

USDA Grain Supply and Demand Summary

INTL FCStone Grains and Oilseeds Dave Smoldt 515-223-3762

INTL FCStone

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March 8, 2018

March-18

U.S. Corn Supply/Demand (mb)				World Corn Supply/Demand (mmt)			
	Mar	Mar	Feb	Mar	Mar	Feb	Mar
	USDA	USDA	USDA	USDA	USDA	USDA	USDA
	15/16	16/17	17/18	17/18	15/16	16/17	17/18
Planted	88.0	94.0	90.2	90.2			
Harvested	80.8	86.7	82.7	82.7			
Yield	168.4	174.0	176.6	176.0			
Carryin	1731	1737	2293	2293	209.78	215.00	229.76
Production	13602	15148	14604	14604	973.45	1075.23	1041.73
Imports	67	57	50	50			
Supply	15401	16942	16947	16947	1183.23	1290.23	1271.49
Feed	5114	5407	5550	5550	601.78	631.68	650.57
Exports	1901	2293	2050	2225			
Ethanol	5224	5439	5525	5575			
Other Ind	1425	1450	1470	1470			
Demand	13664	14640	14595	14620	968.23	1058.37	1068.41
Carryout	1737	2293	2352	2127	215.00	231.66	203.09
CO/Use	0.127	0.157	0.161	0.144	0.222	0.210	0.190
Price range	\$3.61	\$3.36	\$3.05	\$3.15			
			\$3.55	\$3.55			
					ARG Prod: 17/18		36.0; -3.0
					BRZ Prod: 17/18		94.5; -0.5

U.S. Soybean Supply/Demand (mb)				World Soybean Supply/Demand (mmt)			
	Mar	Mar	Feb	Mar	Mar	Feb	Mar
	USDA	USDA	USDA	USDA	USDA	USDA	USDA
	15/16	16/17	17/18	17/18	15/16	16/17	17/18
Planted	82.7	83.4	90.1	90.1			
Harvested	81.8	82.7	89.5	89.5			
Yield	48.0	52.0	49.1	49.1			
Carryin	191	197	302	302	77.89	78.28	96.14
Production	3926	4296	4392	4392	313.77	351.32	346.92
Imports	24	22	25	25			
Supply	4140	4515	4718	4718	391.66	429.60	443.06
Crush	1886	1899	1950	1960	275.36	288.50	300.10
Exports	1942	2174	2100	2065			
Seed	97	105	106	106			
Residual	18	30	33	33			
Demand	3944	4213	4188	4163	314.15	329.77	343.20
Carryout	197	302	530	555	78.28	96.05	98.14
CO/Use	0.050	0.072	0.127	0.133	0.249	0.293	0.286
Price range	\$8.95	\$9.50	\$8.90	\$9.00			
			\$9.70	\$9.60			
					Brazil Prod: 17/18		113.0; +1.0
					Argentina Prod: 17/18		47.0; -7.0



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	U.S. Wheat Supply/Demand (mb)				World Wheat Supply/Demand (mmt)			
	Mar USDA <u>15/16</u>	Mar USDA <u>16/17</u>	Feb USDA <u>17/18</u>	Mar USDA <u>17/18</u>	Mar USDA <u>15/16</u>	Mar USDA <u>16/17</u>	Feb USDA <u>17/18</u>	Mar USDA <u>17/18</u>
Planted	55.0	50.1	46.0	46.0				
Harvested	47.3	43.9	37.6	37.0				
Yield	43.6	52.7	46.3	46.3				
Carryin	752	976	1181	1181	217.89	241.40	252.64	252.00
Production	2062	2300	1741	1741	<u>735.21</u>	<u>750.51</u>	<u>758.25</u>	<u>758.79</u>
Imports	113	118	155	155				
Supply	2927	3402	3076	3076	953.10	992.00	1010.89	1011.30
Food	957	940	955	955				
Exports	778	1055	950	925				
Seed	67	61	62	62				
Feed/Res	149	156	100	100				
Demand	1952	2222	2067	2042	711.61	730.30	744.79	742.50
Carryout	976	1181	1009	1034	241.49	252.00	266.10	266.80
CO/Use	0.500	0.532	0.488	0.506	0.339	0.342	0.357	0.362
Price range	\$4.89	\$3.89	\$4.55	\$4.00	AUS Prod: 17/18		21.5; unch	
			\$4.65	\$4.70	CAN Prod: 17/18		30.0; unch	

Summary: sharp domestic corn stocks cut save report from being overly bearish

Corn: U.S. corn carryout for 2017/18 was cut by 225 million bushels this month, thanks to a sharp 175 mbu increase in exports and another 50 mbu gain in corn use for ethanol - that was about 200 mbu more lopped off than the trade expected. On the global S&D, an increase in world carryin in '17/18 aided that S&D but overall carryout fell 4 MMT anyway, thanks to stronger demand in the U.S., Brazil, and China among others. World production was basically unchanged despite a 3 MMT loss in Argentina and a half-million-tonne cut in Brazil (still an aggressive estimate there at 94.5 MMT), while the E.U. output rose by 1 MMT this month.

Beans: '17/18 carryout added another 25 mbu this month due to a 35 mbu cut in exports overwhelming another 10 mbu gain in domestic crush, to a robust 555 mbu. World bean stocks fell by 3.75 MMT (a bit more than expected) with production down 6 MMT. Argentine output fell by a sharp 7 MMT this month while BRZ rose a million, to a still-conservative 113 MMT.

Wheat: the only change in the domestic wheat S&D was a 25 mbu loss in exports, and a subsequent 25 mbu gain in carryout for the 2017/18 season - not unexpected by the trade. Global production edged a bit higher this month while carryout rose by 2.8 MMT, thanks to a demand drop in India, leaving that world number well above the average trade guess for the report.

Results: trade had it pegged fairly well going in, in terms of the differing fates of the grains; King Corn is holding up the complex post-report as the USDA got aggressive in slashing the massive domestic and global carryouts heading into the 2018 U.S. acreage mix.

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