



# AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

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## C O T T O N

The 1955 U. S. cotton crop is estimated, as of August 1, at 12,728,000 bales, compared with 13,696,000 bales produced last year and the 10-year (1944-53) average of 12,952,000 bales, reports the Agricultural Marketing Service. The 16,636,000 acres for harvest are based on the estimated acreage in cultivation on July 1, less average abandonment. The indicated per acre yield for the 1955 cotton crop is 367 lbs., or 26 lbs. above the previous record-high yield in 1954.

Prospective production of the Texas cotton crop is placed at 3,900,000 bales, or only about 1% below the 1954 production but 15% above the 10-year average. The indicated per acre yield is 278 lbs. - the highest since 1866. Prospective cotton production figures for the other states in the Eleventh Federal Reserve District (and production for 1954) are: Arizona, 690,000 bales (911,000); Louisiana, 515,000 (572,000); New Mexico, 235,000 (316,000); and Oklahoma, 345,000 (293,000).

The U. S. Department of Agriculture announced on July 29 that the final average loan rate for 1955-crop upland cotton (basis 7/8-inch Middling) will be 31.7¢ per lb., gross weight. This is the same as the minimum loan rate announced on February 23, in accordance with the forward pricing provisions of the cotton program. The average loan rate for 1955-crop extra-long staple cotton is placed at 55.2¢ per lb., net weight - also the same as the minimum rate announced in February.

On August 1, 1955, the Secretary of Agriculture added 2,000,000 bales of upland cotton to the cotton "set-aside," in compliance with the provisions of the Agricultural Act of 1954. This addition completes the minimum "set-aside" of 3,000,000 bales required by the Act. The amount of cotton in the "set-aside" is excluded from the computation of the carry-over for determining the level of price supports. However, it is included in the computation of total supplies for the purpose of determining acreage allotments and marketing quotas.

## 1 9 5 5 W O O L P R O D U C T I O N

The amount of U. S. wool to be shorn in 1955 is estimated at 228,013,000 lbs., reports the AMS. This is 2% less than the 232,629,000 lbs. produced in 1954 and 10% below the 10-year (1944-53) average. The reduction in this year's wool output is the result of a decrease in the number of sheep shorn which more than offset the increase in the average weight per fleece. The number of sheep shorn in 1955 is estimated at 26,855,000, or 2% fewer than in 1954. The average fleece weight is a record-high of 8.49 lbs., compared with 8.48 lbs. last year and the 10-year average of 8.11 lbs.

In Texas - the leading sheep-raising state, wool production in 1955 is estimated at 42,427,000 lbs., compared with 44,220,000 lbs. in 1954 and the 10-year average of 58,172,000 lbs. The number of sheep shorn is placed at 5,328,000, or 2% fewer than a year earlier and 29% below the 10-year average. The average fleece weight is estimated at 8.0 lbs., compared with 8.1 lbs. in 1954 and the 10-year average of 7.7 lbs.

## L I V E S T O C K

Cattle receipts at Fort Worth on Monday, August 8, are estimated at 4,000, or one of the smallest Monday supplies since spring, according to the AMS. Sales

were mostly steady to strong with last week's close. The following prices were quoted: Commercial and Good beef steers, \$15 to \$20 per cwt.; Utility cows, \$10.50 to \$11.50; and Medium and Good stocker steer yearlings, \$14 to \$19.

Monday's calf receipts are estimated at 1,000 - a small increase from a week ago but about one-third less than on the comparable date last year. Fully steady prices were received, with Commercial and Good slaughter calves bringing \$13 to \$17.50 and Medium and Good stocker steer calves, \$14 to \$19.

Hog supplies - also totaling 1,000 - were larger than on other recent Mondays. Trading was active, and prices for barrows, gilts, and sows were 25¢ to 50¢ per cwt. higher than last Friday's average. Mixed U. S. No. 1 to No. 3 Grade 190- to 250-lb. barrows and gilts sold at \$16.75 to \$17.

Marketings of sheep and lambs were considerably smaller than either a week earlier or a year ago. Spring lambs comprised the major portion of the supplies and sold at steady to strong prices as compared with the latter part of last week. Good to Prime slaughter spring lambs cleared at \$16.50 to \$18.50 per cwt.

#### P O U L T R Y

Major Texas broiler markets opened weak in east Texas and the Waco-Corsicana area and about steady in south Texas and then held generally steady during the week ended Friday, August 5, reports the AMS. Trading was moderate in south Texas and the Waco-Corsicana area and normal in east Texas. Closing prices, which were mostly 1¢ to 2¢ per lb. lower than a week earlier, were: South Texas, 26¢ to 27¢; east Texas, 26¢; Waco, 26¢; and the Corsicana F.O.B. plant, 27¢ per lb. During the corresponding period last year, closing prices were 27¢ per lb. in all areas.

On Monday of this week, broiler markets were unsettled in south Texas and steady in east Texas and the Waco-Corsicana area. Prices were the same as last Friday's close.

During the week ended July 30, broiler chick placements on Texas farms totaled 1,739,000, according to the Texas Department of Agriculture. This is 3% above placements in the previous week and 26% more than those in the corresponding period last year.

#### P E A N U T   P R I C E   S U P P O R T S

Price support levels for 1955-crop peanuts, by types and areas, were announced by the USDA on July 29. The prices are based on a national average support price of \$244.80 per ton, or 90% of the August 1, 1955, parity price of 13.6¢ per lb. The support prices vary from \$220 per ton for Runner-type peanuts to \$241 per ton for Spanish-type peanuts produced east of the Mississippi River. The support price for Spanish-type peanuts produced west of the Mississippi River will be \$237 per ton. Loans on 1955-crop peanuts will be available to individual producers and cooperatives from harvest time through January 31, 1956, and will mature on May 31, 1956, or earlier on demand by the CCC.

#### D I S P O S A L   O F   E X C E S S   R I C E   A C R E A G E

The USDA recently announced that rice growers may be granted an emergency time extension to dispose of rice acreages planted in excess of their allotments. This extension may be given by the county Agricultural Stabilization and Conservation Committee if the producer proves that, because of weather conditions, he has been unable to dispose of the excess rice acreage by the required date.

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