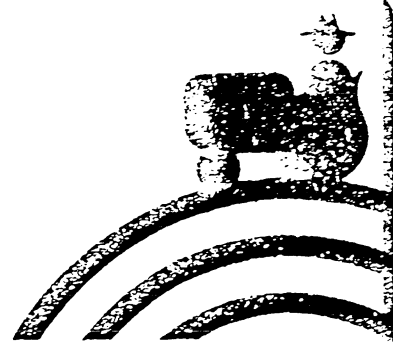


# AGRICULTURAL SUPPLY & DEMAND ESTIMATES



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

HIGHLIGHTS

#41

June 23, 1976

Yesterday's stocks report confirms domestic and foreign demand for soybeans is continuing at a high level and both will reach new highs in 1975/76. For wheat, barley and oats, all data have been shifted over to the June 1-May 31 marketing year, in line with the change effective June 1. As a result, comparisons with wheat and feed grain data shown in previous Agricultural Supply and Demand Estimates are not possible. Production estimates in this report are based on April 1 planting intentions. Acreage planted will be reported on June 30. The next issue of Agricultural Supply and Demand Estimates will be on July 13 following the July 12 crop report.

## Soybean Use and Exports Continue Record Pace in 1975/76; Carryover Cut Further

Soybean use and exports in 1975/76 continue at record levels. The crush has been raised by 15 million bushels (to 865 million) and exports have also been raised by 15 million bushels (to 565 million) since our last report. Consequently, carryout stocks of soybeans as of August 31, 1976, have been reduced 30 million bushels. Soybean stocks of June 1 totaled 551 million bushels, about in line with reported use from the 1975/76 supplies, and the carryout is projected at 200 million bushels.

With supplies for 1976/77 reflecting prospects for a smaller crop and carryover, and demand expected to continue strong, stocks could be drawn down to around 100 million bushels, half the expected carryout this August 31.

## Feed Demand Strong; 1976/77 Exports Revised Upward

Stocks of feed grains on June 1 totaled 56.8 million metric tons, up 22 percent from a year earlier. Disappearance during the April-May period was up sharply. Corn fed to U.S. livestock and poultry in April-May was up around a fifth from a year earlier, continuing the trend under way since last winter. This leaves feeding for the first 8 months of the 1975/76 marketing season up 10 percent, in line with our earlier expectations.

June-September feeding is expected to be up sharply as the 16-percent larger spring crop will be finished for marketings. Thus, feeding for the entire season may total around 3.65 billion bushels, 14 percent above the low volume fed in 1974/75. With exports projected to reach 1.65 billion bushels, total disappearance this season would about match 1975 production, leaving carryover stocks this October 1 near last year's low 359 million bushels.

Projected corn exports for 1976/77 have been raised 100 million bushels to a range 1.2-1.5 billion because of reduced crop prospects in Western Europe and the USSR. However, this increase in exports is not expected to slow projected feed use because of stronger feeding intentions and higher protein prices. With projected supply unchanged, carryover stocks on October 1, 1977 have been lowered 100 million bushels.

Unfavorable Weather Reported in Spring Wheat Areas

6/13/76

June 1 year-ending stocks of wheat totaled 665 million bushels, the first estimate of year-ending stocks for 1975/76 based on the new June 1-May 31 crop year. Also included for the first time is a 1976/77 projection based on June/May. Moisture shortages in some areas of the spring wheat producing Northern Plains have resulted in poor stands and lowered yield prospects. Although wheat disappearance in 1976/77 will continue heavy by historical standards, it will total below 1975/76. Even with reduced crop prospects, the harvest likely will be in excess of our 1976/77 requirements, pointing to the third consecutive buildup in wheat stocks.

WHEAT

Commodity	Marketing year 1/					
	Domestic Measure 2/ 3/			Metric Measure 2/ 3/		
	1974/75	1975/76	1976/77	1974/75	1975/76	1976/77
	:Preliminary: Projected :			:Preliminary: Projected :		
WHEAT						
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	28.7 +1.0	1.8	2.1	2.0 +0.
	Million bushels			Million metric tons		
Beginning stocks	339	430	665	9.2	11.7	18.1
Production	1,796	2,134	1,950+75.0	48.9	58.1	53.1 +2.
Imports	3	2	2	0.2	0.1	0.1
Supply total	2,138	2,566	2,617+75.0	58.2	69.3	71.2 +2.
Domestic	690	726	735+35	18.8	19.8	20.0 +1.
Exports	1,018	1,175	1,050+100	27.7	32.0	28.6 +2.
Disappearance, total	1,708	1,901	1,785+90	46.5	51.7	48.6 +2.
Ending stocks	430	665	832+125	11.7	18.1	22.6 +3.

1/ New marketing year beginning June 1, formerly 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.

NOTE TO USERS

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.

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 :	
<b>SOYBEANS:</b>						
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 +
Beginning stocks	Million bushels			Million metric tons		
	171	185	200	4.7	5.0	5.4
Production	1,215	1,521	1,350 +70	33.1	41.4	36.7 +1.
Supply, total	1,386	1,706	1,550 +70	37.8	46.4	42.2 +1.
Crushings	701	865	835 +30	19.1	23.5	22.7 +
Exports	421	565	535 +30	11.5	15.4	14.6 +
Seed, feed, and residual	79	76	80	2.2	2.1	2.2
Disappearance, total	1,201	1,506	1,450 +60	32.8	41.0	39.5 +1.
Ending stocks	185	200	100 +30	5.0	5.4	2.7 +
<b>SOYBEAN OIL:</b>						
	Million pounds			Thousand metric tons		
Beginning stocks	794	561	1,245	360	254	565
Production	7,376	9,384	8,935 +375	3,346	4,257	4,053 +17
Supply, total	8,170	9,945	10,180 +375	3,706	4,511	4,518 +17
Domestic	6,581	7,800	7,700 +200	2,985	3,538	3,493 +9
Exports	1,028	900	1,000 +200	466	408	454 +9
Disappearance, total	7,609	8,700	8,700 +400	3,451	3,946	3,946 +18
Ending stocks	561	1,245	1,480 +400	254	565	671 +18
<b>SOYBEAN MEAL:</b>						
	Thousand short tons			Thousand metric tons		
Beginning stocks	507	358	330	460	325	299
Production	16,702	20,372	19,830 +1000	15,152	18,481	17,989 +90
Supply, total	17,209	20,730	20,160 +1000	15,612	18,806	18,289 +90
Domestic	12,552	15,400	15,000 +700	11,387	13,971	13,608 +63
Exports	4,299	5,000	4,750 +300	3,900	4,536	4,309 +27
Disappearance, total	16,851	20,400	19,750 +1000	15,287	18,507	17,917 +90
Ending stocks	358	330	410 +200	325	299	372 +18

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.

FED GRAINS AND CORN

Marketing year 1/

Commodity	Domestic Measure			Metric Measure		
	1974/75:	1975/76	1976/77	1974/75:	1975/76	1976/77
	:Preliminary: Projected :			:Preliminary: Projected :		

GRAINS:	Million acres			Million hectares		
	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	Tons per acre			Metric tons per hectare		
	1.64	1.93	2.05 +.13:	3.69	4.33	4.59 +.3
	Million short tons			Million metric tons		
Beginning stocks	23.7	16.8	17.5	21.5	15.3	16.0
Production	165.3	202.4	219.3 +12:	150.0	183.6	198.9 +10.
Imports	0.5	0.5	0.3	0.5	0.5	0.2
Supply, total	189.5	219.7	237.1 +12:	172.0	199.4	215.1 +10.
Feed	115.6	130.1	143.6 +7:	104.9	118.0	130.3 +6.4
Food, seed and industrial uses	17.7	18.1	18.8	16.1	16.4	17.1
Domestic, total	133.3	148.2	152.4 +7:	121.0	134.4	147.4 +6.4
Exports	39.4	54.0	44.7 +5:	35.7	49.0	40.6 +4.5
Use, total	172.7	202.2	207.1 +10:	156.7	183.4	188.0 +9.1
Ending stocks	16.8	17.5	30.0 +10:	15.3	16.0	27.1 +9.1

CORN:	Million acres			Million hectares		
	Area					
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	Bushels per acre			Metric tons per hectare		
	71.4	86.2	89.0 +5:	4.47	5.41	5.59 +.3
	Million bushels			Million metric tons		
Beginning stocks	483	359	362	12.3	9.2	9.3
Production	4,664	5,767	6,381 +350:	118.5	146.5	162.1 +8.9
Imports	2	1	1	0.1	4/	4/
Supply, total	5,149	6,127	6,744 +350:	130.9	155.7	171.4 +8.9
Feed	3,191	3,650	4,115 +200:	81.1	92.7	104.5 +5.1
Food, seed and industrial uses	450	465	485	11.4	11.8	12.3
Domestic, total	3,641	4,115	4,600 +200:	92.5	104.5	116.8 +5.1
Exports	1,149	1,650	1,350 +150:	29.2	41.9	34.3 +3.8
Use, total	4,790	5,765	5,950 +300:	121.7	146.4	151.1 +7.6
Ending stocks	359	362	794 +300:	9.2	9.3	20.3 +7.6

1/ Marketing year beginning October 1 for corn and sorghum, new June 1 year for barley and oats. (Formerly July 1).

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.