Federal Reserve Bank of Dallas

COTTON

The cotton market has been very unstable since the USDA announced on November 8 its revised estimate of the 1951 cotton crop, placing the figure 7 percent below the October estimate. Middling 15/16-Inch cotton in the 10 spot markets rose to a peak of 13.43 cents per pound on November 9 and has fluctuated within a range of about 2-1/2 cents since that date. On Tuesday, November 20, the price was 12.17 cents per pound.

Loan equities in the Southwest are reported to be moving into trade channels and some are bringing as high as $65.00 per bale.

GRAINS

Grain prices on the Fort Worth market last week continued the advance that began last month, with corn and sorghum grains scoring the largest gains. On Tuesday, November 20, No. 2 yellow corn sold for a top price of $2.22-1/4 per bushel - 8 cents over a week earlier and 19 cents above a month ago. No. 2 white corn at $2.43-1/4 was up 7 cents for the week and 17 cents for the month. No. 2 yellow milo reached $3.06 per cwt. - up 6 cents since Tuesday of last week and 21/2 cents since the same date last month.

No. 1 hard wheat sold Tuesday at a top price of $2.78-3/4 - 1/2 cent above a week earlier, although fractionally below last week's high. No. 2 white oats at $1.28-1/4 per bushel were off 1 cent from Monday but fractionally above a week earlier.

The November estimate of the Texas grain sorghum crop remained unchanged from the October forecast of almost 90 million bushels; this compares with the record crop of 149 million bushels produced in 1950.

The Texas corn crop is estimated at nearly 46 million bushels as against 66 million produced in 1950.

Rice markets in Texas and Louisiana continued steady last week, according to the PMA. Farmers offered very little rough rice for sale at prevailing prices, while most growers refused to sell below the price support level. A few sales of No. 2 Patna yielding 49 to 52 pounds of head rice and 68 to 69 pounds of total milled rice were made in the Houston area at $5.25 to $5.41 per 100 pounds.

Texas rice production is now estimated at 12.4 million 100-pound bags, which compares with 11.5 million bags produced in 1950.

PEANUTS

The PMA reported last week that harvesting of peanuts continued at a slow rate in Texas, where reports of very poor yields continued to come in. Growers were receiving support price in all areas. The demand for shelled peanuts was good and the market was stronger, with shelled Spanish No. 1 selling at 22 to 22-1/2 cents per pound, f.o.b. shipping point.

The Texas peanut crop is indicated at 140 million pounds, the lowest production since 1939. The 1950 crop was 323 million pounds. The yield per acre is only 300 pounds, vs. 660 pounds last year. Yields this year are the lowest since records were begun in 1910 and compare with the previous low of 305 pounds in the drought year 1934.

LIVESTOCK AND MEAT

The small supply of slaughter steers and yearlings sold about steady on the Fort Worth market last week, while cow prices dropped about $1.00. Slaughter
calves declined 50 cents to $1.00. The sharp break in sheep and lamb prices that occurred week before last continued last week with slaughter lambs weak to 50 cents lower and slaughter ewes down 50 cents to $1.00. Hog prices showed only small changes for the week.

On Tuesday, November 20, Good and Choice slaughter steers and yearlings brought $30.00-31.00, a few yearlings at $31.50. Canner and cutter cows sold at $13.00-19.50; Utility cows sold mainly from $20.00-23.50; a few head Commercial at $25.00-26.00.

Stockers and feeders of Medium and Good grade sold at $26.00-32.50. Commercial and Good slaughter calves sold Tuesday at $25.00-31.00, a few Choice at $32.00-33.50. 'Cull and Utility at $18.00-21.00. Choice 180-270 pound hogs brought $18.75 and $19.00. Choice 150-175 pounds and 280-400 pounds cleared from $17.50-18.50.

A few Prime shorn slaughter lambs sold from $29.00-30.00 and some wooled slaughter lambs brought $30.00.

The cattle feeding situation on November 1 pointed to a high level of cattle feeding this season, according to the BAE. The movement of cattle into the Corn Belt and some other important feeding areas continued large during October, reaching near-record volume by the end of the month. Also, more sheep and lambs will be fed for the winter and spring season than the low number fed last season.

Commercial meat production in Texas during September totaled 6 percent above the same month last year. Production in the first 9 months of 1951 was about the same as the corresponding period of 1950. January-September production of commercial meat in the U. S. was down 1 percent from a year earlier.

WOOL AND MOHAIR

Conditions in the Boston wool market last week remained about unchanged from previous weeks, according to the PMA. Business activity in the domestic wool producing areas remained dormant, although some interest was evident in the Texas fall clip, with asking prices and offerings ranging from 20 to 25 cents apart. Buyers were reported offering 60 cents, grease basis, and growers were asking 80 to 85 cents.

The mohair situation was very quiet.

POULTRY

Texas broiler movement was slow during the past week with supplies continuing light but adequate for the slow demand, according to the Texas Department of Agriculture. Sales by growers in East Texas on Monday of this week were 23-24 cents, mostly 24 cents, per pound. Prices in South Texas were about 1 cent higher.

Prices received by producers for turkeys in Texas last were steady to firm with some sales 1 cent per pound higher. No. 1 toms commercial fed sold in South Texas this week at 32-35 cents per pound, mostly 34-35; hens 39-40 cents, a few at 37-38 cents.

Commercial hatchery production in Texas during October totaled 1.1 million chicks, a half million more than in September. October was the fifth consecutive month in which Texas hatchery production established a new monthly record. About 82 percent of the October hatch was commercial broiler chicks and 18 percent farm flock chicks. Total hatchery production in the State in the first 10 months of this year was up 15 percent over the comparable period in 1950.

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