

Ag Market Outlook



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Extension and Outreach/Department of Economics

Ag Decision Maker

U.S. Corn Supply and Use

Marketing Year (2021 = 9/1/21 to 8/31/22)		2018	2019	2020	2021	2022
Area Planted	(mil. acres)	88.9	89.7	90.7	93.4	92.0
Yield	(bu./acre)	176.4	167.5	171.4	177.0	181.0
Production	(mil. bu.)	14,340	13,620	14,111	15,115	15,240
Beg. Stocks	(mil. bu.)	2,140	2,221	1,919	1,235	1,540
Imports	(mil. bu.)	28	42	24	25	25
Total Supply	(mil. bu.)	16,509	15,883	16,055	16,375	16,805
Feed & Residual	(mil. bu.)	5,429	5,900	5,602	5,650	5,750
Ethanol	(mil. bu.)	5,378	4,857	5,028	5,325	5,250
Food, Seed, & Other	(mil. bu.)	1,425	1,429	1,438	1,435	1,430
Exports	(mil. bu.)	2,066	1,777	2,753	2,425	2,400
Total Use	(mil. bu.)	14,288	13,963	14,821	14,835	14,830
Ending Stocks	(mil. bu.)	2,221	1,919	1,235	1,540	1,975
Season-Average Price	(\$/bu.)	3.61	3.56	4.53	5.45	4.80

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Sources: USDA-WAOB and USDA-OCE
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U.S. Soybean Supply and Use

Marketing Year (2021 = 9/1/21 to 8/31/22)		2018	2019	2020	2021	2022
Area Planted	(mil. acres)	89.2	76.1	83.4	87.2	87.5
Yield	(bu./acre)	50.6	47.4	51.0	51.4	51.5
Production	(mil. bu.)	4,428	3,552	4,216	4,435	4,465
Beg. Stocks	(mil. bu.)	438	909	525	257	350
Imports	(mil. bu.)	14	15	20	15	20
Total Supply	(mil. bu.)	4,880	4,476	4,761	4,707	4,835
Crush	(mil. bu.)	2,092	2,165	2,141	2,190	2,240
Seed & Residual	(mil. bu.)	127	108	97	118	124
Exports	(mil. bu.)	1,752	1,679	2,265	2,050	2,140
Total Use	(mil. bu.)	3,971	3,952	4,504	4,357	4,504
Ending Stocks	(mil. bu.)	909	525	257	350	331
Season-Average Price	(\$/bu.)	8.48	8.57	10.80	12.60	10.50

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Sources: USDA-WAOB and USDA-OCE
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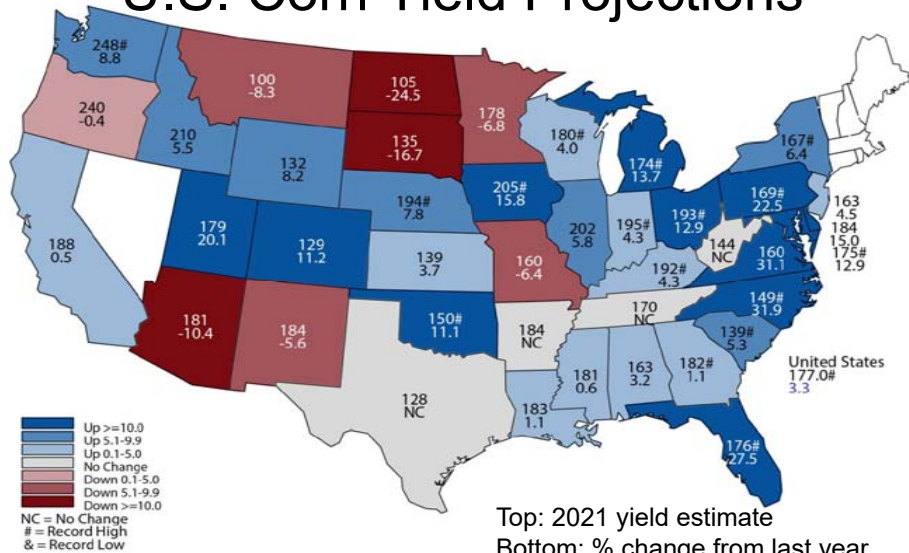
U.S. Wheat Supply and Use

Marketing Year (2021 = 6/1/21 to 5/31/22)		2018	2019	2020	2021	2022
Area Planted	(mil. acres)	47.8	45.5	44.5	46.7	49.0
Yield	(bu./acre)	47.6	51.7	49.7	44.3	49.1
Production	(mil. bu.)	1,885	1,932	1,828	1,646	2,003
Beg. Stocks	(mil. bu.)	1,099	1,080	1,028	845	628
Imports	(mil. bu.)	135	104	100	100	120
Total Supply	(mil. bu.)	3,119	3,116	2,957	2,591	2,751
Food	(mil. bu.)	954	962	961	962	966
Seed	(mil. bu.)	59	60	64	66	66
Feed & Residual	(mil. bu.)	88	97	95	110	110
Exports	(mil. bu.)	937	969	992	825	925
Total Use	(mil. bu.)	2,039	2,087	2,111	1,963	2,067
Ending Stocks	(mil. bu.)	1,080	1,028	845	628	684
Season-Average Price	(\$/bu.)	5.16	4.58	5.05	7.15	6.50

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Sources: USDA-WAOB and USDA-OCE
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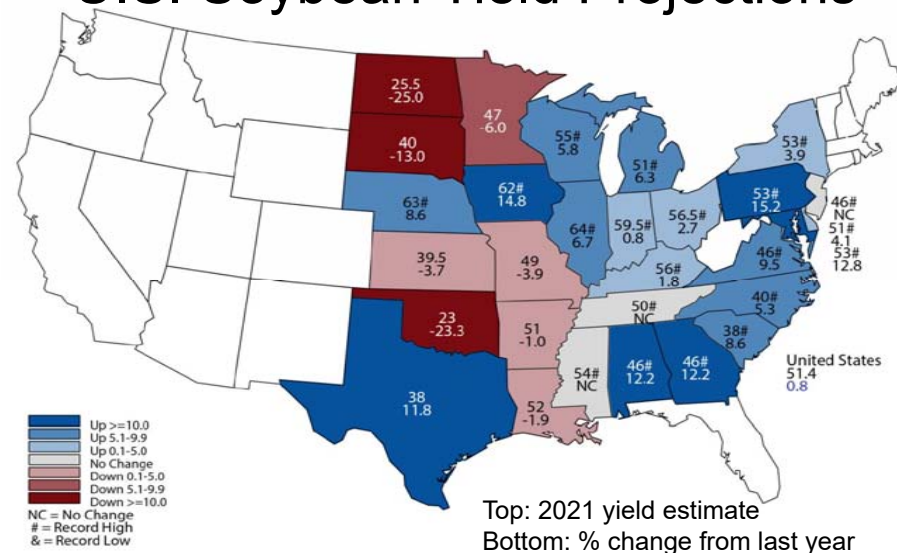
U.S. Corn Yield Projections



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Source: USDA-NASS
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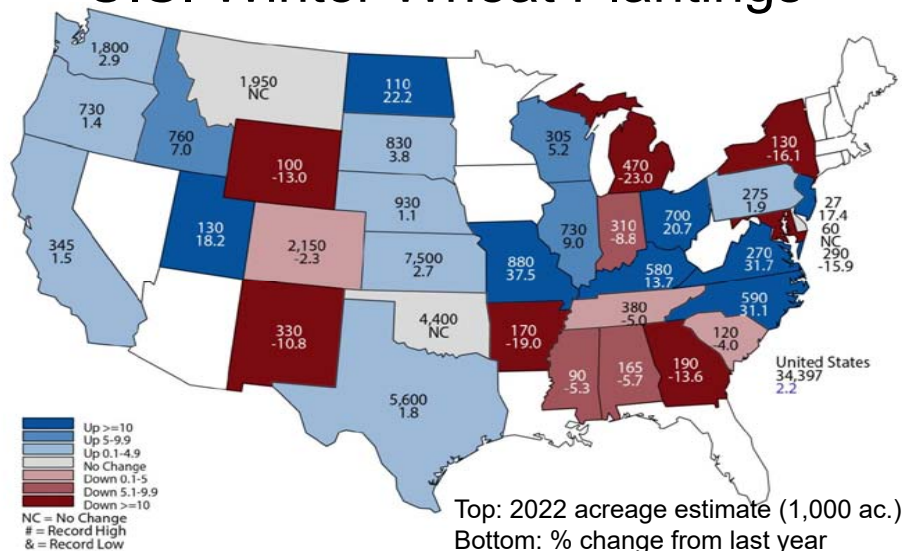
U.S. Soybean Yield Projections



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Source: USDA-NASS
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U.S. Winter Wheat Plantings



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Source: USDA-NASS
Ag Decision Maker

2021 U.S. Spring Wheat Data

	Durum			
	Planted (1,000 Acres)	Harvested (1,000 Acres)	Yield (Bushels/Acre)	Production (1,000 Bushels)
United States	1,635	1,534	24.3	37,259
% Change from Previous Estimate	↑ 10.5	↑ 6.2	↑ 1.3	↑ 7.5
% Change from Previous Season	↓ 3.3	↓ 7.9	↓ 41.4	↓ 46.1

	Other Spring			
	Planted (1,000 Acres)	Harvested (1,000 Acres)	Yield (Bushels/Acre)	Production (1,000 Bushels)
United States	11,420	10,165	32.6	331,140
% Change from Previous Estimate	↓ 1.4	↓ 9.4	↑ 6.5	↓ 3.6
% Change from Previous Season	↓ 7.2	↓ 16.0	↓ 32.9	↓ 43.6

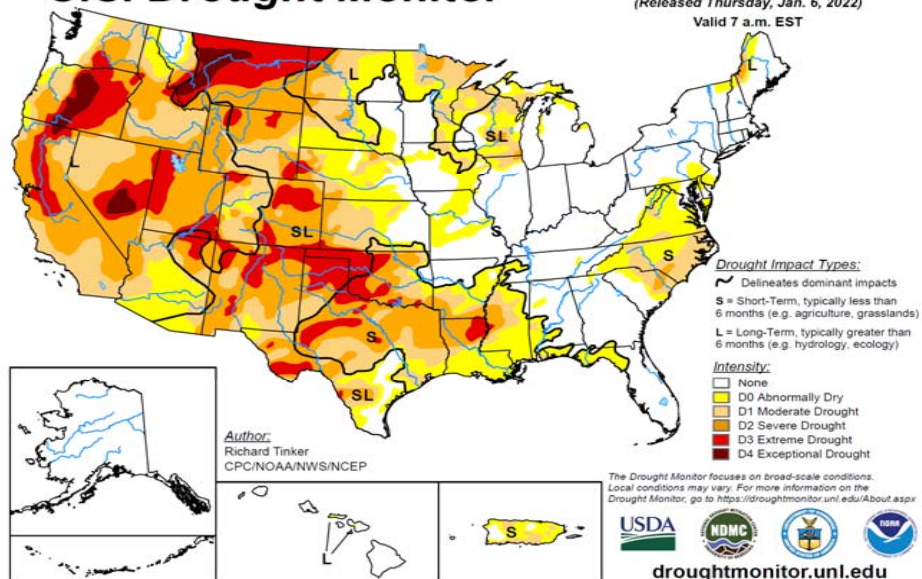
To reach USDA's 2022 projection, need 1.6 million more acres

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Source: USDA-NASS
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U.S. Drought Monitor

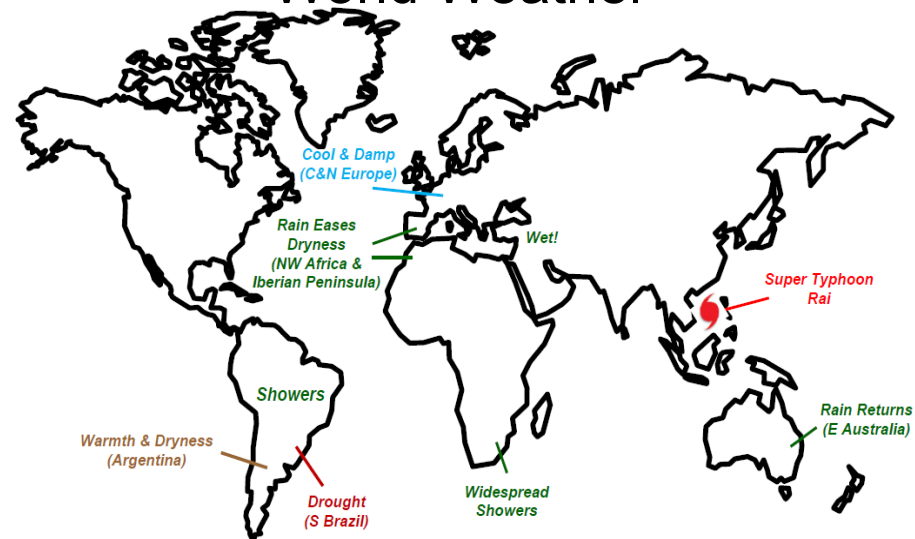
January 4, 2022
(Released Thursday, Jan. 6, 2022)
Valid 7 a.m. EST



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World Weather



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Source: USDA-WWCB
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World Corn Production

Country or Region	2020/2021 estimate	2021/2022 forecast	Change from December 9	Change from 2020/2021
----- Million Tons -----				
World	1,122.8	1,207.0	-1.8	84.1
United States	358.4	383.9	1.4	25.5
Foreign	764.4	823.0	-3.1	58.6
Argentina	50.5	54.0	-0.5	3.5
Brazil	87.0	115.0	-3.0	28.0
Mexico	27.3	27.6	-0.4	0.3
Canada	13.6	14.0	--	0.4
European Union	67.1	70.0	-0.4	2.9
Serbia	8.1	6.2	--	-1.9
FSU-12	49.5	63.2	2.0	13.8
Ukraine	30.3	42.0	2.0	11.7
Russia	13.9	15.0	--	1.1
South Africa	16.9	17.0	--	0.1
China	260.7	272.6	--	11.9
India	31.5	30.0	--	-1.5

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Source: USDA-WAOB
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World Soybean Production

Country or Region	2020/2021 estimate	2021/2022 forecast	Change from December 9	Change from 2020/2021
----- Million Tons -----				
World	366.2	372.6	-9.2	6.3
United States	114.7	120.7	0.3	6.0
Foreign	251.5	251.9	-9.5	0.4
Argentina	46.2	46.5	-3.0	0.3
Brazil	138.0	139.0	-5.0	1.0
Paraguay	9.9	8.5	-1.5	-1.4
Canada	6.4	6.3	--	-0.1
India	10.5	11.9	--	1.4
China	19.6	16.4	--	-3.2

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Source: USDA-WAOB
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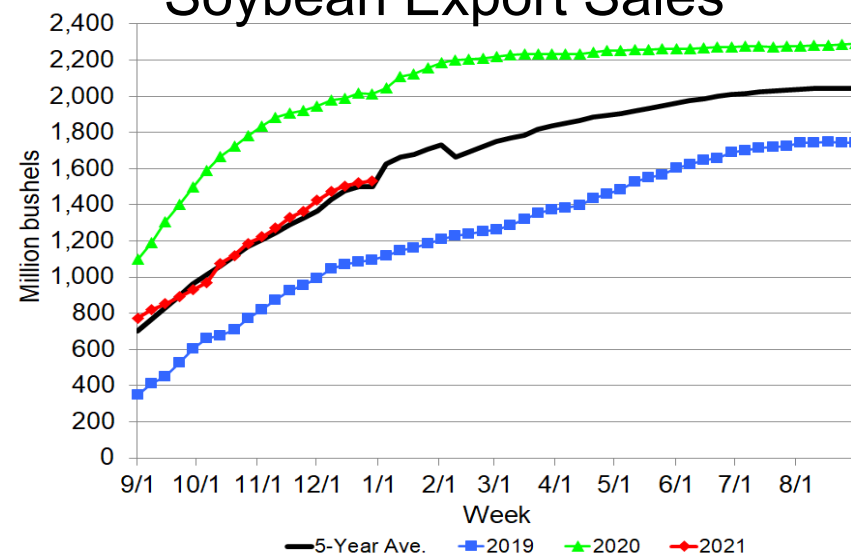
World Wheat Production

Country or Region	2020/2021 estimate	2021/2022 forecast	Change from December 9	Change from 2020/2021
----- Million Tons -----				
World	775.9	778.6	0.7	2.7
United States	49.8	44.8	--	-5.0
Foreign	726.1	733.8	0.7	7.7
Argentina	17.6	20.5	0.5	2.9
Canada	35.2	21.7	--	-13.5
Australia	33.3	34.0	--	0.7
European Union	126.9	138.9	0.2	12.0
Turkey	18.2	16.3	--	-2.0
Russia	85.4	75.5	--	-9.9
Ukraine	25.4	33.0	--	7.6
Kazakhstan	14.3	12.0	--	-2.3
China	134.2	136.9	--	2.7
India	107.9	109.5	--	1.7
Northwest Africa	7.5	12.4	--	4.9

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Source: USDA-WAOB
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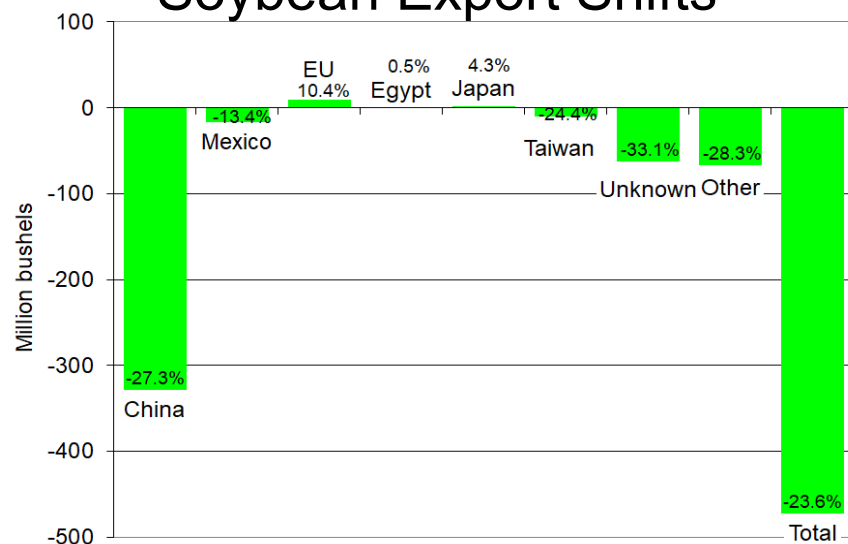
Soybean Export Sales



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Source: USDA-FAS
Ag Decision Maker

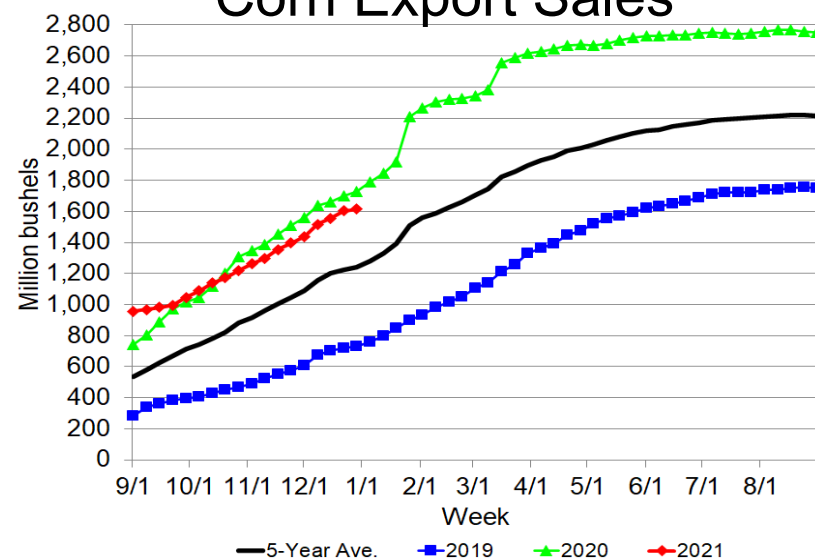
Soybean Export Shifts



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Source: USDA-FAS
Ag Decision Maker

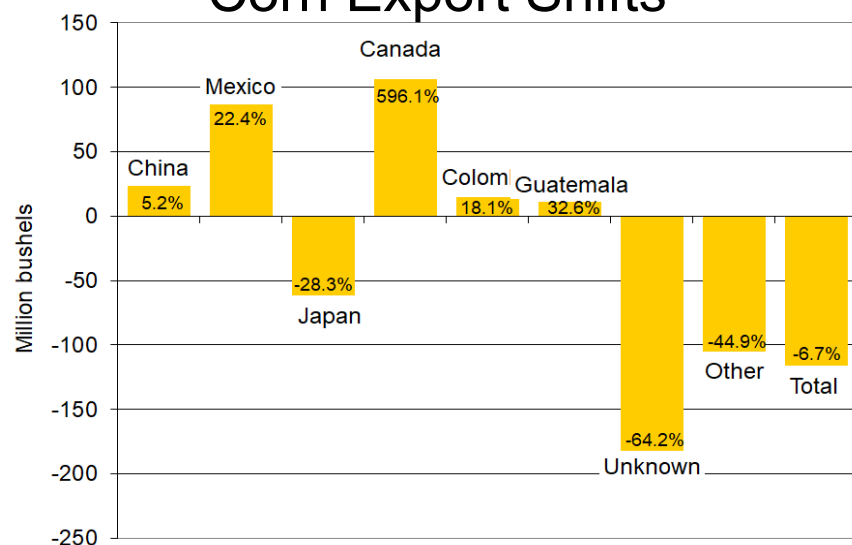
Corn Export Sales



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Source: USDA-FAS
Ag Decision Maker

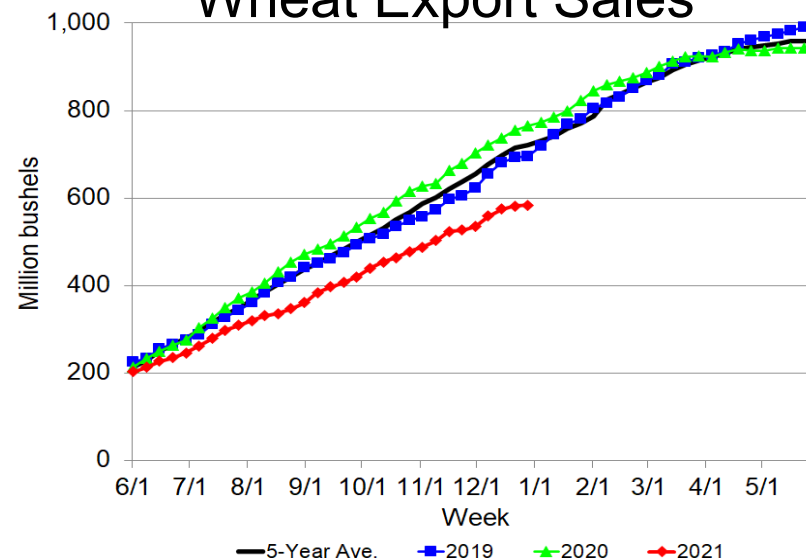
Corn Export Shifts



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Source: USDA-FAS
Ag Decision Maker

Wheat Export Sales



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Source: USDA-FAS
Ag Decision Maker

Wheat Export Shifts



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Source: USDA-FAS
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U.S. Meat Production & Prices

Item	2021		2022		
	Estimate	Change from December 9	Forecast	Change from December 9	Change from 2021
Production					
----- Billion Pounds -----					
Beef	27.95	0.05	27.17	0.16	-0.78
Pork	27.69	-0.04	27.52	-0.08	-0.18
Broilers	44.88	0.15	45.60	0.10	0.72
Turkey	5.59	--	5.64	--	0.05
Total Meat	106.83	0.16	106.67	0.18	-0.17
Prices					
----- Dollars per cwt -----					
Steers	122.40	-0.16	136.75	1.50	14.35
Hogs	67.29	0.09	60.25	--	-7.04
----- Cents per pound -----					
Broilers	101.2	0.7	112.0	10.5	10.8
Turkey	122.8	0.6	125.3	2.3	2.5

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Source: USDA-WAQB
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Cattle Crush Margin

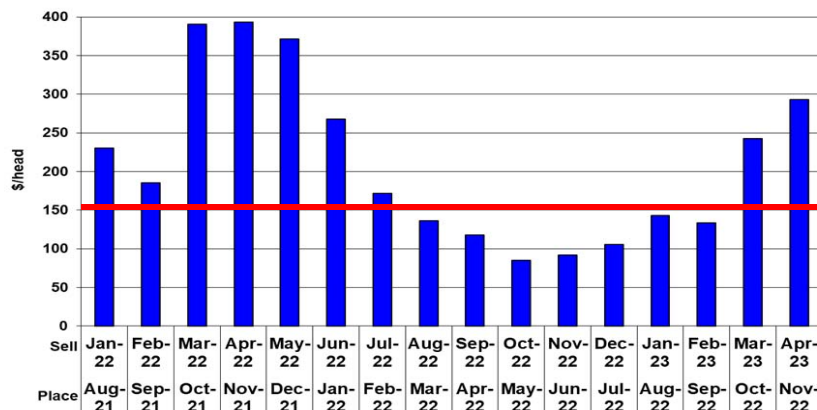
The Crush Margin is the return after the feeder steer and corn costs.

Live weight: 1250 pounds

Feeder weight: 750 pounds

Corn: 50 bushels per head

Projected Yearling to Finish Crush Margin, January 5, 2022



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Source: ISU, Lee Schulz
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Hog Crush Margin

The Crush Margin is the return after the pig, corn and soybean meal costs.

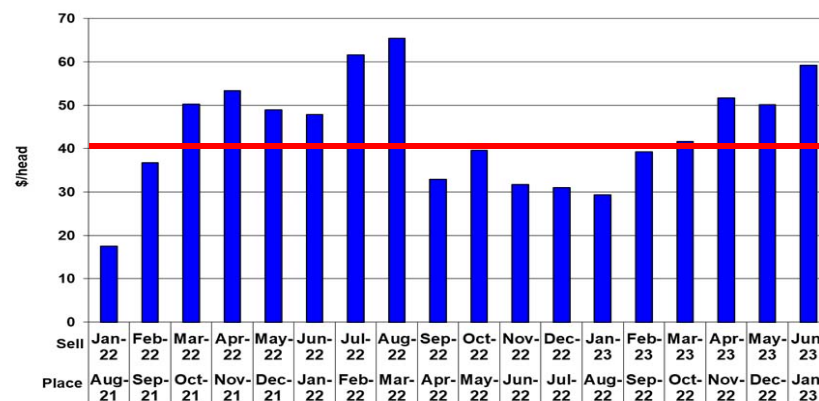
Carcass weight: 200 pounds

Pig price: 50% of 5 mth out lean hog futures

Corn: 10 bushels per pig

Soybean meal: 150 pounds per pig

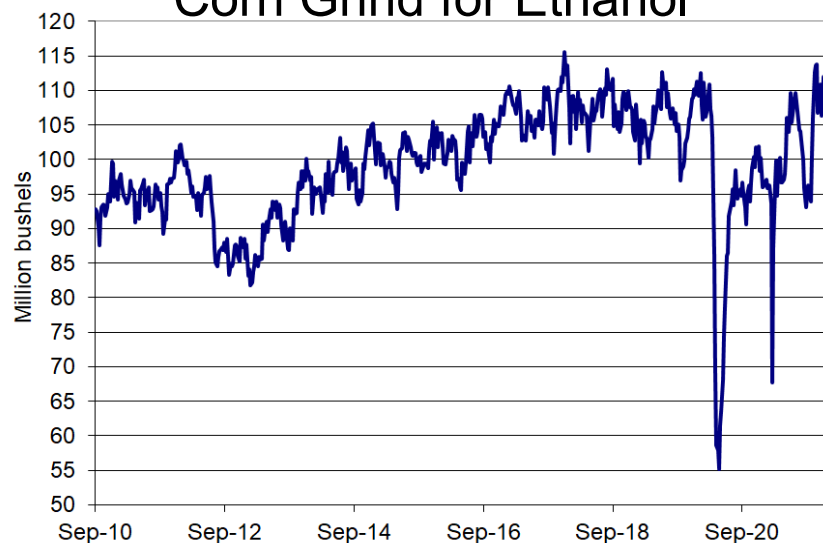
Projected Wean to Finish Crush Margin, January 5, 2022



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Source: ISU, Lee Schulz
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Corn Grind for Ethanol



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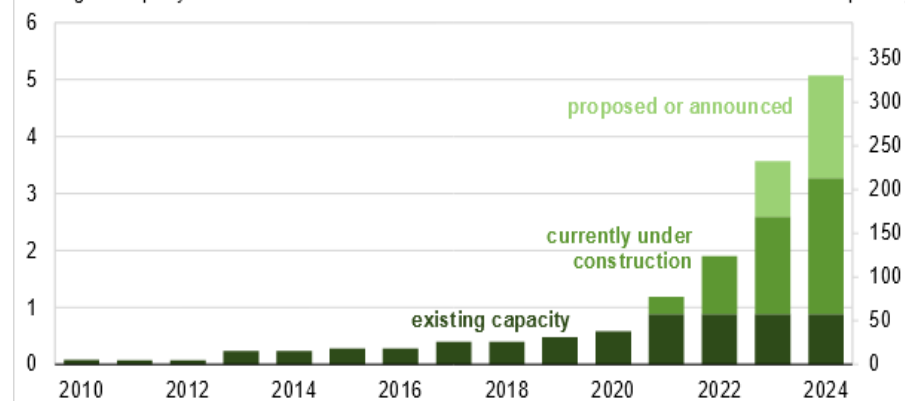
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Renewable Diesel Push

Existing and expected U.S. renewable diesel production capacity (2010–2024)

billion gallons per year

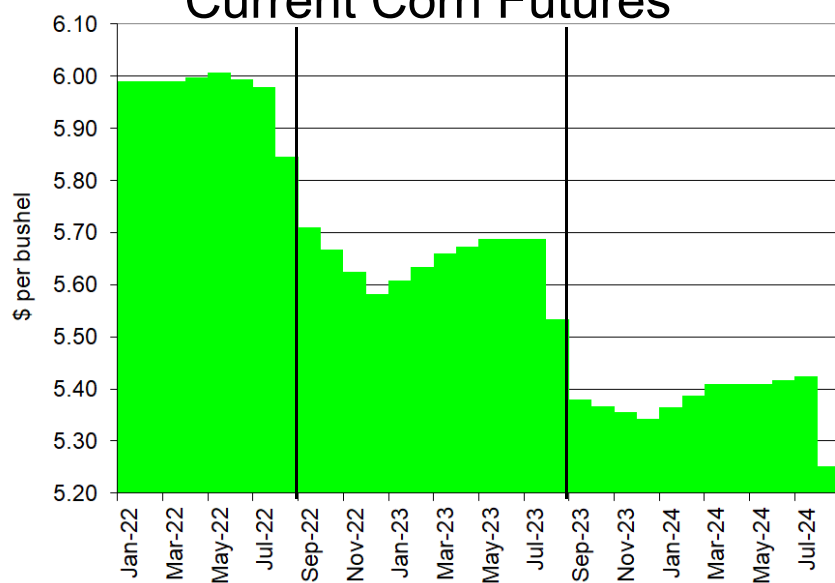
thousand barrels per day



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Source: EIA
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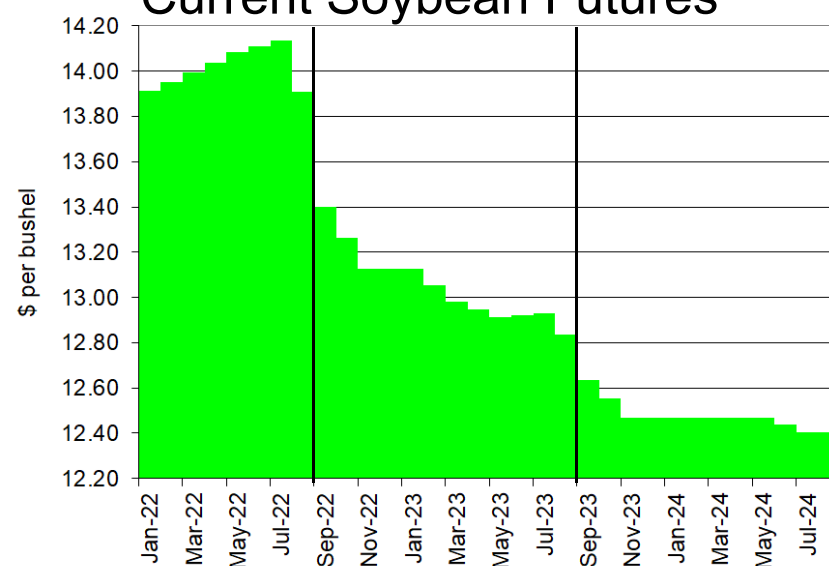
Current Corn Futures



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Source: CME Group, 1/12/2022
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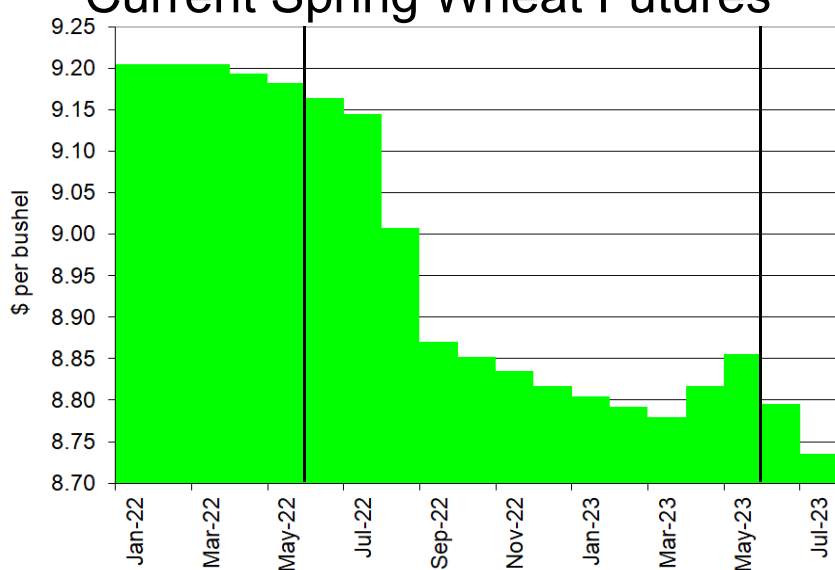
Current Soybean Futures



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Source: CME Group, 1/12/2022
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Current Spring Wheat Futures



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Source: MGE, 1/12/2022
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Thank you for your time!

Any questions?

My web site:

<http://www2.econ.iastate.edu/faculty/hart/>

Ag Decision Maker:

<http://www.extension.iastate.edu/agdm/>

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