

Farm Commentary

WHEAT SUPPLIES

Record wheat prices during 1973-74, favorable weather, and the lifting of planting restrictions are making for a prospective 1974 wheat crop of about 2.1 billion bushels, which would be a new record high. However, supplies during the current marketing year are up only 9 percent from 1973-74 because carryover stocks on July 1 were the smallest since 1948.

THE USE PICTURE

Domestic wheat use this season may be well above last year as high feed grain prices relative to wheat early in the year could boost wheat feeding to around 200 million bushels. However, exports and total disappearance in 1974-75 may be off somewhat from last season's 1.9 billion bushels. Currently exports are projected at over a billion bushels. USDA economists envision some drop in shipments to most regions as new crop supplies are expected to fill more of their requirements. However, world food grain stocks are very low and unfavorable world crop developments could bring on another spurt in our overseas wheat sales.

A LOOK AHEAD AT CARRYOVER

Current appraisals of supplies and use in 1974-75 suggest wheat stocks on July 1, 1975 could be more than double the 217-million-bushel carryover at the start of the present season. In this case, prices during 1974-75 are likely to run well under the extreme highs of 1973-74.

THE WORLD WHEAT SITUATION

Uncertainty hangs over the world wheat scene. There was a record 1973-74 crop, but tight world supplies and growing world demand kept imports surprisingly large. Consequently, wheat stocks in major exporting countries continued to shrink. Initial projections put the 1974-75 world wheat crop at 375 million tons, 2 percent larger than last year. However, continued strong demand in Asia, Africa, and Latin America will offset smaller Soviet purchases — and the recent high levels of world trade should continue.

RECORD FEED GRAIN SUPPLIES IN OFFING

Because of the small carryover (22½ million tons) of old crop feed grains forecast for October 1, the 1974 crop will become the virtual supply for the 1974-75 marketing season. USDA economists' projected level of production plus carryover gives a 1974-75 supply of 258 million tons, 9 percent above the current season and 4 percent above the record in 1972-73.

FEED GRAIN USE AT HOME IN 1974-75

Forecast at around 177 million tons, 2 percent larger than this year. The use boost is based on the outlook for 3 percent more grain consuming animal units (for a total of 117½ million), plus a feeding rate near this year's 1.37 tons per animal. Livestock-feed price ratios also will likely improve from 1973-74's unfavorable levels. Feed grain exports in the upcoming season are projected at 42 million short tons, virtually the same as this year. That would put

total 1974-75 disappearance close to 219 million tons, up 1-2 percent from both this season and last. Carryover at the end of 1974-75 is projected at nearly 39 million tons, well above the small amount foreseen for this October 1 but still below levels of most recent years. Much of the carryover would be in corn at about a billion bushels, more than twice the volume expected at the end of this season.

PRICES COULD DROP

US feed grain prices in 1974-75 will hinge on the outcome of production and demand in other countries as well as the size of the US crop. If 1974 crops around the world are fairly normal, and the US crop turns out close to USDA projections, prices could drop dramatically. Corn prices at the farm at harvest time this fall could sink below \$2 a bushel, say economists. Prices at this level would be fine for the domestic livestock industry — which has been caught in a cost-price squeeze — but not so good for cash corn producers who will have record high production costs. Costs of most inputs used in producing grains are up — for corn, variable costs of production per acre are expected to gain by as much as a fourth in 1974.

Increase in Farm Value Slows, but could still Top 15 percent for the Year

Farm real estate values may rise 15 percent during the year ending March 1, 1975. While this would be sharply above average gains of recent years, it would trail 1974's record increase because of less optimism over prospects for farm income and agricultural exports.

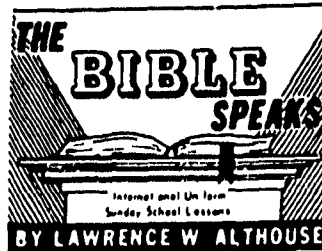
The index of farm real estate values rose a record 25 percent for the year ended March 1, 1974. The index reached 187 (1967 equals 100), which converts to a 935 percent annual rate of increase over the last 7 years.

Major factors behind the most recent increase include unusually high commodity prices and net farm income in 1973, and considerable buyer optimism over the long-term outlook for farm income. Also, a rapid rate of inflation in the general economy contributed to some shifting of investment funds into farm real estate as an inflation hedge. Rising interest rates appeared to have little limiting effect on land markets during the year as the use of borrowed funds to purchase land increased sharply.

The total value of farm real estate reached \$324.2 billion and the average value per acre \$310, a \$63 rise from a year ago. Value per acre ranged from nearly \$2,100 in New Jersey to \$65 in New Mexico. Most Corn Belt State averages were in the \$600-\$800 range.

As a result of the jump in average value per acre and, to a lesser extent, continued increase in farm size, the value of farm real estate in an average operating unit now exceeds \$125,000.

About 5 of 6 farm properties purchased are expected to remain in farm use at least 5 years. Most of those expected to move to a nonfarm use within 5 years will be used as rural residences and subdivisions.



LIVE FREE!

Lesson for August 18, 1974

Background Scripture: Colossians 2:8-23.
Devotional Reading: Galatians 5:13-26.

A number of years ago Joy Adamson wrote a trilogy of books about her experience with the African lion: *Born Free*, *Living Free*, and *Forever Free*. Her thesis was that as the lion is born free, he ought to be enabled to continue to live free.

What Joy Adamson did for lions and the animal kingdom, someone ought also to do for people. Actually, that's what chapter two of Colossians is about. Paul is saying to the people of this church that by the power of Christ they have been reborn into freedom and they ought to continue to live in freedom. "If with Christ you died to the elemental spirits of the universe, why do you live as if you still belonged to the world?" (2:20).

Only a shadow

Paul's question was a reference to the style of religion practiced by many of the Colossian Christians. It was a legalistic style of religion. The heart of that religious style was a heavy dependence upon rules and regulations. Ironically, this is what Jesus had criticized so greatly in the scribes and Pharisees. Their rules and regulations became more important than God's Spirit. In fact, the legalism became even more important than God himself. Now, freed from that legalism by Christ, Paul noted that the Colossians were slipping back into that very same style of religious life.

Paul is not saying that rules and regulations are worthless. What he is saying, however, is that these can never be the central focus of our religious life. Man has a habit of devising rules and regulations to regulate his religious experience and ends up stifling the operation of God's spirit in his life. The legalism becomes a substitute for the actual presence of God.

The substance

Paul points out that the multitude of rules and regulations on food, dress, festivals, etc. are not the essence of true religion, but only a "shadow" of that essence. "These," he says, "are only a shadow of what is to come; but the substance belongs to Christ" (2:17). It is the "substance" of religion upon which we should focus and that "substance" is Christ.

Unfortunately, many Christians today still practice Christianity in a legalistic manner. Their religion is primarily one of rules and regulations. Fine as those rules may be, they often become more important than Christ himself. They take the place of a living Savior. The lives of these people become so filled with "thou shalt" and "thou shalt not" that there is no room or need for Christ himself.

Not only does legalism tend to keep Christ out of our lives, it also separates us

NOW IS THE TIME...



Max Smith
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To Flush Ewe Flock

Through proper feeding and management it is possible to increase the number of twin lambs born to the breeding ewe flock. This has been done many times by experienced shepherds. The idea is to get the ewes into a gaining condition at breeding time; this can be done by feeding extra grain or by turning out to a lush grass pasture; do not graze them on alfalfa or clover pastures. This flushing of the ewes should be done 2 to 3 weeks prior to the breeding period. Also, the ewes should be treated for stomach worms prior to the breeding season. Both of these practices should result in more lambs raised per ewe next spring.

To apply For Gas Tax Refund

Farmers are reminded that applications for the Pennsylvania Liquid Fuel Tax must be filed by September 30. This 8 cent per gallon refund is available for gas used for agricultural purposes in non-licensed tractors and non-licensed power machinery. The time period is fuel used from July 1, 1973 through June 30, 1974. Application blanks may be secured from the Board of Finance and Revenue, Room 130R, Finance Bldg.

Harrisburg, Pa. 17120. Don't be refused for being late.

To Be Careful With Pesticides

Read and follow all labels and directions carefully. Keep supplies away from children and all livestock. Keep record of all spray applications or drugs given to livestock. Dispose of empty containers properly; don't leave them lying around. Wear protective clothing and equipment when suggested. Have a good supply of soap and water handy to wash off spilled materials. Know the phone number of the local Poison Control Center. For Lancaster it is 299-4546.

To Ensilage At Proper Stage Of Maturity

Silo filling time is approaching and all producers should become acquainted with the best time to cut their particular crop. Various forage crops are used for silage and the peak of feed value differs between them. For corn it is at the dent stage when most feed nutrients are present. For the sorghum-sudan hybrids the best time is when headed out and the kernels in the soft dough stage. Proper stage of maturity means more real feed value and less damage to the silo surfaces.

Farm Calendar

Saturday, August 17
Pomona Grange picnic, Holtwood Athletic Field, Colerain Grange Hosts. 7:00 p.m.

Sunday, August 18
18-20 Annual Convention of the National Hay Association at Holiday Inn, Lake Worth, Florida.

Monday, August 19
Red Rose DHIA Quarterly Meeting, Farm and Home center 8:00 p.m. 19-24 Kutztown Fair

Wednesday, August 21
Lancaster County Pork

Producers Field Trip to a York County Confinement Operation
Thursday, August 22
Corn field meeting 1:00 p.m. Levi Stoltzfus farm, White School Road, Honeybrook.

Livestock Outlook meeting 8:00 p.m. Farm and Home Center.

Friday, August 23
Duroc Show and Sale at the Lancaster Stockyards. Show 4:30 p.m. and Sale 7:30 p.m.

Chester Youths Attend Co-op Conference

Wesley McAllister, Oxford; Holly Scheib, Phoenixville; and Sarah Weinstock, Phoenixville attended a national meeting of agricultural and cooperative leaders at Kansas State University, Manhattan, Kans., August 6-9. They are joining 700 other Youth Scholars at this National Institute on Cooperative Education, jointly sponsored by the University; American In-

stitute of Cooperation, Washington, D.C.; and cooperative organization in the area. These young people from all across the nation are exploring career opportunities and learning more about the American business enterprise system. Mostly sponsored by local and regional cooperatives in their home areas, they will also participate with 200 Young Farmer Couple and about 1,000 adult agricultural and cooperative leaders in a number of general sessions. They heard nationally known speakers discuss current opportunities and challenges confronting agriculture and farmer-owned cooperatives.

from our fellows Paul says, "let no one pass judgment on you in matters of food and drink." (2:16). Instead of bringing us closer to God and our fellow men, legalism tends to drive us further away from both