

## Federal Reserve Bank of Dallas

## C O T T O N

Cotton prices continue to show wide fluctuations from day to day, affected by announcements and rumors concerning export controls, as well as by other factors. Middling 15/16-inch cotton averaged 39.52 cents per pound in the 10 spot markets on Tuesday, October 24, compared with 39.76 cents a week earlier.

Cotton consumption in the U.S. during August and September, the first 2 months of the current season, totaled 1,776,000 bales, compared with 1,372,000 in the same 2 months last year.

Stocks of cotton in mills at the end of September totaled 1,238,000 bales, compared with 745,000 a year earlier.

The brisk activity that had prevailed in the Southwestern spot markets slowed down to a moderate pace during the past week, according to the PMA. Inquiries from domestic and export sources were less numerous.

Weather conditions in the Southwest during most of the past week were ideal for maturing and harvesting the cotton crop. During the latter part of the week, light rains were reported in several sections and harvest was delayed.

The Secretary of Agriculture this week announced that export allocations for the period ending March 31, 1951 have been increased from 2 million to 2,146,000 bales. This became possible, he said, when the Bureau of Census revised upward their figures on carry-over of cotton in the U.S. on August 1 of this year.

CCC loans on 1950-crop cotton through October 12 covered only 1,072 bales with an additional 546 bales in process.

World cotton stocks on July 31, 1950 are estimated by USDA at 16,560,000 bales, which is 1,620,000, or 11%, above a year earlier. The increase in stocks this year includes 1.4 million increase in U.S. stocks and about 200,000 elsewhere.

Wagon lot prices for cottonseed at Texas gin points last week ranged from \$75.00 to \$100.00, with an average price of \$90.30 per ton compared with \$37.80 a year ago.

The price of cottonseed oil, f.o.b. tank car, at Texas common points on Tuesday of this week was 18-1/2 cents per pound, compared with 17-1/2 cents a week ago.

## G R A I N S

Grain prices on the Fort Worth Grain and Cotton Exchange have strengthened during the past week. On Tuesday, October 24, No. 1 hard wheat sold for \$2.43-3/4 per bushel, up 3-1/2 cents from a week earlier. No. 2 red oats at 99-3/4 cents were up 1-1/2 cents. No. 2 yellow corn, selling for \$1.64-3/5, was up about 2 cents, while white corn at \$1.86-1/2 was up 5 cents per bushel. No. 2 yellow milo sold for a top price of \$2.20 per cwt.--up 5 cents from a week earlier. Barley prices remained unchanged at \$1.44 per bushel for top price.

## V E G E T A B L E S

Commercial vegetables in the Texas irrigated sections showed improvement during the first half of October. All sections of the Lower Valley had good rains the early part of the month and fairly good rains were received in the Winter Garden and Eagle Pass sections. The Laredo section remained dry, but all areas have a good supply of water for irrigation. Temperatures were favorable for growing crops and good progress was made in planting of additional acreages for later season harvest. Nonirrigated vegetable areas were still critically short of moisture. The Coastal Bend was still without any relief from the long dry spell and no plantings have been made in that area.

A somewhat higher level of demand for vegetables in 1951 is expected, according to the USDA's 1951 Outlook Issue of "The Vegetable Situation." Prices received by farmers for commercial truck crops produced for fresh market in 1951 are expected to average higher than in 1950. Consumption of canned and frozen vegetables in general is expected to continue on at least as high a level as in 1950. Some increases in production of processing crops, particularly for canning, appear likely.

The 1951 potato crop, barring abnormal weather conditions, may be considerably larger than that required to take care of all the normal commercial uses made of potatoes in recent years. In all probability, says the USDA, there will be no price support program for potatoes in 1951--the first time in several years. Prices received by farmers for 1951-crop potatoes probably will average lower than in any other year since the beginning of World War II.

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

Livestock prices on the Fort Worth market have fluctuated during the past 3 weeks without much evidence of upward or downward trends. On Tuesday, October 24, top prices of hogs (\$20.00), slaughter and feeder-and-stocker steers (\$30.00), heifers (\$29.00), and calves (\$28.50) were the same as 3 weeks ago; slaughter cows at \$23.00 were up \$1.00 per cwt.

The number of cattle on feed October 1 in 3 important feeding states--Illinois, Iowa, and Nebraska--was 1,084,000 head, 21% more than on the same date last year, according to the BAE.

#### P O U L T R Y   A N D   E G G S

Prices on the Dallas wholesale poultry and egg market have remained virtually unchanged during the past week.

Commercial hatcheries in Texas produced 2.9 million chicks during September. This was a record high for this season of the year and 29% above the number produced for the same month last year, according to the BAE. An expanding poultry industry, particularly in east Texas, took the bulk of the increased chick production.

Egg production on Texas farms during September was 192 million, which was practically the same number produced in September, 1949.

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

The 1950 honey crop for Texas is estimated by the USDA at 15,850,000 pounds, exceeding by 19% the previous record established last year. The average yield of 50 pounds per colony compares with 43 pounds produced last year.

Production of alfalfa seed in Texas in 1950 is forecast at 49,000 bushels, thresher run, up 1,000 bushels above the 1949 crop. Acreage is up 12-1/2%. Production of sudan grass seed is estimated at 14.4 million pounds, clean basis, down 20%.

Texas white seedless grapefruit sold at auction in Chicago this week at an average of about \$4.18 per box. Texas Navel oranges averaged \$3.95 per box, while Hamlins brought \$3.86.

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