THE Cotton SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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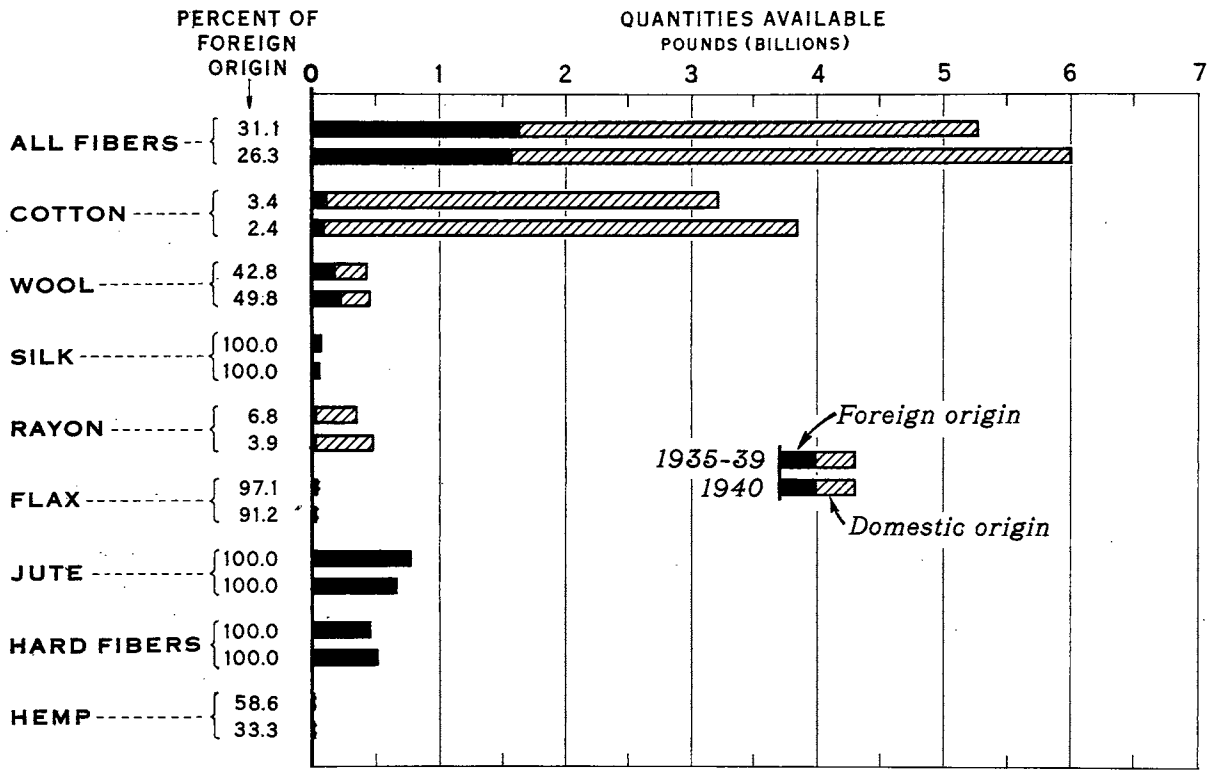
FIBERS (DOMESTIC AND FOREIGN) AVAILABLE TO ULTIMATE CONSUMERS OF THE UNITED STATES, AVERAGE 1935-39, AND 1940



U. S. DEPARTMENT OF AGRICULTURE NEG. 39954 BUREAU OF AGRICULTURAL ECONOMICS

NEARLY ONE-THIRD OF THE TOTAL QUANTITY OF FIBERS USED IN THE UNITED STATES IMMEDIATELY PRIOR TO THE BEGINNING OF THE PRESENT WAR WAS OF FOREIGN ORIGIN. REDUCED IMPORTS OF AND INCREASED NEED FOR HARD FIBERS, JUTE, AND TO A LESSER EXTENT SOME OF THE OTHER FIBERS, HAVE NECESSITATED GOVERNMENT RESTRICTIONS ON THEIR USE. THIS IN TURN HAS GREATLY INCREASED THE DEMAND FOR COTTON AND COTTON TEXTILES. THE ANNUAL AVERAGE QUANTITY OF IMPORTED FIBERS USED FROM 1935 THROUGH 1939 WAS EQUIVALENT ON A POUND-PER-POUND BASIS TO 3-2/5 MILLION BALES OF COTTON.

THE COTTON SITUATION

Summary

Under the stimulus of heavy military requirements, increased civilian demand for textiles, and limited supplies of goods produced from other fibers, the daily rate of domestic cotton mill consumption reached a new record high in January. The January daily rate of almost 44,000 bales was slightly above the previous high of last November and 12 percent above that of January last year. Except for the difficulty in obtaining labor, mill operations no doubt would have been at a still higher level. Despite this difficulty, cotton consumption is expected to reach a substantially higher rate in the near future.

The restrictions on goods produced from other fibers are largely the result of limited imports of such fibers. For the 5 years 1935-39, when imports were more or less normal and military requirements were small, fibers of foreign origin accounted for nearly one third of all fibers consumed in the United States (see chart on cover page). By weight these imports were equivalent to 3-2/5 million bales of raw cotton, equal to about 50 percent of total domestic cotton consumption. At the present time restricted imports and increased military requirements have resulted in Government limitations on the use of such import fibers as jute, abaca (Manila hemp), sisal, henequen, wool, and silk. Limited supplies of these fibers are increasing the need for cotton in the form of cordage, bags and bagging, and various types of clothing and household articles.

Because of restricted imports and efforts to conserve the limited stocks on hand, this season's mill consumption of cotton in the Axis-controlled areas may be below that of 1936-37, the last year prior to the

beginning of the "Chinese incident," by more than 6-2/3 million bales. Cotton mill consumption in these areas will be much less than the greatly restricted consumption of last season. This, together with possibly some further reduction in consumption in other foreign countries, is expected to reduce consumption outside of the United States to a total considerably smaller than 1941-42 foreign production plus receipts from the United States. Consequently, the total August 1, 1942 carry-over of cotton in foreign countries is expected to be substantially larger than a year earlier. The record-breaking consumption in the United States, on the other hand, is expected to reduce materially the 1942 carry-over in this country.

-- February 27, 1942

DOMESTIC AND FOREIGN PRICES

Domestic Prices Gain Over Half Cent; Still Below January Peak

From early February to February 27, the basic price (Middling 15/16 inch) in the 10 markets advanced from 18.80 to 19.35 cents. While the latter price was about 3/4 cent below the peak reached in late January, it was 9-1/8 cents higher than a year earlier and the highest, with the exception of a few days in late January and in February, since 1929. It was 115 percent above the 1938-39 average, the last year prior to the beginning of World War II. This gain in price so far during this war compares with a gain of only about 30 percent in the corresponding period of World War I.

High 1942 Loan Rate Premiums Announced on Longer Staples

On February 5, the Department of Agriculture announced plans designed to encourage growers to shift from the production of short staple cotton to the longer staple lengths in order to increase the supply of the latter, which are needed in large quantities to meet military and civilian requirements. These plans included materially higher premiums on the longer staple lengths of Upland cotton under the 1942 Government loan program. Also included were measures whereby the price of American-Egyptian and Sea Island cotton will be supported through a purchase program. As is indicated in table 1, the premiums which have been announced for the 1942 loan program are much higher on the longer staple lengths than those existing under the 1941 loan program and also considerably higher than the unusually high market premiums existing in recent weeks. The premiums established on the longer staple lengths of American Upland cotton were designed to enable producers to realize about the same per-acre return from the longer cottons as from the shorter cottons

which generally have higher yields. The differentials were established on the basis of those existing in the domestic market during the first 6 months of the current season, with adjustments for the higher cost of producing the longer staple lengths.

Producers of American-Egyptian cotton, who have been asked to increase their acreage to at least 150,000 acres in 1942 and to make a greater increase if seed supplies will permit, will be protected against serious price declines through an offer by the Commodity Credit Corporation to purchase this cotton. The prices established under this program on American-Egyptian cotton having a staple length of 1-1/2 inches or longer were as follows: 35 cents per pound net weight for U. S. grade No. 1, 34 cents for grade No. 1-1/2, 33 cents for grade No. 2, 32 cents for grade No. 2-1/2, and 30 cents for grade No. 3. These prices apply to cotton stored in warehouses in the producing areas. The Corporation also offers to purchase Sea Island cotton on the basis of 36 cents per pound for U. S. grade No. 2 and staple lengths of 1-1/2 inch, with approximate premiums and discounts for other grades and for other staple lengths in excess of 1-1/2 inch.

Prices in Sao Paulo, Brazil, Advance Considerably but Remain Relatively Low

As of February 20, the price of Type 5 Brazilian cotton at Sao Paulo was quoted at a price equivalent to 8-1/4 cents per pound. This was 3/5 cent higher than a month earlier but was still equivalent to only 43 percent of American Middling 15/16 at New Orleans. It was almost 11 cents below the New Orleans price. This discrepancy, of course, is possible only because cotton prices in domestic markets are on a basis almost independent of prices in foreign countries as a result of domestic import quotas, shortage of transportation facilities, and the unusually strong domestic demand.

Since mid-January prices of Indian cotton in Bombay have no longer been available. During the first half of January, prices of Indian Oomra at Bombay were equivalent to 7-1/4 to 7-1/2 cents per pound, or about 40 percent of the price of American Middling 15/16 inch at New Orleans. During the 10 years 1927-28 to 1936-37 the price of this cotton was, on the average, equivalent to about 77 percent of the New Orleans price.

DOMESTIC DEMAND AND CONSUMPTION

Mill Consumption Reaches New High Daily Rate

Total domestic cotton consumption in January of 946,000 bales was slightly less than the all-time record consumption of 954,000 bales in October. The daily rate of consumption in January of nearly 44,000 bales was, however, somewhat higher than the previous record high of 43,600 bales in November and 12 percent above January 1941 (see tables 4 and 5). If the January daily rate of consumption (computed on a similar basis as to the number of working days) were maintained for the following 6 months, consumption for the 1941-42 season would total about 11 million bales. But as has been indicated in previous releases, it is expected that the rate of consumption will reach still higher levels during the months immediately ahead and result in a total consumption of about 11-1/2 million bales.

Restricted Consumption of Import Fibers Stimulates Demand for Cotton

As indicated in the chart on the cover page (and in table 1), nearly one third of the fibers ultimately used by consumers in the United States in the 5 years 1935-39 were of foreign origin. The average annual quantity of these imported fibers used during this period was equivalent (pound per pound) to 3-2/5 million bales of cotton. Of these fibers, jute, hard fibers (principally sisal, henequen, and abaca), and wool are the more important. In addition, the aggregate imports of raw and manufactured cotton, silk, flax, and hemp have represented a sizable quantity. Because of reduced imports and the increased military requirements, the use of most of these fibers for nonessential civilian consumption is now being greatly restricted or entirely prohibited. These restrictions have greatly stimulated the demand for cotton textiles. As a result of this situation and the strong civilian demand resulting from other causes along with the heavy military requirements, there is a strong pressure toward a still higher level of output by domestic mills. At the present time the principal factor preventing a more rapid increase in output appears to be the difficulty in obtaining satisfactory labor.

Cotton Requirements for Bags Are Large

Because of the restrictions on burlap and the large production of food and feed under the victory program, the requirements for cotton in the production of materials used in producing, harvesting, and marketing agricultural products will be exceptionally large this year. Even in 1940 and 1941 when more or less normal quantities of burlap were available, it is estimated that well over 1 billion square yards of cotton fabric were required for these purposes. This year considerable quantities of cotton fabrics also may be used for the production of sand bags.

Government Takes Nearly All Domestic Duck Production

Some time ago the Office of Production Management (now the War Production Board) announced that the entire capacity for the manufacture of all but the lightest cotton duck is to be devoted to military uses. At that time it was announced that the Government would soon issue invitations to bid on about 200 million yards of duck for delivery by June 30, 1942. It is estimated this would require some 350,000 bales of cotton and be equivalent to 115 percent of the total domestic duck yardage production during the calendar year 1939. Even prior to this announcement it was estimated that between 50 and 75 percent of the available duck production was under Government control. The Office of Production Management also started a movement to bring about the conversion of carpet and rug weaving equipment to the production of duck. Some of this conversion has already taken place and some of these mills are now producing Army duck. At least some of the yarn required by these mills is yarn produced on spindles formerly used in the production of yarn for tire fabric.

FOREIGN DEMAND AND CONSUMPTION

Consumption in Axis Areas May Drop More Than 6-2/3 Million Bales Below the Peak

The indications are that the total mill consumption of cotton in the areas under German and Italian control likely will be less than 1 million bales this season. This compares with a peak of more than 5-1/2 million bales consumed in these areas in 1927-28, and in Japan cotton mill consumption also may drop to 1 million bales or less this season, depending upon how rapidly the stocks on hand last August 1 are used and the amount of cotton obtained from China. The record high consumption for Japanese mills was in 1936-37 when approximately 3.9 million bales were consumed. The peak combined consumption in the Axis-controlled areas of Europe plus Japan proper was in 1936-37 when 8-2/3 million bales were consumed. The total consumption in these areas, therefore, may be more than 6-2/3 million bales below the peak of 1936-37, the last year prior to the beginning of the "Chinese incident." On a per capita basis, mill consumption in these areas may total as little as 3 or 4 pounds this season compared with around 40 pounds in the United States.

The present low level of cotton consumption in these areas is, of course, due to the loss of imports resulting from the war. These areas are almost entirely dependent upon other regions for their raw cotton requirements. Total cotton production for the Axis-controlled areas, exclusive of Chinese areas, for the 1940-41 season probably totaled around one-half million bales or less. Any increase that may have occurred this season would be very small relative to the total pre-war consumption.

Much of the decline in cotton consumption in these countries has been offset by increased production and consumption of rayon and other synthetic fibers. In 1940 the production of rayon (filament yarn and staple fiber) in these countries totaled 1,677 million pounds (equivalent to 3-1/2 million bales on a pound-for-pound basis) compared with 836 million pounds (1-3/4 million bales) in 1936 and 159 million pounds (one-third million bales) in 1927. Furthermore, the cotton textile situation in Japan is much less serious than the mill consumption estimates would indicate, due to changes in cotton textile exports. It is estimated that in 1936 roughly half of the cotton manufactured in Japan went into goods for export. For the current season, however, Japanese cotton textile exports probably will be negligible. In addition, there were perhaps over 1 billion square yards of cotton goods in stock in Japan at the beginning of the season. This was probably roughly equivalent to over one-half million bales of raw cotton.

Cotton Consumption in Canada High, Use of American Relatively Low

So far this season the mills of Canada have consumed considerably more cotton than in any corresponding period in the history of the Canadian industry. During the 6 months ended January, consumption probably totaled about 275,000 bales compared with about 254,000 bales during the corresponding period last season. If this or a higher rate is maintained for the remainder of the season, the total will reach or exceed 550,000 bales. In 1940-41, the

total was about 525,000 bales (a new record high) and the average for the years immediately prior to the beginning of World War II was only about 285,000 bales.

Despite the high level of total mill consumption, Canadian mills have been using a smaller quantity of American cotton than in most recent years. This is due to the fact that large quantities of Brazilian cotton have been imported at prices greatly below those for which American cotton could be obtained. During most of the current season, the prices of American cotton delivered in Canada have been more nearly in line with those of Brazilian cotton than in the preceding season. In view of the large stocks of Brazilian cotton on hand, however, the more favorable price relationships were not immediately reflected in the ratio of consumption of American cotton to the consumption of Brazilian.

STOCKS, PRODUCTION, AND SUPPLIES

Mill Stocks Reach New High, Public Storage Stocks Lowest Since 1938

As of the end of January, stocks in consuming establishments in the United States totaled almost 2-1/2 million bales. This was more than 600,000 bales larger than a year earlier and the largest for any corresponding period in the history of the industry. (See table 7.) In view of the high rate of cotton consumption, mill stocks were somewhat lower relative to current requirements than on numerous other occasions. At the January rate of consumption the mills had on hand at the end of the month stocks equivalent to about 2-1/2 months' consumption.

The 12,857,000 bales of cotton in public storage and at compresses in the United States on January 31 were 1-3/4 million bales less than such stocks a year earlier and the smallest for the corresponding date since 1938. The decline in stocks in these localities much more than offset the increased stocks in consuming establishments, with the total in the two categories nearly 1-1/4 million bales less than at the end of January last year. In view of the discontinuance of the release of export statistics, no indication can be given as to the total domestic stocks in all locations. If it were assumed that stocks other than at the locations for which data are published (which include cotton on farms, in transit, etc.) were equal to or less than a year earlier, total domestic stocks as of January 31 would be less than a year earlier by at least 1-1/4 million bales.

Government Stocks Show Decline, "Free" Supplies Increase

As of January 31, total stocks of cotton owned or held as collateral by the Government amounted to 7.3 million bales. This figure, which includes considerable quantities of cotton in the process of being sold, was somewhat higher than a month earlier and the highest since the latter part of last season. It is, however, 3-3/4 million bales less than the total Government holdings as of the end of January last year. As a result, the total domestic stocks of "free" cotton as of the end of January were larger than a year earlier even though total domestic stocks were considerably below January 31,

1941. In view of the fact that most of the nearly 500,000 bales of Government-held cotton sold under the General Sales Program since mid-January were included in the stocks of Government cotton as reported on January 31, the total "free" supply is now considerably larger relative to last year than is indicated from the above comparisons.

Domestic 1942 Carry-Over Will Show Material Decline, Foreign Carry-Over To Be Up

With domestic mill consumption expected to continue materially above a year earlier for the remainder of the season, domestic stocks at mills and in public storage and compresses on August 1, 1942 are likely to be even lower relative to a year earlier than at the present time. It is not improbable that these stocks and the stocks in other localities will give a carry-over less than that of 1940 and the smallest since 1937. The carry-over of cotton in foreign countries on August 1, 1942 will, on the other hand, no doubt be substantially larger than that of last year. Both production and consumption estimates are incomplete but there is little doubt that the loss of export markets and inadequate transportation facilities will result in a substantial increase in the stocks of cotton in a number of the important exporting countries such as India, Egypt, and Brazil.

Table 1.- Specified fibers made available annually for ultimate consumers in the United States, average 1935-39 and 1940 1/

(Data for cover page)

Item	5-year average 1935-39					1940				
	Domestic		Foreign			Domestic		Foreign		
	Actual	Percentage of total	Actual	Percentage of total	Total actual	Actual	Percentage of total	Actual	Percentage of total	Total actual
	Million pounds	Percent	Million pounds	Percent	Million pounds	Million pounds	Percent	Million pounds	Percent	Million pounds
Cotton	3,092.8	96.6	110.5	3.4	3,203.4	3,747.9	97.6	93.6	2.4	3,841.5
Wool	238.6	57.2	178.4	42.8	417.0	222.3	50.2	220.4	49.8	442.7
Silk	0	0	64.5	100.0	64.5	0	0	47.6	100.0	47.6
Rayon	308.9	93.2	22.7	6.8	331.6	458.6	96.1	18.8	3.9	477.4
Flax	1.2	2.9	39.9	97.1	41.1	2.2	8.8	22.9	91.2	25.1
Jute	0	0	775.3	100.0	775.3	0	0	667.2	100.0	667.2
Hard fibers	0	0	453.1	100.0	453.1	0	0	513.7	100.0	513.7
Hemp	1.2	41.4	1.7	58.6	2.9	1.4	66.7	0.7	33.3	2.1
Total	3,642.7	63.9	1,646.1	31.1	5,288.8	4,432.4	73.7	1,584.9	26.3	6,017.3

Computed from revised data for "Trends in consumption of fibers in the U. S. 1892-39" United States Department of Agriculture by Evans and Monachino.

1/ Consumption of raw fiber plus additions and minus subtractions for imports and exports of fiber manufactures.

Table 2.- Cotton, white and extra white: Government loan rates 1941-42 and actual differences at Memphis, January 1942

Grade	13/16 inch			7/8 inch			15/16 inch		
	Government loan rate differential		Actual differences at Memphis	Government loan rate differential		Actual differences at Memphis	Government loan rate differential		Actual differences at Memphis
	1941 loan	1942 loan	Jan. 1942	1941 loan	1942 loan	Jan. 1942	1941 loan	1942 loan	Jan. 1942
	Points	Points	Points	Points	Points	Points	Points	Points	Points
G. Mid.	40 off	35 off	40 off	20 on	25 on	10 on	45 on	45 on	50 on
St. Mid.	50 "	50 "	50 "	10 "	10 "	even	30 "	30 "	40 "
Mid.	80 "	80 "	75 "	20 off	20 off	25 off	base	base	base
St.L.Mid.	130 "	140 "	155 "	70 "	80 "	96 "	55 off	60 off	77 off
L. Mid.	200 "	245 "	345 "	140 "	175 "	255 "	125 "	165 "	245 "
St.G.Ord.	255 "	335 "	487 "	195 "	265 "	427 "	185 "	255 "	416 "
G. Ord.	300 "	395 "	573 "	240 "	330 "	509 "	230 "	315 "	499 "
	1 inch			1-1/16 inch			1-1/8 inch		
G. Mid.	65 on	65 on	89 on	115 on	145 on	248 on	265 on	665 on	364 on
St. Mid.	50 "	55 "	79 "	100 "	130 "	232 "	250 "	625 "	349 "
Mid.	20 "	20 "	39 "	55 "	85 "	153 "	165 "	475 "	249 "
St.L.Mid.	35 off	40 off	31 off	5 off	10 "	33 "	65 "	295 "	99 "
L. Mid.	115 "	155 "	245 "	105 "	145 off	209 off	75 off	10 off	169 off
St.G.Ord.	180 "	250 "	416 "	175 "	245 "	385 "	160 "	245 "	357 "
G. Ord.	230 "	310 "	499 "	225 "	305 "	468 "	210 "	305 "	442 "
	1-3/16 inch			1-1/4 inch					
G. Mid.	545 on	990 on	734 on	750 on	1,250 on	984 on			
St. Mid.	530 "	950 "	719 "	735 "	1,210 "	969 "			
Mid.	445 "	790 "	594 "	625 "	1,035 "	824 "			
St.L.Mid.	195 "	480 "	349 "	355 "	665 "	499 "			
L. Mid.	35 off	35 "	119 off	25 off	75 "	90 off			
St.G.Ord.	160 "	245 off	357 "	160 "	245 off	357 "			
G. Ord.	210 "	305 "	442 "	210 "	305 "	442 "			

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

Table 3.- Cotton prices, mill margins and specified index numbers, United States, annual 1929-40, monthly December 1940 to date

Season beginning August	Price of cotton per pound: Received by farmers 15th of month	Parity 1/	Middling 15/16" cotton average for 10 markets 2/	Mill margin 3/	Index numbers: Cotton consumption (1935-39=100) 4/	Industrial production (1935-39=100) 4/	Wholesale 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	16.38	20.34	167	166	135	143
Dec.	16.23	17.86	17.26	20.30	155	168	137	144
Jan.	16.93	18.10	18.99	20.32	169	170	140	146

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, coverted to 1910-14 = 100.
6/ Preliminary.

Table 4.- Cotton, all kinds: Consumption in the United States and percentage change, 1935-41

Period	Year beginning August					
	Average 1935-39	1939	1940	1941 1/		
				Actual	As a percentage of Average 1935-39	1939	1940
	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running 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
Jan.	606.5	731.8	844.8	945.9			
Aug.-Jan.	3,477.2	4,041.9	4,423.4	5,386.4			
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 5.- Cotton, all kinds: Consumption in United States, total, and daily rate, specified periods, August 1940-January 1942

Season and month	Consumption			Number working days per month	Daily rate		
	Total	Government mattress programs	Total less Government mattress programs		Total	Government mattress programs	Total less Government mattress programs
	Running bales	Running bales	Running bales	Number	Running bales	Running bales	Running bales
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
Jan.	945,909	700	945,209	21.50	43,996	33	43,963

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

Week ended	1940-41 Entering loan During week 1/	1940-41 Entering loan Cumulative total	1940-41 Withdrawals During week 1/	1940-41 Withdrawals Cumulative total	1940-41 Remaining in loan, net total	Week ended	1941-42 Entering loan During week 1/	1941-42 Entering loan Cumulative total	1941-42 Withdrawals, Cumulative total	1941-42 Remaining in loan, net 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
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	38	1,980	43	1,937
27	52	2,903	16	28	2,874	31	40	2,019	80	1,940
Feb. 3	39	2,942	28	56	2,886	Feb. 7	36	2,055	123	1,933
10	39	2,981	50	106	2,875	14	25	2,080	179	1,902
17	24	3,005	78	184	2,821	21	23	2,103	246	1,857
24	56	3,060	63	247	2,813	28				

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 7.- Cotton: Stocks in consuming establishments, public storage and at compresses, total, Government-owned or held and "free" stocks, end of month, January 31, 1930 and monthly, August 1940 to date

Year and month	In consuming establishments	In public storage and at compresses	In consuming establishments, public storage and at compresses		
			Total 1/	Government-owned or financed	"Free" stocks 1/
	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales
Jan. 1930	1,826	5,405	7,231	2/ 1,315	5,916
" 1931	1,618	7,939	9,557	2/ 3,592	5,965
" 1932	1,638	10,039	11,678	2/ 3,389	8,289
" 1933	1,499	10,021	11,520	2/ 2,579	8,941
" 1934	1,606	9,496	11,102	4,004	7,098
" 1935	1,192	8,946	10,138	5,531	4,607
" 1936	1,436	7,845	9,281	5,095	4,186
" 1937	2,074	6,779	8,852	3,018	5,834
" 1938	1,759	11,815	13,574	6,512	7,061
" 1939	1,630	14,758	16,388	11,011	5,377
" 1940	1,776	13,201	14,976	10,246	4,730
" 1941	1,878	14,673	16,551	11,102	5,449
" 1942 3/	2,495	12,857	15,353	7,296	8,056
1940-41					
Aug.	738	9,131	9,870	8,580	1,290
Sept.	784	10,747	11,532	8,701	2,830
Oct.	1,355	13,837	15,192	9,600	5,592
Nov.	1,684	14,726	16,411	10,413	5,997
Dec.	1,837	15,051	16,888	10,882	6,006
Jan.	1,878	14,673	16,551	11,102	5,449
Feb.	1,907	14,045	15,952	11,026	4,926
Mar.	1,913	13,245	15,157	10,411	4,756
Apr.	1,935	12,370	14,305	9,709	4,596
May	1,932	11,400	13,332	9,025	4,307
June	1,920	10,575	12,495	7,288	5,207
July	1,877	9,704	11,581	7,047	4,534
1941-42					
Aug.	1,697	9,297	10,994	6,329	4,665
Sept.	1,637	11,524	13,160	6,325	6,835
Oct.	1,993	13,342	15,335	6,343	8,992
Nov.	2,250	13,964	16,214	6,615	9,599
Dec.	2,394	13,714	16,108	7,233	8,875
Jan.	2,495	12,857	15,353	7,296	8,056

Compiled from reports of the Bureau of the Census and the Commodity Credit Corporation.

1/ Totals and deductions were made before figures were rounded to thousands.

2/ Probably includes some futures, the exact amount of which is not known.

CHARTS APPEARING IN THE COTTON SITUATION JULY 1941 TO JANUARY 1942

Number of chart	Title of Chart	Issue
	On the Cover Page	
29270	Cotton: Factors accounting for reduction from full yield, United States, 1909-40 ...	July
39461	Cotton, American Middling 15/16 inch, average spot price, New Orleans, 1923-40	August
39550	Cotton, exports from specified countries, 1920-40	September
39666	Per capita consumption of cotton, wool, silk and rayon, United States, 1876-1940	October
39715	Cotton: Spot prices of American-Egyptian and Middling 7/8 inch, price spread and price ratio, May 1922 to date	November
39770	Cotton: Price received by farmers, United States, 1913-21 and 1938-41	December
20570	Industrial production and cotton consumption, United States, 1919-41	January
	Other Charts	
39565	Cotton, American: Supply and distribution in the United States, 1920-41	September
39190	Cotton: Price received by farmers, parity price and price received as a percentage of parity, United States, 1922-41	September
39287	Returns per acre of cotton, prices paid, including interest and taxes and purchasing power of returns per acre, index numbers, United States, 1910-40	September
39553	Cotton, American: World supply, consumption and carry-over, 1920-41	September
39554	Cotton, Foreign: World supply, consumption and carry-over, 1920-41	September
32742	Cotton: Mill consumption in foreign countries of all kinds, foreign and American, 1920-40	September
26463	Cotton: Prices of Egyptian Sakellaridis and American-Egyptian, New England Mill Points, and price spread May 1922 to date	November

TABLES APPEARING IN THE COTTON SITUATION JULY 1941 TO JANUARY 1942

Prices, Margins, Loan Rates, etc.

Spot price per pound and spread between prices in specified markets	each issue
Maximum prices established for cotton gray goods	July

Continued -

TABLES APPEARING IN THE COTTON SITUATION JULY 1941 TO JANUARY 1942 - Continued

Prices, Margins, Loan Rates etc.	Issue
Cotton prices, mill margins, and specified index numbers, United States, annual 1920-39, monthly August 1940 to date	each issue
Cotton, American Middling 15/16 inch, spot price per pound, New Orleans	August
Comparison of 1940 and 1941 Government loan rates with average spot market prices for the period August 1937-July 1941	August
Returns per acre of cotton, prices paid including interest and taxes and purchasing power of returns per acre of cotton, United States 1919-40 (data for chart 39287)	September
Estimated average price per pound received by farmers, United States, by months, 1909 to date (data for chart 39190)	September
Parity farm price per pound, by months, March 1923 to date (data for chart 39190)	September
Farm price per pound as a percentage of parity, by months, March 1923 to date (data for chart 39190)	September
Cotton, American-Egyptian No. 2, average spot price per pound at New England Mill Points by months, May 1922 to date (data for charts 39715 and 26463)	November
Cotton, American Middling 7/8 inch, average spot price per pound at 10 markets, 1915 to date (data for chart 39715)	November
Cotton, spread between prices of American Egyptian No. 2 at New England Mill Points and Middling 7/8 inch in the 10 markets, May 1922 to date (data for chart 39715)	November
Cotton, price of American-Egyptian No. 2 at New England Mill Points, as a percentage of the 10 market average price, of American Middling 7/8 inch by months, May 1922 to date (data for chart 39715)	November
Cotton, Egyptian Sakellaridis, f.g.f., average spot price per pound at New England Mill Points, November 1921 to date (data for chart 26463)	November
Cotton, spread between prices of Egyptian Sakellaridis, f.g.f., over American-Egyptian No. 2 at New England Mill Points, May 1922 to date (data for chart 26463)	November
Cotton, price of American-Egyptian No. 2 as a percentage of Egyptian Sakellaridis, f.g.f., at New England Mill Points, May 1922 to date	November
Cotton, actual price and Commodity Credit Corporation selling price per pound of specified qualities, January 19, 26 and 29, 1942	January
Imports and Exports	
Cotton, all kinds: Exports from the United States, actual and percentage change, 1935 to date	July, August, October, November

Continued -

TABLES APPEARING IN THE COTTON SITUATION JULY 1941 TO JANUARY 1942 - Continued

Imports and Exports	Issue
Cotton: Exports from Mexico, 1933 to date	July
Cotton: Exports from specified countries	July, August
Cotton: Exports from specified countries, 1920-39 (data for chart 39550)	September
Cotton: American-Egyptian, exports from the United States by countries of destination, 1929 to date	November
Consumption, Stocks, Supply	
Cotton, all kinds: Consumption in the United States, actual and percentage change, 1935-40	July, August, October, November, December, January
Cotton, American: Supply and distribution, United States, 1920-41 (data for chart 39565)	September
Cotton; Mill consumption in foreign countries, all kinds, American, foreign, 1929-40 (data for chart 32742)	September
Cotton, Foreign: World supply and consumption, 1920-40 (data for charts 38618 and 39554)	September
Cotton, American: World supply and consumption, 1920-40 (data for chart 39553)	September
Total and per capita consumption of cotton, wool, silk and rayon, and population of the United States, 1876 to date.	October
Cotton, American-Egyptian: Consumption in the United States by months, November 1918 to date	November
Cotton, American-Egyptian: Stocks in consuming establishments in the United States by months, November 1918 to date	November
Cotton, American-Egyptian: Stocks in public storage and at compresses in the United States by months, November 1918 to date	November
Cotton, American-Egyptian: Stocks in consuming establishments, public storage and at compresses in the United States by months, November 1918 to date	November
Cotton, all kinds: Consumption in United States, total and daily rate, specified periods, August 1940 to date	November December January
Cotton: Loans made by Commodity Credit Corporation by weeks, 1940-41 and 1941-42	January
Acreage, Production, Yield	
Cotton acreage in cultivation July 1 by States and areas, United States, 1909-41	July

Continued -

TABLES APPEARING IN THE COTTON SITUATION JULY 1941 TO JANUARY 1942 - Continued