



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

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

According to the current issue of The Livestock and Meat Situation released by the U. S. Department of Agriculture, livestock production and slaughter are expected to continue below the very high levels of 1956 for some time. Producer livestock prices - although fluctuating seasonally - may be expected to retain this year's gain through at least the first half of 1958 as a result of high levels of employment and consumer incomes.

Feed probably will cost less in the coming feeding year than in the past year, according to the report. If prospects for the corn crop continue favorable and fed cattle prices are maintained as expected, feeder prices likely will experience little seasonal decline this fall. Hog prices are expected to decline seasonally but may remain above 1956 levels until the last few weeks of the year. Total costs of feeding cattle during the coming season probably will be higher than last season, since the increase in costs of the feeder stock will substantially exceed the small reduction in feed costs.

Hog production is expected to increase during 1958; however, cattle numbers are likely to be down by January 1 of that year. The release points out that the cycle of cattle numbers on farms may follow its usual pattern in the next few years, but the decline is expected to be less than in previous cycles and the downswing may be shorter than usual. Sheep numbers on January 1, 1958, probably will be about the same as a year earlier.

G R E A T P L A I N S P R O G R A M A C T I V A T E D

On August 22 the USDA announced activation of the Great Plains Conservation Program, which was authorized by Public Law 1021 (enacted by Congress last year). A Congressional appropriation of \$10 million for the first year's operation of the program became available on August 2.

The Secretary of Agriculture has issued regulations and operation procedures for the Great Plains Conservation Program and has designated 221 counties in 10 Great Plains States (including 17 counties in New Mexico, 14 in Oklahoma, and 64 in Texas) as eligible to receive program assistance. The purpose of the program is to assist farmers and ranchers in carrying out conservation plans through long-term, cost-sharing contracts that will help minimize climatic hazards and protect lands from erosion and deterioration from natural causes.

C O T T O N C A R R Y - O V E R D O W N

The carry-over of cotton in the free world on August 1, 1957, totaled an estimated 20.8 million bales, or 1.2 million bales below the year-earlier level, according to the International Cotton Advisory Committee. The carry-over represents the first reduction in free-world stocks in 6 years. The estimated free-world supply of cotton in the season ended July 31, 1957, was 50.8 million bales, of which opening stocks accounted for 22.0 million bales and production was 28.8 million bales. Free-world cotton disappearance during the past season is placed at a record 30.0 million bales. Of this total, consumption amounted to 29.2 million bales, exports to communist countries accounted for 0.6 million bales, and approximately 0.2 million bales were destroyed.

P O U L T R Y

The principal Texas commercial broiler markets held about steady during the week ended Friday, August 23, reports the State Department of Agriculture. Closing prices - which were mostly unchanged from a week earlier - were 20¢ per lb. in south Texas and 19¢ to 20¢, mostly 20¢, in east Texas and Waco. During the comparable period in 1956, the following closing prices were quoted: South Texas, 20¢ to 21¢, mostly 21¢, and east Texas and Waco, 20¢.

On Monday, August 26, broiler markets were steady in south Texas, weak to about steady in east Texas, and slightly weaker in the Waco-Corsicana area. Prices per lb. were: South Texas, 20¢, with a very few at 19¢; east Texas, 19¢ to 20¢; Waco, 19.5¢; and the Corsicana F.O.B. plant, 20.5¢.

	Area	Week ended August 17, 1957	Percentage change from	
			Previous week	Comparable week, 1956
BROILER CHICK				
PLACEMENTS	Texas.....	1,888,000	5	-5
	Louisiana..	308,000	-9	10
	22 states..	25,950,000	-2	6

L I V E S T O C K

Cattle marketings at Fort Worth on Monday, August 26, totaled an estimated 3,900, or 15% above a week earlier but 41% fewer than on the corresponding date in 1956, reports the Agricultural Marketing Service. Trading ranged from slow to fairly active, and prices were mostly about steady with those in the preceding week. The limited supply of mostly Good 900- to 1,100-lb. slaughter steers sold at \$21 to \$23.50; most of the mixed lots of Utility and Commercial cows, \$13 to \$14.50; and some Medium and Good 700- to 750-lb. stocker steers, \$17.50 to \$21.

Monday's calf receipts are placed at 800, compared with 900 a week ago and 1,800 on the comparable date last year. Prices of slaughter calves were uneven, while those for stocker calves were fully steady. Most of the Good and Choice around 500-lb. and lighterweight slaughter calves brought \$19 to \$21, and a few lots of Good and Choice 350- to 475-lb. stocker calves cleared at \$22 to \$24.50.

The hog supply totaled an estimated 1,000, reflecting declines of 17% from the previous Monday's market and 9% from a year earlier. Trading was fairly active, and most butchers sold at prices which were 25¢ per cwt. higher than at the past week's close. The bulk of the U. S. No. 1 through No. 3 Grades of 200- to 240-lb. barrows and gilts sold at \$21.50.

Sheep and lamb offerings, at an estimated 1,500, were 600 fewer than a week ago and only a third as large as the year-earlier supply. Prices of slaughter classes were firm with the past week's close, while those of stockers and feeders were strong. Utility and Good 75- to 95-lb. slaughter spring lambs brought \$19 to \$22 per cwt.

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