

Federal Reserve Bank of Dallas

L I V E S T O C K O N F A R M S A N D R A N C H E S

The USDA released this week its annual report on livestock and poultry on farms and ranches as of the first of the year. The report shows that live-stock and poultry in the U.S. increased 4% during 1951. The upturn was marked by a substantial increase in cattle numbers to a new record high of 88 million head. Modest increases took place in hogs, sheep, and chicken numbers, and turkeys were notably higher. Milk cows were down about 1% from the previous year. Horse and mule numbers continued to decline.

Farm value of livestock and poultry on U.S. farms reached a record of \$19.6 billion on January 1, 1952, 14% above last year, the previous high.

The drought in the Eleventh District in 1951 caused considerable liquidation of livestock inventories. However, in the case of beef cattle there was sufficient expansion in numbers in eastern parts of the District to more than offset reductions in the drier areas in the west. Texas farmers and ranchers held 7,887,000 beef cattle on January 1, or about 3% more than a year earlier. Increases in beef cattle numbers occurred also in Oklahoma, Louisiana, New Mexico, and Arizona.

Milk cow inventories in Texas declined 7%, or to 1,053,000 head. There was a further reduction also in Oklahoma, New Mexico, and Arizona. Louisiana reported a 2% increase.

Sheep and lamb inventories in the District experienced a sharp reduction last year. Texas farmers and ranchers on January 1, 1952, held 6,071,000 stock sheep, or 10% less than a year earlier. There was also a decline of 7% in Arizona, while other states of the District showed an increase of about 5% each.

Hog inventories declined in Louisiana, Oklahoma, and Texas in 1951, but increased slightly in Arizona and New Mexico. Texas farmers held 1,645,000 hogs on January 1, 1952, or 5% below a year earlier.

Texas goats decreased 6% during 1951. On January 1, 1952, there were 2,099,000 head on hand, compared with a record 3,465,000 in 1942.

Farm inventories of chickens (excluding commercial broilers) in the District experienced only minor changes during 1951. The expansion in chicken production in this area in recent years has been confined almost entirely to the output of commercial broilers. Turkey production in the District last year was at a record level; there were 549,000 turkeys on Texas farms on January 1, compared with 508,000 a year ago. Similar increases occurred in other states of the District.

C O M M O D I T Y M A R K E T S

The gradual downward movement of spot cotton prices continues. Middling 15/16-inch cotton on the Dallas Cotton Exchange closed last week at 39.25¢ per pound, compared with 40.75 a week earlier and 41.65 a month ago. The market on Tuesday of this week closed 5 points higher. Merchant and shipper demand continues very selective, while domestic mill demand is quiet.

Cottonseed prices to producers declined last week to about \$71.10 per ton, compared with the season's peak of about \$78.00 in November.

Prices on the Fort Worth grain market on Tuesday of this week were up slightly from a week ago. On Tuesday, February 19, No. 1 hard wheat closed at \$2.75-3/4 per bushel - up 2¢ from a week earlier - and at about the same level as a month ago.

No. 2 yellow corn sold Tuesday at \$2.12 per bushel, up 2¢ from last week, but 6¢ under a month ago. No. 2 white corn brought \$2.32-1/2, 16-1/2¢ under a month earlier.

No. 2 yellow milo (sorghum grain) is holding fairly steady at \$3.13 to \$3.15 per cwt., although several cents below prices the last week in January.

Texas rough and milled rice markets are holding firm although trading is at a slow pace. Most offers to buy rough rice are at levels below government price support, but a few sales are being made.

Some weakness is reported in cattle prices at the Fort Worth market. Most Good and Choice slaughter steers and yearlings sold Tuesday at \$30.00-33.00, with Medium and Good stockers and feeders at \$27.00-33.00, and Choice yearlings at \$33.00-34.00.

Calf trading was slow Tuesday; Good and Choice slaughter offerings brought \$30.00-34.00. Butcher hogs were mostly 25¢ lower on Tuesday. Choice 180-275 pounders averaged \$18.00-18.25.

Utility to Choice shorn slaughter lambs were traded in Fort Worth Tuesday at \$25.00-25.75; feeder lambs brought \$17.00-25.50.

Poultry and egg markets are weaker this week. Prices of commercial fryers on the Fort Worth market are down 2¢, as compared with last week. Broilers in East Texas are bringing 29¢ this week, compared with last week's close of 30¢.

Graded and candled eggs in the Fort Worth wholesale market are quoted at \$9.00-10.50 per case, or \$1.00 to \$4.00 under a month ago.

There were no sales of Texas wools reported in local markets last week. However, spot wool on the New York market on Tuesday of this week was down to \$1.40-1/2 per pound, compared with \$1.53 last week and with a high of \$1.80 in January.

Mohair was contracted in Texas last week at \$1.01-1/2 per pound for adult and \$1.26-1/2 for kid mohair. Spot trading in local mohair markets remained quiet.

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

The USDA has announced price support for the 1952 rice crop at not less than \$5.04 per 100 pounds. Actual support rate will be determined later. Support for the 1951 crop was at \$5.00 per 100 pounds.

Prices of the 1952 dry edible bean crop will be supported at a national average support level of approximately 85% of the January 15, 1952 parity price for dry edible beans. Support prices vary according to class and area in which grown.

Milk production in 1952 probably will not exceed that of 1951, says the BAE. It is expected that dairy prices to farmers, which in January averaged about a tenth higher than in the same month of 1951, will continue during 1952 at levels somewhat higher than a year earlier.

Production of winter cabbage in Texas this season is estimated at 86,400 tons, compared with 56,000 in 1951 and the 1941-50 average of 158,800 tons.

Winter production of lettuce in Texas is estimated at 600,000 crates vs. 850,000 last season.

The Texas winter carrot crop is estimated at 2,775,000 bushels - up 75,000 from last season.