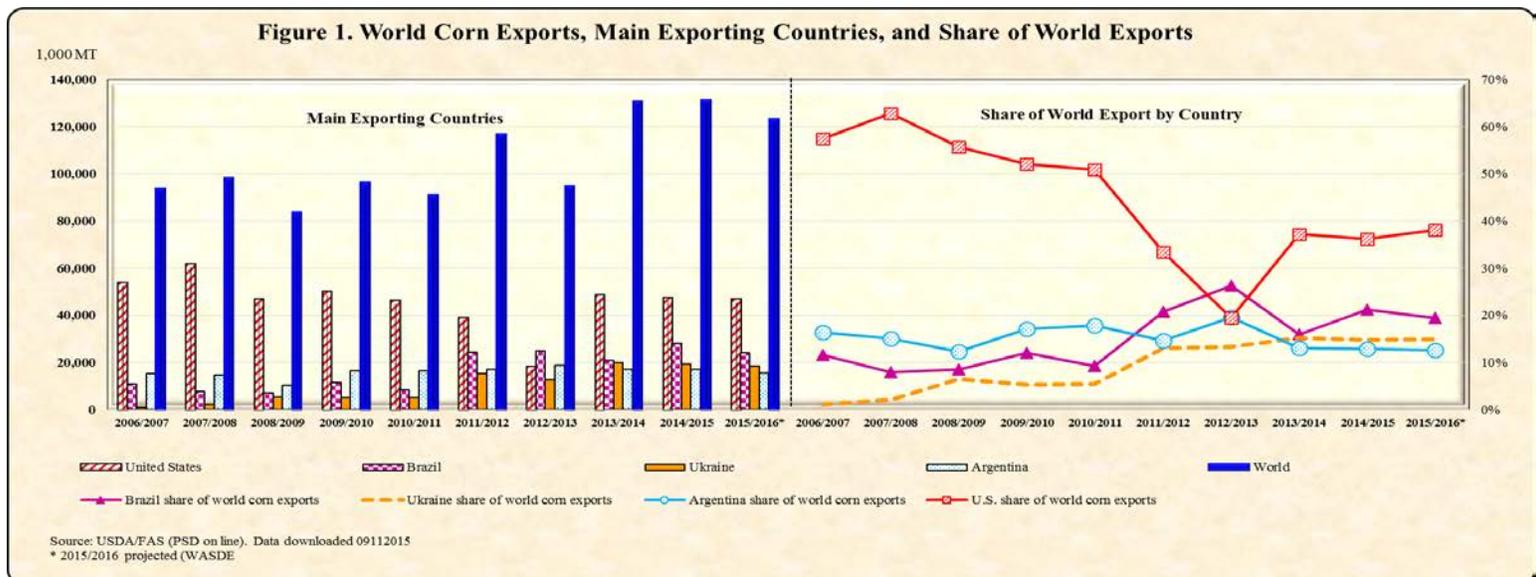


U.S Corn Production and Exports (09/14/2015)

According to the latest (09/11/2015) USDA's Crop Production report, the 2015/16 U.S. corn production has been forecast down 4.4% at 13.6 billion bushels (about 345.1 million metric tons (MMT)) compared to the 2014/15 production (14.2 billion bushels or 361.1 MMT). The 2015/16 U.S. corn yield is projected to average 167.5 bushels/acre down 3.5 bushels/acre relative to the previous year (171 bushels/acre). In contrast, the projected 2015/16 Iowa corn production is up 1.7% to 2.41 billion bushels (61.2 MMT) compared to prior year (2.37 billion bushels or 60.1 MMT). Based on conditions as of September 1, Iowa corn yield is expected to average 181 bushels/acre, up 3 bushels relative to 2014/15 (178 bushels/acre). If projected Iowa production and yield are realized they will be at record levels not seen since 2009. Based on these estimates, Iowa is projected to continue as the leading corn producer state in the country in 2015/16. Illinois, the second largest corn producers in the country, is projected to decreased corn production by 14.2% to 2.02 billion bushels (51.2 MMT) in 2015/16 compared to the record level in 2014/15 (2.35 billion bushels or 59.7 MMT). Illinois corn yield is projected at 173 bushels/acre down 27 bushels/acre from 2014/15 (200 bushels/acre). Based on the latest (9/11/15) USDA's World Agricultural Supply and Demand Estimates Report (WASDE), the September projection for the 2015/16 marketing year (MYA) price is in the range of \$3.45 to \$4.05 per bushel (\$3.75 per bushel). This price was increased 10 cents on each end of the previous month price range projection (\$3.35 to \$3.95 per bushel).

On average, from 2006/07 to 2013/14 the share of U.S. corn exports relative to the U.S. corn production was about 14.7%. Based on the September WASDE report, the estimated export share to production for 2014/15 is 13.2%.

Overall, The U.S. is the world largest corn grain exporter. Other major corn exporters are Brazil, Argentina, and Ukraine (see Figure 1). From 2006/07 to 2013/14 the U.S. share of world corn exports has fluctuated from a high level of 63% (61.9 MMT) in 2007/08 to a low level of 19% (18.5 MMT) in 2012/13 when U.S. corn prices were high relative to competitors due to the severe drought during the summer of 2012. In 2013/14 U.S. corn exports increased 163% to 48.8 MMT compared to the previous year (18.5 MMT). The September 11 WASDE report estimated U.S. 2014/15 corn exports up 1.4% to 47.6 MMT compared to the previous month's WASDE estimation (47 MMT). However, 2014/15 corn export estimate is down 2.3% compared to 2013/14 (48.8 MMT). Despite a larger U.S. corn production in 2014/15 (361.1 MMT) compared the previous marketing year (351.3 MMT), 2014/15 export have been downward estimated as domestic consumption increased in 2014/15, particularly for food, seed, and industrial use.



This month WASDE forecast for 2015/16 U.S. corn exports is down 1.3% to 47.0 MMT (1,850 million bushels) compared to the estimated volume for 2014/15 (47.6 MMT or 1,875 million bushels). As indicated by USDA, 2015/16 projected reduced supply and increased food, seed, and industrial use, limited the current U.S. corn projection for 2015/16. Despite the decreased USDA's corn export forecast for next year (2015/16), data indicate that the U.S. will continue as the leading global corn exporting country in the coming year.