10-Feb-14

Soybeans

US Soybean Supply/Demand

	12/13		13/14	
	Jan	**Feb**	**Jan**	**Feb**
Planted	77.2	77.2	76.5	76.5
Harvested	76.2	76.2	75.9	75.9
Yield	39.8	39.8	43.3	43.3
Production	3,034	3,034	3,289	3,289
Carry In	169	169	141	141
Imports	36	36	25	**30**
Crush	1,689	1,689	1,700	1,700
Seed/Resid	90	90	109	**99**
Exports	1,320	1,320	1,495	**1,510**
Carry Out	141	141	150	150

World Soybean Supply/Demand

	12/13		13/14	
	Jan	**Feb**	**Jan**	**Feb**
Carry In	55.15	**53.42**	60.55	**58.65**
Production	268.27	268.27	286.83	287.69
Imports	95.17	95.28	105.20	105.33
Domestic	258.19	258.48	270.92	**269.34**
Exports	99.85	99.85	109.32	109.33
Carry Out	60.55	**58.65**	72.33	**73.01**

World Soybean Production

	12/13		13/14	
	Jan	**Feb**	**Jan**	**Feb**
US	82.56	82.56	89.51	89.51
Argentina	49.30	49.30	54.50	**54.00**
Brazil	82.00	82.00	89.00	**90.00**
China	13.05	13.05	12.20	12.20
Others	41.36	41.36	41.62	41.98
World	268.27	268.27	286.83	**287.69**

World Soybean End Stocks

	12/13		13/14	
	Jan	**Feb**	**Jan**	**Feb**
US	3.83	3.83	4.09	4.09
Argentina	24.40	**22.40**	29.20	**29.81**
Brazil	15.93	15.93	20.70	20.70
China	12.39	12.38	13.71	13.70
Others	4.00	4.11	4.63	4.71
World	60.55	58.65	72.33	**73.01**

Note adjustments made to Argentine S&D going back at least to 10/11.

Production: Brazil up 1 Mmt, Argie down 500kt, Paraguay up 300kt (world up 900kt)

Use: As part of significant rehash of Argie S&D's, 13/14 crush lowered 1.7 Mmt, accounting for all the world crush reduction (but still 10 Mmt above 12/13). US crush left unchanged.

Exports: Argentine bean exports lowered 1.7 Mmt, Brazil up 1 Mmt, Paraguay up 300kt.
US exports up 15 Mbu, but still 70 Mbu below current sales commitments.

Stocks: US stocks unchanged, but today's S&D does not reflect the reality of the rationing (or cancellations) needed.
Argentine 2010/11 end stocks were down 1.5 Mmt on last month, implying crush/export adjustments to at least 3 years earlier, but of note is that whilst the Argie 13/14 bean carry in is 2 Mmt below last month, the carry out is 600kt higher - despite a lower crop, as both the crush and exports are lowered by a combined 3.4 Mmt

Conclusion: Nothing has changed - the long term world picture looks negative with record 73 Mmt end stocks (up slightly on last month)
but the nearby problem of the tight US S&D still has to be solved.
Thus the trade will largely ignore the report, and continue to focus on shipments, vessel line-ups, and cancellations (or not).

10-Feb-14

Corn

US Corn Supply/Demand

	12/13		13/14	
	Jan	**Feb**	**Jan**	**Feb**
Planted	97.2	97.2	95.4	95.4
Harvested	87.4	87.4	87.7	87.7
Yield	123.4	123.4	158.8	158.8
Production	10,780	10,780	13,925	13,925
Carry In	989	989	821	821
Imports	162	162	35	35
Ethanol	4,648	4,648	5,000	5,000
Domestic	10,379	10,379	11,700	11,700
Exports	731	731	1,450	**1,600**
Carry Out	821	821	1,631	**1,481**

World Corn Supply/Demand

	12/13		13/14	
	Jan	**Feb**	**Jan**	**Feb**
Carry In	132.76	132.76	132.98	**134.00**
Production	862.95	862.85	966.92	966.63
Imports	98.22	98.64	106.75	109.92
Domestic	862.73	861.61	939.66	**943.33**
Exports	95.22	94.47	111.31	114.42
End Stocks	132.98	134.00	160.23	**157.30**

World Corn Production

	12/13		13/14	
	Jan	**Feb**	**Jan**	**Feb**
US	273.83	273.83	353.72	353.72
Argentina	26.50	26.50	25.00	**24.00**
Brazil	81.00	81.00	70.00	70.00
China	205.60	205.60	217.00	217.00
S. Africa	12.20	12.20	13.00	13.00
EU-27	58.86	58.86	64.94	64.94
FSU	32.40	32.40	45.56	**46.21**
Mexico	21.59	21.59	21.70	21.70
Other	150.97	150.87	156.00	156.06
World	862.95	862.85	966.92	966.63

World Corn End Stocks

	12/13		13/14	
	Jan	**Feb**	**Jan**	**Feb**
US	20.86	20.86	41.44	**37.63**
Argentina	0.90	**1.40**	0.91	**1.41**
Brazil	14.01	14.11	9.81	9.91
China	65.57	65.57	71.47	71.47
S. Africa	3.17	3.42	3.19	**3.44**
EU-27	5.38	5.38	5.56	5.56
FSU	1.97	1.97	4.77	4.68
Mexico	1.06	1.06	2.46	2.46
Other	20.06	20.23	20.62	20.74
World	132.98	134.00	160.23	157.30

Production: World production unchanged, with Argentina down 1 Mmt and Ukraine up 900kt.

Usage: World feed raised 4 Mmt (essentially EU, Egypt, SE Asia)

nport/Exports: Exports raised accordingly from the US (+4 Mmt), with Ukraine up 500kt, offset by Argentine (down 1 Mmt) and EU (down 500kt).

Stocks: US stocks down 150 Mbu (direct result of higher exports, otherwise few changes of note.

Conclusion: US stocks are down on last month, but still 80% above a year ago, and basis normal weather, an increase of at least similar proportions will occur next year. World stocks are also down on last month, but still up 23 Mmt on the year, the 3rd straight annual increase, and the highest level in 12 years.
Logistics and politics are causing near term poblems, but the big picture still looks negative.

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Wheat

US Wheat Supply/Demand

	12/13		13/14	
	Jan	**Feb**	**Jan**	**Feb**
Planted	55.7	55.7	56.2	56.2
Harvested	48.9	48.9	45.2	45.2
Yield	46.3	46.3	47.2	47.2
Production	2,266	2,266	2,130	2,130
Carry In	743	743	718	718
Imports	123	123	160	**170**
Domestic	1,406	1,406	1,274	**1,284**
Exports	1,007	1,007	1,125	**1,175**
Carry Out	718	718	608	**558**

World Wheat Supply/Demand

	12/13		13/14	
	Jan	**Feb**	**Jan**	**Feb**
Carry In	198.94	198.94	176.13	175.84
Production	656.45	656.34	712.66	**711.89**
Imports	144.86	144.63	152.70	152.00
Domestic	679.26	679.44	703.39	703.99
Exports	137.83	137.39	158.58	159.39
End Stocks	176.13	175.84	185.40	183.73

World Wheat Production

	12/13		13/14	
	Jan	**Feb**	**Jan**	**Feb**
US	61.76	61.76	57.96	57.96
EU-27	133.88	133.88	142.90	142.87
Canada	27.20	27.20	37.50	37.50
Australia	22.46	22.46	26.50	26.50
Argentina	9.50	9.50	10.50	10.50
China	121.00	121.00	122.00	122.00
FSU	77.21	77.21	105.02	**103.83**
India	94.88	94.88	92.46	92.46
Pakistan	23.30	23.30	24.00	24.00
Other	85.26	85.15	93.82	94.27
World	656.45	656.34	712.66	711.89

World Wheat End Stocks

	12/13		13/14	
	Jan	**Feb**	**Jan**	**Feb**
US	19.54	19.54	16.55	**15.19**
EU-27	10.01	10.01	11.73	**10.70**
Canada	5.06	5.05	9.85	9.84
Australia	4.24	4.24	4.81	4.81
Argentina	0.59	0.29	1.05	**1.75**
China	53.94	53.94	57.96	57.96
FSU	14.37	14.38	16.64	16.85
India	24.20	24.20	20.20	20.20
Pakistan	2.62	2.62	3.02	2.82
Other	41.56	41.57	43.59	43.61
World	176.13	175.84	185.40	183.73

Production: The only noticeable change was a 1.55 Mmt drop in Kazakhstan. There no change to Iran, despite last week's official statements of major misreporting of crops by the previous regime.

Consumption: World feed down 1.3 Mmt (as usual mostly in the EU), leaving food use up 2 Mmt on last month at 569 Mmt. That's up 26 Mmt on last year, which at 4.8%, is double the long term annual progression (and is worth around 13 Mmt of demand, which would take end stocks very close to 200 Mmt).
Note also that whilst USDA has world wheat feeding unchanged on last year, coarse grain feeding is up 70 Mmt and meal up 10 Mmt
Hungry cows!

Exports: US up 1.3 Mmt, EU up 1 Mmt, Argentina down 1 Mmt, Kazak down 1.5 Mmt, bottom line for the world total, up 800kt.
Imports: Iran raised 500kt to 5 Mmt, but most of trade well above this - subject to Iran's ability to pay.

Stocks: World stocks down 1.7 Mmt, essentially the US and EU (the EU cannot live with 10 Mmt of stocks, but we've given up as USDA knows best!)

Conclusion: US wheat futures reacted to the lower US end stocks, it was too late in the day for any reaction in Europe or the Black Sea.
And we suspect that will continue when those markets re-open tomorrow as in fact there was nothing in today's report to generate any real move in prices.