

3 outlook

ON THE FEED FRONT... Record feed grain supplies...totaling 248 million tons...will probably be matched by record use...slated to hit 214 million tons during the 1972-73 feed year. The gain in disappearance, up about a tenth from last year, would cut carryover stocks this fall to 35 million bushels.

FEED GRAIN EXPORTS will probably reach a new high of 33 million tons, 6 million over the year before. Most of the gain will

come in corn...with outshipments expected to break the billion-bushel mark.

AT HOME an anticipated 1-2 percent gain in grain consuming animal units...plus generally favorable hog and beef-feed price rations...are setting the stage for a sizable 9 percent rise in domestic use during 1972-73. Reduced availabilities of protein feed, hay shortages, fields too wet to forage or glean, high moisture content of corn, and

exceptionally strong demand are factors contributing to heavy consumption.

PRICE PARTICULARS...
...Predicting price patterns is especially "iffy" this-feed year...especially when the first half saw a larger-than-normal seasonal price runup. However, now that harvesting and drying operations are completed and the strain on the marketing system strives to straighten itself out, feed grain prices...currently high...could ease downward. They'll still stay well above 1971-72 though.

RICE PRICES...Extra strong world demand has pulled U.S. farm prices to record highs since harvest of the 1972 rice crop began last July. The 1972 rice crop began last July. The 1972-73 season average farm price is expected to average more than a fourth over last year's \$5.34 level.

SMALL CARRYOVER...The flow of demand will reduce rice stocks to pipeline levels before new crop supplies start coming in. Carryover may be cut to 7½, possibly 8, million cwt., well under last year.

RICE SUPPLY BOOST SEEN IN 1973-74...In anticipation of continued strong demand, both domestic and foreign, USDA announced a 10 percent increase in the acreage allotment for the 1973 rice crop. With average yields, this year's crop could total around 95 million cwt. Added to

the expected small carryover, 1973-74 supplies might come to somewhat over 100 million cwt., up moderately from 1972-73.

CATTLE INVENTORY IMPLICATIONS...The buildup in the cattle inventory is accelerating and could lead to a bulge in beef production and price declines sometime during the mid-1970's. The 1972 gain of 4 million head was the largest in a decade and followed a 3-million-head increase in 1971 and gains of over 2 million head in 1969 and 1970.

BEEF COW NUMBERS at the start of 1973 had risen to 41.1 million head, up 6 percent from a year earlier. The larger cow herd provides the potential for larger supplies of beef. This year's calf crop may be up more than 4 percent from last year and will permit a step-up in fed cattle marketings in 1974 and 1975.

WITHIN THE NEXT FEW YEARS growth in the inventory will be sizable enough to precipitate rather steep year-to-year increases in slaughter. Large beef production will be accompanied by weaker cattle prices. However, consumer demand for meat will continue strong and shore up cattle prices through the 1970's.

WOOL NOTES...Farm prices have staged a major comeback from the depressed 1971 levels. The 1973 average should be

substantially over the 35-cents-a-pound level of last year and will tower over the 19 cents of 1971. Recent sales for spring and summer delivery are especially bullish...reflecting strong foreign markets and devaluation of the U.S. dollar.

SHEEP SLIP Higher 1972 market prices for both wool and lamb hiked the farm value of January's sheep and lamb inventory by 11 percent over a year earlier. However, costs and other production pressures mounted, too...causing a further 6 percent cut in the number of farms. This means another drop in the lamb and wool crops...and reduced marketings.

LAMB PRICES rose sharply during the winter with Choice slaughter lamb selling for \$43.50 (San Angelo market) in late February. This was nearly \$15 more than a year earlier and the highest on record. Spring lambs brought \$45 in early March but prices are expected to rise much further, in contrast to last year. 1973 should see the resumption of the more typical pattern where prices move down from early spring quotations to summer-fall lows.

Penn Manor Club

The Penn Manor 4-H Community Club met Friday, May 25, at the Ann Letort School, with 26 members present.

Karen Greider reported on the recent County Council meeting. She said 4-H members from Michigan will be visiting in July. Anyone wishing to host these members may do so.

Following the regular meeting, several games were played.

The next meeting will be at 8 p.m. June 26 at the home of Jay Stauffer, 345 Weaver Road, Lancaster.

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