

Federal Reserve Bank of Dallas

P R O S P E C T I V E P L A N T I N G S

Much smaller acreage of spring-sown crops, excluding cotton, is indicated for Texas this year as compared with 1950, according to a report of the BAE. Fall seedings of oats, barley, and flaxseed, curtailed by droughty conditions, are below last year's levels. Larger acreages of wheat and rice will only partially offset reductions indicated for all other crops included in the report. Acreage planted to these crops may be about 16 percent below the acreage planted for harvest in 1950. Should plantings of cotton equal the increased acreage recently requested by the Secretary of Agriculture in announcing production guides for 1951, however, the total planted acreage of all crops in the State for this year will likely exceed last year's total by 4 or 5 percent.

Crops in Texas showing an increase in acreage: winter wheat, 6,416,000 acres - up 7 percent; and rice, 544,000 acres - up 13 percent.

Crops in Texas showing a decrease in acreage: corn, 2,473,000 acres - down 22 percent; oats, 1,572,000 acres - off 15 percent; all grain sorghums, 5,166,000 acres - down 44 percent; and peanuts, 454,000 acres - lower by 13 percent.

The BAE expects U. S. farmers this year to plant about 275.5 million acres of the 17 spring-planted crops now estimated (cotton excluded), compared with 280 million acres of these crops in 1950. All principal crops planted in 1951 may total 366 million acres, including cotton at the guide acreage. This would be about 8 million acres more than in 1950.

C O T T O N

Spot cotton prices continue to hold at or near ceiling levels. The Dallas market reports Middling 15/16-inch cotton at an average price of 44.77 cents per pound, unchanged since the market reopened.

Cotton futures prices have weakened during the last few trading days. Trade reports indicate that the rains received over much of Texas last week end contributed to the decline.

There are reports that the market for cotton fabrics has weakened very noticeably, with buyers holding off and converters trying to unload large stocks of finished goods below mill costs. Some manufacturers say that unless converters' stocks can be reduced quickly, the market for raw cotton may be affected adversely.

The cold wave received in the Lower Rio Grande Valley about mid-March caused some damage to early planted cotton, and it is reported that a considerable acreage will have to be replanted. The planting date in the Valley has been extended to April 15.

Ginnings of all kinds of cotton from the 1950 crop totaled 9.9 million bales, compared with 15.9 million in 1950, according to the Bureau of the Census. The 1950 crop consisted of 9,842,138 bales of upland cotton and 57,279 bales of American-Egyptian cotton.

G R A I N S

Wheat prices on the Fort Worth Grain and Cotton Exchange strengthened during the past week, while prices of other grains made little change or declined. Unfavorable reports from the Panhandle wheat area and announcements of the grain export program for March and April gave strength to the wheat market. On Tuesday, March 27, No. 1 hard wheat on the Fort Worth market brought a top price of \$2.66-3/4 per bushel, compared with \$2.64 a week earlier.

No. 2 barley at \$1.69 per bushel on Tuesday was off 2 cents from a week ago and lower than at any time since December. No. 2 white oats sold for \$1.20-1/4 per bushel, near the level of last week.

No. 2 yellow corn at \$1.94 per bushel was off 1 cent from a week earlier, while No. 2 white corn at \$2.18 was off 3-1/2 cents.

Sorghum grain brought a top price of \$2.51 per cwt. - 3 cents under a week ago.

Rice markets held steady during the week ended March 19, according to a report of the American Rice Growers Cooperative Association. Quotations on milled rice at Houston are near ceiling levels, with No. 1 Patna and Rexoro at \$11.75 to \$12.00 per hundred pounds.

L I V E S T O C K

Prices of livestock on the Fort Worth market have made only minor changes during the past week. Tuesday's top prices: hogs, \$22.00; slaughter steers, \$37.00; slaughter calves, \$36.50; feeder and stocker steers, \$40.00; and spring lambs, \$35.50 per cwt.

On the San Antonio market, Medium and Good Angora goats carrying around 4 pounds of mohair sold last week as high as \$21.50 per cwt. The bulk of Common and Medium shorn Angoras and Spanish type went at \$16.00 to \$17.00, with a few at \$18.00.

F A R M I N C O M E

The BAE's report on cash receipts from farm marketings for the year 1950, issued last week, shows that Texas farmers received \$1,993 million, compared with \$2,057 million in 1949. Receipts from sale of livestock and livestock products totaled \$806 million - up \$20 million. Receipts from sale of crops amounted to \$1,187 million - down \$83 million.

Cash receipts from farm marketings in other southwestern states in 1950 and changes from 1949: Louisiana, \$332 million - down \$5 million; Oklahoma, \$527 million - off \$76 million; New Mexico, \$190 million - down \$3 million; and Arizona, \$256 million - up \$10 million.

Farmers in the United States realized 8 percent less net income from farming operations in 1950 than they did in 1949. The total was \$13 billion, vs. \$14.1 billion a year earlier and \$17.8 billion in 1947.

Texas farmers in January 1951 received \$158 million from sale of crops and livestock, compared with \$197 million in January 1950.

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

Good 12-months wool was contracted in Texas last week at an estimated clean price of \$3.75 per pound delivered to Boston. Other contracts were estimated up to \$3.30, clean basis, delivered. Small lots of 8-months Texas wool were sold at \$1.50 per pound, grease basis, to the grower.

The USDA has announced a price support program for 1951-crop hay, pasture, and range grass seed, designed to encourage production to meet requirements for soil-conserving crops during the next few years. The program is substantially the same as the 1950 program.

The USDA also announced support of honey prices in 1951; most flavors will be supported at 10 cents per pound to the beekeeper; other flavors at 9 cents.

W. M. Pritchett
Agricultural Economist