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Summary

Corn exports for 2000/01 were lowered this month reflecting the current shipping pace, and sorghum exports were increased. The lower exports resulted in an increase in ending corn stocks in 2000/01 and increased supplies in 2001/02. Barley and oats were unchanged this month.

In 2001/02, corn exports were increased to 2 billion bushels because of expected reduced world supplies. The increase in exports resulted in lower ending stocks, which should strengthen average prices received by farmers. However, prices are still projected at relatively low levels.

Projected global 2001/02 coarse grain production and ending stocks are down from last month, largely due to a 10-million-ton reduction in China’s corn crop. With a sharply lower corn crop, China’s corn exports are reduced 2 million tons. This is offset by a slight reduction in projected global imports and larger exports by the United States and South Africa. China accounts for most of the reduction in projected global 2001/02 coarse grain ending stocks.

U.S. Ending Stocks of Corn in 2000/01 Highest Since 1992/93

There were no changes in the forecast U.S. production of major feed grains for 2000. However, anticipated exports of corn were revised down for 2000/01 because of slow movement to date, and sorghum exports were increased. Corn exports were increased in 2001/02 to offset reduced shipments by China. During the past month, attention was largely focused on the completion of planting and early-season growing conditions. The *Grain Stocks* report to be released on June 29 will provide an estimate of disappearance for the March-May quarter, along with an indication of available supplies of corn and sorghum for the summer.

U.S. feed grain supplies in 2001/02 are projected to increase 1 million tons from last month’s forecast. Projected feed grain production in 2001 is unchanged from last month and down 8 million metric tons, or 3 percent, from 2000. Total disappearance in 2001/02 is projected at 272.8 million tons, almost 2 million tons higher than last month’s forecast, and up 1 percent from 2000/01. This would be the third straight year of record total use for the four feed grains (corn, sorghum, barley, and oats).

No Change in 2001 Crop Acreage and Production Forecasts

No acreage adjustments were made this month, and planting forecasts still reflect farmers' intentions from the spring. On June 29, USDA's *Acreage* report will provide acres planted and intended to be harvested for grain based on information gathered in the first half of June.

Corn production in 2001 is projected at 9,575 million bushels, unchanged from last month, but down 4 percent from the year before. By May 30th, 95 percent of the corn crop had been planted in the major producing States, compared with the 5-year average of 92 percent. As of June 10, 62 percent of the corn crop was rated in good or excellent condition, down slightly from last year's comparable ranking of 69 percent. Most of the crop will go through the pollination and reproductive stage in July, and weather conditions then will be critical for yield prospects.

Sorghum production is projected at 575 million bushels, unchanged from last month, but up from 470 million last year. By June 10, 78 percent of the crop was planted nationally, up from the 5-year average of 75 percent.

Barley production in 2001 is projected at 295 million bushels, unchanged from last month, and down from last year's 318 million. By June 3, the barley crop was 97 percent planted, compared with the average of 95 percent. On June 10, 62 percent of the barley rated good or better, down 2 percentage points from the same time last year.

Oats production is projected at 134 million bushels, unchanged from last month, and down from 149 million in 2000. As of June 10th, 72 percent of the oats crop rated good or better in the eight selected States, down slightly from last year’s 74 percent.

Corn and Sorghum Prices Raised in 2001/02

The 2001/02 season-average farm price of corn is projected at $1.70-$2.10 per bushel, up from $1.65-$2.05 last month. In 2000/01, prices received by farmers for corn are expected to average $1.80-$1.90 per bushel, compared with $1.82 in 1999/2000. The forecast farm price of sorghum for 2001/02 was raised 5 cents to $1.55-$1.95 per bushel. For 2000/01, the sorghum price is estimated at $1.75-$1.85, compared with $1.57 in 1999/2000.

The estimated prices received by farmers for barley and oats in 2000/01 are $2.15 and $1.10 per bushel, respectively, the same as last month. In 2001/02, the average price received by farmers for barley is anticipated to be $1.95-$2.35 per bushel, unchanged from last month, and the price for oats is projected at $0.90-$1.30, also the same as last month.

World 2001/02 Coarse Grain Production Prospects Reduced 9 Million Tons

China’s corn production prospects were reduced 10 million tons this month to 115 million because of drought. May was the hottest and driest month in the last 20 years across much of the North China Plain. Dryness also hampered emergence in parts of the northeast. Although China’s corn has not gotten off to a good start, it is still early and there is time for most of the crop to recuperate. Corn prices in China are relatively strong, and area is forecast up 2 percent. China’s 2001/02 corn production is still forecast 9 million tons higher than the previous year when drought devastated production. China’s recently released official preliminary estimates of 2000/01 production are 1 million tons higher than previously estimated by the U.S. Department of Agriculture (USDA).

Global barley production prospects increased 1 million tons this month. Favorable growing conditions in Ukraine boosted forecast barley production 0.5 million tons. Drought in North Africa did not reduce barley production as much as previously thought, boosting prospects for the region by 0.5 million tons. There were smaller increases in forecast production for the Middle East (Syria) and Eastern Europe (Romania). These increases were partly offset by reduced production prospects for the European Union (EU). Spain’s forecast barley area and yield were reduced, dropping production prospects 1 million tons to 8.5 million. On the other hand, barley area in the United Kingdom was reportedly larger than expected, boosting production prospects by 0.5 million tons.

U.S. 2000/01 Corn Export Forecast Reduced, Sorghum Increased

The U.S. 2000/01 corn export forecast was reduced this month because the pace of sales and shipments was less than expected. Global imports were reduced, with Iran down 0.4 million tons, and competitors’ exports boosted, with South Africa up 0.5 million. South Africa is forecast to export more corn and use less domestically in both 2000/01 and 2001/02.

According to *U.S. Export Sales*, as of May 31, 2001, corn export commitments (shipments plus outstanding sales) for 2000/01 were down more than 3 million tons compared with a year earlier. The revised 46.5-million-ton U.S. export forecast implies a decline of less than 3 million tons, so sales and shipments for the rest of 2000/01 are expected to exceed last year’s pace.

Forecast U.S. sorghum exports for 2000/01 increased this month by 0.3 million tons to 5.6 million. Mexico's sorghum import forecast was increased by a like amount. Despite a drought-reduced U.S. crop, the pace of exports and export sales indicates the export market is capturing more sorghum than expected. Demand for U.S. sorghum in Mexico is strong because the poultry sector is expanding rapidly and access to corn imports is limited by quotas.

U.S. 2001/02 Corn Export Forecast Increased 1.5 Million Tons

U.S. corn exports are forecast to reach 51 million tons in 2001/02, up 1.5 million tons from last month. China's corn exports were reduced 2 million tons to 3 million because the reduced production prospects will result in higher prices in China. High domestic prices will require increased subsidies for China's exports to compete in world markets. However, China's northeast surplus corn producing region is located close to the world's second largest corn importer, South Korea. China's smaller vessel sizes provide an advantage for shipping to small ports in Indonesia, the Philippines, and Malaysia. Forecast 2001/02 corn trade does not assume China's entry into the World Trade Organization.

Additional adjustments to 2001/02 corn trade include increased export prospects for South Africa and reduced imports by Iran.

World barley trade in 2001/02 is virtually unchanged this month. Forecast imports by Syria and Morocco are down this month because of increased production prospects. Ukraine's barley exports are forecast up 0.5 million tons because of a larger crop. However, exports by the EU, Australia, and Canada were reduced because of increased competition from Ukraine and stagnating import demand.

Forecast 2001/02 Global Coarse Grain Ending Stocks Reduced 8 Million Tons

China's corn stocks are now projected to drop more than 10 million tons during 2001/02, and fall 32 million tons compared with the 2000/01 estimated beginning stocks. However, at over 70 million tons, China's forecast corn stocks remain large and account for almost half of projected global corn stocks.

World coarse grain ending stocks in 2001/02 are projected at 181 million tons, down almost 8 million from a month ago and down almost 15 million from forecast 2000/01 ending stocks. Global coarse grain stocks will decline for the third consecutive year in 2001/02, and the projected level is the lowest since 1995/96.

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The next Feed Outlook will be released on July 13, 2001

Table 1--Feed Grains: Marketing year supply and disappearance 1/

Year/ Qtr.	Beg. stocks	Produc-tion	Im-ports	Supply	FSI	Feed & resid.	Ex-ports	Total disp.	End. stks.	Farm price
CORN	Million bushels									$/bu
1999/00										
Sep-Nov	1,787	9,431	4	11,221	459	2,189	534	3,182	8,039	1.71
Dec-Feb	8,039	---	3	8,043	447	1,526	468	2,441	5,602	1.91
Mar-May	5,602	---	6	5,607	512	1,059	451	2,021	3,586	2.05
Jun-Aug	3,586	---	2	3,588	496	890	485	1,871	1,718	1.68
Mkt. yr.	1,787	9,431	15	11,232	1,913	5,664	1,937	9,515	1,718	1.82
2000/01										
Sep-Nov	1,718	9,968	1	11,687	465	2,194	506	3,165	8,522	1.76
Dec-Feb	8,522	---	1	8,523	464	1,606	416	2,486	6,037	1.97
Mkt. yr.	1,718	9,968	7	11,693	1,970	5,825	1,850	9,645	2,048	1.80-1.90
2001/02										
Mkt. yr.	2,048	9,575	10	11,633	2,040	5,700	2,000	9,740	1,893	1.70-2.10
SORGHUM										
1999/00										
Sep-Nov	65	595	0	660	18	228	65	311	349	1.45
Dec-Feb	349	---	0	349	18	29	77	124	226	1.58
Mar-May	226	---	0	226	13	22	64	99	127	1.83
Jun-Aug	127	---	0	127	6	6	50	62	65	1.63
Mkt. yr.	65	595	0	660	55	284	256	595	65	1.57
2000/01										
Sep-Nov	65	470	0	535	17	195	62	274	261	1.72
Dec-Feb	261	---	0	261	11	13	72	96	165	1.94
Mkt. yr.	65	470	0	535	35	225	230	490	45	1.75-1.85
2001/02										
Mkt. yr.	45	575	0	620	60	285	230	575	45	1.55-1.95

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

Year/ Qtr.	Beg. stocks	Produc- tion	Im- ports	Supply	FSI	Feed & resid.	Ex- ports	Total disp.	End. stks.	Farm price
BARLEY	Million bushels									$/bu
1999/00										
Jun-Aug	142	280	6	428	44	79	9	132	295	2.18
Sep-Nov	295	---	5	300	39	24	10	73	228	2.04
Dec-Feb	228	---	9	237	37	23	7	67	170	2.14
Mar-May	170	---	7	178	52	10	4	66	111	2.19
Mkt. yr.	142	280	28	450	172	136	30	338	111	2.13
2000/01										
Jun-Aug	111	318	7	436	44	90	8	142	294	2.35
Sep-Nov	294	---	5	299	39	6	25	70	229	1.92
Mkt. yr.	111	318	28	457	172	125	58	355	102	2.15
2001/02										
Mkt. yr.	102	295	35	432	172	125	30	327	105	1.95-2.35
OATS										
1999/00										
Jun-Aug	81	146	22	249	17	84	0.6	101	148	1.05
Sep-Nov	148	---	34	182	16	32	0.3	49	134	1.08
Dec-Feb	134	---	23	157	14	40	0.2	55	102	1.22
Mar-May	102	---	20	122	21	24	0.7	46	76	1.31
Mkt. yr.	81	146	99	326	68	180	1.8	250	76	1.12
2000/01										
Jun-Aug	76	149	21	246	17	79	0.4	96	150	1.02
Sep-Nov	150	---	37	187	16	27	0.5	43	144	1.04
Mkt. yr.	76	149	110	335	68	185	2.0	255	80	1.10
2000/01										
Mkt. yr.	80	134	105	319	68	165	2.0	235	84	.90-1.30

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.

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

Year Beginning September 1	Corn	Sorg.	Barley	Oats	Feed Grains	Wheat	Total grains	Animal Units	Feed/ animal unit
	Million metric tons							Mil.	Tons
1999/00									
Sep-Nov	55.6	5.8	0.5	0.6	62.5	-0.2	62.3		
Dec-Feb	38.8	0.7	0.5	0.6	40.6	0.8	41.4		
Mar-May	26.9	0.6	0.2	0.4	28.1	-0.2	27.9		
Jun-Aug	22.6	0.1	2.0	1.2	25.9	8.6	34.5		
Mkt. yr.	143.9	7.2	3.2	2.8	157.1	9.0	166.1	88.8	1.87
2000/01									
Sep-Nov	55.7	5.0	0.1	0.5	61.3	-0.6	60.7		
Dec-Feb	40.8	0.3	0.5	0.9	42.5	0.1	42.6		
Mkt. yr.	148.0	5.7	2.4	2.9	158.9	7.0	166.0	89.4	1.86
2001/02									
Mkt. yr.	144.8	7.2	2.9	2.7	157.6	6.1	163.8	88.0	1.86

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 South Panhandle 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
96/97	2.74	3.07	5.02	5.03	2.32	3.18	2.03
97/98	2.45	2.78	4.72	4.76	1.90	2.50	1.70
98/99	1.97	2.35	3.78	3.97	1.23	2.30	1.34
99/00 3/	1.86	2.23	3.36	3.79	NQ	NQ	1.26
Monthly:							
2000:							
Jan	1.95	2.36	3.54	4.01	NQ	NQ	1.21
Feb	2.03	2.42	3.67	4.07	NQ	NQ	1.19
Mar	2.08	2.42	3.19	4.16	NQ	NQ	1.34
Apr	2.09	2.43	3.83	4.10	NQ	NQ	1.45
2001:							
Jan	1.99	2.40	4.08	4.55	1.54	NQ	NQ
Feb	1.95	2.35	4.02	4.44	1.51	2.40	NQ
Mar	1.92	2.32	4.04	4.34	1.50	2.37	NQ
Apr /3	1.87	2.22	3.45	4.25	1.50	2.35	NQ

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

Table 4--Selected feed and feed by-product prices

	Soybean meal 44% slv. Decatur,	Cotton-seed meal, 41% slv.	Corn gluten feed, IL	Corn gluten meal, IL	Meat & bone meal, Central	Dists.' dried grains, Lawrence-	Wheat midlgs, Kansas City	Alfalfa farm price

	IL 1/	Memphis 1/	pts. 1/	pts. U.S. 1/	burg, IN 1/	1/	1/	2/
	$/ton							
Mkt. yr.								
96/97	260.37	191.47	93.05	341.50	272.44	142.87	91.18	101.80
97/98	186.55	150.40	69.65	290.45	192.56	109.76	76.30	107.00
98/99	130.56	109.86	59.87	234.76	137.32	84.87	54.74	88.10
99/00	158.15	124.00	52.89	237.31	163.13	82.93	53.13	80.20
Monthly:								
2000:								
Jan	154.96	126.88	55.50	238.75	156.89	85.00	56.13	76.00
Feb	163.55	130.50	51.90	248.50	159.69	82.50	69.50	77.00
Mar	167.00	129.38	51.50	243.13	163.88	73.75	56.30	77.70
Apr	169.00	125.00	51.75	216.25	167.93	70.00	49.08	81.90
2001:								
Jan	175.59	184.00	73.40	305.00	200.80	101.80	96.07	91.30
Feb	158.34	148.75	65.87	267.50	171.99	105.00	64.82	94.20
Mar	149.06	138.13	60.63	253.75	152.97	102.00	55.53	93.70
Apr /3	149.73	140.00	54.13	228.75	135.47	101.00	51.10	100.00

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

Table 5--Corn: Food, and industrial uses

Year	HFCS	Glucose and dex.	Starch	---Alcohol--- Fuel	Bev. & Mfg	Cereals & other products	Total F&I
	Million bushels						
1999/00							
Sep-Nov	129.3	56.7	63.6	131.7	31.8	46.0	459.2
Dec-Feb	119.4	49.6	60.0	138.3	33.3	46.0	446.6
Mar-May	141.7	57.1	63.7	147.9	34.9	46.5	491.9
Jun-Aug	149.2	58.4	63.8	147.8	29.7	46.5	495.4
Mkt year	539.5	221.9	251.1	565.8	129.7	185.0	1,893.0
2000/01							
Sep-Nov	126.0	56.2	63.4	142.9	31.8	44.9	465.1
Dec-Feb	118.4	49.9	59.2	158.0	33.3	44.9	463.7
Mkt year	550.1	220.0	255.0	615.0	130.0	180.5	1,950.5
2001/02							
Mkt year	555.0	225.0	260.0	665.0	131.0	184.0	2,020.0

Table 6--Wholesale corn milling product and by-product prices

	Corn meal, yellow, New York	Brewers' grits, Chicago	Sugar, destrose, Midwest	HFCS, 42% tank cars, Midwest	Corn starch, fob Midwest 3/
	$/cwt	$/cwt	cents/lb	cents/lb	$/cwt
Mkt. yr. 1/					
96/97	16.94	12.85	25.50	13.15	13.83
97/98	15.94	11.85	28.08	7.77	13.55
98/99	15.06	11.00	24.24	8.04	12.28
99/00 2/	15.05	10.91	16.38	9.18	12.39
Monthly					
1999:					
Feb	15.17	11.07	16.38	9.25	12.40
Mar	15.39	11.29	16.38	9.25	12.76

Apr	15.26	11.16	16.38	9.25	12.94
May	15.90	11.80	16.38	9.25	13.06
2000:					
Feb	15.83	11.73	16.88	9.50	12.73
Mar	16.05	11.95	16.88	9.50	12.52
Apr	16.08	11.98	16.88	9.50	12.70
May /2	15.70	11.60	16.88	9.50	12.64

1/ Marketing year beginning September 1.
2/ Preliminary.
3/ Bulk-industrial, unmodified.

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

Country/region	1998/99		1999/2000		2000/2001
	Mkt. yr.	June-Mar.	Mkt. yr.	June-Mar.	June-Mar.
OATS	Thousand tons				
Canada	1,142	1,018	1,287	1,087	1,328
Finland	216	182	125	102	74
Sweden	443	359	276	250	181
Total 1/	1,856	1,559	1,703	1,453	1,583
BARLEY, MALTING					
Canada	567	434	543	466	458
Total 1/	567	434	543	466	458
BARLEY, OTHER 2/					
Canada	81	74	60	39	44
Total 1/	81	74	60	39	44

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

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

Country/region	1998/99 Mkt. yr.	1998/99 Sept.-Mar.	1999/2000 Mkt. yr.	1999/2000 Sept.-Mar.	2000/2001 Sept.-Mar.
CORN					
Japan	15,224	8,708	15,149	9,063	8,484
Taiwan	4,365	2,370	5,036	3,111	2,768
Mexico	5,387	3,203	4,832	2,474	3,744
Egypt	3,586	1,711	3,790	2,394	2,155
S. Korea	6,462	3,350	3,134	2,176	1,492
Colombia	1,512	835	1,782	1,037	839
Saudi Arabia	1,182	704	1,164	661	669
Venezuela	1,288	891	1,073	577	456
Algeria	955	589	1,042	547	832
Dominican Republic	777	390	1,003	523	494
Canada	867	393	982	561	1,345
Turkey	692	85	874	295	247
Israel	399	181	695	404	516
Iran	0	0	611	551	144
Morocco	599	261	604	350	269
Syria	354	195	603	329	312
Chile	486	392	542	517	33
Tunisia	441	244	519	322	296
Sub-Saharan Africa	441	137	511	428	77
Former USSR	405	1	491	116	85
Peru	674	461	458	430	90
EU	192	191	141	85	12
China	259	154	58	58	0
East Europe	12	12	35	35	0
Others	3,667	2,131	3,967	2,230	2,486
Total	50,228	27,588	49,098	29,277	27,847
SORGHUM					
Mexico	3,103	1,693	4,824	2,955	3,047
Japan	1,362	1,038	1,123	884	674
EU	197	197	181	179	0
Others	237	177	239	158	169
Total	4,899	3,105	6,366	4,176	3,890

BARLEY	1998/99 Mkt. yr.	1998/99 June-Mar.	1999/2000 Mkt. yr.	1999/2000 June-Mar.	2000/2001 June-Mar.
Japan	443	412	391	354	366
Mexico	94	81	104	99	96
Jordan	0	0	50	50	0
Saudi Arabia	0	0	0	0	364
Taiwan	0	0	5	5	57
Other	79	57	107	83	259
Total	615	549	657	591	1,143

1/ Totals may not add due to rounding. Source: Bureau of the Census