

Federal Reserve Bank of Dallas

C O T T O N

Spot cotton markets are stronger this week than they have been in more than a month. Middling 15/16-inch cotton on the Dallas market reached 41.00 cents per pound on Monday, March 17, which compares with 40.10 cents a week earlier and 39.85 a month ago. This rise in the market is said to have resulted principally from a growing feeling on the part of many people in the cotton trade that a tight cotton supply situation will develop before the 1952 crop is harvested.

It has been announced that the procedure to be followed by cotton farmers in obtaining cotton classification and cotton market news services in 1952 under the Smith-Doxey Act will be the same as in 1951.

Planting permits for cotton in the Lower Rio Grande Valley neared the million-acre mark last week, according to the PMA. The cotton that is up has made little growth. In the Coastal Bend area, about 50% of the acreage has been planted, and planting is in full swing. However, moisture is needed in all sections of south Texas.

G R A I N S

Wheat prices in Fort Worth this week are at the highest levels since early January. No. 1 hard wheat sold Monday at \$2.78 per bushel, for a gain of 6-1/2 cents since the first of the month. Prices were off 1/2 cent on Tuesday.

No. 2 yellow corn sold Tuesday at \$2.15 per bushel, for a gain of 10 cents for the month thus far, while No. 2 white corn at \$2.33-3/4 likewise was up 10 cents. Corn prices are near the levels of a month ago but substantially below those of December and January.

Sorghum grain in Fort Worth reached \$3.19 per cwt. this week, which equals the peak of late January; this is the highest price paid since the market break in June 1948.

Rough and milled rice trade in Louisiana and Texas was more active last week and prices held steady, according to the PMA. Rough rice trade was limited mostly to the lower grades, with bids on better grades generally below the government loan value. Good milling quality No. 2 rough Bluebonnet was quoted at \$4.84 per 100 pounds.

As fields dried in east Texas last week, corn planting moved northward and was getting started in the counties along the Red River. In some important corn-producing counties in central Texas, more than half of the intended acreage is in the ground. Grain sorghum planting is practically completed in the Coastal Bend and is under way in the Blacklands.

L I V E S T O C K

Slaughter cattle were weak to 50 cents lower in price this week on the Fort Worth market, according to PMA reports. Stocker cattle held steady. Good and Choice fed steers and yearlings cashed at \$29 to \$34. Common and Medium butcher steers and yearlings sold for \$22 to \$28.

Good and Choice slaughter calves sold Tuesday at \$30 to \$34, while Plain and Medium butcher sorts brought \$23 to \$29.

Good and Choice butcher hogs averaging 180 to 260 pounds cashed at \$16.75 to \$17. Feeder pigs sold from \$13 down.

Good and Choice milk-fat lambs sold Tuesday at \$26 to \$27, and Medium to Good milk lambs brought \$23 to \$25. Feeder lambs sold at \$17 to \$23.50.

Medium 75-95-lb. recently shorn Angoras sold in San Antonio this week at \$13 to \$15. Kids moved in a \$5.50-7.50 price spread.

A report this week on U.S. cold storage holdings of meats at the end of February shows that there was more of practically all important types of meat and meat products in storage than a year earlier. A sharp decline in stocks of lard was the principal exception.

Reports show that shipments of stocker and feeder cattle and calves into eight Corn Belt states in Jan.-Feb., inclusive, totaled about 309,000 head, compared with 324,000 a year earlier. Shipments of sheep and lambs reached 261,000 vs. 245,000 a year ago.

The USDA has announced that the ban on importation of Mexican cattle, in effect since December 1946, will be lifted by September 1, if there are no more outbreaks of hoof and mouth disease south of the border. Before the embargo, the U.S. received more than 300,000 head of Mexican cattle yearly.

The USDA has assigned additional workers to the Canadian border to guard against the importation of cattle. Imports were terminated following the outbreak of hoof and mouth disease there in February.

WOOL AND MOHAIR

A few buyers with orders continued to take up mohair in Texas last week at \$1.00 for adult and \$1.25 for kid mohair to the warehouse, according to reports of the PMA. No wool business in Texas is reported.

Texas farmers and ranchers produced 48,712,000 pounds of wool in 1951, according to revised figures issued by the USDA. Farm prices for wool averaged \$1.01 per pound last year, while cash receipts from sale of wool totaled \$49,199,000 - by far the highest on record.

Revised estimates of mohair production in the U.S. last year show a decline of 3% from 1950, instead of a rise as reported recently. Production in the seven leading mohair-producing states is estimated at 12,888,000 pounds, compared with 13,245,000 pounds in 1950 and a record 22,008,000 pounds in 1945.

Mohair production in Texas in 1951 totaled 12,280,000 pounds - 3% below the 1950 clip. Ranchers received an average of \$1.19 per pound for mohair last year, while value of the 1951 clip is placed at \$14,613,000 - the highest on record.

MISCELLANEOUS

Egg production in Texas is running considerably above a year ago, when output was curtailed following expiration of price supports. Production in the State in January-February totaled 534 millions, compared with 442 millions a year earlier. Production is up also in Arizona, Louisiana, New Mexico, and Oklahoma.

The early summer watermelon acreage in Texas is estimated at 68,000 acres, compared with 61,000 acres in 1951.

The Texas early spring onion crop is estimated by the USDA at 4,020,000 sacks, compared with 2,024,000 sacks last year and a 1941-50 average of 3,929,000 sacks. The greater part of the increase in acreage this year is in the Coastal Bend area, which had no acreage for harvest last year.

Milk production in Texas is up from a year ago. Production in February totaled 273 million gallons, compared with 266 million gallons in February 1951.