



# AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

Number 408

Wednesday, October 23, 1957

## F A R M R E A L - E S T A T E V A L U E S

The market value of the Nation's farm land rose 3% between March 1 and July 1 this year to a total of \$112.4 billion, according to a recent report of the Agricultural Research Service. The July index of value per acre, at a record high of 151% of the 1947-49 average, was 8% above the year-earlier level. The increase reflected the largest gain for a similar period since mid-1951. Generally favorable crop prospects as of July 1 this year and the continuing pressures to enlarge existing farms were the principal factors accounting for the higher farm land values.

During the 12-month period ended July 31, 1957, farm land values in the District states increased 3% in Arizona, 9% in Louisiana, 1% in New Mexico, 5% in Oklahoma, and 7% in Texas.

## F H A C O N S E R V A T I O N L O A N S

A total of 11,430 U. S. farmers borrowed more than \$40.5 million under the Farmers Home Administration's soil and water conservation loan program during the first 3 years of its operation, according to the U. S. Department of Agriculture. Nearly \$30 million of the amount loaned was advanced by private lenders on an insured basis. About 81% of the funds were used for developing irrigation on 600,000 acres of land.

## C A T T L E A N D C A L V E S O N F E E D

The number of cattle and calves on feed for market in the 13 major feed-ing states on October 1 is placed at 3.2 million head, according to the Agricultural Marketing Service. The number represents declines of 13% from the July 1 figure and 11% from that of a year ago. Marketing intentions of cattle feeders indicate that of the 3.2 million head on feed, 27% will be marketed in October, 23% in November, 21% in December, and 29% after January 1, 1958.

In Texas, the number of cattle and calves on feed for market on October 1 totaled 85,000 head, or 31% above the level on July 1 but 38% below that of a year earlier. Fall marketings have been delayed as farmers and ranchers are holding back cattle and calves to utilize lush range and pasture grass, particularly in the eastern part of the State. According to the report, buyers have been discouraged by the narrow price spread between feeder cattle and grain-fed cattle.

## L I V E S T O C K

Cattle and calf receipts at Fort Worth on October 21 were the largest for any Monday since July 22, reports the AMS. The cattle supply, at an estimated 4,800, was more than double that of a week earlier but was 200 head below a year ago. Trading was slow on most classes of slaughter cattle, and prices ranged from steady to 50¢ per cwt. lower than in the previous week. On the other hand, trading on stocker and feeder cattle was very active, and prices were 50¢ to \$1 higher. Good 820- to 1,204-lb. slaughter steers sold at \$19 to \$21; Utility cows, \$13 to \$14.50; and Medium and Good 525- to 650-lb. stocker and feeder yearling steers, \$17 to \$22.

Monday's calf supply is placed at 1,200, compared with 700 a week ago and 1,400 on the corresponding date in 1956. Trading on slaughter calves was slow, and

prices were steady to 50¢ per cwt. lower than in the past week. Good slaughter calves brought mainly \$20 to \$20.50, and most Good and a few Choice stocker and feeder steer calves cleared at \$21 to \$24.

Hog offerings were about 800, or 500 more than on the preceding Monday's market but 300 fewer than a year ago. Trading was very slow, with butchers selling at prices which were fully 25¢ lower than in the latter part of the past week. U. S. mixed No. 1 through No. 3 Grades of 195- to 265-lb. barrows and gilts brought mostly \$17.50.

Sheep and lamb marketings, at an estimated 1,800, were the largest since early September but were only about a third of the year-ago supply. Trading was fairly active, and all classes sold at steady prices. Good and Choice 80- to 90-lb. woolled and No. 1 pelt shorn lambs were quoted at \$21 and \$21.50.

#### P O U L T R Y

During the week ended Friday, October 18, the principal Texas commercial broiler markets opened fully steady, gained strength gradually through midtrading, and then held steady through the close, reports the State Department of Agriculture. Closing prices - which were mostly 1¢ per lb. higher than in the preceding week - were 17¢ in south Texas, east Texas, and Waco and were 18.5¢ at the Corsicana F.O.B. plant. During the comparable period in 1956, closing prices were: South Texas, 17¢ to 18¢, mostly 17¢; east Texas, 17¢ to 18¢; and Waco, 17.5¢ to 18¢. (Prices for the Corsicana F.O.B. plant were not available.)

The Texas commercial broiler markets were generally steady on Monday, October 21, with the following prices quoted: South Texas, 17¢ to 18¢; east Texas, 17¢, with a few at 17.5¢; Waco, 17¢; and the Corsicana F.O.B. plant, 18.5¢ per lb.

	Area	Week ended October 12, 1957	Percentage change from	
			Previous week	Comparable week, 1956
BROILER CHICK				
PLACEMENTS	Texas.....	1,962,000	7	-2
	Louisiana..	392,000	4	26
	22 states..	24,102,000	-2	10

#### H A T C H E R Y P R O D U C T I O N

The Nation's commercial hatcheries produced 1.7 billion chicks during the first 9 months of this year, or 3% fewer than during the corresponding period in 1956, according to the AMS. Chicks produced for broiler output accounted for 70% of the output.

In Texas the number of chicks produced by commercial hatcheries during January-September 1957 totaled 91.6 million, reflecting a 5% decline from a year ago. Broiler chicks comprised 81% of the output.

J. Z. Rowe  
Agricultural Economist