UNL News

Published 5 times in Oct., 3 in Feb., Mar., Apr., Aug., and Sept., once in June and July, and twice in other months by The University of Nebraska–Lincoln, Dept. of Publications Services & Control, 209 Nebraska Hall, Lincoln, NE 68588. Second-class postage paid Lincoln, Nebraska.

This Issue: BUSINESS IN NEBRASKA

Vol. 56 No. 1 July, 1976

PREPARED BY THE BUREAU OF BUSINESS RESEARCH IN THE COLLEGE OF BUSINESS ADMINISTRATION

NEBRASKA'S AGRICULTURAL EXPORT SITUATION

The value of the exports of agricultural commodities emanating from Nebraska's farms and ranches continued to hold up well during the fiscal year ending June 30, 1975, after recording a remarkable gain in 1974. Estimates of the "value of export shares of agricultural commodities" for the fiscal years of 1973, 1974, and 1975 indicate that both 1974 and 1975 were excellent years for exporting the state's agricultural products (Table 1). The nearly $910 million of sales was at a level 76 percent above that of 1973—although the total dollar volume of exports originating in Nebraska fell some in 1975, by about 4 percent from 1974. The $910 million volume represented about 4.5 percent of the total volume of agricultural exports for the United States and 14 percent of the combined volume of the seven states comprising the West North Central Region (Table 1).

Data available elsewhere show Nebraska ranking seventh among the 50 states in total dollar volume of agricultural exports in fiscal year 1975—after being seventh in 1974 and eighth in 1973. Despite its marked gains from 1973 to 1975, Nebraska was still unable to overcome and pass such large-volume states as Illinois, Iowa, Kansas, Texas, California, and Minnesota—which ranked from first to sixth, respectively, during all three years. Only Indiana, which led Nebraska in 1973, was passed by Nebraska in 1974. Moreover, Illinois and Iowa (with not quite twice the volume of Nebraska) and Kansas, Texas, and California (with between 50 and 25 percent larger volumes) do not seem likely to be overtaken. Minnesota's volume was more nearly that of Nebraska, only 3 percent greater in 1975.

Nebraska held its position as one of the principal feed grain producing and exporting states in the nation, achieving third place in 1975 with $394 million of export sales and 8 percent of the U.S. total (Table 2, page 2). Also, the year 1975 saw this commodity group hold its position as the state's leading export group—although its share dropped from 49 percent of the state's total exports in 1974 to 43 percent in 1975 (see Table 3, page 2). Nebraska was also in third place in the nation in exports of lard, tallow, and kindred products, with $35 million of exports, and of hides and skins, with $22 million. The state ranked sixth in wheat and related products, at $285 million.

From 1973 to 1975 Nebraska experienced the greatest increase in total exports, 76 percent, of any of the seven states of the West North Central Region (Table 1). Also, of the state declines in exports from 1974 to 1975, Nebraska's 4 percent drop was the smallest. Closely following Nebraska's upward movement was Kansas, which, although having a much higher volume, gained relatively about the same as Nebraska.

These gains are further revealed in Nebraska's improved position in the region (Table 1). The state's share of the region rose from 12 percent in 1973 to 14 percent in 1975. This was during a period when the region's share of U.S. exports was declining from 34 percent in 1973 to 32 percent in 1975. Thus, during this period, Nebraska has enhanced its already strong position, both

(Continued on page 2)

[1]Because of the preliminary nature of the 1975 figures, it should be understood that these data may overstate or understate the actual activity. The statements that follow, however, are reasonable generalizations even though the final amounts and percentages are still in doubt.

Table 1
AGRICULTURAL EXPORTS OF NEBRASKA, THE UNITED STATES, AND THE WEST NORTH CENTRAL REGION, FISCAL YEARS 1973-1975

Area	Dollar Volume (millions) Year Ending June 30			Percentage Change		
	1973	1974	1975	1973 to 1974	1974 to 1975	1973 to 1975
United States	12,068.9	20,023.7	20,333.7	65.9	1.6	68.5
West North Central Region	4,150.3	7,270.7	6,546.6	75.2	−10.0	57.7
Minnesota	555.6	1,084.5	938.5	95.2	−13.5	68.9
Iowa	1,083.1	1,740.5	1,661.0	60.7	−4.6	53.4
Missouri	502.8	725.1	687.8	44.2	−5.1	36.8
Nebraska	517.6	946.9	909.9	82.9	−3.9	75.8
Kansas	766.3	1,535.7	1,345.4	100.4	−12.4	75.6
North Dakota	479.2	811.8	664.6	69.4	−18.1	38.7
South Dakota	245.7	426.2	349.4	73.5	−18.0	42.2
West North Central Region as percent of United States	34.4	36.3	32.2	5.2	−11.3	−6.4
Nebraska as percent of West North Central Region	12.5	13.0	13.9	4.0	6.9	11.2

Source: *Foreign Agricultural Trade of the United States,* 1975, Table 2, Economic Research Service, U.S. Department of Agriculture. Compilations for states of West North Central Region and calculations by Bureau of Business Research.

(Continued from page 1)
in the region and the nation, as an exporter of agricultural products.

IMPORTANCE OF VARIOUS COMMODITY GROUPS

The feed grain group, with 43 percent of the state's export value, and the wheat group, with 31 percent, together contributed nearly 75 percent of the value of the state's exports sales in 1975—after having combined shares amounting to 72 and 77 percent in 1973 and 1974 (Table 3). Although certainly important to those involved in animal production and processing, exports of meat and meat products contributed less than 3 percent of the state's total agricultural exports in 1974 and 1975. This was not because of any decline in absolute amount of export, but rather because of failure to keep up with the expansion of the activity in other commodity groups. When combined, however, with lard and tallow (3.8 percent) and hides and skins (2.4 percent), about 9 percent of total export comes from the animals grown or processed in the state. Some decline has occurred, however, in the relative importance of this group, which has seen its share drop from 12 percent in 1973 to 9 percent in 1975.

An important gain from 1974 to 1975 was reported for export sales of wheat and related products, up about 9 percent to a level of about $286 million. Also showing marked gains were trade in lard and tallow, also up 9 percent, and meat and meat products, up 14 percent. Export of vegetables and preparations nearly tripled, and the value of dairy products exported more than doubled—although these two groups, when combined, accounted for only 3 percent of the state's total exports.

Offsetting the increases were the decreases in feed grain and related products exports from a level of $464 million in 1974 to $397 million in 1975, for a drop of 15 percent (Table 3). This group, which contributed about 43 percent of all exports in 1975, exerted most of the downward effect that caused the aggregate volume to fall by about $37 million from 1974 to 1975. The soybean and related products group also suffered a considerable drop in export sales from $109 million to $96 million, for a decline of 12 percent. Despite these changes, other than some change in the size of the relative shares held by the various groups, most groups retained their positions in the absolute size order (ranking)—except for vegetables and preparations, which rose from seventh to fifth, and hides and skins, which fell off to a lower ranking.

PROSPECTS FOR FISCAL YEAR 1976

It is too early to be able to say much definitive about the state's export activity for the period ending June 30, 1976. Developments at the national level, however, can be viewed as highly relevant and, hence, indicative of what might be in store for the state's agricultural products producers.

Table 2
AGRICULTURAL EXPORTS OF NEBRASKA
AND THE UNITED STATES, BY COMMODITY GROUPS
FISCAL YEAR 1975[1]

Selected Commodity Groups	Nebraska: State's Rank	Nebraska: Millions of Dollars	Nebraska: % of U.S.	U.S.: Millions of Dollars
All Commodities	7th	909.9	4.5	20,333.7
Feed Grain and Products	3rd	393.8	8.2	4,812.6
Wheat and Products	6th	285.0	5.7	5,000.9
Soybeans and Products	*	96.4	2.3	4,155.7
Lard and Tallow	3rd	34.9	7.2	484.4
Vegetables and Preparations	5th	24.3	6.1	399.8
Meat and Meat Products[2]	4th	22.3	6.5	341.7
Hides and Skins	3rd	21.5	7.1	301.4
Dairy Products	*	2.4	1.7	140.6
Poultry	*	0.7	5.7	123.4
Other	---	28.6	0.6	4,573.2

*Not in top ten states.
[1]For year ending June 30.
[2]Excluding Poultry.
Source: See Source for Table 1.

The tonnage of agricultural exports in the current 1975-76 fiscal year is at a record level. The following is an excerpt from the World Agriculture and Trade section of the June, 1976, issue of *Agricultural Outlook*,[2] and represents the latest assessment of the nation's agricultural export situation:

> U.S. Farm Exports to Reach Nearly $22 Billion.
> U.S. agricultural exports are now expected to total about $21.9 billion in fiscal 1976, slightly above the $21.6 billion of fiscal 1975. Export volume of major bulk commodities should be up slightly from the fiscal 1974 record high of 100 million metric tons and a fifth above last year's volume. Expected record feed grain, wheat, and soybean exports will make up the increase and will represent about 90 percent of the total tonnage of U.S. exports. Increased shipments to the USSR will account for about two-thirds of the tonnage gain from fiscal 1975. P.L. 480 shipments are estimated at $1.3 billion in fiscal 1976, slightly above the fiscal 1975 value.

[2]Sally Breedlove, U.S. Department of Agriculture's *Agricultural Outlook*, June, 1976, p. 15.

(Continued on page 6)

Table 3
AGRICULTURAL EXPORTS OF NEBRASKA
BY COMMODITY GROUPS, FISCAL YEARS[1] 1973-1975

Selected Commodity Groups	1973		1974		1975		Percentage Change		
	Millions of Dollars	Percent of Total	Millions of Dollars	Percent of Total	Millions of Dollars	Percent of Total	1973 to 1974	1974 to 1975	1973 to 1975
Nebraska—All Commodities	517.6	100.0	946.9	100.0	909.9	100.0	82.9	−3.9	75.8
Feed Grain and Products	229.0	44.3	463.7	49.0	393.8	43.2	102.5	−15.1	72.0
Wheat and Products	141.5	27.3	263.1	27.8	285.8	31.4	85.9	8.6	102.0
Soybeans and Products	57.3	11.1	109.2	11.5	96.4	10.6	90.6	−11.7	68.2
Lard and Tallow	15.6	3.0	32.0	3.4	34.9	3.8	105.1	9.1	123.7
Vegetables and Preparations	6.8	1.3	7.7	0.8	24.3	2.7	13.2	215.6	257.4
Meat and Meat Products[2]	19.5	3.8	19.6	2.1	22.3	2.4	0.5	13.8	14.4
Hides and Skins	27.0	5.2	21.1	2.2	21.5	2.4	−21.8	1.9	−20.4
Dairy Products	1.4	0.3	1.0	0.1	2.4	0.3	−28.6	140.0	71.0
Poultry	0.6	0.1	0.8	0.1	0.7	0.1	33.3	−12.5	16.7
Other	18.9	3.6	28.7	3.0	28.6	3.1	51.8	−0.4	51.3

[1]For year ending June 30.
[2]Excluding Poultry.
Source: See Source for Table 1.

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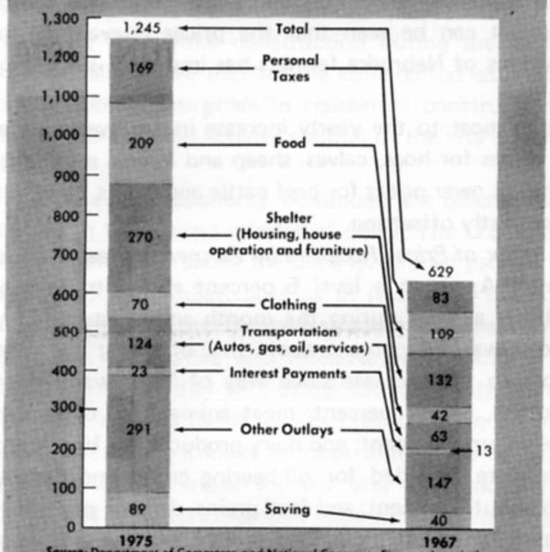
NATIONAL CONSUMER FINANCE ASSOCIATION

FINANCE FACTS

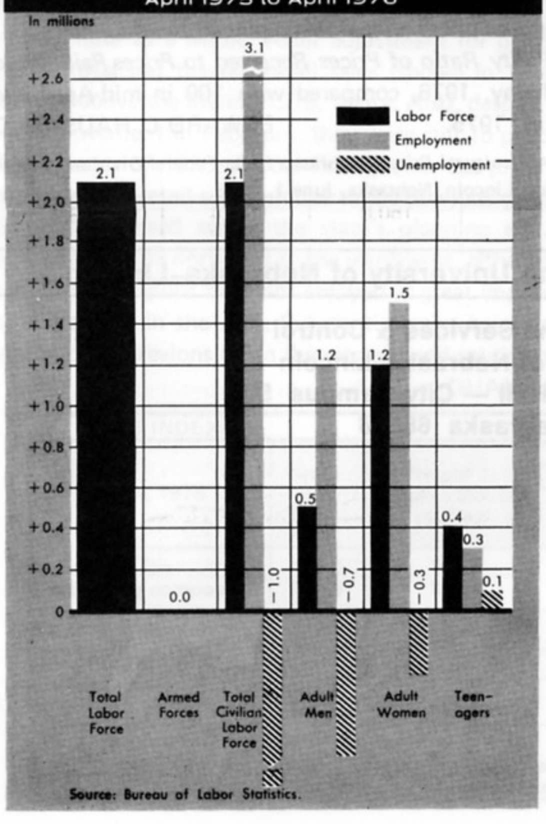
A Monthly Publication on Consumer Financial Behavior

Personal Income and Its Disposition 1967 and 1975
(In billions of dollars)



Source: Department of Commerce and National Consumer Finance Association

Changes in the Labor Force and Selected Components
April 1975 to April 1976



Source: Bureau of Labor Statistics.

WHERE PERSONAL INCOME GOES

Shelter absorbs a larger share of personal income now than eight years ago. Approximately 22% of personal income now goes for shelter compared to 21% eight years ago. Savings, which has always absorbed a small share of personal income in the past, now has increased to 7%—up from 6%. Expenditures for clothing, however, have declined from 7% to 6%.

Little difference between now and eight years ago is evident in the percentage of personal income going for personal taxes (13%), food (17%), transportation (10%), interest payments (2%), and the miscellany of other consumer outlays (23%).

Total personal income was up 98%—from $629 billion in 1967 to $1,245 billion in 1975.

WHOLESALE PRICES

Wholesale price index for all commodities rose 0.8% in April, after seasonal adjustment. The rise followed 5 months of very little change in the index. Industrial commodities prices rose 0.3%. Prices for farm products increased 4.2% after declining throughout the first quarter of 1976. Processed foods and feeds increased 1.9%. Consumer finished goods increased 1.4%.

All commodities WPI was 181.3 (1967 = 100) in April, 5.3% above a year ago. Industrial commodities index was 6.1% higher, farm products index was 8.6% higher, and processed foods and feeds was 0.8% lower than April 1975.

REAL EARNINGS

Real gross average weekly earnings declined 1.0% from March to April after seasonal adjustment. This was due to a 0.6% decrease in average weekly hours, no change in average hourly earnings, and a 0.4% increase in the Consumer Price Index. Over the year, real average weekly earnings were up 0.9%. Average hourly earnings increased 6.7% and hours rose 0.3%, counteracting a 6.1% rise in the Consumer Price Index.

EMPLOYMENT SITUATION

Civilian labor force rose by 720,000 in April to 94.4 million (seasonally adjusted). Over the past year, the civilian labor force has risen by 2.1 million, with adult women accounting for more than 1.2 million of the increase, and adult men accounting for 550,000, and teenagers 360,000.

Number of unemployed persons totaled 7.0 million in April (seasonally adjusted), little change from the levels of the previous 2 months. Joblessness was substantially below the high levels prevailing throughout 1975; the May 1975 peak was nearly 8.3 million. Overall rate of unemployment was 7.5%, about the same for the third straight month.

Review and Outlook

The major change in the economic indicators for Nebraska between February and March took place in the agricultural sector. Despite some weakening in prices received by farmers, receipts from the sale of farm products increased enough to raise the agricultural dollar volume index (shown in Table 1) 7.5 percent above its February level. This, combined with moderate increases in the manufacturing and distributive sectors, pushed the state's overall dollar volume index to 226 percent of its 1967 average, and 12 percent above March of 1975. Even after deflating the dollar volume of output in each sector by the sector's price index and recombining the sectors to form the total Nebraska physical volume index, the indicated increase in real output from February to March was a little over 2 percent, raising the index to 131 percent of its 1967 level, the highest value the index has reached since July of 1974.

The weakness in the construction sector of the Nebraska index (shown in Table 1) results principally from a decline in nonresidential construction contracts in the period from August, 1975, to February, 1976, compared with the value of contracts let in the August, 1974, to February, 1975, period. (The Bureau of Business Research uses data reported monthly at the state level to estimate the value of contracts for the state in each of three classes of construction: residential, nonresidential, and nonbuilding. The value of contracts let in each category is distributed over the estimated average time to (Continued on page 5)

Notes for Tables 1 and 2: (1) The "distributive" indicator represents a composite of wholesale and retail trade; transportation, communication and utilities; finance, insurance, and real estate; and selected services. (2) The "physical volume" indicator and its components represent the dollar volume indicator and its components adjusted for price changes using appropriate price indexes—see Table 5, page 5.

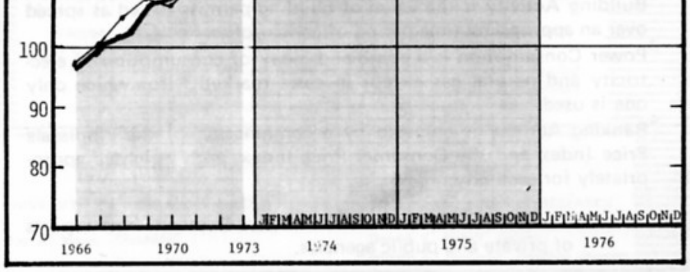
ECONOMIC INDICATORS: NEBRASKA AND UNITED STATES

1. CHANGE FROM PREVIOUS YEAR

March, 1976	Current Month as Percent of Same Month Previous Year		1976 Year to Date as Percent of 1975 Year to Date	
Indicator	Nebraska	U.S.	Nebraska	U.S.
Dollar Volume	112.1	110.9	109.6	109.5
Agricultural	128.2	112.6	116.2	110.6
Nonagricultural	109.7	110.9	108.5	109.4
Construction	96.0	111.2	93.1	105.5
Manufacturing	108.5	111.8	105.0	108.8
Distributive	112.2	111.3	111.6	110.5
Government	106.1	107.5	106.7	107.9
Physical Volume	105.4	105.0	103.0	103.6
Agricultural	114.1	101.2	102.8	100.6
Nonagricultural	104.1	105.1	103.0	103.7
Construction	93.0	107.7	90.4	102.4
Manufacturing	105.0	106.6	102.4	104.1
Distributive	105.7	104.8	104.9	103.8
Government	99.4	102.7	99.8	103.0

2. CHANGE FROM 1967

Indicator	Percent of 1967 Average: Nebraska	U.S.
Dollar Volume	226.1	206.6
Agricultural	220.6	206.8
Nonagricultural	227.1	206.6
Construction	181.2	173.9
Manufacturing	242.0	193.1
Distributive	226.4	213.9
Government	226.2	220.0
Physical Volume	131.1	121.3
Agricultural	121.9	113.8
Nonagricultural	132.7	121.5
Construction	92.9	89.2
Manufacturing	136.5	109.7
Distributive	135.2	127.7
Government	131.9	135.9



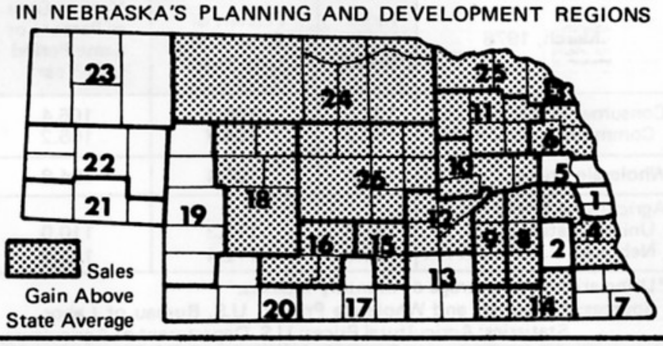
3. NET TAXABLE RETAIL SALES OF NEBRASKA REGIONS AND CITIES (Adjusted for Price Changes)

Region Number[1] and City	City Sales[2] March, 1976 as percent of March, 1975	Sales in Region[2] March, 1976 as percent of March, 1975	Year to date '76 as percent of Year to date '75
The State	116.0	119.2	115.2
1 Omaha	108.1	110.9	113.3
Bellevue	97.4		
2 Lincoln	115.0	116.8	111.0
3 So. Sioux City	123.9	127.5	120.4
4 Nebraska City	123.4	120.1	117.7
5 Fremont	110.1	116.6	111.1
Blair	118.6		
6 West Point	140.0	139.4	127.2
7 Falls City	119.3	120.1	112.5
8 Seward	124.1	132.2	125.2
9 York	120.2	129.3	115.8
10 Columbus	111.9	123.4	124.4
11 Norfolk	123.6	128.9	122.8
12 Grand Island	121.4	122.5	116.3
13 Hastings	122.2	127.8	110.3
14 Beatrice	117.3	118.6	117.3
Fairbury	121.1		
15 Kearney	123.0	127.7	120.9
16 Lexington	129.4	122.7	124.6
17 Holdrege	125.5	125.2	114.1
18 North Platte	125.0	132.9	119.7
19 Ogallala	127.3	122.5	106.1
20 McCook	122.1	117.0	111.1
21 Sidney	115.5	112.2	100.2
Kimball	101.9		
22 Scottsbluff/Gering	121.3	123.9	110.7
23 Alliance	129.2	122.8	114.6
Chadron	126.0		
24 O'Neill	150.0	141.4	128.6
25 Hartington	126.7	123.7	124.9
26 Broken Bow	118.3	127.3	122.5

[1] See region map below.
[2] Sales on which sales taxes are collected by retailers located in the state. Region totals include motor vehicle sales; city totals exclude motor vehicle sales.

Compiled from data provided by Nebraska Department of Revenue.

1976 YEAR TO DATE AS PERCENT OF 1975 YEAR TO DATE IN NEBRASKA'S PLANNING AND DEVELOPMENT REGIONS



(Continued from page 4) completion of construction to obtain an estimate of the actual construction expenditure taking place each month. Because nonresidential buildings typically require many months to complete, contracts let in August and September have a substantial effect on actual building activity in the early months of the following year.) Estimated residential construction in Nebraska for each month in the first quarter of 1976 has been well above 1975. Prospects for the next few months appear to be quite favorable, since the value of new contracts for residential construction during the first quarter was substantially above that for the same period last year. The effects of the recent resurgence in residential construction can be seen also in the building activity column of the city business indicators in Table 4.

The national economy continued the general recovery which started in the second quarter of 1975. The U.S. physical volume index maintained about the same quickened pace of improvement begun last December. Just as in Nebraska, the nonagricultural sectors showing the greatest strength relative to March, 1975, were the distributive and manufacturing sectors. It should be noted, however, that part of the data upon which the U.S. manufacturing index is based may be revised within the next month or so, and it is not known to what extent the revision will affect the level of the index for the first three months of the year. Compared with agriculture in Nebraska, the national agricultural sector showed a much smaller gain over the previous March. This was partly because the U.S. agricultural index was more stable during the first three months of 1975 than was the Nebraska index, which dropped quite sharply, especially from February to March, 1975.

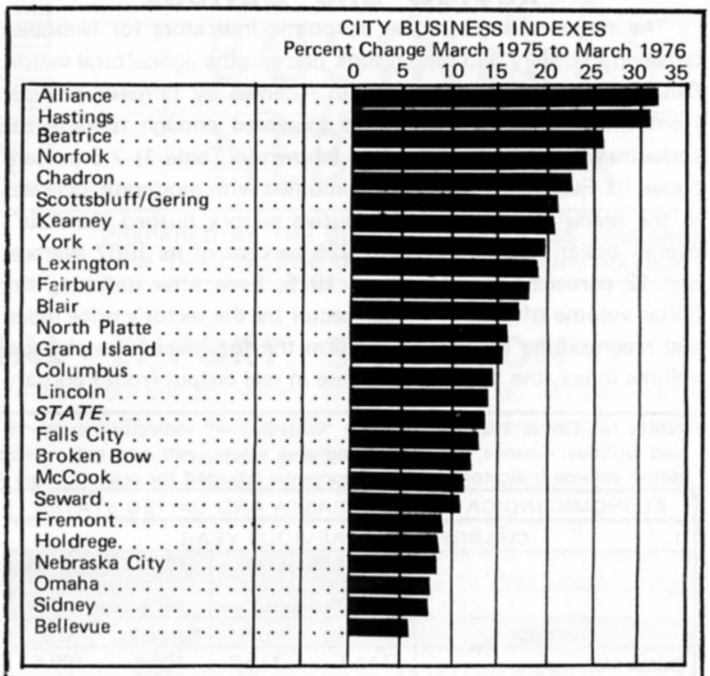
Not since September have all the city business indexes registered improvement over the same month of the previous year. The greatest improvements in retail sales compared with March, 1975, occurred in the state's smaller cities and in Grand Island and Norfolk, both of which reported improvements well in excess of the state as a whole. After adjustment for price changes, the state's total net taxable retail sales (shown in Table 4) were 19 percent above the March, 1975, figure. Also, despite a slower pace of improvement in February, they were still 15 percent above the first quarter of 1975. As the first quarter has progressed, the improvement in retail sales relative to the previous year has generally tended to spread across the state's planning and development regions from the northeast to the southwest, although the Lincoln and Omaha regions have not enjoyed as great improvement as the other regions in the area. Substantial gains have been shown by several of the revions along the western and southern borders.

DUANE HACKMANN

5. PRICE INDEXES

March, 1976	Index (1967 = 100)	Percent of Same Month Last Year	Year to Date as Percent of Same Period Last Year*
Consumer Prices	167.5	106.1	106.4
Commodity component	162.3	104.7	105.2
Wholesale Prices	179.6	105.4	104.8
Agricultural Prices			
United States	181.7	111.3	110.0
Nebraska	180.9	112.4	113.1

*Using arithmetic average of monthly indexes.
Sources: Consumer and Wholesale Prices: U.S. Bureau of Labor Statistics; Agricultural Prices: U.S. Department of Agriculture.



Source: Table 4 below.

4. MARCH CITY BUSINESS INDICATORS

The State and Its Trading Centers	Percent of Same Month a Year Ago: Banking Activity[1] (Adjusted for Price Changes)[4]	Building Activity[2]	Power Consumption[3]
The State	118.6	120.3	91.8
Alliance	136.9	347.5	106.8
Beatrice	132.1	397.1	97.5
Bellevue	107.8	218.1	102.6*
Blair	127.5	77.5	93.6
Broken Bow	114.0	106.6	93.4
Chadron	117.3	227.4	121.3
Columbus	120.8	147.9	94.2
Fairbury	110.3	296.8	100.3*
Falls City	101.5	292.5	105.1
Fremont	117.2	48.4	108.3*
Grand Island	113.7	154.4	92.6
Hastings	147.0	264.6	88.3
Holdrege	93.0	115.4	98.8
Kearney	124.3	179.9	95.7
Lexington	105.0	196.5	108.7
Lincoln	121.4	95.5	95.3
McCook	101.2	156.4	103.7
Nebraska City	105.2	54.3	90.6
Norfolk	144.1	79.7	82.7
North Platte	121.0	81.0	77.9
Omaha	112.5	104.6	88.8
Scottsbluff/Gering	122.1	195.4	114.6
Seward	108.6	71.4	92.1
Sidney	106.2	64.8	105.6
So. Sioux City	NA	NA	NA
York	126.3	265.5	70.2

[1]Banking Activity is the dollar volume of bank debits.
[2]Building Activity is the value of building permits issued as spread over an appropriate time period of construction.
[3]Power Consumption is a combined index of consumption of electricity and natural gas except in cases marked * for which only one is used.
[4]Banking Activity is adjusted by a combination of the Wholesale Price Index and the Consumer Price Index, each weighted appropriately for each city.

Source: Compilation by Bureau of Business Research from reports of private and public agencies.

(Continued from page 2)

U.S. agricultural exports may decline somewhat in fiscal 1977, if world crop output expands as now appears likely. Weather has been generally favorable thus far for Northern Hemisphere crops. The record-high farm prices of recent years, larger supplies of fertilizer and other inputs at lower prices, and higher government-established support prices are encouraging farm output. However, an acceleration in the rate of world economic growth would boost foreign demand for U.S. farm products.

Improved weather is expected to provide the basis for much of the anticipated growth in world agricultural production. Yet it is still early in the growing season, and possibilities do exist for poor weather this summer for Northern Hemisphere crops, an insufficient Asian monsoon, or poor growing conditions next winter in the Southern Hemisphere.

EDWARD L. HAUSWALD

THE SMALL BUSINESS SITUATION

The National Federation of Independent Business reports in its April, 1976, *Quarterly Economic Report for Small Business* that, as of the beginning of the year, "optimism regarding short-run economic conditions has returned to the small business community."

"Forty-nine percent of the NFIB members responding to the quarterly economic survey conducted in January 1976 indicated their belief that general business conditions will improve during the next six months; 38 percent felt that the economy would remain on an even keel; and only 7 percent foresaw a worsening economic environment.

"Sufficient productive capacity exists in the small business sector so that a considerable expansion of demand can occur without the need for commensurate increases in plant and equipment or labor.

"Forty-six percent of the respondents anticipated real increases in sales volume (adjusted for price changes) during the next three months, and 20 percent expected a real decline.

"Twenty-three percent of the respondents reported plans to add to inventories over the next three to six months—an increase from 15 percent having such an attitude in October—and an all-time high figure from these surveys."

NEBRASKA'S AGRICULTURAL PRICES

The *Nebraska Index of Prices Received by Farmers* during the month ending at mid-May, 1976, was 1 percent below its April, 1976, level and 3 percent above its May, 1975, level.[1] The Crop Index was down 0.3 percent from April, and up 1.3 percent from May, 1975. (The prices received by farmers reported on in these indexes refer to prices at the point of first sale out of farmers' hands, generally at a local market, and should not be confused with prices of specific grades or classes of commodities at central markets.) Thus, it can be seen that the prices relevant to the revenue situations of Nebraska farmers has improved since May, 1975.

Contributing most to the yearly increase in the overall index were higher prices for hogs, calves, sheep and lambs, milk, eggs, wheat, and hay. Lower prices for beef cattle and steers, corn, and soybeans were partly offsetting.

The *U.S. Index of Prices Received by Farmers* increased about 2 percent from April, to a level 5 percent above its January-December, 1967, average during the month ending at mid-May. The U.S. Index was 4.9 percent above that of a year ago. Contributing most to the increase since May of 1975 were higher prices for cotton, up 57 percent; meat animals, up 6 percent; poultry and eggs, up 8 percent; and dairy products, up 16 percent. Lower prices were recorded for oil-bearing crops (mostly soybeans), down about 7 percent; and feed grains, down 1 percent.

No Nebraska Index of Prices Paid is available for evaluating such costs to the state's farmers. The U.S. Index, which has been found to be representative, is used to represent such outlays.

The *U.S. Index of Prices Paid by Farmers for Commodities and Services, Interest, Taxes, and Farm Wage Rates* remained unchanged during the month ending mid-May, 1976, at a level 189 percent of its January-December, 1967, average. The index was, however, 7 percent above its year-ago level. Feeder livestock prices were 22 percent above the year-ago level, with feed up by 1 percent. Prices of autos and trucks were up 9 percent. Farm and motor supplies prices were down 9 percent.

The *U.S. Parity Ratio of Prices Received to Prices Paid* stood at 99 in mid-May, 1976, compared with 100 in mid-April and 102 in mid-May, 1975.

EDWARD L. HAUSWALD

[1] *Nebraska Agricultural Prices*, Nebraska State-Federal Division of Agricultural Statistics, Lincoln, Nebraska, June 1, 1976.

UNL News

This Issue:

BUSINESS IN NEBRASKA

PREPARED BY BUREAU OF BUSINESS RESEARCH

Member, Association for University Business & Economic Research

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No. 382 — July, 1976

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Lincoln, Nebraska 68588