

Federal Reserve Bank of Dallas

C O T T O N

Spot cotton prices have shown little net change during the past week; prices of Middling 15/16" staple in the ten spot markets averaged 31.90 cents per pound on Monday, March 20, the same as a week earlier but considerably below the February high of 32.51 cents. The comparable price on the Dallas Cotton Exchange was 31.45.

Loan entries reported to the CCC during the week ended March 9 totaled 14,200 bales and repayments amounted to 100,800 bales. Net CCC loan stocks of 1949-crop cotton on March 9 totaled 2,639,000 bales.

The Census Bureau reports that over 16.1 million bales (500 pounds gross weight) of cotton were ginned from the U. S. 1949 crop. This compares with 14.9 million from the 1948 crop and 11.9 million from the 1947 crop.

The 1949 Texas cotton crop amounted to 6,059,577 500-pound bales, compared with 3,166,020 in 1948 and 3,450,439 in 1947.

Cotton ginned in Texas during the 1949-50 season averaged lower in grade and about the same in staple length as that ginned during last season. The lower grade this season was attributed to rough harvesting and unfavorable weather conditions when a good portion of the cotton was open and labor was scarce.

The compromise farm bill granting additional acreage to cotton growers in 1950 passed the House but was rejected by the Senate and sent back to the conference committee.

The USDA has announced that it is withdrawing price support from American Egyptian cotton in 1950. Reports from irrigated areas in the Southwest, where this type is grown, indicate that farmers may plant enough to produce 100,000 bales, compared with 4,300 bales last year. It is said that the government is anxious to keep a market here for Egyptian cotton in the interest of international trade relations, but a 100,000 bale crop would create an over-supply of cotton of this type and would interfere with imports of long staple from Egypt.

W H E A T

Wheat prices on the Fort Worth Grain and Cotton Exchange have held steady during the past week at from \$2.45 to \$2.50 per bushel for No. 1 hard. These prices are about 5 cents above a month earlier and a few cents above a year ago.

The International Wheat Council has accepted Germany's application for membership, and given her a wheat import quota of approximately 67 million bushels. During the 1949-50 year the entire quota will be filled by the U. S.

The CCC has decided to withdraw storage payments this year for wheat, flaxseed, and soybeans. Last year CCC paid storage costs on these commodities in commercial warehouses, and also paid farmers if they kept these crops stored on their farms after price support loans had matured and the crops became government property.

The visible supply of wheat in the U. S. on March 18, according to the Chicago Board of Trade, was 162 million bushels vs. 96 million a year ago.

The USDA forecasts the 1950 acreage of all wheat -- spring and summer wheat -- at 72,750,000 acres, which is slightly below the government's national acreage allotment.

O A T S

Prices of oats on the Fort Worth market have risen slightly during the

last two weeks. No. 2 white brought a top price of 98-3/4 cents per bushel on Monday, March 20, compared with 97 cents a month earlier, and is the highest price reported since January 1949.

The USDA announces that, according to reports from farmers in all parts of the country, there will be about 47,964,000 acres of oats in the U. S. this year, compared with 44,525,000 last year.

Texas oat plantings in 1950, says the USDA, will amount to 1,820,000 acres, compared with 1,456,000 in 1949.

The visible supply of oats in the U. S. on March 18 was estimated by the Chicago Board of Trade at 11.5 million bushels vs. 3.8 million a year ago.

C O R N

Corn prices in Fort Worth are at the highest level since October. On Monday, March 20, No. 2 yellow was quoted at a top price of \$1.58-1/4 per bushel, or up 2-1/4 cents from a week earlier. No. 2 white reached \$1.77 per bushel, which was 3 cents above a week earlier and 10 cents more than a month ago.

U. S. farmers have indicated they intend to plant 82,765,000 acres of corn in 1950, compared with 87,910,000 acres last year. This indicated acreage would be the smallest in over 50 years, reflecting the effects of acreage allotments in the commercial counties of the corn belt.

Texas farmers plan to plant 3,145,000 acres to corn this year, compared with 2,599,000 last year, says the USDA.

The visible supply of corn on March 18 was estimated at 44.2 million bushels vs. 28.5 million a year earlier.

G R A I N S O R G H U M S

Prices of grain sorghums have remained steady during March, except for an increase of 1 cent last week, bringing the top price for No. 2 yellow milo to \$2.41 per cwt. This price is about 25 cents per cwt. below the level of a year ago and \$1.30 below the high level of 2 years ago.

Reports made by farmers to the USDA indicate that Texas sorghum plantings in 1950 will be boosted more than 2 million acres above last year, or to about 7.6 million.

R I C E

Rice markets were barely steady during the week ended March 13. Marketings of rough rice were negligible and prices held about unchanged. Moderate quantities of milled rice moved into distribution channels on previous orders, but new business was light.

The USDA says that rice acreage in the U. S. this year, as indicated by farmers' stated intentions, will be 1,645,000 acres, compared with 1,839,000 last year. The prospective acreage for this year is 3 percent above the national acreage allotment.

The rice acreage forecast for Texas in 1950 is 467,000 acres, which reflects a sharp decline from the 531,000 acres last year.

L I V E S T O C K M A R K E T S

Prices paid for livestock on the Fort Worth market during the past week changed only moderately. On Monday, March 20, hogs at a top price of \$16.75 per cwt. were off 50 cents from a week earlier.

Slaughter cows and heifers brought top prices of \$20.50 and \$27.00,

respectively, on Monday, up 50 cents each. Prices of other classes of cattle reflected little net change.

Lamb prices rose last week but were down on Monday of this week. A top price of \$25.25 per cwt. for shorn lambs compares with the high of \$26.00 last week.

As compared with a year ago, hog prices are lower by almost \$4.00 per cwt. Prices of most classes of cattle are higher, some by as much as \$1.50 per cwt. Lamb prices are about the same as at this time last year.

WOOL AND MOHAIR

Wool trading was slow last week in the range country of west Texas and business was virtually at a standstill in the Boston market.

In mohair trade, some graded No. 2 grown mohair sold at Boston at 73-1/2 cents per pound. Early season contracts in Texas continued to be shipped as soon as the hair was shorn.

POULTRY AND EGGS

The Dallas poultry market has shown considerable strength during the past week. Prices paid by Dallas wholesalers to farmers and other producers for heavy hens (4 pounds and over) advanced 3 cents, or to 25 cents per pound. Hens weighing 3 to 4 pounds advanced 2 cents, reaching 20 cents per pound. The sharpest increase in prices was reported for fryers, which rose five cents, reaching 33 cents per pound on Monday of this week.

Egg prices increased for the first time in several months. An advance of 1 cent brought prices to 28 cents per dozen.

The PMA has announced that it will continue through the month of April to support egg prices at about 25 cents per dozen, or the same as in the January-March period.

February chick production by commercial hatcheries in Texas totaled 7.6 million, or 17 percent above the output a year earlier and 13 percent more than the 1944-48 average for the month.

The production of broiler chicks in Texas in February was 58 percent above February 1949, while the output of chicks for farm replacement flocks increased less than 1 percent.

Egg production on Texas farms during February, estimated at 250 million, was up 10 percent over the number produced in February 1949.

The CCC has sold to the United Kingdom about 32 million pounds of dried whole eggs it acquired in supporting farm prices. This quantity represents 37 percent of CCC's surplus of dried eggs. These eggs cost the government \$1.26 per pound and were sold for 22 cents per pound.

FARM INCOME

U. S. farmers' cash receipts from marketings in March of this year are expected to total \$1.7 billion -- 7 percent more than the February total but 9 percent below receipts in March of last year.

Cash receipts from farm marketings in Texas in January, the latest month for which data for individual states are available, are estimated at \$196,636,000, compared with \$101,484,000 in the same month last year. Increases were reported also for Oklahoma, New Mexico, and Arizona.

Government payments to U. S. farmers in 1949 totaled \$185,453,000. Of this amount, Texas farmers received \$14,739,000.

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