



Livestock Price OUTLOOK

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SOYBEANS: RECORD STOCKS, RECORD ACREAGE INTENTIONS

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Summary

U.S. stocks of soybeans on March 1, 2006 were estimated at a record 1.669 billion bushels, 287 million above the previous record of a year ago. The USDA's stocks estimate was very near the average of pre-report expectations. The USDA expects that U.S. stocks at the end of the 2005-06 marketing year will total a record 565 million bushels, 20.3 percent of projected use.

U.S. producers reported intentions to plant a record 76.895 million acres of soybeans in 2006, 4.753 million more than planted in 2005 and 1.687 million more than the previous record of 2004.

Providing some fundamental support, the USDA lowered the projected size of the current Brazilian soybean harvest by 55 million bushels (2.6 percent) and the projected size of the crop in Paraguay by 18 million bushels (11 percent). Still, the 2006 South American crop is expected to reach a record 3.83 billion bushels, 5.6 percent larger than the previous record crop of 2005.

Soybean prices traded in a fairly narrow range from late January through late March, but declined sharply after the March 31 USDA reports. The average central Illinois cash bid on April 13 stood at \$5.37, only \$.22 above the low of October 10, 2005, and \$.685 below the marketing year high on January 4, 2006. The USDA expects the 2005-06 U.S. average farm price to be near \$5.60 (in a range of \$5.45 to

\$5.75). Next year's average could be even lower, perhaps near \$5.20 if the 2006 growing season results in average yields near trend value.

Large Old Crop Supplies

The USDA's March *Grain Stocks* report placed March 1, 2006 U.S. soybean stocks at a record 1.669 billion bushels, 287 million more than in store the previous year. Ownership of March 1 stocks is not known, but the bulk of the year-to-year increase was being held in off-farm facilities. Off-farm stocks accounted for 47.7 percent of the total inventory, compared to 42.4 percent on the same date last year. The level of March 1 stocks were generally as expected.

The U.S. Census Bureau indicated that 437.1 million bushels of soybeans were crushed during the second quarter of the marketing year, about equal to the crush during the second quarter last year. For the first half of the year, the domestic crush totaled 879.4 million bushels, 15.8 million bushels (1.8 percent) more than crushed a year earlier. Historically, there has been a very consistent seasonal pattern of domestic crush that gets interrupted only when there is a short crop and/or a large seasonal price change. Over the past 10 years, 1996-97 and 2003-04 fell into that category. In those years, crush during the first half of the year accounted for 53 and 55.1 percent of the marketing year total, respectively. In the other 8 years, crush during the first half accounted for 50.9 to 52.9 percent of the total. The average as 51.8 percent. The average over

the past 5 years, excluding 2003-04 was 51.4 percent. The crush pace to date is on track for reaching 1.698 to 1.711 billion bushels if the average seasonal pattern holds.

Since soybeans are being crushed to meet soybean meal demand, crush can also be projected based on expected consumption (domestic and export) of soybean meal. In its April update of prospective supply and consumption, the USDA projected 2005-06 marketing year exports of soybean meal at 6.95 million tons, 150,000 above the March projection, but 390,000 tons (5.3 percent) below the exports of last year. Through the first 5 months of the marketing year, the Census Bureau estimated meal exports at 2.653 million tons, 10.1 percent below the total of the same 5 months last year. As of April 6, 2006, about half way through the marketing year, the USDA reported cumulative exports of 3.706 million tons, 43.7 percent below the total of a year earlier. Unshipped sales were reported at 1.246 million tons, 12.5 percent larger than outstanding sales of a year ago. Total comments of 4.952 million tons were almost identical to the total of a year ago. With South American supplies now available, the rate of U.S. exports will decline modestly over the next 6 months, although two of the largest markets for U.S. soybean meal, Canada and Mexico, will continue to import U.S. soybean meal. It appears that meal exports could exceed the current USDA projection by a modest amount. We are using a projection of 7 million tons.

The April USDA report forecast domestic meal consumption during the current year at 33.75 million tons, 150,000 below the March forecast and only 187,000 tons (0.6 percent) above consumption of a year ago. The projected increase appears small in context of larger numbers of livestock and poultry and increased slaughter weight of cattle and hogs. The mild winter weather along with increased supplies of by-product feed from ethanol production may account for the modest projection of domestic meal consumption.

During the first six months of the marketing year, meal and hull meal production per bushel of

soybeans averaged 47.17 pounds. If consumption totals 40.75 million tons, that yield level would point to a marketing year total crush of 1.724 billion bushels, allowing for imports of 165,000 tons of meal and a return to a normal level of year ending stocks of 250,000 tons (Table 2). That projection is slightly higher than the projection based solely on seasonal analysis and very close to the current USDA projection of 1.72 billion bushels.

The average oil yield from the 2005 crop has been record large, averaging 11.6 pounds per bushel during the first six months of the 2005-06 marketing year. If that yield is maintained through the rest of the year, a crush of 1.724 billion bushels will produce a total of 20 billion pounds of soybean oil (Table 3). The USDA projects U.S. soybean oil exports during the current marketing year at 1.125 billion pounds, 199 million (15 percent) less than exported last year. Through the first 5 months of the marketing year, the Census Bureau reported soybean oil exports of 476 million pounds, 299 million (38.6 percent) less than during the same 5 months last year. Through the first 6 months, the USDA reported commercial exports of 425 million pounds, 37.4 percent less than shipments of a year ago. Outstanding sales stood at 137 million pounds on April 6, 2006, compared to 116.6 million pounds last year. As of April 6, then, commercial exports plus unshipped sales were 29 percent smaller than total commitments of a year ago. It appears that the USDA forecast of 1.115 billion pounds for the year may be a little too high. We are using a forecast of 1.1 billion.

The USDA projects domestic use of soybean oil during the current marketing year at 18 billion pounds, 3.2 percent more than consumed last year. That rate of increase is above the long term average of 2 percent, but is consistent with the estimate of use to date. If soybean oil consumption reaches 19.1 billion pounds this year, stocks at the end of the year are expected to total 2.664 billion pounds, second in size only to stocks at the end of the 2000-01 marketing year when soybean oil prices were at a 30 year low of \$.142 per pound.

U.S. soybean exports during the second quarter of the marketing year are estimated at 306.2 million bushels, down sharply from shipments of a year ago. That pace continues the slow start in the first quarter, with shipments during the first half of the year at a 6-year low of 622 million bushels, 23 percent below last year's total. The export pace remained a little slow in March and the first week of April with total shipments for the 5 weeks ended April 6 totaling 100.1 million bushels, down from 107.4 million during the same period last year. As of April 6, cumulative shipments totaled 724 million bushels, 185 million (20.6 percent) less than the total of a year ago. Reduced demand for U.S. soybeans has been broad based. Among the major buyers, only Mexico has imported more U.S. soybeans than at this time last year.

As of April 6, the USDA indicated that 71.4 million bushels of U.S. soybeans had been sold for export but not yet shipped. The total last year was 97 million bushels. The low level of sales along with the harvest of a record large South American crop is expected to keep pressure on U.S. exports.

The USDA now estimates the size of the 2006 South American crop at 3.83 billion bushels. That is 73 million less than the March forecast, but 200 million larger than the record crop of last year (Table 4). The largest increase, 150 million bushels, is expected in Brazil. The Argentine crop is expected to be 50 million bushels larger and combined production in Paraguay, Bolivia, and Uruguay is forecast at 240 million bushels, about the same as last year.

The USDA's April report confirmed its forecast of marketing year soybean exports of 900 million bushels. This is the first report since November 2005 that the forecast was not lowered. That projection is 203 million, 18.4 percent, below the record exports of a year ago. With current export commitments trailing last year's pace by 21 percent, the forecast of 900 million still appears a bit optimistic. We are using a projection of 890 million bushels (Table 5).

Based on the projections of use developed here, year ending stocks of U.S. soybeans will total a record 567 million bushels, or 20.4 percent of expected consumption. That ratio of stocks-to-use would be the third largest ever, exceeded only in 1985-86 (28.6 percent) and 1986-87 (21.4 percent). The USDA projects world stocks of soybeans at a record 1.975 billion bushels, or 25.1 percent of projected consumption.

New Crop Prospects

In its March 31 *Prospective Plantings* report, the USDA reported U.S. producer intentions to plant 76.895 million acres of soybeans in 2006 (Table 8). While an increase in intentions was expected, the magnitude of the planned increase exceeded market expectations by at least two million acres. The intended acreage is 4.753 million more than planted in 2005 and 1.687 million above the record acreage of 2004. The planned increase is thought to be driven by sharply higher costs of producing corn, since intended acreage for corn is 3.74 million less than planted in 2005. The markets for corn and soybeans failed to compensate for the cost difference, making soybean production potentially more profitable than corn production.

The planned increase in soybean acreage is generally widespread geographically (Table 9). The western corn belt states intend to plant an additional 2.8 million acres of soybeans in 2006, led by a 1.2 million acre increase in North Dakota. Intentions are up 300,000 acres in each of Iowa, Kansas, Minnesota, Missouri, and Nebraska. Producers in the eastern corn belt intend to increase acreage by 1.44 million acres, led by an increase of 600,000 in Illinois and 500,000 in Indiana. The 12 states included in the midwest in Table 9 account for 82.8 percent of the intended acreage in 2006, slightly higher than the 82.4 percent last year. The one region that intends to decrease soybean acreage is the southeast, where intentions total 2.188 million acres, 71,000 less than planted last year.

Since the *Prospective Plantings* report was released, corn prices have moved higher and

soybean prices lower in order to encourage producers to moderate their planned switch from corn to soybeans in 2006. Since 1996, when farm programs allowed planting flexibility, planted acreage of soybeans has differed from March intentions by more than a million acres 4 times (1996, 1997, 2001, and 2005). The largest positive difference was 1.7 million acres in 1996 while the largest negative difference was 2.582 million in 2001. In addition to relative prices, the cost and availability of inputs (seed and fertilizer) and spring weather conditions will influence producer planting decisions. Actual planted acreage may be closer to 75.4 million. The USDA will survey producers again in June and report planted acreage on June 30.

Over the past 10 years, the difference between planted and harvested acreage of soybeans has varied from 781,000 (2005) to 1.858 million (2000). The average difference was 1.2 million acres. If 75.4 million acres are planted in 2006, harvested acreage may be near 74.2 million, 2.84 million more than harvested in 2005 and 240,000 more than the record of 2004.

The U.S. average soybean yield was record large in 2004 (42.2 bushels) and again in 2005 (43.3) bushels. Those large yields followed a 9-year period when the average yield was in a basic sideways pattern between 33.9 and 39.6 bushels (Table 10). The average yield for 2006 is difficult to anticipate because yields will be influenced significantly by late summer weather and the occurrence or lack of occurrence of insect and disease problems. The potential for soybean rust in the midwest is the most difficult factor to anticipate. Yield prospects could change dramatically as the growing season unfolds. For now, we are using an expectation of 42.5 bushels, but with a low level of certainty. Our early season expectation, then, is for a 2006 soybean crop of about 3.155 billion bushels, slightly above the record crop of 3.124 billion of 2004 (Table 11). If acreage is near intentions and abandoned acreage is less than a million acres, about 76 million acres of soybeans could be harvested in 2006. A favorable growing season and a yield near 44 bushels per acre would produce a crop of 3.344 billion bushels.

The downside on production prospects is presumably large as well. A yield near that of 2003, could produce a crop as small as 2.58 billion bushels. For the most part, however, a U.S. average yield below 36 bushels and a crop less than 2.7 billion would be a major surprise.

Stocks to Increase Again?

If production of soybeans in 2006 is near 3.155 billion bushels, the available supply for the 2006-07 marketing year will exceed 3.7 billion bushels (Table 5). Consumption of U.S. soybeans should expand modestly during the year ahead. The domestic crush will be supported by a modest growth in livestock numbers and consumption of soybean meal. Soybean and soybean meal exports may be supported by reduced soybean production in Brazil in 2007. A domestic crush of 1.76 billion bushels is anticipated. Similarly, U.S. soybean exports will be supported by growing Chinese demand and a potential reduction in Brazilian soybean production due to unfavorable economic conditions. A rebound to exports of 1.1 billion bushels is projected here. Even with optimistic consumption forecasts, the year ending inventory of U.S. soybeans could increase to near 700 million bushels next year. At that level, the stocks-to-use ratio would grow to about 23 percent, up from the 20.4 percent projected for this year.

The 2006 crop will have to be less than 3.026 billion bushels to result in a draw down in inventory and less than 2.7 billion bushels to reduce year ending stocks to a more typical level of 250 million bushels. There seems to be substantial cushion before a shortage of soybeans develops in the near future.

Price Prospects

The USDA has estimated the U.S. average monthly price received by producers for September 2005 through February 2006 and the midmonth price for March. Based on those estimates and assuming that the 2005 soybean crop has been marketed in the same pattern as the average of the previous 5 years, the weighted

average price received by U.S. producers during the first 7 months of the 2005-06 marketing year was about \$5.70, with 78 percent of the crop priced. For the year, the USDA expects the average price to be between \$5.45 and \$5.75. To equal the mid-point of that range, the average price during the last 5 months of the crop year (22 percent of the crop to be priced) would have to be about \$5.20. At the close of trade on April 13, 2006, the futures market was offering an average for those 5 months of about \$5.70, resulting in a marketing year average price of \$5.70. The USDA projection of average price and the marketing year average projected by the market are both above the \$5.35 average that might be reasonably expected by the large level of surplus stocks.

The average central Illinois cash soybean bid reached a marketing year low of \$5.15 on October 10, 2005 and a high of \$6.055 On January 4, 2006. The range of \$.905 is low by historic standards, suggesting a new high or low before August 31, 2006. The average central Illinois bid stood at \$5.37 on April 13, only \$.22 above the harvest low. Favorable growing conditions would likely pressure prices to a new marketing year low.

The projections of production and use developed here for the 2006-07 marketing year project to a 2006-07 average farm price of about \$5.20 per bushel, with some chance of much lower prices if speculative demand cools. At the close of trade on April 13, the futures market reflected an average 2006-07 marketing year farm price near \$5.90. Again, without significant crop concerns, there appears to be significant downside risk for new crop prices. November 2006 soybean futures have a contract high of \$6.60, reached in July 2005, and a low of \$5.42 established in February 2005. That contract is currently trading near \$5.95. Values above \$6.00 still appear to be attractive for forward pricing a portion of the 2006 crop.

Table 1. Soybean Quarterly Balance Sheet

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
	million bushels																							
September 1 stocks	254.5	344.6	175.7	316.1	536.4	436.4	302.5	182.0	239.1	329.0	278.4	292.3	209.1	334.8	183.5	131.8	199.8	348.5	290.2	247.7	208.0	178.3	112.4	255.7
Production	2,190.3	1,635.8	1,860.9	2,099.1	1,942.6	1,937.7	1,548.8	1,923.8	1,925.9	1,986.6	2,190.4	1,869.7	2,514.9	2,174.3	2,380.3	2,688.8	2,741.0	2,653.8	2,757.8	2,890.7	2,756.1	2,453.7	3,123.7	3,086.4
TOTAL	2,444.8	1,980.4	2,036.6	2,415.2	2,479.0	2,374.1	1,855.3	2,108.8	2,167.0	2,319.6	2,470.8	2,167.0	2,730.0	2,514.1	2,572.8	2,825.6	2,943.8	3,006.3	3,052.0	3,141.3	2,968.8	2,637.6	3,241.7	3,346.1
September-November																								
Crush	284.2	269.6	253.7	267.5	295.8	293.4	275.4	273.0	304.1	322.0	328.2	329.6	346.2	351.4	360.6	395.8	409.3	426.7	420.9	427.5	417.5	419.4	427.4	442.3
Export	245.9	190.6	153.4	166.5	216.5	260.8	138.3	168.5	120.1	167.1	235.9	176.0	230.9	233.6	289.7	365.3	268.5	297.8	315.5	348.6	320.4	385.7	405.8	315.6
Seed, residual	-36.2	48.5	14.8	21.5	10.1	64.6	74.8	56.6	58.8	51.5	70.7	79.8	50.9	95.7	97.4	66.9	78.5	98.9	75.6	89.6	112.3	140.5	99.3	82.8
TOTAL	493.9	508.7	421.9	455.4	522.4	618.8	488.5	498.1	483.0	540.6	634.8	585.4	628.0	681.7	747.7	826.2	758.8	823.4	812.0	865.7	850.2	945.6	932.4	840.7
December 1 stocks	1,950.9	1,471.7	1,614.7	1,959.8	1,956.6	1,755.3	1,366.8	1,610.7	1,684.0	1,779.0	1,836.0	1,573.6	2,102.0	1,833.4	1,825.1	1,999.4	2,186.4	2,182.7	2,240.0	2,275.6	2,115.4	1,688.7	2,304.6	2,502.1
Crush	314.9	262.5	276.4	281.9	320.1	317.3	286.3	304.3	301.4	323.1	335.2	327.2	371.8	359.0	400.7	443.1	408.6	408.1	417.9	447.6	422.0	423.2	436.2	437.1
Export	263.6	234.6	230.2	270.9	233.7	258.9	197.0	217.0	179.7	259.6	255.9	212.7	283.5	278.7	333.1	306.4	243.1	315.4	338.4	422.7	425.5	335.1	400.2	306.2
Seed, residual	26.6	18.8	47.0	35.7	63.8	33.0	-6.7	33.9	12.8	19.6	29.3	12.1	76.5	5.3	35.5	46.9	77.0	63.2	79.8	69.3	66.9	25.9	88.3	91.2
TOTAL	605.1	515.9	553.6	588.5	617.6	609.2	476.6	555.2	493.9	602.3	620.4	552.0	731.8	643.0	769.3	796.5	728.7	786.7	836.1	939.6	914.4	784.2	924.7	839.5
March 1 stocks	1,345.8	955.8	1,061.1	1,371.3	1,339.0	1,146.1	890.2	1,055.5	1,190.1	1,177.3	1,215.6	1,021.6	1,370.2	1,190.4	1,055.8	1,202.9	1,457.3	1,396.0	1,403.9	1,336.0	1,202.0	905.8	1,381.4	1,668.6
Crush	260.1	240.0	258.2	262.3	297.2	308.3	270.1	290.7	295.5	304.0	325.4	320.4	361.7	334.0	355.7	404.9	396.4	373.9	405.4	429.6	400.2	359.5	430.7	
Export	216.2	204.2	153.4	226.4	159.3	185.0	135.5	153.2	146.9	148.2	186.7	120.6	216.6	188.5	165.9	120.0	161.9	205.8	220.8	155.0	194.4	117.6	211.2	
Seed, residual	78.9	39.9	41.1	33.7	45.7	-2.5	20.1	15.7	24.2	29.4	20.1	25.3	0.0	44.9	34.3	84.4	50.4	58.9	69.5	66.5	6.3	19.1	41.1	
TOTAL	555.2	484.1	452.7	522.4	502.2	490.8	425.7	459.6	466.6	481.6	532.2	466.3	578.3	567.4	555.9	609.2	608.7	621.8	695.7	651.1	600.9	496.2	683.1	
June 1 stocks	790.6	471.7	608.4	848.9	836.8	655.3	464.5	595.9	723.5	695.7	683.4	555.3	791.9	622.8	499.9	593.7	848.6	774.4	708.2	684.9	602.4	410.6	699.3	
Crush	248.8	210.6	242.1	241.1	265.5	255.5	225.8	278.4	285.9	304.6	290.0	298.4	325.5	324.9	318.7	353.2	375.4	370.1	395.8	395.0	375.6	327.6	401.8	
Export	179.5	113.6	61.1	76.3	147.4	97.6	56.2	84.2	110.4	109.0	91.0	79.7	107.0	150.5	93.0	78.7	127.5	171.6	121.3	137.2	104.1	48.5	85.5	
Seed, residual	17.7	-28.2	-10.9	-4.9	-12.5	0.3	0.5	-5.8	-1.8	3.1	10.1	-31.9	24.6	-35.2	-43.6	-37.9	-1.3	-55.0	-56.6	-55.3	-54.7	-71.0	-41.3	
TOTAL	446.0	296.0	292.3	312.5	400.4	352.8	282.5	356.8	394.5	416.7	391.1	346.2	457.1	439.6	368.1	393.9	501.6	486.7	460.5	476.9	425.0	299.1	446.0	
September 1 stocks	344.6	175.7	316.1	536.4	436.4	302.5	182.0	239.1	329.0	278.4	292.3	209.1	334.8	183.5	131.8	199.8	348.5	290.2	247.7	208.0	178.3	112.4	255.7	
Annual																								
Crush	1,108.0	982.7	1,030.4	1,052.8	1,178.7	1,174.5	1,057.6	1,146.4	1,186.9	1,253.7	1,278.8	1,275.6	1,405.2	1,369.4	1,435.7	1,595.1	1,589.7	1,578.8	1,650.0	1,699.7	1,615.3	1,529.7	1,696.1	
Export	905.2	743.0	598.1	740.1	756.9	801.7	527.0	622.9	557.1	683.9	769.5	589.0	838.0	851.2	881.7	870.4	801.0	973.8	996.0	1,063.5	1,045.0	887.2	1,102.7	
Seed, residual	87.0	79.0	92.0	85.9	107.0	95.4	88.7	100.4	94.0	103.6	130.2	85.3	152.0	110.4	123.6	160.3	204.6	166.2	168.3	170.1	130.2	108.5	187.4	
TOTAL	2,100.2	1,804.7	1,720.5	1,878.8	2,042.6	2,071.6	1,673.3	1,869.7	1,838.0	2,041.2	2,178.5	1,949.9	2,397.0	2,330.9	2,441.0	2,625.8	2,595.3	2,718.8	2,803.1	2,933.3	2,790.5	2,525.5	2,986.2	

Table 2. Soybean Meal Balance Sheet -- Years Beginning October 1

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
	thousand tons																
Beginning stocks	173	318	285	230	204	150	223	212	210	218	330	293	383	240	220	211	172
Production	<u>27,719</u>	<u>28,325</u>	<u>29,831</u>	<u>30,364</u>	<u>30,514</u>	<u>33,270</u>	<u>32,527</u>	<u>34,210</u>	<u>38,176</u>	<u>37,792</u>	<u>37,591</u>	<u>39,385</u>	<u>40,292</u>	<u>38,213</u>	<u>36,325</u>	<u>40,707</u>	<u>40,663</u>
TOTAL ^a	27,982	28,688	30,183	30,687	30,788	33,483	32,825	34,524	38,443	38,109	37,970	39,729	40,818	38,619	36,830	41,075	41,000
Domestic	22,291	22,934	23,007	24,251	25,283	26,542	26,611	27,320	28,895	30,657	30,345	31,643	33,070	32,379	31,449	33,563	33,750
Exports	<u>5,319</u>	<u>5,469</u>	<u>6,946</u>	<u>6,232</u>	<u>5,356</u>	<u>6,717</u>	<u>6,002</u>	<u>6,994</u>	<u>9,330</u>	<u>7,122</u>	<u>7,332</u>	<u>7,703</u>	<u>7,508</u>	<u>6,019</u>	<u>5,170</u>	<u>7,340</u>	<u>7,000</u>
TOTAL	27,610	28,403	29,953	30,483	30,639	33,260	32,613	34,314	38,225	37,779	37,677	39,346	40,578	38,399	36,619	40,903	40,750
Ending stocks	318	285	230	204	150	223	212	210	218	330	293	383	240	220	211	172	250
Price ^b	\$186.48	\$181.38	\$189.21	\$193.75	\$192.86	\$162.55	\$235.92	\$270.90	\$185.28	\$138.55	\$167.70	\$173.60	\$167.73	\$181.57	\$256.05	\$182.89	\$172.50

^a Includes imports^b Bulk, Decatur, Illinois 48%

Table 3. Soybean Oil Balance Sheet -- Years Beginning October 1

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
	million pounds																
Beginning stocks	1,715	1,305	1,786	2,239	1,555	1,103	1,137	2,015	1,520	1,382	1,520	1,995	2,767	2,358	1,489	1,076	1,699
Production	<u>13,003</u>	<u>13,406</u>	<u>14,346</u>	<u>13,778</u>	<u>13,951</u>	<u>15,613</u>	<u>15,240</u>	<u>15,752</u>	<u>18,143</u>	<u>18,081</u>	<u>17,825</u>	<u>18,420</u>	<u>18,898</u>	<u>18,438</u>	<u>17,080</u>	<u>19,360</u>	<u>20,000</u>
TOTAL ^a	14,740	14,728	16,132	16,027	15,574	16,733	16,472	17,821	19,723	19,546	19,427	20,488	21,711	20,843	18,875	20,462	21,764
Domestic	12,082	12,163	12,246	13,053	12,941	12,916	13,465	14,263	15,262	15,655	16,056	16,320	16,833	17,089	16,864	17,439	18,000
Exports	<u>1,353</u>	<u>779</u>	<u>1,647</u>	<u>1,419</u>	<u>1,529</u>	<u>2,680</u>	<u>992</u>	<u>2,037</u>	<u>3,079</u>	<u>2,372</u>	<u>1,376</u>	<u>1,401</u>	<u>2,519</u>	<u>2,263</u>	<u>936</u>	<u>1,324</u>	<u>1,100</u>
TOTAL	13,435	12,942	13,893	14,472	14,471	15,596	14,457	16,300	18,341	18,027	17,432	17,721	19,353	19,352	17,800	18,762	19,100
Ending stocks	1,305	1,786	2,239	1,555	1,103	1,137	2,015	1,520	1,382	1,520	1,995	2,767	2,358	1,491	1,076	1,699	2,664
Average Price ^b	22.3¢	21.0¢	19.1¢	21.4¢	27.1¢	27.6¢	24.75¢	22.5¢	25.8¢	19.9¢	15.6¢	14.2¢	16.5¢	22.0¢	30.0¢	23.0¢	22.2¢

^a Includes imports^b Bulk, Decatur, Illinois

Table 4. Soybean Production by Country

Year	United States	Brazil ^a	Argentina ^a	Paraguay ^a	China	Other	World	All Foreign
million bushels								
1970	1,127	76	2	3	254	165	1,627	500
1971	1,176	135	3	4	290	126	1,734	558
1972	1,283	184	10	4	320	66	1,867	584
1973	1,547	289	18	7	367	64	2,292	745
1974	1,215	363	18	8	349	54	2,007	792
1975	1,547	413	26	10	367	46	2,409	862
1976	1,288	460	51	14	242	128	2,183	895
1977	1,762	350	99	12	266	154	2,643	881
1978	1,870	557	136	20	278	167	2,847	977
1979	2,261	376	132	21	274	191	3,255	994
1980	1,798	558	129	22	292	176	2,975	1,177
1981	1,989	471	152	22	342	186	3,162	1,173
1982	2,190	542	154	19	332	200	3,437	1,247
1983	1,636	571	257	20	359	213	3,056	1,420
1984	1,861	672	248	35	356	248	3,421	1,561
1985	2,099	518	268	22	386	272	3,565	1,466
1986	1,943	636	257	35	427	303	3,601	1,658
1987	1,938	662	356	40	457	359	3,812	1,874
1988	1,549	852	235	60	428	387	3,506	1,957
1989	1,924	747	395	58	376	445	3,945	2,020
1990	1,926	579	423	48	404	446	3,826	1,900
1991	1,987	709	410	48	357	435	3,946	1,959
1992	2,188	827	417	64	378	434	4,308	2,120
1993	1,871	908	456	66	563	454	4,318	2,447
1994	2,517	952	459	81	588	460	5,057	2,540
1995	2,177	887	457	88	496	487	4,591	2,415
1996	2,380	1,003	412	102	486	474	4,857	2,477
1997	2,689	1,194	717	110	551	545	5,806	3,117
1998	2,741	1,150	735	112	557	577	5,872	3,131
1999	2,654	1,257	779	107	525	527	5,875	3,221
2000	2,758	1,433	1,021	129	566	525	6,432	3,674
2001	2,891	1,598	1,102	130	566	506	6,793	3,902
2002	2,756	1,911	1,304	165	607	500	7,243	4,487
2003	2,454	1,874	1,212	144	565	613	6,862	4,408
2004	3,124	1,947	1,433	149	639	629	7,921	4,797
2005	3,086	2,094	1,488	147	672	680	8,167	5,081

^a Harvested in the spring of the following year.

Table 5. Soybean Balance Sheet -- Years Beginning September 1

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07 ^a
	million bushels																	
Carryin	182	239	329	278	292	209	335	183	132	200	348	290	248	208	178	112	256	467
Production	<u>1,924</u>	<u>1,926</u>	<u>1,987</u>	<u>2,190</u>	<u>1,870</u>	<u>2,515</u>	<u>2,174</u>	<u>2,380</u>	<u>2,689</u>	<u>2,741</u>	<u>2,654</u>	<u>2,758</u>	<u>2,891</u>	<u>2,756</u>	<u>2,454</u>	<u>3,124</u>	<u>3,086</u>	<u>3,155</u>
TOTAL ^b	2,109	2,167	2,320	2,470	2,168	2,729	2,514	2,573	2,826	2,944	3,006	3,052	3,141	2,969	2,638	3,242	3,346	3,726
Crush	1,146	1,187	1,254	1,279	1,276	1,405	1,369	1,436	1,597	1,590	1,578	1,640	1,700	1,615	1,530	1,696	1,724	1,760
Export	623	557	684	770	589	838	851	882	870	805	975	996	1,064	1,045	887	1,103	890	1,100
Seed, feed, residual	<u>101</u>	<u>94</u>	<u>103</u>	<u>129</u>	<u>94</u>	<u>151</u>	<u>111</u>	<u>123</u>	<u>159</u>	<u>201</u>	<u>163</u>	<u>169</u>	<u>169</u>	<u>131</u>	<u>109</u>	<u>187</u>	<u>165</u>	<u>170</u>
TOTAL	1,870	1,838	2,041	2,178	1,954	2,394	2,331	2,441	2,626	2,596	2,716	2,804	2,933	2,791	2,526	2,986	2,779	3,030
Carryout	239	329	278	292	209	335	183	132	200	348	290	248	208	178	112	256	567	696
U.S. Average price	\$5.70	\$5.75	\$5.58	\$5.60	\$6.40	\$5.48	\$6.77	\$7.35	\$6.47	\$4.93	\$4.63	\$4.54	\$4.38	\$5.53	\$7.34	\$5.74	\$5.60	\$5.20

^a Projected^b Includes imports

Table 6. South American Soybean Area, Yield and, Production, 1988 to Date

Year	Brazil			Argentina			Paraguay		
	Area	Yield	Production	Area	Yield	Production	Area	Yield	Production
	mil. ha.	t/ha.	mil.t	mil. ha.	t/ha.	mil. t.	mil. ha.	t/ha.	mil. t.
1988-89	12.15	1.94	23.60	4.00	1.63	6.50	0.85	1.90	1.62
1989-90	11.55	1.76	20.34	4.95	2.17	10.75	0.98	1.61	1.58
1990-91	9.75	1.62	15.75	4.75	2.42	11.50	0.89	1.46	1.30
1991-92	9.70	1.99	19.30	4.80	2.32	11.15	0.90	1.44	1.30
1992-93	10.63	2.12	22.50	4.90	2.32	11.35	0.98	1.79	1.75
1993-94	11.44	2.16	24.70	5.40	2.30	12.40	1.05	1.71	1.80
1994-95	11.68	2.22	25.90	5.70	2.19	12.50	1.10	2.00	2.20
1995-96	10.95	2.21	24.15	5.98	2.08	12.43	1.10	2.18	2.40
1996-97	11.80	2.27	26.80	6.26	1.81	11.20	1.20	2.31	2.77
1997-98	13.00	2.50	32.50	6.95	2.80	19.50	1.20	2.49	2.99
1998-99	12.90	2.43	31.30	8.17	2.45	20.00	1.20	2.54	3.05
1999-00	13.60	2.51	34.20	8.58	2.47	21.20	1.15	2.52	2.90
2000-01	13.93	2.80	39.00	10.40	2.67	27.80	1.35	2.61	3.52
2001-02	16.35	2.66	43.50	11.40	2.63	30.00	1.45	2.45	3.55
2002-03	18.45	2.82	52.00	12.60	2.82	35.50	1.55	2.90	4.50
2003-04	21.52	2.37	51.00	14.00	2.36	33.00	1.75	2.23	3.91
2004-05	22.92	2.31	53.00	14.40	2.71	39.00	2.00	2.03	4.05
2005-06	22.10	2.58	57.00	15.20	2.66	40.50	2.00	2.00	4.00

Source: USDA, FAS

Table 7. World Oilseed and Soybean Production

Year	Major Oilseeds			Soybeans		
	United States	Ex-United States	Total	United States	Ex-United States	Total
	million metric tons					
1977-78	56.5	93.7	150.2	47.95	23.98	71.93
1978-79	58.6	92.0	150.6	50.86	26.62	77.48
1979-80	72.4	98.1	170.5	61.72	31.79	93.51
1980-81	55.8	99.8	155.6	48.77	32.20	80.97
1981-82	64.0	105.5	169.5	54.13	31.93	86.06
1982-83	68.2	110.1	178.3	59.61	33.96	93.57
1983-84	50.4	115.1	165.5	44.52	38.64	84.16
1984-85	59.2	131.7	191.1	50.64	42.50	93.14
1985-86	65.4	130.8	196.2	57.13	39.92	97.05
1986-87	59.4	135.0	194.4	52.87	45.21	98.08
1987-88	60.6	150.0	210.6	52.75	51.06	103.81
1988-89	50.3	153.9	204.2	42.15	53.49	95.64
1989-90	59.3	153.1	212.4	52.35	55.02	107.37
1990-91	60.6	155.1	215.7	52.42	51.57	103.99
1991-92	64.3	160.0	224.3	54.07	53.31	107.38
1992-93	68.4	158.9	227.4	59.61	57.69	117.30
1993-94	59.5	168.4	227.9	50.92	66.58	117.50
1994-95	79.7	181.2	260.9	68.49	69.14	137.63
1995-96	69.1	190.6	259.7	59.24	65.72	124.96
1996-97	74.8	187.0	261.8	64.78	67.40	132.18
1997-98	83.1	203.9	287.0	73.18	84.90	158.07
1998-99	84.4	210.3	294.7	74.60	85.21	159.81
1999-00	82.3	221.1	303.4	72.22	87.68	159.90
2000-01	84.9	228.5	313.4	75.06	100.00	175.06
2001-02	89.8	235.3	325.1	78.67	106.20	184.87
2002-03	83.9	245.7	329.6	75.01	122.11	197.12
2003-04	76.6	258.3	334.9	66.78	119.97	186.75
2004-05	96.0	284.7	380.7	85.01	130.57	215.58
2005-06	96.5	294.5	391	84.00	138.28	222.26

¹WASDE April 2006 and earlier.

Table 8. Soybean Planting Intentions, Actual Plantings, and Acres Harvested

Year	January Intentions	Mar./April Intentions	June/July Intentions	Actual	Harvested Acreage
			million acres		
1975	57.5	56.6	54.6	54.6	53.8
1976	50.9	49.3	49.0	50.3	49.4
1977	53.1	55.7	59.0	59.0	57.6
1978	63.9	63.7	64.0	64.7	63.3
1979	66.3	68.8	71.6	71.4	70.3
1980	71.6	71.3	70.3	69.9	67.8
1981	----	69.8	68.5	67.5	66.2
1982	69.5 ^a	---	72.2	70.9	69.4
1983	68.8 ^a	65.8 ^b	63.3	63.8	62.5
1984	65.2 ^a	---	68.0	67.8	66.1
1985	64.4 ^a	---	63.3	63.1	61.6
1986	---	62.0	61.8	60.4	58.3
1987	---	56.9	58.7	58.180	57.172
1988	---	58.0	58.5	58.840	57.373
1989	---	61.7	61.3	60.820	59.282
1990		59.42	58.05	57.795	56.283
1991	58.5	57.12	59.78	59.180	58.169
1992		57.42	59.03	59.180	58.233
1993		59.30	61.58	60.085	57.307
1994		61.12	61.78	61.620	60.809
1995		61.45	63.105	62.495	61.544
1996		62.478	63.895	64.195	63.349
1997		68.800	70.850	70.005	69.110
1998		72.000	72.720	72.025	70.441
1999		73.105	74.205	73.730	72.446
2000		74.871	74.501	74.266	72.408
2001		76.657	75.416	74.075	72.975
2002		72.966	72.993	73.963	72.497
2003		73.182	73.653	73.404	72.476
2004		75.411	74.809	75.208	73.958
2005		73.910	73.103	72.142	71.361
2006		76.895			

^a February 1

^b May 1

Table 9. Planted Acres of Soybeans by Region

Region	Western Corn Belt ^a		Eastern Corn Belt ^b		Mid-South ^c		Southeast ^d		East Coast ^e		United States	
	000 acres	%	000 acres	%	000 acres	%	000 acres	%	000 acres	%	000 acres	%
1976	16,145	32.1	14,530	28.9	13,630	27.1	4,799	9.6	1,122	2.3	50,226	100.0
1979	23,370	32.7	19,620	27.5	18,470	25.9	8,360	11.7	1,591	2.2	71,411	100.0
1986	24,875	41.2	18,300	30.3	10,995	18.2	4,680	7.8	1,535	2.5	60,385	100.0
1987	24,120	41.5	18,580	31.9	10,330	17.8	3,675	6.3	1,475	2.5	58,180	100.0
1988	24,310	41.3	18,680	31.7	10,460	17.8	3,810	6.5	1,580	2.7	58,840	100.0
1989	24,790	40.8	19,020	31.3	10,750	17.7	4,460	7.3	1,800	2.9	60,820	100.0
1990	23,750	41.1	18,490	32.0	10,270	17.2	3,650	6.3	1,635	2.8	57,795	100.0
1991	26,035	44.0	19,420	32.8	8,990	15.2	3,005	5.1	1,730	2.9	59,180	100.0
1992	25,400	42.9	20,000	33.8	8,980	15.2	2,915	5.2	1,715	2.9	59,180	100.0
1993	25,300	42.1	20,410	34.0	9,690	16.1	2,915	4.9	1,770	2.9	60,085	100.0
1994	27,220	44.1	20,510	33.3	9,220	15.0	2,875	4.7	1,795	2.9	61,620	100.0
1995	28,210	45.1	21,130	33.8	9,130	14.7	2,290	3.6	1,735	2.8	62,495	100.0
1996	28,250	44.0	22,370	34.8	9,390	14.6	2,565	4.0	1,620	2.5	64,195	100.0
1997	32,450	46.4	22,610	32.3	10,390	14.8	2,777	4.0	1,778	2.5	70,005	100.0
1998	33,700	46.8	23,650	32.8	10,180	14.1	2,690	3.8	1,805	2.5	72,025	100.0
1999	35,800	48.5	24,100	32.7	9,700	13.2	2,360	3.2	1,770	2.4	73,730	100.0
2000	37,050	49.9	24,050	32.4	9,010	12.1	2,230	3.0	1,926	2.6	74,266	100.0
2001	37,700	50.9	24,650	33.3	7,685	10.4	2,135	2.9	1,905	2.5	74,075	100.0
2002	37,070	50.1	24,740	33.5	8,170	11.0	2,145	2.9	1,838	2.5	73,963	100.0
2003	37,650	51.3	23,770	32.4	7,990	10.9	2,253	3.0	1,741	2.4	73,404	100.0
2004	38,000	50.5	23,550	31.4	9,100	12.1	2,579	3.4	1,979	2.6	75,208	100.0
2005	36,450	50.5	23,010	31.9	8,495	11.8	2,259	3.1	1,928	2.7	72,142	100.0
2006	39,250	51.0	24,450	31.8	9,050	11.8	2,188	2.9	1,957	2.5	76,895	100.0

^a Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota

^b Illinois, Indiana, Michigan, Ohio, Wisconsin

^c Arkansas, Kentucky, Louisiana, Mississippi, Oklahoma, Tennessee, Texas

^d Alabama, Florida, Georgia, North Carolina, South Carolina

^e Delaware, Maryland, New Jersey, New York, Pennsylvania, Virginia, West Virginia

Table 10. United States Soybean Yield Estimates

	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
	million bushels																										
August 1	30.3	27.4	30.2	32.3	29.7	30.5	31.5	32.9	34.7	26.0	32.3	32.5	31.8	35.8	33.8	37.6	36.4	36.3	39.5	39.5	39.2	40.7	38.7	36.5	39.4	39.1	38.7
September 1	30.9	27.0	31.2	32.6	24.9	30.3	33.2	33.1	34.0	25.9	32.0	32.4	31.0	35.9	34.0	38.2	37.0	35.8	39.3	40.6	37.9	39.5	38.2	37.0	36.4	38.5	39.6
October 1	31.5	26.0	31.5	32.4	24.7	29.5	33.9	33.3	34.2	26.4	32.6	32.3	33.0	36.3	33.7	40.5	35.5	37.0	39.0	38.7	37.0	38.7	39.2	37.0	34.0	42.0	41.6
November 1	31.8	26.5	31.0	32.4	25.0	28.5	34.2	33.8	34.1	26.6	32.8	33.7	33.5	37.3	32.7	41.5	35.4	37.9	39.2	38.6	36.7	38.0	39.4	37.5	33.8	42.6	42.7
January 1	32.2	26.8	30.4	32.2	25.7	28.2	34.1	33.8	33.7	26.8	32.4	34.0	34.3	37.6	32.0	41.9	34.9	37.6	39.0	38.9	36.5	38.1	39.6	37.8	33.4	42.5	43.3
FINAL	32.1	26.5	30.1	31.5	26.2	28.1	34.1	33.3	33.9	27.0	32.3	34.1	34.2	37.6	32.6	41.4	35.3	37.6	38.9	38.9	36.6	38.1	39.6	38.0	33.9	42.2	

Table 11. United States Soybean Production Estimates

	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
	million bushels																										
August 1	2,130	1,880	2,017	2,293	1,843	2,035	1,959	1,979	2,000	1,474	1,905	1,836	1,869	2,079	1,902	2,282	2,246	2,300	2,744	2,825	2,870	2,989	2,867	2,628	2,862	2,877	2,791
September 1	2,174	1,831	2,089	2,314	1,535	2,028	2,063	1,980	1,957	1,472	1,889	1,835	1,817	2,085	1,909	2,316	2,285	2,270	2,746	2,909	2,778	2,900	2,834	2,656	2,643	2,836	2,856
October 1	2,213	1,757	2,107	2,300	1,517	1,972	2,108	1,992	1,968	1,501	1,926	1,823	1,934	2,108	1,891	2,458	2,190	2,346	2,722	2,769	2,696	2,823	2,907	2,654	2,468	3,107	2,967
November 1	2,236	1,775	2,077	2,300	1,535	1,902	2,129	2,009	1,960	1,512	1,937	1,904	1,962	2,167	1,834	2,523	2,183	2,403	2,736	2,763	2,673	2,777	2,923	2,690	2,452	3,150	3,043
January 1	2,268	1,817	2,030	2,277	1,595	1,861	2,099	2,007	1,905	1,539	1,927	1,922	1,986	2,197	1,809	2,558	2,152	2,382	2,727	2,757	2,643	2,770	2,891	2,730	2,418	3,141	3,086
FINAL	2,261	1,798	1,989	2,190	1,636	1,861	2,099	1,943	1,938	1,549	1,924	1,926	1,987	2,190	1,870	2,515	2,174	2,380	2,689	2,741	2,654	2,758	2,891	2,756	2,454	3,124	