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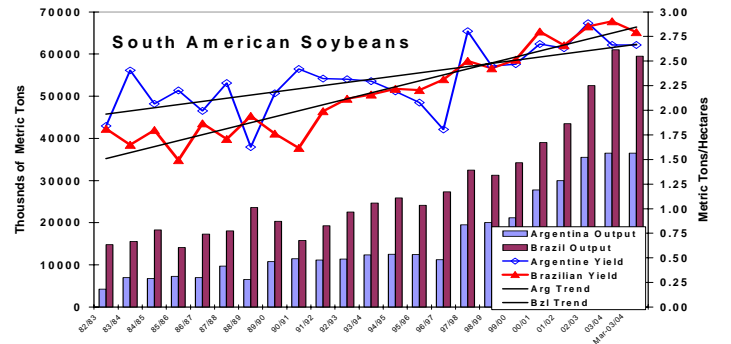
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# USDA doesn't cut Brazil's Bean Crop sharply on Weather

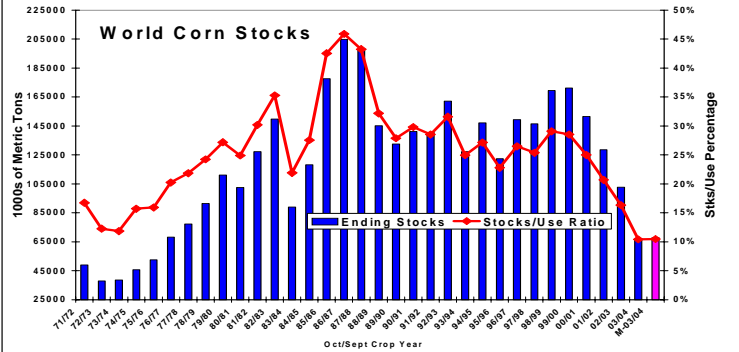
## Soybean Supply/Demand

(Millions)	2002/03	2003/04	2003/04
	USDA	Feb USDA	Mar USDA
Planted Acres	73.76	73.40	73.40
Harvested Acres	72.16	72.32	72.32
Yield in Bu.	38.0	33.4	33.4
Beg Stocks	208	178	178
Production	2,749	2,418	2,418
Imports	5	8	8
<b>Total Supply</b>	<b>2,962</b>	<b>2,604</b>	<b>2,604</b>
Crush	1,615	1,455	1,465
Seed/Residual	124	124	124
Ttl Domestic	1,739	1,579	1,589
Exports	1,045	900	890
<b>Total Usage</b>	<b>2,784</b>	<b>2,479</b>	<b>2,479</b>
Ending Stocks	178	125	125
Stks/Use Ratio	6.4%	5.0%	5.0%



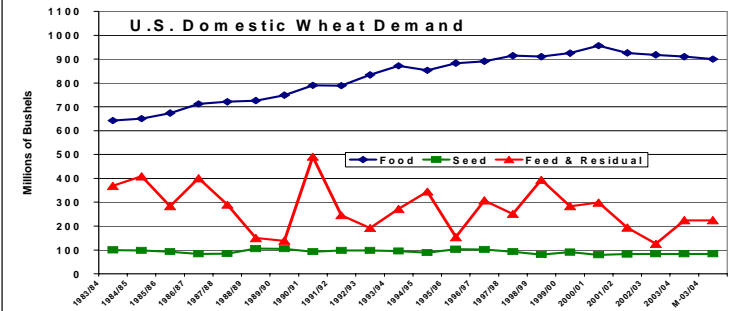
## Corn Supply/Demand

(Millions)	2002/03	2003/04	2003/04
	USDA	Feb USDA	Mar USDA
Planting Acres	79.05	78.74	78.74
Harvested Acres	69.31	71.14	71.14
Yield in Bu.	130.0	142.2	142.2
Beg Stocks	1,596	1,087	1,087
Production	9,008	10,114	10,114
Imports	15	10	10
<b>Ttl Supply</b>	<b>10,619</b>	<b>11,211</b>	<b>11,211</b>
Feed & Residual	5,594	5,800	5,800
Food/Seed/Ind	2,346	2,510	2,510
Ttl Domestic	7,940	8,310	8,310
Exports	1,592	2,000	2,000
Ttl Usage	9,532	10,310	10,310
Ending Stocks	1,087	901	901
Stks/Use Ratio	11.4%	8.7%	8.7%



## Wheat Supply/Demand

(Millions Bu.)	2002/03	2003/04	2003/04
	USDA	Feb USDA	Mar USDA
Beg Stocks	777	491	491
Production	1,619	2,337	2,337
Imports	77	75	75
<b>Ttl Supply</b>	<b>2,473</b>	<b>2,903</b>	<b>2,903</b>
Food	918	910	900
Seed	84	84	84
Feed	126	225	225
<b>Ttl Domestic</b>	<b>1,128</b>	<b>1,219</b>	<b>1,209</b>
Export	854	1,150	1,150
<b>Ttl Usage</b>	<b>1,982</b>	<b>2,369</b>	<b>2,359</b>
End Stocks	491	534	544
Stocks/Use	24.8%	22.5%	23.0%



As expected, Wednesday's monthly U.S. supply/demand reports didn't have many revisions, but the USDA did provide a few curveballs for the markets. In soybeans, recent slow overseas sales prompted a 10 million bu. cut in exports to 890 million, but U.S. crush was increased by 10 million bu., leaving old-crop stocks at 125 million bu. However, the USDA didn't reduce its Brazilian bean estimate as far as recent trade projections, with only a 1.5 mmt cut to 59.5 mmt. USDA did drop its yield estimate slightly, to 2.79 metric tons/ha from 2.9 mt, but 300,000 more hectares of area were added, too. Concerns still remain within the trade about further output cuts due to wetness in Mato Grosso, but the USDA seems reluctant to cut Brazil's crop after underestimating this crop by 1-3 mmt vs. the final output the last 3 years. No change were made in Argentina's output of 36.5 mmt., either.

No U.S. corn demand changes were made, and world corn stocks remain at late 1970s levels. In wheat, slow flour milling (low carb diets) prompted a 10 million bu. cut in U.S. food demand to 900 million bu, a 7 year low.

Corn & soybean could be in trade ranges ahead of the March 31 planting intentions depending upon Brazil's weather & the U.S. crushing pace, but larger world 04/05 supply ideas likely limits wheat's upside.



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