

# Farm exports face competition and controls

WASHINGTON, D.C. — U.S. agricultural exports in fiscal year 1979 are expected to rise about six per cent from last year's record total of \$27.3 billion to about \$29 billion, according to the U.S. Department of Agriculture.

The forecast was released by Thomas R. Saylor, associate administrator of the Foreign Agricultural Service, in remarks prepared for delivery here recently at the Department's annual Food and Agricultural Outlook Conference.

Saylor said export volume may change little from the record 122 million tons of fiscal 1978, but that higher average prices for major export commodities were expected to push export value to the new high.

He said agricultural imports are forecast at \$14.1 billion, which would produce an agricultural trade surplus of \$14.9 billion, about \$1.5 billion more than in fiscal 1978.

Foreign demand is strong, particularly for soybeans and protein meal, Saylor

said, noting that the United States will be the only major supplier of these commodities until the Brazilian soybean harvest next spring.

He said export volume increases were likely for soybeans, tobacco and some other crops, but that large increases in grain produc-

tion in much of the world could push U.S. grain export levels slightly below those of last year.

He said the U.S. export outcome, which could range from \$26 billion to \$32 billion, will depend to a large extent on what happens to Southern

Hemisphere crops of wheat, coarse grains and soybeans between now and next Spring. Favorable harvests could produce increased competition for world markets beginning around the first of the year.

He cited world economic

developments, trends in the value of the dollar, and domestic and trade policy decisions made in agriculture by U.S. and foreign governments as other factors that will bear on the level of U.S. agricultural exports.

## Farm credit needs careful management

NEWARK, De. - Modern farming with its large capital requirements means that almost all farmers borrow some money to finance their farm business. Commercial credit is one of the more widely used ways of financing inputs in farming.

The interest rate you pay on this form of financing is influenced by many factors, points out University of Delaware Extension Farm Management Specialist Dr. Don Tilmon. Two of the more important of these are: (1) the amount of money you already owe, and (2) the current prime interest rate (the rate a bank charges its best corporate borrowers).

Recent changes in the prime bank loan rate have put this in the neighborhood of 10 per cent. Although interest rates on short-term farm loans tend to be more stable, they are still likely to reflect shifts in the prime rate. And such changes affect farm income. For example, a \$1000 loan repaid

in 36 equal monthly payments at an annual interest rate of 9.5 per cent costs \$33.37 more than that same loan a year or two ago at 7.5 per cent interest.

The difference may not change your decision on whether or not to borrow, notes Tilmon, but careful consideration should be given to the effects of this added cost on cash flow and your overall income position.

As the debt load on your farm goes up, the ability to service that debt goes down. For this reason, it is wise to devote more time to financial management as you increase your borrowing. A good way to estimate your debt repayment ability relative to net farm income is to make a cash flow analysis of your farming operation.

Before taking out a loan, give careful consideration to alternative sources of credit. Farm credit lenders aren't all the same, so it pays to shop around until you find

one that meets your needs. Although interest payments are a major factor, there are other points to consider as well, reminds the economist.

Does your lender understand agriculture? Does he understand the nature of cash flow associated with your farm enterprise? Does he recognize that farming has its "ups" and "downs" from year to year?

Recognizing this, will your lender agree to be flexible and make available some reserve so that a "down" period doesn't threaten the existence of your business?

Does your leader understand your goals? Is he convenient so that you can readily communicate when the need arises?

Though it may be ad-

vantageous to use more than one lender (one for short-term and one for long-term credit), don't use too many. A lender must account for his risk, too, and may feel less obligated to work with you if you have too many other lenders.

With harvest nearly over, this is an excellent time to analyze your credit situation. If you are using large amounts of borrowed operating capital you may benefit by putting an increased emphasis on financial record keeping, cash flow analysis, and other techniques for managing your farm finances. This is the only way you can be sure the money you borrow is returning you more than its costing.

## Goat breeders to meet Dec. 7

NEWARK, Del. — The initial meeting of the Delaware Dairy Goat Breeders' Association will take place on Thursday, December 7, at 7 p.m. at the Delaware Department of Agriculture.

The meeting is open to the public. Those present will have the opportunity to

propose by-laws, nominate and elect officers, and set future meeting dates, sites, and programs for the new organization.

The Delaware Dairy Goat Breeders' Association will receive educational support from the Delaware Cooperative Extension Service.

## Conference attended

BROWNSTOWN - Robert N. Zook, Agricultural Officer of The Brownstown National Bank and President of its subsidiary, Brownstown Agri Loan Corp., attended the National Agricultural Bankers Conference, "Tune In The Future" held in Nashville, Tennessee, on November 12 to 15.

The future in banking and agriculture as well as topics relative to agricultural financing were among the topics discussed.

The outlook for the general economy and agricultural commodities were also discussed.

## PUBLIC SALE OF VALUABLE REAL ESTATE SATURDAY, DECEMBER 9

2 P.M.

Located along Rt. 625 on the southern edge of the village of Bowmansville across road from Pine Grove Mennonite Church in Brecknock Twp., Lancaster Co., Pa.

### 2½ STORY FRAME DWELLING

7 rooms including 4 bedrooms, also 1½ baths, built in kitchen including built in oven and cook top. Situated on ½ acre lot along with small barn with stable room for several horses. Also shop overhead and 1 car garage. Lot includes nice size garden, also good supply of well water.

Inspection of property by appointment only by calling 215-445-4457.

Terms by  
**JOSEPH H. HORNING &  
MABEL Z. HORNING**

Auctioneers  
LeRoy S. Horst  
Paul W. Horst

## SPECIAL HEIFER SALE FRIDAY, DECEMBER 8

11:30 A.M.

Sale to be held at Jack Wood's Farm, located on Taylor Valley Rd., NY, off Rt. 26, Watch for Auction Arrows.

### 108 - HI-GRADE & REGISTERED CATTLE - 108

Group of 1st & 2nd calf Holstein heifers, all from one farmer in Chenago Co. with about ½ fresh by sale time and balance bagging close.

A top selection of 1st & 2nd calf Holstein heifers from the State of Maine, including some fresh heifers and other bagging close that may be fresh by sale time.

Another selection of 1st & 2nd calf heifers including such registered animals as: Royalane Reflection Shamrock daughter, Robbie daughter, Willow-Farms Rockman Ivanhoe daughter due Jan. 2, 1979 to Ames, plus other top registered cattle.

Another group of 24 artificially sired Chenago Co. heifers, all from A-1 sires, ranging in age from 1 mo. to yearlings.

Managers Note: This is a top selection of good Hi-grade & registered cattle that will all be blood tested, eligible for immediate interstate shipment as well as having shipping fever shots and pregnancy examinations where necessary. Inspection welcome anytime. Come & look these cattle over, you'll like what you see.

Terms: Cash or good checks.  
Lunch Available

### JACK WOOD'S LIVESTOCK & AUCTION SERVICE

Sales Managers  
Cincinnati, NY 13040  
607-863-4141

## HOG PRODUCERS!

Get Top Price for  
Your Hogs at  
New Holland



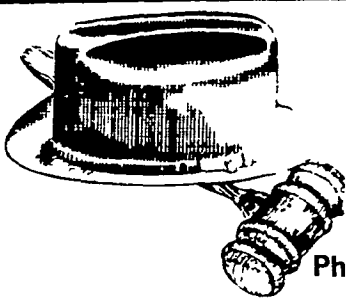
Sold in sorted lots the auction way. See them weighed and sold and pick up your check.

**SALE EVERY MONDAY - 8:00 A.M.**

**NEW HOLLAND SALES STABLES, INC.**

Phone 717-354-4341

Daily Market Report - Phone 717-354-7288  
Abe Diefenbach, Manager



**HAT &  
GAVEL  
AUCTION CO.**

Phone (717) 626-0254

Rte. 501 One Mile North of Lititz, Pennsylvania.

## PUBLIC AUCTION

to be held at our Auction Gallery

**THURSDAY EVENING, DECEMBER 7, 1978**

5:30 P.M.

**FURNITURE, COLLECTIBLES**

Decorated gold and green leaf wheat pattern, ironstone; jugs; iron train; H.O. gauge train; recliner; Waterfall bedroom suit; large oak bookcase; 4-burner electric stove; modern bedroom suit; plus lots more!

For More Information Write or Phone:

**Wilbur Hosler, Auctioneer (717) 626-0254**

**Harold K. Galebach, Partner**

**RD 2, Newport Rd., Lititz, Pa. 17543.**

Receiving Hours: Monday, Noon to 9 P.M.  
Wednesday, 9 A.M. to 5 P.M.; Tuesday, Pickup Day.

Positively No More Garage Sale Leftovers  
Will Be Received.

## NOTICE

**NEXT MACHINERY SALE  
WEDNESDAY, JANUARY 3,  
POSITIVELY NO MACHINERY SALE  
IN DECEMBER**

**HAY, STRAW &  
CORN SALE**

Every Wednesday in December  
At 12:00 Noon

**DAVID H. GOOD  
Good's Auction**

## MINI ACRES

**1ST PUREBRED YORKSHIRE  
PRODUCTION SALE**

**SATURDAY, DECEMBER 16**

At 1:00 P.M.

**AT LEBANON FAIR GROUNDS  
CORNWALL & EVERGREEN RDS., 1½ miles  
South of LEBANON, PA.**

**SELLING**

**60 — HEAD — 60**

**BRED GILTS — OPEN GILTS — SERVICE BOARS**

Good bloodlines being offered.

Attending this sale will be worth your while.

**FREE LUNCH**

**AUCTIONEER:**

Our dear friend **RALPH W. ZETTEMAYER**

**AYC FIELD MAN:**

Our **INDIANA GOOD GUY - DAVE WALTERS**

**RINGMEN:**

**HENRY GRUBER (Y'all know Henry)**

**RUSSEL HENRY (Y'all know Russ)**

Mail For Catalog To:

**EDWARD H. OSWALD**

R.D. #2, Box 396

Slatington, Pa. 18080

Tele. - (215) 767-4789

Sale Barn - (717) 274-9953