



ILLINOIS FARM AND FOOD OUTLOOK

COLLEGE OF AGRICULTURE DEPARTMENT OF AGRICULTURAL ECONOMICS

Urbana, Illinois 61801

October 15, 1975

CROP PRODUCTION

T.A. Hieronymous

THE OCTOBER 1 CROP ESTIMATES FOR CORN AND SOYBEANS were up slightly from September 1. The corn crop was estimated at 5,737 million bushels compared to 5,687 million a month ago, an increase of 9 tenths of 1 percent. The soybean crop was estimated at 1,474 million, versus 1,442 million a month ago.

The estimate of grain sorghum production was down 9 million bushels, at 776 million. The estimates for oats and barley were unchanged. Total feed grain production is now estimated at 202.3 million tons, compared to 201.1 million a month ago.

The estimate for the Illinois average corn yield was raised from 110 bushels per acre to 113. Iowa was up from 86 to 89, as was Nebraska. These were the only significant changes.

The next estimates will be released on November 10. There is usually little change from October 1 to November 1. The estimates were made about September 1, however, before many farmers had gotten into the fields. As harvest progresses, producers report that corn yields are larger than expected earlier. This opens the possibility that the next estimate for Illinois will be higher.

The important thing about the most recent production estimates is that they confirm a very large grain supply. Corn production is up 23 percent from a year ago, and the crop is a record size. Wheat production is up 19 percent, and is also a record. Soybean production is up 20 percent, which would be almost as large as the record 1973 crop.

The income implications for Illinois farmers are significant. Current corn prices are about \$2.60 a bushel. Multiplying this by 1,203 million bushels yields a gross value of \$3,128 million. A year ago, the price was \$3.65 and production was 831 million bushels for a gross value of \$3,033 million. In 1974, prices declined from October, so that less than \$3 billion was realized. The course of prices from this October is uncertain, but the chances of holding the level at \$2.60 to \$3 appear to be much better than holding last year's figure of \$3.65.

The current soybean price is about \$5.20 a bushel. Multiplying a production of 295 million bushels by this yields a gross of \$1,534 million. A year ago, the

price was \$8.10 and production was 209 million, for a gross of \$1,685 million. But the \$8.10 faded to \$5 before the gross could be realized. The current \$5.20 is in much less danger.

Illinois farmers have the best of all possible worlds: bumper crops and high prices. This is a good year. But lest we forget, this happy combination is the result of adversity elsewhere, particularly in our neighboring states to the west and in Russia.

This material was prepared by T.A. Hieronymus, Professor of Agricultural Economics, expressly for this newsletter. M.B. Kirtley, Extension Specialist, Livestock Marketing.

Cooperative Extension Service
United States Department of Agriculture
University of Illinois
At Urbana-Champaign
Urbana, Illinois 61801

Official Business
Penalty for private use, \$300

10/75-17,125

FIRST CLASS

POSTAGE AND FEES PAID
U.S. DEPARTMENT OF
AGRICULTURE
AGR 101

