Obtaining and Using USDA Market and Production Reports
Production Forecasts

- Production estimate
  - Planted and harvested acres
  - Yield

- Based on conditions at the time

- Assumes normal weather for the remainder of season

- NASS adjusts for weather events
Planted and Harvested Acres

- June survey is largest of year

- Two samples
  - ✔ Area Frame
  - ✔ List Frame

- Combine and compare list and area information
Yield Forecast

- Farmers monthly crop yield projections
- Objective yield surveys
- Statistical model estimation
- Revisions for weather, etc.
- Combine yield and harvested acres to get a production estimate
<table>
<thead>
<tr>
<th>Crop</th>
<th>Component</th>
<th>Forecast Variable</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ears</td>
<td>Stalks, ears and ear shoots, ears with kernels</td>
</tr>
<tr>
<td>Corn</td>
<td>Ear weight</td>
<td>Historic average, length over husk, kernel row length, ear diameter</td>
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<tr>
<td></td>
<td>Plants</td>
<td>Plants, mainstem nodes, lateral branches, blooms, flowers and pods</td>
</tr>
<tr>
<td>Soybeans</td>
<td>Pods per plant</td>
<td></td>
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<tr>
<td></td>
<td>Pod weight</td>
<td>Historical average, pods w/ beans</td>
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<tr>
<td></td>
<td>Bolls</td>
<td>Squares, blooms, small bolls, large bolls, open bolls</td>
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<tr>
<td>Cotton</td>
<td>Boll weight</td>
<td>Historical average, large boll weight</td>
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<tr>
<td></td>
<td>Heads</td>
<td>Stalks, heads in boot, emerged heads</td>
</tr>
<tr>
<td>Wheat</td>
<td>Head weight</td>
<td>Historical average, fertile spikelets, grains per head</td>
</tr>
</tbody>
</table>
Use of Production Forecasts

- Crop Production report
- World Agricultural Supply and Demand Estimates report
NASS Reports vs. Industry Reports

- NASS survey most extensive

- Industry estimates guess what NASS/USDA will say

- NASS/USDA is the benchmark

- NASS data
  - Public information
  - Private firms estimates/potential conflicts
Crop Progress Reports

- Released every Monday during growing season

- Progress and conditions
  - Percent planted
  - Various stages of maturity
  - Percent harvested

- Compared to previous (week, year, five-year average)

- Watched by traders