United States Department of Agriculture

Economic Research Service

Situation and Outlook

FDS-14e

May 13, 2014

Feed Outlook

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Record U.S. Corn Crop Forecast for 2014/15

Feed Chart Gallery will be updated on May 15, 2014

The next release is June 13, 2014

Approved by the World Agricultural Outlook Board.

The March 31 *Prospective Plantings* report indicated that U.S. farmers intend to plant 91.7 million acres of corn for the 2014/15 marketing year, 4 percent less than was planted for 2013/14. Assuming normal mid-May planting progress and summer weather, production is forecast at 13.9 billion bushels, just 10 million bushels over last season. With increased carryin stocks, projected supplies in 2014/15 are 2 percent higher than in 2013/14. Exports are forecast down 200 million bushels to 1,700 million bushels due to expected competition from South America. Exports, in combination with unchanged food, seed, and industrial (FSI) use, and lower feed and residual use result in a higher carryout and support a price range of $3.85 to $4.55 per bushel for 2014/15, down from the $4.50 to $4.80 projected for 2013/14. For 2013/14, higher projected exports and FSI use this month reduce projected ending stocks, raising the projected price range 10 cents on the low end of the range.

World coarse grain production for 2014/15 is projected down 1 percent from 2013/14, but higher beginning stocks support a small increase in supplies. Global coarse grain use is projected to grow more slowly in 2014/15 than in the previous year, as pork and poultry diseases limit meat production growth. World ending stocks are projected up slightly, with most of the increase in the United States.

Recent *Feed Outlook* Special Articles

"World Corn Use Expands Despite High Prices in 2012/13," pdf pages 17-22 of the June 2013 *Feed Outlook* report (http://www.ers.usda.gov/publications/fds-feed-outlook/fds-13f.aspx).

"Animal Unit Calculations—First Projections for the 2013/14 Crop Year," pdf pages 25-30 of the May 2013 *Feed Outlook* report (http://www.ers.usda.gov/publications/fds-feed-outlook/fds-13e.aspx).

"High RIN Prices Signal Constraints to U.S. Ethanol Expansion," pdf pages 18-22 of the April 2013 *Feed Outlook* report (http://www.ers.usda.gov/publications/fds-feed-outlook/fds-13d.aspx).

Domestic Outlook

Projected 2014/15 Feed Grain Supplies To Set Record

U.S. feed grain production for 2014/15 is projected at 368.4 million metric tons, down less than a million from 2013/14 when delayed plantings and midsummer dryness resulted in below trend yields, particularly in the Western Corn Belt. This season, corn yields are expected to return to trend levels, but total harvested feed grain acreage is forecast 4.5 percent lower. Production forecasts are smaller for sorghum and barley crops and larger for corn and oats. Yields, at 3.93 tons per acre, are projected up 4.5 percent over last year. Projected plantings are based on USDA's March 31, 2014, *Prospective Plantings* report. Harvested area is projected down for corn, sorghum, and barley but up slightly for oats. Total feed grain supplies are up nearly 2 percent from 2013/14 to a record 403.3 million tons, supported by increased beginning stocks of corn.

For 2013/14, larger forecast barley and oats imports increase raise total supplies slightly to 395.6 million tons.

Feed and Residual Use Expected To Slip in 2014/15

The 2014/15 feed and residual use for the four feed grains plus wheat on a September-August year is projected 141.5 million tons, compared with 141.9 million estimated for 2013/14. Total grain consuming animal units (GCAUs) are projected 0.4 million units lower at 89.3 million. GCAUs per ton of feed and residual are projected at 1.58 tons per GCAU in 2014/15, incrementally higher than in 2013/14. Forecast red meat and poultry production for 2013/14 is lower this month on lower pork and broiler production. Pork supplies are limited due to low pigs per litter caused by the Porcine Epidemic Diarrhea Virus (PEDv), and poultry production is lowered on the pace of slaughter and offset by heavier egg sets and chick placements.

Corn Production for 2014/15 Projected To Set Record

Forecast U.S. corn production, at 13,935 million bushels, would exceed last season's record production by just 10 million bushels. Although projected planted acres are lower than those in the past 3 years, and harvested acres are lower than in the previous 2, the current acreage forecast combined with trend yields produces a massive crop. The projected 2014/15 corn yield is 165.3 bushels per acre, compared with 158.8 bushels in 2013/14.

The supply forecast of higher production, combined with beginning stocks of 1,146 million bushels and imports of 30 million, provides corn supplies of 15,111 million in 2014/15, 330 million greater than in 2013/14.

Projected 2014/15 Disappearance Slips, Builds Carryout

Lower projected exports and feed and residual use combine with stable projected food, seed, and industrial (FSI) use to dampen disappearance by 250 million bushels for 2014/15, compared with 2013/14. At 13,385 million bushels, reduced total use leaves projected ending stocks at 1,726 million bushels, up 580 million from the 2013/14 projection.

Competition from other corn producers dampens the U.S. export forecast for 2014/15 by 200 million bushels to 1,700 million. The 50-million-bushel decline in feed and residual is largely due to lower expected production of red meat and broilers. At 5,250 million bushels, feed and residual is down only 1 percent from 2013/14.

Corn for Ethanol Set To Increase, Raising FSI Use for 2013/14 and 2014/15

Projected U.S. 2013/14 ethanol production is raised 50 million bushels this month to 5,050 million as weekly data indicate strong production in April. Although gasoline consumption is almost flat, maintaining ethanol use near the blend wall level, higher exports in recent months support an increase in production. Prospects for ethanol exports are enhanced by limited exportable supplies in Brazil, the world's major ethanol exporter.

Other FSI use categories are adjusted for 2013/14. Corn used for high fructose corn syrup (HFCS) is lowered 10 million bushels to 490 million this month on a slower year-to-date shipment pace and lower export demand for U.S. HFCS in Mexico. Small adjustments were made in beverage and manufacturing and cereals and other products categories. Corn for seed in 2013/14 is projected at 24.1 million bushels down from 24.6 million in 2012/13. Total FSI for 2013/14 is projected at 6,435 million bushels, up from 6,051 million in 2012/13.

For 2014/15, FSI categories are mostly unchanged except for small increases in beverage and manufacturing and cereals and other products. Corn for seed is lowered to 23.2 million bushels based on reduced planted acreage for the 2014/15 crop. Corn used for ethanol in 2014/15 is projected unchanged from 2013/14. Total FSI use is also unchanged at the projected 6,435 million bushels.

Corn Prices Advance

The 2014/15 season-average farm price is projected at $3.85 to $4.55 per bushel with a midpoint of $4.20 per bushel, compared to the initial projection of $3.50 to $4.30 per bushel at USDA's February Agricultural Outlook Forum. Relative to the February outlook, May projections reduce supplies and increase exports, thus reducing ending stocks. For 2013/14, strong export demand, higher forecast FSI use, and tighter ending stocks drive an increase of $0.05 in the midpoint of the $4.50 to $4.80 per bushel price range. The 2014/15 corn price range midpoint is 10 percent lower than the 2013/14 midpoint.

Sorghum Production Projected Down for 2014/15

A 17-percent drop in planted area, as reported in the March 31, 2014, *Prospective Plantings* report, causes an overall decline of 7 percent in total projected U.S. sorghum production in 2014/15. Much of the anticipated reduction in planted acres is from Kansas and Texas, where the sorghum planted acres forecast is 77 and 86 percent of the 2013/14 figure, respectively. Extreme drought conditions in these States, especially in northern sections of Texas and in western Kansas counties, may inhibit production of local sorghum, or any crop, due to exceptionally low soil-moisture levels. Where hot and windy conditions have negatively affected winter wheat development across the High Plains, some sorghum may replace failed winter wheat, ultimately boosting 2014/15 sorghum acres. A lack of soil moisture has delayed cotton plantings in some areas of the Southern Low Plains of Texas; further postponements may also favor a switch to sorghum plantings.

The sorghum yield projection for 2014/15 is 64.3 bushels per acre, an increase of 4.7 bushels per acre relative to the 59.6 bushels realized by farmers in 2013/14. The 2014/15 projection is based on the average from 1990-2013, excluding years that are more the 1 standard deviation from the mean for the period. Prolonged drought conditions in the major sorghum-producing States may ultimately result in lower-than-projected yields and put downward pressure on the production forecast. Alternatively, timely rains could boost yield prospects.

Based on the maintained pace of shipments to China and expectations of continued sales, 2014/15 sorghum export levels are projected to reach 160 million bushels, just 20 million lower than expected for 2013/14. Sorghum feed and residual is projected down 20 million bushels in 2014/15 relative to the 110 million expected for this use in 2013/14. FSI use is expected to rebound slightly to 105 million bushels in 2014/15, up from 95 million bushels in 2013/14. The expectation of increased use of sorghum for ethanol is attributable to reduced demand for grain sorghum in animal feeds and in export markets, and lower relative prices.

The projected average farm price for 2014/15 is $3.60 to $4.30 per bushel with a midpoint price of $3.95. This sorghum price is 94.0 percent of the projected price for corn and is similar to the 2013/14 price ratio of 94.6 percent. With the exception of a slight increase of $0.05 in the 2013/14 season average midpoint price to $4.40, on the strength of corn prices, no changes to 2013/14 supply and use categories are made this month.

According to the most recent USDA-National Agricultural Statistics Service *Crop Progress* report, sorghum planting progress is similar to last year's pace in Texas with 68 percent of projected acres planted. The pace of sorghum planting in Kansas is minimal to date (1 percent) and only slightly below the 5-year average pace. With 36 percent of the sorghum crop sowed as of May 11, the 11-State planting figures are on par with the 5-year average.

Barley Planted Acres Down in Key Production States

The U.S. barley crop is projected at 196 million bushels in 2014/15, down nearly 9 percent from the 2013/14 estimate of 215 million. Lower expected production is largely driven by a decline in projected planted acres in North Dakota, Montana, and Washington, where collectively, 265,000 fewer acres are expected to be sown to barley. Planted acres for the United States are projected down 9 percent relative to 2013/14 levels, which, if realized, will be the third-lowest estimate of planted acres on record.

Barley yields for 2014/15 are projected at 70.0 bushels per acre and are based on 1990-2013 trends. Gradually improving transportation conditions between Canada and the United States support a slight increase in imports to 25 million bushels in 2014/15, up from 17 million in 2013/14. Barley feed and residual for 2014/15 is expected to be equivalent to that for 2013/14, at 60 million bushels.

The slight decline in barley FSI is a reflection of slackening U.S. beer production, which ultimately reduces demand for domestic malt barley. Despite increasing production of relatively malt-intensive craft beers in recent years, declines in production of lager-style beers have put downward pressure on malt barley demand from domestic maltsters. Industry sources indicate that current malted barley and malt product stocks are ample relative to demand, which could ultimately inhibit future plantings, particularly in North Dakota and Montana, and put downward pressure on malt barley prices.

Cultivation of the 2014/15 barley crop is well underway in Idaho, where 87 percent of the projected planted acres have been seeded as of May 4. In North Dakota and Minnesota, plantings are on pace with progress in 2013/14, at 2 and 3 percent planted, but still well behind the 2009-13 average pace of 43 and 22 percent of acres sown, respectively. Later-planted barley has a greater risk of being frost-damaged as harvest approaches. Frost damage can negatively affect the malting properties of the grain and reduce prices received by producers.

Prices received by farmers for barley in 2014/15 are expected to average $4.45 to $5.25 per bushel with a midpoint of $4.85 per bushel. This compares with the average $6.10 per bushel price received by farmers in 2013/14 and is largely a function of a general decline in feed grain prices and particularly, corn prices.

Oats Production Projection Fourth Lowest on Record

U.S. oats production is projected at 71 million bushels in 2014/15, up from 66 million in 2013/14. The production increase is mostly attributable to expected year-to-year yield gains; 2014/15 yields are projected at 64.5 bushels per acre relative to the 64.0 bushels realized by farmers in 2013/14. Harvested area, however, is also projected up slightly based on the 5-year average of harvested to planted acres. The combination of increases in the trend-based yield and average-based harvested acres projections more than offsets the 7-percent decline in planted acres. According to the *Prospective Plantings* report, area seeded to oats in 2014/15 is expected to total 2.79 million acres and is the third-lowest planted area on record. California, Georgia, Maine, North Carolina, Pennsylvania, Texas, and Wyoming are all expected to plant record low oats acres in 2014/15. Reduced plantings have been attributed to higher relative prices and profitability for alternative crops.

The forecast carry-in for 2014/15 is 25 million bushels and is both the lowest level on record and more than 11 million bushels smaller than the previous record-low beginning stocks in 2013/14. Imports, primarily from Canada where the transportation situation is slowly improving, will augment some of the tightness of domestic supplies in coming months. The 2013/14 import forecast is boosted 5 million bushels this month to 90 million and serves to increase ending stocks by the same amount. No other changes to the 2013/14 oats supply and use categories are made this month.

Total U.S. oats supply for 2014/15 is estimated at 196 million bushels. Total 2014/15 oats use is projected at 159 million bushels, down from 167 million in 2013/14. At 80 million bushels, feed and residual use is 10 million bushels lower than the previous year's forecast. FSI use is projected at 77 million bushels, a slight increase from 2013/14. Exports of oats are projected at 2 million bushels. Ending stocks are expected to be 37 million bushels in 2014/15, a significant increase from the 2013/14 estimated carry-out though still low in a historical context. The 5-year average carry-out (2009/10-2013/14) is near 53 million bushels. If realized, the 2014/15 ending stocks level would be the third-lowest on record.

The decline in planted acres as described in the *Projected Plantings* report follows a 2-year period of high prices for oats; for 2012/13 and 2013/14 the season-average farm price is estimated \$3.89 and \$3.70 per bushel. The midpoint price projection for 2014/15 is \$3.00 per bushel and reflective of generally lower grain prices. No change to the 2013/14 average farm price is made this month.

Hay Stocks Report Indicates More Abundant 2014 Supplies

The May 9 USDA-NASS *Crop Production* report indicates that U.S. hay stocks on farms on May 1, 2014, totaled 19.18 million tons, a 35-percent increase over the 2013 figure of 14.16. With December 1, 2013, stocks reported at 89.30 million tons, the implied December-May disappearance is 70.13 million tons, up from the 62.39 million tons reported for the same period in 2012/13. Increased year-to-year hay disappearance was encouraged by relatively more abundant hay supplies, estimated at 150.1 million tons in 2013/14 and up from 141.3 million in 2012/13, and lower prices: \$179 per ton for 2013/14 compared to an average of \$187 per ton for the 2012/13 marketing year.

The *Prospective Plantings* report indicates that producers intend to harvest nearly the same number of hay acres in 2014 as in 2013, approximately 58.3 million acres total. In combination with declines in livestock numbers, hay supplies available per RCAU are expected to rise in 2014/15. Increased hay supplies and a decline in the price of other animal feeds are likely to put downward pressure on hay prices through 2014.

International Outlook

U.S 2013/14 Corn Export Forecast Up Sharply

U.S. corn exports for the October-September trade year are increased 3.0 million tons this month to 48.0 million (up 150 million bushels to 1.9 billion bushels for the September-August local marketing year). Census data for March revealed corn exports jumped to 5.2 million tons, bringing the October 2013 to March 2014 total to 22.1 million tons. Moreover, export inspections for April 2014 came in at 5.8 million. Outstanding export sales on May 1, 2014, were 14.9 million tons, the highest level of corn outstanding sales at the beginning of May for comparable data going back to 1990. The large outstanding sales indicate exports will remain big for several months. In the first months of 2013/14, a late U.S. harvest and competition from Brazil and Ukraine dampened U.S. corn exports. But since February, corn outstanding sales have reached unprecedented levels for so late in the marketing year. As Brazil's corn exports dropped with increased soybean exports occupying port capacity, U.S. corn exports expanded sharply. The revised U.S. corn export forecast assumes U.S. exports will slow in August and September 2014 as Brazil's corn exports pick up after the harvest of second-crop corn.

The slow export pace of corn from Argentina has also contributed to the recent acceleration of U.S. corn exports. More of Argentina's corn was late-planted this year because in the previous 2 years, late-planted corn missed damaging heat that cut early-planted corn yields. The late-planted corn will also be late-harvested corn. Moreover, producers have been slow to market corn and other grains because holding onto crops has been a better store of value than holding local currency. The slow pace of corn exports from Argentina has cut 2013/14 trade year export prospects 2.0 million tons this month to only 10.0 million. More of Argentina's 2013/14 crop is expected to be exported after the October-September trade year ends.

The pace of Canada's corn exports has been slower than expected, reducing forecast 2013/14 exports 0.3 million tons to 1.2 million. Zambia's corn export prospects are cut 0.2 million tons to 0.2 million as announced exports have been slow to materialize. There is also a small reduction in corn exports for Pakistan based on the slow pace of shipments.

Corn exports by Thailand are forecast up 0.5 million tons this month to 1.0 million, supported by shipments to the Philippines following implementation of a regional trade agreement. The strong pace of corn exports boosts forecast shipments 0.2 million tons each for Paraguay and Serbia. Smaller increases in corn exports are projected this month for Burma, Moldova, Turkey, Uruguay, Israel, Burkina, Cote d'Ivoire, and Yemen.

Corn imports are raised for several countries, supporting a 1.9-million-ton increase in forecast 2013/14 corn trade to a record 118.3 million tons. EU corn imports are raised 1.0 million tons to 13.0 million. Imports of relatively cheap corn have replaced wheat in compound feeds, supporting lucrative wheat exports. The pace of import licenses supports the increase. Iran's corn imports are boosted 0.5 million tons this month to 5.0 million, based on recent shipments. Chile and Turkey's corn imports are up 0.4 million tons to 1.5 million and 1.0 million, respectively, based on the pace of recent shipments. Philippine imports are raised 0.3 million tons to 0.6 million, reflecting reported trade with Thailand. Small increases in corn imports are projected this month for Bosnia, Yemen, and Belarus. Partly offsetting these increases are reductions in forecast corn imports based on a slow pace of imports for China, down 0.5 million tons to 4.5 million; for Zimbabwe, down 0.2 million to 0.6; and for Canada, the Dominican Republic, Morocco, Saudi Arabia, and Taiwan, down by smaller amounts.

Global Trade in 2014/15 Near 2013/14 Levels

World coarse grain trade in 2014/15 is projected to reach 148.3 million tons, down slightly from 148.4 million forecast for 2013/14. Attractive coarse grain prices and good profit margins for animal husbandry encourage increased imports in some countries, but ample domestic supplies and animal disease problems curtail import demand in others. Ample supplies in exporting countries, especially the United States, are expected to help keep prices stable. Importers are not expected to boost imports to increase stocks in the importing countries because supplies in exporters are ample and lack of supply is not a serious risk.

Global corn trade in 2014/15 is projected at 117.9 million tons, down just 0.4 million from the previous year's record. Japan is expected to remain the world's largest corn importer, up 0.5 million tons from the previous year to 16.0 million, as corn increases its share in compound feeds. The EU is projected to maintain corn imports of 13.0 million tons, with Ukraine and Serbia having preferential access. Mexico's corn imports are forecast down 0.6 million tons to 10.9 million due to increased domestic supplies. South Korea's corn imports are projected unchanged year to year at a relatively high level of 9.5 million tons. Egypt's corn imports are expected to be stable at 6.5 million tons, with economic and political problems limiting poultry expansion. Iran's corn imports are projected down 0.2 million tons to 4.8 million as stocks are ample. Colombia's imports are forecast up 0.1 million tons to 4.2 million supported by some growth in poultry. Corn imports are expected to be stable at 4.2 million tons for Taiwan and 3.5 million for Algeria. Malaysia's imports are projected up 0.2 million tons to 3.4 million, supporting poultry growth. China's corn imports are projected down 1.5 million tons to 3.0 million as government policy is expected to continue to limit imports to help support corn prices in China. Smaller importers with significant year-to-year changes include Turkey, up 0.5 million tons to 1.5 million to sustain growing poultry production, and Kenya, down 0.3 million to 0.5 million with some recovery in domestic production.

U.S. 2014/15 Corn Export Prospects Face Tough Competition

U.S. corn exports in 2014/15 are projected to reach just 43.0 million tons, down 5.0 million from the previous year (for the September-August local marketing year U.S. exports are projected at 1.7 billion bushels, down from 1.9 billion). Competition from South America is expected to increase. Delayed marketing of the 2013/14 Argentine crop is expected to affect export markets in trade year 2014/15, boosting Argentina's exports 7.0 million tons to 17.0 million. Also, Brazil, with another large second-crop in 2013/14, is projected to increase exports 0.5 million tons to 21.5 million. Even Paraguay's corn exports are forecast up 0.1 million tons to 2.1 million. Outside of South America, Serbia, South Africa, and Canada are expected to increase corn exports. Increased production and access to the lucrative EU market is expected to boost Serbia's corn exports 0.5 million tons to 2.3 million. Ample corn supplies in South Africa support a 0.3-million-ton increase in corn exports to 2.3 million. Improving logistics in Canada are expected to support some rebound in corn exports, up 0.3 million tons to 1.5 million.

Reduced corn exports are projected for Ukraine, down 3.0 million tons to 16.0 million. Political unrest has not disrupted export shipments to date, and it is assumed they will not significantly disrupt shipments in the future. However, reduced production will limit corn exports. India's corn exports are projected down 0.5 million tons to 2.5 million as a smaller crop combines with growing domestic demand.

World Barley Trade Projected Stable in 2014/15

Global barley trade in 2014/15 is projected to match the previous year at 20.2 million tons. Barley prices in most countries are expected to remain strong compared with corn prices, limiting barley feed use mostly to ruminants. Offsetting changes are made for many importers and exporters. Saudi Arabia is expected to remain the largest importer, but imports are projected down 0.5 million tons year to year to 7.5 million due to ample stocks. China's import prospects are reduced 0.3 million tons to 3.0 million, with reduced imports of feed-quality barley. Tunisia, with a big barley crop, is expected to cut imports 0.3 million tons to 0.1 million. Reduced production is expected to double barley imports in 2014/15 to 1.0 million tons in Iran, 0.5 million in Syria, and 0.3 million in Turkey. U.S. barley imports for the October-September trade year are forecast up 0.05 million tons to 0.5 million.

The EU is projected to replace Australia as the leading barley exporter, with exports projected up 1.4 million tons to 5.5 million. With ample supplies of other grains, the EU is expected to export a larger share of its barley crop. A reduced crop cuts prospects for Australia's exports 1.0 million tons to 4.7 million. A bigger Russian crop is expected to support a 1.2-million-ton increase in exports to 3.5 million. Reduced barley production in Canada, Argentina, and Ukraine is expected to trim exports by 0.6 million tons, 0.5 million, and 0.3 million, respectively. U.S. exports for the trade year are projected down 0.05 million tons to 0.25 million.

Global Sorghum Trade To Increase in 2014/15

World sorghum trade in 2014/15 is projected up 0.4 million tons to 7.5 million despite tight supplies in the United States. Import demand from China is the driving force shaping sorghum trade. Sorghum enters China without import quota. With feed grain prices in China far above world prices, China feed compounders are eager to import and willing to pay a premium over corn because, with less government control, it is much easier to import. China is expected to bid sorghum away from most other importers, and imports are projected up 0.3 million tons year to year, to 3.7 million. Japan is the only importer willing to buy large amounts in competition with China, but imports are forecast down 0.1 million tons to 1.5 million. Mexico, traditionally a large importer of U.S. sorghum, is projected to increase imports slightly to a very low level of 0.3 million tons.

U.S. sorghum exports are projected down 0.7 million tons to 4.0 million (down 20 million bushels to 160 million for the local marketing year), constrained by reduced production. More than offsetting the U.S. decline are increased sorghum export prospects for Argentina, up 0.8 million tons to 2.0 million, and for Australia, up 0.3 million tons to 1.0 million, with increased production in both countries.

World oats trade is forecast down slightly in 2014/15 at 2.3 million tons, with U.S. imports on the October-September trade year down 0.1 million at 1.7 million. Transportation logistics in Canada are expected to gradually improve, making exports to the United States routine. World rye trade is expected to continue to drop in 2014/15, declining slightly to only 0.3 million tons. U.S. rye imports for the October-September year are forecast down 0.05 million tons to 0.15 million.

World Coarse Grain Production To Decline in 2014/15

Global coarse grain production in 2014/15 is projected to reach 1,257.2 million tons, down 1.0 percent from the previous year's record but second only to that crop. The decline in foreign production, down 1.2 percent, is faster than the U.S. decline of 0.2 percent. Coarse grain prices have been generally weaker than wheat or oilseeds prices, limiting the incentive to plant. For many countries, coarse grain yields are projected at trend levels, with spring planting ongoing in the Northern Hemisphere and later for the Southern Hemisphere. However, for fall planted coarse grains in the Northern Hemisphere, yield prospects are better defined, with problems in parts of the United States and Middle East but generally good conditions for the EU and FSU.

World corn production in 2014/15 is projected to be about the same as that in the previous year, up 0.1 million tons to a record 979.1 million. A fractional growth in projected yields offsets a slight reduction in expected area. Most of the decline in global coarse grain production in 2014/15 is expected for barley, down 8.7 percent to 132.5 million tons. USDA estimates world barley area peaking in 1979/80 at 84 million hectares and dropping to near 50 million in recent years. Global average yields have increased over time, with favorable weather in several key producing countries boosting the 2013/14 estimated yield to a record 2.9 tons per hectare. This record is not expected to be repeated, with yield in 2014/15 projected down 5.9 percent to 2.7 tons per hectare. Moreover, in many countries, the profitability of barley has not been attractive compared with that of other crops, and world area is forecast down 3.1 percent to 49 million hectares.

Global sorghum production in 2014/15 is projected up 4.5 percent to 62.8 million tons. While area is expected little changed, up 0.4 percent, average yields are expected to rebound from below-average in 2013/14, reaching a record 1.55 tons per hectare. World millet production is forecast up 4.4 percent in 2014/15 to 30.4 million tons, mostly due to increased area. Global oats production is expected down 4.3 percent to 22.5 million tons mostly due to a return to trend yields. World rye and mixed grain production are each projected to decline to 14.9 million tons, with reduced area and yield dropping rye production 10.5 percent and mixed grain 3.2 percent.

China, the largest foreign coarse grain producer, is projected to increase production 2.3 million tons in 2014/15 to a record 226.6 million. Government price support continues to expand coarse grain area, mostly corn, onto ground previously planted to oilseeds. China is expanding corn area, despite significant constraints on land availability, by maintaining internal corn prices far above the landed price of imported corn. Average yields are projected to match the previous year's record level, with a return to normal weather offset by the trend yield growth. While China is projected to produce another big crop in 2014/15, production growth of 1 percent is slow.

The EU is forecast to produce 152.2 million tons of coarse grains in 2014/15, down 6.1 million. Prices have not been attractive compared with those of alternative crops, and expected area is down for coarse grains. Corn production is projected up slightly as a trend yield increase offsets reduced area. For barley and rye, the previous year's yields reached record levels, so even with current, generally favorable yield prospects for winter grains, yields in 2014/15 are expected to decline significantly, dropping production of barley 4.0 million tons and rye 1.4 million. Small declines are also expected for mixed grain, oats, and sorghum.

South America's coarse grain production in 2014/15 is projected to increase 1.3 percent to 126.3 million tons. Brazil's corn crop is projected down 1.0 million tons to 74.0 million. First-crop corn planting is mostly 5 or 6 months away, and second-crop corn will be planted in 2015, so projections are tentative. Area is expected to decline slightly as soft corn prices encourage enough shifting out of corn to offset general expansion of crop land. Trend yields are projected to match the forecast for the previous year at 5.0 tons per hectare. Brazil's 2013/14 corn production is forecast up 3.0 million tons this month to 75.0 million tons based on a smaller-than-expected decline in area and favorable yield prospects for second-crop corn.

Argentina's 2014/15 corn production is projected up 2.0 million tons to 26.0 million. Area planted is expected to increase with rotating corn onto soybean area bringing agronomic benefits. An increasing yield trend boosts yield prospects. However, Argentina's barley production is expected to drop 0.9 million tons to 3.9 million. Prices provide an incentive to shift winter barley area to wheat. Sorghum area and yield are projected to rebound in 2014/15, boosting production 0.6 million tons to 4.8 million. Corn area in Paraguay and Chile is expected to rebound in 2014/15, boosting coarse grain production 23 percent to 3.1 million tons in Paraguay and 12 percent to 2.3 million tons in Chile.

Sub-Saharan Africa's coarse grain production in 2014/15 is projected up 4 percent to a record 105.7 million tons. Most coarse grains are produced on small farms for local human consumption. Area and average yield are both expected to expand from the previous year but not to record levels. Coarse grain production is projected to remain stable in Nigeria at 19.2 million tons and in Ethiopia at 13.1 million. However, in South Africa, coarse grain production is expected to decline 4 percent to 14.0 million tons as corn yields are not expected to match the previous year's record. Tanzania's coarse grain production is projected down slightly to 5.7 million tons, but in Sudan production is expected to rebound 54 percent to 4.4 million.

The former Soviet Union (FSU) is expected to reduce coarse grain production 5.4 percent in 2014/15 to 83.9 million tons. Russia's coarse grain production is projected up 5 percent to 37.5 million tons as area is expanding and average yields are expected to match those of the previous year. Russia's barley production is projected up 4 percent to 16.0 million tons with a small expansion in both area and yield. Exports, mostly to Saudi Arabia, and the weak currency have maintained barley prices at attractive levels. Corn profitability has been enhanced by record yields in 2013/14, and area is expected to increase 12 percent in 2014/15. A return to trend yields limits the production increase to 7 percent with a 12.5-million-ton crop. Russia's oats and rye production are also expected to increase modestly.

Ukraine's 2014/15 coarse grain production is projected down 14 percent to 34.3 million tons. Corn area is projected down slightly from a year earlier, but with the exchange rate making imported inputs sharply more expensive, especially nitrogen fertilizer, the projected corn yield is dropped 15 percent. Ukraine corn crop at 26.0 million tons is down sharply from the previous year's record but is still the second largest. Lower barley and oats production is also expected in 2014/15. In Belarus a reduction in barley area and rye yields drops coarse grain prospects 11 percent to 4.3 million tons. Kazakhstan yields are not expected to quite match those of a year ago, reducing coarse grain production prospects 2 percent.

South Asia's coarse grain production in 2014/15 is forecast slightly lower, down 0.3 percent to 49.5 million tons. Normal weather that produces a trend yield is assumed. India's coarse grain production is forecast down 0.3 percent to 40.7 million tons, with changes between crops mostly offsetting. Corn production is projected down 1.0 million tons to 22.0 million based on reduced area planted caused by disappointing corn prices for export or sale to domestic poultry growers. However, millet and sorghum, mostly used for human food, are expected to expand plantings, boosting production prospects. Production in Pakistan, mostly irrigated, and in Nepal is expected to remain stable.

Southeast Asia is expected to continue to expand corn production in 2014/15, supporting a record projected coarse grain crop of 31.7 million tons, up 2 percent year to year. Indonesia's corn area is expected to remain stable, but expanding adoption of better yielding corn varieties is supporting the forecast yield increase, pushing corn production to a record 9.2 million tons. In the Philippines, both corn area and yield are forecast up slightly, supporting a record 7.9-million-ton corn crop. Thailand's corn crop is projected stable at 4.9 million tons, with a small decline in area offset by an increase in expected yields. Burma and Cambodia are both projected to expand corn production modestly, supported by ready markets in neighboring countries.

Mexico's coarse grain production in 2014/15 is expected to increase 1 percent to 30.1 million tons. Corn area is projected higher, but sorghum is reduced. Moreover, corn yields are forecast up as trend implies record yields, but sorghum yields are not expected to match the previous year's above-average result.

Canada's coarse grain production is projected down 20 percent to 23.1 million tons. The previous year's record yields are not expected to repeat. Moreover, logistical problems, especially with rail, made marketing the old crop difficult, and coarse grains are a lower value crop. Area for every coarse grain is projected lower in 2014/15. The drop in projected barley production is dramatic, down 3.1 million tons to 7.2 million.

Middle East coarse grain production in 2014/15 is projected down 11 percent to 18.7 million tons. Winter grains in Turkey's Central Anatolian Plateau suffered poor emergence from delayed planting in the fall followed by drought and freeze damage in early spring. While barley area is reported up modestly, forecast yield is cut sharply, dropping production 1.5 million tons to 5.8 million. There is also a small decline in projected corn production as some area is expected to shift to crops with better prices. In parts of Syria, severe drought and war are devastating crop production. Coarse grain production is forecast down 0.6 million tons to 0.5 million. Good rains in Iraq support increased coarse grain production, but for most other countries, prospects are steady.

Oceania's coarse grain production in 2014/15 is projected down 5 percent to 12.5 million tons. Australia's barley area is expected down 5 percent as wheat and oilseeds prices are attractive. Trend yields are a decline from the previous year's record, leaving production down 1.5 million tons to 8.1 million. However, Australia's sorghum area is expected to rebound and yields return to average after the previous year's summer drought; production is projected up 0.9 million tons to 2.1 million. Australia's corn production prospects are up slightly, but oats are down.

North Africa's 2014/15 coarse grain production is forecast down 2 percent to 11.4 million tons. Egypt's corn production prospects are down slightly as macro-economic problems limit area and yield. In Morocco, winter rains were not as favorable as in the previous year, and barley production is cut sharply, down 1.0 million tons to 1.8 million. In Algeria, winter rains were again very good, and the barley crop is projected up slightly. Tunisia's winter rains were much better this year and extended into southern marginal areas that grow barley. Projected barley production is up 0.6 million tons to 0.9 million.

Coarse grain production prospects are little changed from the previous year in Other Europe (mostly Serbia), Central America, and the Caribbean.

Increased Beginning Stocks Boost Coarse Grain Supply in 2014/15

Global coarse grain supplies for 2014/15 are projected up 22.5 million tons to 1,461.0 million. Reduced production prospects are offset by increased beginning stocks. Supplies are up some in the United States, with foreign supplies up 14.9 million tons, or 1 percent.

World coarse grain beginning stocks for 2014/15 are forecast at 203.8 million tons, up 34.3 million over those of a year earlier. More than half the world increase in beginning stocks is in the United States and China. Coarse grain stocks in other countries are up 15.4 million tons, a 12-percent increase. With prevailing coarse grain prices significantly reduced during 2013/14, it is not surprising that many users replenished stocks that had been drawn down in 2012/13.

China's coarse grain beginning stocks (mostly corn) are forecast up 10.6 million tons to 79.0 million. The government intervenes to support corn prices, buying much of the crop in surplus-producing regions, holding those stocks in a temporary storage program and auctioning them off later in the year. Long-term strategic storage programs also exist. China does not publish its stocks data, and the programs are large, so there is significant uncertainty about the true level of stocks. However, it appears that China continues to produce and import more corn than is used and that significant stockpiles are building. As long as high corn prices in China are supported by the government, an incentive will exist to sell to the government, resulting in stocks accumulating in government programs.

Canada's 2014/15 coarse grain beginning stocks are up 2.5 million tons to 5.6 million as transport problems have limited the use of the previous year's record crops. In Argentina, macro-economic problems and currency issues have combined with a late corn harvest to delay the use and export of grain. Producers can hold grain in storage and figure it will hold its value better than local currency in a bank account. Coarse grain stocks are forecast up 2.0 million tons year to year to 4.5 million. Some other countries with increased coarse grain beginning stocks forecast in 2014/15 include Ukraine, up 2.0 million tons; the EU, up 1.1 million; Saudi Arabia, up 1.0 million; Brazil, up 0.9 million; and Russia, up 0.7 million.

Significant Supply-and-Demand Changes to 2013/14

Beginning stocks for 2014/15 are defined as the same as ending stocks for 2013/14. For some countries, significant changes were made to 2013/14 or earlier supply and demand for coarse grains that modified 2013/14 ending stocks over those of a month ago.

China's corn FSI is cut 2.0 million tons for both 2012/13 and 2013/14 due to reports of slower growth in industrial use. Corn feed and residual use for 2013/14 is also cut 2.0 million tons because of diseases in pork and poultry. A reduction in corn imports of 0.5 million tons is partly offsetting, leaving 2013/14 ending stocks up 5.5 million tons this month.

Brazil's 2013/14 corn production is forecast up 3.0 million tons this month to 75.0 million, boosting ending stocks by a like amount. Argentina's corn exports for 2013/14 are cut 2.0 million tons, boosting stocks 1.9 million. The historical series for Pakistan's corn production and consumption is revised up, with stocks estimated much higher, boosting ending stocks 1.5 million tons to 1.6 million. Iran's corn production for 2012/13 and 2013/14 are revised down, but beginning stocks and imports are increased, raising 2013/14 ending stocks 0.9 million tons. EU corn imports for 2013/14 are raised 1.0 million tons, but production is trimmed, boosting ending stocks 0.7 million. Many smaller revisions to 2013/14 supply-and-demand estimates are made as a result of developing the 2014/15 projections.

Record World Coarse Grain Use Projected in 2014/15

Increased competition among exporters and sharply lower prices in 2013/14 boosted coarse grain use around the globe an estimated 9 percent. In 2014/15, prices are expected to remain relatively attractive for users, but consumption growth is projected to slow to 1 percent, reaching 1,250.5 million tons. Sluggish growth in animal numbers is expected in many countries due to diseases. Also, consumer demand for meat is not growing as robustly as earlier expected in some countries, especially China.

Foreign coarse grain use in 2014/15 is forecast up 2 percent to 941.2 million tons. Foreign feed and residual use is projected up 3 percent to 612.1 million tons, while

FSI is projected up less than 1 percent to 329.0 million tons. Demand for coarse grains for industrial use is sluggish, especially for fuel and sweeteners.

China's coarse grain use in 2014/15 is projected to grow 5 percent to 235.3 million tons. Feed and residual use is expected to expand slightly faster, up 5.1 percent to 167.2 million. This is a reduction from 9-percent growth in estimated coarse grain feed and residual use for 2013/14. Income and demand for meat in China is expected to continue growing but at a slowing pace.

EU coarse grain use in 2014/15 is projected down 4 percent to 160.1 million. Feed use is forecast down 2.6 million tons to 118.3 million. EU coarse grain production is projected down 6.1 million tons, and wheat feed is projected up 4.0 million. Corn feed is forecast up 1.0 million tons year-to-year, supported by prospects for continued large imports, especially from Ukraine. Barley feed use is projected down 2.5 million tons due to reduced production and continued strong export demand. Reduced production of rye, mixed grain, and oats constrains projected 2014/15 use. FSI use of coarse grains is forecast up 1.0 percent to 41.8 million tons, supported by competitive prices for coarse grains relative to wheat for use in producing fuel ethanol.

Sub-Saharan Africa's coarse grain use is projected up 3.0 percent in 2014/15 to 105.3 million tons, supported by higher production prospects. Sudan's FSI is expected to rebound 1.2 million tons to 4.1 million. Most of the region's increase is for direct human consumption, with feed use up only 0.5 million tons to 15.4 million.

Coarse grain use in South America is projected up 3 percent to 97.0 million tons in 2014/15. This is a modest slowing of the 5-percent growth estimated for 2013/14. Income growth in most of the region has failed to reach earlier expectations, sapping growth in meat consumption. Brazil's exports of chicken and pork are projected to grow slowly, limiting growth in coarse grain use to 3 percent. Feed and residual use is forecast up 3 percent to 50.1 million tons, reflecting meat production prospects. FSI use in 2014/15 is forecast nearly unchanged at 9.8 million tons. Projects to turn corn into ethanol in the interior are not expected to come to fruition in 2014/15. In contrast, Argentina's FSI is projected up 7 percent to 4.8 million as domestic use of ethanol as a fuel is expected to more than offset lost ethanol exports to the EU. Argentina's feed and residual use is forecast up 6 percent supported by poultry production, with both domestic broiler consumption and exports increasing. The differential export taxes on corn (lower export taxes on processed products) and export quotas combine to keep corn prices in Argentina below world traded prices, supporting Argentina's domestic corn use, projected up 0.8 million tons to 13.6 million. Venezuela (+4 percent), Peru (+4 percent), Chile (+3 percent), and Colombia (+2 percent) are projected to have modest growth in coarse grain use, mostly reflecting poultry and pork prospects.

FSU coarse grain use in 2014/15 is projected up 2.7 percent to 59.5 million tons, a significant slowing from 13.5 percent growth the previous year. This partly reflects smaller crops causing reduced residual disappearance. Meat production gains are expected to slow in Russia as import substitution for poultry meat is mostly done and the market is saturated. With population declining and aging, demand growth is limited. Russia's coarse grain feed and residual use is projected up 1.3 million tons to 20.9 million, while FSI use is forecast up 0.3 million tons to 10.0 million.

Ukraine's coarse grain use is projected nearly stagnant in 2014/15, up only 0.3 million tons to 16.6 million. Political and economic instability are expected to limit meat production growth, but a devalued exchange rate encourages production for export. Feed and residual use is forecast up 4 percent to 13.0 million tons, supported by continued expansion of production of poultry and eggs, products with potential for increased exports to the EU. However, FSI coarse grain use is expected to drop 7 percent to 3.6 million tons, reflecting soft domestic demand. In Belarus, coarse grain use is forecast down 0.3 million tons to 4.5 million, reflecting reduced production. In Kazakhstan, coarse grain use is projected to grow 4 percent to 3.1 million tons.

South Asia's coarse grain use in 2014/15 is projected up 6 percent to 47.6 million tons. India is expected to increase consumption 7 percent to 38.9 million tons. Increased sorghum and millet production supports a 1.3-million-ton increase in FSI use to 25.5 million tons, mostly for direct human consumption. The poultry and egg sectors support a 1.1-million-ton increase in projected feed use to 13.4 million. Pakistan's coarse grain use is forecast up a modest 0.2 million tons to 5.5 million, supported by increased feed use. Coarse grain use in Nepal and Afghanistan is projected unchanged in 2014/15.

Middle East use of coarse grain is projected up 4 percent to 45.4 million tons. Turkey's coarse grain use is forecast up 0.4 million tons to 13.8 million as increased corn feed use offsets a decline in coarse grain FSI. Saudi Arabia is forecast up 4 percent to 11.6 million tons. Feed is up 0.2 million tons each for corn, fed mostly to poultry, and for barley, mostly used for sheep and camels. Iran's coarse grain use is projected up 0.4 million tons to 10.8 million as improved economic prospects support increased meat production. Among the smaller consumers, Israel is forecast to increase consumption 0.2 million tons to 1.9 million supported by improved profit margins for poultry production. Iraq, with increased barley production, is forecast to use 1.2 million tons of coarse grains, up 0.1 million. However, drought and civil war in Syria are expected to reduce coarse grain use 0.1 million tons to 1.3 million.

Mexico's coarse grain use is projected to grow 3 percent to 40.9 million tons in 2014/15, a sharp slow down from 10-percent growth estimated for 2013/14. FSI use is forecast up 2 percent to 17.5 million tons in 2014/15, a slight slow-down in growth from a year earlier but in line with expectations for direct human consumption, mostly white corn. Coarse grain feed use is projected to grow 4 percent to 23.4 million tons, a slow down from 2013/14. The rebuilding of chicken flocks after disease outbreaks was mostly accomplished in 2013/14, and PEDv disease in pigs is expected to limit growth.

Southeast Asia's coarse grain use in 2014/15 is projected up 5 percent to 39.0 million tons. The profitability of meat production supports expanded use. Indonesia's feed use is projected up 0.5 million tons to 7.5 million, but FSI use is projected down 0.1 million to 4.4 million, as diets change with increasing incomes. Thailand's feed use is forecast up 0.3 million tons to 5.2 million, with smaller increases for Cambodia and Burma.

In East Asia, excluding China, coarse grain use is projected up 1 percent to 35.5 million tons. Japan's FSI use is projected flat, but feed is up 0.4 million tons to

14.3 million as less wheat is expected to be used in compound feed. Feed use in the Philippines is forecast up 0.4 million tons to 6.2 million supported by continued corn imports from Thailand. However, feed use in South Korea and Taiwan is expected to be unchanged in 2014/15.

North Africa's coarse grain use is forecast up 5 percent to 27.3 million tons in 2014/15. Economic and political developments in Egypt are expected to limit coarse grain use, up only 0.2 million tons to 13.0 million. However, Morocco's coarse grain use is forecast up 0.7 million tons to 5.3 million. Large barley stocks and increased imports are expected to offset reduced production, supporting increased feed use. Corn feed use is expected to increase modestly. Algeria's coarse grain use is projected up 4 percent to 5.9 million tons, reflecting increased feed use. Modest growth in use is also expected for Tunisia and Libya.

Canada's coarse grain disappearance is projected down 6 percent to 20.9 million in 2014/15. FSI use is forecast up 0.1 million tons to 7.5 million supported by corn used to produce ethanol. Feed and residual use is projected down 1.3 million tons to 13.4 million, mostly reflecting less residual disappearance associated with smaller crops. However, PEDv disease in pigs will also limit feed use.

Coarse grain use in Central America and the Caribbean is forecast up 3.0 percent to 10.4 million tons, but slower growth of less than 2 percent is expected for both Other Europe (mostly Serbia), to 8.0 million tons; and Oceania, to 6.4 million.

World Coarse Grain Ending Stocks To Increase Marginally

Global coarse grain ending stocks in 2014/15 are projected to reach 210.5 million tons, an increase of 3 percent. The increase in stocks is concentrated in the United States, with foreign stocks projected down 5 percent to 163.7 million tons. With world production declining, supplies in 2014/15 are up marginally because of increased beginning stocks. Global use is increasing at a relatively slow rate, allowing for a small increase in ending stocks. However, the countries outside the United States and China are expected to have a 10-percent drop in coarse grain ending stocks.

The decline in projected foreign corn stocks is a modest 1.4 million tons to 137.9 million, but the drop in expected foreign barley stocks is 6.0 million tons to only 16.5 million, the lowest since 1983/84. Foreign oats and rye ending stocks are also projected to decline to very low levels. However, foreign sorghum stocks are forecast up 0.4 million tons to 4.9 million.

China's coarse grain stocks are projected up 1.0 million tons to 79.9 million, as production and imports of corn continue to outpace use. Imports also support a small increase in sorghum stocks. The government's high price supports are expected to cause ending stocks of corn to continue to grow in 2014/15 but at a slower rate than a year earlier. Argentina's coarse grain stocks are also projected up 1.0 million tons to 5.5 million, a result of farmers' reluctance to sell grain and hold local currency. Coarse grain stocks are expected to increase slightly in some regions, such as Southeast Asia, Oceania, Other Europe, and Central America and the Caribbean.

A minor reduction in coarse grain ending stocks is expected in South America, with a decline in Brazil offsetting the increase in Argentina. Coarse grain stocks in Sub-Saharan Africa are projected to decline only fractionally. FSU coarse grain stocks are forecast down 11 percent but would still be higher than the 3 years prior to 2013/14. Middle East coarse grain stocks are projected down 23 percent but remain above ending stocks estimated for 2010/11. India's coarse grain stocks are projected to drop 32.8 percent, but burdensome government stocks of wheat and rice make tight coarse grain stocks more of a positive than a negative. Canada is projected to cut coarse grain ending stocks 34.4 percent, but this is just a reflection of overcoming some logistical problems.

The 16-percent decline in EU ending stocks to 11.7 million tons is dramatic because these stocks would be the lowest since 1983/84, while production is forecast above the average of the previous 10 years. The EU is expected to draw down barley stocks 25 percent to maintain lucrative export markets, especially to Saudi Arabia. The ready supply of relatively inexpensive corn for imports, especially from Ukraine, is expected to relieve concern about declining stocks.

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Related Websites

Feed Outlook
(http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1273
WASDE)
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Grain Circular
(http://www.fas.usda.gov/grain/Current/default.asp)
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Tables

Table 1--Feed grains: U.S. quarterly supply and disappearance (million bushels), 5/13/2014

Commodity, market year, and quarter 1/			Beginning stocks	Production	Imports	Total supply	Food, seed, and industrial use	Feed and residual use	Exports	Total disappear-ance	Ending stocks	Farm price 2/ (dollars per bushel)
Corn	2011/12	Sep-Nov	1,128	12,360	4	13,491	1,612	1,826	406	3,844	9,647	5.87
		Dec-Feb	9,647		4	9,651	1,640	1,543	444	3,627	6,023	6.06
		Mar-May	6,023		11	6,034	1,626	859	401	2,886	3,148	6.34
		Jun-Aug	3,148		11	3,159	1,551	328	291	2,170	989	7.02
		Mkt yr	1,128	12,360	29	13,517	6,428	4,557	1,543	12,528	989	6.22
	2012/13	Sep-Nov	989	10,780	35	11,804	1,468	2,082	221	3,771	8,033	6.87
		Dec-Feb	8,033		48	8,080	1,438	1,079	163	2,681	5,400	6.95
		Mar-May	5,400		40	5,440	1,569	920	185	2,674	2,766	7.04
		Jun-Aug	2,766		40	2,806	1,576	247	162	1,985	821	6.67
		Mkt yr	989	10,780	162	11,932	6,051	4,329	731	11,111	821	6.89
	2013/14	Sep-Nov	821	13,925	14	14,760	1,555	2,406	347	4,308	10,453	4.70
		Dec-Feb	10,453		7	10,459	1,602	1,453	398	3,454	7,006	4.40
		Mkt yr	821	13,925	35	14,781	6,435	5,300	1,900	13,635	1,146	4.50-4.80
	2014/15	Mkt yr	1,146	13,935	30	15,111	6,435	5,250	1,700	13,385	1,726	3.85-4.55
Sorghum	2011/12	Sep-Nov	27.45	214.44	0.00	241.89	24.50	44.31	22.13	90.94	150.95	5.98
		Dec-Feb	150.95		0.05	151.00	25.51	5.64	11.78	42.93	108.07	5.97
		Mar-May	108.07		0.05	108.12	26.51	15.36	7.72	49.59	58.53	6.00
		Jun-Aug	58.53		0.01	58.53	8.47	5.29	21.81	35.58	22.95	6.02
		Mkt yr	27.45	214.44	0.11	242.00	85.00	70.61	63.44	219.05	22.95	5.99
	2012/13	Sep-Nov	22.95	246.93	1.09	270.97	24.92	78.87	27.34	131.13	139.85	6.86
		Dec-Feb	139.85		0.06	139.91	24.92	4.60	18.85	48.37	91.54	6.76
		Mar-May	91.54		5.52	97.06	25.86	16.52	13.57	55.95	41.11	6.67
		Jun-Aug	41.11		2.91	44.01	19.55	-6.93	16.24	28.86	15.15	5.30
		Mkt yr	22.95	246.93	9.57	279.46	95.24	93.07	76.00	264.30	15.15	6.33
	2013/14	Sep-Nov	15.15	389.05	0.01	404.21	36.00	103.37	33.44	172.81	231.39	4.26
		Dec-Feb	231.39		0.01	231.40	12.60	2.46	43.82	58.87	172.53	4.21
		Mkt yr	15.15	389.05	0.02	404.21	95.00	110.00	180.00	385.00	19.21	4.25-4.55
	2014/15	Mkt yr	19.21	360.00		379.21	105.00	90.00	160.00	355.00	24.21	3.60-4.30

Table 1--Feed grains: U.S. quarterly supply and disappearance (million bushels), 5/13/2014

Commodity, market year, and quarter 1/			Beginning stocks	Production	Imports	Total supply	Food, seed, and industrial use	Feed and residual use	Exports	Total disappear-ance	Ending stocks	Farm price 2/ (dollars per bushel)
Corn	2011/12	Sep-Nov	1,128	12,360	4	13,491	1,612	1,826	406	3,844	9,647	5.87
		Dec-Feb	9,647		4	9,651	1,640	1,543	444	3,627	6,023	6.06
		Mar-May	6,023		11	6,034	1,626	859	401	2,886	3,148	6.34
		Jun-Aug	3,148		11	3,159	1,551	328	291	2,170	989	7.02
		Mkt yr	1,128	12,360	29	13,517	6,428	4,557	1,543	12,528	989	6.22
	2012/13	Sep-Nov	989	10,780	35	11,804	1,468	2,082	221	3,771	8,033	6.87
		Dec-Feb	8,033		48	8,080	1,438	1,079	163	2,681	5,400	6.95
		Mar-May	5,400		40	5,440	1,569	920	185	2,674	2,766	7.04
		Jun-Aug	2,766		40	2,806	1,576	247	162	1,985	821	6.67
		Mkt yr	989	10,780	162	11,932	6,051	4,329	731	11,111	821	6.89
	2013/14	Sep-Nov	821	13,925	14	14,760	1,555	2,406	347	4,308	10,453	4.70
		Dec-Feb	10,453		7	10,459	1,602	1,453	398	3,454	7,006	4.40
		Mkt yr	821	13,925	35	14,781	6,435	5,300	1,900	13,635	1,146	4.50-4.80
	2014/15	Mkt yr	1,146	13,935	30	15,111	6,435	5,250	1,700	13,385	1,726	3.85-4.55
Sorghum	2011/12	Sep-Nov	27.45	214.44	0.00	241.89	24.50	44.31	22.13	90.94	150.95	5.98
		Dec-Feb	150.95		0.05	151.00	25.51	5.64	11.78	42.93	108.07	5.97
		Mar-May	108.07		0.05	108.12	26.51	15.36	7.72	49.59	58.53	6.00
		Jun-Aug	58.53		0.01	58.53	8.47	5.29	21.81	35.58	22.95	6.02
		Mkt yr	27.45	214.44	0.11	242.00	85.00	70.61	63.44	219.05	22.95	5.99
	2012/13	Sep-Nov	22.95	246.93	1.09	270.97	24.92	78.87	27.34	131.13	139.85	6.86
		Dec-Feb	139.85		0.06	139.91	24.92	4.60	18.85	48.37	91.54	6.76
		Mar-May	91.54		5.52	97.06	25.86	16.52	13.57	55.95	41.11	6.67
		Jun-Aug	41.11		2.91	44.01	19.55	-6.93	16.24	28.86	15.15	5.30
		Mkt yr	22.95	246.93	9.57	279.46	95.24	93.07	76.00	264.30	15.15	6.33
	2013/14	Sep-Nov	15.15	389.05	0.01	404.21	36.00	103.37	33.44	172.81	231.39	4.26
		Dec-Feb	231.39		0.01	231.40	12.60	2.46	43.82	58.87	172.53	4.21
		Mkt yr	15.15	389.05	0.02	404.21	95.00	110.00	180.00	385.00	19.21	4.25-4.55
	2014/15	Mkt yr	19.21	360.00		379.21	105.00	90.00	160.00	355.00	24.21	3.60-4.30

Table 1--Feed grains: U.S. quarterly supply and disappearance, cont. (million bushels), 5/13/2014

Commodity, market year, and quarter 1/			Beginning stocks	Production	Imports	Total supply	Food, seed, and industrial use	Feed and residual use	Exports	Total disappear-ance	Ending stocks	Farm price 2/ (dollars per bushel)
Barley	2011/12	Jun-Aug	89	156	1	246	41	26	3	71	175	5.14
		Sep-Nov	175		4	179	39	-2	3	40	139	5.46
		Dec-Feb	139		7	145	38	12	1	52	94	5.44
		Mar-May	94		5	99	37	1	1	39	60	5.52
		Mkt yr	89	156	16	261	155	38	9	201	60	5.35
	2012/13	Jun-Aug	60	220	5	285	40	45	3	89	197	6.40
		Sep-Nov	197		6	203	38	3	3	45	158	6.46
		Dec-Feb	158		6	164	37	9	1	47	117	6.44
		Mar-May	117		6	123	40	1	1	42	80	6.42
		Mkt yr	60	220	23	304	155	59	9	223	80	6.43
	2013/14	Jun-Aug	80	215	2	298	40	59	3	102	196	6.23
		Sep-Nov	196		5	201	39	-11	3	31	169	5.93
		Dec-Feb	169		4	173	38	10	4	52	122	6.01
		Mkt yr	80	215	17	312	155	60	12	227	85	6.10
	2014/15	Mkt yr	85	196	25	306	154	60	10	224	82	4.45-5.25
Oats	2011/12	Jun-Aug	68	54	18	139	17	43	1	61	78	3.27
		Sep-Nov	78		36	114	18	17	1	35	79	3.62
		Dec-Feb	79		24	103	17	11	0	29	75	3.53
		Mar-May	75		16	91	24	12	0	36	55	3.95
		Mkt yr	68	54	94	215	76	82	2	160	55	3.49
	2012/13	Jun-Aug	55	64	29	148	17	46	0	63	85	3.76
		Sep-Nov	85		27	112	18	21	0	39	73	3.84
		Dec-Feb	73		17	90	17	20	0	38	53	4.02
		Mar-May	53		20	72	24	12	0	36	36	4.35
		Mkt yr	55	64	93	212	76	98	1	176	36	3.89
	2013/14	Jun-Aug	36	66	17	120	17	38	0	56	63	3.75
		Sep-Nov	63		28	91	18	25	0	43	48	3.50
		Dec-Feb	48		20	68	16	16	0	33	35	3.67
		Mkt yr	36	66	90	192	75	90	2	167	25	3.70
	2014/15	Mkt yr	25	71	100	196	77	80	2	159	37	2.70-3.30

Latest market year is projected; previous market year is estimated. Totals may not add due to rounding.

1/ Corn and sorghum, September 1-August 31 marketing year; Barley and oats, June 1-May 31 marketing year.

2/ Average price received by farmers based on monthly price weighted by monthly marketings. For the latest market year, quarterly prices are calculated by using the current monthly prices weighted by the monthly marketings for those months for the previous 5 years divided by the sum of marketings for those months.

Source: USDA, World Agricultural Outlook Board, World Agricultural Supply and Demand Estimates and supporting materials.

Data run: 5/12/2014

Table 2--Feed and residual use of wheat and coarse grains, 5/13/2014

Market year and quarter 1/		Corn (million metric tons)	Sorghum (million metric tons)	Barley (million metric tons)	Oats (million metric tons)	Feed grains (million metric tons)	Wheat (million metric tons)	Energy feeds (million metric tons)	Grain consuming animal units (millions)	Energy feeds per grain consuming animal unit (tons)
2012/13	Q1 Sep-Nov	52.9	2.0	0.1	0.4	55.3	-0.9	54.5		
	Q2 Dec-Feb	27.4	0.1	0.2	0.3	28.1	0.3	28.3		
	Q3 Mar-May	23.4	0.4	0.0	0.2	24.1	-0.4	23.6		
	Q4 Jun-Aug	6.3	-0.2	1.3	0.6	8.0	11.2	19.2		
	MY Sep-Aug	110.0	2.4	1.6	1.5	115.4	10.2	125.6	91.8	1.4
2013/14	Q1 Sep-Nov	61.1	2.6	-0.2	0.4	63.9	-4.8	59.1		
	Q2 Dec-Feb	36.9	0.1	0.2	0.3	37.5	0.1	37.5		
	MY Sep-Aug	134.6	2.8	1.0	1.6	140.0	1.8	141.9	89.7	1.6
2014/15	MY Sep-Aug	133.4	2.3	1.2	1.5	138.3	5.3	143.7	89.3	1.6

1/ Corn and sorghum, September 1-August 31 marketing year; Barley and oats, June 1-May 31 marketing year.
Source: USDA, World Agricultural Outlook Board, World Agricultural Supply and Demand Estimates and supporting materials.

Table 3--Cash feed grain prices, 5/13/2014

Mkt year and month 1/	Corn, No. 2 yellow, Central IL (dollars per bushel)			Corn, No. 2 yellow, Gulf ports, LA (dollars per bushel)			Sorghum, No. 2 yellow,	Sorghum, No. 2 yellow, Gulf ports, LA (dollars per cwt)		
	2011/12	2012/13	2013/14	2011/12	2012/13	2013/14	2011/12	2011/12	2012/13	2013/14
Sep	6.77	7.70	4.78	7.50	8.15	5.27	11.48	12.88	12.97	9.84
Oct	6.23	7.48	4.20	6.98	8.16	5.13	10.73	12.08	13.20	9.31
Nov	6.26	7.39	4.10	6.97	8.18	5.06	10.96	12.44	13.10	8.86
Dec	5.96	7.23	4.13	6.57	7.85	5.06	10.50	11.82	13.14	9.34
Jan	6.25	7.17	4.13	6.94	7.70	5.02		12.20	13.13	9.77
Feb	6.41	7.15	4.33	7.10	7.70	5.32		12.09	13.12	10.16
Mar	6.46	7.33	4.64	7.13	7.85	5.65		12.04	13.32	10.57
Apr	6.34	6.57	4.63	6.96	7.11	5.64		11.94	12.18	
May	6.27	6.83		6.84	7.50				12.42	
Jun	6.30	6.94		6.79	7.58					
Jul	7.85	6.61		8.46	7.10					
Aug	8.15	5.98		8.44	6.07			13.47	10.01	
Mkt year	6.60	7.03		7.22	7.58		10.92	12.33	12.66	

	Barley, No. 2 feed, Minneapolis, MN (dollars per bushel)			Barley, No. 3 malting, Minneapolis, MN (dollars per bushel)			Oats, No. 2 white heavy, Minneapolis, MN (dollars per bushel)		
	2011/12	2012/13	2013/14	2011/12	2012/13	2013/14	2011/12	2012/13	2013/14
Jun	5.06	5.15	5.01	7.40	7.03	6.88	3.68	3.37	4.21
Jul	5.18	5.52	4.66	7.72	6.89	6.79	3.68	3.95	3.84
Aug	5.25	5.78	4.03	7.83	6.95	5.88	3.69	3.99	3.78
Sep	5.14	5.58	3.48	7.76	6.99	5.41	3.72	3.89	3.40
Oct	5.16	5.51	3.39	7.64	7.11	5.50	3.51	3.98	3.57
Nov	5.29	5.49	3.46	7.60	7.23	5.46	3.36	3.85	3.79
Dec	5.17	5.29	3.52	7.32	7.22	5.77	3.30	3.94	3.80
Jan	5.24	5.08	3.65	7.20	7.09	5.72	3.16	3.79	4.30
Feb	5.26	5.16	3.70	7.07	7.04	5.64	3.46	4.07	4.64
Mar	5.37	5.22	3.87	7.05	6.87	5.97	3.48	4.26	4.66
Apr	5.18	5.00	3.95	7.03	6.51	6.24	3.55	4.13	4.58
May	5.21	5.04		7.00	6.70		3.48	3.99	
Mkt year	5.21	5.32		7.38	6.97		3.50	3.93	

1/ Corn and sorghum, September 1-August 31 marketing year; Barley and oats, June 1-May 31 marketing year. Simple average of monthly prices for the marketing year.
Source: USDA, Agricultural Marketing Service, http://marketnews.usda.gov/portal/lg.

Data run: 5/12/2014

Table 4--Selected feed and feed byproduct prices (dollars per ton), 5/13/2014

Mkt year and month 1/	Soybean meal, high protein, Central Illinois, IL			Cottonseed meal, 41% solvent, Memphis, TN			Corn gluten feed, 21% protein, Midwest			Corn gluten meal, 60% protein, Midwest		
	2011/12	2012/13	2013/14	2011/12	2012/13	2013/14	2011/12	2012/13	2013/14	2011/12	2012/13	2013/14
Oct	301.45	488.46	443.63	255.63	343.00	355.00	173.75	226.50	157.50	524.38	753.50	601.25
Nov	292.22	466.16	451.13	240.50	376.88	345.00	168.20	209.75	224.87	487.00	716.25	706.71
Dec	281.66	460.09	498.31	220.63	345.00	401.88	155.00	203.34	158.38	441.25	673.34	631.25
Jan	310.65	431.39	479.54	213.00	327.50	378.34	138.00	204.10	165.00	433.50	599.50	625.00
Feb	330.37	440.67	509.25	190.00	279.38	388.75	133.75	209.88	167.50	448.75	584.38	668.13
Mar	365.96	437.33	492.37	225.00	301.88	401.25	129.38	204.13	177.63	487.50	581.88	744.38
Apr	394.30	422.07	na	240.63	314.50	na	128.75	176.70	na	498.75	540.50	na
May	415.17	465.72		270.00	311.88		137.80	157.25		533.00	480.63	
Jun	422.60	496.78		294.38	329.38		138.00	151.00		579.00	550.00	
Jul	515.83	544.59		350.50	344.50		192.20	140.60		629.00	591.00	
Aug	564.69	464.91		407.50	330.00		252.50	123.13		718.75	565.63	
Sep	529.37	500.39		393.75	374.38		243.38	135.50		721.88	573.75	
Mkt yr	393.69	468.21		275.13	331.52		165.89	178.49		541.90	600.86	

Mkt year and month 1/	Meat and bone meal, Central US			Distillers dried grains, Central Illinois, IL			Wheat middlings, Kansas City, MO			Alfalfa hay, weighted-average farm price 2/		
	2011/12	2012/13	2013/14	2011/12	2012/13	2013/14	2011/12	2012/13	2013/14	2011/12	2012/13	2013/14
Oct	299.02	463.59	385.53	207.50	278.00	216.50	185.69	208.57	153.37	204.00	212.00	193.00
Nov	284.24	380.38	410.95	216.10	259.00	217.13	198.55	193.60	138.69	193.00	215.00	188.00
Dec	280.76	320.42	459.57	192.25	261.67	220.50	196.24	217.37	198.00	195.00	217.00	187.00
Jan	285.08	338.16	456.88	194.20	264.90	200.00	138.58	196.38	151.62	193.00	217.00	185.00
Feb	289.60	410.39	438.75	203.00	271.13	214.38	136.35	197.47	150.24	194.00	218.00	188.00
Mar	337.49	474.92	501.25	213.88	270.88	245.00	126.71	196.93	156.62	200.00	219.00	191.00
Apr	421.08	424.37	na	213.88	242.40	na	108.05	183.64	na	210.00	213.00	206.00
May	439.82	387.05		223.40	229.00		136.28	138.75		215.00	221.00	
Jun	393.29	413.74		220.63	235.88		144.36	147.13		205.00	220.00	
Jul	414.07	481.53		272.90	240.20		212.28	138.30		203.00	209.00	
Aug	444.80	461.38		301.63	232.13		256.13	120.91		203.00	200.00	
Sep	490.16	450.82		293.38	230.13		216.21	140.35		206.00	194.00	
Mkt yr	364.95	417.23		229.39	251.27		171.28	173.28		196.00	210.00	197.00

1/ October 1-September 30 except for hay. Simple average of monthly prices for the marketing year except for hay.

2/ May 1-April 30 marketing year. U.S. season-average price based on monthly price received by farmers weighted by monthly marketings.

na = not available at time of publication.

Source: USDA, Agricultural Marketing Service, http://marketnews.usda.gov/portal/lg, and USDA, National Agricultural Statistics Service, http://www.nass.usda.gov/Data_and_Statistics/Quick_Stats/index.asp.

Table 5--Corn: Food, seed, and industrial use (million bushels), 5/13/2014

Mkt year and qtr 1/		High-fructose corn syrup (HFCS)	Glucose and dextrose	Starch	Alcohol for fuel	Alcohol for beverages and manufacturing	Cereals and other products	Seed	Total food, seed, and industrial use
2012/13	Q1 Sep-Nov	123.07	70.38	63.98	1,124.38	34.16	52.40	0.00	1,468.37
	Q2 Dec-Feb	113.44	67.55	59.15	1,109.85	35.83	52.29	0.00	1,438.10
	Q3 Mar-May	126.32	73.98	62.44	1,193.06	37.52	52.84	22.37	1,568.52
	Q4 Jun-Aug	130.48	73.91	62.36	1,221.16	32.49	52.90	2.22	1,575.52
	MY Sep-Aug	493.30	285.82	247.93	4,648.45	140.00	210.42	24.58	6,050.50
2013/14	Q1 Sep-Nov	113.43	71.21	61.42	1,224.42	34.31	49.95	0.00	1,554.74
	Q2 Dec-Feb	109.96	72.85	60.47	1,273.03	35.96	49.82	0.00	1,602.09
	MY Sep-Aug	490.00	280.00	250.00	5,050.00	140.43	200.46	24.11	6,435.00
2014/15	MY Sep-Aug	490.00	280.00	250.00	5,050.00	141.71	200.07	23.22	6,435.00

1/ September-August. Latest data may be preliminary or projected.

Source: Calculated by USDA, Economic Research Service.

Table 6--Wholesale corn milling product and byproduct prices, 5/13/2014

Mkt year and month 1/	Corn meal, yellow, Chicago, IL (dollars per cwt)		Corn meal, yellow, New York, NY (dollars per cwt)		Corn starch, Midwest 3/ (dollars per cwt)		Dextrose, Midwest (cents per pound)		High-fructose corn syrup (42%), Midwest (cents per pound)	
	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14	2012/13	2013/14
Sep	29.21	27.17	31.03	28.82	24.22	21.04	34.85	35.35	23.38	25.88
Oct	28.56	26.47	30.39	28.10	23.05	18.55	34.85	35.35	23.38	25.88
Nov	28.34	26.22	30.17	27.95	22.24	15.64	35.35	34.10	23.38	24.38
Dec	28.01	26.26	29.84	27.89	22.27	14.68	35.10	32.85	23.38	22.88
Jan	27.93	24.69	29.76	26.44	22.78	14.41	35.35	29.62	25.88	20.79
Feb	27.63	21.66	29.46	23.36	22.27	14.44	35.35	30.50	25.88	21.25
Mar	27.79	21.50	29.61	23.24	22.81	14.68	35.35	30.50	25.88	21.25
Apr	27.19	21.32	29.07	22.99	23.08	14.98	35.35	30.50	25.88	21.25
May	27.94		29.77		21.97		35.35		25.88	
Jun	28.35		30.18		22.72		35.35		25.88	
Jul	29.08		30.91		23.38		35.35		25.88	
Aug	28.07		29.80		23.08		35.35		25.88	
Mkt year 2/	28.17		30.00		22.82		35.25		25.04	

1/ September-August. Latest month is preliminary.
2/ Simple average of monthly prices for the marketing year.
3/ Bulk-industrial, unmodified.
Source: Milling and Baking News, except for corn starch which is from private industry.

Date run: 5/12/2014

Table 7--U.S. feed grain imports by selected sources (1,000 metric tons) 1/, 5/13/2014

Import and country/region		---------- 2011/12 ----------		---------- 2012/13 ----------		2013/14
		Mkt year	Jun-Mar	Mkt year	Jun-Mar	Jun-Mar
Oats	Canada	1,556	1,373	1,590	1,369	1,196
	Finland	35	35			39
	Sweden	29	29	8		33
	All other countries	1	1	2	1	3
	Total 2/	1,621	1,437	1,600	1,370	1,271
Malting barley	Canada	264	216	342	294	158
	All other countries	0	0	0	0	
	Total 2/	264	216	342	294	158
Other barley 3/	Canada	89	77	161	132	122
	All other countries	1	1	4	3	2
	Total 2/	90	78	165	135	124

1/ Grain only. Market year (June-May) and market year to date.
2/ Totals may not add due to rounding.
3/ Grain for purposes other than malting, such as feed and seed use.
Source: U.S. Department of Commerce, Bureau of the Census, Foreign Trade Statistics.

Date run: 5/12/2014