



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

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AGRICULTURAL PRICES

The April 15 index of prices received by U. S. farmers and ranchers, at 241% of the 1910-14 average, was 2% above the month-earlier level and the highest since July 1956, reports the Agricultural Marketing Service. Higher prices for cattle, hogs, apples, tomatoes, and cotton were primarily responsible for the increase in the index from mid-March; lower prices for milk, strawberries, snap beans, and oranges were only partially offsetting.

The parity index (which reflects prices paid for commodities and services, plus interest, taxes, and wage rates) on April 15 was a record 296, or 4% above that of a year earlier. A 1% increase in the index of cash farm wage rates was the major factor accounting for the rise in the parity index from the mid-March level.

The April 15 parity ratio is placed at 81 - up 1% from the preceding month but 2% lower than on the corresponding date in 1956.

The index of prices received by Texas farmers and ranchers rose nearly 1% during the month ended April 15. The index, at 264% of the 1910-14 average, was 6% higher than a year earlier. Reflecting the improved moisture situation over the State, a 5% increase in prices of meat animals during the month raised the livestock and livestock products index to 278, or 1% above the mid-March level and 5% higher than on the corresponding date in 1956. The all-crops index is placed at 254 - unchanged from a month earlier but 7% above that on the comparable date last year.

FARM STORAGE LOAN PROGRAMS EXTENDED

On April 29 the U. S. Department of Agriculture extended the farm storage facility and farm storage equipment loan programs for another year, through June 30, 1958. The loans are designed to help farmers obtain needed farm storage. Under the programs, farmers can borrow a large part of the cost of additional farm storage space and drying equipment for grains and seeds.

Any farm owner-operator, share tenant, share landlord, or producer partnership is eligible to participate in the programs. Applications for the loans may be made at county Agricultural Stabilization and Conservation Committee offices. The loan may be made directly through the county office of the ASC or through a local bank. Loans may be obtained on storage for wheat, corn, oats, rye, barley, soybeans, grain sorghums, dry edible beans, rice, peanuts, cottonseed, flaxseed, and winter cover crop seeds.

Interest rate on the loan is at the rate of 4% per year. The loan can be paid off over a 4-year period.

POULTRY

During the week ended Friday, May 3, the major Texas commercial broiler markets opened weak but gained slight strength at the close, reports the State Department of Agriculture. Closing prices were unchanged to 1¢ per lb. lower than in the preceding week, with the following prices quoted: South Texas, 17¢; east Texas, 17¢ to 18¢; Waco, 17.5¢; and the Corsicana F.O.B. plant, 18.5¢ per lb. During the corresponding period in 1956, closing prices were: South Texas, 21¢; east Texas, 20¢ to 21¢; Waco, 20.5¢; and the Corsicana F.O.B. plant, 21¢ to 21.5¢.

The Texas commercial broiler markets were fully steady on Monday of this week, and prices were mostly 18¢ per lb. in all areas.

	Area	Week ended April 27, 1957	Percentage change from	
			Previous week	Comparable week, 1956
BROILER CHICK PLACEMENTS				
	Texas.....	2,096,000	4	-3
	Louisiana..	356,000	-6	-3
	22 states..	27,777,000	2	3

L I V E S T O C K

The cattle run at Fort Worth on Monday, May 6, at an estimated 3,300, was the largest since the first Monday of the year and was almost double the receipts of a week earlier, reports the AMS. Cows comprised nearly half of the supply, or the largest percentage of the season. Trading was slow on all slaughter classes of cattle, and prices were steady to 50¢ per cwt. lower than in the preceding week. Stockers and feeders accounted for less than 20% of the total cattle marketings, and prices were steady to weak. Good 575- to 750-lb. slaughter yearlings brought \$20 to \$22; Commercial cows, \$14.50 to \$15; and most Medium 550- to 700-lb. stocker yearling steers, \$16 to \$18.

Monday's calf receipts totaled an estimated 800, compared with only 300 a week earlier but about the same as a year ago. The bulk of the Good slaughter calves sold at \$20 to \$22.50, and Good stocker steer calves were \$19 to \$21.

The hog supply is placed at 800, which is about 100 more than on the preceding Monday's market but 600 below the year-earlier level. Late trading was active, and prices were mostly steady with those in the previous week. Most of the offerings were No. 1 through No. 3 Grades of mixed 195- to 270-lb. butchers, which brought \$18.25 to mostly \$18.50.

Even though sheep and lamb receipts were only 200 below the largest run of the season, trading on slaughter lambs was active, and prices were strong as a result of higher prices on carcass lambs in the wholesale markets. The supply is placed at 12,000, or about a third larger than on the preceding Monday's market but approximately the same as that on the corresponding date in 1956. Spring lambs accounted for about 60% of the total offerings, and shorn lambs made up most of the remainder. Mixed lots of Good to Prime 80- to 95-lb. slaughter spring lambs cleared at \$23 to \$23.50, with most Good and Choice spring lambs quoted at \$21.50 to \$23.

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

World production of rough rice in the 1956-57 season (August-July) is estimated at a record 438 billion lbs., according to the Foreign Agricultural Service. The previous record was reached in 1955-56, when 424.7 billion lbs. were produced. The marked increase in rice output during the current season is mainly the result of increased acreage and favorable weather in the principal producing countries of Asia.

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