



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

Number 195

Wednesday, September 23, 1953

C O T T O N

Spot cotton prices have weakened further and generally are below loan levels. On Monday of this week, Middling 15/16-inch cotton in the designated ten spot markets averaged 32.69 cents per pound, which is about one-third of a cent below the loan rate and is more than 5 cents below a year ago. Cotton prices are lower than at any time since January.

An increased volume of cotton has been moving into trade channels, according to FMA, but farmers in most areas are reported withholding the bulk of current ginnings.

CCC loan entries during the week ended September 11 totaled 50,400 bales, which compares with 32,600 in the preceding week and which brings total loan entries for the season through that date to 130,200 bales. Reports from most cotton classing offices to the FMA indicate heavy receipts of samples for classing, most of which would establish eligibility for a Government loan.

The Secretary of Agriculture has urged cotton growers to spread out marketing of their 1953 crop and avoid market gluts at harvest time. He says that producers can do a lot to promote stability by avoiding unnecessary marketing during the September-November period, the months during which usually four-fifths of the crop is harvested, and during which time the danger of market congestion is greatest. The Secretary reminds growers that CCC loans at 90 percent of parity on the 1953 crop will be available until May 1.

Wagon-lot prices of cottonseed at gins in Texas last week averaged \$52.40 per ton, compared with \$54.80 the previous week and \$71.00 a year ago.

L I V E S T O C K

Receipts of cattle and calves at the Fort Worth market are rising seasonally, and prices on Monday of this week were steady to weak, in some instances down 50 cents to \$1.00 below last week's best levels. Good and Choice fed steers and yearlings sold at \$17.00 to \$21.50, while Common and Medium kinds brought \$9.00 to \$15.50. Good and Choice slaughter calves moved generally at \$13.00 to \$16.00, a few higher. Common and Medium slaughter calves brought \$9.00 to \$12.00. Fat cows cleared at \$9.00 to \$12.00.

Butcher hogs sold steady to 25 cents lower on Monday. The top price was \$25.75.

Good and Choice slaughter lambs brought \$17.00 to \$18.50, while Cull, Common, and Medium offerings sold at \$10.00 to \$16.00.

Medium and Good slaughter goats, mostly shorn Angoras, were marketed at San Antonio Monday at \$5.50 to \$6.25 per cwt., with Cull and Common mainly at \$4.00 to \$5.00. Common to Medium slaughter kids were sold at \$3.50 to \$4.00 per head, with a few up to \$5.00.

For sometime the weakness in cattle prices has been attributed partly to a lack of interest on the part of Corn Belt feeders. This weaker demand for stocker and feeder cattle is indicated in a report on receipts of such cattle at 9 Corn Belt states in August. The total for the month was 265,000 head, compared with 347,000 in the same month last year. Receipts for July and August totaled 476,000 as against 539,000 a year earlier.

Movement of sheep and lambs into these Corn Belt states is lagging behind a year ago even more than is the movement of cattle. Receipts in August totaled 291,000 head, compared with 507,000 a year ago. The July-August total was 427,000 head, as against 701,000 in the same months last year.

During the first 8 months of 1953 there were 15.2 million head of cattle and calves slaughtered under Federal Inspection in the United States, which compares with 11.3 million in the same months of 1952. Yet, despite this very high level of slaughter, cold storage holdings of beef on August 31 totaled only 143 million pounds, or 14 million pounds less than a year earlier.

W O O L

PMA reports that a few cars of 12-months Texas wool in original bags was sold locally last week at prices ranging from \$1.80 to \$1.85 per pound, clean basis, for Good French Combing and Staple, and \$1.75 to \$1.80, clean basis, for Average and Good French Combing. These prices are estimated to be around 20 cents or more above the CCC loan rate.

A few purchases of mohair were made in Texas early last week at 80 cents for adult and \$1.05 for kid mohair. Later reports indicated, however, that buyers had withdrawn from the market after making these purchases.

Reports from Australia show that prices at the wool auctions were irregular and tending lower last week.

P O U L T R Y

Texas broiler markets were steady last week, according to the Texas Department of Agriculture. Supplies were fully adequate for a light to fair demand. Prices were generally 26 cents with discounts for off-quality birds.

Placement of broiler chicks on Texas farms is declining seasonally but continues above the year-ago level.

The number of chicks hatched in commercial hatcheries in Texas in August was up 23 percent from the same month a year ago. Broiler chicks comprised 93 percent of the total output.

The number of chicks produced by commercial hatcheries in Louisiana during August was 26 percent above last year and the largest of record for the month. Chick production in the United States in August also was the record for the month.

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

The USDA reported last week that farmers had put almost 119,000,000 bushels of 1953-crop wheat under price support through August 15. The comparable figure last year was 169,000,000 bushels. Farmers in Oklahoma and Texas had placed 36.9 million and 13.4 million bushels, respectively, under price support.

Rice markets were mostly unchanged during the week ended September 14, according to the American Rice Growers Cooperative Association. Ideal weather in all sections hastened the maturity of unripened fields and favored harvesting operations in Louisiana and Texas.

Many Louisiana and east Texas farmers obtain income from the sale of pulpwood, and in that connection it is of interest that pulpwood production in the South reached a record high in 1952, according to the current issue of the Texas Forest News. In Texas the production of pulpwood increased from 922,000 cords in 1950 to 1,158,000 in 1951 and 1,160,000 in 1952. The leading Texas counties in pulpwood production are Montgomery, Liberty, and Houston.

W. M. Pritchett
Agricultural Economist