

USDA 2018/19

U.S. Grain and Oilseed Outlook

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USDA World Agricultural Outlook Board

February 23, 2018





Ford Motor Company

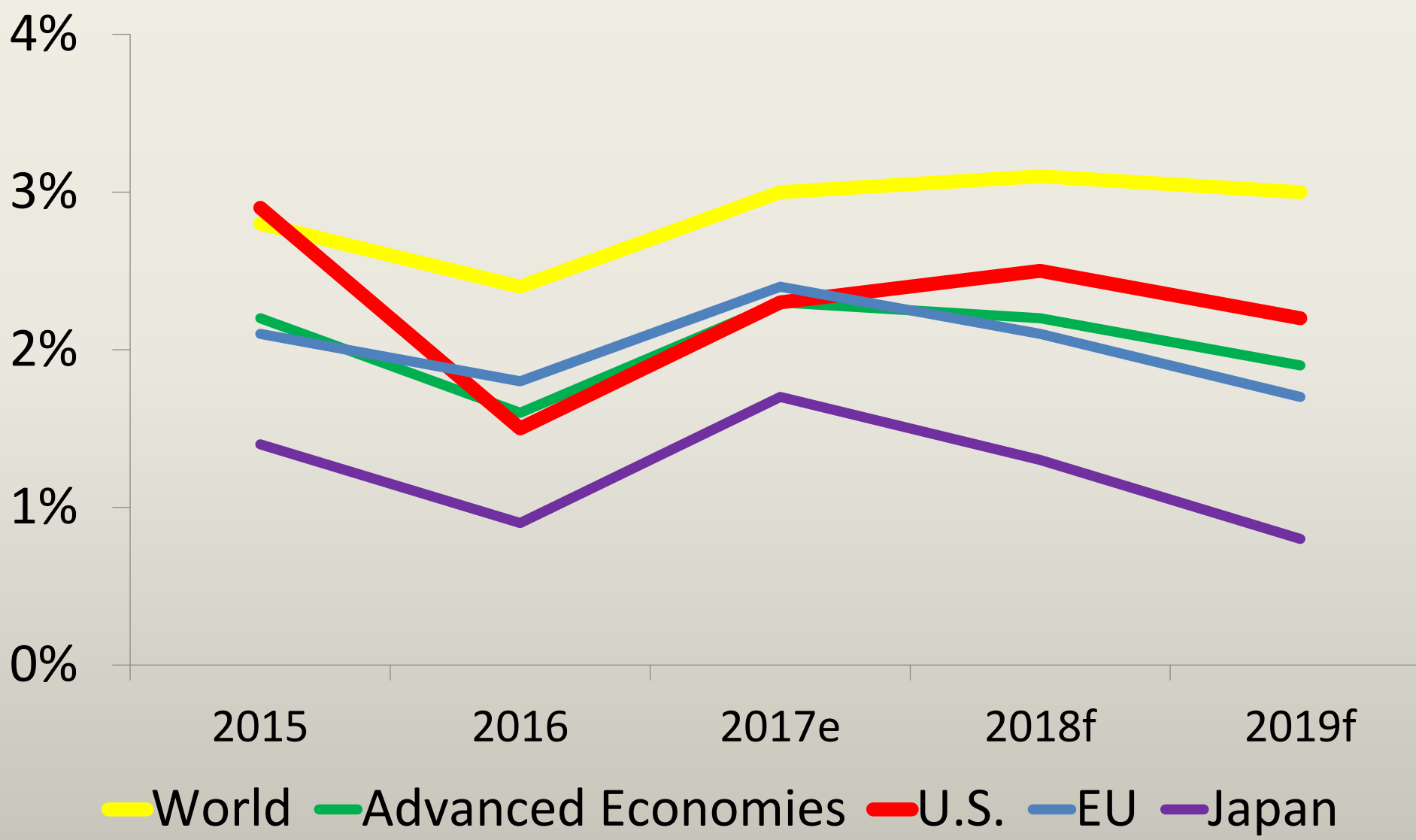


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**What are the factors
shaping 2018/19?**

Factors Shaping 2018:

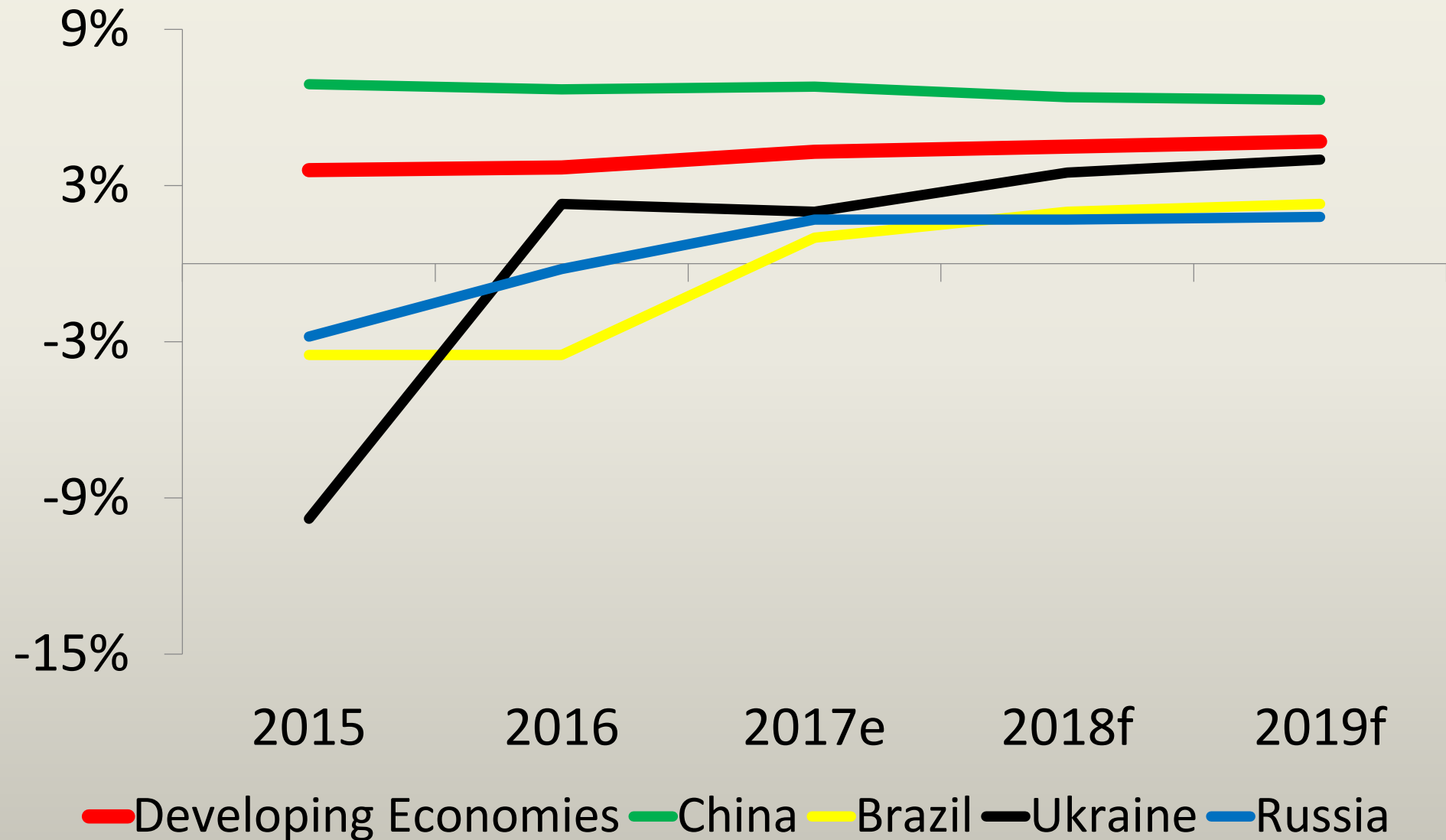
Stable Real GDP Growth in Developed Economies



World Bank: Aggregate growth rates calculated using constant 2010 U.S. dollar GDP weights

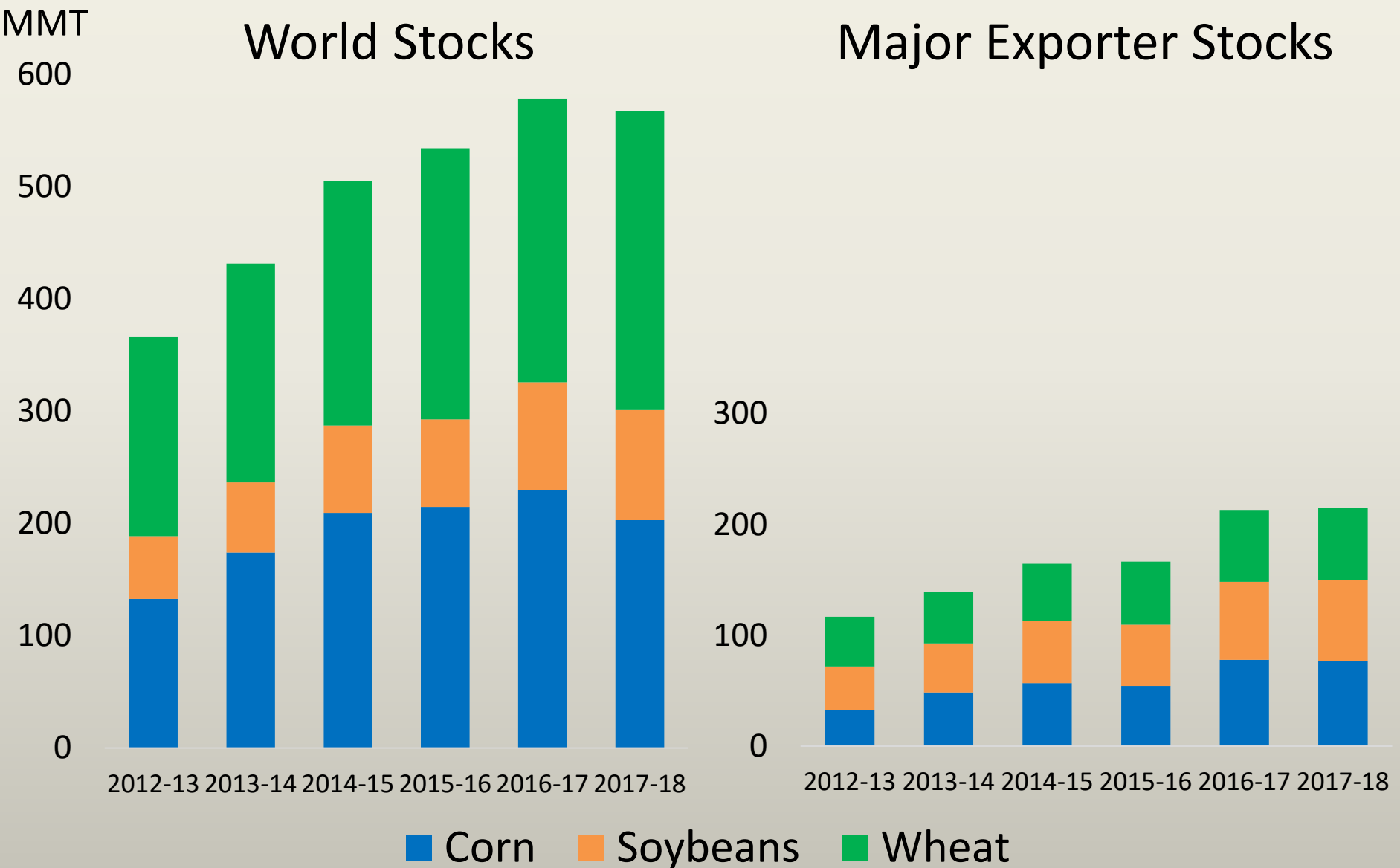
Factors Shaping 2018:

Many developing economies out of recent recessions



Factors Shaping 2018:

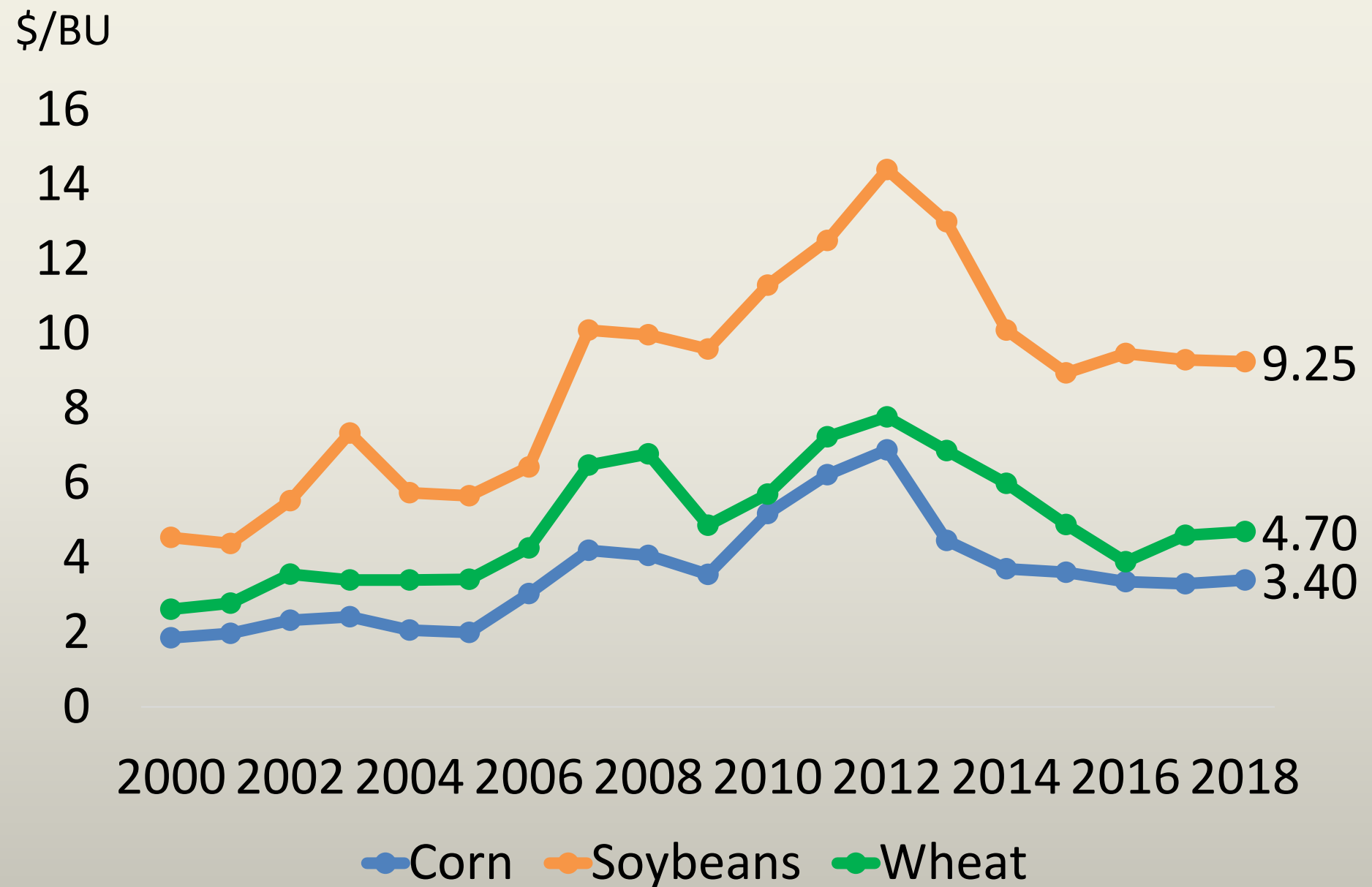
Large supplies of global grains and oilseeds from 2017



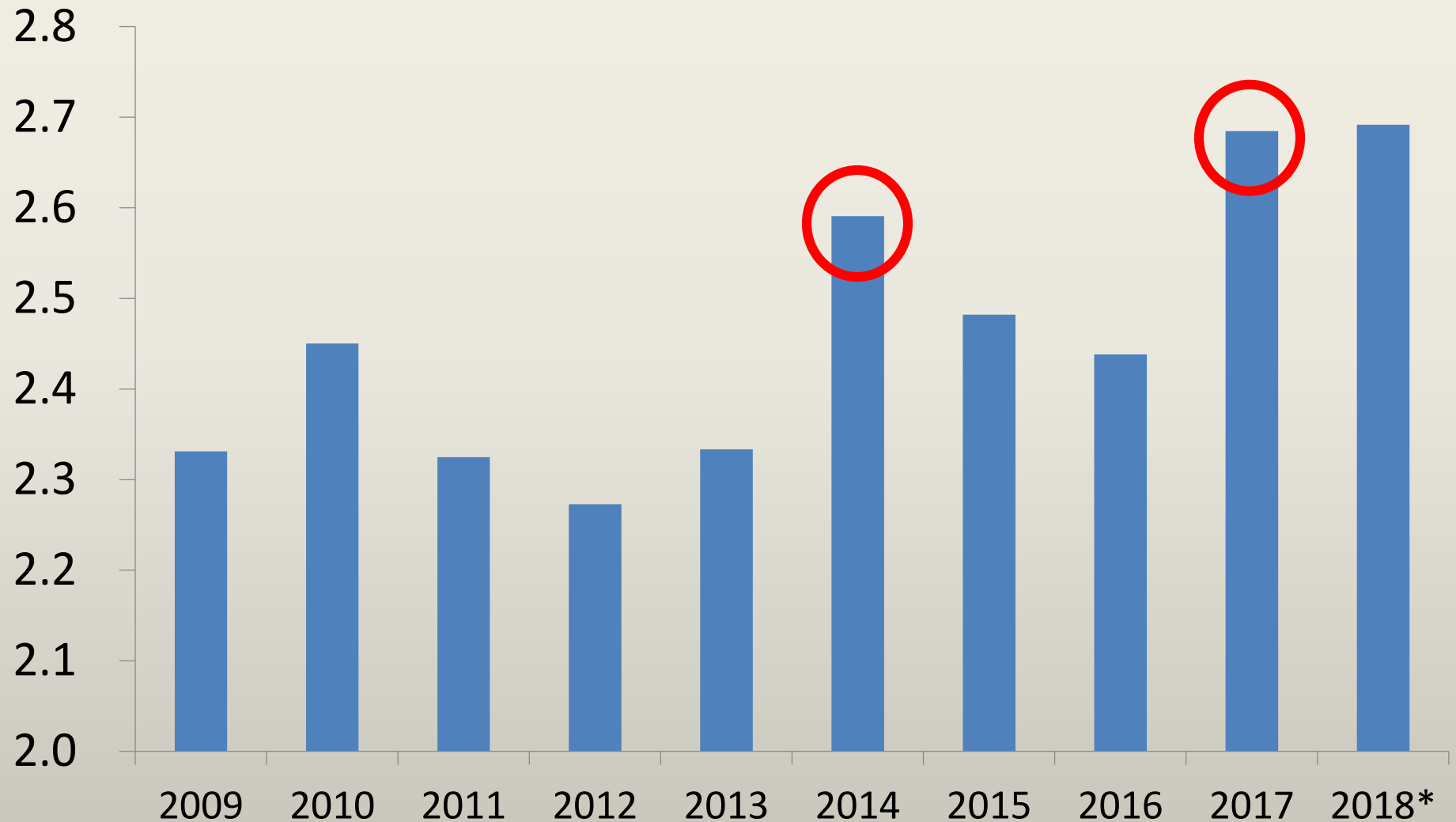
Factors Shaping 2018:

- Declining U.S. share of global exports
- Strong soybean demand for China
- Slower growth in U.S. ethanol demand
- Weakening U.S. dollar
- La Niña

U.S. Farm Prices Remain Relatively Flat



Illinois new crop delivery soybean-to-corn ratio during February

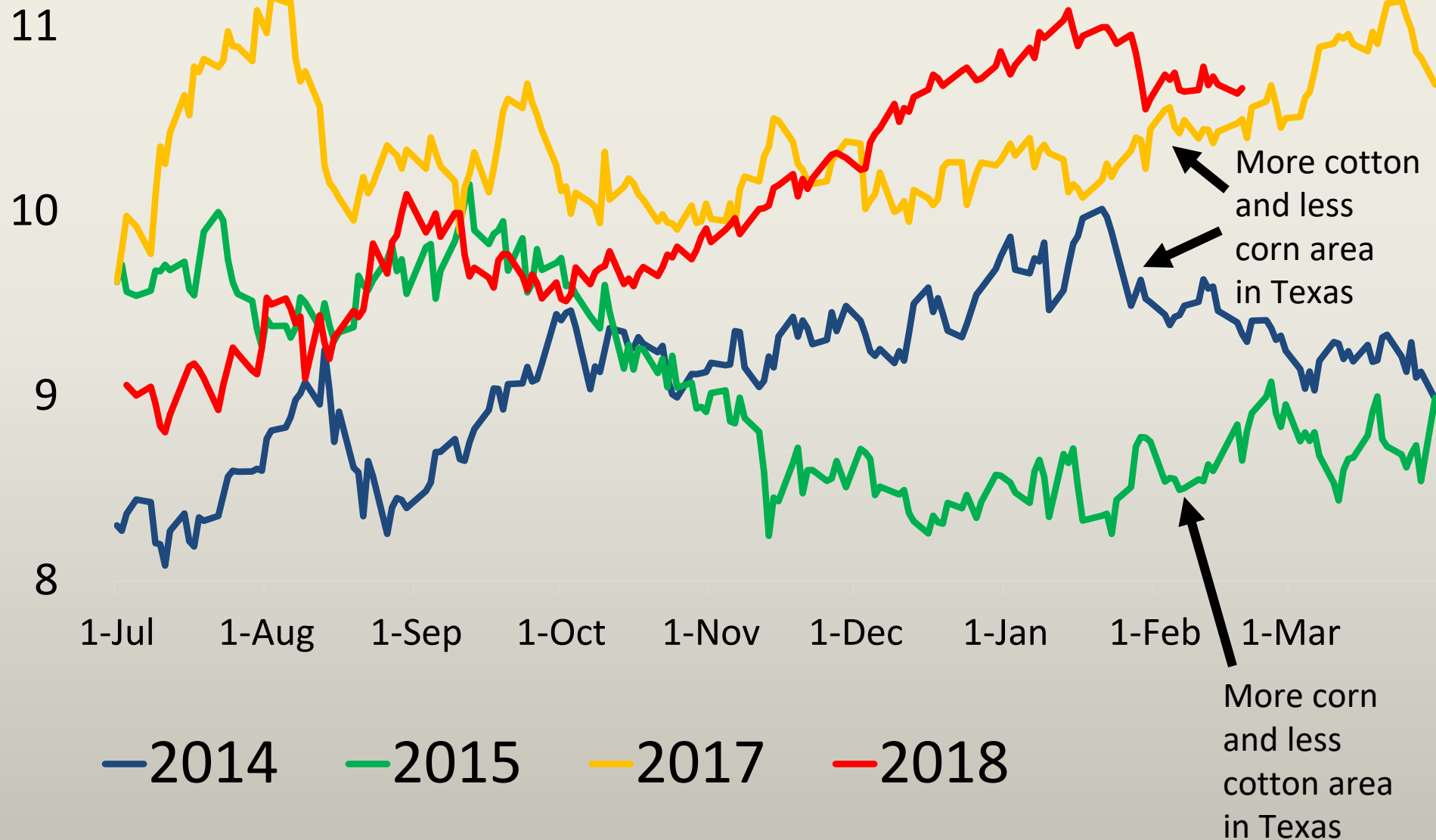


Note: Midpoint of high and low values for Illinois as reported by AMS in GX_GR113.

*Value for 2018 is average of month to date.

Cotton to corn price ratio

December Futures Contract



Total 3-crop acreage projected slightly higher

Mil. Ac.

250

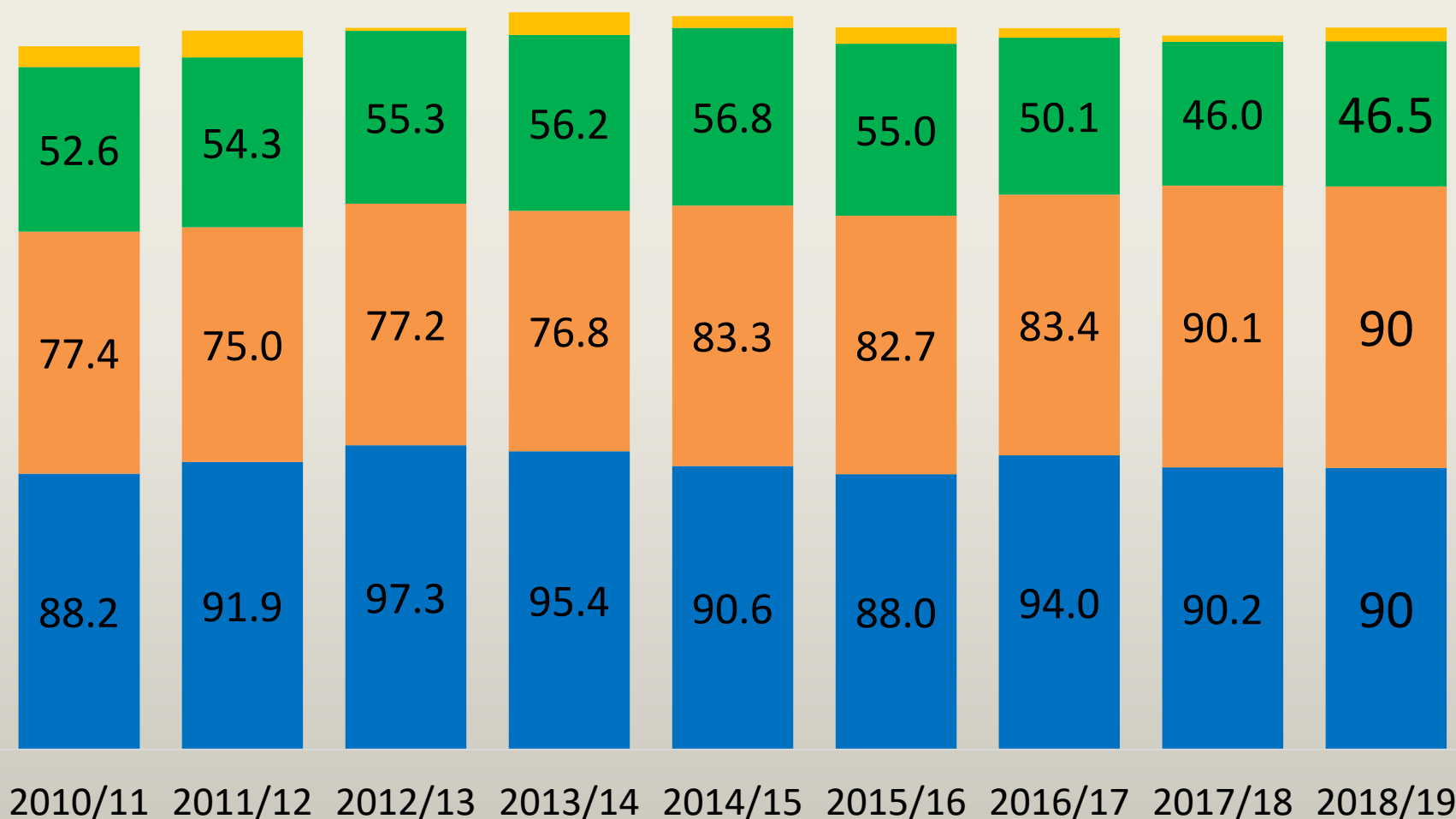
200

150

100

50

0

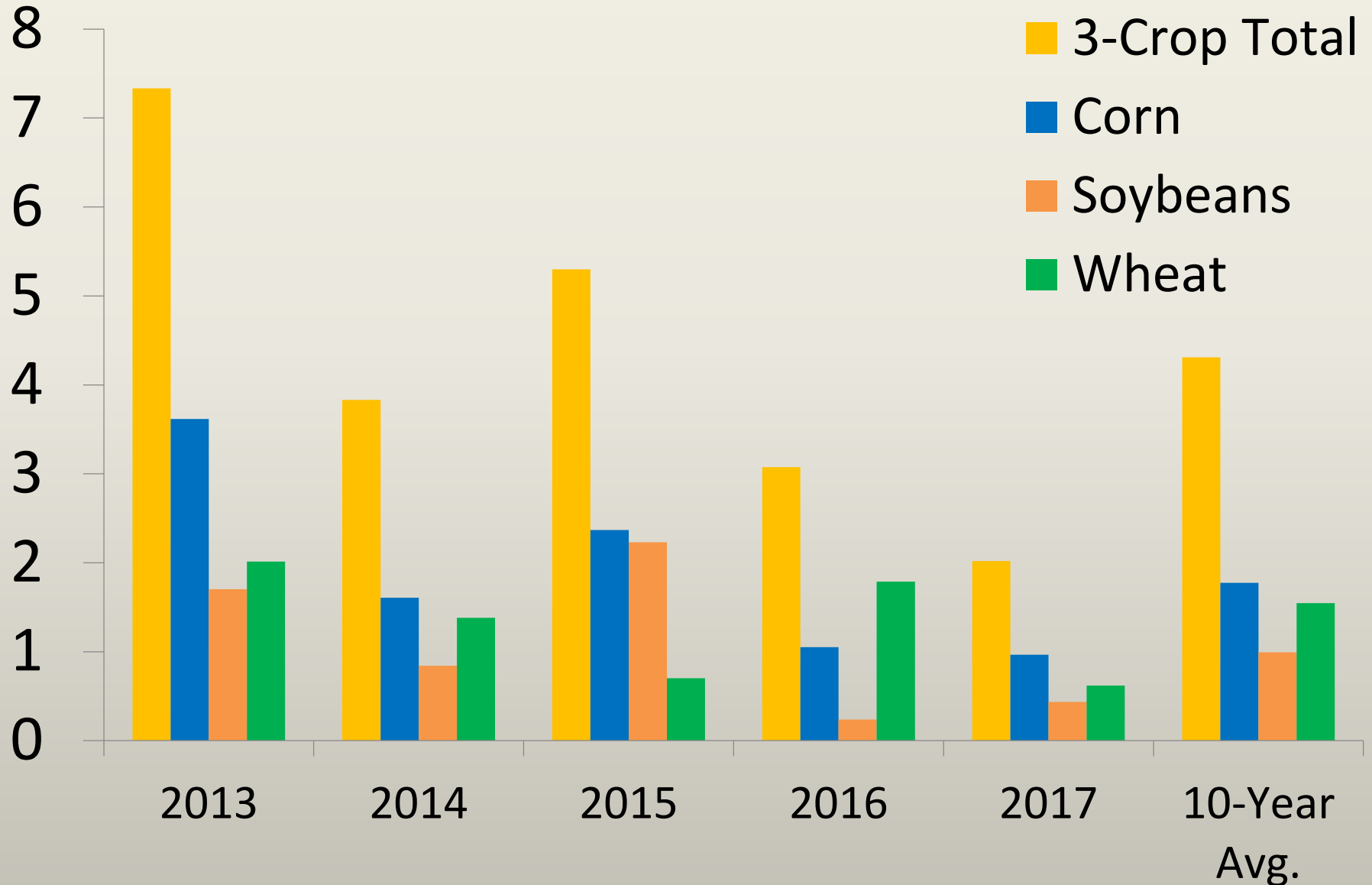


■ Corn ■ Soybeans ■ Wheat ■ 3-crop prevent plant*

*Ten-year average prevent plant for 2018/19

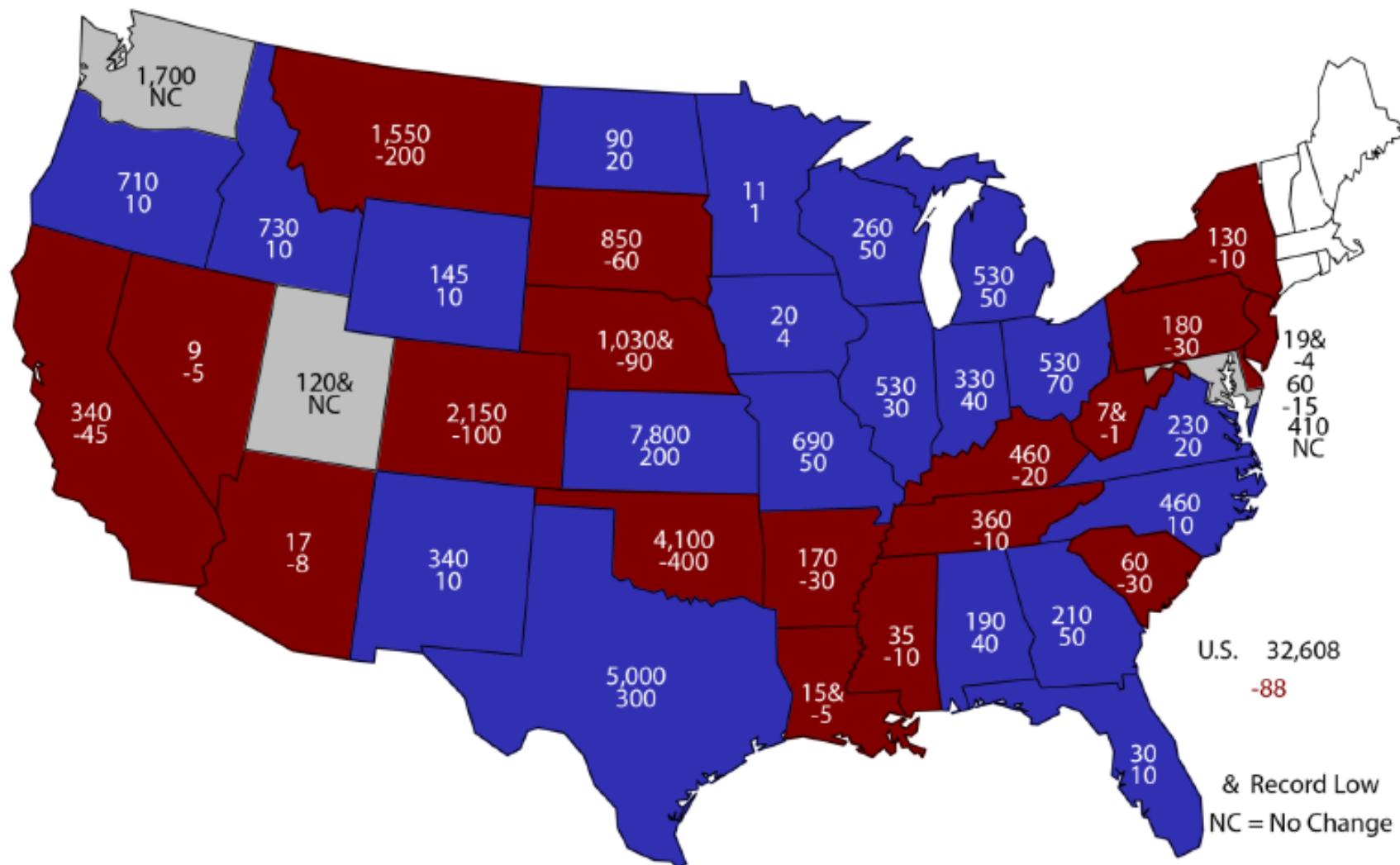
FSA Prevented Plant

Mil. Acres



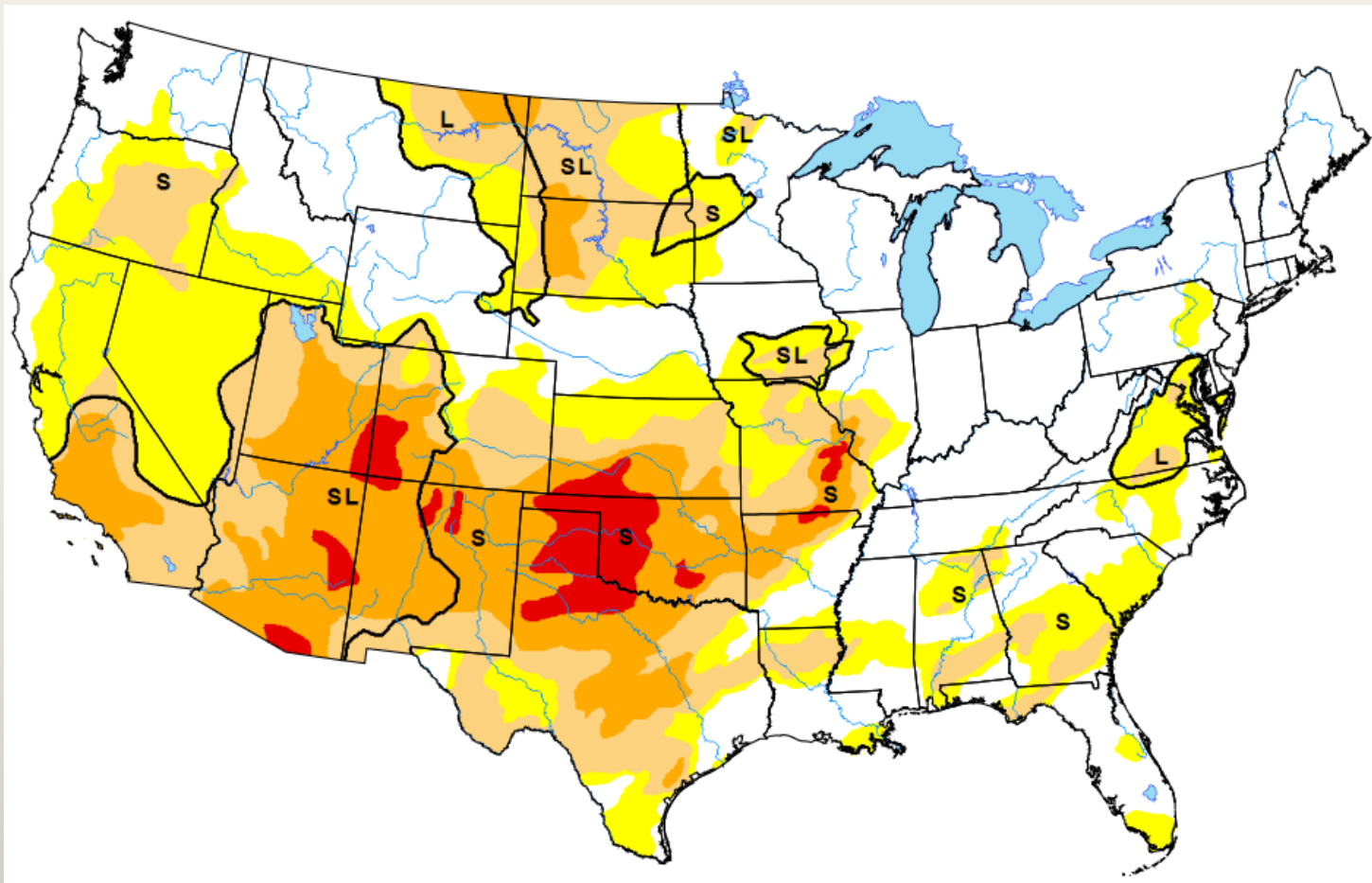
2018 Winter Wheat Planted Area

(000) Acres and Change From Previous Year



& Record Low
NC = No Change

Drought Monitor (Feb. 20, 2018)



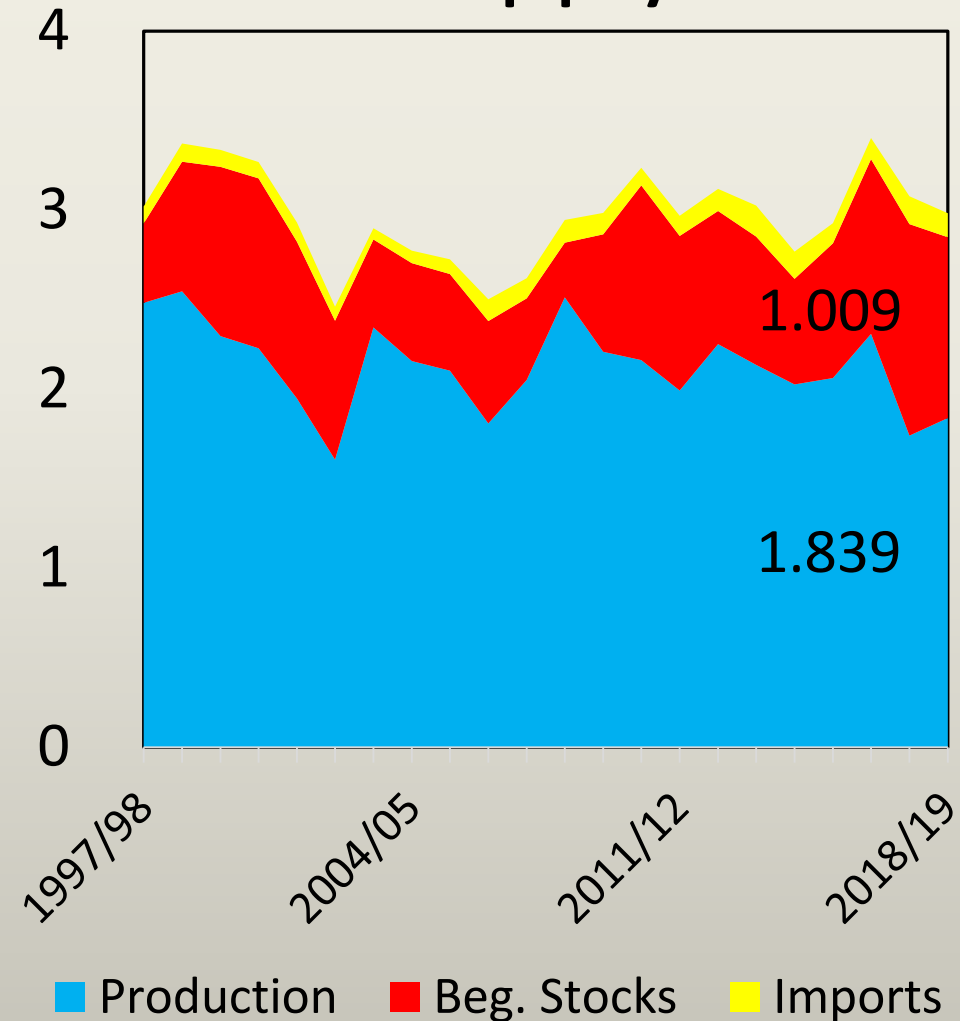
Intensity and Impacts



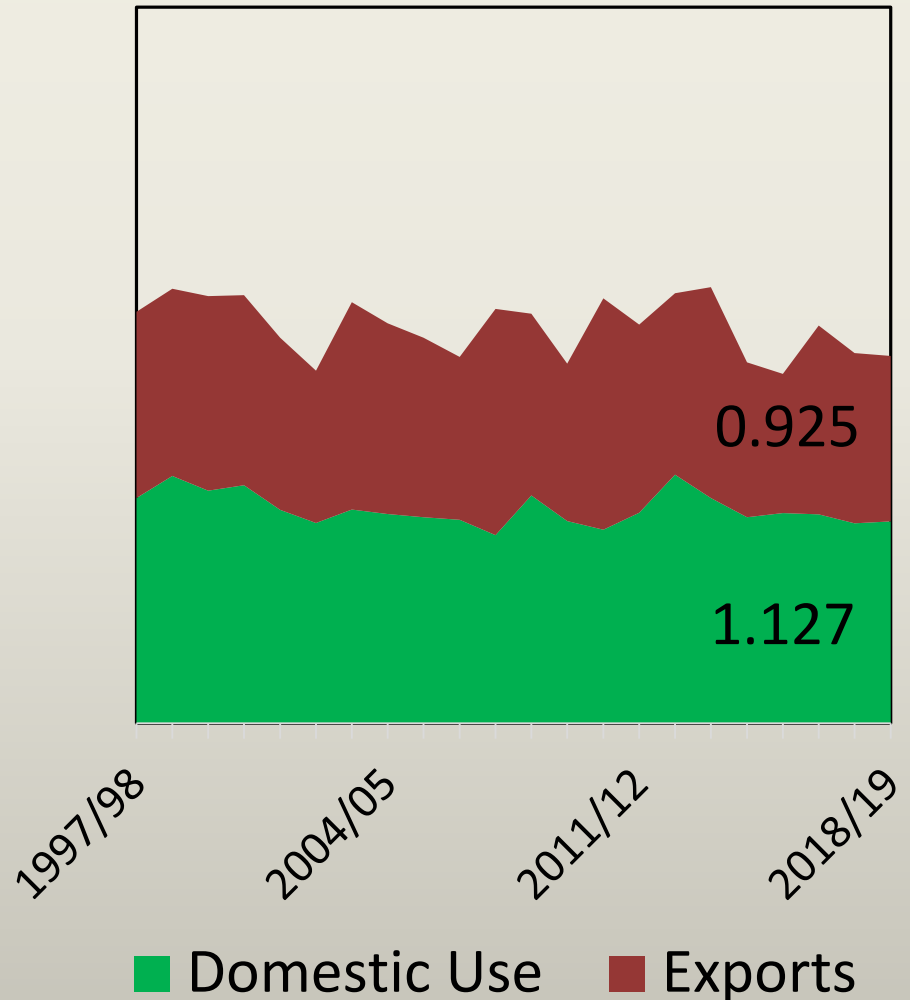
Wheat supply and use

Bil. Bu

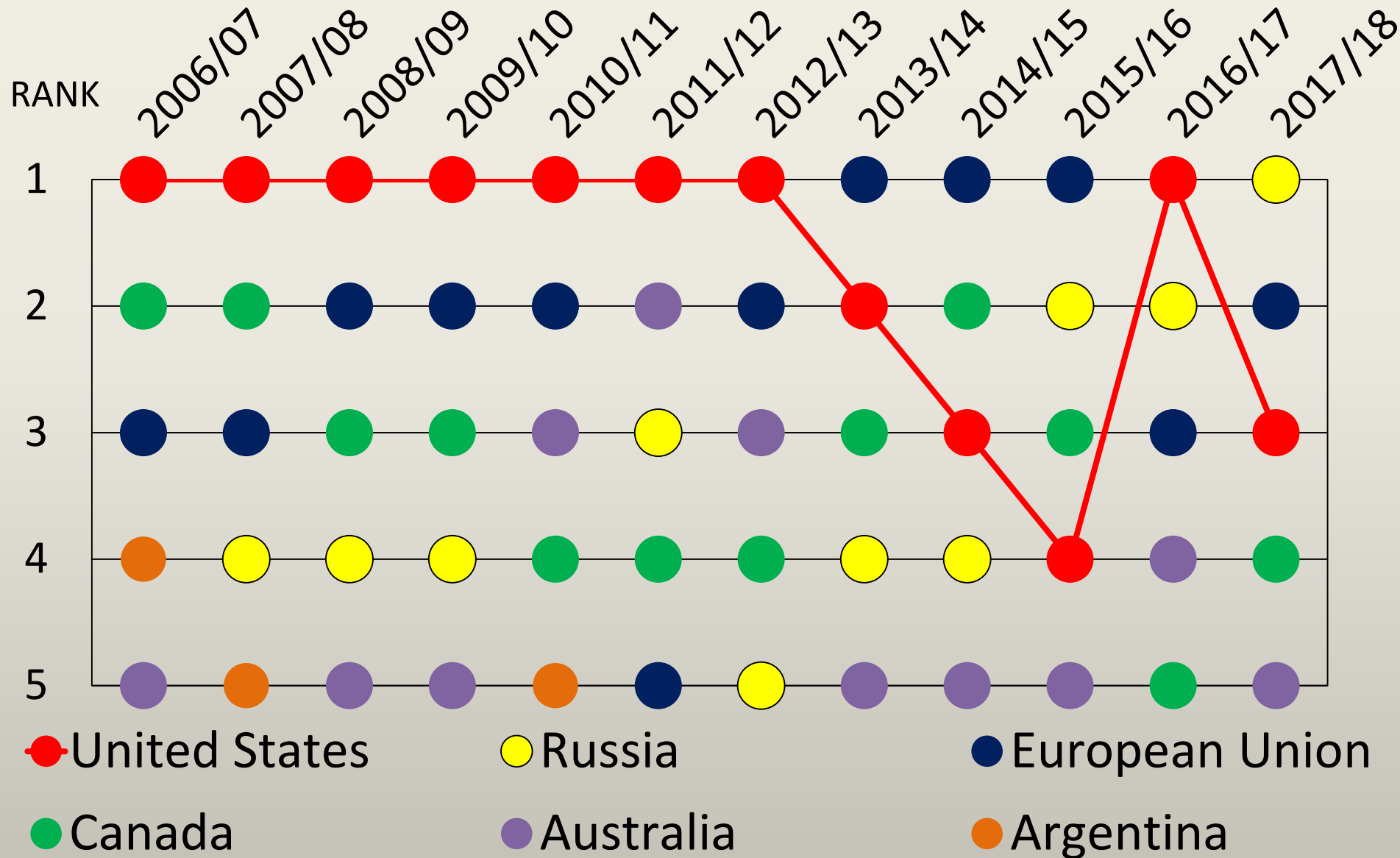
Supply



Use

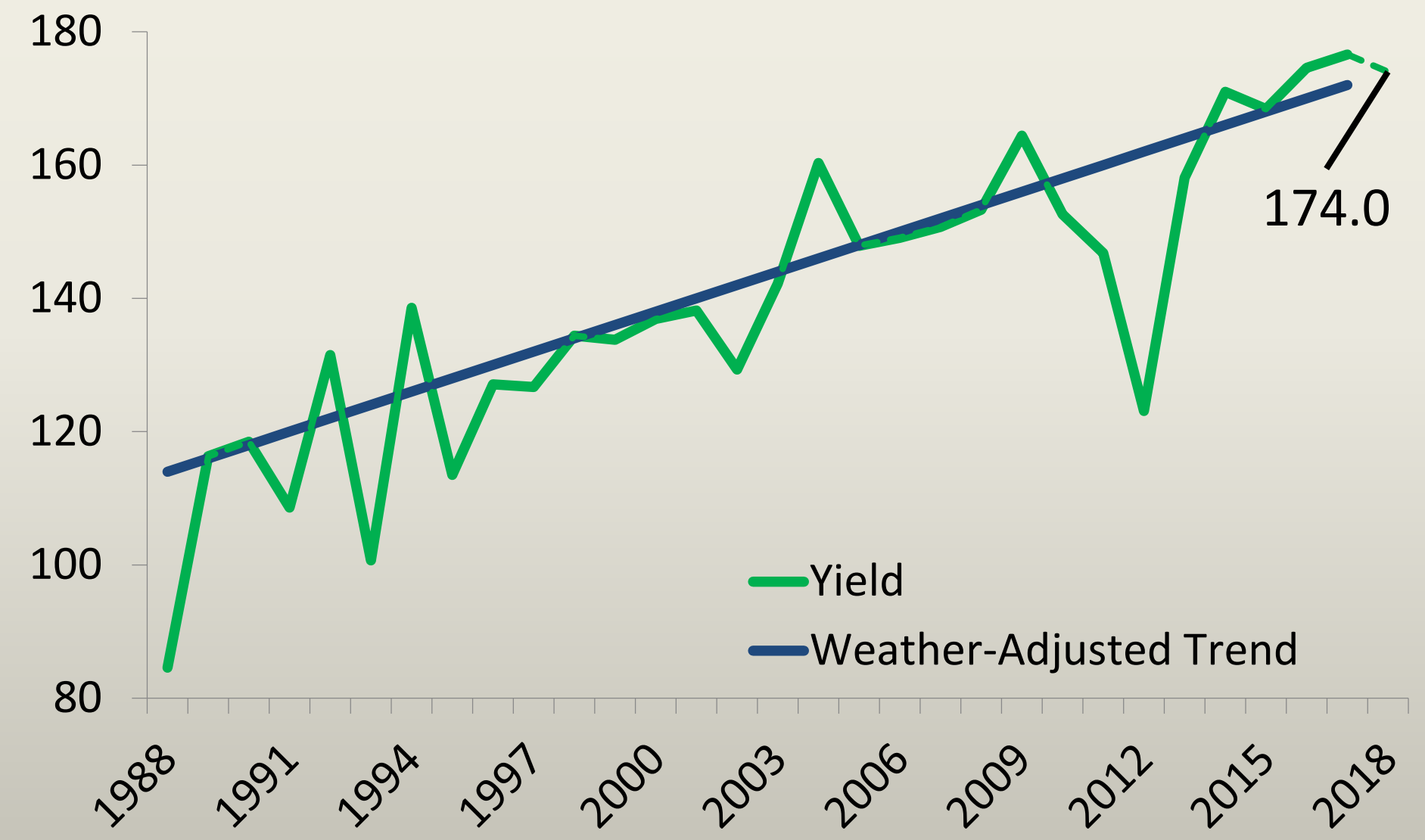


U.S. export rank for wheat declines as other countries increase share

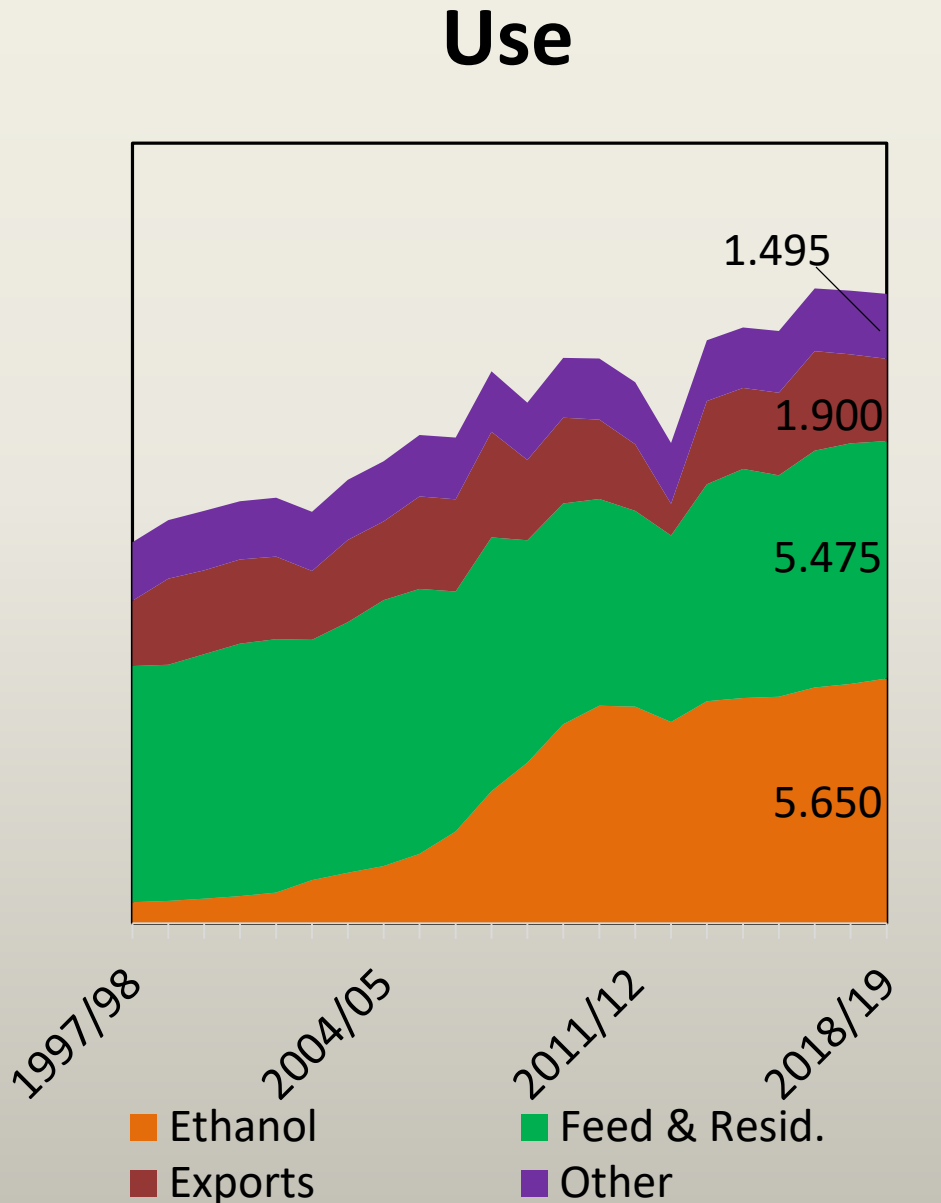
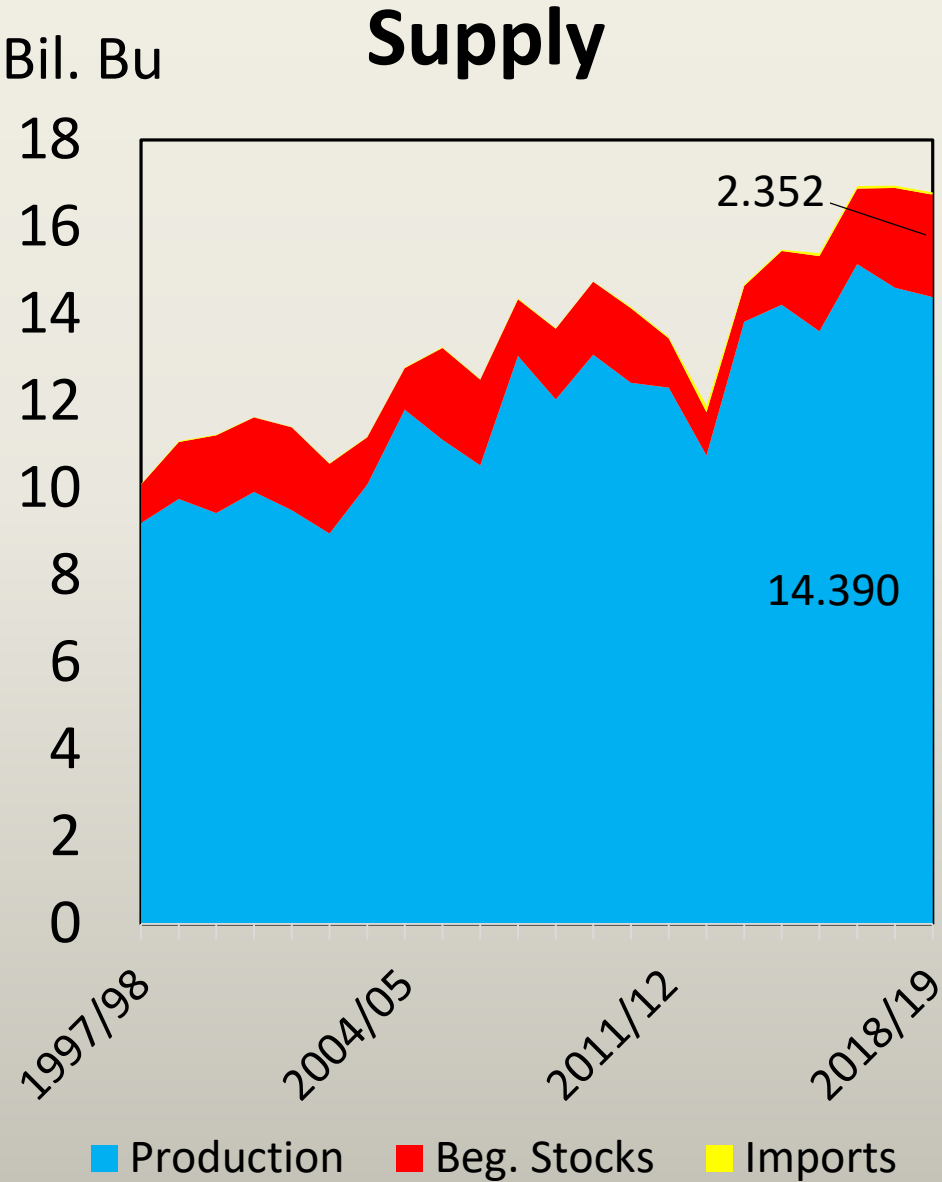


Corn Yield

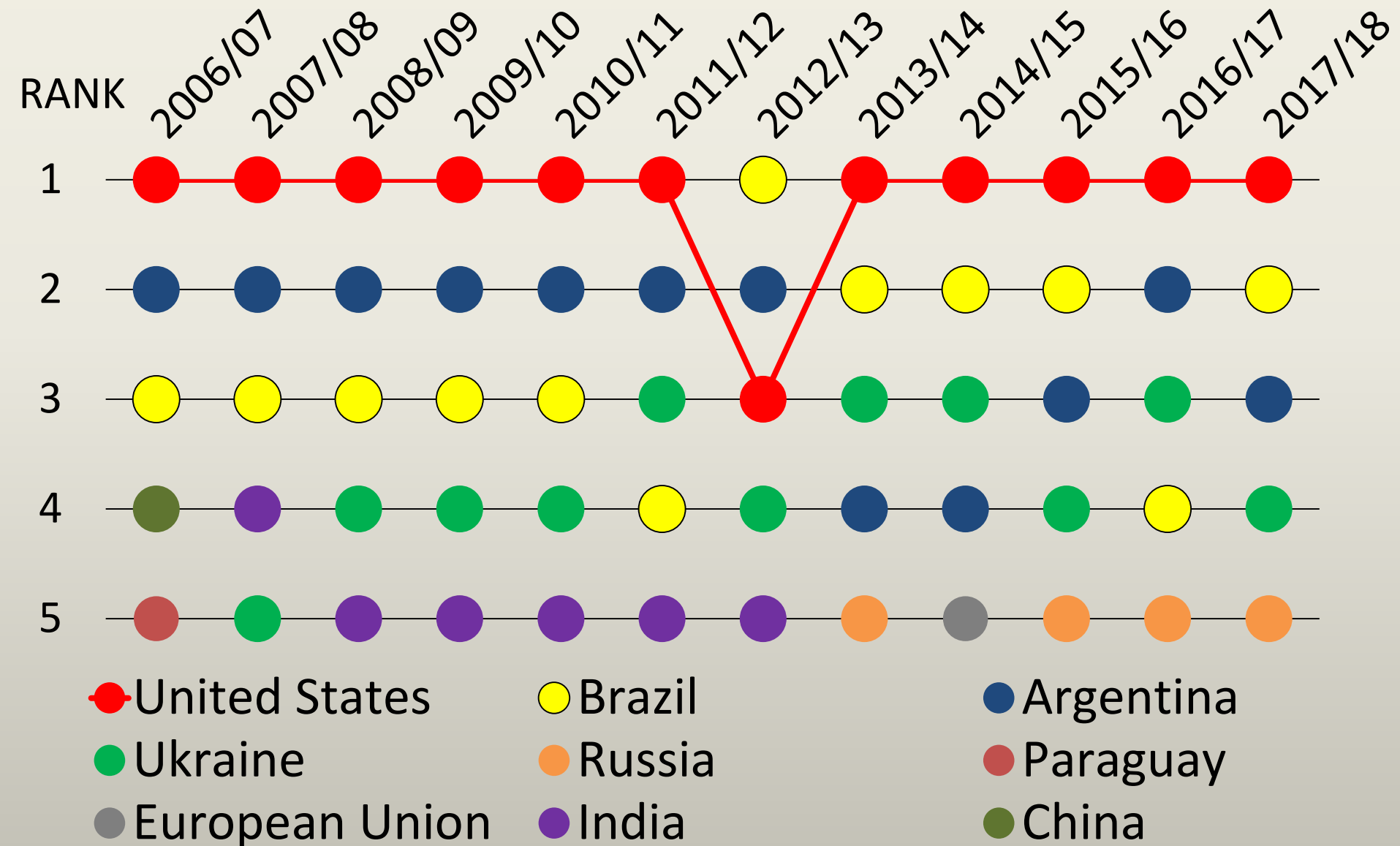
Bu/Ac



Corn Supply and Use

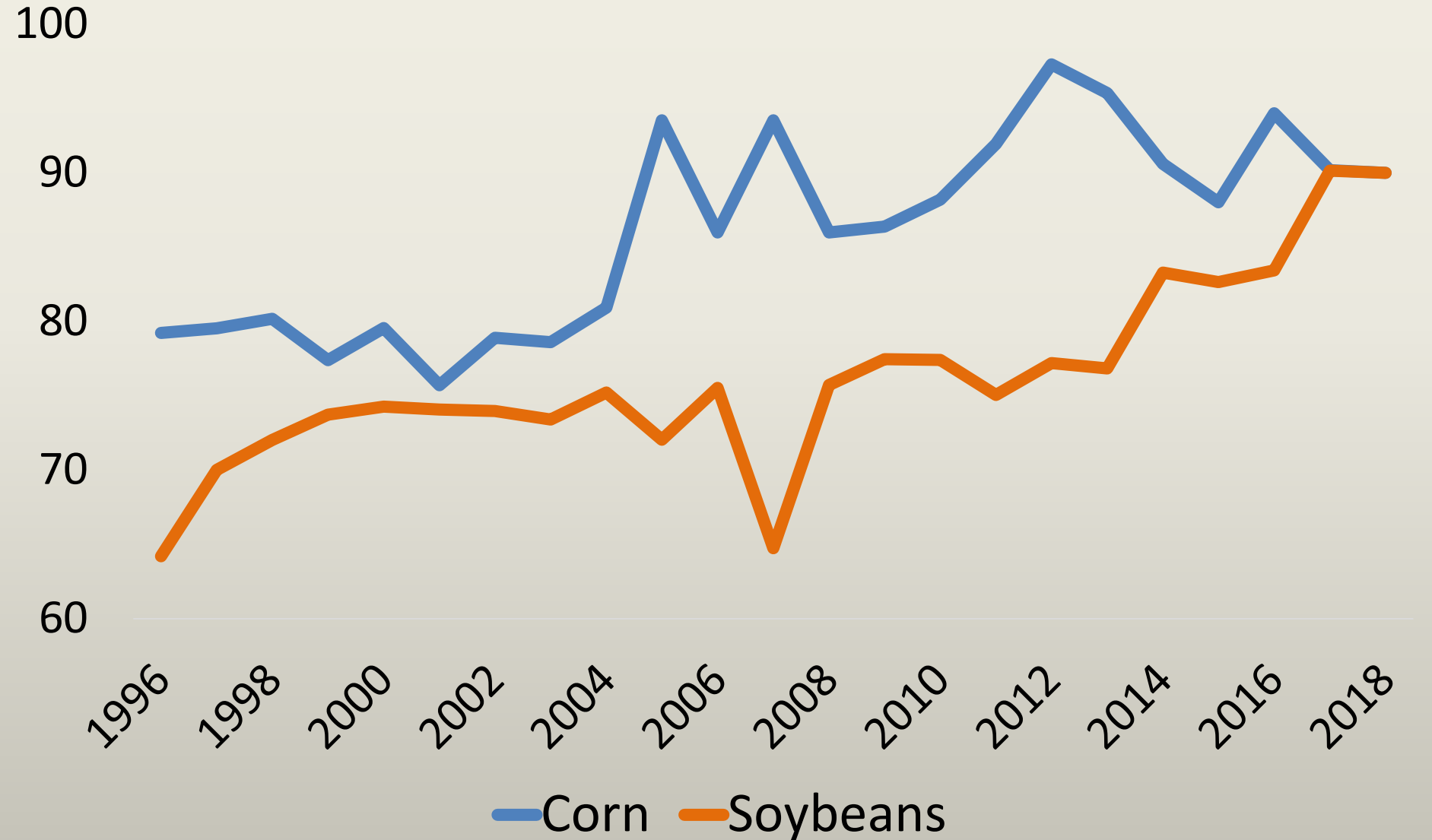


U.S. remains top corn exporter but export share declining

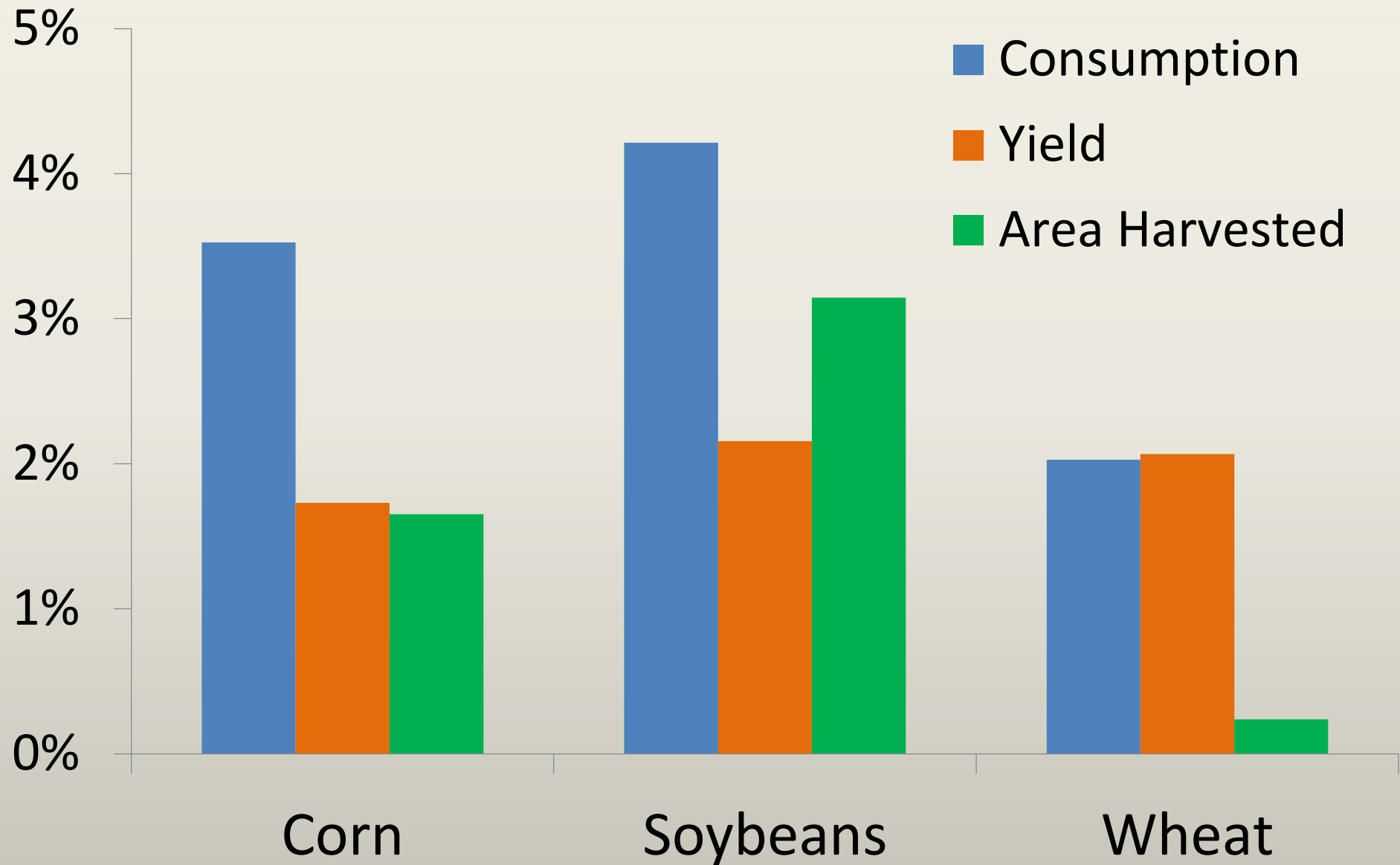


Corn and Soybean Planted Area

Mil. Acres



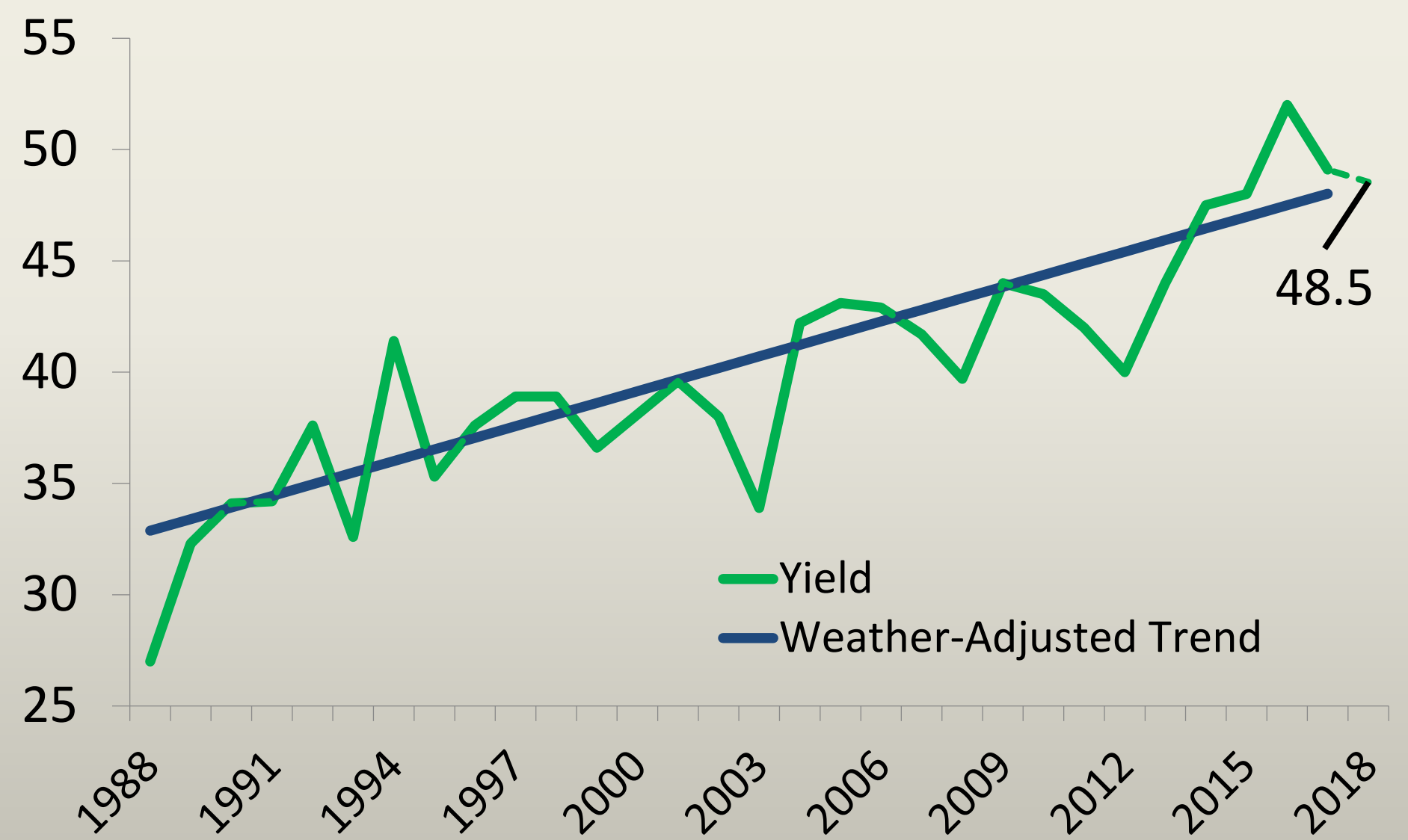
Area drives global soybean expansion



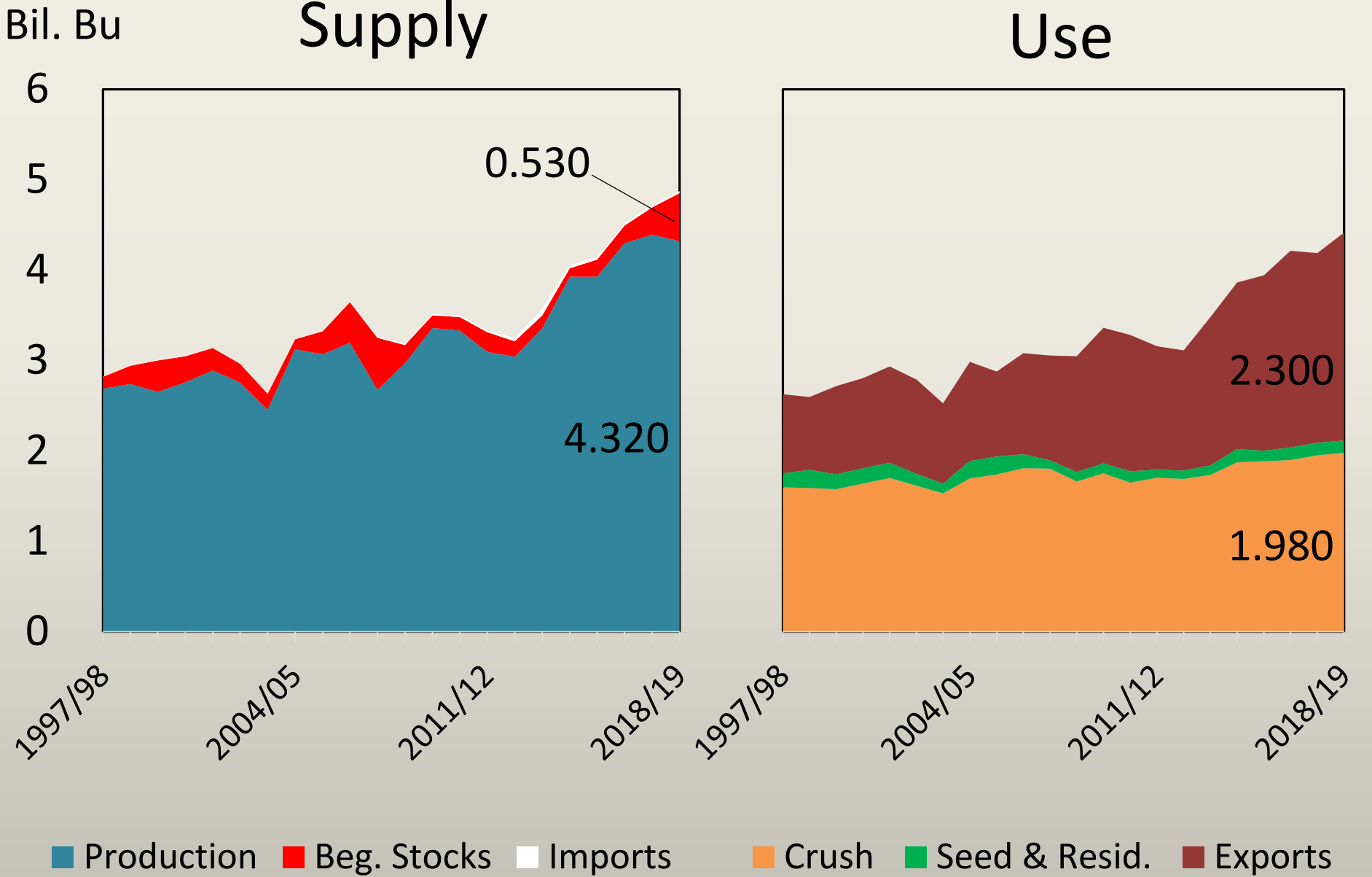
Growth Rate 2007-2016

Soybean Yield

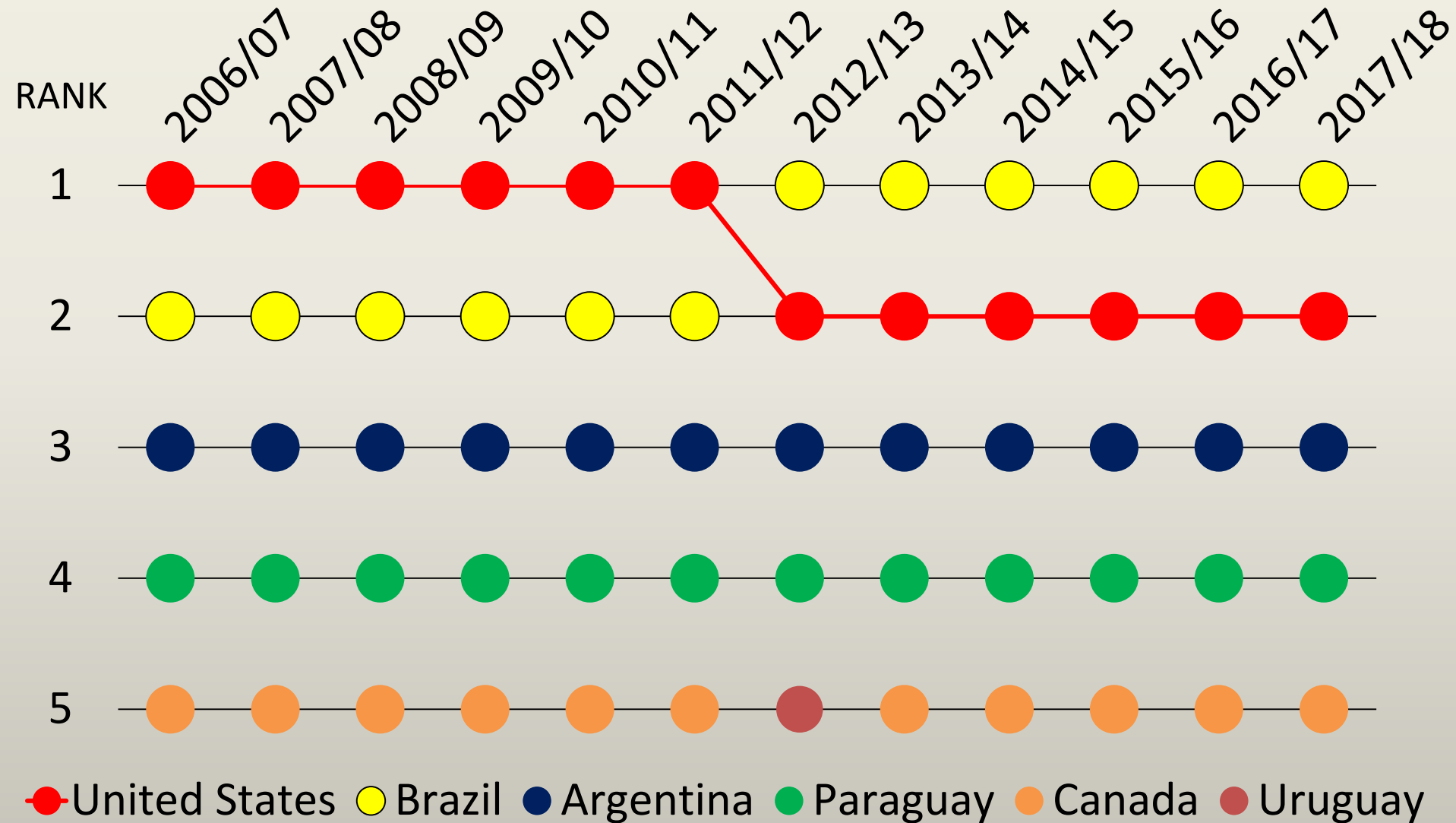
Bu/Ac



Soybean Supply and Use



Brazil remains largest soybean exporter but U.S. market share to recover in 2018/19



Thank you!

