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THE

Cotton

SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

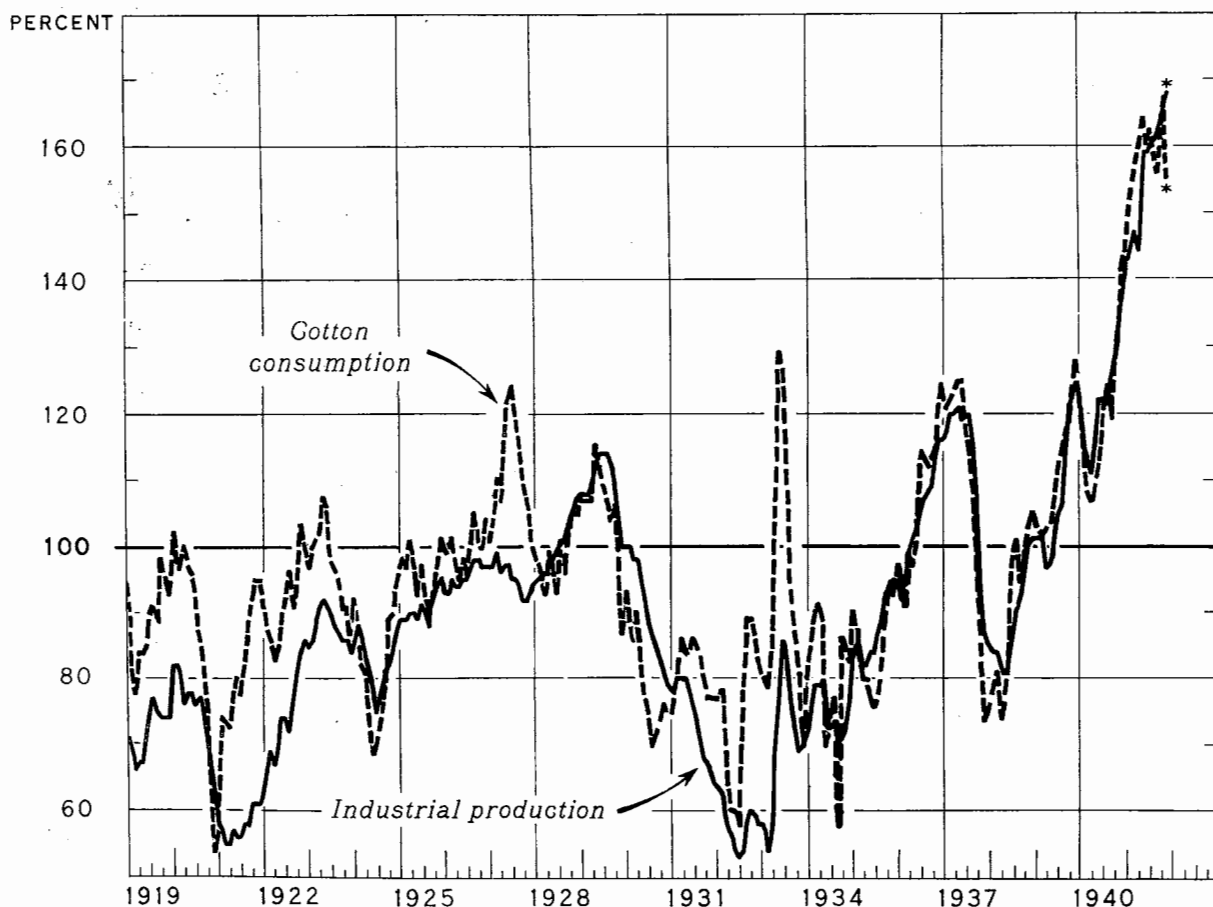
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JANUARY, 1942

INDUSTRIAL PRODUCTION AND COTTON CONSUMPTION, UNITED STATES, 1919-41

INDEX NUMBERS (1935-39=100) ADJUSTED FOR SEASONAL VARIATION



DATA FURNISHED BY BOARD OF GOVERNORS OF FEDERAL RESERVE SYSTEM
* PRELIMINARY

U. S. DEPARTMENT OF AGRICULTURE

NEG. 20570 BUREAU OF AGRICULTURAL ECONOMICS

DOMESTIC COTTON CONSUMPTION AND INDUSTRIAL PRODUCTION ARE CLOSELY RELATED. THIS HAS BEEN PARTICULARLY TRUE IN THE LAST FEW YEARS. SINCE 1940 BOTH HAVE BEEN MUCH HIGHER THAN EVER BEFORE. UNDER THE STIMULUS OF GOVERNMENT ORDERS THEY RECENTLY HAVE BEEN ABOUT TWO-THIRDS HIGHER THAN THE 1935-39 AVERAGE. IN 1942 THEY ARE EXPECTED TO GO STILL HIGHER.

T H E C O T T O N S I T U A T I O N

Summary

The revised 1942 national and State acreage and production goals for agriculture recently announced by the Secretary of Agriculture provide for a substantial increase in the 1942 production of the longer staples of American Upland cotton. This increase is to be accomplished within the present cotton acreage allotments, primarily by encouraging producers through an extensive educational program to shift to varieties giving longer staples than those grown last year. Special premiums will be offered on staples 1-1/8 inches and longer. @ 155/56

In announcing this program the Secretary indicated that with the existing price of cotton and cottonseed American farmers are expected to plant about 25 million acres to cotton in 1942 compared with the national allotment of 27.4 million acres. This would be a somewhat larger planted acreage than was expected last fall and 1-3/4 million acres larger than the acreage planted in 1941. Because of the considerably larger expected disappearance, both in 1941-42 and in 1942-43, the carry-over both on August 1, 1942 and on August 1, 1943 probably will be considerably smaller than was expected last September.

Despite the Government sale of 1934 and 1937 crop cotton, prices have continued strong. On January 27 the basic price in the 10 markets of 20-1/10 cents a pound was 2-3/4 cents higher than a month earlier and the highest for almost 13 years. The inflationary elements in the general price-structure have no doubt continued to be the most important factor contributing to the price advance during recent weeks. From January 28 to 30 prices were about one-half cent lower than on the 27th. The

January 15 farm price of 16.93 cents was materially below the January 15 parity price and lower relative to the price in the 10 markets than for many months.

If sufficient labor can be obtained there seems little doubt that domestic mill consumption will increase substantially in the near future. The War Production Board is making special efforts to bring about increased cotton textile production. It has recently been proposed that domestic rug and carpet mills be required to shift to the production of cotton duck. As a result of these developments domestic consumption for the year ending July 1942 may approximate 11-1/2 million bales, 1-3/4 million bales above the record high of last season.

-- January 30, 1942

REVIEW OF RECENT DEVELOPMENTS

Domestic Prices Gain 2-3/4 Cents for Month; Reach 13 Year High

Domestic prices of spot cotton during the past month continued the upward trend which began in the early part of 1941. The price of Middling 15/16 in the 10 markets of 20.11 cents on January 27 was 2-3/4 cents higher than a month earlier and the highest since March 1929. It was 10 cents higher than on January 27, 1941. Since the beginning of the current season (August 1, 1941) the price in these markets has advanced 4-1/5 cents per pound. There have seldom been occasions when prices have advanced as sharply in a comparable period as during the past month. On January 28, however, prices declined one-half cent and recovered only 0.05 cent on January 29 and 30.

Price Effects of Government Sales More Than Offset by Other Factors

The inflationary elements in the general price-structure have no doubt continued to be the most important factor contributing to the price advance during recent weeks. With large deficit financing, increasing employment and pay rolls, together with restrictions on civilian supplies of automobiles and other important items in the consumer's budget, the civilian demand for cotton textiles is expected to continue strong. This, plus the added military requirements, has created considerable pressure for a still higher level of mill activity and cotton consumption. If sufficient labor can be obtained there seems little doubt that domestic mills will use still larger quantities of cotton during the months immediately ahead. These

factors are generally believed to have contributed to the strength in cotton prices. They more than offset the retarding effect of the Government's sales program announced January 5.

On January 30 the President signed the Emergency Price Control Act of 1942. Under the provisions of this act the ceiling on cotton prices cannot be established or maintained below the highest of the following: (1) 110 percent of the parity price, adjusted for grade, location, and seasonal differentials, (2) the market price prevailing on October 1, 1941, (3) the market price prevailing on December 15, 1941, or (4) the average price during the period July 1, 1919 to June 30, 1929. As indicated by the accompanying tabulation, the highest of these at the present time is the fourth - the average for the 10 years July 1919 to June 1929 - and that this is considerably above present prices.

(1) 110 percent of January 15 parity (18.10 X 110)	19.91	cents	per	pound
(2) Market price (7/8-inch in 10 markets) October 1, 1941	16.90	"	"	"
(3) Market price (7/8-inch at 10 markets) December 15, 1941	16.97	"	"	"
(4) Average price July 1919-June 1929:				
(a) Middling 7/8-inch in 10 markets ...	22.71	"	"	"
(b) United States average farm price ..	21.47	"	"	"

January 15, 1942 United States farm price .	16.93	cents	per	pound
January 15, 1942 parity farm price	18.10	"	"	"
January 29, 1942 market price (7/8-inch at 10 markets)	19.42	"	"	"
January 29, 1942 market price (15/16-inch at 10 markets)	19.66	"	"	"

Foreign Prices of Indian and Brazilian Now
60 to 70 Percent Below American

Recent prices of Brazilian type 5 cotton at Sao Paulo, Brazil, have been equivalent to only 7-1/4 to 7-3/4 cents. For several recent weeks this was about the same as the price of Indian Oomra No. 1 Fine at Bombay. But on January 23 Indian declined to less than 6 cents. On the latter date the prices of these two foreign cottons in their respective home markets were equivalent to only 40 and 30 percent, respectively, of the price of American Middling 15/16 at New Orleans. (See table 1). For the past several weeks the prices of these two foreign growths have shown comparatively little change up to the time of the recent drop in the case of Indian. Because of increased war activity since early December the export prospects for both Brazilian and Indian cottons have become less favorable, which has, no doubt, tended to depress price but in each case the prospects for higher consumption by local mills probably have increased somewhat.

Domestic Mill Activity and Industrial Production
Two Thirds Above 1935-39

After reaching a new record high of 167 in November, about two thirds higher than the 1935-39 average, the index of domestic cotton consumption (1935-39 = 100) declined to 155 in December. It is believed, however, that the index for January will equal or exceed that of November despite the reduced output of yarn for tire fabric. The Federal Reserve Board's index of industrial production was about two thirds higher in November than the 5-year, 1935-39, average. The preliminary index for December, however, showed a slight increase and was 13 points above the index of cotton consumption, whereas during most of the past year the industrial production index has been lower than the index of cotton consumption.

Despite the lower seasonally adjusted index of consumption, the 887,000 bales of cotton consumed in December exceeded the November consumption by almost 40,000 bales. For the 5 months ended December, domestic consumption totaled 4,440,000 bales - 24 percent more than the previous record of 3,579,000 bales consumed during the corresponding period last season.

Cotton Consumption Low in Most Foreign Countries

In continental Europe exclusive of Russia, where large quantities of cotton are normally imported and consumed, the consumption of cotton is undoubtedly very low. It has been 2-1/2 years since much cotton has been imported into this area, and since June 1940 imports have been very small. Although some of the countries in this area had substantial stocks on hand at the beginning of the war, these stocks have undoubtedly been largely depleted despite restricted consumption. In Japan and China, two areas normally manufacturing large quantities of cotton, consumption has been restricted for many months. In Japan it is probable that since early December additional restrictions have been placed on cotton consumption, at least for civilian requirements.

In Great Britain restrictions on the civilian consumption of cotton textiles, reduced cotton textile exports, and labor shortages, have held cotton consumption to a level materially below that of the pre-war period for some time. The effects of the reduced British cotton textile exports on total cotton consumption has been offset to some extent, however, by increased cotton consumption in India and Brazil. In these two countries reduced imports or increased exports to consumers formerly obtaining cotton goods from Japan and Great Britain have contributed to the high level of cotton mill activity in recent months. Despite the high level of cotton consumption in India, Brazil, and a few other areas, total consumption in foreign countries is unusually low. This, together with the comparatively large foreign production, has resulted in substantial accumulations of stocks.

Revised 1942 Acreage Goal Calls for
Sharp Increase in Long Staples

On January 16 the Secretary of Agriculture announced revised goals for United States farm production in 1942 substantially larger than the output called for in the goals announced last fall. This announcement, which placed the cotton acreage at 25 million, said: "It is expected that cotton acreage

will be about a million acres larger than was anticipated in September ... [and that] for ... cotton ... the goals should not be exceeded. To do so would waste precious labor and supplies." The revised acreage figure is somewhat larger than that suggested last fall, but because the expected 1941-42 and 1942-43 disappearance is considerably larger than seemed likely last fall, the revised acreage probably will give a materially smaller carry-over on August 1, 1943 than was anticipated last September. The increased domestic and lend-lease requirements and the need for a greatly expanded production of long staple Upland cotton make an acreage of 25 million seem more desirable now than did 22 and 24 million acreages a few months ago.

Because of the relatively small ratio of supplies to expected requirements in the case of the longer staples, a substantial increase in the 1942 production of these lengths is needed. This increase is to be accomplished within the present farm allotments, primarily by encouraging producers to shift to varieties giving longer staples than those grown last year. To encourage this shift, the Commodity Credit Corporation has established more favorable loan rate differentials for the 1942 crop. In addition, an extensive educational program will be conducted and efforts made to bring about the best possible utilization of the available seed supplies.

In the suggested State acreage distribution, several factors were given consideration. These included: The State acreage allotments as determined by law, the proportions of the State allotments which have been planted in recent years, the expected relative profitableness of cotton and alternative farm enterprises, and the available or prospective supply of land, labor, machinery, fertilizer, and insecticides. Expansion in our war efforts has resulted in marked upward revisions in the goals for such crops as peanuts, soybeans, and some of the other crops grown in the Cotton Belt. The increased goals and the accompanying price-supporting programs for some of these crops are largely responsible for the downward revision of cotton acreage goals in a few States from the acreage expected in September even though the national goal is somewhat larger.

Recent regional adjustment studies indicate that, in a number of areas in the Cotton Belt, increased production of food and feed crops would represent desirable changes in farming systems, both immediately and over a period of years. In other areas, however, the present level of cotton prices is undoubtedly sufficiently attractive to cause farmers to plant a considerably larger proportion of their allotted cotton acreage than for some time. In those areas particularly well adapted to the production of Upland cotton 1-1/8 inches and longer in staple, farmers should be encouraged to plant a larger proportion of their cotton allotments to varieties giving longer staples. For the expected or suggested distribution of the 1942 acreages by States, see table 6.

"Free" Supplies Increased by Sale of 1934
and 1937 Commodity Credit Corporation
and Repossessions of 1942 Cotton

The Commodity Credit Corporation announced on January 5 a plan whereby the 1934 and 1937 crop cotton held by it would be offered for sale at a basic price of 19 cents for Middling 15/16-inch in the "Group B mill area in the

Carolinas." The prices in different locations and for other qualities were established at specified amounts "on" or "off" this basic rate. On January 19, the day this sales program went into effect, the average price of Middling 15/16-inch in the 10 designated markets was 18.87 cents, which was about 3/10 cent higher than the Corporation's average selling price for this quality in these markets. (See table 5). Even for this quality the difference between the Corporation's selling price and the market price that day, of course, was larger in some markets than the 3/10-cent average. For the lower grades the Commodity Credit Corporation's selling prices were materially above the average price in the 10 markets. For the higher grades the two price series were about in line, at least in a number of areas.

Under the sales program, the decline in Government holdings of 1934 and 1937 cotton probably will more than offset the net increase during the month of January in the stocks of 1941 crop cotton under loan. Up through January 24 loans had been made on about 1,980,000 bales of the 1941 crop, including 43,000 bales which had been repossessed, leaving a net total of 1,937,000 bales of this crop under loan as of that date. From January 3 through January 24 there was a net increase of 127,000 bales in the reported stocks of this cotton under Government loans. In view of the recent price rise it is probable that repossessions may soon exceed the quantity going into the loan, with a resulting net decline in Government-financed holdings of 1941 cotton. This and Government sales of 1934 and 1937 cotton will increase the available domestic supply of so-called "free" cotton.

THE OUTLOOK

Domestic Consumption Expected to Show Further Gain

As already indicated, there was some decline in the daily rate of domestic cotton consumption in December. This is believed to have been due in part to temporary stoppages in some mills in preparation to shifts to other types of yarns and in part to reduced consumption by tire yarn manufacturers. In view of the heavy demand for cotton goods, both to meet Government and civilian requirements, mill activity and cotton consumption are expected to increase materially in the near future. Within the last 2 weeks it has been announced that the Government needs the entire output of the domestic cotton duck mills. Furthermore, it has been proposed that rug and carpet mills be shifted into the production of cotton duck. At least part of the cotton yarns which would be used by the rug and carpet mills probably will be produced by the spindles formerly producing yarns for automobile tires. It is understood that some of these spindles have already been producing yarns for use in the manufacture of duck. In addition to these developments the leaders of the cotton textile industry were recently informed by the Office of Production Management that a large increase in the output of cotton goods is imperative.

In view of the pressure which will be exerted on the industry, the difficulty of obtaining labor is the only factor which would prevent a marked increase in consumption within the next few weeks. Despite the labor shortage, however, consumption is expected to increase substantially, and for the 12 months ending July 1942 may total close to 11-1/2 million bales. This would

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represent an increase of almost 1-3/4 million bales over the previous record-high consumption for the year beginning August 1940 and 3-3/4 million bales over the 5-year 1936-40 average.

Stocks on August 1, 1942, to be
Greatly Reduced

In view of the prospective high level of domestic consumption, domestic disappearance of American cotton is now expected to materially exceed that of last season. As a result, the domestic carry-over on August 1, 1942 likely will be materially less than the approximately 12 million bales carried over in August 1941.

Table 1.- Cotton prices, mill margins and specified index numbers, United States, annual 1929-40, monthly January 1940 to date

Season beginning August	Price of cotton per pound:				Index numbers			
	Received by farmers 15th of month	Parity 1/	Middling: 15/16" cotton: average for 10 markets: 2/	Mill margin: 3/	Cotton consumption (1935-39=100) 4/	Industrial production (1935-39=100) 4/	Whole-sale prices (1910-14=100) 5/	Prices paid, interest and taxes (1910-14=100)
	Cents	Cents	Cents	Cents				
1929	16.79	20.30	16.23	13.19	91	101	134	163
1930	9.46	18.35	9.99	12.17	78	81	114	148
1931	5.66	15.84	6.09	9.43	73	63	99	128
1932	6.52	14.29	7.29	10.07	92	62	92	115
1933	10.17	15.52	11.00	13.95	85	76	106	125
1934	12.36	16.28	12.68	11.83	80	79	114	131
1935	11.09	15.76	11.88	12.63	94	96	117	127
1936	12.33	16.63	13.25	16.59	120	116	124	134
1937	8.41	16.25	9.09	12.15	86	92	119	131
1938	8.60	15.66	9.00	10.44	103	99	112	126
1939	9.09	15.81	10.09	12.68	116	117	114	128
1940 6/	9.89	16.00	11.00	16.35	146	142	119	129
1940-41 6/								
Dec.	9.33	15.87	9.86	14.50	142	139	117	128
Jan.	9.45	15.87	10.10	14.94	144	140	118	128
Feb.	9.44	15.87	10.13	16.00	152	144	118	128
Mar.	9.72	16.00	10.58	18.17	156	147	119	129
Apr.	10.45	16.00	11.09	19.81	160	144	121	129
May	11.68	16.12	12.44	20.85	164	154	124	130
June	12.81	16.37	13.79	21.84	160	159	127	132
July	14.32	16.49	15.58	19.06	162	159	130	133
1941-42 6/								
Aug.	15.33	16.86	16.14	20.53	160	160	132	136
Sept.	17.53	17.11	17.10	20.01	156	161	134	138
Oct.	16.55	17.48	16.49	20.45	161	163	135	141
Nov.	15.78	17.73	16.33	20.34	167	166	135	143
Dec.	16.23	17.86	17.26	20.30	155	168	137	144
Jan.	16.93	18.10						

1/ Average United States farm price for the 5 years Aug. 1909-July 1914 of 12.4 cents times the index of prices paid by farmers, interest, and taxes (1910-14=100).

2/ Prices for 1929 are the premiums of 15/16" cotton at six markets (Dallas, Galveston, Houston, Little Rock, Memphis, and New Orleans) added to the price of 7/8" cotton in the 10 designated markets. Prices for 1930-38 are computed by adding the monthly average premium for Middling 15/16" to the average price of Middling 7/8" in the 10 markets. Prior to July 1937 premiums for 15/16" cotton in Norfolk, Augusta, Savannah, and Montgomery were estimated. Since 1939 prices are as quoted on Middling 15/16" cotton in the 10 designated markets. On Aug. 6, 1941 Charleston was substituted for Norfolk.

3/ Mill margins on unfinished cloth (17 constructions).

4/ Federal Reserve Board, adjusted for seasonal variation.

5/ Bureau of Labor Statistics 1926 = 100, converted to 1910-14 = 100.

6/ Preliminary.

Table 2.- Cotton: Spot price per pound, in domestic and foreign markets with comparisons, 10-year average 1927-36 and 1936-41

Season, month or day	Brazilian Sao Paulo : Indian Oomra Fine			Premiums of American				
	American Middling 15/16" at New Orleans	Type 5 at Sao Paulo : As a percentage of American Middling 15/16" at New Orleans	at Sao Paulo : As a percentage of American Middling 15/16" at New Orleans	at Bombay	at Bombay : As a percentage of American Middling 15/16" at New Orleans	Middling 15/16" at New Orleans over	Brazilian Sao Paulo : Type 5 at Sao Paulo	Indian Oomra Fine at Bombay
10-yr. av.	Cents	Cents	Percent	Cents	Percent	Cents	Cents	Cents
1927-28 to:								
1936-37 :	12.99	14.11	108.6	10.06	77.4	-1.12		2.93
1936-37 :	13.45	12.95	96.3	10.08	74.9	0.50		3.37
1937-38 :	9.24	9.26	100.2	7.27	78.7	-0.02		1.97
1938-39 :	9.04	8.42	93.1	6.57	72.7	.62		2.47
1939-40 :	10.23	9.04	88.4	8.13	79.5	1.19		2.10
1940-41 :	11.06	6.91	62.5	6.62	59.9	4.15		4.44
Dec. :	9.94	7.18	72.2	6.43	64.7	2.76		3.51
Jan. :	10.17	7.05	69.3	5.92	58.2	3.12		4.25
Feb. :	10.22	6.81	66.6	5.77	56.5	3.41		4.45
Mar. :	10.79	6.78	62.8	6.30	58.4	4.01		4.49
Apr. :	11.07	6.84	61.8	6.11	55.2	4.23		4.96
May :	12.44	6.61	53.1	6.46	51.9	5.83		5.98
June :	13.75	6.81	49.5	7.42	54.0	6.94		6.33
July :	15.58	7.91	50.8	8.19	52.6	7.67		7.39
1941-42 1/:								
Aug. :	16.10	8.55	53.1	7.74	48.1	7.55		8.36
Sept. :	16.95	8.62	50.9	7.74	45.7	8.33		9.21
Oct. :	16.28	7.47	45.9	6.90	42.4	8.81		9.38
Nov. :	16.34	7.22	44.2	7.76	47.5	9.12		8.58
Dec. :	17.18	7.32	42.6	7.53	43.8	9.86		9.65
Dec. 5 :	17.29	7.36	42.6	8.17	47.3	9.93		9.12
12 :	17.15	7.28	42.4	7.39	43.1	9.87		9.76
19 :	17.20	7.28	42.3	7.52	43.7	9.92		9.68
26 :	17.29	2/ 7.36	42.6	7.03	40.7	9.93		10.26
Jan. 2 :	18.04	3/ 7.36	40.8	7.22	40.0	10.68		10.82
9 :	18.40	2/ 7.61	41.4	7.34	39.9	10.79		11.06
16 :	18.76	2/ 7.77	41.4	7.47	39.8	10.99		11.29
23 :	19.60	4/ 7.69	39.2	5/ 6.01	30.7	11.91		13.59

Prices at New Orleans are from records of the Agricultural Marketing Service. Prices at Bombay are spot and near-month futures quotations and are from Bombay Cotton Annual and Financial News through March 1941; since then from New York Cotton Exchange reports. They were converted from rupees per candy of 784 pounds at current rates of exchange (buying rates in recent months) as reported by the Federal Reserve Board.

Prices at Sao Paulo are from official publications and cables. Prices were converted from milreis per 15 kilograms at current rates of exchange until September 1934, October 1934 to February 10, 1935 at open or free market rates, and from February 11 to date at composite averages of official and free market rates; except from November 16, 1937 through April 10, 1939 when free market rates were used.

Prices in the United States are based on gross weight; all prices in foreign countries based on net weight.

1/ Preliminary. 2/ Prices for following day. 3/ Price for December 30. 4/ Price for January 20. 5/ Price for January 24.

Table 3.- Cotton, all kinds: Consumption in the United States and percentage change, 1935-41

Period	Year beginning August						
	Average 1935-39	1939	1940	Actual	1941 1/		
					As a percentage of		
				Average: 1935-39	1939	1940	
	1,000 run-	1,000 run-	1,000 run-	1,000 run-	Percent	Percent	Percent
	ning bales	ning bales	ning bales	ning bales	Percent	Percent	Percent
Aug.	555.4	630.7	650.9	874.1	157.4	138.6	134.3
Sept.	567.9	624.2	638.2	875.7	154.2	140.3	137.2
Oct.	591.7	686.5	770.8	953.6	161.2	138.9	123.7
Nov.	587.2	718.7	741.2	849.7	144.7	118.2	114.6
Dec.	568.5	650.1	777.5	887.3	156.1	136.5	114.1
Aug.-Dec.	2,870.7	3,310.1	3,578.6	4,440.5	154.7	134.2	124.1
Jan.	606.5	731.8	844.8				
Feb.	566.6	661.8	793.4				
Mar.	623.5	627.2	854.8				
Apr.	575.0	623.1	921.0				
May	574.9	641.6	923.5				
June	564.5	565.4	875.8				
July	556.5	622.7	929.8				
Total for year	6,938.3	7,783.8	9,721.7				

Compiled from reports of the Bureau of the Census.
1/ Preliminary.

Table 4.- Cotton, all kinds: Consumption in United States, total, and daily rate, specified periods, August 1940-December 1941

Season and month	Consumption				Daily rate		
	Total	Government: mattress programs	less Government: mattress programs	Number working: days per month	Total	Government: mattress programs	less Government: mattress programs
1940-41							
Aug.	650,888	37,000	613,888	22.00	29,586	1,682	27,904
Sept.	638,235	19,000	619,235	20.50	31,133	927	30,207
Oct.	770,832	17,000	753,832	22.75	33,883	747	33,135
Nov.	741,170	28,000	713,170	20.50	36,155	1,366	34,789
Dec.	777,482	50,000	727,482	21.00	37,023	2,381	34,642
Jan.	844,839	16,000	828,839	21.50	39,295	744	38,550
Feb.	793,428	29,000	764,428	20.00	39,671	1,450	38,221
Mar.	854,767	34,000	820,767	21.00	40,703	1,619	39,084
Apr.	920,950	45,000	875,950	22.00	41,861	2,045	39,816
May	923,518	48,000	875,518	21.50	42,954	2,233	40,722
June	875,812	48,000	827,812	21.00	41,705	2,286	39,420
July	929,782	49,000	880,782	22.00	42,263	2,227	40,036
Total	9,721,703	420,000	9,301,703	255.75	38,013	1,642	36,370
1941-42 1/							
Aug.	874,113	28,000	846,113	21.00	41,624	1,333	40,291
Sept.	875,682	12,000	863,682	21.50	40,729	558	40,171
Oct.	953,600	6,000	947,600	22.75	41,916	264	41,653
Nov.	849,733	4,000	845,733	19.50	43,576	205	43,371
Dec.	887,326	1,200	886,126	22.00	40,333	55	40,278

Compiled from records and reports of the Bureau of the Census except number of working days per month which are from reports of the Federal Reserve Board.
1/ Preliminary

Table 5.-- Cotton: Loans made by the Commodity Credit Corporation, by weeks, 1940-41 and 1941-42

Week ended	1940-41					Week ended	1941-42			
	Entering loan		Withdrawals		Remain- ing in loan, net total		Entering loan		With- draw- als, Cumu- lative total	Remain- ing in loan, net total
	During week 1/	Cumu- lative total	During week 1/	Cumu- lative total			During week 1/	Cumu- lative total		
1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	
Sept. 30 2/:	---	159	0	0	159	Oct. 1 2/:	---	90	0	90
Oct. 7 :	173	332	0	0	332	11 3/:	---	---	---	---
14 :	219	551	0	0	551	18 :	---	232	---	232
21 :	290	841	0	0	841	25 :	86	318	---	318
28 :	285	1,127	1	1	1,126	Nov. 1 :	107	426	---	426
Nov. 4 :	297	1,423	4/	1	1,423	8 :	128	554	---	554
12 5/:	227	1,650	4/	1	1,649	15 :	111	665	---	665
18 :	271	1,922	0	1	1,921	22 :	335	1,000	---	1,000
25 :	152	2,074	3	3	2,070	29 :	184	1,184	---	1,184
Dec. 2 :	166	2,240	0	3	2,237	Dec. 6 :	168	1,352	---	1,352
9 :	145	2,384	4/	4	2,381	13 :	143	1,495	---	1,495
16 :	119	2,503	0	4	2,499	20 :	131	1,626	---	1,626
23 :	101	2,604	4/	4	2,600	27 :	105	1,731	---	1,731
30 :	63	2,666	3	7	2,659	Jan. 3 :	79	1,809	---	1,809
Jan. 6 :	49	2,715	5	12	2,703	10 :	71	1,880	6/ 16	1,864
13 7/:	---	---	---	---	---	17 :	62	1,942	29	1,913
20 8/:	136	2,851	0	12	2,839	24 :	---	---	---	---
27 :	52	2,903	16	28	2,874	31 :	---	---	---	---
Feb. 3 :	39	2,942	28	56	2,886					

Compiled from reports of the Commodity Credit Corporation.

1/ Calculations for weekly data were made before figures were rounded to thousands.

2/ Number of bales entering loan from beginning of season.

3/ No release was issued showing loans for week ended October 11.

4/ Less than 500 bales.

5/ November 11 was a holiday.

6/ Total withdrawals to January 10, 1942. Prior to this week data on the quantity withdrawn were not published.

7/ No report was released for week ended January 13 as offices were being moved to New Orleans.

8/ Data for 2 weeks.

Table 6.- Cotton: Actual price and Commodity Credit Corporation selling-price per pound of specified qualities, January 19, 26, and 29, 1942

Quality	Price in 10 designated markets						
	Commodity	Jan. 19		Jan. 26		Jan. 29	
	Actual	Above or below	Actual	Above or below	Actual	Above or below	
Mid. 13/16"	17.81	18.02	+ .21	19.19	+1.38	18.80	+ .99
" 7/8"	18.40	18.64	+ .24	19.81	+1.41	19.42	+1.02
" 15/16"	18.59	18.87	+ .28	20.05	+1.46	19.66	+1.07
" 1"	18.82	19.10	+ .28	20.30	+1.48	19.93	+1.11
" 1-1/16"	19.52	19.68	+ .16	20.93	+1.41	20.58	+1.06
St.G.Ord. 15/16" :	16.74	15.52	-1.22	16.46	- .28	15.96	- .78
L.Mid. 15/16" ... :	17.34	16.72	- .62	17.81	- .47	17.34	0
St.L.Mid. 15/16" :	18.04	18.04	0	19.16	+1.12	18.74	+ .70
Mid. 15/16"	18.59	18.87	+ .28	20.05	+1.46	19.66	+1.07
St.Mid. 15/16" ... :	18.96	19.23	+ .27	20.41	+1.45	20.02	+1.06

Compiled from records of the Agricultural Marketing Service and Commodity Credit Corporation.

Table 7.- Expected or suggested acreage for 1942: Cotton
(Upland, American-Egyptian and Sea Island)

State	Expected or suggested planted acreage in 1942	1941 allotments	Estimated planted acreage	
			1941	1939
	1,000 acres	1,000 acres	1,000 acres	1,000 acres
Upland:	24,800	27,392	23,074	24,622
Ariz.	156	194	152	148
Calif.	358	400	355	334
N. Mex.	107	118	98	96
Ill.	5	6	5	4
Kans.	1	1	1/	1/
Mo.	399	405	416	380
Ala.	1,825	2,283	1,800	2,100
Ark.	2,183	2,300	2,096	2,187
Fla.	65	85	51	64
Ga.	1,790	2,254	1,857	1,979
Ky.	16	20	15	16
La.	1,160	1,269	1,087	1,154
Miss.	2,650	2,686	2,459	2,662
N. C.	860	984	812	754
Okla.	1,976	2,214	1,731	1,855
S. C.	1,232	1,359	1,230	1,248
Tenn.	733	803	710	733
Tex.	9,245	9,954	8,162	8,874
Va.	39	57	37	33
American-Egyptian:	2/ 150	3/	136	41
Ariz.	2/ 110	3/	101	41
N. Mex.	2/ 21	3/	19	1/
Tex.	2/ 19	3/	16	1/
Sea Island	2/ 20	3/	40	20
All cotton	24,970	3/	23,250	24,683

1/ Less than 500.

2/ Subject to possible further revision.

3/ No allotments on cotton 1-1/2 inches and longer in staple.