



# ILLINOIS FARM AND FOOD OUTLOOK

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## 1979 CORN SUPPLIES ARE LARGE

CORN STOCKS AT THE END OF THE 1978-79 CROP YEAR totaled 1.285 billion bushels, according to the USDA's report of October Grain Stocks. This figure is about 16 percent higher than last year, but is in line with most expectations. Sixty percent of the corn inventory is being held on farms.

Inventories of other feed grains were below year-ago figures: sorghum, down 16 percent; oats, down 13 percent; and, barley down 4.5 percent. Inventories of all feed grains, including corn, were up 11 percent from last year.

The geographic distribution of corn inventories is significant. Stocks in the western Corn Belt states of Iowa, Nebraska, Minnesota, and South Dakota were 34 percent larger than last year and accounted for 69 percent of all inventories. By contrast, stocks in the eastern Corn Belt states of Illinois, Indiana, and Ohio were 24 percent smaller than a year ago and accounted for only 12 percent of the total. Since a larger percentage of the eastern Corn Belt storage capacity is available to hold the record 1979 crop, the corn basis has been quite narrow in most areas east of the Mississippi during the early stages of harvest. However, the total corn supply (carryover plus harvest) in the eastern Corn Belt states is estimated at 101 million bushels above last year. As the harvest progresses, the corn basis is likely to widen somewhat.

The large corn supply plus transportation problems have resulted in an extremely wide corn basis in many areas of the western Corn Belt. This situation may improve after the harvest is completed, but the basis could remain relatively wide all season.

With ending inventory figures in hand, the estimates for corn use during the 1978-79 crop year can be finalized. Based on weekly inspection figures, corn exports reached a record 2.134 billion bushels last year, almost 10 percent higher than the previous year's record. The food use of corn continues to grow, totaling 575 million bushels during the year just ended. Subtracting known use from the total supply indicates that the feed use of corn was 4.192 billion bushels last year, 12.5 percent more than the year before.

Based on the USDA's report of October Grain Stocks and the October Crop Production report, corn supplies for the current marketing year, at 8.675 billion

