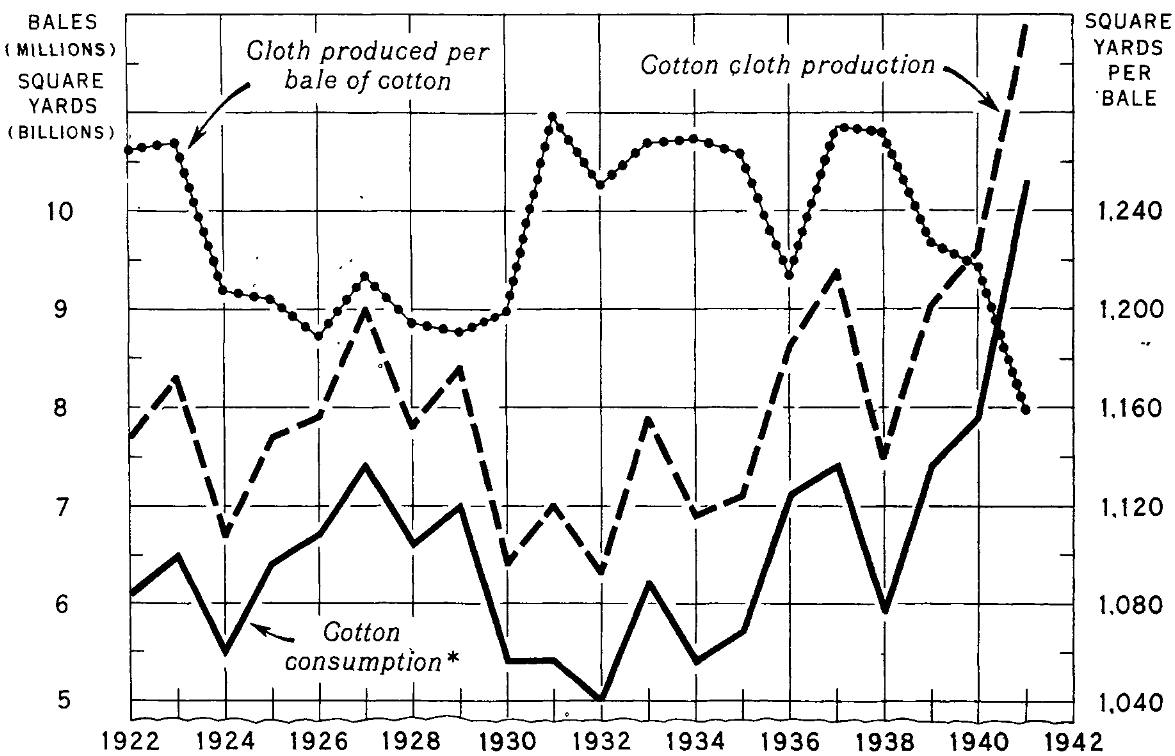
THE Cotton SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

CS-66 BAE APRIL 1942

COTTON CONSUMPTION AND COTTON CLOTH PRODUCTION, UNITED STATES, 1922-41



CALENDAR YEAR BASIS

* 1940-41, EXCLUDES COTTON DISTRIBUTED TO LOW-INCOME FAMILIES FOR MATTRESS MAKING, ETC.

U. S. DEPARTMENT OF AGRICULTURE NEG. 42123 BUREAU OF AGRICULTURAL ECONOMICS

CHANGES IN TOTAL ANNUAL DOMESTIC COTTON CONSUMPTION ARE CLOSELY RELATED TO CHANGES IN ANNUAL DOMESTIC CLOTH PRODUCTION. NEVERTHELESS, THE AVERAGE ANNUAL YARDAGE OF CLOTH PRODUCED PER BALE OF COTTON CONSUMED VARIES MATERIALLY FROM YEAR TO YEAR. THIS IS THE RESULT OF CHANGES IN THE PROPORTION OF COTTON CONSUMED FOR PURPOSES OTHER THAN CLOTH PRODUCTION AND OF CHANGES IN THE TYPES AND WEIGHTS OF CLOTH PRODUCED. THE YARDAGE PER BALE OF COTTON CONSUMED (EXCLUDING THAT GOING TO LOW-INCOME FAMILIES FOR MATTRESSES, ETC.) AVERAGED MUCH LOWER IN 1941 THAN IN ANY YEAR SINCE 1922, DUE TO THE LARGE PRODUCTION OF ARMY DUCK AND OTHER MEDIUM OR HEAVY-WEIGHT FABRICS. IT IS LIKELY TO DROP STILL LOWER IN 1942.

THE COTTON SITUATION

Summary

The rate of domestic cotton consumption is expected to reach new record highs in the next few weeks despite the lower daily rate in March. The WPB Limitation Order No. L-99 released on April 21, requiring many cotton mills to shift a part or all of their equipment to the production of bag osnaburgs and bag sheetings, should stimulate cotton consumption. The shift from lighter to heavier weight constructions will require a greater quantity of cotton per yard of fabric produced. It will also materially increase the capacity of the carding equipment in many mills which formerly retarded the output of other parts of the plant. In addition, this shift may result in the use of considerably larger proportions of the medium and shorter staples than are now being used.

The 1942 cotton cloth production goal of 14 billion square yards recently announced by the WPB is about 18 percent larger than the estimated 1941 production. With the same average cloth production per pound of cotton as in 1941 the attainment of this goal would require 12 million bales. The large proposed production of bagging fabrics, duck, and other heavy fabrics, however, seems likely to result in a heavier average weight of cloth produced in 1942 than in 1941. Even a 12 million bale consumption in 1942 will require a considerably higher average rate of consumption for the remainder of the year than that of March or even of February.

The General Maximum Price Regulation order of the Office of Price Administration announced April 28, together with the amendments relating to cotton yarns and textiles, places absolute price ceilings on all cotton textiles and manufactured textile products. With certain exceptions, the

ceiling prices on cotton goods (which apply to sales by manufacturers, wholesalers, and retailers) are the highest prices which actually existed in March 1942. For cotton goods not under price ceilings in March, the new ceiling will be the highest price which would have existed for these goods had the provisions of Maximum Price Regulation No. 118 (announced April 23) been in effect in March. The latest regulations will bring the relationships among the prices of most cotton goods substantially in line with normal differentials. This will eliminate the incentive some mills previously had to switch from production of goods restricted under price schedules to higher priced products for which no price ceilings had been established. The new order becomes effective May 11 for prices of goods sold by manufacturers and wholesalers and May 18 for those sold at retail.

Domestic cotton prices reached a 13-year high early in April, but declined slightly thereafter. At the end of April the basic quality (Middling 15/16 inch) in the 10 markets averaged about 20 cents. This is 1/2 cent above the March average and nearly 2-1/2 times the price existing at the outbreak of the war in September 1939.

The influence of inflationary forces, which has been a major factor in the advance of cotton prices during the past 2-1/2 years, apparently has been curbed somewhat by the prospect for a general price control measure. The movement of 300,000 bales of Government-owned cotton and large quantities of 1941 crop loan cotton into trade channels in April and the decline in the daily rate of consumption in March (officially reported April 14) have also had significant price effects.

— April 30, 1942

REVIEW OF RECENT DEVELOPMENTS

Domestic Prices

Basic Quotations Considerably Above Average for March

The 10-market price of Middling 15/16-inch cotton on April 29 averaged approximately 20 cents per pound. This was almost 1/4 cent less than in late March and 1/2 cent higher than the March average of 19-1/2 cents. The price of this basic quality was, however, almost 1/2 cent below the record high for the season near 20-1/2 cents, established on April 9.

In mid-April the average market price was almost 1 cent higher than a month earlier. This change was almost exactly the same as that for the United States average farm price which rose from 18.06 cents in mid-March to 19.03 on April 15. The latter price was 1/3 cent above the parity price for April, the second month since 1927 that the actual farm price has exceeded the parity price. The April farm price was the highest for any month since July 1928.

The higher level of cotton prices in April reflects the continued large demand for cotton textiles, willingness by owners of cotton to hold for higher prices, and price ceilings for cotton textiles which are tied to the price of cotton. Tending to hold down the advance were prospects for stronger price control measures and the unusually large movement of Government-financed cotton into trade channels.

Premiums for Long Staples Especially High in Mill Areas

In recent weeks the premiums for Middling cotton with staples 1-1/8 inches to 1-1/4 inches in the Group B mill area have been from 650 to 1,275 points (6-1/2 to 12-3/4 cents) above New York May futures contract. These premiums are from 1/4 to 1/2 cent per pound higher than in the first part of March and much higher than the premiums for the corresponding qualities in the center of the long-staple producing areas (Memphis, Tennessee, and Greenwood, Mississippi). On April 24 the premiums for Middling and Strict Middling cotton of these long staples in the mill point area were 200 to 300 points greater than those in Memphis and Greenwood. The premiums for these long staples having grade of strict low Middling were 150 to 200 points higher in the mill areas. The spread between Middling 15/16 at Memphis and the same quality in the mill point area was 1.00 cent. There is normally a greater spread between prices in the producing and consuming areas for the long staples than for the basic quality. There is undoubtedly a greater risk in handling the longer staple cottons because the possibility of protection from price changes through hedging is considerably less. As indicated last month, the existing premiums for the longer staples are the highest that have prevailed in many years.

Prices of American-Egyptian Nearly
10 Cents Per Pound Above a Year Ago

As of April 24 the price of SxP (American-Egyptian) No. 2 with 1-1/2-inch staple at New England mill points was quoted at 43.85 per pound. This compares with a price of 34-1/2 cents a year earlier and is the highest price quoted for No. 2 American-Egyptian cotton in that area since 1929 except on April 17 when the price was 44.15 cents. Current prices are a little higher than in January when the Government announced its 1942 crop purchase program designed to stimulate production of this cotton, and slightly higher than prices existing immediately following the announcement (in March) of 5 cents per pound increase in the purchase price, with No. 2 (1-1/2 inch staple) to be purchased at 38 cents per pound in warehouses in the producing areas. The Government's announced purchase program may now be giving some support to the prices of this cotton, but other factors are perhaps more important. These factors include the rapidly expanding consumption of American-Egyptian cotton, uncertainty with respect to imports of extra long staple cotton from Egypt and elsewhere, and inflationary movements.

Domestic Consumption, Cloth Prices and Mill Margins

Consumption at Record High in March
Despite Decline in Daily Rate

The 967,000 bales of cotton consumed in March were materially larger than the quantity used in February despite the decline in the consumption per working day. The second highest consumption per day resulted in the quantity used in March exceeding that of any other month in the history of the domestic industry. The previous record high was established in October last year when the daily rate was less than in March but the number of working days was somewhat greater. From August through March domestic consumption totaled 7-1/4 million bales compared with the previous record high for this period (established last year) of 6.1 million bales. There is little indication of developments in mill activity during April although it is believed that the daily rate of consumption is now probably running somewhat higher than that of March.

Government Orders Shift of Looms
to Osnaburgs and Sheetings

Under Limitation Order No. L-99, the War Production Board on April 21 directed the cotton textile industry to convert a substantial part of its capacity from civilian to military or more essential constructions. Under this order important proportions of the looms now producing class A, B, and C sheetings and producing flannel and some other napped goods, are to be converted to the production of bag sheetings needed in the war program for sand bags, camouflage cloth, and for packaging agricultural and chemical products. The order also directs the allocation of all looms operating on osnaburgs of any construction to shift, if necessary, to the production of certain bag osnaburgs specified in the order. In addition, 20 percent of all looms operating on such constructions as bed tickings, cottonades and suiting for coverts, denims, pin stripes, pin checks, drapery, upholstery, and Turkish and terry woven towels, are to be converted to the production of bag osnaburg.

It is expected that this conversion order will double the production of osnaburgs and sheetings for bags. The conversions are to be completed within 30 to 60 days from the effective date of the order, which was April 20. This order is also expected to result in increased cotton consumption and the use of a larger proportion of the medium and short staple cotton. It should further reduce the average number of yards of cloth produced per bale of cotton consumed. As is indicated in the chart on the cover page, since the Government's defense and war purchases have become important, there has already been a substantial decline in the average yardage of cloth produced per bale.

In announcing the details of this order, the War Production Board indicated that the plan now being worked out calls for increasing the production of cotton fabrics from slightly over 9 billion square yards in 1939 to 14 billion this year (calendar year 1942), and 15 billion in 1943. Even with an average cloth production per bale equal to that of 1941, a 14-billion square yard production of cloth would mean the consumption of 12 million bales of raw cotton. After the conversions have been made under Limitation Order No. L-99, the probable lower average yardage produced per bale is likely to mean that more than this quantity of cotton will be required to produce 14 billion square yards of cloth.

Ceilings Will Bring Cotton Textile Prices in Line at March High

The General Maximum Price Regulation order of the Office of Price Administration announced April 28, together with the amendments relating to cotton yarns and textiles, places absolute price ceilings on all cotton products, from the yarn and "grey" goods to the finished articles of wearing apparel or household furnishings. With certain exceptions, the ceiling prices on cotton goods, which apply to sales by manufacturers, wholesalers, and retailers, are the highest prices which actually existed in March 1942. For certain cotton goods not under price ceilings in March, the new ceiling will now be the highest price which would have existed had the provisions of Maximum Price Regulation Numbers 118, 127, and 128 (announced April 23 to April 28) been in effect in March. This means that the ceiling prices of all cotton goods will be substantially in line with usual differentials, which should eliminate the incentive some mills previously had to switch from production of goods restricted under price schedules to higher priced products for which no price ceilings had been established. The new order becomes effective May 11 for prices of goods sold by manufacturers and wholesalers and May 18 for those sold at retail.

The new absolute ceiling prices for cotton yarn and cloth manufacturers (the highest recorded in March or its equivalent) are based on margins set under previous price regulations which, in turn, were based on the highest March price for Middling 15/16-inch cotton in the 10 designated markets. The new order eliminates the previous fixed relationship under which price ceilings for goods varied with the price of cotton. The Office of Price Administration, in a release dated April 29, stated its belief that "ceilings now being imposed are amply high to permit raw cotton to rise above any level specified in Section 3A" of the Emergency Price Control Act.

Foreign Demand and Consumption

Reports received during the past month indicate that cotton consumption is running at exceptionally high rates in Brazil, Canada, Peru, and Argentina. The same may also be true of some of the other Western Hemisphere countries for which no reports have been received. In northern and southern Brazil cotton mills are quoted as operating at capacity and are expected to maintain this rate for the duration of the war. This is due both to the reduced imports of cotton and other textiles and to the production of cotton textiles for shipment to other Latin-American countries.

A fairly recent report from Peru states that cotton mills have operated at full capacity throughout 1941, with mill consumption increasing from 34,000 bales in 1940 to 49,000 in 1941. At present the demand for cotton fabrics is reported as being in excess of the capacity of the Peruvian mills. To a considerable extent, this is due to the decline in cotton textile imports. The situation in Argentina is apparently quite similar to that in Peru. While the cotton textile industry in Argentina has been expanding in recent years, imports have continued to provide a substantial proportion of the total requirements.

The most recent reports from India indicated that mills were continuing to operate at new record levels. The high rate of cotton mill output is influenced by the reduced imports resulting from the war.

A delayed report from Spain indicated that Spanish spinning mills operated 4 days a week in January and weaving mills about 3 days per week. The arrival of 27,000 bales of cotton in January, together with additional vessels expected to arrive in February and March, was expected to relieve partially the acute shortage of raw cotton. The report stated, however, there were rumors in trade circles to the effect that the Spanish Government had finally completed financial arrangement for delivery of about 50,000 bales of cotton reported to have been contracted for in August 1941.

Stocks, Production, and Supplies

Government Financed Stocks Greatly Reduced

Approximately 290,000 bales of Commodity Credit Corporation cotton were sold in April under the General Sales Program. This, plus other sales, brought the April total to the 300,000-bale limit and the total from January through April to over 1 million bales. A net decline of 750,000 bales has occurred in the 1941 crop cotton remaining in the Government loan. Furthermore, during the 2 weeks ended April 25 withdrawals of 1941 crop loan cotton have been at a rate far greater than that of the preceding weeks and the quantity of cotton entering the loan dropped to negligible amounts. The indications are that the total amount of cotton actually owned by and in Government loan stocks, will be nearly 2 million bales less at the end of April than on January 1. As a result, the total of such stocks will be the smallest since the latter part of 1937. However, some of the cotton sold by the Government in April may not have been delivered and the papers completely cleared by the end of the month. Consequently, the stocks report may not reveal all of the decline.

Fertilizer Tag Sales the Highest in Several Years

From December through March total fertilizer sales in nine of the principal cotton-producing States, as indicated by fertilizer tag sales, were much larger than sales during the corresponding period a year earlier and the largest since 1929. They were not, however, nearly as large relative to last year and the 2 preceding years as they were up to the end of February. This indicates that fertilizer dealers, and perhaps farmers as well, made their fertilizer purchases earlier than usual, perhaps in anticipation of higher prices or the fear of inadequate supply. During the 4 months ended March, sales were larger than in the like period a year earlier in each of the nine States except Mississippi. A large amount of the total increase took place in North Carolina where fertilizer sales are much larger than in most States.

It is significant to bear in mind that the fertilizer used in these States in 1942 will be applied to a considerably larger crop acreage than that planted in 1941. In some of these States the intention to plant reports indicate that acreages of peanuts, tobacco, and some of the other crops requiring fertilizer, will be increased substantially. Efforts are being made to encourage farmers to plant their full cotton acreage allotments, which are also larger than in 1941. With larger crop acreages, an increase in the fertilizer used could occur without any increase, or even with a decrease, in the quantity used per acre.

This Bureau's April 1, 1942 Farm Labor Report is of more than usual interest in view of the numerous statements which have been made relative to the reduced farm labor supply. Supply of farm labor in the cotton-producing States is materially lower than last year while the demand for labor is greater. As a result, farm wages are considerably higher now than a year ago. The wages being paid, however, are less important than the supply of labor available. In the nine principal cotton-producing States the supply of farm labor on April 1, 1942 ranged from 59 percent of normal in North Carolina and Alabama to 67 percent in Mississippi. Last year the supply in these nine States ranged from 68 to 80 percent of normal. The demand for labor in these States ranged between 90 and 101 percent of normal this year compared with 85 to 94 percent last year.

OUTLOOK

Further Gains in Consumption Expected as Production of Bagging Cloths Increase

With the Government making concerted efforts to increase the production of cotton goods and with an increase in the proportion of coarse goods produced, there is every reason to believe that domestic cotton consumption will increase to somewhat higher levels before the end of the current season. Should the 1942 production goal of 14 billion square yards be attained, this would represent an increase of 18 percent over the production in 1941. And assuming the same yardage produced per bale of cotton consumed would require 12 million bales of raw cotton compared with about 10-1/4 million bales in

1941. This in itself would require a somewhat higher annual rate of consumption during the remainder of the calendar year than that existing during the first quarter of the year. Furthermore, it is expected that as a result of the greatly increased production of osnaburgs and sheeting for use in the production of bags (see previous reference to the Limitation Order No. L-99), the average quantity of cotton required per yard of cloth produced will be greater than that of 1941.

Carry-Over of "Free" Cotton to Increase
Despite Decline in the Total

As was indicated last month, it appears that the total carry-over of American cotton in the United States on August 1 next will be close to 10 million bales. This will represent a substantial decline from the slightly more than 12-million-bale carry-over on August 1, 1941. Despite this reduction, however, the carry-over of "free" cotton is expected to be larger than last year and possibly the largest since 1933 or earlier. The exact size of such stocks will, of course, depend upon the quantity of cotton consumed during the remainder of the season, the amount of additional cotton sold by Commodity Credit Corporation, and the additional quantity of 1941 loan cotton repossessed by the producers.

In view of the previous increase in the production of coarser cotton fabrics, together with indication of shifts toward somewhat shorter staples in the production of other fabrics, the consumption of medium and short staple cottons of the current season is now expected to be somewhat larger than had previously been anticipated. It is likely that the carry-over of such cottons will represent a somewhat smaller proportion of the total and the longer staples a somewhat larger proportion of the total than was estimated in January in connection with the establishment of the acreage goals for 1942. This is considered as a favorable development in view of the fact that the supply of medium and short staple cottons is much more plentiful in relation to requirements than the supply of long staples.

Table 1.- Cotton, all kinds: Consumption in the United States and percentage change, 1935-41

Period	Average 1935-39	1939	1940	1941 1/ Actual	1941 1/ As a percentage of Average 1935-39	1941 1/ As a percentage of 1939	1941 1/ As a percentage of 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	156.0	129.3	112.0
Feb.	566.6	661.8	793.4	893.7	157.8	135.0	112.6
Mar.	623.5	627.2	854.8	966.6	155.0	154.1	113.1
Aug.-Mar.	4,667.3	5.330.9	6,071.6	7,246.7	155.3	135.9	119.4
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 2.- Cotton, all kinds: Consumption in United States, total, and daily rate, specified periods, August 1940-March 1942

Season and month	Consumption: Total	Consumption: Government mattress programs	Consumption: Total less Government mattress programs	Number working days per month	Daily rate: Total	Daily rate: Government mattress programs	Daily rate: 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	23.00	33,514	739	32,775
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	22.50	37,548	711	36,837
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	257.00	37,828	1,634	36,193
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
Feb.	893,745	4,500	889,245	19.67	45,437	229	45,208
Mar.	966,631	5,400	961,231	22.00	43,938	245	43,693

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 3.- Cotton: Stocks in consuming establishments, public storage and at compresses, total, Government-owned or held and "free" stocks, end of month, March 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
March 1930..	1,758	4,198	5,956	1,451	4,505
" 1931..	1,478	6,658	8,136	3,505	4,631
" 1932..	1,566	8,769	10,335	3,388	6,947
" 1933..	1,343	8,901	10,244	2,255	7,989
" 1934..	1,651	7,848	9,499	3,626	5,874
" 1935..	1,116	7,788	8,904	5,519	3,385
" 1936..	1,336	6,570	7,907	4,809	3,097
" 1937..	2,078	5,036	7,114	2,268	4,845
" 1938..	1,768	10,942	12,710	6,762	5,948
" 1939..	1,414	13,478	14,892	11,327	3,565
" 1940..	1,596	11,410	13,006	9,333	3,673
" 1941..	1,913	13,245	15,157	10,401	4,756
" 1942 3/	2,652	11,353	14,005		
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	10,401	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
Feb.	2,580	12,213	14,793	7,170	7,623
Mar.	2,652	11,353	14,005		

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.
3/ Preliminary.

Table 4.- 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	55	3,060	63	247	2,813	28	19	2,122	294	1,828
Mar. 3	44	3,105	58	304	2,800	Mar. 7	16	2,138	359	1,778
10	13	3,118	72	377	2,741	14	10	2,148	402	1,746
17	10	3,127	73	449	2,678	21	13	2,161	471	1,690
24	12	3,139	242	691	2,448	28	8	2,169	526	1,643
31	8	3,147		924	2,241	Apr. 4	12	2,181	583	1,598
Apr. 7	4	3,151		1,018	2,133	11	7	2,188	618	1,570
14	2	3,153		1,179	1,974	18	4	2,193	729	1,464
21	2	3,155		1,248	1,907	25	6	2,199	818	1,381

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 5.- Cotton prices, mill margins and specified index numbers, United States, annual 1929-40, monthly January 1941 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	9.90	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	9.89	16.00	11.00	16.35	146	142	119	129
1940-41								
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	167	137	143
Jan.	16.93	18.10	18.99	20.32	169	171	140	146
Feb.	17.80	18.23	19.23	20.32	174	172	141	147
Mar.	18.06	18.60	19.55	20.25	169	172	142	150
Apr.	19.03	18.72						151

1/ Average United States farm price for the 5 years August 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 August 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.