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# Oil Crops Outlook

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## U.S. Oilseed Acreage Expected To Decline in 2007

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The next release is  
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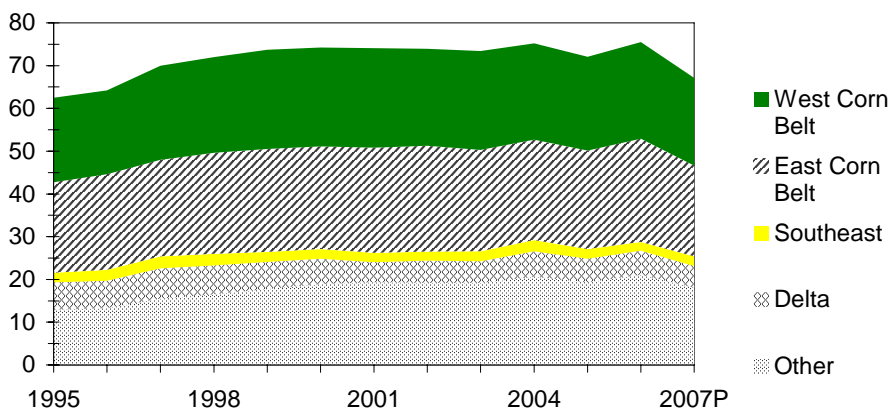
The U.S. Department of Agriculture (USDA) report *Prospective Plantings* indicated that U.S. farmers intend this year to plant 67.1 million acres of soybeans, down 8.4 million from last year. The acreage of other oilseeds is likewise expected to decline in 2007 to make way for more corn planting. For 2006/07, USDA reduced its soybean crush forecast by 15 million bushels this month to 1,765 million bushels. Processors will likely curtail production due to slowing demand for soybean meal and soybean oil. Strengthening South American competition prompted a lower 2006/07 forecast of U.S. soybean meal exports to 8.35 million short tons from the previous forecast of 8.7 million short tons.

Higher yields raised the forecast of Brazil's 2006/07 soybean production to a record high 58.8 million metric tons from 57.0 million metric tons previously. In Argentina, the combination of a record high soybean area and an expected record yield boosted the production forecast to 45.5 million metric tons.

Figure 1

### U.S. intended planting of soybeans would cut acreage to lowest since 1996

Million acres



Source: *Prospective Plantings*, National Agricultural Statistics Service, USDA.

## Domestic Outlook

### *U.S. Farmers Intend To Plant the Fewest Soybean Acres Since 1996*

In March, USDA's *Prospective Plantings* report indicated that U.S. farmers intend this year to plant 67.1 million acres of soybeans. If realized, the 2007 soybean acreage would be down 8.4 million acres (11 percent) from 2006 and would be the least sown since 1996. There has never been a larger year-to-year decline in U.S. soybean acreage. About 5 million acres of the decline would take place in the Corn Belt, as the region's producers expect to expand sharply the planting of corn. Most of the remaining acreage declines are likely for the Northern and Central Plains regions. In contrast, producers in the Southeast expect to raise slightly more soybean acreage, with fewer acres being sown to cotton.

Despite unusually strong prices for soybeans this spring, the incentives to plant corn have been even more attractive. Prior to the acreage intentions report, the ratio of prices between the crops for post-harvest futures contracts (November 2007 soybeans versus December 2007 corn) was near an all-time low. In the aftermath of the report, corn prices tumbled about 35 cents per bushel. Subsequently, adverse planting conditions helped to rally prices, so that the price ratio still favors corn. Ratios of the price selections for crop insurance coverage (offered prior to planting) also assure good corn returns in the event of prevented planting or crop failure. For most States, the cropland available to soybeans was also constrained by considerably higher acreage sown to winter wheat.

The acreage of other oilseeds is likewise expected to decline in 2007 to make way for more corn planting. The *Prospective Plantings* report indicated that U.S. peanut farmers intend to reduce peanut plantings by 4 percent from 2006 to 2007. Domestic food-use demand for peanuts is slowing, and 2006/07 ending stocks are projected at an ample 1.5 billion pounds. U.S. farmers indicated that they would plant 1.197 million acres in 2007, a decline of 46,000 acres from 2006. If realized, U.S. peanut plantings would be the lowest since 1915. Planted acreage is expected to decline in only 4 of the 10 leading peanut-producing States, but a decline in Georgia (the top peanut producer) could offset stable or increased acreage elsewhere.

Peanut producers in the Southeast (Alabama, Florida, Georgia, Mississippi, and South Carolina) intend to plant 857,000 acres in 2007, down 10 percent from 2006. Georgia accounts for most of the region's expected decline, with a 14-percent reduction in plantings from 2006, as producers intend to sow more corn and soybeans. In the Virginia-North Carolina region, peanut producers intend to plant 118,000 acres, up 16 percent from 2006. Growers in the Southwest (New Mexico, Oklahoma, and Texas) intend to plant 222,000 acres of peanuts in 2007, up 17 percent from 2006. Also in the South, cotton acreage intentions are down 20 percent, which may cut cottonseed output by an equivalent percentage.

For sunflowers, the intended planting nationwide would drop 8 percent to 1.8 million acres. Negligible increases for North Dakota (up 10,000 acres) and Minnesota (up 11,000 acres) could not offset lower intentions for South Dakota (down 125,000 acres) and other States. By far the potentially largest percentage loss of acreage for any oilseed in 2007 is for flaxseed. U.S. producers intend to slash sown area by 52 percent to 390,000 acres. If this drop is realized, flax acreage

would fall to its lowest level since 1999. Nearly all of the reduction in flax acres is expected in North Dakota. The only oilseed not expected to lose acreage in 2007 is canola. Domestic producers intend to raise canola plantings by 12 percent to 1.17 million acres.

### ***Slowing Soybean Use Raises Expected 2006/07 Ending Stocks to a Record High***

Despite near-record soybean use to date, current U.S. stocks are higher because of a greater carryover last September and the larger 2006 crop. As of March 1, USDA's *Grain Stocks* report indicated U.S. soybean stocks totaled 1,784 million bushels. It is by far the largest inventory ever stored on this date, surpassing the 2006 record by 115 million bushels. Over the next 6 months, the use of these stocks is anticipated to moderate, boosting the year-end stocks forecast to 615 million bushels, from 595 million previously.

USDA reduced its forecast of 2006/07 soybean crush by 15 million bushels this month to 1,765 million bushels. In February 2007, domestic crushing slowed to 136.9 million bushels, down from 155.3 million bushels in January 2007 and about the same as in February 2006. For the last half of 2006/07, there will be a seasonal decline in the crushing rate and minimal growth over the preceding year. Processors will likely curtail production due to slowing demand for soybean meal and soybean oil.

Similarly, 2006/07 U.S. soybean exports to date have registered solid gains over those in the same period a year ago, but during the next several months there may be little further improvement. Official export data from the U.S. Census Bureau for soybeans also lags USDA's data on export inspections. The 2006/07 forecast of soybean exports was lowered to 1,080 million bushels from 1,100 million bushels last month. Export values of soybeans are starting to see pressure from an accelerating export competition out of Brazil. Soybean prices at Louisiana Gulf ports fell from \$7.86 per bushel in February 2007 to \$7.67 in March 2007. The deterioration of export values is contributing to an uncommonly wide price spread between cash bids and nearby futures contracts. To help manage crop storage and transportation, a large gap between cash and futures prices will likely last through next fall's harvest.

Even with the anticipation of record U.S. soybean stocks, the low acreage outlook has maintained support for prices. The market consensus is that the 2007 soybean crop will be much smaller (even with normal yields) and could cut sharply into the level of stocks.

As with soybeans, prices for soybean meal have begun to ease somewhat. The central Illinois price dipped to an average of \$205 per short ton for March 2007 from \$209 in February 2007. For the entire marketing year, the average price is forecast at \$190-\$200 per short ton. Price pressure could continue to build, with a large South American supply looming in the near future. The strengthening competition prompted a lower 2006/07 forecast of U.S. soybean meal exports to 8.35 million short tons from the previous forecast of 8.7 million short tons. High feed costs have also dampened the domestic demand for soybean meal, leading USDA to trim its 2006/07 forecast by 250,000 tons to 33.65 million tons. One

factor affecting soybean meal use is that hog producers are reining in their intended output for 2007. Against totals in the previous year, USDA reported a minimal 1-percent increase in the March 1 animal inventory. By summer 2007, the herd could be smaller, as the number of sows farrowing this spring is not expected to increase at all. Poultry producers are not faring much better economically. Since last fall, chick placements have declined slightly, with little or no growth in poultry output expected in 2007.

In contrast, prices for soybean oil are being buoyed by an outlook for robust international demand. Over the next several months, soybean oil imports from India, China, and the EU-25 are expected to pick up quickly. The average soybean oil price in March 2007, at 29.7 cents per pound, continued an upward rise from 28.9 cents in February 2007. USDA raised the forecast of the 2006/07 average price by 1 cent this month to 28.5-30.5 cents per pound.

However, strong prices have weakened domestic use of soybean oil, particularly use for production of biodiesel. There is wide variability in the production costs for biodiesel. Some of the main cost determinants are the feedstock source, location and scale of production, and the processing technology used. Generally, though, the cost of the feedstock accounts for up to three-fourths of the total production cost. At current prices for soybean oil, the feedstock cost alone amounts to a minimum value of \$2.25 per gallon. Other production and transportation costs can add roughly 60 cents per gallon to the total cost paid by a blender. Even when a blender deducts the \$1-per-gallon excise tax credit, adding on necessary profit margins for blenders and retailers easily raises the retail price for biodiesel blends up to the price for regular diesel (currently around \$2.70 per gallon at the pump). As the feedstock costs have risen, the profit margins for many biodiesel producers have been squeezed quite low. Use of soybean oil for biodiesel is likely to improve only when feedstock costs ease or petrodiesel prices escalate.

As a result, domestic soybean oil stocks have continued to accumulate. The February 2007 ending inventory stood at 3,318 million pounds, compared with 3,202 million in January 2007 and 2,673 million in February 2006. Although a lower crush decreased production in February, soybean oil use during the month fell just as sharply. The forecast of 2006/07 domestic disappearance was lowered 300 million pounds this month to 18,750 million. A continuation of output declines in coming months should begin to pare back soybean oil stocks to just under 2,800 million pounds.

# International Outlook

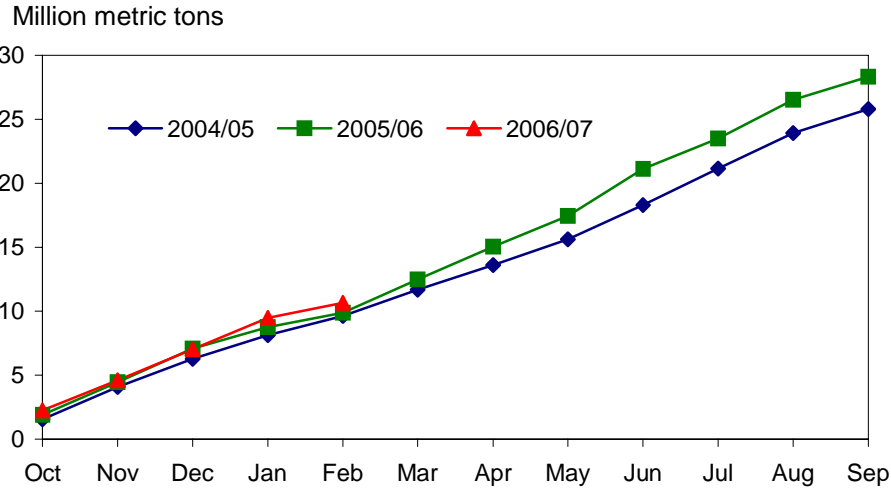
## Excellent Yields Are Swelling the South American Soybean Harvest

Based on improved South American harvest prospects, the 2006/07 estimate of global soybean production was raised 4 million metric tons this month to 233.5 million metric tons. Even with a strong rate of use for the rest of 2006/07, the soybean supply in these countries will remain at a record high going into next fall.

USDA raised the 2006/07 forecast of Brazil's soybean production to a record high 58.8 million tons from 57.0 million previously. Although Brazil's soybean area is reduced in 2006/07, the national soybean yield would be only slightly less than the record in 2000/01. A resurgence of yields in Rio Grande do Sul, Parana, and Mato Grosso do Sul are offsetting a lower sown area in Mato Grosso and Goias. Approximately 70 percent of Brazil's soybean harvest was completed by early April. Drier weather during the month throughout the center-west allowed harvesting to proceed more quickly. Also, the estimate of Brazil's 2005/06 soybean harvest was revised up this month, from 55.0 million to 57.0 million tons. Information on soybean use and stocks provided evidence that the country's crop was bigger than previously thought.

The supply from both years' harvests has enabled a brisk pace for 2006/07 soybean exports and crush. Brazil soybean exports could edge up to 26.1 million tons in 2006/07 from 25.9 million in 2005/06. The additional supply also aids the competitiveness of domestic processors, although their potential could be limited by the likelihood for heavy shipments of Argentine soybean meal. Brazil's 2006/07 soybean meal exports are forecast at 12.1 million tons, up 0.6 million tons from the previous estimate, but lower than the 12.9 million tons shipped in 2005/06.

Figure 2  
**China soybean imports slow to increase in 2006/07**



Source: China customs data.

As in Brazil, the production of soybeans in Paraguay has benefited from ample moisture this year. Based on a harvested area of 2.1 million hectares, Paraguay's 2006/07 soybean output was forecast at 5.5 million tons in March, 0.8 million tons higher than the February forecast. This increase reflects a strong recovery from the disappointing 2005/06 harvest of 4.0 million tons. Solid gains in Paraguayan soybean exports and crush are anticipated, although a substantial portion of the additional supply will be carried into the next marketing year.

In Argentina, the combination of a record soybean area and an expected record yield boosted the 2006/07 production forecast to 45.5 million tons. The new forecast is 1.5 million tons higher than the previous forecast and would be 5 million tons larger than the record high 2005/06 crop. Nearly ideal moisture conditions throughout the growing season have benefited yields throughout Argentina. However, in late March, heavy rains fell over the heart of the country's soybean growing region. Some low-lying fields had flooding, and in most places the harvest progress has stalled. Only about 13 percent of the crop was collected by early April. When the harvest resumes, Argentine soybean exports in 2006/07 could edge up to 7.55 million tons (versus 7.25 million in 2005/06). A majority of the production increase, though, will be steered into domestic processing plants. Crushers will then start sending out a glut of soybean meal into the international market, raising 2006/07 Argentine exports to nearly 27 million tons, from 24.2 million tons in 2005/06.

In contrast, the Argentine sunflowerseed harvest is nearing completion but yields were disappointing. The sunflowerseed crop was forecast down this month to 3.5 million tons from the previous estimate of 4.0 million tons, even though the 2006/07 area is estimated 4.5 percent higher. About half of Argentina's sunflower area is sown in the province of Buenos Aires. Yields were curtailed in the south and west parts of the province, where it was quite dry during January 2007. A smaller Argentine crop is seen curtailing the sunflowerseed crush in 2006/07 to 3.6 million tons, compared with 3.7 million tons in 2005/06.

### ***High Costs Slow Soybean Import Demand in China***

Soybean imports by China's processors slowed in February 2007 to 1.2 million tons, or about half of the volume in January 2007. Cumulative imports for October 2006-February 2007 totaled 10.6 million tons. While China's year-to-date imports of soybeans are a healthy 8 percent over the 2005/06 pace, the amount does not quite support the prior forecast. USDA trimmed 0.5 million tons off of China's 2006/07 import forecast to 31.0 million tons, compared with 2005/06 imports of 28.3 million tons. Until prices start to abate, China's soybean imports will be restrained and domestic stocks may tighten. Rising costs for ocean freight are also affecting soybean demand. In addition, widespread outbreaks of animal diseases continue to plague the production of poultry, swine, and cattle in China, limiting the feed demand for soybean meal.

On the other hand, EU-25 imports of soybeans are recovering better than anticipated, particularly from the United States. The 2006/07 forecast of EU-25 soybean imports was increased 200,000 tons this month to 14.3 million tons, compared with 13.9 million for 2005/06.

### ***Strong Exports Outpacing Indonesian Palm Oil Output***

Despite an estimated 11-percent expansion of the Indonesian palm area harvested this year, the country's 2006/07 palm oil output is seen rising by only 3 percent to 15.9 million tons. The prior forecast was 17.2 million tons. Palm oil yields in Indonesia are expected to be lower in 2006/07 due to a prolonged period of dryness in October-November 2006.

Indonesian palm oil exports for 2006/07 are forecast lower at 11.6 million tons; the 2005/06 trade totaled 11.1 million tons. Approximately 70 percent of Indonesia's palm oil production is exported, with the remainder used in the domestic market. The moderate production gains are now expected to tighten 2006/07 ending stocks as well. In response to higher market prices, Indonesia has been gradually raising its base export prices (the reference value upon which a 1.5-percent tax for crude palm oil exports is assessed). Higher export taxes help to moderate price gains in the domestic market for this food staple. Officials would like to expand domestic uses for production of oleochemicals and biodiesel. The intent is to export these higher value products, which are assessed a lower export tax.

## 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.asp](http://www.fas.usda.gov/oilseeds_arc.asp)  
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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>	-----			<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	1,765	1,080	182	3,027	615
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						0.6		155.1	131.0			
Sep-Nov				449.3	3,188.2	1.5	3,639.1	459.2	373.9	104.7	937.7	2,701.4
December						0.6		157.1	112.4			
January						0.5		155.3	135.1			
February <sup>1</sup>						NA		136.9	NA			
Dec-Feb				2,701.4	---	1.1	2,702.4	449.3	247.5	NA	918.2	1,784.3
Total to date						2.6	3,640.2	908.5	621.4		1,855.9	

<sup>1</sup> Estimated. <sup>2</sup> Forecast. NA= Not available.

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.

Last update: 4/12/2007

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	41,821	165	42,300	33,650	8,350	42,000	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	388.4	3,671.9	13.6	4,073.9	2,858.7	841.7	3,700.3	373.6
December	373.6	3,731.0	13.7	4,118.3	2,847.6	795.0	3,642.6	475.7
January	475.7	3,693.3	13.6	4,182.6	3,056.7	753.2	3,809.9	372.7
February <sup>1</sup>	372.7	3,256.0	NA	3,628.7	NA	NA	3,336.0	292.6
Total to date		18,175.8	53.6	18,543.2	11,848.4	3,066.1	18,250.6	

<sup>1</sup> Estimated. <sup>2</sup> Forecast. NA= Not available.

Source: *Oilseed Crushings*, Census Bureau, U.S. Department of Commerce.

Last update: 4/12/2007

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	19,995	30	23,044	18,750	1,500	20,250	2,794
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	3,014.7	1,725.0	1.0	4,740.7	1,545.9	119.7	1,665.6	3,075.1
December	3,075.1	1,770.1	1.3	4,846.4	1,488.7	275.9	1,764.7	3,081.8
January	3,081.8	1,746.3	2.5	4,830.5	1,473.9	174.9	1,648.8	3,181.7
February <sup>1</sup>	3,181.7	1,546.2	NA	4,727.9	NA	NA	1,444.0	3,284.0
Total to date		8,620.5	5.7	11,645.1	6,181.1	736.1	8,361.2	

<sup>1</sup> Estimated. <sup>2</sup> Forecast. NA= Not available.

Sources: *Oilseed Crushings* and *Production, Consumption, and Stocks*, Census Bureau, U.S. Department of Commerce.

Last update: 4/12/2007

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	2,700	650	4,334	7,684	550

<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	1,230	1,290	1,145	95	1,240	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			
	Beginning stocks	Imports	Production	Total	Domestic	Exports	Total	Ending stocks
<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	2	850	953	738	115	853	100

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

Sources: *Oilseed Crushings and Production, Consumption, and Stocks*, Census Bureau, U.S. Department 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	5,676	2,613	580	420	550	4,163	1,513

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

Sources: *Crop Production* and *Peanut Stocks and Processors*, National Agricultural Statistics Service, U.S. Department 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>	6.10-6.50	110-125	13.65-14.35	17.2-18.0	5.65-6.05
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	6.18	109.00	13.60	17.60	5.73
January	6.38	120.00	13.80	17.80	6.07
February	6.87	125.00	14.90	17.80	6.40
March <sup>1</sup>	6.85	NA	15.40	17.50	6.45

<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>	28.5-30.5	31.5-33.5	38.5-40.5	50.5-52.5	28.3-30.3	25.0-27.0	23.5-25.5
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	30.25	NA	52.50	26.47	20.78	21.78
December	27.63	30.75	NA	50.00	28.05	22.58	23.23
January	28.00	31.00	NA	49.25	28.05	23.00	23.91
February	28.94	32.69	NA	46.25	28.66	23.82	23.25
March <sup>1</sup>	29.74	33.00	NA	48.20	29.08	30.75	24.34

<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. Department 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>
\$/short ton						
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	115.53
2006/07 <sup>1</sup>	190-200	155-165	115-125	100-110	170-180	135-145
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	98.50	149.77	100.75
November	190.67	131.88	98.50	98.50	166.80	118.13
December	180.63	152.50	109.00	98.00	163.17	123.33
January	190.36	161.00	114.67	98.50	173.30	134.20
February	208.81	174.75	152.50	98.50	198.37	156.38
March <sup>1</sup>	205.26	185.50	132.50	NA	195.37	156.25

<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. Department of Agriculture.