



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

Number 299

Wednesday, September 21, 1955

F A R M I N C O M E

U. S. cash receipts from farm marketings during August are estimated at \$2,400,000,000, which is 2% lower than in the same month last year, reports the Agricultural Marketing Service. Receipts from the sale of livestock and livestock products accounted for \$1,400,000,000, and those from crops totaled \$1,000,000,000. The income from crops was 6% less than in August 1954, while that from livestock and livestock products was slightly higher than a year ago. During the first 8 months of this year, the Nation's farmers received about \$16,700,000,000 from marketings, or 4% less than in the corresponding period last year.

C O T T O N

Spot cotton prices continued to decline in southwestern markets during the week ended Thursday, September 15, reports the AMS. Middling 15/16" staple was quoted on the Dallas market last Thursday at 31.6¢ per lb., or \$3.50 per bale lower than a week earlier, \$12.75 per bale less than on the corresponding day last year, and \$9.05 per bale lower than the loan value. A large percentage of current ginnings was being held, and loan entries were increasing. The better grades and staples were in the best demand. Domestic mill inquiries were more numerous than a week earlier, and purchases consisted mostly of small lots for prompt or nearby delivery.

On Monday of this week, Middling 15/16" cotton sold in the Dallas market at 31.3¢ per lb., compared with 32.05¢ a week earlier and 34.2¢ on the corresponding day in 1954.

Wagon-lot prices of cottonseed paid to producers in Texas averaged \$44.30 per ton during the past week, compared with an average of \$66.80 per ton during the comparable period last year.

L I V E S T O C K

Cattle and calf supplies at the Fort Worth market on Monday, September 19, are estimated at 6,700, or 10% fewer than on the previous Monday and only two-thirds as large as those on the comparable day last year, reports the AMS. Trading was slow on slaughter cattle but was fairly active on stockers. Prices of slaughter classes generally were steady to 25¢ to 50¢ per cwt. lower than last week's market. Good and Choice 1,100- to 1,200-lb. slaughter steers brought \$20.50 to \$20.75; Utility cows, \$9.50 to \$10.50; and Medium and Good stocker and feeder yearling steers, \$13 to \$18.50. Trading was slow on slaughter calves but was active on stockers. Most prices were steady with the latter part of the past week. Commercial and Good slaughter calves were quoted at \$12 to \$16.50; Medium and Good stocker steer calves sold at \$13 to \$18.

Hog marketings totaled 1,100, or about the same as a week earlier. Trading was active, and prices of barrows and gilts were 25¢ to 50¢ per cwt. higher than late last week. Mixed lots of U. S. No. 1 to No. 3 Grades of 190- to 250-lb. barrows and gilts cleared at \$17.25 to \$17.50.

Monday's sheep and lamb offerings are estimated at 2,500, compared with 2,982 a week ago and 4,051 on the corresponding day in 1954. Trading on slaughter spring lambs was rather slow, and prices were weak to 50¢ per cwt. lower than the latter part of last week. Good and Choice slaughter spring lambs sold at \$17 to \$18.50 per cwt.

POULTRY

The principal Texas broiler markets opened about steady to weak and then held steady through the close of the week ended Friday, September 16, according to the State Department of Agriculture. Supplies generally were adequate for a fair to good demand, and trading was normal. Closing prices, which were unchanged to 2¢ per lb. lower than in the previous week, were 25¢ in south Texas, east Texas, and Waco and 26¢ at the Corsicana F.O.B. plant. During the corresponding period last year, closing prices were 24¢ per lb. in all areas.

On Monday, September 19, broiler markets were steady in south Texas and weak to steady in east Texas and the Waco-Corsicana area. The following prices were quoted: South Texas, 25¢ per lb.; east Texas and Waco, 24¢ to 25¢; and the Corsicana F.O.B. plant, 25.5¢.

Broiler chick placements on Texas farms totaled 1,417,000 during the week ended September 10, reports the AMS. This is 1% below placements in the previous week and only slightly above those during the same period last year.

WOOL AND MOHAIR

On September 12 the U. S. Department of Agriculture announced incentive prices of 62¢ per lb. for wool (grease basis) and 70¢ per lb. for mohair for the 1956 marketing year, beginning April 1. These prices are the same as those currently in effect for the 1955 marketing year, which will end March 31, 1956.

The 1956 incentive price for wool is equivalent to approximately 106% of the August 15, 1955, parity price for wool, and that for mohair is equivalent to about 92% of the mohair parity price for the same date.

Sales slips received by producers for sheep, lambs, wool, and mohair marketed after March 31, 1956, will provide information needed to determine each individual grower's incentive payments. Producers are urged to keep these sales slips in a safe place.

FHA LOANS

During the fiscal year ended June 30, 1955, Farmers Home Administration loans totaled \$293,190,000 - the highest level in the agency's history. This compares with FHA loans of \$292,462,000 in fiscal 1954 and \$228,600,000 in fiscal 1953. During fiscal 1955, approximately 135,000 loans were made to farm families, compared with 131,000 in fiscal 1954. The insured farm loan program was expanded during the past fiscal year, and a soil and water conservation loan program was introduced. Private lenders provide the funds for the insured loans, and the FHA makes and services the loans and guarantees their repayment. The soil and water conservation loan program, which was started in October 1954, provides for soil conservation; water development, conservation, and use; and drainage.

J. Z. Rowe
Agricultural Economist