

USDA Grain Supply and Demand Summary

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

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February 8, 2019

February-19

	U.S. Corn Supply/Demand (mb)				World Corn Supply/Demand (mmt)			
	Feb	Feb	Dec	Feb	Feb	Dec	Feb	
	USDA	USDA	USDA	USDA	USDA	USDA	USDA	
	<u>16/17</u>	<u>17/18</u>	<u>18/19</u>	<u>18/19</u>	<u>16/17</u>	<u>17/18</u>	<u>18/19</u>	<u>18/19</u>
Planted	94.0	90.2	89.1	80.1				
Harvested	86.7	82.7	81.8	81.7				
Yield	174.6	170.0	178.9	170.4				
Carryin	1737	2203	2140	2140	311.38	350.24	340.20	340.81
Production	15148	14600	14626	14420	1122.41	1075.01	1099.91	1090.01
Imports	57	30	45	40				
Supply	16942	16030	16811	16000	1433.79	1425.65	1440.11	1440.42
Feed	5470	5304	5500	5375	655.95	670.00	698.74	608.00
Exports	2294	2438	2450	2450				
Ethanol	5432	5605	5600	5575				
Other Ind	1452	1452	1480	1405				
Demand	14649	14700	15030	14605	1083.55	1085.05	1131.31	1130.64
Carryout	2293	2140	1781	1735	350.24	340.81	308.80	300.78
CO/Use	0.157	0.145	0.118	0.117	0.323	0.314	0.273	0.274
Price range	\$3.36	\$3.30	\$3.25	\$3.35	ARG Prod: 18/19		46.0; +3.5	
			\$3.95	\$3.85	BRZ Prod: 18/19		94.5; unch	

	U.S. Soybean Supply/Demand (mb)				World Soybean Supply/Demand (mmt)			
	Feb	Feb	Dec	Feb	Feb	Dec	Feb	
	USDA	USDA	USDA	USDA	USDA	USDA	USDA	
	<u>16/17</u>	<u>17/18</u>	<u>18/19</u>	<u>18/19</u>	<u>16/17</u>	<u>17/18</u>	<u>18/19</u>	<u>18/19</u>
Planted	83.5	90.2	89.1	80.2				
Harvested	82.7	80.5	88.3	88.1				
Yield	52.0	49.3	52.1	51.0				
Carryin	197	302	438	438	80.35	95.70	101.30	98.00
Production	4296	4412	4600	4544	349.31	330.00	369.20	360.00
Imports	22	22	25	20				
Supply	4515	4735	5063	5002	429.66	435.75	470.50	450.08
Crush	1901	2055	2080	2090	287.42	295.20	308.19	304.80
Exports	2166	2120	1900	1875				
Seed	105	104	96	96				
Residual	42	9	32	31				
Demand	4214	4207	4107	4092	330.77	338.15	351.53	340.44
Carryout	302	438	955	910	95.76	98.00	115.33	100.72
CO/Use	0.072	0.102	0.233	0.222	0.290	0.290	0.328	0.305
Price range	\$9.47	\$9.33	\$7.85	\$8.10	Brazil Prod: 18/19		117.0; -5.0	
			\$9.35	\$9.10	Argentina Prod: 18/19		55.0; -0.5	



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	<u>U.S. Wheat Supply/Demand (mb)</u>				<u>World Wheat Supply/Demand (mmt)</u>			
	Feb USDA <u>16/17</u>	Feb USDA <u>17/18</u>	Dec USDA <u>18/19</u>	Feb USDA <u>18/19</u>	Feb USDA <u>16/17</u>	Feb USDA <u>17/18</u>	Dec USDA <u>18/19</u>	Feb USDA <u>18/19</u>
Planted	50.1	40.1	47.8	47.6				
Harvested	43.8	37.0	39.6	30.0				
Yield	52.7	40.4	47.6	47.0				
Carryin	976	1181	1099	1000	244.39	201.05	279.94	280.02
Production	2309	1741	1884	1884	756.51	703.18	733.41	734.75
Imports	118	157	140	140				
Supply	3402	3070	3123	3123	1000.90	1024.23	1013.35	1014.77
Food	949	004	970	070				
Exports	1051	001	1000	1000				
Seed	61	03	69	03				
Feed/Res	160	51	110	80				
Demand	2222	1060	2149	2113	739.85	744.20	745.25	747.23
Carryout	1181	1000	974	1010	261.05	280.02	268.11	207.53
CO/Use	0.532	0.555	0.453	0.478	0.353	0.370	0.360	0.358
Price range	\$3.89	\$4.72	\$5.05	\$5.05				
			\$5.25	\$5.25	AUS Prod: 18/19		17.0; unch	
					CAN Prod: 18/19		31.8; unch	

Summary: no huge surprises; 2018 yield/production declines help support

Corn: 2018 U.S. corn yield down 2.5 bushels per acre to 176.4 bpa, with production subsequently down 206 million bushels; that is partially offset by a 125 mbu reduction in feed use and another -25 mbu in ethanol, leading to a 46 mbu carryout cut overall - still not quite as large a loss as the trade was expecting. Dec 1 grain stocks also come in a bit below expectations due to that smaller crop. In the 2018/19 world S&D, overall corn carryout rose around a million tonnes with production down only slightly; increases in China (+1.33 MMT) and Argentina (+3.5 MMT) helped overcome the fairly sharp U.S. crop decline.

Beans: 2018 U.S. soybean yield cut slightly, down 0.5 bpa to 51.6 bpa, with production down 56 million bushels; exports were basically punted on with a 25 mbu cut there, while domestic crush rose by another 10 mbu this month. Overall soybean carryout fell by 45 mbu from December, a bit more than the trade was looking for. World soybean carryin for the 2018/19 season fell by 3.2 MMT with carryout down 8.6 MMT, also thanks to declines in production in the major countries - the U.S. fell 1.5 MMT, with Brazil down 5 MMT this month and ARG down half a million tonnes.

Wheat: 2018/19 domestic wheat balances were mostly unchanged save for a 30 mbu reduction in feed and residual usage, carrying through to a 36 mbu rise in carryout overall (about double what the trade was looking for). Global stocks fell just slightly with production up 1.3 MMT in 2018/19, thanks to a 1.6 MMT increase in Russian output.

Results: major bombshells mostly avoided, though some sharp production declines led to lower-than-expected U.S. corn stocks and world soybean stocks. Quarterly stocks report aided that corn bullishness with beans and wheat mostly as estimated.

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