
From Washington

Oilseed production forecasts rising

The mid-September U.S. Department of Agriculture crop production forecasts showed increases in soybean, cottonseed and peanut totals.

The September soybean crop production forecast was 2.09 billion bushels, up from the 2.02 billion bushel forecast of August. A 2.09 billion bushel crop would be second only to the record 1979 production of 2.24 billion bushels and comes at a time when soybean oil supplies are plentiful around the globe. Some observers expect higher U.S. exports during this first quarter of the new crop year if the U.S. dollar loses some strength and if South American nations have already completed most of their exports of 1981 crop soybeans.

The cotton crop forecast was raised to 15.5 million bales, which could produce 6 million tons of cottonseed, the first time in 15 years production could reach that level. U.S. cottonseed crushing capacity is about 4.5 to 5 million tons and cottonseed oil prices have languished along with soybean and other vegetable oils during the summer. The forecast, however, would depend on good weather through the end of October.

Peanut production was forecast at 1.7 million tons, which would take the crop back to the approximate levels of 1978 and 1979, and far above 1980's drought-hit 1.05-million-ton crop. Last year's short crop was followed by some spot shortages of peanut butter on grocery shelves and led to increased publicity for alternate foods, including a "sunflower butter" and confectionery products. Because of reduced carryover from 1980, total supplies for 1981 will be considerably lower than pre-1980 levels.

There was no sunflower estimate in the September report. The August projection was for a crop of 2.64 million metric tons (MT), about 45% above 1980's 1.82-million-MT crop. A sunflower production forecast was expected in the October crop production report, which was to be released after the deadline for this issue of *JAACS*.

One problem for the producers of all that oilseed material is that with U.S. interest rates at 20%, no one wants to hold title to any more inventory than is needed. Thus one unresolved question for what may be a bumper crop is where will the carryover be held and what will that do to prices.

China, India supply U.S. with peanuts

China and India were the major sources of external peanuts to the U.S., whose 1980 peanut crop was about 1.05 million MT, one of the smallest in recent years.

While the U.S. normally imports about 148 MT of peanuts a year, temporary increases in quotas permitted the U.S. to import about 137,000 tons from August of 1980 through June of 1981. China exported 70,429 tons of peanuts to the U.S. during that period; India exported 24,795 tons, according to the August issue of the USDA's oilseed and products circular. Other suppliers included (MT) Sudan (19,676), Argentina (11,181), Malawi (2,030), Taiwan (1,731), Brazil (1,614), South Africa (1,404), Iceland (856), Hong Kong (456), Singapore (354), Malaysia (260), Indonesia (260), and Egypt (250).

This year's U.S. peanut crop is forecast at 1.7 million MT, which means the U.S. will once again probably limit imports to about 775 tons.

The USDA forecast for world peanut production for 1981/82 was set at 18.7 million tons, compared to 17.5 million tons the previous

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year. Slightly more than half of that is accounted for by the expected recovery in U.S. production; the rest will be from larger crops in Senegal, Brazil and South Africa, as well as other minor producers.

Cottonseed inspection fees revised upward

The USDA announced plans in August to increase cotton and cottonseed classification and grading fees upward by about an average of 20%. Proposed cottonseed fees would be \$14 for a license to sample and certificate official samples (renewals to cost \$12); chemists' license fee to analyze and grade cottonseed \$290 (\$95 renewal); cottonseed grade certificate fee, \$1.10; and the fee for reviewing cottonseed grading will be \$36. Details: *Federal Register*, Friday, Aug. 21, 1981, p. 42492.

Whey use expanded in frozen desserts

The federal Food and Drug Administration has amended the standards of identity for sherbet, ice milk, ice cream and frozen custard to permit use of additional forms of whey. The permissible total whey content is not changed, but now in addition to sweet whey, manufacturers may use acid whey and modified whey products from acid and sweet whey as a source of whey solids. Details: *Federal Register*, Friday, Sept. 4, 1980, p. 44432.

Tolerance approved

The federal Environmental Protection Agency has set a tolerance of two parts per million in cottonseed for residues of the plant regulator ethephon ((2-chloroethyl) phosphoric acid). Details: *Federal Register*, Monday, Aug. 24, 1981.