



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

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F A R M I N C O M E

The annual rate of farm operators' realized net income in the United States rose sharply during January-March 1958 to approximately \$13 billion, compared with a rate of \$11.7 billion in the corresponding quarter last year, points out the Agricultural Marketing Service. The gain reflected substantially higher prices received by farmers for beef cattle, hogs, eggs, potatoes, and other vegetables, for which supplies were reduced from a year earlier. Moreover, marketings of other products - including cotton, feed grains, and soybeans - were augmented from the previous year's delayed harvest.

Prices of farm products are running well above those of a year earlier and are expected to average higher for the year than in 1957. According to the AMS, farm operators' realized net income during 1958 probably will range from 5% to 10% higher than the 1957 figure.

G R A I N S T O C K S

Stocks of corn, barley, sorghum grain, and soybeans in all storage positions in the United States on April 1 were each at an all-time high for the date, reports the AMS. Oat holdings were a fourth larger than a year ago and were the third highest of record. On the other hand, wheat supplies were the lowest since April 1, 1954, and flaxseed stocks were the lowest of record for the date. Sorghum grain holdings showed the sharpest gain, with total stocks placed at more than triple the year-earlier level.

D A I R Y P R I C E - S U P P O R T P U R C H A S E S

Dairy price-support purchases during the 1957-58 marketing year ended March 31 totaled 215.3 million lbs. of butter, 250.8 million lbs. of cheddar cheese, and 780.2 million lbs. of nonfat dry milk, according to the U. S. Department of Agriculture. In addition, 50.9 million lbs. of nonfat dry milk were purchased directly for domestic donation programs. As compared with the previous marketing year, price-support purchases of butter and cheese were higher, while those of nonfat dry milk were slightly lower.

S O I L B A N K C E R T I F I C A T E R E D E M P T I O N S

The USDA recently announced details for exchanging grains in the Commodity Credit Corporation-owned inventory for Soil Bank certificates earned by farmers for reducing 1958 acreages of wheat, corn, and rice under the Acreage Reserve Program. The certificates also may be redeemed for cash. Details of the certificate redemption program can be obtained from local Agricultural Stabilization and Conservation offices.

I R R I G A T I O N W A T E R O U T L O O K B R I G H T

Irrigation water prospects in 1958 for many areas of the West are the best in 6 to 10 years, according to the USDA. The outlook is based on an early April snow survey and related water data co-ordinated by the Soil Conservation Service. The water supply forecast changes a consecutive 7-year trend of "generally adequate in the Pacific Northwest to severely short in the Southwest's drought areas."

States in the Eleventh District which are covered in the report are Arizona, New Mexico, Oklahoma, and Texas. Although the Arizona outlook is the best since 1952,

pumping of ground water will not be relieved, according to the USDA. The water supply for the Rio Grande through New Mexico and Texas is expected to be "reasonably adequate" for the first time since 1949, with nearly normal streamflow and with reservoir storage near average in New Mexico.

P O U L T R Y

The Texas commercial broiler markets gained slight strength during the week ended Friday, April 25, although demand was spotted, ranging from slow to active, reports the State Department of Agriculture. As compared with the previous week, closing prices were $\frac{1}{2}$ ¢ per lb. higher in Waco and 1¢ higher in south and east Texas. The following closing prices were quoted: South Texas, 20¢; east Texas, 19¢, with a few $\frac{1}{2}$ ¢ to 1¢ higher; and Waco, 19¢. During the corresponding period in 1957, closing prices were 18¢ in all these areas.

The Texas commercial broiler markets were steady on Monday of this week. Prices per lb. were: South Texas, 20¢; east Texas, 19¢ to 20¢, mostly 19¢; and Waco, 19¢ to 19 $\frac{1}{2}$ ¢, mostly 19¢.

	Area	Week ended April 19, 1958	Percentage increase from	
			Previous week	Comparable week, 1957
BROILER CHICK PLACEMENTS	Texas.....	2,684,000	2	31
	Louisiana..	511,000	23	36
	22 states..	33,020,000	1	18

L I V E S T O C K

Combined livestock marketings at Fort Worth on Monday, April 28, were sharply curtailed as a result of rains over the territory, points out the AMS. The cattle supply, at an estimated 1,400, was 36% below the week-earlier figure and 18% less than on the corresponding date in 1957. Trading was active on most classes of slaughter cattle, and prices were fully steady to strong. Trading on all classes of stocker and feeder cattle was moderately active, and prices were stronger than in the past week. Good slaughter steers and heifers cleared at \$25.50 to \$27.50 per cwt.; most Commercial cows, \$20.50 to \$21; and Medium and Good 550- to 700-lb. stocker and feeder steers, \$21 to \$28.

Calf receipts totaled around 400, or 100 more than both a week ago and a year earlier. Prices of slaughter calves were fully steady. Most Choice slaughter calves sold at \$28, and Medium and Good stocker steer calves were quoted at \$24 to \$30.

Monday's hog offerings are placed at 800, reflecting a 14% increase from both a week earlier and the comparable date last year. After a slow start, trading on barrows and gilts was fairly active. Prices were steady to 25¢ above those in the preceding week. U. S. No. 1 through No. 3 Grades of 185- to 245-lb. barrows and gilts brought \$20.75 to mainly \$21.

Sheep and lamb supplies, at an estimated 8,000, compared with 10,900 on the past Monday's market and 8,200 a year ago. Trading was fairly active on all classes, and prices ranged from steady to 50¢ higher than a week earlier. Good and Choice 90- to 107-lb. shorn slaughter lambs with No. 1 through No. 3 pelts were quoted at \$16.50 to \$17.50.

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