RICE

Acreage allotments and marketing quotas have been proclaimed for the 1955 rice crop, with a national acreage allotment of 1,859,099 acres - 22% below the harvested acreage in 1954. In making the announcement, Secretary of Agriculture Benson pointed out that under existing legislation, acreage allotments and marketing quotas must be proclaimed whenever total supply of rice exceeds normal supply by more than 10%. Because of the unusually high production in recent years plus a decline in exports, the total supply for the 1954-55 marketing year is estimated to be 17% above normal domestic and export requirements plus a reserve allowance.

Marketing quotas will not become effective unless approved by two-thirds majority of the rice growers voting in a referendum to be held January 28. Marketing quotas on rice were proclaimed once before - in 1938 for the 1939 crop - but were not approved by growers.

If marketing quotas are disapproved by growers, the support price will be at 50% of parity. If they are approved, the price support will be between 82½% and 90% of parity.

Acreage allotments for the various states are expected to be announced soon. Individual farm allotments will be available to growers prior to the referendum.

The average price received by the Nation's farmers for rough rice as of December 15 was $4.63 per cwt., according to the USDA, compared with the national average support price of $4.92. Texas growers received an average price of $5.20 per cwt.

LIVESTOCK

Livestock receipts at the Fort Worth market last week were considerably below the comparable week a year ago, and prices held generally steady. Slaughter cattle were quoted strong to 50¢ per cwt., higher, and cows, 50¢ to $1 higher. On Monday of this week, the market was generally steady to unchanged. Good and Choice slaughter steers brought $20 to $24; Utility and Commercial, $12 to $18; cows, $10 to $11.50; and Medium and Good stockers, $14 to $19. Good and Choice slaughter calves brought $16 to $20; Medium and Good stocker steer calves, $14 to $20.

At sheep yards in Fort Worth, receipts were the heaviest since early November. About 95% of the receipts were lambs. Trade was slow, and prices, 50¢ to $1 lower on slaughter classes. Feeder lambs were in small supply and sold strong to 50¢ higher. Good and Choice wooled slaughter lambs brought $18.50 to $19.50; Good and Choice shorn slaughter lambs, $17.50 to $18.50.

Total production of red meat at commercial livestock slaughter plants in the Nation during November was 4% higher than either a month earlier or a year ago. Production for the first 11 months of 1954 was 2% higher than the comparable period in 1953. Beef production was up 5%; veal, 8%; and mutton and lamb, 2%; while pork production was down 2%.

WOOL AND MOHAIR

There was considerably more interest in greasy domestic wools in the Boston wool market last week than has been true for several months. Most foreign auctions were closed for the holidays.
Some original bag 12-month Texas wool sold in the local market for $1.65 per pound, clean basis; two or three cars of poor style, defective average French combing wool was purchased in Texas at a clean price estimated at $1.55 to $1.57, delivered to Boston. A sale of about a car of fall wool was reported at 53¢, in the grease.

A substantial quantity of mohair, amounting to more than 300,000 pounds, was purchased in Texas at prices ranging from 60¢ to 61½¢ for adult and $1 to $1.01½ per pound for kid. Dealers estimate that there are approximately 400,000 to 600,000 pounds of mohair still unsold in Texas.

POULTRY

Texas broiler markets improved sharply last week, with the market opening generally 2¢ higher on Monday, December 27. Demand was generally adequate to absorb available supplies at the higher prices.

On Monday of this week, markets were quoted steady, with prices in South Texas, 21¢ to 22¢ per pound; East Texas, 21¢, and the Waco-Corsicana area, 21¢.

Placements of chicks on Texas farms during the week ended December 25 were reported by the Agricultural Marketing Service at 623,000 - 4% below the previous week and 5% below the corresponding week a year earlier. Most major broiler-producing areas in the Nation also showed a decline, and the over-all change for the Nation was a decline of 23% from the previous week and 9% from the comparable week a year ago.

COTTON

Spot cotton prices declined generally during the past week, with Middling 15/16-inch staple quoted on the Dallas market Monday, January 3, at 33.65¢ per pound - 20 points below a week earlier but 20 points above a month ago.

Despite the holidays, the cotton market was relatively active, with numerous inquiries from mills and with dealers busy filling prior commitments and booking new sales.

Exports of cotton from August 1 to December 28, 1954, are now estimated at 1,453,117 bales, compared with 1,172,994 bales during the comparable period a year ago. On the other hand, the Department of Agriculture has reduced its estimate of domestic cotton consumption by 200,000 bales. The estimate of 900,000 bales to be consumed by domestic mills would be 100,000 bales above domestic consumption in the 1953-54 season.

AGRICULTURAL PRICES

The index of prices received by the Nation's farmers declined 5 points (2%) during the month ended December 15, according to the USDA. Lower prices for hogs, lettuce, cotton, milk, and eggs were primarily responsible for the decline. Price increases were recorded for feed grains, hay, sweet potatoes, butterfat, and calves.

The index of prices paid by farmers for commodities, interest, taxes, and wages remained unchanged, at 279% of the 1910-14 average. As a result of the decline in prices received, the parity ratio declined from 87 to 86.

J. Z. Rowe
Agricultural Economist