

# The Outlook for Ethanol, Corn, and Beef



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Beef Quality Summit: Beef Quality in the Ethanol Era

Omaha, Nebraska

November 8, 2007

# Outline

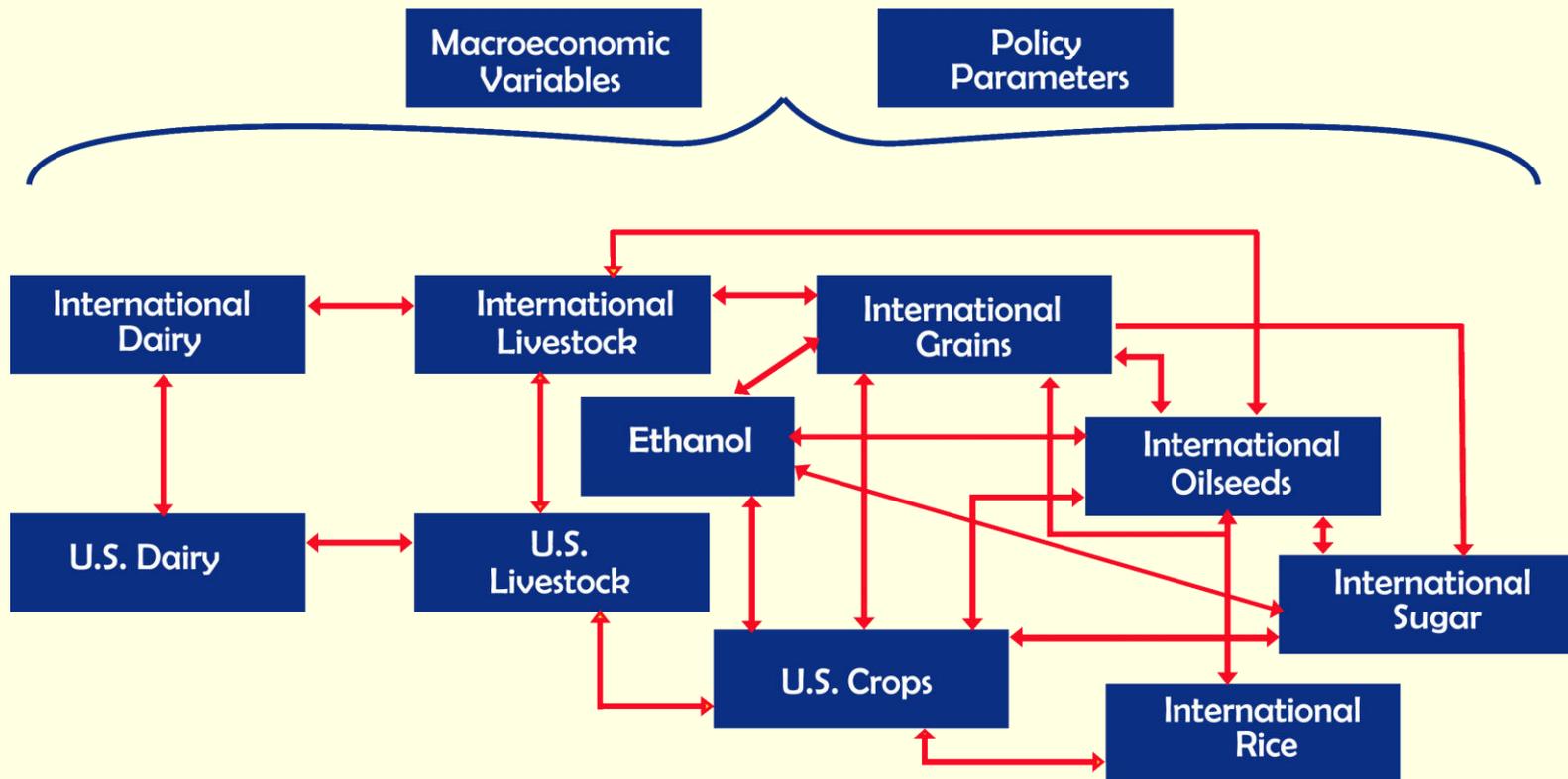
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- Look at key variables for ethanol, crops, and beef sectors
  - FAPRI March 2007 Baseline
  - FAPRI August 2007 Update

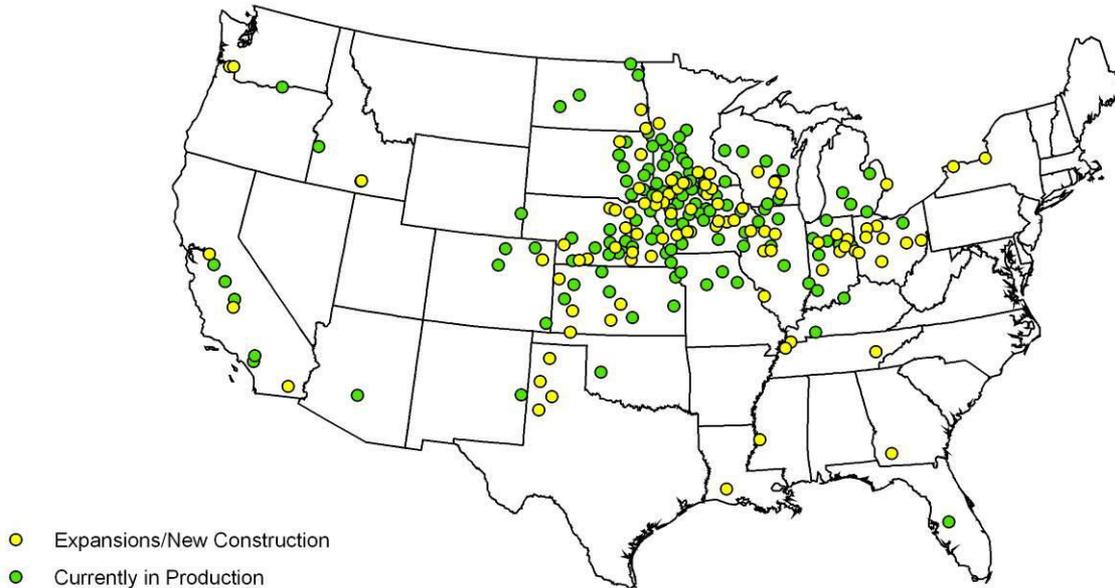
# Model Interactions

## Model Interactions

Trade, Prices, and Physical Flows



# U.S. Ethanol Industry



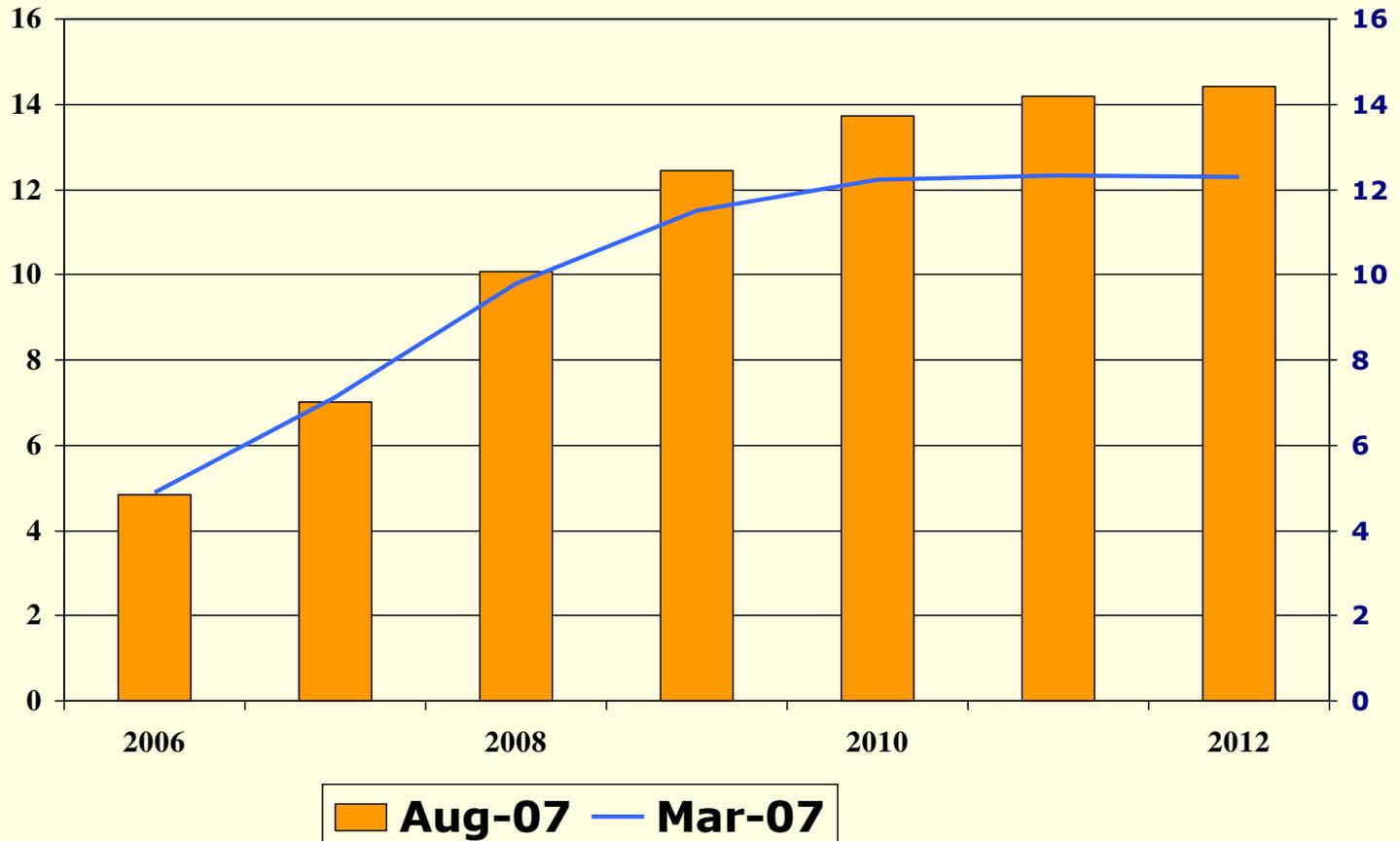
- Current ethanol capacity: 131 plants, 6.92 billion gallons/year
- Total capacity under construction and expansion: 6.56 billion gallons/year
- 73 new ethanol plants and 10 expansion projects underway

▪ 2.2 billion bushels of corn were used in producing fuel ethanol in 2006/2007 marketing year.

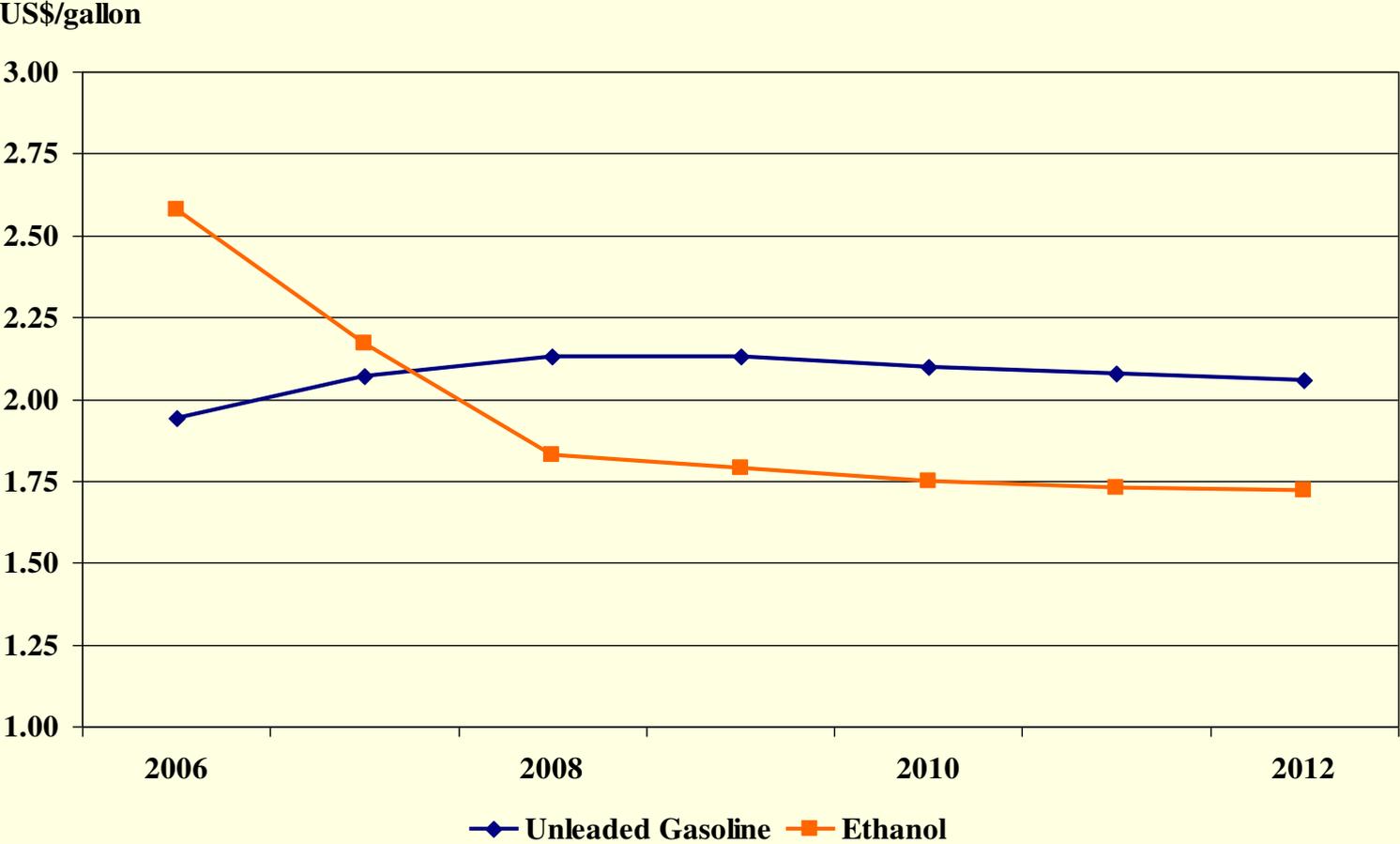
▪ 3.2-3.5 billion bushels of corn are expected to be used in producing fuel ethanol for 2007/2008 marketing year.

# Projected U.S. Ethanol Production

billion gallons

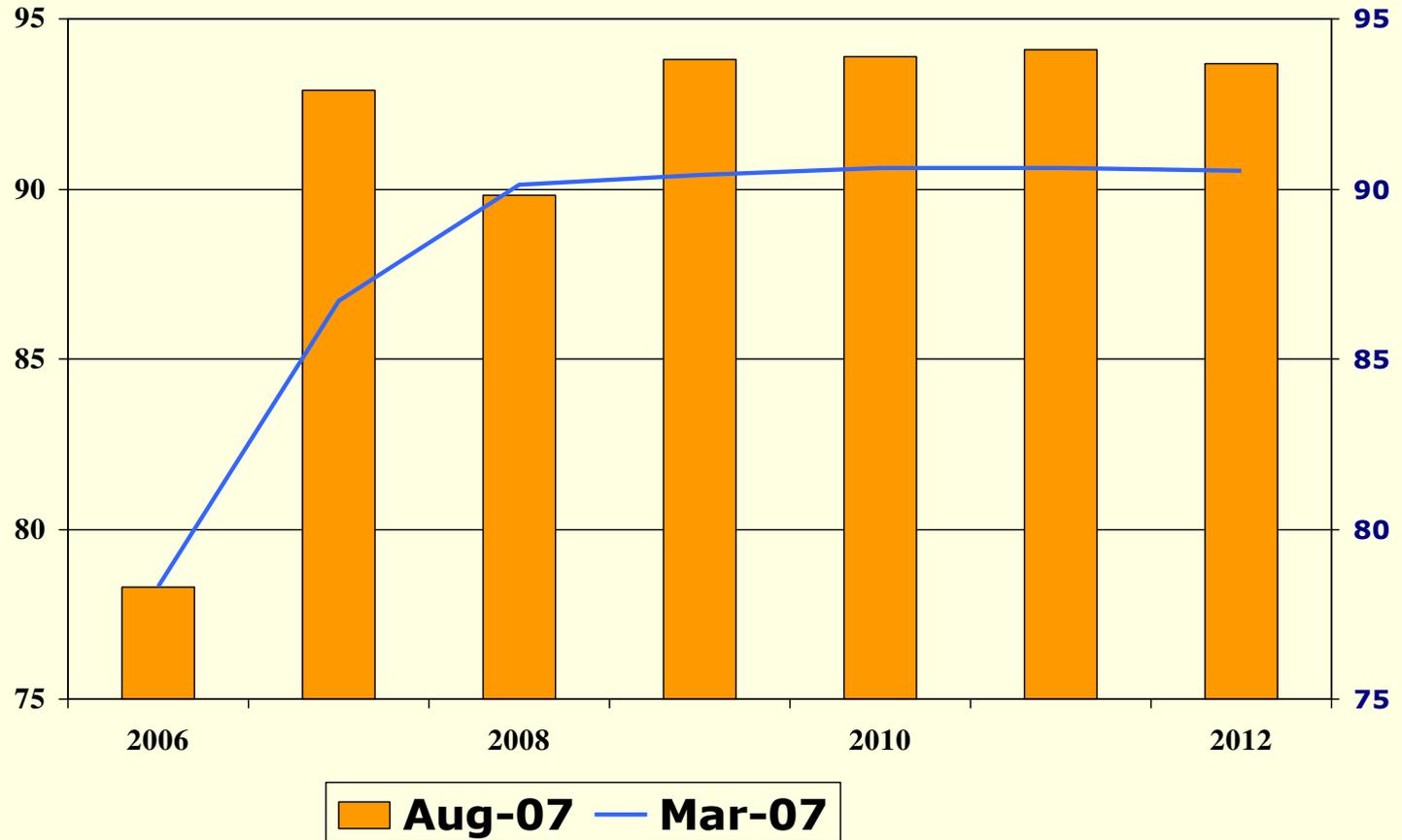


# Wholesale Gasoline and Ethanol Prices



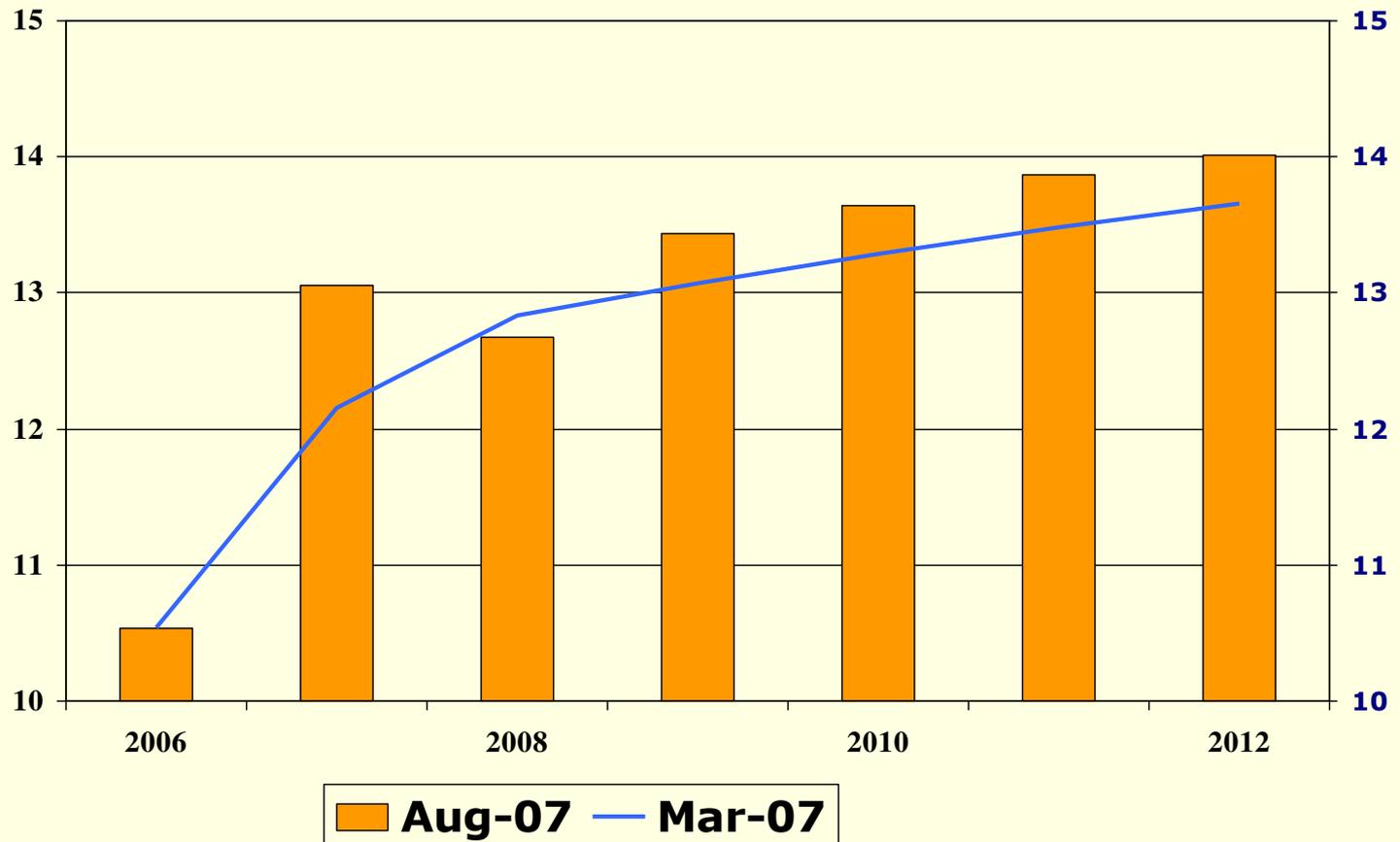
# Projected U.S. Corn Acreage

million acres

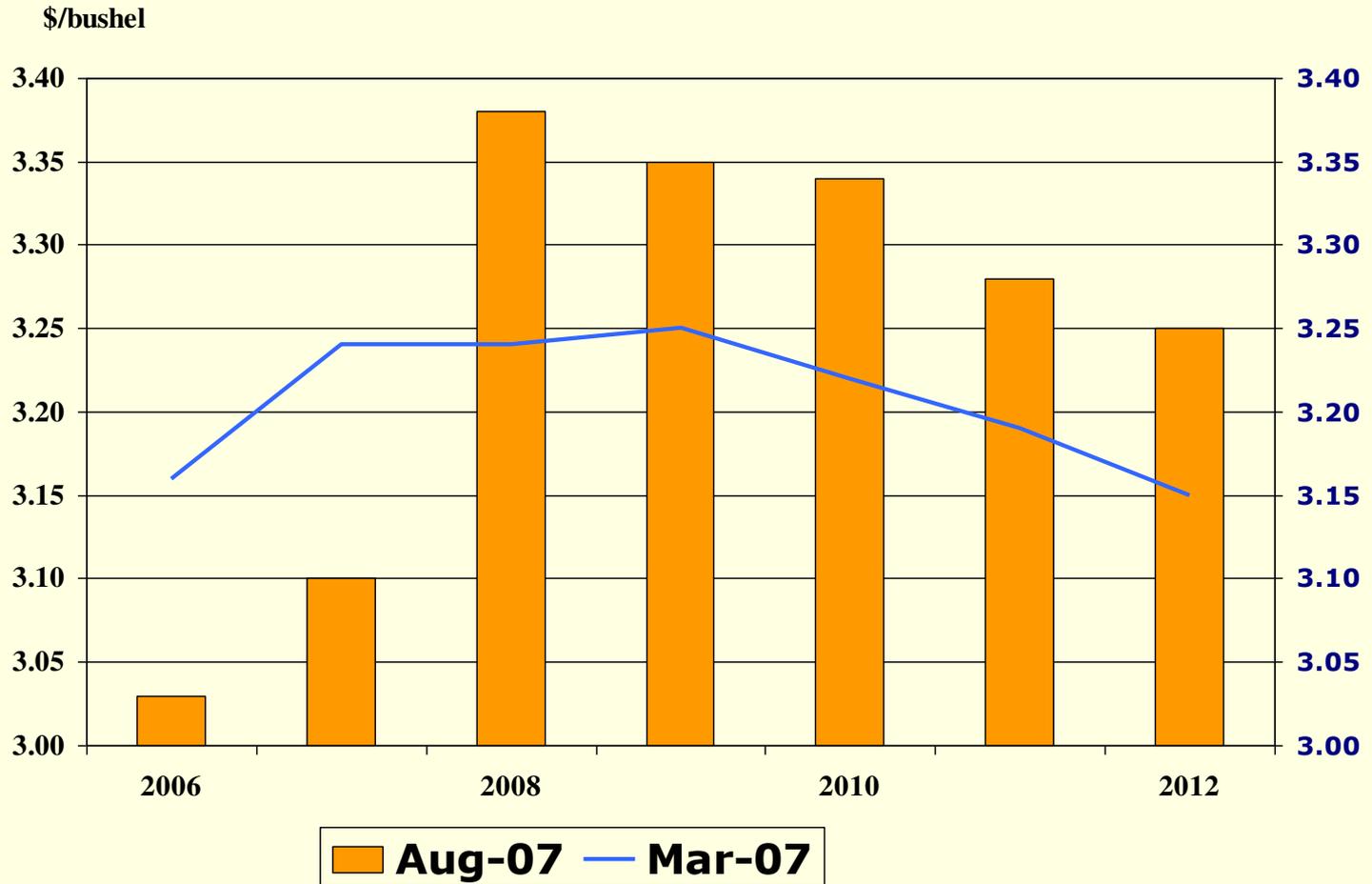


# Projected U.S. Corn Production

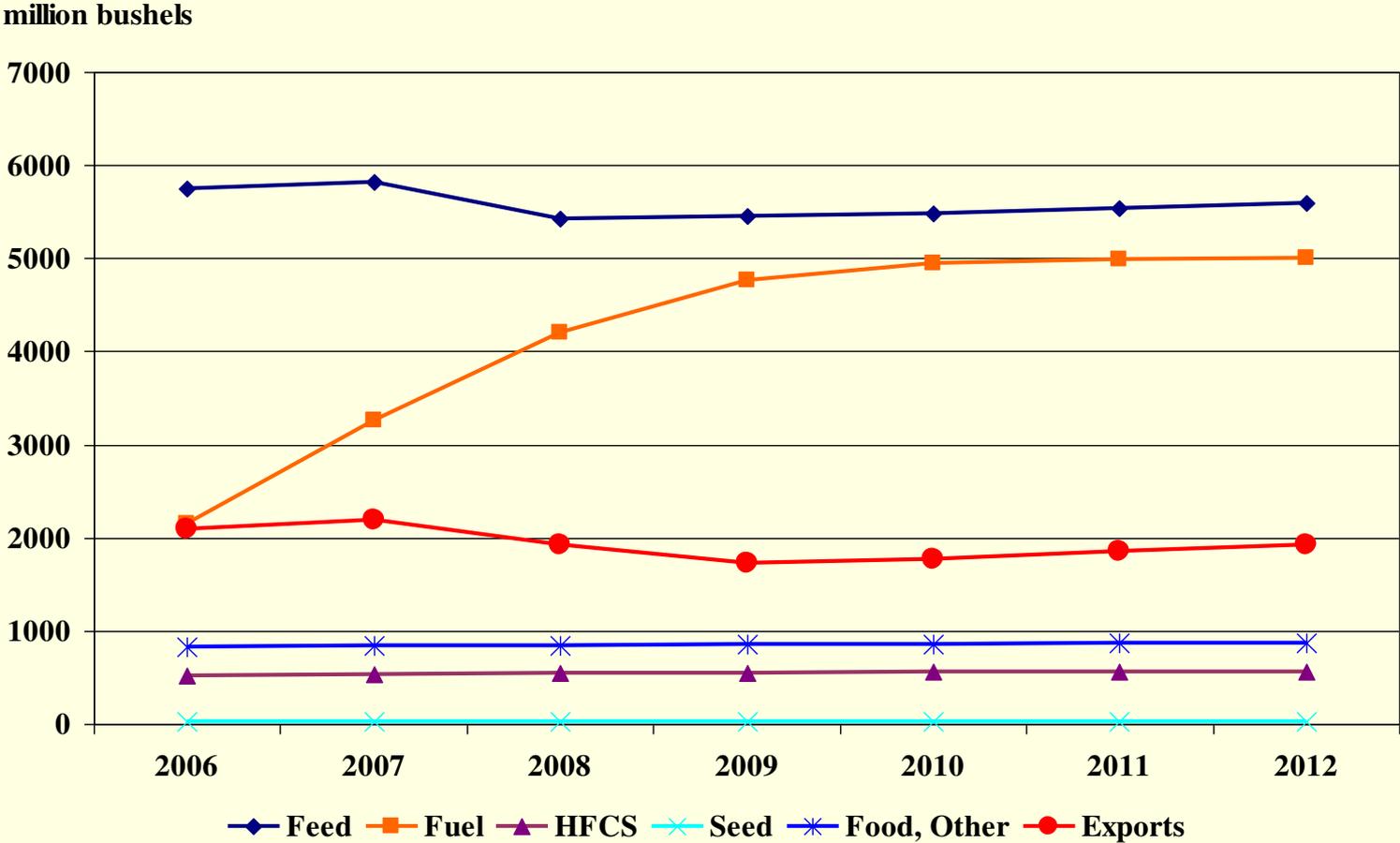
billion bushels



# Projected U.S. Corn Prices

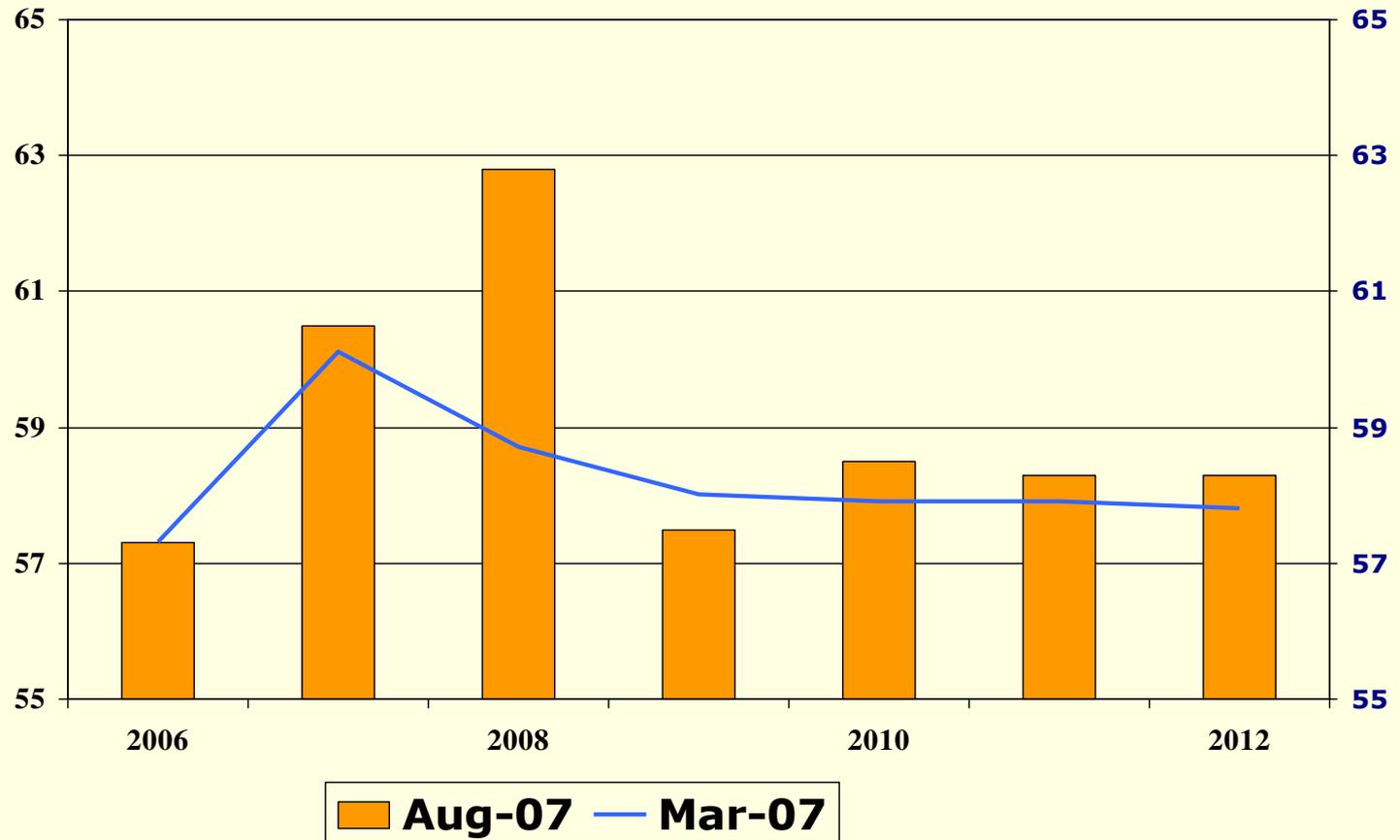


# Projected Utilization of U.S. Corn

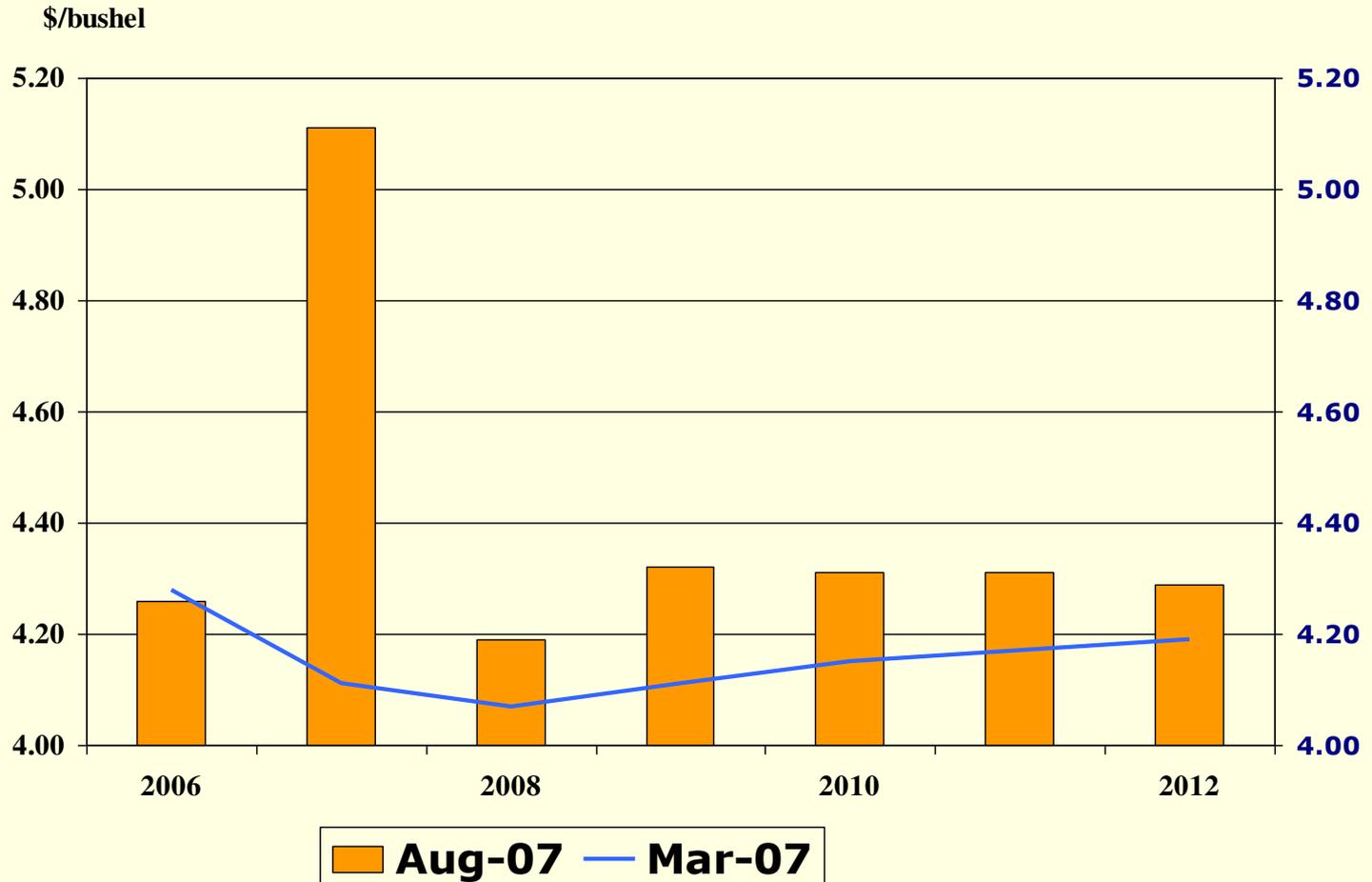


# Projected U.S. Wheat Acreage

million acres

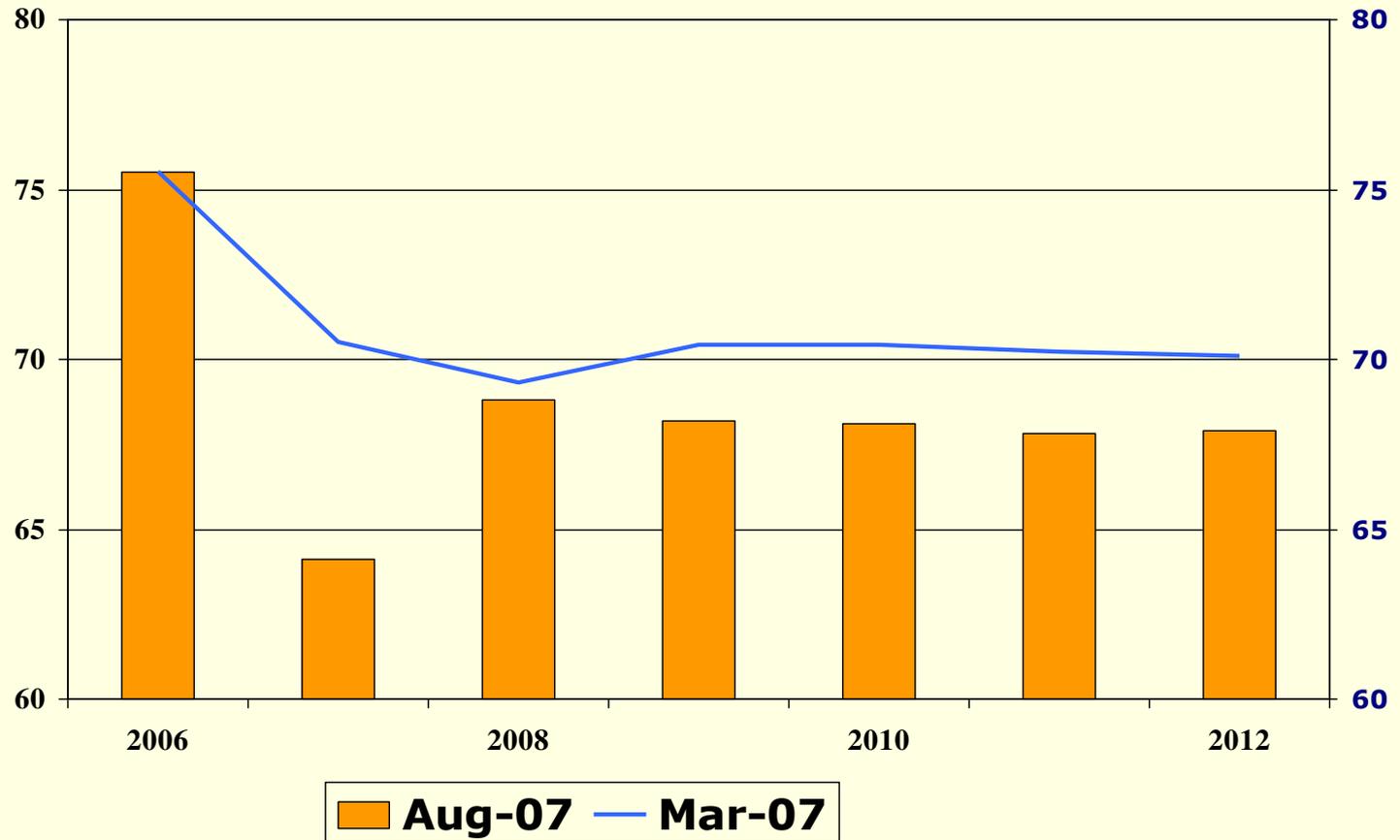


# Projected U.S. Wheat Prices

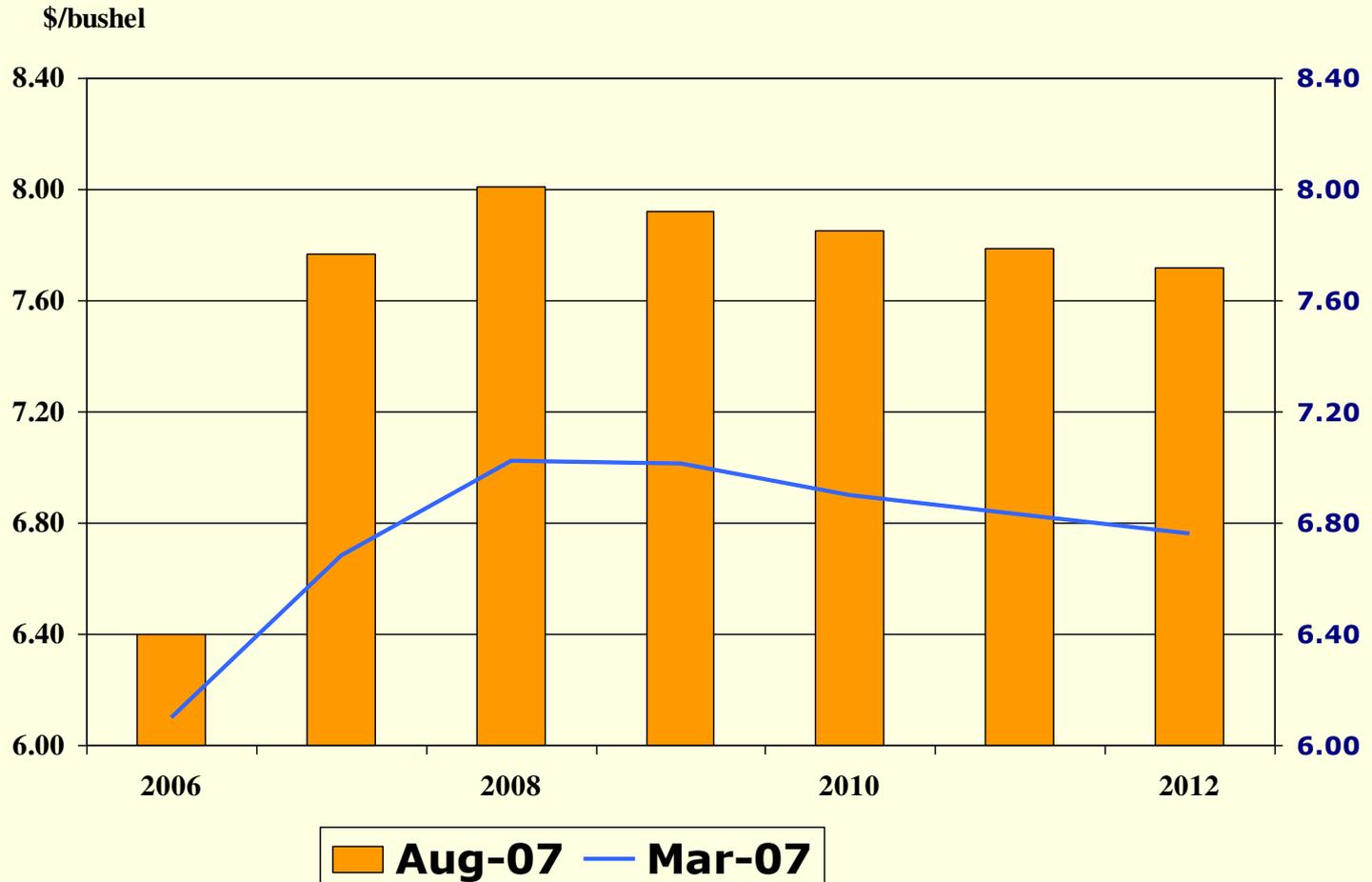


# Projected U.S. Soybean Acreage

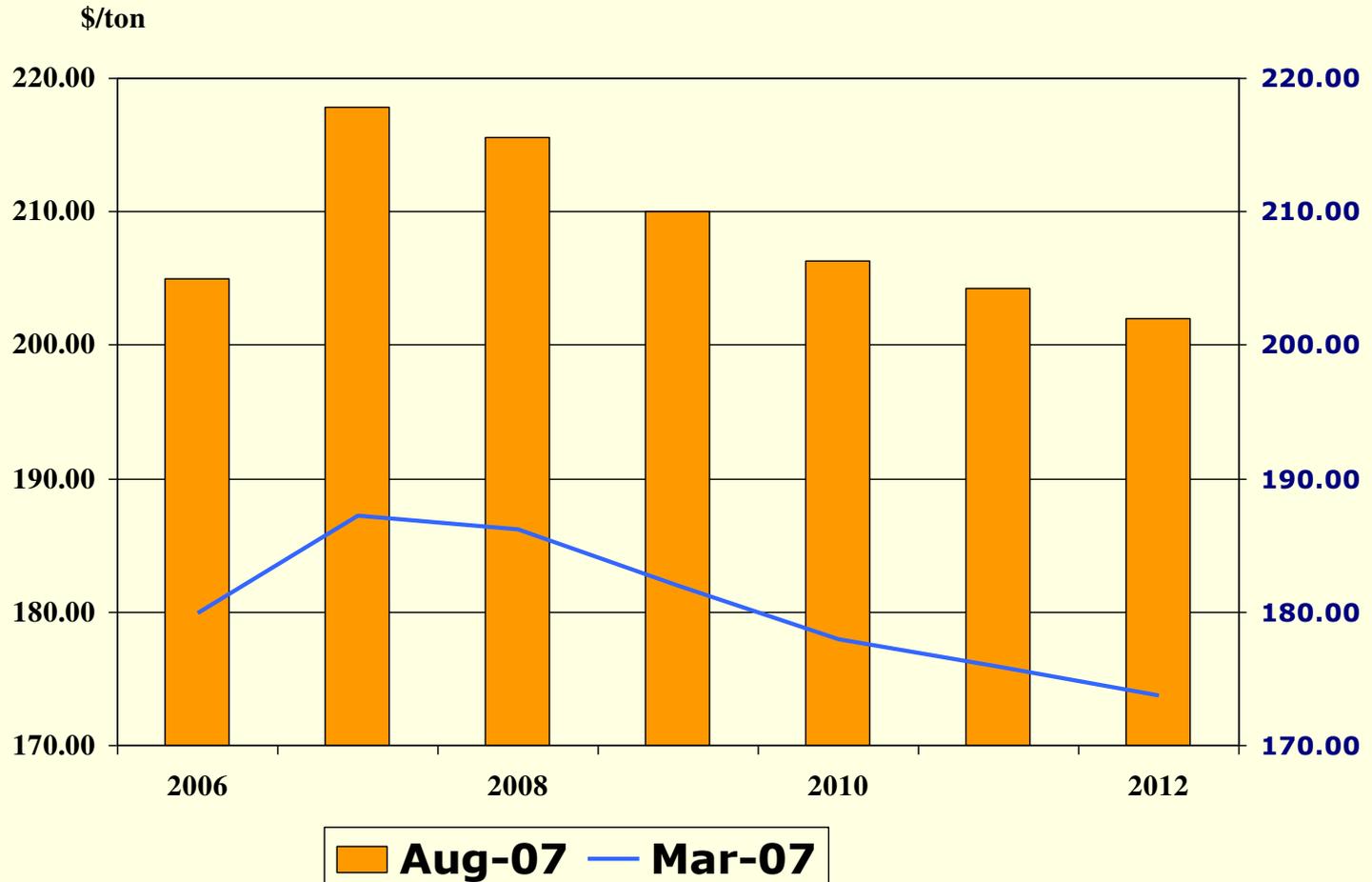
million acres



# Projected U.S. Soybean Prices

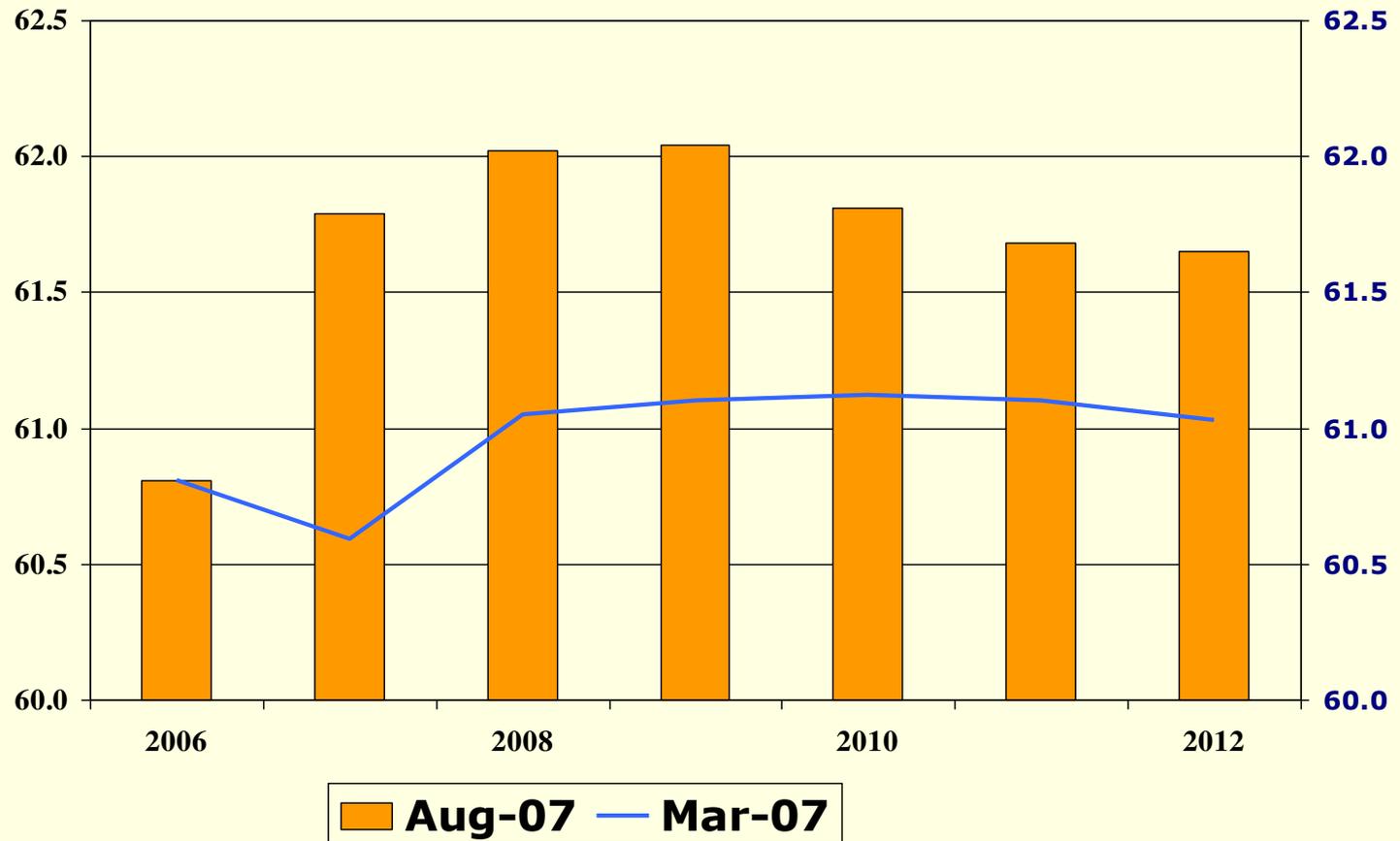


# Projected U.S. Soybean Meal Prices



# Projected U.S. Hay Acreage

million acres

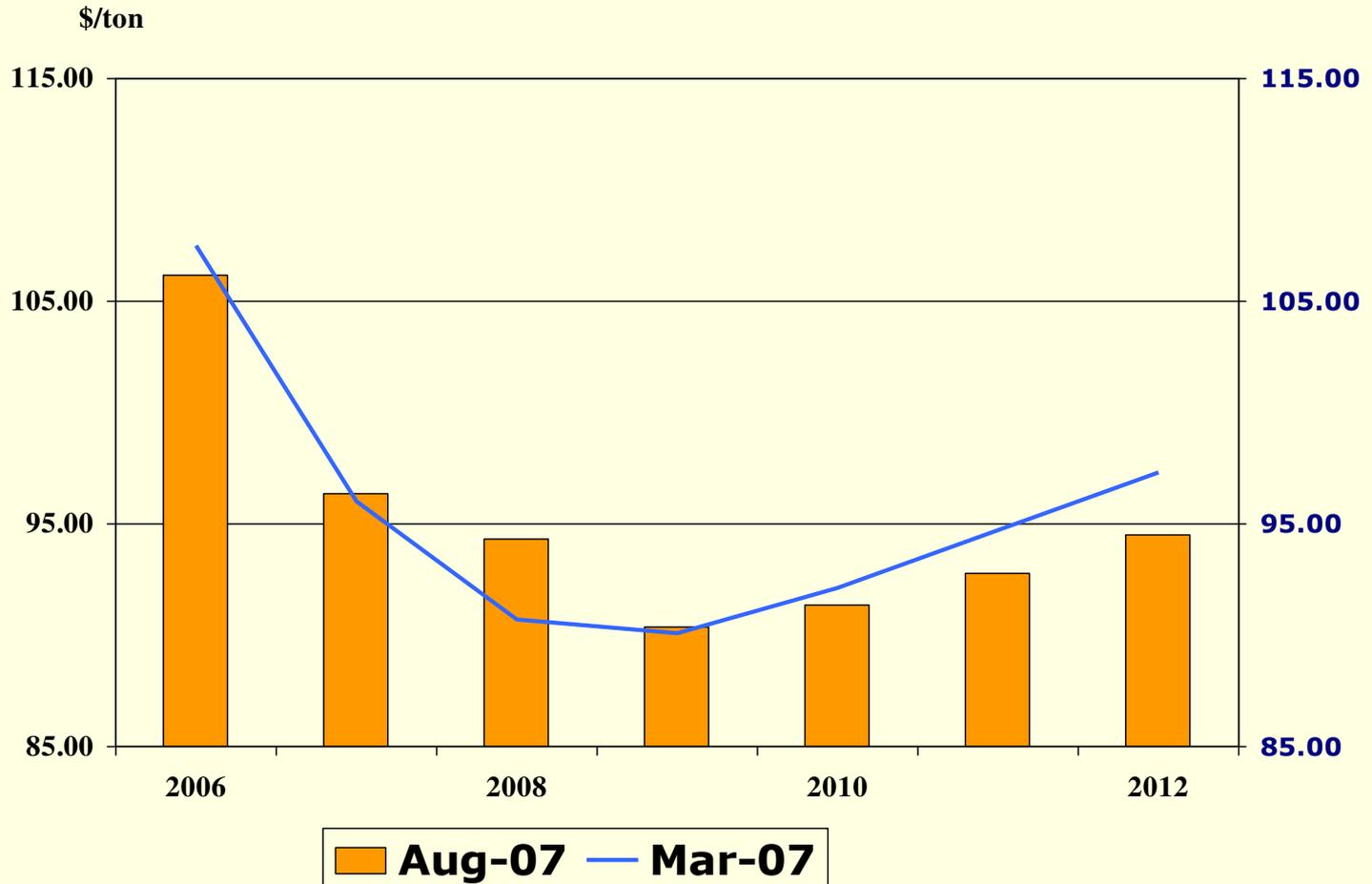


# Projected U.S. Distillers Grains Production

million tons

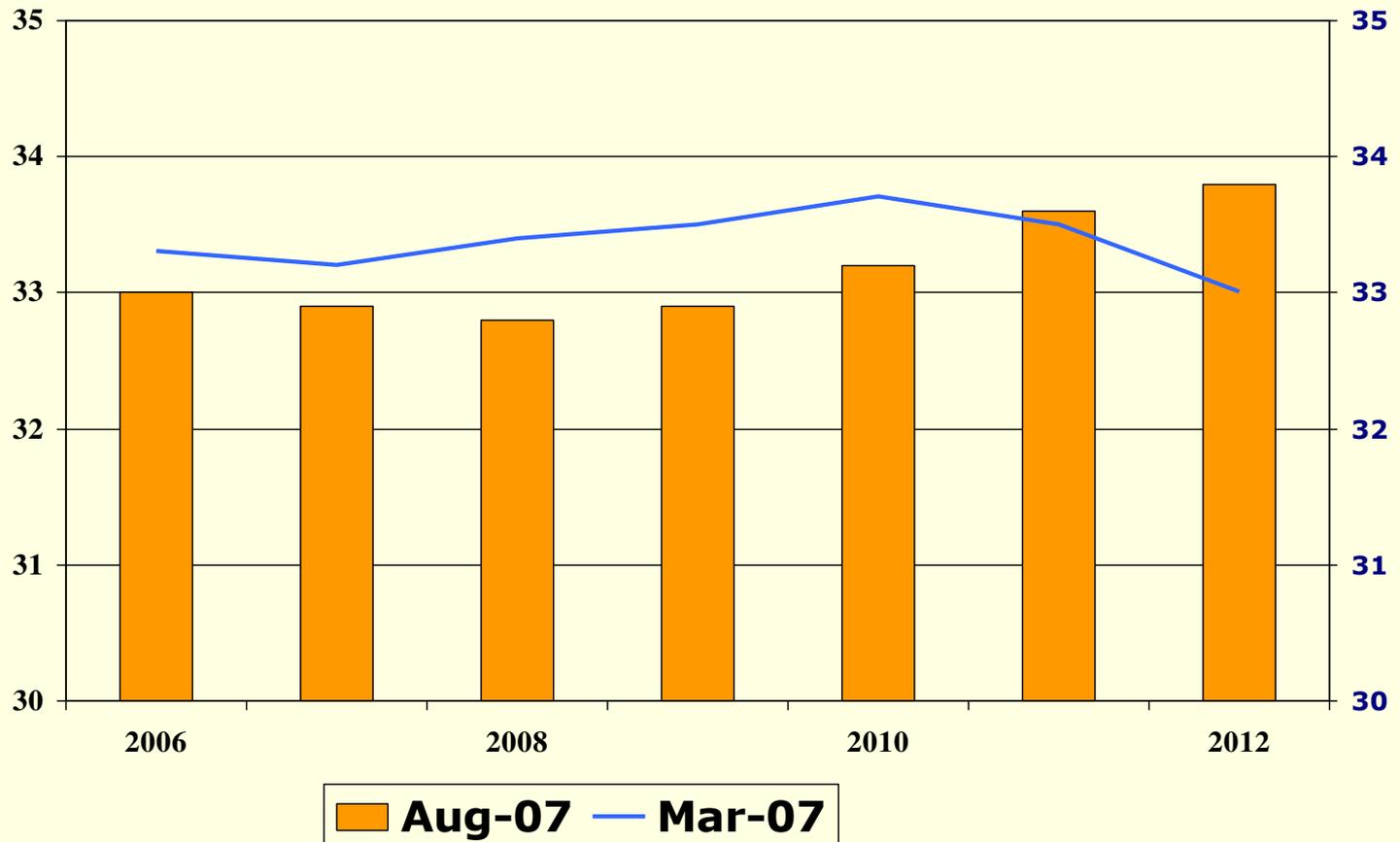


# Projected U.S. Distillers Grains Prices



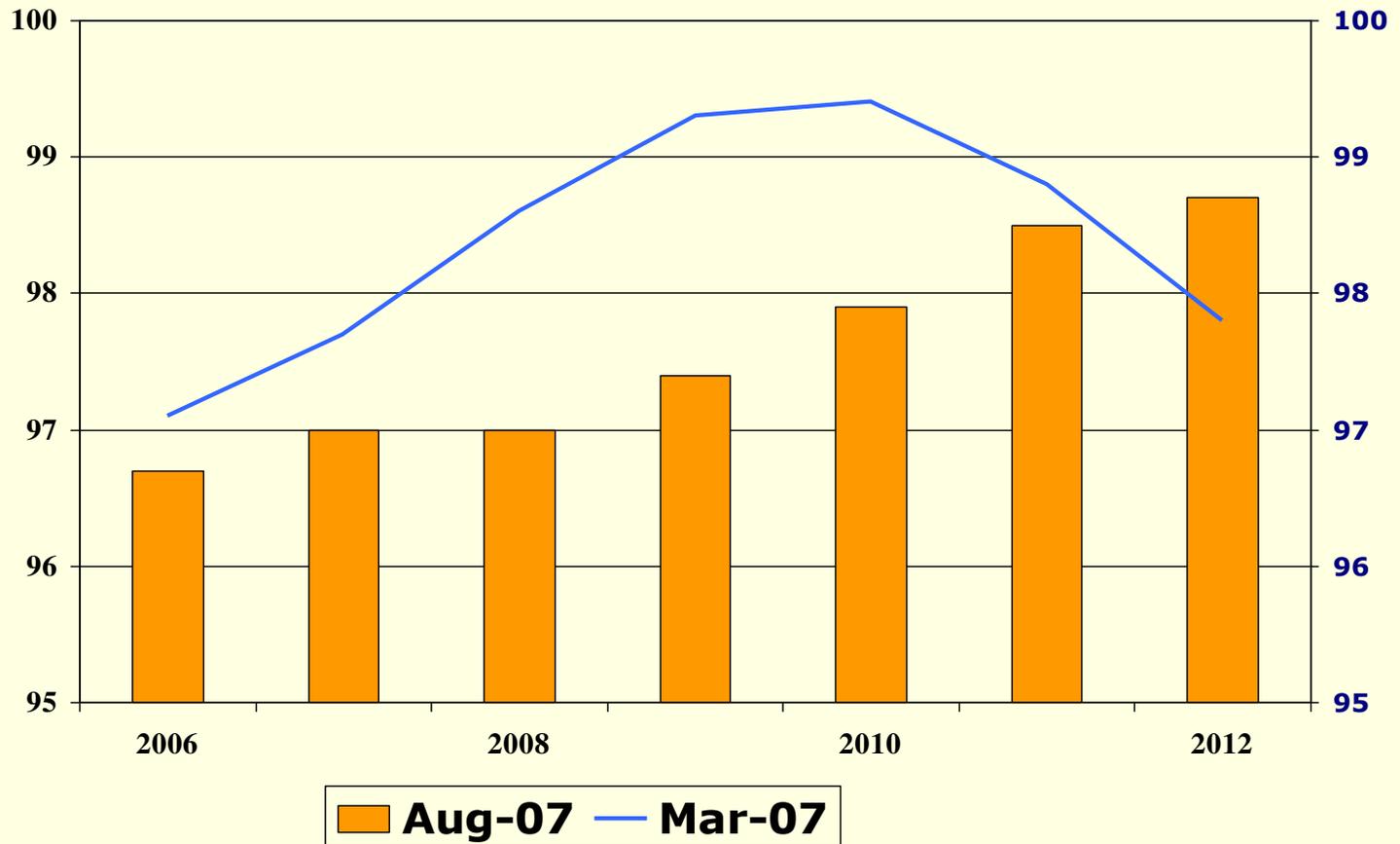
# Projected U.S. Beef Cows (Jan. 1)

million head



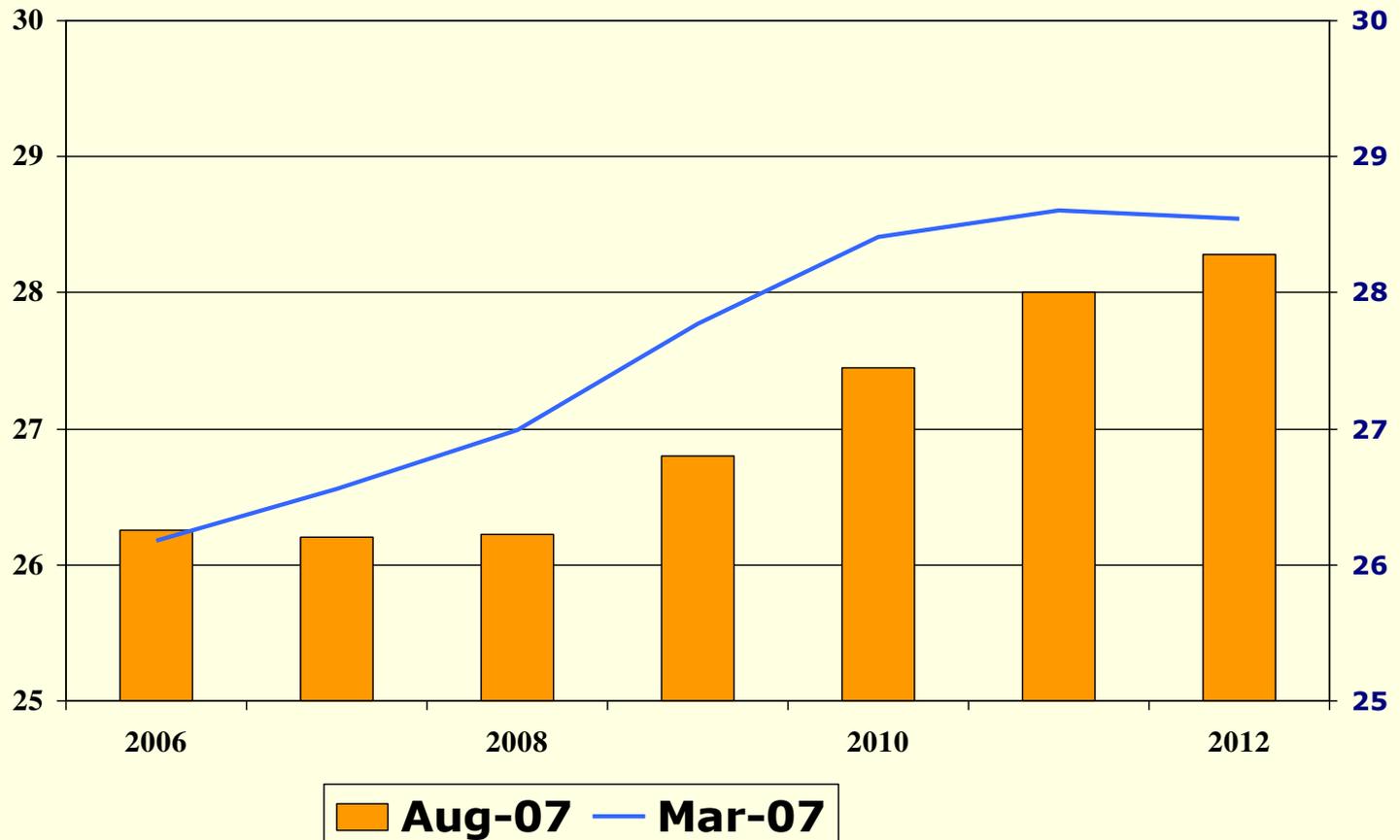
# Projected U.S. Cattle and Calves (Jan. 1)

million head



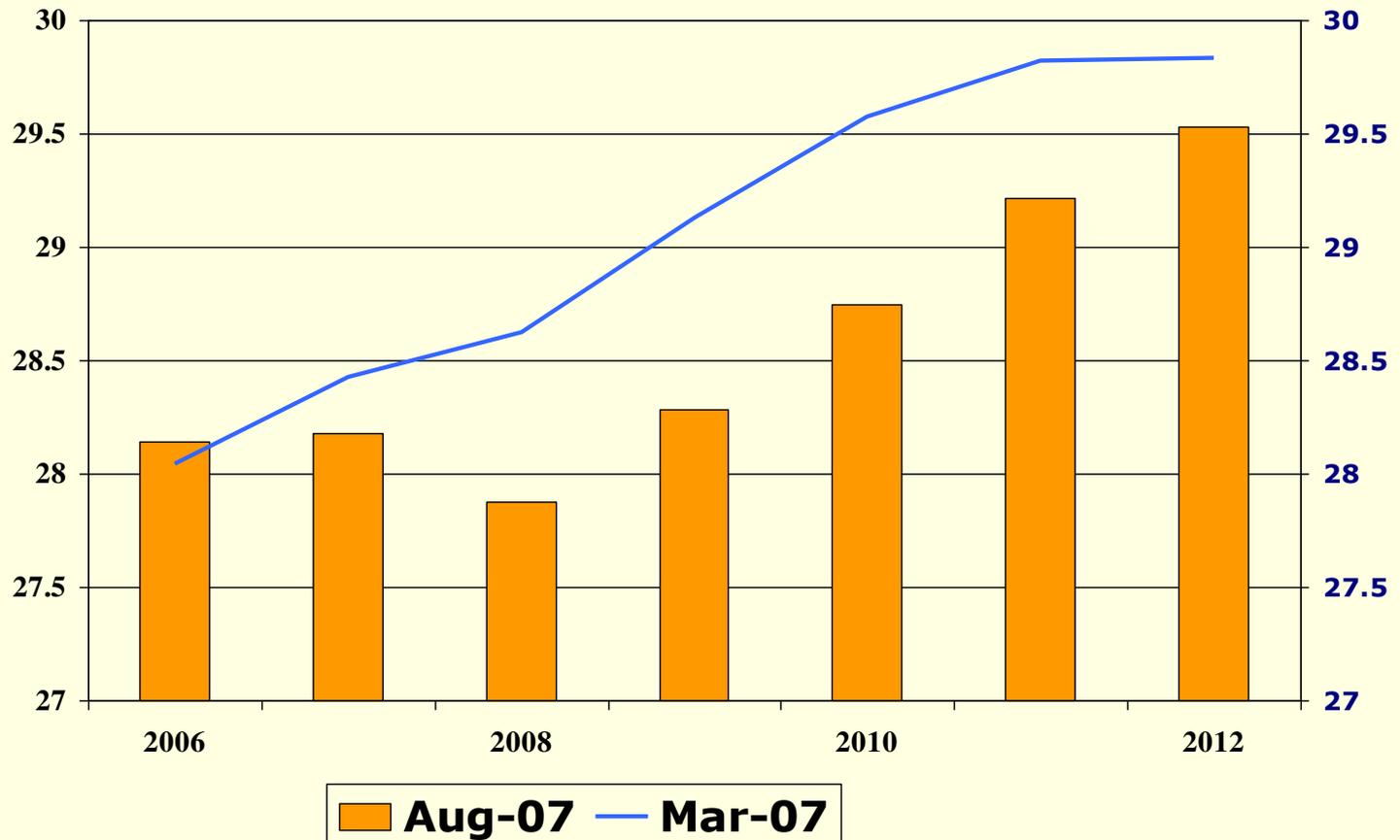
# Projected U.S. Beef Production

billion pounds

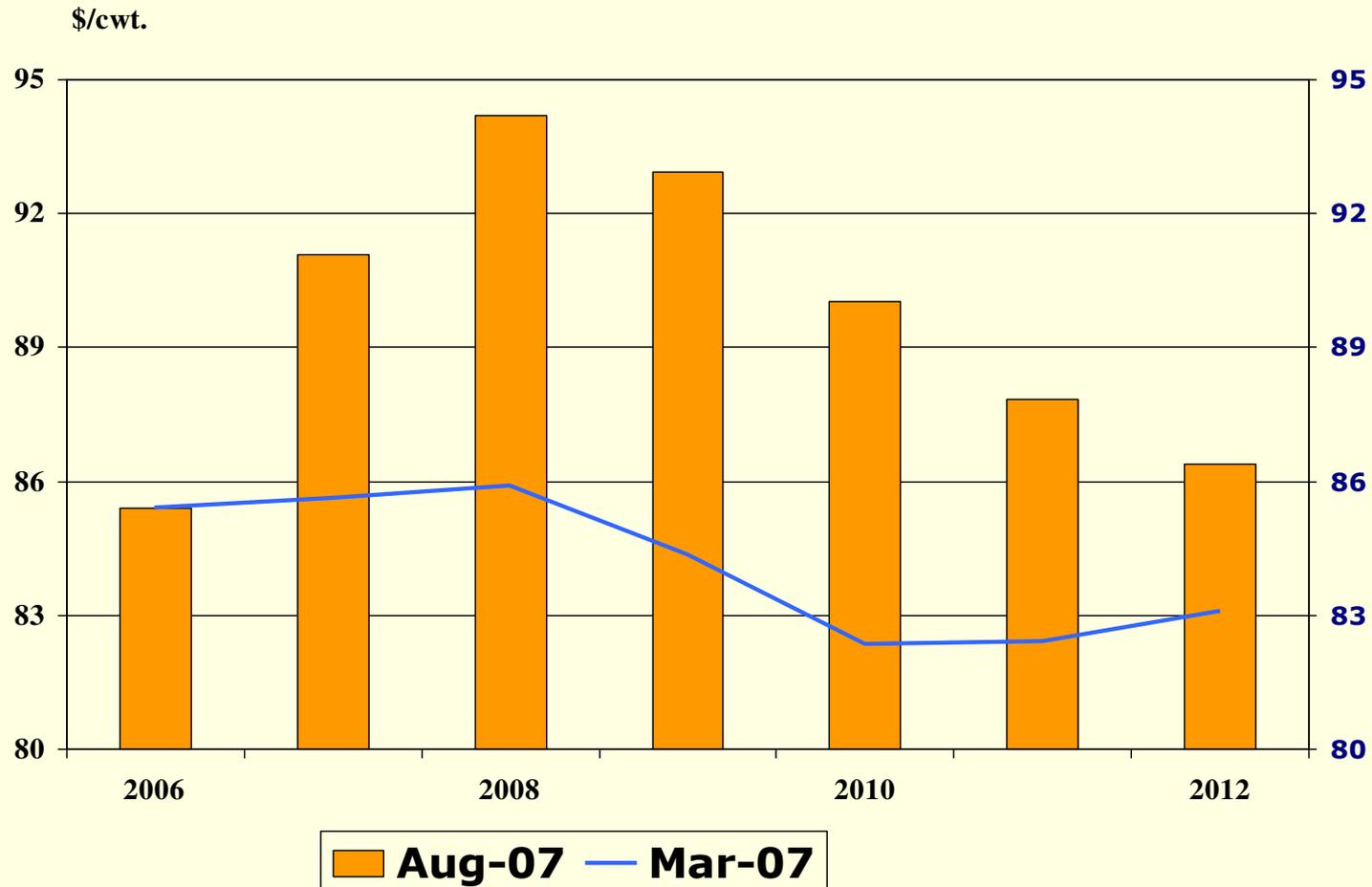


# Projected U.S. Beef Domestic Use

billion pounds

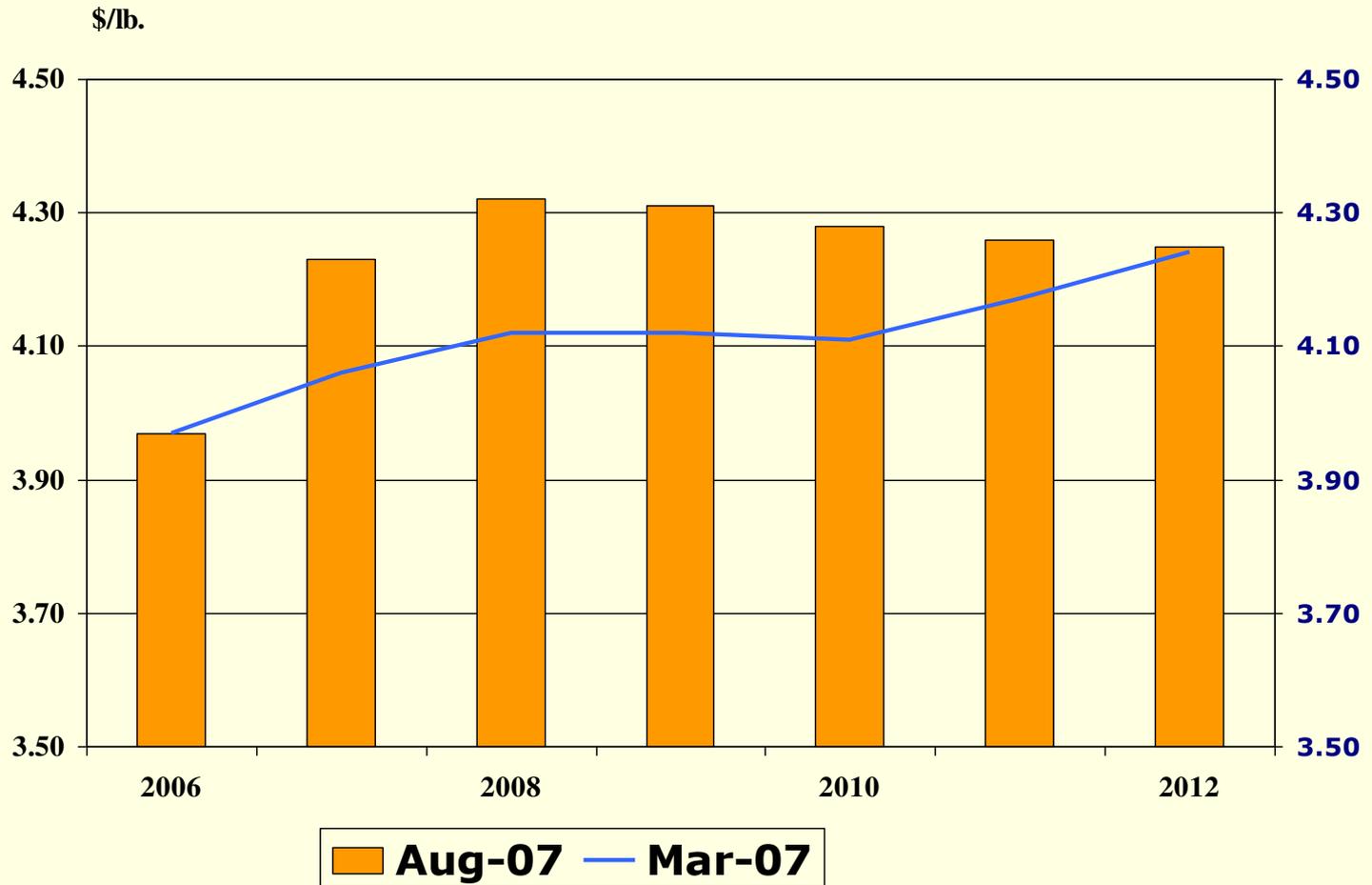


# Projected U.S. Cattle Prices

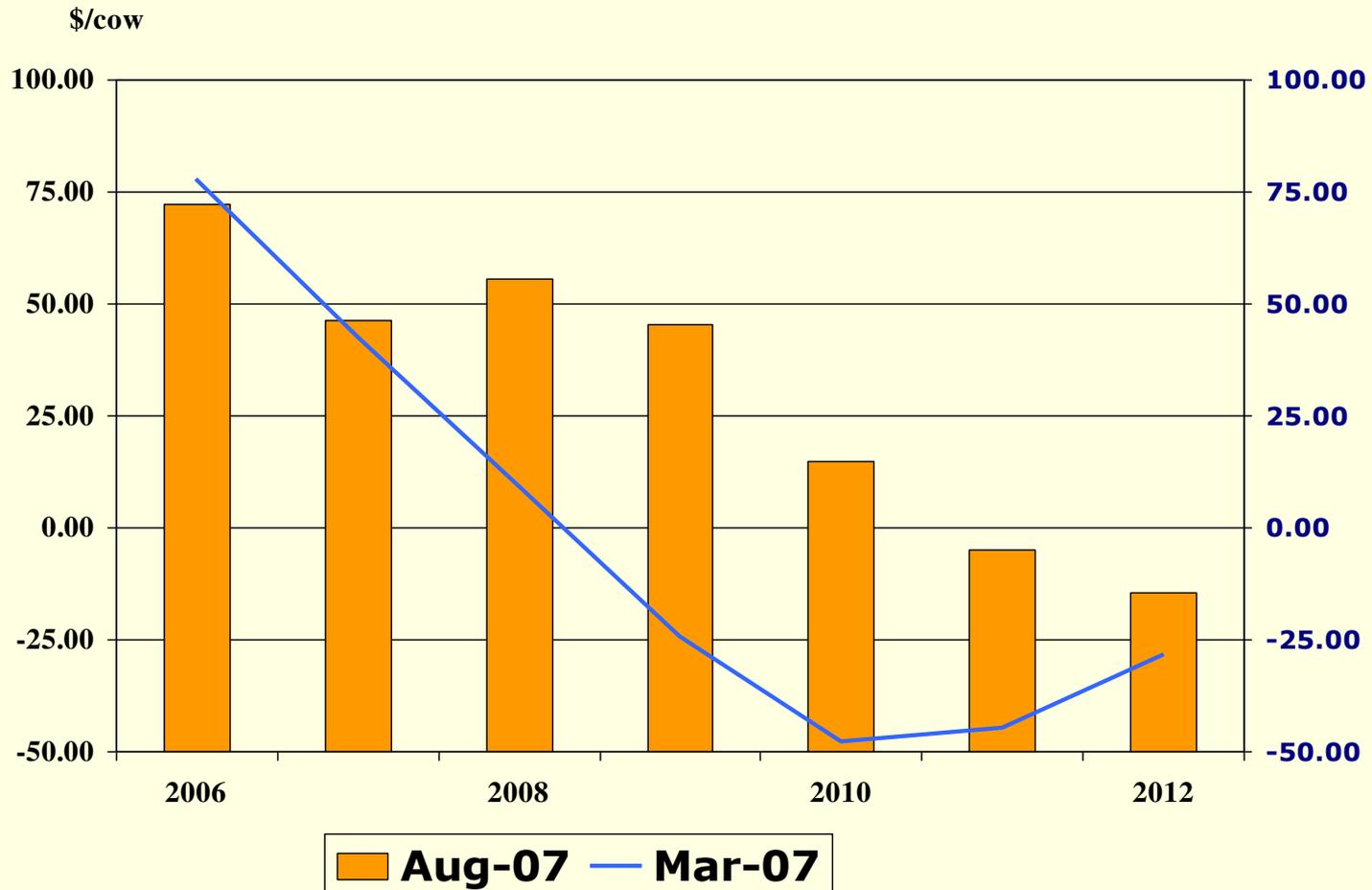


1100-1300 lb. NE Direct Steers

# Projected U.S. Beef Retail Prices



# Projected U.S. Cow-Calf Net Returns





Thank You