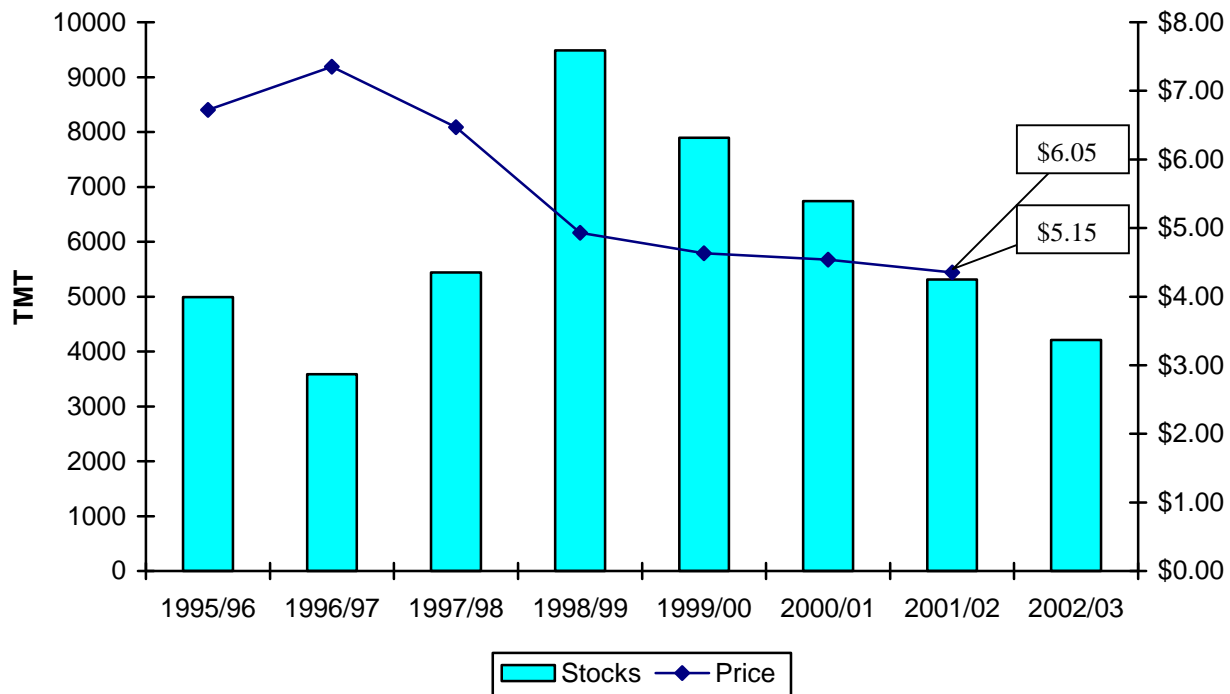




# Oilseeds: World Markets and Trade

## Lower Soybean Stocks and Higher Prices Projected

U.S. Soybean Ending Stocks and Season Average Price



U.S. soybean production and ending stocks are projected to reach their lowest levels since 1996/97 in 2002/03. The U.S. soybean production estimate for 2002/03 was reduced by 6.3 MMT to 71.5 MMT. The lower production estimate led to a cut in U.S. 2002/03 ending stocks and exports by 2.1 and 3.7 MMT respectively. The lower expected stock levels caused the projected soybean price range to rise by \$1.00 this month to \$5.15 - \$6.05 for 2002/03. World soybean ending stocks, which account for most of oilseed ending stocks, are also expected to reach their lowest level in six years, falling from 30.2 to 22.9 MMT. Record South American soybean beginning stocks, coupled with lower U.S. soybean exports and an increase in Brazilian soybean production for 2002/03 of 1.0 MMT, led to increases this month in expected Brazilian and Argentine soybean exports of 2 and 2.1 MMT respectively. Brazil's projected soybean exports of 22.2 MMT in 2002/03 are now almost equal to projected U.S. exports of 22.3 MMT. Reduced 2002/03 rapeseed and palm oil production projections for August led to higher soybean oil export forecast from the United States and South America, lower oil stocks, and higher expected oil prices.