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Feed Outlook

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Feed Grain Supplies Down 4 Percent, Use Up 4 Percent

Contents

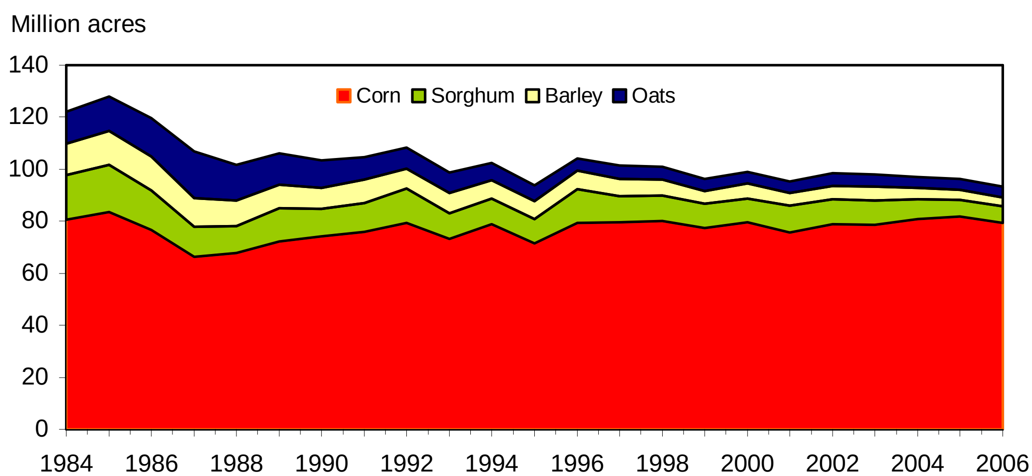
The next release is Aug. 15, 2006

Approved by the World Agricultural Outlook Board.

Reacting to high input prices and lower prices than the previous year, farmers reduced plantings of most feed grains in 2006/07, reducing forecast expected supplies. Continuing strong demand for ethanol and food uses plus strong expected exports and only slightly reduced feed and residual use has strengthened total use and lowered ending stocks. Ending stocks are expected to decline 45 percent compared with a year earlier, to a more manageable 31.4 million metric tons. Feed and residual use in 2005/06 was raised 100 million bushels and exports were raised 25 million. In 2006/07, foreign coarse grain production, consumption, and ending stocks are little changed this month.

Figure 1

Planted area for corn, sorghum, barley, and oats



Sources: USDA, National Agricultural Statistics Service, *Quick Stats,* and Foreign Agricultural Service, *Grain: Word Markets and Trade (Grain Circular).*

Domestic Outlook

Feed Grain Supply To Shrink in 2006/07

U.S. feed grain production in 2006 is projected at 287 million metric tons, up 4 million from a month ago but down 11.1 million from 2005. The June 30 *Acreage* report showed planted acres increased from earlier intentions for corn, were unchanged for oats, while sorghum and barley acres declined. The first survey-based production forecast for barley was down 15 million bushels from the previous projection, which was based on trend yields and expected plantings, and oats was down 10 million bushels to a record low. The United States Department of Agriculture (USDA) will make its first survey-based forecasts for corn and sorghum in August.

Feed grain supply in 2006/07 is projected at 347 million metric tons, up 1.2 million from last month, but down 12.8 million tons from 2005/06. Feed grain production was up 4 million tons from last month, but down 11.1 million from last year. Imports are also expected to be up slightly from last month and last year. Beginning stocks were decreased 3 million metric tons this month to 56.8 million because of larger 2005/06 expected exports and feed and residual use.

Projected total use of feed grains in 2005/06 was increased 3.1 million metric tons this month, reflecting larger-than-expected feed and residual use. Projected exports were increased, but food, seed, and industrial use declined slightly. For 2006/07, projected total use was up from last month, boosted by feed and residual use. Ending stocks for 2006/07 are projected at 31.4 million tons, down 600,000 from last month and down 25.4 million from 2005/06. Prices in 2006/07 were unchanged because of the very small change in ending stocks.

Feed and Residual Use in 2006/07 To Decrease

Feed and residual use in 2006/07 is expected to total 160 million metric tons and account for 51 percent of total use. When converted to a September-August marketing year, feed and residual use for the four feed grains plus wheat is projected to total 166 million tons, down from 2005/06's 168 million. Corn is estimated to account for 93 percent of the feed and residual use, down from 94 percent in 2005/06. Increased distillers' spent grains are expected to offset increased feed needs.

The index of grain consuming animal units (GCAUs) for 2006/07 is expected to be up 0.9 million units from 2005/06's 91.9 million units. The grain used per GCAU would be 1.79 tons, down 2 percent from 2005/06. In the index components, GCAUs for cattle on feed are down slightly, while those for the other categories are up slightly, with hogs being up the most at 0.3 million units.

Cattle on feed in feedlots with capacity of 1,000 head or more on June 1 were up 4 percent from a year earlier. Thus, current feed use by cattle in feedlots is stronger than last year. Further strengthening feed needs is the increase in beef projected for 2007 at 26.8 billion pounds, up from 26.1 billion in 2006. However, some of the feed needs may be satisfied by increased production of distillers' spent grains by the expanding ethanol industry.

Pork production in 2007 is expected to increase 3 percent from the 21.1 billion pounds expected in 2006, which is up 2 percent from 2005. Hog farmers responding to the June 2006 survey indicated that they intended to farrow nearly the same number of sows in June-November 2006 relative to the prior year. However, the number of pigs per litter during December-May was up, increasing the pig crop. As a result, feed use by the pork sector is likely to be up in 2006/07.

With stronger prices for their products (except broilers), broiler, turkey, and egg production in 2007 are expected to slow the increase from the expected 2006 levels and continue strong demand for feed grains. Broiler production in 2007 is expected to increase 2 percent from the projected 2006 production, which is up 2 percent from a year earlier. Forecast turkey production in 2007 is up 2 percent from 2006, which is up 2 percent from 2005. Egg producers are expected to produce 7.7 billion dozen eggs in 2007, up 2 percent from the projected 2006 output. These forecast increases in production will likely increase feed use.

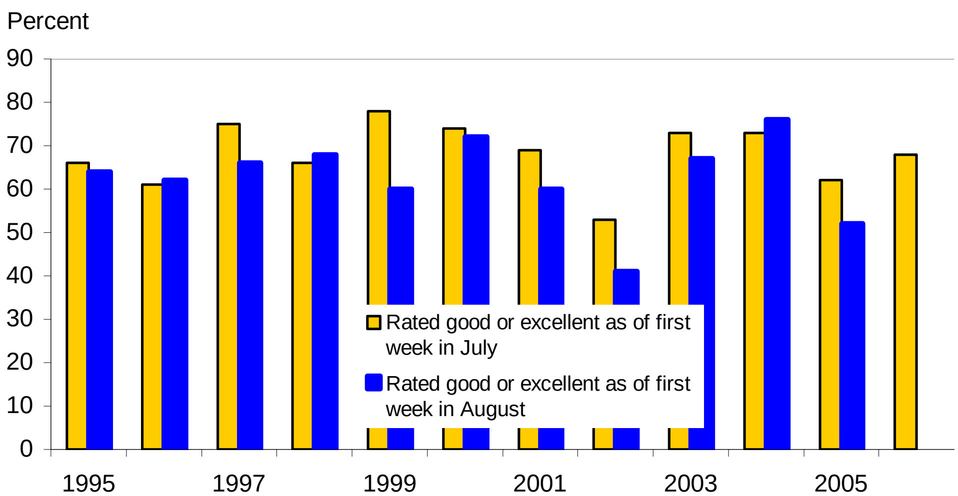
Corn Plantings Up From Intentions

The projection for 2006 corn production was increased 2 percent from last month because of increased acres planted. Producers increased plantings 1.4 million acres from their March intentions to 79.4 million acres, down from 81.8 million in 2005. Producers reported planting 61 percent biotech seed varieties, up from 52 percent last year. Yields were unchanged from last month. As of July 10, 63 percent of the corn crop was rated good or excellent, up from 58 percent last year.

Projected corn use is increased from last month's projection and up 560 million bushels from the estimate for 2005/06. In 2005/06, feed and residual use was increased 100 million bushels from last month to reflect the larger disappearance in the third quarter. Exports were increased 25 million bushels to reflect the pace of

Figure 2

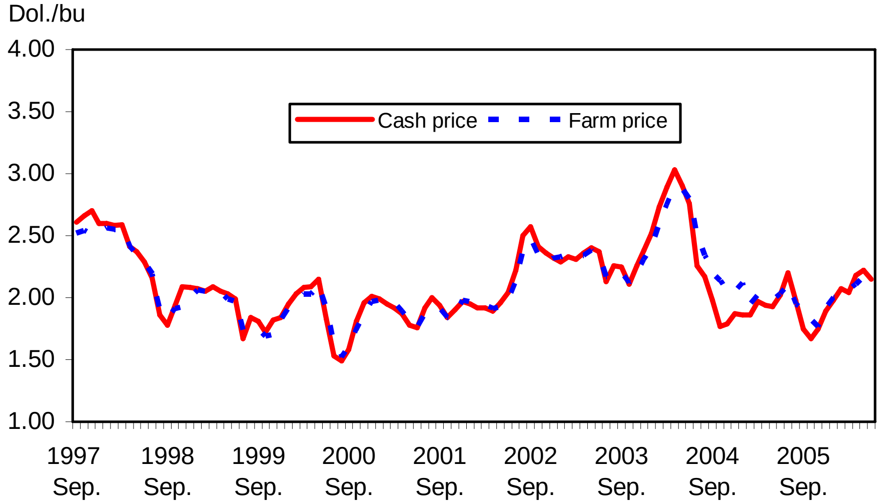
Corn conditions are up so far in 2006



Source: USDA, National Agricultural Statistics Service, *Weekly Weather and Crop Bulletin.*

Figure 3

U.S. corn: Central Illinois cash and average farm price, September 1997-June 2006



Sources: USDA, Agricultural Marketing Service, *Weekly Grain Market News Summary,* and Economic Research Service, *The Feed Grains Data Delivery System.*

export shipments and stronger sales. Food, seed, and industrial (FSI) use was decreased 10 million bushels because of weaker-than-expected use in high fructose corn syrup and starch in the year-to-date. As a result, ending stocks for 2005/06 were lowered 114 million bushels. For 2006/07, decreased beginning stocks and increased production raised supply 76 million, but, with increased use, ending stocks were lowered 14 million bushels.

With 2006/07 ending stocks projected down slightly from last month, prices were unchanged this month. The projected price for 2006/07 is $1.25-$2.65 per bushel. In 2005/06, the season average price received by farmers is expected to be $1.95-$2.00.

Food, Seed, and Industrial Use Continues To Increase

Food, seed, and industrial (FSI) use of corn in 2006/07 is expected to total 3.535 billion bushels, down 10 million from last month. In 2005/06, FSI use is expected to total 2,975 million bushels, down 10 million from last month. In 2006/07, FSI use, if realized, would represent 30 percent of total use, up from 27 percent in 2005/06. FSI use in 2006/07 is expected to increase for most estimated uses, but corn used to produce ethanol shows the largest increase.

Based on the monthly ethanol production through April, the latest available, reported by the Energy Information Administration (EIA) in the Department of Energy, corn used to make ethanol in 2005/06 was estimated up 21 percent from the 1,323 million bushels used in 2004/05. Since prices are very strong, production will likely be maintained near capacity during June, July, and August. In 2006/07, additional ethanol plants will come on stream, boosting demand for corn, and is expected to utilize 2,150 million bushels, a 34-percent increase from 2005/06.

Corn used for high fructose corn syrup (HFCS) production in September 2005-May 2006 is expected to be up 2 percent from the same period in 2004/05. Since HFCS is used in soft drinks, the June-August quarter is usually the strongest, and yearly production is expected to be up 2 percent. In 2006/07, corn used for HFCS production is expected to increase 1 percent from the forecast 530 million bushels used in 2005/06.

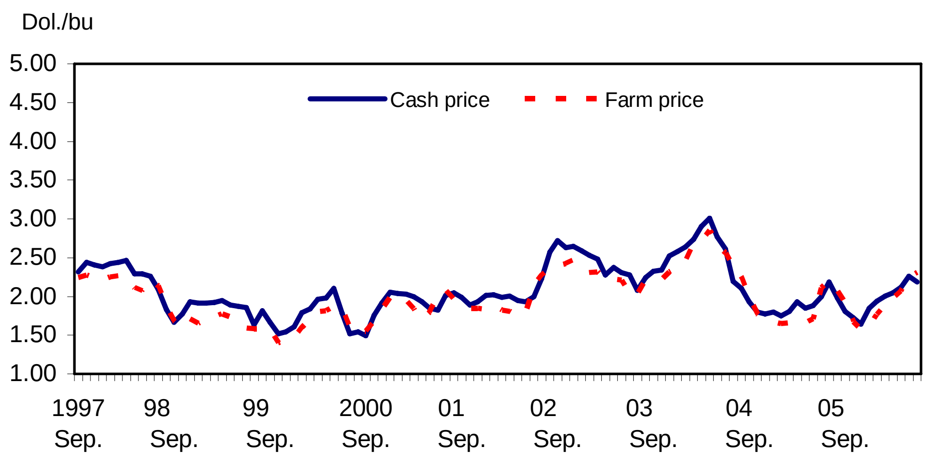
Corn used to make glucose and dextrose during September 2005 May 2006 is expected to be up 2 percent from the same period a year earlier and is expected to be up 1 percent for the year-over-year total. In the first three quarters of the 2005/06 corn marketing year, corn used for starch production has been down 1 percent from the same period in 2004/05. Corn starch is used in paper manufacturing and to make wallboard, both products that increase when the economy is expanding. For all of 2005/06, corn used to make starch is expected to decrease 1 percent from 2004/05.

Projected Sorghum Production To Decline

Sorghum production in 2006 is projected at 350 million bushels, down 10 million from a month ago because of fewer planted and harvested acres. Sorghum plantings are estimated at 6.3 million acres, down 200,000 from the March intentions. Harvested area is forecast at 5.3 million acres, down 200,000 from last month's projection, which was based on March planting intentions and a 5-year average difference between planted and harvested acres, excluding 2002. To obtain a rounded production number, yields increased slightly from last month.

Figure 4

U.S. sorghum: Kansas City cash and average farm price, September 1997 to June 2006



Sources: USDA, Agricultural Marketing Service, *Weekly Grain Market News Summary,* and Economic Research Service, *The Feed Grains Data Delivery System.*

Sorghum supplies in 2006/07 are expected to decrease from last month because of reduced production. For 2006/07, total use was lowered 10 million bushels from last month because of the smaller supplies and the already low ending stocks. The reduction was in feed and residual. For 2005/06, supply and use were unchanged this month.

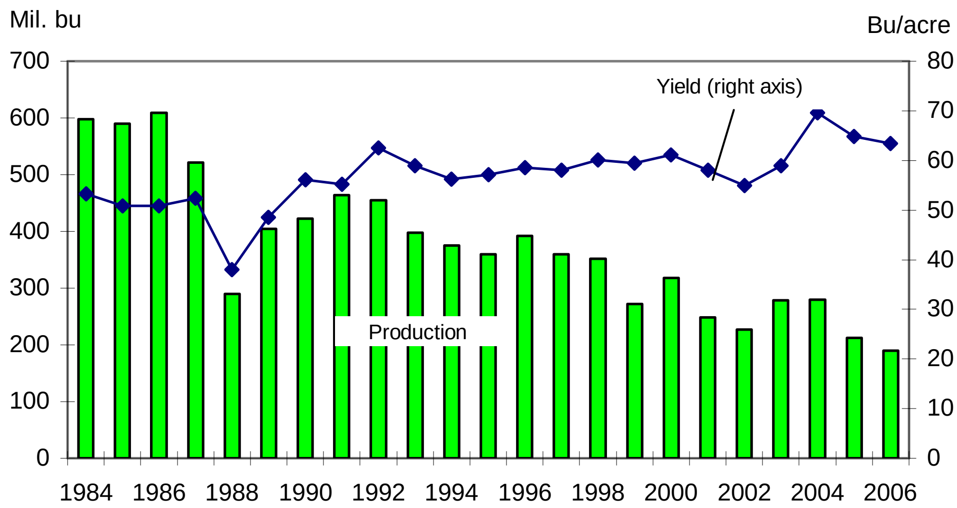
Projected prices for 2005/06 are $1.75-$1.80 per bushel. The forecast price for sorghum in 2006/07 is $2.05-$2.45, 91-92 percent of the corn price.

Barley Production Decreases

The first survey-based forecast of 2005 barley production is 190 million bushels, down 15 million from the previous projection but down 22 million from the 2005 crop. Planted area was down 200,000 acres from earlier intentions, and down 400,000 acres from 2005, and the lowest since barley planted acreage estimates began in 1926. Harvested acres are estimated at 2.99 million and are down 9 percent from 2005, and the lowest since 1885. Average barley yields are forecast at 63.4 bushels per acre, down from last month's trend-based projection of 64.1 bushels.

Total barley use in 2006/07 is projected to be down 5 million bushels from last month and down 17 million from 2004/05. Projected decreased use from last month is in feed and residual, which is down 7 million bushels from 2005/06. Exports in 2006/07 were lowered 5 million bushels this month, and are down 7 million bushels from the prior marketing year. Small changes were made in 2005/06, reflecting the June 1 *Grain Stocks*, which finished the marketing year for barley. Exports were

Figure 5
Barley production and yield



Sources: USDA, World Agricultural Outlook Board, *WASDE,* and National Agricultural Statistics Service, *Quick Stats*.

increased to 27 million bushels from the 25 million last month, and feed and residual was lowered 3 million bushels. Ending stocks were reported at 108 million bushels, down from the earlier estimate of 110 million, emphasizing the desire of brewers to maintain stocks.

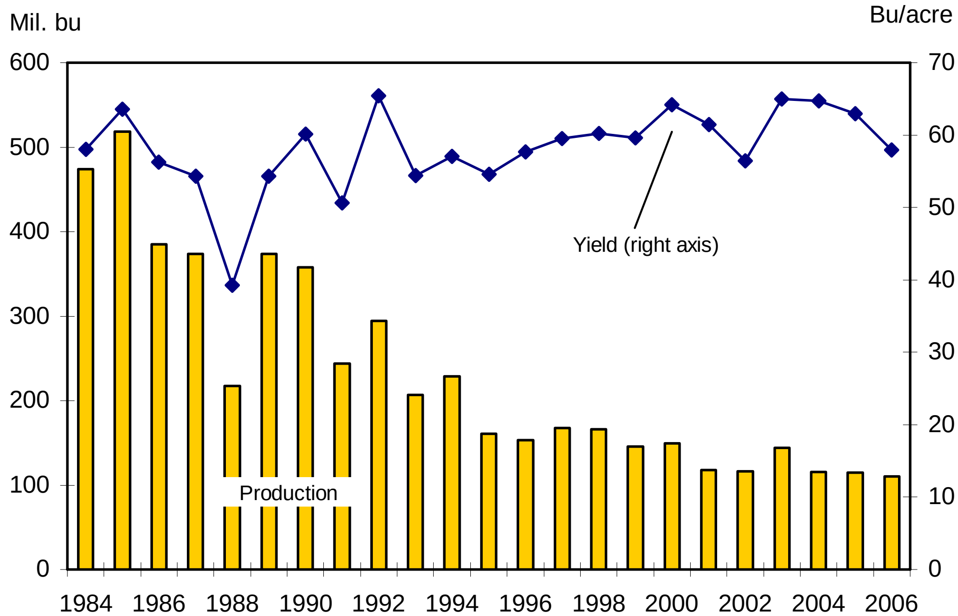
Prices received by farmers for barley in 2006/07 are expected to average $2.45-$2.85 per bushel, vs. the $2.53 reported for 2005/06. The spread between malting barley and feed barley decreased, as malting prices were lower and feed barley prices were higher. In 2005/06, the spread was 93 cents vs. 108 cents in 2004/05 and 79 cents in 2003/04.

Oats Production To Decrease

Oats production is forecast at 110 million bushels in 2006, according to the first survey results, down 15 million from the initial projection, and down 5 million from 2005. Planted acres are down 12,000 acres from the March intentions, and harvested acres are down 93,000 from last month's projection. Yields are forecast at 57.9 bushels per acre, down 4.6 bushels from the trend yield used last month and down 5.1 bushels from 2005. With lower beginning stocks in 2006/07 and a new all time low in expected production, imports were raised to help offset the low domestic supplies. Total supply will still be down 14 million bushels from last month's forecast and down 5 million from 2005/06.

The 2006/07 feed and residual use was lowered this month to 135 million bushels from 145 million expected last month and 139 million in 2005/06. Oats used for

Figure 6
Oats production and yield



Sources: USDA, World Agricultural Outlook Board, *WASDE,* and National Agricultural Statistics Service, *Quick Stats.*

food, seed, and industrial use and for export are unchanged from last month. For 2005/06, feed and residual use was raised 4 million bushels to account for the reported ending stocks. Feed and residual may also change slightly next month because trade data for May, the last month in the quarter, came out after the *World Agriculture Supply and Demand Estimates* deadline.

Prices received by farmers in 2006/07 are expected to average between $1.60 and $2.00 per bushel, compared with the $1.63 reported in 2005/06. The projected price is down slightly from the ratio to the corn price in 2005/06, but about the same as in 2004/05.

Harvested Hay Acreage To Increase

Producers expect to harvest 62.7 million acres of all hay in 2006, up 2 percent from 2005. Harvested area of alfalfa and alfalfa mixtures is forecast at 22.4 million acres, up fractionally from last year. All other hay harvested area is expected to total 40.3 million acres, up 3 percent. Wisconsin is expecting the largest increase of alfalfa hay harvested acres, up 100,000 acres from last year, as many growers are expecting to cut the alfalfa for dry hay at this time instead of haylage. Additionally, large increases in alfalfa hay acres are expected in California and New York, both up 60,000 acres from 2005. Compared with 2005, all other hay harvested area is expected to increase or remain unchanged in all but 10 States. Arkansas, Oklahoma, and Texas are expecting large increases in all other hay harvested acreage, up 110,000 acres, 100,000 acres, and 300,000 acres, respectively. Recent drought conditions in these States have left hay stocks at very low levels. As a result, farmers in these States are expecting to harvest as much hay ground as possible, despite the current poor quality in some areas. The largest declines in all other hay area are expected in Montana and South Dakota, down 150,000 acres and 100,000 acres from last year, respectively.

U.S. 2005/06 Corn Exports Increased

U.S. corn exports forecast for the 2005/06 September-August marketing year were increased 25 million bushels to 2.1 billion, up 16 percent compared with the previous year. Also, the October-September trade year forecast was increased 1.0 million tons to 54.5 million. These increases were based on the robust pace of recent sales and shipments of corn plus the relatively low level of export competition expected from Argentina and China during the last months of 2005/06.

According to Census, corn exports from September 2005 through May 2006 reached 1.5 billion bushels, up 11 percent compared with the previous year. Corn grain inspections for export during June 2006 were 183 million bushels, up 24 percent compared with a year earlier. According to *U.S. Export Sales* as of June 29,[th] outstanding export sales for 2005/06 reached 354 million bushels, up 50 percent compared with a year ago.

Increased U.S. export prospects supported a 0.7-million-ton increase to 77.3 million in world corn trade for 2005/06. Partly offsetting the U.S. increase was a 0.5-million reduction to 10 million for Argentina's corn exports based on a slower-than-expected pace of recent sales and shipments. However, Brazil has been exporting more corn than expected, especially to Iran, despite high corn prices in Brazil, so forecast corn exports by Brazil were increased 0.4 million tons to 1.4 million. There were small increases in 2005/06 imports forecast this month for several small corn importers.

Foreign 2006/07 Coarse Grain Projections Little Changed This Month

U.S. corn changes dominated the shifts in world coarse grain 2006/07 supply and demand forecasts this month. Foreign coarse grains projected production declined 0.7 million tons to 682.6 million. The largest changes in foreign production were for barley. Dryness during planting has reduced area prospects for barley in Australia, and forecast production is down 1.5 million tons to 8.0 million. Lower-than-expected yields in Turkey lowered projected barley production 0.4 million tons to 7.2 million. However, harvest reports in Ukraine and Russia indicate increasing barley production, up 1.3 million tons to 10.7 million in Ukraine and up 0.5 million to 18.0 million in Russia.

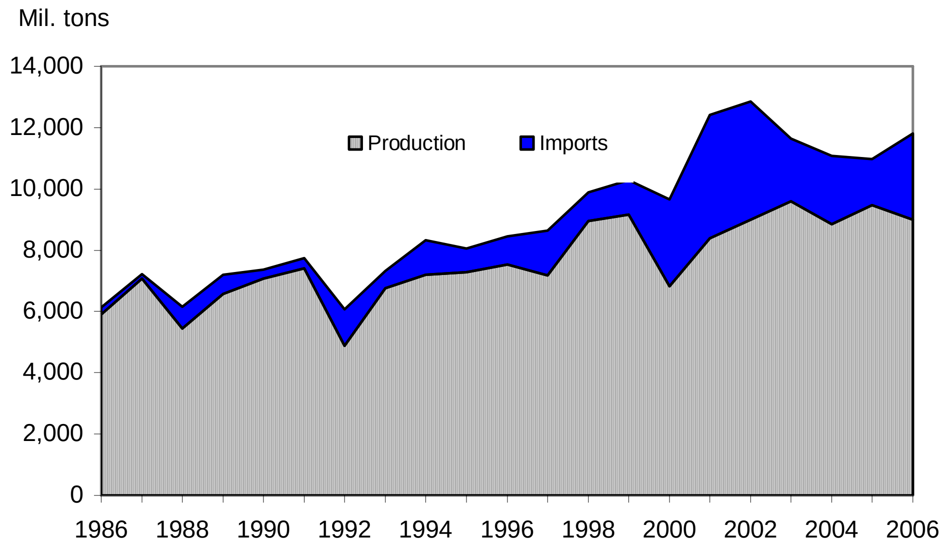
Foreign coarse grain consumption was nearly unchanged this month at 754 million tons, with most shifts offsetting. Canada's and Turkey's barley consumption were reduced due to lower production, but these and changes in other countries were offset by increased barley use expected in Ukraine.

Global coarse grains trade for 2006/07 was virtually unchanged this month at 103 million tons. Reduced exports of barley by Australia were offset by increased exports from Ukraine and Russia.

Projected 2006/07 global coarse grain ending stocks are down 2 million tons to 129 million. Foreign coarse grain ending stocks are projected down 1.6 million tons to 97.3 million. Australia's stocks are down 1.2 million tons this month. Several small revisions in European Union-25 (EU-25) supply and demand net out to a 0.6-million-ton decline in ending stocks to 23.0 million, but increased barley production prospects are boosting ending stocks prospects in theFormer Soviet Union-12 (FSU-12) 0.6 million tons to 5.5 million. Changes in other countries are smaller.

Figure 7

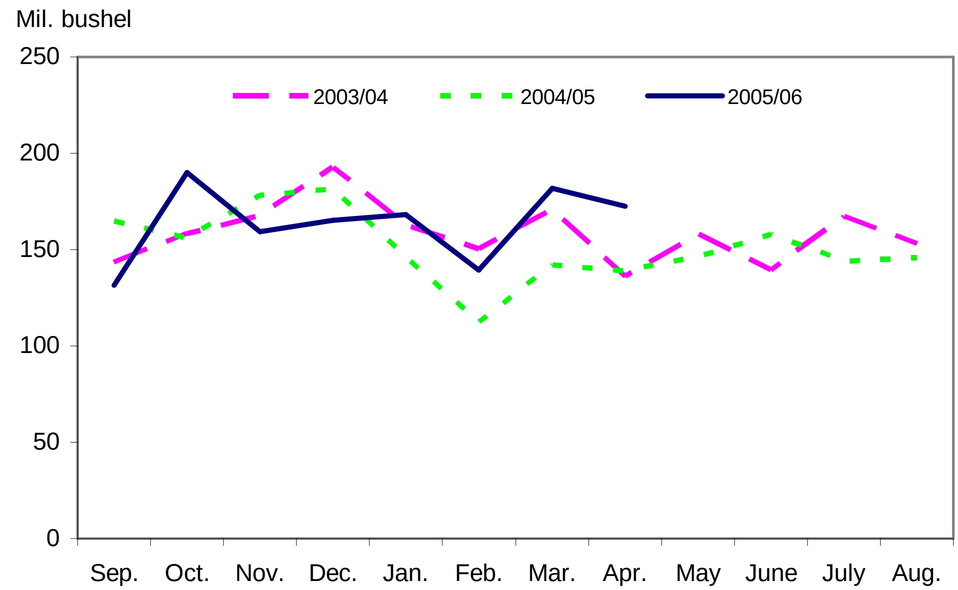
Canada's corn production and imports



Sources: USDA, Foreign Agricultural Service, *Production, Supply & Distribution (PS&D),* and *Grain: World Markets and Trade (Grain Circular).*

Figure 8

U.S. corn shipments by month

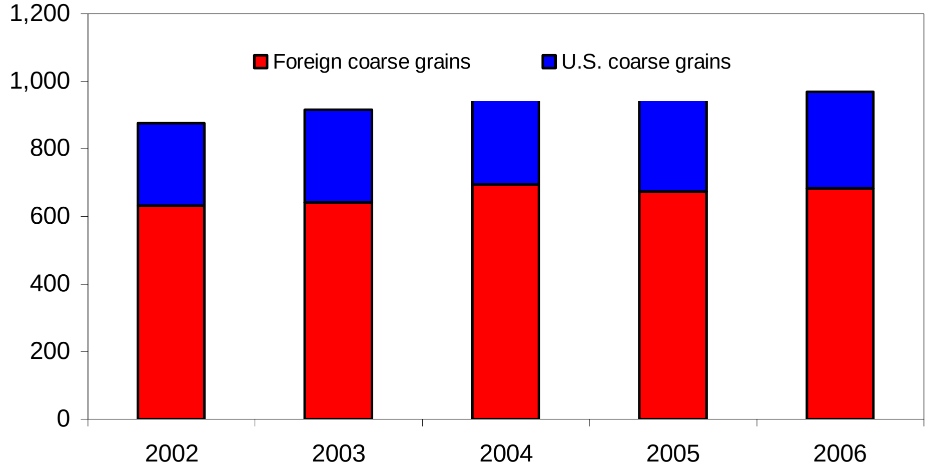


Source: USDA, Economic Research Service, *The Feed Grains Data Delivery System.*

Figure 9

Coarse Grain Production

Mil. metric tons



Source: USDA, Foreign Agricultural Service, *Grain: World Markets and Trade (grain Circular.*

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Data

The Feed Grains Data Delivery System (http://www.ers.usda.gov/db/feedgrains/) is a queryable database that contains monthly, quarterly, and annual data on prices, supply, and use of corn and other feed grains. This includes data published in the monthly *Feed Outlook* and the annual *Feed Yearbook* reports.

Recent Reports

Economic Analysis of Base Acre and Payment Yield Designations Under the 2002 U.S. Farm Act (http://www.ers.usda.gov/publications/ERR12/) evaluates farmers' decisions to designate base acres under the 2002 Farm Act. Findings suggest that decisionmakers responded to economic incentives in their designations of base acres by selecting those options that resulted in the greatest expected flow of program payments. See also *Farm Program Acres* for the county-level farm program and planted acreage data used in the report, which can be downloaded and mapped. (http://www.ers.usda.gov/data/baseacres/)

Related Websites

WASDE (http://usda.mannlib.cornell.edu/reports/waobr/wasde-bb/)
Grain Circular (http://www.fas.usda.gov/grain/circular/2006/07-06/graintoc.htm)
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Table 1--Feed grains: Marketing year supply and disappearance 1/

Year/ Qtr.	Beg. stocks	Produc- tion	Im- ports	Supply	FSI 2/	Feed & resid.	Ex- ports	Total disp.	End. stocks	Farm price
Corn:				----Million bushels----						$/bu
2003/04										
Sep-Nov	1,087	10,089	2	11,178	589	2,166	470	3,225	7,954	2.16
Dec-Feb	7,954	---	4	7,957	609	1,571	506	2,686	5,271	2.42
Mar-May	5,271	---	5	5,277	676	1,166	465	2,306	2,970	2.82
June-Aug	2,970	---	3	2,973	664	892	459	2,015	958	2.55
Mkt. yr.	1,087	10,089	14	11,190	2,537	5,795	1,900	10,232	958	2.42
2004/05										
Sep-Nov	958	11,807	2	12,767	643	2,175	499	3,316	9,451	2.12
Dec-Feb	9,451	---	2	9,452	637	1,619	440	2,696	6,756	2.05
Mar-May	6,756	---	4	6,760	700	1,312	427	2,440	4,321	2.00
June-Aug	4,321	---	3	4,324	706	1,057	448	2,210	2,114	2.03
Mkt. yr.	958	11,807	11	12,776	2,686	6,162	1,814	10,662	2,114	2.06
2005/06										
Sep-Nov	2,114	11,112	2	13,228	697	2,235	481	3,413	9,815	1.82
Dec-Feb	9,815	---	1	9,816	708	1,648	473	2,829	6,987	1.98
Mar-May	6,987	---	4	6,991	783	1,281	565	2,629	4,363	2.11
Mkt. yr.	2,114	11,112	11	13,237	2,975	6,100	2,100	11,175	2,062	1.95-2.00
2006/07										
Mkt. yr.	2,062	10,740	10	12,812	3,535	6,050	2,150	11,735	1,077	2.25-2.65
Sorghum:										
2003/04										
Sep-Nov	43.03	411.24	0.00	454.27	9.00	148.56	60.78	218.33	235.94	2.27
Dec-Feb	235.94	---	0.00	235.94	10.00	11.38	55.90	77.28	158.65	2.43
Mar-May	158.65	---	0.00	158.65	10.54	21.01	46.51	78.06	80.59	2.75
June-Aug	80.59	---	0.00	80.59	10.37	1.08	35.59	47.05	33.55	2.39
Mkt. yr.	43.03	411.24	0.00	454.27	39.92	182.03	198.77	420.72	33.55	2.39
2004/05										
Sep-Nov	33.55	453.65	0.00	487.20	13.58	147.48	43.95	205.00	282.21	1.80
Dec-Feb	282.21	---	0.00	282.21	13.44	9.96	55.28	78.68	203.52	1.66
Mar-May	203.52	---	0.02	203.54	14.15	25.08	51.15	90.37	113.17	1.69
June-Aug	113.17	---	0.00	113.17	13.74	8.90	33.60	56.23	56.94	2.14
Mkt. yr.	33.55	453.65	0.03	487.23	54.90	191.41	183.97	430.29	56.94	1.79
2005/06										
Sep-Nov	56.94	393.89	0.00	450.83	12.28	108.48	39.70	160.46	290.38	1.68
Dec-Feb	290.38	---	0.00	290.38	15.51	24.09	57.64	97.24	193.14	1.72
Mar-May	193.14	---	0.00	193.14	14.24	8.55	63.00	85.79	107.35	2.08
Mkt. yr.	56.94	393.89	0.00	450.84	55.00	150.00	195.00	400.00	50.84	1.75-1.80
2006/07										
Mkt. yr.	50.84	350.00	0.00	400.84	60.00	110.00	185.00	355.00	45.84	2.05-2.45

continued--

Table 1--Feed grains: Marketing year supply and disappearance (cont.) 1/

Year/ Qtr.	Beg. stocks	Produc- tion	Im- ports	Supply	FSI 2/	Feed & resid.	Ex- ports	Total disp.	End. stocks	Farm price
Barley:					------Million bushels----					$/bu
2003/04										
June-Aug	69	278	3	351	40	66	3	109	242	2.89
Sep-Nov	242	---	4	246	35	4	9	48	198	2.83
Dec-Feb	198	---	6	204	35	11	6	51	153	2.81
Mar-May	153	---	7	160	46	-7	0	40	120	2.77
Mkt. yr.	69	278	21	368	155	74	19	248	120	2.83
2004/05										
June-Aug	120	280	5	405	41	71	2	115	290	2.68
Sep-Nov	290	---	4	294	33	9	6	48	246	2.40
Dec-Feb	246	---	1	247	34	16	7	57	191	2.41
Mar-May	191	---	2	192	47	9	8	64	128	2.41
Mkt. yr.	120	280	12	412	155	105	23	284	128	2.48
2005/06										
June-Aug	128	212	2	342	43	34	10	87	255	2.47
Sep-Nov	255	---	1	256	36	1	11	48	208	2.45
Dec-Feb	208	---	1	209	33	7	2	42	167	2.48
Mar-May	167	---	1	168	45	10	5	60	108	2.77
Mkt. yr.	128	212	5	345	158	52	27	237	108	2.53
2006/07										
Mkt. yr.	108	190	20	318	155	45	20	220	98	2.45-2.85
Oats:										
2003/04										
June-Aug	50	144	21	215	16	68	0.5	84	132	1.44
Sep-Nov	132	---	28	160	17	23	0.9	41	119	1.39
Dec-Feb	119	---	20	139	16	28	0.7	44	95	1.54
Mar-May	95	---	20	115	25	25	0.3	50	65	1.64
Mkt. yr.	50	144	90	284	73	144	2.5	219	65	1.48
2004/05										
June-Aug	65	116	16	197	16	65	0.6	81	116	1.37
Sep-Nov	116	---	26	142	17	19	0.8	37	105	1.44
Dec-Feb	105	---	26	131	16	32	0.7	49	82	1.66
Mar-May	82	---	19	102	25	18	0.6	44	58	1.68
Mkt. yr.	65	116	88	268	74	134	2.7	210	58	1.48
2005/06										
June-Aug	58	115	23	196	16	66	0.4	82	114	1.55
Sep-Nov	114	---	22	135	17	22	0.4	40	96	1.58
Dec-Feb	96	---	28	124	16	32	0.6	49	75	1.76
Mar-May	75	---	22	97	25	18	0.6	44	53	1.80
Mkt. yr.	58	115	95	268	74	139	2.0	215	53	1.63
2006/07										
Mkt. yr.	53	110	100	263	75	135	2.0	212	51	1.60-2.00

Totals may not add due to rounding.

1/ Corn and sorghum are on a September 1 to August 31 marketing year. Barley and oats are on a June 1 to May 31 marketing year.

2/ Grain used for food, seed or industrial purposes.

Source: Stocks and production data from Data and Statistics at http://www.nass.usda.gov/Data_and_Statistics/Quick_Stats/index.asp: Trade data from http://www.census.gov/foreign-trade/www/; and other categories calulated by Economic Research Service, U.S. Department of Agriculture.

Table 2--Feed and residual use of wheat and coarse grains

Year beginning Sept. 1	Corn	Sorg.	Barley	Oats	Feed grains	Wheat	Total grains	Animal units	Feed/ animal unit
	Million metric tons							Mil.	Tons
2003/04									
Sep-Nov	55.0	3.8	0.1	0.4	59.3	-1.7	57.6		
Dec-Feb	39.9	0.3	0.2	0.5	40.9	0.1	41.0		
Mar-May	29.6	0.5	-0.1	0.4	30.4	-1.5	29.0		
June-Aug	22.6	0.0	1.5	1.0	25.2	7.2	32.4		
Mkt. yr.	147.2	4.6	1.7	2.3	155.8	4.2	160.0	89.3	1.79
2004/05									
Sep-Nov	55.2	3.7	0.2	0.3	59.5	-1.5	58.0		
Dec-Feb	41.1	0.3	0.4	0.5	42.3	0.2	42.5		
Mar-May	33.3	0.6	0.2	0.3	34.5	-0.7	33.7		
June-Aug	26.8	0.2	0.7	1.0	28.8	7.2	36.1		
Mkt. yr.	156.5	4.9	1.5	2.2	165.1	5.2	170.3	89.9	1.89
2005/06									
Sep-Nov	56.8	2.8	0.0	0.4	59.9	-1.7	58.2		
Dec-Feb	41.9	0.6	0.2	0.5	43.2	0.2	43.4		
Mar-May	32.5	0.2	0.2	0.3	33.3	-1.2	32.1		
Mkt. yr.	157.5	3.8	1.0	2.3	164.6	2.8	167.4	91.9	1.82
2006/07									
Mkt. yr.	154.9	2.8	1.0	2.3	161.0	5.5	166.5	92.8	1.79

Source: Calculated by USDA, Economic Research Service.

Table 3--Cash feed grain prices

	Corn, No. 2, Yel, Ctrl. IL 1/	Corn, No. 2, Yel, Gulf ports 1/	Sorghum, No. 2, Yel, Texas High Plains 1/	Sorghum, No. 2, Yel, Gulf ports 1/	Barley, No. 2, feed, Duluth 2/	Barley, No. 3 or better, Malting, Minn. 2/	Oats, No. 2, Heavy white, Minn. 2/
Mkt. yr.	$/bu	$/bu	$/cwt	$/cwt	$/bu	$/bu	$/bu
2002/03	2.35	2.72	NQ	NQ	1.89	3.48	NQ
2003/04	2.60	3.03	NQ	NQ	1.83	2.85	NQ
2004/05 3/	1.87	2.44	3.87	4.23	1.74	2.46	1.88
Monthly:							
2005:							
Feb.	1.86	2.39	3.40	4.15	1.70	2.46	1.88
Mar.	1.97	2.53	4.12	4.45	1.70	2.45	1.88
Apr.	1.94	2.45	4.02	4.30	1.70	2.45	1.88
May	1.93	2.42	3.98	4.41	1.70	2.45	1.88
2006:							
Feb.	2.07	2.72	4.06	5.00	1.70	2.85	2.06
Mar.	2.04	2.67	3.84	4.96	1.70	2.84	1.97
Apr.	2.18	2.74	3.69	5.18	1.70	2.90	2.00
May 3/	2.22	2.81	4.04	5.60	1.70	2.96	2.13

1/ Marketing year beginning September 1.

2/ Marketing year beginning June 1. 3/ Preliminary. NQ = No quote.

Source: U.S. Department of Agriculture, Agricultural Marketing Service, http://marketnews.usda.gov/portal/lg

Table 4--Selected feed and feed byproduct prices

	Soybean meal high protein Decatur, IL 1/	Cotton-seed meal, 41% slv. Memphis 1/	Corn gluten feed, IL pts. 1/	Corn gluten meal, IL pts. 1/	Meat & bone meal, Central U.S. 1/	Dists.' dried grains, Lawrence-burg, IN 1/	Wheat midlgs, Kansas City 1/	Alfalfa farm price 2/
					$/ton			
Mkt. yr.								
2002/03	178.87	147.23	65.27	241.65	170.81	74.94	64.02	100.00
2003/04	260.06	182.87	83.24	327.30	216.39	118.50	75.78	90.80
2004/05 3/	187.80	125.92	52.60	267.78	165.09	75.15	37.40	98.60
Monthly:								
2005:								
Feb.	167.95	131.03	51.38	232.50	138.84	71.00	37.88	94.00
Mar.	186.90	110.80	51.90	240.50	174.43	73.00	41.38	98.60
Apr.	194.35	108.00	51.75	246.25	200.33	73.50	38.25	105.00
May	200.02	110.40	52.80	274.60	191.70	74.00	30.60	116.00
2006:								
Feb.	176.73	152.50	57.75	259.38	165.59	92.00	69.42	99.20
Mar.	175.04	148.75	61.63	263.75	170.11	95.00	75.43	100.00
Apr.	174.64	144.38	57.88	250.63	149.70	95.00	50.21	110.00
May 3/	175.77	131.50	60.38	251.70	139.69	92.00	49.20	118.00

1/ Marketing year beginning September 1. 2/ Marketing year beginning May 1. 3/ Preliminary. NQ=No quote.

Sources: U.S. Department of Agriculture, Agricultural Marketing Service at http://marketnews.usda.gov/portal/lg and National Agricultural Statistics Service at http://www.nass.usda.gov/Data_and_Statistics/Quick_Stats/index.asp.

Table 5--Corn: Food and industrial uses

Year	HFCS	Glucose and dex.	Starch	---Alcohol--- Fuel	Bev. & Mfg.	Cereals & other products	Total food & industrial
				Million bushels			
2004/05							
Sep-Nov	123.8	56.8	70.8	311.6	32.5	47.0	642.6
Dec-Feb	115.9	50.0	66.2	323.8	34.0	47.0	637.0
Mar-May	137.5	56.6	70.4	332.0	35.6	47.5	679.6
June-Aug	143.5	58.5	70.0	355.6	30.7	47.5	705.7
Mkt. year	520.7	221.9	277.5	1,323.1	132.8	189.0	2,664.9
2005/06							
Sep-Nov	127.0	55.3	70.4	364.3	33.0	47.3	697.3
Dec-Feb	120.1	51.9	67.2	386.6	34.6	47.3	707.8
Mar-May	137.3	59.1	67.5	415.0	36.2	47.8	762.9
Mkt. year	530.0	225.0	275.0	1,600.0	135.0	190.2	2,955.2
2006/07							
Mkt. year	535.0	227.0	277.0	2,150.0	135.0	191.0	3,515.0

Source: Calculated by U.S. Department of Agriculture, Economic Research Service.

Table 6--Wholesale corn milling product and byproduct prices

	Corn meal, yellow, New York	Brewers' grits, Chicago	Sugar, dextrose, Midwest	HFCS, 42% tank cars, Midwest	Corn starch, fob Midwest 3/
	$/cwt	$/cwt	cents/lb	cents/lb	$/cwt
Mkt. yr. 1/					
2002/03	16.45	12.86	20.35	11.65	13.21
2003/04	17.11	13.08	21.79	12.48	13.03
2004/05 2/	15.95	11.88	23.06	13.07	12.07
Monthly					
2005:					
Mar.	15.61	11.50	23.10	13.50	11.89
Apr.	15.67	11.57	23.10	13.50	11.89
May	16.12	12.02	23.10	13.50	11.92
June	15.87	11.77	23.30	13.50	12.25
2006:					
Mar.	15.56	11.44	23.10	13.00	11.56
Apr.	15.89	11.79	24.10	13.00	11.98
May	15.87	11.77	24.10	13.00	12.46
June 2/	16.07	11.97	24.10	13.00	12.52

1/ Marketing year beginning September 1. 2/ Preliminary. 3/ Bulk-industrial, unmodified. NQ=Not Quoted

Source: Milling and Baking News.

Table 7--U.S. feed grains imports by country of origin

Country/region	------2003/2004------		------2004/2005------		2005/2006
	Mkt. yr.	June-May	Mkt. yr.	June-May	June-May
Oats:			Thousand tons		
Canada	1,207	1,207	1,223	1,223	1,367
Finland	172	172	80	80	67
Sweden	167	167	209	209	180
Total 1/	1,547	1,547	1,513	1,513	1,615
Barley, malting:					
Canada	320	320	183	183	88
Total 1/	399	399	205	205	89
Barley, other: 2/					
Canada	50	50	59	59	28
Total 1/	50	50	59	59	28

1/ Totals may not add due to rounding. 2/ Mainly consists of barley for feeding and also includes seed barley.

Source: Bureau of the Census, U.S. Dept. of Commerce at http://www.census.gov/foreign-trade/www/.

Table 8--U.S. feed grain exports by selected destinations 1/

Country/region	------2003/04--------		------2004/05--------		2005/2006
	Mkt. yr.	Sept.-May	Mkt. yr.	Sept.-May	Sept.-May
	1,000 metric tons				
Corn:					
Japan	14,611	11,225	15,493	11,562	11,653
Mexico	5,683	4,747	5,860	4,729	4,979
Taiwan	4,742	3,656	4,339	3,359	3,774
S. Korea	3,660	1,836	2,102	1,377	3,612
Egypt	3,198	2,540	3,854	2,738	2,469
Canada	2,029	1,470	2,370	1,889	1,304
Colombia	1,782	1,420	2,040	1,507	1,954
Algeria	1,270	1,075	1,008	718	907
Israel	1,176	1,030	423	342	322
Dominican Republic	809	623	989	664	735
Syria	783	519	1,308	950	529
Morocco	713	558	825	650	750
Turkey	655	300	10	8	37
Venezuela	653	413	183	162	174
Tunisia	618	476	209	140	295
Costa Rica	565	400	547	425	496
Guatemala	538	426	654	471	531
El Salvador	483	385	511	384	416
Saudi Arabia	483	447	137	137	264
Cuba	473	348	450	355	307
Sub-Saharan Africa	263	231	146	108	224
EU-25	172	161	57	53	16
Peru	148	98	232	154	206
Iran	64	64	--	--	--
Former USSR	76	64	17	17	9
Others	2,610	2,076	2,314	1,806	2,607
Total	48,258	36,586	46,079	34,706	38,570
Sorghum:					
Mexico	2,990	2,138	3,016	2,553	2,668
Japan	935	927	1,147	899	910
EU-25	847	847	169	169	41
Israel	131	122	27	27	16
Others	145	111	315	172	432
Total	5,049	4,145	4,673	3,820	4,067
	-----2003/2004------		------2004/05--------		2005/2006
	Mkt. yr.	June-May	Mkt. yr.	June-May	June-May
Barley:					
Japan	216	216	289	289	159
Saudi Arabia	113	113	59	59	200
Canada	37	37	78	78	48
Mexico	15	15	41	41	32
Other	28	28	38	38	145
Total	409	409	506	506	585

1/ Totals may not add due to rounding.

Source: Bureau of the Census, U.S. Dept. of Commerce at http://www.census.gov/foreign-trade/www/.