

**National Grain
and Feed Association**

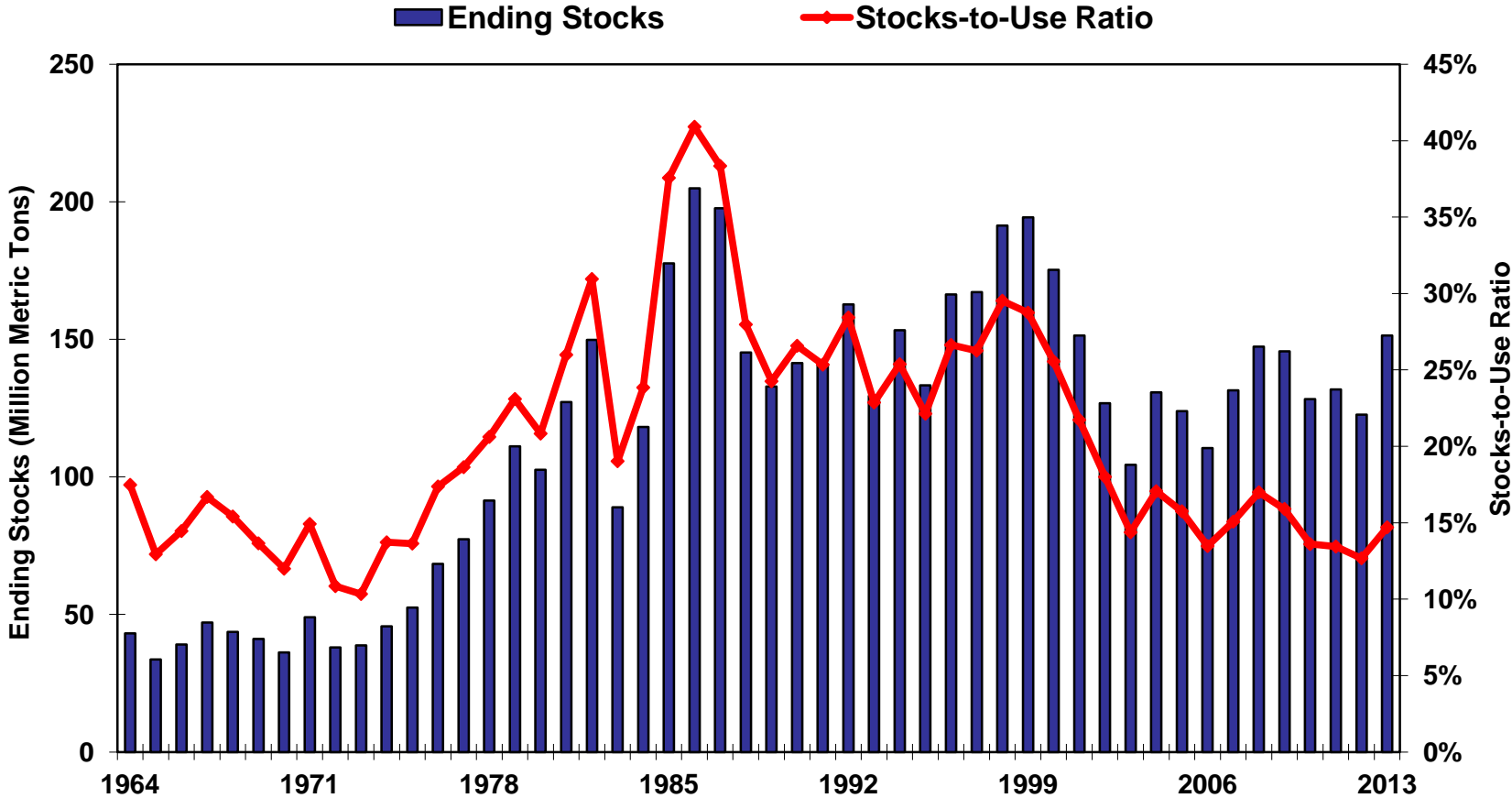
Grains and Oilseeds Market Update

Max Fisher

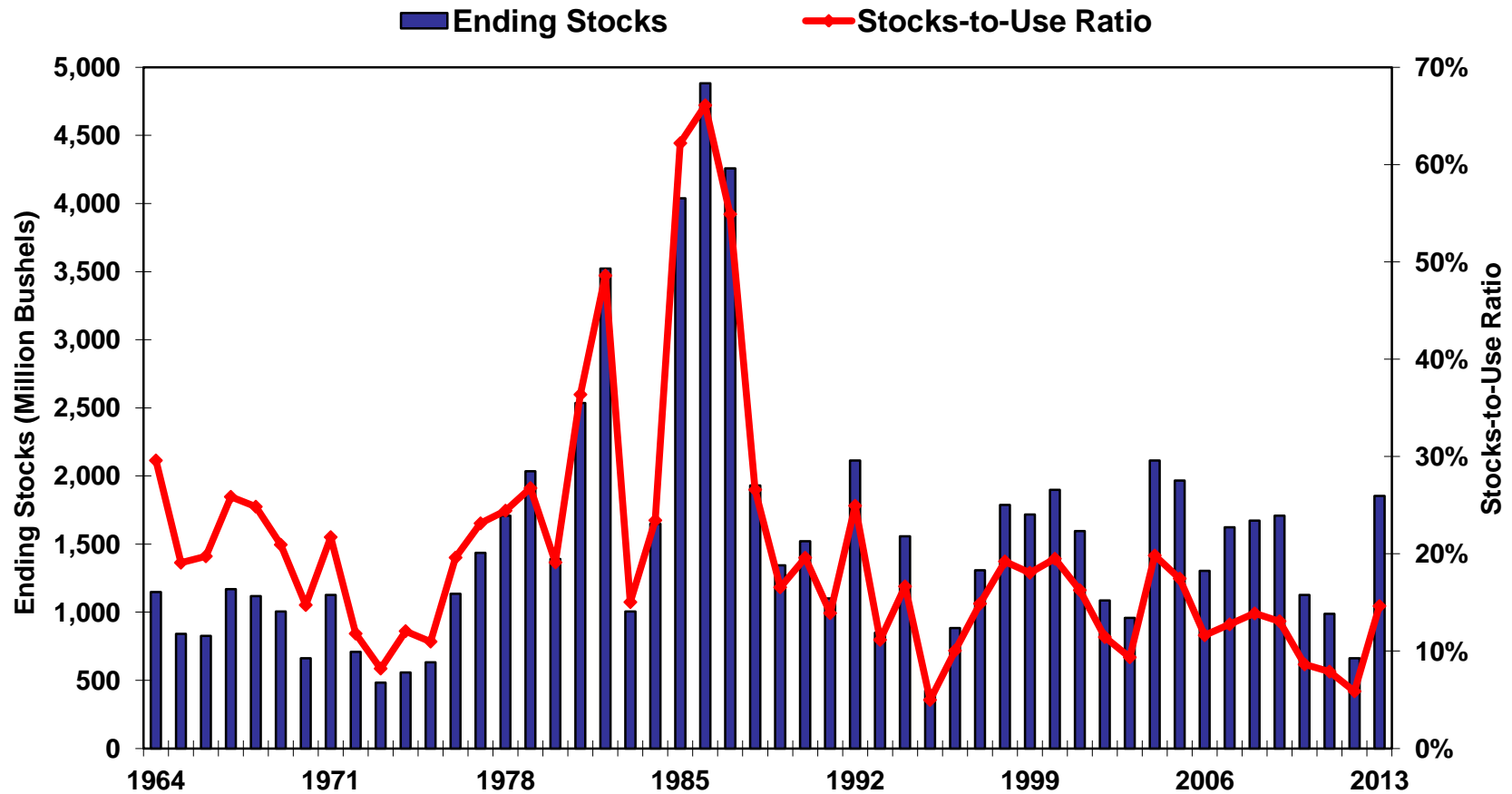
Director of Economics and Government Relations



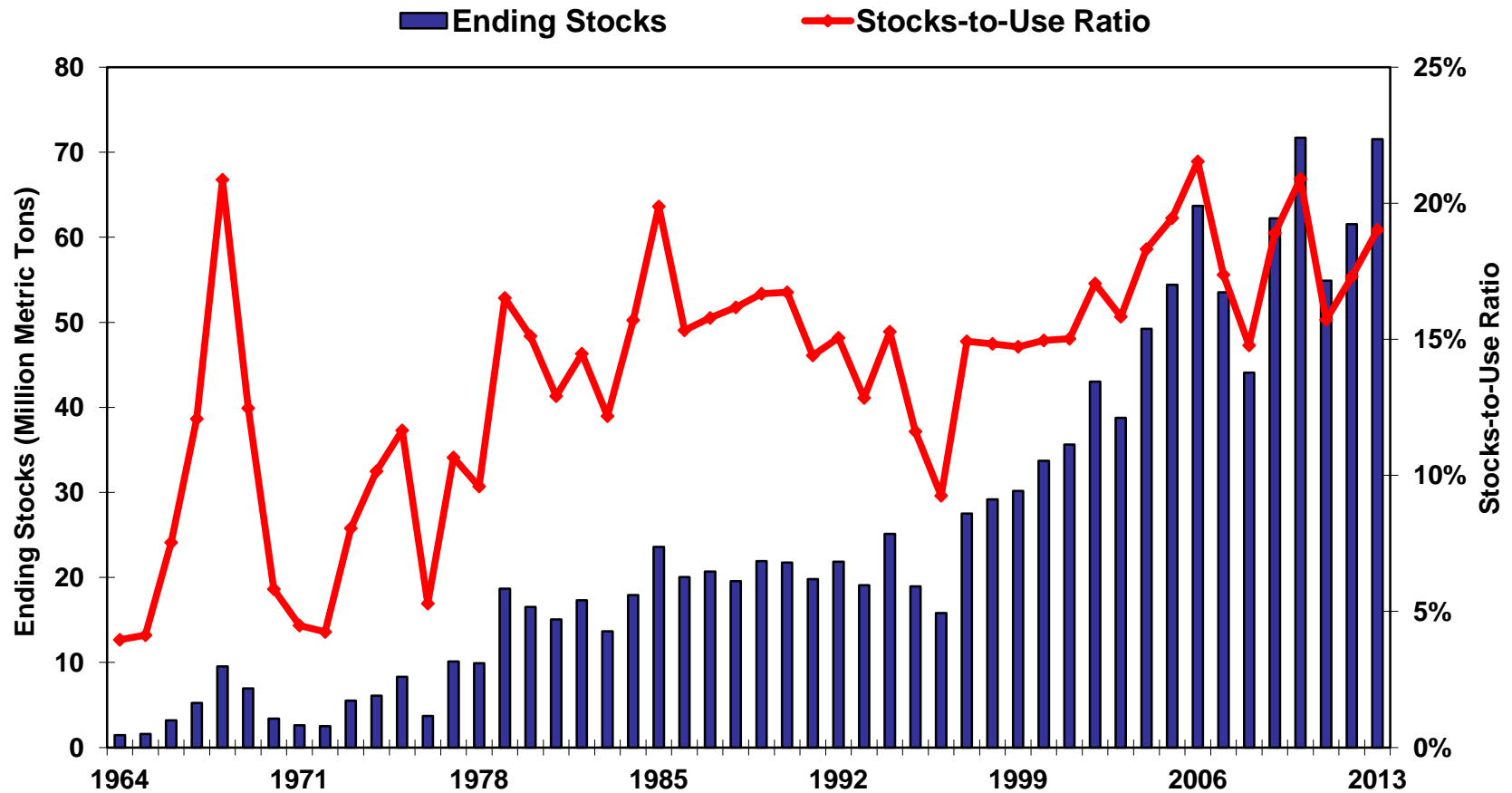
Rebound in World Corn Stocks



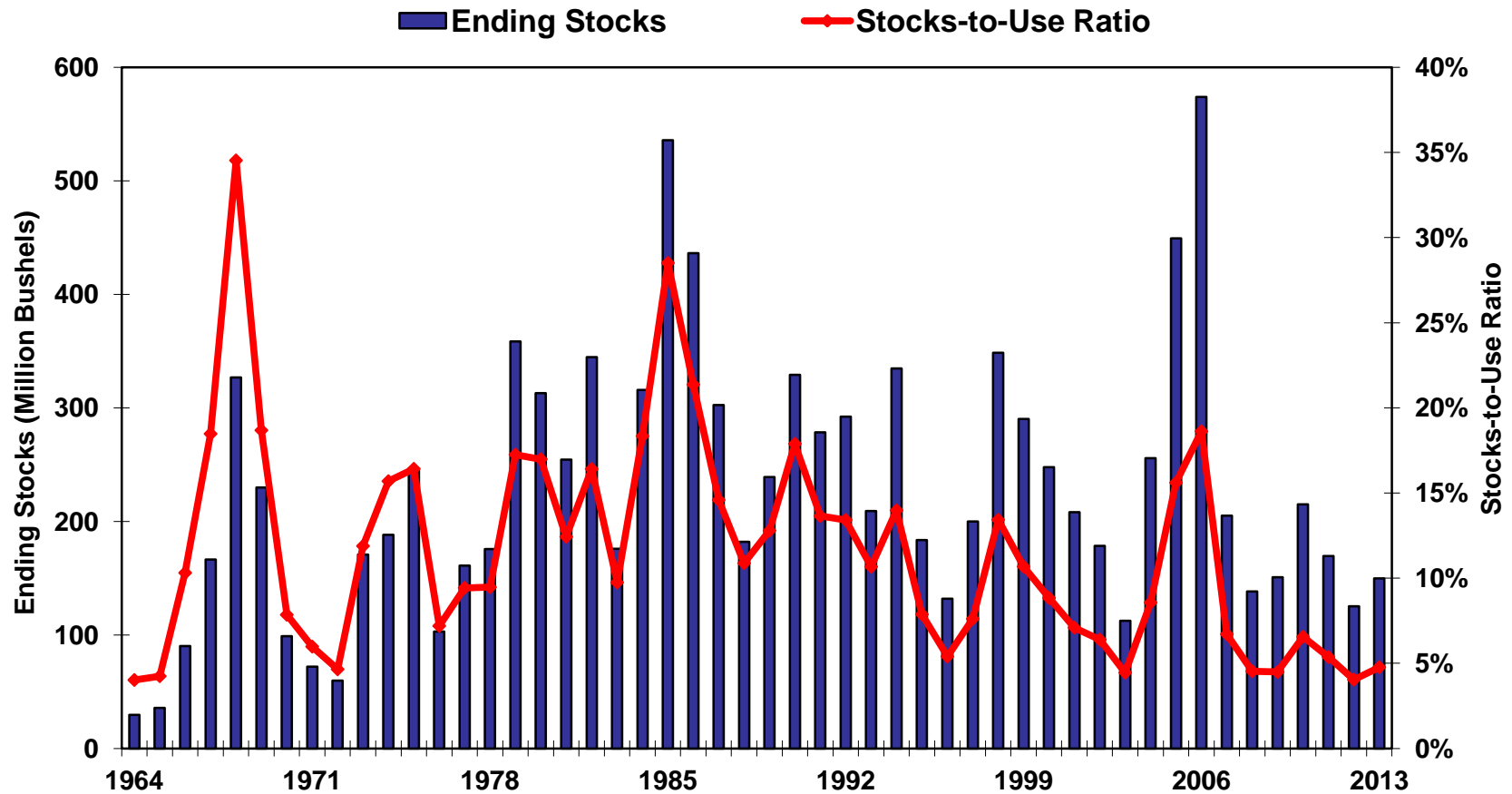
Return to more Comfortable U.S. Corn Stocks and Stocks-to-Use Ratio



Rebound in World Soybean Stocks and Stocks-to-Use Ratio

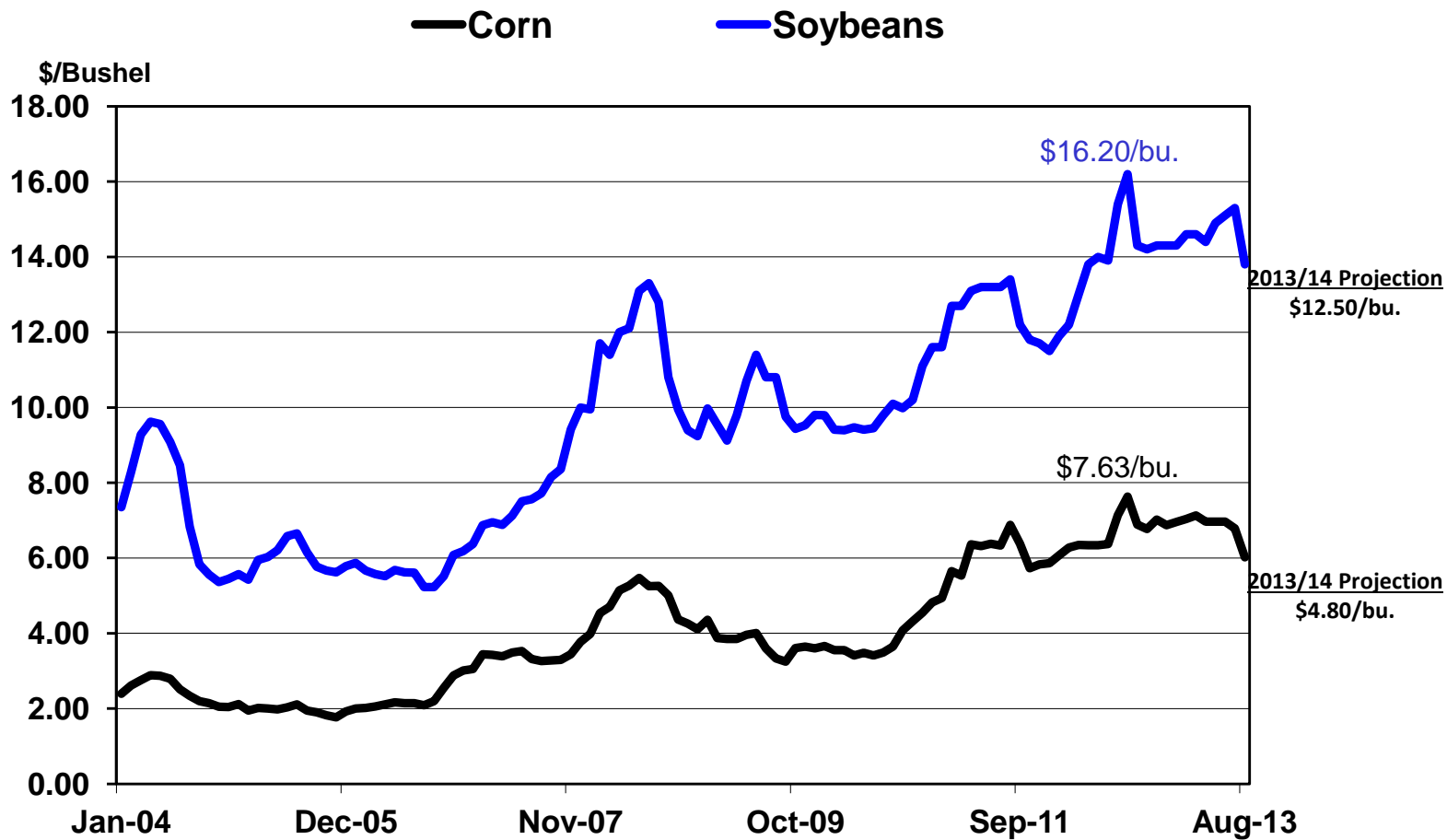


Continuance of Tight U.S. Soybean Stocks and Stocks-to-Use Ratio

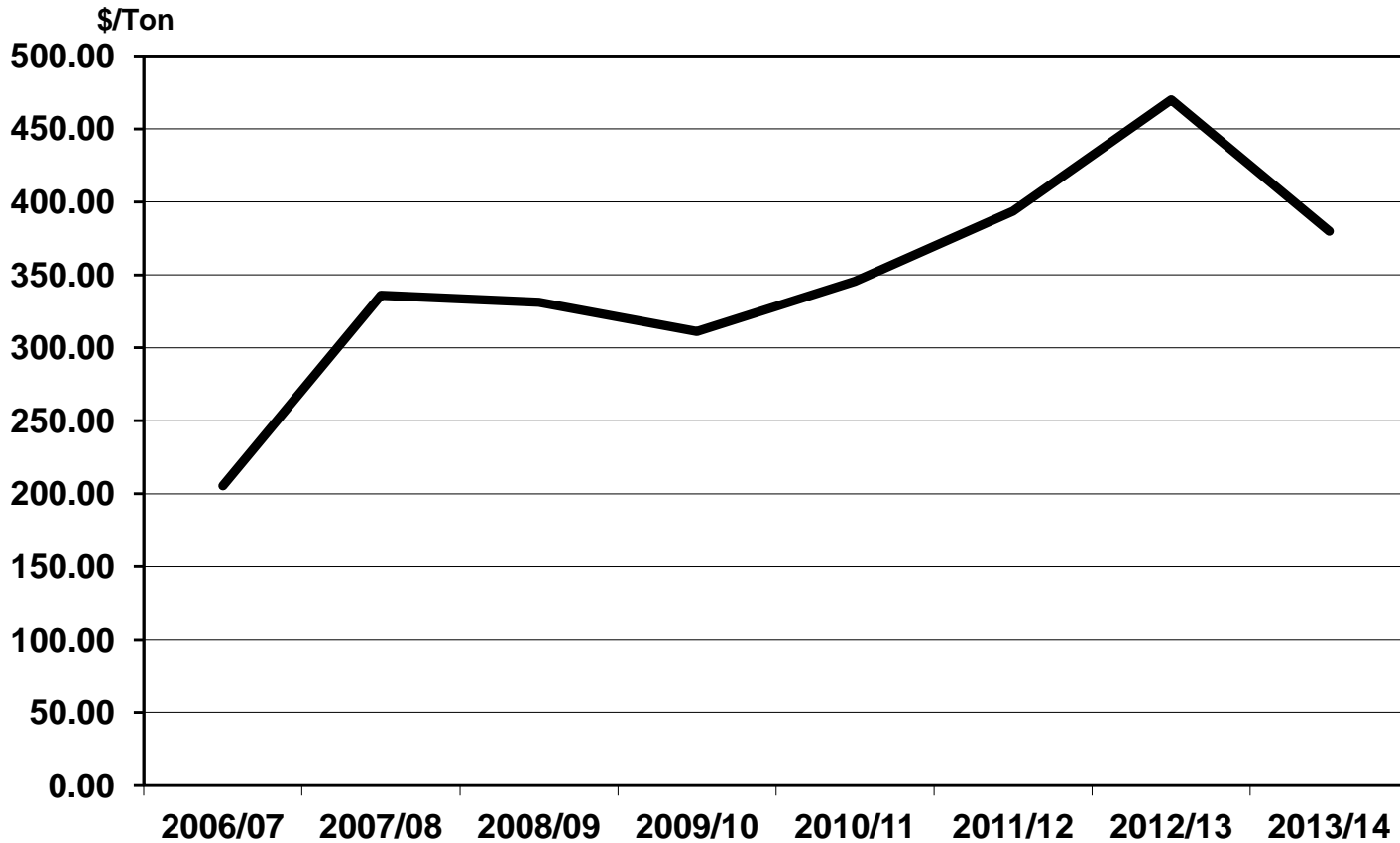


U.S. Farm Prices

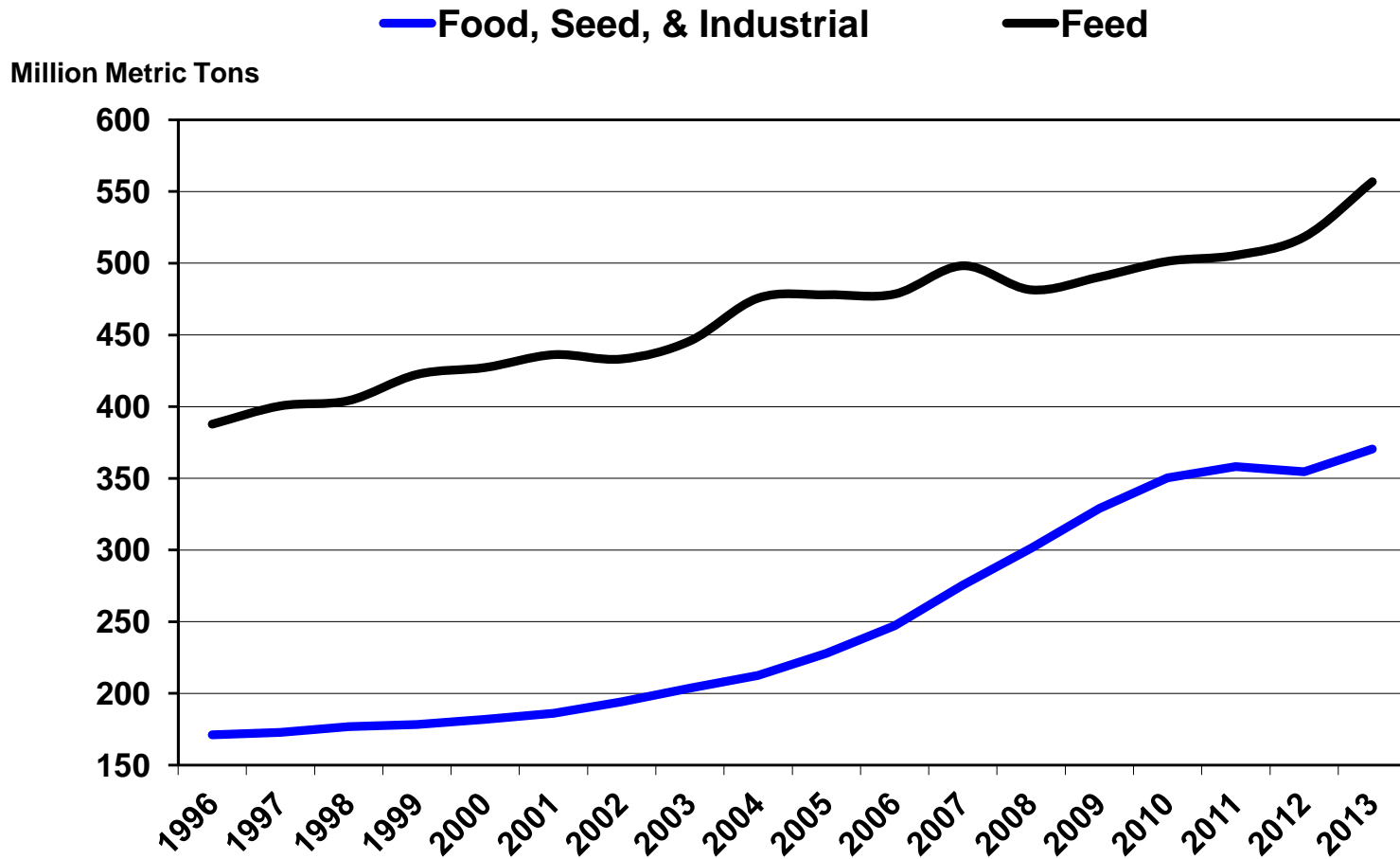
Monthly Average Prices Received by Producers



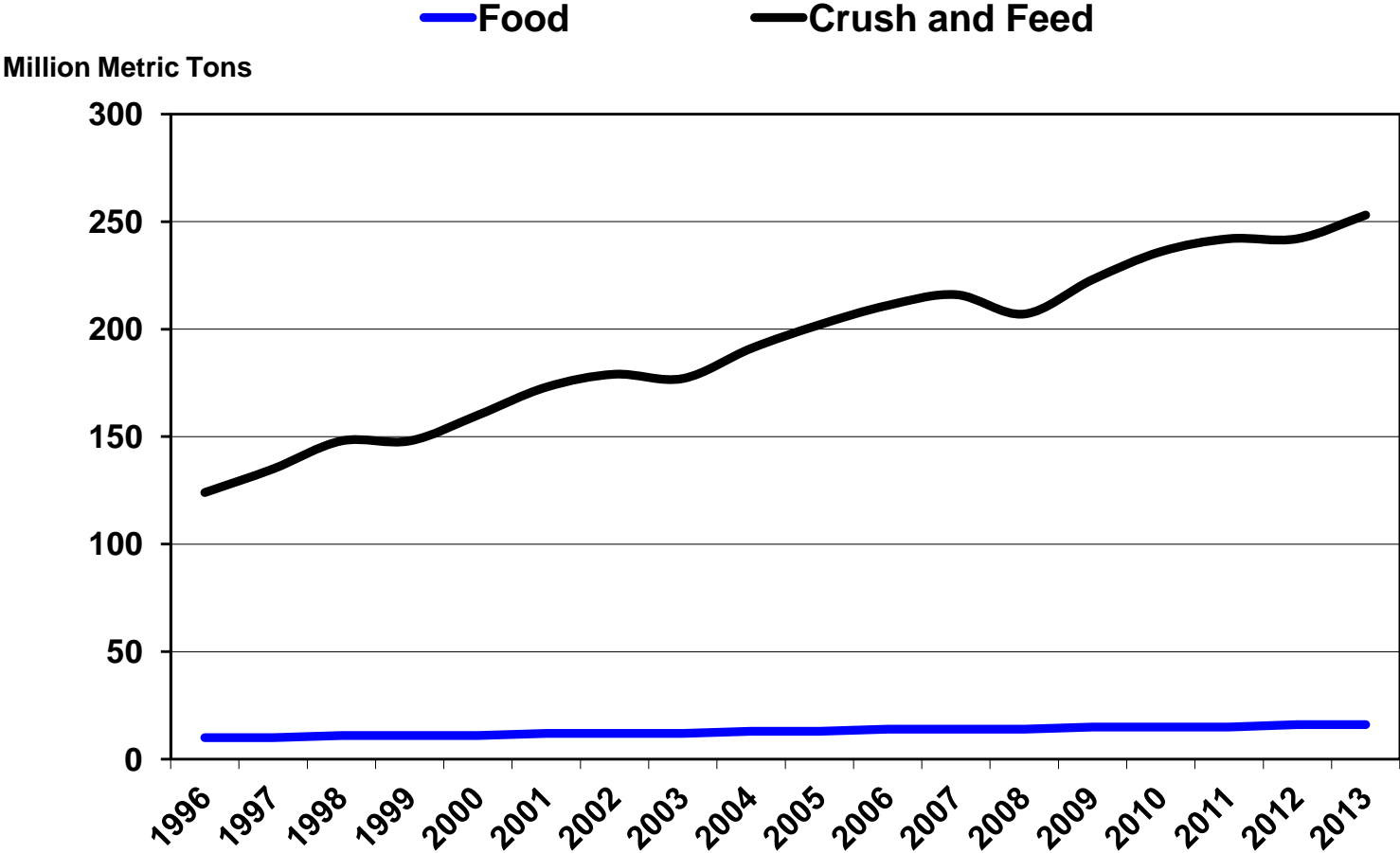
U.S. Soybean Meal Prices



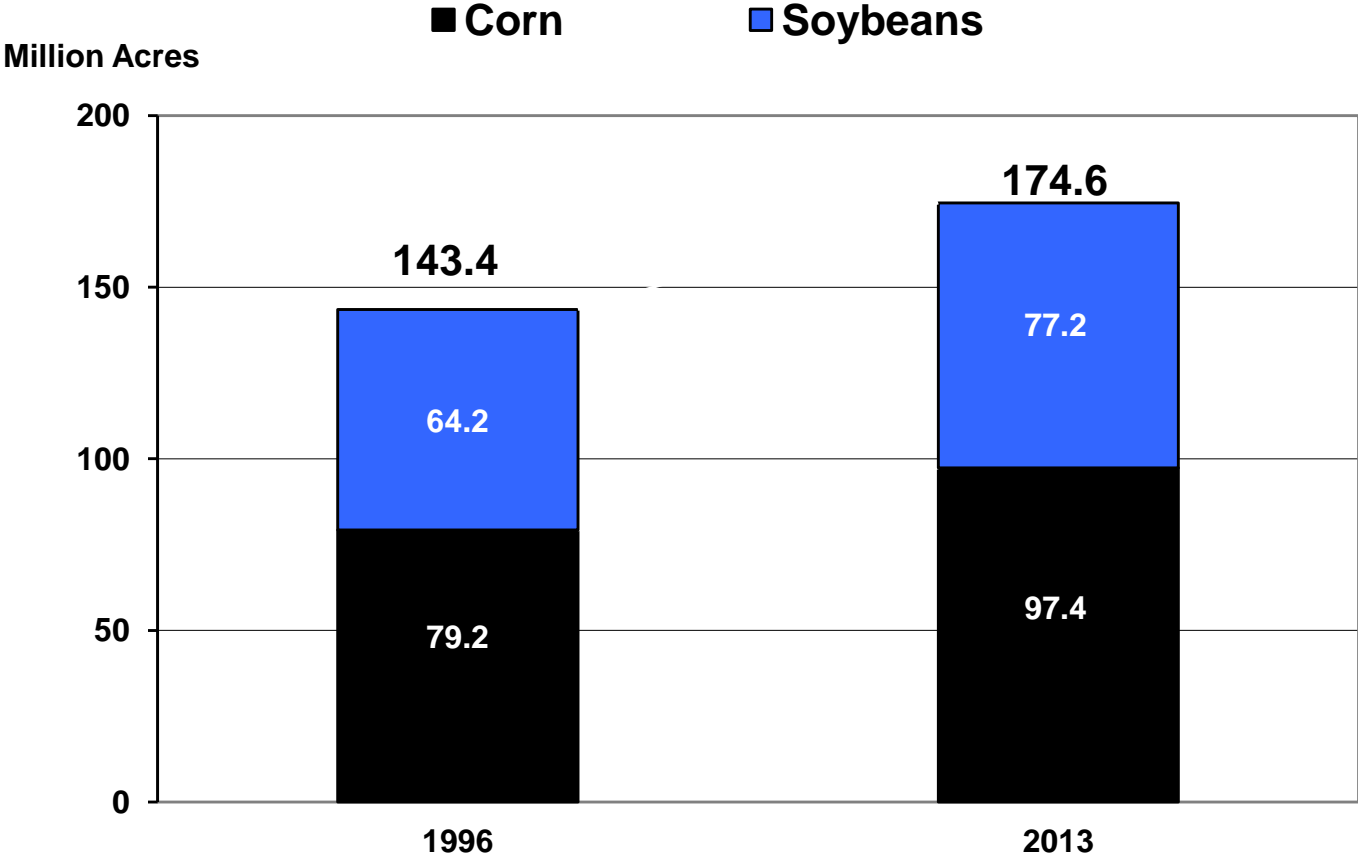
World Corn Consumption



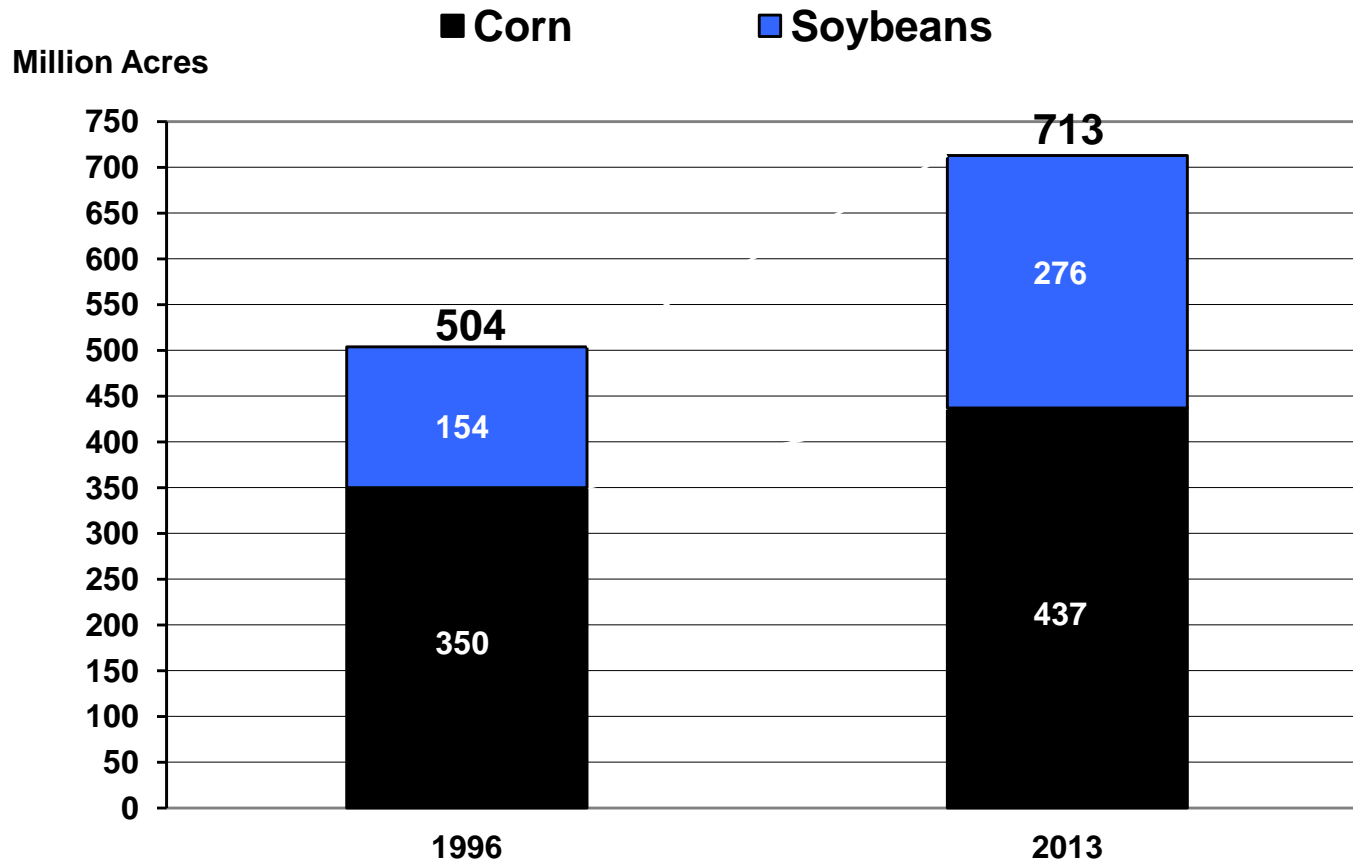
World Soybean Consumption



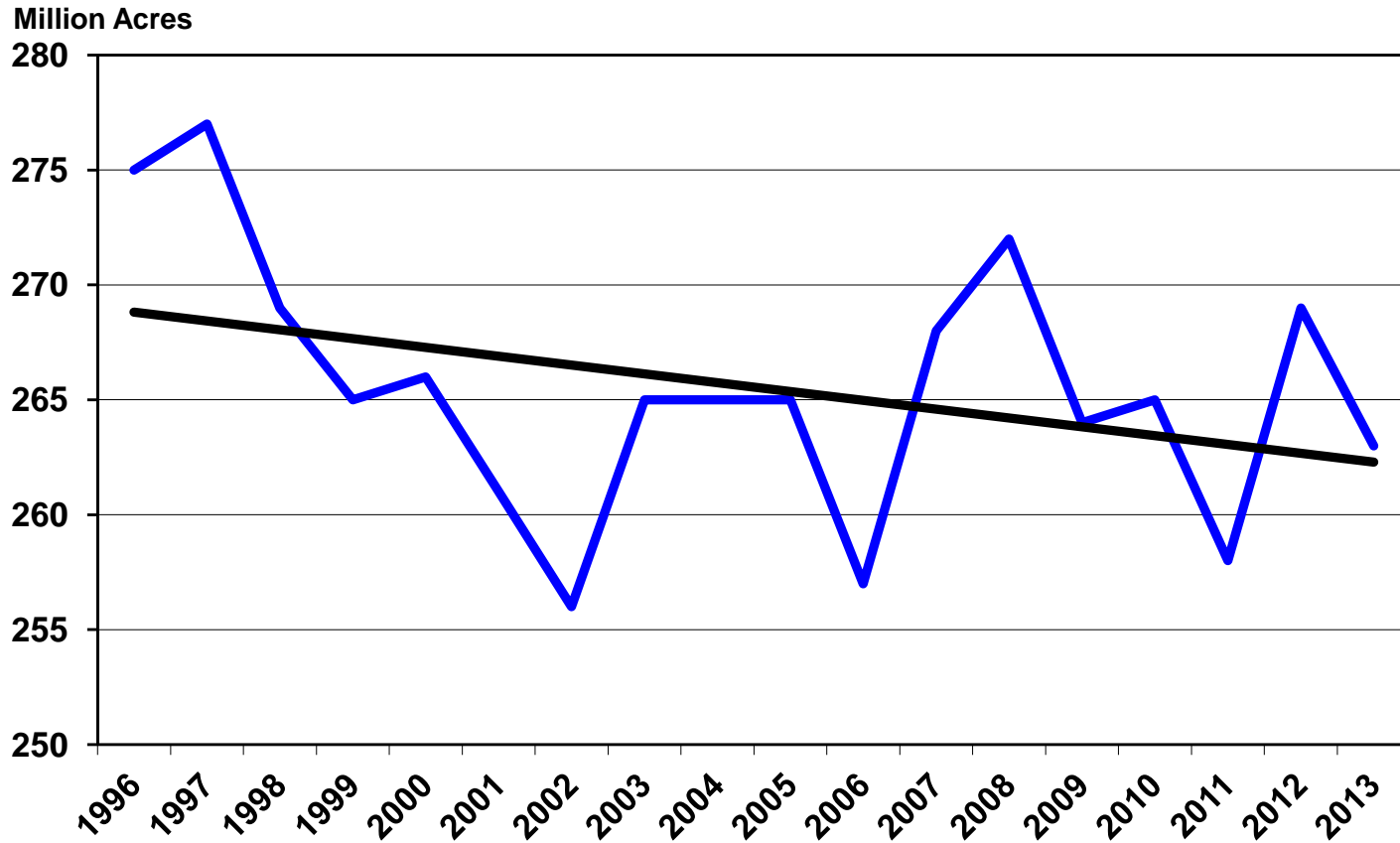
U.S. Corn and Soybean Acreage Expansion



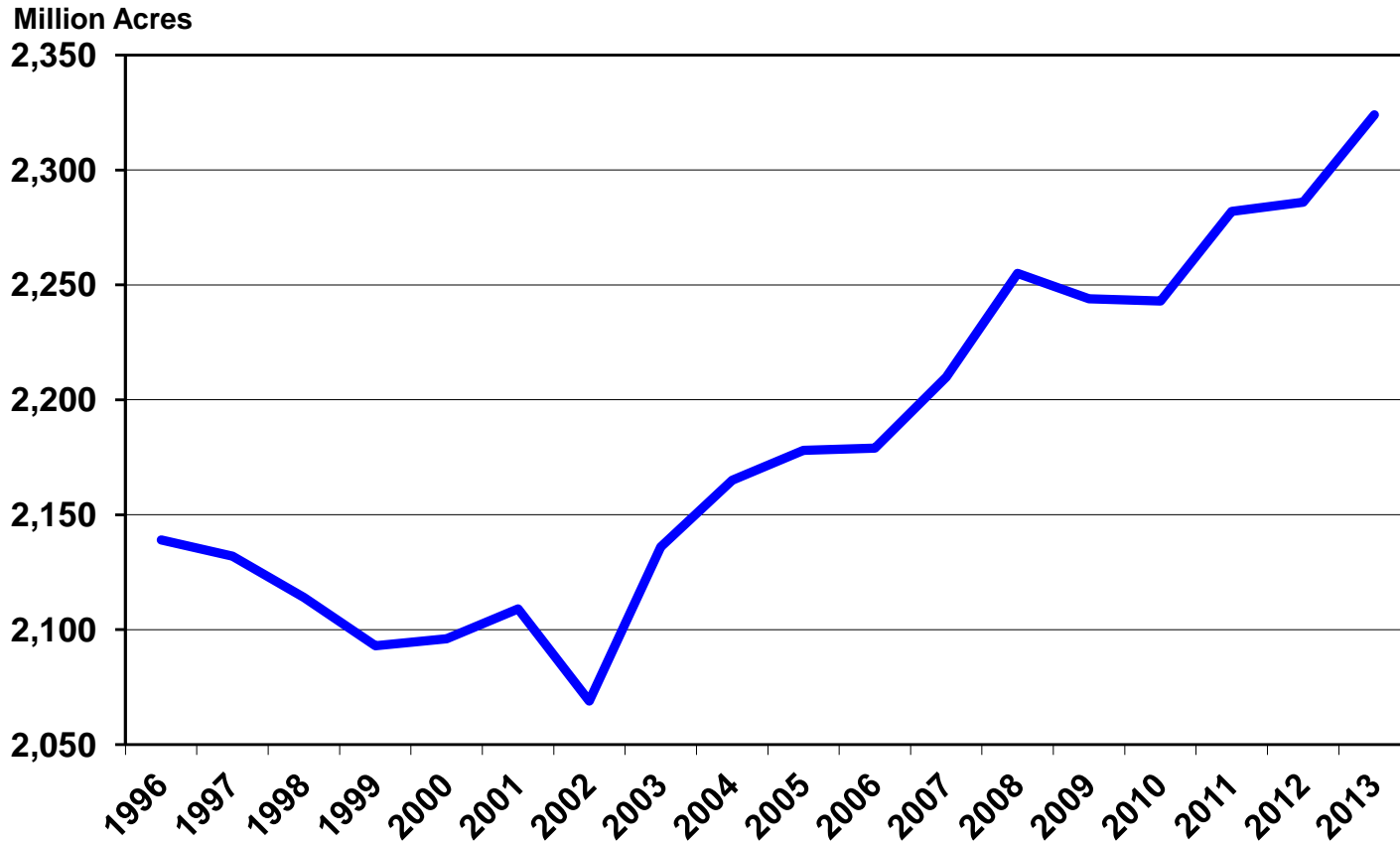
World Corn and Soybean Acreage Expansion



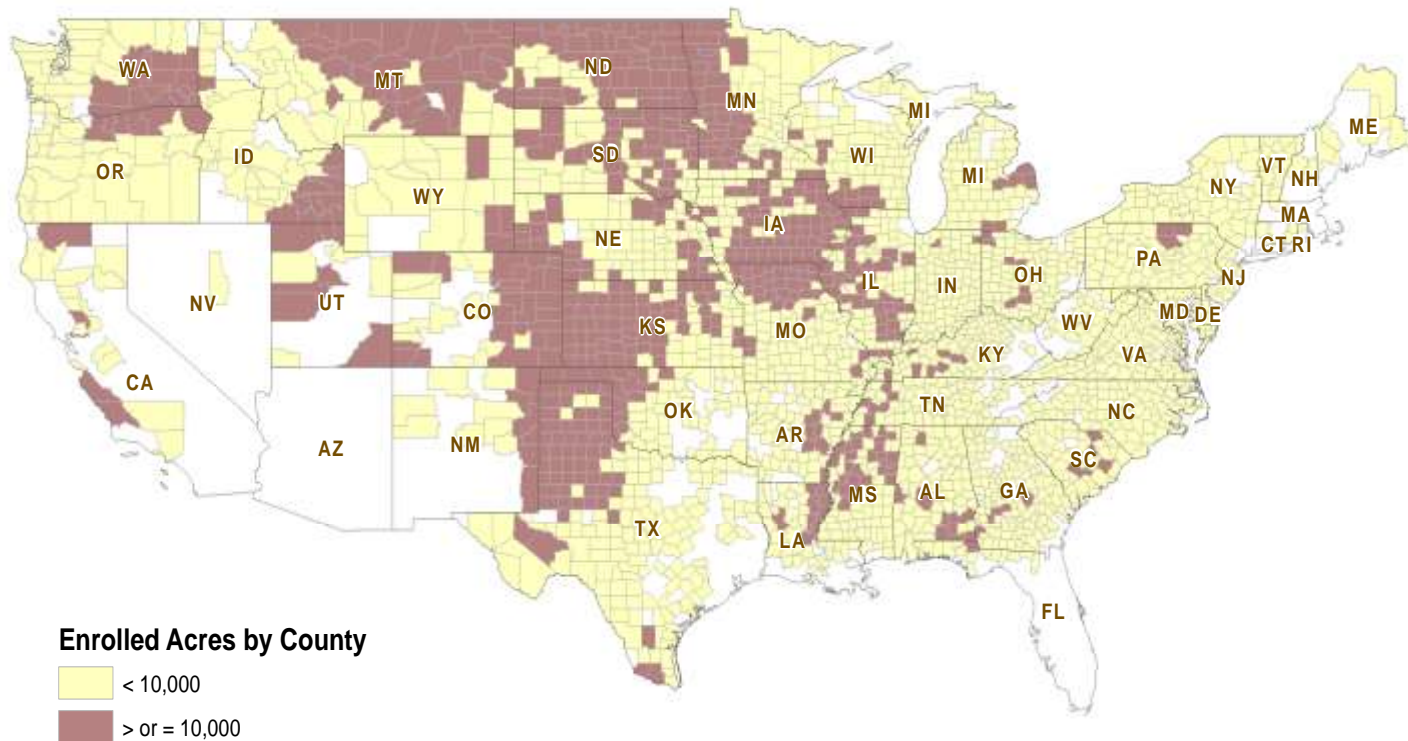
U.S. Field Crop Acres plus CRP



World Field Crop Acres plus CRP



U.S. Conservation Reserve Program (CRP)



Congressional Maximum Enrollment: 32.0 Million Acres

Current Enrollment: 26.9 Million Acres

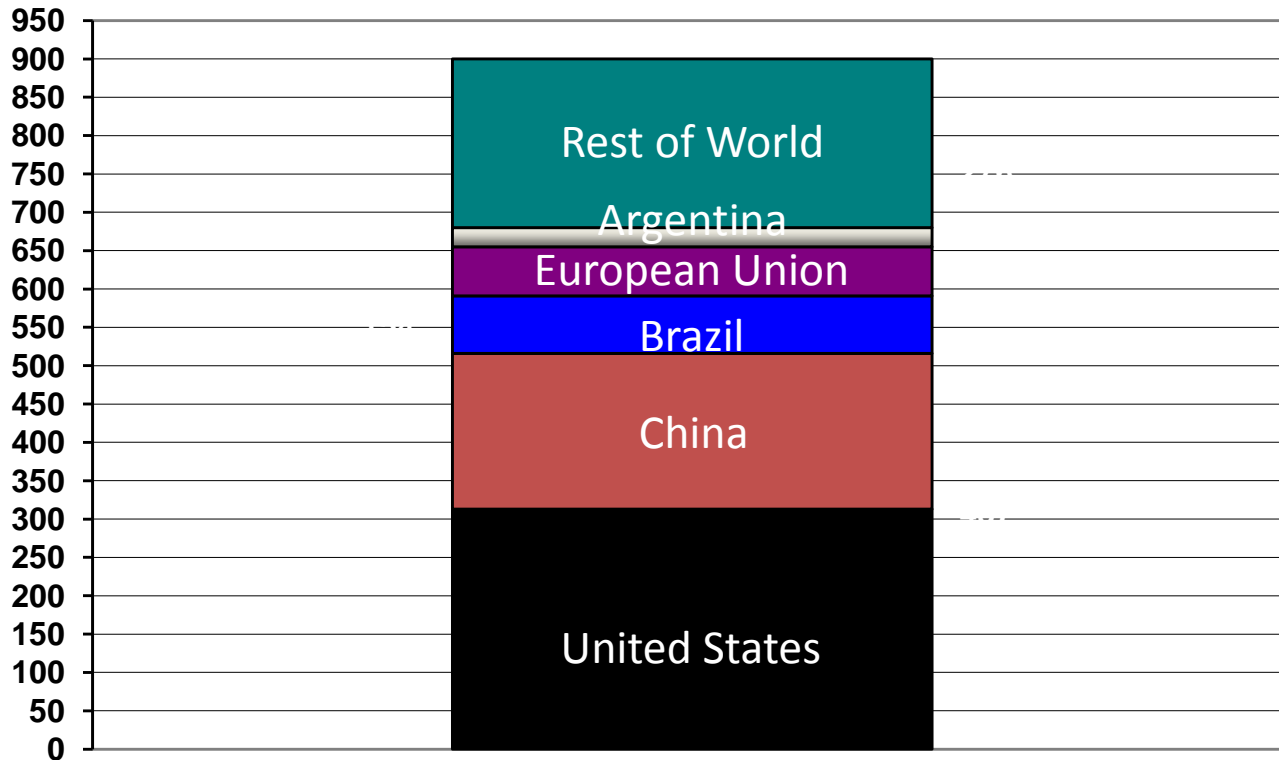
Expiring on 9/30/2013: 3.3 Million Acres

Re-enrolled or Newly Enrolled Acres for 10/1/2014: 1.9 Million Acres

World Corn Production

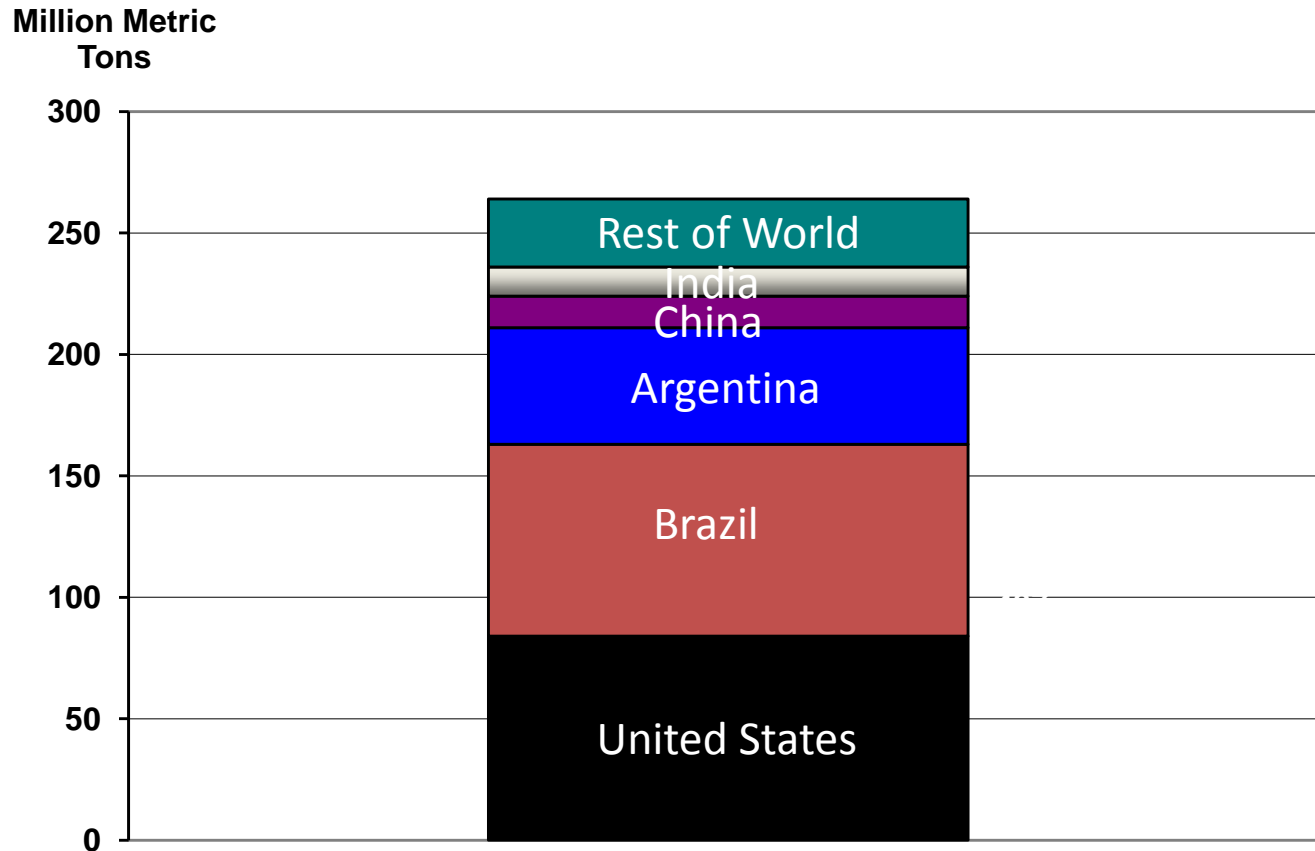
Average for Last Three Years

Million Metric
Tons



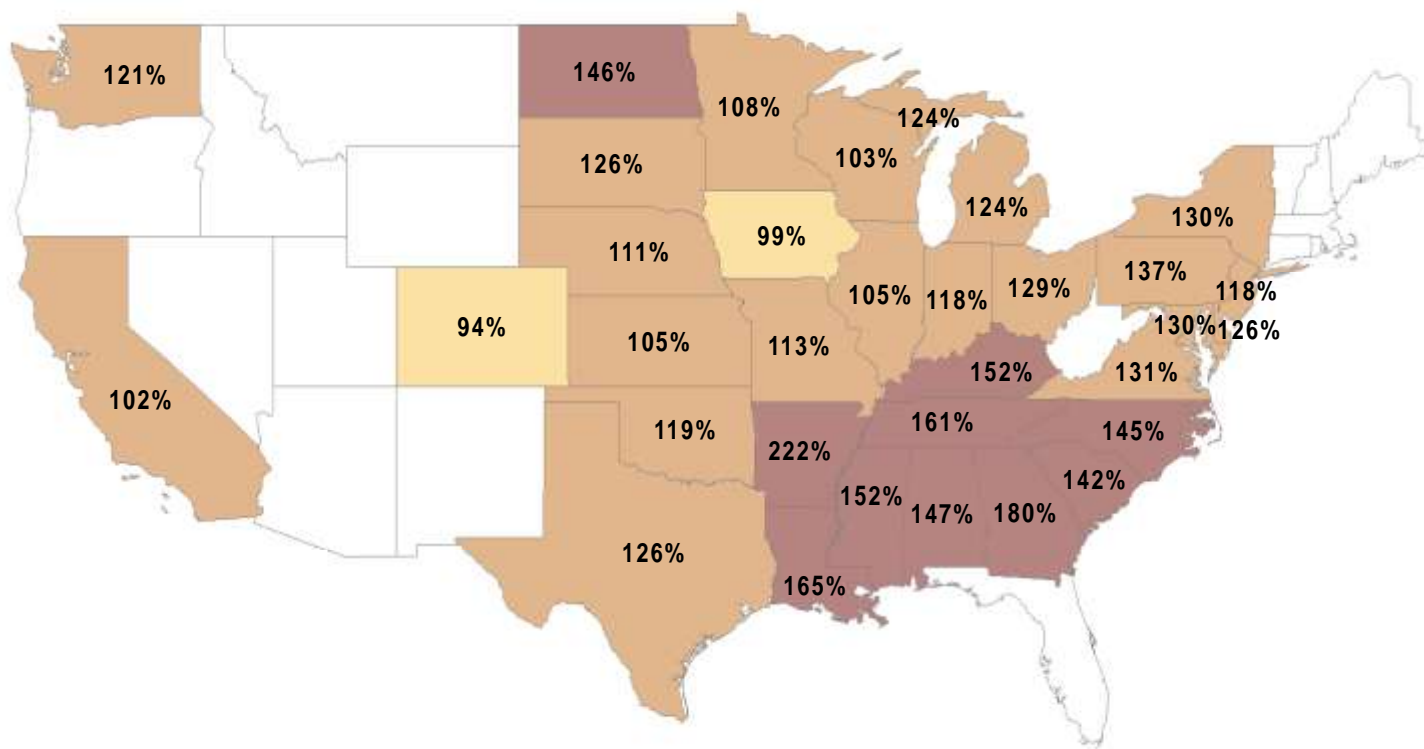
World Soybean Production

Average for Last Three Years



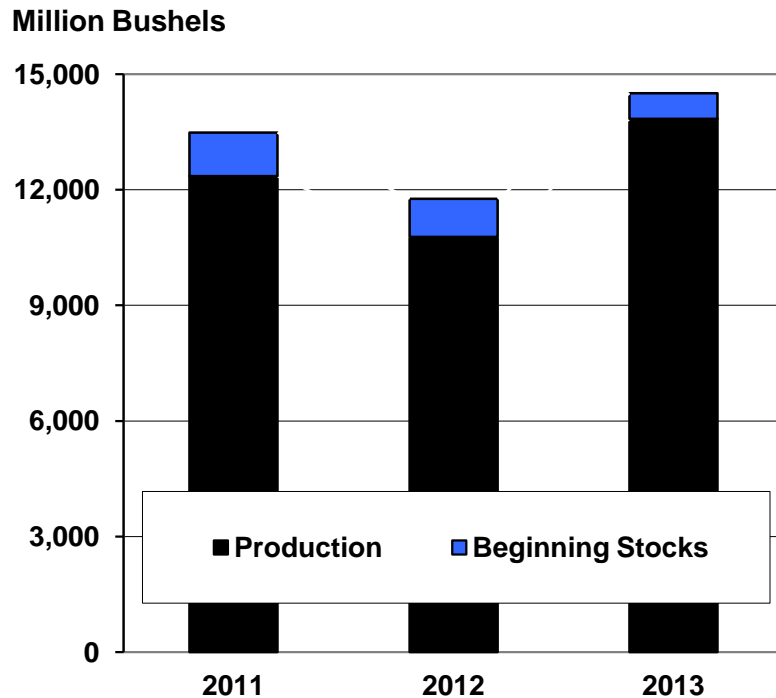
Changes in Corn Production for 2013

Projected 2013 State Corn Production Divided by 5-yr Average Production

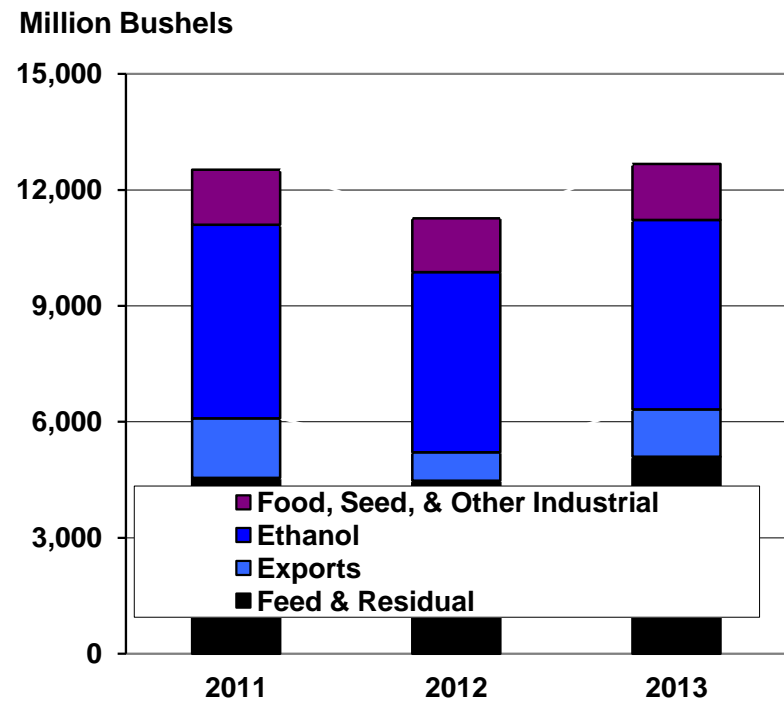


U.S. Corn Supply and Use

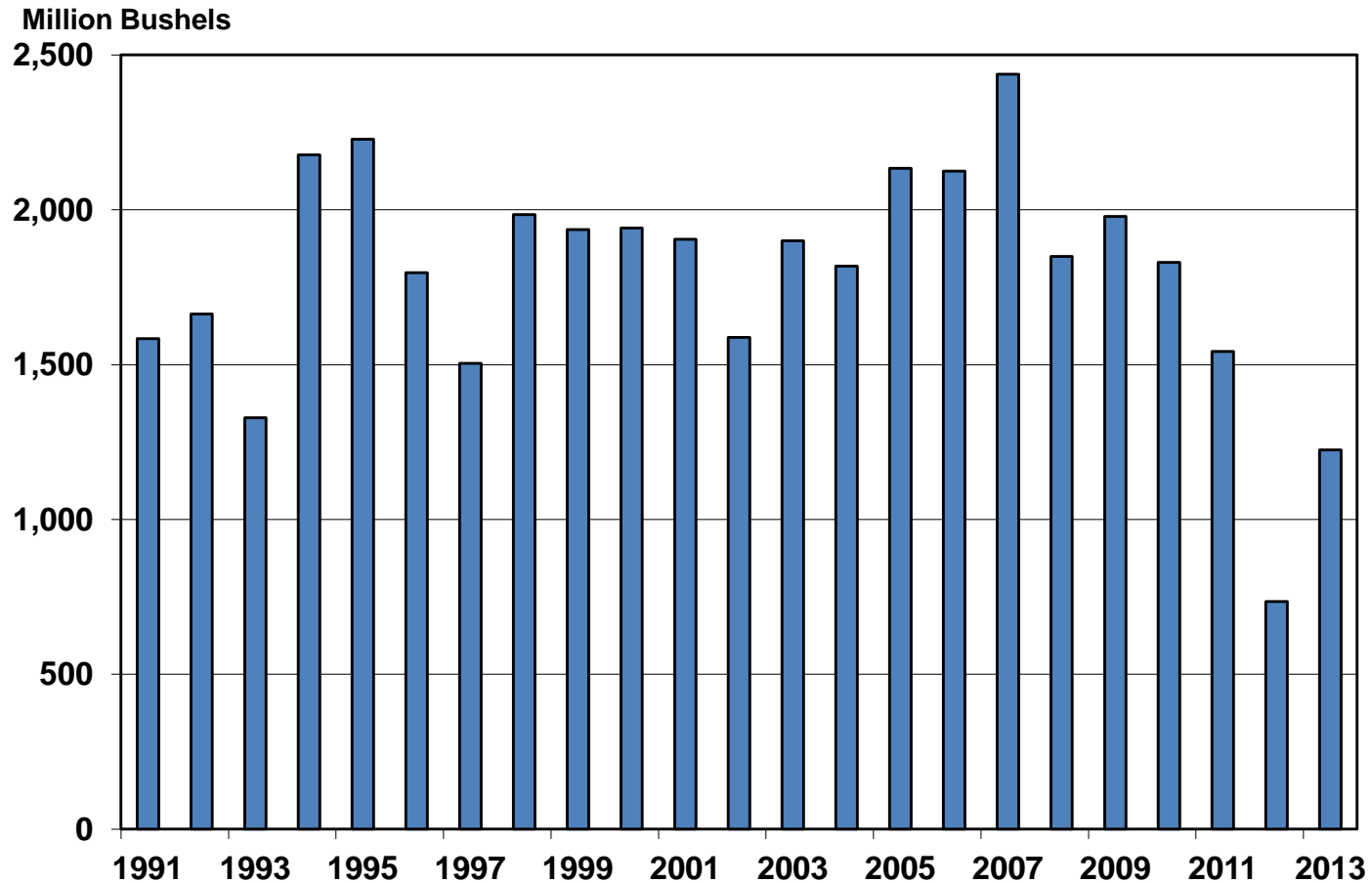
Supply



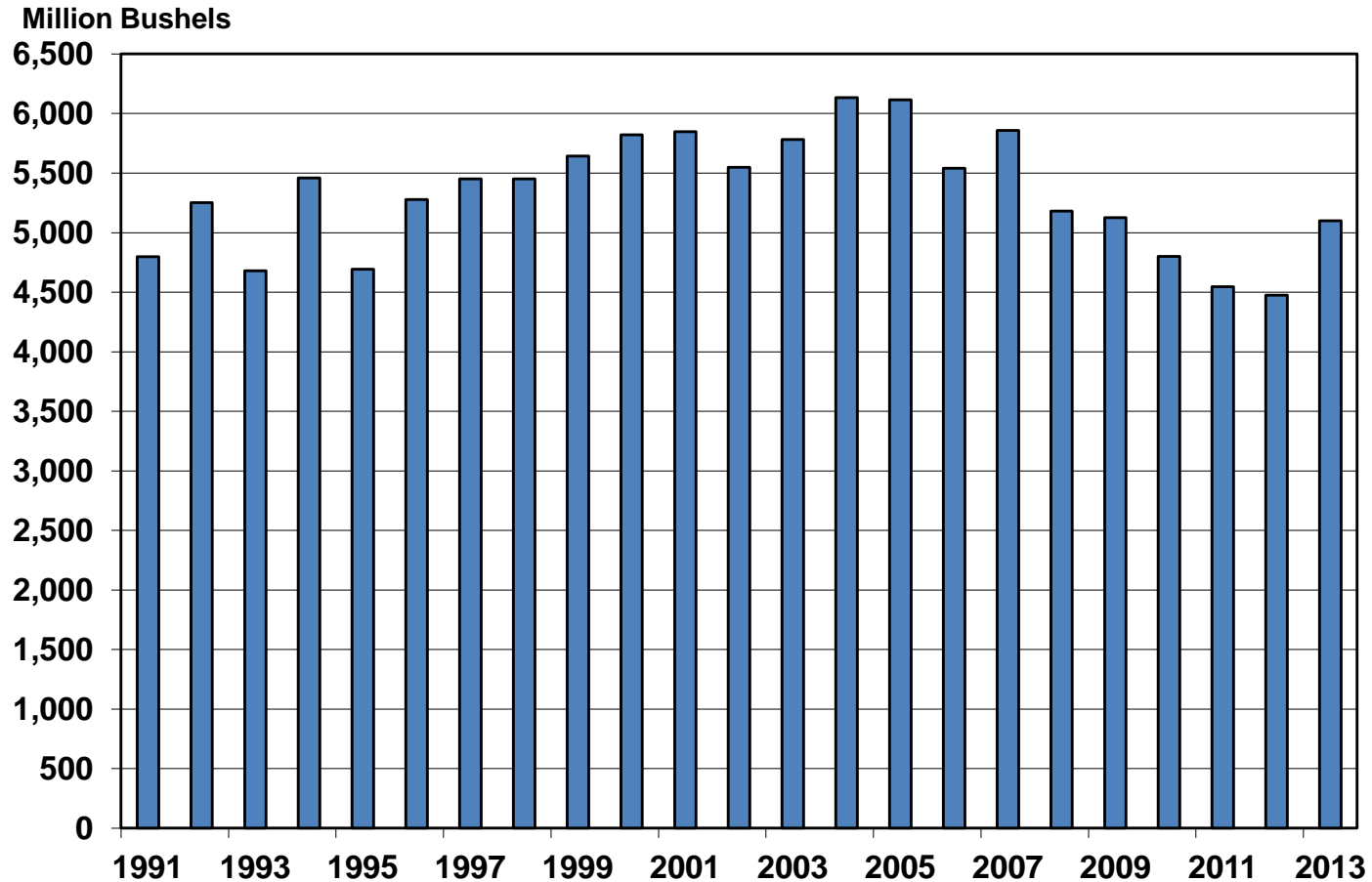
Use



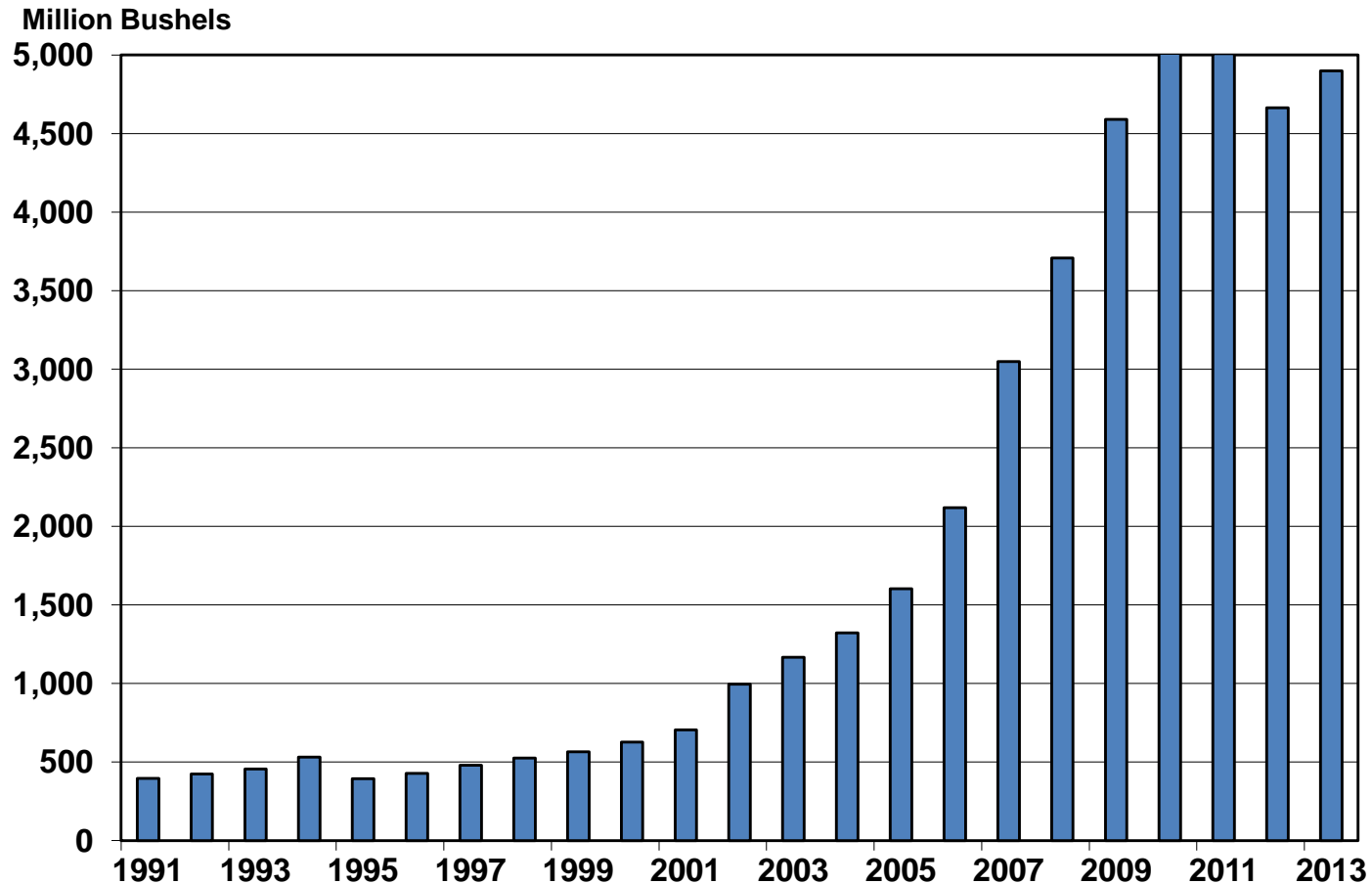
U.S. Corn Exports



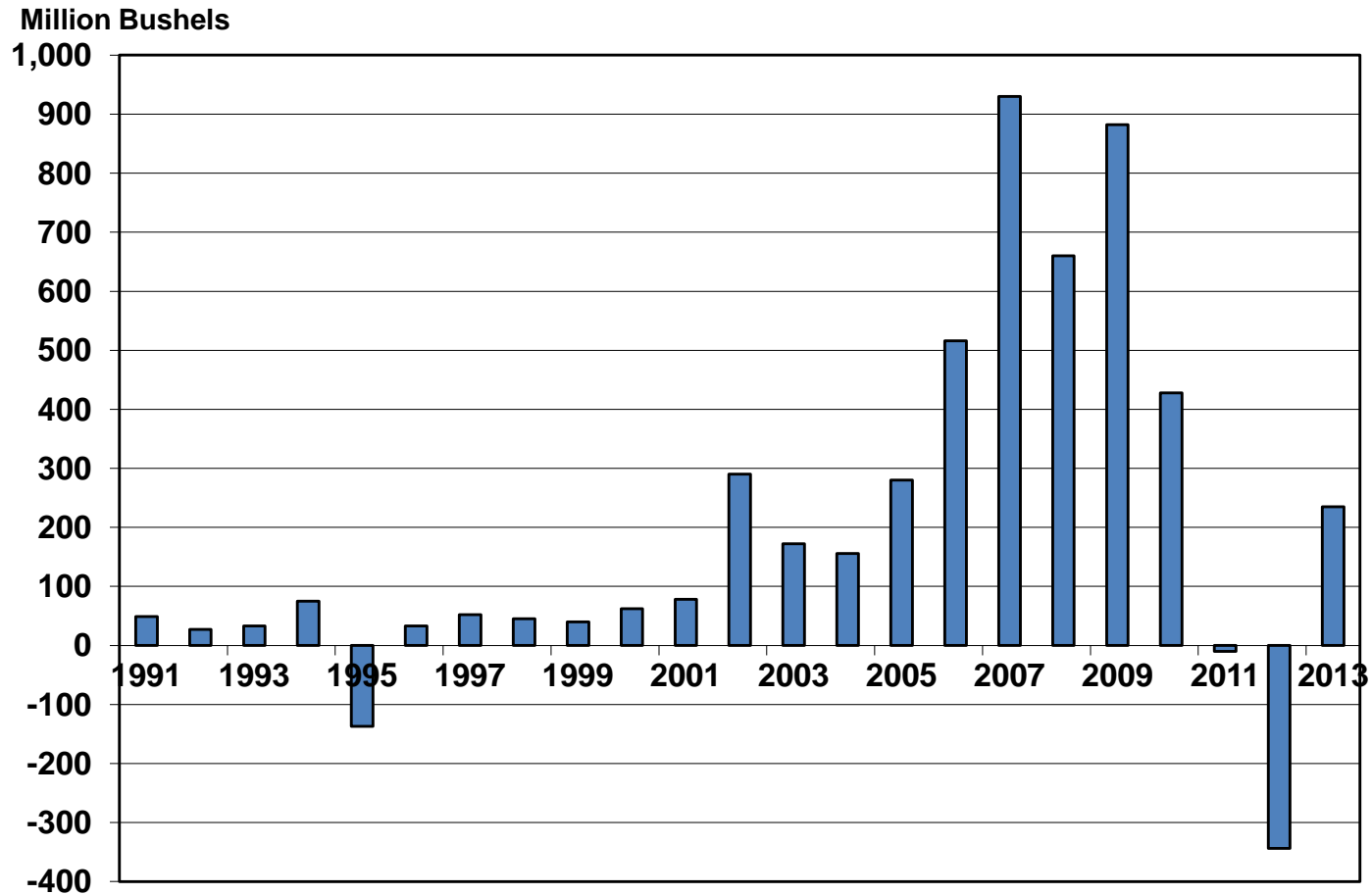
U.S. Corn Feed and Residual



Corn for Ethanol Leveling Off

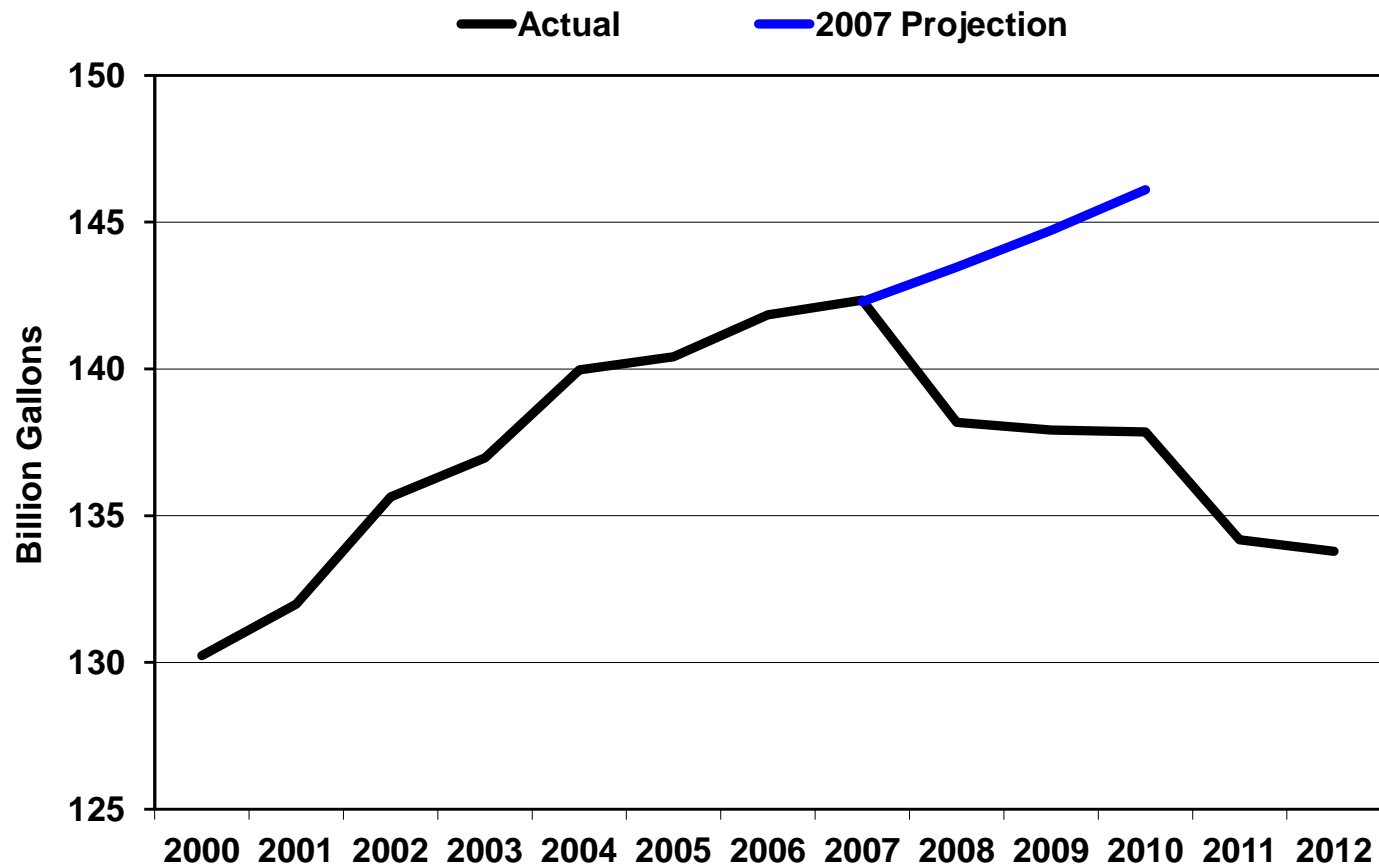


Year-to-Year Change in Corn for Ethanol Use

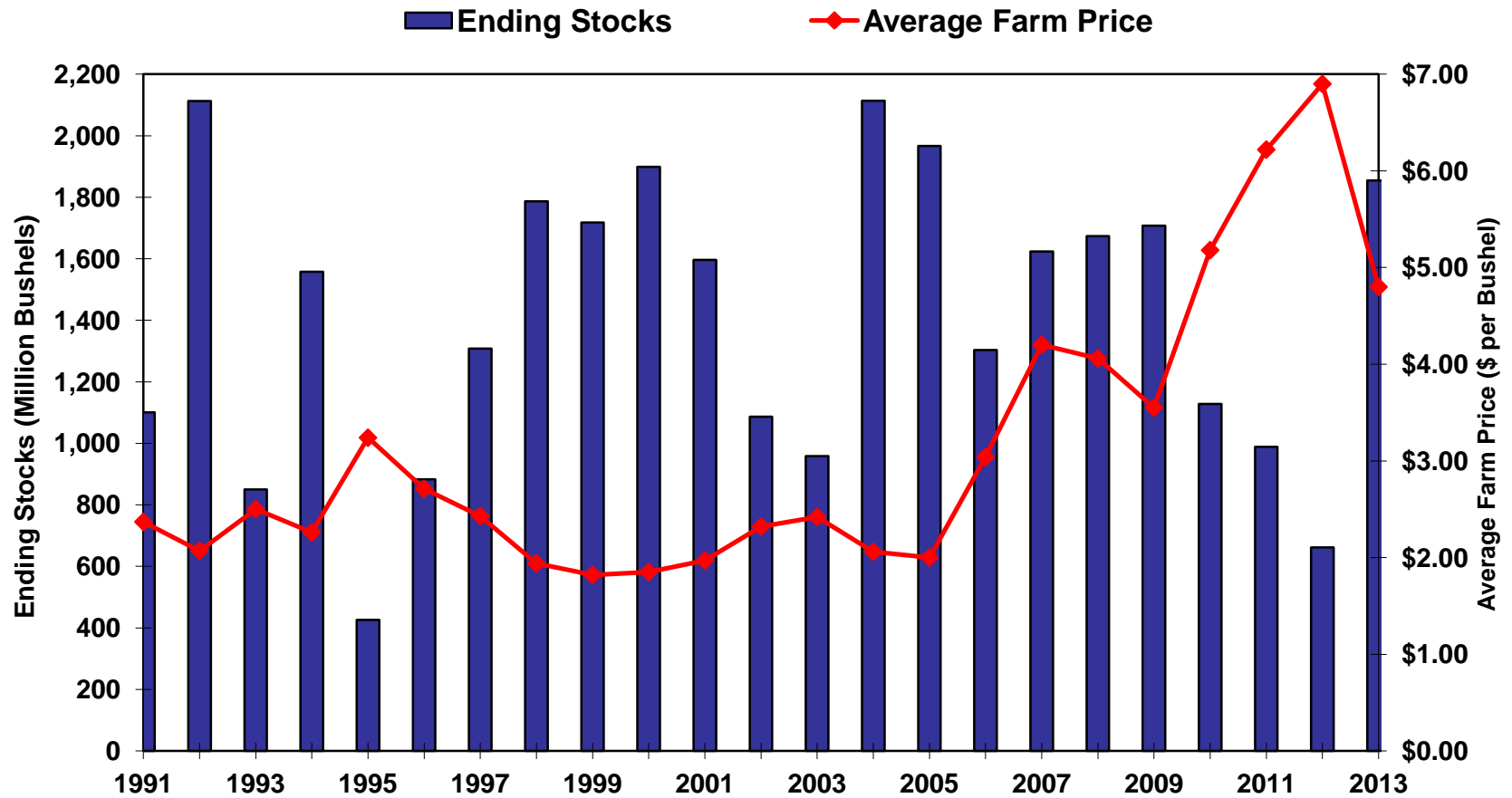


U.S. Gasoline Consumption Lower Than 2007 Projection

Source: Energy Information Administration

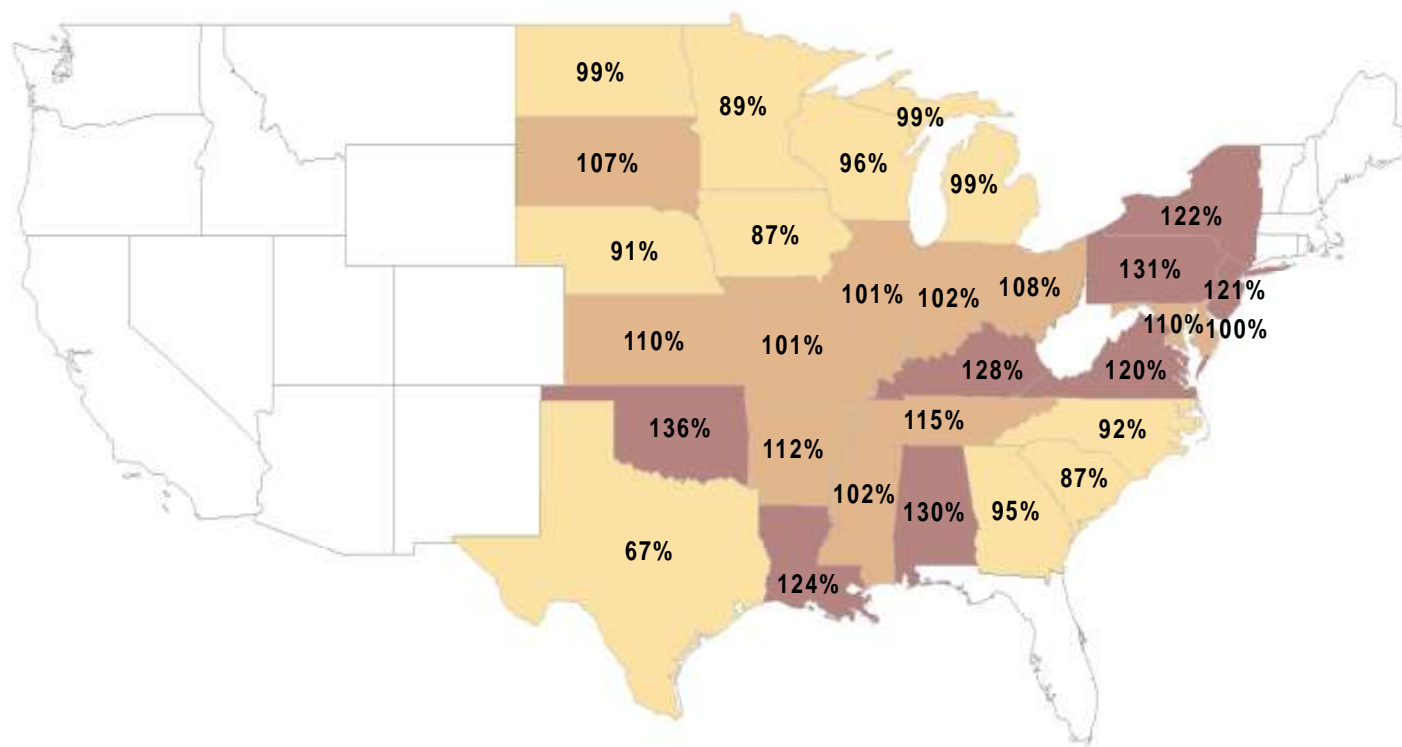


U.S. Corn Stocks and Price



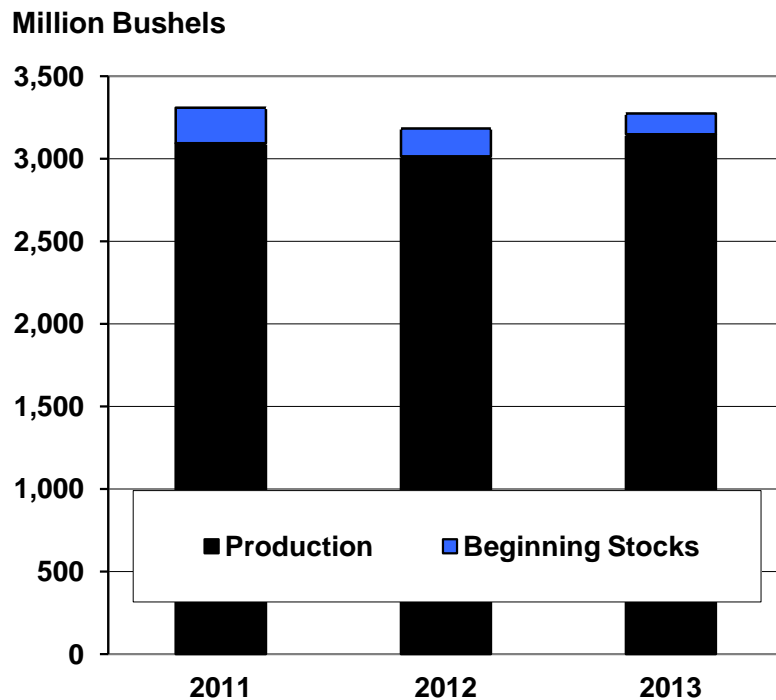
Changes in Soybean Production for 2013

Projected 2013 State Soybean Production Divided by 5-yr Average Production

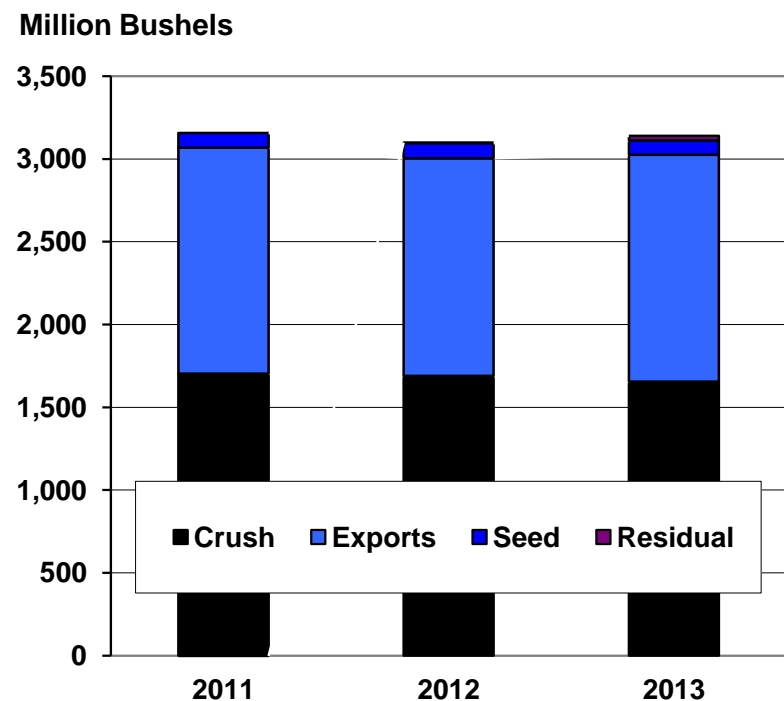


U.S. Soybean Supply and Use

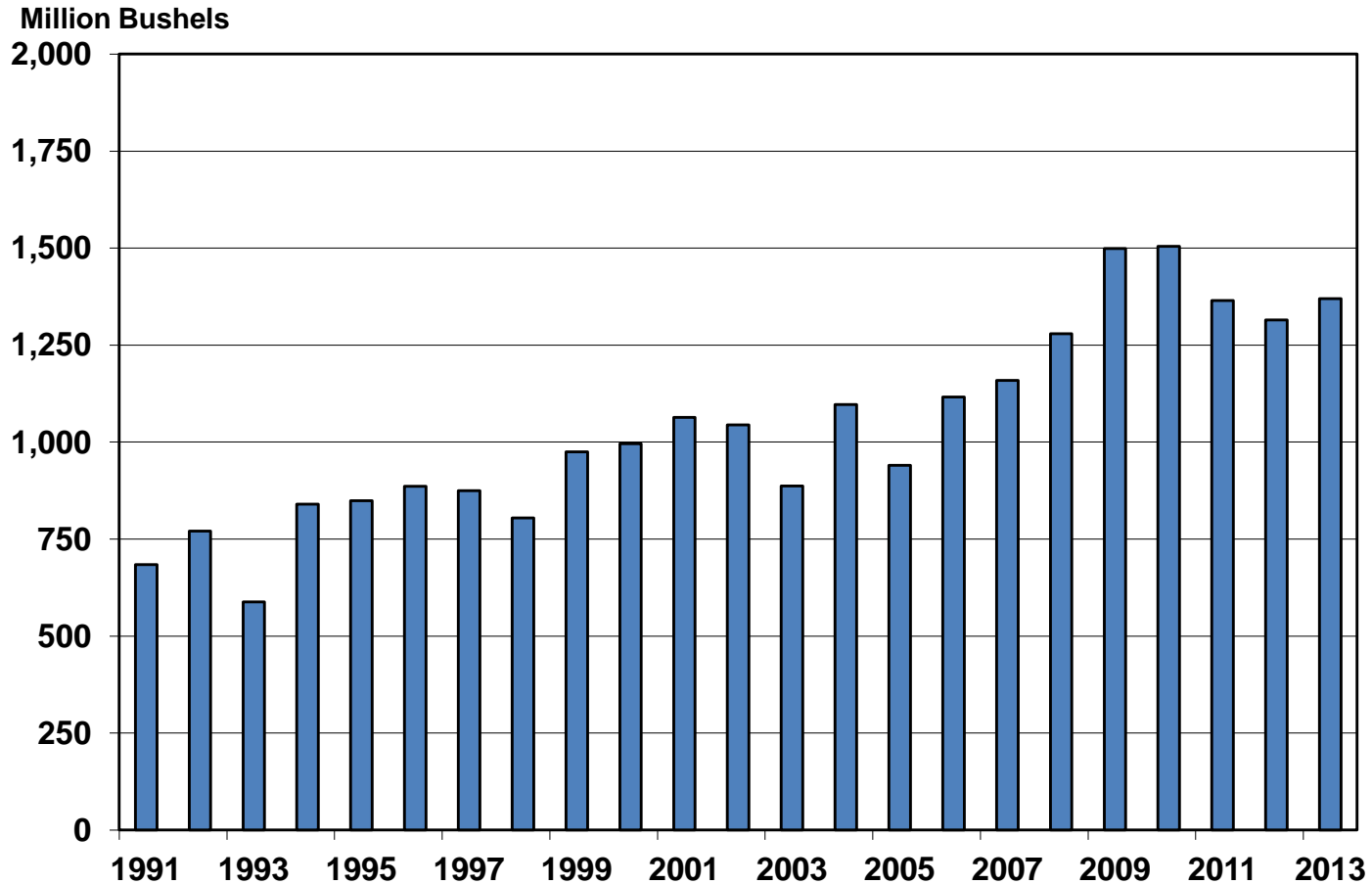
Supply



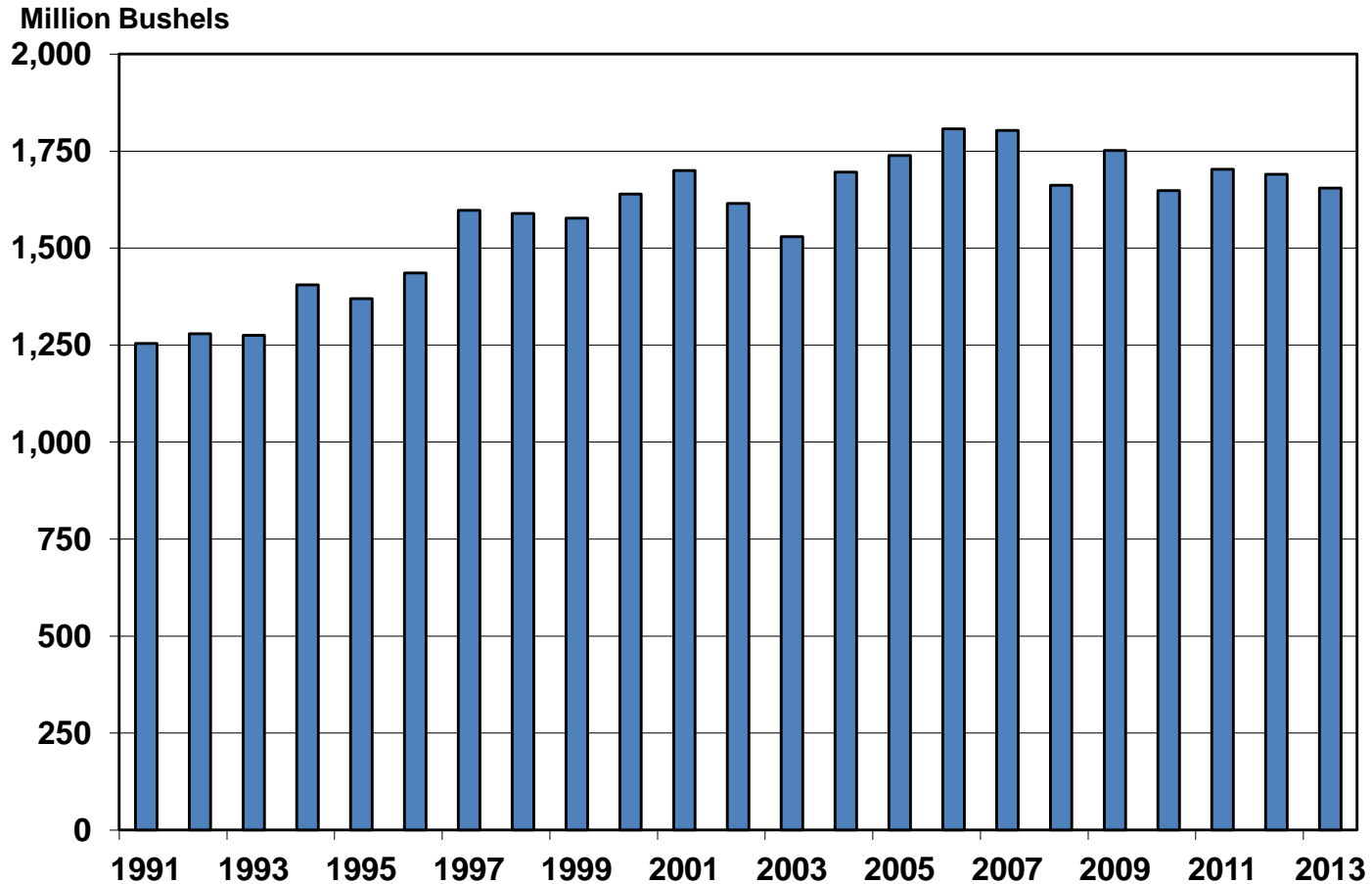
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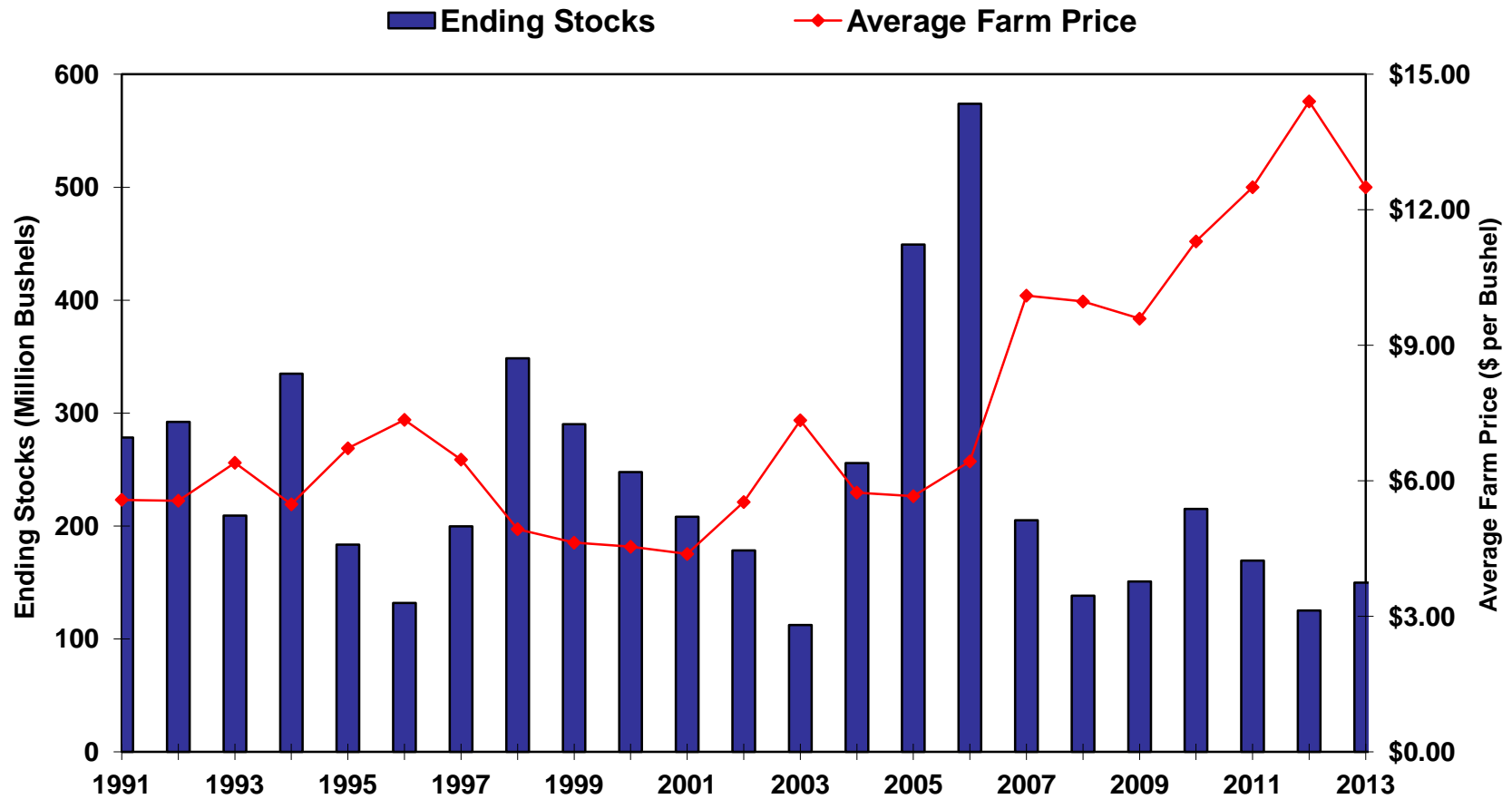
U.S. Soybean Exports



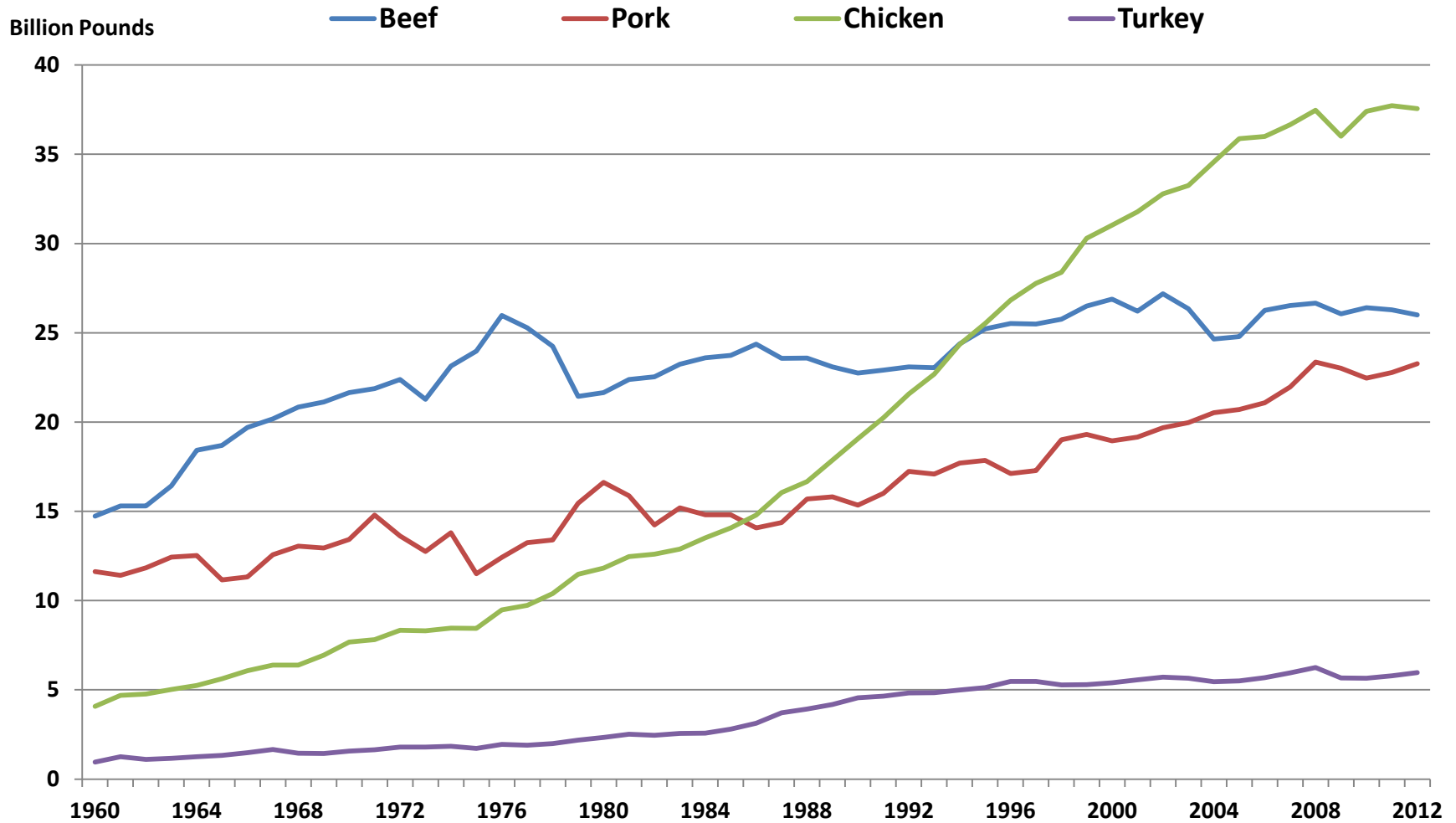
U.S. Soybean Crush



Tight U.S. Soybean Stocks = High Price



Meat Production



Recap of 2013/14 Outlook

- Rebound in corn supply.
- Increase in world soybean supply, but U.S. supply remains tight.
- Increasing world demand for corn and soybeans
 - Feed demand to increase faster than biofuels demand.
- In the U.S., corn should be more economical to source than soybeans in 2013/14.
- U.S. field crop acreage on a declining trend, but world acreage increasing to meet increasing demand.
- U.S. poultry and hog production continue to rise. Beef production in a slight decline.

