



The S/U ratio indicates the level of grain left at the end of the marketing year (July 31) as a proportion of the total demand or use. Production represents the total grain produced in a given year. Usage includes domestic use, exports, feed and a category for next year's seed, waste and dockage. By adding last year's carryout stocks to this year's total production, total supply is determined. Carryout stock divided by the total usage is expressed as a percentage and a comparable figure to analyze previous

year's supply balances. This ratio is highly correlated to price movements. An increase in the stocks-to-use ratio signals falling prices, whereas a decrease in the ratio results in rising prices. The S/U ratio is a fitting measure of supply and demand of any commodity. The S/U ratio indicates the level of grain left at the end of the marketing year (July 31) as a proportion of the total demand or use. Production represents the total grain produced in a given year. Usage includes domestic use, exports, feed and a category for next year's seed, waste and dockage.

