

## OFFICE OF THE CHIEF ECONOMIST ANNOUNCEMENT

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### CHANGES IN THE MAY 11 SUPPLY AND DEMAND ESTIMATES REPORT

WASHINGTON, May 4, 2007 - The May 11 *World Agricultural Supply and Demand Estimates* (WASDE) report will reflect changes starting with this issue.

The WASDE report, which will provide USDA's first assessment of supply, demand and prices for the new marketing year, is issued by the World Agricultural Outlook Board of USDA's Office of the Chief Economist. The monthly report, issued at 8:30 a.m. EST, will present projections for 2007/08 U.S. grains, oilseeds, cotton, and sugar, as well as calendar-year 2008 projections for U.S. meat, poultry and dairy products. Individual country forecasts for grains will be shown. World totals will be forecast for 2007/08 grains, oilseeds and cotton. Individual country forecasts for oilseeds and products, and for cotton, will be issued in the June 11 WASDE report.

The May WASDE will incorporate the following changes:

- With the accession of Bulgaria and Romania into the European Union, EU-25 is changed to **EU-27** throughout the report.
- The U.S. Soybeans and Products Supply and Use Table (page 15) will be expanded to include a line for use of soybean oil in the production of biodiesel. This use will be reported as a subcategory of Domestic Use. The category will be referred to as "**used for methyl ester**" following the convention used by the Census Bureau to report soybean oil used for biodiesel.

- The U.S. Domestic Sugar Table (page 16) will add a line for imports from Mexico under “**Other**” imports. These imports from Mexico will include only high-tier imports and not imports specified under the tariff rate quota.
- “**Other Europe**” is dropped from the World Coarse Grain Supply and Use Table (pages 20-21) and World Corn Supply and Use Table (pages 22-23). “**Brazil**” is added to the “Selected Other” category in the World Coarse Grain Supply and Use Table (pages 22-23).
- The term “**consumption**” is changed to “**disappearance**” in the U.S. Meats Supply and Use Table (page 32) and the U.S. Egg Supply & Use Table (page 33). This definitional change reflects the residual nature of disappearance in these supply and use balances. The manner of calculation is unchanged.

Please refer to the following sample tables with changes marked in boldface.

U.S. Soybeans and Products Supply and Use (Domestic Measure) 1/

=====			
Item	2005/06	2006/07	2007/08 Projections
		Est.	May
=====			
SOYBEANS:			Million acres
Area			
Planted			
Harvested			
Yield per harvested acre			Bushels
Beginning stocks			Million bushels
Production			
Imports			
Supply, total			
Crushings			
Exports			
Seed			
Residual			
Use, total			
Ending stocks			
Avg. farm price (\$/bu) 2/			Million pounds
SOYBEAN OIL:			
Beginning stocks			
Production			
Imports			
Supply, total			
Domestic			
<b>Used for methyl ester 3/</b>			
Exports			
Use, total			
Ending stocks			
Average price (c/lb) 2/			Thousand short tons
SOYBEAN MEAL:			
Beginning stocks			
Production			
Imports			
Supply, total			
Domestic			
Exports			
Use, total			
Ending stocks			
Average price (\$/s.t.) 2/			

1/ Marketing year beginning September 1 for soybeans; October 1 for soybean oil and meal. 2/ Prices: soybeans, marketing year weighted average price received by farmers; for oil, simple average of crude soybean oil, Decatur; for meal, simple average of 48 percent, Decatur. 3/ Soybean oil used for methyl ester for production of biodiesel as reported by the Department of Commerce.

U.S. Sugar Supply and Use 1/

Item	2005/06	2006/07		2007/08
	Estimate	April	May	Projection
=====				
	: 1,000 short tons, raw value			
Beginning stocks	:	:	:	:
Production 2/	:	:	:	:
Beet sugar	:	:	:	:
Cane sugar	:	:	:	:
Florida	:	:	:	:
Hawaii	:	:	:	:
Louisiana	:	:	:	:
Texas	:	:	:	:
Imports	:	:	:	:
TRQ 3/	:	:	:	:
Other program 4/	:	:	:	:
Other 5/	:	:	:	:
<b>Mexico</b>	:	:	:	:
<b>Total supply</b>	:	:	:	:
Exports	:	:	:	:
Deliveries	:	:	:	:
Food	:	:	:	:
Other 6/	:	:	:	:
Miscellaneous 7/	:	:	:	:
Total use	:	:	:	:
Ending stocks	:	:	:	:
Stocks to use ratio	:	:	:	:

1/ Fiscal years beginning Oct 1. Includes Puerto Rico. Historical data are from FSA, "Sweetener Market Data" except imports (U.S. Customs Service, Census Bureau). 2/ Production projections for 2007/08 are based on March 31 Prospective Plantings and trend yields. 3/Actual arrivals under the tariff rate quota (TRQ)with late entries, early entries, and TRQ overfills assigned to the fiscal year in which they actually arrived. For 2007/08,... 4/ Includes sugar under the re-export and polyhydric alcohol programs. 5/ **Does not include Mexico TRQ imports.** For 2005/06, high-tier( )and other ( ). For 2006/07, high-tier( )and other( ). For 2007/08, high-tier( )and other( ). 6/Transfers to sugar-containing products for reexport,and for nonedible alcohol and feed. 7/ Includes SMD miscellaneous uses and the difference between SMD imports and WASDE imports.

World Coarse Grain Supply and Use 1/  
(Million Metric Tons)

Region	Supply		Use		Ending stocks
	Beginning stocks	Production	Domestic 2/	Total	
	Imports	Exports	Feed	Exports	
2005/06					
World 3/					
United States					
Total foreign					
Major exporters 4/					
Argentina					
Australia					
Canada					
Major importers 5/					
<b>EU-27 6/</b>					
Japan					
Mexico					
N. Afr & Mideast 7/					
Saudi Arabia					
Southeast Asia 8/					
South Korea					
Selected other					
<b>Brazil</b>					
China					
FSU-12					
Russia					
Ukraine					
2006/07 (Estimated)					
World 3/					
United States					
Total foreign					
Major exporters 4/					
Argentina					
Australia					
Canada					
Major importers 5/					
<b>EU-27 6/</b>					
Japan					
Mexico					
N. Afr & Mideast 7/					
Saudi Arabia					
Southeast Asia 8/					
South Korea					
Selected other					
<b>Brazil</b>					
China					
FSU-12					
Russia					
Ukraine					

1/ Aggregate of local marketing years. Coarse grains include corn, sorghum, barley, oats, rye, millet, and mixed grains (for U.S. excludes millet and mixed grains). 2/ Total foreign and world use adjusted to reflect the differences in world imports and exports. 3/ World imports and exports may not balance due to differences in marketing years, grain in transit, and reporting discrepancies in some countries. 4/ Argentina, Australia, Canada, and South Africa. 5/ **The EU-27**, Mexico, Japan, selected North Africa and Middle East, South Korea, Southeast Asia, and Taiwan. 6/ Trade excludes intra-trade. 7/ Algeria, Egypt, Iran, Israel, Jordan, Libya, Morocco, Syria, Tunisia, and Turkey. 8/ Indonesia, Malaysia, Philippines, Thailand, and Vietnam.

World Coarse Grain Supply and Use 1/ (Cont'd.)  
(Million Metric Tons)

		Supply		Use		Ending
Region		Beginning	Production	Domestic 2/	Feed	stocks
		stocks	Imports	Total	Exports	
=====						
		2007/08 (Projected)				
World 3/						
	May					
United States						
	May					
Total foreign						
	May					
Major exporters 4/						
	May					
Argentina	May					
Australia	May					
Canada	May					
Major importers 5/						
	May					
<b>EU-27 6/</b>	<b>May</b>					
Japan	May					
Mexico	May					
N Afr/M.East 7/	May					
Saudi Arabia	May					
S.-east Asia 8/	May					
South Korea	May					
Selected other						
<b>Brazil</b>	<b>May</b>					
China	May					
FSU-12	May					
Russia	May					
Ukraine	May					

1/ Aggregate of local marketing years. Coarse grains include corn, sorghum, barley, oats, rye, millet, and mixed grains (for U.S. excludes millet and mixed grains). 2/ Total foreign and world use adjusted to reflect the differences in world imports and exports. 3/ World imports and exports may not balance due to differences in marketing years, grain in transit, and reporting discrepancies in some countries. 4/ Argentina, Australia, Canada, and South Africa. 5/ **The EU-27**, Mexico, Japan, selected North Africa and Middle East, South Korea, Southeast Asia, and Taiwan. 6/ Trade excludes intra-trade. 7/ Algeria, Egypt, Iran, Israel, Jordan, Libya, Morocco, Syria, Tunisia, and Turkey. 8/ Indonesia, Malaysia, Philippines, Thailand, and Vietnam.