

This Week in Agriculture:

USDA Planting Intentions and Quarterly Stocks Report Summary : March 31, 2011

This morning's report is considered bullish for both corn and soys due to lower than anticipated quarterly stock numbers and acreage numbers close to pre-report expectations.

Corn Acreage:

Average Analyst Estimate: 91.84 mln acres

2010 Planted Acreage: 88.19 mln acres

Today's USDA Number: 92.2 mln acres

- Today's 92.2 million acre figure came in close to USDA baseline projections and trader expectations. Of course weather will now be vital to see that many acres of corn planted.
- Corn acres in Michigan are expected to increase by 100,000 acres over last year's plantings.

Corn Quarterly Stocks:

Average Analyst Estimate: 6.69 Bln Bu

December 1st Corn Stocks: 10.04 Bln Bu

Today's USDA Number: 6.52 Bln Bu

- A lower than anticipated stocks number indicates higher usage than anticipated-most likely in the form of feed. The USDA believes corn stored on farm is down 26% from last year at this time, with corn stored in elevators only down slightly.
- Here in Michigan the USDA sees total March 1st corn stocks down 13.2 million bushels from last year. The biggest difference is seen in bushels stored on farms, with on-farm bushels down 21 mln bu.

Soybean Acreage:

Average Analyst Estimate: 76.87 mln acres

2010 Planted Acreage: 77.40 mln acres

Today's USDA Estimate: 76.6 mln acres

- Today's USDA number came in on the lower end of trader estimates and slightly below the average pre-report guess.
- Soybean acres in Michigan are expected to come in 50,000 acres lower.

Soy Quarterly Stocks:

Average Analyst Estimate: 1.299 Bln Bu

USDA December 1st Stocks: 2.28 Bln Bu

Today's USDA Number: 1.25 Bln Bu

- Soy quarterly stocks coming in less than anticipated will help to relieve some concern over slow crush and exports. Soys stored on farm are down 17% from last year, with soys stored commercially coming in 13% higher than last year at this point in the year.
- Here in Michigan the USDA sees total March 1st soy stocks up by 7.772 million bushels. Of those bushels stocks on the farm are 2.6 mln bushels, but commercial stocks are up by nearly 10 million bushels over last year.
- Overall wheat numbers came in relatively close to slightly above to pre-report estimates.

Opening calls so far are 10-15 higher for corn, 15-30 better for soys and 5-10 higher on wheat. Export sales this morning were a marketing year high for corn, possibly helping to further support the markets. Give us a call with any questions. Weather will be vital as we move ahead extended forecasts are calling for cool temperatures with below normal precip in the Western Belt and above normal precip in the Eastern Belt.