



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

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COTTON EQUALIZATION PIK RATE

The U. S. Department of Agriculture announced on June 17 that the initial rate of payment for the 1965-66 marketing year under the Cotton Equalization Payment-In-Kind Program will be 5.75¢ per lb. This rate will apply to applications for payment mailed or delivered to the New Orleans Agricultural Stabilization and Conservation Service (ASCS) Commodity Office on and after August 1, 1965. The rate will be subject to change without prior notice.

As under the current year's program, the equalization payment will apply to cotton consumed domestically or exported. The payment-in-kind equalization rate has been 6.50¢ per lb. since the program was started in April 1964. The lower rate for the 1965-66 marketing year basically reflects the reduction of 1¢ per lb. in the price-support loan for the 1965 crop. The loan rate for the 1965 crop is 29¢ per lb. for Middling 1" cotton at average location, compared with 30¢ per lb. for the 1964 crop.

HAZARDOUS PESTICIDE PRACTICE WARNING!

The USDA has issued a warning against possible hazards in using pesticides in undiluted form. In issuing the warning, the USDA said it recently learned that some aerial applicators were applying undiluted parathion and methyl parathion (highly toxic pesticides) to control cotton insects in the Lower Rio Grande Valley of Texas. These applicators are using a new, low-volume aerial spray technique for pesticides known to have relatively low toxicity to human beings and warm-blooded animals. Malathion is the only pesticide registered by the USDA for undiluted use in low-volume spraying of this type under its authority for regulating pesticides moving in interstate commerce. The USDA has enlisted the aid of various cooperating agencies and groups in discouraging the use of the low-volume aerial spray technique with materials other than malathion.

FOOD SUPPLIES IN SERVING ESTABLISHMENTS

U. S. eating places and institutions serving food have enough supplies on hand for the preparation of approximately 1 billion meals, according to a recent USDA report. Food supplies in restaurants, colleges, hospitals, and other establishments equal 1.9 days' food for each person in the Nation, allowing 2,000 calories per capita daily. Beverages on hand equal a 1.2 days' supply per person. Foods that can be stored for a long period of time (canned, bottled, dried, and packaged products) account for four-fifths of the total supply. Fresh products comprise 10% of the supply, and frozen commodities make up 8%.

SOYBEAN REPORTS TO BE ISSUED EARLIER

Two reports on soybean stocks that previously have been issued by the Crop Reporting Board in October will now be released in September, according to the Statistical Reporting Service. The end-of-year report that shows soybean stocks on farms will be included in the SRS's monthly Crop Production Report to be issued September 10. The report will show on-farm stocks as of September 1. The year-end report on off-farm stocks and total soybean stocks is scheduled for release on September 23 and will also show stocks as of September 1. In announcing the changes, the Administrator of the SRS pointed out that there has been a continuing trend toward earlier

harvest of soybeans with a considerable amount of the crop now being harvested in September.

L I V E S T O C K

Fort Worth marketings of all classes of livestock except hogs advanced during the week ended Thursday, June 17, points out the Consumer and Marketing Service. The cattle run of about 6,100 reflected gains of 10% over the preceding week and 47% over the corresponding 1964 period. Trading on most classes generally was moderately active the first 2 days but became slow at midweek. Slaughter steer prices were 50¢ to \$1 per cwt. lower than a week earlier. Mixed Good and Choice 925- to 1,070-lb. slaughter steers brought \$25.50 to \$26 per cwt., and Utility and Commercial cows sold at \$13.75 to \$16.60. Demand for feeder cattle was fairly broad, but prices were mostly lower than in the previous week; Good 500- to 700-lb. steers cleared at \$21 to \$25 per cwt.

Calf supplies totaled an estimated 2,100, or 475 more than a week ago but about the same as a year earlier. Quotations for slaughter calves were mainly 50¢ to \$1 per cwt. lower than on the previous Thursday. Good grades of killing calves sold at \$22 to \$24 per cwt., and 250- to 500-lb. stocker steer calves brought \$22 to \$25.

Hog receipts are placed at 1,000, a figure that is slightly below the previous week and one-fourth less than the year-earlier supply. Demand was broad, and prices for barrows and gilts advanced 50¢ to \$1 per cwt. to reach the highest closing top quotation since August 1958. Mixed U. S. No. 1 through No. 3 Grades of 195- to 280-lb. butchers cleared at \$22.50 to \$23.50 per cwt.

Sheep and lamb offerings were approximately 8,350, compared with 7,575 a week ago and 7,075 during the comparable period last year. Slaughter lamb prices declined fully 50¢ to \$1.50 per cwt. The majority of the mixed lots of Good and Choice slaughter spring lambs brought \$23 to \$24 per cwt.

P O U L T R Y

For the week ended Friday, June 18, the major Texas commercial broiler markets opened steady and then remained steady throughout the trading period, reports the State Department of Agriculture. At Friday's close, the undertone was unsettled to weak. Demand for ready-to-cook broilers showed some improvement toward the end of the week, as some retailers were featuring broilers. Closing prices in south Texas were 15.5¢ to 15.8¢ per lb., and those in east Texas ranged from 14.1¢ to 14.6¢. During the corresponding 1964 period, the closing quotation in south Texas was 13.5¢ per lb., and east Texas prices ranged from 12.6¢ to 13.9¢.

Texas commercial broiler markets were weaker on Monday, June 21, with the following prices per lb. quoted: South Texas, 14.5¢, and east Texas, 14¢ to 14.1¢.

| | Area | Week ended June 12, 1965 | Percent change from | |
|-----------------------------|-------------|-----------------------------|---------------------|--------------------------|
| | | | Previous week | Comparable week, 1964 |
| BROILER CHICK PLACEMENTS | | | | |
| | Texas..... | 3,251,000 | 0 | 10 |
| | Louisiana.. | 636,000 | -1 | -3 |
| | 23 states.. | 50,528,000 | 0 | 10 |