



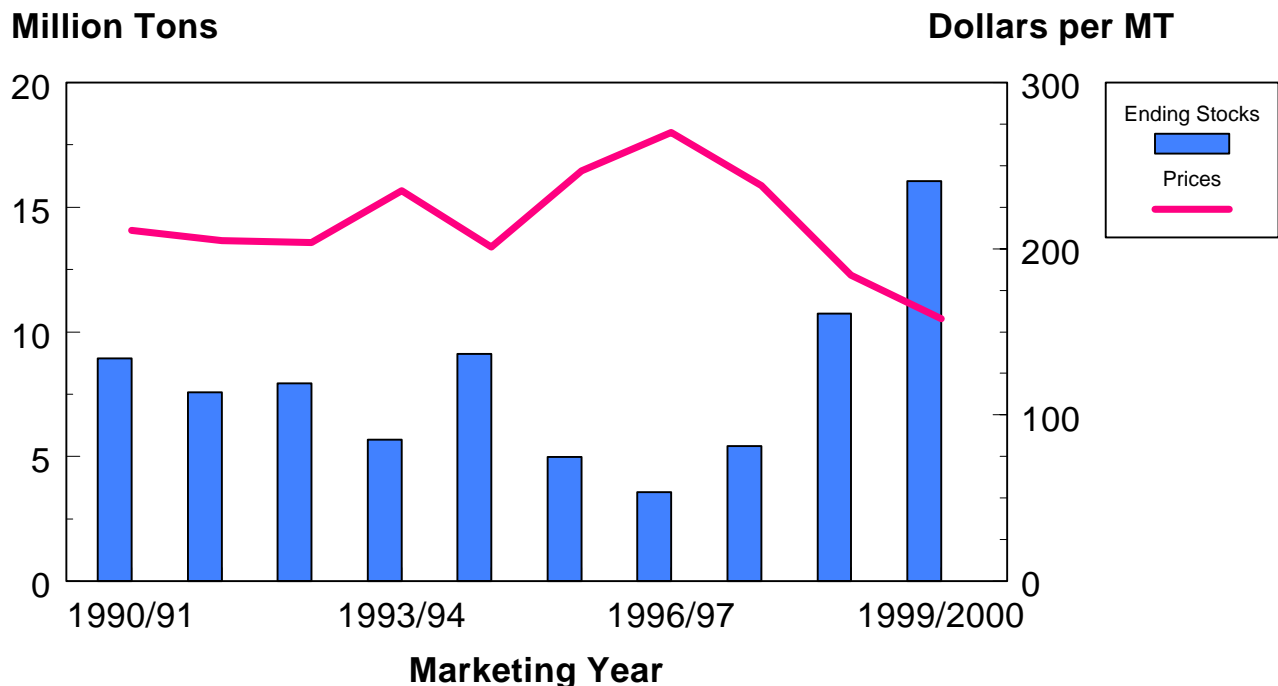
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Record 1999/2000 U.S. Soybean Stocks Are Expected To Push Soybean Prices Lower



Record soybean supplies in the United States are expected to lead to record large soybean ending stocks in 2000. Stocks are forecast to reach a record 16.1 million tons or the equivalent of 80 days of use. Though stocks are expected to reach record volume, the quantity of ending stocks expressed on a days of use basis is not a record as it falls short of the 104 days of use level reached in 1985/86. With the larger supply of soybeans available, soybean prices are expected to decline in the coming year from \$184/ton to between \$145 and \$175/ton. However, more than half of the decline is expected to result from lower soybean oil prices. Soybean oil prices are forecast to decline between \$44 and \$110/ton compared to the 1998/99 level of \$441/ton. Accelerated palm oil production along with expansion of other vegetable oil supplies will result in a surplus vegetable oil supply situation in the coming year leading to lower prices. Attractively low soybean meal prices in 1999, along with improving economies in Asia are expected to spur soybean meal demand in the coming year. However, large soybean stocks will insure that adequate supplies of soybean meal will be available to meet expected growing demand at current prices.