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ILLINOIS FARM AND FOOD OUTLOOK
COLLEGE OF AGRICULTURE
DEPARTMENT OF AGRICULTURAL ECONOMICS

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CORN CROP PROSPECTS GOOD, WHEAT CROP LARGE

IN THE JULY REPORT ON CROP PRODUCTION, the USDA estimated the 1979 U.S. corn crop at 6.66 billion bushels. That estimate reflects an expected yield of 95.8 bushels per acre, compared to 101.2 bushels per acre last year and a 4-year average of 91.5 bushels. The July report is based on crop conditions as of July 1 and assumes normal weather for the remainder of the growing season. Future estimates will reflect changing weather conditions and could vary substantially from the current estimate. Last year, for example, the estimated yield in July was 11 bushels per acre below the final figure.

The corn yield in Illinois is expected to average 110 bushels per acre, essentially unchanged from last year. Average yields in Ohio and Indiana are now estimated at 105 and 107 bushels, respectively, also unchanged from last year. For Iowa, the average corn yield is estimated at 106 bushels per acre, compared to a record 117 bushels last year. Conditions point to substantial yield reductions in Minnesota and Nebraska.

The 1979 winter wheat crop was larger than expected. At 35.9 bushels, the average yield was 3 bushels above the June estimate. The winter crop totaled 1.56 billion bushels, up 25 percent from last year. The estimate for total wheat production is now 2.1 billion bushels, 17 percent more than last year.

IMPLICATIONS. If the estimated corn crop of 6.66 billion bushels materializes, corn supplies will be ample during the 1979-80 marketing year. The arithmetic goes something like this. Adding the carryover to the estimated production puts the total supply of corn at slightly over 8.04 billion bushels. A comfortable ending inventory of 775 million bushels would leave 7.26 billion bushels for consumption. Allowing 600 million for food purposes and assuming a healthy export figure of 2.3 billion bushels leaves 4.36 billion bushels of corn for use in domestic livestock feed. We are likely to feed 4.3 billion bushels of corn this year. So the prospective supply for next year would allow for a slight increase.

The demand for corn as feed depends partly on the price of corn. However, large numbers of livestock, particularly hogs and broilers, should keep the demand strong through the first quarter of the 1979-80 crop year. The recent reduction in feeding profitability, though, may result in decisions that will slow down or

