

Federal Reserve Bank of Dallas

C O T T O N

Spot cotton prices remain unchanged at ceiling levels. Distant futures are still substantially below last month's levels, although Tuesday's (April 17) quotations were fractionally above those of a week ago.

Reports continue to indicate that a very large cotton crop will be planted in the Southwest this year. Planting is virtually completed in the Valley and the crop is in all stages of growth, according to the PMA. The acreage in south Texas will exceed early estimates. Cotton planting is under way in central Texas and some has been planted in north Texas. Land preparation in western sections of Texas and Oklahoma is very good, says the PMA, but more moisture is needed. Planting seed is scarce in all sections and if much replanting becomes necessary, gin run seed will have to be used.

G R A I N S

Grain prices on the Fort Worth Grain and Cotton Exchange continue to fluctuate within narrow limits. All quotations this week were within a few cents of levels maintained during the past several months. Week-to-week changes of a few cents per bushel or hundredweight reflect changes in the outlook for production of grains in 1951, in war news, and in export developments. However, even these cause only minor price changes.

Grain stocks on Texas farms on April 1, 1951 were substantially below a year ago, according to a USDA report. Farmers held 12.9 million bushels of corn, or 1.4 million less than last year; 1 million bushels of wheat, down 2 million; 6.2 million bushels of oats, off half million; and less than half million bushels of barley and rye combined. Oklahoma farmers held more corn than last year, but less of other grains.

Prospects for small grain production in Texas continue poor, according to a BAE report. Growing crops of wheat and oats made slow progress last week, due to cool weather and drying winds. Warm weather and rains are needed on all remaining acreage.

F R U I T S A N D V E G E T A B L E S

Texas peach crop prospects are fair to good, according to the BAE. Cold weather delayed blooming of early varieties and caused some damage to trees.

Citrus trees in the Lower Rio Grande Valley are said to be making very slow recovery from the damage inflicted by last winter's freezes. Wood damage was very severe. Removal of entire groves has been extensive. Prospects for 1951-52 production are poor.

Defense Food Order No. 2, establishing the amount of canned vegetable pack to be set aside for defense use, has been announced. The amount of any specified canned vegetable to be set aside by each processor is determined by applying a set-aside percentage to that processor's "base pack." Percent of base pack to be set aside: asparagus 12, lima beans 25, green and wax beans 14, carrots 27, sweet corn 15, green peas 15, pumpkin 17, sweet potatoes 22, tomatoes 20, tomato catsup 16, and tomato paste 17 percent.

The acreage of early spring cucumbers in Texas this year totals 2,200 acres - 1,000 less than last year; yields are higher. The south Texas early spring onion crop is estimated at 1.9 million sacks, or less than half last year's crop.

L I V E S T O C K

Livestock prices on the Fort Worth market have made few noteworthy changes during the past 2 weeks. Slaughter steers dropped 50 cents, or to \$36.50 per cwt., while spring lambs reached \$36.00, a new high for the season.

The outlook for the early lamb crop in Texas declined further during the past month, reports the BAE. Green feed did not develop during March as expected. Mid-February rains started grass and clover, but the dry, windy weather depleted the moisture supply, and the low temperatures checked the growth of grass before it could furnish much feed. Most yearlings marketed before mid-May will carry only feeder flesh; spring lambs have made only fair progress, and the market movement probably will begin the last of May or in early June.

The early lamb situation in Arizona has continued favorable. Marketings were under way April 1, with the movement going mostly to midwestern and eastern markets.

Commercial meat production in Texas during February totaled 53.7 million pounds, which was about one-third less than in January and about 2 percent lower than in February 1950, according to the BAE. The numbers of cattle, calves, sheep and lambs slaughtered during February were smaller than a year ago, while the number of hogs slaughtered was higher.

Livestock receipts on the Fort Worth market in March were substantially below those of the same month in 1950. Marketings of all classes were lighter. Receipts of cattle were off 13 percent; calves down 39 percent; hogs off fractionally and sheep down 52 percent.

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

There was no business in Texas wools or mohair last week. Meanwhile, wool prices on the Boston market continued to decline; dealers estimated that the prices of mohair were 20 percent below recent high levels.

The wool tops and grease wool futures exchange reopened on April 9 after having been closed since January 26. Ceiling prices for wool top futures were set at \$4.265 and for grease wool futures at \$3.535.

F A R M E M P L O Y M E N T A N D W A G E R A T E S

A report released by the USDA last week shows that farm wage rates in the U. S. rose 6 percent during the past 3 months and on April 1 were 13 percent higher than a year ago. On the other hand, there were 4 percent fewer persons working on U. S. farms than a year earlier. Farm wages, says the report, continue to reflect increases in prices received by farmers, the competition of higher industrial wages, and the increased cost of living.

Farm employment in the Southwest in late March was some 4 percent under a year ago and 8 percent below the March average for the past 5 years.

Wage rates in Texas on April 1 were 12 percent above a year ago. Texas farmers paid an average of \$4.75 per day with room or \$5.40 per day without room or board. Farmers who employed laborers by the hour paid an average of 56 cents per hour with room or 64 cents per hour without board or room.

W. M. Pritchett
Agricultural Economist