

# Monthly Grain Crop Review

## May 2019

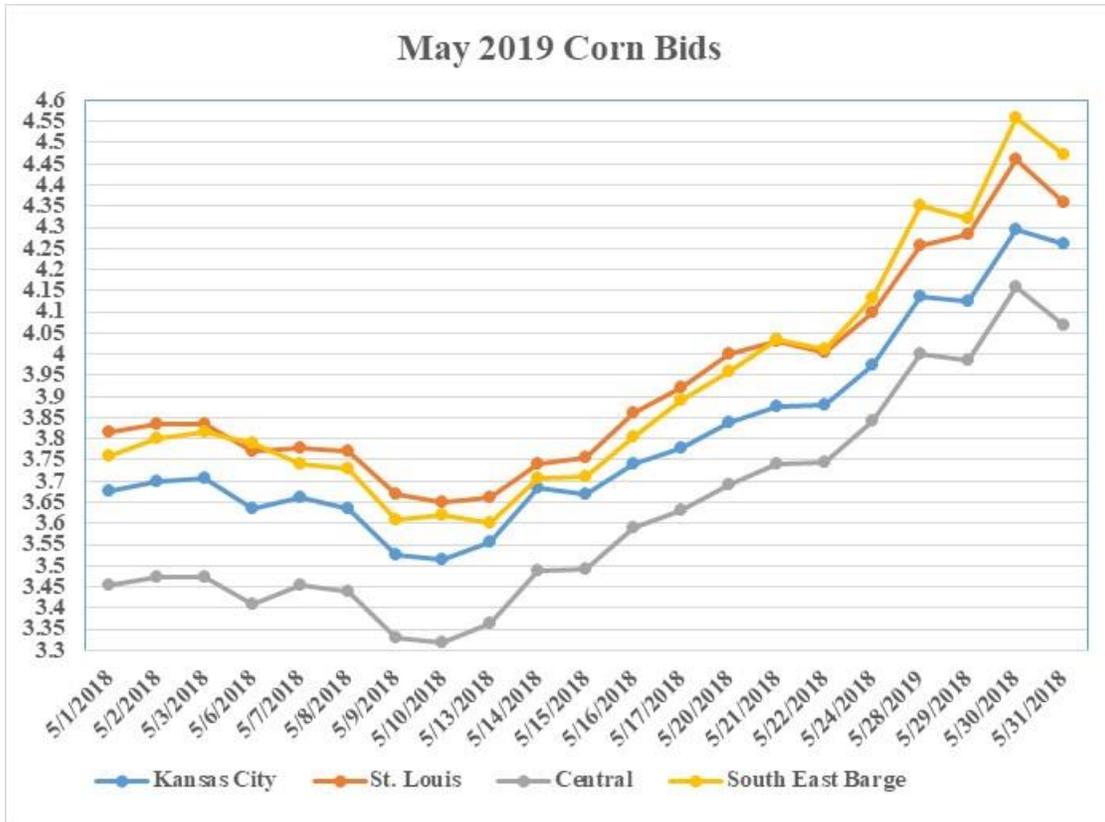
Jefferson City, MO Tuesday, June 4, 2019 MO Dept of Ag/USDA Market News

The main themes for this month are rain, flooding, and delayed planting. The delays from April persisted through May and planters were stalled. The saturated soils are going to need years to heal from what this spring has given us. Farmers have been forced to mud in crops while waiting for some dry weather. Final planting dates for insurance were quickly approaching, adding to the pressure. There were some dry days together the last part of May, making way for some seed to get into the ground, although field conditions continued to be less than ideal. If planting continues to be hindered, we will have to start thinking about if crops have time to mature before frost in October. Bushels will decrease the further planting is pushed back. After planting gets completed, the next hurdles to tackle will be fungicide application, fields needing to be replanted, as well as weed management. Industry analysts have been attempting to predict the number of acres that will go to prevent plant. Most are estimating a major increase, compared to previous years. According to Agricultural Economic Insights, there has been an average of 4.6 million acres of prevent plant for the last twelve years. However, at this point it is hard to tell how many acres will not be planted because even some farmers are unsure of what they will get into the ground. It all comes down to timing and ability to work around the weather. It may be awhile until we see the full picture.

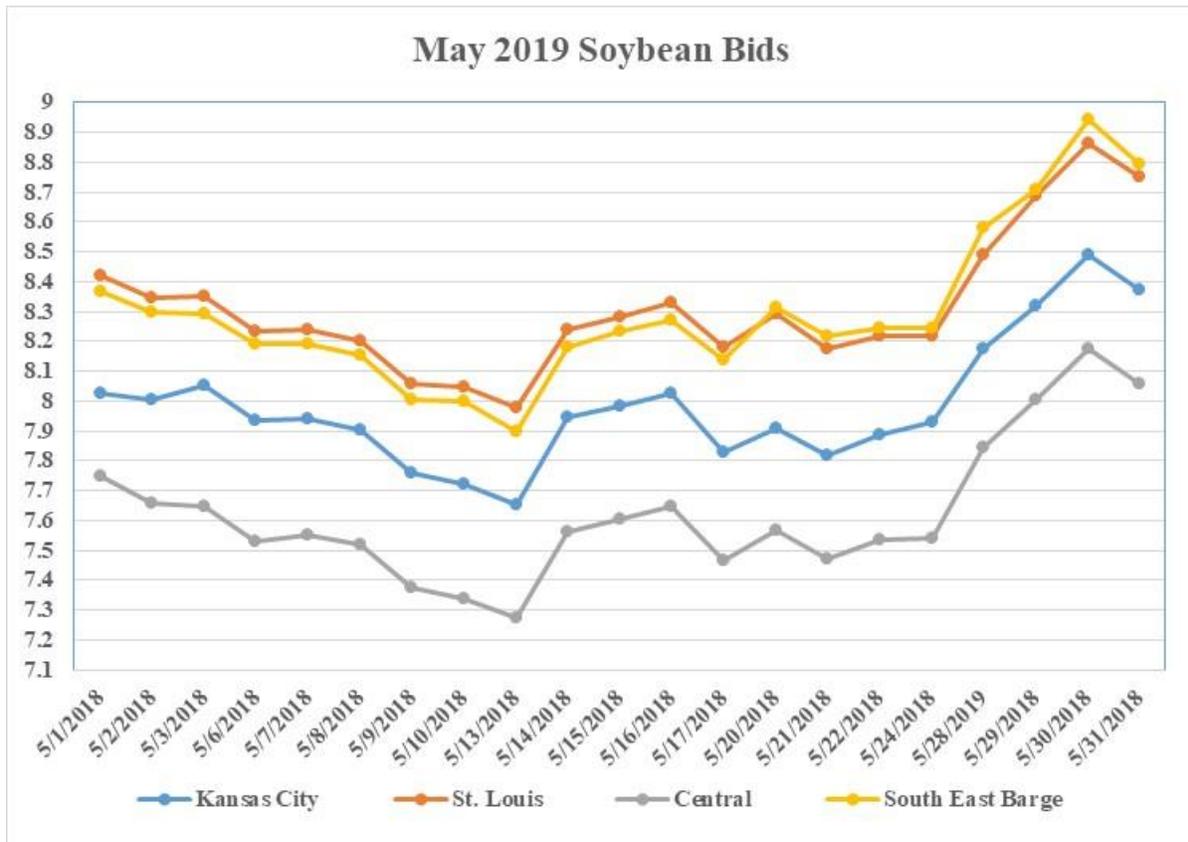
Markets finally started turning to weather markets in May. Spring always brings about volatility and weather markets. With the large domestic supplies of old crop soybeans, corn, and wheat, the markets had been slow to react to weather. Overseas trade relations have also been a factor of the delay of reaction.

A big win for the corn industry was that the EPA approved E15 to be sold year round. This will expand the biofuels market and create more demand for domestic corn supply. May's WASDE report estimated the U.S. corn crop at 15.0 billion bushels, with a yield projection of 176.0 bushels per acre. Total corn supplies are estimated at a record high at 17.2 billion bushels. USDA estimated soybeans at 4.150 billion bushels, down 394 million from last year, due to lower harvested area and yields. This year's wheat crop is projected at 1.897 billion bushels, slightly more than last year due to higher yields and decreased acreage.

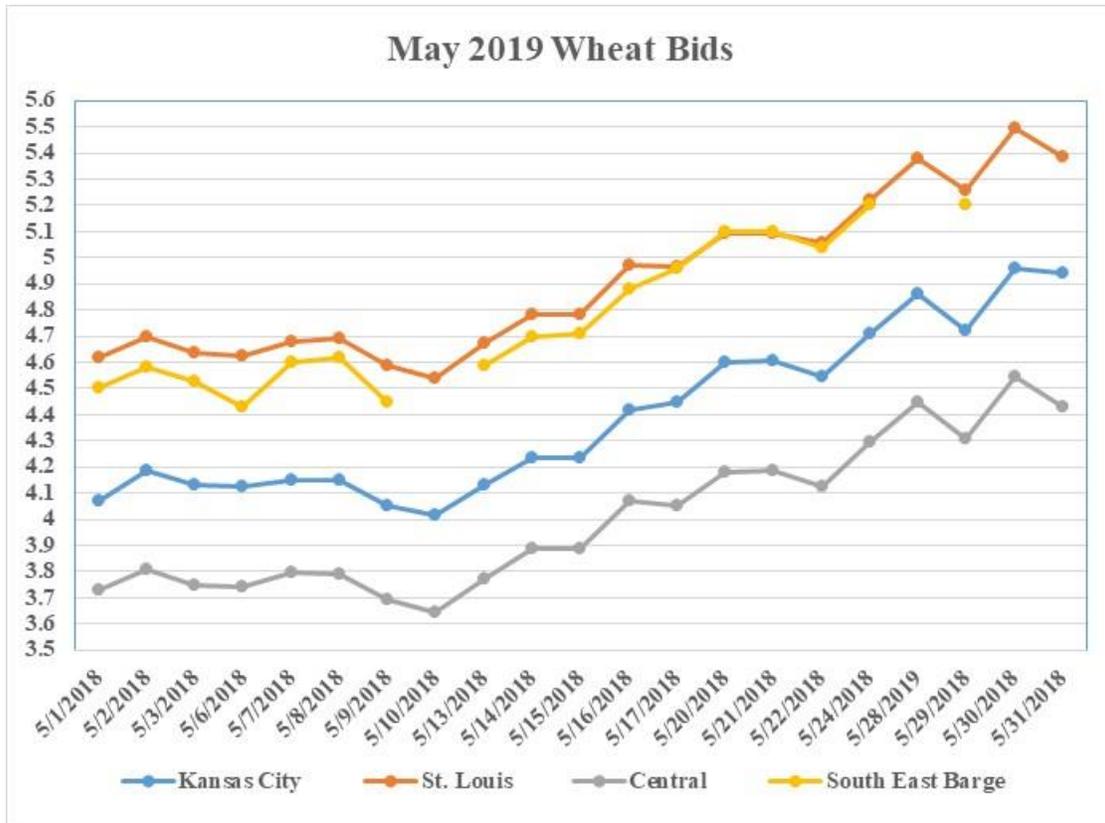
The latest national Crop Progress report was released on June 2. The major 18 states had planted 67 percent of the nation's corn, compared to 96 percent last year and 96 percent for the five year average. Of the percentage that has been planted, 46 percent has emerged. According to USDA, only 39 percent of U.S. soybeans have been planted, compared to 86 percent a year ago and 79 percent for the five year average. Of the soybeans that have been planted, 19 percent have emerged. In winter wheat, 76 percent of the nation's crop has headed, only 6 percent behind last year and 77 percent of the winter wheat crop is rated fair to good condition.



The average May corn bid in Missouri was 3.82, 0.23 higher than April's average corn bid. Statewide, corn bids ranged from 0.19 to 0.27 higher than last month's averages. Compared to May 2018, corn bids were 0.03 to 0.17 lower, with the combined average 0.10 lower than a year ago. Corn bids closed on May 31 from 0.78 to 0.96 higher, when compared to May 1. Corn planting season has been continually delayed with the relentless flooding. The most recent Missouri Crop Progress report shows that 69 percent has been planted, compared to being 100 percent completed at this time last year and the five year average at 97 percent completed. Of the fields that have been planted, 59 percent of corn has emerged and 63 percent of emerged corn is rated fair to good condition.



The average May soybean bid in Missouri was 8.06, 0.43 lower than April's average soybean bid. Statewide, soybean bids ranged from 0.34 to 0.55 lower than last month's averages. Compared to May 2018, soybean bids were 1.94 to 2.10 lower, with the combined average 2.00 lower than a year ago. On May 31, soybean bids closed 0.31 to 0.42 higher, when compared to May 1. The soybean market started to have weather market swings starting about mid-month. The large old crop supplies are still on everyone's minds, but the threat of acres not getting planted have affected the market. Monday's Missouri Crop Progress showed only 18 percent of soybeans have been planted, compared to 84 percent last year and 63 percent for the five year average. Of the soybeans that have been put in the ground, 12 percent have emerged, compared to 67 percent last year and 47 percent for the five year average.



The average May soft wheat bid in Missouri was 4.52, 0.07 higher than April’s average wheat bid. Statewide, wheat bids ranged from 0.05 to 0.10 higher than last month’s averages. Compared to May 2018, soft wheat bids were 0.28 to 0.73 lower, with the combined average 0.49 lower than a year ago. On May 31, wheat bids closed 0.70 to 0.87 higher, when compared to May 1. According to the latest Missouri Crop Progress Report, 93 percent of Missouri’s winter wheat has headed and 84 percent is rated fair to good condition. Although USDA reports 45 percent of Missouri has an adequate supply of hay, you can see several wheat fields that have been baled as you’re driving down the road. The drought of last year and the hay shortage this past winter is still in everyone’s minds, even though we’ve had plenty of rain this spring.

\*Sets of data for the graphs are from the Missouri Grain Cash Bids report that is published daily. Only dates in which markets are trading are represented.

Source: MO Dept of Ag/USDA Market News Service, Jefferson City, MO  
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