

USDA Grain Supply and Demand Summary

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

INTL FCStone

August 10, 2018

August-18

U.S. Corn Supply/Demand (mb)

	Aug USDA <u>16/17</u>	Aug USDA <u>17/18</u>	July USDA <u>18/19</u>	Aug USDA <u>18/19</u>
Planted	94.0	90.2	89.1	89.1
Harvested	86.7	82.7	81.8	81.8
Yield	174.6	176.6	174.0	178.4
Carryin	1737	2203	2027	2027
Production	15148	14804	14230	14586
Imports	<u>57</u>	<u>40</u>	<u>50</u>	<u>50</u>
Supply	16942	16037	16307	16004
Feed	5470	5450	5425	5525
Exports	2294	2400	2225	2350
Ethanol	5432	5000	5625	5025
Other Ind	<u>1452</u>	<u>1460</u>	<u>1480</u>	<u>1480</u>
Demand	14649	14910	14755	14980
Carryout	2293	2027	1552	1684
CO/Use	0.157	0.136	0.105	0.112
Price range	\$3.36	\$3.35	\$3.30	\$3.10
		\$3.45	\$4.30	\$4.10

World Corn Supply/Demand (mmt)

	Aug USDA <u>16/17</u>	Aug USDA <u>17/18</u>	July USDA <u>18/19</u>	Aug USDA <u>18/19</u>
Carryin	210.07	227.83	191.73	103.33
Production	<u>1078.56</u>	<u>1033.30</u>	<u>1054.30</u>	<u>1001.05</u>
Supply	1288.63	1201.13	1246.03	1254.38
Feed	633.24	650.69	666.66	671.40
Demand	1060.80	1067.80	1094.08	1096.89
Carryout	227.83	103.33	151.96	155.49
CO/Use	0.218	0.181	0.139	0.141
ARG Prod: 17/18			33.0;	unch
BRZ Prod: 17/18			83.0;	-0.5

U.S. Soybean Supply/Demand (mb)

	Aug USDA <u>16/17</u>	Aug USDA <u>17/18</u>	July USDA <u>18/19</u>	Aug USDA <u>18/19</u>
Planted	83.4	90.1	89.6	89.6
Harvested	82.7	80.5	88.9	88.9
Yield	52.0	40.1	48.5	51.6
Carryin	197	302	465	430
Production	4296	4392	4310	4586
Imports	<u>22</u>	<u>22</u>	<u>25</u>	<u>25</u>
Supply	4515	4715	4800	5040
Crush	1901	2040	2045	2060
Exports	2166	2110	2040	2000
Seed	105	104	103	103
Residual	<u>41</u>	<u>32</u>	<u>32</u>	<u>33</u>
Demand	4214	4260	4220	4256
Carryout	302	430	580	785
CO/Use	0.072	0.100	0.137	0.184
Price range	\$9.47	\$9.35	\$8.00	\$7.65
			\$10.50	\$10.15

World Soybean Supply/Demand (mmt)

	Aug USDA <u>16/17</u>	Aug USDA <u>17/18</u>	July USDA <u>18/19</u>	Aug USDA <u>18/19</u>
Carryin	80.45	96.67	96.02	95.61
Production	<u>348.12</u>	<u>336.70</u>	<u>359.49</u>	<u>367.10</u>
Supply	428.57	433.37	455.51	462.71
Crush	287.35	294.30	309.31	306.67
Demand	328.87	337.53	354.29	353.64
Carryout	96.67	95.61	98.27	105.94
CO/Use	0.294	0.283	0.277	0.300
Brazil Prod: 17/18			119.5;	unch
Argentina Prod: 17/18			37.0;	unch



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	<u>U.S. Wheat Supply/Demand (mb)</u>				<u>World Wheat Supply/Demand (mmt)</u>			
	Aug USDA <u>16/17</u>	Aug USDA <u>17/18</u>	July USDA <u>18/19</u>	Aug USDA <u>18/19</u>	Aug USDA <u>16/17</u>	Aug USDA <u>17/18</u>	July USDA <u>18/19</u>	Aug USDA <u>18/19</u>
Planted	50.1	46.0	47.8	47.8				
Harvested	43.9	37.0	39.6	39.0				
Yield	52.7	46.3	47.5	47.4				
Carryin	976	1181	1100	1100	244.22	257.19	273.50	273.07
Production	2309	1741	1881	1877	751.99	758.02	736.26	720.63
Imports	118	157	135	135				
Supply	3402	3070	3117	3112	996.21	1015.21	1009.76	1002.70
Food	949	904	965	970				
Exports	1051	901	975	1025				
Seed	61	04	62	02				
Feed/Res	161	48	130	120				
Demand	2222	1078	2132	2177	739.03	742.13	748.87	743.74
Carryout	1181	1100	985	935	257.19	273.07	280.88	258.06
CO/Use	0.532	0.556	0.462	0.429	0.348	0.366	0.348	0.348
Price range	\$3.89	\$4.73	\$4.50	\$4.00				
			\$5.50	\$5.00	AUS Prod: 18/19		22.0; unch	
					CAN Prod: 18/19		32.5; unch	

Summary: bearish report all around, led by significant U.S. corn and bean yield increases

Corn: 2018 U.S. corn yield up 4.4 bushels per acre with production subsequently up 356 million bushels; USDA pumps up 2018/19 demand by 225 mbu with a +100 mbu in feed use and +125 mbu exports, but that still leaves overall carryout up 132 mbu this month to a nearly 1.7 mln bu handle. World corn carryout rises 3.5 million tonnes, with production up 6.75 MMT, mostly on that sharp 9 MMT rise in the U.S. crop.

Beans: soybean crush and exports increased in both old and new-crop marketing years, by a combined 70 mbu overall, but that's not nearly enough to overcome a 276 mbu gain in production thanks to a +3.1 bpa yield versus July. Old-crop carryout down 35 mbu but new-crop up over 200 mbu to a whopping 785 mbu. World carryout rises 7.7 MMT with production up basically an equal amount, all thanks to that U.S. output bump.

Wheat: new-crop U.S. wheat yields and production fall only very slightly this month while usage generally rises; feed use lost 10 mbu for '18/19 but food use is up 10 mbu and exports +50 mbu, leaving carryout 50 mbu lower this month. World wheat carryout also down for the end of 2018/19, -2 MMT, with production down 6.5 MMT thanks to a sharp 7.5 MMT loss in the European Union versus July.

Results: pretty disastrous crop report for the bulls/farmers, as USDA looks for bumper crops once again in 2018...

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