



AGRICULTURAL NEWS OF THE WEEK

FEDERAL RESERVE BANK OF DALLAS

Number 149

Wednesday, November 5, 1952

COTTON

Spot cotton prices declined further early last week, with 15/16-inch Middling at Dallas quoted at 34.20 cents per pound on Wednesday, October 29. The market rallied somewhat on Thursday and Friday and closed the week at 34.85 cents per pound - 30 points higher than the previous week's close. Early trading on the Dallas market on Monday, November 3, indicated additional strength, with quotations about 20 points above Friday's close. Strengthening of the market is generally attributed to "short covering" and to a feeling that the market had declined lower than was justified by the current supply and demand situation.

Current ginnings are being offered quite freely, although many farmers are holding a part of their crop. Entries into the loan during the week ended October 24 were 23,700 bales, bringing the total for the season through that date to 58,300 bales.

The textile market continues dull, with mills buying only in moderate volume and showing the greatest interest in Medium-quality cotton. Export demand is limited.

The parity price for cotton as of mid-October is reported by the BAE at 34.35 cents per pound, compared with 34.47 cents a month earlier and 33.98 cents a year ago. Prices received by farmers in mid-October averaged 37.02 cents per pound, compared with 39.17 cents in September and 36.21 cents in October 1951.

Harvest of this year's cotton crop is about 75 percent complete in Oklahoma and is nearing the peak in west Texas, with mechanical harvesters being used on a wide scale.

LIVESTOCK

Livestock receipts in Fort Worth and at other major markets continued heavy during the past week. During the 5 days ended October 31, the 12 major markets reported 23,800 more cattle than the previous week and 70,000 more than during the comparable week a year ago. Hog receipts were somewhat lower than during the same period last year.

Despite heavy receipts, cattle prices showed additional strength on a somewhat uneven market. At Fort Worth, slaughter steers and yearlings closed the week at generally strong prices, with Good to Choice kinds selling at a top of about \$32.50 per cwt. Slaughter calves were up around \$1 for the week, with a top of about \$24 to \$26 per cwt., depending on quality. Stocker cattle and calves were about \$1 higher than the previous week, with some Choice light weights bringing as high as \$24.50. Cows were fully steady at the close after losing some of the advance of the previous week; \$17 per cwt. was a practical top on the best beef cows.

Hog prices continued a seasonal decline and closed the week \$1.25 lower with a top of \$17.25 per cwt.

Good and Choice slaughter lambs brought from \$17 to \$23 per cwt. - about \$1 higher than the previous week. Stocker and feeder lambs, selling at from \$8 to \$15 per cwt., were off about \$1 per cwt.

Goat prices on the San Antonio market were steady to strong last week. Common and Medium angoras sold at \$5.75 to \$6, with Cull and Common kinds quoted at \$4.50 to \$5. Most kids brought \$5 to \$5.75, with a few as high as \$6. Common and Medium stocker angoras sold generally at \$6 to \$6.25.

G R A I N S

Grain prices on the Fort Worth Grain and Cotton Exchange during the past week were generally unchanged to slightly higher except milo, which closed off 9 cents per cwt. for the week. Traders have expressed considerable concern over the prospects of next year's wheat crop, as the drought continues unabated throughout the major wheat producing areas.

Closing prices per bushel on the Fort Worth Grain and Cotton Exchange, Friday, October 31, were: No. 1 hard wheat \$2.71-1/4; No. 2 barley \$1.76; No. 2 white oats \$1.11-1/4; No. 2 yellow corn \$1.88-1/2; No. 2 white corn \$2.30-3/4. No. 2 yellow grain sorghums closed at \$3.31 per cwt.

W O O L A N D M O H A I R

According to the Production and Marketing Administration, the Boston wool market showed considerable improvement during the month of October. Prices advanced gradually during the month, with a fair volume of wool being traded. At the end of the month, prices continued firm, but most mills were reluctant to bid higher than current quotations. Good 12-months Texas wool was quoted up to \$1.77 per pound, clean basis, delivered to Boston, but only a few sales were reported higher than \$1.70. Scoured 8-months wool was reported at \$1.65 per pound. Business in the wool trade is now centered primarily in Texas and New Mexico, with a considerable volume being sold. Most wool in the fleece-wool states has now moved out of the hands of the growers.

A few cars of mohair were reported sold in Texas last week, with prices up to 93-1/2 cents per pound for adult and \$1.18-1/2 per pound for kid.

Price support for 1953 wool at 90 percent of parity was announced this week by Secretary of Agriculture Brannan. Also, the closing dates applied to loans and purchase agreements under the 1952 wool support program will be extended 3 months to March 31, 1953, to give producers a reasonable time to place the current year's production under the 1952 program.

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

Commercial broiler chick placements on Texas farms totaled 1,186,000 during the week ended October 25. This was a decline of 6 percent from the previous week but 28 percent more than a year ago. The number of eggs set and chicks hatched during the same week was higher than the previous week and the highest for any week since mid-summer.

On Friday, October 31, prices were generally a cent per pound lower than the previous week, with south Texas reporting 30 to 31 cents per pound, east Texas 29 cents per pound, and Waco 29 cents per pound. All markets were reported about steady.

Prices paid to Texas farmers for Good-quality turkeys were generally steady during the past week, with toms quoted at 30 to 31 cents per pound and young hens at 35 to 36 cents on Friday, October 31.

The USDA continues to buy turkey meat in support of prices and through October 31 had purchased over 17 million pounds.

Carl H. Moore
Agricultural Economist