

Federal Reserve Bank of Dallas

R I C E

A national rice acreage allotment of 1,867,998 acres for the 1951 crop, an increase of approximately 15 percent over the acreage planted in 1950, has been announced by the USDA. As in 1950, no marketing quotas will apply to next year's crop. The supply of rice in the US for the current season is the second highest on record, but it is assumed that domestic consumption and exports will be at a high level during the next marketing year.

Increases in state allotments for 1951 will vary by states, depending upon recent trends in rice plantings. Apportionment of the national acreage allotment by states will be announced by the USDA at an early date.

Southern milled rice markets have weakened during the past 10 days, with prices from 50 to 75 cents per cwt. below those at the first of December. Quotations at Texas and Louisiana common points show Zenith at \$9.75, Blue Bonnet \$11.00, and Patna \$11.25 per cwt.

O T H E R G R A I N S

Grain markets have strengthened during the past week or more in response to the unfavorable news from Korea, reports of damage to winter grains caused by drought and low temperatures over wide areas, and to some improvement in export demand. On Tuesday, December 12, No. 1 hard wheat sold on the Fort Worth Grain and Cotton Exchange for a top price of \$2.57 per bushel, compared with \$2.49-3/4 a week earlier and \$2.45 a month ago. Wheat prices are higher than they have been at any time since May 1948.

No. 2 white oats sold Tuesday for a top price of \$1.13-3/4 per bushel--up fractionally from a week earlier. No. 2 barley at \$1.64 per bushel was up 6 cents over a week ago.

Corn prices have been moving up gradually since mid-October. Tuesday's top price for No. 2 yellow corn was \$1.83-1/2 per bushel--up 3 cents over a week earlier. No. 2 white corn brought \$2.17-1/2--up 8 cents.

Grain sorghum prices are at the highest levels in almost a year, despite the large crop and congestion at Gulf ports. Tuesday's top price for No. 2 yellow milo was \$2.45 per cwt., or 15 cents over a week earlier.

T R U C K C R O P S -- C I T R U S

The cold wave that spread southward across the southwest last week reached the southern part of Texas on the 6th, with freezing temperatures recorded in all areas of commercial vegetable production, including the extreme southern part of the Lower Rio Grande Valley. The Laredo tomato crop was virtually destroyed, except for some matured stock that was protected. Beet and turnip tops were burnt. Carrots and onions appeared safe after the freeze, but lettuce and spinach were seriously damaged. In the Brownsville section, loss of tender vegetables was general. Citrus fruit in the Valley had ice in the stem end; tangerines were a complete loss and Temple oranges were hurt badly. Grapefruit, except Ruby Reds, and oranges are expected to recover satisfactorily.

C O T T O N

Spot cotton prices have fluctuated within a range of about one cent per pound during the past week. On Tuesday, December 12, Middling 15/16-inch cotton averaged 41.69 cents per pound in the 10 designated spot markets, compared with 42.05 a week earlier and the season's "high" of 43.93 cents on November 22.

The December 1 estimate of the 1950 Texas cotton crop is 2,900,000 bales, which compares with 6,040,000 bales harvested last year and a 10 year (1939-48) average of 2,729,000 bales. Cotton crops in other southwestern states: Arizona 440,000; Louisiana 430,000; New Mexico 190,000; and Oklahoma 230,000 bales.

Cotton ginnings in Texas through November 30 totaled 2.6 million bales, vs. 4.9 million to the same date last year.

Cottonseed prices in Texas reached a new "high" last week -- averaging \$105.30 per ton, f.o.b. gins, or \$1.50 over a week earlier. Prices in Oklahoma remained unchanged at the previous week's level of \$101.80 per ton.

L I V E S T O C K

Livestock prices on the Fort Worth market are holding very strong. Cattle prices are at the highest levels of the year and have shown no significant changes during the past week.

Hog prices are holding generally steady at a level about \$3.00 per cwt. over a year ago. Tuesday's top price in Fort Worth was \$18.50 per cwt., the same as a week earlier.

Winter range and pasture feed deteriorated rapidly over most of the southwest during November and early December. Dry range feed is plentiful in parts of north and northwest Texas but is getting short elsewhere. Ranges and pastures are practically bare in the extreme south and the Coastal Bend.

W O O L A N D M O H A I R

Contracting of wool continues fairly active in Texas. Contract prices last week were mostly steady to firm at around \$1.01-1/2 per pound, grease basis, f.o.b. Texas.

Contract prices for 1951 spring clip mohair in Texas advanced late last week with contracts being made at \$1.10 for adult and \$1.35 per pound for kid hair.

The USDA has announced the details of its program to purchase 30 million pounds of raw wool, clean basis, for a part of the Armed Services emergency reserve requirements.

P O U L T R Y A N D E G G S

Egg prices in the Dallas wholesale market advanced sharply last week, although they were 2 to 3 cents lower on Tuesday of this week. There are reports of a very strong demand coupled with less production than might have been expected at this season of the year. Tuesday's prices: candled No. 1 mixed large, 58 cents; No. 1 mixed medium, 55 cents; No. 1 white infertile, 63 cents per dozen.

Prices of hens and roosters have been holding steady for the past month or more. Fryers have held unchanged for about three weeks. No. 1 turkey hens, which had been bringing 38 cents per pound, were off 2 cents on Tuesday.

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

The BAE index of farm prices in Texas reached an all-time high of 355 on November 15. The increase of 15 index points (4-1/2 percent) since mid-October was the result of moderate increases in prices of most farm commodities, with the principal exception of hogs, sheep, chickens, and citrus fruits, which declined slightly.

Approximately 28.5 million Christmas trees with a retail value of more than \$50 million will be marketed in the US during the coming holiday season.