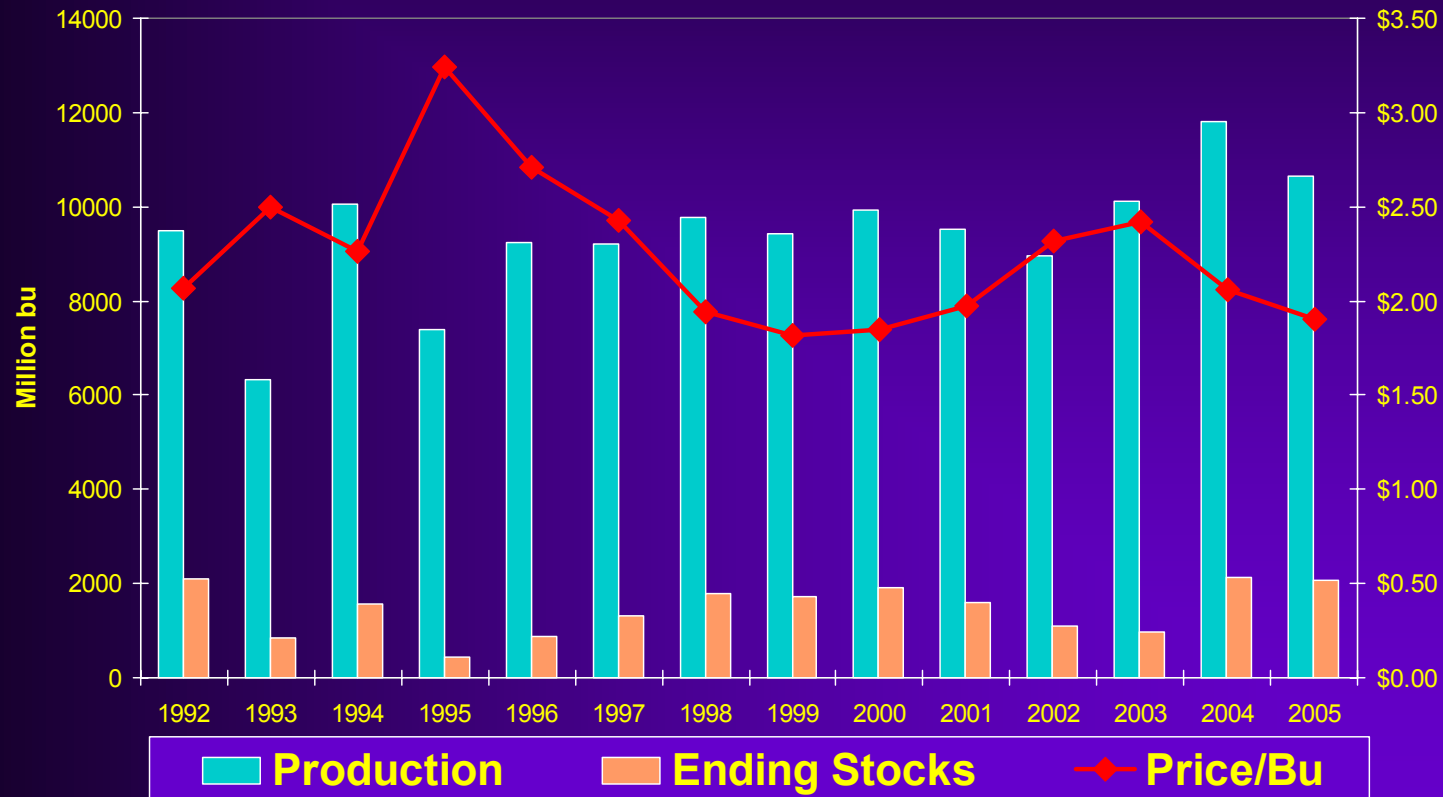


Feed Grains Situation and Outlook

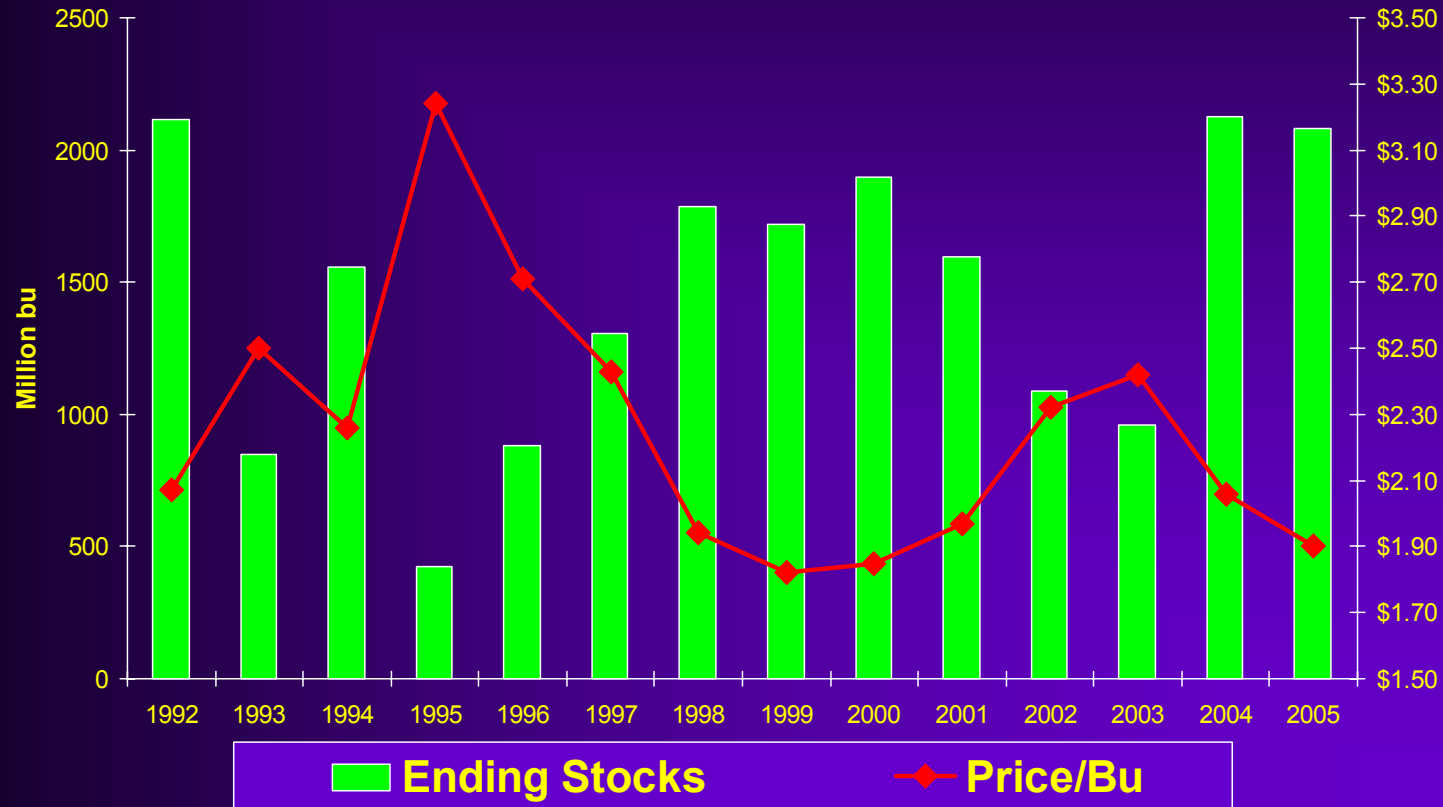
Delton C. Gerloff
University of Tennessee



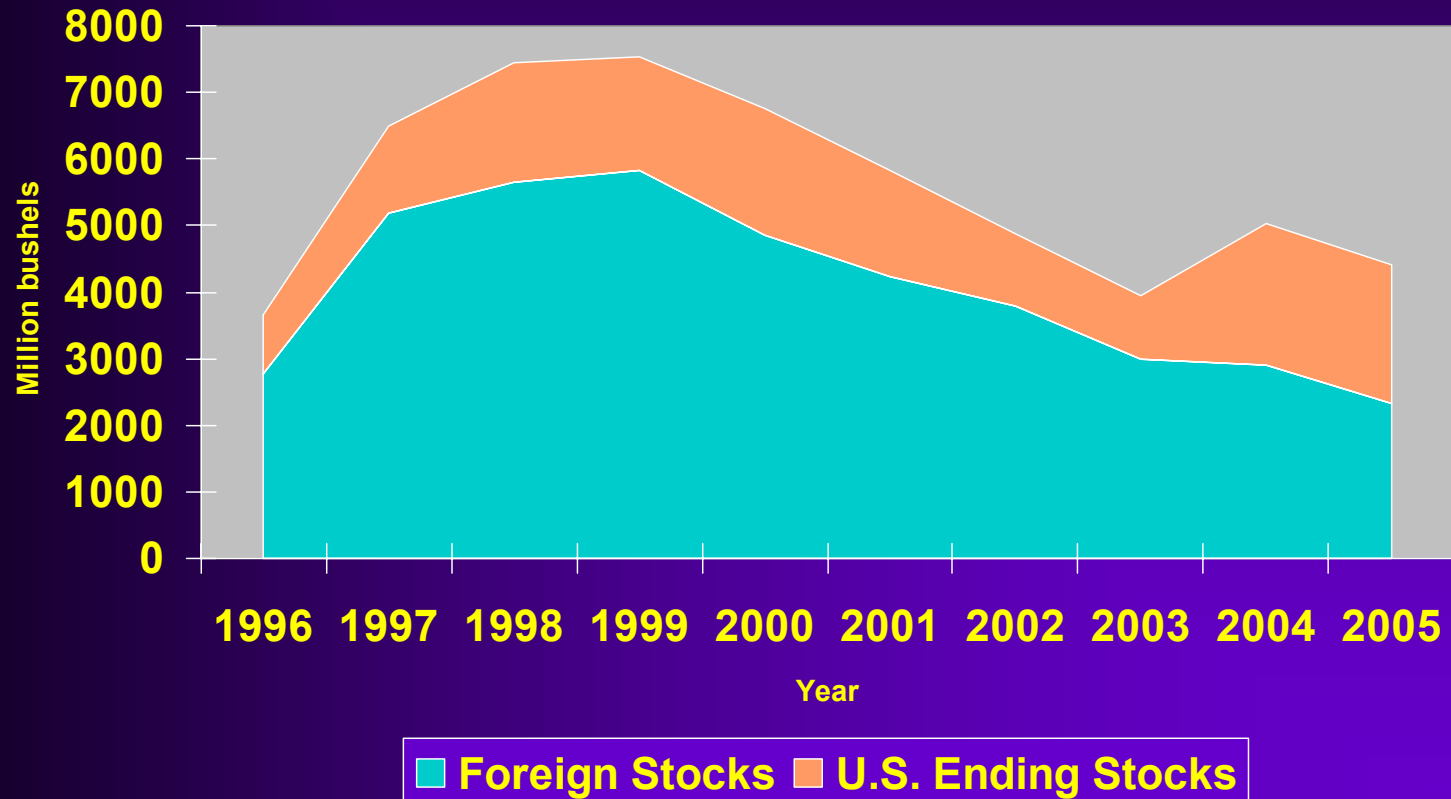
Corn Production, Ending Stocks, and Price, 1992-2005



U.S. Corn Ending Stocks and Price, 1992-2005



U.S. & Foreign Corn Ending Stocks 1996-2005



Supply/Demand Projections:2005/2006

Corn

-----Supply/Demand -----

	<u>Low/High</u>	<u>Exp/Exp</u>	<u>High/Low</u>
Beginning Stocks(MB)	2125	2125	2125
Acres (M. P. A.)	80.6	81.6	82.6
Supply(M. Bu)	12358	12774	13191
Use:			
Feed		5825	
Food, Seed		2870	
Exports		2000	
Ending Stocks	1613	2079	2545
Projected Price	\$2.10	\$1.90	\$1.65

Supply/Demand Projections:2006/2007

Corn

-----Supply/Demand -----

	<u>Low/High</u>	<u>Exp/Exp</u>	<u>High/Low</u>
Beginning Stocks(MB)	2000	2000	2000
Acres (M. P. A.)	77.6	79.6	81.6
Yield	137.7	142.7	147.7
Supply(M. Bu)	11730	12340	12970
Use:			
Feed		5825	
Food, Seed		2870	
Exports		2000	
Ending Stocks	1070	1645	2222
Projected Price	\$2.35	\$2.10	\$1.80

Corn Basis

	10 Year			
<u>Site</u>	<u>Aug 25</u>	<u>Sep 8</u>	<u>Sep 20</u>	<u>Avg.</u>
NW Barge		-\$0.52	-\$0.33	-\$0.13
Martin	-\$0.09	-\$0.42	-\$0.54	-\$0.21
Obion	-\$0.23	-\$0.46	-\$0.46	-\$0.21
Clarksville	-\$0.05	-\$0.12	-\$0.31	-\$0.16
Dechard	-\$0.16	-\$0.17	-\$0.33	-\$0.08

Corn Prices

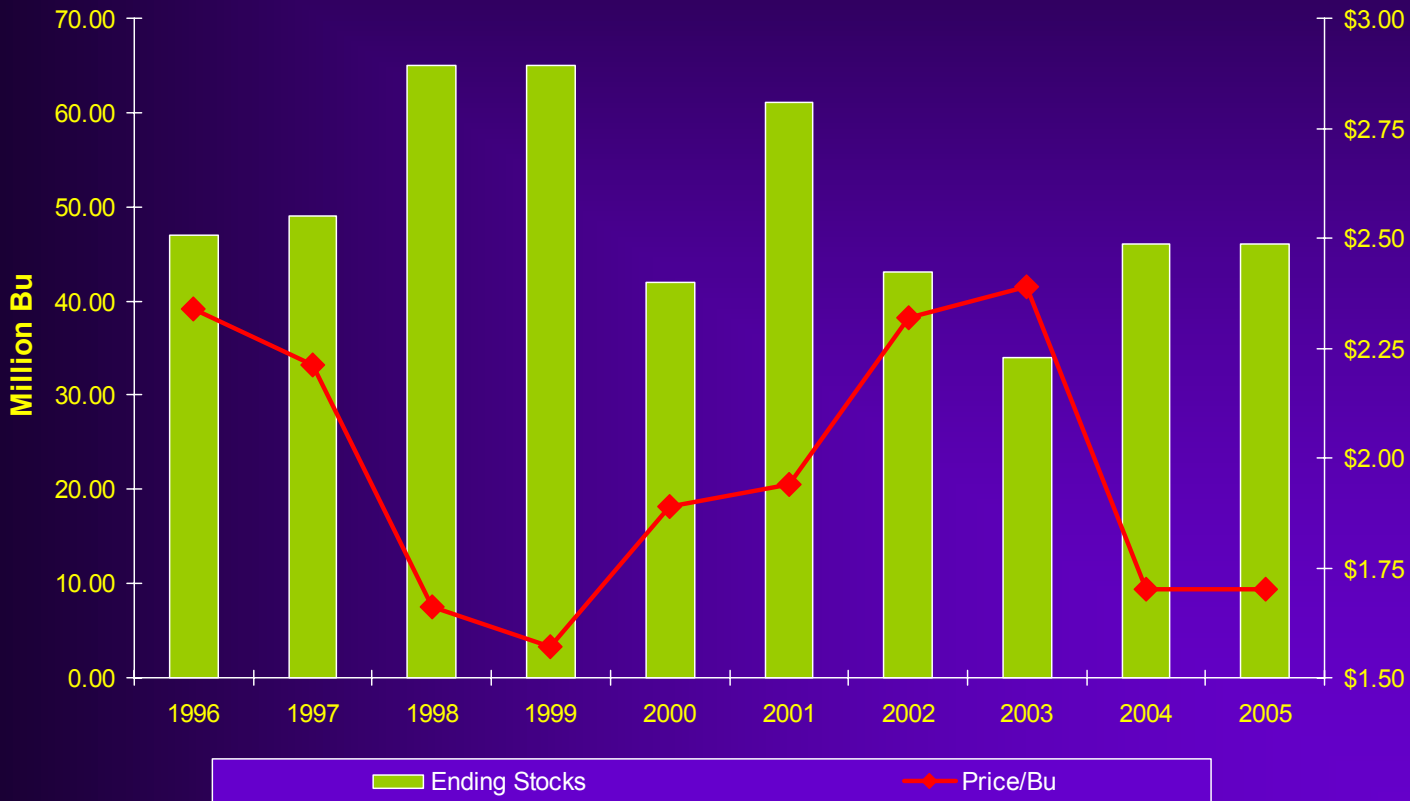
<u>Site</u>	Cash <u>Sep 20</u>	Cash <u>Jan '06</u>	Hedge ¹ <u>Dec '06</u>
NW Barge	\$1.74	\$2.08	\$2.36
Martin	\$1.53	\$1.76	\$2.29
Obion	\$1.61	\$1.95	\$2.29
Clarksville	\$1.76	\$2.14	\$2.33
Dechard	\$1.74	\$2.19	\$2.42

¹December futures price of \$2.48, adjusted for expected basis.

Sorghum Production, Ending Stocks, and Price, 1996-2005



U.S. Sorghum Ending Stocks and Price, 1996-2005



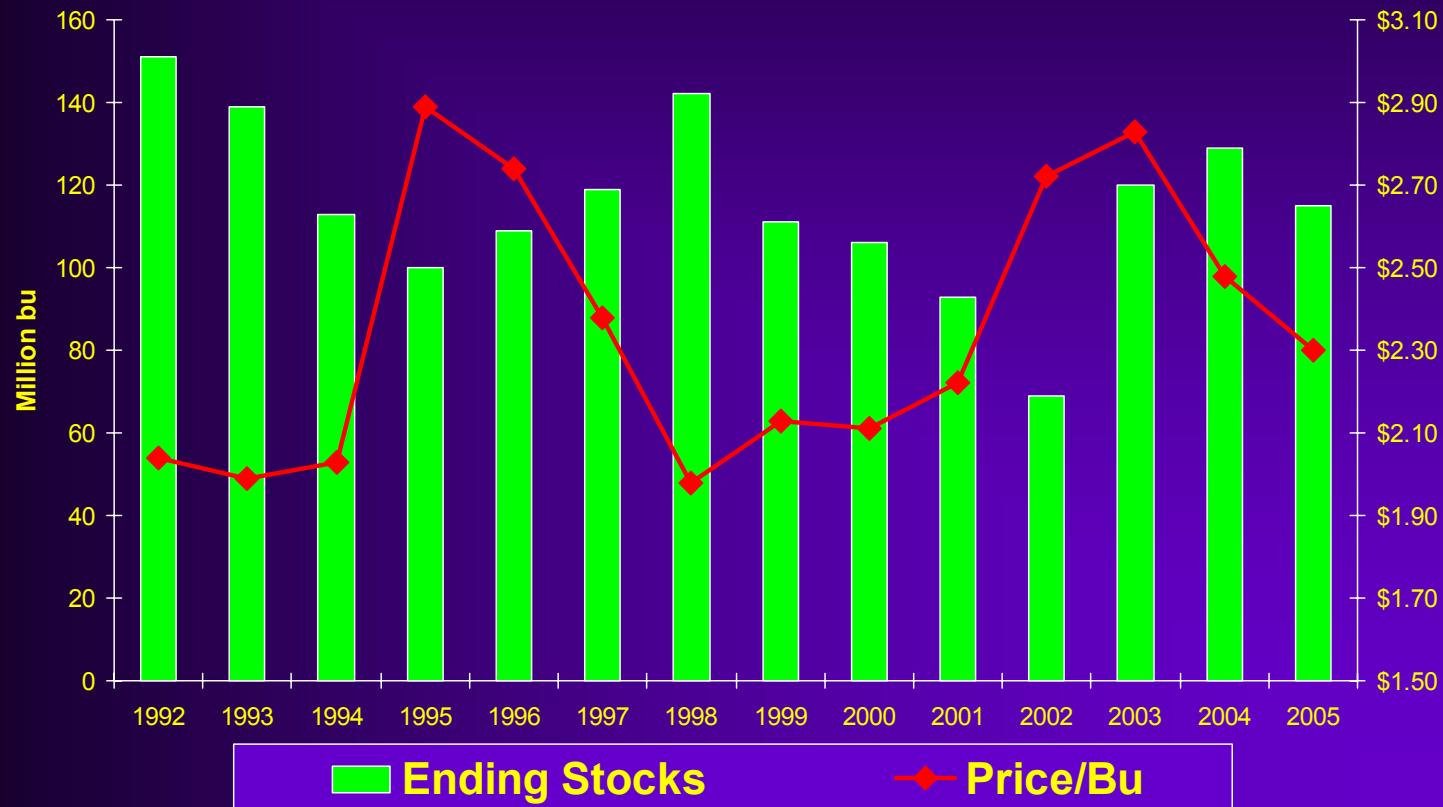
Supply/Demand Projections:2004/2005

Sorghum

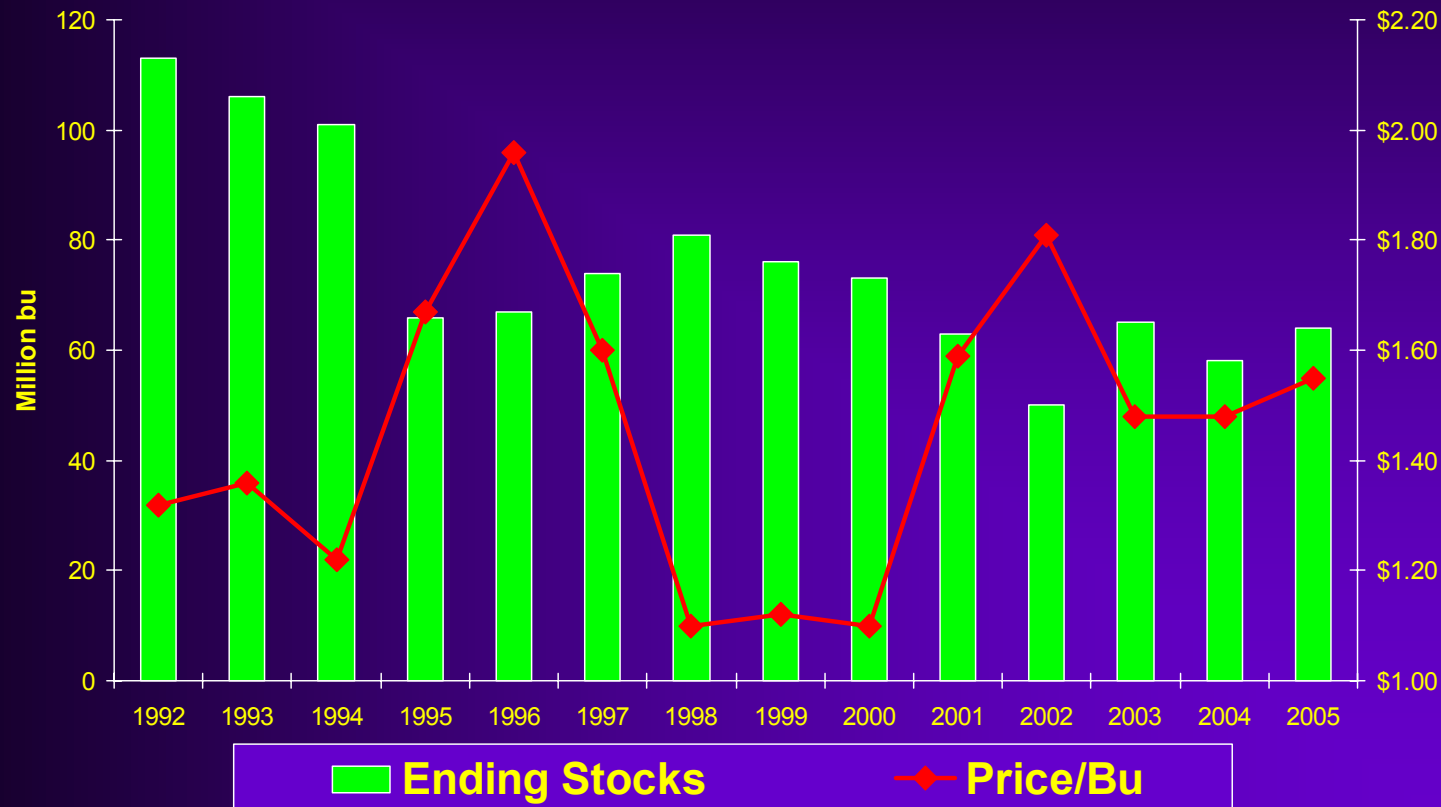
-----Supply/Demand -----

	<u>Low/High</u>	<u>Exp/Exp</u>	<u>High/Low</u>
Beginning Stocks(MB)	46.0	46.0	46.0
Acres (M. P. A.)	6.9	7.0	7.2
Supply(M. Bu)	426	444	461
Use:			
Food & Seed		53	
Exports		180	
Feed		165	
Ending Stocks	29	46	63
Projected Price	\$1.90	\$1.70	\$1.50

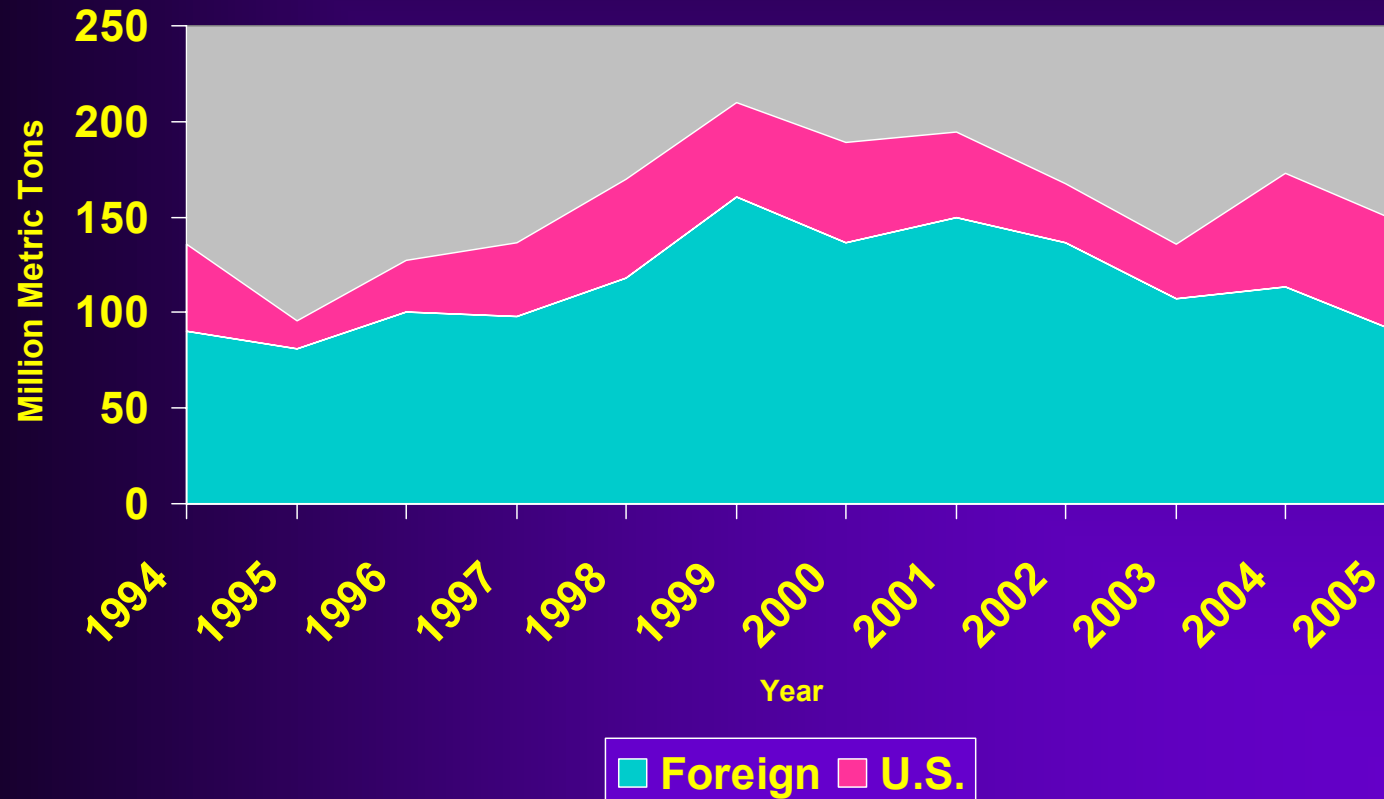
U.S. Barley Ending Stocks and Price, 1992-2005



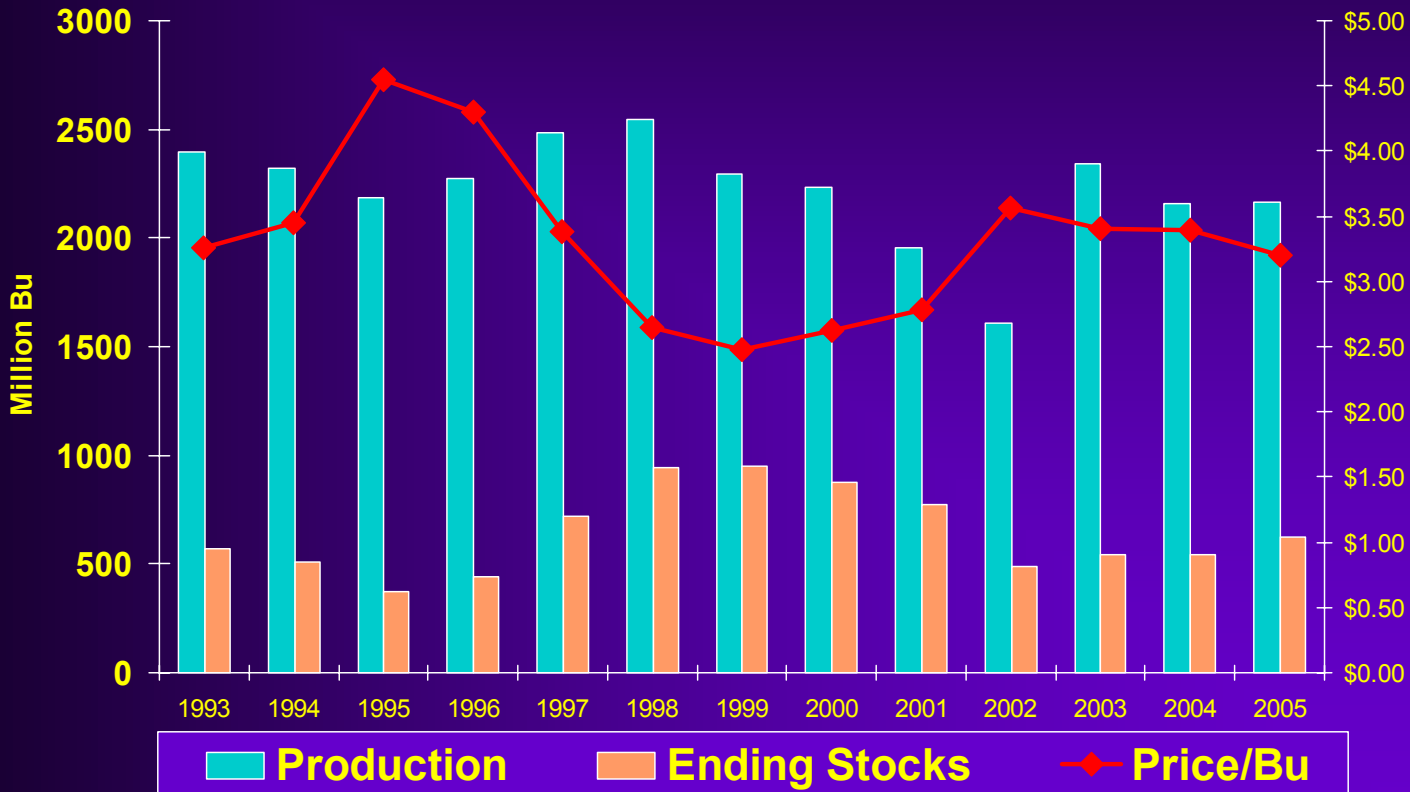
U.S. Oats Ending Stocks and Price, 1992-2005



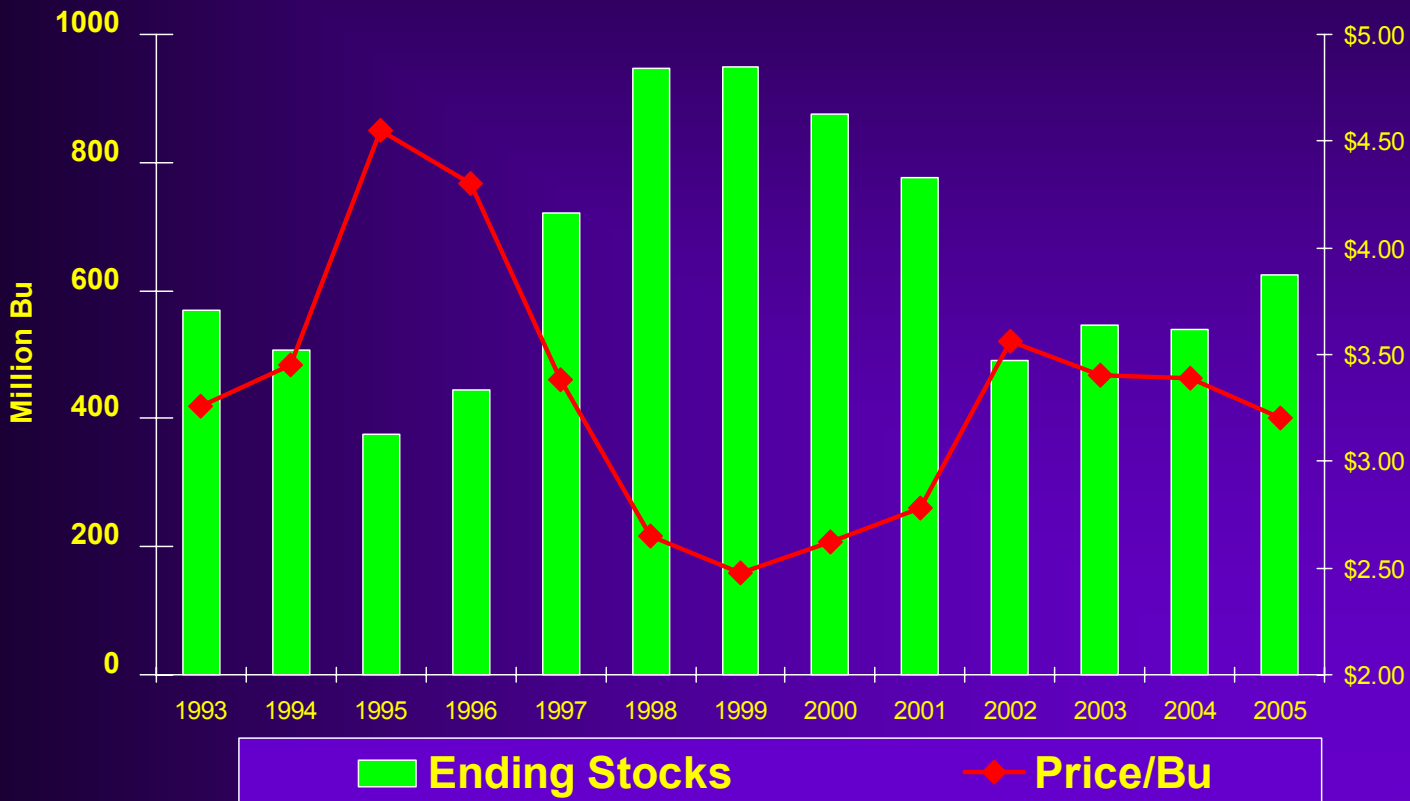
U.S. and Foreign Coarse Grain Ending Stocks: 1994-2005



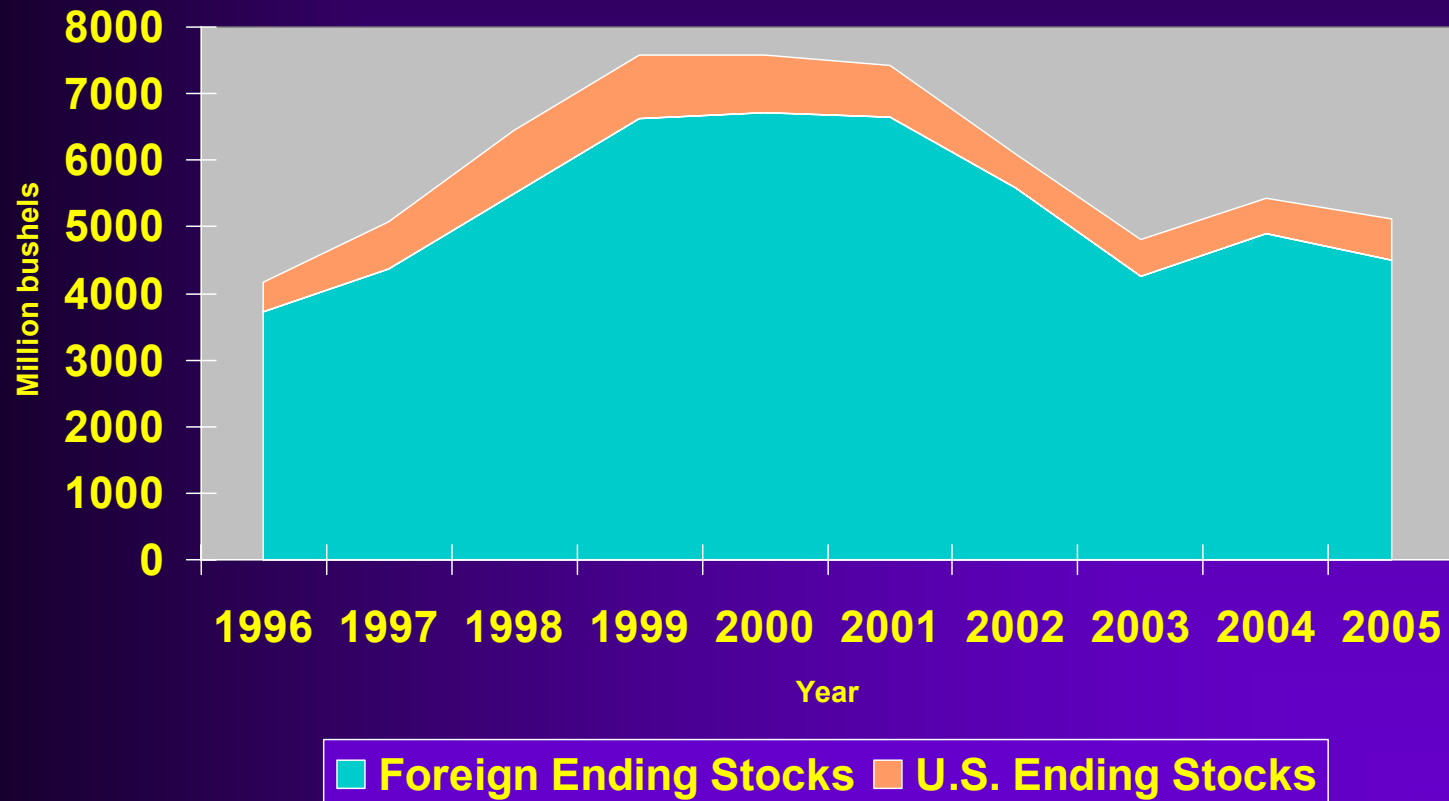
Wheat Production, Ending Stocks, and Price, 1993-2005



U.S. Wheat Ending Stocks and Price, 1993-2005



U.S. & Foreign Wheat Ending Stocks, 1996-2005



Supply/Demand Projections:2005/2006

Wheat

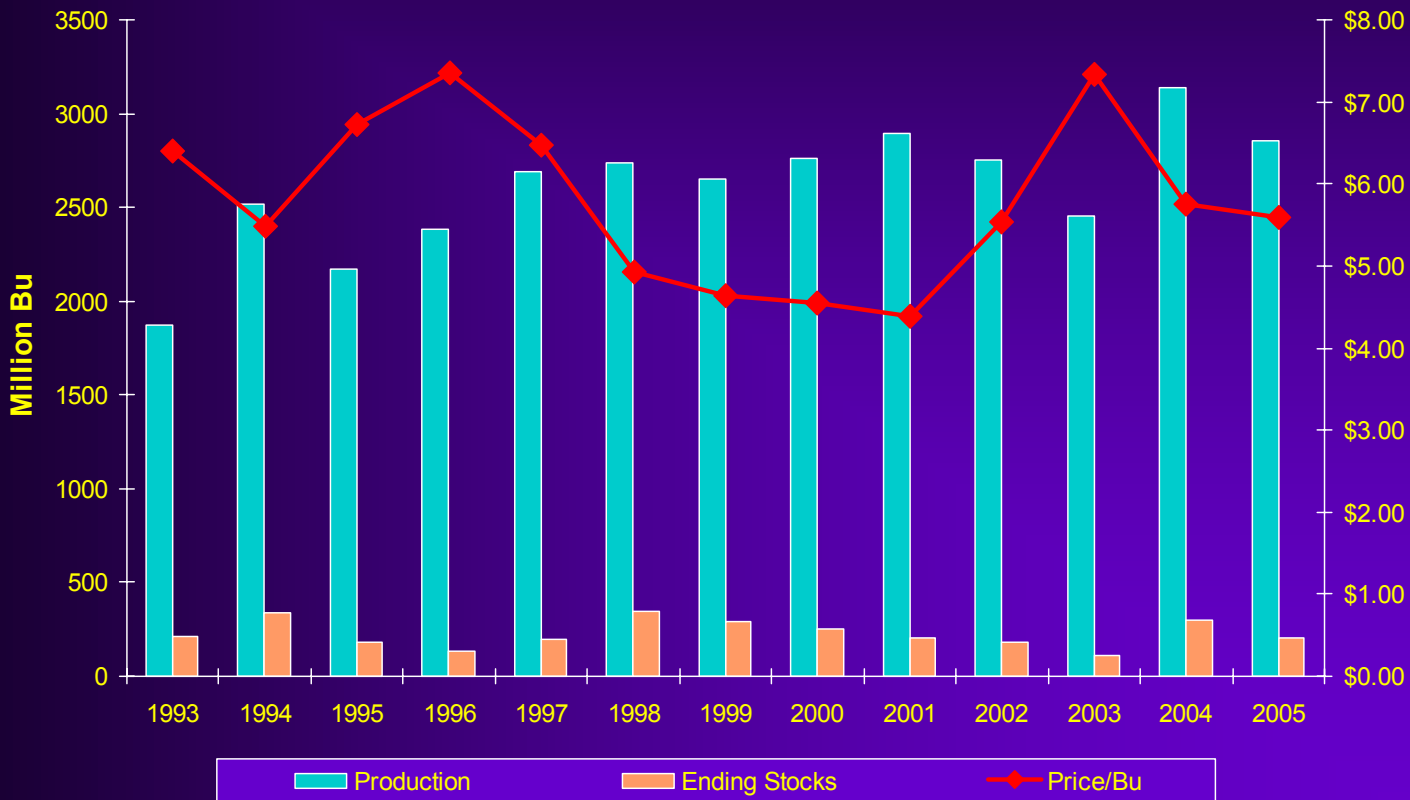
-----Supply/Demand -----

	<u>Low/High</u>	<u>Exp/Exp</u>	<u>High/Low</u>
Beginning Stocks(MB)	540	540	540
Acres (M. A. Planted)	57.8	58.1	58.4
Supply(M. Bu)	2756	2787	2819
Use:			
Food, Seed		988	
Feed, Resid		200	
Exports		975	
Ending Stocks	538	624	710
Projected Price	\$3.25	\$3.15	\$2.65

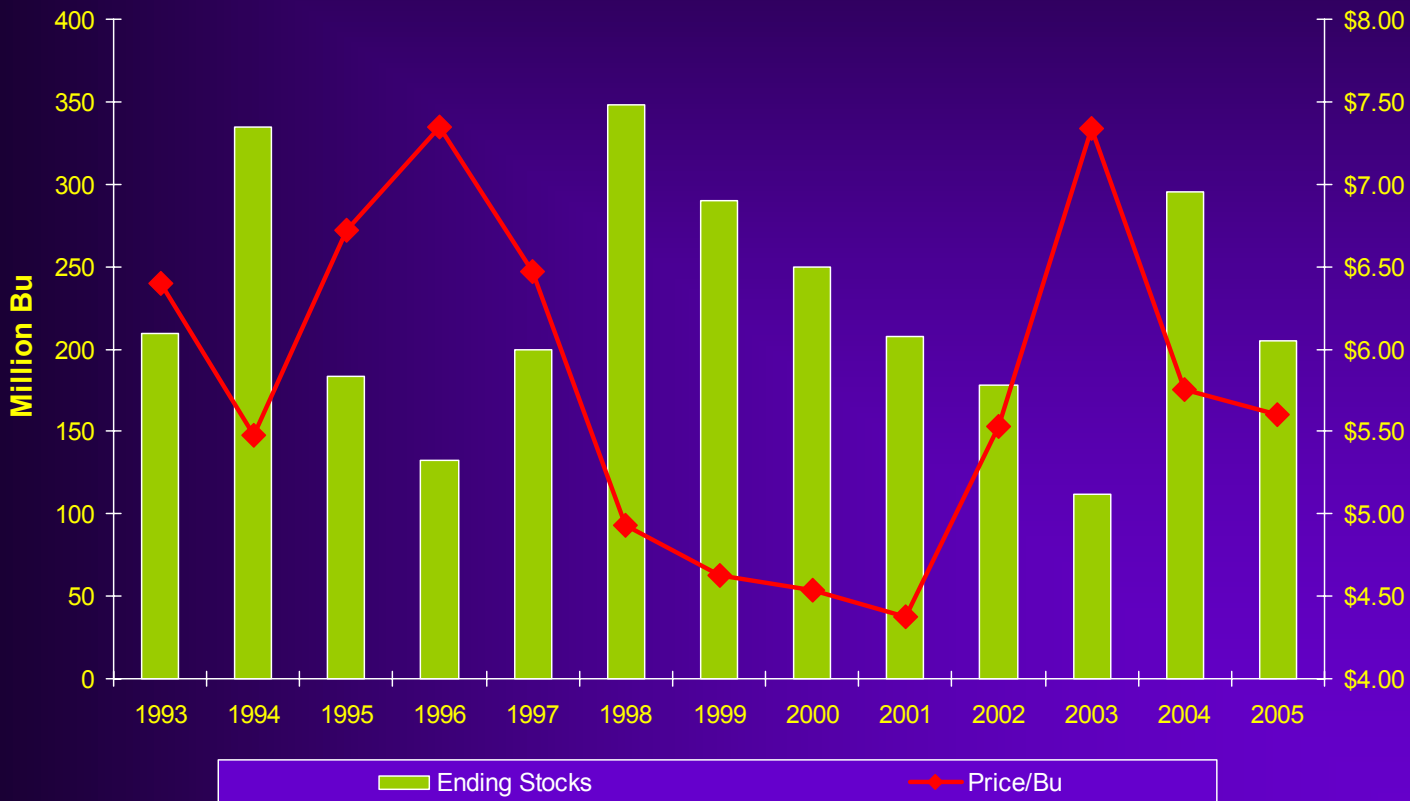
Soybean Situation and Outlook

**Historical Perspective and
Outlook for 2005**

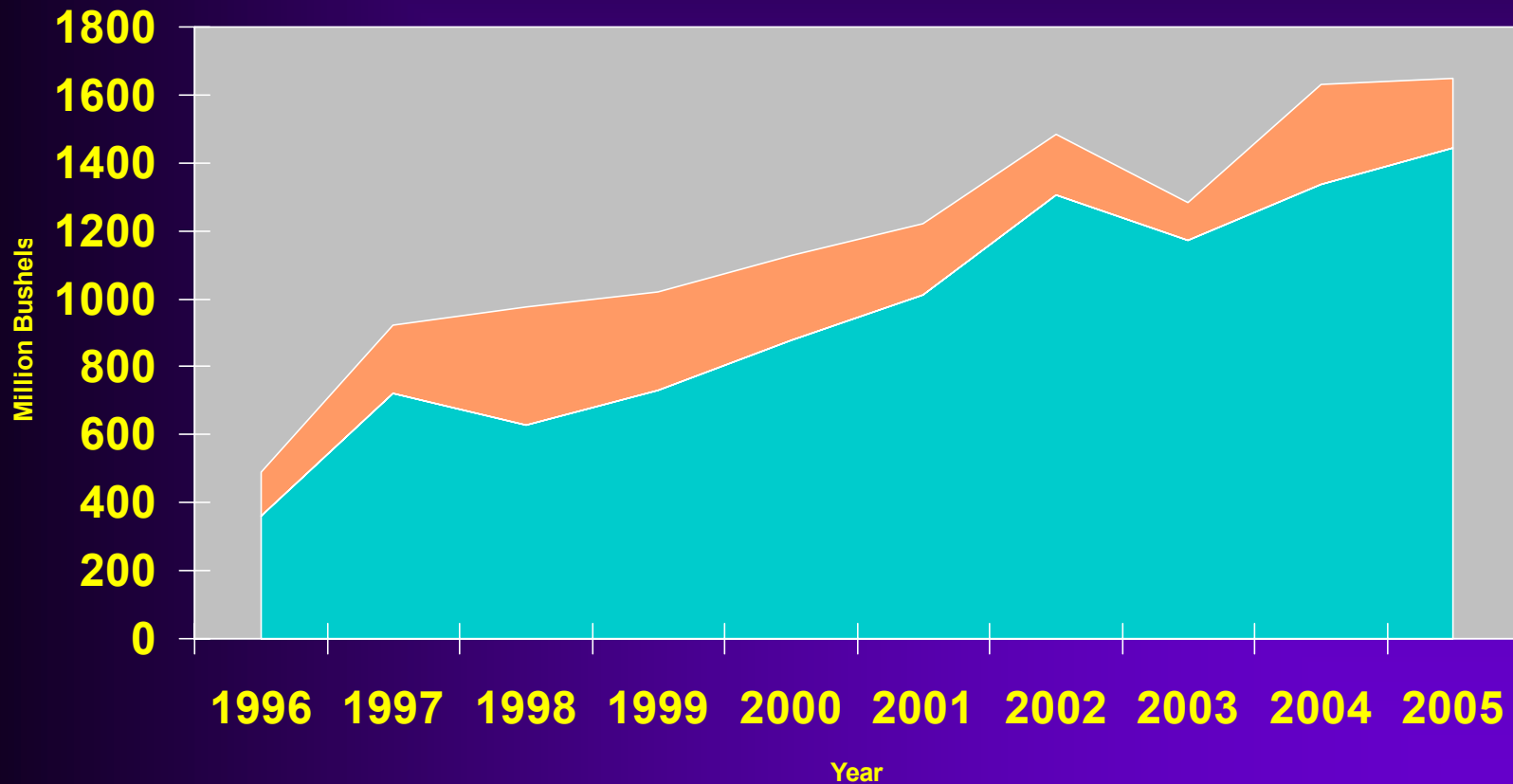
Soybean Production, Ending Stocks, and Price, 1993-2005



U.S. Soybean Ending Stocks and Price, 1993-2005

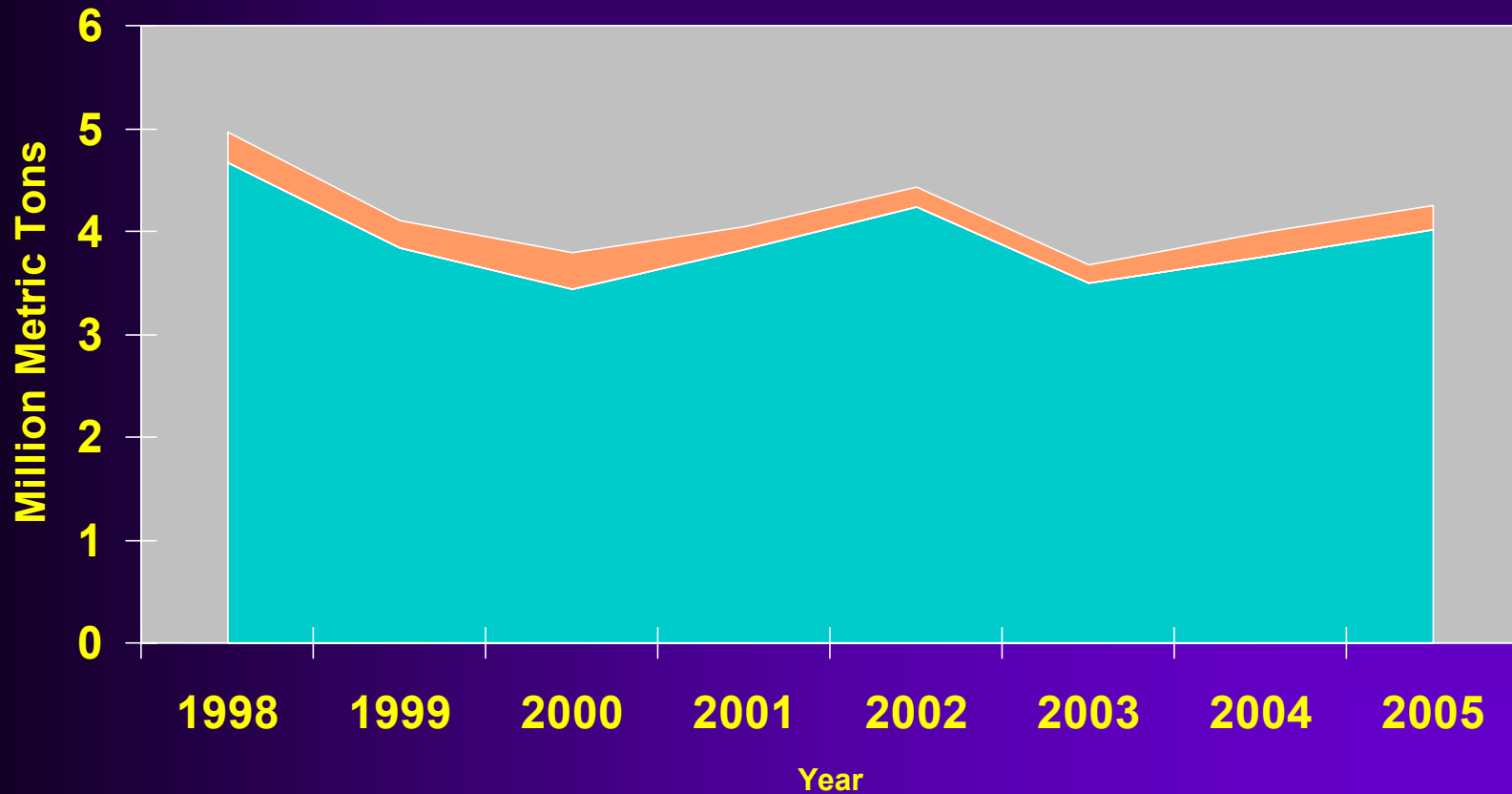


U.S. & Foreign Soybean Ending Stocks, 1996-2005



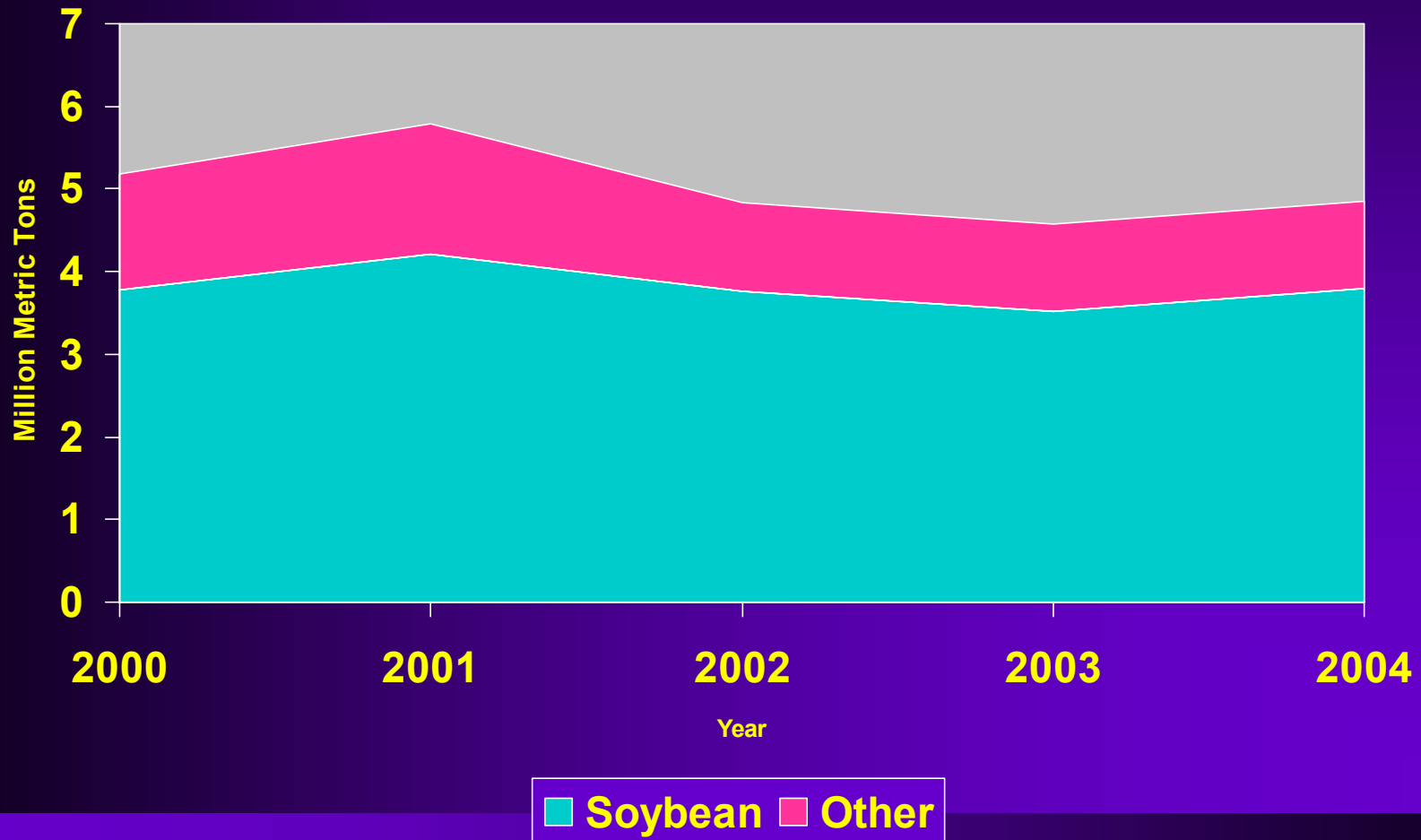
Foreign Ending Stocks U.S. Ending Stocks

U.S. & Foreign Soybean Meal Ending Stocks, 1997-2005

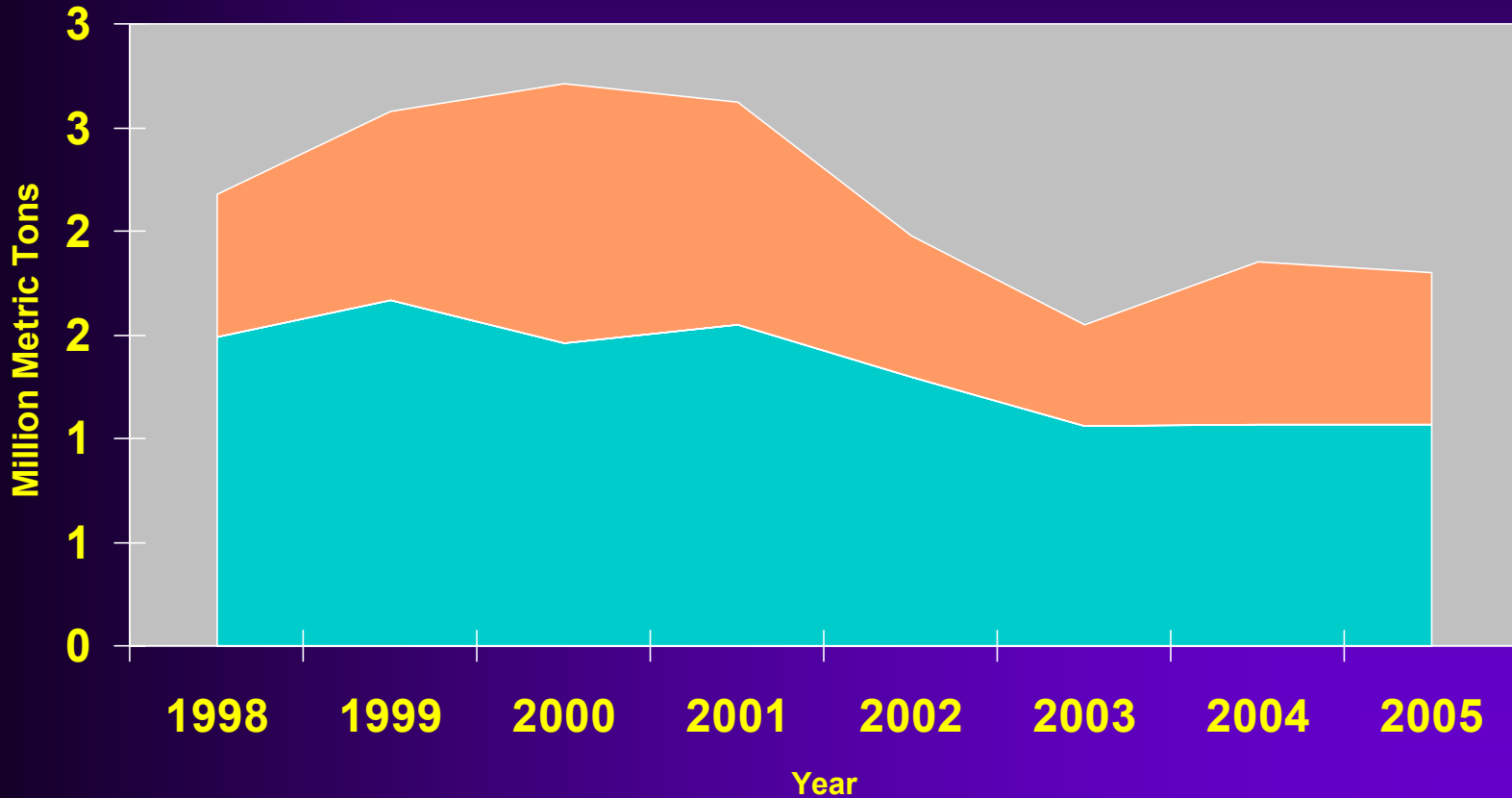


■ Foreign Ending Stocks ■ U.S. Ending Stocks

World Protein Meal Ending Stocks 2000-2004

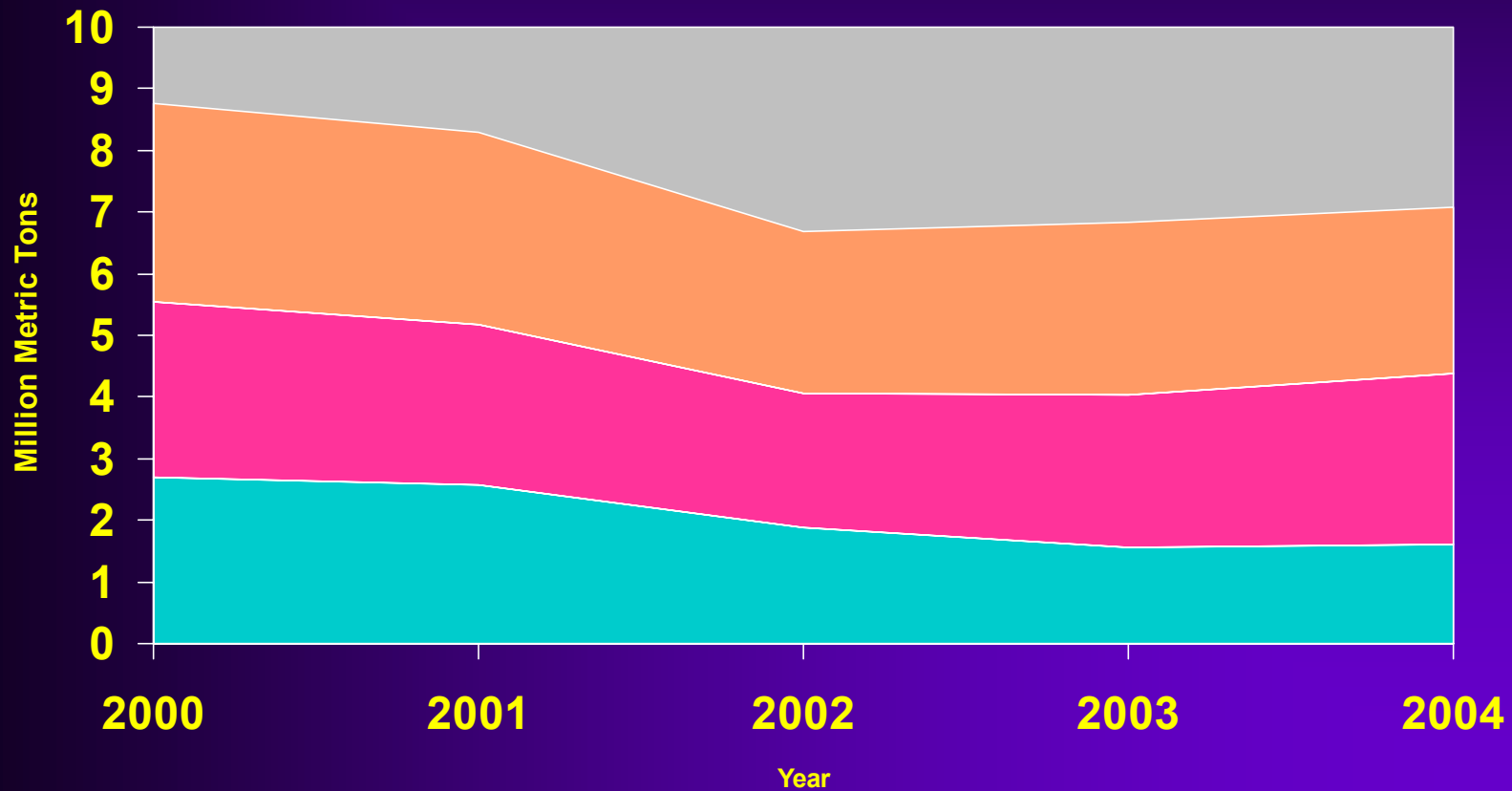


U.S. & Foreign Soybean Oil Ending Stocks, 1997-2005



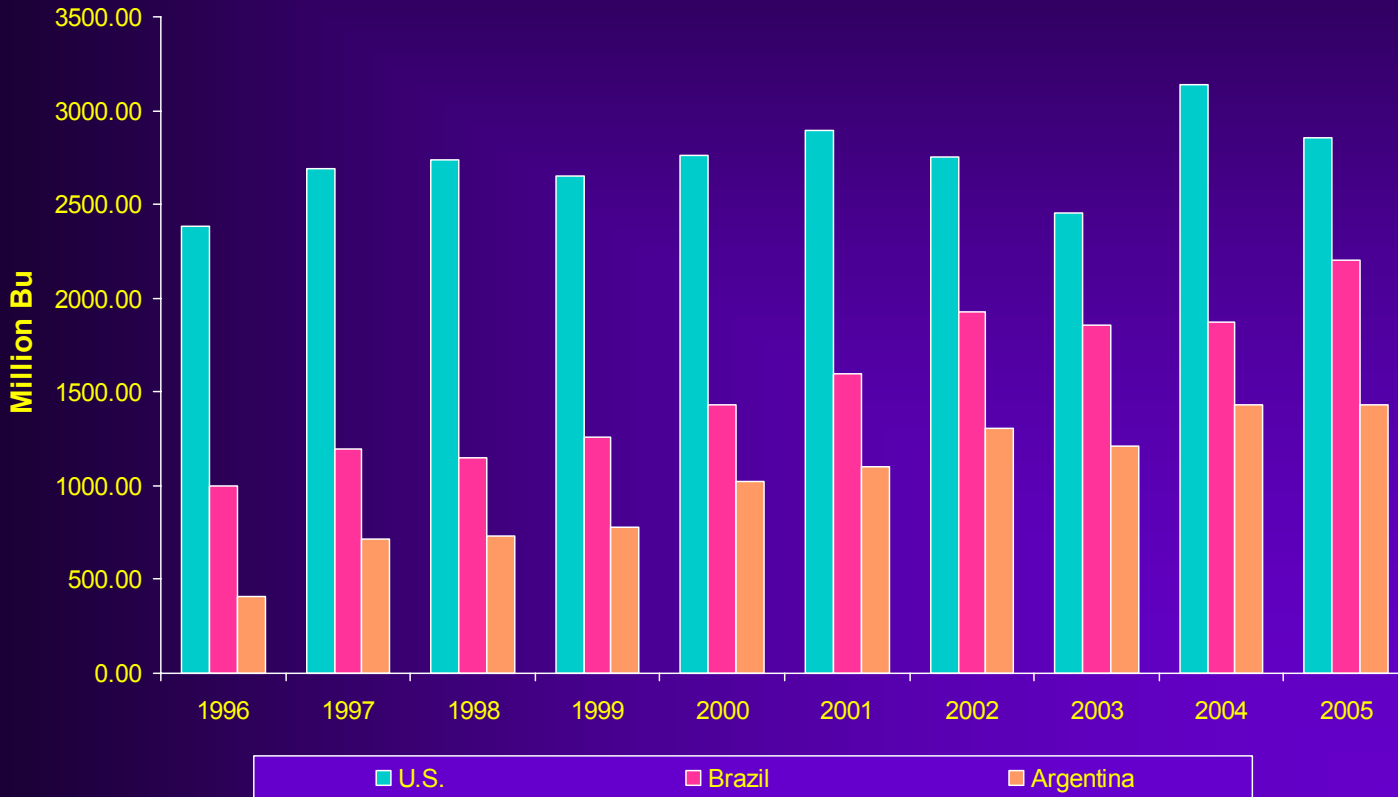
■ Foreign Ending Stocks ■ U.S. Ending Stocks

World Oil Ending Stocks 2000-2004

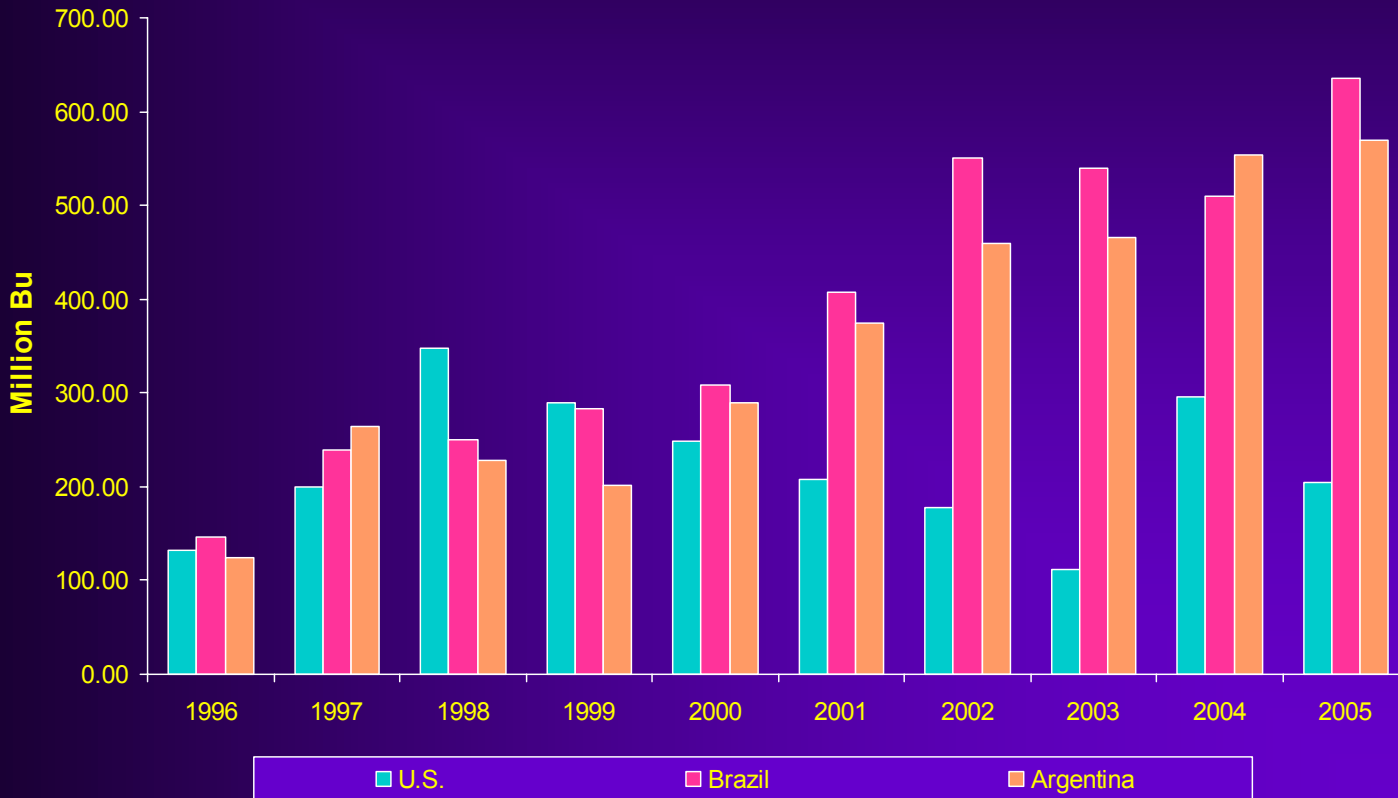


■ Soybean ■ Palm ■ Other

Soybean Production: U.S., Brazil, Argentina 1996-2005



Soybean Ending Stocks: U.S., Brazil, Argentina 1996-2005



Supply/Demand Projections:2005/2006

Soybeans

-----Supply/Demand -----

Low/High Exp/Exp High/Low

Beginning Stocks(MB)	295	295	295
Acres (M. P. A.)	72.6	73.1	73.6
Supply(M. Bu)	3017	3155	3294
Use:			
Crushing		1685	
Exports		1115	
Seed, Feed		150	
Ending Stocks	144	205	266
Projected Price	\$5.80	\$5.40	\$5.05

Supply/Demand Projections:2006/2007

Soybeans

-----Supply/Demand -----

	<u>Low/High</u>	<u>Exp/Exp</u>	<u>High/Low</u>
Beginning Stocks(MB)	205	205	205
Acres (M. P. A.)	73.1	74.1	75.1
Yield	38	40	42
Supply(M. Bu)	2938	3118	3308
Use:			
Crushing		1685	
Exports		1115	
Seed, Feed		150	
Ending Stocks	109	168	227
Projected Price	\$7.50	\$5.75	\$4.75

Soybean Basis

	10 Year			
<u>Site</u>	<u>Aug 25</u>	<u>Sep 8</u>	<u>Sep 20</u>	<u>Avg.</u>
NW Barge		-\$0.59	-\$0.35	-\$0.05
Martin	-\$0.32	-\$0.43	-\$0.53	-\$0.20
Obion	-\$0.20	-\$0.55	-\$0.55	-\$0.20
Clarksville	-\$0.15	-\$0.21	-\$0.30	-\$0.10
Dechard	-\$0.29	-\$0.30	-\$0.40	-\$0.16

Soybean Prices

<u>Site</u>	Cash <u>Sep 20</u>	Cash <u>Jan '06</u>	Hedge ¹ <u>Nov '06</u>
NW Barge	\$5.37	\$5.83	\$5.93
Martin	\$5.19	\$5.59	\$5.81
Obion	\$5.17	\$5.65	\$5.81
Clarksville	\$5.42	\$5.71	\$5.86
Dechard	\$5.32	\$5.71	\$5.86

¹November futures price of \$5.96 adjusted for expected basis.

What Could Change The Outlook?

- South America
- Plant Mix
- Non-Farm Economic Conditions in U.S.,
World – Oil Supplies, War
- Exchange Rates
- China
- Weather