

Federal Reserve Bank of Dallas

C O T T O N

Spot cotton prices have advanced fractionally during the past week. On Tuesday, April 18, the 10-market average price for Middling 15/16 inch staple was 32.45 cents per pound, which compares with 32.35 cents a week earlier. These prices compare with the season's high of 32.51 cents on February 25 and the season's low of 29.45 on October 5. The support price on the 10-market average basis is 29.57 cents per pound.

The disappearance (domestic consumption plus exports) of American cotton for the current season may exceed last season's disappearance by 1-1/2 million bales, according to the PMA.

Loan equities moved into trade channels more freely last week than in the several previous weeks with prices quoted at \$3 to \$7 per bale.

The textile market is in a rather unsatisfactory position and it is reported that some mills are contemplating curtailment of operations.

Indications that the smaller acreage of cotton this year will be cultivated intensively were seen in the report of fertilizer sales issued by the National Fertilizer Association. Tag sales, according to this report, totaled over 1.8 million tons during March, the second highest March total on record.

The limited acreage of cotton which had been planted in Texas before the recent rains now has ample moisture for germination, and seeding of the crop can be rushed to completion.

W H E A T

The upward advance in cash wheat prices on the Fort Worth Grain and Cotton Exchange was halted last week, influenced by reports of rain over most of the winter wheat belt. On Tuesday, April 18, No. 1 hard wheat sold for a top price of \$2.52-3/4 per bushel, compared with the season's high of \$2.53-1/2 reached a week earlier.

Stocks of wheat on farms in Texas on April 1 were estimated by the USDA at almost 3.1 million bushels, compared with 2.4 million a year earlier and the 10-year (1939-48) average of 4.3 million bushels.

Stocks of wheat on U. S. farms totaled 199 million bushels vs. 246 million a year ago and a 10-year average of 216 million.

Deterioration of wheat in the High Plains area was checked temporarily by the recent rains but additional moisture is needed to maintain the meager prospects for production in that area. Considerable acreage already has been abandoned and some was plowed up during the past week. Prospects for wheat in the north-central counties of Texas were greatly improved by the rains.

C O R N

Fort Worth corn prices continue their upward trend. On Tuesday of this week No. 2 yellow corn sold for a top price of \$1.68-3/4 per bushel -- the season's high for this grade -- and compares with \$1.67 a week earlier and \$1.57-1/2 a month ago.

For the last few days No. 2 white corn has been selling at a top price of \$1.86 per bushel, the highest price since last July.

On April 1, stocks of corn on Texas farms totaled 14.3 million bushels, compared with 9.8 million a year ago and the 10-year (1939-48) average of 17.1 million on the corresponding date.

U. S. stocks of corn amounting to 1 billion 634 million bushels on

farms on April 1 were slightly under a year earlier but considerably above average.

O A T S

Prices of oats on the Fort Worth market have made little net change during the past month. The top price on Tuesday, April 18, was 99 cents per bushel, or 2-1/4 cents below the season's high reported on April 5.

The April 1 stocks of oats on Texas farms totaled 6.8 million bushels, which was double the stocks of a year ago but slightly below average.

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

Prices of grain sorghums in Fort Worth rose 5 cents per cwt. last week. On Tuesday, April 18, a top price of \$2.40 per cwt. was reported; however, this price was 1 cent under a month earlier and 3 cents below the same date in February.

Prior to the recent rains a relatively small acreage of grain sorghums had been planted in Texas; however, it is expected that the seeding of a large acreage will be rapidly completed.

L I V E S T O C K

Prices of hogs and cattle on the Fort Worth market rose slightly during the past week, while the price of spring lambs declined.

Hogs sold for a top price of \$17.00 per cwt. on Tuesday, up 25 cents from a week earlier and higher than at any time within a month. It should be noted that hog prices are \$1.00 per cwt. higher than they were before the support program expired at the end of March.

Tuesday's top cattle prices -- slaughter steers, \$28.00; heifers, \$27.50; cows, \$21.00; calves, \$28.00; and stocker steers, \$27.50 -- are the highest reported this year, although in some instances these prices have been reported on previous dates.

The top price of \$27.50 per cwt. for spring lambs on Tuesday, April 18, was 50 cents per cwt. below a week earlier and \$1.00 per cwt. below 3 weeks ago.

W O O L A N D M O H A I R

Southwest wool trading advanced last week with a sale of more than 600,000 pounds of graded fine staple wool at Sonora for 70 cents per pound in the grease.

Elsewhere in the Texas Hill Country a fair volume of 8-month wool brought 66 cents per pound, grease basis. Also, some 12-month wool was contracted for at 60 cents per pound in the grease.

Mohair sales in Texas were slack last week with only an occasional car sold at 65 cents per pound for adult and 85 cents for kid hair.

The PMA has announced the schedule of shorn wool purchase prices under the 1950 wool price support program. These prices are based on the national average support level of 45.2 cents per pound, grease basis. Price differentials between grades of wool are more closely in line with current market relationships than in the schedule under last year's program. It is of importance to Texas sheep raisers, who produce top quality wools, that 1950 prices for "fine" wools generally are a little higher in relation to average than they were in last year's program. Prices of "medium" and "coarser" wools are somewhat lower.

P O U L T R Y A N D E G G S

Prices paid by Dallas wholesalers to farmers and other producers for hens remained unchanged during the past week, with those weighing 4 pounds and over selling at 20 cents per pound. Hens weighing 3 to 4 pounds sold for 16 cents.

The price of fryers rose to 30 cents per pound on Tuesday of this week, which is 2 cents above a week ago but 3 cents below the prices of late March.

No. 1 turkey hens held steady at 30 cents per pound for more than 3 months prior to last week when the price fell to 25 cents.

Egg prices on the Dallas market were off 1 cent per dozen late last week but subsequently regained this loss. On Tuesday, eggs were reported at 27 cents per dozen with a 1 cent premium paid for white infertile eggs.

Broiler chick placements on Texas farms totaled 876,000 during the week ended April 8 bringing total placements since January 1 to over 10 million, or 27 percent above the same period last year.

The PMA reports that there will be no price support program for the 1950 production of chickens (including commercial broilers) and turkeys.

The number of laying hens on Texas farms during March 1950 was estimated at 21,274,000, compared with 20,561,000 on farms a year ago. The annual rate of lay was 1,662 eggs per 10 hens compared with 1,693 last year.

Egg production in Texas during March was 354 million, about 2 percent above the production of last year. Production for the first three months of this year at 805 million compares with 745 million for the corresponding period last year.

F A R M I N C O M E

Cash receipts from farm marketings in Texas in February, according to the BAE's latest report, were \$99.8 million, compared with \$71.5 million the same month last year. The total for January and February was \$296 million, compared with \$173 million for the corresponding period in 1949.

In contrast to the higher level of cash farm receipts in Texas, January-February receipts for the U. S. were \$125 million below a year earlier.

M I S C E L L A N E O U S

Orange production in Texas was estimated on April 1 at 1,650,000 boxes, up 50,000 from the previous estimate. The estimate of grapefruit production remains unchanged at 6,500,000 boxes.

A rigid control program intended to end government losses on surplus potatoes was approved by the Senate Agriculture Committee this week. One new feature in the program gives the Secretary of Agriculture the authority to cut back marketing quotas by areas or regions as much as 20 percent. This could be done even after the farmer complied with acreage allotments if the Secretary found that a surplus existed.

Milk production on Texas farms during March was 334 million pounds, compared with 308 million pounds last year and the 10-year average of 336 million pounds. Production during March was 16 percent above the February production.

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