U.S. Grains and Oilseeds Situation and Outlook

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Crop Market Overview

• Strong market forces reshaped crop markets over the last ten years
  – Export demand in emerging markets
  – Biofuels policy
  – Weather events

The result has been high prices and profitability, and a strong supply response in domestic and international markets
The views expressed are those of the author(s) and should not be attributed to the Economic Research Service or USDA.

U.S. Corn, Soybean and Wheat Acreage

Source: USDA National Agricultural Statistics Service

Global Acreage Trends

Source: USDA Foreign Agricultural Service
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Average planted acreage for the 3-year period 2010-2012, compared with the 3-year period 2000-2002.

Source: USDA, Economic Research Service using data from USDA, National Agricultural Statistics

U.S. Corn Prices Ease as Production Recovers from 2012 Drought

Source: USDA, World Agricultural Outlook Board, WASDE.
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Corn Utilization

Source: USDA, World Agricultural Outlook Board, WASDE.

US Corn Export Dominance has Slipped

Source: U.S. Census Bureau and USDA/FAS *Values for 2013/14 are projections
Renewable Fuel Volumes Mandated under the Renewable Fuel Standard


U.S. Soybean Prices Ease as Production Recovers from 2012 Drought

Source: USDA, World Agricultural Outlook Board, WASDE.
Improved Supplies Expected to Boost Export Demand for U.S. Soybeans

Record pace for U.S. Soybean Exports Propelled by Robust China Sales
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Growth of China’s Soybean Imports Expected to Resume

<table>
<thead>
<tr>
<th>Year</th>
<th>China Imports</th>
<th>World Imports</th>
<th>China Import Share</th>
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<tbody>
<tr>
<td>2003/04</td>
<td>20</td>
<td>100</td>
<td>20</td>
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<tr>
<td>2005/06</td>
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<tr>
<td>2007/08</td>
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<td>2009/10</td>
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<tr>
<td>2011/12</td>
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<tr>
<td>2013/14</td>
<td>70</td>
<td>100</td>
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</table>

Source: U.S. Department of Agriculture, Foreign Agricultural Service.

U.S. Competition Rises as Brazil Closes Gap in Soybean Production and Trade

<table>
<thead>
<tr>
<th>Year</th>
<th>Brazil Production</th>
<th>US Production</th>
<th>Brazil Exports</th>
<th>US Exports</th>
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</tbody>
</table>

Source: U.S. Department of Agriculture, Foreign Agricultural Service.
Conclusions

• 2013 Corn and Soybean Production Recovered from 2012 Drought
• Export demand remains strong, but competition is high
• Prices are trending lower, but remain well above historic norms

Monthly Prices Received by Farmers

Source: USDA National Agricultural Statistics Service