

Weekly Article

12-13-2021

World Grain Stocks Report Summary

Hello, my Name is Richard Purdin with OSU Extension, Ag and Natural Resource Educator and Community Development Educator for Adams County. I hope to better inform local producers and the public of the latest news in the world of agriculture. Is it December or March? Mother nature seems to be a bit confused these days, with 40° temperature swings and windy conditions, the latter half of fall and beginning of winter seems more like the transition of winter to spring. Last Friday into Saturday morning was a historical weather event to say the least with many areas seeing historical storms. With that said the damage in western Kentucky was unreal and devastating especially this time of year, remember to keep all those who lost loved ones and has experienced property damage in your prayers. It is the Christmas season, that means last minute trying to find that perfect gift (at least this is my situation), for those early birds this might not be an issue but supply chain issues and Covid restrictions are still playing the part of the grinch these days. For farmers, December has another factor that can make the season either jolly or naughty, that is the final World Grain Stocks Report. The December report is usually filled with a lot of potential shake ups in the grain market due to end of year harvest results, south American planting and growing conditions, and world supply and demand for our three large grain commodities, corn, soybeans, and wheat. This year's report was a calm report with little effect on our grain prices. Here are some key takes aways that I took note of as I listened in on the report.

- USDA reported no change for U.S. corn stocks, but world stocks increased slightly to 305 million metric tons.
- Corn used for ethanol production = 5.45 billion bushels. This is a healthy demand.
- U.S average basis is very tight sitting at .10 /bushel.
- Our biggest corn importer is China, but Ukraine is very competitive on price.
- China produces very little corn compared to what they consume, the current price of a bushel of corn in China = \$10.66
- World Soybean stocks are down 1million metric tons from last months report to102million metric tons.
- China is importing less U.S. soybeans.
- U.S. Soybean exports to China has decreased 21% and future commitments are down 30% from a year ago.

- Argentina is reporting 20% drop in shipping cost and a potential record soybean crop.
- World Wheat Stocks is sitting at 1.86 billion bushels, this is the lowest it has been in 14 years.
- There is concern for the southern plain's wheat crop due to drought conditions.
- Currently average wheat price for 2022 is forecasted to average \$7.97/bushel speculators are forecasting prices to even go higher!

Some other details to go over.

- Private, Commercial, and Fertilizer applicator testing dates will be January 13, 2022, and March 10th, 2022, located at Ohio valley CTC. To register online by going to pested.osu.edu or call ODA (pesticide division) at 614-728-6987.
- January 11, 2022, private pesticide applicator/fertilizer applicator recertification 5:00pm-9:00pm held at the Ohio valley CTC 175 Lloyd Rd West Union, Ohio 45693 Cost is \$35 for both pesticide and fertilizer and \$15 for those just needing fertilizer recertification only. Please register with our office first by calling (937) 544-2339 and mailing your checks to 215 North Cross St RM104 West Union, Ohio, 45693.
- February 15th will be the second private pesticide/fertilizer applicator recertification, location of this event will be at the West Union Frisch's (back meeting room) 11157 St Rt41, West Union, Ohio 45693. Register by calling (937) 544-2339 and mailing payments of \$35 for both Pesticide and fertilizer or \$15 for fertilizer only to the office 215 North Cross St RM104 West Union, OH 45693.
- Report Fall Seeded Crops (Wheat, Rye, Barley etc..) by December 15th, 2021
- USDA NRCS announces deadlines for the Environmental Quality Incentive Program (EQIP), Conservation Stewardship Program (CSP), and Regional Conservation Partnership Program (RCPP). The Deadline to apply for these cost share programs is January 14th, 2022. Call (937)544-2033 ext. 3 for details.
- 2022 Tobacco GAP recertification course will be March 31, 2022, at Raines Farm and Greenhouse, 10:00am-12:00pm. This event will be open to both Adams and Brown County producers. Call the Adams County OSU Extension office to RSVP at (937) 544-2339.