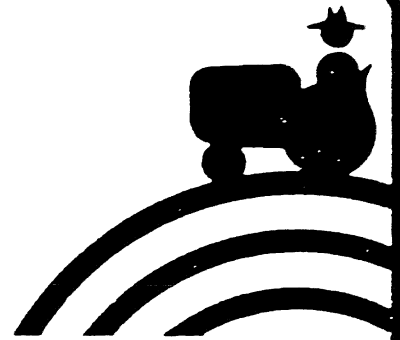


# AGRICULTURAL SUPPLY & DEMAND ESTIMATES



Approved by the World Food and Agricultural Outlook and Situation Board • USDA

#70

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## 1977/78 U.S. SOYBEAN CRUSH AND EXPORTS BOOSTED TO MEET STRONG WORLD DEMAND

Weather damage to this year's Brazilian soybean crop and smaller-than-expected oilseed production in other countries have boosted the demand for U.S. soybeans and products above earlier expectations. Increases in export demand for soybeans and soybean meal are being led by Japan and Western Europe. Soybean oil exports also up sharply to Peru, India, Pakistan, and the People's Republic of China.

Consequently, the 1977/78 U.S. soybean crush and exports should each be about 15 million bushels above earlier estimates, reducing estimated September 1 carryover stocks to around 170 million bushels. The estimated soybean crush on an October-September marketing year has been boosted 20 million bushels to 945 million. With recent strengthening in demand for U.S. soybean products, the estimated season average price has been increased to around \$6 per bushel.

Domestic production and disappearance estimates for soybean oil have both been increased 200 million pounds, reflecting smaller imports of competing palm and coconut oils. Soybean oil exports have been raised 100 million pounds. Although this reduces prospective stocks from earlier estimates, the carryover next October 1 is still expected to exceed a year earlier.

The U.S. soybean meal export estimate has been raised 500,000 tons because of strong demand for high-protein feed concentrates and weak Brazilian competition.

The strong uptrend in demand for soybean products could extend into the next marketing year, in part because of reduced Brazilian availabilities through next spring. As a result, 1978/79 U.S. exports of soybeans and soybean meal may run above this season's levels assuming relatively favorable worldwide crop conditions.

Interagency Committee Members (Soybeans, Cottonseed, and Oils): Harry A. Sullivan, ASCS; George W. Kromer, ESCS; Alan E. Holz, FAS.

## SOYBEANS AND PRODUCTS (Domestic Measure) 1/

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*****
Commodity      : 1976/77 : 1977/78 : 1978/79
                :          : Estimated : Projected 2/
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SOYBEANS:      :          :          : Alt. I   Alt. II
Area           :          : Million acres
  Planted      : 50.2    : 59.1
  Harvested    : 49.4    : 57.9
Yield per harv. :          : Bushels
  acre         : 26.1    : 29.6
                :          : Million bushels
Beginning stocks : 245     : 103     : 170     : 170
Production      : 1,288   : 1,716   : 1,900   : 1,550
  Supply, total : 1,533   : 1,819   : 2,070   : 1,720
Crushings       : 790     : 925     : 980     : 915
Exports         : 564     : 650     : 700     : 625
Seed, feed, &  :          :
  residual      : 76      : 74      : 80      : 80
  Use, total    : 1,430   : 1,649   : 1,760   : 1,620
Ending stocks   : 103     : 170     : 310     : 100
Avg. farm price : 6.81    : 6.00    : 5.25-5.75 : 7.50-8.00
SOYBEAN OIL:   :          : Million pounds
Beginning stocks : 1,251   : 767     : 820     : 820
Production      : 8,578   : 10,203  : 3/ 10,580 : 9,880
  Supply, total : 9,829   : 10,970  : 11,400  : 10,700
  Domestic      : 7,515   : 8,200   : 8,500   : 8,300
  Exports       : 1,547   : 1,950   : 1,900   : 1,700
  Use, total    : 9,062   : 10,150  : 10,400  : 10,000
Ending stocks   : 767     : 820     : 1,000   : 700
Avg. price 4/   : 24      : 26      : 19-22   : 28-30
SOYBEAN MEAL:  :          : Thousand short tons
Beginning stocks : 355     : 228     : 380     : 380
Production      : 18,488  : 22,252  : 3/ 23,270 : 21,730
  Supply, total : 18,843  : 22,480  : 23,650  : 22,110
  Domestic      : 14,056  : 16,500  : 17,200  : 16,250
  Exports       : 4,559   : 5,600   : 6,000   : 5,500
  Use, total    : 18,615  : 22,100  : 23,200  : 21,750
Ending stocks   : 228     : 380     : 450     : 360
Avg. price 5/   : 199.80  : 170.00  : 155-165 : 200-210
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1/ Marketing year beginning September 1 for soybeans, October 1 for soybean oil and meal. 2/ Alternative I reflects relatively favorable production conditions worldwide; Alternative II assumes relatively unfavorable production conditions worldwide. 3/ Based on Oct.-Sept. year crush of 945 million bushels. 4/ Simple season average of crude soybean oil, Decatur, cents per pound. 5/ Simple season average of 44% protein, Decatur, dollars per ton.

## SOYBEANS AND PRODUCTS (Metric Measure) 1/, 2/

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*****
Commodity      : 1976/77 : 1977/78 : 1978/79
                :           : Estimated : Projected 3/
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SOYBEANS:      :                               Alt. I  Alt. II
Area           :                               Million hectares
  Planted      : 20.3      23.9
  Harvested    : 20.0      23.4
Yield per harv. :                               Metric tons
  hectare     : 1.76      1.99
                :                               Million metric tons
Beginning stocks : 6.7      2.8      4.6      4.6
Production      : 35.1     46.7     51.7     42.2
  Supply, total : 41.7     49.5     56.3     46.8
Crushings       : 21.5     25.2     26.7     24.9
Exports         : 15.3     17.7     19.0     17.0
Seed, feed, &  :
  residual     : 2.1      2.0      2.2      2.2
  Use, total   : 38.9     44.8     47.9     44.1
Ending stocks   : 2.8      4.6      8.4      2.7
Avg. farm price : 250      220      193-211  276-294
SOYBEAN OIL:   :                               Thousand metric tons
Beginning stocks : 567      348      372      372
Production      : 3 891    4 628    4/ 4 799  4 482
  Supply, total : 4 458    4 976    5 171    4 854
Domestic       : 3 409    3 720    3 856    3 765
Exports        : 702      885      862      771
  Use, total   : 4 111    4 604    4 717    4 536
Ending stocks   : 348      372      454      318
Avg. price 5/   : 529      573      419-485  617-661
SOYBEAN MEAL:  :                               Thousand metric tons
Beginning stocks : 322      207      345      345
Production      : 16 772   20 187   4/21 110  19 713
  Supply, total : 17 094   20 394   21 455   20 058
Domestic       : 12 751   14 969   15 064   14 742
Exports        : 4 136    5 080    5 443    4 990
  Use, total   : 16 887   20 049   21 047   19 731
Ending stocks   : 207      345      408      327
Avg. price 6/   : 220      187      171-182  220-231
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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/ Alternative I reflects relatively favorable production conditions worldwide; Alternative II assumes relatively unfavorable production conditions worldwide. 4/ Based on October-September year crush of 25.7 million metric tons. 5/ Simple season average of crude soybean oil, Decatur, dollars per metric ton. 6/ Simple season average of 44% protein, Decatur, dollars per metric ton.