

12-Sep-13

Corn**US Corn Supply/Demand**

	12/13		13/14	
	Aug	Sep	Aug	Sep
Planted	97.2	97.2	97.4	97.4
Harvested	87.4	87.4	89.1	89.1
Yield	123.4	123.4	154.5	155.3
Production	10,780	10,780	13,763	13,843
Carry In	989	989	719	661
Imports	165	162	30	30
Ethanol	4,650	4,665	4,900	4,900
Domestic	10,500	10,535	11,450	11,450
Exports	715	735	1,225	1,225
Carry Out	719	661	1,837	1,855

World Corn Supply/Demand

	12/13		13/14	
	Aug	Sep	Aug	Sep
Carry In	132.40	131.84	123.11	122.59
Production	858.78	860.06	957.15	956.67
Imports	97.53	97.89	101.86	102.26
Domestic	868.07	869.31	930.09	927.84
Exports	93.69	94.31	104.02	102.72
End Stocks	123.11	122.59	150.17	151.42

World Corn Production

	12/13		13/14	
	Aug	Sep	Aug	Sep
US	273.83	273.83	349.60	351.64
Argentina	26.50	26.50	27.00	26.00
Brazil	80.00	81.00	72.00	72.00
China	205.60	205.60	211.00	211.00
S. Africa	12.20	12.20	13.00	13.00
EU-28	58.54	58.54	65.03	65.00
FSU	32.40	32.40	42.36	42.36
Mexico	21.50	21.50	22.00	22.00
Other	148.21	148.49	155.16	153.67
World	858.78	860.06	957.15	956.67

World Corn End Stocks

	12/13		13/14	
	Aug	Sep	Aug	Sep
US	18.27	16.80	46.67	47.11
Argentina	0.70	0.70	0.91	0.91
Brazil	12.51	13.51	13.31	14.31
China	60.89	60.89	54.84	54.84
S. Africa	3.20	3.20	3.23	3.23
EU-28	5.58	5.88	5.60	5.87
FSU	1.64	1.61	3.67	3.67
Mexico	1.17	1.12	2.02	1.97
Other	19.15	18.88	19.92	19.51
World	123.11	122.59	150.17	151.42

Production: Brazil's 2013 crop raised 1 Mmt, Argentina unchanged at 26.5 Mmt (Govt 32.5 Mmt). US new crop up on yield (last month's yield too low due to excessive weighting of the 2012 crop). Argentina down on expected lower acreage (dry), "others" are Canada, Paraguay and 700kt off Serbia (?) China again left unchanged at 211 Mmt despite Govt's 215 Mmt number this week.

Usage: World usage down 2 Mmt. In Canada, Argentina and Serbia !

Exports: Brazil's higher crop went into stocks rather than exports, hence the unchanged US export number.

Quite why USDA expects Brazil and Ukraine to build over 6 Mmt of stocks in the current price context, remains far from clear.

Stocks: US stocks higher, even without any adjustments to export demand, and world stocks also higher despite combined official Chinese and Argentine production at 10 Mmt above USDA being ignored.

Conclusion: There's the FSA acreage update next week but given current yield data and USDA's continued overestimation of US exports, it's going to be very tough to get a rally in corn without a big move by the Chinese (which basis their official crop number and comments on the economy this week is looking less likely).