



# AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

Number 160

Wednesday, January 21, 1953

## L I V E S T O C K

Cattle prices continued under pressure during the past week, with sharp declines recorded for short-fed steers and yearlings. Cattle and calf receipts at Fort Worth, as well as at the 12 major markets, were sharply higher than the comparable week a year ago. The 9,600 head of cattle received during the first 4 days of last week at Fort Worth was nearly twice the number on that market a year ago. The supply of short-fed steers in the Fort Worth area is much larger than had been anticipated, indicating that more cattle were fed in this region than had been generally believed.

Stockers and feeders held fairly steady to slightly higher. Supplies of these cattle were rather limited and the demand relatively strong.

Slaughter lambs opened strong a week ago Monday but lost the advance later in the week and closed the week slightly lower than the previous Friday.

Prices per cwt. on the Fort Worth market on Monday, January 19: Good and Choice steers and yearlings \$18 to \$22.50, off from \$1 to \$2 from the previous Monday; Medium to Good stocker steers \$16 to \$22; stocker cows \$13 to \$16.50; Good and Choice slaughter calves \$19 to \$23; Good and Choice stocker calves \$23.50; Good and Choice butcher hogs \$19.50 to \$20; Good and Choice slaughter lambs \$21.50; Common to Good feeder lambs \$14 to \$19.25.

The number of cattle on feed in the U. S. on January 1, 1953, was 16 percent larger than a year ago and the largest number of record, according to the BAE. The report also indicates that the proportion of light weight cattle on feed is considerably higher than a year ago. In Texas, the number of cattle on feed is estimated to be 4 percent higher than a year ago and just under the record number of 194,000 head on feed in 1943.

The number of sheep and lambs on feed in the U. S. on January 1 of this year was 7 percent smaller than a year ago. In Texas, the number was estimated at only 47,000 head, a decline of 40 percent from a year ago. The sharp decline is attributed in part at least to the absence of wheat pastures in northwestern counties.

## C O T T O N

Cotton prices strengthened last week, with advances ranging to \$1.25 per bale. Inquiries from mills were more numerous and trading more active than during the past several weeks. Offerings of cotton by farmers decreased in volume despite the strengthening of prices. Middling 15/16-inch staple was quoted on the Dallas market on Monday, January 19 at 32.10 cents per pound, compared with 31.20 cents a week earlier.

CCC loan entries for the week ended January 9 totaled 176,400 bales, the largest weekly volume of the season. Total loans outstanding now cover 1,216,500 bales, compared with 515,900 bales on the comparable date a year ago.

Sales to mills increased last week but mill buying was confined mostly to cover nearby shipments. Sales for export continued relatively small in volume.

This season's supply of long-staple (1-1/8 inch and longer) upland cotton in the U. S. is approximately 490,000, compared to the 640,000 bales last season. Demand for the longer staples has not been active this season but premiums for these lengths have ranged from 150 to 200 points wider than those prevailing a year ago.

This season's crop of American-Egyptian cotton is estimated at 87,000 running bales, compared with 46,000 last season. Demand for this cotton has been quiet this season and only a small volume has moved into commercial channels. Accumulated stocks are 45 percent larger than a year ago. As a result, the 1953 production goal announced by the USDA is 65 percent below last year's crop.

Growers in the Lower Rio Grande Valley are expected to begin planting of this year's cotton crop on Tuesday of this week - the earliest date permitted under pink bollworm control regulations.

#### W O O L   A N D   M O H A I R

A strong demand for fine wools continued to be an important aspect of the wool market last week. Prices ruled steady-to-strong. Early reports of the reopening of auctions in Australia indicated very firm prices.

Original bag average to good French combing 12-months wool sold in Texas from 62-1/2 to 70 cents per pound, grease basis. This was estimated to cost from \$1.70 to \$1.75 per pound, clean basis, delivered to Boston.

Mohair trading was very slow in the Boston market but some contracting was reported in Texas at 91-1/2 cents per pound for adult and \$1.16-1/2 for kid mohair, delivered to the warehouse.

#### G R A I N S

Grain prices advanced moderately on Monday of this week, as markets showed more strength than in several weeks. A continuation of dry weather in many of the major wheat producing areas, plus the fact that farmers are reported to be placing substantial quantities of wheat in the Government loan, were given as strengthening factors in the wheat market. An exception to this trend in the market was a further decline in the price of grain sorghums. During the past month the price has declined rather steadily from \$3.43 to \$3.18 per cwt. The unusually large corn crop in the Nation probably has been an important factor in the decline of grain sorghum prices.

Closing prices per bushel on the Fort Worth Grain and Cotton Exchange on Monday, January 19: Wheat, No. 1 hard \$2.67-1/2; oats, No. 2 white \$1.09-3/4; corn, No. 2 yellow \$1.88-1/4; and grain sorghums, No. 2 yellow \$3.18 per cwt.

#### P O U L T R Y

Texas broiler prices continued to show considerable weakness, with prices on January 12 generally 1 cent lower than the previous Friday. An increased supply of birds, with only a fair demand, has dropped prices from 2 to 4 cents in recent weeks.

Closing prices on Friday, January 16: south Texas 24 to 27 cents per pound; east Texas 26 cents; and Waco-Corsicana area 26 to 27 cents (no market report issued on Monday, January 19, legal holiday).

The tone of broiler markets throughout the Nation is on the weak side and price trends in Texas have been about in line with National markets. In view of the fact that placement of broiler chicks was relatively heavy in early November, marketings are expected to continue fairly heavy during the next few weeks.

During the week ended January 10, 1,224,000 chicks were placed on Texas farms, a decline of 5 percent from a week ago and 18 percent below the corresponding week a year earlier.

Carl H. Moore  
Agricultural Economist