



Soybean Outlook

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December 2013

U.S. Soybean Supply & Usage

		2011	2012	2013	2014	2015
Area Planted	(mil. acres)	75.0	77.2	76.8	83.7	84.3
Yield	(bu./acre)	41.9	40.0	44.0	47.8	47.1
Production	(mil. bu.)	3,094	3,042	3,358	3,969	3,935
Beg. Stocks	(mil. bu.)	215	169	141	92	210
Imports	(mil. bu.)	16	41	72	33	30
Total Supply	(mil. bu.)	3,325	3,252	3,570	4,094	4,175
Crush	(mil. bu.)	1,703	1,689	1,734	1,870	1,870
Seed & Residual	(mil. bu.)	88	105	97	179	130
Exports	(mil. bu.)	1,365	1,317	1,647	1,835	1,725
Total Use	(mil. bu.)	3,155	3,111	3,478	3,884	3,725
Ending Stocks	(mil. bu.)	169	141	92	210	450
Season-Average Price	(\$/bu.)	12.50	14.40	13.00	10.06	9.15

Source: USDA-WAOB

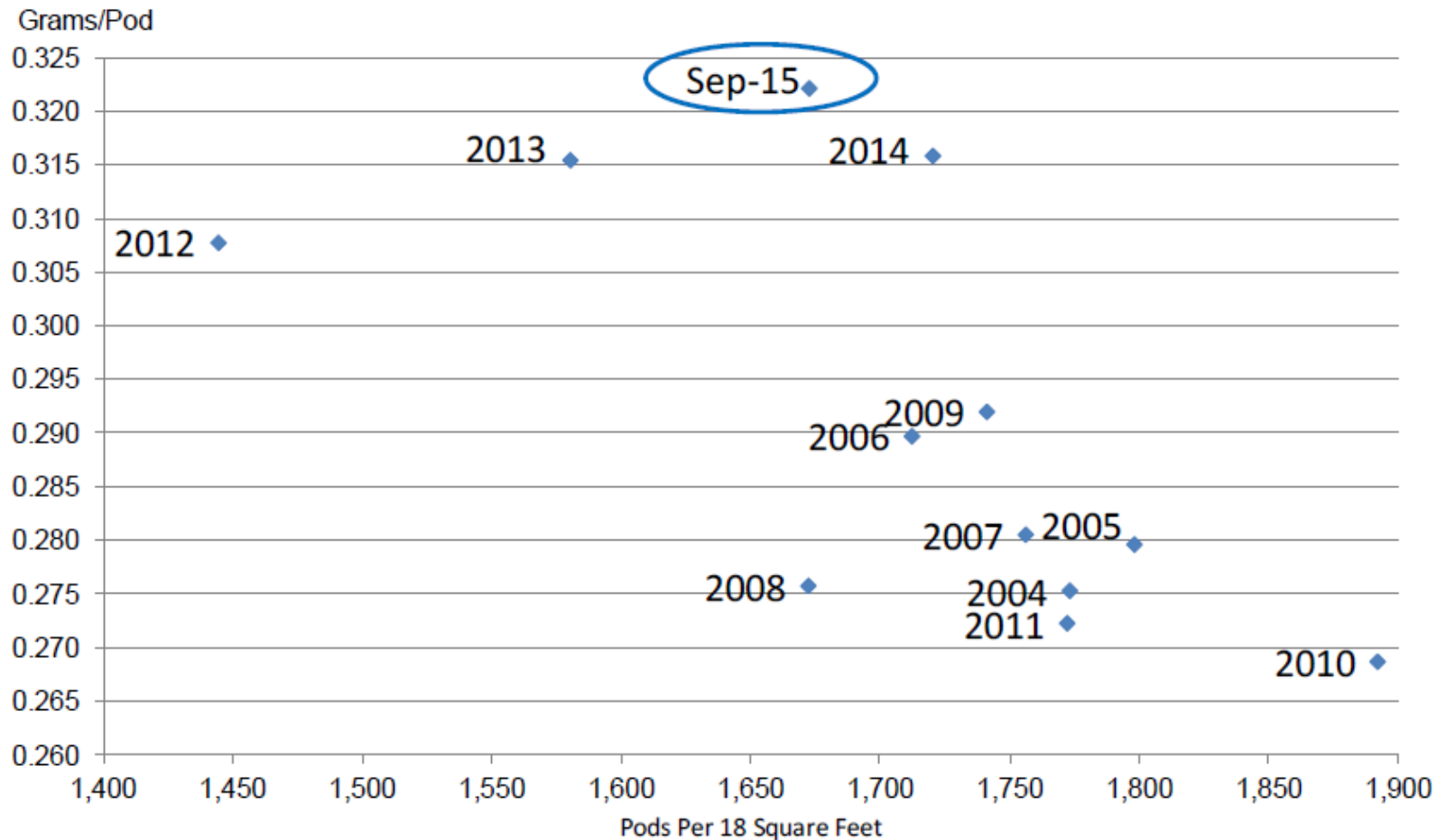
U.S. Soybean Supply & Usage Comments

- Despite production problems in the Eastern cornbelt, U.S. soybean production is projected to be near record this year and total supply will be at record levels.
- Total use will likely drop a bit in the coming year due to declines in exports, particularly to China.
- Domestic soybean meal will have to carry more of the “crush value” as soyoil prices remain under pressure.

September Soybean Yield Estimate

Top: 2015 yield estimate
Bottom: Change from last month
Units: bushels/acre

Soybean Pod Count & Weight



World Soybean Production

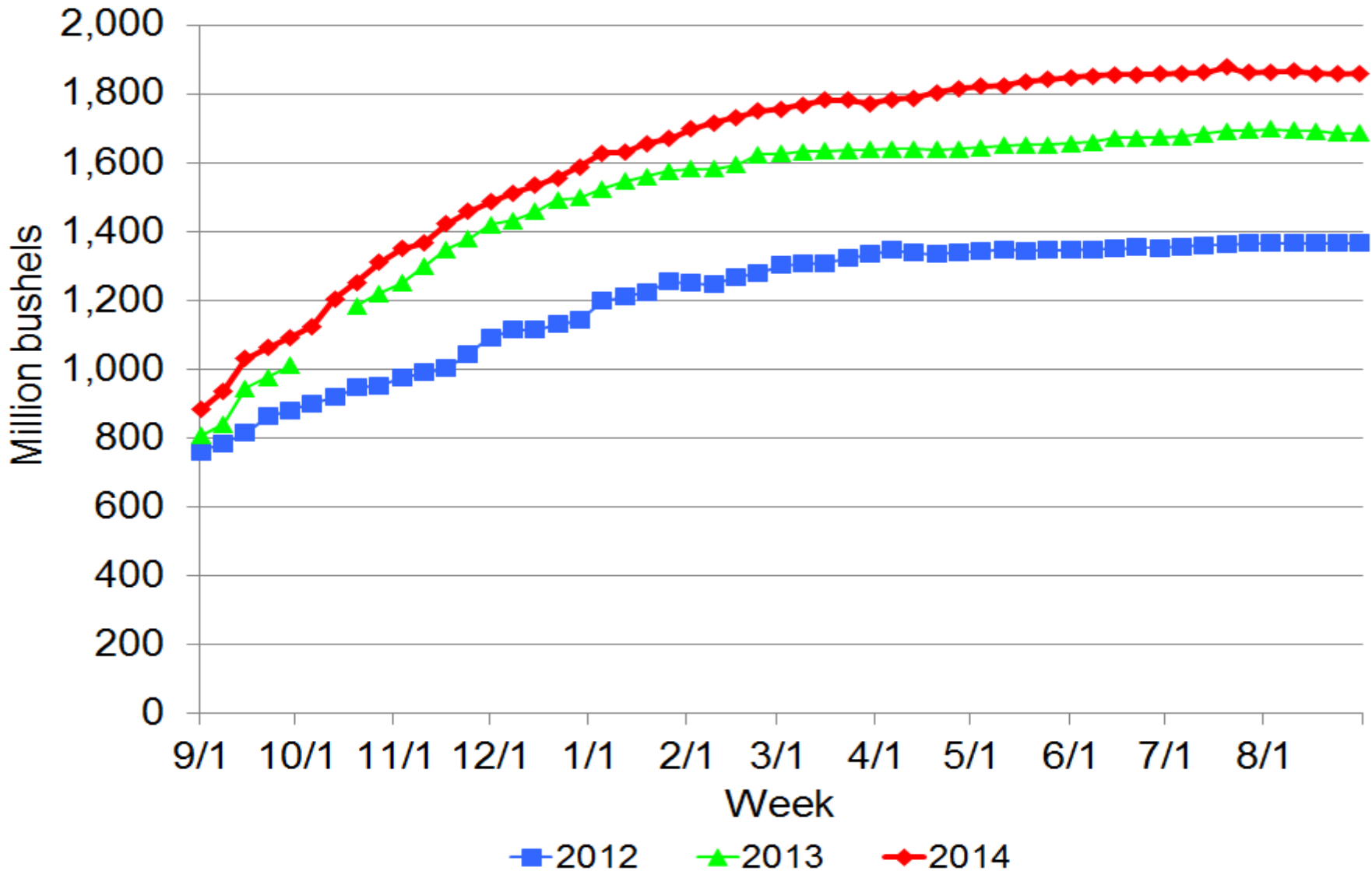
Country or Region	2014/15 estimate	2015/16 forecast	Change from August 12	Change from 2014/15
	<i>Million Tons</i>		<i>Percent</i>	<i>Percent</i>
World	319.4	319.6	-0.1	0.1
United States	108.0	107.1	0.5	-0.8
Foreign	211.4	212.5	-0.4	0.5
Argentina	60.8	57.0	0.0	-6.3
Brazil	94.5	97.0	0.0	2.6
Paraguay	8.4	8.8	0.0	4.8
Ukraine	3.9	4.0	-14.9	2.6
India	9.8	11.5	0.0	17.3
China	12.4	11.5	0.0	-6.9

U.S. Dollar Index



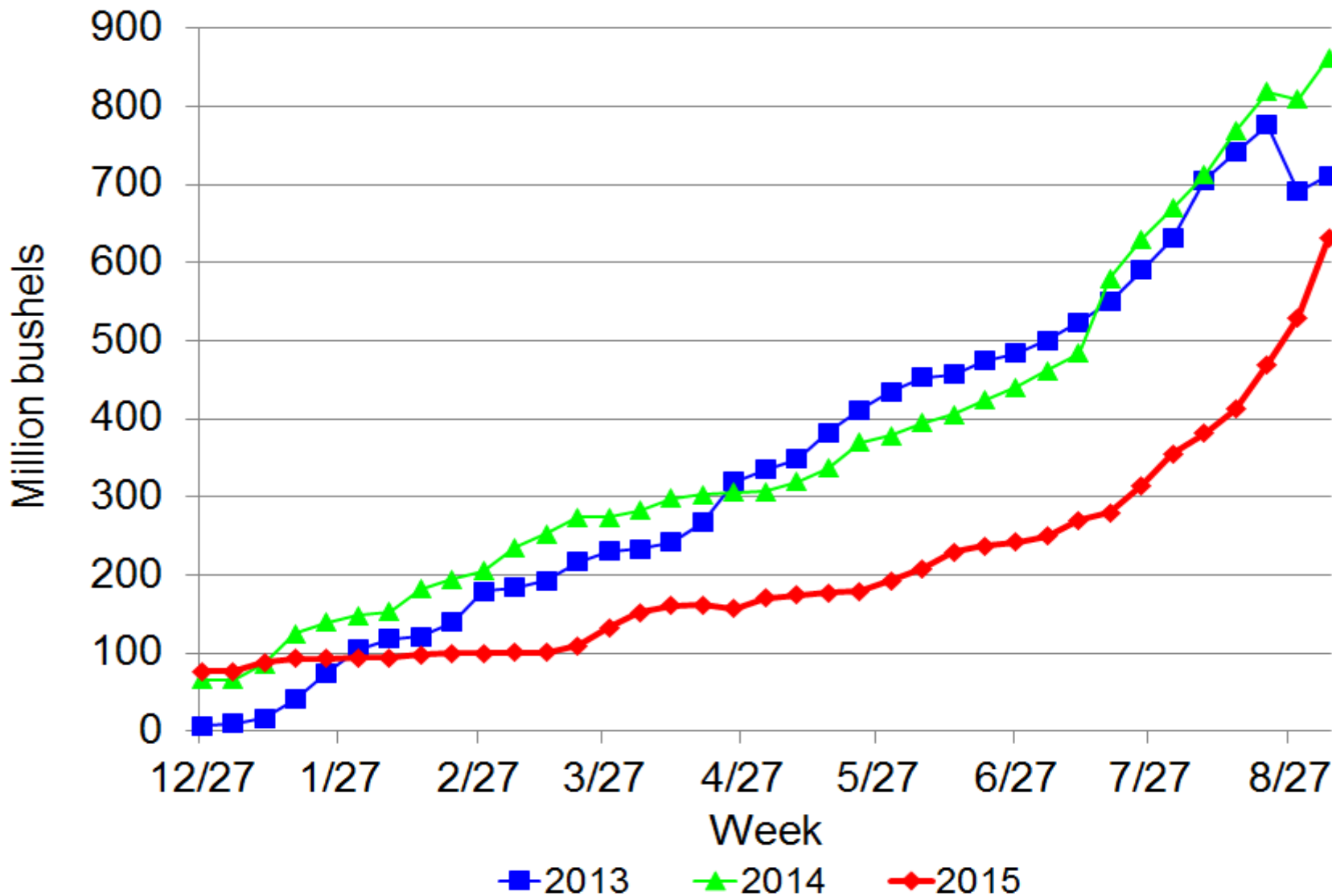
- Over the past year, the dollar has strengthened substantially which makes US ag exports relatively more expensive on world markets.

Soybean Export Sales



Source: USDA-FAS

Soybean Advance Export Sales



Source: USDA-FAS

Cattle Crush Margin

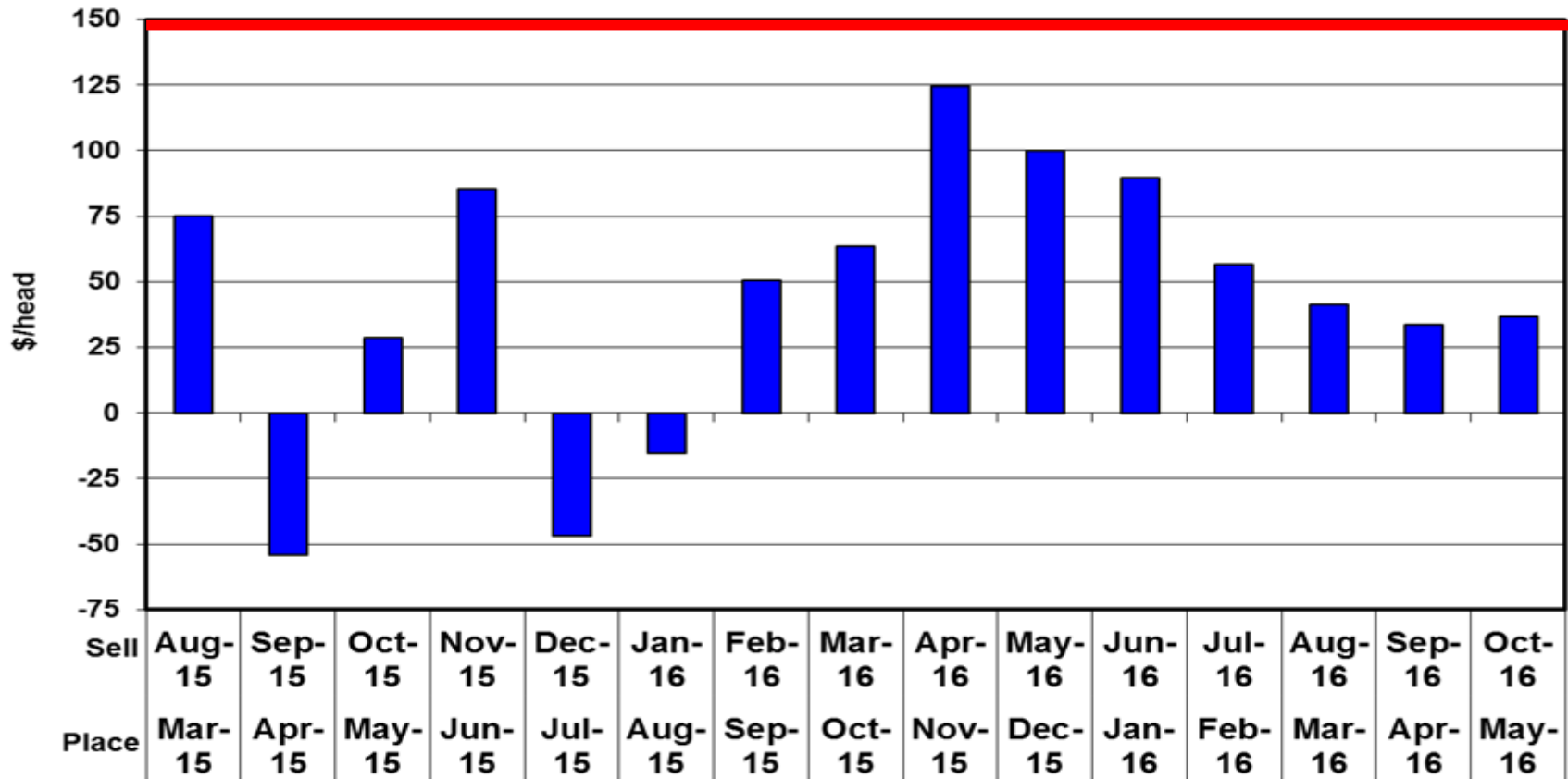
The Crush Margin is the return after the feeder steer and corn costs.

Live weight: 1250 pounds

Feeder weight: 750 pounds

Corn: 50 bushels per head

Projected Yearling to Finish Crush Margin, August 5, 2015



Source: ISU Extension

Hog Crush Margin

The Crush Margin is the return after the pig, corn and soybean meal costs.

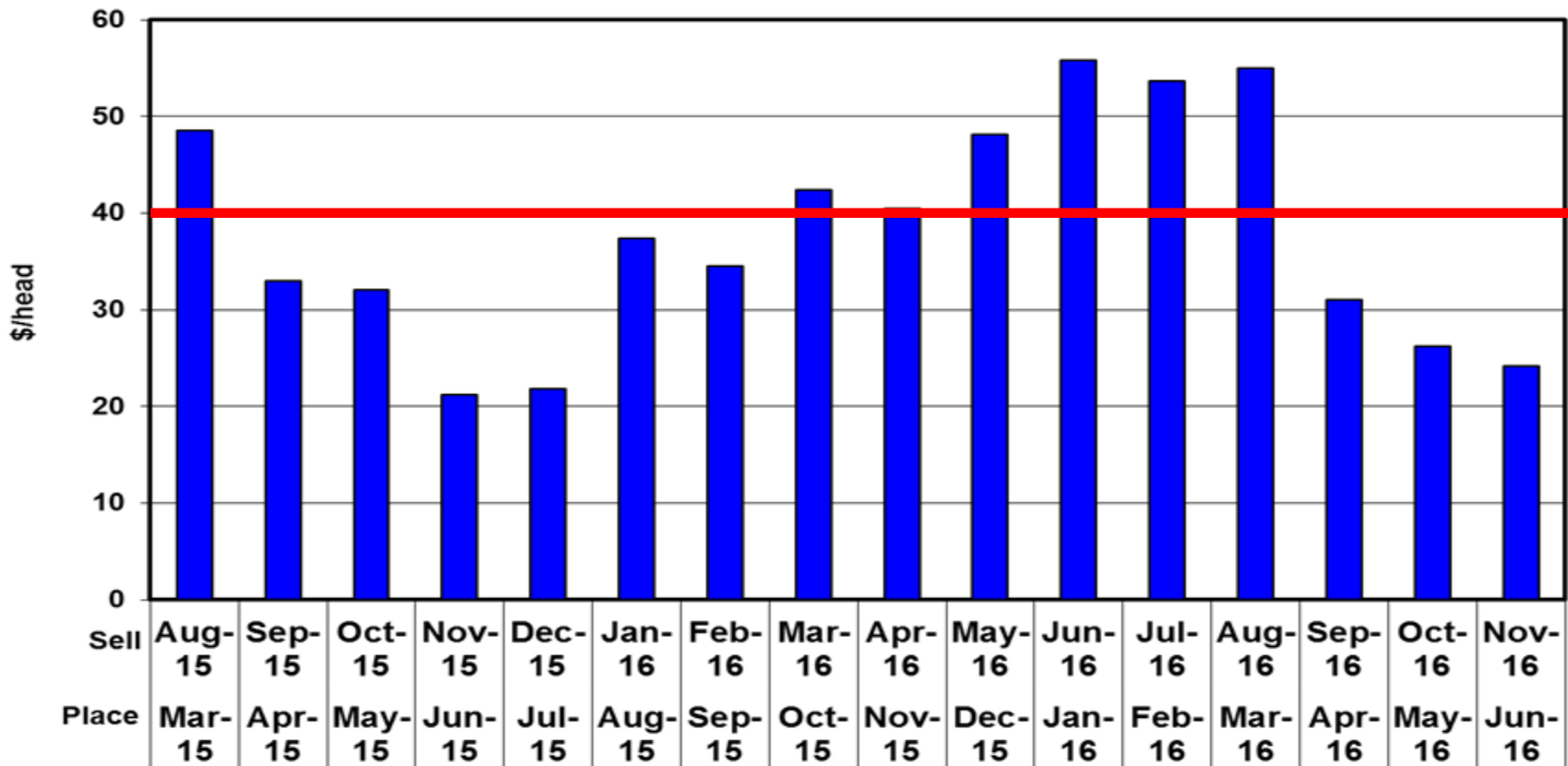
Carcass weight: 200 pounds

Pig price: 50% of 5 mth out lean hog futures

Corn: 10 bushels per pig

Soybean meal: 150 pounds per pig

Projected Wean to Finish Crush Margin, August 5, 2015



Source: ISU Extension

U.S. Meat Production & Prices

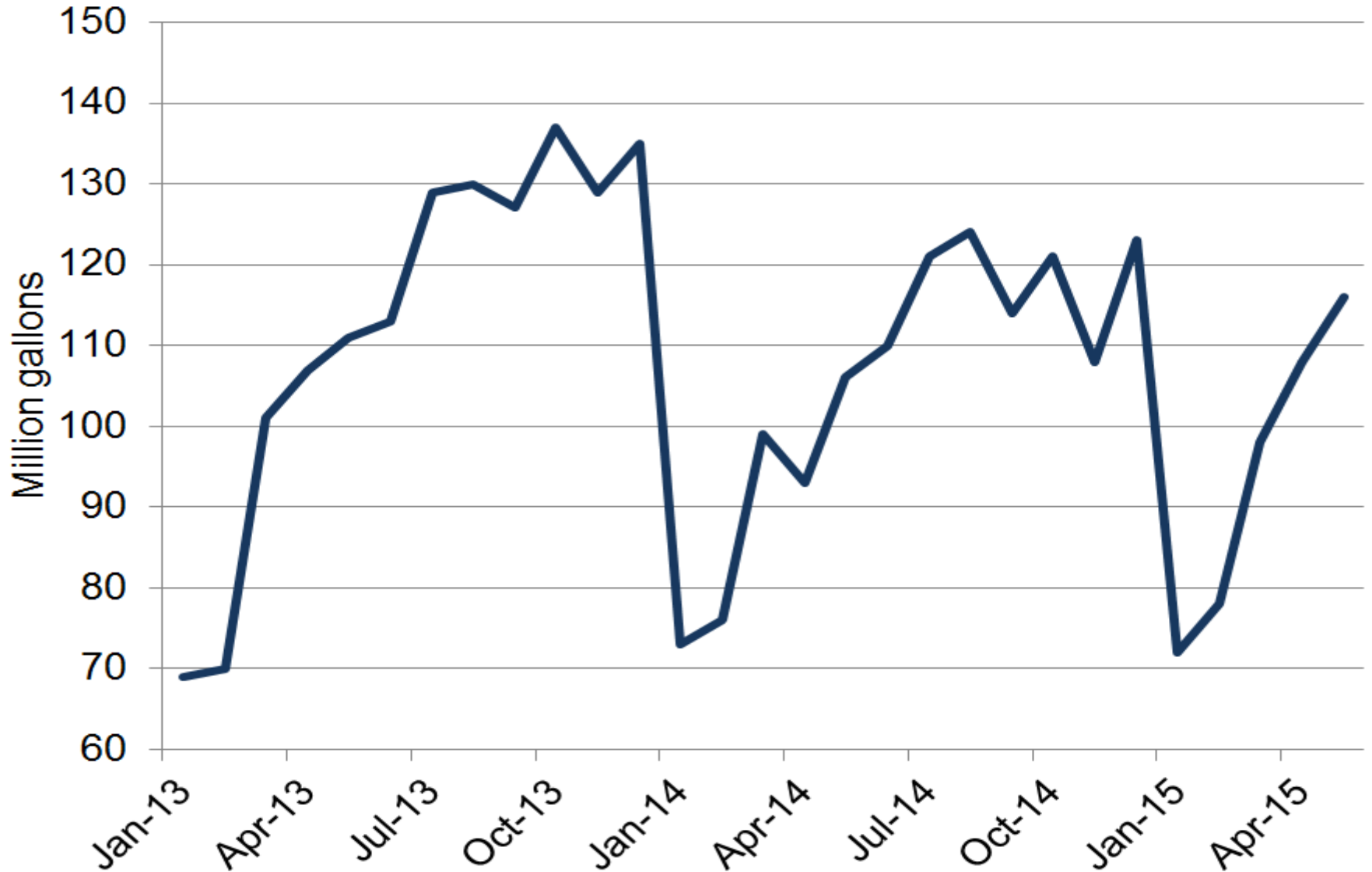
	2015 forecast	2016 forecast	Change from July 10	Change from 2015
Production	<i>Billion pounds</i>		<i>Percent</i>	<i>Percent</i>
Beef	23.76	24.84	-0.1	4.5
Pork	24.58	24.71	0.0	0.5
Broilers	40.25	41.38	0.0	2.8
Turkey	5.63	6.01	0.0	6.7
Total meat	94.97	97.70	0.0	2.9
Prices	<i>Dollars/cwt</i>			
Steers	155.89	156.00	-3.1	0.1
Hogs	49.92	47.50	0.0	-4.8
	<i>Cents/lb</i>			
Broilers	95.8	98.3	-4.8	2.6
Turkey	116.0	114.5	0.0	-1.3

- Beef, pork, chicken and turkey production is growing compared to a year ago and is likely to continue that expansion into the coming year.

Soybean Meal Demand

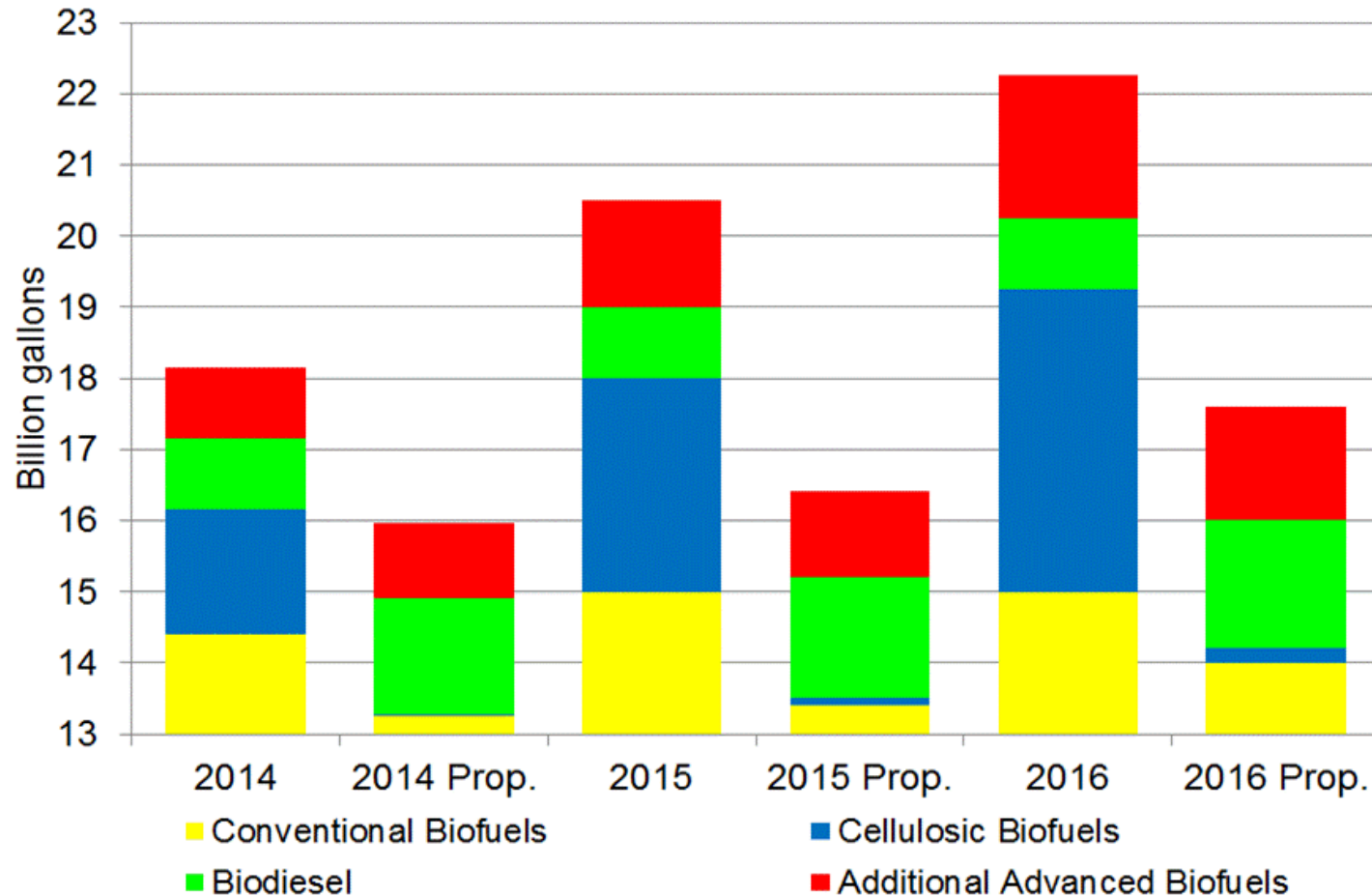
- Hog feeding margins are not as high as a year ago, and are expected to deteriorate some this Fall before rising into Summer 2016.
- The longer term outlook for both hog feeding margins and poultry production will be supportive of expansion of those sectors and supportive of increased soybean meal usage in the 2015-16 marketing year.

Biodiesel Production



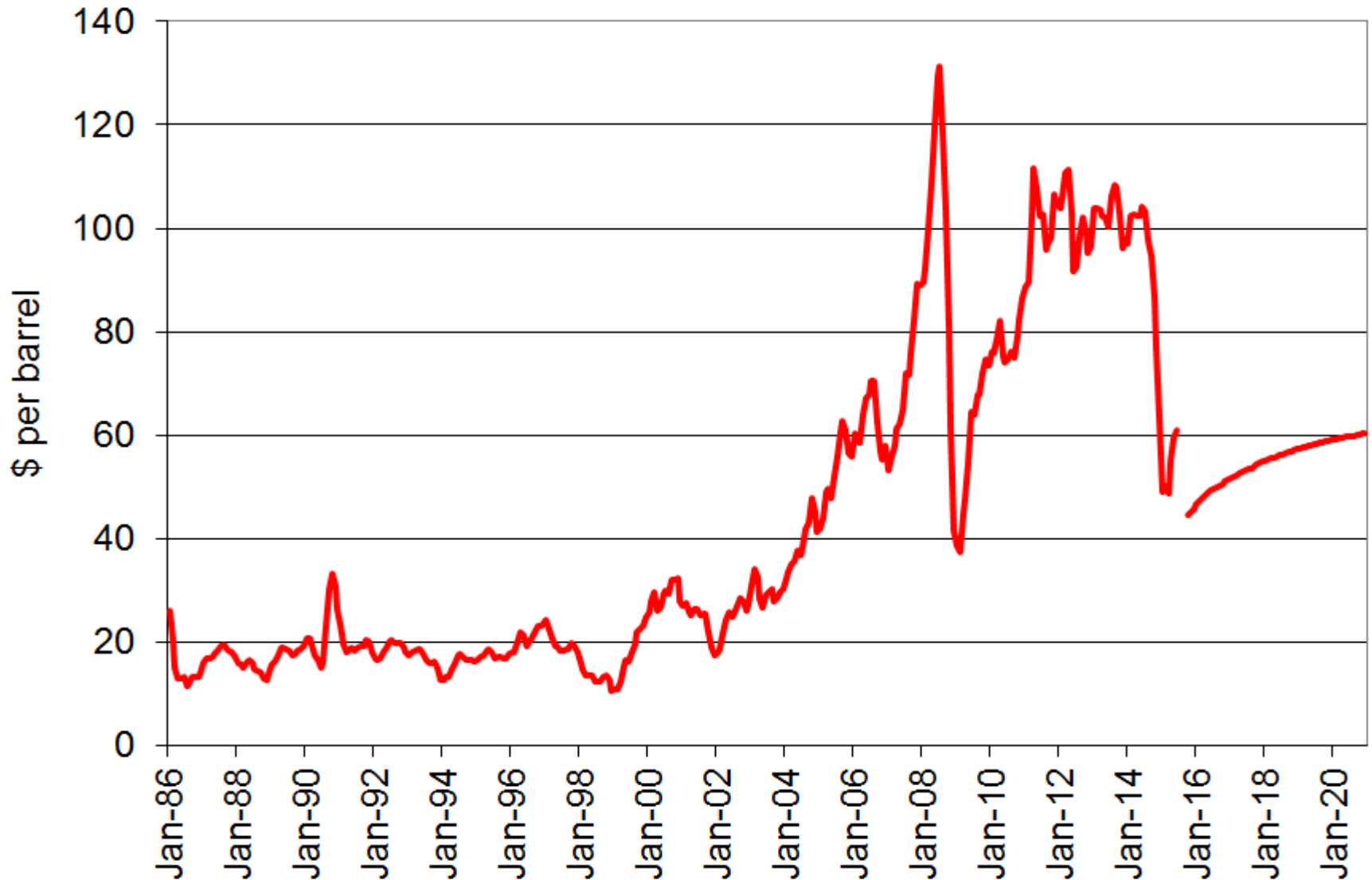
Source: EIA

Renewable Fuel Standard



While the RFS calls for increasing amounts of ethanol and advanced biofuels in the U.S. fuel supply, it is quite likely that EPA will continue to significantly reduce the total ethanol and advanced biofuels requirements of the RFS compliance levels in the coming year and that will effectively

Crude Oil Prices



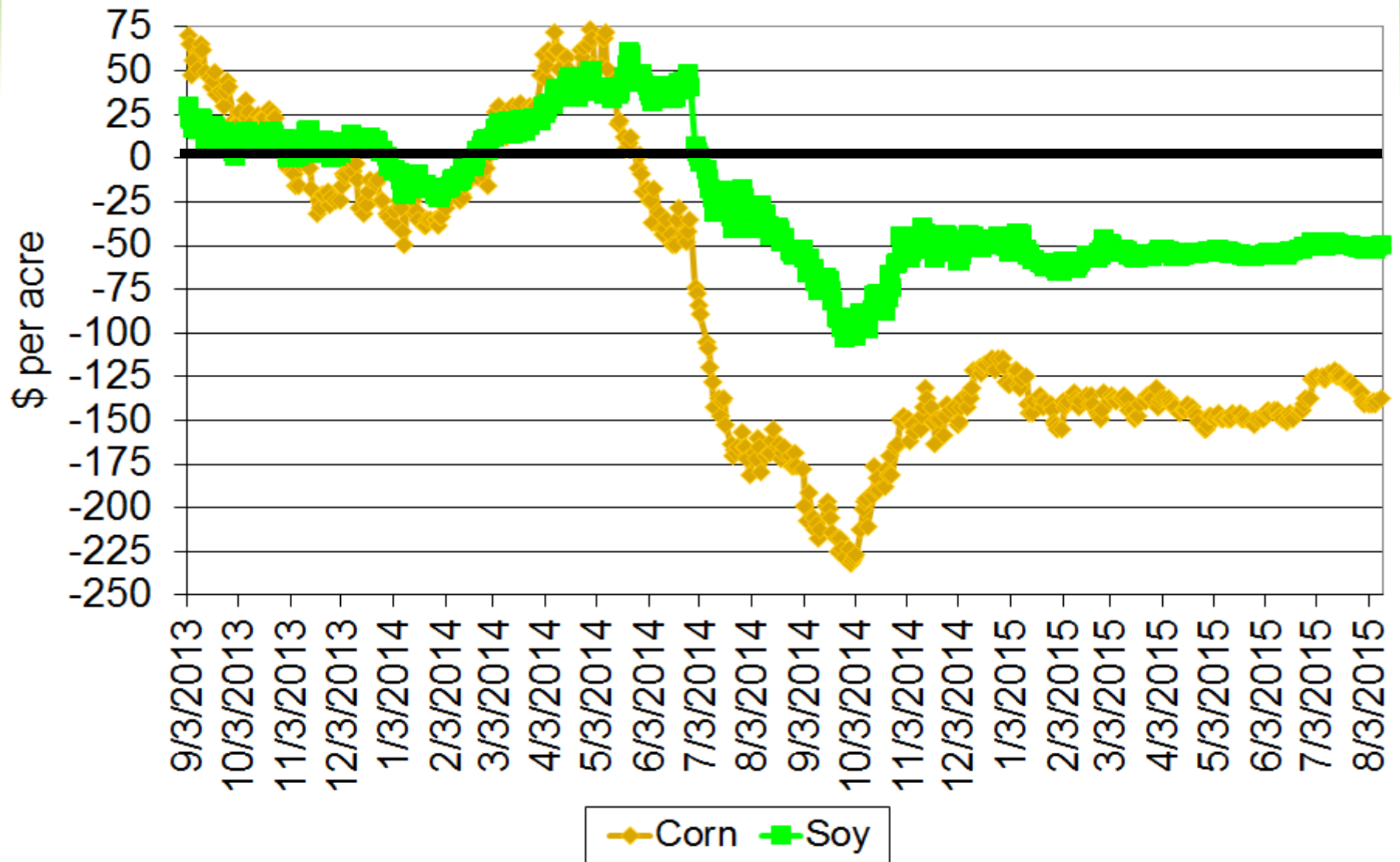
Sources: EIA and CME

U.S. Soybean Price

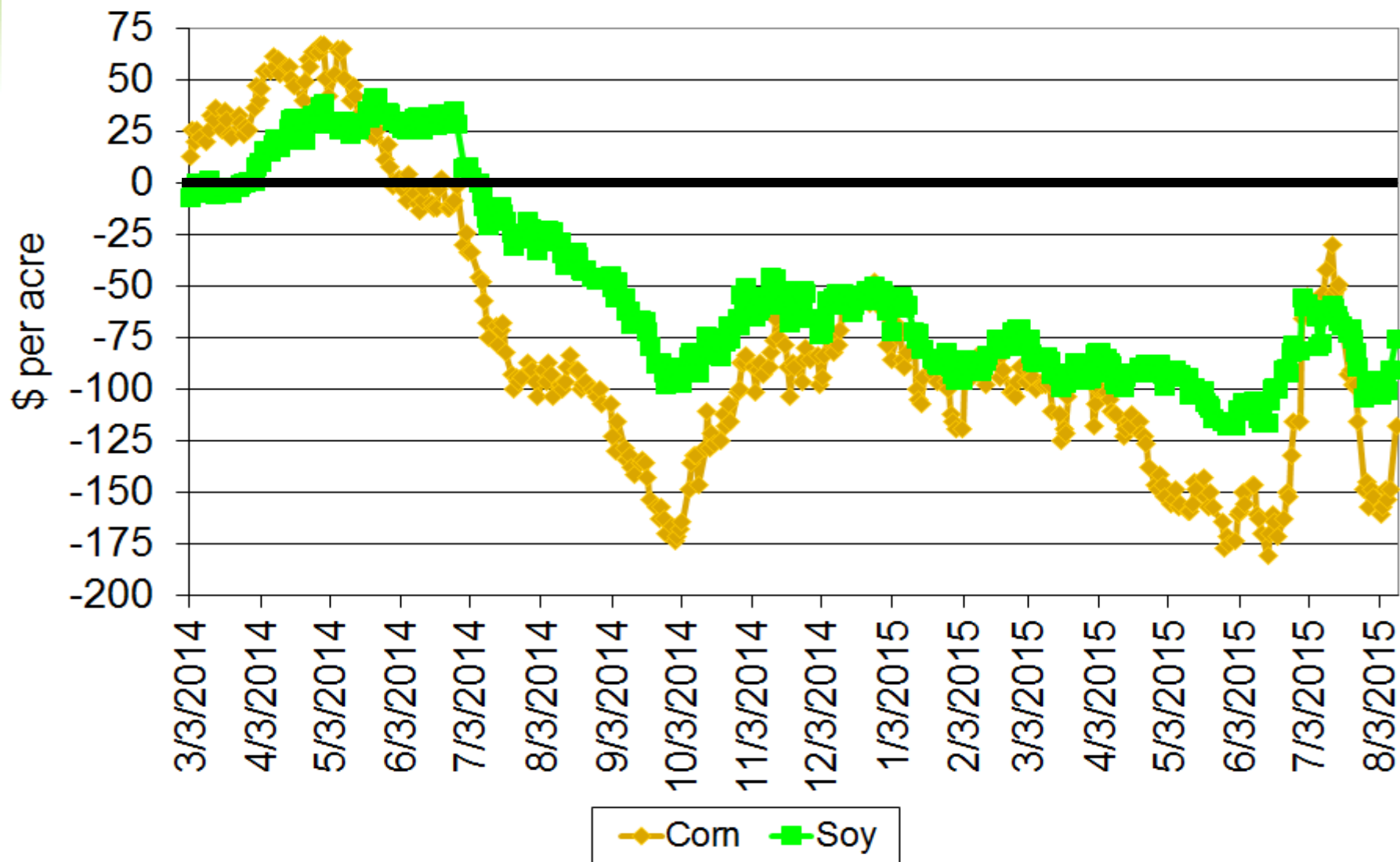


The slide in the price of soybeans continues. Soybean ending stocks are projected to grow in 2015-16 and although weather-induced problems may intensify in other parts of the world in the coming year, current projections have U.S. exports of soybeans declining.

2014/15 Crop Margins



2015/16 Crop Margins



Thank You