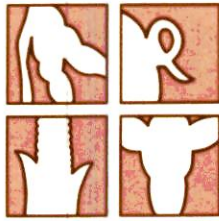




Cooperative  
Extension Service  
University of Illinois  
at Urbana-Champaign



# WEEKLY OUTLOOK

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

July 17, 1985

## CORN AND SOYBEAN STOCKS ARE LARGE; CROPS POTENTIALLY LARGE

THE USDA'S JUNE 1 *GRAIN STOCKS* REPORT, released on July 10, showed more corn and soybeans than expected. Corn inventories were estimated at 2.831 billion bushels, up nearly 700 million bushels from last year.

The higher than expected inventory of corn suggests that corn feeding during April and May was low for the second year in a row. As a result, the USDA lowered its corn feeding estimate for the year by 50 million bushels, to 4.15 billion. Inventories at the end of the marketing year (September 30) are projected at 1.231 billion bushels. That level of inventory is 508 million bushels above the level of stocks at the beginning of the marketing year.

June 1 soybean inventories were estimated at 609 million bushels, 136 million more than a year ago. Exceptionally low levels of exports account for the buildup in inventories. Exports during April and May totaled only 99 million bushels, the lowest level since 1975. The USDA projects exports for the year at 645 million bushels, the lowest level in eight years. Unless the rate of exports accelerates, the total for the year will be below the USDA projection. Inventories at the end of the marketing year (August 31) may exceed the current projection of 285 million bushels.

Wheat inventories on June 1, which is the beginning of the 1985-86 marketing year, were estimated at 1.424 billion bushels, up 25 million bushels from last year. The level of June 1 inventories has been larger only twice—1.5 billion bushels in 1961 and 1.52 billion in 1983.

The USDA also released estimates of planted acreage on July 10. Corn plantings are estimated at 83.2 million acres, up 1.2 million from the February estimate of planting intentions and 2.8 million more than a year ago. Acreage is significantly higher in Illinois, Iowa, Missouri, and Nebraska. Acreage is large in spite of an extremely high rate of participation in the set-aside program. Acreage of all feed grains (corn, sorghum, oats, and barley) is estimated at 127.2 million acres, up 5.3 million from last year and the largest since 1977.

Harvested acreage of corn for grain is projected at 74.756 million, almost 3 million acres more than a year ago. Harvested acreage has exceeded this projection only once (in 1981) since 1949. A trend yield of 108 to 109 bushels per

STATE • COUNTY • LOCAL GROUPS • U.S. DEPARTMENT OF AGRICULTURE COOPERATING

THE ILLINOIS COOPERATIVE EXTENSION SERVICE PROVIDES EQUAL OPPORTUNITIES IN PROGRAMS AND EMPLOYMENT.

acre would produce a crop in excess of 8 billion bushels and result in a substantial increase in inventories next year.

Planted acreage of soybeans is estimated at 63.3 million, about 1 million less than February intentions and 4.4 million less than planted last year. Estimated acreage is at the lowest level since 1977 and is 8.1 million acres below the peak reached in 1979. Compared to last year, acreage is down in every major producing state except Indiana and Ohio. In terms of percentage, the greatest declines are in the southeastern and delta states.

Harvested acreage of soybeans is projected at 62.3 million acres, 3.8 million less than a year ago. A "normal" yield would produce a crop in excess of 1.9 billion bushels.

The 1985 winter wheat crop was estimated at 1.854 billion bushels, about 200 million less than a year ago. An estimate of the spring wheat crop has not been made, but acreage is up by nearly 1.9 million. The 1985 wheat crop may exceed 2.4 billion bushels. Use is projected at only 2.3 billion.

The acreage estimates released last week suggest that the 1985 corn and soybean crops are potentially very large. The corn crop will almost certainly exceed the level of use next year. August weather will be critical in determining the size of the soybean crop. The first USDA estimate of crop size will be released on August 12.

*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

Official Business  
Penalty for private use, \$300

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

