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Farmers' cash receipts from marketings in 1950 totaled 27.9 billion dollars according to recent BAE estimates, one per cent less than in 1949. Gross income, including non-cash items was 32.1 billion, slightly less than in the previous year; production expenses were up six per cent, to 19.1 billion; and realized net income was 13 billion, down eight per cent from 1949 and 27 per cent below the 1947 record of 17.8 billion.

For Seventh District states, cash receipts and changes from 1949 were: Illinois, $1,720,080,000, down one per cent; Indiana, $940,791,000, down two per cent; Iowa, $2,058,101,000, up one per cent; Michigan, $674,081,000, up one per cent; and Wisconsin, $959,742,000, up one per cent.

Farm income currently is running well ahead of the year-ago level as indicated by estimated February receipts of 1.9 billion dollars, 20 per cent above February 1949.

A program to minimize farm machinery shortages is now under way. The goal is to maintain production at about the 1949 level, initially by assisting manufacturers having special problems to obtain basic metals, and, after July 1, by formal allocations of steel, copper, and aluminum.

The moderate increase in corn acreage indicated by farmers' March 1 planting intentions, reported last week, has increased concern about the adequacy of feed supplies. The CCC is now thinking in terms of holding reserve stocks of at least 300 million bushels from its present corn inventory and the PMA is planning a campaign to get increased corn production.

Further meetings between livestock producers and Price Stabilization officials have re-emphasized the determination of the OPS to put ceilings on cattle and hog prices. Anticipating that the ceiling on prime cattle will be below the present market, some farm managers advise their clients to keep cattle "topped out" and avoid holding stock after it is in good slaughter condition. Some market observers now expect ceilings of about $38 for top cattle and $23.50 for hogs, Chicago basis.

Higher support prices on dairy products were announced recently for the year beginning April 1. Milk for manufacturing purposes will be supported at a level estimated to yield a national average of $3.60 per cwt. as compared with $3.07. Support of butterfat at 60 cents has been raised to 67.6 cents. Other support price increases are—U.S. Grade A butter, 60 to 66 cents; cheddar cheese, U.S. Grade A, 31 to 36 cents; and nonfat dry milk, spray and roller type, both up 2.5 cents a lb. to 15 and 13 cents, respectively. The support price for evaporated milk was not increased. These new floors are lower than present market prices but would minimize any seasonal price decline that might develop as production increases this spring.

Loans outstanding by Farm Credit Administration supervised agencies increased during 1950 according to a recent FCA report. Year-end outstandings on farm mortgages were 989 million dollars, three per cent more than at the close of 1949. Loans to cooperatives totaled 350 million dollars, up 15 per cent from a year earlier. Production Credit Associations had outstandings of 455 million dollars, 16 per cent more than at the end of 1949.

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