



April 9, 2014

Dear Subscriber:

**We will be adding material to this shell letter after the report is released on April 9, 2014 at 11:00 a.m CST. Be sure to click back on the link often for the latest information.**

This morning (March 10) USDA released its April WASDE reports. Be sure to tune in the afternoon at 12:40 p.m. CST as we have special coverage of the numbers and what they mean with Jacquie Voeks of Stewart Peterson Group in Champaign, Illinois.

Here is a look at the key statistics:

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I L L I N O I S

**USDA U-S Ending Stocks for 2013-14 in billions of bushels (released April 9, 2014, 11 a.m. CST)**

Crop	USDA April Estimate	Average Guess	Range	USDA March Estimate
Corn	1.331	1.403	1.396 - 1.478	1.456
Soybeans	0.135	0.139	0.125 - 0.147	0.145
Wheat	0.583	0.583	0.553 - 0.625	0.558

From the USDA April 2014 WASDE Report:

**CORN:** U.S. feed grain ending stocks for 2013/14 are projected lower this month with reductions for corn, barley, and oats. A 125-million-bushel increase in projected corn exports reduces corn ending stocks by the same amount. Continued strong export sales and a rising weekly shipment pace for U.S. corn during March support the higher expected export level as does an increase in projected global corn demand. U.S. barley ending stocks for 2013/14 are projected 7 million bushels lower with projected imports decreased and projected exports increased based on the pace of shipments to date. Oats ending stocks are projected 10 million bushels lower with feed and residual use raised 10 million bushels on higher-than-expected December-February disappearance as indicated by the March 1 stocks. Sorghum exports are projected 20 million bushels higher based on the high level of outstanding sales and the sharp increase in weekly shipments during March. Sorghum ending stocks, however, remain unchanged with an offsetting reduction made in domestic use based on the higher-than-expected March 1 stocks estimate.

The 2013/14 season-average farm price for corn is raised 10 cents at the midpoint with the projected range also narrowed to \$4.40 to \$4.80 per bushel, compared with \$4.25 to \$4.75 per bushel last month. The projected range for the sorghum farm price is also raised 10 cents to \$4.15 to \$4.55 per bushel. The barley and oats price ranges are narrowed 5 cents on each end to \$6.00 to \$6.20 per bushel and \$3.65 to \$3.75 per bushel, respectively. The June-May marketing year for barley and oats is nearing an end with most of the two crops already marketed and priced.

**SOYBEANS:** U.S. soybean supplies for 2013/14 are projected at 3.49 billion bushels, up 30 million on increased imports. Imports are projected at a record 65 million bushels based on trade reported through February and prospective large shipments from South America during the second half of the marketing year. Soybean exports for 2013/14 are increased 50 million bushels to 1.58 billion reflecting record year-to-date shipments and large outstanding sales. Despite relatively high prices and record harvests in South America, U.S. exports have remained strong, especially to China, where imports from the United States have already exceeded the previous marketing-year record. Soybean crush is reduced 5 million bushels to 1.685 billion with lower domestic soybean meal consumption more than offsetting a small increase in projected soybean meal exports. Seed use is raised in line with the record plantings reported in the March 31 Prospective Plantings report, while residual use is reduced based on indications from the March 31 Grain Stocks report. U.S. soybean ending stocks are projected at 135 million bushels, down 10 million from last month.

Projected prices for soybeans and soybean products are all raised this month. The projected range for the season-average soybean price is raised 5 cents at the midpoint to 12.50 to \$13.50 per bushel. Soybean oil prices are projected at 38 to 40 cents per pound, up 1.5 cents at the midpoint. Soybean meal prices are projected at \$460 to \$490 per short ton, up 5 dollars at the midpoint.

**WHEAT:** U.S. wheat ending stocks for 2013/14 are projected 25 million bushels higher with lower imports more than offset by a reduction in feed and residual use. Imports are projected 5 million bushels lower based on available shipment data. Feed and residual use is projected 30 million bushels lower based on disappearance during the December-February and September-November quarters as indicated by the March 1 stocks and revisions to the December 1 stocks, both from the March 31 Grain Stocks report. Projected feed and residual use is lowered 10 million bushels each for Hard Red Winter, Hard Red Spring, and White wheat. The all wheat export projection is unchanged, but small by-class adjustments are made to exports as well as imports. The projected season-average farm price for all wheat is unchanged at \$6.75 to \$6.95 per bushel.

**April 2014 World Ending Stocks for 2013-14 in millions of metric tons  
(released April 9, 2014, 11 a.m. CST)**

Crop	USDA April Estimate	Average Guess	Range	USDA March Estimate
Corn	<b>158.0082.00</b>	157.72	156.50 - 159.16	158.47
Soybeans	<b>69.42</b>	70.14	68.50 - 71.90	70.64
Wheat	<b>186.68</b>	183.65	182.50 - 185.30	183.81

**USDA April 2014 South American Production for 2013-14 in millions of metric tons  
(released April 9, 2014, 11 a.m. CST)**

Crop	USDA April Estimate	Average Guess	Range	USDA March Estimate
Argentina:	-	-	-	-
Corn	<b>24.0</b>	23.95	21.80 - 25.70	24.00
Soybeans	<b>54.0</b>	54.15	53.00 - 57.10	54.00
Brazil:	-	-	-	-
Corn	<b>72.0</b>	69.66	68.00 - 71.20	70.00
Soybeans	<b>87.5</b>	87.43	86.50 - 89.50	88.50

**USDA April 2014 WASDE Production in millions of metric tons  
(released April 9, 2014, 11 a.m. CST)**

Crop	USDA April Estimate 2013-14	USDA March Estimate 2013-14	USDA April Estimate 2012-13	USDA March Estimate 2012-13
Argentina Wheat	<b>10.50</b>	10.50	<b>9.30</b>	9.30
Australia	<b>27.00</b>	27.00	<b>22.46</b>	22.46

Wheat				
China Wheat	<b>121.72</b>	121.72	<b>121.02</b>	121.02
India Wheat	<b>93.51</b>	93.51	<b>94.88</b>	94.88
FSU-12 Wheat	<b>103.75</b>	103.83	<b>77.35</b>	77.50
EU Wheat	<b>142.89</b>	142.89	<b>133.88</b>	133.88
Argentina Corn	<b>24.00</b>	24.00	<b>27.00</b>	26.50
Brazil Corn	<b>72.00</b>	70.00	<b>81.50</b>	81.00
China Corn	<b>217.73</b>	217.73	<b>205.61</b>	205.61
South Africa Corn	<b>14.00</b>	13.00	<b>12.37</b>	12.37
Argentina Soybeans	<b>54.00</b>	54.00	<b>49.30</b>	49.30
Brazil Soybeans	<b>87.50</b>	88.50	<b>82.00</b>	82.00

From the USDA April 2014 WASDE Report:

**CORN:** Global coarse grain supplies for 2013/14 are raised 3.6 million tons with increases in foreign corn production far exceeding reductions for millet, sorghum, and barley. Revisions to coarse grain production for a number of Sub-Saharan African countries account for much of the change in world production this month. Notable changes, however, are made for several major producing and exporting countries.

Global corn production is raised 6.4 million tons with a 2.0-million-ton increase for Brazil and 1.0-million-ton increases each for South Africa and Russia. For Brazil, favorable precipitation in March and early April has supported the developing safrinha corn crop with yields now expected just below last year's levels in the areas where this second-season corn crop is grown. For South Africa, improved rains in late February and March have boosted yield prospects for corn grown in the normally lower-yielding western areas. Corn production is raised for Russia based on recent revisions to official production statistics. Corn production is also raised 0.2 million tons for Mexico, in line with the latest government estimates. Global

sorghum production is lowered 1.1 million tons mostly on changes to the Sub-Saharan Africa countries, but production is also lowered 0.4 million tons for Argentina and raised 0.3 million tons for Brazil. Global barley production is lowered with a 0.8-million-ton reduction for China. Global millet production is reduced 1.7 million tons with more than half of the decline for India.

**SOYBEANS:** Global oilseed production for 2013/14 is projected at 504.5 million tons, up 0.2 million from last month with lower soybean production mostly offsetting increases for other crops. Global soybean production is projected at 284.0 million tons, down 1.4 million from last month but still a record. Brazil soybean production is forecast at 87.5 million tons, down 1.0 million from last month with higher harvested area more than offset by lower yields. Lower yields primarily reflect the effect of warm temperatures and limited rainfall through mid-February in the south. India soybean production is reduced 0.8 million tons to 11.0 million reflecting lower-than-average yields resulting from excessive rainfall during much of the growing season. Changes for other crops include higher rapeseed production for India and the European Union, increased sunflowerseed production for Russia, and increased peanut production for Argentina, Brazil, and India.

Global oilseed supplies, exports, and crush for 2013/14 are projected higher this month while ending stocks are projected lower. Higher rapeseed crush in China and higher sunflowerseed crush in Argentina and Russia more than offset reduced soybean crush in the United States, Brazil, and India. Global oilseed stocks are projected at 82.6 million tons, down 1.4 million.

**WHEAT:** Global 2013/14 wheat supplies are raised 0.5 million tons with higher projected beginning stocks, mostly because of reductions in European Union and Ukraine consumption for 2012/13. World production for 2013/14 is lowered 0.2 million tons with mostly offsetting changes to several countries of 0.1 million tons or less.

World wheat imports for 2013/14 are lowered 1.7 million tons mostly reflecting a 1.5-million-ton reduction for China. Smaller import reductions are made for Bangladesh, the European Union, Pakistan, and South Africa, but these are mostly offset by increases for Mexico, Nigeria, and Russia. Global exports are lowered with 0.5-million-ton reductions each for Australia, Canada, India, and Ukraine, and a 0.3-million-ton reduction for Brazil. Most of the export reductions reflect the pace of shipments reported to date, but reductions for Australia and Canada are also related to the lower import outlook for China. For Ukraine, the latest trade data indicate a shift in export business from wheat to corn. Partly offsetting the reductions is a

1.0-million-ton increase for Kazakhstan exports with reports of larger rail shipments to Russia and strong sales to Iran and China.

Global wheat consumption for 2013/14 is lowered 2.4 million tons mostly on a 2.0-million-ton reduction in China wheat feeding. A number of smaller and mostly offsetting changes are also made in consumption for other countries. Global wheat ending stocks for 2013/14 are projected 2.9 million tons higher with the largest increases for Ukraine, the United States, the European Union, Australia, and China.

To view the full April 2014 USDA report go to:

<http://www.usda.gov/oce/commodity/wasde/latest.pdf>

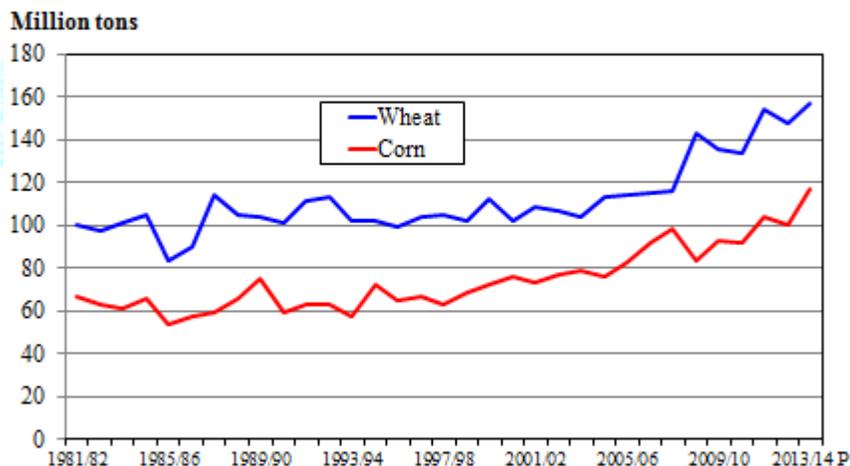
After the report was released Dave spoke about the numbers with Jacquie Vokes of Stewart Peterson Group in Champaign, Illinois **(This link is now LIVE!**

<http://audio01.will.illinois.edu/ag-voeks140409.mp3>

Key graphics from the lock up briefing of the USDA Secretary:

## World Corn and Wheat Exports

Trade Years\*



\*Corn trade year October-September. Wheat trade year July-June.  
Source: USDA-FAS, Office of Global Analysis, *Grains: World Markets and Trade*, March 10, 2014

## World Corn Production

Country or Region	2012/13 estimate	2013/14 forecast	Change from March	Change from 2012/13
	<i>Million Tons</i>		<i>Percent</i>	<i>Percent</i>
World	866.9	973.9	0.7	12.3
United States	273.8	353.7	0.0	29.2
Foreign	593.1	620.2	1.0	4.6
Argentina	27.0	24.0	0.0	-11.1
Brazil	81.5	72.0	2.9	-11.7
Mexico	21.6	21.9	0.9	1.4
Canada	13.1	14.2	0.0	8.7
European Union	58.9	64.9	0.0	10.2
FSU-12	32.4	47.2	2.2	45.9
Ukraine	20.9	30.9	0.0	47.7
Russia	8.2	11.6	8.9	41.7
South Africa	12.4	14.0	7.7	13.2
China	205.6	217.7	0.0	5.9
India	22.3	23.0	0.0	3.3

9

April 9, 2014

## Brazil 2013/14 Corn Summary

*April 2014*

Brazil Corn	Unit	2012/13	2013/14	Change from last month (%)	Change from last year (%)	Prev. Record	Year
Area	Mil. ha	15.8*	14.7	NC	-7%	15.8	2012/13
Yield	Tons/ha	5.16*	4.90	3%	-5%	5.16	2012/13
Production	Mil. tons	81.50*	72.00	3%	-12%	81.50	2012/13

\* Indicates a record

10

April 9, 2014

## Brazil Corn: First-season compared to Second-season

### First-season Corn

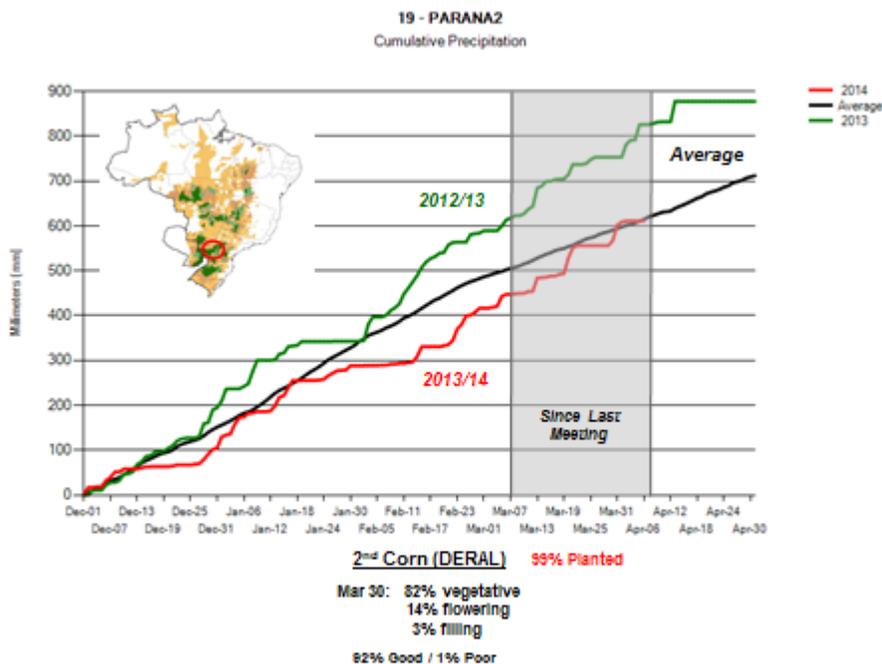
- Planting began in September 2013.
- Area down 0.4 Mha from last year.
- Crop is harvested.
- Some damage from heat and drought.
- Corn production used by livestock industry.

### Second-season Corn

- Planting began in Feb. 2014.
- High cost of production and low prices result in unprofitability.
- Area down 0.7 Mha from last year.
- Rains in Parana, Mato Grosso do Sul, Goias and Mato Grosso have increased yield potential.
- Corn production for export market.

11

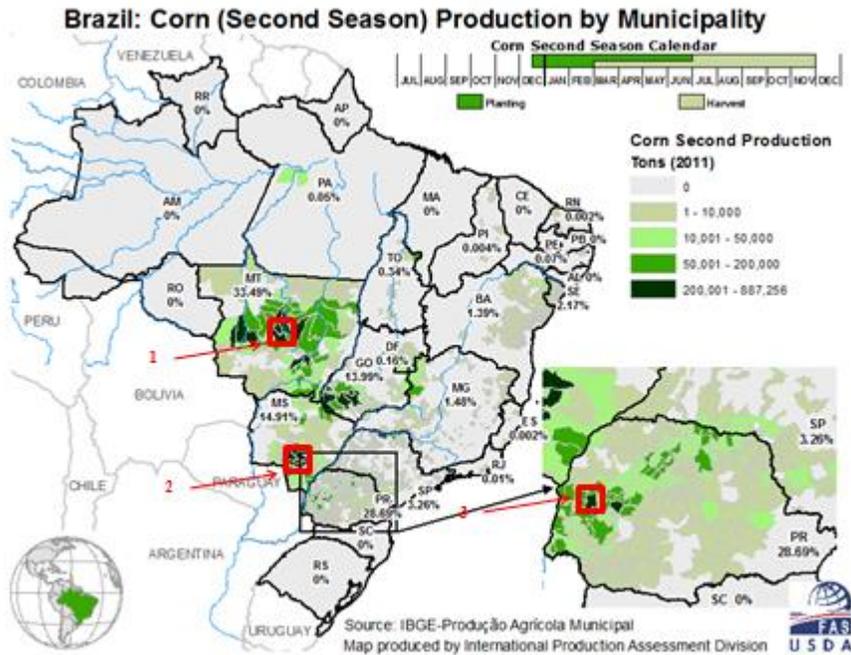
April 9, 2014



USDA Agricultural Weather Assessments  
World Agricultural Outlook Board

12

April 9, 2014

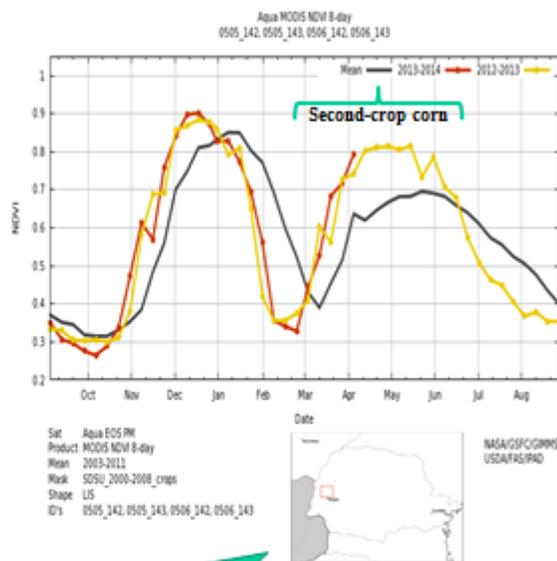


13

April 9, 2014

### 3. Toledo, Parana, Brazil

- Satellite-derived vegetation health indicates conditions for 2013/14 (RED) are similar to 2012/13 season (YELLOW) for corn in Parana.
- Corn yields are forecast similar to last year's 4.83 tons per hectare.



Critical flowering and grainfill stages for second-crop corn are expected in late April and early May.

14

April 9, 2014

# Brazil 2013/14 Soybean Summary

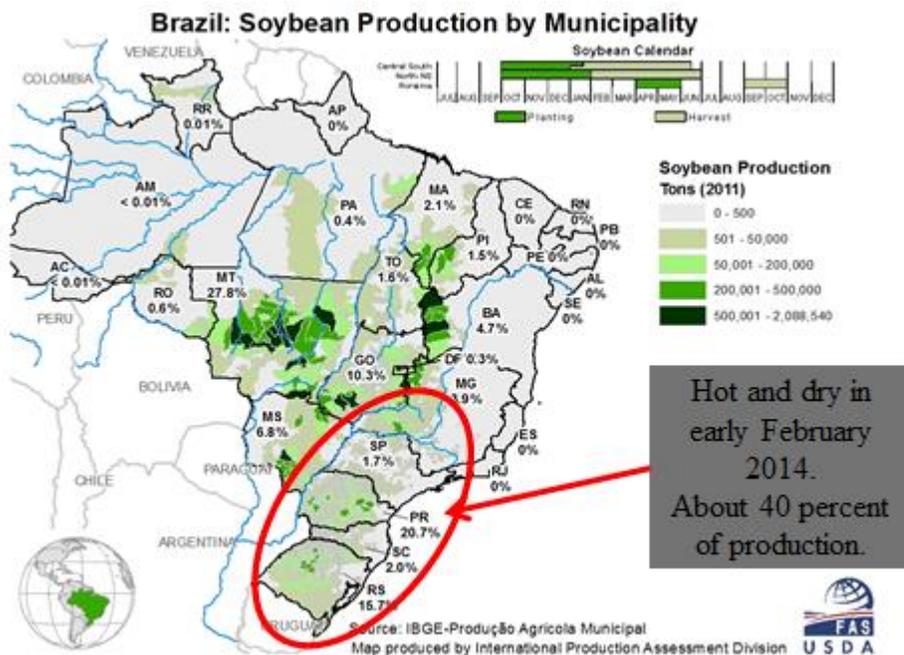
April 2014

Brazil Soybean	Unit	2012/13	2013/14	Change from last month (%)	Change from last year (%)	Prev. Record	Year
Area	Mil. ha	27.70	29.90*	1%	8%	27.70	2012/13
Yield	Tons/ha	2.96	2.93	-4%	-1%	3.11	2010/11
Production	Mil. tons	82.00	87.50*	-1%	7%	82.00	2012/13

\* Indicates a record

24

April 9, 2014



25

April 9, 2014

## **AM-580 Daily Agricultural Programming Schedule**

Monday – Friday (all times central)

- 8:49 a.m. – \$\*Opening Commodity Market Report
- 8:52 a.m. - \$Drew Lerner Agricultural Weather
- 9:49 a.m. – \$\*Mid-Morning Commodity Market Report
- 10:59 a.m. – Commodity Market Price Update
- 11:59 a.m. – Commodity Market Price Update
- 12:58:30 p.m. – \*Midday Market Analysis with Sue Martin
- 2:06-2:36 p.m. – \$\*Closing Market Report
  - 2:11 – Futures Analysis
  - 2:20 - Agricultural News
  - 2:25 - Cash Grain Analysis or Energy Analysis
  - 2:32 – Agricultural Weather Analysis

Friday

- 2:36 p.m. – 3:00 p.m. – \$\*Commodity Week

Saturday

- 6:30 a.m. - \$\* Commodity Week

\* Available on the website for on demand listening

\$ Available via podcast