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UNITED STATES DEPARTMENT OF AGRICULTURE
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THE OUTLOOK FOR FEED IN 1954

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Total supplies of feed grains and other concentrates for the 1953-54 feeding season are slightly larger than the supplies available in the past 2 years, and only a little below the record level reached in 1950-51. This is the sixth year that total supplies of feed concentrates have been maintained at a high level. The pronounced upward trend in supplies during the past 25 years has brought the current level to about 40 percent higher than in the late twenties. Livestock numbers also have increased, but they have not kept pace with the increase in feed supplies, and the supply per animal unit is about a fourth larger than 25 years ago. In 1953-54 the feed concentrate supply per animal unit will be close to the record level for the years 1948-50.

While our feed concentrate supply for the current season is again large, both in total and per animal unit, supplies vary sharply by areas, as was the case in 1952-53. There is a record supply of good quality corn in the Corn Belt and a near record total supply of feed grains in that area. In large areas of the South, however, and particularly in the Southwest, drought has again sharply reduced feed crop production and supplies of feed grains are below average, although they are somewhat larger than the very short supply last year.

Increased feed grain production, larger carry-over stocks, and increased production of byproduct feeds have all contributed to the upward trend in feed concentrate supplies. The combined production of the four feed grains, totaling 118 million tons this year and averaging about 120 million tons in recent years, is a fifth larger than in the late twenties. Feed grain acreage, on the other hand, is about an eighth smaller. Much of the decline in acreage and the increase in production has been in corn. The marked increase in corn yield per acre is the result of wide use of hybrid seed, increased application of fertilizer, and other improvements in production practices. The increase in the quantity of feed grains used in producing livestock and livestock products for food has been much greater than the increase in total production, since a much smaller percentage of our feed grain production is now being fed to horses and mules. During the twenties horses and mules consumed about a fifth of our total feed grain production, whereas they currently consume less than 5 percent of the total.

Corn plays a prominent part in our large feed grain supply this year. The 1953-54 corn supply of nearly 4 billion bushels is only slightly smaller than the record supply in 1949-50. The 1953 crop of 3.2 billion bushels is a little above the 1946-50 average. About three-fourths of the big October 1 carryover of 764 million bushels was under loan or owned by CCC. While the total corn supply is near record, supplies of oats, barley, and sorghum grains are all below the average of recent years. The 1953-54 corn supply appears to be large enough to meet this year's requirements and to leave a record carryover of around 900 million bushels on October 1, 1954. This, together with the below-average carryover of other feed grains in prospect, would give a total carryover of feed grains in 1954-55 near the 1950 record of 30.6 million tons.

Corn prices remained below the national average support level throughout the 1952-53 season. During October corn prices declined seasonally as farmers began harvesting the 1953 crop. The average price received by farmers is well below the national average support price of $1.60 per bushel this fall, as was the case in 1949 and some other years when supplies were unusually large. Substantial quantities of 1953 corn are expected to be placed under price support, which may result in some tightening of the supply situation and seasonally advancing prices later in the marketing year. Prices of other feed grains and most of the byproduct feeds also are considerably lower this fall than a year earlier. Feed prices are expected to remain somewhat lower than a year earlier this fall and winter, but prices of a number of the feeds may strengthen along with corn later in the feeding year.

The high-protein feed supply is expected to be a little smaller than in 1952-53, with practically all of the reduction in soybean meal. Prices of most of the high-protein feeds have declined sharply during the past year, and are expected to remain somewhat lower this fall and winter than a year earlier, but they may advance later in the feeding season, especially if hog and poultry production increases early in 1954.

The hay supply for 1953-54 is slightly larger than last year, both in total and per animal unit. However, supplies vary sharply by areas. Hay production was average or above in the northern and western sections of the country. But in Missouri and Kansas and throughout large areas of the South, drought has again sharply reduced production and supplies are short. Pastures this summer and fall have been very poor over wide areas of the country, making it necessary to feed more hay than usual early in the feeding season.

Now let us look ahead for a moment to the 1954-55 feeding year. In 1954-55 average or above feed supplies are likely because of the big carryover of feed grains in prospect. Even if the 1954 production should fall 10 percent below the 1946-50 average, the record large carryover of corn in prospect would bring the total supply of feed concentrates in 1954-55 up to near the 1946-50 average. Corn acreage allotments in 1954 would result in some reduction in the corn acreage in the commercial area. However, larger acreages of other feed grains are in prospect as a result of acreage restrictions on wheat, cotton, and probably corn, which probably would largely offset the effects of a smaller corn acreage. In 1950, when acreage allotments were in effect for wheat, cotton, and corn, the total acreage of the four feed grains was increased and production was slightly above average.

The support price on 1954 corn will again be set at 90 percent of parity, but if acreage allotments are in effect, the full 90 percent support will be available only to cooperating producers in the commercial corn-producing area. The recently announced supports on 1954 oats, barley, and sorghum grains are again based on 85 percent of parity, but the support prices are 6 or 7 percent lower than in 1953, reflecting the lower parity index and the transition to the modernized parity.

This represents the highlights of the 1954 Outlook issue of the _Feed Situation_ for October 1953, a processed publication by the Bureau of Agricultural Economics