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The U.S. Department of Agriculture revised the estimates for the 2009/10 soybean crop on June 10th. While these projections are still preliminary and subject to change due to weather, disease and other stresses during the growing season, the values provide some indication of soybean and soybean meal production and use values for the coming season.

The USDA estimates soybean growers will plant 76 million acres this spring, which is slightly more than last year. Assuming a "normal" crop year, USDA is predicting an average 42.6-bushel yield, which will produce a 3.2 billion bushel soybean crop. Therefore, the total supply of soybeans for crush and export is about four percent greater than for the 2008/09 crop year. Some of this season's production gains are offset by lower soybean stocks at the beginning of the crop year. The take home message is that the soybean crush is projected to increase by about two percent, soybean exports will be at record levels and domestic meal use will be greater than last year.

USDA is also projecting the price of soybean meal in the 2009/10 crop year will be in the range of \$275-335 per short ton compared to an estimated price of \$320 for 2008/09.

Soybean Production Data

Crop Year (*)	2007/08	2008/09 (**)	2009/10 (***)	% Change
Acres Planted (million acres)	64.7	75.7	76.0	+0.4
Acres Harvested (million acres)	64.1	74.6	75.0	+0.5
Yield (bushels/acre)	41.7	39.6	42.6	+7.6

Soybean Supply and Use (Million of bushels)

Beginning Stocks	574	205	110	-46.3
Production	2,677	2,959	3,195	+8.0
Imports	<u>10</u>	<u>12</u>	<u>12</u>	<u>+0.0</u>
Total Supply	3,261	3,176	3,317	+4.4
Crush	1,801	1,650	1,675	+1.5
Exports	1,161	1,250	1,260	+0.8
Seed and Residue	<u>93</u>	<u>167</u>	<u>171</u>	<u>+2.4</u>
Total Use	3,056	3,066	3,107	+1.3

Soybean Meal Production and Use (Million short tons)

Beginning Stocks	0.346	0.294	0.300	+2.0
Production	42.242	39.166	39.835	+1.7
Imports	<u>0.141</u>	<u>0.140</u>	<u>0.165</u>	<u>+17.9</u>
Total Supply	42.729	39.600	40,300	+1.8
Domestic Use	33.155	30.500	30.800	+1.0
Exports	<u>9.280</u>	<u>8.800</u>	<u>9.200</u>	<u>+4.5</u>
Total Use	42.435	39.300	40.000	+1.8
Average price (\$/ton)	\$336	\$320	\$275-335.	

(*) Marketing year beginning September 1 for soybeans and October 1 for meal; (**) Estimate and (***) Projection

Reference: U.S.D.A. Economic Research Service, *World Agricultural Supply and Demand Estimates; WASDE-471, June 10, 2009*

World Soybean Meal Consumption (Million Metric Tons)*

	2007/08	2008/09(**)	2009/10(***)	% Change
United States	30.08	27.67	27.94	+1.0
Argentina	0.62	0.63	0.68	+7.9
Brazil	12.25	12.44	12.74	+2.4
China	30.85	31.91	33.80	+5.9
EU-27	35.17	32.72	32.74	+0.1
India	2.06	2.48	2.27	-8.5
Other	<u>46.35</u>	<u>44.62</u>	<u>47.44</u>	<u>+6.3</u>
World Total	157.38	152.47	157.61	+3.4

(*)Data based on local marketing years except Argentina and Brazil which are adjusted to an October-September year; (**) Estimated and (***) Projected.

Reference: U.S.D.A. Economic Research Service, *World Agricultural Supply and Demand Estimates; WASDE-471, June 10, 2009*

USDA estimates that world soybean meal consumption will increase by three percent in the coming crop year. The largest increase in soybean meal use is in China which accounts for over forty percent of the projected increase in soybean meal use. Soybean meal use in the United States is predicted to increase over one percent and about 270,000 metric tons (300,000 short tons).