Feed Costs: Longer Term

Chad Hart
Center for Agricultural and Rural Development
Iowa State University
E-mail: chart@iastate.edu

July 7, 2008

New Dimensions in Livestock Risk Conference
Iowa Farm Bureau
Ames, Iowa
Corn Price Projections

$ Per Bushel

FAPRI Baseline  USDA Baseline  USDA Latest

Years:
- 97/98
- 98/99
- 99/00
- 00/01
- 01/02
- 02/03
- 03/04
- 04/05
- 05/06
- 06/07
- 07/08
- 08/09
- 09/10
- 10/11
- 11/12
- 12/13
- 13/14
- 14/15
- 15/16
- 16/17
- 17/18
Soybean Meal Price Projections

$ Per Ton

97/98 98/99 99/00 00/01 01/02 02/03 03/04 04/05 05/06 06/07 07/08 08/09 09/10 10/11 11/12 12/13 13/14 14/15 15/16 16/17 17/18

- FAPRI Baseline
- USDA Baseline
- USDA Latest
Hay Price Projections

Source: FAPRI

$ Per Ton

97/98 98/99 99/00 00/01 01/02 02/03 03/04 04/05 05/06 06/07 07/08 08/09 09/10 10/11 11/12 12/13 13/14 14/15 15/16 16/17 17/18

All-Hay  Alfalfa

Source: FAPRI
Growing Corn Utilization

Source: FAPRI

- Ethanol
- Exports

Source: FAPRI
And Soy Meal Utilization

Source: FAPRI
Ethanol Co-Products

Source: FAPRI

- Distillers Grains
- Corn Gluten Feed
U.S. Meat Demand

Source: FAPRI

Million Pounds

1997 1999 2001 2003 2005 2007 2009 2011 2013 2015 2017

Source: FAPRI
World Meat Demand

Source: FAPRI

**Graph:**

- **Y-axis:** Pounds Per Person
- **X-axis:** Year (1997-2017)
- **Lines:**
  - Blue: China
  - Red: Mexico
  - Green: Russia

- **Trend:** The demand for meat per person has increased over the years for all three countries, with China showing a steady increase, Mexico showing fluctuations, and Russia also showing growth.

**Source:** FAPRI
Summary Thoughts

Higher feed prices are projected to stay.

Number of reasons why:

1. Strong demand from a variety of sectors
2. Growing population
3. Higher incomes (especially in developing countries)
Thanks for your time!