demand in the first quarter for both crops than a year ago.

Corn disappearance for September-November was **4.38** billion bushels compared to **4.5** billion bushels over the same period last year. Corn stored in all positions on December 1 totaled 12.516 billion bushels, which came in slightly above pre-report expectations. On-farm storage totaled 7.74 billion bushels, up 2% from a year ago. Off-farm storage was pegged at 4.78 billion bushels, up slightly from last year.

Soybean disappearance from September-November totaled **1.54** billion bushels, **down 4%** from a year ago. Total soybeans stored on December 1 amounted to 3.157 billion bushels, up 9% from a year ago. On-farm storage accounted for 1.49 billion bushels, which is 11% higher than in December 2016. Off-farm soybean stocks were pegged at 1.67 billion bushels, up 7% from a year earlier.

Wheat disappearance from September to November was 393 million bushels, down 16% from the same period last year. All-wheat stored on December 1 totaled 1.87 billion bushels, down 10% from a year ago. On-farm stocks are estimated at 393 million bushels, down 31% from a year ago. Off-farm stocks were pegged at 1.48 billion bushels, down 2% from a year earlier.

## Crop Production

Corn production came in at 14.6 billion bushels, down 4% from 2016, and just slightly above the pre-report average estimate. Average yield, however, was bumped up to a record high of 176.6 bushels per acre, 2 bushels above the 2016-17 crop. Area harvested for grain was pegged at 82.7 million acres, down 5% from last year's crop.

Soybean production, projected at a record 4.39 billion bushels, came in below analysts' pre-report average expectations. The average yield is pegged at 49.1 bushels per acre, which is 2.9 bushels below 2016's record yield. Harvested acreage was up 8% from a year ago at 89.5 million bushels.

## 2017-18 World Agricultural Supply and Demand Estimates

The monthly WASDE raised corn ending stocks for the 2017-18 crop by 40 million bushels for the crop year to 2.48 billion bushels. Total corn supply was increased by 25 million bushels while feed and residual use for the 2017-18 corn crop was lowered by 25 million bushels as well. Total domestic use was pegged at 15 million bushels lower than a month ago.



The average farm-gate price for the 2017-18 corn crop was bumped up 5 cents to \$3.25 a bushel.

USDA increased soybean ending stocks for the 2017-18 crop by 25 million bushels to 470 million bushels. Production was lowered by 33 million bushels and total supply was lowered 34 million bushels. USDA also lowered U.S. soybean exports for the 2017-18 crop by 65 million bushels, reflecting lagging sales commitments through December and increased competition with higher soybean production globally and export forecasts for Brazil.

The average farm-gate price for soybeans remained at \$9.30 a bushel.

Globally, the main change in the WASDE was USDA bumped up Brazilian soybean production for the 2017-18 crop by 2 million metric tons to 110 million metric tons. Argentine soybean production remained pegged at 57 million metric tons.

2017-18 ending stocks for wheat were bumped up 29 million bushels to 989 million bushels. USDA lowered feed and residual use by 20 million bushels while increasing overall supply by 5 million bushels.

### **Winter Wheat Seeding**

Winter wheat planter acreage totaled 32.6 million acres, down 1% from last year, again marking the lowest winter wheat acreage in more than a century.

Hard Red Winter Wheat acres totaled 23.1 million acres, down 300,000 acres from a year ago, but still higher than pre-report expectations. Soft Red Winter Wheat totaled 5.98 million acres for the new crop while White Winter Wheat acreage is pegged at 3.56 million acres.