



# AGRICULTURAL NEWS OF THE WEEK

## FEDERAL RESERVE BANK OF DALLAS

Number 157

Wednesday, December 31, 1952

### 1953 PRODUCTION GOALS

The 1953 crop production goals announced last week by the USDA call for another year of near-record crop output. In announcing the goals, Secretary of Agriculture Brannan stated that "to aim at anything less than the very high production level of recent years would be foolhardy during a period of national emergency."

1953 goals compared with 1952 production for selected crops:

	<u>1953</u> <u>Goal</u>	<u>1952</u> <u>Production</u>
Corn (bu.)	3,350,000,000	3,307,000,000
Sorghums (bu.)	190,000,000	83,316,000
Cotton (bales)	13,000,000	14,895,000
Rice (bags)	48,760,000	48,836,000

Goals are not yet established for peanuts, inasmuch as acreage allotments and marketing quotas will be in effect on this crop. All other crops in the Southwest will be free from production controls in 1953.

### C O T T O N

Cotton prices remained generally steady during the past week, and 15/16-inch Middling closed on Monday of this week in Dallas at 32.15 cents per pound - 5 points lower than the previous Monday but 60 points above the season's low reached on December 18.

Trading was very light on all markets, largely as a result of the holidays and end of the year. Domestic mills bought only small lots for nearby shipment. Inquiries from foreign sources were fairly numerous, and there was some increase in volume of sales for export. Trade reports indicate that some exporters anticipate increased buying by foreign countries during January; however, the export picture for the season is still rather pessimistic, with most forecasts indicating total exports of around 4,000,000 bales or less. Exports during the first 4 months of the season (August-November) are estimated at 925,000 bales, compared with 1,890,000 bales a year earlier.

Cotton ginned in the U.S. prior to December 13 totaled 13,988,000 bales, which is equivalent to 94 percent of the indicated 1952 crop. A year ago only 90 percent of the crop had been ginned by that date. In Texas, ginnings prior to December 13 totaled 3,543,502 bales, compared with 3,685,473 bales as of the corresponding date in 1951.

Loan entries through December 19 totaled 802,581 bales of which 228,056 were in Texas.

In order to achieve the announced U.S. goal of 13,000,000 bales of cotton in 1953, an acreage of 22,800,000 acres is suggested. This compares with 26,460,000 acres in cultivation on July 1, 1952. The acreage goal for Texas is 9,960,000 acres, compared with 11,570,000 planted in 1952.

The Secretary of Agriculture also included in the announced goals a sharp reduction in acreage and production of extra long-staple cotton. Suggested 1953 production is only 35 percent of the output in 1952. The Secretary emphasized that the lower goals for cotton production are suggested in order to avoid the accumulation of large surpluses, which would result in the application of acreage allotments on the 1954 crop.

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

Receipts of livestock at the major markets during the past week were generally light as compared with recent weeks but substantially higher than a year earlier. Prices were steady to weak except on hogs, which were sharply higher.

Prices per cwt. on the Fort Worth market on Monday of this week: slaughter steers grading Good to low Choice, \$23 to \$25; commercial cows \$16, a few higher; Medium and Good stockers and feeders \$15 to \$21, with a load of Choice yearlings \$22.50; Good and Choice slaughter calves \$20 to \$25; Choice fleshy feeder calves \$24; Good and Choice butcher hogs \$19.25, up \$1.25 from last Friday's close; Good and Choice wooled slaughter lambs \$21.50 to \$22.50; Medium and Good feeder lambs \$14 to \$16.

A temporary embargo has been placed on the shipment of hogs to the San Antonio market as the result of an outbreak of vesicular exanthema. Sheep and goats will be received at the market as soon as sanitary measures have been completed. Producers are urged to check with their commission firm or listen for an announcement in radio reports before making shipments to San Antonio. No restrictions have been placed on the movement of cattle and calves.

A 1953 pig crop, 15 percent below a year earlier, was forecast by the USDA last week. The report also stated that the 1952 fall pig crop was 11 percent below a year earlier with total pig production in 1952, 10 percent below 1951. This report probably was the largest factor in the sharp increase in hog prices during the past week.

#### G R A I N S

Grain prices weakened during the past week, with sorghums declining 9 cents per cwt. and other grains showing losses of from 1-1/2 to 5 cents per bushel. The price declines were generally attributed to more optimistic international news, which in itself was not particularly significant but which was sufficient to cause a break in the already weakened grain markets.

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

The value of commercial vegetables produced in Texas during the 1952 season was 53 percent higher than in 1951, according to the USDA. The 1952 crop produced for the fresh market is valued at \$65,281,000.

Cash receipts from farm marketings in Texas totaled \$1,729,571,000 during the first 10 months of 1952, according to the BAE. This is slightly more than was received during the comparable period in 1951; however, estimates for November and December indicate that the total for 1952 may be somewhat lower than in 1951.

Carl H. Moore  
Agricultural Economist