

Federal Reserve Bank of Dallas

C O T T O N

Trading in spot cotton remained at a near standstill last week, according to the USDA. Cotton futures markets were closed for the third consecutive week. Price information for spot cotton was meager as only a very small volume of cotton changed hands during the week. There were some reports that prices ranged from about 50 to 150 points above the January 26 level when Middling 15/16-inch cotton averaged 44.49 cents per pound in the 10 spot markets. There have been no spot quotations posted by the principal Cotton Exchanges since cotton futures markets suspended trading on January 27.

The Secretary of Agriculture announced last week that loan rates for 1951-crop upland cotton were expected to average above 30 cents per pound, with normal grade distribution. The guaranteed minimum loan rate for 1951-crop Middling 7/8-inch cotton will average not less than 29.68 cents per pound, compared with an average loan rate of 27.90 cents per pound for the 1950 crop. The increase is the result of the rise in parity prices. The guaranteed loan rate for Middling 15/16-inch cotton, the base quality, will be announced at the time the schedule of premiums and discounts for other grades and staple lengths is announced.

G R A I N S

Prices of most grains on the Fort Worth Grain and Cotton Exchange last week reached new high levels for the season, but weakened early this week. The sharp advances of past weeks have been attributed to the general inflationary situation while the decline in prices from last week's highs is said to have been due to improved moisture conditions in many grain-producing areas and to an uncertain export situation.

On Tuesday, February 20, No. 1 hard wheat sold in Fort Worth for a top price of \$2.68-3/4 per bushel, which compares with last week's high of \$2.76-1/4 per bushel. No. 2 white oats at \$1.21-1/2 per bushel were off about 1 cent from the top level reached last week. No. 2 yellow corn brought \$2.01 per bushel -- off 2-3/4 cents; No. 2 white corn at \$2.23 per bushel was off by the same amount.

No. 2 yellow milo sold Tuesday for \$2.60 per cwt. -- 7 cents under last week's top price.

Price support for 1951-crop corn at 90 percent of parity as of the beginning of the marketing season, with an assured minimum national average support of \$1.54 per bushel, and specified rates for oats, rye, barley, and grain sorghums were announced last week by the Secretary of Agriculture. These grains will be supported at the same percentage of parity as in 1950, but the dollars and cents rates have increased because of revisions in the parity formula provided in the Agricultural Act of 1949 and because of increases in parity prices. The average loan rate for 1951-crop grains: oats, 72 cents per bushel; rye, \$1.30 per bushel; barley, \$1.11 per bushel; and grain sorghums, \$1.88 per cwt.

Rice markets became less active during the week ended February 12 with millers and distributors awaiting clarification of price regulations, according to the USDA. Very little rough rice was marketed because of small stocks remaining in growers hands and unfavorable weather conditions over most of the southern belt. Little new business was done in milled rice, but considerable quantities moved from mills to distributors on previous orders. Milled rice quotations in Houston: No. 1 Rexoro and Patna, \$11.50 to \$12.00; and No. 1 Blue Bonnet, \$11.00 to \$11.50 per cwt.

L I V E S T O C K

Livestock prices on the Fort Worth market reached new record-high levels this week. Slaughter cattle: steers, \$37.00; heifers, \$36.00; cows, \$28.00; and calves, \$36.00 per cwt.

The strong demand for cattle for breeding herds is reflected in the price of feeder and stocker cattle. Feeder and stocker steers on the Fort Worth market reached \$40.00 per cwt. this week -- \$6.00 over a month earlier and \$14.00 over a year ago. Stocker calves sold as high as \$44.00 per cwt.

Tuesday's lamb prices: woolled slaughter lambs, \$37.50, with a few Choice 80-pound milk-fed lambs at \$38.50; woolled feeder lambs sold as high as \$37.50 per cwt.

Hog prices have made little net change during the past week, holding generally between \$23.00 and \$23.75 per cwt., top price. Hog prices are about \$2.00 above a month ago.

Strong to 50-cent higher prices prevailed last week in the goat division of the San Antonio livestock market. Some Medium and a few Good Angoras in the hair, all freshly shorn, reached \$19.00 per cwt.

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

Prices of poultry in the Dallas wholesale market have made no significant changes for more than 10 days. Hens weighing 4 pounds and over are bringing 26 cents; 3 to 4 pound hens are selling at 22 cents per pound. Local fryers are quoted at 27 to 28 cents per pound while Arkansas fryers are commanding 29 cents.

Egg prices on the Dallas market rose this week after having declined for more than 2 months. No. 1 infertile eggs sold Tuesday for 48 cents per dozen, vs. 40 cents a week ago and the December high of 65 cents.

A total of 1,059,000 broiler chicks were placed on Texas farms during the week ended February 10. This was the third consecutive week in which placements exceeded all previous records. Placements for the first 6 weeks of 1951 totaled 5,713,000 chicks, vs. 3,720,000 in the same period last year.

Broiler prices in Texas during the week ended February 10 averaged 27.4 cents per pound, or about the same as a year ago.

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

There was no business in wool and mohair in Texas last week to report; also, activity on the Boston market was slow. Sales were limited largely to filling Government orders.

Price support for 1951-crop dry edible beans at levels which will reflect to farmers an average of \$6.69 per cwt. on a thresher-run basis has been announced by the USDA. This is approximately 75 percent of parity. Support for 1950-crop beans averaged \$6.30 per cwt. No acreage allotments are in effect for the 1951 crop.

The 1951 strawberry acreage in Louisiana is estimated to be 9 percent more than last year's and 23 percent above the average of the previous 10 years, according to the USDA. It is estimated that 24,000 acres were planted this season -- 2,000 more than in 1950. Early spring strawberry acreage in Texas, on the other hand, is estimated at 600 acres -- 100 below last year and 460 acres below average.