



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

Number 630

Wednesday, January 24, 1962

WORLD AGRICULTURAL SITUATION

World production of agricultural commodities in the 1961-62 marketing year is expected to equal that in the preceding season, according to the Economic Research Service. For the first time since 1954-55, the sharply rising level of agricultural output has been interrupted in the more efficient producing areas of the world, but production continues to show significant gains in several of the less developed regions.

The ERS points out that the economic position of world agriculture at the end of 1961 was stronger in several respects than it was earlier in the year. International trade in farm products reached record levels; some burdensome surpluses, especially of wheat, were reduced; world prices of farm commodities generally were well maintained relative to prices for other primary products; and prices of several major farm commodities, such as wheat and soybeans, were substantially improved at the end of 1961 as compared with a year earlier.

USDA TO SURVEY RURAL FAMILY PURCHASES

Beginning January 29, the Statistical Reporting Service will start a nation-wide survey to learn what items rural families buy and how much they spend, reports the U. S. Department of Agriculture. The survey will be conducted in cooperation with the U. S. Department of Labor, which is making similar studies in metropolitan areas. This will be the first study made in 20 years covering purchases of all families throughout the United States.

About 4,000 families on farms and in towns of less than 2,500 population, in 126 counties in 41 states, will be included in the study of spending by the Nation's rural families. In each state, the survey will be supervised by the state's agricultural statistician. Results of the Survey of Consumer Expenditures will be published jointly by the Departments of Agriculture and Labor.

SHEEP SCABIES OUTBREAK IN NEW MEXICO

Sheep scabies - a highly contagious skin disease caused by a parasitic mite - has broken out again in New Mexico, according to the USDA. The State was declared free of this disease in August 1961, following eradication of an outbreak discovered in September 1960. The present outbreak is unusual for New Mexico, since cases are being reported from widely scattered points.

On January 18, 1962, the entire State of New Mexico except the Navajo Indian Reservation was declared an eradication area. Agricultural Research Service personnel and State animal disease eradication workers have been assigned to supervise dipping of exposed or infected sheep in order to rid them of mites. Dipping is the only effective treatment for scabies.

FEWER TURKEYS IN PROSPECT

The Nation's 1962 turkey crop will be 12% smaller than the preceding year's output if producers carry out their present intentions, points out the SRS. Decreases of 11% are indicated for heavy breeds and 19% for light breeds. The 1962 turkey crop is expected to total 94 million birds, compared with 107 million produced in 1961.

GRAIN AND HAY STOCKS ON FARMS

The total tonnage of feed grains stored on the Nation's farms, as of January 1, 1962, was 4% less than the record level of a year ago but was 24% above the 1951-60 average January 1 holdings, according to the SRS. Food grain stocks were 16% below a year earlier but were 2% larger than average.

The 1961 production of hay, combined with a large carry-over from earlier years, boosted U. S. hay supplies at the start of the 1961-62 feeding season (which began October 1) to peak levels. However, feeding requirements prior to January 1, 1962, were above average, and the tonnage of hay on farms at the beginning of the current year was 3% below January 1, 1961.

L I V E S T O C K

With the return of favorable weather conditions, Fort Worth livestock receipts increased during the week ended Thursday, January 18, reports the Agricultural Marketing Service. The cattle supply totaled an estimated 6,300, or 17% above the preceding week but 6% below the year-earlier level. Quotations on slaughter steers were steady to 50¢ per cwt. lower than at the previous Thursday's close. Good and low-Choice 890- to 990-lb. slaughter steers cleared at \$24.50 to \$25, and Utility and Commercial cows brought \$15.25 to \$17.50. Feeder steers weighing over 500 lbs. sold at prices which were steady to \$1 lower than a week ago, with Good 500- to 750-lb. animals quoted at \$22.50 to \$25.

The calf supply was approximately 900, or 200 more than in the preceding week but only about one-third of the year-earlier figure. Prices for slaughter calves were mostly 50¢ to \$1 lower than at the previous week's close. Good grades of killing calves cleared at \$23 to \$25, and 250- to 500-lb. feeder steer calves brought \$23.50 to \$25.50.

Hog marketings are placed at 1,900, compared with 1,200 a week ago and 2,000 during the corresponding period of 1961. Closing quotations were generally \$1 lower than a week earlier. The majority of the U. S. No. 1 through No. 3 Grades of 180- to 260-lb. butchers brought \$16.25 to \$17.50.

Severe weather conditions this winter over most of the sheep-producing area have seriously retarded growth of wheat, oats, and other small grains, resulting in an earlier-than-usual movement of many animals. A total of 13,000 sheep and lambs was received at Fort Worth during the week ended January 18, representing gains of 48% over the previous week and 59% over the year-earlier level. Demand was broad, and prices generally were fully steady. Most of the Good and Choice 79- to 103-lb. woolled and shorn lambs with No. 3 to fall-shorn pelts sold at \$15 to \$16.

P O U L T R Y

No Texas commercial broiler market report was available for the week ended Friday, January 19, because of a State holiday.

The major Texas commercial broiler markets showed strength on Monday, January 22, according to the State Department of Agriculture. Prices were 18¢ per lb. in south Texas and 17¢ to 18.2¢ in east Texas.

	Area	Week ended January 13, 1962	Percent increase over	
			Previous week	Comparable week, 1961
BROILER CHICK				
PLACEMENTS	Texas.....	2,325,000	9	8
	Louisiana..	462,000	7	9
	22 states..	35,612,000	2	5