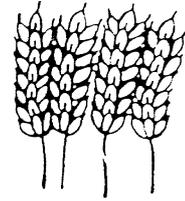


# AGRICULTURAL SUPPLY & DEMAND ESTIMATES

Outlook '74



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

#19 October 11, 1974

## HIGHLIGHTS

Weather has continued to play havoc with the major 1974 crops except rice. Early cold spells and frost in September cut corn production prospects by 277 million bushels, total feed grains by 5 percent, soybeans by 54 million bushels, cotton by 0.4 million bales, and wheat by 11 million bushels. Rice prospects improved slightly.

These developments, combined with continued strong demand, are likely to keep wheat stocks next summer near the very low year-earlier level, plunge corn and total feed grain carryovers to the smallest volumes since 1948, and reduce soybean stocks again to minimum pipeline levels. In contrast, both cotton and rice supplies are ample.

**FEED GRAINS HARD HIT:** September frosts cut corn production prospects to 4.7 billion bushels, 6 percent less than indicated on September 1 and 16 percent under production in each of the last 3 years. Sorghum production, hard hit by drought, is forecast at 632 million bushels, down a third from last year's record crop. These crop estimates do not include any possible effects of the early October frosts which extended to the Southern States and stopped plant growth in most areas.

The total feed grain production estimate is reduced to 168 million tons, 18 percent less than in 1973 and the lowest since the blight-shortened crop in 1970. With this fall's small carryover (estimated at 20 million tons), the feed grain supply for 1974/75 would total 189 million tons, 49 million below last year and the smallest since 1957/58.

The short supply means a substantial reduction in total disappearance from last year. Domestic use of feed grains is placed at 145-150 million tons, 14 to 17 percent below 1973/74 and down from last month's projection of 153-158 million. Exports are projected at 25 to 31 million tons, off 30 to 45 percent from last year but unchanged from last month's projection.

## NOTES

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.

-OVER-

RECORD WHEAT CROP, TIGHT SUPPLY: Production of all wheat as of October 1 was estimated at 1,781 million bushels, 11 million bushels less than last month but still a record. The decline in production occurred primarily in spring wheat (other than Durum) which was damaged by heavy freezes in late September. We have increased our estimate of exports by 50 million bushels since last month because of reduced production prospects in other major exporting countries and continued strong worldwide demand, especially in the Middle East and South Asia. The July 1, 1975, carryover is likely to range from only 218 million to 268 million bushels.

RICE SUPPLIES AMPLE: The 1974 rice crop, as of October 1, was put at a record 113.6 million cwt. Production prospects increased slightly from last month. Increased acreage in California was partially offset by lower yields in California and Arkansas. Demand estimates for the crop are unchanged from our last report.

TIGHT SOYBEAN SUPPLIES: Soybean production was estimated as of October 1 at 1,262 million bushels or 54 million less than on September 1. Frosts in September reduced estimated yield per acre from 25.1 to 24.0 bushels. Additional frosts in early October, reaching further South and East, may have further damaged the crop. Since much of the crop was planted late, the effect of these early frosts on quality as well as on quantity is very uncertain. In view of the tight supply situation, soybean export projections are reduced and estimated carryout is at a minimum level for 1974/75.

COTTON STOCKS TO MOUNT: A smaller 1974 crop and weaker demand feature the 1974/75 cotton situation and outlook. Production prospects deteriorated during September because of cool wet weather in the Delta and Southeast. Elsewhere, prospects remained near earlier indications. U.S. production now is estimated at 12.8 million bales, 3 percent below the September forecast and 1 percent below the 1973 crop.

Meanwhile, dull mill demand around the world is limiting prospective disappearance. U.S. use is expected to total around 7 million bales, and exports may be near 4-3/4 million. With production in excess of total use, the carryover next summer will likely be up moderately.

CORN

| Item<br>(Mts. year<br>beginning Oct. 1) | 1972-73 | 1973-74<br>Indications    | 1974-75<br>Projected |
|---|---------|---------------------------|----------------------|
| <u>Acres (Mil. Ac.)</u>                 |         |                           |                      |
| Set aside                               | 24.4    | 6.0                       | --                   |
| Planted                                 | 67.0    | 71.6                      | 77.4                 |
| Harvested                               | 57.4    | 61.8                      | 63.7                 |
| <u>Yld. Per Harvested<br/>Acre (Bu)</u> | 97.1    | 91.4<br>(Million Bushels) | 74.0                 |
| <u>Supply</u>                           |         |                           |                      |
| Beginning Stocks                        | 1,126   | 709                       | 428                  |
| Production                              | 5,573   | 5,643                     | 4,718                |
| Imports                                 | 1       | 1                         | 1                    |
| Total                                   | 6,700   | 6,353                     | 5,147                |
| <u>Disappearance</u>                    |         |                           |                      |
| Food                                    | 4,310   | 4,265                     | 3,487 - 3,607        |
| Food, Ind. and Seed                     | 423     | 435                       | 445 - 455            |
| Total domestic                          | 4,733   | 4,700                     | 3,932 - 4,062        |
| Exports                                 | 1,258   | 1,225                     | 900 - 750            |
| Total                                   | 5,991   | 5,925                     | 4,832 - 4,812        |
| <u>Ending Stocks</u>                    | 709     | 428                       | 315 - 335            |

Prepared by: Interagency Commodity Estimates Committee for  
Corn:

William Askey, Chairman, ASCS  
James Malvo, ERS  
Donald Novotny, FAS

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

| Item                                      | 1972-73 | 1973-74<br>Indications       | 1974-75<br>Projected* |
|---|---------|------------------------------|-----------------------|
| <u>Acres (Mil. Ac.)</u>                   |         |                              |                       |
| Set aside                                 | 36.6    | 9.4                          | --                    |
| Planted                                   | 115.1   | 121.4                        | 122.6                 |
| Harvested                                 | 94.0    | 102.3                        | 99.4                  |
| <u>Yld. Per Harvested<br/>Acre (Tons)</u> | 2.13    | 2.00<br>(Million Short Tons) | 1.69                  |
| <u>Supply</u>                             |         |                              |                       |
| Beginning Stocks                          | 48.4    | 32.4                         | 20.5                  |
| Production                                | 199.9   | 205.0                        | 168.0                 |
| Imports                                   | 0.4     | 0.3                          | 0.4                   |
| Total                                     | 248.7   | 237.7                        | 188.9                 |
| <u>Disappearance</u>                      |         |                              |                       |
| Food                                      | 156.2   | 155.9                        | 127.4 - 132.0         |
| Food, Ind. and Seed                       | 17.0    | 17.5                         | 17.8 - 18.2           |
| Total domestic                            | 173.2   | 173.4                        | 145.2 - 150.2         |
| Exports                                   | 43.1    | 43.8                         | 30.9 - 24.7           |
| Total                                     | 216.3   | 217.2                        | 176.1 - 174.9         |
| <u>Ending Stocks</u>                      | 32.4    | 20.5                         | 12.8 - 14.0           |

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

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10/11/74

## WHEAT

| ITEM                                      | 1972/73           | 1973/74<br>Indications | 1974/75<br>Projected |
|---|-------------------|------------------------|----------------------|
| <u>Acreage (Mil. Ac.)</u>                 |                   |                        |                      |
| Set-aside                                 | 20.1              | 7.4                    | -0-                  |
| Planted                                   | 54.9 1/           | 59.0                   | 70.0                 |
| Harvested                                 | 47.3              | 53.9                   | 64.1                 |
| <u>Yld. Per Harvested<br/>Acre (S.U.)</u> |                   |                        |                      |
|   | 32.7              | 31.8                   | 27.8                 |
|   | (Million Bushels) |                        |                      |
| <u>Supply</u>                             |                   |                        |                      |
| July 1 Beginning Stocks                   | 863               | 439                    | 249                  |
| Production                                | 1,545             | 1,711                  | 1,781                |
| Imports                                   | 1                 | 4                      | 1                    |
| Total                                     | 2,409             | 2,154                  | 2,031                |
| <u>Disappearance</u>                      |                   |                        |                      |
| Domestic                                  | 785               | 757                    | 763 -- 813           |
| Exports                                   | 1,185             | 1,148                  | 1,050 -- 950         |
| Total                                     | 1,970             | 1,905                  | 1,813 --1,763        |
| <u>Ending Stocks</u>                      | 439               | 249                    | 218 -- 268           |

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

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## RICE

| ITEM                                  | 1972/73        | 1973/74<br>Indica-<br>tions | 1974/75<br>Projected |
|---------------------------------------|----------------|-----------------------------|----------------------|
| <u>Acreage</u>                        |                |                             |                      |
| Allotment (Million A.)                | 1.84           | 2.22                        | 2.10                 |
| Planted (Million A.)                  | 1.82           | 2.18                        | ---                  |
| Harvested (Million A.)                | 1.82           | 2.17                        | 2.51                 |
| <u>Yield/harvested acre<br/>(lb.)</u> |                |                             |                      |
|                                       | 4,700          | 4,277                       | 4,528                |
|                                       | (Million Cwt.) |                             |                      |
| <u>Supply</u>                         |                |                             |                      |
| Beginning Stocks Aug. 1               | 11.4           | 5.1                         | 7.8                  |
| Production                            | 85.4           | 92.8                        | 113.6                |
| Imports                               | 0.5            | 0.2                         | ---                  |
| Total                                 | 97.3           | 98.1                        | 121.4                |
| <u>Disappearance</u>                  |                |                             |                      |
| Domestic                              | 35.8           | 36.7                        | 38.0 - 37.2          |
| Exports                               | 54.0           | 49.7                        | 64.3 - 58.1          |
| Total                                 | 89.8           | 86.4                        | 102.3 - 95.3         |
| <u>Ending Stocks, July 31</u>         | 5.1            | 7.8                         | 19.1 - 26.1          |
| <u>Difference unaccounted</u>         | +2.4           | +3.9                        |                      |

Prepared by: Interagency Commodity Estimates Committee for Rice

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Robert Heber, FAS

SOYBEANS

| Item                                      | 1972/73 | 1973/74<br>Indications | 1974/75<br>Projected |
|---|---------|------------------------|----------------------|
| <u>Acreage</u>                            |         |                        |                      |
| Planted (Mil. A.)                         | 46.9    | 57.3                   | 53.8                 |
| Harvested (Mil. A.)                       | 45.7    | 56.4                   | 52.5                 |
| <u>Yield Per Harvested<br/>Acre (Bu.)</u> |         |                        |                      |
|   | 27.8    | 27.8                   | 24.0                 |
| <u>Supply</u>                             |         |                        |                      |
|   |         | (Million Bushels)      |                      |
| Carryin, Sept. 1                          | 72.0    | 60                     | 172                  |
| Production                                | 1,270.6 | 1,567                  | 1,262                |
| Total                                     | 1,342.6 | 1,627                  | 1,434                |
| <u>Disappearance</u>                      |         |                        |                      |
| Crushings                                 | 722     | 821                    | 775 - 805            |
| Exports                                   | 479     | 542                    | 515 - 485            |
| Seed, Feed and Residual                   | 82      | 92                     | 84 - 84              |
| Total                                     | 1,283   | 1,455                  | 1,374 - 1,374        |
| Carryover, Aug. 31                        | 60      | 172                    | 60 - 60              |

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<br>Indications <sup>1/</sup> | 1974/75<br>Projected |
|----------------------|---------|--------------------------------------|----------------------|
| <u>Supply</u>        |         |                                      |                      |
| Carryin, Oct. 1      | 785     | 516                                  | 711                  |
| Production           | 7,501   | 9,020                                | 8,215 - 8,535        |
| Total                | 8,286   | 9,536                                | 8,926 - 9,246        |
| <u>Disappearance</u> |         |                                      |                      |
| Domestic             | 6,705   | 7,350                                | 7,425 - 7,475        |
| Exports              | 1,065   | 1,475                                | 900 - 1,100          |
| Total                | 7,770   | 8,825                                | 8,325 - 8,575        |
| Carryover, Sept. 30  | 516     | 711                                  | 601 - 671            |

(Million Pounds)

SOYBEAN MEAL

| Item                 | 1972/73 | 1973/74<br>Indications <sup>1/</sup> | 1974/75<br>Projected |
|----------------------|---------|--------------------------------------|----------------------|
| <u>Supply</u>        |         |                                      |                      |
| Carryin, Oct. 1      | 192     | 183                                  | 463                  |
| Production           | 16,709  | 19,730                               | 18,215 - 18,915      |
| Total                | 16,901  | 19,913                               | 18,678 - 19,378      |
| <u>Disappearance</u> |         |                                      |                      |
| Domestic             | 11,973  | 13,900                               | 13,000 - 13,400      |
| Exports              | 4,745   | 5,550                                | 5,450 - 5,750        |
| Total                | 16,718  | 19,450                               | 18,450 - 19,150      |
| Carryover, Sept. 30  | 183     | 463                                  | 228 - 228            |

(1,000 Short Tons)

<sup>1/</sup> Based on an October 1 marketing year crush of 836 million bushels.

## COTTON 1/

| Item   | 1972/73 | 1973/74<br>Indications  | 1974/75<br>Projected |
|--|---------|-------------------------|----------------------|
| <u>Acreage (Million Acres)</u>               |         |                         |                      |
| Planted                                      | 14.0    | 12.5                    | 14.3                 |
| Harvested                                    | 13.0    | 12.0                    | 13.1                 |
| Set-Aside                                    | 2.0     | 0                       | 0                    |
| <u>Yield Per Harvested<br/>Acre (Pounds)</u> | 507     | 519                     | 470                  |
|  |         | (Million 480-lb. Bales) |                      |
| <u>Supply</u>                                |         |                         |                      |
| August 1 Beginning<br>Stocks                 | 2/ 3.3  | 2/ 4.1                  | 2/ 3.9               |
| In-Season Ginnings, Imports and<br>City Crop | 13.7    | 13.2                    | 12.8                 |
| Total  | 17.0    | 17.2                    | 16.7                 |
| <u>Disappearance</u>                         |         |                         |                      |
| Mill Consumption                             | 7.8     | 7.5                     | 7.2 to 6.7           |
| Exports                                      | 5.3     | 6.1                     | 5.0 to 4.5           |
| Total  | 13.1    | 13.6                    | 12.2 to 11.2         |
| <u>Ending Stocks</u>                         | 2/ 4.1  | 2/ 3.9                  | 4.5 to 5.5           |

1/ Upland and extra long staple.

2/ Based on Census Bureau data.

Note: Totals may not add due to rounding.

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