

Federal Reserve Bank of Dallas

G R A I N S

The Department of Agriculture has announced that there will be no marketing quotas and no acreage allotments on the 1952 crops of corn and rice. The USDA stated that the supply of each of these commodities is below the quantity which will require marketing quotas under provisions of existing legislation. The Department stated particularly, with regard to corn, that because of the decline in the supply of this feed grain no action should be taken at this time which might discourage the planting of an increased acreage of corn in 1952.

Grain exports are running ahead of a year ago. Exports since the beginning of the 1951-52 marketing year in July carried the July-October exports of wheat, flour, and macaroni to an estimated 150 million equivalent bushels, as compared with 70 million in the like period of 1950. During the same period the exports of coarse grains - corn, oats, sorghum grains, and others - were estimated at 55 million equivalent bushels, as against 65 million bushels in July-October 1950.

Prices of wheat, barley, and oats declined during the week ended Tuesday, December 4, while corn and sorghum grains advanced. No. 1 hard wheat sold on the 4th at \$2.81-3/4 per bushel, off 2 1/4 cents. No. 2 barley at \$1.74 and No. 2 white oats at \$1.26 1/4 were off 1 cent each.

Corn prices on the Fort Worth market were higher on Tuesday of this week than at any time in more than a year. No. 2 yellow corn sold at a top price of \$2.22 1/2, up 2 1/2 cents, while No. 2 white corn at \$2.50 1/2 was up 6 cents per bushel from a week earlier. No. 2 yellow milo brought \$3.08 per cwt., or 2 1/2 cents above a week earlier.

Texas and Louisiana rice markets were in a seasonal slump last week but prices showed little change, according to the PMA. Small amounts of rough rice were marketed by growers at prices about support level although many farmers prepared to place their remaining rice under government loan.

C O T T O N

Spot cotton markets have made some net gain during the past week although prices continue erratic. On Tuesday, December 4, Middling 15/16-inch cotton in the 10 spot markets averaged 42.94 cents per pound, up 1/2 cent from a week earlier and about 4 cents over a month ago. Prices on Tuesday were lower than on several previous marketing days due, it is said, to profit taking by traders who feel that the market has already discounted a cut in the next government cotton crop forecast to be made public December 10.

Spot market activity increased sharply last week and reported sales were the largest for any week this season. Sales totaled 465,000 bales, compared with 266,000 for the previous week. With prices above the 42 cent level farmers were offering current ginnings and previous holdings freely while only a small quantity of cotton moved into the government loan.

Loan equities are reported to be moving into trade channels in Texas and adjoining states at \$50 to \$65 per bale although the volume has been small.

Milling consumption of cotton was off in October, according to figures released last week by the Bureau of the Census. During the first quarter of the current season consumption totaled 2.4 million bales, as compared with 2.6 million in the same period a year ago.



### PEANUTS

Movement of farmers' stock peanuts from farms to mills increased sharply during the 7-day period ended November 26, according to a report of the Fruit and Vegetable Branch of the PMA. In Texas, inspection of farmers' stock peanuts amounted to 9,500 tons, compared with 5,500 tons for the previous week. Shellers in the State were paying from \$245 to \$260 per ton for farmers' stock peanuts with 70% sound meat content. The demand for small lots of peanuts by manufacturers for current needs was good but the demand for large lots was slow. Shelled Spanish No. 1 were quoted at 21-21-3/4 cents, f.o.b. shipping point.

Millings of farmers' stock peanuts during the first 2 months of the 1951-52 season - September and October - totaled only 134 million pounds, the lowest millings for a comparable period in the last 13 years.

### LIVESTOCK

Prices on the Fort Worth livestock market this week were steady to 50 cents higher than a week ago, according to PMA reports. Tuesday's market quotations showed Good and Low-Choice slaughter steers and heifers bringing \$31.00-35.00 with Utility and Commercial at \$23.00-30.00. Utility cows bulked from \$21.50-24.50, a few Commercial to \$26.00 and higher. Medium and Good stockers and feeders turned from \$27.00-32.00.

Commercial and Good slaughter calves drew \$26.00-32.00 this week with a few Choice up to \$34.50.

Trading in hogs was fairly active with Choice 180-270 pounds bringing \$18.75-19.00.

Choice woolled slaughter lambs sold at \$30.00, Utility and Good at \$27.00. Common to Good feeder lambs moved from \$20.00-27.00.

Reports on livestock slaughter in Texas for the first 10 months of 1951 show slaughter of cattle up 2%, calf slaughter down 15%, hog slaughter up 18%, and sheep and lamb slaughter near the same as in the corresponding months of 1950.

The average live weight per head of cattle and hogs slaughtered in the first 10 months is slightly higher than last year while the averages for calves and sheep and lambs are slightly lower.

### POULTRY

Poultry prices on the Fort Worth wholesale produce market this week were slightly higher than a week ago. On Tuesday, December 4, top grade commercial fryers brought 27-29 cents per pound, up 2 cents. Heavy hens sold at 25-26 cents, as against 23-26 cents last week. Turkey hens cleared at 40 cents, compared with 38-40 cents last week.

Broiler prices in East and South Texas have risen considerably during the past week. The Texas Department of Agriculture reports that broilers in the Tyler-Nacogdoches-Center area brought 29 cents per pound on Tuesday of this week, up 3 cents from a week ago. Prices in the Gonzales-Smiley-Nixon area reached 31 cents, up 2 cents.

### FARM PRICE INDEXES

Average prices received by U.S. farmers increased 2% during the month ended November 15 but were still 4% lower than the record reached last February, according to the BAE. The index of prices received by farmers at 301% of the 1910-14 average on November 15 was 25 index points (9%) above a year ago.

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