



Grain Price OUTLOOK

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SOYBEANS: AN EARLY WEATHER MARKET

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Summary

Soybean prices have made a modest rally from the mid-December lows, fueled by areas of dry weather in South American soybean producing regions and by a smaller estimate of the 1999 U.S. harvest. While year ending stocks in the U.S. are expected to be large, a smaller South American harvest could increase the world demand for U.S. soybeans and reduce those stocks to more manageable levels.

Based on current price and loan rate relationships, soybean acreage is expected to expand in the U.S. again this year. Even so, persistent dry weather into the planting season would raise concerns about average yields and total production. While it is very early to make sound weather and production forecasts, it appears that U.S. world soybean stocks may be declining over the next year or so. Such a situation opens the door for higher prices. Cash prices, however, may remain below the loan rate for now. A move above that rate will require further reduction in the size of the South American crop and/or continued concern about the 2000 U.S. growing season. The initial target for the current rally is about the \$5.50 area basis July 2000 futures.

1999 U.S. Crop Estimate Revised Lower

In the annual *Crop Production* report, released on January 12, the USDA estimated the size of the 1999 soybean crop at 2.643 billion bushels. That estimate is 30 million bushels below the November estimate and 98 million smaller than the record large 1998 harvest. It is also 227 million smaller than the initial estimate of the 1999 crop released in August 1999 (Table 1). The U.S. average soybean yield was estimated at 36.5 bushels per acre, 0.2 bushels below the November estimate and 2.4 bushels below the 1998 average (Table 2). The U.S. average yield was below trend line value for the first time in four year. The estimate of planted and harvested acreage was also reduced marginally. Harvested acreage, however, was still record large, at 72.476 million acres, 2.035 million more than harvested last year (Table 3).

For the seven largest soybean producing states, production in 1999 exceeded that of 1998 only in Nebraska and South Dakota. The largest decline was in Missouri, where the state average yield declined 6.5 bushels.

December 1, 1999 stocks of soybeans were estimated at 2.182 billion bushels, almost identical to the inventory of a year earlier (Table 4). While at the second highest level for that date, December 1 stocks were a little smaller than expected.

Consumption Expected to Increase

Based on the December 1 stocks estimate and the revised production estimate, about 812 million bushels of soybeans were used during the first quarter of the 1999-00 marketing year (Table 4). That is about 40 million more than consumed in the first quarter last year, but 14 million below the record use of two years ago. The first quarter domestic crush was a record 426.7 million bushels and exports were the second largest for the quarter.

As of January 20, 20 weeks into the marketing year, the USDA reported that 482 million bushels of soybeans had been inspected for export. That is about 10 percent above last year's accumulated inspections. A year ago, the inspection figures exceeded exports reported by the Census Bureau and that appears to be happening again this year. In September, October, and November 1999, inspection figure exceeded Census Bureau figures by nearly 12 million bushels, or about 4 percent. That is not quite as large as the 7 percent discrepancy for the same period last year.

As of January 13, 159 million bushels of soybean has been sold for export but not yet shipped, about 4 percent larger than outstanding sales on the same date last year. Total accumulated exports and export sales as of January 13 were about 10 percent larger than on the same date last year. The increase was mostly due to larger sales to Mexico and China. Sales to the largest buyer, the European Union, were down about 2 percent.

For the year, the USDA projects U.S. exports at 865 million bushels, about 8

percent more than shipped last year. The current pace, then, is slightly ahead of target to meet that projection. One of the major influences on U.S. exports during the last quarter of the marketing year will be size of the South American harvest. The USDA currently projects that harvest at 1.947 billion bushels, slightly smaller than last year's crop of 1.98 billion bushels. The decline is projected to come in Argentina (Table 5). Less than ideal weather in parts of Brazil, however, suggests that the crop there may also be smaller than the current projection. We are using an estimate of 1.9 billion bushels for the South American harvest and an export projection of 880 million bushels (Table 6).

The domestic crush of soybeans during the first quarter of the 1999-00 marketing year totaled a record 426.7 million bushels, 4 percent more than during the same quarter last year (Table 4). The domestic crush has been driven by soybean meal demand. Soybean oil exports are running well behind the pace of a year ago. For the first two months of the marketing year, the Census Bureau reported soybean meal exports of 1.537 million tons, 10.5 percent more than during the same two months last year. As of January 13, commercial meal exports for the year stood at 2.221 million tons, about equal to shipments of a year ago. Unshipped sales, however, stood at only 1.242 million tons, 24 percent less than on the same date last year. For the year, the USDA projects meal exports at 7.1 million tons, marginally lower than last year's shipments. If the South American soybean crop is smaller than currently projected, U.S. meal exports could exceed that projection. In addition to having smaller exportable supplies, South America may feed more meal due to a smaller corn crop, particularly in Brazil. We are projecting U.S. meal exports at 7.3 million tons (Table 7).

Domestic meal consumption was up sharply (6 percent) during the 1998-99 marketing year due to increased livestock and poultry numbers and low meal prices. Hog and cattle numbers are expected to decline as this year proceeds, suggesting a more modest increase in meal consumption, particularly as meal prices have increased. The USDA projects a 1.6 percent increase. With higher livestock prices likely to offset higher feed prices, that magnitude of increase appears small. An increase of 2.5 percent seems more likely, putting domestic use at 31.43 million tons for the year (Table 7).

Based on these projection of use, imports of 50,000 tons, a 90,000 ton reduction in year ending stocks, and an average meal yield of 47.5 pounds per bushel of soybeans, the domestic crush for the current marketing year should be near 1.625 billion bushels (Table 6). That is 20 million larger than the current USDA projection.

If 1.625 billion bushels of soybeans are crushed this year, about 18.37 billion pounds of oil will be produced, assuming an average oil yield near last year's average of 11.3 pounds. (The average for September, October, and November was nearly identical to that of last year.) Soybean oil exports for the first two months of the marketing year totaled 325 million pounds, 39 percent less than during the same period last year. Through January 13, commercial oil shipments were 67 percent smaller than shipments of a year ago and outstanding sales were off 64 percent. For the current marketing year, the USDA projects soybean oil exports at 1.75 billion pounds, 26 percent less than exports during the past year (Table 8). One of the reasons for the decline is the

abundance of other oilseed crops and a large palm oil crop. Oilseed production outside of the United States is projected at a record 213.5 million tons, 2.5 percent larger than last year's output in spite of a 3 percent decline in soybean production (Table 9).

Domestic soybean oil consumption is projected by the USDA at 15.8 billion pounds, only 1 percent above last year's consumption. With persistent low prices, use could be more in line with the long term trend increase of 2 percent, putting the domestic total at 15.907 billion pounds (Table 8). Based on these projections, soybean oil will remain in surplus. Year ending stocks are projected at record 2.25 billion pounds.

Prospects for the 2000 Crop

Planted acreage of soybeans in the U.S. has increased significantly in the 1990s. Acreage grew from 58.18 million acres in 1987 to 64.2 million in 1996. The high soybean prices of 1997 propelled acreage to 70 million, while the relatively high loan rate for soybeans pushed acreage to a record 73.78 million in 1999 (Table 3).

Planted acreage in 2000 will depend on a number of factors. The most important will be the price of soybeans or the soybean loan rate, whichever is higher, relative to the price of feed grains. Planting season weather and the amount of land accepted in the Conservation Reserve Program (CRP) will also influence soybean acreage. The decline in winter wheat seedings means more land, about 500,000 acres, is available for spring planted crops or for the CRP. Failure of the winter wheat crop in some areas followed by adequate spring moisture would also allow an increase in spring planted crops.

We are assuming that there will be no change in the soybean loan rate for the 2000 crop. While the formula for establishing the loan

rate would allow for a modest decline in the loan rate, such a change would not alter the advantage of the soybean loan rate relative to the feed grains and wheat loan rates and might have little impact on planting decisions. On the other hand, a lower loan rate would reduce potential loan deficiency payments which is not an attractive alternative.

As of January 25, November 2000 soybean futures were trading at about \$5.40. That is equivalent to a cash price of about \$5.15 for harvest delivery in central Illinois, or about \$.30 under the loan rate. The cash corn price for harvest delivery in central Illinois was about \$2.30. The ratio of the soybean loan rate to the cash price of corn was about 2.37 to 1. That ratio is about breakeven for corn and soybean production under average cost and yield situations.

Under current conditions, a small increase in soybean acreage would be expected in 2000. If harvested acreage increased by about 500,000, to a total of 73 million, and the national average yield was near the trend value of 39 bushels, the crop would exceed 2.8 billion bushels. Such a crop would result in another large increase in stocks next year. With a market for 2.65 billion bushels of soybeans, the 2000 yield would have to decline below 34.2 bushels to bring 2000-01 marketing year carryover stocks under 200 million bushels.

Price Prospects

Average monthly prices of soybeans and soybean meal for the 1999-00 marketing year to date have been as follows:

Month	Soybeans ³	Soybean Meal ³	Soybean Oil ⁴
	\$/bu	\$/ton	¢/lb.
Sept. 1999	4.67	—	--
Oct.	4.52	\$147.12	16.08
Nov.	4.49	145.93	15.63
Dec.	4.47	145.39	15.33
Jan. ¹	4.64	152.25	15.29
Ave.	\$4.56	\$147.67	15.58

¹Through Jan. 24; ²Central Illinois; ³44% protein, Decatur, IL; ⁴Bulk, Decatur, IL

The range of cash prices in central Illinois so far this marketing year has been from \$4.35 (October 26) to \$4.935 (September 7). By late January, the cash price was approaching the September high. For the past 20 years, the range in the central Illinois cash price during the 12-month marketing year has been as small as \$.615 (1985-86) to as high as \$5.03 (1987-88). The range of \$.585 so far this year is likely to be exceeded. For now it appears that the range will be extended by higher cash prices. The range has been less than \$1.00 only 2 times in the past 26 years (1985-86 and 1991-92). The range for the past five years has varied from \$1.345 to \$2.33, averaging \$2.03 per bushel.

The progress of the 2000 crop will dictate how high or low prices go during the remainder of the marketing year. The risk of sharply lower prices will not likely surface until, or if, a large 2000 crop materializes. Prices appear to be on the verge of breaking out of the sideways pattern that has been in place for the past year. For the year, we project the average price of soybean meal (44 percent) at \$160.00 per ton. That

implies that the average for February through August will be about \$166 per ton, nearly \$20 above the average for the first 4 months of the year. The average price of soybean oil is projected at 16 cents per pound, which implies an average for the next 8 months near 16.25 cents per pound. Product prices at this level suggest an average soybean price of \$4.85 per bushel. To reach that average for the year, the average for the next 7 months would have to be \$5.05 per bushel.

Marketing Strategies

As always, there is a fair amount of uncertainty about supply, demand, and prices for the year ahead. The recent price rally is encouraging. For the first time in about 18 months there is more than one factor supporting prices. For now, the rally has not carried prices above the loan rate. Futures prices through November 2001 still reflect cash prices below the loan rate.

For old crop soybeans which are still eligible for loan benefits, the most attractive strategy is to get the crop under the loan and to lock-in the loan repayment rate for 60 days. Higher prices, then, would result in higher net prices (that is higher prices would not be offset by a smaller loan deficiency payment) and would mean that loans could be paid off interest free if prices go above the loan rate in that 60 day window. If prices fail to rally in the 60 day window, then the loan could be repaid at the prevalent posted county price anytime before the loan expires (after the end of the 60 days). For old crop soybeans

for which a loan deficiency payment has already been established, decisions are more complicated. A scale-up strategy over the next 4 to 5 months might be considered. Options offer downside price protection, but at-the-money July option premiums have increased to about \$.35 per bushel. Simply buying put options, or replacing inventory with call options, does not look attractive at those prices. That type of transaction could be augmented by selling out-of-the money call options to reduce the net cost of the option protection. July \$6.25 call options, for example, could be sold for about \$.12, reducing the net cost of price protection to about \$.23 plus commission fees. Such a strategy, however, does cap the gain from higher prices.

With new crop prices still below the loan rate, no action is required at this time. Rallies above the loan rate will require decisions. A scale-up strategy on the first portion of new crop sales might be considered starting at about \$6.00, basis November futures.

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Table 1. United States Soybean Production Estimates

	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
	million bushels																				
August 1	2,130	1,880	2,017	2,293	1,843	2,035	1,959	1,979	2,000	1,474	1,905	1,836	1,869	2,079	1,902	2,282	2,246	2,300	2,744	2,727	2,870
September 1	2,174	1,831	2,089	2,314	1,535	2,028	2,063	1,980	1,957	1,472	1,889	1,835	1,817	2,085	1,909	2,316	2,285	2,270	2,746	2,909	2,778
October 1	2,213	1,757	2,107	2,300	1,517	1,972	2,108	1,992	1,968	1,501	1,926	1,823	1,934	2,108	1,891	2,458	2,190	2,346	2,722	2,769	2,696
November 1	2,236	1,775	2,077	2,300	1,535	1,902	2,129	2,009	1,960	1,512	1,937	1,904	1,962	2,167	1,834	2,523	2,183	2,403	2,736	2,763	2,673
January 1	2,268	1,817	2,030	2,277	1,595	1,861	2,099	2,007	1,905	1,539	1,927	1,922	1,986	2,197	1,809	2,558	2,152	2,382	2,727	2,757	2,643
FINAL	2,261	1,798	1,989	2,190	1,636	1,861	2,099	1,943	1,938	1,549	1,924	1,926	1,987	2,190	1,870	2,515	2,174	2,380	2,689	2,741	

Table 2. United States Soybean Yield Estimates

	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
	million bushels																				
August 1	30.3	27.4	30.2	32.3	29.7	30.5	31.5	32.9	34.7	26.0	32.3	32.5	31.8	35.8	33.8	37.6	36.4	36.3	39.5	39.5	39.2
September 1	30.9	27.0	31.2	32.6	24.9	30.3	33.2	33.1	34.0	25.9	32.0	32.4	31.0	35.9	34.0	38.2	37.0	35.8	39.3	40.6	37.9
October 1	31.5	26.0	31.5	32.4	24.7	29.5	33.9	33.3	34.2	26.4	32.6	32.3	33.0	36.3	33.7	40.5	35.5	37.0	39.0	38.7	37.0
November 1	31.8	26.5	31.0	32.4	25.0	28.5	34.2	33.8	34.1	26.6	32.8	33.7	33.5	37.3	32.7	41.5	35.4	37.9	39.2	38.6	36.7
January 1	32.2	26.8	30.4	32.2	25.7	28.2	34.1	33.8	33.7	26.8	32.4	34.0	34.3	37.6	32.0	41.9	34.9	37.6	39.0	38.9	36.5
FINAL	32.1	26.5	30.1	31.5	26.2	28.1	34.1	33.3	33.9	27.0	32.3	34.1	34.2	37.6	32.6	41.4	35.3	37.6	38.9	38.9	

Table 3. Soybean Planting Intentions, Actual Plantings, and Acres Harvested

Year	January Intentions	Mar./April Intentions	June/July Intentions	Actual	Harvested Acreage
	million acres				
1975	57.5	56.6	54.6	54.6	53.8
1976	50.9	49.3	49.0	50.3	49.4
1977	53.1	55.7	59.0	59.0	57.6
1978	63.9	63.7	64.0	64.7	63.3
1979	66.3	68.8	71.6	71.4	70.3
1980	71.6	71.3	70.3	69.9	67.8
1981	----	69.8	68.5	67.5	66.2
1982	69.5 ^a	---	72.2	70.9	69.4
1983	68.8 ^a	65.8 ^b	63.3	63.8	62.5
1984	65.2 ^a	---	68.0	67.8	66.1
1985	64.4 ^a	---	63.3	63.1	61.6
1986	---	62.0	61.8	60.4	58.3
1987	---	56.9	58.7	58.180	57.172
1988	---	58.0	58.5	58.840	57.373
1989	---	61.7	61.3	60.820	59.282
1990		59.42	58.05	57.795	56.283
1991	58.5	57.12	59.78	59.180	58.169
1992		57.42	59.03	59.180	58.233
1993		59.30	61.58	60.085	57.307
1994		61.12	61.78	61.620	60.809
1995		61.45	63.105	62.495	61.544
1996		62.478	63.895	64.195	63.349
1997		68.800	70.850	70.005	69.110
1998		72.000	72.720	72.025	70.441
1999		73.105	74.205	73.780	72.476

^a February 1

^b May 1

Table 4. Soybean Quarterly Balance Sheet

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	
	million pounds																		
September 1 stocks	254.5	344.6	175.7	316.1	536.4	436.4	302.5	182.0	239.1	329.0	278.4	292.3	209.1	334.8	183.5	131.8	199.8	348.5	
Production	2,190.3	1,635.8	1,860.9	2,099.1	1,942.6	1,937.7	1,548.8	1,923.8	1,925.9	1,986.6	2,190.4	1,860.7	2,514.9	2,174.3	2,380.3	2,688.8	2,741.0	2,642.9	
TOTAL	2,444.8	1,980.4	2,036.6	2,415.2	2,479.0	2,374.1	1,855.3	2,108.8	2,167.0	2,319.6	2,470.8	2,159.0	2,730.0	2,514.1	2,572.8	2,825.6	2,943.8	2,994.4	
September-November																			
Crush	284.2	269.6	253.7	267.5	295.8	293.4	275.4	273.0	304.1	322.0	328.2	329.6	346.2	351.4	360.6	395.8	409.3	426.7	
Export	245.9	190.6	153.4	166.5	216.5	260.8	138.3	168.5	120.1	167.1	235.9	176.0	230.9	233.6	289.7	365.3	268.5	297.8	
Seed, residual	-36.2	48.5	14.8	21.5	10.1	64.6	74.8	56.6	58.8	51.5	70.7	79.8	50.9	95.7	97.4	66.9	78.5	88.1	
TOTAL	493.9	508.7	421.9	455.4	522.4	618.8	488.5	498.1	483.0	540.6	634.8	585.4	628.0	681.7	747.7	826.2	758.8	812.2	
December 1 stocks	1,950.9	1,471.7	1,614.7	1,959.8	1,956.6	1,755.3	1,366.8	1,610.7	1,684.0	1,779.0	1,836.0	1,573.6	2,102.0	1,833.4	1,825.1	1,999.4	2,186.0	2,182.2	
Crush	314.9	262.5	276.4	281.9	320.1	317.3	286.3	304.3	301.4	323.1	335.2	327.2	371.8	359.0	400.7	443.1	408.6		
Export	263.6	234.6	230.2	270.9	233.7	258.9	197.0	217.0	179.7	259.6	255.9	212.7	283.5	278.7	333.1	306.4	243.1		
Seed, residual	26.6	18.8	47.0	35.7	63.8	33.0	-6.7	33.9	12.8	19.6	29.3	12.1	76.5	5.3	35.5	46.9	77.0		
TOTAL	605.1	515.9	553.6	588.5	617.6	609.2	476.6	555.2	493.9	602.3	620.4	552.0	731.8	643.0	769.3	796.5	728.7		
March 1 stocks	1,345.8	955.8	1,061.1	1,371.3	1,339.0	1,146.1	890.2	1,055.5	1,190.1	1,177.3	1,215.6	1,021.6	1,370.2	1,190.4	1,055.8	1,202.9	1,457.3		
Crush	260.1	240.0	258.2	262.3	297.2	308.3	270.1	290.7	295.5	304.0	325.4	320.4	361.7	334.0	355.7	404.9	396.4		
Export	216.2	204.2	153.4	226.4	159.3	185.0	135.5	153.2	146.9	148.2	186.7	120.6	216.6	188.5	165.9	120.0	161.9		
Seed, residual	78.9	39.9	41.1	33.7	45.7	-2.5	20.1	15.7	24.2	29.4	20.1	25.3	0.0	44.9	34.3	84.4	50.4		
TOTAL	555.2	484.1	452.7	522.4	502.2	490.8	425.7	459.6	466.6	481.6	532.2	466.3	578.3	567.4	555.9	609.2	608.7		
June 1 stocks	790.6	471.7	608.4	848.9	836.8	655.3	464.5	595.9	723.5	695.7	683.4	555.3	791.9	622.8	499.9	593.7	848.6		
Crush	248.8	210.6	242.1	241.1	265.5	255.5	225.8	278.4	285.9	304.6	290.0	298.4	325.5	324.9	318.7	353.2	375.4		
Export	179.5	113.6	61.1	76.3	147.4	97.6	56.2	84.2	110.4	109.0	91.0	79.7	107.0	150.5	93.0	78.7	127.5		
Seed, residual	17.7	-28.2	-10.9	-4.9	-12.5	0.3	0.5	-5.8	-1.8	3.1	10.1	-31.9	24.6	-35.2	-43.6	-37.9	-1.3		
TOTAL	446.0	296.0	292.3	312.5	400.4	352.8	282.5	356.8	394.5	416.7	391.1	346.2	457.1	439.6	368.1	393.9	501.6		
September 1 stocks	344.6	175.7	316.1	536.4	436.4	302.5	182.0	239.1	329.0	278.4	292.3	209.1	334.8	183.5	131.8	199.8	348.5		
Annual																			
Crush	1,108.0	982.7	1,030.4	1,052.8	1,178.7	1,174.5	1,057.6	1,146.4	1,186.9	1,253.7	1,278.8	1,275.6	1,405.2	1,369.4	1,435.7	1,595.1	1,589.7		
Export	905.2	743.0	598.1	740.1	756.9	801.7	527.0	622.9	557.1	683.9	769.5	589.0	838.0	851.2	881.7	870.4	801.0		
Seed, residual	87.0	79.0	92.0	85.9	107.0	95.4	88.7	100.4	94.0	103.6	130.2	85.3	152.0	110.4	123.6	160.3	204.6		
TOTAL	2,100.2	1,804.7	1,720.5	1,878.8	2,042.6	2,071.6	1,673.3	1,869.7	1,838.0	2,041.2	2,178.5	1,949.9	2,397.0	2,330.9	2,441.0	2,625.8	2,595.3		

Table 5. Soybean Production by Country

Year	United States	Brazil ^a	Argentina ^a	Paraguay ^a	China	Other	World	All Foreign
	million bushels							
1970	1,127	76	2	3	254	165	1,627	500
1971	1,176	135	3	4	290	126	1,734	558
1972	1,283	184	10	4	320	66	1,867	584
1973	1,547	289	18	7	367	64	2,292	745
1974	1,215	363	18	8	349	54	2,007	792
1975	1,547	413	26	10	367	46	2,409	862
1976	1,288	460	51	14	242	128	2,183	895
1977	1,762	350	99	12	266	154	2,643	881
1978	1,870	557	136	20	278	167	2,847	977
1979	2,261	376	132	21	274	191	3,255	994
1980	1,798	558	129	22	292	176	2,975	1,177
1981	1,989	471	152	22	342	186	3,162	1,173
1982	2,190	542	154	19	332	200	3,437	1,247
1983	1,636	571	257	20	359	213	3,056	1,420
1984	1,861	672	248	35	356	248	3,421	1,561
1985	2,099	518	268	22	386	272	3,565	1,466
1986	1,943	636	257	35	427	303	3,601	1,658
1987	1,938	662	356	40	457	359	3,812	1,874
1988	1,549	852	235	60	428	387	3,506	1,957
1989	1,924	747	395	58	376	445	3,945	2,020
1990	1,926	579	423	48	404	446	3,826	1,900
1991	1,987	709	410	48	357	435	3,946	1,959
1992	2,188	827	417	64	378	434	4,308	2,120
1993	1,871	908	456	66	563	454	4,318	2,447
1994	2,517	952	459	81	588	460	5,057	2,540
1995	2,177	887	457	88	496	487	4,591	2,415
1996	2,380	1,003	412	102	486	474	4,857	2,477
1997	2,689	1,194	717	110	541	558	5,809	3,120
1998	2,741	1,139	731	110	551	568	5,840	3,099
1999	2,643	1,139	698	110	511	548	5,649	3,006

^a Harvested in the spring of the following year.

Table 6. Soybean Balance Sheet -- Years Beginning September 1

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00 ^a
	million bushels										
Carryin	182	239	329	278	292	209	335	183	132	200	348
Production	<u>1,924</u>	<u>1,926</u>	<u>1,987</u>	<u>2,190</u>	<u>1,870</u>	<u>2,515</u>	<u>2,174</u>	<u>2,380</u>	<u>2,689</u>	<u>2,741</u>	<u>2,643</u>
TOTAL ^b	2,109	2,167	2,320	2,470	2,168	2,729	2,514	2,573	2,826	2,944	2,994
Crush	1,146	1,187	1,254	1,279	1,276	1,405	1,369	1,436	1,597	1,590	1,625
Export	623	557	684	770	589	838	851	882	870	801	880
Seed, feed, residual	<u>101</u>	<u>94</u>	<u>103</u>	<u>129</u>	<u>94</u>	<u>151</u>	<u>111</u>	<u>123</u>	<u>159</u>	<u>205</u>	<u>160</u>
TOTAL	1,870	1,838	2,041	2,178	1,954	2,394	2,331	2,441	2,626	2,597	2,665
Carryout	239	329	278	292	209	335	183	132	200	348	329
U.S. Average price	\$5.70	\$5.75	\$5.58	\$5.60	\$6.40	\$5.48	\$6.77	\$7.35	\$6.47	\$4.93	\$4.85

^a Projected

^b Includes Imports

Table 7. Soybean Meal Balance Sheet -- Years Beginning October 1

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00 ^c
	thousand tons										
Beginning stocks	173	318	285	230	204	150	223	212	210	218	330
Production	<u>27,719</u>	<u>28,325</u>	<u>29,831</u>	<u>30,364</u>	<u>30,514</u>	<u>33,270</u>	<u>32,527</u>	<u>34,210</u>	<u>38,176</u>	<u>37,792</u>	<u>38,590</u>
TOTAL ^a	27,982	28,688	30,183	30,687	30,788	33,483	32,825	34,524	38,443	38,109	38,970
Domestic	22,291	22,934	23,007	24,251	25,283	26,542	26,611	27,320	28,895	30,662	31,430
Exports	<u>5,319</u>	<u>5,469</u>	<u>6,946</u>	<u>6,232</u>	<u>5,356</u>	<u>6,717</u>	<u>6,002</u>	<u>6,994</u>	<u>9,330</u>	<u>7,117</u>	<u>7,300</u>
TOTAL	27,610	28,403	29,953	30,483	30,639	33,260	32,613	34,314	38,225	37,779	38,730
Ending stocks	318	285	230	204	150	223	212	210	218	330	240
Price ^b	\$173.94	\$170.00	\$176.00	\$181.85	\$180.00	\$151.00	\$225.00	\$260.40	\$175.00	\$131.83	\$160.00

^a Includes imports

^b Bulk, Decatur, Illinois 44%

^c Projected

Table 8. Soybean Oil Balance Sheet -- Years Beginning October 1

	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00 ^c
	million pounds										
Beginning stocks	1,715	1,305	1,786	2,239	1,555	1,103	1,137	2,015	1,520	1,382	1,520
Production	<u>13,003</u>	<u>13,406</u>	<u>14,346</u>	<u>13,778</u>	<u>13,951</u>	<u>15,613</u>	<u>15,240</u>	<u>15,752</u>	<u>18,143</u>	<u>18,081</u>	<u>18,370</u>
TOTAL ^a	14,740	14,728	16,132	16,027	15,574	16,733	16,472	17,821	19,724	19,546	19,970
Domestic	12,082	12,163	12,246	13,053	12,941	12,916	13,465	14,263	15,264	15,655	15,970
Exports	<u>1,353</u>	<u>779</u>	<u>1,647</u>	<u>1,419</u>	<u>1,529</u>	<u>2,680</u>	<u>992</u>	<u>2,037</u>	<u>3,077</u>	<u>2,372</u>	<u>1,750</u>
TOTAL	13,435	12,942	13,893	14,472	14,471	15,596	14,457	16,300	18,341	28,027	17,720
Ending stocks	1,305	1,786	2,239	1,555	1,103	1,137	2,015	1,520	1,382	1,520	2,250
Average Price ^b	22.3¢	21.0¢	19.1¢	21.4¢	27.1¢	27.6¢	24.75¢	22.5¢	25.8¢	19.9¢	16.0¢

^a Includes imports

^b Bulk, Decatur, Illinois 44%

^c Projected

Table 9. World Oilseed and Soybean Production

Year	Major Oilseeds			Soybeans		
	United States	Ex-United States	Total	United States	Ex-United States	Total
	million metric tons					
1977-78	56.5	93.7	150.2	47.95	23.98	71.93
1978-79	58.6	92.0	150.6	50.86	26.62	77.48
1979-80	72.4	98.1	170.5	61.72	31.79	93.51
1980-81	55.8	99.8	155.6	48.77	32.20	80.97
1981-82	64.0	105.5	169.5	54.13	31.93	86.06
1982-83	68.2	110.1	178.3	59.61	33.96	93.57
1983-84	50.4	115.1	165.5	44.52	38.64	84.16
1984-85	59.2	131.7	191.1	50.64	42.50	93.14
1985-86	65.4	130.8	196.2	57.13	39.92	97.05
1986-87	59.4	135.0	194.4	52.87	45.21	98.08
1987-88	60.6	150.0	210.6	52.75	51.06	103.81
1988-89	50.3	153.9	204.2	42.15	53.49	95.64
1989-90	59.3	153.1	212.4	52.35	55.02	107.37
1990-91	60.6	155.1	215.7	52.42	51.57	103.99
1991-92	64.3	160.0	224.3	54.07	53.31	107.38
1992-93	68.4	158.9	227.4	59.61	57.69	117.30
1993-94	59.5	168.4	227.9	50.92	66.58	117.50
1994-95	79.7	181.2	260.9	68.49	69.14	137.63
1995-96	69.1	190.6	259.7	59.24	65.72	124.96
1996-97	74.8	187.0	261.8	64.78	67.40	132.18
1997-98	83.1	203.9	287.0	73.18	84.90	158.07
1998-99	84.4	208.3	292.7	74.60	84.33	158.93
1999-00	82.1	213.5	295.6	71.93	81.82	153.75

¹WASDE January 12, 2000 and earlier.