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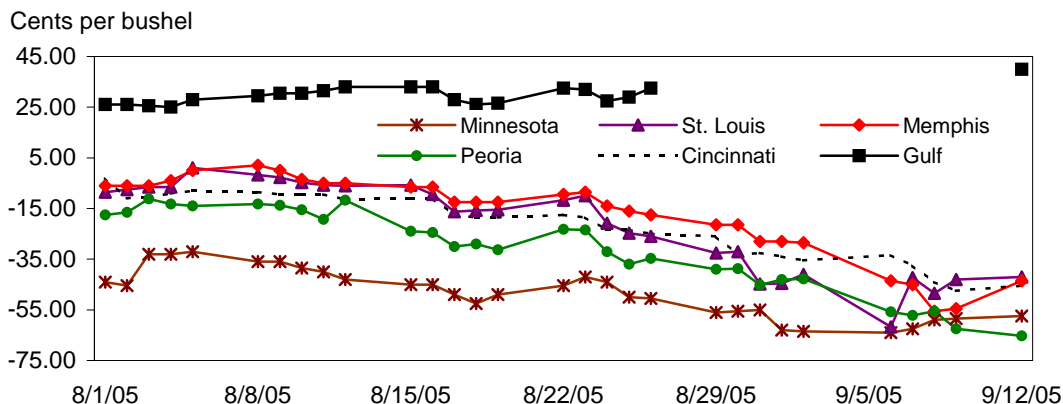
Mark Ash and Erik Dohlman

Better Demand Outlook Seen Following a Healthier U.S. Soybean Crop

Improved August precipitation brought up the U.S. Department of Agriculture's (USDA) national average yield forecast from 38.7 bushels to 39.6 bushels per acre. The U.S. harvested area estimate was unaltered at 72.2 million acres, so the yield increase was entirely responsible for raising the 2005 production forecast by 65 million bushels to 2,856 million. The 2005/06 U.S. average farm price was forecast down to \$5.15-\$6.05 per bushel from \$5.50-\$6.50 previously. In light of USDA's lower price outlook for soybeans and a scaling back of the 2005/06 supply for Brazil, the U.S. export forecast was raised by 20 million bushels this month to 1,115 million.

Another drop of world soybean prices led USDA this month to lower its 2005/06 projection of Brazil's soybean area to 22.0 million hectares. As a result of the dimmer projection for soybean area, 2005/06 production for Brazil is reduced to 60.0 million metric tons this month from 62.0 million previously. A smaller gain for the Brazilian soybean crop could curb the recovery of exports and crush, whose forecasts were trimmed back to 22.5 million and 31.0 million tons, respectively. The better financial situation of Argentine producers could lift soybean exports from that country to 9.4 million tons, versus the previous forecast of 8.7 million and 2004/05 exports of 9.0 million.

Figure 1
Disruption of Gulf port shipping widens the soybean cash basis to November futures at river terminals



Source: Agricultural Marketing Service, USDA.

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Approved by the
World Agricultural
Outlook Board.

Domestic Outlook

Timely Rainfall Relieves Stress on Soybean Pod Formation

Normal to above-normal precipitation fell over a majority of the Midwest during August, which generally supported the final stages of soybean crop development. Although earlier dryness will lead to sharply lower soybean yields this year in Missouri and Illinois, beneficial rains that fell across each State during the month likely prevented a considerably worse fate. For both States, expected yields were raised by 2 bushels per acre this month. Yield prospects also improved for Kansas, Iowa, North Dakota, Ohio, and Minnesota, where summer moisture conditions have been far better. These changes brought up the 2005 national average yield from 38.7 bushels to 39.6 bushels per acre. The U.S. harvested area estimate was unaltered at 72.2 million acres, so the yield increase was entirely responsible for raising the 2005 production forecast by 65 million bushels to 2,856 million. With 37 percent of the country's soybeans dropping leaves as of September 11, harvesting of the crop will be ready to commence within the next several weeks.

Export Potential Buoyed by Domestic Supply Gain, Lower Foreign Competition

In light of USDA's lower price outlook for soybeans and a scaling back of the 2005/06 supply for Brazil, the U.S. export forecast was raised by 20 million bushels this month to 1,115 million. For much the same reasons, U.S. exports of soybean meal and soybean oil were projected higher. Although 2005/06 soybean meal exports may lag the current season's brisk pace toward 7.3 million tons, expected shipments were increased to 6.4 million tons from the August forecast of 6.25 million. There may also be plenty of soybean oil supplies to extend its exports well into next year, and 2005/06 exports are viewed rising to 1,500 million pounds, up 150 million from the prior forecast.

Lower prices for soybean meal could also result in more generous feeding of domestic animals over the next 12 months. Domestic disappearance for 2005/06 was forecast to expand to 33.85 million tons compared with 33.4 million in the current season.

Each of these components of demand would lead to more crushing of soybeans. Projected 2005/06 crush was raised by 15 million bushels to 1,685 million, a slightly lower volume than the just concluded crop year total of 1,700 million. Not all of the production increase is seen being consumed, however. Domestic ending stocks of soybeans may become less tight (at 205 million bushels) than previously forecast.

Prices Down After August Rain, Interruption of Gulf Port Traffic

A devastating hurricane (Katrina) in late August halted all bulk grains and soybean shipments through the Louisiana ports on the Mississippi River for more than a week. In 2003/04, 65 percent of all U.S. soybean exports (as well as a lot of soybean meal and soybean oil exports) moved through this main export artery. There was little injury to the crop itself, and moisture from the storm's remnants may have benefited pod-filling when it passed through the eastern Corn Belt.

Most export elevators are located farther up the Mississippi River and reportedly escaped with modest damage. Despite this, the export elevators will indefinitely operate below full capacity because of logistical problems. After contending with power outages, fuel shortages, labor dislocations, and water draft restrictions that limit the sizes of cargoes, export loading of soybeans is now recovering. The Coast Guard recently allowed a limited resumption of upriver traffic during daylight hours. But, until the lower Mississippi River is determined fully clear of debris to permit safe 24-hour transit, the congestion will temporarily slow down downstream barge deliveries. The delays will likely defer some export shipments from the Gulf this month, but they may be made up later. Other exporters may have the option to ship via rail to alternative ports, although at additional cost. Subsequently, current barge freight has soared to 5-6 times a typical rate, causing the spreads between cash soybean bids at upstream river terminals and the November futures contract to widen by 20-30 cents per bushel. So, despite some firming of the soybean futures market earlier this month, interior cash market prices were weakened further by the shipping disruptions. Central Illinois cash prices, which averaged \$6.85 in July and \$6.21 in August, slipped below \$5.75 by early September.

The improvement of the harvest should have the longer lasting price impact, however. The 2005/06 U.S. average farm price was forecast down to \$5.15-\$6.05 per bushel from \$5.50-\$6.50 previously. Values for soybean meal and soybean oil followed the decline of soybean prices. Central Illinois soybean meal prices dropped to an August average of \$198 per short ton versus \$216 in July. Through the first half of this month meal prices have continued to fall toward \$180. USDA now forecasts the 2005/06 average soybean meal price at \$165-\$195 per ton, down \$10 from previously. Likewise, from an average value of 25.5 cents per pound in July, soybean oil prices declined to an August average of 23.6 cents and below 23 cents in recent days. The season average soybean oil price is seen 1.5 cents per pound lower to 21.5-24.5 cents.

Financial Difficulties in Brazil Expected To Reduce 2005/06 Soybean Area

Due to a recovery of the U.S. soybean crop, hopes in Brazil for substantially better returns have been dashed. Another drop of world soybean prices led USDA this month to lower its 2005/06 projection of Brazil's soybean area to 22.0 million hectares. After growing by 11 percent annually over the past 5 years, Brazilian soybean area this year is now seen declining by 4 percent. Soybean prices within Brazil have been on a year-long descent due to the record-large 2004 U.S. harvest and a 25-percent appreciation of the country's exchange rate against the U.S. dollar. In August 2005, the average soybean price in Mato Grosso was down 25 percent from a year earlier to around 433 *reals* per metric ton. Domestic prices are also being exacerbated by rising costs for ground and ocean transportation. Just between the first and second quarters of this year, the cost of transporting soybeans from Mato Grosso to Hamburg, Germany has escalated by 8 percent.

Lost revenues from failures of previous crops and their falling value laid a heavy burden onto soybean producers' ability to repay operating loans. Thus, private sources of financing have tightened the available credit for purchases of new crop inputs. Although the allocation of subsidized government credit is being expanded this year, it is insufficient to cover all of the farm sector's needs. Realistically, producers will not be able to step off the debt treadmill until they can harvest better crops. Brazil's Finance Ministry recognized this problem and announced a debt relief plan to let farmers defer what they owe on this year's loan payments until next March. However, Brazil's legislature has been preoccupied by a vote-buying scandal that has delayed funding of the extension. Thus, some producers may be unable to renew their leases on cropland. Others may idle their own most recently converted (and least productive) lands that are the most input-intensive.

As a result of the dimmer projection for soybean area, 2005/06 production for Brazil is reduced to 60.0 million metric tons this month from 62.0 million previously. Despite the likely decline of sown area, a substantial recovery for expected yields next year could still bring a dramatic improvement over this year's drought-reduced 51.0-million-ton crop. But, a smaller gain for the Brazilian soybean crop could curb the recovery of exports and crush, whose forecasts were trimmed back to 22.5 million and 31.0 million tons, respectively.

The difficulties encountered by Brazilian producers are an opportunity for their main export competition in Argentina. Unlike their counterparts in Brazil, Argentine farmers are enjoying good returns off of an excellent preceding crop, and their production costs have not escalated as rapidly. Nor have Argentine producers suffered from any recent adverse shift of exchange rates, as the peso has stayed comparatively stable against the dollar. Soybean exports from Argentina in 2005/06 are expected to rise to 9.4 million tons, versus the previous forecast of 8.7 million and 2004/05 exports of 9.0 million. Given a strong expansion of processing capacity in Argentina, soybean crushers are also expected to take advantage of a smaller increase in Brazilian output. The 2005/06 crush could rise by 4 percent from the previous season to 27.6 million tons based on higher forecast exports of soybean meal (up 5 percent to 20.8 million tons) and soybean oil (up 6 percent to 5.0 million tons).

Moderately stronger consumption estimates for the European Union-25 (EU-25), China, and the Middle East were combined with a lower Brazilian production this month to reduce the 2005/06 global ending stocks forecast to 43.9 million tons, a slightly lower level than the prior year. Part of the reduction is due to a lowering of the 2004/05 soybean carryover. Due to recent heavy deliveries, 2004/05 soybean imports by China were estimated up another 1 million tons to a record 25.0 million. Overcapacity continues to plague China's crushing industry, and stocks are accumulating. Yet, the brisk pace of soybean imports will likely endure until banks quit carrying nonperforming loans and force some debt-laden companies to consolidate.

Rapeseed Output Climbing Higher for EU and Canada

Global rapeseed output for 2005/06 was estimated up to 43.9 million tons this month, compared with 43.1 million forecast in August and 46.4 million produced in 2004/05. EU output was raised 0.5 million tons this month to 14.8 million. For the second consecutive year, excellent yields were obtained in Germany and France due to favorable growing weather. It is anticipated that the entire increase would be crushed domestically. For Canada, yield prospects also look very good, where the upcoming canola harvest is seen at 8.2 million tons versus 8.0 million previously. Excellent weather in Saskatchewan is more than offsetting the unfavorable conditions that Manitoba had. Domestic crushing of canola may approach its capacity in Canada during 2005/06. Ample supplies should stimulate an active pace for Canadian seed exports (4.2 million tons), but limited foreign import markets may result in another year of substantial stock accumulation for the country.

Indonesian Production and Exports of Palm Oil Are Expanding Rapidly

For the first time ever, the world output of palm oil is anticipated to surpass soybean oil. Global palm oil output for 2005/06 is projected at 34.6 million tons, which would be up 4 percent from 2004/05. Malaysia has historically been the top world producer of palm oil, but Indonesia is leading the recent supply surge. Based on USDA production revisions for the previous 3 years, the 2005/06 forecast of Indonesian palm oil output was increased to 14.2 million tons compared with 13.2 million the prior year. A robust export trade confirms the rapid growth of the country's palm oil industry.

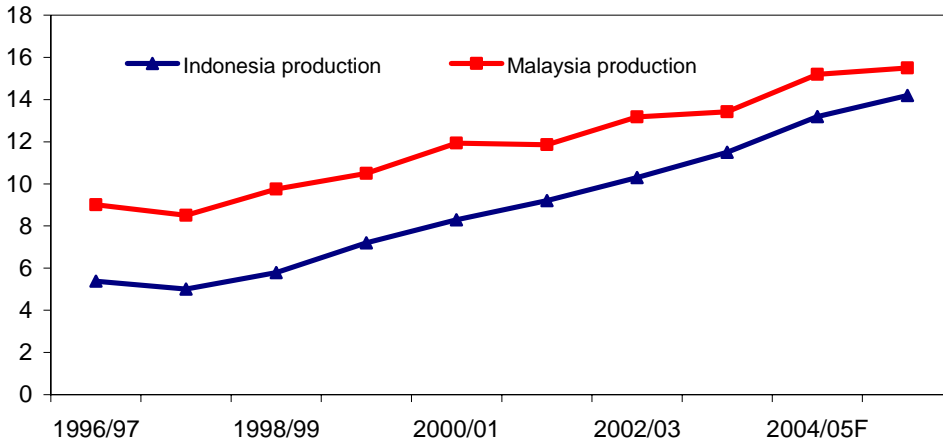
At the same time, the Indonesian currency (the rupiah) has depreciated, further enhancing the competitiveness of the country's palm oil exports. Since January 2004, the rupiah has depreciated by nearly 20 percent against the U.S. dollar. For 2005/06, the expansion of Indonesian palm oil trade is forecast up 8 percent to 9.9 million tons. Just over half of these exports are usually sent to India.

The attractiveness of palm oil prices adds pressure onto the world soybean oil market. Freight rates also favor palm oil in the prime Asian import markets. Global soybean oil imports for 2005/06 are up to nearly 10 million tons this month, largely on an expected increase for India from 1.65 million to 2.0 million tons. In contrast, China's imports of soybean oil are not seen quite as strong as before (down 200,000 to 2.4 million tons) due to a more ample outlook for domestic output.

Figure 2

Indonesian palm oil output gains on Malaysian market leadership

Million metric tons



F=Forecast

Source: Foreign Agricultural Service, USDA.

Interest in using both oils for making biodiesel has surged with the sharp spike of world petroleum prices. A decline in EU rapeseed output (the source for most vegetable oil used for producing biodiesel) this year will encourage more palm oil imports for that use. Several new refineries are being constructed in Rotterdam primarily for that purpose. EU palm oil imports for 2005/06 are expected to rise to 4.6 million tons from 4.1 million this year. The market incentives for biodiesel are helping to fuel an Indonesian expansion of mature palm area (currently near 5 million hectares) over the next 3 years to around 8 million hectares. Malaysian-owned companies are bringing their capital and technical expertise to Indonesia, which is richly endowed with available land and labor for palm oil production. The government intends for a large portion of the increase to occur in the country's Kalimantan province on the island of Borneo. But, it would take several years for the young trees to bear fruit. Considerable investment in infrastructure will also be needed to deliver output from the new plantations to market. Some environmental organizations are opposed to expansion of oil palm area, contending the potential for damage to native wildlife from land clearing.

Contacts and Links

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Data

Monthly tables from *Oil Crops Outlook* are available in Excel (.xls) spreadsheets at <http://www.ers.usda.gov/briefing/soybeansoilcrops/Data/data.htm>. These tables contain the latest data on the production, use, imports, exports, prices, and textile trade of cotton and other fibers.

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Related Websites

WASDE (<http://www.usda.gov/oce/waob/wasde/latest.pdf>)
Oilseed Circular, http://www.fas.usda.gov/oilseeds_arc.html
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Table 1--Soybeans: U.S. supply and disappearance

Year beg. Sept. 1	Area		Yield	Supply			Disappearance				Ending stocks	
	Planted	Harvested		Beginning stocks	Production	Imports	Total	Crush	Exports	Seed, feed, residual		Total
	<i>Million acres</i>		<i>Bu/acre</i>	-----			-----				-----	
2003/04	73.4	72.5	33.9	178	2,454	6	2,638	1,530	887	109	2,525	112
2004/05 ¹	75.2	74.0	42.5	112	3,141	5	3,258	1,700	1,095	168	2,963	295
2005/06 ²	73.1	72.2	39.6	295	2,856	4	3,155	1,685	1,115	150	2,950	205
2003/04												
September						0.2		127.6	34.0			
October						1.0		146.2	163.3			
November						1.0		145.6	186.3			
Sep-Nov				178.3	2,453.7	2.2	2,634.2	419.4	383.5	142.7	945.6	1,688.7
December						0.8		145.8	140.2			
January						0.4		146.0	115.2			
February						0.2		131.4	78.5			
Dec-Feb				1,688.7	---	1.4	1,690.0	423.2	333.9	27.1	784.2	905.8
March						0.3		129.5	75.6			
April						0.4		112.5	28.9			
May						0.2		117.5	18.8			
Mar-May				905.8	---	1.0	906.8	359.5	123.4	13.4	496.2	410.6
June						0.3		109.4	21.1			
July						0.3		115.3	13.9			
August						0.3		103.0	10.8			
Jun-Aug				410.6	---	0.9	411.5	327.6	45.8	(74.3)	299.1	112.4
Total					2,453.7	5.6	2,637.6	1,529.7	886.6	108.9	2,226.0	
2004/05												
September						0.4		120.9	47.2			
October						0.2		155.9	177.7			
November						0.3		151.1	181.0			
Sep-Nov				112.4	3,141.0	1.0	3,254.4	427.9	405.8	116.1	949.7	2,304.6
December						0.7		150.0	155.0			
January						0.5		148.6	121.9			
February						0.3		137.6	123.2			
Dec-Feb				2,304.6	---	1.4	2,306.0	436.2	400.2	88.3	924.7	1,381.4
March						0.4		148.5	96.4			
April						0.3		139.4	65.2			
May						0.3		142.8	49.6			
Mar-May				1,381.4	---	1.0	1,382.3	430.7	211.2	40.8	682.7	699.6
June						0.7		132.0	35.2			
July						1.2		140.2	20.0			
Total to date					3,141.0	5.2	3,258.7	1,566.9	1,072.3	245.2	2,557.1	

¹ Estimated. ² Forecast.

Source: National Agricultural Statistics Service, U.S. Department of Agriculture; and Census Bureau, U.S. Dept. of Commerce.

Last update: 9/19/2005

Table 2--Soybean meal: U.S. supply and disappearance

Year begin. Oct. 1	Supply				Disappearance			Ending stocks
	Beginning stocks	Production	Imports	Total	Domestic	Exports	Total	
	<i>1,000 short tons</i>							
2003/04	220	36,324	285	36,830	31,449	5,170	36,619	211
2004/05 ¹	211	40,634	115	40,960	33,400	7,300	40,700	260
2005/06 ²	260	40,075	165	40,500	33,850	6,400	40,250	250
2003/04								
October	219.9	3,462.1	7.0	3,689.0	2,862.0	509.1	3,371.2	317.8
November	317.8	3,465.9	6.3	3,790.1	2,681.1	692.0	3,373.1	417.0
December	417.0	3,483.7	5.1	3,905.9	3,134.8	490.4	3,625.2	280.7
January	280.7	3,477.8	6.1	3,764.6	2,816.1	619.7	3,435.8	328.8
February	328.8	3,144.9	5.5	3,479.2	2,483.6	579.8	3,063.4	415.8
March	415.8	3,092.4	7.7	3,515.8	2,514.0	626.9	3,140.8	375.0
April	375.0	2,682.4	5.4	3,062.7	2,376.3	347.8	2,724.1	338.6
May	338.6	2,792.4	37.6	3,168.6	2,352.8	350.2	2,703.0	465.5
June	465.5	2,616.2	47.2	3,129.0	2,601.1	212.9	2,814.0	314.9
July	314.9	2,752.2	48.5	3,115.7	2,523.3	247.8	2,771.0	344.6
August	344.6	2,480.2	76.1	2,900.9	2,481.3	223.3	2,704.6	196.3
September	196.3	2,874.3	32.7	3,103.3	2,622.4	270.2	2,892.6	210.7
Total		36,324.5	285.2	36,829.6	31,448.9	5,170.0	36,618.9	
2004/05								
October	210.7	3,685.2	6.5	3,902.4	3,077.2	469.5	3,546.7	355.7
November	355.7	3,584.2	7.3	3,947.1	2,866.6	793.7	3,660.3	286.8
December	286.8	3,567.9	6.9	3,861.7	2,697.0	893.4	3,590.4	271.3
January	271.3	3,553.6	6.8	3,831.7	2,869.0	621.8	3,490.8	340.9
February	340.9	3,293.3	7.0	3,641.2	2,651.7	679.1	3,330.8	310.4
March	310.4	3,547.6	8.9	3,867.0	2,916.4	702.6	3,619.0	248.0
April	248.0	3,328.0	7.6	3,583.5	2,584.2	691.8	3,276.0	307.5
May	307.5	3,396.8	9.3	3,713.6	2,821.1	543.5	3,364.6	349.0
June	349.0	3,160.9	7.4	3,517.3	2,702.7	569.9	3,272.6	244.8
July	244.8	3,333.0	5.8	3,583.5	2,718.6	482.7	3,201.3	382.1
Total to date		34,450.5	73.4	34,734.7	27,904.6	6,447.9	34,352.5	

¹ Estimated. ² Forecast.

Source: Census Bureau, U.S. Department of Commerce.

Last update: 9/19/2005

Table 3--Soybean oil: U.S. supply and disappearance

Year begin. Oct. 1	Supply				Disappearance			Ending stocks
	Beginning stocks	Production	Imports	Total	Domestic	Exports	Total	
<i>Million pounds</i>								
2003/04	1,489	17,080	306	18,875	16,864	936	17,800	1,076
2004/05 ¹	1,076	19,320	25	20,421	17,300	1,400	18,700	1,721
2005/06 ²	1,721	18,975	65	20,761	17,650	1,500	19,150	1,611
2003/04								
October	1,488.7	1,630.8	3.3	3,122.7	1,558.4	152.5	1,710.9	1,411.8
November	1,411.8	1,610.6	2.7	3,025.2	1,408.6	111.3	1,520.0	1,505.2
December	1,505.2	1,604.6	3.2	3,113.0	1,400.1	133.2	1,533.3	1,579.7
January	1,579.7	1,618.3	3.1	3,201.1	1,179.1	71.2	1,250.3	1,950.8
February	1,950.8	1,462.4	2.8	3,415.9	1,354.8	62.8	1,417.7	1,998.3
March	1,998.3	1,461.4	3.5	3,463.1	1,533.1	73.5	1,606.6	1,856.5
April	1,856.5	1,260.3	6.0	3,122.8	1,440.2	38.8	1,479.0	1,643.8
May	1,643.8	1,314.6	28.1	2,986.5	1,294.0	44.0	1,338.0	1,648.5
June	1,648.5	1,236.0	69.8	2,954.2	1,401.3	39.3	1,440.6	1,513.7
July	1,513.7	1,304.0	64.7	2,882.3	1,416.9	53.9	1,470.7	1,411.6
August	1,411.6	1,185.9	79.1	2,676.6	1,427.6	68.8	1,496.3	1,180.2
September	1,180.2	1,391.7	39.9	2,611.8	1,449.4	86.8	1,536.2	1,075.6
Total		17,080.4	306.2	18,875.3	16,863.6	936.0	17,799.6	
2004/05								
October	1,075.6	1,759.6	1.4	2,836.6	1,521.4	59.9	1,581.3	1,255.3
November	1,255.3	1,688.0	4.7	2,948.0	1,572.1	184.5	1,756.6	1,191.5
December	1,191.5	1,682.3	1.1	2,874.8	1,323.9	239.5	1,563.5	1,311.4
January	1,311.4	1,680.2	1.7	2,993.2	1,354.2	78.1	1,432.3	1,560.9
February	1,560.9	1,564.1	2.0	3,127.0	1,262.7	216.9	1,479.7	1,647.3
March	1,647.3	1,686.4	1.8	3,335.5	1,449.3	74.8	1,524.0	1,811.4
April	1,811.4	1,579.6	2.1	3,393.2	1,516.5	73.3	1,589.8	1,803.3
May	1,803.3	1,620.1	1.8	3,425.2	1,458.8	71.7	1,530.5	1,894.7
June	1,894.7	1,497.3	0.8	3,392.9	1,486.3	68.0	1,554.3	1,838.6
July	1,838.6	1,593.8	0.2	3,432.6	1,407.2	52.4	1,459.5	1,973.1
Total to date		16,351.3	17.7	17,444.6	14,352.4	1,119.1	15,471.5	

¹ Estimated. ² Forecast.

Source: Census Bureau, U.S. Department of Commerce.

Last update: 9/19/2005

Table 4--Cottonseed: U.S. supply and disappearance

Year beg. Aug. 1	Supply				Disappearance				Ending stocks	
	Beginning stocks	Production	Imports	Total	Crush	Exports	Other	Total		
<i>1,000 short tons</i>										
2003/04 ¹	347	6,665	2	7,013	2,643	354	3,595	6,592	421	
2004/05 ²	421	8,242	5	8,668	2,923	365	4,788	8,076	592	
2005/06 ²	592	7,984	25	8,601	2,900	375	4,789	8,064	537	

¹ Estimated. ² Forecast.

Source: National Agricultural Statistics Service, U.S. Dept. of Agriculture; and Census Bureau, Dept. of Commerce.

Table 5--Cottonseed meal: U.S. supply and disappearance

Year beg. Oct. 1	Supply				Disappearance			Ending stocks
	Beginning stocks	Imports	Production	Total	Domestic	Exports	Total	
<i>1,000 short tons</i>								
2003/04 ¹	35	0	1,244	1,279	1,132	70	1,202	77
2004/05 ²	77	0	1,335	1,412	1,252	90	1,342	70
2005/06 ²	70	0	1,305	1,375	1,240	70	1,310	65

¹ Estimated. ² Forecast.

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

Table 6--Cottonseed oil: U.S. supply and disappearance

Year beg. Oct. 1	Supply				Disappearance			Ending stocks
	Beginning stocks	Imports	Production	Total	Domestic	Exports	Total	
<i>Million pounds</i>								
2003/04 ¹	36	0	874	910	690	111	801	109
2004/05 ²	109	1	935	1,045	909	61	970	75
2005/06 ²	75	0	915	990	815	100	915	75

¹ Estimated. ² Forecast.

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

Table 7--Peanuts: U.S. supply and disappearance

Year beg. Aug. 1	Supply				Disappearance				Ending stocks	
	Beginning stocks	Imports	Production	Total	Domestic food	Crush	Seed & residual	Exports		Total
<i>Million pounds</i>										
2003/04 ¹	875	38	4,144	5,058	2,456	536	429	516	3,937	1,121
2004/05 ²	1,121	37	4,262	5,420	2,598	393	519	490	4,000	1,420
2005/06 ²	1,420	20	5,010	6,450	2,778	799	548	565	4,690	1,760

¹ Estimated. ² Forecast.

Source: National Agricultural Statistics Service, U.S. Dept. of Agriculture; and Census Bureau, Dept. of Commerce.

Last update: 9/19/2005

Table 8--Oilseeds prices received by U.S. farmers

Marketing year	Soybeans \$/bu.	Cottonseed \$/ton	Sunflower \$/cwt.	Peanuts Cents/lb.	Flaxseed \$/bu.
1995/96	6.72	106.00	11.50	29.30	5.19
1996/97	7.35	126.00	11.70	28.10	6.37
1997/98	6.47	121.00	11.60	28.30	5.81
1998/99	4.93	129.00	10.60	28.40	5.05
1999/00	4.63	89.00	7.53	25.40	3.79
2000/01	4.54	105.00	6.89	27.40	3.30
2001/02	4.38	90.50	9.62	23.40	4.29
2002/03	5.53	101.00	12.10	18.20	5.77
2003/04	7.34	117.00	12.10	19.30	5.88
2004/05 ¹	5.75	105.00	13.80	18.90	8.10
2005/06 ¹	5.15-6.05	88-118	11.8-13.8	18.3-20.3	7.05-7.95
2003/04					
September	6.06	100.00	10.40	18.30	5.43
October	6.60	104.00	11.40	18.50	5.77
November	7.05	120.00	11.50	18.40	6.06
December	7.17	127.00	11.70	19.60	6.22
January	7.35	126.00	12.10	20.60	6.09
February	8.28	140.00	12.80	18.90	6.40
March	9.28	NA	13.10	18.60	6.52
April	9.62	NA	13.50	19.80	6.98
May	9.56	NA	13.70	20.60	7.11
June	9.08	NA	13.50	20.30	7.25
July	8.46	NA	13.30	17.40	7.33
August	6.83	99.00	13.60	19.00	6.90
2004/05					
September	5.84	89.00	12.90	19.20	7.19
October	5.56	107.00	12.40	20.10	7.36
November	5.36	104.00	13.00	20.30	8.70
December	5.45	111.00	13.50	18.30	8.42
January	5.57	112.00	13.70	18.90	8.90
February	5.42	112.00	15.10	18.60	11.00
March	5.95	NA	15.60	18.50	11.50
April	6.03	NA	15.20	18.00	12.30
May	6.20	NA	15.50	17.80	11.60
June	6.58	NA	15.60	17.60	11.20
July	6.65	NA	15.10	16.00	10.40
August ¹	6.09	102.00	13.30	17.30	8.50

¹ Preliminary. NA = Not available.

Source: National Agricultural Statistics Service, U. S. Dept. of Agriculture.

Last update: 9/19/2005

Table 9--U.S. vegetable oil and fats prices

Marketing year	Soybean oil ²	Cottonseed oil ³	Sunflower oil ⁴	Peanut oil ⁵	Corn oil ⁶	Lard ⁶	Edible tallow ⁶
<i>Cents/lb.</i>							
1995/96	24.70	26.53	25.40	40.34	25.24	21.70	21.56
1996/97	22.50	25.58	22.64	43.65	24.05	23.02	23.01
1997/98	25.80	28.85	27.00	49.21	28.94	19.46	20.69
1998/99	19.90	27.32	20.10	40.72	25.30	14.66	15.14
1999/00	15.60	21.52	16.68	35.96	17.81	13.64	13.21
2000/01	14.15	15.98	15.89	34.97	13.54	14.61	13.43
2001/02	16.46	17.98	23.25	32.23	19.14	13.55	13.87
2002/03	22.04	37.75	33.11	46.70	28.17	18.13	17.80
2003/04	29.97	31.21	33.41	60.84	28.43	26.13	22.37
2004/05 ¹	23.00	27.50	43.25	53.63	28.00	21.75	18.50
2005/06 ¹	21.5-24.5	24.0-27.0	27.8-30.8	53.0-56.0	25.0-28.0	16.5-19.5	18.0-21.0
2003/04							
October	27.40	32.93	32.73	61.60	26.99	27.50	24.22
November	27.76	32.24	31.60	63.25	27.56	26.40	27.76
December	29.54	33.26	32.00	64.50	28.73	25.18	29.50
January	30.34	32.76	32.56	65.00	29.26	26.50	26.81
February	33.05	34.21	33.97	61.67	31.00	25.83	20.27
March	34.66	34.91	34.91	60.00	30.56	23.77	20.58
April	34.19	34.47	34.73	60.00	30.36	22.58	22.58
May	32.68	32.57	34.23	56.50	30.34	21.31	19.85
June	30.07	30.72	33.66	NA	28.36	22.50	18.81
July	28.05	27.83	33.13	56.00	27.33	27.53	21.10
August	25.98	25.29	33.07	53.75	25.61	32.06	18.80
September	25.87	23.29	34.34	55.00	25.07	32.38	18.20
2004/05							
October	23.23	22.74	34.81	55.00	23.10	27.95	16.13
November	22.95	23.88	34.70	55.00	24.24	27.26	16.34
December	21.79	23.81	35.45	55.67	26.67	26.50	17.43
January	20.46	23.70	43.15	56.00	27.41	22.10	17.51
February	20.70	24.38	49.29	55.00	27.58	18.30	18.50
March	23.60	28.19	47.11	50.00	28.08	17.71	19.95
April	23.09	29.80	45.98	50.00	29.29	20.72	22.19
May	23.38	30.63	46.50	53.25	30.65	22.95	20.84
June	24.70	33.13	46.50	52.50	30.73	21.30	19.25
July	25.46	34.15	45.13	52.38	30.01	18.08	17.36
August ¹	23.59	30.44	46.44	52.25	28.83	17.75	17.38

¹ Preliminary. ² Decatur, IL. ³ PBSY Greenwood, MS. ⁴ Minneapolis.

⁵ Southeast mills ⁶ Chicago.

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

Last update: 9/19/2005

Table 10--U.S. oilseed meal prices

Marketing year	Soybean meal ²	Cottonseed meal ³	Sunflower meal ⁴	Peanut meal ⁵	Canola meal ⁶	Linseed meal ⁴
<i>\$/Short ton</i>						
1995/96	235.90	190.74	123.75	190.92	177.22	159.00
1996/97	262.00	192.00	110.60	207.79	192.02	158.75
1997/98	185.30	144.00	84.20	210.25	131.15	117.54
1998/99	138.50	109.55	64.20	122.02	112.28	84.49
1999/00	167.62	127.43	75.00	108.15	117.07	103.42
2000/01	173.62	142.93	90.50	119.75	139.20	121.92
2001/02	167.72	136.16	87.27	112.32	143.33	121.29
2002/03	181.58	146.12	105.00	128.35	144.06	122.91
2003/04	256.05	183.47	111.14	177.56	188.45	160.00
2004/05 ¹	185.00	127.00	92.00	118.34	144.50	115.00
2005/06 ¹	165-195	125-155	100-130	110-140	140-170	90-120
2003/04						
October	225.20	163.50	103.50	147.10	169.65	139.90
November	242.00	182.50	117.88	161.00	187.19	178.75
December	231.54	185.00	112.10	163.25	181.35	162.25
January	252.15	188.00	116.00	163.35	201.07	166.25
February	257.39	193.00	115.50	168.75	205.50	174.37
March	301.14	205.10	125.40	200.40	228.65	193.60
April	311.83	219.67	130.75	226.00	214.40	197.75
May	300.69	203.00	122.50	237.50	200.03	181.75
June	285.81	185.40	109.30	204.00	188.98	151.80
July	284.05	177.50	111.00	199.33	192.09	139.75
August	205.34	156.20	87.20	143.33	146.99	112.40
September	175.51	142.75	82.50	133.00	145.55	112.38
2004/05						
October	155.37	126.75	75.67	100.38	133.39	99.50
November	153.90	119.00	98.00	99.25	138.81	114.60
December	161.60	117.00	97.63	93.50	135.13	109.13
January	167.34	112.50	94.00	93.25	129.21	111.63
February	167.95	111.25	76.00	99.25	139.55	109.88
March	187.96	110.80	68.20	112.00	146.08	109.80
April	193.19	108.00	75.00	122.75	140.85	104.00
May	198.68	110.40	80.00	137.25	139.25	96.00
June	219.28	138.75	NA	145.25	153.98	116.00
July	215.75	151.00	NA	140.83	150.48	159.38
August ¹	198.43	143.00	NA	132.50	138.12	157.75

¹ Preliminary. ² Hi-pro Decatur, IL. ³ 41% Memphis. ⁴ 28% Minneapolis.

⁵ 50% Southeast mills. ⁶ 36% Pacific Northwest.

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

Last update: 9/19/2005