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Outlook

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# Feed Outlook

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## Record Corn Crop Forecast for 2004/05

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The next release is
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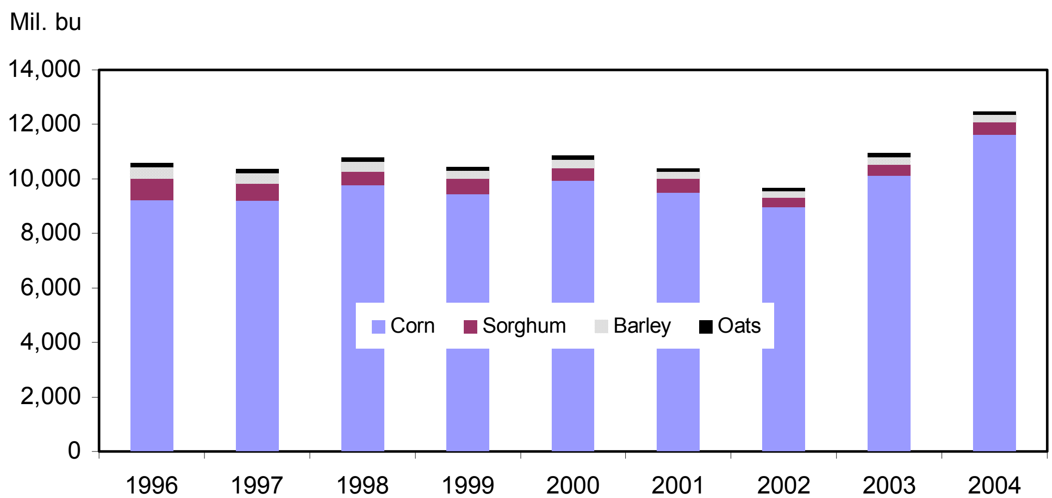
Approved by the

A major change this month from September was the 652-million-bushel increase in the corn crop to a record 11,613 million bushels. Record yields, at 158.4 bushels per acre, accounted for most of this month-to-month change. The production increase more than offset an increase in corn utilization, and corn ending stocks were raised to 1,691 million bushels. Ending stocks were also raised for sorghum and barley. Corn and sorghum prices were lowered this month due to the increase in feed grain supply.

The largest 2004/05 (October-September) trade change is a 0.5-million-ton drop in U.S. corn exports to 52.5 million tons. U.S. corn exports are still forecast to increase 8 percent compared with the previous year because of reduced competition from China and Brazil.

Figure 1
**U.S. feed grain production, 1996-2004**




Source: National Agricultural Statistics Service, USDA.

# Domestic Outlook

### *Feed Grain Production Raised to 314.5 Million Tons*

U.S. feed grain production for 2004/05 is forecast at 314.5 million tons, up from 298.2 million last month. The month-to-month increase came from corn and barley. Forecast production for sorghum and oats declined. Beginning stocks were lowered to 28.7 million tons and total 2004/05 feed grain supply is 345.5 million tons, up from 308.8 million in 2003/04.

Total 2004/05 feed grain utilization is projected at 298.1 million tons, up from 293.5 million last month and 280 million tons a year earlier. The month-to-month increase came from corn and barley. The year-to-year change stems from projected increases in feed and residual use, food, seed and industrial, and exports, which are projected at 162.6, 76.5, and 59 million tons respectively. Total feed grains ending stocks were raised nearly 19 million tons to 47.5 million.

On a September-August marketing year basis, feed and residual use for the four feed grains plus feed wheat in 2004/05 is projected to total 167.8 million tons, up from 160.1 a year earlier. Corn is estimated to account for 92 percent of feed and residual use in 2004/05. The projected index of grain-consuming animal units (GCAU) in 2004/05 is up fractionally to 89.7 million. Feed and residual per GCAU is estimated at 1.87 tons, up 4 percent from 2003/04, mainly because feed and residual use increases when crops are large and prices decline.

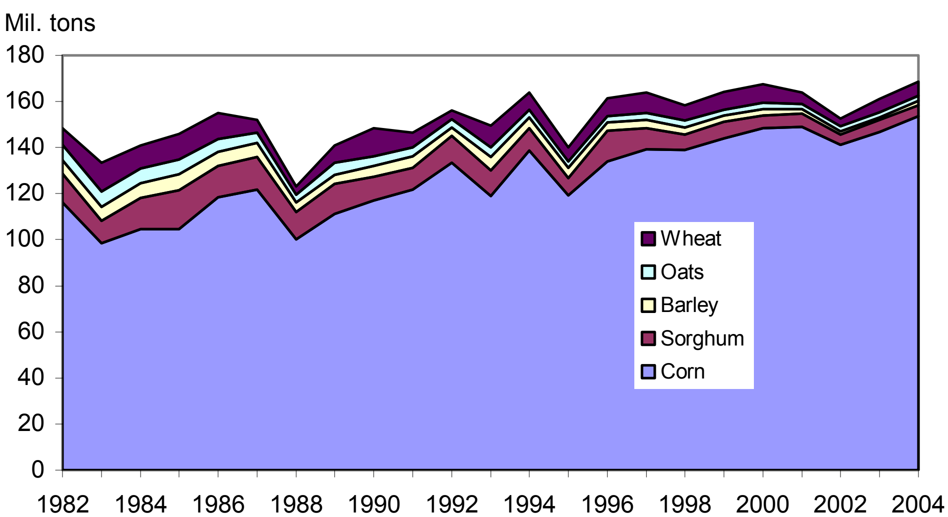
*Livestock production for2005 is summarized below:*

- Beef production is forecast at 24.5 billion pounds, up from 24.4 billion in 2004.

- Pork production is forecast at 21 billion pounds, up 398 million from 2004.

Figure 2

**Feed and residual use**




Source: Economic Research Service and Foreign Agricultural Service, USDA.

- Broiler production is forecast at 35.2 billion pounds, up from 34.1 billion in 2004.

- Egg production is forecast at 7.5 billion dozen, up 96 million from 2004.

- Milk production is forecast at 173.6 billion pounds, up from 170.9 in 2004.

### *Minor Changes Made to 2003/04 Crop Year*

The following changes were made to the 2003/04 balance sheets:

- Corn: feed and residual lowered from 5,800 million bushels to 5,781 million; exports raised from 1,885 million bushels to 1,900 million; price raised from $2.40 to $2.42.

- Sorghum: feed and residual raised 11 million bushels to 201 million; ending stocks lowered 10 million to 34 million bushels; price raised from $2.38 to $2.39.

- Barley: production rose from 276 million to 278 million; and feed and residual increased 2 million bushels to 57 million.

- Oats: area harvested was lower 4,000 acres resulting in production declining 266,000 bushels, lowering feed and residual by a corresponding amount.

### *2004/05 Corn Crop Forecast at a Record*

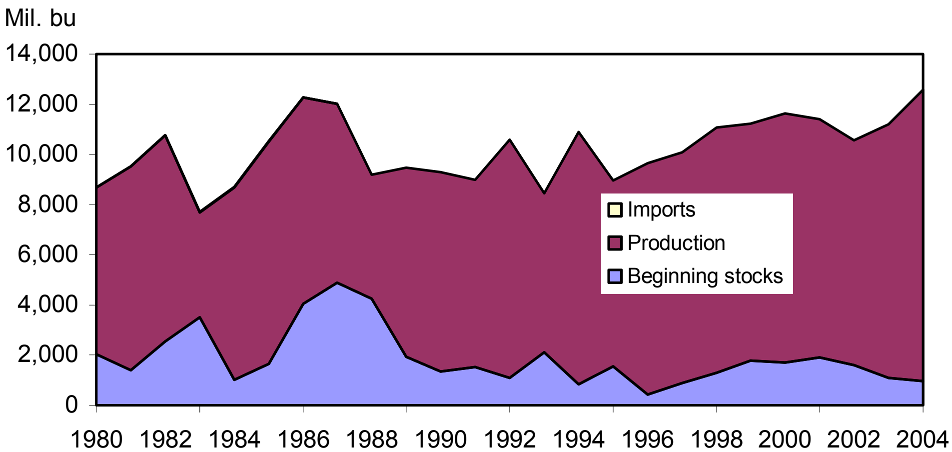
Corn production is forecast at a record 11.6 billion bushels, up 6 percent from last month and 15 percent above 2003/04. The forecast 2004/05 average yield of 158.4 bushels per acre is also a record. Beginning stocks were raised to 958 million bushels, and total supply is projected at 12,586 million bushels, up from 11,214 million a year earlier.

The October 1 corn objective yield data indicate the highest number of stalks on record for the combined 10 objective yield States (Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, Ohio, South Dakota, and Wisconsin). The October objective yield forecasted ears per acre are also at a record-high, 3 percent above the previous high set in 2004.

On the use side, feed and residual use was raised 200 million bushels to 6,050 million, and food, seed, and industrial use was unchanged from last month. Ethanol production in July (latest numbers available) was 283 million gallons, slightly below the record in May of 288 million, and in line with current projections. Strong gasoline prices have kept ethanol prices strong, and industry sources say ethanol margins are good. Corn exports were lowered 25 million bushels from last month to 2,075 million due to the slow pace of export sales and increased competition from feed-quality wheat. Total utilization is projected at 10,895 million bushels, up more than 6 percent from the previous marketing year.

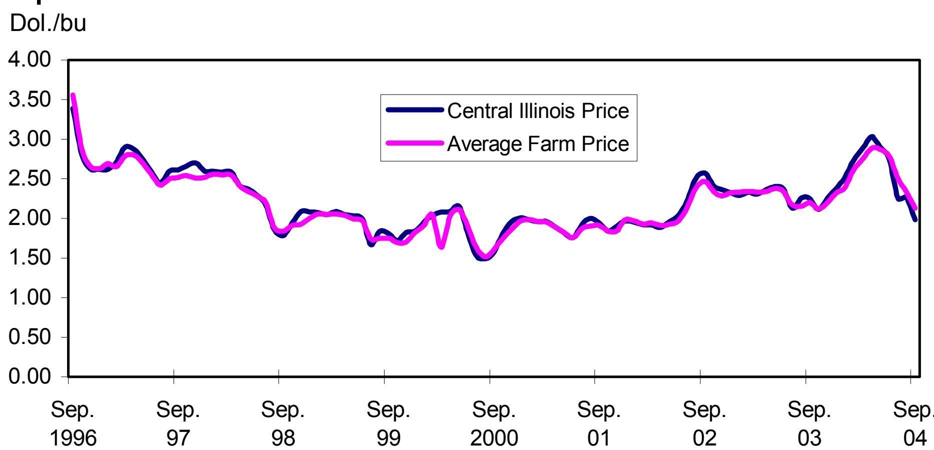
The production increase more than offset the increased utilization, and ending stocks were raised 76 percent to 1,691 million bushels. The increased supplies lowered prices 25 cents on both high and low ends to $1.75-$2.15 per bushel compared with $2.42 in 2003/04.

Figure 3
**Corn supply**




Source: National Agricultural Statistics Service and Economic Research Service, USDA.

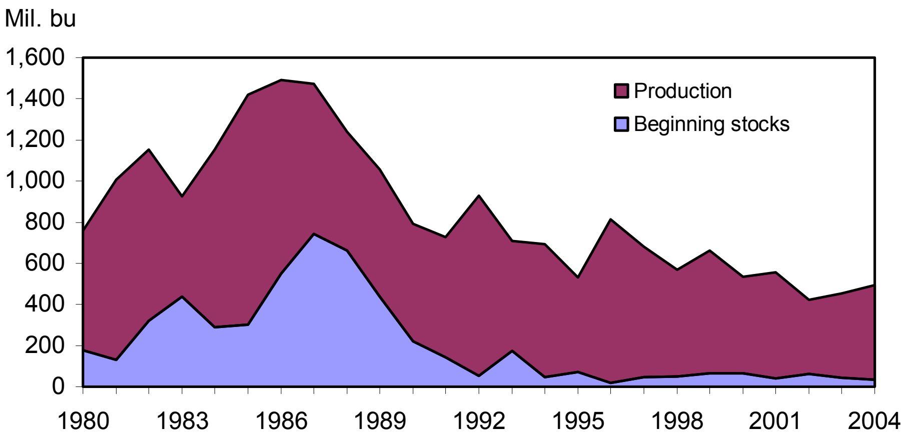
Figure 4
**U.S. corn: Central Illinois cash and average farm price, September 1996-September 2004**




Source: Agricultural Marketing Service and National Agricultural Statistics Service, USDA.

Figure 5

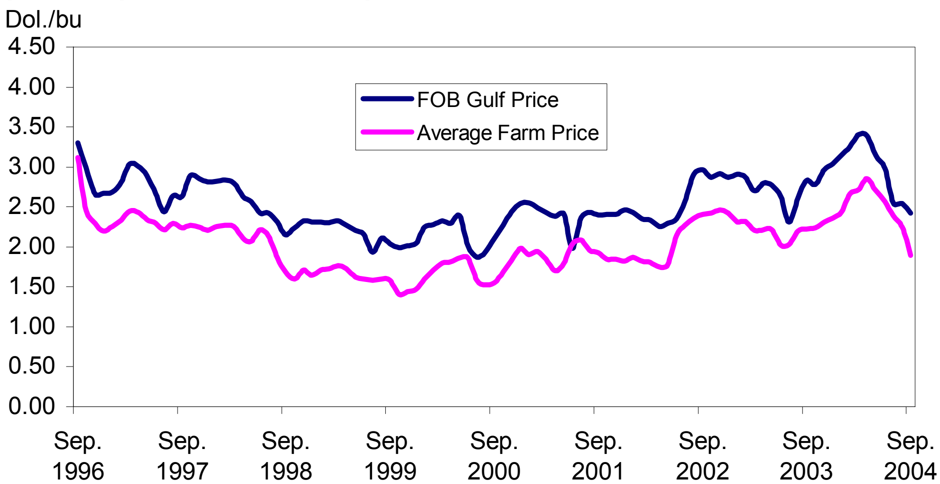
**Sorghum supply**




Source: National Agricultural Statistics Service and Economic Research Service, USDA.

Figure 6

**U.S. sorghum: Gulf ports cash and average farm price, September 1996 to September 2004**




Source: Agricultural Marketing Service and National Agricultural Statistics Service, USDA.

## *Sorghum Crop Lowered to 462 Million Bushels*

Sorghum production is 462 million bushels, down 2 percent from last month but up 12 percent from last year. Sorghum yield was raised to 70.4 bushels per acre, up 2.1 bushels from last month and up 17.7 bushels from 2003/04. Sorghum planted area is estimated at 7.53 million acres, down 7 percent from the June acreage estimate and down 20 percent from 2003. Harvested area is forecast at 6.56 million acres, down 5 percent from last month and 16 percent below last year. With a 10-million-bushel decrease in beginning stocks, total supply for 2004/05 is projected at 495 million bushels, up from 454 million a year earlier.

Projected total utilization is 455 million bushels, unchanged from last month, but up from 421 million in 2003/04. Ending stocks for 2004/05 were lowered 12 million bushels this month to 40 million. Prices were lowered 20 cents on both high and low ends to $1.70-$2.10 per bushel compared with $2.39 per bushel in 2003/04.

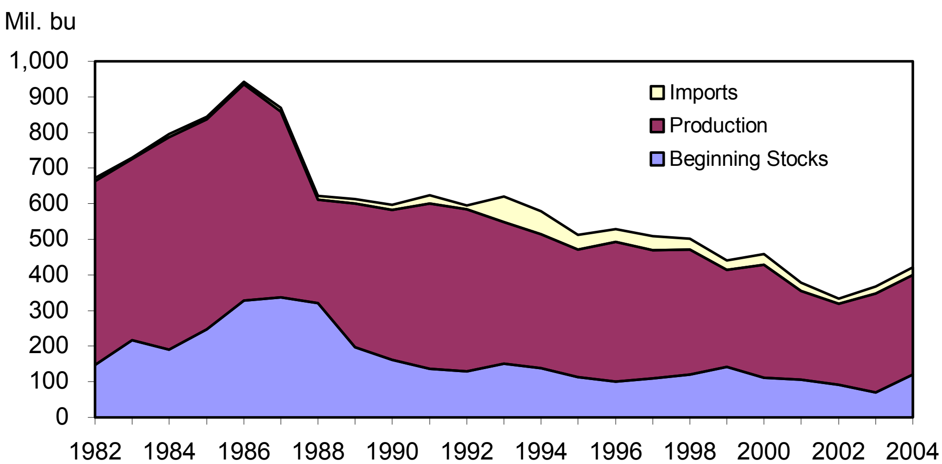
### *2004/05 Barley Crop Forecast at 280 Million Bushels*

Barley production in 2004/05 is 280 million bushels, up 3 percent from last month and up 1 percent from a year earlier. Yield was raised 3.8 bushels per acre to 69.5 bushels, and harvested area is estimated at 4.03 million acres. Nationally, harvested area is the smallest since 1894 but yield is a record-high, 7.0 bushels above the previous record of 62.5 bushels set in 1992. Record State yields were set in Colorado, Idaho, Montana, Nebraska, and South Dakota. Total supply for 2004/05 is projected at 420 million bushels, up from 368 million bushels from the year earlier.

On the use side, forecast feed and residual was raised 10 million bushels to 100 million. Total utilization in 2004/05 was increased 10 million bushels to 297 million, up from 248 million bushels a year earlier. Ending stocks for 2004/05 were lowered 3 million bushels this month to 123 million bushels but are up 3 million bushels from a year earlier. Barley prices were raised 5 cents on the low end and lowered 5 cents on the high end and to $2.30-$2.60 per bushel compared with $2.83 a year earlier.

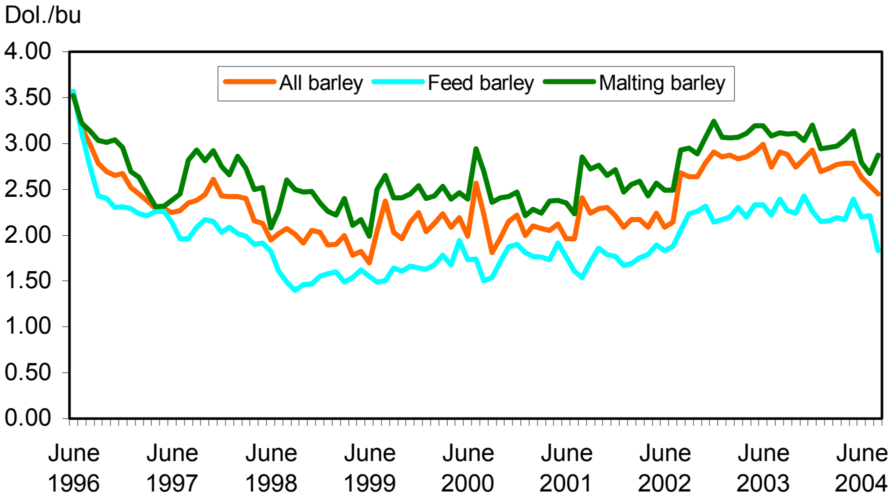
Figure 7

**Barley supply**



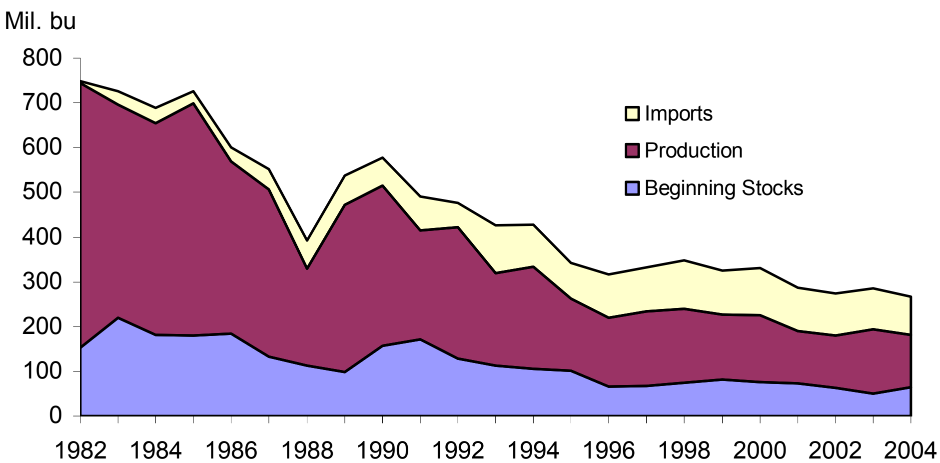

Source: National Agricultural Statistics Service and Economic Research Service, USDA.

Figure 8
**Barley prices received by farmers, June 1996-June 2004**




Source: Agricultural Marketing Service, USDA.

Figure 9
**Oats supply**



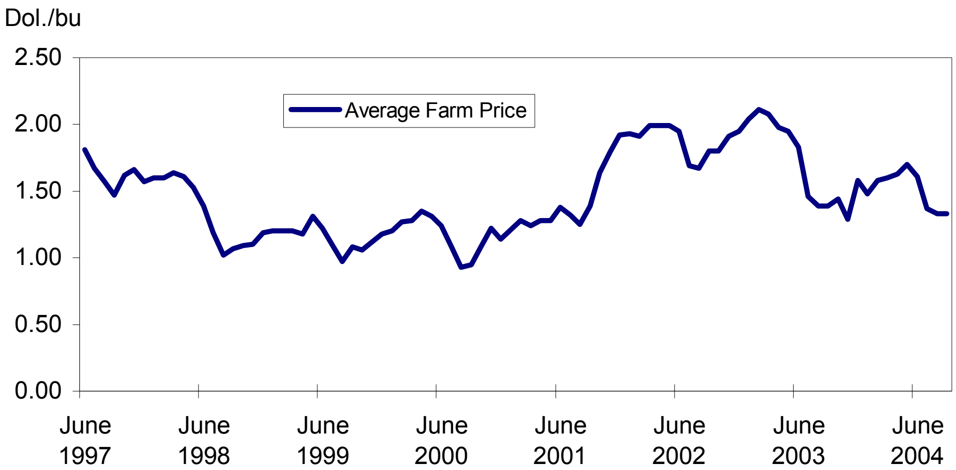

Source: National Agricultural Statistics Service and Economics Research Service.

## *2004/05 Oats Crop Forecast at 117 Million Bushels*

Oats production was lowered 19 percent to 117 million bushels compared with last year's 144 million bushels. A 7-percent drop this month in harvested area to 1.81 million acres resulted in a record-low in harvested area, continuing a steady downward trend. Yield was lowered 1.5 bushels this month to 64.5 bushels per acre, down 0.5 bushels per acre from a year earlier. Total supply is forecast at 266 million bushels, down from 285 million bushels in 2003/04, reflecting the smaller crop and lower imports than last year.

Figure 10

**U.S. oats: average farm price, June 1997-June 2004**




Source: National Agricultural Statistics Service, USDA.

Projected feed and residual use was lowered 5 million bushels to 135 million, compared with 144 million bushels in 2003/04. Exports and food, seed, and industrial are both up 1 million from 2003/04 and total utilization is projected at 212 million bushels, down from 220 million a year earlier. Ending stocks were lowered 11 million bushels to 54 million. Prices are unchanged at $1.30-$1.50 per bushel compared with $1.48 per bushel in 2003/04.

## *Hay Production Increases*

All-hay production in 2004 is forecast at 165.9 million tons, up from 157 million tons in 2003. This increase stems from a nearly 8-percent rise in yield at 2.69 tons per acre. Total hay harvested area declined to 61.6 million acres from 63.3 million last year. Roughage-consuming animal units in 2004/05 are projected to be 71.8 million units, up from 70.7 million in 2003/04.

Alfalfa hay production, at 77.4 million tons, is up 1 percent from 2003. Yields are expected to average 3.48 tons per acre, up 0.24 ton from last year. Harvested area is forecast at 22.2 million acres, unchanged from the August estimate but down 6 percent from 2003.

Other hay production is forecast at a record 88.5 million tons, up 5 percent from August and up 10 percent from 2003. Yields are forecast at a record 2.25 tons, up 0.1 ton from August and 0.22 ton above last year. Harvested area is estimated at 39.4 million acres, down 1 percent from 2003.

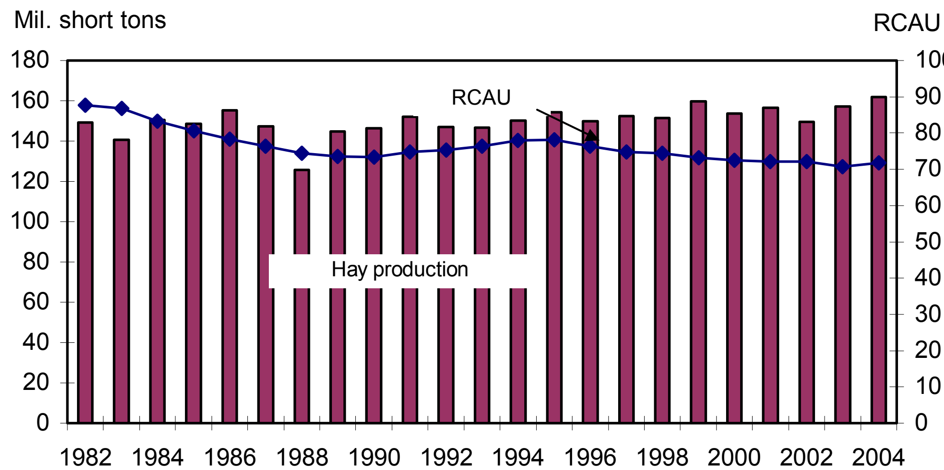
## *Program Payments Increase for Corn and Barley*

As of October 6, 2004, corn farmers collected $83 million in loan deficiency payments (LDPs) covering 365 million bushels or 3 percent of the 2004 corn crop. (Source: http://www.fsa.usda.gov/dafp/psd/reports.htm) The average payment rate was 23 cents per bushel. For the entire 2003 crop, the payment rate was 5 cents per bushel, and 9 percent of the crop received a payment.

For the 2004 sorghum crop, producers have collected $8 million in LDPs covering 59 million bushels or about 13 percent of the crop. The average payment rate was 13 cents per bushel. For the entire 2003 crop, 16 percent received an LDP and the average payment rate was 18 cents.

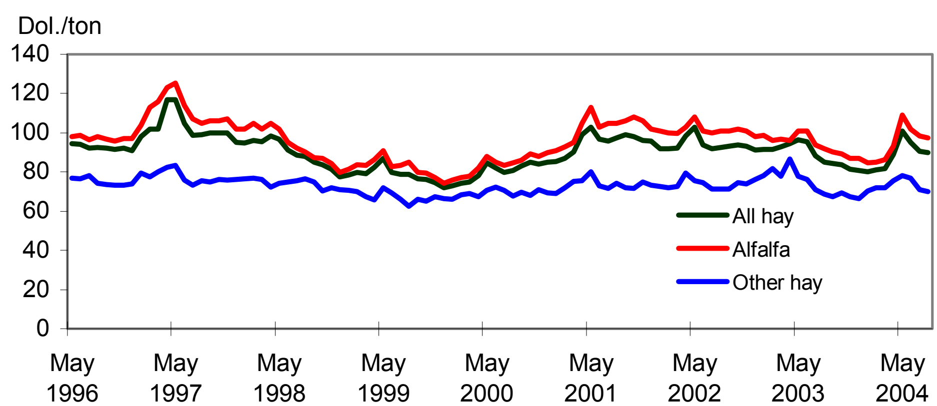
For barley, producers have collected $43 million in LDPs covering about 49 percent of the crop. The average payment rate for 2004 LDPs is 32 cents per bushel. About 2 percent of the 2003 crop received an LDP with an average payment rate of 6 cents per bushel. Oats producers have received $2 million in LDPs on 21 million bushels or 18 percent of the crop; the average payment rate is 9 cents per bushel. For the entire 2003 crop year, oats producers received $3 million in LDPs on 26 percent of the crop, with an average payment of 8 cents.

Figure 11
**Hay production and RCAU**




Source: National Agricultural Statistic Service and Economic Research Service, USDA.

Figure 12
**Hay prices received by farmers, May 1996-May 2004**




Source: Agricultural Marketing Service, USDA.

### *Increased Foreign Coarse Grain Production Projected This Month*

World coarse grain production is up sharply this month mostly because of the enormous U.S. corn crop. Moreover, foreign coarse grain production is up 1.4 million tons this month to 662 million tons. The largest coarse grain production increase is for Romania, up 2.1 million tons, mostly because of favorable growing conditions for corn. China's corn crop was also increased 2 million tons as area planted was reportedly greater than earlier expected as producers apparently responded favorably to government incentives. The EU-25 coarse grain production projection increased 1.3 million tons this month to 145 million. The largest increase was for Poland with increased production of corn, triticale, and rye. However, these increases were partly offset by reductions projected for several countries including: India, down 2.1 million tons because spotty monsoon rains missed major sorghum and millet regions; Brazil, down 0.5 million tons as lower corn prices reduce expected area and input use; Canada, down 0.4 million tons based on Stats Canada's surveys showing reductions for corn, barley, and oats; Ukraine, down 0.3 million on reduced barley yields; and a number of countries in Sub-Saharan Africa, down 1.1 million tons because of problems ranging from dryness to war.

### *Foreign Coarse Grain Use and Stocks Up Slightly*

Foreign coarse grain use is up 0.5 million tons this month to 723.4 million. The largest increase is for Romania, up 1.6 million tons, with a larger corn crop. China's coarse grain use is up 1.4 million tons this month as more corn is expected to be used for industrial uses, especially starch. The EU-25, Australia, and some others have smaller increases in projected coarse grain use. However, these increases are mostly offset by reduced coarse grain use for India, down 2 million tons, mostly because lower production is expected to stifle human consumption; Canada, down 0.4 million due to increased use of feed wheat; Malaysia, down nearly 0.4 million because of the effects of bird flu; South Korea, down 0.2 million because of increased imports of wheat for feeding; and several Sub-Saharan African countries, down 0.8 million due to reduced production.

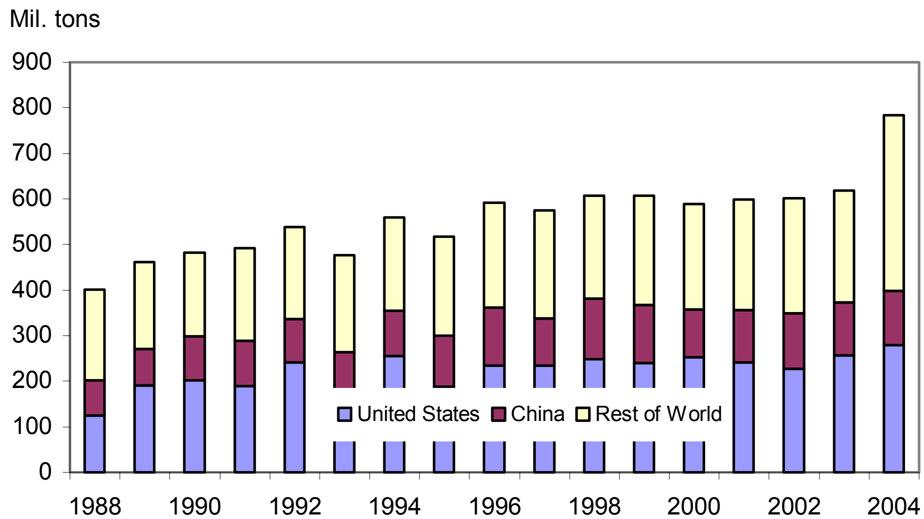
Foreign coarse grain ending stocks in 2004/05 are projected to reach 95 million tons, up 1 million this month. Increased production and beginning stocks are more than offsetting a small increase in use and a drop in imports. Stocks are up in the EU-25 because of increased production, up in Canada due to larger beginning stocks reported by Stats Canada, and in Romania.

### *World 2004/05 Coarse Grain Trade Down Slightly as U.S. Corn Exports Slower Than Expected*

World coarse grain trade in 2004/05 is projected to reach 101 million tons, down slightly this month. Ample supplies of feed wheat in Canada are expected to reduce their need to import corn, and will likely boost competition between feed-quality wheat and corn in markets like South Korea. Malaysia's corn imports are reduced because of problems with bird flu. These declines more than offset increased imports forecast for Venezuela, Jordan, Morocco, and others. With increased production, Romania's corn exports are up slightly this month.

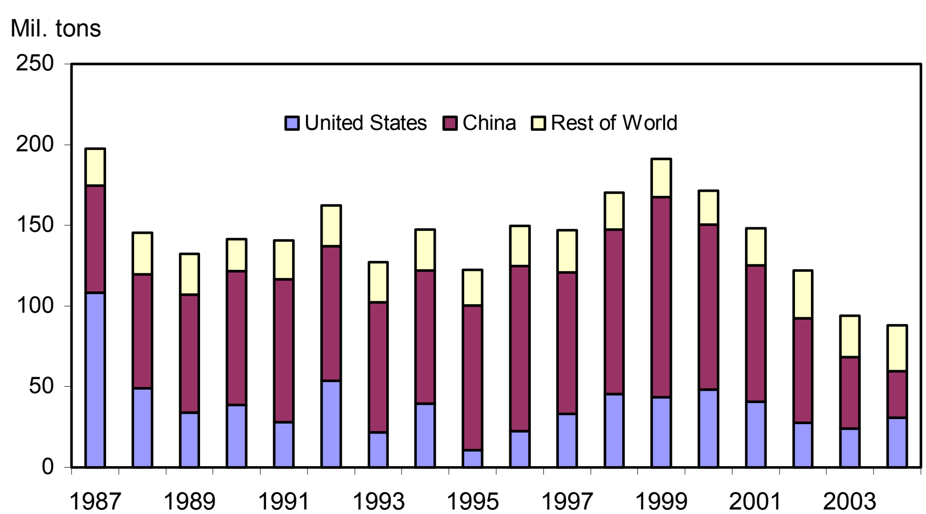
The largest 2004/05 (October-September) trade change is a 0.5-million-ton drop in U.S. corn exports to 52.5 million tons. U.S. corn exports are still forecast to increase 8 percent compared with the previous year because of reduced competition from China and Brazil. However, the pace of corn sales has not been strong recently. According to *U.S. Export Sales*, as of September 30, 2004, corn outstanding sales were 7.4 million tons, down more than 1 million tons compared with a year ago. Given recent price declines and the extremely large U.S. crop, importers have little urgency to make purchases. As the year progresses, U.S. corn sales are expected to pick up.

Figure 13
**World corn production**




Source: Foreign Agricultural Service, USDA.

Figure 14
**World corn ending stocks**




Source: Foreign Agricultural Service, USDA.

## Contacts and Links

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### *Data*

The Feed Grains Data Delivery System (http://www.ers.usda.gov/db/feedgrains/) is a queryable database that contains monthly, quarterly, and annual data on prices, supply, and use of corn and other feed grains. This includes data published in the monthly *Feed Outlook* and the annual *Feed Yearbook* reports.

### *Recent Reports*

*Black Sea Grain Exports: Will They Be Moderate or Large?* This report examines the prospects for grain exports by the transition economies of Central and Eastern Europe (CEE) and the Newly Independent States (NIS) that export through the Black Sea, the largest being Russia and Ukraine. This report is available at: http://www.ers.usda.gov/publications/WRS04/OCT04/WRS040502/

*Forecasting Feed Grain Prices in a Changing Environment.* Structural change has been occurring throughout the feed grains sector and has affected commodity markets and price forecasting relationships. This report includes tests for structural change and season average farm level price forecasting models for corn, sorghum, barley, and oats. This report is available at: http://www.ers.usda.gov/publication/FDS/jul04/fds04F01/

### *Related Websites*

WASDE (http://www.usda.gov/oce/waob/wasde/latest.pdf)
Grain Circular (http://www.fas.usda.gov/grain/circular/2004/10-04/graintoc.htm)
World Agricultural Production http://www.fas.usda.gov/wap_arc.html
Corn Briefing Room (http://www.ers.usda.gov/briefing/corn/)

Table 1--Feed grains:  Marketing year supply and disappearance 1/

| Year/ Qtr. | Beg. stocks | Produc-tion | Im-ports | Supply | FSI | Feed & resid. | Ex-ports | Total disp. | End. stocks | Farm price |
|---|---|---|---|---|---|---|---|---|---|---|
| **Corn:** | | | | ----Million bushels---- | | | | | | $/bu |
| 2001/02 | | | | | | | | | | |
| Sep-Nov | 1,899 | 9,503 | 2 | 11,404 | 492 | 2,199 | 448 | 3,139 | 8,265 | 1.86 |
| Dec-Feb | 8,265 | --- | 2 | 8,266 | 482 | 1,540 | 448 | 2,471 | 5,795 | 1.96 |
| Mar-May | 5,795 | --- | 4 | 5,799 | 539 | 1,166 | 497 | 2,203 | 3,597 | 1.93 |
| June-Aug | 3,597 | --- | 2 | 3,599 | 532 | 958 | 512 | 2,002 | 1,596 | 2.16 |
| Mkt. yr. | 1,899 | 9,503 | 10 | 11,412 | 2,046 | 5,864 | 1,905 | 9,815 | 1,596 | 1.97 |
| 2002/03 | | | | | | | | | | |
| Sep-Nov | 1,596 | 8,967 | 3 | 10,567 | 549 | 1,986 | 393 | 2,929 | 7,638 | 2.34 |
| Dec-Feb | 7,638 | --- | 4 | 7,642 | 563 | 1,557 | 390 | 2,510 | 5,132 | 2.33 |
| Mar-May | 5,132 | --- | 5 | 5,137 | 617 | 1,141 | 393 | 2,152 | 2,985 | 2.35 |
| June-Aug | 2,985 | --- | 2 | 2,987 | 611 | 879 | 411 | 1,900 | 1,087 | 2.21 |
| Mkt. yr. | 1,596 | 8,967 | 14 | 10,578 | 2,340 | 5,563 | 1,588 | 9,491 | 1,087 | 2.32 |
| 2003/04 | | | | | | | | | | |
| Sep-Nov | 1,087 | 10,114 | 2 | 11,203 | 598 | 2,181 | 470 | 3,249 | 7,954 | 2.16 |
| Dec-Feb | 7,954 | --- | 4 | 7,957 | 616 | 1,571 | 499 | 2,686 | 5,271 | 2.42 |
| Mar-May | 5,271 | --- | 5 | 5,277 | 684 | 1,153 | 469 | 2,306 | 2,970 | 2.82 |
| June-Aug | 2,970 | --- | 2 | 2,972 | 676 | 876 | 462 | 2,014 | 958 | 2.55 |
| Mkt. yr. | 1,087 | 10,114 | 13 | 11,214 | 2,575 | 5,781 | 1,900 | 10,256 | 958 | 2.42 |
| 2004/05 | | | | | | | | | | |
| Mkt. yr. | 958 | 11,613 | 15 | 12,586 | 2,770 | 6,050 | 2,075 | 10,895 | 1,691 | 1.75-2.15 |
| **Sorghum:** | | | | | | | | | | |
| 2001/02 | | | | | | | | | | |
| Sep-Nov | 42 | 514 | 0 | 556 | 6 | 173 | 63 | 242 | 314 | 1.86 |
| Dec-Feb | 314 | --- | 0 | 314 | 6 | 36 | 78 | 120 | 194 | 1.84 |
| Mar-May | 194 | --- | 0 | 194 | 6 | 29 | 53 | 89 | 105 | 1.78 |
| June-Aug | 105 | --- | 0 | 105 | 5 | -8 | 47 | 45 | 61 | 2.25 |
| Mkt. yr. | 42 | 514 | 0 | 556 | 23 | 230 | 242 | 495 | 61 | 1.94 |
| 2002/03 | | | | | | | | | | |
| Sep-Nov | 61 | 361 | 0 | 422 | 5 | 134 | 51 | 190 | 232 | 2.43 |
| Dec-Feb | 232 | --- | 0 | 232 | 5 | 18 | 46 | 69 | 163 | 2.38 |
| Mar-May | 163 | --- | 0 | 163 | 8 | 33 | 40 | 81 | 82 | 2.21 |
| June-Aug | 82 | --- | 0 | 82 | 6 | -14 | 48 | 39 | 43 | 2.13 |
| Mkt. yr. | 61 | 361 | 0 | 422 | 24 | 170 | 184 | 379 | 43 | 2.32 |
| 2003/04 | | | | | | | | | | |
| Sep-Nov | 43 | 411 | 0 | 454 | 7 | 151 | 61 | 218 | 236 | 2.27 |
| Dec-Feb | 236 | --- | 0 | 236 | 6 | 14 | 57 | 77 | 159 | 2.43 |
| Mar-May | 159 | --- | 0 | 159 | 7 | 25 | 47 | 78 | 81 | 2.75 |
| June-Aug | 81 | --- | 0 | 81 | 1 | 11 | 35 | 47 | 34 | 2.39 |
| Mkt. yr. | 43 | 411 | 0 | 454 | 20 | 201 | 200 | 421 | 34 | 2.39 |
| 2004/05 | | | | | | | | | | |
| Mkt. yr. | 34 | 462 | 0 | 495 | 50 | 180 | 225 | 455 | 40 | 1.70-2.10 |

continued--

Table 1--Feed grains:  Marketing year supply and disappearance (cont.) 1/

| Year/ Qtr. | Beg. stocks | Produc- tion | Im- ports | Supply | FSI | Feed & resid. | Ex- ports | Total disp. | End. stocks | Farm price |
|---|---|---|---|---|---|---|---|---|---|---|
| **Barley:** | | | | ------Million bushels---- | | | | | | $/bu |
| 2001/02 | | | | | | | | | | |
| June-Aug | 106 | 248 | 8 | 362 | 44 | 62 | 11 | 117 | 245 | 2.24 |
| Sep-Nov | 245 | --- | 5 | 250 | 39 | 9 | 7 | 55 | 195 | 2.27 |
| Dec-Feb | 195 | --- | 6 | 201 | 37 | 17 | 5 | 59 | 142 | 2.16 |
| Mar-May | 142 | --- | 5 | 147 | 52 | 0 | 3 | 55 | 92 | 2.16 |
| Mkt. yr. | 106 | 248 | 24 | 379 | 172 | 88 | 26 | 286 | 92 | 2.22 |
| 2002/03 | | | | | | | | | | |
| June-Aug | 92 | 227 | 9 | 328 | 44 | 54 | 7 | 104 | 224 | 2.48 |
| Sep-Nov | 224 | --- | 3 | 227 | 39 | 11 | 7 | 57 | 170 | 2.68 |
| Dec-Feb | 170 | --- | 5 | 175 | 37 | 6 | 8 | 51 | 123 | 2.88 |
| Mar-May | 123 | --- | 2 | 125 | 53 | -6 | 9 | 56 | 69 | 2.85 |
| Mkt. yr. | 92 | 227 | 18 | 337 | 173 | 65 | 30 | 268 | 69 | 2.72 |
| 2003/04 | | | | | | | | | | |
| June-Aug | 69 | 278 | 3 | 351 | 45 | 61 | 3 | 109 | 242 | 2.89 |
| Sep-Nov | 242 | --- | 4 | 246 | 38 | 1 | 9 | 48 | 198 | 2.83 |
| Dec-Feb | 198 | --- | 5 | 203 | 38 | 6 | 6 | 50 | 153 | 2.81 |
| Mar-May | 153 | --- | 8 | 161 | 51 | -10 | 0 | 41 | 120 | 2.77 |
| Mkt. yr. | 69 | 278 | 21 | 368 | 172 | 57 | 19 | 248 | 120 | 2.83 |
| 2004/05 | | | | | | | | | | |
| Mkt. yr. | 120 | 280 | 20 | 420 | 172 | 100 | 25 | 297 | 123 | 2.30-2.60 |
| **Oats:** | | | | | | | | | | |
| 2001/02 | | | | | | | | | | |
| June-Aug | 73 | 118 | 18 | 208 | 17 | 74 | 1 | 92 | 116 | 1.29 |
| Sep-Nov | 116 | --- | 48 | 165 | 17 | 33 | 1 | 50 | 114 | 1.59 |
| Dec-Feb | 114 | --- | 18 | 132 | 15 | 23 | 1 | 39 | 93 | 1.92 |
| Mar-May | 93 | --- | 12 | 105 | 24 | 18 | 0 | 42 | 63 | 1.99 |
| Mkt. yr. | 73 | 118 | 96 | 286 | 72 | 148 | 2.8 | 223 | 63 | 1.59 |
| 2002/03 | | | | | | | | | | |
| June-Aug | 63 | 116 | 14 | 193 | 17 | 63 | 0 | 81 | 112 | 1.70 |
| Sep-Nov | 112 | --- | 41 | 152 | 17 | 31 | 1 | 48 | 104 | 1.82 |
| Dec-Feb | 104 | --- | 23 | 127 | 15 | 28 | 1 | 44 | 83 | 2.05 |
| Mar-May | 83 | --- | 18 | 101 | 23 | 28 | 0 | 51 | 50 | 2.01 |
| Mkt. yr. | 63 | 116 | 95 | 274 | 72 | 150 | 2.6 | 224 | 50 | 1.81 |
| 2003/04 | | | | | | | | | | |
| June-Aug | 50 | 144 | 21 | 215 | 16 | 68 | 1 | 84 | 132 | 1.44 |
| Sep-Nov | 132 | --- | 28 | 160 | 17 | 23 | 1 | 41 | 119 | 1.39 |
| Dec-Feb | 119 | --- | 21 | 140 | 16 | 29 | 1 | 45 | 95 | 1.54 |
| Mar-May | 95 | --- | 20 | 115 | 25 | 25 | 0 | 50 | 65 | 1.64 |
| Mkt. yr. | 50 | 144 | 90 | 285 | 73 | 144 | 2.5 | 220 | 65 | 1.48 |
| 2004/05 | | | | | | | | | | |
| Mkt. yr. | 65 | 117 | 85 | 266 | 74 | 135 | 3.0 | 212 | 54 | 1.30-1.50 |

Totals may not add due to rounding.

1/  Corn and sorghum are on a September 1 to August 31 marketing year.

Barley and oats are on a June 1 to May 31 marketing year.

Source: Economic Research Service, U.S. Department of Agriculture.

Table 2--Feed and residual use of wheat and coarse grains

| Year beginning Sept. 1 | Corn | Sorg. | Barley | Oats | Feed grains | Wheat | Total grains | Animal units | Feed/ animal unit |
|---|---|---|---|---|---|---|---|---|---|
| | --------------------------- Million metric tons | | | | | | -------------------------------- | Mil. | Tons |
| **2002/03** | | | | | | | | | |
| Sep-Nov | 50.5 | 3.4 | 0.2 | 0.6 | 54.7 | -2.0 | 52.6 | | |
| Dec-Feb | 39.5 | 0.5 | 0.1 | 0.5 | 40.6 | 0.5 | 41.1 | | |
| Mar-May | 29.0 | 0.8 | -0.1 | 0.4 | 30.1 | -0.2 | 29.9 | | |
| June-Aug | 22.3 | -0.4 | 1.3 | 1.0 | 24.3 | 8.6 | 32.9 | | |
| Mkt. yr. | 141.3 | 4.3 | 1.6 | 2.5 | 149.7 | 6.8 | 156.5 | 88.3 | 1.77 |
| **2003/04** | | | | | | | | | |
| Sep-Nov | 55.4 | 3.8 | 0.0 | 0.4 | 59.7 | -1.6 | 58.1 | | |
| Dec-Feb | 39.9 | 0.3 | 0.1 | 0.5 | 40.8 | 0.1 | 41.0 | | |
| Mar-May | 29.3 | 0.6 | -0.2 | 0.4 | 30.1 | -1.4 | 28.7 | | |
| June-Aug | 22.2 | 0.3 | 1.5 | 1.0 | 25.0 | 7.3 | 32.3 | | |
| Mkt. yr. | 146.8 | 5.1 | 1.4 | 2.3 | 155.6 | 4.4 | 160.1 | 89.5 | 1.79 |
| **2004/05** | | | | | | | | | |
| Mkt. yr. | 153.7 | 4.6 | 2.2 | 2.2 | 162.7 | 5.1 | 167.8 | 89.7 | 1.87 |

Source: USDA, Economic Research Service.

Table 3--Cash feed grain prices

| | Corn, No. 2, Yel, Ctrl. IL 1/ | Corn, No. 2, Yel, Gulf ports 1/ | Sorghum, No. 2, Yel, Texas High Plains 1/ | Sorghum, No. 2, Yel, Gulf ports 1/ | Barley, No. 2, feed, Duluth 2/ | Barley, No. 3 or better, Malting, Minn. 2/ | Oats, No. 2, Heavy white, Minn. 2/ |
|---|---|---|---|---|---|---|---|
| Mkt. yr. | $/bu | $/bu | $/cwt | $/cwt | $/bu | $/bu | $/bu |
| 2001/02 | 1.92 | 2.28 | 3.90 | 4.23 | 1.52 | 2.44 | NQ |
| 2002/03 3/ | 2.35 | 2.72 | NQ | NQ | 1.89 | 3.48 | NQ |
| 2003/04 3/ | 2.60 | 3.03 | NQ | NQ | 1.83 | 2.85 | NQ |
| Monthly: | | | | | | | |
| **2003:** | | | | | | | |
| May | 2.40 | 2.74 | 4.76 | 4.76 | 2.00 | 3.85 | NQ |
| June | 2.37 | 2.72 | NQ | NQ | 2.00 | 3.76 | NQ |
| July | 2.13 | 2.72 | NQ | NQ | 1.92 | 3.64 | 1.55 |
| Aug. | 2.26 | 2.44 | NQ | NQ | 1.78 | 2.87 | NQ |
| **2004:** | | | | | | | |
| May | 2.90 | 3.28 | NQ | 5.42 | 1.85 | 2.70 | NQ |
| June | 2.76 | 3.13 | 5.15 | 5.24 | 1.98 | 2.79 | 1.88 |
| July | 2.26 | 2.65 | 4.36 | 4.50 | 1.99 | 2.67 | 1.88 |
| Aug. 3/ | 2.27 | 2.64 | 4.28 | 4.69 | 1.79 | 2.33 | NQ |

1/ Marketing year beginning September 1.

2/ Marketing year beginning June 1. 3/ Preliminary. NQ = No quote.

Source: U.S. Department of Agriculture, Agricultural Marketing Service.

Table 4--Selected feed and feed byproduct prices

| | Soybean meal high protein Decatur, IL 1/ | Cotton-seed meal, 41% slv. Memphis 1/ | Corn gluten feed, IL pts. 1/ | Corn gluten meal, IL pts. 1/ | Meat & bone meal, Central U.S. 1/ | Dists.' dried grains, Lawrence-burg, IN 1/ | Wheat midlgs, Kansas City 1/ | Alfalfa farm price 2/ |
|---|---|---|---|---|---|---|---|---|
| | | | | $/ton | | | | |
| Mkt. yr. | | | | | | | | |
| 2001/02 | 165.53 | 134.06 | 59.71 | 242.86 | 167.55 | 78.48 | 59.31 | 104.00 |
| 2002/03 3/ | 178.87 | 147.23 | 65.27 | 241.65 | 170.81 | 74.94 | 64.02 | 100.00 |
| 2003/04 3/ | 260.06 | 182.87 | 83.24 | 326.83 | 216.39 | 115.90 | 75.78 | 100.00 |
| Monthly: | | | | | | | | |
| **2003:** | | | | | | | | |
| May | 195.40 | 131.75 | 62.50 | 235.00 | 170.90 | 86.00 | 49.80 | 101.00 |
| June | 191.90 | 131.50 | 62.90 | 230.40 | 172.50 | 81.00 | 54.70 | 101.00 |
| July | 187.30 | 143.00 | 59.50 | 223.50 | 177.60 | 81.00 | 46.10 | 93.80 |
| Aug. | 189.70 | 151.70 | 61.60 | 226.90 | 194.10 | NQ | 63.00 | 91.90 |
| **2004:** | | | | | | | | |
| May | 307.13 | 185.00 | 84.25 | 344.10 | 209.73 | 123.00 | 68.28 | 109.00 |
| June | 311.50 | 185.40 | 70.50 | 332.50 | 201.33 | 123.00 | 67.50 | 102.00 |
| July 3/ | 293.63 | 177.50 | 64.50 | NQ | 255.00 | 97.00 | 63.88 | 98.40 |
| Aug. 3/ | 206.70 | 156.20 | 60.60 | 267.50 | 182.57 | NQ | 62.30 | 97.40 |

1/ Marketing year beginning September 1. 2/ Marketing year beginning May 1. 3/ Preliminary. NQ=No quote.

Sources: U.S. Department of Agriculture, Agricultural Marketing Service and National Agricultural Statistics Service.

Table 5--Corn: Food and industrial uses

| Year | HFCS | Glucose and dex. | Starch | ---Alcohol--- Fuel | Bev. & Mfg. | Cereals & other products | Total food & industrial |
|---|---|---|---|---|---|---|---|
| | | | | Million bushels | | | |
| **2002/03** | | | | | | | |
| Sep-Nov | 126.6 | 54.5 | 63.5 | 225.9 | 32.0 | 46.5 | 549.0 |
| Dec-Feb | 121.1 | 49.9 | 63.0 | 249.3 | 33.6 | 46.5 | 563.3 |
| Mar-May | 139.7 | 56.0 | 64.1 | 256.5 | 35.1 | 47.0 | 598.4 |
| June-Aug | 144.4 | 59.0 | 65.0 | 263.8 | 30.3 | 47.0 | 609.5 |
| Mkt. year | 531.8 | 219.3 | 255.7 | 995.5 | 131.0 | 186.9 | 2,320.2 |
| **2003/04** | | | | | | | |
| Sep-Nov | 127.6 | 57.7 | 65.4 | 268.7 | 32.3 | 46.6 | 598.3 |
| Dec-Feb | 120.4 | 51.5 | 65.9 | 298.1 | 33.8 | 46.6 | 616.3 |
| Mar-May | 140.1 | 58.8 | 70.0 | 312.9 | 35.4 | 47.1 | 664.3 |
| June-Aug | 143.3 | 60.8 | 71.3 | 320.3 | 30.5 | 47.1 | 673.3 |
| Mkt. year | 531.4 | 228.8 | 272.6 | 1,200.0 | 132.0 | 187.4 | 2,552.2 |
| **2004/05** | | | | | | | |
| Mkt. year | 536.0 | 237.0 | 285.0 | 1,370.0 | 133.0 | 189.0 | 2,750.0 |

Source: U.S. Department of Agriculture, Economic Research Service.

Table 6--Wholesale corn milling product and byproduct prices

| | Corn meal, yellow, New York | Brewers' grits, Chicago | Sugar, dextrose, Midwest | HFCS, 42% tank cars, Midwest | Corn starch, fob Midwest 3/ |
|---|---|---|---|---|---|
| | $/cwt | $/cwt | cents/lb | cents/lb | $/cwt |
| Mkt. yr. 1/ | | | | | |
| 2001/02 | 15.74 | 11.75 | 18.61 | 10.58 | 12.46 |
| 2002/03 | 16.45 | 12.86 | 20.36 | 11.65 | 13.21 |
| 2003/04 2/ | 17.12 | 13.11 | 21.81 | 12.48 | 13.03 |
| Monthly | | | | | |
| **2003:** | | | | | |
| June | 16.73 | 12.62 | 20.88 | 11.50 | 13.24 |
| July | 16.28 | 12.18 | 20.88 | 11.50 | 13.15 |
| Aug. | 16.68 | 12.57 | 20.90 | 11.50 | 12.67 |
| Sept. | 16.60 | 12.49 | 20.88 | 11.50 | 12.49 |
| **2004:** | | | | | |
| June | 17.51 | 14.43 | 21.98 | 12.75 | 13.90 |
| July | 16.58 | 12.48 | 21.98 | 12.75 | 14.02 |
| Aug. | 16.31 | 12.21 | 21.98 | 12.75 | 12.79 |
| Sept. 2/ | 16.73 | 12.63 | 21.98 | 12.75 | 12.55 |

1/ Marketing year beginning September 1. 2/ Preliminary. 3/ Bulk-industrial, unmodified.

Source: Milling and Baking News.

Table 7--U.S. feed grains imports by country of origin

| Country/region | ------2002/2003------ | | ------2003/2004------ | | 2004/2005 |
|---|---|---|---|---|---|
| | Mkt. yr. | June-Aug. | Mkt. yr. | June-Aug. | June-Aug. |
| **Oats:** | | | Thousand tons | | |
| Canada | 843 | 92 | 1,206 | 242 | 150 |
| Finland | 360 | 58 | 185 | 75 | 19 |
| Sweden | 381 | 83 | 167 | 49 | 114 |
| Total 1/ | 1,640 | 233 | 1,559 | 366 | 284 |
| **Barley, malting:** | | | | | |
| Canada | 317 | 187 | 321 | 13 | 37 |
| Total 1/ | 360 | 187 | 400 | 64 | 37 |
| **Barley, other:** 2/ | | | | | |
| Canada | 42 | 8.7 | 50 | 4 | 9 |
| Total 1/ | 42 | 8.7 | 50 | 4 | 9 |

1/ Totals may not add due to rounding. 2/ Mainly consists of barley for feeding and also includes seed barley.

Source: Bureau of the Census, U.S. Dept. of Commerce.

Table 8--U.S. feed grain exports by selected destinations 1/

| Country/region | ------2001/02-------- Mkt. yr. | | ------2002/03-------- Mkt. yr. | | 2003/2004 Mkt. yr. |
|---|---|---|---|---|---|
| | | | 1,000 metric tons | | |
| **Corn:** | | | | | |
| Japan | 14,893 | | 14,381 | | 14,604 |
| Mexico | 4,464 | | 5,245 | | 5,497 |
| Taiwan | 4,680 | | 4,053 | | 4,698 |
| Egypt | 4,468 | | 2,686 | | 3,167 |
| S. Korea | 1,355 | | 270 | | 3,661 |
| Canada | 3,909 | | 3,919 | | 1,996 |
| Colombia | 1,698 | | 1,598 | | 1,689 |
| Venezuela | 460 | | 608 | | 651 |
| Algeria | 1,367 | | 898 | | 1,270 |
| Saudi Arabia | 714 | | 131 | | 300 |
| Dominican Republic | 1,030 | | 937 | | 734 |
| Israel | 832 | | 268 | | 1,176 |
| Syria | 786 | | 517 | | 711 |
| Turkey | 747 | | 981 | | 584 |
| Morocco | 600 | | 78 | | 653 |
| Costa Rica | 463 | | 529 | | 565 |
| Tunisia | 714 | | 123 | | 618 |
| Peru | 261 | | 42 | | 115 |
| Iran | 63 | | -- | | -- |
| Sub-Saharan Africa | 695 | | 333 | | 153 |
| Former USSR | 86 | | -- | | 39 |
| Chile | 34 | | -- | | 19 |
| EU | 26 | | 7 | | 47 |
| East Europe | 15 | | -- | | -- |
| China | 20 | | -- | | -- |
| Others | 3,790 | | 2,590 | | 4,159 |
| Total | 48,172 | | 40,194 | | 47,106 |
| **Sorghum:** | | | | | |
| Mexico | 4,653 | | 3,184 | | 2,813 |
| Japan | 1,264 | | 991 | | 935 |
| Israel | 30 | | 39 | | 131 |
| EU | 9 | | 182 | | 866 |
| Others | 71 | | 104 | | 117 |
| Total | 6,027 | | 4,501 | | 4,862 |
| | ------2002/2003------ | | ------2003/2004------ | | 2004/2005 |
| | Mkt. yr. | June-Aug. | Mkt. yr. | June-Aug. | June-Aug. |
| **Barley:** | | | | | |
| Saudi Arabia | -- | -- | -- | -- | -- |
| Japan | 358 | 41 | 216 | 41 | 5 |
| Mexico | 25 | 2 | 15 | 2 | 4 |
| Taiwan | -- | -- | -- | -- | -- |
| Canada | 195 | 20 | 36 | 20 | 9 |
| Other | 73 | 80 | 141 | 10 | 7 |
| Total | 650 | 143 | 408 | 72 | 25 |

1/ Totals may not add due to rounding.

Source: Bureau of the Census, U.S. Dept. of Commerce.