

AGRICULTURAL SUPPLY & DEMAND ESTIMATES



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#48

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HIGHLIGHTS

Crop prospects as of November 1 were generally up from October, the result of better than expected yields. Crop prospects improved for corn and sorghum, edged up slightly for rice and soybeans, but deteriorated for cotton. There was no production report on wheat in November.

Corn Crop Estimate Breaks 6-Billion-Bushel Mark

Last summer's hot dry weather in the Midwest apparently was not as damaging to this year's feed grain crop as earlier expected. The Nation's 1976 corn crop, estimated at a record 6.1 billion bushels on November 1, was 5 percent above last year's production and 3 percent above October 1 indications. Most of this increase occurred in the heart of the Corn Belt where yield estimates in Illinois, Indiana, Ohio, and Iowa were raised significantly. The sorghum estimate also was lifted 6 million bushels, bringing production to 784 million bushels.

The increase in the 1976/77 feed grain supply from earlier estimates suggests that prices will be lower than anticipated, which could improve conditions for feeding and will likely remove some of the competitive edge favoring wheat for feeding. Consequently, the estimated feed use of corn and other feed grains in 1976/77 has been raised 1 1/2 million tons, to an increase of about 5 percent over 1975/76. Projected disappearance of feed grains is expected to be a little less than indicated production, suggesting a small recovery in 1977 carryover stocks.

NOTE TO USERS

During the past decade, changes in production forecasts for corn between November 1 and the final estimate have averaged 88 million bushels, ranging from 10 to 243 million bushels. During this 10-year period, the November forecast was above the final estimate 2 times by an average of 34 million bushels and below 8 times by an average of 101 million bushels. Ranges are shown in the table footnotes for other commodities. Similar uncertainties in other countries could still result in unexpected variations in the strength of foreign demand for U.S. crops.

The ranges in projected output and use for 1976/77 attempt to show probable variation around the projected values, based on relationships in the past decade.

Totals on the tables in this report may not add and conversions between measures may not be exact due to rounding.

Wheat Exports and Feeding Lowered

The increase in the November 1 corn and sorghum crop estimates from a month earlier may shave the demand for wheat as a feed. Thus, projected wheat feeding has been lowered 25 million bushels from our last report. Expected feed use is still about double the 75 million bushels fed in 1975/76.

With improved crop prospects in the USSR, Argentina, and Australia, as well as the record crop in Canada, U.S. wheat exports may run a bit under the previous projection. Accordingly, exports have been reduced by 50 million bushels to a range of 950-1,150 million bushels.

Rice Crop Edges Up

The 1976 rice crop is now estimated at 112.4 million cwt., up slightly from last month reflecting some improvement of yields in Arkansas but decreases in California. With utilization unchanged, projections of ending stocks have been raised slightly.

Soybean Domestic Use and Exports Up Some From Earlier Expectations

The 1976-77 supply of soybeans remains at 1.5 billion bushels, virtually unchanged from our October forecast.

Exports are now projected around 540 million bushels, up 15 million from a month ago. The Crushings projection was shaded upward but they still may total about a tenth below the 1975/76 level. Demand for soybean products continues strong with the U.S. crush at a level which probably cannot be sustained through the season because of the limited soybean supply.

The ending soybean carryout has been reduced to a minimum operating level of less than 1-month's requirement.

Next Summer's Cotton Carryover To Be Smaller

Continuing deterioration in the 1976 cotton crop is squeezing supplies available for U.S. mill use and exports, and further reducing next summer's prospective carryover. As of November 1, the current crop was estimated at 9.9 million bales, down from 10-1/4 million a month earlier and 10-3/4 million on August 1. The downward revision during October reflected both lower yields and smaller harvested acreage.

It now appears that the 1976/77 cotton supply will total around 13.6 million bales, down from 14.1 million last year and the smallest in 53 years. This season's export estimate has been trimmed slightly to around 4.3 million bales. U.S. mill use is still estimated at about 6.6 million bales. As a result, ending stocks next August 1 may drop to around 3 million bales. This carryover compares with 3.7 million bales on August 1, 1976, and would be the smallest since the Korean War.

FEED GRAINS AND CORN

| Commodity | Marketing year 1/ | | | | | |
|---------------------------------|--------------------------|---------|------------|--------------------------|---------|----------|
| | Domestic Measure | | | Metric Measure 2/ | | |
| | 1974/75: | 1975/76 | 1976/77 | 1974/75: | 1975/76 | 1976/77 |
| | :Preliminary: Projected: | | | :Preliminary: Projected: | | |
| RAINS: | | | | | | |
| | Million acres | | | Million hectares | | |
| Planted | 122.5 | 123.1 | 129.3 | 49.6 | 49.8 | 52.3 |
| Harvested | 100.6 | 104.8 | 106.8 | 40.7 | 42.4 | 43.2 |
| Yield per harvested unit | Tons per acre | | | Metric tons per hectare | | |
| | 1.64 | 1.93 | 1.95 | 3.69 | 4.33 | 4.36 |
| | Million short tons | | | Million metric tons | | |
| Beginning stocks | 23.7 | 16.8 | 19.1 | 21.5 | 15.2 | 17.2 |
| Production | 165.3 | 202.4 | 207.8 | 150.0 | 183.5 | 188.5 |
| Imports | 0.6 | 0.5 | 0.4 | 0.5 | 0.5 | 0.4 |
| Supply, total | 189.6 | 219.7 | 227.3 | 172.0 | 199.2 | 206.1 |
| Feed | 115.7 | 127.4 | 134.2 +5 | 105.0 | 115.6 | 121.7 +5 |
| Food, seed, and industrial uses | 17.7 | 18.1 | 18.8 | 16.1 | 16.4 | 17.1 |
| Domestic, total | 133.4 | 145.5 | 153.0 +5 | 121.1 | 132.0 | 138.8 +5 |
| Exports | 39.4 | 55.1 | 51.6 +4 | 35.7 | 50.0 | 46.8 +4 |
| Use, total | 172.8 | 200.6 | 204.6 +6 | 156.8 | 182.0 | 185.6 +4 |
| Ending stocks | 16.8 | 19.1 | 22.7 +4 | 15.2 | 17.2 | 20.5 +4 |
| CORN: | | | | | | |
| Area | Million acres | | | Million hectares | | |
| Planted | 77.8 | 77.9 | 84.1 | 31.5 | 31.5 | 34.0 |
| Harvested | 65.4 | 66.9 | 71.0 | 26.5 | 27.1 | 28.7 |
| Yield per harvested unit | Bushels per acre | | | Metric tons per hectare | | |
| | 71.4 | 86.2 | 85.5 | 4.47 | 5.41 | 5.36 |
| | Million bushels | | | Million metric tons | | |
| Beginning stocks | 483 | 359 | 399 | 12.2 | 9.1 | 10.2 |
| Production | 4,664 | 5,767 | 3/6,063 | 118.5 | 146.5 | 154.0 |
| Imports | 2 | 2 | 1 | 0.1 | 0.1 | 4/ |
| Supply, total | 5,149 | 6,128 | 6,463 | 130.8 | 155.7 | 164.2 |
| Feed | 3,191 | 3,553 | 3,800 +150 | 81.1 | 90.2 | 96.5 +4 |
| Food, seed, and industrial uses | 450 | 465 | 485 | 11.4 | 11.8 | 12.3 |
| Domestic, total | 3,641 | 4,018 | 4,285 +150 | 92.5 | 102.0 | 108.8 +4 |
| Exports | 1,149 | 1,711 | 1,600 +100 | 29.2 | 43.5 | 40.6 +3 |
| Use, total | 4,790 | 5,729 | 5,885 +100 | 121.7 | 145.5 | 149.4 +3 |
| Ending stocks | 359 | 399 | 578 +100 | 9.1 | 10.2 | 14.8 +3 |

1/ Marketing year beginning October 1 for corn and sorghum; new June 1 year for barley and oats, formerly July 1.

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

3/ For corn, changes between the November 1 forecast and the final estimate have averaged 88 million bushels during the past 10 years ranging from 10 to 243 million bushels. During this 10 year period, the forecast has been above the final estimate 2 times by an average of 34 million bushels and below 8 times by an average of 101 million bushels.

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.

SORGHUM, BARLEY, AND OATS

| Commodity | Marketing Year 1/ | | | | | |
|---------------------------------|-------------------|------------------|---------|-------------------------|-------------|---------|
| | Domestic Measure | | | Metric Measure 2/ | | |
| | 1974/75: | 1975/76 | 1976/77 | 1974/75 | 1975/76 | 1976/77 |
| | : Preliminary : | Projected : | | : Preliminary : | Projected : | |
| SORGHUM | | Bushels per acre | | Metric tons per hectare | | |
| Yield per harv. unit | : 45.3 | 49.0 | 49.2 | : 2.85 | 3.07 | 3.09 |
| | | Million bushels | | Million metric tons | | |
| Beginning stocks | : 61 | 35 | 53 | : 1.5 | 0.9 | 1.4 |
| Production | : 629 | 758 | 731 | : 16.0 | 19.2 | 18.6 |
| Imports | : -- | -- | -- | : -- | -- | -- |
| Supply, total | : 690 | 793 | 784 | : 17.5 | 20.1 | 20.0 |
| Feed | : 437 | 505 | 522 | : 11.1 | 12.8 | 13.3 |
| Food, seed, and industrial uses | : 6 | 6 | 6 | : 0.1 | 0.1 | 0.1 |
| Domestic, total | : 443 | 511 | 528 | : 11.2 | 12.9 | 13.4 |
| Exports | : 212 | 229 | 200 | : 5.4 | 5.8 | 5.1 |
| Use, total | : 655 | 740 | 728 | : 16.6 | 18.7 | 18.5 |
| Ending stocks | : 35 | 53 | 56 | : 0.9 | 1.4 | 1.5 |
| | | | | | | |
| BARLEY | | Bushels per acre | | Metric tons per hectare | | |
| Yield per harv. unit | : 37.2 | 44.0 | 42.6 | : 2.00 | 2.37 | 2.29 |
| | | Million bushels | | Million metric tons | | |
| Beginning stocks | : 146 | 92 | 128 | : 3.2 | 2.0 | 2.9 |
| Production | : 304 | 383 | 355 | : 6.6 | 8.3 | 7.7 |
| Imports | : 20 | 16 | 15 | : 0.4 | 0.4 | 0.3 |
| Supply, total | : 470 | 491 | 498 | : 10.2 | 10.7 | 10.9 |
| Feed | : 187 | 190 | 180 | : 4.1 | 4.1 | 3.9 |
| Food, seed, and industrial uses | : 149 | 149 | 154 | : 3.2 | 3.2 | |
| Domestic, total | : 336 | 339 | 334 | : 7.3 | 7.3 | 7.5 |
| Exports | : 42 | 24 | 45 | : 0.9 | 0.5 | 1.0 |
| Use, total | : 378 | 363 | 379 | : 8.2 | 7.8 | 8.3 |
| Ending stocks | : 92 | 128 | 119 | : 2.0 | 2.9 | 2.6 |
| | | | | | | |
| OATS | | Bushels per acre | | Metric tons per hectare | | |
| Yield per harv. unit | : 46.5 | 48.1 | 44.4 | : 1.67 | 1.73 | 1.59 |
| | | Million bushels | | Million metric tons | | |
| Beginning stocks | : 308 | 224 | 208 | : 4.5 | 3.3 | 3.1 |
| Production | : 614 | 657 | 564 | : 8.9 | 9.5 | 8.2 |
| Imports | : 3/ | 1 | 3/ | : 3/ | 3/ | 3/ |
| Supply, total | : 922 | 882 | 772 | : 13.4 | 12.8 | 11.3 |
| Feed | : 595 | 575 | 555 | : 8.6 | 8.3 | 8.1 |
| Food, seed, and industrial uses | : 84 | 85 | 85 | : 1.2 | 1.2 | 1.2 |
| Domestic, total | : 679 | 660 | 640 | : 9.8 | 9.5 | 9.3 |
| Exports | : 19 | 14 | 10 | : 0.3 | 0.2 | 0.1 |
| Use, total | : 698 | 674 | 650 | : 10.1 | 9.7 | 9.4 |
| Ending stocks | : 224 | 208 | 122 | : 3.3 | 3.1 | 1.9 |

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

2/ Conversion factors: Hectare = 2.471 acres. Metric ton = 39.368 bushels (sorghum); 45.930 (barley); and 68.894 (oats).

3/ Less than 500,000 bushels or less than 0.05 million metric tons.

Prepared by the Interagency Commodity Estimates Committee for Feed Grains:

Orville I. Overboe, Chairman, ASCS; James J. Naive, ERS; Donald J. Novotny, FAS.

WHEAT AND RICE

| Commodity | Marketing year 1/ | | | | | |
|--------------------------|-------------------------|---------|------------|-------------------------|---------|----------|
| | Domestic Measure | | | Metric Measure 2/ | | |
| | 1974/75 | 1975/76 | 1976/77 | 1974/75 | 1975/76 | 1976/77 |
| | :Preliminary: Projected | | | :Preliminary: Projected | | |
| <u>WHEAT:</u> | | | | | | |
| Area | Million acres | | | Million hectares | | |
| Planted | 71.4 | 75.1 | 80.2 | 28.9 | 30.4 | 32.5 |
| Harvested | 65.6 | 69.7 | 70.4 | 26.5 | 28.2 | 28.5 |
| Yield per harvested unit | Bushels per acre | | | Metric tons per hectare | | |
| | 27.4 | 30.6 | 30.2 | 1.8 | 2.1 | 2.0 |
| | Million bushels | | | Million metric tons | | |
| Beginning stocks | 339 | 430 | 664 | 9.2 | 11.7 | 18.1 |
| Production | 1,796 | 2,134 | 3/2,127 | 48.9 | 58.1 | 57.9 |
| Imports | 3 | 2 | 2 | 0.2 | 0.1 | 0.1 |
| Supply total | 2,138 | 2,566 | 2,793 | 58.2 | 69.8 | 76.0 |
| Domestic | 690 | 729 | 795 + 35 | 18.8 | 19.8 | 21.6 +1. |
| Exports | 1,018 | 1,173 | 1,050 +100 | 27.7 | 31.9 | 28.6 +2. |
| Disappearance, total | 1,708 | 1,902 | 1,845 + 90 | 46.5 | 51.8 | 50.2 +2. |
| Ending stocks | 430 | 664 | 948 + 90 | 11.7 | 18.1 | 25.8 +2. |
| <u>RICE:</u> | | | | | | |
| Area | Million acres | | | Million hectares | | |
| Allotment | 2.10 | 1.80 | 1.80 | 0.85 | 0.73 | 0.73 |
| Planted | 2.56 | 2.82 | 2.45 | 1.05 | 1.14 | 0.99 |
| Harvested | 2.54 | 2.80 | 2.43 | 1.04 | 1.13 | 0.98 |
| Yield per harvested unit | Pounds per acre | | | Metric tons per hectare | | |
| | 4,432 | 4,555 | 4,620 | 4.97 | 5.11 | 5.18 |
| | Million cwt. | | | Million metric tons | | |
| Beginning stocks | 7.8 | 7.1 | 36.9 | 0.35 | 0.32 | 1.67 |
| Production | 112.4 | 127.6 | 112.4 | 5.10 | 5.79 | 5.10 |
| Imports | -- | -- | -- | -- | -- | -- |
| Supply, total | 120.2 | 134.7 | 149.3 | 5.45 | 6.11 | 6.77 |
| Domestic | 41.0 | 40.2 | 42.8 +1.0 | 1.86 | 1.82 | 1.94 +0. |
| Exports | 69.5 | 56.5 | 61.5 +5.0 | 3.16 | 2.56 | 2.79 +0. |
| Disappearance, total | 110.5 | 96.7 | 104.3 +5.0 | 5.01 | 4.39 | 4.73 +0. |
| Ending stocks | 7.1 | 36.9 | 45.0 +7.0 | 0.32 | 1.67 | 2.04 +0. |
| Difference unaccounted: | +2.7 | +1.1 | -- | 0.12 | 0.05 | -- |

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

2/ Conversion factor: Hectare = 2.471 acres

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

3/ Changes between the October 1 forecast and final estimate have averaged 18 million bushels during the last 10 years, ranging from 4 million to 46 million bushels. In 8 of the 10 years, the October 1 total was above the final estimate by an average of 20 million and twice it was below by an average of 12 million bushels.

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. Schaefer, Chairman, ASCS; James J. Naive, ERS; Donald J. Novotny, FAS.

SOYBEANS AND PRODUCTS

| Commodity | Marketing year 1/ | | | | | |
|--------------------------|-----------------------------|---------|--------------|-----------------------------|---------|-------------|
| | Domestic Measure | | | Metric Measure 2/ | | |
| | 1974/75 | 1975/76 | 1976/77 | 1974/75 | 1975/76 | 1976/77 |
| | : Preliminary : Projected : | | | : Preliminary : Projected : | | |
| SOYBEANS: | | | | | | |
| Area | Million acres | | | Million hectares | | |
| Planted | 53.5 | 54.6 | 50.3 | 21.7 | 22.1 | 20.4 |
| Harvested | 52.4 | 53.6 | 49.4 | 21.2 | 21.7 | 20.0 |
| Yield per harvested unit | Bushels per acre | | | Metric tons per hectare | | |
| | 23.2 | 28.4 | 25.3 | 1.56 | 1.91 | 1.70 |
| Beginning stocks | Million bushels | | | Million metric tons | | |
| | 171 | 185 | 244 | 4.7 | 5.0 | 6.6 |
| Production | 1,215 | 1,521 | 3/1,252 | 33.1 | 41.4 | 34.1 |
| Supply, total | 1,386 | 1,706 | 1,496 | 37.8 | 46.4 | 40.7 |
| Crushings | 701 | 865 | 790 +30 | 19.1 | 23.5 | 21.5 +0.8 |
| Exports | 421 | 555 | 540 +30 | 11.5 | 15.1 | 14.7 +0.8 |
| Seed, feed, and residual | 79 | 4/42 | 81 | 2.2 | 4/1.1 | 2.2 |
| Disappearance, total | 1,201 | 1,462 | 1,411 +60 | 32.8 | 39.8 | 38.4 +1.6 |
| Ending stocks | 185 | 244 | 85 +25 | 5.0 | 6.6 | 2.3 +0.7 |
| SOYBEAN OIL: | | | | | | |
| | Million pounds | | | Thousand metric tons | | |
| Beginning stocks | 794 | 561 | 1,254 | 360 | 254 | 569 |
| Production | 7,376 | 9,630 | 8,376 +300 | 3,346 | 4,368 | 3,799 +136 |
| Supply, total | 8,170 | 10,191 | 9,630 +300 | 3,706 | 4,623 | 4,368 +136 |
| Domestic | 6,581 | 7,961 | 7,600 +250 | 2,985 | 3,611 | 3,447 +113 |
| Exports | 1,028 | 976 | 1,150 +200 | 466 | 443 | 522 + 91 |
| Disappearance, total | 7,609 | 8,937 | 8,750 +400 | 3,451 | 4,054 | 3,969 |
| Ending stocks | 561 | 1,254 | 880 +300 | 254 | 569 | 399 |
| SOYBEAN MEAL: | | | | | | |
| | Thousand short tons | | | Thousand metric tons | | |
| Beginning stocks | 507 | 358 | 355 | 460 | 325 | 322 |
| Production | 16,702 | 20,753 | 18,760 +750 | 15,152 | 18,827 | 17,019 +680 |
| Supply, total | 17,209 | 21,111 | 19,115 +750 | 15,612 | 19,152 | 17,341 +680 |
| Domestic | 12,552 | 15,611 | 13,750 +700 | 11,387 | 14,162 | 12,474 +635 |
| Exports | 4,299 | 5,145 | 4,800 +300 | 3,900 | 4,667 | 4,354 +272 |
| Disappearance, total | 16,851 | 20,756 | 18,550 +1000 | 15,287 | 18,830 | 16,828 +907 |
| Ending stocks | 358 | 355 | 565 +150 | 325 | 322 | 513 +136 |

1/ Marketing year beginning September 1 for soybeans, October 1 for soybean oil and meal.

2/ Conversion factor: Hectare = 2.471 acres

Metric ton = 2204.6 pounds or 36.7437 bushels.

3/ Changes between the November 1 forecast and the final estimate averaged 25 million bushels during the past decade, ranging from 1 to 80 million bushels. During these 10 years, the November 1 forecast was above the final estimate 7 times by an average of 25 million bushels and below 3 times by an average of 23 million bushels.

4/ Since reported disappearance exceeds calculated disappearance, this implies the 1975 crop was underestimated. Final 1975 production figures will be released in January.

Prepared by the Interagency Commodity Estimates Committee for Soybeans, Cottonseed, and Oils: Glenn H. Pogeler, Chairman, ASCS; George W. Kromer, ERS; Alan E. Holz FAS.

COTTON: UPLAND AND EXTRA LONG STAPLE

| Commodity | Marketing year 1/ | | | | | |
|---------------------------|-------------------------|---------|-----------|-------------------------|---------|----------|
| | Domestic Measure | | | Metric Measure 2/ | | |
| | 1974/75 | 1975/76 | 1976/77 | 1974/75 | 1975/76 | 1976/77 |
| | :Preliminary: Projected | | | :Preliminary: Projected | | |
| | Million acres | | | Million hectares | | |
| Planted | 13.7 | 9.5 | 11.8 | 5.5 | 3.8 | 4.8 |
| Harvested | 12.6 | 8.8 | 10.9 | 5.1 | 3.6 | 4.4 |
| Yield per harvested unit | Pounds per acre | | | Metric tons per hectare | | |
| | 441 | 453 | 435 | 0.49 | 0.51 | 0.49 |
| | Million 480-lb. bales | | | Million metric tons | | |
| Beginning stocks | 3/ 3.8 | 3/ 5.7 | 3/ 3.7 | 0.8 | 1.2 | 0.8 |
| Production | 11.5 | 8.3 | 4/ 9.9 | 2.5 | 1.8 | 2.2 |
| Supply, total 5/ | 15.4 | 14.1 | 13.6 | 3.3 | 3.1 | 3.0 |
| Mill use | 5.9 | 7.3 | 6.6 +0.3 | 1.3 | 1.6 | 1.4 +0.1 |
| Exports | 3.9 | 3.3 | 4.3 +0.3 | 0.9 | 0.7 | 0.9 +0.1 |
| Disappearance, total | 9.8 | 10.6 | 10.9 +0.3 | 2.1 | 2.3 | 2.4 +0.1 |
| Difference unaccounted 6/ | 0.1 | 0.2 | 0.2 | 7/ | 7/ | 7/ |
| Ending stocks | 3/ 5.7 | 3/ 3.7 | 3.0 +0.3 | 1.2 | 0.8 | 0.6 +0.1 |

1/ Marketing year beginning August 1.

2/ Conversion factor: Hectare = 2.471 acres. Metric ton = 2204.6 pounds or 4.59 480-pound bales.

3/ Based on Bureau of Census data.

4/ Differences between the November 1 all cotton forecast and final ginnings during the past 10 years have averaged 349,000 bales, ranging from 15,000 bales in 1968 to 733,000 bales in 1975.

5/ Includes imports.

6/ Difference between ending stocks based on Census Bureau data and preceding season's supply less distribution. Estimated for 1976/77.

7/ Less than 0.05 million metric tons.

Prepared by the Interagency Commodity Estimates Committee for Cotton: Charles V. Cunningham, Chairman, ASCS; Russell G. Barlowe, ERS; Gordon H. Lloyd, FAS.