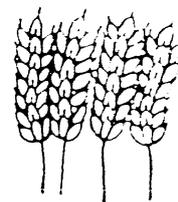


AGRICULTURAL SUPPLY & DEMAND ESTIMATES

Outlook '74



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

May 9, 1974 #12

With the freeing of wheat set-aside land for 1974, the good market incentives, and with the generally excellent growing conditions overcoming localized drought situations, farmers are well on their way to producing by far the largest wheat crop in U.S. history.

THE 1974 WHEAT
CROP.....FANTASTIC

The May 1 crop report indicates even greater output of winter wheat than had been predicted last December. Production is forecast at a record 1,612 million bushels. This is up 99 million bushels from the December estimate. It is 342 million bushels over last year's output. The improvement over the December estimate mainly reflects a 1.7 bushel per acre increase in the yield forecast to 33.2 bushels, nearly equal to the record yield of 1971. Also, a slightly greater portion of the planted acreage is expected to be harvested than assumed earlier, and the harvested acreage estimate (at 45.8 million) is also up slight

A winter wheat crop of this size, together with our projection of spring wheat production based on March 1 planting intentions, would result in a total U.S. wheat crop of 2,172 million bushels. This is sharply above the 1.7 billion bushels of last year, the largest on record until now, and 99 million above the previous projections for 1974.

For the total wheat crop, supply-demand data appear in the table on the back of this page. For 1974/75 they show an all-wheat yield of 33.4 bushels an acre, the second highest on record (33.9 in 1971) and above our previous estimate of 32.2 bushels for 1974. They also show a slight increase in the 1974 harvested acreage figure from our last report. Accordingly, the total production and supply estimate for 1974 are increased by 99 million bushels.

Estimates of supply and demand for other commodities, usually appearing in this report, are unchanged from our last issue. They are scheduled for updating as necessary in our next report, scheduled for release July 12.

Utilization estimates are unchanged from our last report except for projected domestic use in 1974/75. We upped this estimate by 50 million bushels to reflect more wheat feeding which could result because of the huge upcoming supply. Also, we increased the projected carryover at the end of next season by nearly 50 million bushels.

5/9/74

WHEAT

	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	70.7
Harvested	47.3	53.9	65.0
<u>Yld. Per Harvested Acre (Bu.)</u>			
	32.7	31.8	33.4
<u>(Million Bushels)</u>			
<u>Supply</u>			
Beginning Stocks	863	438	170
Production	1,545	1,711	2,172
Imports	1	5	1
Total	2,409	2,154	2,343
<u>Disappearance</u>			
Domestic	787	784	810
Exports	1,184	1,200	1,000
Total	1,971	1,984	1,810
<u>Ending Stocks</u>	438	170	533

^{1/} Includes 2.6 million acres planted and subsequently designated as voluntary set-aside.

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