WHEAT

Wheat prices on the Fort Worth Grain and Cotton Exchange rose early this week, with Monday's top price of No. 1 hard wheat at $2.37-1/2 per bushel, compared with $2.35 a week earlier.

The price support loan rate on the 1950 wheat crop will average $1.97 per bushel, 2 cents higher than last year, according to the BAE.

The Secretary of Agriculture has announced that wheat will escape marketing quotas next year, but acreage allotments will be continued. Marketing quotas are a rigid control limiting the amount of a crop a farmer can sell in times of heavy surpluses.

The USDA has again lowered its forecast of wheat exports for the 1949-50 season. The current forecast is 300 million bushels; the original forecast was 450 million bushels.

Carryover of old wheat on July 1 is expected to be about 450 million bushels. With 1950 wheat production forecast at 915 million bushels, the 1950-51 supply is expected to be about 1,395 million bushels, which would be 4 percent below a year earlier.

The visible supply of wheat in the United States on June 24 was estimated by the Chicago Board of Trade at 158 million bushels, vs. 98 million a year ago.

The USDA has reversed itself and decided to continue wheat storage payments of 7 cents per bushel to farmers who store their wheat on their farms. If the grain is put in commercial storage, the Department assumes the cost of roughly 10 cents per bushel.

OTHER GRAINS

Prices of oats strengthened slightly last week, with the top price for No. 2 red oats rising 3 cents, or to 92 cents per bushel.

It is reported that further imports of oats from Argentina are possible in view of the price differential between Argentine and domestic markets.

The USDA reports that 23.4 million bushels of 1949-crop oats were placed under price support, compared with 41.9 million bushels from the 1948 crop.

The visible supply of oats in the U. S. on June 24 was estimated by the Chicago Board of Trade at 10.3 million bushels, vs. 5.1 million a year ago.

Prices of yellow corn rose on the Fort Worth market during the past week, while white corn made little change.

On Monday of this week, No. 2 white corn sold for a top price of $2.21 per bushel, off 1/2 cent from a week earlier. No. 2 yellow corn brought a top price of $1.77 per bushel - up 1-1/4 cents from a week ago.

The downward trend in prices of grain sorghums on the Fort Worth market continues. Early this week No. 2 yellow milo sold for a top price of $2.09 per cwt. - 2 cents under a week earlier and 15 cents below a month ago.

COTTON

Cotton prices have fluctuated rather violently during most of June, ranging largely between 33 and 34 cents per pound for Middling 15/16 inch cotton, 10-market average basis. On Tuesday of this week, the average price was 33.78 cents per pound, compared with 33.59 cents a week earlier and 32.39 a year ago.

The USDA has announced an interim loan rate of 27 cents per pound, basis Middling 7/8 inch staple, on early-harvested cotton. A permanent loan rate based on 90 percent of parity will be announced later, perhaps next week.

CCC reported that repayments were made on 148,200 bales of 1949-crop loan cotton during the week ended June 15. This compares with 149,200 in the preceding
week. Total repossessions for the season through mid-June were 1,826,700 bales, or
57 percent of the 1949 crop cotton placed under loan.
Exports of cotton from the United States from August 1, 1949, up through
last week totaled about 5 million bales, vs. slightly more than 4 million bales in
the same period last season.

**LIVESTOCK**

Prices of hogs and lambs on the Fort Worth market held strong during the
past week, while prices of most classes of cattle weakened.

On Tuesday, June 27, hogs sold for a top price of $20.25 per cwt., the
highest level since October.

Tuesday's top prices of steers ($29.50), heifers ($28.50), and calves
($29.00) were off $1.00 per cwt. each from a week earlier. Cows, at $29.00, were
lower by $2.00.

Spring lambs sold as high as $27.00 per cwt. on Tuesday - 50 cents above a
week earlier and $1.00 over 2 weeks ago.

The USDA reports that the number of hogs 6 months old and over on June 1,
including brood sows, was 23,471,000 head, or 3 percent more than on the same date
last year. This over-all increase is due to a 6 percent increase in the Corn Belt
and a slight increase in the South Atlantic states. Elsewhere in the U. S., the
number of hogs 6 months old and over on June 1 was below that of last year.

**WOOL AND MOHAIR**

A slowdown in wool trading in both the Southwest and Boston occurred last
week, but wool prices held firm, according to the PMA. There was some contracting
of fall wools in Texas.

Small to fair-sized lots of original bag 12-month Texas wool of good
French and combing lengths sold in Boston at a clean cost of $1.75 to $1.78 per pound.
There were also sales in Texas which included some good 12-month wool purchased at
$1.70 to $1.75 per pound, clean basis, delivered to Boston.

Foreign wool markets were strong last week, and the volume of unsold wools
became limited.

Mohair trade in Texas and at Boston also was quiet, but prices remained
unchanged.

**POULTRY AND EGGS**

Prices paid by Dallas wholesalers to farmers and other producers of poultry
and eggs during the past several weeks held about steady. The only change of the
past week was a drop in the price paid for medium-sized hens.

Fryers this week were bringing from 25 to 27 cents per pound - the same as
2 weeks ago.

Egg prices remain unchanged - candled No. 1 mixed, 25 cents per dozen;
candled No. 2 mixed, 20 cents; and No. 1 white infertile, 32 cents.

**CCC**

The Senate this week approved and sent to the President a bill adding $2
billion to domestic farm price support funds.

The CCC has extended its commercial storage use-guarantee program another
year. Originally it was to be effective only through June 30, 1950. This program
is an effort to encourage construction of commercial grain storage facilities by
guaranteeing 3 years occupancy. The CCC said the extension is being made in line
with its 12-month extension of the loan program on construction of farm storage
building.

W. M. Pritchett
Agricultural Economist