



# AGRICULTURAL NEWS OF THE WEEK

## FEDERAL RESERVE BANK OF DALLAS

Number 577

Wednesday, January 18, 1961

### LOANS TO HELP SMALL FIRMS BUY TIMBER

A new program to provide loans enabling small firms to purchase timber from national forests has been approved by the Government. This announcement was made jointly on January 5 by the Small Business Administration and the United States Department of Agriculture. The program, providing small firms with funds for building access roads to facilitate the lumbering activities, will thereby reduce the strain on working capital needed for normal operating expenses. The program is expected to be fully implemented by March 1.

### GRAIN AND HAY STOCKS ON FARMS

Stocks of feed grains on U. S. farms as of January 1, 1961, were more than 2% greater than a year earlier and were record high for the fourth consecutive year, reports the Agricultural Marketing Service. Holdings of both corn and sorghum grain were at peak levels. Stocks of oats were up one-tenth from a year ago, and barley supplies were 2% greater. Holdings of food grains exceeded the previous year's January 1 high level by 28% but were 8% below the previous record on hand at the beginning of 1959. Farm stocks of soybeans were an eighth below January 1, 1960, while wheat stored on farms was up substantially from a year earlier, but did not reach a record high. The tonnage of hay on the Nation's farms at the beginning of 1961 was the third largest of record and 6% above a year ago.

### FARM WORK FORCE DOWN 4%

The Nation's farmers produced a record total crop output in 1960 with fewer workers than in any other year, reports the AMS. The farm work force declined to an annual average of 7.1 million persons, or 4% below the previous all-time low in 1959.

Part of the decrease in the number of U. S. farm family workers in 1960 resulted from the continued decline in the number of farms. Other contributing factors were improved machinery and better farming methods. According to the AMS report, the cumulative effect of these trends in farming has been to decrease the average number of farm workers by 15% since 1955 and to release about one worker in six since 1950.

### FEWER SHEEP AND LAMBS ON FEED

The number of sheep and lambs on feed for market in the United States as of January 1, 1961, totaled an estimated 4.3 million, or 2% below the year-earlier level, according to the AMS. A decrease in the number on feed in the 11 Western States accounted for the major portion of the national decline, as numbers in the Corn Belt States were about unchanged from a year ago.

In Texas, an estimated 191,000 sheep and lambs were on feed at the beginning of 1961, representing a 4% decline from a year earlier. Panhandle wheat pastures have provided abundant grazing for sheep and lambs this winter. In addition, many oat fields, which were damaged by army worms late last summer, have been re-seeded and are now beginning to furnish grazing.

## L I V E S T O C K

Cattle and calf marketings at Fort Worth during the week ended Thursday, January 12, showed a substantial increase over the 3-day supply of the preceding week, according to the AMS. Cattle receipts totaled an estimated 6,700, reflecting gains of 26% from the week-earlier level and 14% over the corresponding period in 1960. Compared with the preceding week's close, Good and Choice slaughter steers weighing more than 800 lbs. sold at prices which were steady to 50¢ per cwt. higher, but other grades and weights were steady to 50¢ lower. Good and Choice 920- to 1,220-lb. slaughter steers cleared at \$25 to \$26.50, and Utility and Commercial cows brought \$15 to \$17.50. Demand was fairly broad for all classes of stocker cattle, and prices were steady to 50¢ higher than at the previous week's close. Good and Choice 500- to 700-lb. yearling stocker steers sold at \$23 to \$25.80.

The calf supply of approximately 2,500 was 900 more than a week ago and 700 greater than a year earlier. Prices of killing calves were steady to \$1 lower than in the previous week. Good and Choice Grades of slaughter calves brought \$22.50 to \$25.50, and 300- to 485-lb. stocker steer calves were quoted at \$24 to \$28.

Hog offerings were about 2,000, compared with 1,700 a week earlier and 3,400 during the corresponding period last year. After Monday, trading was fairly active. Barrows and gilts sold at prices which were mainly 25¢ higher than a week earlier. Mixed U. S. No. 1 through No. 3 Grades of 185- to 250-lb. butchers brought \$17 to \$17.75.

A total of 7,100 sheep and lambs was received at Fort Worth during the week ended January 12, representing declines of 7% from the preceding week and 16% under a year ago. Prices of slaughter lambs were strong to 50¢ higher than on the preceding Thursday's market, and quotations on slaughter yearlings and ewes were fully steady. Good and Choice 83- to 98-lb. woolled and shorn slaughter lambs with No. 1 pelts sold mainly at \$16.50 to \$17.

## P O U L T R Y

The major Texas commercial broiler markets opened stronger during the week ended Friday, January 13, reports the State Department of Agriculture. East Texas prices declined slightly on Tuesday and then held steady through the close of the trading period; the south Texas market was steady throughout the week. The trading volume in east Texas was 12% below the year-earlier level, while that in south Texas was up 30%. Friday quotations were 16¢ per lb. in south Texas and 15½¢ to 16.7¢ in east Texas, although 24% of the sales in the latter area were at undetermined prices. During the corresponding period in 1960, closing prices were 17¢ in south Texas and 17½¢ in east Texas.

The Southwest Poultry Exchange offered 177,000 broilers on Friday, of which 79,300 sold at 16.4¢ to 17.1¢ (farm producers absorbed all rejected birds) and 21,000 brought 15¢ to 15.2¢ (buyers absorbed all rejects).

Commercial broiler markets were stronger in south Texas and steady in east Texas on Monday, January 16. Prices were: South Texas, 16¢ to 17¢, mostly 17¢; and east Texas, 15¢ to 17.1¢ (45% of the sales were at undetermined levels).

	Area	Week ended January 7, 1961	Percentage change from	
			Previous week	Comparable week, 1960
BROILER CHICK				
PLACEMENTS	Texas.....	2,288,000	11	12
	Louisiana..	442,000	-7	0
	22 states..	33,824,000	4	5