



AGRICULTURAL NEWS OF THE WEEK

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1963 FARM INCOME REAPPRAISAL

Realized net farm income in the United States this year is likely to be almost as large as the 1962 estimate of \$12.9 billion, which was the highest level in 9 years. According to the Economic Research Service, this reappraisal for 1963 takes into account (1) the recent decline in prices for cattle and hogs; (2) the lower payment rates on diverted feed grain acreage but higher support payments for feed grains than in 1962; and (3) a continued substantial rise in production costs. However, even with the likelihood of a small decrease in aggregate net farm income, realized net income per farm probably will equal the record \$3,500 in 1962, as a result of the continuing decline in the number of farms.

Cash receipts from farm marketings in the Nation in 1963 may be about unchanged from the all-time high of \$35.7 billion in 1962, says the ERS. Lower farm prices and a larger volume of marketings are in prospect. Government payments likely will be higher than last year's total of \$1.7 billion. Consequently, realized gross farm income probably will be slightly larger than the \$40.6 billion peak reached in 1962.

Farm production expenses - which have been rising each year since 1953 - are expected to continue upward in 1963. Prices paid by U. S. farmers for production items, taxes, interest, and wage rates are running above last year. Moreover, inputs of some production factors, such as feed, are showing advances over 1962.

WORLD CATTLE NUMBERS AT RECORD HIGH

World cattle numbers have advanced to an all-time high of 1.1 billion head in 1963, which is 2% above the preceding year and 10% larger than the 1956-60 average, according to the Foreign Agricultural Service. The peak in cattle numbers is largely due to the high prices received for beef and veal, resulting from a strong demand by people in many countries as standards of living continue to rise.

The FAS reports that the majority of the large livestock-producing and -exporting countries are developing or enlarging programs of research for improving breeds, eradicating livestock diseases, and promoting meat products in world trade. Slaughter houses, together with freezing and meat processing facilities, are being constructed or enlarged in the USSR and other Iron Curtain countries and in New Zealand, Australia, Africa, Central and South America.

MARKETING SERVICE HAS GOLDEN ANNIVERSARY

The U. S. Department of Agriculture is planning a number of special events in 1963 to mark its 50th year of providing organized marketing services to farmers, industry, and consumers. Although some of the Department's marketing services, such as the collection of statistics, began much earlier, it was in May 1913 that the first marketing agency, the Office of Markets, was established. This agency was the predecessor of today's Agricultural Marketing Service. Events planned to mark the golden anniversary will include an exhibit from May 21 through June 21 in the patio of the USDA Administration Building in Washington, D. C.

INSECTS COST \$4 BILLION A YEAR

Approximately 10,000 different species of injurious insects attack crops, forests, livestock, and property in this country each year at an estimated annual

cost of \$4 billion. According to the USDA, most of the major insect pests have come from other lands.

L I V E S T O C K

The cattle supply at Fort Worth during the week ended Thursday, May 2, totaled an estimated 3,300 head, or about one-fifth below a week ago and one-fourth less than the year-earlier figure, according to the Agricultural Marketing Service. Trading was slow on slaughter steers and heifers and was only moderately active on other classes. Compared with the previous Thursday, closing prices for slaughter steers were 25¢ to 50¢ per cwt. lower. Mixed Good and Choice 980- to 1,205-lb. slaughter steers brought \$23 to \$23.25 per cwt., and Utility and Commercial cows sold at \$13.75 to \$16.25. Quotations for feeder cattle were steady to 50¢ per cwt. lower than a week ago; Good 500- to 700-lb. steers brought \$21 to \$24.50.

At approximately 600, the calf run was about unchanged from the previous week but was 200 fewer than in the corresponding period of 1962. Slaughter calves sold at prices which were mainly 25¢ to 50¢ per cwt. lower than a week ago. Good grades of killing calves cleared at \$23 to \$24.50 per cwt., and 350- to 500-lb. feeder steer calves brought \$23 to \$27.

Hog receipts are placed at 1,550, reflecting decreases of 9% from the previous week and 26% from a year ago. Closing prices were about in line with a week earlier. U. S. No. 1 through No. 3 Grades of 185- to 255-lb. butchers brought \$13.25 to \$14 per cwt.

Sheep and lamb offerings of about 15,500 were 12% larger than a week ago but 40% below a year earlier. Trading generally was fairly active, and closing quotes were unchanged to \$2 per cwt. lower than on the preceding Thursday. Most of the Good and Choice 64- to 85-lb. slaughter spring lambs brought \$20 to \$22 per cwt.

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, May 3, reports the State Department of Agriculture. The south Texas market became steady on Tuesday, and prices were unchanged throughout the remainder of the trading period; the east Texas market weakened slightly on Thursday. At Friday's close, the market in south Texas was steady, while that in east Texas was stronger pricewise. The undertone was unsettled to weak, reflecting lower prices in other major broiler-producing areas throughout the Nation. Demand ranged from fair to good, with brisk trading in both areas. Closing quotations in south Texas were 14.9¢ to 15¢ per lb., and those in east Texas were 13.5¢ to 14.7¢. During the comparable week in 1962, the closing price in south Texas was 14.5¢, and quotes in east Texas ranged from 14.3¢ to 14.8¢.

On Monday, May 6, commercial broiler markets were slightly weaker in south Texas and stronger in east Texas. Prices per lb. were: South Texas, 14¢ to 15¢, mainly 14¢ to 14.5¢; and east Texas, 13.5¢ to 15.2¢.

	Area	Week ended April 27, 1963	Percent change from	
			Previous week	Comparable week, 1962
BROILER CHICK				
PLACEMENTS	Texas.....	3,260,000	0	6
	Louisiana..	624,000	6	17
	22 states..	45,836,000	1	4