

World Agricultural Outlook

Interagency Commodity Estimates Committee Forecasts

Southern Regional
Agricultural Outlook Conference
October 1, 2003

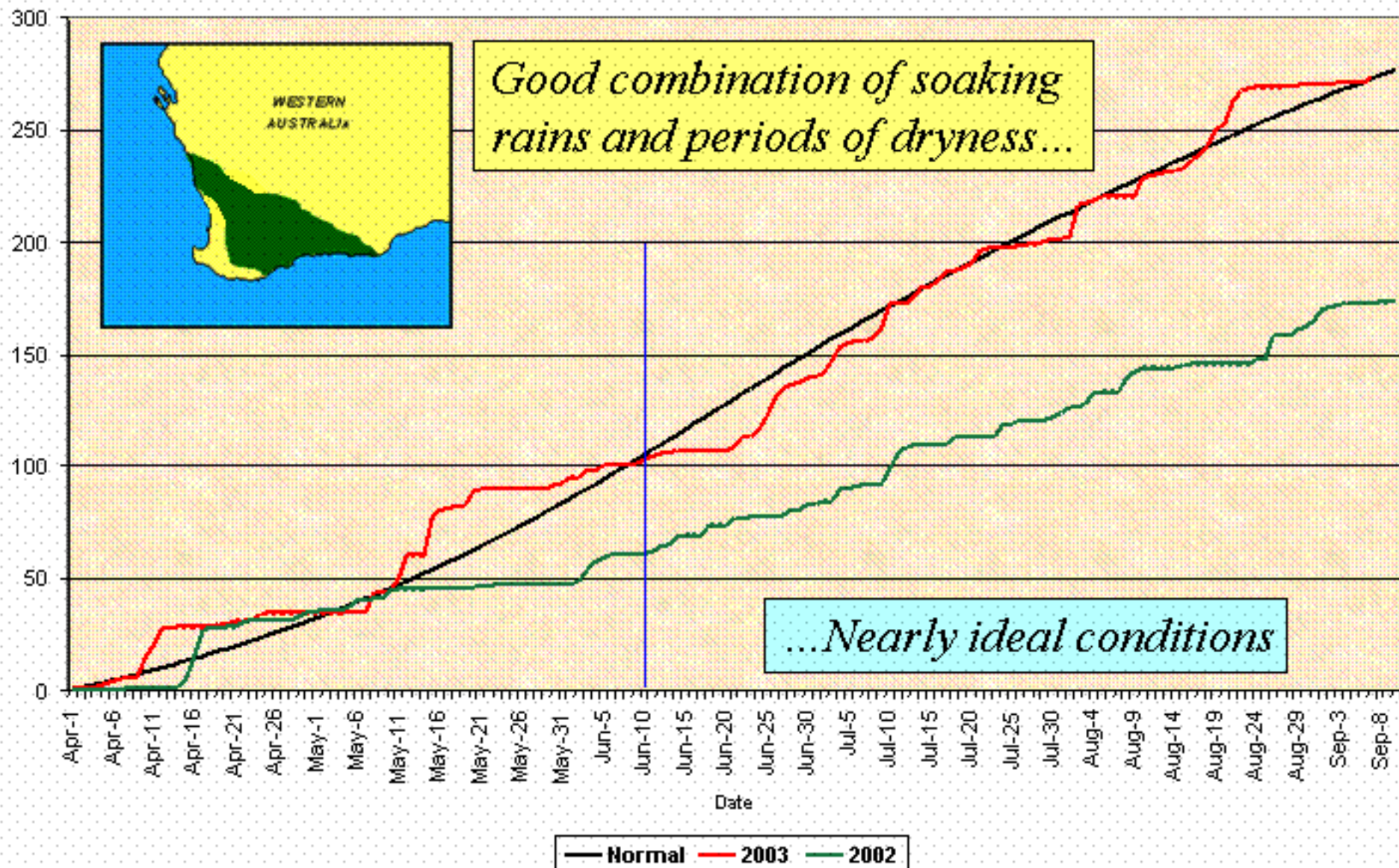
Gerald A. Bange
Chairperson

World Agricultural Outlook Board
United States Department of Agriculture

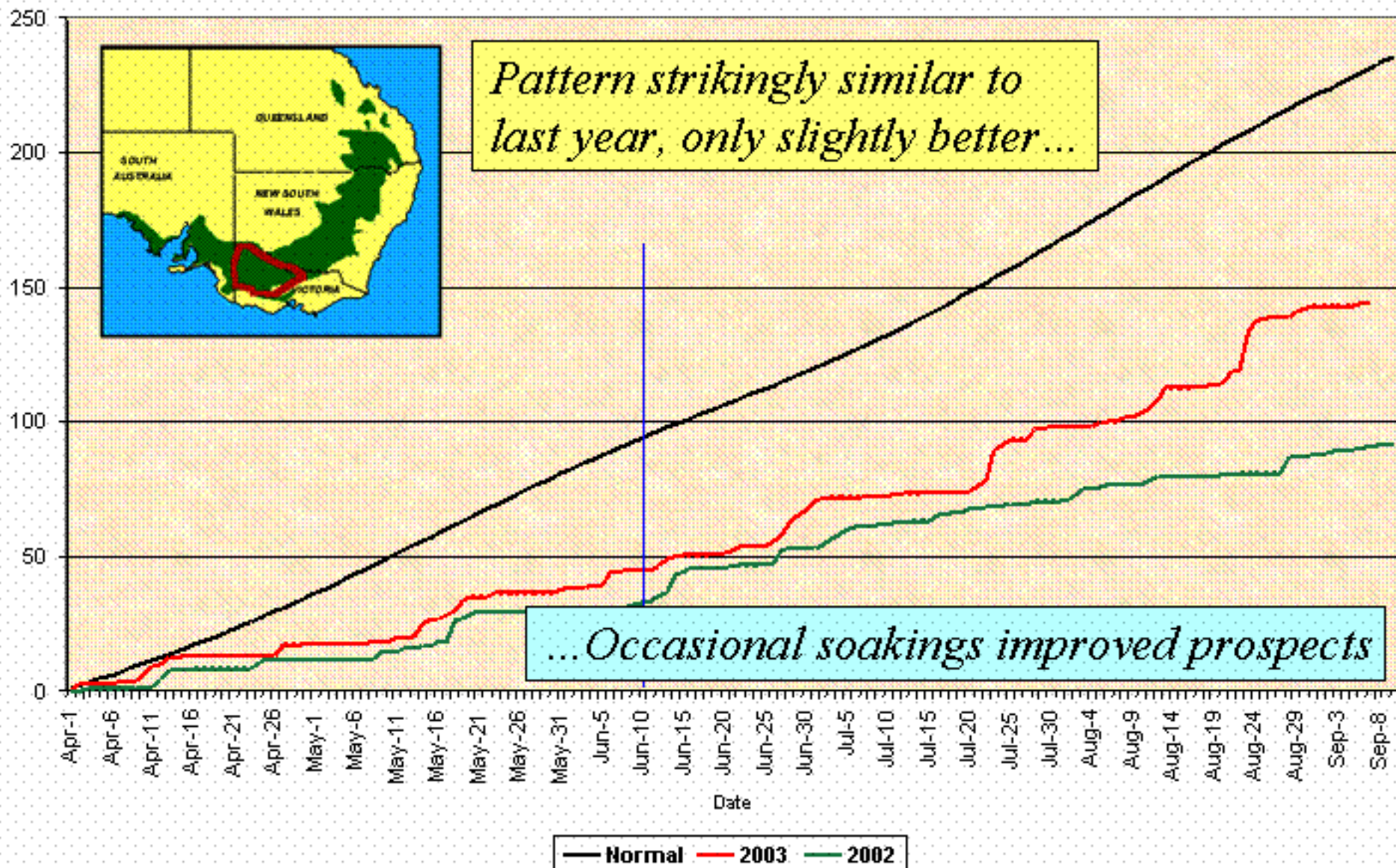
U.S. Wheat Supply and Demand

	2002/03 estimate	2003/04 forecast	Change from last month	Change from last year
				<i>Percent</i>
Planted area (million acres)	60.4	60.9	0.0	1.0
Harvested area (million acres)	45.8	52.7	0.0	15.0
Yield (bushels per acre)	35.3	43.5	0.0	23.2
				<i>Million bushels</i>
Beginning stocks	777	492	0.0	-36.7
Production	1,616	2,292	0.0	41.8
Imports	77	80	-11.1	3.4
Total supply	2,471	2,864	-0.3	15.9
Food use	918	910	-1.1	-0.8
Seed	83	85	0.0	2.9
Feed and residual	125	175	0.0	40.3
Domestic use	1,125	1,170	-0.8	4.0
Exports	854	1,050	0.0	22.9
Total use	1,979	2,220	-0.4	12.2
Ending stocks	492	644	0.0	30.9
				<i>Percent</i>
Stocks to use ratio	24.8	29.0		
				<i>Dollars per bushel</i>
Average market price	3.56	3.10/3.50	0.0/-5.4	-12.9/-1.7

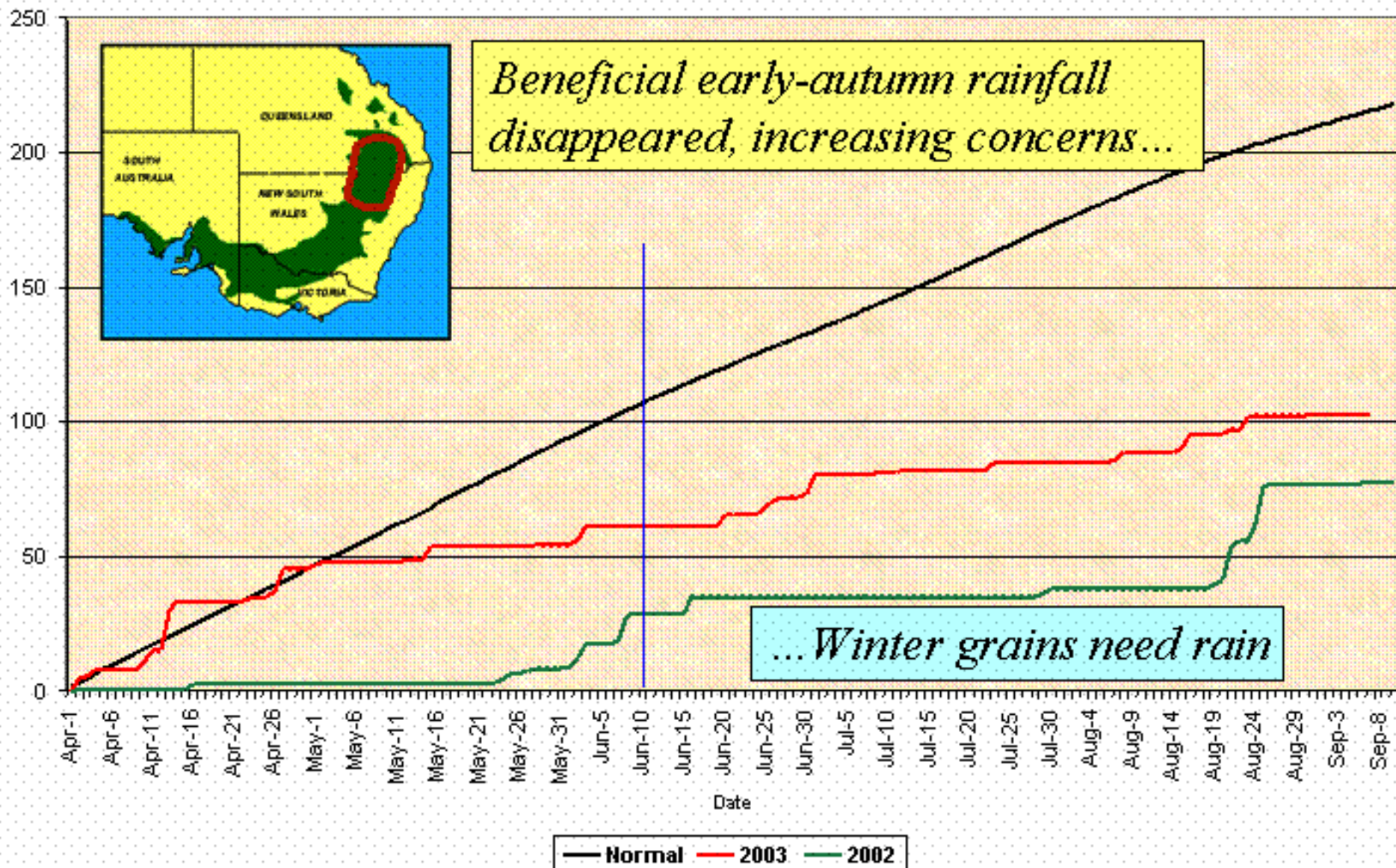
WESTERN AUSTRALIA Cumulative Precipitation (mm)



VICTORIA Cumulative Precipitation (mm)



NORTHERN NEW SOUTH WALES/SOUTHERN QUEENSLAND
Cumulative Precipitation (mm)

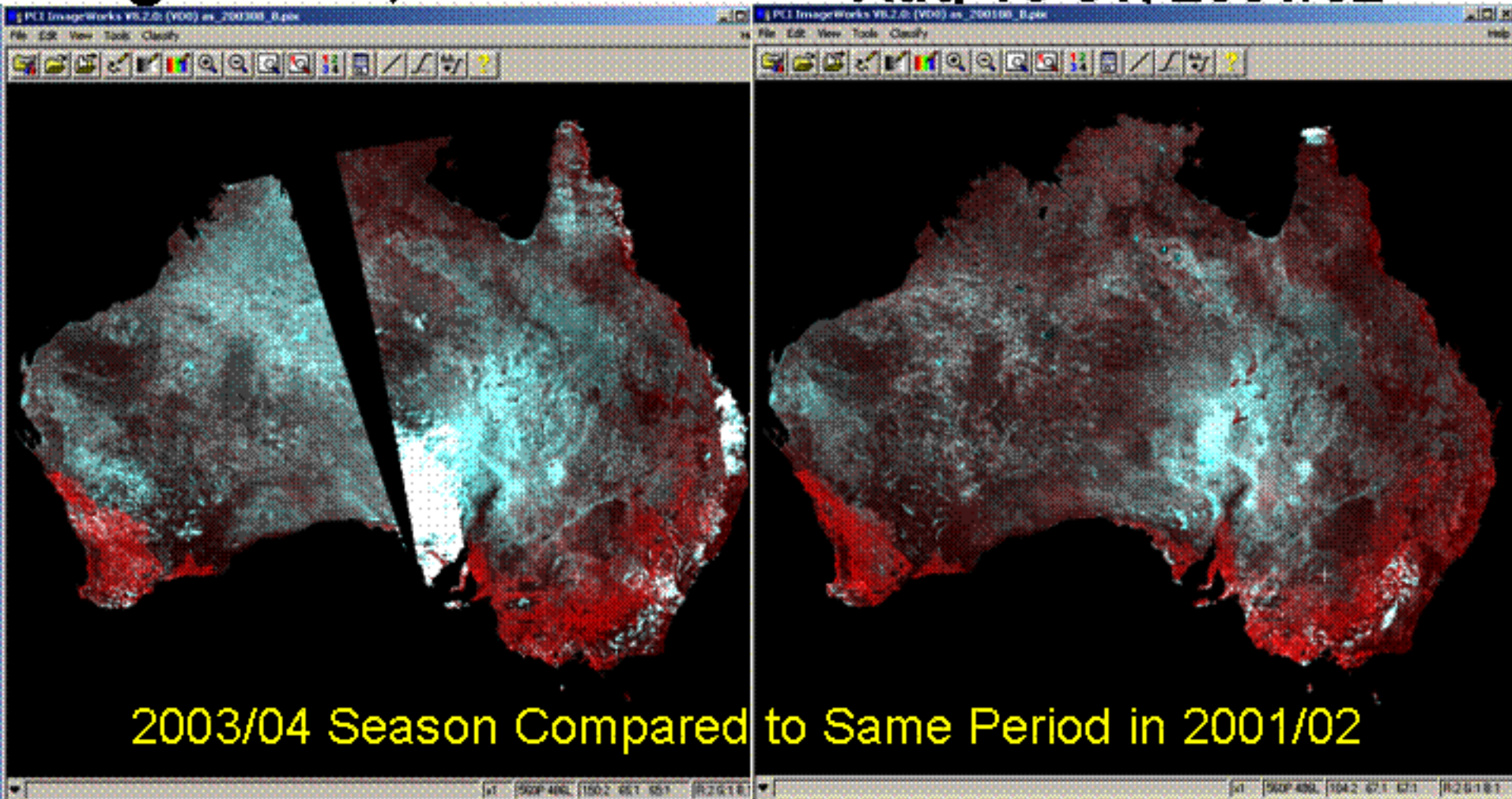


AVHRR Satellite 15 day composite

Record Season (24.9 MT)

Aug 16-31, 2001/02

Aug 16-31, 2003/04



U.S. Rice Supply and Demand

Rough Equivalent of Rough and Milled Rice

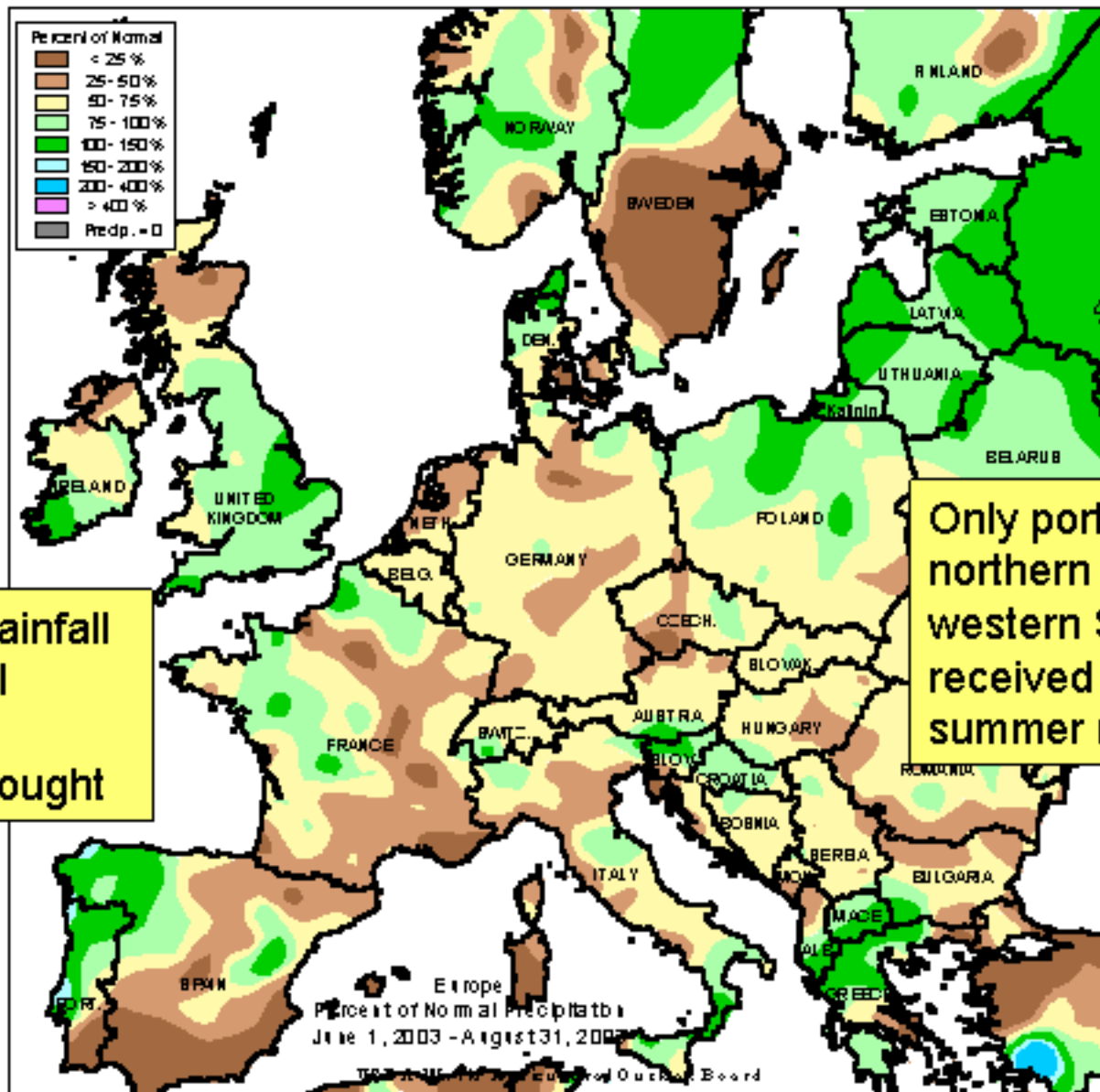
	2002/03 estimate	2003/04 forecast	Change from last month	Change from last year
			<i>Percent</i>	
Planted area (million acres)	3.24	3.01	0.4	-7.3
Harvested area (million acres)	3.21	2.98	0.4	-7.1
Yield (pounds per acre)	6,578	6,655	1.2	1.2
	<i>Million hundredweight</i>			
Beginning stocks	39.0	26.8	32.5	-31.2
Production	211.0	198.2	1.6	-6.1
Imports	15.0	15.5	0.0	3.3
Total supply	264.9	240.5	4.2	-9.2
Domestic use	115.1	124.1	-1.7	7.8
Exports	123.0	91.0	4.6	-26.0
Total use	238.1	215.1	0.9	-9.7
Ending stocks	26.8	25.4	44.4	-5.2
	<i>Percent</i>			
Stocks/use	11.3	11.8		
	<i>Dollars/hundredweight</i>			
Average market price	4.22	6.25/6.75	-3.8/-3.6	48.1/60.0

U.S. Corn Supply and Demand

	2002/03 estimate	2003/04 forecast	Change from last month	Change from last year
				<i>Percent</i>
Planted area (million acres)	79.1	79.1	0.0	0.0
Harvested area (million acres)	69.3	71.8	-0.1	3.6
Yield (bushels per acre)	130.0	138.5	-1.0	6.5
				<i>Million bushels</i>
Beginning stocks	1,596	1,009	0.0	-36.8
Production	9,008	9,944	-1.2	10.4
Total supply	10,619	10,964	-1.1	3.2
Feed and residual	5,700	5,625	0.0	-1.3
Food, seed, and industrial	2,310	2,475	0.0	7.1
Domestic use	8,010	8,100	0.0	1.1
Exports	1,600	1,800	0.0	12.5
Total use	9,610	9,900	0.0	3.0
Ending stocks	1,009	1,064	-10.1	5.4
				<i>Percent</i>
Stocks/use	10.5	10.7		
				<i>Dollars per bushel</i>
Average market price	2.30	2.10/2.50	5.0/4.2	-8.7/8.7

Percent of Normal Precipitation

Jun 1 – Aug 31, 2003

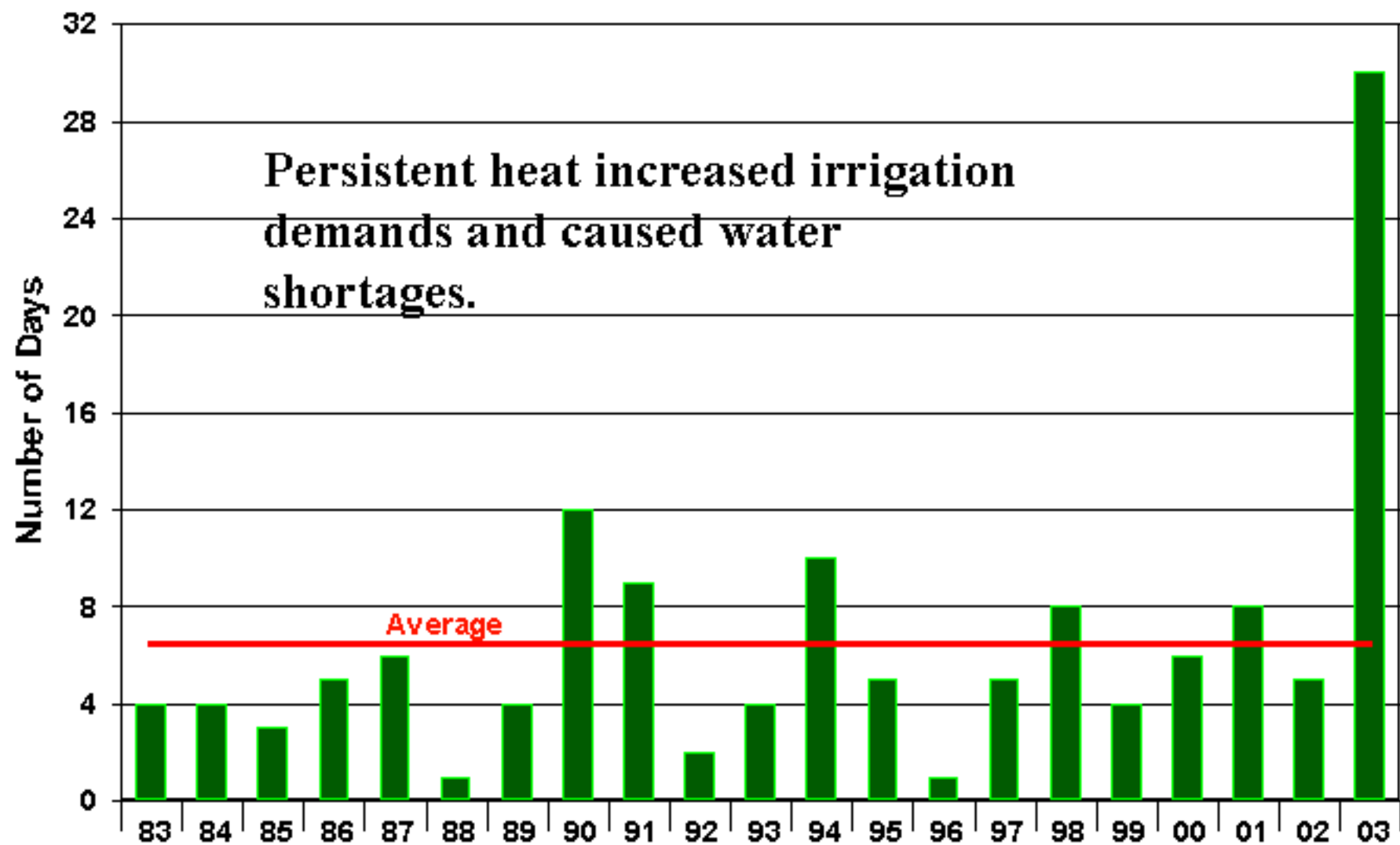


Below-normal rainfall & above normal temperatures contribute to drought

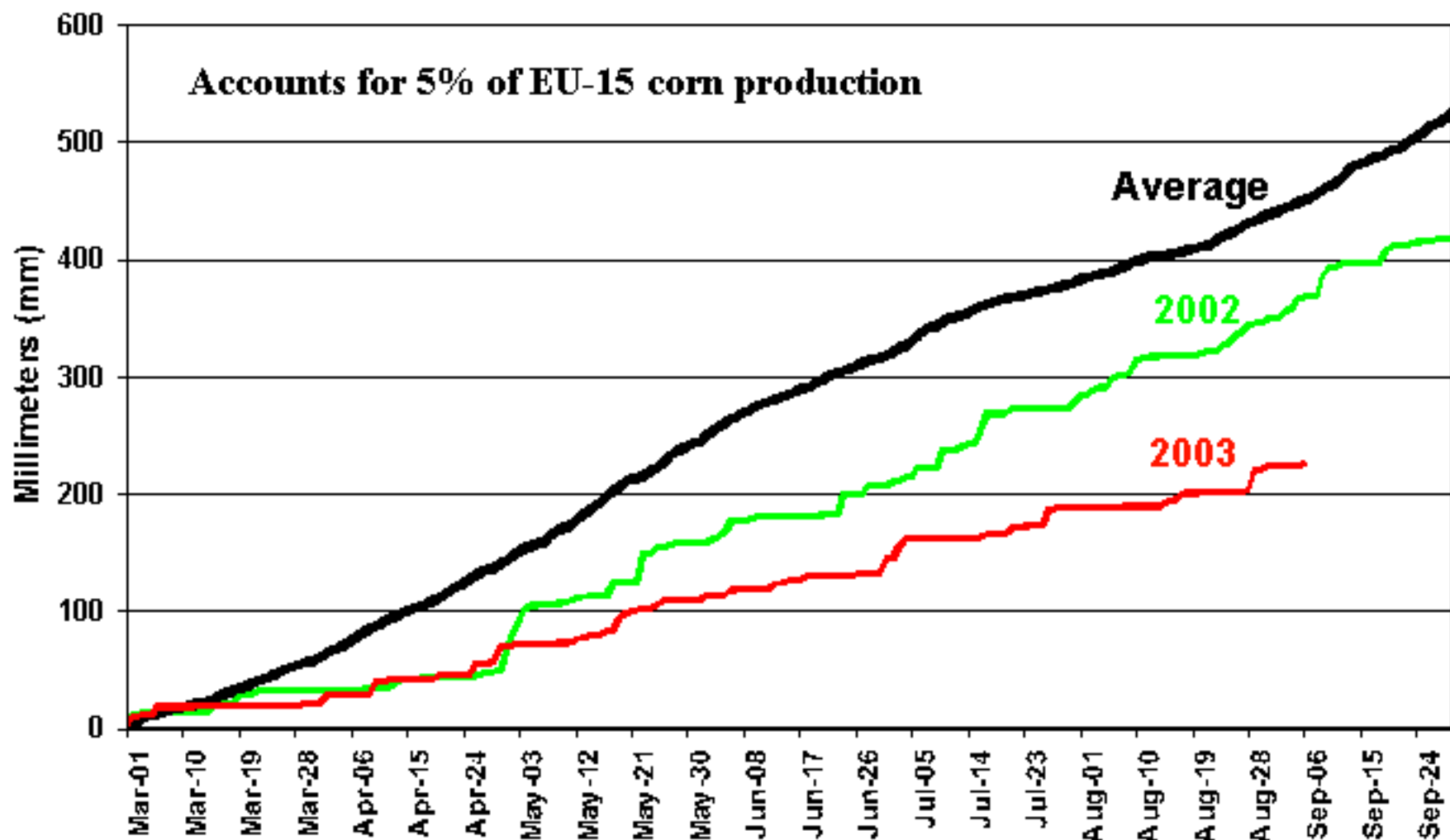
Only portions of UK, northern Poland, and western Spain received near-normal summer rainfall

SOUTHWEST FRANCE

Days Ext Max \geq 95 F (35 C): Jun 1 to Aug 31

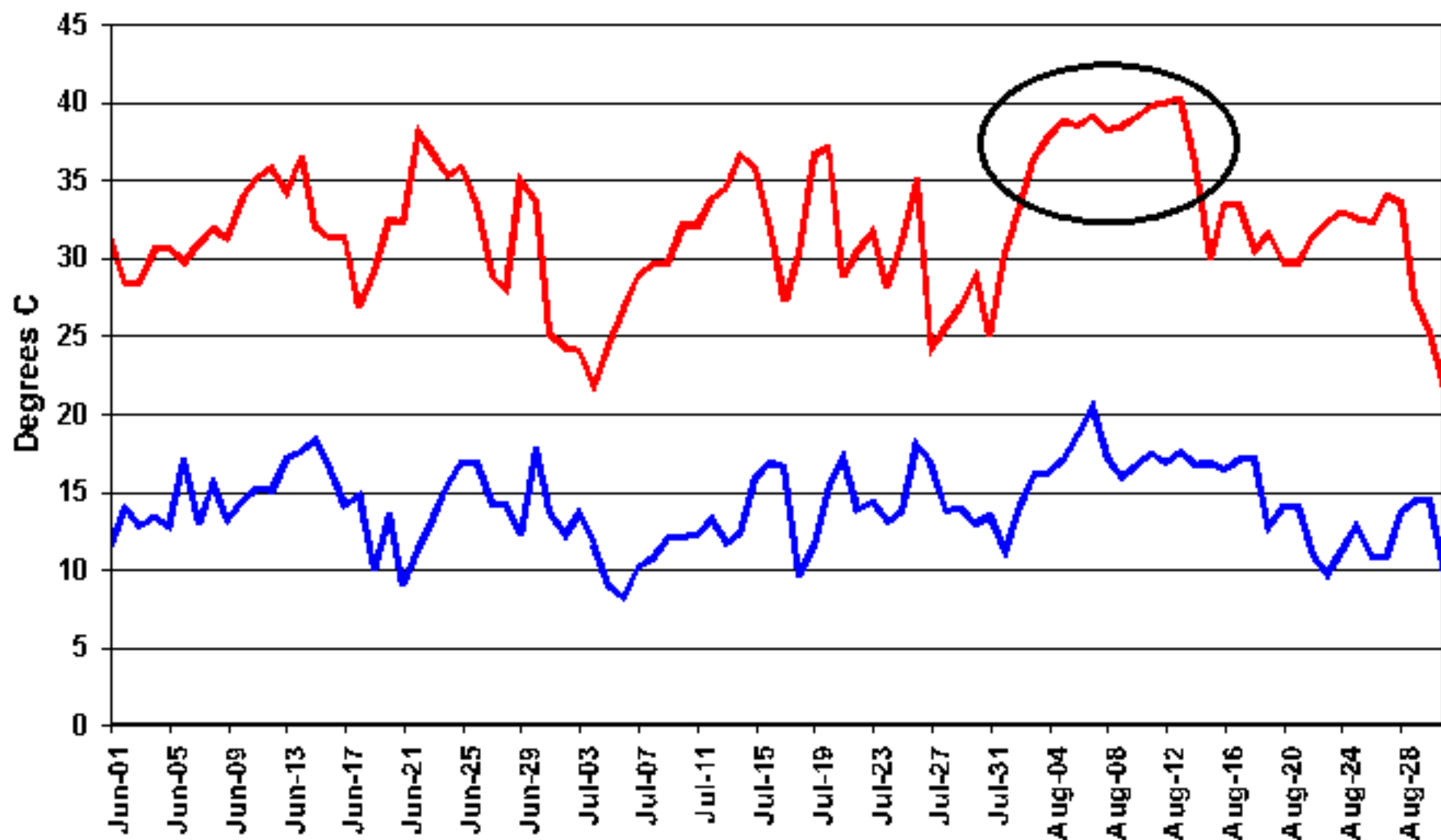


East Central France Cumulative Precipitation



One of the areas most affected by the heat and drought

East Central France Extreme Max/Min Temperatures



**Two weeks of extreme heat in early August with
highs exceeding 35 C (95 F) every day**

EU Grain Production and Use

Million metric tons

	Production	Domestic use	Exports	Ending stocks	Production	Domestic use	Exports	Ending stocks
	<i>Wheat</i>				<i>Coarse grains</i>			
1995	86.2	77.2	13.2	7.4	88.5	92.5	4.6	10.0
1996	98.5	82.8	17.8	7.8	103.7	95.8	8.6	12.0
1997	94.2	82.7	14.2	8.9	109.4	98.1	4.0	21.7
1998	103.1	88.1	14.6	13.0	105.5	97.5	9.2	23.5
1999	96.4	87.2	17.4	9.0	102.1	95.8	12.9	19.5
2000	104.7	91.9	15.2	9.7	107.4	102.5	10.1	17.4
2001	91.2	91.1	11.5	8.2	106.7	103.2	5.0	20.0
2002	103.3	96.1	15.5	11.9	106.1	102.2	6.2	21.9
2003 forecasts								
July	99.5	94.5	14.0	7.9	106.7	104.7	7.6	20.3
August	94.5	93.0	10.5	6.9	98.7	103.7	6.8	14.4
September	92.5	92.5	9.5	6.4	94.2	102.0	5.6	13.3

U.S. Soybean Supply and Demand

	2002/03 estimate	2003/04 forecast	Change from last month	Change from last year
			<i>Percent</i>	
Planted area (million acres)	73.8	73.7	0.0	-0.1
Harvested area (million acres)	72.2	72.6	0.0	0.6
Yield (bushels per acre)	37.8	36.4	-7.7	-3.8
	<i>Million bushels</i>			
Beginning stocks	208	140	-3.4	-32.7
Production	2,730	2,643	-7.7	-3.2
Imports	4.0	4.0	0.0	5.0
Total Supply	2,942	2,787	-7.5	-5.3
Crush	1,615	1,555	-4.3	-3.7
Seed and Resid.	147	157	-5.9	6.8
Domestic use	1,762	1,712	-4.5	-2.8
Exports	1,040	940	-6.0	-9.6
Total Use	2,802	2,652	-5.0	-5.4
Ending stocks	140	135	-38.5	-3.6
	<i>Percent</i>			
Stocks/use ratio	5.0	5.1		
	<i>Dollars per bushel</i>			
Average market price	5.50	5.25/6.15	15.4/10.8	-4.5/11.8

U.S. Soybean Oil Supply and Demand

	2002/03 estimate	2003/04 forecast	Change from last month	Change from last year
	<i>Million pounds</i>		<i>Percent</i>	
Beginning stocks	2,358	1,558	3.7	-33.9
Production	18,395	17,525	-4.3	-4.7
Imports	55	85	13.3	54.5
Total supply	20,808	19,168	-3.6	-7.9
Domestic	17,000	17,000	-1.4	0.0
Exports	2,250	850	-22.7	-62.2
Total use	19,250	17,850	-2.7	-7.3
Ending stocks	1,558	1,319	-14.6	-15.4
	<i>Cents per pound</i>			
Average market price	21.75	20.00/23.00	11.1/9.5	-8.0/5.7

U.S. Soybean Meal Supply and Demand

	2002/03 estimate	2003/04 forecast	Change from last month	Change from last year
	<i>Thousand short tons</i>		<i>Percent</i>	
Beginning stocks	240	250	0.0	4.2
Production	38,050	37,010	-4.2	-2.7
Imports	160	290	65.7	81.3
Total supply	38,450	37,550	-3.8	-2.3
Domestic	32,050	32,000	-2.1	-0.2
Exports	6,150	5,300	-13.1	-13.8
Total use	38,200	37,300	-3.9	-2.4
Ending stocks	250	250	0.0	0.0
	<i>Dollars per short ton</i>			
Average market price	180.00	170/200	9.7/11.1	-5.6/11.1

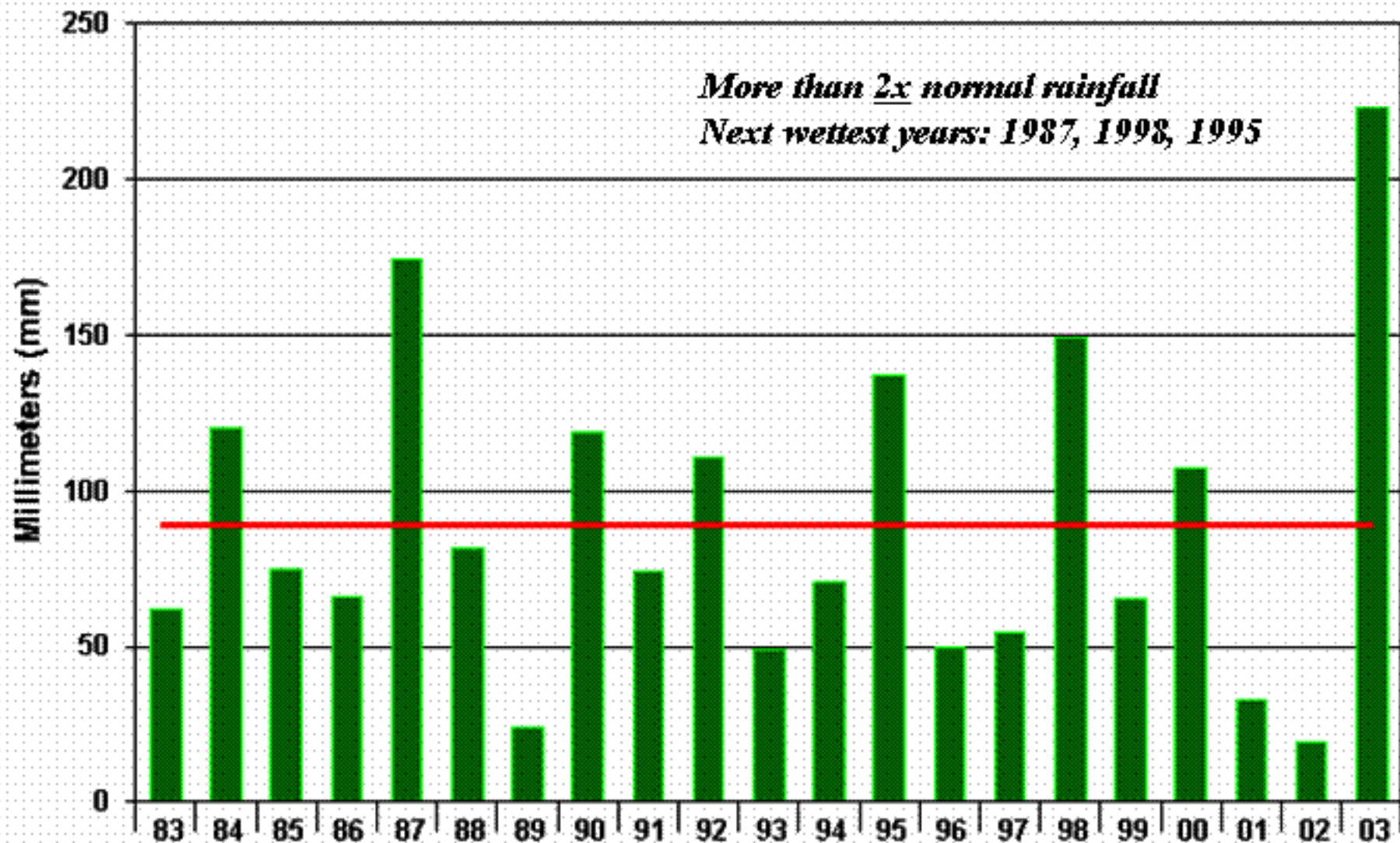
U.S. Cotton Supply and Demand

	2002/03 estimate	2003/04 forecast	Change from last month	Change from last year
			<i>Percent</i>	
Planted area (million acres)	13.96	13.63	0.0	-2.4
Harvested area (million acres)	12.43	12.19	-0.9	-1.9
Yield (pounds per acre)	665	667	0.0	0.3
	<i>Million bales</i>			
Beginning stocks	7.45	5.40	-1.8	-27.5
Imports	0.07	0.05	0.0	-23.1
Production	17.21	16.94	-1.0	-1.6
Total supply	24.72	22.39	-1.2	-9.4
Mill use	7.27	6.60	0.0	-9.2
Exports	11.90	12.00	1.7	0.8
Total use	19.17	18.60	1.1	-3.0
Unaccounted	0.16	-0.01		
Ending stocks	5.40	3.80	-11.6	-29.6
	<i>Percent</i>			
Stocks to use ratio	28.17	20.43		
	<i>Cents per pound</i>			
Average market price	42.90*	**		

*Average upland price for August 2002-July 2003. **US DA is prohibited by law from publishing cotton price projections.

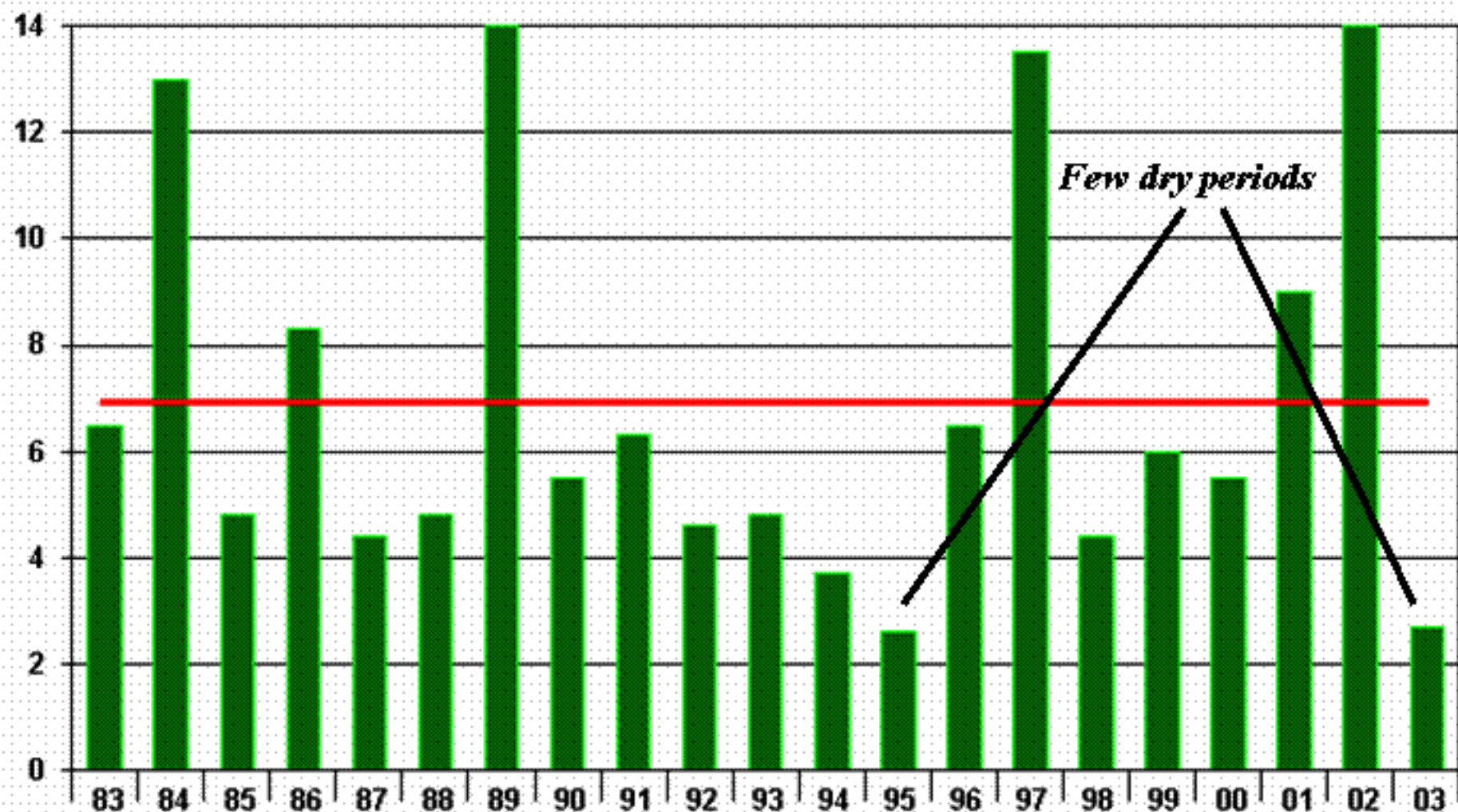
1 - NORTH CHINA PLAIN

Total Precipitation: Aug 9 to Sep 6



1 - NORTH CHINA PLAIN

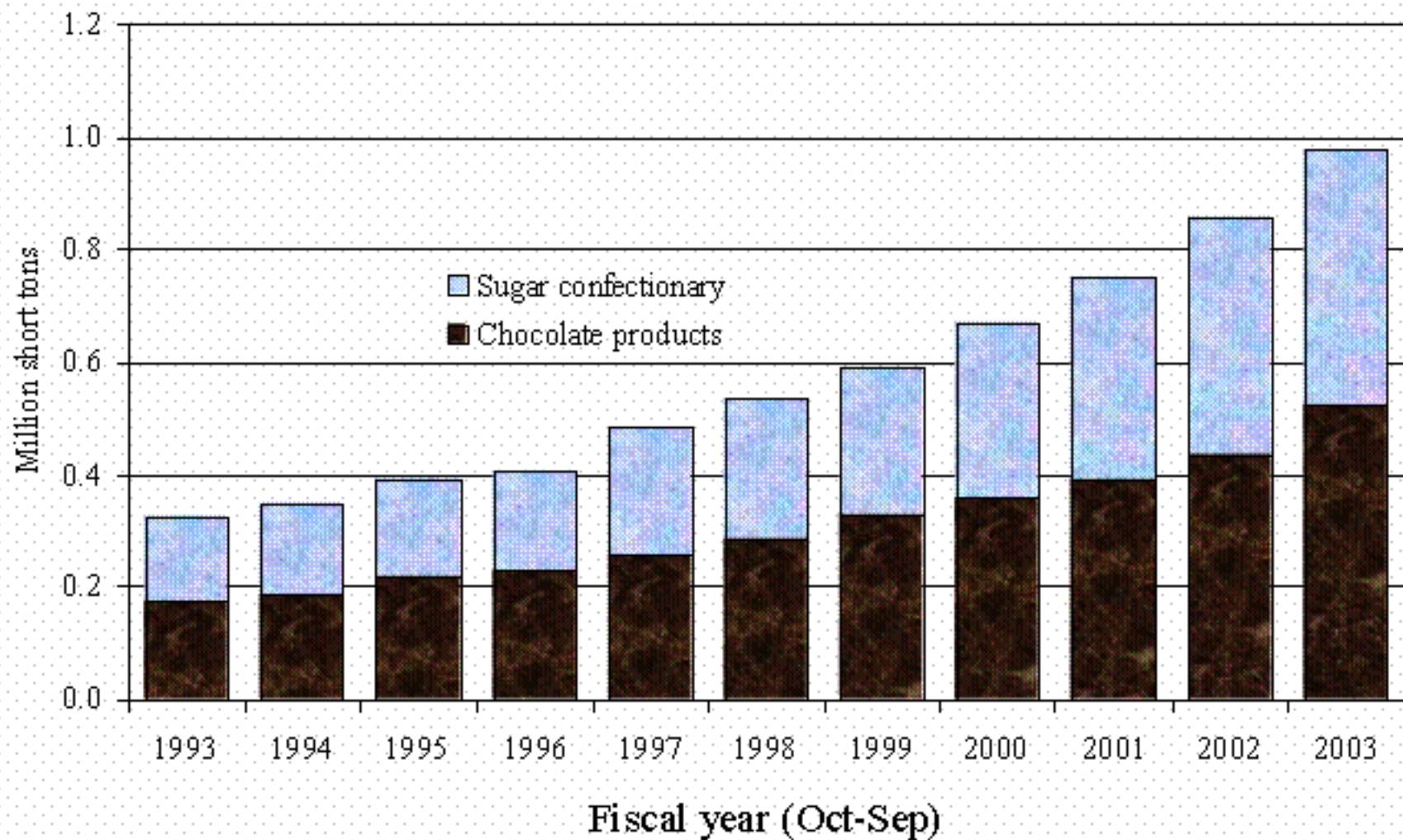
Average Days Between Rain - Aug 9 to Sep 6



U.S. Sugar Supply and Demand

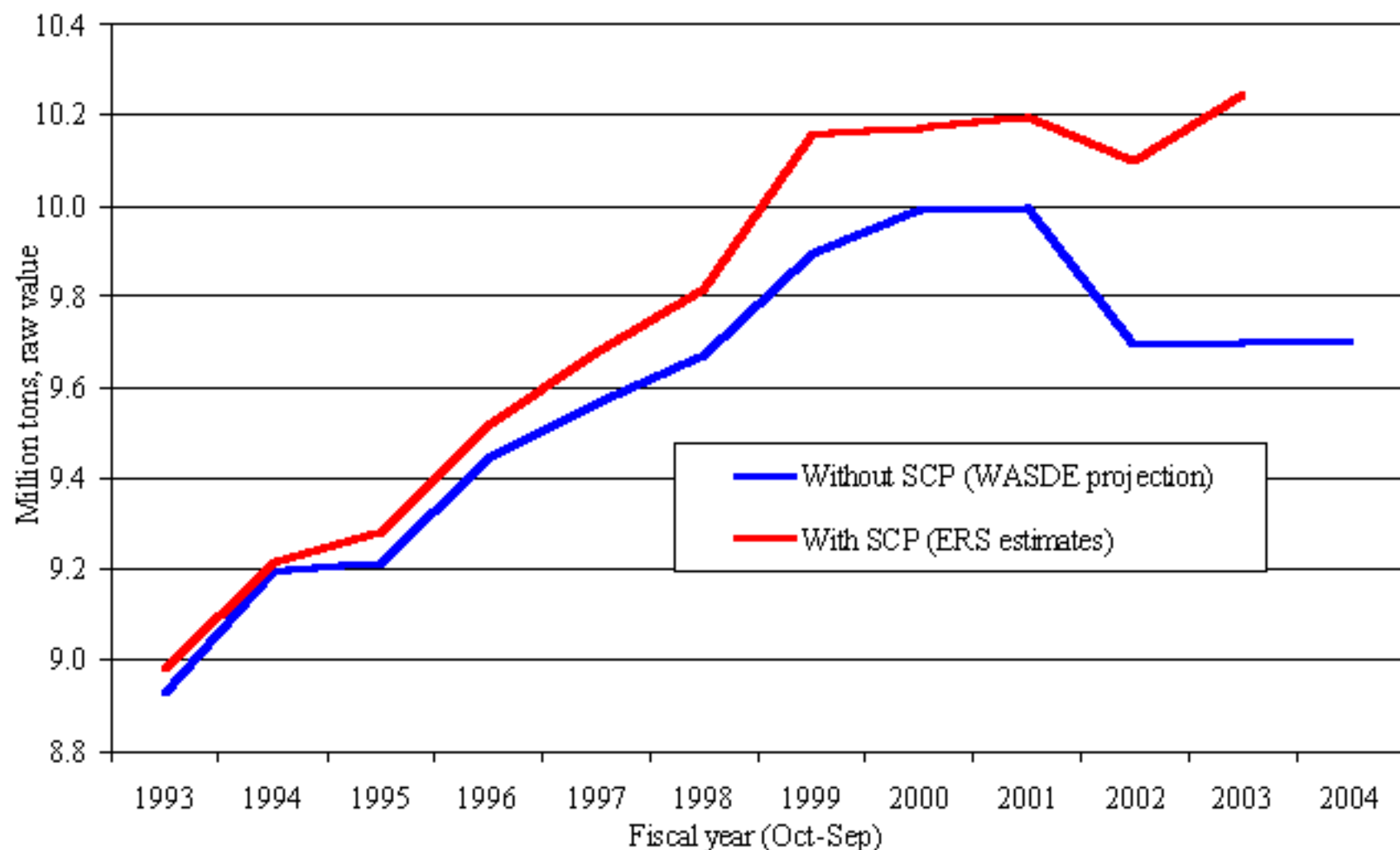
Item	2002/03 estimate issued		2003/04 forecast issued	
	August 2003	September 2003	August 2003	September 2003
	<i>1,000 short tons, raw value</i>			
Beginning stocks	1,281	1,281	1,602	1,691
Production	8,402	8,386	8,885	8,812
Beets	4,416	4,397	4,659	4,651
Cane	3,986	3,989	4,226	4,161
TRQ imports	1,239	1,214	1,221	1,224
Other imports	425	465	360	360
Total supply	11,347	11,346	12,068	12,087
Exports	135	140	150	150
Domestic deliveries	9,810	9,715	10,060	9,925
Miscellaneous	-200	-200	0	0
Total use	9,745	9,655	10,210	10,075
Ending stocks	1,602	1,691	1,858	2,012
	<i>Percent</i>			
Stocks-to-use ratio	16.4	17.5	18.2	20.0

U.S. Imports of Sugar-containing Products



U.S. Sugar Consumption:

With And Without Sugar-containing Product Imports And Exports



U.S. Meat Production and Prices

Item	2002	2003	Change from 2002	2004	Change from 2003
Production	<i>Billion pounds</i>	<i>Billion pounds</i>	<i>Percent</i>	<i>Billion pounds</i>	<i>Percent</i>
Beef	27.09	26.39	-2.6	25.28	-4.2
Pork	19.66	19.60	-0.3	19.50	-0.5
Broilers	32.24	32.53	0.9	33.00	1.4
Turkey	5.71	5.72	0.1	5.79	1.3
Total meat	85.67	85.15	-0.6	84.48	-0.8
Prices					
			<i>Dollars/Cwt</i>		
Steers	67.04	79.20	12.16	81.50	2.30
Hogs	34.92	39.88	4.97	42.75	2.87
			<i>Cents/pound</i>		
Broilers	55.6	61.4	5.8	60.8	-0.6
Turkey	64.5	61.1	-3.4	66.3	5.2

U.S. Meat Trade

Million Pounds

U.S. Meat Exports

	2002	2003 estimate issued		Change from last month	2004 forecast issued		Change from last month
		August 2003	September 2003		August 2003	September 2003	
Beef	2,447	2,505	2,598	93	2,550	2,620	70
Pork	1,611	1,668	1,681	13	1,695	1,695	0
Broilers	4,807	4,875	4,916	41	5,200	5,200	0
Turkey	439	428	452	24	445	445	0
Mature Chickens	134	110	111	1	110	110	0
Total Meat	9,445	9,591	9,764	173	10,005	10,075	70

U.S. Meat Imports

Beef	3,218	2,940	2,891	-49	3,530	3,530	0
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U.S. Milk Supply and Demand

Item	2001/02	2002/03	Change from 2001/02	2003/04	Change from 2002/03
	<i>Billion pounds</i>	<i>Billion pounds</i>	<i>Percent</i>	<i>Billion pounds</i>	<i>Percent</i>
Production	169.2	170.1	0.6	172.0	1.1
Commercial use	170.4	172.7	1.3	177.1	2.5
CCC net removals 1/	<i>Million pounds</i>	<i>Million pounds</i>	<i>Percent</i>	<i>Million pounds</i>	<i>Percent</i>
Butter	0	25		20	-20.0
Cheese	9	47	422.2	15	-68.1
Nonfat dry milk	817	680	-16.8	535	-21.3
Dry whole milk	0	0		0	
Average market price 2/			<i>Dollars/Cwt</i>		
Class III	11.03	10.60	-0.43	10.70	0.10
Class IV	11.22	10.05	-1.17	10.10	0.05
All milk	12.74	11.85	-0.89	12.05	0.20

1/ Includes products exported under the dairy export incentive program.

2/ Prices are mid-point of published forecasts ; milk of average fat test.

Production Summary

Item	2002/03 estimate	2003/04 forecast	Change from last month	Change from last year
				<i>Percent</i>
Crops and Products				
Wheat (Million bu)	1,616	2,292	0.0	41.8
Rice (Million cwt)	211.0	198.2	1.6	-6.1
Corn (Million bu)	9,008	9,944	-1.2	10.4
Soybeans (Million bu)	2,730	2,643	-7.7	-3.2
Soybean oil (Million lbs)	18,395	17,525	-4.3	-4.7
Soybean meal (Thousand s.t.)	38,050	37,010	-4.2	-2.7
Cotton (Million bales)	17.21	16.94	-1.0	-1.6
Sugar (Thousand s.t., raw value)	8,386	8,812	-0.8	5.1
Meat (Billion lbs)				
Beef	26.39	25.28	-0.3	-4.2
Pork	19.60	19.50	0.3	-0.5
Broilers	32.53	33.00	0.8	1.4
Turkey	5.72	5.79	0.3	1.3
Total Meat	85.15	84.48	0.3	-0.8

U.S. Export Summary

Item	2002/03 estimate	2003/04 forecast	Change from last month	Change from last year
			<i>Percent</i>	
Crops and Products				
Wheat (Million bu)	854	1,050	0.0	22.9
Rice (Million cwt)	123.0	91.0	4.6	-26.0
Corn (Million bu)	1,600	1,800	0.0	12.5
Soybeans (Million bu)	1,040	940	-6.0	-9.6
Soybean oil (Million lbs)	2,250	850	-22.7	-62.2
Soybean meal (Thousand s.t.)	6,150	5,300	-13.1	-13.8
Cotton (Million bales)	11.90	12.00	1.7	0.8
Meat (Million lbs)				
Beef	2,598	2,620	2.7	0.8
Pork	1,681	1,695	0.0	0.8
Broilers	4,916	5,200	0.0	5.8
Turkey	452	445	0.0	-1.5
Mature Chickens	111	110	0.0	-0.9
Total Meat	9,764	10,075	0.7	3.2

Price Summary

	2002/03 estimate	2003/04 forecast (midpoint)	Change from last month	Change from last year
<i>Crops and Products</i>				<i>Percent</i>
Wheat (\$/bu)	3.56	3.30	-2.9	-7.3
Rice (\$/cwt)	4.22	6.50	-3.7	54.0
Corn (\$/bu)	2.30	2.30	4.5	0.0
Soybeans (\$/bu)	5.50	5.70	12.9	3.6
Soybean oil (¢/lb)	21.75	21.50	10.3	-1.1
Soybean meal (\$/s.t.)	180.00	185.00	10.4	2.8
Cotton (¢/lb)	42.90*	**		
<i>Livestock</i>				
Steers (\$/cwt)	79.20	81.50	1.2	2.9
Hogs (\$/cwt)	39.88	42.75	0.0	7.2
Broilers (¢/lb)	61.4	60.8	0.0	-1.0
Turkeys (¢/lb)	61.1	66.3	0.0	8.5
<i>Milk</i>				
Class III (\$/cwt)	10.60	10.70	0.0	0.9
Class IV (\$/cwt)	10.05	10.10	-1.0	0.5
All milk (\$/cwt)	11.85	12.05	0.0	1.7

*Average upland price for August 2002-July 2003. **USDA is prohibited by law from publishing cotton price projections.

Domestic Demand Summary

Item	2002/03 estimate	2003/04 forecast	Change from last month	Change from last year
<i>Percent</i>				
Crops and Products				
Wheat (Million bu)	1,125	1,170	-0.8	4.0
Rice (Million cwt)	115.1	124.1	-1.7	7.8
Corn (Million bu)	8,010	8,100	0.0	1.1
Soybeans (Million bu)	1,762	1,712	-4.5	-2.8
Soybean oil (Million lbs)	17,000	17,000	-1.4	0.0
Soybean meal (Thousand s.t.)	32,050	32,000	-2.1	-0.2
Cotton (Million bales)	7.27	6.60	0.0	-9.2
Sugar (Thousand s.t., raw value)	9,715	9,925	-1.3	2.2
 Milk (Billion lbs)	 172.7	 177.1	 0.1	 2.5
 Meat (Billion lbs)				
Beef	26.96	26.22	-0.6	-2.8
Pork	19.18	19.12	0.5	-0.3
Broilers	27.35	27.51	1.0	0.6
Turkey	5.17	5.27	0.3	1.8
Total Meat	79.63	79.10	0.3	-0.7