



Factors and Impacts of U.S. Food Price Increases

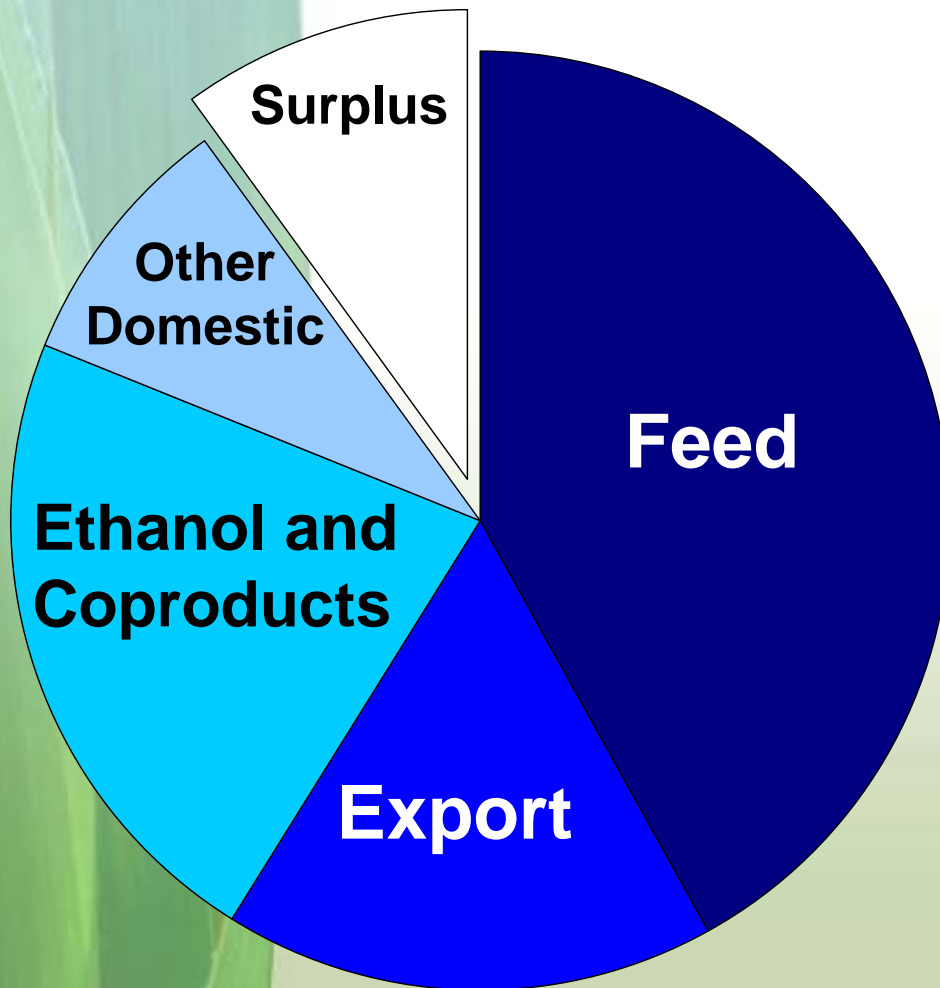
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National Corn Growers Association

2007 a Very Good Year



- **Production reaches 13.1 billion bushels**
 - Largest crop in U.S. history
- **Average yield hits 151.1 bushels/acre**
 - The second-highest yield estimate in history

2007 Corn Supply and Demand



**Total Supply:
14.4 billion bushels**

Feed: 42%
Ethanol: 22%
Export: 17%
Other Domestic: 9%
Surplus: 10%

Three Steps to Meeting Demand

1. Increase corn production by boosting average corn yield significantly
2. Displace more corn in feed use with coproducts
3. Improve efficiency to squeeze more ethanol from each bushel of corn

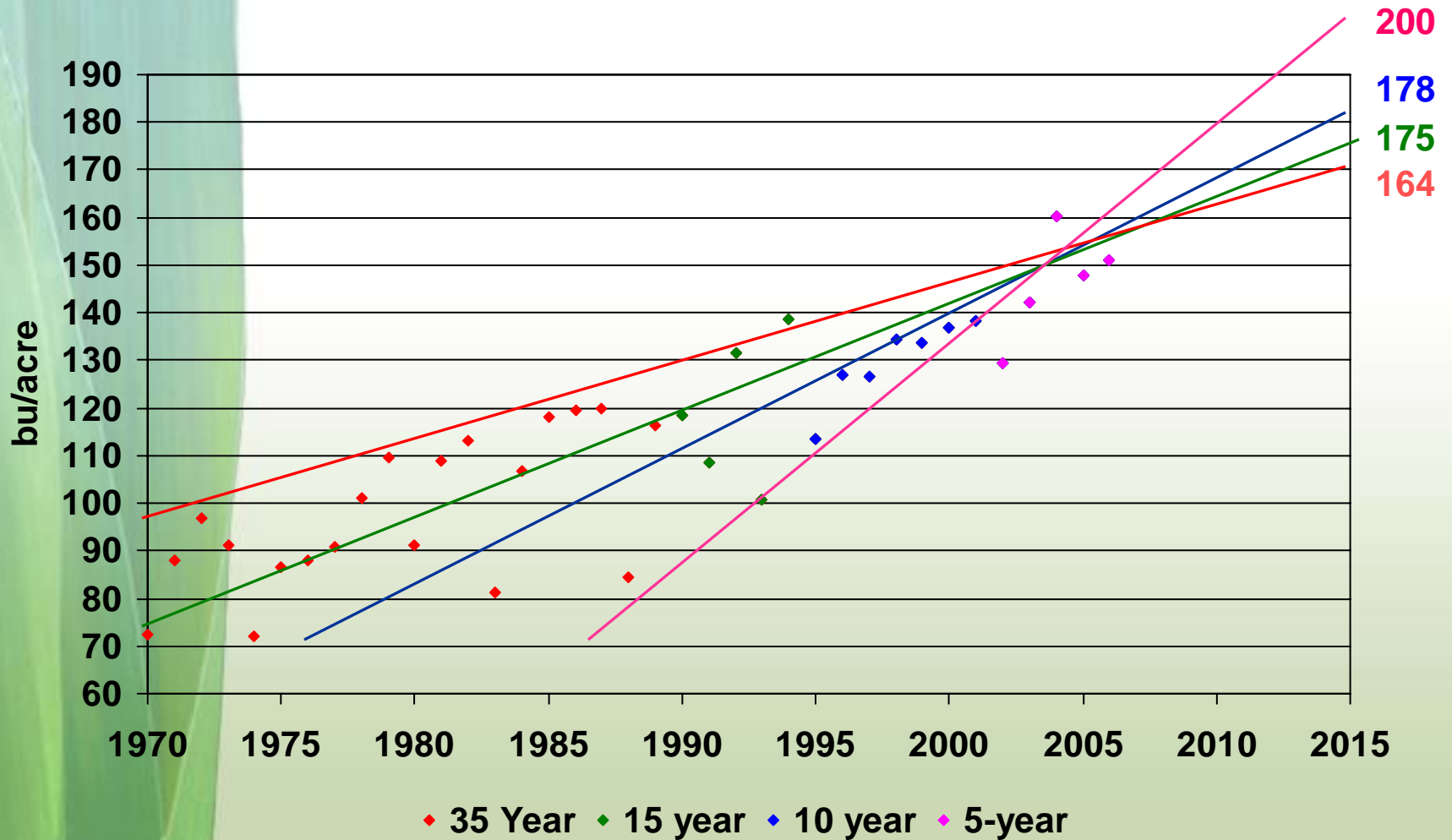
1. Increasing Corn Production

An example of making the unimaginable a reality

U.S. Corn	1944	2007	% Change 1944-2007
Acres Harvested	85 mil	85 mil	
Price (Season Avg)	\$1.03	\$3.04	+195%
Production	2.8 bil bu	13.1 bil bu	+371%
Yield	33 bu/Acre	151 bu/Acre	+364%

Source: USDA

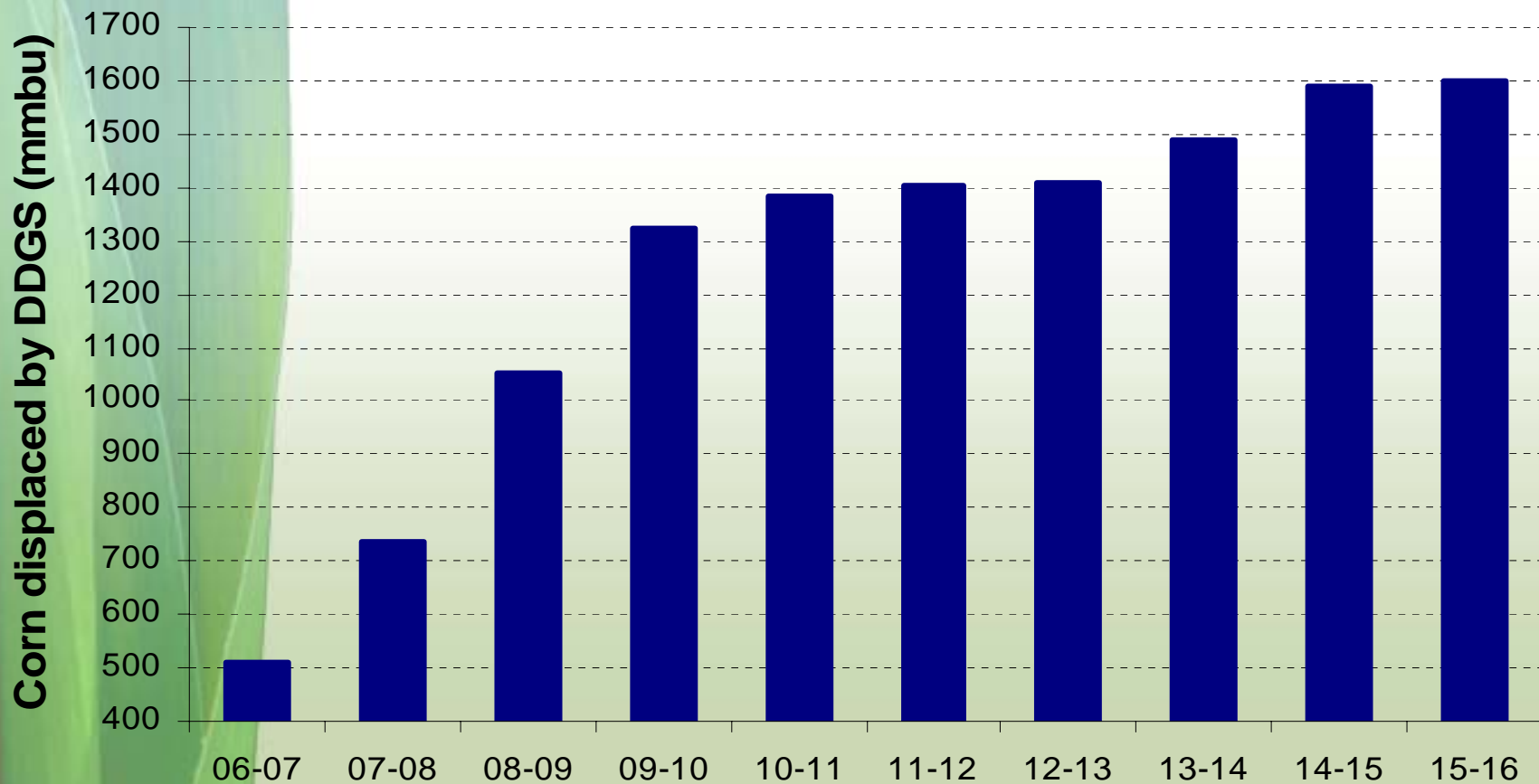
Corn Yield Trends Are Accelerating



Source: USDA

2. More Corn to Ethanol

We increase portion of feed corn going to ethanol by replacing feed corn with high-nutrient ethanol coproducts



One Bushel of Corn



2.8 Gallons Ethanol

AND EITHER

13.5 Pounds Gluten Feed

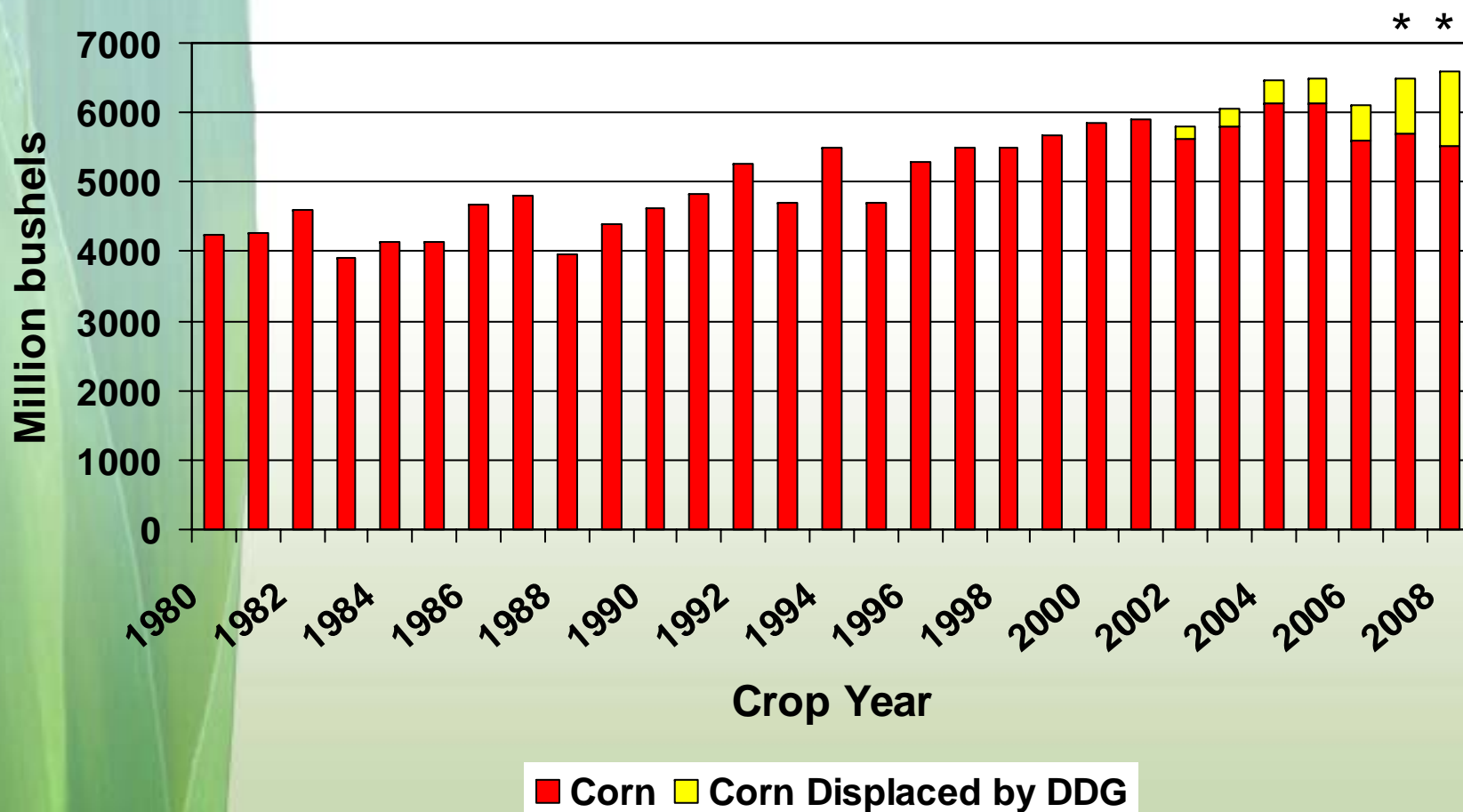
2.6 Pounds Gluten Meal

1.5 Pounds Corn Oil

OR

17.5 Pounds Distillers Grains

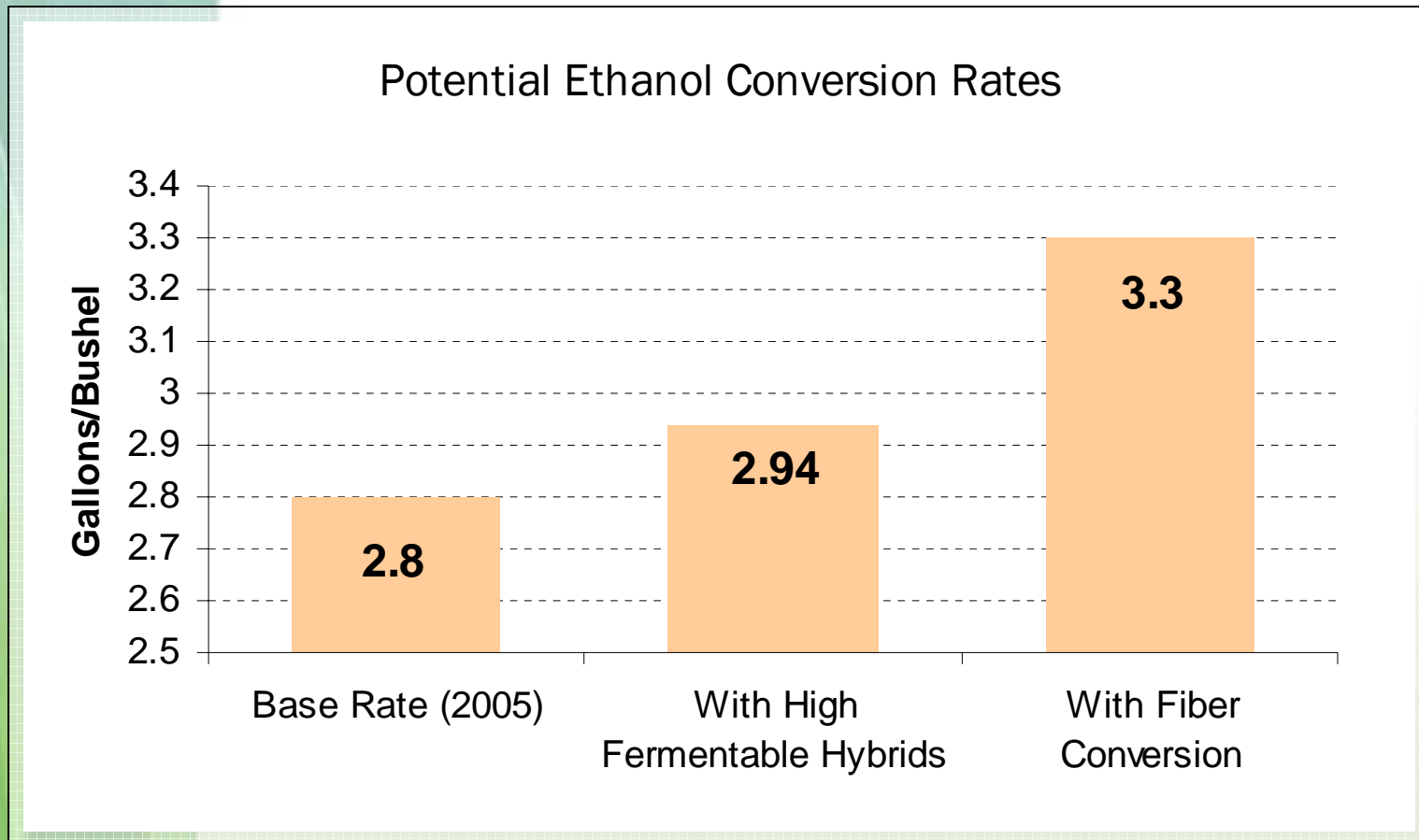
US Corn Demand – Domestic Livestock

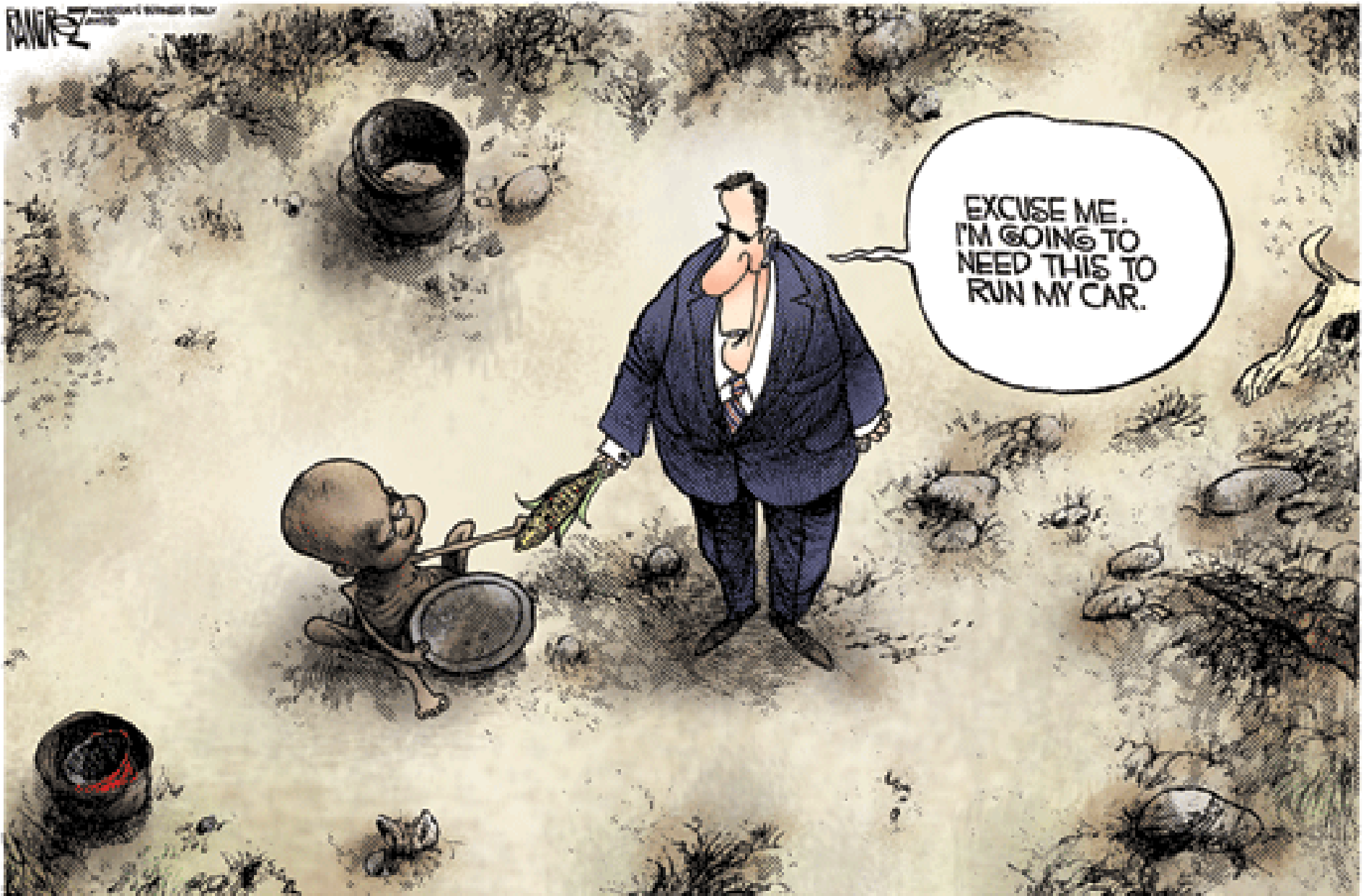


*Projected

Source; USDA, ERS; ProExporter Network

3. Efficiency in Ethanol Production





www.editorials.com/cartoons

Linking Biofuels to World Hunger is Irresponsible!

Thank you!

