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# Oil Crops Outlook

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## Soybean Market Strengthens With Disappointing Acreage Data

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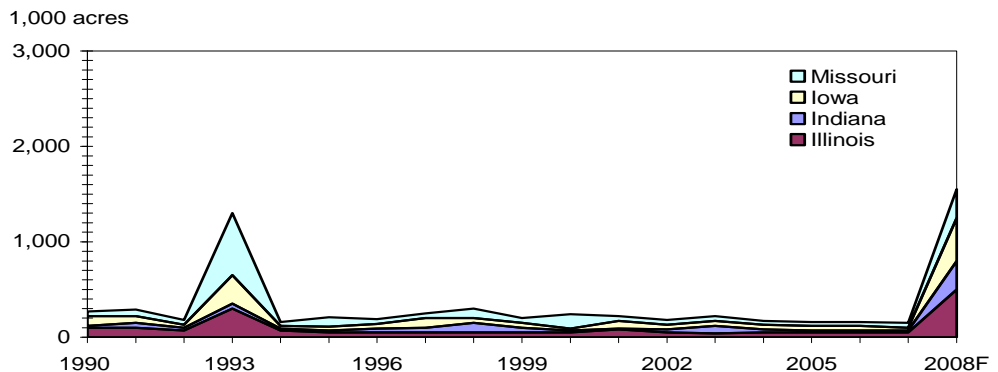
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U.S. farmers originally intended to plant 74.8 million acres of soybeans in 2008, but are now estimated to have sown 74.5 million. However, updated USDA survey data scaled back the harvested acreage estimate to 72.1 million acres from 73.8 million previously. Given a higher probability for shortened crop development, USDA trimmed its 2008 soybean yield projection to 41.6 bushels per acre from a trend-line of 42.1 bushels. The combined reductions this month for harvested acreage and yield cut the projected 2008 soybean output by 105 million bushels to 3 billion.

USDA raised the range for the 2008/09 U.S. average farm price for soybeans to \$12.00-\$13.50 per bushel, a \$1 increase from last month's forecast. A rationing of demand is projected to reduce U.S. soybean exports for 2008/09 by 13 percent to 1 billion bushels—down 50 million bushels from last month's forecast. A 10-million-bushel decline in domestic soybean crushing to 1.83 billion bushels is also expected.

Figure 1

### Abandonment of sown soybean acres in 2008 may soar to a 15-year high



Source: *Acreage*, National Agricultural Statistics Service, USDA.

### *Inundation of Cropland Hampers Completion of U.S. Soybean Planting*

In June, the Midwest's worst flooding since 1993 forced a wide-scale abandonment of efforts to sow cropland. The cause was torrential rains that fell onto already saturated ground. In Iowa, the April-June period was the wettest in recorded history, with rainfall more than twice the usual amount. Precipitation was well above average for many of the other top soybean-growing States, too. The breaching of numerous levees in Iowa, Illinois, and Missouri let floodwaters spill widely onto the adjacent farms. The flooding in Iowa affected more than 20 percent (3 million acres) of the State's total cropland.

Water levels are now receding, but there was little time left for a successful replanting. For nearly all of the Midwest, June 20 was the final date to plant a soybean crop fully covered by crop insurance. Despite the record-high crop prices, Midwest farmers that plant after that date take a big risk on yield. With few remaining options, many growers can make a claim for prevented planting. This provides them a guaranteed insurance payment and avoids expenditures for crop inputs on the affected acreage. And, although double-cropped soybeans are expected to increase this year by nearly 2 million acres to 9 percent of total acreage (from 8 percent in 2007), delays in harvesting the winter wheat crop (particularly in Illinois and Missouri) likely prevented sowing more soybeans than intended.

At the beginning of June, only 69 percent of the U.S. soybean crop had been sown, compared with the 5-year average of 81 percent. Farmers originally intended to plant 74.8 million acres of soybeans in 2008, but are now estimated to have sown 74.5 million. Smaller acreage gains this year seen for Iowa and Nebraska were partly offset by larger gains for Illinois and Missouri, where some producers were better able to replace acres of corn with soybeans. At the end of June, a fourth of the soybean acreage in Missouri was still unsown.

However, changes for sown acreage were far exceeded by changes for expected harvested acreage. Late-planted acreage is at a higher risk of not being harvested. In late June, USDA resurveyed farms in flooded States and determined that the ratio of U.S. harvested soybean acreage to planted acreage (96.8 percent) would be lower than usual. The data scaled back the harvested acreage estimate to 72.1 million acres from 73.8 million previously. When planting was similarly delayed in 1993, the percentage of sown land that was harvested fell to a historic low (95.4 percent).

Current development for the soybean crop is lagging overall, as indicated by the percentage of the U.S. acreage that has reached blooming this year (12 percent) compared with the average (26 percent). The delays this year do not guarantee a poor soybean yield, although chances for an excellent yield are diminished. Recent crop conditions are rated mostly good to excellent, but under these delayed circumstances, damage from an early frost could be unusually harsh. For farmers to compensate for the poor start, harvesting of numerous fields will be contingent on favorably mild September weather. Given a higher probability for shortened crop development, USDA trimmed its 2008 soybean yield projection to 41.6 bushels per acre from a trend-line of 42.1 bushels. The combined reductions this month for

harvested acreage and yield cut the projected 2008 soybean output by 105 million bushels to 3 billion.

### ***Potentially Lower Soybean Supply Trims Demand Outlook***

USDA's latest *Grain Stocks* report indicated that June 1 soybean stocks were 676 million bushels. The June stocks were the lowest in 4 years and down 38 percent from a year earlier. Even so, the soybean inventory was larger than anticipated, as indicated by abnormally low quarterly residuals (the difference between the change in stocks and reported use). If the June stocks had not been pegged as high, the seasonal strength in soybean exports would not be sustainable. Through July 3, U.S. export inspections of soybeans were 6 million bushels ahead of last season's record pace. Outstanding sales are also higher than a year ago, prompting an increase in the 2007/08 export forecast by 35 million bushels this month to 1.145 billion. Record-high soybean demand for the summer quarter is expected to draw down stocks quickly by the fall. Offsetting changes between exports and the residual left the forecast of 2007/08 ending stocks unchanged at 125 million bushels.

With stocks approaching a record low, a reduction in new crop soybean supplies should precipitate a rationing of demand. High soybean prices are already laying the groundwork for this process. U.S. soybean exports are projected to plummet 13 percent to 1 billion bushels—down 50 million bushels from last month's forecast. Larger South American soybean exports are anticipated to offset the lost U.S. trade, but it may be possible only by further constraining growth in global stocks. A 10-million-bushel decline in domestic soybean crushing to 1.83 billion bushels is also expected. Even assuming demand reductions of this magnitude, the U.S. soybean market unavoidably confronts another year of very tight ending stocks. Although the 2008/09 soybean carryout is forecast up minimally to 140 million bushels, it is down 35 million bushels from the June forecast.

The lack of stocks means that any threat to new crop production is a recipe for price volatility. Thus, a loss of productive cropland to flooding this year has helped rally prices to an unprecedented level. The central Illinois cash price for soybeans is currently near \$16 per bushel, compared with the May average of \$12.91 per bushel. USDA raised the range for the 2008/09 U.S. average farm price to \$12.00-\$13.50 per bushel, a \$1 increase from last month's forecast and well above the expected 2007/08 price at \$10.15 per bushel.

### ***Market Supplies of Soybean Meal and Soybean Oil Expected To Tighten***

Similarly, the monthly average price for soybean meal surged in June to \$391 per short ton, up from the May average of \$325. By mid-July, daily prices were approaching \$445 per ton, not far from the all-time peak of \$450 in June 1973. The rally was fueled by rising concerns over the new-crop soybean supply amid the nonstop growth in global consumption. Robust exports (encouraged by slow deliveries of Argentine soybean meal) also contributed support to prices. The 2007/08 price forecast was consequently raised by \$30 per short ton to \$345. Also, the range for the 2008/09 average price was raised by \$60 to a record high \$355-\$415 per short ton.

USDA's latest *Hogs and Pigs* report indicated the June 1 animal inventory was up 6 percent from a year earlier, based on an earlier expansion. But, high feed costs are pressuring the industry, and the number of animals kept for breeding is lower. Compared with last year's total, producers' sow farrowings are expected to decline by 2 percent for this summer and by 4 percent for this fall. Combined with likely decreases in animal weights, the reductions should weaken domestic demand for soybean meal in the last half of this year and into next year. Poultry and beef production is also expected to slow throughout 2009. The domestic use of soybean meal for 2008/09 is forecast 350,000 short tons lower this month to 34.7 million.

For the short term, strength in the export market for soybean meal is countering the slowing of domestic demand. USDA reduced its forecast for 2007/08 domestic use of soybean meal by 350,000 tons (to 34.45 million). Meanwhile, this year's export forecast was raised 300,000 tons to 9.5 million. Momentum for U.S. sales picked up for foreign markets that, at this time of year, normally rely on a growing surplus from Argentina. Late-season opportunities swelled U.S. soybean meal exports in May and June close to a historic peak for monthly shipments. Cumulative exports for 2007/08 would be exceeded only by the 1997/98 total of 9.6 million tons.

Prospects for tighter supplies have also encouraged an upswing in soybean oil prices. Values in central Illinois averaged 62.4 cents per pound in June, well above the May average of 58.3 cents. For 2008/09, soybean oil prices are seen climbing to a range of 59-63 cents per pound, up from the previous forecast of 52-56 cents.

Reduced output and further cost increases for soybean oil are expected to slow its conversion into biodiesel. Animal fats, which are considerably cheaper than soybean oil, account for most of the recent supply growth in biodiesel feedstock. For 2008/09, consumption of soybean oil for this purpose was forecast 100 million pounds lower to 3 billion pounds. As a result, total disappearance of soybean oil was reduced a like amount to 18.5 billion pounds.

### ***Minimal Production Growth Seen for Minor Oilseeds This Year***

In general, the 2008 planting data for minor oilseeds were in line with farmers' intentions in March. Prices for minor oilseeds continue to set new records. Yet, relative to other commodities (such as corn, wheat, and soybeans), even these values were insufficient to convince producers to significantly alter their acreage intentions for minor oilseeds. In contrast to the Corn Belt, spring conditions in the Northern Plains were very dry, and a revival of rainfall in early June was a relief for most parts of the region. Since then, warm and dry weather has settled over the Upper Plains and helped to advance crop blooming.

Unlike Canada, where the canola acreage sown in 2008 topped another record high, U.S. planted acreage declined 15 percent to slightly more than 1 million acres. Most of the reduction was in North Dakota, where producers favored the planting of spring wheat, durum, and soybeans.

Growers planted 2.16 million acres of sunflowers in 2008, an increase of 5 percent from last year. The location of the acreage shifted slightly, as a reduction in North Dakota was offset by an increase in other Plains States, where crop alternatives were less attractive. Nearly all of the acreage increase was for oil-type sunflowers.

There were 340,000 acres of flaxseed sown in 2008. This is 4 percent lower than 2007 and a decrease of 6 percent from March intentions. It continues a 3-year downward trend in the acreage planted to flaxseed, which has been superseded by the demand for other crops.

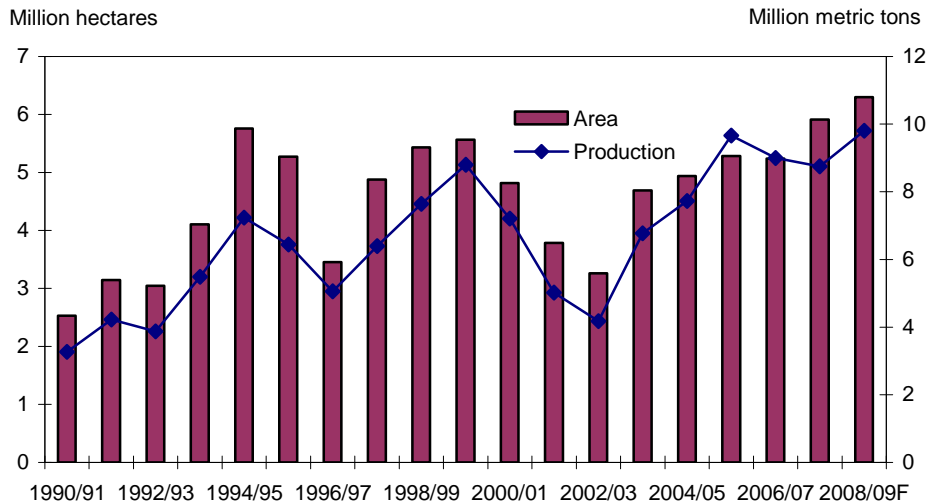
U.S. sown acreage for safflowers was 191,000 acres in 2008, up 6 percent from 2007. The area planted in California increased 80 percent (from 50,000 to 90,000 acres), as dry weather and reductions in water for irrigation caused farmers in the central valley to switch away from water intensive crops.

Cotton acreage is down 15 percent this year to 9.25 million acres. For cottonseed production, a comparatively larger reduction (23 percent) is anticipated—to 5.1 million short tons—due to the likelihood for greater acreage abandonment. Last year, cottonseed output was buoyed by record high yields and an exceptionally low number of abandoned acres, particularly in Texas.

In 2008, U.S. peanut acreage totaled 1.46 million acres, an increase of 19 percent from 2007 and 2 percent above March intentions. The area expansion for peanuts was concentrated in Georgia, Alabama, and Texas.

Figure 2

### Canada expected to harvest bumper canola crop



Source: Foreign Agricultural Service, USDA.

### *Canada's Record High Canola Area Is Expected To Yield Largest Crop Ever*

Global production of rapeseed for 2008/09 was forecast 750,000 tons higher this month—to 52 million metric tons—due to larger harvests envisioned for Canada and Australia. For Canada, a recent government survey indicated that spring plantings of canola were a record-large 6.4 million hectares. This is a 7-percent increase over last year and higher than earlier sowing intentions for 6 million hectares. A reduction in the number of fallow acres allowed Canadian farmers to sharply expand wheat acreage at the same time. By using a harvested area estimate of 6.3 million hectares and an expected yield of 1.56 tons per hectare, the current forecast of 2008 canola production is raised to 9.8 million metric tons from 9.45 million previously. Exports of canola from Canada, however, are seen slipping to 5.1 million tons versus 5.75 million in 2007/08 because of stronger competition from Ukraine and Australia. A larger supply and reduced demand would boost 2008/09 ending stocks to 1.1 million tons from an estimated 745,000 tons this year.

In Australia, government data on the sown area for canola was the basis for this month's increase in the 2008/09 area estimate by 100,000 hectares to 1.2 million. Most of the annual gain took place in Western Australia, where moisture conditions for planting were the most favorable. For the southeastern growing region, more rain would be welcome. Provided Australia's rainfall returns to a more normal level, this year's canola harvest is projected 400,000 tons higher than the previous forecast to 1.6 million. Below-average yields held last year's canola crop to no more than 1.1 million tons. A production increase would make Australian exports more competitive next year, when they are forecast to rise to nearly 900,000 tons, versus 550,000 tons in 2007/08. Use by the country's sole processor of canola is expected to increase slightly to 540,000 tons.

## Contacts and Links

### Contact Information

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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)  
Soybeans and Oil Crops Briefing Room, <http://www.ers.usda.gov/briefing/soybeansoilcrops/>

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- Receive weekly notification (on Friday afternoon) via the ERS website. Go to <http://www.ers.usda.gov/Updates/> and follow the instructions to receive notices about ERS outlook reports, *Amber Waves* magazine, and other reports and data products on specific topics. ERS also offers RSS (really simple syndication) feeds for all ERS products. Go to <http://www.ers.usda.gov/rss/> to get started.

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>			<i>Million bushels</i>					
2006/07	75.5	74.6	42.7	449	3,188	9	3,647	1,806	1,118	148	3,073	574
2007/08 <sup>1</sup>	63.6	62.8	41.2	574	2,585	10	3,169	1,840	1,145	59	3,044	125
2008/09 <sup>2</sup>	74.5	72.1	41.6	125	3,000	10	3,135	1,830	1,000	165	2,995	140
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	(61.4)	521.4	573.8
Total					3,188.2	9.0	3,646.6	1,806.4	1,118.0	148.4	3,072.8	
2007/08												
September						0.4		147.7	60.9			
October						0.6		164.0	138.9			
November						0.6		155.7	127.1			
Sep-Nov				573.8	2,585.2	1.6	3,160.6	467.4	326.9	34.4	828.7	2,331.9
December						1.0		163.9	147.2			
January						1.5		160.5	140.9			
February						1.3		144.4	139.8			
Dec-Feb				2,331.9		3.7	2,335.6	468.8	427.9	4.9	901.6	1,434.0
March						0.8		156.0	119.2			
April						0.9		147.5	74.9			
May <sup>1</sup>						0.6		150.4	54.7			
Mar-May <sup>1</sup>				1,434.0		2.2	1,436.2	453.8	248.9	57.5	760.1	676.1
Total to date						7.5		1,390.0	1,003.7	96.8	2,490.5	

<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 beg. Oct. 1	Supply			Disappearance			Ending stocks	
	Beginning stocks	Production	Imports	Total	Domestic	Exports		Total
<i>1,000 short tons</i>								
2006/07	314	43,027	156	43,497	34,365	8,786	43,151	346
2007/08 <sup>1</sup>	346	43,739	165	44,250	34,450	9,500	43,950	300
2008/09 <sup>2</sup>	300	43,435	165	43,900	34,700	8,900	43,600	300
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	3,050.2	753.2	3,803.4	372.4
February	372.4	3,252.6	13.4	3,638.4	2,592.7	756.3	3,348.9	289.4
March	289.4	3,712.3	15.2	4,016.9	2,770.2	916.8	3,687.0	329.9
April	329.9	3,442.9	12.6	3,785.3	2,827.6	629.2	3,456.7	328.6
May	328.6	3,623.0	13.9	3,965.5	3,022.4	664.1	3,686.5	279.0
June	279.0	3,528.2	11.2	3,818.4	2,769.9	731.8	3,501.7	316.8
July	316.8	3,568.0	11.2	3,896.0	2,967.3	613.8	3,581.1	314.9
August	314.9	3,473.9	13.4	3,802.2	2,804.6	765.7	3,570.3	231.9
September	231.9	3,504.4	11.8	3,748.1	2,753.1	649.0	3,402.1	346.0
Total		43,026.7	156.3	43,496.8	34,364.8	8,786.0	43,150.7	
2007/08								
October	346.0	3,910.2	12.4	4,268.6	3,282.0	673.3	3,955.3	313.3
November	313.3	3,730.6	12.1	4,056.1	2,813.9	947.4	3,761.3	294.8
December	294.8	3,919.8	10.9	4,225.5	3,080.4	723.1	3,803.5	422.0
January	422.0	3,792.6	9.8	4,224.5	3,088.3	847.6	3,936.0	288.5
February	288.5	3,473.8	11.9	3,774.3	2,548.0	890.5	3,438.5	335.8
March	335.8	3,701.1	10.8	4,047.6	2,800.8	851.5	3,652.2	395.4
April	395.4	3,500.6	13.7	3,909.8	2,743.3	826.6	3,569.9	339.9
May <sup>1</sup>	339.9	3,616.5	13.3	3,969.8	2,784.0	754.3	3,538.3	431.5
Total to date		29,645.4	95.1	29,740.4	23,140.5	6,514.4	29,654.9	

<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 beg. Oct. 1	Supply			Total	Disappearance		Exports	Total	Ending stocks
	Beginning stocks	Production	Imports		Domestic				
					Total	Methyl ester			
<i>Million pounds</i>									
2006/07	3,010	20,489	37	23,536	18,562	2,761	1,889	20,451	3,085
2007/08 <sup>1</sup>	3,085	21,345	50	24,480	18,400	2,800	3,150	21,550	2,930
2008/09 <sup>2</sup>	2,930	20,860	50	23,840	18,500	3,000	2,650	21,150	2,690
2006/07									
October	3,009.8	1,829.5	1.0	4,840.3	1,660.9	166.1	167.1	1,828.0	3,012.3
November	3,012.3	1,725.0	1.0	4,738.3	1,536.1	157.6	120.3	1,656.3	3,081.9
December	3,081.9	1,771.0	1.3	4,854.2	1,486.9	178.7	276.7	1,763.6	3,090.6
January	3,090.6	1,747.2	2.5	4,840.3	1,307.2	192.1	176.4	1,483.6	3,356.7
February	3,356.7	1,548.3	1.1	4,906.1	1,303.2	158.4	125.2	1,428.4	3,477.7
March	3,477.7	1,766.9	1.4	5,246.0	1,606.4	222.4	81.2	1,687.6	3,558.4
April	3,558.4	1,626.3	2.0	5,186.7	1,584.0	214.9	102.7	1,686.7	3,500.0
May	3,500.0	1,729.9	3.1	5,233.0	1,643.0	269.1	121.3	1,764.3	3,468.7
June	3,468.7	1,693.5	9.7	5,171.9	1,498.5	255.9	123.5	1,622.1	3,549.8
July	3,549.8	1,710.7	5.4	5,265.9	1,664.2	348.1	202.1	1,866.3	3,399.6
August	3,399.6	1,662.8	6.8	5,069.2	1,666.9	311.5	201.9	1,868.8	3,200.4
September	3,200.4	1,678.0	2.2	4,880.6	1,604.6	286.6	190.8	1,795.4	3,085.2
Total		20,489.0	37.5	23,536.3	18,561.9	2,761.4	1,889.2	20,451.1	
2007/08									
October	3,085.2	1,868.6	4.1	4,957.9	1,600.1	246.8	132.9	1,733.0	3,224.9
November	3,224.9	1,805.4	3.1	5,033.4	1,600.2	219.1	198.0	1,798.2	3,235.2
December	3,235.2	1,879.4	3.3	5,117.9	1,449.5	219.3	391.3	1,840.9	3,277.0
January	3,277.0	1,855.2	6.0	5,138.2	1,734.0	268.1	169.9	1,904.0	3,234.2
February	3,234.2	1,663.2	7.0	4,904.4	1,320.7	216.9	508.1	1,828.8	3,075.6
March	3,075.6	1,827.8	5.3	4,908.7	1,409.9	230.2	423.6	1,833.5	3,075.3
April	3,075.3	1,707.0	8.0	4,790.3	1,376.8	235.1	496.1	1,872.9	2,917.4
May <sup>1</sup>	2,917.4	1,744.1	5.3	4,666.9	1,531.1	227.4	163.6	1,694.7	2,972.2
Total to date		14,350.7	42.0	17,478.0	12,022.2	1,863.0	2,483.6	14,505.8	

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

Sources: *Oilseed Crushings* and *Fats and Oils: 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>									
2006/07	602	7,348	0	7,950	2,680	616	4,165	7,461	489
2007/08 <sup>1</sup>	489	6,589	5	7,083	2,750	635	3,298	6,683	400
2008/09 <sup>2</sup>	400	5,090	50	5,540	2,700	350	2,140	5,190	350

<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>								
2006/07	59	0	1,241	1,301	1,134	105	1,239	62
2007/08 <sup>1</sup>	62	0	1,265	1,327	1,162	115	1,277	50
2008/09 <sup>2</sup>	50	0	1,240	1,290	1,135	105	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			Ending stocks	
	Beginning stocks	Imports	Production	Total Domestic	Exports	Total		
<i>Million pounds</i>								
2006/07	101	1	849	951	714	138	852	99
2007/08 <sup>1</sup>	99	1	865	965	655	185	840	125
2008/09 <sup>2</sup>	125	0	850	975	760	130	890	85

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

Sources: *Oilseed Crushings* and *Fats and Oils: 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						
	Beginning stocks	Imports	Production	Total	Domestic food	Crush	Seed & residual	Exports	Total	Ending stocks
<i>Million pounds</i>										
2006/07	2,167	58	3,464	5,689	2,585	513	468	603	4,169	1,520
2007/08 <sup>1</sup>	1,520	60	3,741	5,321	2,520	496	444	725	4,185	1,136
2008/09 <sup>2</sup>	1,136	40	4,360	5,536	2,520	544	486	750	4,300	1,236

<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.	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	14.50	11.90	17.70	5.80
2007/08 <sup>1</sup>	10.15	150.00	21.90	17.65	21.00	12.70
2008/09 <sup>1</sup>	12.00-13.50	175-235	25.6-28.1	24.5-27.0	23.75-26.25	15.30-16.80
2006/07						
September	5.23	97.00	11.60	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	5.38
December	6.18	120.00	13.60	NA	17.60	5.73
January	6.37	121.00	13.80	NA	17.80	6.03
February	6.87	130.00	14.90	NA	17.80	6.39
March	6.95	NA	15.60	NA	17.80	6.79
April	6.88	NA	15.90	NA	18.30	6.72
May	7.12	NA	16.60	NA	17.90	7.08
June	7.51	NA	17.00	NA	18.10	7.81
July	7.56	NA	18.40	14.50	18.70	8.14
August	7.72	NA	18.40	14.60	18.00	8.64
2007/08						
September	8.18	137.00	17.70	15.00	18.60	9.55
October	8.36	153.00	17.80	16.30	21.40	11.60
November	9.41	160.00	18.40	16.60	21.70	12.90
December	10.00	171.00	19.20	17.70	21.30	13.00
January	9.96	171.00	19.00	17.90	21.80	13.80
February	11.70	162.00	24.20	22.20	21.00	15.70
March	11.50	NA	26.20	26.40	20.70	17.60
April	12.00	NA	25.00	24.80	20.00	17.30
May	12.10	NA	27.50	25.30	20.40	16.80
June <sup>1</sup>	13.50	NA	28.70	27.00	20.10	17.30

<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>	Canola 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>								
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 <sup>1</sup>	54.50	76.50	93.50	69.00	100.50	74.50	41.00	42.50
2008/09 <sup>1</sup>	59.0-63.0	80.5-84.5	99.0-103.0	73.5-77.5	105.5-109.5	79.0-83.0	47.0-51.0	49.0-53.0
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	43.61	36.00	32.69
2007/08								
October	38.10	52.20	73.50	50.38	76.75	52.50	35.09	33.98
November	42.68	63.60	84.80	57.30	93.20	56.32	33.78	36.88
December	45.16	66.63	86.50	61.50	98.50	59.47	32.66	35.28
January	49.77	71.69	90.00	64.94	97.33	63.67	33.01	38.53
February	56.68	78.60	96.00	71.80	99.00	74.89	38.33	44.33
March	57.27	78.94	96.75	70.56	100.00	83.55	46.00	48.39
April	56.58	79.75	93.00	71.38	104.38	87.09	43.04	44.25
May	58.27	82.75	97.40	73.05	104.80	87.29	42.27	41.88
June <sup>1</sup>	62.43	87.59	99.67	76.50	105.81	82.33	44.93	46.61

<sup>1</sup> Preliminary. <sup>2</sup> Decatur, IL. <sup>3</sup> PBSY Greenwood, MS. <sup>4</sup> Midwest. <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>7</sup>
<i>\$/Short ton</i>						
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 <sup>1</sup>	345.00	255.00	180.00	195.00	270.00	240.00
2008/09 <sup>1</sup>	355-415	265-325	225-285	235-295	285-345	245-305
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	260.55	183.40	138.40	NA	167.24	170.20
November	280.76	176.25	133.75	NA	192.25	184.63
December	314.78	196.67	158.67	NA	226.30	186.83
January	331.28	273.60	212.00	NA	276.78	242.70
February	345.87	292.00	225.50	NA	285.83	250.00
March	331.57	245.00	201.25	NA	276.85	247.13
April	329.94	230.00	163.20	NA	268.14	253.70
May	325.48	240.50	154.38	NA	258.75	240.25
June <sup>1</sup>	390.72	293.25	160.38	NA	293.20	265.38

<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. <sup>7</sup> 34% Minneapolis. NA= Not available.

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