



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

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AGRICULTURAL PRICES

The index of prices received by U. S. farmers rose 1% during the month ended December 15, 1956, reports the Agricultural Marketing Service. At 237% of the 1910-14 average, the index was 7% higher than a year earlier. The annual average of the index of prices received for 1956 was 236 - the same as for 1955. The mid-December 1956 parity index (which reflects prices paid for commodities and services, plus interest, taxes, and wage rates) is placed at 289 - unchanged from a month earlier but 4% higher than a year ago. The annual average of the parity index, at 286, was 2% higher than the average for 1955. The parity ratio on December 15, 1956, is placed at 82, compared with 81 at mid-November and 80 a year earlier.

The index of prices received by Texas farmers and ranchers is estimated, as of December 15, at 253% of the 1910-14 average - nearly 1% higher than a month earlier and 2% above a year ago. The gain from the mid-November level resulted from higher prices received for livestock and livestock products which more than offset a slight decline in the all-crops index. Price advances occurred in all components of the livestock and livestock products index, with wool showing the sharpest increase. The decrease in the all-crops index is attributable to small declines in prices of food grains and cotton and to sharply lower prices for fruits, particularly oranges and grapefruit.

FARM INCOME

Cash receipts from farm marketings in the states of the Eleventh Federal Reserve District (Arizona, Louisiana, New Mexico, Oklahoma, and Texas) during January-October 1956 totaled \$2,455,351,000, or 6% higher than in the corresponding months a year earlier. Crop receipts were up 12%, and livestock receipts were 1% higher.

LIVESTOCK

An estimated 4,000 cattle were received at Fort Worth on Monday, January 7, 1957, according to the AMS. The supply compares with 2,600 a week earlier and 4,300 on the corresponding date in 1956. Trading on beef steers and yearlings was slow, while sales of cows were fully steady in an active trade. The market for stocker cattle was active, and prices were strong. Good and Low-Choice beef steers brought \$16 to \$19.50; Standard and Good heifers and mixed yearlings, \$13 to \$17; and Medium and Good stocker steers, \$13 to \$17.

Monday's calf receipts are placed at 1,000, or 100 more than both a week earlier and a year ago. Most slaughter calves sold at prices which were about in line with those in the past week. Trading on stockers was active, and prices were strong. Good and Choice killing calves brought \$15.50 to \$18, and Medium and Good stocker steer calves cleared at \$13 to \$18.

Hog marketings are estimated at 800, reflecting a 33% increase from both the preceding Monday and the comparable date last year. Trading was slow in getting started as a result of sharply lower bids. Most butcher hogs finally sold at prices which were 25¢ to 50¢ per cwt. lower than in the latter part of the past week. U. S. No. 1 through No. 3 Grades of 200- to 250-lb. slaughter hogs were quoted mainly at \$17.25.

Sheep and lamb offerings totaled an estimated 7,700 - more than double the week-earlier supply and 51% greater than at the same time in 1956. Trading was very slow, and slaughter lambs finally sold at prices which were 50¢ to \$1 per cwt. lower than in the latter part of the past week. Prices of slaughter ewes were steady and those for feeder lambs were steady to weak. Most Good and Choice 75- to 90-lb. woolled and No. 1 pelt slaughter lambs brought \$17 per cwt.

P O U L T R Y

During the week ended Friday, January 4, 1957, the principal Texas commercial broiler markets were generally stronger than in the preceding week, reports the State Department of Agriculture. Trading was moderate to normal in east Texas and the Waco-Corsicana area and light to moderate in south Texas. Closing prices ranged from 1.5¢ to 2.5¢ per lb. higher than in the previous week, with the following prices quoted: East Texas, 18¢ to 19.5¢, mostly 19¢; Waco, 19¢; and the Corsicana F.O.B. plant, 20.5¢. (There were too few sales in south Texas to establish a market.) During the corresponding period in 1956, closing prices were: South Texas, 22¢; east Texas 20¢ to 22¢, mostly 21¢ to 22¢; Waco, 21¢ to 21.5¢, mostly 21¢; and the Corsicana F.O.B. plant, 23.5¢ per lb.

On Monday of this week, broiler markets were fully steady in south Texas and steady in east Texas and the Waco-Corsicana area. The following prices were quoted: South Texas, 19¢ to 20¢, mostly 19¢; east Texas, 18¢ to 20¢, mostly 19¢; Waco, 19¢; and the Corsicana F.O.B. plant, 20¢ per lb.

| | Area | Week ended December 29, 1956 | Percentage decrease from | |
|-----------------------------|-------------|---------------------------------|--------------------------|--------------------------|
| | | | Previous week | Comparable week, 1955 |
| BROILER CHICK PLACEMENTS | | | | |
| | Texas..... | 1,385,000 | -27 | -20 |
| | Louisiana.. | 198,000 | -25 | -32 |
| | 22 states.. | 17,261,000 | -21 | -16 |

F H A L O A N S

During 1956, the Farmers Home Administration made and insured loans amounting to \$336,480,000, reports the U. S. Department of Agriculture. The volume was the largest ever made in any one year; the previous peak was in 1955, when approximately \$281 million was advanced. The FHA loans were used primarily for the operation, improvement, and purchase of family-type farms.

W O R L D W O O L P R O D U C T I O N

A revised estimate of the Foreign Agricultural Service places the 1956 world wool output at 4,870 million lbs. (grease basis) - up 5 million lbs. from the preliminary estimate of last July and 4% above the 1955 production. A net increase in outturn is indicated for each continent, with the major gains occurring in Australia, Argentina, and the Soviet Union.

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