

Federal Reserve Bank of Dallas

C O T T O N

Cotton prices last week reached a new high for the season; on Saturday, September 23, Middling 15/16" cotton averaged 41.20 cents per pound in the ten designated markets. Prices on the first two days of this week were a few points lower.

Sales in the ten markets last week totaled 326,900 bales, compared with 263,000 bales in the previous week, according to the PMA. Demand continued strong, but offerings were limited. Farmers generally were selling freely, although rains and wet fields in several areas retarded harvesting and the new crop moved into trade channels slowly.

Cotton textile mills continue active, the PMA reports. During recent weeks there has been a substantial volume of forward sales extending into the second quarter of 1951. Cotton goods currently are being sold for forward delivery at prices only slightly below those being quoted for spot or nearby delivery. Textile prices generally are high enough to encourage a continued high rate of mill activity.

Reports show that insect damage to the cotton crop in the Lubbock area is not too great so far, although crops in most other sections have suffered serious damage.

Cottonseed prices during the first part of last week ranged from \$75 to \$95 per ton at the gin, but were \$10 lower at week's end.

Texas cotton ginned through September 15 averaged higher in grade and about one thirty-second of an inch longer than that ginned to the same date last season, according to the USDA. The grade index through this date this year was 100.1 (Middling White = 100), compared with 98.5 last season.

The total ginnings in Texas through September 15 amounted to 797,700 bales, compared with 1,437,000 bales last year, according to the Bureau of Census.

G R A I N S

Prices of wheat, oats, and barley on the Fort Worth Grain and Cotton Exchange made net declines during the past week; corn and grain sorghum prices held steady or advanced.

On Tuesday, September 26, No. 2 yellow corn sold for a top price of \$1.65-1/2 per bushel--the same as a week earlier. No. 2 white corn at a top price of \$2.51-1/2 was up 7 cents from a week ago.

Grain sorghums made no net change during the past week; No. 2 yellow milo held at a top price of \$2.12 per cwt., which is 6 cents above the post World War II low reached in August 1949.

No. 1 hard wheat sold Tuesday for a top price of \$2.43-1/4 per bushel, or 2-1/2 cents below a week earlier. However, top wheat prices have held generally between \$2.42 and \$2.47 since late July.

Tuesday's top price for No. 2 barley was \$1.55 per bushel, off 2 cents. No. 2 red oats at 97-1/2 cents per bushel were 1-1/4 cents lower than on Tuesday of last week.

L I V E S T O C K

Prices of lambs and most classes of cattle held steady on the Fort Worth market last week, but hog prices declined seasonally.

Slaughter and feeder-and-stocker steers sold Tuesday for \$30.00 per cwt., while heifers brought \$29.50; these classes have held at these prices since the first

of the month.

Tuesday's top price for slaughter calves was \$29.00 per cwt., off \$1.00 from a week ago. Slaughter cows at \$22.50 were down 50 cents.

Tuesday's top price for hogs was \$21.25 per cwt., which was 75 cents below a week earlier and \$3.50 below the year's high in late August. However, hog prices usually decline at this season of the year and further declines may be expected during the next 2 or 3 months.

WOOL AND MOHAIR

Wool auctions opened in London last week with heavy attendance and strong competition from the home trade and continental buyers. Prices for merino wools generally ruled from 45 to 50 percent above the last London prices, while some types and grades of wool sold 80 to 90 percent higher.

West Texas wool and mohair continued to bring record prices last week as representatives of several Eastern dealers bought more spot wool and contracted for 12-months and 8-months wool and mohair for 1951 spring delivery. One car load of 1950 12-months wool sold at \$1.04 per pound, grease basis, while 1951 8-months wool was contracted at the record price of 80 cents per pound.

Contracting of spring mohair saw prices rise to \$1.01-1/2 per pound for adult hair and \$1.26-1/2 per pound for kid hair, up about 25 cents over prices for the 1950 fall clip. However, it is reported that many ranchmen are unwilling to sell next year's mohair under contract even at these record prices.

POULTRY AND EGGS

The Dallas Wholesale Poultry and Egg Market has remained steady for the past two months. Last week's prices for hens: 4 pounds and over, 22 cents per pound; 3 to 4 pounds, 15 cents; and under 3 pounds, 10 cents.

Arkansas fryers are selling in the Dallas market at 32 cents per pound; local birds are bringing 25 to 30 cents. No. 1 turkey hens are quoted at 30 cents per pound.

Egg prices: candled No. 1 mixed, 33-1/3 cents per dozen; No. 2 mixed, 20 cents; and No. 2 infertile, 36-2/3 cents.

Commercial hatchery production in Texas during the month of August was 3.2 million chicks--the highest output on record for the month. As compared with the same month last year, August production of broiler chicks was up 70 percent, while non-broiler chick production was about one-third lower.

MISCELLANEOUS

The 1950 production of sweet clover seed in Texas is estimated at 425,000 bushels (25.5 million pounds) of thresher run seed, compared with 255,000 bushels (15.3 million pounds) harvested in 1949, according to the BAE. The 1950 crop was harvested from 100,000 acres, vs. 56,000 acres in 1949.

Holdings of farmers' stock peanuts at mills and in off-farm warehouses on August 31 were the lowest for any month of record beginning in 1938. Commercial supplies on this date amounted to only 17 million pounds--less than half as large as a month earlier and 10 million pounds less than a year earlier.

Correction: The average support price for 1951 crop flaxseed is \$2.65 per bushel, vs. \$2.57 for the 1950 crop.