AGRICULTURAL NEWS OF THE WEEK

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COTTON

Spot cotton prices fluctuated within very narrow ranges last week. Futures market prices also held fairly steady.

Loan repayments on 1953-crop cotton in the week ended May 21 totaled 111,300 bales, the highest for any week this season. Repayments on 1953-crop cotton through this date exceeded 1.2 million bales, leaving loans outstanding on 5.6 million bales.

The USDA has announced premiums and discounts applicable to the 1954 loan program for upland cotton. Generally speaking, 1954 loan premiums are wider and discounts are narrower than those for 1953. Middling 15/16-inch cotton will carry a premium of 165 points. If the parity price of cotton on August 1, 1954, (support price is based on parity as of this date) is the same as it was on May 15, or 35.09¢ per pound, the loan rate for Middling 7/8-inch cotton will be 90% of 35.09¢, or 31.58¢. If the 165 points are added to the 31.58¢ the total is 33.23¢ per pound. This is the CCC loan rate for Middling 15/16-inch cotton at average location, assuming no change in parity before August 1.

In its current issue of The Cotton Situation the USDA says that exports of cotton, after lagging behind a year earlier during the first part of this season, have increased in recent months and the total for 1953-54 is expected to be around 3.6 million bales, compared with 3 million last year. Domestic mill consumption, however, is expected to be about 8.6 million bales compared with 9.5 million last season.

The increase in U.S. exports has been stimulated, says the Department, by the record foreign consumption of cotton during this season and somewhat smaller foreign supply than a year earlier.

The USDA attributes the rise in cotton prices in the U. S. in recent months to the heavy movement of cotton to the CCC loan program and the increases in exports. Earlier this year, says the Department, it became apparent that commercial stocks (those not under price support programs) would be insufficient to meet domestic consumption and export requirements and still be adequate at the end of the season. Consequently, prices of cotton rose above the CCC loan level and CCC stocks decreased.

LIVESTOCK

Livestock prices on the Fort Worth market declined last week under the influence of a sluggish meat trade in eastern markets. There was also some speculation that livestock buyers may have been influenced by the fact that it was in the same week last year that a very sharp break in cattle prices occurred. Declines in prices were as much as $1 or more.

Good and Choice fed steers and yearlings sold on the Fort Worth market last week from $19 to $25, Common and Medium $12 to $18. Fat cows brought $10.50 to $15, Canners and Cutters $7 to $10.50. Good and Choice fat calves were marketed at $18 to $23, Common and Medium $12 to $17, Culls $10 to $12. Stocker steer calves cashed at $15 to $22.25, while steer yearlings sold up to $20.50.

Good and Choice fat spring lambs drew $20 to $25, Common and Medium $12 to $18. Shorn fat lambs sold at $15 to $17.50. Stocker ewes sold as high as $20, breeding ewes $8 to $15.

The top price for hogs last week was \$26.75.

Goats on the San Antonio market sold up to \$7.50 last week, Common and Medium \$5.50 to \$6.50. Slaughter kids topped at \$5 per head.

W O O L

A car of 12-months Texas wool, Average French Combing, sold last week at \$1.72 per pound, clean basis, while another lot of 12-months, Good French Combing and staple, wool brought \$1.80 per pound, according to the Agricultural Marketing Service.

World consumption of wool in the first quarter of 1954 is estimated to have been about 5% smaller than in the fourth quarter of 1953, says World Wool Digest, published by International Wool Secretariat and the Wool Bureau, Inc. of New York and London.

P O U L T R Y

Texas broiler markets opened steady to weak last week but closed about steady, according to the Texas Department of Agriculture. The farm price for broilers weighing $2\frac{1}{2}$ to 3 pounds closed at 24¢ per pound. A Corsicana processing plant paid 25¢ to $25\frac{1}{2}$¢ delivered.

Weekly placements of broiler chicks on Texas farms continue below a year ago. In the week ended May 22, the year-to-year decline was 6%. These declines in broiler chick placements on Texas farms in recent weeks should lead to a lower rate of marketing some weeks hence than that which occurred in the comparable period last year. It would seem that some improvement in market prices may therefore result from the lower rate of marketing unless there is some unexpected change in demand.

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

The Index of Prices Received by U.S. Farmers increased 1 point during the month ended May 15, reports AMS. Increased prices for potatoes and cattle and high prices for early marketings of new crop cantaloups and watermelons more than offset decreases for hogs, milk, and strawberries. The mid-May index was 258 versus 263 a year ago.

The Index of Prices Paid by Farmers also rose 1 point from April to May and the mid-May index of 284 compares with 280 a year earlier.

The U. S. Department of Agriculture this week announced that limited price support recourse loans for a temporary period will be made to wheat farmers where regular storage facilities are not available, and where it is feasible to store wheat on the ground or in temporary structures during the summer months. These loans will be similar to ones offered a year ago. The distress loans will be at 80 percent of the applicable price support rate where the wheat is located.

The USDA has also announced that applications for grain storage occupancy contracts between the Commodity Credit Corporation and commercial firms will again be accepted, beginning immediately, in order to encourage the construction during the coming months of additional public commercial facilities for the handling and storage of grains and oilseeds in the storage-short areas of the U.S. In general, the program provides for payments to warehousemen if the occupancy of storage facilities under contract falls below certain levels during a specified period.

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