

AGRICULTURAL SUPPLY & DEMAND ESTIMATES



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

#75

September 21, 1978

PROSPECTIVE SOYBEAN STOCKS HIGHER

Soybean supplies have been revised upward because of the larger than expected carryover into 1978/79. Yesterday's stocks report indicated the 1977 soybean crop was underestimated. A revised production estimate will be released by the Crop Reporting Board on October 11.

The forecast of U.S. soybean carryover stocks for next September 1 has been raised to around 170 million bushels, and the probable range to 120-220 million. The revised estimate is 20 million bushels higher than the September 14 forecast.

Price and use forecasts for 1978/79 for soybeans and soybean products remain unchanged from September 14.

WHEAT EXPORT ESTIMATE RAISED

The wheat export estimate for 1978/79 has been increased 50 million bushels as a result of stronger-than-expected world demand for wheat. Exports are now projected to range between 1,050 and 1,250 million bushels. Carryover stocks could fall below 1.1 billion bushels for the first time since 1975.

The farm price for wheat has remained around \$2.80 per bushel for the last 6 months and is expected to average between \$2.80 and \$3.00 per bushel for the 1978/79 marketing year, compared with the earlier forecast of \$2.70 to \$3.00.

1977 crop

SOYBEANS 1/

 Commodity : 1976/77 : 1977/78 : 1978/79
 : : Estimated: Proj. : Prob. Variab. 2/

DOMESTIC MEASURE :
 Area : Million acres
 Planted : 50.2 59.1 64.4
 Harvested : 49.4 57.9 63.3
 Yield per harv. : Bushels/acre
 unit : 26.1 29.6 28.0
 : Million bushels
 Beginning stocks : 245 103 159
 Production : 1,288 1,716 1,772 +70 to -70
 Supply, total : 1,533 1,819 1,931 +70 to -70
 Crushings : 790 927 960 +50 to -50
 Exports : 564 703 720 +50 to -50
 Seed and feed : 62 69 69
 Residual : 14 -39 3/ 12
 Use, total : 1,430 1,660 1,761 +75 to -75
 Ending stocks : 103 159 170 +50 to -50
 Avg. farm price : 6.81 5.80 6.00 +1.00 to -1.00

METRIC MEASURE 4/ :
 Area : Million hectares
 Planted : 20.3 23.9 26.1
 Harvested : 20.0 23.4 25.6
 Yield per harv. : Metric tons/hectare
 unit : 1.76 1.99 1.88
 : Million metric tons
 Beginning stocks : 6.7 2.8 4.3
 Production : 35.1 46.7 48.2 +1.9 to -1.9
 Supply, total : 41.7 49.5 52.6 +1.9 to -1.9
 Crushings : 21.5 25.2 26.1 +1.4 to -1.4
 Exports : 15.3 19.1 19.6 +1.4 to -1.4
 Seed and feed : 1.7 1.9 1.9
 Residual : .4 -1.0 3/ .3
 Use, total : 38.9 45.2 47.9 +2.0 to -2.0
 Ending stocks : 2.8 4.3 4.6 +1.4 to -1.4
 Avg. farm price : 250 213 220 +37 to -37

- 1/ Marketing year beginning September 1 for soybeans.
- 2/ The "probable variability" reflects the "root mean square error" and/or "standard error of estimate" from trend and judgment. Chances are about 2 out of 3 that outcomes will fall within the indicated ranges.
- 3/ A negative residual indicates an underestimation of the 1977 crop, which will be revised on October 11.
- 4/ Conversion factors: Hectare = 2.471 acres; metric ton = 2204.6 pounds or 36.7437 bushels.

9/21/78

WHEAT 1/

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Commodity      : 1976/77: 1977/78 : Proj. : 1978/79
                :           : Estimated :       : Prob. Variab.2/
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:
Area           :           Million acres
  Planted      :    80.2    74.8    66.3
  Harvested    :    70.8    66.2    56.5
Yield per harv. :           Bushels
  unit         :    30.3    30.6    31.6
:
:           Million bushels
Beginning stocks :    665    1,112    1,174
Production       :   2,142    2,026    1,788    +25 to -25
Imports          :     3      2      2
  Supply, total  :   2,810    3,140    2,964    +25 to -25
Domestic
  Food           :    553     569     565    +10 to -10
  Seed           :     92     80     80     +5 to -5
  Feed           :    103     193     100    +50 to -50
  Domestic, total:    748     842     745    +60 to -60
Exports          :    950    1,124    1,150    +100 to -100
  Use, total     :   1,698    1,966    1,895    +150 to -150
Ending stocks   :   1,112    1,174    1,069    +165 to -165
Avg. farm price3/:  2.73     2.31     2.80-3.00
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- 1/ Marketing year beginning June 1.
- 2/ The "probable variability" reflects the "root mean square error" and/or "standard error of estimate" from trend and judgment. Chances are about 2 out of 3 that the outcome will fall within the indicated ranges.
- 3/ Season average farm price for wheat, dollars per bushel.

The Agricultural Supply and Demand Estimates Tables were prepared by the Interagency Commodity Estimates Committee for:

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