



# AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

Number 524

Wednesday, January 13, 1960

## W H E A T   M I S S I O N   T O   F A R   E A S T

The chairman of the Wheat Utilization Committee recently announced that a technical mission will be sent to the Far East to explore possibilities of making more effective use of wheat in that area. The group will investigate and make recommendations upon (a) the possibilities of increasing the use of wheat to improve the nutritional level of the populations of the countries visited, (b) the extent to which wheat can be utilized in furthering the economic development programs, and (c) the extent to which promotional and market development projects might eventually increase commercial outlets for wheat.

## S C O U T S   T O   R E C E I V E   C O N S E R V A T I O N   A W A R D

The Secretary of Agriculture will present a special "conservation citizenship award" to the Boy Scouts of America during the annual Boy Scout Week observation to be held February 7-13. The award - which will be presented in Washington, D. C., on February 9 - will honor the efforts of all Scouts for the work they are doing as young American citizens to protect and improve the Nation's natural resources. This year marks the fiftieth anniversary of the Boy Scouts.

## A G R I C U L T U R A L   F U T U R E S   T R A D I N G   I N   1 9 5 9

Soybeans led all other commodities in trading volume in the commodity futures markets in 1959, reports the U. S. Department of Agriculture. The total trading volume in the grain futures markets was virtually unchanged from the previous year. The administrator of the Commodity Exchange Authority states that "In the major commodities, other than cotton, futures trading continued in substantial volume in 1959, with continuous competitive pricing, and broad utilization of the markets' hedging facilities by merchandisers and processors."

## D A I R Y   S U P P O R T   P R I C E S   C O N T I N U E D

On January 8 the Secretary of Agriculture announced that current dollar-and-cents support prices for milk for manufacturing purposes and butterfat will be continued through the 1960-61 marketing year (which begins April 1). The support prices are being continued at \$3.06 per cwt. for milk for manufacturing purposes and 56.6¢ per lb. for butterfat. The 1960 support rates are about 77% of both the parity equivalent price for milk for manufacturing purposes and the parity price for butterfat, based on parity prices as announced on December 30, 1959. This continues the percentage-of-parity level of support currently in effect.

## I N T E R N A T I O N A L   C O T T O N   T R A D E   I N C R E A S I N G

International cotton trade is increasing during the current season (which began August 1, 1959) after a decline during the past 2 years, reports the Foreign Agricultural Service. Total world exports are expected to reach 15.0 million bales, exceeding the previous season's total by 2.0 million bales. Most of the increase is expected to be in United States cotton. Exports from this country are currently estimated at 5.5 million bales, compared with 2.8 million bales in 1958-59. The FAS says that factors contributing to the increase in international trade are (1) rising consumption of cotton, (2) relatively low stocks in many major consuming countries at the beginning of the 1959-60 season, and (3) price stability at lower, competitive levels.

## L I V E S T O C K

Despite inclement weather and bad road conditions over much of Texas, cattle receipts at Fort Worth during the week ended Thursday, January 7, were up 5% from the preceding week, according to the Agricultural Marketing Service. The supply totaled an estimated 5,800, compared with 6,400 a year earlier. Trading was rather slow on the larger number of slaughter steers offered but was moderately active on other classes. The over-all price level generally was fully steady with a week earlier on all weights and grades. Trading on stockers and feeders was moderately active, and quotations were fully steady to strong. Good and Choice 1,080- to 1,165-lb. slaughter steers were quoted at \$23 to \$25 per cwt.; Utility and Commercial cows, \$16 to \$18.50; and Common and Medium stocker and feeder steers and heifers, \$20 to \$22.

Calf offerings of an estimated 1,200 were down about one-third from both a week earlier and a year ago. Prices of killing calves were mostly fully steady to strong as compared with the previous week's close. The majority of the mixed Good and Choice slaughter calves brought \$24 to \$26, and Medium and Good stocker steer calves ranged from \$22 to \$26.

A total of 1,500 hogs was received at Fort Worth during the week ended January 7, or 400 more than in the preceding week but 800 fewer than in the corresponding period of 1959. Closing prices were steady to strong as compared with a week earlier. Mixed U. S. No. 1 through No. 3 Grades of 190- to 260-lb. butchers cleared at \$11.50 to \$12.50.

Sheep and lamb marketings are placed at 5,400, representing a 64% gain over the previous week but a 50% decrease from a year ago. Prices of slaughter lambs were steady to 25¢ higher than in the middle of the preceding week, with most of the Good and Choice 87- to 105-lb. shorn and a few woolled slaughter lambs quoted at \$17 to \$17.50.

## P O U L T R Y

During the week ended Friday, January 8, the major Texas commercial broiler markets opened stronger, with quotations at 18¢ per lb. in both south Texas and east Texas, reports the State Department of Agriculture. However, conditions leveled off during the week, and the markets were about steady at the close. Friday prices were: South Texas, 17¢ to 18¢, mostly 17¢; and east Texas, 16¢ to 17¢, although 61% of the sales in this area were at undetermined levels. During the corresponding period in 1959, closing prices were 15¢ in south Texas and 14¢ to 15¢ in east Texas.

The Southwest Poultry Exchange offered 114,000 broilers on Friday, selling 77,900 as follows: 16,000 - 37%, at 16.4¢ and 63%, at 16.5¢; 61,900 off-quality - 8%, at 15.0¢; 66%, at 15.5¢; and 26%, at 15.6¢ to 15.7¢.

On Monday, January 11, broiler markets were steady in south Texas and slightly unsettled to about steady in east Texas. Quotations were 17¢ to 17½¢, mostly 17¢, in south Texas and 14½¢ to 16¢ in east Texas, with 48% of the sales in the latter area at undetermined prices.

	Area	Week ended January 2, 1960	Percentage change from	
			Previous week	Comparable week, 1959
BROILER CHICK				
PLACEMENTS	Texas.....	1,759,000	25	-23
	Louisiana..	355,000	51	-26
	22 states..	31,169,000	21	-2