



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

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1959 CONSERVATION RESERVE PROGRAM

The U. S. Department of Agriculture recently announced that signups under the Conservation Reserve Program will begin earlier than usual this year, since the Acreage Reserve Program - the other part of the Soil Bank - will not be in effect for 1959. Under present plans, the signup period will start about September 1, although definite opening dates will be set locally by State Agricultural Stabilization and Conservation Committees. The signup period is expected to close about October 10.

Major changes in the 1959 Conservation Reserve Program from the program in effect for contracts beginning this year are:

1. An increase in the national average annual payment for Conservation Reserve land to \$13.50 per acre from the previous national average of \$10.
2. Additional incentives, including a payment of 10% above normal rates, for farmers to place all eligible land on their farms in the program for at least 5 years.
3. A priority system for accepting Conservation Reserve contract applications. Under the priority system, preference will be given to farmers who had all of their cropland in the Soil Bank in 1958 (both the Acreage Reserve and the Conservation Reserve) and now are offering to put into the Conservation Reserve the land that has been in the Acreage Reserve this year. Second priority will be given to farmers offering land at the lowest rates as compared with applicable maximum rates for their farms.

CATTLE AND CALVES ON FEED

The number of cattle and calves on feed for market in the 13 major feeding states on July 1, 1958, totaled nearly 4.3 million head, or 16% above the year-earlier figure, according to the Agricultural Marketing Service. Feeders indicate that 68% of the cattle on feed as of July 1 are expected to be marketed in the next 3 months: 19% in July, 25% in August, and 24% in September. The remainder will move to slaughter after October 1.

In Texas the number of cattle and calves on feed for market on July 1 was an estimated 104,000, reflecting a 60% increase over a year ago. Large commercial lots in the State, with a total of 80,000 head, were operating at their highest levels since January 1, 1957. If marketing intentions are carried out, 52% of the cattle on feed as of July 1 will go to slaughter during July and August.

PENALTIES FOR "EXCESS" COTTON AND RICE

The USDA recently announced marketing quota penalty rates for "excess" 1958 crops of both upland and extra-long staple cotton and of rice. The penalty

rate on upland cotton is 19.3¢ per lb. and that on extra-long staple cotton is 41.6¢. The marketing quota penalty rate on "excess" 1958-crop rice is 3.88¢ per lb.

U N D E S I R A B L E W H E A T V A R I E T I E S

On July 24 the USDA named 33 wheat varieties which will be discounted 20¢ per bushel in price support rates on the 1959 wheat crop. These varieties are undesirable because of inferior milling or baking qualities. The list includes 31 varieties designated as undesirable for the 1958 crop and two additional varieties (Kharkof MC 22 in the hard red winter wheat class and Russell in the hard red spring class) designated for the 1959 crop.

P O U L T R Y

Conditions varied in the principal Texas commercial broiler markets during the week ended Friday, July 25, points out the State Department of Agriculture. Trading was active in south Texas, and prices were generally steady. On the other hand, the broiler markets in east Texas and Waco were weak and unsettled. Closing prices were mostly ½¢ per lb. lower than a week earlier, with the following prices quoted: South Texas, 18¢; east Texas, 17¢ to 18¢, mostly 17½¢; and Waco, 17½¢. During the comparable period in 1957, closing prices were 22¢ in all these areas.

On Monday of this week, commercial broiler markets remained steady in south Texas and unsettled in east Texas and Waco. Prices were: South Texas, 18¢; east Texas, 17¢ to 18¢, mostly 17¢ to 17½¢; and Waco, 17¢ to 17½¢, mostly 17¢.

	Area	Week ended July 19, 1958	Percentage change from	
			Previous week	Comparable week, 1957
BROILER CHICK PLACEMENTS				
	Texas.....	2,401,000	-7	20
	Louisiana..	474,000	3	23
	22 states..	33,083,000	-3	15

L I V E S T O C K

Cattle and calf receipts at Fort Worth on Monday, July 28, were about unchanged from the week-earlier level, states the AMS. The cattle supply, at an estimated 3,100, was 400 more than on the corresponding date in 1957. Trading on slaughter cattle was rather slow, while that on stockers and feeders was moderately active. The limited supplies of mostly Good 940- to 1,076-lb. slaughter steers sold at \$26 to \$26.50 per cwt.; Canner and Cutter cows, \$14 to \$17; and the bulk of the Medium and Good 400- to 972-lb. stockers, feeders, and stocker steer calves, \$24 to \$29.75. The calf run is placed at 700, compared with 800 a year ago. Prices of Good and Choice slaughter calves ranged from \$25 to \$27.

A moderate supply of 500 hogs was offered at Fort Worth on Monday, reflecting declines of 17% from a week ago and 29% from the comparable date last year. Prices of both butchers and sows were generally steady with the preceding week's close. U. S. No. 1 through No. 3 Grades of 200- to 240-lb. barrows and gilts cleared at \$23.25.

Sheep and lamb marketings totaled 2,600, compared with 2,400 a week ago and 2,100 a year earlier. Trading was active, and prices of all classes were steady with those in the latter part of the past week. Good and a few Choice 75- to 90-lb. slaughter spring lambs brought \$21 to \$21.50.

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