

## Federal Reserve Bank of Dallas

C O T T O N

The cotton market continues in a very unsettled condition. On Tuesday, August 15, Middling 15/16-inch staple averaged 37.39 cents per pound in the 10 designated markets, compared with 38.13 cents a week earlier and 38.22 two weeks ago.

Spot market sales were very large in volume last week, according to the PMA. Reported sales in the 10 markets totaled 354,900 bales, compared with 360,900 the previous week and 69,900 in the corresponding week a year ago.

CCC loan repayments on 1949-crop cotton were reported on 113,500 bales for the week ended August 3, bringing total repayments for the season to that date to 2.8 million and leaving loans outstanding on 387,000 bales.

With cotton prices at relatively high levels, the CCC is rapidly disposing of its holdings of 1948-crop pooled cotton. Prior to August 9 the CCC had sold about 1.2 million bales, leaving 2.5 million bales of pooled cotton on hand. When the CCC accepted bids on August 9, there were so many offers to buy that the Corporation was unable to process them in time to send out acceptances last week. Some estimates were that bids covered between 700,000 and 1 million bales, and acceptances are expected to total around 400,000 bales. In addition, the CCC opened bids for more cotton last Friday and again on Tuesday of this week.

G R A I N S

Cash wheat prices on the Fort Worth Grain and Cotton Exchange have made no important changes during August, fluctuating within a range of about 3 cents per bushel. On Tuesday, August 15, No. 1 hard wheat sold for a top price of \$2.44-3/4 per bushel - the same as a week earlier.

The visible supply of wheat in the U. S. as of August 12 was 217 million bushels, according to estimates compiled by the Chicago Board of Trade. This estimate compares with 199 million a year ago.

The Bureau of Statistics in Ottawa estimates the Canadian spring wheat crop at 515 million bushels, vs. 343 million last year.

The downward trend in corn prices, which has been under way for the past 3 weeks, continues. On Tuesday of this week, No. 2 white Texas corn sold in Fort Worth for a top price of \$2.16-1/2 per bushel, compared with \$2.30 a week earlier and a season's high of \$2.75 on July 26. Tuesday's top price for No. 2 yellow corn was \$1.64-1/2 per bushel - off about 10 cents for the week.

The visible supply of corn in the U. S. on August 12 was 38 million bushels, vs. 5 million a year ago.

Approval of a contract to exchange 215,000 bushels of CCC-owned corn for a foreign-produced strategic and critical material for transfer to the national stock pile was announced last week by the CCC.

Prices of oats and barley on the Fort Worth market have held steady for the past week at 93 cents and \$1.42 per bushel, top prices, respectively.

P E A N U T S

The PMA has announced specific support prices for 1950-crop farmers stock quota peanuts based upon 90 percent of parity. These prices, which provide a basic support level of 10.8 cents per pound, or about \$216 per ton, apply to farmers stock quota peanuts which are eligible for price support under the 1950-crop marketing quota program. The average support price for Spanish and Valencias west of the Mississippi River is \$209 per ton.

### L I V E S T O C K

Prices of lambs and most classes of cattle on the Fort Worth market declined late last week or early this week. On Tuesday, August 15, slaughter steers brought a top price of \$28.50 per cwt. - off \$2.00 from a week earlier; slaughter heifers, at \$28.00, were lower by the same amount. Cows sold as high as \$21.50 - \$1.50 below 2 weeks ago. Slaughter calves remained unchanged at \$29.00.

Feeder and stocker steers on the Fort Worth market brought a top price of \$30.00 per cwt. on Tuesday of this week - as high as they have sold this year.

Tuesday's top price for spring lambs was \$28.00 per cwt. - \$1.00 under a week earlier and \$2.00 under 2 weeks ago.

Hogs sold as high as \$24.00 per cwt. on Tuesday, August 15, regaining the losses suffered last week and equaling the top price of 2 weeks ago.

Commercial meat production in Texas during June totaled 70 million pounds - 1 percent more than in May and 7 percent above June 1949, according to this week's BAE report. During the first half of 1950, total production of commercial meat in Texas amounted to 385 million pounds, vs. 367 million in the first 6 months of 1949.

### W O O L   A N D   M O H A I R

Contracts for fall clip wool in Texas sold at 65 cents per pound during the past week, according to the PMA. Dealers placed the clean cost at about \$1.58 per pound, delivered at Boston.

An estimated 1,250,000 pounds of wool sold in Albuquerque, New Mexico, the past week. Original bag, bulk fine, average French combing wool sold at a clean price of about \$1.85 per pound. Some buyers offered \$1.90 for good, French combing types in original bags.

The Texas wool clip shorn and to be shorn in 1950 is estimated at over 52 million pounds - 1 percent below last year's clip and nearly 30 percent below the 1939-48 average. The number of sheep shorn and to be shorn is slightly under 6.8 million head, or 3 percent above last year. Lighter fleece weights more than offset the increase in number of sheep shorn.

A 5-year program to increase U. S. sheep herds by 37 percent to help meet wool needs was recommended last week by the BAE and PMA. The agencies urged continued wool price supports, better soil conservation to improve pastures, maintenance of maximum livestock on public lands, and betterment of production and marketing practices.

Business in the mohair market was practically at a standstill in Texas and at Boston the past week; little or no mohair was available for sale.

### M I S C E L L A N E O U S

Farm real estate values in the U. S. rose 2 percent in the 4-month period, March-July 1950, according to the USDA. Increases were reported for 34 states. Farm real estate values now average about the same as a year ago and are only 3 percent below the peak reached in 1948. The increased land values were said to reflect higher prices for farm commodities, especially citrus fruits, livestock, and cotton.

There were over 11.6 million people working on farms in the U. S. during the last week in July - about 1/2 million less than a year earlier. This decrease is a continuation of the decline in number of workers on farms over the past several years, although it was partly accounted for by unfavorable weather during the survey week.