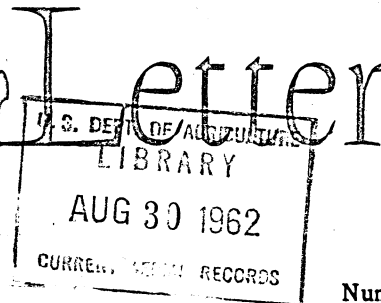
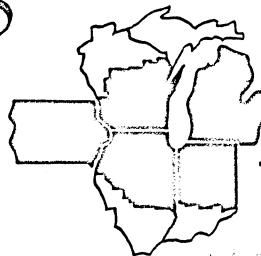


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# Agricultural



Number 666

Crop production prospects improved during July. With excellent weather in the important North Central region, expected average yields per acre for the nation were boosted to 109 per cent of the 1957-59 average, equal to last year's record high. Total production, however, is indicated to be slightly lower than last year because of reduced acreage. Crop production is now estimated to be 105 per cent of the 1957-59 average, 1 point below last year and 3 below the all-time high in 1960.

Whether the currently indicated production will be realized depends, of course, on weather and growing conditions between now and harvest time. For the most part, there is ample moisture in the major crop-producing section of the country, particularly in the Midwest. Currently it is quite dry in many southern areas and drought continues in the Northeast.

### Estimated Feed Grain Production

	Ill.	Ind.	Iowa	Mich.	Wis.	U. S.
	----- (million bushels) -----					
<b>Com:</b>						
1960 .....	679	350	773	91	109	3,708
*1961 .....	638	309	747	102	120	3,624
*1962 .....	668	336	744	99	111	3,549
<b>Oats:</b>						
1960 .....	95	48	172	36	104	1,155
1961 .....	89	27	144	39	130	1,012
1962 .....	82	37	134	38	127	1,030
<b>Barley:</b>						
1960 .....	2.2	1.7	0.9	2.3	1.2	431
1961 .....	2.6	1.9	1.0	2.6	1.4	393
*1962 .....	1.9	1.4	0.5	2.4	1.4	419
<b>Grain Sorghums:</b>						
1960 .....	0.7	1.3	2.4	-	-	620
*1961 .....	0.4	0.8	0.9	-	-	483
*1962 .....	0.4	0.6	1.1	-	-	485

\*Feed grain program in effect.

Production of feed grains in 1962 is estimated at 139.5 million tons—1 per cent below last year and 10 per cent below the 1960 total. The smaller crop this year would be due principally to a reduction of two million acres to be harvested by those farmers participating in the Government's feed grain program.

If grain continues to be consumed and exported at record rates, as in the first half of the year, stocks carried over from preceding crops would be on the order

of 73 million tons, or about 12 million less than last year. Thus, the total supply of feed grains for 1962-63—production, plus carry-over from previous years—is estimated to be about 213 million tons, or 13 million below the 1961-62 supply.

Corn production prospects throughout the major producing areas are excellent. In spite of 1 per cent fewer acres for harvest in the Seventh Federal Reserve District, production in this area is indicated to be 2 per cent higher than last year. Yields per acre are likely to be at record levels—79 bushels in Illinois and Indiana and 76 bushels in Iowa. The favorable prospects in the Corn Belt are offset by less favorable conditions in the eastern and southern regions. The United States crop is now estimated at 3,550 million bushels compared with 3,620 million last year.

The soybean crop nearly parallels that of corn. Production is indicated to be about 703 million bushels based on August 1 conditions. If this production is realized, it would be the largest crop recorded, slightly above the previous high in 1961, but more than two-thirds above the average of the past ten years. The large crop reflects the record acreage planted in response to favorable support prices on soybeans and the favorable weather.

Grain sorghum production is estimated at 485 million bushels for 1962, up 2.6 million bushels from last year, reflecting substantial increases in production in last year's drought-stricken West North Central states. August conditions point to a yield of 42.5 bushels per acre, which, if realized, would be below last year's all-time high, but well above the ten-year average.

Shifts in crop acreages, resulting from the feed grain program and price supports, are particularly noticeable on Seventh District cash grain farms. On these farms acreages of feed grains were reduced in order to qualify for Government payments. Although oats are not under the program, substantial reductions in this relatively low-income crop were made as farmers increased plantings of soybeans. On the other hand, for farms on which most of the grain is fed to livestock, acreages of feed grains were not reduced appreciably.

Research Department