



# AGRICULTURAL NEWS OF THE WEEK

## FEDERAL RESERVE BANK OF DALLAS

Number 358

Wednesday, November 7, 1956

### F A R M P R I C E S

The index of prices received by U. S. farmers declined 1% during the month ended October 15, 1956, reports the Agricultural Marketing Service. At 234% of the 1910-14 average, the index compares with 229% a year earlier. The parity index (which reflects prices paid for commodities, plus interest, taxes, and wage rates) is placed at 287 - unchanged from the mid-September level. Higher wage rates offset lower prices for farm production items, while prices paid by farmers for family living items were the same as a month earlier. The parity ratio was 82, which was the same as in August and September this year and in October 1955.

The index of prices received by Texas farmers and ranchers at mid-October was almost 1% below the month-earlier level and 3% lower than at the same time last year. Compared with mid-September, higher prices were received for all grains, cotton lint, cottonseed, and hay. However, the gains were more than offset by a decline in the meat animal index, which reflected a sharp decrease in prices received for beef cattle and calves. A seasonal increase in egg prices was in contrast to lower prices received for chickens and turkeys.

### E X T R A - L O N G S T A P L E C O T T O N A L L O T M E N T S

On October 29 the U. S. Department of Agriculture announced state acreage allotments for the 1957 crop of extra-long staple cotton, thus giving the breakdown of the national allotment of 89,357 acres announced on October 15. Allotments for the states in the Eleventh Federal Reserve District which produce extra-long staple cotton (and comparisons with 1956 allotments) are: Arizona, 36,657 acres (18,433); New Mexico, 17,522 acres (8,424); and Texas, 29,983 acres (15,770).

### P O R K P U R C H A S E P R O G R A M

The Secretary of Agriculture announced on October 30 that the USDA is undertaking immediately a pork purchase program to stabilize producer prices and help encourage additional domestic consumption of pork. The program is in addition to the current lard purchase program announced on October 2. The combined programs will make \$100 million available for use in stabilizing hog prices during the current heavy marketing season. The pork to be purchased under the October 30 announcement will be for current consumption through the nonprofit school lunch program, institutions, and other eligible outlets.

### L I V E S T O C K

Rains during the past week end resulted in a sharp curtailment in live-stock marketings at Fort Worth on Monday, November 5, according to the AMS. The cattle supply - estimated at 3,200 - was 2,600 fewer than a week ago and the smallest for any Monday since May this year. Prices for most slaughter steers and yearlings were about steady, while those for cows were strong to 25¢ and more per cwt. higher than in the past week. Trading on stockers was active, and prices were strong. Choice slaughter steers sold at \$20 to \$23.50; Utility cows, mostly \$10 to \$11.50; and Medium and Good stocker and feeder steers, \$13 to \$17.

Calf receipts are estimated at 800, or only half as large as the previous Monday's supply and 500 fewer than at the same time last year. Trading on both slaughter and stocker classes was active, and prices were strong to 50¢ per cwt.

higher than a week earlier. Good and Choice slaughter calves brought \$16 to \$19, and Medium and Good stocker steer calves cleared at \$13 to \$18 per cwt.

Monday's hog marketings are placed at 500, which is only a third as large as the preceding week's supply and 17% smaller than a year ago. Trading was slow in getting under way as a result of sharply higher asking prices. Butcher hogs finally sold at prices which were 25¢ to 50¢ per cwt. higher than those in the latter part of the past week, and prices for sows were mostly 25¢ higher. U. S. No. 1 through No. 3 Grades of 200- to 275-lb. slaughter hogs were quoted at \$15.50 and \$15.75.

Sheep and lamb offerings, at an estimated 1,000, were the smallest Monday supply in many years. Shorn slaughter lambs accounted for a large part of the receipts. Trading was fairly active, and prices were fully steady with those in the latter part of the previous week. Good and Choice 79- to 81-lb. No. 1 and No. 2 pelt shorn slaughter lambs sold at \$20 per cwt.

#### WORLD MILK PRODUCTION

Milk production in the 22 primary dairy countries is expected to total approximately 381 billion lbs. in 1956, reports the Foreign Agricultural Service. An output this size would be 2% larger than the 372 billion lbs. produced in 1955.

#### P O U L T R Y

During the week ended Friday, November 2, trading on the Texas commercial broiler markets followed a generally downward trend which leveled off toward the close, when supplies became less plentiful under a fairly active demand. As compared with the previous week, closing prices were 1¢ per lb. lower in south Texas and the Waco-Corsicana area and 1¢ to 2¢ lower in east Texas. The following prices were quoted: South Texas and Waco, 15¢, and east Texas, 14¢ to 16.5¢. (The price at the Corsicana F.O.B. plant was unavailable.) During the corresponding period last year, closing prices were: South Texas, 22¢ to 23¢; east Texas and the Corsicana F.O.B. plant, 22¢; and Waco, 21¢ to 22¢, mostly 22¢.

The Texas broiler markets were firm on Monday, November 5. Trading was very heavy in south Texas, heavy in east Texas, and normal in Waco, with the following prices quoted: South Texas, 15¢ to 17¢; east Texas, 15¢ to 18¢; and the Corsicana F.O.B. plant, 16.5¢ per lb.

	Area	Week ended October 27, 1956	Percentage change from	
			Previous week	Comparable week, 1955
BROILER CHICK PLACEMENTS	Texas.....	1,756,000	-4	6
	Louisiana..	232,000	-18	-11
	22 states..	20,051,000	0	7

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