

Federal Reserve Bank of Dallas

F A R M I N C O M E

Cash receipts from farm marketings in Texas during the first 4 months of 1950 totaled \$492 million, vs. \$391 million in the same period last year, according to the BAE. The increase resulted from larger receipts from sale of crops, as income from livestock and livestock products was lower.

On the national level, cash receipts from farm marketings during the first 4 months of 1950 amounted to \$7 billion, vs. \$7.7 for the same period last year. Income for the first 6 months is forecast by the USDA at \$10.6 billion, or 9 percent below the first half of 1949.

W H E A T

Wheat prices on the Fort Worth Grain and Cotton Exchange have strengthened fractionally during the past week, although they are much below levels of April and May. On Tuesday of this week, No. 1 hard wheat sold for a top price of \$2.35 per bushel, vs. \$2.33 a week earlier. Prices are about 20 to 25 cents above a year ago.

Cash wheat prices in the Southwest are slightly under the indicated loan level for the 1950 wheat crop, and as a result farmers with storage facilities are reportedly holding their new-crop wheat.

The visible supply of wheat in the U. S. on June 17 was estimated by the Chicago Board of Trade at 153 million bushels, vs. 94 million a year ago.

The 1950 Kansas wheat crop is being referred to in the Wichita area as "the millers delight," because of its excellent quality. Test weight of wheat harvested in that area is showing 61 to 64 pounds per bushel and moisture is running about 13 percent. Mills and elevators in that area are paying \$1.91 per bushel for new wheat, vs. \$1.70 a year ago.

The PMA last week purchased 11 million pounds of hard wheat blended plain flour (the equivalent of 238,700 bushels of wheat) for shipment to Greece. Since July 1, 1949 the PMA has purchased almost 60 million pounds of flour (the equivalent of over 7.4 million bushels of wheat).

July 1949-May 1950 exports of wheat and wheat products totaled 281 million bushels of grain equivalent, or 185 million bushels less than in the previous similar period.

C O R N

Prices of corn in Fort Worth have risen sharply during the past week and are at the highest level since September 1948. On Tuesday of this week, the top price for No. 2 white corn was \$2.21 per bushel, compared with \$2.06-1/2 a week earlier and \$2.01-3/4 a month ago. The top price for No. 2 yellow corn was \$1.74-1/2, compared with \$1.71-3/4 a week earlier.

Approval of a contract to exchange U. S. corn for a foreign-produced strategic and critical material for transfer to the national stockpile was announced last week by the USDA. The contract involves 160,000 bushels of corn.

ECA has granted \$8.4 million to Ireland to buy U. S. corn.

O T H E R G R A I N S

The prices of oats have shown some weakening during the past week. On the Fort Worth market, oats grading No. 2 red sold on Tuesday of this week for 89 cents per bushel, compared with 91 cents a week earlier.

Domestic grain traders are said to be watching closely Argentina's offerings of oats in world markets. Prices accepted by Argentina for recent sales are

considerably below current prices of oats of comparable quality in the U. S.

The general weakening in the market for grain sorghums continues. On Tuesday of this week, No. 2 yellow milo sold in Fort Worth for a top price of \$2.13 per cwt. - 4 cents under a week earlier and 20 cents below a month ago.

Barley prices have declined sharply since the first week in June, with Tuesday's top price of \$1.27 per bushel reflecting a decline of about 18 cents during the period.

Rice markets strengthened slightly during the week ended June 12, according to the USDA. A somewhat better demand, together with diminishing supplies of high grade rice in millers' hands, was the principal strengthening influence.

#### C O T T O N

Cotton prices have declined from the high levels of last week. On Tuesday, June 20, the average price of spot cotton, basis 15/16 inch Middling, at the 10 leading markets was 33.59 cents per pound, compared with 34.01 a week earlier. However, the price was still more than 1/2 cent per pound above a year ago.

Farmers continue to redeem large quantities of 1949-crop cotton from the loan program. Through June 8, redemptions covered almost 1.7 million bales, or 53 percent, of the 3.2 million bales of 1949-crop cotton placed under loan.

The cotton crop in Texas made excellent progress last week. Late plantings and re-plantings were rushed to completion, while chopping and cultivation of growing crops was widespread.

#### L I V E S T O C K

The livestock markets continue very strong, although prices weakened slightly early this week. On Tuesday, June 20, hogs sold in Fort Worth for a top price of \$20.00 per cwt., after having risen to \$20.25 on Monday, the highest price paid on this market since last September.

Slaughter steers and heifers, at \$30.50 and \$29.50 per cwt., respectively, were off 50 cents from Monday.

Slaughter cows brought a top price of \$23.00 on Tuesday, the level at which they have held for about two weeks. Slaughter calves brought a top price of \$30.00, which was \$1.00 below a week earlier.

Feeder and stocker cattle brought a top price of \$29.00 per cwt. on Tuesday, off \$1.00 from the level of a week earlier.

Spring lamb prices have been declining seasonally since the first of the month. Tuesday's top price of \$26.50 per cwt. compares with \$29.50 a month ago.

Commercial meat production in Texas during April totaled 58.6 million pounds, according to last week's BAE report. This was 12 percent above April 1949.

The USDA has estimated the 1950 pig crop at 99 million head, up 4 percent from 1949. The spring crop of 60 million head is up 3 percent and the fall crop of 39 million is larger by 5 percent, as compared with last year.

#### M I S C E L L A N E O U S

The PMA has announced that CCC loans to farmers to finance the purchase of mechanical grain-drying equipment will be available through June 30, 1951.

Farm employment in the U. S. during the last week of May was 3 percent below that of a year earlier, according to the BAE.

The Texas early summer watermelon crop this year will be substantially below that of 1949. The current production estimate is 10.9 million melons, compared with 12.5 million harvested last year.