

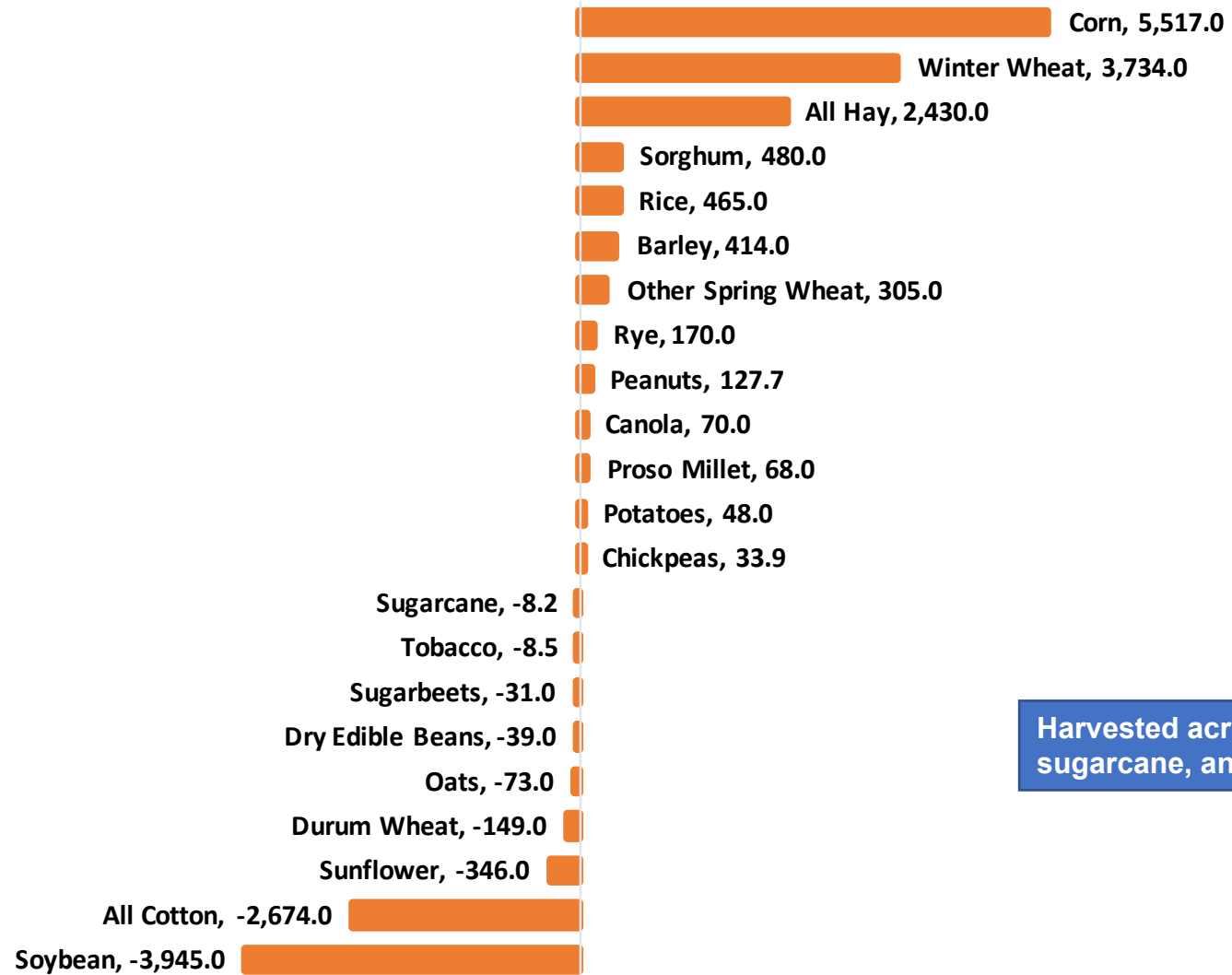
2024 Agricultural Outlook

A herd of brown and black cows is grazing in a lush green field. In the background, there are several evergreen trees and a large, snow-capped mountain under a clear blue sky. The scene is bright and sunny, suggesting a clear day.

Seth Meyer
Office of the Chief Economist
USDA

United States 2023 Principal Crop Area

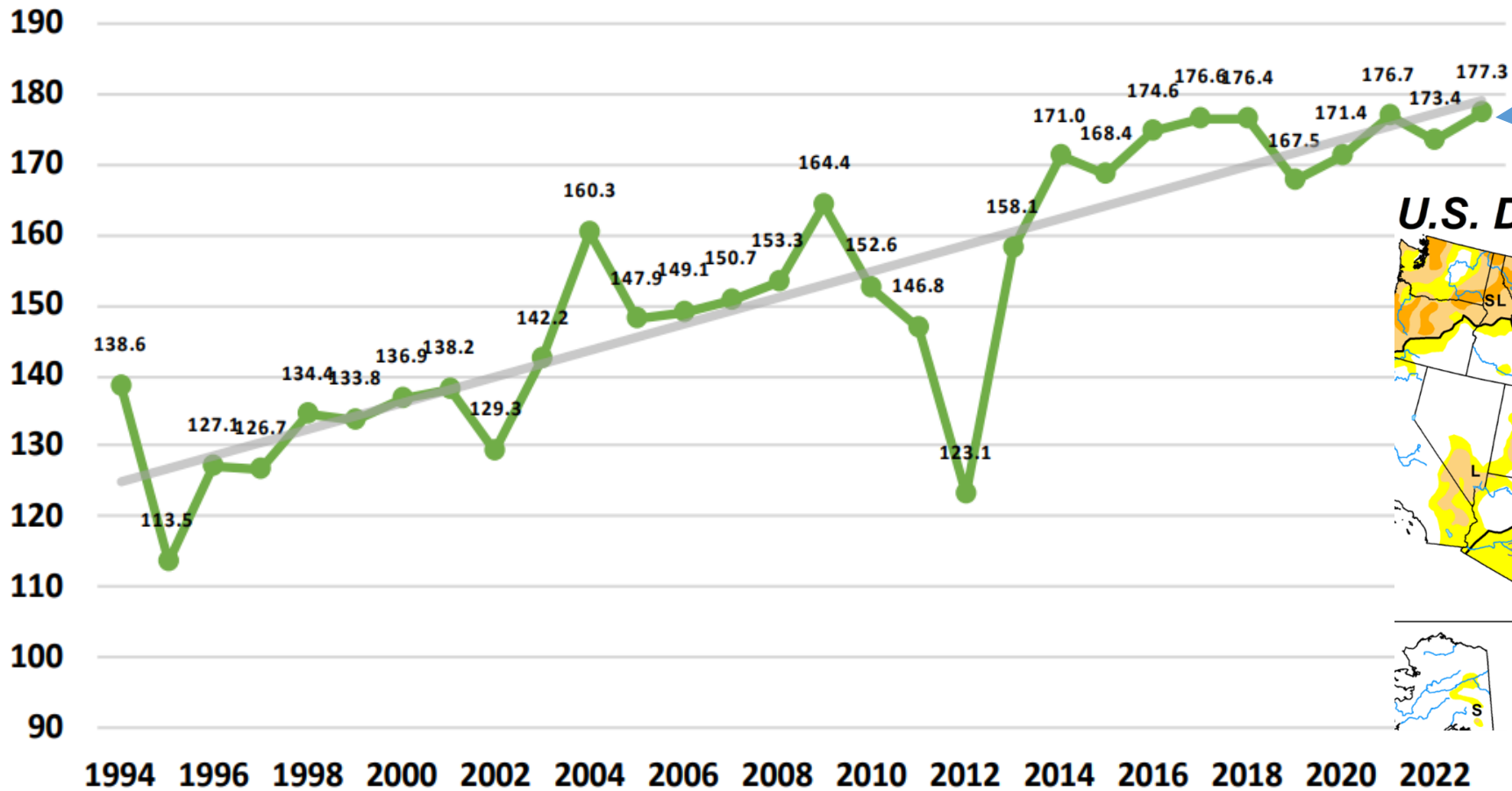
Planted Acreage Change (000) from 2022



Harvested acres for hay, sugarcane, and tobacco.

Record corn yield despite drought

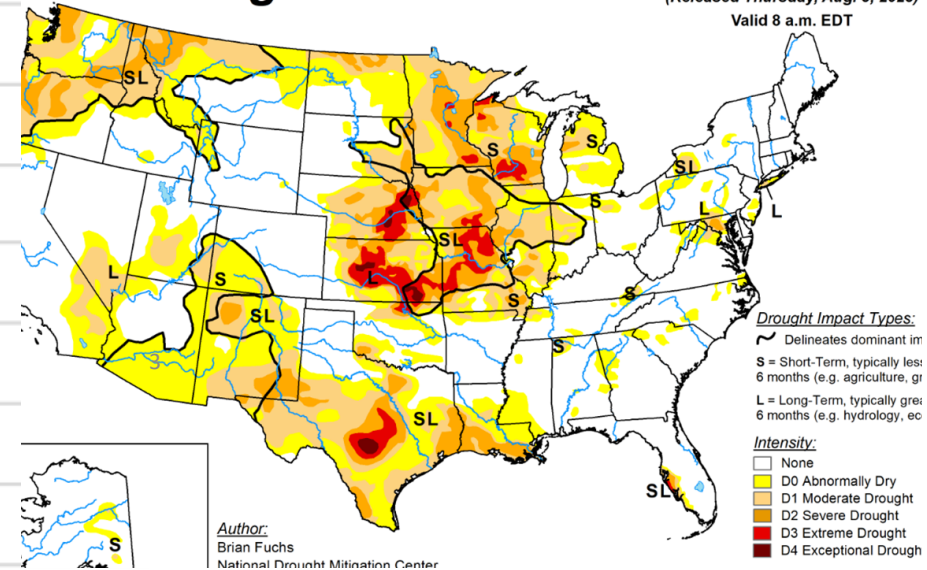
Bushels per Acre



Record Corn Yield

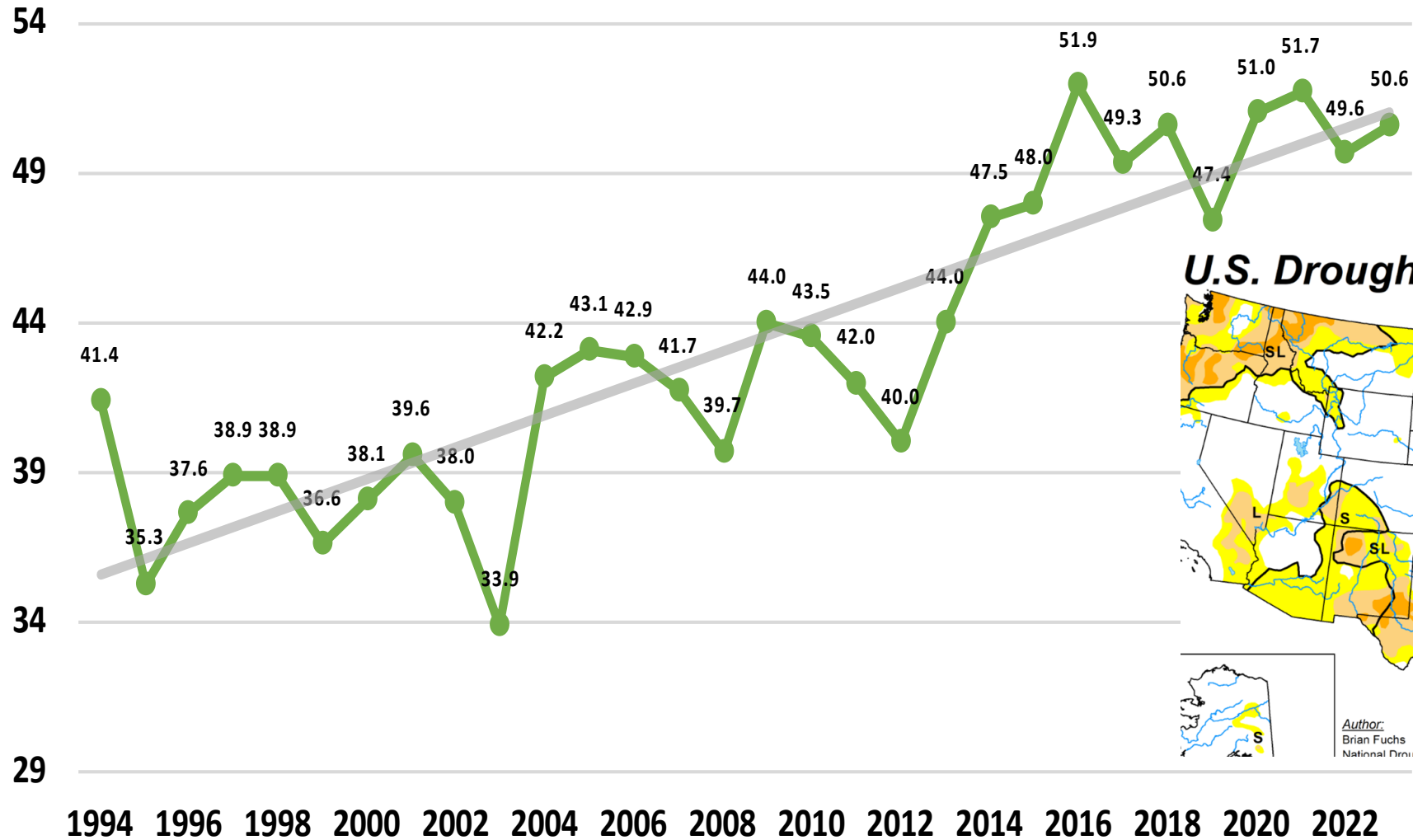
U.S. Drought Monitor

August 1, 2023
(Released Thursday, Aug. 3, 2023)
Valid 8 a.m. EDT



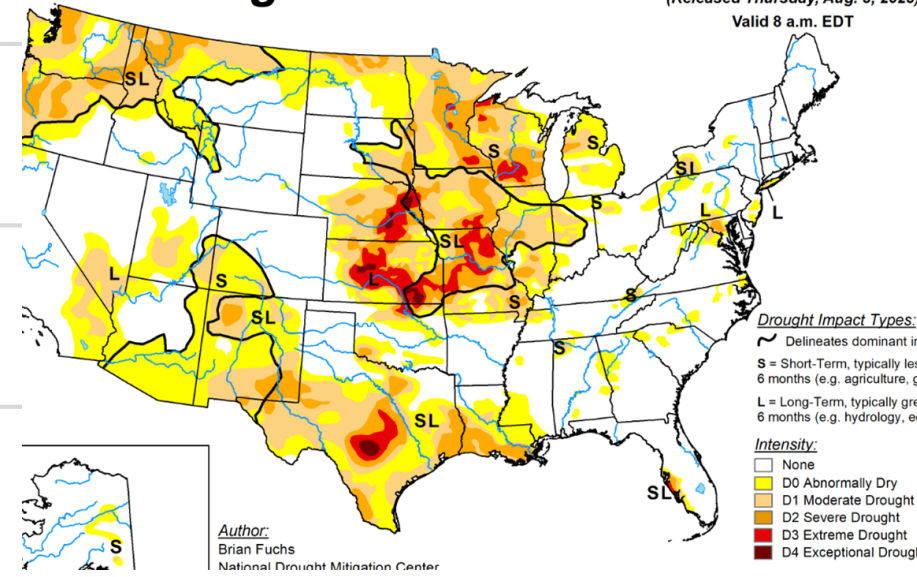
Soybean yields near trend as well

Bushels per Acre

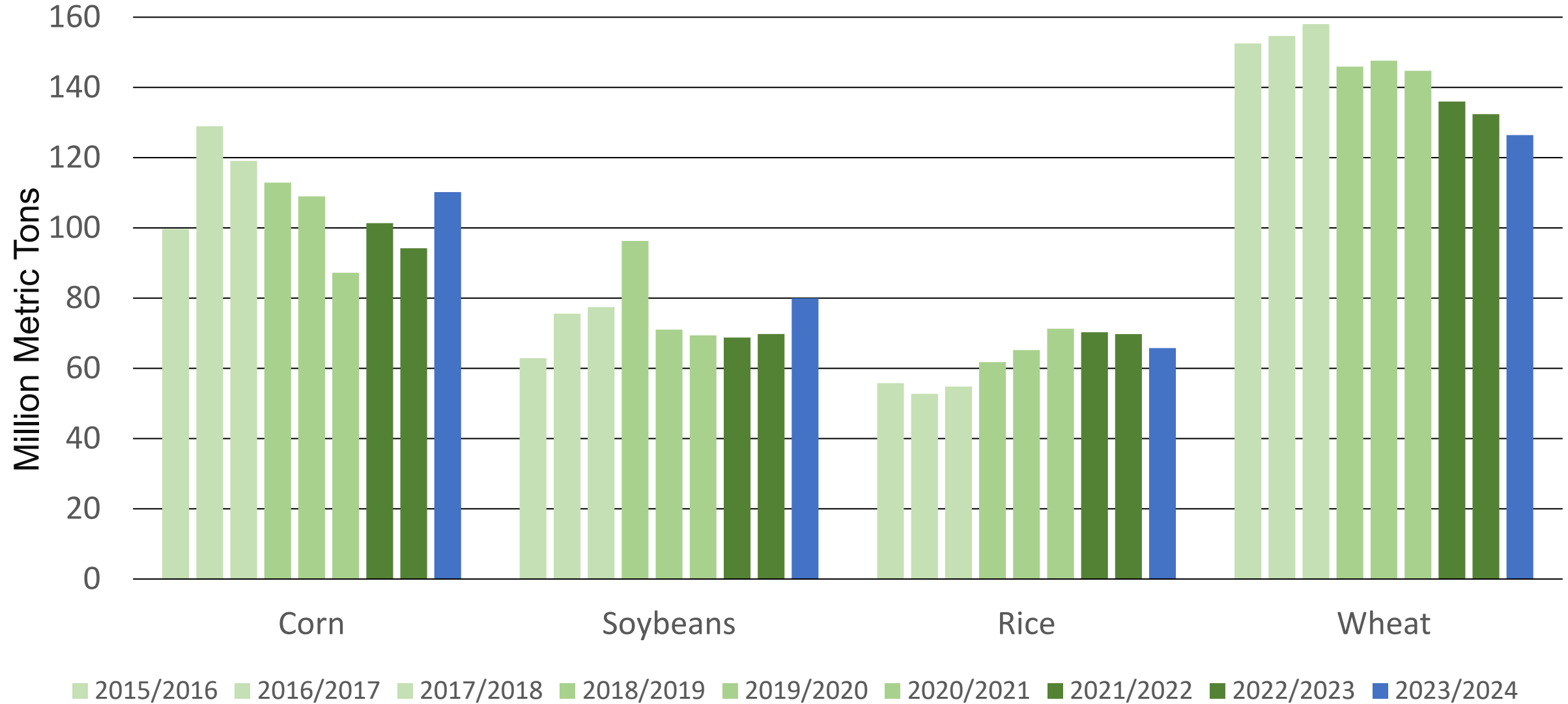


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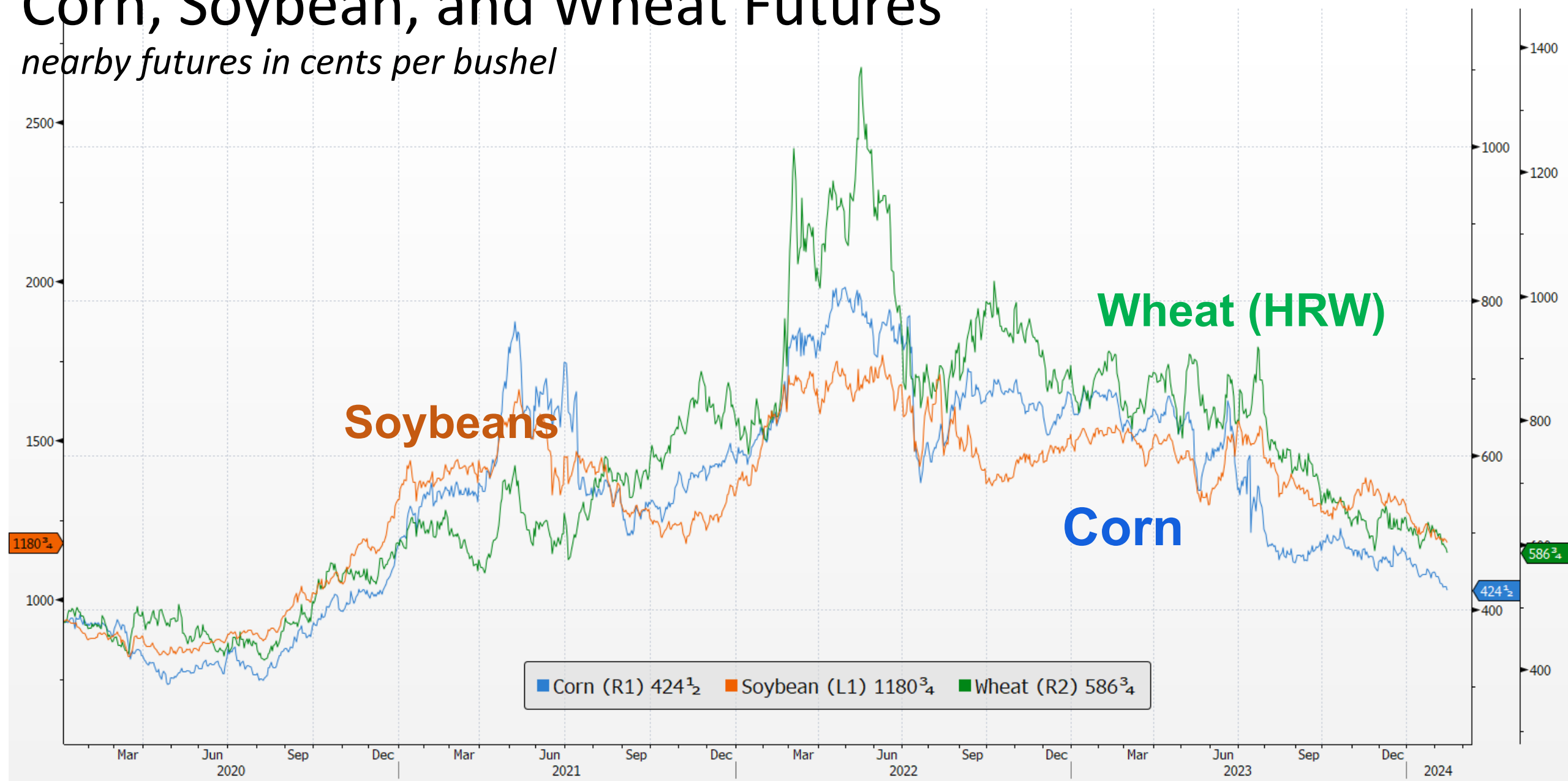
Global Carryout Stocks *Less China*



Source: USDA

Corn, Soybean, and Wheat Futures

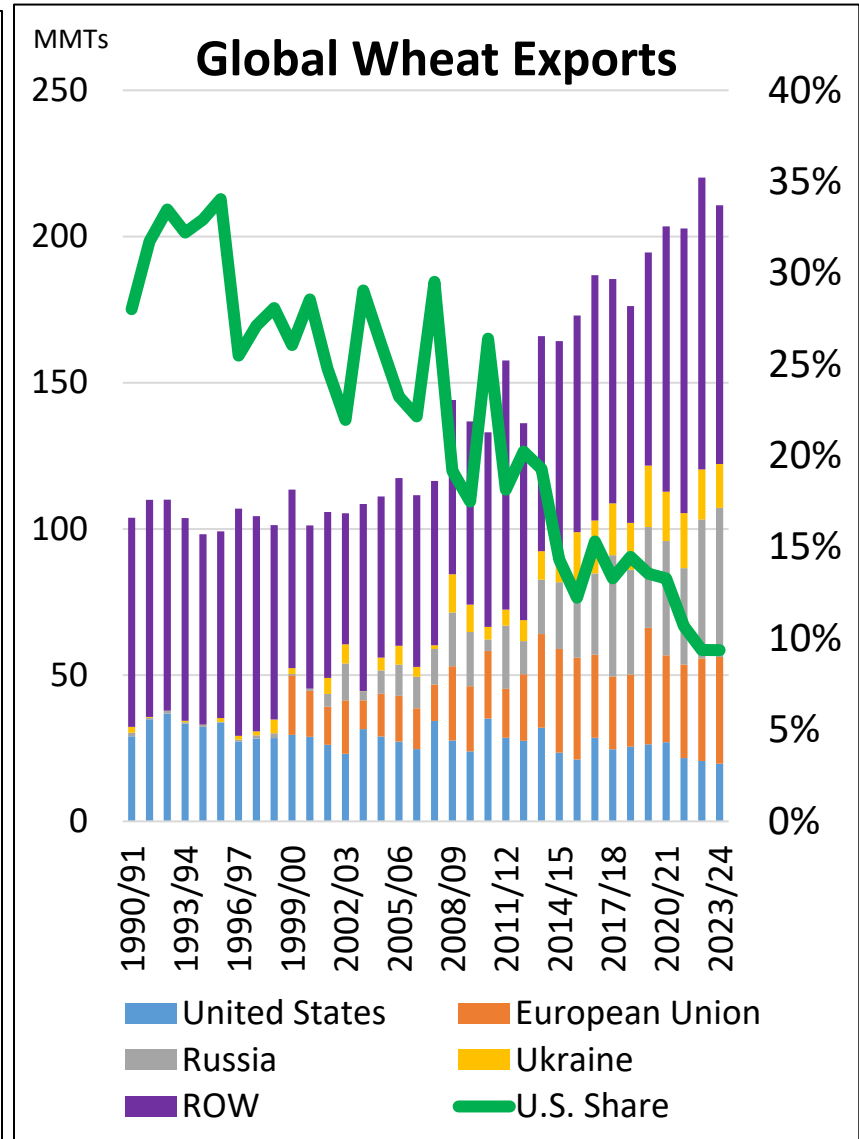
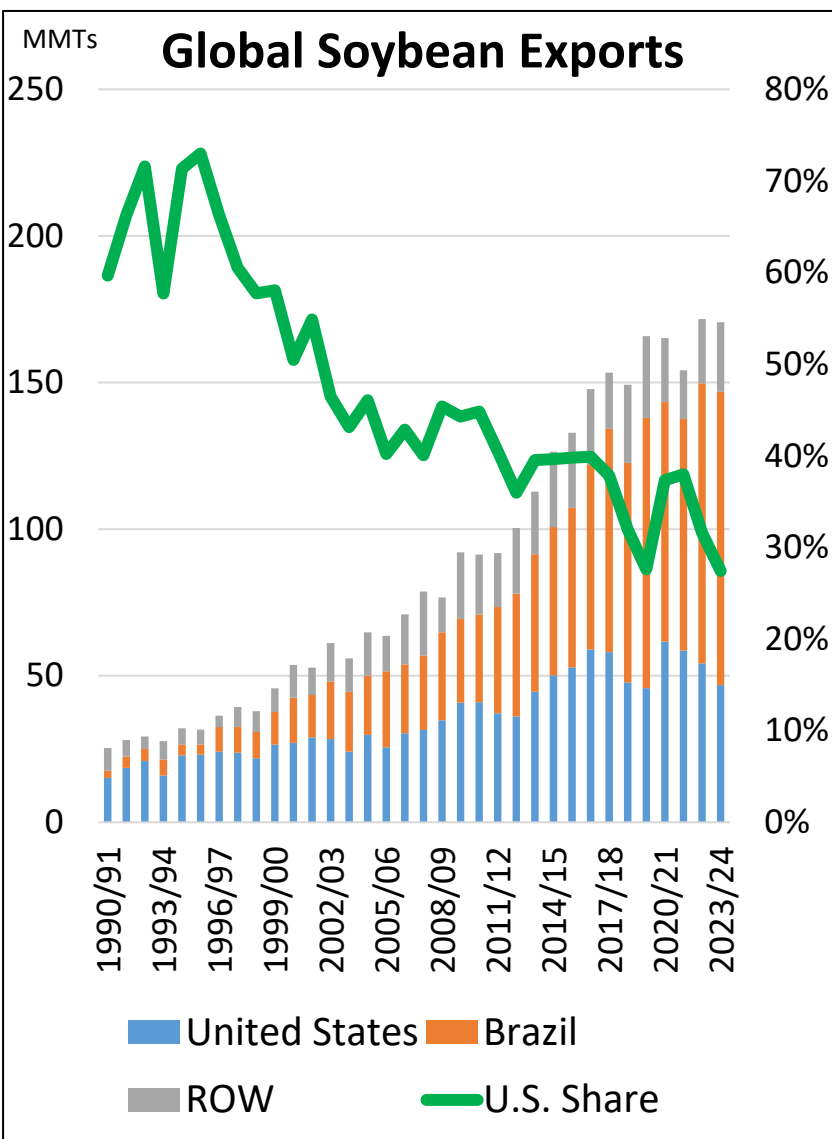
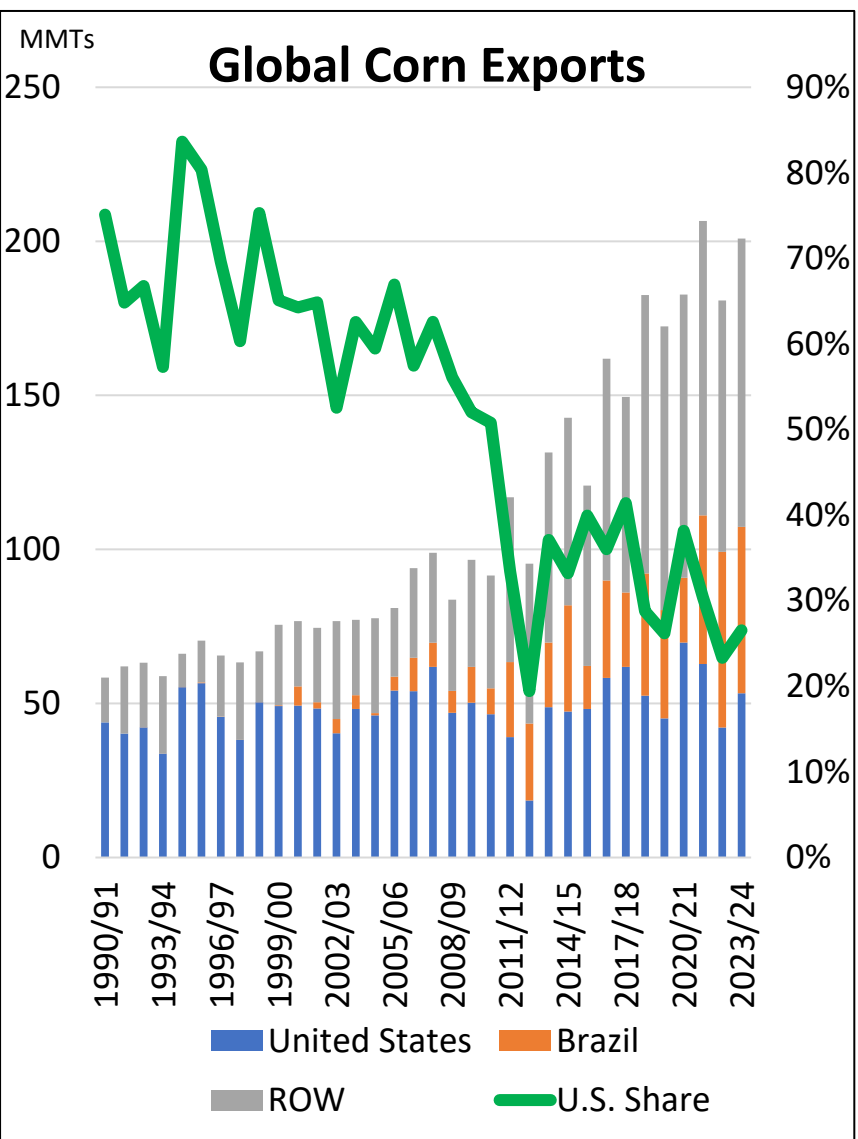
nearby futures in cents per bushel



Acreage mix expected to respond to current prices

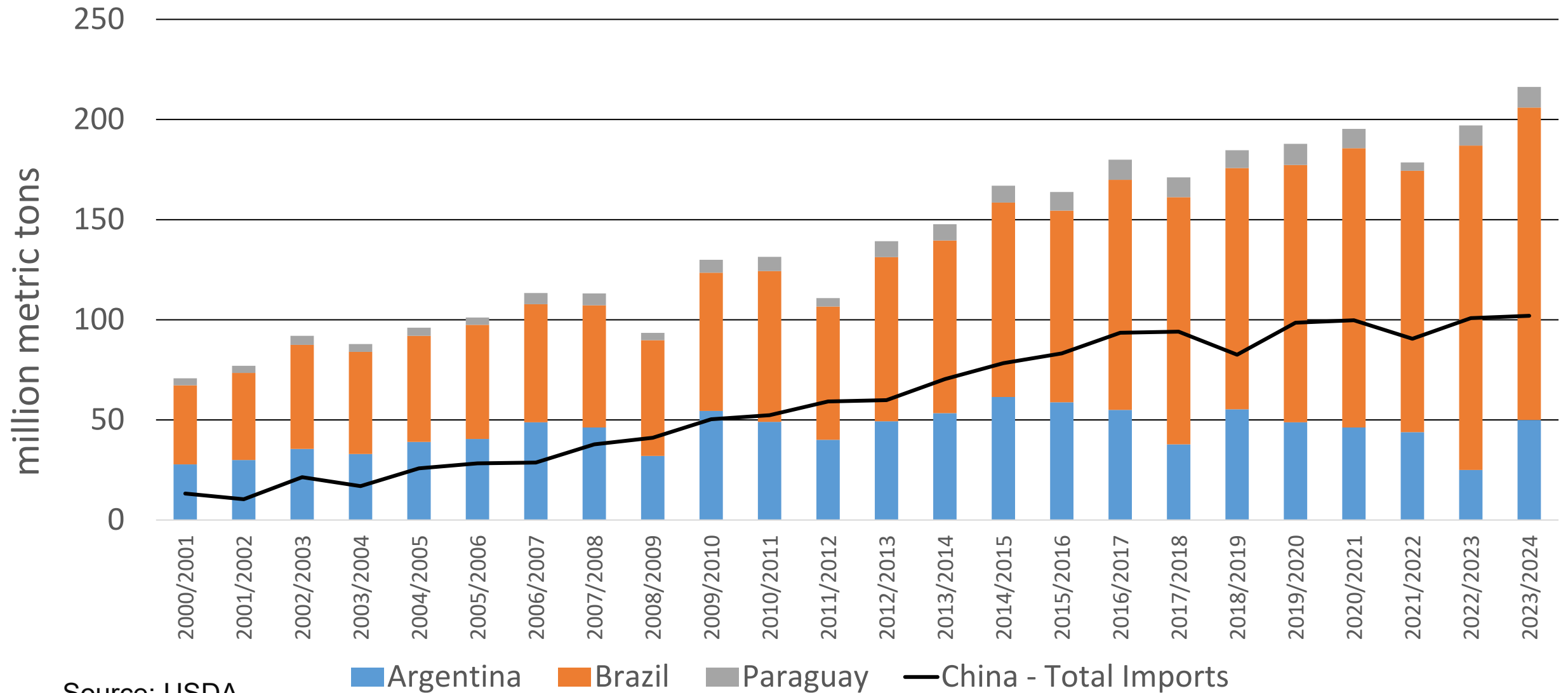
	2017	2018	2019	2020	2021	2022	2023	2024	Δ2024
million acres									
Corn	90.2	88.8	89.4	90.4	92.9	88.2	94.6	91.0	-3.6 -3.8%
Soybeans	90.2	89.2	76.1	83.4	87.2	87.5	83.6	87.5	3.9 4.7%
Sorghum	5.6	5.7	5.3	5.9	7.3	6.3	7.2	7.0	-0.2 -2.8%
Wheat	46.1	47.8	45.5	44.5	46.7	45.8	49.6	47.0	-2.6 -5.2%
Upland Cotton	12.5	13.8	13.5	11.9	11.1	13.6	10.1	10.85	0.75 7.4%
Rice	2.5	2.9	2.6	3.0	2.5	2.2	2.9	2.9	0.0 0.0%
<i>6-crop total</i>	246.9	248.3	232.3	239.0	247.8	243.5	248.0	246.3	

Long term declining trend of U.S. export share



Data: USDA

Brazil, Argentina and Paraguay Soybean Production and China's import demand



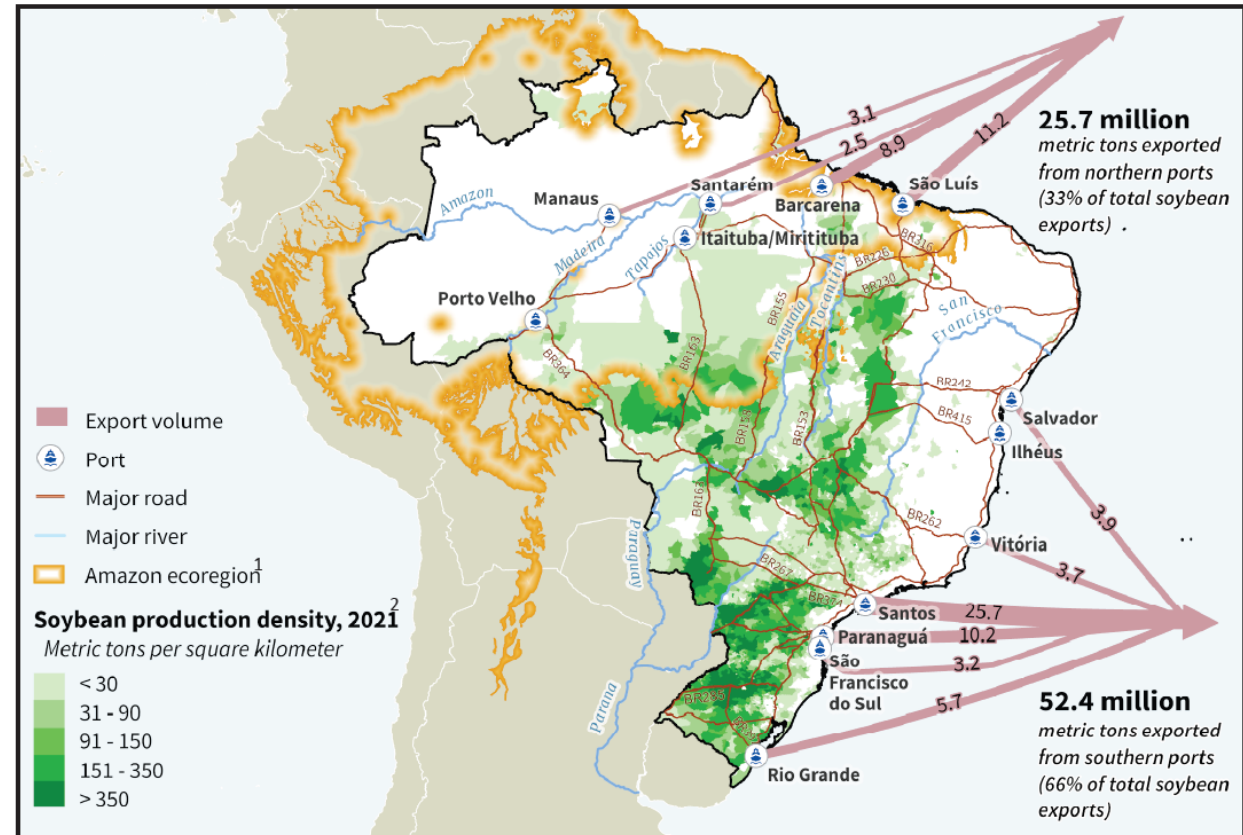
Source: USDA

Expanding Area and Port improvements in Northern Brazil

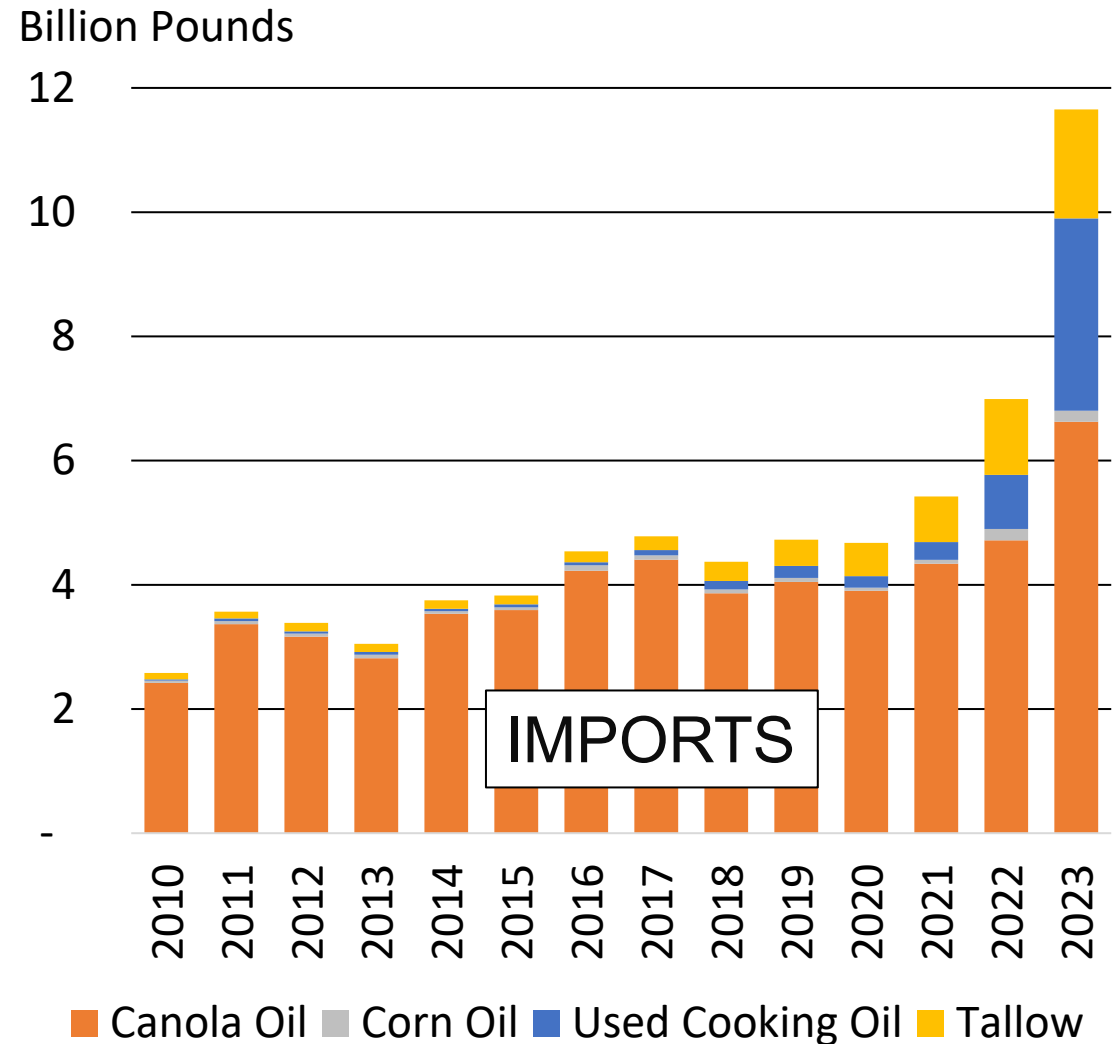
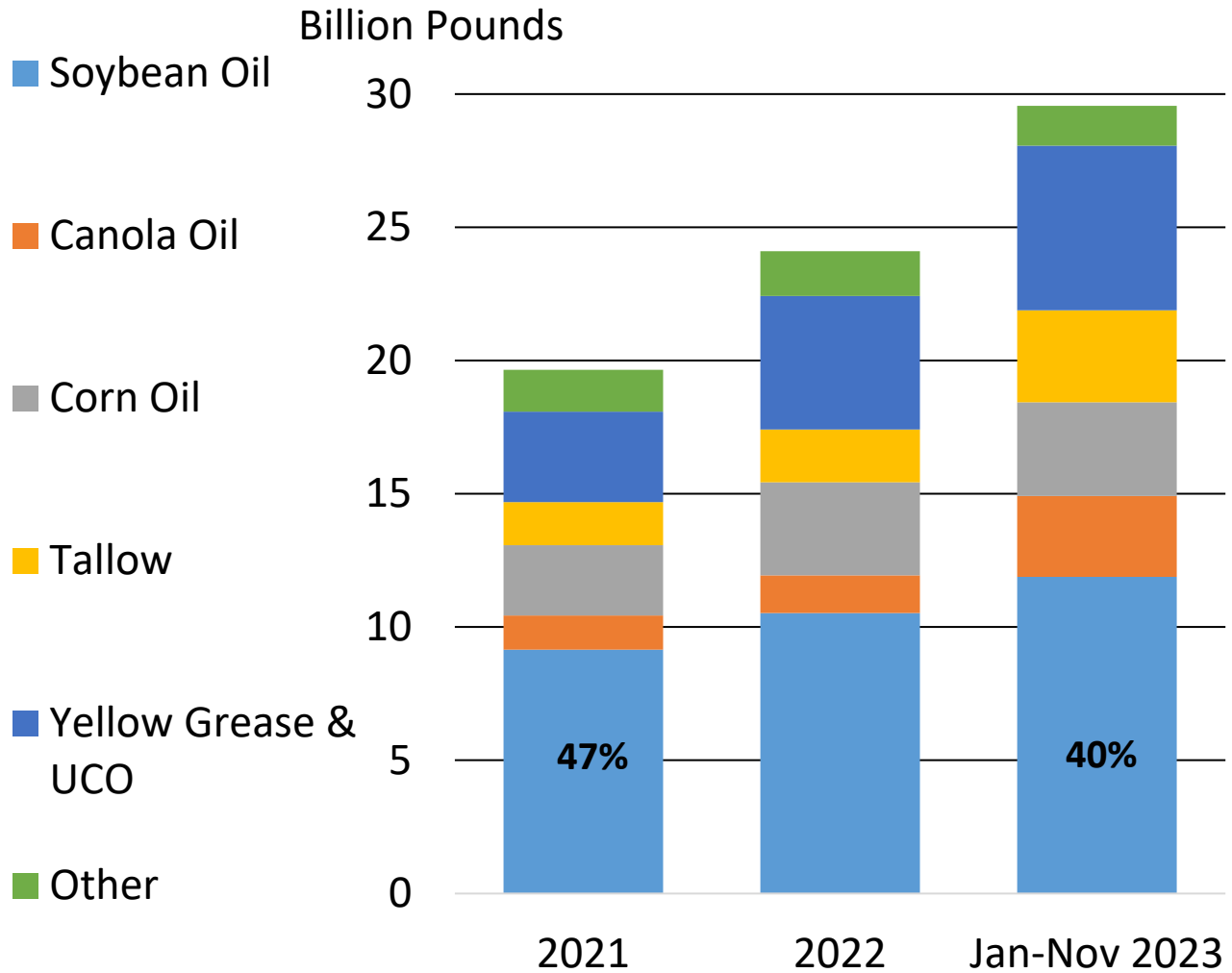
Brazil soybean exports: 2013



Brazil soybean exports: 2022



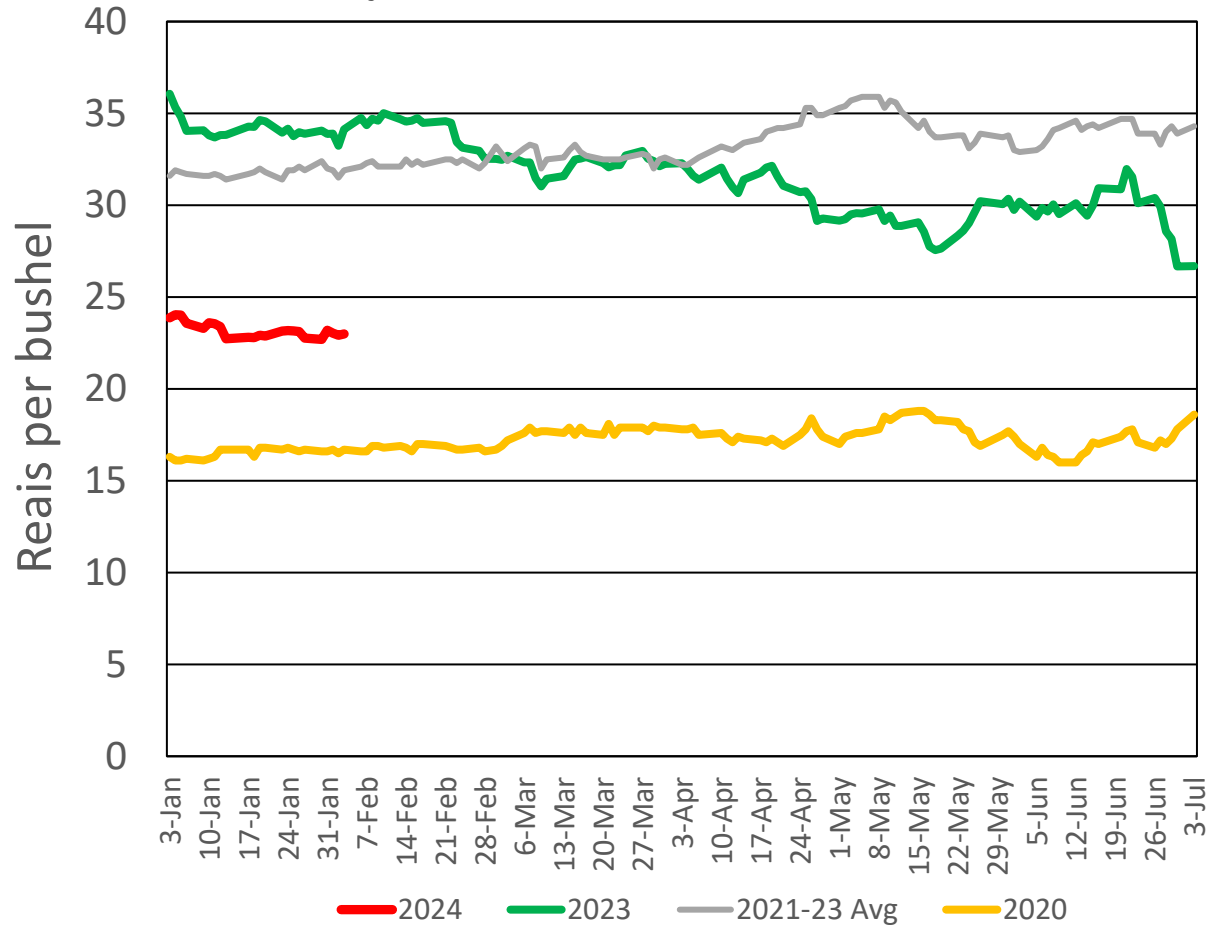
Biodiesel production drawing in feedstocks *and* imports



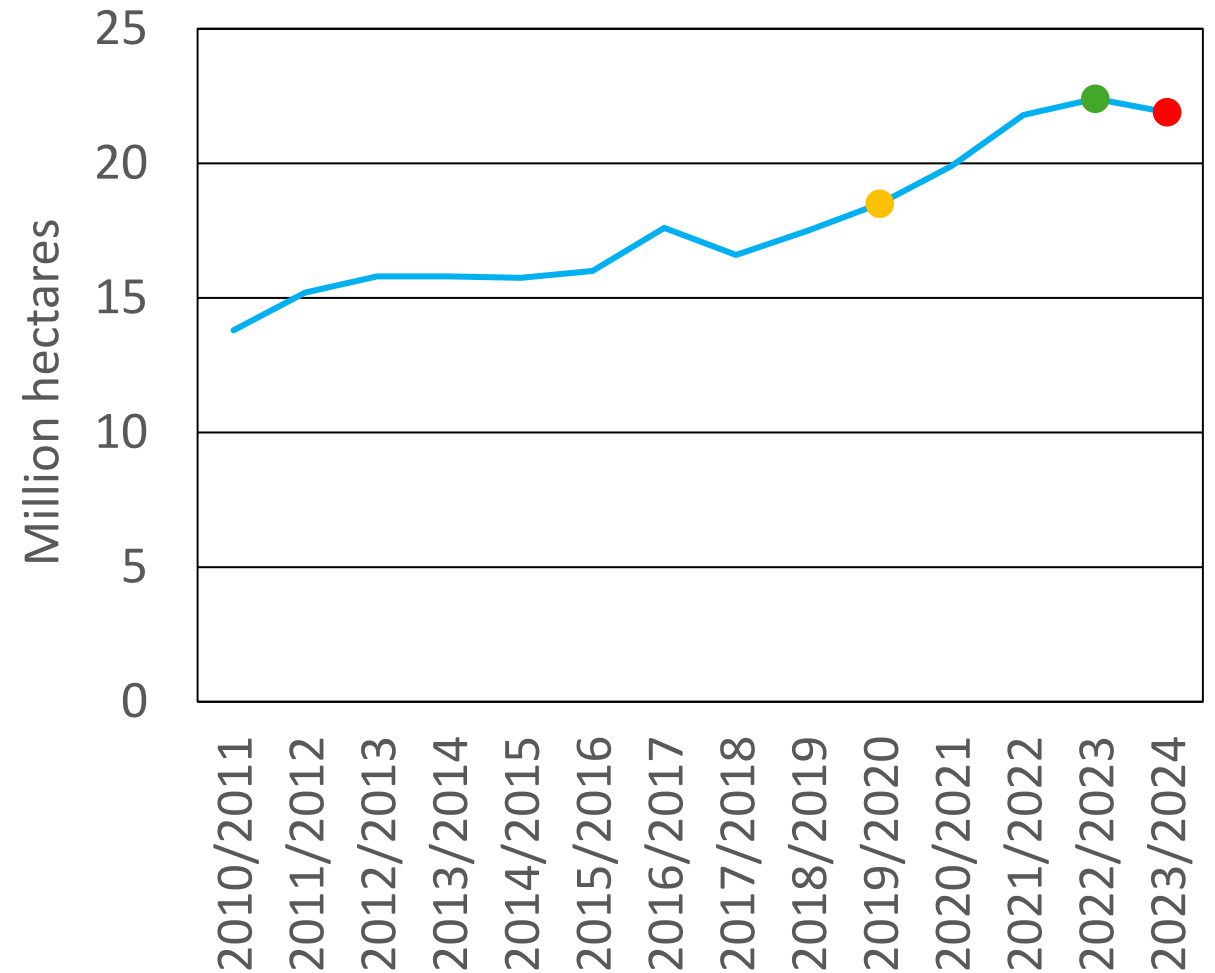
Source: EIA and Census

Lower Brazil Corn Prices Expected to Limit Area Expansion; Critical Phase of Growing Season Ahead

July corn futures in Reais



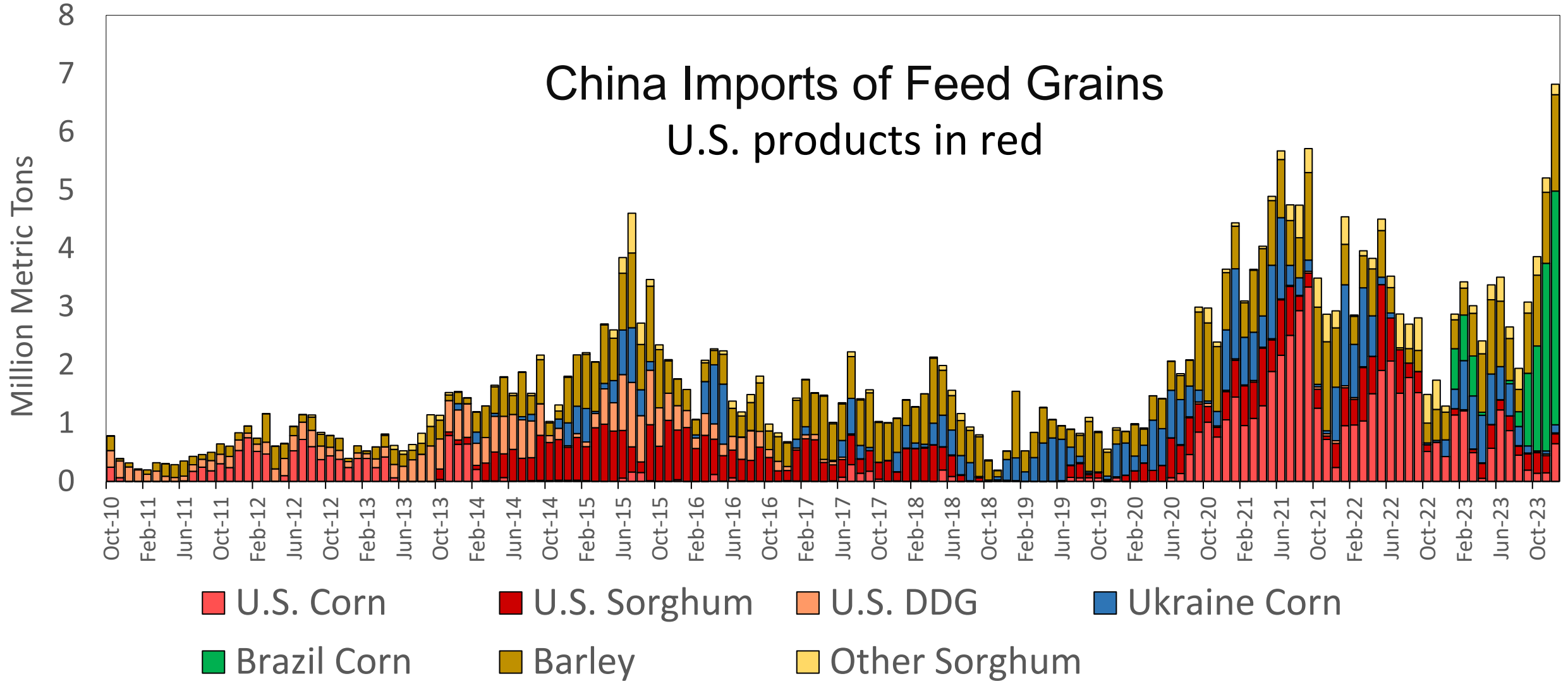
Corn Harvested Area



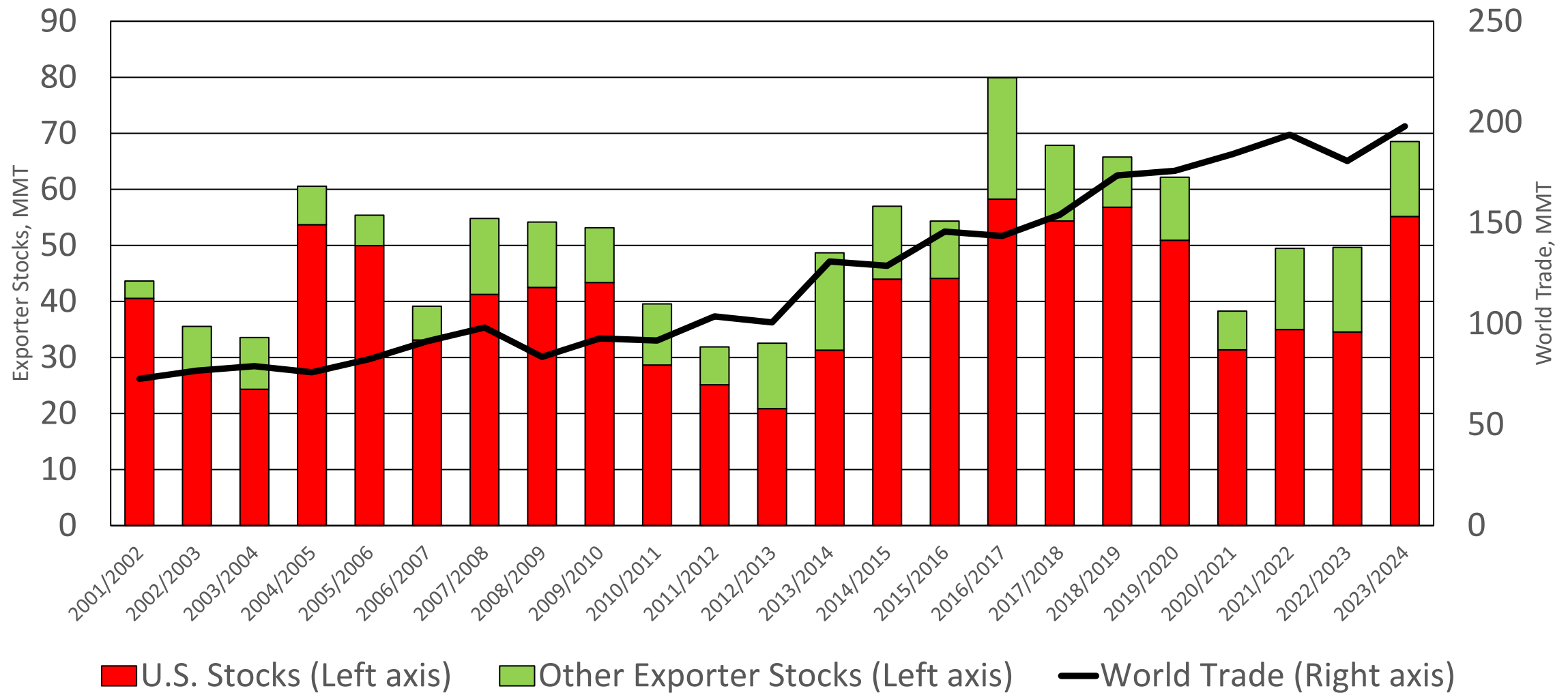
Source: CME, St. Louis Federal Reserve Economic Database

US facing strong competition for corn sales into China

China Imports of Feed Grains
U.S. products in red

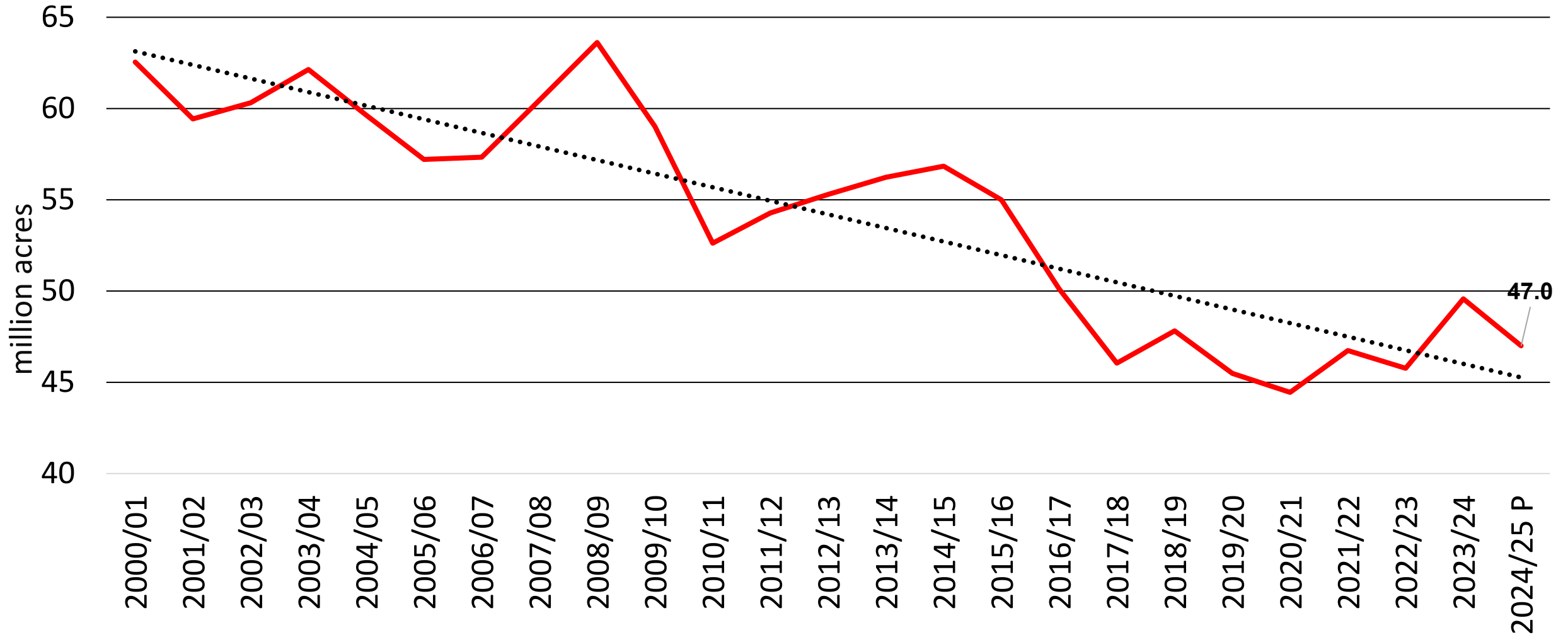


Corn Stocks In Exporting Countries Rebound; Low Prices Expected to Spur Global Demand Growth



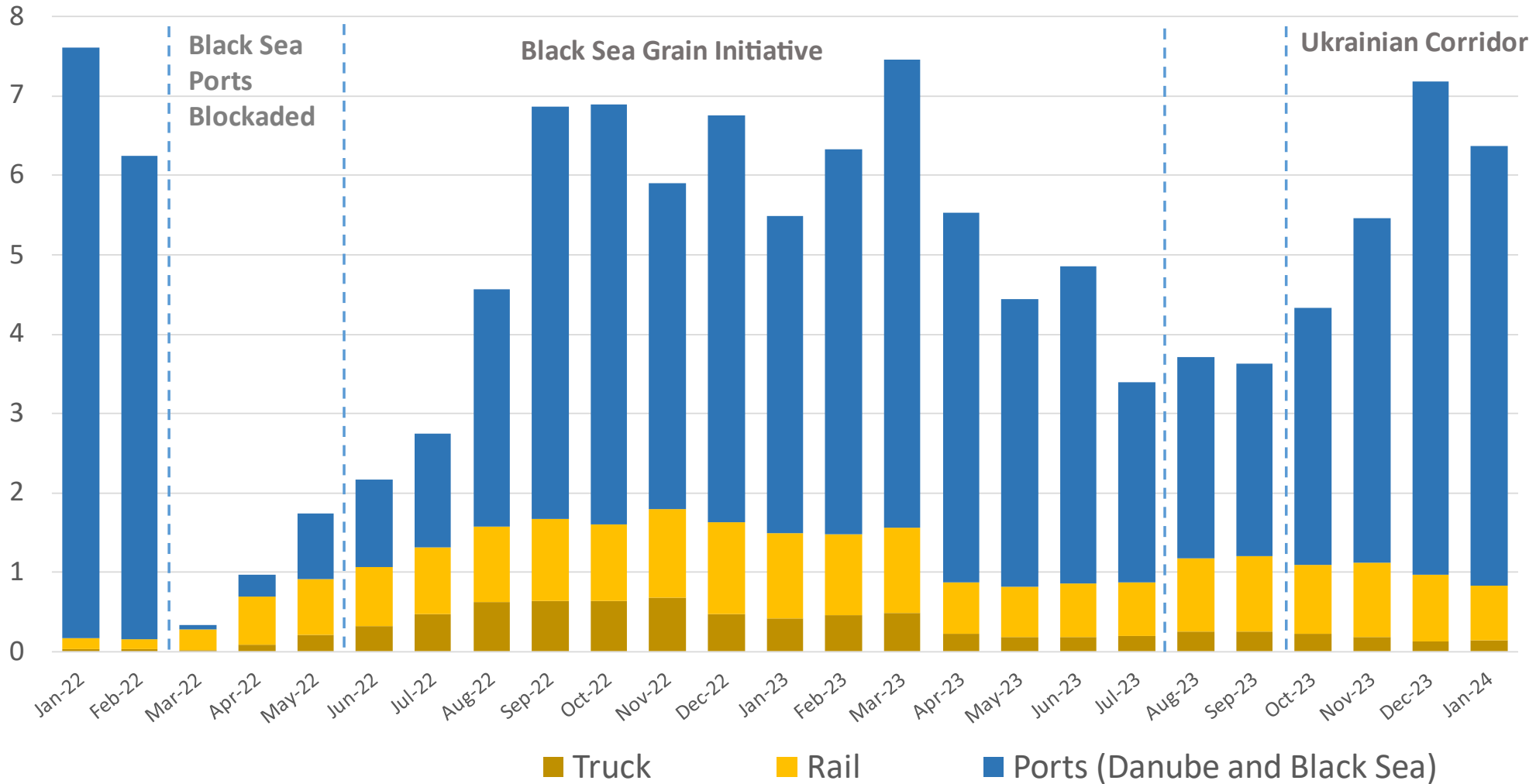
Source: USDA. Other exporters are Argentina, Brazil, Ukraine, and Russia. Trade Year basis.

U.S. Wheat Acreage Resumes Long-Term Decline in 2024/25



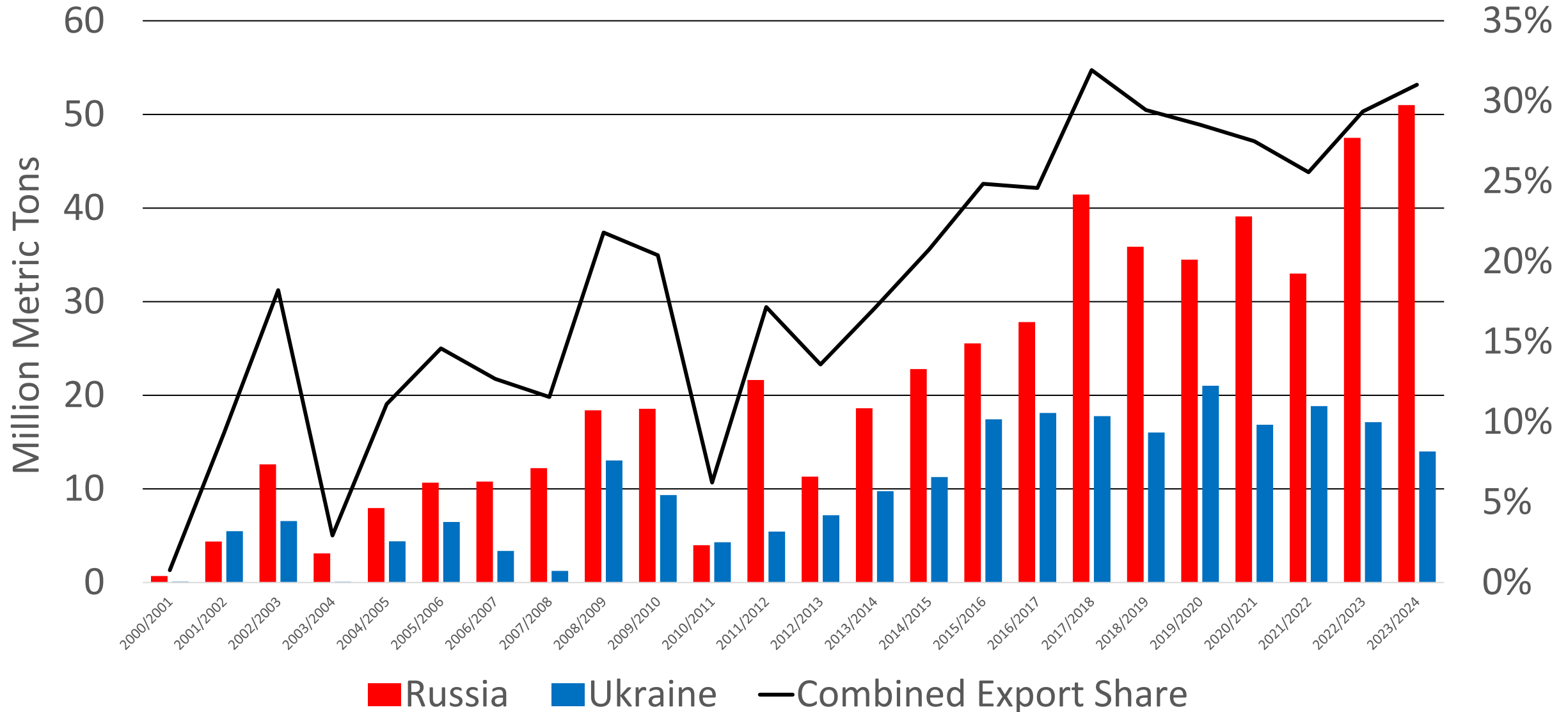
Ukraine agricultural exports

million metric tons



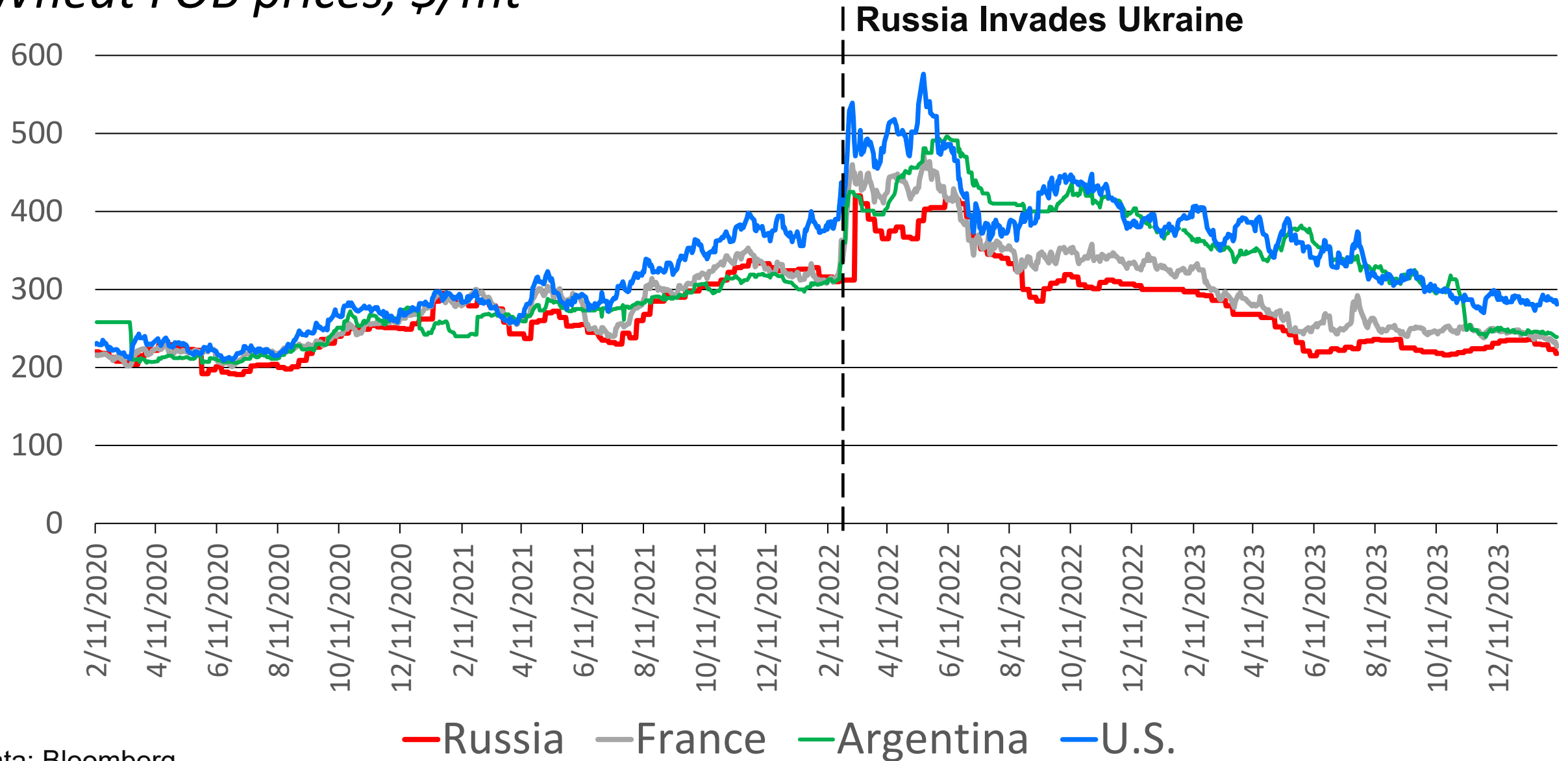
Source: USDA-FAS using data from Ukraine Ministry of Agrarian Policy and Food's Public Dashboard of Exports

The Black Sea continues to dominate wheat trade



Big volumes of 'cheap' Russian wheat on the world market

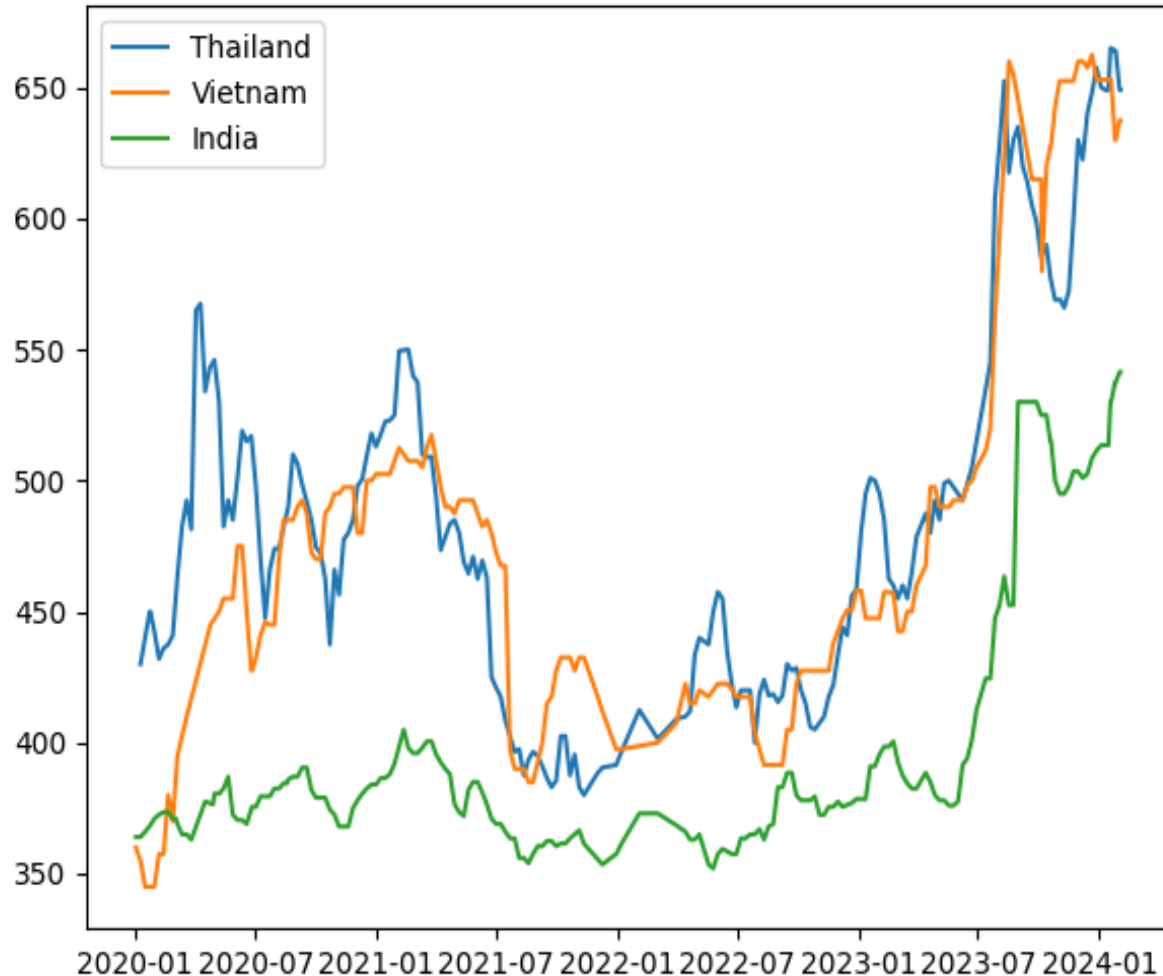
Wheat FOB prices, \$/mt



Data: Bloomberg

Asian rice prices rise following India export restrictions

Daily FOB Long Grain Rice Export Quotes (5% broken)



Source: CME. USDA. Refinitiv

Timeline of Government of India Rice Restrictions

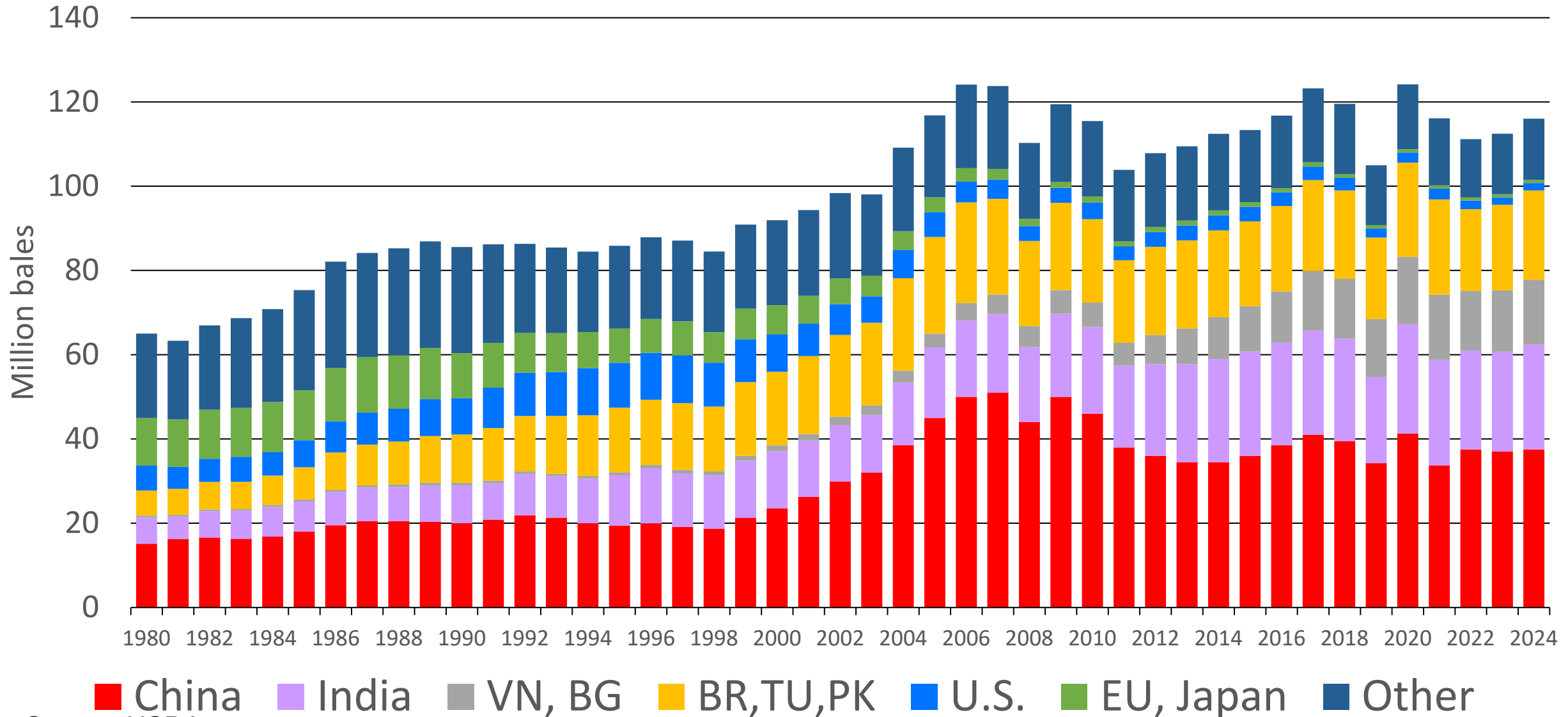
- Sept 2022, ban on broken rice exports and 20 percent export duty on non-Basmati rice except parboiled
- July 2023, export ban on non-Basmati white rice
- Aug 2023, 20 percent export duty on parboiled rice and minimum export price for Basmati rice

India exported 39 percent of global rice exports in marketing year 2021/22 (22 million tons):

- 34 percent parboiled rice
- 25 percent non-parboiled white rice
- 20 percent broken rice
- 19 percent Basmati rice
- 2 percent paddy and brown rice

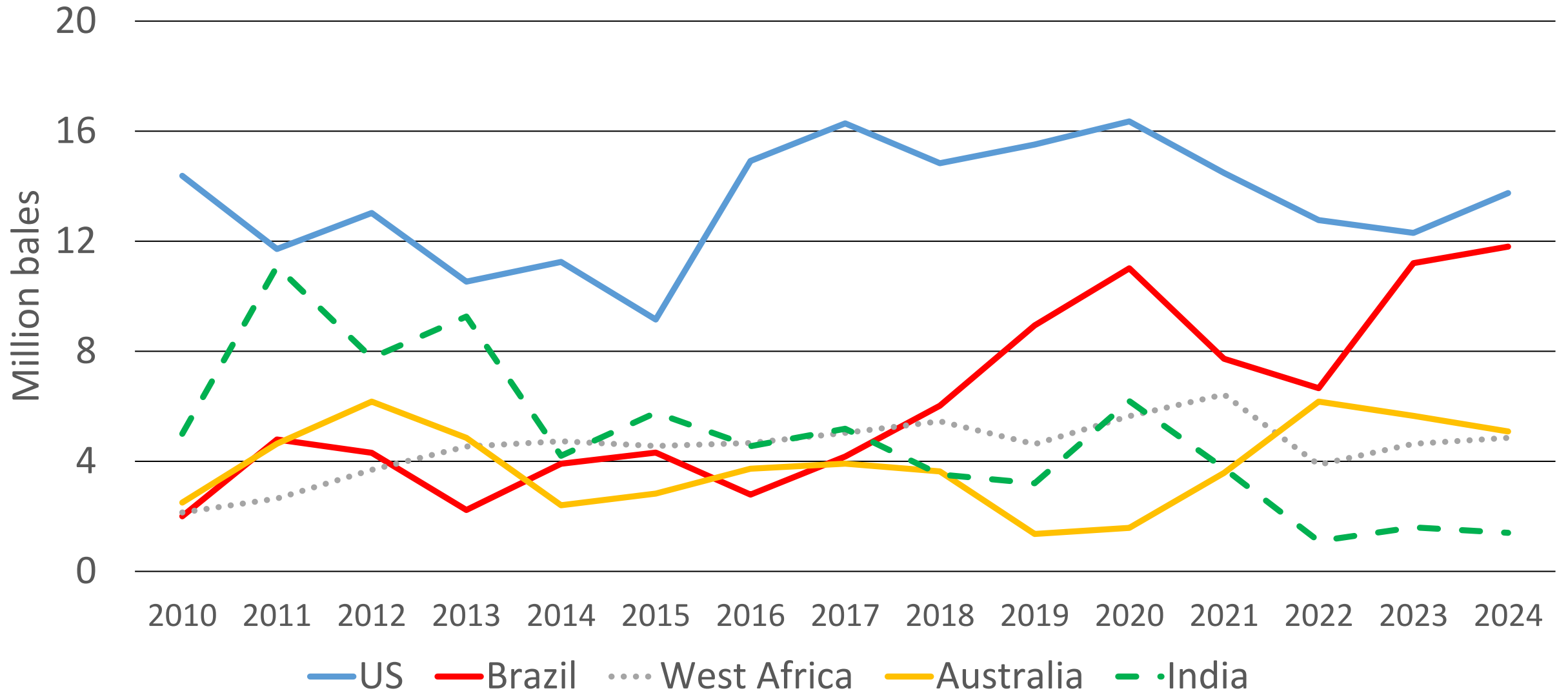
World cotton consumption hasn't grown since 2004

competition from other fibers has been growing



Source: USDA

U.S. remains the world's leading cotton exporter



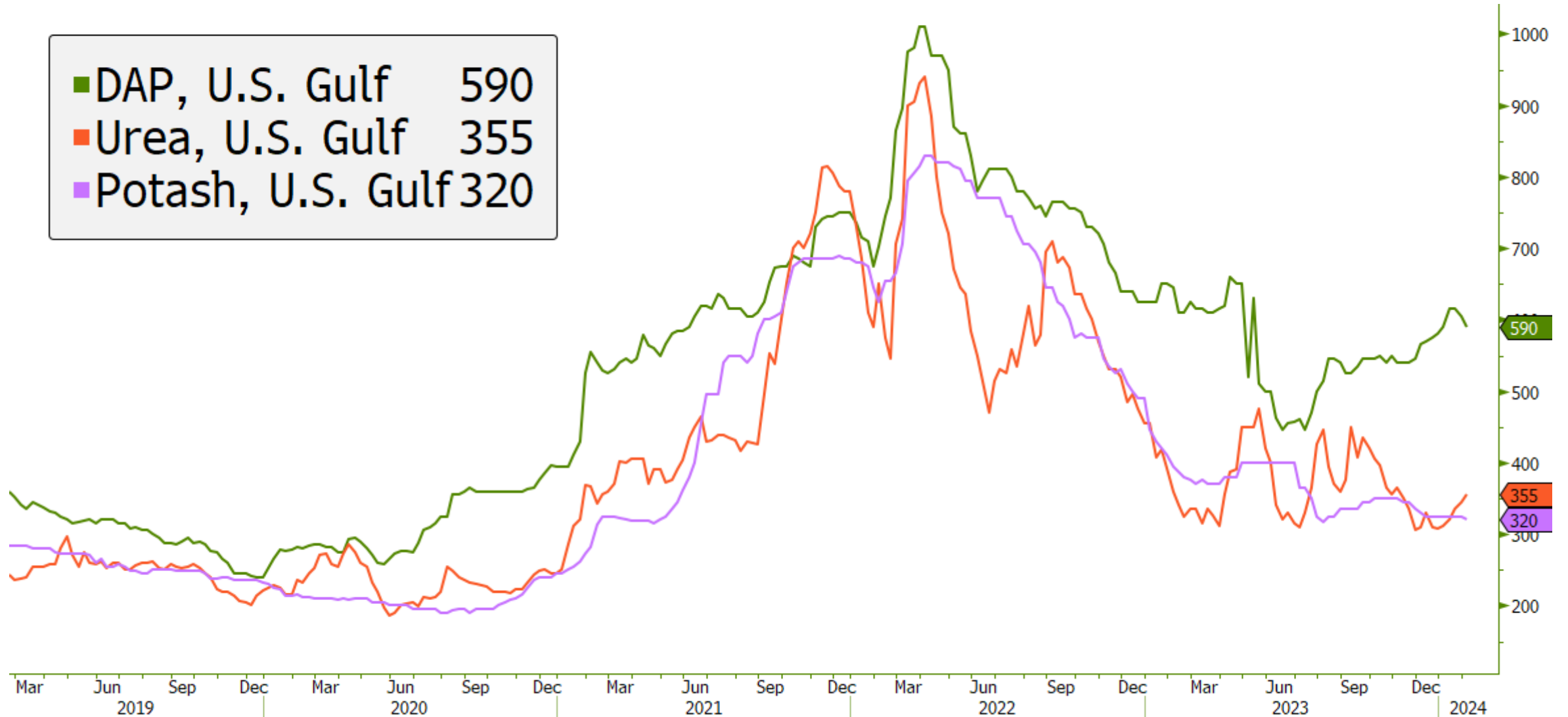
Source: USDA

Most crop prices continue their downward trend

Crop	2010/11- 2013/14 avg	2014/15- 2019/20 avg	2020/21	2021/22	2022/23	2023/24	2024/25	Δ2024/5
Corn (\$ / bu.)	5.69	3.53	4.53	6.00	6.54	4.80	4.40	-0.40 -8.3%
Soybeans (\$ / bu.)	12.80	9.15	10.80	13.30	14.20	12.65	11.20	-1.45 -11.5%
Sorghum (\$ / bu.)	5.40	3.32	5.04	5.94	6.38	4.85	4.40	-0.45 -9.3%
Wheat (\$ / bu.)	6.90	4.87	5.05	7.63	8.83	7.20	6.00	-1.20 -16.7%
Upland Cotton (¢/ lb)	80.1	64.8	66.3	91.4	84.5	77.0	80.0	3.0 3.9%
All Rice (\$ cwt)	14.65	12.52	14.40	16.10	19.80	18.40	16.80	-1.60 -8.7%

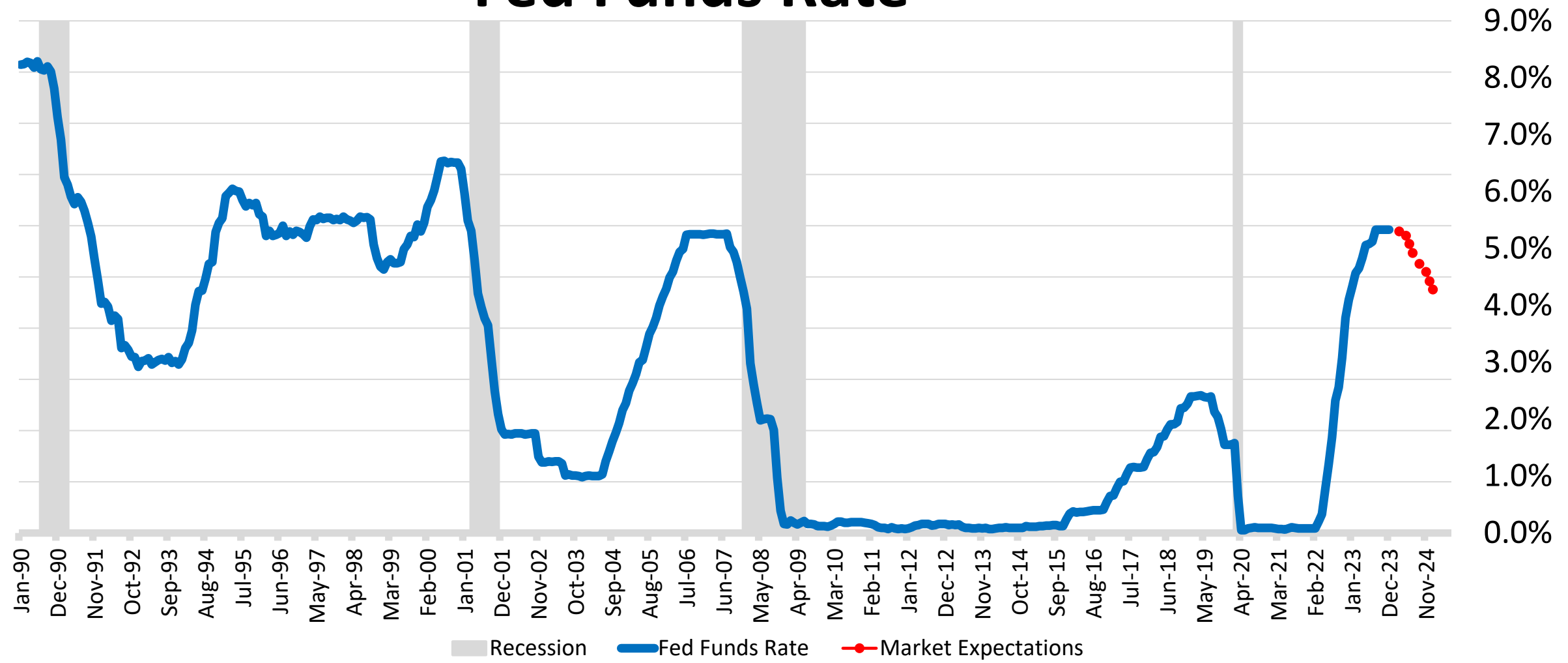
Fertilizer Prices, \$/MT

■ DAP, U.S. Gulf	590
■ Urea, U.S. Gulf	355
■ Potash, U.S. Gulf	320



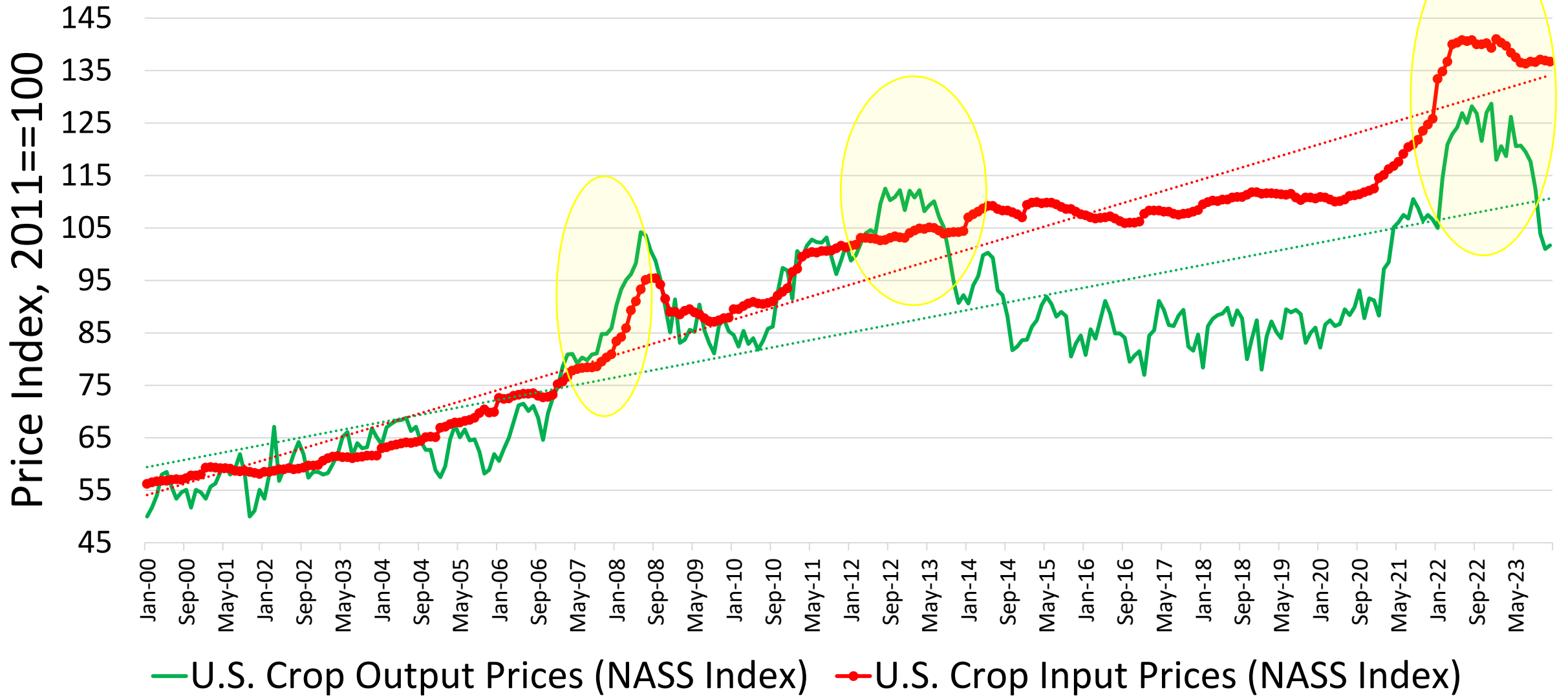
Interest rates expected to decline 2024-26

Fed Funds Rate

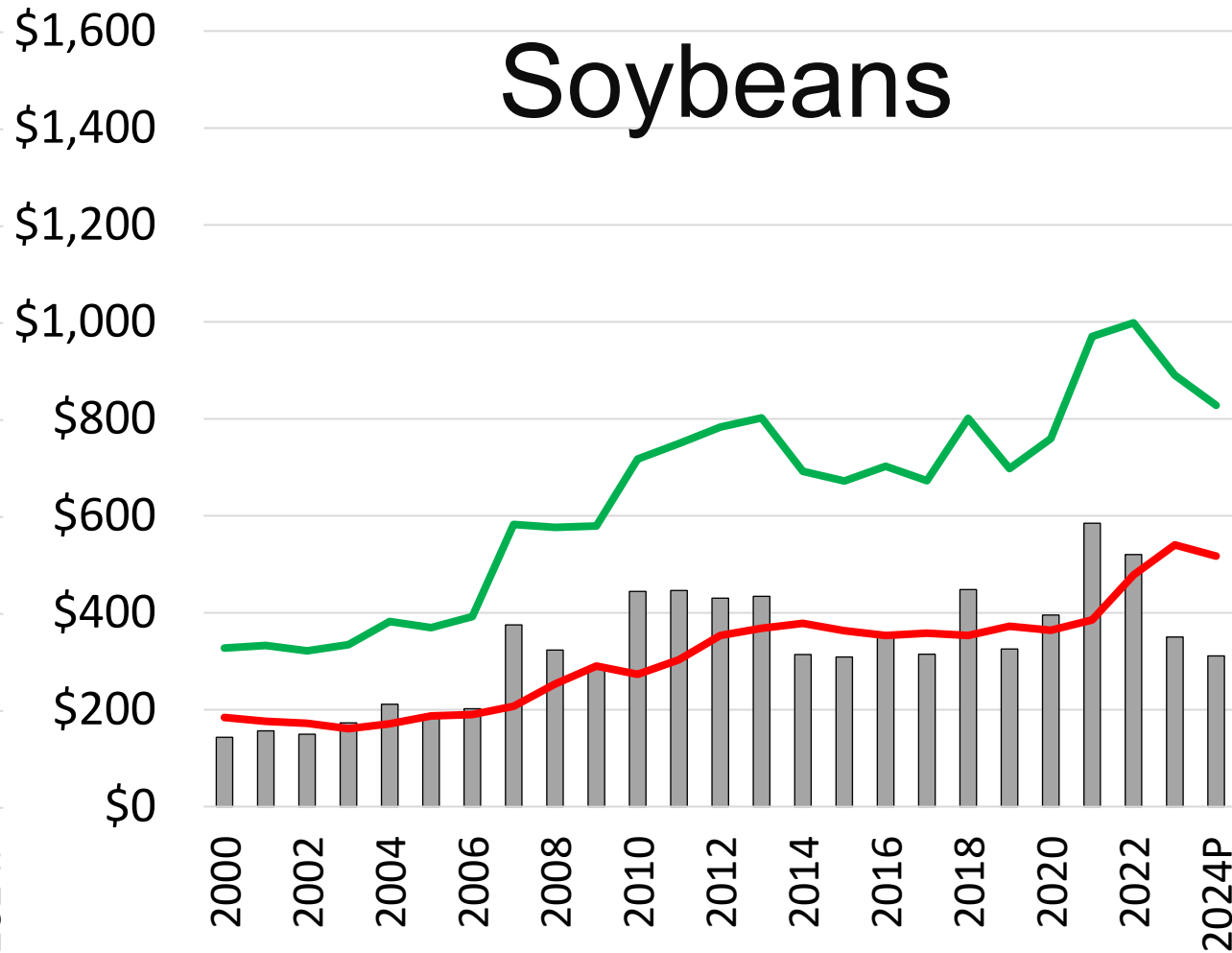
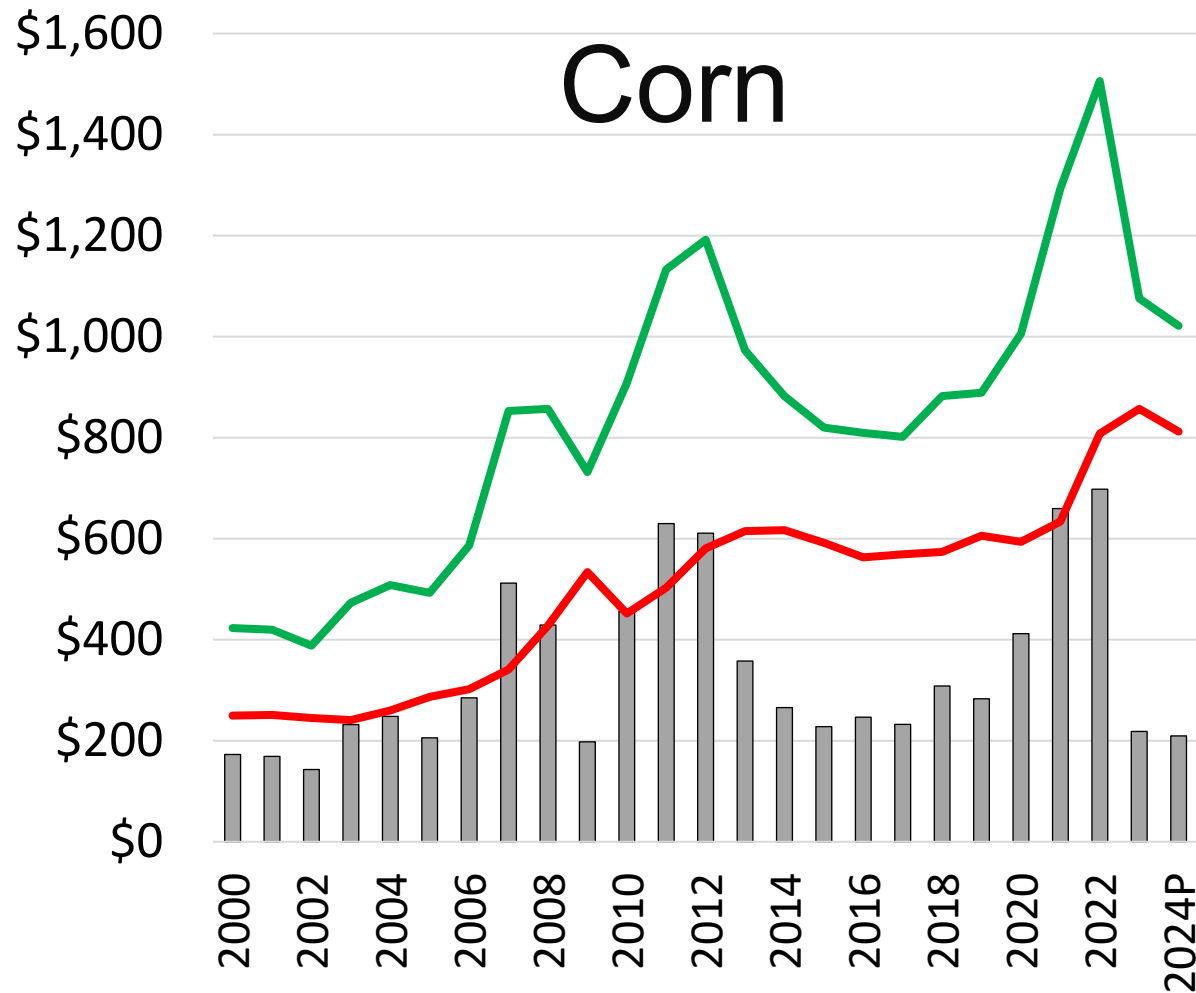


Data: Bloomberg and U.S. Federal Reserve

Crop Output Prices Received vs Input Prices Paid



Central Illinois Gross Revenues vs Production (non-land) Costs per Acre

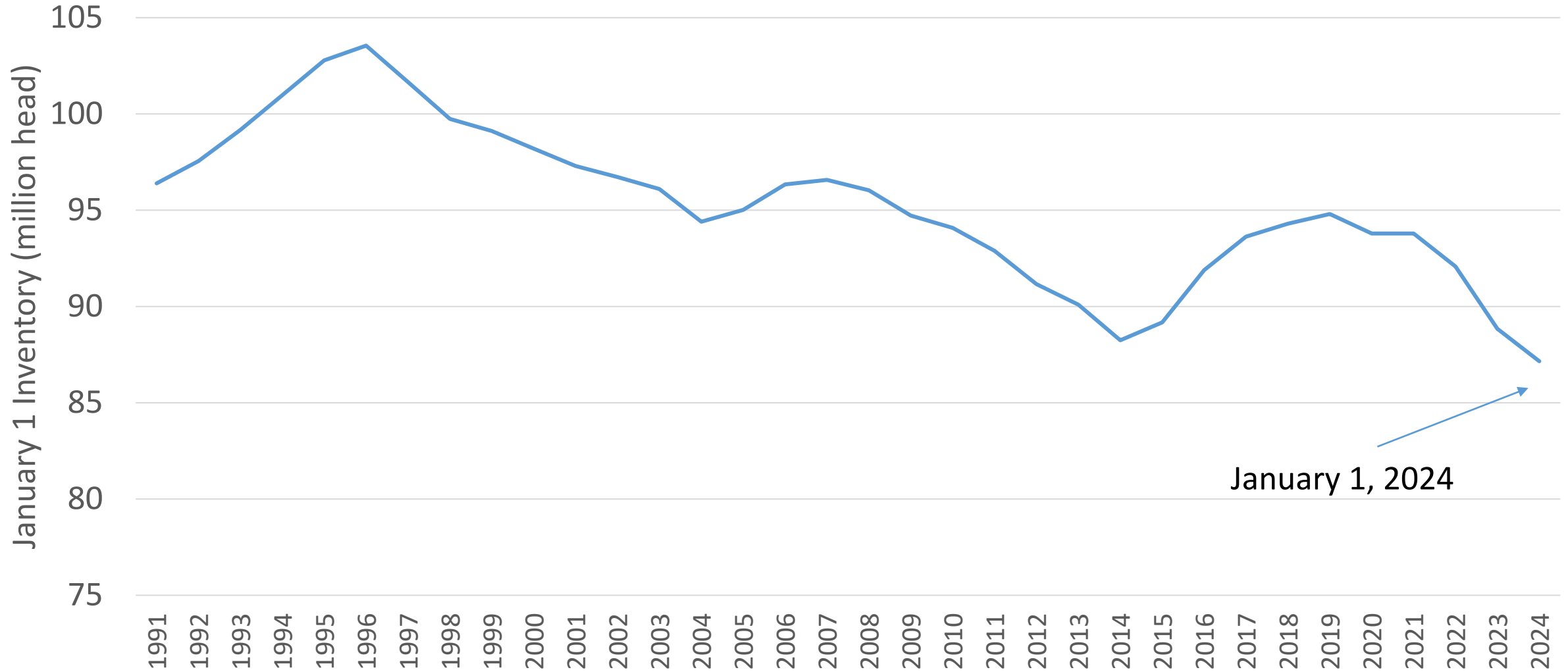


Available for Land Cost and Producer Income
 Gross revenue
 Production Costs

Source: Nick Paulson and Gary Schnitkey @ UIUC-Farm Doc

Cattle remain in a contraction phase of the cycle

forage and economic challenges extend the decline



Source: USDA

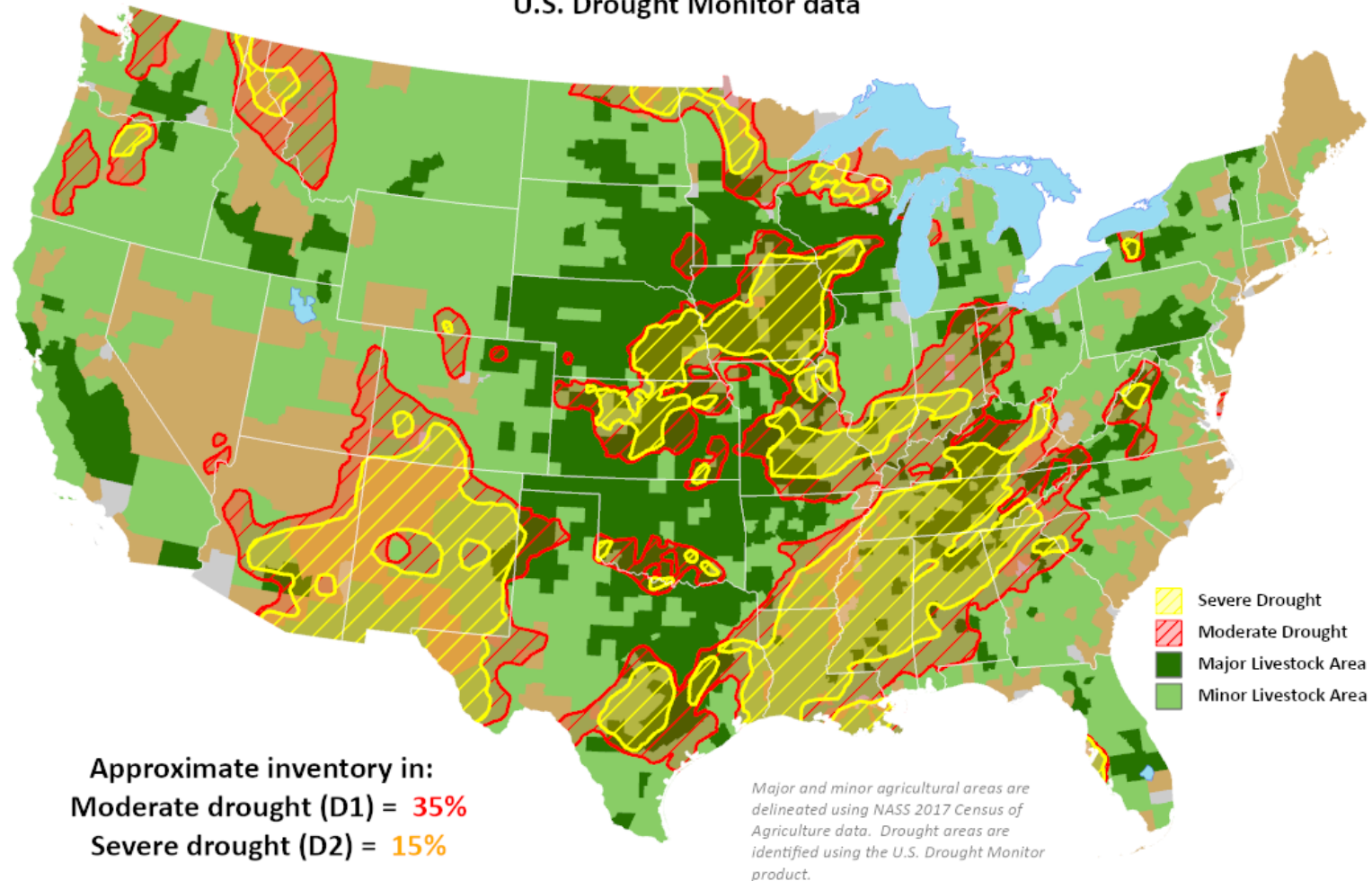
Forage conditions improved, but remain a concern



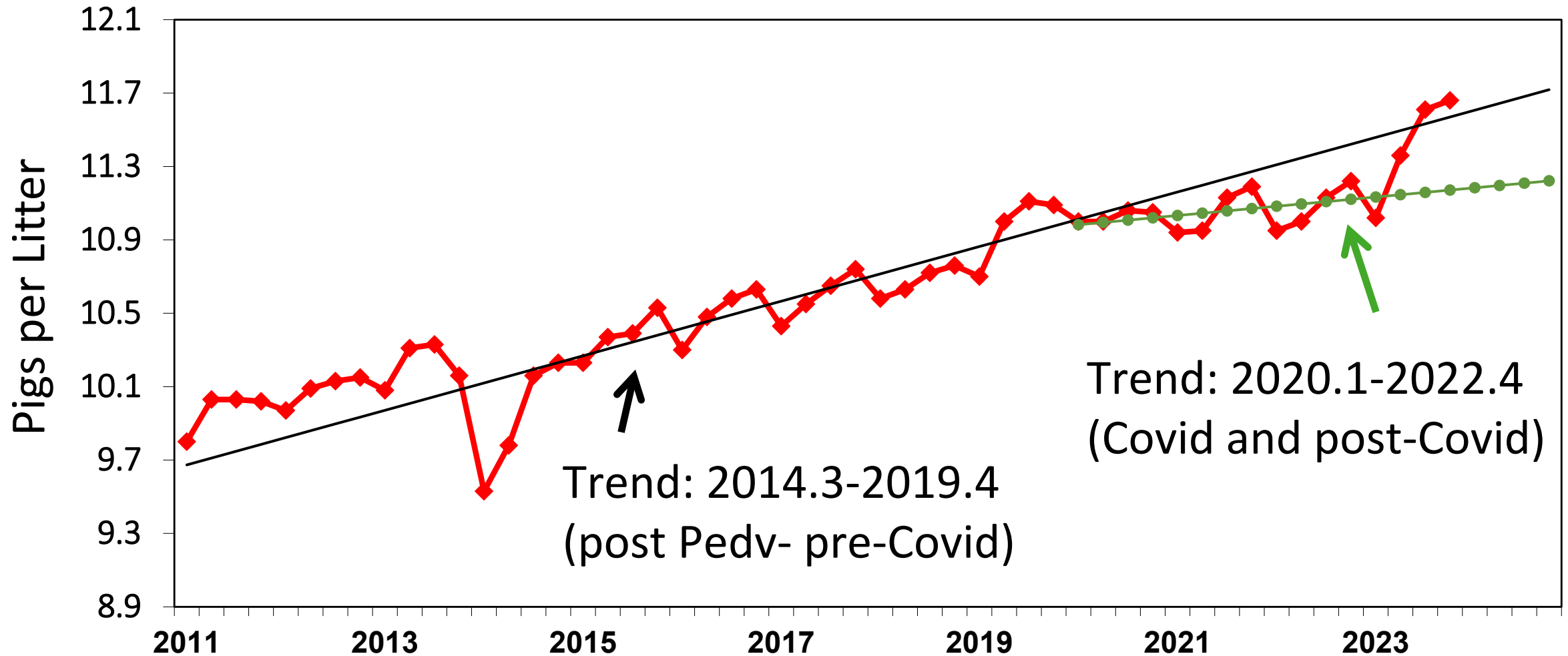
This product was prepared by the
USDA Office of the Chief Economist (OCE)
World Agricultural Outlook Board (WAOB)

Cattle Areas in Drought

Reflects **January 2, 2024**
U.S. Drought Monitor data



Growth in quarterly pigs per litter shifted toward pre-covid rates



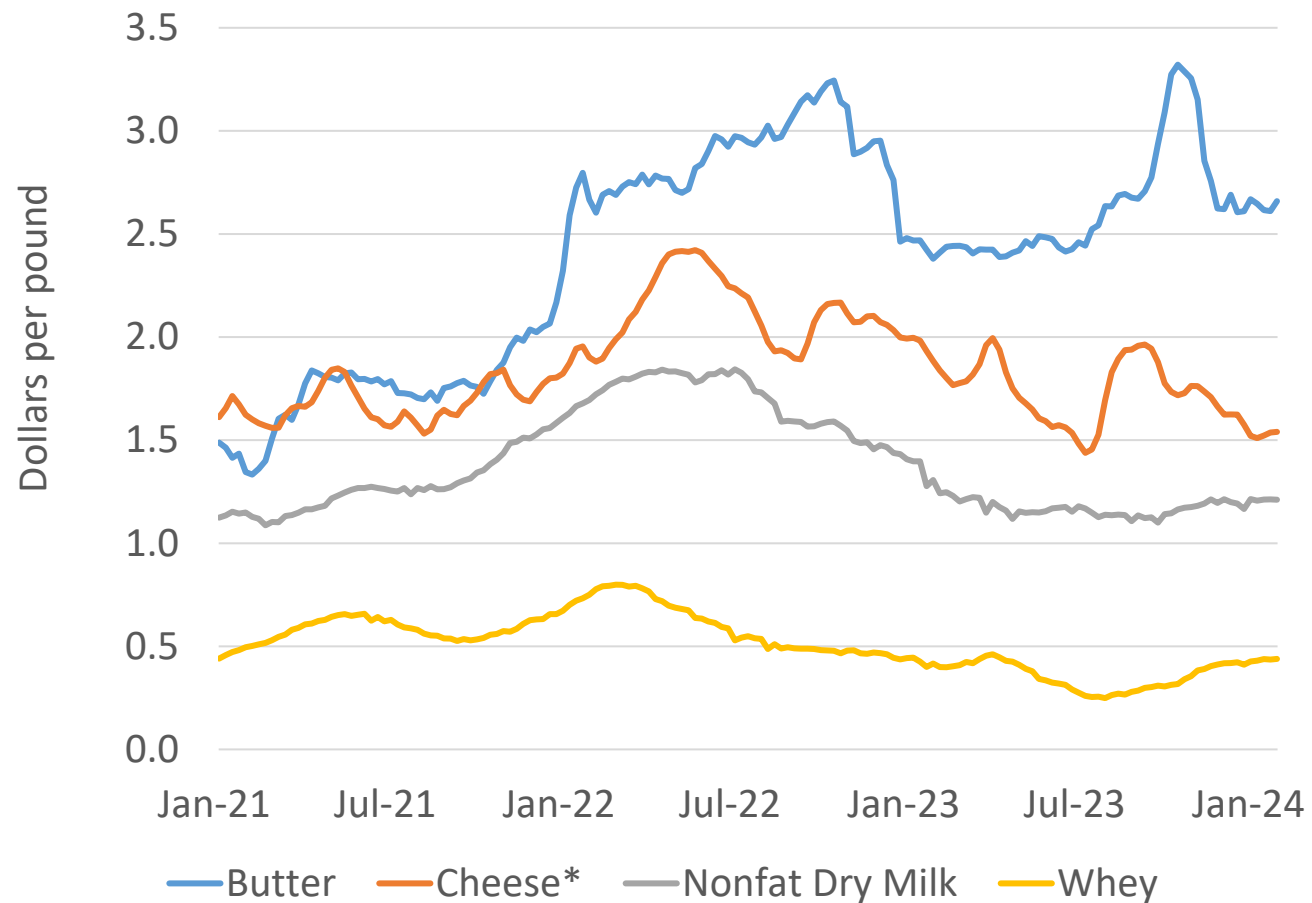
Livestock prices mixed with trends driven by disease and drought

	2018	2019	2020	2021	2022	2023	2024	Δ2024
dollars per hundredweight								
Cattle	117.12	116.78	108.51	122.40	144.40	175.54	180.00	2.5%
Hogs	45.93	47.95	43.18	67.29	71.21	58.59	60.00	2.4%
cents per pound								
Broilers	97.8	88.6	73.2	101.2	140.5	124.4	127.0	2.1%
Turkeys	80.2	89.2	106.5	122.8	154.5	140.1	107.0	-23.6%
cents per dozen								
Eggs	137.6	94.0	112.2	118.5	282.4	192.4	183.0	-4.9%

Dairy Prices rebounding in 2024

Slow milk production growth and firm domestic/export demand

National Prices of Dairy Products



*Weighted Average Blocks and Barrels

Source: AMS-NDPSR

\$/lb	2022	2023	2024F
Butter	2.87	2.62	2.77
Cheese	2.11	1.76	1.69
Nonfat Dry Milk	1.69	1.19	1.24
Whey	0.61	0.36	0.48
All Milk	25.34	20.48	20.95

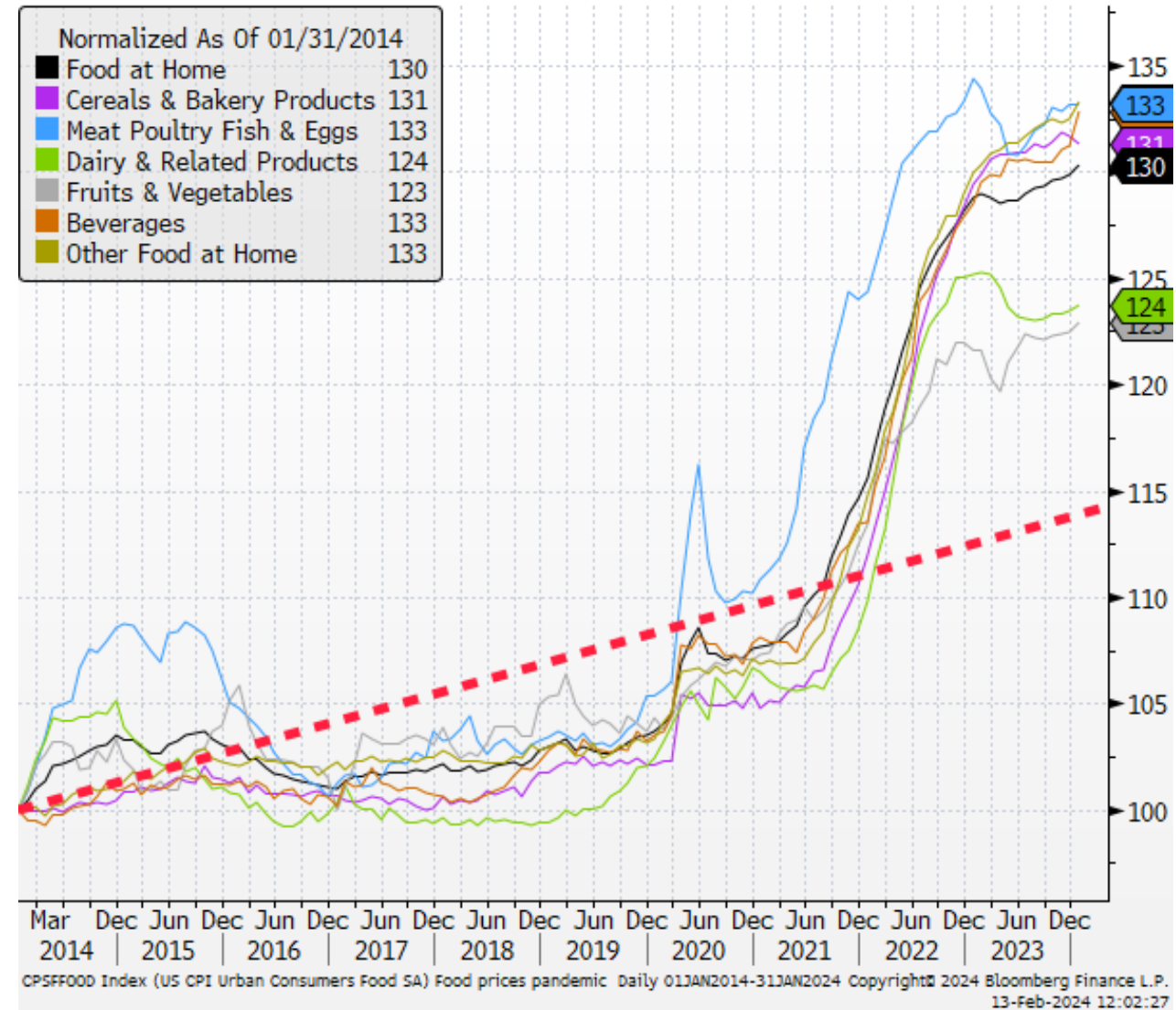
Source: OCE-WAOB

Rate of inflation slowing, but prices remain elevated

Food Product	Price in 2020	Price in 2024	% Change Since 2020
Loaf of White Bread	\$1.35	\$2.03	50%
Dozen Eggs	\$1.46	\$2.52	73%
All purpose Flour, per lb.	\$0.44	\$0.55	26%
Long Grain Rice, per lb.	\$0.72	\$1.00	40%
Spaghetti, per lb.	\$1.23	\$1.43	16%
Ground beef, per lb.	\$3.89	\$5.03	29%
Chuck roast, Choice, per lb.	\$5.40	\$7.26	34%
Ham, per lb.	\$4.19	\$5.53	32%
Bacon, per lb.	\$5.51	\$6.61	20%
Chicken breast, per lb.	\$3.06	\$4.09	34%
Whole Milk, per gal.	\$3.25	\$3.96	22%
Butter, stick, per lb.	\$3.86	\$4.66	21%
Sugar, white, per lb.	\$0.60	\$0.98	62%
Oranges, per lb.	\$1.24	\$1.55	25%
Strawberries, per 12 oz.	\$2.88	\$3.66	27%
Lettuce, romaine, per lb.	\$2.16	\$2.59	20%
Potatoes, per lb.	\$0.80	\$0.98	22%
Tomatoes, per lb.	\$2.22	\$2.15	-3%
Potato chips, per 16 oz.	\$4.49	\$6.39	42%
Malt beverages, per 16 oz.	\$1.44	\$1.76	22%
Soft drinks, per 12 oz.	\$0.36	\$0.61	70%

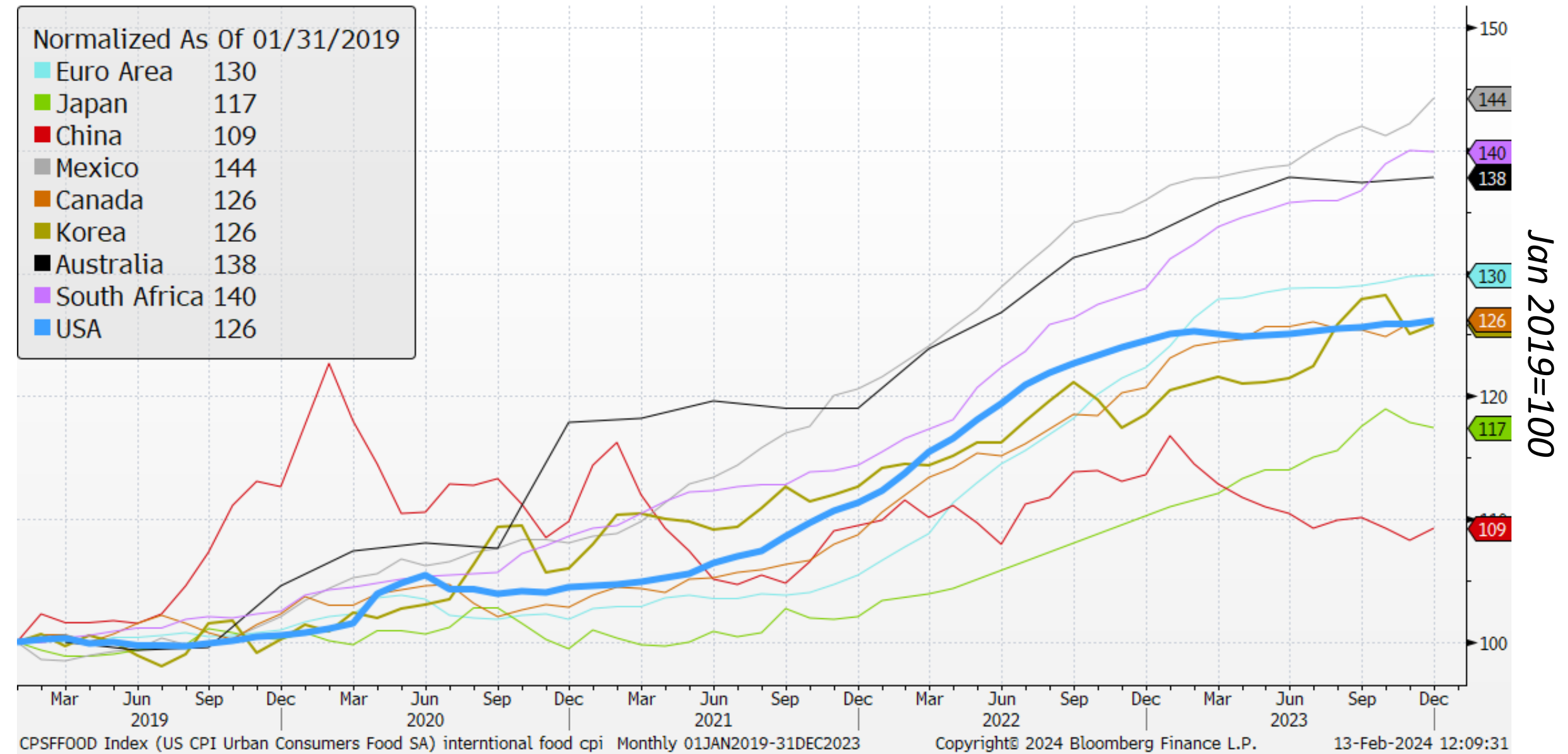
Food Prices over last Ten Years

BLS CPI Indices (Jan 2014 == 100)



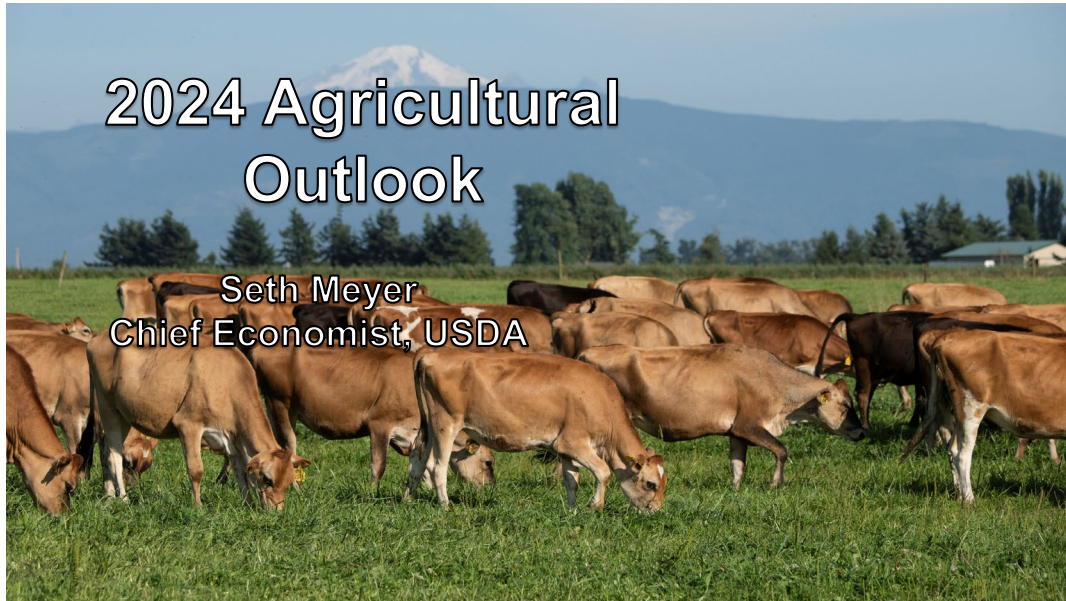
The U.S. is not alone in having experienced food price inflation

Food Retail Price Indices Across the World, Jan 2019==100



Some key points

- We have had 3 global ag commodity price spikes in 15 years.
- Globally rebuilding stocks for corn and soybeans, tighter stocks for wheat and rice.
- Output prices generally falling faster than input prices leading to tighter margins, reducing sector profitability.
- US facing strong export competition for crop exports.
- US livestock sector production and prices heavily impacted by weather and disease shocks.
- Food inflation expected to continue to moderate, but with levels remaining above the 'trend'.
- Geopolitical uncertainties and transportation disruptions overhang the market.
- *Weather always has the last say.*



Questions? Seth.Meyer@usda.gov

USDA Department of Agriculture
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Released September 16, 2019, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA)

Corn Progress - Selected States
(These 10 States planted 82% of the 2019 corn acreage)

State	Week ending			2019-20 Average
	September 16, 2019	September 9, 2019	September 15, 2019	
California	87	86	84	87
Illinois	102	99	98	100
Indiana	99	97	97	99
Iowa	99	97	97	99
Kentucky	99	97	97	99
Michigan	99	97	97	99
Minnesota	102	99	99	100
Missouri	102	99	99	100
Nebraska	102	99	99	100
North Carolina	99	97	97	99
Ohio	99	97	97	99
South Dakota	102	99	99	100
Tennessee	97	95	95	98
Texas	97	95	95	98
Wisconsin	99	97	97	99
10 States	99	98	98	99

Corn Drought - Selected States
(These 10 States planted 82% of the 2019 corn acreage)

State	Week ending			2019-20 Average
	September 16, 2019	September 9, 2019	September 15, 2019	
California	84	84	81	82
Illinois	99	97	97	99
Indiana	92	91	90	92
Iowa	99	97	97	99
Kentucky	91	89	89	92
Michigan	79	78	77	81
Minnesota	99	97	97	99
Missouri	99	97	97	99
Nebraska	99	97	97	99
North Carolina	91	89	89	92
Ohio	91	89	89	92
South Dakota	99	97	97	99
Tennessee	77	76	74	79
Texas	99	97	97	99
Wisconsin	80	79	78	81
10 States	92	90	89	91

USDA United States Department of Agriculture
Office of the Chief Economist

World Agricultural Supply and Demand Estimates

September 16, 2019

Office of the Chief Economist | Agricultural Marketing Service, Farm Service Agency | Economic Research Service, Foreign Agricultural Service

WORLD-2019-2019 | Prepared by the World Agricultural Outlook Board | April 11, 2019

WHEAT: U.S. wheat ending stocks for 2019/20 are raised 30 million bushels on lower feed and residual use which more than offsets a slight import reduction. At 1,156 million bushels, ending stocks are projected to reach a near 30-year high. Feed and residual use is lowered 20 million bushels to 149 million which reflects lower-than-expected disappearance for the December-February and September-November quarters, as indicated by March 1 and revised December 1 stocks from the March 31 Grain Stocks report. The import change is based on the pace to date with reductions for soft red winter and durum.

Global 2019/21 wheat supplies are raised 1.7 million tons due to higher projected beginning stocks and a 0.3-million-ton increase in production. The change to beginning stocks stems from a 1.4-million-ton reduction in 2018/19 domestic consumption, primarily in the EU. World exports are lowered 0.3 million tons led by 0.5-million-ton decreases each for Australia, Canada, Kazakhstan, and Russia. Postly offsetting are higher projected exports for the EU and Ukraine. Total global consumption for 2019/21 is lowered 0.6 million tons to 740.8 million with a 1.0-million-ton decrease in the United States, more than offsetting a small net increase for foreign countries. With supplies rising and use declining, global ending stocks are raised 2.3 million tons to 252.3 million.

COARSE GRAINS: This month's 2019/21 U.S. corn outlook is for increased corn used to produce ethanol, reduced feed and residual use and unchanged ending stocks. Corn used to produce ethanol is raised 50 million bushels to 5,352 million based on the most recent data from the Grain Processing and Co-Products Production report which indicates the amount of corn used to produce ethanol to be record high during December-February. The pace of weekly ethanol production, using March as indicated by Energy Information Administration data, has also been above expectations. Offsetting is a 50 million bushel reduction in projected feed and residual use to 5,200 million bushels based on disappearance indicated during the first half of the marketing year in the March 31 Grain Stocks. With offsetting usage changes, ending stocks are unchanged from last month. The season-average corn price received by producers is unchanged at the midpoint with the range narrowed to \$3.25 to \$3.55 per bushel.

Global coarse grain production for 2019/21 is forecast 4.6 million tons higher than last month to 3,246.1 million. This month's foreign coarse grain outlook is for increased production, consumption, trade, and stocks relative to last month. Brazil corn

Volume 104, No. 15 | www.usda.gov/weeklyweather | April 11, 2017

WEEKLY WEATHER AND CROP BULLETIN

U.S. DEPARTMENT OF COMMERCE | U.S. DEPARTMENT OF AGRICULTURE
National Oceanic and Atmospheric Administration | National Agricultural Statistics Service and World Agricultural Outlook Board

Total Precipitation (inches)
April 2 - 8, 2017

HIGHLIGHTS April 2 - 8, 2017

Multiple weeks of drier and locally warm temperatures swept across areas from the central and southern Plains into the middle and southern Atlantic States, providing generally beneficial precipitation for clearing of falling timber, closing food facilities, and limiting or no-damaging crop damage. Some of the heaviest rain fell in the Southeast, when 7- to 4-inch totals were common. A few locations in western Florida and the central Gulf Coast States received in excess of 10 inches. Meanwhile, most of the Northeast precipitation fell on

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USDA United States Department of Agriculture
Office of the Chief Economist

USDA Agricultural Projections to 2031

Interagency Agricultural Projections Committee

World Agricultural Outlook Board, Chair
Economic Research Service
Farm Production and Conservation Business Center
Foreign Agricultural Service
Agricultural Marketing Service
Office of the Chief Economist
Office of Budget and Program Analysis
Risk Management Agency
Natural Resources Conservation Service
National Institute of Food and Agriculture

World Agricultural Outlook Board
Long-Term Projections Report
OCE-2022-1
February 2022

USDA Long-Term Projections, February 2022