



# AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

Number 696

Wednesday, May 1, 1963

## FARMLAND VALUES REACH NEW PEAK

U. S. farm real estate market values continued to move upward during 1962, reaching an all-time high at the beginning of November, according to a current report of the Economic Research Service. At 187% of the 1947-49 average, the national index of average per acre value of farmland on November 1 was 4% higher than a year earlier and 1% above the previous record on July 1, 1962. With the estimated value of all farm real estate at \$141 billion, the average farm was valued at \$43,000, or \$126 per acre. Already at a peak in nearly all states in 1962, farm real estate values probably advanced further during the early part of 1963, says the ERS.

Even though market average prices were at record highs, the supply of farmland for sale in the Nation remained relatively tight during 1962. There was only a moderately increased number of listings of farms for sale; however, financing land purchases became less of a problem in the 12 months ended October 1, 1962, points out the ERS. The supply of funds for mortgage lending was more readily available than a year earlier, and loan limits and appraised values both edged higher.

Compared with July 1, 1962, farmland values in the states of the Eleventh Federal Reserve District on November 1, 1962, were up 3% in Oklahoma, 2% in Arizona, and 1% in New Mexico; the value in Texas was about unchanged, while that in Louisiana showed a 1% decline. During the year ended November 1, 1962, farmland values rose 9% in Oklahoma, 7% in both New Mexico and Texas, 5% in Arizona, and 4% in Louisiana.

## DAIRY PRICE - SUPPORT PURCHASES

Dairy price-support purchases based on contracts made during the 1962-63 marketing year (which ended March 31) totaled 347.5 million lbs. of butter, 137.6 million lbs. of cheddar cheese, and 1,351.8 million lbs. of nonfat dry milk, reports the U. S. Department of Agriculture. These figures compare with purchases based on contracts made during the previous marketing year of 435 million lbs. of butter, 191.3 million lbs. of cheddar cheese, and 1,026.9 million lbs. of nonfat dry milk.

## INSECTICIDE RECOMMENDATIONS REVISED

A revised handbook is now available which brings up to date the USDA's recommendations for insecticides to control crop and livestock pests. The handbook discusses, in detail, safe and effective uses for insecticidal chemicals. For the first time, the revised edition includes recommendations for control of insect pests of citrus fruits, lawns, and flower gardens.

Single copies of Agriculture Handbook No. 120, Insecticide Recommendations of the Entomology Research Division for the Control of Insects Attacking Crops and Livestock for 1963, may be obtained for \$1 each from the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

## MEAT PRODUCTION

National output of red meat in 1962 totaled 28,961 million lbs., or 1% more than in the preceding year, according to a recent Statistical Reporting Service release. Beef production was about unchanged. Output of veal and of lamb and mutton were both down 3% from 1961, while that of pork showed a 4% gain.



## L I V E S T O C K

Fort Worth cattle receipts during the week ended Thursday, April 25, were an estimated 4,400, reflecting gains of 13% over the preceding week and 10% over the corresponding period in 1962, reports the Agricultural Marketing Service. Trading on slaughter steers and heifers was slow on Monday but was moderately active thereafter. Prices were steady to 75¢ per cwt. lower than the preceding week's close. Mixed Good and Choice 945- to 1,175-lb. slaughter steers sold at \$22.50 to \$23.25 per cwt., and the amjority of the Utility and Commercial cows brought \$14.50 to \$16. Feeder steers sold at prices which were steady to 50¢ per cwt. lower than the previous week's close, with Good 500- to 700-lb. animals quoted at \$21 to \$24.50.

Calf offerings of about 600 were unchanged from a week ago but were 50 more than the year-earlier figure. Prices for slaughter calves were steady to 50¢ per cwt. higher than the previous week's close. Good grades of killing calves brought \$23 to \$24.75 per cwt., and feeder steer calves sold at \$23.50 to \$27.50.

The hog supply is placed at approximately 1,800, compared with 1,400 in the preceding week and 2,000 during the corresponding period last year. Demand was fairly broad throughout the trading period, and prices held generally steady. The bulk of the mixed U. S. No. 1 through No. 3 Grades of 190- to 250-lb. barrows and gilts cleared at \$13.25 to \$14 per cwt.

Sheep and lamb marketings totaled about 14,000, or 37% above the preceding week but 25% below a year earlier. Trading was generally active. There were fairly wide price fluctuations for spring lambs, but closing quotes were generally 50¢ to \$1 per cwt. higher than on the preceding Thursday. Quotations for Good and Choice slaughter spring lambs (including 65- to 100-lb. averages) ranged from \$18.50 to \$22, with the bulk of the sales at \$21 to \$22.

## P O U L T R Y

Commercial broiler markets opened slightly weaker in south Texas and steady in east Texas during the week ended Friday, April 26, points out the State Department of Agriculture. Markets in both areas were about steady throughout the trading period, although the undertone was weak at the close. Supplies were adequate, but reports indicate some shortages for the week ending May 3. Out-of-State movement into Houston and some south Texas areas is reported to be the major influence in more competitive trading. Closing prices in south Texas were 14.7¢ to 15.4¢ per lb., and those in east Texas ranged from 14.4¢ to 15.1¢, mainly 14.9¢ to 15.1¢. During the corresponding period in 1962, the closing quote in south Texas was 14.5¢, and prices in east Texas ranged from 14.3¢ to 15¢.

On Monday, April 29, commercial broiler markets were slightly weaker in south Texas and steady in east Texas. Prices per lb. were: South Texas, 14.9¢ to 15¢, mostly 14.9¢; and east Texas, 14.8¢ to 15.2¢, mainly 14.9¢ to 15.1¢.

	Area	Week ended April 20, 1963	Percent change from	
			Previous week	Comparable week, 1962
BROILER CHICK:				
PLACEMENTS :	Texas.....	3,268,000	1	1
:	Louisiana..	586,000	-12	2
:				
:	22 states..	45,567,000	2	4