

USDA Grain Supply/Demand Summary

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INTL FCStone

October 12, 2017

October-17

	U.S. Corn Supply/Demand (mb)				World Corn Supply/Demand (mmt)			
	Sept	Oct	Sept	Oct	Sept	Oct	Sept	Oct
	USDA	USDA	USDA	USDA	USDA	USDA	USDA	USDA
	<u>16/17</u>	<u>10/17</u>	<u>17/18</u>	<u>17/18</u>	<u>16/17</u>	<u>10/17</u>	<u>17/18</u>	<u>17/18</u>
Planted	94.0	94.0	90.9	90.4				
Harvested	86.7	80.7	83.5	83.1				
Yield	174.6	174.0	169.9	171.8				
Carryin	1737	1737	2350	2205	213.86	213.96	226.96	226.00
Production	15148	15148	14184	14280	1071.23	1075.33	1032.63	1036.80
Imports	55	57	50	50				
Supply	16940	16942	16585	16625	1285.09	1289.31	1259.59	1265.70
Feed	5425	5404	5475	5500	630.52	632.52	650.28	650.48
Exports	2295	2293	1850	1850				
Ethanol	5435	5438	5475	5475				
Other Ind	1435	1452	1450	1400				
Demand	14590	14647	14250	14285	1058.13	1062.33	1057.13	1064.83
Carryout	2350	2205	2335	2340	226.96	226.00	202.47	200.00
CO/Use	0.161	0.157	0.164	0.164	0.214	0.214	0.192	0.189
Price	\$3.35	\$3.35	\$2.80	\$2.80	ARG Prod: 16/17		41.0; unch	
range	\$0.00		\$3.60	\$3.60	BRZ Prod: 16/17		98.5; unch	

	U.S. Soybean Supply/Demand (mb)				World Soybean Supply/Demand (mmt)			
	Sept	Oct	Sept	Oct	Sept	Oct	Sept	Oct
	USDA	USDA	USDA	USDA	USDA	USDA	USDA	USDA
	<u>16/17</u>	<u>10/17</u>	<u>17/18</u>	<u>17/18</u>	<u>16/17</u>	<u>10/17</u>	<u>17/18</u>	<u>17/18</u>
Planted	83.4	83.4	89.5	90.2				
Harvested	82.7	82.7	88.7	80.5				
Yield	52.1	52.0	49.9	40.5				
Carryin	197	197	345	301	77.74	77.74	95.96	94.86
Production	4307	4200	4431	4431	351.44	351.25	348.44	347.88
Imports	25	22	25	25				
Supply	4528	4515	4801	4757	429.18	428.99	444.40	442.74
Crush	1895	1800	1940	1940	288.51	288.40	300.65	301.25
Exports	2170	2174	2250	2250				
Seed	104	105	101	101				
Residual	14	30	35	35				
Demand	4183	4214	4326	4326	329.77	330.28	344.30	344.37
Carryout	345	301	475	430	95.96	94.86	97.53	96.05
CO/Use	0.082	0.071	0.110	0.099	0.291	0.287	0.283	0.279
Price	\$9.50	\$9.50	\$8.35	\$8.35	Brazil Prod: 16/17		114.1; +0.1	
range			\$10.05	\$10.05	Argentina Prod: 16/17		57.8; unch	



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	<u>U.S. Wheat Supply/Demand (mb)</u>				<u>World Wheat Supply/Demand (mmt)</u>			
	Sept USDA <u>16/17</u>	Oct USDA <u>16/17</u>	Sept USDA <u>17/18</u>	Oct USDA <u>17/18</u>	Sept USDA <u>16/17</u>	Oct USDA <u>16/17</u>	Sept USDA <u>17/18</u>	Oct USDA <u>17/18</u>
Planted	50.2	50.1	45.7	46.0				
Harvested	44.1	43.0	38.1	37.0				
Yield	52.6	52.7	45.6	40.3				
Carryin	976	970	1184	1161	241.19	241.20	255.83	250.58
Production	2310	2300	1739	1741	753.31	754.15	744.85	751.10
Imports	118	118	150	150				
Supply	3403	3402	3074	3071	994.50	995.35	1000.68	1007.77
Food	949	940	950	950				
Exports	1055	1055	975	975				
Seed	61	61	66	66				
Feed/Res	154	157	150	120				
Demand	2219	2222	2141	2111	738.67	738.77	737.54	739.63
Carryout	1184	1181	933	960	255.83	250.58	263.14	266.13
CO/Use	0.534	0.532	0.436	0.455	0.346	0.347	0.357	0.363
Price range	\$3.89	\$3.89	\$4.30 \$4.90	\$4.40 \$4.80	AUS Prod: 17/18		21.5; -1.0	
					CAN Prod: 17/18		27.0; +0.5	

Summary: soybean yields cut while carryouts tighten overall

Corn: old-crop (2016/17) carryout is cut by 55 million bushels to match the Sept 1 stocks report, thanks to demand increases in the feed and "other industrial" categories. For the new-crop, acres fall by 400k but yields up by a sharp 1.9 bushels per acre, leaving overall 2017 production up nearly 100 million bushels. However, NC feed use rises 25 mbu and combined with that increased OC demand, overall ending stocks for 2017/18 rise just 5 mbu. World carryout for '17/18 falls by 1.5 million tonnes despite a 6.2 MMT gain in production - the U.S. accounts for +2.4 MMT of that but where is the rest of the increase? Somewhere in the "total foreign" category...world usage up sharply in "other" countries too, as well as a +2 MMT in Chinese domestic demand.

Beans: 2016/17 carryout falls 44 mbu to match the stocks report, almost every category on both sides of that OC balance table is shaved slightly to get to that number. 2017 soybean acreage down 700-800k but yields are up by 0.7 bpa, leaving production basically unchanged. Overall 2017/18 stocks fall 45 mbu, a greater loss than the trade was expecting. World soybean carryouts trimmed for both crop years on U.S. tightening, ARG/BRZ production estimates unchanged.

Wheat: planted acreage up, harvested acreage down for 2017 with yields subsequently up 0.7 bpa, while production winds up roughly even here as well. Carryout does rise 27 mbu this month due to a 30 mbu cut in feed/residual usage - that 960 mbu stockpile is on the high end of expectations. World wheat production for 2017 rises 6.2 MMT (carryout is up 5 MMT this month) thanks to output increases in the E.U., India, and Russia...

Results: trade noting those reduced soybean carryouts most importantly, with production not rising to match strong demand, and world stocks trimmed as well.