

Corn and Soybean Stocks, Acreage, and Balance Sheet Implications



Scott Irwin, Darrel Good, and John Newton

sirwin@Illinois.edu / d-good@Illinois.edu / jcnewt@Illinois.edu

Department of Agricultural and Consumer Economics

University of Illinois

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Figure 1. March 1 Corn Stocks

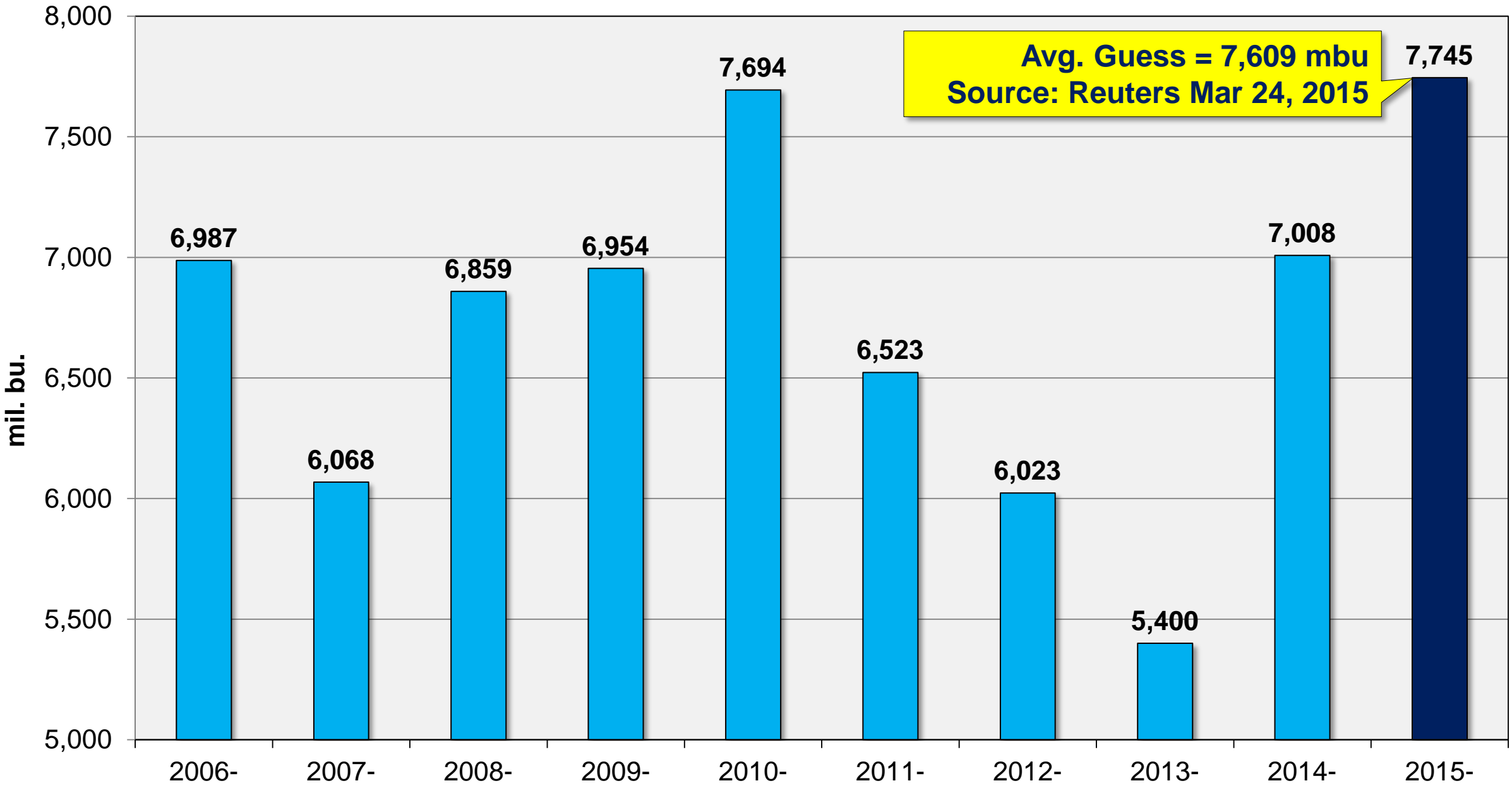


Figure 2. USDA March 1 Corn Stocks Estimate Minus Average Guess

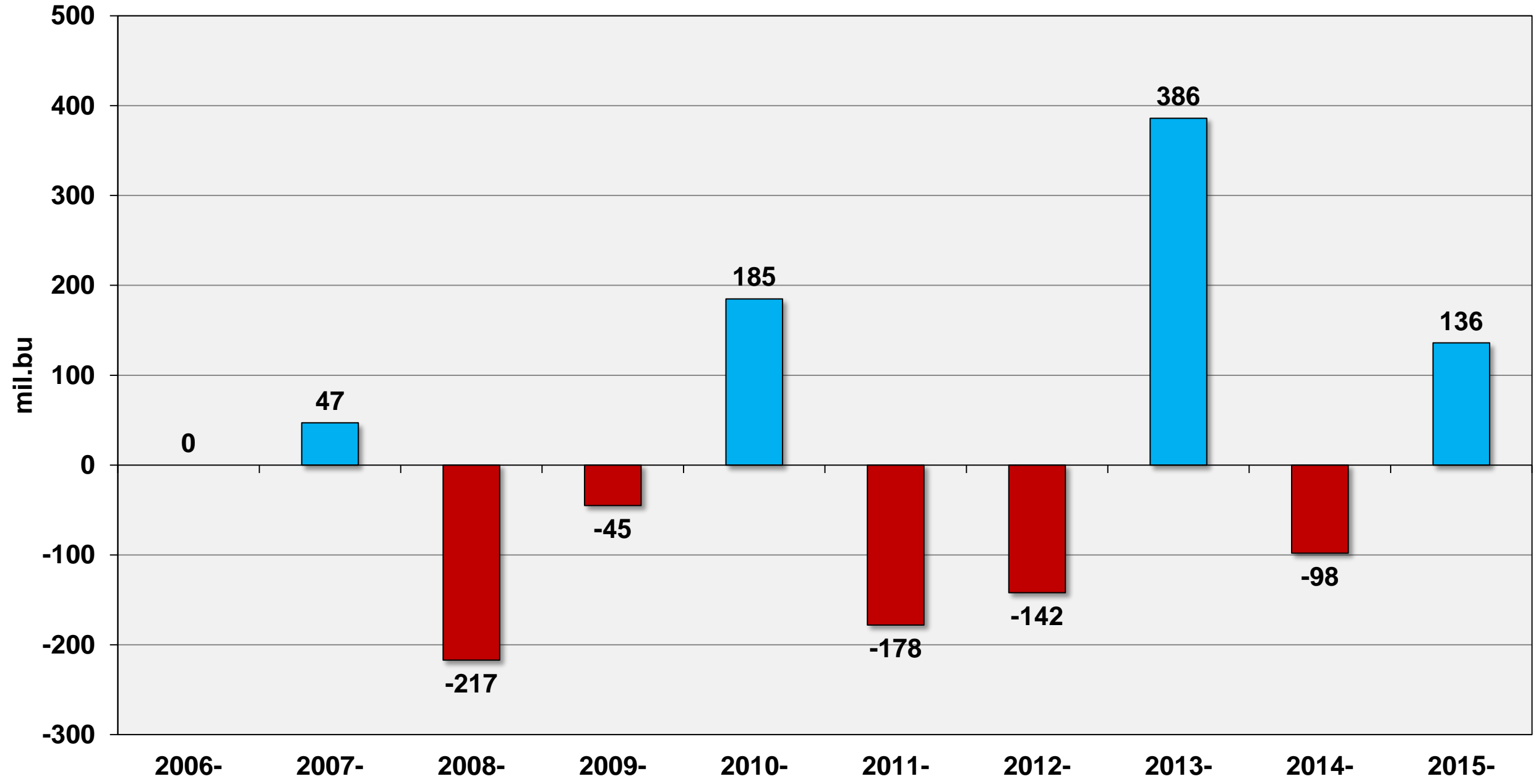


Figure 3. First Half and Second Half MY Feed and Residual Use of Corn

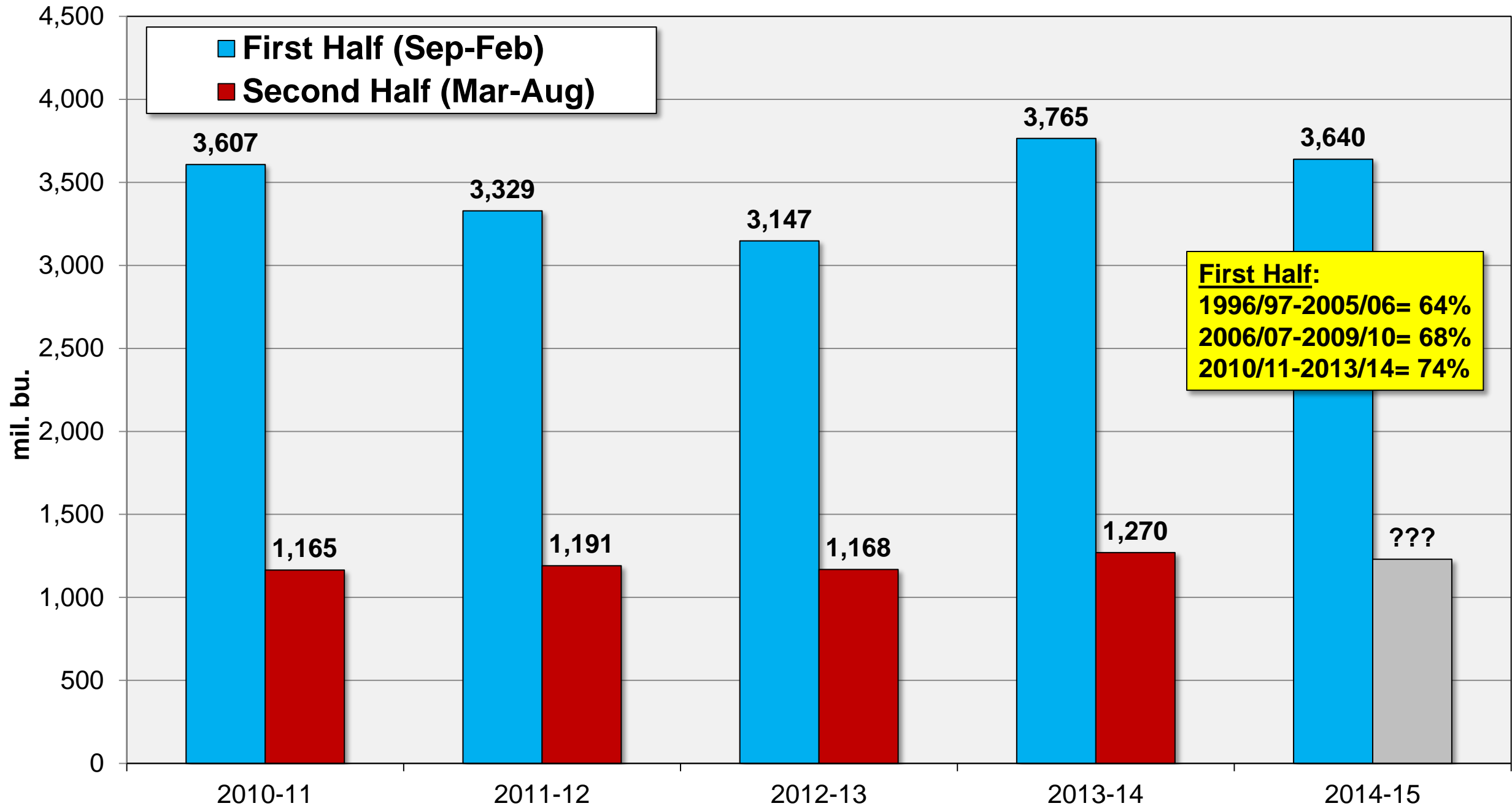


Figure 4. Projections for 2014/15 Marketing Year Feed and Residual Use of Corn

Rate of First Half Disappearance	Implied 14/15 MY Feed and Residual Use
<p style="text-align: center;">74% <i>Observed During 2010/11-2013/14</i></p>	<p style="text-align: center;">4,919</p>
<p style="text-align: center;">68% <i>Observed During 2006/07-2009/10</i></p>	<p style="text-align: center;">5,353</p>
<p style="text-align: center;">64% <i>Observed During 1996/97-2005/06</i></p>	<p style="text-align: center;">5,688</p>
<p style="text-align: center;">Implication>>>></p>	<p style="text-align: center;">Range of Potential Feed and Residual: 4,919 to 5,688</p>
<p style="text-align: center;">USDA 14/15 Projection</p>	<p style="text-align: center;">5,300 mbu</p>

Figure 5. March 1 Soybean Stocks

Avg. Guess = 1,346 mbu
Source: Reuters Mar 24, 2015

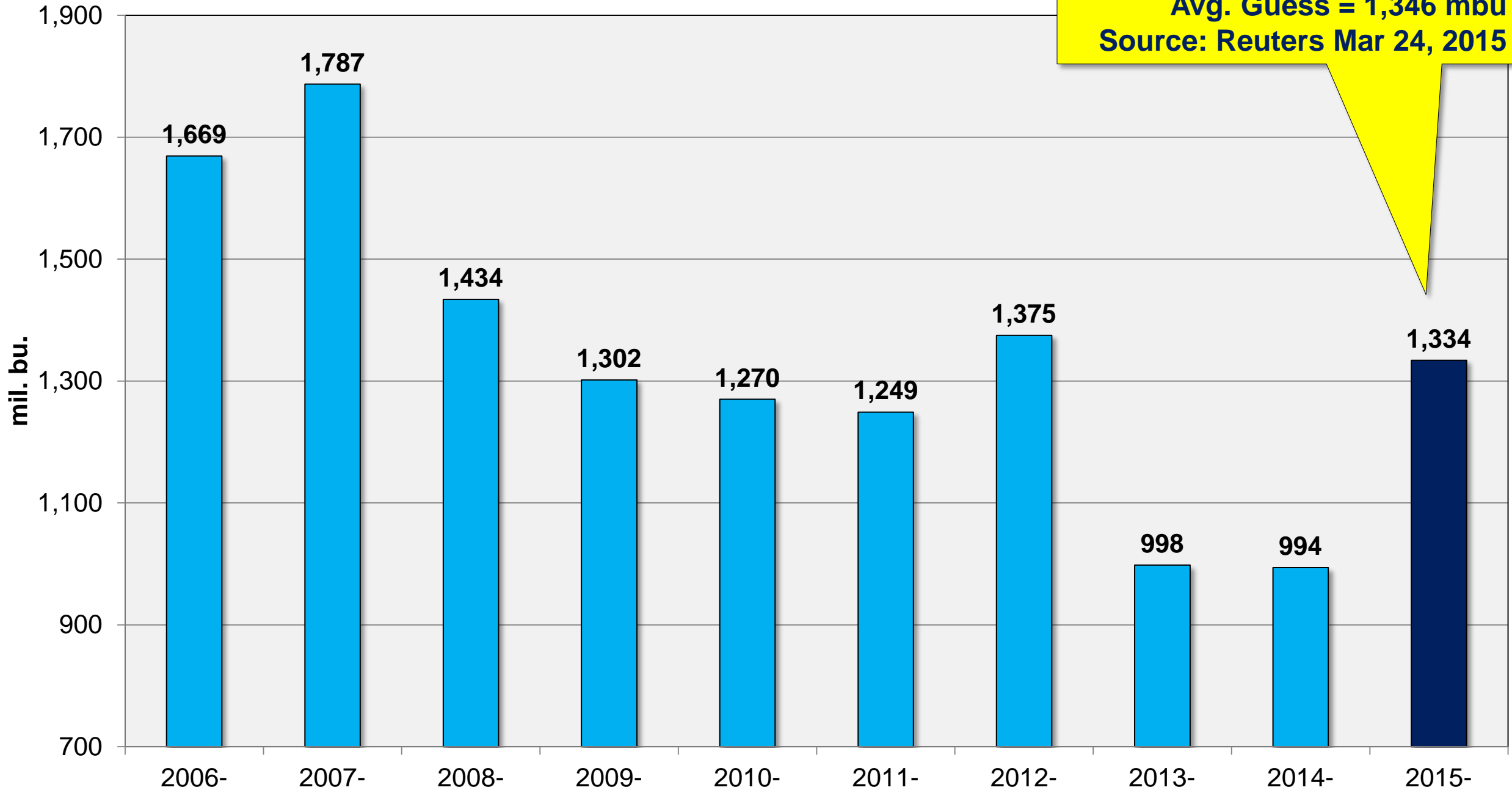


Figure 6. USDA March 1 Soybean Stocks Estimate Minus Average Guess

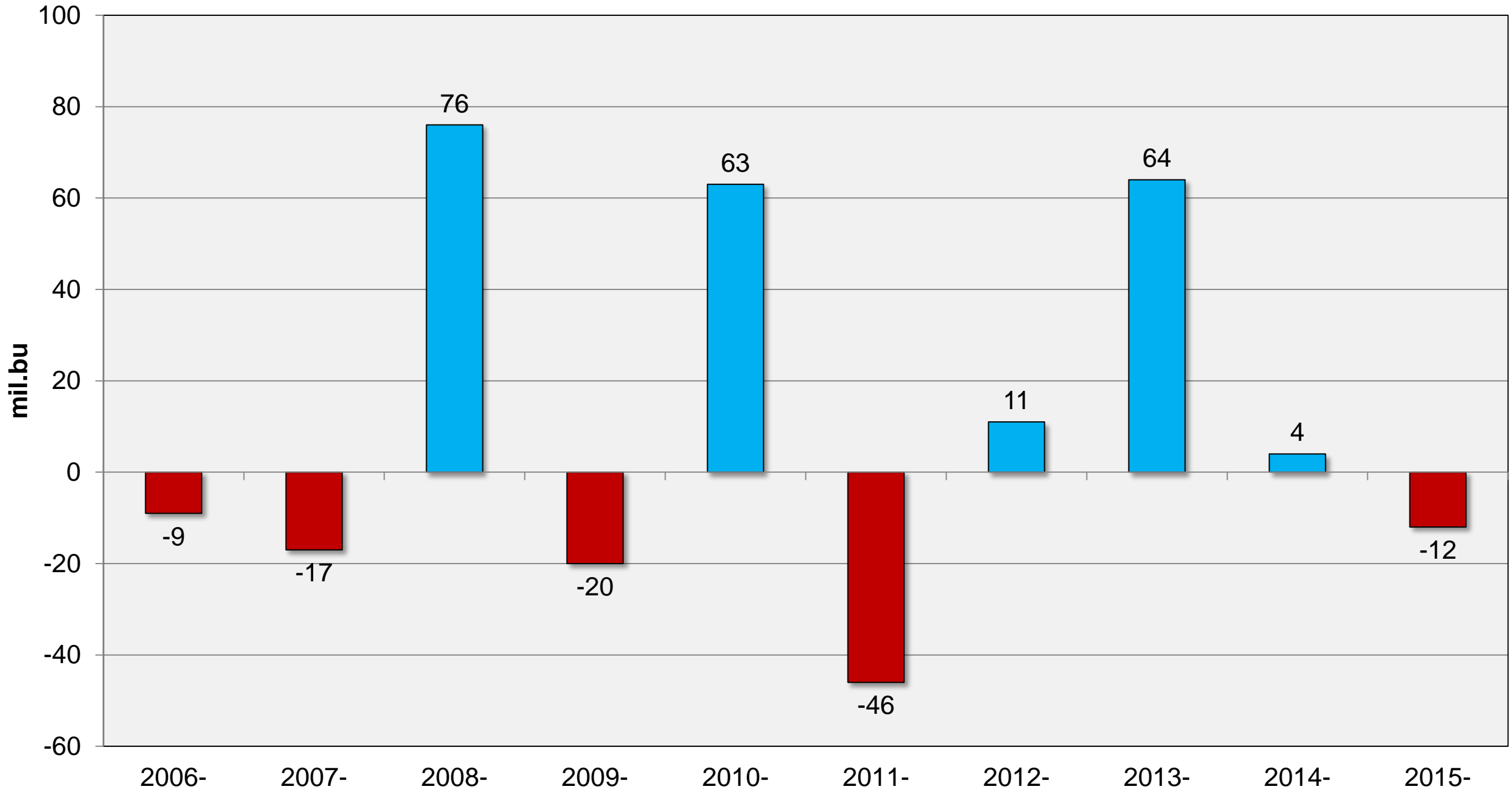


Figure 7. First Half and Second Half Seed and Residual Use of Soybeans

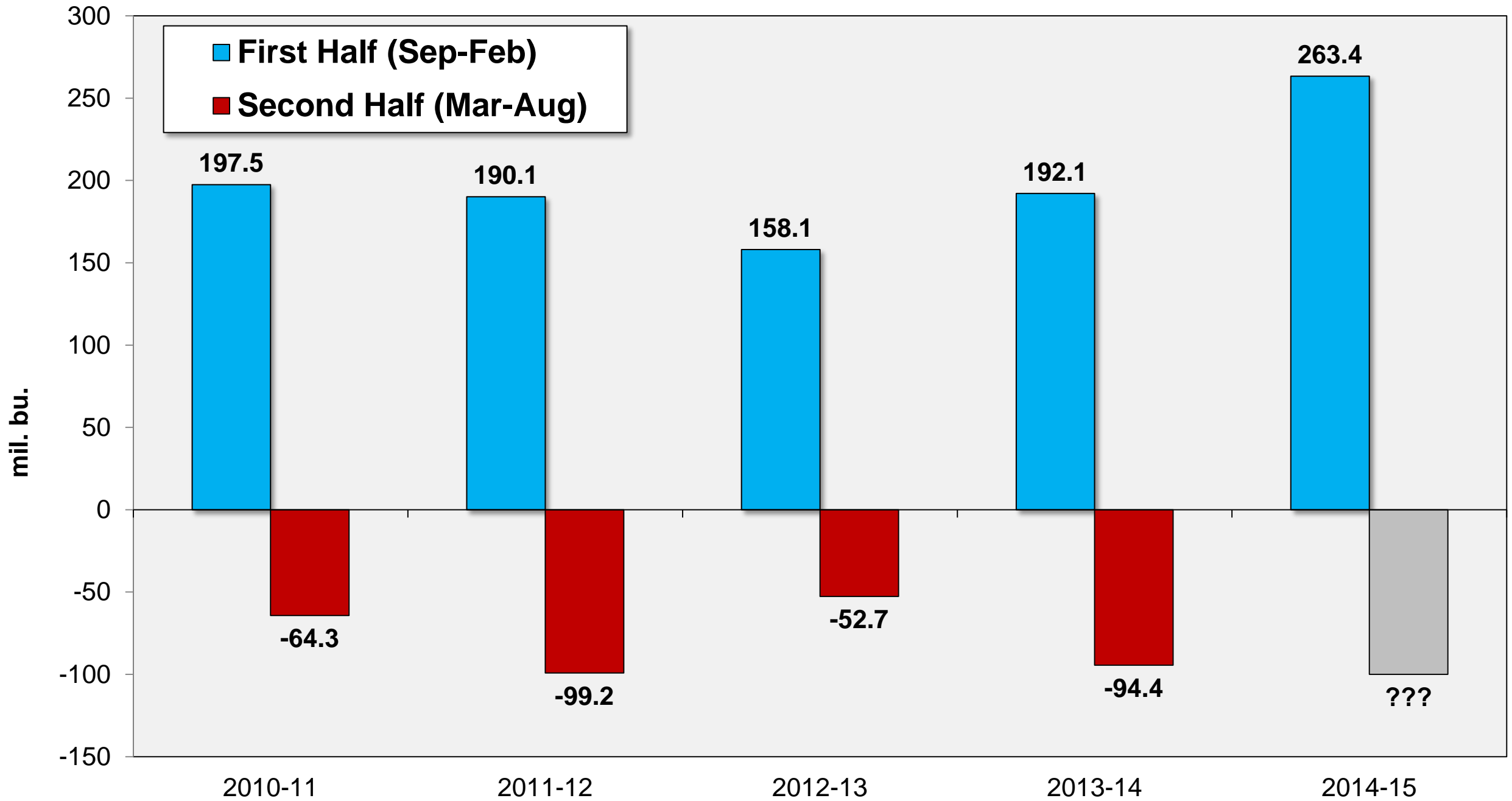


Figure 8. Acreage Summary for Principal Crops, CRP, and PP (Million Acres)

Crop	2007	2008	2009	2010	2011	2012	2013	2014	2015*
Principal Crops	320.4	325.6	319.0	315.4	314.3	324.3	329.9	326.9	324.8
CRP	36.8	34.6	33.7	31.2	31.2	29.7	27.1	25.6	24.3
Prevent Plant	1.6	1.7	4.2	6.9	9.6	1.2	8.3	4.4	0
Total	358.8	361.9	356.9	353.5	355.1	360.3	356.9	356.9	349.1

Figure 8. Acreage Summary for Principal Crops, CRP, and PP (Million Acres)

Crop	2007	2008	2009	2010	2011	2012	2013	2014	2015*
Principal Crops									324.8
CRP									24.3
Prevent Plant									0
Total	358.8	361.9	356.9	353.5	355.1	360.3	356.9	356.9	349.1

Highlights:
Acreage Summary for Principal Crops Indicates 1% decline for 2015 to 324.8 Mil. Acres
CRP Acreage Continues to Decline
Total Acres Down 2% on fewer Principal and CRP Acres, and No Reported Prevent
(Do Intentions Include Acres Which Could Switch to Prevent?)

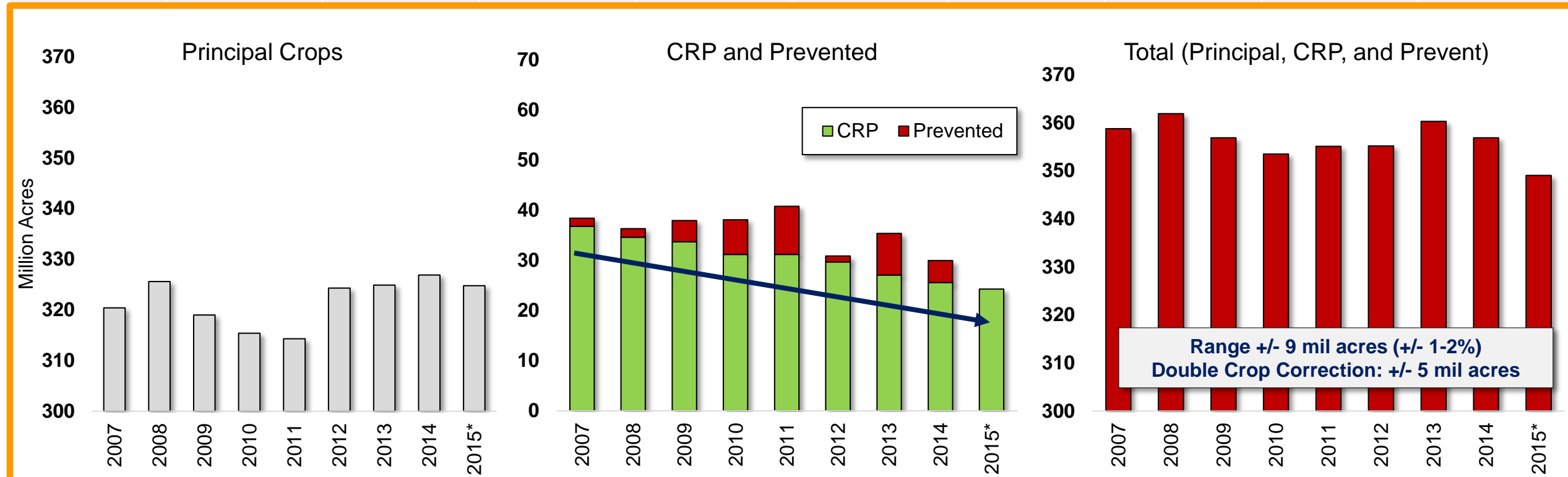
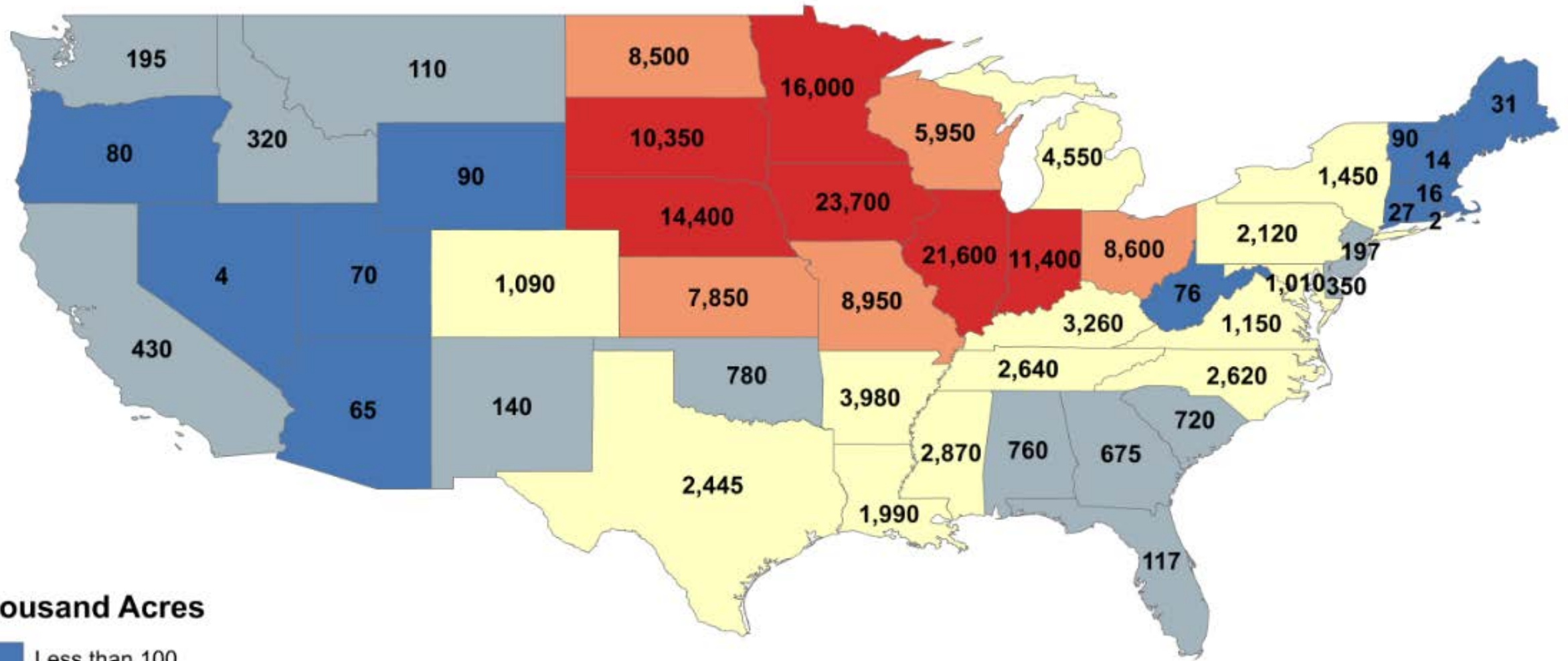


Figure 9. March 31 Intentions, U.S. Corn & Soybean Acres in 2015



Thousand Acres

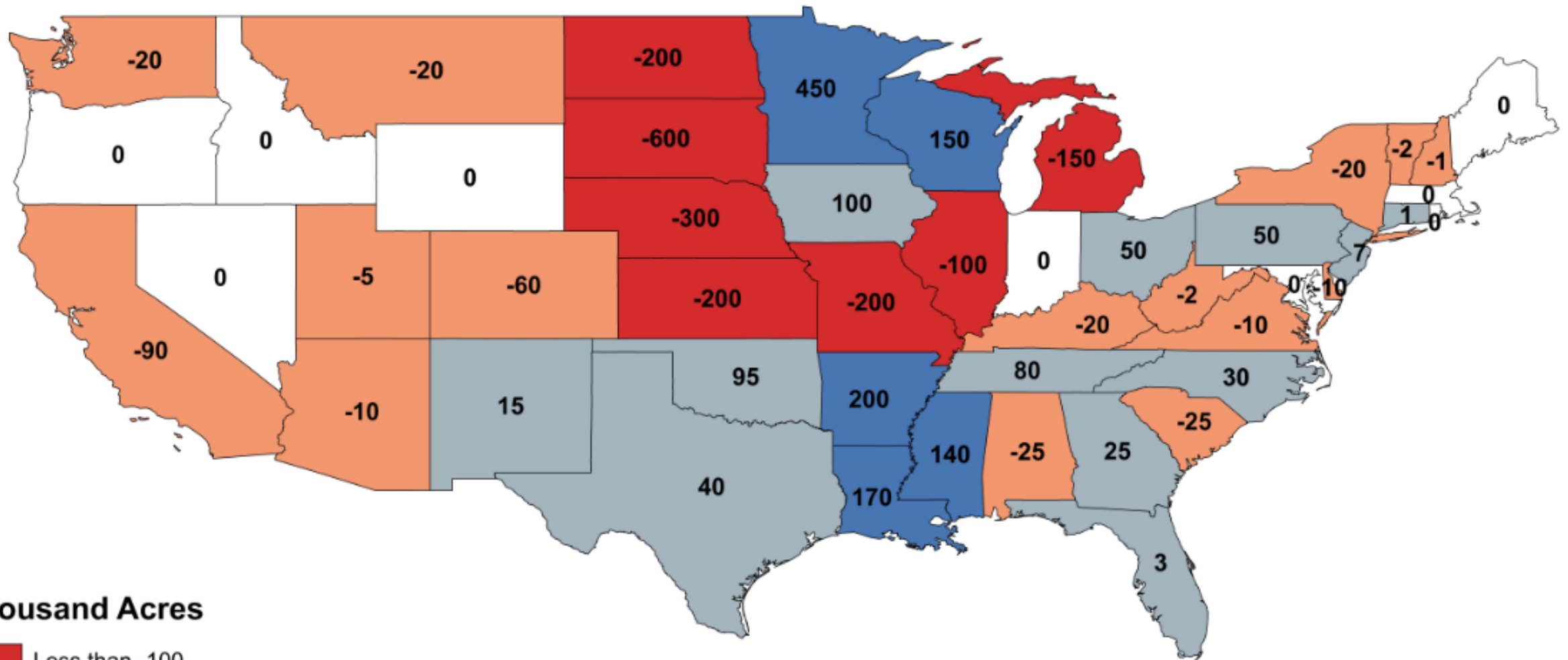
- Less than 100
- 101 to 1,000
- 1,001 to 5,000
- 5,001 to 10,000
- Greater than 10,000

Based on USDA, NASS data

Highlights:
 173.8 Mil. Acres of Corn & Soybeans Planted in U.S. for 2015
 Down 464K Acres from 2014
(Red States: 97.5 Mil. Acres 56% of U.S. Total)



Figure 10. March 31 Intentions Minus 2014 Planted Acres, Corn & Soybeans



Thousand Acres

- Less than -100
- 99 to -1
- No Change
- 1 to 100
- Greater than 100

Based on USDA, NASS data

Highlights:
464K Fewer Acres Planted in 2015
 22 States With Fewer Acres (2 Mil. Acres Total)
 26 States With Same or More Acres (1.6 Mil. Acres)



Figure 11. Planted and Harvested Acreage of Corn

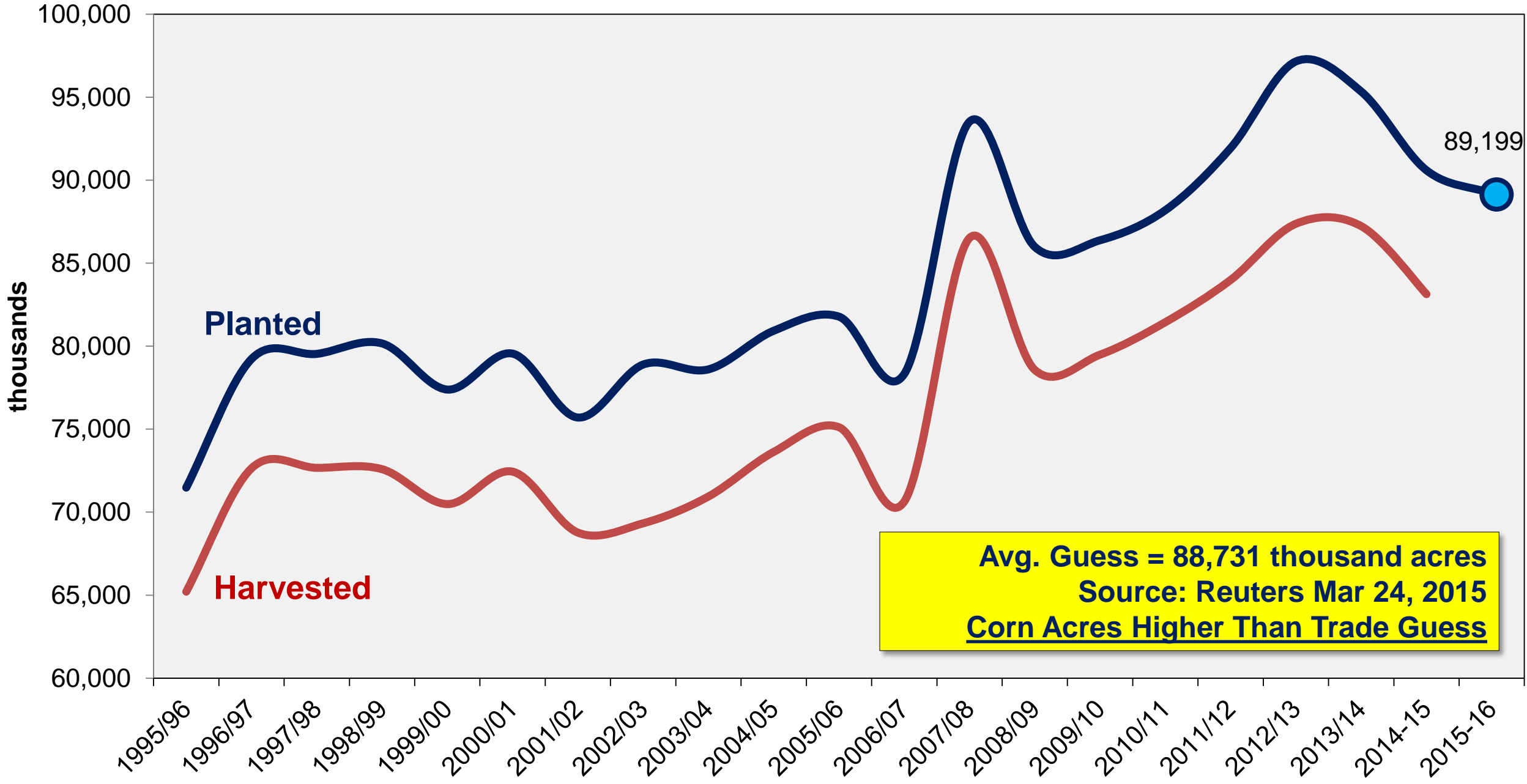
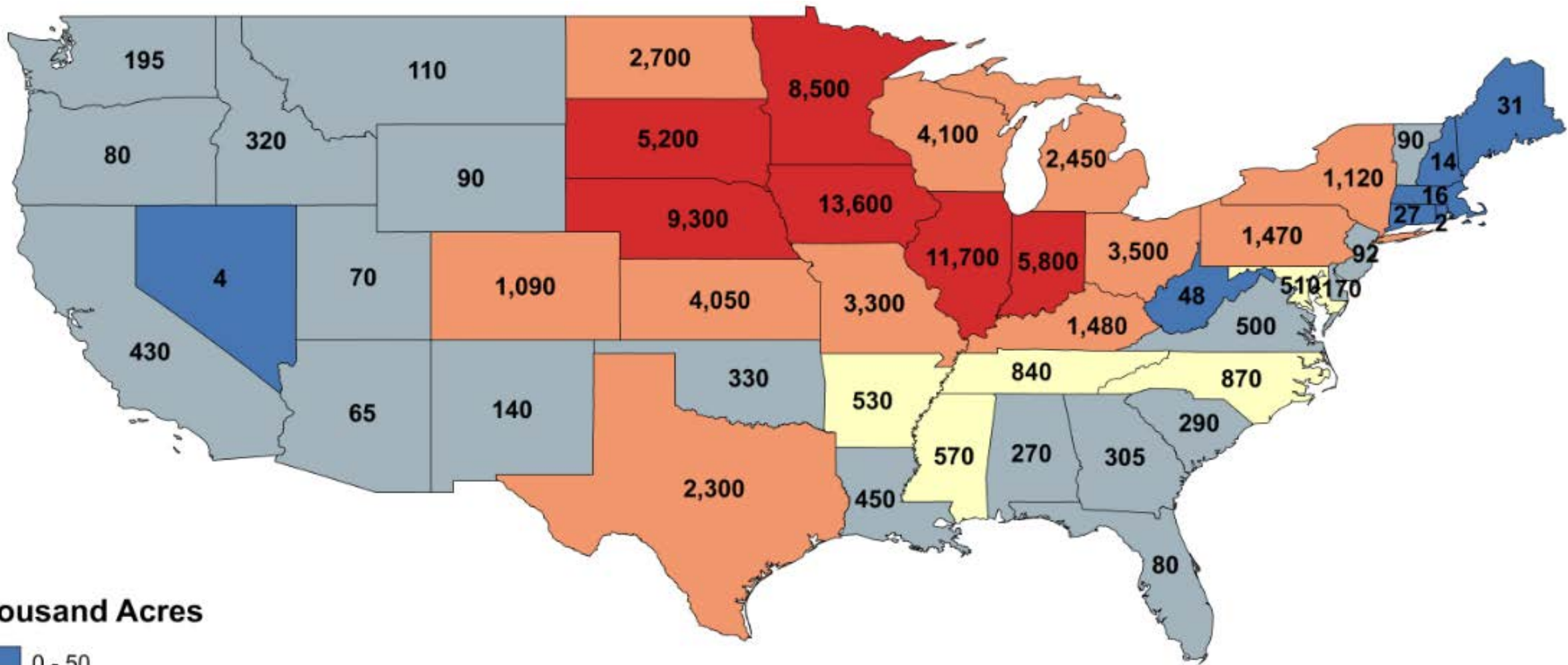


Figure 12. March 31 Intentions, U.S. Corn Acres in 2015



Thousand Acres

- 0 - 50
- 51 - 500
- 501 - 1,000
- 1,001 - 5,000
- 5,001 - 13,600

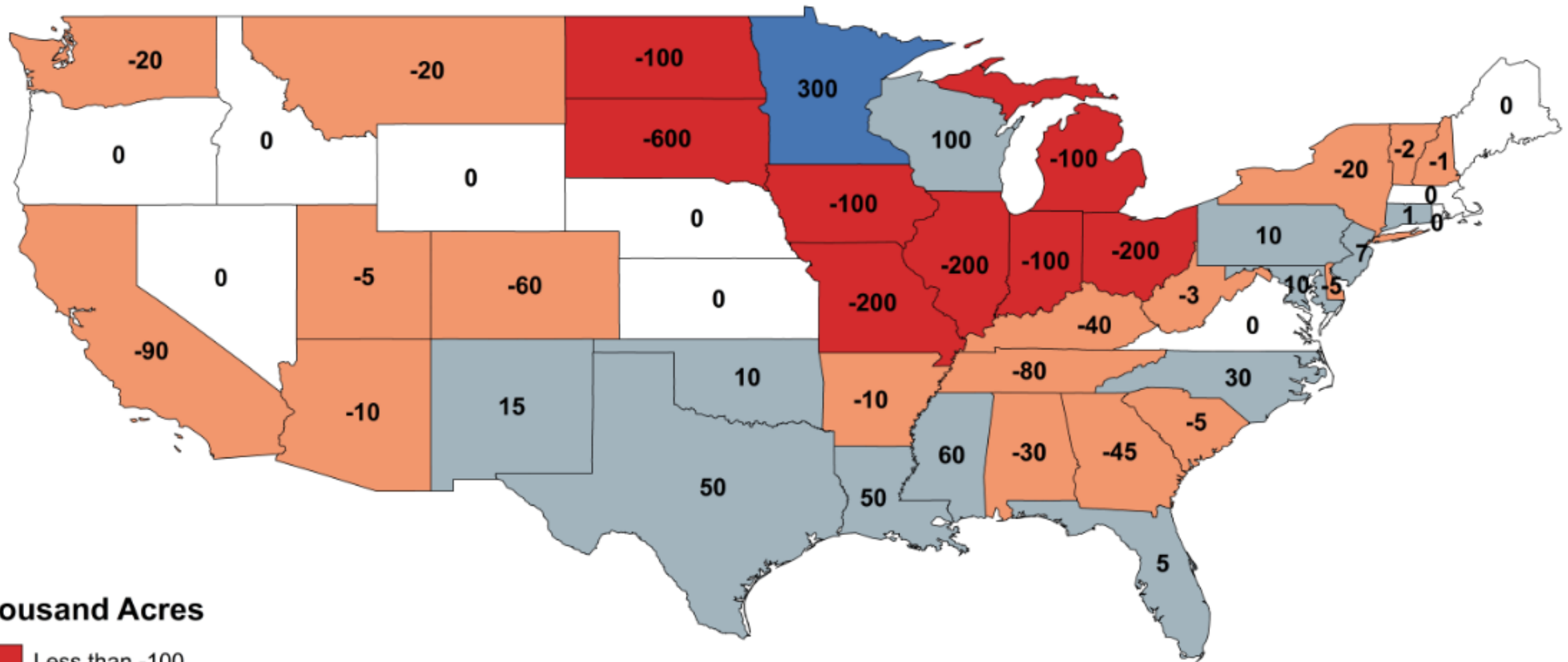
Based on USDA, NASS data

Highlights:

(Red States: 54 Mil. Acres 60% of U.S. Total)
89.2 Mil. Acres of Corn Planted in U.S. for 2015
Down 1.4 Mil. Acres from 2014 (-2%)
Three Straight Years of Corn Acre Declines



Figure 13. March 31 Intentions Minus 2014 Planted Acres, Corn



Thousand Acres

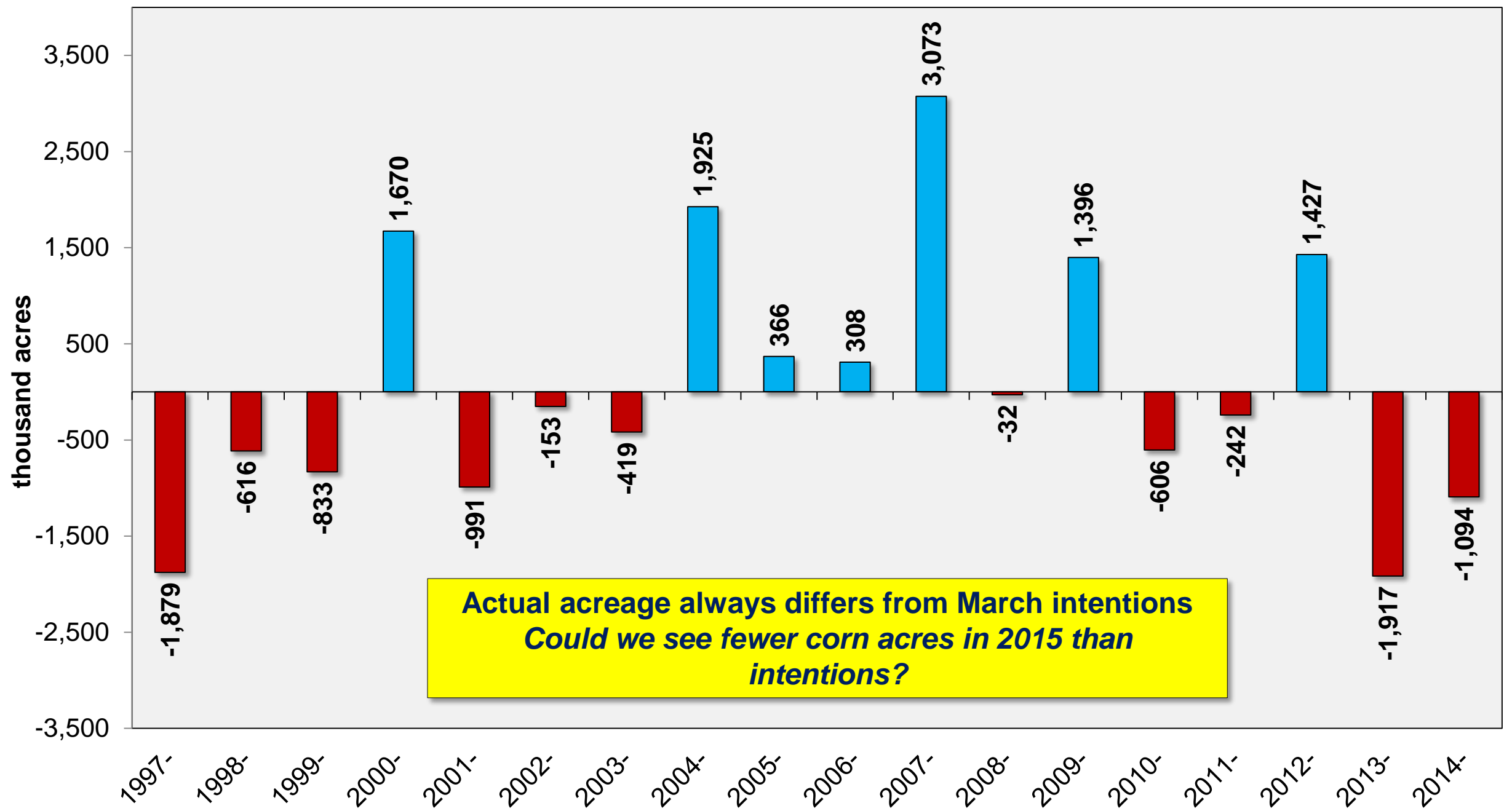
- Less than -100
- 99 to -1
- No Change
- 1 to 100
- Greater than 100

Based on USDA, NASS data

Highlights:
25 States With Fewer Corn Acres (2 Mil. Acres Total)
 1.4 Mil. Fewer Acres Planted in 2015
 23 States With Same or More Corn (640K Acres)

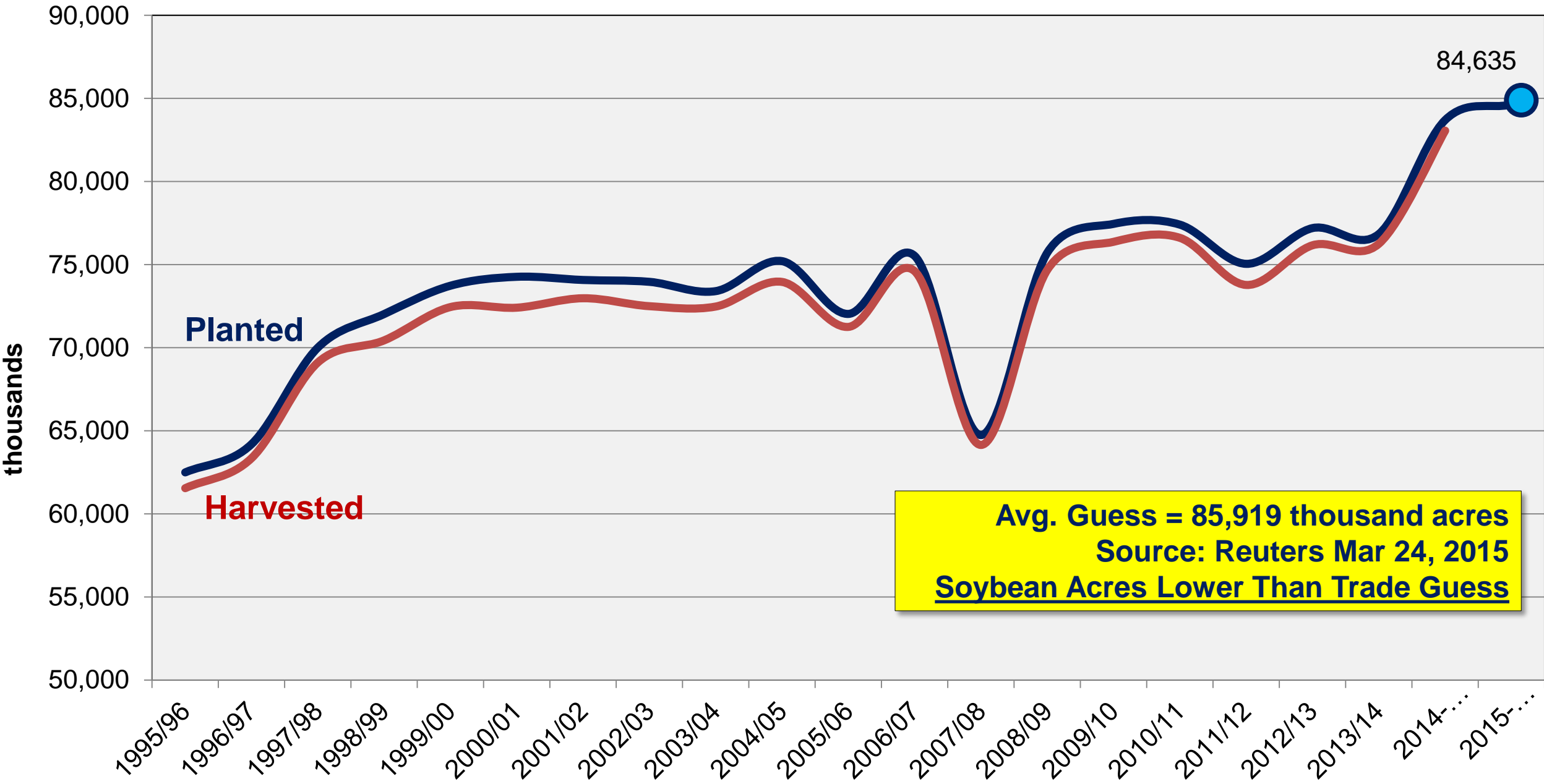


Figure 14. Actual Planted Acres of Corn Minus March Intentions



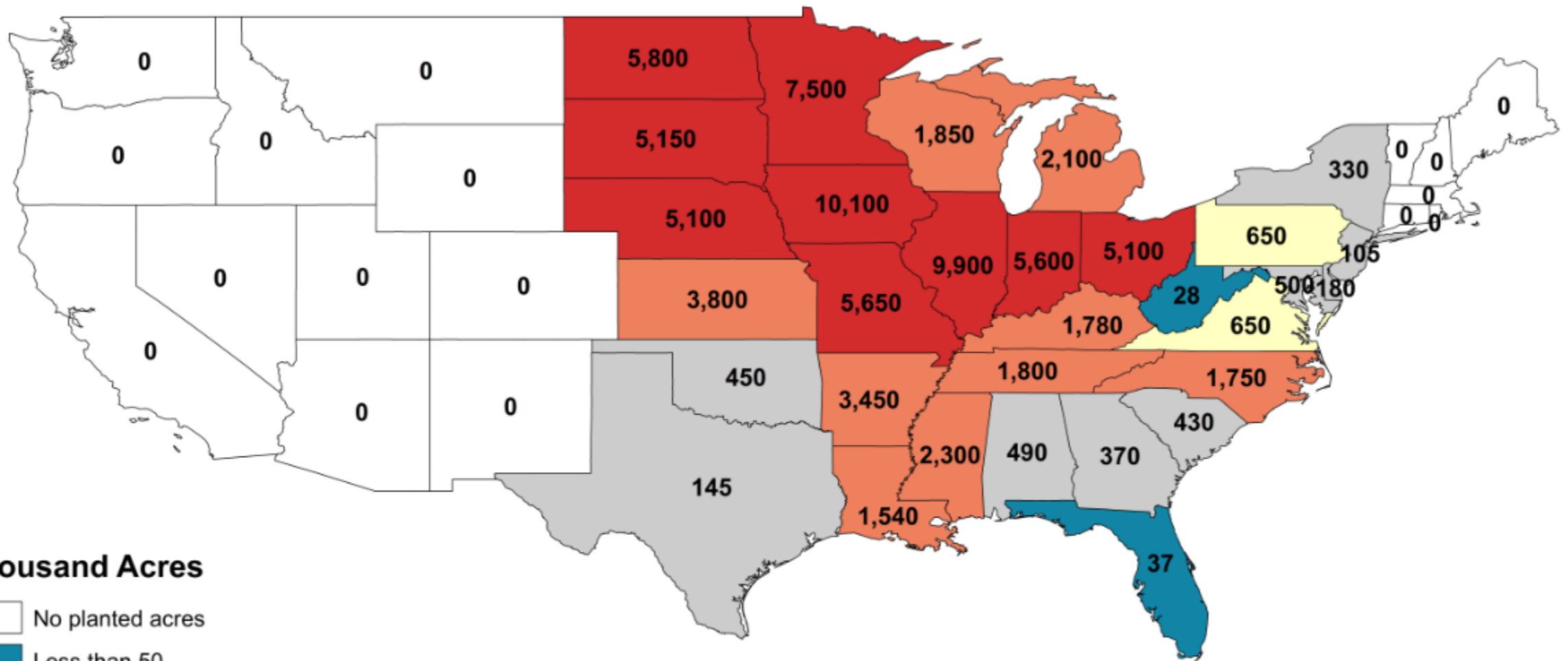
Actual acreage always differs from March intentions
Could we see fewer corn acres in 2015 than intentions?

Figure 15. Planted and Harvested Acreage of Soybeans



Avg. Guess = 85,919 thousand acres
Source: Reuters Mar 24, 2015
Soybean Acres Lower Than Trade Guess

Figure 16. March 31 Intentions, U.S. Soybean Acres in 2015



Thousand Acres

- No planted acres
- Less than 50
- 51 to 500
- 501 to 1,000
- 1,001 to 5,000
- Greater than 5,000

Based on USDA, NASS data

Highlights:

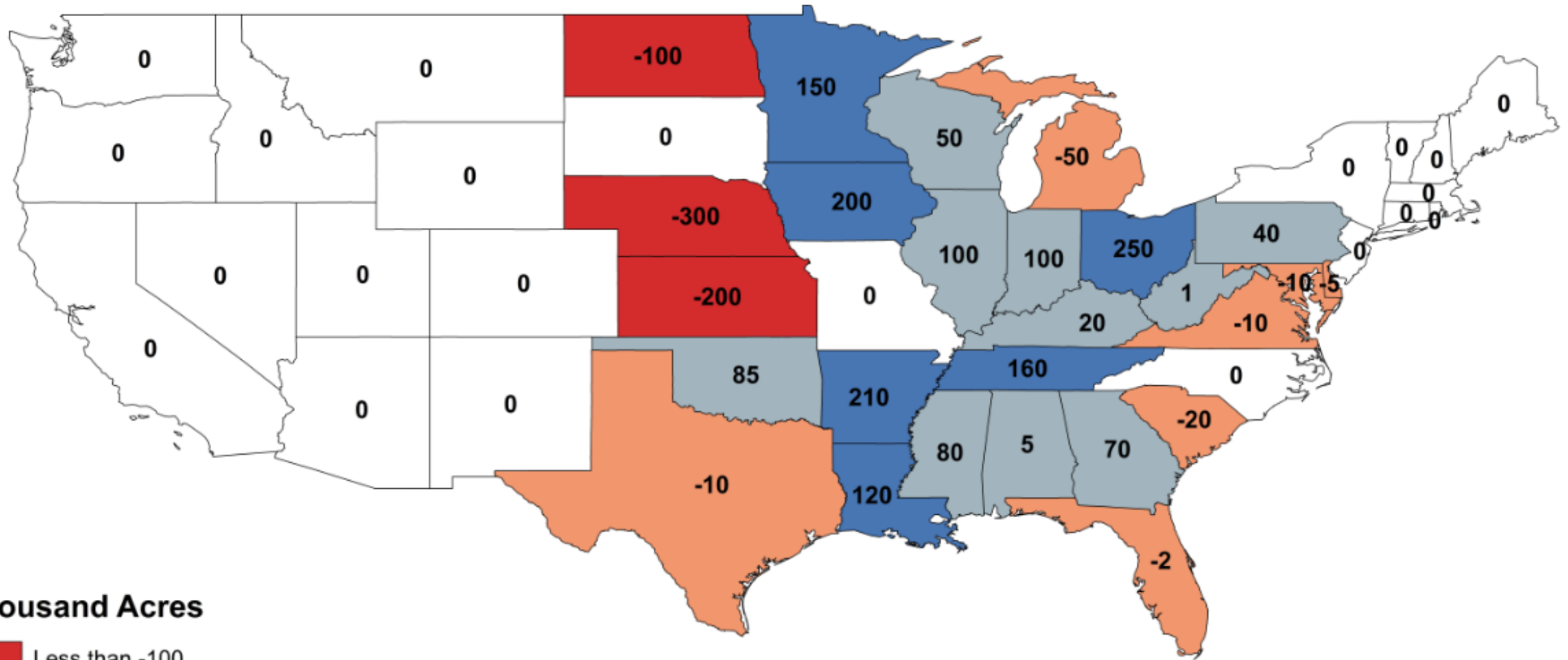
(Red States: 60 Mil. Acres 71% of U.S. Total)

RECORD: 84.6 Mil. Acres of Soybean Planted in U.S. for 2015

Up 934K Acres from 2014 (+1%)



Figure 17. March 31 Intentions Minus 2014 Planted Acres, Soybeans



Thousand Acres

- Less than -100
- 99 to -1
- No Change or No Planted Acres
- 1 to 100
- Greater than 100

Based on USDA, NASS data

Highlights:
21 States With Same or More Beans (1.6 Mil. Acres)
 934K Additional Acres Planted in 2015
 10 States With Fewer Bean Acres (-707K Acres Total)



Figure 18. Actual Planted Acres of Soybeans Minus March Intentions

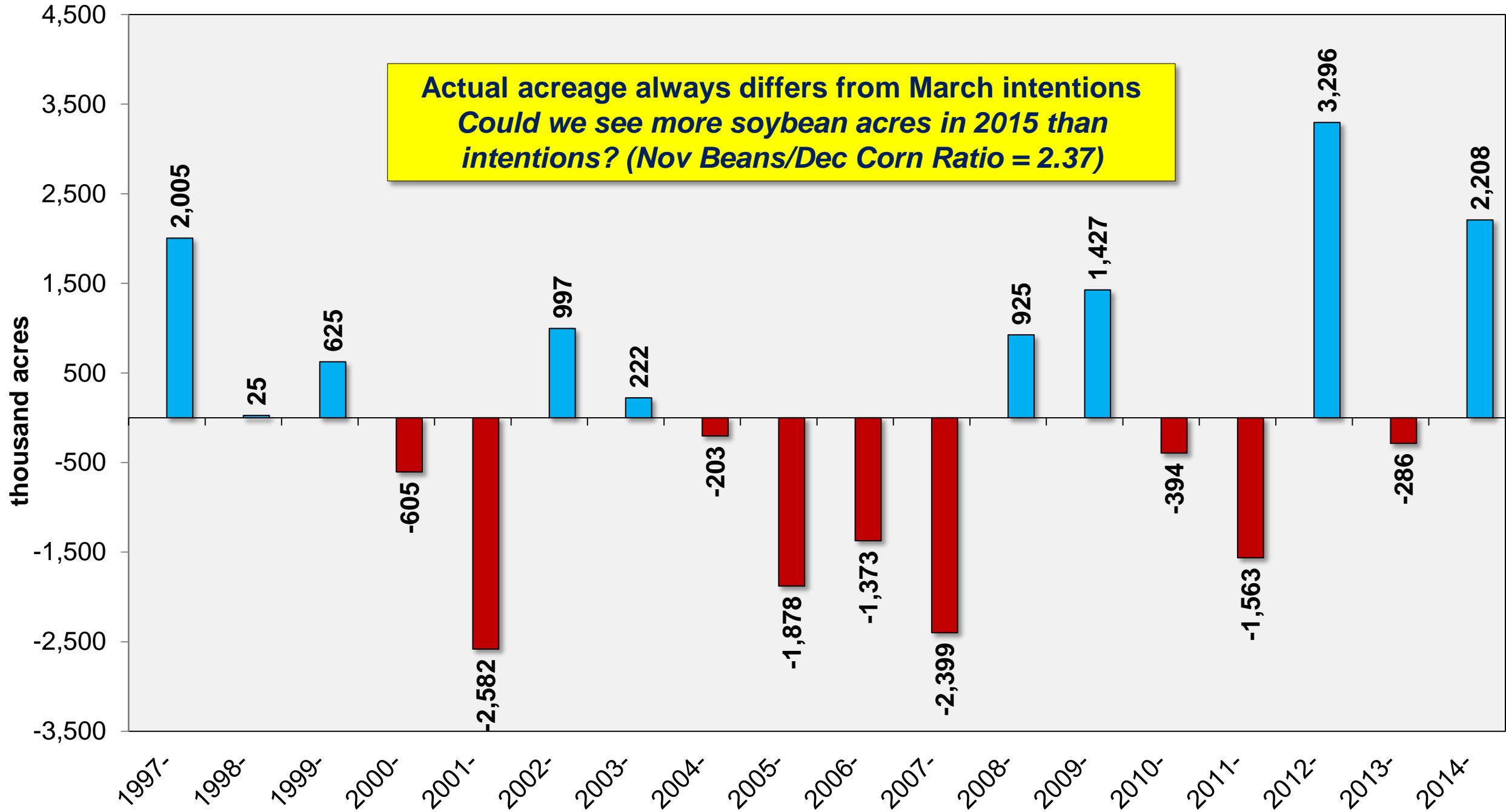


Figure 19. Corn Balance

	2014/15 WASDE Mar 10	2014/15
Supply:		
Planted Acreage (million acres)	90.6	90.6
Harvested Acreage (million acres)	83.1	83.1
Yield (Bushels / Acre)	171.0	171.0
Beginning Stocks (million bushels)	1,232	1,232
Total Production (million bushels)	14,216	14,216
Imports (million bushels)	25	25
Total Supply (million bushels)	15,472	15,472
Consumption:		
Feed and Residual (million bushels)	5,300	5,300
Food, Seed, and Industrial (million bushels)	6,595	6,595
Ethanol (million bushels)	5,200	5,200
Exports (million bushels)	1,800	1,800
Total Consumption (million bushels)	13,695	13,695
Ending Stocks (million bushels)	1,777	1,777
Ending Stocks/Total Consumption (%)	13.0%	13.0%
Average Price (\$/bu.)	\$3.70	\$3.70

Figure 20. Planted Minus Harvested Acres of Corn

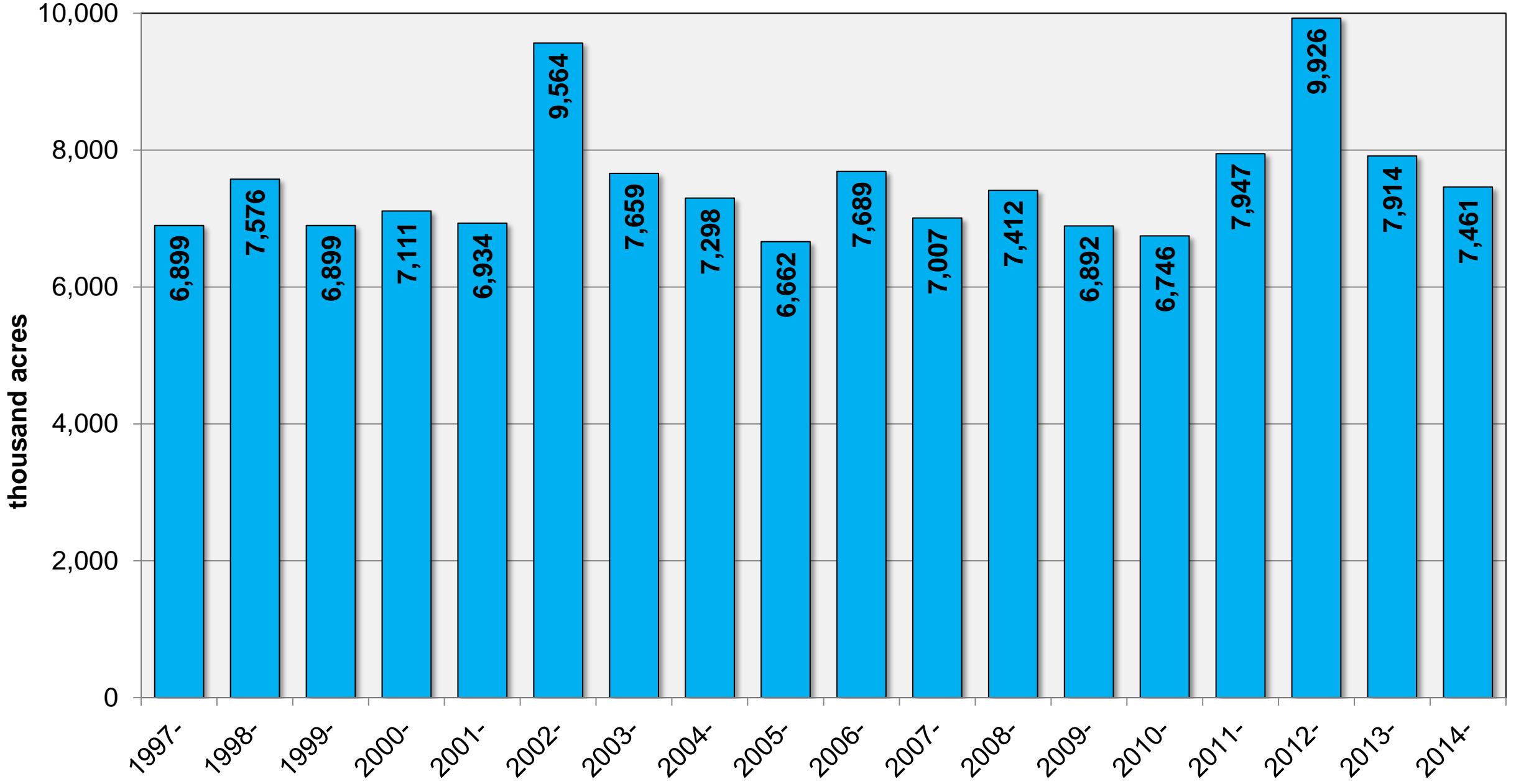


Figure 21. U.S. Average Corn Yield--1960-2014

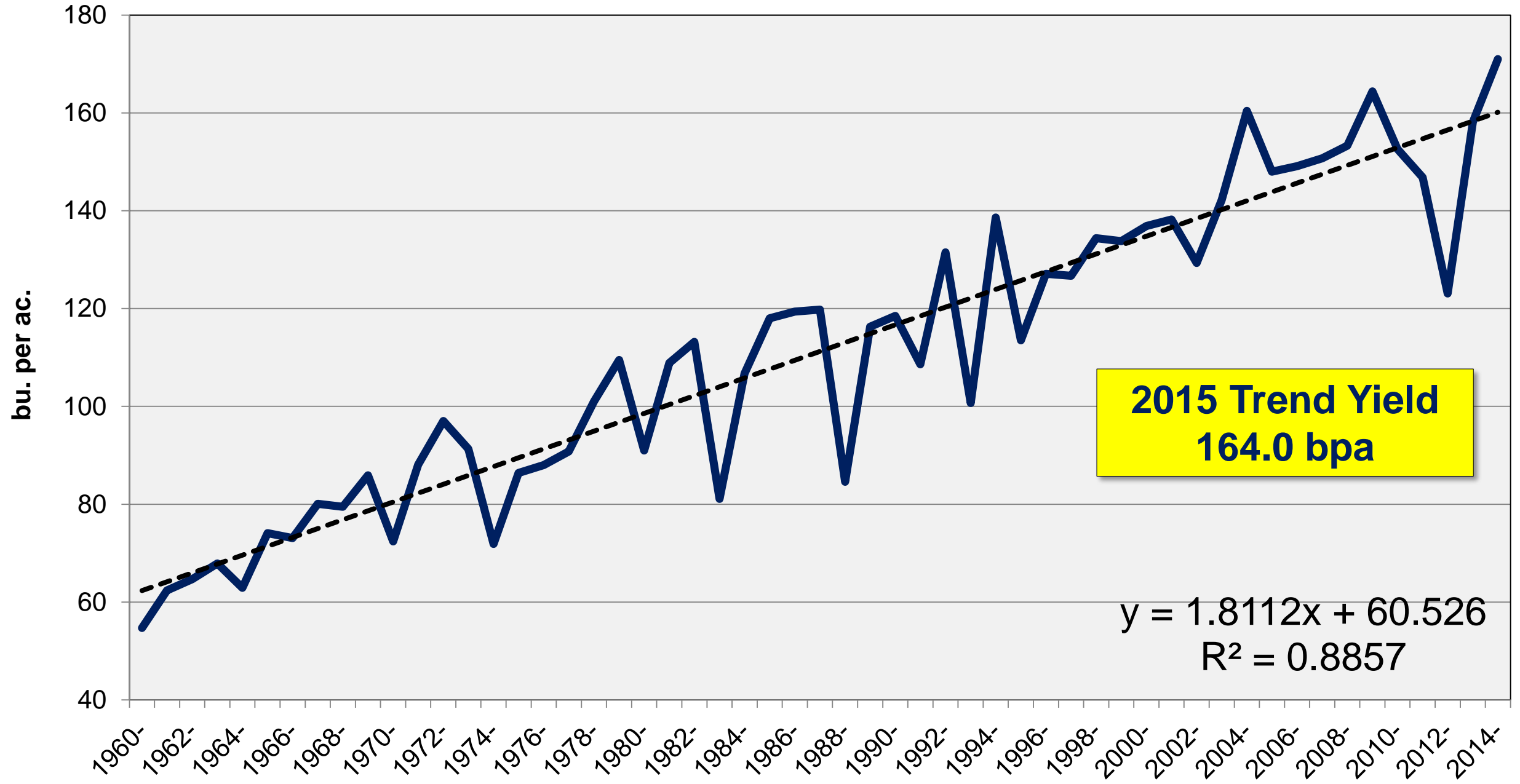


Figure 22. Corn Balance

	2014/15	2015/16
Supply:		
Planted Acreage (million acres)	90.6	89.2
Harvested Acreage (million acres)	83.1	81.7
Yield (Bushels / Acre)	171.0	164.0
Beginning Stocks (million bushels)	1,232	1,777
Total Production (million bushels)	14,216	13,400
Imports (million bushels)	25	20
Total Supply (million bushels)	15,472	15,197
Consumption:		
Feed and Residual (million bushels)	5,300	5,300
Food, Seed, and Industrial (million bushels)	6,595	6,615
Ethanol (million bushels)	5,200	5,200
Exports (million bushels)	1,800	1,825
Total Consumption (million bushels)	13,695	13,740
Ending Stocks (million bushels)	1,777	1,457
Ending Stocks/Total Consumption (%)	13.0%	10.6%
Average Price (\$/bu.)	\$3.70	\$4.25

Figure 23. Soybean Balance

Supply:

Planted Acreage (mil.)

83.7

83.7

Harvested Acreage (mil.)

83.1

83.1

Yield (bu./ac.)

47.8

47.8

Production (mil. bu.)

3,969

3,969

Beginning stocks (mil. bu.)

92

92

Imports (mil. bu.)

25

25

Total Supply(mil. bu.)

4,086

4,086

Consumption:

Crush (mil. bu.)

1,795

1,795

Export (mil. bu.)

1,790

1,790

Seed and Residual (mil. bu.)

116

140

Total Consumption(mil. bu.)

3,701

3,725

Ending stocks (mil. bu.)

385

361

Stocks-to-use

10.4%

9.7%

Average farm price (\$/bu.)

\$10.20

\$10.20

2014/15
WASDE Mar 10

2014/15

Figure 24. Planted Minus Harvested Acres of Soybeans

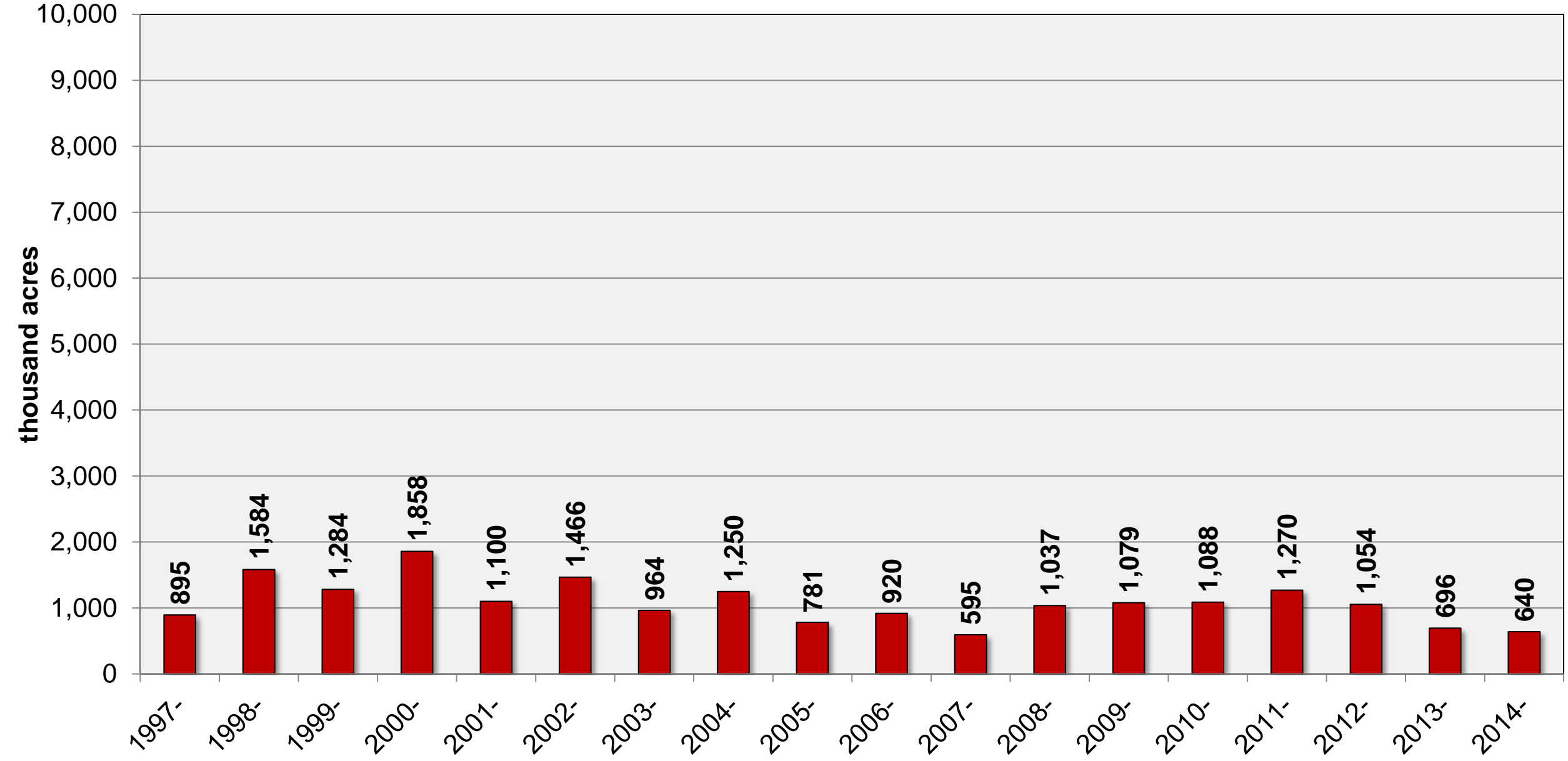


Figure 25. U.S. Soybean Yield

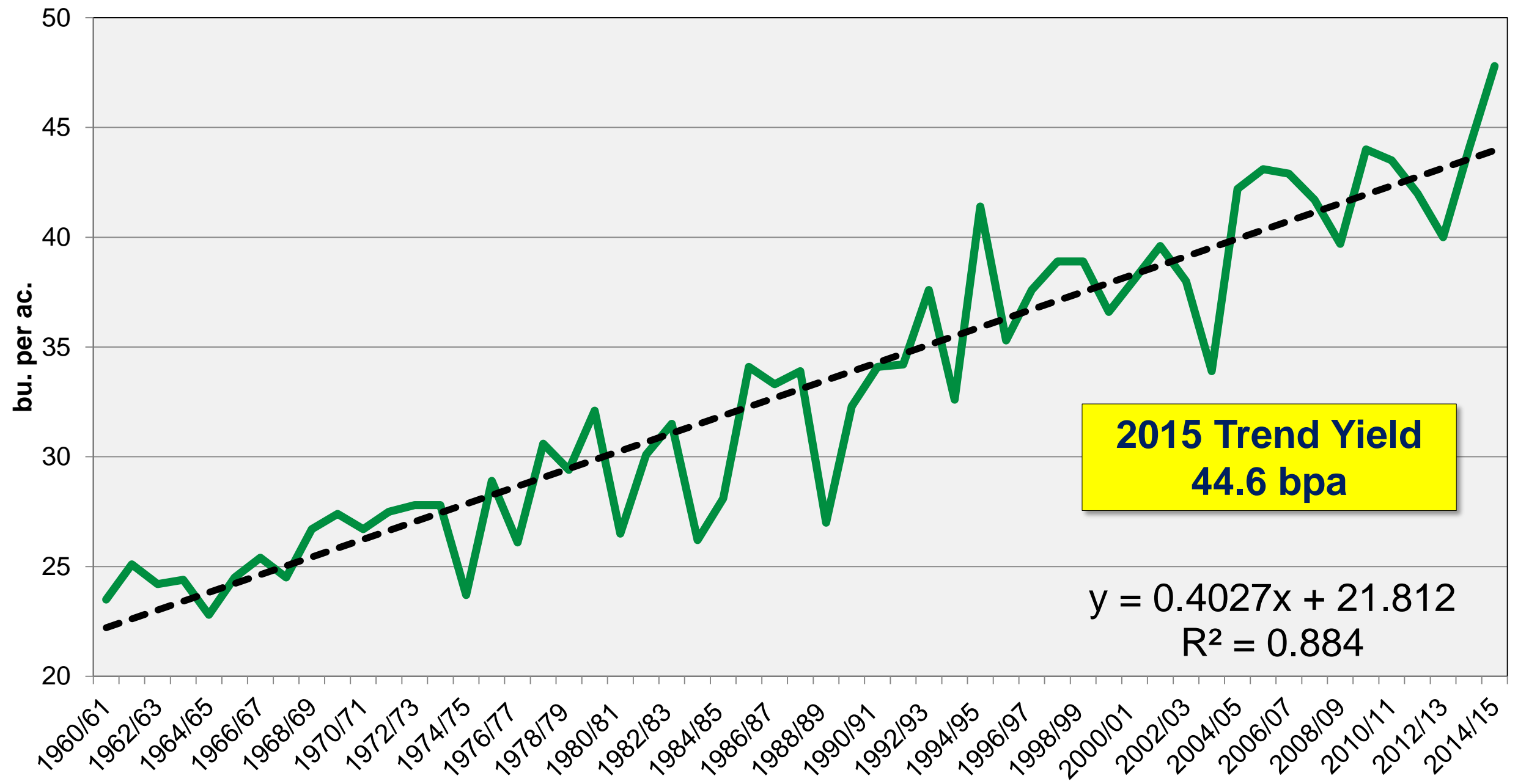


Figure 26. Soybean Balance

2014-15

2015-16

Supply:

Planted Acreage (mil.)	83.7	84.6
Harvested Acreage (mil.)	83.1	83.8
Yield (bu./ac.)	47.8	44.8
Production (mil. bu.) Planted Acreage	3,969	3,737
Beginning stocks (mil. bu.)	92	361
Imports (mil. bu.)	25	20
Total Supply (mil. bu.)	4,086	4,118

Consumption:

Crush (mil. bu.)	1,795	1,800
Export (mil. bu.)	1,790	1,800
Seed and feed (mil. bu.)	140	120
Total Consumption(mil. bu.)	3,725	3,720

Ending stocks (mil. bu.) 361 **398**

Stocks-to-use 9.7% **10.7%**

Average farm price (\$/bu.) \$10.20 **\$9.75**

Closing Comments

- **U.S. Farmers intend to plant:**
 - 934K additional soybean acres and 1.4 Mil. fewer corn acres
 - Soybean below trade / Corn Above Trade
- **March 1 Stocks Report Showed:**
 - Corn stocks 136 Mil. bushels above expectations
 - Implications for feed and residual 4,919 to 5,688
- **Balance Sheet Implications**
 - Expect big crops for both corn and soybeans in 2015
 - Projection for stocks to build in beans but decline in corn
 - Good: Higher corn prices and lower bean prices in MY 2015/16

Questions?

Please continue to submit questions during this part of the webinar

Scott Irwin

sirwin@Illinois.edu



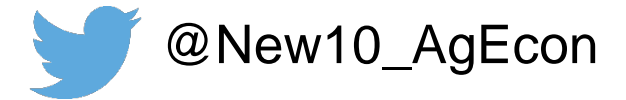
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