

AGRICULTURAL

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GENERAL AGRICULTURAL OUTLOOK FOR 1949

Another favorable year for agriculture is indicated for 1949 by outlook reports prepared by the United States Department of Agriculture. The prospects for farm prices and farm incomes in the Southwest, as in the Nation generally, appear to be good, although not as bright as during the last several years.

Consumer expenditures, private domestic investments, and government spending plus an excess of exports over imports, which are the major forces underlying the present large demand for farm products, are expected to total about as large in 1949 as in 1948. As a result, demand for farm products should continue strong next year, and prices of farm products may average close to or slightly lower than average 1948 levels.

Cash receipts from farm marketings in 1948 are expected to be down slightly from the \$30.2 billion received in 1947, and a further slight decline is likely in 1949. With farmers' gross income leveling off while many production expenses are continuing upward, the outlook is for a decline in net income next year.

Smaller numbers of cattle and sheep and continued high demand for meat are likely to cause prices of meat and meat animals in 1949 to continue above war and prewar levels. Seasonal changes in prices will occur, of course, and the increased hog marketings expected in late 1949 may cause hog prices to drop more than they normally do at that time of the year. Prices of beef cattle are expected to remain relatively higher than prices of hogs because of the longer period required to build up herds and, hence, to increase supplies of beef.

Prices for milk and dairy products in 1949 probably will average about the same as this

year. Since lower feed costs are likely to encourage heavy feeding of dairy cows, an increase in milk production is probable. The lower feed prices in relation to milk prices, which should result in more profitable dairy operations, may halt the decline in numbers of dairy cows which has been taking place since 1944.

Egg prices are likely to average almost as high in 1949 as in 1948. They may be slightly higher during the first half of 1949, but the anticipated increase in production probably will result in somewhat lower prices in the last quarter of the year. The more favorable egg-feed price relationships during late 1948 and early 1949 are expected to result in a substantial increase in the number of chickens raised on farms next year. Farm prices of chickens, broilers, and turkeys probably will average lower in 1949 than this year, with most decreases occurring during the latter months of the year.

The general level of prices of fats and oils is likely to be moderately lower in the year which began in October 1948 than in the past year, largely as a result of increased production. Large crops of cottonseed, soybeans, flaxseed, and peanuts will provide more than enough oil to meet domestic needs, which, on a per capita basis, are now at about the prewar level. There may be some decrease in exports, as other oil-producing areas of the world are expanding their output and new areas abroad are entering production. However, government price supports are likely to prevent a major decline in prices paid to domestic growers for oil-producing crops.

Prices of oats, barley, and grain sorghums reached government support levels in August, and corn prices (which had been high in re-

lation to most other grains this summer) declined sharply in recent weeks to near support levels. Prices of all feed grains are expected to be close to the government support levels this fall and winter and to be unusually low in relation to livestock prices, making it more profitable to market feed grains through livestock.

In view of an expected increase in stocks of wheat next year, wheat prices in 1949-50 may be depressed to below loan levels during the heavy marketing season and may average lower relative to the loan than in 1948-49. No important changes in domestic consumption or exports next year are foreseen, and a carry-over of perhaps 275,000,000 bushels on July 1, 1949, is likely. The recommended goal of 71,500,000 acres of wheat for 1949 is 6,200,000 acres less than the 1948-crop acreage, but the United States Department of Agriculture now forecasts a 1949 crop of 79,000,000 acres.

Cotton consumption in the United States, which dropped from 10,025,000 bales in 1946-47 to 9,347,000 bales in the past season, is likely to decline further in 1948-49. Although exports of raw cotton may be moderately larger next year, the carry-over next August 1 may exceed 5,000,000 bales. Lower domestic consumption, only moderately larger exports, and large domestic production of cotton are expected to hold cotton prices near support levels in 1949.

As world consumption of wool has been running ahead of world production and stocks of fine wools have dwindled rapidly, it is expected that prices for fine staple wools next year will remain at or near the present high levels and that growers will be able to obtain higher prices through direct selling to mills and dealers than through the price support program.

Consumer demand for fruit next year probably will be about the same as in 1948, and if production exceeds this year's below-average crop, prices may be somewhat lower.

Demand for truck crops through most of 1949 is expected to be about as strong as in 1948. Prices probably will average slightly lower in most months of next year, as pro-

duction of most of these crops will likely be somewhat larger than in 1948.

Consumer demand for potatoes of the 1949 crop is expected to be about as strong as it has been for the 1948 crop, but prices to farmers probably will be lower in view of the possibility that support prices for potatoes in 1949 will be set lower than the 90 percent of parity which applies to the 1948 crop.

Total farm production costs, which have mounted continuously over a decade, reached a level in 1948 more than three times the prewar average and are likely to be even higher in 1949. Feed costs next year are expected to be lower than in 1948, but farmers will pay higher prices for most other goods they buy. Farm wage rates are now between 5 and 10 percent higher than a year ago, and this high level is expected to continue through the balance of 1948 and through 1949. Prices of farm machinery and motor fuel, which are now at record levels, are expected to remain high next year. Costs of most field seeds will be higher during the remainder of 1948 and the spring of 1949 than a year earlier, as production of seed was small this season. The supplies of fertilizers, insecticides, and fungicides are expected to be sufficient to meet requirements next year, and prices are expected to be near levels prevailing in 1948. Prices of lumber, metal supplies, and other materials used in building are expected to remain high in 1949.

Despite high operation costs and declining commodity prices of some farm products, farming operation should continue profitable for farmers who manage their enterprises skillfully. Farmers who take full account of cost-price relationships, maintain flexible farming units so as to be able to shift crops and livestock in accordance with better income opportunities, and use appropriate amounts of fertilizer and seed wisely, should profit in 1949 and in the years ahead.

FARM MANAGEMENT

Farmers Warned Against Brucellosis "Cures"

Farmers and ranchers should not be misled by advertisements of drugs that claim to cure brucellosis ("Bangs Disease"), for there is no

easy way to stamp it out, says a report issued by the American Veterinary Medical Association. The report states that among several alleged drug treatments, not one is endorsed by the veterinary profession. Claims of "curative power" for these products are based on the thinnest kind of evidence, and it is the consensus of reputable scientists that these so-called cures are actually serving to perpetuate the disease.

Brucellosis causes abortion, sterility, and lowered milk production, resulting in a loss of well over a million dollars yearly to cattle and hog raisers of this Nation. The American Veterinary Medical Association urges farmers to work closely with their local veterinarians in establishing brucellosis control programs within individual herds and to give fullest cooperation to state and federal projects designed to eradicate the disease.

Chemicals Control Peach Tree Borer

Some suggestions of ways of controlling peach tree borers, which start working in the fall of the year, are made by C. A. King, associate extension entomologist of A. & M. College of Texas, in a recent press release. One method, according to Mr. King, is to clear the grass and weeds from around the tree trunk and to build the ground level up slightly. One-half pint of diluted ethylene dichloride emulsion should be poured on the ground around the mature bearing trees, and about one-fourth of a pint around younger trees two to four year old, after which the liquid should be covered with a few shovels of dirt. Directions for diluting the solution are to be found on the container. The material may be applied at any time after the leaves shed in the fall until early April if the temperature is above 54° and the ground is not too wet.

Another material suggested by Mr. King for control of the peach tree borer is paradichlorobenzene crystals. In the application of these crystals, the grass and weeds should be cleared from around the tree and the crystals sprinkled in a circle about two inches from the base of the tree. From one to one and one-half ounces of these crystals are

needed for mature trees, while three-fourths of an ounce is recommended for trees three to five years old and smaller quantities for younger trees. The crystals should be covered with soil as soon as they are applied, but they should be removed after about six weeks, according to Mr. King. The best time of the year to apply these crystals is late October and November.

"X Disease" of Cattle Spreading Cure Unknown

The cattle disease known as hyperkeratosis or "X Disease" has been reported from at least 26 widely scattered states since it was first discovered in New York in 1941. Little is known about the prevention, transmission, or cure of the disease, but it may become a serious threat to the cattle industry. The disease, which is most likely to occur in late winter or spring, is thought by some investigators to be related to nutrition. The chief symptoms, as outlined by cattle husbandrymen, are watery discharges from the nose and eyes, poor appetites, thickening of the skin and possible loss of hair, diarrhea in the latter stages, and delayed pregnancies. Research is under way to discover the means of spreading and to determine a treatment for infected animals.

TECHNOLOGICAL DEVELOPMENTS

New Insecticide Stops Caterpillar Pest on Cotton

The invasion of Salt River Valley cotton fields in Arizona by the salt marsh caterpillars has been brought under control by the use of a new insecticide developed by the Bureau of Entomology and Plant Quarantine, United States Department of Agriculture. This new insecticide is a dust mixture composed of 15 percent chlorinated camphene plus 5 percent DDT in 40 percent sulphur. Applications of the insecticide at the rate of 20 pounds per acre have reduced infestation to very low numbers.

DDD Proves More Satisfactory Than DDT

Scientists have discovered recently that some of the newer materials which are very

effective against destructive insects are also harmful to man and warm-blooded animals. As a direct result of these findings, the United States Department of Agriculture recently issued warnings with regard to their use. Several of the newer insecticides, however, possess a higher degree of safety plus a wide range of effectiveness against insects. One of these materials is DDD, known otherwise as Rhothane, which is said to be 10 times safer than DDT. This alone makes DDD considerably more desirable than DDT in all insecticidal applications, particularly those in the agricultural field; but DDD is also superior against certain pests, such as tomato hornworms, corn earworms, and various insects that attack certain forage and fruit crops. Results of tests show that Rhothane, or DDD, is also effective in controlling such parasitic insects of livestock as horn flies, lice, and ticks.

New Poultry Strain Developed in Oklahoma

A new strain of White Plymouth Rocks named Oklahoma Dominant Whites has been developed at the Oklahoma Agricultural Experiment Station. The new strain has a large body, makes rapid growth with good feed economy, and produces a desirable meat-type bird. They are especially suited to broiler production when crossed with other heavy breeds, especially New Hampshires.

FARM PRICES

Purchase Agreements Offered For 1948-Crop Range Grass Seeds

Purchase agreements are available to farmers for 1948-crop range grass seeds, according to an announcement by the Production and Marketing Administration of the United States Department of Agriculture. The purpose of the program is to encourage farmers to increase the harvest of this year's range grass seeds, which play an important part in the soil conservation program of southwestern farms and ranches.

The following base prices per pound are offered for high-quality seed: Little and Big Bluestem, 20 cents; Sand Bluestem, 25 cents; Blue Grama, 15 cents; Side-oats Grama, 20 cents; Switchgrass, 20 cents; Sand Lovegrass

and Weeping Lovegrass, 50 cents; Yellow Indiangrass, 25 cents; Buffalograss, 35 cents.

Purchase agreements will be available from time of harvest through February 28, 1949, in all states and counties where the seeds are produced.

FARM REAL ESTATE

Farm Sales in Texas at High Level Forced Sales Down

Forty-seven of every 1,000 farms in Texas were either voluntarily sold or traded during the 12 months ended March 15, 1948, according to a recent report by the United States Department of Agriculture. This rate, which has declined gradually since the peak of 58 per 1,000 farms was reached in Texas in 1944, compares with 49 out of each 1,000 in the United States. Farms changing hands in Texas because of forced sales and related defaults during the 12 months ended March 15 constituted only 1.8 per 1,000 farms, the lowest since the peak of 32.8 per 1,000 was reported in 1933. Trends in other states of the Southwest were similar to those in Texas.

COMMODITY NOTES

New Uses for Sweet Potatoes Sought

New uses for sweet potatoes, such as in the production of breakfast foods, cakes, and cookies, will be explored by the Alabama Agricultural Experiment Station in cooperation with the United States Department of Agriculture under a recently approved research project. The high food value of sweet potatoes has long been recognized, and several new sweet potato products have been manufactured and placed on the market in very limited volume. The new project also proposes to increase the scale of output of these products. If these new products turn out commercially practical, farmers stand to gain new markets for sweet potatoes.

United States Department of Agriculture Citrus Marketing Study Initiated in Europe

A study of the citrus fruit and citrus marketing situation in western Europe has been initiated by the Office of Foreign Agricultural Relations under the Research and Marketing Act program of the Department of Agriculture.