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Feed Outlook

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Feed Grains Production Down in 2008, Prices Strong

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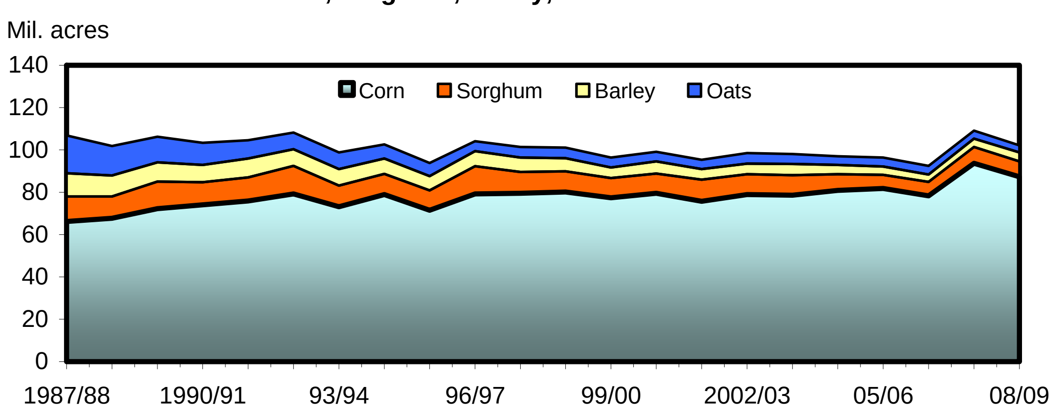
The next release is August 14, 2008.

Approved by the World Agricultural Outlook Board.

U.S. feed grain production in 2008 is expected to be down from 2007 because of reduced acreage. The June 30 *Acreage* report showed planted and harvested area to be down from last year for corn, sorghum, and oats, while that for barley increased from 2007. Slight adjustments were made in feed grain use this month to reflect June 1 stocks. The resulting changes raised 2007/08 ending stocks and 2008/09 supplies, but 2008/09 ending stocks are expected to remain at relatively low levels. Forecast 2008/09 prices for all four feed grains were raised this month as competition from soybeans for 2009 acres is expected to support corn prices in the new marketing year.

Increases in projected world coarse grain use in 2008/09 more than offset larger production prospects this month. Foreign coarse grain ending stocks are projected down enough to offset more than half the increase in U.S. corn stocks.

Figure 1
Planted area for U.S. corn, sorghum, barley, and oats



Sources: USDA, National Agricultural Statistics Service, *Quick Stats,* and USDA, Foreign Agricultural Service, *Grain: Word Markets and Trade (Grain Circular).*

Domestic Outlook

Feed Grains Supply To Shrink In 2008/09

U.S. feed grain production in 2008 is projected at 314.3 million metric tons, down 713,000 tons from a month ago and down 36.5 million from 2007. 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 down 17 million bushels from the previous projection, which was based on trend yields and expected plantings, and oats was up 2.9 million bushels. The U.S. Department of Agriculture (USDA) will make its first survey-based forecasts for corn and sorghum in the August 12 *Crop Production* report.

Feed grain supply in 2008/09 is projected at 362 million metric tons, up 4 million from last month but down 28.5 million tons from 2007/08. Feed grain imports remain unchanged from last month but are down 477,000 tons from 2007/08. Beginning stocks were increased 4.7 million tons this month to 44.6 million because of lower use in 2007/08.

Projected total use of feed grains in 2007/08 was decreased 4.5 million tons this month, reflecting lower-than-expected feed and residual use, food and industrial use, and ethanol production. Ending stocks for 2008/09 are projected at 25.2 million tons, up 4.3 million tons from last month but down 19.4 million tons from 2007/08.

2008/09 Corn Production Projected Lower

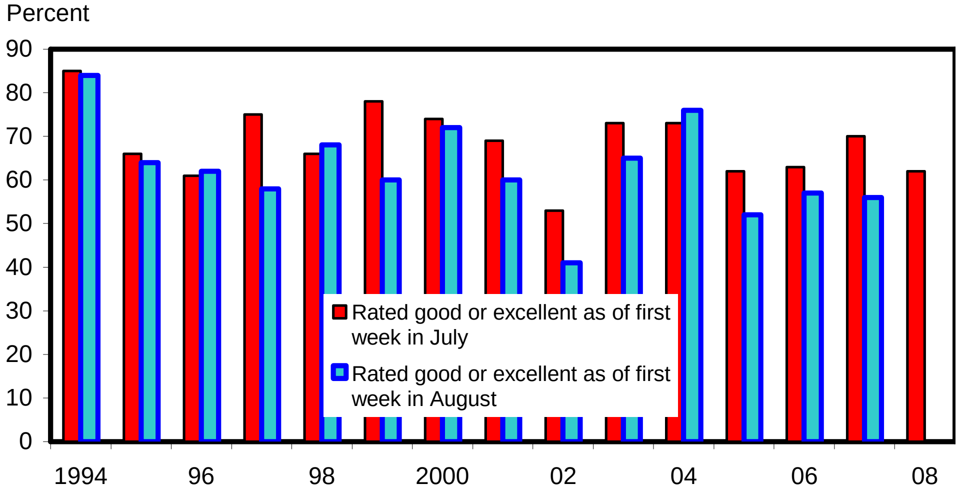
The projection for 2008 corn production was decreased 20 million bushels from last month because of a reduction in forecast yield. Producers increased plantings 1.3 million acres from their March intentions to 87.3 million acres; however, this is down from 93.6 million acres in 2007. Despite the decrease from 2007, planted acreage is at its second highest level since 1946. Producers planted 80 percent of their acreage with biotech seed varieties, up 7 percent from 2007. Projected yield was lowered 0.5 bushels from last month to 148.4 bushels per acre, due to the decline in the harvested area in the higher yielding Corn Belt States as indicated in the *Acreage* report. As of July 7, 62 percent of the corn crop was rated good or excellent, down from 70 percent last year.

In addition to the usual uncertainty at this time of year about prospective yields, there is an unusual amount of uncertainty about acreage. This year has had one of the latest planting seasons on record due to heavy rainfall in many areas. At the time of USDA's National Agricultural Statistics Service's (NASS) acreage survey, conducted in early June, a majority of the flooding had not occurred yet. Although mid-June is typically the cutoff date for corn plantings, many farmers may have continued to plant past this time because of rising prices. NASS resurveyed farmers in six States at the end of June to better determine final plantings. NASS plans to resurvey farmers in the flooded areas in July, and this information will be incorporated in the August survey-based forecast of area, yield, and production.

Projected corn use in 2007/08 is down 165 million bushels from last month's projection to 12.8 billion bushels. For 2007/08, feed and residual use was decreased

Figure 2

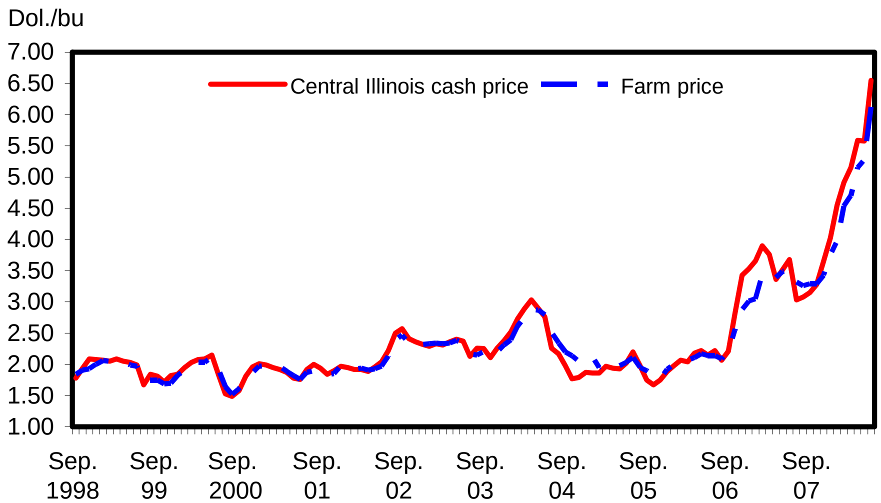
Corn conditions are down so far in 2008



Source: USDA, National Agricultural Statistics Service, *Weekly Weather and Crop Bulletin.*

Figure 3

U.S. corn: Central Illinois cash and average farm price, monthly, September 1998-June 2008



Sources: USDA, Agricultural Marketing Service, *Weekly Grain Market News Summary,* and USDA, Economic Research Service, *Feed Grains Database.*

100 million bushels from last month to reflect lower-than-expected third quarter (March-May) disappearance as indicated in the June 30 *Grain Stocks* report. Exports for 2007/08 remain unchanged this month. Food, seed, and industrial (FSI) use was decreased 65 million bushels because of weaker-than-expected year-to-date use in high fructose corn syrup and starch. FSI is expected to total 4.295 billion bushels, accounting for 34 percent of total use. Ending stocks for 2007/08 were increased 165 million bushels.

For 2008/09, feed and residual use was increased 50 million bushels to 5.2 billion, because of the continued large numbers of livestock and poultry. FSI use of corn is expected to total 5.295 billion bushels, a decrease of 65 million bushels from last month and representing 42 percent of total use. Corn used to produce ethanol was lowered 50 million bushels to 3.95 billion bushels, representing 32 percent of total use. Factors contributing to lower ethanol production were reported delays in plant startups and construction, and lower expected plant capacity utilization as indicated by the most recent ethanol production data. Exports in 2008/09 remained unchanged from last month at 2.0 billion bushels. Forecast ending stocks for 2008/09 are up 160 million bushels, at 833 million.

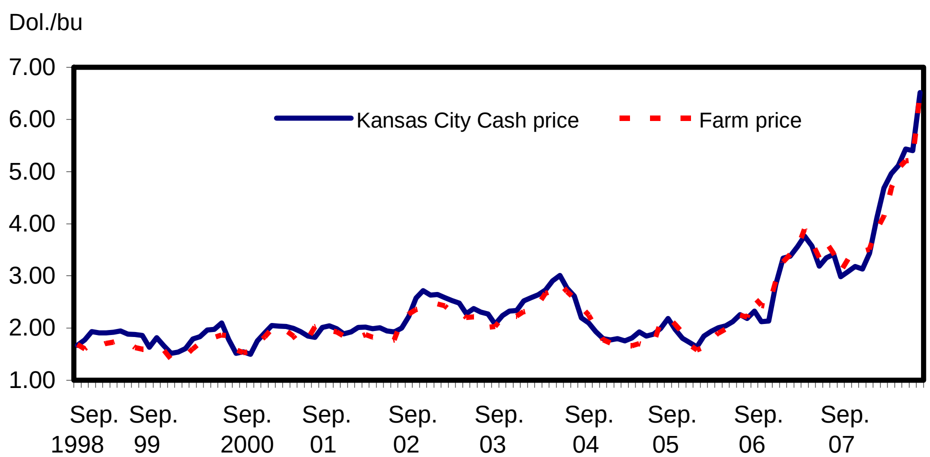
The projected farm price range for 2008/09 was increased to $5.50-$6.50 per bushel, up 20 cents on each end of the range. Increased competition from soybeans for 2009 acres is expected to support corn prices in the new marketing year. In 2007/08, the season average price received by farmers is expected to be $4.25-$4.45, unchanged from last month.

2008/09 Sorghum Production Projected Higher

Sorghum production in 2008 is projected at 420 million bushels, up 5 million bushels from a month ago because of increased harvested acres. Sorghum plantings are estimated at 7.3 million acres, down 144,000 from the March intentions. Harvested area is forecast at 6.4 million acres, up 110,000 acres from last month's projection, which was based on March planting intentions and a 4-year average difference between planted and harvested acres, 2004-07. The projected yield is decreased slightly, reflecting rounding in the production projection.

Figure 4

U.S. sorghum: Kansas City cash and average farm price, monthly, September 1998-June 2008



Sources: USDA, Agricultural Marketing Service, *Weekly Grain Market News Summary,* and USDA, Economic Research Service, *Feed Grains Database.*

Total supply in 2008/09 is projected to be 482 million bushels, down from 537 million in 2007/08. Total use in 2008/09 is unchanged this month at 420 million bushels. The 2007/08 supply and demand estimates remain unchanged.

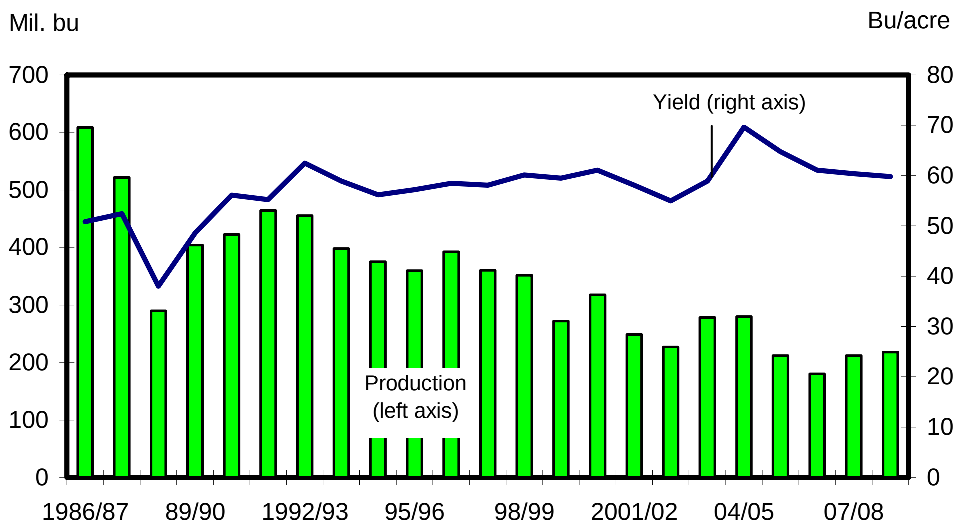
Ending sorghum stocks for 2008/09 are projected at 62 million bushels, unchanged from a year earlier. The 2008/09 season average sorghum farm price is projected at $5.10-$6.10 per bushel, up from $4.10-$4.30 per bushel in 2007/08.

Barley Yield Decreases in 2008/09

The first survey-based forecast of 2008 barley production is 218 million bushels, down 17 million bushels from last month's projection. Growers seeded 4.13 million acres for 2008, up 3 percent from the 4.02 million acres seeded last year. Harvested acres are at 3.64 million, up 132,000 acres from 2007. Average barley yields are forecast at 59.8 bushels per acre, down from last month's trend-based projection of 65.5 bushels per acre.

Supply and demand estimates for 2008/09 were unchanged this month. Small changes were made in 2007/08, reflecting the June 1 stocks estimate reported in *Grain Stocks*, which finished the marketing year for barley. Imports were increased to 30 million bushels from 23 million, due to large barley crop in Canada and preliminary data on Canadian exports. Feed and residual use was increased 1 million bushels to 61 million to keep the data positive. FSI use was decreased to 140 million bushels, down from 145 million last month. FSI data are reported by the Alcohol and Tobacco Tax and Trade Bureau (TTB) and run very late. The most recent data on beer production and barley use are for December 2007. However, feed and residual has never been negative based on actual data from TTB, so

Figure 5
U.S. barley production and yield



Sources: USDA, World Agricultural Outlook Board, *WASDE,* and USDA, National Agricultural Statistics Service, *Quick Stats*.

FSI was reduced this month. Exports are up 1.4 million bushels to increase to 41.4 million. Ending stocks were reported at 68.2 million bushels, up from the earlier estimate of 58.7 million.

Prices received by farmers for barley in 2008/09 are expected to average $5.80-$6.80 per bushel, compared with $4.02 per bushel in 2007/08.

Oats Yield To Increase

Oats production is forecast at 93 million bushels in 2008, according to the first survey results, an increase of 3 million from the previous projection. Planted acreage is up slightly to 3.47 million acres from 3.42 million from the March intentions, but down from the 3.76 million acres planted in 2007. Yields are forecast at 64.4 bushels per acre and are up 3.5 bushels from 2007.

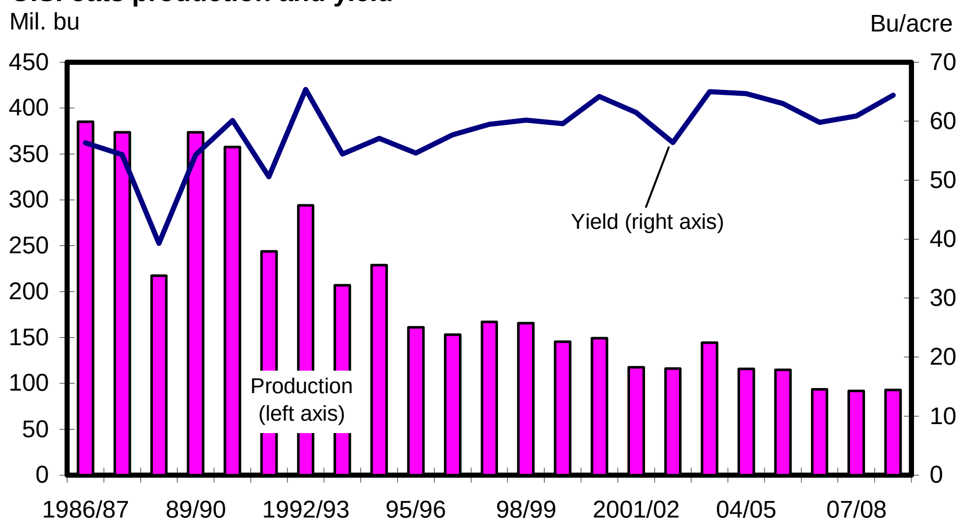
Oats beginning stocks are estimated at 67 million bushels for 2008/09, up 22 million from last month based on the June 1 stocks. These estimates put the total expected 2008/09 oats supply at 265 million bushels, up from 262 million in 2007/08.

For 2007/08, imports were raised 5 million bushels to 120 million from last month, based on preliminary Canadian export data. Feed and residual use was lowered to 118 million bushels, down from 135 million because survey results indicated larger stocks than expected last month. In 2007/08, exports were raised 0.3 million bushels to 2.8 million. Ending stocks were expected at 67 million bushels, up 22 million from last month.

Oats farm prices are projected at $3.80-$4.80 per bushel in 2008/09, compared with $2.63 per bushel in 2007/08.

Figure 6

U.S. oats production and yield



Sources: USDA, World Agricultural Outlook Board, *WASDE,* and USDA, National Agricultural Statistics Service, *Quick Stats.*

Harvested Hay Acreage To Decrease in 2008/09

Producers expect to harvest 60.4 million acres of all hay in 2008, down 2 percent from 2007. Expected harvested area of alfalfa and alfalfa mixtures, at 20.8 million acres, is down 4 percent from 2007. Expected area for harvest of all other types of hay totals 39.7 million acres, down 1 percent from the 40.0 million acres harvested in 2007.

Harvested area of all hay is expected to decrease from last year throughout the Great Plains and the West. Increased acres are expected to be harvested along the East Coast. Acreage of alfalfa and alfalfa mixtures decreased in the Corn Belt, the Southeast, and most of the western United States, while acreage increases are expected in the Rocky Mountain States and portions of the Northeast. Lower harvested acreage of other hay is expected in the West Coast, Southwest, and Southern Great Plains portions of the U.S., while increased acreage is expected along the Atlantic Coast, northern Rockies, and northern Great Plains.

Feed and Residual Use To Decline

Feed and residual use of all feed grains in 2008/09 is expected to total 140.6 million metric tons and account for 42 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 144.6 million tons, down from 2007/08 forecast of 164.4 million. Corn is estimated to account for 91 percent of the feed and residual use, down from 93 percent in 2007/08. Increased production and feeding of distiller’s spent grains are expected to offset most of this decrease in feed and residual use of the four feed grains plus wheat.

The index of grainconsuming animal units (GCAUs) for 2008/09 is expected to be down 1.31 million units from the 2007/08 forecast of 95.01 million units. The grain used per GCAU would be 1.54 tons, down 11 percent from 2007/08. In the index components, GCAUs for dairy cattle are up slightly, while those for the other categories are down slightly, with cattle on feed being down the most.

Cattle on feed in feedlots with capacity of 1,000 or more head totaled 10.8 million head on June 1, 2008. The inventory was 4 percent below June 1, 2007, and 3 percent below June 1, 2006. Thus, current feed use by cattle in feedlots is expected to decline in 2008. Beef production in 2008 is forecast at 26.7 billion pounds, up from 26.5 billion in 2007 but down from 26.9 billion last month. However, some of the feed needs may be satisfied by increased production of distiller’s spent grains by the expanding ethanol industry.

Pork production in 2009 is expected to decrease 3 percent from the 23.5 billion pounds expected in 2008. Hog farmers responding to the June 2008 survey intend to have 3.07 million sows farrow during the June-August 2008 quarter, down 2 percent from the actual farrowings during the same period in 2007, but up 5 percent from 2006. Intended farrowings for September-November 2008, at 3.05 million sows, are down 4 percent from 2007 but up 3 percent from 2006. As a result, feed use by the pork sector is likely to weaken in 2008/09.

Despite stronger prices, broiler, turkey, and egg production in 2009 is expected to slow from the expected 2008 level, because of the high feed prices. Broiler production in 2009 is expected to decrease 1.1 percent from the projected 2008 production, which is up 2.4 percent from a year earlier. Forecast turkey production in 2009 is down 2.2 percent from 2008, which is up 3.7 percent from 2007. Egg producers are expected to produce 7.6 billion dozen eggs in 2009, up 0.1 percent from the projected 2008 output. These forecast decreases in 2009 production will likely decrease feed use.

World 2008/09 Coarse Grain Production Up Slightly This Month

Global coarse grain production is up 1.5 million tons this month to 1,069.0 million, as foreign increases more than offset the U.S. decline. World corn production is unchanged this month at 775.3 million tons with increases and decreases offsetting. World production increases for millet, barley, and sorghum more than offset small reductions in production for oats and rye.

The largest increase this month in 2008/09 projected coarse grain production is for the EU-27, up 2.1 million tons to 151.4 million. Corn production prospects are up 1.3 million tons to 57.5 million due to increased area in France. Projected barley production is up 0.8 million tons to 60.8 million, with better-than-expected yields reported in Spain, France, Finland, and Hungary more than offsetting lower yields in Poland and Germany.

India's coarse grain production prospects are up 2.0 million tons this month to 37.4 million, as an early onset of the monsoon has helped expand area and boosted yield prospects. India's corn production is projected up 1.0 million tons this month to 18.5 million, with increased expected yields. Increased use of high-yielding hybrids and timely planting are boosting yield prospects. India's millet production projection also increased 1.0 million tons this month, forecast to reach 10.5 million. A year-to-year area increase is expected, and with good planting conditions, average yields are expected to nearly reach year-ago levels.

Canada's coarse grain production in 2008/09 is projected down 1.3 million tons to 23.7 million, due to lower-than-expected reported area. Barley and oats production each were reduced 0.5 million tons, and corn was shaved 0.3 million tons.

Corn area also was reduced this month for Russia and Ukraine. According to official planting progress reports, area is increasing less than previously expected. Moreover, in Russia, shortages of good hybrid corn seed are reported. Russia's 2008/09 corn production is projected down 1.0 million tons to 5.8 million, while Ukraine is down 0.5 million tons to 9.5 million.

In Argentina, planting reports indicate a larger increase in barley area, as wheat is less attractive due to government intervention on export registrations. Barley production is up 0.4 million tons this month to 2.0 million. Area planted to oats in Australia is up this month, boosting production 0.2 million tons to 1.5 million tons.

China's preliminary summer-crop harvest reports support a 0.3-million-ton increase in barley production to 3.5 million tons.

Increased Global Coarse Grains Use and Stocks Projected

World coarse grains consumption in 2008/09 is projected up 3.5 million tons this month to 1,086.1 million. The largest increase is for the EU-27, up 2.6 million tons to 151.3 million. EU-27 production is increased this month, and coarse grain feed use is expected to nearly match the previous year when large corn and sorghum imports replaced wheat in feed rations. The Commission is expected to limit coarse grains moving into intervention stocks, especially corn, encouraging feed use.

India's 2008/09 coarse grain consumption is up 1.1 million tons this month to 35.2 million, as increased millet production is expected to be consumed. Corn consumption for 2007/08 was reduced due to increased exports already shipped. The government intervention to cut off corn exports is expected to boost corn stocks in India.

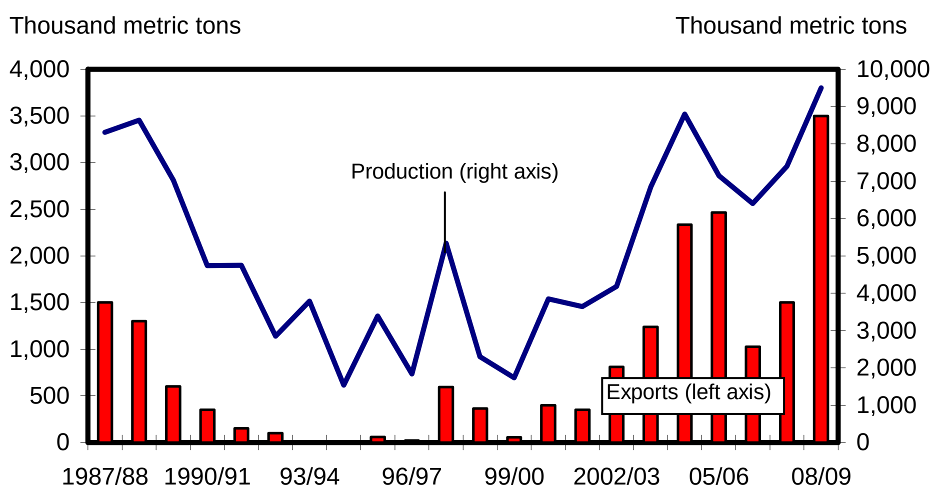
Canada's projected coarse grains use is only down 0.4 million tons this month, despite the large production decline, because exports are reduced, imports increased, and stocks prospects trimmed.

South Korea's projected use of coarse grains is down 0.3 million tons this month, as increased feed wheat imports are displacing some corn in feed rations.

World coarse grain ending stocks for 2008/09 are projected up 1.9 million tons this month to 133.2 million. However, this increase is less than half as large as the 4.1-million-ton increase in U.S. corn stocks forecast this month. Foreign coarse grain ending stocks are down 2.4 million tons this month.

The largest decline in projected ending stocks is for Russia, down 1.3 million tons to 2.5 million, with reduced production and a small increase in projected exports. EU-27 coarse grain ending stocks are down 1.1 million tons this month, as the production increase is more than offset by increased use and lower imports. Stronger than expected corn exports by Brazil in 2007/08 and weaker than expected corn imports by Mexico in 2007/08 are reducing 2008/09 beginning stocks 0.5 million tons for each country. These lower beginning stocks are carried into lower ending stocks for 2008/09. With reduced corn production in Ukraine, coarse grains

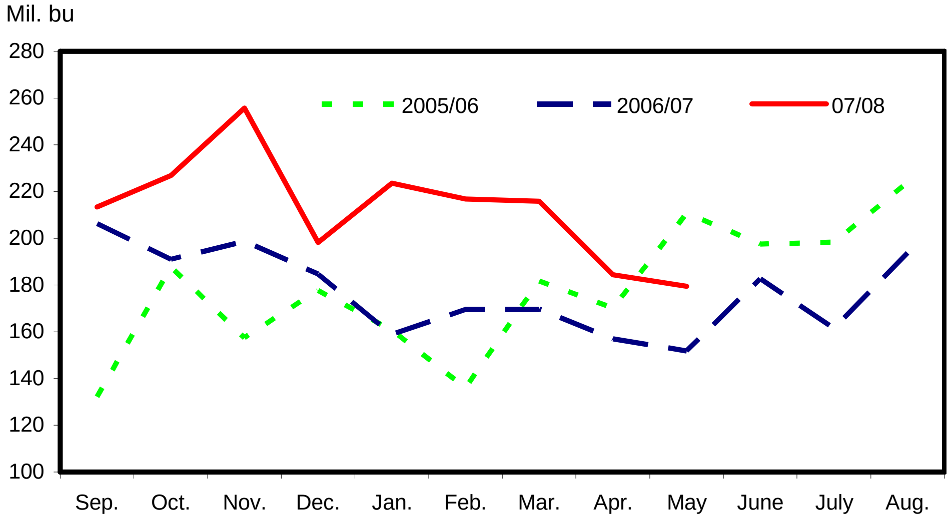
Figure 7
Ukraine corn production and exports



Sources: USDA, Foreign Agricultural Service, *Production, Supply & Distribution (PS&D),* and USDA*, Grain: World Markets and Trade (Grain Circular).*

Figure 8

U.S. corn shipments by month



Source: USDA, Economic Research Service, *Feed Grains Database.*

projected ending stocks are down 0.5 million tons this month. Argentina's 2008/09 coarse grains ending stocks are down 0.3 million tons this month, reflecting a reduction in corn beginning stocks with lower 2007/08 production. Increased 2008/09 barley production is expected to be exported.

India's coarse grain ending stocks prospects increased 1.9 million tons this month to 2.9 million. The government intervention to cut off corn exports is boosting stocks prospects. Without the increased stocks for India this month, foreign stock changes would have completely offset the U.S. increases.

World 2008/09 coarse grain ending stocks projected at 133.2 million tons are the lowest since 1983/84.

Global 2008/09 Coarse Grains Trade Projections Little Changed

World coarse grain trade projected for 2008/09 increased 0.2 million tons this month to 119.5 million. Corn trade declined fractionally to 92.3 million tons, with Russia's corn exports down 0.1 million tons. EU-27 corn import prospects were cut 0.5 million tons to 6.5 million due to increased production, and South Korea's corn imports were trimmed 0.3 million because of increased feed wheat imports. These reductions were offset by increased corn import prospects for Canada, Russia, and North Korea. However, barley trade increased 0.4 million tons to 18.4 million, with Saudi Arabia's imports up, and increased exports by Argentina and Russia offsetting reduced export prospects for Canada.

2007/08 Record World Coarse Grains Trade Up This Month

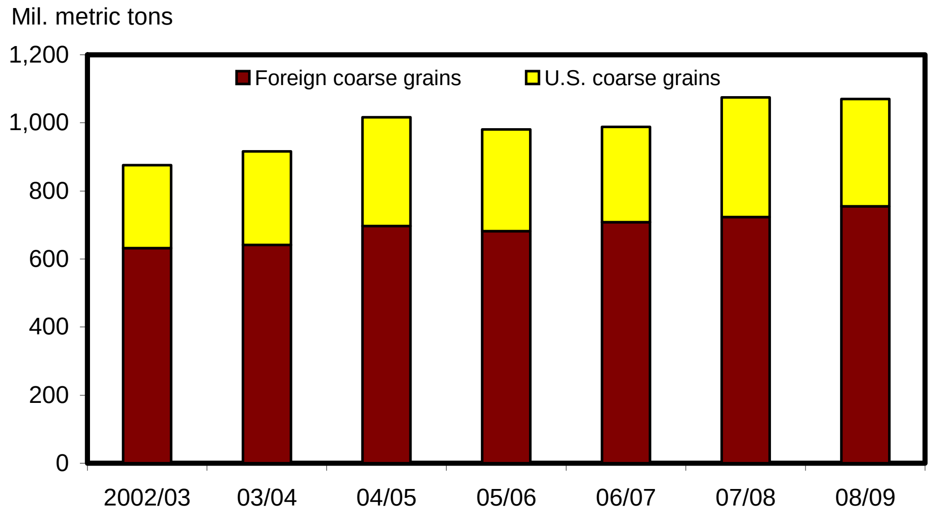
World coarse grain trade is projected to reach a record 125.3 million tons in 2007/08, up 1.7 million tons this month. Most of the increase is for corn, up 1.2 million tons to 98.6 million, and for barley, up 0.4 million to 15.2 million.

Trade data indicate stronger-than-expected exports of corn and barley by India. Even with government intervention cutting off additional exports, India corn exports for 2007/08 were increased 1.1 million tons this month to 2.6 million. India's barley shipments to Saudi Arabia are expected to reach 0.2 million tons (not previously forecast).

Some 2007/08 import forecasts were adjusted based on the pace of recent sales and shipments. Corn imports by Mexico were reduced 0.5 million tons to 9.2 million, as feed grain demand has been weaker than expected, especially considering the drop in cracked and kibbled corn. The sorghum import forecast for Mexico increased slightly. Corn import forecasts for Canada, South Korea, Venezuela, Zimbabwe, and other countries increased this month.

Figure 9

Coarse grain production



Source: USDA, Foreign Agricultural Service, *Grain: World Markets and Trade (Grain Circular).*

Contacts and Links

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Data

Feed Grains Database (http://www.ers.usda.gov/data/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.

Related Websites

WASDE (http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1194)
Grain Circular (http://www.fas.usda.gov/grain/circular/2008/07-08/graintoc.asp)
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Table 1--Feed grains: Marketing year supply and disappearance 1/

Year/ Qtr.	Beg. stocks	Produc-tion	Im-ports	Supply	FSI 2/	Feed & resid.	Ex-ports	Total disp.	End. stocks	Farm price
Corn					----Million bushels----					$/bu
2005/06										
Sep-Nov	2,114	11,114	2	13,230	697	2,241	477	3,415	9,815	1.83
Dec-Feb	9,815	---	1	9,816	708	1,647	474	2,829	6,987	1.99
Mar-May	6,987	---	4	6,991	774	1,293	562	2,630	4,362	2.11
June-Aug	4,362	---	1	4,363	802	974	620	2,396	1,967	2.12
Mkt. yr.	2,114	11,114	9	13,237	2,981	6,155	2,134	11,270	1,967	2.00
2006/07										
Sep-Nov	1,967	10,535	1	12,503	799	2,176	596	3,570	8,933	2.62
Dec-Feb	8,933	---	2	8,934	821	1,533	513	2,866	6,068	3.12
Mar-May	6,068	---	5	6,074	918	1,144	478	2,540	3,533	3.44
June-Aug	3,533	---	4	3,537	950	745	538	2,233	1,304	3.37
Mkt. yr.	1,967	10,535	12	12,514	3,488	5,598	2,125	11,210	1,304	3.04
2007/08										
Sep-Nov	1,304	13,074	2	14,380	961	2,444	696	4,102	10,278	3.34
Dec-Feb	10,278	---	3	10,281	1,019	1,764	639	3,422	6,859	4.05
Mar-May	6,859	---	6	6,865	1,142	1,115	580	2,837	4,028	5.01
Mkt. yr.	1,304	13,074	15	14,393	4,295	6,050	2,450	12,795	1,598	4.25-4.45
2008/09										
Mkt. yr.	1,598	11,715	15	13,328	5,295	5,200	2,000	12,495	833	5.50-6.50
Sorghum										
2005/06										
Sep-Nov	56.94	392.93	0.00	449.87	12.28	107.22	39.99	159.50	290.38	1.67
Dec-Feb	290.38	---	0.00	290.38	15.51	24.38	57.35	97.24	193.14	1.73
Mar-May	193.14	---	0.00	193.14	11.82	3.68	62.77	78.27	114.86	2.09
June-Aug	114.86	---	0.00	114.86	10.42	4.59	34.20	49.20	65.66	2.48
Mkt. yr.	56.94	392.93	0.00	449.88	50.02	139.87	194.32	384.21	65.66	1.86
2006/07										
Sep-Nov	65.66	277.54	0.00	343.20	13.22	81.37	36.42	131.01	212.19	3.06
Dec-Feb	212.19	---	0.04	212.23	13.23	9.28	47.50	70.01	142.22	3.59
Mar-May	142.22	---	0.00	142.22	13.84	18.64	34.88	67.35	74.87	3.56
June-Aug	74.87	---	0.04	74.91	4.71	-0.29	38.43	42.86	32.05	3.27
Mkt. yr.	65.66	277.54	0.08	343.28	45.00	109.00	157.23	311.22	32.05	3.29
2007/08										
Sep-Nov	32.05	504.99	0.02	537.07	8.50	143.62	93.70	245.82	291.25	3.48
Dec-Feb	291.25	---	0.00	291.25	8.50	7.75	89.09	105.34	185.91	4.13
Mar-May	185.91	---	0.00	185.91	9.20	22.20	57.70	89.10	96.81	5.15
Mkt. yr.	32.05	504.99	0.02	537.07	35.00	175.00	265.00	475.00	62.07	4.10-4.30
2008/09										
Mkt. yr.	62.07	420.00	0.00	482.07	60.00	200.00	160.00	420.00	62.07	5.10-6.10

continued--

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

Year/ Qtr.	Beg. stocks	Produc- tion	Im- ports	Supply	FSI 2/	Feed & resid.	Ex- ports	Total disp.	End. stocks	Farm price
Barley					------Million bushels----					$/bu
2005/06										
June-Aug	128	212	2	342	43	34	10	87	255	2.47
Sep-Nov	255	---	1	256	36	-1	13	48	208	2.45
Dec-Feb	208	---	1	209	33	8	1	42	167	2.48
Mar-May	167	---	2	168	45	10	5	60	108	2.77
Mkt. yr.	128	212	5	346	158	52	28	238	108	2.53
2006/07										
June-Aug	108	180	1	289	40	35	2	76	213	2.72
Sep-Nov	213	---	4	217	33	2	9	44	173	2.74
Dec-Feb	173	---	3	176	34	17	8	59	117	3.00
Mar-May	117	---	4	121	49	2	2	52	69	3.10
Mkt. yr.	108	180	12	300	156	56	20	231	69	2.85
2007/08										
June-Aug	69	212	4	285	45	49	2	96	189	3.50
Sep-Nov	189	---	8	196	31	7	23	61	136	4.27
Dec-Feb	136	---	9	144	23	2	9	34	110	4.39
Mar-May	110	---	10	120	42	3	8	52	68	4.34
Mkt. yr.	69	212	30	311	140	61	41	242	68	4.02
2008/09										
Mkt. yr.	68	218	20	306	145	65	25	235	71	5.80-6.80
Oats										
2005/06										
June-Aug	58	115	20	193	16	64	0.4	80	114	1.55
Sep-Nov	114	---	22	135	17	22	0.4	40	96	1.58
Dec-Feb	96	---	28	124	16	32	0.6	49	75	1.76
Mar-May	75	---	21	96	25	17	0.7	43	53	1.80
Mkt. yr.	58	115	91	264	74	136	2.1	211	53	1.63
2006/07										
June-Aug	53	94	28	174	16	57	1.0	74	100	1.73
Sep-Nov	100	---	34	134	17	18	0.5	36	99	1.82
Dec-Feb	99	---	21	120	16	32	0.5	49	71	2.17
Mar-May	71	---	23	94	25	18	0.6	43	51	2.44
Mkt. yr.	53	94	106	252	74	125	3	202	51	1.87
2007/08										
June-Aug	51	92	21	163	16	58	0.4	75	88	2.31
Sep-Nov	88	---	42	131	17	18	0.8	36	94	2.50
Dec-Feb	94	---	28	122	17	26	0.8	43	79	2.92
Mar-May	79	---	29	108	25	15	0.8	41	67	3.49
Mkt. yr.	51	92	120	262	75	118	2.8	195	67	2.63
2008/09										
Mkt. yr.	67	93	105	265	75	120	3.0	198	67	3.80-4.80

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.

2/ Grain used for food, seed or industrial purposes.

Source: Stocks and production data from Data and Statistics,
http://www.nass.usda.gov/Data_and_Statistics/Quick_Stats/index.asp: Trade data from Foreign Trade Statistics,
http://www.census.gov/foreign-trade/www/; and other categories calculated by USDA, Economic Research Service.

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
2006/07									
Sep-Nov	55.3	2.1	0.0	0.4	57.7	-1.3	56.5		
Dec-Feb	38.9	0.2	0.4	0.5	40.1	0.7	40.8		
Mar-May	29.1	0.5	0.0	0.3	29.9	-1.8	28.1		
June-Aug	18.9	0.0	1.1	0.9	20.9	7.7	28.6		
Mkt. yr.	142.2	2.8	1.5	2.1	148.6	5.3	153.9	92.2	1.67
2007/08									
Sep-Nov	62.1	3.6	0.2	0.4	66.3	-3.6	62.7		
Dec-Feb	44.8	0.2	0.0	0.4	45.5	-1.2	44.3		
Mar-May	28.3	0.6	0.1	0.2	29.2	-2.4	26.8		
Mkt. yr.	153.7	4.4	1.2	1.9	161.3	3.1	164.4	95.0	1.73
2008/09									
Mkt. yr.	132.1	5.1	1.1	2.0	140.3	4.3	144.6	93.7	1.54

Source: Calculated by 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
2004/05	1.87	2.43	3.87	4.20	1.74	2.46	1.88
2005/06	2.04	2.67	3.82	4.94	1.70	2.68	1.98
2006/07 3/	3.50	4.06	6.42	7.46	2.60	3.77	2.54
Monthly:							
2007							
Feb.	3.90	4.50	7.17	8.15	3.08	4.16	2.65
Mar.	3.76	3.81	6.88	7.78	3.25	4.20	2.84
Apr.	3.36	3.88	6.28	6.55	3.33	4.26	2.82
May	3.52	4.07	6.29	6.98	3.42	4.42	2.76
20008							
Feb.	4.91	5.59	8.45	10.04	5.28	7.08	3.66
Mar.	5.15	5.99	8.99	10.64	5.43	7.22	3.82
Apr.	5.59	6.26	9.78	11.12	5.35	7.25	3.75
May 3/	5.58	6.18	9.82	10.92	5.24	7.29	3.96

1/ Marketing year beginning September 1.

2/ Marketing year beginning June 1. 3/ Preliminary.

Source: USDA, Agricultural Marketing Service, http://marketnews.usda.gov/portal/lg.

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.								
2004/05	187.80	125.92	52.60	267.78	165.09	75.15	37.40	98.60
2005/06	174.73	143.94	55.45	273.50	150.53	86.56	63.22	104.00
2006/07 3/	198.34	147.98	71.08	336.22	190.79	109.89	81.53	113.00
Monthly:								
2007								
Feb.	208.81	174.75	85.38	346.88	196.00	129.00	133.71	115.00
Mar.	205.26	185.50	84.94	361.50	220.09	130.88	96.75	121.00
Apr.	189.37	148.25	72.82	363.33	213.55	131.00	62.90	127.00
May	198.66	137.00	59.50	344.00	204.26	105.00	57.43	145.00
2008								
Feb.	345.88	292.00	128.75	543.13	375.48	165.00	170.65	138.00
Mar.	331.57	245.00	117.19	561.88	379.78	165.00	129.28	143.00
Apr.	329.94	230.00	129.10	547.00	319.25	160.00	120.84	157.00
May 3/	325.48	240.50	114.38	529.00	279.33	160.00	119.95	177.00

1/ Marketing year beginning September 1. 2/ Marketing year beginning May 1. 3/ Preliminary.

Sources: USDA, Agricultural Marketing Service, http://marketnews.usda.gov/portal/lg, and
USDA, National Agricultural Statistics Service, http://www.nass.usda.gov/Data_and_Statistics/Quick_Stats/index.asp.

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			
2006/07							
Sep-Nov	122.8	60.5	69.2	465.9	33.0	47.5	799.0
Dec-Feb	113.9	52.8	65.7	506.2	34.6	47.5	820.6
Mar-May	134.9	62.1	67.5	545.9	36.5	47.7	894.5
June-Aug	138.5	63.6	69.3	599.1	31.7	47.7	950.0
Mkt. year	510.1	239.0	271.7	2,117.1	135.8	190.4	3,464.1
2007/08							
Sep-Nov	119.9	58.2	67.9	634.6	32.9	47.8	961.3
Dec-Feb	112.3	56.0	65.1	703.2	34.7	47.8	1,019.2
Mar-May	125.7	59.9	65.2	774.6	36.3	48.4	1,110.0
Mkt. year	490.0	240.0	265.0	2,950.0	135.4	192.4	4,272.8
2008/09							
Mkt. year	490.0	240.0	265.0	3,950.0	134.0	192.7	5,271.7

Source: Calculated by USDA, 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/					
2004/05	15.95	11.88	23.06	13.07	12.07
2005/06	15.70	11.65	23.68	12.89	12.18
2006/07 2/	18.41	14.30	28.05	15.67	15.37
Monthly					
2007					
Mar.	19.03	14.92	28.35	15.88	16.81
Apr.	19.02	14.92	28.35	15.88	16.69
May	18.99	14.89	28.35	15.88	15.52
June	18.87	14.77	28.10	15.88	16.00
2008					
Mar.	22.06	17.96	31.35	18.88	16.03
Apr.	23.45	19.35	31.35	18.88	16.51
May	23.62	19.52	31.35	18.88	17.53
June 2/	25.88	21.78	31.35	18.88	17.86

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	------2006/2007------		------2007/2008------	
	Mkt. yr.	June-May	Mkt. yr.	June-May
Oats:	Thousand tons			
Canada	1,818	1,818	2,081	2,081
Finland	12	12	31	31
Jamaica	0	0	1	1
Total 1/	1,831	1,831	2,125	2,125
Barley, malting:				
Canada	232	232	603	603
Total 1/	232	232	606	606
Barley, other: 2/				
Canada	31	31	82	82
Total 1/	31	31	82	82

1/ Totals may not add due to rounding. 2/ Mainly consists of barley for feeding and also includes seed barley.
Source: U.S. Dept. of Commerce, Bureau of the Census, http://www.census.gov/foreign-trade/www/.

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

Country/region	------2005/06--------		------2006/07--------		2007/08
	Mkt. yr.	Sept.-Apr.	Mkt. yr.	Sept.-Apr.	Sept.-Apr.
	Thousand metric tons				
Corn					
Japan	15,950	11,609	15,168	10,722	10,877
Mexico	6,336	4,961	8,768	7,462	7,786
South Korea	5,587	3,617	4,038	2,781	5,938
China (Taiwan)	4,652	3,774	4,329	3,071	3,146
Egypt	4,045	2,495	3,306	2,388	2,740
Colombia	2,704	1,954	3,247	2,378	2,193
Canada	1,882	1,294	2,048	1,409	2,588
Algeria	1,235	861	854	783	983
Morocco	1,094	754	699	627	886
Dominican Republic	1,035	735	1,202	965	792
Indonesia	965	530	105	102	35
Syria	829	529	1,471	1,153	1,034
Guatemala	718	531	747	574	484
Costa Rica	682	496	622	496	490
Israel	620	322	800	757	1,248
Saudi Arabia	564	264	418	306	962
El Salvador	499	416	538	419	375
Cuba	422	336	538	342	608
Peru	421	206	274	212	398
Tunisia	394	295	459	409	525
Honduras	353	250	371	280	240
Ecuador	339	281	418	390	477
Panama	332	242	351	249	294
Jordan	319	186	320	320	147
Chile	299	58	298	298	406
All other countries	1,925	1,460	2,578	1,423	2,974
World	54,201	38,456	53,970	40,314	48,629
Sorghum					
Mexico	3,138	2,686	1,975	1,400	678
Japan	1,161	910	709	617	423
Sub-Saharan Africa	491	352	428	389	429
European Union-27	67	41	855	586	4,249
All other countries	79	77	27	24	330
World	4,936	4,067	3,994	3,018	6,109
	------2006/2007------		------2007/2008------		
	Mkt. yr.	Jun.-Apr.	Mkt. yr.	Jun.-Apr.	
Barley					
Japan	293	293	545	545	
Mexico	49	49	48	48	
Canada	40	40	56	56	
Tunisia	22	22	--	--	
All other countries	38	38	253	253	
World	441	441	901	901	

1/ Totals may not add due to rounding.

Source: U.S. Dept. of Commerce, Bureau of the Census, http://www.census.gov/foreign-trade/www/.