

Federal Reserve Bank of Dallas

C O T T O N

The Secretary of Agriculture announced last week an initial export allocation of 2,500,000 bales of cotton to be licensed for export during the period from August 1 through November 30, 1951. The Secretary stated that the total quantity of cotton to be allocated from the 1951 crop cannot be determined at this time and that the initial allocation is being made now so that domestic exporters and foreign mills may make their customary forward commitments and thus bring about a normal movement of cotton into export channels during the first months of the new season. It was stated further that it will be the policy of the Department to allocate for export all cotton produced in 1951 that is in excess of domestic consumption requirements for the 1951-52 marketing season.

Spot cotton prices are holding generally unchanged at near ceiling levels. Prices for Middling 15/16" cotton this week averaged 45.25 cents per pound in the ten spot markets, compared with 45.18 cents two weeks ago and 33.48 cents a year ago.

Prices for new crop contracts continue to drift downward; October futures on the New Orleans Exchange closed Tuesday, June 19, at 37.21 cents compared with 37.26 cents a week earlier and 39.37 cents a month ago.

Exports of cotton from the United States totaled 480,000 bales in April, according to the Bureau of Census. This compares with 354,000 bales in March and 471,000 in April a year ago. During the nine months, August 1950 through April 1951, exports totaled 3.4 million bales, against 4.2 million a year earlier. Estimates of the New York Cotton Exchange service place exports in May at approximately 475,000 bales. Total exports for this season may be about 4.2 million bales.

Cotton insect infestation continues to be very light in most sections of the Eleventh District, with the exception of a few small areas.

G R A I N S

Prices of all grains declined on the Fort Worth Grain and Cotton Exchange during the past week. Excellent crop prospects in most sections of the country, lack of exports, and the maritime strike are counted among the factors contributing to the decline.

No. 1 hard wheat sold Tuesday, June 19, at a top price of \$2.56-1/2 per bushel - off 4-1/2 cents from a week earlier, although near the level of a month ago. No. 2 white oats at \$1.02-1/2 per bushel were down 7 cents and lower than at any time since November.

No. 2 yellow corn sold as high as \$1.95 per bushel, or 5 cents under a week earlier, while No. 2 white corn brought \$2.21-3/4 per bushel - off about 2 cents.

No. 2 yellow milo (sorghum grain) closed at \$2.60 per cwt., or 1 cent below a week ago. However, little net change has occurred in sorghum grain prices since the first of the year.

The USDA announced last week that sales of U.S. wheat and wheat flour may now be made against 1951-52 International Wheat Agreement quotas. IWA quotas for all importing countries remain unchanged from those applicable to the 1950-51 program.

T R U C K C R O P S

Production of Texas onions from the late spring acreage is estimated at

1.3 million sacks (50 lb.), or 2-1/2 times the small harvest last year and 19 percent above average.

The Texas Panhandle Irish potato crop is forecast at 1.1 million bushels, or slightly more than the 1950 crop.

Texas late spring tomato production is estimated at 2.4 million bushels, vs. 1.6 million last year.

The early spring watermelon crop in Texas, forecast at 9.5 million, is 1.1 million above last year's crop. Louisiana expects to harvest about 1/2 million, while Arizona has a crop of some 3.5 million melons.

L I V E S T O C K

Livestock prices on the Fort Worth market have taken divergent trends during the past week. On Tuesday, June 19, hogs sold for a top price of \$22.75 per cwt., which compares with \$21.00 on the first of the month, and is the highest level reached since February.

Prices of most classes of slaughter cattle rose 50 cents during the past week. Tuesday's top prices: steers \$36.00; heifers \$35.50; cows \$27.00; and calves \$36.50 per cwt. Feeder and Stocker steers held at \$37.00.

Lamb prices are showing signs of weakness. Tuesday's top price for Good & Choice spring lambs was \$33.50, vs. \$34.50 2 weeks ago.

Most goats sold a little higher on the San Antonio market last week, with some sales up as much as \$1.00. Slaughter goats brought \$16.00-\$17.50; stocker Angoras reached \$18.00 per cwt. Kids sold at \$6.00 - \$8.00 per head.

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

A fair weight of fall wool was contracted in Texas last week at \$1.01-1/2 per pound, grease basis. Trading in mohair was extremely quiet.

Spot wool prices in New York continue to decline sharply. Certificated wool spots closed Tuesday, June 19, at \$2.13 per pound, compared with \$2.31 a week earlier and \$2.92 a month ago. Demand for wool is generally dull; supplies are adequate for current needs.

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

Prices of some classes of poultry on the Dallas wholesale market strengthened last week; prices of eggs remained unchanged. Heavy hens advanced 1 cent, or to 25 cents per pound. Local buyers paid 29 cents per pound for Arkansas fryers, or 1 cent more than a week earlier.

Ungraded eggs held at 33-1/3 cents per dozen, while No. 1 infertile eggs commanded 41 cents.

Egg production on Texas farms during the first 5 months of 1951 totaled 1,432 millions, compared with 1,508 millions a year earlier. Production was lower also in Oklahoma, New Mexico, and Louisiana, but up slightly in Arizona.

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

The 1951 Texas peach crop is forecast at 1.5 million bushels, or almost double last year's small harvest, although 1 million below the 1949 crop.

Pear production in Texas this year is expected to total 380,000 bushels, vs. 270,000 last year and 484,000 in 1949.

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