



AGRICULTURAL NEWS OF THE WEEK

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C O T T O N

Since the decline of about \$1.75 per bale in cotton prices early last week following the announcement of the official estimate of cotton production this year, spot cotton prices have held very stable. On Monday, August 16, Middling 15/16-inch cotton in the 14 bona fide spot markets averaged 34.08¢ per pound, compared with 34.09¢ a week earlier and a loan rate (on a comparable basis) of 33.99¢.

Agricultural Marketing Service of the USDA describes the cotton situation in the Southwest last week as follows: Trade in the Southwestern spot markets remained at a moderate rate. Harvest was gaining momentum. Merchants were buying mainly for current needs. Inquiries were not too numerous. Hot, dry weather was not favorable for crop conditions.

C R O P P R O D U C T I O N

The USDA released last week its general crop report which is based on conditions as of August 1. The report says that production prospects in the U. S. declined during July for many of the later-growing crops. Searing temperatures and short rainfall were rather general over much of the country. Soybeans, peanuts, sorghum, and broomcorn suffered some damage, while prospects for corn, spring wheat, hay, and a few other crops declined. On the other hand, yields of a number of crops, including rice and sugarcane, improved. The net result is an aggregate volume of all crops about 5% less than was expected on July 1.

Corn production prospects in the U. S. declined about 15% during July to about 2.8 billion bushels. The hot, dry weather came at the critical tassel and silk stages, resulting in considerable corn that could be utilized only as silage or forage. Winter wheat was mostly harvested by August 1, but spring wheat prospects deteriorated during July. Total wheat production is placed at 978 million bushels, about 11 million less than on July 1.

Corn production in Texas in 1954 is indicated at 35.2 million bushels, which reflects an increase of about 1 million bushels over last year's short crop; acreage this year is up 7%. The Oklahoma corn crop of 3.3 million bushels is only half last year's crop and compares with an annual average of almost 22 million bushels during the 1943-52 period. The Louisiana corn crop is estimated at 12.8 million bushels, up 2 million from last year but still 3.4 million below average.

The Texas and Louisiana rice crops are indicated at 15.8 million and 13.4 million bags, respectively, each around 1 million bags above 1953.

Sorghum grain production in Texas is indicated at about 75 million bushels, versus 55 million last year and a 10-year (1943-52) average of 79 million bushels. The Oklahoma crop of 4.8 million is about half the average crop, while the Arizona harvest is indicated at 3.5 million bushels, double last year's crop.

Hay production in Louisiana, Texas, and Arizona will be off this year, while the crops in New Mexico and Oklahoma are expected to show some increase over 1953. Crops in each of these states compare favorably with the 10-year average.

The downward trend in peanut production in the Southwest continues. The Texas crop is indicated at 103 million pounds, as against 179 million last year and a 10-year average of 283 million. The Oklahoma crop of 53 million pounds is only about half the 10-year average.

Production of apples, peaches, and pears in southwestern states this year can be described as a virtual failure, although larger crops of apples and peaches are reported for New Mexico where crop failure appeared last year. Grape production in Arizona will be off from 1953 but will compare favorably with earlier years. Reports on condition of the orange and grapefruit crops in Texas and Arizona indicate considerable improvement as compared with August 1953.

The drought has taken a heavy toll of the sweet potato crop in Texas and Oklahoma, and yields are estimated at only about half those of 1953. In Louisiana, however, an improvement in yield is indicated, and production is expected to exceed that of a year ago.

L I V E S T O C K

There was an improvement in demand for stocker and feeder cattle and lambs at Fort Worth last week, while the cooler weather in the Midwest and East probably offered some further stimulus to meat prices. Stocker and feeder cattle in some instances rose as much as \$1, and this gave strength also to the market for slaughter animals. Fat lambs gained 50¢ to \$1, while feeders were strong to 50¢ higher. Butcher hogs drew steady to 50¢ higher prices, closing at a top of \$23.50.

Slaughter goats on the San Antonio market turned strong to 50¢ higher last week. Most Medium to Good brought \$4.50 to \$5.50, and slaughter kids were reported at \$3 to \$4 per head.

There is some encouragement for goat raisers in the report that the Texas Angora Goat Raisers Association held at Fredricksburg, about a week ago, what was considered to be the best sale in the Association's 35-year history. The top buck brought \$1,025, with 215 bucks averaging \$122.13 and 77 nannies averaging \$48.94 per head.

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

The USDA reports that mohair contracting was a little more active in Texas last week. About four cars were purchased early in the week for future delivery at 65¢ for Adult, \$1 for Kid, and \$1.50 for Surplus Kid mohair, while another four cars were contracted later at 66½¢ for Adult and \$1.01½ for Kid mohair, F.O.B. Texas.

The average of prices received by U. S. wool growers at mid-July was slightly above a year earlier. The mid-month average has been a little above the national average support level each month so far this season. The USDA says that wool prices probably will remain relatively stable for the next few months. The average of prices received by domestic producers for shorn wool during the current marketing season probably will not be greatly different from last season.

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

Broiler prices in Texas declined about 1¢ to 2¢ last week. Prices ranged between 25¢ to 27¢ per pound for birds weighing 2½ to 3 pounds.

The number of people working on farms in the U. S. dropped to 9,238,000 for the week of July 18-24, according to an AMS report. This is about 400,000 less than a month earlier; the decline is attributed partly to seasonal factors and partly to the drought. The USDA index of farm wage rates, adjusted for seasonal variation, was at 505 in July, compared with 514 a year earlier.

While costs of marketing farm products have held very stable since mid-1952 the farmers' share of the dollar spent by consumers for food has been going down. The share was 47¢ in mid-1952, 45¢ in mid-1953, and 44¢ in April-June this year. This is the smallest quarterly average share received in the postwar period but is larger than the annual average share received in any of the years between the two World Wars.

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