

# U.S. exports ringing up another record

WASHINGTON, D.C. — Farmers will ring up record export earnings this year despite a sluggish world economy, high interest rates, and 1980's drought-reduced U.S. harvest.

Sales are likely to reach about \$46 billion in the 1981 trade year ending this September 30, says USDA analyst Steve Milmo. That doesn't match some of the earlier forecasts, but it's an impressive \$5.5 billion increase from 1980.

Higher prices for farm commodities will be mainly responsible for the rise in earnings, although export volume is also expected to set a record. Shipments of all products should total about 167 million metric tons, up 3 million tons from last year.

According to Milmo, this increase in volume was already achieved in the first 6 months of the trade year.

In the months ahead, U.S. grain exports will face stiff competition from the recent harvests in Argentina and Brazil. The two countries produced about 14 million more tons of feed grains than last year, meaning a sharp increase in exports. Also, Argentine wheat may replace some potential U.S. sales to Peru, Chile, and Brazil.

As a result, U.S. grain sales will probably slow down close to last year's pace. But with the gains already made in the first half of the trade year, combined feed grain and wheat export volume may top 114 million tons for the entire year, up from 108 million last year.

The anticipated increase in grain sales is important because U.S. exports of soybean products are taking a beating, Milmo says.

European buying picked up recently, but total U.S. soybean exports will probably end the year about 3 million tons below 1980's volume of nearly 24 million metric tons. Dollar earnings are another story. Export prices remain higher than last year despite the bearish effects of Brazil's large harvest, so U.S. sales of soybeans and products may equal last year's receipts.

It's no surprise that Japan will remain our top customer, spending an estimated \$6.9 billion on U.S. farm products, up from \$5.8 billion last year. Japanese purchases of red meats, poultry, wheat, corn, and soybeans have been unusually strong so far this year.

Mexico will be the number two buyer, with estimated purchases of \$2.9 billion, up almost \$1 billion. Principal items include corn, dried beans, sorghum, soybeans, and wheat.

U.S. sales to Western Europe are expected to decline slightly to about \$12.1 billion this year, while sales to Asia (\$17.3 billion), Latin America (\$7.3 billion), and Africa (\$2.8 billion) will be much higher than in 1980.

None of the export forecasts for this year are set in cement, Milmo says. Some of the factors which may affect U.S. sales for the remainder of the year include

changes in economic activity here and abroad, prospects for the fall harvest, Soviet purchase intentions, and currency exchange rates.

Jittery financial markets are

playing a bigger role in export prospects than in the past. The recent strengthening of the U.S. dollar means foreign products become cheaper for U.S. consumers and American products become more expensive abroad

This can be an important factor in farm exports, especially when the U.S. isn't the only country holding exportable food supplies.

Another major uncertainty is the USSR. The U.S. expects some

additional grain sales before September 30—the expiration date of the current grain agreement—but there's little basis for speculating on how much the Soviets will buy.



Leon Riegel

## Ask the VMD



Synthea Maas



Tim Trayer



Edgar Sheaffer

If you have a question you would like to have answered by the team of veterinarians at Valley Animal Hospital, Palmyra, and Dr. Tim Trayer, Denver, send it to "Ask the VMD", Lancaster Farming Newspaper, Box 366, Lititz, PA 17543. Questions will be kept anonymous on request.

There is feed available for them which includes alfalfa, orchard grass, hay, ground corn, sodium bicarbonate, trace mineral salt and urea two times a day. A salt block is always there for their use. What could be causing them to eat the soil?

phosphorus deficiency. However, your cattle may need other minerals as well. A list of such minerals includes: iron, copper, sulfur, cobalt, zinc, magnesium, iodine, selenium, manganese.

Occasionally, cattle will eat soil when no deficiency can be found. Feeding high levels of one mineral can produce the signs of a deficiency disease of another.

For example, excess molybdenum and sulfate in the feed

**Cows eat 'mud pies'**  
A reader asks:  
My steers have started eating the soil and mud in their feed lot.

**J. Cerbulis Boyertown**  
**Dr. Sheaffer Comments:**  
It is generally believed that eating dirt and mud is a sign of

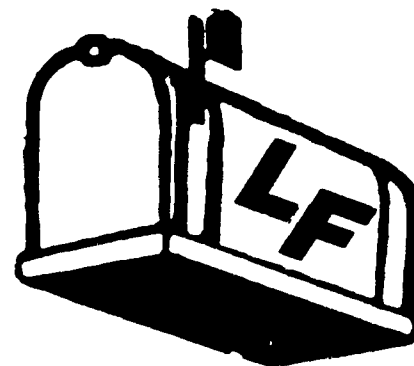
produces a conditional copper deficiency. High levels of urea in the ration require that more sulfur be added to the feed.

A phosphorus deficiency can be produced in animals that are fed excessive amounts of calcium in the ration. High calcium intake depresses the blood phosphorus level. If this continues for any length of time in the cattle, they will often seek phosphorus by eating soil, chewing on metals, pulling out plants by the roots or even eating old bones if available.

We recommend having your feed ration analysed for calcium, phosphorus, and other minerals each time the feeding program is changed. This is especially true when forages (hay or silage) are obtained from several sources.

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