

# OUTLOOK FOR COMMODITY PRICES

Darrel Good  
Department of Agricultural and Consumer Economics  
University of Illinois at Urbana-Champaign

## Executive Summary

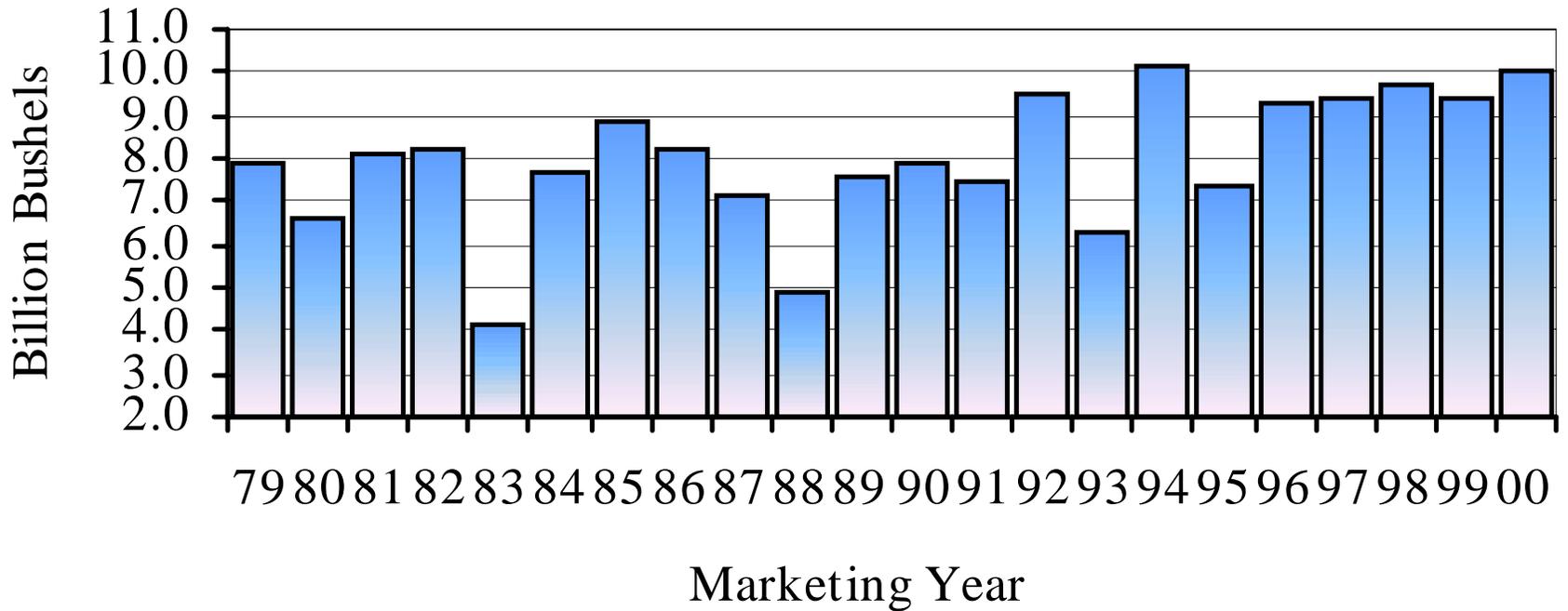
- Large U.S. crops for sixth consecutive year.
- World grain consumption to exceed world production.
- U.S. and world stocks at modest levels.
- U.S. winter wheat acreage reduced.
- U.S. corn exports start slowly.
- U.S. soybean and soybean meal export prospects boosted by meat and bone meal ban in Europe.
- Another large South American soybean crop.
- Corn prices to be steady through the winter, with some basis weakness in January. Spring rally likely.
- Soybean prices will be more volatile, but upside limited for now by large South American crop. Higher prices in the spring.
- Wheat prices to reflect January seedings report and winter weather conditions. Large carry offers an opportunity to forward price new crop.
- Modest expansion in U.S. hog production in 2001.
- Hog prices to remain profitable at least through mid-year. If expansion is excessive, prices to weaken beginning in fourth quarter of 2001.
- Cattle numbers are in a cyclical decline.
- Some expansion of the beef breeding herd in 2001.
- Beef production to decline beginning last half of 2001.
- Cattle prices in a cyclical increase through 2002.

# Outlook for Commodity Prices

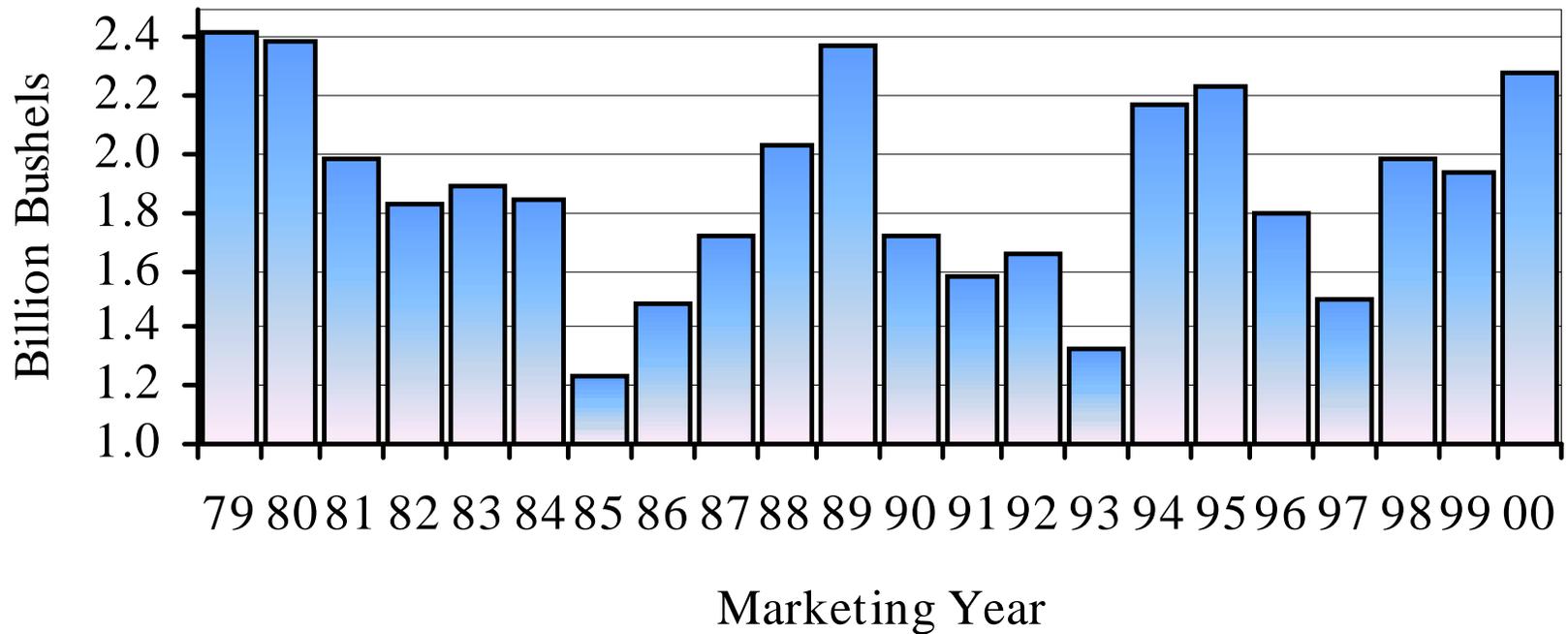
by Darrel Good



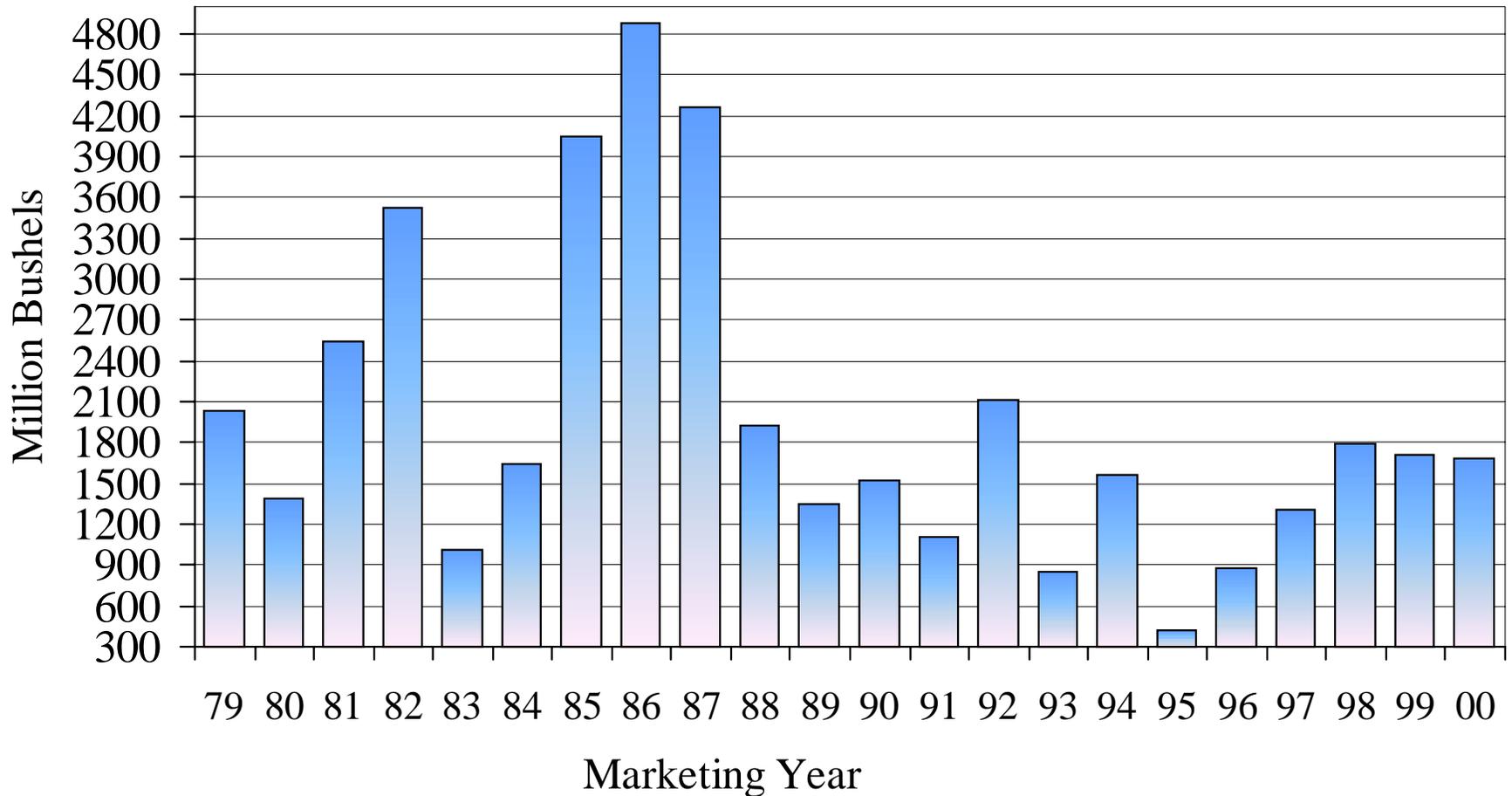
# US Corn Production



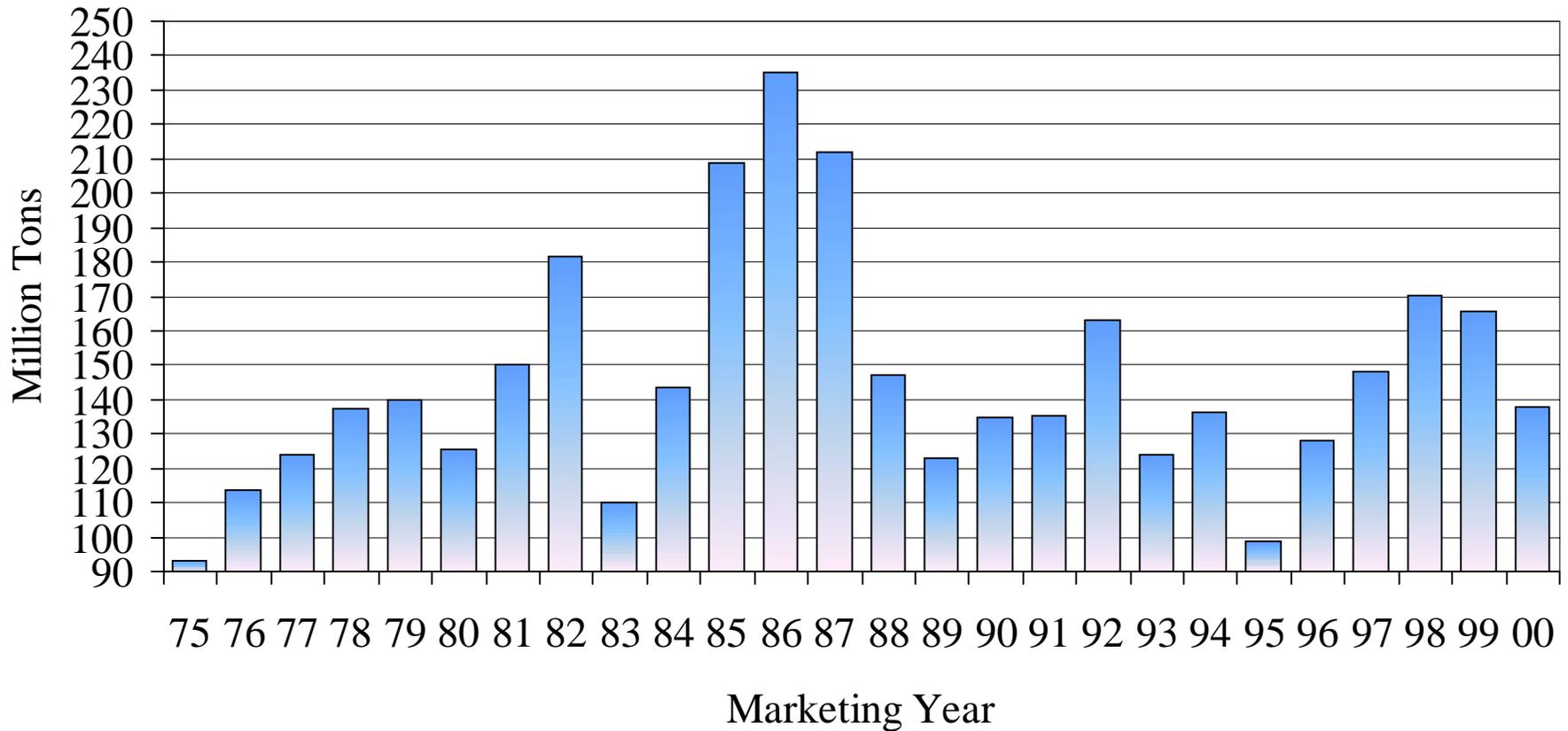
# US Corn Exports



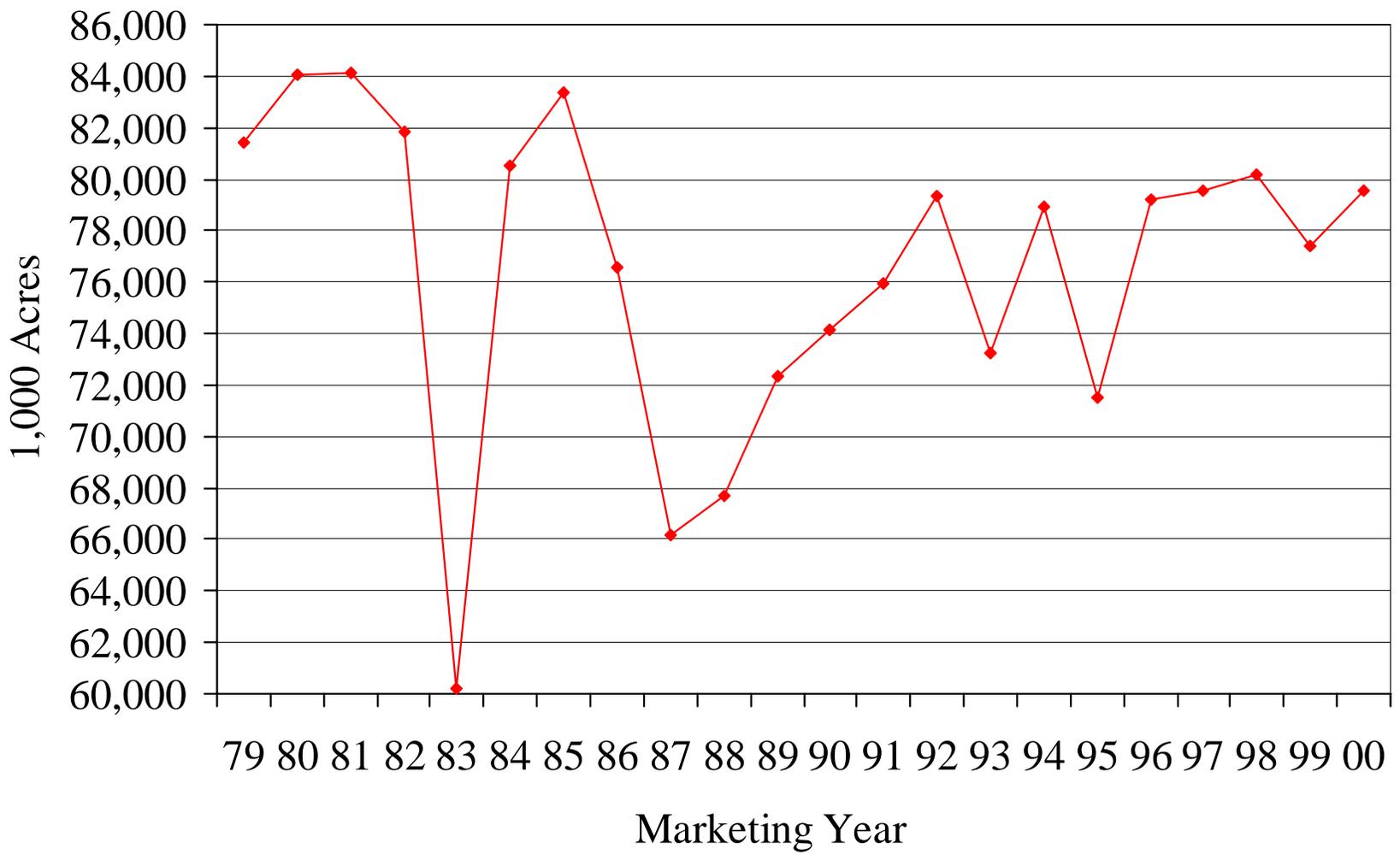
# Ending Stocks of Corn



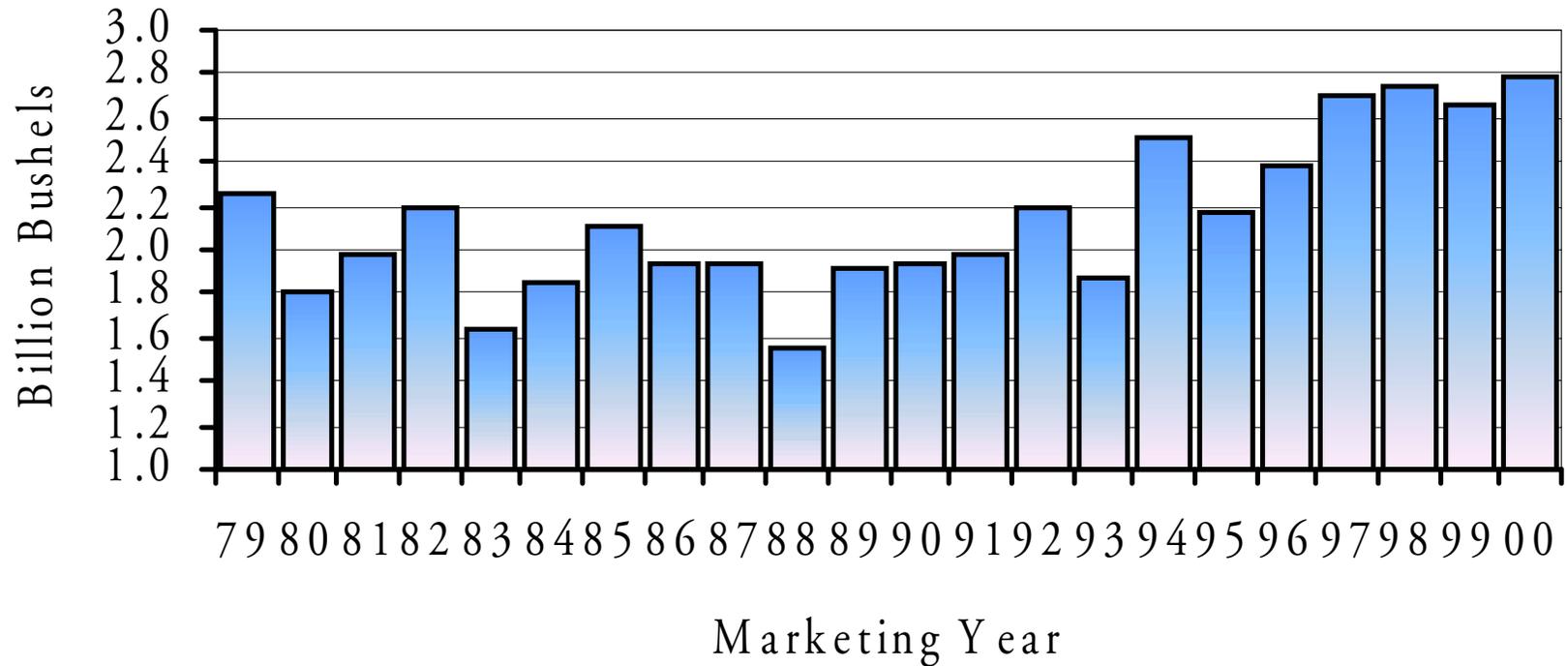
# World Coarse Grains–Ending Stocks



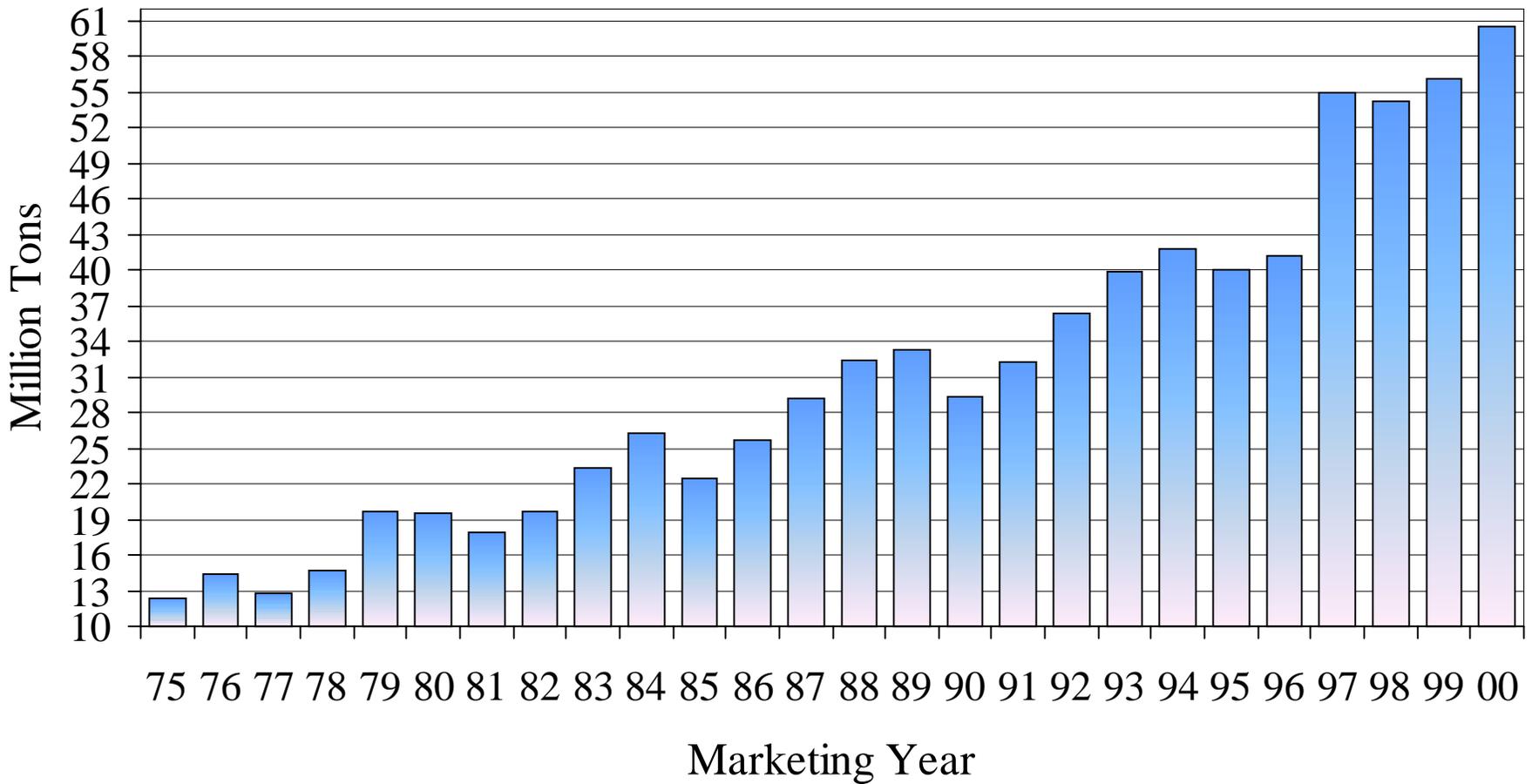
# US Corn Acres Planted



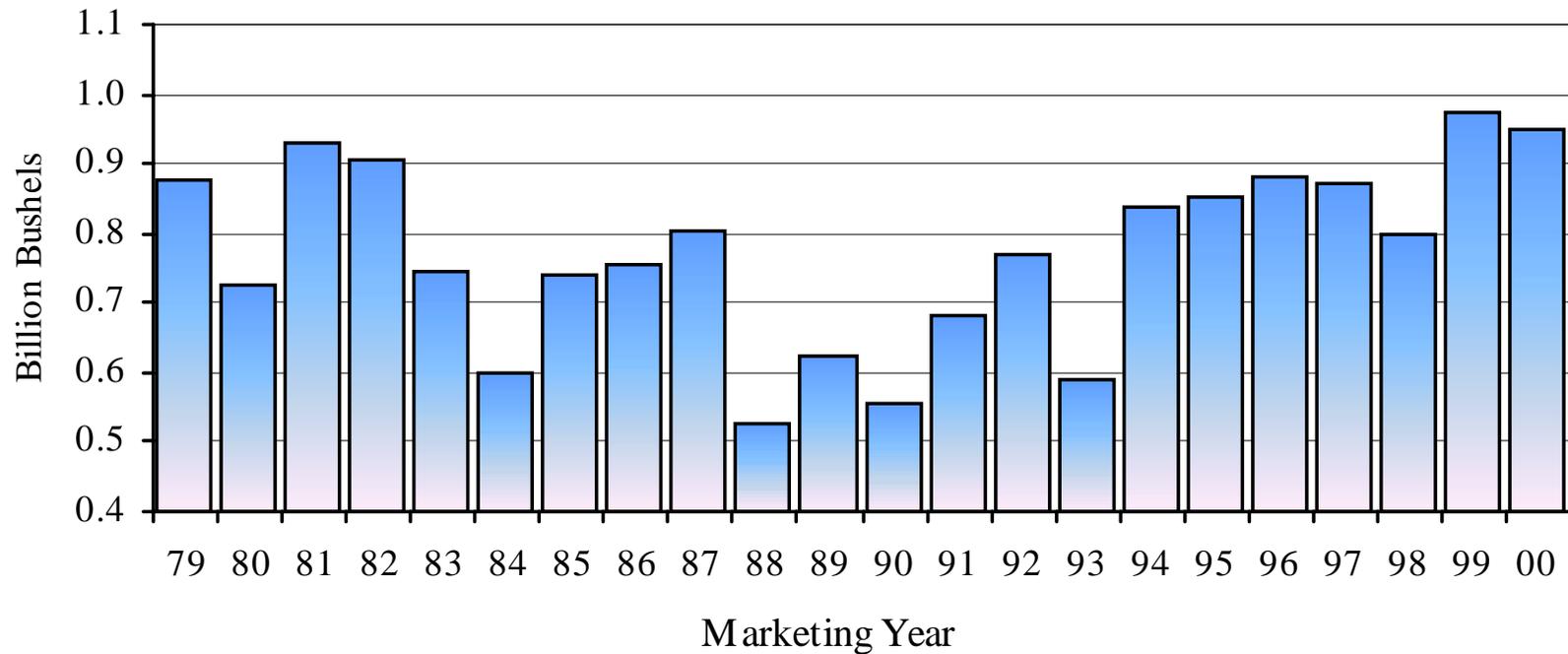
# US Soybean Production



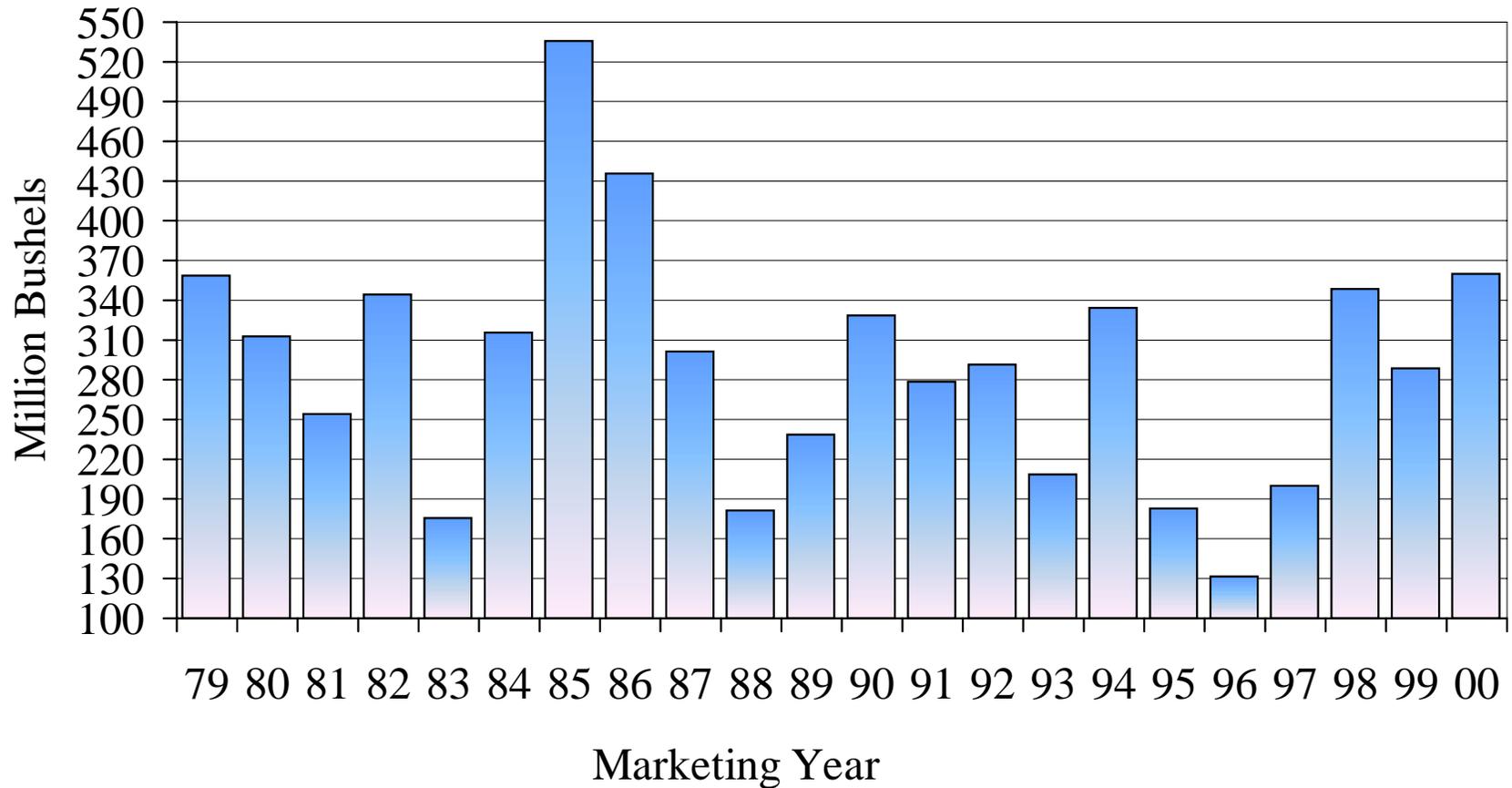
# South American Soybean Production



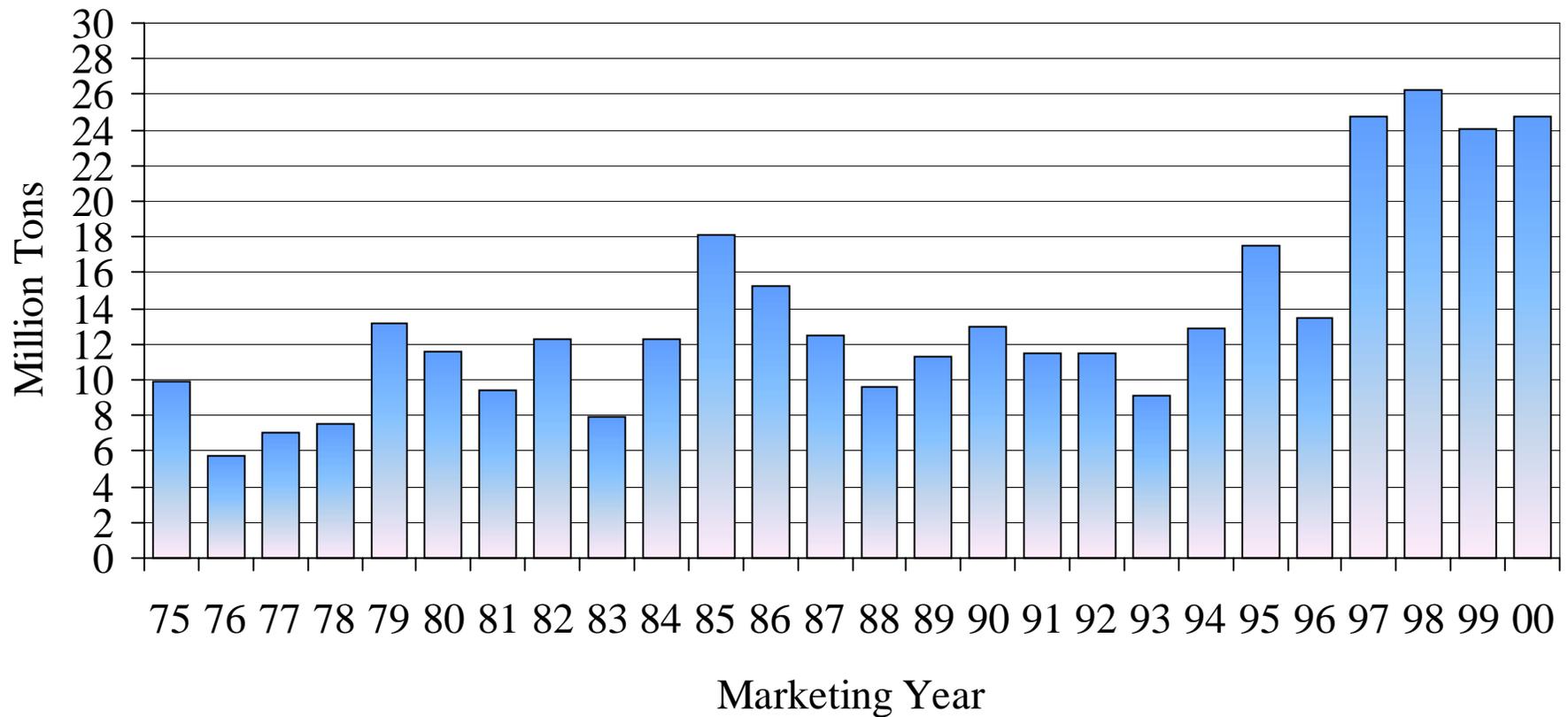
# US Soybean Exports



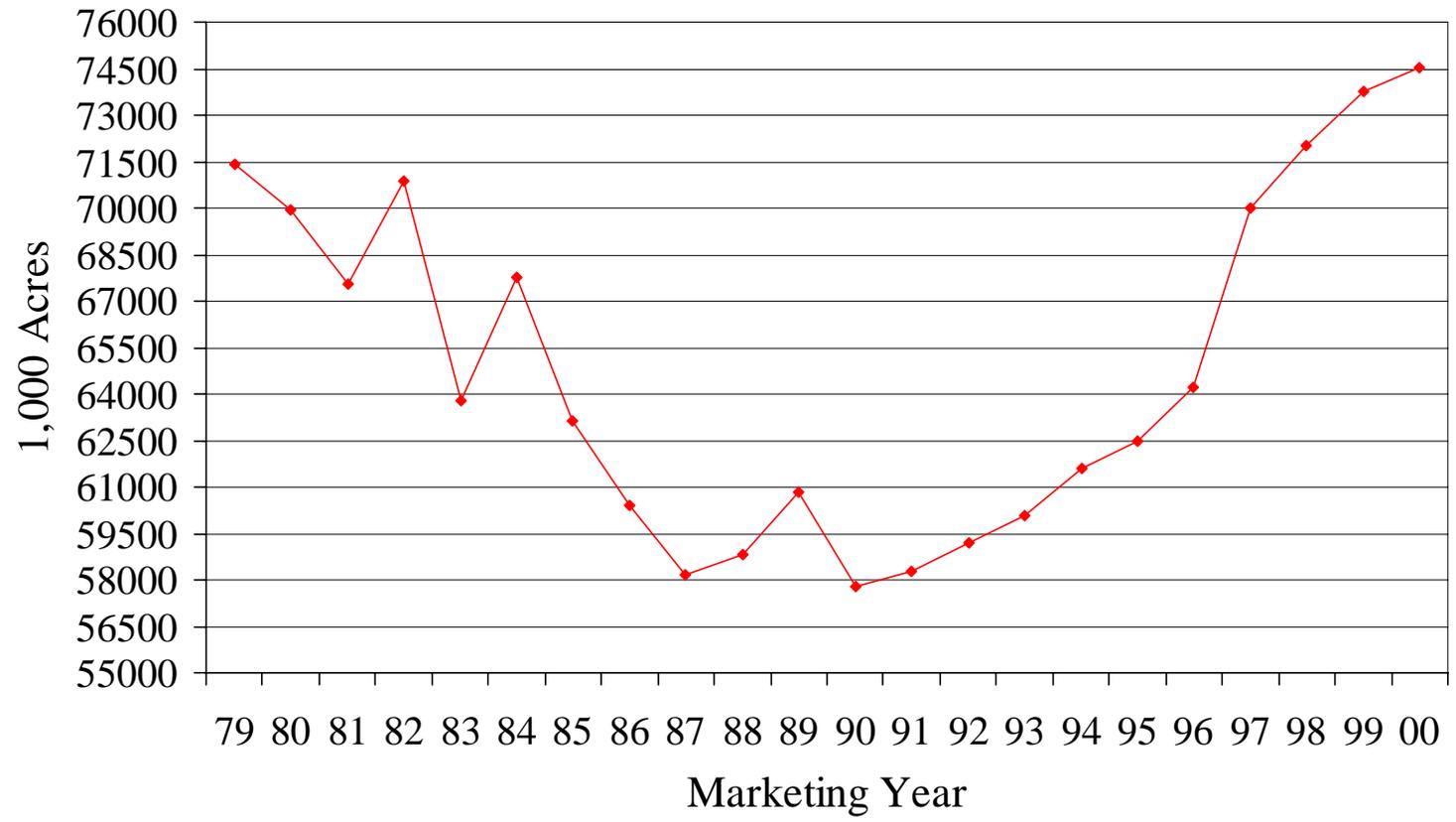
# Ending Stocks of Soybeans



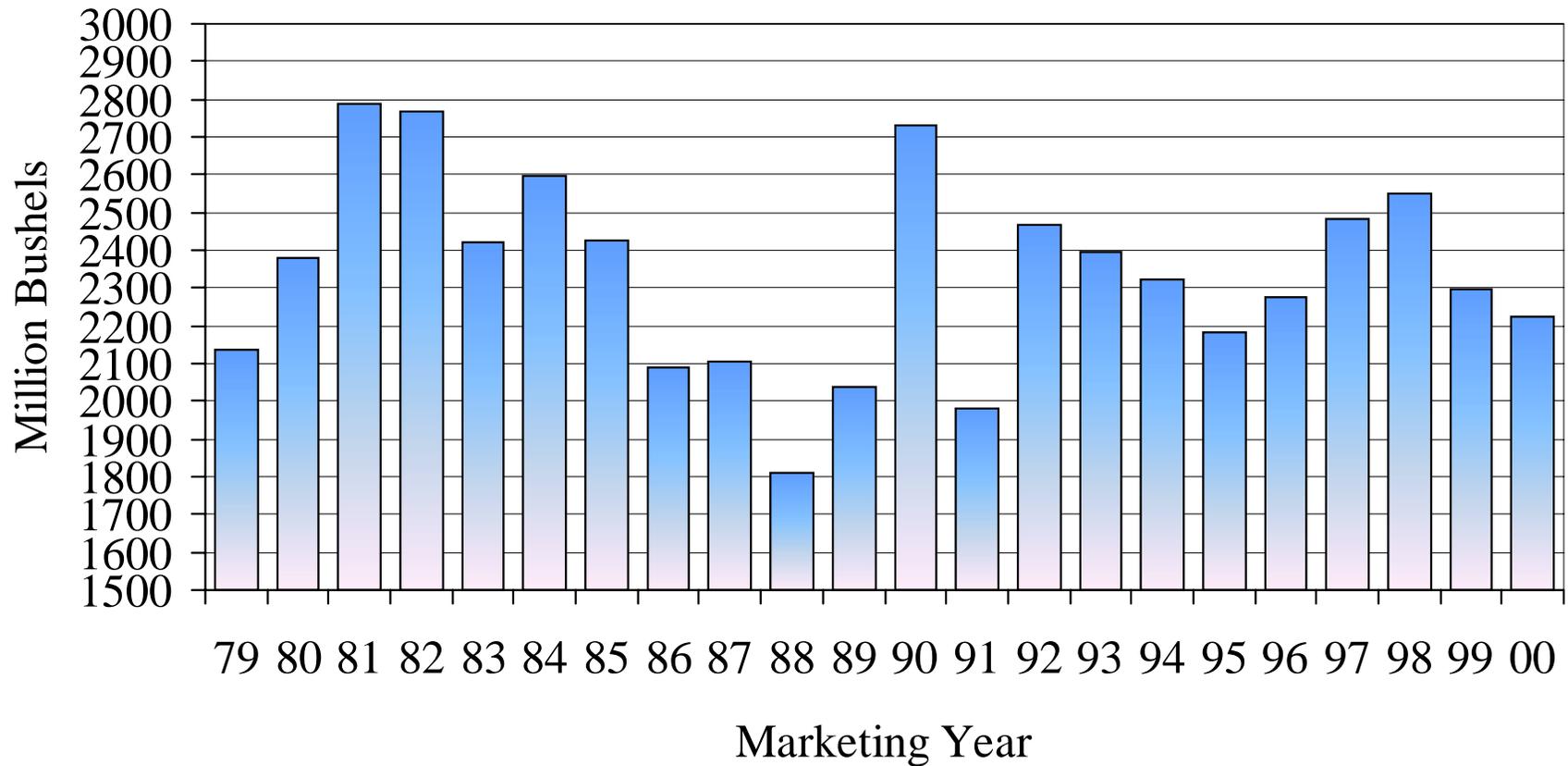
# World Soybeans – Ending Stocks



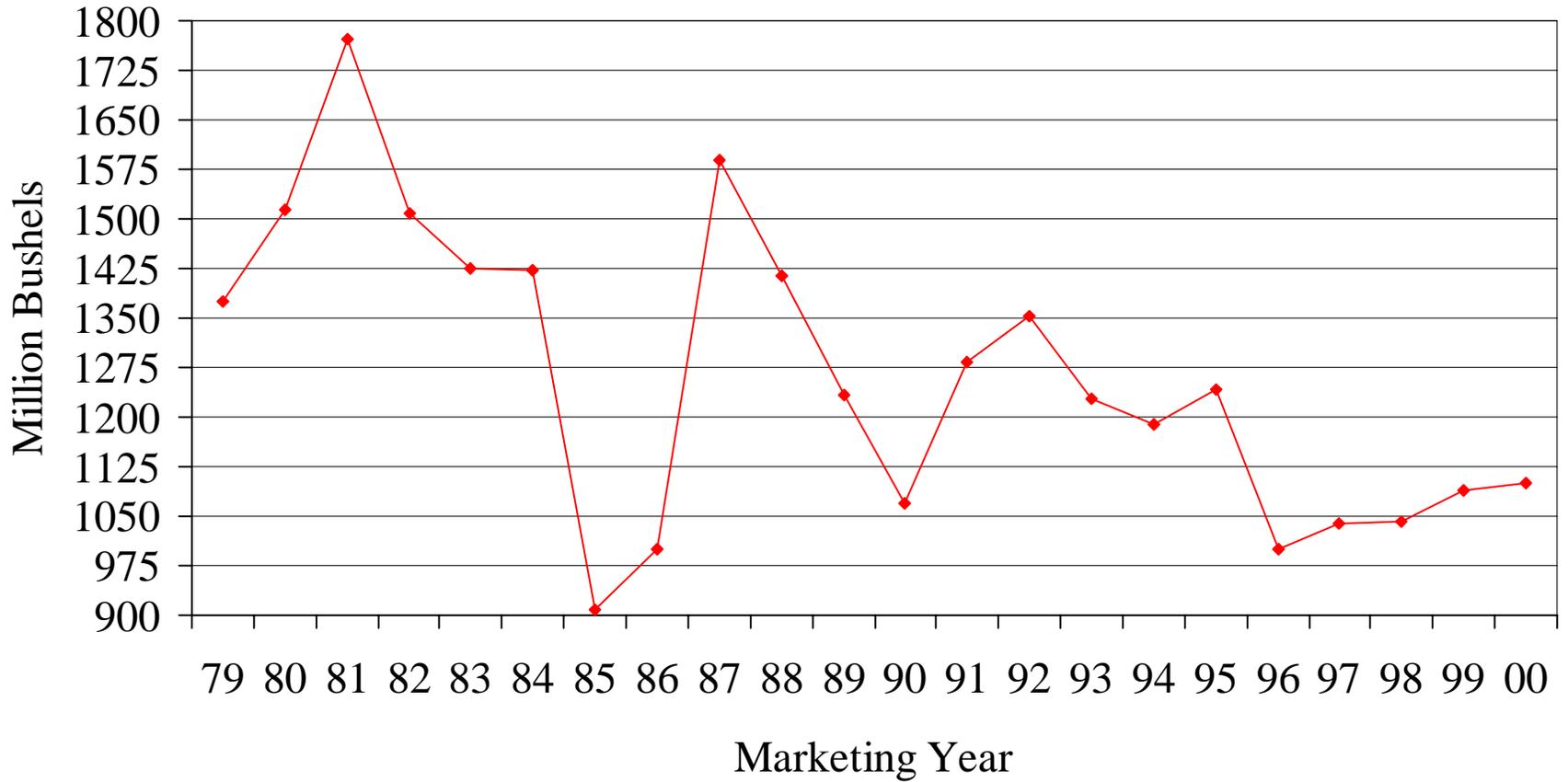
# US Soybean Acres Planted



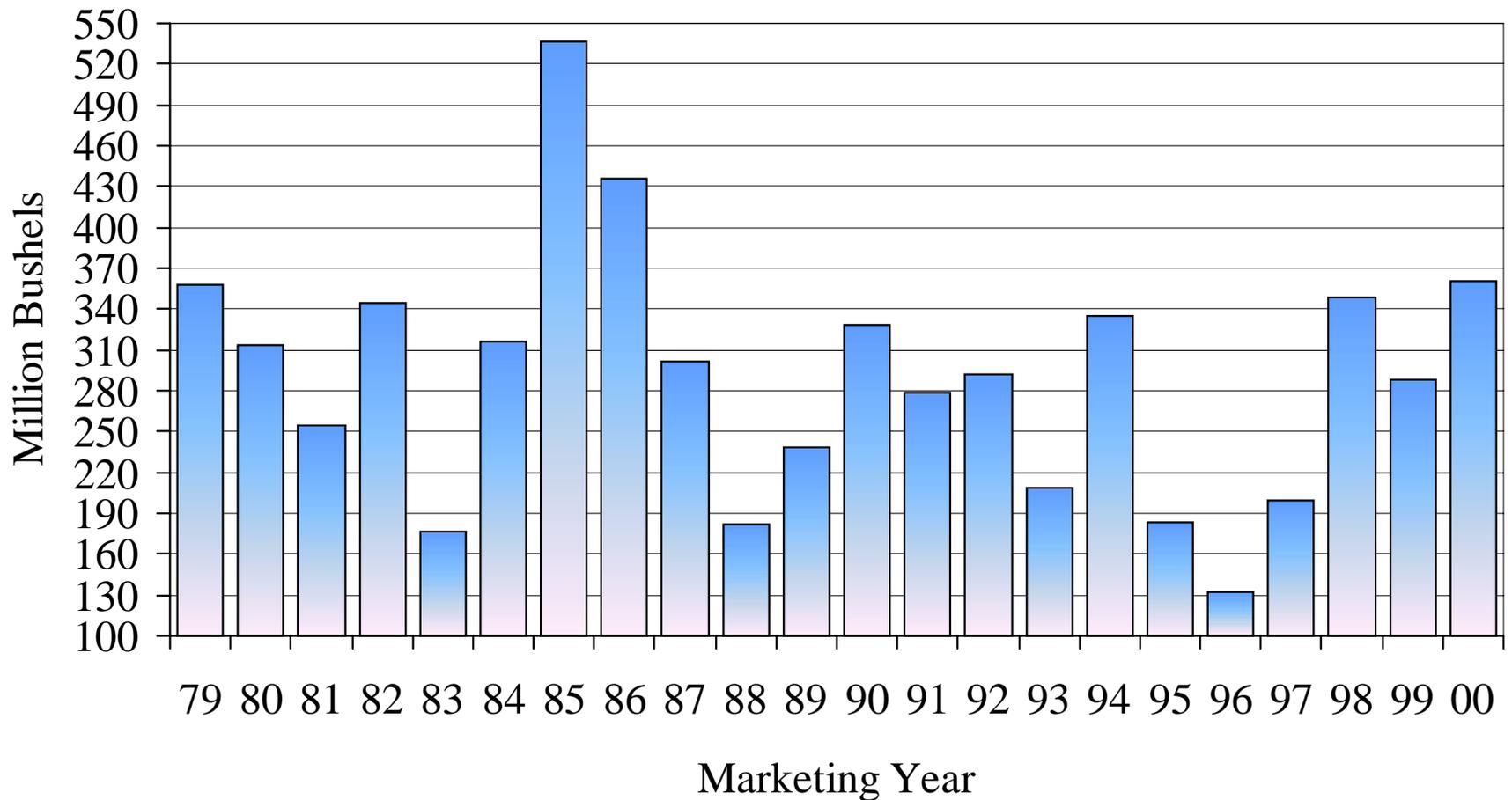
# US Wheat Production



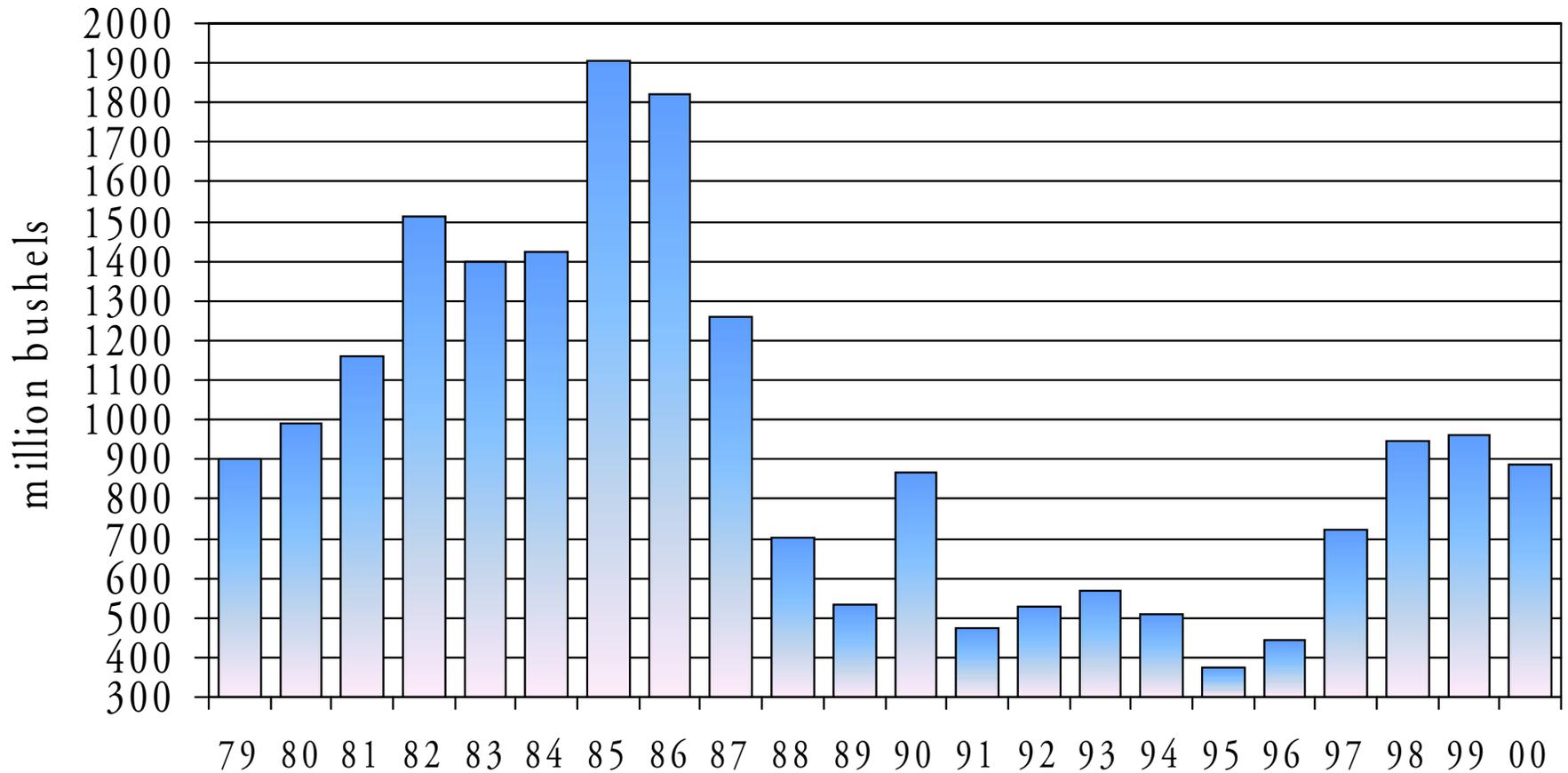
# US Wheat Exports



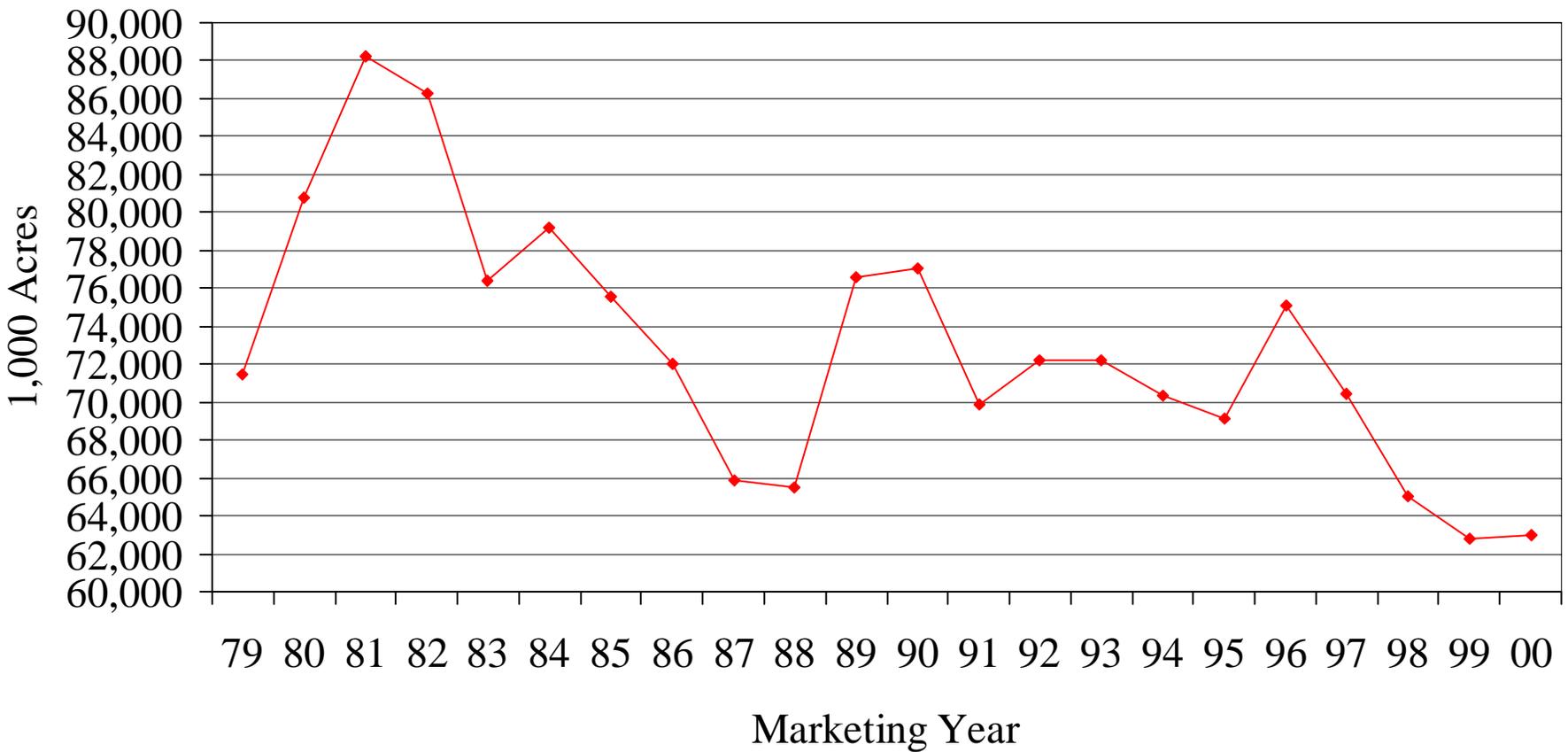
# Ending Stocks of Wheat



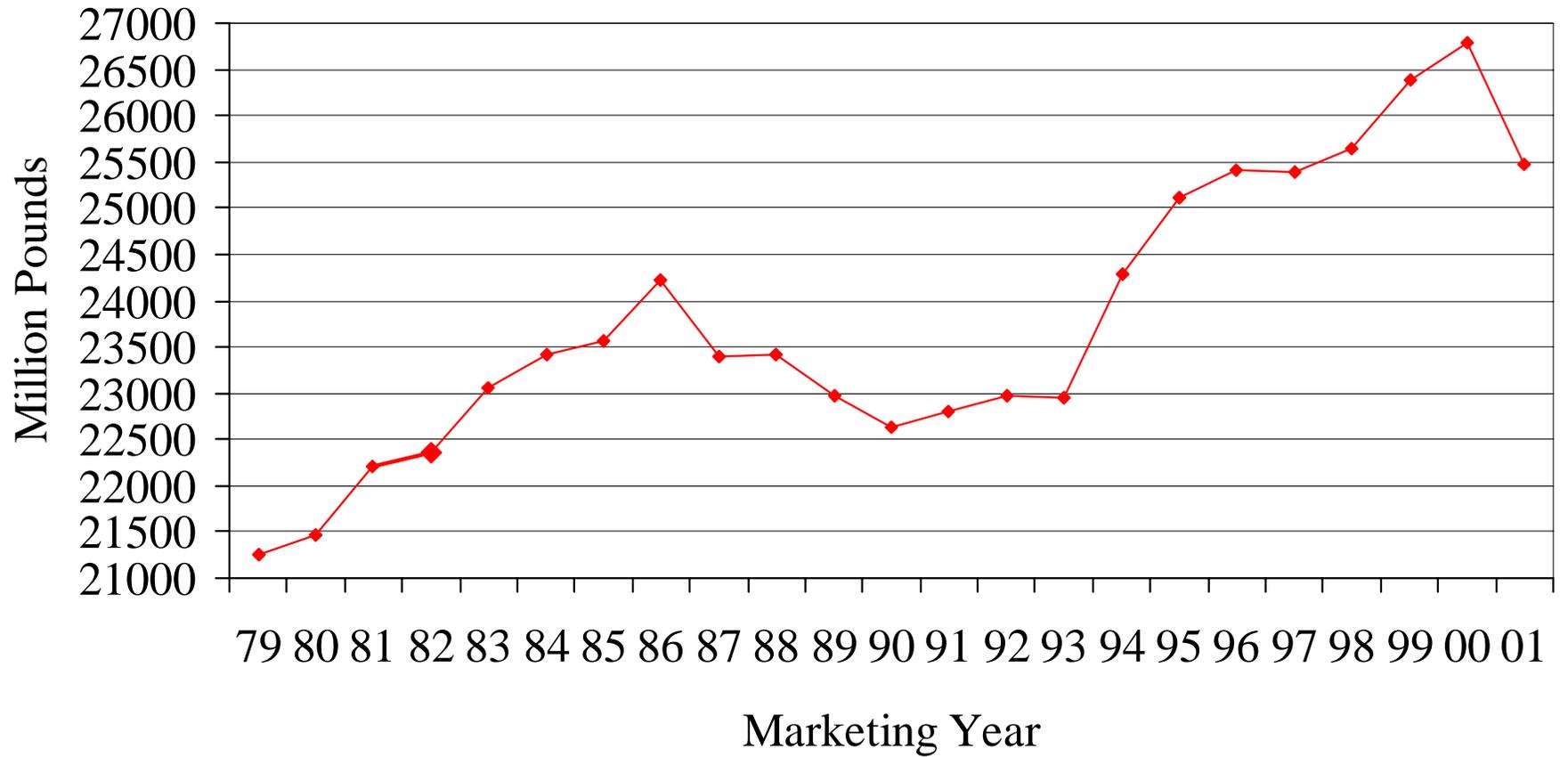
# World Wheat Ending Stocks



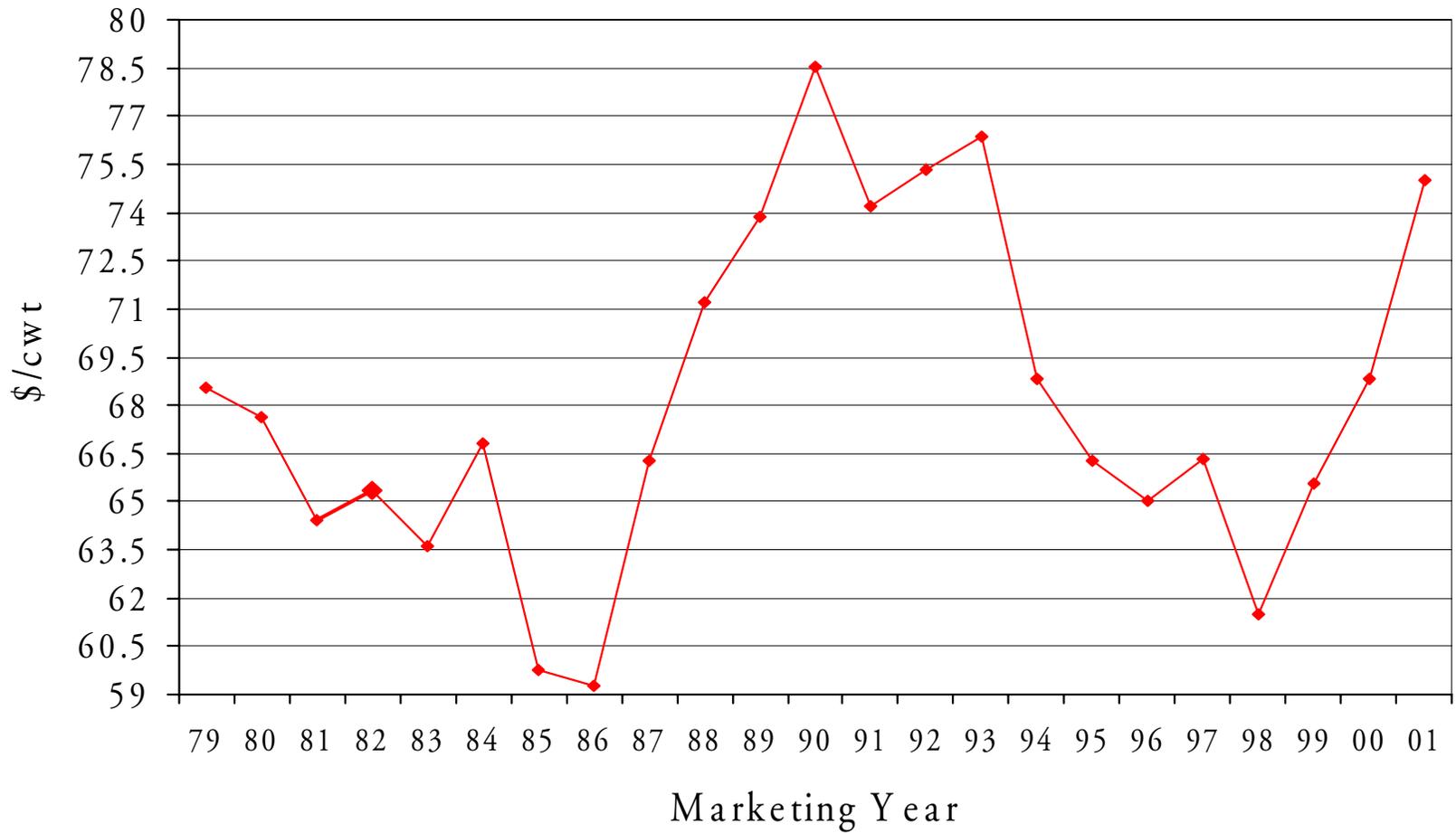
# US Wheat Acres Planted



# US Commercial Beef Production



# Slaughter Steer Price



# US Commercial Pork Production



# Hog Prices (Barrows and Gilts, US)

