

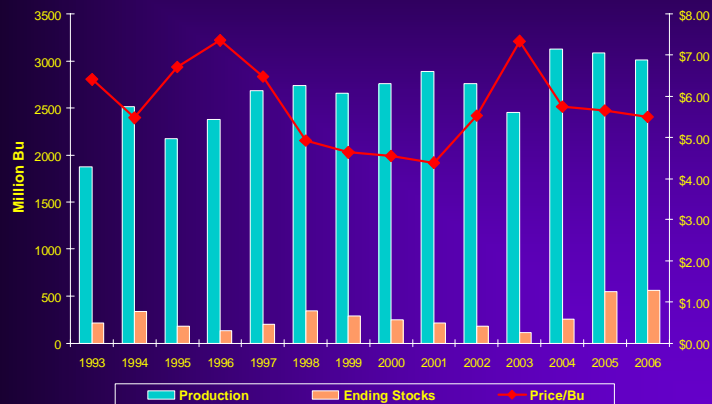
Soybean Situation and Outlook

July 24, 2006

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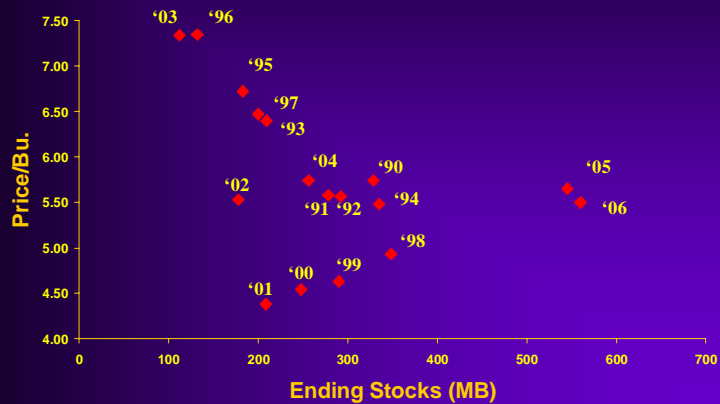
Soybean Production, Ending Stocks, and Price, 1993-2006



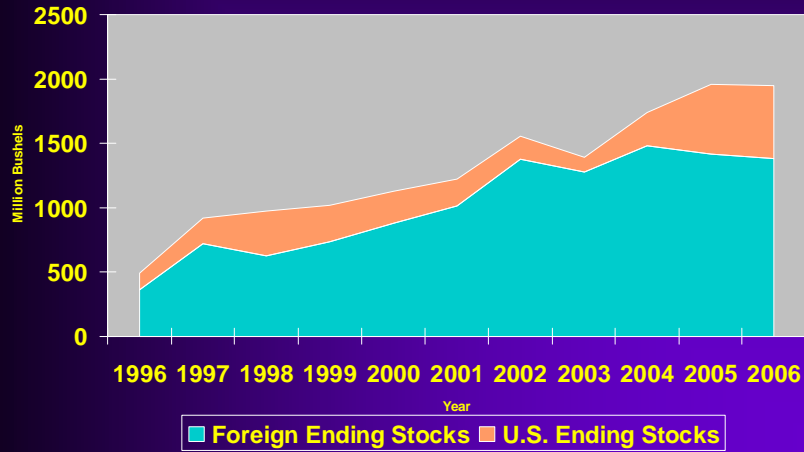
U.S. Soybean Ending Stocks and Price, 1993-2006



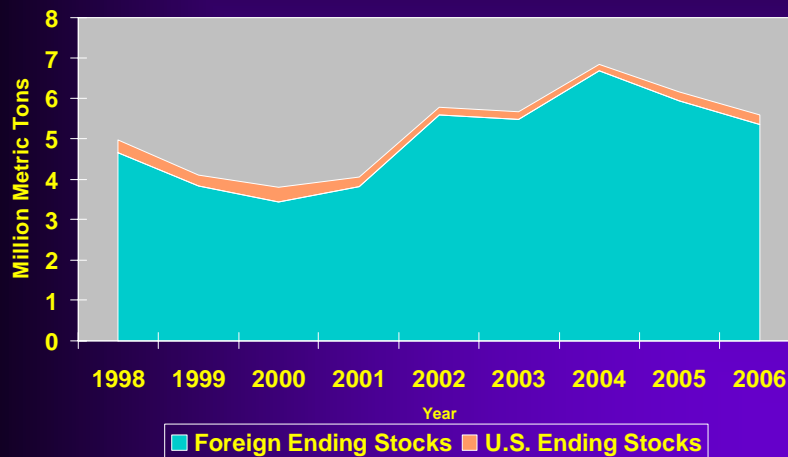
U.S. Soybean Ending Stocks vs. Price, 1990-2006



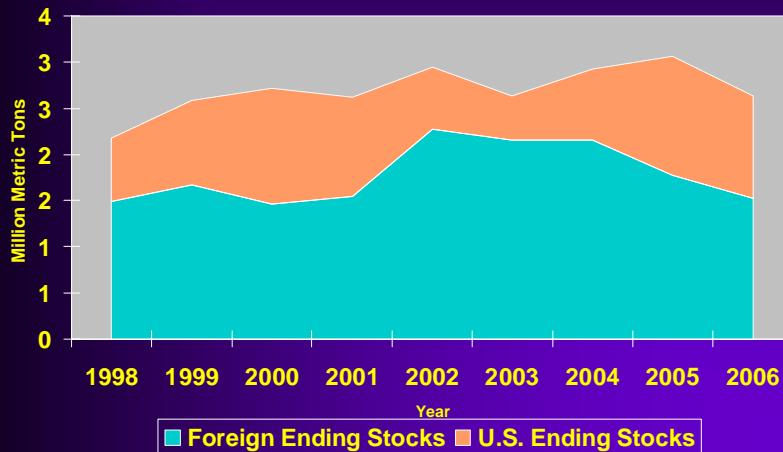
U.S. & Foreign Soybean Ending Stocks, 1996-2006



U.S. & Foreign Soybean Meal Ending Stocks, 1997-2006



U.S. & Foreign Soybean Oil Ending Stocks, 1997-2006



Supply Factors: U.S.

- 545 mb old crop beans – record
- 560 mb new crop beans
- Oilseeds, 2X over 2004 (old and new crops)
- Meal up 40% over 2004 (old and new crops)
- Soy Oil up 60% over 2004
- Soy Oil new crop to drop 13%
- Veg Oils up 50% over 2004
- Veg Oils new crop to drop 10%

Supply Factors: World

- 1961 mb old crop bean stocks – record ?
- 1945 mb new crop bean stocks
- Oilseeds, 8% drop projected, 15% above 4 yr avg
- Meal, 9% drop projected, 9% under 4 yr avg
- Soy Oil, 18% drop projected, 12% under 4 yr avg
- Veg Oils, 12 % drop projected, 1% under 4 yr avg

Demand Factors

- U.S. crush projected to be over 1.7 bb
- U.S. exports projected to be 1.09 bb
- U.S. total use projected to be 3 bb

Uncertainty Issues

- Rust
- Soy diesel
- 2006 U.S. production
- S. American production

Supply/Demand Projections:2006/2007

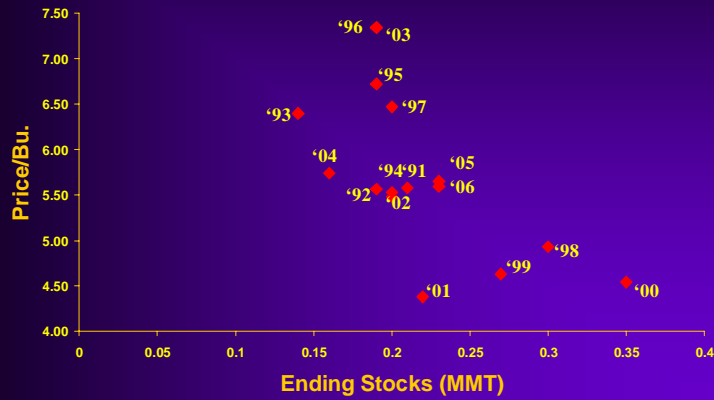
<u>Soybeans</u>	-----Supply/Demand -----		
	<u>Low/High</u>	<u>Exp/Exp</u>	<u>High/Low</u>
Beginning Stocks(MB)	545	545	545
Acres (M. P. A.)	74.3	74.9	75.6
Yield	38.5	40.7	42.8
Supply(M. Bu)	3371	3559	3740
Use:			
Crush		1750	
Exports		1090	
Seed, Feed		158	
Ending Stocks	318	560	802
Projected Price	\$5.50	\$5.00	\$4.50

Questions?

What Could Change The Outlook?

- South America
- Plant Mix
- Non-Farm Economic Conditions in U.S., World – Oil Supplies, War
- Exchange Rates
- China
- Weather

U.S. Soybean Meal Ending Stocks vs. Soybean Price, 1990-2006



U.S. Soybean Oil Ending Stocks vs. Soybean Price, 1990-2006

