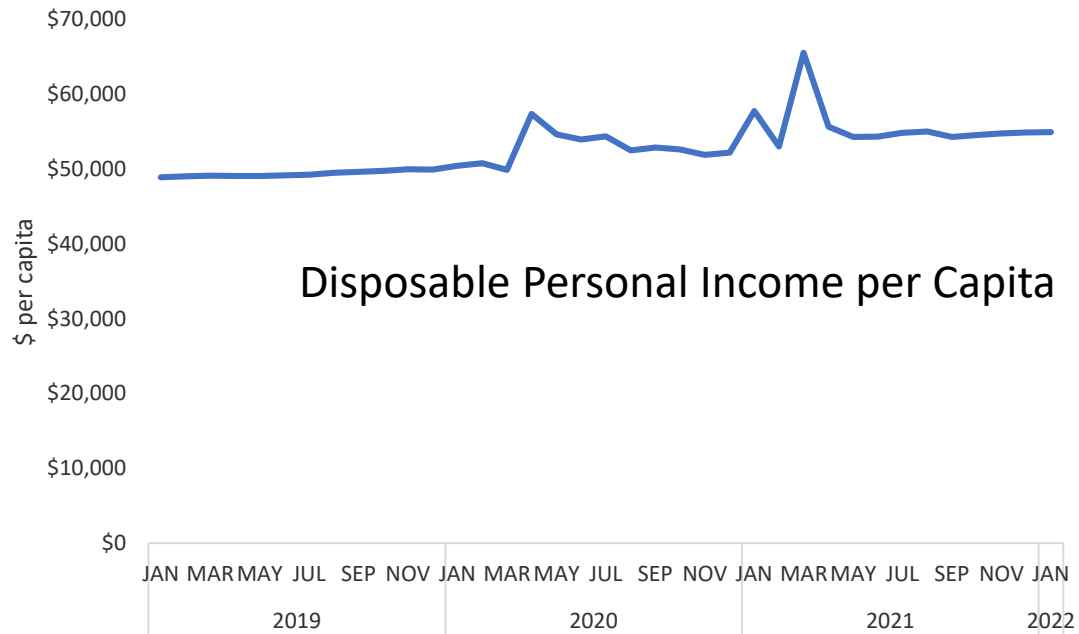


Market Situation & Outlook for 2022

Arkansas Farm Bureau
Commodity Division Meetings
March 1, 2022

Personal Income and Saving



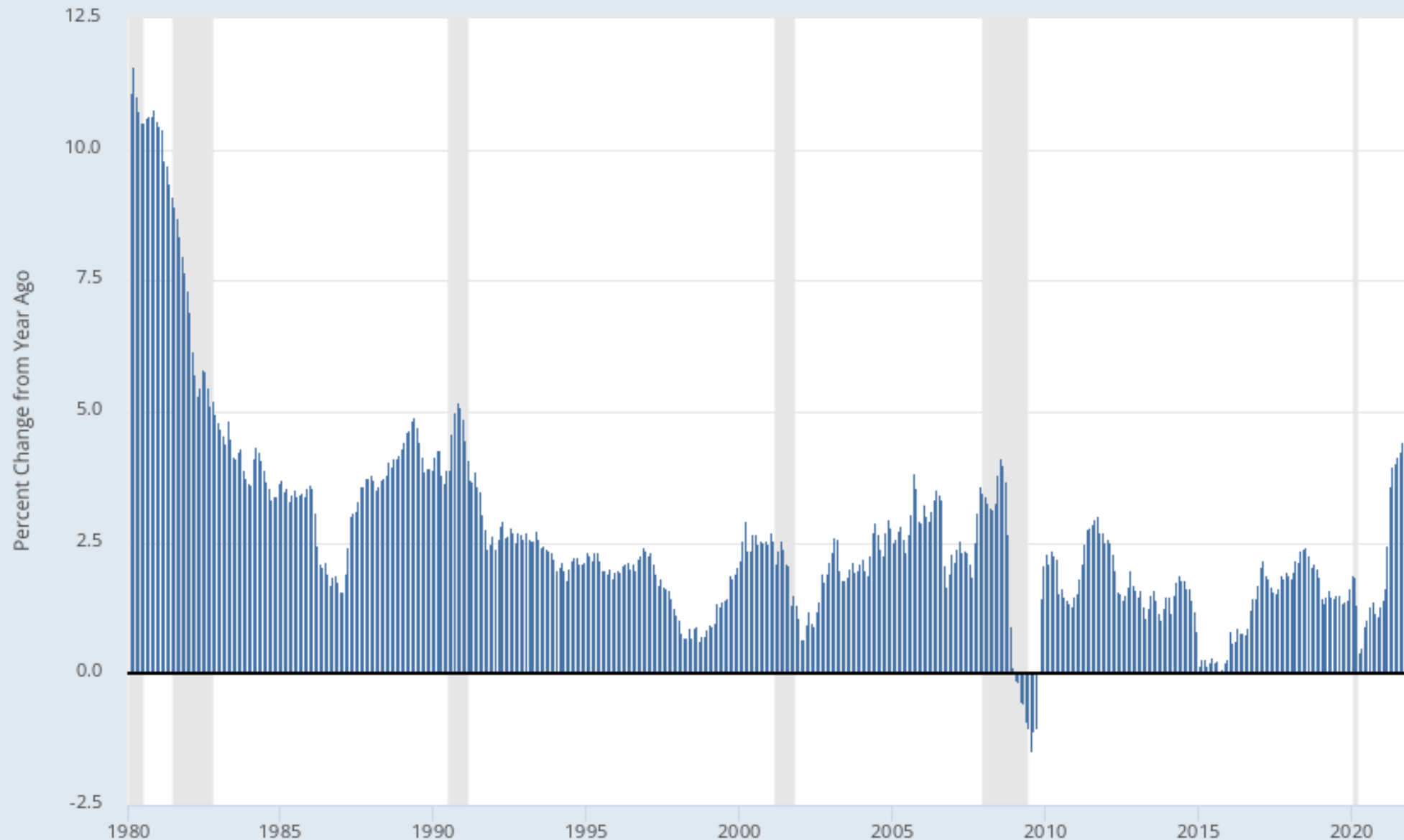
Retail Inventory vs. Sales



Data Source: US Census Bureau through St. Louis Federal Reserve Bank, fred.stlouisfed.org.

Macroeconomic Summary

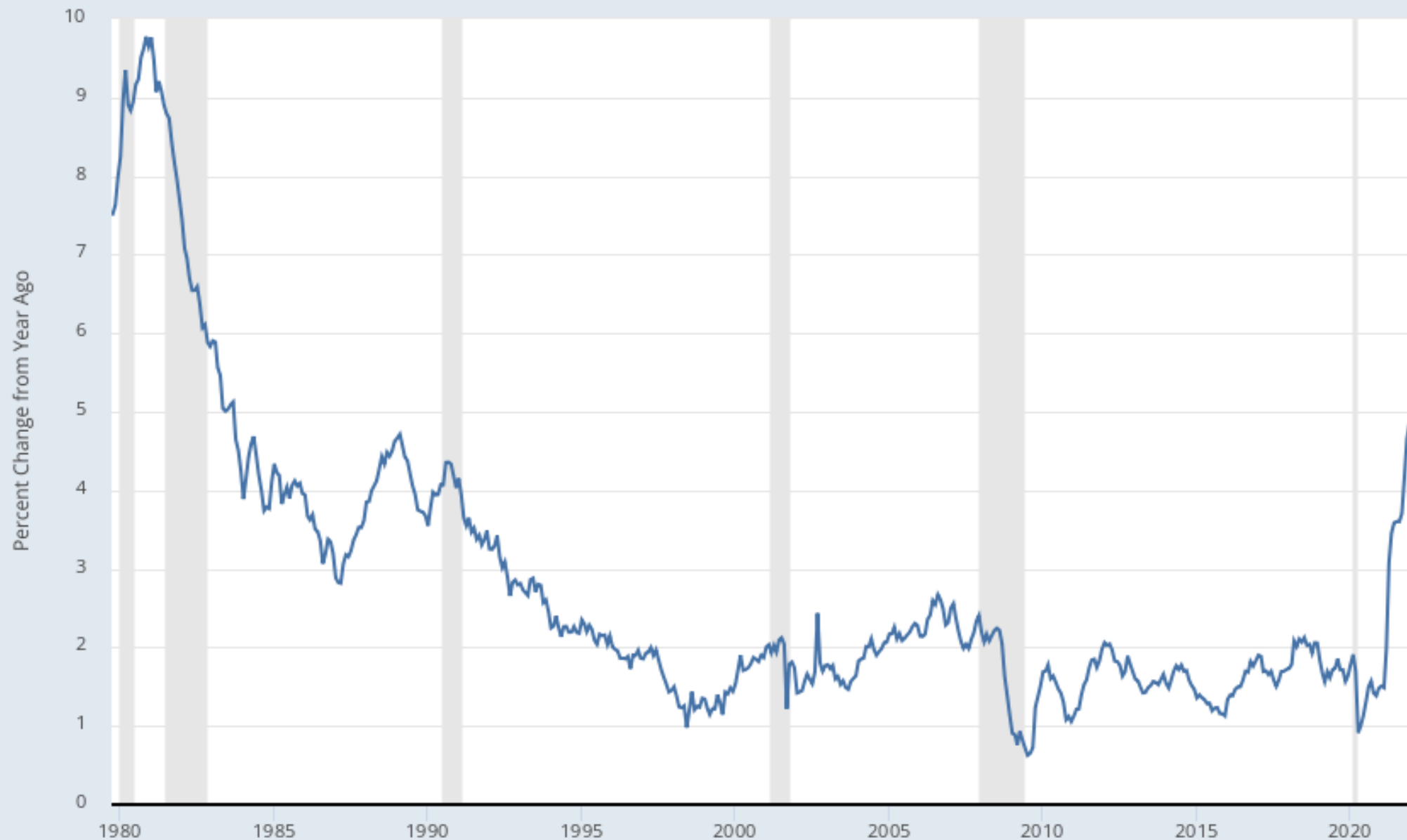
- High transfers contributing to high income during the pandemic, resulting in high savings
- Return to higher spending in recent months
- Lingering supply chain problems impacting availability of goods
- So, more dollars competing for a smaller supply of goods means...



Shaded areas indicate U.S. recessions.

Source: U.S. Bureau of Economic Analysis

myf.red/g/Mp8M



Shaded areas indicate U.S. recessions.

Source: U.S. Bureau of Economic Analysis

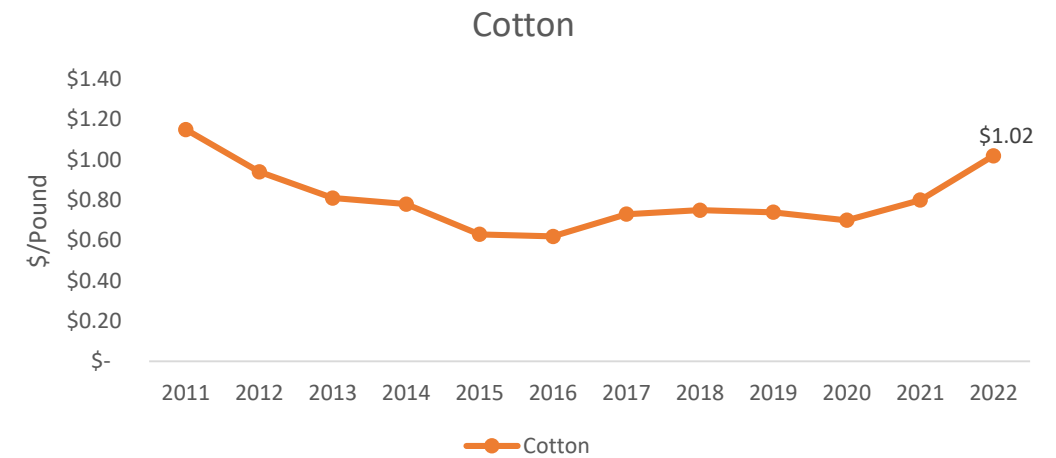
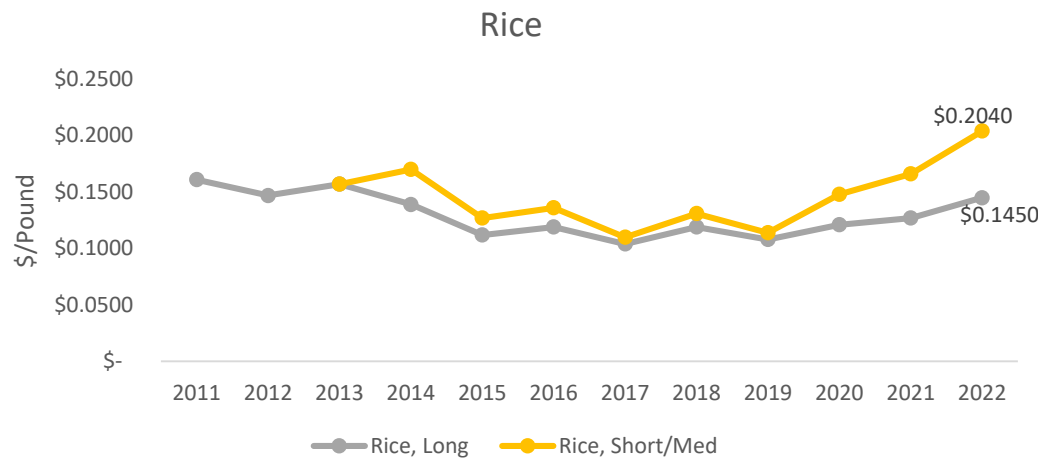
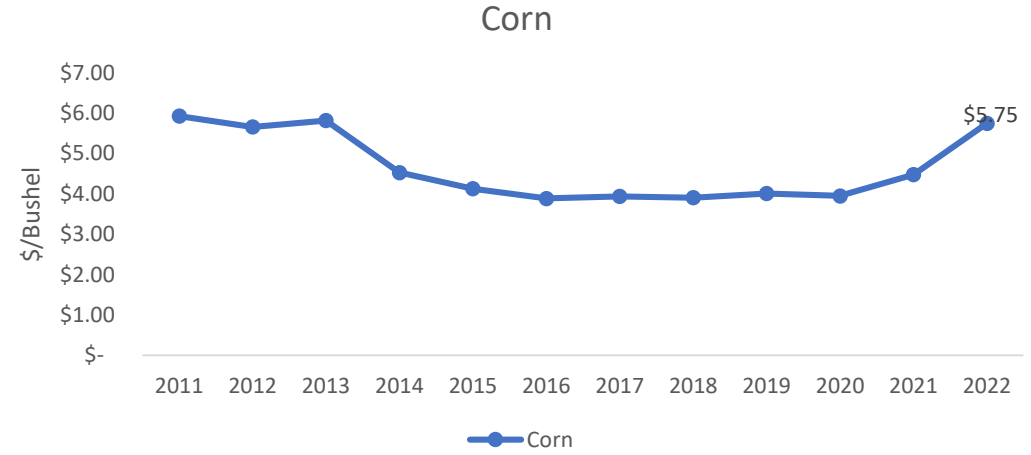
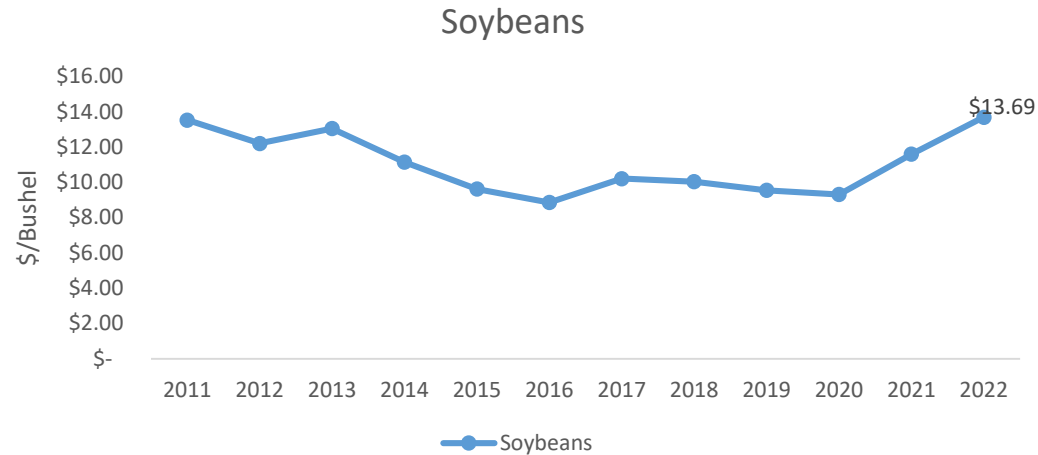
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CRB Commodity Price Index

CRB Index

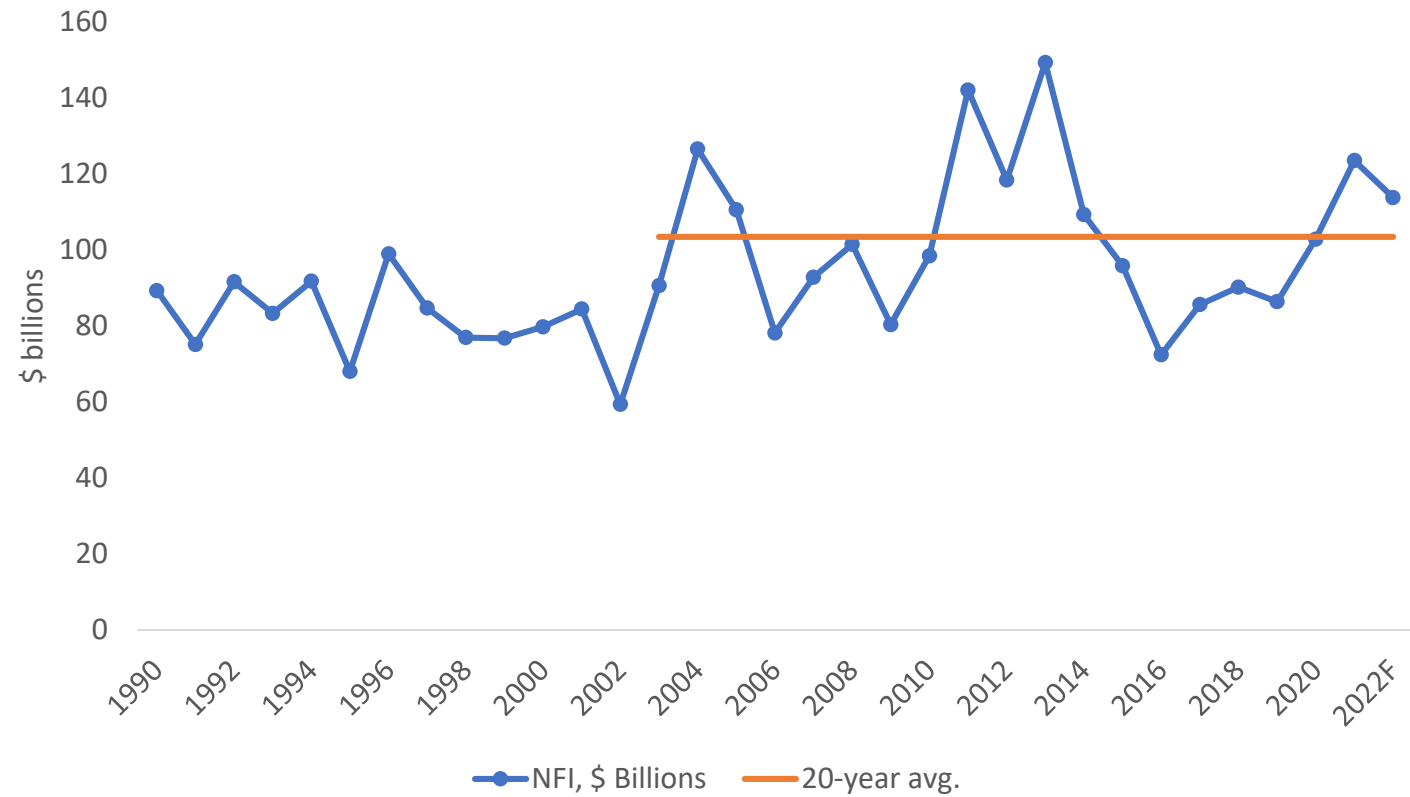


Crop Insurance Projected Prices



Data Source: USDA Risk Management Agency.

Real Net Farm Income



Notes: 2022 Dollars

Data Source: USDA Economic Research Service.

RUSSIAN INVASION



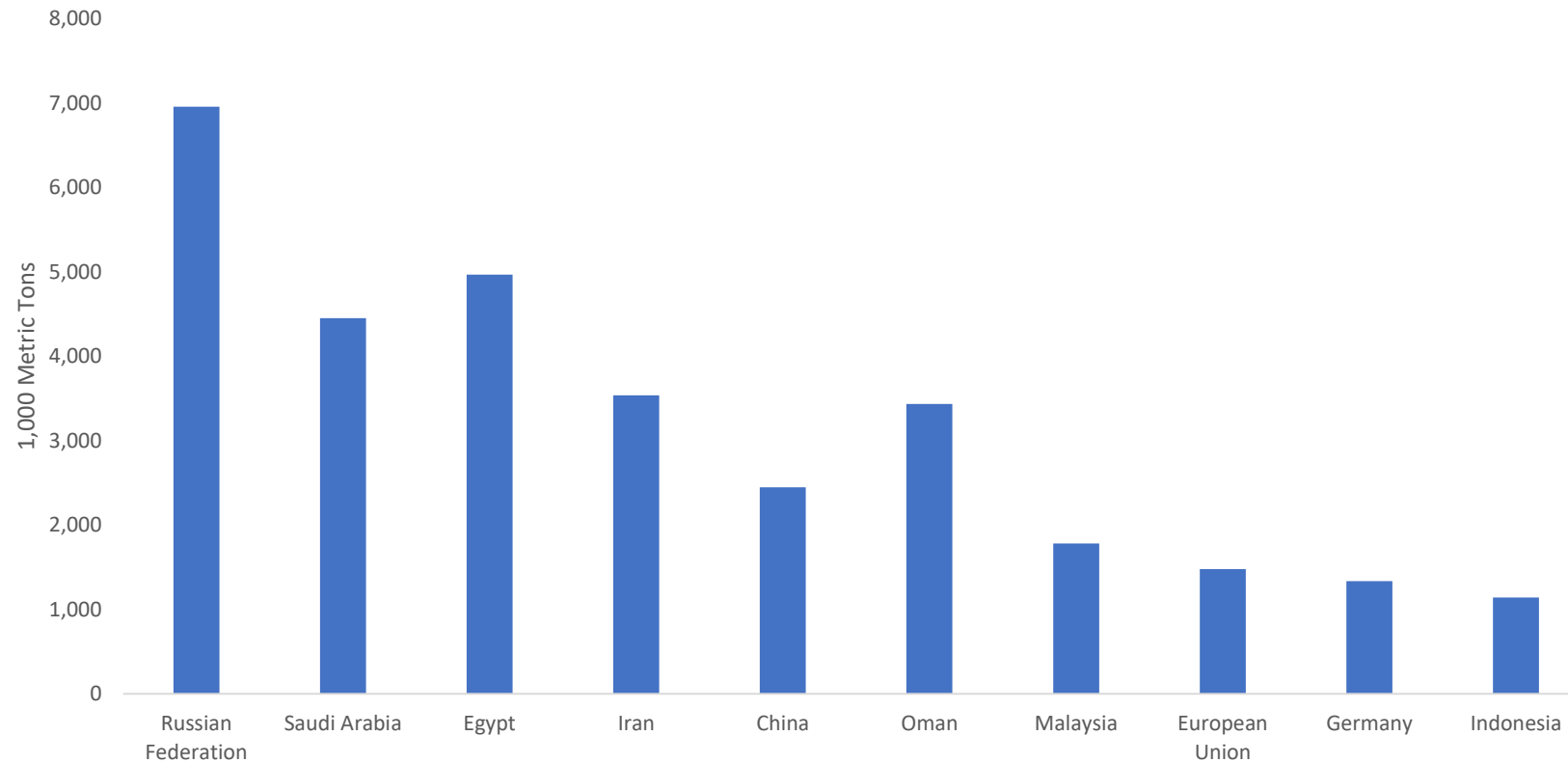


Ukraine and Russia Grain/Oilseed Exports

Ukraine Exports			
Commodity	Metric Tons	% of World	Rank
Rapeseed	2,700	20.0%	3
Corn	33,500	16.4%	4
Barley	6,000	17.5%	3
Wheat	24,000	11.6%	4
Sunflower	350	9.2%	5
Soybeans	1,850	1.1%	7

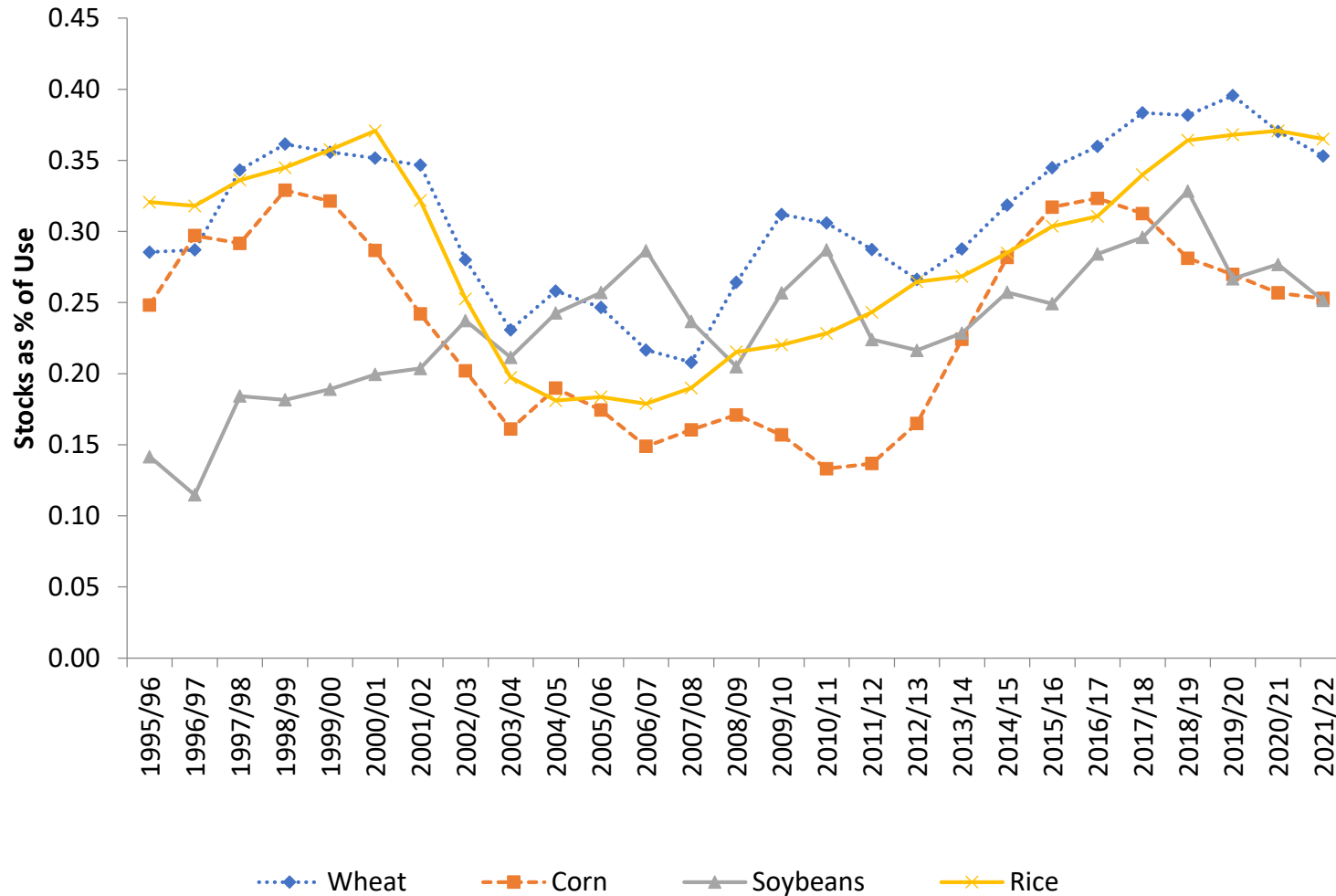
Russian Exports			
Commodity	Metric Tons	% of World	Rank
Rapeseed	450	3.3%	4
Corn	4,500	2.2%	6
Barley	4,500	13.1%	4
Wheat	35,000	16.9%	2
Sunflower	900	23.6%	1
Soybeans	1,250	0.8%	8

Fertilizer Exports: Top 10 Exporters



Notes: 2018 data. Fertilizers, mineral or chemical; nitrogenous, urea, whether or not in aqueous solution (product code 310210).
Data Source: World Bank.

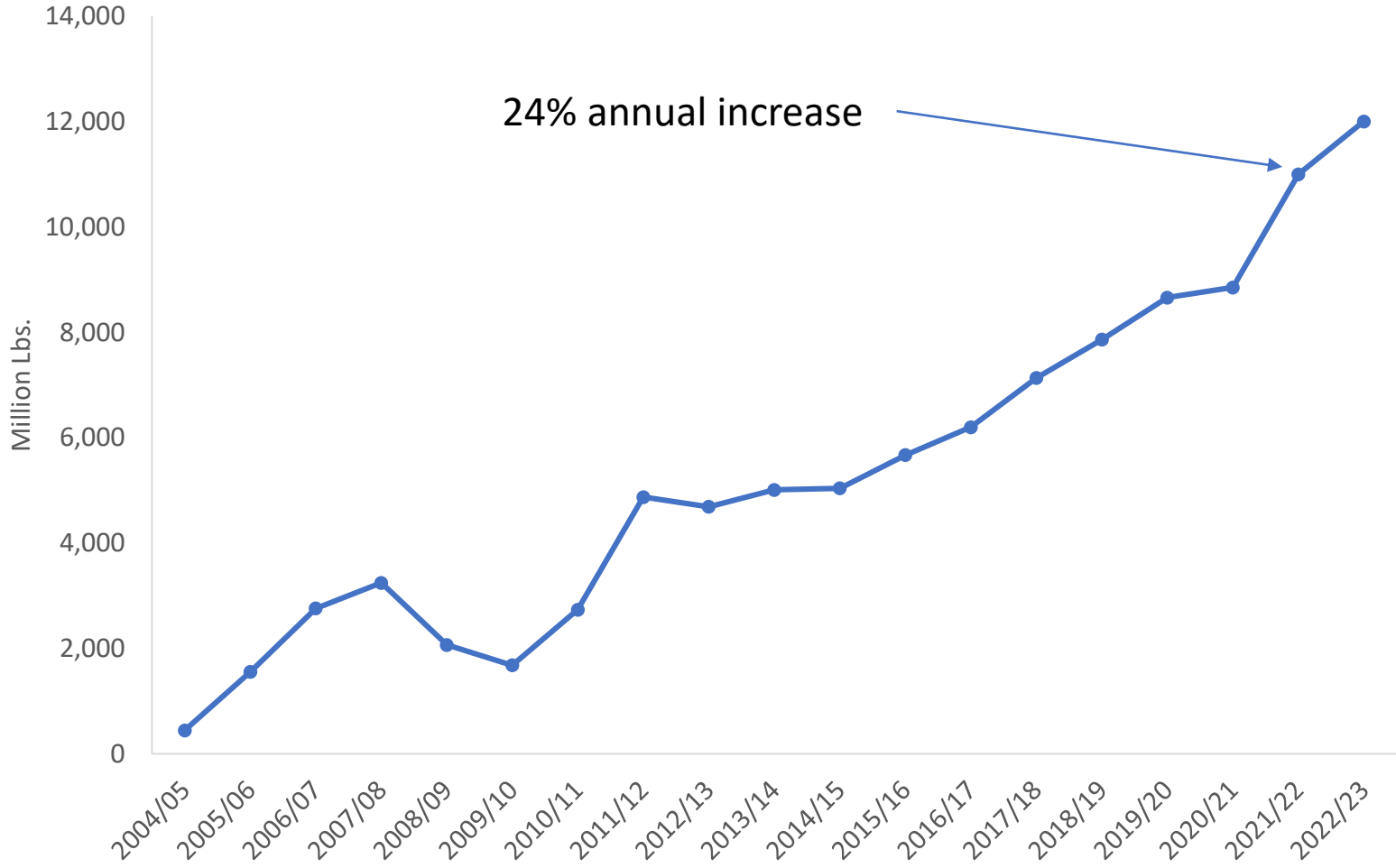
Grain/Oilseed Stocks:Use



Soybean Balance Sheet

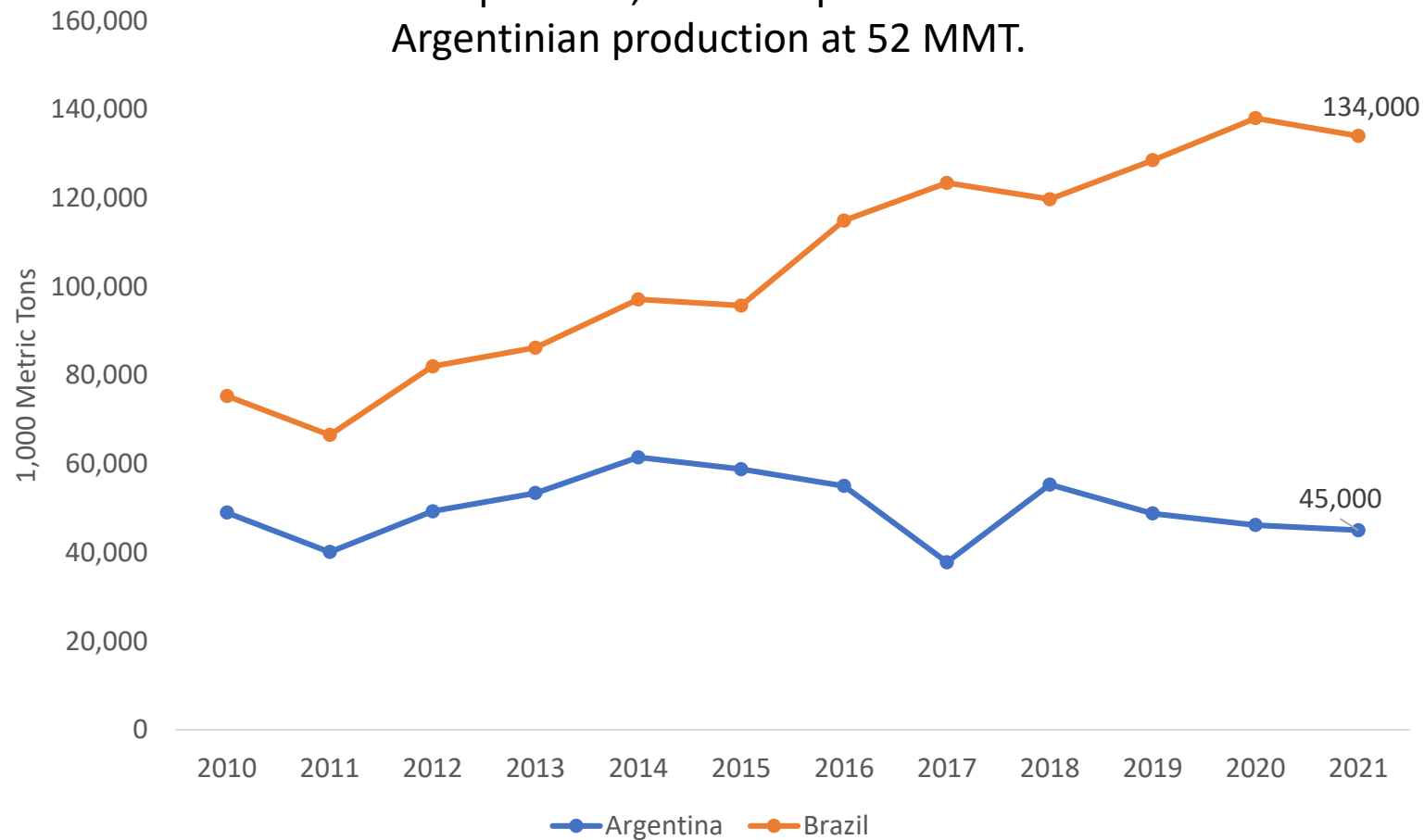
	2018/19	2019/20	2020/21	2021/22	2022/23
Planted Acres	89.2	76.1	83.4	87.2	88.0
Harvested Acres	87.6	74.9	82.6	86.3	87.2
Yield (harv.ac.)	50.6	47.4	51.0	51.4	51.5
Beginning Stocks	438	909	525	257	325
Production	4,428	3,552	4,216	4,435	4,490
Imports	14	15	20	15	15
Total Supply	4,880	4,476	4,761	4,707	4,830
Crush	2,092	2,165	2,141	2,215	2,250
Exports	1,752	1,679	2,261	2,050	2,150
Seed	88	97	101	102	103
Residual	39	11	1	16	22
Total Use	3,971	3,952	4,504	4,382	4,525
Ending Stocks	909	525	257	325	305
S:U	22.9%	13.3%	5.7%	7.4%	6.7%
Avg. Price	\$ 8.48	\$ 8.57	\$ 10.80	\$ 13.00	\$ 12.75

Soybean Oil for Biodiesel



SA Soybean Production

In September, Brazilian production was forecast at 144 MMT, Argentinian production at 52 MMT.

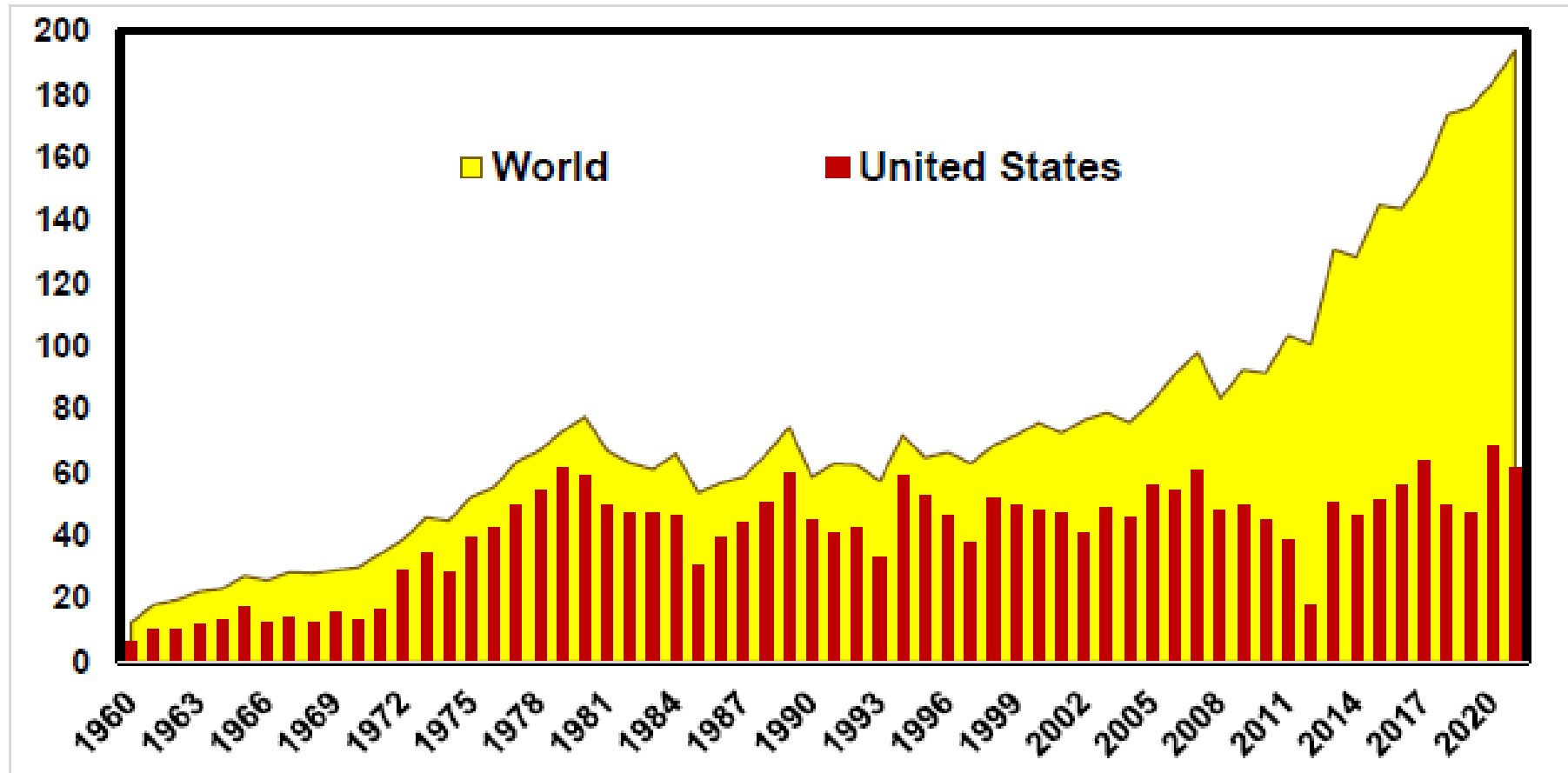


Corn Balance Sheet

	2018/19	2019/20	2020/21	2021/22	2022/23
Planted Acres	88.9	89.7	90.7	93.4	92.0
Harvested Acres	81.3	81.3	82.3	85.4	84.2
Yield (harv. ac.)	176.4	167.5	171.4	177.0	181.0
Beginning Stocks	2,140	2,221	1,919	1,235	1,540
Production	14,340	13,620	14,111	15,115	15,240
Imports	28	42	24	25	25
Total Supply	16,509	15,883	16,055	16,375	16,805
Feed & Resid.	5,429	5,900	5,602	5,650	5,650
Food, Seed, Indust.	6,793	6,286	6,466	6,760	6,840
Ethanol	5,378	4,857	5,028	5,325	5,400
Other FSI	1,415	1,429	1,438	1,435	1,440
Exports	2,066	1,777	2,753	2,425	2,350
Total Use	14,288	13,963	14,821	14,835	14,840
Ending Stocks	2,221	1,919	1,235	1,540	1,965
Stocks:Use	15.5%	13.7%	8.3%	10.4%	13.2%
Avg. Price	\$ 3.61	\$ 3.56	\$ 4.53	\$ 5.45	\$ 5.00

U.S share in global corn trade

Million tons



Source: USDA, Foreign Agricultural Service, *Production, Supply, and Distribution* database.

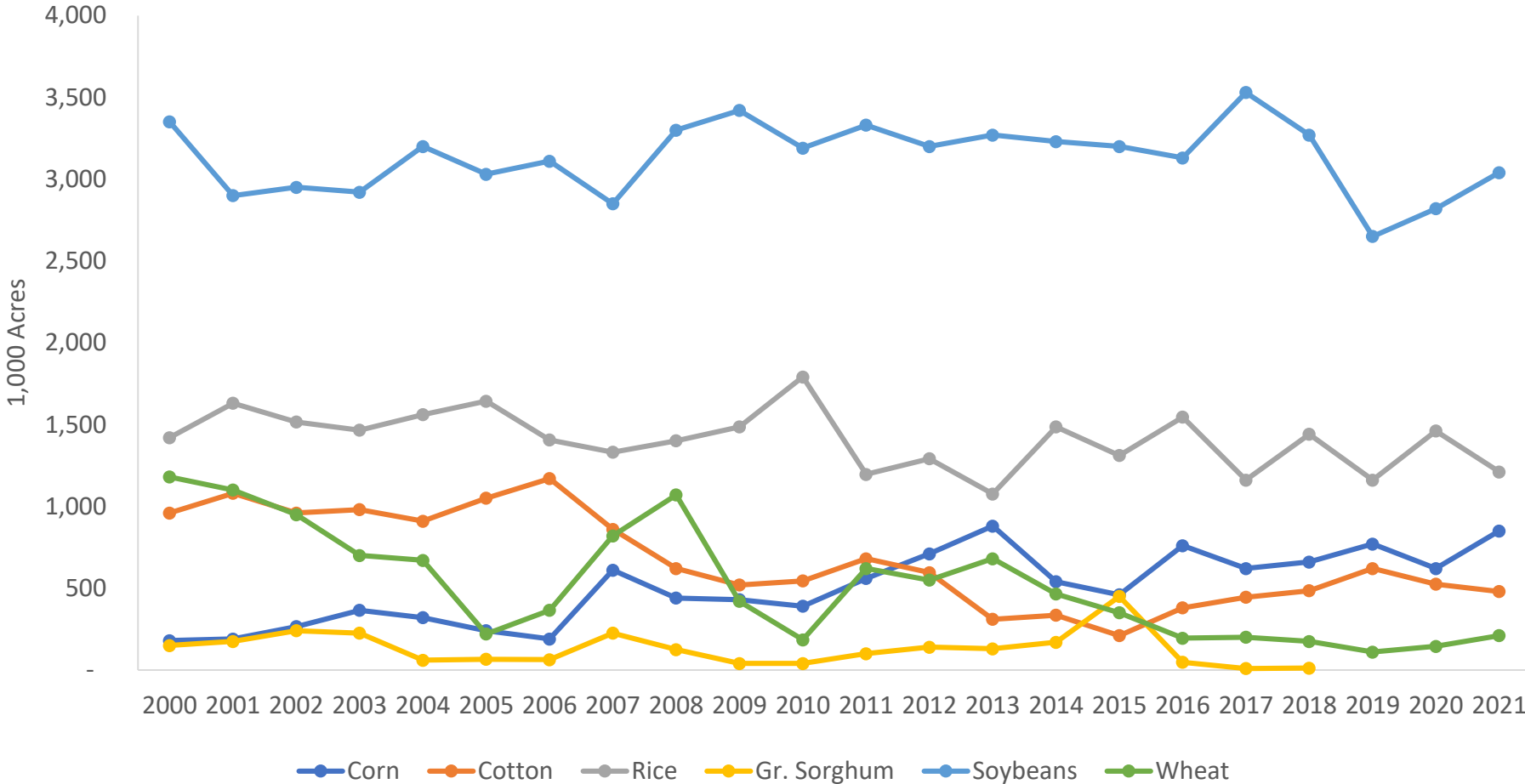
Rice Balance Sheet

	2018/19	2019/20	2020/21	2021/22	2022/23
Planted Acres	2.95	2.55	3.04	2.53	2.60
Harvested Acres	2.91	2.48	2.99	2.49	2.55
Yield (harv. ac.)	7692	7473	7619	7709	7,709
Beginning Stocks	29.4	44.9	28.7	43.7	33.5
Production	223.8	185.1	227.5	191.8	196.7
Imports	29	37.3	34.1	30.5	33.0
Total Supply	282.2	267.3	290.2	266	263.2
Domestic & Residual	143.8	144.4	152.7	145.5	144.0
Exports	93.6	94.2	93.9	87	86.0
^(Rough)	33.3	31.3	34.6	34	33.5
^(Milled)	60.3	62.9	59.3	53	52.5
Total Use	237.3	238.6	246.6	232.5	230.0
Ending Stocks	44.9	28.7	43.7	33.5	33.2
Avg. Price	\$12.60	\$13.60	\$14.40	\$15.70	\$16.10

Cotton Balance Sheet

	2018/19	2019/20	2020/21	2021/22	2022/23
Planted Acres	14.1	13.74	12.09	11.22	12.7
Harvested Acres	9.99	11.5	8.27	9.97	10.2
Yield (harv. ac.)	882	831	847	849	856
Beginning Stocks	4.2	4.85	7.25	3.15	3.5
Production	18.37	19.91	14.61	17.62	18.2
Imports	0	0	0	0.01	0
Total Supply	22.57	24.77	21.86	20.78	21.7
Domestic Use	2.98	2.15	2.4	2.55	2.7
Exports	14.84	15.51	16.37	14.75	15.5
Total Use	17.81	17.66	18.77	17.3	18.2
Unaccounted	-0.09	-0.15	-0.06	-0.02	0.00
Ending Stocks	4.85	7.25	3.15	3.50	3.60
Stocks:Use	27.2%	41.1%	16.8%	20.2%	19.8%
Avg. Price (¢/lb)	70.3	59.6	66.3	90.0	80.0

Arkansas Planted Acres



Summary

- Inflationary environment affecting basically all sectors of the economy
 - Ukrainian conflict likely to add to inflationary pressure
- Crop commodity prices highest in a decade at this point in the production cycle
- Global stocks are retreating but remain at relatively comfortable levels historically
- Demand growth remains strong for basic commodities
 - Particularly for oilseeds in the short run
- Battle for acreage this year is turning out to be quite intense
 - With fertilizer prices entering the calculation more than usual

Thank You!

John D. Anderson

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