Outlook

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increase in output during the first half of 1966 may be so large that broiler prices will average under a year earlier. If low prices materialize, they will tend to slow growth in broiler production, but will probably not halt expansion.

TURKEYS

Higher turkey prices and lower feed costs this year have set the stage for a large increase in turkey production in 1966. Hatching activity has been stepped up in recent months, and intentions reported by breeders are for expansion next year.

If these intentions are followed, and indications are that they will be, next year's turkey crop could exceed the record crop of 1961. Although demand for turkey expanded this year, it is not expected to increase as much in 1966 in spite of greater export interest, some further decline in red meat competition, and continuing growth in the economy.

Outlook for broilers and turkeys — hinges on the degree of expansion in the poultry meat industry, but forecast is for reduced prices to producers in 1966. Two bright spots are increased per capita consumption of poultry meats, and continued reduction of competition from red meats, due to the higher prices of the latter. In 1965, producers sold about six percent more poultry at a five percent higher price, indicating phenomenally strong consumer demand. But poultry demand generally tends to weaken temporarily following a period of rapidly increasing consumption. So, a continuing rate of increased consumption may be questionable.

EGGS

Prices of egg products for the first half of 1966 are expected to average above the same period this year. Prices in the second half of the year will depend largely on the number of replacement chicks hatched over the next six or seven months.

The low prices early in 1965, following relatively low prices in late 1964, caused a seven percent reduction in number of flock replacements raised in 1965. On October 1, there were 19 million fewer pullets in laying flocks, but 10 million more hens. Over the next few months, layer numbers may decline still further because of increased liquidation of old flocks. Also, because of more hens and fewer pullets in laying flocks, egg production in the first half of 1966 is likely to be down somewhat from 1965.

Outlook for eggs—good for first half of 1966. Higher egg prices this fall and winter, plus lower feed prices, will probably keep hatchings larger than a year earlier over the next few months. This would lead to a larger, younger and more productive national laying flock in the second half of 1966, which in turn would result in lower prices during that period.

GENERAL OUTLOOK FOR FARM FAMILIES

Outlook for the average family farm — good — with expanding domestic and foreign markets for food and fiber and declining farm numbers, many authorities see a bright future for the family farm that will gear-up for efficient production. They feel that 1966 will be just the beginning of a long, prosperous cycle because of our increasing domestic food needs and our commitments abroad as the bread basket of the world.