Federal Reserve Bank of Dallas

COTTON

The upward trend in spot cotton prices appears to have been reversed, at least temporarily. On Tuesday, May 9, the 10-market average price of Middling 15/16 inch staple was 32.47 cents per pound, compared with 32.63 cents a week earlier and 32.78 cents two weeks ago. The comparable price on the Dallas market was 32.30 cents.

Spot cotton markets were unusually active last week for this time of the year, according to the PMA. Reported sales in the ten markets totaled 210,000 bales, vs. 142,600 the previous week and 95,400 in the same week last year.

Export sales in the Southwest last week were the largest in many weeks, and current heavy buying indicates comparatively high export levels for most of the remaining months of this season.

Exports of cotton from the U. S. totaled 666,000 bales in March, according to a new report of the Bureau of Census. This was the heaviest monthly volume in the postwar period. Exports for the August-March period of the current season were over 3.7 million bales - 27 percent over the same period last season.

The report on final ginnings from the 1949 U. S. cotton crop shows that the equivalent of 16,127,083 500-pound gross weight bales were produced. The comparable figure last year was 11,868,269 bales.

Cotton of the 1949 crop ginned in Texas amounted to 6,058,177 500-pound gross weight bales, vs. 3,166,020 for the 1948 crop.

It is reported that planting of new-crop cotton in Texas and Oklahoma is averaging from 10 days to three weeks behind schedule. However, there is still ample time for planting if weather conditions permit.

WHEAT

Prices of wheat on the Fort Worth Cotton and Grain Exchange have made little net change for the past two months, although prices this week are several cents below those of mid-April. On Tuesday of this week, the top price paid for No. 1 hard wheat was $1.50 per bushel, which compares with $2.48 a week earlier and with the year's high of $2.53-1/2 on April 11.

The visible supply of wheat on May 6 was estimated by the Chicago Board of Trade at 154 million bushels, vs. 87 million a year ago.

The Government has taken title to a large amount of wheat on which loans matured April 30. Estimates of this amount range as high as 275 million bushels.

CORN

 Prices of corn on the Fort Worth market weakened slightly last week but recovered most of the loss early this week. On Tuesday, the top price of No. 2 yellow corn was $1.73-1/4 per bushel, compared with $1.73-1/2 a week earlier and $1.65-1/2 a month ago.

The top price for No. 2 white corn on Tuesday, May 9, was $1.99-3/4 per bushel, the highest price in 10 months and 30 cents above a year ago.

The visible supply of corn in the U. S. on May 6 was estimated at 142 million bushels, vs. 13 million on the same date last year.

OTHER GRAINS

Prices of oats in Fort Worth are holding fairly steady. The top price paid for No. 2 oats on Monday of this week was $1.02-1/2 per bushel, which was also
paid on May 1 and is the highest price since November 1948. Prices on Tuesday were 1/4 cent lower.

The strength in the oat market is due partly to the fact that unfavorable weather conditions have delayed completion of seeding and growth of the crop in some states. The crop would be greatly benefited by warm, open weather.

The visible supply of oats in the U. S. on May 6 was estimated at 10.3 million bushels, vs. 2.6 million a year earlier.

Prices of grain sorghums on the Fort Worth market have weakened since the end of April - since the support program expired. The top price for No. 2 yellow milo on Tuesday was $2.23 per cwt., which compares with $2.38 two weeks ago. Prices are lower than at any time since the war.

Prices of barley on the Fort Worth market have been rising for several weeks and are higher than at any time in 15 months. On Tuesday of this week a top price of $1.49 per bushel was paid, which compares with $1.41 a week earlier and $1.40 a month ago.

Visible supplies of barley on May 6 totaled 19.9 million bushels, vs. 6.9 million a year previously.

LIVESTOCK

Most classes of livestock are experiencing seasonal increases in prices. Hogs and cattle are selling above a year ago, while lamb prices are about the same as at this time last year.

Hogs sold in Fort Worth this week for as high as $19.00 per cwt., which compares with $18.00 a week earlier and with $16.00 at the end of March.

No announcement has been made of a new price support program for hogs. Slaughter steers are bringing a top price of $29.00 per cwt. on the Fort Worth market, which compares with $25.00 a year ago.

Heifers sold on Tuesday for a top price of $28.50, the same as a week earlier but $3.50 over the same date last year.

Cows, at a top price of $22.25 on Tuesday, were higher than at any time since September 1948.

Calves, at a top price of $30.00, the highest since July 1948, were up $3.00 per cwt. from a month ago.

Stocker steers are selling as high as $28.50 per cwt. - $2.50 over prices of a year earlier.

Spring lambs sold on Tuesday at $28.00 per cwt., which compares with the year's high of $30.00 on May 3. Shorn lambs sold for a top price of $25.00.

Sheep and lambs have been marketed in the U. S. at record weights this year. The average weight of 103.5 pounds for Federally inspected slaughter in February was a high for all months since records began in 1921.

Commercial meat production in Texas during March 1950 totaled over 64.3 million pounds, according to last week's report from the BAE. This quantity was 17 percent more than in February and 2 percent above that of March 1949. The estimated meat production includes beef, pork, lamb, and mutton slaughtered in Federally inspected plants and in other wholesale and retail plants but excludes farm slaughter. More hogs, sheep, and lambs, but fewer cattle, were slaughtered during March than a year earlier.

POULTRY AND EGGS

There have been no noteworthy changes in the Dallas poultry and egg market during the last week.
Heavy hens are holding at 18 cents per pound; medium hens, 1¼ cents; fryers, 30 cents; and No. 1 turkey hens, 25 cents per pound.

Eggs are holding at 20 cents per dozen.

The movement of eggs into storage in recent weeks has been at a higher rate than in comparable weeks of 1949. Stocks on May 1 were estimated at almost 2 million cases.

The Government continues to buy dried eggs in large quantities. Purchases last week amounted to over 4.1 million pounds, bringing total purchases for the year thus far to 37.5 million pounds.

WOOL AND MOHAIR

Wool trading was at a slower pace in the Southwest last week, due principally to the fact that the supplies of wool have been reduced sharply, according to the PMA. Business was good in Boston, however.

At Boston some 12-month Texas wool was bought on a clean basis at $1.65 to $1.70 per pound, for good staple length.

Practically all of the Texas mohair has been sold. Sales in Texas last week were unchanged at 68 cents per pound for adult and 88 cents for kid hair.

A new USDA report on U.S. wool and its relation to the world situation says that because of lower domestic production and increases in consumption, the U.S. is producing a smaller share of the wool it uses. As a result, U.S. wool during the next few years will give domestic manufacturers less protection from fluctuations in the world supply and price than it has provided during the past two decades.

The Australian wool market has been reopened and demand is brisk.

MISCELLANEOUS

The mid-April index of prices received by Texas farmers for all commodities was 27¾ percent of the 1910-14 base, the same as a month earlier, but 1¼ points below a year ago.

The Government has extended its loan program for on-farm storage construction another year. The USDA will grant loans up to 85 percent of the cost of building or purchasing farm storage space through June 1951. Originally, the program was scheduled to expire in June of this year. Loans bearing 4 percent interest are payable in five annual installments, and are available to producers of wheat, corn, oats, barley, rye, grain sorghums, soybeans, dry edible beans and peas, rice, peanuts, cottonseed, and flax.

The USDA reports that stocks of flaxseed in all positions on April 1 totaled almost 31.7 million bushels, vs. 29.3 million on the same date last year.

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