

AGRICULTURAL SUPPLY & DEMAND ESTIMATES



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December 11, 1975

HIGHLIGHTS

The December crop report lowered the estimates for 1975 cotton production, but raised the total for rice. Despite the reduced cotton crop, ending stocks are relatively unchanged due to a reduction in the export estimate. The rice supply is now at a record high, and because of a prospective drop in our exports due to large world supplies, the carryover estimate for rice has been raised. Only minor changes were made in estimates for feed grains.

Cotton Prospects Deteriorate

Adverse growing and harvesting conditions during recent months have resulted in extensive deterioration in cotton crop prospects. Indicated production is now placed at 8-1/2 million bales, 6 percent below the November 1 estimate and 29 percent below the 1974 crop. So, even with this season's relatively large beginning stocks, the 1975/76 supply is down 1.2 million bales from last year and is the smallest since 1923.

This smaller cotton supply, coupled with continuing weak demand abroad and noncompetitive U.S. cotton prices in world markets, has prompted us to reduce our export estimate to 3 to 3-1/2 million bales. Meanwhile, prospective domestic mill consumption remains at 6.8 to 7.3 million bales. As a result, stocks on hand next summer may total 3-1/2 to 4-1/2 million bales, compared with the August 1, 1975 level of 5.7 million.

Rice Output Advances, But Exports Are Cut

Rice production in 1975 is now slated to reach 127.6 million cwt., up from November's estimate of 124.1 million mainly because of a revision in California acreage. The supply of 134.7 million cwt. is at a record high. Our export forecast has been shaved by about 10 percent to reflect larger world supplies. As a consequence, ending stocks have been increased from our previous estimates.

All-Wheat Production Down Slightly

Production of all wheat in 1975 totaled a record high 2,134 million bushels, down 4 million bushels from our previous report. The average yield per harvested acre at 30.6 bushels is well above the low 1974 yield of 27.4 bushels. Wheat was harvested from 69.7 million acres, 6 percent above a year earlier.

No changes were made in domestic and export demand for 1975/76. Ending stocks were lowered slightly to a range of 436-361 million bushels to account for the reduced production.

For 1974/75, the all-wheat production total was revised upward by 3 million bushels and domestic use was adjusted to 686 million bushels, offsetting this increase. Ending stocks for 1974/75 were unchanged.

Little Change for Feed Grains

The final barley crop estimate totaled 383 million bushels, little changed from the previous estimate, but more than a fourth above the poor 1974 crop. The 1975 oat harvest is estimated at 657 million bushels, down about 3 percent from a month ago, but 7 percent more than in 1974. These changes resulted in only minor revisions from the previous estimate of 1975/76 supply and disappearance of total feed grains. Final estimates of 1975 corn and sorghum production will be released in January.

COTTON: UPLAND AND EXTRA LONG STAPLE

Commodity	Marketing year 1/					
	Domestic Measure			Metric Measure 2/		
	1973/74	1974/75	1975/76	1973/74	1974/75	1975/76
	:Preliminary: Projected			:Preliminary: Projected		
Area	Million acres			Million hectares		
Set aside	0	0	0	0	0	0
Planted	12.5	13.7	10.1	5.1	5.6	4.1
Harvested	12.0	12.5	9.3	4.8	5.1	3.8
Yield per harvested unit	Pounds per acre			Quintals per hectare		
	520	442	437	5.8	4.9	4.9
	Million 480-lb. bales			Million metric tons		
Beginning stocks	3/ 4.2	3/ 3.8	3/ 5.7	0.9	0.8	1.1
Production	13.0	11.5	8.5	2.8	2.5	1.8
Supply, total 4/	17.2	15.4	14.2	3.8	3.3	3.1
Mill use	7.5	5.9	6.8-7.3	1.6	1.3	1.5-1.6
Exports	6.1	3.9	3.0-3.5	1.3	0.9	0.7-0.8
Disappearance, total	13.6	9.8	9.8-10.8	3.0	2.1	2.1-2.4
Difference unaccounted 5/	0.2	0.1	0.1	6/	6/	6/
Ending stocks	3/ 3.8	3/ 5.7	4.5-3.5	0.8	1.2	1.0-0.8

1/ Marketing year beginning August 1.

2/ Conversion factor: Hectare = 2.471 acres.

Metric Ton = 2204.6 pounds or 4.59 480-pound bales.

Quintal = 220.46 pounds.

3/ Based on Census Bureau data.

4/ Includes imports.

5/ Difference between ending stocks based on Census Bureau data and preceding season's supply less distribution. Estimated for 1975/76.

6/ Less than 0.05 million metric tons.

Note: Totals may not add and conversion between measures may not exactly convert or add due to rounding.

Prepared by the Interagency Commodity Estimates Committee for Cotton: Charles V. Cunningham, Chairman, ASCS; Russell G. Barlowe, ERS; William L. Davis, FAS.

WHEAT AND RICE

Commodity	Marketing year 1/					
	Domestic Measure 2/ 3/			Metric Measure 2/ 3/		
	1973/74	1974/75	1975/76	1973/74	1974/75	1975/76
	:Preliminary:Projected:			:Preliminary:Projected:		
<u>Wt.</u>						
<u>Area</u>	<u>Million acres</u>			<u>Million hectares</u>		
Set aside	7.4	--	--	3.0	--	--
Planted	59.0	71.4	75.1	23.9	28.9	30.4
Harvested	53.9	65.6	69.7	21.8	26.5	28.2
Yield per harvested unit	<u>Bushels per acre</u>			<u>Quintals per hectare</u>		
	31.7	27.4	30.6	21.3	18.4	20.6
	<u>Million bushels</u>			<u>Million metric tons</u>		
Beginning stocks	438	247	320	11.9	6.7	8.7
Production	1,705	1,796	2,134	46.4	48.9	58.1
Imports	4	2	1	0.1	0.1	4/
Supply total	2,147	2,045	2,455	58.4	55.7	66.8
Domestic	752	686	719-694	20.5	18.7	19.6-18.9
Exports	1,148	1,039	1,300-1,400	31.2	28.3	35.4-38.1
Disappearance, total:	1,900	1,725	2,019-2,094	51.7	46.9	54.9-57.0
Ending stocks	247	320	436-361	6.7	8.7	11.9-9.8
<u>RICE:</u>						
<u>Area</u>	<u>Million acres</u>			<u>Million hectares</u>		
Allotment	2.22	2.10	1.80	0.90	0.85	0.73
Planted	2.18	2.56	2.82	0.88	1.05	1.14
Harvested	2.17	2.54	2.80	0.88	1.04	1.13
Yield per harvested unit	<u>Pounds per acre</u>			<u>Quintals per hectare</u>		
	4,274	4,432	4,555	47.90	49.68	51.05
	<u>Million cwt.</u>			<u>Million metric tons</u>		
Beginning stocks	5.1	7.8	7.1	0.23	0.35	0.32
Production	92.8	112.4	127.6	4.21	5.18	5.79
Imports	0.2	--	--	0.01	--	--
Supply, total	98.1	120.2	134.7	4.45	5.53	6.11
Domestic	37.0	40.2	41.4-42.2	1.68	1.82	1.88-1.91
Exports	49.7	69.5	58.7-64.9	2.25	3.16	2.66-2.94
Disappearance, total:	86.7	109.7	100.1-107.1	3.93	4.98	4.54-4.86
Ending stocks	7.8	7.1	34.6-27.6	0.35	0.32	1.57-1.25
Difference unaccounted:	+3.6	+3.4	--	0.17	0.15	--

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

2/ Conversions between measures may not convert or add due to rounding.

3/ Conversion factor: Hectare = 2.471 acres.

Metric Ton = 2204.6 pounds or 36.7437 bushels (wheat)
22.046 cwt. (rice)

Quintal = 220.46 pounds or 3.674 bushels (wheat)
2.2046 cwt. (rice)

4/ Less than 0.1.

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. Schaeter, Chairman, ASCS; James J. Naive, ERS; Roy L. Neeley, FAS.

FEED GRAINS AND CORN

Commodity	Marketing year 1/					
	Domestic Measure			Metric Measure 2/ 3/		
	: Preliminary: Projected :			: Preliminary: Projected :		
	: 1973/74 :	1974/75 :	1975/76 :	1973/74 :	1974/75 :	1975/76 :
FEED GRAINS:						
Area	Million acres			Million hectares		
Set aside	9.4	--	--	3.8	--	--
Planted	121.4	122.4	122.8	49.1	49.5	49.7
Harvested	102.4	100.5	103.8	41.4	40.7	42.0
Yield per harvested unit	Tons per acre			Quintals per hectare		
	2.00	1.64	1.96	44.9	36.8	44.0
	Million short tons			Million metric tons		
Beginning stocks	32.4	22.2	15.8	29.4	20.1	14.3
Production	205.0	164.9	203.8	186.0	149.6	184.9
Imports	0.2	0.5	0.5	0.2	0.5	0.5
Supply, total	237.6	187.6	220.1	215.6	170.2	199.7
Feed	153.3	114.6	123.8-132.4	139.1	104.0	112.3-120.1
Food, seed and industrial uses	17.7	18.0	18.5	16.1	16.3	16.8
Domestic, total	171.0	132.6	142.3-150.9	155.2	120.3	129.1-136.9
Exports	44.4	39.2	52.3-47.5	40.3	35.6	47.4-43.1
Use, total	215.4	171.8	194.6-198.4	195.5	155.9	176.5-180.0
Ending stocks	22.2	15.8	25.5-21.7	20.1	14.3	23.2-19.7
CORN:						
Area	Million acres			Million hectares		
Set aside	6.0	--	--	2.4	--	--
Planted	71.9	77.7	77.7	29.1	31.4	31.4
Harvested	61.9	65.2	66.6	25.0	26.4	27
Yield per harvested unit	Bushels per acre			Quintals per hectare		
	91.2	71.3	87.2	57.3	44.8	54.6
	Million bushels			Million metric tons		
Beginning stocks	709	483	359	18.0	12.3	9.2
Production	5,647	4,651	5,804	143.4	118.1	147.4
Imports	1	2	1	4/	0.1	4/
Supply, total	6,357	5,136	6,164	161.4	130.5	156.5
Feed	4,193	3,178	3,475-3,675	106.4	80.7	88.3-93.3
Food, seed and industrial uses	438	450	465	11.1	11.4	11.8
Domestic, total	4,631	3,628	3,940-4,140	117.5	92.1	100.1-105.1
Exports	1,243	1,149	1,500-1,400	31.6	29.2	38.1-35.6
Use, total	5,874	4,777	5,440-5,540	149.1	121.3	138.2-140.7
Ending stocks	483	359	724-624	12.3	9.2	18.4-15.9

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

2/ Conversions between measures may not convert or add due to rounding.

3/ Conversion factors: Hectare = 2.471 acres
Metric ton = 2204.6 pounds (feed grains); 39.368 bushels (corn).
Quintal = 220.46 pounds.

4/ Less than 0.1.

Prepared by the Interagency Commodity Estimates Committee for Feed Grains: Orville I. Overboe, Chairman, ASCS; James J. Naive, ERS; Donald J. Novotny, FAS.