

# AGRICULTURAL SUPPLY & DEMAND ESTIMATES



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#28

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## HIGHLIGHTS

With 1975 food and feed grain crops headed for record or near-record production levels, supplies during the 1975/76 marketing year appear large enough to meet substantial increases in domestic and foreign demand while still permitting increases in carryover stocks. Drought in primary growing areas of the Soviet Union is strengthening the outlook for grain exports from the United States. Soybean production prospects reflect a 2-million-acre reduction in plantings from the March planting intentions report. A much smaller cotton crop is in store this year than last; however, larger beginning stocks on August 1 will maintain supplies in 1975/76.

### Wheat Production Breaking All Records

Production of all wheat in 1975 is forecast at an all-time high of 2,187 million bushels, 22 percent more than the previous high set last year. Acreage for harvest is 69 million acres and the indicated yield is 31.7 bushels per acre. All classes are record large: winter wheat is put at 1,637 million bushels; durum wheat, 133 million bushels; and other spring wheat, 418 million bushels. These estimates do not reflect any losses as a result of serious flooding in the Red River Valley.

Exports for the 1974/75 marketing year just completed have been lowered to 1,040 million bushels, bringing the July 1, 1975 carryover to 295 million bushels. With the record 1975 crop, the total supply for the 1975/76 marketing year is estimated at about 2.48 billion bushels. Use is expected to be in a range of 1.86 to possibly 1.98 billion bushels, leaving a carryover of about 500 to 625 million bushels.

### Rice Stocks Move Lower

Increases in domestic use and exports have lowered the estimate of ending stocks for the 1974/75 marketing year to 8.7 million cwt., down from the previous estimate of 13.4 million. Planted and harvested 1975 acreage, as of June 1, is up 7 percent over last year, suggesting a record crop of 131 to 138-1/2 million cwt. Total disappearance in 1975/76 will probably stay near the 1974/75 season record of 113 million cwt. Ending stocks would then be about 20 million cwt., or about double the estimated stocks this August 1.

### Record Corn Crop in Prospect

The first official forecast of 1975 corn production was 6.05 billion bushels, 30 percent more than the short 1974 crop and 7 percent above the previous record crop in 1973. Oat production, estimated at 731 million bushels, is 18 percent over last year; barley production, forecast at 395 million bushels, is up 28 percent. However, the barley estimate does not reflect the damage caused by early July flooding in the Red River Valley of North Dakota and Minnesota where malting barley, spring wheat, and sugarbeets are major field crops. Although the extent of the damage is unknown, the counties that were affected account for about one-third of the North Dakota barley acreage and nearly one-fourth of the Minnesota acreage. Damage from the flooding varied considerably in the area. The first estimate of sorghum production will be released by SRS on August 11.

Domestic feed consumption of corn in 1975/76 is expected to be up around 20 percent over the 1974/75 marketing year. Our current estimate is down about 100 million bushels from our previous projection.

### Soybean Use Continues Declining; Carryover to Gain

Estimated soybean crushings during the 1974 marketing year are now put at 690 million bushels, down 10 million bushels from our last report. Carryover as of August 31 is now expected to be up to 235 million bushels.

We have also lowered our sights by 110 million pounds for soybean oil production and by 230,000 tons for soybean meal. The only change in estimated use is a 200,000-ton reduction in soybean meal exports. Consequently, carryover for soybean oil as of August 31 is now set at 540 million pounds while the total for soybean meal is put at 300,000 tons.

Projected soybean production in 1975 has been reduced by 50 million bushels, due to a 2-million-acre reduction in 1975 plantings from the March intentions report.

Disappearance estimates for the 1975 crop are unchanged except for soybean meal exports, which are now expected to be 100,000 tons lower than previously thought. Estimated carryovers at the end of the 1975/76 crushing season have been lowered by 40 million bushels for soybeans and 110 million pounds for soybean oil, while that for soybean meal has been raised by 70,000 tons. Stocks of soybeans are still projected to be at an all-time high as of August 31, 1976.

### Cotton Acreage Exceeds March Intentions

Spurred on by improved cotton price prospects and weaker prices for competitive crops during recent months, U.S. cotton producers have planted nearly 3 percent more acreage this spring than they indicated in March. Despite adverse planting conditions in many areas of the Cotton Belt, growers have seeded 10.2 million acres, 1/4 million above March intentions

but still 3-1/2 million below 1974 plantings. While planted acreage dropped slightly below earlier intentions in the Delta and West, acreage in the Southwest and Southeast topped March plans by 5 percent and 13 percent, respectively. Approximately one-half of 1975 planted acreage is in Texas and Oklahoma.

Although a much smaller 1975/76 cotton crop probably is in store, larger beginning stocks this August 1 of nearly 6 million bales will maintain supplies. There should easily be enough cotton to cover anticipated domestic and export needs of 10 to 11 million bales. While prospects for expanded textile mill activity point to U.S. mill use of 6.2 to 6.7 million bales next season, exports may range between 3.8 and 4.3 million, compared with about 3.9 million in 1974/75.

NOTE: All 1975/76 projections are approximations based on presently available data and analyses. They are mainly indications of likely directions of change. They are subject to revision as additional information becomes available on crop and weather conditions here and abroad, changes in economic conditions, availability of inputs, and other developments that could lead to changes in producers' production and marketing decisions.

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WHEAT & RICE

| Commodity                             | Marketing year 1/ |                     |                      |
|---------------------------------------|-------------------|---------------------|----------------------|
|                                       | 1973/74           | 1974/75<br>forecast | 1975/76<br>projected |
| <u>WHEAT:</u>                         |                   |                     |                      |
|                                       | Million acres     |                     |                      |
| Acreage                               |                   |                     |                      |
| Set aside                             | 7.4               | -0-                 | -0-                  |
| Planted                               | 59.0              | 71.2                | 74.4                 |
| Harvested                             | 53.9              | 65.5                | 69.0                 |
| Yield per harvested<br>acre (bushels) | 31.7              | 27.4                | 31.7                 |
|                                       | Million bushels   |                     |                      |
| Beginning stocks                      | 438               | 247                 | 295                  |
| Production                            | 1,705             | 1,793               | 2,187                |
| Imports                               | 4                 | 2                   | 1                    |
| Supply, total                         | 2,147             | 2,042               | 2,483                |
| Domestic                              | 751               | 707                 | 809-784              |
| Exports                               | 1,149             | 1,040               | 1,050-1,200          |
| Disappearance, total:                 | 1,900             | 1,747               | 1,859-1,984          |
| Ending stocks                         | 247               | 295                 | 624-499              |
| <u>RICE:</u>                          |                   |                     |                      |
|                                       | Million acres     |                     |                      |
| Acreage                               |                   |                     |                      |
| Allotment                             | 2.22              | 2.10                | 1.80                 |
| Planted                               | 2.18              | 2.59                | 2.77                 |
| Harvested                             | 2.17              | 2.57                | 2.75                 |
| Yield per harvested<br>acre (pounds)  | 4,274             | 4,441               | 4,450                |
|                                       | Million cwt.      |                     |                      |
| Beginning stocks                      | 5.1               | 7.8                 | 8.7                  |
| Production                            | 92.8              | 114.1               | 122.3                |
| Imports                               | 0.2               |                     |                      |
| Supply, total                         | 98.1              | 121.9               | 131.0                |
| Domestic                              | 37.0              | 39.5                | 40.7                 |
| Exports                               | 49.7              | 73.7                | 70.4                 |
| Disappearance, total:                 | 86.7              | 113.2               | 111.1                |
| Ending stocks                         | 7.8               | 8.7                 | 19.9                 |
| Difference unaccounted:               | +3.6              |                     | 20.8                 |

1/ Marketing year beginning July 1 for wheat, August 1 for rice.

Prepared by the Interagency Commodity Estimates Committee for: Wheat: Paul W. King, Chairman, ASCS; James J. Naive, ERS; Donald J. Novotny, FAS.  
Rice: George H. Schaefer, Chairman, ASCS; James J. Naive, ERS; Koy L. Neeley, FAS.

| Commodity                             | Marketing year <sup>1/</sup> |                     |                      |
|---------------------------------------|------------------------------|---------------------|----------------------|
|                                       | 1973/74                      | 1974/75<br>forecast | 1975/76<br>projected |
| <b>FEED GRAINS:</b>                   |                              |                     |                      |
|                                       | Million acres                |                     |                      |
| Acreage                               |                              |                     |                      |
| Set aside                             | 9.4                          | --                  | --                   |
| Planted                               | 121.2                        | 122.6               | 122.7                |
| Harvested                             | 102.5                        | 100.7               | 104.5                |
| Yield per harvested<br>acre (tons)    | 2.00                         | 1.64                | 2.07                 |
|                                       | Million short tons           |                     |                      |
| Beginning stocks                      | 32.4                         | 22.2                | 14.8                 |
| Production                            | 205.0                        | 165.1               | 215.9                |
| Imports                               | 0.2                          | .05                 | 0.5                  |
| Supply, total                         | 237.6                        | 187.8               | 231.2                |
| Feed                                  | 153.5                        | 118.1               | 135.2 - 145.7        |
| Food, seed and<br>industrial uses     | 17.5                         | 18.1                | 18.6                 |
| Domestic, total                       | 171.0                        | 136.2               | 153.8 - 164.3        |
| Exports                               | 44.4                         | 36.8                | 46.0 - 38.4          |
| Use, total                            | 215.4                        | 173.0               | 199.8 - 202.7        |
| Ending stocks                         | 22.2                         | 14.8                | 31.4 - 28.5          |
| <b>CORN:</b>                          |                              |                     |                      |
|                                       | Million acres                |                     |                      |
| Acreage                               |                              |                     |                      |
| Set aside                             | 6.0                          | --                  | --                   |
| Planted                               | 71.6                         | 77.7                | 77.5                 |
| Harvested                             | 61.9                         | 65.2                | 66.9                 |
| Yield per harvested<br>acre (bushels) | 91.2                         | 71.3                | 90.3                 |
|                                       | Million bushels              |                     |                      |
| Beginning stocks                      | 709                          | 483                 | 360                  |
| Production                            | 5,647                        | 4,651               | 6,046                |
| Imports                               | 1                            | 1                   | 1                    |
| Supply, total                         | 6,357                        | 5,135               | 6,407                |
| Feed                                  | 4,196                        | 3,250               | 3,800 - 4,000        |
| Food, seed and<br>industrial uses     | 435                          | 450                 | 465                  |
| Domestic, total                       | 4,631                        | 3,700               | 4,265 - 4,465        |
| Exports                               | 1,243                        | 1,075               | 1,300 - 1,100        |
| Use, total                            | 5,874                        | 4,775               | 5,565                |
| Ending stocks                         | 483                          | 360                 | 842                  |

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

Prepared by the Interagency Commodity Estimates Committee for: Feed Grains:  
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SOYBEANS & PRODUCTS

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| Commodity                             | Marketing year 1/ |                     |                      |          |
|---------------------------------------|-------------------|---------------------|----------------------|----------|
|                                       | 1973/74           | 1974/75<br>forecast | 1975/76<br>projected |          |
| <b>SOYBEANS:</b>                      |                   |                     |                      |          |
|                                       | Million acres     |                     |                      |          |
| Acreage                               |                   |                     |                      |          |
| Planted                               | 56.7              | 53.6                |                      | 54.6     |
| Harvested                             | 55.8              | 52.5                |                      | 53.6     |
| Yield per harvested<br>acre (bushels) | 27.7              | 23.5                | 26.0                 | - 28.0   |
|                                       | Million bushels   |                     |                      |          |
| Beginning stocks                      | 60                | 171                 |                      | 235      |
| Production                            | 1,547             | 1,233               | 1,400                | - 1,500  |
| Supply, total                         | 1,607             | 1,404               | 1,635                | - 1,735  |
| Crushings                             | 821               | 690                 | 725                  | - 775    |
| Exports                               | 539               | 400                 | 400                  | - 450    |
| Seed, feed, and<br>residual           | 76                | 79                  | 80                   | - 80     |
| Disappearance, total                  | 1,436             | 1,169               | 1,205                | - 1,305  |
| Ending stocks                         | 171               | 235                 | 430                  | - 430    |
| <b>SOYBEAN OIL:</b>                   |                   |                     |                      |          |
|                                       | Million pounds    |                     |                      |          |
| Beginning stocks                      | 516               | 794                 |                      | 540      |
| Production                            | 8,995             | 7,246               | 7,700                | - 8,200  |
| Supply, total                         | 9,511             | 8,040               | 8,240                | - 8,740  |
| Domestic                              | 7,281             | 6,400               | 6,650                | - 6,950  |
| Exports                               | 1,436             | 1,100               | 900                  | - 1,100  |
| Disappearance, total                  | 8,717             | 7,500               | 7,550                | - 8,050  |
| Ending stocks                         | 794               | 540                 | 690                  | - 690    |
| <b>SOYBEAN MEAL:</b>                  |                   |                     |                      |          |
|                                       | 1,000 short tons  |                     |                      |          |
| Beginning stocks                      | 183               | 507                 |                      | 300      |
| Production                            | 19,674            | 16,393              | 17,220               | - 18,400 |
| Supply, total                         | 19,857            | 16,900              | 17,520               | - 18,700 |
| Domestic                              | 13,853            | 12,200              | 12,835               | - 13,565 |
| Exports                               | 5,497             | 4,400               | 4,400                | - 4,800  |
| Disappearance, total                  | 19,350            | 16,600              | 17,235               | - 18,365 |
| Ending stocks                         | 507               | 300                 | 285                  | - 335    |

1/ Marketing year beginning September 1 for soybeans, October 1 for soybean oil and meal.

Prepared by the Interagency Commodity Estimates Committee for: Soybeans, Cottonseed, and Oils: Glenn H. Pogeler, Chairman, ASCS; George W. Kromer, ERS; Alan E. Holz, FAS.

COTTON: UPLAND AND ELS

| Commodity                                        | Marketing year <sup>1/</sup> |                     |                      |
|--------------------------------------------------|------------------------------|---------------------|----------------------|
|                                                  | 1973/74                      | 1974/75<br>forecast | 1975/76<br>projected |
| <b>COTTON:</b>                                   |                              |                     |                      |
|                                                  | Million acres                |                     |                      |
| Acreage                                          |                              |                     |                      |
| Set aside                                        | 0                            | 0                   | 0                    |
| Planted                                          | 12.5                         | 13.7                | 10.2                 |
| Harvested                                        | 12.0                         | 12.5                | <u>2/</u>            |
| Yield per harvested<br>acre (pounds)             | 520                          | 442                 | <u>2/</u>            |
|                                                  |                              | Mil. 480-lb. bales  |                      |
| Beginning stocks                                 | <u>3/</u> 4.1                | <u>3/</u> 3.9       | <u>4/</u> 5.7        |
| In-season ginnings,<br>imports, and city<br>crop | 13.2                         | 11.5                | <u>2/</u>            |
| Supply, total                                    | 17.2                         | 15.4                |                      |
| Mill use                                         | 7.5                          | 5.8                 | 6.2 to 6.7           |
| Exports                                          | 6.1                          | 3.9                 | 3.8 to 4.3           |
| Disappearance, total                             | 13.6                         | 9.7                 | 10.0 to 11.0         |
| Ending stocks                                    | <u>3/</u> 3.9                | <u>4/</u> 5.7       |                      |

<sup>1/</sup> Marketing year beginning August 1.

<sup>2/</sup> USDA is prohibited from estimating production prior to release of the August Crop Production report.

<sup>3/</sup> Based on Census Bureau data.

<sup>4/</sup> Statistical residual. Census data in recent years have normally exceeded supply less distribution by approximately 0.2 million bales.

NOTE: Totals may not add due to rounding.

Prepared by Interagency Commodity Estimates Committee for: Cotton  
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