

# 2021 Market Outlook

## Sorghum and Hard Red Winter Wheat



**Mark Welch Extension Economist—Grain Marketing**

**JMWelch@tamu.edu**

**Office: (979)845-8011 Cell: (806)683-9981**

# GROWTH PROJECTIONS

A Crisis Like No Other, An Uncertain Recovery

## GLOBAL ECONOMY

## ADVANCED ECONOMIES

## EMERGING MARKETS & DEVELOPING ECONOMIES



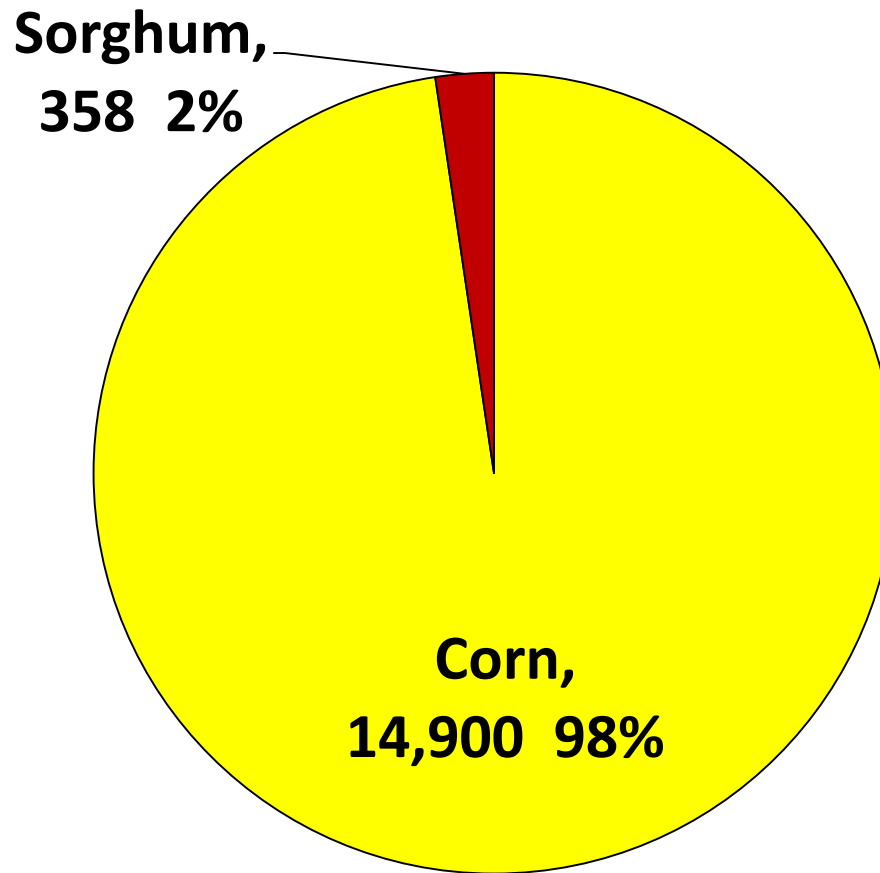
INTERNATIONAL MONETARY FUND

IMF.org #WEO

OECD Economic Outlook September 2020:

Country	2019	2020	2021
China	6.1	1.8	8.0
United States	2.2	-3.8	4.0
World	2.6	-4.5	5.0

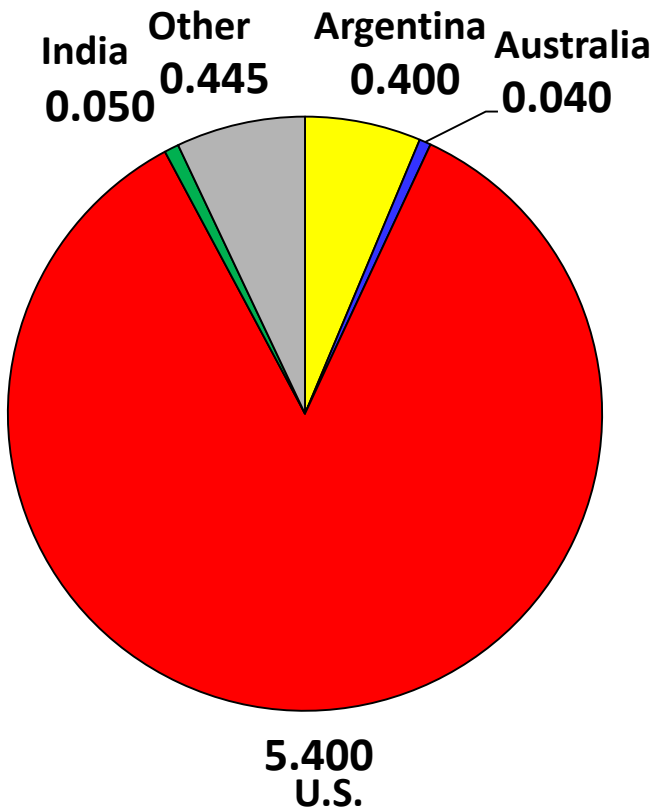
# 2020 U.S. Feed Grain Production (million bushels)



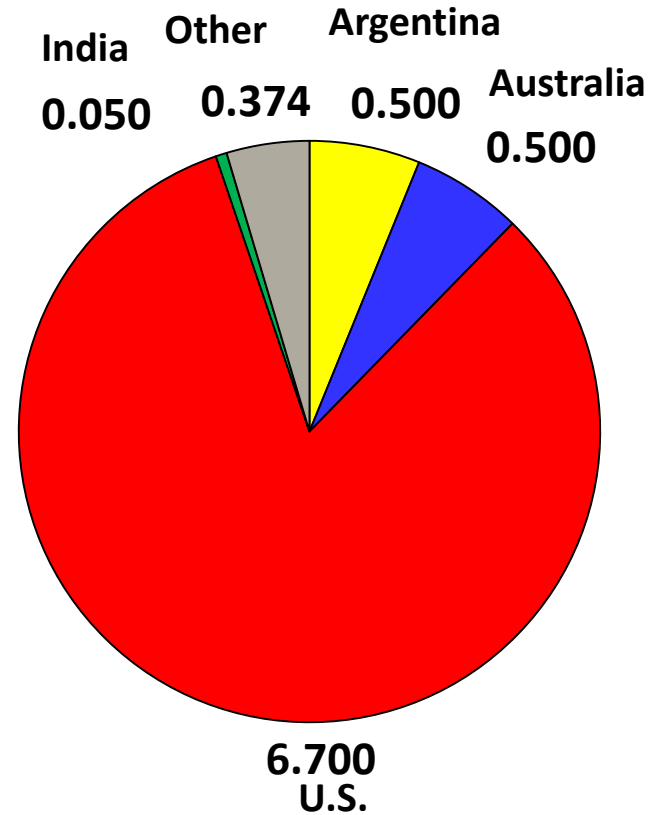
# Sorghum: Major Exporters

2019/20 and 2020/21

(million metric tons)

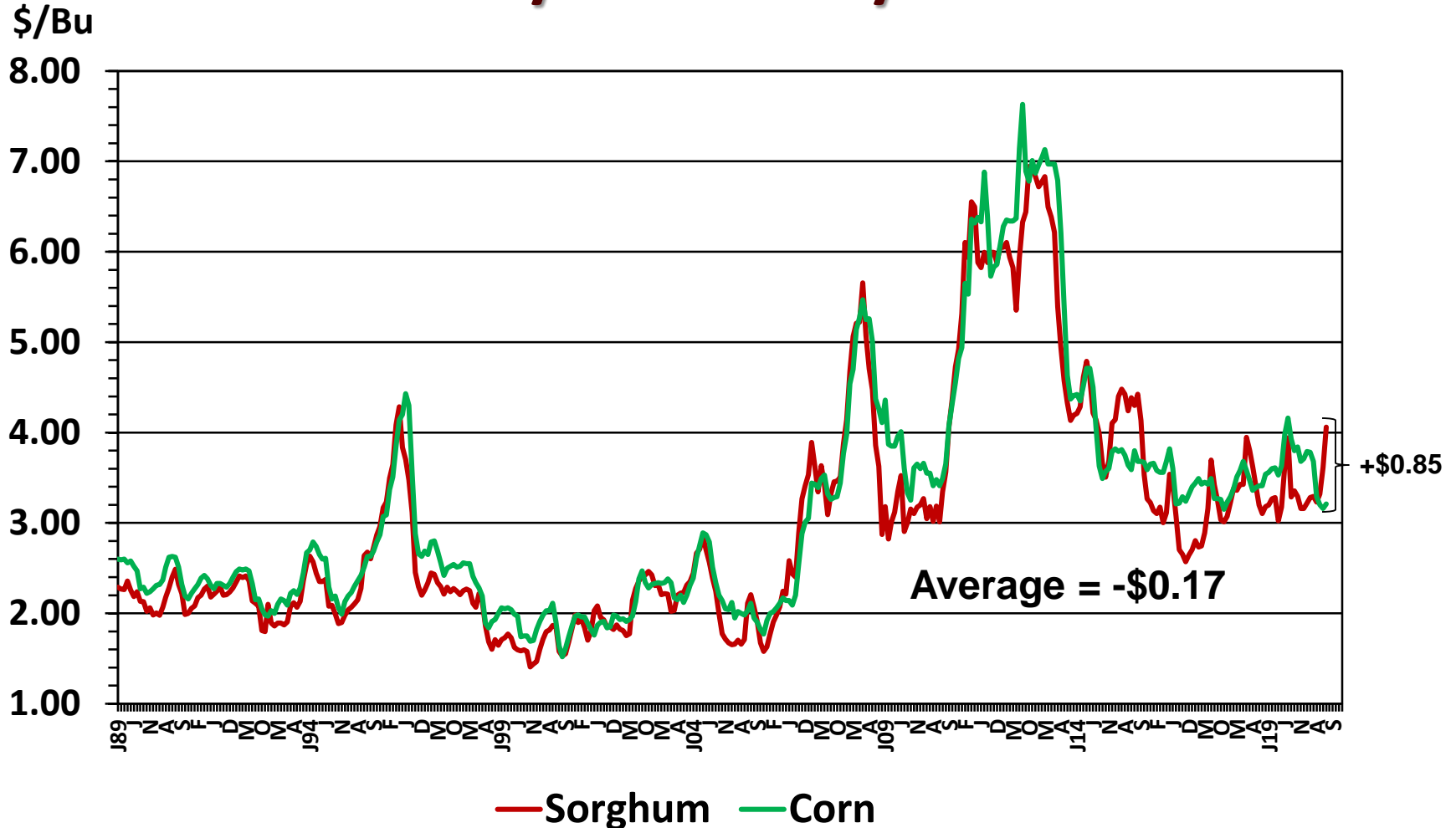


2019/20 (estimated)  
Total = 6.335



2020/21 (projected)  
Total = 8.124

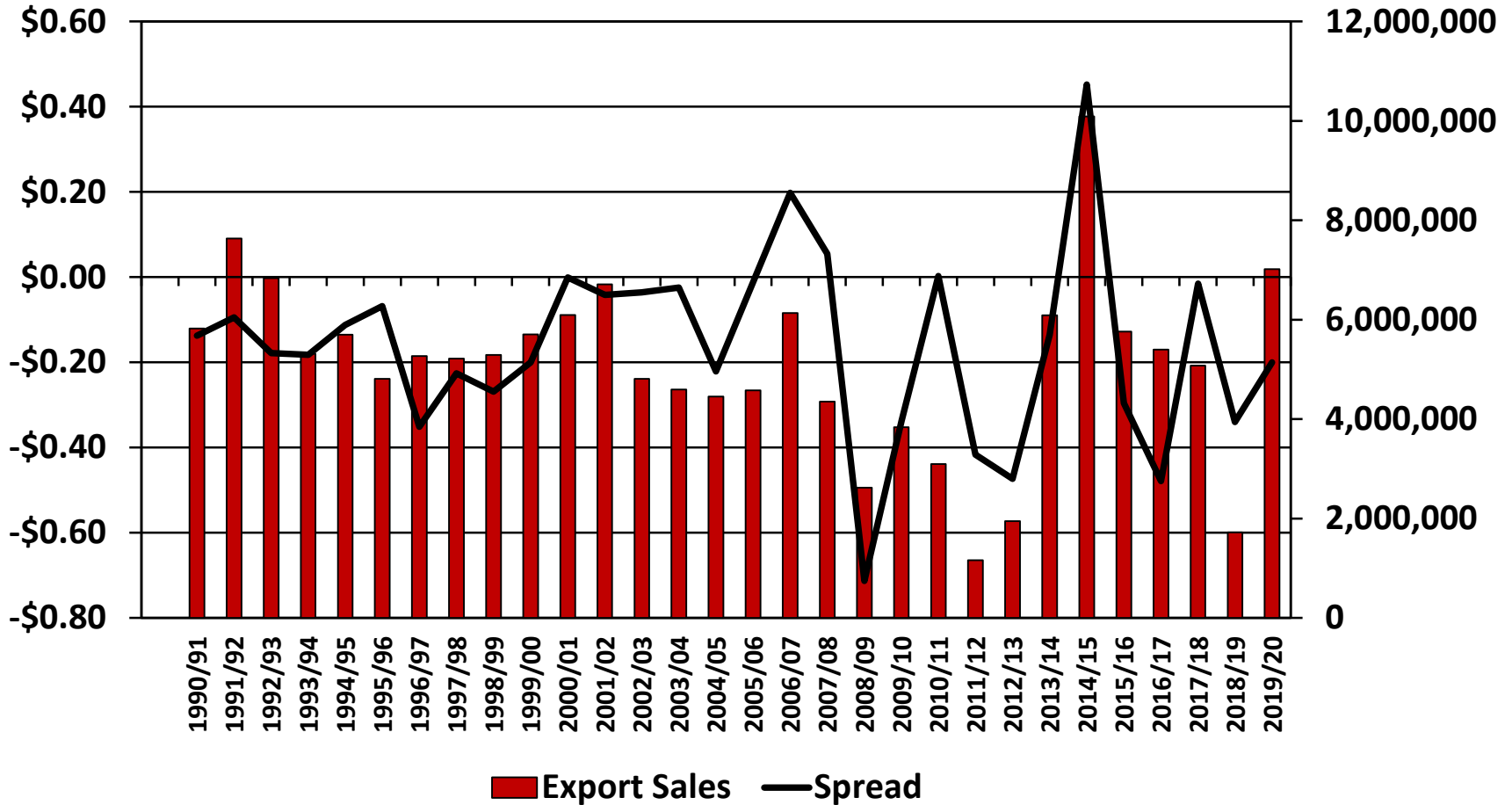
# U.S. Average Prices Received by Farmers for Sorghum and Corn January 1989 – July 2020



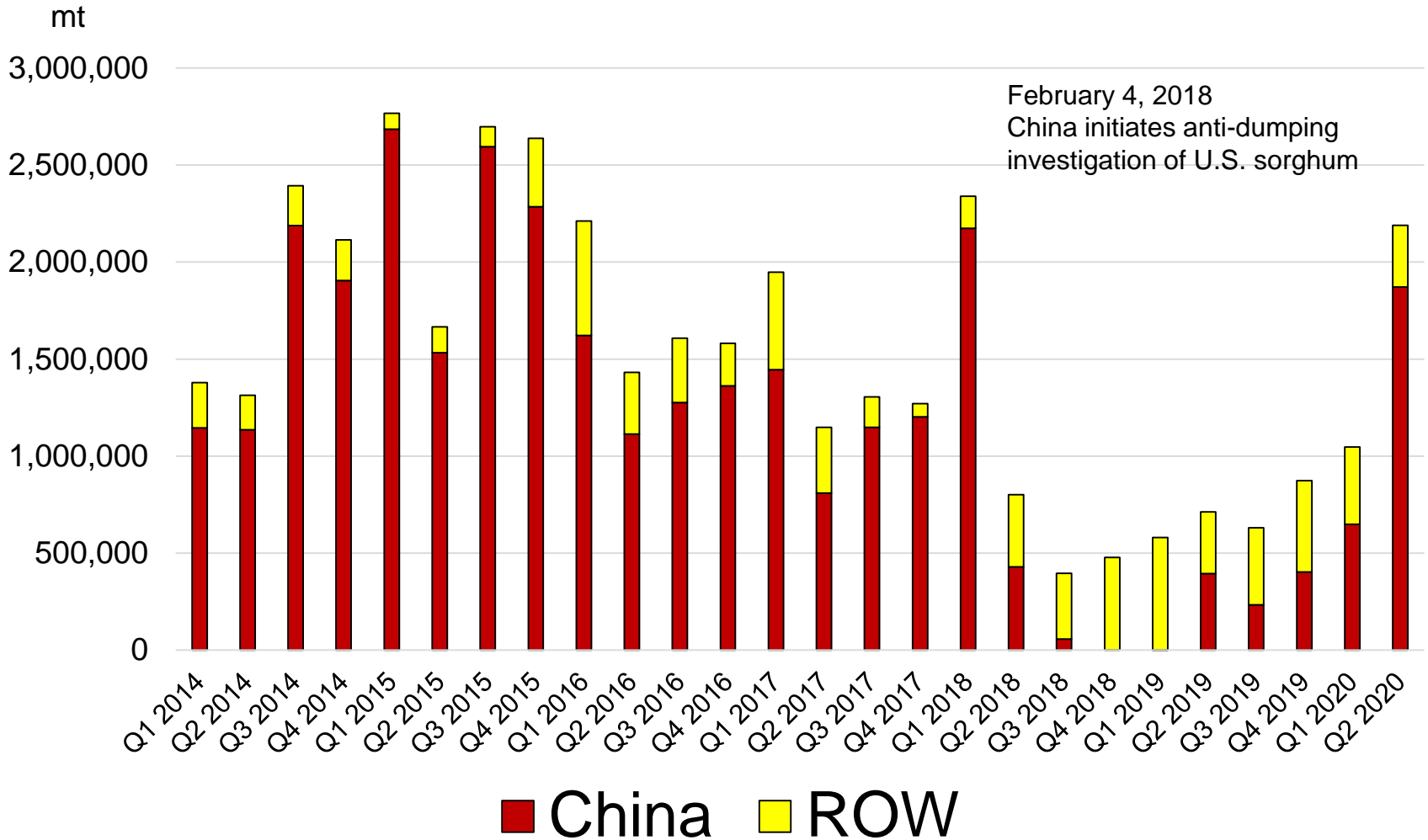
# Sorghum—Corn US Spread and Export Sales

spread, \$/bu

MT



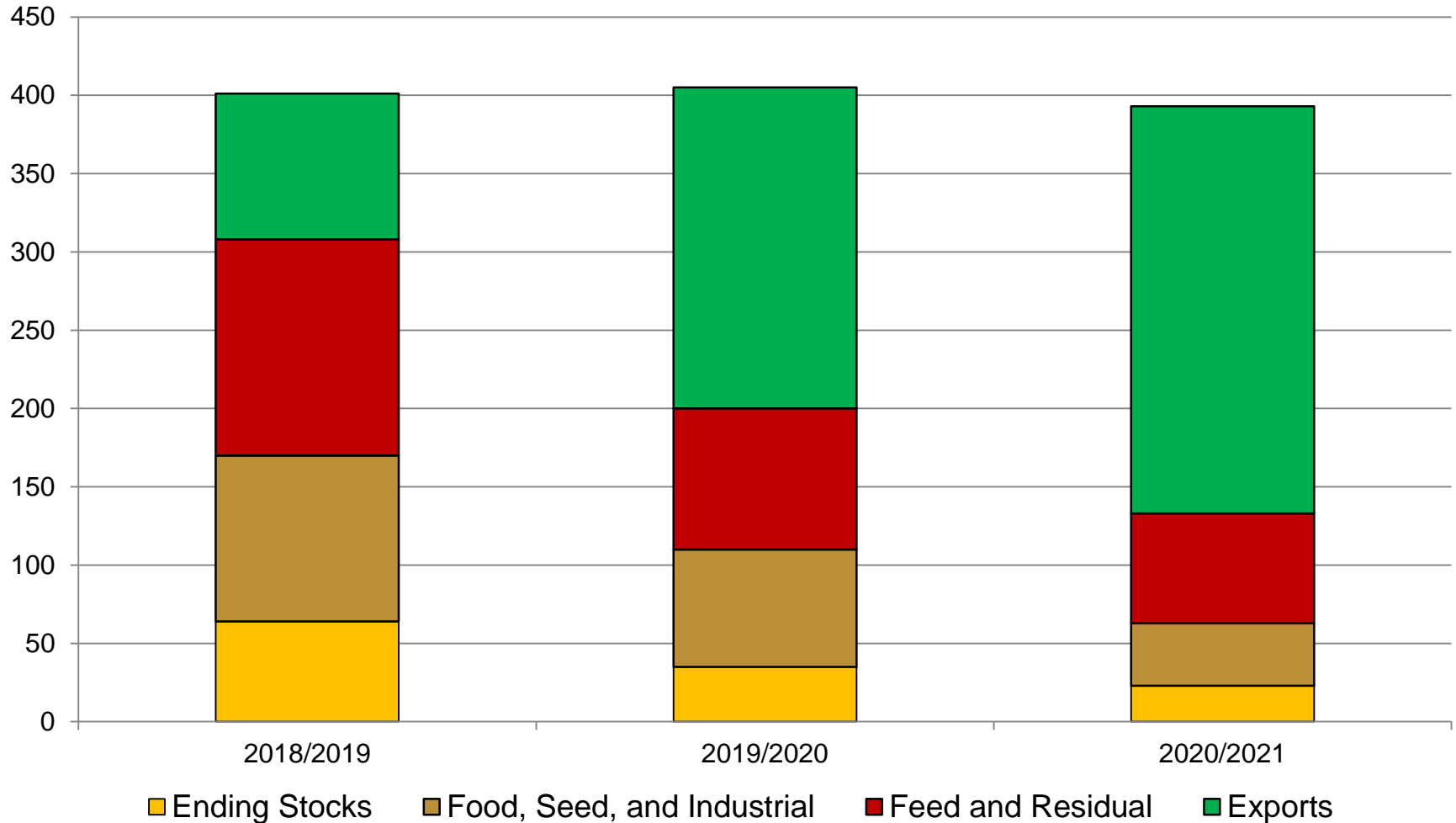
# U.S. Quarterly Grain Sorghum Exports



USDA, FAS, GATS 9/21/2020

# U.S. Sorghum Use, 9/11/2020

Million bushels

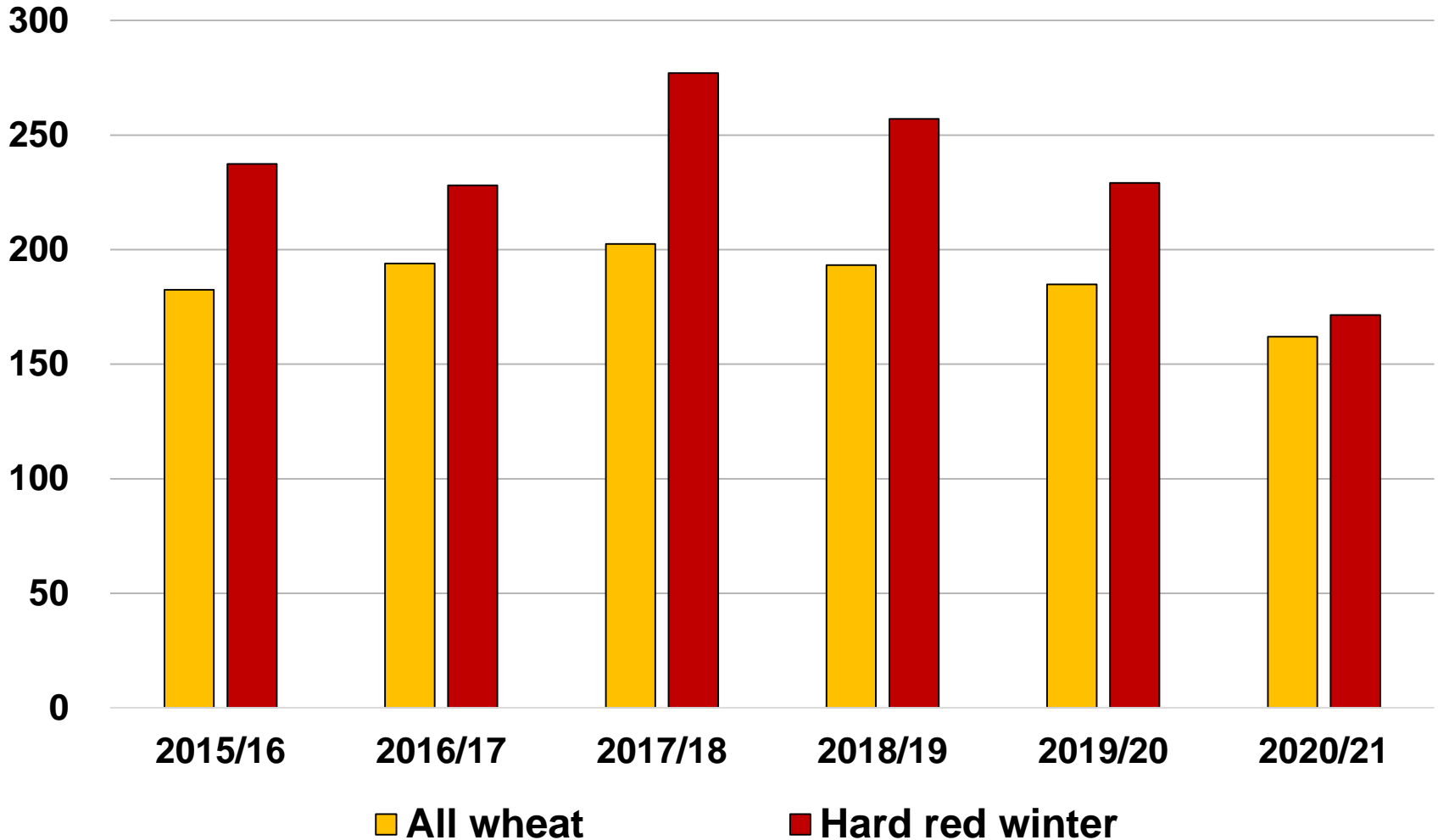


USDA, WASDE



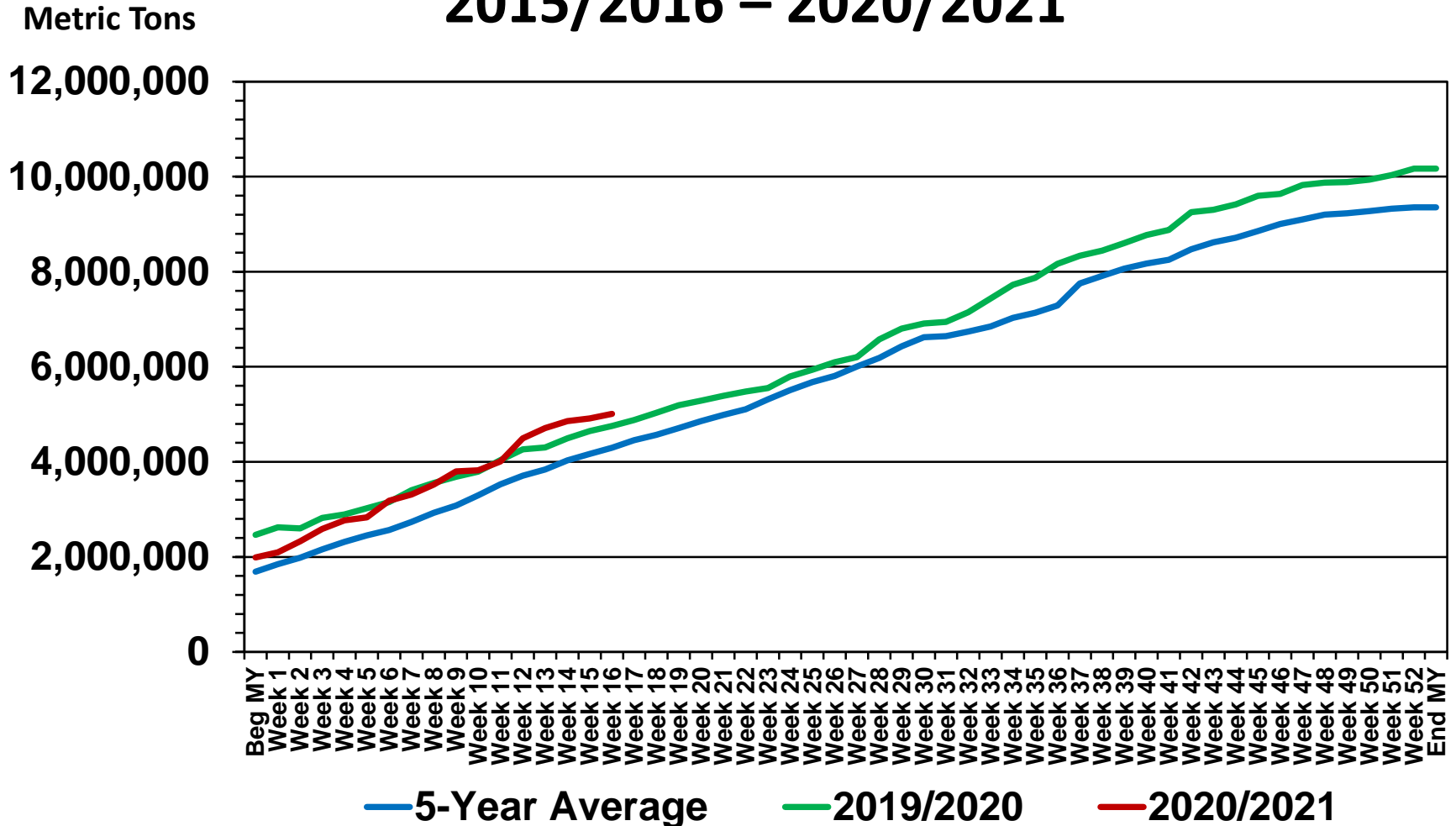
# U.S. Wheat by Class:

## Days of Use on Hand at the End of the Marketing Year



# Cumulative Net Sales – World Total HRW Wheat

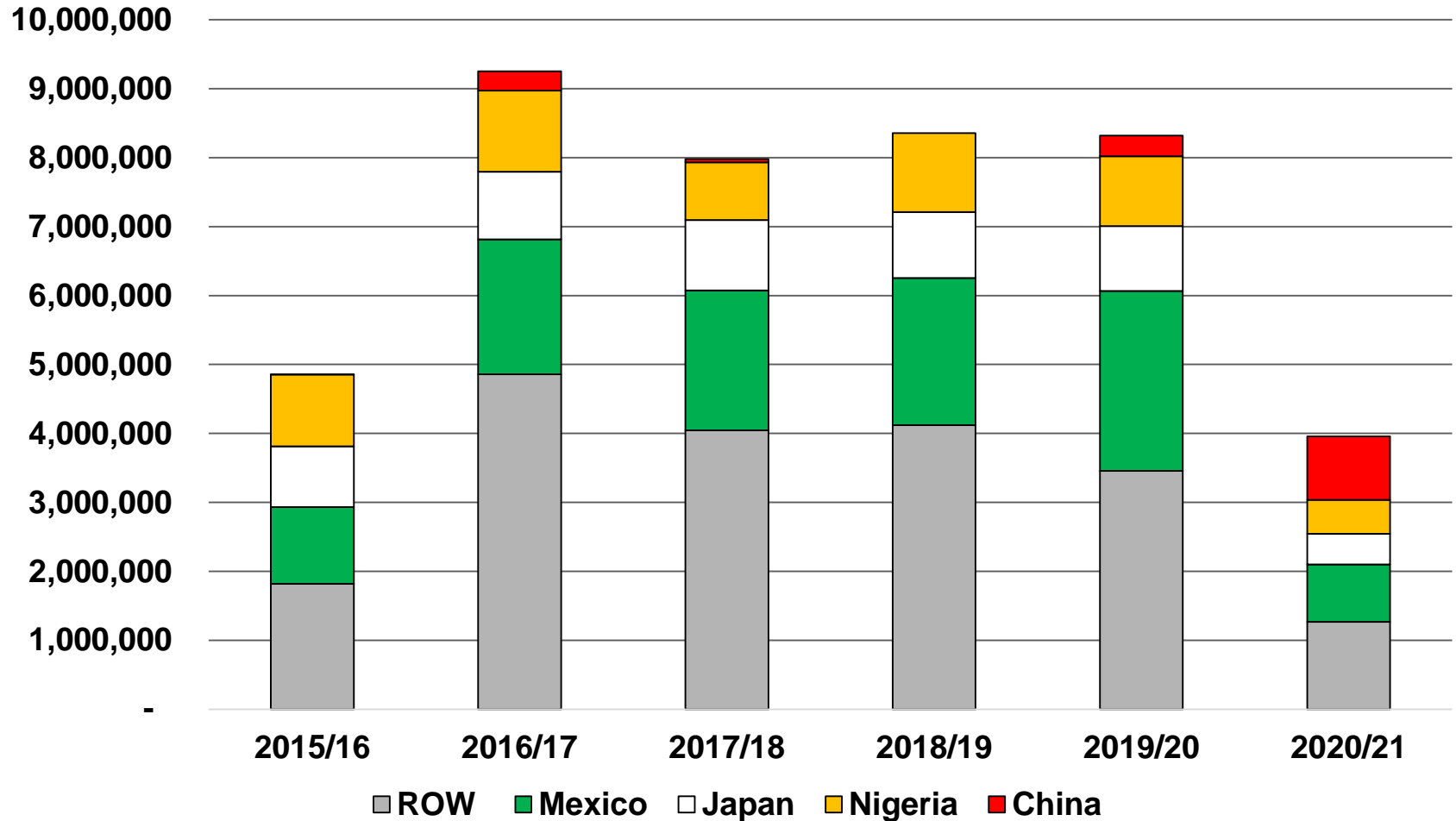
## 2015/2016 – 2020/2021



Source: USDA/FAS/Exports Sales Reporting 9/28/2020

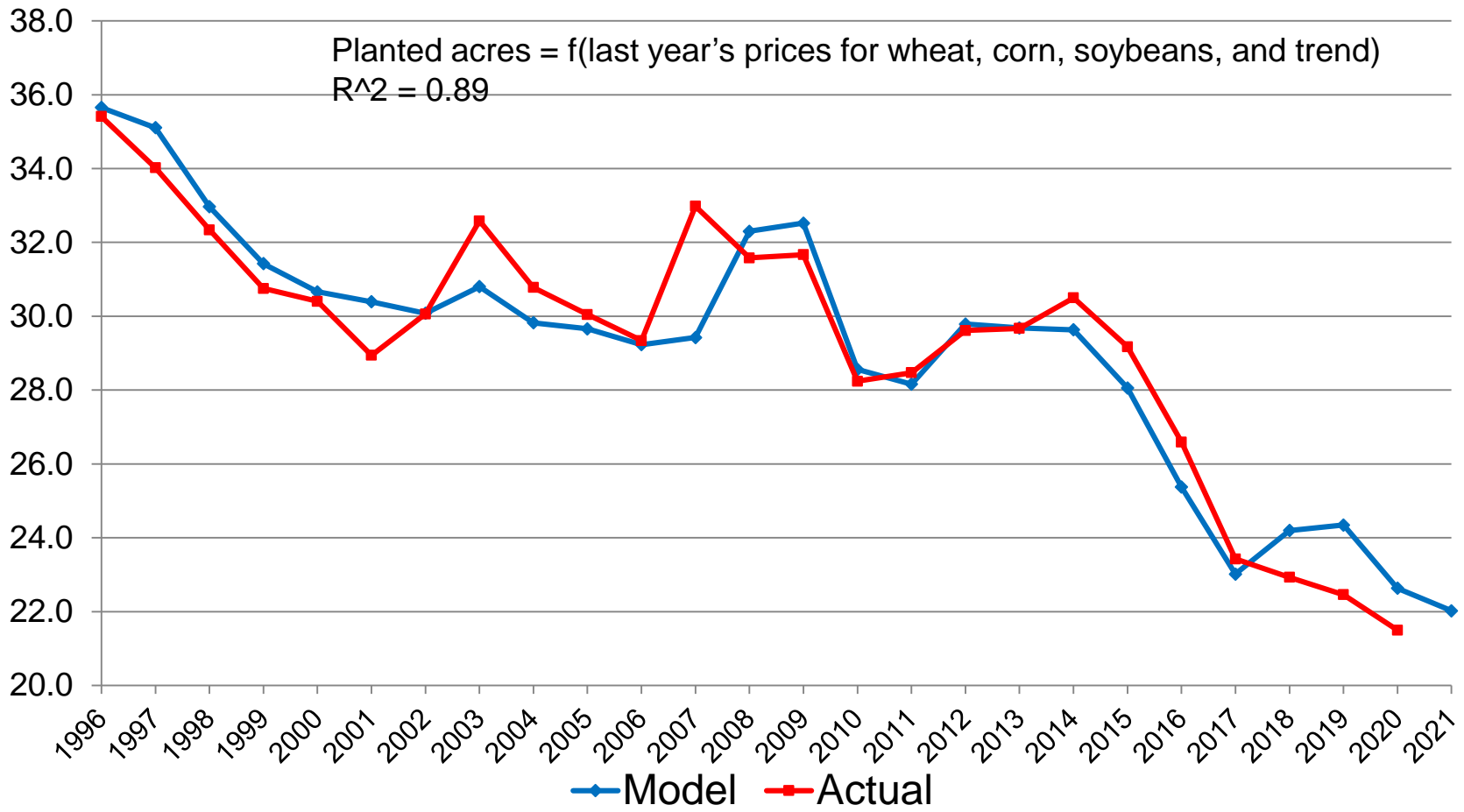
# Hard Red Winter Wheat Export Sales

Metric Tons



# U.S. Hard Red Wheat Planted Acres

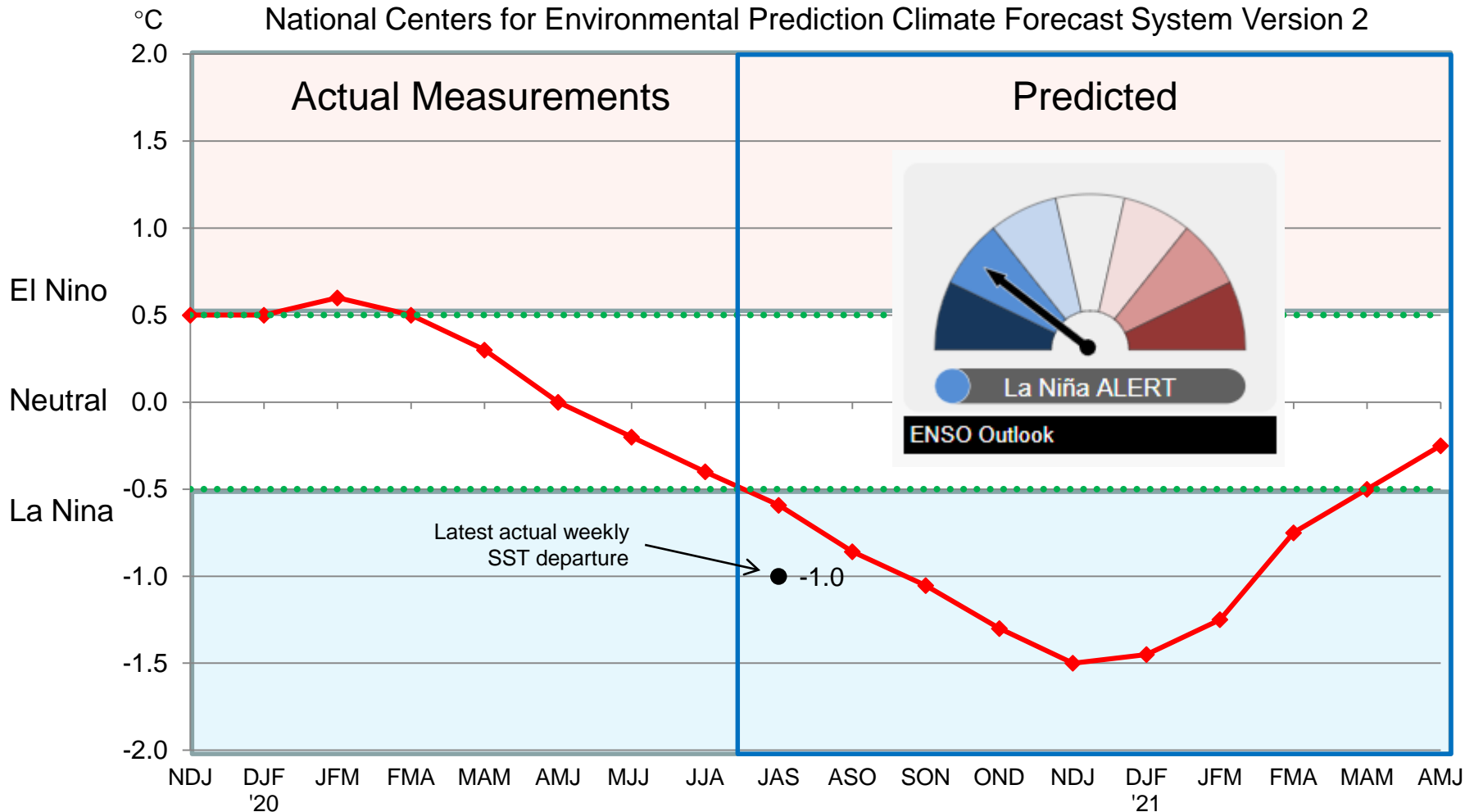
Million acres



Updated 9/19/2020

# Oceanic Niño Index (ONI)

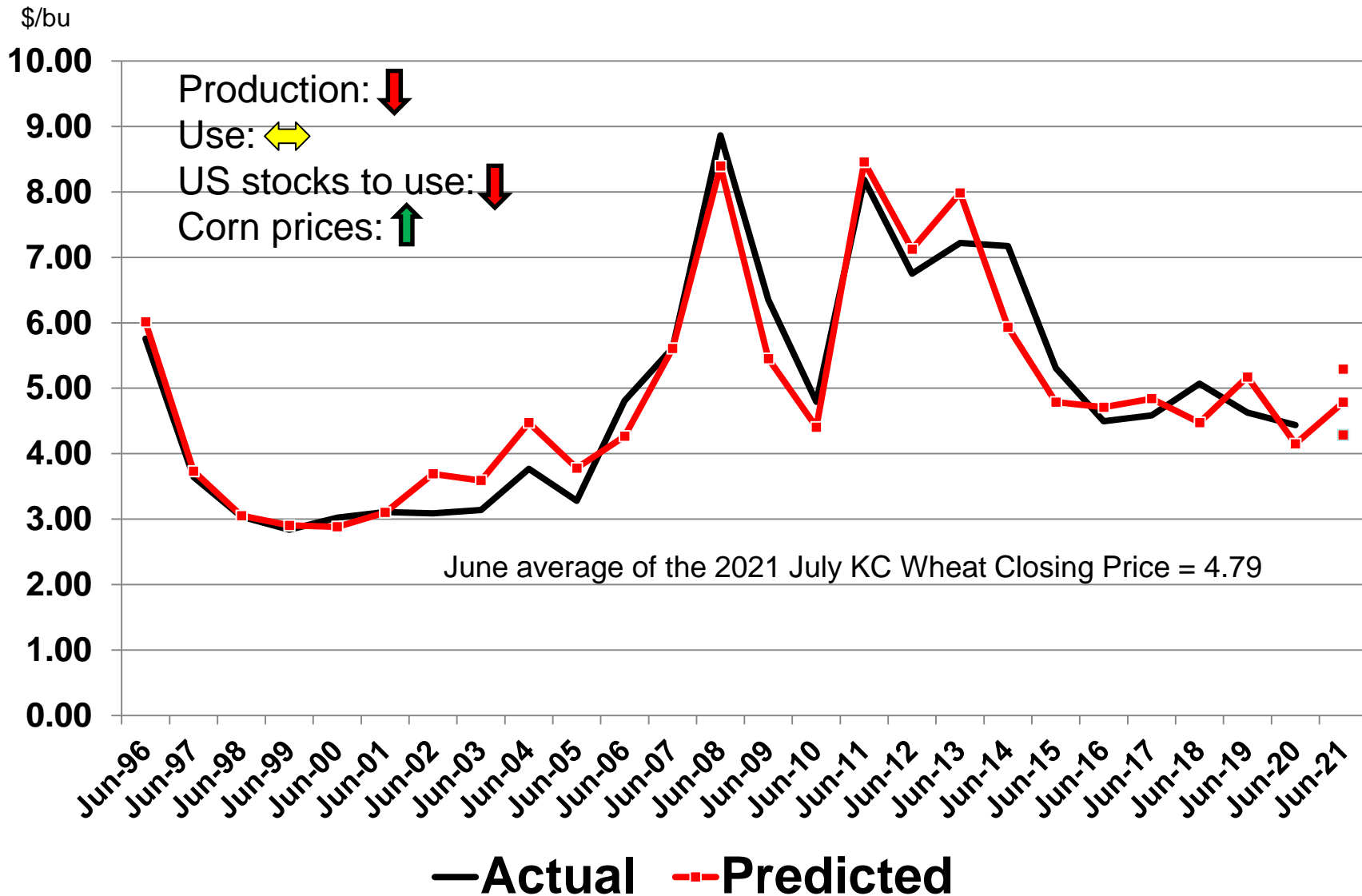
The CFS.v2 ensemble mean (red line) predicts La Niña will continue through winter 2020-21.



El Niño/Southern Oscillation (ENSO) Diagnostic Discussion, September 28, 2020

[http://www.cpc.ncep.noaa.gov/products/analysis\\_monitoring/enso\\_advisory/](http://www.cpc.ncep.noaa.gov/products/analysis_monitoring/enso_advisory/)








# 2021 July KC Wheat Futures Price Model: 4.79










Jun avg price<sub>t</sub> = 5.2 + (-0.001 \* prod<sub>t</sub>) + (0.998 \* nearby C<sub>t</sub>) + (-0.003 \* USdays<sub>t-1</sub>) + (-0.012 \* Wdays<sub>t-1</sub>); R<sup>2</sup> = 0.91  
 updated 9/28/2020

# 2021 Supply and Demand Balance Sheet

## Sorghum

- Acres 
- Yield  Weather/La Nina
- Production 
- Domestic Use 
- Exports 
- Ending Stocks 
- Price 

## Hard Red Winter Wheat

- Acres 
  - Yield 
  - Production 
  - Domestic Use 
  - Exports 
  - Ending Stocks 
  - Price 
- Global Economy—pace of growth
  - Trade—disputes, disruptions, uncertainty

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