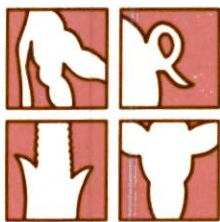




Cooperative  
Extension Service  
University of Illinois  
at Urbana-Champaign



# WEEKLY OUTLOOK

Department of Agricultural Economics  
College of Agriculture  
University of Illinois at Urbana-Champaign

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**June 28, 1989**

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## **CORN AND SOYBEAN EXPORTS IN LINE WITH PROJECTIONS**

Corn exports for the marketing year ending on August 31, 1989, are expected to reach 2.1 billion bushels. That projection is 21 percent larger than last year's exports and the largest annual export figure since the 1980-81 marketing year. With only 10 weeks left in the marketing year, exports are right on target to reach the projected level. Through June 22, corn exports totaled 1.75 billion bushels, 22 percent above the total on the same date last year. The amount of corn sold but not yet shipped is also about 21 percent above last year's outstanding sales.

Based on weekly export inspection figures from the USDA, shipments through the first 42 weeks of the marketing year averaged 41.6 million bushels per week. To reach the projection of 2.1 billion bushels, weekly shipments need to average only 35.2 million bushels per week. Because the USDA projection includes corn products and the weekly inspection figures do not, weekly shipments near 33 million bushels would be large enough to reach the projection.

It should be noted, however, that for the 1986-87 and 1987-88 marketing years, USDA export inspection figures exceeded the official export figures from the Department of Commerce by about 30 million bushels. Through the first 8 months of the 1988-89 marketing year, inspection figures were also 32 million bushels larger than the export estimates from the Department of Commerce. Weekly exports averaging near 36 million bushels may be needed to reach the 2.1 billion bushel mark.

For the soybean marketing year ending on August 31, the USDA expects exports to reach 550 million bushels, 31 percent below last year's exports and the lowest export level since the 1974-75 marketing year. Through June 22, soybean exports totaled 495 million bushels, about 32 percent less than cumulative exports of a year ago. Soybeans sold but not yet delivered totaled about 40 million bushels, 22 percent less than on the same day a year ago.

Through 42 weeks of the marketing year, soybean exports have averaged 11.8 million bushels per week. To reach the projected level, for the final 10 weeks exports need to average only 5.5 million bushels. The delays in moving soybeans to market in Brazil will probably result in better-than-expected export demand for U.S. soybeans, and that projection should be reached. Through April of this year,

export estimates from the Department of Commerce were almost identical to those from the USDA. That is in contrast to a year ago, when USDA figures for the entire marketing year exceeded those of the Department of Commerce by nearly 25 million bushels.

While soybean exports may reach the projected level, there is some concern that the domestic crush may fall short of the USDA's projection of 1.07 billion bushels. That projection is about 9 percent below the level of crush last year. Through June 21, estimates from the National Soybean Processors Association showed that the crush was running 11 percent behind last year's pace. Perhaps the processing delays being experienced in Brazil, because of farmers' reluctance to sell, will result in a better-than-expected export demand for U.S. soybean meal. The USDA's projection is still achievable.

The USDA's *Grain Stocks* report, to be released on June 30, will give an indication of the progress of domestic corn feeding and will provide a check on the 1988 estimate of soybean production. That report will be the basis for revising the projected level of corn and soybean stocks at the end of the marketing year.



**Issued by Darrel Good**  
**Extension specialist**  
**Prices and Outlook**

Cooperative Extension Service  
United States Department of Agriculture  
University of Illinois  
At Urbana-Champaign  
Urbana, Illinois 61801

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