



WORLD AGRICULTURAL SUPPLY AND DEMAND ESTIMATES

U.S. Department of Agriculture
Economics and Statistics Service
Foreign Agricultural Service

Approved by The World Food and Agricultural Outlook and Situation Board

WASDE-112

January 27, 1981

HIGHLIGHTS

January 1 Stocks About as Expected; Feedgrain Stocks to be Tight

U.S. stocks of feedgrains and soybeans on January 1 were well below year-ago levels, while wheat stocks were larger. Season-ending wheat stocks, however, are expected to be drawn down to near last June's level, since use during the January-May period is projected to exceed last year. The 1980/81 feedgrain carryover forecast has been adjusted upward in line with the revision in beginning stocks. Soybean, rice and cotton forecasts are unchanged from the January 15 World Agricultural Supply and Demand estimates.

Little Change in Feedgrain Prospects

Domestic feed use of corn during October-December 1980 was virtually the same as a year ago and in line with livestock numbers and output in that period. But with rising feed prices and declining livestock output expected in coming months, corn feed use for the season is forecast to decline around 4 percent from the 1979/80 level. Prospective large exports, however, will mean total 1980/81 use of corn will be much larger than production, which reduces likely October 1 stocks to the lowest level since 1976. Reported stocks of sorghum, barley, and oats were close to expectations. No changes were made in 1980/81 feedgrain disappearance estimates. The 1979/80 corn carryover forecast was revised upward 20 million bushels resulting in a 20-million-bushel reduction in 1979/80 feed use.

Feedgrain prices for 1980/81 are projected to average well above a year earlier, with corn expected to range between \$3.25 and \$3.60 a bushel, up from last year's \$2.52.

Projected Wheat Use Unchanged

Wheat stored in all positions on January 1 totaled 1.90 billion bushels (51.8 million metric tons), 11 percent above last year and 17 percent more than 2 years ago. Disappearance in June-December 1980 totaled 570 million bushels compared with 555 million bushels a year ago. With a continued high level of use during January-April, June 1 stocks are expected to remain around the year-ago level. No changes were made in use estimates for the 1980/81 marketing year.

Farm prices are projected to be in the \$3.95-\$4.15 per bushel range, up from the 1979/80 season average price of \$3.78 per bushel.

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*****  
* This report reflects minor changes in the U.S. grain *  
* outlook, based primarily on information contained in the *  
* January 26 Grain Stocks report and implies no new sig- *  
* nificant changes for world estimates. *  
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GRAINS—UNITED STATES

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*****
Item          : Wheat : Rice  : Corn  : Feed  : Total
                :      : (Milled):      : grains1/:grains 2/
*****
                :      :      :      :      :
                :      :      :      :      : Million metric tons
1978/79
Beginning stocks : 32.1  0.9   28.2   41.4   74.5
Production       : 48.3  4.3   184.6  221.5  274.7
  Supply, total 3/ : 80.4  5.2   212.8  263.2  349.5
:
Feed and residual : 4.3   ---   111.0  137.1  141.6
Food & other use  : 18.5  1.7   14.6   19.7   40.2
Exports          : 32.5  2.4   54.2   60.2   95.1
  Use, total     : 55.3  4.1   179.7  217.0  276.9
Ending stocks    : 25.1  1.0   33.1   46.2   72.5
Average farm price 4/ : 109  180 5/ 89   ---   ---
:
1979/80 (preliminary)
Beginning stocks : 25.1  1.0   33.1   46.2   72.5
Production       : 58.1  4.3   201.7  238.2  301.2
  Supply, total 3/ : 83.3  5.3   234.8  284.7  374.1
:
Feed and residual : 2.4   ---   115.4  139.4  142.0
Food & other use  : 18.9  1.8   16.5   21.6   42.6
Exports          : 37.4  2.7   61.8   71.3  111.5
  Use, total     : 58.7  4.5   193.7  232.3  296.0
Ending stocks    : 24.5  .8    41.1   52.4   78.0
Average farm price 4/ : 139  231 5/ 99   ---   ---
:
1980/81 (projected)
Beginning stocks : 24.5  .8    41.1   52.4   78.0
Production       : 64.5  4.8   168.9  198.2  267.9
  Supply, total 3/ : 89.1  5.6   210.0  250.9  346.3
:
Feed and residual : 3.4   ---   110.5  131.2  134.8
Food & other use  : 19.5  1.7   19.1   24.1   45.6
Exports          : 41.5  3.1   66.0   74.2  118.9
  Use, total     : 64.4  4.8   195.6  229.5  299.3
Ending stocks    : 24.7  .8    14.4   21.4   47.0
Average farm price 4/ : 145-152 243-265 5/ 128-142 --- ---
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1/ Including corn. 2/ Includes rye. 3/ Including imports.
4/ Dollars per metric ton. 5/ Rough rice price.

U.S. GRAIN CARRYOVER STOCKS, FARMER-OWNED RESERVE,
CCC INVENTORY, AND PRICES 1/

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*****
Crop          :          : Preliminary : Projected
               : 1978/79 : 1979/80   : 1980/81
*****
               :          : Million metric tons
WHEAT
Ending stocks, total : 25.1      24.5      24.7
  Farmer-owned reserve: 10.7      6.8        7.9
  CCC inventory       : 1.4       5.4        5.2
  Free stocks        : 13.0     12.3       11.7
Average farm price 2/ : 109       139       145-152
:
CORN
Ending stocks, total : 33.1      41.1      14.4
  Farmer-owned reserve: 13.7     16.2        ---
  CCC inventory       : 2.5       6.5        1.3
  Free stocks        : 16.9     18.4       13.1
Average farm price 2/ : 89        99       128-142
:
TOTAL FEED GRAINS
Ending stocks, total : 46.2     52.4      21.4
  Farmer-owned reserve: 16.4     17.5        .3
  CCC inventory       : 3.8       7.7        1.3
  Free stocks        : 26.0     27.2      19.8
:
RICE (Rough)
Ending stocks, total : 1.4       1.2        1.0
  Farmer-owned reserve: ---       ---        ---
  CCC inventory       : .4        .1         ---
  Free stocks        : 1.0       1.1        1.0
Average farm price 2/ : 180      231      243-265
:
TOTAL GRAINS 3/
Ending stocks, total : 72.9     78.4      47.2
  Farmer-owned reserve: 27.1     24.3        8.2
  CCC inventory       : 5.6      13.2        6.5
  Free stocks        : 40.2     40.9      32.5
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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.

U.S. FEED GRAINS AND CORN 1/

 Commodity : 1978/79 : 1979/80 : 1980/81 2/
 : : Preliminary: Proj. : Prob. variab.

FEED GRAINS:
 Area : Million acres
 Planted : 124.3 118.8 121.7
 Harvested : 105.6 102.5 101.6
 Yield per harv. : Metric tons
 acre : 2.10 2.32 1.95
 : Million metric tons
 Beginning stocks : 41.4 46.2 52.4
 Production : 221.5 238.2 198.2
 Imports : .3 .3 .3
 Supply, total : 263.2 284.7 250.9
 Feed and residual : 137.1 139.4 131.2 +9 to -9
 Food, seed, & ind. : 19.7 21.6 24.1 +1 to -1
 Domestic, total : 156.8 161.0 155.3 +9 to -9
 Exports : 60.2 71.3 74.2 +6 to -6
 Use, total : 217.0 232.3 229.5 +13 to -13
 Ending stocks : 46.2 52.4 21.4 +7 to -4

CORN:
 Area : Million acres
 Planted : 81.7 81.4 84.1
 Harvested : 71.9 72.4 73.1
 Yield per harv. : Bushels
 acre : 101.0 109.7 91.0
 : Million bushels
 Beginning stocks : 1,111 1,304 1,617
 Production : 7,268 7,939 6,648
 Imports : 1 1 1
 Supply, total : 8,380 9,244 8,266
 Feed and residual : 4,368 4,544 4,350 +300 to -300
 Food, seed, & ind. : 575 650 750 +25 to -25
 Domestic, total : 4,943 5,194 5,100 +315 to -315
 Exports : 2,133 2,433 2,600 +200 to -200
 Use, total : 7,076 7,627 7,700 +450 to -450
 Ending stocks : 1,304 1,617 566 +200 to -100
 Avg. farm price 3/ : 2.25 2.52 3.25-3.60

 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.

U.S. SORGHUM, BARLEY AND OATS 1/

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*****
Commodity      : 1978/79 : 1979/80 : 1980/81
                :          : Preliminary: Proj. : Prob. variab 2/
*****
SORGHUM:      :          :          :          :
Yield/harv. acre : 54.5    62.7    46.2
                :          :          :          :
                :          : Million bushels
Beginning stocks : 191     160     147
Production       : 731     809     588
Imports          :
  Supply, total  : 922     969     735
Feed and residual : 548     490     400    +30 to -30
Food, seed, & ind. : 7       7       7
  Domestic, total : 555     497     407    +30 to -30
Exports          : 207     325     250    +25 to -25
  Use, total      : 762     822     657    +50 to -50
Ending stocks    : 160     147     78     +15 to -15
Avg. farm price 3/ : 2.01    2.34  3.15-3.45
BARLEY:       :          :          :          :
Yield/harv. acre : 49.2    50.9    49.6
                :          :          :          :
                :          : Million bushels
Beginning stocks : 173     228     192
Production       : 455     383     359
Imports          : 10      12      10
  Supply, total  : 638     623     561
Feed and residual : 214     206     185    +25 to -25
Food, seed, & ind. : 170     170     172
  Domestic, total : 384     376     357    +25 to -25
Exports          : 26      55      75    +20 to -20
  Use, total      : 410     431     432    +40 to -40
Ending stocks    : 228     192     129    +20 to -20
Avg. farm price 3/ : 1.92    2.29  2.65-2.85
OATS:         :          :          :          :
Yield/harv. acre : 52.3    54.4    53.0
                :          :          :          :
                :          : Million bushels
Beginning stocks : 313     280     236
Production       : 582     527     458
Imports          : 1       1       1
  Supply, total  : 896     808     695
Feed and residual : 525     488     450    +25 to -25
Food, seed, & ind. : 78      80      80
  Domestic, total : 603     568     530    +25 to -25
Exports          : 13      4       10    +5 to -5
  Use, total      : 616     572     540    +25 to -25
Ending stocks    : 280     236     155    +20 to -20
Avg. farm price 3/ : 1.20    1.37  1.60-1.80
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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.

U.S. WHEAT AND RICE 1/

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*****
Commodity      : 1978/79 : 1979/80 :      1980/81
                :           : Preliminary: Proj. : Prob. variab. 2/
*****
WHEAT:
Area           :           : Million acres
  Planted      : 66.0      : 71.4      : 80.4
  Harvested    : 56.5      : 62.5      : 70.9
Yield per harv. :           : Bushels
  acre         : 31.4      : 34.2      : 33.4
                :           : Million bushels
Beginning stocks : 1,178     : 924       : 902
Production      : 1,776     : 2,134     : 2,370
Imports         : 2         : 2         : 2
Supply, total   : 2,956     : 3,060     : 3,274
Food           : 592       : 595       : 605      +5 to -5
Seed           : 87        : 101       : 110     +5 to -5
Feed and residual : 159      : 87        : 125     +50 to -50
  Domestic, total : 838      : 783       : 840     +55 to -55
Exports        : 1,194     : 1,375     : 1,525   +100 to -100
  Use, total     : 2,032     : 2,158     : 2,365   +125 to -125
Ending stocks   : 924       : 902       : 909     +125 to -125
Avg. farm price 3/ : 2.97     : 3.78     : 3.95-4.15
                :
RICE (rough equiv.):
Area           :           : Million acres
  Allotment    : 1.80      : 1.80      : 1.80
  Planted      : 2.99      : 2.89      : 3.36
  Harvested    : 2.97      : 2.87      : 3.33
Yield per harv. :           : Pounds
  acre         : 4,484     : 4,599     : 4,403
                :           : Million cwt.
Beginning stocks : 27.4      : 31.6      : 25.7
Production      : 133.2     : 131.9     : 145.1
Imports         : .1        : .1        : ---
Supply, total   : 160.7     : 163.6     : 170.8
Domestic        : 49.2      : 48.9      : 51.0     +2 to -2
Exports         : 75.7      : 82.5      : 94.0     +5 to -5
  Use, total     : 124.9     : 131.4     : 145.0   +6 to -6
Ending stocks   : 31.6      : 25.7      : 22.8     +6 to -6
Dif. unactd.    : +4.2      : +6.5      : +3.0 4/
Avg. farm price 3/ : 8.16     : 10.50    : 11.00-12.00
*****

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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. 4/ Projected based on historical relationships.

U.S. SOYBEANS AND PRODUCTS (Domestic Measure) 1/

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*****
Commodity      : 1978/79 : 1979/80 : 1980/81
                :           : Preliminary: Proj. : Prob. variab 2/
*****
SOYBEANS:      :
Area           :           Million acres
  Planted      :    64.7    71.6    70.1
  Harvested   :    63.7    70.6    67.9
Yield per harv. :           Bushels/acre
  unit        :    29.4    32.1    26.8
                :           Million bushels
Beginning stocks :    161    174    359
Production      :   1,869   2,268   1,817
  Supply, total :   2,030   2,442   2,176
Crushings       :   1,018   1,123   1,075   +30 to -30
Exports         :    739    875    800     +30 to -30
Seed and feed   :    76     68     70
Residual        :    23     17     21
  Use, total    :   1,856   2,083   1,966   +50 to -50
Ending stocks   :    174    359    210     +50 to -50
Avg. farm price :    6.66    6.28    7.90   +.75 to -.50
SOYBEAN OIL:   :           Million pounds
Beginning stocks :    729    776    1,210
Production      :  11,323  12,105  11,720  +350 to -350
  Supply, total :  12,052  12,881  12,930  +350 to -350
  Domestic     :   8,942   8,981   9,250   +300 to -300
  Exports      :   2,334   2,690   2,200   +200 to -200
  Use, total   :  11,276  11,671  11,450  +400 to -400
Ending stocks   :    776    1,210   1,480   +300 to -300
Avg. price 3/   :    27.4    24.3    24.5   +4.0 to -2.0
SOYBEAN MEAL:  :           Thousand short tons
Beginning stocks :    243    267    226
Production      :  24,354  27,105  25,694  +750 to -750
  Supply, total :  24,597  27,372  25,920  +750 to -750
  Domestic     :  17,720  19,238  18,900  +500 to -500
  Exports      :   6,610   7,908   6,700   +300 to -300
  Use, total   :  24,330  27,146  25,600  +500 to -500
Ending stocks   :    267    226    320     +50 to -50
Avg. price 4/   :  190.10  181.90  235.00  +30 to -20
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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 the outcome will fall within the indicated ranges. 3/ Simple average of crude soybean oil, Decatur, cents per pound. 4/ Simple average of 44% protein, Decatur, dollars per short ton.

SOYBEANS AND PRODUCTS (Metric Measure) 1/

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*****
Commodity : 1978/79 : 1979/80 : 1980/81
           :           : Prelim. : Proj. : Prob. variab 2/
*****
SOYBEANS:
Area      :           Million hectares
  Planted :    26.2    29.0    28.4
  Harvested :   25.8    28.6    27.5
Yield per harv. : Metric tons/hectare
  unit    :    1.98    2.16    1.80
           :           Million metric tons
Beginning stocks :    4.4    4.7    9.8
Production      :   50.9   61.7   49.4
  Supply, total :   55.3   66.4   59.2
Crushings       :   27.7   30.6   29.3    +.8 to -.8
Exports         :   20.1   23.8   21.8    +.8 to -.8
Seed and feed   :    2.1    1.8    1.9
Residual        :    .7    .5    .6
  Use, total    :   50.6   56.7   53.5    +1.4 to -1.4
Ending stocks   :    4.7    9.8    5.7    +1.4 to -1.4
Avg. farm price :   245    231    290    +28 to -18
SOYBEAN OIL:   :           Thousand metric tons
Beginning stocks :    331    352    549
Production      :   5,136   5,491   5,316    +159 to -159
  Supply total   :   5,467   5,843   5,865    +159 to -159
  Domestic      :   4,056   4,074   4,196    +136 to -136
  Exports       :   1,059   1,220   998     +91 to -91
  Use, total     :   5,115   5,294   5,194    +181 to -181
Ending stocks   :    352    549    671    +136 to -136
Avg. price 3/   :   604    536    540    +88 to -44
SOYBEAN MEAL:  :           Thousand metric tons
Beginning stocks :    220    242    205
Production      :  22,094  24,589  23,309    +680 to -680
  Supply, total  :  22,314  24,831  23,514    +680 to -680
  Domestic      :  16,075  17,452  17,146    +454 to -454
  Exports       :   5,996   7,174   6,078    +272 to -272
  Use, total     :  22,072  24,626  23,224    +454 to -454
Ending stocks   :    242    205    290    +45 to -45
Average price 4/ :   210    201    259    +33 to -22
*****

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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 the outcome will fall within the indicated ranges. 3/ Simple average of crude soybean oil, Decatur, dollars per metric ton. 4/ Simple average of 44% protein, Decatur, dollars per metric ton.

U.S. COTTON: UPLAND AND EXTRA LONG STAPLE 1/

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*****
Commodity      : 1978/79 : 1979/80 : 1980/81
                :         :         : Proj. : Prob. variab 2/
*****
                :
                :         DOMESTIC MEASURE
Area           :         Million acres
  Planted      :      13.4      14.0      14.6
  Harvested    :      12.4      12.8      13.0
Yield per harv. :         Pounds
  acre         :      420       547       411
                :         Million 480-lb. bales
Beginning stocks3/ :      5.3       4.0       3.0
Production     :      10.9      14.6      11.1  +0.2 to -0.2
  Supply, total 4/ :      16.2      18.6      14.2  +0.2 to -0.2
Mill use       :      6.4       6.5       6.0  +0.2 to -0.2
Exports        :      6.2       9.2       5.5  +0.5 to -0.5
  Use, total   :      12.5      15.7      11.5  +0.7 to -0.7
Dif. unactd. 5/ :      .3        .1        .1
Ending stocks 3/ :      4.0       3.0       2.8  +0.6 to -0.6
Avg. farm price 6/ :      58.4      63.4      78.0 7/
                :
                :         METRIC MEASURE
Area           :         Million hectares
  Planted      :      5.41      5.64      5.90
  Harvested    :      5.02      5.19      5.26
Yield per harv. :         Metric tons
  hectare     :      .47       .61       .46
                :         Million metric tons
Beginning stocks3/ :      1.16      .87       .65
Production     :      2.36      3.19      2.42  +.04 to -.04
  Supply, total 4/ :      3.53      4.05      3.09  +.04 to -.04
Mill use       :      1.39      1.42      1.31  +.04 to -.04
Exports        :      1.35      2.00      1.20  +.11 to -.11
  Use, total   :      2.72      3.42      2.50  +.15 to -.15
Dif. unactd. 5/ :      .07       .02       .02
Ending stocks  :      .87 3/    .65       .61  +.13 to -.13
Avg. farm price 6/ :      1.29      1.40      1.72 7/
*****

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1/ Marketing year beginning Aug. 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/ Based on Bureau of the Census data. 4/ Includes imports. 5/ Difference between ending stocks based on Bureau of Census data and preceding season's supply less distribution. 6/ Season average farm price, domestic measure, cents per pound; metric measure, dollars per kilogram. 7/ Simple average for upland cotton price for the first 5 months of the season; not a projection for 1980/81. Note: Totals may not add due to rounding.

 The World Agricultural Supply and Demand Estimates were approved by
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The World Agricultural Supply and Demand Estimates report draws on
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Conversion Factors	
Bushels to metric tons	480-lb. bales to metric tons
Wheat & soybeans = bushels x .027216	Cotton = bales x .217727
Barley = bushels x .021772	Cwt. to metric tons
Corn, sorghum, rye = bushels x .025401	Rice = cwt. x .045359
Oats = bushels x .014515	Kilogram = 2.204622 pounds
1 hectare = 2.471044 acres	