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# Oil Crops Outlook

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Export Outlook For 2006/07 U.S. Soy Complex Is Solid

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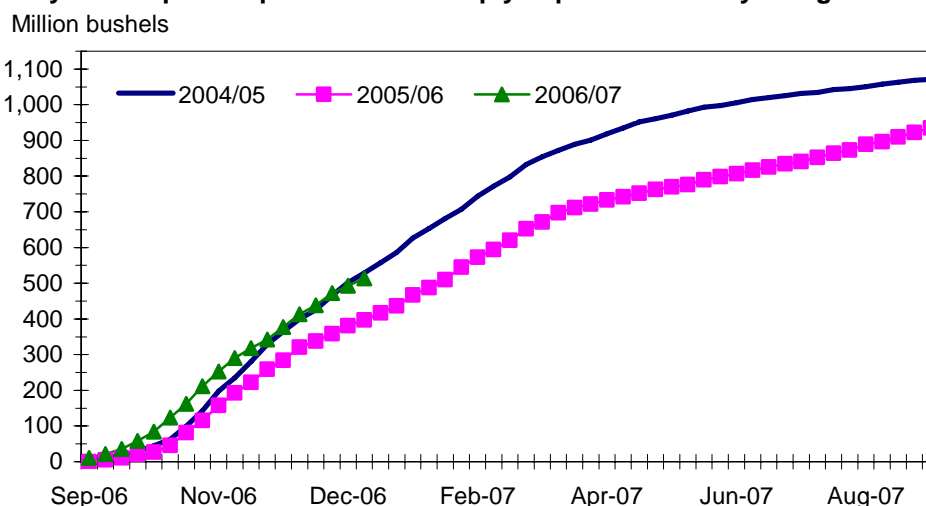
Approved by the  
World Agricultural  
Outlook Board.

The 2006 U.S. soybean harvest rose to a record 3,188 million bushels, primarily on the strength of a record sown area (75.5 million acres). The 2006 soybean yield of 42.7 bushels is the second highest ever achieved. The U.S. Department of Agriculture (USDA) trimmed the 2006/07 export forecast for soybeans this month by 25 million bushels to 1,120 million. Year-end stocks are forecast up 10 million bushels to 575 million bushels.

Abundant rainfall raised the 2006/07 production forecast for Argentine soybeans from 42.0 million to 42.5 million metric tons (mmt). An increase in the Argentine soybean supply raises the 2006/07 export forecast from 7.2 million to 7.35 million metric tons, just above 2005/06 exports of 7.26 mmt.

Figure 1

### Soybean export inspections are sharply improved from a year ago



Source: *Grains Inspected for Export Report*, Agricultural Marketing Service, USDA

## Domestic Outlook

### *Sharp Rise in 2006/07 Ending Soybean Stocks After Bumper Crop, Moderate Gains in Use*

The USDA report Crop Production—2006 Summary indicates that U.S. soybean harvest rose to a record 3,188 million bushels in 2006, primarily on the strength of a record sown area (75.5 million acres). Although soybean yields declined from the 2005 peak of 43.0 bushels per acre, the 2006 yield of 42.7 bushels is the second highest ever achieved. Favorable weather produced record yields throughout the eastern Corn Belt, but the national average was held down by lower performance in North Dakota, Kansas, Mississippi, and Alabama. This month's final U.S. crop estimate, however, was down 16 million bushels from the previous forecast, with most of the change due to lower yield estimates for Illinois and Missouri.

USDA this month trimmed the 2006/07 export forecast for soybeans by 25 million bushels to 1,120 million bushels. U.S. sales commitments to some countries (particularly China) appear to lack the strength needed to attain the prior forecast. While the new outlook for soybean exports still represents an all-time record, current shipments are not yet exceeding the record 2004/05 export pace. Many undelivered outstanding sales could still provide the means to gain ground for a new seasonal export record.

Despite a near-record use of soybeans in the crop year's first quarter, stocks as of December 1 were a record-high 2,697 million bushels, well above the 2,501 million bushels on hand a year earlier. Even a forecast of record demand over the last three quarters may leave record large year-end stocks of 575 million bushels. The stocks would be 10 million bushels higher than last month's forecast, and considerably above the 2005/06 carryout of 449 million bushels.

Recent soybean prices have leveled off following a strong October-November rally. U.S. demand has slowed and prospects for foreign production are improved. The national average mid-December farm price for soybeans was \$6.14 per bushel. Although farmers with soybeans left to sell could obtain cash prices last month ranging from \$6.30 to \$6.60 per bushel, the price average also includes marketings contracted prior to harvest (which were valued considerably less than current marketings). By the end of 2006, approximately half of the crop was marketed at a price averaging close to \$5.70 per bushel. The range for the season-average price forecast was narrowed this month to \$5.75-\$6.45 per bushel (from the December range of \$5.70-\$6.50).

### *Brisk Export Demand Persists for Soybean Oil, Soybean Meal*

Through December 2006, commercial export shipments of soybean oil were double the volume of a year earlier. China has re-emerged as a strong market for the commodity, accounting for more than one-quarter of U.S. export sales this season. Most U.S. exports of soybean oil, though, will continue to go to more traditional buyers in Latin America, where commercial shipments are also expected to grow. USDA this month raised its 2006/07 export forecast for soybean oil by 100 million pounds to 1,450 million pounds.

Domestic demand for soybean oil, however, was weak throughout the first quarter of 2006/07, which has allowed stocks to stay high. Consequently, the forecast of 2006/07 domestic disappearance was lowered 100 million pounds this month to 19,100 million pounds. Biodiesel producers, one of the major sources of growth in soybean oil consumption, are being deterred by its rising cost. Soybean oil prices have increased 3 cents per pound since August, adding about 22 cents per gallon to the cost of producing biodiesel. At the same time, petrodiesel prices have fallen about 50 cents per gallon since last summer, further shrinking profit margins for biodiesel. Currently, only Minnesota has a statutory requirement to use biodiesel. Most other users will purchase it when it is priced equivalently to regular diesel. In addition, more food companies and restaurants are eliminating the trans-fat in their products by substituting other oils for soybean oil. Helping to make up the difference have been very brisk U.S. imports of canola oil and peanut oil.

In November, lower soybean oil use pushed up the month-end stocks to 3,074 million pounds, two-thirds higher than a year earlier. Yet, the oil extraction rate this year is expected to fall significantly off of last year's all-time high (to 11.33 pounds from 11.67 pounds per bushel). Thus, even with a higher crushing rate in 2006/07, soybean oil production is expected to decline from last season. The anticipated outcome is that stocks will gradually tighten over the next few months as demand starts to exceed monthly output. By next October, soybean oil stocks are forecast to decline to 2,684 million pounds, compared with 3,019 million pounds at the end of 2005/06. High domestic stocks have dampened further price gains for soybean oil. Prices are being supported well above a year ago, though, as robust global demand for vegetable oil should tighten overall supplies in the near future.

For soybean meal, export sales are also quite active, with commitments up 24 percent from 2005/06. Sales in Canada, Mexico, and other Latin American countries account for nearly three-fourths of all U.S. export commitments for soybean meal. U.S. soybean meal exports in 2006/07 were forecast up to 7.7 million short tons this month from 7.5 million tons previously.

A more modest 2.2-percent increase in the domestic disappearance of soybean meal is anticipated in 2006/07 to 33.9 million short tons, down 200,000 tons from the prior forecast. To some degree, mild winter temperatures throughout the country may be moderating the feed intake for livestock. Nor do animal populations portend much growth in feed demand over the next 9 months. The December 1, 2006, inventory of hogs was 1 percent higher than a year earlier. Through next spring, the number of farrowing sows is also expected to rise by only 1 percent. Likewise, with higher feed grain costs, the USDA forecast of 2007 poultry production is expected to slow to 1.2 percent. Ample production and moderate domestic use will continue to keep pressure on soybean meal values. The 2006/07 average price is expected between \$170 and \$185 per short ton, compared with the 2005/06 average of \$174.

#### ***Other U.S. Oilseeds Output Declined in 2006***

The final production estimate for cottonseed in 2006 totaled 7.6 million short tons, an upward revision of 153,000 tons from the December forecast. The 7-percent reduction from the 2005 cottonseed crop was derived from an 8-percent decline in 2006 harvested cotton area and a slightly improved cottonseed-to-lint ratio. A more constrained supply is forecast to moderately reduce the crush (by 7 percent to 2.8

million tons) and feed uses (by 6.5 percent to 4.3 million tons). On the other hand, U.S. cottonseed exports to Japan and South Korea this year are benefiting from their substitution for a much smaller Australian supply. The addition of these shipments to the more common trade to Mexico is expected to boost 2006/07 U.S. exports to around 550,000 tons, 5 percent above last season's record high.

U.S. sunflowerseed production was nearly halved in 2006 from the preceding year's bumper crop, with smaller harvests in North Dakota and South Dakota accounting for 57 percent of the reduction. National output fell to 2,144 million pounds, based on a 28-percent drop in sown area from 2.7 million to 1.95 million acres. Also contributing was a 21-percent drop in the U.S. average yield (against the 2005 record) to 1,211 pounds per acre. Drought and intense summer heat took a heavy toll on sunflowerseed yields across the Northern Plains.

Despite the smaller sunflowerseed crop, the 2006/07 supply will be supported by high beginning stocks. Provided that ending stocks are drawn down sharply, the available supply is expected to help a small increase in crushing to 1,325 million pounds. Impelled by high values for sunflowerseed oil, domestic processors are making strong price bids, currently approaching \$14 per hundredweight. The 2005/06 price averaged \$12.10 per hundredweight. Though most sunflowerseed oil was exported a decade ago, a majority of the 2006/07 production will be consumed domestically. U.S. demand for oils that are free of trans-fat, such as mid-oleic sunflowerseed oil, has been increasing in recent years. Domestic sunflowerseed oil consumption is forecast to surge to a record 450 million pounds, while oil exports could fall back toward 145 million pounds.

For the 2006 canola crop, USDA estimated U.S. production at 1,394 million pounds, up 172 million pounds from the prior forecast. Output is still down 12 percent from 2005 as acres harvested dropped 8 percent (to 1.0 million). In addition, the 2006 average yield of canola dipped 4 percent to 1,366 pounds per acre.

A strong crush demand for canola is expected to raise 2006/07 imports by 30 percent, to nearly 1.5 billion pounds. Canola seed prices are benefiting from the overall strength of the vegetable oil market. Current prices are already near a historic high of \$13 per hundredweight and could climb even further. By comparison, the 2005/06 canola price averaged \$9.62 per hundredweight.

Even with a record prospective crush, canola oil imports could remain just as strong this year as in 2005/06. These supplies will help domestic disappearance grow as much as 17 percent, to nearly 2.2 billion pounds. The prospects for canola oil were further advanced in October when the U.S. Food and Drug Administration approved a qualified health claim for the oil. Bottled canola oil and foods that use it as the primary oil are now permitted a label stating that its substitution for saturated fats may reduce the risk of coronary heart disease. U.S. exports of canola oil are expanding rapidly too, due to an active business with buyers in the European Union countries (EU-25), where it is used for biodiesel. Such trade has benefited from EU-25 restrictions on imports of biotech canola seed.

### ***Peanut Production Revised Upward, But Still Far Below Previous Year***

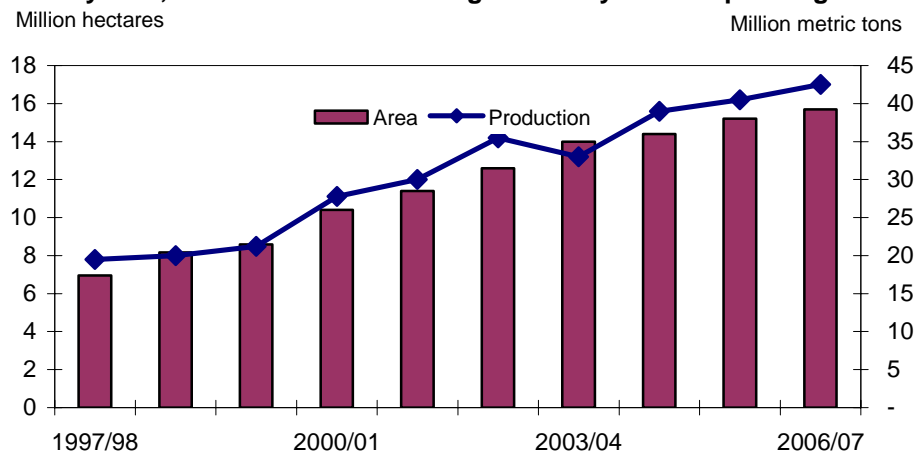
USDA's Crop Production—2006 Summary report places 2006/07 peanut production at 3.47 billion pounds, a 3-percent gain from November's forecast, but still down 29 percent (1.4 billion pounds) from the previous year's huge crop of 4.87 billion pounds. The upward revision reflects higher yields (up 94 pounds per acre over 2005) that more than offset a small decline in harvested acres (down 4,000 acres). Even so, the 2006 crop is the third lowest of the past decade, exceeding only the 2000/01 and 2002/03 crops. The national average yield dropped 115 pounds from the previous year to 2,874 pounds per acre—the third consecutive decline. Compared with 2005, planted and harvested acres were down by 414,000 and 420,000 acres. Most of that decline occurred in the Southeast (Alabama, Florida, Georgia, Mississippi, and South Carolina), where acreage and yields both fell. Production in the Southeast dropped 25 percent to 2.51 billion pounds. Elsewhere, lower acreage also cut production. The Southwest (New Mexico, Oklahoma, and Texas) crop plunged 44 percent in 2006 to 646 million pounds, following a 12-percent drop in 2005. Output also fell in the Virginia-North Carolina area—by 10 percent to 318 million pounds.

Despite a steep 1.4-billion-pound decline in production, the peanut supply of 5.68 billion pounds in 2006/07 is just 641 million pounds below 2005, due to a record 2.17 billion pounds of stocks carried over from the 2005 crop. Imports should remain small (35 million pounds).

Total use of peanuts is expected to continue growing modestly (2 percent) in 2006/07, with increased exports (up 12 percent to 550 million pounds) and crush (up 19 percent to 645 million pounds) providing most of the yearly gain. Domestic food use, the largest category of consumption, is expected to edge up by 15 million pounds to 2.63 billion pounds. With lower supplies and increased peanut use, ending stocks are expected to fall to 1.44 billion pounds from the previous year's record of 2.17 billion pounds.

Figure 2

### Good yields, record area to boost Argentine soybean crop to largest ever



Source: *Oilseeds: World Markets and Trade*, Foreign Agricultural Service, USDA

### *Favorable Weather Improves Outlook for Argentine Soybean Yields*

A better 2006/07 Argentine soybean crop is forecast to offset a smaller U.S. crop, raising global production to 226.9 million metric tons from last month's forecast 226.8 million tons. Throughout the main farm belt of Argentina, abundant rainfall in late December provided for nearly ideal soil moisture, and much better than a year ago. The likely benefit to Argentine soybean yields raised the 2006/07 production forecast from 42.0 million to 42.5 million tons. As of mid-January, only about 5 percent of the country's soybean area remains to be sown.

An increase in the Argentine soybean supply raises the forecast of its 2006/07 exports from 7.2 million to 7.35 million metric tons, versus 2005/06 exports of 7.26 million. Also, crush demand is forecast 200,000 tons higher than last month to 34.0 million tons, versus 31.9 million in 2005/06. Larger expected output of Argentine soybean meal boosts its export forecast to 26.1 million tons from 24.3 million tons last year.

Argentina's government recently announced that it was raising export taxes by 4 percentage points on soybeans (to 27.5 percent), soybean meal, and soybean oil (each to 24 percent). Since the soybean crop is already sown, the tax hike should little affect 2006/07 export volume. Farm earnings, however, will be reduced. The Government will redistribute the additional tax revenues to domestic consumers in the form of food subsidies.

### *Indian Farmers Substitute Grain Crops for Rapeseed*

With sowing of the 2006/07 rapeseed crop recently completed in northern India, farmers are now expected to harvest 6.7 million hectares, down from 7.3 million hectares last year. The area reduction was prompted by strong prices for alternative crops (particularly wheat) and a large carryover of government-held rapeseed

stocks. As a result, the forecast of Indian rapeseed production is lowered to 6.2 million tons from 6.5 million tons previously and 6.8 million tons in 2005/06.

This year's smaller domestic harvest will further enhance import needs for vegetable oil in India. Imports of soybean oil and palm oil for 2006/07 are each forecast 50,000 tons higher, to 1.85 million tons and 3.8 million tons respectively.



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## 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.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.asp](http://www.fas.usda.gov/oilseeds_arc.asp)  
Soybeans and Oil Crops Briefing Room, <http://www.ers.usda.gov/briefing/soybeansoilcrops/>

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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	Seed, feed, Exports& residual	Total		
	<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 <sup>1</sup>	72.0	71.3	43.0	256	3,063	3	3,322	1,739	947	187	2,873	449
2006/07 <sup>2</sup>	75.5	74.6	42.7	449	3,188	4	3,642	1,780	1,120	167	3,067	575
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	3,063.2	0.6	3,319.6	442.4	312.6	63.2	818.1	2,501.4
December						0.3		148.4	88.3			
January						0.2		152.4	111.8			
February						0.4		136.3	111.3			
Dec-Feb				2,501.4	---	0.8	2,502.2	437.2	311.4	84.4	833.0	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	62.7	679.5	990.7
June						0.6		137.4	39.0			
July						0.2		148.5	47.6			
August						0.2		142.1	51.0			
Jun-Aug				990.7	---	1.0	991.7	428.0	137.7	(23.2)	542.4	449.3
Total						3.4	3,322.3	1,738.7	947.2	210.3	2,330.6	
2006/07												
September						0.4		142.4	64.8			
October						0.5		161.7	178.0			
November <sup>1</sup>						0.6		155.0	131.0			
Sep-Nov				449.3	3,188.2	1.5	3,639.1	459.1	373.9	108.6	941.6	2,697.5

<sup>1</sup> Estimated. <sup>2</sup> 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 <sup>1</sup>	172	41,242	141	41,555	33,176	8,064	41,241	314
2006/07 <sup>2</sup>	314	42,421	165	42,900	33,900	8,700	42,600	300
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	266.2	3,507.8	11.3	3,785.2	2,642.7	770.0	3,412.6	372.6
August	372.6	3,351.7	12.7	3,737.0	2,780.8	730.3	3,511.1	225.8
September	225.8	3,354.5	11.5	3,591.9	2,612.7	665.4	3,278.1	313.8
Total		41,241.9	140.9	41,554.6	33,176.4	8,064.4	41,240.8	
2006/07								
October	313.8	3,823.5	12.8	4,150.1	3,085.5	676.2	3,761.7	388.4
November <sup>1</sup>	388.4	3,671.2	13.6	4,073.2	2,858.0	841.7	3,699.6	373.6
Total to date		7,494.8	26.3		5,943.5	1,517.9	7,461.3	

<sup>1</sup> Estimated. <sup>2</sup> 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			Ending stocks
	Beginning stocks	Production	Imports	Total	Domestic	Exports	Total	
<i>Million pounds</i>								
2004/05	1,076	19,360	26	20,462	17,439	1,324	18,763	1,699
2005/06 <sup>1</sup>	1,699	20,393	35	22,127	17,955	1,153	19,108	3,019
2006/07 <sup>2</sup>	3,019	20,165	55	23,239	19,100	1,450	20,550	2,689
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	2,919.2	1,737.6	3.3	4,660.1	1,464.7	89.3	1,554.0	3,106.1
August	3,106.1	1,657.7	3.7	4,767.5	1,641.0	65.3	1,706.3	3,061.2
September	3,061.2	1,684.1	2.3	4,747.5	1,617.1	111.6	1,728.7	3,018.9
Total		20,392.8	35.3	22,127.2	17,955.0	1,153.3	19,108.3	
2006/07								
October	3,018.9	1,833.0	1.0	4,852.9	1,672.6	165.5	1,838.2	3,014.7
November <sup>1</sup>	3,014.7	1,727.8	1.0	4,743.5	1,549.8	119.7	1,669.5	3,074.0
Total to date		3,560.8	2.0		3,222.4	285.2	3,507.7	

<sup>1</sup> Estimated. <sup>2</sup> Forecast.

Sources: *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 <sup>1</sup>	592	8,172	0	8,764	3,011	523	4,629	8,163	602
2006/07 <sup>2</sup>	602	7,632	0	8,234	2,800	550	4,330	7,680	554

<sup>1</sup> Estimated. <sup>2</sup> 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	1,279	107	1,386	53
2005/06 <sup>1</sup>	53	0	1,373	1,426	1,226	141	1,366	59
2006/07 <sup>2</sup>	59	0	1,300	1,360	1,240	70	1,310	50

<sup>1</sup> Estimated. <sup>2</sup> 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 <sup>1</sup>	76	1	951	1,029	860	67	928	101
2006/07 <sup>2</sup>	101	0	880	981	856	60	916	65

<sup>1</sup> Estimated. <sup>2</sup> 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 <sup>1</sup>	1,415	32	4,870	6,317	2,618	542	499	491	4,150	2,167
2006/07 <sup>2</sup>	2,167	35	3,474	5,677	2,633	645	414	550	4,242	1,435

<sup>1</sup> Estimated. <sup>2</sup> 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--Oilseed 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	5.66	96.00	12.10	17.30	5.94
2006/07 <sup>1</sup>	5.75-6.45	101-124	12.80-14.00	17.8-19.4	5.10-5.80
2005/06					
September	5.77	96.00	13.20	17.00	6.11
October	5.67	89.10	12.90	17.40	6.05
November	5.62	95.60	12.20	17.50	5.94
December	5.78	97.40	12.20	17.40	5.81
January	5.87	102.00	11.40	17.30	5.64
February	5.67	99.00	11.20	18.60	5.59
March	5.57	NA	11.50	16.90	5.31
April	5.52	NA	11.90	17.40	5.56
May	5.68	NA	11.80	17.30	5.59
June	5.62	NA	12.30	17.00	5.40
July	5.61	NA	12.00	17.00	5.47
August	5.23	93.00	12.40	17.00	5.50
2006/07					
September	5.24	99.10	11.70	17.30	5.46
October	5.52	97.70	12.10	17.20	5.41
November	6.07	108.00	12.50	17.20	5.40
December <sup>1</sup>	6.14	109.00	13.20	17.80	5.65

<sup>1</sup> 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 <sup>2</sup>	Cottonseed oil <sup>3</sup>	Sunflower oil <sup>4</sup>	Peanut oil <sup>5</sup>	Corn oil <sup>6</sup>	Lard <sup>6</sup>	Edible tallow <sup>6</sup>
<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	23.41	29.47	38.50	44.96	25.18	21.74	18.16
2006/07 <sup>1</sup>	27.0-29.0	29.5-31.5	36.5-38.5	51.5-53.5	27.0-29.0	22.0-24.0	21.5-23.5
2005/06							
October	24.26	34.44	37.75	45.50	27.50	27.38	18.95
November	22.52	34.38	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	24.80	26.69	NA	47.30	25.42	29.91	18.93
September	23.54	27.13	NA	49.25	24.71	31.86	19.33
2006/07							
October	24.80	27.44	NA	52.67	24.70	23.55	19.86
November	27.64	30.22	NA	52.50	26.47	20.78	21.78
December <sup>1</sup>	27.63	30.71	NA	50.00	28.05	22.58	23.23

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

NA= Not available.

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 <sup>2</sup>	Cottonseed meal <sup>3</sup>	Sunflower meal <sup>4</sup>	Peanut meal <sup>5</sup>	Canola meal <sup>6</sup>	Linseed meal <sup>4</sup>
<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	174.17	144.27	77.46	110.86	140.52	120.00
2006/07 <sup>1</sup>	170-185	130-145	85-100	105-120	145-160	105-120
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	159.76	134.50	79.33	100.00	143.28	101.10
September	168.87	139.00	83.33	98.75	136.38	92.75
2006/07						
October	177.71	132.40	87.00	NA	149.77	100.75
November	190.67	131.88	98.50	NA	166.80	118.13
December <sup>1</sup>	180.63	152.50	109.00	NA	163.17	123.33

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

<sup>5</sup> 50% Southeast mills. <sup>6</sup> 36% Pacific Northwest. NA= Not available.

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