NEW FARM BILL ENACTED

On Monday, May 28, the President signed the new farm bill, containing a $1.2 billion Soil Bank program. In total, the new law authorizes $1.9 billion in new Federal spending to aid farmers. One section of the bill indicates that feed grains will receive 76% price support - an increase of 6% - with no acreage control. Another provision freezes rice and cotton acreage, preventing any reduction during the next 2 years. The new bill also provides for the sale of nearly 5 million bales of Government-owned cotton on overseas markets at competitive world prices.

WORLD COTTON PRODUCTION

World cotton production in 1955-56 is placed at a record 39.3 million bales (500 lbs. gross weight each), according to revised estimates of the Foreign Agricultural Service. Unfavorable weather and insect damage - principally in Egypt, India, and the Soviet Union - have resulted in a reduction of 1 million bales from estimates made in January, but indicated production still exceeds the 1954-55 output by 2%. Although the United States has restricted the acreage planted to cotton, most foreign countries have sharply increased their plantings. Since World War II, non-Communist foreign countries have increased their production 71%, and cotton output in Communist countries - primarily the Soviet Union and China - has more than doubled.

FARM HOUSING LOANS

A supplemental appropriation bill signed by the President on May 19 makes available $5 million for farm housing loans, according to the U. S. Department of Agriculture. Applications for these loans may be made at any of the 1,500 county offices of the Farmers Home Administration. Loans may be made for the construction and repair of farm houses and other farm buildings and also for the improvement of farmstead water supplies. Repayment will be scheduled over periods up to 33 years at an interest rate of 4% per annum on the unpaid principal. Loans will be secured by a mortgage on the borrower's farm.

To be eligible, an applicant must be the owner of a farm; be unable to obtain suitable credit for dwellings and other buildings from other lenders; and have enough income from the farm, or from the farm and other sources, to meet family living and farm operating expenses and repay his debts. Eligibility of applicants will be determined by the local county committee of the FHA.

POULTRY

Texas broiler markets were steady to firm during the week ended Friday, May 25, according to the State Department of Agriculture. Trading was especially heavy in east Texas, although supplies were adequate. In south Texas, trading was normal, while supplies were short in some of this area. Closing prices on major markets were: South Texas, 23¢; east Texas, 23¢, a few at 22¢; Waco, 23¢; and the Corsicana F.O.B. plant, 23.5¢ to 24¢. During the corresponding period in 1955, closing prices were: East Texas and Waco, 30¢, and the Corsicana F.O.B. plant, 30.5¢.

On Monday, May 28, broiler markets were steady in all areas, with supplies generally adequate and demand fair to good. The following prices were quoted: South
Texas, 23¢, a few at 24¢; east Texas, 23¢, a few at 22¢ to 22.5¢; Waco, 23¢; and the Corsicana F.O.B. plant, 23.5¢.

<table>
<thead>
<tr>
<th>Area</th>
<th>Week ended May 19, 1956</th>
<th>Percentage change from Previous week</th>
<th>Comparable week, 1955</th>
</tr>
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<tbody>
<tr>
<td>BROILER CHICK</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Texas</td>
<td>2,363,000</td>
<td>5</td>
<td>26</td>
</tr>
<tr>
<td>PLACEMENTS</td>
<td></td>
<td>-14</td>
<td>31</td>
</tr>
<tr>
<td>22 states</td>
<td>26,925,000</td>
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<td>18</td>
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</tbody>
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HATCHERY PRODUCTION

Output of chicks from commercial hatcheries in Texas during April was 19% larger than in the same month last year, according to the Agricultural Marketing Service. During the first 4 months of this year, 48,571,000 chicks were hatched by commercial hatcheries. Output of chicks for farm flock replacements was 23% greater than during the January-April period last year, and hatchings of broiler chicks were 25% larger.

LIVESTOCK

Cattle receipts at Fort Worth on Monday, May 28, totaled 5,000 head, or approximately the same as last week, according to the AMS. Most of the run was made up of stockers, with nearly two-thirds being yearling steers. Prices on Choice slaughter steers and yearlings reached $19 to $20.50, while Utility and Commercial grades sold at $12 to $16.

Calf receipts were slightly larger than a week ago, with Choice grades bringing $19 to $20. Commercial and Good slaughter calves sold at $13 to $19.

Hog receipts on Monday were estimated at 1,400, or 150 above last week and 900 more than a year earlier. Prices of butcher hogs on the local market were steady to 25% higher than late last week, with U. S. No. 1 through No. 3 Grades of mixed 200- to 250-lb. hogs selling at $16.50 to $16.75. Sows generally brought $10.50 to $13.

Receipts of sheep and lambs at the Fort Worth market totaled 9,400, of which about 60 percent were shorn lambs and 30 percent, spring lambs. Trading was fairly active, with prices for slaughter spring lambs 50¢ to $1 higher. Good and Choice slaughter spring lambs sold at $19 to $22.

MILK OUTPUT INCREASES

Production of milk in the Nation this year continues to exceed output during the same months in 1955, according to the USDA. Although the number of milk cows apparently is about the same as a year earlier, the production per cow is larger than the comparatively high level attained in the early part of 1955.

A substantial increase in cash receipts from dairy products is in prospect for 1956 as a result of higher support levels for butterfat and milk for manufacturing purposes, the suspension of seasonal price reductions on fluid milk in some Federal order markets, and an expected increase in total sales of milk products.

J. Z. Rowe
Agricultural Economist