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Oil Crops Outlook

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Better U.S. Soybean Yield Enhances Demand Potential

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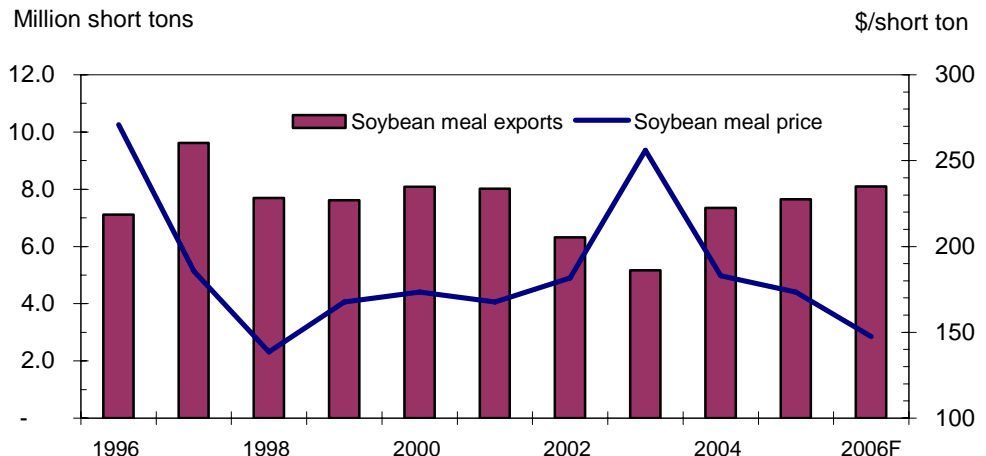
Approved by the
World Agricultural
Outlook Board.

The U.S. soybean harvest is now forecast at 3,093 million bushels, up 165 million from last month. Given timely precipitation and moderate temperatures in August, the national average soybean yield increased to 41.8 bushels per acre from 39.6 bushels previously. The September projection of 2006/07 trade in U.S. soybeans increased 35 million bushels to 1,125 million, while domestic use by processors is anticipated to increase 15 million bushels to 1,765 million. Season-ending soybean stocks are forecast to rise to 530 million bushels from a carryover of 485 million.

With the primary focus on domestic crushing, Argentine soybean exports are seen declining to 7.0 million metric tons for 2006/07. Brazil's 2006/07 soybean exports could slip to 26.0 million tons due to a tightening outlook for domestic supply. USDA projects that China's processors will import a record 32.0 million tons of soybeans in 2006/07, up 0.5 million from the prior forecast and a revised 2005/06 forecast of 27.7 million tons.

Figure 1

Ample Supply and falling prices favoring U.S. Soybean meal exports



Sources: *Oil Crops Yearbook*, Economic Research Service, and *World Agricultural Supply and Demand Estimates*, World Agricultural Outlook Board, USDA.

Domestic Outlook

Favorable Late Summer Weather Vastly Improves Outlook for U.S. Soybean Yield

In August, timely precipitation and moderate temperatures enabled soybean crops throughout the country to better fulfill their potential. Although fields in the Western Plains and the South show some irreparable damage from earlier drought, last month's rains likely salvaged a much better outcome for farmers. This year's U.S. soybean harvest is now forecast at 3,093 million bushels, up 165 million from last month. With no change in the number of harvested acres (73.9 million acres), the national average soybean yield increased to 41.8 bushels per acre from 39.6 bushels previously. The largest increases in USDA's September production forecasts were for Iowa, Illinois, Nebraska, Minnesota, and Missouri--collectively accounting for 83 percent of this month's national gain in output. Throughout the country, active harvesting should commence by the end of the month.

Another big harvest (second in size only to the 2004 crop) will lay a foundation for strong 2006/07 domestic use and exports. Largely owing to prospects for heavier imports by China, USDA this month raised its forecast of U.S. soybean exports. The September projection of 2006/07 trade in U.S. soybeans increased 35 million bushels to 1,125 million, a strong rebound from the revised 2005/06 estimate of 945 million bushels. Another contributing factor to the U.S. export outlook is a bit less competition this fall from South American exporters, as a tighter carryover of soybean stocks is likely for both Brazil and Argentina.

Domestic soybean crushers are also benefiting from an ample supply of soybeans, which raised the old-crop crush estimate by 15 million bushels to 1,740 million. Over 11 months through July, the 2005/06 cumulative crush was 1,597 million bushels, a 31-million-bushel gain over the previous year. For 2006/07, processors are anticipated to use 1,765 million bushels (up 15 million from the prior forecast). The major strength of U.S. processors lies in their export market for soybean meal, where attractively low prices will promote consumption worldwide. Expected to range about \$147.50-\$177.50 per short ton, the average cost for U.S. soybean meal could fall to a 7-year low. USDA forecasts of soybean meal exports were raised for both 2005/06 and 2006/07, to 7.65 million and 8.1 million short tons, respectively. Realization of the exports for the new marketing year would pave the way for the largest annual total since the record 1997/98 shipments. Indications for rising imports of soybean meal by Mexico (almost exclusively a North American market) contributed to the higher forecasts of U.S. exports.

Conversely, domestic consumption of soybean meal is down 0.4 percent for the season to date against last year, keeping it on track to make the previous USDA forecast of 33.4 million tons. In 2006/07, a moderate 2-percent increase in domestic use (to 34.1 million tons) is expected to resume.

Also, U.S. soybean oil exports for 2006/07 were projected to increase a modest 50 million pounds to 1,250 million. International trade in soybean oil should be buoyed next year by robust imports by India, China, and the European Union. For the immediate future, domestic supplies of soybean oil are quite abundant for satisfying both domestic and foreign demand. Actually, the end-of-July stocks of soybean oil, at 3,130 million pounds, were the largest volume ever recorded for any

month. By the end of this year, however, expansion of biodiesel production capacity is expected to start chipping away at that inventory, pulling it down by the end of September 2007 to 2,644 million pounds. Acceleration of new plant introductions could soon have a moderately supportive effect on soybean oil prices. The 2006/07 average is forecast at 23.0-27.0 cents per pound, unchanged from last month. A similar trend in the international vegetable oil market should also rally prices, where global ending stocks in 2006/07 are projected to tighten to the lowest ratio relative to use in three decades.

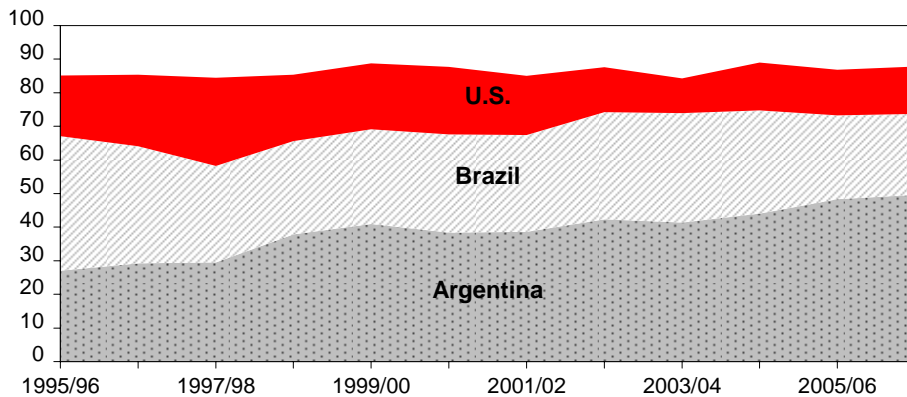
Despite strong growth in soybean demand, it should be surpassed by the supply increase. Season-ending stocks are forecast to rise to 530 million bushels from a carryover of 485 million. The signs of improving crop conditions have raised expectations for a large carryout and weighed on soybean prices in recent weeks. In fact, local market prices have dropped below the loan repayment rate for many locations, providing farmers a harvest-time opportunity to collect a loan deficiency payment. The August average cash bid for soybeans in central Illinois was \$5.21 per bushel, down from \$5.59 the previous month and a dollar below a year earlier. The 2006/07 national average price is forecast down 10 cents to \$4.90-\$5.90 per bushel, compared with \$5.68 for the recently concluded crop year.

International Outlook

Figure 2

Argentine soybean meal exports capturing a larger global share

Percent of world



Source: PS&D database, Foreign Agricultural Service, USDA.

South American Exporters Stiffen Competition for U.S. Soybean Products; Relax It for Soybeans

Suppliers in Brazil and Argentina are carving out even more specialized roles within the global market for soybeans and soybean products. Argentine soybean processors are becoming evermore dominant in the products trade. In 2005/06, Argentine exports of soybean meal are expected to total 24.7 million metric tons, a 21-percent surge over the previous year. For next year, Argentine exports could continue rising toward 26.0 million tons. Such an outcome would represent approximately half of the global trade in soybean meal, up from a 30-percent share just a decade ago. In contrast, when it comes to exporting soybean meal and soybean oil, crushers in Brazil do not have the formidable tax rate, exchange rate, and transportation cost advantages of their Argentine counterparts. Their comparative difficulty in bidding soybeans away from the export market led to lower crushing and a stagnation of soybean meal exports in 2005/06 to an estimated 12.7 million tons (versus 14.2 million the year before). For the coming season, the erosion in Brazil soybean meal trade could be repeated, with exports slipping toward 12.6 million tons. By comparison, the global market share for Brazil soybean meal exports has fallen from 40 percent in the mid-1990s to a projected 23 percent for 2006/07.

Except for shipments to China, comparatively few exports of unprocessed soybeans are departing Argentina. That pivotal foreign market is increasingly being serviced by the United States and Brazil. With the primary focus on domestic crushing, Argentine soybean exports for 2005/06 are seen declining to 7.3 million tons from 9.3 million last year, and continuing down to 7.0 million tons for 2006/07. Yet, Brazil's soybean exports are seen to have risen to 26.75 million tons in 2005/06 (compared with 20.1 million the year before). Brazil's 2006/07 soybean exports could slip to 26.0 million tons, however, due to a tightening outlook for domestic supply.

Strong Demand, Smaller Domestic Crop Promotes China's Soybean Imports

USDA projects that China's processors will import a record 32.0 million tons of soybeans in 2006/07, up 0.5 million from the prior forecast and a revised 2005/06 forecast of 27.7 million tons. If these imports are realized, China alone could account for more than 80 percent of the 2006/07 gain in world trade. A slight drop in China's domestic soybean production is expected for 2006 to 16.2 million tons from 16.35 million last year.

Consumption of soybean meal in China is forecast to grow 9 percent in 2006/07 to 30.4 million tons, which is a main reason for the robust pace of soybean imports. China's soybean oil consumption is projected to rise slightly faster (10 percent) next year to 8.5 million tons. Even with a brisk rate of domestic crushing, soybean oil imports are expected to constitute 1.8 million tons out of the country's total use. A slowing pace over the last few months prompted a reduction in the 2005/06 import forecast to 1.6 million tons.

Hot Weather Trims Prospects for Russian Sunflowerseed Production and Exports

A majority of Russia's sunflower output occurs in its southern region, between Ukraine and the Black Sea on the west and the Caspian Sea on the east. This year, an August heat wave during the main period for seed formation could be detrimental to sunflower yields there. Although Russia is still expected to produce a very good sunflowerseed crop (due to a 7-percent expansion in sown area), the 2006 production estimate was lowered by 300,000 tons this month to 6.2 million tons. Projected 2006/07 exports of Russian sunflowerseed were lowered to 400,000 tons.

Despite a lower crop for Russia, global sunflowerseed output for 2006/07 was forecast up to 29.0 million tons this month due to offsetting production increases for Bulgaria, Romania, and China. Based principally on the strength of record area totaling 0.7 million hectares, sunflowerseed production in Bulgaria is expected to rise to a record 900,000 tons. For Romania, a similar expansion of sunflower area could boost 2006 output to a record 1.45 million tons. Together, the two countries should be capable of completely replacing a loss of Russian sunflowerseed exports.

Indian Peanut Output to Drop Following Decline of Sown Area

Reports from India's Agriculture Ministry indicate that the area sown to peanuts this year will decline to an estimated 6.0 million hectares from 6.9 million last year. Early delays of rainfall for the main peanut-growing regions of western and southern India initially caused a lower area for summer-sown peanuts. Later on, a sudden burst of rain in western India led to flooding that may also have prevented sowing. The reduction in peanut area cuts USDA's 2006 production forecast for India from 6.7 million to 5.9 million tons.

After rapeseed oil, peanut oil is India's second-largest source of domestically produced vegetable oil. Any domestic shortfall will necessitate additional imports of palm oil or soybean oil. Last year, good oilseed crops trimmed 2005/06

vegetable oil imports to 5.2 million tons versus 5.9 million the year before. But, smaller new-crop oilseed harvests will likely raise 2006/07 vegetable oil imports back to 5.9 million tons. Indian soybean oil imports for 2006/07 were forecast to rise 150,000 tons to 1.9 million.

International prices for palm oil have risen steadily since the beginning of the year. Indian Government authorities have sought to offset the rise of domestic consumer prices by lowering import tariffs. In August, import tariffs for crude palm oil and palm olein were each reduced by 10 percentage points to 70 percent and 80 percent, respectively. The latest changes have little bearing on the current season, which is nearly complete. Forecasts of 2005/06 Indian imports were up 250,000 tons this month for soybean oil (to 1.95 million) at the expense of palm oil imports, which were trimmed 200,000 tons to 3.1 million.

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.

Recent Reports

Economic Analysis of Base Acre and Payment Yield Designations Under the 2002 U.S. Farm Act evaluates farmers' decisions to designate base acres under the 2002 Farm Act. Findings suggest that decision makers responded to economic incentives in their designations of base acres by selecting those options that resulted in the greatest expected flow of program payments <http://www.ers.usda.gov/publications/ERR12/>. See also *Farm Program Acres* for the county-level farm program and planted acreage data used in the report, which can be downloaded and mapped. <http://www.ers.usda.gov/data/baseacres/>

Related Websites

WASDE, (<http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1194>)
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			
	Planted	Harvested		Beginning stocks	Production	Imports	Total	Crush	Exports	Seed, feed, & residual	Total	Ending stocks
	<i>Million acres</i>		<i>Bu/acre</i>	-----			<i>Million bushels</i>			-----		
2004/05	75.2	74.0	42.2	112	3,124	6	3,242	1,696	1,097	193	2,986	256
2005/06 ¹	72.1	71.4	43.3	256	3,086	4	3,346	1,740	945	176	2,861	485
2006/07 ²	74.9	73.9	41.8	485	3,093	4	3,582	1,765	1,125	162	3,052	530
2004/05												
September						0.4		121.0	47.2			
October						0.2		155.3	177.7			
November						0.3		151.1	181.0			
Sep-Nov				112.4	3,123.7	1.0	3,237.1	427.4	405.8	99.3	932.4	2,304.6
December						0.7		150.0	155.0			
January						0.5		148.6	123.5			
February						0.3		137.6	132.2			
Dec-Feb				2,304.6	---	1.4	2,306.0	436.2	410.7	77.8	924.7	1,381.4
March						0.4		148.5	98.7			
April						0.3		139.4	55.5			
May						0.3		142.8	43.7			
Mar-May				1,381.4	---	1.0	1,382.3	430.7	197.9	54.4	683.1	699.3
June						0.7		132.0	34.6			
July						1.2		139.5	20.0			
August						0.3		130.3	28.2			
Jun-Aug				699.3	---	2.3	701.5	401.8	82.8	(38.8)	445.8	255.7
Total					3,123.7	5.6	3,241.7	1,696.1	1,097.2	192.7	2,985.9	
2005/06												
September						0.2		133.2	34.1			
October						0.2		157.7	137.2			
November						0.2		151.5	141.4			
Sep-Nov				255.7	3,086.4	0.6	3,342.8	442.4	312.6	85.7	840.7	2,502.1
December						0.3		148.4	88.3			
January						0.2		152.4	111.8			
February						0.4		136.3	111.3			
Dec-Feb				2,502.1	---	0.8	2,502.9	437.2	311.4	85.1	833.7	1,669.2
March						0.4		149.5	95.6			
April						0.3		135.5	43.4			
May						0.3		146.2	46.5			
Mar-May				1,669.2	---	1.0	1,670.2	431.3	185.5	63.3	680.0	990.1
June						0.6		137.4	39.0			
July						0.2		148.5	47.6			
Total to date						3.1	3,345.3	1,596.7	896.2	234.1	2,354.4	

¹ Estimated. ² Forecast.Sources: *Crop Production* and *Grain Stocks* National Agricultural Statistics Service, U.S. Department of Agriculture; and *Oilseed Crushings*, Census Bureau, U.S. Department of Commerce.

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>								
2004/05	211	40,715	147	41,073	33,559	7,343	40,902	172
2005/06 ¹	172	41,013	165	41,350	33,400	7,650	41,050	300
2006/07 ²	300	42,035	165	42,500	34,100	8,100	42,200	300
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	3,552.5	6.8	3,830.6	2,875.3	614.5	3,489.8	340.8
February	340.8	3,293.3	7.0	3,641.2	2,649.2	681.5	3,330.7	310.4
March	310.4	3,547.6	8.9	3,867.0	2,900.5	718.5	3,619.0	248.0
April	248.0	3,326.6	7.6	3,582.1	2,583.6	691.0	3,274.6	307.5
May	307.5	3,397.9	9.4	3,714.7	2,819.8	546.0	3,365.7	349.0
June	349.0	3,160.6	7.4	3,517.1	2,704.4	567.9	3,272.3	244.8
July	244.8	3,320.4	5.8	3,570.9	2,726.1	482.5	3,208.6	362.3
August	362.3	3,122.1	64.9	3,549.3	2,903.2	407.9	3,311.1	238.3
September	238.3	3,157.0	8.8	3,404.1	2,756.1	476.2	3,232.3	171.8
Total		40,715.4	147.2	41,073.3	33,558.9	7,342.6	40,901.5	
2005/06								
October	171.8	3,700.9	9.3	3,882.0	2,906.6	659.2	3,565.8	316.1
November	316.1	3,562.2	10.0	3,888.4	2,908.9	674.6	3,583.5	304.9
December	304.9	3,518.0	10.8	3,833.7	2,879.4	616.2	3,495.7	338.0
January	338.0	3,589.5	10.7	3,938.1	2,869.0	742.5	3,611.5	326.6
February	326.6	3,215.3	11.0	3,552.9	2,514.4	736.8	3,251.2	301.6
March	301.6	3,504.0	12.5	3,818.1	2,866.4	665.2	3,531.6	286.5
April	286.5	3,212.6	11.4	3,510.5	2,584.0	511.1	3,095.1	415.4
May	415.4	3,474.6	13.3	3,903.4	2,921.6	678.2	3,599.8	303.5
June	303.5	3,250.9	16.4	3,570.8	2,689.8	614.9	3,304.6	266.2
July ¹	266.2	3,507.8	11.3	3,785.2	2,642.7	770.0	3,412.7	372.6
Total to date		34,535.7	116.7	34,824.2	27,782.9	6,668.7	34,451.6	

¹ Estimated. ² Forecast.Source: *Oilseed Crushings*, Census Bureau, U.S. Department of Commerce.

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

Year begin. Oct. 1	Supply				Disappearance			
	Beginning stocks	Production	Imports	Total	Domestic	Exports	Total	Ending stocks
<i>Million pounds</i>								
2004/05 ¹	1,076	19,360	26	20,462	17,439	1,324	18,763	1,699
2005/06 ²	1,699	20,360	35	22,094	17,900	1,100	19,000	3,094
2006/07 ²	3,094	19,945	55	23,094	19,200	1,250	20,450	2,644
2004/05								
October	1,075.6	1,759.6	1.4	2,836.6	1,507.3	59.9	1,567.2	1,269.4
November	1,269.4	1,688.0	4.7	2,962.1	1,586.5	184.5	1,771.0	1,191.2
December	1,191.2	1,682.3	1.1	2,874.5	1,323.9	239.5	1,563.5	1,311.1
January	1,311.1	1,680.2	1.7	2,992.9	1,355.8	77.0	1,432.8	1,560.1
February	1,560.1	1,564.1	2.0	3,126.2	1,262.2	217.2	1,479.4	1,646.8
March	1,646.8	1,686.4	1.8	3,335.0	1,447.6	74.6	1,522.2	1,812.7
April	1,812.7	1,579.6	2.1	3,394.5	1,522.6	74.8	1,597.4	1,797.1
May	1,797.1	1,620.1	1.8	3,419.0	1,458.3	71.9	1,530.2	1,888.7
June	1,888.7	1,497.3	0.8	3,386.9	1,480.3	68.5	1,548.9	1,838.0
July	1,838.0	1,586.7	0.2	3,425.0	1,383.7	52.4	1,436.1	1,988.8
August	1,988.8	1,484.4	2.8	3,476.0	1,611.7	137.3	1,749.0	1,727.0
September	1,727.0	1,531.1	5.8	3,264.0	1,499.1	65.9	1,564.9	1,699.0
Total		19,359.7	26.3	20,461.6	17,439.0	1,323.7	18,762.6	
2005/06								
October	1,699.0	1,828.6	3.1	3,530.8	1,570.9	76.3	1,647.3	1,883.5
November	1,883.5	1,756.7	2.9	3,643.2	1,637.3	154.1	1,791.4	1,851.8
December	1,851.8	1,717.3	1.9	3,571.0	1,272.8	107.8	1,380.6	2,190.5
January	2,190.5	1,765.2	3.0	3,958.8	1,388.8	71.3	1,460.1	2,498.7
February	2,498.7	1,594.8	4.0	4,097.5	1,356.9	67.2	1,424.1	2,673.4
March	2,673.4	1,746.5	4.2	4,424.0	1,527.8	178.1	1,705.9	2,718.1
April	2,718.1	1,586.3	2.3	4,306.7	1,454.7	96.6	1,551.3	2,755.4
May	2,755.4	1,709.3	2.2	4,466.9	1,528.6	53.4	1,582.0	2,885.0
June	2,885.0	1,608.7	2.3	4,496.0	1,494.6	82.3	1,576.8	2,919.2
July ¹	2,919.2	1,737.6	3.3	4,660.1	1,440.4	89.3	1,529.7	3,130.3
Total to date		17,051.0	29.4	18,779.4	14,672.7	976.4	15,649.1	

¹ Estimated ² ForecastSources: *Oilseed Crushings and Production, Consumption, and Stocks*, Census Bureau, U.S. Department of Commerce.

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>									
2004/05	421	8,242	1	8,664	2,923	379	4,770	8,072	592
2005/06 ¹	592	8,172	5	8,769	2,997	500	4,670	8,167	603
2006/07 ²	603	7,149	100	7,852	2,750	405	4,195	7,350	502

¹ Estimated. ² Forecast.

Sources: *Crop Production*, National Agricultural Statistics Service, U.S. Department of Agriculture; and *Oilseed Crushings*, Census Bureau, U.S. Department 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>								
2004/05	77	0	1,362	1,439	1,280	107	1,387	52
2005/06 ¹	52	0	1,365	1,417	1,217	150	1,367	50
2006/07 ²	50	0	1,240	1,290	1,170	70	1,240	50

¹ Estimated. ² Forecast.

Source: *Oilseed Crushings*, Census Bureau, U.S. Department 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>								
2004/05	109	2	957	1,068	935	57	991	76
2005/06 ¹	76	1	945	1,022	892	60	952	70
2006/07 ²	70	0	865	935	820	50	870	65

¹ Estimated. ² Forecast.

Sources: *Oilseed Crushings and Production, Consumption, and Stocks*, 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>										
2004/05	1,121	37	4,288	5,447	2,600	393	548	491	4,032	1,415
2005/06 ¹	1,415	32	4,821	6,268	2,618	542	466	475	4,101	2,167
2006/07 ²	2,167	35	3,203	5,405	2,658	597	437	475	4,167	1,238

¹ Estimated. ² Forecast.

Sources: *Crop Production* and *Peanut Stocks and Processors*, National Agricultural Statistics Service, U.S. Dept. of Agriculture and Census Bureau, U.S. Department of Commerce.

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

Marketing year	Soybeans \$/bu.	Cottonseed \$/ton	Sunflower \$/cwt.	Peanuts Cents/lb.	Flaxseed \$/bu.
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	5.74	107.00	13.70	18.90	8.07
2005/06 ¹	5.68	95.50	12.00	17.30	5.95
2006/07 ¹	4.90-5.90	88-118	10.90-12.50	17.8-19.4	5.65-6.65
2004/05					
September	5.83	89.30	12.80	19.20	7.19
October	5.56	107.00	12.60	20.10	7.36
November	5.36	104.00	12.80	20.30	8.62
December	5.45	111.00	13.40	18.30	8.42
January	5.57	114.00	13.70	18.90	8.89
February	5.42	111.00	15.00	18.60	10.90
March	5.95	NA	15.00	18.50	11.40
April	6.03	NA	15.10	18.00	12.30
May	6.21	NA	15.40	17.80	11.60
June	6.58	NA	15.20	17.60	11.20
July	6.65	NA	15.20	16.00	10.40
August	6.15	102.00	14.40	17.00	6.28
2005/06					
September	5.77	96.00	13.20	17.00	6.10
October	5.67	89.40	12.80	17.40	6.05
November	5.62	92.60	12.30	17.50	5.93
December	5.77	95.10	11.60	17.40	5.82
January	5.88	102.00	11.20	17.30	5.64
February	5.67	98.20	11.40	18.60	5.50
March	5.57	NA	11.40	16.90	5.35
April	5.52	NA	11.90	17.40	5.56
May	5.68	NA	11.80	17.30	5.58
June	5.61	NA	11.70	17.00	5.40
July	5.61	NA	11.90	17.00	5.47
August. ¹	5.24	93.00	12.50	16.90	5.40

¹ Preliminary. NA = Not available.

Source: *Agricultural Prices*, National Agricultural Statistics Service,
U. S. Department of Agriculture.

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>							
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	23.01	28.01	43.71	53.63	27.86	21.80	18.48
2005/06 ¹	23.50	29.50	38.50	44.96	25.25	21.00	18.00
2006/07 ¹	23.0-27.0	28.0-32.0	32.5-36.5	43.0-47.0	25.5-29.5	19.0-23.0	19.0-23.0
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	35.40	55.67	26.67	26.50	17.43
January	20.46	23.70	44.29	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	23.59	30.44	46.44	52.25	28.83	17.75	17.38
September	23.19	31.25	48.33	50.06	27.75	20.97	18.83
2005/06							
October	24.26	34.44	37.75	45.50	27.50	27.38	18.95
November	22.52	34.09	39.07	45.50	27.08	27.76	19.98
December	21.00	30.50	37.61	45.00	26.08	18.60	18.94
January	21.63	29.63	36.24	42.50	25.22	17.16	18.60
February	22.21	29.50	37.02	42.50	23.65	16.44	18.07
March	23.21	29.75	36.24	42.50	22.61	16.82	17.54
April	22.98	27.05	37.50	42.50	23.19	18.00	15.86
May	24.76	28.06	40.31	42.50	25.25	17.13	16.19
June	24.20	27.25	NA	43.75	25.70	17.63	17.33
July	25.86	29.20	NA	45.00	25.75	22.21	18.17
August ¹	24.80	26.46	NA	47.30	25.42	29.91	18.93

¹ Preliminary. ² Decatur, IL. ³ PBSY Greenwood, MS. ⁴ Minneapolis. ⁵ Southeast mills ⁶ Chicago.

Sources: *Monthly Feedstuff Prices* and *Peanut Report*, Agricultural Marketing Service, U.S. Dept. of Agriculture.

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>						
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	159.25
2004/05	182.90	124.04	85.50	118.34	139.75	115.55
2005/06 ¹	173.50	143.50	75.50	110.86	141.00	120.00
2006/07 ¹	147.5-177.5	115-145	55-85	85-115	110-140	75-105
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	198.43	143.00	NA	132.50	138.12	157.75
September	175.40	140.00	105.00	109.00	132.10	98.98
2005/06						
October	166.22	133.13	73.25	105.50	130.13	100.38
November	170.32	132.50	64.80	102.50	139.55	113.60
December	193.17	175.00	70.00	100.88	158.06	118.00
January	183.64	172.50	NA	NA	150.05	127.25
February	176.73	152.50	NA	114.50	143.94	130.17
March	175.07	148.75	98.00	113.50	134.74	129.00
April	174.64	144.38	90.33	113.17	136.04	126.63
May	175.77	131.50	72.60	113.33	136.59	119.10
June	176.83	135.00	66.50	107.13	139.63	116.88
July	168.97	132.50	76.50	107.50	137.83	111.50
August ¹	159.76	134.50	79.33	100.00	143.28	101.10

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

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

Source: *Monthly Feedstuff Prices*, Agricultural Marketing Service, U.S. Dept. of Agriculture.