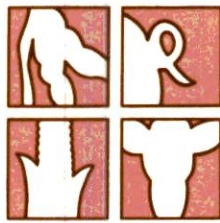




Cooperative
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University of Illinois
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WEEKLY OUTLOOK

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

December 18, 1985

WORLD CROP PRODUCTION ESTIMATES

THE USDA RELEASED REVISED PRODUCTION ESTIMATES FOR WORLD CROPS on December 11. The quality of grain estimates by country varies considerably because most countries do not have statistically sound procedures for estimating production. The estimates of most countries are not as "objective" as those of the United States; those assembled by the USDA, for instance, include information from a number of sources and tend to be quite subjective. In spite of their limitations, however, foreign crop production estimates do provide an indication of the changes in crop conditions during the growing season and comparisons to previous years.

The world wheat crop for 1985-86 is currently estimated at 505.2 million metric tons, 8.7 million tons less than a year ago. Some of the decline is accounted for by the smaller U.S. crop, which is down 4.8 million tons. The greatest reduction is in the European Economic Community, where production is expected to decline by 9.8 million tons. Argentina, Australia, and Eastern Europe are expected to have smaller crops. Since last month, the production estimates for Argentina dropped 2.3 million tons, or about 16 percent. The biggest increase, 10 million tons, is expected in the Soviet Union. Wheat production outside of the United States is expected to total 439.4 million tons, 1.1 million tons less than the estimate last month and 3.9 million tons less than the amount produced a year ago.

The world coarse grain crop is estimated at 845 million tons, 36.7 million tons more than the crop last year. Compared to the estimates of last month, increases were registered for Canada and Australia; smaller estimates were made for the crops in Argentina and Brazil. The largest increases have come in the United States (34.3 million tons), and in the Soviet Union (8 million tons). Production declines are expected to be the greatest in China (8.2 million tons) and in Eastern Europe (6.9 million tons). The coarse grain crop outside of the United States is estimated at 573.6 million tons, 2.4 million tons more than the crop last year. The corn crop outside of the United States is expected to be 6.9 million tons less than the crop a year ago because of smaller crops in China, Eastern Europe, and Brazil.

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World soybean production in 1985-86 is now estimated at 98.78 million tons, a figure that is slightly more than the estimate last month, but 7.66 million tons more than the amount harvested last year. Most of the increase over soybean production a year ago is in the U.S. crop, which is up 7.3 million tons. The recent dry weather has reduced production potential in Brazil. That crop is estimated at 16.2 million tons, 0.2 million below last month's figure and 1.0 million less than the crop last year. Production in Argentina, however, is expected to be up 0.8 million tons. Soybean production outside of the United States is expected to be up less than 1 percent from last year.

Based on the December estimates, U.S. production will account for 59 percent of the world soybean crop, 32 percent of the coarse grain crop (47 percent of the corn), and 13 percent of the world wheat crop. Coarse grain production in the United States is 87 percent higher than 15 years ago. Wheat production is up 79 percent. Outside the United States coarse grain production is up 55 percent, and wheat production has increased 61 percent.

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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