



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

Number 140

Wednesday, September 3, 1952

C O T T O N

Price changes in the spot cotton market during the past week were relatively minor. The market strengthened during the early part of the week and market activity increased somewhat, but prices continued to hold just under 39 cents per pound for 15/16-inch Middling in the 10 spot markets. This is slightly lower than the previous week but well above the level of about 34 cents per pound which prevailed a year ago. Premiums for some of the better grades and medium lengths have widened, while discounts for some of the lower grades have narrowed.

Reported sales in the 10 spot markets during the week ended August 28 totaled 149,900 bales, compared with 102,300 the previous week and 199,000 in the corresponding week a year ago. Mill buying increased moderately and was mostly for prompt shipment. There were some increased inquiries for export cotton, with limited sales reported to France and Japan. The textile markets generally remained inactive, with prices about unchanged.

Reports indicate that more farmers are holding their cotton than was true earlier in the season. Reports of growing damage to the crop because of drought appear to be influencing some producers to hold their cotton in anticipation of higher prices.

Cotton ginned in the United States prior to August 16 totaled 442,400 bales, compared with 626,200 bales as of that date last year. About 396,000 bales of this total were ginned in Texas. This was one-third less than ginnings as of that date in 1951. Cotton ginned in Texas this year averaged lower in grade but about the same in staple length as for last year.

Crop prospects continued to decline in much of the Southwest, as drought and high temperatures continued over the week end. In central and north Texas, growth and fruiting have stopped, and picking of prematurely open bolls has become general. Scattered showers on the northern High Plains aided the crop in that section, and reports continue to indicate that a record crop will be produced on the High Plains. Harvest is about complete in the Lower Rio Grande Valley and is as much as 60 percent complete in many counties of the Coastal Bend section.

R I C E

Harvest of a record rice crop in Texas and Louisiana is in full swing, with growers anxiously watching reports of hurricanes in the Caribbean. The hot, clear weather of recent weeks has been ideal for combining the grain. The market is generally firm, with considerable volume of the crop moving to the mills on previous contracts or daily sales. Quality is reported better than a year ago. Sales of No. 2 Zenith were reported at \$5.56 to \$5.79 per 100 pounds, dry basis. No. 2 Patna brought \$5.45 to \$5.98 per 100 pounds.

A slight shift toward medium-grain varieties is indicated this year by a report of the Rice Millers Association. According to this report, 60.6 percent of the southern rice acreage was planted to long-grain varieties this year, as compared with 63.3 percent in 1951. Bluebonnet is again the leading variety, with Rexora second.

L I V E S T O C K

Prices of virtually all classes of livestock showed further declines during the past week. Relatively heavy receipts at Fort Worth and other terminal markets during the week, especially on Monday, together with some weakness in prices of dressed meats, were major factors in setting off further declines. On Saturday, August 30, most cattle and calves closed \$1 to \$2 per cwt. lower than the previous week. Hogs were off 50 to 75 cents and spring lambs were off from \$1 to \$2 per cwt.

Prices on the Fort Worth livestock market on Saturday, August 30: Good and Choice slaughter steers and yearlings, \$24 to \$32 per cwt.; fat cows, \$14.50 to \$18.00; cutters and canners, \$9 to \$11.50; Good and Choice slaughter calves, \$23 to \$27; Good and Choice stocker calves, \$24 to \$29, with a few higher; stocker steer yearlings, generally \$17 to \$26, with some light weights to \$27 and higher; Good and Choice fat spring lambs, \$24 to \$28, with stocker and feeder lambs from \$10 to \$20; Good and Choice butcher hogs, \$21 to \$21.25.

G R A I N S

Price changes on the Fort Worth Grain and Cotton Exchange were relatively minor during the past week, with no significant trends evident. Some weakness was exhibited in corn and wheat. Grain men on the major markets reported no important factors in the market that are likely to lead to price changes.

Closing prices on the Fort Worth Grain and Cotton Exchange, Friday, August 29, were: No. 1 hard wheat, \$2.60-3/4 per bushel; No. 2 white corn, \$3.17-1/2; No. 2 yellow corn, \$2.11-1/4; No. 2 white oats, \$1.11-1/4; and No. 2 yellow milo, \$3.51 per cwt.

P O U L T R Y

Prices for Texas fryers and broilers were generally steady to strong during the week ended August 29. In South Texas, prices were quoted generally at 33 cents and in the East Texas and Waco areas, most birds moved at 32 cents per pound. Due to the hot weather, longer feeding periods have been required for the chickens to reach desirable market weights. As a result, there has been some scarcity of birds weighing 2.7 to 3 pounds. Some processors dropped out of the market because of the shortage of heavier birds.

Chick placements in Texas during the week ended August 23 totaled 964,000, compared with 846,000 during the comparable week a year earlier. Placements during the past 5 weeks have shown relatively little change in volume.

Texas turkey growers are raising 3,703,000 birds this year - an increase of 15 percent over a year ago, according to a report by the Department of Agriculture. This will be the largest crop since 1945, when 3,769,000 were raised. The report indicates that about 18 percent of this year's turkeys are Beltsville whites or other light birds, compared with about 10 percent in 1951. The production of turkey "broilers" (a very light-weight, fast-growing turkey) has not become significant in the State, but there are some indications that this type of bird is becoming more popular with both growers and consumers. Texas growers indicate that they plan to sell 90 percent of their birds prior to January 1 next year.

In the Nation, the turkey crop is reported at a record high of 58,956,000 birds - 13 percent above a year ago. Virginia, Texas, California, Minnesota, and Iowa reported the largest increases.

Carl H. Moore
Agricultural Economist