

## Federal Reserve Bank of Dallas

C C C F U N D S

A bill to increase the lending power of the CCC by \$2 billion was passed by the Senate late Tuesday, June 6, and was sent to the House for approval of an amendment to restrict imports of foreign agricultural products. The House previously had approved the \$2 billion increase for the CCC.

C O T T O N

Cotton prices again have reached new highs for the season. The average price of spot cotton, basis 15/16 inch Middling, at the 10 designated markets was quoted at 33.86 cents per pound on Tuesday, June 6 -- 18 points above the price on Wednesday of last week and 3 points above the previous high reached on Friday, June 2.

In contrast to a year ago, the spread between July and October futures was only 99 points, whereas last year's prices for the old-crop futures were 355 points above those for the new crop. Currently, October futures are selling about 3-1/4 cents above the anticipated loan rate for the 1950 crop.

Spot markets are unusually active for this time of the year. Reported sales in the 10 markets for the week ended June 2 totaled 144,600 bales, compared with 111,100 bales the previous week and 68,700 bales in the corresponding week a year ago.

Demand is strong, and merchants and shippers are reportedly having difficulty in buying the qualities in greatest demand. Domestic mill buying increased last week and sales were for both prompt and forward delivery. Export demand was not as strong as in other recent weeks.

Loan repayments on 1949-crop cotton, amounting to 115,300 bales, during the week ended May 25 was the largest for any week in several years. For the season through May 25 repayments totaled 1,409,000 bales, leaving 1,781,000 bales of 1949-crop cotton under loan -- of which 1,014,000 bales were in Texas.

The CCC announced recent sales of 42,000 bales of 1948 pooled cotton, bringing total sales of that cotton to 256,000 bales and leaving about 3-1/2 million bales in CCC pooled stocks.

The first bale of the 1950 cotton crop was delivered to the Houston Cotton Exchange on Wednesday, May 31, by Pablo Rivera of La Grulla, Texas. This was two weeks earlier than the harvest of the "first bale" in 1949 and 1948, but nearly a week later than the earliest on record, which was ginned on May 26, 1921. The bale sold for \$2.10 per pound. This price, plus prizes and purse collected at the Houston Cotton Exchange, totaled \$2,585.00. Mr. Rivera also was the winner in the "first bale" race in 1948.

The cotton crop throughout the District is making fair to good progress, except in local areas where severe rains have caused extensive damage. Planting and replanting is continuing in northern sections, squaring is becoming general in the Coastal Bend Area, and bolls are opening rapidly in the Lower Rio Grande Valley.

W H E A T

Wheat prices are practically unchanged from a week ago. The top price paid on the Fort Worth Grain and Cotton Exchange on Tuesday of this week was \$2.37 per bushel for No. 1 hard. Quality is reported as unusually good.

Harvest is becoming general throughout the Low Rolling Plains of Texas and adjacent areas of Oklahoma, although local rains have caused some temporary delay.

The moisture content of some wheat being delivered to elevators has been running as high as 20 percent, too high for safe storage. Elevator operators usually are insisting upon the 14-1/2 percent maximum moisture.

Seeding of the spring wheat crop in the Red River Valley section continues to be delayed by excessive rains, but is virtually complete in other areas. The total wheat acreage likely will be substantially below that of a year ago.

#### OTHER GRAINS

The top price paid for No. 2 yellow corn on the Fort Worth market was \$1.75-1/2 per bushel on Tuesday, June 6, down 2 cents from Monday of last week.

Prices of grain sorghums declined 5 cents per cwt. during the past week, with the top price for No. 2 yellow milo quoted at Fort Worth at \$2.18 per cwt. on Tuesday, June 6.

The commercial grain sorghum crop in south Texas is nearing maturity, and seeding in the southern Panhandle counties is under way.

Prices of oats and barley on Tuesday of this week were generally unchanged from a week earlier.

#### WOOL AND MOHAIR

Contract prices for next fall's mohair clip rose sharply last week. On Wednesday morning, May 31, prices offered were 65 and 85 cents per pound for adult and kid hair, respectively. Two hours later, prices advanced to 68 and 88 cents per pound, and on Thursday considerable tonnage was being contracted in the Sanderson and Alpine areas at 72 and 92 cents per pound. By Friday, June 2, prices had reached 75 cents per pound for adult hair and \$1.00 per pound for kid hair.

In view of the rapid price increases during recent weeks, growers are reluctant to contract next fall's clip, even at present high prices.

One small accumulation of 1950 spring mohair sold earlier last week at 70 and 90 cents per pound.

Wool trading continues at a rapid rate with an estimated 4 million pounds being sold during last week.

Prices of wool continue firm ranging from 60 to 81-1/2 cents per pound for 12-month wool and 60 to 72 cents per pound for 8-month fleeces.

It was estimated on Saturday, June 3, that no more than 10 to 12 million pounds of 1950 12-month spring wool remained unsold. The entire 1950 spring clip -- both 12 and 8-month wool -- is expected to be sold within the next 2 or 3 weeks.

#### LIVESTOCK

Livestock prices continue strong and are generally unchanged from a week ago.

The top prices paid at the Fort Worth market on Tuesday of this week were: hogs, \$20.00 per cwt.; slaughter steers, \$29.00; slaughter cows, \$21.00; slaughter calves, \$28.00; stocker steers, \$28.00; shorn lambs, \$24.50; and spring lambs, \$27.00.

#### POULTRY AND EGGS

Prices paid by Dallas wholesalers to farmers for poultry and eggs are the same as those reported last week.

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