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Oil Crops Outlook

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Soaring Soybean Oil Values Lead the Market Rally

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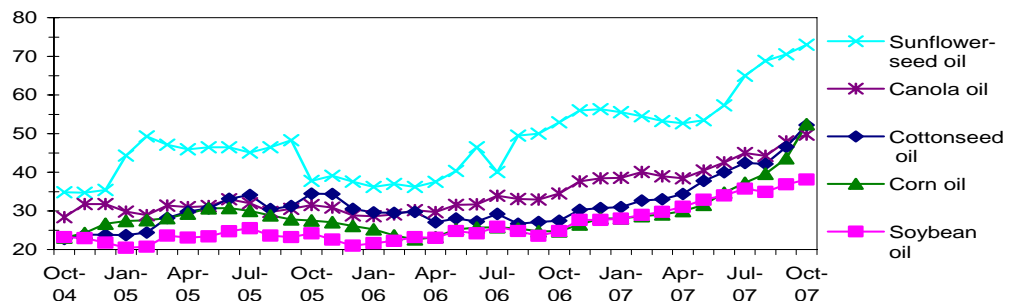
USDA raised its 2007/08 forecast of the U.S. average soybean price to a record high \$8.50-\$9.50 per bushel from the previous range of \$7.85-\$8.85 per bushel. The forecast of the soybean oil price was raised by 3 cents this month to 37.5-41.5 cents per pound. The season-average price for soybean meal is expected to rise to \$235-\$265 per short ton, well above the 2006/07 average at \$205 and the strongest since 2003/04.

Due to smaller domestic oilseed harvests this year, 2007/08 soybean oil imports by China are forecast expanding to 2.6 million tons from 2.4 million tons last year, while palm oil imports are seen up to 5.7 million tons versus 5.1 million in 2006/07. Indonesian output of palm oil in 2007/08 is forecast up 10 percent to 18.3 million tons due to a 10-percent increase in productive oil palm area to 5.3 million hectares. Indonesian palm oil exports in 2007/08 could increase 15 percent to 13.6 million tons, which would maintain a tight rein on global stocks.

Figure 1

Meteoric 3-year ascent in vegetable oil prices approaching all-time highs

Cents/pound



Sources: *Central Illinois Soybean Processors and Corn Processors* reports, Agricultural Marketing Service, USDA.

Domestic Outlook

High Soybean Prices Expected To Increase Even More

USDA shaved 4 million bushels off the 2007 soybean production estimate this month to 2.594 billion bushels. Higher soybean yields for Michigan and Indiana were offset by lower estimates for South Dakota, North Dakota, Tennessee, and Wisconsin. The crop reduction led to a lowering of the 2007/08 ending stocks forecast from 215 million to 210 million bushels. No changes were made in the soybean crush or export forecasts this month.

Although the soybean harvest was 92 percent complete as of November 4, it has put minimal pressure on prices this fall. In fact, there may be room for further increases in soybean prices. In October, the average farm price increased to \$8.58 per bushel, up by more than a dollar from August. Despite the large gains, the post-harvest averages have been curbed by prior sales booked at the lower prices prevailing several months ago. With deferred futures contracts indicating a very attractive price outlook, farm sales have slowed. As a result, the cash basis relative to January futures prices is beginning to strengthen in favor of farmers. However, storage costs also escalate as the crop becomes more valuable, which will eventually accelerate farm marketing. Throughout the country, current cash prices already exceed \$9 per bushel. Accordingly, USDA raised its 2007/08 forecast of the U.S. average farm price to a record \$8.50-\$9.50 per bushel from the previous \$7.85-\$8.85.

For soybean oil, negligible growth is expected in 2007/08 for its domestic consumption in food, assuming greater replacement with other vegetable oils. Total disappearance of soybean oil this season is forecast 100 million pounds lower to 20.1 billion pounds, due entirely to lower expectations of the edible use. In contrast, the foreign market retains a robust demand for soybean oil. For foreign buyers, the continued decline in the value of the U.S. dollar has partly offset increased soybean oil costs and is supporting U.S. exports. Forecast soybean oil exports are raised 100 million pounds this month to 1.55 billion pounds. U.S. dollar depreciation is also contributing to the strength of petroleum and distillate prices (such as diesel fuel), and thereby supporting demand for soybean oil in biodiesel production. Larger-than-expected beginning stocks (2.91 billion pounds) may slow the decline in 2007/08 ending stocks to just over 2 billion pounds.

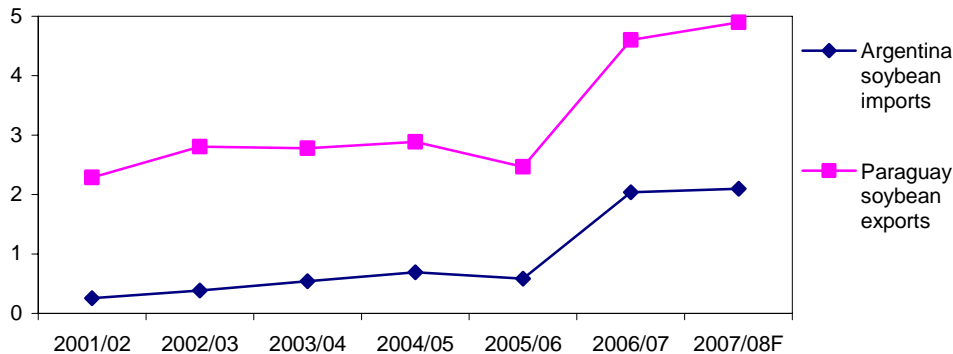
In October, the monthly average price for soybean oil swelled to 38.1 cents per pound--the highest value since a brief spike in May 1984. As of early November, daily cash prices are close to 42 cents per pound, approaching the all-time highs set in the summer of 1974. Up by an extraordinary 54 percent from a year ago, soybean oil prices have seldom risen more quickly. Thus, the forecast of the 2007/08-average soybean oil price was raised by 3 cents per pound this month to 37.5-41.5 cents.

Soybean meal prices have also strengthened considerably over the past 6 months. The October average price for soybean meal in central Illinois surged past \$260 per short ton. The season average price is expected to rise to \$235-\$265 per short ton, well above the 2006/07 average at \$205 and the strongest since 2003/04. Steady domestic use and export commitments are helping to hold up soybean meal values. Forecast exports of U.S. soybean meal were edged up this month to 8.3 million short tons.

Figure 2

Argentine soybean imports comprising greater share of Paraguay exports

Million metric tons



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

Gains in Paraguay Soybean Production Will Boost Supplies for Argentine Processors

As in Brazil and Argentina, producers in Paraguay are responding to the attractive price incentives for soybeans. In 2007/08, soybean harvested area in Paraguay is anticipated to rise by 8 percent to 2.6 million hectares. Crop production is expected up to 6.5 million metric tons from 6.2 million last season. The whole increase could be used to expand soybean exports from Paraguay to 4.9 million tons. More than 40 percent of the country's soybean exports may wind up at Argentine crushing mills. To help occupy Argentina's massive processing capacity, soybean deliveries by river barge between the two countries have grown quickly over the past few years. Argentine soybean imports are forecast to edge up to 2.1 million tons in 2007/08 from 2 million the previous season.

Indian Rapeseed Output To Drop as Wheat Growing Takes Precedence

Global rapeseed output in 2007/08 is forecast down by 1.1 million metric tons this month to 48.2 million due to lower area estimates for India and Australia. In India, despite strong price increases this year for rapeseed, farmers are likely to show less interest in growing the crop due to superior expected returns for raising wheat, the main alternative crop. Seeking to alleviate a current shortage of wheat, the Government of India recently raised its minimum support price for wheat by one-third from a year ago. At the same time, the procurement price for rapeseed was set only 5 percent higher. The anticipated impact of the policy lowers the prospective 2007 rapeseed area to 6 million hectares, compared with the previous estimate of 7.4 million and 2006 area at 6.6 million hectares. Thus, Indian rapeseed production is expected at 5.7 million tons, down from the previous projection of 7.05 million and last year's crop of 5.8 million. Crushing of the oilseed would likely drop to 5.2 million tons from 5.7 million in 2006/07. Rapeseed stocks procured by the Government also should decline as demand for the oil will be steady.

In Australia, this year's drought is not expected to have quite as severe an impact on the canola crop as occurred in 2002 and 2006, but the damage will still be harsh. In New South Wales, where precipitation during the growing season was no better than 25 percent of normal, nearly all the crop was lost or abandoned. Recent rainfall came too late to save canola yields. For the entire country, 2007 canola area harvested is estimated down to 800,000 hectares from 1 million previously. Consequently, the estimate of the Australian 2007 canola harvest was lowered again this month--to 900,000 tons from the previous forecast of 1.1 million. With a smaller beginning carryover, 2007/08 exports and ending stocks of canola should be only modestly better than last season's.

Worldwide Surge in Vegetable Oil Prices Prompts Governments Into Action

As with soybean oil, current prices for palm oil, sunflowerseed oil, and other vegetable oils are setting record highs nearly everywhere. Many countries are attempting to temper the high costs by dropping import tariffs or raising export tariffs on domestically produced vegetable oils. Already this year, India's Government has made a series of import tariff reductions on crude palm oil—now down to 45 percent and closer to parity with the soybean oil tariff. The lack of upward adjustment in government reference prices since last year (compared to the rise in actual import costs) has also stabilized total tariff costs. Partly due to a likely reduction in the domestic production of rapeseed oil, Indian palm oil imports are seen rising to 4.2 million tons in 2007/08 (from 3.8 million in 2006/07). The increase in Indian soybean oil imports (to 1.5 million tons) should be more modest.

In China, vegetable oil costs have been a major contributor to the raging inflation in consumer prices. The domestic soybean harvest, which was reduced sharply this year by lower area and drought, was estimated 300,000 tons lower this month to 14.3 million tons. Rapeseed and other oilseed crops are also smaller this year. To contain the price increases somewhat, China's import duty on soybeans was lowered from 3 percent to 1 percent through at least the end of this calendar year. Even so, considerably higher costs for oilseed imports and their ocean freight are resulting in slim domestic processing margins. Needing to supplement a negligible increase in its domestic vegetable oil output, China must import a growing volume of oil. The country's current imports for both soybean oil and palm oil are already quite brisk, but the Government has little influence over their price level. The Government has itself made direct purchases of soybean oil from South America to add to state food reserves, which are exempt from import tariffs and value-added taxes. Other potential measures that could help moderate prices would be reductions in the import tariffs on canola seed and vegetable oils, currently at 9 percent. Soybean oil imports by China are forecast expanding in 2007/08 to 2.6 million tons from 2.4 million tons last year, while palm oil imports are seen up to 5.7 million tons versus 5.1 million in 2006/07. Vegetable oil imports could then account for close to 40 percent of total consumption in China.

Although Indonesia overtook Malaysia a few years ago as the world's largest palm oil-producing country, it has not exempted its own domestic market from major price increases. This is quite remarkable considering the rapid growth of Indonesian palm oil output, which expanded 7 percent in 2006/07 to 16.6 million tons. Output in 2007/08 is forecast up 10 percent to 18.3 million tons due to a 10-

percent increase in productive oil palm area to 5.3 million hectares. Yet, due to robust export demand for palm oil, prices in Indonesia are approximately 50 percent higher since the start of the year. At this level of production, Indonesian palm oil exports in 2007/08 could reach 13.6 million tons, compared to 11.8 million the previous year.

In an attempt to preserve an adequate domestic supply, Indonesia's Government has raised export taxes on crude palm oil and its derivatives. Rising progressively with the price level, the tax on the former went from 1.5 percent in June to 10 percent currently. However, such policies are not entirely effective as smugglers find ways to evade the export taxes altogether. More likely to help domestic consumers is an expansion of subsidies to the poor and a waiver of value-added taxes on unbranded cooking oils. Domestic use of palm oil may grow by only 1.4 percent to 4.6 million tons, which would barely cover Indonesia's gain in population. Palm oil stocks in Indonesia (and the world) may be used this year as quickly as they can be replaced.

Between December 2007 and May 2008, Russia's Government will lower import tariffs on soybean oil, sunflowerseed oil, and canola oil to 5 percent from 15 percent. In recent years, Russia was transforming into a net exporter of vegetable oil, but a shortfall in sunflowerseed production this year will widen its supply deficit. A lower harvested area estimate this month for Russia trimmed the forecast of 2007 sunflowerseed production to 5.6 million tons, down from last year's record harvest of 6.75 million tons.

This month, Argentine authorities announced increases in export taxes on soybeans and sunflowerseed from 27.5 percent to 35 percent, and on oilseed products from 24 percent to 32 percent. Before they can ship a commodity abroad, exporters are required to declare their sales to the Government, which determines the tax owed. In anticipation of the Government's action, traders had accelerated their recent registrations of export commitments. The Government then suspended registrations pending the effective dates for the new tax rates, but soybean export commitments already exceeded 8 million tons. Soybean exports from Argentina in 2007/08 are expected to total 10.2 million tons. The export taxes were primarily raised to boost Argentine Government revenues from a highly profitable sector, rather than to control domestic prices.

The tax increase's dampening effect on Argentine farm prices is unlikely to discourage the expansion of oilseed sowing this year. For sunflowerseed, prices have doubled in Argentina since April because of considerably smaller crops in Russia, Ukraine, and EU-27. Such price incentives could stimulate a 13-percent expansion of Argentine sunflower area to 2.7 million hectares. With an average yield, 2007/08 sunflowerseed production is forecast rising 31 percent to 4.6 million tons. Through mid-November, sunflower planting in Argentina is nearly 70 percent complete.

Soybean prices, which at the central cash market of Rosario have climbed by 45 percent over a year ago, have also increased enough to overwhelm the impact of the higher export tax. Soybean area is likely to expand in northern Argentina as well as on former pasture land in the South. Moisture conditions for soybean planting are currently favorable throughout the country, and about one-fourth of the sowing has been concluded



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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
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	Exports & residual	Total		
	<i>Million acres</i>		<i>Bu/acre</i>				<i>Million bushels</i>					
2005/06	72.0	71.3	43.0	256	3,063	3	3,322	1,739	940	194	2,873	449
2006/07 ¹	75.5	74.6	42.7	449	3,188	9	3,647	1,806	1,118	149	3,074	573
2007/08 ²	63.7	62.8	41.3	573	2,594	6	3,173	1,825	975	163	2,963	210
2006/07												
September						0.4		142.4	64.9			
October						0.5		161.7	182.6			
November						0.6		155.1	126.4			
Sep-Nov				449.3	3,188.2	1.5	3,639.1	459.2	373.8	104.7	937.7	2,701.4
December						0.6		157.4	122.7			
January						0.5		155.3	135.1			
February						0.8		136.8	129.2			
Dec-Feb				2,701.4	--	1.9	2,703.3	449.5	387.0	80.0	916.4	1,786.9
March						0.9		155.7	85.0			
April						0.8		144.9	83.0			
May						0.8		151.9	51.4			
Mar-May				1,786.9	--	2.6	1,789.5	452.6	219.5	25.1	697.3	1,092.2
June						1.1		148.7	50.3			
July						0.9		150.2	35.5			
August						1.0		146.2	51.9			
Jun-Aug				1,092.2	--	3.0	1,095.2	445.1	137.7	(60.4)	522.4	572.8
Total						9.0	3,646.6	1,806.4	1,118.0	149.4	3,073.8	
2007/08												
September ¹						443.4		147.5	60.9			

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>								
2005/06	172	41,244	141	41,557	33,195	8,048	41,243	314
2006/07 ¹	314	43,020	156	43,491	34,353	8,786	43,139	351
2007/08 ²	351	43,384	165	43,900	35,300	8,300	43,600	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	10.5	3,938.0	2,849.2	762.2	3,611.4	326.6
February	326.6	3,215.3	11.0	3,552.9	2,561.4	689.8	3,251.2	301.6
March	301.6	3,504.0	12.5	3,818.1	2,859.1	672.5	3,531.6	286.5
April	286.5	3,212.6	11.4	3,510.5	2,546.3	548.8	3,095.1	415.4
May	415.4	3,474.7	13.3	3,903.5	2,966.8	633.2	3,599.9	303.5
June	303.5	3,250.9	16.4	3,570.8	2,683.8	620.8	3,304.6	266.2
July	266.2	3,507.5	11.3	3,785.0	2,651.1	767.2	3,418.4	366.6
August	366.6	3,353.9	12.7	3,733.2	2,780.7	730.5	3,511.2	222.0
September	222.0	3,354.5	11.5	3,588.0	2,601.6	672.7	3,274.3	313.8
Total		41,243.9	140.8	41,556.5	33,195.0	8,047.8	41,242.7	
2006/07								
October	313.8	3,823.2	12.8	4,149.7	3,084.4	677.0	3,761.3	388.4
November	388.4	3,671.9	13.6	4,073.9	2,858.3	842.0	3,700.4	373.6
December	373.6	3,733.0	13.7	4,120.2	2,864.1	787.2	3,651.3	468.9
January	468.9	3,693.3	13.6	4,175.8	3,049.9	753.2	3,803.1	372.7
February	372.7	3,252.6	13.4	3,638.7	2,592.8	756.3	3,349.0	289.6
March	289.6	3,712.3	15.2	4,017.1	2,771.8	916.8	3,688.6	328.5
April	328.5	3,442.9	12.6	3,783.9	2,826.2	629.2	3,455.3	328.6
May	328.6	3,623.0	13.9	3,965.5	3,022.2	664.1	3,686.3	279.2
June	279.2	3,528.2	11.2	3,818.6	2,769.8	731.8	3,501.6	317.1
July	317.1	3,568.0	11.2	3,896.3	2,967.3	613.8	3,581.1	315.2
August	315.2	3,473.9	13.4	3,802.5	2,799.9	765.7	3,565.6	236.9
September ¹	236.9	3,498.2	11.8	3,746.9	2,746.6	649.0	3,395.6	351.3
Total to date		43,020.5	156.3	43,490.6	34,353.3	8,786.0	43,139.2	

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				Ending stocks
	Beginning stocks	Production	Imports	Total	Domestic	Exports	Total	
<i>Million pounds</i>								
2005/06	1,699	20,387	35	22,122	17,959	1,153	19,112	3,010
2006/07 ¹	3,010	20,484	37	23,531	18,731	1,888	20,619	2,912
2007/08 ²	2,912	20,715	40	23,667	20,100	1,550	21,650	2,017
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	1,454.8	71.3	1,526.2	2,432.6
February	2,432.6	1,588.2	4.0	4,024.8	1,276.6	67.0	1,343.6	2,681.2
March	2,681.2	1,746.5	4.2	4,431.9	1,601.2	178.2	1,779.4	2,652.4
April	2,652.4	1,586.3	2.3	4,241.0	1,381.5	96.8	1,478.3	2,762.7
May	2,762.7	1,710.5	2.2	4,475.4	1,534.0	53.8	1,587.9	2,887.6
June	2,887.6	1,608.7	2.3	4,498.6	1,491.1	82.0	1,573.1	2,925.5
July	2,925.5	1,737.0	3.3	4,665.8	1,456.9	89.4	1,546.3	3,119.5
August	3,119.5	1,658.3	3.7	4,781.5	1,638.4	64.7	1,703.1	3,078.3
September	3,078.3	1,684.1	2.3	4,764.7	1,643.0	111.8	1,754.9	3,009.8
Total		20,387.4	35.3	22,121.8	17,958.6	1,153.4	19,112.0	
2006/07								
October	3,009.8	1,829.5	1.0	4,840.3	1,660.9	167.1	1,828.0	3,012.3
November	3,012.3	1,725.0	1.0	4,738.3	1,536.1	120.3	1,656.3	3,081.9
December	3,081.9	1,771.0	1.3	4,854.2	1,486.9	276.7	1,763.6	3,090.6
January	3,090.6	1,746.3	2.5	4,839.4	1,482.7	174.9	1,657.6	3,181.7
February	3,181.7	1,547.2	1.1	4,730.1	1,324.2	125.2	1,449.4	3,280.7
March	3,280.7	1,764.3	1.4	5,046.3	1,603.8	81.2	1,685.0	3,361.4
April	3,361.4	1,626.5	2.0	4,989.9	1,585.7	102.7	1,688.4	3,301.5
May	3,301.5	1,728.9	3.1	5,033.5	1,601.2	121.3	1,722.5	3,311.0
June	3,311.0	1,692.5	9.7	5,013.1	1,529.4	123.5	1,652.9	3,360.2
July	3,360.2	1,709.7	5.4	5,075.3	1,668.2	202.1	1,870.2	3,205.1
August	3,205.1	1,662.9	6.8	4,874.9	1,627.1	201.9	1,829.0	3,045.9
September	3,045.9	1,679.8	2.2	4,728.0	1,624.9	190.8	1,815.8	2,912.2
Total to date		20,483.6	37.5	23,530.9	18,731.0	1,887.7	20,618.7	

¹ Estimated. ² 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>									
2005/06	592	8,172	0	8,764	3,010	523	4,630	8,163	602
2006/07	602	7,348	0	7,950	2,680	616	4,165	7,461	489
2007/08 ²	489	6,539	0	7,028	2,400	300	3,928	6,628	400

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>								
2005/06	53	0	1,372	1,425	1,225	141	1,366	59
2006/07 ¹	59	0	1,239	1,298	1,133	105	1,238	60
2007/08 ²	60	0	1,090	1,150	1,015	85	1,100	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>								
2005/06	76	1	951	1,028	860	67	927	101
2006/07 ¹	101	2	862	965	720	135	855	110
2007/08 ²	110	1	755	866	661	115	776	90

¹ Estimated. ² 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>										
2005/06	1,415	32	4,870	6,317	2,616	542	501	491	4,150	2,167
2006/07 ¹	2,167	58	3,464	5,689	2,585	513	468	603	4,169	1,520
2007/08 ²	1,520	55	3,466	5,042	2,468	521	377	525	3,891	1,151

¹ Estimated. ² 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.	Canola \$/cwt.	Peanuts Cents/lb.	Flaxseed \$/bu.
1997/98	6.47	121.00	11.60	11.30	28.30	5.81
1998/99	4.93	129.00	10.60	10.30	28.40	5.05
1999/00	4.63	89.00	7.53	7.82	25.40	3.79
2000/01	4.54	105.00	6.89	6.71	27.40	3.30
2001/02	4.38	90.50	9.62	8.77	23.40	4.29
2002/03	5.53	101.00	12.10	10.60	18.20	5.77
2003/04	7.34	117.00	12.10	10.60	19.30	5.88
2004/05	5.74	107.00	13.70	10.70	18.90	8.07
2005/06	5.66	96.00	12.10	9.62	17.30	5.94
2006/07	6.43	111.00	14.40	11.10	17.70	5.80
2007/08 ¹	8.50-9.50	150-180	17.80-19.40	16.00-17.60	20.2-21.8	10.60-11.60
2006/07						
September	5.23	97.00	11.70	NA	17.30	5.46
October	5.52	98.00	12.10	NA	17.20	5.41
November	6.08	113.00	12.50	NA	17.20	5.40
December	6.18	120.00	13.60	NA	17.60	5.73
January	6.37	121.00	13.80	NA	17.80	6.07
February	6.87	130.00	14.90	NA	17.80	6.40
March	6.95	NA	15.60	NA	17.80	6.83
April	6.88	NA	15.90	NA	18.30	6.73
May	7.12	NA	16.60	NA	17.90	7.09
June	7.51	NA	17.00	NA	18.10	7.79
July	7.56	NA	18.40	14.50	18.70	8.14
August	7.72	NA	18.30	14.60	18.00	8.64
2007/08						
September	8.18	137.00	17.70	15.00	18.60	9.55
October ¹	8.58	153.00	18.00	17.40	20.60	11.50

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	Canola oil ⁴	Peanut oil ⁵	Corn oil ⁶	Lard ⁶	Edible tallow ⁶
<i>Cents/lb.</i>								
1997/98	25.80	28.85	27.00	28.83	49.21	28.94	19.46	20.69
1998/99	19.90	27.32	20.10	22.48	40.72	25.30	14.66	15.14
1999/00	15.60	21.52	16.68	17.11	35.96	17.81	13.64	13.21
2000/01	14.15	15.98	15.89	17.56	34.97	13.54	14.61	13.43
2001/02	16.46	17.98	23.25	23.45	32.23	19.14	13.55	13.87
2002/03	22.04	37.75	33.11	29.75	46.70	28.17	18.13	17.80
2003/04	29.97	31.21	33.41	33.76	60.84	28.43	26.13	22.37
2004/05	23.01	28.01	43.71	30.78	53.63	27.86	21.80	18.48
2005/06	23.41	29.47	40.64	31.00	44.48	25.18	21.74	18.16
2006/07	31.02	35.70	58.03	40.57	52.99	31.80	28.43	27.32
2007/08 ¹	37.5-41.5	42.5-46.5	62.5-66.5	45.0-49.0	60.5-64.5	39.5-43.5	34.5-38.5	33.5-37.5
2006/07								
October	24.80	27.44	52.94	34.50	52.67	24.70	23.55	19.86
November	27.64	30.25	56.00	37.63	52.50	26.47	20.78	21.78
December	27.63	30.75	56.33	38.42	50.00	28.05	22.58	23.23
January	28.00	31.00	55.56	38.56	49.25	28.05	23.00	23.91
February	28.94	32.69	54.50	40.06	46.25	28.66	23.82	23.25
March	29.74	33.00	53.25	38.95	48.20	29.08	30.75	24.34
April	31.06	34.38	52.69	38.44	52.63	29.93	27.71	26.22
May	32.90	37.75	53.44	40.44	55.63	31.56	28.60	30.19
June	34.01	40.00	57.31	42.56	62.56	34.71	32.64	34.50
July	35.74	42.44	65.00	45.00	69.63	37.25	36.00	35.00
August	34.87	42.15	68.80	44.25	70.00	39.61	35.77	32.85
September	36.89	46.56	70.50	48.00	73.00	43.58	36.00	32.69
2006/07								
October ¹	38.10	52.20	73.00	49.75	74.70	52.39	35.09	33.98

¹ Preliminary. ² Decatur, IL. ³ PBSY Greenwood, MS. ⁴ Midwest. ⁵ Southeast mills. ⁶ 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 ²	Cottonseed meal ³	Sunflower meal ⁴	Peanut meal ⁵	Canola meal ⁶	Linseed meal ⁴
\$/Short ton						
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	106.98	140.52	115.53
2006/07	205.44	150.36	104.88	100.00	173.38	133.01
2007/08 ¹	235-265	190-220	135-165	190-220	195-225	170-200
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	205.26	185.50	132.50	NA	195.37	156.25
April	189.37	148.25	118.75	NA	169.01	149.00
May	198.66	137.00	99.80	NA	168.19	135.10
June	229.70	131.25	85.13	NA	189.11	132.00
July	222.05	137.50	83.13	NA	171.14	135.75
August	217.63	144.75	74.63	NA	159.33	123.88
September	254.41	167.50	103.00	NA	176.98	131.38
2007/08						
October ¹	260.55	183.40	138.40	NA	167.24	170.20

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

⁵ 50% Southeast mills. ⁶ 36% Pacific Northwest. NA= Not available.

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