

Hypothetical July '16 USDA Supply and Demand Estimates (In Millions Bushels)								
	Corn			Wheat			Soybeans	
	15/'16	16/'17	Change vs. Last Month	15/'16	16/'17	Change vs. Last Month	15/'16	Change vs. Last Month
Area								
Planted	88.0	94.1	0.5	54.6	50.8	1.2	82.7	1.5
Harvested	80.7	86.4		47.1	44.0		81.8	
Yield per harvested acre	168.4	168.0		43.6	48.6		48.0	
Beginning Stocks	1,731	1,832	125	752	980		191	
Production	13,601	14,514		2,052	2,136	58	3,929	70
Imports	60	40		117	125		30	
Supply, total	15,392	16,386		2,921	3,240		4,150	
Feed and residual	5,100	5,550		140	200		105	
Food, seed & industrial	6,610	6,670		1,026	1,032		1,890	
Ethanol for fuel	5,250	5,300		-	-		-	
Domestic, total	11,710	12,220		1,166	1,232		1,995	
Exports	1,850	1,950	0	775	900		1,785	
Use, total	13,560	14,170		1,941	2,132		3,780	
Ending stocks, total	1,832	2,216	209	980	1,108	58	370	70
Domestic Stocks to Use, %	13.5%	15.6%		50.5%	52.0%		9.8%	
Domestic Stocks to Use, Days	49.3	57.1		184.3	189.8		35.7	
Domestic Stocks, Acres Eq.	10.9	13.2		22.5	22.8		7.1	

- **Corn** – Bearish
 - The acreage projection of 94.1 million acres planted was up from 93.6 million in March but well above the 92.9 million average trade estimates.
 - The focus will now turn predominately to weather and pollination in July.
 - Projected carry-outs will likely be north of 2.2 billion in the July report which would be the highest since 1988.
- **Soybeans** – Neutral
 - The acreage projection of 83.7 million acres planted was up from 82.2 million in March and in line with the 83.8 million average trade estimates.
 - Soybeans will likely stay supported until August weather comes into clearer view when yields are typically made or lost.
- **Wheat** – Bearish
 - The acreage projection of 50.8 million acres planted was up from 49.6 million in March and well above the 49.9 million average trade estimates.
 - Carryout is expected to climb further above last year's historically high levels unless weather problems curtail corn production and force higher feed wheat usage.
- **Summary** – An additional 3.2 million acres were added to corn, beans, and wheat which were about 2 million more than projected by the trade. Market focus turns now to weather in July for corn and August for soybeans. Without significant weather problems, grain balance sheets are very burdensome and soybeans remain on the tight side but manageable.