



# AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

Number 355

Wednesday, October 17, 1956

## WINTER WHEAT ACREAGE RESERVE CONTRACTS

As of October 5 (the deadline for signing wheat agreements), 185,836 agreements had been signed by the Nation's wheat farmers placing 8,771,565 acres under the 1957 winter wheat Acreage Reserve program of the Soil Bank, according to preliminary reports from State Agricultural Stabilization and Conservation offices in the 36 states of the commercial wheat area. A maximum of \$150,216,494 is payable to farmers if they meet the requirements of the program.

Texas wheat growers signed 12,116 agreements and placed 919,985 acres under the winter wheat Acreage Reserve program through October 5. The farmers will be eligible for a maximum of \$14,067,075 if they meet the requirements of the program.

## CONSERVATION RESERVE DEADLINE EXTENDED

The final date for farmers to enter Conservation Reserve contracts for 1956 has been extended from October 15 to November 30, reports the U. S. Department of Agriculture. In order to participate in the program, a farmer must have eligible land which has not been cropped or grazed this year. He must also have reduced production of Soil Bank base crops (corn, cotton, peanuts, rice, tobacco, and wheat) to qualify for an annual payment at the regular rate. March 15 is the deadline for signing 1957 Conservation Reserve contracts.

## HAY HAULING RATES REDUCED

A recent release from the White House stated that, effective October 13, the western railroads were putting into effect a 50% reduction in rates for hauling hay to drought areas. The reduction applies to hay hauled from all western states to drought-disaster areas in Arizona, Colorado, Kansas, Nevada, New Mexico, Oklahoma, Texas, and Utah. The release states further that, also effective October 13, the railroads will establish rates for outbound movement of livestock from the drought areas to feeding grounds in the western territory which will permit free return transportation to originating points.

## COTTON PRODUCTION

The 1956 cotton crop in the Nation is estimated, as of October 1, at 13,268,000 bales, or 153,000 bales more than the month-earlier forecast but 10% below the outturn in 1955, according to the Agricultural Marketing Service. Prospective production in the Eleventh Federal Reserve District (Arizona, Louisiana, New Mexico, Oklahoma, and Texas) is placed at 5,455,000 bales, which is 20,000 bales higher than indicated on September 1 but 10% below production last year. The Texas cotton crop is estimated at 3,460,000 bales - unchanged from a month earlier but 14% below the 1955 output. The October 1 estimates place prospective production higher than a month earlier in Arizona and Louisiana but 5,000 bales lower in both New Mexico and Oklahoma.

## POULTRY

The Texas commercial broiler markets followed a firming trend and closed steady during the week ended Thursday, October 11, according to the State Department of Agriculture. Closing prices - which ranged from 1¢ to 3¢ per lb. higher

than in the preceding week - were: South Texas, 17¢, with a few at 16¢; east Texas, 17¢ to 19¢; and Waco, 18¢. During the corresponding period in 1955, closing prices were: South Texas, 24¢ to 25¢, mostly 24¢; east Texas, 22¢ to 24¢, mostly 23¢; and Waco, 23¢ to 24¢, mostly 23¢.

The Texas broiler markets were steady on Monday of this week. Trading was about normal in south Texas and the Waco-Corsicana area and heavy in east Texas. The following prices were quoted: South Texas, 18¢, with a very few at 19¢; east Texas, 17¢ to 18.5¢, mostly 18¢; Waco, 18¢; and the Corsicana F.O.B. plant, 18.5¢ to 19¢.

	Area	Week ended October 6, 1956	Percentage change from	
			Previous week	Comparable week, 1955
BROILER CHICK PLACEMENTS				
	Texas.....	1,996,000	7	26
	Louisiana..	252,000	-7	17
	22 states..	21,193,000	-1	17

L I V E S T O C K

The supply of mature cattle at Fort Worth on Monday, October 15, totaled an estimated 6,700, or 800 fewer than a week earlier but 300 more than at the same time in 1955, reports the AMS. The stockyards were muddy from overnight showers, and trading was slow - especially on slaughter classes. Prices of slaughter steers were weak to 50¢ per cwt. lower than in the previous week, while those for most cows and most stockers and feeders were steady. Good and Choice slaughter steers brought \$17 to \$22.50; Utility cows, \$8.50 to \$10.50; and Medium stockers and feeders, \$11 to \$14.

Monday's calf receipts are placed at 1,200, compared with 2,000 both a week ago and on the corresponding date last year. A large share of the supply was suitable for stockers and feeders. Slaughter calves and stockers sold at prices which were mostly steady with those in the preceding week. Utility and Standard slaughter calves cleared at \$9 to \$14, and Good stocker steer calves brought \$15 to \$18 per cwt.

Hog offerings are estimated at 1,300, reflecting increases of 8% from a week earlier and 63% from a year ago. Trading was fairly active, with slaughter hogs selling at prices which were fully 25¢ per cwt. lower than in the latter part of the past week. No. 1 through No. 3 Grades of 200- to 275-lb. butchers brought \$16 to \$16.50, with most sales at \$16.25.

Sheep and lamb receipts - at 5,600 head - were 1,000 larger than on the previous Monday's market and 3½ times greater than on the comparable date in 1955. Trading was active, and prices were steady to strong. Good and Choice 82- to 95-lb. shorn slaughter lambs sold at \$17.50 to \$20 per cwt.

J. Z. Rowe  
Agricultural Economist