



## **USDA January Quarterly Report 1/12/18:**

### ***Corn:***

- Raised 17/18 ending stocks 40 million bushels from 2.437 billion bushels to 2.477 billion bushels.
- Lowered 17/18 harvested acres 0.4 million acres to 82.7 million acres.
- Raised 17/18 yield 1.2 bushels per acre to 176.6 bushels per acre.
- Raised 17/18 total supply 25 million bushels to 16.947 billion bushels (-2 beginning stocks, +26 production).
- Lowered 17/18 total usage 15 million bushels to 14.470 billion bushels (-25 feed usage, +10 FSI).
- Raised World 17/18 ending stocks from 204.1 million metric tons to 206.6 million metric tons.

***SUMMARY:*** Slightly negative as corn yield was raised 1.2 bushel per acre to a whopping 176.6 while harvested acres was lowered 400,000 to 82.7 million acres. Carry out was raised 40 million bushels to 2.477 billion bushels because of the increase of production and the reduction of feed usage (many expected feed usages to be raised). South American production was left unchanged. Market results due to the report were: Pre-report steady; at release down 2; and at the close down 2.

### ***Soybeans:***

- Raised 17/18 ending stocks 25 million bushels from 445 million bushels to 470 million bushels.
- Lowered 17/18 yield 0.4 bushels per acre to 49.1 bushels per acre.
- Lowered 17/18 total supply 34 million bushels to 4.718 billion bushels (+1 beginning stocks, -33 production).
- Lowered 17/18 total usage 58 million bushels to 4.248 billion bushels (+10 crush, -65 exports, -2 residual).
- Raised World 17/18 ending stocks from 98.3 million metric tons to 98.6 million metric tons.

***SUMMARY:*** Soybeans was friendlier than expected along with weather forecasts out of Argentina being drier than what had been reported. The USDA surprisingly lowered yield by 0.4 bushels per acre to 49.1, dropping the crop estimate by 33 million bushels. As expected, exports were reduced by 65 million bushels, but crush was increased 10 and residual was lowered 2 to increase ending stocks by 25 million bushels to 470. South American changes were within ranges increasing Brazil's crop by 2 million metric tons to 110 and reducing Argentina's crop by 1 million metric tons to 56 versus last report. World Bean stocks were increased 0.3 million metric tons and Chinese bean imports were left unchanged for 17/18 at 97 million metric tons. Market results due to the report were: Pre-report down 3; at release up 4; and at the close up 10.

### ***Wheat:***

- Raised 17/18 ending stocks 29 million bushels from 960 million bushels to 989 million bushels.
- Raised 17/18 total supply 5 million bushels to 3.076 billion bushels (+5 imports).
- Lowered 17/18 total usage 24 million bushel to 2.087 billion bushels (-4 seed, -20 feed/residual).
- Lowered World 17/18 ending stocks from 268.4 million metric tons to 268.0 million metric tons.

***SUMMARY:*** Winter wheat seedings at 32.6 million acres were 1.1 million above the average trade guess at 31.5 and 32.7 million last year. This exceeded even the high end of the trading range. All wheat December 1 stocks were 1.874 million bushels, 23 million bushels above the average trade guess. Market results due to the report were: Pre-report up 1; at release down 6; and at the close down 12.