

Grain Processing Corporation



Prepared By
Supply Chain
Commodity Department

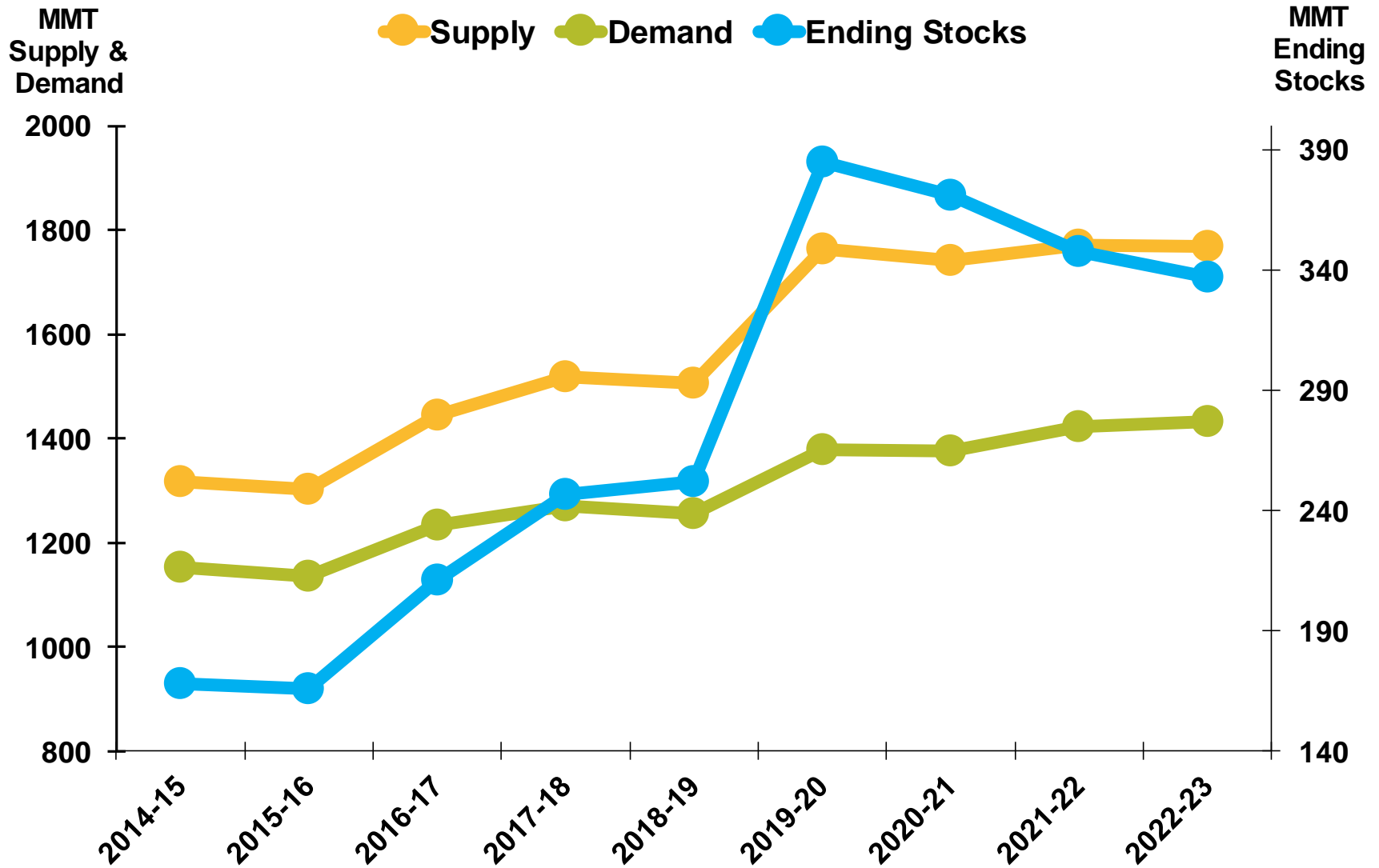
Corn Market Perspective

October 12, 2022

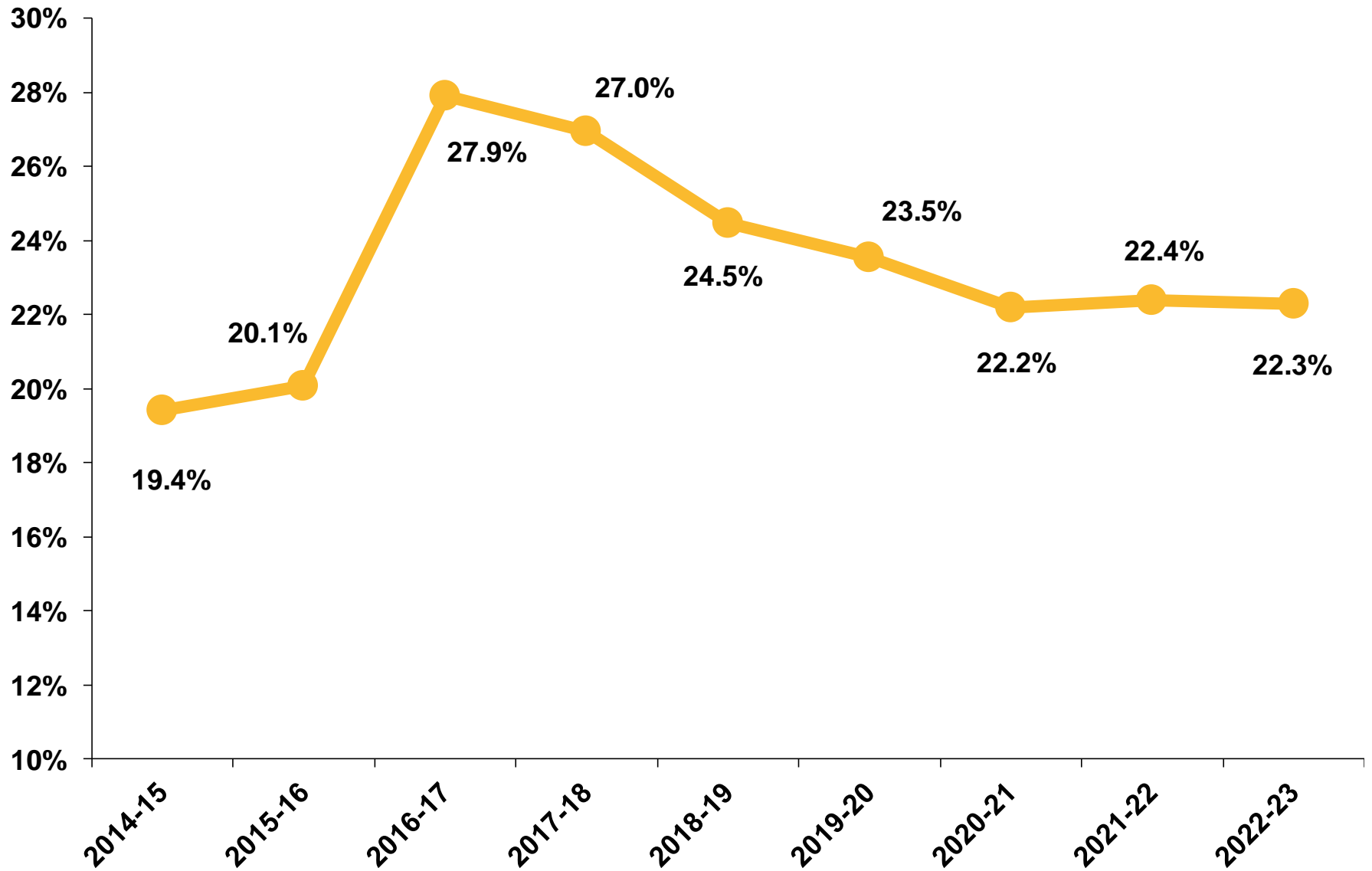
World S&D Overview

WORLD COARSE GRAIN SUPPLY & DEMAND

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



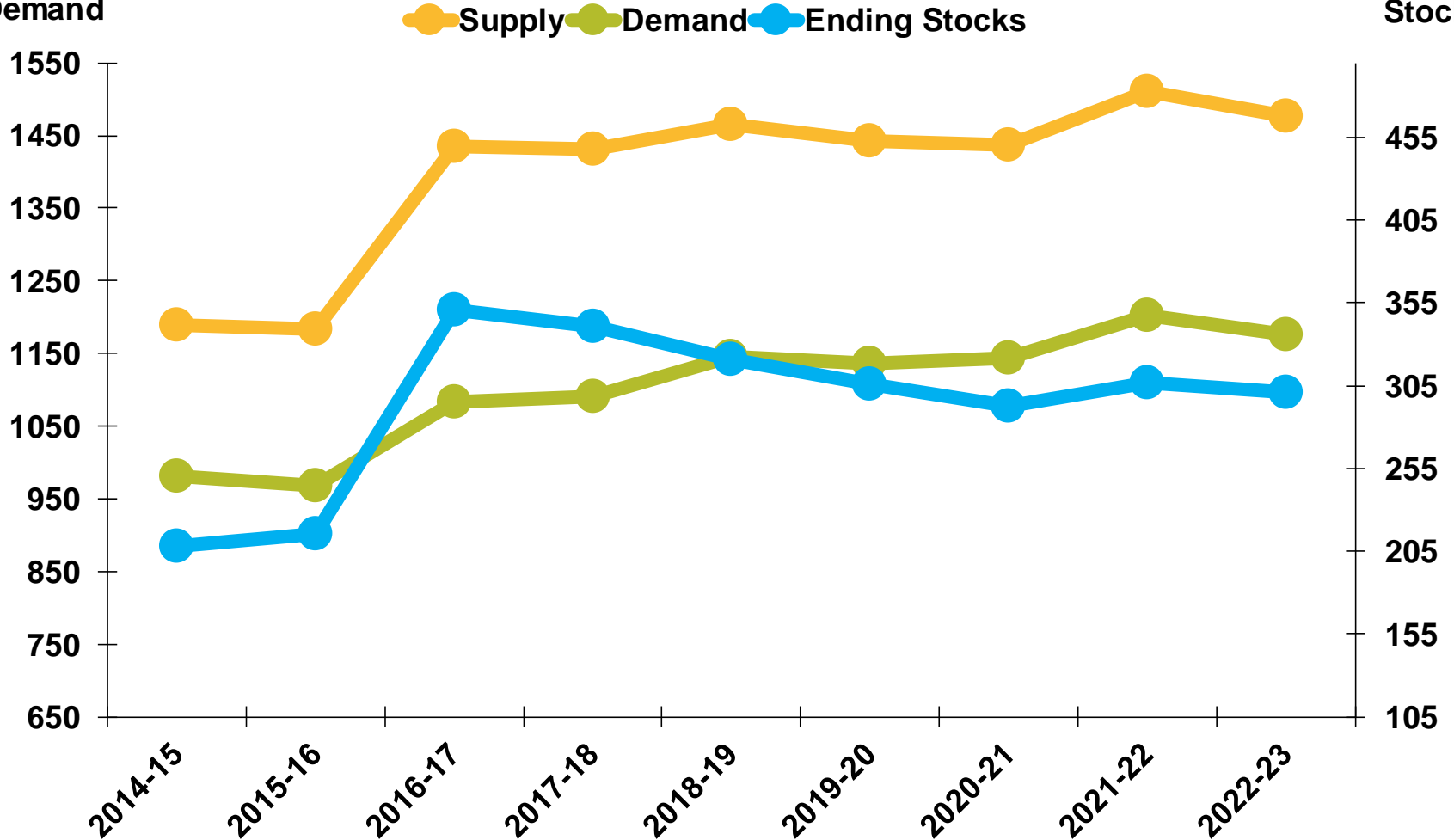
WORLD COARSE GRAIN



WORLD CORN SUPPLY & DEMAND

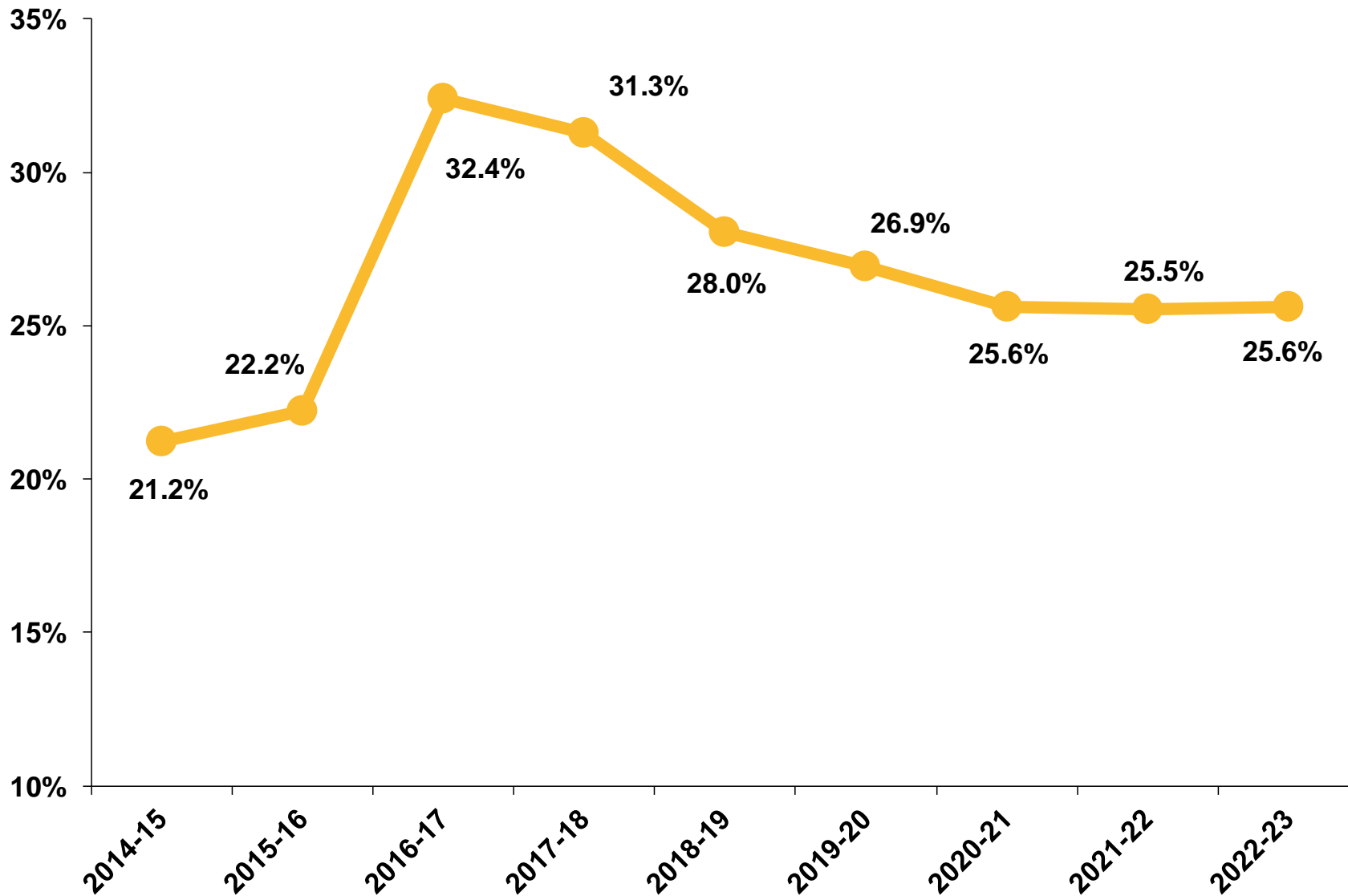
MMT
Supply &
Demand

MMT
Ending
Stocks

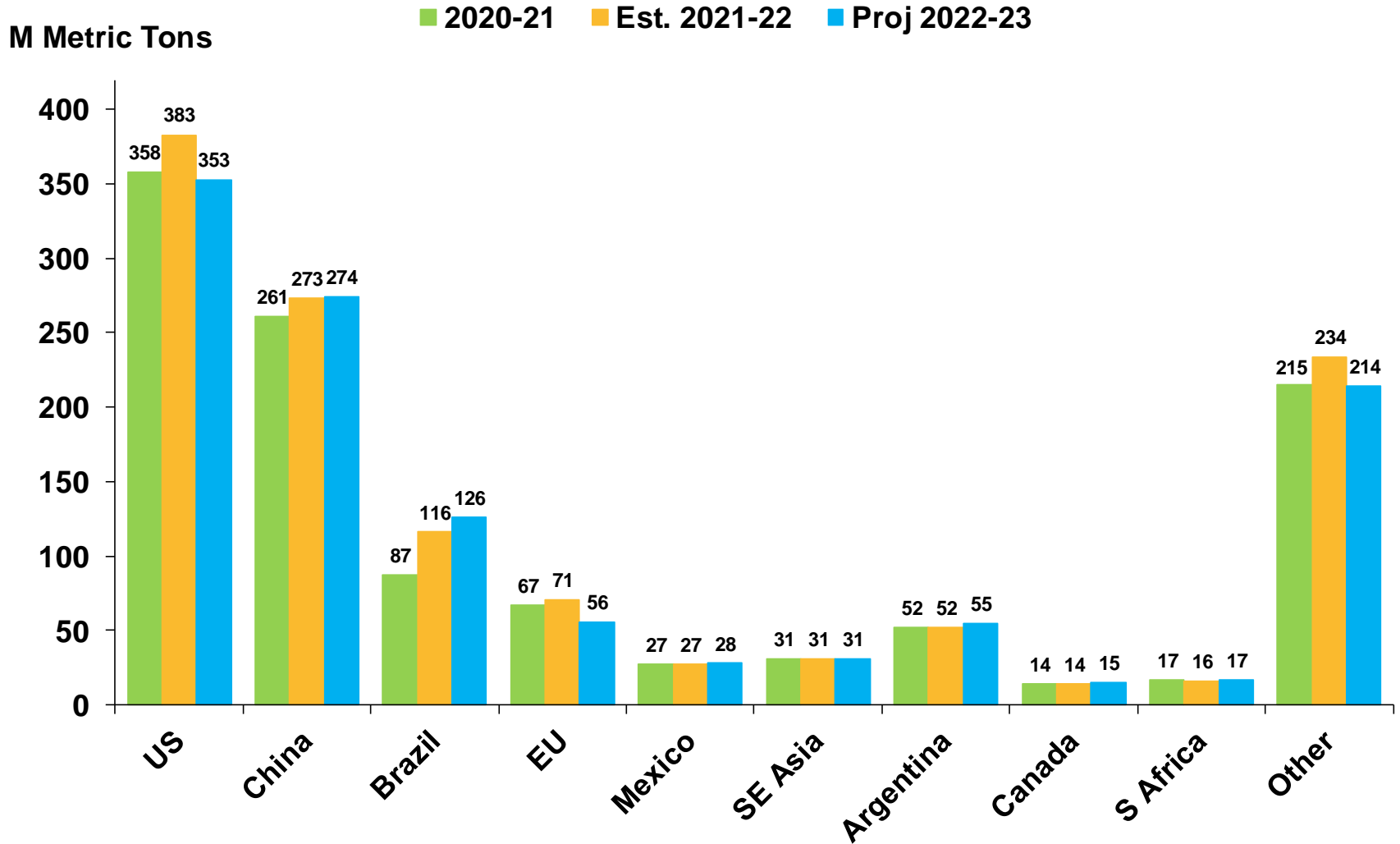


WORLD CORN

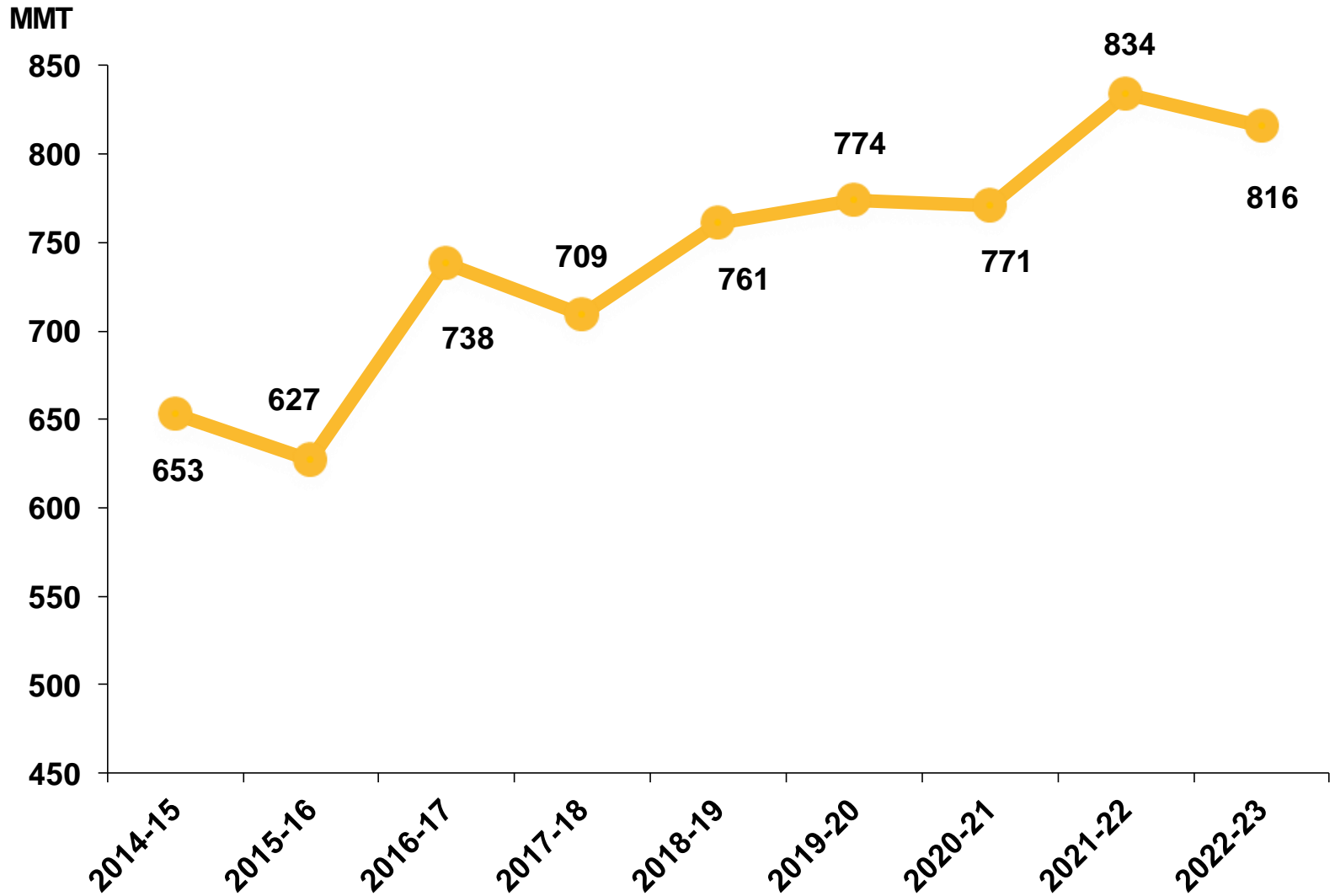
% ENDING STOCKS / DEMAND



WORLD CORN PRODUCTION

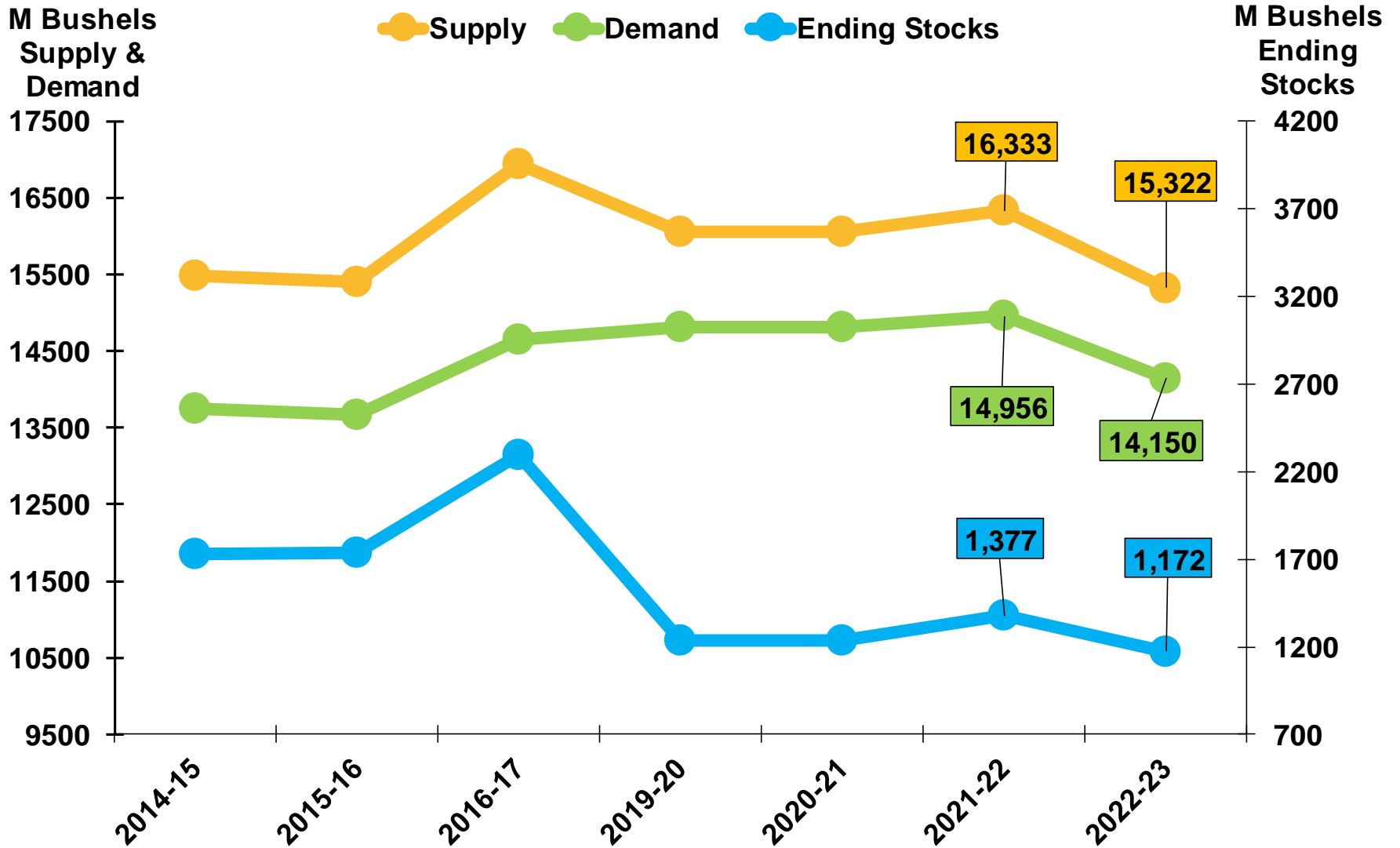


WORLD CORN PRODUCTION MINUS U.S.



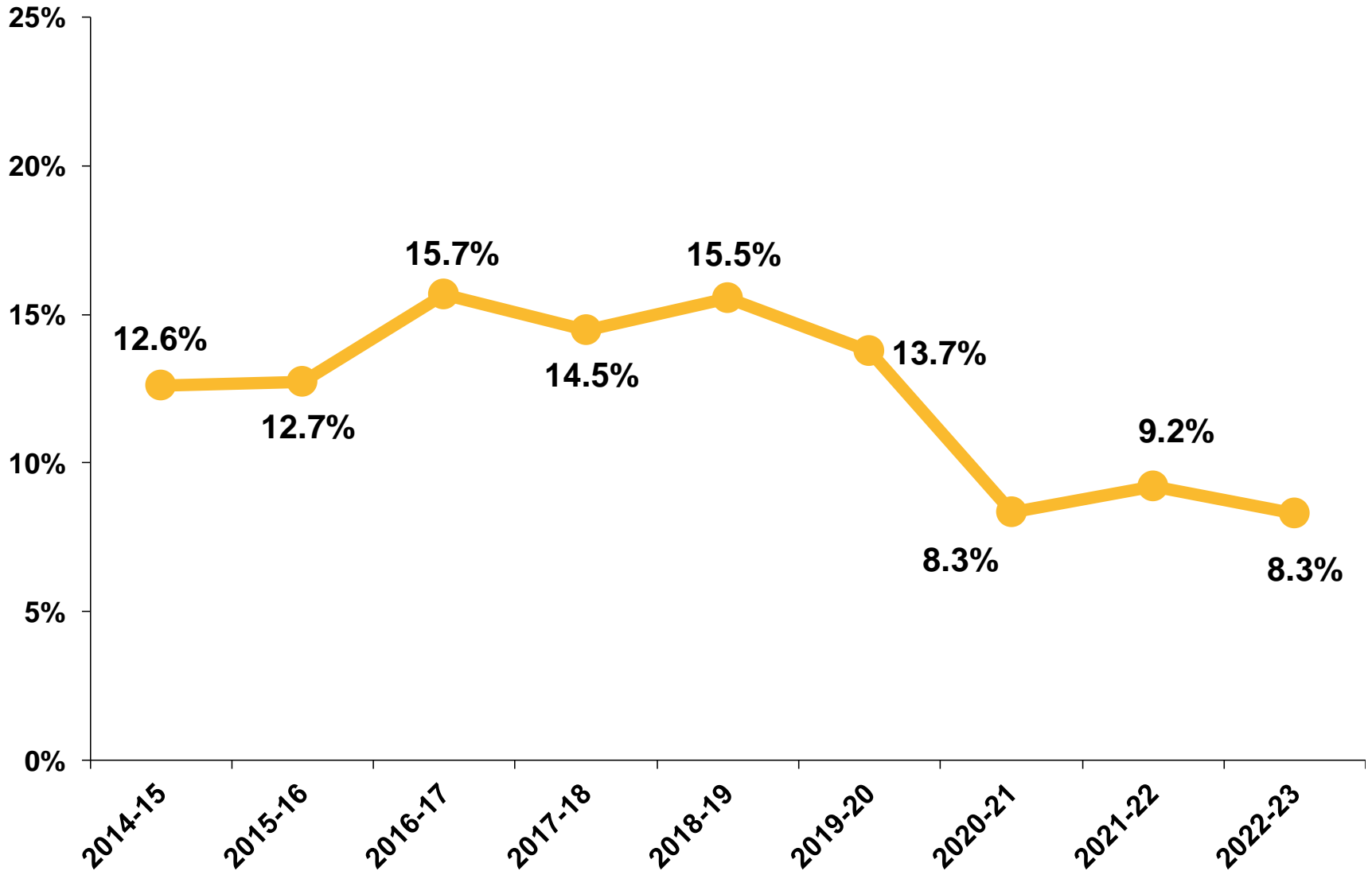
**U.S.
S&D
Overview**

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 October, 2022

| | <u>2020-21</u> | <u>Est. 2021-22</u> | <u>Proj. 2022-23</u> |
|--------------------------|----------------|---------------------|----------------------|
| Planted (mil. acres) | 90.7 | 93.3 | 88.6 |
| Harvested (mil. acres) | 82.3 | 85.3 | 80.8 |
| Yield (bus./acre) | 171.4 | 176.7 | 171.9 |
| Production (mil. bu.) | 14,111 | 15,074 | 13,895 |

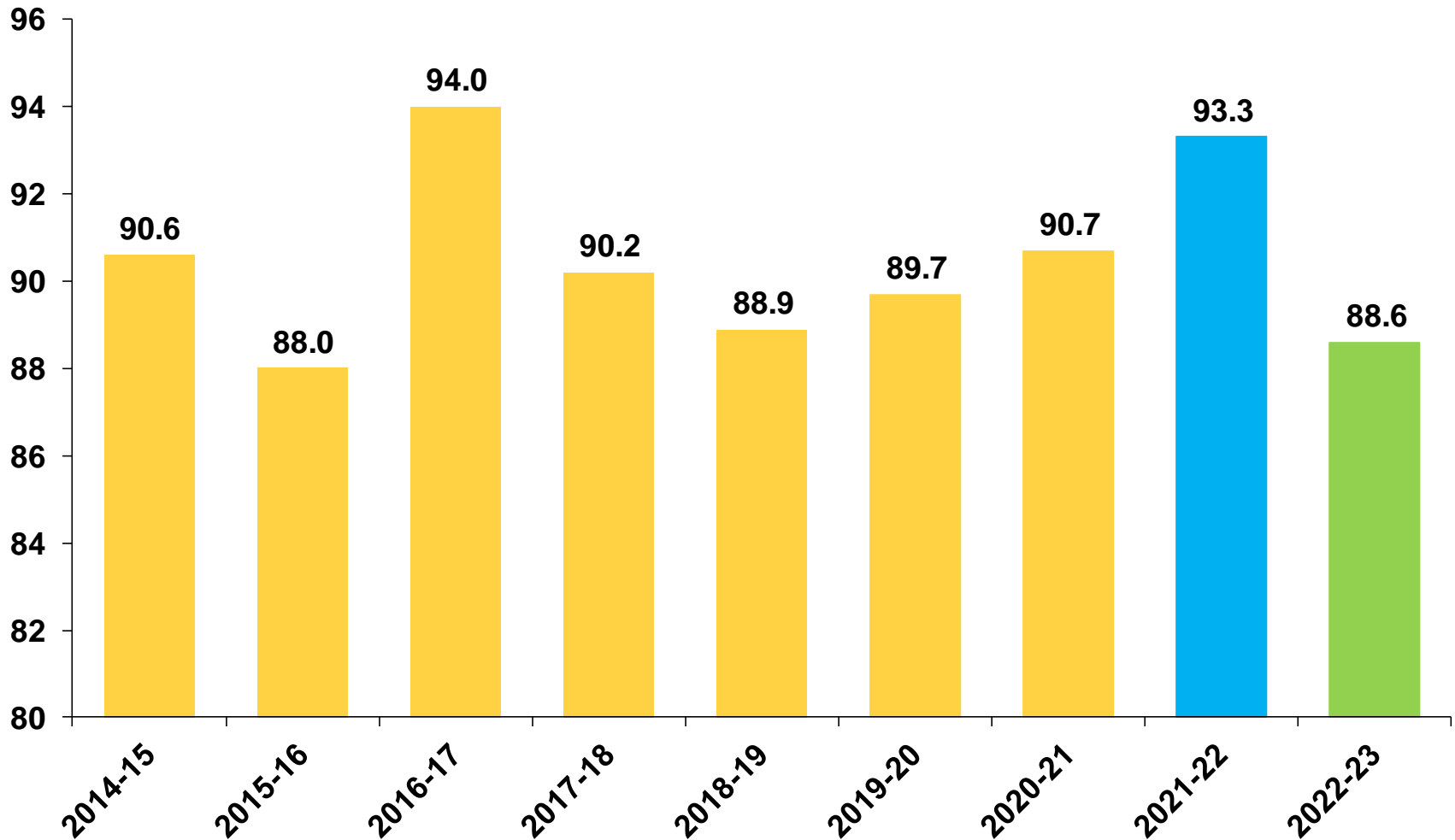
U.S. CORN SUPPLY / DEMAND

(million bushels)

| | <u>2020-21</u> | <u>Est. 2021-22</u> | <u>Proj. 2022-23</u> |
|-------------------------------------|----------------|---------------------|----------------------|
| Beginning Stocks | 1,919 | 1,235 | 1,377 |
| Production | 14,111 | 15,074 | 13,895 |
| Imports | 24 | 24 | 50 |
| TOTAL SUPPLY | 16,055 | 16,333 | 15,322 |
| Feed | 5,602 | 5,715 | 5,275 |
| Food/Ind/Seed | 6,472 | 6,769 | 6,725 |
| Ethanol | 5,033 | 5,328 | 5,275 |
| Exports | 2,747 | 2,471 | 2,150 |
| TOTAL DEMAND | 14,821 | 14,956 | 14,150 |
| ENDING STOCKS | 1,235 | 1,377 | 1,172 |
| ENDING STOCKS / TOTAL DEMAND | 8.3% | 9.2% | 8.3% |
| Average Farm Price | \$4.53 | \$6.00 | \$6.80 |

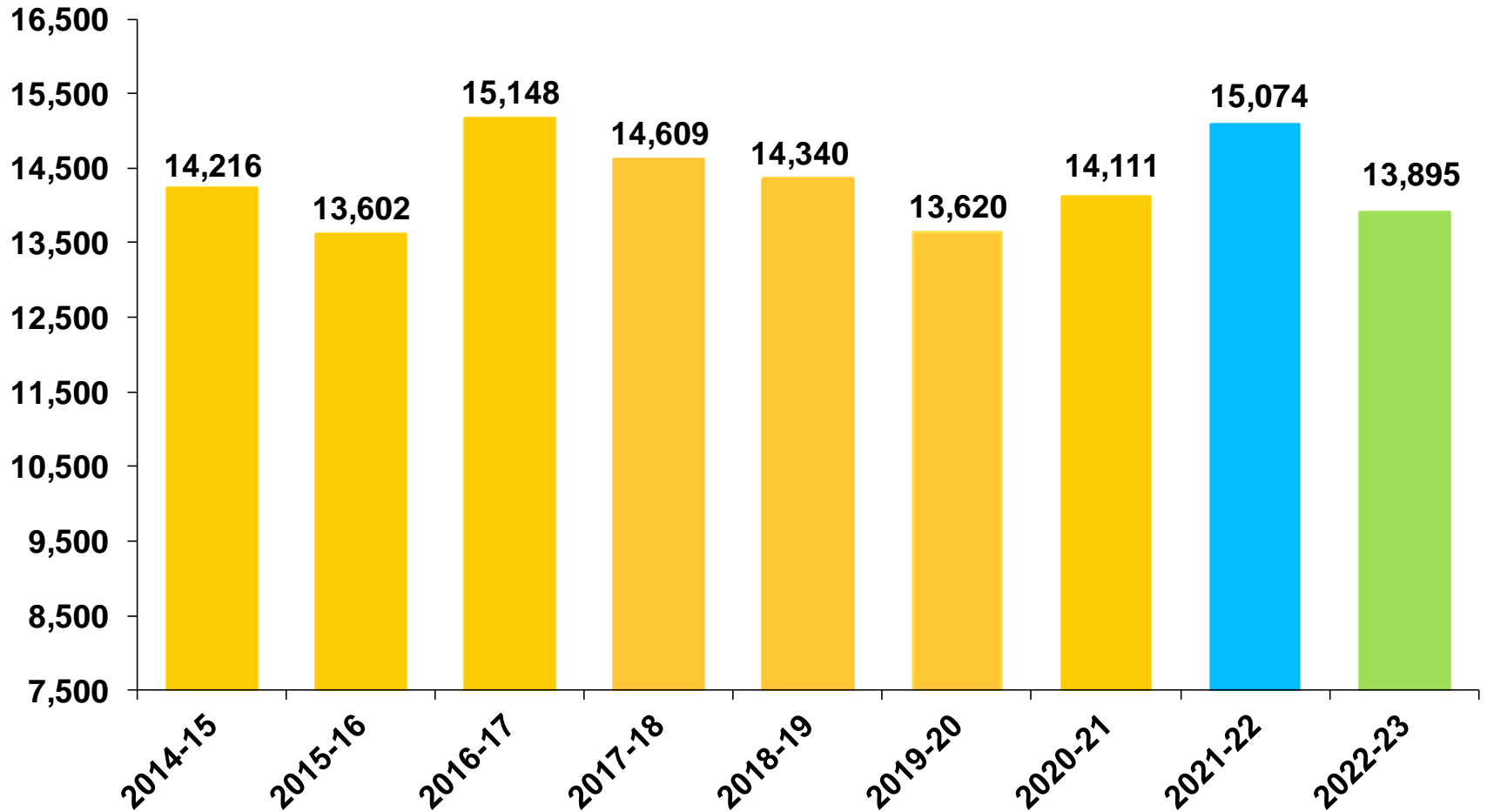
U.S. CORN PLANTED ACRES

M Acres



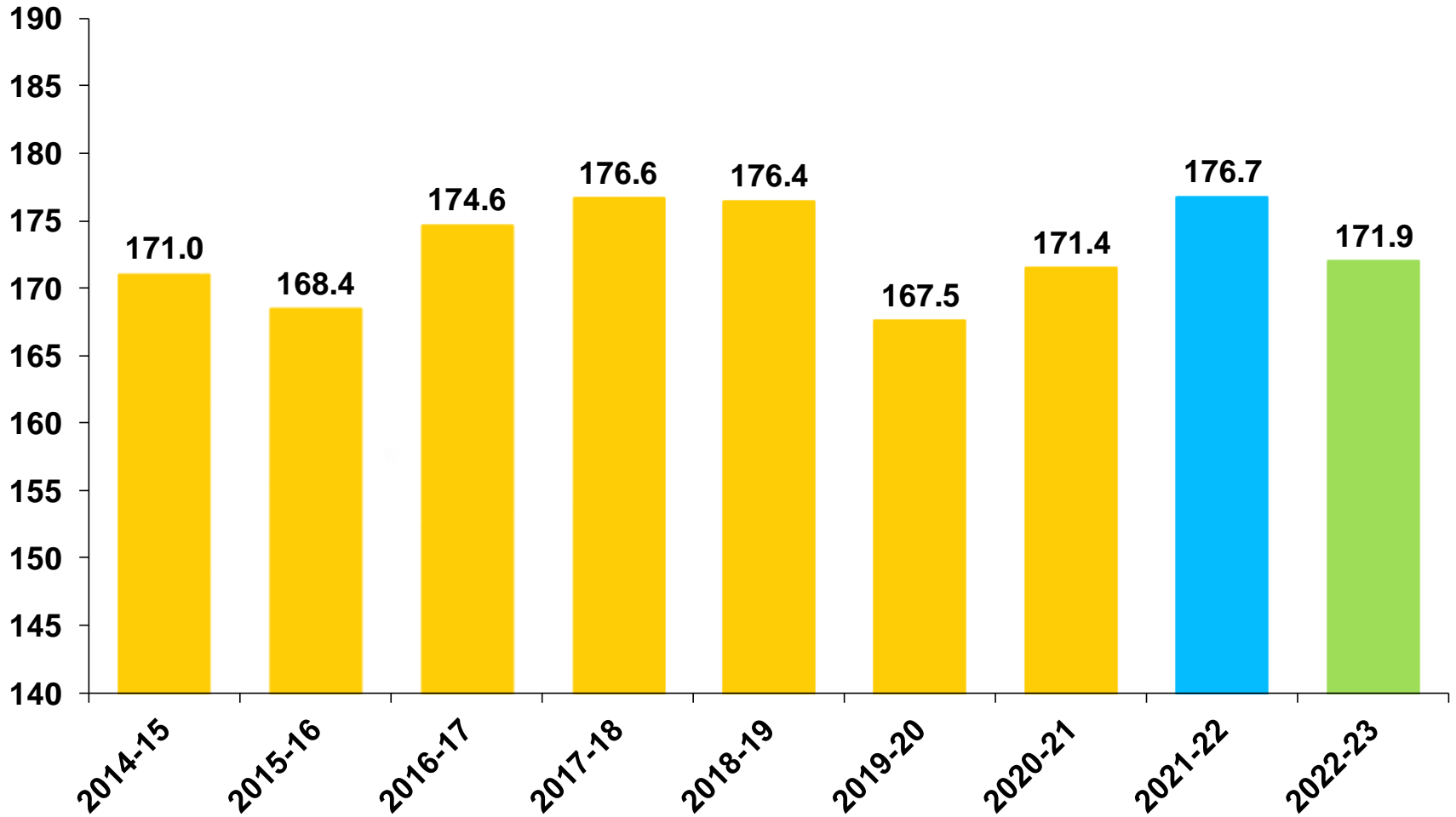
U.S. CORN PRODUCTION

M Bushels



U.S. CORN YIELD

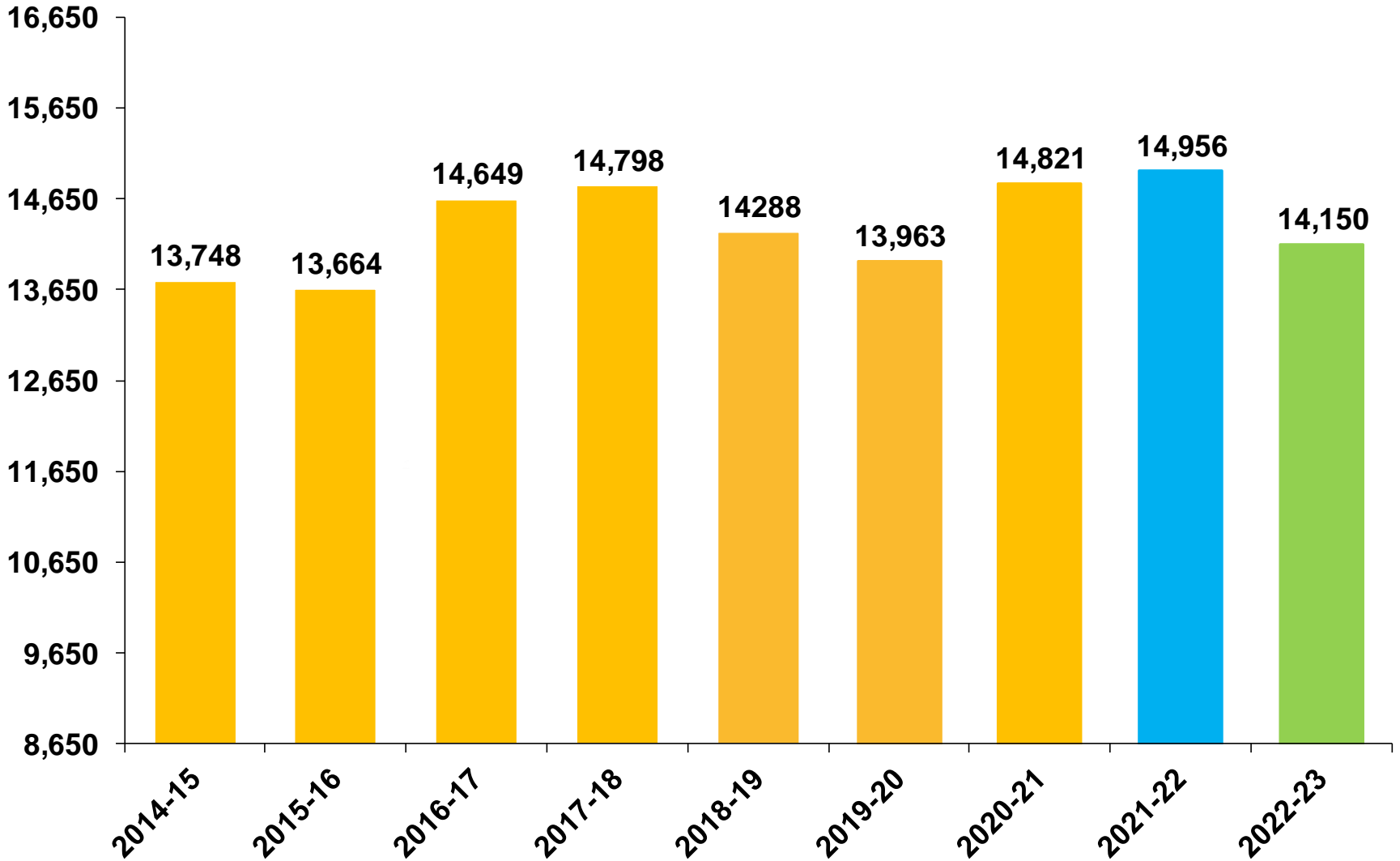
Bu./Acre



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

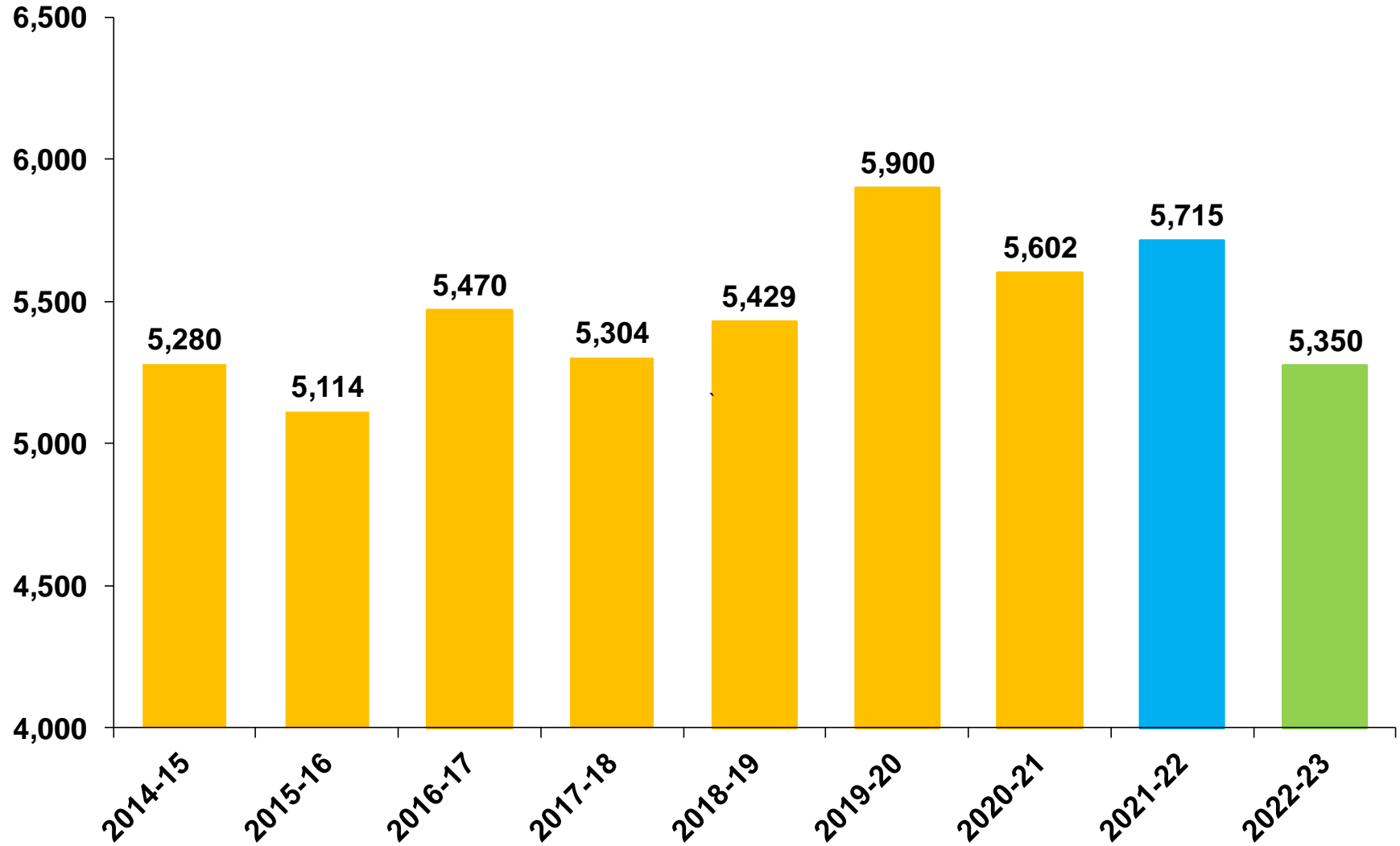
U.S TOTAL DEMAND

M Bushels



U.S. FEED DEMAND

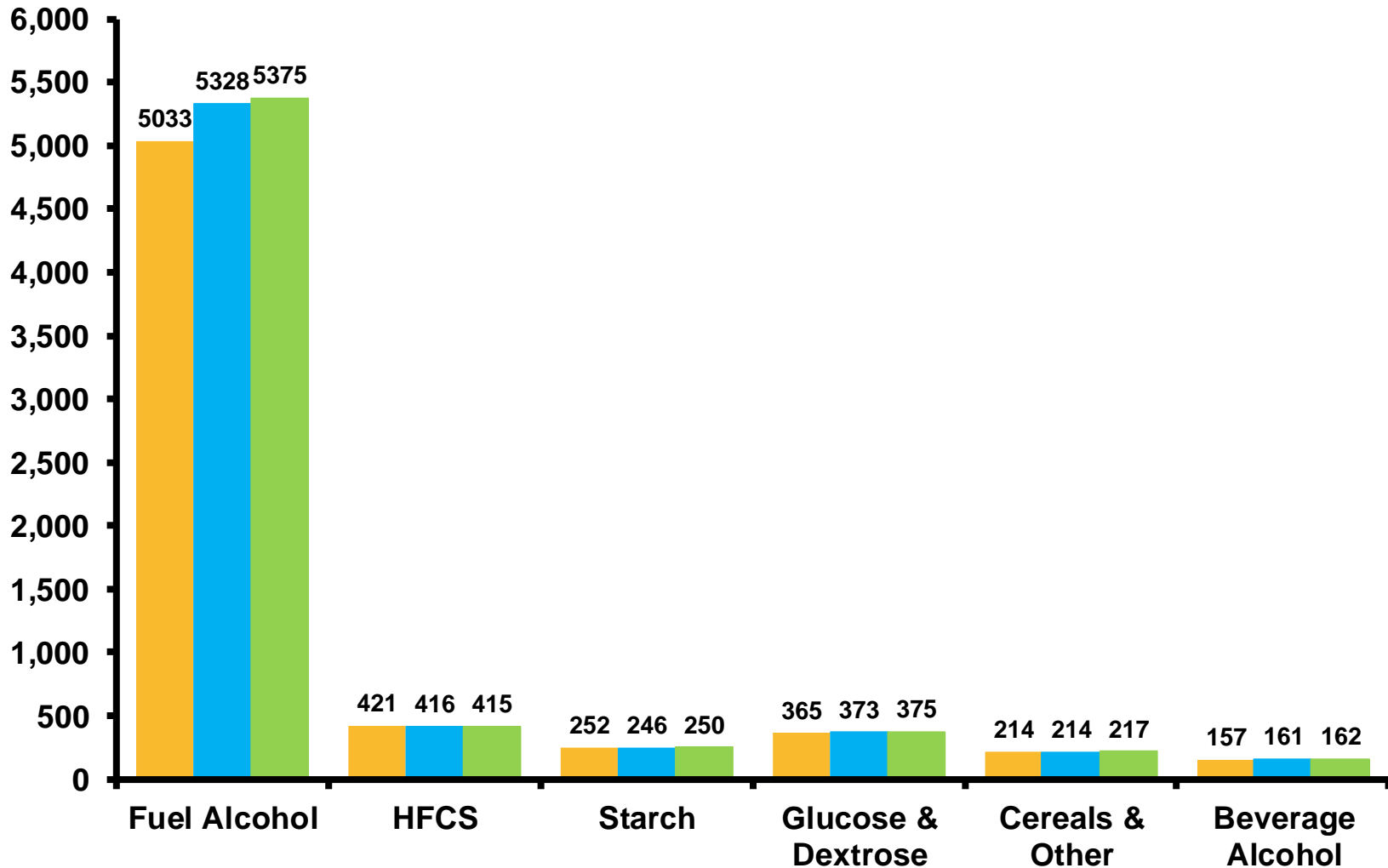
M Bushels



U.S. INDUSTRIAL DEMAND

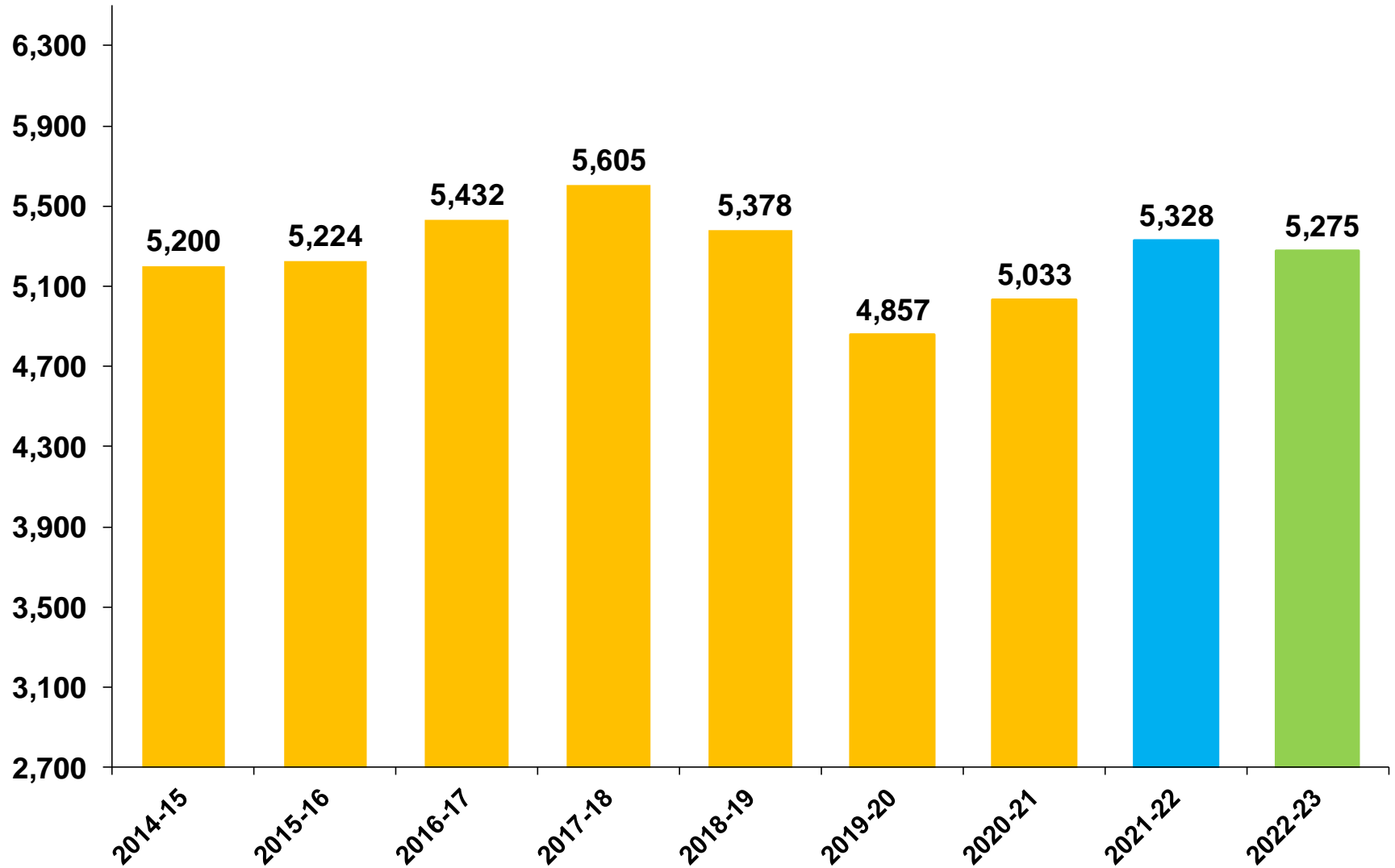
M Bushels

2020-21 2021-22 2022-23



U.S. ETHANOL DEMAND

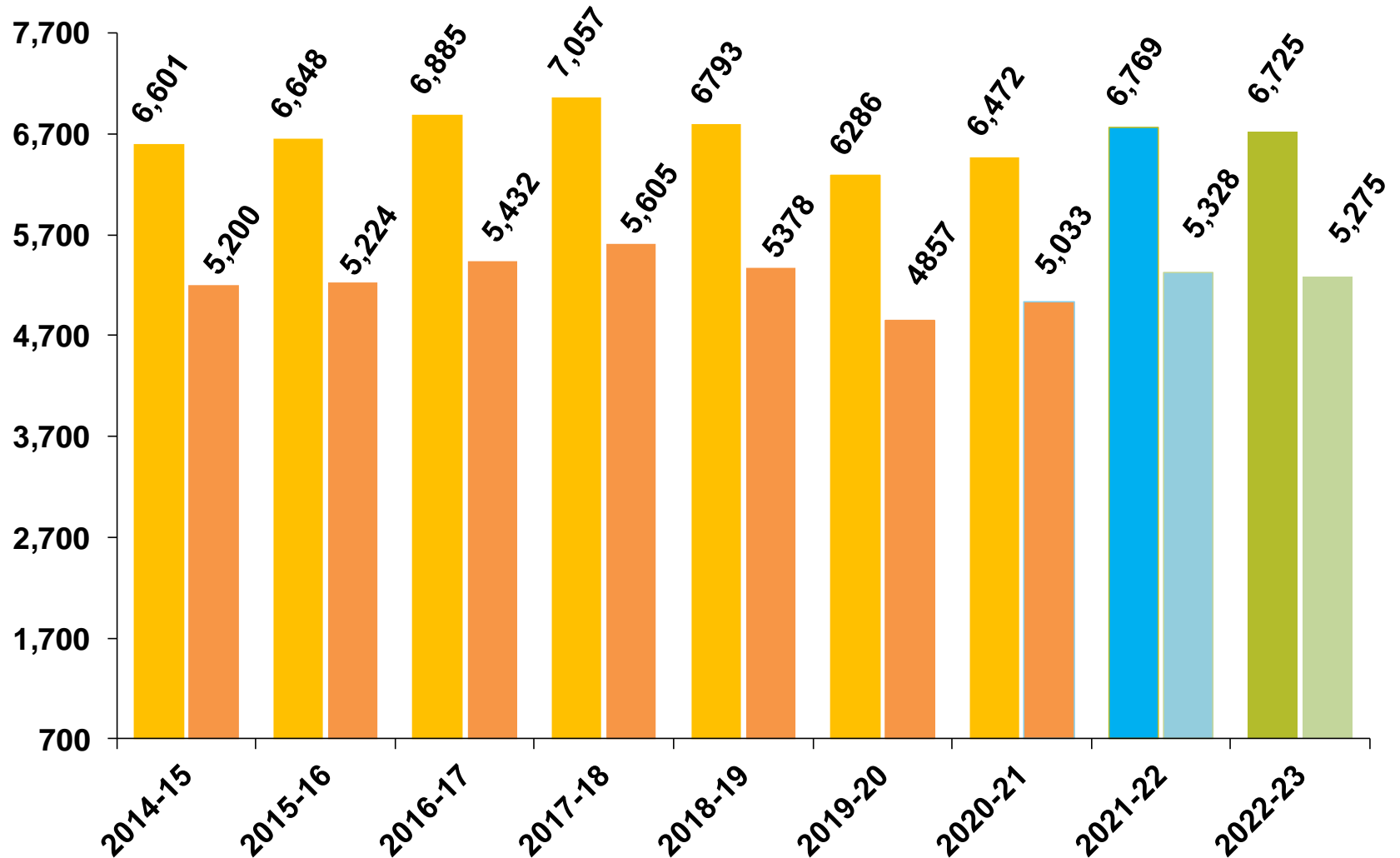
M Bushels



INCREASE IN FOOD SEED & INDUSTRIAL

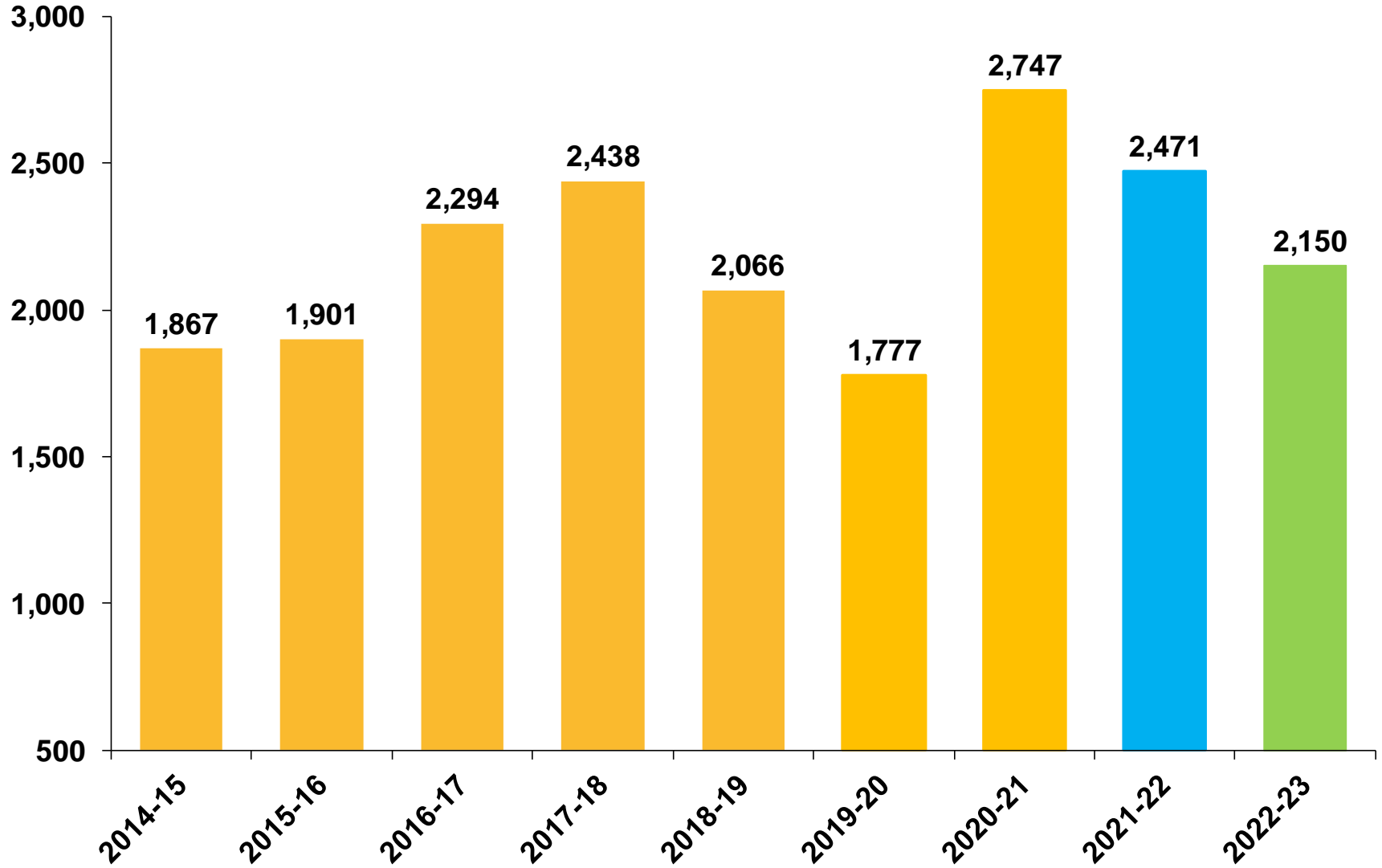
M Bushels

Industrial Ethanol



U.S. EXPORT DEMAND

M Bushels



U.S. CORN PRODUCTION

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

| | | | | | | |
|------------------------|--------|--------|--------|--------|--------|--------|
| Planted (mil. acres) | 90.7 | 93.3 | 88.6 | 88.6 | 88.6 | 88.6 |
| Harvested (mil. acres) | 82.3 | 85.3 | 80.8 | 80.8 | 80.8 | 80.8 |
| Yield (bus./acre) | 171.4 | 176.7 | 170.5 | 171.2 | 171.9 | 172.5 |
| Production (mil. bu.) | 14,111 | 15,074 | 13,776 | 13,833 | 13,895 | 13,938 |

U.S. CORN SUPPLY / DEMAND

(million bushels)

| | <u>2020-21</u> | <u>2021-22</u> | | | | |
|----------------------|----------------|----------------|---------------|---------------|---------------|---------------|
| Beginning Stocks | 1,919 | 1,235 | 1,377 | 1,377 | 1,377 | 1,377 |
| Production | 14,111 | 15,074 | 13,776 | 13,833 | 13,895 | 13,938 |
| Imports | 24 | 24 | 50 | 50 | 50 | 50 |
| TOTAL SUPPLY | 16,055 | 16,333 | 15,203 | 15,260 | 15,322 | 15,365 |
| Feed | 5,602 | 5,715 | 5,275 | 5,275 | 5,275 | 5,275 |
| Food/Ind/Seed | 6,472 | 6,769 | 6,725 | 6,725 | 6,725 | 6,725 |
| Ethanol | (5,033) | (5,328) | (5,275) | (5,275) | (5,275) | (5,275) |
| Exports | <u>2,747</u> | <u>2,471</u> | <u>2,150</u> | <u>2,150</u> | <u>2,150</u> | <u>2,150</u> |
| TOTAL DEMAND | 14,821 | 14,956 | 14,150 | 14,150 | 14,150 | 14,150 |
| ENDING STOCKS | 1,235 | 1,377 | 1,053 | 1,110 | 1,172 | 1,215 |
| Stocks/Usage | 8.3% | 9.2% | 7.4% | 7.8% | 8.3% | 8.6% |

Daily December 2022 Corn Futures



Source: Marketview

In Summary

- **US corn production was reduced 49 million bushels due to a reduced yield forecast at 171.9 for 2022-23.**
- **2022-23 US Corn supply fell more than demand causing ending stocks to be lowered 47 million bushels.**
- **Corn used for ethanol was lowered 50 million bushels.**
- **Corn for feed and residual use was raised 50 million bushels.**
- **The average farm price of corn was raised 5 cents per bushel to \$6.80.**
- **Global corn stocks were reduced 3.3 million to 301.2 million tons.**

Thank You

