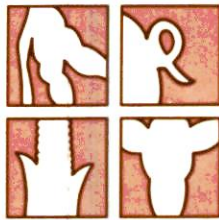




Cooperative  
Extension Service  
University of Illinois  
at Urbana-Champaign



# WEEKLY OUTLOOK

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

August 14, 1985

## RECORD CORN CROP, LARGE SOYBEAN CROP

THE USDA'S AUGUST CROP PRODUCTION REPORT confirmed prospects for a large corn and soybean harvest in 1985. Production potential for corn, as of August 1, was estimated at 8.266 billion bushels. The previous record crop was 8.235 billion harvested in 1982. The national average yield potential was estimated at 110.6 bushels per acre, second only to the 113.2 bushels of 1982.

Production potential for soybeans was reported at 1.959 billion bushels, nearly 100 million more than last year's crop. The national average yield potential was judged to be 31.5 bushels per acre, equal to the 1982 yield but less than the 32.1 bushels of 1979.

In Illinois, the corn crop is expected to average 127 bushels per acre and total 1.44 billion bushels. The state average yield was 131 bushels in 1982. Soybean yields are expected to average 37 bushels per acre, less than the record 39 bushels in 1979.

The corn crop is expected to exceed the 1984 harvest in most corn belt states. However, the crop is estimated to be smaller in some of the eastern and south eastern states. The same pattern is followed in soybeans, but a smaller crop is also expected in Wisconsin.

The USDA also released revised supply and demand estimates for 1984-85 and projections for 1985-86. In the case of corn, the export projection for the current year was lowered by 25 million bushels, to 1.925 billion. Domestic processing uses are forecast at 1.065 billion, 15 million above the previous estimate. Carryover stocks of corn on October 1, 1985 are forecast at 1.242 billion bushels.

Total supplies for the 1985-86 corn marketing year are projected at 9.5 billion bushels, second largest behind the 10.4 billion of 1982-83. While domestic use of corn is expected to increase modestly, exports are expected to decline by about 225 million bushels. Carryover stock on October, 1, 1986 could be close to 2.4 billion bushels.

For soybeans, exports for the current marketing year, which ends on

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August 31, are now forecast at only 600 million bushels. That is 45 million less than last month's projection, 140 million less than a year ago, and the lowest level since 1976-77. Carryover stocks on September 1, 1985 are expected to total 320 million bushels.

Total supplies for the 1985-86 soybean marketing year are expected to be 2.279 billion bushels, a 12 percent increase from last year. The domestic crush is expected to increase about 30 million bushels next year to meet the domestic demand for oil and meal. Soybean exports are projected to increase by 75 million bushels as a result of less competition from South America over the next six months. Even with higher rates of use, carryover stocks on September 1, 1986 are projected to total a record 465 million bushels.

The U.S. average corn price is forecast in a range of \$2.40 to \$2.60 per bushel, or very near the Commodity Credit Corporation (CCC) loan rate of \$2.55. The national average soybean price is forecast in a range of \$5.15 to \$5.50 per bushel, compared to \$5.85 for the current year. Soybean oil prices are expected to moderate without an increase in soybean meal prices.

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