



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

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L I V E S T O C K

Moderate supplies of slaughter cattle were offered in Fort Worth during the past week. Numbers of slaughter cattle were slightly larger than both a week ago and a year earlier. Good and Choice slaughter steers and yearlings sold at \$19 to \$25.50, with Common and Medium bringing \$10 to \$19. Fat cows sold at \$10 to \$13. Good and Choice fat calves were \$16 to \$20, while Medium slaughter calves sold at \$11 to \$16. There was a strong demand for replacement cattle and calves of all kinds, with Good and Choice stocker steer calves and steer yearlings bringing from \$17 to \$21.50. Stocker heifer calves and heifer yearlings sold \$2 to \$3 under the comparable steer grades.

On Monday of this week, cattle on the Fort Worth market were made up of a big share of fed cattle, of which less than 20% were cows. Good and Choice beef steers sold at \$20 to \$24, while Utility and Commercial steers brought \$12 to \$19. Medium and Good stocker and feeder steers and yearlings were \$14 to \$20, with a few Choice selling for \$21. The local calf run was a little smaller than a week earlier, with Good and Choice slaughter calves bringing from \$16 to \$19.

The number of cattle and calves on feed in Texas on January 1, 1955, is estimated at 126,000 head - 2% less than the 129,000 on feed a year earlier, according to the USDA. About 71% of this total - 90,000 head - have been on feed less than 3 months; only 3,000 head have been on feed more than 6 months. High feed costs and the narrow spread between the cost of feeder cattle and the selling price of fat cattle discouraged feeding by commercial feed-lot operators. Shortages of grain and roughage reserves due to drought curtailed many farm feed-lot operations.

An estimated 58,000 cattle and calves - 46% of the total on feed - weighed less than 600 pounds, with only 15,000 head - or 12% - weighing 900 pounds and over. If cattle are moved to market as now planned by Texas feeders, about 86,000 head will be sold during the first 3 months of this year, leaving 40,000 head to move after April 1. The expected numbers to be marketed in Texas during the first 3 months of 1955 are: January, 30,000; February, 26,000; and March, 30,000.

In other Eleventh District states for which data are available, the numbers of cattle and calves on feed as of January 1, 1955, and increases from a year earlier are: Arizona, 169,000 - up 69%; New Mexico, 29,000 - up 60%; and Oklahoma, 75,000 - up 7%.

U.S. numbers of cattle and calves on feed on January 1 were estimated at 5,816,000 head - 8% larger than last year. Numbers on feed in the Corn Belt were the second highest of record. For the 14 states for which information is available, 33% of the cattle and calves on feed weighed under 600 pounds, while 22% weighed 900 pounds and over. U.S. feeders intend to market 44% of their cattle during the first 3 months of this year - 16% in January, 15% in February, and 13% in March.

P O U L T R Y

Broiler markets in Texas last week strengthened, with prices generally closing 2¢ to 3¢ higher than those in the previous week. Closing prices for the week ended Friday, January 21, as reported by the Texas Department of Agriculture were: South Texas, 24¢ to 25¢; East Texas, 24¢ to 25¢, mostly 25¢; Waco, 25¢; and Corsicana, F.O.B. Plant, 27¢.

On Monday of this week, Texas broiler markets remained steady compared with last week's closing prices. Supplies were generally adequate for a slow to fair demand, and trading was moderate.

The USDA reported that 1,235,000 chicks were placed on Texas farms during the week ended January 15. This was 5% below the previous week and 19% below the corresponding week a year ago.

A recent survey made by the USDA indicates that, as of January 1, Texas turkey growers plan to decrease total numbers by 7% in 1955. If these intentions are carried out, 2,501,000 heavy-breed and 541,000 light-breed turkeys would be produced, compared with 2,682,000 and 589,000, respectively, for last year. This would be a decrease of 6.7% in heavy-breed numbers and 8.1% fewer light-breed turkeys in 1955 as compared with 1954. Lower turkey prices for the 1954 crop and a higher feed cost in relation to the prices of turkey meat were the reasons given by growers for planning to raise fewer turkeys in 1955.

In other Eleventh District states, the number of turkeys that producers intend to raise and the percentage changes are: Oklahoma, 650,000 - down 4%; New Mexico, 55,000 - down 5%; Arizona, 88,000 - down 10%; and Louisiana, 960,000 - no change.

Nationally, turkey growers plan to decrease numbers this year by 4%. Growers intend to raise about the same number of heavy breeds but decrease light breeds by 11%. The numbers actually raised in 1955 may vary somewhat from the January 1 intentions, depending upon future price-cost relationships.

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

Over 500,000 pounds of original bag 12-month wool were purchased in Texas last week at an estimated clean price ranging from \$1.55 to \$1.60 per pound, delivered to Boston.

A few lots of spring mohair were contracted in Texas at around 61½¢ for adult and \$1.01½ for kid mohair, delivered to the warehouse.

The Commodity Credit Corporation announced recently that, as of December 31, 1954, it held a total inventory of 110,286,378 pounds of 1952- and 1953-crop wools under the wool price support program.

C O T T O N

Spot cotton prices advanced slightly during the past week; and on Monday, January 24, Middling 15/16-inch staple was quoted at 33.65¢ per pound on the Dallas market - an average of 20 points above a week earlier.

Merchant demand continued good for cotton qualities needed to satisfy nearby shipments. Public storage of cotton amounted to 13,851,000 bales on January 1, as compared with 13,822,000 bales in the preceding month and 11,991,000 bales a year earlier, according to the Agricultural Marketing Service. Government-financed stocks totaled about 8.5 million bales, or 61% of the stocks in public storage.

Secretary of Agriculture Benson has announced that this year's cotton crop will be supported at 90% of parity - the same level in effect on the 1954 crop.

CCC loan entries for the present season through January 15 totaled 1,975,800 bales. Loan repayments on 1954-crop cotton through January 14 this season were made on 153,200 bales, leaving loans outstanding on 1,822,600 bales.

J. Z. Rowe
Agricultural Economist