COTTON

Spot cotton prices advanced slightly prior to the Labor Day week end. On Friday, September 3, Middling 15/16-inch cotton in the 14 bona-fide spot markets averaged 34.22¢ per pound, compared with 34.07¢ a week earlier.

The parity price of upland cotton on August 15 was 35.09¢ per pound. Farmers received an average of 34¢ per pound or 97% of parity, which compared with 95% of parity a year earlier.

The U.S. Department of Agriculture reports that demand at country markets last week was strong for cotton stapling 1 inch and longer. However, the range of staples in cotton which has been ginned in some areas is wider than in recent years, and in most areas the proportion of shorter staples is somewhat higher than last season.

Reports indicate that farmers are offering the bulk of their current ginnings for immediate sale and are showing less interest in the Government loan program than at this time a year ago. In fact, through August 27 only 13,200 bales of 1954-crop cotton had been placed under loan.

Wagon-lot prices of cottonseed paid to producers in Texas last week averaged $65.90 per ton, or 50¢ above the previous week, according to AMS. Cottonseed meal was in demand at most mills and was quoted in the Dallas market at $78 per ton wholesale, bag lots, carloads.

GRAINS

Reports of the U.S. Department of Agriculture show that cash grain markets strengthened during the week ended September 2. Spring wheat advanced 5¢ to 6¢ a bushel, while winter wheat gained 1¢ to 4¢. Corn was unchanged to 2¢ higher at Chicago and Kansas City. Grain sorghum advanced 1¢ to 2¢ a cwt. at Kansas City but declined 7¢ at Fort Worth.

Rice harvest has reached the peak in Louisiana and is approaching the peak in Texas, although harvesting operations have been slowed temporarily by scattered showers, according to the American Rice Growers Cooperative Association. Rough rice markets continue slow in both Texas and Louisiana. Few sales are being confirmed, and most offerings continue to be turned down. The bulk of the rice harvested is going into storage.

It has been announced that the price support rate for 1954-crop rice will be the same as the preliminary rate announced July 8, or $4.92 per cwt. of rough rice. The 90% of the rice parity price as of August 1 is $4.89, which is below the minimum support price announced earlier. The parity price of rice as of August 15 was $5.47 per cwt., while the U.S. average farm price of rice was only $4.10, or 75% of parity. A year ago, rice was bringing 100% of parity.

LIVESTOCK

Reports from the Fort Worth livestock market last week indicated that demand for replacement livestock was fairly good, which reflects some optimism on the part of feeders for the season ahead. Slaughter livestock, on the other hand, showed some price weakness.

High-grade stocker and feeder cattle sold at steady to firm prices. Good and Choice stocker and feeder calves and yearlings sold mostly from $15 to $20, with a few lots up to $22.
Good and Choice slaughter steers and yearlings brought $18.50 to $23.75. Common and Medium types $12 to $18.50. Fat cows brought $9 to $13. Good and Choice slaughter calves drew $14 to $20, Common and Medium $11 to $14.

Prices for sheep and lambs were firm throughout the week. Fat lambs sold up to $21, although most sales were between $17 and $19.50. Stocker and feeder lambs brought $12 to $16.

Hog prices suffered further seasonal losses last week and dropped to the lowest level since February 1953. The top price for the week was $20.50.

**MISCELLANEOUS**

Texas broiler markets weakened last week, according to reports of the Texas Department of Agriculture. Broilers weighing 2½ to 3 pounds brought 24¢ to 25¢ per pound, reflecting losses of 1¢ to 2¢ from the previous week.

About half a million pounds of mohair were purchased in Texas last week at 66½¢ to 67½¢ for Adult and $1.01½ to $1.02½ for Kid mohair, to the warehouse. Trade in Texas wools was dormant.

The growing peanut crop in the Southwest continued last week in generally poor condition due to persisting drought conditions, says AMS. Scattered showers during the past week helped in localized areas. Fields where showers have fallen probably can still make a crop if a good rain comes within the next few days. Elsewhere, the outlook for the crop is poor. In south Texas where light harvesting is under way, producers have been receiving around $237 to $242 per ton for best quality peanuts, with fair quality stock as low as $230 to $232.

The Index of Prices Received by U. S. Farmers rose 4 points (nearly 2%) during the month ended August 15, according to statistics compiled by the USDA. The advance was led by cotton, milk, eggs, oranges, hogs, and cottonseed. Declining prices for commercial vegetables and tobacco were only partially offsetting. The mid-August index, at 251 (1910-14 = 100), compares with 247 at mid-July and 255 in August 1953.

W. M. Pritchett
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