



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

Number 176

Wednesday, May 13, 1953

C O T T O N

The moisture situation with respect to the District's 1953 cotton crop is one of either too much or too little rain. In south Texas and in the dry-land and irrigated sections in the west, there has been too little rain. In central and east Texas and in Louisiana, heavy rains have interrupted field work and caused washing of fields. Moreover, heavy winds and tornadoes have caused extensive damage in some localities.

Spot cotton prices on Monday of this week were slightly lower than a week ago but about one-half cent higher than on the same date last month. Middling 15/16-inch cotton closed in Dallas on Monday at 33.05 cents per pound, compared with last week's high of 33.45 cents and last month's low of 32.40 cents.

Just for the record, it may be well to note the revised Department of Agriculture estimate of the 1952 cotton crop, based on final ginnings reports. The U. S. crop is placed at 15,136,000 bales of 500 pounds gross weight. The Texas crop totaled 3,808,000 bales, which is 58,000 bales more than was estimated last December. Louisiana produced 756,000 bales; Oklahoma 264,000; New Mexico 330,000; and Arizona 948,000.

Through May 1, 1953, U. S. cotton growers had placed almost 2.3 million bales of 1952-crop cotton under CCC loan; 2.0 million are still outstanding. Texas farmers put 830,000 bales under loan, or 36 percent of the U. S. total.

G R A I N S

The grain trade in Fort Worth last week was marked by declines for wheat, barley, and oats and increases for corn and sorghum grain.

The Department of Agriculture announced this week its May 1 forecast of winter wheat production in 1953, placing the U. S. crop at approximately 730 million bushels, or about 15 million more than was forecast a month earlier. The spring wheat crop is forecast at 310 million bushels.

The forecast of the Texas 1953 winter wheat crop was cut to 23 million bushels, down 7 million bushels since April 1 and 12 million bushels below last year's small crop.

High winds, insufficient moisture, and other unfavorable factors have teamed up in recent weeks to cause substantial losses to Texas wheat growers. In the main wheat growing areas of the State - from Wichita Falls through the south Plains and to the top of the Panhandle - the condition of the winter wheat crop is described as ranging from poor to tragic.

The announcement of an increase in the Department of Agriculture estimate of the 1953 wheat crop is said to have opened the way for government controls on wheat production in 1954. The Secretary of Agriculture announced a few weeks ago that such controls were probable and that the Department was laying the groundwork for them. Marketing quotas on wheat must be proclaimed by July 1 and acreage allotments by July 15.

Harvest of the new wheat crop in Texas has already started. It has been reported that a truckload of new-crop wheat was received at Hamlin, Texas, on May 5.

L I V E S T O C K

Receipts of cattle in Fort Worth on Monday, estimated at 6,300, were the largest since last November, while receipts of sheep, number some 20,000 head, were the largest in 3 years. There was a heavy movement of cattle all over the Nation; the 12 leading markets reported 98,000, or 30,000 more than on the same date last year.

With such heavy receipts at central markets, prices of virtually all classes of cattle and calves weakened this week. Good and Choice fed steers and yearlings sold for \$18 to \$22 on the Fort Worth market, while plain and Medium slaughter kinds brought \$10 to \$18. Good and Choice slaughter calves brought mostly \$19 to \$22, with a few up to \$23. Good and Choice stocker calves sold at \$18 to \$21, with a few head higher.

The heavy run of sheep and lambs at Fort Worth this week was not typical of other markets; in fact, Fort Worth accounted for more than half of the 12-market total. There was a fairly active trade in sheep and lambs at steady prices in Fort Worth on Monday. Good and Choice milk fed lambs sold from \$23 to \$26. Stocker and feeder shorn lambs brought \$14 to \$18.50.

Hog prices continue to advance. Good and Choice butcher hogs, averaging 185 to 250 pounds, sold from \$24.50 to \$24.75 in Fort Worth on Monday. The top price a month ago was \$19.90.

The heavy marketing of cattle in this District thus far this year is reflected in reports on commercial livestock slaughter in Texas during the first quarter. January-March slaughter of cattle totaled 321,000 head, compared with 242,000 head in the same period last year. Slaughter of calves reached 202,000 head as against 137,000 a year earlier. There were 133,000 sheep and lambs slaughtered, compared with 67,000 in the same period last year. Slaughter of hogs is down sharply, which accounts largely for the strong market hogs are enjoying. First-quarter slaughter totaled 503,000 head, compared with 681,000 a year ago.

First quarter beef production in the U. S. was up 22 percent, veal up 27 percent and mutton and lamb up 19 percent, as compared with the same period last year. Production of pork was down 13 percent.

W O O L A N D M O H A I R

The PMA reports that 4 or 5 cars of 12 months Texas wools sold in the State last week at prices ranging from \$1.75 to \$1.85, clean basis. For comparative purposes, government loan rates on this wool are estimated to have ranged from \$1.50 to \$1.63. Original-bag mohair sold in Texas at \$1.10 per pound.

There was continued slight improvement in trading of greasy domestic combing wools on the Boston wool market last week. Sales of woolen wools continued very slow. It is reported that a wool sale in Roswell, New Mexico held the interest of the Boston wool market. All wool offered at this sale was sold without difficulty at firm prices.

P O U L T R Y

Broiler markets in Texas on Monday were about steady, as they have been for the past 7 weeks. Broilers or fryers at 2-1/2 to 3 pounds are bringing 28 to 29 cents. They were quoted in Corsicana at 29-1/2 cents, delivered to plant.

The BAE reports that 1,542,000 broiler chicks were placed on Texas farms during the week ended May 2, which is 13 percent more than during the corresponding week last year. Weekly placement during February and March ran below year-earlier totals but during April and early May ran substantially higher. This reflects principally the sharp decline that occurred about a year ago, following the severe break in the broiler market.