

Federal Reserve Bank of Dallas

F A R M P R I C E I N D E X E S

The index of prices received by farmers, as reported by the U. S. Department of Agriculture, was at 288% of the 1910-14 average as of March 15. This index, which is reported at the end of each month, reflects the over-all price picture for farm products. The mid-March figure was one point less than in February and 23 points less than in March 1951. This level is the lowest reported since December 1950.

Price increases were recorded for truck crops, fruit, and food grains, but these were more than offset by declines in prices for dairy products and meat animals.

The index of prices paid by farmers, including interest, taxes, and wage rates, remained unchanged from February at the record high of 288% of the 1910-14 average. Higher prices for household furnishings, building materials, fertilizer, and tractors were offset by lower prices for feeder livestock, feed, food, clothing, and motor supplies. This index is now 3% higher than in March 1951.

The parity ratio - a measure of the purchasing power of farm products - remained at 100, unchanged from February. It is 11 points below March 1951.

C O T T O N

Middling 15/16-inch cotton on the Dallas market was quoted at 41.40 cents per pound on Tuesday of this week - up 15 points from a week ago and nearly 2 cents from a month ago. Cotton trading continues moderately active, with reported sales in the 10 markets higher than in most recent weeks.

The improved demand for cotton textiles has been an important factor in the recent upturn in cotton prices. Trading has been more active in the cotton textile market during the past 2 weeks, and there are reports that the volume of sales has been the largest in several months. Prices strengthened somewhat, and increased orders from the Army Quartermaster Corps for cotton ducks have given the market a much stronger tone.

Disappearance of all kinds of cotton in the U.S. during the first 7 months of this season (August 1951-February 1952) is indicated at 9.5 million bales. This compares with 8.9 million in the corresponding 7 months of last season. The increase over a year ago has been entirely in the export trade, with exports through February totaling slightly more than 4 million bales, compared with 2.6 million for the comparable period last season. Domestic consumption for the first 7 months of the current season is reported at 5.5 million bales, compared with 6.3 million a year earlier. Total disappearance for the entire 1951-52 season may exceed 15 million bales.

Cotton planting in the Lower Rio Grande Valley is reported to be 60 to 75% complete, with not over 40% of the acreage up to a stand. Some additional moisture has been received in the Valley and Coastal Bend sections during the past few days, but additional moisture will be needed. It is expected that the dead-line date of March 31 for planting in the Valley will be extended.

Unofficial reports from Washington indicate that cotton acreage in the Nation may fall short of the 28 million acres requested by Secretary of Agriculture Brannan. This prediction is based on the fact that fertilizer sales in the principal cotton-producing states are running about 10% below a year ago. In past years the volume of fertilizer sales has been a rather accurate indicator of cotton acreage.

G R A I N S

Grain prices on the Fort Worth Grain and Cotton Exchange are generally unchanged from a week ago. No. 1 hard wheat closed Tuesday, April 1, at \$2.75 per bushel; No. 2 barley at \$1.70; No. 2 white oats at \$1.14-3/4; and No. 2 yellow corn at \$2.15-1/4. Sorghum grain closed at \$3.12 per cwt.

A trade report on the winter wheat crop indicates that production may easily exceed that of last year, but much depends upon the weather during the next few weeks. Excessive moisture, packed soil, and insects in the eastern part of the Winter Wheat Belt are reducing prospects, while drought, high winds, and insects continue to plague the crop in the West and Southwest.

L I V E S T O C K

Livestock prices on the Fort Worth market were steady to strong in active trading on Tuesday of this week. Most classes of livestock recovered much of the loss registered during the previous week.

On Tuesday, April 1, prices of slaughter steers were generally 50 cents higher than on Monday, with most Good steers and yearlings selling from \$28.50 to \$31.50. A load of Choice steers brought \$31. Medium and Good stocker steer yearlings sold from \$26 to \$31. Calves were fully steady, with Good to Choice kinds selling at \$30 to \$34.

The hog market was 25 to 50 cents higher than on Monday, with Choice 180-260-lb. hogs selling from \$16.75 to \$17.50.

Spring lamb prices were strong following Monday's \$2.00 advance. Good and Choice kinds sold for \$29 to \$30. Good and Choice shorn slaughter lambs were quoted at \$25.50 to \$26.50.

Prices for mature goats on the San Antonio livestock market were a little lower than last week, but prices for kids were unchanged. Culled-to-Medium mature goats brought \$10 to \$12.50. Stocker goats sold at \$12 to \$12.50. Most kids sold from \$5 to \$7 per head.

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

Prices paid for poultry and eggs on the Fort Worth market remain generally unchanged. On Tuesday of this week, top grade commercial fryers brought 25 to 27 cents per pound; light-weight fowls, 18 to 20 cents; heavy hens, 20 to 23 cents; and roosters, 11 to 13 cents. Graded and candled eggs were quoted at \$10.50 per case.

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

There has been little activity during the past week in the mohair market. However, buyers offered 90 to 95 cents per pound for adult mohair in Texas, but no sales were reported.

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