



# WEEKLY OUTLOOK

Department of Agricultural Economics  
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## WORLD GRAIN PRODUCTION ESTIMATES UPDATED

THE USDA'S JUNE CROP PRODUCTION REPORT contained estimates of world grain production for 1982-83 and projections for 1983-84. The report also contained revised state-by-state estimates of the 1983 U.S. winter wheat crop.

For the current year, 1982-83, world coarse grain production is estimated at 781.6 million metric tons. About one-third of that production is in the United States. Coarse grain production in the United States has increased by 41 percent since 1972-73. This increase has been well publicized lately, as the grain surplus has mounted and acreage reduction programs have expanded. It is important to note, however, that coarse grain production outside of the United States has also increased by 41 percent since 1972-73. The high grain prices of the early 1970s stimulated as much productivity growth outside of the United States as within.

For the year ahead, 1983-84, world coarse grain production is expected to decline to 743.3 million metric tons, a drop of nearly 5 percent. Production in the United States is forecast at 188.8 million tons, down 26 percent from the current year and only 4 percent above the 1972-73 crop. Production outside of the United States is projected at 554.5 million tons, up 5.4 percent from this year and 49 percent greater than the 1972-73 crop. Most of the growth in production for the year ahead is expected in Russia and South Africa. The South African crop was severely damaged by drought this year. Based on these estimates, the United States will account for only one-fourth of the world coarse grain crop in 1983-84.

The 1983 U.S. winter wheat crop is expected to total 1.88 billion bushels, down 10 million bushels from last month's estimate and down 225 million from the 1982 crop. The U.S. average yield is projected at 40.1 bushels per acre, up 4 bushels from last year. Harvested acreage is expected to total 47 million as compared with 58.3 million last year.

Production of hard red winter wheat is expected to be down 11.8 percent, soft red is down 15.5 percent, and white wheat production is up 7 percent from last year. No official estimate of the spring wheat crop has been made. Based on planted acreage estimates and normal yields, the crop is expected to total 460 million bushels,

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down 34 percent from last year. Production of all wheat is estimated at 2.343 billion bushels, down 16.5 percent from 1982.

Wheat production outside of the United States is expected to increase modestly during the year ahead. The greatest increase is expected in Australia as production there recovers from this year's drought. The U.S. share of world wheat production will drop from 15.9 percent to 13.5 percent if the current crop estimate holds up.

It should be noted that production estimates for 1983-84 are tentative, as much of the world crop is still in the growing stage and some has not yet been planted. In addition, spring weather in Europe and Russia has been less than ideal. Some private analysts expect the Russian grain crop to be significantly less than the current USDA estimate of 200 million tons. However, the expected changes in production have definite implications. The United States is making significant cuts in grain production because of the current surplus. Production outside of the United States continues to expand. In addition, the value of the U.S. dollar has remained strong against most foreign currencies. Exports of U.S. grain will likely account for a smaller share of the world total during the year ahead.

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