



# AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

Number 732

Wednesday, January 8, 1964

## FARM EXPORT OUTLOOK BRIGHTEST IN HISTORY

U. S. agricultural exports for the fiscal year which ends June 30, 1964, are expected to reach an all-time high, reports the Economic Research Service. If authorized sales of wheat to the Soviet Union materialize, indications are that U. S. agricultural exports will advance to \$6.0 billion, compared with \$5.1 billion a year earlier. Commercial sales for dollars may reach \$4.2 billion, accounting for more than 70% of total U. S. agricultural exports, while shipments under U. S. Government-financed programs are expected to exceed the \$1.5 billion in 1962-63. Major gains for the 1964 fiscal year are in prospect for exports of wheat, cotton, soybeans, dairy products, and vegetable oils.

## FEED ASSISTANCE FOR MORE TEXAS COUNTIES

The U. S. Department of Agriculture recently offered Government-owned feed grain at reduced prices to supplement feed supplies in eight more Texas counties - Irion, Kendall, Kinney, Lamar, La Salle, Red River, Stephens, and Uvalde. This action was taken because of persistent drought conditions, which have reduced forage and feed supplies throughout a large part of the State. Including the 8 counties, a total of 136 Texas counties has been designated for livestock feed assistance. In addition, haying and grazing privileges on lands diverted from crop production had been offered previously in 114 counties.

Commodity Credit Corporation-owned feed grain will be offered in the designated Texas counties, through county Agricultural Stabilization and Conservation (ASC) committees, to eligible farmers in order to help them preserve and maintain their livestock herds.

## AGRICULTURAL PRICES

The index of prices received by the Nation's farmers as of December 15, 1963, is placed at 237% of the 1910-14 average, or 2% below both the previous month and a year earlier. According to the Statistical Reporting Service, lower prices for cattle and hogs were primarily responsible for the decrease from mid-November. Partially offsetting the decline were price rises for corn and oranges.

The parity index (which reflects prices paid for commodities and services, plus interest, taxes, and wage rates) showed a fractional decrease during the month ended December 15, 1963, mainly as a result of lower prices paid for most family living items and for feeder livestock. At 310, the index was fractionally above a year ago and was the highest of record for the month. The mid-December parity ratio of 76 was the lowest level since August 1939.

## MORE FAMILIES USING FHA CREDIT

Secretary of Agriculture Freeman recently announced that the number of U. S. farm and other rural families using credit from the Farmers Home Administration in 1963 was 8% larger than in 1962 and 19% greater than 5 years earlier. The number of borrowers with active loans from the agency in 1963 was the highest since 1955.

In addition to borrowers with individual loans, about 600 local water associations used credit in 1963 that was supplied by the FHA during the year or

previously. This total represents a 34% gain over the number of associations using the agency's direct or insured loan funds during 1962.

The FHA made or insured an estimated \$677 million in loans during 1963, or 47% more than the average amount loaned annually for the previous 5 years. Approximately 80% of the estimated \$224 million loaned for certain real estate purposes (including farm ownership, soil and water development, rental housing for the elderly, and farm labor housing) was supplied by private lenders, such as banks and insurance companies, under the FHA insured loan authority. Payments by FHA borrowers in 1963 totaled approximately \$445 million in principal and interest, compared with \$399 million in 1962.

#### AGRICULTURAL CONSERVATION HELPS SPORTSMEN

Nationwide efforts by farmers to provide more game for sportsmen are described in an illustrated USDA folder, The Sportsman's Stake in Agricultural Conservation. The publication states that, in a single year, conservation-minded farmers have used Agricultural Conservation Program practices to provide or improve land cover on more than 15 million acres of farmland and to establish more than 41,000 farm ponds and over 19,000 miles of sod waterways.

Single copies of the folder may be obtained from the Information Division, Agricultural Stabilization and Conservation Service, U. S. Department of Agriculture, Washington, D. C. 20250.

#### PEANUT STOCKS HIGH

U. S. peanut stocks in off-farm positions as of November 30, 1963, totaled 1,522 million lbs., or one-tenth above a year earlier, reports the USDA. Peanut butter is the major food product made from peanuts. Of the 4.5 lbs. of peanuts consumed per person during 1961-62, about 2.5 lbs. were used in the form of peanut butter.

#### POULTRY

In the week ended Friday, January 3, 1964, the major Texas commercial broiler-fryer markets opened slightly stronger and then became about steady on Tuesday, reports the State Department of Agriculture. The markets remained about steady throughout the rest of the period, closing with an unsettled undertone. Trading ranged from normal to brisk. Closing prices in south Texas were 12.9¢ to 13.5¢ per lb., and those in east Texas ranged from 11.5¢ to 12.5¢. For the corresponding week in 1963, closing quotations in south Texas were 14.4¢ to 14.5¢, and east Texas prices were 13.7¢ to 14.3¢.

On Monday, January 6, broiler-fryer markets were slightly weaker in south Texas and about steady in east Texas. Prices per lb. were: South Texas, 12.5¢ to 13¢, mainly 13¢; and east Texas, 11.5¢ to 13¢.

	Area	Week ended December 28, 1963	Percent change from	
			Previous week	Comparable week, 1962
BROILER CHICK				
PLACEMENTS	Texas.....	2,716,000	-5	17
	Louisiana..	564,000	3	35
	22 states..	37,587,000	-3	13