

By [Chris Scott](#) on 2/26/2013

The USDA is optimistic on advance of next month's official Prospective Planting Report, based on the view that weather probably won't affect yields as much as the timing of plantings.

The agency's researchers announced last week at the Outlook Forum that record corn production and major price declines are expected in the 2013-2014 period, including a total yield of 14.5 billion bushels.

Corn prices are expected to fall by 33 percent to \$4.80 per bushel despite a four percent increase in ethanol usage, according to USDA. Soybean production is expected to increase by 13 percent from 2012 levels alongside a 27-percent price drop to \$10.50 a bushel from \$14.30 last year.

The official USDA report will be released March 28.

Meanwhile, a Deutsche Bank analyst is predicting that corn plantings in 2013 will be flat versus one year ago, resulting in pressure on new corn crop futures even as soybean supplies should be plentiful.

Christina McGlone also assumes a lower corn yield – 155.4 bushels per acre – than USDA's projections (163.6), which combined with the lower demand for corn for ethanol production should inhibit the corn supply from being fully absorbed this fall.

She also sees lower corn returns compared with 2012 results, even as returns on and supplies of soybeans will be higher this fall versus 2012 levels. McGlone's projects that the preliminary yield on soybeans of 43 bushels per acre – lower than the USDA's record forecast of 44.5 – will replenish supplies in time for the fall.