

AGRICULTURAL SUPPLY & DEMAND ESTIMATES



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#45

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HIGHLIGHTS

Further cuts in corn, sorghum, soybean, and cotton production prospects during August will heighten competition between domestic users and exporters for these commodities in 1976/77. Domestic use of feed grains and soybean meal will be somewhat lower than projected earlier, although more wheat available for feeding may take up some of the slack.

Corn Crop and Feed Use Reduced From August, Export Prospects Continue Strong

Continuation of hot, dry weather over much of the Nation's grain belt in August again reduced corn crop prospects. Corn production, estimated at 5.9 billion bushels on September 1, is now expected to be 2 percent larger than last year's record, but 5 percent less than the forecast on August 1.

* NOTE TO USERS *
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Forecasts for 1976/77 are still very tentative. Growing and harvesting conditions over the next few months will be crucial in determining the production and utilization of this year's crops. For example, during the past decade, changes in production forecasts for corn between September 1 and the final estimate have averaged 241 million bushels ranging from 78 to 449 million bushels. During this 10-year period, the Sept. 1 forecast was above the final estimate 4 times by an average of 222 million bushels and below 6 times by an average of 254 million bushels. Additional ranges are shown in the table footnotes for other commodities. Similar uncertainties in other countries could result in wide unexpected variation 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 variation around the projected values, based largely on relationships in the past decade.

Totals on the tables in this report may not add and conversions between measures may not be exact due to rounding.

With prospects for stronger feed prices and conditions less favorable to feeding, corn feeding in 1976/77 has been revised down about 4 percent from our previous projection and is now only slightly more than this year's expected 3.65 billion bushels.

The outlook for U.S. corn exports in 1976/77 remains unchanged from our last report. Stronger import demand for U.S. feed grains is projected for drought-stricken Europe; however, the Soviet Union may import less than anticipated earlier because of the upward revision in their grain crop, now estimated at 205 million metric tons. The U.S. carryover estimate for corn on October 1, 1977 has been lowered, but it is still expected to be larger than the approximately 300 million bushels expected this October.

Because of the extremely dry weather in the Western States, this year's sorghum production estimate has been lowered to 710 million bushels, 4 percent below last year. Production estimates for oats and barley have been raised 3 and 4 percent, respectively, from August 1. Tables showing supply and use estimates for sorghum, barley, and oats are included in this issue for the first time.

On balance, the total feed grain crop now estimated for this year matches the record crop of 1975.

Wheat Supplies Up Slightly, No Change Seen In Use

Production of all wheat is forecast at a record 2.1 billion bushels, slightly above last year and a shade higher than last month due to improved yield prospects. The increase in production and the larger carryin stocks will push the total supply up to about 2.8 billion bushels, up 240 million bushels from last year. With no change from our last report in use estimates, the projected carryover next June 1 will range around 950 million bushels, up slightly from a month earlier.

1976 Rice Crop Unchanged from Last Month, Record Supply in Prospect

Disappearance estimates for 1975/76 have been adjusted to reflect a slight decrease in domestic use and an increase in exports. The year-ending stocks are those published on August 25.

The 1976 crop is estimated at 110.2 million cwt., unchanged from last month. Domestic use has been lowered slightly from the last estimate; as a consequence, year-ending stocks are up slightly.

Tight Soybean Supplies Expected To Restrict Crush and Exports

The 1976/77 soybean supply now totals an estimated 1.5 billion bushels, down 12 percent from a year ago. As of September 1, the 1976 soybean crop was forecast at 1.3 billion bushels, about 247 million below last year. The extended dry conditions have lowered soybean prospects in all major producing areas.

Projections for the 1976/77 soybean crush and export have been lowered because of the tight supply situation. Even so, total use will exceed 1976 production by about 100 million bushels, thereby reducing the yearend projected carryover to about 1 month's total requirement.

Cotton Production Lower, Demand Continues Strong

The 1976 cotton crop as of September 1 was estimated at 10.4 million bales, down 3 percent from the August 1 estimate, but sharply higher than last season's 8.3 million. However, due to smaller beginning stocks, total cotton supplies are unchanged from last season.

Total disappearance in 1976/77 is expected to reach roughly 11 million bales, slightly below our last estimate. Therefore, a carryover of about 3 1/4 million bales is expected next August, compared with 3.7 million this August.

Demand for cotton by domestic textile mills remains strong, although because of the relatively tight supplies it may be down moderately from last season's 7 1/4 million bales. Some substitution of manmade fiber for cotton is expected later in the season since cotton prices are high relative to manmade fiber prices.

U.S. cotton exports are expected to increase substantially over last season's 3.3 million. We have already booked almost 3 1/4 million bales for foreign delivery this season, nearly three-fourths of the expected total. The increased export demand stems from a general improvement in textile activity abroad and a drawdown in foreign stocks of surplus cotton.

FEED GRAINS AND CORN

Commodity	Marketing year 1/					
	Domestic Measure			Metric Measure 2/		
	1974/75:	1975/76	1976/77	1974/75 :	1975/76 :	1976/77
	:Preliminary:	Projected		:Preliminary:	Projecte	
FEED GRAINS:						
Area	Million acres			Million hectares		
Planted	122.5	123.1	129.3	49.6	49.8	52.3
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	1.89	3.69	4.33	4.24
	Million short tons			Million metric tons		
Beginning stocks	23.7	16.8	16.8	21.5	15.2	15.2
Production	165.3	202.4	3/202.4	150.0	183.5	183.6
Imports	0.6	0.5	0.4	0.5	0.5	0.4
Supply, total	189.6	219.7	219.6	172.0	199.2	199.2
Feed	115.7	130.1	132.6	+5: 105.0	118.0	120.3
Food, seed, and industrial uses	17.7	18.1	18.8	16.1	16.4	17.1
Domestic, total	133.4	148.2	151.4	+5: 121.1	134.4	137.4
Exports	39.4	54.7	50.0	+4: 35.7	49.6	45.4
Use, total	172.8	202.9	201.4	+4: 156.8	184.0	182.8
Ending stocks	16.8	16.8	18.2	+4: 15.2	15.2	16.4
CORN:						
Area	Million acres			Million hectares		
Planted	77.8	77.9	84.1	31.5	31.5	34.0
Harvested	65.4	66.9	71.2	26.5	27.1	28.8
Yield per harvested unit	Bushels per acre			Metric tons per hectare		
	71.4	86.2	82.8	4.47	5.41	5.20
	Million bushels			Million metric tons		
Beginning stocks	483	359	313	12.2	9.1	8.0
Production	4,664	5,767	3/5,892	118.5	146.5	149.7
Imports	2	2	1	0.1	0.1	4/
Supply, total	5,149	6,128	6,206	130.8	155.7	157.7
Feed	3,191	3,650	3,750	+150: 81.1	92.7	95.3
Food, seed, and industrial uses	450	465	485	11.4	11.8	12.3
Domestic, total	3,641	4,115	4,235	+150: 92.5	104.5	107.6
Exports	1,149	1,700	1,550	+100: 29.2	43.2	39.4
Use, total	4,790	5,815	5,785	+100: 121.7	147.7	147.0
Ending stocks	359	313	421	+100: 9.1	8.0	10.7

- 1/ Marketing year beginning October 1 for corn and sorghum; new June 1 year for barley and oats, formerly July 1.
- 2/ Conversion factors: Hectare = 2.471 acres; Metric ton = 2204.6 pounds (feed grains); 39.368 bushels (corn).
- 3/ For corn, changes between the September 1 forecast and final estimate have averaged 241 million bushels during the past 10 years and ranged from 78 million to 449 million bushels. In 4 of the 10 years, the forecast was above the final estimate by an average of 222 million bushels and 6 times it was below by 254 million.
- 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.

SORGHUM, BARLEY, AND OATS

Commodity	Marketing Year 1/					
	Domestic Measure			Metric Measure 2/		
	1974/75:	1975/76	1976/77	1974/75	1975/76	1976/77
	: Preliminary :		Projected :	: Preliminary :		Projected :
SORGHUM		Bushels per acre			Metric tons per hectare	
Yield per harv. unit	45.3	49.0	47.8	2.85	3.07	3.00
		Million bushels			Million metric tons	
Beginning stocks	61	35	62	1.5	0.9	1.6
Production	629	758	710	16.0	19.2	18.0
Imports	--	--	--	--	--	--
Supply, total	690	793	772	17.5	20.1	19.6
Feed	437	500	515	+15	11.1	12.7
Food, seed, and industrial uses	6	6	6	0.1	0.1	0.1
Domestic, total	443	506	521	+15	11.2	12.8
Exports	212	225	200	+15	5.4	5.7
Use, total	655	731	721	+15	16.6	18.5
Ending stocks	35	62	51	+15	0.9	1.6
BARLEY		Bushels per acre			Metric tons per hectare	
Yield per harv. unit	37.2	44.0	42.6	2.00	2.37	2.29
		Million bushels			Million metric tons	
Beginning stocks	146	92	127	3.2	2.0	2.8
Production	304	383	355	6.6	8.3	7.7
Imports	20	16	15	0.4	0.4	0.3
Supply, total	470	491	497	10.2	10.7	10.8
Feed	187	191	180	+10	4.1	4.2
Food, seed, and industrial uses	149	149	154	3.2	3.2	3.4
Domestic, total	336	340	334	+10	7.3	7.4
Exports	42	24	35	+10	0.9	0.8
Use, total	378	364	369	+10	8.2	7.9
Ending stocks	92	127	128	+10	2.0	2.8
OATS		Bushels per acre			Metric tons per hectare	
Yield per harv. unit	46.5	48.1	44.4	1.67	1.73	1.59
		Million bushels			Million metric tons	
Beginning stocks	308	224	207	4.5	3.3	3.0
Production	614	657	564	8.9	9.5	8.2
Imports	3/	1	3/	3/	3/	3/
Supply, total	922	882	771	13.4	12.8	11.2
Feed	595	576	555	+15	8.6	8.4
Food, seed, and industrial uses	84	85	85	1.2	1.2	1.2
Domestic, total	679	661	640	+15	9.8	9.6
Exports	19	14	10	+5	0.3	0.2
Use, total	698	675	650	+15	10.1	9.8
Ending stocks	224	207	121	+15	3.3	3.0

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

2/ Conversion factors: Hectare = 2.471 acres. Metric ton = 39.368 bushels (sorghum); 45.930 (barley); and 68.894 (oats).

3/ Less than 500,000 bushels or less than 0.05 million metric tons.

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

WHEAT AND RICE

Commodity	Marketing year 1/					
	Domestic Measure			Metric Measure 2/		
	1974/75	1975/76	1976/77	1974/75	1975/76	1976/77
	:Preliminary: Projected			:Preliminary: Projected		
WHEAT						
Area	Million acres			Million hectares		
Planted	71.4	75.1	80.2	28.9	30.4	32.5
Harvested	65.6	69.7	70.4	26.5	28.2	28.5
Yield per harvested unit	Bushels per acre			Metric tons per hectare		
	27.4	30.6	30.4	1.8	2.1	2.0
	Million bushels			Million metric tons		
Beginning stocks	339	430	665	9.2	11.7	18.1
Production	1,796	2,134	2,139	48.9	58.1	58.2
Imports	3	2	2	0.2	0.1	0.1
Supply total	2,138	2,566	2,806	58.2	69.8	76.4
Domestic	690	728	810	+ 35: 18.8	19.8	22.0 +1.0
Exports	1,018	1,173	1,050	+100: 27.7	31.9	28.6 +2.7
Disappearance, total	1,708	1,901	1,860	+ 90: 46.5	51.7	50.6 +2.4
Ending stocks	430	665	946	+ 90: 11.7	18.1	25.7 +2.4
RICE:						
Area	Million acres			Million hectares		
Allotment	2.10	1.80	1.80	0.85	0.73	0.73
Planted	2.56	2.82	2.45	1.05	1.14	0.99
Harvested	2.54	2.80	2.43	1.04	1.13	0.98
Yield per harvested unit	Pounds per acre			Metric tons per hectare		
	4,432	4,555	4,528	4.97	5.11	5.08
	Million cwt.			Million metric tons		
Beginning stocks	7.8	7.1	36.9	0.35	0.32	1.67
Production	112.4	127.6	110.2	+3.0: 5.10	5.79	5.00 +0.14
Imports	--	--	--	--	--	--
Supply, total	120.2	134.7	147.1	+3.0: 5.45	6.11	6.67 +0.14
Domestic	41.0	40.2	42.8	+1.0: 1.86	1.82	1.94 +0.05
Exports	69.5	56.5	61.5	+5.0: 3.16	2.56	2.79 +0.23
Disappearance, total	110.5	96.7	104.3	+5.0: 5.01	4.39	4.73 +0.23
Ending stocks	7.1	36.9	42.8	+7.0: 0.32	1.67	1.94 +0.32
Difference unaccounted:	+2.7	+1.1	--	: 0.12	0.05	--

1/ Marketing year beginning June 1 for wheat, August 1 for rice.

2/ Conversion factor: Hectare = 2.471 acres

Metric ton = 2204.6 pounds or 36.7437 bushels (wheat), 22.046 cwt. (rice)

3/ Changes between September 1 forecast and final estimate have averaged 15.6 million bushels during the past decade--ranging from 2 million to 40 million bushels. In 8 of the 10 years, the September 1 forecast was above the final estimate by an average of 17.9 million and twice it was below by an average of 6.5 million bushels.

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; Donald J. Novotny, FAS.

SOYBEANS AND PRODUCTS

Commodity	Marketing year 1/					
	Domestic Measure			Metric Measure 2/		
	1974/75	1975/76	1976/77	1974/75	1975/76	1976/77
	: Preliminary : Projected :			: Preliminary : Projected :		
SOYBEANS:						
Area	Million acres			Million hectares		
Planted	53.5	54.6	50.3	21.7	22.1	20.4
Harvested	52.4	53.6	49.4	21.2	21.7	20.0
Yield per harvested unit	Bushels per acre			Metric tons per hectare		
	23.2	28.4	25.8	1.56	1.91	1.74
	Million bushels			Million metric tons		
Beginning stocks	171	185	220	4.7	5.0	6.0
Production	1,215	1,521	3/1,274	33.1	41.4	34.7
Supply, total	1,386	1,706	1,494	37.8	46.4	40.7
Crushings	701	865	785 +30	19.1	23.5	21.4 +0.8
Exports	421	560	525 +30	11.5	15.2	14.3 +0.8
Seed, feed, and residual	79	61	84	2.2	1.7	2.3
Disappearance, total	1,201	1,486	1,394 +60	32.8	40.4	37.9 +1.6
Ending stocks	185	220	100 +30	5.0	6.0	2.7 +0.8
SOYBEAN OIL:						
	Million pounds			Thousand metric tons		
Beginning stocks	794	561	1,300	360	254	590
Production	7,376	4/9,539	8,320 +300	3,346	4/4,327	3,774 +136
Supply, total	8,170	10,100	9,620 +300	3,706	4,581	4,364 +136
Domestic	6,581	7,900	7,600 +200	2,985	3,583	3,447 +91
Exports	1,028	900	1,100 +200	466	408	499 +91
Disappearance, total	7,609	8,800	8,700 +400	3,451	3,992	3,946 +181
Ending stocks	561	1,300	920 +400	254	590	417 +181
SOYBEAN MEAL:						
	Thousand short tons			Thousand metric tons		
Beginning stocks	507	358	410	460	325	372
Production	16,702	4/20,652	18,640 +750	15,152	4/18,735	16,910 +680
Supply, total	17,209	21,010	19,050 +750	15,612	19,060	17,282 +680
Domestic	12,552	15,500	14,000 +700	11,387	14,061	12,701 +635
Exports	4,299	5,100	4,600 +300	3,900	4,627	4,173 +272
Disappearance, total	16,851	20,600	18,600 +1000	15,287	18,688	16,874 +907
Ending stocks	358	410	450 +150	325	372	408 +136

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

2/ Conversion factor: Hectare = 2.471 acres

Metric ton = 2204.6 pounds or 36.7437 bushels.

3/ Changes between the September 1 forecast and the final estimate averaged 40 million bushels during the past decade, ranging from 2 to 101 million bushels. During these 10 years, the September 1 forecast was above the final estimate 6 times by an average of 35 million bushels and below 4 times by an average of 47 million bushels.

4/ Based on Oct.-Sept. year crush of 875 million 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

COTTON: UPLAND AND EXTRA LONG STAPLE

Commodity	Marketing year 1/					
	Domestic Measure			Metric Measure 2/		
	1974/75	1975/76	1976/77	1974/75	1975/76	1976/77
	:Preliminary: Projected			:Preliminary: Projected		
Area	Million acres			Million hectares		
Planted	13.7	9.5	11.8	5.5	3.8	4.8
Harvested	12.6	8.8	11.1	5.1	3.6	4.5
Yield per harvested unit	Pounds per acre			Metric tons per hectare		
	441	453	451	0.49	0.51	0.51
	Million 480-lb. bales			Million metric tons		
Beginning stocks	3/ 3.8	3/ 5.7	3/ 3.7	0.8	1.2	0.8
Production	11.5	8.3	4/10.4	2.5	1.8	2.3
Supply, total 5/	15.4	14.1	14.1	3.3	3.1	3.1
Mill use	5.9	7.3	6.7 +0.3	1.3	1.6	1.5 +0.
Exports	3.9	3.3	4.4 +0.3	0.9	0.7	1.0 +0.
Disappearance, total	9.8	10.6	11.1 +0.3	2.1	2.3	2.4 +0.
Difference unaccounted 6/	0.1	0.1	0.2	7/	7/	7/
Ending stocks	3/ 5.7	3/ 3.7	3.2 +0.3	1.2	0.8	0.7 +0.

1/ Marketing year beginning August 1.

2/ Conversion factor: Hectare = 2.471 acres. Metric ton = 2204.6 pounds or 4.59 480-pound bales.

3/ Based on Bureau of Census data.

4/ Differences between the September 1 forecast and final ginnings in the past 10 years averaged 0.7 million bales, ranging from 35,000 bales in 1973 to 1.7 million bales in 1974.

5/ Includes imports.

6/ Difference between ending stocks based on Census Bureau data and preceding season's supply less distribution. Estimated for 1976/77.

7/ Less than 0.05 million metric tons.

Prepared by the Interagency Commodity Estimates Committee for Cotton: Charles V. Cunningham, Chairman, ASCS; Russell G. Barlowe, ERS; Gordon H. Lloyd, FAS.