



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

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NEW FARM LEGISLATION

During the week of April 2, the President approved the following farm legislation.

- * H.R. 8780, which relieves farmers of the Federal tax on gasoline used on their farms. The bill is now Public Law 466, and according to the Secretary of Agriculture, "this measure will relieve farmers of an estimated \$60 million in operating costs this year and more in future years."
- * H.R. 8320, which creates an outlet for \$75 million worth of dairy products a year for the next 2 years through the Special School Milk Program. In addition, the legislation authorizes the use of \$2 million in Federal funds for this fiscal year and \$20 million a year for the next 8 years to continue the Federal-state cooperative campaign against brucellosis. The so-called school milk bill and brucellosis bill are now Public Law 465.

THE FEED SITUATION

If the Nation's farmers carry out their March 1 planting intentions, the total acreage planted to feed grains in 1956 will be reduced about 6 million acres, or 4%, from the high level reached in 1955, reports the Agricultural Marketing Service. Moderate reductions in acreages of corn, oats, and barley are in prospect this year, while the sorghum grain acreage is expected to be maintained near the 1955 record.

Based on 1950-54 average yields, the decrease in acreage of feed grains would reduce the 1956 production of these crops 7% from the past year's high level. However, the total feed concentrate supply is expected to be only slightly below the record high in 1955, since large carry-over stocks are in prospect.

AGRICULTURAL PRICES - TEXAS

The index of prices received by Texas farmers and ranchers declined 2 points during the month ended March 15, 1956, according to the AMS. The index at mid-March is placed at 247% of the 1910-14 average, compared with 266 at the same time last year. Although prices for most meat animals increased slightly, declines in prices for eggs, milk, and wool were sufficient to lower the livestock and livestock products index 7 points from the February 15 level. The crops index increased 1 point during the month, as slightly higher prices for most crops were partly offset by lower feed grain and hay prices.

LIVESTOCK

The cattle supply at Fort Worth on Monday, April 9, totaled an estimated 2,700, according to the AMS. These receipts are 100 more than a week earlier but 450 fewer than at the same time in 1955. Trading on all slaughter classes was rather slow, and prices were generally steady with the past week's close. The demand for stockers and feeders was good, but high-quality offerings were very scarce. Fed yearling cattle comprised a large part of the supply, while cows accounted for less than 10%. The following prices per cwt. were quoted: Choice

slaughter steers, \$19 to \$19.50; Commercial and Good heifers, \$14.50 to \$17.50; Utility cows, \$12 to \$12.50; and Medium stocker and feeder steers, \$14 to \$15.50.

Monday's calf receipts are placed at 400, which is a third larger than a week ago but is 38% smaller than on the corresponding date last year. Trading on slaughter calves was fairly active, and prices were fully steady with those in the past week. The small supply of stockers sold quite readily and brought firm prices; however, the quality of these animals was low. Commercial and Good slaughter offerings sold at \$15 to \$18.50, and Medium and Good stocker steer calves brought \$15 to \$18.

Hog supplies totaled an estimated 1,000, compared with 1,350 on the previous Monday and 450 on the corresponding date in 1955. Prices for most butchers were 25¢ per cwt. lower than in the latter part of the past week, and those for sows were mostly 50¢ per cwt. less. U. S. mixed No. 1 through No. 3 Grades of slaughter hogs cleared at \$15.25 to \$15.75, with most sales quoted at \$15.50.

Monday's sheep and lamb marketings are estimated at 9,000, reflecting increases of 80% from the preceding week and 18% from the comparable date last year. Trading was slow, especially on old-crop lambs. Prices of slaughter spring lambs were steady to weak, and those for old-crop lambs were steady to 50¢ lower than in the past week. Good and Choice 80- to 95-lb. slaughter spring lambs brought \$19 to \$21.50 per cwt.

P O U L T R Y

During the week ended Friday, April 6, the principal Texas broiler markets were generally steady to weak, reports the State Department of Agriculture. Closing prices - which were unchanged to 1¢ per lb. lower than in the preceding week - were: South Texas, 21¢ to 22¢; east Texas, 20¢ to 21¢, mostly 20¢; Waco, 20¢ to 20.5¢; and the Corsicana F.O.B. plant, 22¢ to 22.5¢. During the corresponding period in 1955, the following closing prices were quoted: South Texas, 32¢ to 33¢, mostly 32¢; east Texas, 32¢ to 33¢, mostly 32.5¢ to 33¢; Waco, 32¢; and the Corsicana F.O.B. plant, 33¢ to 34¢, mostly 34¢, per lb.

On Monday of this week, broiler markets were unsettled in south Texas, steady in east Texas, and about steady to weak in the Waco-Corsicana area. Prices per lb. were: South Texas, 20¢ to 22¢, mostly 21¢; east Texas and Waco, 20¢; and the Corsicana F.O.B. plant, 21¢ to 21.5¢.

BROILER CHICK	Area	Week ended March 31, 1956	Percentage increase from	
			Previous week	Comparable week, 1955
PLACEMENTS	Texas.....	1,993,000	3	21
	Louisiana..	365,000	8	16
	22 states..	25,915,000	1	20

C O T T O N S U P P L Y

The supply of all kinds of cotton in the United States in the 1955-56 season is indicated at a record 25.9 million bales, according to the AMS. This compares with the previous season's supply of 23.5 million bales and the 1950-54 average of 19.6 million bales.

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