USDA’s Prospective Plantings and Grain Stocks Reports

- US corn planting intentions total 97.0 million acres, up 8 percent (7.3 million acres) from 2019
- If realized, corn planted area would reach the highest level since plantings of 97.3 million acres in 2012
- Corn planting intentions exceeded trade expectations by 3.1 million acres
- Plantings are expected to increase for most key producing states with the largest increases in the eastern Corn Belt along with Minnesota and South Dakota
- Since survey data was collected in early March, corn prices have fallen and are also lower relative to soybeans
- Slowing ethanol production and lower corn use over the next few months may limit the expected increase in corn plantings
- The price reaction to the larger-than-expected acreage was limited based on uncertainty over actual plantings and lower than expected March 1 corn stocks.
- US soybean planting intentions are estimated at 83.51 million acres, up 9.7 percent (7.41 million acres) from a year ago.
- While up sharply from 2019, soybean planting intentions came in 1.5 million acres below trade expectations.
- The impact of COVID-19 on grain prices has been mixed. While the acreage estimate for soybeans was price-supportive, ideas are that the shift to soybeans may be more pronounced than the Prospective Plantings report suggests.
- Similar to corn, states that experienced severe flooding last year are expected to sharply increase soybean plantings in 2020
• Missouri’s corn planting intentions, at 3.6 million acres, are up 12.5 percent (400,000 acres) from 2019 and just below the 2016 high at 3.65 million acres.

• Normally, there is some tradeoff between corn and soybean acres, but due to the flooding and prevented planting in 2019, both corn and soybean plantings are seen increasing sharply this year.

• The survey indicates that soybean plantings across Missouri will increase 13.7 percent (700,000 acres) from a year ago to 5.8 million acres, only 150,000 acres below 2017’s peak.

• USDA will release the Acreage Report in late June. In addition to the impacts of COVID-19, US and state crop acreage will hinge on how weather unfolds over the next 6 to 7 weeks.

• Forecasts call for above normal temperatures into mid-April, but wet soils combined with normal to above normal precipitation over the next two weeks suggests a slow start to planting again this season.
- March 1 corn stocks total 7.952 billion bushels, down from 8.613 billion a year ago.
- Of the total, 3.499 billion off farm stocks are up slightly from a year ago while on farm stocks, at 4.454 billion bushels, are down 13 percent from a year ago.
- On farm stocks account for 56 percent of total stocks, close to the ten-year average.
- Based on the change in stocks from December 1, 2019 to March 1 2020, corn disappearance for the December through February period totaled 3.45 billion bushels, a 3.7 percent increase over the same period last season.
- Implied feed and residual use for the winter quarter is about 1.4 billion bushels, up more than 200 million bushels from 2018/19.
- Through the first half of the 2019/20 marketing year, feed and residual use totals over 4.0 billion bushels, an 18.4 percent increase from a year ago. USDA is currently projecting only a 1.7% increase for the marketing year.
- Based on the strong pace of feed use through the first half of 2019/20, USDA will probably boost the feed and residual use forecast by 75 to 100 million bushels from 5.525 billion bushels currently.
- The December 1 and March 1 stocks estimates suggest that 2019 US corn production may be overstated.
March 1 soybean stocks total 2.253 billion bushels, down 17.4 percent from a year ago.

- Of the total, 1.242 billion off-farm stocks are down 14.8 percent from a year ago while on-farm stocks, at 1.012 billion bushels, are down 20.4 percent from a year ago.

- On-farm stocks account for 45 percent of total stocks, slightly higher than the ten-year average of 43 percent.

- Based on the change in stocks from December 1, 2019 to March 1 2020, soybean disappearance for the December through February period totaled 1.005 billion bushels, down 1 percent compared to the same period last season.

- Lower quarterly stocks largely reflect the decline in 2019 soybean production.

- Looking ahead to June 1 and September 1 stocks, much will depend on the pace of soybean exports through the rest of the marketing year.