

Federal Reserve Bank of Dallas

F A R M E R S ' P L A N T I N G I N T E N T I O N S

Early each year the U.S. Department of Agriculture makes a survey among a large number of farmers to obtain information concerning their plans for the forthcoming crop season. The results of the survey made this month show that U.S. farmers' plans for the 1952 crop season are not greatly different from those of last year. However, the 272 million acres indicated as a total of the 16 major crops included in the survey is about a million acres less than in 1951. For individual crops the tendency is to shift from crops of high-labor requirements to those of a less intensive nature. Of course, weather and other factors during the spring planting season may cause changes in these plans.

Of the major crops included in the survey in Texas (cotton excluded), farmers have indicated increases in acreages of corn, flaxseed, sweet sorghums, sweet potatoes, soybeans, and hay. On the other hand, there are substantial reductions in intended acreages of wheat, rice, barley, grain sorghums, Irish potatoes, and peanuts. No change is reported for oats. The total acreage of all of these crops is slightly below that planted in 1951.

Although there is much uncertainty regarding acreages that will finally be planted in Texas, says the USDA, present indications are for acreages of most crops somewhat below those requested by the Secretary of Agriculture in the announced goals. Flax acreage probably will exceed the goal. Rice and hay acreages are expected to approximate the goal. For most other crops other than cotton, prospective acreages are below the goals. Legislation prohibits the gathering of information on intentions to plant cotton. The first estimates of cotton acreage will be announced on July 8.

For the five states of the Eleventh Federal Reserve District - Ariz., La., N. M., Okla., and Tex. - reports on farmers' planting intentions show that this area probably will have larger acreages of hay, soybeans, flaxseed, and sweet potatoes, but farmers are planning a curtailment in acreages of corn, rice, sorghums, and Irish potatoes. They also have smaller acreages of oats and barley.

C O T T O N

Spot cotton markets advanced last week. Middling 15/16-inch cotton on the Dallas market reached 41.45 cents per pound - the highest since February 5. The market this week was off a few points.

Texas cotton ginned during the 1951-52 season averaged lower in grade and shorter in staple length than that ginned during the 1950-51 season, according to the USDA.

Upland cotton ginned in Texas for the 1951-52 season amounted to 4,015,707 bales; American-Egyptian cotton totaled 21,507 bales; the total was 4,037,214 bales, according to the Bureau of the Census. Last season's ginnings amounted to 2,857,623 bales.

Total ginnings for the U.S. amounted to 15,050,262 bales (including American-Egyptian), compared with 9,899,417 bales last year.

G R A I N S

Grain prices are a little lower this week. No. 1 hard wheat on the Fort Worth market closed Tuesday, March 25, at \$2.75-1/2 per bushel, or 2 cents under a week earlier. No. 2 white oats at \$1.14-1/2 were off 1-1/4 cents. Sorghum grain brought a top price of \$3.18 per cwt. - off 1 cent. Corn prices showed little change.

Rough rice markets in Texas and Louisiana advanced 10 to 20 cents per 100 pounds last week. Rough rice trade was confined largely to lower grades, as bids on better grades generally were below the Government loan value.

PEANUTS

The USDA has announced that price support for peanuts in 1952 will be available to producers at a national average level of not less than \$239.10 per ton. This average minimum support price, which is 90 percent of the February 15 parity price, will be increased proportionately if the parity price rises before the start of the marketing season on August 1.

The minimum support level for the 1952 crop represents an increase of about \$9 per ton over the average support price of last year's crop. However, in the 1952 program the producers of peanuts, either individually or through co-operative associations, will assume responsibility for storage and certain storage costs, as is done by producers of other basic commodities.

Price support on 1952-crop peanuts will be available through CCC loans and purchase agreements instead of through the program of direct purchases used in recent years. Loans made directly to individual producers will be available through PMA county committees on either approved farm- or warehouse-stored peanuts.

During and since World War II, the production of peanuts has been far in excess of requirements for use as nuts, and CCC purchase programs were needed, says the USDA, to assure price support to all producers of peanuts. In 1952, for the first time since the war, the national acreage allotment is in line with anticipated requirements for peanuts for use as nuts. Under these conditions, it is to the producer's advantage to protect his prices through CCC loans or purchase agreements rather than through direct sales to CCC, since by either of the first two methods he is able to share in any price increases that may come after the heavy harvest and marketing period is over.

LIVESTOCK

Prices of cattle on the Fort Worth market fluctuate from day to day but have shown little over-all tendency to rise or fall in the past several weeks. Prices of hogs and lambs are up slightly.

Choice 180-260-lb. hogs sold Tuesday, March 25, at \$17.25 and \$17.50, compared with a top price of \$17.00 a week earlier. Incidentally, this top price of \$17.00 on Tuesday of last week was the lowest since April 1950.

Good and Choice shorn slaughter lambs sold Tuesday at \$25.00 to \$25.50, or \$1.00 above a week earlier. Choice spring lambs cashed at prices ranging up to \$27.00.

POULTRY AND EGGS

Commercial hatchery production in Texas during February was estimated by the BAE at 12.9 million chicks - the largest February output on record and 58% above a year ago.

Placement of commercial broiler chicks on Texas farms totaled a record 1,640,000 in the week ended March 15. Placements thus far this year are more than 16.5 million chicks vs. 11.7 million a year earlier and 7.7 million 2 years ago.