

USDA Prospective Plantings and Quarterly Grain Stocks Report

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March 31, 2014

Prospective Plantings Report - March 31, 2014

U.S. Summary:

Corn planted area for all purposes in 2014 is estimated at 91.7 million acres, down 4 percent from last year. If realized, this will represent the lowest planted acreage in the United States since 2010; however, this will represent the fifth largest corn acreage in the United States since 1944.

Table 1. U.S. Planted Acreage for Corn, Soybeans, Cotton, and Wheat for 2010 to 2014

	Corn	Soybeans	Cotton	Wheat	4-Crop Total
2014*	91,691,000	81,493,000	11,101,000	55,815,000	240,100,000
2013	95,365,000	76,533,000	10,407,000	56,156,000	238,461,000
2012	97,155,000	77,198,000	12,314,400	55,666,000	242,333,400
2011	91,936,000	75,046,000	14,735,400	54,409,000	236,126,400
2010	88,192,000	77,404,000	10,974,200	53,593,000	230,163,200
5-YR AVG (2009-2013)	91,806,000	76,726,400	11,516,100	55,798,400	235,846,900
10-YR AVG (2004-2013)	87,957,400	74,685,300	12,105,670	57,683,700	232,432,070

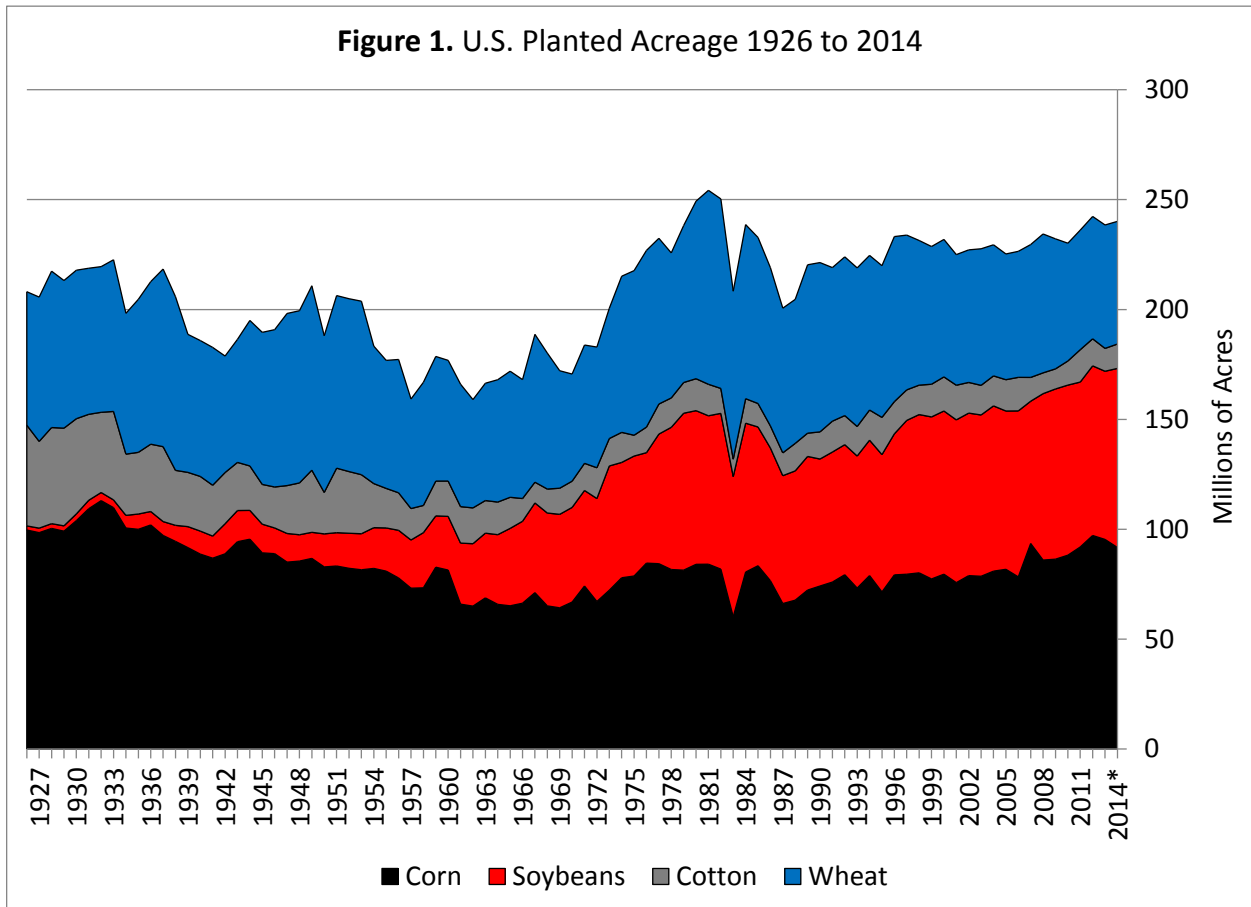
* March Estimate

Soybean planted area for 2014 is estimated at a record high 81.5 million acres, up 6 percent from last year. Compared with last year, planted acreage intentions are up or unchanged across all States with the exception of Missouri and Oklahoma.

All wheat planted area for 2014 is estimated at 55.8 million acres, down 1 percent from 2013. The 2014 winter wheat planted area, at 42.0 million acres, is down 3 percent from last year but up slightly from the previous estimate. Of this total, about 30.2 million acres are Hard Red Winter, 8.43 million acres are Soft Red Winter, and 3.35 million acres are White Winter. Area planted to other spring wheat for 2014 is expected to total 12.0 million acres, up 4 percent from 2013. Of this total, about 11.3 million acres are Hard Red Spring wheat. The intended Durum planted area for 2014 is estimated at 1.80 million acres, up 22 percent from the previous year.

All cotton planted area for 2014 is expected to total 11.1 million acres, 7 percent above last

year. Upland area is expected to total 10.9 million acres, up 7 percent from 2013. American Pima area is expected to total 158,000 acres, down 21 percent from 2013.



Tennessee Summary:

Corn planted area for all purposes in 2014 is estimated at 830,000 acres, down 7 percent from last year. If this estimate holds this will be the third consecutive year that corn acreage has decreased. The estimated planted corn acreage would still be greater than the 10-year average for Tennessee.

Table 2. Tennessee Planted Acreage for Corn, Soybeans, Cotton, and Wheat for 2010 to 2014

	Corn	Soybeans	Cotton	Wheat	4-Crop Total
2014*	830,000	1,600,000	280,000	560,000	3,270,000
2013	890,000	1,560,000	250,000	610,000	3,310,000
2012	970,000	1,260,000	380,000	420,000	3,030,000
2011	1,040,000	1,290,000	495,000	420,000	3,245,000
2010	950,000	1,450,000	390,000	260,000	3,050,000
5-YR AVG (2009-2013)	928,000	1,426,000	363,000	428,000	3,145,000
10-YR AVG (2004-2013)	812,000	1,320,000	448,500	410,000	2,990,500

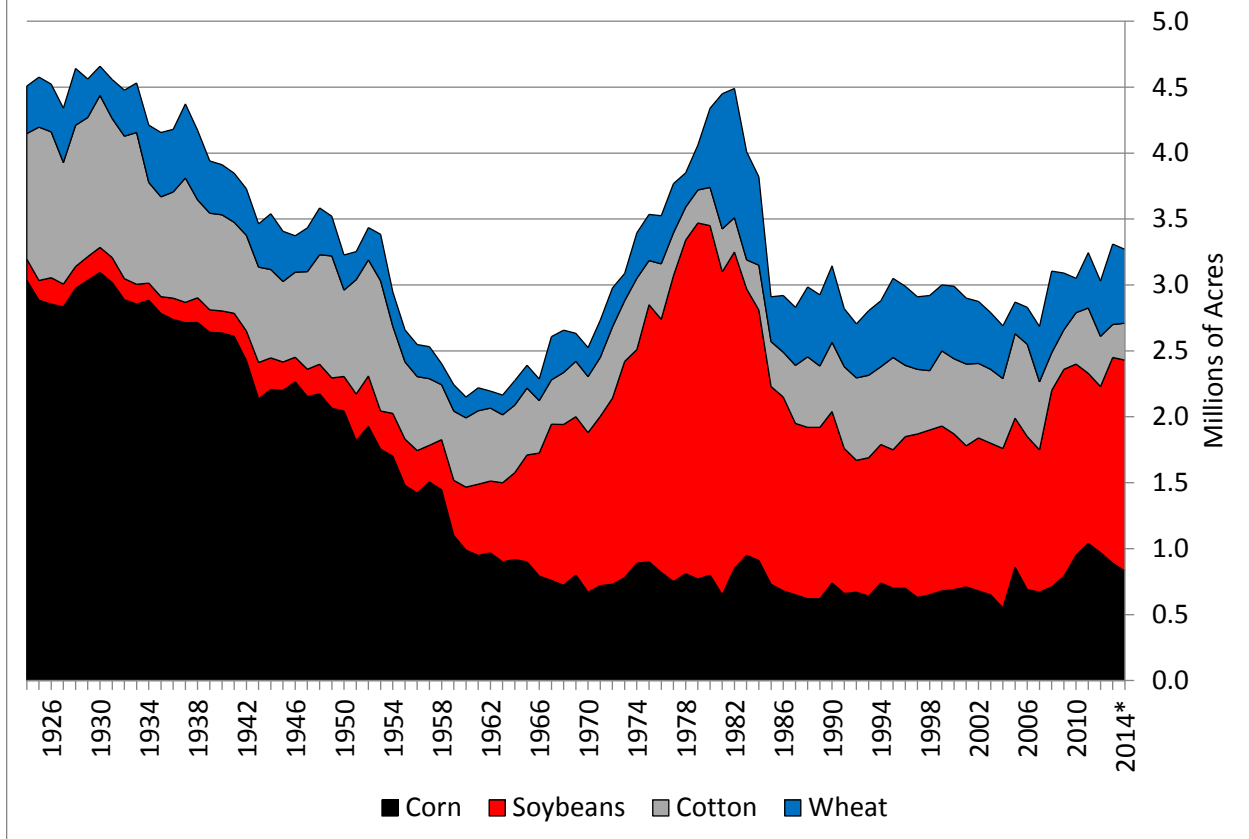
* March Estimate

Soybean plantings are estimated at 1.6 million acres up 3 percent from 2013. If realized this would represent the highest planted acreage in Tennessee since 1984. Year-over-year soybean acreage has increased 7 of the past 8 years in Tennessee.

Wheat acreage is estimated down 50,000 acres from 2013 at 560,000 acres. This is still above the 5- and 10-year average for the state.

Cotton acreage is estimated up 30,000 acres from 2013 at 280,000. The estimated planted acreage is the same as the March 2013 estimate and well behind 5- and 10-year average acreage.

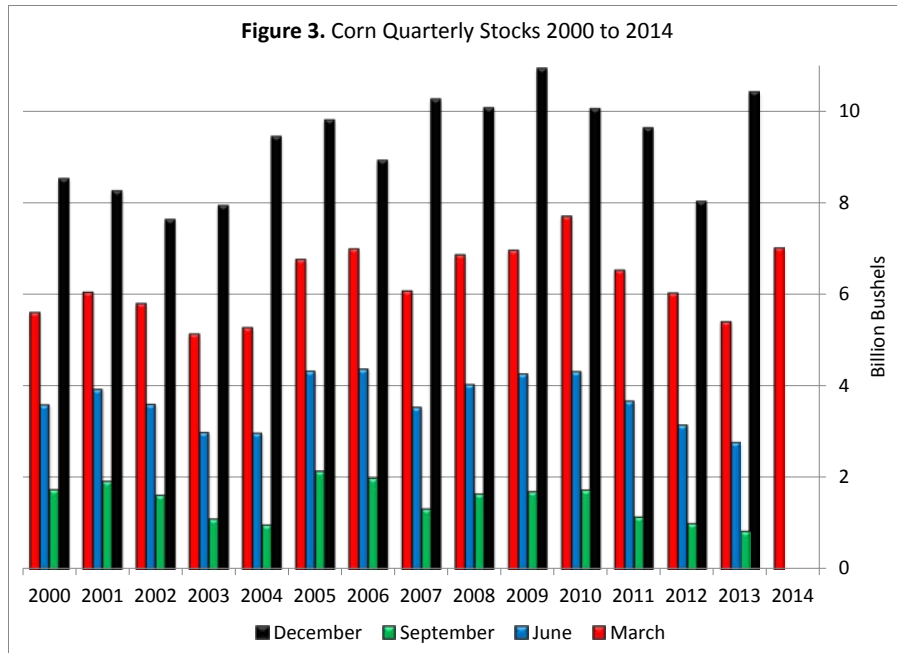
Figure 2. Tennessee Planted Acreage 1924 to 2014



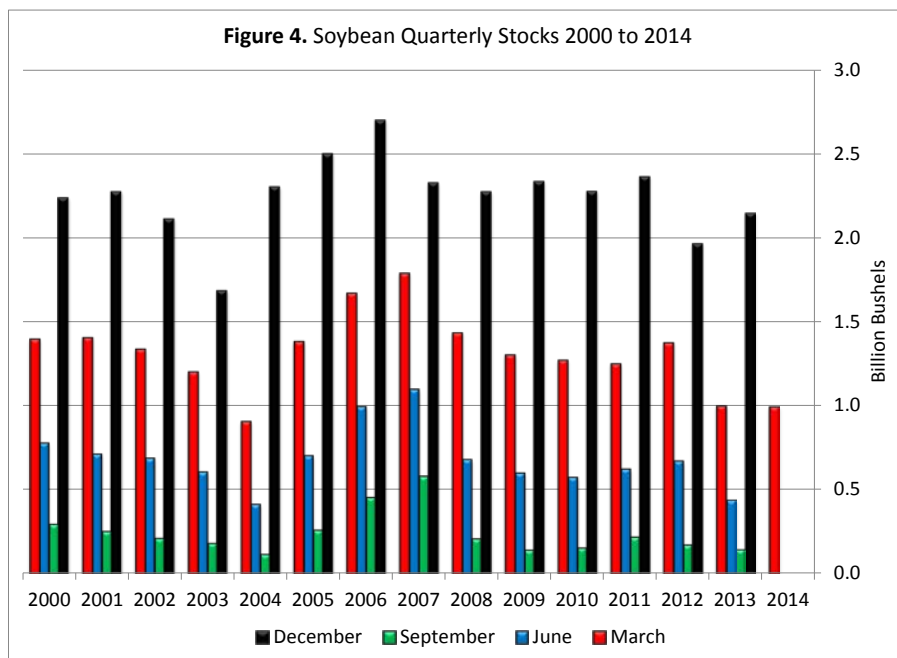
Quarterly Grain Stocks as of March 1, 2014 (Released March 31, 2014)

Summary:

Corn stocks in all positions on March 1, 2014 totaled 7.01 billion bushels, up 30 percent from March 1, 2013. Of the total stocks, 3.86 billion bushels are stored on farms, up 45 percent from a year earlier. Off-farm stocks, at 3.15 billion bushels, are up 15 percent from a year ago. The December 2013 - February 2014 indicated disappearance is 3.45 billion bushels, compared with 2.63 billion bushels during the same period last year.

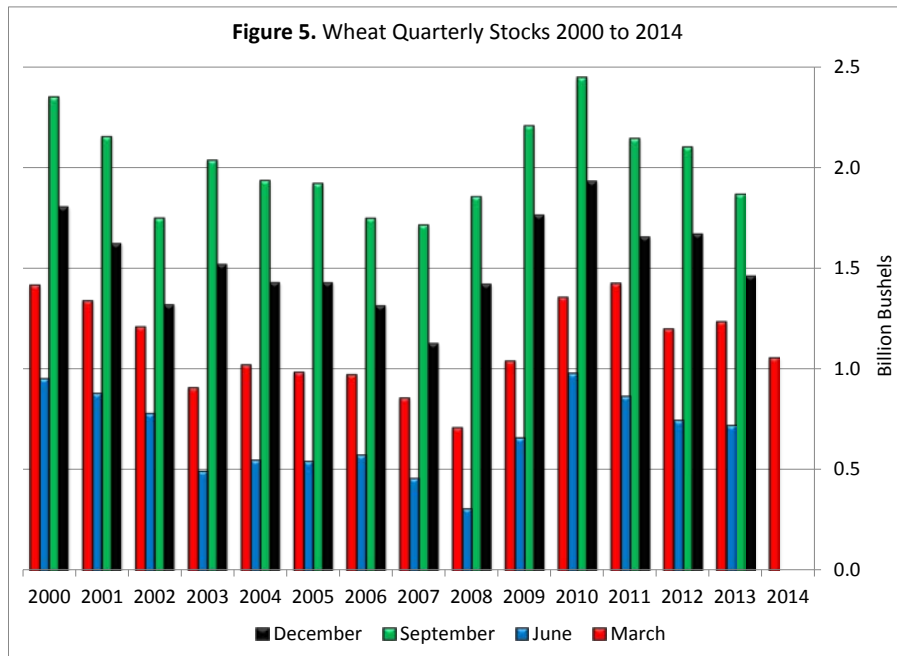


Soybeans stored in all positions on March 1, 2014 totaled 992 million bushels, down 1 percent from March 1, 2013. Soybean stocks stored on farms are estimated at 382 million bushels, down 16 percent from a year ago. Off-farm stocks, at 610 million bushels, are up 13 percent from last March. Indicated disappearance for the December 2013 - February 2014 quarter totaled 1.16 billion bushels, up 20 percent from the same period a year earlier.



All wheat stored in all positions on March 1, 2014 totaled 1.06 billion bushels, down 15 percent from a year ago. On-farm stocks are estimated at 238 million bushels, up slightly from last

March. Off-farm stocks, at 818 million bushels, are down 18 percent from a year ago. The December 2013 - February 2014 indicated disappearance is 419 million bushels, down 4 percent from the same period a year earlier.



Market Reaction:

Corn: Overall the report was supportive to corn futures. Nearby corn futures received support from lower than anticipated stocks (implying higher than expected feed and residual usage) and harvest 2014 futures received support from lower than anticipated planted acreage. May futures were up 10 cents a bushel closing at \$5.02 with a trading range for the day of \$4.75 ½ to \$5.03 ¾. September corn closed up 10 ¾ cents at \$5.02 with a trading range for the day of \$4.77 ½ to \$5.02 ¾. Prior to the reports being released at noon corn was down 13 to 17 cents a bushel from Friday’s close as some traders positioned for a bearish report, which they did not receive.

Soybeans: Market reaction was mixed, with nearby futures receiving support and harvest futures falling. The Quarterly Stocks report confirmed tighter anticipated ending stocks while planted acreage was marginally higher than trade estimates. May futures closed up 27 ½ cents at \$14.64 with a trading range for the day of \$14.23 to \$14.66 ½. November futures closed down 3 ¼ cents at \$11.87 ¼ with a trading range for the day of \$11.65 ½ to \$11.90 ½.

Cotton: Estimated planted acreage of 11.1 million acres was 400,000 acres below USDA estimates released in February of 11.5 million acres. December Cotton futures closed up 0.07

cents at 80 cents with a trading range for the day of 79.41 to 80.08 cents. May futures closed at 93.52 down 0.22 with a trading range for the day of 92.51 to 94.80.

Wheat: Estimated planted acreage was slightly lower than anticipated at 55.8 million acres. Stocks were slightly higher than trade estimates but within expectations 1.055 billion bushels. May wheat closed up $1\frac{3}{4}$ cents at $\$6.97\frac{1}{4}$ with a trading range for the day of $\$6.76\frac{1}{2}$ to $\$7.02$. July futures closed up $2\frac{1}{4}$ cents at $7.01\frac{1}{2}$ with a trading range for the day of $\$6.75\frac{3}{4}$ to $\$7.06$.