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August 21, 1964

Agricultural Letter

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CROP PRODUCTION PROSPECTS continued to be favorable throughout most of the major production areas during July. Above normal temperatures and adequate moisture have hastened crop development in the Midwest and in southeastern areas but hot dry weather has blighted production prospects over much of the Southwest and Plains areas. Total output of all crops this year is now projected at about 1 per cent below the 1963 record production but nearly 4 per cent above each of the two previous years. Acreage reduction—primarily involving feed grains—and lower yields for many crops account for the slightly lower production forecast. The index of output per acre is currently estimated to be about 1 per cent under a year ago.

Corn production prospects were dimmed slightly during July by unfavorable weather in the fringe Corn Belt states; the nation's total corn output is projected at 3,885 million bushels or 5 per cent less than the record 1963 crop. A yield of 66.5 bushels per acre is currently forecast compared with the record final figure of 67.3 bushels a year ago. Record yields per acre are projected for the five Seventh Federal Reserve District states and total output is estimated to be at record levels for all except Iowa. Corn production in Iowa is expected to be about 8 per cent below last year's total because of heavy participation in the feed grain program.

Output of grain sorghum is projected at 473 million bushels or about 19 per cent less than in 1963. The current forecast—which, if realized, would mean the lowest production since 1956—both anticipates reduced yields because of adverse weather conditions in major producing areas and reflects the smaller acreage planted. The indicated yield of 38.7 bushels per acre would be nearly 5 bushels smaller than in 1963. The projections for total oats and barley production are 7 and 3 per cent below last year's totals. These reductions are primarily attributable to acreage cutbacks although the per acre output of oats also is expected to be slightly below the 1963 record yield.

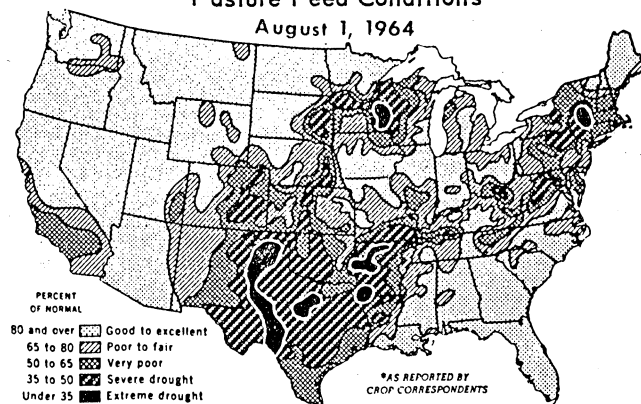
Total output of feed grains in 1964 is now expected to drop to about 146 million tons or 6 per cent less than the harvest of a year ago. The prospective decrease stems largely from reductions in acreage for harvest. Acreage planted to feed grains this year dropped to about 124 million acres as farmers agreed to divert about 34 million acres from feed grain production—nearly 9 million more than was signed for diversion in 1963.

Part of the decline in the output of feed grains will be offset by an increase in carryover stocks, but total feed grain supplies—production plus carryover—are likely to dip below last year's 219 million tons as of the beginning of the feeding year (October 1). In contrast, last year's beginning supply was more than 4 million tons above the year-earlier level.

CURRENT SERIAL RECORDS

Soybean production is projected at 748 million bushels. If realized, this output would be 7 per cent above the 1963 record total. Acreage increases underlie the prospective gain. Farmers allotted nearly 8 per cent more land to soybeans than a year earlier in response to favorable prices last spring. The indicated yield of 24.2 bushels per acre, however, would be slightly below that of last year. Soybean output in each of the District states is projected at record levels.

Pasture Feed Conditions*
August 1, 1964



*AS REPORTED BY CROP CORRESPONDENTS
*INDICATES CURRENT SUPPLY OF PASTURE FEED FOR GRAZING RELATIVE TO THAT EXPECTED FROM EXISTING STANDS UNDER VERY FAVORABLE WEATHER CONDITIONS
U. S. DEPARTMENT OF AGRICULTURE NEG. SRS 95-64 (B) STATISTICAL REPORTING SERVICE

Pasture feed conditions deteriorated during July because of high temperatures and insufficient rainfall. On August 1, conditions averaged 69 per cent of normal—2 points under the index of a year ago and the poorest August 1 conditions in 10 years. Continued drought conditions in the Southwest, Plains and Upper Midwest have curtailed forage supplies and some supplemental feeding has been necessary. Prospects for late summer and fall grazing hinge largely upon August moisture. In the absence of adequate rainfall, these unfavorable pasture conditions—together with lower supplies of hay and other roughages—may precipitate early and heavier-than-expected marketings of feeder cattle, exerting downward pressure on cattle prices. Texas and Oklahoma, the two states in which drought conditions are most severe, presently account for over one-fifth of the beef cows in the nation.

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