OUTLOOK 75

AGRICULTURAL SUPPLY & DEMAND ESTIMATES

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

#25 March 18, 1975

HIGHLIGHTS

Farmers reported as of March 1, they intended to plant larger acreages than last year for soybeans, sorghum, durum wheat and barley. Wheat plantings reported in December were also up from a year earlier. However, the increases for soybeans, sorghums, and durum were down moderately from those indicated by the January 1 intentions survey. Also, farmers are now planning on a sharper reduction for corn than indicated in January.

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* Projections of supply and disappearance for the 1975/76 marketing years are published for the first time in this issue of Agricultural Supply and Demand Estimates. The production projections utilize acreages based on producers' March 1 intentions to plant plus plantings of winter wheat as reported by the Statistical Reporting Service. Except for winter wheat, the yield ranges are those that could be expected with normal weather. The projections are rough approximations which are mainly indications of directions of change. They are subject to revision as additional information becomes available. *

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Bountiful Wheat Crop Likely

Prospective acreage of durum wheat totals 4.3 million acres, 5% above the 1974 acreage while spring wheat other than durum is at 13.4 million acres, down 9% from 1974. Adding the acreage planted to winter wheat would give plantings of all wheat for the 1975 crop of 73.2 million acres, 3% above last year.

No changes were made in the 1974/75 forecast of wheat supplies and disappearance.

Projected production for the 1975/76 marketing year for all-wheat ranges from 2,025 to 2,225 million bushels. Total supply ranges from 2,276 to 2,476 million bushels; domestic disappearance from 791 to 816 million bushels and exports from 1,050 to 1,200 million bushels. This leaves an expected carryover, June 30, 1976, ranging from 435 to 460 million bushels, up substantially from the 250 million bushels expected for June 30, 1975.

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Rice Carryover to Gain; Plantings Down Slightly

The 1974/75 utilization estimates are changed from our last report to reflect higher domestic use and lower exports. The changes would result in ending stocks increasing from 10.8 to 13.4 million cwt., (rough rice).

Intended planted acreage for 1975/76 is 2.56 million acres, down slightly from last year's 2.59 million acres. With normal weather and yields, production could fall between 113.0 and 120.0 million cwt. Allowing for ranges in domestic and export use, disappearance could total from 99.5 to 109.0 million cwt., with July 31, 1976, ending stocks up sharply to between 24.4 and 26.9 million cwt.

Feed Grain Acreage Level

Farmers plan to seed 122-1/2 million acres to feed grains, nearly the same as last year. This total includes 75 millionacres of corn, 3% less than a year ago; 19 million of sorghum, up 7%; 10 million barley, up 12%; and 18 million to oats, practically the same as last year.

With normal planting, growing and harvesting seasons, this year's feed grain crop could total in the area of 205 to 229 million tons, up sharply from the short 165 million tons harvested in 1974. This assumes corn yields between 88 and 98 bushels per harvested acre. If production falls within the indicated range and livestock-feed price ratios favor feeding, domestic demand in 1975/76 should make a substantial recovery. Foreign demand is expected to continue strong in 1975/76 since world stocks remain relatively low and livestock production continues strong in most importing countries.

For the 1974/75 season, the estimate of domestic feed consumption of corn has been lowered 160 million bushels from our last estimate, largely because of greater reductions in cattle on feed than earlier anticipated. This year's export estimates of corn and sorghum have been increased 100 million and 25 million bushels, respectively, as expected overseas use of feed grains has grown in response to recent declining prices.

Soybean Intentions Still Up, Despite Slack Demand

As of March 1, farmers intended to plant 56.6 million acres of soybeans. This is 3 million acres or 6% more than was planted last year but 2% under January intentions. With this acreage, soybean production could range from a high of 1,550 million bushels (with an average yield of 28 bushels per acre harvested) to a low of 1,450 million bushels (if yields turn out at 26 bushels per acre).

The soybean disposition estimates from the 1974 crop have again been lowered. Soybean crush is now estimated to drop further to 725 million bushels and exports to 465 million bushels. The estimated soybean carryover for September 1, 1975, has been increased to 135 million bushels. Domestic disappearance of soybean oil and meal continues to lag and previous estimates are cut further to adjust to the slowdown in demand. Export demand for soybean oil continues to hold up well and 1.3 billion pounds are now projected to move overseas. Soybean meal export estimates have been cut to 5.0 million tons, due to a slowdown in foreign consumption.

The 1975 crushing season should see some recovery due to expected improvement in feeding margins and expanding animal numbers. Lower prices and an improvement in the economy should expand demand for soybean oil from the new 1975 crop. The above estimates reflect the prospective reduction in 1975 cottonseed production.

Cotton Demand, Planting Intentions Down Sharply From 1974

Extremely weak demand for U.S. cotton at home and abroad has caused us to lower our estimate of 1974/75 domestic mill consumption to about 5-3/4 million bales, off nearly a fourth from last year, while exports are expected to total about 3.5 million bales, 43% below 1973/74. Thus, it now appears that we will carry over about 6.3 million bales into the new marketing year on August 1.

Faced with much lower prices this season, cotton producers have indicated a 4-million-acre cut in their spring plantings. If realized, the 10 million acres planted would be the smallest since 1967. However, March 1 planting intentions for cotton are up 270,000 acres from early January because of recent softening in soybean and grain sorghum prices. U.S. mill consumption next season may increase to 6 to 6-1/2 million bales, as retail sales pick up and textile activity gradually recovers. Exports could approximate 3-3/4 to 4-1/4 million bales, reflecting more active demand for cotton abroad and smaller foreign production.

COTTON: UPLAND & ELS

Item	1973/74	1974/75 Forecasts	1975/76 Projections *
Acreage (Mil. Ac.)			
Planted	12.5	14.0	10.0
Harvested	12.0	12.7	2/
Set-Aside	0	0	0
Yield: Lb/Harvested Acre	520.	443.	2/
		(Million 480-lb. Bales)	
Supply			
August 1 Beginning Stocks	1/ 4.1	1/ 3.9	6.3
In-Season Ginnings, Imports & City Crop	13.2	11.7	2/
Total	17.2	15.6	
Disappearance			
Mill Use	7.5	5.8	6.0 to 6.5
Exports	6.1	3.5	3.8 to 4.3
Total	13.6	9.3	9.8 to 10.8
Ending Stocks	1/ 3.9	6.3	

1/ Based on Census Bureau data.
2/ USDA is prohibited from estimating production prior to release of the August Crop Production Report.

NOTE: Totals may not add due to rounding.

Prepared by: Interagency Cotton Estimates Committee

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*These 1975/76 projections are approximations based on presently available data and analyses. They are mainly indications of likely direction of change. They are subject to revision as additional information becomes available on crop and weather conditions here and abroad; changes in economic conditions, availability of inputs and other developments that could lead to changes in producers' production and marketing decisions.

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RICE

	1973-74	1974-75 Forecast	1975-76 Projections *
Acreage			
Allotment (Million A.)	2.22	2.10	1.80
Planted (Million A.)	2.18	2.59	2.56
Harvested (Million A.)	2.17	2.57	2.54
Yield/Harvested Acre (lb.)	4,274	4,441	4,450 - 4,725
Supply		(Million Cwt.)	
Beginning Stocks Aug. 1	5.1	7.8	13.4 - 13.4
Production	92.8	114.1	113.0 - 120.0
Imports	0.2	--	-- - --
Total	98.1	121.9	126.4 - 133.4
Disappearance			
Domestic	36.7	37.3	38.3 - 38.6
Exports	49.7	71.2	61.2 - 70.4
Total	86.4	108.5	99.5 - 109.0
Ending Stocks July 31	7.8	13.4	26.9 - 24.4
Difference unaccounted	+3.9		

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WHEAT

ITEM	1973/74	1974/75 Forecast	1975/76* Projected
Acreage (Mil. Ac.)			
Set-aside	7.4	-0-	-0-
Planted	59.0	71.2	73.2
Harvested	53.9	65.5	67.5
Yld. Per Harvested Acre (Bu.)	31.7	27.4	30.0 - 33.0
	(Million Bushels)		
Supply			
July 1 Beginning Stocks	438	247	250 - 250
Production	1,705	1,793	2,025 - 2,225
Imports	4	2	1 - 1
Total	2,147	2,042	2,276 - 2,476
Disappearance			
Domestic	751	692	791 - 816
Exports	1,149	1,100	1,050 - 1,200
Total	1,900	1,792	1,841 - 2,016
Ending Stocks	247	250	435 - 460

Prepared by: Interagency Commodity Estimates Committee for Wheat

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

ITEM	1973-74	1974-75 Forecast	1975-76 Projected *
Acreage (Mil. Ac.)			
Set Aside	9.4	--	--
Planted	121.2	122.6	122.5
Harvested	102.5	100.7	102.6
Yield per Harvested Acre (Tons)	2.00	1.64	2.00 - 2.23
		(Million Short Tons)	
Supply			
Beginning Stocks	32.4	22.2	14.4
Production	205.0	165.1	204.7 - 229.1
Imports	0.2	0.5	0.5
TOTAL	237.6	187.8	219.6 - 244.0
Disappearance			
Feed	153.5	118.2	137.3 - 149.2
Food, Ind. and Seed	17.5	18.0	18.6
Total Domestic	171.0	136.2	155.9 - 167.8
Exports	44.4	37.2	38.4 - 46.0
TOTAL	215.4	173.4	194.3 - 213.8
Ending Stocks	22.2	14.4	25.3 - 30.2

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

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CORN

ITEM (Marketing Year Beginning Oct 1)	1973-74	1974-75 Forecast	1975-76 Projected *
Acreage (Mil. Ac.)			
Set Aside	6.0	--	--
Planted	71.6	77.7	75.3
Harvested	61.9	65.2	65.3
Yield per Harvested Acre (Bu.)	91.2	71.3	88.0 - 98.0
		(Million Bushels)	
Supply			
Beginning Stocks	709	483	360
Production	5,647	4,651	5,746 - 6,399
Imports	1	1	1
TOTAL	6,357	5,135	6,107 - 6,760
Disappearance			
Feed	4,196	3,250	3,885 - 4,135
Food, Ind. and Seed	435	450	465 - 465
Total Domestic	4,631	3,700	4,350 - 4,600
Exports	1,243	1,075	1,100 - 1,300
TOTAL	5,874	4,775	5,450 - 5,900
Ending Stocks	483	360	657 - 860

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SOYBEANS

Item	1973-74	1974-75 Forecast	1975-76 Projected*
Acreage			
Planted (Mil. A.)	56.7	53.6	56.6
Harvested (Mil. A.)	55.8	52.5	55.5
Yield Per Harvested Acre (Bu.)	27.7	23.5	26.0 - 28.0
		(Million Bushels)	
Supply			
Carryin, Sept. 1	60	171	135
Production	1,547	1,233	1,450 - 1,550
Total	1,607	1,404	1,585 - 1,685
Disappearance			
Crushings	821	725	750 - 800
Exports	542	465	485 - 515
Seed, Feed and Residual	73	79	80 - 80
Total	1,436	1,269	1,315 - 1,395
Carryover, Aug. 31	171	135	270 - 290

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

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SOYBEAN OIL

Item	1973-74	1974-75 Forecast	1975-76 Projected*
		(Million Pounds)	
Supply			
Carryin, Oct. 1	516	794	494
Production	8,995	7,600	7,950 - 8,480
Total	9,511	8,394	8,444 - 8,974
Disappearance			
Domestic	7,281	6,600	6,694 - 6,924
Exports	1,436	1,300	1,250 - 1,350
Total	8,717	7,900	7,944 - 8,274
Carryover, Sept. 30	794	494	500 - 700

SOYBEAN MEAL

Item	1973-74	1974-75 Forecast	1975-76 Projected*
		(1,000 Short Tons)	
Supply			
Carryin, Oct. 1	183	507	530
Production	19,674	17,223	17,800 - 19,000
Total	19,857	17,730	18,330 - 19,530
Disappearance			
Domestic	13,853	12,200	12,930 - 13,430
Exports	5,497	5,000	5,000 - 5,500
Total	19,350	17,200	17,930 - 18,930
Carryover, Sept. 30	507	530	400 - 600