

USDA Ag Supply & Demand Estimates Preview – Feb 2010

- On Tuesday night (9th Feb) the USDA will release their WASDE and US Crop Production reports. These reports can move the market, however trade estimates currently appear largely benign.

Trade Estimates

- US grain, oilseed and cotton ending stock estimates for 2009/10 are expected to be revised slightly lower.
 - Despite the expected downward revision. US ending stocks for wheat are comfortable.
 - US cotton stock forecasts are becoming increasingly tight.
- Global supplies of grains and oilseeds are forecast to be revised marginally higher.
 - Global wheat stocks are tipped to be increased by 400kt to 196mt, up 20% from 2008/09 levels.
 - Global corn stocks are forecast to be raised 600kt to nearly 137kt. But this is still 6% below 2008/09 levels.
 - Global soybean stocks are forecast to increase 500kt tonnes to 60.3mt in 2009/10, up 41% (from 43mt) in 2008/09.

Table 1: US Grain & Oilseed Ending Stock Estimates

US STOCKS (09/10)		2009/10 USDA Feb Est.	2009/10 Avg Trade Est.	2009/10 Range of Est.	2009/10 USDA Jan Est.	2008/09 USDA Actual
Wheat	(bn bu)	?	0.971	0.876-1.002	0.976	0.657
Corn	(bn bu)	?	1.747	1.602-1.815	1.764	1.674
Soybeans	(bn bu)	?	0.221	0.170-0.245	0.245	0.138

Source: Bloomberg Survey (25 responses, 4 Feb)

Table 2: US Cotton S&D Estimates

US COTTON (09/10)		2009/10 USDA Feb Est.	2009/10 Avg Trade Est.	2009/10 Range of Est.	2009/10 USDA Jan Est.	2008/09 USDA Actual
Production	(m bale)	?	12.34	12.15-12.5	12.40	12.82
Exports	(m bale)	?	11.19	11.0-11.7	11.00	13.28
Stocks	(m bale)	?	4.13	3.75-4.3	4.30	6.34

Source: Bloomberg survey (9 responses, 5 Feb)

Table 3: World Grain & Oilseed Ending Stock Estimates

WORLD STOCKS (09/10)		2009/10 USDA Feb Est.	2009/10 Avg Trade Est.	2009/10 Range of Est.	2009/10 USDA Jan Est.	2008/09 USDA Actual
Wheat	(mt)	?	196.0	193.9-197.1	195.6	163.9
Corn	(mt)	?	136.8	130.9-140.0	136.2	146.0
Soybeans	(mt)	?	60.3	59.0-63.0	59.8	42.9

Source: Bloomberg Survey (14 responses, 4 Feb)



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