



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

Number 465

Wednesday, November 26, 1958

F A R M L A N D V A L U E S

Further small increases in farm real estate values during the 4 months ended November 1 raised the national index of average value per acre to 163% of the 1947-49 average, according to the Agricultural Research Service. This index was 3% higher than at the beginning of July and 6% above the year-earlier figure. The total dollar value of the Nation's farm real estate (land and buildings) was \$121.5 billion. As compared with November 1, 1957, farm land values in the states of the Eleventh Federal Reserve District were up 4% in New Mexico, 5% in Texas, 6% in both Arizona and Oklahoma, and 7% in Louisiana.

According to the report, market prices of U. S. farm real estate in 1959 are expected to continue the upward trend of recent years. Although the trend may lose some of its momentum in the last half of the year if farm income declines as expected, the total increase for the year could still be as great as the 6% rise in 1958.

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

Receipts from the sale or lease of national forest resources recently reached the \$1 billion mark, reports the U. S. Department of Agriculture. This figure represents the gross income from the national forest system since the Forest Service was established in 1905. Of the total income, 86% came from the sale of timber, 11% from grazing fees, and 3% from water power and land uses.

Expenditures of the national forest system since 1905 have totaled about \$2.5 billion. These expenditures include protection and management costs, as well as the purchase of nearly 18.9 million acres of land at a cost of \$73.8 million.

C O T T O N O U T L O O K

Disappearance of cotton in the United States during 1958-59 is expected to exceed production for the third successive season, according to the USDA. The resulting decrease in carry-over will be small as compared with the 7.8 million bale reduction between 1956 and 1958. Exports probably will be lower than the relatively high level of the two previous seasons. Domestic consumption is expected to increase with the improvement in general business conditions. The 1958 cotton crop (which is being harvested on the smallest acreage since 1876) is estimated at 7% above the 1957 output as a result of record yields.

L I V E S T O C K

Marketings of cattle and calves at Fort Worth on Monday, November 24, were limited, reports the Agricultural Marketing Service. Cattle receipts totaled about 2,000, or 300 fewer than the comparatively small supply of a week earlier. Prices for slaughter yearling steers and heifers were fully steady, while those for cows were strong. Good 550- to 750-lb. slaughter steers sold at \$26 to \$27 per cwt.; Commercial cows, \$20.50 to \$21; and Medium and Good stocker yearling steers, \$23 to \$27.

The calf run is placed at 500, compared with 650 on the preceding Monday and 300 on the corresponding date in 1957. Prices for slaughter calves were steady to 50¢ higher than in the latter part of the past week, and those for stocker and

feeder calves were strong. Good grades of slaughter calves sold at \$26 to \$27.50, and stocker and feeder steer calves were quoted at \$30 to \$33.

Monday's hog receipts were approximately 800, which was the largest 1-day supply in about 3 months. Barrows and gilts weighing 250 lbs. or less sold at prices which were steady to 25¢ higher than in the latter part of the preceding week, while prices of some butcher hogs weighing over 260 lbs. were 25¢ to 50¢ lower. U. S. No. 1 through No. 3 Grades of 195- to 250-lb. barrows and gilts cleared at \$18.25 to \$18.75.

Sheep and lamb offerings totaled an estimated 1,300, or about the same as a week ago but more than five times the year-earlier level. Trading was fairly active, with both slaughter and feeder lambs selling at steady prices. Good and Choice 90- to 100-lb. woolled and shorn slaughter lambs with No. 1 pelts brought \$21 to \$21.50.

P O U L T R Y

The principal Texas commercial broiler markets were unsettled during the trading week ended Friday, November 21, points out the State Department of Agriculture. Both south and east Texas areas followed a gradual downward price trend, resulting in closing price levels which were generally 1¢ per lb. lower than at the close of the previous week. The decline in the Texas broiler markets was similar to the weakness in other broiler-producing states. However, the fair demand for the limited supplies in Texas prevented prices from declining to the extreme low levels of other states, and closing prices in Texas were as much as 3¢ higher than in the other major areas. Closing prices were: South Texas, 16¢ to 17¢, mostly 16¢, and east Texas, 15¢ to 16¢. In the latter area, 61% of the sales were at undetermined prices. During the corresponding period in 1957, closing prices in east Texas were 16¢ to 18¢, mainly 17¢; there were too few sales in south Texas to report.

On Monday of this week, broiler markets were steady in south Texas and about steady in East Texas. The following prices were quoted: South Texas, 16¢, and east Texas, 15¢ to 16¢ (in the latter area, 61% of the sales were at undetermined prices).

	Area	Week ended November 15, 1958	Percentage increase from	
			Previous week	Comparable week, 1957
BROILER CHICK PLACEMENTS	Texas.....	2,269,000	5	31
	Louisiana..	394,000	7	48
	22 states..	27,171,000	1	11

P R I C E S U P P O R T P R O G R A M S

The Commodity Credit Corporation's investment in price support programs as of September 30 amounted to nearly \$7.5 billion, according to the USDA. The cost value of inventories comprised 74% of the total, and loans outstanding made up the remainder. On the corresponding date in 1957, the CCC's investment was approximately \$6.9 billion, of which inventories accounted for 78% and loans outstanding, 22%. Price support operations in five commodities - wheat, tobacco, corn, upland cotton, and barley - accounted for the major portion of the loan total at the end of September of this year.

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