



Appendix H: Agricultural Supply Tables and Information

*Note: All data for this appendix was provided by the U.S. Department of Agriculture (USDA).
The information is from September 2004 and is regularly updated by the USDA
via the web address printed at the end of this chapter.*

Wheat

Domestic Situation

Projected U.S. 2004/05 ending stocks of wheat are lowered 9 million bushels from August 2004 as a 41-million-bushel increase in production (reported in the *Small Grains Summary*) is more than offset by 25-million-bushel increases in both exports and in feed and residual use. Feed and residual use is raised based on larger-than-expected use in the first quarter implied by September 1 grain stocks. The projected price range is raised 10 cents on the lower end to \$3.10 to \$3.50 per bushel because of the smaller stocks, larger exports, and higher-than-expected prices during the past month.

World Supply and Trade

Projected 2004/05 global wheat production and use are up, but stocks are lower than August 2004. Global wheat production is raised 5.2 million tons and now stands at a record 616 million tons, 64 million tons more than 2003, and the largest year-to-year increase in over 45 years. Foreign production is up 4 million tons from August 2004 and is 69 million tons above 2003. The EU-25 crop is raised 2.6 million tons this month, with smaller increases forecast for the United States (up 1.1 million tons), Brazil, and Turkey (each up 0.5 million tons), and several other countries. Global consumption is raised by nearly 5 million tons from August 2004 due in part to larger feed use in the United States, the EU-25, and Canada. In addition, food use is raised nearly 3 million tons, with India's food use boosted 2 million tons because of lower production of other grains. Global imports are nearly unchanged from August 2004. However, exports from the United

States and the EU-25 are higher while Canada's are lower. Brazil's imports are lower by 0.5 million tons. Relative to August 2004, projected global ending stocks are down about 1 million tons because beginning stocks are lowered 1.4 million tons and the increase in global production is largely offset by greater consumption.

Coarse Grains (corn, sorghum, barley oats and rye)

Domestic Situation

This month's outlook for 2004/05 U.S. feed grains is for a record total crop, higher use, and larger stocks. Forecast 2004 corn production is a record 11.613 billion bushels, up 652 million bushels from August 2004. Due to a reduction in planted and harvested area, 2004 grain sorghum production is down 10 million bushels. Barley production is up 7 million bushels and the oat crop is lowered 11 million bushels based on the

Small Grains Summary

Projected feed and residual use of corn is up 200 million bushels from August 2004. However, exports are 25 million bushels lower due to the slow pace of export sales to date and increased competition from feed-quality wheat. Relative to August 2004, projected ending stocks of corn are up 482 million bushels but grain sorghum stocks are down 22 million bushels. Barley stocks and oats stocks are also lower. The projected corn price range is down 25 cents on each end from August 2004 to \$1.75 to \$2.15 per bushel. The price range for grain sorghum is down 20 cents to \$1.70 to \$2.10 per bushel. The price range for barley is narrowed 5 cents on each end to \$2.30 to \$2.60

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per bushel and the price range for oats is narrowed 5 cents on each end to \$1.30 to \$1.50 per bushel.

World Supply and Trade

Global 2004/05 coarse grain supply, use, and stocks projections are up from August 2004. Global production is raised to a record 977 million tons, up 18 million tons from August 2004 and 8 percent larger than 2003/04. Relative to August 2004, larger crops are projected for the United States, Romania (up 2.1 million tons), China (up 2 million tons), and the EU-25 (up 1.3 million tons). Crop reductions are noted for India (down 2.1 million tons), Brazil (down 0.5 million tons), and Canada (down 0.4 million). In addition, changes are made in a number of African countries with the net result that production is nearly 1 million tons lower. Global trade is down slightly from August 2004. Smaller exports are projected for the United States, Australia, and Canada but larger exports are projected for the EU-25. Reduced imports are projected for South Korea, South Africa, and Canada. Global coarse grain stocks are raised 12 million tons from August 2004 and are up 48 million tons from 2003. Ending stocks are raised for the United States with smaller increases projected for the EU-25, Canada, and other countries. China's corn stocks increase fractionally, as larger domestic non-feed use and slightly smaller beginning stocks largely offset the increase in the crop.

Rice

Domestic Situation

U.S. rice production in 2004/05 is forecast at a record 225.5 million cwt, 1.7 percent above August 2004. Average yield is forecast at a record 6,763 pounds per acre, up 112 pounds per acre from August 2004. Area planted and harvested are unchanged from a month ago. Long-grain production is forecast at 165.3 million cwt, 1.7 percent above August 2004, while combined medium- and short-grain production is forecast at 60.2 million cwt, 1.7 percent above August 2004.

Domestic and residual use is projected at 119.0 million cwt, down less than 1 percent from August 2004, but 4 percent above the revised 2003/04 estimate. Exports in 2004/05 are projected at 104 million cwt, nearly 3 per-

cent below August 2004, and about the same as 2003/04. Rough rice exports are projected at 32 million cwt, about 9 percent below August 2004, while combined milled and brown rice exports are projected at 72 million cwt (rough-equivalent basis), unchanged from August 2004. Ending stocks are projected at 40.7 million cwt, 24 percent above August 2004, 72 percent above 2003/04, and the largest stocks since 1986/87. The season-average farm price is unchanged at \$7.00 to \$7.50 per cwt.

World Supply and Trade

Global 2004/05 rice production, imports, exports, consumption, and ending stocks are little changed from a month ago. On the production side, a lower crop projected for Brazil is partially offset by increases for the United States and Turkey. Imports are increased for Brazil, Saudi Arabia, and Malaysia, partially offset by declines for Peru and Turkey. Lower rice exports for the United States, India, and Australia are partially offset by an increase for Thailand. Global rice ending stocks in 2004/05 are projected at 68.4 million tons, down 0.3 million tons from August 2004. Lower stocks in 2004/05 projected for Brazil, India, and Thailand are partially offset by higher stocks for the United States and Indonesia.

Soybeans and Products

Domestic Situation

Soybean production is forecast at a record 3,107 million bushels, up 271 million bushels from August 2004 based on a record yield and higher harvested area. At 42.0 bushels per acre, the 2004 yield forecast exceeds the previous record of 41.4 bushels per acre set in 1994. Projected soybean exports are increased 25 million bushels due to reduced South American supplies and to more competitive U.S. prices. Soybean crush is raised 30 million bushels as domestic meal use and export prospects improve. Soybean ending stocks are projected at 405 million bushels, which would be the highest level since 1986/87. The U.S. season-average soybean price for 2004/05 is projected at \$4.70 to \$5.50 per bushel, down from \$5.35 to \$6.25 August 2004. Soybean meal prices are projected at \$150 to \$180 per short ton, down \$20 on both ends of the

range from August 2004 and down from \$256.05 per short ton 2003.

Soybean oil prices are projected at 21.5 to 24.5 cents per pound, down 2 cents per pound on both ends of the range, and sharply below 29.97 cents per pound for 2003/04.

World Oilseeds and Products Supply and Trade

Global oilseed production for 2004/05 is projected at a record 385.9 million tons, up 5.3 million tons from August 2004 as increased U.S. production more than offsets lower foreign output.

Foreign oilseed production is reduced 2.2 million tons, primarily due to lower soybean and sunflower seed production. The Brazilian soybean crop is projected at 64.5 million tons, down 1.5 million tons from August 2004 as lower prices and higher input costs trim projected area expansion. Sunflowerseed production is reduced for Argentina based on lower planted area. Sunflowerseed production is also reduced for Ukraine, reflecting lower-than-expected yields. Other changes include higher cottonseed production for India and reduced rapeseed production for Canada.

Cotton

World production for 2004/05 is projected at 109.7 million bales this month, more than 10 percent above the previous record set in 2001/02. Sharply higher production relative to August 2004 raises world ending stocks, despite a moderate increase in world consumption. A 9-percent rise in India's crop, attributable mainly to higher area, accounts for about half of the world production increase; production is also higher in Pakistan and Turkey, as well as the United States.

World consumption is raised 0.5 percent from August 2004 due to increases for China, India, and Pakistan. World trade is virtually unchanged, as higher projected imports by China are offset by decreases for India and Pakistan.

World ending stocks are raised nearly 5 percent from August 2004 to about 42 million bales.

Agriculture Supply Tables

The U.S. Department of Agriculture has provided supporting data for the above cited analysis which can be found at the following Web links:

WORLD COARSE GRAIN TRADE:

<http://www.fas.usda.gov/grain/circular/2004/10-04/CGrain.xls>

MAJOR OILSEEDS: WORLD SUPPLY AND DISTRIBUTION:

<http://www.fas.usda.gov/oilseeds/circular/2004/04-10/table1t3.xls>

SOYBEANS: WORLD SUPPLY AND DISTRIBUTION:

<http://www.fas.usda.gov/oilseeds/circular/2004/04-10/table5t7.xls>

WORLD RICE TRADE:

<http://www.fas.usda.gov/grain/circular/2004/10-04/Rice.xls>

WORLD WHEAT, FLOUR, AND PRODUCTS TRADE:

<http://www.fas.usda.gov/grain/circular/2004/10-04/Wheat.xls>

COTTON:

<http://www.fas.usda.gov/cotton/circular/2004/10/table02.pdf>