

Grain Processing Corporation



Prepared By
Supply Chain
Commodity Department

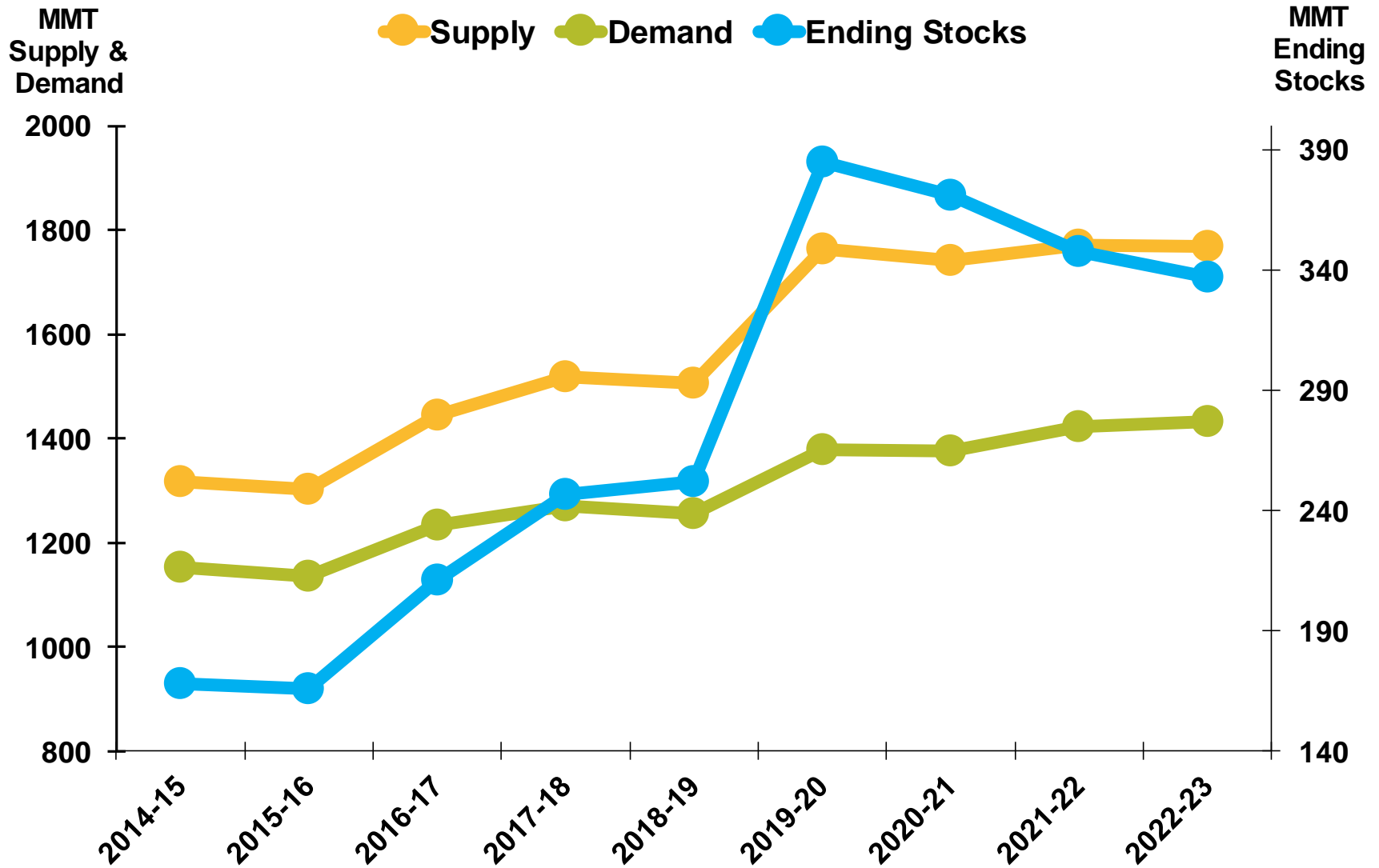
Corn Market Perspective

June 10, 2022

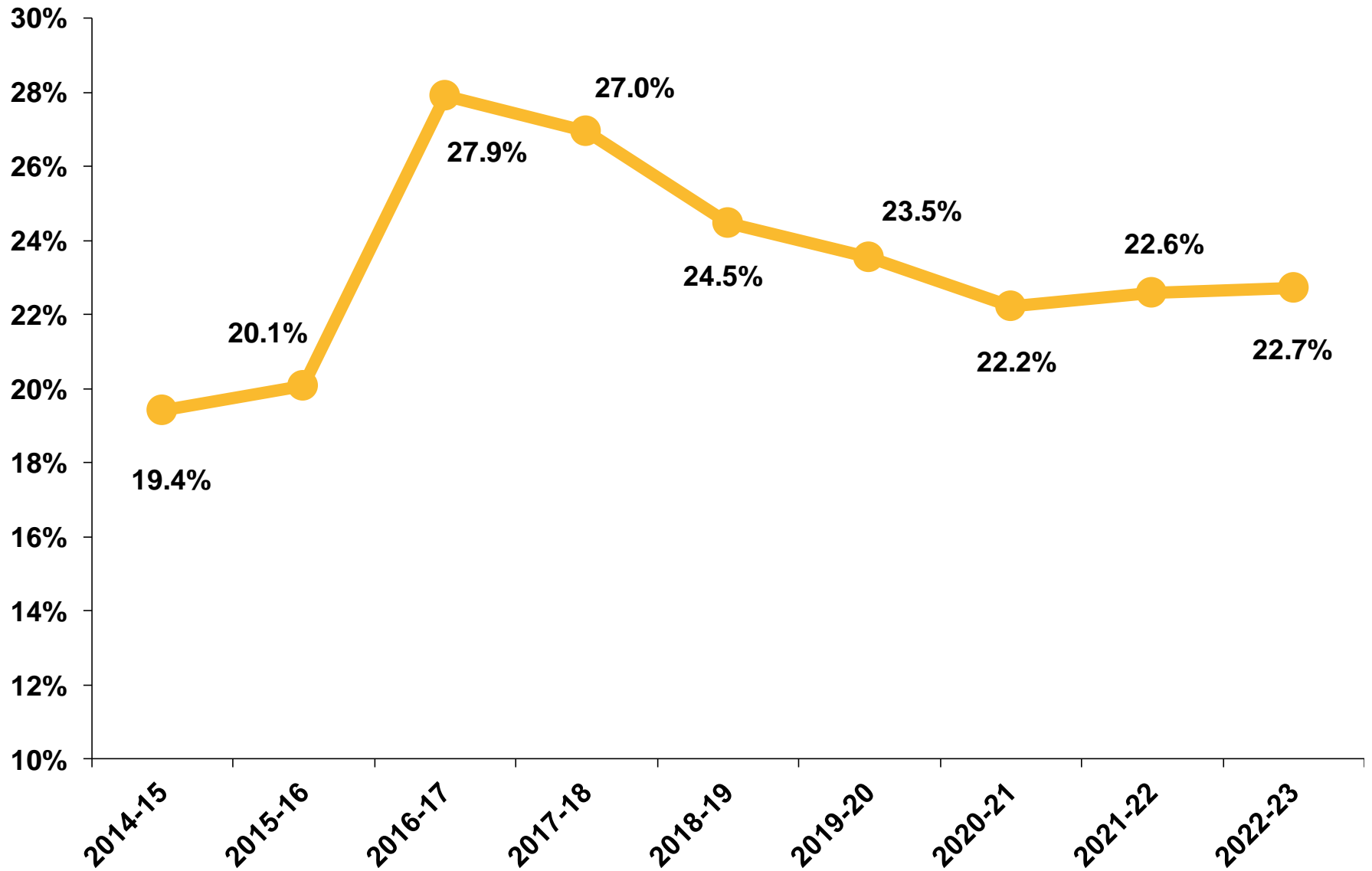
World S&D Overview

WORLD COARSE GRAIN SUPPLY & DEMAND

Coarse Grains include corn, sorghum, barley, oats & rye.



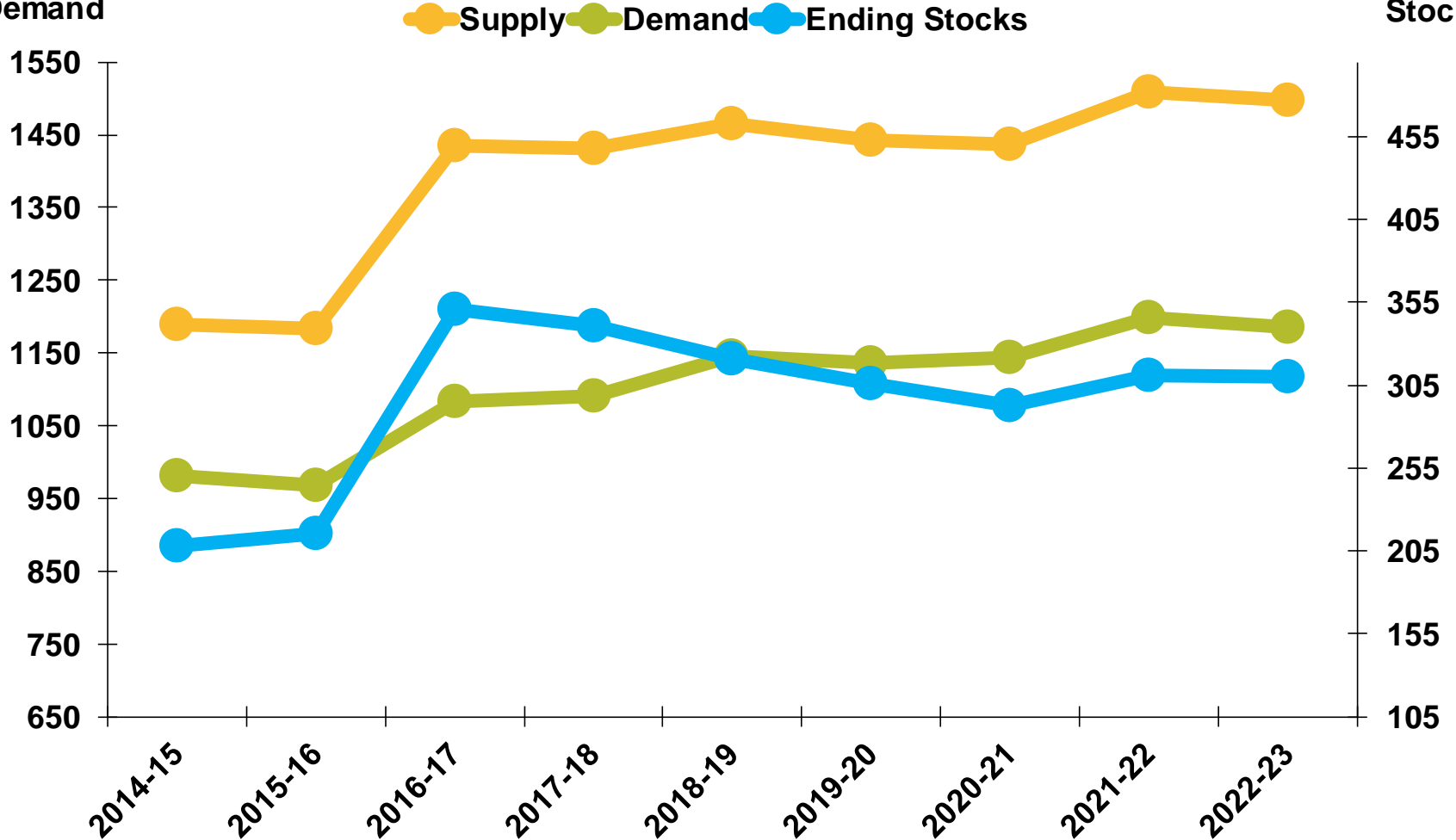
WORLD COARSE GRAIN



WORLD CORN SUPPLY & DEMAND

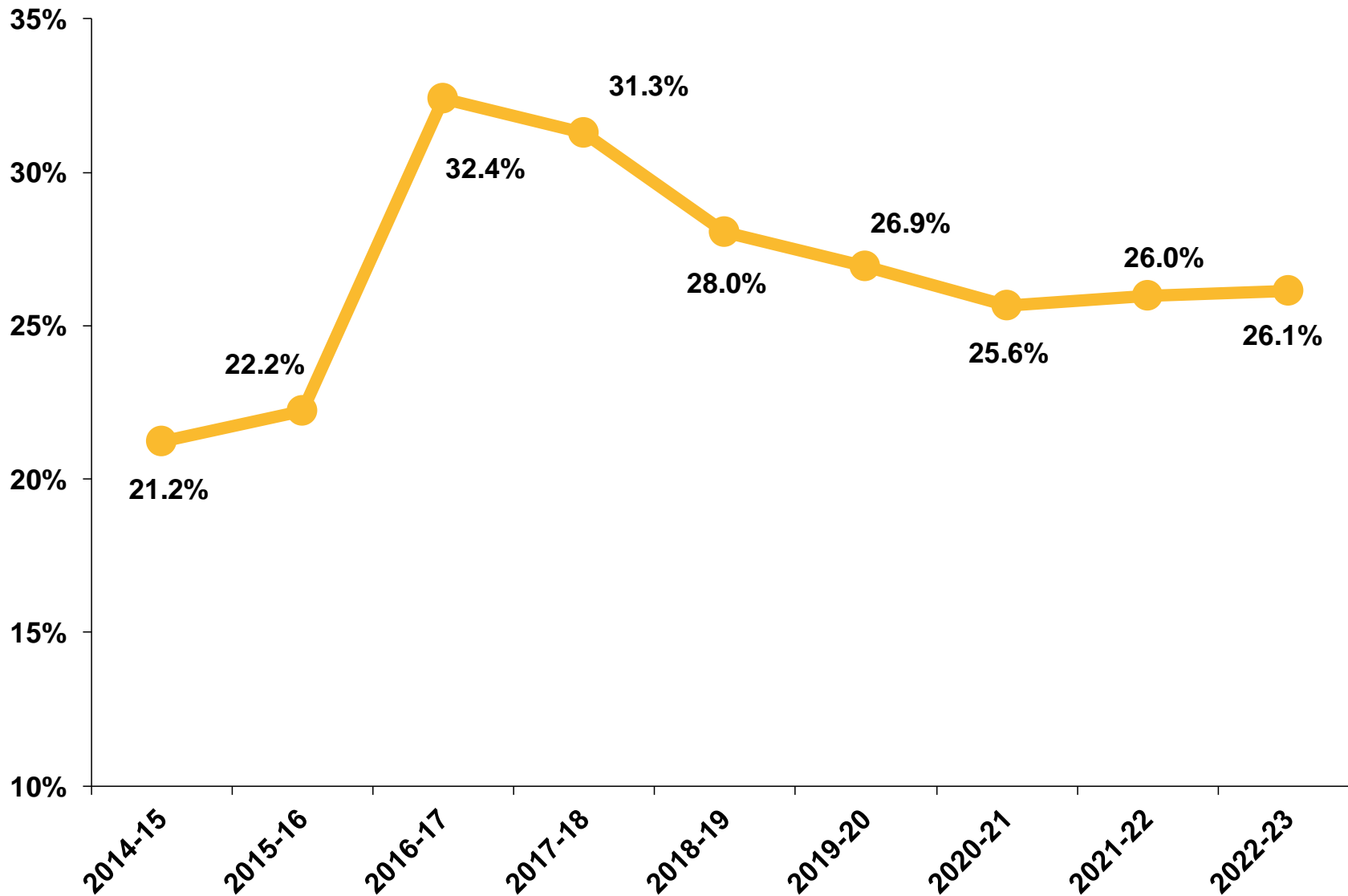
MMT
Supply &
Demand

MMT
Ending
Stocks

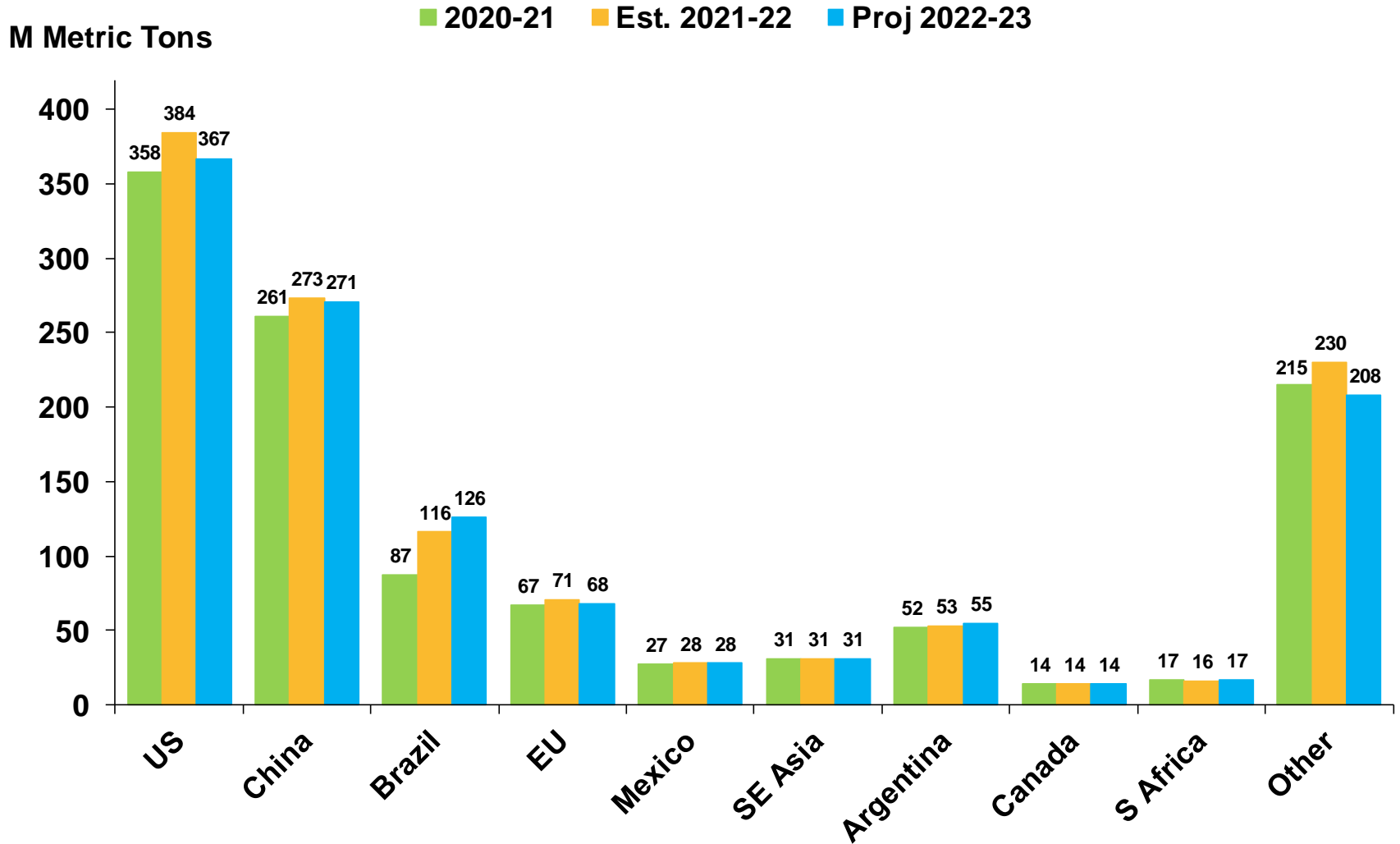


WORLD CORN

% ENDING STOCKS / DEMAND

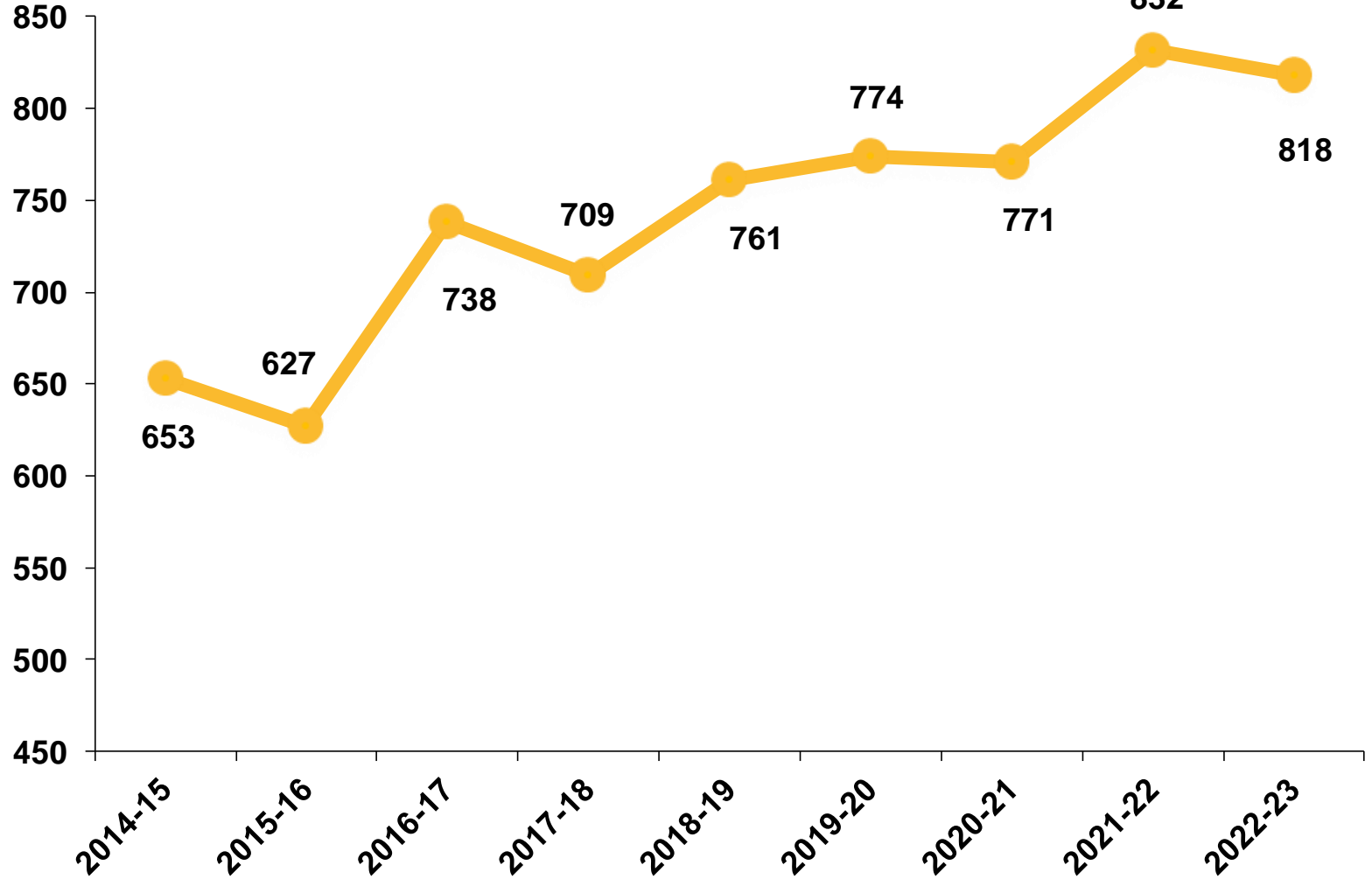


WORLD CORN PRODUCTION



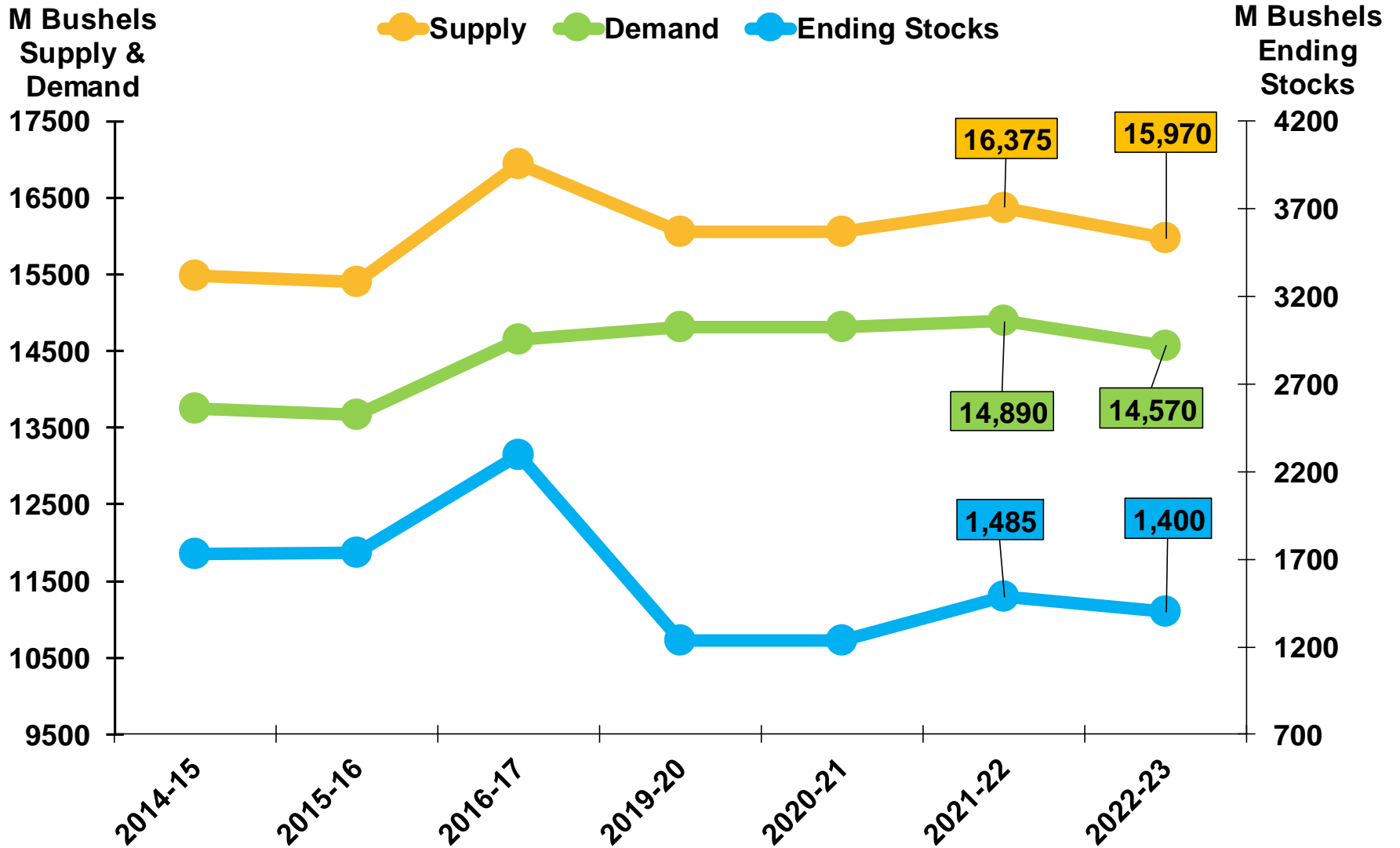
WORLD CORN PRODUCTION MINUS U.S.

MMT



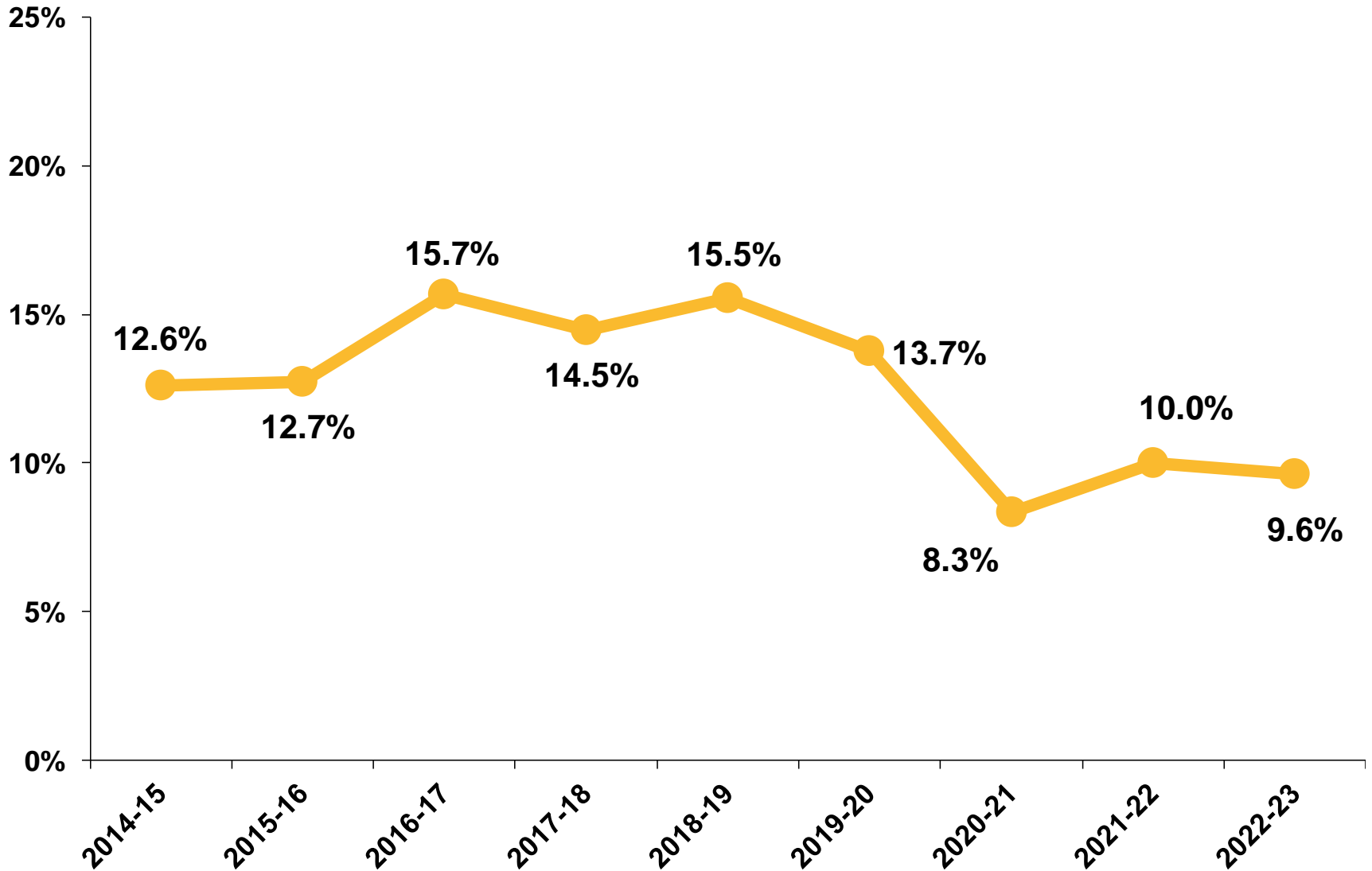
U.S. S&D Overview

U.S. CORN SUPPLY AND DEMAND



U.S. CORN

% ENDING STOCKS / TOTAL DEMAND



**U.S. - Supply
Old & New Crop
2021-22 & 2022-23**

U.S. CORN PRODUCTION

USDA June, 2022

	<u>2020-21</u>	<u>Est. 2021-22</u>	<u>Proj. 2022-23</u>
Planted (mil. acres)	90.7	93.4	89.5
Harvested (mil. acres)	82.3	85.4	81.7
Yield (bus./acre)	171.4	177.0	177.0
Production (mil. bu.)	14,111	15,115	14,460

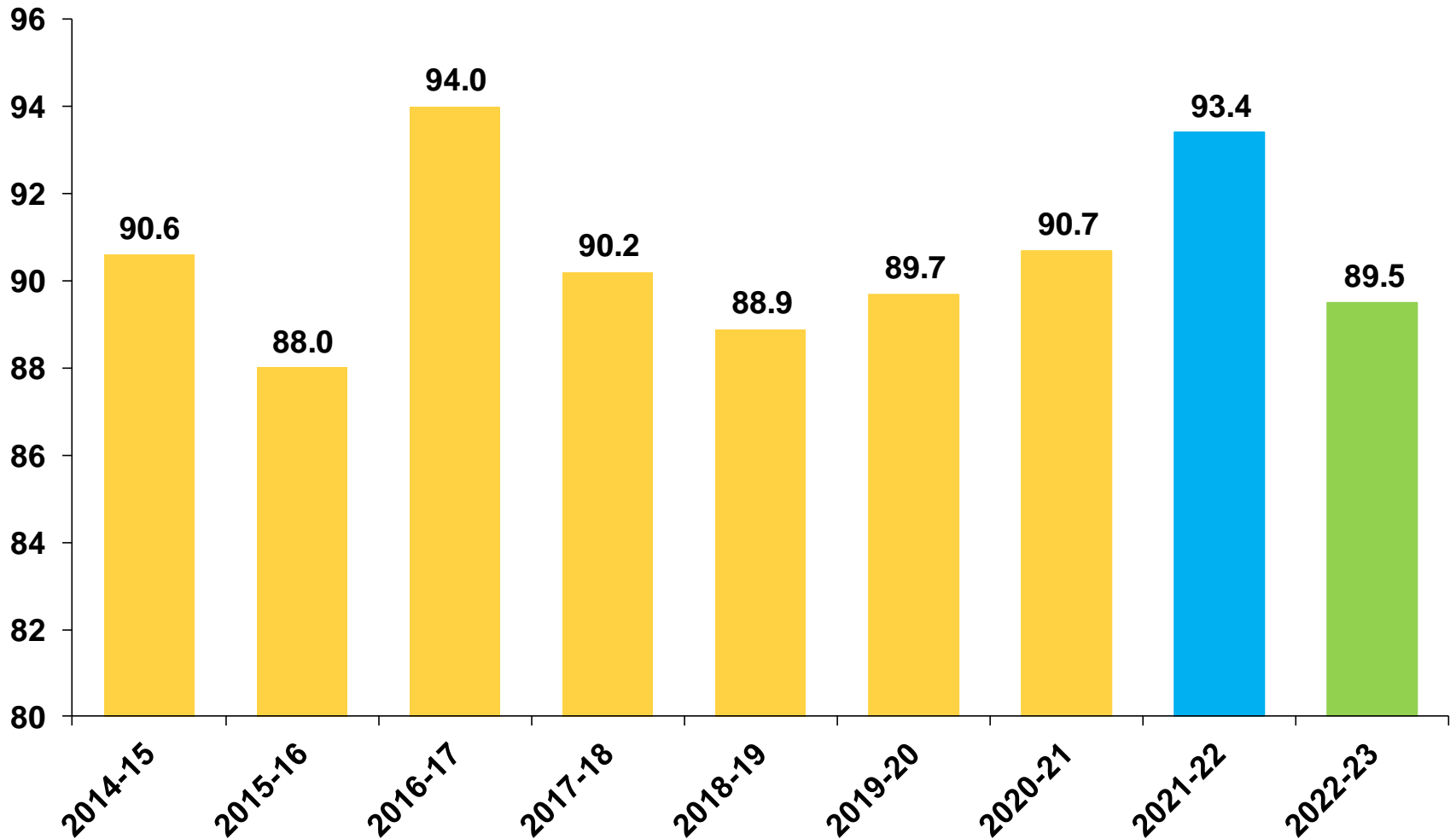
U.S. CORN SUPPLY / DEMAND

(million bushels)

	<u>2020-21</u>	<u>Est. 2021-22</u>	<u>Proj. 2022-23</u>
Beginning Stocks	1,919	1,235	1,485
Production	14,111	15,115	14,460
Imports	24	25	25
TOTAL SUPPLY	16,055	16,375	15,970
Feed	5,597	5,625	5,350
Food/Ind/Seed	6,471	6,815	6,820
Ethanol	5,033	5,375	5,375
Exports	2,753	2,450	2,400
TOTAL DEMAND	14,821	14,890	14,570
ENDING STOCKS	1,235	1,485	1,400
ENDING STOCKS / TOTAL DEMAND	8.3%	10.0%	9.6%
Average Farm Price	\$4.53	\$5.95	\$6.75

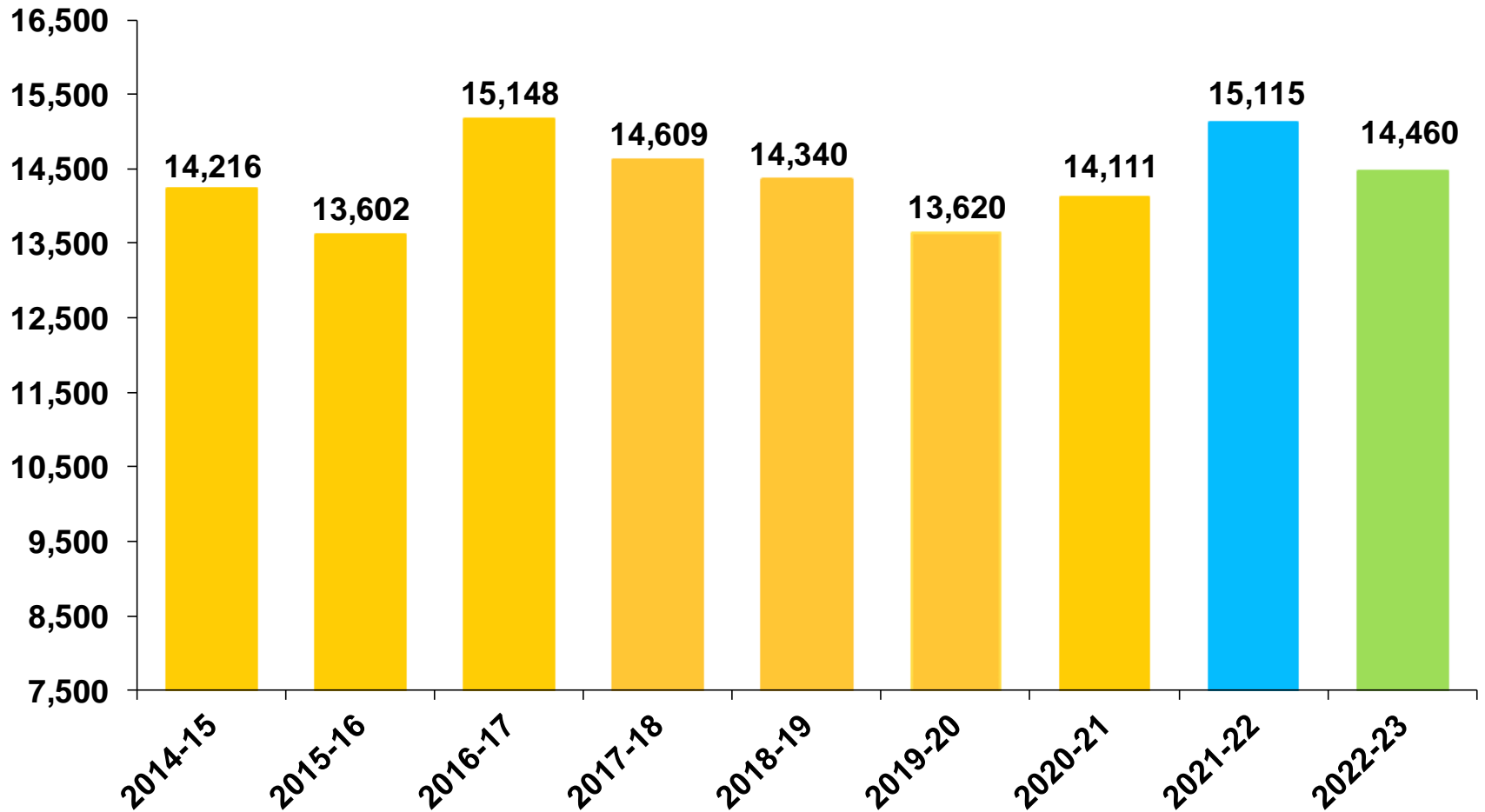
U.S. CORN PLANTED ACRES

M Acres



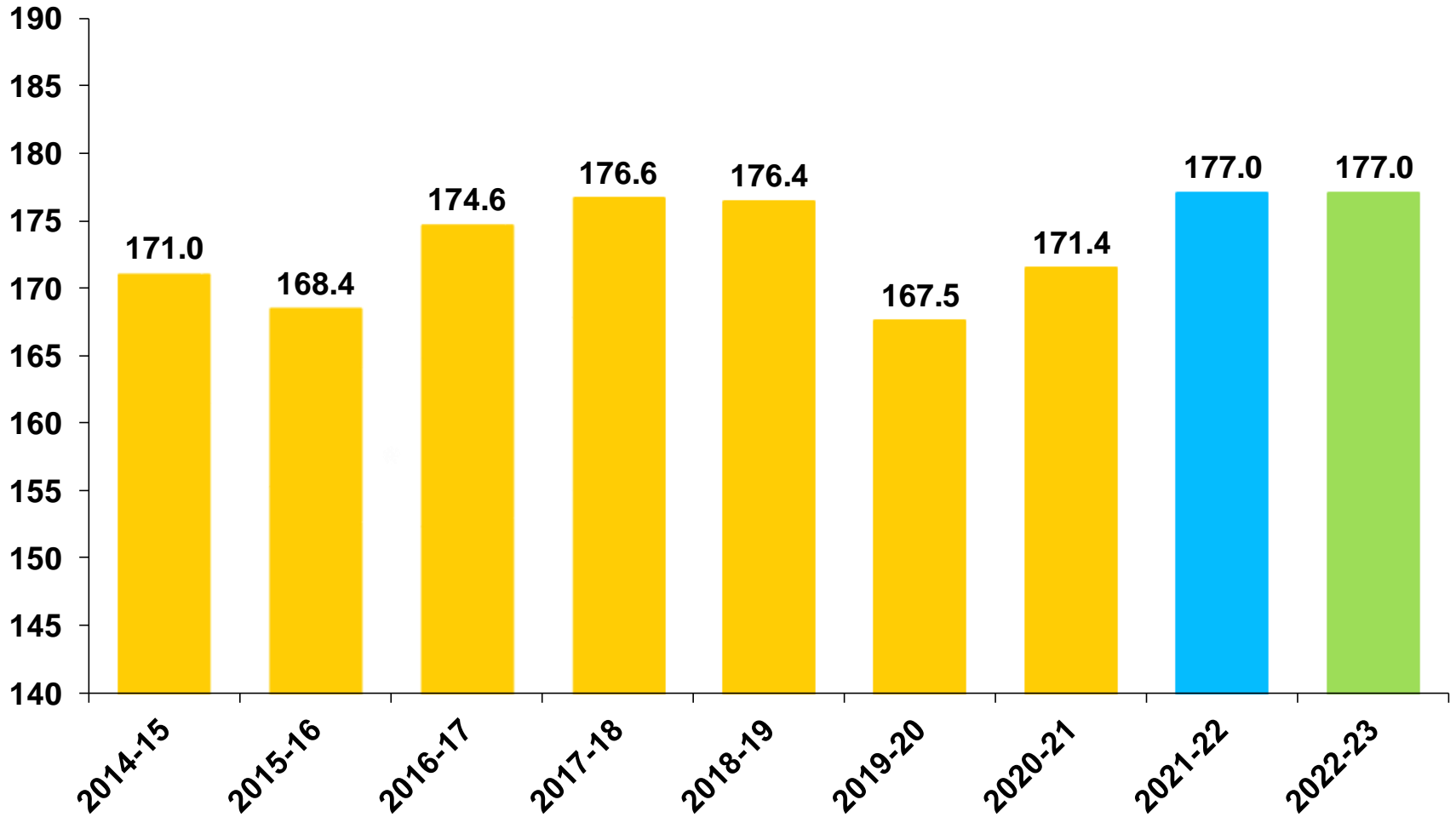
U.S. CORN PRODUCTION

M Bushels



U.S. CORN YIELD

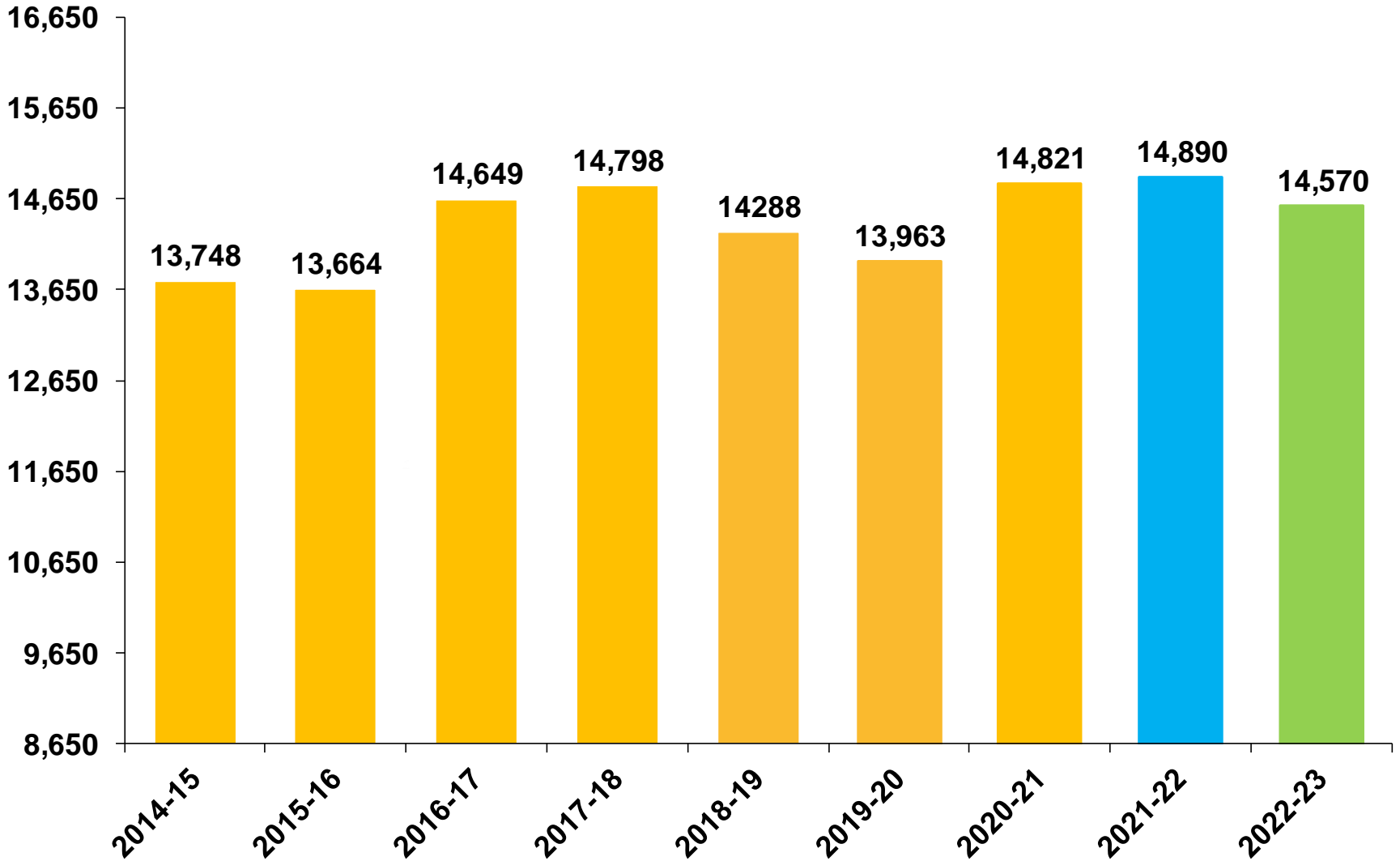
Bu./Acre



**U.S. - Demand
Old & New Crop
2022-22 & 2022-23**

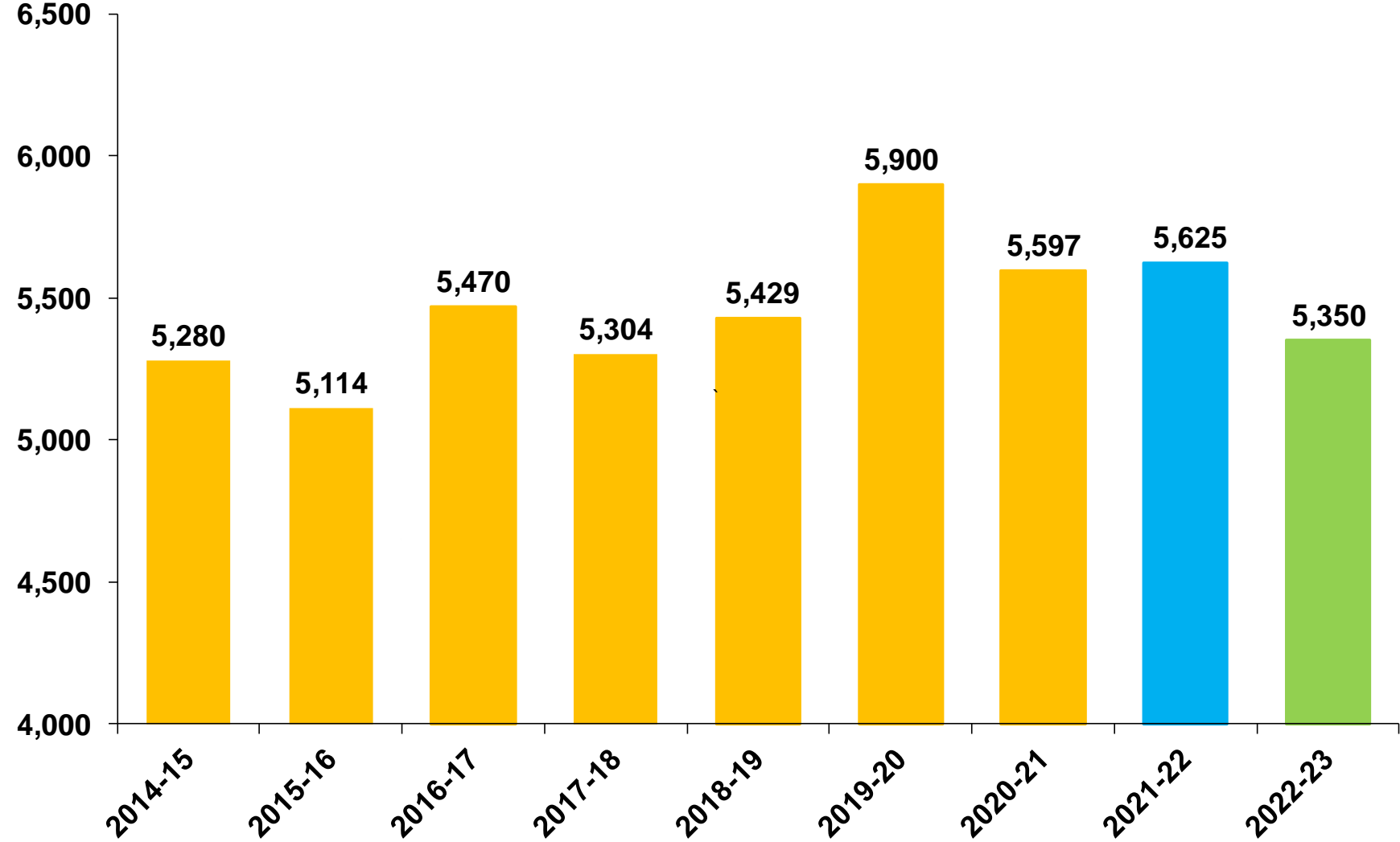
U.S TOTAL DEMAND

M Bushels



U.S. FEED DEMAND

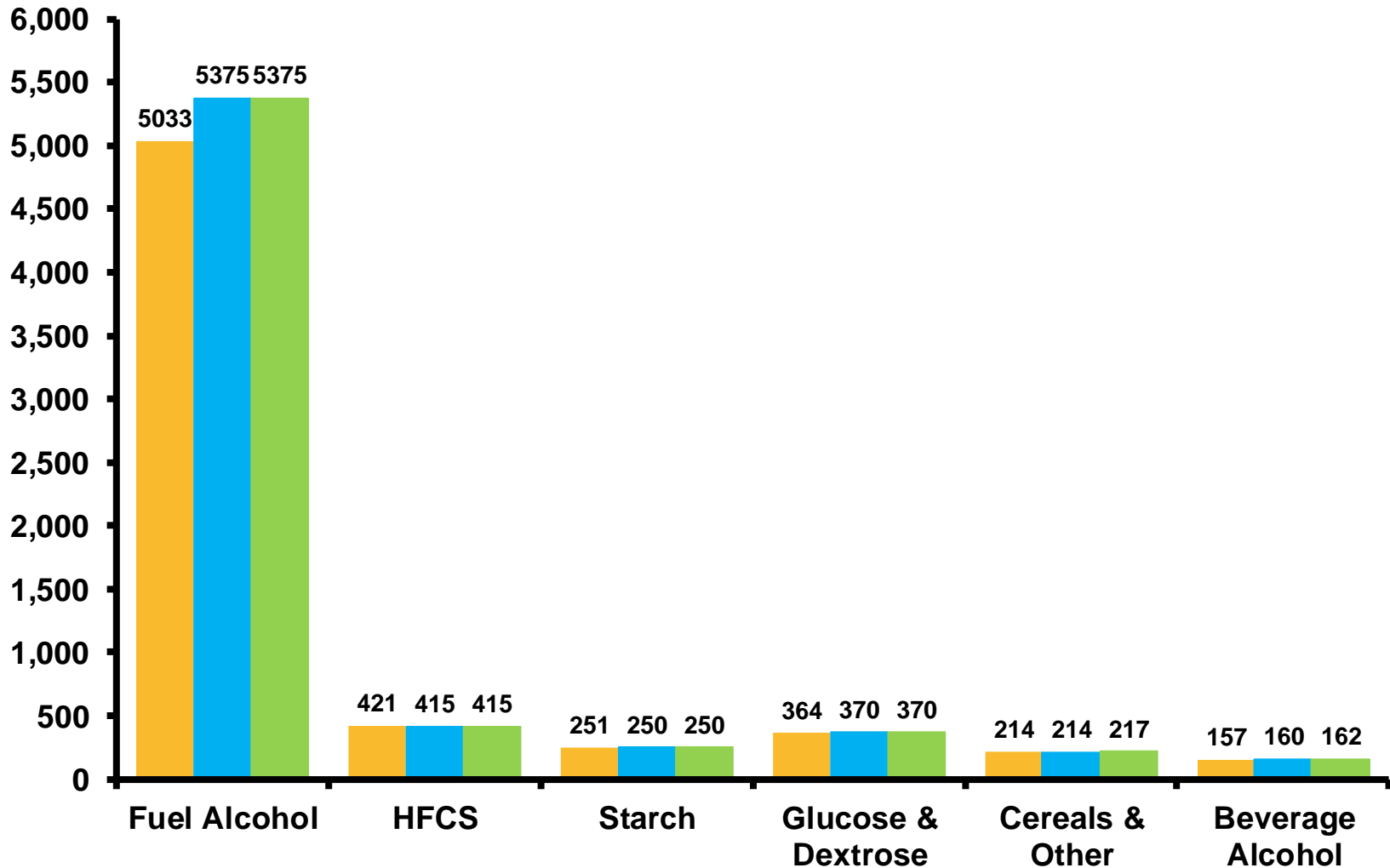
M Bushels



U.S. INDUSTRIAL DEMAND

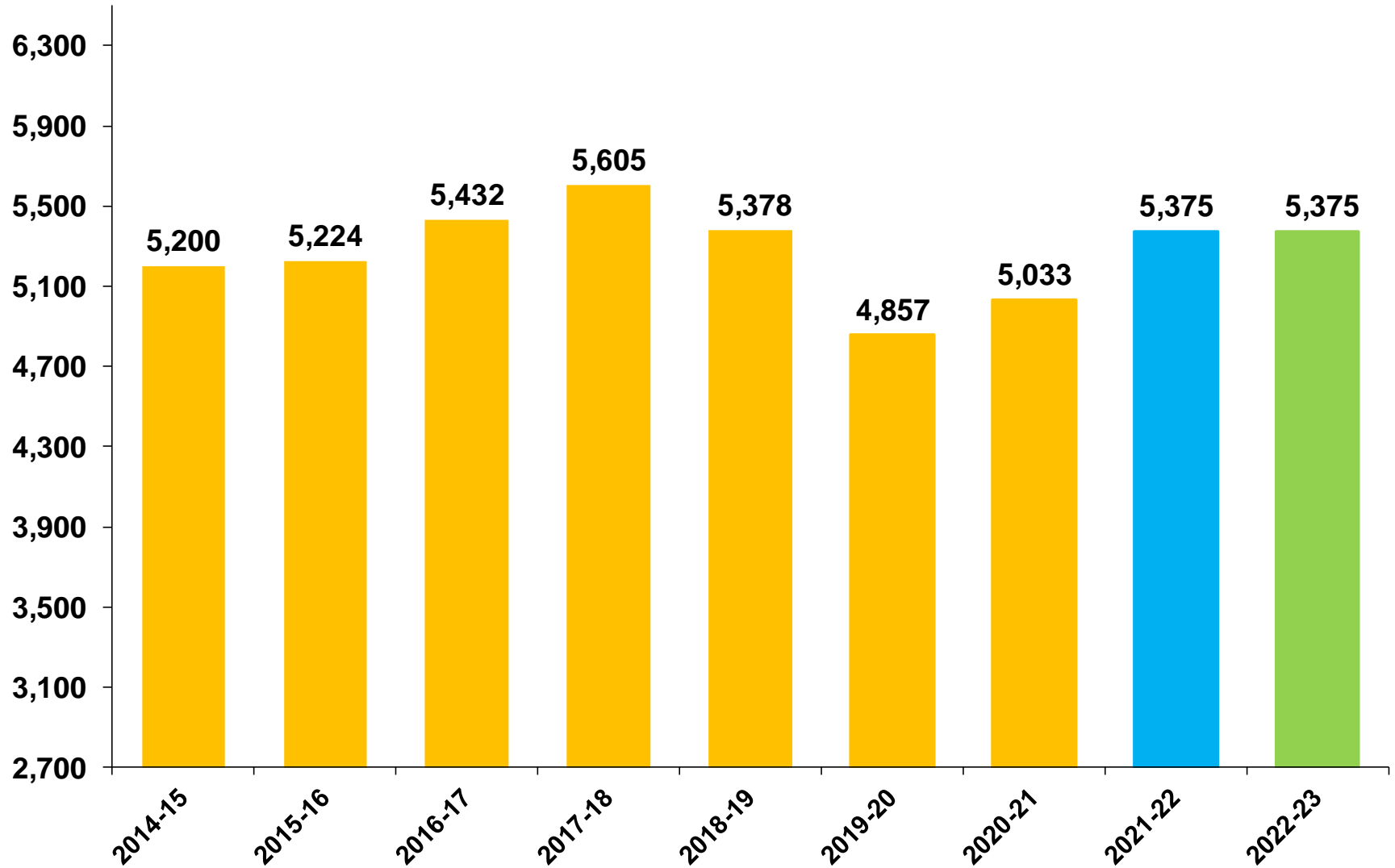
M Bushels

2020-21 2021-22 2022-23



U.S. ETHANOL DEMAND

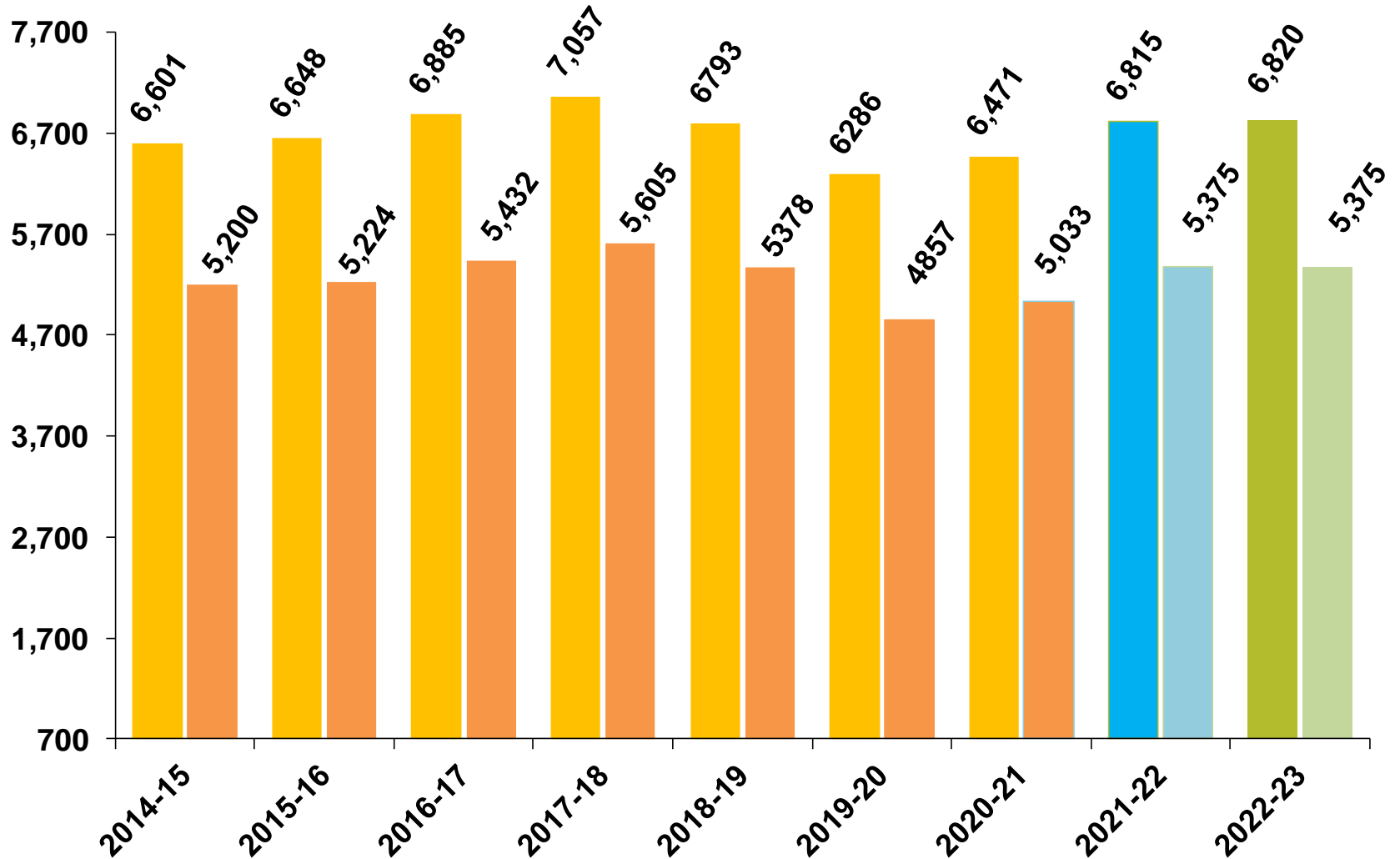
M Bushels



INCREASE IN FOOD SEED & INDUSTRIAL

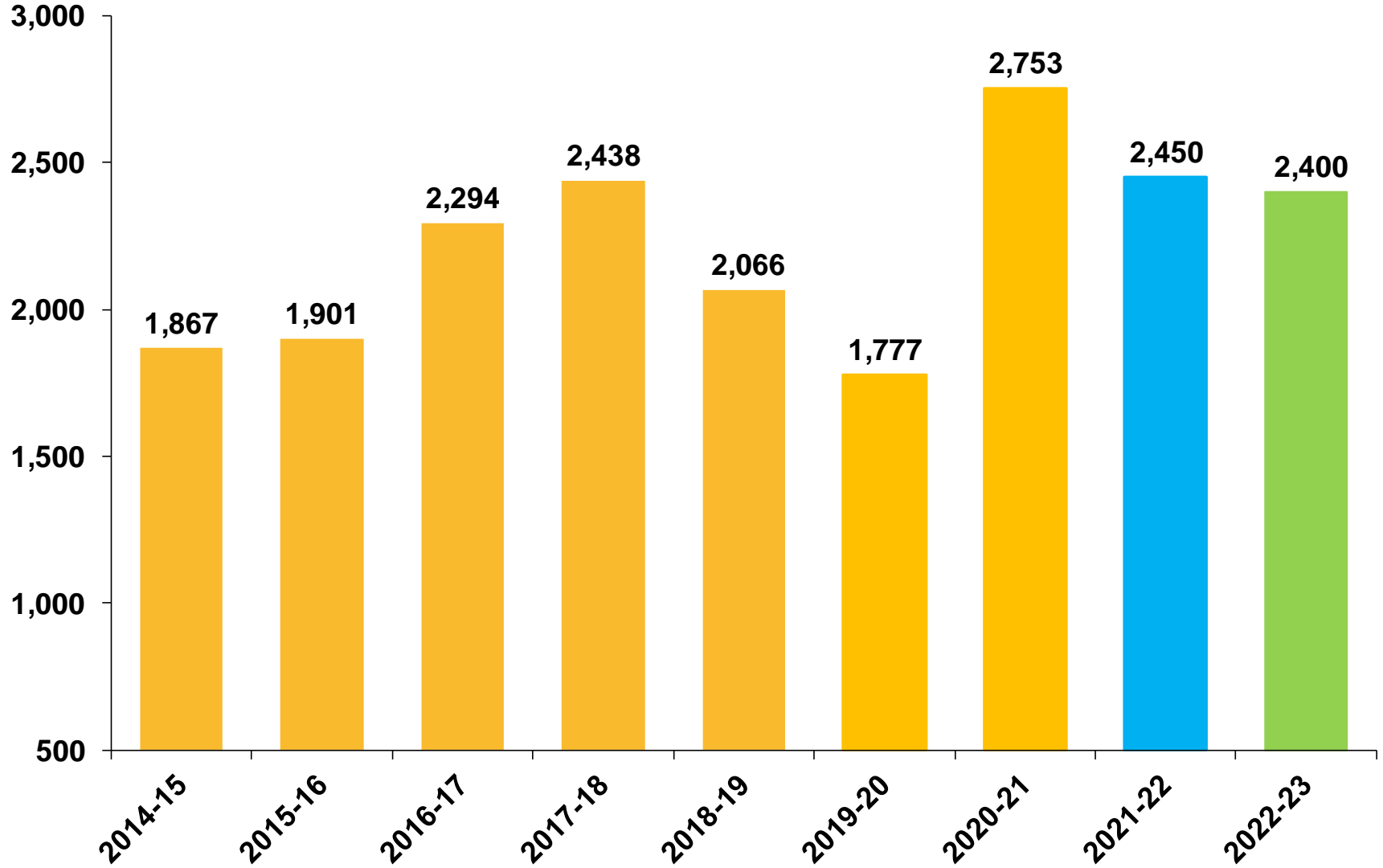
M Bushels

Industrial Ethanol



U.S. EXPORT DEMAND

M Bushels



U.S. CORN PRODUCTION

USDA June, 2022	2022-23 Yield Scenarios
<u>2020-21</u> <u>2021-22</u>	<u>2022-23</u>

Planted (mil. acres)	90.7	93.4	89.5	89.5	89.5	89.5
Harvested (mil. acres)	82.3	85.4	81.7	81.7	81.7	81.7
Yield (bus./acre)	171.4	177.0	170.0	174.0	177.0	182.0
Production (mil. bu.)	14,111	15,115	13,889	14,216	14,460	14,869

U.S. CORN SUPPLY / DEMAND

(million bushels)

<u>2020-21</u>	<u>2021-22</u>	
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Beginning Stocks	1,919	1,235	1,485	1,485	1,485	1,485
Production	14,111	15,115	13,889	14,216	14,460	14,869
Imports	24	25	25	25	25	25
TOTAL SUPPLY	16,055	16,375	15,399	15,726	15,970	16,379
Feed	5,597	5,625	5,350	5,350	5,350	5,350
Food/Ind/Seed	6,471	6,815	6,820	6,820	6,820	6,820
Ethanol	(5,033)	(5,375)	(5,375)	(5,375)	(5,375)	(5,375)
Exports	<u>2,753</u>	<u>2,450</u>	<u>2,400</u>	<u>2,400</u>	<u>2,400</u>	<u>2,400</u>
TOTAL DEMAND	14,821	14,890	14,570	14,570	14,570	14,570
ENDING STOCKS	1,235	1,485	829	1,156	1,400	1,809
Stocks/Usage	8.3%	10.0%	5.7%	7.9%	9.6%	12.4%

Daily July 2022 Corn Futures



Source: Marketview

In Summary

- **2021/22 carryout increased by 45 million bushels to 1.485b. Exports were lowered by 50mm and industrial usage increased by 5mm. These were the only 2 changes on the old crop balance sheet.**
- **2022/23 carryout was increased by 40 million bushels to 1.400b. This increase was a direct result of the 21/22 carryout increase minus a 5mm bushel export increase.**
- **2021/22 Global ending stocks for both corn and beans were at the top end of the ranges at 310.9 million tons and 86.2 million tons respectively.**
- **Traders quickly returned their focus to less than optimal weather patterns, global supply chain issues and faltering US and world economies as key indicators of commodity trends.**

Thank You

