



Record high yields are on course to set another corn supply record, the National Corn Growers Association said last week, commenting on new reports from the U.S. Department of Agriculture that even further increased their estimate of corn production and yield in the 2009 crop.

If realized, this will be the highest yield on record and corn production will be the second largest, behind 2007 by only 20,000 bushels.

Notably though, both the price and ability to harvest may be compromised due to cold, wet conditions across most of the Midwest in October.

“I understand that right now some farmers might be concerned about the impact of this month’s cold, wet weather on the quality of their harvest and the price they will get at market,” said NCGA President Darrin Ihnen, a grower in Hurley, S.D. “We know our record corn supply will greatly benefit the American consumer and further demonstrates our growers’ level of farming excellence despite the many challenges we may face from the weather each growing season.”

Corn production is forecast at 13.018 billion bushels, up 1 percent from last month and 8 percent higher than 2008.

Based on conditions as of Oct. 1, yields are expected to average 164.2 bushels per acre, up 2.3 bushels from September and 10.3 bushels from last year.

Production is nearly on par with 2007 despite a 6.5 million acre decrease in land use.

This strongly demonstrates the increased efficiency of U.S. corn growers, especially in light of the current unfavorable weather conditions.

Yield forecasts remained unchanged or increased from last month across the Corn Belt, Great Plains, and Ohio Valley where warm, dry weather during much of September helped push the late-developing corn crop towards maturity.

Light frost was reported in parts of the northern tier of the Great Plains and Corn Belt in late September. However, temperatures were not considered low enough to terminate crop growth.

Based on administrative information, acreage updates were made in several states and farmers now expect to harvest 79.3 million acres for grain, down 1 percent from the September forecast but 1 percent above 2008. Total corn supplies are projected 42 million bushels higher.

Total estimated U.S. corn use for 2009/10 increased by 5 million bushels. Feed and residual use is projected 50 million bushels higher reflecting the higher forecast yield and crop.

Food, seed, and industrial use is also projected higher, up 5 million bushels, on higher expected use for sweeteners with tight sugar supplies.

Offsetting most of the increase in domestic use is a 50 million bushel reduction in projected exports.

Increased supplies of feed grains in Canada and larger world wheat supplies are expected to increase competition for U.S. corn exports.

Corn ending stocks for 2009/10 are projected 37 million bushels higher and just below the revised estimate for the 2008/09 marketing year.

The 2009/10 marketing-year average farm price projection is unchanged at \$3.05 to \$3.65 per bushel.

