A32—Lancaster Farming, Saturday, April 5, 1980

## **Pork markets**

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three percent. But producers had indicated last January that they would be up ten percent," he said.

"With the drop in market prices last Fall, the producers then indicated no increase in farrowing intentions, but the numbers of sows slaughtered never showed that the producers were doing what they indicated-cutting back.'

Moore stated the March report shows the producers didn't cut back, but in-creased instead. "We were hoping for a few more months of heavy slaughter. So for the rest of the year now we will have hogs coming out of our ears," he said.

The fact that sows raised an average of 7.2 pigs per litter this past winter because of the mild weather and low mortality will not help the year's second half. "These pigs will be showing up as extras in the June through August and September markets," said Moore.

But Moore's predictions were not totally gloomy. The Penn State economist sees prices in the range of 40 cents to 42 cents in the second half of 1980. He said the pork industry is banking on the price of beef dropping.

The current slump, Moore said, is part of the cyclic trend for hogs that runs in cycles of four to five yearstwo good and two bad. He said he looks for the second half of 1981 to be a complete shift in the hog market, with prices turning up

Moore pointed out the slump producers find themselves in now is just a delay of the expected drop in price that never happened one and a half years ago. "It would have come earlier if the hog prices would have been worse last Fall," he said, "but they didn't go low enough to get producers to reduce their numbers."

The economist stated he feels the pork industry would have been better off if the slump would have happened sooner because of the pessimism surrounding the economy.

"Last Fall people were buying pork because it was \$1 cheaper per pound than beef. But with inflation, the recession and the stock market going to pieces, the

won't be able to because he expects the low prices to continue for the next 30 to 60 days."You can't hold them that long for 29 cents," he said.

The best thing for hog producers to do is to go to the grocery store managers and try to get them to put on campaigns to sell more pork, Fisher added. But, he said with a sigh, "Even that won't help because people aren't spending money. And when they cut back, the first place they cut is the groceries-and the first food to stay out of the cart is meat."

Fisher attributes the current dilemma to President Carter's policy on inflation-fighting. "He's trying to cause a recession as quickly as possible by tightening credit, so that he can pull us out of it by election time this November-but I don't think he's going to make it.'

Dennis Grumbine, president of the Pennsylvania Swine Cooperative. is another hog producer who is concerned with the price of pork these days.

As a purebred Hampshire breeder, Grumbine said he is afraid if hog producers try to ride out the slump by holding their hogs for a better price they will be defeating what breeders have been trying to achieve for years—lean, meaty hogs.

"Some breeds can carry the additional weight without putting on excess trim," he said, "but most hogs, after they reach the 225 to 235 pound mark, put on grease. This is not a saleable product."

He added the heavy hogs will have an adverse affect on the market when they are finally trucked.

Grumbine stated that what the hog industry needs is \$4 corn. "If corn's high, you don't have cheap hogs." But he noted the grain embargo turned the price of grain down which hurt the commodities.

The Lebanon County hog producer stated that the commodities are controlled to a large degree by what is read in the Wall Street Journal.

A Berks County farmer and the agricultural lending officer for Lebanon Valley National Bank agrees with Grumbine. Just recently in the hog business, Michael Firestine said he believes it's a paper market. He was referring to a news release that appeared in the Wall Street Journal on March 21st. This story was a summary of the March Pig Crop report by the USDA and said there were more hogs than previously estimated. It went on to say the days of cheap pork will be around longer than expected. "This caused people to panic, and by 10 a.m. Monday the market dropped to 29 cents. Farmers were sending off hogs at about 190 pounds and cleaning house rather than feeding them to 225 pounds," Firestine said. Ironically, he noted, the Wall Street Journal of March 20th ran a story of the hog supply thought to be available, based on the intentions of farmers last Fall, and stated the high cost of raising hogs made farmers cut their herds and young pigs With the expected slaughter, prices were

# Sheep Club organizes for first year

LANCASTER

At the beginning of its first year as a separate club, the Lancaster County 4-H Sheep Club met recently to elect officers.

Officers elected were: Sarah Brubaker, president and county council representative; Wayne Hess, vice-president; Barb Herr, secretary; Jim Stauffer, treasurer; Monica

predicted to stay low for a few months, but rise by the end of the year.

The next day's news story, which crushed any hopes gleaned from reading the future predictions the day before, was the last straw for many hog producers.

Hogs were shipped by the hundreds, and the prices plummeted towards what appears to be a bottomless market.

GRAVES

Esh and Missy Esh, song leaders; Machele Shuey and Gerald Rohrer, news reporters; John Mast, game leader; and Liz Chapman, county council representative

### Home milk deliveries to end

LANCASTER -- The announced cessation of home deliveries beginning on Friday by Penn Dairies will have no effect on dairy farmers supplying milk to the Lancaster County dairy.

There has been a steady decline in the number of home-delivery customers, according to Nancy Frankhouser, of Penn Dairies, which represents only a very small percentage of overall dairy operations.

The level of home deliveries has declined to a point where only three drivers were handling the weekly route.

The club's next meeting will be held Monday, April 21 at 7:30 p.m. at the Farm and Home Center. For more Clyde and Dorothy information call 717/898-8984 Brubaker, Lancaster. or 394-6851.

The fewer number of

customers and rising fuel costs resulted in a 50-cent higher price for a gallon of milk delivered to a home as compared to the cost in a store.

Penn Dairies retails its label packaging.

Approximately 450 dairy farmers, primarily in Lancaster and York counties and northern Maryland. supply milk to the dairy.

Leaders for this new organization are: Ann Rohrer, Quarryville, and

#### Lancaster Weekly

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**VEAL CALVES: Vealers** weak to 5.00 lower, instances 10.00 lower. Demand fair for holstein bulls returned to farm. Demand poor for holstein heifers returned to farm.

VEALERS: Prime 240-340 products in 69 Pensupreme lbs. 117.00-127.00; Choice 160convenience stores located 300 lbs. 96.00-115.00, few in seven counties and sells to 115.00-120.00; high Good and large markets and market low Choice 140-260 lbs. 75.00chains, including private 98.00, 90-115 lbs. 55.00-75.00, 70-90 lbs. 50.00-65.00.

**RETURNED TO FARM:** Bulk 90-115 lbs. holstein heifers 80.00-106.00, few 110.00-124.00; bulk 90-115 lbs. 110.00-124.00; buils 82.00-105.00, few 110.00-119.00.

GRAVES

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AND

**MOW CONVEYOR** 

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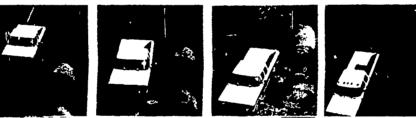
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The Graves Speedwagon offers you the ultimate in hay handling. Its gentle handling of bales and highway speed capability allows you to move large quantities of bales long distances very economically.



Non stop loading 

Before you get to the bales to be loaded push one switch on the hand control and the machine will swing out and trail beside the pickup 

Push the second switch and the front of the machine lowers to the ground 
Push the third switch at the same time as you engage the bale and approximately 12 seconds later the bale is loaded 
After the third bale is loaded swing the machine in behind the pickup and you are ready to go to the storage area, whether it be 100 yards or 100 miles. All this is accomplished without ever stopping the pickup

# GRAVES TRANSPORT



consumers are pulling in their horns," said Moore.

One Lancaster County pork producer and the president of the Pennsylvania Pork Producers Council, Abe Fisher, Kinzers, views the hog market as "pretty poor".

"It always seems our sows are doing their best whenever the prices are the lowest," said the manager of Jet-Age Hogs.

Fisher said he is aware the packers are full of pork-24 percent more in cold storage than last year. "They can't sell it-and with the prices the producers are getting for the hogs they market, it's like having a fire sale.'

He noted that every Spring and Fall producers expect a "run" on the market, but this year's prices are low despite the fact that 26 percent more hogs are being killed this year than last year

Fisher added that a hog producer who wants to ride out the current low prices