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THE OUTLOOK FOR FEED IN 1953

Statement by Malcolm Clough, Agricultural Economic Statistician,
at the 30th Annual Agricultural Outlook Conference, Washington, D. C.,
October 21, 1952

The 1952-53 season promises to be the fifth of a series of years in which feed supplies are much larger than before World War II. Supplies of feed grains and other concentrates for the 5-year period will average a little over 170 million tons, a fourth larger than in the period 1937-41. But livestock production also has expanded since before the war and feed grain production in the last 2 feeding seasons has fallen short of our requirements. Carry-over stocks of feed grains, which reached a record level of over 30 million tons in 1950, were reduced to about 20 million tons by the beginning of the 1952-53 season. Most of this reduction occurred during the past year, when feed grain production was below the postwar average, much of the corn crop was of low quality, and livestock numbers were at the highest level since the wartime peak.

While feed supplies for 1952-53 are again much larger than in prewar years, they are a little smaller than in the past 4 years. The total supply of feed grains and other concentrates, estimated in October at 165 million tons, is about 5 million tons less than in 1951-52. The drain on reserve stocks of feed grains during 1951-52 was largely responsible for the reduction in the total supply. Farmers are raising fewer hogs this year than last, and the total number of grain-consuming livestock on farms will be a little smaller. The supply of feed concentrates per grain-consuming animal unit is about the same as in 1951-52. The 1952 production of feed grains is expected to be about sufficient to meet 1952-53 requirements without a further reduction in carry-over stocks at the close of the season.

While the total feed supply for 1952-53 appears generally adequate for our current needs, supplies differ greatly by areas. The bumper crop of good-quality corn in the Corn Belt will provide ample feed for that area, but in the South, where drought sharply reduced feed grain production, feed supplies are short. This will mean more than the usual differences between feed grain prices in the surplus and the deficit areas.

The 1952-53 corn supply is a little larger than the 1951-52 supply, since increased production has a little more than offset the reduction in carry-over. The big supply of good-quality corn in the Western Corn Belt is in sharp contrast to the short supplies in that area last year. It will permit more liberal feeding of livestock in the area, and heavier

movement to deficit feed areas and to industrial processors. The larger corn crop produced this year appears to be adequate to meet our needs, and may permit a small increase in carry-over at the close of the 1952-53 season. The supply of oats for 1952-53 is 5 percent smaller than last year. Supplies of barley and sorghum grains are much smaller, which will mean reduced domestic use and exports, and smaller carry-over stocks of these two grains at the end of the 1952-53 season.

Demand for feed is expected to continue generally strong, and the over-all level of feed prices in 1952-53 may not differ greatly from that in 1951-52. The big corn crop in the Corn Belt, however, is expected to result in more of a seasonal decline in corn prices this fall than in either of the past 2 years, when there was very little seasonal weakness in corn prices at harvest time. Corn prices probably will average a little lower this fall and winter than last, but they are expected to rise seasonally later in the marketing year. Prices of barley and sorghum grains are substantially higher this fall than a year ago and are expected to average higher for the 1952-53 season.

Supplies of byproduct feeds will continue large during the coming year, although they may fall slightly below the record supply of 1951-52. The total supply of high-protein feeds is expected to be a little smaller than in 1951-52, but it will be about as large in relation to the prospective number of livestock to be fed.

The strong demand for high-protein feed in 1951-52 has held prices of most of these feeds at the ceilings. Prices of these feeds probably will remain close to the ceilings, at least through the winter months. Since ceiling prices on these feeds are now higher than a year ago and production of some classes of livestock will be reduced, the pressure on the ceilings is not expected to be as great as during the past year.

Hay supplies for 1952-53 are a little smaller than last year and the smallest since 1944 in relation to the prospective number of roughage-consuming animal units. Pastures and ranges have been below average this summer and fall over large areas of the country, making it necessary to feed more hay than usual early in the season. While hay supplies appear generally adequate in the Midwest and in most of the Western States, they are short in the Southern States, where drought sharply reduced production this year.

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: This represents the highlights of the 1953 Outlook :
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