

Federal Reserve Bank of Dallas

C O T T O N

Spot cotton prices made significant net gains during the past week. On Tuesday, September 18, Middling 15/16-inch cotton in the 10 designated spot markets averaged 34.79 cents per pound, compared with 34.28 cents a week earlier and 34.10 cents 2 weeks ago. A heavy movement of cotton into the loan program is mentioned as an important factor in the improved price situation.

Cotton ginned in Texas prior to September 1 totaled 1,157,000 bales, vs. 611,000 bales to the same date in 1950 and 974,000 bales to September 1, 1949. Ginnings in the United States totaled over 2 million bales, or more than double a year earlier.

Cotton harvesting in the Lower Rio Grande Valley and Coastal Bend sections is nearing completion, while 70 to 80 percent of the crop in south and central Texas is harvested. Labor for cotton picking is scarce in all sections, and it is reported that picking and pulling prices are advancing.

C O T T O N S E E D

The first PMA cottonseed report of the season states that the movement of cottonseed to crushing mills has been normal this season in districts where ginning is in progress.

The grade of Texas cottonseed averaged 98.5 this season for the period ended September 12. The lower quality seed was due mainly to comparatively low oil content.

Wagon lot prices to farmers in Texas ranged from \$65 to \$70 per ton at the gins; the average was \$66.50 compared with \$88.00 for the same period last year.

The price of crude cottonseed oil has declined and this week is quoted at 14-1/2 cents per pound, f.o.b. tank cars at Texas common points.

W H E A T

The USDA announced last week that because of widespread weather damage to wheat in the field, the 1951-crop price support program has been extended to cover No. 4, No. 5, and sample grade wheat. However, the wheat must be storable, and it must not be sour, musty, heating, or hot. Sample grade wheat must not contain more than 14 percent moisture.

Cash wheat prices on the Fort Worth Grain Exchange experienced a net loss for the past week. On Tuesday, September 18, the top price for No. 1 hard wheat was \$2.59-1/2 per bushel, vs. \$2.62-1/2 a week earlier. Prices at most central markets are below government support levels.

Wheat seeding is active in the High Plains counties of Texas, and some early planted acreage is up to a fair stand.

O T H E R   G R A I N S

Corn prices on the Fort Worth Market on Tuesday of this week were slightly above a week earlier, whereas, prices in Chicago were lower. No. 2 white corn brought a top price of \$2.22-1/4 per bushel at Fort Worth, vs. \$2.20 a week ago.

Oat prices in Fort Worth last week were higher than at any time since mid-July, reaching \$1.08 per bushel for No. 2 white.

Sorghum grain at \$2.60 per cwt. this week is up 1 cent.



Southern rice markets took a firmer position this week as demand improved, according to the PMA. Rains delayed threshing and farmers became less active sellers, especially where prices fell below government loan values. No. 2 Blue Bonnet is quoted in Houston at \$4.10 to \$4.32 per 100 pounds, rough rice basis.

#### FLAXSEED

The USDA has announced that the national average support price for 1952-crop flaxseed, grading No. 1, will be \$3.77 per bushel, vs. \$2.65 for the 1951 crop. Support will be implemented by loans and purchase agreements in most areas, but only by direct purchases in designated Texas counties which produce winter flaxseed.

Loans and purchase agreements will be available from time of harvest through October 1952 in Arizona, and direct purchases will be available in Texas through July 1952.

#### WINTER COVER CROP SEED PRODUCTION

Production of hairy vetch in Texas in 1951 is estimated by the BAE at 7.9 million pounds, vs. 11 million in 1950. The Oklahoma crop estimate is placed at 11.6 million pounds, vs. 13.3 million a year ago. United States production is down 24 percent.

The Texas crop of Austrian Winter peas is so small this year that no estimate is even made. The 1940-49 average production was 750,000 pounds. The United States crop is only 14 percent as large as the 1950 crop.

The total United States production of four kinds of vetch, Austrian Winter peas, and two kinds of ryegrass is the smallest in 7 years and is only one-third as large as last year's record harvest.

#### LIVESTOCK

Livestock prices on the Fort Worth market held firm last week and early this week, despite heavy marketings. Some classes advanced slightly. Cattle prices in Chicago were as much as 75 cents per cwt. higher this week than a week ago, while prices of hogs were slightly lower. Goat prices in San Antonio last week were steady to strong.

#### POULTRY AND EGGS

Prices of poultry and eggs on the Dallas wholesale market rose seasonally during the past week. Hens gained 2 to 4 cents per pound, while eggs rose 5 to 8 cents per dozen. Fryers held steady.

Placement of broiler chicks on Texas farms is declining seasonally and totaled only 744,000 in the week ended September 8, the smallest number in any week since September 1950. Weekly placements exceeded 1 million from January to August.

#### FARM EMPLOYMENT

The BAE reports that 11.7 million people were employed on United States farms in late August, or 2 percent less than a year earlier.

Farm operators in Texas, reporting to the BAE on its farm employment survey, indicated that they were working an average of 10.3 hours per day, vs. 11.0 hours last year. Hired workers on Texas farms were working 9.1 hours per day, vs. 9.9 hours in August 1950.

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