



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

Number 343

Wednesday, July 25, 1956

WHEAT MARKETING QUOTAS FAVORED

The Nation's farmers approved the continuance of Federal controls on production and marketing of the 1957 wheat crop at a referendum held July 20. Preliminary reports indicate that 81.4% of the U. S. growers voting approved marketing quotas; Texas wheat producers voted 93.2% in favor of the quotas. As a result of the favorable vote, 1957-crop wheat will be supported at a minimum national average of \$2 per bu.

CCC RELEASES COTTON

On July 18 the U. S. Department of Agriculture announced that, upon request of the purchaser of cotton sold by the Commodity Credit Corporation under the export program, the CCC will draw drafts, accept payments, and deliver warehouse receipts for the cotton, beginning July 23, 1956. According to the USDA officials, starting to release cotton on this date will help alleviate the congestion in banks and warehouses which would result if the action were delayed.

None of the cotton sold under the current export program (which was announced on February 28) can be exported before August 1, 1956.

FARM INCOME

Revised estimates of the USDA place cash receipts from farm marketings in the District states during the first 5 months of 1956 at \$973,071,000, or only 1 percent less than in the January-May period last year. Receipts from livestock were 3 percent larger, while those from crops were 7 percent less.

LIVESTOCK

The cattle supply at Fort Worth on Monday, July 23, totaled an estimated 8,000 - about the same as a week earlier but double the receipts at the same time in 1955, according to the Agricultural Marketing Service. Trading on all classes of cattle was active. Prices of slaughter animals were fully steady with those in the latter part of the past week, while those for stockers and feeders were mostly 50¢ per cwt. higher. Choice slaughter steers brought \$20.50 to \$21.50; Utility cows, \$9.50 to \$11.50, mostly \$10 to \$11; Medium and Good stocker and feeder steers, \$13 to \$17.50; and Medium and Good feeder heifers, \$12 to \$15.50.

Monday's calf receipts are placed at 1,700, compared with 1,325 a week ago and 900 on the corresponding date last year. Trading on slaughter calves was slow, and prices were weak; however, sales of stockers and feeders were very active, and prices were around 50¢ per cwt. higher than in the past week. Good and Choice slaughter calves sold at \$14.50 to \$17, and Medium and Good stocker and feeder steer calves brought \$14 to \$18.

Hog marketings totaled an estimated 1,500, reflecting increases of 44% from the preceding Monday and 114% from the same time in 1955. Trading was active, and most sales of butchers were 50¢ per cwt. higher than in the latter part of the preceding week. No. 1 through No. 3 Grades of mixed 200- to 265-lb. slaughter hogs cleared at \$16.25 to \$16.75, with most sales at \$16.50.

Sheep and lamb receipts are estimated at 5,000, compared with 4,150 a week earlier and 2,900 a year ago. Choice slaughter classes were very scarce. Trading was fairly active, with all classes selling at steady prices. Good and a few Choice slaughter spring lambs brought mostly \$18 and \$19 per cwt.

CATTLE AND CALVES ON FEED

The number of cattle and calves on feed for market in the 13 major feeding states of the Nation is estimated, as of July 1, 1956, at 3,296,000 head, according to the AMS. This number is 10% fewer than on the corresponding date last year and reflects a seasonal decline of 22% from the April 1 level. The number of cattle and calves placed on feed during the April-June period this year was 5% larger than in the comparable quarter in 1955. Marketings were 8% greater, with short-fed cattle showing a 24% increase from a year ago.

In Texas the number of cattle and calves on feed for market, as of July 1, is placed at 74,000 head, or 48% more than a year earlier but 20% fewer than the April 1 total. Large commercial lots in the State had 54,000 head on feed on July 1 and were operating at a level 46% below that of a year ago. Marketings of cattle out of feed pens during the April-June quarter this year totaled 78,000, and replacements were 59,000. During the corresponding period in 1955, marketings amounted to 60,000 and replacements were only 26,000. If marketing intentions of Texas cattle feeders are carried out, the total number of fed cattle going to slaughter during July and August will be only moderately above intended marketings a year ago. Most of the increased number in feed lots on July 1 are not expected to be marketed until after September 1.

P O U L T R Y

Texas commercial broiler markets held steady throughout most of the week ended Friday, July 20, but developed a weak tone toward the close, reports the State Department of Agriculture. Closing prices were unchanged to 1¢ per lb. lower than in the previous week, with the following prices quoted: South Texas, 20¢ to 21¢, mostly 21¢; east Texas, 20¢ to 21¢; Waco, 20¢ to 21.5¢; Corsicana, at the farm, 21¢ to 21.5¢; and the Corsicana F.O.B. plant, 22¢ to 22.5¢. During the corresponding period in 1955, closing prices were: South Texas, 28¢ to 29¢, mostly 29¢; east Texas and Waco, 28¢; and the Corsicana F.O.B. plant, 29¢ per lb.

On Monday of this week, broiler markets were unchanged from the past Friday's close in east Texas and about steady in south Texas and the Waco-Corsicana area. Prices were: South Texas, 20¢ to 21¢, mostly 20¢; east Texas, 20¢ to 21¢; Waco, 20.5¢; Corsicana, at the farm, 20.5¢ to 21¢; and the Corsicana F.O.B. plant, 21.5¢ to 22¢.

	Area	Week ended July 14, 1956	Percentage change from	
			Previous week	Comparable week, 1955
BROILER CHICK				
	Texas.....	2,269,000	6	28
PLACEMENTS	Louisiana..	304,000	-3	32
	22 states..	25,345,000	-1	13

J. Z. Rowe
Agricultural Economist