AGRICULTURAL NEWS OF THE WEEK
FEDERAL RESERVE BANK OF DALLAS

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AGRICULTURAL PRICES - TEXAS

Higher prices received for new-crop cotton lint and further strength in cattle and hog prices were primarily responsible for a 3% rise in the index of prices received by Texas farmers and ranchmen for farm products during the month ended July 15, reports the Agricultural Marketing Service. The index, at 283% of the 1910-14 average, was up 4% from the year-earlier figure. The all-crops index was 238, compared with 232 a month ago and 251 on the corresponding date in 1957. The livestock and livestock products index advanced from 331 at mid-June to 342, mainly as a result of much higher meat animal prices and slightly higher prices received for dairy products and for poultry and eggs. This index was 15% above that of a year earlier.

STATE RATES FOR CONSERVATION RESERVE

On July 29 the U.S. Department of Agriculture announced basic state rates for Conservation Reserve annual payments under contracts beginning in 1959. These state "average" rates are based on a national average rate of $13.50 per acre as compared with a national average of $10 under former programs. State Agricultural Stabilization and Conservation (ASC) Committees will set average rates for their counties on the basis of the state rates. These county rates will vary on the basis of land productivity, rental values, and the fixed costs farmers will have to meet to comply with the program. Individual farm rates within a county will vary along the same lines, except that in compliance with recent legislation no farm rate may exceed 20% of the land value.

The 1959 basic rates for Conservation Reserve annual payments for the states in the Eleventh Federal Reserve District (and those in effect for 1956-58) are: Arizona, $12 ($8); Louisiana, $14 ($10); New Mexico, $8 ($8); Oklahoma, $12 ($9); and Texas, $12 ($10).

GRAIN STOCKS

Stocks of corn, barley, sorghum grain, and soybeans in all storage positions in the Nation as of July 1 were at record levels for that date, points out the AMS. Oat holdings were more than one-third larger than a year ago but were below the peak of July 1, 1956. Carry-over stocks of wheat were slightly less than a year earlier and were the smallest since July 1, 1953. Holdings of rye were up more than 50%, while those of flaxseed were less than one-half the year-earlier figure. Stocks of feed grains (corn, oats, barley, and sorghum grain) totaled 76.7 million tons, which is about 18% above the 64.8 million tons in storage on July 1, 1957.

1958 LAMB CROP

The 1958 lamb crop in the United States is placed at nearly 20.8 million head, which is 4% larger than in 1957 and 7% above the 1947-56 average, reports the AMS. The lambing percentage (number of lambs saved per 100 ewes 1 year old and over on farms and ranches as of January 1) is at an all-time high of 97.

In Texas - where approximately 13% of the Nation's lambs are produced - the 1958 lamb crop totaled 2.7 million head, or 14% more than a year earlier but 7% below the 1947-56 average. The State lambing percentage of 81 reflects increases of 13% over a year ago and 17% over the average.
L I V E S T O C K

The cattle run at Fort Worth on Monday, August 4, totaled an estimated 3,400, compared with 3,100 a week ago and 4,500 on the corresponding date in 1957, according to the AMS. Trading was slow, and prices ranged from steady to 50¢ per cwt. lower than in the latter part of the previous week. Standard and Good 900- to 1,100-lb. slaughter steers sold at $21 to $25; Utility and Commercial cows, $17 to $20.25; and most Medium and Good 700- to 800-lb. feeder steers, $22.75 to $25.

Monday's calf receipts were the largest for any day since January 8. The supply is placed at 1,300, reflecting a 63% increase over both a week earlier and a year ago. Good and Choice Grades of slaughter calves brought $24.50 to $26.50, and a few stocker steer calves weighing under 500 lbs. sold at $28 to $32.50.

Hog marketings totaled approximately 500, or 100 more than on the previous Monday but 800 fewer than on the comparable date last year. Closing prices on butchers were steady to 25¢ higher than in the latter part of the past week. U. S. No. 1 through No. 3 Grades of 200- to 240-lb. barrows and gilts cleared at $23.25 to $23.75.

Sheep and lamb supplies were an estimated 2,200, compared with 2,500 a week ago and 1,800 a year earlier. Trading on all classes was about steady as compared with the preceding week's close. Utility, Good, and a few Choice 75- to 95-lb. slaughter spring lambs were quoted at $21 to $22.50.

P O U L T R Y

During the week ended Friday, August 1, conditions in the south Texas broiler markets were steady, while trading was unsettled in the east Texas and Waco areas, states the Texas Department of Agriculture. Closing prices were unchanged to ½¢ per lb. lower than a week earlier, with the following prices quoted: South Texas, 18¢, with a few at 19¢; east Texas, 17¢ to 18¢, mostly ½¢ to 1½¢; and Waco, 17¢ to 1¾¢, mostly 1¾¢.

Closing prices during the corresponding period last year were: South Texas, 21¢ to 22¢, mostly 22¢; east Texas, 20¢ to 22¢, mostly 21¢; and Waco, 21¢.

On Monday, August 4, commercial broiler markets were firm in south Texas and about steady in east Texas and Waco. Closing prices were: South Texas, 19¢, with a very few lower; east Texas, 17¢ to 18¢; and Waco, 17¢ to 1½¢, mostly 1¾¢.

<table>
<thead>
<tr>
<th>BROILER CHICK PLACEMENTS</th>
<th>Area</th>
<th>Week ended July 26, 1958</th>
<th>Percentage change from Previous week</th>
<th>Comparable week, 1957</th>
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<tr>
<td></td>
<td>Texas......</td>
<td>2,406,000</td>
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<td>32,557,000</td>
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S P R I N G S E E D P R I C E S D O W N

The index of prices paid by farmers for seed during the spring planting season this year (February-May) was 210% of the 1910-14 average, or 4% below the index for the corresponding period in 1957, reports the AMS. Exceptions to the downward trend were prices paid for seed potatoes, cottonseed, and cowpeas - which averaged about 30% higher than a year ago. In addition, hybrid corn prices were up 3%.

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