

Federal Reserve Bank of Dallas

C O T T O N

The spot cotton market was generally dull and relatively inactive during the past week, with prices virtually unchanged. On Tuesday of this week the 10-market average for 15/16-inch Middling was reported at 45.25 cents per pound - up 7 points from a week ago. Most traders are marking time, pending the movement of the new crop. Old commitments are generally filled, although a few "shorts" are searching for certain grades and qualities to fulfill contracts. In the Southwest, demand is strongest for Bright Strict Low Middling and above grades in medium staple length. It is reported that some of these qualities are being purchased from mill stocks and from merchants.

Cotton futures continue to decline, with all deliveries, including July 1951, sharing in the decline. October 1951, on Tuesday of this week, at 37.26, was off 43 points and December 1951, at 36.98, was off 30 points from a week ago.

The new crop is making good to excellent progress throughout the Southwest, as growing conditions have been near perfect except in local areas where severe storms damaged the crop and necessitated replanting. The Mississippi Delta and southeastern regions of the Belt received rains during the past week which broke the prolonged drought in those areas. Additional rains are needed, however, in the Mississippi Delta. Squares are forming as far north as north central and northeastern Texas, while the first bale is expected from the Lower Rio Grande Valley in the very near future.

Insects have been kept under control by extensive poisoning and to date have not damaged the crop seriously. However, the pink bollworm situation is considered potentially serious, inasmuch as the insect has been found earlier and in greater numbers than in previous years. An intensive and thorough clean-up program will be urged in all areas this fall to control this pest.

A support program for 1951-crop cottonseed has been announced by the United States Department of Agriculture. The loan rate will be \$65.50 per ton for basis grade (100), and in areas where a purchase program may be necessary, the loan rate will be \$61.50 per ton.

L I V E S T O C K

Receipts of cattle at the 12 major livestock markets during the week ended June 8 were 20 percent below the previous week and 30 percent below the comparable period a year ago. Movement increased during Monday and Tuesday of this week, with the total for the 2 days exceeding the first 2 days of last week by about 5,000 head, but was about one-fourth under a year ago.

Prices have been irregular during the week, reflecting the uncertainty in the market regarding controls. However, prices of all classes are generally stronger than a week ago.

Top prices on the Fort Worth market on Tuesday of this week and comparisons with a week ago: hogs, \$22.00 per cwt. - up 75 cents; Good steers, \$33.00 - up 50 cents; Good heifers, \$35.50 - up 50 cents; Commercial cows, \$27.50 - unchanged; Good and Choice calves, \$36.50 - up 50 cents; Good and Choice feeder and stocker steers, \$37.00 - up 50 cents; and Good and Choice spring lambs, \$34.00 - off 50 cents.

Range and pasture conditions are good to excellent throughout the Southwest except in western New Mexico, where rain is urgently needed. As of June 1, the condition of all ranges and pastures in Texas was reported by the United States

Department of Agriculture at 83 percent - a 12-point improvement over a month earlier but 3 points below the 10-year average. Condition of all cattle and calves as of the same date was reported at 83 percent - a 6-point improvement from May 1 but 3 points below the 10-year average. Condition of all sheep was reported at 80 percent - a gain of 6 points during May but still 6 points below the average for this season of the year.

Commercial meat production in Texas during April is reported at 56,133,000 pounds - 5 percent less than during March and 4 percent below April 1950. Commercial meat production in the United States during the same month was down 4 percent from March but was 3 percent above April 1950. Total production in the United States for January-April 1951 was 1 percent more than for the same period last year.

G R A I N S

The Nation's 1951 wheat crop is now estimated at 1,053,834,000 bushels by the United States Department of Agriculture. In a report issued Monday of this week, the Department's forecast, based on conditions as of June 1, indicated a winter wheat crop of 705,175,000 bushels and a spring wheat crop of 348,659,000 bushels. This compares with 750,666,000 bushels and 276,089,000 bushels, respectively, for 1950. The Texas crop - the smallest since 1935 - was unchanged from a month earlier at 14,438,000. Combining is active in the Crowell-Benjamin-Seymour area except for delays resulting from wet fields. Limited harvest has begun in the Crosbyton area where the bulk of the crop is mature.

The Texas oat crop is estimated at 12,576,000 bushels, compared with 27,027,000 last year.

Grain prices on the Fort Worth Grain and Cotton Exchange are generally unchanged from a week ago. Top prices on Tuesday, June 12, and comparisons with a week ago: No. 1 hard wheat, \$2.61 per bushel - up 1-3/4 cents; No. 2 barley, \$1.61 - off 1 cent; No. 2 white oats, \$1.09-1/4 - unchanged; No. 2 yellow corn, \$2.00 - off 2 cents; No. 2 white corn, \$2.24 - up 6 cents; No. 2 yellow grain sorghums, \$2.61 per cwt. - up 2 cents.

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

There was little activity in the wool and mohair markets last week, although some Texas 12-month wool moved at \$1.20 to \$1.28 a pound, grease basis, delivered at Boston. Certificated spot wool in New York at \$2.31 per pound was down 9 cents from a week ago, but few sales were recorded.

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

Prices on the Dallas wholesale market were unchanged from a week ago. Quotations on Tuesday of this week were: hens, 4 pounds and over - 24 cents per pound; hens, 3 to 4 pounds - 20 cents; fryers (Arkansas) - 28 cents, (local) - 27 cents; No. 1 baby beef turkey hens - 35 cents; eggs, current receipts - 33-1/3 cents per dozen; No. 1 infertile - 41 cents.

Broiler chick placements in Texas continue at a high level. Prices remain generally firm and for the week ended June 2 were quoted at 29.1 cents per pound - up .9 cent from the previous week.

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