

Daily Livestock Report

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USDA-National Agricultural Statistical Service (NASS) provided the mid-year picture of grain supplies and plantings this spring that will be the foundation for grain supplies over the next year. Surprises were front and center as it related to corn and soybean plantings. Estimated corn plantings were above the range that was expected for the report by close to 2 million acres and were only short of planting intentions from March by 1 million acres. This implied a herculean effort on the part of farmers to plant a record number of acres of corn in June. The flip side of this performance was a shortfall in soybean plantings. Soybean plantings were estimated to be down 10% from last year and the smallest area since 2013. The low end of soybean planting expectations was 2.6 million acres above the NASS estimate.

According to the NASS commentary, the survey was conducted during the first two weeks of June. At that time, survey participants reported to be 83% done with corn planting, which was also consistent with the weekly Crop Progress report from NASS for the week of June 10. The 83% completion mark compares with the prior four years when completion was at the 98% level.

The delays in getting crops planted this spring has been widely reported, due to cold, wet weather across the Midwest. According to the NASS commentary, this was the wettest spring since 1995. In that year, 77% of the corn had been planted by June 2 and 40% of the soybean crop was in the ground. This year, 67% of the corn crop had been planted by the equivalent date and 39% of the soybeans had been planted. In June 1995, the estimate for corn plantings was pegged at 75.3 million acres and soybean plantings were estimated at 51.4 million acres. By the time actual plantings were realized at the end of that year, corn plantings came in at 71.5 million acres and soybean plantings had jumped to 62.5 million.

NASS intends to re-survey 14 states from the Dakotas and Kansas to Ohio and New York for the August Crop Production report in order to assess the impact of wet weather and soils on crop planting efforts.

Corn prices had jumped 20% from mid-May to mid-June in anticipation of reduced corn plantings. In the wake of the NASS crop plantings report last week, corn prices have given back half of that increase. Corn inventories on June 1 came in at the low end of expectations, implying that there has been an acceleration in the flow of corn moving into the livestock and poultry feeding industries. Over the first nine months of the crop year (September 2018-May 2019) corn disappearance for feed and residual uses was down by about 2% from a year earlier. This

USDA-NASS June 28 Grain Report Summary

Grain Stocks Crop	USDA	Pre-Report Expectations			USDA
	28-Jun	Avg	Low	High	Jun-18
million bushels					
Corn	5202	5314	5099	5497	5305
Soybeans	1790	1865	1700	1962	1219
Wheat	1072	1089	1010	1115	1099
Planted Acres, million acres					
Corn	91.7	87.0	85.6	88.8	89.1
Soybeans	80.0	84.7	82.6	86.5	89.2
All Wheat	45.6	45.6	44.8	46.1	47.8
Durum Wheat	1.4	1.5	1.3	1.8	2.0
Spring Wheat	12.4	12.6	12.0	13.0	13.2
Cotton	13.7	13.7	13.1	14.3	14.1
Sorghum	5.1	5.2	5.0	5.5	5.7

Source: USDA-NASS and Bloomberg

compares with a 7% decline during the first six months of the crop year. In the next few days, USDA issues its monthly forecast update for agriculture commodity markets, and the uptick in usage should lead to downward revisions in the amount of corn on hand at the end of this crop year (September 1). This could also warrant an upward revision to price prospects that would be more in line with futures prices trends since May.

USDA-NASS Acreage Report, June 2019

Crop	Planted Area							
	2019			Planting Progress - June 9		Area Still To Plant - June 9		
	2018	Intentions	2019	2019	5 Yr Avg	2019	5 Yr Avg	
Corn	mil. acres	mil. acres	mil. acres	pct	pct	mil. acres	mil. acres	
National	89.129	92.792	91.700	83	99	15.8	0.9	
Illinois	11.000	11.200	11.000	73	100	3.0	0.0	
Indiana	5.350	5.500	5.500	67	98	1.8	0.1	
Ohio	3.500	3.500	3.300	50	96	1.8	0.1	
Missouri	3.500	3.500	3.400	81	98	0.7	0.1	
Iowa	13.200	13.600	13.600	93	100	1.0	0.0	
South Dakota	5.300	6.000	4.800	64	99	2.2	0.1	
Soybeans								
National	89.196	84.617	80.040	60	88	33.8	10.2	
Illinois	10.800	10.500	10.300	49	91	5.4	0.9	
Indiana	5.950	5.700	5.300	42	89	3.3	0.6	
Ohio	5.000	4.950	4.700	32	89	3.4	0.5	
Missouri	5.850	5.500	5.300	37	73	3.5	1.5	
Iowa	10.000	9.400	9.100	70	95	2.8	0.5	
South Dakota	5.650	5.200	4.400	43	93	3.0	0.4	

Source: USDA-NASS

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