

30-Sep-2014

USDA Stocks and Wheat Report Sep 30th 2014

US Stocks as of Sep 1st (Mill Bus)	Range of Trade Estimates	Average Estimate	USDA		Year Ago
			Today	11-Sep	
Soybeans	100-150	125	92	130	141
Corn	1,020-1,300	1'190	1'236	1'181	821
Wheat	1,710-2,000	1'900	1'914	n/a	1'870
Final US 2013 Production	Range of Trade Estimates	Average Estimate	USDA		Final 2013
			Today	11-Sep	
Winter Wheat	1,375-1,415	1'395	1'378	1'397	1'534
Durum	56-70	60	57	61	62
Other Spring Wheat	555-605	580	601	572	534
Total Wheat	2,005-2,075	2'035	2'036	2'030	2'130
HRW	705-760	725	738	729	744
SRW	435-475	465	455	466	565
White Winter	190-210	200	184	202	225

Stocks: Wheat stocks slightly above expectations, partly on a small production increase, partly on lower usage.

Corn at the top end of the range, also implying lower Q4 domestic demand, which is worth 0.5 bu on the 2014 yield !

Beans well below trade guesses, despite a 69 Mbu hike in the 2013 crop.

Production: Wheat Modest by-class adjustments - broad brush more spring wheat, less winter wheat but the overall number was little changed.

Beans US 2013 crop revised to 3,358 Mbu from 3,289 Mbu on a yield of 44 bpa (43.3 bpa previously).

Reaction: Wheat and corn were negative on the implied lower domestic demand, and note that farmers are holding 68% more old crop corn stocks than a year ago at 462 Mbu.
Beans tried to rally on the low stocks number, but the old crop-new crop transition is over and where we were a month ago is no longer relevant.