

# Updated Supply/Demand/Price Prospects for Corn and Soybeans

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& Environmental Sciences



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**Department of Agricultural and Consumer Economics**

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# Updated Supply/Demand/Price Prospects for Corn and Soybeans

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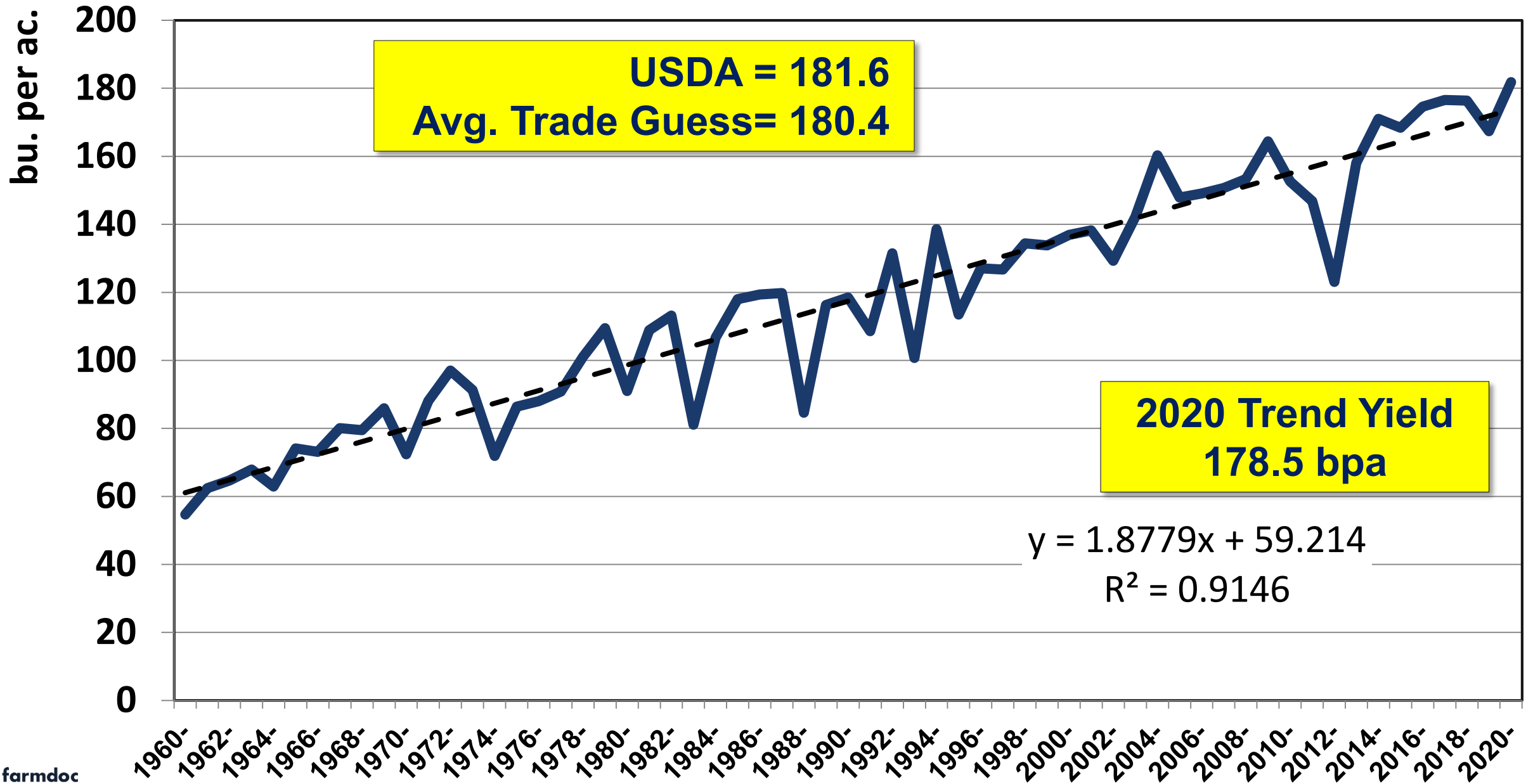


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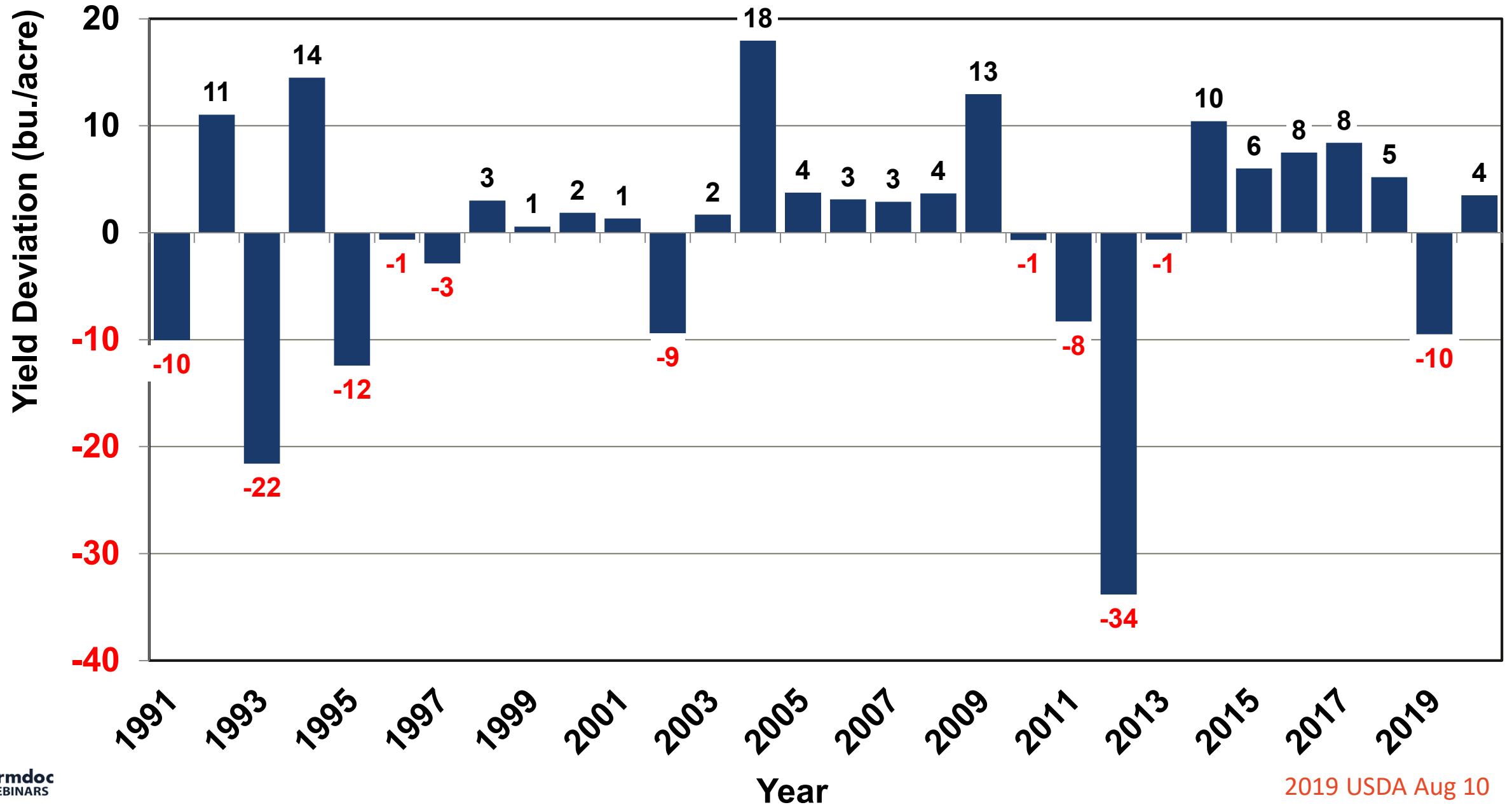
[jhubbs3@illinois.edu](mailto:jhubbs3@illinois.edu) / [sirwin@illinois.edu](mailto:sirwin@illinois.edu)

**Department of Agricultural and Consumer Economics**

# Figure 1: U.S. Average Corn Yield

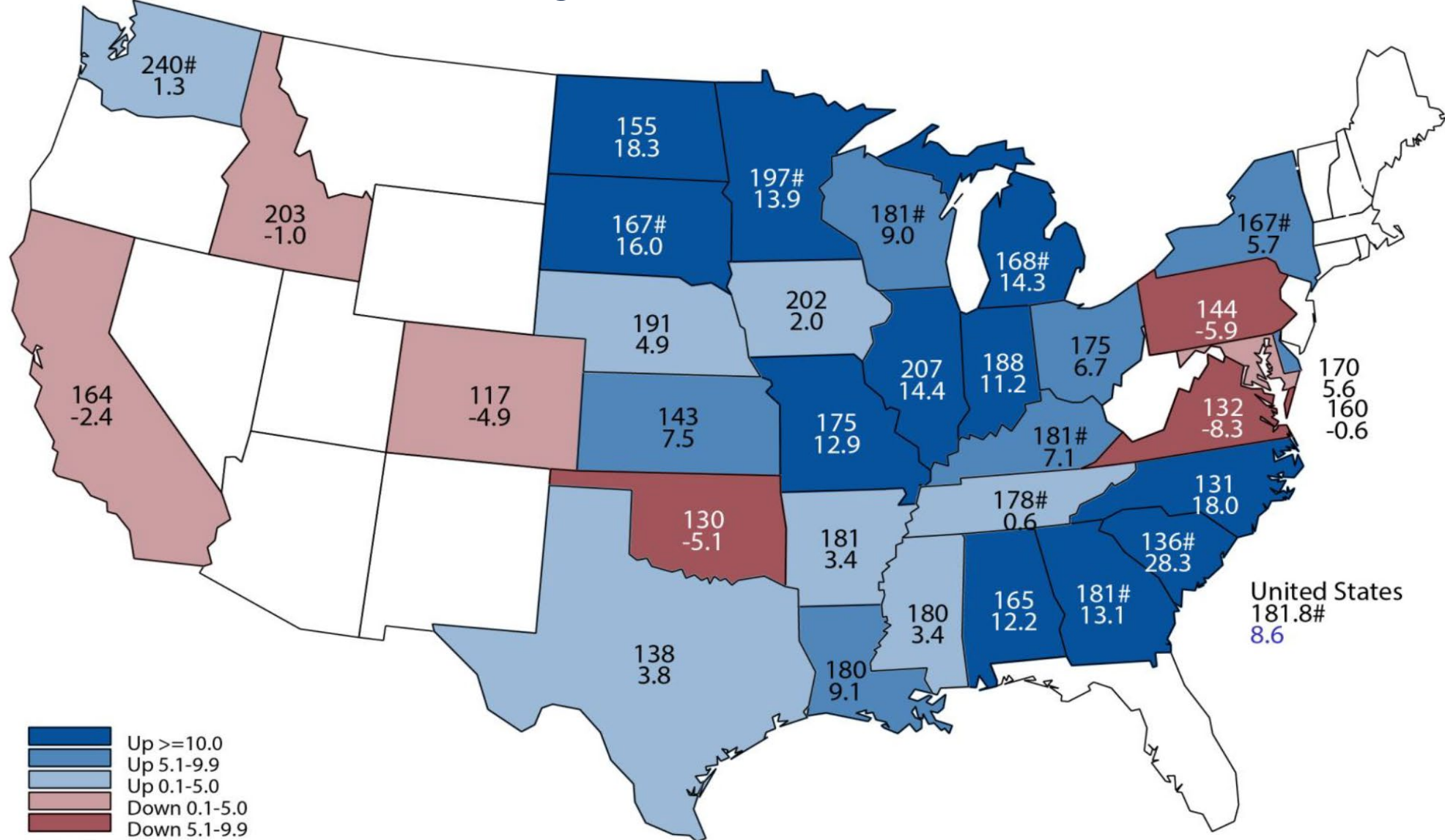


# Figure 2 .Trend Deviations for U.S. Average Corn Yield



# Figure 3. Corn Yield by State

## Aug. 1, 2020 Bushels and Change from Previous Year



- Up >=10.0
- Up 5.1-9.9
- Up 0.1-5.0
- Down 0.1-5.0
- Down 5.1-9.9

NC = No Change  
# = Record High  
& = Record Low

## Figure 4.

# Derecho!

A derecho is a widespread, long-lived, straight-line wind storm that is associated with a fast-moving group of severe thunderstorms known as a mesoscale convective system.

Derechos can cause hurricane-force winds, tornadoes, heavy rains, and flash floods.

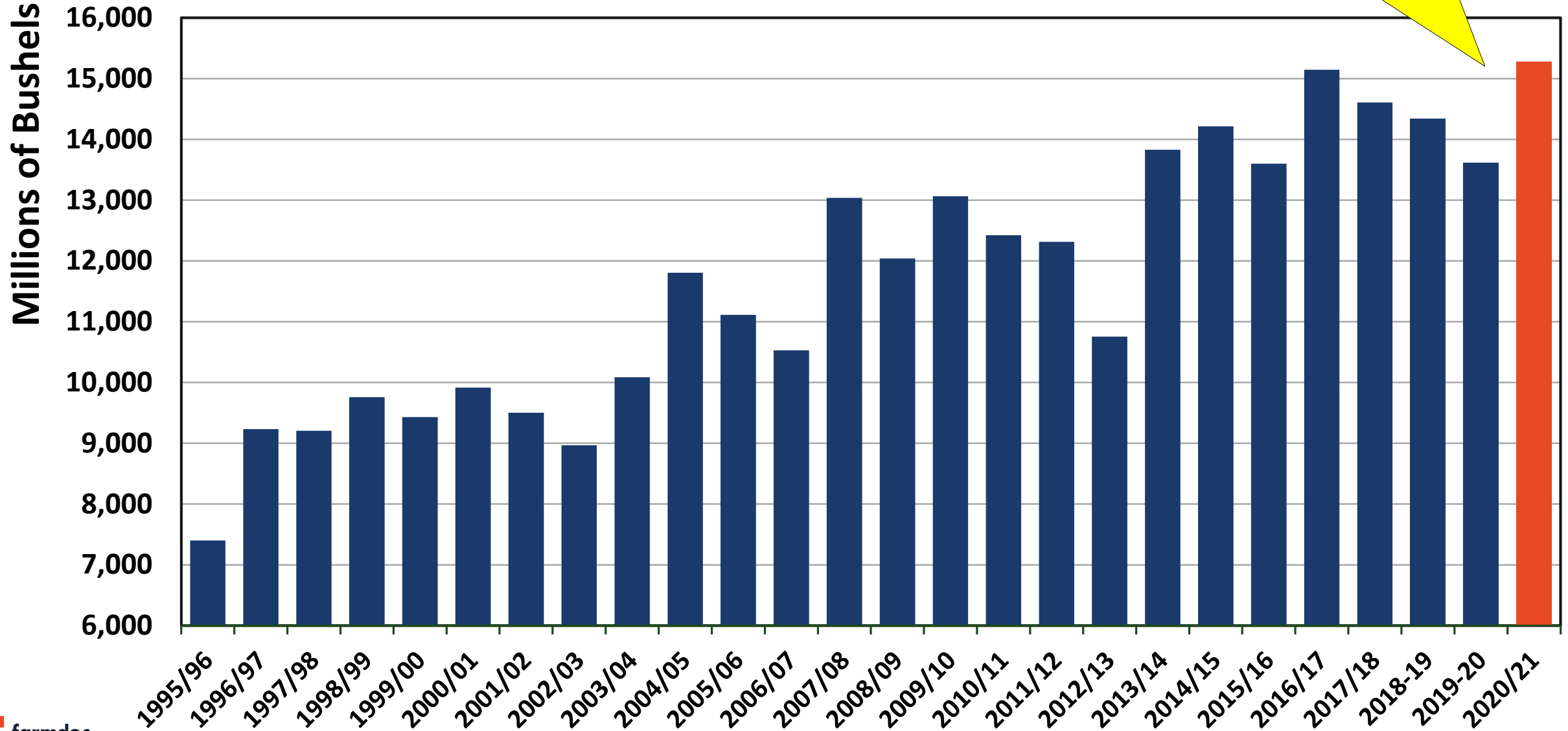
[en.wikipedia.org/wiki/Derecho](https://en.wikipedia.org/wiki/Derecho)



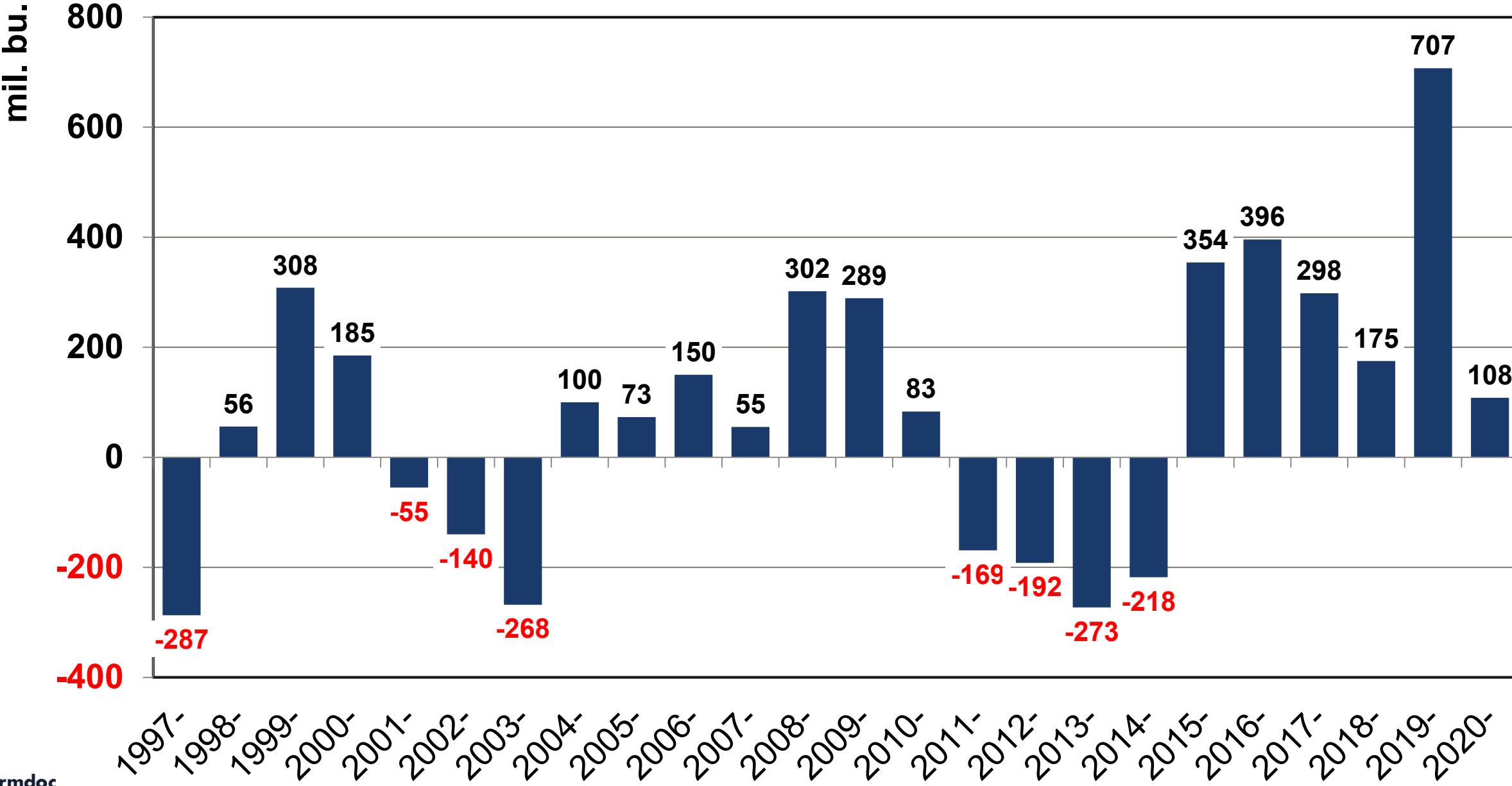


# Figure 5. U.S. Corn Production

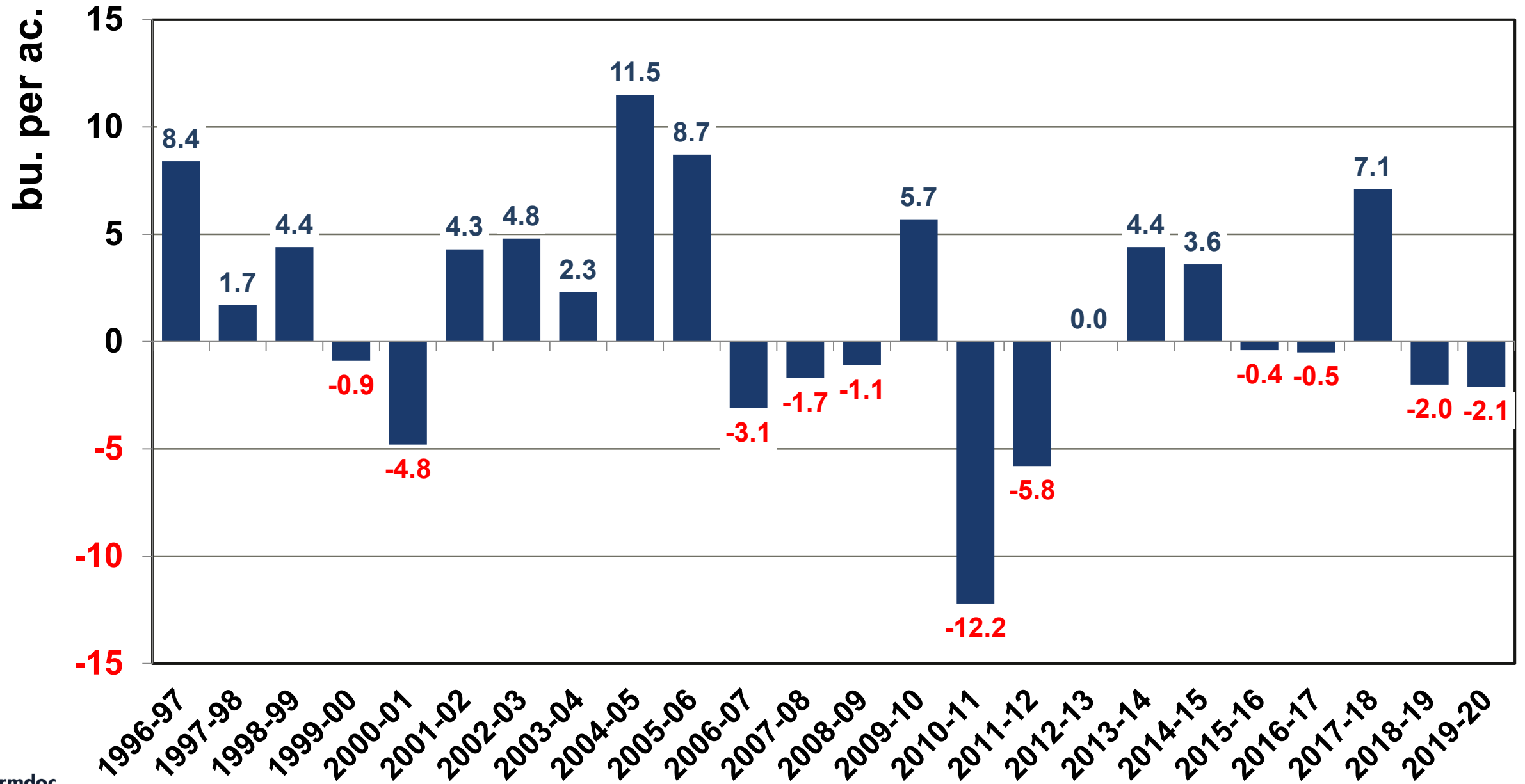
USDA = 15,278  
Avg. Trade Guess = 15,170



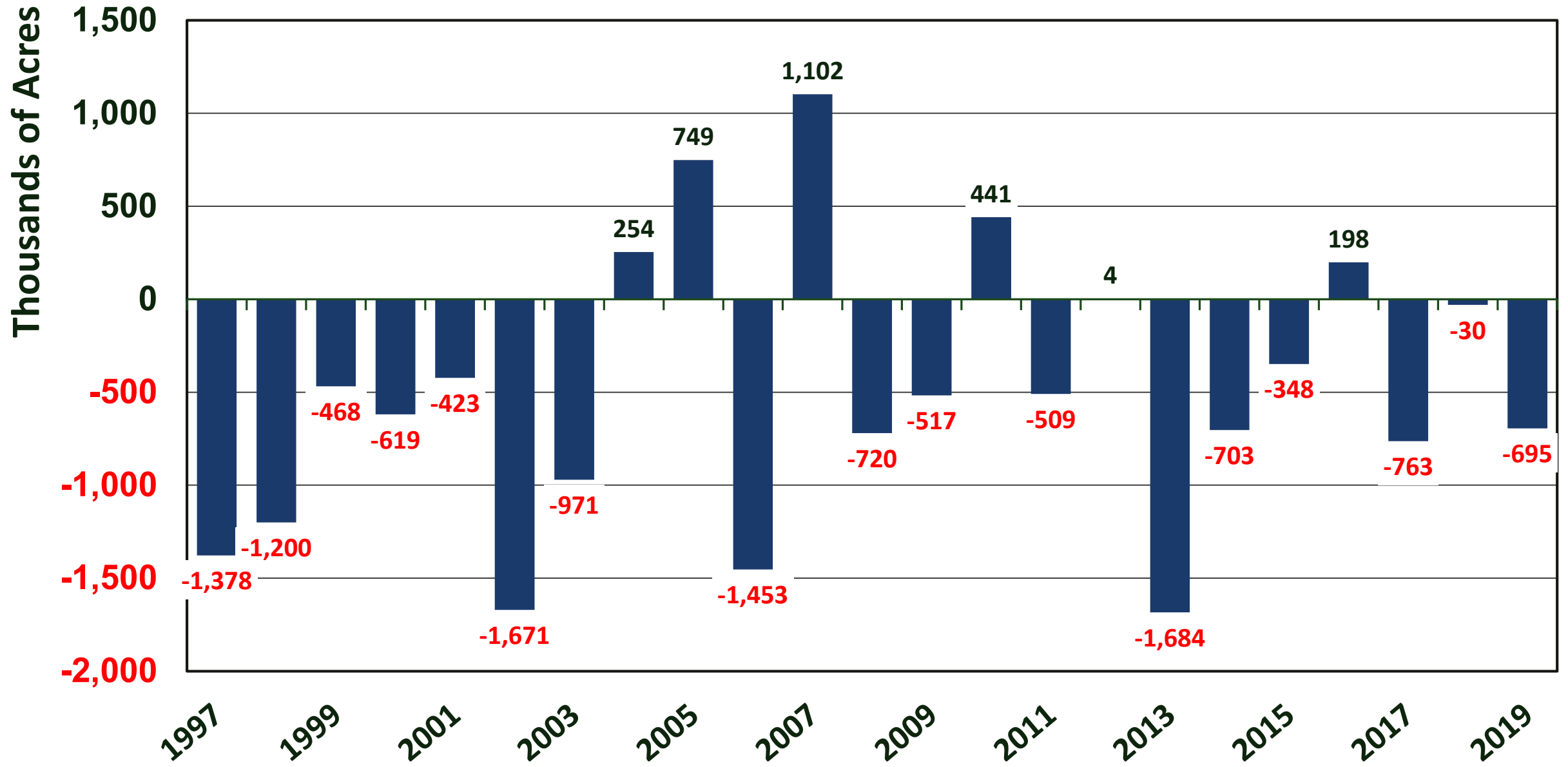
# Figure 6. USDA August Corn Production Minus Average Trade Guess



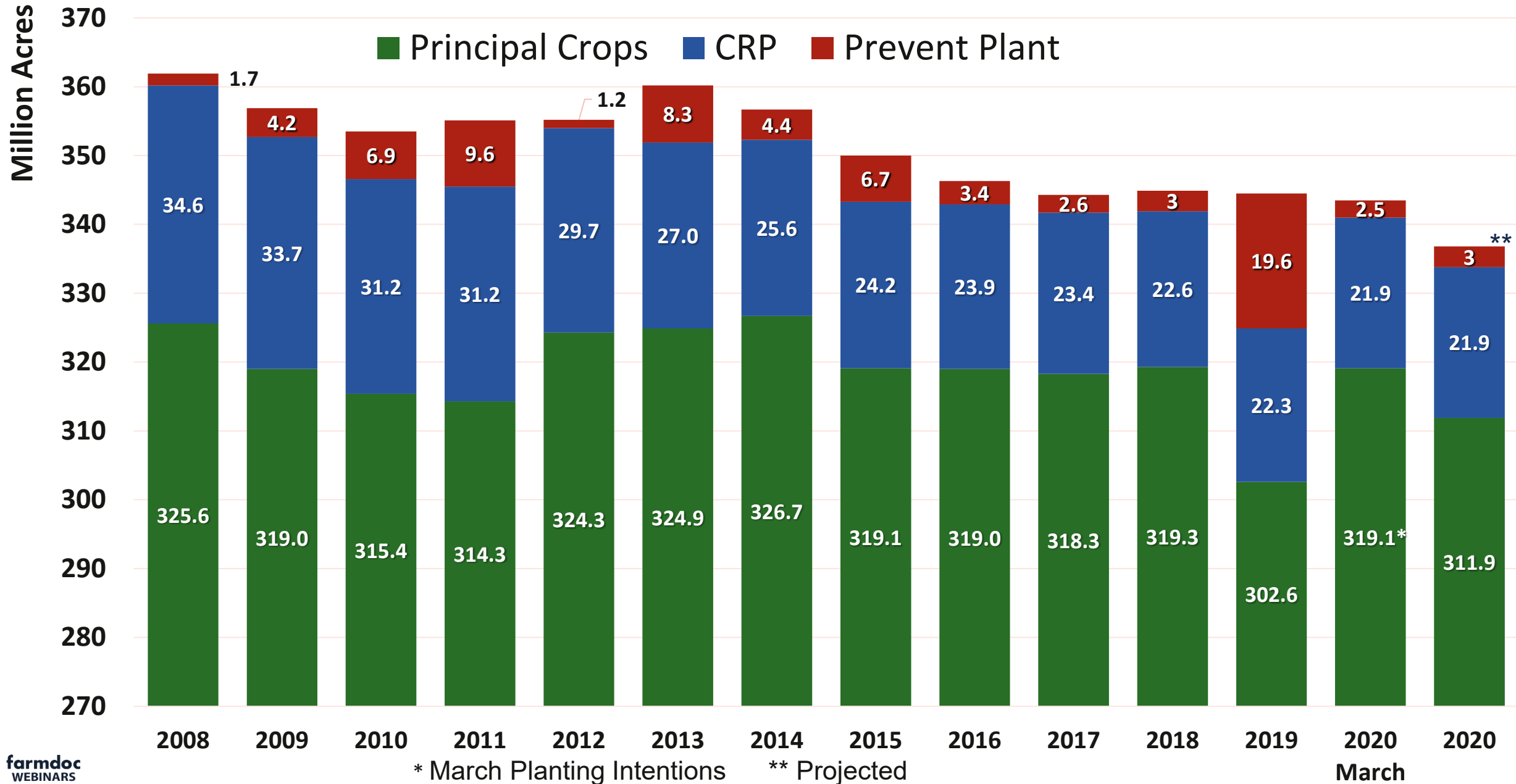
# Figure 7. Final U.S. Corn Yield Estimate Minus August Forecast



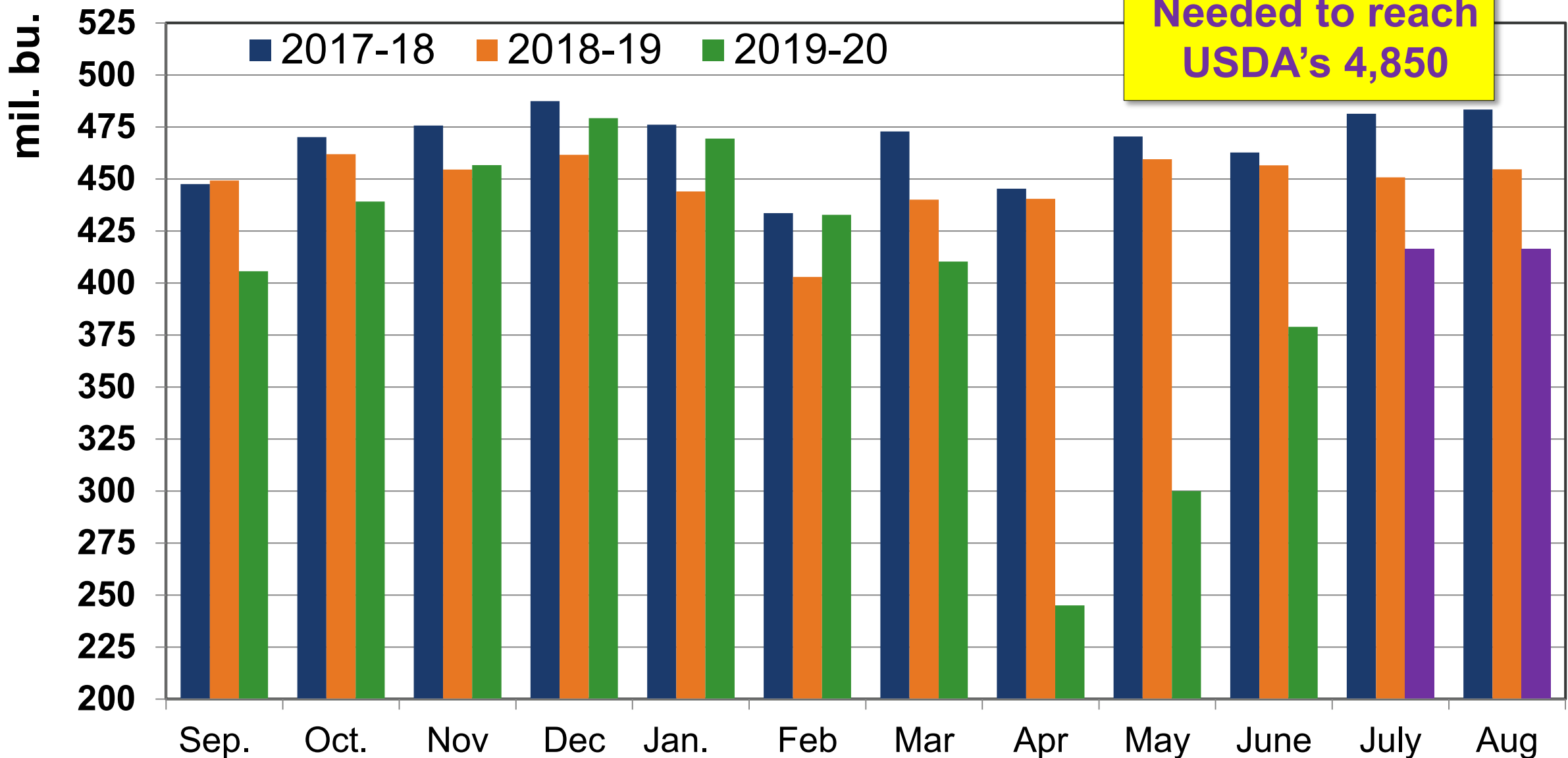
# Figure 8. Harvested Acres of Corn Minus August Forecast



# Figure 9. Acreage Summary for Principal Crops, CRP, and PP



# Figure 10. Monthly Corn Use for Ethanol Production



Needed to reach  
USDA's 4,850

# Figure 11. 2019-20 Corn Export Progress

USDA projection: 1,795 mb

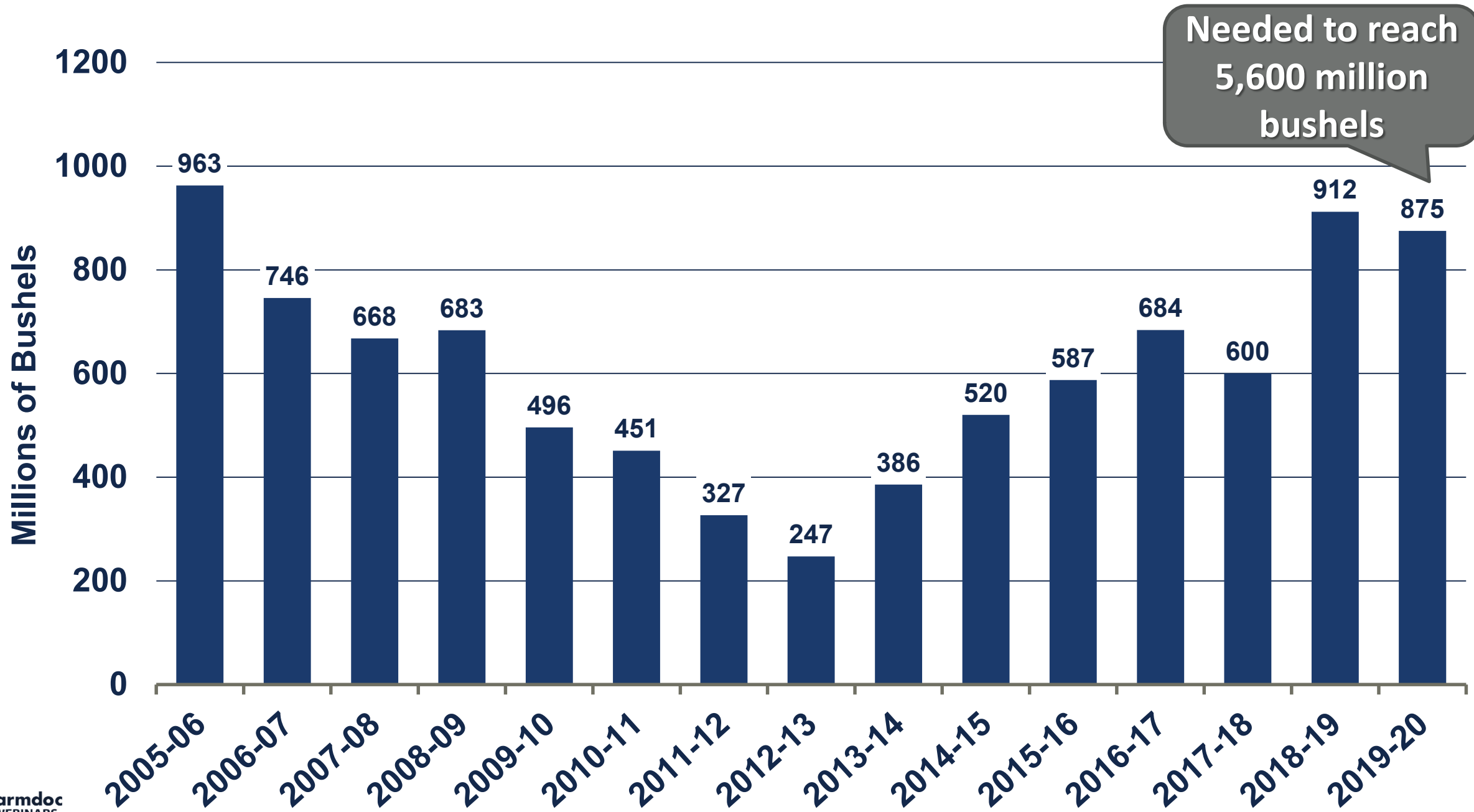
**Total-to-date: 1,640 mb**

Unshipped sales: 200 mb

**Needed per week: 37.6 mb**

Recent average: 38.3 mb

# Figure 12. Fourth Quarter Feed and Residual Use of Corn





# Figure 13:

## 2019-20 Corn Balance Sheet

	2019-20 August WASDE	2019-20
<b>Supply:</b>		
Planted Acreage (million acres)	89.7	89.7
Harvested Acreage (million acres)	81.3	81.3
Yield (Bushels / Acre)	167.4	167.4
Beginning Stocks (million bushels)	2,221	2,221
Total Production (million bushels)	13,617	13,617
Imports (million bushels)	45	45
<b>Total Supply (million bushels)</b>	<b>15,883</b>	<b>15,883</b>
<b>Consumption:</b>		
Feed and Residual (million bushels)	5,600	5,600
Food, Seed, and Industrial (million bushels)	6,260	6,250
Ethanol (million bushels)	4,850	4,840
Exports (million bushels)	1,795	1,795
<b>Total Consumption (million bushels)</b>	<b>13,655</b>	<b>13,645</b>
<b>Ending Stocks (million bushels)</b>	<b>2,228</b>	<b>2,238</b>
Ending Stocks/Total Consumption (%)	16.3%	16.4%
<b>Average Price (\$/bu.)</b>	<b>\$3.60</b>	<b>\$3.60</b>

# Figure 14: 2020-21

## Corn Balance Sheet

### Supply:

	2020-21 August WASDE	2020-21 Forecast
Planted Acreage (million acres)	92.0	91.5
Harvested Acreage (million acres)	84.0	83.8
Yield (Bushels / Acre)	181.8	181.5
Total Production(million bushels)	15,278	15,210
Beginning Stocks(million bushels)	2,228	2,238
Imports (million bushels)	25	25
<b>Total Supply (million bushels)</b>	<b>17,531</b>	<b>17,473</b>

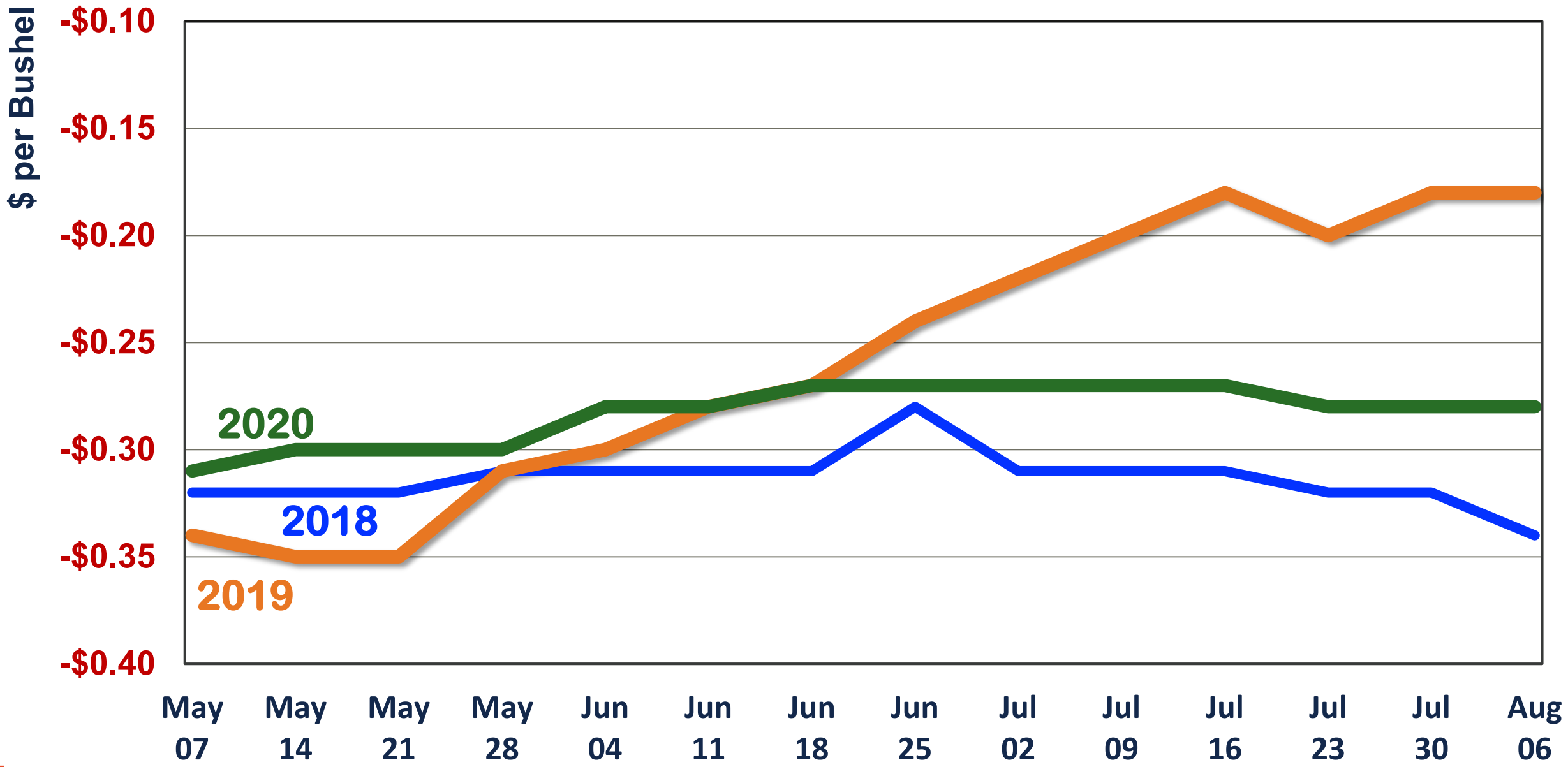
### Consumption:

Feed and Residual (million bushels)	5,925	5,875
Food, Seed, and Industrial (million bushels)	6,625	6,575
Ethanol (million bushels)	5,200	5,150
Exports (million bushels)	2,225	2,150
<b>Total Consumption (million bushels)</b>	<b>14,775</b>	<b>14,600</b>

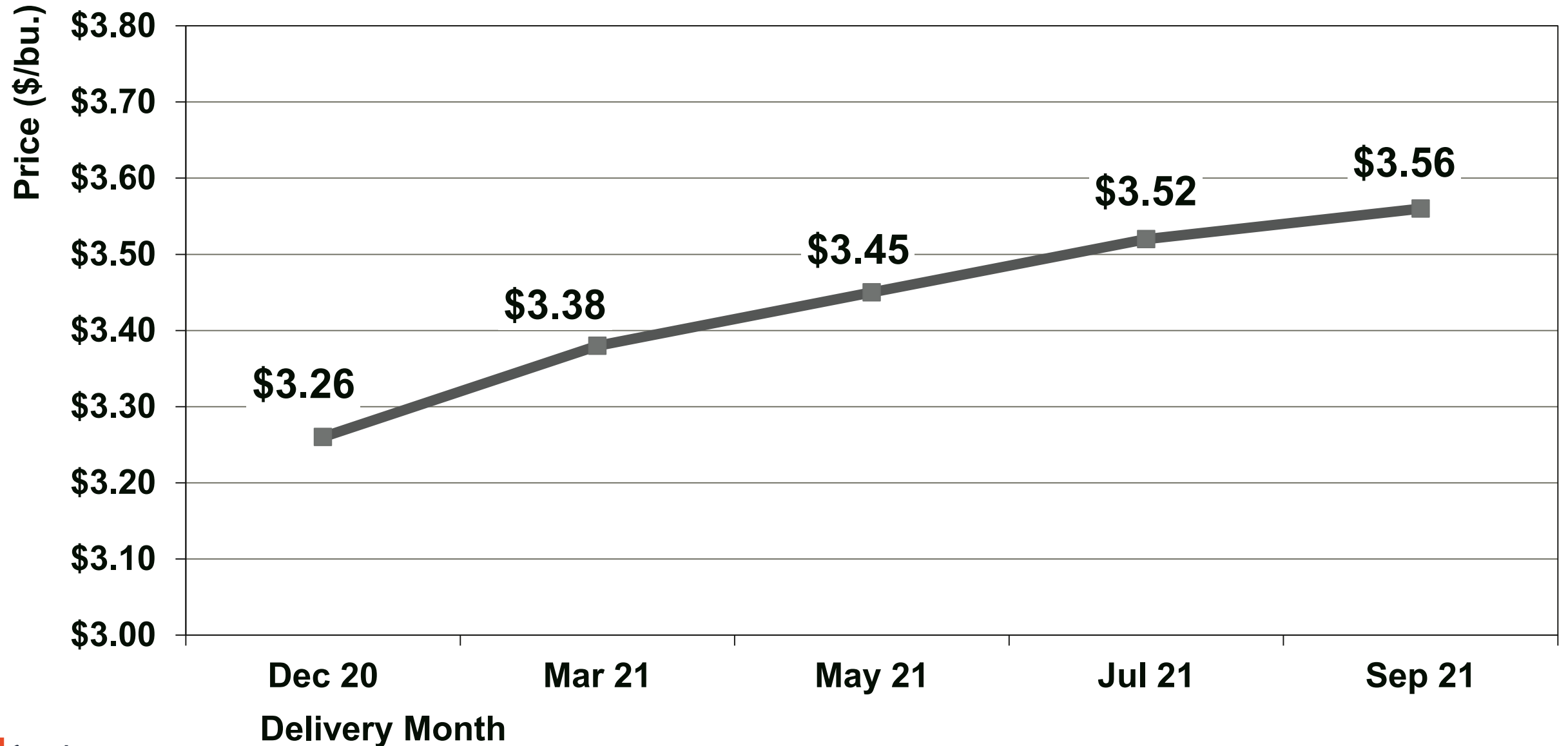
<b>Ending Stocks (million bushels)</b>	<b>2,756</b>	<b>2,873</b>
Ending Stocks/Total Consumption (%)	18.6%	19.7%

<b>Average Price (\$/bu.)</b>	<b>\$3.10</b>	<b>\$3.20</b>
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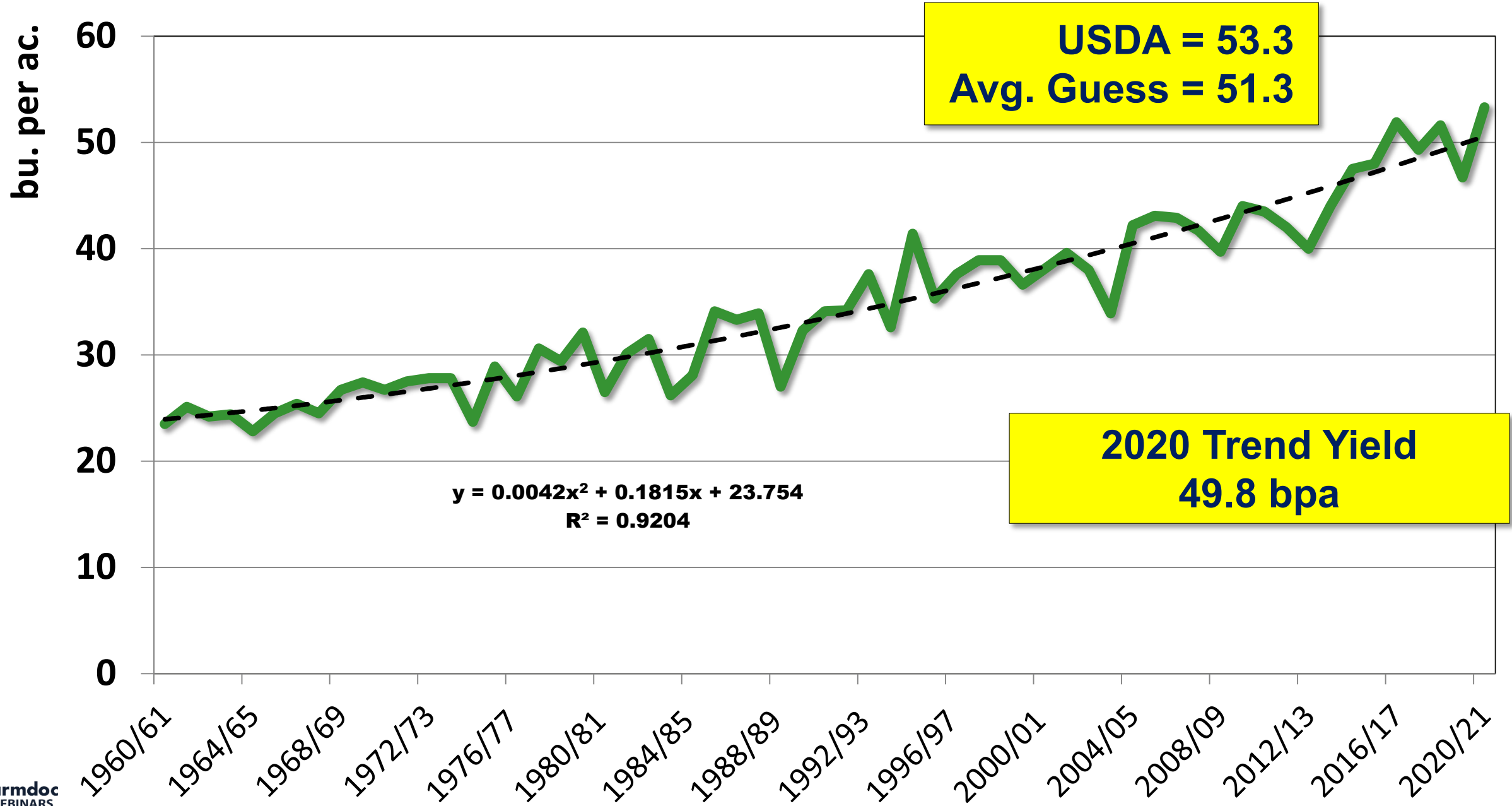
# Figure 15. New Crop Corn Basis-South Central Illinois



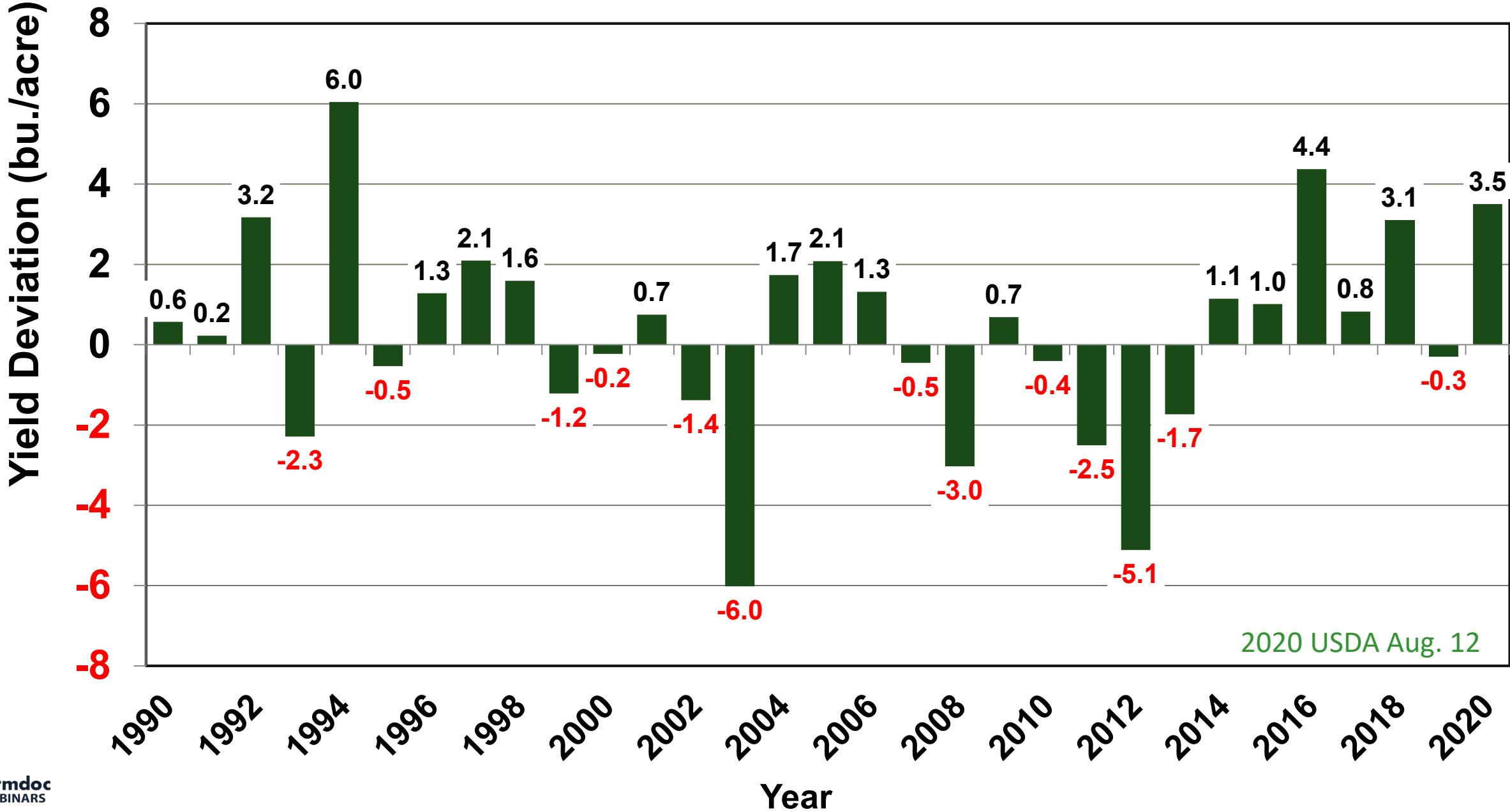
**Figure 16. Carry in the CBOT Corn Futures Market on August 12, 2020**



# Figure 17: U.S. Average Soybean Yield



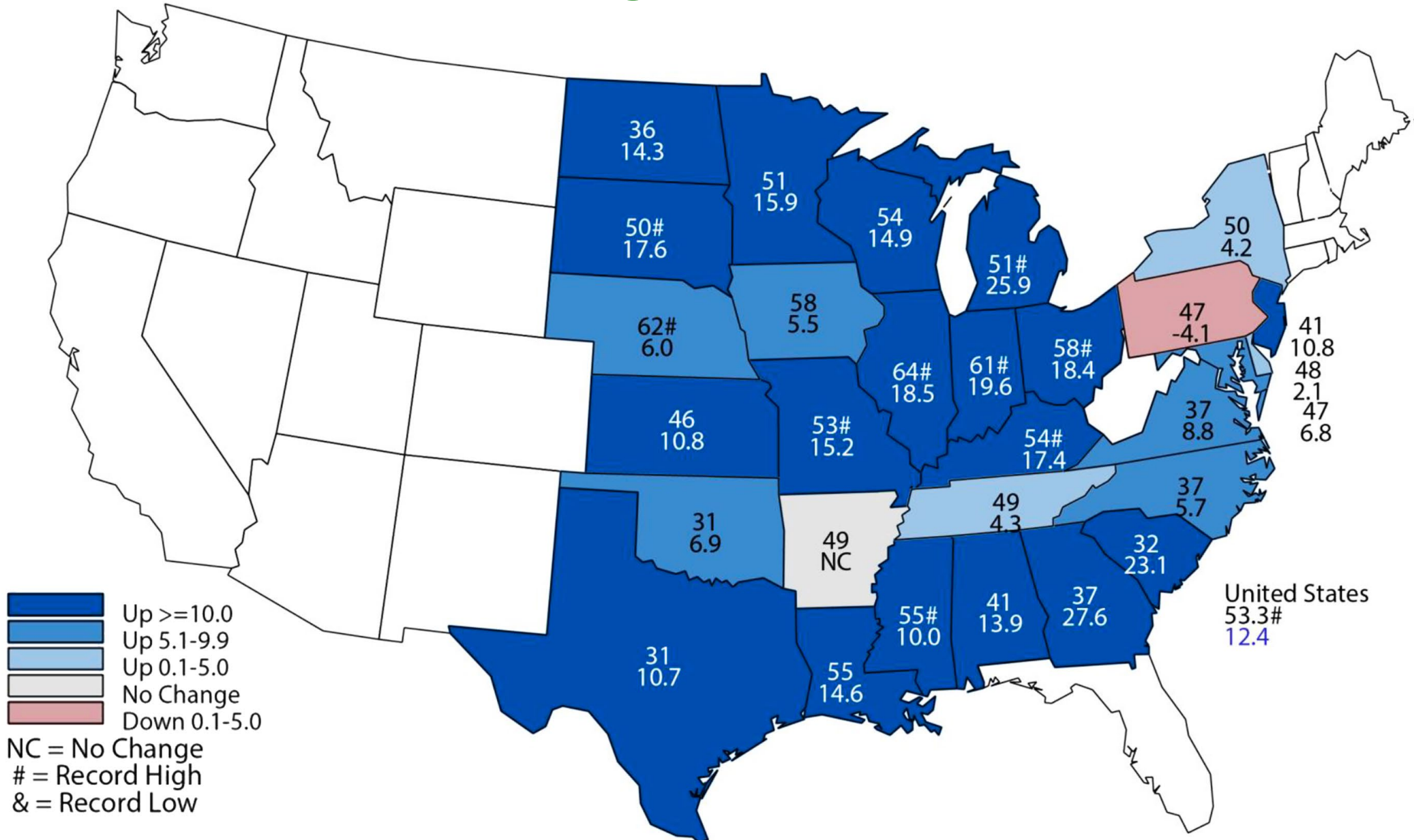
# Figure 18. Trend Deviations for U.S. Average Soybean Yield



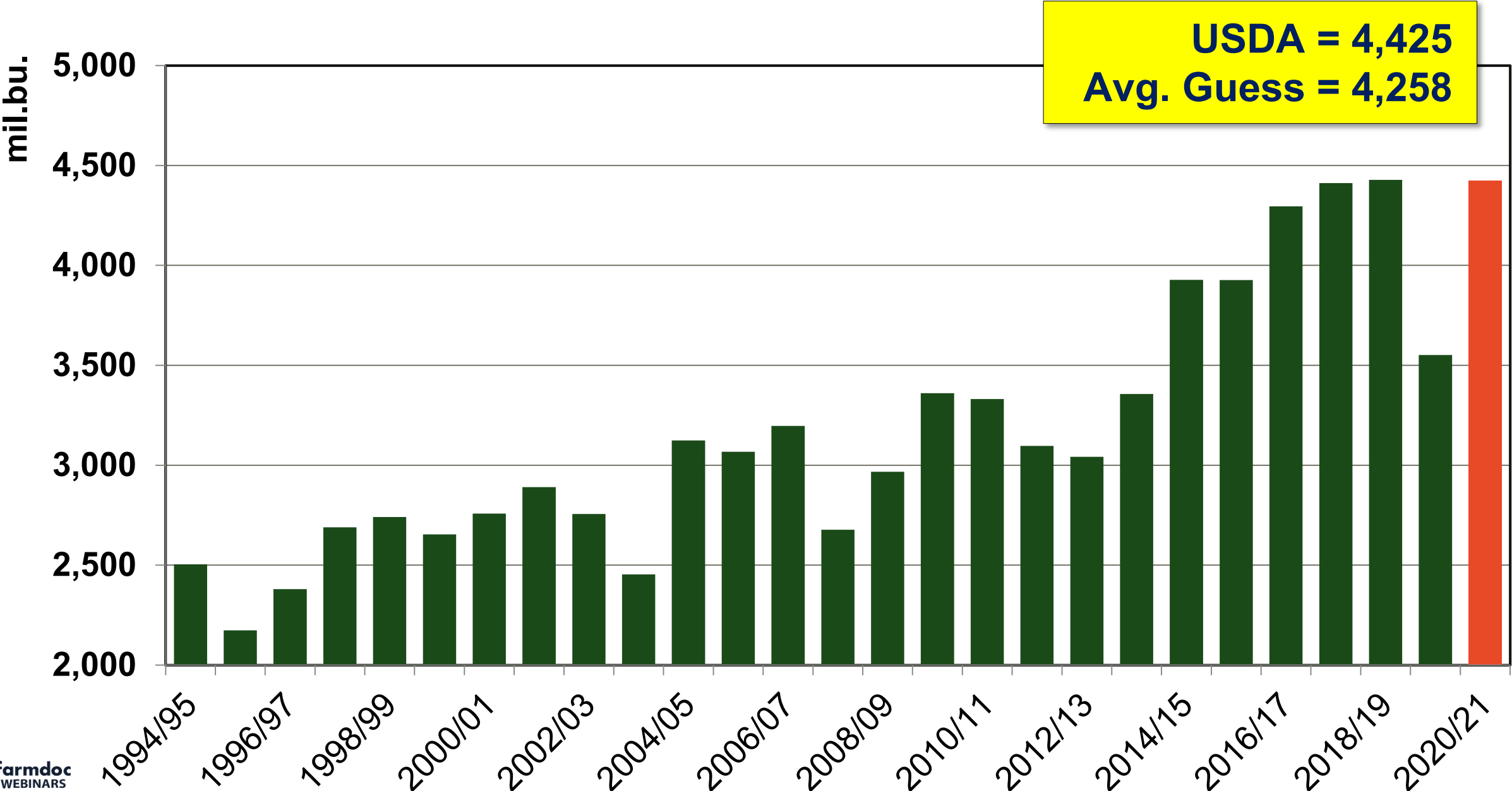
2020 USDA Aug. 12

# Figure 19: Soybean Yield by State

## Aug 1, 2020 Bushels and Change from Previous Year

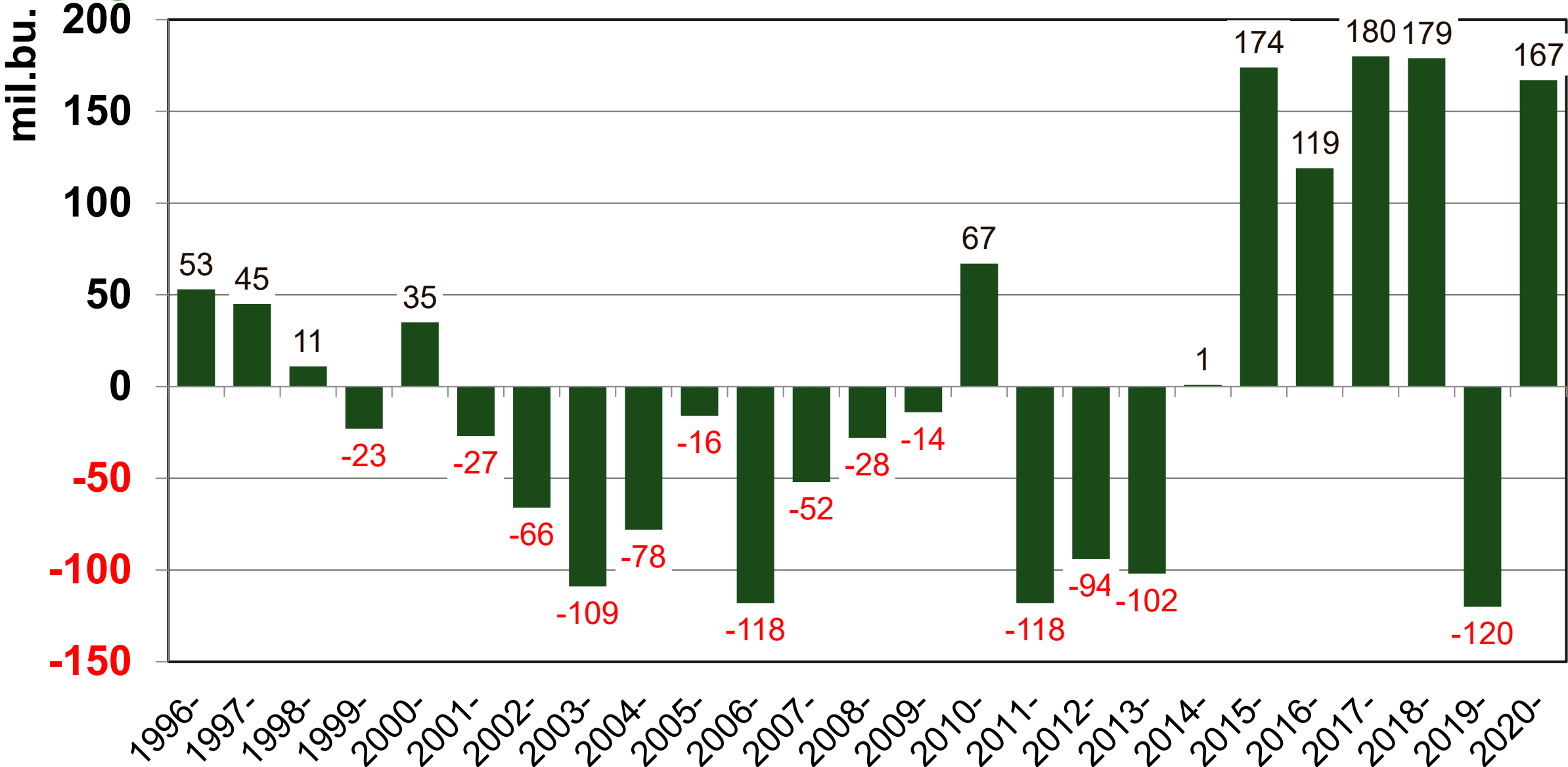


# Figure 20. U.S. Soybean Production

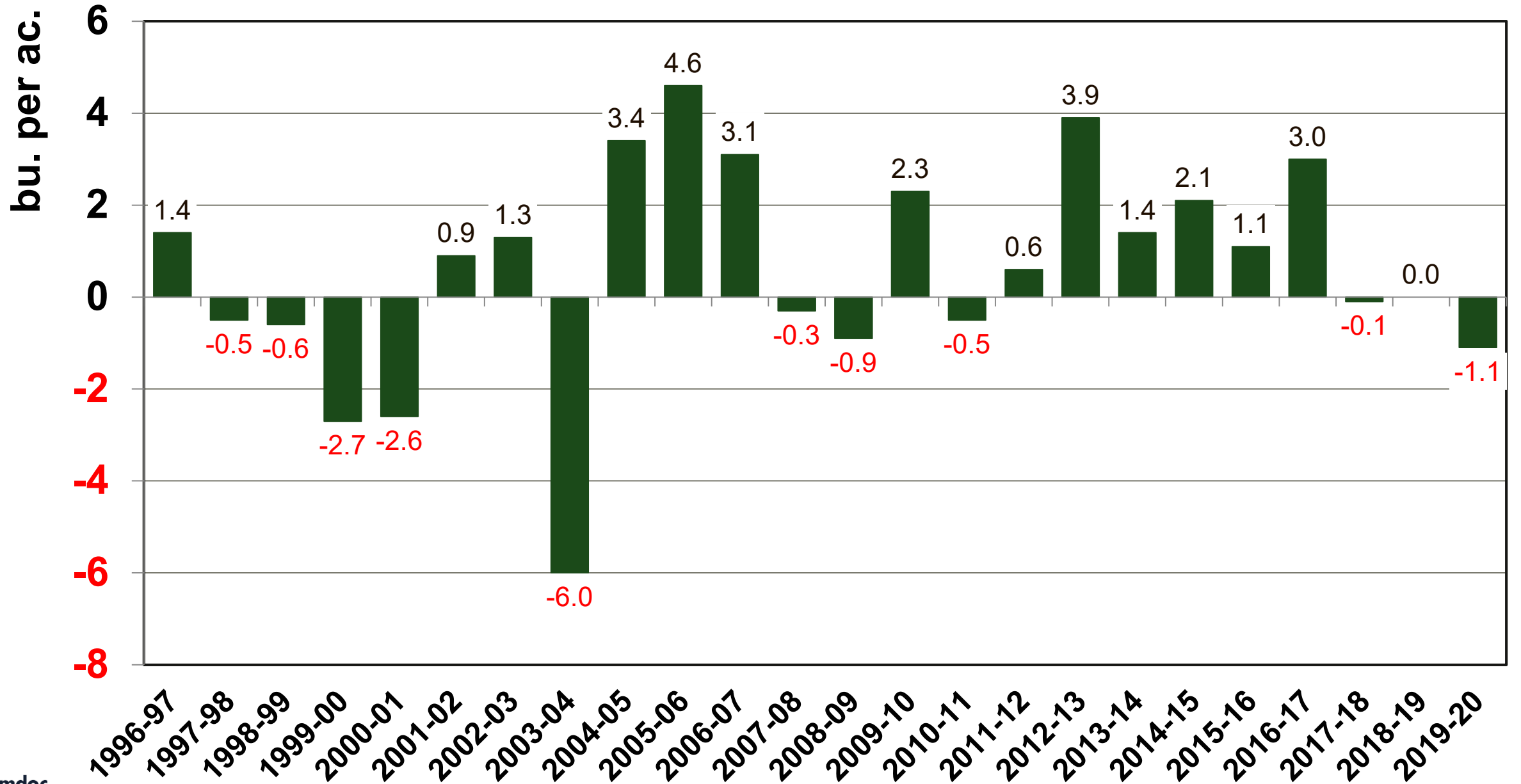




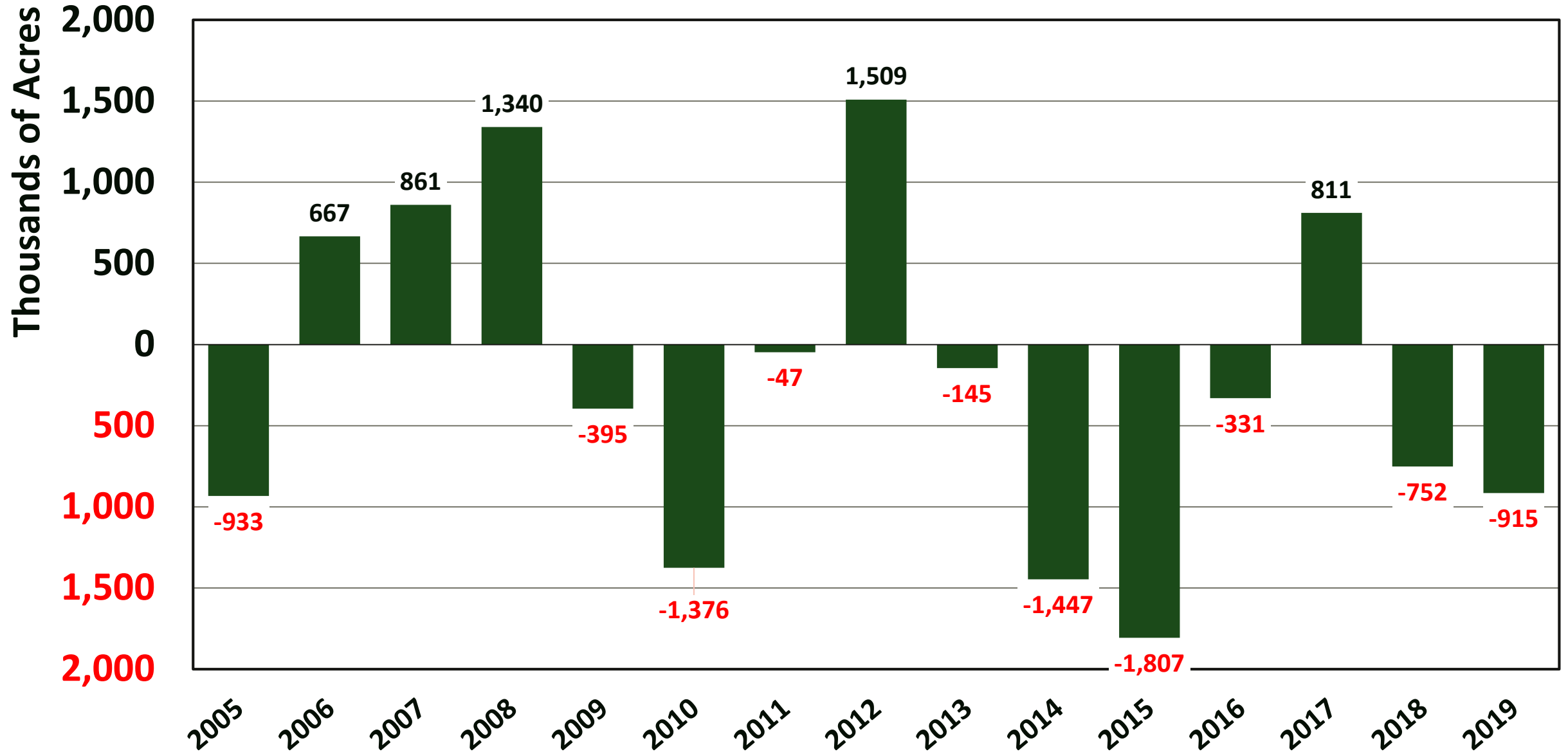
# Figure 21. USDA August Soybean Production Forecast Minus Average Trade Guess



# Figure 22: Final U.S. Soybean Yield Estimate Minus August Forecast



# Figure 23. Harvested Acres of Soybeans Minus August Forecast



# Figure 24. 2019-20 Soybean Export Progress

USDA projection: 1,650 mb

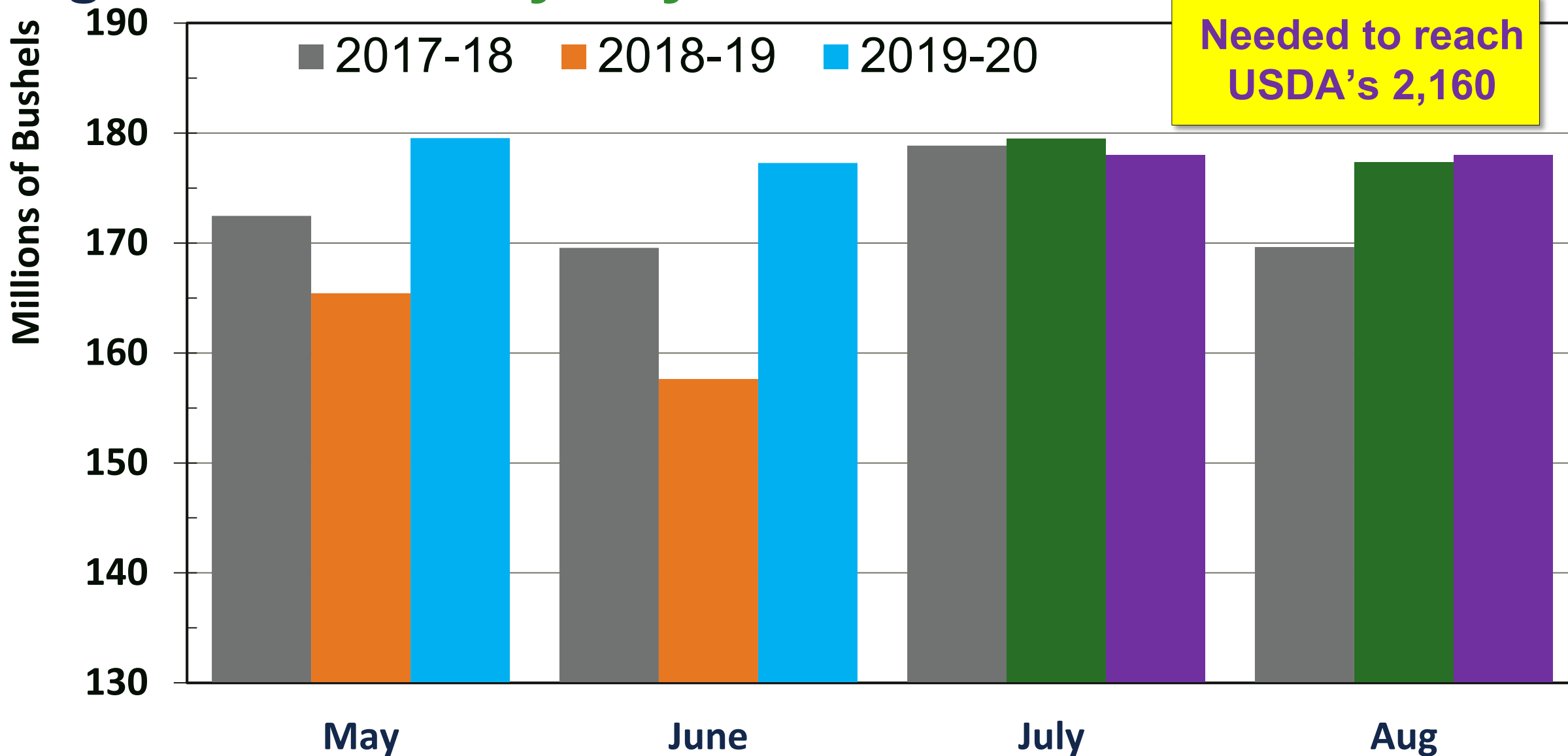
**Total-to-date: 1,539 mb**

Unshipped sales: 256 mb

**needed/week: 31.0 mb**

Recent average: 19.8 mb

# Figure 25. Monthly Soybean Crush



Needed to reach  
USDA's 2,160

# Figure 26: 2019-20

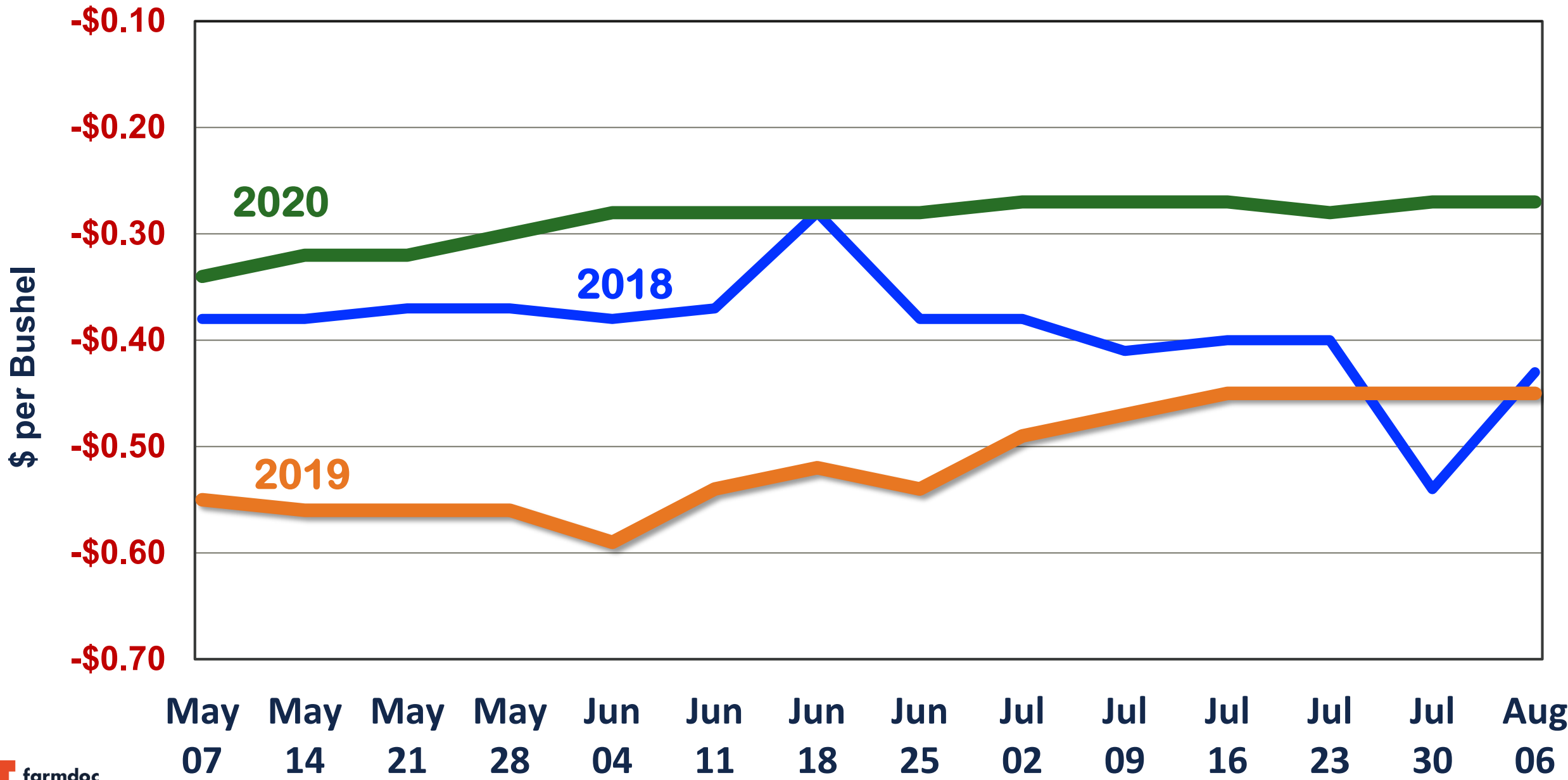
## Soybean Balance Sheet

	2019-20 August WASDE	2019-20
<b>Supply:</b>		
Planted Acreage (mil.)	76.1	76.1
Harvested Acreage (mil.)	75.0	75.0
Yield (bu./ac.)	47.4	47.4
Production (mil. bu.)	3,552	3,552
Beginning stocks (mil. bu.)	909	909
Imports (mil. bu.)	15	15
<b>Total Supply(mil. bu.)</b>	<b>4,476</b>	<b>4,476</b>
<b>Consumption:</b>		
Crush (mil. bu.)	2,160	2,160
Export (mil. bu.)	1,650	1,650
Seed and Residual (mil. bu.)	51	51
<b>Total Consumption(mil. bu.)</b>	<b>3,862</b>	<b>3,862</b>
<b>Ending stocks (mil. bu.)</b>	<b>615</b>	<b>615</b>
Stocks-to-use	15.9%	15.9%
<b>Average farm price (\$/bu.)</b>	<b>\$8.55</b>	<b>\$8.55</b>

# Figure 27: 2020-21 Soybean Balance Sheet

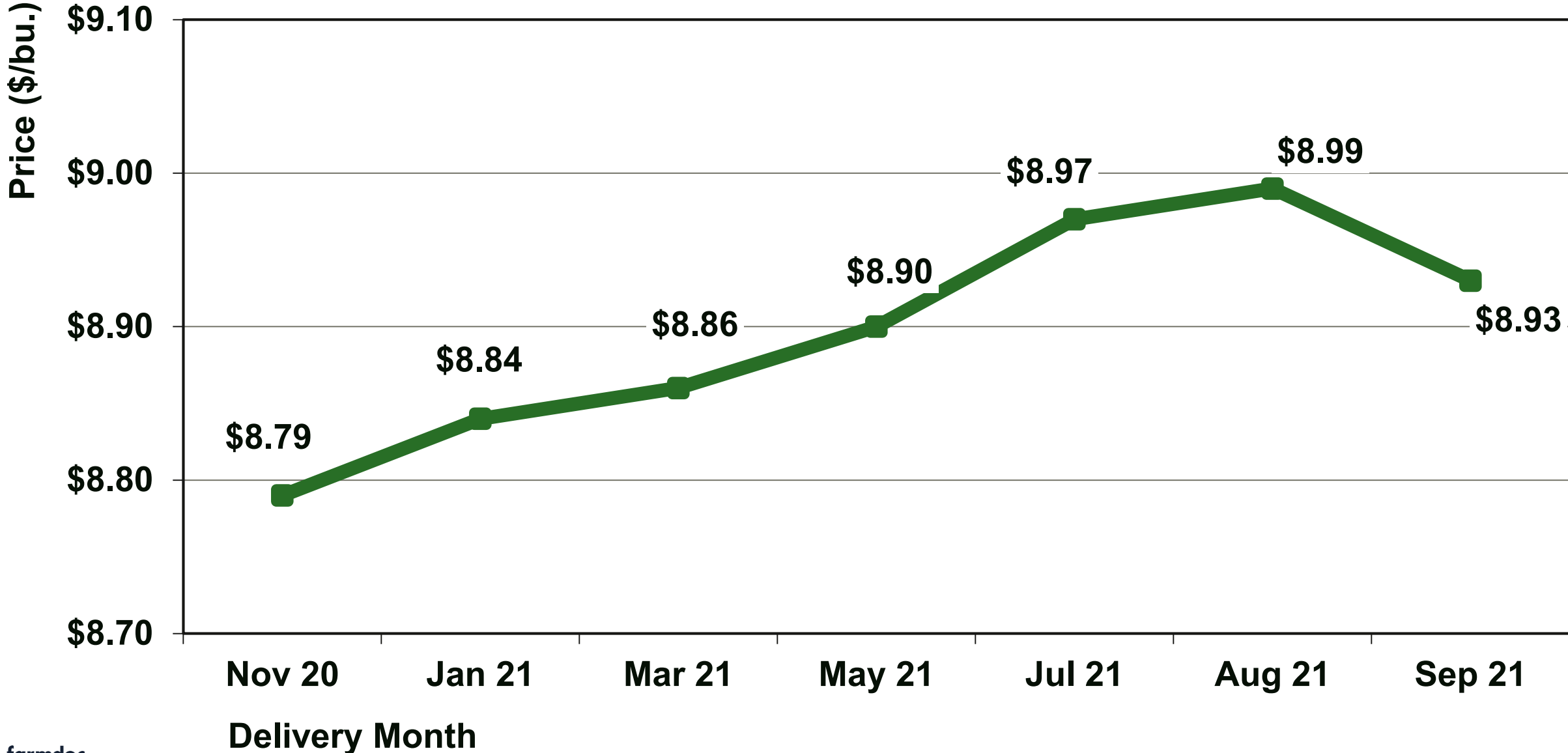
	2020-21 August WASDE	2020-21 Forecast
<b>Supply:</b>		
Planted Acreage (mil.)	83.8	84.3
Harvested Acreage (mil.)	83.0	83.5
Yield (bu./ac.)	53.3	53.3
Production (mil. bu.)	4,425	4,450
Beginning stocks (mil. bu.)	615	615
Imports (mil. bu.)	15	15
<b>Total Supply (mil. bu.)</b>	<b>5,055</b>	<b>5,080</b>
<b>Consumption:</b>		
Crush (mil. bu.)	2,180	2,180
Export (mil. bu.)	2,125	2,075
Seed and feed (mil. bu.)	145	145
<b>Total Consumption(mil. bu.)</b>	<b>4,445</b>	<b>4,400</b>
<b>Ending stocks (mil. bu.)</b>	<b>610</b>	<b>680</b>
Stocks-to-use	13.7%	15.4%
<b>Average farm price (\$/bu.)</b>	<b>\$8.35</b>	<b>\$8.30</b>

# Figure 28. New Crop Soybean Basis-South Central Illinois





# Figure 29. Carry in the CBOT Soybean Futures Market on August 12, 2020



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# Questions?

Please continue to submit questions during this part of the webinar



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The screenshot shows the farmdoc website homepage. At the top, there is a navigation bar with the Illinois logo and the text "ILLINOIS". To the right of the logo are links for "Our Sites: farmdoc farmdocDAILY Farm Policy News" and a search icon. Below the navigation bar is a large green banner with the "farmdoc" logo and a background image of a cornfield. Underneath the banner, there are links for "Market Prices", "Sections", "Tools", "Publications", "Webinars/IFES", "Sponsors/Donate", and "About Us". A section titled "EDUCATIONAL PARTNERS:" lists "Dept of ACE", "FBFM", and "EXTENSION". Below this is a "Subscribe for Daily Email Updates" button and social media icons for Twitter, Facebook, Instagram, YouTube, and LinkedIn. The main content area has an orange background. On the left, there is a featured article for the "FAST Farm Analysis Solution Tools" with a "Read More" button. On the right, there is a vertical list of sponsors, including TIAA, COMPEER FINANCIAL, FARM CREDIT ILLINOIS, and GROWMARK. At the bottom of the sponsor list is a "See all sponsors" button. Below the sponsor list, there is a section for "ILLINOIS Agricultural & Consumer Economics COLLEGE OF AGRICULTURAL, CONSUMER & ENVIRONMENTAL SCIENCES". At the very bottom, there is a button that says "See the Latest News on Social Media" and a section titled "Visit farmdoc Sections" with two images: one of a combine harvester and one of a cornfield.

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