

USDA SUPPLY & DEMAND REVIEW

October 28, 2008

SOYBEANS

SOYBEANS: The USDA issued a corrected Supply/Demand Report for soybeans today. It was considered bullish and soybeans are called 50 cents higher to limit up. The estimate of soybean harvested acreage was revised to 74.4 million acres, down 1.1 million from the original October report. Yield was left unchanged, but the lower acreage resulted in a lower production estimate at 2.938 billion bushels compared to 2.983 on the original report. Ending stocks were lowered to 205 million bushels compared to 220 on the original report. With the crush number left unchanged, meal and oil S&D numbers were all left unchanged. Soybean exports were revised lower by 30 million bushels to 1.02 billion bushels.

USDA SUPPLY/DEMAND US SOYBEANS	-- RECENT USDA REPORT --						
			Oct	Oct	Sep	Oct 10	Oct 28
			USDA	USDA	USDA	USDA	USDA
	04-05	05-06	06-07	07-08	08-09	08-09	08-09
Area (M Acres)							
Planted	75.2	72.0	75.5	64.7	74.8	77.0	75.9
Harvested	74.0	71.3	74.6	64.1	73.3	75.5	74.4
Yield (Bu/Acre)	42.2	43.0	42.7	41.7	40.0	39.5	39.5
Beginning Stocks (M Bu)	112	256	449	574	140	205	205
Production	3,124	3,063	3,188	2,676	2,934	2,983	2,938
Imports	6	3	9	10	10	7	7
Supply, Total	3,242	3,322	3,647	3,260	3,084	3,195	3,150
Crushings	1,696	1,739	1,808	1,801	1,785	1,760	1,760
Exports	1,097	940	1,116	1,160	1,000	1,050	1,020
Seed	88	93	80	95	90	90	90
Residual	104	101	69	-2	74	75	75
Use, Total	2,986	2,873	3,073	3,055	2,949	2,975	2,945
Ending Stocks	256	449	574	205	135	220	205
Stocks/Use Ratio	8.6%	15.6%	18.7%	6.7%	4.6%	7.4%	7.0%

USDA SUPPLY/DEMAND WORLD SOYBEANS							
			Oct	Oct	Sep	Oct 10	Implied
			USDA	USDA	USDA	USDA	Oct 28
(Million Metric Tons)	04-05	05-06	06-07	07-08	08-09	08-09	08-09
Supply							
Beginning Stocks	37.72	47.46	53.08	62.65	50.13	52.68	52.68
Production	215.69	220.54	236.56	220.69	237.99	239.43	238.21
Imports	63.52	64.05	69.03	77.60	77.47	77.15	77.15
Use							
Crush, Domestic	175.56	185.21	195.38	201.15	206.38	204.88	204.88
Total Domestic	204.77	215.33	224.52	229.12	236.76	235.19	234.37
Exports	64.74	63.93	71.50	79.14	77.60	78.84	78.84
Ending Stocks	47.41	52.79	62.65	52.68	51.23	55.24	54.83
Stocks/Use Ratio	23.2%	24.5%	27.9%	23.0%	21.6%	23.5%	23.4%

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October 28, 2008

CORN

CORN: The USDA's Crop Production and Supply/Demand revisions this morning were considered supportive to the market with corn called 20-25 cents higher. The USDA revised planted and harvested acres down by 1 million acres. Yield was revised down .10 to 153.9 bushels/acre. This pushed production down to 12.033 billion bushels, down 167 million bushels from the original forecast. However, the USDA also lowered feed usage by 50 million and export demand by 50 million bushels. Ending stocks are now pegged at 1.088 billion bushels from 1.154 billion last month. This leaves stocks/usage at 8.6% from 9.1% in the original October forecast and is seen as supportive.

USDA SUPPLY/DEMAND US CORN			-- RECENT USDA REPORT --				
			Oct	Oct	Sep	Oct 10	Oct 28
			USDA	USDA	USDA	USDA	USDA
	04-05	05-06	06-07	07-08	08-09	08-09	08-09
Area (M Acres)							
Planted	80.9	81.8	78.3	93.6	87.0	86.9	85.9
Harvested	73.6	75.1	70.6	86.5	79.3	79.2	78.2
Yield (Bu/Acre)							
	160.4	148.0	149.1	151.1	152.3	154.0	153.9
Beginning Stocks (M Bu)							
Production	11,807	11,114	10,535	13,074	12,072	12,200	12,033
Imports	11	9	12	18	15	15	15
Supply, Total	12,776	13,237	12,514	14,396	13,663	13,839	13,673
Feed & Residual							
Food, Seed & Industry	2,686	2,981	3,490	4,338	5,445	5,335	5,335
Ethanol for Fuel	1,323	1,603	2,119	3,000	4,100	4,000	4,000
Domestic Total	8,844	9,136	9,085	10,336	10,645	10,685	10,635
Total Exports	1,818	2,134	2,125	2,435	2,000	2,000	1,950
Use, Total	10,662	11,270	11,210	12,771	12,645	12,685	12,585
Ending Stocks	2,114	1,967	1,304	1,624	1,018	1,154	1,088
Stocks/Use Ratio	19.8%	17.5%	11.6%	12.7%	8.1%	9.1%	8.6%

USDA SUPPLY/DEMAND WORLD CORN			Oct	Oct	Sep	Oct 10	Implied
(Million Metric Tons)			USDA	USDA	USDA	USDA	Oct 28
	04-05	05-06	06-07	07-08	08-09	08-09	08-09
Supply							
Beginning Stocks	104.58	132.14	124.78	108.69	123.46	122.88	122.88
Production	714.76	696.86	712.44	790.99	782.96	785.25	781.01
Imports	76.67	79.47	90.92	95.87	83.23	81.33	81.33
Use							
Feed, Domestic	473.41	476.31	477.79	499.88	486.23	492.34	492.34
Total Domestic	687.98	703.89	728.53	776.80	796.47	800.37	799.10
Exports	77.64	80.93	93.80	95.77	86.07	83.87	83.87
Ending Stocks	131.36	125.11	108.69	122.88	109.94	107.76	104.79
Stocks/Use Ratio	19.1%	17.8%	14.9%	15.8%	13.8%	13.5%	13.1%

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October 28, 2008

WHEAT

WHEAT: There were no revisions to the October 10, 2008 Supply/Demand Report today.

USDA SUPPLY/DEMAND US WHEAT	-- RECENT USDA REPORT --						
				Oct	Oct	Sep	Oct 10
				USDA	USDA	USDA	USDA
	03-04	04-05	05-06	06-07	07-08	08-09	08-09
Area (M Acres)							
Planted	62.1	59.7	57.2	57.3	60.4	63.5	63.0
Harvested	53.1	50.0	50.1	46.8	51.0	56.6	55.7
Yield (Bu/Acre)	44.2	43.2	42.0	38.7	40.5	43.5	44.9
Beginning Stocks (M Bu)	491	546	540	571	456	306	306
Production	2,345	2,158	2,105	1,812	2,067	2,462	2,500
Imports	63	71	81	122	113	100	100
Total Supply	2,899	2,775	2,726	2,505	2,635	2,868	2,905
Food	912	910	915	938	948	960	960
Seed	80	78	78	82	88	84	84
Feed/Residual	203	182	160	121	30	250	260
Domestic Total	1,194	1,169	1,152	1,140	1,066	1,294	1,304
Total Exports	1,158	1,066	1,003	908	1,264	1,000	1,000
Use, Total	2,353	2,235	2,155	2,049	2,330	2,294	2,304
Ending Stocks	546	540	571	456	306	574	601
Stocks/Use Ratio	23.2%	24.2%	26.5%	22.3%	13.1%	25.0%	26.1%

USDA SUPPLY/DEMAND WORLD WHEAT (Million Metric Tons)							
				Oct	Oct	Sep	Oct
				USDA	USDA	USDA	USDA
	03-04	04-05	05-06	06-07	07-08	08-09	08-09
Supply							
Beginning Stocks	166.35	132.39	150.76	147.64	127.02	118.49	119.80
Production	554.42	626.83	621.30	596.30	610.88	676.28	680.20
Imports	100.79	109.45	110.15	113.25	112.12	120.23	120.83
Use							
Feed, Domestic	96.16	105.43	111.40	106.27	94.95	124.47	123.70
Total Domestic	588.37	608.60	624.37	616.93	618.10	654.88	655.58
Exports	108.43	110.70	116.16	111.20	114.85	122.88	123.18
Ending Stocks	132.39	150.62	147.69	127.02	119.80	139.89	144.41
Stocks/Use Ratio	22.5%	24.7%	23.7%	20.6%	19.4%	21.4%	22.0%

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