



WEEKLY OUTLOOK

Department of Agricultural Economics
College of Agriculture
University of Illinois at Urbana-Champaign

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EXPORT UPDATE

THE 1983-84 CORN MARKETING YEAR BEGAN ON OCTOBER 1, 1983. Through March 1, 1984, corn exports totaled 809.3 million bushels, about 1 percent less than was exported by the same date a year ago. Compared with last year, corn exports have increased to the countries of Mexico, Japan, and Taiwan. Sales to the Soviet Union are also much larger than a year ago, although actual shipments to date are about equal to year-ago levels. Imports of U.S. corn have been less than last year's level in western Europe, eastern Europe, and Korea.

The latest USDA figures estimate corn exports for the 1983-84 marketing year at 1.875 billion bushels, about unchanged from last year's exports. To reach that level, exports during the remaining 31 weeks of the marketing year must average 34.4 million bushels per week. Exports for the first 21 weeks of the year averaged 38.5 million bushels per week. There is normally a decline in the rate of U.S. corn exports in the spring and summer months as the southern hemisphere crop is harvested. However, that decline may not come as soon or be as severe as usual. The continuation of drought conditions in South Africa has reduced the potential size of that corn crop well below the most recent estimate of 7.1 million tons. Early estimates had placed that crop at 10.3 million tons. South Africa normally exports some corn, but will once again be a net importer of corn.

The other major southern hemisphere corn producing country is Argentina. The crop there is currently in the harvest stage, but harvesting progress has been slowed because of heavy rainfall. Some importers, particularly the Soviet Union, will turn to the United States for short-term corn needs.

Weekly corn exports should hold up very well for the next 3 months. Some reduction in sales will probably be experienced this summer if the 1984 crop appears to be large. All in all, corn exports for the year should reach the USDA projection of 1.875 billion bushels.

The 1983-84 soybean marketing year began on September 1, 1983. After 25 weeks, exports total 403.6 million bushels, 17 percent less than was exported during the same period last year. Sales have been reduced to almost every major importing country; the exceptions are the Soviet Union and Japan.

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As in the case of corn, U.S. soybean exports normally decline as the southern hemisphere crop is harvested and marketed in the spring and summer months. This year's crop in South America is expected to be about 95 million bushels larger than last year's crop. The USDA projects U.S. soybean exports for the year at 725 million bushels. To reach that level, weekly exports for the next 27 weeks must average 11.9 million bushels, as compared with the 16.1 million bushel average to date. The normal seasonal decline has not been as large as the decline projected for this year. Soybean exports may well exceed the USDA estimate by 15 to 20 million bushels.

There are only 13 weeks left in the 1983-84 wheat marketing year. Exports to date total 996.5 million bushels, 8 percent less than during the same period last year. Exports of wheat products have been larger than a year ago.

For the year, USDA expects wheat exports to reach 1.4 billion bushels, 7.2 percent less than exports during the 1982-83 marketing year. That estimate should hold up.

If expected corn exports materialize, the ending stocks of corn will be at minimum pipeline levels of about 500 million bushels. If our more optimistic estimate of soybeans is correct, soybean stocks will be reduced below the USDA's estimate of 150 million bushels.

Darrel Good

Issued by *Darrel Good*, Extension Specialist, Prices and Outlook

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

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