U.S. Crops

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The baseline

• Assumes continuation of new 2014 farm bill
  – Allows re-enrollment in 2019
• Assumes current trade agreements remain in place
• Incorporates known uncertainty
Crop prices remain well below peaks

Dollars per bushel

Marketing year

10/11 12/13 14/15 16/17 18/19 20/21 22/23 24/25 26/27

Soybeans Wheat Corn

9.57 4.44 3.60
Record corn production in 2016/17

Production and Total use over the September-August marketing year.
2016/17 corn returns surpassed by soybeans
Production expenses resume growth after 2017

Calendar year:

- 2010
- 2012
- 2014
- 2016
- 2018
- 2020
- 2022
- 2024
- 2026

Billion dollars:

- Feed
- Fertilizer & chemicals
- Fuel & electricity
Corn planted area falls in 2017

Calendar year


Million acres

97.3 88.0 94.0 92.1 92.5 93.0 93.5 94.0 94.5
Corn use increases in 2016/17

- Feed and residual
- Ethanol and co-products
- Exports

September-August marketing year

Billion bushels
Record soybean production in 2016

Billion bushels

September-August marketing year

Production
Total use
2017 soybean plantings could be a record

Calendar year

Million acres


70.0 72.5 75.0 77.5 80.0 82.5 85.0 87.5 90.0

83.4 87.1 85.1
Soybean exports dependent on China and Brazil

Graph showing the dependency of soybean exports on China and Brazil over the years from 10/11 to 26/27. The graph displays U.S. net exports, Brazilian net exports, and Chinese net imports in billion bushels.
Soybean ending stocks jump sharply.
Soybean oil for biodiesel use levels off

![Graph showing soybean oil use levels over time](image)

- Domestic food use
- Biodiesel use
- Exports

October-September marketing year

<table>
<thead>
<tr>
<th>Year</th>
<th>Domestic food use</th>
<th>Biodiesel use</th>
<th>Exports</th>
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<tbody>
<tr>
<td>10/11</td>
<td>14 billion pounds</td>
<td>4 billion</td>
<td>2 billion</td>
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<tr>
<td>12/13</td>
<td>14 billion pounds</td>
<td>4.5 billion</td>
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<tr>
<td>14/15</td>
<td>14.5 billion</td>
<td>5 billion</td>
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<tr>
<td>16/17</td>
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<tr>
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<td>15.5 billion</td>
<td>6 billion</td>
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<tr>
<td>20/21</td>
<td>16 billion</td>
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<tr>
<td>22/23</td>
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<tr>
<td>26/27</td>
<td>17.5 billion</td>
<td>8 billion</td>
<td>5.5 billion</td>
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</table>
Wheat production drops sharply

Year: 10/11 to 26/27

- Production (green squares)
- Total use (blue diamonds)

Billion bushels
Wheat ending stocks are drawn down

Billion bushels

June-May marketing year

10/11 12/13 14/15 16/17 18/19 20/21 22/23 24/25 26/27
Upland cotton prices experience some recovery

![Graph showing cotton prices over time with labels for different types of prices: Farm price, Adjusted world price, Loan rate. The graph shows a decline in price from 2011 to 2016, followed by a plateau and slight recovery in recent years.]
Upland cotton returns reflect price improvement

August-July marketing year

Market Program payments Ins. net indemnities Variable expenses
Moving averages reduce ARC benchmarks

(Diagram showing the trend of corn revenue per acre and 86% of corn benchmark over marketing years from 10/11 to 26/27.)
Corn prices hover around reference price

![Graph showing corn prices over time. The graph indicates a significant spike in 2014/2015 followed by a decline and stabilization around a reference price.](image-url)
PLC payments surpass ARC payments for corn

Dollars per participating base acre

September-August marketing year

14/15 16/17 18/19 20/21 22/23 24/25 26/27

PLC  ARC
PLC enrollment expected to increase in 2019

The graph shows the share of base area enrolled in PLC for various crops, with the comparison between the years 2014-18 and 2019-26.
Thank you!

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