



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

Number 738

Wednesday, February 19, 1964

DAIRY SUPPORT PRICES SET

On February 10, 1964, the U. S. Department of Agriculture announced national average support prices of \$3.15 per cwt. for milk for manufacturing purposes and 58¢ per lb. for butterfat during the 1964-65 marketing year (which begins April 1, 1964). These prices reflect 75% of the parity prices for these two commodities. The comparable prices for the 1963-64 marketing year - which were also at 75% of parity - were \$3.14 per cwt. for milk for manufacturing purposes and 58.1¢ per lb. for butterfat.

FOOD CONSUMPTION IN 1963

Fresh fruits and vegetables led all other food groups in lbs. of food consumed per capita in the United States in 1963, reports the Economic Research Service. Usage of processed fruits and vegetables (fresh equivalent) ran a close second and gained in importance. Largely as a result of greater use of beef, the red meat group exceeded per capita usage of each of the three higher calorie groups - cereals, potatoes, and sugar. Per capita usage of each of the remaining major groups - dairy products (milk solids), eggs, poultry, and fats and oils - was relatively small.

LARGER CARRY-OVER OF PESTICIDES

The national carry-over of pesticides as of September 30, 1963, totaled 9% above the year-earlier level, according to a preliminary USDA report. Indications are that insecticide stocks held by basic chemical manufacturers largely accounted for the gain. Fungicide inventories (including coppers and sulfur) were about unchanged, while stocks of weed killers other than 2,4-D and 2,4,5-T were down more than one-fifth.

BROILER PRODUCTION AT ALL-TIME HIGH

Commercial broiler production in the 22 major broiler-producing states in 1963 totaled 1,962 million birds, or 4% above the 1962 figure and the largest number on record for these states, according to preliminary Statistical Reporting Service estimates. These 22 states produced about 93% of the Nation's broilers in 1963. The average price received for broilers in 1963 was 14.4¢ per lb., liveweight, or 0.7¢ per lb. below the previous year. The gross income from broilers in the 22 states is estimated at \$977.1 million, compared with \$968.2 million in 1962. The average liveweight per bird produced was 3.4 lbs. - unchanged from a year earlier.

The 1963 broiler output in Texas is placed at 129.8 million birds, or 3% above the preceding year. Prices received by the State's growers averaged 14.4¢ per lb., which is 0.7¢ per lb. lower than in 1962. Gross income from broiler production amounted to \$61.7 million in 1963, compared with \$62.6 million in the previous year. Among the 22 principal broiler-producing states, Texas ranked seventh in the number of birds produced and eighth in gross income from broilers in 1963.

WORLD WOOL PRODUCTION UP SLIGHTLY

The Foreign Agricultural Service estimates world wool production in 1963 at 5,780 million lbs., grease basis, or 1% above a year earlier and 7% larger than the 1956-60 average. Output increased in South America, the USSR, Asia, and Oceania in 1963 but declined in North America, Eastern and Western Europe, and Africa.

L I V E S T O C K

The Fort Worth cattle run during the week ended Thursday, February 13, totaled an estimated 3,400, reflecting gains of 36% over the previous week and 17% over the corresponding 1963 period, reports the Agricultural Marketing Service. Trading on slaughter steers was slow all week, and closing prices were mostly steady to 50¢ per cwt. lower than a week earlier. Good and low-Choice 1,140- to 1,230-lb. slaughter steers brought \$20 to \$20.75 per cwt., and Utility and a small volume of Commercial cows cleared at \$13.50 to \$15. Compared with the previous Thursday's close, feeder steers weighing over 500 lbs. sold at prices which were steady to \$1 per cwt. lower, with Good 500- to 700-lb. animals quoted at \$20 to \$23.50 per cwt.

The calf supply of approximately 1,450 was nearly 2 1/2 times larger than both a week ago and the year-earlier figure. Trading on slaughter calves was moderately active, and prices for animals weighing under 500 lbs. held mainly steady. Good grades of killing calves weighing up to 575 lbs. brought \$20.25 to \$21.50 per cwt., and 250- to 500-lb. stocker steer calves cleared at \$21 to \$26.

A total of 1,250 hogs was received at Fort Worth during the week ended February 13, or 11% fewer than a week earlier but 4% more than a year ago. Trading on barrows and gilts was moderately active on Monday but was rather slow thereafter. Closing prices were steady to 50¢ per cwt. higher than on the preceding Thursday. The bulk of the 4-day supply of U. S. No. 1 through No. 3 Grades of 195- to 255-lb. butchers brought \$15 to \$15.50 per cwt.

The seasonally small sheep and lamb receipts of about 4,200 were more than double the preceding week's very limited offerings but were moderately below a year ago. Slaughter lamb prices were fully steady to strong at the beginning of the trading period and then held unchanged until Thursday, when the top quotation advanced 50¢ per cwt. The majority of the Good and Choice 75- to 107-lb. shorn slaughter lambs with No. 3 to fall-shorn pelts sold at \$17.50 to \$18 per cwt.

P O U L T R Y

Commercial broiler markets opened about steady in south Texas and slightly stronger in east Texas in the week ended Friday, February 14, points out the State Department of Agriculture. The market in south Texas remained steady throughout the trading period, while that in east Texas gained additional strength on Wednesday. At Friday's close, markets in both areas were steady, although the undertone was rather unsettled. Closing prices in south Texas were 13.5¢ to 14¢ per lb., and those in east Texas ranged from 13.2¢ to 14.4¢. For the corresponding 1963 period, the closing quotation in south Texas was 16.1¢, and east Texas prices ranged from 15.3¢ to 15.8¢.

On Monday, February 17, commercial broiler markets were slightly stronger in south Texas and about steady in east Texas. Prices per lb. were: South Texas, 14¢ to 14.5¢; and east Texas, 13.3¢ to 14¢.

	Area	Week ended February 8, 1964	Percent increase over	
			Previous week	Comparable week, 1963
BROILER CHICK PLACEMENTS	Texas.....	2,726,000	2	9
	Louisiana..	573,000	2	13
	22 states..	38,993,000	4	4