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FEED SUPPLY

What's Ahead for Minnesota Farmers

Agricultural Extension Service - University of Minnesota - Institute of Agriculture

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TOTAL FEED SUPPLIES. Although a late spring and uneven stand of corn in some areas are important factors this year another big feed concentrate supply is in prospect for 1960-61, based on August 1 estimates. This follows seven years of steadily increasing supplies -- a period when feed grain yields per acre went up about a fourth; total production a third. Although domestic use and exports of feed grains increased, production has consistently exceeded total disappearance at an average rate of about five percent annually. As a result, feed grain stocks carried over at the end of each year increased from 20 million tons in 1952 to an estimated 77 million tons this year (see table).

This year feed grain production was estimated in August at four percent below last year's record, but the estimated carryover of nine million tons more than offsets that percentage drop. Feed supplies in sight appear sufficient to permit current rates of consumption and exports and yet maintain the present level of carryover stocks at the end of the 1960-61 season. Information on the major feed grains follows.

Corn. Although the corn crop got off to a slow start, a big crop second only to 1959, is in prospect. The supply of corn on October 1 (including carryover stocks) may total close to six billion bushels. Around four billion bushels of last year's record corn crop was used up; this is about one billion more than five years ago when less was used both for local consumption and for export. If corn disappears this coming year at the same rate as last year, less than two million bushels will be added to the corn carryover in the fall of 1961.

Oats, Sorghum and Barley. Oat acreage has been going down since 1955. Last year's needs were met by taking 100 million bushels from carryover supplies. The barley supply is down too -- about six percent from last year. The sorghum grain supply, however, is up three percent to a new record but the bulk of this production is well to the south of Minnesota.

Hay. Expected hay supplies may be down four percent from last year due to less carryover. This will mean around six percent less hay available per animal unit.

High-Protein Feeds. Ample supplies of the major high-protein feeds seem assured as a result of (1) a reduced demand for certain feeds resulted in declining protein feed prices in the first half of 1960, especially for animal proteins and fish meal; (2) supplies of protein feed in the year ahead are expected to be maintained at past year's level; and (3) exports may be down a little and this could leave more meal available for domestic use for the coming winter and spring months.

Price Prospects. Oat prices have been high this past year in relation to corn and sorghum prices. A similar relationship seems likely for the year ahead. Prices received by farmers for corn and sorghum grains probably will drop somewhat below the 1960 price supports this fall and winter but this is not likely to occur for oats and barley. If there should be a large amount of soft corn, it will become an important price factor. Prices this fall and winter for meal may be weaker than for this period last year. The national average support rate for 1960 corn is $1.06 per bushel; oats, 30 cents; barley, 77 cents; soybeans, $1.85; and sorghum grains, $1.72 per cwt. These support rates naturally will have a stabilizing influence on both feed grain and meal prices.

Table. Feed Concentrate Balance, Numbers of Animal Units, and Feed per Unit, United States, Year Beginning October, Average 1954-58, Annual 1957-60

	Average 1954-58	1957	1958	1959 1/	1960 2/
	million tons				
SUPPLY					
Stocks beginning of year 3/	44.4	48.9	59.1	67.7	77.0
Production of feed grains:					
Corn	95.0	95.8	106.4	122.1	115.1
Oats	21.8	20.8	22.7	17.2	18.7
Barley	9.9	10.5	11.4	10.1	9.9
Sorghum grains	10.4	15.8	17.1	16.2	15.1
Total production	137.1	142.9	157.6	165.5	158.8
Imports of feed grains	.8	.9	.4	.5	.7
Wheat and rye fed	1.8	1.6	2.3	2.0	2.0
Byproduct feeds fed	25.1	26.0	27.1	27.0	27.0
Total supply	209.2	220.3	246.5	262.8	265.5
UTILIZATION, OCTOBER-SEPTEMBER					
Concentrates fed 4/					
Corn	79.6	81.5	90.4	98.0	
Oats	18.8	17.6	19.6	16.0	
Barley and sorghum grains	11.0	12.9	14.1	16.5	
Wheat and rye	1.8	1.6	2.3	2.0	
Oilseed cake and meal	10.1	10.8	11.8	11.5	
Animal protein feeds	3.1	2.9	3.1	3.0	
Other byproduct feeds	12.0	12.3	12.2	12.5	
Total concentrates fed	136.4	139.6	153.5	159.5	
Feed grains - seed, food and industry	12.6	12.4	13.0	13.0	
Exports	8.9	10.5	12.7	12.5	
Total utilization	157.9	162.5	179.2	185.0	
Utilization adjusted to crop year	157.6	161.2	178.8	185.8	
STOCKS AT END OF CROP YEAR 3/	51.6	59.1	67.7	77.0	
SUPPLY AND UTILIZATION PER ANIMAL UNIT					
Total supply (million tons)	209.2	220.3	246.5	262.8	265.5
Concentrates fed (million tons)	136.4	139.6	153.5	159.5	
Grain-consuming animal units (millions)	164.2	161.6	170.4	168.4	166.0
Supply per animal unit (ton)	1.27	1.36	1.45	1.56	1.60
Concentrates fed per animal unit (ton)	.83	.86	.90	.95	

1/ Preliminary.

2/ Preliminary estimates based on indications in August, 1960.

3/ Stock of corn and sorghum grains in all positions on October 1, and oats and barley on July 1.

4/ Total quantities fed in the United States, including domestically produced and imported grains and byproduct feeds.

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