



AGRICULTURAL NEWS OF THE WEEK

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AGRICULTURAL INCOME

The realized net income of the Nation's farmers during the first half of 1959 was at an average annual rate of about \$12 billion, or 8% below the year-earlier level, points out the Agricultural Marketing Service. Cash receipts from farm marketings were only slightly smaller than a year ago, as lower average prices for farm products were largely offset by an increase in the volume of sales. Government payments were below the corresponding period last year as a result of the discontinuance of Acreage Reserve payments. Production expenses continued their upward trend during the first 6 months of this year, reaching a new high rate of \$25.8 billion annually. Contributing to this increase were higher wage rates, property taxes, and interest charges, in addition to higher prices for feeder livestock, feed, farm machinery, and motor vehicles. Seed and fertilizer were the only important cost items showing price declines.

FARM - MORTGAGE LENDING

Farm-mortgage lending continued active during the first quarter of this year although interest rates were rising, reports the Agricultural Research Service. The Federal land banks reported an 87% gain in the amount of loans closed as compared with the corresponding quarter in 1958. The amount of mortgages acquired by the 23 life insurance companies reporting was up 21%.

SCHOOL LUNCH PROGRAM

The Secretary of Agriculture recently approved the purchase of about \$58 million of food for distribution to schools participating in the National School Lunch Program. According to officials of the U. S. Department of Agriculture, specific purchases will be based mainly on providing foods which will contribute most effectively to the School Lunch Program, i.e., foods regarded by the states as most valuable in improving the nutritional quality and acceptability of meals served.

DOCK FUMIGATED FOR FOREIGN TERMITES

In order to prevent spread of an extremely destructive species of termite, a large wooden dry dock in the ship channel at Houston, Texas, was scheduled for fumigation early this week under the supervision of USDA entomologists and insect-control specialists. The termite (Coptotermes crassus) previously had not been found in the United States but is known to infest western Mexico, Honduras, and Guatemala. Surveys by a USDA pest control team indicate that the termite infestation is confined to the Houston dry dock and a nearby pier.

FARM LABOR

Estimated at 8.7 million, the total number of workers on U. S. farms during the week of June 21 was the largest for the year but was 1% below the comparable week in 1958, states the AMS. Farmers and other family members at farm work were 2% below the year-earlier level, while hired workers were up 1%.

In the states of the Eleventh Federal Reserve District (Arizona, Louisiana, New Mexico, Oklahoma, and Texas), the number of farm workers during the week of June 21 is placed at 925,000, or 1% below a year ago. The number of family workers was down 4%, while hired workers showed a 2% gain.

L I V E S T O C K

Cattle receipts at Fort Worth during the week ended Thursday, July 16, were an estimated 7,700 head - up 15% over a week ago and 4% over the comparable period in 1958, reports the AMS. Trading on most slaughter steers and heifers was fairly active, and prices were generally steady. Demand continued good for stockers and feeders, and prices were steady to strong as compared with the middle of the preceding week. Good 800- to 1,100-lb. slaughter steers were quoted at \$26.50 to \$27.50 per cwt.; Commercial cows, \$18.50 to \$19.50; and Good 500- to 650-lb. stocker and feeder steers, \$26 to \$30.

Calf marketings of 1,800 were 300 fewer than in the previous week but 200 more than a year earlier. Trading on slaughter calves was active the first part of the week but slowed down later when fewer outside orders were being filled. Closing prices were 50¢ to \$1 lower. Good killing calves cleared mainly at \$27 to \$28, and Good and Choice 350- to 500-lb. stocker and feeder steer calves brought \$30 to \$35.

The hog supply is placed at 2,800, compared with 2,600 a week ago and 1,600 in the corresponding period last year. Thursday prices were 50¢ to \$1.50 lower than in the preceding week. Most mixed U. S. No. 1 through No. 3 Grades of 190- to 240-lb. butchers sold at \$14.50 to \$15.

Sheep and lamb offerings totaled 10,400, reflecting increases of 14% over the week-earlier level and 58% over the same period last year. Slaughter spring lambs sold at prices which were steady to weak as compared with the latter part of the previous week. Good and Choice 70- to 90-lb. slaughter spring lambs brought \$20 to \$21.50.

P O U L T R Y

Price trends in the Texas commercial broiler markets were uneven during the week ended Friday, July 17, according to the State Department of Agriculture. Closing quotations - which were mostly 1¢ per lb. lower than a week earlier - were: South Texas, 16¢; and east Texas, 14½¢ to 15¢, with 47% of the sales in this area at undetermined prices. During the comparable period in 1958, the following closing prices were quoted: South Texas, 18¢ to 19¢, mostly 18¢ to 18½¢; and east Texas, 17¢ to 18¢, mostly 18¢.

Commercial broiler markets were weaker in south Texas and weaker and unsettled in east Texas on Monday, July 20. Quotations were 15¢ in south Texas and 14¢ to 15¢ in east Texas although 44% of the sales in the latter area were at undetermined prices.

	Area	Week ended July 11, 1959	Percentage change from	
			Previous week	Comparable week, 1958
BROILER CHICK PLACEMENTS				
	Texas.....	2,301,000	2	-12
	Louisiana..	386,000	-14	-16
	22 states..	32,977,000	-2	-6

E G G P R I C E O U T L O O K

According to the AMS, the outlook is for limited seasonal egg price rises in the next few months, with increases (as usual) most pronounced for large eggs of better grades. However, U. S. average prices are not expected to exceed those in 1958 for any length of time until possibly the last month or two of this year.

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