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Agricultural Letter



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CROP PRODUCTION PROSPECTS are "less promising" now than they were at this time last year. The 1963 output, of course, set a new record. The most recent crop report issued by the U. S. Department of Agriculture indicates that prospects in most areas are about the same as year earlier, but that conditions in a few areas are markedly poorer. Good to excellent crop conditions prevail throughout most of the Corn Belt and Northern Plains states, but dry soil and high temperatures have stunted crop potentials in many South, Southwest and Atlantic Coast areas. The largest area afflicted by unfavorable or "less favorable" crop prospects is in the Southwest where early spring drought led to acreage losses and reduced prospects for winter grains.

About 307 million acres were planted to the nation's principal crops—nearly 1.7 million less than a year ago but still 5 million acres or 2 per cent larger than the 1962 acreage, which was the smallest total since the USDA began keeping records in 1909. Acreage planted to feed grains declined nearly 7 million, but this reduction was partially offset by increases in acreages planted to other crops, chiefly wheat, rye and soybeans. The sharp reduction in feed grain acreage is largely attributable to greater participation this year in the Government's feed grain program. The nation's farmers signed up more than 34 million acres for diversion from feed grain production this year or nearly 30 per cent more than was idled last year. The high level of participation was induced primarily by increased program payments, although depressed livestock prices and weather conditions in some areas probably also influenced farmers' decisions.

Crop Production in the United States

Crop	1963	1964	Per cent change
	actual (million)	indicated bushels)	
Corn for grain	4,082	3,888	- 5
Wheat total	1,138	1,275	+12
Winter	905	1,016	+12
Spring	233	260	+12
Oats	981	905	- 8
Barley	400	363	- 9
Sorghum*	17	17	- 4
Soybean*	30	32	+ 7

*Planted acreage.

Although the acreage planted to crops this year totals somewhat less than a year earlier, acreage *harvested* may be larger than last year. A smaller acreage loss is anticipated for this year's crops—especially for winter grains, which had unusually heavy abandonment in the 1963 season. Nonetheless, many areas in the nation will need timely summer rains to maintain favorable growth of crops until harvest.

The corn and the soybeans crops will be strongly affected by weather conditions between now and harvest. Favorable weather for crop development during the growing seasons have brought steady increases in production estimates in recent years. Ideal weather for crop development and a late frost date could boost the 1964 corn and soybean yields above the year-earlier highs.

Corn production is now projected at 3.8 billion bushels. While this would be 5 per cent below the record total of 4 billion bushels last year, it would still be the third largest on record. Acreage is 4 per cent under the year-earlier level and the yield is expected to decline about a bushel an acre. Production in the Corn Belt is expected to total 4 per cent less than last year as a result of fewer acres. In the Seventh Federal Reserve District, corn prospects are excellent with estimated yields in each of the five District states higher than the record yields in 1963.

Sorghum acreage also has been reduced under the feed grain program, with the 17 million acres planted to sorghum this year totaling 4 per cent less than last year's acreage. An anticipated cut in the production of oats rests on projected lower yields as well as smaller acreage—the fewest acres planted to oats in more than 70 years. The long-run downward trend in acreage planted to oats has been accelerated in recent years, apparently because farmers participating in the feed grain program often idle oat acreage, reflecting the low return from this crop relative to other crops.

Soybean acreage rose 7 per cent to a record total this year of nearly 32 million acres, as farmers responded dramatically to the high prices of last winter and spring. Expanded plantings were reported in most producing areas, but the sharpest increases were recorded in Minnesota and Iowa—up 20 and 15 per cent, respectively. In Illinois, the perennial leader in soybean production, 3 per cent more acres were planted than a year ago. While no official estimate on probable production will be available until mid-August, the crop is generally reported to be in good condition.

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