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C O T T O N

The November 1 cotton report of the U. S. Department of Agriculture, released on November 8, indicates a 1954 crop of 13,206,000 bales, up 695,000 bales from the October estimate. Each of the cotton producing states, except North Carolina, reports an increase in cotton production prospects during October.

Yield per acre in the U. S. is indicated at 329 pounds, a new all-time high that is 5 pounds above the previous record established last season.

November 1 estimates of cotton production in Southwestern states, and changes from October estimates (all figures in bales): Arizona 755,000, up 25,000; Louisiana 555,000, up 25,000; New Mexico 275,000, up 20,000; Oklahoma 295,000, up 35,000; and Texas 3,850,000, up 275,000.

Yields per acre in Texas (242 pounds), New Mexico (657 pounds), and Arizona (899 pounds) are well above those of 1953, while yields per acre in Louisiana (387 pounds) and Oklahoma (151 pounds) are below those of a year ago.

Spot cotton prices on Monday, November 8, were slightly below a week earlier. Middling 15/16-inch cotton in the leading spot markets averaged 33.93¢ per pound, compared with 34.01¢ the week earlier and 34.06¢ 2 weeks ago.

Agricultural Marketing Service described the cotton situation in the Southwest last week as follows: Trading in spot cotton was seasonally active. Spot prices were slightly lower and sales increased. Merchant demand was fair to good. Loan entries were increasing. Domestic and export inquiries were not too numerous. Weather conditions were not so favorable.

Cottonseed prices in wagon load lots at the gins in Texas last week averaged \$58.30 per ton, or about \$1 per ton higher than in the previous week, according to AMS. Gin yard prices a year ago averaged \$53.80 per ton.

The USDA announced last week acreage allotments for 1955-crop extra long staple cotton. The national allotment is 46,154 acres. Acres allotted for Southwestern states: Arizona, 18,472; New Mexico, 8,529; and Texas, 15,964. Farmers who grew extra long staple cotton in 1954 in designated counties will vote December 14 in a referendum to determine whether marketing quotas will be operative for the 1955 crop of extra long staple cotton.

L I V E S T O C K

Prices of Good and Choice stocker cattle on the Fort Worth market last week were steady to 50¢ lower; prices of lower grades declined as much as \$1. Stocker cows, on the other hand, were in strong demand, and prices advanced around \$1. Slaughter calves closed 50¢ to \$1 lower, primarily as a result of heavy calf receipts at the leading livestock markets in the Nation. Slaughter steers and yearlings classified as Good or Choice sold steady to 50¢ higher, while other grades were steady to weak.

Receipts of hogs at the leading livestock markets last week were off from the previous week and prices strengthened. Butcher hogs on the Fort Worth market moved up 50¢ and closed with a top of \$19.50.

Sheep and lamb prices in Fort Worth were strong to 50¢ higher last week, with exports up to \$1 higher.

Commercial meat production in Texas during September is estimated by the USDA at 109,463,000 pounds, up 3% from a year earlier. More cattle, hogs, sheep, and lambs but fewer calves were slaughtered in September, compared with the same month last year.

The Agricultural Marketing Service office in Austin reports the following average prices per cwt. received by Texas farmers for livestock on October 15, year-figures in parenthesis: Hogs, \$18.80 (\$21.30); beef cattle, \$12.70 (\$10.50); calves, \$15.80 (\$11.60); sheep, \$6.90 (\$7.20); and lambs, \$15.20 (\$13.80).

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

The Index of Prices Received by Texas Farmers (prepared by AMS) on October 15, 1954, was 264% of the 1910-14 base. This compares with 262 on September 15 and 259 on October 15, 1953.

In reviewing the financial outlook for farmers in 1955, the USDA says that current prospects suggest that the financial situation in agriculture next year will not differ greatly from 1954. Net realized farm income should approach that of 1954, and the value of farm assets may be slightly lower but change from 1954 should not be large. However, farmers as a group will continue in 1955, and probably in several later years, to face the problem of adjusting to the cost-price squeeze in agriculture.

The USDA says that total farm production expenses in the U. S. are slightly lower this year than in 1953. The 1955 outlook is for some further slight decline. Nevertheless, farm production expenses will be more than three times as high in 1955 as in 1940.

Farm cost rates expected in 1955 relative to 1954 are as follows: Farm wage rates and interest rates - slightly lower. Seed, and feeder and replacement livestock - slightly lower. Motor fuel, building and fencing materials, feed and fertilizer - about the same. Farm machinery - about the same, discounts remaining substantial. Taxes per acre - slightly higher.

Record food supplies are in prospect for 1955. Consumer demand for food is expected to continue strong. Per capita consumption of food in 1955 likely will equal that of the current year, only slightly under the 1946 record. During the late fall and winter months of 1954-55, large supplies and the lower prices now prevailing will encourage higher consumption rates than in late 1953 for pork, butter, poultry, and eggs, several major fresh fruits, and processed fruit juices.

Agricultural exports from the U. S. in the first 8 months of 1954 were valued at \$1,860 million, compared with \$1,773 million in the corresponding months of 1953 - a gain of 5%.

Texas broiler markets last week generally opened weak and closed steady, according to the Texas Department of Agriculture. Closing prices at the farms were mostly 20¢ to 21¢ per pound for broilers or fryers weighing 2½ to 3 pounds, compared with 23¢ to 24¢ a week earlier.

Two cars of fall Adult mohair sold at 64½¢, delivered to Boston, while another quantity of Adult mohair brought 68¢ in the local market.

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