



USDA June WASDE Report 6/11/19:

Corn:

- Raised 18/19 ending stocks 100 million bushels from 2.095 billion bushels to 2.195 billion bushels.
- Lowered 18/19 total usage 100 million bushels to 14.400 billion bushels (-100 exports).
- Lowered 19/20 ending stocks 810 million bushels from 2.485 billion bushels to 1.675 billion bushels.
- Lowered 19/20 harvested acres 3 million acres to 82.4 million acres.
- Lowered 19/20 yield 10 bushels per acre to 166.0 bushels per acre.
- Lowered 19/20 total supply 1.235 billion bushels to 15.925 billion bushels (+100 begin stocks, +15 imports, -1,350 production).
- Lowered 19/20 total usage 425 million bushels to 14.250 billion bushels (-125 exports, -300 feed use).
- Lowered World 18/19 ending stocks from 325.9 million metric tons to 325.4 million metric tons.
- Lowered World 19/20 ending stocks from 314.7 million metric tons to 290.5 million metric tons.

SUMMARY: The USDA surprised much of the trade with a 10 bushel per acre yield cut to 166.0 and 3 million acres lost due to slow planting progress. They also lowered old & new crop export demand by a combined 225 million bushels due to a 4.5 million metric ton increase in South America export competition. New crop demand saw feed/residual cut by 300 million bushels as the result of the smaller corn crop and the rationing effect of higher prices. New crop ending stocks came in at 1.675 billion bushels, down 810 million. The market is accordingly higher, and there may be more to come as the final acreage total is yet to be determined. Market results due to the report were: Pre-report down 6; at release up 2; and at the close up 12.

Soybeans:

- Raised 18/19 ending stocks 75 million bushels from 995 million bushels to 1.070 billion bushels.
- Lowered 18/19 total usage 75 million bushels to 3.929 billion bushels (-75 exports).
- Raised 19/20 ending stocks 75 million bushels from 970 million bushels to 1.045 billion bushels.
- Raised 19/20 total supply 75 million bushels to 5.240 billion bushels (+75 begin stocks).
- Lowered World 18/19 ending stocks from 113.2 million metric tons to 112.8 million metric tons.
- Lowered World 19/20 ending stocks from 113.1 million metric tons to 112.7 million metric tons.

SUMMARY: Old crop export demand took a 75 million bushel hit as the result of a 1.45 million metric ton boost to Argentina exports. This grew old crop carry out to 1.070 billion bushel and new crop to 1.045 billion bushels giving the US an official billion bushel carry out. For new crop, they left acreage alone at 84.6 million acres. Some will make an argument that we shifted some acres of corn to beans, while others suggest there will be some prevent plant if the forecast continues to call for rain, especially in the East. Yield was left unchanged at 49.5 bushels per acre. Too early for the USDA to do much with that. Big numbers. Market results due to the report were: Pre-report down 6; at release down 3; and at the close up 1.

Wheat:

- Lowered 18/19 ending stocks 25 million bushels from 1.127 billion bushels to 1.102 billion bushels.
- Raised 18/19 total usage 25 million bushels to 2.022 billion bushels (+25 exports).
- Lowered 19/20 ending stocks 69 million bushels from 1.141 billion bushels to 1.072 billion bushels.
- Raised 19/20 yield 0.1 bushels per acre to 48.7 bushels per acre.
- Lowered 19/20 total supply 19 million bushels to 3.145 billion bushels (-25 begin stocks, +6 production).
- Raised 19/20 total usage 50 million bushels to 2.073 billion bushels (+50 feed/residual).
- Raised World 18/19 ending stocks from 275.0 million metric tons to 276.6 million metric tons.
- Raised World 19/20 ending stocks from 293.0 million metric tons to 294.3 million metric tons.

SUMMARY: US ending stocks supportive but offset by increased world stocks. Market was surprised by unchanged production estimate for Australia given ongoing drought, as well as larger crops in Russia and Ukraine. US weather for winter wheat will be closely watched along with world weather trends, notably in Canada, Australia, and the FSU. Choppy with projected support from corn. Market results due to the report were: Pre-report down 2; at release up 6; and at the close up 10.