



# AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

Number 669

Wednesday, October 24, 1962

## 1963 COTTON ACREAGE ALLOTMENTS

The U. S. Department of Agriculture recently announced a national marketing quota of 14,367,000 bales (standard bales of 500 lbs. gross weight) and a national acreage allotment of 16 million acres for the 1963 crop of upland cotton. The Agricultural Adjustment Act provides an additional 310,000 acres as a national acreage reserve to be used for the establishment of minimum farm allotments. The national acreage allotment of 16 million acres for the 1963 crop is the maximum permitted under present legislation. For the 1962 crop, the national acreage allotment totaled 18,101,718 acres. December 11, 1962, has been set as the date for the referendum on 1963 upland cotton marketing quotas. At least two-thirds of the upland cotton farmers voting must approve the quotas if they are to be in effect.

A national marketing quota of 155,500 bales and a national acreage allotment of 149,880 acres for the 1963 crop of extra-long staple cotton have also been announced by the USDA. The acreage allotment for the 1962 crop was 100,293 acres. The growers' referendum on quotas for extra-long staple cotton will also be held on December 11.

## MORE CATTLE ON FEED

The number of cattle and calves on feed for slaughter market in the 26 major feeding states as of October 1 is placed at 6.1 million head, according to the Statistical Reporting Service. This figure is 8% larger than a year earlier and slightly more than the number on feed at the beginning of July 1962.

In Texas, an estimated 325,000 cattle and calves were on feed as of October 1, or 48% above a year ago and 50% greater than the number on July 1, 1962.

## NEW WOOL AND LAMB AGREEMENT SIGNED

On October 18, the USDA signed a new agreement with the American Sheep Producers Council, Inc., which provides for the continuation of deductions from wool incentive payments to be used in wool and lamb promotional activities. This action followed final tabulation of the results of the September 10-21 referendum, in which producers approved continuation of the program.

The new agreement with the American Sheep Producers Council, Inc., will continue the financing of the Council's advertising, promotional, and related marketing activities on lamb and wool through deductions from wool payments for four more years, as authorized by the extension of the National Wool Act. Under the program, deductions will be made from payments next summer for the 1962 marketing year (April 1, 1962, through March 31, 1963) at the rate of 1¢ per lb. of shorn wool marketed and 5¢ per cwt. of liveweight of unshorn lambs marketed. According to the USDA, deductions for the 1963, 1964, and 1965 marketing years will be made at such rates as the Secretary of Agriculture and the American Sheep Producers Council, Inc., may agree upon, except that the deductions shall not exceed the rates provided for in the 1962 marketing year.

## TEXAS PECAN CROP SMALLER

Based on October 1 conditions, pecan production in Texas is indicated at 15 million lbs., or one-fourth less than the 1961 output and the smallest crop since 1951, according to the SRS. The estimated production consists of 12 million lbs. of native pecans and 3 million lbs. of improved varieties.

## L I V E S T O C K

Cattle receipts at Fort Worth during the week ended Thursday, October 18, were slightly smaller than in the preceding week, while supplies of all other classes of livestock showed gains, reports the Agricultural Marketing Service. The cattle run of an estimated 7,100 compared with 7,400 a week ago and 10,000 during the corresponding period of 1961. Trading on slaughter steers was fairly active on Tuesday but was only moderately active on other days. Prices for slaughter steers were strong to 75¢ per cwt. higher than at the previous Thursday's close. Good 1,055- to 1,195-lb. slaughter steers sold at \$26 to \$27 per cwt., and the majority of the Utility and Commercial cows brought \$13.50 to \$16. Demand for feeder cattle was fairly broad, and prices were generally steady; Good 500- to 700-lb. feeder steers were quoted at \$22.50 to \$25.50.

The calf supply, at an estimated 2,300, was about one-fifth larger than in the preceding week and more than double the year-earlier figure. Trading on slaughter calves was moderately active, and prices were steady with the preceding week's close. Good grades of killing calves brought mostly \$23.50 to \$24.50 per cwt., and prices for 300- to 500-lb. feeder steer calves ranged from \$23 to \$26.50.

Hog marketings totaled about 1,500, or 300 more than in the preceding week and 100 above a year ago. Closing quotations on barrows and gilts were mainly 25¢ to 50¢ per cwt. lower than a week earlier. The majority of the U. S. No. 1 through No. 3 Grades of 190- to 260-lb. butchers cleared at \$16.50 to \$17 per cwt.

A total of 11,200 sheep and lambs was received at Fort Worth during the week ended October 18, reflecting gains of 78% over a week earlier and 129% over a year ago. Demand was fairly broad for practically all classes, and trading was moderately active. Prices held steady throughout the 4-day trading period. The bulk of the Good and Choice 70- to 85-lb. shorn slaughter lambs with No. 1 to mixed No. 1 through No. 3 pelts brought \$17 to \$18 per cwt.

## P O U L T R Y

During the week ended Friday, October 19, the principal Texas commercial broiler markets opened stronger. According to the State Department of Agriculture, markets in both south and east Texas were fully steady on Thursday. At Friday's close, markets in both areas were steady, although the undertone seemed unsettled. Demand was fair, and trading ranged from light to fairly brisk. Closing prices per lb. were: South Texas, 15.8¢ to 16.8¢, mostly 16.8¢; and east Texas, 15.8¢ to 16.7¢. During the comparable period in 1961, the closing quotation in south Texas was 11.5¢, and the weighted average price in east Texas was 12.5¢.

Commercial broiler markets were slightly weaker in south Texas and slightly stronger in east Texas on Monday, October 22. Prices per lb. in south Texas were 16.5¢ to 16.6¢, mainly 16.5¢; and those in east Texas ranged from 16¢ to 17.3¢.

	Area	Week ended October 13, 1962	Percent increase over	
			Previous week	Comparable week, 1961
BROILER CHICK PLACEMENTS				
	Texas.....	2,298,000	6	38
	Louisiana..	501,000	12	19
	22 states..	34,380,000	2	21