



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

Number 212

Wednesday, January 20, 1954

C O T T O N

Spot cotton prices edged upward last week as there was more active buying by domestic mills and there was some improvement in export demand. On Friday, January 15, Middling 15/16-inch staple in the ten leading markets averaged 33.13 cents per pound, which is the highest in over 5 months.

Cottonseed prices in Texas last week averaged \$51.50 per ton in wagon-load lots at the gins, according to AMS. Prices ranged from \$48.00 to \$58.00 at various locations, with many of the lower quotations reported from the High Plains and the higher quotations from the Low Rolling Plains.

CCC loan entries reported in the week ended January 8 totaled 251,300 bales, which brought the total for the season thus far to almost 5.9 million bales.

The USDA announced last week that the CCC had placed additional loans in the pools of price support loans previously announced and would offer to commercial banks the opportunity to participate in the financing of approximately \$350 million of such loans by purchasing Certificates of Interest bearing interest at the rate of 2 1/8 percent. Certificates will be issued on February 2 and will mature August 2, 1954.

G R A I N S

The AMS office in Austin says that Texas wheat prospects on January 1 were the best in several years even though it was again becoming dry over the Plains, particularly the Low Rolling Plains. Wheat had escaped serious freeze injury, but some oats and barley in the Low Rolling Plains and the northern Plateau counties was killed back by the late December freeze. On the whole, says the Department, small grains have good color and a heavy root system.

Rice markets continue firm, although few sales have been reported in the past several weeks.

A representative of the U. S. Department of Agriculture has returned from a study of the rice marketing situation in Asia and reports that demand for U. S. rice abroad probably will remain strong and U. S. rice exports may continue fairly high for the next few years. Prospects are good for total world trade in rice for sometime to come, he says, if prices of rice are in reasonable relationship to other cereals.

Here are the figures on the quantities of 1953-crop grains placed under price support through December 15 (all figures in millions of bushels): Barley, 32; corn, 95; grain sorghums, 26; oats, 43; soybeans, 29; and wheat, 431.

L I V E S T O C K

The number of cattle on feed in the U. S. on January 1 was 9 percent smaller than a year ago, according to the USDA. The total is placed at 5,334,000 head. Numbers on feed in states of this District show very substantial declines from a year ago. The total in Oklahoma was 60,000 head, down 10,000; Texas 129,000, down one-third; New Mexico 18,000 head, down almost one-half; and Arizona 85,000, up 5,000.

The number of sheep and lambs on feed for market in the U. S. on January 1, numbering 3,997,000 head, was 4 percent smaller than last year. Texas reported

100,000 on feed, or 10 percent less than a year ago; Oklahoma, Arizona, and New Mexico reported increases.

All classes of cattle closed with substantial gains in prices on the Fort Worth market last week. Fed steers and yearlings gained 50 cents to \$1.00, with some even more. Slaughter cows also rose about 50 cents, while slaughter lambs closed about 50 cents to \$1.00 higher. Hog prices advanced during the week but closed with little net gain for the period.

Good and Choice slaughter steers and yearlings sold from \$18.00 to \$23.25, while Common and Medium classes brought \$11.00 and \$17.00. Fed cows sold from \$10.00 to \$13.50 and Cannery and Cutters were quoted at \$6.00 to \$10.00.

Good and Choice slaughter lambs sold from \$17.00 to \$19.00, while slaughter ewes cashed at \$6.00 to \$8.50.

Butcher hogs closed at a top price of \$25.75.

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

The USDA reports that about 4 or 5 cars of 12 months wools were purchased in Texas last week at 71 cents to 73 1/2 cents, to the warehouse, while some greasy lambs wool was sold at 61 5/8 cents.

There were attempts to contract wool in Texas last week. Except for a few small lots, however, little was done. A larger volume was contracted in the Roswell, New Mexico area.

About a car of mohair was purchased in Texas at 77 cents for Adult and \$1.02 for Kid, to the warehouse.

Average weekly consumption of apparel wools in the U. S. in October was 5.9 million pounds, versus 6.9 million in September and 7.7 million in October 1952.

P O U L T R Y

Texas broiler markets opened weaker last week, but grew steady until late trading and closed quiet, according to the Texas Department of Agriculture. Closing prices were mostly 23 cents to 24 cents per pound; 25 cents FOB plant in Corsicana.

Turkeys tested in Texas for pullorum disease during December totaled 58,725, or 23 percent more than a year earlier, reports AMS in Austin. The July-December total showed a 2-percent year-to-year gain.

There were about 1.6 million chicks placed on Texas farms in the week ended January 9, or 31 percent more than in the corresponding week a year earlier.

Egg production in Texas in 1953 totaled 2,739 million, compared with 2,921 million in 1952. Declines are reported by AMS for Oklahoma and Louisiana also, while slight increases occurred in Arizona and New Mexico.

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

Prospective production of winter vegetables in Texas for the current season is estimated by AMS to be above a year earlier and considerably above the average of the previous 4 years.

Texas citrus production from the 1953 bloom is estimated by the USDA at 2.4 million boxes - 1.3 million boxes of oranges and 1.1 million boxes of grapefruit.

Milk production in Texas in December is estimated by AMS at 233 million pounds, the same as a year earlier. Oklahoma production totaled 128 million pounds, up 20 million from 1952.

The USDA's Farm Labor report for January 1 shows that farm wages in Texas were not greatly different from a year earlier.

W. M. Pritchett
Agricultural Economist