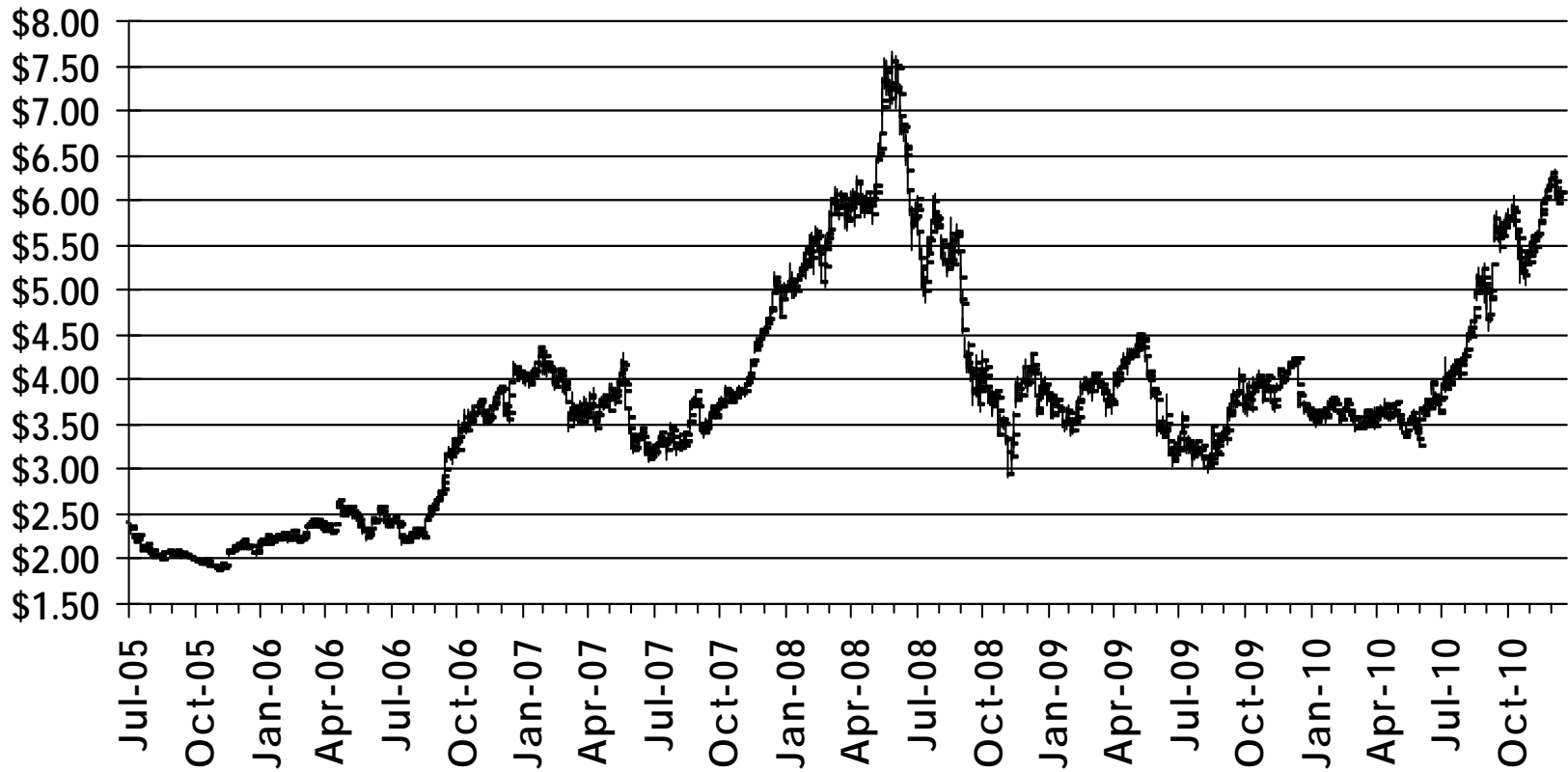


2011 Corn & Grain Sorghum Outlook

A Look Back



September 6, 2012

Arkansas Farm Bureau

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Yesterdays Numbers

➤ Corn

- » Area 88.2/81.4
- » Yield 152.8
- » Production 12,447
- » Use 11,480
- » Exports 1950
- » Ending Stocks 745
 - > 20.8 Days Supply

➤ Soybeans

- » Area 77.4/76.6
- » Yield 43.5
- » Production 3,329
- » Use 1,765
- » Exports 1,590
- » Ending Stocks 140
 - > 15.2 Days Supply

➤ Sorghum

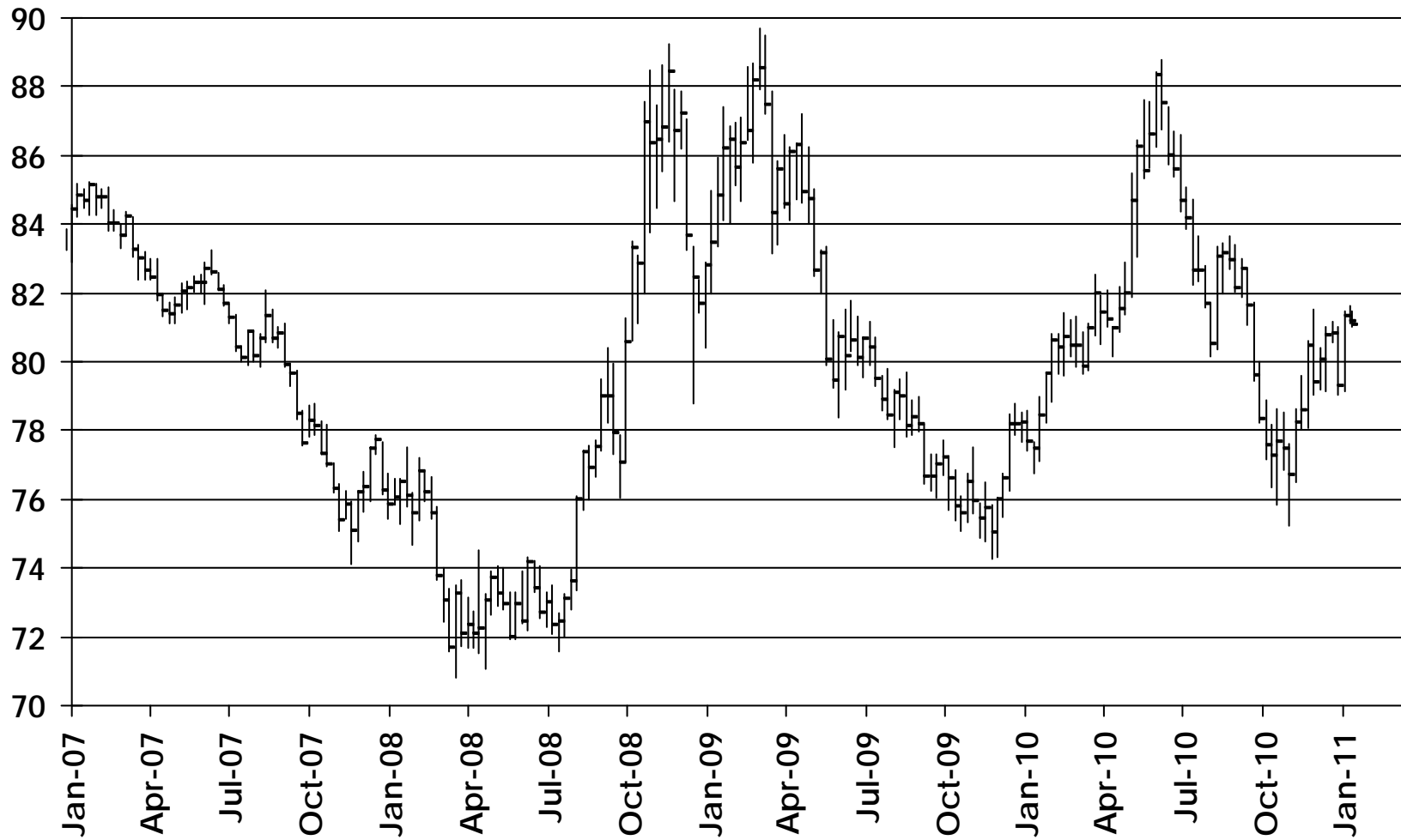
- » Area 5.4/4.8
- » Yield 71.8
- » Production 345
- » Use 200
- » Exports 150
- » Ending Stocks 37

➤ Cotton

- » Area 10.97/10.71
- » Yield 821
- » Production 18.32
- » Use 3.60
- » Exports 15.75
- » Ending Stocks 1.90

The Rest of the Story

Dollar Index



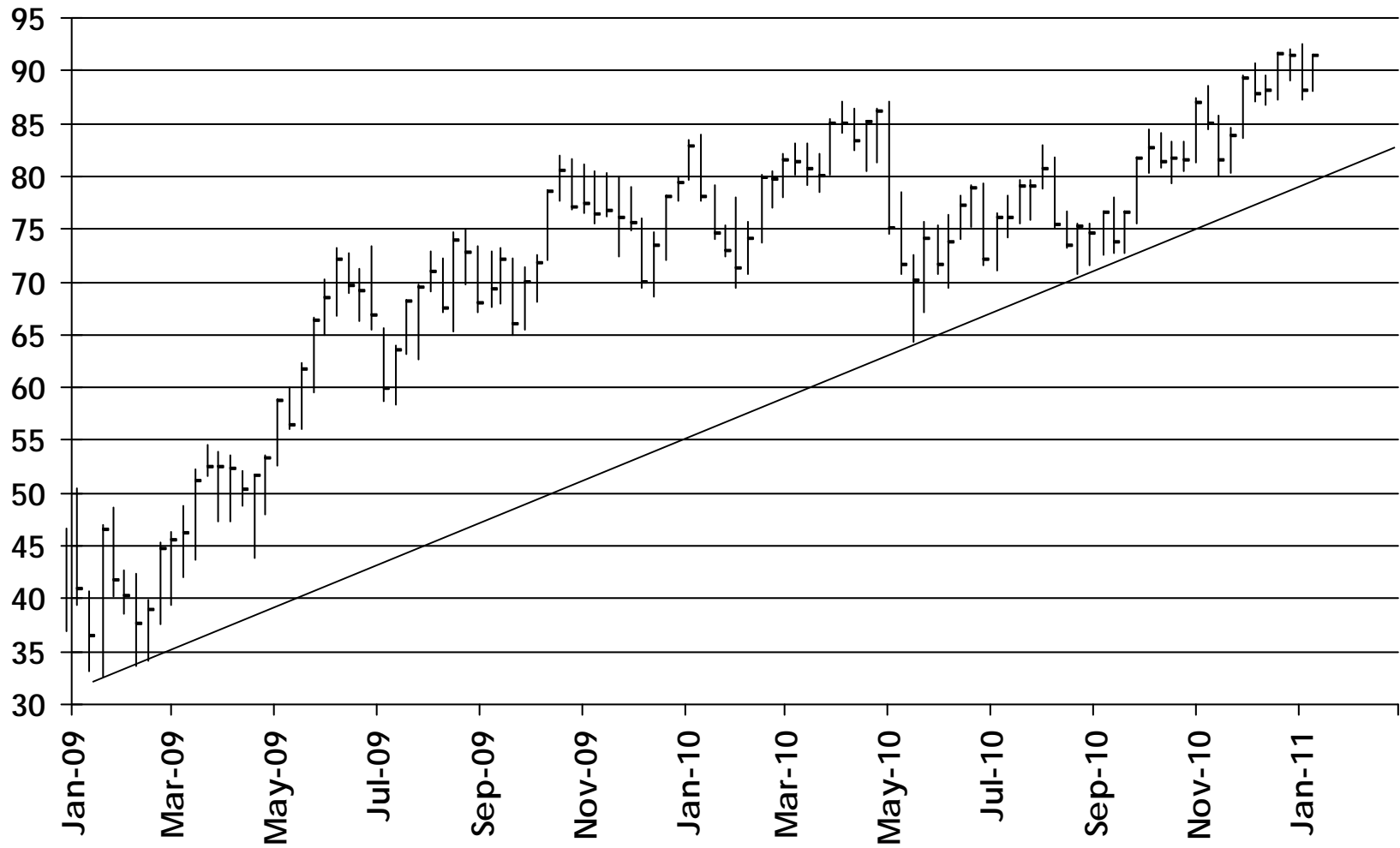
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Crude Oil



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What Does this Mean For 2011

How Much Corn/Beans Required in 2011

- 5-year Average Yield
 - » Corn 154.5
 - » Soybeans 42.4
- 5-year Average Total Use
 - » Corn 13,700
 - » Soybeans 3,100
- 5-Year Average Stocks
 - » Corn 1655
 - » Soybeans 304

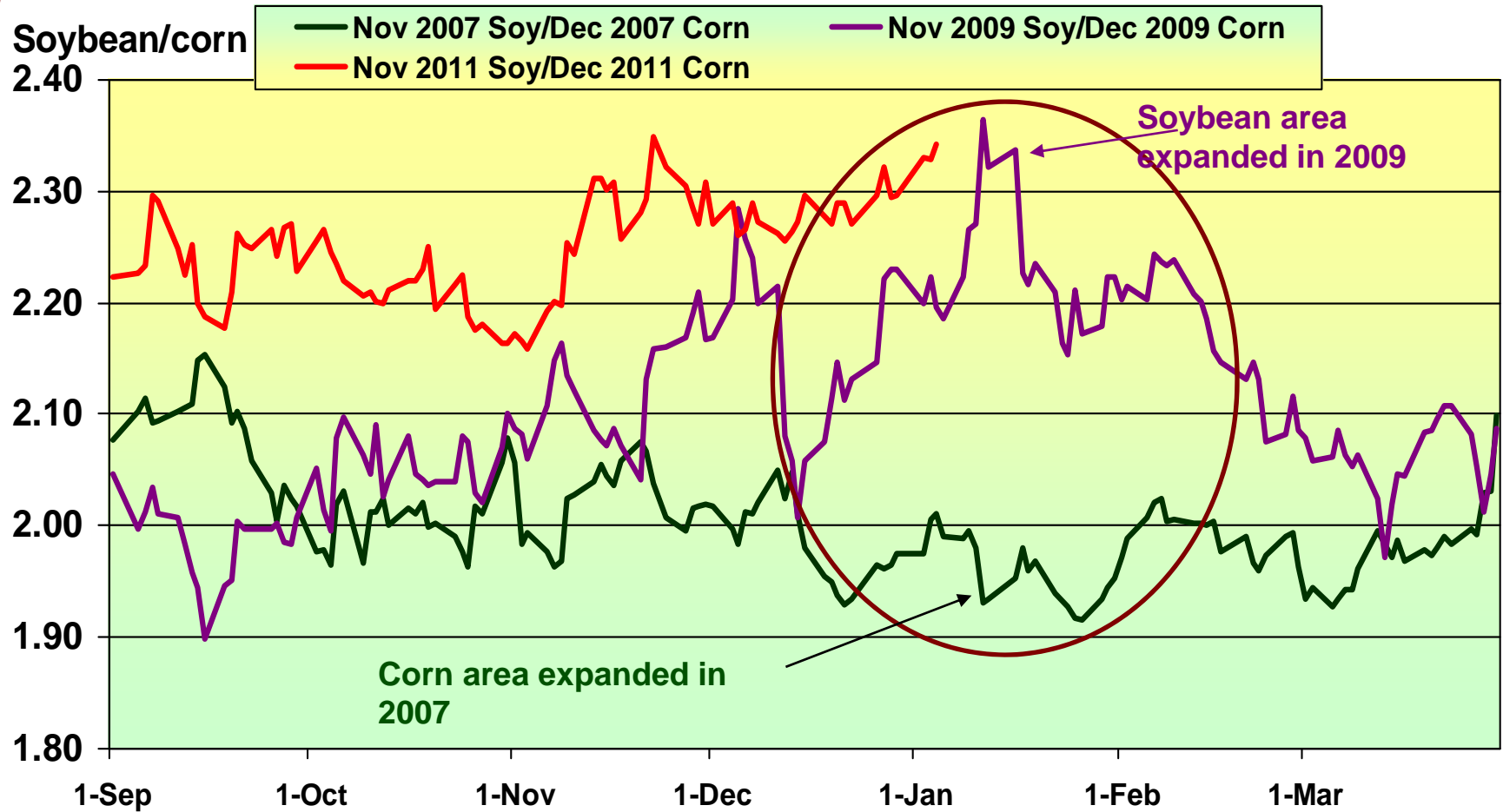
Yield Range

- » Corn
 - > Min 154
 - > Max 165
- » Soybeans
 - > Min 42
 - > Max 44

Area

- » Corn
 - > Min 94
 - > Max 99
- » Soybeans
 - > Min 76
 - > Max 79.5

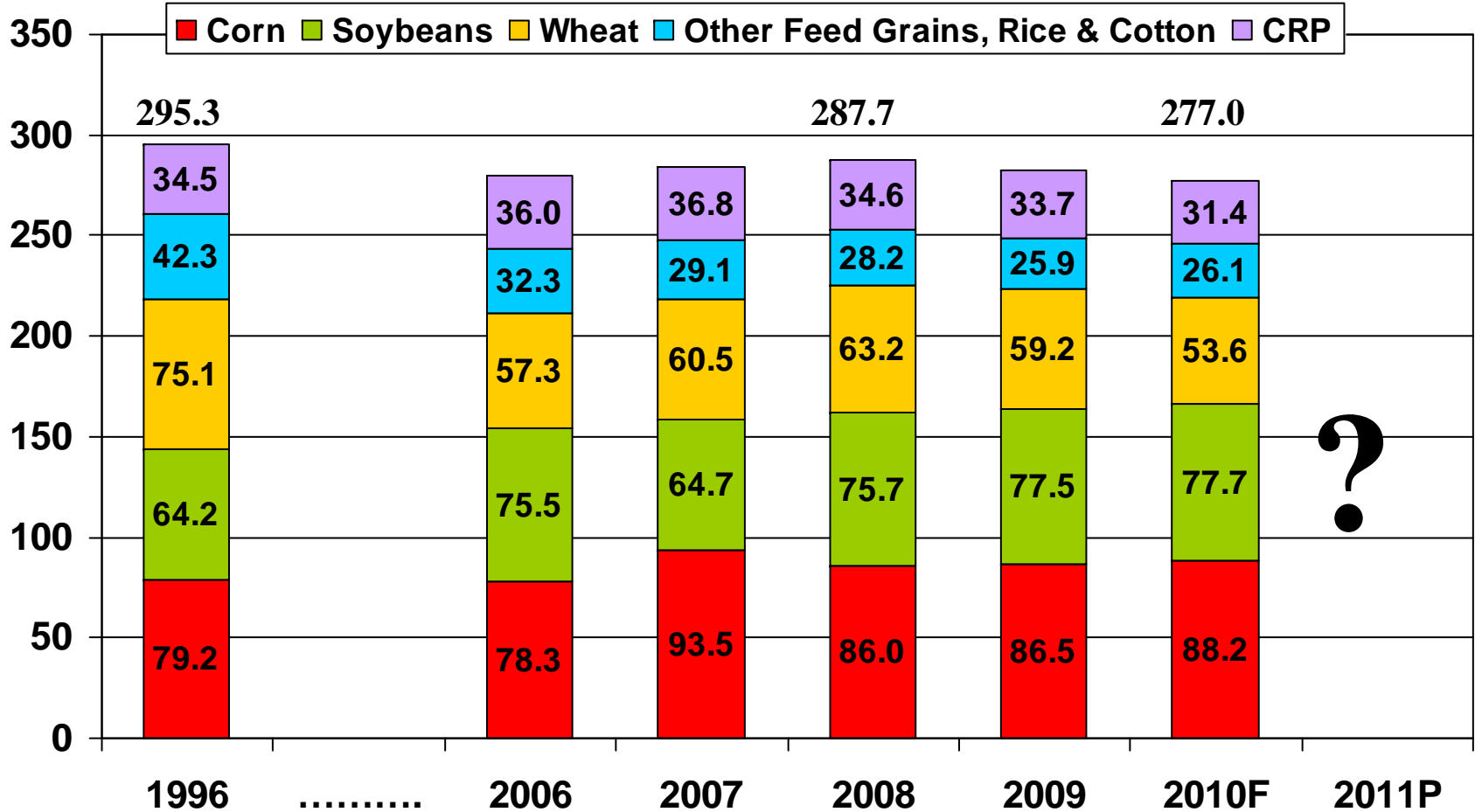
New-crop Soybean/Corn Price Ratios 2007-crop, 2009-crop, and 2011-crop thru Jan. 3, 2011



Note: Chicago Board of Trade daily settlement prices.

Available Acres

Mil. acres



Source: USDA-NASS, 2010 planted area forecast from the December 10, 2010, *Crop Production* report. CRP data from USDA-FSA.

Summary

- Tight stocks are likely to offer excellent opportunities for farmers with storage.
- Watch for Falling Dollar.
 - » Good for exports
 - » Bad for Fuel, Fertilizers, Chemicals, ect
- Look for local options to sell grain, not elevators
 - » Selling directly to poultry companies can be risky, making brokers a safe alternative
- Food V Fuel
 - » It's coming again

What Does This Mean for Sorghum

- Price of Sorghum Based on Corn!!!!
- Not Same Situation as 2007
 - » Wheat Supplies ample this time
- Great opportunities exist to get new customers
 - » New Markets opening up everyday
 - > Ethanol
 - > Food
 - > Exports
 - > And More