AGRICULTURAL SUPPLY & DEMAND ESTIMATES

OUTLOOK 75

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

#27 June 11, 1975

HIGHLIGHTS

The wheat situation remains much the same as in our last report except for a 50-million bushel reduction in 1974/75 exports. Our forecast for cotton exports this marketing year has been raised to 3.9 million bales. For soybeans, lagging demand at home and abroad have caused us to revise our estimate of carryover this August 31 upward to 225 million bushels, an increase of 40 million bushels over our earlier forecast.

Feed grains, corn and rice data are unchanged from the April 25 issue Agricultural Supply and Demand Estimates.

Wheat Production Holds Steady - Exports Ease

The 1975 winter wheat production forecast at a record high 1,619 million bushels based on June 1 conditions is virtually unchanged from the May 1 forecast. Declining prospects in the Central and Southern Plains were offset by improved prospects in other areas.

Slackening year-end shipments, and delayed availability of new crop supplies, have resulted in a 50-million bushel drop in the current year export estimate--raising the July 1, 1975 projected carryover to 285 million bushels.

Cotton Demand Still Weak But Some Improvement in Sight

Some bright spots are emerging in the depressed cotton situation. Since March, textile mill activity has increased, and cotton prices have strengthened, and there has been substantial progress in resolving the contractual difficulties surrounding outstanding export sales to several Far Eastern countries. In recognition of this latter development and additional sales, we have raised our estimate of 1974/75 exports to 3.9 million bales. Coupled with U.S. mill use of 5.8 million bales, total cotton use is still about 4 million below the 1973/74 level.

Reviving general economic activity and increasing consumer demand for textiles are expected to boost 1975/76 U.S. mill consumption to 6.2 to 6.7 million bales.

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And with exports at least matching the [illegible] level, disappearance may total 11 million bales, perhaps somewhat above the 1975 crop. Although this summer's anticipated carryover of about 5-3/4 million bales is somewhat below earlier indications, 1975/76 cotton supplies should easily be adequate for domestic and export needs.

Soybean Use Continues to Slip, Large Carryover Expected

The 1974 marketing year for soybeans and products continues to show lagging demand at home and abroad and our projection for carryover as of August 31 has been raised 40 million bushels to 225 million.

Estimates of soybean oil production have been reduced by 150 million pounds. Domestic demand is down by 200 million pounds and the export forecast is reduced to 1.1 billion pounds from 1.2 billion pounds. As a result, the carryover forecast is up about 150 million pounds.

A production slowup in soybean meal is being balanced by a continuing lag in domestic and foreign demand. Our projection of domestic meal demand is unchanged from the April 25 report; however, exports are now projected at 200,000 tons below the previous estimate.

The 1975 projected soybean production remains unchanged from our last report, based on the March planting intentions. Planted acreage estimates for 1975 will be released by USDA on June 30. Based on current estimates of soybean disappearance during 1975/76, we expect the carryover on August 1976 to be more than double this year's carryout of 225 million bushels.

NOTE: All 1975/76 projections are approximations based on presently available data and analyses. They are mainly indications of likely directions 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.

WHEAT

Commodity	Marketing year 1/ 1973/74	1974/75 forecast	1975/76 projected
WHEAT:			
		Million acres	
Acreage			
Set aside	7.4	-0-	-0-
Planted	59.0	71.2	73.2
Harvested	53.9	65.5	67.8
Yield per harvested acre (bushels)	31.7	27.4	30.5 - 31.5
		Million bushels	
Beginning stocks	438	247	285
Production	1,705	1,793	2,069 - 2,139
Imports	4	2	1
Supply, total	2,147	2,042	2,355 - 2,425
Domestic	751	707	809 - 784
Exports	1,149	1,050	1,050 - 1,200
Disappearance, total	1,900	1,757	1,859 - 1,984
Ending stocks	247	285	496 - 441

1/ Marketing year beginning July 1 for wheat.

Prepared by the Interagency Commodity Estimates Committee for: Wheat: Paul W. King, Chairman, ASCS; James J. Naive, ERS; Donald J. Novotny, FAS.

COTTON: UPLAND AND ELS

Commodity	Marketing year 1/ 1973/74	1974/75 forecast	1975/76 projected
COTTON:			
		Million acres	
Acreage			
Set aside	0	0	0
Planted	12.5	13.7	10.0
Harvested	12.0	12.5	2/
Yield per harvested acre (pounds)	520	442	2/
		Mil. 480-lb. bales	
Beginning stocks	3/ 4.1	3/ 3.9	5.7
In-season ginnings, imports, and city crop	13.2	11.5	2/
Supply, total	17.2	15.4	
Mill use	7.5	5.8	6.2 to 6.7
Exports	6.1	3.9	3.8 to 4.3
Disappearance, total	13.6	9.7	10.0 to 11.0
Ending stocks	3/ 3.9	5.7	

1/ Marketing year beginning August 1.
2/ USDA is prohibited from estimating production prior to release of the August Crop Production report.
3/ Based on Census Bureau data.
NOTE: Totals may not add due to rounding.

Prepared by Interagency Commodity Estimates Committee for: Cotton: Charles V. Cunningham, Chairman, ASCS; Russell G. Barlowe, ERS; William L. Davis, FAS.

SOYBEANS AND PRODUCTS

Commodity	Marketing year 1/ 1973/74	1974/75 forecast	1975/76 projected
SOYBEANS:			
		Million acres	
Acreage			
Planted	56.7	53.6	*56.6
Harvested	55.8	52.5	55.5
Yield per harvested acre (bushels)	27.7	23.5	26.0 - 28.0
		Million bushels	
Beginning stocks	60	171	225
Production	1,547	1,233	1,450 - 1,550
Supply, total	1,607	1,404	1,675 - 1,775
Crushings	821	700	725 - 775
Exports	539	400	400 - 450
Seed, feed, and residual	76	79	80 - 80
Disappearance, total	1,436	1,179	1,205 - 1,305
Ending stocks	171	225	470 - 470
SOYBEAN OIL:			
		Million pounds	
Beginning stocks	516	794	650
Production	8,995	7,356	7,700 - 8,200
Supply, total	9,511	8,150	8,350 - 8,850
Domestic	7,281	6,400	6,650 - 6,950
Exports	1,436	1,100	900 - 1,100
Disappearance, total	8,717	7,500	7,550 - 8,050
Ending stocks	794	650	800 - 800
SOYBEAN MEAL:			
		1,000 short tons	
Beginning stocks	183	507	330
Production	19,674	16,623	17,220 - 18,400
Supply, total	19,857	17,130	17,550 - 18,730
Domestic	13,853	12,200	12,835 - 13,565
Exports	5,497	4,600	4,500 - 4,900
Disappearance, total	19,350	16,800	17,335 - 18,465
Ending stocks	507	330	215 - 265

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

* Based on March 1 Planting Intentions.

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