AGRICULTURAL SUPPLY & DEMAND ESTIMATES

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HIGHLIGHTS

Downward revisions in wheat and corn crop prospects were indicated in yesterday's crop report at a time of substantial export demand. Thus, there is some tightening in the supply situation for these commodities, and carryovers at the end of 1975/76 will not be up as much as we had indicated earlier. For soybeans, however, expected larger crop production this year coupled with increased beginning stocks continue to indicate a sizable gain in 1975/76 supplies and a possible doubling of stocks during the marketing year. The 1975 cotton crop, the smallest in 8 years, is being partially offset by substantially larger beginning stocks, so supplies should be adequate for domestic and foreign needs.

Export projections in this report take into account recent purchases by the USSR and still allow for continuing purchases by overseas buyers.

Wheat Supplies Largest Since Early 1960's

Expected wheat production of 2,141 million bushels, though still a record high by a wide margin, is down 2 percent from last month and supplies in the 1975/76 marketing year are a little tighter than previously expected. Our projections of export demand have been raised 100-150 million bushels from our last report because of reduced grain crop prospects in the USSR and Western and Eastern Europe. Projections of domestic feed use and ending carryover have also been lowered from previous estimates.

Big Buildup Looms in Rice Carryover

Record large rice production of 124.8 million cwt. will push 1975/76 supplies to 133.5 million cwt., well above last year's level. But despite some slight expansion in domestic use and continued strong exports, it is likely that rice stocks will build sharply by August 1, 1976, ranging from 16 to 22 million cwt.

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Feed Grain Situation Continues Tight

The crop report's August 1 forecast puts 1975 feed grain production at 207 millio. short tons, a fourth more than the small 1974 crop and near the record in 1971. But because of the sharply lower beginning stocks anticipated, the 1975/76 feed grain situation will continue tight. Foreign demand is likely to rise. Our projections for corn exports for 1975/76 have been raised 200 million bushels from our earlier projections because of declining crop prospects in the Soviet Union and other countries. The estimates of domestic use have been lowered from those projected earlier.

Soybean Carryover Seen Lower Now, Larger Later

Soybean crush and export figures for the 1974/75 marketing year have both been upped from our previous report, resulting in a 15-million bushel cut in expected carryover this August 31. The 1975 soybean crop is forecast at 1,458 million bushels, up 225 million bushels from last year's crop.

The export outlook for U.S. soybeans is brightening because of reduced grain and oilseed crop prospects in the Soviet Union and European Community. Therefore, we have raised the soybean export projection for 1975/76 by 25 million bushels. However, carryover next summer is still expected to be well above this year's level.

Cotton Supplies Adequate Despite Smallest Crop in 8 Years

Yesterday's crop report pegged the 1975 cotton crop at 9.4 million bales, down 2.1 million from last season and the smallest in 8 years. However, with August 1 beginning stocks of nearly 6 million bales, total supply is near last season's 15.4 million. This should easily be enough cotton for expected domestic and export needs of 10 to 11 million bales. Domestic mill use is expected to recover from 1974/75's depressed 5.8 million bales. On the other hand, exports may not be much different from last season, assuming that U.S. prices become more competitive as the cotton season progresses.

NOTE: To avoid giving the impression of a higher degree of precision than actually exists, alternative indications or projections are shown in the tables in this report. These are intended to reflect the possibility of diverse outcomes. Supply and disappearance data will be revised as additional information becomes available.

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	74.4	
Harvested	53.9	65.5	68.9	
Yield per harvested acre (bushels)	31.7	27.4	31.1	
		Million bushels		
Beginning stocks	438	247	319	
Production	1,705	1,793	2,141	
Imports	4	2	1	
Supply, total	2,147	2,042	2,461	
Domestic	751	684	736-686	
Exports	1,149	1,039	1,150-1,350	
Disappearance, total	1,900	1,723	1,886-2,036	
Ending stocks	247	319	575-425	
RICE:				
		Million acres		
Acreage				
Allotment	2.22	2.10	1.80	
Planted	2.18	2.59	2.77	
Harvested	2.17	2.57	2.75	
Yield per harvested acre (pounds)	4,274	4,441	4,543	
		Million cwt.		
Beginning stocks	5.1	7.8	8.7	8.7
Production	92.8	114.1	124.8	124.8
Imports	0.2	---	---	---
Supply, total	98.1	121.9	133.5	133.5
Domestic	36.7	39.5	40.7	41.2
Exports	49.7	73.7	70.4	76.5
Disappearance, total	86.4	113.2	111.1	117.7
Ending stocks	7.8	8.7	22.4	15.8
Difference unaccounted	+3.9			

1/ Marketing year beginning July 1 for wheat, August 1 for 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; Koy L. Neeley, FAS.

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Commodity	1973/74	Marketing year 1/ 1974/75 forecast	1975/76 projected	
FEED GRAINS:				
		Million acres		
Acreage				
Set aside	9.4	--		--
Planted	121.4	122.6		122.9
Harvested	102.4	100.7		104.3
Yield per harvested acre (tons)	2.00	1.64		1.98
		Million short tons		
Beginning stocks	32.4	22.2		14.7
Production	205.0	165.1		207.4
Imports	0.2	0.5		0.5
Supply, total	237.6	187.8		222.6
Feed	153.3	117.5	126.3	137.5
Food, seed and industrial uses	17.7	18.1		18.6
Domestic, total	171.0	135.6	144.9	156.1
Exports	44.4	37.5	51.6	44.0
Use, total	215.4	173.1	196.5	200.1
Ending stocks	22.2	14.7	26.1	22.5
CORN:				
		Million acres		
Acreage				
Set aside	6.0	--		--
Planted	71.9	77.7		77.7
Harvested	61.9	65.2		66.9
Yield per harvested acre (bushels)	91.2	71.3		87.4
		Million bushels		
Beginning stocks	709	483		335
Production	5,647	4,651		5,850
Imports	1	1		1
Supply, total	6,357	5,135		6,186
Feed	4,193	3,250	3,500	3,800
Food, seed and industrial uses	438	450		465
Domestic, total	4,631	3,700	3,965	4,265
Exports	1,243	1,100	1,500	1,300
Use, total	5,874	4,800	5,465	5,565
Ending stocks	483	335	721	621

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

Prepared by the Interagency Commodity Estimates Committee for: Feed Grains: Orville I. Overboe, Chairman, ASCS; James J. Naive, ERS; Donald J. Novotny, FAS.

SOYBEANS & PRODUCTS

Commodity	Marketing year 1/ 1973/74	1974/75 forecast	1975/76 projected
SOYBEANS:			
		Million acres	
Acreage			
Planted	56.7	53.6	54.6
Harvested	55.8	52.5	53.5
Yield per harvested acre (bushels)	27.7	23.5	27.2
		Million bushels	
Beginning stocks	60	171	220
Production	1,547	1,233	1,458
Supply, total	1,607	1,404	1,678
Crushings	821	695	725 - 775
Exports	539	410	425 - 475
Seed, feed, and residual	76	79	78 - 78
Disappearance, total	1,436	1,184	1,228 - 1,328
Ending stocks	171	220	450 - 350
SOYBEAN OIL:			
		Million pounds	
Beginning stocks	516	794	590
Production	8,995	7,296	7,700 - 8,200
Supply, total	9,511	8,090	8,290 - 8,790
Domestic	7,282	6,400	6,600 - 7,000
Exports	1,435	1,100	900 - 1,100
Disappearance, total	8,717	7,500	7,500 - 8,100
Ending stocks	794	590	790 - 690
SOYBEAN MEAL:			
		1,000 short tons	
Beginning stocks	183	507	410
Production	19,674	16,503	17,220 - 18,400
Supply, total	19,857	17,010	17,630 - 18,810
Domestic	13,802	12,200	12,750 - 13,650
Exports	5,548	4,400	4,400 - 4,800
Disappearance, total	19,350	16,600	17,150 - 18,450
Ending stocks	507	410	480 - 360

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

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 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	10.1
Harvested	12.0	12.5	9.3
Yield per harvested acre (pounds)	520	442	484
		Mil. 480-lb. bales	
Beginning stocks	2/ 4.1	2/ 3.9	3/ 5.7
In-season ginnings, imports, and city crop	13.2	11.5	9.5
Supply, total	17.2	15.4	15.2
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	2/ 3.9	3/ 5.7	3/ 5.2 to 4.2

1/ Marketing year beginning August 1.
2/ Based on Census Bureau data.
3/ Statistical residual. Census data in recent years have normally exceeded supply less distribution by approximately 0.2 million bales.
NOTE: Totals may not add due to rounding.

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