

AGRICULTURAL SUPPLY & DEMAND ESTIMATES

Outlook '74



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

June 24, 1974 #14

HIGHLIGHTS

The generally wet weather in recent weeks has delayed plantings in some cases, and caused acreage abandonments and shifts to alternate crops in others. Thus, some acreages may turn out different than had been anticipated based on farmers' intentions as of March 1. Also, yields per acre probably will be below what had been projected based largely on the assumption of normal planting, growing, and harvesting weather. We have pointed total production projections for wheat, corn, and soybeans downward from our previous indications for these 1974 crops.

WHEAT CROP STILL HUGE, ADJUSTED A BIT

Total wheat production is adjusted downward by 17 million bushels to a little below 2.1 billion bushels because of adverse seeding conditions that apparently have prevented farmers from planting all the acreage they had intended as of March 1 in the major spring wheat States. With total supply now estimated about 2,292 million bushels and a total use of around 1,860 million, the carryover at the end of the 1974/75 marketing year is expected to total about 432 million bushels. This is down from our last projection of a 449 million bushel carryover. For winter wheat, we are using the official production forecast based on June 1 conditions.

NOTE

Changes in supply and utilization in this report from those projected earlier this year are intended to show directions of likely change instead of quantifiable estimates. The indications are based on scattered observations of crop planting progress plus crop-weather reports and comparisons with experiences in similar past years. These indications are not to be confused with results based on scientific sample surveys. The first official USDA estimates of harvested acreage generally (except cotton) and yields per acre, for small grains, will be published July 11. The first official USDA forecast of yields per acre and production for other crops will be published August 12. We will release supply-demand tables on the next day following each report.

CORN CROP PROJECTION TRIMMED, BUT STILL RECORD LARGE

The 1974 corn crop is now projected at 6.4 billion bushels, around 300 million below the March projections but about 750 million more than in 1973. The reduced crop prospect reflects persistent wet weather in late May and early June which delayed plantings, required some replanting, and caused some shifting to alternate crops in several Corn Belt States. Acreage is projected to drop slightly from the 78.8 million indicated by farmers on March 1. Average yields may also be somewhat below the earlier projection of 97 bushels per harvested acre.

For 1974/75, projected domestic use of corn has been trimmed about 100 million bushels to 4.8 billion. Projected export demand remains at 1.2 billion bushels, the same as this season's level. Total use, now projected at 6.0 billion bushels, would leave a prospective carryout on September 30, 1975, of around 850 million bushels. This is substantially more than the 450 million bushels expected at the end of this year, but below the earlier projection of over a billion bushels.

The feed grain table in this report reflects changes in the corn production projection and minor adjustments in utilization projections.

FOR SOYBEANS MORE ACREAGE MAY OFFSET LOWER YIELDS

Because of wet weather, farmers are probably shifting some acres intended for corn and cotton this spring to soybeans. This could boost planted acreage somewhat above the 55 million acres intended as of March 1. The weather situation is similar to last year, when wet conditions caused farmers to plant more soybeans than they indicated earlier. However, yield per acre is expected to be lower than earlier projected.

Soybean production could total 1,525 million bushels, about 3 percent below last year's record. With carryover added, 1974/75 supplies would total a record 1.7 billion bushels, compared with 1,627 million bushels in 1973/74. Total utilization could increase to around 1.5 billion bushels, about 4 percent above use now estimated for this season. This would fall a little short of production, leaving carryover on September 1, 1975, at around 215 million bushels. That is down from our previous projection of 240 million.

Increased meal use and continuing strong oil demand are pointing to a larger 1973/74 crush than earlier anticipated. Soybean meal is replacing some urea in mixed feeds. Estimated crush is increased by 10 million bushels on a September 1 year basis and by 15 million on an October 1 basis. Estimated oil exports are increased by 50 million and carryout by 100 million pounds. Meal exports are increased by 100 thousand tons and domestic use by 250 thousand tons.

COTTON PROSPECTS LOWERED SLIGHTLY

Adverse weather has reduced upland cotton prospects for 1974. It has been unusually dry on the High Plains of Texas and extremely wet in northern areas of the Delta. These developments have served to restrict plantings and increase abandonment. Planted acreage could turn out below the 14-3/4 million acres intended in March, but still above last year.

With estimated beginning stocks of 3-1/2 million bales for August 1, 1974, the 1974/75 upland cotton supply will probably fall short of 1973/74's 16.9 million bales.

UPLAND COTTON

6/24/74

WHEAT

Item	1972/73	1973/74 Indications	1974/75 Projected *
<u>Acreage (Million Acres)</u>			
Planted	13.9	12.4	
Harvested	12.9	11.9	
Set-Aside	2.0	0	0
<u>Yield Per Harvested Acre (Pounds)</u>	507	519	
		(Million 480-lb. Bales)	
<u>Supply</u>			
August 1 Beginning Stocks	2/ 3.2	2/ 4.0	3.5
Production, Imports and City Crop	13.6	12.9	1/
Total	16.8	16.9	
<u>Disappearance</u>			
Mill Consumption	7.7	7.4	7.4
Exports	5.3	6.0	5.5
Total	13.0	13.4	12.9
<u>Ending Stocks</u>	2/ 4.0	3.5	

1/ USDA is prohibited from estimating production prior to release of the August Crop Production Report.

2/ Based on Census Bureau data.

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

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 1/	59.0	
Harvested	47.3	53.9	
<u>Yld. Per Harvested Acre (Bu.)</u>	32.7	31.8	
	(Million Bushels)		
<u>Supply</u>			
Beginning Stocks	863	438	217
Production	1,545	1,711	2,074
Imports	1	2	1
Total	2,409	2,151	2,292
<u>Disappearance</u>			
Domestic	786	784	810
Exports	1,185	1,150	1,050
Total	1,971	1,934	1,860
<u>Ending Stocks</u>	438	217	432

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

*The 1974/75 projections in these tables are approximations based on latest available data. They are mainly indications of change. These data should be considered as representative of a fairly wide range rather than as a precise estimate.

CORN

Item	1972/73	1973/74	1974/75
(Mktg. year beginning Oct. 1)	Preliminary	Indications	Projected *
Acreage (Mil. Ac.)			
Set aside	24.4	6.0	-0-
Planted	67.0	71.6	
Harvested	57.4	61.8	
Yld. Per Harvested Acre (Bu)	97.1	91.4	
		(Million Bushels)	
Supply			
Beginning Stocks	1,126	709	1,153
Production	5,573	5,643	6,400
Imports	1	1	1
Total	6,700	6,353	6,854
Disappearance			
Feed	4,310	4,265	4,365
Food, Ind. and Seed	423	435	435
Total domestic	4,733	4,700	4,800
Exports	1,258	1,200	1,200
Total	5,991	5,900	6,000
Ending Stocks	709	453	854

Prepared by: Interagency Commodity Estimates Committee for Corn:

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

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

Item	1972/73	1973/74	1974/75
	Preliminary	Indications	Projected*
Acreage (Mil. Ac.)			
Set aside	36.6	9.4	-0-
Planted	115.1	121.4	
Harvested	94.0	102.3	
Yld. Per Harvested Acre (Tons)	2.13	2.00	
		(Million Short Tons)	
Supply			
Beginning Stocks	48.4	32.4	22.2
Production	199.9	205.0	227.1
Imports	0.4	0.3	0.4
Total	248.7	237.7	249.7
Disappearance			
Feed	156.2	155.9	156.2
Food, Ind. and Seed	17.0	17.3	17.6
Total domestic	173.2	173.2	173.8
Exports	43.1	42.3	41.6
Total	216.3	215.5	215.4
Ending Stocks	32.4	22.2	34.3

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:

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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	
Harvested (Mil. A)	45.7	56.4	
<u>Yield Per Harvested Acre (Bu.)</u>	27.8	27.8	
		(Million Bushels)	
<u>Supply</u>			
Carryin, Sept. 1	72.0	60	190
Production	1,270.6	1,567	1,525
Total	1,342.6	1,627	1,715
<u>Disappearance</u>			
Crushings	722	600	825
Exports	480	550	585
Seed, Feed and Residual	81	87	90
Total	1,283	1,437	1,500
Carryover, Aug. 31	60	190	215

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

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

SOYBEAN OIL

Item	1972/73	1973/74 Indications 1/	1974/75 Projected*
		(Million Pounds)	
<u>Supply</u>			
Carryin, Oct. 1	785	516	666
Production	7,501	8,800	8,825
Total	8,286	9,316	9,491
<u>Disappearance</u>			
Domestic	6,705	7,300	7,600
Exports	1,065	1,350	1,200
Total	7,770	8,650	8,800
Carryover, Sept. 30	516	666	691

SOYBEAN MEAL

Item	1972/73	1973/74 Indications 1/	1974/75 Projected*
		(1,000 Short Tons)	
<u>Supply</u>			
Carryin, Oct. 1	192	183	258
Production	16,709	19,350	19,550
Total	16,901	19,533	19,808
<u>Disappearance</u>			
Domestic	11,973	13,700	14,000
Exports	4,745	5,575	5,600
Total	16,718	19,275	19,600
Carryover, Sept. 30	183	258	208

1/ Based on an October 1 marketing year crush of 820 million bushels.