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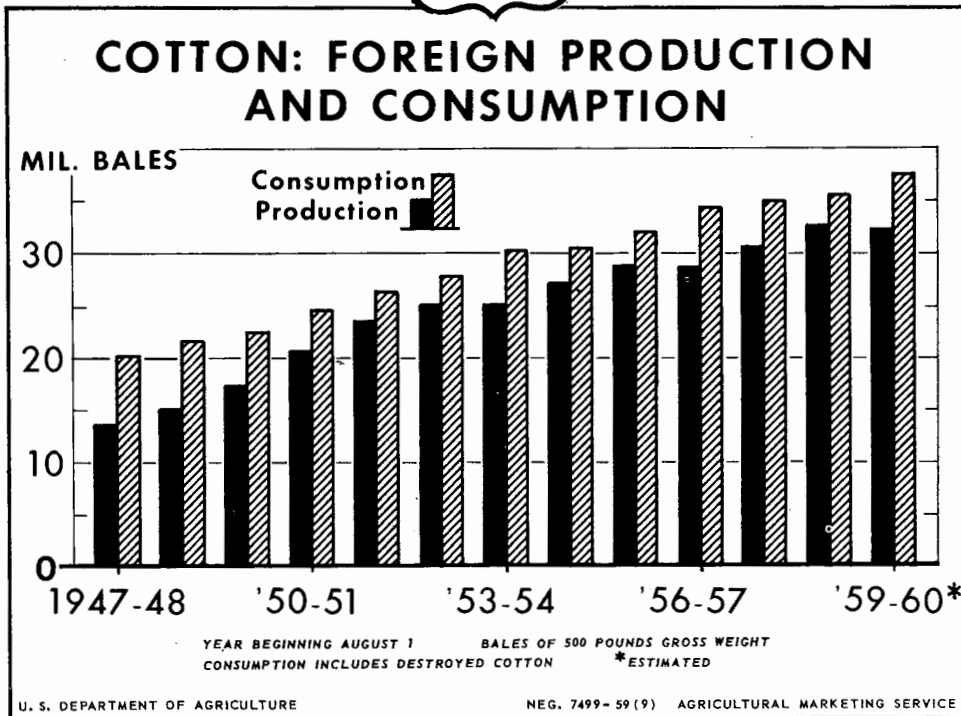
PERIODICAL

The COTTON SITUATION

IN THIS ISSUE:
SEASONAL ADJUSTMENTS AND CYCLICAL MOVEMENTS
FOR THE RATIO OF STOCKS TO UNFILLED ORDERS FOR
COTTON BROADWOVEN GOODS
COTTON PRICES IN WORLD IMPORT MARKETS

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Production of cotton abroad in 1959-60 is decreasing from that of the preceding season for the first time since World War II. At the same time, consumption abroad is increasing to a record high. The gap

between the large consumption and the smaller production is one factor in sharply larger U. S. exports--up to at least 6 million bales in 1959-60 from 2.8 million in 1958-59.

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Cotton Situation at a Glance

CS-186

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JANUARY 1960

Item	Unit	1958			1959		
		October	November	December	October	November	December 1/
Prices, received by farmers for Am. Upland (mid-month)	Cents	33.26	32.38	30.29	32.51	30.84	30.03
Parity price for Am. Upland	Cents	38.80	38.93	38.93	37.80	37.93	37.93
Farm price as a percentage of parity	Percent	86	83	78	86	81	79
Average 14 spot market price Middling 1 inch	Cents	34.75	34.75	34.41	31.66	31.61	---
Average price for 20 constructions, gray goods	Cents	57.14	58.13	58.98	64.81	65.59	66.37
Average price cotton used in 20 constructions	Cents	34.98	34.77	33.92	32.20	32.55	33.17
Mill margins for 20 constructions	Cents	22.16	23.36	25.06	32.61	33.04	33.20
BLS wholesale price index							
All commodities	1947-49 = 100	119.0	119.2	119.2	119.1	118.9	118.9
Cotton broadwoven goods	do.	84.3	84.6	85.6	90.7	92.2	---
Index of industrial production							
Overall, including utilities (adjusted)	1947-49 = 100	146	150	151	155	156	165
Textiles, products and apparel (adjusted)	do.	111	110	110	122	121	---
Personal income payments (adjusted)	Billion dollars	364.3	367.5	366.9	382.3	384.8	---
Retail store sales (apparel group adjusted)	Million dollars	1,068	1,033	1,101	1,079	---	---
Mill consumption of all kinds of cotton	1,000 bales	4/839.1	671.6	4/720.2	732.2	725.5	4/799.9
Mill consumption, daily rate (unadjusted)	1,000 bales	33.6	33.6	28.8	36.6	36.3	32.0
Mill consumption, daily rate (adjusted)	1,000 bales	31.8	31.9	---	34.7	34.5	34.3
Spindles in place end of month in cotton system	Thousands	20,697	20,726	20,681	20,269	20,317	20,111
Spindles consuming 100 percent cotton	Thousands	17,650	17,611	17,616	17,648	17,696	17,709
Spindles idle	Thousands	1,418	1,457	1,405	996	1,009	785
Gross hourly earnings in broadwoven goods	Dollars	1.44	1.45	1.45	1.54	---	---
Mill stocks * unfilled orders, cotton broadwoven goods	Percent	52	42	38	21	20	---
Exports of cotton	1,000 bales	181.4	313.9	297.8	392.1	651.5	---
Exports of cotton since August 1	1,000 bales	602.0	915.9	1,213.7	720.4	1,371.9	---
Imports of cotton	Bales	12,356	472	809	1,550	216	---
Imports of cotton since August 1	Bales	120,648	121,120	121,929	123,288	123,504	---
Mill stocks end of month	1,000 bales	1,348.6	1,428.2	1,545.5	976.3	1,263.6	1,572.7
Stocks, public storage, etc.	1,000 bales	10,316.6	12,035.7	12,795.8	12,468.4	14,235.5	13,690.6
Linters prices							
Grade 2, Staple 2	Cents	8.42	8.40	8.11	7.88	7.89	7.96
Grade 4, Staple 4	Cents	6.25	6.06	5.97	5.88	5.90	6.08
Grade 6, Staple 6	Cents	4.36	5.34	4.31	3.94	3.91	4.12
Rayon prices							
Viscose yarn, 150 denier	Cents	76	76	76	82	82	---
Staple fiber, viscose 1½ denier	Cents	31	31	31	33	33	---
Acetate yarn, 150 denier	Cents	77	77	77	74	74	---

1/ Preliminary. 2/ Revised indexes. 3/ 4-week period except as noted. 4/ 5-week period. 5/ 5-day week. 6/ Cotton, silk and synthetic fibers
 7/ End of month. 8/ Average of specified grades and staples at four markets.

THE COTTON SITUATION

Approved by the Outlook and Situation Board, January 26, 1960

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SUMMARY

Despite an increase in 1959 production of about 3.2 million bales, the carryover of cotton on August 1, 1960 is estimated at about 8.5 million bales, approximately 400,000 bales lower than on August 1, 1959. The decline is being caused by a sharp increase in exports and some increase in domestic mill consumption.

Exports for the season are currently estimated at at least 6 million bales. The increase is being caused by record high mill consumption in the foreign free world, a decline in foreign free world production, an increase in foreign free world stocks of cotton, and relatively low prices for U. S. cotton.

The decline in foreign free world production is occurring principally in Mexico and Central America because of smaller acreage. The increase in foreign free world cotton consumption reflects larger sales of textiles than a year earlier, a replenishment of textile stocks in some countries, and lower cotton prices at the start of the season. Prices for cotton abroad have increased recently. The high level of cotton consumption and the relatively low prices for U. S. cotton are being accompanied by an increase in cotton stocks in the foreign free world from the low level of 1959.

Domestic mill consumption of cotton is estimated at about 9 million bales for the 1959-60 season compared with 8.7 million in 1958-59. This is a projection of the seasonally adjusted rate of consumption during the first 5 months of the current season. Prices for gray goods and the mill margins are at high levels and the ratio of stocks to unfilled orders for broadwoven goods is relatively low. However, the seasonally adjusted stock-unfilled order ratio turned upward in November. If the rise continues, it may foreshadow some decline in mill activity later in 1960.

Stocks of cotton held by CCC (owned and held as collateral against outstanding price support loans) totaled about 6 million bales as of January 15. This compares with about 7 million bales a year earlier and on August 1, 1959. As of January 15, CCC had purchased about 8.2 million bales under the Choice A program of price support and had sold about 5.8 million of such cotton.

The average 14 spot market price for Middling 1-inch cotton on January 22 had increased to 31.91 cents per pound from the seasonal low of 31.58 cents per pound at the end of October. However, the January 22 price was well below the 34.30 cents per pound on the same date a year earlier. Discounts for the lower grades of white cotton and for the colored grades have narrowed considerably during the current season and some of this cotton is selling for prices well above a year earlier.

RECENT DEVELOPMENTS

Disappearance Up Sharply

Disappearance of cotton during the 1959-60 marketing year is estimated to be at least 15 million bales. This is at least 3.5 million bales or 30 percent above disappearance in the preceding marketing year. Except for 1956-57, disappearance during 1959-60 will be the largest since 1928.

The increase in disappearance is resulting primarily from larger exports, though domestic mill consumption also is expected to increase. Exports during 1959-60 are expected to be at least 6 million bales, compared with 2.8 million a year earlier. Domestic mill consumption is expected to be about 9 million bales compared with 8.7 million a year earlier.

Rate of Exports Large

Exports of cotton from August 1 through November 1959 were 1.4 million bales, about 500,000 bales larger than during the same period a year earlier. (See table 18.) Trade reports indicate that exports since the first of December have continued at a rapid rate. The slow rate during the early part of the season was primarily caused by the small stocks of cotton held by the cotton trade. As more cotton became available, exports began to move at a much more rapid rate. Stocks of cotton held by other than Commodity Credit Corporation and at other locations than consuming establishments totaled only 744,000 bales on August 1, the least since 1949. (See table 1.)

Table 1.--Stocks of all kinds of cotton held by CCC, consuming establishments and others, United States, August 1, 1949-1959

Date	CCC held stocks	Stocks held by consuming establishments	Other stocks	Total
	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>	<u>1,000 bales</u>
August 1				
1949	3,819	885	583	5,287
1950	3,540	1,307	1,999	6,846
1951	79	1,371	828	2,278
1952	285	1,035	1,469	2,789
1953	2,000	1,492	2,113	5,605
1954	7,035	1,218	1,475	9,728
1955	8,127	1,401	1,677	11,205
1956	9,858	904	3,767	14,529
1957	5,184	1,151	4,988	11,328
1958	2,922	1,604	4,211	8,737
1959	7,043	1,094	744	8,881

Registrations Under the
Payment-in-Kind Program Large

Registrations under the payment-in-kind export program for shipment before August 1, 1960 totaled 5.2 million bales as of January 22. Registrations were made at a very rapid rate during November and December. On October 30, registrations totaled 2,982,431 bales. By December 18 registrations had increased to 4,662,168. The rate of registrations has declined since the middle of December. From December 19 to January 22 registrations were 584,062 bales.

As commitments are made which fill the demand of importing countries the rate of registrations will decline from the high levels of the November to mid-December period. It is thought that importing countries are rapidly approaching commitments which will meet their demand for cotton from the United States. (See table 2.)

Table 2.--Registrations under cotton export program: Payment-in-kind

Date	Bales registered	Cumulative from May 7, 1959
1959		
May 7 - May 11	19,184	19,184
May 12 - May 25	153,671	172,855
May 26 - June 1	132,989	305,844
June 2 - June 12	128,286	434,130
June 13 - June 26	144,055	575,185
June 29 - July 10	164,902	740,087
July 13 - July 31	270,000	1,010,087
Aug. 1 - Aug. 7	80,657	1,090,744
Aug. 8 - Aug. 14	101,810	1,192,554
Aug. 15 - Aug. 21	90,317	1,282,871
Aug. 22 - Aug. 28	149,329	1,432,200
Aug. 29 - Sept. 4	198,196	1,630,396
Sept. 5 - Sept. 11	109,594	1,739,990
Sept. 12 - Sept. 18	223,628	1,963,618
Sept. 19 - Sept. 25	178,330	2,141,948
Sept. 26 - Oct. 2	164,335	2,306,283
Oct. 3 - Oct. 9	154,236	2,460,519
Oct. 10 - Oct. 16	144,929	2,605,448
Oct. 17 - Oct. 23	191,599	2,797,047
Oct. 24 - Oct. 30	185,384	2,982,431
Oct. 31 - Nov. 6	181,154	3,163,585
Nov. 7 - Nov. 13	179,198	3,342,783
Nov. 14 - Nov. 20	257,150	3,599,933
Nov. 21 - Nov. 27	224,754	3,824,687
Nov. 28 - Dec. 4	317,777	4,142,464
Dec. 4 - Dec. 11	200,554	4,343,018
Dec. 12 - Dec. 18	319,150	4,662,168
Dec. 19 - Dec. 25	137,811	4,799,979
Dec. 26 - Jan. 1, 1960	186,778	4,986,757
1960		
Jan. 2 - Jan. 8, 1960	95,431	5,082,188
Jan. 9 - Jan. 15, 1960	61,788	5,143,976
Jan. 16 - Jan. 22	102,254	5,246,230

Supply and Distribution
of Cotton Abroad

Consumption of cotton in the foreign free world during the 1959-60 season is expected to increase more than a million bales over that of 1959. The increase is being caused by a recovery from a textile recession of a year earlier and by lower world cotton prices. Along with the increase in consumption of cotton, production of cotton in the foreign free world declined slightly for the first time since World War II, and starting stocks of cotton were the lowest since 1956.

The high level of cotton consumption and the relatively low prices for U. S. cotton are being accompanied by an increase in cotton stocks in the foreign free world between August 1, 1959 and August 1, 1960. Because of the gap between foreign production and consumption, the increase in stocks is contributing to the increase in U. S. exports.

Table 3.--Cotton: Supply and distribution in the foreign free world, 1956-57 to date

Item	1956-57	1957-58	1958-59 <u>1/</u>	1959-60 <u>1/ 2/</u>
	Million bales	Million bales	Million bales	Million bales
Starting carryover	8.1	9.6	10.1	8.8
Production	15.9	16.8	17.3	16.9
Imports from U. S.	7.6	5.7	2.8	6.0
Total supply	31.6	32.1	30.2	31.7
Consumption	21.0	20.4	20.2	21.5
Exports to U.S., net exports to Communist countries, and destroyed	1.0	<u>3/</u> 1.6	1.2	1.1
Total disappearance	22.0	22.0	21.4	22.6
Ending carryover	9.6	10.1	8.8	9.1

1/ Preliminary.

2/ Estimated.

3/ Includes 0.1 million bales to correct for rounding of figures.

Foreign Agricultural Service.

European Prices for
U.S. Cotton Decline

C.i.f. prices for United States Upland cotton at Liverpool and Bremen in December generally were below those of a year earlier and below those for comparable qualities of foreign grown cotton. A year earlier, prices for U. S. cotton at these markets were generally above those for comparable qualities of foreign grown cotton. Prices for cotton abroad have increased recently. (See table 4.)

Table 4.--C.i.f. price: Liverpool and Bremen, United States and foreign grown cotton, December 1959 and 1958

Date	Liverpool					
	M 1"		M 1-1/32"			SM 1-1/32"
	U. S.	Pakistan 289 F	U. S.	Mexico	Nicaragua	U. S. (Cont.)
	<u>Equivalent U. S. cents per pound</u>					
Dec. 1959	26.87	31.75	28.04	28.10	27.98	29.41
Dec. 1958	29.58	29.00	31.18	26.29	25.17	32.51
	Bremen					
	<u>Equivalent U. S. cents per pound</u>					
Dec. 1959			27.56	27.69	27.74	29.00
Dec. 1958			30.60	27.35	25.30	32.90
	Liverpool					
	SM 1-1/32"	SM 1-1/16"			SM 1-1/8"	
	Syria	U.S.S.R.	U. S.	Iran	U. S.	Uganda B.P. 52
	<u>Equivalent U. S. cents per pound</u>					
Dec. 1959	29.69	29.88	29.88	30.66	31.15	39.11
Dec. 1958	27.82	28.41	33.33	28.85	34.94	30.21
	Bremen					
	<u>Equivalent U. S. cents per pound</u>					
Dec. 1959	30.29	29.56	29.82	28.90	32.03	38.72
Dec. 1958	28.83	29.58	33.80	29.60	35.33	30.96

The C.i.f. prices quoted above are a new price series, publication of which is started with this issue of The Cotton Situation. (See page 25.)

The qualities and growths quoted in the European markets differ somewhat from those used for comparison of prices at spot markets. Also the prices differ because they are quoted at different markets. Essentially, however, the two series show similar relationships. (See tables 19 and 20.) In five of the seven comparisons, U. S. spot export prices were cheaper than spot prices for foreign grown cotton in December. Also U. S. spot export prices were lower than those of a year earlier.

Government Financing of U. S.
Cotton Exports Declines

The U. S. Government as of January 20, 1960 had allotted about \$223 million to finance the export of cotton in the fiscal year ending June 30, 1960 under Section 402 of the Mutual Security Act, Public Law 480, Titles I and II, and recoverable Export-Import Bank loans. These funds will probably finance the export of about 1.8 million bales, and compare with approximately 253 million dollars and 1.8 million bales financed in 1958-59. The figures for 1959-60 exclude existing agreements for which purchase authorizations have not been made. Additional financing arrangements may be authorized later in the fiscal year. (See table 5.)

Table 5.--Special programs of the U. S. Government for financing cotton exports: Fiscal years beginning July 1, 1957, 1958 and 1959 1/

Program	1957-58		1958-59 <u>2/</u>		1959-60 <u>3/</u>	
	Value	Quantity	Value	Quantity	Value	Quantity
	Million dollars	Million bales <u>4/</u>	Million dollars	Million bales <u>4/</u>	Million dollars	Million bales <u>4/</u>
Mutual Security Act:	99.4	0.7	106.2	0.8	33.3	0.3
Export-Import Bank:	61.1	.5	49.2	.4	<u>5/</u> 38.9	.3
Public Law 480						
Title I	128.0	.9	97.7	.7	<u>6/</u> 148.9	1.2
Title II	4.8	<u>7/</u>	1.3	<u>7/</u>	2.4	<u>7/</u>
Total <u>8/</u>	293.3	2.0	254.3	1.8	223.4	1.8

1/ Authorized for delivery, shipments and disbursements.

2/ Preliminary.

3/ Incomplete data to January 25, only.

4/ Running bales partly estimated.

5/ Includes cotton waste.

6/ Excludes agreements with India and Israel amounting to about 13.9 million dollars, for which purchase authorizations have not been issued.

7/ Less than 50,000 bales.

8/ Totals were made before rounding.

Domestic Mill Consumption Up

Consumption of cotton by domestic mills in the 1959-60 marketing year probably will be about 9 million bales. This compares with 8.7 million bales in 1958-59 and 8.0 in 1957-58.

Consumption from August 1 through January 2, 1959 was about 3.8 million bales, compared with about 3.5 million for approximately the same period a year earlier.

The rate of cotton consumption during the second half of the 1958-59 marketing year was well above the rate during the first half of the season. The seasonally adjusted rate for the first 5 months of the 1959-60 marketing year was about the same as the rate for the February-July 1959 period. During the February-July 1960 period, consumption is expected to be about the same as that for the same period a year earlier, about 4.5 million bales.

Seasonally Adjusted Stock-Unfilled Order Ratio Increases

The seasonally adjusted stock-unfilled order ratio for the end of November increased over a month earlier for the first time since August 1958. At the end of November this ratio stood at 0.23 compared with 0.21 from June through October. The average stock-unfilled order ratio for the postwar period was 0.42. When the stock-unfilled order ratio for broadwoven goods increases, cotton mill consumption can be expected to decline several months in the future, and vice versa.

The seasonal adjustment of this ratio is introduced for the first time in this issue of The Cotton Situation. An explanation of the seasonal adjustment and its implications are given in the article starting on page 19.

Mill Margins Large

The average mill margin (20 constructions) for gray goods for the amount of fabric made from a pound of cotton was at a peak of 33.20 cents in December. This compares with 33.04 cents in November and 25.06 cents for the same month a year earlier. The series for 20 constructions of fabrics started in August 1954 and the mill margin for December 1959 was the highest during this period. Prior to August 1954 data are available for 17 constructions of fabric but these data are not comparable with data for 20 constructions.

The larger margin in December was caused by a greater increase in the value of fabrics than in the price of cotton. Fabric value increased to about 66.37 cents for the amount of fabrics (average 20 constructions) made from a pound of cotton. Again, this was the highest since August 1954 and compares with 65.59 cents in November and 58.98 cents for the same month a year earlier.

The price of cotton used in manufacturing the 20 constructions increased in December over November. The December average was 33.17 cents a pound, compared with 32.55 cents in November. In December 1958 the average price was 33.92 cents per pound. (See table 21.)

Imports and Exports of Cotton Cloth

Imports of cotton fabric during October 1959 totaled about 27.7 million square yards. This was the largest monthly total since January 1947 and compares with 8.1 million square yards the same month a year earlier. Total imports for January-October 1959 were 167.3 million square yards, compared with 117.1 million a year earlier.

Exports of cotton fabric during October 1959 totaled 44.8 million square yards compared with 41.6 million in October 1958. The cumulative total from January 1 through October 1959 was 392.2 million square yards, compared with 426.4 million during the same period a year earlier. (See table 6.)

Table 6.--Cotton broadwoven goods: Imports and exports, United States, January-August, 1958 and 1959

Month	Imports				Exports			
	1958		1959		1958		1959	
	Monthly	Cumu- lative	Monthly	Cumu- lative	Monthly	Cumu- lative	Monthly	Cumu- lative
	Mil. sq.yd.	Mil. sq.yd.	Mil. sq.yd.	Mil. sq.yd.	Mil. sq.yd.	Mil. sq.yd.	Mil. sq.yd.	Mil. sq.yd.
January	13.2	13.2	9.1	9.1	40.8	40.8	42.5	42.5
February	11.2	24.4	16.7	25.8	45.2	86.0	34.1	76.6
March	10.2	34.6	13.7	39.5	45.0	131.1	41.7	118.3
April	9.2	43.7	12.3	51.8	57.6	188.7	38.0	156.3
May	14.7	58.5	16.4	68.1	46.8	235.5	39.9	196.2
June	13.6	72.1	16.6	84.7	37.4	272.9	42.9	239.1
July	15.2	87.3	18.3	103.1	29.2	302.1	33.1	272.1
August	10.4	97.6	17.2	120.3	43.5	345.6	38.2	310.3
September	11.4	109.1	20.3	140.6	39.1	384.8	37.1	347.4
October	8.1	117.1	27.7	167.3	41.6	426.4	44.8	392.2

Bureau of the Census.

Quantity of Products Exported
Under Cotton Products Export
Program Increases

Registrations under the Cotton Products Export Program from August 1 through December 1959 amounted to 85.7 million pounds. This compares with about 83.1 million pounds during the same period a year earlier and 88.9 million in the August-December 1957 period. Increases were noted in 8 classes. The classes for which decreases were noted are classes A, D, F, J, and K. (See table 22.)

Stocks of Cotton Held
by CCC Declined

Stocks of cotton held by CCC (owned and held as collateral against outstanding price support loans) totaled about 6 million bales on January 15. This compares with about 7 million bales approximately a year earlier and on August 1, 1959.

Of the total on January 15 less than 200,000 bales was under loan, the balance was owned by CCC. Outstanding loans on upland cotton under the current support price program were about 176,000 bales. (See table 23.)

As of January 15, CCC had purchased about 8.2 million bales under the Choice A price support program. About 5 million of this had been sold by local sales agencies and about 0.4 million had been sold by the CCC Commodity Office in New Orleans.

Carryover To Decline

The estimated supply for the 1959-60 marketing year is 23.7 million bales, about 3.4 million bales larger than a year earlier. The 1959 crop was up 3.2 million bales, and the carryover was up about 144,000 bales. (See table 7.) The estimated supply for 1959-60 is the largest since 1956-57.

Table 7.--All kinds of cotton: Supply, United States, 1953 to date

Year beginning August 1	Carryover beginning of season	Production <u>1/</u>	Net imports	City crop	Total
	1,000 <u>bales 2/</u>	1,000 <u>bales 2/</u>	1,000 <u>bales 2/</u>	1,000 <u>bales 2/</u>	1,000 <u>bales 2/</u>
1953	5,604.8	16,359.5	141.6	43.0	22,148.9
1954	9,727.9	13,545.0	146.3	46.0	23,465.2
1955	11,205.4	14,632.9	136.6	47.0	26,021.9
1956	14,528.8	12,977.1	<u>3/</u> 136.4	50.0	<u>3/</u> 27,643.9
1957	11,322.6	10,862.2	<u>4/</u> 141.2	58.0	<u>4/</u> 22,384.0
1958	8,737.0	11,373.2	136.5	51.0	20,297.7
1959 <u>5/</u>	8,881.2	14,640.0	140.0	50.0	23,711.2

1/ Includes in-season ginnings.

2/ Running bales except imports which are in bales of 500 pounds.

3/ Imports include but total supply excludes 48,213 bales of stockpile cotton entered under the long-staple cotton import quota.

4/ Includes 50,000 bales of long-staple cotton released from the strategic stockpile and offered for sale by CCC for unrestricted use.

5/ Preliminary, partly estimated.

Despite this large increase in supply, the sharp increase in exports and the smaller increase in domestic mill consumption is expected to reduce the carryover on August 1, 1960 about 400,000 bales. The carryover of about 8.5 million bales on August 1, 1960 probably will be the smallest since 1953.

Ginnings from the 1959 Crop

Harvesting of the 1959 crop proceeded at a rapid rate and as of January 16, 14.4 million bales or about 98 percent of the estimated 1959 crop had been ginned. During the preceding 5 years an average of 98.7 percent of the crop had been ginned by this date. In 1958, 99.2 percent of the crop had been ginned by January 16.

As of December 1, the 1959 crop was estimated at 14,640,000 running bales (14,701,000 bales of 500 pounds each). The estimate of harvested acreage was increased almost 200,000 acres from the previous estimate to 15,164,000. Primarily because of this increase and, to a lesser extent, because the estimate of the size of the crop declined slightly from previous estimates, the estimated yield declined from the 474 pounds previously estimated to 465 pounds per harvested acre, 1 pound below the record high yield of 1958. (Tables 24 and 25.)

Boll Weevil Hibernation

Surveys of boll weevil hibernation of the Agricultural Research Service indicate that such hibernation has increased in most of the areas for which comparisons with 1958 are available. Increases are noted in Tennessee, Louisiana, two areas of Mississippi, and certain areas of North and South Carolina.

Table 8.--Results of fall surface trash examinations for hibernating boll weevils, specified States, November and December 1958 and 1959

State	Area or District	Live weevils per acre	
		1958	1959
		<u>Number</u>	<u>Number</u>
Texas	: Central		6,631
Tennessee	: McNairy County	1,214	1,882
Missouri	: Dunklin County (northern)		6,292
Louisiana	: Northeastern	5,756	8,097
	:)Lower delta	4,242	4,215
	:)Central delta	4,909	8,513
Mississippi	:)North delta	2,960	4,787
	:)Hill Section	3,057	2,991
Georgia	:	1,133	716
North and	:)Coastal Plains	4,625	5,082
South Carolina	:)Piedmont Section	2,635	4,383
North Carolina	: North Central Section	968	834
South Carolina	: South Central Section	995	1,318

Agricultural Research Service.

Table 9 .--Premiums and discounts for grades and prices per pound for Middling 1-inch cotton, in the designated spot markets, annual and monthly averages, 1950-59

Year and month	Premiums			Discounts						
	Good Middling	Strict Middling	Price Middling 1-inch	Strict Low Middling	Low Middling	Strict Good Ordinary	Good Ordinary	Strict Middling Spt.	Middling Spt.	Strict Low Middling Spt.
	Points	Points	Cents	Points	Points	Points	Points	Points	Points	Points
1950-51	86	75	43.23	242	405	556	682	206	385	550
1951-52	91	66	39.94	185	512	750	962	216	486	764
1952-53	58	40	35.32	132	449	715	948	182	412	673
1953-54	48	35	34.36	142	452	686	873	175	387	606
1954-55	55	43	35.02	162	410	595	767	191	379	589
1955-56	81	65	35.45	242	518	722	894	269	472	695
1956-57	86	71	33.53	292	605	884	1,098	364	580	846
1957-58	100	82	34.39	387	779	1,093	1,352	460	739	1,066
1958-59	78	66	34.47	336	717	1,019	1,294	422	708	1,040
1959-60 ^{1/}	75	62	31.75	289	583	882	1,147	346	613	898
Nov. 1958	77	65	34.75	343	742	1,047	1,342	425	728	1,065
Dec. 1958	75	63	34.41	338	714	1,015	1,293	413	699	1,031
Jan. 1959	75	63	34.31	335	699	998	1,266	417	699	1,026
Feb. 1959	76	64	34.28	327	688	987	1,252	419	694	1,021
Mar. 1959	76	64	34.37	322	681	978	1,243	411	686	1,015
Apr. 1959	76	64	34.56	315	676	970	1,239	402	677	1,010
May 1959	76	64	34.62	309	678	974	1,249	405	678	1,003
June 1959	76	64	34.52	307	674	975	1,244	405	679	1,003
July 1959	75	64	33.55	311	676	980	1,249	411	688	1,019
Aug. 1959	80	67	31.95	331	694	1,004	1,278	423	724	1,068
Sept. 1959	78	65	31.77	296	643	959	1,230	366	655	979
Oct. 1959	76	63	31.66	280	583	898	1,167	319	589	878
Nov. 1959	70	59	31.61	279	534	846	1,113	314	571	826
Dec. 1959	69	58	31.78	260	461	705	946	308	524	739

^{1/} Average for August-December 1959.

Cotton Division, AMS.

Spot Market Price
For Middling 1-Inch
Cotton Increases

The average 14 spot market price for Middling 1-inch cotton on January 22 was 31.91 cents per pound, up 0.06 cent from the same date a month earlier. However, the January 8 price was well below the 34.30 cents per pound of January 22, 1959. The low for the season's date was reached on October 29 and 30 when the price was 31.58 cents per pound. Discounts for the lower grades of cotton have been narrowing during the current season. The discount for Strict Low Middling spotted from Middling 1-inch was 7.39 cents per pound in December. During 1958-59 the discount averaged 10.40 cents. Other lower qualities also have shown a narrowing in the discount as indicated in table 9.

Supply of Cotton
Linters Increases

The supply of cotton linters in the U. S. in the 1959-60 marketing year is estimated at about 2.5 million bales. This compares with about 2.3 million in 1958-59 and 2.2 million in 1957-58.

The increase is being caused by a larger production associated with the larger cotton crop. Production of cotton linters is estimated at about 1.7 million bales for the current season. This is 0.4 million above 1958-59 and the largest since 1955-56. (See table 10.) Imports of cotton linters are not expected to be greatly different from those of a year earlier when about 172,000 bales were imported.

Table 10.--Cotton linters: Supply and disappearance, United States, 1955 to date

Year begin- ning Aug. 1	Supply				Disappearance			
	Stocks Aug. 1	Produc- tion 1/	Imports	Total	Consump- tion	Exports	De- stroyed	Total
	bales	bales	bales	bales	bales	bales	bales	bales
	2/	2/	3/	2/	2/	2/	2/	2/
1955	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
1956	1,025	1,507	135	2,667	1,438	334	---	1,772
1957	824	1,256	139	2,218	1,102	185	---	1,287
1958	810	1,335	172	2,318	1,210	243	---	1,453
1959 4/	569	1,700	170	2,500	1,400	300	---	1,700

1/ Includes production at gins and delinting plants. 2/ Running bales through September 1958; 600-pound equivalent gross weight bales thereafter.

3/ Bales of 500 pounds. 4/ Preliminary, partly estimated.

Bureau of the Census.

Disappearance of
Cotton Linters Up

The disappearance of cotton linters is estimated at about 1.7 million bales compared with about 1.4 million a year earlier. This will be the largest disappearance since 1956-57. Both consumption and exports are expected to increase. Consumption of cotton linters for the current season is estimated at about 1.4 million bales, compared with 1.2 million last season. Bleachers are accounting for most of the increase in consumption, using about 354,000 bales from August 1 through December compared with approximately 237,000 bales the same period a year earlier. Consumption by bleachers has shown a sharp gain over the rates of the latter part of the 1958-59 season when the rate was somewhat higher than in the early part of the season.

Other consumers consumed about 249,000 bales through December compared with about 238,000 bales in the same period of 1958. Use by other consumers from January through July of the current season is likely to be below the

Table 11.--Prices for specified qualities of cotton linters, by months ^{1/}

Year and month	Felting grade						Chemical grade	
	Grade and staple ^{2/}						Base	Differential
	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	
1957								
August	9.13	8.08	7.24	6.94	5.87	5.22	4.24	0.06
September	9.22	7.99	7.13	6.88	5.71	5.00	3.84	.05
October	8.82	7.69	6.73	6.38	5.28	4.60	3.14	.04
November	8.38	7.57	6.59	6.23	5.17	4.29	3.10	.04
December	8.72	7.72	6.15	6.47	5.38	4.44	3.20	.04
1958								
August	8.16	7.57	6.42	5.74	4.61	3.67	2.54	.04
September	8.42	7.44	6.31	5.56	4.38	3.38	2.42	.03
October	8.42	7.33	6.25	5.50	4.36	3.36	2.41	.03
November	8.40	7.19	6.06	5.34	4.31	3.25	2.17	.03
December	8.11	7.19	5.97	5.21	4.31	3.19	1.97	.03
1959								
August	^{3/}	7.00	5.79	5.08	3.94	2.94	1.79	.03
September	7.75	7.06	5.84	4.09	3.90	2.89	1.79	.03
October	7.88	7.06	5.88	5.03	3.94	2.81	1.77	.03
November	7.89	7.12	5.90	5.05	3.91	2.82	1.77	.03
December	7.96	7.29	6.08	5.31	4.12	2.82	1.96	.04

^{1/} Monthly averages of prices quoted at Atlanta, Memphis, Dallas, and Los Angeles, for linters uncompressed in carlots f.o.b. cottonseed oil mill points, excluding ports. ^{2/} Grade 2, staple 2; grade 3, staple 3; etc.

^{3/} Not available.

Cotton Division, AMS

relatively high level of a year earlier, and the total for the 1959-60 season is not expected to show much gain, if any, over that of 1958-59.

Prices for Linters Increase

Prices for some felting grade linters have shown a slight rise in recent months. The average price for Grade 3, Staple 3 felting linters rose from 6.83 cents in July to 7.29 cents in December. In December 1958 the price for this quality of linters was 7.19 cents per pound. Prices for most other felting grades have increased from those of a month earlier. (See table 11.)

Prices of chemical linters, 73 percent cellulosic content, were quoted at 1.96 cents per pound in December. This compared with 1.77 cents in November and 1.97 cents in December 1958. The cellulose differential was at 0.03 cent per pound from September 1958 through November 1959, but increased to 0.04 cent in December.

Producing Capacity for Rayon and Acetate to Decline, Capacity for Other Manmade Fibers to Increase

According to the Textile Organon of December 1959, the producing capacity for rayon and acetate in November 1961 is scheduled to decline to 1,367 million pounds from 1,376 million in November 1959. The reduction is scheduled to take place principally in high tenacity rayon. (See table 12.)

The producing capacity for the noncellulosic manmade fibers in November 1961 is estimated at 1,343 million pounds, compared with 969 million pounds in November 1959. Large increases are scheduled for all categories of noncellulosic manmade fibers.

It is estimated that the total producing capacity for all manmade fibers will increase from 2,345 million pounds in November 1959 to 2,710 million in November 1961.

Manmade Fiber Production At A High Level

U. S. manmade fiber production during the first 3 quarters of 1959 was well above the same period of 1958. Production January-September 1959 totaled about 1.4 billion pounds, 27 percent or 1.1 billion above the same period a year earlier. Production of rayon and acetate totaled about 835.8 million pounds, up about 20 percent. Production of other manmade fiber was about 591.1 million pounds, up about 42 percent over the 1958 period.

Data for November for production of all manmade fibers are not available, but shipments to domestic consumers of rayon and acetate declined. Shipments during November were about 78.9 million pounds compared with 84.3 million in October and 87.9 million in November 1958. Shipments in both October and November 1959 were below those for the same months in 1958. For 1959 shipments during these months totaled 163.2 million pounds and in the same 2 months in 1958 they were 179.6 million pounds.

Table 12.--Manmade fiber production and producing capacity, 1/ United States, annual rate, specified dates

Period (51 weeks) as of --	Acetate yarn and rayon (Viscose + Cupra)										Non-cellulosic textile glass fibers			Grand total man-made fibers							
	Filament yarn + monofilaments										Non-cellulosic 5/										
	Rayon by tenacity			Acetate 2/		Total Reg. Ten 3/		Rayon staple + tow		Total 1/	Text glass 4/	Total 6/		Yarn 6/	Staple + tow	Total 1/					
	High	Reg + Int	Total	lb.	Den	lb.	Den	lb.	Den	lb.	Den	lb.	Den	lb.	Den	lb.	Den	lb.	Den		
	<u>Actual capacity</u>																				
Nov. 1957	:405	1,502	233	168	638	385	292	111	930	525	131	515	1,445	140	397	230	627	767	1,467	745	2,212
Nov. 1958	:304	1,233	186	160	490	360	308	109	798	494	125	531	1,329	133	461	296	757	890	1,392	827	2,219
Nov. 1959	:353	1,303	192	169	545	386	302	104	847	494	123	529	1,376	160	481	328	809	969	1,488	857	2,345
	<u>Projected capacity</u>																				
July 1960	:341	1,221	191	167	532	375	302	104	834	493	123	533	1,367	211	511	385	896	1,107	1,556	918	2,474
Mar. 1961	:341	1,221	191	167	532	375	302	104	834	493	123	533	1,367	290	547	406	953	1,243	1,671	939	2,610
Nov. 1961	:341	1,221	191	167	532	375	302	104	834	493	123	533	1,367	318	606	419	1,025	1,343	1,758	952	2,710

1/ Except acetate staple + tow.

2/ Acetate includes triacetate and saponified acetate.

3/ "Total Reg Ten" means regular + intermediate tenacity rayon yarn and monofilaments plus all acetate yarn.

4/ Textile glass fiber of all types, including some staple.

5/ The non-cellulosic fibers included are those listed on pages 141-143 of the September 1959 Organon issue; yarn includes monofilaments and staple includes tow. Any saran, olefin or TFE-fluorocarbon staple and tow are tabulated as yarn.

6/ Grand total yarn means all yarn and monofilaments shown plus textile glass fiber.

Data from the Textile Organon, a publication of the Textile Economics Bureau, Incorporated

Seasonal Adjustments and Cyclical Movements for the Ratio of
Stocks to Unfilled Orders for Cotton Broadwoven Goods

By Frank Lowenstein

A study published in October 1954 ^{1/} showed the strong association between the ratio of stocks to unfilled orders for cotton broadwoven goods and mill consumption of cotton. It was found that the ratio moves in an inverse direction to cotton mill consumption. In other words, when the ratio is low future mill consumption tends to be high and vice versa. Changes in the ratio usually show an optimum lead over changes in mill consumption of cotton by about 5 months.

In the past, annual or 12-month averages of this ratio have been used in analyzing cotton mill consumption. As long as analysis and forecasting are based on annual averages, it is not necessary to adjust the data for seasonality.

The ratio also can be used as an aid in forecasting month-to-month changes in mill activity. However, this poses the problem of seasonal variation since the ratio for some months tends to be higher or lower than the ratios for other months, year after year. Unless the seasonal movement is identified so that it can be separated from the cyclical, irregular, and trend movements of the ratio, the importance of month-to-month changes in the ratio cannot be evaluated.

Seasonal changes in the monthly ratios for the period January 1947 through July 1959 have been analyzed and seasonal patterns of the adjustment factors determined. ^{2/} These are illustrated in figure 1. The seasonal pattern for the series was basically the same from 1949 through 1953. Then the seasonal pattern went through a period of transition in 1954 and 1955. A rather consistent but different pattern appeared for the 1956-59 period.

The seasonal factors for adjusting the series are shown in table 13. In recent years the highest seasonal factors have tended to occur in August and the lowest in December.

^{1/} Lowenstein, Frank and Simon, Martin S., "Analyses of Factors That Affect Mill Consumption of Cotton in the United States," Agricultural Economics Research, October 1954, Vol. VI, No. 4.

^{2/} For description of the method and its development, see a paper entitled "Seasonal Adjustments by Census Methods I and II," presented by Shiskin, J. and Eisenpress, H. at a joint meeting of the American Statistical Association and the Econometric Society on December 27, 1955 in New York, N. Y.

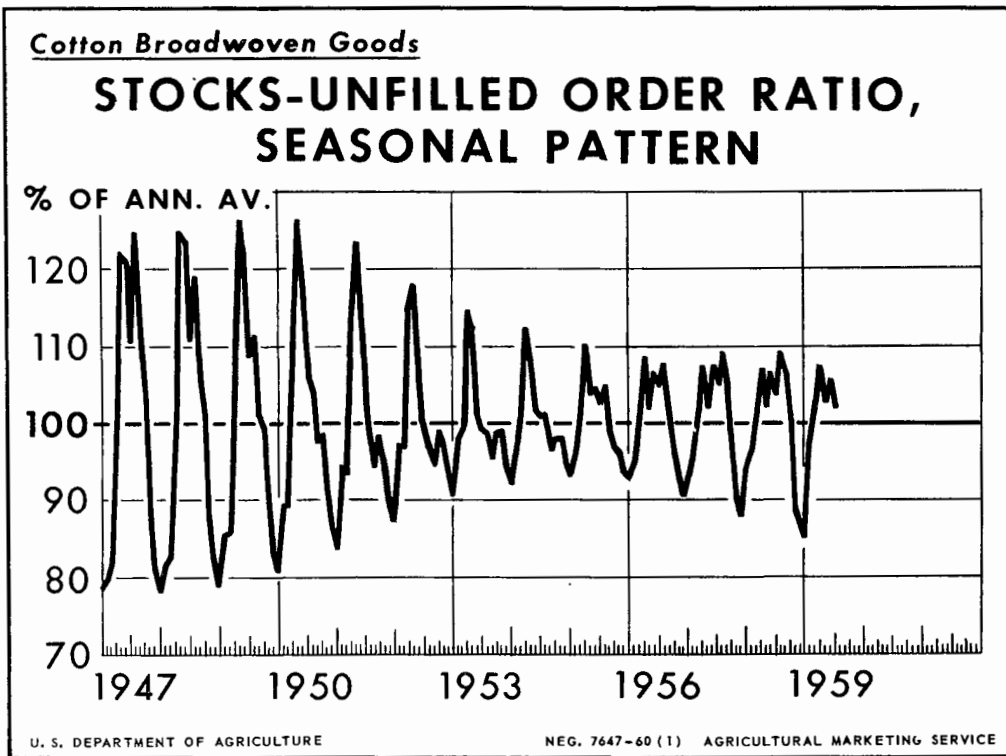


Figure 1

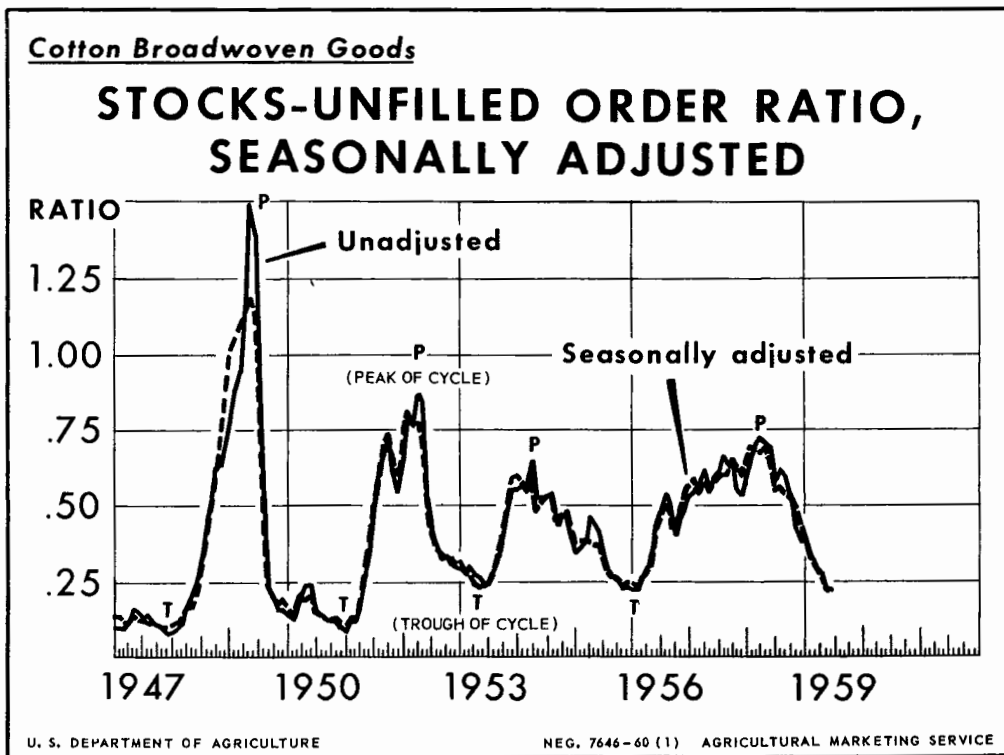


Figure 2

In figure 2, the monthly ratios have been adjusted by the seasonal adjustment factors in table 13. The seasonal adjustment lessens the apparent month-to-month changes in the ratio, and in some cases even changes the direction of the movement. The movement left after the seasonal adjustment is primarily the cyclical movement of the data.

Table 13.--Cotton broadwoven goods at cotton mills: Ratio of stocks to unfilled orders, seasonal adjustment factors, January 1947 to date

Year	January	February	March	April	May	June
1947	78.6	80.0	81.7	99.5	121.7	120.7
1948	78.3	81.7	82.8	102.8	124.7	123.4
1949	78.9	85.2	85.4	107.9	126.4	122.1
1950	80.7	89.7	89.2	111.6	126.4	118.3
1951	84.2	94.1	93.4	115.0	123.4	111.8
1952	87.3	97.2	97.0	115.3	118.2	105.4
1953	96.3	98.3	99.6	114.6	112.0	101.2
1954	92.1	97.5	101.0	112.2	106.7	101.5
1955	93.0	96.0	101.2	110.2	103.4	104.3
1956	92.9	95.2	101.0	108.4	101.8	106.5
1957	93.0	95.3	100.9	107.4	101.8	107.3
1958	94.0	96.2	101.2	107.0	102.0	106.4
1959	94.9	97.4	101.6	107.2	102.4	105.4
Year	July	August	September	October	November	December
1947	110.3	124.8	110.0	103.9	87.7	80.9
1948	110.5	118.7	105.6	101.5	87.8	82.2
1949	108.8	111.4	101.1	99.8	89.3	83.6
1950	106.1	104.1	97.4	98.7	91.1	86.7
1951	102.2	98.8	94.4	98.2	94.7	89.8
1952	99.8	96.9	94.2	99.0	97.2	92.4
1953	99.0	98.3	95.1	98.6	98.8	94.1
1954	100.7	100.9	96.8	97.8	98.0	94.9
1955	102.5	104.5	98.6	96.7	96.1	93.3
1956	104.5	107.5	101.6	97.5	92.9	90.3
1957	104.6	109.3	104.2	98.2	90.1	87.8
1958	103.5	109.1	106.1	99.8	88.2	86.4
1959	101.7	109.0	107.1	100.6		

To illustrate the effect of the seasonal adjustment, data for some recent months were examined. In January 1959 the unadjusted ratio increased to 0.39 from 0.38 in December 1958. If there had been no seasonal effect, such a change would have suggested the start of an upward movement in the ratio after several months of decline. But the seasonally adjusted ratios for the two months showed a continuation of the steady decline. In actuality, both the adjusted and unadjusted ratios continued to decline after January 1959.

The unadjusted ratios for June through October 1959 showed both increases and declines. The seasonally adjusted ratios indicate that most of the variation in these months was seasonal and there was practically no change in the level after adjustment for such changes. (See table 14.)

Table 14.--Cotton broadwoven goods at cotton mills: Ratio of stocks to unfilled orders, seasonally adjusted, January 1947 to date ^{1/}

Year	January	February	March	April	May	June
1947	0.13	0.13	0.11	0.12	0.13	0.12
1948	.10	.11	.13	.16	.16	.20
1949	.99	1.04	1.10	1.13	1.18	1.14
1950	.17	.14	.18	.20	.19	.20
1951	.11	.13	.13	.14	.18	.30
1952	.76	.81	.78	.76	.70	.48
1953	.32	.27	.30	.24	.23	.24
1954	.60	.57	.54	.58	.49	.51
1955	.37	.38	.38	.37	.37	.35
1956	.24	.23	.27	.28	.33	.41
1957	.57	.58	.56	.58	.54	.56
1958	.64	.70	.69	.67	.69	.65
1959	.41	.33	.29	.25	.22	.21
Year	July	August	September	October	November	December
1947	0.12	0.11	0.10	0.10	0.09	0.09
1948	.29	.38	.49	.61	.72	.83
1949	.80	.41	.24	.20	.18	.19
1950	.15	.13	.12	.12	.13	.12
1951	.49	.59	.70	.74	.64	.60
1952	.41	.37	.34	.33	.32	.31
1953	.25	.28	.37	.42	.50	.58
1954	.52	.53	.44	.47	.48	.41
1955	.32	.27	.26	.26	.24	.25
1956	.46	.50	.50	.42	.50	.54
1957	.59	.60	.60	.66	.61	.59
1958	.55	.56	.55	.52	.48	.44
1959	.21	.21	.21	.21		

^{1/} End of month.

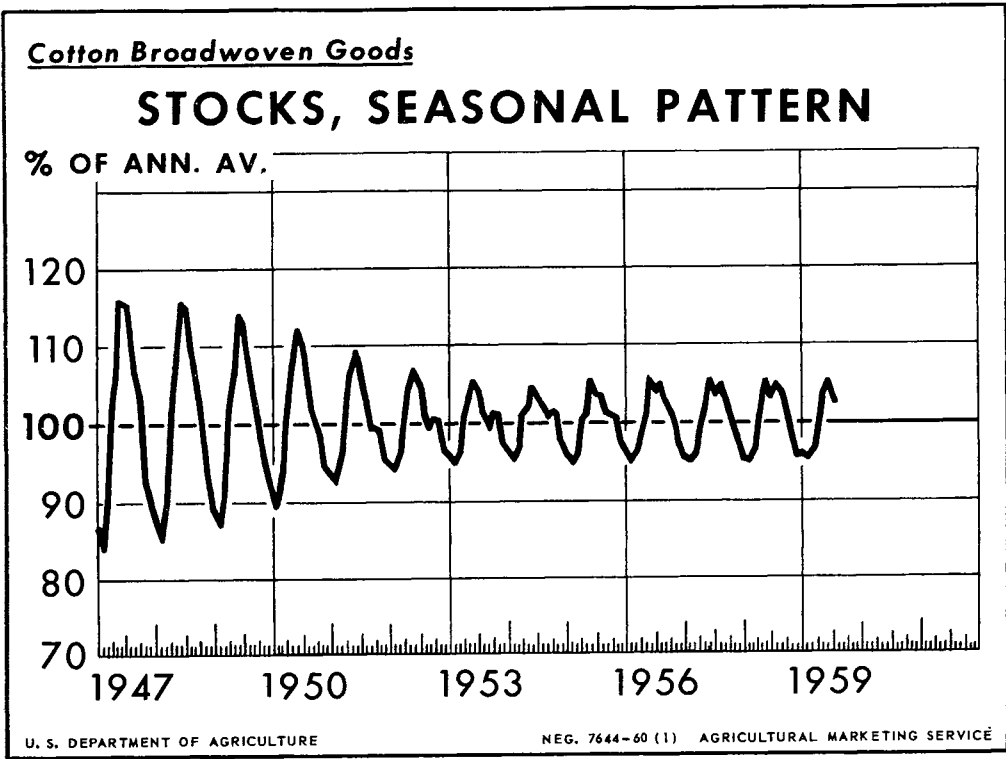


Figure 3

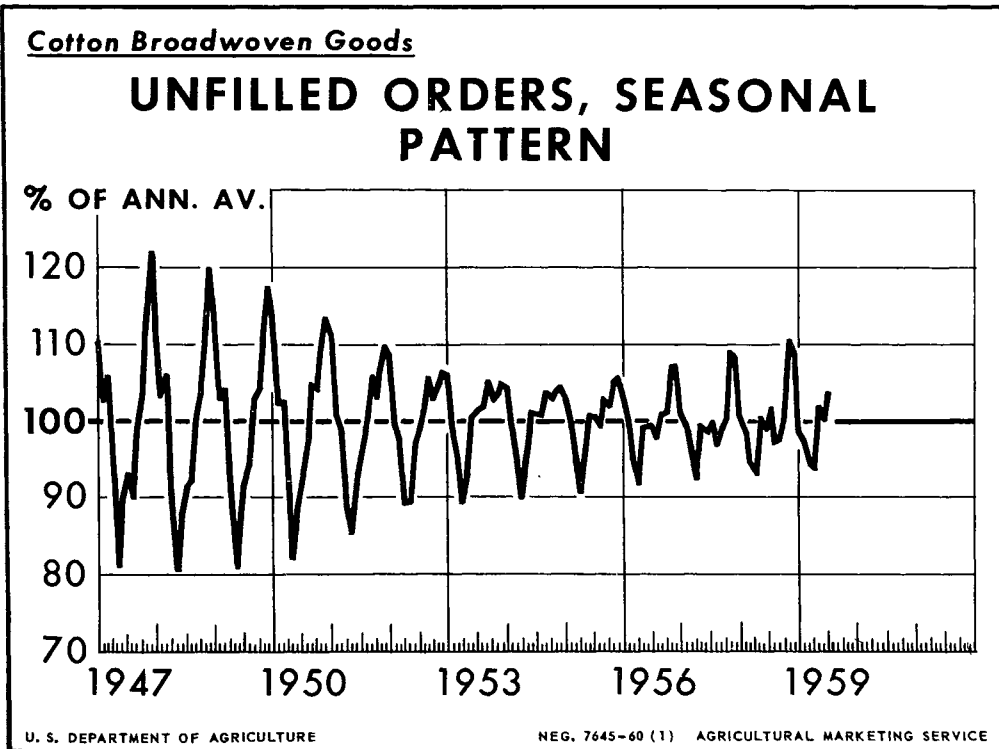


Figure 4

The two components of the stock-unfilled order ratio are data on unfilled orders, the denominator, and stocks, the numerator. Seasonal adjustment analysis was made of the two components to determine if changes in one or both of these series were responsible for the change in the seasonal pattern of the ratio.

As shown in figures 3 and 4, the seasonal pattern of both series has changed over the years, but a more or less consistent pattern for both stocks and unfilled orders seems to have prevailed since 1955. In other words, the change in the seasonal pattern of the ratio was associated with changes in the seasonal patterns for both the denominator and the numerator.

The movement that is left in the seasonally adjusted series is cyclical and irregular. (See figure 3.) The irregular movement is relatively small and the major movement in the series represents a cyclical variation.

There are two points of primary interest in looking at the cyclical variation. The first is the variation in the length or duration of the cycle and the second is the irregularity of the amplitudes. From trough to trough there are four cycles during the post-World War II period. These cycles vary in length from about 28 months to 40 months. (See table 15.) The shortest of these cycles is 2-1/3 years. The other three cycles appear to center around a 3-year period.

Table 15.--Length of cycles during postwar years, stock-unfilled order ratio

Approximate dates	Approximate number of months
December 1947 to January 1951	37
January 1951 to May 1953	28
May 1953 to February 1956	33
February 1956 to June 1959 <u>1/</u>	40

1/ Preliminary.

The amplitude of the cyclical movement does not show regularity. The highest peak was reached in May 1949. The amplitude seemed to become smaller with the next two cycles. In the last one the amplitude apparently increased somewhat. It is too early to tell if a trend toward a decrease in the amplitude actually is occurring.

In summary, seasonality is present in the stock-unfilled order ratio for cotton broadwoven goods. For purposes of short-term forecasting of textile mill activity by changes in the ratio, a better explanation results when the ratios are seasonally adjusted. The cyclical movements of the ratio are irregular in amplitude and periodicity. The duration of the cycles during the postwar period appears to more nearly center around 3 years than any other period.

COTTON PRICES IN WORLD IMPORT MARKETS

By R. T. Baggett
Agricultural Economist
Foreign Agricultural Service

Regular publication in The Cotton Situation of a new series of c.i.f. prices of selected growths and qualities of cotton in representative European markets is inaugurated with this issue. Annual and monthly prices shown in table 16 for Liverpool, England and table 17 for Bremen, Germany are averages of quotations on a specified day each week received by the Foreign Agricultural Service through special arrangements with trade and market sources. The weekly quotations are averages of prices at which specified growths and qualities of cotton moving in international trade are being firmly offered by representative exporters or their agents. The terms are c.i.f., that is, cost, insurance, freight, and other charges paid to the docks in the specified market, with actual shipment to take place generally within the succeeding 30-day period.

What is Represented by
c.i.f. Offering Prices

Several important requirements are met by quotations of prices of the many growths of cotton moving in international trade, taken at dockside in an import market which supplies mills in a large consuming area. Quotations at this point are the most representative of prices actually paid for cotton by mills in consuming centers. When reduced to a common denominator quality-wise (the Universal Standards for United States Upland Cotton), such prices permit comparisons of the competitiveness of the many growths now available to mills. Quotations are in a single currency and apply to cotton available for shipment within a specified period.

C.i.f. prices have certain limitations that should be recognized. Like all regular market price quotations, averages of offering prices on a specified day of each week do not necessarily represent the specific prices and terms under which any actual transaction took place. Classifications assigned by exporters to U. S. cotton under the Universal Standards may differ from official classifications. Most foreign cottons do not lend themselves to precise classification under the Universal Standards, since these standards were promulgated for exclusive use on U. S. upland cotton. Consequently, a price quotation for a given grade and staple length of foreign cotton under these standards may not be strictly comparable. In addition, certain quality characteristics, such as Micronaire tests for fiber fineness now commonly used in market transactions, are not measureable under the standards. However, the c.i.f. quotations do reflect general market levels, trends, and the competitive position of specified growths of cotton within closer limits than data available from other sources.

The Need for Comprehensive Cotton Price Information

The need for more current and comprehensive cotton price information in foreign consuming centers has increased in recent years. Prewar series of Liverpool spot prices were more useful for showing market levels and trends than for measuring the competitive position of specified growths. Spot prices f.o.b. domestic and foreign export markets, used since World War II, following the closing of the Liverpool Cotton Exchange, to reflect the level and trends in "world" prices are not satisfactory price comparisons of cotton of like commercial quality in a specified consuming market on a given date. In addition, conversion translation of f.o.b. prices in export markets into prices paid by importers or mills in consuming centers has always been difficult. It has become even more so since World War II with the advent of government measures such as currency manipulation, special price discounts, bilateral trade agreements, export taxes, fees, etc.

The number of foreign growths and qualities that are substitutable at smaller price discounts for traditionally-preferred United States cotton has increased steadily. More than 50 producing countries are marketing countless qualities and descriptions of cotton. Analyses of "world" price levels, movements, and trends can have meaning only when comparisons can be made of elements that are alike in point of time, place, and end use quality or spinning utility. The term "world price" of cotton can mean as little as the "world price" of women's hats. On the other hand, prices at which similar qualities of U. S. and foreign cotton, in a specified currency, are offered in a designated market in an importing country on a given date are highly useful for purposes of determining market levels and relative prices for competing growths in cotton importing countries.

Relationship of Cotton Prices and International Trade

Market confidence in the stability of prices frequently exerts greater influence on world cotton trade and consumption than the market level. Foreign cotton price declines of 25 to 30 percent late in 1955 reflected continued record high foreign production and stock increases in the United States. Lack of market confidence tended to restrict import buying to nearby requirements. The effect on world trade of differences in prices of U. S. and competitive growths is illustrated by figure 5. Prices of foreign growths were well below prices of many equivalent U. S. qualities in most of the 1955-56 and 1958-59 marketing years. U. S. exports were 2.2 million bales in 1955-56 and 2.8 million in 1958-59.

During the 1956-57 marketing year, prices of the leading growths were relatively stable and competitive. World trade reached 15.8 million bales, compared with 13.1 million in 1955-56. Stocks in importing countries increased 1.0 million bales during the 1956-57 season and total foreign consumption, at a record high of 34.4 million bales, was 2.2 million above a year earlier. Although price stability was not maintained throughout the 1957-58 season, world trade that year amounted to 14.1 million bales, stocks in importing

Cotton Prices Competitive and Rising On World Markets

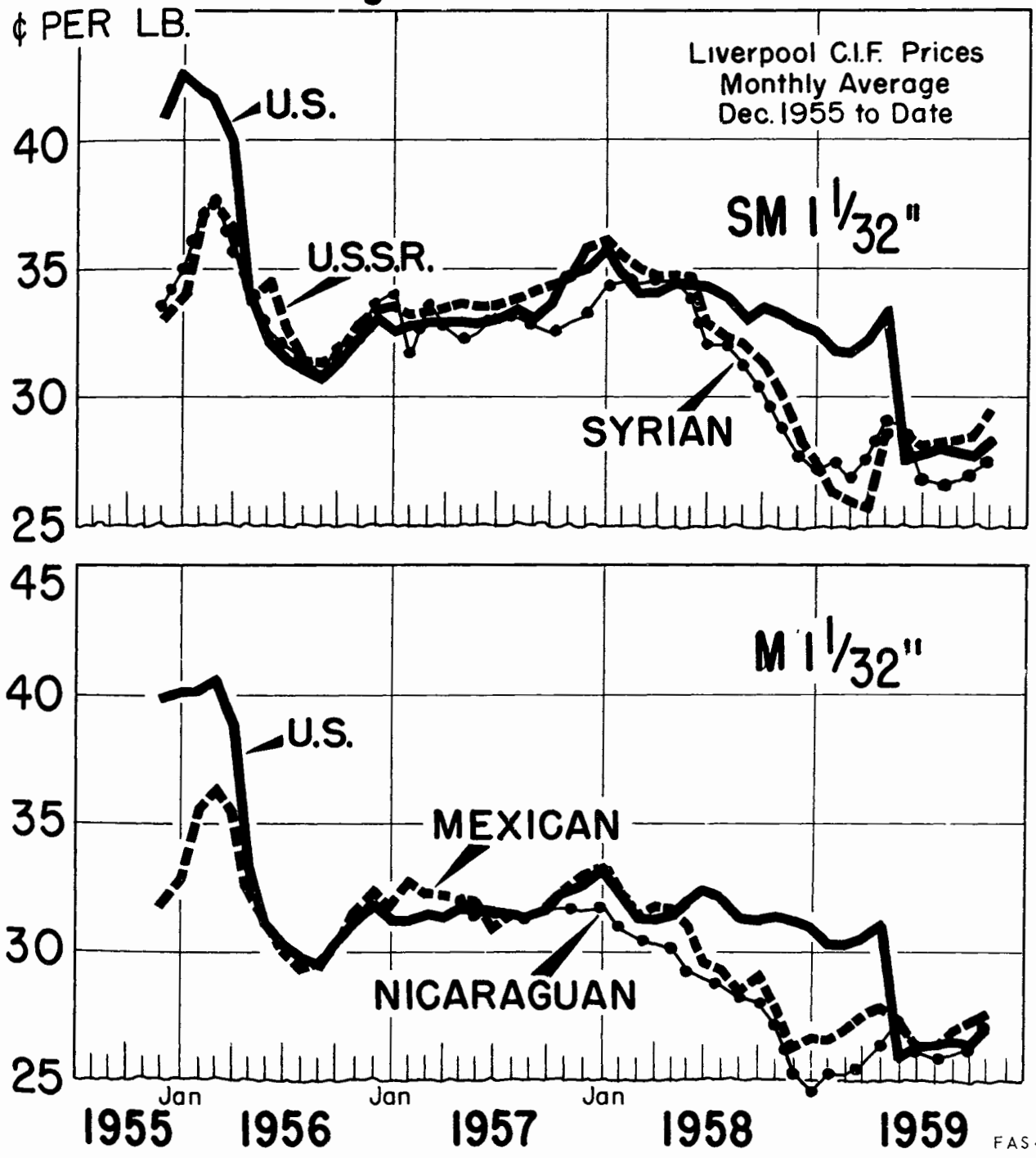


Figure 5

TABLE 16.--Cotton: Average prices^{1/} of selected growths and qualities, c.i.f. Liverpool, England, annual 1952-55 and monthly 1956 to date

Date Year and Month	M 1"		M 1-1/32"			SM 1-1/32"			SM 1-1/16"		SM 1-1/8"	
	U. S.	Pakistan: 289F	U. S.	Mexico	Nica- ragua	U. S.	Syria	U.S.S.R.	U. S.	Iran	U. S.	Uganda B. P. S.
	----- Equivalent U. S. cents per pound -----											
1952	46.50	--	46.83	45.15	--	47.39	45.08	--	47.84	--	49.66	--
1953	38.42	37.70	38.85	37.63	--	39.34	37.21	--	39.79	--	41.67	41.38
1954	39.13	41.39	39.60	38.59	--	39.99	39.58	--	40.36	--	42.08	44.62
1955	38.91	36.91	39.72	36.04	--	40.36	36.13	33.60	40.99	33.04	42.74	43.07
1956												
January	39.00	33.44	40.12	32.88	--	42.62	34.96	34.00	42.51	34.70	43.00	41.24
February	39.31	36.60	40.19	35.57	--	41.77	37.15	37.21	42.86	35.98	44.05	43.70
March	40.06	35.25	40.53	36.42	--	41.54	37.74	37.66	42.41	36.86	43.73	43.37
April	38.42	35.69	38.83	35.46	--	39.76	35.68	36.64	40.55	35.54	41.75	44.17
May	32.22	38.13	33.10	32.64	--	34.10	34.51	33.75	34.80	35.68	36.50	47.78
June	30.32	35.76	31.09	31.09	--	32.01	32.62	34.45	32.62	35.62	34.15	46.49
July	29.58	33.49	30.17	29.99	--	31.30	31.96	32.76	31.88	--	32.93	44.36
August	29.17	32.17	29.82	29.44	--	30.95	31.25	31.22	31.46	32.93	32.40	43.50
September	28.82	31.47	29.44	29.64	--	30.60	30.80	31.08	31.14	31.89	32.36	41.85
October	29.61	31.82	30.19	30.15	--	31.33	32.02	31.42	31.85	32.08	33.72	43.11
November	30.36	33.45	31.23	31.45	--	32.32	32.32	32.85	33.19	33.55	35.30	45.87
December	31.12	36.38	31.91	32.42	--	33.07	33.65	33.44	33.87	35.10	36.27	47.44
1957												
January	30.57	37.24	31.15	31.79	--	32.72	34.06	33.43	33.32	35.05	35.58	48.39
February	30.31	36.64	31.12	32.79	--	32.85	31.55	33.12	33.26	32.50	35.85	48.09
March	30.40	35.82	31.27	32.44	--	33.02	33.60	33.25	33.86	33.02	36.22	44.22
April	30.30	35.72	31.24	32.18	--	33.06	32.69	33.40	34.41	32.69	36.26	43.30
May	30.58	34.40	31.51	32.10	31.92	33.14	32.10	33.57	34.42	32.56	36.34	41.63
June	30.60	32.05	31.51	31.18	31.32	32.96	32.54	33.40	34.08	32.84	36.41	40.77
July	30.57	32.53	31.52	30.90	31.37	33.11	32.49	33.38	33.94	33.13	36.46	39.00
August	30.73	34.05	31.53	31.48	31.48	33.45	33.16	33.56	34.32	--	36.87	38.38
September	30.52	34.57	31.35	31.40	31.32	33.22	32.84	33.77	34.22	32.78	36.76	37.56
October	30.51	34.55	31.50	31.74	31.56	33.65	32.61	34.14	35.00	32.96	37.28	37.63
November	31.06	33.93	32.27	32.34	31.70	34.90	32.85	34.86	36.21	33.29	38.33	38.75
December	31.27	33.12	32.54	33.02	31.56	34.88	33.22	35.65	36.53	33.81	38.58	39.55
1958												
January	31.82	34.00	33.19	33.38	31.70	35.76	34.39	36.03	37.05	34.74	39.08	39.30
February	30.72	33.49	32.11	32.19	30.86	34.72	34.61	35.42	36.10	34.24	37.98	38.93
March	30.00	32.55	31.18	31.38	30.35	34.02	34.46	34.97	34.94	33.58	36.37	38.39
April	29.92	33.65	31.16	31.76	30.29	34.00	34.62	34.62	35.10	33.81	36.60	37.57
May	30.33	34.30	31.50	31.61	30.08	34.36	34.61	34.61	35.45	33.96	36.63	36.58
June	30.89	34.08	32.06	30.99	29.40	34.30	33.90	34.56	35.24	33.23	36.38	36.73
July	31.06	34.11	32.59	29.55	28.97	34.23	32.07	32.71	35.10	31.95	36.24	36.11
August	31.03	34.72	32.26	29.36	28.78	33.79	31.99	32.28	34.64	32.14	36.08	36.20
September	30.42	35.12	31.39	28.54	28.25	32.88	31.24	31.97	33.72	31.39	35.24	35.22
October	30.17	32.13	31.38	29.24	28.13	33.28	30.18	31.35	33.97	30.17	35.31	32.79
November	29.87	29.60	31.27	27.91	27.33	33.17	29.08	30.11	33.95	29.38	35.26	30.92
December	29.58	29.00	31.18	26.29	25.17	32.51	27.82	28.41	33.33	28.85	34.94	30.21
1959												
January	29.05	30.09	30.98	26.68	24.55	32.33	27.24	27.53	33.22	27.87	34.48	30.08
February	28.72	30.01	30.21	26.58	25.16	31.69	27.43	26.16	32.61	27.72	33.81	29.41
March	28.34	29.50	30.17	26.95	25.19	31.60	26.81	25.78	32.44	27.46	33.67	30.22
April	28.80	28.12	30.51	27.46	25.49	32.10	27.64	25.58	32.86	27.99	34.15	31.75
May	29.24	29.33	31.30	27.85	26.53	33.34	29.24	28.69	33.34	29.54	33.72	34.74
June	24.61	29.94	25.72	27.16	27.30	27.36	28.80	28.56	28.27	29.52	29.68	36.55
July	25.07	30.00	26.36	26.20	26.07	27.77	26.80	28.12	28.47	28.29	29.99	--
August	25.54	27.66	26.56	26.49	25.76	27.95	26.59	28.17	28.54	27.88	30.07	34.82
September	25.41	27.74	26.42	26.81	26.01	27.82	26.65	28.33	28.48	28.40	30.04	35.04
October	25.42	27.42	26.28	27.18	26.24	27.69	27.14	28.53	28.64	28.70	29.74	33.68
November	25.96	28.89	26.96	27.46	27.02	28.32	27.46	29.14	29.17	28.83	30.15	33.72
December	26.87	31.75	28.04	28.10	27.98	29.41	29.69	29.88	29.88	30.66	31.15	39.11

^{1/} Generally for prompt shipment. Prices for certain qualities were computed using value differences.

Source: Dudley Windel

countries were maintained at relatively high levels, and consumption in importing countries again set a new record. U. S. exports of 7.6 million bales in 1956-57 and 5.7 million in 1957-58 constituted 48 percent and 40 percent, respectively, of total world trade. Foreign exporters, contrary to earlier fears, generally were able to dispose of surpluses of upland type cotton in 1956-57 and 1957-58 at prices higher than those prevailing in late 1955.

With world consumption reaching a record level again in 1957-58 and with world production declining for the second successive year, due to smaller U.S. crops, prices in import markets increased about 2.5 cents per pound by the end of 1957 from the level at which foreign cotton sold late in 1955. However, the Liverpool price of around 33.00 cents per pound for U. S. Middling 1-1/32 inches cotton at the end of 1957 was about 6.50 cents lower than the price of this cotton at the end of 1955.

The 1957 world cotton crop outside the U. S. rose to record highs of 30.5 million bales. At the same time, a textile recession was developing in foreign consuming countries. As a result, mill inventories of textiles increased, cotton consumption declined, and the demand for cotton weakened. By spring of 1959, prices of most foreign growths reached the lowest point in many years as the 1958 foreign crop was again at a record high and offerings continued to increase in a declining market. (See figure 5 and tables 16 and 17.) Prices of most qualities of U. S. cotton showed only moderate declines until June of 1959 when sales for shipment beginning August 1 of that year began. Again, as in 1955-56, cotton stocks and consumption had declined in 1958-59 in foreign free world importing countries. Even with prices of many foreign growths at long-time low levels, cotton purchases generally were held to nearby requirements. World trade in 1958-59 declined to the 1955-56 level of 13.1 million bales and U. S. exports of 2.8 million amounted to 21 percent of world trade.

Export movement of U. S. cotton increased in the early months of the 1959-60 season as prices remained competitive. World trade in 1959-60 is expected to be the largest since the postwar high of 15.8 million bales in 1956-57, reflecting rising domestic and foreign consumption, rebuilding of stocks in major importing countries to more normal levels, and increasing demand for textiles as shown by mill orders extending well past mid-1960. Surplus supplies from foreign exporting countries were marketed in international trade early in the 1959-60 season at prices which did not reflect these strengthening influences. By late fall of 1959, as exportable supplies in a number of the larger surplus-producing countries abroad became depleted, prices strengthened and importers turned increasingly to a wider range of U. S. qualities. If U. S. exports in 1959-60 are at least 6.0 million bales as expected, the 4-year 1956-59 average of 5.5 million per year will constitute about 38 percent of total world trade in cotton. Exports in 1959-60 from Foreign Free World Countries, estimated at 7.5 million bales, will be close to the average of the last 5 years and will comprise most of the cotton these countries have available for export.

C.i.f. prices of additional growths and qualities of cotton in other import markets are available from the Foreign Agricultural Service on request.

TABLE 17.--Cotton: Average prices^{1/} of selected growths and qualities, c.i.f. Bremen, Germany, annual 1953-55 and monthly 1956 to date

Date Year and Month	M 1-1/32"			SM 1-1/32"			SM 1-1/16"		SM 1-1/8"	
	U. S.	Mexico	Nica- ragua	U. S.	Syria	U.S.S.R.	U. S.	Iran	U. S.	Uganda B. P. S
	Equivalent U. S. cents per pound									
1953	38.27	36.86	--	38.79	37.61	--	39.41	--	41.21	--
1954	39.40	38.90	--	39.98	40.52	--	40.50	--	42.21	--
1955	39.31	36.88	--	40.15	38.02	--	40.90	--	42.70	--
<u>1956</u>										
January	40.29	33.10	31.40	42.35	35.28	--	43.17	35.20	44.92	--
February	41.43	36.27	35.24	43.55	37.31	--	44.31	37.75	46.06	--
March	41.78	37.11	34.63	43.70	38.12	--	44.45	38.92	46.20	--
April	41.98	37.12	33.70	43.63	36.61	--	44.38	38.50	46.13	--
May	42.36	37.43	34.35	43.78	36.34	--	44.49	38.27	46.24	--
June	43.09	36.63	33.95	43.95	35.79	--	44.70	36.85	46.45	--
July	37.21	33.04	32.40	38.41	--	--	39.16	35.72	40.91	--
August	30.34	29.57	31.50	31.77	31.69	--	32.52	35.55	34.27	--
September	29.48	29.97	31.13	30.85	32.08	--	31.52	33.62	33.27	--
October	30.24	31.24	30.96	31.60	32.54	--	32.37	33.87	34.34	47.08
November	31.40	32.30	31.18	32.65	33.90	--	33.45	34.68	35.24	49.31
December	31.76	33.36	31.40	33.19	34.28	--	33.94	35.05	35.80	49.35
<u>1957</u>										
January	31.48	33.23	31.28	32.97	34.00	--	33.77	35.25	35.62	49.07
February	31.58	33.20	30.75	33.10	33.32	--	33.85	35.28	35.72	49.38
March	31.72	33.10	29.88	33.02	33.05	--	34.02	35.25	35.92	47.45
April	31.72	33.05	30.05	32.98	32.85	--	34.23	34.69	36.18	44.55
May	31.64	32.46	29.99	33.26	32.54	33.62	34.43	33.87	36.45	43.21
June	31.85	32.85	29.40	33.72	31.92	33.72	34.88	33.65	36.50	42.27
July	32.27	32.72	29.42	33.92	32.73	33.92	35.07	33.65	36.49	39.50
August	32.03	32.30	29.50	33.65	32.88	34.30	34.80	33.65	36.55	38.02
September	31.45	31.50	29.70	33.01	33.02	34.30	34.42	33.65	36.30	37.92
October	30.73	31.72	29.90	32.56	32.72	34.06	34.06	33.61	36.21	37.97
November	31.38	33.00	30.58	33.76	33.26	35.01	35.14	33.38	38.08	39.54
December	32.15	33.36	31.00	34.77	33.98	35.58	36.01	33.75	38.88	39.90
<u>1958</u>										
January	32.20	33.60	31.28	34.98	34.25	35.85	36.22	33.58	38.62	39.58
February	31.52	33.22	30.22	34.32	34.08	35.40	35.58	33.40	38.05	38.90
March	31.00	32.80	29.50	33.90	33.85	35.22	35.15	32.85	37.75	38.48
April	30.40	32.32	28.88	33.55	33.44	34.79	34.84	32.74	36.79	37.58
May	30.78	32.05	28.80	33.78	32.72	34.58	35.02	32.32	36.05	37.00
June	30.78	31.22	28.45	33.82	32.60	34.30	35.08	31.62	36.12	37.70
July	31.60	30.06	27.84	33.79	31.72	32.93	35.04	31.02	36.29	36.74
August	31.45	29.94	27.91	33.69	30.70	32.52	34.94	30.99	36.45	36.40
September	31.12	28.18	--	33.12	29.78	31.85	34.02	30.65	36.32	35.10
October	30.94	28.91	--	32.88	29.88	30.97	33.78	30.26	36.10	33.62
November	30.98	28.40	--	33.00	29.32	30.54	33.90	30.22	35.85	31.42
December	30.60	27.35	25.30	32.90	28.83	29.58	33.80	29.60	35.33	30.96
<u>1959</u>										
January	30.00	26.82	23.88	32.22	27.65	27.40	33.12	28.18	35.15	30.71
February	29.55	26.98	24.45	31.72	27.10	26.52	32.62	28.25	35.00	30.38
March	29.60	27.05	24.62	31.32	26.58	26.18	32.22	27.88	34.75	30.16
April	29.40	27.08	25.00	31.21	26.63	26.59	32.08	27.18	34.64	31.60
May	29.80	27.30	25.81	31.75	28.72	27.45	32.45	28.32	34.52	33.82
June	29.80	27.66	26.55	32.05	28.95	27.70	32.75	28.80	34.95	35.46
July	29.68	27.08	26.24	31.83	28.29	27.65	32.68	28.88	35.12	35.63
August	28.50	26.58	26.10	30.38	28.02	27.65	31.29	28.90	35.10	35.32
September	26.44	26.95	26.10	28.35	28.34	--	29.35	--	31.00	34.17
October	26.25	27.15	26.30	27.78	28.48	--	28.65	28.30	30.88	33.10
November	26.32	27.02	26.61	27.80	28.54	--	28.68	28.52	30.84	32.32
December	27.56	27.69	27.74	29.00	30.29	29.56	29.82	28.90	32.03	38.72

^{1/} For prompt shipment. Prices for certain qualities were computed using value differences.

Source: Trade and Market Reports

Table 18.--Cotton: Exports, by staple length and by countries of destination, United States, October and November 1959 and cumulative totals since August 1, 1959

Country of destination	October 1959				November 1959				Cumulative totals since Aug. 1, 1959			
	1-1/8	1 inch	Under	Total	1-1/8	1 inch	Under	Total	1-1/8	1 inch	Under	Total
	inches	to	1 inch		inches	to	1 inch		inches	to	1 inch	
	and over 1/	1-1/8	1 inch		and over 1/	1-1/8	1 inch		and over 1/	1-1/8	1 inch	
	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	3,547	26,922	18,530	48,999	5,436	24,707	16,594	46,737	8,983	66,849	48,411	124,243
Austria	261	1,100	938	2,299	158	1,080	373	1,611	664	3,421	1,610	5,695
Belgium and Luxembourg	4	6,585	2,956	9,545	350	17,076	3,736	21,162	354	28,616	11,173	40,143
Denmark	305	790	31	1,126	201	215	300	716	506	1,655	1,221	3,382
Eire	0	0	118	118	0	276	0	276	5	276	322	603
Finland	416	5,904	0	6,320	450	7,558	361	8,369	866	17,294	469	18,629
France	4,969	32,609	4,849	42,427	8,445	47,597	9,649	65,691	14,634	102,484	20,979	138,097
Germany (West)	4,811	24,788	2,464	32,063	6,725	49,452	2,552	58,729	13,606	84,071	9,542	107,219
Italy	2,029	24,657	9,695	36,381	2,912	44,231	15,532	62,675	6,908	85,522	37,730	130,160
Netherlands	4,286	6,174	703	11,163	13,376	12,154	699	26,229	17,662	21,633	3,004	42,299
Norway	50	142	50	242	100	1,145	300	1,545	150	1,487	550	2,187
Portugal	0	0	0	0	0	0	0	0	0	0	0	0
Spain	0	0	0	0	0	0	0	0	0	0	0	0
Sweden	0	2,868	870	3,738	0	8,369	1,613	9,982	0	14,384	2,833	17,217
Switzerland	623	5,553	1,334	7,510	2,299	10,505	1,793	14,597	3,172	17,887	4,024	25,083
Trieste	0	0	0	0	0	110	0	110	0	123	0	123
Yugoslavia	0	0	100	100	0	0	0	0	0	0	100	100
Other	0	8,893	6,321	15,214	0	9,302	3,038	12,340	0	42,535	18,838	61,373
Total Europe	21,301	146,985	48,959	217,245	40,452	233,777	56,540	330,769	67,510	488,237	160,806	761,553
Other Countries												
Canada	320	10,551	823	11,694	100	25,956	2,594	28,650	920	39,567	5,696	46,183
Colombia	0	0	0	0	0	0	0	0	0	0	0	0
Chile	0	874	22	896	734	322	0	1,056	784	1,403	530	2,717
India	5,905	240	0	6,145	3,478	487	0	3,965	10,220	968	0	11,188
Pakistan	308	0	0	308	0	0	0	0	308	0	0	308
Indonesia	0	2,734	71	2,805	0	0	0	0	0	8,460	294	8,754
Korea	0	282	9,362	9,644	0	1,720	27,034	28,754	97	5,625	61,728	67,450
Hong Kong	0	2,360	24,945	27,305	0	5,001	22,609	27,610	0	10,115	69,841	79,956
Taiwan	0	1,009	18,248	19,257	199	2,100	29,585	31,884	199	5,046	55,934	61,179
Japan	2,513	12,563	58,202	73,278	3,663	70,560	86,289	160,512	6,874	86,973	204,750	298,597
Australia	481	2,171	50	2,702	153	7,363	556	8,072	709	13,063	656	14,428
Morocco	0	225	911	1,136	0	2,236	0	2,236	0	3,129	911	4,040
Union of South Africa:	0	920	0	920	400	1,190	1,437	3,027	400	2,814	3,067	6,281
Other	1,525	13,201	4,001	18,727	2,910	16,423	5,667	25,000	5,119	33,831	15,264	54,214
World total	32,353	194,115	165,594	392,062	52,089	367,135	232,311	651,535	93,140	699,231	579,477	1,371,848

1/ Includes American Egyptian and Sea Island cotton.

Bureau of the Census.

Table 19.--Foreign spot prices per pound including export taxes ^{1/} and Commodity Credit Corporation average sales prices at average location in the United States October, November and December, 1958 ^{2/}

Market	Foreign		United States	
	Quality	Price per pound ^{3/}	Price per pound ^{4/}	Quality ^{5/}
		Cents	Cents	
October 1958				
Bombay, India	: Broach, Vijay, fine	24.46	24.53	SIM 15/16"
Karachi, Pakistan	: 289 F Sind fine S G	28.00	26.24	SIM 1"
Izmir, Turkey	: Acala II	6/	31.60	M 1-1/16"
Sao Paulo, Brazil	: Type 5	30.08	25.32	SIM 31/32"
Matamoros, Mexico	: M 1-1/32"	7/27.84	30.75	M 1-1/32"
Lima, Peru	: Tanguis type 5	28.26	29.86	SIM 1-3/16"
Alexandria, Egypt	: Ashmouni good	39.46	32.68	M 1-1/8"
November 1958				
Bombay, India	: Broach Vijay, fine	24.13	24.59	SIM 15/16"
Karachi, Pakistan	: 289 F Sind Fine S G	25.96	26.32	SIM 1"
Izmir, Turkey	: Acala II	20.67	31.56	M 1-1/16"
Sao Paulo, Brazil	: Type 5	32.95	25.39	SIM 31/32"
Matamoros, Mexico	: M 1-1/32"	7/27.09	30.72	M 1-1/32"
Lima, Peru	: Tanguis type 5	28.02	29.66	SIM 1-3/16"
Alexandria, Egypt	: Ashmouni good	39.27	32.56	M 1-1/8"
December 1958				
Bombay, India	: Broach Vijay, fine	25.05	24.44	SIM 15/16"
Karachi, Pakistan	: 289 F Sind Fine S G	25.28	26.15	SIM 1"
Izmir, Turkey	: Acala II	21.00	31.30	M 1-1/16"
Sao Paulo, Brazil	: Type 5	33.86	25.21	SIM 31/32"
Matamoros, Mexico	: M 1-1/32"	7/24.64	30.48	M 1-1/32"
Lima, Peru	: Tanguis type 5	6/	29.44	SIM 1-3/16"
Alexandria, Egypt	: Ashmouni good	38.93	32.28	M 1-1/8"

^{1/} Includes export taxes where applicable.

^{2/} Quotations on net weight basis.

^{3/} Average of prices collected once each week.

^{4/} Net weight price for U. S. is CCC average sales price divided by 0.96. Price for each month is the average of prices at average location for all sales made during the month.

^{5/} Quality of U. S. cotton generally considered to be most nearly comparable to the foreign cotton.

^{6/} No quotations.

^{7/} Delivered at Brownsville. Net weight price = actual price divided by 0.96.

Foreign Agricultural Service and Cotton Division, AMS.

Table 20.--Foreign spot prices per pound including export taxes ^{1/} and U. S. average spot export prices, October, November and December, 1959 ^{2/}

Market	Foreign		United States	
	Quality	Price per pound ^{3/}	Price per pound ^{4/}	Quality ^{5/}
		Cents	Cents	
		October 1959		
Bombay, India	: Broach Vijay, Fine	26.65	19.86	SIM 15/16"
Karachi, Pakistan	: 289 F Sind Fine, S G	24.55	21.73	SIM 1"
Izmir, Turkey	: Acala II	^{6/} 23.18	26.27	M 1-1/16"
Sao Paulo, Brazil	: Type 5	18.77	20.83	SIM 31/32"
Matamoros, Mexico	: M 1-1/32"	^{7/} 25.87	25.45	M 1-1/32"
Lima, Peru	: Tanguis type 5	31.53	25.97	SIM 1-3/16"
Alexandria, Egypt *	: Ashmouni good	38.24	27.45	M 1-1/8"
		November 1959		
Bombay, India	: Broach, Vijay, Fine	25.77	19.83	SIM 15/16"
Karachi, Pakistan	: 289 F Sind Fine, S G	25.11	21.69	SIM 1"
Izmir, Turkey	: Acala II	^{8/}	26.18	M 1-1/16"
Sao Paulo, Brazil	: Type 5	18.00	20.79	SIM 31/32"
Matamoros, Mexico	: M 1-1/32"	^{7/} 26.81	25.38	M 1-1/32"
Lima, Peru	: Tanguis type 5	31.61	25.58	SIM 1-3/16"
Alexandria, Egypt *	: Ashmouni good	40.13	27.14	M 1-1/8"
		December 1959		
Bombay, India	: Broach Vijay, Fine	26.55	20.16	SIM 15/16"
Karachi, Pakistan	: 289 F Sind Fine S G	27.16	22.06	SIM 1"
Izmir, Turkey	: Acala II	^{6/} 24.95	26.39	M 1-1/16"
Sao Paulo, Brazil	: Type 5	18.45	21.14	SIM 31/32"
Matamoros, Mexico	: M 1-1/32"	^{7/9/} 26.99	25.59	M 1-1/32"
Lima, Peru	: Tanguis type 5	32.48	25.88	SIM 1-3/16"
Alexandria, Egypt *	: Ashmouni good	42.95	27.41	M 1-1/8"

^{1/} Includes export taxes where applicable.

^{2/} Quotations on net weight basis.

^{3/} Average of prices collected once each week.

^{4/} Average 14 spot market gross weight price less export payment-in-kind rate per pound, divided by 0.96 to convert price to a net weight basis.

^{5/} Quality of U. S. cotton generally considered to be most nearly comparable to the foreign cotton.

^{6/} One quotation.

^{7/} Delivered at Brownsville. Net weight price = actual price divided by 0.96.

^{8/} No quotation.

^{9/} Average for 4 weeks.

* Discounts of varying amounts are offered on exports sales.

Foreign Agricultural Service and Cotton Division, AMS.

Table 21.--Unfinished cloth prices, cotton prices, and mill margins on 20 selected constructions, United States, by months, 1954 to date

Year begin- ning August	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aver- age
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
<u>Cloth prices 1/</u>													
1954	60.75	60.98	61.48	61.13	61.24	62.19	62.42	62.04	61.47	61.27	61.58	61.89	61.54
1955	62.35	62.86	63.71	64.40	65.30	65.49	65.46	64.88	64.33	63.96	63.33	62.51	64.05
1956	61.78	61.74	63.21	62.93	62.54	62.00	61.11	60.52	60.18	59.74	59.52	59.42	61.22
1957	59.17	58.86	58.36	58.13	58.55	58.57	58.24	57.86	57.45	56.72	56.74	56.79	57.97
1958	56.98	56.99	57.14	58.13	58.98	59.41	60.50	61.63	62.22	62.69	63.25	63.78	60.14
1959	64.09	64.38	64.81	65.59	66.37								
<u>Cotton prices 2/</u>													
1954	35.88	36.47	36.36	35.90	36.25	36.29	36.41	34.65	35.78	36.54	36.61	36.48	36.22
1955	36.29	35.30	35.33	36.07	35.78	36.32	37.12	37.05	36.69	36.76	36.85	35.72	36.27
1956	33.93	33.93	34.09	34.35	34.43	34.79	35.07	34.70	34.68	34.71	34.74	34.75	34.51
1957	34.08	33.78	34.34	35.77	35.74	35.13	34.98	34.75	34.70	34.92	35.03	35.14	34.86
1958	34.68	34.75	34.98	34.77	33.92	34.40	34.53	34.72	35.04	35.02	35.05	35.03	34.74
1959	33.73	32.97	32.20	32.55	33.17								
<u>Mill margins 3/</u>													
1954	24.87	24.51	25.12	25.23	24.99	25.90	26.01	25.39	25.69	24.73	24.97	25.41	25.32
1955	26.06	27.56	28.38	28.33	29.52	29.17	28.34	27.83	27.64	27.20	26.48	26.79	27.78
1956	27.85	27.81	29.12	28.58	28.11	27.21	26.04	25.82	25.50	25.03	24.78	24.67	26.71
1957	25.09	25.08	24.02	22.36	22.81	23.44	23.26	23.11	22.75	22.00	21.71	21.65	23.11
1958	22.30	22.24	22.16	23.36	25.06	25.01	25.97	26.91	27.18	27.67	28.20	28.75	25.40
1959	30.36	31.41	32.61	33.04	33.20								

1/ Average wholesale price for 20 selected constructions. Prices per yard are converted to the approximate value of cloth obtainable from a pound of cotton.

2/ Average monthly price based on landed quotations (Group 201 mill points) for four growths - Southeastern, Memphis Territory, Texas-Oklahoma and California.

3/ Difference between cloth prices and prices for the average qualities of cotton used in the 20 constructions.

Table 22.--Cotton products export program: Classes of cotton products and equalization payments, October, November and December 1959, and cumulative totals since August 1, 1959

Class	Principal item of export	Equalization payments							
		October 1959		November 1959		December 1959		August-December 1959	
		Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity
		Dollars	Pounds	Dollars	Pounds	Dollars	Pounds	Dollars	Pounds
A	Card strips, comber noils, spinners laps and roving waste	442,449	6,250,802	379,943	5,329,328	279,892	3,923,700	1,705,639	25,329,661
B	Picker laps and cotton batting	266	3,224	---	---	161	2,012	1,180	15,577
C	Sliver, sliver laps, ribbon laps, roving, and drawing sliver	65	750	---	---	9	100	252	2,850
D	Gray or unfinished yarn, twine, cordage, and rope	73,348	862,119	71,584	826,524	59,694	679,912	330,026	3,992,900
E	Gray fabrics, absorbent cotton, and full finished yarn	152,647	1,777,014	160,808	1,792,178	165,962	1,821,793	786,332	9,211,021
F	Knitted articles	9,012	115,342	12,091	139,568	3,789	42,070	42,882	538,243
G	Finished fabrics	549,512	6,109,258	495,402	5,309,985	525,935	5,549,701	2,506,281	28,169,826
H	Articles mfrd. from fabrics	148,599	1,457,396	105,830	994,557	118,532	1,083,861	596,892	5,915,364
I	Coated and rubberized yarns and fabrics, absorbent cotton, twine, cordage, rope, and fabrics, consisting of a mixture of fibers, containing not less than 50 pct. by weight of cotton	23,305	442,493	26,315	495,125	35,352	670,931	144,097	2,864,031
J	Coated, rubberized and impregnated articles mfrd. from fabrics consisting of a mixture of fibers, containing not less than 50 pct. by weight of cotton	24,532	391,329	12,562	196,181	10,927	170,504	80,835	1,325,083
K	Gray or finished fabrics 1 yd. or more but less than 10 yd. in length	118,811	1,738,869	98,706	1,394,797	88,445	1,247,357	466,589	6,837,555
L	Coated and rubberized fabrics and fabrics consisting of a mixture of fibers containing not less than 50 pct. by weight of cotton, 1 yd. or more but less than 10 yd. in length	1,664	40,712	1,889	46,242	4,603	111,581	16,250	423,809
M	Articles mfrd. from gray fabrics; bags; and mops	17,280	177,564	4,808	50,901	41,370	418,541	103,073	1,098,552
	Total	1,561,489	19,366,872	1,369,939	16,575,386	1,334,671	15,722,063	6,780,327	85,724,472

Commodity Stabilization Service.

Table 23.--Commodity Credit Corporation stocks of cotton, United States, August 1, 1957 and 1958 and August 1959 to date

Date	Total	Upland			Extra-long staple <u>1/</u>		
		Owned <u>2/</u>	Under loan	Total	Owned	Under loan	Total
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
1957							
Aug. 1	5,184	5,182	---	5,182	2	<u>3/</u>	2
1958							
Aug. 1	2,944	2,865	---	2,865	79	---	79
1959							
Aug. 1	7,043	6,971	---	6,971	72	---	72
Aug. 7	6,597	6,525	---	6,525	72	---	72
Aug. 14	6,597	6,526	---	6,526	71	---	71
Aug. 21	5,582	5,511	---	5,511	71	---	71
Aug. 28	5,579	5,509	---	5,509	70	---	70
Sept. 4	4,974	4,905	<u>3/</u>	4,905	69	---	69
Sept. 11	5,019	4,951	<u>3/</u>	4,951	68	---	68
Sept. 18	4,934	4,866	<u>3/</u>	4,866	68	---	68
Sept. 25	4,883	4,815	<u>3/</u>	4,815	68	---	68
Oct. 2	4,933	4,865	<u>3/</u>	4,865	68	---	68
Oct. 9	4,970	4,901	1	4,902	68	---	68
Oct. 16	5,354	5,286	2	5,288	66	---	66
Oct. 23	5,686	5,616	4	5,620	66	---	66
Oct. 30	6,036	5,961	9	5,970	66	---	66
Nov. 6	6,282	6,200	17	6,217	65	---	65
Nov. 13	6,656	6,569	20	6,589	65	2	67
Nov. 20	6,842	6,748	28	6,776	62	4	66
Nov. 27	6,932	6,833	35	6,868	60	4	64
Dec. 4	7,026	6,820	139	6,959	60	7	67
Dec. 11	6,879	6,652	160	6,812	60	7	67
Dec. 18	6,690	6,469	155	6,624	58	8	66
Dec. 23	6,587	6,363	154	6,517	58	12	70
1960							
Jan. 1	6,480	6,250	159	6,409	58	13	71
Jan. 8	6,247	6,018	160	6,178	55	14	69
Jan. 15	6,139	5,908	160	6,068	55	16	71

1/ Includes American-Egyptian, Sealand and Sea-Island. 2/ Estimated stock.
3/ Less than 500 bales.

Commodity Stabilization Service.

Table 24.--Cotton: Acreage, planted and harvested, and yield per acre on harvested acreage, 1950 to date

Crop year beginning August 1	West <u>1/</u>		Southwest <u>2/</u>		Delta <u>3/</u>		Southeast <u>4/</u>		Total	
	1,000 acres	Per-cent	1,000 acres	Per-cent	1,000 acres	Per-cent	1,000 acres	Per-cent		
Planted acreage										
1950	1,051	5.6	8,130	43.1	5,740	30.4	3,945	20.9	18,866	
1951	2,227	7.6	14,915	50.8	7,325	25.0	4,886	16.6	29,353	
1952	2,398	8.5	13,710	48.9	6,858	24.4	5,099	18.2	28,065	
1953	2,384	8.9	11,794	43.9	7,569	28.1	5,124	19.1	26,871	
1954	1,546	7.7	9,239	46.1	5,576	27.8	3,691	18.4	20,052	
1955	1,332	7.4	8,495	47.2	4,881	27.1	3,283	18.3	17,991	
1956	1,338	7.8	8,054	47.2	4,605	27.0	3,080	18.0	17,077	
1957	1,289	9.0	6,838	47.8	3,959	27.7	2,225	15.5	14,311	
1958	1,323	10.7	6,105	49.3	3,369	27.2	1,582	12.8	12,379	
1959 <u>5/</u>	1,499	9.5	7,423	46.9	4,326	27.4	2,555	16.2	15,803	
Harvested acreage										
1950	1,026	5.8	7,495	41.9	5,493	30.8	3,829	21.5	17,843	
1951	2,179	8.1	13,335	49.4	6,650	24.7	4,785	17.8	26,949	
1952	2,357	9.1	11,920	46.0	6,633	25.6	5,011	19.3	25,921	
1953	2,347	9.6	9,920	40.8	7,027	28.9	5,046	20.7	24,341	
1954	1,509	7.8	8,660	45.0	5,459	28.4	3,623	18.8	19,251	
1955	1,287	7.6	7,690	45.5	4,746	28.0	3,206	18.9	16,928	
1956	1,290	8.3	6,915	44.3	4,441	28.4	2,969	19.0	15,615	
1957	1,248	9.2	6,445	47.5	3,683	27.2	2,182	16.1	13,558	
1958	1,288	10.9	5,805	48.9	3,206	27.1	1,550	13.1	11,849	
1959 <u>5/</u>	1,460	9.6	7,040	46.5	4,175	27.5	2,489	16.4	15,164	
Yield per acre on harvested acreage										
	West <u>1/</u>		Southwest <u>2/</u>		Delta <u>3/</u>		Southeast <u>4/</u>		U. S.	
	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend	Actual	Trend
	<u>6/</u>	<u>6/</u>	<u>6/</u>	<u>6/</u>	<u>6/</u>	<u>6/</u>	<u>6/</u>	<u>6/</u>	<u>6/</u>	<u>6/</u>
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
1950	764	657	204	195	307	345	209	281	269	286
1951	625	683	163	211	322	372	331	294	269	307
1952	629	721	164	220	366	392	277	302	280	322
1953	646	766	230	233	385	389	275	300	324	331
1954	862	806	235	246	395	404	296	323	341	351
1955	818	831	281	261	536	431	405	343	417	373
1956	957		269		499		359		409	
1957	974		290		392		334		388	
1958	983		382		430		422		466	
1959 <u>5/</u>	987		333		552		388		465	

1/ West includes California, Arizona, New Mexico and Nevada.
2/ Southwest includes Texas, Oklahoma and Kansas.
3/ Delta includes Missouri, Arkansas, Tennessee, Mississippi, Louisiana, Illinois, and Kentucky.
4/ Southeast includes Virginia, North Carolina, South Carolina, Georgia, Florida, and Alabama.
5/ Preliminary, Crop Reporting Board report of December 8, 1959.
6/ Trend yield is 9-year centered average yield.

Table 25.--Production of cotton by regions, United States, 1930 to date

Crop year beginning Aug. 1	Production					Percentage of U. S. crop			
	West <u>1/</u>	South-west <u>2/</u>	Delta States <u>3/</u>	South-east <u>4/</u>	United States	West <u>1/</u>	South-west <u>2/</u>	Delta States <u>3/</u>	South-east <u>4/</u>
	1,000 bales 500 lb. gr. wt.	1,000 bales 500 lb. gr. wt.	1,000 bales 500 lb. gr. wt.	1,000 bales 500 lb. gr. wt.	1,000 bales 500 lb. gr. wt.	Pct.	Pct.	Pct.	Pct.
1930	519	4,892	3,589	4,933	13,932	4	35	26	35
1931	393	6,582	5,464	4,658	17,097	2	39	32	27
1932	270	5,584	3,921	3,228	13,003	2	43	30	25
1933	407	5,694	3,389	3,556	13,047	3	44	26	27
1934	466	2,722	3,157	3,291	9,636	5	28	33	34
1935	449	3,523	3,171	3,495	10,638	4	33	30	33
1936	774	3,223	4,724	3,708	12,399	6	26	38	30
1937	1,214	5,927	6,787	5,017	18,946	6	31	36	27
1938	716	3,649	4,572	3,007	11,943	6	31	38	25
1939	747	3,372	4,645	3,052	11,817	6	29	39	26
1940	868	4,036	4,122	3,540	12,566	7	32	33	28
1941	691	3,370	4,266	2,417	10,744	6	31	40	23
1942	706	3,746	5,108	3,256	12,817	6	29	40	25
1943	580	3,207	4,502	3,138	11,427	5	28	39	28
1944	579	3,280	4,939	3,432	12,230	5	27	40	28
1945	576	2,079	3,644	2,716	9,015	7	23	40	30
1946	758	1,931	3,413	2,539	8,640	9	22	39	30
1947	1,185	3,767	4,192	2,716	11,860	10	32	35	23
1948	1,532	3,527	6,282	3,536	14,877	10	24	42	24
1949	2,087	6,650	4,878	2,512	16,128	13	41	30	16
1950	1,639	3,188	3,518	1,667	10,014	16	32	35	17
1951	2,842	4,536	4,467	3,304	15,148	19	30	29	22
1952	3,098	4,072	5,068	2,901	15,139	21	27	33	19
1953	3,167	4,754	5,646	2,899	16,465	19	29	34	18
1954	2,716	4,233	4,507	2,240	13,697	20	31	33	16
1955	2,201	4,502	5,313	2,705	14,721	15	31	36	18
1956	2,578	3,876	4,629	2,227	13,310	19	29	35	17
1957	2,539	3,895	3,011	1,520	10,964	23	36	27	14
1958 <u>5/</u>	2,644	4,621	2,883	1,364	11,512	23	40	25	12
1959 <u>5/</u>	3,003	4,885	4,802	2,011	14,701	20	33	33	14

1/ West includes California, Arizona, New Mexico and Nevada.

2/ Southwest includes Texas, Oklahoma and Kansas.

3/ Delta includes Missouri, Arkansas, Tennessee, Mississippi, Louisiana, Illinois, and Kentucky.

4/ Southeast includes Virginia, North Carolina, South Carolina, Georgia, Florida, and Alabama.

5/ Crop Reporting Board report of December 8, 1959.

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Stock ratio:	Jan., Mar., May, July, Sept., Nov.
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Extra-long staple	Mar., Nov.
Value:	
Cottonseed	May
Lint	May
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: The supplement for 1959 to Statistics on Cotton and
: Related Data (Statistical Bulletin No. 99) is now avail-
: able on request from the Agricultural Marketing Service.:
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