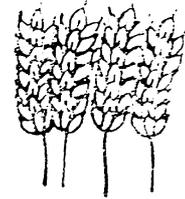


AGRICULTURAL SUPPLY & DEMAND ESTIMATES

Outlook 74



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

#17 August 13, 1974

HIGHLIGHTS

Bad weather has wilted spring's prospects for bumper crops and the situation now looks bleak in comparison. Only wheat and rice among the major crops are turning out larger than last year. Most wheat matured before the spring rains and the summer drought whipsawed other crops, and rice is grown outside the drought areas. However, adverse weather has slashed projected yields per acre virtually across the board. Also, estimates of harvested acreage have generally been reduced since our last report. Total crop production may be about 6 percent below last year.

With such deterioration, our projections of remaining stocks at the end of the 1974/75 marketing season have been lowered since our last report. The wheat, feed grain, and soybean supply and demand situations will remain in a touch-and-go status for the coming year.

NOTES

To avoid giving the impression of a higher degree of precision than actually exists, alternative indications or projections are shown in the tables in this report and are intended 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.

(over)

FEED GRAINS HARD HIT: The crop report's estimate of a less than 5 billion bushel corn crop and a one-third reduction in sorghum output from last year makes the feed grain situation critical for 1974/75.

As a result of the tight situation, we have reduced projected domestic use and exports of feed grains for 1974/75. Even so, total use may exceed output, cutting carryover even further from the relatively low level of stocks estimated for the beginning of the 1974/75 season.

Similarly, corn export projections have been reduced from our last report, as have the projections of domestic use. Still, stocks may shrink further because of the more than 600 million bushel decline in prospective production from last year. Oat and barley crop totals are also down this year.

WHEAT MARKET TO STAY TIGHT: Production of all wheat is forecast at a record 1,840 million bushels, down 85 million bushels from the July forecast but still 8 percent more than last year's record crop. The estimate of harvested acreage has been increased a little since our last report, but prospective yield per acre has been cut $1\frac{1}{2}$ bushels.

Even though total use is likely to moderate some from last season's rate, it may approach 1974 crop output and keep the stocks situation tight.

RICE AFFECTED, TOO: Expected production, although still a record, is down a little from last month to 107.0 million cwt. due to a lower yield than anticipated. As a result, estimated total supply is now 114.1 million cwt. Allowing for ranges of domestic and export disappearance, total use is now estimated at 96.6 to 103.5 million cwt., with estimated ending stocks at 10.6-17.5 million cwt.

SOYBEAN SITUATION TIGHTENS: Soybean production, estimated in yesterday's crop report at 1,314 million bushels, would be down from the 1,567 million of last year, both because of reduced yields per acre and a smaller acreage for harvest. Better weather in early August may have helped the crop, but an unusually high degree of uncertainty remains.

The reduced supply indicated for 1974/75 requires sizable reductions in projected use, both domestic and export, and in the carryover at the end of the season. These projections are expressed in ranges which assume larger or smaller demands for oil and meal jointly, not separately.

For flaxseed, the supply-demand situation in prospect for 1974/75 is even tighter than the conditions prevailing for that oilseed crop over the past year.

COTTON CROP DOWN A LITTLE: Based on yesterday's crop report, the 1974 upland cotton crop will total about 12.7 million bales, slightly below 1973. Harvested acreage of 12.9 million is 9 per cent above last year but much below expectations earlier this year. Yields have also been affected, as the indicated national average of 470 pounds per harvested acre is 49 pounds below 1973's near-record level.

The smaller 1974 crop, coupled with reduced beginning stocks, means less cotton will be available in 1974/75. But prospective disappearance may be down more than production. As a result, stocks next August may total 3-1/3 to 4-1/3 million bales compared with the estimated 3-1/3 million on hand August 1, 1974.

UPLAND COTTON

Item	1972/73	1973/74 Indications	1974/75 Projected
<u>Acreage (Million Acres)</u>			
Planted	13.9	12.4	14.2
Harvested	12.9	11.9	12.9
Set-Aside	2.0	0	0
<u>Yield Per Harvested Acre (Pounds)</u>			
	507	519	470
(Million 480-lb. Bales)			
<u>Supply</u>			
August 1 Beginning Stocks	1/ 3.2	1/ 4.0	3.3
Production, Imports and City Crop	13.6	12.9	12.7
Total	16.8	16.9	16.0
<u>Disappearance</u>			
Mill Consumption	7.7	7.4	7.5 - 7.0
Exports	5.3	6.2	5.2 - 4.7
Total	13.0	13.6	12.7 - 11.7
<u>Ending Stocks</u>	1/ 4.0	3.3	3.3 - 4.3

1/ Based on Census Bureau data.

Prepared by:
Interagency Cotton Estimates Committee
Thomas Q. Beatty, Chairman, ASCS
Russell Barlowe, IRS
Dewey Pritchard, FAS

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

<u>Item</u>	1972/73	1973/74 Indications	1974/75 Projected
<u>Acreage (Mil. Ac.)</u>			
Set aside	36.6	9.4	--
Planted	115.1	121.4	122.6
Harvested	94.0	102.3	99.5
<u>Yld. Per Harvested</u>			
<u>Acre (Tons)</u>	2.13	2.00 (Million Short Tons)	1.75
<u>Supply</u>			
Beginning Stocks	48.4	32.4	20.6
Production	199.9	205.0	174.6
Imports	0.4	0.3	0.4
Total	248.7	237.7	195.6
<u>Disappearance</u>			
Feed	156.2	155.9	134.5 - 138.7
Food, Ind. and Seed	17.0	17.5	17.8 - 18.2
Total domestic	173.2	173.4	152.3 - 156.9
Exports	43.1	43.7	29.7 - 23.8
Total	216.3	217.1	182.0 - 180.7
<u>Ending Stocks</u>	32.4	20.6	13.6 - 14.9

CORN

<u>Item</u> (Mktg. year beginning Oct. 1)	1972/73	1973/74 Indications	1974/75 Projected
<u>Acreage (Mil. Ac.)</u>			
Set aside	24.4	6.0	--
Planted	67.0	71.6	77.4
Harvested	57.4	61.8	63.8
<u>Yld. Per Harvested</u>			
<u>Acre (Bu)</u>	97.1	91.4 (Million Bushels)	77.8
<u>Supply</u>			
Beginning Stocks	1,126	709	428
Production	5,573	5,643	4,966
Imports	1	1	1
Total	6,700	6,353	5,395
<u>Disappearance</u>			
Feed	4,310	4,265	3,710 - 3,830
Food, Ind. and Seed	423	435	445 - 455
Total domestic	4,733	4,700	4,155 - 4,285
Exports	1,258	1,225	900 - 750
Total	5,991	5,925	5,055 - 5,035
<u>Ending Stocks</u>	709	428	340 - 350

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

Prepared by: Interagency Commodity Estimates Committee for Feed Grains:

William Askew, Chairman, ASCS
James Naive, ERS
Donald Novotny, FAS

Prepared by: Interagency Commodity Estimates Committee for Corn:

William Askew, Chairman, ASCS
James Naive, ERS
Donald Novotny, FAS

8/13/74.

WHEAT

ITEM	1972/73	1973/74 Indications	1974/75 Projected
Acreage (Mil. Ac.)			
Set-aside	20.1	7.4	-0-
Planted	54.9 ^{1/}	59.0	70.0
Harvested	47.3	53.9	64.1
Yld. Per Harvested Acre (Bu.)			
	32.7	31.8	28.7
(Million Bushels)			
Supply			
July 1 Beginning Stocks	863	439	249
Production	1,545	1,711	1,840
Imports	1	4	1
Total	2,409	2,154	2,090
Disappearance			
Domestic	785	757	758-908
Exports	1,185	1,148	1,000-900
Total	1,970	1,905	1,758-1,708
Ending Stocks	439	249	332- 382

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

Prepared by: Interagency Commodity Estimates Committee for Wheat

Paul W. King, ASCS, Chairman
Donald Novotny, FAS
James Naive, ERS

RICE

Item	1972/73 Preliminary	1973/74 Indications	1974-75 Projected
Acreage			
Allotment (Million A.)	1.84	2.22	2.10
Planted (Million A.)	1.82	2.18	2.40
Harvested (Million A.)	1.82	2.17	2.39
Yield/harvested acre (lb.)	4,700	4,277	4,480
(Million Cwt.)			
Supply			
Beginning stocks, Aug. 1	11.4	5.1	7.1
Production	85.4	92.8	107.0
Imports	0.5	0.1	--
Total	97.3	98.0	114.1
Disappearance			
Domestic	35.8	37.7	39.2- 38.5
Exports	54.0	53.2	64.3- 58.1
Total	89.8	90.9	103.5- 96.6
Ending stocks, July 31	5.1	7.1	10.6- 17.5
Difference unaccounted	+2.4	--	--

Prepared by: Interagency Commodity Estimates Committee for Rice

George Schaefer, Chairman, ASCS
James Naive, ERS
Robert Biehor, FAS

SOYBEANS

Item	1972/73	1973/74 Indications	1974/75 Projected*
<u>Acreage</u>			
Planted (Mil. A.)	46.9	57.3	53.8
Harvested (Mil. A.)	45.7	56.4	52.4
<u>Yield Per Harvested Acre (Bu.)</u>			
	27.8	27.8	25.1
<u>Supply</u> (Million Bushels)			
Carryin, Sept. 1	72.0	60	160
Production	1,270.6	1,567	1,314
Total	1,342.6	1,627	1,474
<u>Disappearance</u>			
Crushings	722	820	805 - 775
Exports	480	550	535 - 515
Seed, Feed and Residual	81	97	84 - 84
Total	1,283	1,467	1,424 - 1,374
Carryover, Aug. 31	60	160	50 - 100

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

Malcolm Maclay, Chairman, ASCS
Alan Holz, FAS
George Kromer, ERS

SOYBEAN OIL

Item	1972/73	1973/74 Indications 1/	1974/75 Projected
<u>Supply</u> (Million Pounds)			
Carryin, Oct. 1	785	516	736
Production	7,501	9,020	8,290 - 8,615
Total	8,286	9,536	9,026 - 9,351
<u>Disappearance</u>			
Domestic	6,705	7,350	7,700 - 7,500
Exports	1,065	1,450	1,100 - 900
Total	7,770	8,800	8,800 - 8,400
Carryover, Sept. 30	516	736	551 - 626

SOYBEAN MEAL

Item	1972/73	1973/74 Indications 1/	1974/75 Projected*
<u>Supply</u> (1,000 Short Tons)			
Carryin, Oct. 1	192	183	508
Production	16,709	19,775	18,365 - 19,000
Total	16,901	19,958	18,873 - 19,508
<u>Disappearance</u>			
Domestic	11,973	13,700	13,750 - 13,250
Exports	4,745	5,750	5,500 - 5,100
Total	16,718	19,450	19,250 - 18,350
Carryover, Sept. 30	183	508	333 - 523

1/ Based on an October 1 marketing year crush of 840 million bushels.

FLAXSEED

Item	1972/73	1973/74 Indications	1974/75 Projected
<u>Acreage</u>			
Planted (Thous. A)	1,191	1,777	
Harvested (Thous. A)	1,151	1,725	1,737
<u>Yield Per Harvested Acre (Bu.)</u>			
	12.1	9.5	7.9
(1,000 Bushels)			
<u>Supply</u>			
Carryin, July 1	20,132	3,506	2,601
Production	13,909	16,437	13,715
Imports	4	404	500 ^{1/}
Total	34,045	20,347	16,814
<u>Disappearance</u>			
Crushings	19,943	16,734	12,600 - 12,000
Exports	8,775	632	750 - 250
Seed, Feed and Residual	1,821	380	2,000 - 2,000
Total	30,539	17,746	15,350 - 14,250
Carryover, June 30	3,506	2,601	1,464 - 2,564

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

Malcolm MacLay, Chairman, ASCS
Alan Holz, FAS
George Kromer, ERS

^{1/} Imports may vary from 500 thousand but will tend to be balanced by equivalent variation in exports.

LINSEED OIL

Item	1972/73	1973/74 Indications	1974/75 Projected
<u>Supply</u> (Million pounds)			
Carryin, July 1	277	113	59
Production	393	335	240 - 252
Total	670	448	299 - 311
<u>Disappearance</u>			
Domestic	294	255	230 - 210
Exports	263	134	30 - 20
Total	557	389	260 - 230
Carryover, June 30	113	59	51 - 69

LINSEED MEAL

Item	1972/73	1973/74 Indications	1974/75 Projected
<u>Supply</u> (1,000 Short Tons)			
Carryin, July 1	14	11	14
Production	370	315	218 - 230
Imports	3	-	2 - 2
Total	387	326	234 - 246
<u>Disappearance</u>			
Domestic	203	189	135 - 131
Exports	173	123	100 - 85
Total	376	312	235 - 216
Carryover, June 30	11	14	11 - 18