

AGRICULTURAL SUPPLY & DEMAND ESTIMATES



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

#50

January 26, 1977

HIGHLIGHTS

Yesterday's stocks report confirms domestic and foreign demand for soybeans continues extremely strong. However, disappearance of wheat and feed grains during the fourth quarter of 1976 failed to live up to earlier expectations, pushing up January 1 stock levels for both commodities. As a result of yesterday's release, we have lowered our carryover estimate for soybeans, but raised it for wheat and feed grains. No change was made in the supply or use estimates for rice.

For cotton, an upward revision in the 1976 crop caused us to increase our estimate of 1976/77 disappearance, leaving projected carryover stocks unchanged from our previous estimate.

Wheat Feeding Fails To Match Earlier Expectations

Stocks of wheat on January 1 totaled 1.8 billion bushels, up 28 percent from a year earlier. Disappearance during October-December 1976 trailed earlier expectations and, as a result, our estimate of total domestic use in 1976/77 has been reduced by 52 million bushels, due primarily to a cut in the wheat feeding estimates. Projected exports also have been lowered by 25 million bushels because of large supplies and export availabilities in competing countries together with continued diminished world import demand. Consequently, the wheat carryover on June 1 is expected to climb to about 1.1 billion bushels, up 65 percent from a year earlier.

Rice Use Unchanged

Yesterday's stocks report for rice, which showed a record high 100.3 million hundredweight (rough basis) in storage, was in line with previous expectations of use in 1976/77. As a result, no changes have been made in our estimates.

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NOTE TO USERS

* 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. *

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Feed Grains Fed in Fourth Quarter 1976 Even With Year Earlier

January 1 stocks of feed grains totaled 163 million tons, 7 percent above a year earlier. The stocks data indicated that October-December domestic feeding of corn was virtually even with a year earlier, after sharp increases from April through September. However, since there were more hogs and poultry on feed and increased livestock output in the fourth quarter, we had expected some increase. Therefore, corn feeding for the year has been nudged down 75 million bushels from our previous estimate. Because of this reduction, together with an increase in the crop estimate from November, projected carryover stocks have been upped about 200 million bushels.

The sorghum feed estimate for the year also has been lowered because of the sluggish feeding in fourth quarter 1976, but barley exports have been raised 10 million bushels. Supply/use changes for oats are relatively minor.

Soybean Supply/Demand Situation Tightens Further

Despite an upward revision of 13 million bushels in the final estimate of the 1976 soybean crop, the supply/demand situation for soybeans has tightened since our last report because of the continued strong demand. Although total soybean supplies are down about 220 million bushels from 1975/76, disappearance during September-December was about 16 million above the same period a year earlier. Consequently, the carryover of soybeans on September 1 is now forecast at 75 million bushels, about 10 million under our previous estimate.

Crushings of the 1976 crop are now forecast at 810 million bushels, up 20 million from our last estimate, which was released on November 11, 1976. Soybean oil exports have been increased to 1.3 billion pounds, 150 million above the previous estimate. Ending stocks have been increased to 1.28 billion pounds due to the larger crush and above-average oil outturns. Domestic meal demand at 14.5 million tons has been revised upward by 750,000 tons.

Cotton Supply/Demand Still Tight

The 1976/77 cotton situation is highlighted by combined U.S. mill use and exports around 3/4 million bales in excess of production. As a result, stocks this August 1 are expected to be drawn down to near 3 million bales, compared with 3.7 million at the beginning of the season. Although the 1976 crop increased 27 percent to 10.6 million bales, anticipated disappearance this marketing year is up nearly a million bales from 1975/76 to a range of 11.1 to 11.7 million, slightly above recent expectations. Sharply larger exports during 1976/77 are responsible for the increased disappearance as U.S. mill use may fall 5 to 10 percent below last season's 7-1/4 million bales. Exports are expected to range between 4.3 and 4.9 million, compared with 3.3 million in 1975/76.

Farmers' Acreage Intentions Reflect Market Forces

Farmers intend to plant about the same number of acres to major crops this year as last. But they are responding to strong markets for soybeans and cotton by upping acreage of these crops 6 percent and 10 percent, respectively. Wheat growers say they will plant 16 percent fewer acres to spring wheat this year, and winter wheat seedings were off about 3 percent. This means total

wheat acreage may be reduced about 7 percent. Rice acreage is dropping another 8 percent in 1977. Farmers have also said they plan to have about the same number of acres in feed grains in 1977, with little change indicated for corn and a decline in prospective sorghum acreage being offset by increases in oats and barley.

It is still early in the season and farmers will likely make further adjustments as they react to weather and changing economic conditions before completing planting late this spring. The next assessment of 1977 planting intentions will be made about April 1 and published on April 14.

Planted Acreage of Major Crops

Item	1975	1976	1977 Intentions	Change from 1976 to 1977
Million Acres				
Percent				
<u>WHEAT</u>				
Durum	4.8	4.7	2.9	-39
Other Spring	14.1	17.8	16.0	-10
Total Spring	18.9	22.5	18.9	-16
Winter	56.2	57.7	1/ 55.8	- 3
Total	75.1	80.2	74.7	- 7
<u>RICE</u>	2.8	2.5	2.3	- 8
<u>FEED GRAINS</u>				
Corn	78.2	84.1	84.5	2/
Sorghum	18.3	18.6	17.1	- 8
Oats	17.4	17.5	17.8	+ 2
Barley	9.5	9.3	10.7	+15
Total	123.4	129.6	130.2	2/
<u>OTHER CROPS</u>				
Soybeans	54.7	50.3	53.1	+ 6
Upland cotton	9.4	11.6	12.8	+10
Sugarbeets	1.6	1.5	1.4	- 7
Flaxseed	1.6	1.0	1.6	+51
TOTAL, 12 CROPS	268.7	276.9	276.1	2/

1/ Acres seeded published by SRS on December 22, 1976.

2/ Less than 0.5 percent.

Detail may not add to totals due to rounding.

WHEAT AND RICE

Commodity	Marketing year 1/					
	Domestic Measure			Metric Measure 2/		
	1974/75	1975/76	1976/77	1974/75	1975/76	1976/77
		Projected			Projected	
WHEAT						
Area	Million acres			Million hectares		
Planted	71.4	75.1	80.2	28.9	30.4	32.5
Harvested	65.6	69.6	70.8	26.5	28.2	28.7
Yield per harvested unit	Bushels per acre			Metric tons per hectare		
	27.4	30.7	30.3	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	2,135	2,147	48.9	58.1	58.4
Imports	3	2	2	0.2	0.1	0.1
Supply total	2,138	2,567	2,813	58.2	69.9	76.6
Domestic						
Food	521	559	555 + 10	14.2	15.2	15.1 +0.3
Seed	93	95	88	2.5	2.6	2.4
Feed	76	76	100 + 25	2.1	2.1	2.7 +0.7
Domestic, total	690	730	743 + 35	18.8	19.9	20.2 +1.0
Exports	1,018	1,173	975 + 25	27.7	31.9	26.5 +0.7
Disappearance, total	1,708	1,903	1,718 + 35	46.5	51.8	46.8 +1.0
Ending stocks	430	664	1,095 + 35	11.7	18.1	29.8 +1.0
RICE:						
Area	Million acres			Million hectares		
Allotment	2.10	1.80	1.80	0.85	0.73	0.73
Planted	2.56	2.82	2.51	1.05	1.14	1.02
Harvested	2.54	2.80	2.50	1.04	1.13	1.01
Yield per harvested unit	Pounds per acre			Metric tons per hectare		
	4,432	4,567	4,679	4.97	5.12	5.24
	Million cwt.			Million metric tons		
Beginning stocks	7.8	7.1	36.9	0.35	0.32	1.67
Production	112.4	128.0	117.0	5.10	5.80	5.31
Imports	--	--	--	--	--	--
Supply, total	120.2	135.1	153.9	5.45	6.12	6.98
Domestic	41.0	40.2	42.8 +1.0	1.86	1.82	1.94 +0.05
Exports	69.5	56.5	61.5 +5.0	3.16	2.56	2.79 +0.23
Disappearance, total	110.5	96.7	104.3 +5.0	5.01	4.39	4.73 +0.23
Ending stocks	7.1	36.9	49.6 +7.0	0.32	1.67	2.25 +0.32
Difference unaccounted:	+2.7	+1.5	--	0.12	+0.06	--

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)

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.

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:	Project	
FEED GRAINS:						
Area	Million acres			Million hectares		
Planted	122.5	123.4	129.3	49.6	49.9	52.3
Harvested	100.6	105.1	106.8	40.7	42.5	43.2
Yield per harvested unit	Tons per acre			Metric tons per hectare		
	1.64	1.93	1.99	3.69	4.34	4.46
	Million short tons			Million metric tons		
Beginning stocks	23.7	16.8	19.1	21.5	15.2	17.2
Production	165.3	203.3	212.4	150.0	184.4	192.7
Imports	0.6	0.5	0.4	0.5	0.5	0.4
Supply, total	189.6	220.6	231.9	172.0	200.1	210.3
Feed	115.7	127.6	131.5 +5	105.0	115.8	119.3 +
Food, seed, and industrial uses	17.7	18.8	19.8	16.1	17.1	18.0
Domestic, total	133.4	146.4	151.3 +5	121.1	132.9	137.3 +
Exports	39.4	55.1	53.3 +4	35.7	50.0	48.4 +
Use, total	172.8	201.5	204.6 +6	156.8	182.9	185.7 +
Ending stocks	16.8	19.1	27.3 +4	15.2	17.2	24.6 +
CORN:						
Area	Million acres			Million hectares		
Planted	77.8	78.2	84.1	31.5	31.6	34.0
Harvested	65.4	67.2	71.1	26.5	27.2	28.8
Yield per harvested unit	Bushels per acre			Metric tons per hectare		
	71.4	86.2	87.4	4.47	5.41	5.49
	Million bushels			Million metric tons		
Beginning stocks	483	359	398	12.2	9.1	10.1
Production	4,664	5,797	6,216	118.5	147.3	157.9
Imports	2	2	1	0.1	0.1	3/
Supply, total	5,149	6,158	6,615	130.8	156.5	168.0
Feed	3,191	3,558	3,725 +150:	81.1	90.4	94.6 +
Food, seed, and industrial uses	450	491	516	11.4	12.5	13.1
Domestic, total	3,641	4,049	4,241 +150:	92.5	102.9	107.7 +
Exports	1,149	1,711	1,650 +100:	29.2	43.5	41.9 +
Use, total	4,790	5,760	5,891 +100:	121.7	146.4	149.6 +
Ending stocks	359	398	724 +100:	9.1	10.1	18.4 +

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/ 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	48.6	2.85	3.07	3.05		
		Million bushels		Million metric tons				
Beginning stocks	61	35	52	1.5	0.9	1.4		
Production	629	760	724	16.0	19.3	18.4		
Imports	--	--	--	--	--	--		
Supply, total	690	795	776	17.5	20.2	19.8		
Feed	437	508	500	+15	11.1	12.9	12.7	+ .4
Food, seed, and industrial uses	6	6	6	0.1	0.1	0.1		
Domestic, total	443	514	506	+15	11.2	13.0	12.8	+ .4
Exports	212	229	200	+15	5.4	5.8	5.1	+ .4
Use, total	655	743	706	+15	16.6	18.8	17.9	+ .4
Ending stocks	35	52	70	+15	0.9	1.4	1.9	+ .4
BARLEY		Bushels per acre		Metric tons per hectare				
Yield per harv. unit	37.2	43.9	44.8	2.00	2.36	2.41		
		Million bushels		Million metric tons				
Beginning stocks	146	92	129	3.2	2.0	2.9		
Production	304	384	377	6.6	8.4	8.2		
Imports	20	16	15	0.4	0.4	0.3		
Supply, total	470	492	521	10.2	10.8	11.2		
Feed	187	192	180	+10	4.1	4.2	3.7	2
Food, seed, and industrial uses	149	147	155	3.2	3.2	3.4		
Domestic, total	336	339	335	+10	7.3	7.4	7.3	+ .2
Exports	42	24	55	+10	0.9	0.5	1.2	+ .2
Use, total	378	363	390	+10	8.2	7.9	8.5	+ .2
Ending stocks	92	129	131	+10	2.0	2.9	2.9	+ .2
OATS		Bushels per acre		Metric tons per hectare				
Yield per harv. unit	46.5	48.3	45.4	1.67	1.73	1.63		
		Million bushels		Million metric tons				
Beginning stocks	308	224	208	4.5	3.3	3.0		
Production	614	658	562	8.9	9.5	8.2		
Imports	3/	1	3/	3/	3/	3/		
Supply, total	922	883	770	13.4	12.8	11.2		
Feed	595	574	555	+15	8.6	8.3	8.1	+ .2
Food, seed, and industrial uses	84	87	89	1.2	1.3	1.3		
Domestic, total	679	661	644	+15	9.8	9.6	9.4	+ .2
Exports	19	14	10	+5	0.3	0.2	0.1	+ .1
Use, total	698	675	654	+15	10.1	9.8	9.5	+ .2
Ending stocks	224	208	116	+15	3.3	3.0	1.7	+ .2

1/ Marketing year beginning December 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.

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	54.7	50.3	21.7	22.1	20.4
Harvested	52.4	53.8	49.4	21.2	21.8	20.0
Yield per harvested unit	Bushels per acre			Metric tons per hectare		
	23.2	28.8	25.6	1.56	1.94	1.72
	Million bushels			Million metric tons		
Beginning stocks	171	185	245	4.7	5.0	6.7
Production	1,215	1,546	1,265	33.1	42.1	34.4
Supply, total	1,386	1,731	1,510	37.8	47.1	41.2
Crushings	701	865	810 +30	19.1	23.5	22.0 +0.8
Exports	421	555	540 +30	11.5	15.1	14.7 +0.8
Seed, feed, and residual	79	66	85	2.2	1.7	2.4
Disappearance, total	1,201	1,486	1,435 +60	32.8	40.5	39.1 +1.6
Ending stocks	185	245	75 +25	5.0	6.7	2.1 +0.7
SOYBEAN OIL:						
	Million pounds			Thousand metric tons		
Beginning stocks	794	561	1,251	360	254	567
Production	7,376	9,630	8,829 +300	3,346	4,368	4,005 +136
Supply, total	8,170	10,191	10,080 +300	3,706	4,623	4,572 +136
Domestic	6,581	7,964	7,500 +250	2,985	3,612	3,402 +113
Exports	1,028	976	1,300 +200	466	443	590 + 91
Disappearance, total	7,609	8,940	8,800 +400	3,451	4,055	3,992 +181
Ending stocks	561	1,251	1,280 +300	254	567	581 +136
SOYBEAN MEAL:						
	Thousand short tons			Thousand metric tons		
Beginning stocks	507	358	355	460	325	322
Production	16,702	20,754	19,440 +750	15,152	18,828	17,636 +680
Supply, total	17,209	21,112	19,795 +750	15,612	19,152	17,958 +680
Domestic	12,552	15,612	14,500 +700	11,387	14,163	13,154 +635
Exports	4,299	5,145	4,800 +300	3,900	4,667	4,354 +272
Disappearance, total	16,851	20,757	19,300 +1000	15,287	18,830	17,509 +907
Ending stocks	358	355	495 +150	325	322	449 +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.

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		
	1974/75	1975/76	1976/77	1974/75	1975/76	1976/77
	: Projected				: Projected	
Area	Million acres			Million hectares		
Planted	13.7	9.5	11.7	5.5	3.8	4.7
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	465	0.49	0.51	0.52
	Million 480-lb. bales			Million metric tons		
Beginning stocks	<u>3/</u> 3.8	<u>3/</u> 5.7	<u>3/</u> 3.7	0.8	1.2	0.8
Production	11.5	8.3	10.6	2.5	1.8	2.3
Supply, total <u>4/</u>	15.4	14.1	14.3	3.3	3.1	3.1
Mill use	5.9	7.3	6.8 +0.3	1.3	1.6	1.5 +0.
Exports	3.9	3.3	4.6 +0.3	0.9	0.7	1.0 +0.
Disappearance, total	9.8	10.6	11.4 +0.3	2.1	2.3	2.5 +0.
Difference unaccounted <u>5/</u>	0.1	0.2	0.1	<u>6/</u>	<u>6/</u>	<u>6/</u>
Ending stocks	<u>3/</u> 5.7	<u>3/</u> 3.7	3.0 +0.3	1.2	0.8	0.6 +0.

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/ Includes imports.

5/ Difference between ending stocks based on Bureau of Census data and preceding sea supply less distribution. Estimated for 1976/77.

6/ 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.