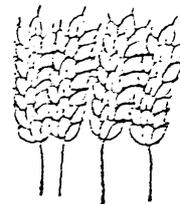


# AGRICULTURAL SUPPLY & DEMAND ESTIMATES

Outlook '74



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

July 25, 1974 #15

## HIGHLIGHTS

Yesterday's grain stocks report showed a larger wheat carryover than we anticipated--reflecting less wheat feeding--and suggests a slightly smaller feed grain carryover this fall. Prospective September 1 soybean carryover has not been changed, because the difference between disappearance indicated by the stocks report and reported use since last September had already been taken into account. In light of July's hot, dry weather, we are dropping prospective 1974 feed grain and soybean crops. For soybeans, this means that carryout levels next year may again be extremely tight.

## 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 disappearance data will continue to be subject to change as additional information becomes available.

The acreage estimates are those reported by the Statistical Reporting Service and are based on surveys conducted about June 1 and include acreage planted or intended to be planted and acreage intended to be harvested. This year, because of weather conditions, more than the usual acreage of corn and soybeans remained to be planted in early June. Yields for small grains are those reported by SRS. Projected yields for other commodities are not based on survey data but take into account past trends with subjective adjustments for such things as weather to date, acreage, and availability of fertilizer. Changes in acreage resulting from the usual followup survey during July will be shown in the August 13 issue of this report. That issue will also include forecasts of yields and production based on survey data.

#### WHEAT STOCKS MORE COMFORTABLE

Old crop carryover of all wheat on July 1 totaled 243 million bushels, 31 million bushels more than estimated in our last report. We have dropped 1973/74 domestic use by this amount, reflecting less wheat feeding, and raised projected total wheat supply and carryover levels for the 1974/75 marketing year to reflect the increased carryin.

#### FEED GRAIN SUPPLIES TIGHTEN

A combination of smaller carryover from 1973/74 and smaller prospective 1974 production have narrowed the supply picture for next season. Domestic disappearance during April-June 1974, a record 50.5 million tons, was about as expected. However, heavy U.S. feed grain exports in recent weeks because of lagging shipments from Argentina have caused us to boost indicated 1973/74 feed grain exports from 42.6 million tons to 43.7 million. This change would result in a slightly lower 1974/75 carryin.

With a July heat wave hindering crop development, we are lowering projected corn and grain sorghum yields. This puts projected corn production at 5.95--6.22 billion bushels, still a record crop, and drops sorghum output to 820-850 million bushels, below last year's record.

#### SOYBEAN CARRYOVER HOLDS; CROP PROSPECTS DOWN

July 1 soybean stocks totaled 344 million bushels, almost double last year's level. Stocks at mills remained near last year's low level but stocks on farms (153 million bushels) and at elevators and warehouses (179 million bushels) dwarfed July 1, 1973, levels.

September 1973-June 1974 soybean disappearance, indicated by the stocks report at 1,282 million bushels, compares with reported disappearance of 1,231 million. The 1973-74 disposition estimates remain unchanged because most of this discrepancy already has been allowed for in the seed, feed, and residual category. The anticipated September 1 carryover continues at 170 million bushels.

The 1974 soybean yield prospects, earlier affected by very late planting, have been further reduced by hot, dry weather to a range of 25-27 bushels per acre. We continue to carry the estimated acreage based on the July 11 Crop Production Report, but recognize that planting conditions are somewhat similar to last year when reported planted acreage was increased about a half-million acres by the August Crop Report. In line with smaller 1974 crop prospects, we have reduced our soybean utilization and carryout levels for 1974/75. However, any projections concerning soybeans and products are extremely uncertain right now.

7/25/74

## 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 <sup>1/</sup>	59.0	69.8
Harvested	47.3	53.9	63.7
<u>Yld. Per Harvested Acre (Bu.)</u>			
	32.7	31.8	30.2
(Million Bushels)			
<u>Supply</u>			
July 1 Beginning Stocks	863	433	249
Production	1,545	1,711	1,925
Imports	1	3	1
Total	2,409	2,152	2,175
<u>Disappearance</u>			
Domestic	786	753	760
Exports	<u>1,185</u>	<u>1,150</u>	<u>1,000</u>
Total	1,971	1,903	1,760
<u>Ending Stocks</u>	438	249	415

<sup>1/</sup> 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

## CORN

Item (Mktg. year beginning Oct. 1)	1972/73 Preliminary	1973/74 Indications	1974/75 Projected
<u>Acreage (Mil. Ac.)</u>			
Set aside	24.4	6.0	--
Planted	67.0	71.6	77.7
Harvested	57.4	61.8	67.6
<u>Yld. Per Harvested Acre (Bu)</u>			
	97.1	91.4 (Million Bushels)	88.0-92.0
<u>Supply</u>			
Beginning Stocks	1,126	709	428
Production	5,573	5,643	5,950-6,220
Imports	1	1	1
Total	6,700	6,353	6,379 - 6,649
<u>Disappearance</u>			
Feed	4,310	4,265	4,295 - 4,375
Food, Ind. and Seed	423	435	435
Total domestic	4,733	4,700	4,730 - 4,810
Exports	1,258	1,225	1,150
Total	5,991	5,925	5,880 - 5,960
<u>Ending Stocks</u>	709	428	499 - 689

Prepared by: Interagency Commodity Estimates Committee for  
Corn:

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

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

Item	1972/73 Preliminary	1973/74 Indications	1974/75 Projected
<u>Acreage (Mil. Ac.)</u>			
Set aside	36.6	9.4	--
Planted	115.1	121.4	123.0
Harvested	94.0	102.3	104.8
<u>Yld. Per Harvested Acre (Tons)</u>			
	2.13	2.00 (Million Short Tons)	1.99 - 2.07
<u>Supply</u>			
Beginning Stocks	48.4	32.4	20.6
Production	199.9	205.0	208.9 - 217.3
Imports	0.4	0.3	0.4
Total	248.7	237.7	229.9 - 238.3
<u>Disappearance</u>			
Feed	156.2	155.9	153.0 - 155.2
Food, Ind. and Seed	17.0	17.5	17.6
Total domestic	173.2	173.4	170.6 - 172.8
Exports	43.1	43.7	40.2
Total	216.3	217.1	210.8 - 213.0
<u>Ending Stocks</u>	32.4	20.6	19.1 - 25.3

<sup>1/</sup> 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

SOYBEANS

Item	1972/73	1973/74 Indications	1974/75 Projected*
<u>Acreage</u>			
Planted (Mil. A)	46.9	57.3	53.4
Harvested (Mil. A)	45.7	56.4	52.5
<u>Yield Per Harvested Acre (Bu.)</u>	27.8	27.8	25.0 - 27.0
<u>Supply</u>		(Million Bushels)	
Carryin, Sept. 1	72.0	60	170 - 170
Production	1,270.6	1,567	1,315 - 1,415
Total	1,342.6	1,627	1,485 - 1,585
<u>Disappearance</u>			
Crushings	722	810	800 - 830
Exports	480	550	545 - 585
Seed, Feed and Residual	81	97	80 - 80
Total	1,283	1,457	1,425 - 1,495
Carryover, Aug. 31	60	170	60 - 90

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 <sup>1/</sup>	1974/75 Projected*
		(Million Pounds)	
<u>Supply</u>			
Carryin, Oct. 1	785	516	666 - 666
Production	7,501	8,900	8,500 - 8,930
Total	8,286	9,416	9,226 - 9,546
<u>Disappearance</u>			
Domestic	6,705	7,350	7,575 - 7,625
Exports	1,065	1,400	1,125 - 1,275
Total	7,770	8,750	8,700 - 8,900
Carryover, Sept. 30	516	666	526 - 646

SOYBEAN MEAL

Item	1972/73	1973/74 Indications <sup>1/</sup>	1974/75 Projected*
		(1,000 Short Tons)	
<u>Supply</u>			
Carryin, Oct. 1	192	183	408 - 408
Production	16,709	19,600	18,960 - 19,670
Total	16,901	19,783	19,368 - 20,078
<u>Disappearance</u>			
Domestic	11,973	13,800	13,700 - 14,100
Exports	4,745	5,575	5,450 - 5,750
Total	16,718	19,375	19,150 - 19,850
Carryover, Sept. 30	183	408	218 - 228

<sup>1/</sup> Based on an October 1 marketing year crush of 830 million bushels.