



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

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AGRICULTURAL PRICES DECLINE

The index of prices received by the Nation's farmers at mid-June was 242% of the 1910-14 average, reflecting declines of 1% from a month earlier and 3% from a year ago, reports the Agricultural Marketing Service. The parity index (which reflects prices paid for commodities and services, plus interest, taxes, and wage rates) declined fractionally during the month ended June 15 to 298, but was up 1% from a year earlier. Prices paid for farm production goods were slightly below the mid-May level, as lower feeder livestock and feed prices more than offset higher prices for farm machinery. Prices paid for family living items remained at the record high established several months ago. The parity ratio is placed at 81 - the lowest since June 1957.

The index of prices received by Texas farmers and ranchers as of June 15 was 276% of the 1910-14 average, which was 1% below the month-earlier figure but slightly above a year ago. The all-crops index was down fractionally from mid-May, and the livestock and livestock products index was 1% lower.

RICE INSECT STUDY UNDER WAY

A comprehensive Federal-State survey of the Nation's rice-producing areas for evidence of a destructive rice disease, hoja blanca, or its insect carrier is under way and will continue through the present growing season, according to the U. S. Department of Agriculture. Regulatory and research workers in Mississippi, Louisiana, Arkansas, Texas, California, and other rice-growing states are cooperating with the USDA's Agricultural Research Service in the survey.

Hoja blanca is caused by a virus spread by a plant hopper. Diseased leaves turn streaked yellowish-white, and plants often fail to head. The disease can greatly reduce yields in infected fields or completely ruin a crop, particularly a late planting.

CCC PRICE SUPPORT PROGRAMS

According to the USDA, the Commodity Credit Corporation's investment in price support programs as of May 31, 1959, amounted to \$8.8 billion. The cost value of inventories comprised 69% of the total, and loans outstanding accounted for 31%. As of May 31, 1958, the CCC's investment was \$7.2 billion, of which 75% was inventories and the remainder was loans outstanding.

Price supports extended (total loans, plus direct purchases and purchase agreements) on 1958 crops alone through May 31, 1959, amounted to about \$4.0 billion, compared with \$2.6 billion on 1957 crops.

WORLD CATTLE NUMBERS REACH PEAK

The Foreign Agricultural Service recently reported that world cattle numbers probably will exceed a billion head by the end of this year. Numbers rose 14 million in 1958 to a new record of almost 992 million. The FAS points out that the most significant development in world cattle numbers during 1958 was the continued decline in Argentina, where numbers have decreased 13% since the 1956 high.

L I V E S T O C K

Cattle receipts at Fort Worth during the week ended Thursday, July 2, 1959, were down 11% from the preceding week - probably as a result of previous price declines, coupled with field work and the holiday week end - reports the AMS. The cattle supply of 7,200 head compared with 7,800 during the same period in 1958. Trading was slow, and prices of slaughter steers and heifers were uneven. Prices of lightweight thin stocker and feeder yearlings were strong to 50¢ per cwt. higher than the previous week's low close while prices of other stocker and feeder cattle were about steady. Good 800 to 1,100-lb. slaughter steers cleared mainly at \$26.50 to \$27.50; Utility cows, \$17.50 to \$18.50; and Good 500- to 650-lb. stocker and feeder steers, \$26 to \$27.50.

The calf run is placed at 2,000, or 11% above the week-earlier figure but 9% below a year ago. Trading on slaughter calves was somewhat uneven. Good and Choice slaughter calves brought mostly \$27 to \$29, and Good 300- to 500-lb. stocker and feeder steer calves were quoted at \$28 to \$30.

Hog offerings were an estimated 3,400, which was 200 more than in the preceding week and 1,500 above the comparable period in 1958. Trading was generally slow, and closing prices were \$1 to \$1.50 lower than in the latter part of the previous week. Mixed U. S. No. 1 through No. 3 Grades of 185- to 240-lb. barrows and gilts were quoted at \$14.50 to \$15.

Sheep and lamb marketings of slightly under 10,000 were the smallest volume since early March and were only about one-half the week-earlier level. Trading on slaughter classes was fairly active, and prices were 50¢ to \$1 lower than in the latter part of the previous week. Good and Choice 70- to 90-lb. slaughter spring lambs brought \$20 to \$21.

R E D M E A T O U T P U T C L I M B S

U. S. production of red meat during January-May 1959 amounted to 10.5 billion lbs., reflecting a 6% gain over the comparable period of last year, points out the AMS. The outturn of beef was up 1% from a year ago; pork, 16%; and lamb and mutton, 8%. On the other hand, veal output was down 21%.

P O U L T R Y

Trading in the Texas commercial broiler markets was active during the pre-holiday week ended Thursday, July 2, reports the State Department of Agriculture. Quotes were generally 1¢ per lb. higher than at the previous week's close, with the following prices reported: South Texas, 17¢ with several lots of late purchases at 18¢; and east Texas, 16¢ to 17¢, although about one-half of the sales were at undetermined prices. During the corresponding period last year, closing prices were 21¢ in both areas.

On Monday, July 6, broiler markets were slightly unsettled in south Texas and weak in east Texas. The following prices were quoted: South Texas, 17¢ to 18¢, mostly 18¢; and east Texas, 16¢ to 17¢, with 40% of the sales at undetermined prices.

| | Area | Week ended June 27, 1959 | Percentage change from | |
|---------------|-------------|-----------------------------|------------------------|--------------------------|
| | | | Previous week | Comparable week, 1958 |
| BROILER CHICK | | | | |
| PLACEMENTS | Texas..... | 2,367,000 | 3 | -21 |
| | Louisiana.. | 487,000 | 4 | 5 |
| | 22 states.. | 33,597,000 | -1 | -7 |

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