

Federal Reserve Bank of Dallas

C O T T O N

Spot cotton prices continue to reach new record-high levels. On Monday, November 20, Middling 15/16-inch cotton averaged 43.87 cents per pound in the 10 designated markets, compared with 42.35 cents a week earlier and 39.00 cents a month ago. The markets on Tuesday averaged 25 points lower.

Trading in the Southwestern spot cotton markets was fairly brisk during the past week, according to the PMA. Inquiries from domestic and export users continued moderately numerous. There was a good demand for the lower white grades, offerings of which were very small in volume.

Weather conditions in the Southwest the past week generally were ideal for harvest of cotton. The cotton crop in the Low Rolling Plains was about 80 percent harvested at the close of last week, while the crop on the southern section of the High Plains area was only about 35 percent harvested.

Stocks of cotton in mills increased during October and at the end of the month totaled about 1.5 million bales, vs. 1.3 million a month earlier and 1.1 million a year ago. End-of-October stocks were the equivalent of over 1-1/2 months' supply at the October rate of consumption.

During the first three months of the current season, August-October, mill consumption of cotton in the U.S. totaled 2.6 million bales, vs. 2.1 million in the same three months of 1949. The three months' consumption was at an annual rate of 10.4 million bales, vs. less than 8.9 million consumed during the 12 months ended July 31, 1950.

Wagon lot prices of cottonseed in Texas and Oklahoma, f.o.b. gins, averaged about \$97.70 per ton in Oklahoma and \$100.90 per ton in Texas.

Cottonseed meal was quoted in the Dallas wholesale market last week at \$78.00 per ton.

R I C E

Rice markets in Texas and Louisiana have been showing little change in prices during the past several weeks. Milled rice prices reported in these States last week: Zenith, \$10.50; Blue Bonnet, \$11.50; and Patna, \$12.00 per cwt.

Harvesting in the southern belt is practically completed and most rice has been sold or placed in private or public storage. Export trade is limited and shipments to Territories is also light.

There were no losses of rice this year due to storms, irrigation water supplies were adequate, and more fertilizer was used on reduced acreage. Rice production in Texas in 1950 is estimated at 11,352,000 100-pound bags (about 7 million barrels), compared with 10,178,000 bags in 1949. Louisiana will harvest an estimated 10,722,000 bags, vs. 11,051,000 last year.

O T H E R   G R A I N S

Grain prices on the Fort Worth Grain and Cotton Exchange made only minor changes during the past week. On Tuesday, November 21, No. 1 hard wheat sold for a top price of \$2.47-1/4 per bushel--down 1 cent from a week earlier but 2 cents over a month ago and 7 cents above the same date last year. No. 2 barley brought a top price of \$1.52 per bushel--2 cents below a week earlier.

No. 2 white oats sold as high as \$1.12 per bushel on Tuesday, virtually unchanged from a week earlier. No. 2 yellow corn at \$1.75-1/4 per bushel was off about 2 cents, while No. 2 white corn at \$2.02-1/2 was up in the same amount.

No. 2 yellow milo brought a top price of \$2.31 per cwt.---off 2 cents from a week earlier but 12 cents over a month ago.

The Texas crop of sorghum grain is estimated at 129 million bushels--an all-time record--and compares with 93 million bushels produced last year. Yield per acre is 24 bushels--the same as in 1949.

Corn production in Texas in 1950 totaled 65.7 million bushels, vs. 58.2 million in 1949. Yields averaged 21 bushels per acre---much above most recent years.

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

Livestock prices in the Fort Worth market last week made relatively little changes. Hogs sold on Tuesday of this week at a top price of \$19.00 per cwt.--- the same as a week ago.

Tuesday's top cattle prices, with changes from a week ago: slaughter steers, \$31.00; heifers, \$30.50; and cows, \$22.50, all up 50 cents. Slaughter calves at \$30.00 per cwt. were unchanged.

Medium and Good slaughter wooled lambs brought as high as \$28.75, unchanged from a week ago.

The cattle feeding situation to the end of October continued to indicate a high volume of cattle feeding in the U.S. this season, according to the BAE. Shipments of stocker and feeder cattle into the Corn Belt States during July-October, totaling 1.6 million head, were larger than in most recent years, although below the 2 million head shipped during the same months last year.

Feeder and stocker cattle continue to bring very high prices, selling this week in Fort Worth as high as \$31.00 per cwt., vs. \$23.50 a year ago.

Developments through October indicate that a smaller number of sheep and lambs will be fed in the U.S. this season for the winter and spring market. A reduced supply of lambs and continued demand for breeding stock are the primary reasons for the reduction.

Feeder lambs are selling at Fort Worth for \$23.00 to \$27.00 per cwt.

#### F A R M I N C O M E

U.S. farmers' cash receipts from marketings in November are estimated by the BAE at \$3.1 billion--14 percent less than in the same month in 1949. Cash receipts in the first 11 months of 1950 will be about \$25.2 billion, or 2 percent less than in the same months last year.

Cash receipts from farm marketings in Texas for the January-September period totaled \$1,184 million, compared with \$1,226 million for the same months in 1949. Practically all of the decline was in sales of crops, with only a minor decline in sales of livestock and livestock products.

Cash receipts from farm marketings in the five states of the Eleventh Federal Reserve District (Arizona, Louisiana, New Mexico, Oklahoma, and Texas) in the first 9 months of 1950 totaled \$1,929 million, vs. \$2,066 million in the same period a year ago.

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

The Texas pecan crop is forecast at 30 million pounds, vs. 29 million pounds last year. Yields are spotted, with the better crops generally in central counties, including the Edwards Plateau.

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