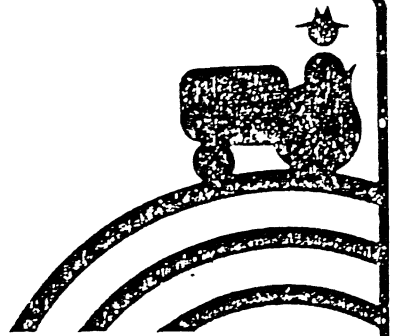


AGRICULTURAL SUPPLY & DEMAND ESTIMATES



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

#93

November 13, 1979

HIGHLIGHTS

Yield prospects continued to improve during October for corn, sorghum, soybeans, and cotton in spite of some lag in harvesting. Since November 1, wet and cold weather has continued to slow corn harvesting, particularly in northern Iowa and Minnesota. Wet weather persists in the Mississippi Delta, with cotton harvest lagging well behind normal in Mississippi, Arkansas, and Tennessee. Soil moisture is generally adequate for winter wheat, except for some southwestern areas.

U.S. production of feed grains is now indicated at 229 million tons, up 5 million from a month ago and 12 million above the 1978/79 record. Since 1979/80 use estimates are unchanged from last month, season-ending stocks are now expected to increase slightly from 1978/79 levels. While increased soybean production from a month ago also has been added to ending stocks, the indicated increase in the cotton crop during October is more than offset by strengthening exports.

Higher Corn Production Points to an Increase in Stocks

The November 1 corn production forecast of 7.6 billion bushels is up nearly 200 million from last month and 500 million above last year's record. The corn yield of 109

bushels per acre is 8 bushels higher than in 1978 and nearly 20 bushels above the 1977 level. Corn supplies are projected at nearly 8.9 billion bushels for 1979/80, up 700 million from 1978/79.

No changes were made in utilization estimates. Corn carryover stocks for 1979/80 are now expected to total slightly over 1.4 billion bushels, an increase of 150 million from a year earlier. Feed grain carryover stocks may total around 47 million tons compared to the previous forecast of 42 million and carryover stocks of 46 million in 1978/79.

With the larger corn supplies, the corn price forecast was lowered by 10 cents to a range of \$2.25 to \$2.55 per bushel. This compares with \$2.20 in 1978/79 and \$2.02 in 1977/78.

Rice Crop Prospects Improve; Exports Weaker

The 1979 rice crop is forecast at a record 139.6 million cwt., up 1.8 million from last month, and 6 million above 1978. Total supplies are forecast at 171 million cwt., 10 million higher than in 1978/79.

Lagging commercial export sales to principal markets in the Middle East and Africa have resulted in a lowering of the export forecast from 83 to 79 million cwt.

The combination of expected lower utilization and increased supply results in a 6 million cwt. increase in projected carryover stocks from last month's estimate. The carryover of 42 million cwt. for 1979/80 would be 10 million above the year-earlier level.

Soybean Prospects Change Very Little

Supplies of soybeans increased slightly to 2,409 million bushels, up 23 million from October as yield estimates increased again to 31.8 bushels per acre. Increased yield prospects in Missouri, Arkansas, and a number of other South Central states accounted for the improvement.

Domestic use and export estimates for soybeans and products were not changed. However, export prospects for oil continue quite favorable in early 1980 based on increased sales to unknown destinations.

Soybean carryout stocks were raised to 400 million bushels which adds slightly to the downside pressure on prices. Prices received by farmers for soybeans have been averaging between \$6.00 and \$6.25 per bushel in recent weeks but are expected to strengthen seasonally after harvest. Prices later in the year will be influenced by the size of the Southern Hemisphere crop and U.S. corn prices. The range for the soybean season-average farm price was not changed from the \$5.75 to \$6.50 per bushel.

Cotton Export Prospects Continue to Strengthen

U.S. cotton exports are now projected at 6.8 million bales for 1979/80, up 0.3 million from last month's estimate. This revision primarily reflects improved demand from the People's Republic of China which has been buying heavily in the U.S. market in recent weeks. Chinese purchases of U.S. cotton for delivery this season may total about 1.5 million bales, about twice last season's level. Total U.S. exports plus outstanding sales now stand at 6.4 million bales and could reach 7 1/2 to 8 million by the end of the crop year as exports lag sales.

With this season's U.S. mill use placed at around 6.2 million bales, unchanged from the previous estimate, disappearance is expected to total about 13 million, the highest since 1973/74.

Cotton stocks are also increasing this season as the large prospective 1979 crop of 14.5 million bales is well in excess of needs. Ending stocks may total around 5.6 million bales, slightly below earlier indications, but sharply above the August 1, 1979, level of 4 million.

GRAIN CARRYOVER STOCKS, FARMER-OWNED RESERVE,
CCC INVENTORY, AND PRICES

```

*****
Crop          :          : Prelim.   : Projected
               : 1977/78 1/ : 1978/79 : 1979/80
*****
               :          : Million metric tons
WHEAT        :
Ending stocks, total : 32.0      25.2      23.2
  Farmer-owned reserve: 9.3        10.7       4.1
  CCC inventory      : 1.3        1.4        1.4
Average farm price 2/ : 86         108        132-143
               :
CORN         :
Ending stocks, total : 28.0      32.6      36.4
  Farmer-owned reserve: 8.0        13.7       13.3
  CCC inventory      : .3         2.5        2.5
Average farm price 2/ : 80         87         89-101.
               :
TOTAL FEED GRAINS :
Ending stocks, total : 41.2      45.8      47.4
  Farmer-owned reserve: 10.2       16.4       15.6
  CCC inventory      : .6         3.7        3.7
               :
RICE        :
Ending stocks, total : 1.2        1.5        1.9
  Farmer-owned reserve: ---        ---        ---
  CCC inventory      : .5         .4         .3
Average farm price 2/ : 209        176        193-215
               :
TOTAL GRAINS 3/ :
Ending stocks, total : 74.5      72.7      72.6
  Farmer-owned reserve: 19.5       27.1       19.7
  CCC inventory      : 2.4        5.5        5.4
*****

```

1/ Farmer-owned reserves and CCC inventory are as of June 1 for wheat, Oct. 1 for feed grains, and August 1 for rice.
2/ Dollars per metric ton. 3/ Includes rye.

FEED GRAINS AND CORN 1/

```

*****
Commodity      : 1977/78   : 1978/79   : 1979/80
                :           : Prelim.   : Proj. : Prob. variab.2/
*****
FEED GRAINS:
Area           :           : Million acres
  Planted      : 128.9    : 122.6     : 117.6
  Harvested    : 108.0    : 104.3     : 99.9
Yield per harv. :           : Metric tons
  acre        : 1.88     : 2.08      : 2.30
                :           : Million metric tons
Beginning stocks : 29.9     : 41.2      : 45.8
Production      : 203.4    : 217.3     : 229.3      +4 to -4
Imports         : .3       : .3         : .3
  Supply, total : 233.6    : 258.8     : 275.4      +4 to -4
Feed           : 117.3    : 133.1     : 136.9      +9 to -9
Food, seed, & ind. : 18.8    : 19.7      : 20.0
  Domestic, total : 136.1   : 152.8     : 156.9      +9 to -9
Exports        : 56.3     : 60.2      : 71.1      +5 to -5
  Use, total    : 192.4    : 213.0     : 228.0     +12 to -12
Ending stocks  : 41.2     : 45.8      : 47.4      +8 to -8
                :
CORN:
Area           :           : Million acres
  Planted      : 83.6     : 79.7      : 80.0
  Harvested    : 70.9     : 70.0      : 69.5
Yield per harv. :           : Bushels
  acre        : 90.7     : 101.2     : 109.2
                :           : Million bushels
Beginning stocks : 884      : 1,104     : 1,285
Production      : 6,425    : 7,082     : 7,586     +175 to -175
Imports         : 3        : 1         : 1
  Supply, total : 7,312    : 8,187     : 8,872     +175 to -175
Feed           : 3,709    : 4,194     : 4,350     +300 to -300
Food, seed, & ind. : 551     : 575       : 590
  Domestic, total : 4,260   : 4,769     : 4,940     +300 to -300
Exports        : 1,948    : 2,133     : 2,500     +150 to -150
  Use, total    : 6,208    : 6,902     : 7,440     +400 to -400
Ending stocks  : 1,104    : 1,285     : 1,432     +200 to -200
Avg. farm price 3/ : 2.02    : 2.20      : 2.25-2.55
*****

```

1/ Marketing year beginning October 1 for corn and sorghum; June 1 for barley and oats. 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, dollars per bushel.

SORGHUM, BARLEY AND OATS 1/

```

*****
Commodity      : 1977/78 : 1978/79 : 1979/80
                :          : Prelim. : Proj. : Prob. variab.2/
*****
SORGHUM:      :          :          :          :
Yield/harv. acre : 56.3    55.1    63.7
                :          :          :          :
                :          : Million bushels
Beginning stocks : 91      191     159
Production       : 793     748     825    +35 to -35
Imports          :
  Supply, total  : 884     939     984    +35 to -35
Feed             : 473     566     560    +30 to -30
Food, seed, & ind. : 7       7       7
  Domestic, total : 480     573     567    +30 to -30
Exports          : 213     207     250    +30 to -30
Use, total       : 693     780     817    +45 to -45
Ending stocks    : 191     159     167    +45 to -45
Avg. farm price 3/ : 1.82    2.00    2.15-2.40
BARLEY:        :          :          :          :
Yield/harv. acre : 43.9    48.4    48.9
                :          :          :          :
                :          : Million bushels
Beginning stocks : 126     172     227
Production       : 420     447     364
Imports          : 9       10      10
  Supply, total  : 555     629     601
Feed             : 168     206     205    +25 to -25
Food, seed, & ind. : 158     170     170
  Domestic, total : 326     376     375    +25 to -25
Exports          : 57      26      50     +20 to -20
Use, total       : 383     402     425    +40 to -40
Ending stocks    : 172     227     176    +30 to -30
Avg. farm price 3/ : 1.78    1.90    2.20-2.40
OATS:          :          :          :          :
Yield/harv. acre : 55.8    52.2    53.1
                :          :          :          :
                :          : Million bushels
Beginning stocks : 165     311     289
Production       : 751     601     531
Imports          : 2       1       1
  Supply, total  : 918     913     821
Feed             : 512     533     530    +50 to -50
Food, seed, & ind. : 84      78      80
  Domestic total : 596     611     610    +50 to -50
Exports          : 11      13      10     +2 to -2
Use, total       : 607     624     620    +50 to -50
Ending stocks    : 311     289     201    +35 to -35
Avg. farm price 3/ : 1.10    1.18    1.25-1.40
*****

```

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

WHEAT AND RICE 1/

 Commodity : 1977/78 : 1978/79 : 1979/80
 : : Prelim. : Proj.: Prob. variab. 2/

WHEAT:

Area	:		Million acres	
Planted	:	75.1	66.1	71.2
Harvested	:	66.5	56.8	62.2
Yield per harv.	:		Bushels	
acre	:	30.6	31.6	34.0
	:		Million bushels	
Beginning stocks	:	1,112	1,177	925
Production	:	2,036	1,799	2,114
Imports	:	2	1	2
Supply, total	:	3,150	2,977	3,041
Food	:	586	591	595
Seed	:	80	87	95
Feed and residual	:	183	180	100
Domestic, total	:	849	858	790
Exports	:	1,124	1,194	1,400
Use, total	:	1,973	2,052	2,190
Ending stocks	:	1,177	925	851
Avg. farm price 3/	:	2.33	2.94	3.60-3.90

RICE (rough):

Area	:		Million acres	
Allotment	:	1.80	1.80	1.80
Planted	:	2.26	3.00	3.05
Harvested	:	2.25	2.98	3.02
Yield per harv.	:		Pounds	
acre	:	4,412	4,493	4,626
	:		Million cwt.	
Beginning stocks	:	40.5	27.4	31.6
Production	:	99.2	133.8	139.6
Imports	:	.1	.1	
Supply, total	:	139.8	161.3	171.2
Domestic	:	37.7	48.0	50.5
Exports	:	72.8	76.9	79.0
Use, total	:	110.5	124.9	129.5
Ending stocks	:	27.4	31.6	41.7
Dif. unactd.	:	+1.9	+4.8	
Avg. farm price 3/	:	9.49	8.00	8.75-9.75

1/ Marketing year beginning June 1 for wheat and 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, dollars per bushel for wheat and dollars per hundredweight for rice.

SOYBEANS AND PRODUCTS (Domestic Measure) 1/

```

*****
Commodity      : 1977/78 : 1978/79 : 1979/80
                  :           : Prelim. : Proj. : Prob. variab.2/
*****
SOYBEANS:
Area           :           : Million acres
  Planted      : 58.8      : 64.0      : 71.5
  Harvested    : 57.6      : 63.3      : 70.2
Yield per harv. :           : Bushels/acre
  unit         : 30.6      : 29.5      : 31.8
              :           : Million bushels
Beginning stocks : 103       : 161       : 173
Production      : 1,762     : 1,870     : 2,236      : +60 to -60
  Supply, total : 1,865     : 2,031     : 2,409      : +60 to -60
Crushings       : 927       : 1,018     : 1,090      : +40 to -40
Exports         : 700       : 753 3/    : 825        : +40 to -40
Seed and feed   : 69        : 76        : 80
Residual        : 8         : 11        : 14
  Use, total    : 1,704     : 1,858     : 2,009      : +40 to -40
Ending stocks   : 161       : 173       : 400        : +40.to -40
Avg. farm price : 5.88      : 6.75      : 5.75-6.50
SOYBEAN OIL:           : Million pounds
Beginning stocks : 771       : 729       : 774        : +100 to -100
Production      : 10,288    : 11,323    : 11,880     : +440 to -440
  Supply, total : 11,059    : 12,052    : 12,654     : +440 to -440
  Domestic      : 8,273     : 8,944     : 9,400      : +400 to -400
  Exports       : 2,057     : 2,334     : 2,200      : +300 to -300
  Use, total    : 10,330    : 11,278    : 11,600     : +375 to -375
Ending stocks   : 729       : 774       : 1,054      : +300 to -300
Avg. price 4/   : 24.6      : 27.4      : 23-28
SOYBEAN MEAL:           : Thousand short tons
Beginning stocks : 228       : 243       : 267        : +50 to -50
Production      : 22,371    : 24,354    : 25,885     : +950 to -950
  Supply, total : 22,599    : 24,597    : 26,152     : +950 to -950
  Domestic      : 16,276    : 17,720    : 18,800     : +800 to -800
  Exports       : 6,080     : 6,610     : 7,000      : +400 to -400
  Use, total    : 22,356    : 24,330    : 25,800     : +800 to -800
Ending stocks   : 243       : 267       : 352        : +75 to -75
Avg. price 5/   : 164.20    : 190.10    : 160.00-200.00
*****

```

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 the outcome will fall within the indicated ranges. 3/ Based on inspections for export. 4/ Simple season average of crude soybean oil, Decatur, cents per pound. 5/ Simple season average of 44% protein, Decatur, dollars per short ton.

SOYBEANS AND PRODUCTS (Metric Measure) 1/

```

*****
Commodity : 1977/78 : 1978/79 : 1979/80
           :         : Prelim. : Proj. : Prob. variab. 2/
*****
SOYBEANS:
Area      :           Million hectares
  Planted :    23.8      25.9      28.9
  Harvested :   23.3      25.6      28.4
Yield per harv. : Metric tons/hectare
  unit    :    2.06      1.98      2.14
           :           Million metric tons
Beginning stocks :    2.8        4.4        4.7
Production      :   48.0       50.9       60.9   +1.6 to -1.6
  Supply, total :   50.8       55.3       65.6   +1.6 to -1.6
Crushings       :   25.2       27.7       29.7   +1.1 to -1.1
Exports         :   19.1       20.5 3/    22.5   +1.1 to -1.1
Seed and feed   :    1.9        2.1        2.2
Residual        :    0.2        0.3        0.4
  Use, total    :   46.4       50.6       54.7   +1.1 to -1.1
Ending stocks   :    4.4        4.7       10.9   +1.1 to -1.1
Avg. farm price :    216        248      211-239
SOYBEAN OIL:
           :           Thousand metric tons
Beginning stocks :    350        331        351   +45 to -45
Production      :  4,667       5,136       5,389  +200 to -250
  Supply total   :  5,016       5,467       5,740  +200 to -250
Domestic        :  3,753       4,057       4,264  +180 to -180
Exports         :    933       1,059        998  +135 to -135
  Use, total     :  4,686       5,116       5,262  +170 to -170
Ending stocks   :    331        351        478  +135 to -135
Avg. price 4/   :    542        604      507-617
SOYBEAN MEAL:
           :           Thousand metric tons
Beginning stocks :    207        220        242   +45 to -45
Production      : 20,295      22,094      23,482  +855 to -855
  Supply, total : 20,501      22,314      23,723  +855 to -855
Domestic        : 14,765      16,075      17,055  +720 to -720
Exports         :  5,516       5,996       6,350  +365 to -365
  Use, total     : 20,281      22,072      23,405  +720 to -720
Ending stocks   :    220        242        319   +70 to -70
Average price 5/ :    181        210      176-220
*****

```

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 the outcome will fall within the indicated ranges. 3/ Based on inspections for export. 4/ Simple season average of crude soybean oil, Decatur, dollars per metric ton. 5/ Simple season average of 44% protein, Decatur, dollars per metric ton.

COTTON: UPLAND AND EXTRA LONG STAPLE 1/

 Commodity : 1977/78 : 1978/79 : 1979/80
 : : Prelim. : Proj.:Prob.variab.2/

DOMESTIC MEASURE
 Area : Million acres
 Planted : 13.7 13.4 14.1
 Harvested : 13.3 12.4 13.0
 Yield per harv. : Pounds
 acre : 520 421 535
 : Million 480-lb. bales
 Beginning stocks^{3/} : 2.9 5.3 4.0
 Production : 14.4 10.9 14.5 +0.6 to -0.6
 Supply, total^{4/} : 17.3 16.2 18.5 +.6 to -.6
 Mill use : 6.5 6.4 6.2 +.3 to -.3
 Exports : 5.5 6.2 6.8 +.6 to -.6
 Use, total : 12.0 12.5 13.0 +.5 to -.5
 Dif. unactd. 5/ : 6/ .3 6/
 Ending stocks : 5.3 3/ 4.0 3/ 5.6 +.9 to -.9
 Avg. farm price 7/ : 52.3 58.8 8/ 9/ .

METRIC MEASURE
 Area : Million hectares
 Planted : 5.54 5.41 5.69
 Harvested : 5.37 5.01 5.28
 Yield per harv. : Metric tons
 hectare : .58 .47 .60
 : Million metric tons
 Beginning stocks^{3/} : .64 1.16 .87
 Production : 3.13 2.36 3.17 +.13 to -.13
 Supply, total 4/ : 3.77 3.53 4.03 +.13 to -.13
 Mill use : 1.42 1.39 1.35 +.07 to -.07
 Exports : 1.19 1.35 1.48 +.13 to -.13
 Use, total : 2.61 2.72 2.83 +.11 to -.11
 Dif. unactd. 5/ : 10/ .07 10/
 Ending stocks : 1.16 3/ .87 3/ 1.22 +.20 to -.20
 Avg. farm price 7/ : 1.15 1.30 8/ 9/

1/ Marketing year beginning Aug. 1. 2/ The "probable variability" reflects the "root mean square error" and/or "standard errors of estimate" and judgement. Chances are about 2 out of 3 that the outcome will fall within the indicated ranges. 3/ Based on Bureau of Census data. 4/ Includes imports. 5/ Difference between ending stocks based on Bureau of Census data and preceding season's supply less distribution. 6/ Less than 0.05. 7/ Season average farm price, domestic measure, cents per pound; metric measure, dollars per kilogram. 8/ Average price to April 1, 1979. 9/ USDA is prohibited from projecting cotton prices. 10/ Less than 0.005.
 Note: Totals may not add due to rounding.

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

FEED GRAINS: Paul Meyers, Chairman, WFAOSB; Frank Gomme, OGSM;
Donald J. Novotny, FAS; Orville I. Overboe, ASCS; Ralph Tapp,
AMS; Bruce Wright, ESCS;

SOYBEANS, COTTONSEED AND OILS: Jim L. Matthews, Chairman,
WFAOSB; Clarence Goldsborough, OGSM; Alan E. Holz, FAS; George W.
Kromer, ESCS; David Spalding, AMS; Harry Sullivan, ASCS.

WHEAT: Paul Meyers, Chairman, WFAOSB; Frank Gomme, OGSM;
Donald J. Novotny, FAS; David Spalding, AMS; Randell Weber, ASCS;
Bruce Wright, ESCS.

RICE: Paul Meyers, Chairman, WFAOSB; Frank Gomme, OGSM; Charles
Hunley, AMS; Donald J. Novotny, FAS; George Schaefer, ASCS;
Bruce Wright, ESCS.

COTTON: Russell G. Barlowe, Chairman, WFAOSB; Wayne E. Bjorlie,
ASCS; Donald Bratton, AMS; R. Samuel Evans, ESCS; Gordon H.
Lloyd, FAS; Geron E. Rathell, OGSM.

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 .217727	
Cwt. to metric tons	
Rice = cwt. x .0453592	
Kilograms to pounds	
Kilogram = 2.2046 pounds	