



# AGRICULTURAL NEWS OF THE WEEK

## FEDERAL RESERVE BANK OF DALLAS

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### F A R M P R O D U C T I O N C O S T S

Farm production expenses in the Nation are expected to increase slightly in 1961 from last year's peak of \$26.3 billion, according to the Economic Research Service. Part of the increase likely will result from higher prices for some production items. Other factors contributing to the rise in production expenses probably will be the continuation of trends toward increased specialization, more intensive production, and use of more goods and services from nonfarm sources.

Expenditures for power and machinery, feed, replacement and feeder livestock, fertilizer, interest, real-estate taxes, and utilities probably will be higher in 1961 than a year ago. On the other hand, outlays for seeds may be lower. Little change is expected in expenditures for hired labor, building materials, pesticides, and cash rents.

The following table shows percent changes from a year earlier in the prices paid by U. S. farmers for production items this spring:

<u>Production item</u>	<u>Percent change in price, 1961 from 1960</u>
Livestock (April 15).....	-3
Feed (April 15).....	-2
Motor vehicles (March 15).....	-2
Building and fencing materials (March 15).....	-1
Seed (April 15).....	-1
Wage rates (April 1).....	1
Fertilizer (April 15).....	1
Farm supplies (March 15).....	1
Motor supplies (March 15).....	2
Farm machinery (March 15).....	2
Farm real-estate taxes (annual average).....	8

### 1 9 6 1 Y E A R B O O K O F A G R I C U L T U R E

On June 2 the U. S. Department of Agriculture announced the publication of Seeds - the 1961 Yearbook of Agriculture. The new yearbook contains information on the importance, life processes, production, processing, certification, testing, and marketing of seeds.

Copies of the 1961 Yearbook of Agriculture may be obtained from the Superintendent of Documents, Government Printing Office, Washington 25, D. C., for \$2 a copy. The USDA has no copies for general distribution.

### S O U T H E R N P E A C H C R O P L A R G E S T S I N C E 1 9 4 7

Based on May 1 conditions, the 1961 peach crop in the nine southern peach-producing states (Alabama, Arkansas, Georgia, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, and Texas) is forecast at 16.7 million bu., according to the Statistical Reporting Service. If a crop of this size materializes, it will be 1% above the 1960 output, 58% more than the 10-year (1950-59) average, and the largest outturn since 1947.

## L I V E S T O C K

Cattle receipts at Fort Worth during the week ended Thursday, June 1, totaled an estimated 10,100 head, representing decreases of 8% from the preceding week and 16% from a year earlier, reports the SRS. The smaller supplies of slaughter steers and heifers, together with higher prices for beef carcasses at major wholesale meat centers, resulted in a reversal of the downward trend on steers and heifers after seven consecutive weeks of lower prices. Slaughter steers sold at prices which were steady to 50¢ per cwt. higher than at the previous week's close. Good 725- to 875-lb. slaughter steers cleared at \$21.50 to \$22, and Utility and Commercial cows brought \$14.50 to \$16.50. Compared with the preceding Thursday's close, stocker and feeder steers and heifers brought prices which were 50¢ to \$2 higher, with Good and Choice 500- to 750-lb. stocker steers quoted at \$21 to \$25.60.

The calf run is placed at 1,500, compared with 1,300 a week ago and 2,800 during the corresponding period in 1960. Slaughter calf prices were strong to 50¢ higher than at the preceding week's close. Good and Choice grades of killing calves sold at \$22.50 to \$25, and stocker steer calves brought \$23 to \$30.75.

Hog marketings were about 2,100, or 200 fewer than a week ago and 500 below the year-earlier figure. Trading was generally active, and prices advanced 25¢ to 75¢ over the previous Thursday's close. The majority of the U. S. No. 1 through No. 3 Grades of 185- to 260-lb. barrows and gilts sold at \$16.25 to \$16.75.

Sheep and lamb offerings were about 32,000, or 16% below the preceding week and 2% less than a year ago. Trading on slaughter lambs was active, and closing prices were fully steady to 50¢ higher than at the previous week's close. Good and Choice 75- to 90-lb. slaughter spring lambs were quoted at \$16.50 to \$17.50.

## P O U L T R Y

Prices in the major Texas commercial broiler markets continued to decline during the week ended Friday, June 2. According to the State Department of Agriculture, excessive supplies of Texas broilers and heavy movement into the State from other areas have forced prices downward. Compared with a year earlier, trading volumes were about 8% larger in south Texas and approximately 50% greater in east Texas. Closing prices were 13¢ per lb. in south Texas, and the weighted average in east Texas was 12.1¢. During the corresponding period of 1960, closing quotations were 17¢ in south Texas; the weighted average in east Texas was 17.3¢.

On Monday, June 5, commercial broiler markets were weaker in south Texas and slightly weaker in east Texas. Prices per lb. were: South Texas, 12¢ to 12.8¢, mostly 12.8¢; and east Texas, 11.9¢ to 12.5¢, with 23% of the sales at undetermined levels.

A total of 195,000 broilers was offered at the Southwest Poultry Exchange on June 5. Of this number, 188,500 cleared at 11.9¢ to 12.1¢ (farm producers absorbed all rejected birds), and 6,500 brought 11.9¢ (buyers absorbed all rejects).

	Area	Week ended May 27, 1961	Percent change from	
			Previous week	Comparable week, 1960
BROILER CHICK				
PLACEMENTS	Texas.....	3,097,000	3	10
	Louisiana..	614,000	-2	27
	22 states..	42,206,000	-1	6