Federal Reserve Bank of Dallas

COTTON

The tone of the cotton market continues rather dull with prices fluctuating over a wide range but averaging in the neighborhood of $1.50 and $1.75 cents per pound for Middling 15/16-inch staple. Mill demand continues slow as the anticipated upturn in demand for cotton goods fails to materialize. Inquiries for export were also slow and the volume of sales in the 10 markets was relatively low.

Prices for Middling 15/16-inch cotton averaged $1.60 cents per pound at Dallas on Tuesday of this week. This was unchanged from a week earlier although the price dropped to $1.40 on Monday of this week.

Ginnings through January 15 this season totaled 14,508,000 bales in the U.S., according to the Bureau of the Census. This is 50% larger than the volume ginned to the same date last season and is equivalent to 95% of the estimated 1951 crop. As of the same date, ginnings in Texas totaled 3,919,062 bales.

Harvest in late areas made good progress last week under favorable weather conditions. Light rains were reported in several sections, particularly the Upper Coastal Region of Texas, but all sections need additional moisture badly. Land preparation for the 1952 crop has made fairly good progress in south Texas.

GRAINS

Grain prices on the Fort Worth Grain and Cotton Exchange were generally unchanged during the past week. However, the market firmed on Tuesday of this week as additional export business was uncovered. The United Kingdom and Ireland have increased buying of feed grains and it was reported that Japan, Holland, and perhaps Germany would be in the market Wednesday of this week for additional grain.

On Tuesday, January 29, top prices on the Fort Worth market were:

- No. 1 hard wheat $2.77 per bushel
- No. 2 white oats $1.21
- No. 2 yellow corn $2.21
- and No. 2 yellow grain sorghum $3.18 per cwt.

The winter wheat crop in parts of northwest Texas and small grains in most of east Texas made fair to good development during the past week. Fairly heavy rains in east Texas over the week end were very beneficial to small grains in that area. In other parts of the Southwest critical drought conditions continue to check development of winter grain crops.

Stocks of peanuts in all commercial positions at the end of December were 19% lower than on the same date a year earlier and the lowest for that date in the past 10 years, except for 1949.

Trading in Southern rough rice (Texas and Louisiana) was more active during the past week. Southern mills received nearly 2 million cwt. of rough rice during December but the total marketed during the August-December period is still below the volume sold during the comparable period a year ago. Rough rice prices have shown little change although buyers have been more active in bidding. PMA officials report that weevil infestation is causing considerable damage and warns growers that weevil-infested rice offered in satisfaction of a CCC loan or purchase agreement will be rejected.

LIVESTOCK

The livestock market exhibited a generally firm tone during the past week with prices of most classes slightly higher than a week earlier. Demand
for stocker calves was particularly aggressive early this week as additional grazing became available on grain fields in parts of the Southwest.

Receipts at the Fort Worth market during January have been substantially lower than a year ago in the case of cattle and calves but considerably higher for hogs and sheep.

On Tuesday of this week trading was active on all classes of cattle with sales strong and some prices higher. Good and Choice beef steers and yearlings sold generally from $30.00-33.50. Utility and Commercial kinds cleared at $23.00-29.00. Utility cows ranged from $20.00-22.50 and Canners and Cutters at $11.00-20.00.

Medium and Good stockers and feeders sold at $26.00-32.00 with a few Choice short yearlings as high as $32.00.

Medium and Good stockers sold for $30.00-33.50 while Commercial kinds sold around $20.00. Medium and Good stocker calves went out at $27.00-33.00, with a few weighing under 350 pounds bringing $35.00-36.00.

Marketings of hogs continue rather liberal and prices on Tuesday, January 29, were a little slow. Choice 180-270 pound butcher hogs sold mostly at $18.25 with a few at $18.00. Sows brought $13.50-15.50 and feeder pigs moved at $10.00-11.00.

Receipts of sheep and lambs at Fort Worth on Monday and Tuesday of this week were more than three times as large as for the same period a year ago. The same situation prevailed at the 12 major markets. Despite heavier marketings trade was fairly active with all classes selling at fully steady prices. Good and Choice shorn slaughter lambs brought $27.00-27.50 and one lot of 93-pound shorn yearlings brought $20.00. Wooled feeder lambs went to the country at about $27.00, while shorn feeders brought $25.50.

WOOL AND MOHAIR

Trading in the wool market was practically at a standstill last week as dealers continued to wait for some signs of increased business activity. Cabled reports from Australia indicated a slightly easier market but prices were unchanged.

About a car of fall-shorn Texas wool was sold last week at 71 1/2 cents per pound, f.o.b., and was estimated to cost around $1.72 per pound, clean basis, at Boston.

A substantial volume of mohair was purchased in Texas recently at $1.10 and $1.11 1/2 per pound for adult and $1.35 and $1.36 1/2 for kid. These prices are f.o.b. Texas.

POULTRY

Prices of broilers in Texas remained generally unchanged at 29-30 cents per pound, f.o.b. farm. The tone of the market is somewhat stronger than a week ago with the demand exceeding the supply in some sections of South Texas. Placement of chicks in Texas continues to exceed by a considerable margin the number placed during comparable periods of 1951.

Turkey growers in the U.S. have indicated to the BAE that they plan to raise another record crop of turkeys in 1952. If growers carry out their intentions production will be up about 14% over 1951. Favorable turkey-feed price relationships and smaller holdings of cold storage turkey meat were given as factors influencing grower's decisions.

Carl H. Moore
Agricultural Economist