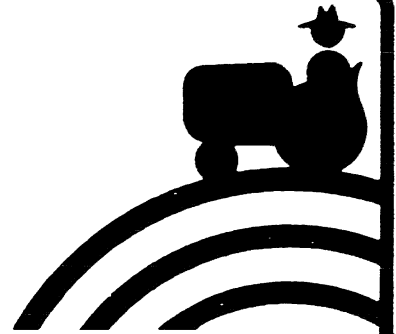


AGRICULTURAL SUPPLY & DEMAND ESTIMATES



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

#83

March 7, 1979

Prospective Larger Soybean and Oil Exports

U.S. soybean exports are forecast at 785 million bushels, 10 million bushels above the February 9 indication and 85 million above the 1977/78 level. A continued high level of exports and USDA's downward revision in the estimate of the Brazilian soybean crop to 10.5-11.5 million tons point to prospective larger 1978/79 U.S. shipments abroad. The reduced Brazilian crop is expected to trim the volume of Brazilian beans available for export. While the downward revision in the Brazilian crop also is expected to reduce Brazilian exports of soybean meal and oil, most of the impact on U.S. exports likely will be felt in the 1979/80 marketing year. The 1979 soybean crop in Argentina is still forecast at around 3.5 million tons, falling in the range of 3.2 to 3.8 million.

In line with the tightening world supply and demand situation for 1978/79, U.S. farm prices for soybeans are forecast above the previous estimate. Also, soybean oil prices are forecast higher in response to stronger export prospects primarily due to continued heavy oil purchases by Pakistan and India, as well as competitive prices of soybean oil in relation to palm and cottonseed oils.

Rice Exports Increased

The rice export estimate for 1978/79 has been increased to 70 million cwt., 3 million above the previous estimate. This increase reflects continued strong commercial export sales, particularly to the EC, Saudi Arabia, and the Ivory Coast. Ending stocks are now projected at 51 million cwt.

SOYBEANS AND PRODUCTS (Domestic Measure) 1/

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*****
Commodity      : 1976/77 : 1977/78 : 1978/79
                :           : Prelim. : Proj. : Prob. Variab.2/
*****
SOYBEANS:
Area           :           : Million acres
  Planted      : 50.2      : 58.8      : 64.0
  Harvested    : 49.4      : 57.6      : 63.0
Yield per harv. :           : Bushels/acre
  unit         : 26.1      : 30.6      : 29.2
                :           : Million bushels
Beginning stocks : 245       : 103        : 161
Production      : 1,288     : 1,762     : 1,843
  Supply, total : 1,533     : 1,865     : 2,004
Crushings       : 790       : 927       : 1,000      +20 to -20
Exports         : 564       : 700       : 785        +30 to -15
Seed and feed   : 62        : 69        : 70
Residual        : 14        : 8         : 9
  Use, total    : 1,430     : 1,704     : 1,864      +40 to -30
Ending stocks   : 103       : 161       : 140        +20 to -25
Avg. farm price : 6.81      : 5.88      : 6.75      +.25 to -.15
SOYBEAN OIL:
                :           : Million pounds
Beginning stocks : 1,251     : 771       : 729
Production      : 8,578     : 10,288    : 10,901     +200 to -200
  Supply, total : 9,829     : 11,059    : 11,630     +200 to -200
  Domestic      : 7,511     : 8,273     : 8,700      +300 to -300
  Exports       : 1,547     : 2,057     : 2,000      +200 to -200
  Use, total    : 9,058     : 10,330    : 10,700     +300 to -300
Ending stocks   : 771       : 729       : 930        +200 to -200
Avg. price 3/   : 24        : 24.6      : 27         +2 to -2
SOYBEAN MEAL:
                :           : Thousand short tons
Beginning stocks : 355       : 228       : 243
Production      : 18,488    : 22,371    : 23,752     +500 to -500
  Supply, total : 18,843    : 22,599    : 23,995     +500 to -500
  Domestic      : 14,056    : 16,276    : 17,400     +600 to -600
  Exports       : 4,559     : 6,080     : 6,250      +400 to -400
  Use, total    : 18,615    : 22,356    : 23,650     +600 to -600
Ending stocks   : 228       : 243       : 345        +75 to -75
Avg. price 4/   : 199.80    : 164.20    : 185.00     +20 to -10
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1/ Marketing year beginning September 1 for soybeans, October 1 for soybean oil and meal. 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/ Simple season average of crude soybean oil, Decatur, cents per pound.

4/ Simple season average of 44% protein, Decatur, dollars per short ton.

SOYBEANS AND PRODUCTS (Metric Measure) 1/

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*****
Commodity : 1976/77 : 1977/78 : 1978/79
           :         : Prelim. : Proj. : Prob. Variab. 2/
*****
SOYBEANS:
Area : Million hectares
  Planted : 20.3 23.8 25.9
  Harvested : 20.0 23.3 25.5
Yield per harv. : Metric tons/hectare
  unit : 1.76 2.06 1.96
           : Million metric tons
Beginning stocks : 6.7 2.8 4.4
Production : 35.1 48.0 50.2
  Supply, total : 41.7 50.8 54.5
Crushings : 21.5 25.2 27.2 +0.5 to -0.5
Exports : 15.3 19.1 21.4 +0.8 to -0.4
Seed and feed : 1.7 1.9 1.9
Residual : .4 .2 .2
  Use, total : 38.9 46.4 50.7 +1.1 to -0.8
Ending stocks : 2.8 4.4 3.8 +0.5 to -0.7
Avg. farm price : 250 216 248 +9 to -6
SOYBEAN OIL: Thousand metric tons
Beginning stocks : 567 350 331
Production : 3,891 4,667 4,945 +90 to -90
  Supply, total : 4,458 5,016 5,275 +90 to -90
  Domestic : 3,407 3,753 3,946 +135 to -135
  Exports : 702 933 907 +90 to -90
  Use, total : 4,109 4,686 4,854 +135 to -135
Ending stocks : 350 331 422 +90 to -90
Avg. price 3/ : 529 542 595 +45 to -45
SOYBEAN MEAL: Thousand metric tons
Beginning stocks : 322 207 220
Production : 16,772 20,295 21,547 +450 to -450
  Supply, total : 17,094 20,501 21,768 +450 to -450
  Domestic : 12,751 14,765 15,785 +545 to -545
  Exports : 4,136 5,516 5,670 +365 to -365
  Use, total : 16,887 20,281 21,455 +545 to -545
Ending stocks : 207 220 313 +70 to -70
Average price 4/ : 220 181 204 +20 to -10
*****

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1/ Marketing year beginning September 1 for soybeans, October 1 for soybean oil and meal. 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/ Simple season average of crude soybean oil, Decatur, dollars per metric ton. 4/ Simple season average of 44% protein, Decatur, dollars per metric ton.

RICE 1/

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*****
Commodity      : 1976/77 : 1977/78 : 1978/79
                :          :          : Proj. : Prob. Variab.2/
*****
:
RICE (rough):  :
Area           :          : Million acres
  Allotment    : 1.80    : 1.80    : 1.80
  Planted      : 2.49    : 2.26    : 3.08
  Harvested    : 2.48    : 2.25    : 3.06
Yield per harv. :          : Pounds
  unit         : 4,663   : 4,412   : 4,505
:
:          : Million cwt.
Beginning stocks : 36.9    : 40.5    : 27.4
Production       : 115.6   : 99.2    : 137.8
Imports          : .1      : .1      :
  Supply, total  : 152.6   : 139.8   : 165.2
Domestic         : 42.7    : 37.8    : 44.0    +2.0 to -2.0
Exports         : 65.6    : 72.8    : 70.0    +5.0 to -5.0
  Use, total     : 108.3   : 110.6   : 114.0   +6.0 to -6.0
Ending stocks   : 40.5    : 27.4    : 51.2    +6.0 to -6.0
Dif. unactd.    : +3.8    : +1.8
Avg. farm price 3/: 7.02    : 9.49    : 7.50-7.80
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1/ Marketing year beginning August 1 for rice. 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 rice, dollars per hundredweight.

The Agricultural Supply and Demand Estimates Tables were prepared
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ESCS.

Conversion Factors

Bushels to metric tons	Area
Wheat & soybeans = bushels x .027216	1 acre = .404694 hectares
Barley = bushels x .021772	
Corn, sorghum,	
rye = bushels x .025401	1 hectare = 2.4710 acres
Oats = bushels x .014515	
480 lb. bales to metric tons	
Cotton = bales x .217700	
Cwt. to metric tons	
Rice = cwt. x .0453597	
Kilograms to pounds	
Kilogram = 2.2046 pounds	