

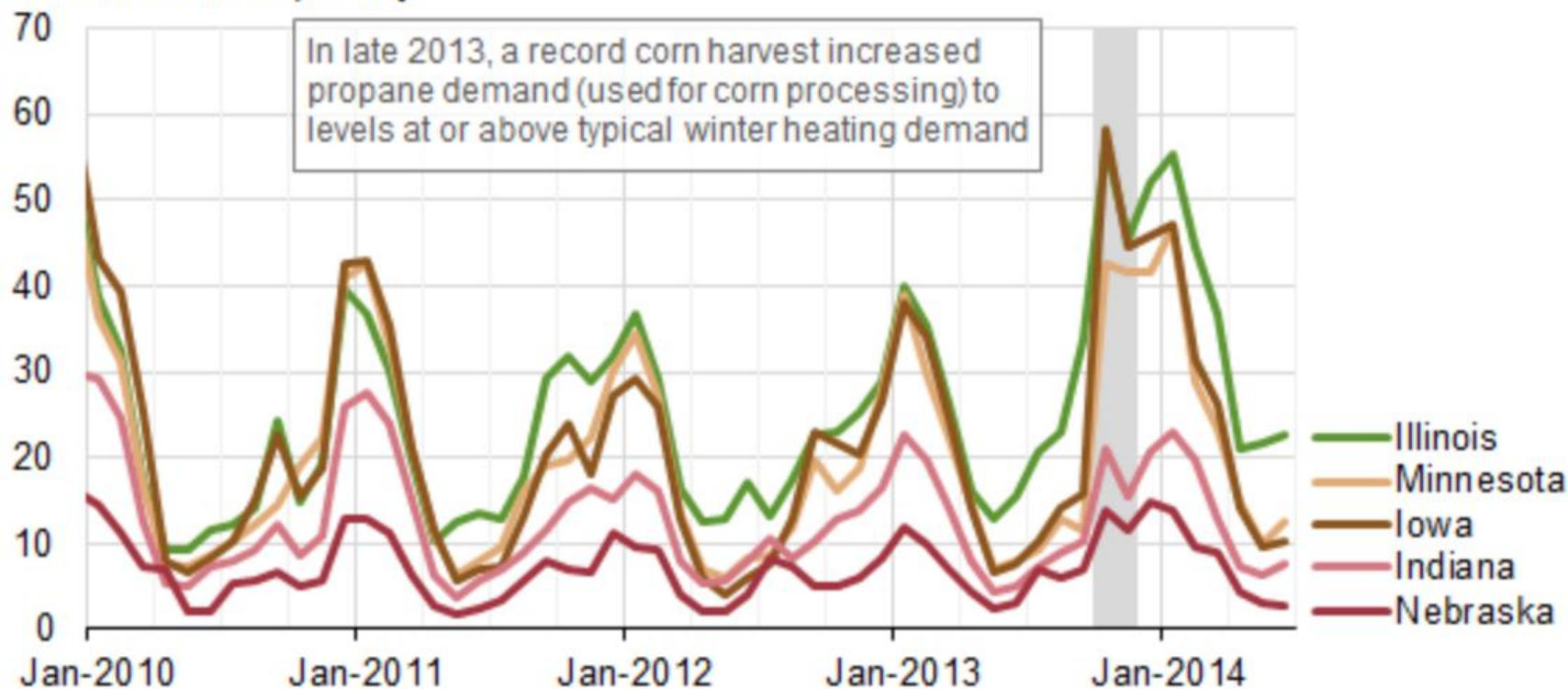
# Current Outlook for U.S. Fall Harvest

Midwestern Governors Association  
Propane Supply Chain Meeting  
October 14 – 15, 2014  
Milwaukee, Wisconsin

Robert Johansson  
Deputy Chief Economist, USDA

# Large crop in 2013 increased propane Demand

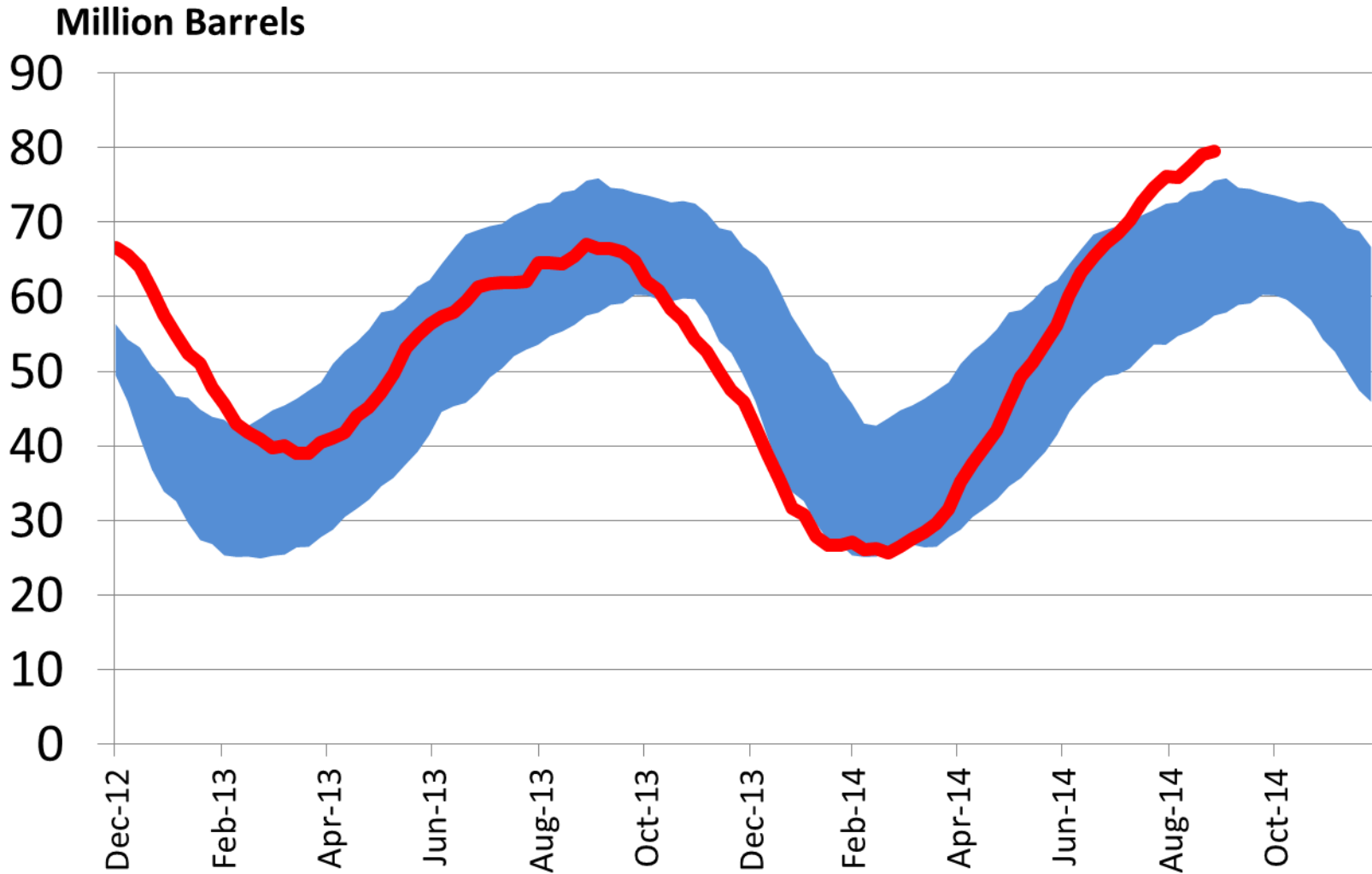
Prime supplier propane sales in top corn-producing states  
thousand barrels per day



Source: U.S. Energy Information Administration, *Petroleum Marketing Monthly*

Note: These data measure primary petroleum product deliveries in the states where they are locally marketed and consumed.

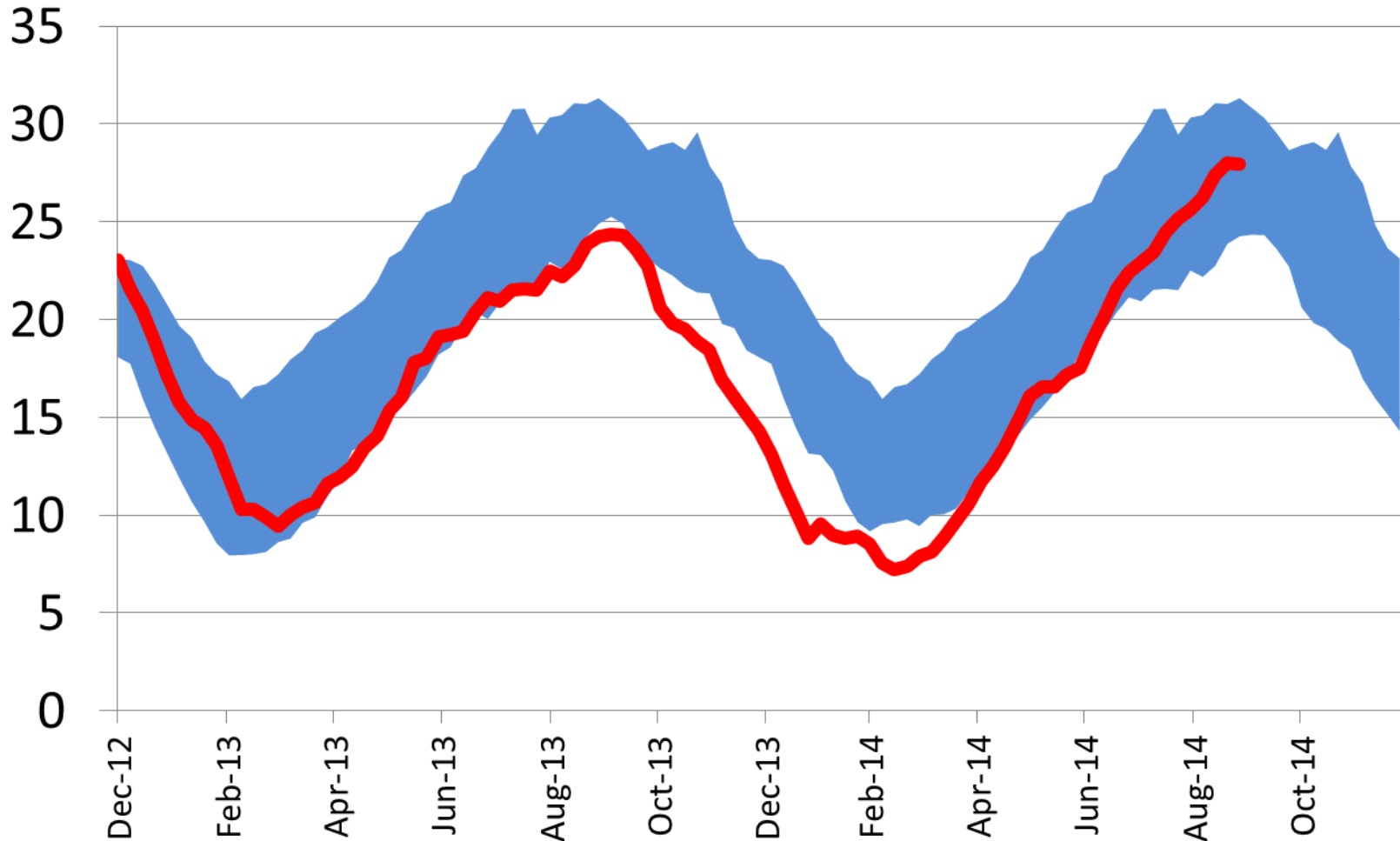
# US Propane Stocks



# PADD2 Propane Stocks

(ND, SD, NE, KS, OK, MN, IA, MO, WI, IL, MI, IN, OH, KY, TN)

Million Barrels

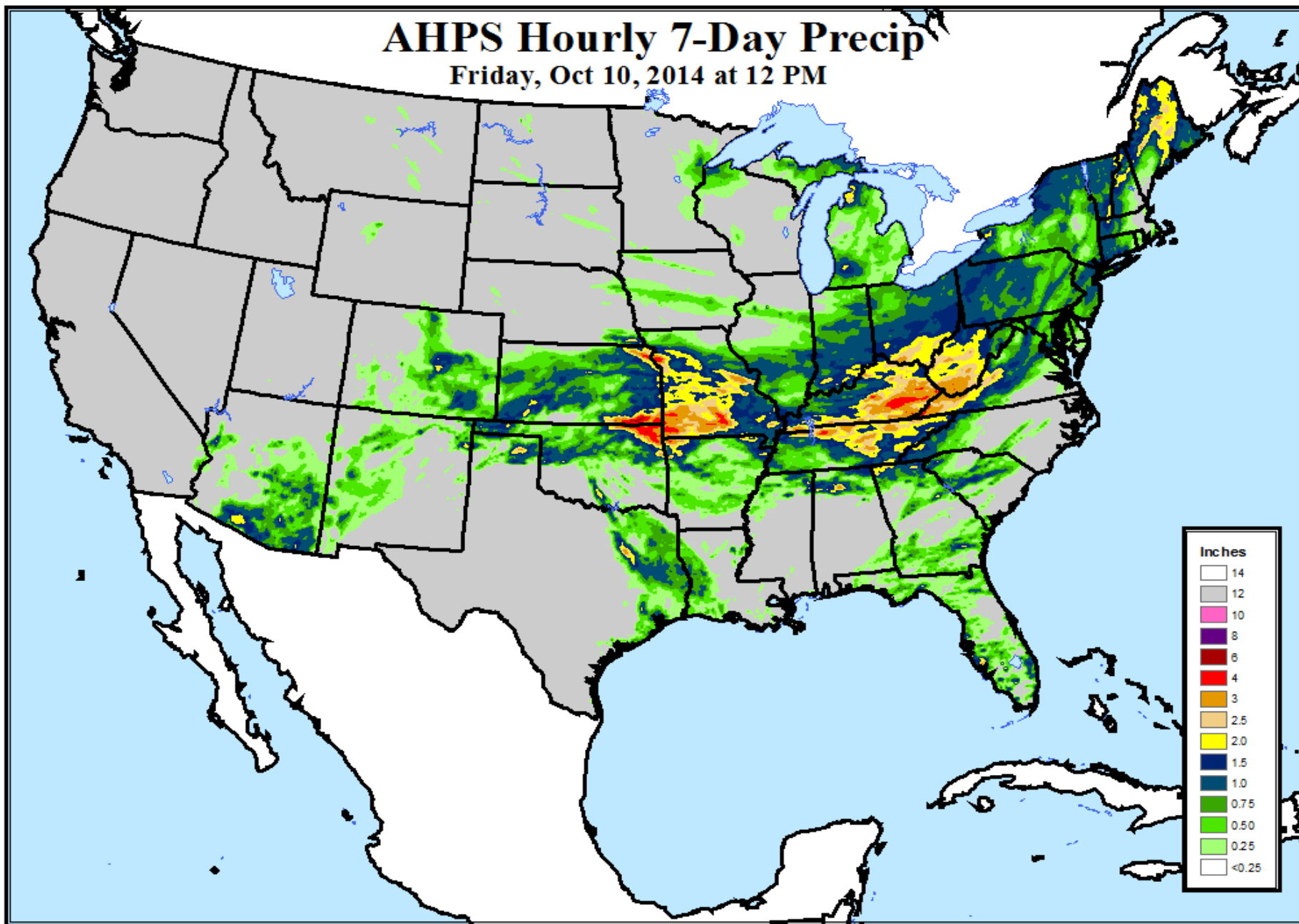


## Winter 2014-15 takeaways and potential issues—Propane

- Primary propane stocks in the Gulf Coast and Midwest on Sep. 26 were 10 million barrels (17%) higher than this time last year and are at the highest level for any week since at least 1993.
- Propane production at natural gas liquids plants has been rising and is projected to average 970,000 bbl/d this winter, 110,000 bbl/d (12%) higher than last winter.
- Propane spot prices are currently within 3 cents/gal of prices last year at this time.
- The outlook for propane demand is uncertain.
  - Another record corn crop is expected.
  - U.S. winter heating degree days have recently ranged from a low of 3,225 in 2011-12 to 4,114 in 2013-14.
- Propane supply is adjusting to recent infrastructure changes
  - Cochin Pipeline Reversal.
  - New and expanded rail facilities in the Midwest.

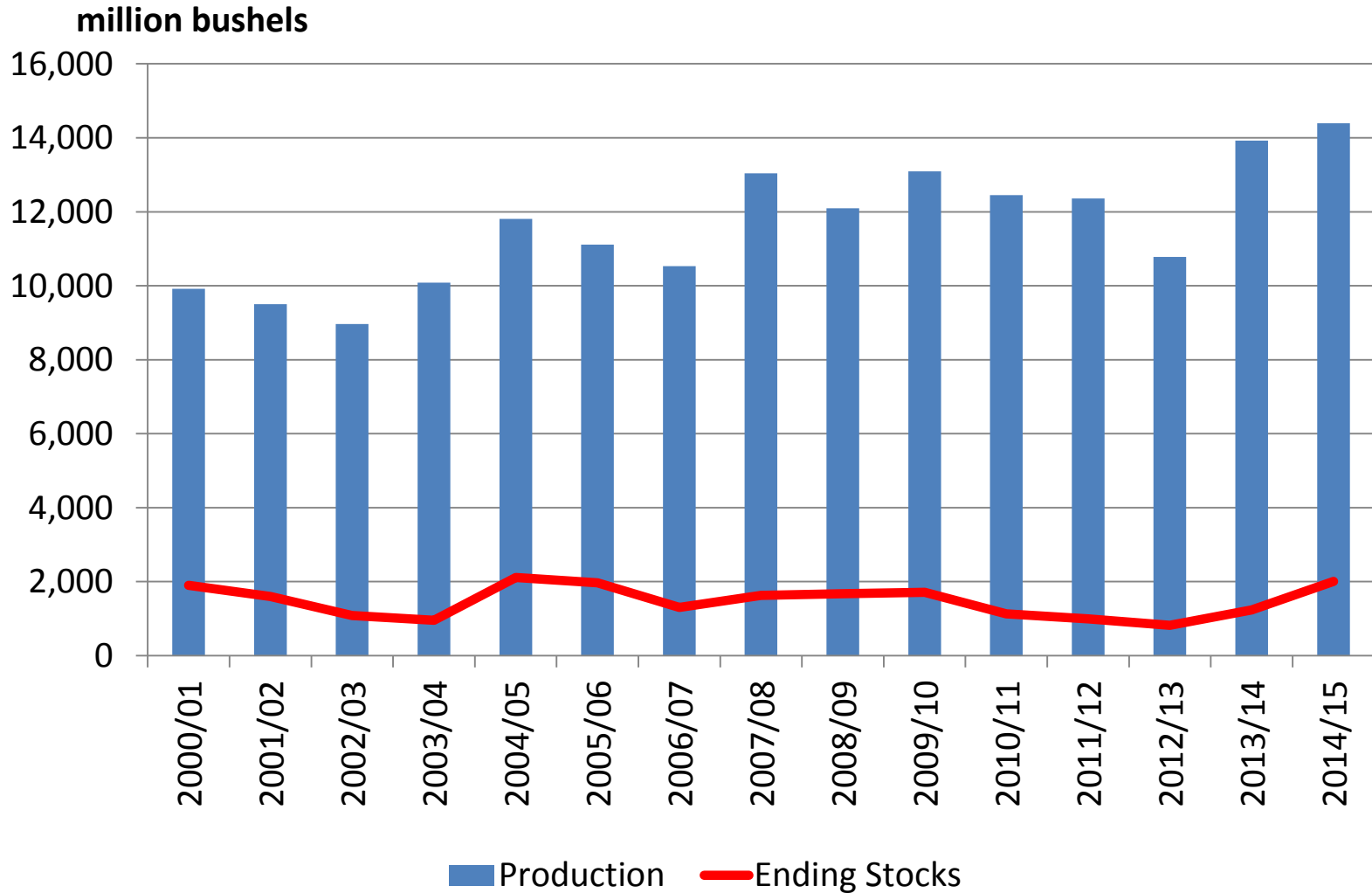
# AHPS Hourly 7-Day Precip

Friday, Oct 10, 2014 at 12 PM



Source: USDA-OCE and NOAA.

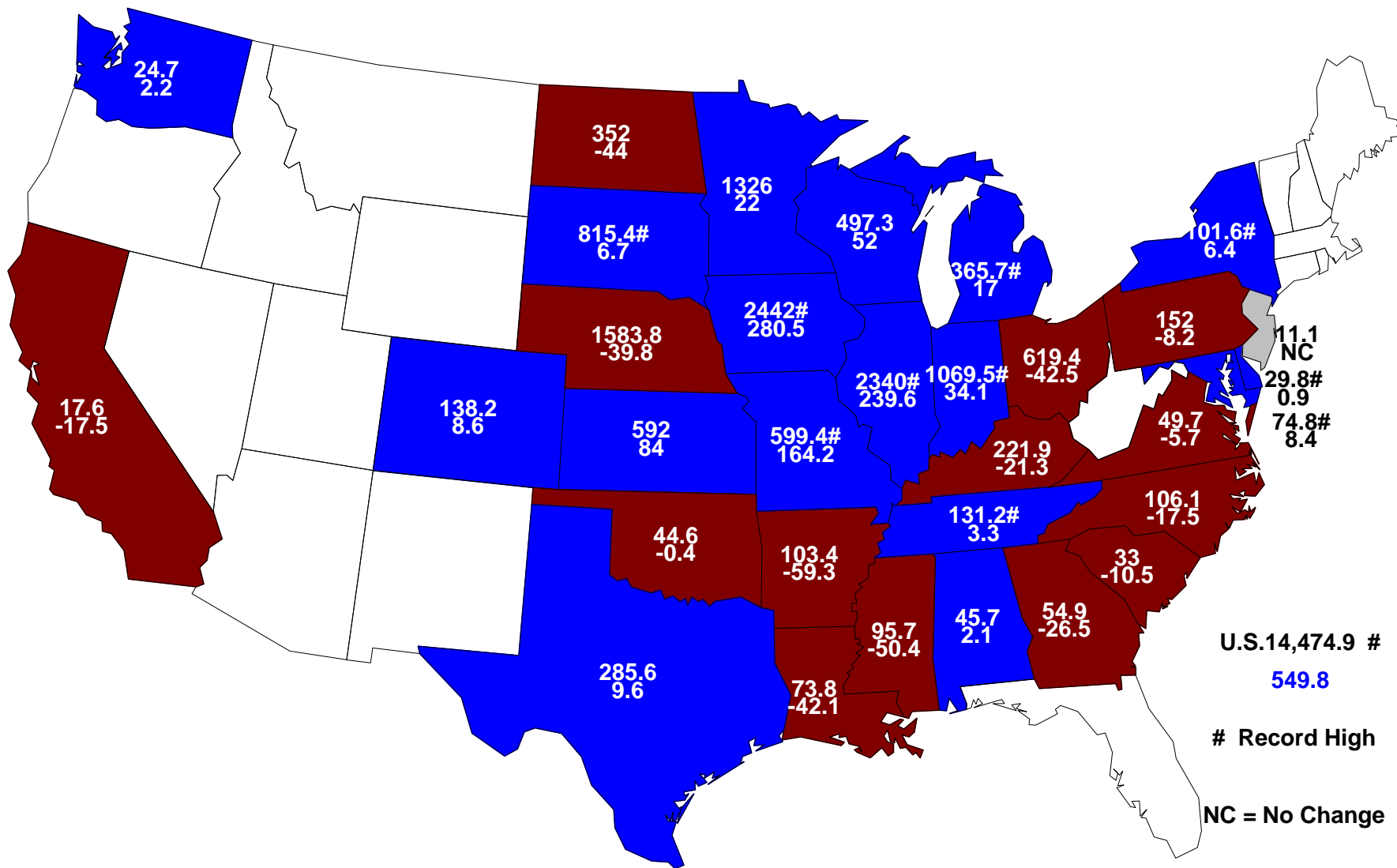
# Corn Production and Stocks





# October 1, 2014 Corn Grain Production

## Million Bushels and Change From Previous Year



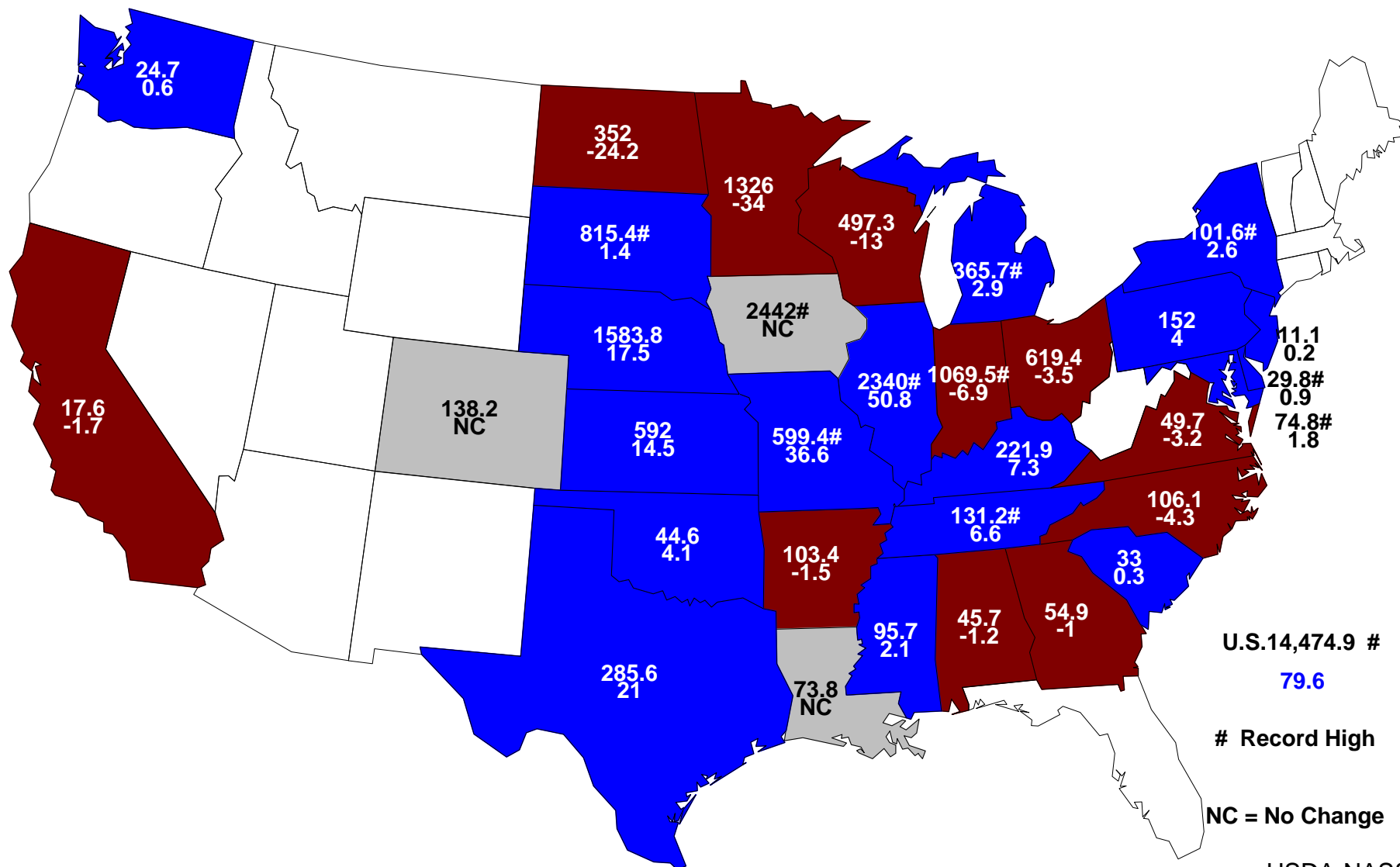
U.S. 14,474.9 #  
**549.8**  
 # Record High  
 NC = No Change





# October 1, 2014 Corn Grain Production

## Million Bushels and Change From Previous Month



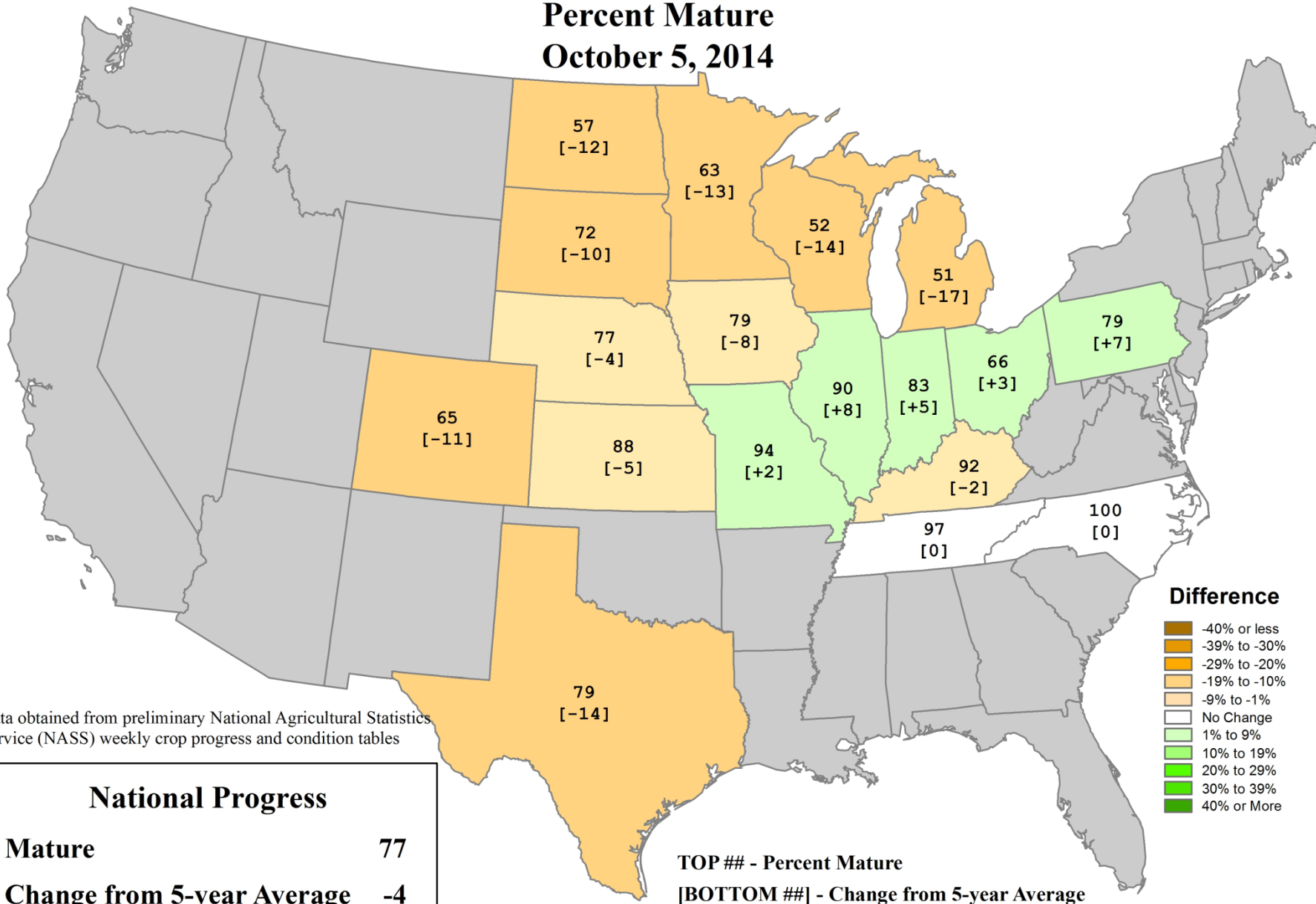
U.S. 14,474.9 #  
79.6

# Record High

NC = No Change

# U.S. Corn Progress

Percent Mature  
October 5, 2014



Data obtained from preliminary National Agricultural Statistics Service (NASS) weekly crop progress and condition tables

National Progress	
Mature	77
Change from 5-year Average	-4

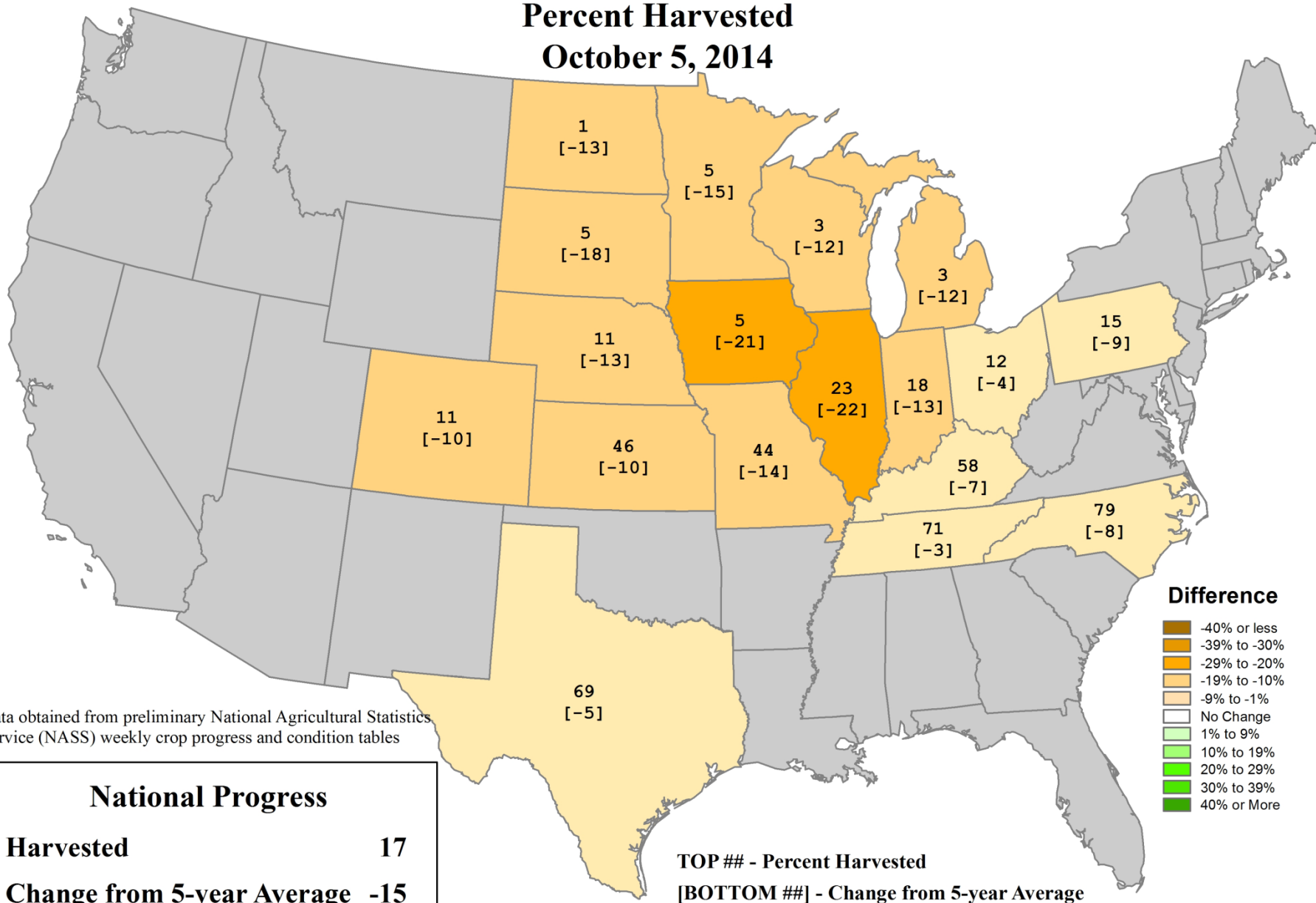
TOP## - Percent Mature  
[BOTTOM##] - Change from 5-year Average

## Difference

- 40% or less
- 39% to -30%
- 29% to -20%
- 19% to -10%
- 9% to -1%
- No Change
- 1% to 9%
- 10% to 19%
- 20% to 29%
- 30% to 39%
- 40% or More

# U.S. Corn Progress

Percent Harvested  
October 5, 2014

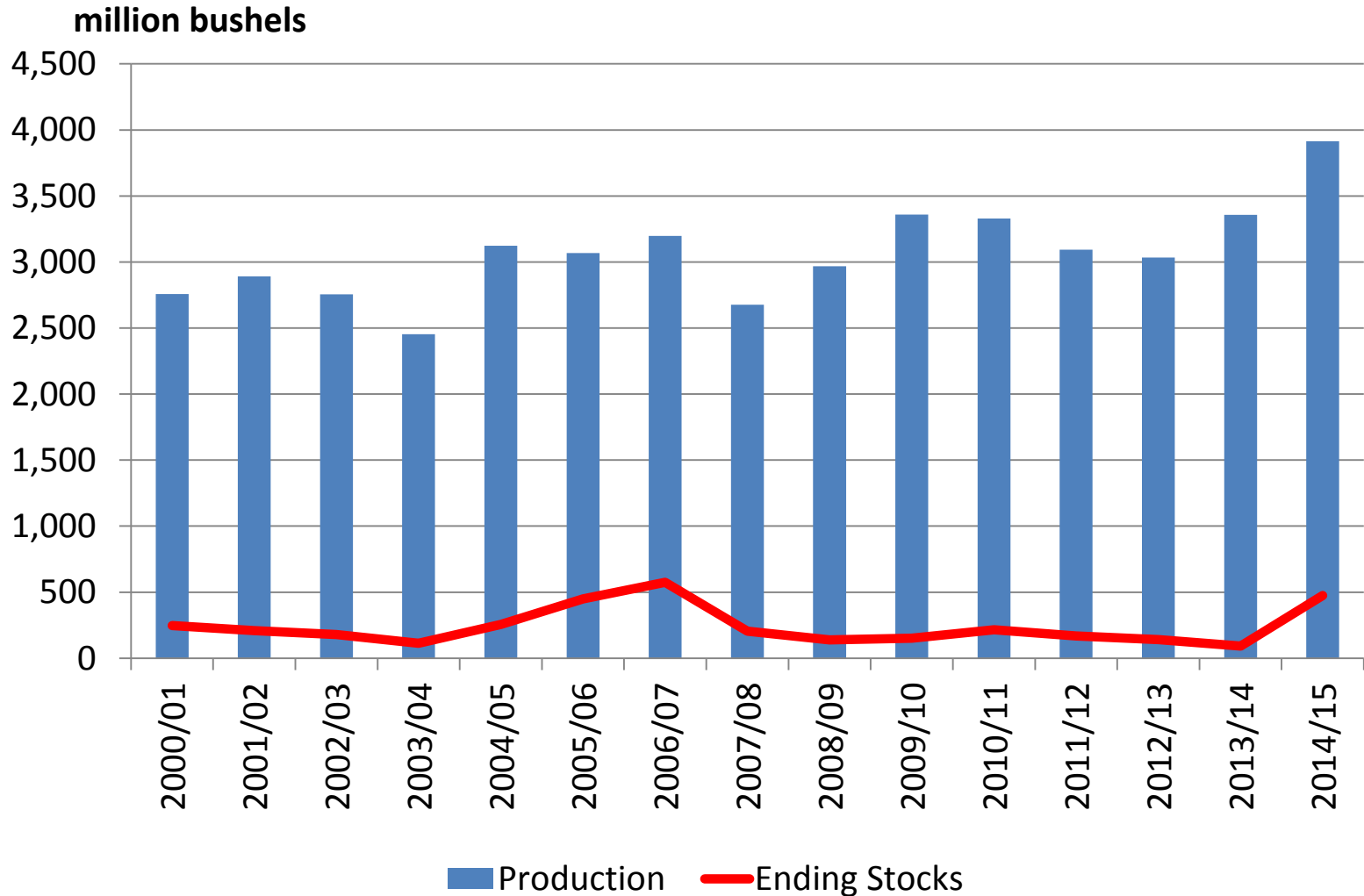


Data obtained from preliminary National Agricultural Statistics Service (NASS) weekly crop progress and condition tables

## Difference

- 40% or less
- 39% to -30%
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- 9% to -1%
- No Change
- 1% to 9%
- 10% to 19%
- 20% to 29%
- 30% to 39%
- 40% or More

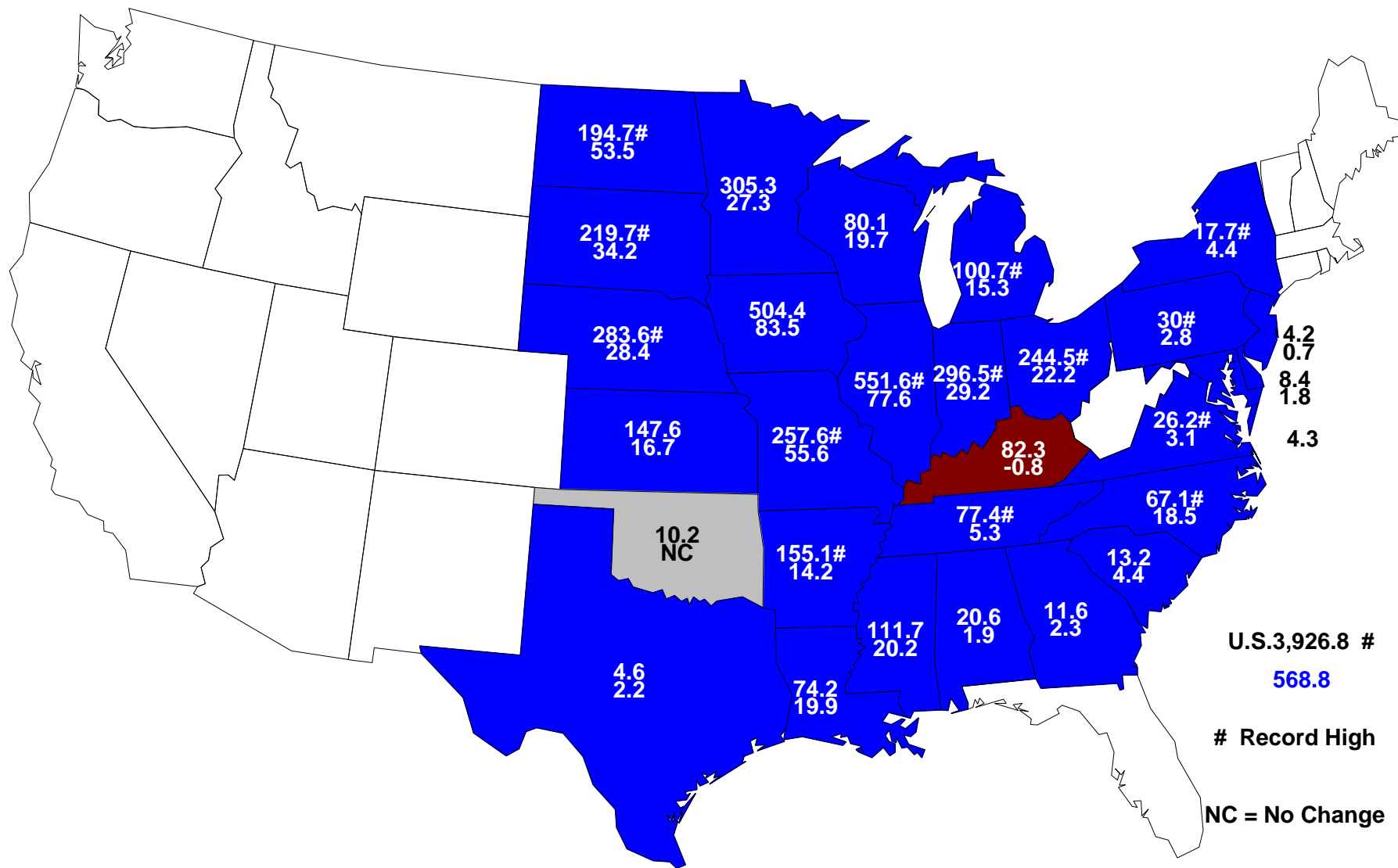
# Soybean Production and Stocks





# October 1, 2014 Soybean Production

## Million Bushels and Change From Previous Year

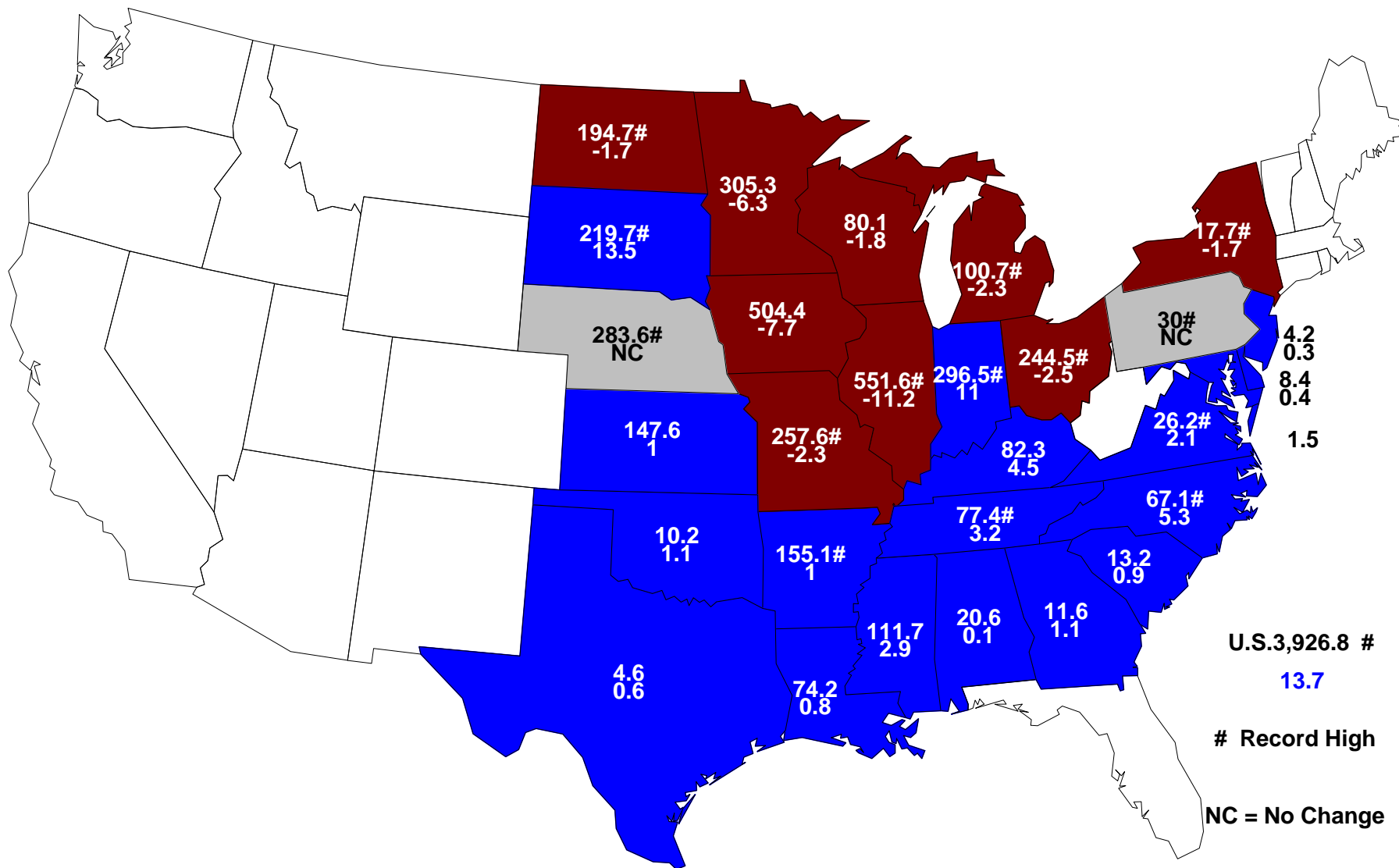


U.S. 3,926.8 #  
 568.8  
 # Record High  
 NC = No Change



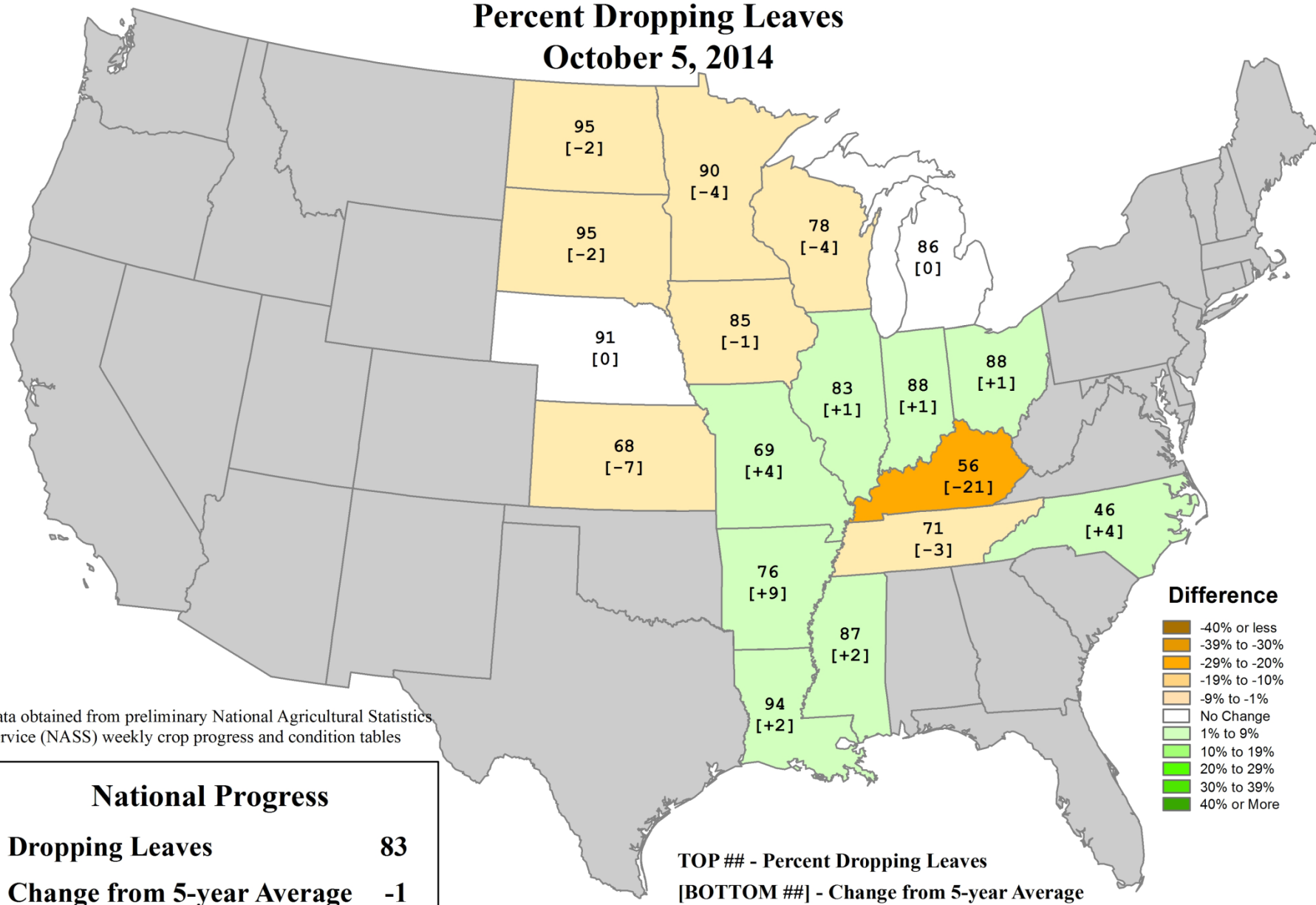
# October 1, 2014 Soybean Production

## Million Bushels and Change From Previous Month



# U.S. Soybeans Progress

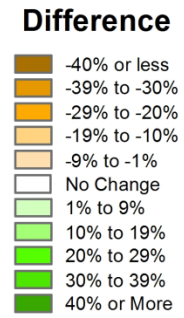
Percent Dropping Leaves  
October 5, 2014



Data obtained from preliminary National Agricultural Statistics Service (NASS) weekly crop progress and condition tables

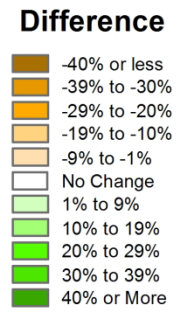
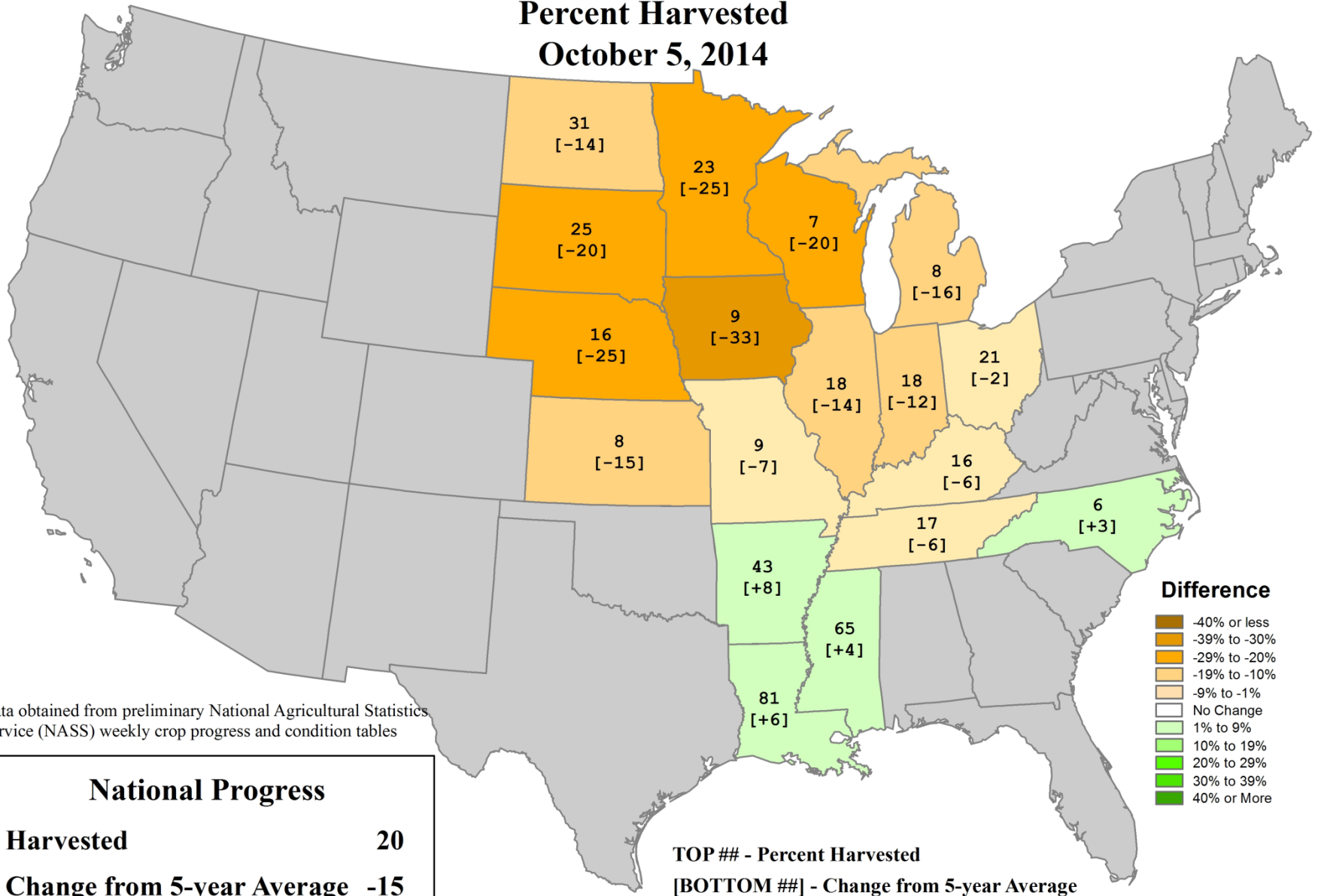
National Progress	
Dropping Leaves	83
Change from 5-year Average	-1

TOP ## - Percent Dropping Leaves  
[BOTTOM ##] - Change from 5-year Average



# U.S. Soybeans Progress

Percent Harvested  
October 5, 2014



Data obtained from preliminary National Agricultural Statistics Service (NASS) weekly crop progress and condition tables

National Progress	
Harvested	20
Change from 5-year Average	-15

TOP ## - Percent Harvested  
[BOTTOM ##] - Change from 5-year Average

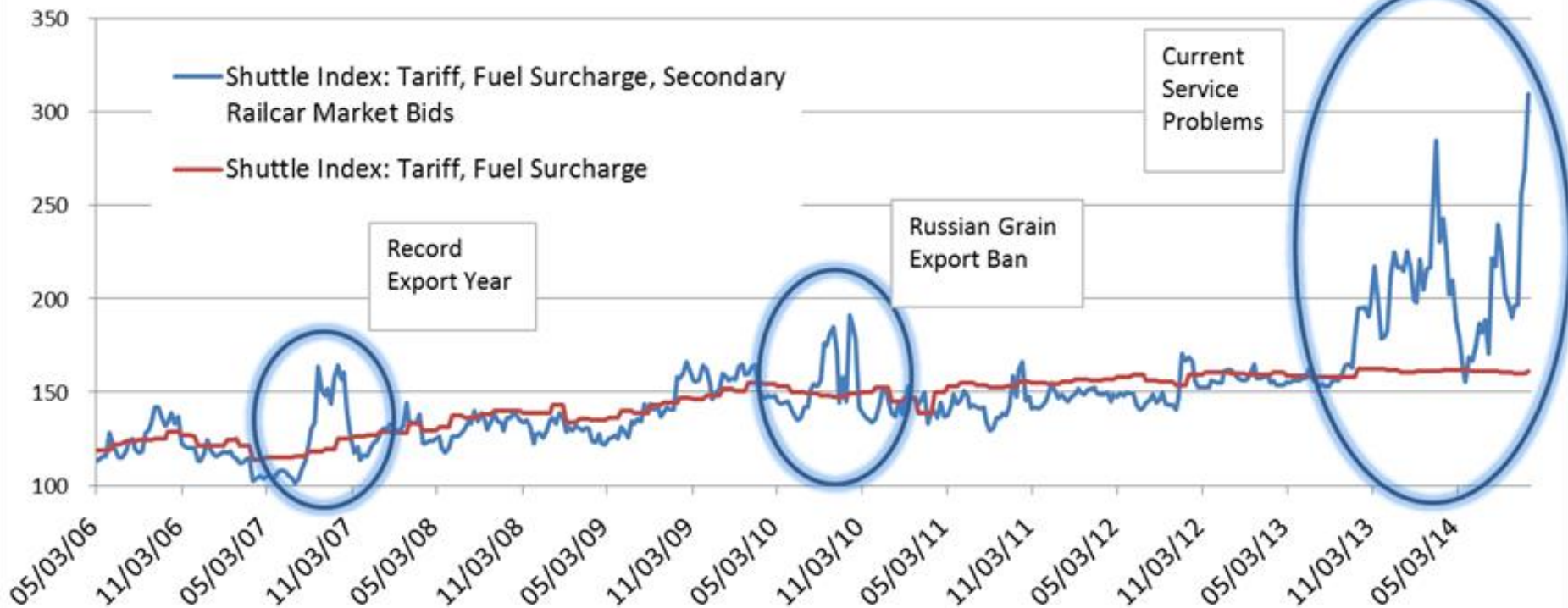


# Rail Transport

Figure 1: Supply and Demand Effects on Rail Shipping Costs - Shuttle

Index Value

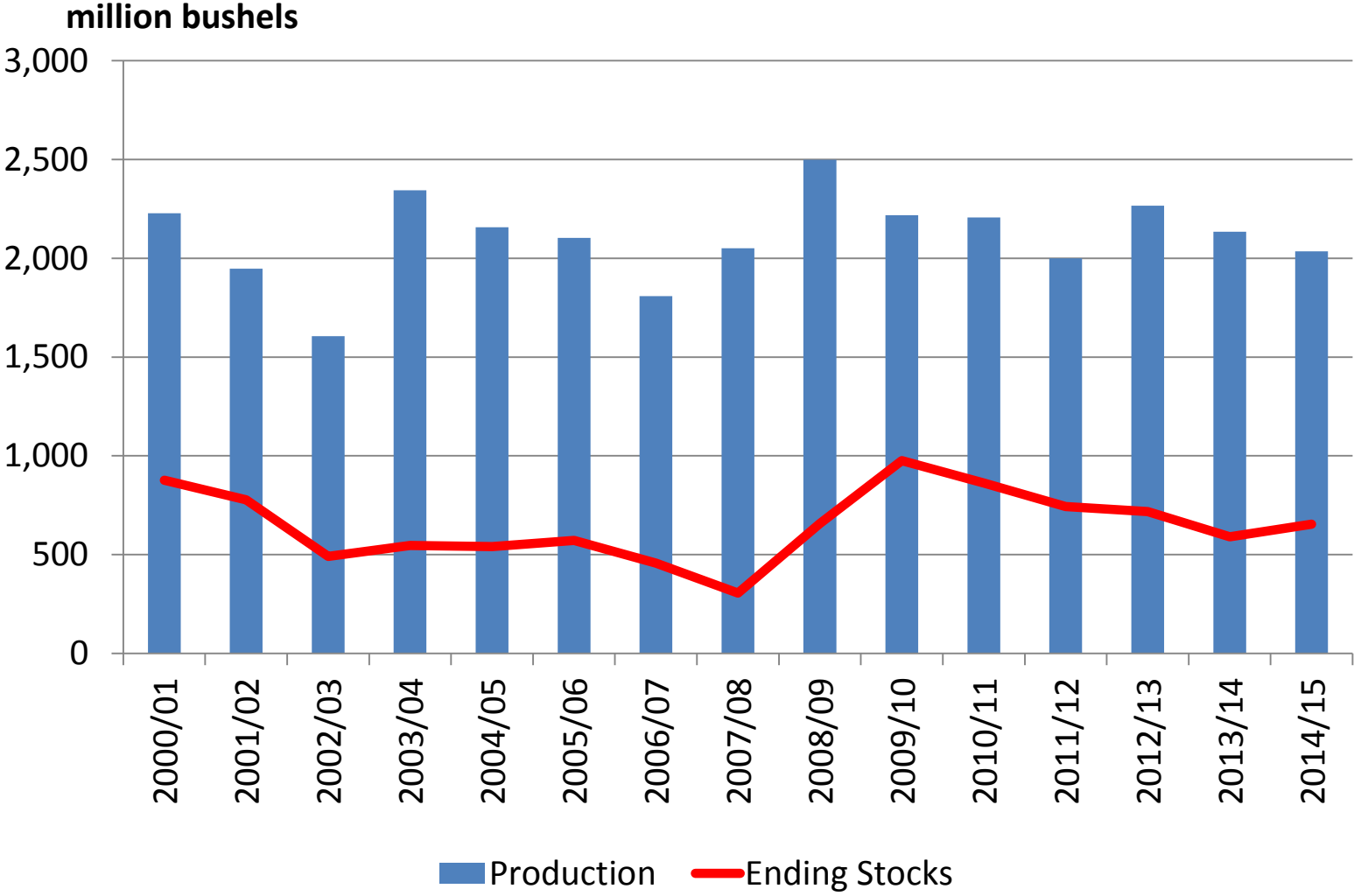
(Set at 100 in Base Year, 2000)



Source: USDA Grain Transportation Report, Transportation Cost Indicators

NB: All prices have been adjusted for inflation using the Bureau of Economic Analysis' Implicit Price Deflator for Gross Domestic Product

# Wheat Production and Stocks



Source: USDA-OCE.