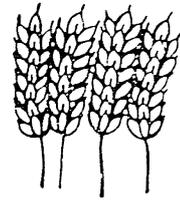


AGRICULTURAL SUPPLY & DEMAND ESTIMATES

Outlook '74



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

March 15, 1974 #10

HIGHLIGHTS

Farmers are sticking with their plans for generally sharp expansion in crop acreage this spring. As of January 1, they had reported bigger intended acreages for wheat, corn, and cotton than last year, but decreases for soybeans and rice. Now, as of March 1, they plan an even sharper rise for wheat than they did in January, and more cotton. Also, they now plan to step up rice plantings rather than reduce them. On the other hand, for soybeans they have shaved a little more off their seeding plans. Their feed grain plans are little changed from January.

Our production projections reflect these changes since January in acreage intentions. The projected yields consider the acreage changes, the expected supplies of fuel, fertilizer, and other inputs as well as trends. These yields are the same as those used in our January 23 report.

Plantings of all spring wheat based on March 1 intentions are expected to total 19.6 million acres. This is an increase of over half a million acres above January 1 intentions. Plantings of all wheat for the 1974 crop are expected to total 70.7 million acres, based on March 1 prospective plantings for all spring wheat and the December 1, 1973, plantings estimate for winter wheat.

BOUNTIFUL WHEAT
PRODUCTION LIKELY;
CARRYOVER ESTIMATE
HOLDS FIRM

This would be the largest acreage since 1953 and could produce a crop of about 2.1 billion bushels. There has been some deterioration of the winter wheat crop in areas of the Southwest. However, improved winter wheat conditions in other areas may offset these potential losses.

The import estimate for the 1973/74 marketing year has been increased to 5 million bushels, from 1 million in our last report, to reflect some movement of wheat and products into the United States as a result of the suspension of import quotas until June 30, 1974. This has meant a slight increase in the expected carryover July 1.

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RICE ACREAGE
TO INCREASE

Planted acreage, as intended, is increased from last year's 2.18 million acres to 2.38 million acres. Production of 111 million cwt. is projected, up sharply from less than 93 million last year, mainly reflecting a likely recovery in yields from last year's poor performance. Domestic disappearance for 1975 is projected to increase. Ending stocks are increased from 13.1 to 15.6 million cwt.

FEED GRAIN INTENTIONS
UP 4 PERCENT FROM 1973

Plans by farmers include 79 million acres of corn, up 10% from 1973; 19 million each of sorghum and oats, down 2%; and 9½ million of barley, down 16%. Intended corn acreage could yield a crop of around 6.7 billion bushels, nearly a fifth above production of the past 3 years. Next season's domestic requirements are projected to remain at 5 billion bushels as previously projected. However, exports have been pushed up 150 million bushels from earlier 1974/75 projections to 1.2 billion, leaving a carryover of about 1 billion bushels on October 1, 1975.

The corn export estimate for 1973/74 has been raised 75 million bushels to 1.2 billion, reducing the expected carryover next fall by a like amount.

SOYBEAN INTENTIONS
EASED FURTHER

As of March 1 farmers intended to plant 55 million acres to soybeans. This is about 2.3 million or nearly 4% less than was planted last year and 0.4 million acres less than intended as of January 1. The data indicate a shift from soybeans to corn in the Western Corn Belt since January. The 1974 crop is now projected at 1.54 billion bushels, nearly the same as our January projection.

The supply-disposition estimates for soybean oil and meal are unchanged except for an adjustment in the estimated processing outturns for the current marketing year. Based on the past 4 months' crushing experience, oil production for the season has been increased a little and meal reduced a little. The increase in oil has been added to domestic disappearance which has been running strong while the decrease in meal has been subtracted from domestic use which has been running below expectations.

MORE COTTON,
ESPECIALLY IN DELTA

Upland cotton producers plan to plant about 14.7 million acres this spring, 19 percent above 1973 plantings and 1½% above January intentions. Much of this year's planned increase is in the Delta, which was hard hit by flooding a year ago. A prospective 34% increase in this region compares with increases of 27% in the West, and 9% in both the Southwest and Southeast. So production should top last season's 12.9 million bales and be adequate for prospective domestic and export use during 1974/75. Mill consumption is expected to increase slightly to about 7-¾ million bales, primarily reflecting moderating competition from manmade fibers. At the same time U.S. cotton exports may total about 5½ million bales, a level near that of the past 2 seasons.

WHEAT

Item	1972/73 Preliminary	1973/74 Indications	1974/75 Projected*
<u>Acreage (Mil. Ac.)</u>			
Set-aside	20.1	7.4	0
Planted	54.9 ^{1/}	59.0	70.7
Harvested	47.3	53.9	64.3
<u>Yld. Per Harvested Acre (Bu.)</u>			
	32.7	31.8	32.2
<u>(Million Bushels)</u>			
<u>Supply</u>			
Beginning Stocks	863	438	180
Production	1,545	1,711	2,073
Imports	1	5	1
Total	2,409	2,154	2,254
<u>Disappearance</u>			
Domestic	787	774	760
Exports	1,184	1,200	1,000
Total	1,971	1,974	1,760
<u>Ending Stocks</u>	438	180	494

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

Prepared by: Interagency Commodity Estimates Committee for Wheat
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RICE

Item	1972-73 Preliminary	1973-74 Indications	1974-75 Projected*
<u>Acreage</u>			
Allotment (Million A.)	1.84	2.22	2.10
Planted (Million A.)	1.82	2.18	2.38
Harvested (Million A.)	1.82	2.17	2.36
<u>Yield/harvested acre (lb.)</u>			
	4,700	4,277	4,700
<u>Supply</u> <u>(Million Cwt.)</u>			
Beginning stocks, Aug 1	11.4	5.1	5.0
Production	85.4	92.8	111.0
Imports	0.5	0.2	0.0
Total	97.3	98.1	116.0
<u>Disappearance</u>			
Domestic	35.8	37.7	39.2
Exports	54.0	55.4	61.2
Total	89.8	93.1	100.4
<u>Ending stocks, July 31</u>	5.1	5.0	15.6
<u>Difference unaccounted</u>	+2.4	--	--

Prepared by the Interagency Commodity Estimates Committee for Rice:

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*The 1974/75 projections in these tables are approximations based on latest available data. They are mainly indications of change. These data should be considered as representative of a fairly wide range rather than as a precise estimate.

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

Item	1972/73 Preliminary	1973/74 Indications	1974/75 Projected *
<u>Acreage</u> (Mil. acres)			
Set Aside	36.6	9.4	-0-
Planted	115.1	121.4	126.2
Harvested	94.0	102.3	107.1
<u>Yield Per Harvested</u> <u>Acre</u> (Tons)			
	2.13	2.00	2.18
<u>Supply</u> <u>Million Short Tons</u>			
Beginning Stocks	43.4	32.4	24.5
Production	99.9	205.0	233.9
Imports	0.4	0.4	0.4
Total	248.7	237.8	258.8
<u>Disappearance</u>			
Domestic	173.2	171.4	179.4
Exports	43.1	41.9	41.6
Total	216.3	213.3	221.0
<u>Ending Stocks</u>	32.4	24.5	37.8

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

CORN

Item (Mktg. year beginning Oct. 1)	1972/73 Preliminary	1973/74 Indications	1974/75* Projected
<u>Acreage</u> (Mil. acres)			
Set Aside	24.4	6.0	-0-
Planted	67.0	71.6	78.8
Harvested	57.4	61.8	68.8
<u>Yield Per Harvested</u> <u>Acre</u> (Bu.)			
	97.1	91.4	97.0
<u>Supply</u> <u>Million Bushels</u>			
Beginning Stocks	1,126	709	533
Production	5,573	5,643	6,674
Imports	1	1	1
Total	6,700	6,353	7,208
<u>Disappearance</u>			
Domestic	4,733	4,620	5,000
Exports	1,258	1,200	1,200
Total	5,991	5,820	6,200
<u>Ending Stocks</u>	709	533	1,008

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SOYBEANS

Item	1972/73 Preliminary	1973/74 Indications	1974/75 Projected*
<u>Acreage</u>			
Planted (Mil. A)	46.9	57.3	55.0
Harvested (Mil. A)	45.7	56.4	54.0
<u>Yield Per Harvested Acre (Bu.)</u>			
	27.8	27.8	28.5
<u>Supply</u> (Million Bushels)			
Carryin, Sept. 1	72.0	60	240
Production	1,270.6	1,567	1,540
Total	1,342.6	1,627	1,780
<u>Disappearance</u>			
Crushings	722	775	825
Exports	480	525	575
Seed, Feed and Residual	81	87	90
Total	1,283	1,387	1,490
Carryover, Aug. 31	60	240	290

Membership of the Interagency Commodity Estimates Committee for Soybeans, Flaxseed, Cottonseed and Oils:

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 Alan Holz, Alternate, FAS
 Clarence Goldsborough, FAS
 George Kromer, ERS

1/ Based on October 1 marketing year crush of 790 million bushels.

SOYBEAN OIL

Item	1972/73 Preliminary	1973/74 Indications 1/	1974/75 Projected*
<u>Supply</u> (Million Pounds)			
Carryin, Oct. 1	785	516	716
Production	7,501	8,500	8,825
Total	8,286	9,016	9,541
<u>Disappearance</u>			
Domestic	6,702	7,200	7,450
Exports	1,068	1,100	1,100
Total	7,770	8,300	8,550
Carryover, Sept. 30	516	716	991

SOYBEAN MEAL

Item	1972/73 Preliminary	1973/74 Indications 1/	1974/75 Projected*
<u>Supply</u> (1,000 Short Tons)			
Carryin, Oct. 1	192	183	233
Production	16,709	18,600	19,550
Total	16,901	18,783	19,783
<u>Disappearance</u>			
Domestic	11,973	13,075	14,000
Exports	4,745	5,475	5,600
Total	16,718	18,550	19,600
Carryover, Sept. 30	183	233	183

UPLAND COTTON

Item	1972/73 Preliminary	1973/74 Indications	1974/75 Projected *
<u>Acreage (Million Acres)</u>			
Planted	13.9	12.4	14.7
Harvested	12.9	11.9	1/
Set-Aside	2.0	0	0
<u>Yield Per Harvested</u>			
<u>Acre (Pounds)</u>	507	519	1/
		(Million 480-lb. Bales)	
<u>Supply</u>			
August 1 Beginning			
Stocks	2/ 3.2	2/ 4.0	3.7
Production, Imports and City Crop	13.6	12.9	1/
Total	16.8	16.9	
<u>Disappearance</u>			
Mill Consumption	7.7	7.5	7.7
Exports	5.3	5.7	5.5
Total	13.0	13.2	13.2
<u>Ending Stocks</u>	2/ 4.0	3.7	

1/ USDA is prohibited from estimating production prior to release of the August Crop Production Report.

2/ Based on Census Bureau data.

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