Keeping up on The Farm Outlook

by

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Price Drop Temporary

Most farm products have been dropping in price on the wholesale markets since late September. Many other raw materials have also been slipping in price. Good war news is partly responsible. Another reason was increased supplies of some commodities; hogs and lard are an example.

But the drop has been small. It has erased only about one-sixth of the price gains made earlier this year. And for most items it has not shown up on retail markets. In fact, many retail prices are still going up because of higher labor costs and last summer's rise in raw material prices.

Falling prices on wholesale markets may continue for a while longer. But by the first of the year or soon after, heavier spending for armaments and for new factories, mines, and equipment is likely to cause the general price trend to move upward again. Both farm and non-farm products would be affected.
Beef Prices Hold--Hog Prices Drop Sharply

Only small declines in beef cattle prices have come so far this fall even though more cattle are coming to market. Most workers are employed at good wages and have no fear of being without work next month. As usual under these conditions, people buy beef freely with little question about the price. The strong demand for feeder cattle has also helped hold up beef cattle prices.

More cattle are being held back for breeding stock. This will help hold market supplies of cattle down as long as it lasts. But it will bring an increase in market supplies of beef sometime in the future.

Many people consider the ownership of beef cattle a good hedge against inflation.

Hog prices dropped from around $28 per hundred pounds at Spokane in late August to around $21 by late October. Hogs have been coming to market in large numbers. Then too, people’s appetite for pork does not increase when they prosper as much as it does for beef.

Any additional drops in hog prices are likely to be small, but no general advance in hog prices is likely before December. The number of hogs coming to market may start to go down at about that time.

More Strawberries Next Year

Strawberry acreage may be 10 per cent larger next year. That is indicated by reports to the BAE from commercial strawberry producers throughout the nation. A strawberry acreage of this size would be 25 per cent above the 1940-49 average.

Increases in strawberry acreage for next year are shown by all areas, but Washington shows one of the largest jumps with 9,500 acres indicated compared with 7,200 in 1950, a gain of 32 per cent. The 1940-49 average strawberry acreage for Washington was 5,570 acres.

Fewer Dry Beans

Rain damage has cut the size of the Michigan dry bean crop to less than 3 million bags. Last year, Michigan produced almost 6 million bags of beans, the largest bean production in any state.

The total U. S. crop of dry beans is now estimated at 15,916,000 bags of 100 pounds each. This would be 6 million bags less than last year’s record crop, and about 1 1/2 million bags under the 10-year average. But stocks of 1949 and earlier bean crops in storage on September 1 were nearly 10 million bags.

Land Prices Boom

Land prices are again shooting upward in some areas. Other localities have shown little change in recent months.

Is it good land? One of the greatest dangers in buying land in boom times is that you may get unproductive land. Poor land is nearly always a bad buy even though the price per acre is low.

Before you sign on the dotted line, see your County Extension Agent. He is familiar with land values and with the quality of land in your county. Over half of the counties in the state also have Land Class Maps showing the income-producing capacity of all farm land in the county. These are available at most County Extension Offices.

Can you make your investment pay? If you are going to make money on farm land, your land must not only be good, it must be in a well-organized farm operating unit. This means it must be the right size with buildings and fields properly arranged for efficient work.

If you are inexperienced at farming or not familiar with farming in the area where you are thinking of buying a farm, there are many other pitfalls you need to guard against. These include noxious weeds, drainage problems, danger from flooding, poor water rights for irrigation, alkali land, poor water for domestic use, as well as many others. Experienced farmers are usually well informed on these for areas where they have lived and farmed for a number of years.

Good farm land is not now overpriced on the basis of present farm earnings. Net returns from good farms have advanced faster than land prices during the past 10 years.

FEWER EARLY ONIONS

Texas onion growers say they intend to plant only 33,100 acres to early onions this winter. This would be less than half of last year’s 71,700 acres and 20 per cent below the 10-year average.
Hop Market Is Strong

Demand for hops is strong, both in the U. S. and abroad. With a U. S. crop 15 per cent larger than last year and 27 per cent above average, the price is higher than either last year or the year before. Prices for seedless clusters were 75 to 77 cents per pound in mid-October.

The strong demand for hops is probably due chiefly to the high level of business activity and employment, both in the U. S. and abroad.

Exports heavy: A total of nearly 14 million pounds of hops was exported in the year ending September 1. The year before, exports were 12 million pounds and the year before that 11 million pounds.

Hop imports in the year ended September 1 were about 6 million pounds, the highest in several years.

Controls relaxed: The Hop Control Board will allow 50 million pounds to be marketed this year out of the 58 million pounds produced. Most of the 8 million pounds was not picked. Last year, the Board allowed 39 million pounds to be marketed out of a 51-million-pound crop.

Acreage expanded in all hop areas this year because of last year’s good prices. Even Oregon, where the trend in hop acreage has been down for many years, showed an increase.

Lumber Market Less Brisk

The log market may cool off a little now that credit restrictions are slowing up the building boom and causing lumber prices to drop. Just how much the log market will be affected is hard to tell at this time, but lumber buying by the armed forces will give some support to the demand for lumber.

There is still a chance that this winter may be a good time to look over that patch of timber, market logs that are ready, and do thinning that is needed. It is not a time to cut heavily at the expense of future log production.

Don’t forget that your County Extension Agent can get expert help for you in selecting trees for cutting.
What's New . . . What's Ahead

Protein feeds may get more expensive this winter. The short cotton crop will make cottonseed meal and cake scarce, but this will be largely offset by the bigger soybean crop. Heavy feeding will make the demand for these feeds strong.

Vegetable supplies large for fresh market: The U. S. cabbage crop is large this year. Carrots, lettuce, and snap beans also are plentiful. But this fall's harvests are smaller than a year ago for celery, cauliflower, cucumbers, and spinach.

Winter wheat: A big crop has been planted throughout the nation under nearly ideal weather conditions.

Fill your lockers soon: After November, rising prices for nearly all kinds of meat animals and meats are to be expected.