



# AGRICULTURAL NEWS OF THE WEEK

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## MARKETING QUOTAS APPROVED FOR RICE

Preliminary reports received by the U. S. Department of Agriculture indicate that 84.8% of the Nation's rice growers voting in the referendum on January 27 approved marketing quotas on 1956-crop rice. Approval of at least two-thirds of the growers voting in a referendum is required before quotas are put into effect.

In Texas and Louisiana - the principal rice-producing states of the Eleventh Federal Reserve District - 85.1% of the 5,975 growers voting in the referendum favored marketing quotas for the 1956 crop.

When quotas are in effect, growers who exceed their farm rice acreage allotments are subject to a marketing quota penalty on the excess rice. The amount of the penalty will be equal to 50% of the June 15 parity price for rice. Compliance with farm rice acreage allotments will be a condition of eligibility for price support on 1956-crop rice.

## FEED GRAIN SUPPLIES

The Nation's 1955-56 supply of feed grains and other concentrates is estimated at 196 million tons, on the basis of the December 1955 annual crop summary of the USDA. This is 8% larger than the 1954-55 supply and is the highest of record, both in total and in per animal unit. Included in the 1955-56 supply are 170 million tons of feed grains, about 23 million tons of by-product feeds, and an allowance of a little over 3 million tons of wheat and rye for feed. Production of feed grains in 1955 was estimated at 130 million tons, or 10% above the 1949-53 average and was second only to the record output in 1948. The big 1955 feed grain crop resulted from a large acreage and a generally favorable growing season.

## FARM PRICES

The index of prices received by farmers in the United States as of January 15, 1956, is placed at 226% of the 1910-14 average, according to the Agricultural Marketing Service. This is 1% above the month-earlier index but is 7% lower than a year ago. Higher prices for meat animals, tender vegetables, strawberries, and potatoes were primarily responsible for the increase from the December 15, 1955, level.

The parity index (which reflects prices paid for commodities, plus interest, taxes, and wage rates) on January 15 advanced 1% from a month earlier and is placed at 281, or nearly 1% below a year ago. Higher prices for feeder livestock and a substantial rise in tax and interest payments per acre were the principal contributors to the advance from the month-earlier index. The parity ratio remained at 80, which is about 7% below that of a year earlier.

## POULTRY

During the week ended Friday, February 3, the major Texas broiler markets opened steady to firm but closed weaker, according to the State Department of Agriculture. Closing prices were unchanged to 2¢ per lb. lower than in the previous week, with the following prices quoted: South Texas, 21¢ to 22¢; east Texas, 20¢ to 21¢; Waco, 20.5¢ to 21¢, mostly 21¢; and the Corsicana F.O.B. plant, 22¢. During the corresponding period in 1955, closing prices were: South Texas, 23¢ to 25¢, mostly 24¢; east Texas and Waco, 24¢; and the Corsicana F.O.B. plant, 26¢ per lb.



The principal Texas broiler markets were weak on Monday, February 6. The following prices were quoted: South and east Texas, 20¢ to 21¢, mostly 20¢; Waco, 20¢; and the Corsicana F.O.B. plant, 22¢ per lb.

A total of 1,817,000 broiler chicks was placed on Texas farms during the week ended January 28, according to the AMS. This represents increases of 9% from the preceding week and 33% from the corresponding period last year.

#### L I V E S T O C K

Livestock marketings at Fort Worth on Monday, February 6, were curtailed, undoubtedly as a result of storms and bad roads, according to the AMS. Cattle and calf supplies totaled only 2,500, compared with 3,871 a week earlier and 3,726 on the corresponding date in 1955. Trading on beef steers and long yearlings was very slow, and prices were lower than in the preceding week. Sales of stocker and feeder cattle were steady. Good and Choice slaughter steers, including yearlings, brought \$15.50 to \$19; Commercial and Good heifers, \$14 to \$17; and Medium and Good steers, \$14 to \$17.50. Prices of calves were generally steady with those in the latter part of the past week. Commercial and Good slaughter offerings brought \$14 to \$17.50, and Medium and Good stocker steer calves cleared at \$14 to \$18.

Monday hog supplies of 400 were less than a third as large as those a week earlier and were only about half as large as at the same time in 1955. Prices of butchers were 50¢ per cwt. lower than those in the latter part of the preceding week, in sympathy with declines at other markets. U. S. No. 1 and No. 2 Grades of 200- to 245-lb. slaughter hogs sold at \$13.75 to \$14. Marketings of sows were steady, and prices were \$10 to \$12, mostly \$11 to \$12.

Sheep and lamb receipts totaled only 1,800, compared with 5,743 on the preceding Monday and 3,895 at the same time last year. Trading was active, and shorn slaughter lambs (which comprised the major part of the supplies) brought prices that were stronger to 50¢ per cwt. higher than a week earlier. Good and Choice No. 1 and No. 2 pelt slaughter lambs sold at \$17 to \$18, with most sales at \$17.50 and \$18 per cwt.

#### C C C P R I C E S U P P O R T P R O G R A M

As of December 31, 1955, the investment of the Commodity Credit Corporation in price support commodities amounted to \$8,666,309,000, reports the USDA. Of the total investment, loans outstanding accounted for \$2,584,129,000 and the value of inventories, \$6,082,180,000. As of December 31, 1954, the CCC's investment was \$7,171,225,000; loans outstanding amounted to \$2,940,262,000, and inventories were \$4,230,963,000.

Price supports extended (total loans made, plus direct purchases and purchase agreements) on 1955 crops through December 31, 1955, amounted to \$2,254,536,795. This compares with price supports extended on 1954 crops through December 31, 1954, in the amount of \$1,888,208,351.

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