Federal Reserve Bank of Dallas

COTTON

On Monday of this week, spot cotton prices reached the highest level since 1947. Middling 15/16 inch staple averaged 38.73 cents per pound in the 10 designated markets, which compares with 36.18 cents a week earlier. Prices were off 135 points on Tuesday, however, declining in response to a report that the Government was framing a new sales program for cotton it holds under the price support program.

The PMA announced this week that CCC loans on 1949-crop cotton will be carried until September 30, instead of being closed on July 1. This will give farmers 2 more months in which to redeem their loans and sell their cotton in the open market, or to dispose of their equities.

Cotton textiles of practically every description were withdrawn from sale on Monday of this week, according to the PMA. Most manufacturers and distributors of cotton goods were out of the market and awaiting stabilization in cotton prices.

The acreage of American Egyptian cotton in cultivation in the U. S. on July 1 is estimated at 110,500 acres, nearly 20 times larger than last year's 5,600 acres and practically double the recent 10-year average.

Continued showers in some local areas of Texas have been favorable for the increase of cotton pests, according to a survey of the Texas Agricultural Experiment Station. The agency reports that there are no substantial stocks of insecticides available anywhere in the cotton belt. Shortages are likely to develop in many areas in the near future, it was predicted.

WHEAT

Wheat prices on the Fort Worth Grain and Cotton Exchange have been rising irregularly since mid-June. On Tuesday, July 18, No. 1 hard wheat sold for a top price of $2.48 per bushel - 5 cents over a week earlier and 14 cents above a month ago.

The USDA has announced 1951 acreage allotments totaling 72.8 million acres, the same as the final allotment for 1950. The Department said the new allotment should produce a crop of 1,150 million bushels, which compares with the 1950 crop of 957 million bushels.

The U. S. Department of Commerce has authorized a shipment of 100,000 metric tons of wheat from the U. S. to Brazil. The action was taken to tide Brazil over a temporary shortage caused by delays in wheat shipments from Argentina, which are the result of strikes at Argentine ports.

CORN

Corn prices on the Fort Worth market rose Tuesday to a level above wheat prices. The top price paid for No. 2 white corn was $2.52 per bushel, which compares with $2.48 for wheat. This same grade of corn brought a top price of only $2.21 per bushel a month ago and $1.62 in early February. On the same date, No. 2 yellow corn brought a top price of $1.82 per bushel.

After steadily declining since 1942 and falling to the lowest level since 1879, corn acreage in Texas this year is estimated at 3,130,000 acres - 21 percent above last year's acreage. Production is estimated at 65.7 million bushels, or 13 percent above last year's crop.

A total of 65 million acres of corn, or 77 percent of the total 1950 U. S. acreage, was planted with hybrid seed. The use of hybrid seed began in 1933.

OTHER GRAINS

Prices of oats on the Fort Worth market have made only minor changes for
several weeks. On Tuesday of this week, the top price for No. 2 red oats was 92 cents per bushel, compared with 94 cents a week earlier.

Oat production in Texas in 1950 is estimated at 31 million bushels - 9 percent under last year's crop, despite a larger acreage harvested.

Barley prices advanced 5 cents this week - to a top price of $1.40 per bushel for No. 2 grain.

Barley production in Texas this year is estimated at almost 1.8 million bushels - much below last year's crop.

Fort Worth prices for grain sorghums have been rising since late June and are now higher than they were a year ago. For the past several marketing days, No. 2 yellow milo has brought a top price of $2.30 per cwt. - 16 cents above a month earlier.

The acreage of grain sorghums in Texas is estimated at almost 7 million acres - 41 percent over last year.

The Texas rice crop is estimated at over 9.8 million bags (100 pounds), which compares with last year's large crop of 10.2 million bags.

LIVESTOCK

Livestock prices on the Fort Worth market have made only minor changes during the past week. On Tuesday, July 18, hogs brought a top price of $24.00 per cwt. - 25 cents under a week earlier.

Prices of slaughter cattle remained virtually unchanged during the past week, except for an advance of $1.00 per cwt. for cows. Top prices: steers, $31.00; cows, $24.00; heifers, $30.00; and calves, $30.00.

Spring lambs brought $28.00 per cwt. on Tuesday of this week - 50 cents above a week earlier. Shorn ewes are bringing from $10.50 to $12.50 per cwt.

WOOL AND MOHAIR

Only a small amount of business is reported in the Boston wool market but potential demand is considered large. Expansion in the armed forces will cause an additional drain on wool supplies. Wool growers and dealers who still hold wool are not very anxious to sell as they expect higher prices later.

The USDA has announced a 1950 mohair price support program at an average price of 49.1 cents per pound, which is 74 percent of the March 15 parity price. The Agricultural Act of 1949 requires price support for mohair at 60 to 90 percent of parity.

POULTRY AND EGGS

After remaining more or less steady for several weeks, prices paid by Dallas wholesalers to farmers and other producers for poultry and eggs have made some advances during the past few days. On Tuesday, July 18, fryers brought from 28 to 30 cents per pound - up 3 cents from a week ago. Hens weighing 3 to 4 pounds brought 15 cents per pound - up 2 cents.

Prices paid for eggs rose Tuesday for the first time this month. Candled No. 1 mixed eggs brought 33-1/3 cents per dozen, vs. 30 cents per dozen a week earlier. Candled No. 2 mixed eggs remained unchanged at 20 cents, but No. 1 white infertile eggs rose to 36-2/3 cents per dozen - up from 35 cents a week ago.

MISCELLANEOUS

The USDA announced a price support program for 1950-crop hay, pasture, and range grass seed, designed to encourage increased production to meet expanding requirements for soil conserving crops during the next few years.

Rates of pay for hired farm workers in the U. S. on July 1 averaged about the same as a year earlier, the BAE reported.

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