



# AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

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## T H E D A I R Y S I T U A T I O N

Milk production in the United States this year is expected to reach a record level of between 126 and 127 billion lbs., reports the Agricultural Marketing Service. This compares with the 1955 output of 123.5 billion lbs.

Prices to the Nation's farmers for milk and butterfat changed little during the past year and are not expected to change much during the next 12 months, barring widespread drought. Cash receipts from dairy products increased slightly from 1954 to 1955 and probably will show a further increase this year.

U. S. consumption of fluid milk in 1955 was higher than in the preceding year, reflecting continued high consumer incomes, larger quantities of milk distributed in schools, and increased merchandising efforts by the dairy industry. The rise in total fluid milk consumption exceeded the increase in farm milk production, leaving less for factory production.

The volume of dairy products purchased by the Commodity Credit Corporation during the past 12 months was equivalent to 5 billion lbs. of milk, compared with the year-earlier total of 5 3/4 billion lbs. Little change in purchases is indicated for the coming 12 months, since consumption is expected to increase almost as much as production. Price support levels for the April 1956-March 1957 marketing year will be the same as in the preceding marketing year.

## F A R M L A N D V A L U E S

The upturn in farm land values in the Nation which began in the first half of 1954 continued in the 4 months ended November 1, 1955; however, the increase was a little less than in the March-July period, according to a recent report of the Agricultural Research Service. The revised national index of farm real-estate values on November 1, 1955, is placed at 137% of the 1947-49 average, reflecting increases of 1% from July 1955 and 5% from November 1954.

Farm land values in each of the states of the Eleventh Federal Reserve District as of November 1, 1955, were 2% to 4% higher than at the same time in 1954. Between July 1 and November 1 last year, farm land values declined 1% in both New Mexico and Texas, although they increased 1% in Arizona and 2% in both Louisiana and Oklahoma.

## L I V E S T O C K

Cattle receipts at the Fort Worth market during the week ended Thursday, March 22, totaled an estimated 7,450, reports the AMS. These receipts compare with 6,750 for the previous week and 7,000 during the corresponding period in 1955. Trading on slaughter cattle was only moderately uneven. Prices of slaughter steers and heifers were steady to weak, and those for slaughter cows were steady to 25¢ per cwt. lower than in the preceding week. The following prices were quoted for slaughter cattle: Good fed steers, \$16 to \$17.50; Commercial and Good heifers, \$14 to \$17; and Utility cows, \$11.50 to \$12.50. Prices of stocker and feeder cattle were strong, with Choice thin yearling stocker steers bringing \$18 to \$18.50 and Good fleshy yearling feeder steers quoted at \$16.50 to \$17.25. Good stocker heifers sold at \$14.50 to \$15.50.

Calf supplies are placed at 1,600, or 400 more than a week earlier but 600 fewer than in the comparable period last year. Trading on slaughter calves

showed little change throughout the week, with Choice Grades selling at \$18 to \$19. Demand continued good for stocker calves, and prices were firm. Medium and Good stocker and feeder steer calves cleared at \$14 to \$18, and Good heifer calves brought \$15 to \$16.50.

Hog offerings for the week are estimated at 3,100, which is 6% below the preceding week but is 51% above the corresponding period in 1955. Trading was active, and prices of butchers on last Thursday's market were 50¢ to 75¢ per cwt. higher than on the previous Thursday. Most U. S. No. 1 through No. 3 Grades of mixed slaughter hogs brought \$14.50 to \$14.75.

As a result of the approaching Easter demand for spring lambs, supplies of sheep and lambs increased sharply during the past week. Receipts totaled an estimated 31,800, compared with 15,200 in the preceding week and 24,900 during the corresponding period last year. Compared with the latter part of the previous week, prices of most Good and Choice spring lambs were \$1 to \$1.50 lower, while those for Choice and Prime Grades were 50¢ higher. Most Good and Choice 70- to 90-lb. spring lambs brought \$18 to \$20.

#### P O U L T R Y

The principal Texas broiler markets were steady during the week ended Friday, March 23, according to the State Department of Agriculture. Closing prices were unchanged to 1¢ per lb. higher than in the previous week, with the following prices quoted: South Texas, 23¢; east Texas, 22¢ to 23¢; Waco, 22.5¢; and the Corsicana F.O.B. plant, 23¢ to 24¢. During the corresponding period in 1955, closing prices were: South Texas, 31¢; east Texas and Waco, 32¢; and the Corsicana F.O.B. plant, 33¢ per lb.

On Monday of this week, broiler markets were steady in south Texas and steady to weak in east Texas and the Waco-Corsicana area. The following prices were quoted: South Texas, 23¢, a few loads at 22¢; east Texas, 22¢ to 23¢, mostly 22¢; Waco, 22¢; and the Corsicana F.O.B. plant, 23¢ to 24¢ per lb.

	Area	Week ended March 17, 1956	Percentage change from	
			Previous week	Comparable week, 1955
BROILER CHICK				
PLACEMENTS	Texas.....	1,951,000	3	22
	Louisiana..	294,000	9	19
	22 states..	24,810,000	2	24

#### F A R M L A B O R

During the week of February 19, farm employment in the United States totaled an estimated 5,772,000 workers, reflecting a seasonal increase of 4% from the month-earlier level, according to the AMS. The number of family workers was placed at 4,770,000, and the number of hired workers was estimated at 1,002,000. Compared with the corresponding period in 1955, there were 304,000 fewer family workers and 23,000 fewer hired workers on farms in the Nation.

J. Z. Rowe  
Agricultural Economist