

Federal Reserve Bank of Dallas

G R A I N S

Trends in grain prices on the Fort Worth Grain and Cotton Exchange during the past week were mixed. No. 1 hard wheat sold on Tuesday, February 27, at a top price of \$2.61-3/4 per bushel -- 7 cents under a week earlier and 13 cents under 2 weeks ago. No. 2 white oats brought a top price of \$1.20 per bushel, or 1-1/2 cents less than a week earlier. No. 2 yellow corn at \$1.97-3/4 per bushel was off 3 cents for the week.

On the other hand, No. 2 white corn reached \$2.24-1/4 per bushel, compared with \$2.23 a week earlier. No. 2 yellow milo (sorghums) sold as high as \$2.62 per hundred pounds, up 2 cents. No. 2 barley at \$1.81 per bushel was 1-1/2 cents above the same date last week.

Rice markets were less active during the week ended February 19 with millers and distributors awaiting clarification of price regulations. Milled rice markets were generally steady, but demand apparently was less urgent than in other recent weeks. No. 1 Patna and Blue Bonnet was quoted on the Houston market at \$11.75 to \$12.00 per hundred pounds.

U.S. exports of grains and grain products during the 7-month period, July-January, 1950-51, totaled approximately 6.9 million long tons (269 million bushels of grain equivalent) as compared with 8.2 million long tons (324 million bushels of grain equivalent) in the corresponding period of 1949-50. About 38% of the July-January total went to ECA countries.

C O T T O N

Spot cotton markets continue to remain generally inactive while cotton futures markets have not reopened. Trading is at a virtual standstill as the industry awaits further developments relating to price regulations for cotton and cotton textiles.

U.S. mill consumption of cotton per working day in January was 42,500 bales, vs. 37,400 per working day in January 1950. During the past 6 months of the current season about 5,445,000 bales were consumed, vs. 4,333,000 in the corresponding period a year earlier.

Prices paid to Texas cotton producers for cottonseed last week ranged from \$95.00 to \$115.00 per ton at the gin, according to the PMA. The Secretary of Agriculture announced last week that the CCC will develop a program to purchase up to 5,000 tons of registered and certified cottonseed from 1951-crop of Amsak and Pima 32 varieties of American-Egyptian cotton. This program is being undertaken in accordance with a request by the Munitions Board to assure production of sufficient extra long-staple cotton in an emergency to fill military and essential civilian requirements.

L I V E S T O C K

Livestock prices on the Fort Worth market generally have made only minor changes during the past week. The principal change was the decline of \$1.50 in top prices paid for hogs. Tuesday's top price was \$21.75 per cwt., vs. \$23.25 a week ago and \$23.50 two weeks ago.

The USDA has invited comments or proposals to change standards for grades of lamb, yearling mutton, and mutton carcasses, and for grades of slaughter (live) lambs and sheep. Comments should be sent to Washington before March 22, 1951.

Livestock numbers on Texas farms increased substantially during 1950, according to January 1, 1951 estimates by the USDA. Numbers on farms January 1, 1951

and percentage changes from a year earlier: stock sheep, 7,036,000, up 6%; cattle, 9,260,000, up 8 %; goats, 2,433,000, up 6%; hogs, 1,786,000, up 5%; chickens, 25,884,000, down 5%; turkeys, 775,000, unchanged; and horses and mules down 8% and 14% respectively. The estimated inventory value of all livestock and poultry on Texas farms on January 1 was a record high and 44% above a year earlier.

WOOL AND MOHAIR

Some early shorn graded fine good French combing and staple 12-months Texas wool was reported sold last week at a grease price of \$1.40, and graded 58s staple at \$1.50 per pound, grease basis, delivered to Boston.

Graded No. 1 adult mohair was reported sold in transit last week for \$1.95, while graded No. 2 brought \$1.80 and No. 3 was reported sold at \$1.70 per pound, delivered.

Total wool production in the U.S. in 1950, shorn and pulled, amounted to 252,535,000 pounds, according to the BAE. This is slightly higher than in 1949 and the first increase in wool production since 1942. The annual average price received by growers for shorn wool in 1950 was 57.3 cents per pound, vs. 49.4 cents in 1949. Cash receipts from sale of wool by farmers and ranchers in 1950 were estimated at \$126 million -- about \$19 million over 1949. Production of shorn and pulled wool in the U.S. this year is expected to be about 260 million pounds, grease basis. This would be substantially above the 1950 production, although still 43% less than the record production of 455 million pounds, grease basis, in 1942.

POULTRY AND EGGS

Prices paid for hens and turkeys on the Dallas wholesale market increased last week while prices of eggs declined. Quotations on Tuesday, February 27: hens weighing 4 pounds and over, 28 cents; 3-4 pound hens, 20 to 24 cents; local fryers, 27 to 28 cents; and No. 1 turkey hens, 30 to 35 cents per pound. No. 1 infertile eggs brought 40 cents, vs. 48 cents a week ago.

Commercial hatchery production in Texas during January totaled 5 million chicks, according to the BAE. This was more than one-third greater than a year ago and the largest January output on record. Hatchery production for farm-flock replacement chicks was about 7% less than January last year, while broiler chick production was up more than one-third.

Egg production on Texas farms during January totaled 188 million, vs. 201 million in the same month last year. This drop in egg production was due to a 2% decline in the number of layers on farms and a 5% reduction in the rate of production per layer.

A total of 1,133,000 broiler chicks were placed on Texas farms during the week ended February 17, according to the BAE. This was the fourth consecutive week in which placements hit a new high.

Broiler prices in Texas during the week ended February 17 averaged 29.2 cents per pound, vs. 27.4 cents in the previous week and 29 cents a year ago.

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