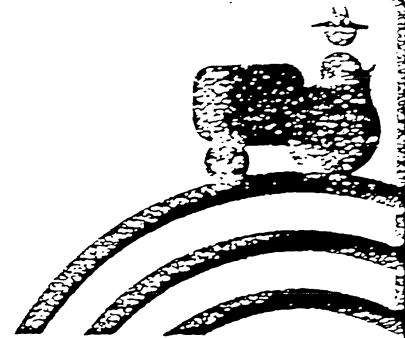


AGRICULTURAL SUPPLY & DEMAND ESTIMATES



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

#40

June 10, 1976

HIGHLIGHTS

Yesterday's crop report indicated 1976 winter wheat production was down 43 million bushels from May, mainly because of freeze damage last month. As a result, estimates of the 1976/77 wheat supply and carryover have been lowered accordingly. For soybeans, domestic and export use continue to outpace earlier expectations. Consequently the carryover this August 31 has been reduced from our last report but is still above year-earlier levels. Corn exports for the current marketing year continue strong and export estimates have been increased.

Acreages used for production estimates in this report are based on April 1 planting intentions. Data on planted acreages will be released by the Statistical Reporting Service on June 30.

The next issue of the Agricultural Supply and Demand Estimates, scheduled for release June 23, will include a supply-demand balance sheet for the new June-May crop years for wheat, barley, and oats.

Lower Production Forecast Tightens 1976/77 Wheat Supplies

Weather continued to adversely affect 1976 wheat prospects as freezes across the Nation's midsection shaded winter wheat prospects again. Production, estimated at 1,411 million bushels, is down 3 percent from the forecast in May to a level 14 percent below last year's record. Seeding of the spring wheat crop was far ahead of normal, but short soil moisture has slowed early plant development in some areas.

Combining the winter wheat estimate with the projected spring wheat crop, based on April intentions, a total crop of 1,900 to 2,050 million bushels looks most probable at this time. This compares with a record crop of 2.1 billion bushels in 1975. However, with prospects for a larger carryin, total 1976/77 supplies likely will at least match last year's 2.5 billion bushels.

Even with the reduction in 1976/77 production, projected utilization is less than this year's estimated crop, resulting in the third consecutive year of building stocks.

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Corn Exports Revised Upward

The 50-million-bushel increase in the corn export estimate is attributable to what smaller than expected shipments from competing origins such as South Africa to upward adjustments in estimates of consumption and import requirements in a number of countries. The estimate of domestic feed use remained unchanged pending the release of the Stocks of Grains report on June 22.

Soybean Use in 1975/76 Tops Earlier Expectations

Soybean use--both crush and exports--in 1975/76 is exceeding earlier expectations. Estimates of the soybean crush and exports have each been boosted by 25 million bushels to 850 million and 550 million bushels, respectively. Ending stocks of soybeans as of August 31, 1976 are thus reduced from the last estimate by 50 million bushels to 230 million bushels.

The increase in the 1975/76 soybean crush has resulted in larger supplies of soybean meal and oil. Although domestic use and export estimates have been increased, we expect some further buildup in ending stocks for both oil and meal.

Changes have been made for 1976/77 to reflect the revised carryin figures.

 * NOTE TO USERS *
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 * Early season projections for 1976/77 are highly tentative. There are no reliable
 * techniques of anticipating what combinations of weather and/or disease might prevail
 * as the growing season unfolds. For instance, poor growing conditions, like those in
 * 1974, or widespread disease, like the 1970 corn blight, could result in a crop that
 * would fall outside the ranges shown. Similar uncertainties in other countries could
 * result in wide unexpected variations in the strength of foreign demand for U.S. crops.
 *
 * The above uncertainties need to be understood by users of these data. The ranges in
 * projected output and use for 1976/77 attempt to show the most probable range around
 * the projected values, based largely on relationships in the past decade.
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WHEAT

Commodity	Marketing year 1/					
	Domestic Measure 2/ 3/			Metric Measure 2/		
	1974/75	1975/76	1976/77	1974/75	1975/76	1976/77
	:Preliminary: Projected :			:Preliminary: Projected :		
WH						
Area	Million acres			Million hectares		
Set aside	--	--	--	--	--	--
Planted	71.4	75.1	78.4	28.9	30.4	31.7
Harvested	65.6	69.7	67.9	26.5	28.2	27.5
Yield per harvested unit	Bushels per acre			Metric tons per hectare		
	27.4	30.6	29.2 +1.0	1.8	2.1	2.0
	Million bushels			Million metric tons		
Beginning stocks	247	327	543	6.7	8.9	14.8
Production	1,796	2,134	1,980 +75	48.9	58.1	53.9
Imports	2	2	2	0.1	0.1	0.1
Supply total	2,045	2,463	2,525 +75	55.7	67.0	68.7
Domestic	679	720	760 +25	18.5	19.6	20.7
Exports	1,039	1,200	1,050 +100	28.3	32.7	28.6
Disappearance, total	1,718	1,920	1,810 +85	46.8	52.3	49.3
Ending stocks	327	543	715 +125	8.9	14.8	19.5

1/ Marketing year beginning July 1.

2/ Conversions between measures may not exactly convert or add due to rounding.

3/ Conversion factor: Hectare = 2.471 acres

Metric Ton = 2204.6 pounds or 36.7437 bushels

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

FEED GRAINS AND CORN

Commodity	Marketing year 1/					
	Domestic Measure			Metric Measure 2/ 3/		
	1974/75	1975/76	1976/77	1974/75	1975/76	1976/77
	: Preliminary: Projected :			: Preliminary: Projected :		
GRAINS:						
Area	: <u>Million acres</u> :			: <u>Million hectares</u> :		
Set aside	: --	: --	: --	: --	: --	: --
Planted	: 122.4	: 123.1	: 126.6	: 49.5	: 49.8	: 51.2
Harvested	: 100.6	: 104.8	: 107.0	: 40.7	: 42.4	: 43.3
Yield per harvested unit	: <u>Tons per acre</u> :			: <u>Metric tons per hectare</u> :		
	: 1.64	: 1.93	: 2.05	: 3.69	: 4.33	: 4.59
			: +.13 :			: +.3 :
	: <u>Million short tons</u> :			: <u>Million metric tons</u> :		
Beginning stocks	: 22.2	: 15.8	: 16.7	: 20.1	: 14.4	: 15.2
Production	: 165.3	: 202.4	: 219.3	: 150.0	: 183.6	: 198.9
Imports	: 0.5	: 0.5	: 0.3	: 0.5	: 0.5	: 0.2
Supply, total	: 188.0	: 218.7	: 236.3	: 170.6	: 198.5	: 214.3
Feed	: 115.0	: 129.4	: 143.6	: 104.3	: 117.4	: 130.3
Food, seed and industrial uses	: 18.0	: 18.4	: 19.1	: 16.3	: 16.7	: 17.3
Domestic, total	: 133.0	: 147.8	: 162.7	: 120.6	: 134.1	: 147.6
Exports	: 39.2	: 54.2	: 41.9	: 35.6	: 49.2	: 38.0
Use, total	: 172.2	: 202.0	: 204.6	: 156.2	: 183.3	: 185.6
Ending stocks	: 15.8	: 16.7	: 31.7	: 14.4	: 15.2	: 28.7
			: +10 :			: +9.1 :
CORN:						
Area	: <u>Million acres</u> :			: <u>Million hectares</u> :		
Set aside	: --	: --	: --	: --	: --	: --
Planted	: 77.8	: 77.9	: 82.7	: 31.5	: 31.5	: 33.5
Harvested	: 65.4	: 66.9	: 71.7	: 26.5	: 27.1	: 29.0
Yield per harvested unit	: <u>Bushels per acre</u> :			: <u>Metric tons per hectare</u> :		
	: 71.4	: 86.2	: 89.0	: 4.47	: 5.41	: 5.59
			: +5 :			: +.3 :
	: <u>Million bushels</u> :			: <u>Million metric tons</u> :		
Beginning stocks	: 483	: 359	: 362	: 12.3	: 9.2	: 9.3
Production	: 4,664	: 5,767	: 6,381	: 118.5	: 146.5	: 162.1
Imports	: 2	: 1	: 1	: 0.1	: 4/	: 4/
Supply, total	: 5,149	: 6,127	: 6,744	: 130.9	: 155.7	: 171.4
Feed	: 3,187	: 3,650	: 4,115	: 81.0	: 92.7	: 104.5
Food, seed and industrial uses	: 454	: 465	: 485	: 11.5	: 11.8	: 12.3
Domestic, total	: 3,641	: 4,115	: 4,600	: 92.5	: 104.5	: 116.8
Exports	: 1,149	: 1,650	: 1,250	: 29.2	: 41.9	: 31.8
Use, total	: 4,790	: 5,765	: 5,850	: 121.7	: 146.4	: 148.6
Ending stocks	: 359	: 362	: 894	: 9.2	: 9.3	: 22.8
			: +300 :			: +7.6 :

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

2/ Conversions between measures may not convert or add due to rounding.

3/ Conversion factors: Hectare = 2.471 acres

Metric ton = 2204.6 lbs. (feed grains); 39.368 bushels (corn).

4/ 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.

SOYBEANS AND PRODUCTS

Commodity	Marketing year 1/					
	Domestic Measure 2/ 3/			Metric Measure 2/ 3/		
	1974/75	1975/76	1976/77	1974/75	1975/76	1976/77
	: Prelim. :	Forecast :		: Prelim. :	Forecast :	
SOYBEANS:						
Area	Million acres			Million hectares		
Planted	53.5	54.6	49.3	21.7	22.1	20.0
Harvested	52.4	53.6	48.3	21.2	21.7	19.5
Yield per harvested unit	Bushels per acre			Metric tons per hectare		
	23.2	28.4	28.0 +1.5	1.56	1.91	1.88
	Million bushels			Million metric tons		
Beginning stocks	171	185	230	4.7	5.0	6.3
Production	1,215	1,521	1,350 +70	33.1	41.4	36.7
Supply, total	1,386	1,706	1,580 +70	37.8	46.4	43.0
Crushings	701	850	825 +35	19.1	23.1	22.5
Exports	421	550	535 +35	11.5	15.0	14.6
Seed, feed, and residual	79	76	80	2.2	2.1	2.2
Disappearance, total	1,201	1,476	1,440 +70	32.8	40.2	39.3
Ending stocks	185	230	140 +70	5.0	6.3	3.8
SOYBEAN OIL:						
	Million pounds			Thousand metric tons		
Beginning stocks	794	561	1,280	360	254	581
Production	7,376	9,219	8,825 +375	3,346	4,182	4,003
Supply, total	8,170	9,780	10,105 +375	3,706	4,436	4,584
Domestic	6,581	7,700	7,600 +200	2,985	3,492	3,447
Exports	1,028	800	1,000 +200	456	363	454
Disappearance, total	7,609	8,500	8,600 +400	3,451	3,856	3,901
Ending stocks	561	1,280	1,505 +400	254	581	683
SOYBEAN MEAL:						
	Thousand short tons			Thousand metric tons		
Beginning stocks	507	358	370	460	325	336
Production	16,702	20,012	19,600 +1000	15,152	18,154	17,781
Supply, total	17,209	20,370	19,970 +1000	15,612	18,479	18,116
Domestic	12,552	15,200	14,900 + 700	11,387	13,789	13,517
Exports	4,299	4,800	4,650 + 300	3,900	4,354	4,218
Disappearance, total	16,851	20,000	19,550 +1000	15,287	18,144	17,735
Ending stocks	358	370	420 + 250	325	336	381

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

2/ Due to rounding, conversions between measures may not convert or add.

3/ 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.