



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

Number 500

Wednesday, July 29, 1959

WHEAT MARKETING QUOTAS APPROVED

Preliminary returns from a referendum held on July 23 in the 39-state commercial wheat-producing area show that 80.7% of the farmers voting favored marketing quotas on 1960-crop wheat, according to the U. S. Department of Agriculture. Since wheat marketing quotas are effective on approval by two-thirds or more of the farmers voting in the referendum, marketing quotas will be in effect for the 1960 crop. The referendum marked the ninth time the Nation's farmers have voted favorably on marketing quotas for wheat.

WORLD COTTON PROSPECTS

Cotton acreage in some major foreign cotton-growing countries is down from a year ago, according to early reports. The Foreign Agricultural Service attributes the reduced plantings this spring to (1) tighter cotton production credit, (2) lower prices and weaker demand for cotton in world import markets, and (3) larger prospective world supplies next season. The total acreage planted in Mexico is believed to be about 30% smaller than last year, and Egyptian acreage is unofficially estimated to be down approximately 10%. Acreage decreases are also reported in Central America, the Near East, Greece, and some other areas. The reduction in acreage, however, is not likely to result in a proportionate decline in output since the sharpest acreage decreases are probably in marginal areas.

GUIDES FOR WINTER VEGETABLES AND POTATOES

A 3% reduction in the acreage for 1960-crop winter vegetables for fresh use is recommended by the USDA in its first acreage-marketing guides for 1960. The guides also recommend a winter potato acreage for 1960 equal to that of 1959.

FUTURES TRADING

During the fiscal year ended June 30, 1959, futures trading in agricultural commodities in the Nation continued to provide substantial "hedging" markets although the total volume of trading declined, reports the USDA. In releasing data from the Commodity Exchange Authority, the Administrator pointed out that "merchandisers and processors of wheat, corn, and soybeans continued to depend on hedging to reduce price risks, even though market prices ranged narrowly during the year."

MORE CATTLE AND CALVES ON FEED

As of July 1, 1959, there were 4.7 million head of cattle and calves on feed in the 13 major feeding states (Arizona, California, Colorado, Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, Ohio, South Dakota, and Texas), points out the Agricultural Marketing Service. The number was a record high July 1 total for the series which began in 1955 and was up 10% from the year-earlier level. Cattle feeders in the 13 states expect to market 3.2 million of these cattle and calves in July, August, and September. If these intentions are carried out, marketings in this quarter would be one-fourth greater than the marketings from the July 1, 1958, inventory during the comparable 3-month period last year.

L I V E S T O C K

Rains over a wide area resulted in a sharp decline in Fort Worth cattle marketings during the week ended Thursday, July 23, points out the AMS. Demand continued good for thin cattle and calves to be finished on the excellent crops and pastures, but supplies of these animals were very limited. Cattle receipts totaled an estimated 6,500, compared with 6,700 a year ago. Prices were steady to \$1 per cwt. lower than a week earlier, with the following quotes: Good 800- to 1,050-lb. slaughter steers, \$26 to \$27.75; Utility and Commercial cows, \$16 to \$18.50; and Medium and Good 500- to 600-lb. stocker and feeder steers, \$23.50 to \$30.

The calf supply of 2,500 reflected gains of 39% over the previous week and 32% over a year earlier. Trading on slaughter calves was active, and prices were unevenly steady to 50¢ higher than at the preceding week's close. Good and Choice grades of killing calves sold at \$28.50 to \$29, and 350- to 475-lb. stocker and feeder steer calves cleared at \$30 to \$34.50.

Hog offerings totaled 3,000 - up 100 from a week earlier and 1,300 from the corresponding period in 1958. In line with lower prices at other markets, butcher hog prices at Fort Worth declined daily after Monday. Closing prices were generally \$1 lower than a week earlier, with most mixed U. S. No. 1 through No. 3 Grades of 190- to 250-lb. barrows and gilts quoted at \$13.75 to \$14.25.

Sheep and lamb marketings were 6,100 head, compared with 10,300 in the preceding week and 5,800 a year ago. Trading was fairly active, and prices ranged from strong to 50¢ lower than in the latter part of the previous week. Good and Choice 75- to 87-lb. slaughter spring lambs brought \$21 to \$21.50.

P O U L T R Y

During the week ended Friday, July 24, the Texas commercial broiler markets opened generally weaker than at the preceding week's close, reports the State Department of Agriculture. In south Texas the 1¢ per lb. week-end price decline held unchanged throughout the trading period, while in east Texas, prices weakened fractionally up to midweek when a slight recovery started. At the market's close, the undertone was fully steady in south Texas but continued slightly unsettled in east Texas. Closing quotations were: South Texas, 15¢; and east Texas, 14½¢ to 15¢, with 65% of the sales at undetermined prices. During the corresponding period in 1958, closing prices were 18¢ in south Texas; and 17¢ to 18¢, mostly 17½¢, in east Texas.

On Monday, July 27, commercial broiler markets were firm in south Texas and stronger in east Texas. The following prices were quoted: South Texas, 16¢ per lb.; and east Texas, 14½¢ to 15¢, although 46% of the sales in this area were at undetermined prices.

	Area	Week ended July 18, 1959	Percentage change from	
			Previous week	Comparable week, 1958
BROILER CHICK				
PLACEMENTS	Texas.....	2,157,000	-6	-15
	Louisiana..	354,000	-8	-25
	22 states..	32,936,000	0	-3

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