AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

AGRICULTURAL PRICES

The index of prices received by the Nation's farmers and ranchers declined slightly more than 3% during the month ended June 15, reports the Agricultural Marketing Service. The major price decreases were for vegetables, wheat, potatoes, and cattle. The mid-June index, at 255% of the 1910-14 average, was 5% above the year-earlier figure.

The parity index (which reflects prices paid for commodities and services, plus interest, taxes, and wage rates) declined 1/3 of 1% during the month to 305. This was the first reduction since July 1957. Prices paid for both production goods and for family-living items were lower than at mid-May. The June 15 index was up 3% from a year ago.

The parity ratio was 84, or 2% below the month-earlier level but 2% higher than on June 15, 1957.

1958 PEACH CROP

The total output of peaches in the United States this year is estimated, as of June 1, at 74.5 million bushels, or the largest crop since 1947, states the AMS. An outturn this size would be 19% above the 1957 production and 10% larger than the 1947-56 average. Prospective output is larger than a year earlier in all major peach-producing states except Michigan and Colorado.

The indicated 1958 peach crop in Louisiana, Oklahoma, and Texas (the early peach-producing states of the Eleventh Federal Reserve District) totals 1,495,000 bushels, reflecting increases of 58% from the 1957 output and 49% from the 1947-56 average.

FARM FAMILIES - AND HEALTH CARE

According to a recent report of the U. S. Department of Agriculture, the Nation's farm families spent over $1.1 billion for health care in 1955. About a fourth of the total health bill - $282 million - was paid directly to physicians and surgeons. Approximately $131 million was paid to dentists and $150 million directly to hospitals. Farmers paid $200 million for health insurance, $138 million for prescription drugs, $40 million for nonprescribed drugs, and $25 million for vitamins and minerals. The average annual expenditure per farm family for health care in 1955 was $240.

PAYMENTS BY REA BORROWERS

Total payments to the Federal Government by Rural Electrification Administration electric and telephone borrowers reached $1.1 billion on June 1, points out the USDA. The payments include $672.8 million repaid by the borrowers on the principal of their loan obligations, $329.5 million paid in interest, and $127.1 million paid in advance of due dates.

NEW COTTON QUALITY RESEARCH LAB

The USDA and Clemson Agricultural College have announced plans to establish jointly a new pilot cotton spinning research laboratory at the college in Clemson, South Carolina. The AMS will operate the laboratory, which will be available to all agencies of the USDA and, to the extent capacity permits, to state experiment stations and the cotton industry for research to improve cotton quality.
The Texas commercial broiler markets were mainly steady during the week ended Friday, June 27, according to the State Department of Agriculture. Closing prices - which were 1¢ per lb. lower than a week earlier in south Texas but were unchanged in east Texas and Waco - were 21¢ per lb. in all these areas. During the corresponding period in 1957, closing prices were 22¢ in south Texas and 21¢ in east Texas and Waco.

The Texas broiler markets were steady on Monday of this week. Prices were 21¢ in south Texas, east Texas, and Waco.

<table>
<thead>
<tr>
<th>BROILER CHICK PLACEMENTS</th>
<th>Week ended June 21, 1958</th>
<th>Percentage increase from Previous week</th>
<th>Comparable week, 1957</th>
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<tbody>
<tr>
<td>Texas</td>
<td>3,015,000</td>
<td>7</td>
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<tr>
<td>Louisiana</td>
<td>520,000</td>
<td>3</td>
<td>26</td>
</tr>
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<td>22 states</td>
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LIVESTOCK

An estimated 3,600 cattle were received at Fort Worth on Monday, June 30, points out the AMS. The supply compares with 2,200 a week earlier and 5,700 on the corresponding date in 1957. Stocker and feeders accounted for around two-thirds of the cattle run. Prices of slaughter steers and heifers were about steady, and those of stockers and feeders were strong. Good 600- to 1,000-lb. slaughter steers brought $26 to $27 per cwt.; Utility cows, $18 to $19.50; and most Good 550- to 800-lb. stocker and feeder steers, $25 to $26.

The calf run totaled 600, reflecting declines of 25% from the preceding Monday's market and 54% from a year ago. Prices of slaughter calves were generally steady with those in the latter part of the previous week. Good slaughter calves cleared at $26 to $27.50, and Medium and Good stocker and feeder steer calves were quoted at $24 to $30.

Monday's hog supply is placed at 800, or nearly double the limited receipts of a week earlier. After a slow start, trading was fairly active. Butchers and sows sold at prices which were steady with those in the latter part of the past week. U. S. No. 1 through No. 3 Grades of 195- to 240-lb. barrows and gilts brought $24.25 to $24.50.

Sheep and lamb offerings totaled about 3,500, which is about the same number as a week ago but is 2,200 fewer than on the comparable date last year. Spring lambs comprised about 50% of the receipts; yearlings, 35%; and old ewes and goats, 15%. Trading was fairly active on slaughter classes, and prices were steady. However, sales of feeder lambs were a little slow, and prices were steady to weak. Good and Choice 75- to 85-lb. slaughter spring lambs sold at $22.50 to $23.

MEAT EXPORTS LARGER

The United States exported $383 million worth of livestock, meat, and meat products during 1957 despite lower meat production and larger imports, according to the Foreign Agricultural Service. Exports were 4% higher than the 1956 total of $370 million. Imports of livestock, meat, and meat products totaled $290 million, or 36% more than the amount imported in 1956.

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