United States Department of Agriculture

FDS-05f

July 14, 2005

Outlook

Electronic Outlook Report from the Economic Research Service

www.ers.usda.gov

Feed Outlook

Allen Baker and Edward Allen

Feed Grains Supplies Remain Large

Contents

The next release is Aug. 16, 2005

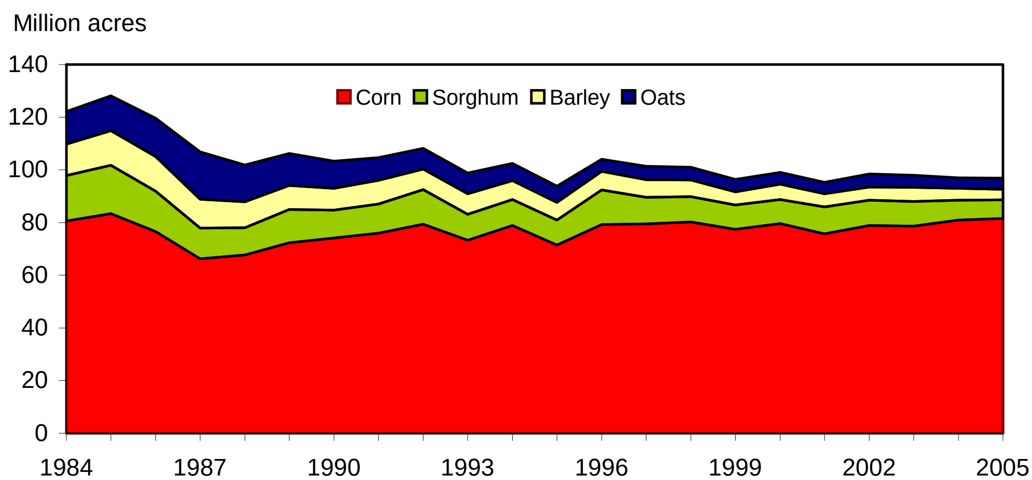
Approved by the World Agricultural Outlook Board.

Boosted by large carryin stocks, total feed grain supply in 2005/06 is estimated to be the highest since 1986/87. With strong demand for feed grains from the domestic livestock and poultry industries, food and industrial uses, and exports, the supplies will be mostly utilized, and ending stocks are projected to rise only modestly. U.S. 2004/05 corn exports are forecast up 25 million bushels to 1,825 million bushels. The recent pace of sales and shipments has been somewhat stronger than earlier expected. Prices, while increased from last month, are projected to be weaker than in 2004/05.

Global coarse grain production in 2005/06 is projected down this month with most of the decline in the United States and some in Canada. Foreign coarse grain production, consumption, and ending stocks are slightly lower.

Figure 1

Planted area for corn, sorghum, barley, and oats



Source: National Agricultural Statistics Service, USDA.

Domestic Outlook

Feed Grain Supply To Expand in 2005/06

U.S. feed grain production in 2005 is projected at 291 million metric tons, down 4.8 million from a month ago and down 27.9 million from 2004. The June 30 Acreage report showed planted acres increased from earlier intentions for corn and oats while sorghum and barley acres declined. The first survey-based production forecast for barley was up 18 million bushels from the previous projection, which was based on trend yields and expected plantings, and oats was up 1.3 million bushels. The United States Department of Agriculture will make its first survey based forecasts for corn and sorghum in August.

Feed grain supply in 2005/06 is projected at 352 million metric tons, down 2 percent from last month, but 1.9 million tons more than in 2004/05. An increase in forecast beginning stocks, except for oats, has led to the increased supply which is the highest since 1986/87. Beginning stocks were decreased 3.1 million metric tons this month to 58.6 million because of larger 2004/05 expected exports.

Projected total use of feed grains in 2004/05 was increased 3.1 million metric tons this month, reflecting larger-than-expected exports to date. Projected feed and residual use was increased, but food, seed, and industrial use declined slightly. For 2005/06, projected total use was unchanged from last month. Ending stocks for 2005/06 are projected at 62 million tons, down 8 million from last month but up 3.2 million from 2004/05. Prices in 2005/06 were increased because of the smaller production and some opportunities for farmers to lock in price increases.

Feed and Residual Use in 2005/06 To Decrease

Feed and residual use in 2005/06 is expected to total 157 million metric tons and account for 54 percent of total use. When converted to a September-August marketing year, feed and residual use for the four feed grains plus wheat is projected to total 163 million tons, down from 2004/05's 170.7 million. Feed and residual can be expected to be relatively larger when yields are high as was the case in 2004. Corn is estimated to account for 91 percent of the feed and residual use, down from 92 percent in 2004/05.

The index of grain consuming animal units (GCAUs) for 2005/06 is expected to be down 0.7 million units from 2004/05's 90.4 million units. The grain used per GCAU would be 1.82 tons, down 4 percent from 2004/05. In the index components, GCAUs for cattle on feed are down, while those for the other categories are essentially unchanged.

Cattle on feed in feedlots with capacity of 1,000 head or more on June 1 were up 1 percent from a year earlier. May placements were up 2 percent from a year earlier. Thus, current feed use by cattle feedlots is stronger than last year. However, recent calf crops would suggest placements should be declining. Although the cow herd was up marginally on January 1, 2005, it had been declining since 1996. The 2004 calf crop was the smallest since 1951. In January-May 2005, steer and heifer slaughter has declined 3 percent from last year, heifer slaughter was down 7 percent, while steers were down fractionally, suggesting more heifers are being kept for replacements. Heifers slaughtered under federal inspection during January-May

2005 were 31.5 percent of the total, down from 32.7 percent in the same period in 2004. With the smaller cattle herd and reduced calf crops, placements in late 2005 and 2006 are expected to decline and reduce the number of cattle on feed. As a result, cattle on feed numbers in 2005/06 may be down from 2003/04, and feed use by cattle could be smaller.

Pork production in 2006 is expected to increase over 1 percent from the 20.8 billion pounds expected in 2005, which is up 2 percent from 2004. Hog farmers responding to the June 2005 survey indicated that they intended to decrease the number of sows farrowing in June November 2005 by 10,000 head relative to the prior year. However, the number of pigs per litter during December-May was up, increasing the pig crop. As a result, feed use by the pork sector is likely to be up in 2005/06.

With strong prices for their products, broiler, turkey, and egg production in 2006 are expected to increase from the expected 2005 levels and continue strong demand for feed grains. Broiler production in 2006 is expected to increase 3 percent from the projected 2005 production, which is up 4 percent from a year earlier. Forecast turkey production in 2006 is up1 percent from 2005, which is up 16 million pounds from 2004. Egg producers are expected to produce 7.6 billion dozen eggs in 2006, up over 2 percent from the projected 2005 output. These forecast increases in production will likely increase feed use.

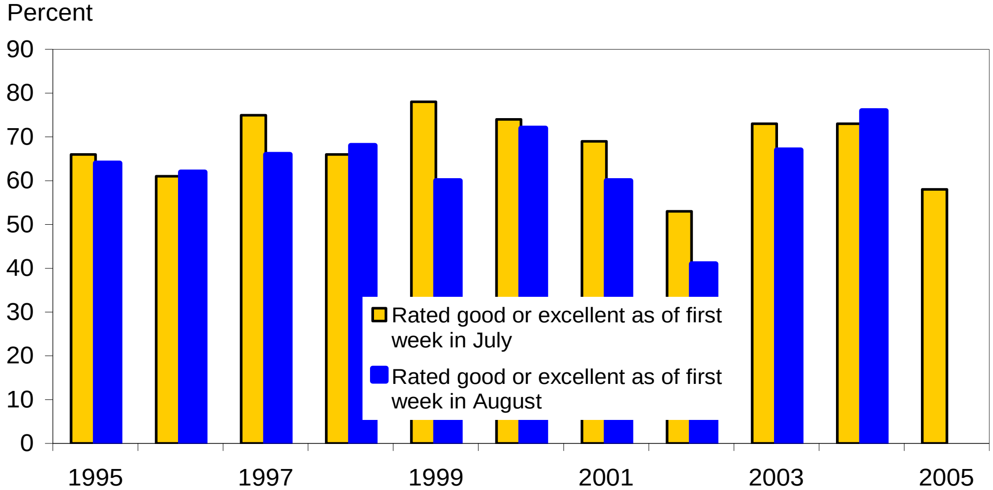
Corn Plantings Up From Intentions, but Yields Down

The projection for 2006 corn production was decreased 2 percent from last month because of an expected decrease in yields. Producers increased plantings 179,000 acres from their March intentions to 81.6 million acres, up from 80.9 million in 2004. Producers reported planting 52 percent biotech seed varieties, up from 47 percent last year. Yields were lowered from last month to 145 bushels per acre based on trend adjusted for planting progress and because crop conditions have declined since last month. As of July 10, 58 percent of the corn crop was rated good or excellent, down from 74 percent last year.

Projected corn use is unchanged from last month’s projection and up 10 million bushels from the estimate for 2004/05. In 2004/05, feed and residual use was increased to reflect the larger disappearance in the third quarter. Exports were increased 25 million bushels to reflect the pace of export shipments and stronger sales. Food, seed, and industrial (FSI) use was decreased 75 million bushels because of weaker than expected ethanol use in the year to date. As a result, ending stocks for 2004/05 were lowered 100 million bushels. For 2005/06, decreased beginning stocks and decreased production lowered supply, and, with unchanged use, ending stocks were lowered 300 million bushels.

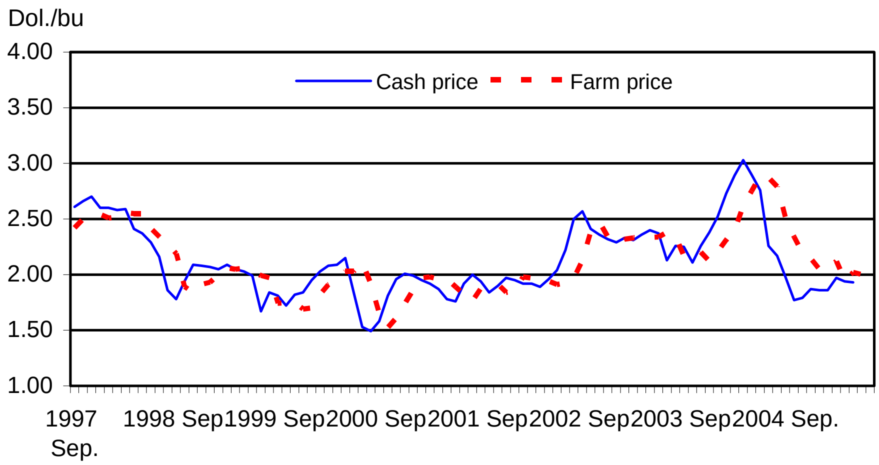
With decreased corn supplies in 2005/06 and ending stocks projected down from last month, prices were increased this month. The projected price for 2005/06 is $1.70-$2.10 per bushel, up from last month’s estimate of $1.55-$1.95. In 2004/05, the season average price received by farmers is expected to be $2.00-$2.10.

Figure 2
Corn conditions are down so far in 2005



Source: National Agricultural Statistics Service, USDA.

Figure 3
U.S. corn: Central Illinois cash and average farm price, September 1997-May 2005



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

Food, Seed and Industrial Use Continues To Increase

Food, seed, and industrial (FSI) use of corn in 2005/06 is expected to total 2.87 billion bushels, unchanged from last month. In 2004/05, FSI use is expected to total 2,685 million bushels, down 75 million from last month because of a 75-million-bushel decrease in ethanol use. In 2005/06, FSI use, if realized, would represent 27 percent of total use, up from 25 percent in 2004/05. FSI use in 2005/06 is expected to increase for most estimated uses, but corn used to produce ethanol shows the largest increase.

Based on the monthly ethanol production reported by the Energy Information Administration (EIA) in the Department of Energy, corn used to make ethanol in 2004/05 was estimated up 13 percent from the 1,168 million bushels used in 2003/04. Even though gasoline prices have increased sharply from last year, prices for ethanol reported by private newsletters declined during February, March, April, and leveled out in May then started rising in June as the summer driving season got under way. The most recent data available from EIA is for April, and the production per day was down from February and March. Since prices have strengthened, production will likely increase to near capacity during June, July and August. In 2005/06, additional ethanol plants will come on stream boosting demand for corn and is expected to utilize 1,500 million bushels, another 13 percent increase from 2004/05.

Corn used for high fructose corn syrup (HFCS) production in September 2004 May 2005 is expected to be down 4 percent from the same period in 2003/04. Since HFCS is used in soft drinks, the June August quarter is usually the strongest, and yearly production is expected to be down 1 percent. In 2005/06, corn used for HFCS production is expected to increase 1 percent from the forecast 515 million bushels used in 2004/05.

Corn used to make glucose and dextrose during September 2004 May 2006 is expected to be down 2 percent from the same period a year earlier and is expected to be down 3 percent for the year over year total. In the first three quarters of the 2004/05 corn marketing year, corn used for starch production has been up 4 percent from the same period in 2003/04. Corn starch is used in paper manufacturing and to make wallboard, both products that increase when the economy is expanding. For all of 2004/05, corn used to make starch is expected to increase 3 percent from 2003/04.

Projected Sorghum Production To Decline

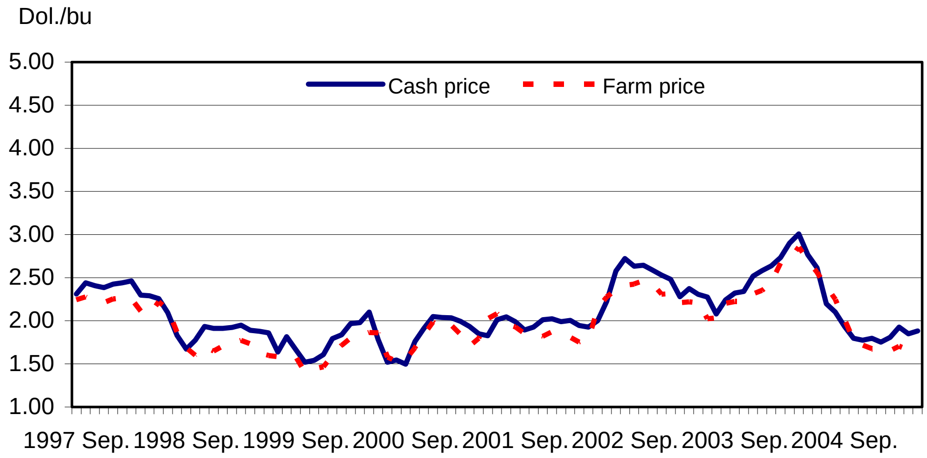
Sorghum production in 2005 is projected at 400 million bushels, down 5 million from a month ago because of fewer planted and harvested acres. Sorghum plantings are estimated at 7.0 million acres, down 387,000 from the March intentions. Harvested area is forecast at 6.0 million acres, down 328,000 from last month's projection, which was based on March planting intentions and a 5-year average difference between planted and harvested acres, excluding 2002. Sorghum production is 5-million-bushels lower because the smaller harvested area reported in the Acreage report more than offsets the increase in forecast yields; crop conditions indicate prospective yields are higher than the yields used last month.

Sorghum supplies in 2005/06 are expected to decrease from last month because of reduced production and reduced beginning stocks. For 2005/06, total use was unchanged from last month. The lower supplies resulted in ending stocks continuing to decline. For 2004/05, feed and residual use was increased 5 million bushels as suggested by the June 1 Grain Stocks report. Exports and export sales have been strong, and exports were boosted by 15 million bushels from last month. These changes resulted in a 20-million-bushel reduction in ending stocks.

Projected prices for 2004/05 are $1.65-$1.75 per bushel. The forecast price for sorghum in 2005/06 is $1.50-$1.90, approximately 89 percent of the corn price.

Figure 4

U.S. sorghum: Kansas City cash and average farm price, September 1997 to May 2005



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

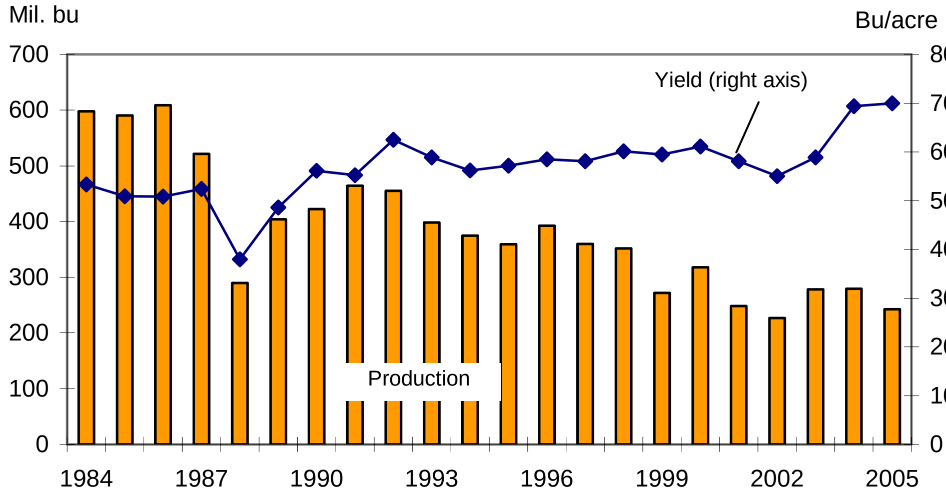
Barley Production Increases

The first survey based forecast of 2005 barley production is 243 million bushels, up 18 million from the previous projection but down 36 million from the 2004 crop. Planted area was down 4,000 acres from earlier intentions, down 557,000 acres from 2004, and the lowest since barley planted acreage estimates began in 1926. Harvested acres are estimated at 3.5 million and are down 14 percent from 2004, and the lowest since 1890. Average barley yields are forecast at a record 70 bushels per acre, up from last month's trend based projection of 63.6 bushels.

Total barley use in 2005/06 is projected to be up 5 million bushels from last month but down 23 million from 2003/04. Projected increased use from last month is in feed and residual, which is down 11 million bushels from 2004/05. Exports in 2005/06 were unchanged this month, but are down 7 million bushels from the prior marketing year. Small changes were made in 2004/05 reflecting the June 1 Grain Stocks, which finished the marketing year for barley. Exports were increased to 22 million bushels from the 21 million last month, and feed and residual was raised 857,000 bushels. Ending stocks were reported at 129 million bushels, down from the earlier estimate of 130 million, further emphasizing the desire of brewers to maintain stocks.

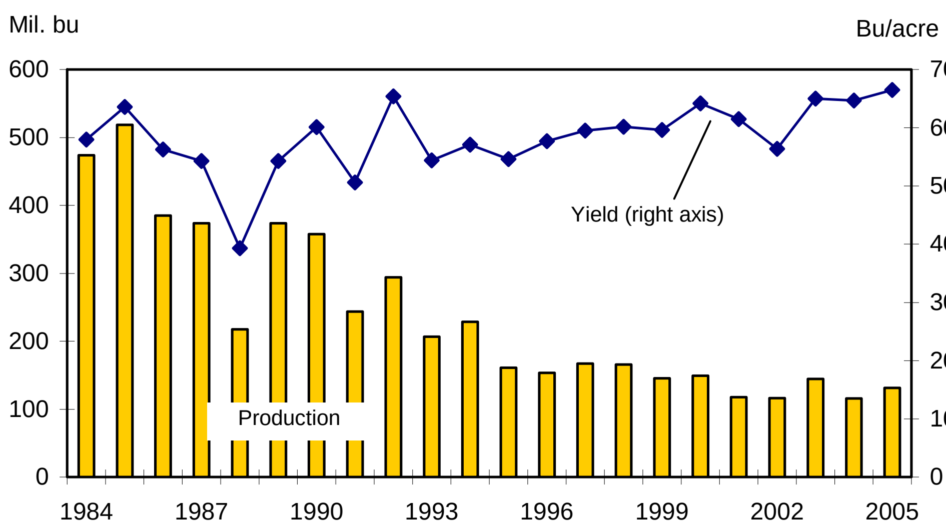
Prices received by farmers for barley in 2005/06 are expected to average $2.10-$2.50 per bushel, vs. the $2.48 reported for 2004/05. The spread between malting barley and feed barley increased, even though both malting and feed barley prices were lower. In 2004/05, the spread was 108 cents vs. 79 cents in 2003/04 and 85 cents in 2002/03.

Figure 5
Barley production and yield



Source: National Agricultural Statistics Service, USDA.

Figure 6
Oats production and yield



Source: National Agricultural Statistics Service, USDA.

Oats Production To Increase

Oats production is forecast at 131 million bushels in 2005 according to the first survey results, up 1 million from the initial projection, and up 13 percent from 2004. Planted acres are up 75,000 acres from the March intentions, and harvested acres are up 72,000 from last month's projection. Yields are forecast at a record 66.5 bushels per acre, up 3 bushels from the trend yield used last month and up 3 percent from 2004.

The 2005/06 use categories were unchanged this month. For 2004/05, feed and residual use was lowered 1 million bushels to account for the reported ending stocks. Feed and residual may also change slightly next month because trade data for May, the last month in the quarter, came out after the *World Agriculture Supply and Demand Estimates* deadline.

Prices received by farmers in 2005/06 are expected to average between $1.20 and $1.60 per bushel, compared with the $1.48 reported in 2004/05. The projected price is about the same ratio to the corn price as in 2004/05.

Harvested Hay Acreage To Decline Fractionally

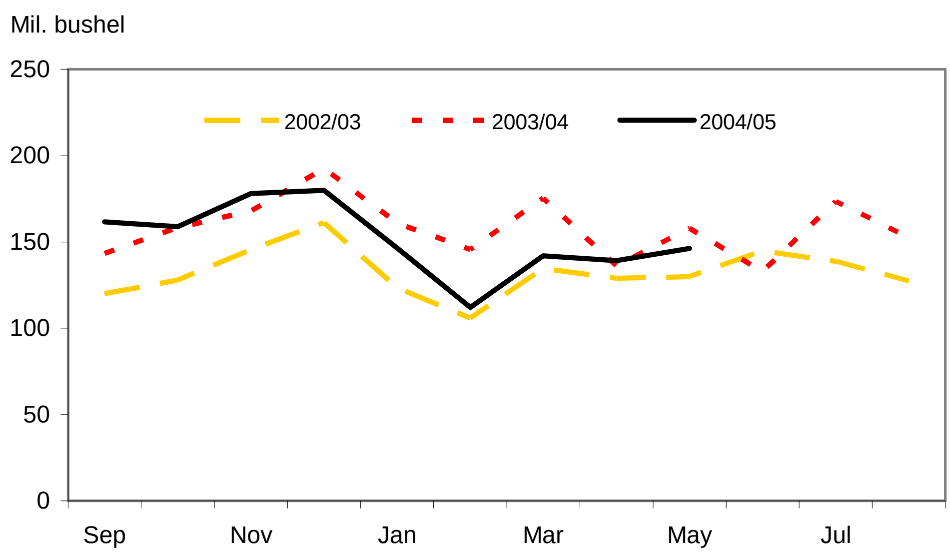
Producers expect to harvest 61.7 million acres of all hay in 2005, down fractionally from 2004. Harvested area of alfalfa and alfalfa mixtures is forecast at 22.1 million acres, up 2 percent from last year. All other hay harvested area is expected to total 39.6 million acres, down 2 percent. Declines in alfalfa hay acres are expected in States along the Pacific Coast and in the central Great Plains. In Nebraska, Wisconsin, and Kansas, alfalfa hay acreage is expected to decrease by 50,000 acres from 2004. However, large increases are expected in Montana, which is up 300,000 acres, and in North Dakota, which is up 150,000 acres. The largest decrease of all other hay acreage is in Texas, where expected acreage is down 500,000 acres from last year. This decline is attributed to many growers grazing out their hay fields instead of cutting this year due to large amounts of hay stocks and dry weather conditions.

U.S. 2004/05 Corn and Sorghum Export Forecasts Increased

U.S. corn exports are forecast up 0.5 million tons this month to 46 million tons in the 2004/05 October-September trade year and are up 25 million bushels to 1,825 million bushels for the September-August marketing year. The recent pace of sales and shipments has been somewhat stronger than earlier expected. According to Census export data, U.S. corn exports from October through May reached 30.5 million tons in 2004/05, down 2.3 million compared with the previous year. However, June 2005 inspections reached 3.8 million tons, up 0.5 million from a year ago. Also, as of June 30, 2005, outstanding sales of corn to known destinations were 4.5 million tons, down only 0.25 million ton compared with the previous year. Most of last year's large sales to unknown destinations were not shipped. Shipments to date plus outstanding sales to known destinations are lagging last year's pace by just 2.05 million tons, while the increased forecast of 46 million is 2.65 million tons less than the previous year. So even with the increased forecast, U.S. corn sales and shipments for the remainder of 2004/05 are expected to continue to lag last year's pace.

U.S. sorghum exports are forecast up 0.2 million tons this month to 4.7 million in the 2004/05 October-September trade year and are up 15 million bushels to 190 million bushels for the September-August marketing year. The recent pace of sales and shipments has been somewhat stronger than earlier expected. According to Census export data, U.S. sorghum exports from October through May reached 3.4 million tons in 2004/05, down 0.2 million compared with the previous year. However, June 2005 inspections reached 0.3 million tons, up 0.1 million from a year ago. Also, as of June 30, 2005, outstanding sales of sorghum were 0.4 million tons, up 0.1 million ton compared to the previous year. Shipments to date plus

Figure 7
U.S. corn shipments by month



Source: ERS, USDA

outstanding export sales are about the same as a year ago, but the increased export forecast for 2004/05 is still somewhat lower than the previous year's exports. This implies that sales and shipments for the remainder of 2004/05 will lag last year's levels.

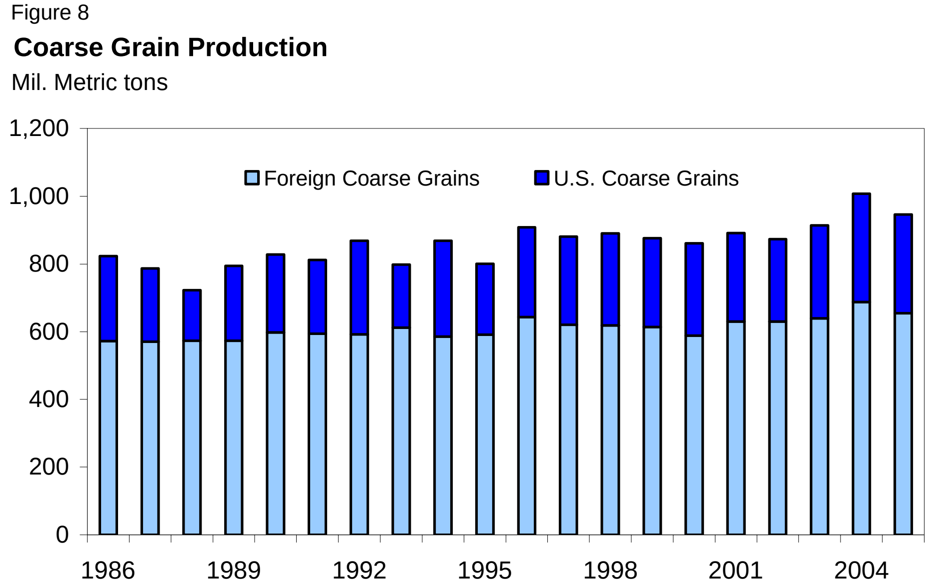
The U.S. barley export forecast for the October-September 2004/05 trade year was increased 125,000 tons to 575,000 based on the stronger-than expected pace of shipments, but the June-May local marketing year 2005/06 was not changed.

Global 2005/06 Coarse Grain Production Reduced 7 Million Tons

World 2005/06 coarse grains production was reduced 7 million tons to 944 million, with most of the decline in the United States. Projected foreign production was reduced 2 million to 652 million, with reduced prospects in Canada the largest decline. Foreign corn production prospects slipped less than 1 million tons to 394 million due to reduced area planted in Ukraine and lower area and yield prospects in Canada because of dryness in parts of Ontario. The EU-25 production forecast was little changed as increased production prospects for Hungary almost offset drought-reduced forecasts for Spain.

Foreign barley projected production dropped more than 1 million tons this month to 129 million. In much of the EU-25, barley harvest has begun, with drought devastating production in Spain, down 1.4 million tons this month as yields have been even worse than earlier expected. However, favorable rains boosted barley production prospects in Hungary and the Czech Republic, offsetting nearly half the decline in Spain. Algeria suffered from a cold winter followed by a dry spring, and barley yields reportedly fell to just over a third of previously expected levels, dropping barley production 0.6 million tons to only 0.4 million. Excessive rains reduced barley production prospects in Romania and Canada. However, increased barley area reported in Ukraine and Kazakhstan increased forecast production.

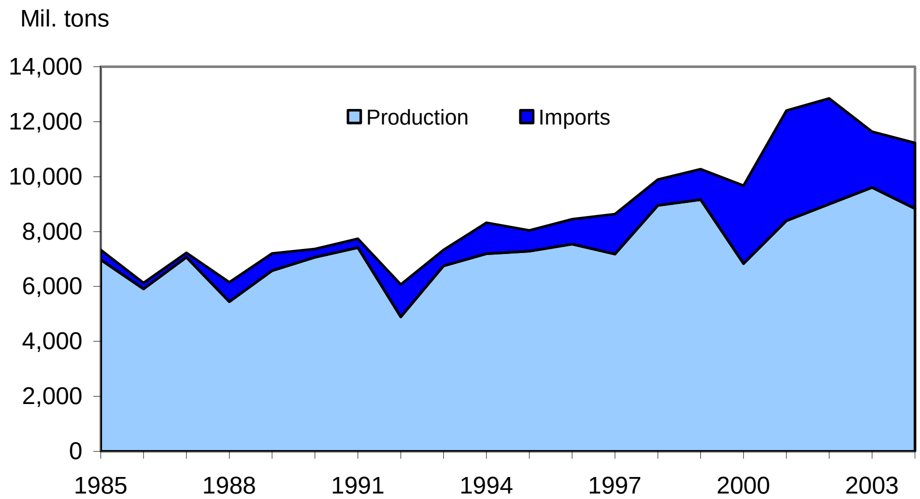
Figure 8



Source: Foreign Agricultural Service, USDA

Figure 9

Canada's corn production and imports



Source: Foreign Agricultural Service, USDA.

Foreign oats production in 2005/06 is forecast down nearly 1 million tons to 22 million, mostly because of excessive rains in Canada's key province of Manitoba. A slightly lower-than-expected area planted to oats in Ukraine trimmed prospects there, but good conditions increased Finland's prospects slightly. EU-25 rye production prospects increased this month with good growing conditions in Poland and Germany, boosting foreign rye production slightly to 16 million tons.

Foreign Coarse Grains Consumption and Ending Stocks Trimmed

Reductions in foreign coarse grains 2005/06 consumption projections were smaller than declines in production prospects, leading to slightly smaller expected ending stocks. Foreign coarse grain domestic use is down 1.5 million tons this month to 727 million tons. Brazil's projected corn consumption for 2005/06 was cut 1 million tons to 41 million because the way GMO regulations have been applied has cut import prospects. Ukraine's coarse grains use is reduced 0.7 million tons this month even though production is down only slightly this month. Lower corn and oats prospects more than offset increased barley production. However, the increased barley production is expected to boost exports, while the reduction in other coarse grains will trim feed use. Numerous smaller, mostly offsetting adjustments were made to other countries' projected 2005/06 coarse grains use.

While global coarse grain ending stocks are down 9 million tons to 151 million, nearly all the drop is in the United States, with foreign ending stocks projected down only 0.6 million tons to 89.7 million tons. Canada's projected ending stocks are cut 1.0 million tons to 4.7 million because of reduced production. EU-25 ending stocks are down 0.7 million tons to 17.5 million due to small reductions in beginning stocks and production, combined with a small increase in projected feed use. These declines are partly offset by higher corn stocks expected in Brazil and small changes in other countries.

Contacts and Links

Contact Information
Allen Baker (domestic), (202) 694-5290, albaker@ers.usda.gov
Edward Allen (international), (202) 694-5288, ewallen@ers.usda.gov

Subscription Information
Subscribe to ERS' e-mail notification service at http://www.ers.usda.gov/updates/ to receive timely notification of newsletter availability. Printed copies can be purchased from the USDA Order Desk by calling 1-800-999-6779 (specify the issue number).

To order printed copies of the five-field crop newsletters—cotton and wool, feed, rice, oil crops, and wheat—as a series, specify series SUB-COR-4043

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/publications/FDS/jul04/fds04F01/

Related Websites

WASDE (http://usda.mannlib.cornell.edu/usda/reports/waobr/wasde-bb/
Grain Circular (http://www.fas.usda.gov/grain/circular/2005/07-05/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
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	10,089	2	11,178	589	2,166	470	3,225	7,954	2.16
Dec-Feb	7,954	---	4	7,957	609	1,578	499	2,686	5,271	2.42
Mar-May	5,271	---	5	5,277	676	1,161	469	2,306	2,970	2.82
June-Aug	2,970	---	3	2,973	664	892	459	2,015	958	2.55
Mkt. yr.	1,087	10,089	14	11,190	2,537	5,798	1,897	10,232	958	2.42
2004/05										
Sep-Nov	958	11,807	2	12,767	642	2,176	498	3,316	9,451	2.13
Dec-Feb	9,451	---	2	9,452	637	1,621	439	2,697	6,755	2.06
Mar-May	6,755	---	4	6,759	699	1,313	427	2,439	4,320	2.01
Mkt. yr.	958	11,807	10	12,775	2,685	6,150	1,825	10,660	2,115	2.00-2.10
2005/06										
Mkt. yr.	2,115	10,785	10	12,910	2,870	5,850	1,950	10,670	2,240	1.70-2.10
Sorghum:										
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	9	149	61	218	236	2.27
Dec-Feb	236	---	0	236	10	10	57	77	159	2.43
Mar-May	159	---	0	159	11	21	47	78	81	2.75
June-Aug	81	---	0	81	10	1	36	47	34	2.39
Mkt. yr.	43	411	0	454	40	180	201	421	34	2.39
2004/05										
Sep-Nov	34	455	0	488	13	150	44	206	282	1.80
Dec-Feb	282	---	0	282	13	11	55	79	204	1.66
Mar-May	204	---	0	204	13	35	51	99	104	1.69
Mkt. yr.	34	455	0	488	52	200	190	442	46	1.65-1.75
2005/06										
Mkt. yr.	46	400	0	446	53	170	180	403	43	1.50-1.90

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
2002/03										
June-Aug	92	227	9	328	40	58	7	104	224	2.48
Sep-Nov	224	---	3	227	35	16	7	57	170	2.68
Dec-Feb	170	---	5	175	34	9	8	51	123	2.88
Mar-May	123	---	2	125	46	1	9	56	69	2.85
Mkt. yr.	92	227	18	337	154	84	30	268	69	2.72
2003/04										
June-Aug	69	278	3	351	40	66	3	109	242	2.89
Sep-Nov	242	---	4	246	35	4	9	48	198	2.83
Dec-Feb	198	---	5	203	36	8	6	50	153	2.79
Mar-May	153	---	8	161	35	6	0	41	120	2.77
Mkt. yr.	69	278	21	368	145	84	19	248	120	2.83
2004/05										
June-Aug	120	279	5	405	42	72	1	114	290	2.68
Sep-Nov	290	---	4	294	35	7	6	48	246	2.40
Dec-Feb	246	---	1	247	35	16	7	57	191	2.41
Mar-May	191	---	2	192	34	21	8	64	129	2.41
Mkt. yr.	120	279	12	412	145	116	22	283	129	2.48
2005/06										
Mkt. yr.	129	243	15	387	140	105	15	260	127	2.10-2.50
Oats:										
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	0.5	84	132	1.44
Sep-Nov	132	---	28	160	17	23	0.9	41	119	1.39
Dec-Feb	119	---	21	140	16	28	0.7	45	95	1.54
Mar-May	95	---	20	115	25	25	0.3	50	65	1.64
Mkt. yr.	50	144	90	285	73	144	2.5	220	65	1.48
2004/05										
June-Aug	65	116	16	197	16	65	0.5	81	116	1.37
Sep-Nov	116	---	26	142	17	19	0.8	37	105	1.44
Dec-Feb	105	---	26	131	16	32	0.7	49	82	1.66
Mar-May	82	---	19	101	25	17	1.0	43	58	1.68
Mkt. yr.	65	116	88	269	74	134	3.0	211	58	1.48
2005/06										
Mkt. yr.	58	131	85	274	74	130	3.0	207	67	1.20-1.60

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
2003/04									
Sep-Nov	55.0	3.8	0.1	0.4	59.3	-1.7	57.6		
Dec-Feb	40.1	0.2	0.2	0.5	41.0	0.1	41.1		
Mar-May	29.5	0.5	0.1	0.4	30.6	-1.4	29.2		
June-Aug	22.7	0.0	1.6	1.0	25.2	7.3	32.5		
Mkt. yr.	147.3	4.6	1.9	2.3	156.1	4.3	160.4	89.3	1.80
2004/05									
Sep-Nov	55.3	3.8	0.2	0.3	59.6	-1.5	58.0		
Dec-Feb	41.2	0.3	0.3	0.5	42.3	0.3	42.6		
Mar-May	33.4	0.9	0.5	0.3	35.0	-0.5	34.5		
Mkt. yr.	156.2	5.1	2.4	2.1	165.8	4.9	170.7	90.4	1.89
2005/06									
Mkt. yr.	148.6	4.3	2.2	2.1	157.2	5.8	163.0	89.7	1.82

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	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:							
2004:							
Feb.	2.73	3.12	5.17	5.71	1.80	2.60	NQ
Mar.	2.89	3.26	5.48	5.93	1.80	2.70	NQ
Apr.	3.03	3.39	5.71	5.81	1.80	2.70	NQ
May	2.90	3.28	NQ	5.42	1.85	2.70	NQ
2005:							
Feb.	1.86	2.40	3.40	4.20	1.70	2.46	1.88
Mar.	1.97	2.54	4.12	4.38	1.70	2.45	1.88
Apr.	1.94	2.45	4.02	4.22	1.70	2.45	1.88
May 3/	1.93	2.42	3.98	4.37	1.70	2.45	1.88

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	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:								
2004:								
Feb.	265.88	193.00	99.50	371.25	139.81	119.00	80.37	85.10
Mar.	301.14	205.10	83.20	383.00	270.00	120.00	82.34	86.20
Apr.	265.88	219.68	83.20	390.38	270.00	128.00	77.40	93.00
May	307.13	185.00	84.25	344.10	209.73	123.00	68.28	109.00
2005:								
Feb.	167.95	131.03	51.38	232.50	138.84	71.00	37.88	91.90
Mar.	189.90	140.78	51.90	240.50	174.43	73.00	41.38	96.40
Apr.	194.35	133.86	51.75	246.25	200.33	73.50	38.25	103.00
May 3/	200.02	134.79	52.80	274.60	191.70	74.00	30.60	116.00

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						
2003/04							
Sep-Nov	126.3	57.0	64.4	262.5	32.3	46.6	589.0
Dec-Feb	120.4	51.5	65.9	290.3	33.8	46.6	608.6
Mar-May	140.2	58.7	70.0	304.6	35.4	47.1	656.0
June-Aug	143.3	60.8	71.3	310.1	30.5	47.1	663.1
Mkt. year	530.2	228.1	271.5	1,167.5	132.0	187.4	2,516.7
2004/05							
Sep-Nov	123.8	56.8	70.8	311.3	32.5	47.0	642.3
Dec-Feb	115.9	50.2	66.5	323.7	34.1	47.0	637.4
Mar-May	133.1	56.4	70.6	335.5	35.6	47.5	678.8
Mkt. year	515.0	222.3	280.0	1,325.0	133.0	189.0	2,664.3
2005/06							
Mkt. year	520.0	220.0	285.0	1,500.0	135.0	190.0	2,850.0

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	17.11	13.08	21.81	12.48	13.03
Monthly					
2004:					
Mar.	18.00	13.90	21.98	12.75	13.21
Apr.	18.05	13.95	21.98	12.75	13.75
May	17.62	13.52	21.98	12.75	14.11
June	17.41	14.13	21.98	12.75	13.90
2005:					
Mar.	16.12	12.02	23.10	13.50	11.92
Apr.	15.87	11.77	23.30	13.50	12.25
May	15.83	11.73	23.35	13.50	12.10
June 2/	16.14	12.04	24.10	11.00	11.83

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-May	Mkt. yr.	June-May	June-May
Oats:			Thousand tons		
Canada	843	843	1,206	1,206	1,223
Finland	360	360	185	185	80
Sweden	381	381	167	167	209
Total 1/	1,640	1,640	1,559	1,559	1,513
Barley, malting:					
Canada	317	317	321	321	183
Total 1/	360	360	400	400	205
Barley, other: 2/					
Canada	42	41.8	50	50	59
Total 1/	42	41.9	50	50	59

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	------2002/03--------		------2003/04--------		2004/2005
	Mkt. yr.	Sept.-May	Mkt. yr.	Sept.-May	Sept.-May
	1,000 metric tons				
Corn:					
Japan	14,383	10,862	14,611	11,224	11,535
Mexico	5,288	4,497	5,686	4,750	4,728
Taiwan	4,053	3,117	4,733	3,647	3,359
S. Korea	273	208	3,666	1,842	1,377
Egypt	2,686	1,476	3,220	2,561	2,738
Canada	3,946	3,031	2,014	1,468	1,883
Colombia	1,599	1,207	1,766	1,405	1,507
Algeria	898	706	1,270	1,075	718
Israel	268	133	1,176	1,030	342
Dominican Republic	937	732	809	623	664
Syria	517	317	780	516	933
Morocco	78	27	713	558	650
Turkey	981	276	654	299	8
Venezuela	609	391	653	413	162
Tunisia	123	74	618	476	140
Costa Rica	529	366	565	400	425
Guatemala	418	308	517	406	471
El Salvador	339	276	482	384	384
Saudi Arabia	131	131	476	440	137
Cuba	230	171	473	348	355
Sub-Saharan Africa	356	343	241	209	108
EU-25	68	66	154	161	53
Peru	42	27	148	98	154
Iran	--	-	64	64	-
Former USSR	--	0	60	53	17
Others	1,582	1,156	2,630	2,074	1,806
Total	40,334	29,898	48,179	36,523	34,657
Sorghum:					
Mexico	3,347	2,508	3,014	2,161	2,553
Japan	992	882	935	927	899
EU-25	183	1	852	868	169
Israel	39	14	131	122	27
Others	120	67	161	111	172
Total	4,681	3,471	5,093	4,189	3,820
	-----2002/2003------		------2003/2004------		2004/2005
	Mkt. yr.	June-May	Mkt. yr.	June-May	June-May
Barley:					
Japan	358	358	216	216	264
Saudi Arabia	--	-	113	113	59
Canada	203	203	37	37	77
Mexico	25	25	15	15	41
Other	73	73	29	29	38
Total	659	659	409	409	479

1/ Totals may not add due to rounding.

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