



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

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W H E A T

Preliminary returns from the wheat referendum held June 25 show that 77.5% of the voting farmers favor marketing quotas for 1956-crop wheat, reports the U. S. Department of Agriculture. The referendum marks the fifth time that growers have voted on marketing quotas for wheat; previously, they had approved quotas for the 1941, 1942, 1954, and 1955 crops.

The Secretary of Agriculture recently stated that, as a result of the favorable vote in the June 25 wheat referendum, the support level for next year's wheat crop will be at a national average rate of not less than 76% of parity, or \$1.81 per bu. Farmers are required to plant within their acreage allotments in order to be eligible for price supports.

The Secretary also stated that the problem of accumulated wheat stocks remains serious and that the USDA will continue its programs designed to achieve maximum practicable exports of wheat and flour. In order to improve the quality of wheat produced and to reduce controls over production and utilization, the USDA intends to:

1. Undertake to place in effect upon the 1956 wheat crop appropriate discounts in price supports for certain designated varieties of wheat.
2. Continue efforts to increase the noncommercial wheat area. In this area, producers are not subject to acreage controls.
3. Continue efforts to exempt wheat growers from marketing quota penalties if the wheat is used for feed or seed on the farms where it is produced.
4. Request legislative extension of special durum wheat acreage provisions for the 1956 crop.
5. Give special consideration to programs which will further encourage farmers to make needed adjustments in land use.

T E X A S P I G C R O P

The 1955 Texas spring pig crop is estimated at 925,000, or 22% larger than a year ago but 16% below the 10-year (1944-53) average, according to the Agricultural Marketing Service. The upward trend in litter size continued, with an average of 6.8 pigs saved per litter. This is a record-high number and compares with 6.7 pigs saved per litter during the spring of 1954 and the 10-year average of 6.2 pigs.

Hog production expanded in all areas of the State in the spring of 1955, and further increases are planned. If breeding intentions are realized, 132,000 sows will be farrowed this fall, or 5% more than a year earlier.

L I V E S T O C K

Supplies of cattle on the Fort Worth market for the week ended Thursday, June 30, were below those of both a week earlier and a year ago, according to the AMS. Most Choice slaughter steers and long yearlings brought \$21.50 to \$22 per cwt., while Good grades averaged \$19 to \$21. Most Commercial cows sold at \$12 to \$12.50. Demand was fairly good for all grades of stockers and feeders; Good stocker steer yearlings sold at \$18 to \$20, while Medium grades brought \$14 to \$16. Choice slaughter calves cleared at \$17.50 to \$19, with Choice stocker and feeder steer calves selling at \$21 to \$22. Prices for butcher hogs were 50¢ lower than last Friday's close.

Choice 190- to 240-lb. hogs brought \$19.50 to \$19.75. Prices of Good and Choice slaughter spring lambs ranged from \$18 to \$20; shorn lambs and yearlings with No. 1 pelts sold for \$15. Most stocker and feeder spring lambs brought \$13 to \$14.50.

The Fort Worth stockyards were closed for trading on Monday, July 4.

P O U L T R Y

Texas broiler markets were steady the first part of the week ended July 1, but at the market's close, prices weakened and were 1¢ to 2¢ per lb. below closing prices in the previous week. Closing prices were: South Texas, 27¢; east Texas, 25¢ to 26¢; Waco, 26¢; and the Corsicana F.O.B. plant, 27¢ per lb. Closing prices for the corresponding week a year ago were 26¢ in all areas.

During the week ended June 25, broiler chick placements on Texas farms totaled 1,809,000, reports the AMS. This is 6% below placements during the preceding week but 32% above those during the corresponding period last year.

F A R M M O R T G A G E D E B T

Demand for farm mortgage credit in the United States continued strong during 1954 and the first half of 1955, and farm mortgage money generally was available at favorable rates and terms, according to the AMS. The farm mortgage debt as of January 1, 1955, is estimated at \$8,200,000,000, or 7% larger than a year earlier. Indications are that the increase in 1955 will be comparable to that in 1954.

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

The index of prices received by farmers in the Nation declined 1 point during the month ended June 15. The mid-June index is 243% of the 1910-14 average but nearly 2% below a year earlier. During the past month, decreases in prices received for potatoes, cantaloupes, watermelons, tomatoes, and wheat were not quite offset by increases in prices for livestock and livestock products, primarily hogs. Prices paid by farmers remained unchanged from a month earlier. The parity ratio declined 1 point and was 86% on June 15.

U. S. cash receipts from farm marketings during the period January-May 1955 averaged 3% less than during the same months last year. Receipts from livestock and livestock products were down 7%, while those from crops were slightly higher.

According to a recent report from Texas A. & M. College, real estate taxes on farms and ranches in Texas in 1954 rose for the eighth consecutive year and were about 3% higher than in the previous year. The average tax per acre for the State was 28.8¢, compared with 27.9¢ in 1953.

Japan, the United Kingdom, Canada, West Germany, and the Netherlands received over half of the value of U. S. agricultural products exported in 1954, with over \$200,000,000 going to each country, reports the Foreign Agricultural Service. Principal exports were: Cotton to Japan and West Germany; tobacco to the United Kingdom; fruits, nuts, and vegetables to Canada; and fats, oils, and oilseeds to the Netherlands.

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