

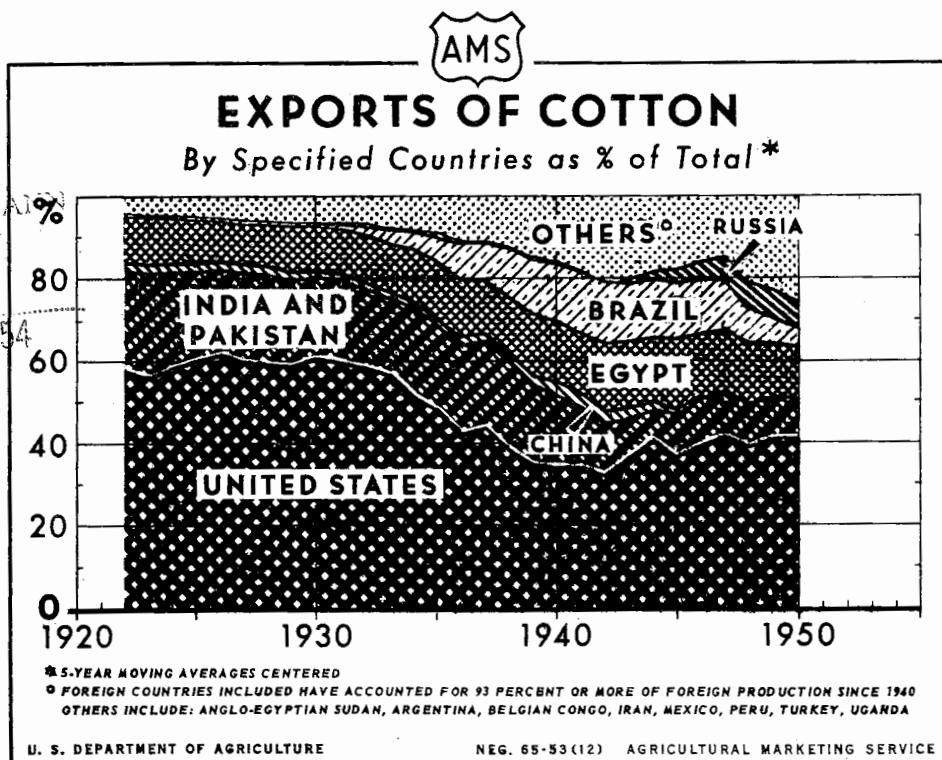
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The COTTON SITUATION

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In this issue:
Seasonal Rate of Exports of American Cotton

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The proportion of the world's cotton exports supplied by the United States declined steadily from the mid-1920's to the end of World War II. Following the end of the war, U. S. exports rose to an average of slightly more than 40

percent of the world's exports. In the 1952-53 crop year, U.S. exports declined to about 26 percent of total world cotton exports and in the current season U. S. exports will probably account for about the same proportion.

Cotton Situation at a Glance

Item	Unit	1952			1953		
		Sept.	Oct.	Nov.	Sept.	Oct.	Nov. <u>1/</u>
Prices, received by farmers for Am. Upland (mid-month)	Cents	39.11	36.77	34.05	33.09	32.46	31.82
Parity price for Am. Upland	Cents	34.47	34.35	34.22	34.35	34.22	34.35
Farm price as a percentage of parity	Percent	113	108	100	96	95	93
Average 10 spot market price Middling 15/16 inch	Cents	38.89	36.65	34.75	32.81	32.68	32.74
Average price for 17 constructions, gray goods <u>2/</u>	Cents	69.91	70.25	69.13	67.09	65.63	64.06
Average price cotton used in 17 constructions <u>2/</u>	Cents	40.19	37.70	36.08	34.35	34.19	34.47
Mill margins for 17 constructions <u>2/</u>	Cents	29.72	32.55	33.05	32.74	31.44	29.59
BLS wholesale price index							
All commodities	1947-49 = 100	111.8	111.1	110.7	110.0	110.2	109.8
Cotton broad woven goods	do.	96.7	97.1	96.3	92.1	91.1	90.1
Index of industrial production							
Overall (adjusted)	1935-39 = 100	228	230	234	232	231	228
Textiles and Products (unadjusted)	do.	177	172	176	161	157	
Personal income payments (adjusted)	Billion dollars	276.4	277.3	277.2	286.3	287.3	
Department store sales (adjusted and revised)	Million dollars	945	1,018	995	928	1,046	
Mill consumption of all kinds of cotton <u>3/</u>							
Mill consumption, daily rate	1,000 bales	737.1	<u>4/</u> 915.6	755.0	702.4	<u>4/</u> 872.1	685.0
Index of spindle activity	<u>5/</u>	134.8	135.1	137.0	133.9	130.6	129.1
Spindles in place end of month in cotton system	Thousand	23,172	23,122	23,090	22,944	22,926	22,931
Spindles consuming 100 percent cotton	Thousand	20,041	20,188	20,180	20,039	19,953	19,990
Spindles idle	Thousand	1,740	1,510	1,507	1,622	1,682	1,678
Gross hourly earnings in broad woven goods <u>6/</u>	Cents	129.5	130.3	130.2	130.0	129.0	
Exports of cotton							
Exports of cotton since August 1	1,000 bales	240.5	296.0	337.2	199.8	217.3	---
Imports of cotton since August 1	1,000 bales	347.4	643.4	980.6	393.1	610.4	---
Imports of cotton	Bales	6,021	7,632	12,362	20,209	7,776	---
Imports of cotton since August 1	Bales	11,771	19,403	38,803	29,339	37,115	---
Mill stocks end of month	1,000 bales	987.9	1,300.8	1,466.2	1,296.8	1,506.2	1,586.1
Stocks, public storage, etc.	1,000 bales	4,039.1	6,753.3	7,464.0	5,852.9	9,406.5	11,219.6
Linters prices							
Grade 2	Cents	12.03	12.21	12.25	11.46	11.33	
Grade 4	Cents	7.39	7.13	7.25	5.99	5.96	
Grade 6	Cents	4.26	3.98	4.04	3.72	3.54	
Rayon prices							
Viscose yarn, 150 denier	Cents	78	78	78	78	78	78
Staple fiber, viscose <u>1 1/2</u> denier	Cents	40	40	37	34	34	34
Acetate yarn, 150 denier	Cents	73	73	73	73	73	73

1/ Preliminary. 2/ Revised April 1953. 3/ 4-week period except as noted. 4/ 5-week period. 5/ 80 hour week = 100 percent. 6/ Cotton, silk and synthetic fibers. 7/ Average price at Memphis, Dallas and Atlanta.

Compiled from official sources.

THE COTTON SITUATION

Approved by the Outlook and Situation Board, December 29, 1953

SUMMARY

The supply of cotton in the United States for the 1953-54 season is estimated at 21.9 million bales and disappearance is estimated at about 12.3 million. This would leave a carryover on August 1, 1954 of about 9.6 million bales, compared with 5.5 million a year earlier. About 6 1/2 million bales of this carryover probably will be held by Commodity Credit Corporation under the price support program.

Export of cotton during the current season is expected to increase moderately above the 3,048,000 bales exported in 1952-53. Loans and grants from the U. S. Government to finance cotton exports during the 1953-54 season amount to 283.4 million dollars as of December 29, which if completely used would finance about 1.5 million bales. In 1952-53, this figure was 221 million, which financed about 1.2 million bales. Of the 1953-54 total, 168.7 million are grants from the Foreign Operations Administration and 114.7 are loans from the Export-Import Bank.

Foreign exporting countries started this season with stocks of about 2.5 million bales available for export. Although much of this will probably be sold during 1953-54, some of it is of low quality and will be difficult to sell. However, foreign free-world production will probably decline about 800 thousand bales from the 1952-53 level, and consumption may be about half a million bales above the post-World War II record of 16.5 million in 1952-53.

The disappearance of cotton during the first quarter of the 1953-54 marketing year was about 100 thousand bales smaller than a year earlier, mainly because of smaller domestic mill consumption. Consumption from August 1 through November 28 was about 5 percent below the rate of approximately the same period a year earlier. The average daily rate of consumption declined contraseasonally from September through November 1953.

The 1953 U. S. cotton crop is estimated at 16.3 million running bales (16.4 million 500-pound bales). The 1953 yield per harvested acre is estimated at 322.4 pounds, a record.

Entries into the CCC loan from the 1953 crop amounted to over 5.2 million bales on December 18. Most of the 2 million bales held by CCC at the beginning of that season will still be held by CCC when the season ends.

RECENT DEVELOPMENTS

Carryover Up

The large 1953 crop of cotton plus the starting carryover and expected imports of cotton give an estimated supply of 21.9 million bales for the 1953-54 marketing year. With the disappearance estimated at about 12.3 million bales, the carryover on August 1, 1954 will be approximately 9.6 million bales. This will be the largest of the post-World War II period and about 4 million bales larger than the carryover on August 1, 1953.

Exports

Exports during the 1953-54 season are expected to be about 3.3 million bales, the same as estimated in October. However, some of the factors which affect exports have become clearer since then. The consumption of cotton in foreign free-world countries in 1953-54 is now expected to be higher than in the 1952-53 season while production in these countries is expected to be about 800 thousand bales smaller. A summarization of the supply and disappearance of cotton abroad in the two seasons follows:

Table 1.- Cotton: Supply and distribution, foreign free-world countries, 1952 and 1953

Item	Year beginning August 1	
	1952	1953
	Million bales	Million bales
Carryover beginning of season	10.7	10.1
Production	13.7	12.9
Imports of U. S.	3.0	3.3
Total supply	27.4	26.3
Consumption	16.5	17.0
Exports to U. S. and Iron Curtain countries	0.8	0.8
Total disappearance	17.3	17.8
Carryover end of season	10.1	8.5

Consumption abroad in 1953-54 is expected to be about 1/2 million bales larger than the postwar record of 16.5 million bales in 1952-53. Economic activity in Western Europe has been at a high level during recent months. Except for Canada and perhaps Italy, cotton consumption has been higher than in the same months a year earlier.

Even though the demand for cotton abroad will be strong, the supply of cotton outside the U. S. is large enough to fill this demand without much increase in U. S. exports of cotton. Although beginning stocks were lower than a year earlier, the reduction occurred in cotton importing countries. Foreign exporting countries increased their stocks about 400 thousand bales.

Production of cotton in foreign free-world countries in 1953-54 is now estimated at about 12.9 million bales. This is about 800 thousand bales smaller than last season. This production estimate is subject to revision as more data become available.

Disappearance of cotton in the foreign free-world countries is expected to be about 4.9 million bales larger than production in these countries. However, about 1.6 million bales of the deficit will probably be made up from stocks in foreign exporting countries. It is expected that stocks available for export, except for some low quality cotton, will be about used up by the end of the current season. This analysis assumes that other exporting countries will keep the export prices for their cotton below those of the U. S. which are now supported at 90 percent of the parity price. The analysis also assumes that importing countries will buy the cheaper foreign cotton instead of the more expensive U. S. cotton.

Until recently prices of U. S. cotton were generally higher than the prices for comparable qualities of foreign growth. During the past month foreign prices have increased (see table) and on December 17, the spot prices of some foreign growths were higher than the prices of comparable qualities of American Upland. However, the prices of other growths were below those of American Upland, as shown below. Reports from Europe indicate that the prices for foreign growths relative to American Upland cotton landed on the continent have also been rising.

Table 2.- Cotton, spot prices of specified growths, including export taxes, net weight, December 17, 1953

Country	Market	Foreign		Domestic		
		Quality	Price per pound	Price per pound	Quality	Market
			Cents	Cents		
India	Bombay	Broach				
		Vijay, fine	33.81	33.54	M 15/16	New Orleans
Pakistan	Karachi	289F				
		Sind fine	33.51	34.84	M 1 1/32	New Orleans
Turkey	Izmir	Acala II	36.45	35.16	M 1 1/16	New Orleans
Brazil	Sao Paulo	Type 5	32.77	33.54	M 15/16	New Orleans
Mexico	Matamoros	M 1 1/32	35.03	34.84	M 1 1/32	New Orleans
Peru	Lima	Tanguis				
		Type 5	36.52	37.40	SLM 1 3/16	Memphis
Egypt	Alexandria	Ashmouni				
		Good	35.78	38.18	SM 1 1/8	Memphis

Compiled from official sources - net weight price for U. S. = spot price ÷ .96.

The shift in price relationship indicates that the supplies of cotton in some of the foreign exporting countries are tight. In view of this development, larger exports of cotton from the U. S. can probably be expected over the next 2 or 3 months than during the August-October 1953 period.

Exports from the United States from August 1 through October 1953 amounted to about 610 thousand bales, compared with 643 thousand bales during the same period a year earlier. If exports for the season are 3.3 million bales, shipments during the first quarter of the crop year would be 19 percent of the total. During the 1920-39 period, exports during these 3 months averaged 27.5 percent of the total for the season and during the postwar period they averaged 18 percent. (See Seasonal Rates of Export of American Cotton, page 14.)

Loans and grants by the U. S. Government to finance the export of cotton in the 1953-54 marketing year amounted to 283.4 million dollars as of December 29. Of this, 168.7 million dollars were grants by the Foreign Operations Administration and 114.7 million were loans by the Export-Import Bank. If used, these funds will finance about 1.5 million bales of cotton exports. In 1952-53, 1.2 million bales of cotton exports were financed by loans and grants from the U. S. Government. In 1952-53 Export-Import Bank loans used 52.4 million dollars and Foreign Operations Administration funds of 168.6 million made up a total of 221 million dollars. The dollars already available from U. S. Government sources in 1953-54 are about 28 percent larger than in 1952-53.

Domestic Mill Consumption Down

The average daily rate of mill consumption of cotton in the U. S. from August 1, 1953 through November 28 was about 5 percent below the rate for approximately the same period a year earlier. If the consumption for the entire season is below last year by the same percentage, the total would be about 9 million bales, compared with 9.5 million in 1952-53.

About 3.0 million bales of cotton were consumed by United States mills from August 1 through November 28, 1953, compared to 3.2 million in the first 4 months of the 1952-53 season.

Unfilled orders for gray goods at the end of October were smaller than a month earlier and stocks of gray goods were larger. Furthermore, the gray goods market was relatively inactive during November and December.

Mill Margins Decline

The average mill margin for the amount of gray goods made from a pound of cotton (average 17 constructions) has declined steadily since the start of the 1953-54 marketing year. In August 1953, the average margin was 32.97 cents. It declined to 29.59 cents in November. In November 1952 the average margin was 33.05 cents. Although the price of cotton used in manufacturing the cloth advanced about 0.28 cent per pound, from October to November 1953, the value of the cloth declined about 1.57 cents.

Cotton Production Large

The 1953 cotton crop is estimated at 16,272,000 running bales (16,437,000 bales of 500 pounds). This is the largest crop since the record of 18,252,000 running bales in 1937 and is 1.3 million bales larger than the 1952 crop. The acreage in cultivation on July 1, 1953 was 1.7 million smaller than a year earlier. However, abandonment was 3.7 percent in 1953 compared with 5.5 percent in 1952 and acreage harvested was down only 1.4 million. The 1953 average yield per acre for the U. S. was a record 322.4 pounds. Although some states, such as Missouri, Tennessee, Mississippi, Louisiana, New Mexico, Arizona and California show high yields, no individual state has a record yield.

Acreage Allotments

On December 15, cotton producers approved the 1954 marketing quotas for upland and extra-long staple cotton by majorities of 94.1 and 89.2 percent, respectively. Approval by a two-thirds majority of those voting is required by law before the marketing quotas can become mandatory for all producers.

State acreage allotments for the 1954 crop of upland cotton were announced by the Department of Agriculture on November 23. Those for extra-long staple cotton were announced on December 4. (See tables 9 and 10.) As required by law, State allotments were based on the acreages planted in 1947, 1948, 1950, 1951, and 1952. However, no State allotment for upland cotton can be less than 4,000 acres or the highest acreage planted in 1951, 1952 or 1953, whichever is smaller, for upland cotton.

On December 11, the Secretary of Agriculture announced that he would recommend to the Congress an increase in the National Acreage Allotment. The allotment under current legislation is 17.9 million acres and the Secretary's recommendation is for an increase to about 21 million.

Cost of Picking Down

The average wage rate for picking cotton in 1953 was about 8 percent lower than in 1952 and the lowest since 1950. No State had a higher picking cost per hundred pounds in 1953 than in 1951 and 1952, and the wage rates in most states were lower in 1953, than in the two preceding years, as shown in table on following page.

Table 3.- Average rates for picking 100 pounds of seed cotton, by States, up to November 1, 5-year average, 1934-38, 1939-43, 1944-48, and annually 1949-53

State	Average 1934-38	Average 1939-43	Average 1944-48	1949 1/	1950 1/	1951 1/	1952 1/	1953 1/
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Missouri	0.81	1.35	2.82	2.95	3.00	3.10	3.85	3.25
Virginia	.68	1.12	2.49	2.55	2.90	3.05	3.20	3.00
North Carolina	.65	1.07	2.66	2.70	2.85	3.35	3.50	3.35
South Carolina	.53	0.80	2.04	2.25	2.35	2.85	3.00	2.75
Georgia	.53	.81	2.06	2.20	2.45	3.00	3.05	2.90
Florida	.59	.94	2.11	2.20	2.45	3.30	3.15	3.05
Tennessee	.67	1.15	2.39	2.75	2.70	2.80	3.15	2.75
Alabama	.54	.87	2.09	2.10	2.30	2.65	2.70	2.65
Mississippi	.64	1.07	2.44	2.15	2.75	2.80	2.95	2.80
Arkansas	.64	1.13	2.54	2.60	2.85	2.90	3.20	2.90
Louisiana	.60	.93	2.18	2.50	2.60	3.05	2.95	2.75
Oklahoma	.73	1.17	2.34	2.35	2.65	2.90	2.85	2.85
Texas	.61	1.08	2.36	2.65	2.45	3.00	2.90	2.65
New Mexico	.66	1.26	2.35	2.10	2.50	2.50	2.50	2.50
Arizona	.91	1.69	2.55	2.85	3.10	3.10	3.35	3.00
California	.90	1.42	2.68	3.00	3.45	3.70	3.60	3.00
United States	.62	1.07	2.38	2.55	2.65	3.00	3.05	2.80

1/ Includes rates paid for snapping bolls converted to seed cotton equivalent.

Prices Down

The market prices for many qualities of cotton have been below the Commodity Credit Corporation loan rates and below a year earlier since the start of the 1953-54 marketing season. During corresponding months in 1952, prices were above the loan rates, as shown in table 4.

Table 4.- Cotton prices and loan rates: Average 10 spot markets for indicated qualities, August-November, 1952 and 1953

Month	Middling 5/16 inch		Middling 1 inch		Middling 1-1/16 inch	
	Price	Loan rate	Price	Loan rate	Price	Loan rate
	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound
1953						
August	32.98	32.99	33.77	33.79	34.52	34.44
September	32.81	32.99	33.60	33.79	34.33	34.44
October	32.68	32.99	33.47	33.79	34.19	34.44
November	32.74	32.99	33.53	33.79	34.23	34.44
1952						
August	39.43	32.22	40.20	32.67	40.82	33.22
September	38.89	32.22	39.50	32.67	40.11	33.22
October	36.65	32.22	37.24	32.67	37.84	33.22
November	34.75	32.22	35.39	32.67	35.99	33.22

Prices received by farmers in the current marketing year have also been lower than those of a year earlier. For example, the average price received by farmers in mid-November 1953 was 31.82 cents per pound compared with 34.05 cents a year earlier. The decline was primarily the result of the large supply in relation to demand. With prices below support levels large quantities of cotton have gone under CCC loans.

Commodity Credit Corporation
Loan Entries

Entries into the CCC loan from the 1953 crop amounted to 5.2 million bales as of December 18. At approximately the same date a year earlier entries from the 1952 crop were 0.8 million. Entries into the 1953 loan are compared with entries in recent years below:

Table 5.- CCC cotton loans: Entries at approximately December 18, 1946 to 1953

Crop year	Entries
	1,000 bales
1946	83
1947	189
1948	3,789
1949	2,200
1950	6
1951	828
1952	803
1953	5,160

Table 5 shows gross entries into the loan. Thirty-nine thousand bales of 1953 crop cotton had been withdrawn from the loan by December 18. Undoubtedly, some loans will be repaid as the season progresses. Nevertheless, about 4.5 million bales of 1953-crop cotton may be under the loan when the current season ends, July 31, 1954. About 2 million bales from previous crops were held by the CCC at the start of the 1953-54 marketing year. Most of this cotton will probably still be held by the CCC when the current season ends. Total CCC stocks on August 1, 1954 (including loans on 1953-crop cotton plus stocks from previous crops) may be near 6.5 million bales.

Linters Prices Decline

Linters prices continued to decline during October and November. Prices of most grades have been declining slightly but steadily since the start of the current marketing year and are lower than they were a year earlier, as shown below.

Table 6.- Cotton linters: Average monthly prices, U. S., August-November 1952 and August-October 1953

Month and year	Grade						
	1	2	3	4	5	6	7
	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound
1952							
August	1/	12.18	10.52	8.37	6.68	5.99	5.85
September	14.01	12.03	10.30	7.39	5.25	4.26	4.04
October	13.98	12.21	10.71	7.13	4.99	3.98	3.65
November	14.01	12.25	10.56	7.25	5.06	4.04	3.69
1953							
August	11.92	11.25	9.07	6.23	4.44	3.85	3.82
September	13.55	11.46	9.01	5.99	4.26	3.72	3.53
October	13.29	11.33	8.83	5.96	4.06	3.54	3.46

1/ Not available.

The decline in prices is, in large part, due to the record supply of linters in prospect for 1953-54. The supply, now estimated at about 3 million bales, including production of about 1.9 million bales, a starting carryover of 1.0 million, and estimated imports of about 0.1 million. Although disappearance is expected to be close to the high level of last season, 1.5 million bales, the carryover on August 1, 1954 is expected to be a record of about 1.5 million bales.

Prices of Purified Linters and Woodpulp

The price of purified linters (or linters pulp) in October was 11.20 cents per pound, compared with 11.85 cents in September. The October price was below that of acetate and cupra grade dissolving woodpulp which was selling for 11.25 cents per pound. The prices for other grades of dissolving woodpulp were well below the price of purified linters. Standard viscose

grade dissolving woodpulp was selling for 9.25 cents per pound in October and the price for high-tenacity grade was 9.75 cents.

Rayon Production Declines

The production of rayon and acetate in the United States has been declining steadily since July 1953 when it was 112.1 million pounds. Output was 92.2 million in October and 82.9 million in November. The rayon and acetate industry operated at 66 and 61 percent of capacity in October and November. At the same time, producers stocks have been increasing. These stocks were 108.3 and 101.6 million pounds at the end of October and November 1953, respectively. The October stocks were the largest since March 1952 when they were 119.7 million pounds.

Rayon and acetate filament yarn prices of 78 and 73 cents a pound, respectively, have been the same for more than a year. Staple fiber prices have not changed since last May. Both types of staple fiber are selling for 34 cents a pound. The rayon and acetate industry appears to be meeting variations in demand by changing its volume of production while maintaining stable prices.

SEASONAL RATE OF EXPORTS OF AMERICAN COTTON 1/

Analysis of monthly export data for American cotton reveals that the seasonal pattern for the postwar years (1946-53) differs in several respects from that of the interwar period (1920-39). The solid and dashed lines in Figure 1 represent the seasonal index as computed for the postwar and interwar periods, respectively. Table 7 also presents these indexes, along with several other related measures.

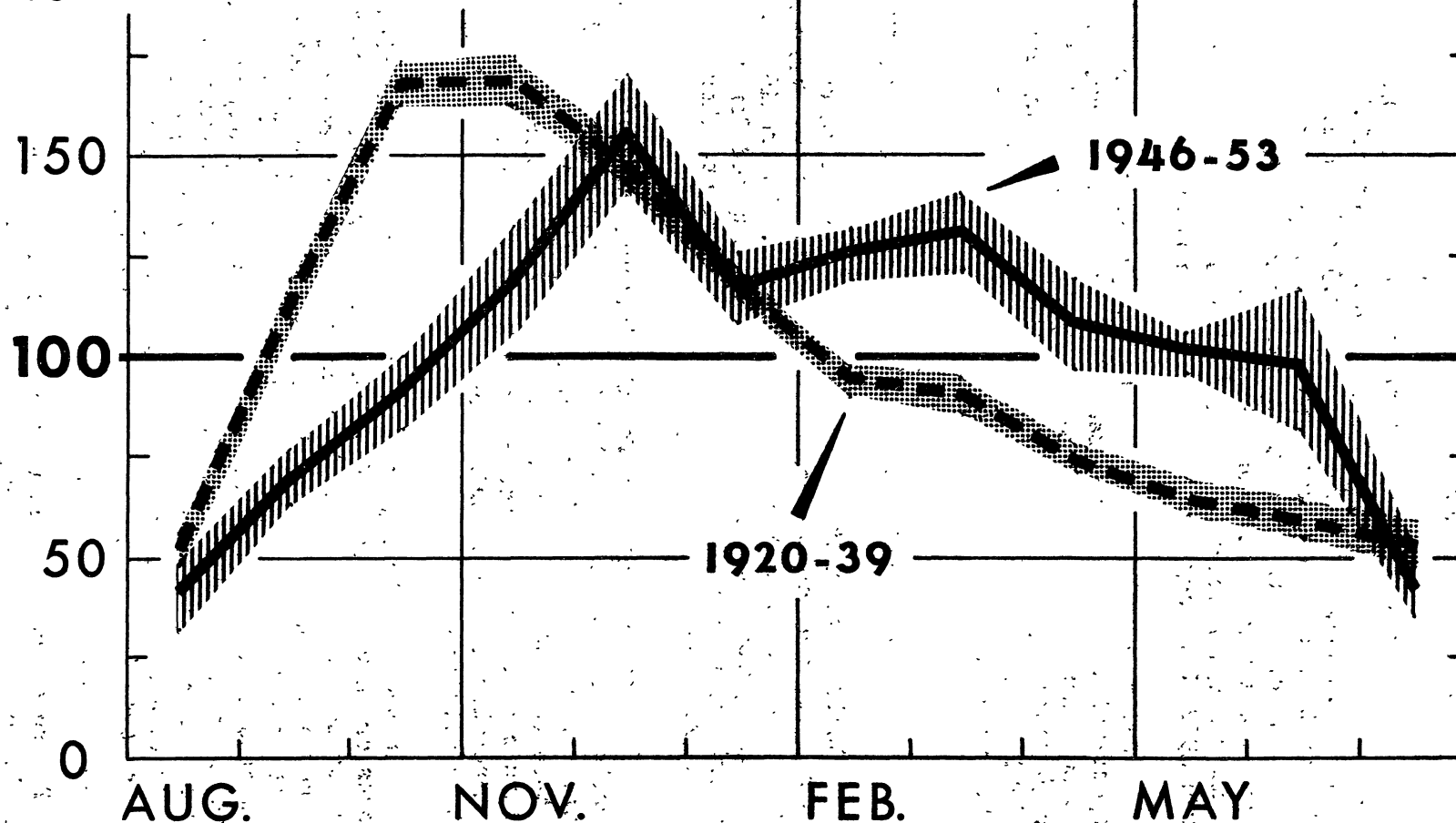
The seasonal pattern for the interwar years indicates that exports of cotton were usually at a low for the year in July and August. From August exports normally increased sharply to a peak in October and November and then fell off steadily to the summer low. This pattern conformed more or less closely to that for cotton ginnings, indicating that export demand was generally heaviest during the period when there existed the best choice as to qualities of cotton.

In the 7 postwar years for which data are available, the rate of exports ordinarily increased in the fall from a July-August low. In contrast to the prewar period, however, they did not reach a peak until December and then at a level lower relative to the annual average than the October-November peak in the interwar period. In January, the rate of exports tended to drop off from the December peak, rose slightly to a secondary peak in March, and then declined to a summer low. The data also show a higher normal rate of exports relative to the annual average from January to June of the postwar years than that typically experienced in the corresponding months of the interwar years.

1/ The research on which this report is based was carried on under authority of the Agricultural Marketing Act of 1946 (RMA, Title II).

SEASONALITY OF COTTON EXPORTS

% OF AV. ANN. RATE



THE RANGE AROUND EACH INDEX EQUALS THE INDEX PLUS OR MINUS ITS STANDARD ERROR.

Figure 1

Despite the relatively few years on which the postwar index is based and the generally unsettled nature of world trade in cotton during this period, enough uniformity existed in the data for a definite seasonal pattern to be revealed. Whether it will continue to hold in the same form in the future is another question. Some factors tentatively advanced as possible causes of the shift from the interwar period include the general shortage of currency abroad, government financing of exports, and a tendency toward hand-to-mouth buying of American cotton by foreign users with the United States becoming a residual supplier.

The range denoted by the average index plus and minus its standard error is sometimes used to indicate the degree of reliability of the index. In general, the smaller the error band is in relation to the index itself, the more reliable is the index. In Figure 1 the error band for the postwar index is denoted by the shaded area and that for the interwar index by the dotted area. Values for this error term are given in table 7. It will be noted that the range about the postwar index is generally much larger than that about the interwar index, reflecting in part the greater year-to-year variation in the seasonal pattern and in part the smaller number of years on which the average postwar index is based. For example, for January, where the indexes happen to coincide at 117, the range for the interwar index is 113 to 121 whereas for the postwar index it is 109 to 125.

The error band relating to several months of the postwar index is such that it precludes a precise statement as to the likely direction of seasonal change from preceding months. As is apparent from the chart, this is particularly true for August, February, March, May, and June. The error band for the June index is an extreme example. It exceeds that for May in both directions, 81 to 115 as compared with 96 to 106. Although a similar condition prevails for the indexes for a few months of the interwar seasonal, the pattern as a whole is more clearly defined.

The measure known as the standard error of change from one month to the next provides similar information as to reliability by indicating how closely exports have followed the normal pattern in past years. Assuming no change in the basic factors affecting the index, the probability is that in 2 years out of 3, actual changes in exports will fall within a range of the normal change plus and minus one standard error of the change from the preceding month. Values for this measure are given in table 7 for both indexes. These standard errors for the postwar index are much larger than those for the interwar one.

It is apparent that actual exports often differ considerably from the normal seasonal pattern. A relatively wide error band is associated with the postwar index, a fact which reduces its usefulness from a practical standpoint. At least until more information is available, caution is advisable in projecting monthly rates of exports based on the postwar seasonal pattern.

Table 7 .- Exports of raw cotton from the United States: Index numbers of seasonal variation, 1/
standard error of index for each month and of the change
from one month to the next.

Interwar Period (1920 to 1939)												
	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July
	Percent 2/	Percent 2/	Percent 2/	Percent 2/	Percent 2/	Percent 2/	Percent 2/	Percent 2/	Percent 2/	Percent 2/	Percent 2/	Percent 2/
Seasonal index	52	114	168	168	147	117	94	90	74	64	59	53
Standard error of index	3.2	5.5	5.4	6.2	4.8	3.8	4.0	4.2	3.6	4.0	4.9	5.6
Standard error of change from preceding month	6.4	6.4	7.7	8.2	7.8	6.1	5.5	5.8	5.5	5.4	6.3	7.4
Postwar Period (1946 to 1953)												
Seasonal index	41	70	91	119	156	117	125	131	108	101	99	42
Standard error of index	8.4	6.7	9.3	13.1	14.3	8.2	5.8	9.7	11.5	4.8	17.3	7.4
Standard error of change from preceding month	11.2	10.7	11.5	16.1	19.4	16.5	10.0	11.3	15.0	12.5	18.0	18.8

1/ Based on ratios of each month's exports to the centered 12-month moving average rounded and adjusted to total 1,200 for the year. Each figure shows the normal value for each month as a percentage of the average for all months of the year.

2/ Percent of average monthly rate.

Table 8 .. Cotton Report as of December 1, 1953

The Crop Reporting Board of the Agricultural Marketing Service makes the following report from data furnished by crop correspondents, field statisticians, Bureau of the Census, and cooperating State agencies. The final total ginnings for the season compared with this forecast will depend upon whether the various influences affecting the harvesting of the portion of the crop still in the field will be more or less favorable than usual.

State	Acreage Harvested			Lint yield per harvested acre			Production (Ginnings) 1/		
	Average 1942-51	1952 (Dec. 1 est.)	1953 (Dec. 1 est.)	Average 1942-51	1952 (Dec. 1 est.)	1953 (Dec. 1 est.)	Average 1942-51	1952 Crop (Dec. 1 est.)	1953 Crop (Dec. 1 est.)
	1,000 acres	1,000 acres	1,000 acres	Lb.	Lb.	Lb.	1,000 bales	1,000 bales	1,000 bales
Missouri	437	500	555	379	378	383	345	394	445
Virginia	26	26	30	358	424	288	20	23	18
N. Carolina	719	745	775	345	366	280	522	569	453
S. Carolina	1,064	1,140	1,175	314	276	283	697	657	695
Georgia	1,368	1,455	1,375	252	241	265	717	731	760
Florida	37	57	70	193	262	171	15	31	25
Tennessee	716	845	945	364	362	355	543	638	700
Alabama	1,544	1,585	1,620	285	269	287	911	890	970
Mississippi	2,369	2,375	2,490	337	385	413	1,670	1,906	2,145
Arkansas	1,944	1,940	2,070	334	337	359	1,355	1,366	1,550
Louisiana	854	890	935	314	403	419	568	756	815
Oklahoma	1,258	1,200	1,010	160	105	211	429	264	445
Texas	8,119	10,700	9,000	183	171	232	3,162	3,808	4,350
New Mexico	173	295	313	485	536	505	173	330	330
Arizona	265	674	682	522	673	700	312	948	998
California	578	1,400	1,375	615	622	601	763	1,818	1,725
Other States 2/	17	14	14	355	343	439	13	10	13
United States:	21,489	25,841	24,434	271.4	280.8	322.4	12,216	15,139	16,437
Amer. Egypt. 3/	52.0	111.8	90.6	323	406	341	27.2	95.0	64.4
Texas	12.4	35.0	29.0	350	431	314	7.0	32.4	19.0
New Mexico	7.9	21.6	19.7	320	399	292	3.9	18.1	12.0
Arizona	31.2	53.0	41.5	303	395	391	16.1	43.8	33.0
California	---	1.2	0.4	---	258	480	---	0.7	0.4

1/ Production ginned and to be ginned. A 500-lb. bale contains about 480 net pounds of lint.

2/ Illinois, Kansas, Kentucky, and Nevada.

3/ Included in State and United States totals.

Table 9 .- American Upland Cotton: Acreage in cultivation July 1, 1953 and acreage allotment for 1954 by states

Region and State	Acreage in Cultivation July 1, 1953	Allotment for 1954	
		Actual	Percentage of July 1 acreage
	1,000 acres	1,000 acres	Percentage
West	2,327	1,153	49.5
California	1,382	698	50.5
Arizona	644	288	44.7
New Mexico	301	167	55.5
Southwest	10,714	8,306	77.5
Texas	9,656	7,377	76.4
Oklahoma	1,058	929	87.8
Delta	7,149	4,925	68.9
Missouri	570	391	68.6
Arkansas	2,112	1,563	74.0
Tennessee	959	576	60.1
Mississippi	2,554	1,760	68.9
Louisiana	954	635	66.8
Southeast	5,080	3,511	69.1
Virginia	30	18	60.0
North Carolina	781	529	67.7
South Carolina	1,181	786	66.6
Georgia	<u>1/</u> 1,387	1,006	72.5
Florida	<u>1/</u> 71	33	46.5
Alabama	1,630	1,139	69.9
Others <u>2/</u>	15	15	100.0
Grand total	<u>1/25,</u> 285	17,910	70.8

Crop Reporting Board and Commodity Stabilization Service.

1/Includes Sealand. 2/ Includes Illinois, Kentucky, Nevada and Kansas.

Revised data for acreage in cultivation July 1, 1953.

Table 10.- Long staple cotton: Acreage in cultivation July 1, and acreage allotments for 1954

State	Area in cultivation July 1	Acreage allotment for 1954	
		Actual	Percentage of July 1 acreage
	Acres	Acres	Percentage
Arizona	<u>1/</u> 41,500	16,271	39.2
California	<u>1/</u> 400	272	68.0
Florida	<u>2/</u>	614	<u>2/</u>
Georgia	<u>2/</u>	185	<u>2/</u>
New Mexico	<u>1/</u> 19,800	7,144	36.1
Texas	<u>1/</u> 29,600	14,259	48.2
Puerto Rico	<u>2/</u>	2,516	<u>2/</u>
Total	<u>1/</u> 91,300	41,261	45.2

1/ American Egyptian only. Other long staple not available.

2/ Not available.

Agricultural Marketing Service Commodity Stabilization Service.

Table 11.- Cotton under Commodity Credit Corporation, United States, 1951, 1952, and 1953 crops

Date 1/	Season beginning August 1								
	1951			1952			1953		
	Placed in loan 2/	Repay- ments	Out- stand- ing 3/	Placed in loan 2/	Repay- ments	Out- stand- ing 3/	Placed in loan 2/	Repay- ments	Out- stand- ing 3/
1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales	1,000 running bales
Aug. 7	---	---	---	---	---	---	10.3	---	---
14	---	---	---	---	---	---	16.3	---	---
21	---	---	---	---	---	---	30.7	---	---
28	---	---	---	---	---	---	47.2	---	---
Sept. 4	28.8	---	---	---	---	---	79.8	---	---
11	75.2	---	---	2.3	4/	2.2	130.2	---	---
18	175.1	---	49.0	4.4	4/	4.4	246.1	4/	246.1
25	282.1	0.1	104.9	8.6	4/	8.2	390.7	0.2	390.6
Oct. 2	369.8	.3	154.0	14.1	4/	14.0	563.0	.4	562.6
9	466.8	.4	237.2	21.3	4/	21.1	974.0	.8	973.2
16	549.3	.9	342.2	34.6	0.1	34.2	1,380.7	1.1	1,379.6
23	628.2	1.4	461.1	58.3	.1	57.9	1,839.6	3.2	1,836.4
30	694.5	2.9	563.1	101.9	.1	100.4	2,383.8	6.1	2,377.8
Nov. 6	742.7	5.2	646.1	166.2	.1	164.3	2,973.9	6.4	2,967.5
13	775.9	16.8	695.9	238.8	.6	236.5	3,392.4	11.8	3,380.6
20	789.8	23.7	721.7	333.3	.9	329.7	3,811.1	13.4	3,797.7
27	805.0	57.9	720.7	414.6	1.3	409.1	4,168.8	21.4	4,147.4
Dec. 4	815.1	113.4	689.8	519.4	3.0	508.1	4,572.1	22.1	4,550.0
11	820.3	173.2	645.3	646.6	3.8	630.7	4,866.6	38.4	4,828.2
18	827.6	221.9	603.7	802.6	3.9	776.8	5,159.8	39.5	5,120.4
25	834.7	266.1	564.1	912.2	14.5	864.1			
Jan. 30	884.2	435.1	446.8	1,703.5	50.2	1,588.0			
Oct. 27	920.0	499.0	407.9	1,969.6	103.6	1,848.6			
Mar. 27	961.7	536.6	409.1	2,087.5	183.6	1,903.8			
May 1	1,039.7	643.5	345.5	2,280.7	256.2	2,108.3			
29	1,111.2	675.2	385.7	2,312.6	342.3	1,970.4			
July 3	1,114.9	757.4	357.4	2,307.8	447.2	1,860.6			
31	1,114.9	819.5	295.4	2,297.5	546.3	1,750.3			
Revised total	1,144.9	830.1	284.9	2,307.2	593.1	1,714.1			

1/ Dates refer to end of business on Fridays for 1952 and 1953 and corresponding Thursdays in 1951. In case of holiday data are for preceding business day. 2/ Includes cotton "in process." 3/ Excludes cotton "in process." 4/ Less than 50 bales.

Reports of Commodity Credit Corporation.

Table 13.- Cotton: Exports from the United States, by staple length and by country of destination, August, September, October, 1953

Country of destination	August				September				October			
	1-1/8 inches and over	1 inch to 1-1/8 inches	Under 1 inch	Total	1-1/8 inches and over	1 inch to 1-1/8 inches	Under 1 inch	Total	1-1/8 inches and over	1 inch to 1-1/8 inches	Under 1 inch	Total
	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales
EUROPE												
United Kingdom	0	4,238	4,741	8,979	101	12,584	12,598	25,283	616	15,377	17,998	33,991
Austria	93	931	0	1,024	0	1,573	0	1,573	270	4,275	178	4,723
Belgium and Luxembourg	452	2,110	110	2,672	0	1,891	130	2,021	277	2,632	206	3,115
Czechoslovakia	0	0	0	0	0	0	0	0	0	0	0	0
Denmark	0	1,225	0	1,225	0	2,804	0	2,804	0	1,257	0	1,257
Eire	0	204	200	404	0	198	200	398	0	197	0	197
Finland	0	0	0	0	0	0	0	0	0	0	0	0
France	699	16,389	1,503	18,591	1,067	27,133	1,974	30,174	1,941	28,309	957	31,207
Germany (West)	2,746	9,640	0	12,386	4,365	11,564	91	16,020	5,459	10,772	393	16,624
Greece	0	0	0	0	0	0	0	0	0	0	0	0
Hungary	0	0	0	0	0	0	0	0	0	0	0	0
Italy	75	9,367	489	9,931	298	10,356	970	11,624	754	14,226	362	15,342
Netherlands	2,638	1,794	100	4,532	1,908	697	85	2,690	6,072	1,629	0	7,701
Norway	0	535	0	535	0	670	100	770	0	1,350	0	1,350
Poland and Danzig	0	0	0	0	0	0	0	0	0	0	0	0
Portugal	0	0	0	0	0	0	0	0	0	0	0	0
Spain	0	11,465	0	11,465	0	13,812	660	14,472	0	1,273	200	1,473
Sweden	0	1,277	0	1,277	0	2,141	296	2,437	217	2,031	0	2,248
Switzerland	0	1,550	250	1,800	0	1,750	273	2,023	100	2,000	223	2,323
Trieste	0	142	0	142	0	48	0	48	0	540	0	540
U. S. S. R.	0	0	0	0	0	0	0	0	0	0	0	0
Yugoslavia	698	12,301	3,704	16,703	359	1,744	1,244	3,347	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0
Total	7,401	73,168	11,097	91,666	8,098	88,965	18,621	115,684	15,706	85,868	20,517	122,091
OTHER COUNTRIES												
Canada	508	6,171	2,162	8,841	389	10,880	1,138	12,407	1,167	14,108	3,544	18,819
Mexico	0	0	0	0	0	0	0	0	0	0	0	0
Cuba	0	100	0	100	0	1,800	0	1,800	0	1,200	0	1,200
Colombia	0	0	0	0	0	0	0	0	0	0	0	0
India	2,321	0	0	2,321	969	0	0	969	3,665	0	0	3,665
China	0	0	0	0	0	0	0	0	0	0	0	0
Japan	337	27,220	30,911	58,468	0	19,036	38,541	57,577	522	18,622	30,394	49,538
Hong Kong	0	102	0	102	0	199	0	199	0	0	0	0
Korea	0	0	25,324	25,324	0	0	2,218	2,218	0	0	34	34
Palestine and Israel	600	626	0	1,226	0	626	0	626	0	998	0	998
Philippine Islands	0	0	0	0	0	0	0	0	300	966	0	1,266
Australia	0	1,870	200	2,070	0	3,018	191	3,209	3	2,088	0	2,091
Other	0	3,186	0	3,186	184	2,957	1,979	5,120	709	7,647	9,249	17,605
Total	3,766	39,275	58,597	101,638	1,542	38,516	44,067	84,125	6,366	45,629	43,221	95,216
World total	11,167	112,443	69,694	193,304	9,640	127,481	62,688	199,809	22,072	131,497	63,738	217,307

Table 14.- Cotton: Exports from the United States, by staple length and by countries of destination, August 1 through October 31, 1952 and 1953

Country of destination	1952-53				1953-54 1/			
	1-1/8 inches and over	1 inch to 1-1/8 inches	Under 1 inch	Total	1-1/8 inches and over	1 inch to 1-1/8 inches	Under 1 inch	Total
	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales
EUROPE								
United Kingdom	279	57,254	37,518	95,051	717	32,199	35,337	68,253
Austria	1,196	3,306	31	4,533	363	6,779	178	7,320
Belgium and Luxembourg	1,353	17,373	3,168	21,894	729	6,633	446	7,808
Czechoslovakia	0	0	0	0	0	0	0	0
Denmark	0	5,720	0	5,720	0	5,286	0	5,286
Eire	0	550	46	596	0	599	400	999
Finland	0	1,600	0	1,600	0	0	0	0
France	1,668	53,614	3,779	59,061	3,707	71,831	4,434	79,972
Germany (West)	8,828	51,766	315	60,909	12,570	31,976	484	45,030
Greece	0	0	0	0	0	0	0	0
Hungary	0	0	0	0	0	0	0	0
Italy	1,053	17,822	2,439	21,314	1,127	33,949	1,821	36,897
Netherlands	7,277	6,586	52	13,915	10,618	4,120	185	14,923
Norway	0	2,451	0	2,451	0	2,555	100	2,655
Poland and Danzig	0	0	0	0	0	0	0	0
Portugal	0	547	26	573	0	0	0	0
Spain	0	31,868	4,200	36,068	0	26,550	860	27,410
Sweden	197	4,330	39	4,566	217	5,449	296	5,962
Switzerland	600	10,883	550	12,033	100	5,300	746	6,146
Trieste	0	75	0	75	0	730	0	730
U. S. S. R.	0	0	0	0	0	0	0	0
Yugoslavia	0	513	1,370	1,883	1,057	14,045	4,948	20,050
Other	0	0	0	0	0	0	0	0
Total	22,451	266,258	53,533	342,242	31,205	248,001	50,235	329,441
OTHER COUNTRIES								
Canada	2,297	33,944	14,538	50,779	2,064	31,159	6,844	40,067
Mexico	0	0	0	0	0	0	0	0
Cuba	0	2,900	110	3,010	0	3,100	0	3,100
Colombia	1,104	19,248	1,159	21,511	0	0	0	0
India	16,764	0	0	16,764	6,955	0	0	6,955
China	0	0	0	0	0	0	0	0
Japan	802	43,946	107,868	152,616	859	64,878	99,846	165,583
Hong Kong	0	0	0	0	0	301	0	301
Korea	0	0	18,406	18,406	0	0	27,576	27,576
Palestine and Israel	0	4,305	0	4,305	600	2,250	0	2,850
Philippine Islands	0	0	1,756	1,756	300	966	0	1,266
Australia	199	1,756	63	2,018	3	6,976	391	7,370
Other	1,409	14,425	14,138	29,972	893	13,791	11,228	25,912
Total	22,575	120,524	158,038	301,137	11,674	123,421	145,885	280,980
World total	45,026	386,782	211,571	643,379	42,879	371,422	196,120	610,421

1/ Preliminary.
Bureau of the Census.