



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

Number 713

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* SEPTEMBER IS FROZEN FOODS MONTH! *

* Acting Secretary of Agriculture Murphy recently made the following *

* statement regarding the 1963 Frozen Foods Month in September: "In less *

* than a generation, frozen foods have grown from an uncertain infancy to *

* a multi-million-dollar industry deeply influencing our food buying hab- *

* its, bringing new convenience to the kitchens and tables of America, and *

* providing an expanding market for farm products." Today's frozen foods *

* industry in the United States accounts for more than 7 billion lbs. of *

* food annually, with an estimated retail value of around \$4 billion. *

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* CERTIFICATES OF INTEREST TO DRAW 3 1/2 % *

* The rate of interest payable on certificates of interest issued to banks *

* and other lending institutions participating in the financing of 1963 and subsequent

* crop price-support loans will be increased from 3% to 3 1/2% per annum, effective

* September 1, 1963, announces the U. S. Department of Agriculture. The increased

* rate will not affect the rate of interest charged producers on 1963-crop price-

* support loans, which will remain at 3 1/2% per year. The increase will not be

* retroactive; consequently, lending institutions which have invested funds in 1963-

* crop price-support loans will earn interest on their investments at 3% per annum

* from the date of investment through August 31, 1963, and at 3 1/2% thereafter.

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* FARMLAND VALUES CONTINUE TO RISE *

* Farm real estate market values in the United States during the 4 months

* ended July 1, 1963, advanced somewhat more sharply than in the corresponding period

* last year, according to the Economic Research Service. Increases occurred in all

* except three states between March 1 and July 1, 1963. The national index of aver-

* age value per acre rose 3% during the period and, at 127% of the 1957-59 average,

* was 6% above a year earlier. The total market value of U. S. farm real estate

* amounted to an estimated \$148 billion at the beginning of July, which is almost

* \$9 billion more than a year ago and \$4 billion above March 1, 1963. Per acre

* values showed a corresponding advance, rising from \$126 on July 1, 1962, to \$134

* this July. The average value per farm rose nearly \$4,000 to reach a total of

* \$45,800. This advance is somewhat more than the rise in value per acre because

* of the continued increase in the average number of acres per farm.

* Compared with March 1, 1963, farmland values in the Eleventh Federal Re-

* serve District at the beginning of July were up 6% in Louisiana; 5% each in Arizona,

* New Mexico, and Texas; and 1% in Oklahoma. During the year ended July 1, 1963, farm

* real estate market values rose 10% in both Louisiana and Texas, 9% in Arizona, 8% in

* New Mexico, and 7% in Oklahoma.

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* LIVESTOCK *

* Fort Worth receipts of all classes of livestock except sheep and lambs

* advanced during the week ended Thursday, August 22, points out the Agricultural

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Marketing Service. The cattle supply of an estimated 7,200 was 22% above the previous week and 9% larger than a year ago. Slaughter steers sold at prices which were fully steady to strong as compared with the preceding Thursday's close. Good to mostly Choice 1,100- to 1,215-lb. slaughter steers brought \$25 per cwt., and the majority of the Utility and Commercial cows sold at \$13.50 to \$15. Trading on feeder cattle was fairly active, and prices generally were fully steady, with Good and Choice 675- to 775-lb. steers quoted at \$22.50 to \$23.50 per cwt.

The calf run totaled approximately 2,000, compared with 1,700 a week earlier and 1,350 during the corresponding period of 1962. Prices for slaughter calves were fully steady with the preceding week's close. Good grades of killing calves cleared at \$23 to \$24.50 per cwt., and quotes on Good and Choice 300- to 475-lb. stocker steer calves ranged from \$24 to \$28.90.

Hog marketings are placed at 1,650, reflecting gains of 22% over a week ago and 27% over the year-earlier figure. Trading was active each day, and barrows and gilts sold at prices which were steady to 25¢ per cwt. higher than on the previous Thursday. The bulk of the U. S. No. 1 through No. 3 Grades of 190- to 255-lb. butchers brought \$17.50 to \$18.25 per cwt.

In contrast to the increased receipts of other classes of livestock, sheep and lamb offerings, at about 4,000, were 7% below the preceding week and 64% less than the comparable period last year. The top quotation on woolled slaughter lambs advanced 50¢ per cwt. over the previous week's close, while prices for all other classes held fully steady. The majority of the Good and Choice woolled slaughter lambs cleared at \$17 to \$18 per cwt.

P O U L T R Y

During the week ended Friday, August 23, the major Texas commercial broiler markets opened stronger and then became steady on Tuesday, reports the State Department of Agriculture. Both the high and the low level of the east Texas price range increased about 0.5¢ per lb. on Thursday. At Friday's close, markets in both areas were steady, with the undertone unsettled in east Texas but steady to firm in south Texas. The out-of-state influx of broilers continues to be a factor in the highly competitive trading. The closing quotation in south Texas was 15¢ per lb., and prices in east Texas ranged from 14.3¢ to 15¢. For the corresponding period in 1962, the closing quote in south Texas was 15.5¢, and prices in east Texas were 15.5¢ to 15.8¢.

On Monday, August 26, commercial broiler markets were fully steady in south Texas but slightly weaker in east Texas. The following prices per lb. were quoted: South Texas, 15¢; and east Texas, 14.2¢ to 14.5¢.

	Area	Week ended August 17, 1963	Percent change from	
			Previous week	Comparable week, 1962
BROILER CHICK PLACEMENTS	Texas.....	2,374,000	-4	2
	Louisiana..	479,000	-9	16
	22 states..	36,680,000	-3	3