



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

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C O T T O N

As was generally expected, in view of the unfavorable weather during August, the September cotton report of the U. S. Department of Agriculture showed substantial reductions in official estimates as compared with those of a month ago. The U. S. crop is now indicated at 11,832,000 bales, which is 848,000 bales less than the August estimate. Estimates were lowered in a number of states including Louisiana, Oklahoma, Texas, and Arizona.

Here are the current estimates of cotton production in the states of the Eleventh Federal Reserve District, with last year's production figures in parentheses: Louisiana, 495,000 (806,000); Oklahoma, 230,000 (437,000); Texas, 3,375,000 (4,317,000); New Mexico, 235,000 (327,000); and Arizona, 730,000 (1,070,000); all figures in bales.

Spot cotton prices continue to fluctuate within narrow ranges. Meanwhile, cottonseed prices have advanced further. Wagon lot prices of cottonseed paid to producers in Texas last week averaged \$66.80 per ton, compared with \$65.90 per ton the previous week, according to AMS.

AMS describes the cotton situation in the Southwest last week as follows: spot market activities were moderate; producers were offering freely; general demand was good but selective; inquiries from domestic and export sources were numerous; and weather conditions were favorable for harvesting.

L I V E S T O C K

Marketings of livestock last week were rather heavy throughout the Nation; market receipts were considerably above a year earlier. However, prices of cattle and sheep held about steady. Hog prices declined further, falling at Fort Worth to the lowest level in a year and a half.

A USDA report on sales of Fort Worth livestock on Monday of this week indicates that the cattle trade was fairly active, and hog prices advanced 50¢ to 75¢, while the calf and lamb trade was described as slow.

Monday's selling prices at Fort Worth: Good and Choice fed steers, \$22; Choice yearlings, \$23; Good beeves, \$20 to \$21; Utility and Commercial steers, \$13 to \$18; Good and Choice slaughter calves, \$14.50 to \$17; Medium and Good stocker steer calves, \$13 to \$19; Choice 190- to 250-pound butcher hogs, \$21, a few to \$21.25; Choice spring lambs, \$19; Good spring lambs, \$17; Good slaughter yearlings, \$12 to \$13; Medium and Good stocker and feeder lambs, \$11 to \$15.

F A R M R E A L E S T A T E A C T I V I T Y

The U. S. Department of Agriculture has issued its quarterly report on farm real estate values covering a survey in July. This report shows that farm real estate values changed very little from March to July. Seven scattered states showed increases of 2% or more but an equal number showed similar declines. Scarcely any significant change was noted in the states of this Federal Reserve District.

The report indicates further that the volume of voluntary sales of farm real estate has continued to decline. During the year ended March 15, the number of such sales per 1,000 farms was only half that of the peak year 1946-47. The number of foreclosures increased slightly in several states affected by drought but in most states it remained at the extremely low level of recent years.

Nearly a third of the farms reported sold in 1953-54 were purchased to enlarge existing farms. This is about the same proportion as a year earlier but somewhat higher than in previous years.

Farmers continue to be the major participants in the farm real estate market. They bought \$1.9 billion worth of farm real estate, or 70% of the total value (\$2.7 billion), sold during the year ended March 1954.

About 62% of the farms bought during 1953-54 were credit financed. This compares with 59% a year earlier and is the highest proportion since 1944. The debt per transfer also increased and averaged 59% of the purchase price, compared with 56% a year earlier.

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

Texas broiler markets last week opened weak and then held steady through the close, according to the Texas Department of Agriculture. Closing prices were 23¢ to 24¢ in most areas. The market for Monday of this week was irregular, and broilers sold down to 22¢ in east Texas.

The U. S. farm population in April numbered 21,890,000, according to estimates prepared by the Bureau of the Census and the Agricultural Marketing Service. This figure represents 13.5% of the total population and reflects a continuation of the long-time downward trend in the number of farm residents.

The mid-August index of prices received by Texas farmers and ranchmen was 270% of the 1910-14 base, as reported by the AMS office in Austin. The August figure is 12 points above that of July but is the same as in August last year. The fact that farm prices in Texas in August this year averaged the same as a year ago obscures the important changes that have occurred in prices of individual commodities. Prices of cotton, cottonseed, beef cattle, and wheat are selling above a year ago, while prices of virtually all other agricultural commodities are lower.

With the peanut crop continuing to deteriorate in some parts of the Southwest because of drought, many growers are reportedly digging their crop and baling it for hay. Farmers who are able to harvest a crop of peanuts are receiving mostly \$228 to \$243 per ton, depending upon quality.

The production of hairy vetch seed in Texas this year is estimated at 7,540,000 pounds, compared with 7,800,000 pounds in 1953.

Reports indicate that the citrus crop in south Texas is in good condition despite the record-high temperatures in late July. Fruit growth was checked a little in August, but sizes are more advanced than usual. Early harvest is in prospect. Water for irrigation is plentiful.

The rice crop in Texas is turning out better than was expected early in the season. A record-large crop of 16,430,000 bags is indicated as both acreage and yield per acre are the highest of record.

Dry weather has caused shedding of pecans in Texas, and the crop is now estimated at 22.5 million pounds, compared with 28 million last year.

Over-all prospects for grain sorghum production in Texas improved during August, and production is now placed at 77,146,000 bushels, compared with 55,198,000 in 1953.

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