FARM INCOME

According to the current issue of The Farm Income Situation released by the U. S. Department of Agriculture, the realized net income of the Nation's farmers in the first half of 1957 was at an annual rate of approximately $12.1 billion, or 2.5% above the year-earlier level. Realized gross farm income was up about 3% as a result of increased cash receipts from farm marketings and a higher rate of Government payments - principally those under the Soil Bank. Production expenses also were up but failed to offset the increase in gross income. Prices paid by farmers for all production items averaged 5% higher than in the first 6 months of 1956; fertilizer was the only important cost item not showing an increase in average price. According to the report, the smaller acreage in cultivation, increasing efficiency, and continuing efforts of farmers to hold production costs in check have provided some offset to rising costs.

UNDESIRABLE WHEAT VARIETIES

On July 18 the USDA named 31 undesirable wheat varieties which will be discounted 20¢ per bushel in price support rates for the 1958 wheat crop. The varieties were found to be undesirable for commercial food use because of inferior milling or baking qualities. Eight new varieties (Fifty Fold, Florence, Gasser, Greeson, KanQueen, Kinney, Nured, and Seabreeze) were added to the list of 23 designated as undesirable for the 1957 wheat price support program.

LIVESTOCK

Cattle and calf marketings at Fort Worth on Monday, July 22, were the largest in 6 weeks, according to the Agricultural Marketing Service. The cattle supply, at an estimated 7,200, was 1,800 above the week-earlier level but was 900 fewer than on the corresponding date in 1956. Prices for slaughter steers and heifers were firm, while those for cows closed 50¢ per cwt. lower than in the past week. Good and Choice stocker and feeder steers brought steady prices; Medium grades were weak to 50¢ lower. The limited supply of Good 750- to 1,160-lb. slaughter steers sold at $21 to $22.50; most Commercial cows, $14.75 to $15; and Good 525- to 800-lb. stocker and feeder steers, $19 to $22.

Monday's calf receipts totaled an estimated 1,800, or 50% more than a week ago and 38% above the year-earlier level. Prices of slaughter calves opened steady but were weak at the close. Most of the Good slaughter calves brought $18.50 to $20.50, and Good and a few Choice stocker steer calves sold at $20 to $23.50.

In contrast to the large cattle and calf receipts, Monday's hog offerings were only an estimated 750, reflecting declines of 32% from a week earlier and 25% from the comparable date last year. Trading was active, and barrows and gilts sold at prices which were 75¢ to $1 per cwt. higher than in the latter part of the past week. U. S. No. 1 through No. 3 Grades of mixed 200- to 250-lb. butchers cleared at a top price of $22.75 - the highest since August 1954.

Sheep and lamb supplies are placed at 2,550, compared with 3,800 on the previous Monday's market and 4,200 a year earlier. Trading was fairly active, and prices of slaughter spring lambs were fully steady with the $1 per cwt. advance which occurred in the latter part of the past week. Good and Choice 70- to 85-lb. slaughter spring lambs brought $19.50 to $21.
CATTLE AND CALVES ON FEED

The number of cattle and calves on feed for market in the 13 major feeding states of the Nation on July 1 totaled 3.7 million head, reports the AMS. The number reflects an 8% increase from the corresponding date in 1956.

In Texas, the number of cattle and calves on feed on July 1, at an estimated 65,000, was 18% fewer than a year ago. Large commercial lots in the State, with a total of 49,000 head on feed, were operating at a level 17% below that on the comparable date in 1956. Marketings of cattle out of feed pens in the State during April-June are placed at 55,000, and replacements were 48,000 head. During the corresponding quarter last year, marketings totaled 81,000, and replacements were 63,000 head.

POULTRY

The major Texas commercial broiler markets were steady to strong during the week ended Friday, July 19, according to the State Department of Agriculture. Closing prices - which were mostly 1¢ per lb. higher than in the preceding week - were 22¢ in south Texas, east Texas, and Waco and were 23¢ at the Corsicana F.O.B. plant. During the corresponding period in 1956, closing prices were: South Texas, 20¢ to 21¢, mostly 21¢; east Texas, 20¢ to 21¢; Waco, 20¢ to 21.5¢; and the Corsicana F.O.B. plant, 22¢ to 22.5¢.

On Monday, July 22, the Texas commercial broiler markets were steady, and prices were unchanged from the past week's close.

<table>
<thead>
<tr>
<th>Area</th>
<th>Week ended July 13, 1957</th>
<th>Previous week</th>
<th>Comparable week, 1956</th>
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</thead>
<tbody>
<tr>
<td>BROILER CHICK PLACEMENTS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Texas......</td>
<td>2,102,000</td>
<td>-8</td>
<td>-7</td>
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<tr>
<td>Louisiana..</td>
<td>385,000</td>
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<td>28,719,000</td>
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CCC PRICE SUPPORT PROGRAM

As of May 31, 1957, the Commodity Credit Corporation's investment in price support programs totaled $7,645,075,000, reports the USDA. Loans outstanding amounted to $2,116,756,000 (including $434,851,521 of loans financed by lending agencies), and the cost value of inventories was $5,528,319,000. On the corresponding date a year earlier, the CCC's investment totaled $8,500,534,000, of which loans outstanding were $2,388,144,000 and inventories were $6,112,390,000. Price support operations in four commodities - corn, upland cotton, tobacco, and soybeans - accounted for the bulk of the loan total on May 31 this year.

Price supports extended (total loans made, plus direct purchases and purchase agreements) on 1956 crops alone through May 31, 1957, amounted to $2,909,899,547, compared with $3,466,668,621 on 1955 crops through May 31, 1956.

J. Z. Rowe
Agricultural Economist