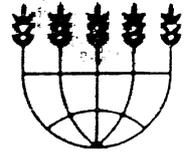


AGRICULTURAL SUPPLY & DEMAND ESTIMATES

OUTLOOK 75



Approved by the Outlook and Situation Board • U.S. Department of Agriculture • For Immediate Release

#22 December 11, 1974

HIGHLIGHTS

The December crop report lowered the estimates of 1974 cotton production, raised them a bit for wheat, and through slight reductions in oats and barley, lowered total feed grain production a little further. In addition, the wheat and rice export estimates for 1974/75 have been increased since our last report, but for cotton, forecasts of mill use and exports have both been lowered.

Boost in Wheat Export Forecast Wipes Out Slight Rise in Crop Estimate

The December crop report put all wheat output in 1974 at a record 1,793 million bushels, 5 percent above the previous high in 1973 and about 12 million bushels above our last estimate for 1974.

However, we have increased the export forecast by 50 million bushels because of some deterioration of crop prospects in other exporting countries, especially Argentina, and increased demand in some countries, particularly India. This would result in a carryover next summer of 204-254 million bushels, a little below our previous indication of 243-293 million in October.

Rice Export Estimate Boosted

Rice exports in 1974/75 are likely to total around 70 million cwt., well above the 50 million of last season and also above our November estimate of 58-64 million. This cuts our projected carryover from November's projection of 20-27 million cwt. down to 11-17 million.

-OVER-

Minor Changes for Feed Grains

Final estimates of the oat and barley crops show 1974 feed grain production to be down more than half a million tons from November indications. The 1974 feed grain crop now stands at 164 million tons, 41 million less than in 1973.

This year's barley production totaled 308 million bushels, 17 million below the previous forecast and 114 million less than a year ago. Oat production of 621 million bushels is off 28 million bushels from earlier expectations and 46 million bushels below 1973 production.

These adjustments have resulted in minor reductions in projected use and carry-over of feed grains. Final production estimates for corn and sorghum crops will be released in the January 16 crop report.

Cotton Prospects Deteriorate Further

Prospects for both 1974/75 cotton production and demand continue to weaken. The 1974 crop estimate now is 0.2 million bales below the November estimate and over a million below 1973 output.

Depressed textile activity, both here and abroad, is cutting disappearance of U.S. cotton to the lowest level since the late 1930's. Both domestic mill consumption, estimated at 6.0 to 6.5 million bales, and projected exports of 3.8 to 4.3 million, are moderately below earlier indications and sharply below 1973/74 levels. With production above indicated disappearance, we expect stocks to increase over 1 million bales this season to 5 or 6 million on August 1, 1975.

(NOTE: Corn, soybean and product estimates are unchanged since our last report. Data for these commodities will appear in our next issue, scheduled for release January 17.)

To avoid giving the impression of a higher degree of precision than actually exists, alternative indications or projections are shown in the tables to reflect the possibility of diverse outcomes. They were not derived statistically. The data will continue to be subject to change as additional information becomes available.

The acreage and yield estimates are those reported by the Statistical Reporting Service and are based on surveys and measurements.

WHEAT

12/11/74

ITEM	1972/73	1973/74 Indications	1974/75 Projected
<u>Acres (Mil. Ac.)</u>			
Set-aside	20.1	7.4	-0-
Planted	54.9 ^{1/}	59.0	71.2
Harvested	47.3	53.9	65.5
<u>Yld. Per Harvested Acre (Bu.)</u>			
	32.7	31.7	27.4
(Million Bushels)			
<u>Supply</u>			
July 1 Beginning Stocks	863	439	249
Production	1,545	1,705	1,793
Imports	1	4	2
Total	2,409	2,148	2,044
<u>Disappearance</u>			
Domestic	785	750	690 - 740
Exports	1,185	1,149	1,150 - 1,050
Total	1,970	1,899	1,840 - 1,790
<u>Ending Stocks</u>	439	249	204 - 254

^{1/} Includes 2.6 million acres planted and subsequently designated as voluntary set aside

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RICE

Item	1972-73	1973-74 Indica- tions	1974-75 Projected
<u>Acres</u>			
Allotment (Million A.)	1.84	2.22	2.10
Planted (Million A.)	1.82	2.18	2.59
Harvested (Million A.)	1.82	2.17	2.57
Yield/Harvested Acre (lb.)	4,700	4,274	4,441
(Million Cwt.)			
<u>Supply</u>			
Beginning Stocks Aug. 1	11.4	5.1	7.8
Production	85.4	92.8	114.1
Imports	0.5	0.2	---
Total	97.3	98.1	121.9
<u>Disappearance</u>			
Domestic	35.8	36.7	38.0 - 37.2
Exports	54.0	49.7	72.5 - 67.3
Total	89.8	86.4	110.5 - 104.5
<u>Ending Stocks, July 31</u>	5.1	7.8	11.4 - 17.4
Difference unaccounted	+2.4	+3.9	

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FEED GRAINS ^{1/}
(Includes Corn, Sorghum, Oats and Barley)

Item	1972-73	1973-74	1974-75
		Indications	Projected
Acreage (Mil. Ac.)			
Set aside	36.6	9.4	—
Planted	115.1	121.2	122.3
Harvested	94.0	102.3	98.9
Yld. Per Harvested Acre (Tons)			
	2.13	2.00	1.66
		(Million Short Tons)	
Supply			
Beginning Stocks	48.4	32.4	22.2
Production	199.9	205.0	163.8
Exports	0.4	0.3	0.4
Total	248.7	237.7	186.4
Disappearance			
Feed	156.2	153.6	125.5-126.2
Feed, Ind. and Seed	17.0	17.5	17.8-18.2
Total domestic	173.2	171.1	143.3-144.4
Exports	43.1	44.4	32.1-29.8
Total	216.3	215.5	175.4-174.2
Ending Stocks	32.4	22.2	11.0-12.2

^{1/} Marketing year beginning October 1 for corn and sorghum, July 1 for barley and oats.

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COTTON: UPLAND & ELS

	1972/73	1973/74	1974/75
		PRELIM.	PROJEC.
ACREAGE (MIL. AC.)			
PLANTED.....	14.8	12.5	14.3
HARVESTED.....	13.8	12.0	13.8
SET-ASIDE.....	2.8	0.8	0.0
YIELD: LB/HARV AC			
	587.	519.	439.
	(Million 480-lb. Bales)		
SUPPLY			
BEG. STKS. 8/1.	<u>1/</u> 3.3	<u>1/</u> 4.1	<u>1/</u> 3.9
IN-SEAS. GINNING			
IMP & CITY CROP	13.7	13.2	11.9
TOTAL.....	17.8	17.2	15.8
DISAPPEARANCE			
MILL USE.....	7.8	7.5	6.5 to 6.8
EXPORTS.....	5.3	6.1	4.3 to 3.8
TOTAL.....	13.1	13.6	10.8 to 9.8
ENDING STOCKS..	<u>1/</u> 4.1	<u>1/</u> 3.9	5.8 to 6.0

^{1/} Based on Census Bureau data.
Note: Totals may not add due to rounding.

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