



# AGRICULTURAL NEWS OF THE WEEK

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## FARM REAL ESTATE VALUES

A report released last week by the US Department of Agriculture provides data on farm real estate values up to July 1952. These data show that farm real estate values in the United States rose 1 percent during the 4 months ended July 1 or only 1/5th as much as during the same period a year earlier. At 213 (1912-14 = 100) the US index was 5 percent above a year earlier and 24 percent above July 1950 - back before the Korean War. These data are in line with recent reports which were to the effect that farm real estate values are still rising, although the rise is tapering off gradually.

In most states the change in farm real estate values during the March-July period were the smallest for any 4 months period since the Korean outbreak.

The general over-all stability of prices of farm commodities and other products in recent months, says the USDA, is probably the major factor that has slowed the rise in farm land prices. Prices received by farmers in July averaged 2 percent higher than in March, due largely to seasonal factors, and were about the same as a year earlier. Cash receipts from farm marketings during the first half of 1952 for the country as a whole were about 4 percent above a year earlier, although with production costs higher than last year, farmers realized net income may be running lower than in 1951.

The increases in farm land prices during the year ended July 1 were much less than during the preceding year; however, values rose in most states. Only 5 states showed increases of 10 percent or more; 2 of these were Texas (up 10 percent) and Arkansas (up 14 percent).

Increases in farm land values in other southwestern states in the year ended July 1: Arizona 8 percent, New Mexico 3 percent, Oklahoma 5 percent, and Louisiana 6 percent.

Here is how the dollar values of farm land in states of the Eleventh Federal Reserve District compare with prewar (1935-39): Arizona up 145 percent, New Mexico up 191 percent, Texas up 160 percent, Oklahoma up 187 percent, and Louisiana up 141 percent.

The average value of farm land and buildings per acre in Texas on March 1, 1952 was \$62.57, vs. \$54.76 a year earlier and \$46.21 two years ago. March 1 average values per acre in other southwestern states: Arizona \$19.73, Louisiana \$95.12, New Mexico \$18.22, and Oklahoma \$65.20.

Except for a slight rise in the rate for voluntary sales of farm real estate following the Korean outbreak, sales activity has declined steadily for about the past 3 or 4 years. The rate of voluntary sales during the year ended March 1952 in Texas was 41.3 per thousand farms, Louisiana 21.8, Oklahoma 50.0, Arizona 56.0, New Mexico 49.3, and the US 37.5. Forced sales continued at the low level of recent years.

The dollar amount of farm mortgage recordings during the first half of 1952 was 2 percent below a year earlier, reflecting the decline in number of farm sales and the somewhat tighter credit situation during that period. The average size of mortgages has continued to increase but at a slower rate in recent quarters.

Outstanding farm mortgage debt increased nearly a half billion dollars during 1951, one of the largest percentage increases since 1920. At \$6.3 billion on January 1, 1952, it was 8 percent larger than a year earlier and more than a third larger than at the post war low in 1946; yet in relation to the current value of all farm real estate, the farm mortgage debt is the lowest of record.

## FARM COMMODITY MARKETS LAST WEEK

Spot cotton prices have fluctuated within narrow ranges for the past 2 weeks, although last week's close was fractionally lower than a week earlier. Middling 15/16-inch cotton closed on the Dallas Cotton Exchange at 37.65 cents per pound, compared with 38.55, 38.30, and 37.90 in the 3 preceding weeks. For the most part, merchants and shippers continued to buy only to fill present commitments.

Wagonlot prices for cottonseed at gins in Texas averaged \$71.90 per ton, compared to \$71.20 two weeks ago and \$68.20 a year ago.

Closing quotations on the Fort Worth grain market, as compared with a week earlier, show wheat up 1 cent, barley off 1 cent, oats down 2 cents, and yellow corn down 1-1/2 cents per bushel; sorghum grain lost 2 cents per cwt.

Texas and Louisiana rice markets are strong with prices gaining slightly. Several lots of No. 1 Texas Patna and No. 1 Bluebonnet were reported sold at prices up to \$6.49 per cwt., or \$10.53 per bbl. Mills are buying rice about as fast as it is harvested; very little has gone into storage.

Livestock prices on the Fort Worth market were uneven. Slaughter steers and heifers were weak to \$1 off, with the top price being \$31.50. Cows were down 50 cents to \$1, bringing mostly \$14 to \$17. Good and Choice slaughter calves brought \$21 to \$28.50.

Spring lambs and feeders dropped \$2 in Fort Worth and other sheep classes lost 50 cents to \$1. The week's top price for slaughter spring lambs was \$23.

Butcher hogs gained 50 cents with Choice 180-270 pound butchers bringing mostly \$20.50, with a few up to \$20.75.

Medium and Good slaughter goats sold from \$5.75 to \$7 in San Antonio. Kids moved out from \$3.75 to \$5.50 per head.

Original bag 12 months wool sold in Texas at clean prices between \$1.50 to \$1.55.

Mohair was purchased in Texas at 91-1/2 cents for adult and \$1.16-1/2 for kid mohair to the warehouse.

Broiler markets in Texas were weak and unsettled. The week's closing prices for all weights 2-1/2 to 3 pounds: south Texas 28-30 cents, east Texas 28 cents, and Waco area 28-30 cents, mostly 28-29 cents.

The market for turkeys was also unsettled. Prices at the farm for broad breasted young toms mostly 24 pounds and up 27-29, mostly 28 cents. Young hens 32-34, mostly 33-34 cents per pound.

Peanut growers in the Southwest received support prices for peanuts in a few localities but \$5 to \$10 per ton above support in most areas. No. 1 Spanish brought 20 cents with No. 2 up to 18-1/2 cents per pound f.o.b. shipping point.

Good quality sweet potatoes brought \$5 to \$5.50 per bushel basket on the Farmers' Market in Dallas.

## MISCELLANEOUS

With cotton prices substantially above support levels, growers are making little use of the cotton price support program. Through September 19 only 4,438 bales of 1952-crop cotton had been placed under loan, according to PMA.

In the week ended September 20, slaughter of cattle under federal inspection at Fort Worth, Dallas, and San Antonio totaled 15,550 head vs. 11,023 in the comparable week last year. Slaughter of calves totaled 9,088 head vs. 5,130 a year earlier.

Cotton ginnings in Texas through September 15 amounted to 1,158,000 bales vs. 1,461,000 a year ago, according to the Bureau of the Census.

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