AGRICULTURE IS BIG BUSINESS

The Secretary of Agriculture recently made the following statements regarding the importance of agriculture to this country.

"Agriculture buys more petroleum than any other industry."

"Farmers take 6½ million tons of finished steel and enough raw rubber to put tires on nearly 6 million cars a year."

"Sixteen percent of the gross freight revenue is from agricultural products."

"Agriculture uses 50 million tons of chemicals annually and more electric power than Chicago, Detroit, Houston, Baltimore, and Boston combined."

"About 20 percent of U. S. exports consists of farm products."

"In 1957, agriculture was a $14 billion customer for industry."

WHEAT PRICE SUPPORT

On May 1 the U. S. Department of Agriculture announced an "advance" minimum national average support price of $1.81 per bu. for 1959-crop wheat, if marketing quotas are approved by producers in the June 20 referendum. The advance support price reflects 75% of the estimated modernized parity price for wheat as of July 1, 1959. This level of support is indicated on the basis of estimated wheat supplies for the 1959-60 marketing year.

FARM PRICES

The index of prices received by U. S. farmers advanced 1% during the month ended April 15, 1958, to the highest level since January 1953, points out the Agricultural Marketing Service. Record high prices for fruit and vegetables and a substantial rise in prices received for cotton were primarily responsible for the increase from mid-March. Lower prices for dairy products, eggs, and poultry were only partially offsetting. The April index, at 266% of the 1910-14 average, was 10% above a year ago.

The parity index (which reflects prices paid for commodities and services, plus interest, taxes, and wage rates) rose almost 1% during the month ended April 15 to an all-time high of 306. Increases in farm production costs accounted for all of the gain, since prices of family living items were unchanged from a month earlier. The parity ratio remained at 87, up 6% from the April 1957 figure.
POULTRY

The Texas commercial broiler markets were fully steady during the week ended Friday, May 1, according to the State Department of Agriculture. Trading was generally active at the processing level, although cool, wet weather resulted in some decline in demand for dressed birds. As compared with a week earlier, closing prices were unchanged in south Texas and were mostly 1¢ per lb. higher in east Texas and Waco. Closing prices were mainly 20¢ per lb. in all these areas. During the comparable period in 1957, the following closing prices were quoted: South Texas, 17¢; east Texas, 17¢ to 18¢; and Waco, 17½¢.

On Monday, May 5, broiler markets were fully steady in south Texas and were steady in east Texas and Waco. Prices were mainly 21¢ in south Texas and 20¢ in east Texas and Waco.

<table>
<thead>
<tr>
<th>BROILER CHICK PLACEMENTS</th>
<th>Week ended April 26, 1958</th>
<th>Percentage change from Previous week</th>
<th>Comparable week, 1957</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Texas</td>
<td>2,666,000</td>
<td>-1</td>
<td>27</td>
</tr>
<tr>
<td>Louisiana</td>
<td>472,000</td>
<td>-8</td>
<td>33</td>
</tr>
<tr>
<td>22 states</td>
<td>33,280,000</td>
<td>1</td>
<td>16</td>
</tr>
</tbody>
</table>

LIVESTOCK

Livestock marketings at Fort Worth on Monday, May 5, were larger than on most recent Mondays as a result of clearing weather over the territory during the past week end, according to the AMS. Cattle receipts are estimated at 2,600, compared with 1,600 a week earlier and 3,900 on the corresponding date in 1957. Trading on slaughter cattle was slow, and prices were mainly steady to weak. On the other hand, trading on stockers and feeders was fairly active, and prices were steady with those in the latter part of the preceding week. Good 700- to 1,100-lb. slaughter steers sold at $26 to $27.50 per cwt.; Utility cows, $19.50 to $20.50; and Medium stocker and feeder steers, $22 to $26.

Calf supplies totaled about 600, or double the week-earlier figure but a fourth below the receipts a year ago. Prices were generally steady. Good grades of slaughter calves brought $26 to $28.50, and stocker and feeder steer calves were quoted at $28 to $30.

Hog offerings are placed at around 1,000, which is a third above those on the previous Monday but about the same as a year earlier. Trading on barrows and gilts was slow, and prices were 25¢ to 50¢ lower than in the latter part of the past week. The bulk of the mixed weights of No. 2 and No. 3 Grades of butchers cleared at $20.50 and $20.75.

Monday's sheep and lamb receipts, at an estimated 17,200, were the largest since June 1956. Trading was uneven, and prices ranged from strong to 50¢ lower than in the latter part of the preceding week. Good and Choice 97- to 106-lb. shorn lambs with No. 1 through No. 3 pelts sold at $17.50 to $18.50.

J. Z. Rowe
Agricultural Economist