GRAINS AND OILSEEDS OUTLOOK FOR 2009[1]

Prepared by Members of the
Wheat, Feed Grains, Rice, and Oilseeds Interagency Commodity Estimates Committees
U.S. Department of Agriculture

Introduction

This paper provides 2009/10 supply, use, and price projections for wheat, corn, rice, and soybeans and products. The first official USDA supply and use projections for 2009/10 will be published May 12. Projections presented in this paper are based on the *Winter Wheat Seedings* report and analyses by members of USDA's Interagency Commodity Estimates Committees for Wheat, Feed Grains, Rice, and Oilseeds. Projections assume normal weather conditions for spring planting and summer crop development.

The 2009/10 outlook is driven by declining prices for grains and oilseeds and an overall less favorable net return outlook for these crops than a year ago. Area planted to the major crops is expected to decrease with prices well below record levels experienced during spring and summer of 2008. Wheat production is projected lower with less winter wheat seeded last fall, expectations for lower spring wheat seedings, and a decline in yield from last year's record. Wheat stocks are expected to build modestly in 2009/10 as sharply higher beginning stocks and lower exports more than offset lower production. Corn plantings are expected to be nearly unchanged as the sharp year-to-year drop in expected net returns limits expansion in corn area. Corn supplies are projected higher with carryin up year-to-year and trend yields boosting production. Ending stocks for corn are projected lower as expanded ethanol corn use and higher exports more than offset the increase in supplies and a small reduction in feed and residual use. Soybean area is expected to expand, especially outside of the Corn Belt, as high input costs and lower expected area for wheat, cotton, and peanuts boost plantings of less input-intensive soybeans. Soybean supplies are projected to rise on sharply higher production resulting from increased planted area and higher yields. With higher use only partly offsetting a 9-percent supply increase, soybean ending stocks are projected sharply higher. Rice supplies are expected to increase for 2009/10 with higher expected production and imports. Planted area is expected to decline 2 percent for rice due to lower prices and drought effects in California; however, a return to trend yields will lift production over 2008. Rice ending stocks are expected to decline year-to-year with increased exports and domestic consumption. Season-average farm prices are projected lower for each commodity, although prices remain historically high.

Planted Acreage Outlook for 2009 (Table 1)

The 2009 acreage outlook reflects declines in prices for grains and oilseeds, high input costs, and continued weakness in world demand as financial and economic problems weigh on commodity markets well into next year. Extreme volatility in commodity and input prices during the past year has added uncertainty to producer planting decisions. High fertilizer prices and harvest delays limited fall field work in many areas, also increasing planting uncertainty this spring. Tempering price and acreage

[1]This paper incorporates contributions by analysts from the World Agricultural Outlook Board, the Economic Research Service, the Farm Service Agency, and the Foreign Agricultural Service.

prospects are large world grain supplies and reduced demand for U.S. grain exports in the current year. Winter wheat planted area is down from the previous year as lower prices, higher fertilizer costs, and delays in fall harvesting pushed seedings lower. Spring wheat area is also expected to decline in 2009 as growing stocks and a weaker net return outlook make other crops, particularly soybeans, a more favorable alternative in the northern Plains. Soybean plantings are expected to expand with reduced area for winter wheat, cotton, and other crops. Corn planted area is expected to be relatively stable year-to-year as mandated levels for ethanol use support demand for corn.

Combined corn, soybean, and wheat planted area is projected at 221.0 million acres, down 3.8 million from last year's 24-year high. Declines in wheat seedings more than offset an expected 1.3-million-acre increase in combined corn and soybean planted area. With prices well off of last year's record highs, less land is expected to be cropped in 2009. Planted area for the 8 major crops (wheat, corn, barley, oats, sorghum, soybeans, upland cotton, and rice) is projected at 247.6 million acres, down 5.2 million from 2008. This overall reduction includes lower expected area for cotton, as well as small reductions for other feed grains and rice. Area for soybeans double cropped on winter wheat is also expected to be lower.

Wheat planted area in 2009 is expected to decline 5.1 million acres to 58.0 million. Winter wheat seeded area is down 4.2 million acres and spring wheat (including durum) is expected to decline 900,000 acres or 5 percent. Soft red winter wheat seeded area is down 2.9 million acres or 26 percent from last year's 12-year high as lower cash prices and late row crop harvesting limited seedings last fall. Hard red winter wheat seeded area is down 1.1 million acres or 4 percent with declines in prices and delays in fall harvesting in the central Plains. In the northern Plains, spring wheat area is expected to decline with increased soybean plantings.

Corn plantings for 2009 are expected to be nearly unchanged from last year. At 86.0 million acres, this year's planted area will remain sharply higher than during the late 1990s and early 2000s when corn plantings averaged just over 79 million acres. Rising demand for corn to produce ethanol to meet the Federal Renewable Fuel Standard (RFS) is expected to increase corn use in 2009/10 and support corn prices, albeit at levels well below the highs set during the 2008 growing season. The 2009/10 relative net return outlook for corn versus soybeans is mostly unchanged from a year ago. The sharp year-to-year drop in per-acre net returns for corn is expected to limit acreage expansion. Input costs, especially for fertilizer, have moderated, but remain historically high, making less input intensive crops such as soybeans a preferable alternative for producers, especially outside the higher-yielding Corn Belt states.

Soybean area is projected to reach a record 77.0 million acres, up 1.3 million from 2008. Increased area is expected to come from reduced wheat, cotton, and peanut plantings. However, expansion for soybeans is limited by lower double cropping resulting from lower soybean prices and reduced soft red winter wheat plantings in the Delta and the eastern Corn Belt.

Rice planted acreage for 2009 is projected at 2.93 million acres, down 70,000 acres from last year. The contraction in rice plantings is based on relatively high returns for competing crops in the Delta—primarily soybeans and corn—and severe drought in California that will likely constrain supplies of water for irrigation.

Wheat Supply, Demand, and Price Outlook for 2009/10 (Table 2)

Wheat Supplies: Wheat production in 2009 is expected to decline 15 percent to 2,120 million bushels with lower harvested area and a return to trend yields. Harvested area for 2009 is projected at 49.3

million acres based on the 5-year average harvested-to-planted ratio of 0.85. This is down from 0.88 reported for 2008 as high prices and better-than-average weather limited abandonment to its lowest level in 10 years. The national average yield is projected at 43.0 bushels per acre based on a simple trend of national average yields for 1985-2008. This is down 1.9 bushels per acre from last year's record yield. Current crop conditions in the Southern Plains are less favorable than a year ago. Crop conditions in the Central Plains are better than last year. Conditions for the Midwestern soft red winter wheat crop are generally favorable.

Production is expected to fall in 2009 for all classes of wheat except white. Lower area and yields are expected to reduce production of hard red and soft red winter wheats. Hard red spring wheat area and yields are also projected lower. Durum production falls as lower expected area offsets a recovery in yields, particularly for Montana. White wheat production is expected to increase modestly as lower winter seeded area in the Pacific Northwest is more than offset by a rebound to trend yields.

Despite lower expected wheat production, supplies for 2009/10 fall just 1 percent as beginning stocks rebuild from a 60-year low in 2008/09. This leaves total supplies in 2009/10 down just 35 million bushels, despite the 380-million-bushel reduction in projected output and a 5-million-bushel reduction in projected imports.

Wheat Domestic Use: Domestic use of wheat is expected to increase only slightly year-to-year. Food use of wheat is expected up 5 million bushels from the 2008/09 forecast. The projected 955 million bushels for 2009/10 assumes a population growth rate of just less than 1 percent, a lower per capita flour consumption than projected for 2008/09, and a flour extraction rate that reflects both the extremely high extraction rate for carryin stocks from the 2008 crop and the expectation for an average extraction rate for the 2009 crop. The very high extraction rate for 2008-crop wheat has reduced the bushels needed to meet 2008/09 flour demand, and bushels carried forward from this same crop will reduce the number of bushels ground in 2009/10.

Feed and residual use for 2009/10 is projected at 230 million bushels, unchanged from the 2008/09 projection. Although reduced exports for 2009/10 provide opportunities to shift more wheat into feedlots, wheat prices are expected to remain relatively strong compared to corn, limiting actual wheat feeding.

Wheat Exports: U.S. wheat exports are forecast to decline 5 percent to 950 million bushels as large carryout stocks in most competitor countries will pressure the market as the harvest begins in the northern hemisphere. While world production is expected to decline, it is likely to be the second largest crop on record. Argentina's drought-reduced production is expected to recover along with countries in North Africa. It is expected that the strong global import demand for feed-quality wheat in 2008/09 will return to more normal trade and usage patterns in 2009/10.

Wheat Ending Stocks and Farm Prices: Lower expected production is more than offset by lower projected use allowing stocks to build slightly in 2009/10. Ending stocks are projected at 664 million bushels, up 9 million from the current 2008/09 projection. The stocks-to-use ratio for 2009/10 is projected at 30 percent, up 1 percentage point from the current year projection, and the highest since 2001/02 when stocks-to-use was 36 percent.

The 2009/10 season-average farm price is projected at $5.15 per bushel, down $1.65 from the midpoint of the 2008/09 projection. Domestic prices are expected to come under pressure from large global supplies that will weigh on the market during the summer as newly harvested U.S. wheat becomes

available. Limited availability of world wheat supplies last summer supported U.S. exports and farm prices during June-September when producers normally market more than half the crop. The record 2008/09 marketing year farm price was also supported by substantial producer forward contracting that locked in sales for some wheat well above $7 per bushel.

Corn Supply, Demand, and Price Outlook for 2009/10 (Table 3)

Corn Supplies: Corn supply is projected at 14,170 million bushels for 2009/10. This is up 3 percent or 430 million bushels from current year supplies with higher expected carryin and an increase in production. Production is projected at 12,365 million bushels, up 264 million bushels from last year. If realized, 2009/10 production will be the second highest on record. Area harvested for grain is projected at 78.8 million acres based on the 5-year average of area harvested for silage plus abandonment. The national average yield is projected at 156.9 bushels per acre based on a simple trend of national average yields for 1990-2008.

Corn Use: Total corn use is expected to increase 4.2 percent or 500 million bushels, as the rise in projected ethanol use and exports is only partly offset by lower feed and residual use. Domestic disappearance is projected at a record 10,600 million bushels, up 4 percent from the current year forecast, as increased ethanol production pushes domestic use higher.

Corn Feed and Residual Use: Feed and residual corn use for 2009/10 is projected at 5,200 million bushels, down 2 percent from 2008/09 with a decrease in grain consuming animal units and increased feeding of distillers grains. Animal numbers are expected to continue their contraction through 2009 as relatively high feeding costs and weaker meat demand, because of poor economic conditions, pressure livestock and poultry producer margins. Higher ethanol production is also expected to increase availability and feeding of distillers grains.

Corn Food, Seed, and Industrial Use: Food, seed, and industrial use of corn in 2009/10 is expected to total 5,400 million bushels up from 4,900 million 2008/09. Nearly all of the increase will come from growth in ethanol production. All use categories, except for food and fuel alcohol, are expected to remain unchanged from current year levels due to weak economic conditions. Corn use for food is expected to increase only slightly.

Corn Ethanol Use: Corn used to produce ethanol is projected at 4,100 million bushels in 2009/10, up 14 percent from the current year projection. At this level, ethanol production will account for 33 percent of total corn use, up from a forecast 30 percent in 2008/09.

Rising corn ethanol use in 2009/10 reflects higher mandates for biofuels. The RFS authorized by the Energy Independence and Security Act of 2007 sets mandated ethanol use at 10.5 billion gallons for calendar year 2009, rising to 12.0 billion gallons for 2010. These mandates translate into a 2009/10 September-August corn marketing year level of about 11.5 billion gallons, the equivalent of nearly 4,300 million bushels of corn, just above the 2009/10 projection.

The 2009/10 ethanol corn use projection assumes some use of Renewable Identification Numbers (RIN) credits to offset RFS blending mandates. RIN credits are generated when petroleum companies and other blenders, obligated to blend biofuels under the RFS, blend in excess of their current requirements. These obligated parties can then meet future requirements by blending ethanol or by using the RIN credits in lieu of blending. RIN credits, however, expire and they can only be applied to 20 percent of an individual obligated party's mandated level. As historical RINs are used or expire, tradable RINs

will become increasingly scarce driving up their value and encouraging actual blending of ethanol to meet mandates.

Ethanol production capacity during the 2009/10 marketing year is expected to expand, but at a slower pace than in recent years. Ethanol plant data reported by the Renewable Fuels Association (RFA) as of February 5, 2009, puts operating ethanol production capacity at 10.5 billion gallons annually with existing capacity at 12.4 billion gallons. RFA reports new plant construction and existing plant expansions that will add 2.1 billion gallons, bringing the total annual available capacity to 14.5 billion when these projects are completed. Last year at this time, RFA reported annual operating capacity at 8.0 billion gallons. Excess production capacity is expected to limit producer margins keeping as much as 15 percent of available plant capacity idled during 2009/10.

Corn Exports: U.S. corn exports are projected up 100 million bushels in 2009/10 to 1,850 million. Global corn imports are expected to increase slowly as livestock production begins to rebound in 2010 from the global economic crisis. Reduced use of feed-quality wheat should also provide some boost to corn trade and consumption. With a rebound in corn production, Argentina is expected to return as the largest competitor to the United States unless actions by the Argentine government interfere significantly with trade. Exports from Brazil are expected to decline from this year's high level as Brazil loses market share to Argentina and the United States.

Corn Ending Stocks and Farm Prices: Corn ending stocks for 2009/10 are projected to decline 4 percent. The stocks-to-use ratio is projected at 13.8 percent, below the 15.0 percent projected for 2008/09. This tightening in the balance sheet mostly reflects growth in ethanol production. The season-average price received by farmers is projected at $3.60 per bushel, down $0.30 from the midpoint of the 2008/09 forecast. Prices received by producers for the 2008/09 marketing year have remained well above cash market bids as producers benefit from forward contracting at prices last spring and summer that were sharply higher than current levels. Prices received by producers in 2009/10 are not expected to reflect similar forward pricing opportunities, thus resulting in the lower projected farm level price.

Rice Supply, Demand, and Price Outlook for 2009/10 (Table 4)

Rice Supplies: Rice planted acreage for 2009 is projected at nearly 2.93 million acres, down 2 percent from last year. Long-grain accounts for all of the area decline. Medium- and short-grain acreage is projected to increase, with all of the expansion occurring in the South. Assuming a normal harvested-to-planted ratio, harvested rice area is projected to decrease 2 percent to 2.91 million acres in 2009. Based on 1990-2008 trend yields, the 2009/10 average yield is forecast at 7,096 pounds per acre, up 250 pounds from a year earlier and the second highest on record. The 2008/09 average yield was adversely impacted by both late planting and hurricane damage in the South. Production in 2009/10 is projected to increase more than 1 percent to 206.5 million cwt, with medium- and short-grain accounting for most of the increase. The total crop would be the largest since 2005/06.

Total supplies are projected to increase more than 1 percent to 254.7 million cwt, as a larger crop and higher imports more than offset a decline in carryin. Supplies of long grain and medium- and short-grain rice are projected to be larger in 2009/10. Carryin of all rice is projected at 26.2 million cwt, down 11 percent from a year earlier, with medium- and short-grain accounting for most of the decline. Imports are projected to increase 22 percent to a near-record 22.0 million cwt, with increases in long grain and medium- and short-grain expected.

Rice Use: Total use of rice has increased 7 percent over the past decade, with increases in exports accounting for nearly 65 percent of the expansion. Total use in 2009/10 is projected at 229.0 million cwt, a 2-percent increase from a year earlier. Exports account for most of the increase in total use in 2009/10.

Rice Domestic Use: Total domestic and residual use is projected at a 128.0 million cwt, an increase of almost 1 percent from a year earlier and virtually unchanged from the 2006/07 record. The rate of annual increase in domestic and residual use in 2009/10 is about the same as the population growth, with little change in per capita disappearance.

Rice Exports: Total U.S. rice exports in 2009/10 are projected at 101.0 million cwt (rough equivalent), up 3 percent from a year earlier. Larger U.S. supplies are the main factor behind the stronger export forecast for 2009/10. Milled rice (including brown rice) is projected to account for all of the increase in U.S exports. Rough rice exports, shipped mostly to Latin America, are projected to be unchanged. By class, long grain exports are projected to account for all of the U.S. rice export expansion, mostly due to slightly larger supplies and increased competitiveness in milled rice markets. Medium- and short-grain exports are projected to decline in 2009/10 due to supply constraints.

Rice Ending Stocks and Farm Prices: U.S. rice ending stocks are projected at 25.7 million cwt in 2009/10, a 2-percent drop from a year earlier and the smallest since 2003/04. The stocks-to-use ratio is calculated at 11.2 percent, down slightly from a year earlier. The U.S. season-average farm price is projected at $13.50, down from the 2008/09 record midpoint of $16.50, and the third highest on record. The forecast decline for 2009/10 is based on expected weaker global prices and larger U.S. supplies.

Soybean Supply, Demand, and Price Outlook for 2009/10 (Table 5)

Soybean Supplies: Soybean supplies for 2009/10 are projected at 3,453 million bushels, up 9 percent from 2008/09 due to increased production. Soybean production for 2009 is projected at 3,240 million bushels, 9 percent above last year due to both increased area and a rebound in yield. Soybean plantings are projected to increase 1.3 million acres to a record 77.0 million for the 2009 crop. Most of the increase is expected outside the Corn Belt as high input costs and reduced plantings of wheat, cotton, and peanuts boost expected soybean plantings. However, soybean area gains are limited by fewer double crop plantings in 2009 due to lower soybean prices and less winter wheat plantings, especially in the soft red winter wheat areas of the Delta, eastern Corn Belt, and Southeast. With normal abandonment, soybean harvested acreage is projected at 76.0 million acres.

Abnormally wet weather early in the growing season resulted in a national average yield below trend last year. Assuming normal weather conditions for the 2009 crop, soybean yields are expected to return to trend, projected at 42.6 bushels per acre. The 2009 yield projection is based on a U.S. trend yield for 1989 to 2007.

Soybean Domestic Use: Soybean domestic use is projected at 1,848 million bushels, 1.9 percent above 2008/09. Domestic crushing is projected to increase by 25 million bushels (1.5 percent) in 2009/10 to 1,675 million. With the exception of 2008/09, this would be the lowest crush since the 2003/04 marketing year. The expected increase is driven mostly by higher projected soybean meal exports as U.S. crushers take advantage of drought-reduced supplies in Argentina during the first half of the marketing year. Minimal expansion of livestock herds and poultry flocks expected in 2009/10 along with increased use of corn by-products in rations will limit projected gains in domestic soybean meal disappearance to a modest 0.8 percent for 2009/10. However, the gains for 2009/10 come after sharp

losses in 2008/09 (down 7 percent from 2007/08), so projected domestic disappearance for 2009/10 would be the second lowest in 10 years. Some easing of soybean meal prices is expected in 2009/10 with the average price projected at $250 per short ton.

In contrast to the modest gains in soybean meal disappearance, U.S. consumption of soybean oil is expected to dip 1 percent to 17.4 billion pounds. After several years of rapid growth, U.S. biodiesel production from soybean oil has leveled off at 16 percent of domestic soybean oil disappearance in 2008/09. Relatively high soybean oil prices and a trend toward using other fats and oils for feedstock are expected to leave soybean oil used for biodiesel at 2.9 billion pounds for 2009/10, unchanged from 2008/09 despite an increase in the biodiesel mandate from 500 million gallons in calendar year 2009 to 650 million in 2010 as authorized by the Energy Independence and Security Act of 2007.

Soybean oil used for domestic food consumption is projected to decline in 2009/10 as manufacturers continue to replace soybean oil with other oils. This would be the fifth consecutive annual decline in food use of soybean oil for a 15 percent overall reduction since 2004/05. Soybean oil prices are projected at 31 cents per pound, down 1.5 cents from the midpoint of the projected range for 2008/09.

Soybean Exports: U.S. soybean exports are projected to grow in 2009/10 to a record 1,225 million bushels from 1,150 million this season. Despite slowing economic growth throughout the world, U.S. soybean exports are projected to increase due to an increased share of global trade resulting from reduced supplies in South America. Hot, dry weather in parts of Argentina and Brazil has sharply lowered production estimates for 2008/09, leaving October 1 supplies in those countries down 4 million tons (10 percent) from the previous year. Reduced South American supplies this fall likely will limit exports until spring 2010 when the 2009/10 crop is harvested. China once again will shape the demand side of the international soybean market, accounting for nearly half of world trade. Thus, the growth of livestock production in China will be a pivotal factor in the global use of soybeans. U.S. exports of soybean meal and soybean oil also will benefit during the first half of the marketing year as competition from Argentina and Brazil weakens.

Soybean Ending Stocks and Farm Prices:

With a record crop and only modest gains in total use, U.S. soybean ending stocks for 2009/10 are forecast at 380 million bushels, up more than 80 percent from 210 million projected for 2008/09. If realized, this would be the highest soybean ending stocks since the 2006/07 record of 574 million bushels. With soybean stocks-to-use relatively high (12 percent) and with lower corn prices, the season-average farm price for soybeans is projected at $8.00 per bushel, down from the $9.25 midpoint of the 2008/09 projection.

Table 1. Wheat, Corn, and Soybean Planted Acreage, 2002-2009

	2002	2003	2004	2005	2006	2007	2008	2009 1/
	- Million Acres -							
Wheat	60.3	62.1	59.7	57.2	57.3	60.5	63.1	58.0
Corn	78.9	78.6	80.9	81.8	78.3	93.5	86.0	86.0
Soybeans	74.0	73.4	75.2	72.0	75.5	64.7	75.7	77.0
Total	213.2	214.1	215.7	211.0	211.1	218.7	224.8	221.0

1/ Projection
Note: Totals may not add due to rounding.
Source: 2002-2008 National Agricultural Statistics Service.

Table 2. Wheat Supply, Demand, and Price, 2006/07-2009/10

	2006/07	2007/08	2008/09 1/	2009/10 2/
Area planted (mil. ac.)	57.3	60.5	63.1	58.0
Area harvested	46.8	51.0	55.7	49.3
Yield (bu./ac.)	38.6	40.2	44.9	43.0
Production (mil. bu.)	1,808	2,051	2,500	2,120
Beginning stocks	571	456	306	655
Imports	122	113	110	105
Supply	2,501	2,620	2,915	2,880
Feed & residual	117	15	230	230
Food, seed & industrial	1,020	1,035	1,030	1,036
Total domestic use	1,137	1,050	1,260	1,266
Exports	908	1,264	1,000	950
Total use	2,045	2,314	2,260	2,216
Ending stocks	456	306	655	664
Stocks/use (percent)	22.3	13.2	29.0	30.0
Season-avg. farm price ($/bu.)	4.26	6.48	6.80	5.15

1/ Acreage, yield, production, and beginning stocks are estimates from the National Agricultural Statistics Service. Imports, use, ending stocks, and season average farm price are projections from the *World Agricultural Supply and Demand Estimates*, February 10, 2009. The season-average price is the midpoint of the projected range from the same report.
2/ Projections based on analysis by the Wheat Interagency Commodity Estimates Committee.
Note: Totals may not add due to rounding.

Table 3. Corn Supply, Demand, and Price, 2006/07-2009/10

	2006/07	2007/08	2008/09 1/	2009/10 2/
Area planted (mil. ac.)	78.3	93.5	86.0	86.0
Area harvested	70.6	86.5	78.6	78.8
Yield (bu./ac.)	149.1	150.7	153.9	156.9
Production (mil. bu.)	10,531	13,038	12,101	12,365
Beginning stocks	1,967	1,304	1,624	1,790
Imports	12	20	15	15
Supply	12,510	14,362	13,740	14,170
Feed & residual	5,591	5,938	5,300	5,200
Ethanol fuel	2,119	3,026	3,600	4,100
Food, seed & other industrial	1,371	1,337	1,300	1,300
Total food, seed & industrial	3,490	4,363	4,900	5,400
Total domestic use	9,081	10,302	10,200	10,600
Exports	2,125	2,436	1,750	1,850
Total use	11,207	12,737	11,950	12,450
Ending stocks	1,304	1,624	1,790	1,720
Stocks/use (percent)	11.6	12.8	15.0	13.8
Season-avg. farm price ($/bu.)	3.04	4.20	3.90	3.60

1/ Acreage, yield, production, and beginning stocks are estimates from the National Agricultural Statistics Service. Imports, use, ending stocks, and season average farm price are projections from the *World Agricultural Supply and Demand Estimates*, February 10, 2009. The season-average price is the midpoint of the projected range from the same report.
2/ Projections based on analysis by the Feed Grains Interagency Commodity Estimates Committee.
Note: Totals may not add due to rounding.

Table 4. Rice Supply, Demand, and Price, 2006/07-2009/10

	2006/07	2007/08	2008/09 1/	2009/10 2/
Area planted (mil. ac.)	2.84	2.76	3.00	2.93
Area harvested	2.82	2.75	2.98	2.91
Yield (pounds/ac.)	6,898	7,219	6,846	7,096
Production (mil. cwt)	194.6	198.4	203.7	206.5
Beginning stocks	43.0	39.3	29.4	26.2
Imports	20.6	23.9	18.0	22.0
Supply	258.2	261.6	251.2	254.7
Total domestic & residual use	128.1	124.2	127.0	128.0
Exports	90.8	107.9	98.0	101.0
Total use	218.8	232.2	225.0	229.0
Ending stocks	39.3	29.4	26.2	25.7
Stocks/use (percent)	18.0	12.7	11.6	11.2
Season-avg. farm price ($/cwt.)	9.96	12.80	16.50	13.50

1/ Acreage, yield, production, and beginning stocks are estimates from the National Agricultural Statistics Service. Imports, use, ending stocks, and season average farm price are projections from the *World Agricultural Supply and Demand Estimates*, February 10, 2009. The season-average price is the midpoint of the projected range from the same report.
2/ Projections based on analysis by the Rice Interagency Commodity Estimates Committee.
Note: Totals may not add due to rounding.

Table 5. Soybeans Supply, Demand, and Price, 2006/07-2009/10

	2006/07	2007/08	2008/09 1/	2009/10 2/
Area planted (mil. ac.)	75.5	64.7	75.7	77.0
Area harvested	74.6	64.1	74.6	76.0
Yield (bu./ac.)	42.9	41.7	39.6	42.6
Production (mil. bu.)	3,197	2,677	2,959	3,240
Beginning stocks	449	574	205	210
Imports	9	10	9	3
Supply	3,655	3,261	3,173	3,453
Crush	1,808	1,801	1,650	1,675
Seed & residual	157	93	163	172
Total domestic use	1,965	1,895	1,813	1,848
Exports	1,116	1,161	1,150	1,225
Total use	3,081	3,056	2,963	3,073
Ending stocks	574	205	210	380
Stocks/use (percent)	18.6	6.7	7.1	12.4
Season-avg. farm price ($/bu.)	6.43	10.10	9.25	8.00

1/ Acreage, yield, production, and beginning stocks are estimates from the National Agricultural Statistics Service. Imports, use, ending stocks, and season average farm price are projections from the *World Agricultural Supply and Demand Estimates*, February 10, 2009. The season-average price is the midpoint of the projected range from the same report.
2/ Projections based on analysis by the Oilseeds Interagency Commodity Estimates Committee.
Note: Totals may not add due to rounding.

Table 6. Soybean Meal Supply, Demand, and Price, 2006/07-2009/10

	2006/07	2007/08	2008/09 1/	2009/10 2/
Production (thou. short tons) 3/	43,054	42,242	38,991	39,835
Beginning stocks	314	346	294	300
Imports	156	141	165	165
Supply	43,524	42,729	39,450	40,300
Domestic Use	34,374	33,155	30,750	31,000
Exports	8,804	9,280	8,400	9,000
Total use	43,178	42,435	39,150	40,000
Ending stocks	346	294	300	300
Avg. price ($/short ton) 4/	205.44	335.94	285.00	250.00

1/ Beginning stocks are estimates from the U.S. Census Bureau. Production, imports, use, ending stocks, and average price are projections from the *World Agricultural Supply and Demand Estimates*, February 10, 2009. The average price is the midpoint of the projected range from the same report.
2/ Projections based on analysis by the Oilseeds Interagency Commodity Estimates Committee.
3/ The soybean meal marketing year is October through September.
4/ The average price is for 48-percent protein meal at Decatur, Illinois.
Note: Totals may not add due to rounding.

Table 7. Soybean Oil Supply, Demand, and Price, 2006/07-2009/10

	2006/07	2007/08	2008/09 1/	2009/10 2/
Production (mil. lbs.) 3/	20,489	20,568	18,810	19,095
Beginning stocks	3,010	3,085	2,483	2,243
Imports	37	65	50	60
Supply	23,536	23,718	21,343	21,398
Domestic Use	18,575	18,327	17,600	17,400
Methyl Ester	2,762	2,981	2,900	2,900
Exports	1,877	2,908	1,500	1,750
Total use	20,451	21,235	19,100	19,150
Ending stocks	3,085	2,483	2,243	2,248
Avg. price (cents/lb.) 4/	31.0	52.0	32.5	31.0

1/ Beginning stocks are estimates from the U.S. Census Bureau. Production, imports, use, ending stocks, and average price are projections from the *World Agricultural Supply and Demand Estimates*, February 10, 2009. The average price is the midpoint of the projected range from the same report.
2/ Projections based on analysis by the Oilseeds Interagency Commodity Estimates Committee.
3/ The soybean oil marketing year is October through September.
4/ The average price is for crude soybean oil at Decatur, Illinois.
Note: Totals may not add due to rounding.