



# AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

Number 178

Wednesday, May 27, 1953

## C O T T O N

Spot cotton prices were steady to slightly higher the early part of last week, but declined on Friday and again on Monday of this week to show a net loss of 40 points from May 18 to May 25. Middling 15/16-inch staple on the Dallas market was quoted at 32.95 cents per pound on Monday, May 25. Slower export demand and lack of mill buying, plus considerable liquidation in the nearby July contract appear to be the principal factors causing the price decline.

The first bale of 1953-crop cotton was ginned at Mission, Texas late Monday afternoon, May 25. The producer was Ray Barnick of Mission who also picked the first bale in 1952. The first bale is being auctioned at Harlingen, Texas in cooperation with the Houston Cotton Exchange. Previously the auction had been at Houston.

Weather conditions were generally favorable during the past week, with moisture supplies improved in south Texas and to some extent in western counties. Irrigation water was somewhat more plentiful in the Lower Rio Grande Valley. Some replanting is being done in central, northern, and eastern Texas, and northern Louisiana, as a result of heavy rains the week of May 11. Insect and worm infestation in south Texas remains general but as yet has not caused serious damage. The number of pink boll worms has been large enough to warrant control measures in some communities.

## L I V E S T O C K

An outbreak of foot and mouth disease was discovered in Old Mexico late last week and the Mexican-United States Border was immediately closed to imports of Mexican dressed beef and live cattle. The outbreak was in a herd of several hundred animals and was in the state of Vera Cruz, east of Mexico City and about 450 miles south of Brownsville, Texas. The joint team of specialists from Mexico and the United States, which carried on a 5-year battle against the disease ending last September 1, went into action immediately to control the new outbreak. Mexico had announced an export quota of 400,000 head of cattle for the year 1953. About 200,000 head were imported from September 1 to December 31, 1952.

Cattle prices strengthened during the week ended May 22, as receipts tended to level off. Cows made up a big share of the receipts at Fort Worth. About 40 percent of the receipts were stockers and feeders. Hog prices were generally unchanged but lambs were off as much as \$2 per cwt. Receipts of sheep and lambs at Fort Worth were more than double those of a year ago.

On Monday of this week Fort Worth received 7,700 head of cattle and 2,200 calves, more than twice as many as the previous Monday and the largest since September. The 12 major markets received 101,200 head of cattle, 16,000 more than the previous Monday and 23,000 more than a year ago. At Fort Worth, low grade slaughter cows and stocker yearlings made up most of the receipts. Prices were weak to \$1 per cwt. lower on all classes of cattle and calves. In the sheep yards at Fort Worth, 18,500 sheep and lambs were offered for sale on Monday of this week, the largest number received since June 1950. Around 40 percent of the receipts were spring lambs, with the balance made up of old-crop lambs, older sheep, and feeder lambs. Prices were 50 cents to \$1.50 per cwt. lower.

Prices per cwt. on the Fort Worth market on Monday, May 25: Commercial and Good slaughter steers \$15 to \$20, Choice kinds quotable up to \$23; Utility cows \$11 to \$12.50, with Commercial kinds scarce but quoted at \$13 to \$14.50; Medium and Good stocker steers \$13 to \$18, with a load of Choice yearlings at \$19.50; Good and Choice slaughter calves \$17 to \$21; Medium and Good stocker steer calves \$13 to \$20; Good and Choice spring lambs \$22 to \$24.50; Utility and Good shorn lambs \$19 to \$21; shorn ewes \$5 to \$6; Common to Good spring feeder lambs \$12 to \$19.50; and Choice butcher hogs \$24.50 to \$24.75.

#### G R A I N S

Harvest of the 1953 wheat crop is under way in the Seymour-Wichita Falls area. One load of about 50 tons was received at Dallas on Monday, May 25. Prospects are excellent in north Texas but continue very poor in the area west of a line running from Abilene to Vernon.

Prices of all grains declined on Monday of this week, reflecting abundant supplies and a slow export demand.

Closing prices per bushel and changes from a week earlier on the Fort Worth Grain and Cotton Exchange on Monday, May 25: No. 1 hard wheat \$2.50-1/2, down 4-3/4 cents; No. 2 white oats 98-1/4 cents, down 3-1/2 cents; No. 2 yellow corn \$1.91, down 1-1/2 cents; and No. 2 yellow grain sorghums \$2.94 per cwt., down 3 cents.

#### W O O L   A N D   M O H A I R

Wool prices continue firm to slightly higher. In Texas, most clips are selling as rapidly as they arrive at the warehouse. Prices for 12-months wool range from \$1.75 to \$1.85 per pound, clean basis, delivered Boston. Eight months Texas wool sold at an estimated clean price of \$1.60 per pound.

Very little activity was reported in the mohair market.

#### P O U L T R Y

Texas broiler markets were generally steady, with prices unchanged to 1 cent per pound lower during the week ended May 22. South and east Texas markets continued unsettled to slightly weaker on Monday of this week.

Prices per pound at the farm on Monday, May 25: south Texas 27 cents; east Texas 26 to 28 cents; Waco-Corsicana area 27 cents.

Prices a year ago were 27 cents per pound in all areas.

The number of chicks placed on Texas farms during the week ended May 16 was 1 percent less than the previous week and 17 percent above the corresponding week a year earlier.

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

The USDA has announced that the 1953 crop of peanuts will be supported at a national average rate of not less than \$237.60 per ton. This is 90 percent of the March 15, 1953 parity price. The announced rate compares with a support level for the 1952 crop of \$239.40 per ton. Additional details on the program will be announced at a later date.

Carl H. Moore  
Agricultural Economist