Spot cotton prices were firm during most of last week and at the highest level in five months. Prices for Middling 15/16" cotton in the ten spot markets averaged 30.91 cents per pound on Monday, January 16, compared with the peak of 30.96 cents reached last week.

Spot markets were more active last week and reported sales were much higher than the previous week's volume. Ten market sales totaled 275,800 bales against 186,300 bales the previous week.

Mill buying increased last week, reflecting the large volume of orders for cloth for second and third quarter delivery.

In the Southwest, export demand was good for both high and low grades, which are relatively scarce. However, offerings by farmers decreased in volume. Loan entries, reported to CCC from all states, totaled 103,700 bales for the week ended January 5, which was the smallest weekly volume since the second week in October. In Texas, movement into the loan program amounted to about 78,000 bales, compared with 85,000 bales the previous week, bringing the total for the state to 811,000 bales, or 14 percent of the estimated crop.

Exports during December, amounting to 530,000 bales, were the largest for any month so far this season, and brought the total for the season through December to about 1,800,000 bales.

The House Agriculture Committee has approved the bill to increase cotton acreages in 1950. According to the approved bill, no grower could have his 1950 acreage allotment cut to less than 70 percent of the average for 1946-47-48, or to less than 50 percent of the acreage planted in the highest one of those three years. No additional acreage provided by this section, over and above the farmer's original allotment, could boost the acreage allotment to more than 40 percent of the farm's tilled acreage. Another section would allow farmers who cannot use their full allotment to surrender their unused acreage for re-distribution within their county.

Cottonseed prices in Texas for wagonlot seed averaged $44.10 last week, compared with $43.90 the previous week. Prices in Oklahoma were higher by 80 cents per ton.

Cottonseed grades in Texas averaged 98.5 last week, unchanged from two weeks previous.

Cottonseed crushed during November, the latest month for which data are available, totaled 785,000 tons, up 5 percent from October and 10 percent above November 1948.

Consumption of cottonseed oil in November was 348,000 barrels, compared with 350,000 barrels in the same month of 1948.

CCC asked last week for bids from processors to crush 151,000 tons of cottonseed purchased under the support program in Texas, New Mexico, and Arkansas.

There are growing indications in reports from Washington that the tax on oleomargarine, an important factor in the market for cottonseed, most likely will be repealed during this session of Congress.
FLAXSEED

The Texas flaxseed acreage planted for 1950 harvest is estimated at 230,000 acres, which is less than two-thirds of the record acreage planted for harvest last year, but still much more than in any year prior to 1948.

Arizona has 17,000 acres of flaxseed, or only about two-fifths of last year's crop.

WHEAT

Prices of wheat on the Fort Worth market showed very little net change last week, although the market opened about 2 cents per bushel lower this week, with prices for No. 1 Hard ranging from $2.34-3/4 to $2.40-3/4 per bushel.

The Spanish Government sent $12 million in gold by plane to New York this week as collateral against a new Chase National Bank loan, which will be used to buy wheat in the U. S. and Canada to help ward off an impending food crisis. Spain recently purchased some 50,000 tons of wheat in the U. S. and Canada.

There appears to be an accelerated movement of wheat into loan before the doors close at the end of this month.

The House Agriculture Committee has put off until later in the session action on proposals to prevent certain wheat growers from taking too big an acreage cut on their 1951 crop.

RICE

Trading in rough and milled rice has continued rather dull since the holiday season. Growers have been marketing very little rice and sales in most areas have not been sufficient to establish market quotations.

Milled rice markets apparently have not yet fully recovered from the holiday and inventory dullness and while prices have been somewhat steadier, some varieties have been offered at slightly lower prices.

Distribution of rice appears to be up to or slightly above last season. The world rice harvest for 1949-50, which is important to the Texas rice industry, is forecast at 7,400,000,000 bushels, or a little above the pre-war average.

OTHER GRAINS

Corn prices on the Fort Worth market on Monday, January 16, were about 1/2 cents lower than a year earlier, ranging from $1.65-1/2 to $1.67-1/2 per bushel.

Movement of cash corn into terminals last week registered a fairly good increase over the previous week, with some easing effect on the cash price structure as indicated above. The loan is still the most attractive outlet for the corn producer. The amount of corn in all positions will be revealed by the next government report on January 25.

Oat prices on the Fort Worth market declined slightly during the previous week, and on Monday of this week ranged from 93-3/4 cents to 95-1/4 cents per bushel. The movement of cash oats into terminals has lasted longer and in larger volume than was expected.

Prices of sorghum grains at Fort Worth dropped about 3 cents per hundredweight last Friday, bringing the price range down to $2.40 to $2.45 per hundredweight.
WOOL AND MOHAIR

Highlight of the Texas wool and mohair trade the past week was contracting of 8-months wool and the spring mohair clip. Contracts for 8-months wool in Texas called for 60 cents per pound, grease basis.

Mohair contracts showed firm prices on adult, and 2 to 3 cents gain over the previous week on kid mohair. Most offers stood at 57 to 58 cents for adult and 77 to 78 cents for kid.

The USDA has announced revisions in selling prices of certain types and grades of wool in current stocks acquired under price support operations. Prices for shorn wool, under the 1948-49 programs, were increased 1 to 9 cents per pound, depending upon the type of wool. Medium and lower grades of shorn wool purchased under the 1946-47 programs were reduced several cents per pound.

Wool prices on the Australian markets have continued to rise since the auctions were opened last week, and some grades have reached new post-war high. British and Continental buyers were most active, but Russian, American, and local operators bid freely for wools to meet their requirements.

LIVESTOCK

Prices of livestock on the Fort Worth market held fairly steady last week and on Monday of this week. Small increases in prices of slaughter cows and stocker steers and a decline in prices of slaughter lambs were the principal changes. Livestock receipts at Fort Worth for the week ended January 12, showed substantial increases over the previous week, which was shortened by the holiday, and also over the corresponding week in 1949.

The number of sheep and lambs on feed for market in the U.S. on January 1 was 7 percent less than a year earlier, and the smallest number for that date since 1922. However, increases were reported for Texas and Oklahoma.

Cold storage holdings of meat in the U.S. on January 1 were substantially below those of a year earlier, with practically all categories showing significant declines.

Cattle and calf marketings to date have indicated an increase in the country's cattle population during 1949 of perhaps one and one-half million head, according to the American Meat Institute. This organization predicts a further increase in cattle numbers during 1950.

Highlighting the lard situation last week was the purchase by the USDA of 29,600,000 pounds for export to Austria. Rumors persist that further buying by the government is in the offing, although no ECA dollar allocations have been announced. Further purchases may be made, if for no other reason than to support the hog market. The Agriculture Department announced this week that it will start buying pork to support hog prices at 90 percent of parity. The Department said its first purchases will be of ham, bacon, and smoked pork shoulders.

MISCELLANEOUS

Egg production in Texas during December was estimated at 159,000,000, an increase of 12 percent over December 1948. Egg production for 1949 was about 1 percent over the previous year.

Milk production in Texas in December was estimated at 267,000,000 pounds, compared with 250,000,000 pounds in December, 1948.

Loans approved by the REA for the extension of electrical service into rural areas reached the 2 billion dollar level this month. Approximately 80 percent of American farms are now electrified, as compared with the 11 percent which had electricity in 1935.