

Agricultural Markets Situation and Outlook

July 15, 2021

Use the Q&A tool
to ask questions

Implications of July WASDE

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Specialist

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Pre-Report Industry Estimates vs. Reported Values

U.S. 2020-21 Ending Stocks (billion bushels)			
	All Wheat	Corn	Soybean
Average Trade Estimate	N.A.	1.088 bill. bu.	0.134 bill. bu.
Highest Trade Estimate	N.A.	1.257 bill. bu.	0.149 bill. bu.
Lowest Trade Estimate	N.A.	1.000 bill. bu.	0.120 bill. bu.
USDA June 10, 2021	0.852 bill. bu.	1.107 bill. bu.	0.135 bill. bu.
USDA July 12, 2021	0.844 bill. bu.	1.082 bill. bu.	0.135 bill. bu.

Reuters News and July 12, 2021 USDA - WASDE

Pre-Report Industry Estimates vs. Reported Values

U.S. 2021-22 Ending Stocks (billion bushels)			
	All Wheat	Corn	Soybean
Average Trade Estimate	0.729 bill. bu.	1.402 bill. bu.	0.148 bill. bu.
Highest Trade Estimate	0.809 bill. bu.	1.542 bill. bu.	0.165 bill. bu.
Lowest Trade Estimate	0.575 bill. bu.	1.057 bill. bu.	0.120 bill. bu.
USDA June 10, 2021	0.770 bill. bu.	1.357 bill. bu.	0.155 bill. bu.
USDA July 12, 2021	0.665 bill. bu.	1.432 bill. bu.	0.155 bill. bu.

Reuters News and July 12, 2021 USDA - WASDE

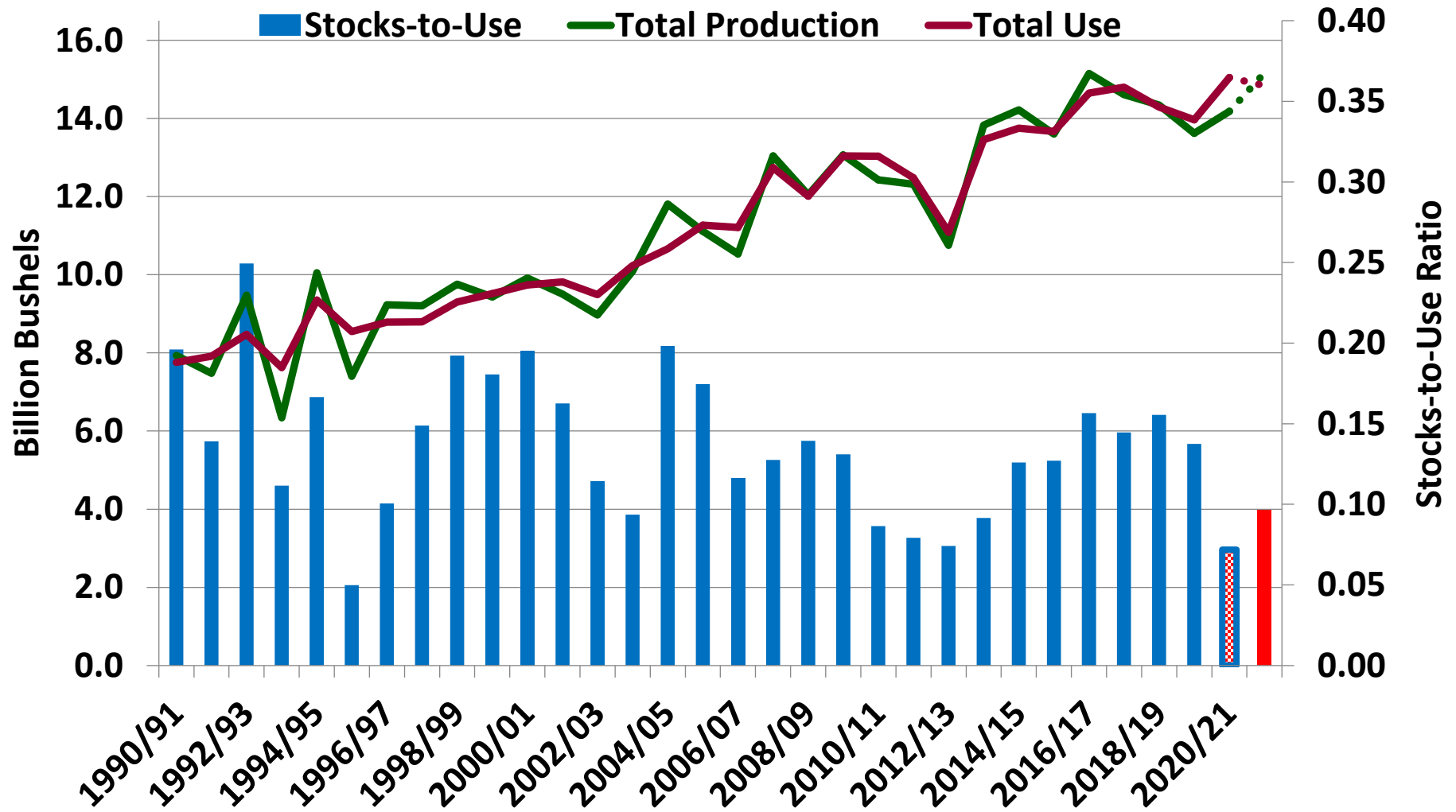
Pre-Report Industry Estimates vs. Reported Values

2021 U.S. Wheat Production by Class (billion bushels)						
	All Wheat	Hard Red Winter	Soft Red Winter	White Wheat	Other Spring	Durum
Average Trade Estimate	1.847	0.786	0.340	0.205	0.459	0.056
Highest Trade Estimate	1.947	0.826	0.365	0.250	0.560	0.066
Lowest Trade Estimate	1.724	0.725	0.286	0.170	0.358	0.044
USDA June 10, 2021	1.898	0.771	0.335	0.202	N.A.	N.A.
USDA July 12, 2021	1.746	0.805	0.362	0.237	0.345	0.037

Reuters News and July 12, 2021 USDA - WASDE

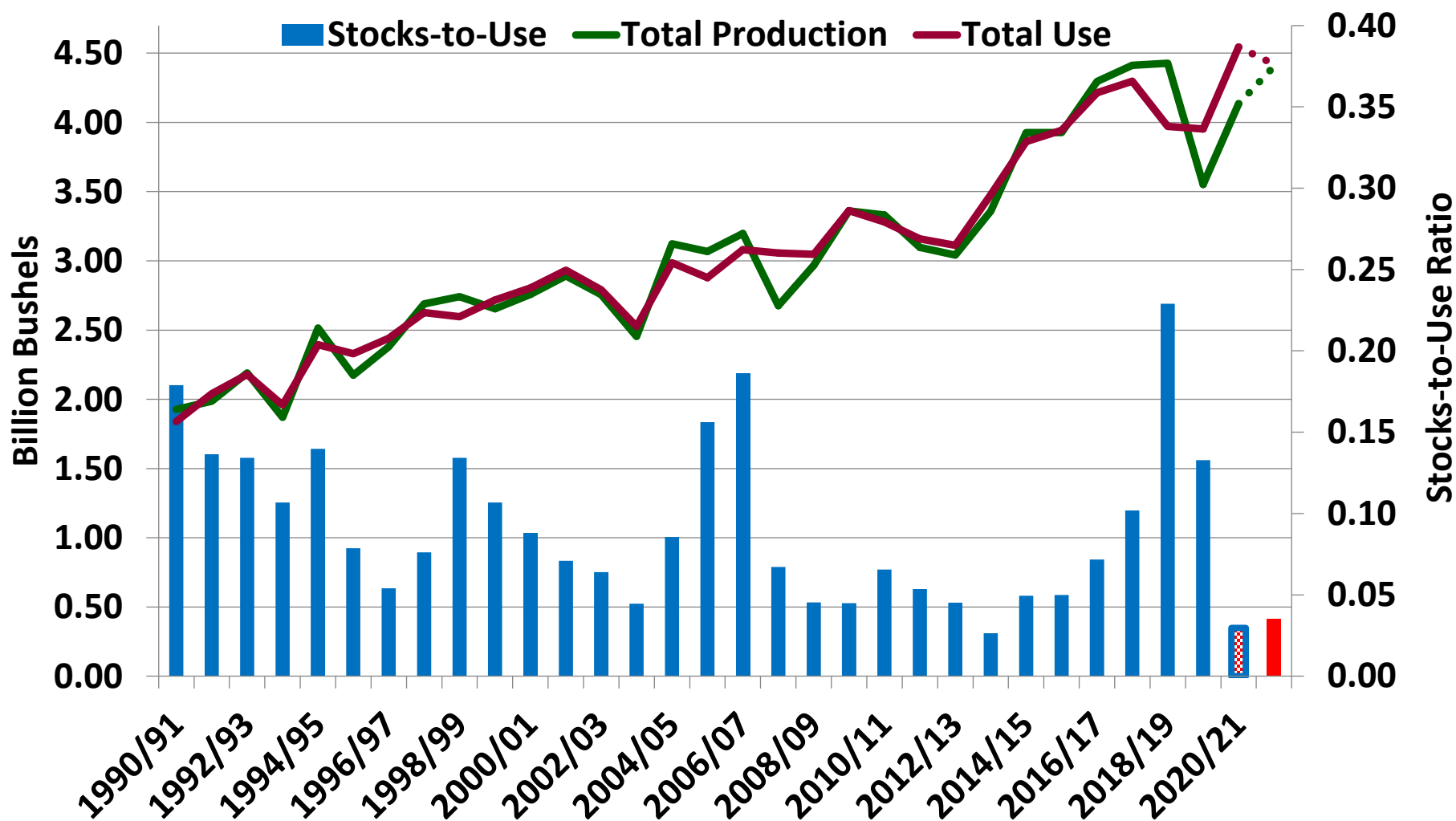
U.S. Corn – Total Prod. & Use

(Billion Bushels)



U.S. Soybean – Total Prod. & Use

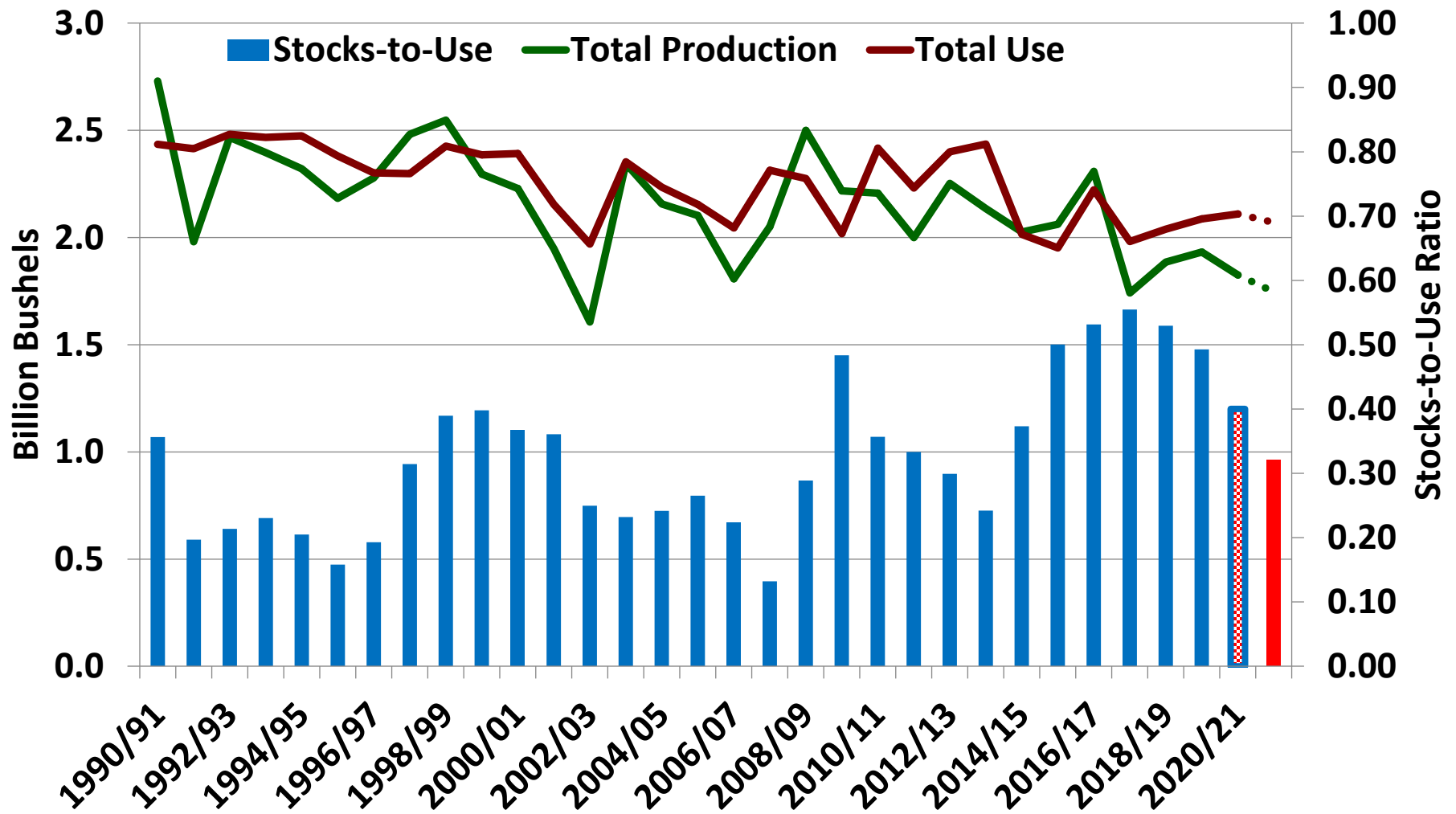
(Billion Bushels)



July 12, 2021 WASDE Report & Oil
Crops Yearbook Table 3

U.S. All Wheat – Total Prod. & Use

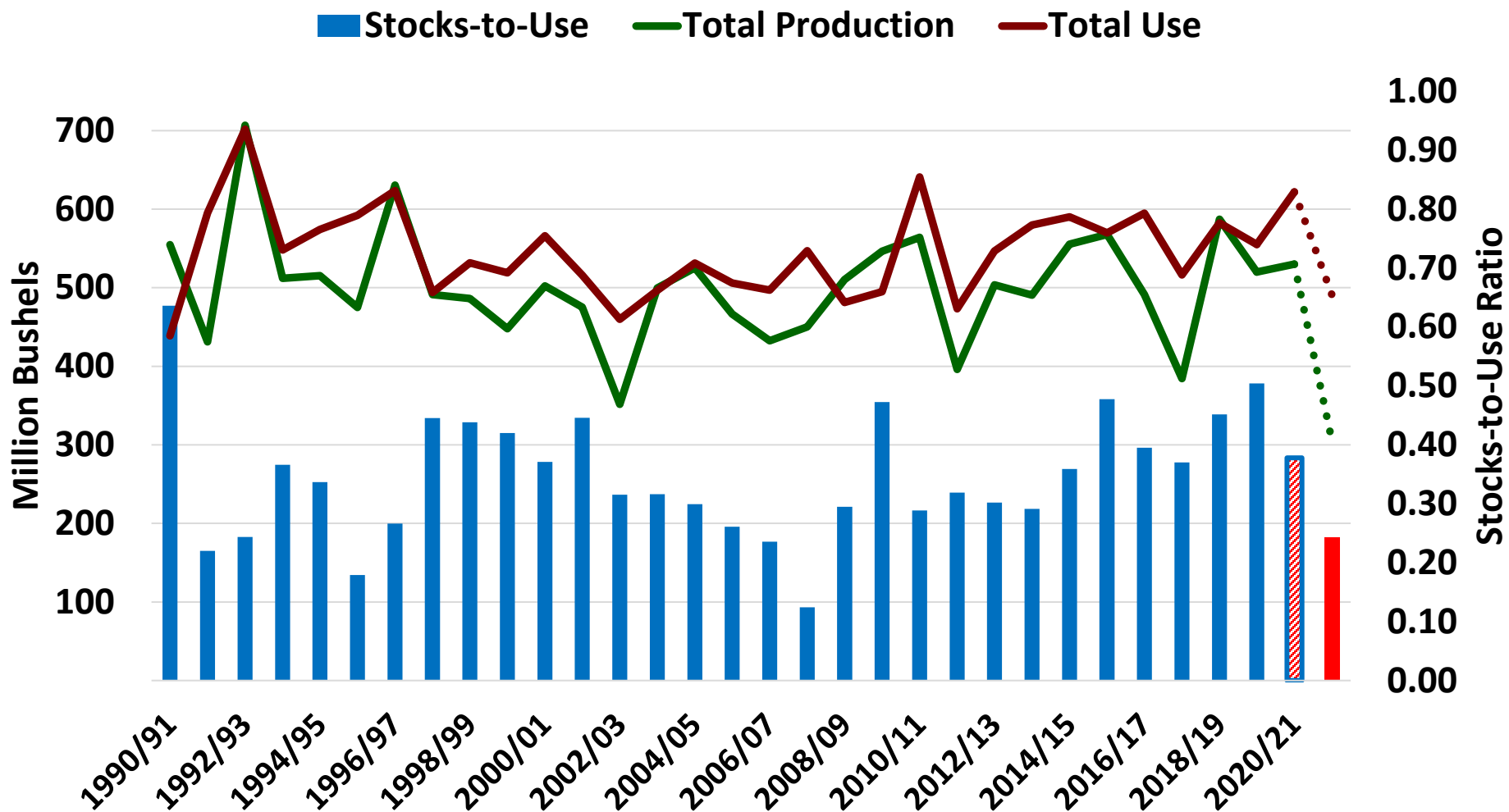
(Billion Bushels)



July 12, 2021 WASDE Report & Wheat
Yearbook Table 5

U.S. HRSW – Total Prod. & Use

(Million Bushels)



July 12, 2021 WASDE Report & Wheat
Yearbook Table 8

MGEX Hard Red Spring Wheat vs. CBOT-KC Hard Red Winter Wheat

Q 12-Jul-2021

◇ @MWEC-@KWEC

La= 251.75

NC= 37.25

V=-0.00

300.00

251.75

200.00

150.00

100.00

50.00

-0.00

-50.00

-100.00

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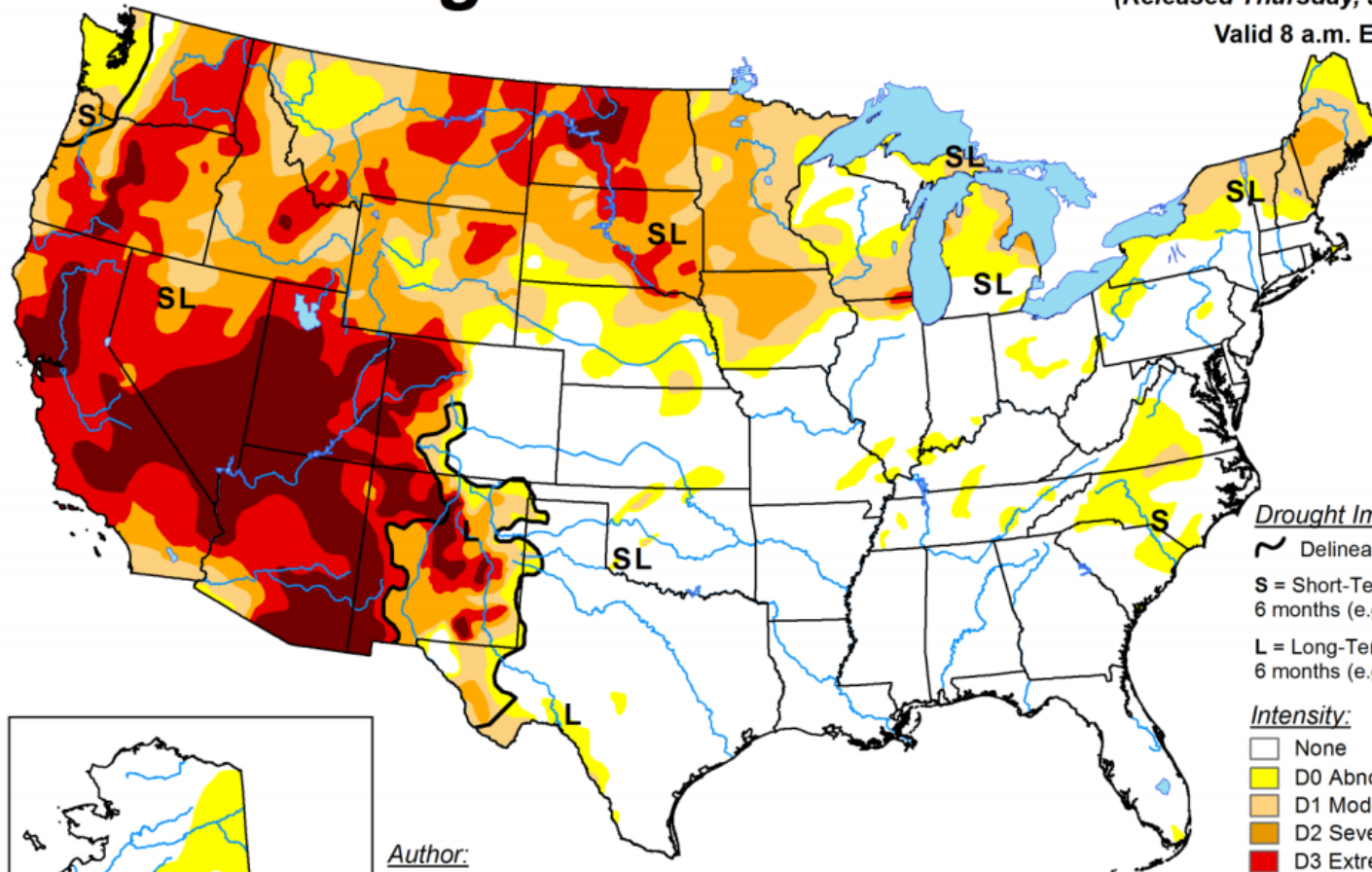
2018

U.S. Drought Monitor

July 6, 2021

(Released Thursday, Jul. 8, 2021)

Valid 8 a.m. EDT



Drought Impact Types:

- ~ Delineates dominant impacts
- S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)
- L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)

Intensity:

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

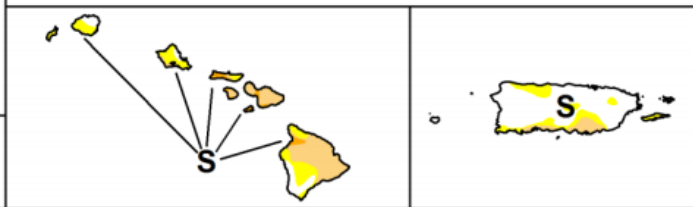
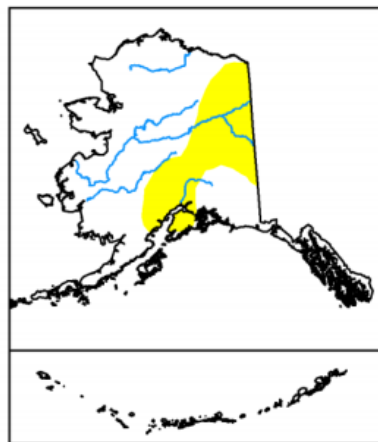
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>



droughtmonitor.unl.edu

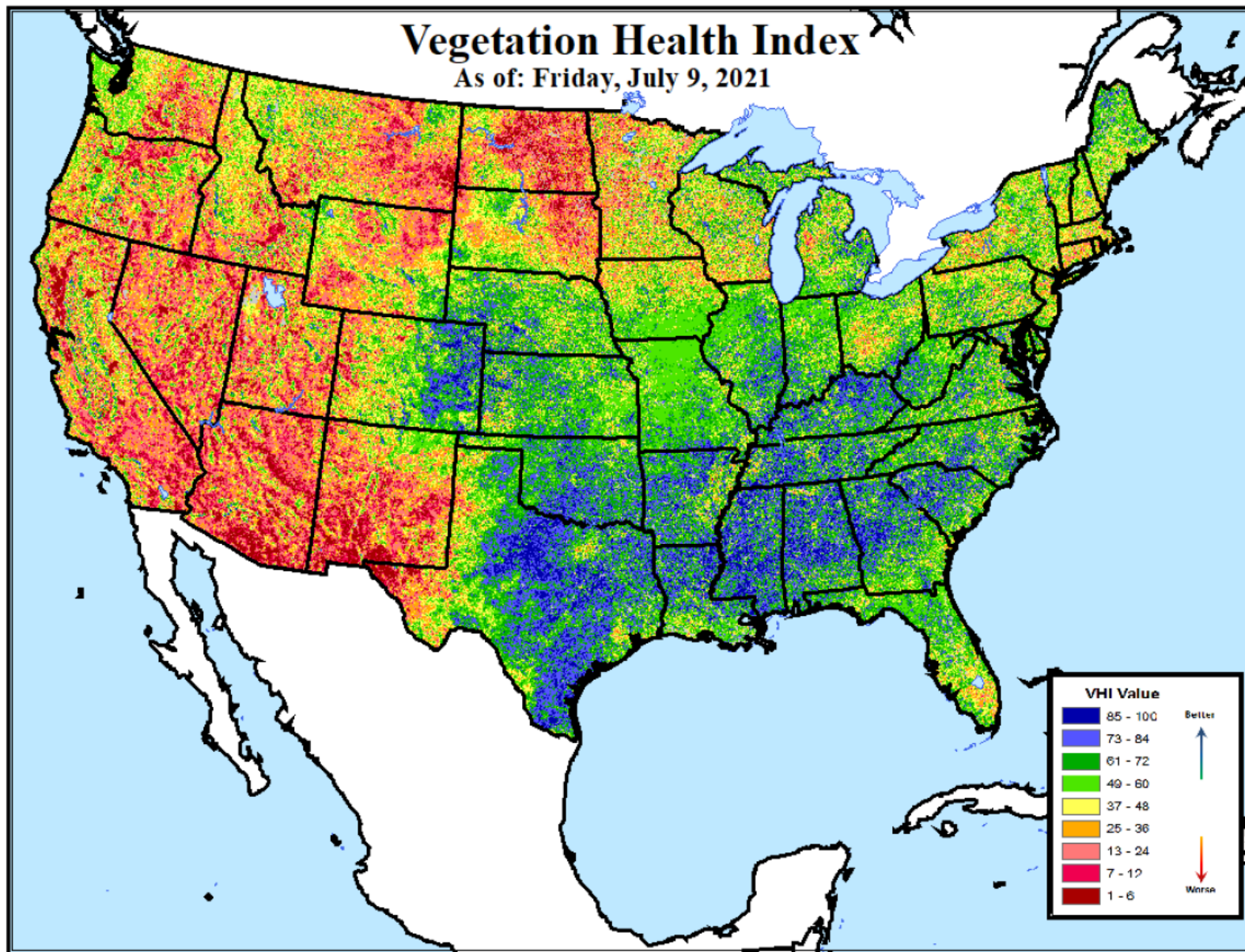
Author:

Deborah Bathke
National Drought Mitigation Center



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EXTENSION AGRIBUSINESS



USDA Crop Progress Report - Corn

Corn Condition – Selected States: Week Ending July 11, 2021

[These 18 States planted 92% of the 2020 corn acreage]

State	Very poor (percent)	Poor (percent)	Fair (percent)	Good (percent)	Excellent (percent)
Colorado	-	3	20	50	27
Illinois	2	6	32	45	15
Indiana	2	5	20	60	13
Iowa	2	5	27	56	10
Kansas	1	4	25	58	12
Kentucky	1	2	13	69	15
Michigan	1	3	23	53	20
Minnesota	5	11	42	38	4
Missouri	2	7	30	53	8
Nebraska	1	3	19	53	24
North Carolina	-	1	21	61	17
North Dakota	7	20	40	31	2
Ohio	1	4	16	58	21
Pennsylvania	-	-	14	69	17
South Dakota	6	18	45	30	1
Tennessee	-	3	17	56	24
Texas	1	7	24	40	28
Wisconsin	1	4	18	51	26
18 States	2	6	27	51	14
Previous week	2	7	27	50	14
Previous year	2	6	23	52	17

- Represents zero.

USDA Crop Progress Report - Soybean

Soybean Condition – Selected States: Week Ending July 11, 2021

[These 18 States planted 96% of the 2020 soybean acreage]

State	Very poor (percent)	Poor (percent)	Fair (percent)	Good (percent)	Excellent (percent)
Arkansas	2	7	24	49	18
Illinois	3	7	34	42	14
Indiana	2	6	22	58	12
Iowa	1	5	29	55	10
Kansas	2	4	32	57	5
Kentucky	1	3	15	70	11
Louisiana	-	6	16	67	11
Michigan	1	5	30	51	13
Minnesota	4	11	40	42	3
Mississippi	2	1	16	74	7
Missouri	2	6	36	51	5
Nebraska	1	3	17	57	22
North Carolina	1	3	29	57	10
North Dakota	11	26	42	20	1
Ohio	1	4	20	59	16
South Dakota	6	22	44	27	1
Tennessee	1	3	20	57	19
Wisconsin	1	4	22	55	18
18 States	3	8	30	49	10
Previous week	3	8	30	49	10
Previous year	2	5	25	54	14

- Represents zero.

USDA Crop Progress Report – Spring Wheat

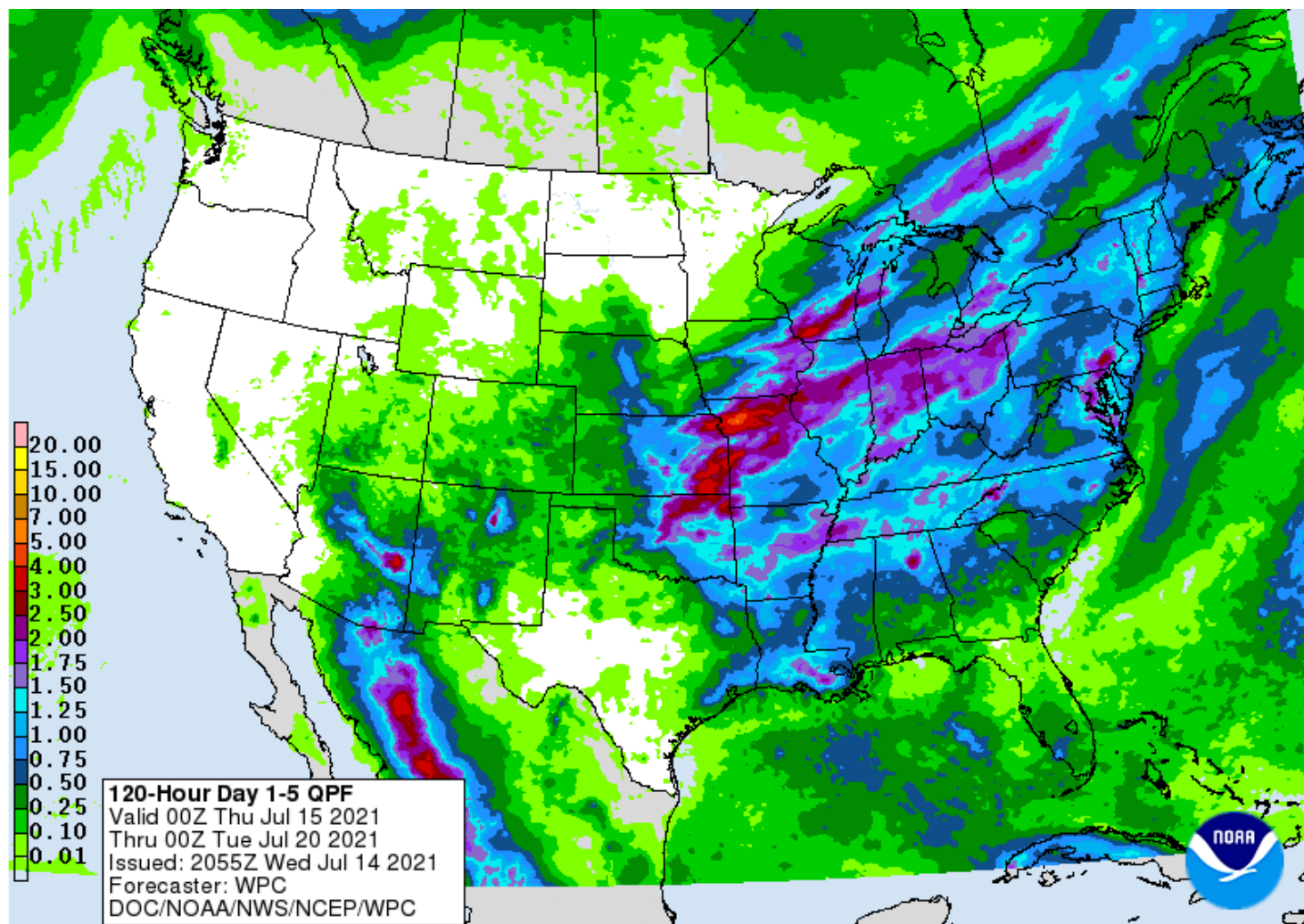
Spring Wheat Condition – Selected States: Week Ending July 11, 2021

[These 6 States planted 100% of the 2020 spring wheat acreage]

State	Very poor	Poor	Fair	Good	Excellent
	(percent)	(percent)	(percent)	(percent)	(percent)
Idaho	5	25	54	14	2
Minnesota	11	22	39	27	1
Montana	21	42	21	13	3
North Dakota	22	32	30	15	1
South Dakota	31	40	26	3	-
Washington	36	47	16	1	-
6 States	21	34	29	15	1
Previous week	18	32	34	14	2
Previous year	2	6	24	57	11

- Represents zero.

Projected 5-Day Precipitation Forecast



LIVESTOCK PRICE SITUATION AND OUTLOOK

Tim Petry

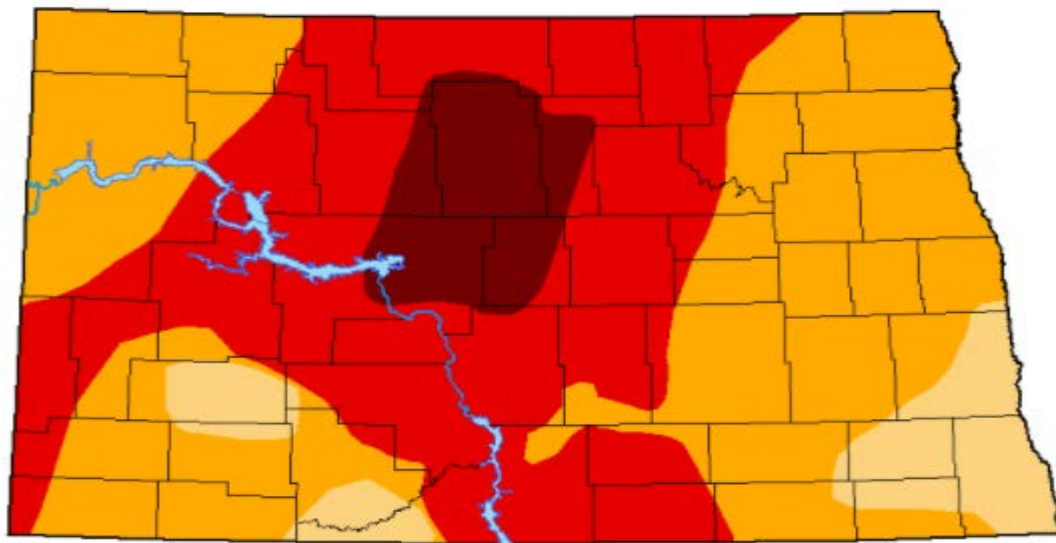
Extension Livestock Marketing
Economist

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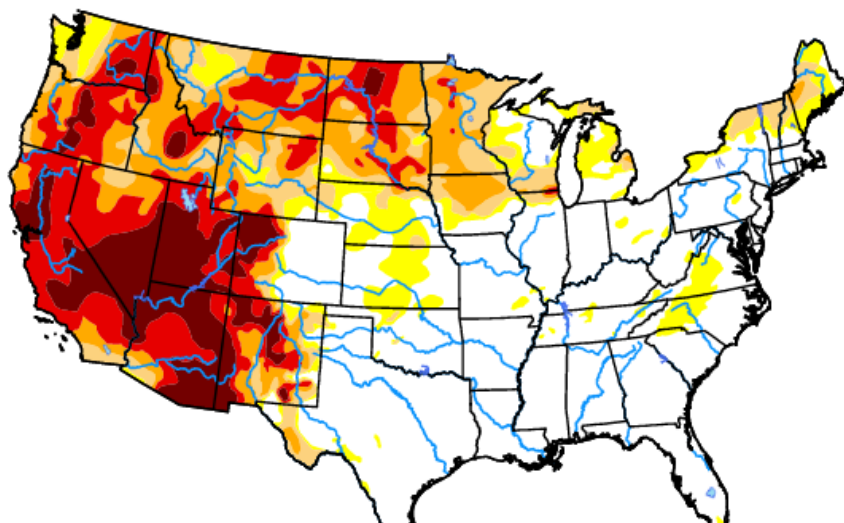
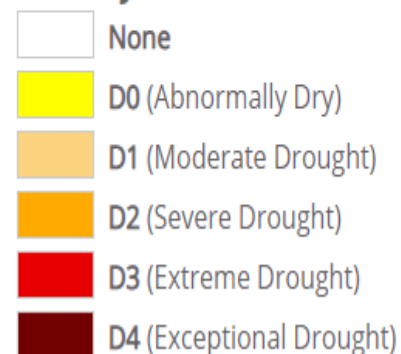




Map released: Thurs. July 15, 2021

Data valid: July 13, 2021 at 8 a.m. EDT

Intensity



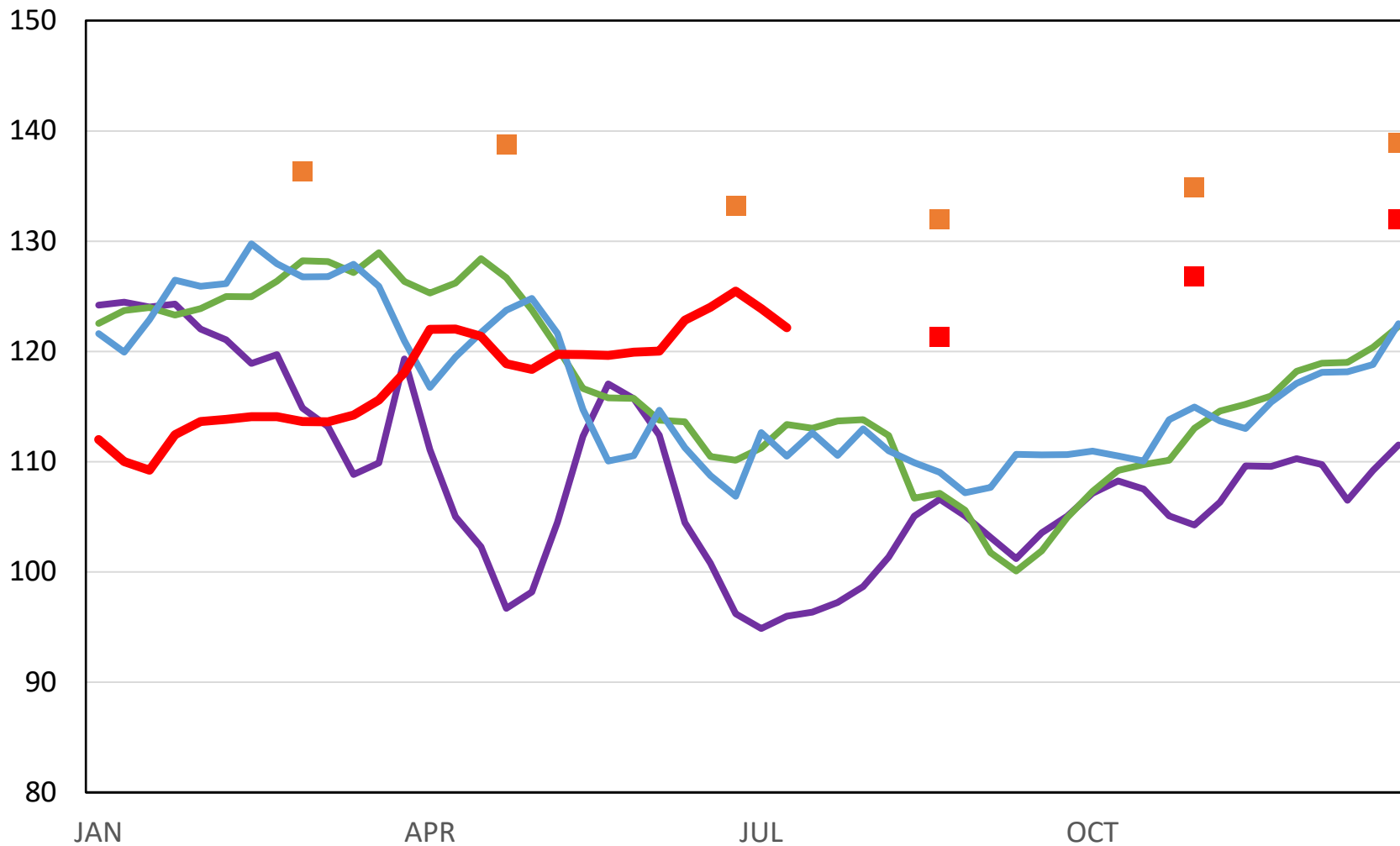
RUGBY LIVESTOCK AUCTION LLC

PO BOX 213
RUGBY, ND 58368
07/12/2021
1,387 head sold
Market Report

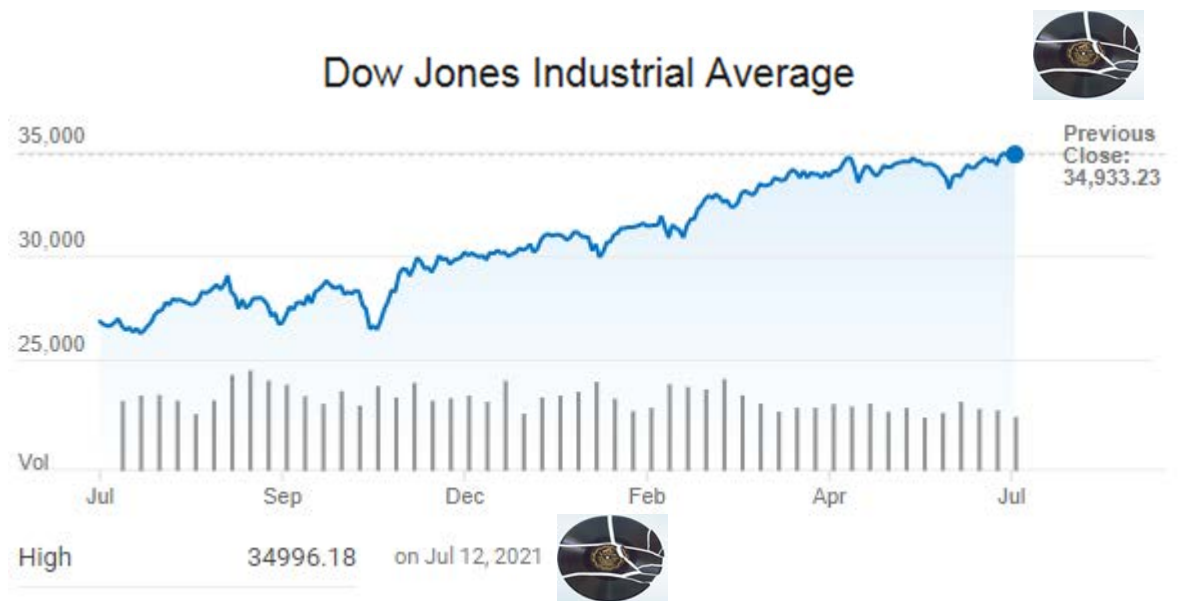
Hd	Descrip	AvgWt	Bid
Pair			
14	Rd/Rwf-Pair-3-6 YR	1983	1950.00
16	Rd/Rwf-Pair-SldMth	1850	1900.00
6	Blk-Pair-3-6 YR	1051	1700.00
1	Blk-Pair-3-6 YR	1690	1600.00
7	Blk-Pair-3-6 YR	1124	1550.00
6	Blk-Pair-3-6 YR	1188	1550.00
6	Bl/Bwf-Pair-SldMth	1667	1550.00
5	Blk-Pair-SldMth	1495	1500.00
1	Rd-Pair-SldMth	1540	1400.00
1	Blk-Pair-SldMth	1835	1390.00
2	Rd-Pair-Bkn Mth	1683	1380.00
1	Blk-Pair-SldMth	1795	1380.00
1	Blk-Pair-SldMth	1895	1375.00
9	Blk-Pair-SldMth	1431	1330.00
1	Rd-Pair-Bkn Mth	1675	1325.00
1	Blk-Pair-SldMth	1710	1310.00
1	Blk-Pair-SldMth	1625	1300.00
1	Blk-Pair-Bkn Mth	1675	1275.00

FED STEER PRICES

5 Market Weighted Average, Weekly

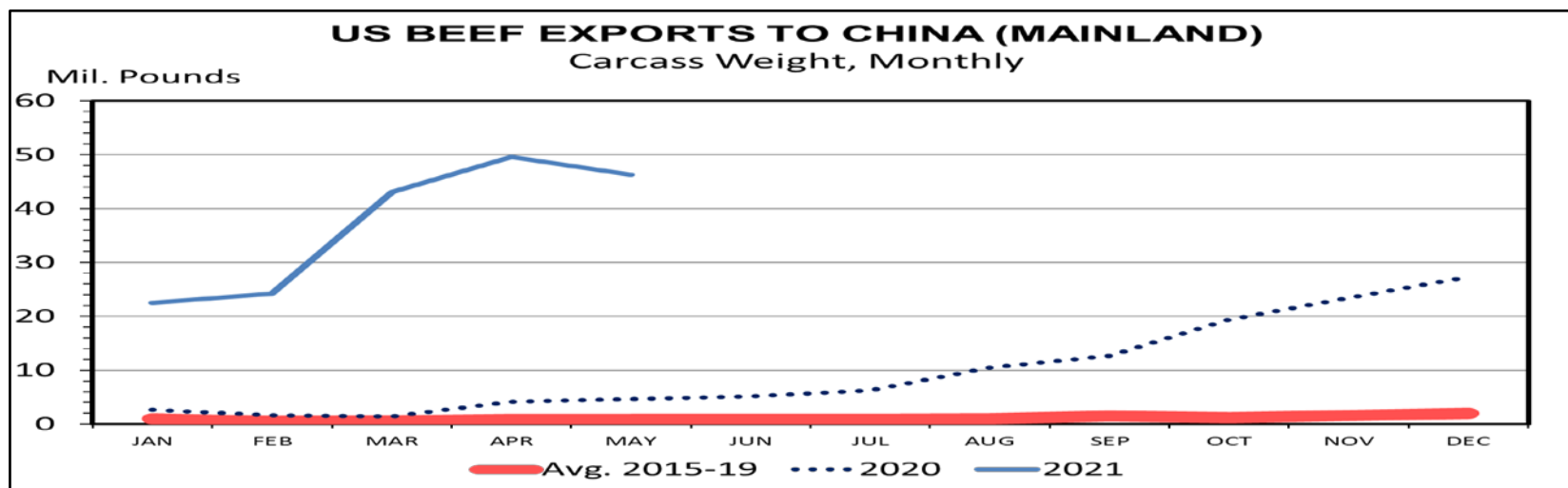
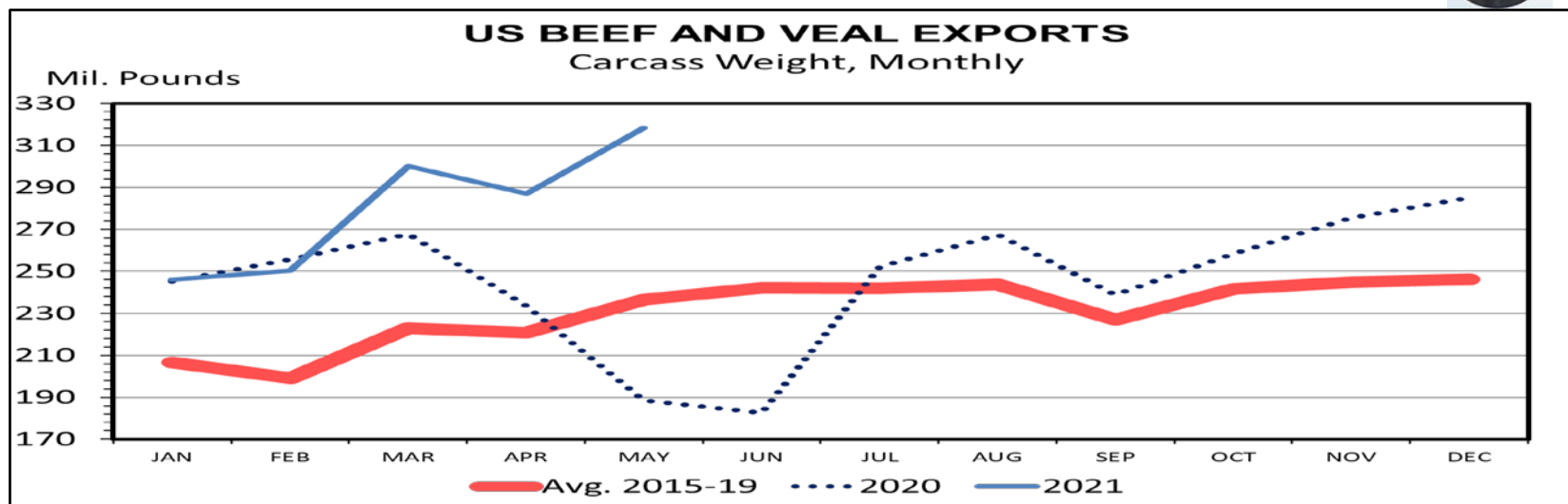


— 2020 — 2019 — 2018 — 2021 ■ 2022 Fut ■ 2021 Fut



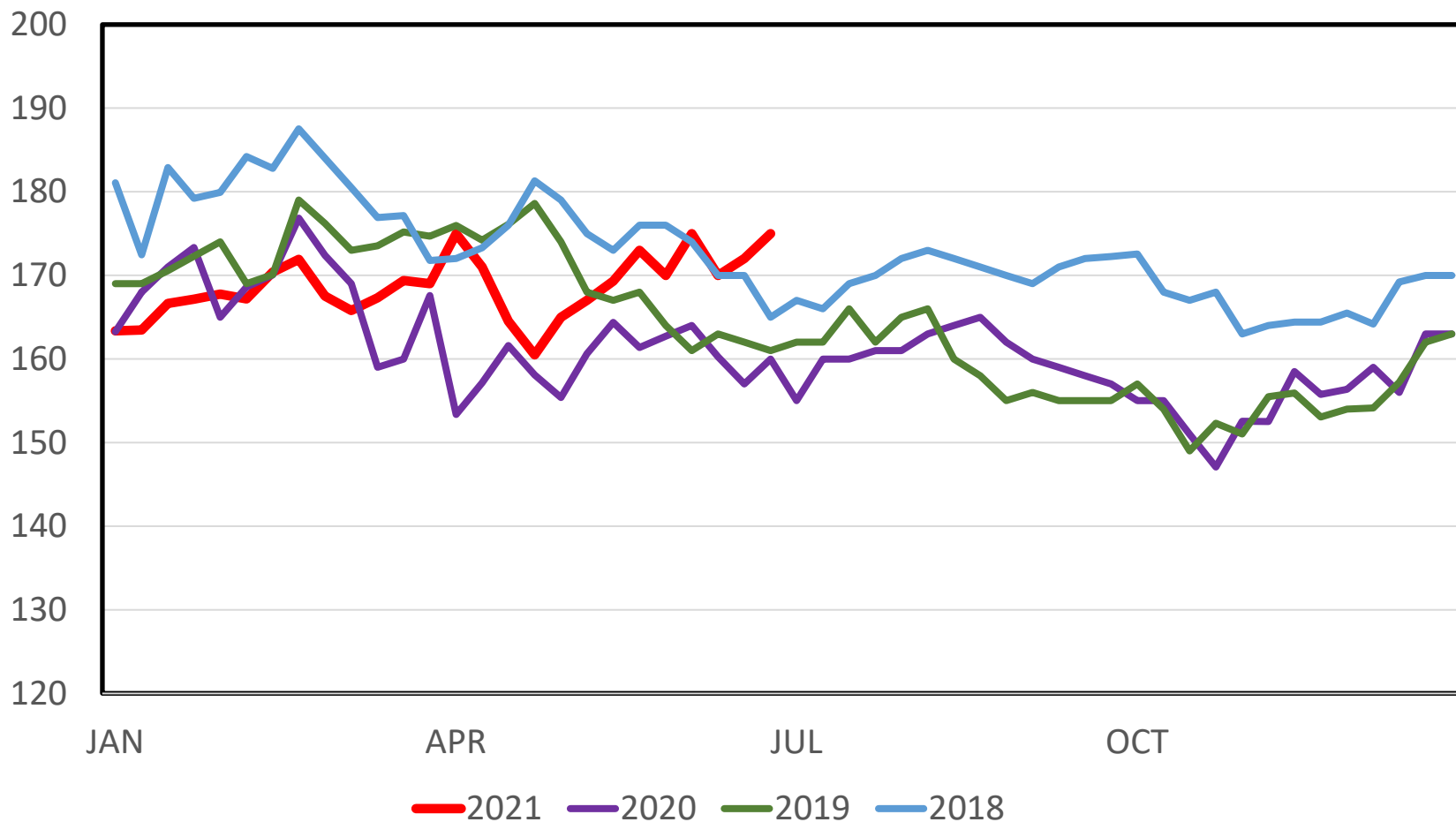
NDSU

EXTENSION AGRIBUSINESS



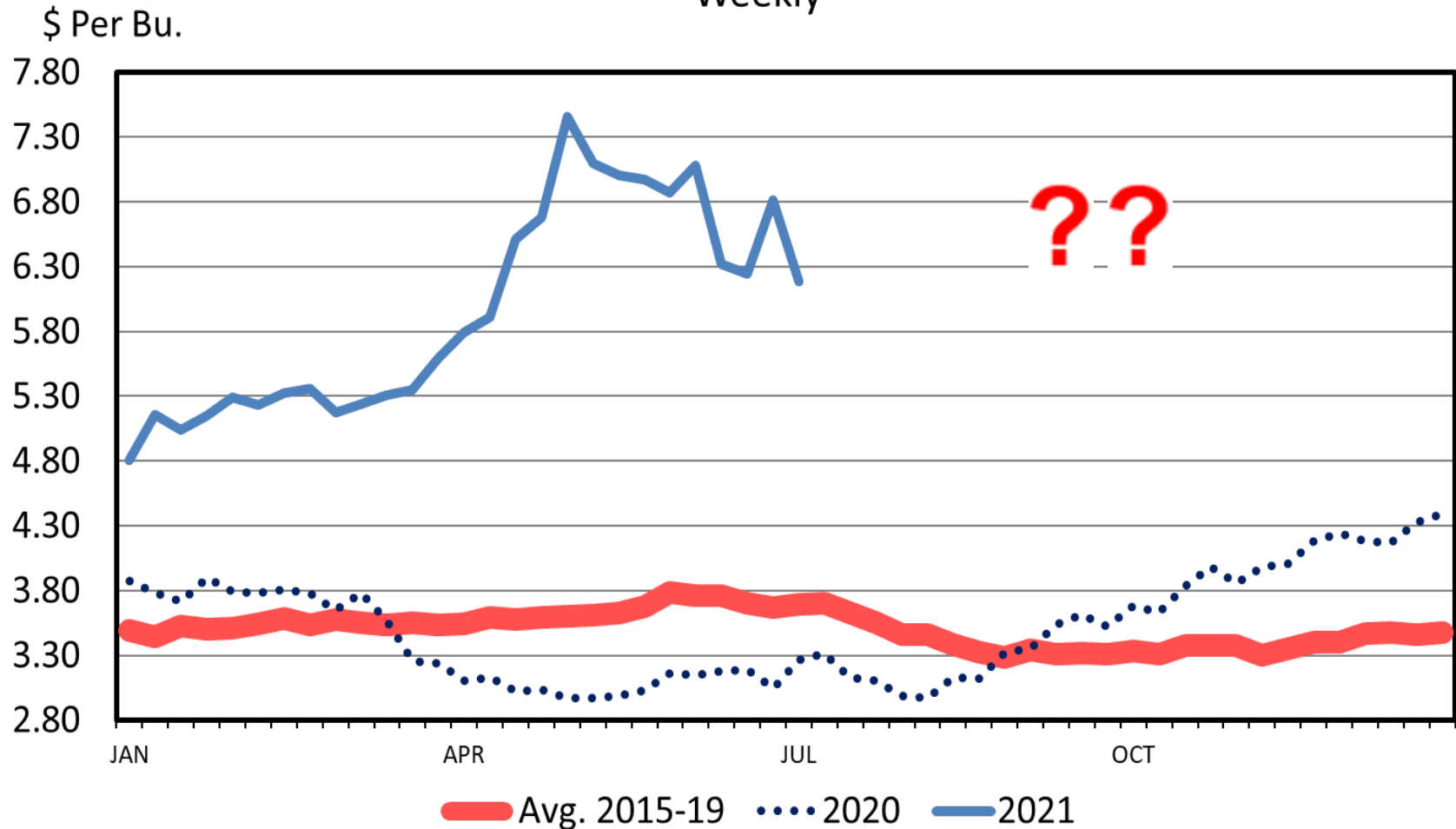
MED. FRAME #1 STEER CALF PRICES

550-600 Pounds, N.D., Weekly



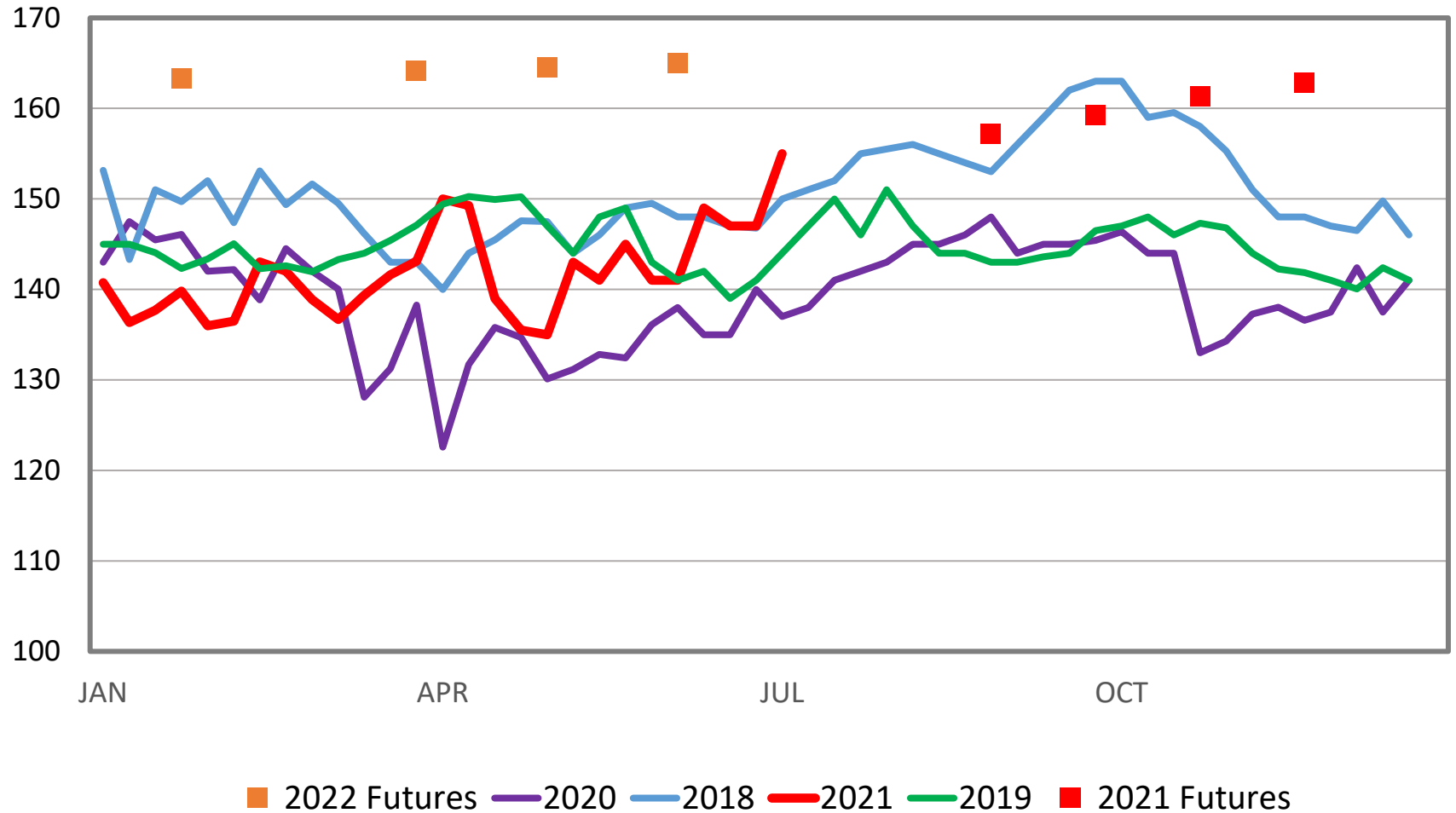
OMAHA CORN PRICES

Weekly



MED. & LRG. #1 FEEDER STEER PRICES

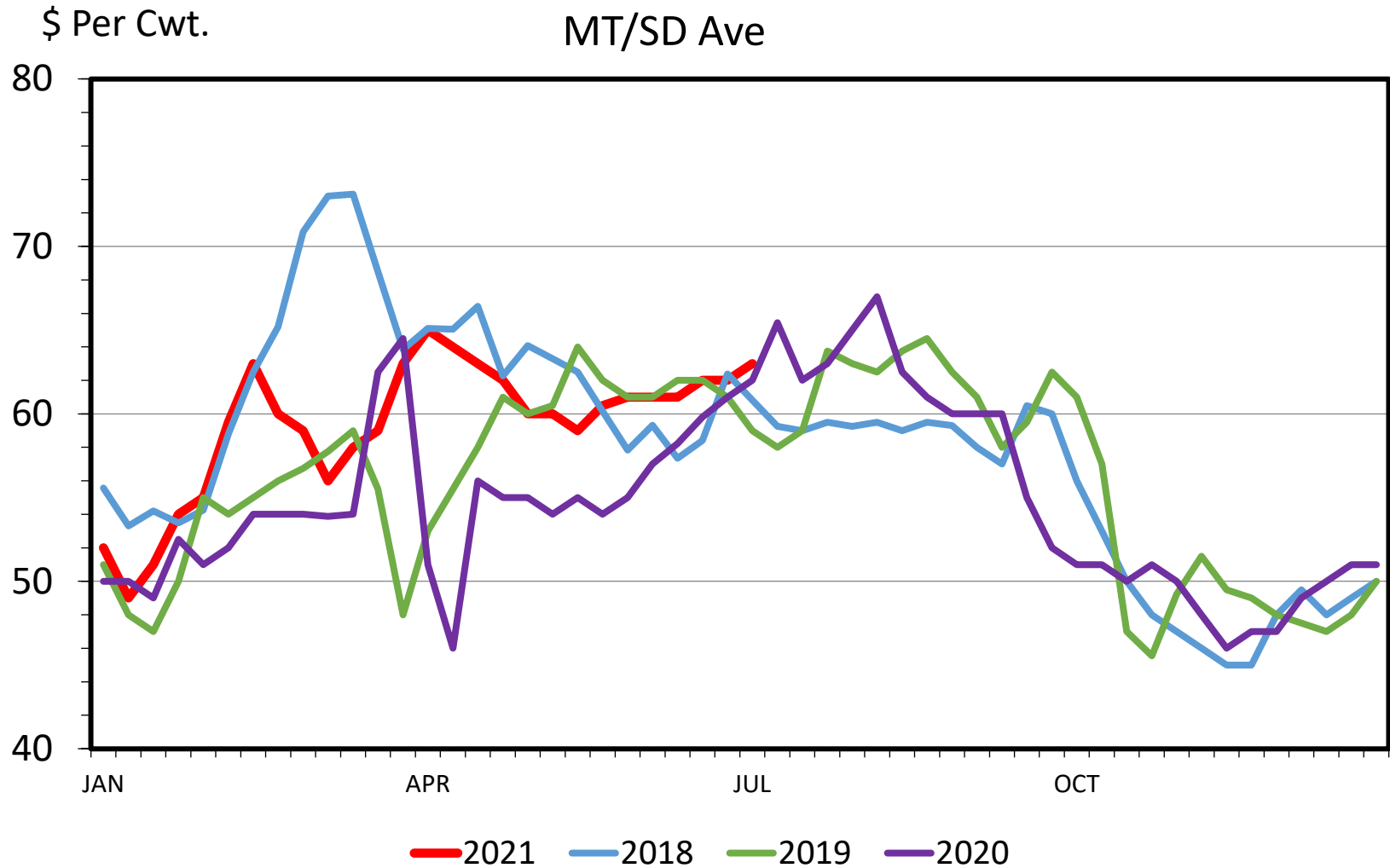
750-800 Pounds, N.D., Weekly



BEEF CULL COW PRICES

Average 85-90% Lean, Weekly

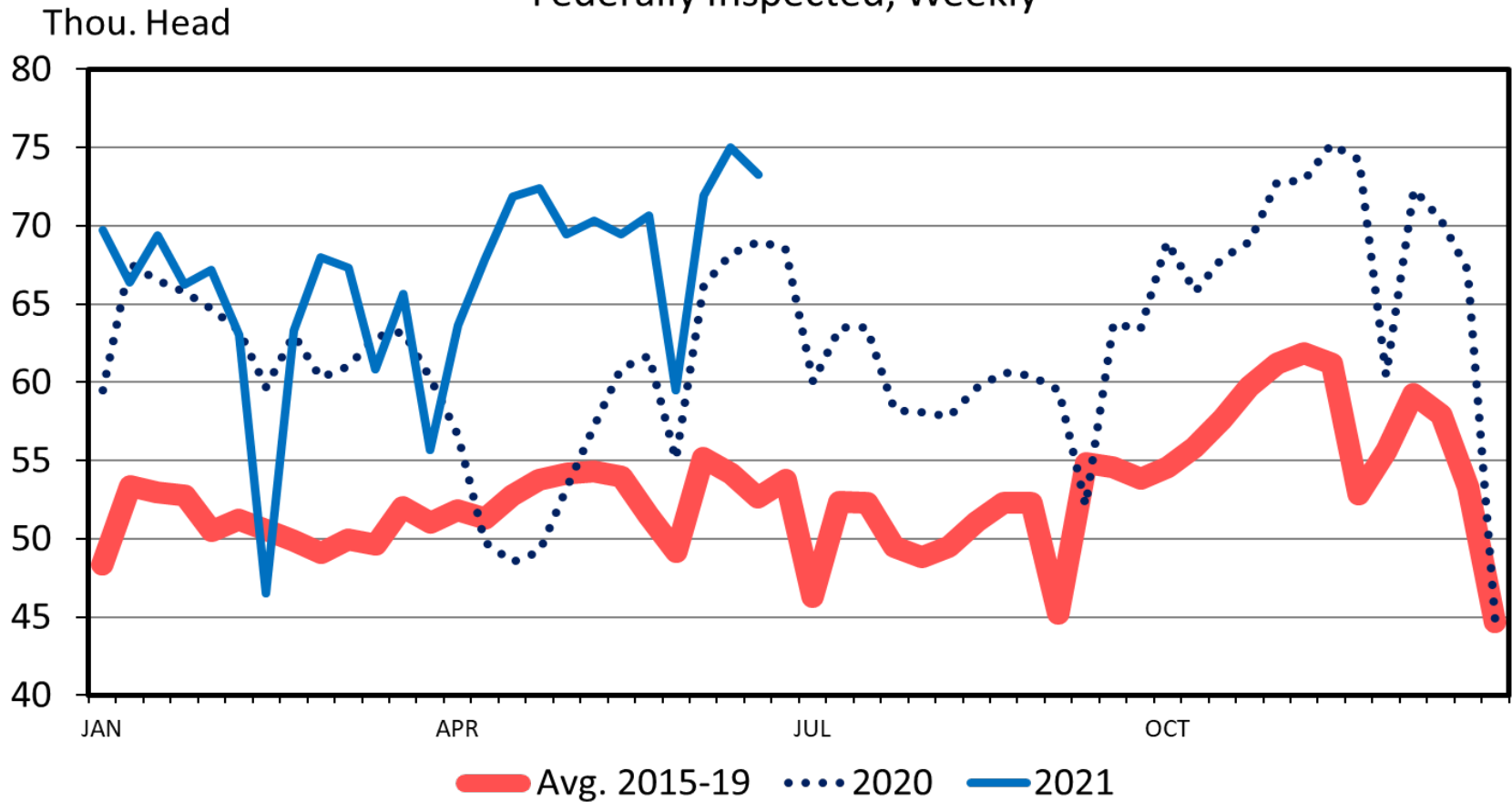
MT/SD Ave



USDA-AMS, Compiled & Analysis by

BEEF COW SLAUGHTER

Federally Inspected, Weekly



BETTER CATTLE PRICES AHEAD!



BUT VOLATILE

UNKNOWN UNKNOWNNS?



EXTENSION AGRIBUSINESS

Prevent Plant Haying & Grazing

Ron Haugen

Extension Farm Management
Specialist

701-231-8103

ronald.haugen@ndsu.edu



Producers Can Now Hay,
Graze and Chop Cover Crops
Anytime and Still Receive Full
Prevented Planting Payment

WASHINGTON, July 6, 2021

Agricultural producers with crop insurance can hay, graze or chop cover crops for silage, haylage or baleage at any time and still receive 100% of the prevented planting payment.

Previously, cover crops could only be hayed, grazed or chopped after November 1, otherwise the prevented planting payment was reduced by 65%.

The U.S. Department of Agriculture's (USDA) Risk Management Agency (RMA) added this flexibility as part of a broader effort to encourage producers to use cover crops, an important conservation and good farming practice.

Cover crops are especially important on fields prevented from planting as they help reduce soil erosion and boost soil health.

“We work diligently to ensure the Federal crop insurance program helps producers effectively manage risk on their farms while also conserving natural resources,” said Acting RMA Administrator Richard Flournoy.

“We are dedicated to responding to the needs of producers, and this flexibility is good for agriculture and promotes climate smart agricultural practices. We are glad we can better support producers who use cover crops.”

RMA recognizes that cover crops are not planted as an agricultural commodity but rather with the primary purpose for conservation benefits.

For the 2021 crop year and beyond, RMA will not consider a cover crop planted following a prevented planting claim to be a second crop. But RMA will continue to consider a cover crop harvested for grain or seed to be a second crop, and it remains subject to a reduction in the prevented planting indemnity in accordance with the policy.

This decision to allow flexibility for the 2021 crop year and to make the change permanent for future years builds on the advanced research and identified benefits cover crops have supporting healthy soils and cropland sustainability efforts.

Additionally, this decision aligns with the 2018 Farm Bill's designation of cover crops as a good farming practice.

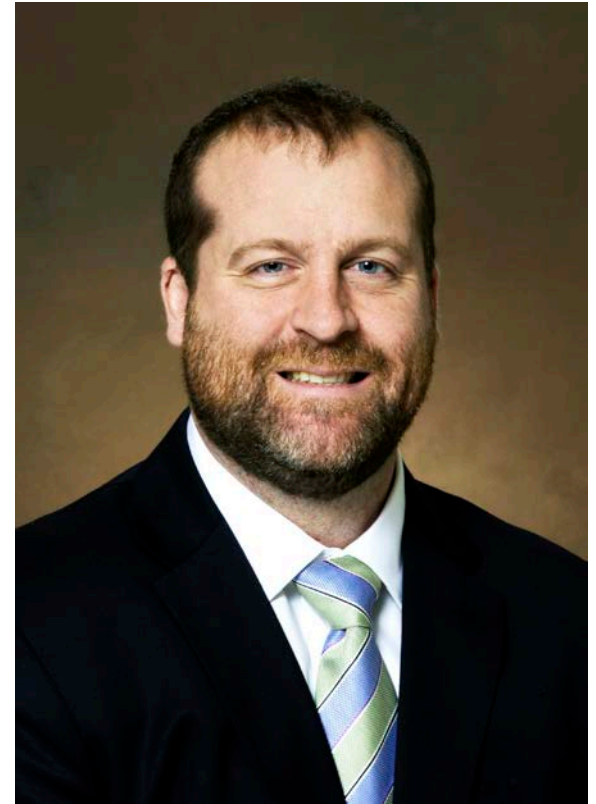
Energy Outlook

David Ripplinger

Bioproducts/Bioenergy
Economics Specialist

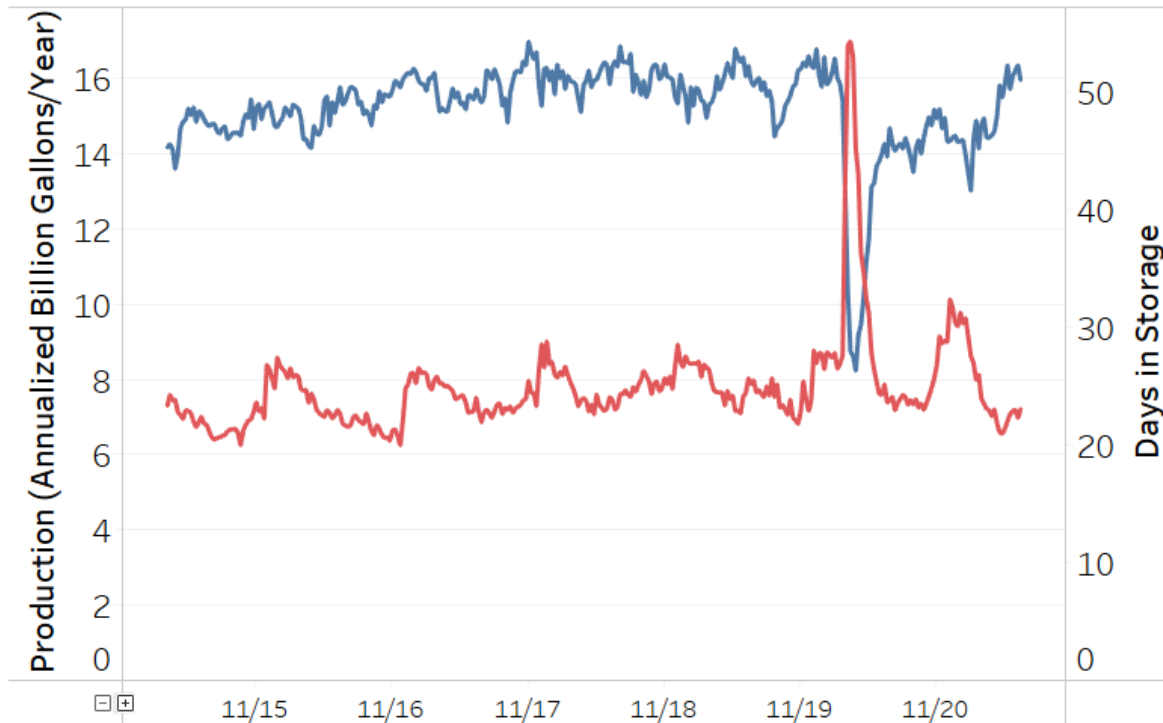
701-231-5265

david.ripplinger@ndsu.edu



Corn-Ethanol

US Ethanol Production and Storage



SD Ethanol Prices 7/15/2021	
Corn	6.53-6.98
Ethanol	2.14
Distillers Grains	160-185
Simple Crush(/bu)	\$ 0.92

Small Refinery Waiver Supreme Court Ruling

On June 25th, the Supreme Court ruled that small refineries could receive waivers even if they had not received them in the previous year (overturning the 10th Circuit Court decision).

The RFS allows for extensions of waivers. The ruling was based on the meaning of extension and if it had to be continuous.

Provides EPA the ability to provide waivers for small refineries currently under review and in the future.

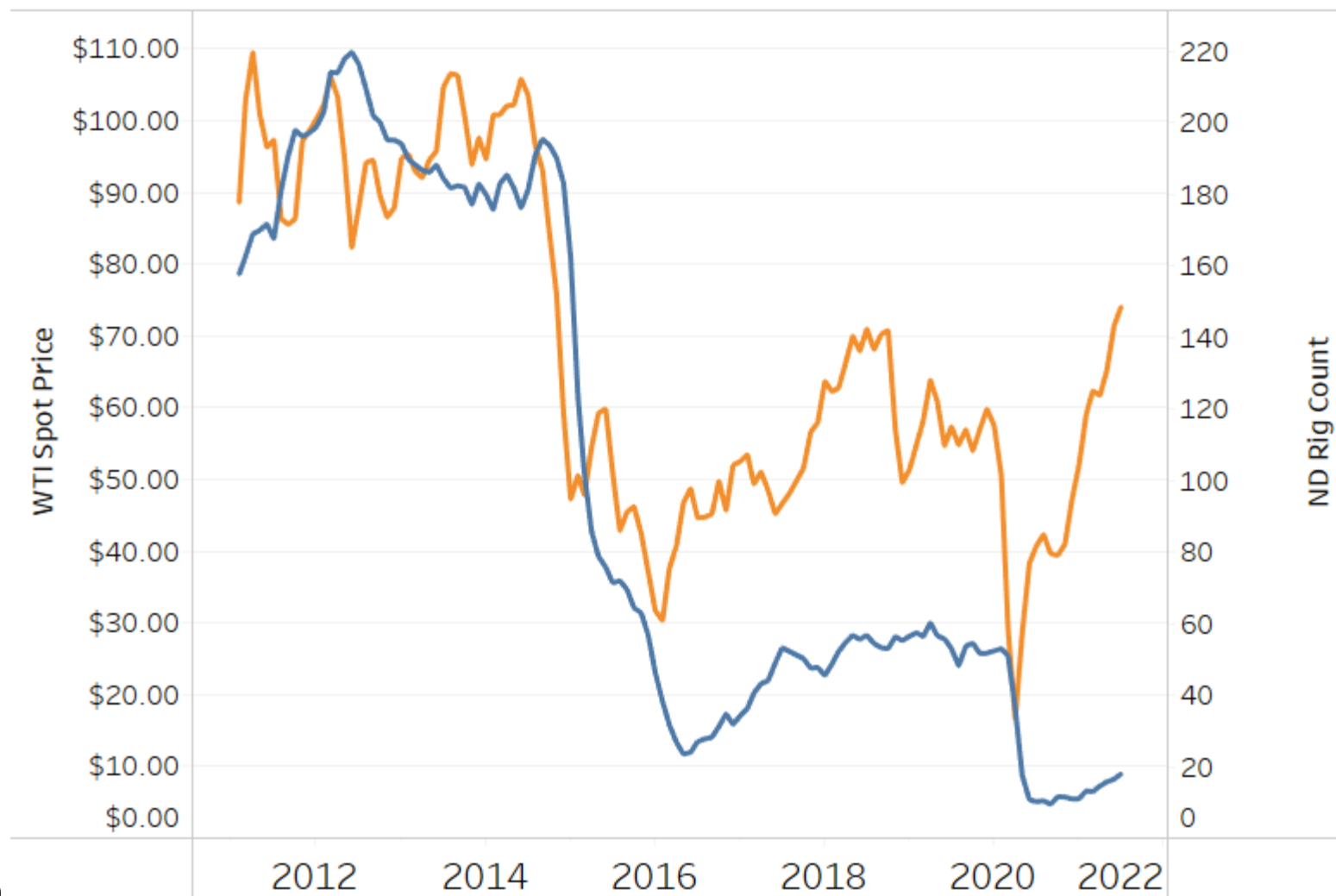
E15 District Court Ruling

On July 2, the DC Court of Appeals ruled that the EPA overstepped its bounds in allowing the year-round sale of 15% ethanol blends that exceed Reid Vapor Pressure restrictions.

Ruling will not affect the summer driving season, when RVP rules are more restrictive.

Industry is working to find regulatory, legal, and legislative remedies.

WTI Spot Price, ND Oil Rig Count



Sour

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Table A. Percent changes in CPI for All Urban Consumers (CPI-U): U.S. city average

	Seasonally adjusted changes from preceding month							Un-adjusted 12-mos. ended Jun. 2021
	Dec. 2020	Jan. 2021	Feb. 2021	Mar. 2021	Apr. 2021	May 2021	Jun. 2021	
All items.....	0.2	0.3	0.4	0.6	0.8	0.6	0.9	5.4
Food.....	0.3	0.1	0.2	0.1	0.4	0.4	0.8	2.4
Food at home.....	0.3	-0.1	0.3	0.1	0.4	0.4	0.8	0.9
Food away from home ¹	0.4	0.3	0.1	0.1	0.3	0.6	0.7	4.2
Energy.....	2.6	3.5	3.9	5.0	-0.1	0.0	1.5	24.5
Energy commodities.....	5.1	7.3	6.6	8.9	-1.4	-0.6	2.6	44.2
Gasoline (all types).....	5.2	7.4	6.4	9.1	-1.4	-0.7	2.5	45.1
Fuel oil ¹	10.2	5.4	9.9	3.2	-3.2	2.1	2.9	44.5
Energy services.....	0.2	-0.3	0.9	0.6	1.5	0.7	0.2	6.3
Electricity.....	0.4	-0.2	0.7	0.0	1.2	0.3	-0.3	3.8
Utility (piped) gas service.....	-0.4	-0.4	1.6	2.5	2.4	1.7	1.7	15.6
All items less food and energy.....	0.0	0.0	0.1	0.3	0.9	0.7	0.9	4.5
Commodities less food and energy commodities.....	0.1	0.1	-0.2	0.1	2.0	1.8	2.2	8.7
New vehicles.....	0.4	-0.5	0.0	0.0	0.5	1.6	2.0	5.3
Used cars and trucks.....	-0.9	-0.9	-0.9	0.5	10.0	7.3	10.5	45.2
Apparel.....	0.9	2.2	-0.7	-0.3	0.3	1.2	0.7	4.9
Medical care commodities ¹	-0.2	-0.1	-0.7	0.1	0.6	0.0	-0.4	-2.2
Services less energy services.....	0.0	0.0	0.2	0.4	0.5	0.4	0.4	3.1
Shelter.....	0.1	0.1	0.2	0.3	0.4	0.3	0.5	2.6
Transportation services.....	-0.6	-0.3	-0.1	1.8	2.9	1.5	1.5	10.4
Medical care services.....	-0.1	0.5	0.5	0.1	0.0	-0.1	0.0	1.0

Source: Bureau of Labor Statistics

Please use the Q&A tool
to ask questions

The next webinar is scheduled for 1 pm CT
Thursday, August 19th
For the slides and recording of this webinar
please visit
<https://www.ndsu.edu/agriculture/ag-hub/events/agricultural-market-situation-and-outlook-webinar>

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