

THE

# Cotton

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## SITUATION

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### SUMMARY

The new cotton marketing season began August 1 with lower prices and a larger carry-over than a year earlier and prospects for the largest crop since 1937.

Cotton prices have been declining since the latter part of May. At the beginning of the new season, the price of 32.35 cents per pound for Middling 15/16" was nearly 3.5 cents less than on August 1, 1947. Chief factors in the decline were: (1) smaller cotton exports under ECA than had been expected, (2) prospects for a larger carry-over than expected, (3) indications of an unusually large crop in 1948, and (4) decreased takings for both spot cotton and textiles.

Prices of most foreign cottons are higher in relation to American cotton than at this time last year; and for some foreign cottons, higher than since the entry of the United States into World War II.

Domestic mills probably consumed around 9.3 million bales of cotton in 1947-48 compared with more than 10 million bales a year earlier. Exports for the first 11 months of the season were far below the same months of the 1946-47 season. For the season, they probably totaled about 2.0 million bales, the lowest of any peacetime year since 1871-72. With domestic consumption and exports below 1946-47, the carry-over at the beginning of this season probably was up about 550,000 bales from the 2.5 million bales last year.

On August 1, the new cotton crop was estimated at 15,169,000 bales, 500 pounds gross weight (14,808,000 running bales) about 3.3 million larger than last year's crop.

Rayon deliveries are expected to exceed 1 billion pounds in 1948 for the first time. During 1947, they increased 13.1 percent and made up 17 percent of the two-fiber total of cotton consumption and rayon deliveries.

STATISTICAL SUMMARY

Item	Unit or base period	1947		1948						
		July	December	January	February	March	April	May	June	July
<b>Prices:</b>										
Middling 15/16", 10 markets	Cent	37.52	35.79	35.15	32.76	34.18	37.22	37.55	37.05	34.01
Farm, United States	Cent	35.88	34.08	33.14	30.71	31.77	34.10	35.27	35.22	32.99
Parity	Cent	28.52	30.38	31.12	30.76	30.65	30.88	31.00	31.12	31.12
Farm, percentage of parity	Percent	128	112	106	100	104	110	114	113	106
<b>Premium of 1-1/8" over basis:</b>										
Memphis	Point	100	400	426	548	571	478	404	325	5/
Group "B" Mill Points 1/	Point	174	464	482	584	616	507	417	352	5/
Cloth, 17 constructions	Cent	86.71	100.29	99.25	96.22	92.39	88.13	85.18	81.83	79.04
Mill margin, 17 constructions 2/	Cent	49.49	64.70	64.31	63.65	58.26	51.01	47.86	45.34	45.58
Cottonseed, farm price	Dollar	79.00	94.80	95.10	88.80	87.90	89.40	90.70	92.20	96.00
Cottonseed, parity	Dollar	51.90	55.20	56.60	55.90	56.70	56.10	56.40	56.60	56.60
Cottonseed, farm pct. of parity	Percent	152	172	188	168	168	15.9	161	163	170
<b>Consumption:</b>										
All kinds, during month	1,000 bales	677.8	753.4	860.2	785.2	878.7	829.7	785.1	801.1	627.4
All kinds, cumulative 3/	1,000 bales	10,024.8	3,777.2	4,637.4	6,422.6	6,301.3	7,131.0	7,917.7	8,719.5	9,346.8
All kinds, per day, during month	Bales	30,808	34,246	40,049	39,927	38,205	38,296	38,200	36,416	29,876
Foreign, during month	Bales	17,289	20,123	22,514	19,397	22,909	20,858	18,406	19,835	14,653
Foreign, cumulative 3/	Bales	259,458	100,311	122,825	142,222	165,131	185,969	210,265	230,265	244,908
<b>Stocks, end of month:</b>										
All kinds, consuming establishments	1,000 bales	1,406.1	2,153.5	2,282.3	2,243.2	2,286.1	2,195.9	2,006.6	1,741.4	1,471.6
All kinds, public storage and compresses	1,000 bales	904.0	5,478.6	5,117.0	4,470.3	3,676.7	2,880.3	2,232.3	1,673.6	1,336.0
All kinds, total 4/	1,000 bales	2,310.1	7,632.1	7,399.3	6,713.5	5,962.8	5,056.2	4,238.9	3,415.0	2,807.6
Foreign, total 4/	1,000 bales	132.4	166.6	154.5	135.2	166.6	123.7	111.0	99.9	93.0
<b>Exports:</b>										
All kinds, during month	1,000 bales	85.9	229.6	214.1	163.5	261.1	165.1	204.8	132.9	225.0
All kinds, cumulative 3/	1,000 bales	3,544.0	667.8	871.9	1,065.4	1,326.5	1,481.7	1,886.5	1,819.4	2,044.4
<b>Imports:</b>										
All kinds, during month	1,000 bales	8.2	15.3	9.5	19.0	10.4	14.7	7.8	3.1	4.7
All kinds, cumulative 3/	1,000 bales	284.0	172.5	182.0	199.8	210.2	225.3	233.1	236.2	240.9
<b>Index numbers:</b>										
Cotton consumption	1935-39=100	118	131	153	153	147	147	147	140	5/
Prices paid, interest, and taxes	1910-14=100	230	245	251	248	247	249	250	251	251

1/ Memphis Territory growths.

2/ Mill margins are the difference between the price of the approximate quantity of grey cloth (17 constructions) obtainable from a pound of cotton with adjustments for salable waste and the average price in the 10 designated markets for the qualities of cotton assumed to be used in each kind of cloth.

3/ Revised cumulations since August 1.

4/ Includes only stocks in mills and public storage and at compresses.

5/ Not available.

## DOMESTIC SITUATION

Prices of Cotton Decline

Prices of cotton have been declining since the latter part of May. Some of the factors causing the decline: (1) exports of cotton under the ECA Programs, did not begin as soon and were not as large as anticipated, (2) the likelihood of a larger-than expected carry-over has increased, (3) indications of an unusually large cotton crop in 1948, and (4) decreased takings of both spot cotton and textiles.

The average decline for Middling 15/16" in the ten spot markets during July, the month of greatest decline, was 3.06 cents per pound or 8.5 percent of the price of 35.80 cents at the beginning of the month. This decline in prices from June 22 to July 30 was steady. In 25 of the 27 trading days prices were below the previous day. The average price for Middling 15/16" for July was 34.01 cents per pound compared with 37.03 in June and 37.52 in July a year ago.

Throughout the 1947-48 season, premiums for the grades higher than Middling 15/16" staple were rather stable at levels only slightly below 1946-47 average grade premiums. The average premium for Strict Good Middling for the 1947-48 season was 57 points compared with 60 during 1946-47.

Discounts for grades lower than Middling narrowed from the beginning of last season until March and April. Beginning with these months discounts for these grades widened sharply. The discounts for Low Middling 15/16" in July averaged 678 points compared with 559 points in August and 420 points in December 1947. The average discount for Good Ordinary 15/16" in July was 1,491 points compared with 1,035 in December 1947 and average discount of 1,314 points for the season.

Premiums for the longer staple lengths of Middling grade all widened until the spring months when they began to narrow. However, they are several times more than at the start of the season. The average premium for 1-1/16" in July was 172 points compared with last August's average of 56 points and the peak average of 285 in April. The season's average was 173 points compared with 63 points for the 1946-47 season. Premiums for the lengths 1-1/8" and longer weakened in April and have steadily declined. For the 1947-48 season, the premium for 1-1/8" of Middling grade averaged 393 points against the previous season's average of only 124 points. The 1947-48 high of 571 points was reached in March but had declined to 290 points in July.

Staple discounts for the lengths shorter than 15/16" of Middling grade widened steadily throughout the past season. The average July discount for 13/16" of Middling grade is 408 points whereas last August this quality sold for 289 points off the base price, or about the 1946-47 average discount.

Prices received by farmers for cotton currently being sold averaged 32.99 cents per pound in mid-July, compared with 35.22 in June, the season's high in May of 35.27 and 35.38 in July last year. The July farm price was 106 percent of parity compared with 113 percent in June and 126 percent, in July a year ago. The average price received by farmers for the 1947-48 season was 31.90 cents per pound, about 1/2 cent less than the 1946-47 season.

1947-48 Mill Consumption Expected  
to Exceed 9.3 Million Bales

Domestic mills consumed 801,000 bales during June. This was 16,000 bales more than for May, and 72,000 bales or 10 percent more than for June last year. On a daily rate basis, consumption for June averaged 36,416 bales compared with 38,300 in May and 34,734 in June 1947. The decline in the average daily rate from May to June was 5.0 percent compared with 2.0 percent for the 1943-47 average and 7.5 percent last year.

The average daily rate of consumption for July probably was about 1/5 lower than in June, or about 30,000 bales. On the basis of 21 working days, total consumption for July probably was about 600,000 bales. The severe decrease in the average daily rate of mill consumption from June to July occurred because some mills closed down operations for one week's summer vacation during the month while others, because of decreased orders for forward delivery of cotton textiles, closed down for two weeks.

Mill consumption for the 11-month period, August-June, totaled 8,719,000 bales, 7 percent less than in the same period of the 1946-47 season when the full years' consumption was 10,025,000 bales. With consumption for July approximately 625,000 bales, the 1947-48 consumption would be slightly over 9,350,000 bales.

1948 Crop Largest since 1937

The 1948 crop of cotton was estimated as of August 1 at 15,169,000 bales, 500 pounds gross weight. This would be the largest crop since 1937 and the seventh largest on record. It would exceed last years by about 3.3 million bales or 28 percent.

The average yield was estimated at 313.5 pounds per acre, an all-time record. The previous high was made in 1944 when the yield was 298.9 pounds. The 1937-46 average was 254.2 pounds per acre. Last year, the average yield was 267.2 pounds. Yields this year are expected to establish records in South Carolina, Tennessee, Florida, Alabama, Mississippi, Arkansas, and Louisiana.

Ginnings from the 1948 crop prior to August 1, total 259,000 running bales compared with 194,000 last year and 172,000 in 1946.

Exports During 1947-48 May be  
About 2.0 Million Bales

Exports for the first 11 months of last season (August 1947 through June 1948) totaled 1,819,000 bales, only 53 percent as much as in the same period of 1946-47. Exports to Italy declined most, dropping from 427,000 bales in 1946-47 to 59,000 bales last year. Germany, on the other hand, imported 244,000 bales of American cotton in 1947-48 compared with only 198,000 bales during the same period of 1946-47. Exports to Japan totaled 435,000 bales, 14 percent less than in the first 11 months of 1946-47.

The shortage of dollar exchange in importing countries, the existence of large stocks of cotton in most of these countries at the beginning of the season, and the delays in getting cotton moving under ECA account in large part for the small exports this season.

The Economic Cooperation Administration had authorized \$68,000,000 for purchases of cotton to July 30. The authorizations, in terms of dollars and long tons, by countries, are as follows:

<u>Country</u>	<u>1,000 long tons</u>	<u>Million dollars</u>
Austria	1.8	1.6
France	28.0	25.8
China	16.1	13.0
Italy	24.0	20.4
Norway	.8	.6
Bi.-Zone Germany	5.3	4.7
French Zone Germany	<u>2.0</u>	<u>1.9</u>
Total	78.0	68.0

It is difficult to estimate the exports of cotton during July because they depended to a considerable extent on ECA. But the total probably was about 225,000 bales. If this proves to be the case, the total for the full season was about 2.0 million bales. Exports have not been this low during peacetime since 1871-72.

1948 Loan Rate for Middling 15/16"  
is 30.74 Cents

The 1948 Government loan rate for Middling 15/16" cotton at average location has been announced at 30.74 cents per pound. The loan rate for Middling 7/8" cotton is 28.79 cents per pound and is calculated at 92.5 percent of the July parity price of 31.12 cents per pound.

Table 1 shows the loan rates and average annual price for Middling 7/8" and for Middling 15/16" cotton from 1941-42 to 1948-49.

Table 1.- Cotton: Price of Middling 7/8" and 15/16" at 10 markets, and loan rates 1941-1948

Year beginning Aug. 1	Middling 7/8"		Middling 15/16"	
	At	Loan	At	Loan
	10 Markets	rate	10 Markets	rate
	Cents	Cents	Cents	Cents
1941	17.94	14.02	18.31	14.22
1942	19.22	17.02	20.14	17.22
1943	19.56	18.41	20.65	19.26
1944	20.60	20.03	21.86	21.08
1945	24.39	19.84	25.96	21.09
1946	33.33	22.83	34.82	24.38
1947	32.38	26.49	34.58	27.94
1948	---	28.79	---	30.74

Compiled from reports of Production and Marketing Administration.

#### Exports of Cotton Textiles

Exports of cotton textiles have declined most months since the peak of 147 million square yards was reached in May 1947. In the 1947-48 season, exports declined from 141 million square yards in August to 75 million square yards in March. Exports for April and May were 5 million square yards greater than March but were only three-fifths as large as exports in these two months of 1946-47. However, exports still are large compared with prewar. Even with the decline in exports in recent months, 1,043 million square yards were exported, compared with 904 million square yards for the same period of the previous cotton year. The larger exports resulted from slower declines in exports as compared with the sharp monthly increases prior to May 1947.

The decline in cotton textile exports reflect restoration of textile mills in foreign countries and increasing difficulty in obtaining dollar exchange. Also, the currency and quota restrictions placed on U. S. exports of textiles by British Dominion countries caused reduced exports to these nations. With increased output, foreign countries are beginning to recapture their prewar export trade of textiles. However, demands for American cotton textiles under the ECA may strengthen U. S. textile exports for the immediate years ahead. This would offset reductions that probably would occur as a result of continued restoration of cotton and synthetic fiber textile production in foreign countries.

#### Rayon Deliveries at Record Levels

Average monthly shipments of rayon for the first half of 1948 are higher than for the same period in any previous year and 74 percent more than in 1942. So far this year monthly shipments have averaged 89.2 million pounds, compared with 75.4 for the same period in 1947, 69.7 in 1946 and 51.2 in 1942.

If rayon shipments continue at the current rate for the rest of the year, they will exceed 1 billion pounds for the first time in any calendar year. This would be 3 times the 1935-39 average of 313.5 million pounds. One billion pounds of rayon is equivalent to about 2,350,000 bales of raw cotton.

The following table shows the deliveries of rayon and the consumption of cotton from 1935-39 to date. Although cotton consumption is still high in relation to prewar, it has declined somewhat from the records established during the war. Rayon deliveries on the other hand are still increasing from quarter to quarter.

Table 2.- Rayon deliveries and cotton consumption: Monthly averages by calendar years, 1942-47 and first half of 1948

Calendar year	Monthly average			Change from previous year		Proportion rayon
	Rayon deliveries	Cotton consumption	Total	Rayon	Cotton	is of two-fiber total
	Million pounds	Million pounds	Million pounds	Percent	Percent	Percent
1935-39 av.:	26.1	273.6	299.7	---	---	8.7
1942	51.7	469.4	521.1	---	---	9.9
1943	54.7	439.2	493.9	✓ 5.8	- 6.4	11.1
1944	58.7	399.2	457.9	✓ 7.3	- 9.1	12.8
1945	64.0	376.3	440.3	✓ 9.0	- 5.7	14.5
1946	70.1	400.8	470.9	✓ 9.5	✓ 6.5	14.9
1947	79.3	390.3	469.6	✓ 13.1	- 2.6	16.9
1948						
Jan.-June	89.2	405.5	494.7	✓ 12.5	✓ 3.9	18.0

## FOREIGN SITUATION

### Foreign Prices High

Prices of most foreign cottons have held firm or increased during the last 2 months while the prices of American cotton have declined. Consequently, most foreign cottons now are higher in relation to American cotton than at any time during the current season while some are the highest since the entry of the United States into World War II.

Prices of Middling 15/16" cotton in New Orleans in August 1947 averaged 34.02 cents per pound, reached a peak of 37.51 in May 1948, and declined to an average of 32.70 for July. Although Middling 15/16" at New Orleans was lower in July than in the previous August, Type 5 at Sao Paulo, Brazil was higher in July than in any other month during the season, and averaged 5.33 cents per pound more than in August 1947. Price averages for Type 5 were 25.58 cents per pound in August 1947, 30.56 in May 1948, and 30.96 in July. Jarrilla Fine at Bombay, India, averaged 16.55 in August 1947, 28.72 in May, and 25.47 in July.

Prices of Egyptian cotton at Alexandria, though some lower than in the peak of the late spring, averaged from 75 to 130 percent higher in July than in August 1947. Ashmuni Fully Good Fair averaged 33.67 last August compared with 52.72 in July, 1948 while Karnak Good averaged 38.63 last August and 88.99 in July.

World Production in 1947-48  
Increased by 17 Percent

The total 1947-48 world cotton crop <sup>1/</sup> was about 25.3 million bales, 480 pounds net weight, 17 percent above the 21.6 million for last season but 20 percent below the 1935-39 average of 31.7 million bales.

The 3.7 million bale increase over 1946-47 is largely accounted for by the 3.3 million bale gain in United States production. Russia contributed .4 million and China the remaining .2 million of the total increase. In the three other major cotton producing countries, India, Brazil and Egypt, production in 1947-48 was practically the same as in the previous season. In the minor producing countries, increases in production for some were offset by decreases in others.

The decline in world cotton crop since 1935-39 is almost entirely accounted for by reduced crops in the six major producing countries. In 1947-48, these countries produced about 6.2 million bales less than prewar. The minor countries produced practically the same amount in 1947-48 as in 1935-39. However, the minor producing countries produced a slightly larger proportion of the total world crop than in prewar. The proportion of the total world crop grown by the U.S. increased from 41 percent in 1935-39 to 47 percent in 1947-48.

<sup>1/</sup> Intended to be the total cotton production in the world, as contrasted with the commercial crop which excludes large quantities grown in India and China and to some extent in other countries for consumption on hand spindles or for use in other non-commercial ways. These estimates are normally larger by about 2 million bales of 480 pounds net weight than those of the "commercial crop" which includes only raw cotton produced for factory consumption.



Table 3. - High, low, and season average price: Cotton Middling 7/8" and 15/16", ten designated markets, by seasons, 1915-47

Season beginning Aug. 1	High Price		Low Price		Season av. price	
	Date	7/8" Cents	Date	15/16" Cents	7/8" Cents	15/16" Cents
1915	July 31, 1916	13.22	NA: Aug. 23, 1915	8.64	NA: 11.72	NA
1916	June 27, 1917	26.27	NA: Aug. 1, 1916	13.27	NA: 18.92	NA
1917	April 4, 1918	34.62	NA: Sept. 13, 1917	20.50	NA: 29.01	NA
1918	Sept. 3, 1918	35.38	NA: March 26, 1919	25.83	NA: 29.77	NA
1919	April 17, 1920	42.26	NA: Sept. 11, 1919	28.63	NA: 38.34	NA
1920	Aug. 2, 1920	38.51	NA: June 20, 1921	9.98	NA: 16.66	NA
1921	July 3, 1922	23.07	NA: Aug. 2, 1921	11.46	NA: 18.09	NA
1922	March 7, 1923	30.94	NA: Sept. 30, 1922	19.95	NA: 25.84	NA
1923	Nov. 28, 1923	35.81	NA: Aug. 2, 1923	22.79	NA: 30.14	NA
1924	Aug. 2, 1924	29.30	NA: Sept. 16, 1924	20.89	NA: 24.23	NA
1925	Aug. 1, 1925	24.38	NA: July 2, 1926	17.07	NA: 19.68	NA
1926	Aug. 3, 1926	18.33	NA: Dec. 3, 1926	11.40	NA: 14.40	NA
1927	Sept. 8, 1927	23.10	1/23.41: Aug. 3, 1927	16.35	NA: 19.72	NA
1928	March 9, 1929	20.30	1/20.57: Sept. 18, 1928	16.71	1/16.96: 18.67	NA
1929	Aug. 1, 1929	18.80	1/19.28: July 31, 1930	11.76	1/12.18: 15.78	NA
1930	Aug. 7, 1930	12.38	1/12.80: June 9, 1931	7.62	1/8.03: 9.61	9.80
1931	Aug. 1, 1931	7.52	1/7.93: June 9, 1932	4.76	1/4.90: 5.89	6.09
1932	July 18, 1933	11.51	2/11.67: Dec. 5, 1932	5.45	2/5.62: 7.15	7.29
1933	July 18, 1934	13.05	2/13.26: Aug. 16, 1933	8.32	2/8.51: 10.81	11.00
1934	Aug. 9, 1934	13.63	2/13.99: March 18, 1935	10.55	2/10.92: 12.36	12.68
1935	July 10, 1936	13.42	2/13.89: Sept. 16, 1935	10.35	2/10.63: 11.55	11.88
1936	March 30, 1937	14.91	2/15.54: July 31, 1937	11.10	2/11.80: 12.70	13.25
1937	Aug. 5, 1937	11.24	11.85: Nov. 4, 1937	7.65	8.07: 8.66	9.09
1938	July 10, 1939	9.59	9.90: Sept. 17, 1938	7.92	8.23: 8.70	9.00
1939	Dec. 13, 1939	11.10	11.28: Sept. 2, 1939	8.49	8.70: 9.90	10.09
1940	July 26, 1941	16.70	16.92: Oct. 14, 1940	9.06	9.27: 10.79	11.00
1941	April 9, 1942	20.00	20.47: Aug. 12, 1941	15.18	15.39: 17.94	18.31
1942	April 1, 1943	20.51	21.43: Aug. 10, 1942	17.56	18.23: 19.22	20.14
1943	July 11, 1944	20.96	22.11: Nov. 29, 1943	18.08	19.16: 19.56	20.65
1944	July 13, 1945	21.40	22.82: Aug. 7, 1944	19.93	21.08: 20.60	21.86
1945	July 19, 1946	34.09	35.72: Aug. 20, 1945	20.65	22.07: 24.39	25.96
1946-47	July 16, 1947	37.79	39.35: Nov. 7, 1946	26.44	27.95: 33.33	34.82
1947-48	April 21, 1948	36.20	38.65: Sept. 30, 1947	28.75	30.55: 32.38	34.58

A - Not available.  
 / Average of 6 markets.  
 / Average of 7 markets.

Table 4.-Cotton Prices: Comparison between American and foreign growths in specified locations; average 1935-39 annually 1940-47 and by months, August 1947 to date

Season beginning: August 1 and month:	Mid. 15/16" : at New Orleans:	Type 5 at Sao Paulo, Brazil : Actual: 15/16" : at New Orleans:	Mid. 15/16" : at Torreon, Mexico : Actual: 15/16" : at New Orleans:	Jarilla at Bombay, India : Actual: 15/16" : at New Orleans:	Type B at Buenos Aires : Actual: 15/16" : at New Orleans:			
	Cents	Cents	Cents	Cents	Cents			
Average 1935-39	10.80	10.37	4.43	11.52	7.72	8.31 2.49	12.18	1.38
1940	11.06	6.91	4.15	11.32	7.26	6.62 4.44	11.61	.55
1941	18.17	8.42	9.75	14.68	3.49	<u>1/</u> 6.59 11.58	15.45	2.72
1942	19.96	11.08	8.88	17.40	2.56	<u>2/</u> <u>2/</u>	13.83	6.13
1943	20.44	13.15	7.29	19.60	.84	<u>2/</u> <u>2/</u>	13.72	6.72
1944	21.69	14.10	7.59	18.17	3.52	<u>3/</u> 16.50 5.19	15.28	6.41
1945	25.82	17.93	7.89	19.41	6.41	16.43 9.39	20.43	5.39
1946	34.65	25.88	8.77	28.34	6.31	16.81 17.84	30.14	4.51
1947	34.41	28.44	5.97	30.08	4.33	21.47 12.94	32.53	- 3.12
August	34.02	25.58	8.44	26.60	7.42	16.55 17.47	34.98	+.96
Sept.	31.37	25.62	5.75	26.63	4.74	16.62 14.75	34.98	+ 3.61
Oct.	31.55	25.95	5.60	25.95	5.60	16.72 14.83	34.98	+ 3.43
Nov.	33.42	27.35	6.07	26.43	6.99	17.16 16.26	34.98	+ 1.56
Dec.	35.63	29.41	6.22	28.10	7.53	17.79 17.84	34.98	- .65
Jan.	34.98	29.37	5.61	28.89	6.09	20.09 14.89	35.46	+ .48
Feb.	32.62	28.26	4.36	31.45	1.17	22.27 10.35	36.94	+ 4.32
March	33.99	28.18	5.81	33.88	.11	23.14 10.85	37.88	+ 3.89
April	37.03	29.30	7.73	33.89	3.14	26.02 11.01	38.30	+ 1.27
May	37.51	30.56	6.95	33.88	3.63	28.72 8.79	41.63	+ 4.12
June	37.14	30.71	6.43	33.73	3.41	27.05 10.09	42.54	+ 5.40
July	33.70	30.96	2.74	31.51	2.19	25.47 8.23	42.68	+ 8.98

Compiled from reports of the Cotton Branch, Production and Marketing Administration and reports from the State Department and converted to cents per pound at current monthly rates of exchange of the Federal Reserve Board.

- 1/ Average for 11 months.
- 2/ Not available.
- 3/ Average for 8 months.

Table 5.- Cotton: World acreage and production, by continents and countries, average 1935-39, annual 1944-47

Continent and country	Acreage					Production <sup>a/</sup>				
	Year beginning August 1 <sup>b/</sup>					Year beginning August 1 <sup>b/</sup>				
	Average 1935-39	1944	1945	1946 <sup>c/</sup>	1947 <sup>c/</sup>	Average 1935-39	1944	1945	1946 <sup>c/</sup>	1947 <sup>c/</sup>
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
<b>North America:</b>										
El Salvador	9	32	24	38	35	5	16	11	19	21
Guatemala	-	7	-	7	7	2	4	3	4	-
Mexico	725	963	904	843	865	334	472	434	460	499
Nicaragua	9	4	5	1	-	5	3	4	1	-
United States	27,788	20,009	17,241	17,615	21,269	13,149	12,230	9,015	8,640	11,851
British West Indies	20	16	12	7	7	5	4	3	2	1
Haiti	-	-	-	25	25	22	11	11	8	11
Puerto Rico	2	-	-	-	-	1	1	2	d/	d/
Total North America <sup>e/</sup>	28,642	21,078	18,240	18,541	22,217	13,523	12,741	9,483	9,135	12,392
<b>Europe:</b>										
Bulgaria	85	48	61	98	105	35	11	10	20	28
Greece	168	80	72	127	106	76	13	28	50	53
Italy	56	37	34	41	-	21	9	9	12	15
Rumania <sup>f/</sup>	8	110	109	104	109	2	22	20	9	16
Spain	46	148	133	142	108	10	27	8	23	14
Yugoslavia	8	15	-	-	-	3	-	-	-	-
Total Europe (excluding U.S.S.R.) <sup>e/</sup>	372	439	420	527	505	147	87	77	118	136
U.S.S.R. (Europe and Asia)	5,087	2,865	2,995	3,215	3,625	3,430	-	1,700	2,240	2,600
<b>Asia:</b>										
Cyprus	11	4	-	-	-	3	2	1	2	-
Iran	453	290	303	196	205	171	81	92	64	80
Iraq	53	18	25	25	-	11	2	5	4	4
Syria	85	41	44	49	52	28	14	22	22	14
Turkey	667	644	572	690	-	249	225	166	203	273
Afghanistan	-	-	-	-	-	49	-	20	9	9
Burma	428	-	226	135	177	97	85	32	21	33
China (includes Manchuria)	7,038	5,600	5,600	5,556	6,240	2,855	1,600	1,820	1,933	2,145
French Indo-China	36	-	-	-	-	6	-	-	-	3
India and Pakistan <sup>g/</sup>	24,204	14,843	13,751	14,860	-	5,348	3,693	3,529	3,484	3,400
Korea	564	752	442	312	355	180	228	103	75	62
Netherlands Indies	27	-	-	-	-	9	11	-	1	1
Philippine Islands	5	40	10	5	-	1	8	2	1	d/
Siam	16	-	-	-	-	7	-	17	-	-
Total Asia (excluding U.S.S.R.) <sup>e/</sup>	33,805	22,865	21,219	21,877	22,291	9,020	5,915	5,915	5,913	6,097
<b>South America:</b>										
Argentina	770	887	813	892	h/1,037	289	332	285	334	367
Brazil	5,562	6,000	5,000	5,500	4,900	1,956	1,626	1,350	1,300	1,150
Colombia	98	-	-	-	-	23	22	21	22	21
Ecuador	40	32	32	35	-	13	8	7	10	5
Paraguay	111	119	124	126	125	40	40	44	55	29
Peru	423	326	346	309	321	384	325	329	296	296
Venezuela	50	58	-	-	-	11	16	13	11	15
Total South America <sup>e/</sup>	7,060	7,547	6,512	7,049	6,624	2,716	2,369	2,049	2,091	1,882
<b>Africa and Oceania:</b>										
Anglo-Egyptian Sudan	439	347	321	336	363	248	313	187	235	212
Belgian Congo	874	863	760	766	-	172	168	181	172	172
Kenya	-	-	-	-	-	13	13	4	4	4
Nyasaland	84	-	-	-	-	12	7	7	8	-
Tanganyika	-	-	-	-	-	50	35	35	34	33
Uganda	1,477	1,072	1,146	1,233	-	281	228	191	190	138
Egypt	1,821	885	1,020	1,258	1,302	1,893	962	1,082	1,252	1,314
French Equatorial Africa	390	667	-	-	-	41	100	109	76	115
French Morocco	1	7	4	-	-	d/	3	2	2	d/
French West Africa	-	-	-	-	-	28	21	9	9	14
Mozambique	-	-	-	-	-	1/ 33	92	99	93	95
Nigeria	-	-	-	-	-	36	13	31	29	19
Angola	73	-	-	-	185	13	29	20	27	25
Australia	53	7	7	9	10	11	1	2	2	2
Total African and Oceania <sup>e/</sup>	6,176	5,071	6,314	5,517	5,294	2,840	1,995	1,969	2,140	2,156
<b>Total World</b>	<b>81,142</b>	<b>59,865</b>	<b>55,700</b>	<b>56,726</b>	<b>60,556</b>	<b>31,676</b>	<b>24,785</b>	<b>21,193</b>	<b>21,577</b>	<b>25,263</b>

Office of Foreign Agricultural Relations. Prepared or estimated on the basis of official statistics of foreign governments, reports of United States foreign service officers and results of office research.

<sup>a/</sup> United States production in bales of 500 pounds gross (480 pounds net); others in bales of 478 pounds net through 1945 and 480 pounds thereafter.

<sup>b/</sup> Years shown refer to years of harvest; thus the 1947-48 totals are composed of estimates for Northern Hemisphere crops harvested late in 1947 and those for Southern Hemisphere crops harvested early in 1948.

<sup>c/</sup> Preliminary.

<sup>d/</sup> Less than 500.

<sup>e/</sup> All subtotals include estimates for minor-producing countries not listed above and allowances for other figures not available.

<sup>f/</sup> Figures from 1943 to date are not comparable with prewar figures because of boundary changes.

<sup>g/</sup> All production figures are revised through the adoption of a series compiled by the Indian Central Cotton Committee.

<sup>h/</sup> Planted area.

<sup>i/</sup> Exports.

Table 6.- Estimated grade and staple length of upland cotton ginned in the United States, 1947-48

APRIL-JULY 1948

- 12 -

Grade	:13/16" & : :shorter :	7/8"	: 29/32"	: 15/16"	: 31/32"	: 1"	:1-1/32"	:1-1/16"	:1-3/32"	:1-1/8" & : :longer 1/:	All Running lengths
	: Running : bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales
<u>Ex. White</u> :											
G.M.	---	---	---	14	7	262	12,081	63,921	39,326	17,040	132,651
S.M.	1	1	6	46	411	3,208	82,294	230,632	156,929	53,351	526,879
M.	---	2	9	34	130	3,877	80,499	97,543	51,605	12,424	246,123
S.L.M.	8	51	7	369	786	5,845	22,713	18,857	9,059	1,248	58,943
L.M.	82	785	25	1,926	2,139	4,871	3,498	2,380	796	104	16,606
S.G.O.	271	798	3	1,242	599	596	152	125	13	3	3,802
G.O.	336	351	---	312	64	44	6	3	3	---	1,119
<u>White</u> :											
GM & higher :	6,580	7,762	15,502	43,993	31,760	35,788	51,058	31,717	6,537	1,260	231,957
S.M.	87,307	111,074	112,674	238,176	183,361	319,867	467,976	325,678	64,971	14,126	1,925,210
M.	228,261	191,639	142,953	273,138	262,642	692,837	1,074,876	792,352	149,342	25,130	3,833,170
S.L.M.	87,299	67,747	45,888	89,324	111,816	384,638	568,239	307,212	49,485	8,057	1,719,705
L.M.	60,402	67,580	44,218	81,611	77,201	195,687	198,638	68,848	6,317	1,410	801,912
S.G.O.	27,368	26,541	13,334	39,148	24,481	85,725	75,441	11,840	290	210	304,378
G.O.	5,248	3,192	653	5,024	2,837	21,498	14,537	1,392	---	20	54,401
<u>Spotted</u> :											
G.M.	19,995	34,316	16,386	16,684	6,246	6,057	11,646	5,866	1,768	689	119,653
S.M.	106,634	112,842	49,372	59,484	40,519	77,243	99,071	27,971	3,512	1,709	578,357
M.	38,569	45,751	20,705	32,415	34,006	91,000	90,069	21,137	2,814	1,037	377,503
S.L.M.	58,452	53,612	13,699	29,870	24,713	49,882	26,162	5,617	836	226	263,069
L.M.	40,043	22,597	3,663	20,117	10,440	33,576	22,205	1,969	53	60	154,723
<u>Tinged 1/</u> :	33,850	24,635	3,832	9,383	3,313	8,474	6,021	861	11	10	90,390
<u>Stained 1/</u> :	2,574	1,157	130	149	21	26	---	---	---	---	4,057
<u>Gray 1/</u> :	1,897	2,246	1,841	3,021	6,112	17,382	34,430	19,053	1,195	166	87,343
Below Grade:	7,580	2,854	180	2,103	398	3,386	1,377	194	7	---	18,579
All Grades:	812,757	777,533	485,080	947,583	824,002	2,042,269	2,942,989	2,035,168	544,869	138,280	11,550,530
Pct.	7.1	6.7	4.2	8.2	7.1	17.7	25.5	17.6	4.7	1.2	100.0

1/ Includes all grades.

Grade index ..... 96.9

Av. staple length ..... 31.7

Percentage of rough preparation ..... 2.9

Table 7.- Cotton: Exports from the United States, by months, 1947-48

Country of destination	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June
	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales
Austria .....	0	0	0	0	0	0	0	0	0	0	44
Belgium .....	240	800	7,392	7,100	10,805	8,920	4,411	2,765	3,898	1,148	1,460
Czechoslovakia .....	0	0	0	0	0	0	0	9,756	10,644	0	600
Eire .....	0	0	0	0	0	0	0	0	0	500	0
Finland .....	0	0	1,400	2,780	4,520	1,850	0	5,000	0	0	10,000
France .....	0	25,397	23,060	0	3,461	22,761	27,064	36,784	13,016	35,612	5,276
Germany .....	21	9,150	15,481	219	15,592	10,933	14,676	84,819	45,927	39,194	7,991
Greece .....	0	0	0	60	100	800	0	0	175	0	0
Gibraltar .....	0	0	0	0	0	0	0	0	0	0	0
Italy .....	200	450	3,615	2,587	4,683	9,398	2,151	2,709	6,697	14,026	12,723
Netherlands .....	100	270	5,725	7,510	4,938	4,675	4,288	1,275	1,457	1,518	974
Norway .....	0	200	0	300	1,032	0	200	200	0	698	100
Poland and Danzig .....	0	0	0	2,050	2,300	10,250	23,800	8,400	0	0	0
Spain .....	0	0	0	0	0	0	0	0	0	1,000	904
Sweden .....	0	0	616	2,410	0	1,650	1,200	0	0	0	0
Switzerland .....	0	500	367	150	39	695	0	300	0	208	2
United Kingdom .....	0	43	0	3,200	38,216	118,296	59,625	22,541	325	6,300	4,000
Yugoslavia .....	0	0	0	0	0	0	0	0	0	0	0
Canada .....	716	3,973	20,674	17,565	28,518	13,048	3,328	10,827	11,662	12,207	9,431
Guatemala .....	0	0	0	0	0	0	0	0	0	0	0
Mexico .....	0	0	24	0	0	0	0	0	0	0	0
Dominican Republic .....	0	0	0	0	0	0	0	0	0	0	0
Cuba .....	0	500	1,265	1,635	2,500	3,300	1,255	2,045	2	0	0
Colombia .....	0	0	0	0	0	0	0	0	0	0	600
Venezuela .....	0	0	0	0	0	0	0	0	0	0	0
China .....	5,394	1,456	0	0	0	0	1,000	20,200	58,862	88,417	35,986
Japan .....	7,381	80,806	53,481	115,249	106,335	1,300	20,000	16,686	0	171	33,705
Hong Kong .....	0	0	0	0	0	0	0	0	0	0	0
Palestine .....	0	0	0	0	0	500	500	502	500	475	112
Philippine Republic .....	0	0	0	0	0	0	0	0	1,300	0	0
Australia .....	0	0	0	1,750	6,514	1,722	0	0	0	0	0
French Indo-China .....	0	0	0	0	0	4,000	0	0	0	0	0
Iran .....	0	0	0	0	0	0	0	0	0	0	0
Union of South Africa .....	0	0	0	0	0	0	0	500	615	2,100	0
Syria .....	0	0	0	0	0	0	0	0	0	200	0
Hungary .....	0	0	0	0	0	0	0	200	0	0	0
Netherlands Indies .....	0	0	0	0	0	0	0	0	0	800	200
Korea .....	23,014	0	0	0	0	0	0	35,653	0	0	0
Chile .....	0	0	0	0	0	0	0	0	0	237	0
Br. India .....	0	0	0	0	0	0	0	0	0	0	8,790
Total .....	37,066	123,545	133,100	164,565	229,553	214,098	163,498	261,162	155,080	204,811	132,898
Accumulated total .....	37,066	160,611	293,711	458,276	687,829	901,927	1,065,425	1,326,587	1,481,667	1,686,478	1,819,376

Compiled from reports of the Bureau of the Census. Include shipments under the Army Civilian Supply Program.

Table 8.- Cotton: Acreage, production and prices United States, 1935-1948

Year : begin- ning : Aug. 1:	Acreage		Yield : per acre	Production		Prices		
	Planted	Har- vest- ed		500-lb. bales	Running bales	Farm	Mid 15/16" At 10 markets:	Loan rate 1/
	1,000 acres	1,000 acres	Pounds	bales	bales	Cents	Cents	Cents
1935	28,063	27,509	185.1	10,638	10,420	11.09	11.88	10.00
1936	30,627	29,755	199.4	12,399	12,141	12.33	13.25	2/
1937	34,090	33,623	269.9	18,946	18,252	8.41	9.09	9.00
1938	25,018	24,248	235.8	11,943	11,623	8.60	9.00	8.60
1939	24,683	23,805	237.9	11,817	11,481	9.09	10.09	8.95
1940	24,871	23,861	252.5	12,566	12,298	9.89	11.00	9.15
1941	23,130	22,236	231.9	10,744	10,495	17.03	18.31	14.22
1942	23,302	22,602	272.4	12,817	12,438	19.04	20.14	17.22
1943	21,900	21,610	254.0	11,427	11,129	19.88	20.65	19.26
1944	19,900	19,651	298.9	12,230	11,839	20.73	21.86	21.08
1945	17,562	17,059	253.6	9,015	8,813	22.52	25.96	21.09
1946	18,190	17,615	235.3	8,640	8,517	32.64	34.82	24.38
1947	21,500	21,269	267.2	11,851	11,552	31.90	34.58	27.94
1948 3/	23,223		313.5	15,169	14,808	---	---	30.74

1/ Equivalent loan rates on a gross weight basis for Middling 15/16" cotton.

2/ No loan.

3/ From Crop Report August 9, 1948 except loan rates; area in cultivation July 1 less 10-year average abandonment.

Compiled from reports of the Bureau of Agricultural Economics and Production and Marketing Administration.



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