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November 1982

# Cotton and Wool

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# OUTLOOK & SITUATION

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### Cotton Use/Supply and Farm Price

Percent

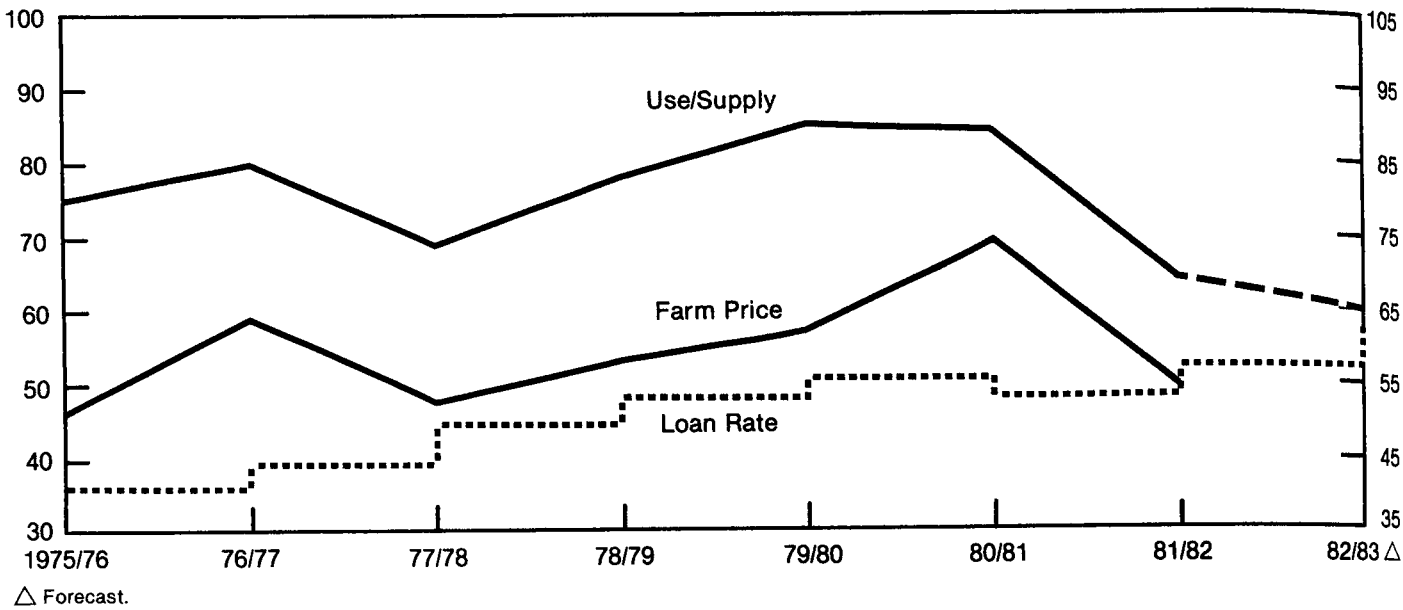
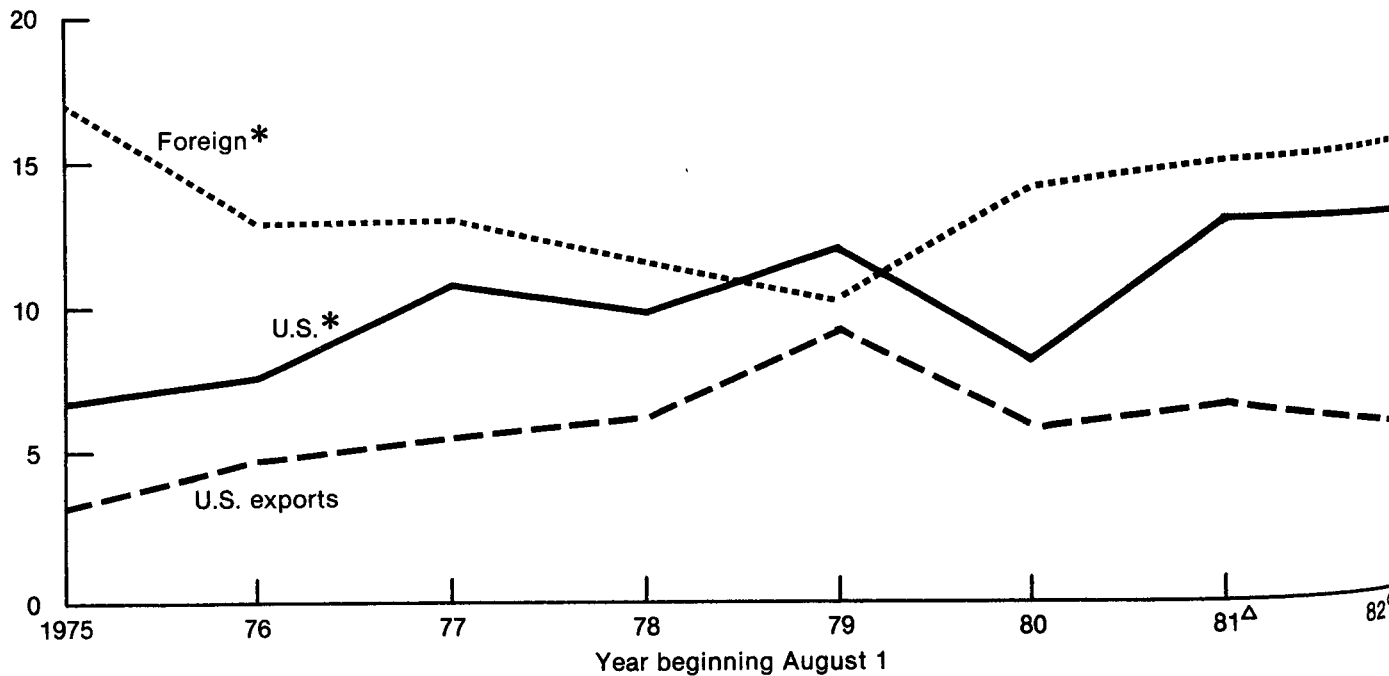


Figure 1

### U.S. Export Potential

Mil. bales



\*Beginning stocks and production minus consumption.

$\Delta$  Estimated.

$\circ$  Projections from World Agricultural Supply and Demand Estimates, November 12, 1982.

USDA

Neg. ERS 264-82(4)

Figure 2

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## Summary

The U.S. cotton outlook is being shaped by rising supplies and falling demand. Large carryin stocks and record yield per harvested acre are boosting supplies in 1982/83 to the highest since 1967/68. At the same time, weak demand has pushed prospects for total use to the lowest since 1975, a year of severe recession. This combination of supply and demand changes is expected to raise stocks on August 1, 1983, to a 16-year high.

Conditions as of November 1 indicate a 1982 U.S. crop of 11.9 million bales, 24 percent below last year but well above earlier expectations. Because of the Texas crop disaster in early summer, the estimated 9.5 million U.S. acres being harvested account for only 82 percent of planted area; harvested acreage usually averages about 94 percent of planted area. However, record yields are offsetting the area drop. This season's average U.S. yield is forecast at 605 pounds per harvested acre, 58 pounds above the record set in 1979. This jump is due primarily to big crops in the Delta and the Southeast and the smaller area harvested in the lower yielding Southwest. In the Southwest, yield is forecast to fall 10 percent from the average of the preceding 5 years. In the West, though, it is expected to rise 10 percent, and in the Delta and Southeast, it is forecast to increase dramatically—39 and 56 percent, respectively.

U.S. cotton exports are forecast at 5.8 ( $\pm$  0.9) million bales in 1982/83, compared with 6.6 million last season. Excluding China, the gap between foreign supplies and use will likely change little from last season. However,

China's production is expected to surge to 15 million bales, from 13.6 million in 1981, and greatly reduce import needs. The reduced U.S. export prospects to China and some other countries are reflected in the export commitments (exports plus outstanding sales), which stood at 3.2 million bales on November 11, about 1.4 million below a year earlier.

Domestic mill use continues to reflect the weak economy and a large deficit in cotton textile trade. During August and September, U.S. mills used cotton at an annual rate of 5.2 million bales, compared with 5.7 million a year earlier. The annual rate of net imports of cotton textiles was the equivalent of 1.2 million bales during the first half of 1982, about the same as in 1981, but double the 1980 rate. Low and more stable cotton prices and higher retail sales of textile products during first-half 1983 are expected to strengthen mill use slightly. For the season, mill use is forecast at 5.4 (+0.3) million bales, up 2 percent from 1981/82.

Total U.S. use for 1982/83 is expected to fall to 11.2 million bales, 0.7 million below the production forecast. Thus, this season's ending stocks are expected to rise to 7.5 million bales. This prospect has kept farm prices near the national average loan rate of 57.08 cents a pound for SLM 1-1/16-inch cotton. Prices in early October averaged 59.5 cents, several cents below a year earlier. Participants in the 1982 cotton program will probably receive the maximum deficiency payment on eligible production—13.92 cents a pound. The weak

demand, larger-than-expected production, and low prices have reduced the rate at which 1980 and 1981 cotton is being redeemed from loan. The same factors have greatly increased the likelihood of large forfeitures of this cotton to the Commodity Credit Corporation during 1982/83.

Foreign cotton production in 1982/83 is forecast at 55.3 million bales, about the same as last season. Foreign use is likely to register a slight increase, rising about 1 percent to 61.1 million bales, but most of the gain will occur in China. With a projected drop in imports by Far Eastern countries, world cotton exports could fall to 18.2 million bales, down 1.8 million from 1981/82. The U.S. share will probably decline slightly, but still remain about one-third. World carryover stocks are expected to total 28.6 million bales, up a bit from the 28.1 million carried in.

The outlook for another increase in U.S. carryover stocks suggests a large supply-side adjustment will be necessary in 1983. For the 1983 upland cotton crop, USDA announced a 20-percent acreage reduction program, with a 5-percent paid land diversion option available to participants. Although the 1983 program

requires that more land go into conservation use than in 1982, increased incentives, such as the target price of 76 cents a pound, will likely keep participation high. However, yields will once again play the dominant role in determining whether production will be low enough to reduce stocks materially.

Production of American-Pima cotton is forecast at 106,000 bales this season—33 percent above 1981/82. Although total use may rise to 70,000 bales, it will fall far short of production, causing a sharp rise in ending stocks. In reaction to this season's excessive supplies, USDA set a national marketing quota of 102,000 bales and an acreage allotment of 80,131 acres for the 1983 crop. A referendum will be held December 6-10 for growers to decide whether this program will take effect.

U.S. mill consumption of raw wool is expected to total 118 million pounds, clean, in 1982, a 15-percent drop from a year earlier. Mill use will likely drop again in 1983. Reflecting the weak demand, the average farm price for wool during October was 59.2 cents a pound, greasy, down from the year's high of 89.1 cents in April.

## Cotton and Wool Situation

### TEXTILES AND THE ECONOMY

Economic indicators this fall suggest the U.S. economy is still firmly in the grasp of recession. Industrial production fell 0.8 percent during October and was nearly 9 percent below a year earlier. Real gross national product (GNP) experienced no growth during the third quarter, compared with 2.1 percent during the second quarter. During September, real disposable income declined, and the unemployment rate rose again. Consumer confidence remained weak.

Despite the bad news, several developments occurred that generally presage recovery. The index of leading indicators was up in September, although largely because of the stock market rally. Consumer spending rose, and interest rates continued their general decline. Housing starts jumped above their upward trend, rising 14.4 percent in September.

The textile industry has mirrored the general economy. Seasonally adjusted unemployment in the textile mill product industry was 18.2 percent during September, compared with 10.3 percent a year earlier. However, the rate dropped to 14.1 percent in October, still 1-1/2 percent above a year earlier. Retail sales at apparel and accessory stores have been stagnant since the start of 1981 and fell 1 percent in October, despite the fact that clothing remains a good buy. The consumer price index for apparel and upkeep stood at 193 in September, compared with 293 for all items (1967=100).

Mills consumed all fibers (excluding flax and silk) at an annual rate of 10.2 billion pounds through the first 9 months of 1982. This compares with 11.6 billion during 1981 and 11.9 during 1980—in the previous U.S. recession. Consumer purchases of textiles have not fallen as sharply as mill use, because textile imports have greatly increased, and textile exports have declined. The increase

in net imports of textiles is especially significant for two reasons. First, the volume is huge. Net textile imports have grown from the equivalent of 136 million pounds of raw fiber in 1980, to 697 million in 1981, to an annual rate of 987 million through the third quarter of 1982. Second, this 42-percent rise during 1982 is contrary to the net import declines that occurred during the recession years of 1974 and 1980. In 1974, net textile imports fell about 70 percent from a year earlier, and in 1980, net imports fell 53 percent. The strong dollar, recessions in foreign economies, and increased emphasis on textile exports by some developing countries probably explain the net import growth this time.

If the annual rates of mill use and net imports of all fibers through the first 9 months of 1982 continue for the remainder of the year, domestic consumption of all fibers—mill use plus the textile trade deficit—will total about 11.2 billion pounds, the lowest since 1970. Per capita domestic consumption of all fibers would total 48.3 pounds, the lowest since 1967.

### COTTON SITUATION

#### U.S. Outlook for 1982/83

##### Program Cuts Acreage, But Record Yields Likely

Last spring, lower expected returns on cotton relative to some other crops and the 15-percent acreage reduction program caused farmers to plant 11.5 million acres, 19 percent less than in 1981. This sharp drop will be exceeded by an estimated 31-percent decline in harvested acreage, which will likely total only 9.5 million, the lowest since 1975.

U.S. average yield per harvested acre will be record high, however, for several reasons—program participants put their less productive land into conservation uses; plantings were lower in Texas (where yield is normally less than in other regions); and weather across the Cotton Belt during the growing season was excellent. Based on conditions as of November 1, yield is forecast at 605 pounds an acre, 62 pounds above last year and 58 pounds above the record set in 1979. The effect of the crop damage in Texas during June on U.S. average yield is also important, but even if the forecast were recomputed using average abandonment and yield in Texas, U.S. yields still would be record high—about 580 pounds an acre, rather than 605. The better Texas yield alone would raise U.S. average yield. However, the crop damage in Texas resulted in high abandonment there—so fewer Texas harvested acres (which are typically rather low-yielding) were averaged into the U.S. total.

This season's acreage decline is the major factor behind the production forecast of 11.9 million bales, 3.7 million below last year. Although production forecasts become much more accurate late in the season, history indicates chances are still 2 out of 3 that the final output will fall between 11.4 and 12.4 million bales.

In both the Southeastern and Delta States, program participation—complying acres as a percent of base acres—is estimated at about 73 percent. So acreage is down, but yields are boosting output in these regions. With yield in the Southeast forecast up 56 percent from the previous 5-year average, production is placed at 935,000 bales, 9 percent above 1981. In the Delta, forecast yields are 39 percent over the previous 5-year average. Consequently, production is forecast at 3.8 million bales, 11 percent above 1981.

Participation in the Southwest—estimated at 85 percent—exceeded other regions, probably because compliance was required for disaster payments. With plant-

ed area down sharply, harvested area off even more, and Texas yield forecast at 309 pounds an acre (68 pounds below last year), production in the Southwest will likely total only 2.8 million bales—a paltry 46 percent of last year's output. Yields in the Southwest are expected to fall about 10 percent below the previous 5-year average.

California will become the leading cotton-producing State in 1982, wresting the crown from Texas. California's harvest is forecast at 3.1 million bales—0.6 million above Texas (table 1). Although both yield and harvested area in California are expected to fall from 1981 levels, the declines will not be great. Compared with the previous 5-year average, yields are expected to be up about 10 percent. Participation in the acreage reduction program in the West is estimated at 58 percent, the lowest of the four major producing regions. A substantial number of growers in Arizona and California hit the \$50,000 limit for program payments on the 1981 crop when the deficiency payment rate was 7.67 cents a pound. Therefore, the much higher rate expected on the 1982 crop did not increase the incentive to participate for these growers. Production in the West is forecast at 4.5 million bales, down 16 percent from 1981, but as a share of U.S. production, up almost 4 percentage points to 37.4 percent.

### Cotton Mill Use Continues To Show Little Advance

Mill use of all fibers reached its low in the current recession in January 1982 and then moved up slightly in late spring. Since then, mill use has generally moved sideways, except for a sharp drop during July, a normally slow period. Total fiber use by textile mills during the third quarter of 1982 was about the same as the second quarter and 10 percent below a year earlier. Cotton use has followed a similar pattern. During August and Sep-

**Table 1—Cotton: Acreage, production and yield per acre on harvested acreage**

Year beginning August 1	Planted		Harvested		Production		Yield	
	1,000 acres	Percent of total	1,000 acres	Percent of total	1,000 bales <sup>1</sup>	Percent of total	Pounds <sup>2</sup>	Pounds <sup>3</sup>
West <sup>4</sup>								
1980	2,302	15.8	2,259	17.1	4,650	41.8	988	974
1981	2,318	16.2	2,276	16.4	5,287	33.8	1,115	
1982 <sup>5</sup>	1,998	17.3	1,978	20.9	4,465	37.4	1,083	
Southwest <sup>5</sup>								
1980	8,588	59.2	7,438	56.3	3,550	31.9	229	319
1981	8,128	56.7	7,858	56.8	6,103	39.0	373	
1982 <sup>5</sup>	6,204	53.8	4,360	45.9	2,782	23.3	306	
Delta <sup>6</sup>								
1980	2,955	20.3	2,846	21.5	2,424	21.8	409	558
1981	3,107	21.7	2,943	21.3	3,394	21.7	554	
1982 <sup>5</sup>	2,630	22.8	2,490	26.3	3,765	31.5	726	
Southeast <sup>7</sup>								
1980	689	4.7	672	5.1	498	4.5	355	511
1981	777	5.4	764	5.5	862	5.5	541	
1982 <sup>5</sup>	706	6.1	657	6.9	935	7.8	683	
U.S.								
1980	14,534	100.0	13,215	100.0	11,122	100.0	404	504
1981	14,330	100.0	13,841	100.0	15,646	100.0	543	
1982 <sup>5</sup>	11,538	100.0	9,485	100.0	11,947	100.0	605	

<sup>1</sup>480-pound bales. <sup>2</sup>Actual. <sup>3</sup>5-year centered average. <sup>4</sup>California, Arizona, New Mexico, and Nevada. <sup>5</sup>Texas and Oklahoma. <sup>6</sup>Missouri, Arkansas, Tennessee, Mississippi, Louisiana, Illinois, and Kentucky. <sup>7</sup>Virginia, N. Carolina, S. Carolina, Georgia, Florida, and Alabama. <sup>8</sup>Crop Reporting Board Report, November 10, 1982.

tember, the first 2 months of this crop year, seasonally adjusted mill use averaged 5.2 million bales at an annual rate, up from 5 million bales during the slow first quarter of 1982, but well below the 5.7 million bales averaged

during the first 2 months of 1981/82. These numbers indicate that the textile industry and cotton in particular have advanced little from the recession's bottom (tables 2 and 3).

**Table 2—Cotton and manmade fibers: Daily rate of mill consumption on cotton-system spinning spindles, unadjusted and seasonally adjusted**

Month	Upland cotton				Manmade staple							
	1981/82		1982/83 <sup>1</sup>		1981/82				1982/83 <sup>1</sup>			
	Unad-justed	Ad-justed	Unad-justed	Ad-justed	Rayon and acetate		Non-cellulosic <sup>2</sup>		Rayon and acetate		Non-cellulosic <sup>2</sup>	
Unad-justed					Ad-justed	Unad-justed	Ad-justed	Unad-justed	Ad-justed	Unad-justed	Ad-justed	
	<i>Bales<sup>3</sup></i>				<i>1,000 pounds</i>							
August	22,147	21,971	20,202	20,042	1,172	1,150	6,448	6,403	779	765	5,417	5,379
September	21,399	21,836	19,468	19,865	1,132	1,129	6,312	6,395	740	738	5,371	5,442
October	23,156	22,011			1,090	1,007	6,391	6,151				
November	20,763	20,276			1,078	1,087	5,737	5,554				
December	16,367	17,618			764	852	4,692	5,106				
January	19,406	18,914			887	864	5,585	5,591				
February	20,488	18,970			843	836	5,865	5,773				
March	20,550	19,741			812	801	5,595	5,375				
April	21,391	21,158			852	844	5,608	5,403				
May	20,395	19,744			820	771	5,267	5,031				
June	19,000	18,793			752	736	5,066	4,952				
July	16,419	19,711			651	758	4,536	5,324				

<sup>1</sup>Preliminary. <sup>2</sup>Includes nylon, acrylic and modacrylic, polyester, and other manmade fibers. <sup>3</sup>480-pound net weight bales.  
Compiled from reports of the Bureau of the Census.

**Table 3—Upland cotton and manmade staple fibers: Mill consumption on cotton-system spinning spindles**

Year beginning August 1	Cotton	Manmade			Total fibers	Cotton's share of total
		Rayon and acetate	Non-cellulosic	Total		
						<i>Percent</i>
1981/82	2,503,788	234,321	1,450,365	1,684,686	4,188,474	59.8
1981/82						
August	212,610	23,446	128,959	152,405	365,015	58.2
September	256,789	28,293	157,805	186,098	442,887	58.0
October	222,295	21,804	127,822	149,626	371,921	59.8
November	199,329	21,563	114,733	136,296	335,625	59.4
December	196,404	19,092	117,305	136,397	332,801	59.0
January	186,297	17,736	111,707	129,443	315,740	59.0
February	196,687	16,853	117,298	134,151	330,838	59.5
March	246,603	20,296	139,865	160,161	406,764	60.6
April	205,353	17,035	112,154	129,189	334,542	61.4
May	195,789	16,391	105,353	121,744	317,533	61.7
June	228,005	18,799	126,639	145,438	373,443	61.1
July	159,627	13,013	90,725	103,738	261,365	60.3
1982/83						
August	193,941	15,575	108,335	123,910	317,851	61.0
September <sup>1</sup>	233,617	18,504	134,278	152,782	386,399	60.5

<sup>1</sup>Preliminary.  
Compiled from reports of the Bureau of the Census.

## Factors Affecting Cotton Consumption

1972 = 100

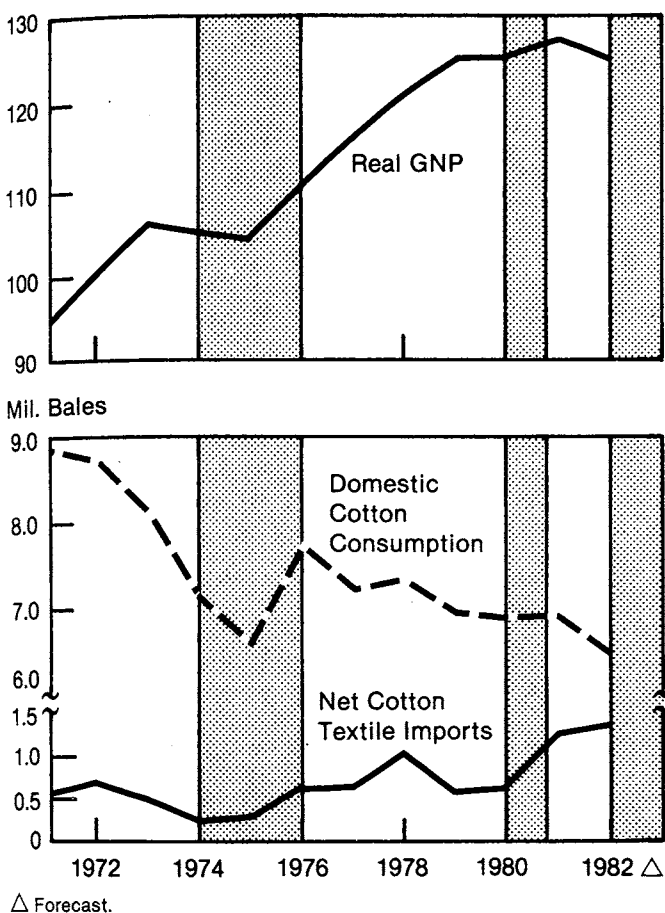


Figure 3

The pattern of cotton mill use during the last couple of years appears to be shaped by two factors: textile trade and overall economic activity. In the current recession, textile trade is probably the more dominant of the two. Cotton mill use appears to be highly correlated with real gross national product (GNP); both have fallen sharply during the past year. However, components of GNP, rather than the aggregate itself, relate more directly to cotton. Two important components, although stagnant, have not fallen: total real personal consumption expenditures and real personal consumption expenditures on clothing and shoes. Consumers continue to buy apparel and have not sharply reduced expenditures as they did during the 1980 recession. However, the mix of imported versus domestic cotton textiles has changed dramatically in favor of imported textiles, and foreign purchases of U.S. cotton textiles have dropped sharply (figure 3).

Domestic consumption of cotton textiles—mill use plus the net cotton textile trade deficit—has remained relatively flat since 1980. However, the trade deficit—imports less exports of cotton textiles—grew from the equivalent of 590,000 bales of raw cotton in 1980 to 1.2 million in 1981, and remained at that rate during the first half of 1982. The strong dollar and weak foreign economies explain the trade-deficit surge (tables 18-21).

The outlook for U.S. cotton mill use during 1982/83 is not bright. Mill use is forecast at 5.4 million bales, up slightly from last season's 5.26 million (tables 22 and 23). The following factors have been considered in the formulation of this forecast:

- Personal consumption expenditures—Essentially stagnant since the fourth quarter of 1980, expenditures are expected to show steady but slow growth during 1983. This growth will increase domestic consumption of textiles, encourage confidence in retailers and cutters, and lower inventories, all of which will boost cotton mill use. Unfortunately the boost may not come until late winter or early spring and will not help much this season.
- Textile trade—There is little on the horizon to suggest a major turnaround. Weak foreign economies will likely keep U.S. cotton textile exports restrained through most of 1982/83. The bilateral agreements negotiated under the Multi-Fiber Arrangement will have little effect in the short run. The U.S. dollar exchange rate will likely remain strong, but some weakening could occur if U.S. interest rates fall faster than foreign rates and cause a wider differential. It is the differential between rates, not the absolute level of the U.S. rate, that determines capital flows and hence the demand for dollars versus other currencies. Also, a bounce in consumer spending could increase imports of all products, thus eroding the current account trade balance; this could lead to a weakening of the dollar's exchange rate.
- Relative prices of raw fiber—This is probably overstated as a factor affecting cotton mill use. Cotton's share of staple used on the cotton system has hovered around 60 percent since 1978, despite wide price swings. A one-percentage-point gain for cotton equals less than 100,000 bales. Moreover, manmade fiber prices may follow cotton prices and discounting may make quoted list prices unrealistic to use for assessing competitive advantage. Nevertheless, the raw fiber equivalent price of cotton was 74 cents a pound during October, compared with 78 cents for polyester (table 24). This is in sharp contrast with the 5 to 20 cent premium on cotton prior to 1981/82.
- Stability of cotton price—Many cotton buyers indicate the instability of cotton prices works against increased cotton use, because it may be infeasible to pass on a high-priced fiber purchase if other fiber processors were able to cover their needs with lower prices. The current surplus of cotton made prices fairly stable during 1981/82, and it is likely to do so during 1982/83 and perhaps beyond.
- Denim market—Because denim accounts for as much as a sixth of cotton mill use, a recovery in denim is important for a recovery in U.S. cotton mill use (table 26). Reports indicate denim orders are picking up. The industry continues to find new ways to differentiate the product. Spring lines will emphasize products such as full-cut denim jeans for mature figures, stretch denim, and a return to the medium blue colored denim. Denim jeans will include colors and patterns, such as stripes and herringbones, stone-washed, overdyed, and blue that resists fading and looks newer longer. After a period of consumer apathy, the time may be right for the denim market to start to show strength. Cotton use in corduroy, the other major bottom-weight fabric made of cotton, will likely remain weak throughout 1982/83.

- Inventories—Retail inventory/sales ratios at general merchandise stores are in good balance; in early fall, they were running only about 2 percent above a year earlier. Although some categories were out of balance, overall inventories of textile mill products were below a year earlier. If retailers perceive a sustained pickup in sales, the textile industry generally seems poised to translate retailers' new orders into spindle, loom, and knitting machine activity, rather than lengthy inventory reduction.
- Export financing—The "blended credit" program announced by President Reagan in October makes available \$500 million for financing of agricultural exports in each of the next 3 years. Each sale under this program will consist of a 4-to-1 ratio—four-fifths will be private loans at commercial rates guaranteed by the Government (GSM-102) and one-fifth direct Government credit (GSM-5), but now on an interest-free basis. The U.S. cotton export forecast of 5.8 million bales allows for a portion of the full potential impact of this program. So far, with almost 90 percent of the 1983 fiscal year credit allocated, two programs are for cotton—185,000 bales to Yugoslavia and 14,000 bales to Portugal. The bulk of the other program credits have been for wheat.

### U.S. Exports Could Be Lowest Since 1977/78

U.S. raw cotton export forecasts this fall have tended to shadow forecasts of foreign economic activity and the prospects for Chinese imports. Because foreign textile mill activity continues sluggish, prospects for U.S. export sales have deteriorated. U.S. cotton exports are expected to fall to 5.8 million bales during 1982/83—12 percent below 1981/82 and the lowest since the 5.5 million bales of 1977/78. Uncertainty still surrounds production and use in many foreign countries, so odds are two out of three that U.S. exports will be between 4.9 and 6.7 million bales. Several factors provide the foundation for this forecast and bear monitoring:

- Foreign supply/use gap—The difference between foreign supplies and mill use is an excellent indicator of U.S. exports (figure 2). During 1981/82, supplies exceeded use by 15.2 million bales, and the U.S. exported 6.6 million. But this season, the gap is forecast to widen to 15.7 million bales, suggesting a reduction in U.S. export potential.
- China—Last season, U.S. exports to China were nearly 850,000 bales. This season, China has purchased virtually no U.S. cotton. U.S. sales to China have declined over the past several years as production in China has risen. A year ago, China's consumption exceeded production by 2.2 million bales—this season the forecast is 1.5 million. Despite this decline in China's import needs, the absence of U.S. sales may be due to other factors. Primary among these may be the failure of the United States and China to reach a bilateral textile trade agreement. Also, the U.S. International Trade Commission determined that some categories of Chinese textiles were disrupting U.S. markets this year. Some analysts have concluded China will buy virtually no U.S. cotton this year.
- Imports of other Far Eastern countries—Last season, Hong Kong, Japan, Korea, and Taiwan imported 6.9 million bales; this season, their imports are expected to total 6.4 million. This decline will affect U.S. exports because of our large share in the imports of these countries—62 percent in 1981/82.
- Exchange rates—The dollar continues strong, partially offsetting the price drops of this and last season in the local currencies of foreign markets. The trade weighted value of the dollar, using cotton exports as the weights, rose from 120 in 1980 (April 1971=100) to 136 by January 1982. Appreciation has continued since, and the index stood at 150 during October.

- Pace of export sales—As of November 11, upland cotton export commitments for 1982/83—exports plus outstanding sales—totaled 3.3 million bales, 1.4 million below a year earlier.

### Stocks to Remain High, But CCC Ownership Could Rise Sharply

Total U.S. cotton use is forecast at 11.2 million bales during 1982/83, down from last season's 11.8 million and below expected production. Thus, carryover stocks on August 1, 1983, are likely to rise to 7.5 million bales, nearly a million above the excessive stocks carried in this August. Despite an effective acreage reduction program, the lowest total use since 1976/77 will likely continue to move the U.S. cotton market even further away from equilibrium during 1982/83.

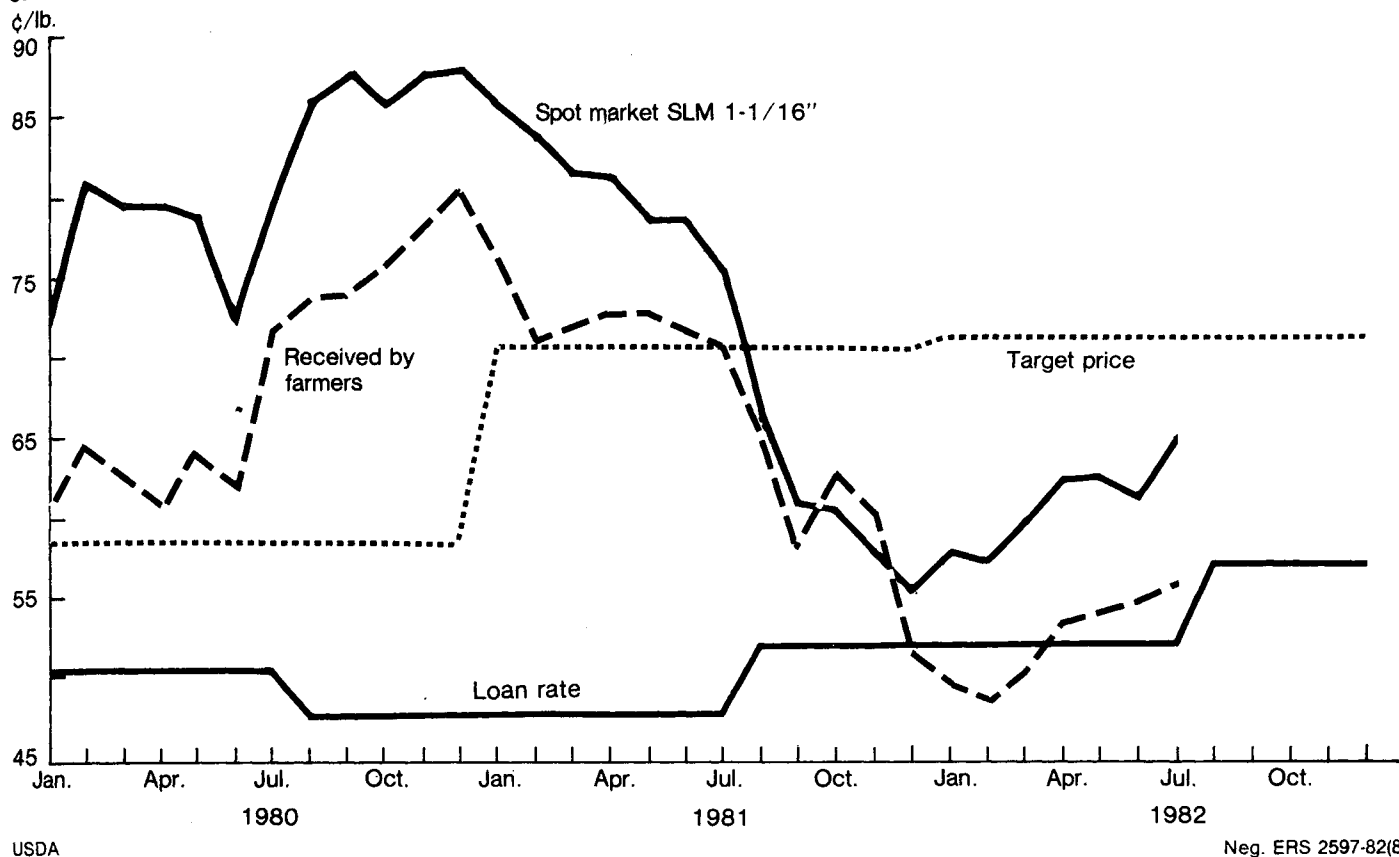
Stocks under loan on August 1 totaled about 3.7 million bales, leaving free stocks of about 2.9 million—well above the 2 million carried over in 1980/81. During this season, loans will mature on most of the 1980 and 1981 crops still in the program. The amount of cotton still under loan when this occurs will likely be high. Between August 1 and November 1, about 630,000 bales were redeemed, dropping loan stocks of 1980 and 1981 cotton to about 3.1 million bales. But, as the 1982 harvest has continued, the pace of redemptions has slowed. Further, as each month passes, the price increase a farmer needs to cover carrying costs rises by nearly a cent a pound.

It will take an average farm price of 65 to 70 cents a pound by next summer to encourage redemption of cotton placed under loan in December 1981. If the required price increases are not forthcoming and loans are not extended again, most of the cotton under loans that mature in the spring and summer of 1983 will be defaulted to the Commodity Credit Corporation (CCC). These defaults could total 2.5 to 2.9 million bales.

The CCC-owned stocks, when combined with outstanding loans on August 1, 1983, could amount to as much as 4.5 million bales. This would leave free stocks of 3 million—about the same as this August. The prospects for a price rise late in 1982/83 under this level of free stocks would then hinge on (1) the outlook for 1983/84—strong participation in the program, prospects for reduced yields, and a sharp recovery in exports would be needed; and (2) how isolated from the market the CCC stocks really are. If the trade thinks these stocks will not be released under a wide price range, their price-depressing effect will be reduced. The argument is similar to the concept of the farmer-owned grain reserve. Because grain cannot be released until prices hit a relatively high trigger price, reserve stocks are more isolated



## U.S. Cotton Prices



USDA

Neg. ERS 2597-82(8)

Figure 4

from the market than regular loan stocks. CCC-owned stocks cannot be sold for less than 115 percent of the loan rate in effect for SLM 1-1/16-inch upland cotton, with adjustments for quality, location, and other factors. If storage costs are added, the required resale price could be in excess of 70 cents a pound.

### Loan Rate Likely To Help Prevent Further Price Erosion

Farm prices during 1981/82 made a sharp descent during the first half of the crop year. Through March 1982, they averaged 54.7 cents a pound—about 2 cents above the loan rate for SLM 1-1/16-inch cotton, which is 57.08 cents a pound at average location. With stocks expected to rise, farm prices could continue near the loan rate this season. The preliminary October farm price rose to 59.5 cents a pound, compared with 54.9 cents in September, perhaps reflecting the higher loan rate, but deliveries of forward contracted cotton and better qualities might also have been factors (figure 4).

The use-to-supply ratio has been highly correlated with farm and spot prices in recent years (figure 1). During 1981/82, use was 65 percent of supply. This season, it is forecast to be 61.5 percent of supply. But, with three-quarters of the 1982 crop eligible for loan, the loan rate higher, large forfeitures of 1980 and 1981 cotton to the CCC likely, and high participation in the 1983 program probable, the loan rate may prove to be a fairly effective floor on spot prices in 1982/83.

### Cottonseed Prices No Help To Net Income

Another important factor affecting the growers' revenues from cotton is their proceeds from the sale of cottonseed. These receipts are often viewed as an offset to ginning costs, but this year that is not holding true. For the 1982 crop, ginning costs could average about \$52 a planted acre, about equal to a year earlier. As of November 1, cottonseed production is estimated at 823 pounds a planted acre. With cottonseed selling for \$67 a ton in mid-October, seed revenues amount to an estimated \$26 a planted acre—only about half the expected ginning costs.

## 1983 Program Update

### Acresage Reduction Program Extended; Land Diversion Added

This season's outlook for another increase in carryover stocks has led the USDA to announce a 20-percent acresage reduction program for the 1983 upland cotton crop. For participants in this program, there is an optional 5-percent paid land diversion program. On the 1982 crop, there was a 15-percent acresage reduction program and no paid diversion. Program details for 1983 include:

- **Acres reduction**—Eligibility for program benefits, including nonrecourse loans and target price protection, requires that no more than 80 percent of a farm's cotton acreage base be planted to cotton. Eligible cropland equal to 25 percent of the planted acreage must be devoted to conservation use.
- **Diversion**—Although diversion is not required for program benefits, as it is in the grain programs, a farmer may voluntarily divert up to another 5 percent of base acreage and receive a diversion payment rate of 25 cents a pound. The maximum number of acres diverted cannot exceed 6.67 percent of planted acreage. The total payment equals the payment rate times the program yield times the number of acres diverted.
- **Payment limit**—A person is limited to a maximum of \$50,000 in payments from all crop programs, including both deficiency and diversion payments.
- **Advance payments**—The deficiency payments on the 1982 crop would normally be made in February 1983. However, to aid farm cash flow, 70 percent of the payments will be made in December 1982 and the remaining 30 percent in February. At signup for the 1983 program, a farmer can elect to receive 50 percent of both diversion payments and expected deficiency payments on the 1983 crop. However, should the farm for which the payments were made fail to comply with program requirements, advance payments must be repaid and will be charged the CCC rate of interest in effect at enrollment plus 5 percentage points.
- **Signup**—The signup period for the 1983 upland cotton program is October 1 through March 31. Signup constitutes enrollment, a necessary but not sufficient condition for compliance. Compliance will be certified about 6 weeks prior to harvest.
- **Base**—Participants in the 1982 program will have the same base acreage in 1983. Nonparticipants in the 1982 program will have a base equal to the average acreage planted to upland cotton in 1981 and 1982. Because participation was high in 1982, the total U.S. base for 1983 will likely be near the 1982 base of 15.3 million acres.
- **Target and loan**—The target price will be 76 cents a pound on the 1983 crop, up a nickel and the legal minimum. The national average loan rate will be 55 cents a pound for SLM 1-1/16-inch cotton at average location, down 2.1 cents and the first drop since 1980/81. This rate is also the legal minimum.
- **Deficiency payments**—The deficiency payment rate on the 1983 crop will be the difference between the 76-cent target price and the higher of the loan rate or the weighted-average farm price during calendar

1983. So, the maximum payment rate is 21 cents a pound (76 cents less 55 cents). For the purposes of calculating advance payments and conservation land requirements for growers who expect to exceed the payment limit, USDA in August announced a tentative deficiency payment rate of 12.8 cents a pound.

### Will the 1983 Program Make A Difference?

Participation in the 20-percent acreage reduction program will likely be very high. If farm prices remain 60 cents a pound or below through planting time, growers will probably revise their expected deficiency payment rate up to about 18 cents a pound or more. This rate would be about double the rate many expected during the spring of 1982. However, more land has to be idled than in 1982. Computing costs and returns for sample farms shows that the ratio of net returns from participation relative to net returns under nonparticipation is generally equal to or better than those for the 1982 program. Thus, participation in 1983 could about equal the 78-percent rate this season. Because more growers will hit the cap on program payments, it is unlikely that participation could rise much above this rate, and it could even fall somewhat short.

Participation in the 5-percent land diversion program will likely be much lower. Again, the payment cap will be a limiting factor. Also, the participant must sacrifice deficiency payments on diverted land. If a grower can earn returns greater than variable costs by planting and selling the output on the land being considered for diversion, the added deficiency payment may make total net returns equal to or greater than the 25-cent diversion payment rate. In this case, the grower would not participate in the diversion program, and there are likely to be many growers in this situation.

Soybean prices next spring will be well below a year earlier and should encourage cotton growers in the Delta and Southeast to plant closer to the maximum permitted acreage in 1983 than they did in 1982. So, cotton plantings in 1983 could range from 11 to 13 million acres. Assuming 12 million acres planted, what are the prospects for reducing stocks? Weather will again be the dominant factor. Consider the following yield alternatives for 1983: low yield, 450 pound an acre; medium, 510; and high, 570. Assuming moderately larger use and no difference unaccounted, 1983/84 balance sheets could look like this:

Item	1983/84 Alternatives		
	Low yield	Medium yield	High yield
	<i>Million bales</i>		
Beginning stocks	7.5	7.5	7.5
Production	10.7	12.1	13.5
Supply	18.2	19.6	21.0
Total use	12.0	12.0	12.0
Ending stocks	6.2	7.6	9.0

The conclusion is that the announced 1983 cotton program may have a limited effect on ending stocks. The outcome at this time is of course highly uncertain, but it appears that a return to a more normal supply-demand balance may require either a surge in demand or yield problems in the United States and abroad.

## World Outlook for 1982/83

### Foreign Production About Unchanged; Use To Rise Only Slightly

World cotton production this year is forecast at 67.2 million bales, a sharp drop from last season's 71.0 million. However, after the U.S. crop is subtracted, foreign production is placed at 55.3 million bales, about the same as a year earlier (table 4). This year's largest production declines abroad will likely occur in Mexico, down over 0.5 million bales, and in the USSR, Colombia, Egypt, Turkey, and India, down at least 0.1 million each. But, these declines will be offset by a 10-percent gain in China, where Government incentives have led to larger area. Combined with continued good yields, the increased area is expected to bring China's output to a record 15.0 million bales—1.4 million above 1981 and the largest crop in the world in 1982. The Soviet Union will move into second place with a weather-reduced crop estimated at 13.3 million bales.

Early on, it appeared that foreign mill use would enjoy a substantial gain in 1982/83 as world consumption of textiles recovered from the stagnation of the last several years. However, most economic indicators failed to show a significant gain in the world economy by early fall. So, the hoped-for recovery continues to be pushed later into 1983. Reflecting this, world cotton mill use is expected to register only a slight increase this season, rising about

1 percent to 66.5 million bales. Foreign mill use is forecast at 61.1 million bales—800,000 above last season. However, of this gain, 700,000 bales will likely be due to China, where mill use is expected to total 16.5 million. Thus, this season's foreign demand excluding China will show almost no growth.

World exports in 1982/83 will fall short of last season's 20 million bales. With prospects for a sharp drop in purchases by China and a lesser drop in purchases by Japan, exports may fall to 18.2 million bales. U.S. exports will decline, primarily because the United States may lose the entire Chinese market. Because of its production drop, Mexico will also reduce exports significantly. With reduced imports in the Far East the U.S. share of world trade will decline slightly, but still remain about one third.

### Prospect of Another Stock Increase Keeps Prices Depressed

During 1981/82, world stocks grew from 22.8 million bales at the season's start to 28.1 million by the season's end. The buildup—the excess of production over use—drove the Outlook "A" index from the season high of 80.7 cents a pound in August 1981 to the low of 67.7 cents in December, by which time most of the Northern Hemisphere crop was harvested. Prices strengthened seasonally through the remainder of the year, reaching 78.5 cents during July 1982. Since then, prices have trended down, responding to 1982 harvests, stagnant consumption prospects, and the likelihood that global production will exceed use and push price-depressing carryover stocks to 28.6 million bales by the end of 1982/83.

Middling 1-3/32-inch cotton, Memphis Territory, c.i.f. Northern Europe, sold at an average premium of 2.1 cents a pound above the "A" index during 1981/82. By late October, the U.S. growth was selling for almost 4

**Table 4—Cotton: Supply and use; U.S., major importers, major exporters and world**

Year beginning August 1	United States	World less United States				World <sup>3</sup>
		Major importers <sup>1</sup>	Major exporters <sup>2</sup>	Other	Total	
<i>Million 480-pound bales</i>						
1981/82						
Supply						
Beginning stocks	2.7	9.1	4.7	6.3	20.1	22.8
Production	15.6	14.5	24.5	16.4	55.4	71.0
Imports	(4)	17.1	.2	2.6	19.9	20.0
Use						
Mill use	5.3	30.9	15.1	14.3	60.3	65.5
Exports	6.6	.4	9.2	3.8	13.5	20.0
Ending stocks	6.6	9.5	4.8	7.2	21.5	28.1
1982/83 <sup>5</sup>						
Supply						
Beginning stocks	6.6	9.5	4.8	7.2	21.5	28.1
Production	11.9	15.8	23.7	15.8	55.3	67.2
Imports	(4)	15.3	.2	2.6	18.1	18.1
Use						
Mill use	5.4	31.3	15.2	14.6	61.1	66.5
Exports	5.8	.4	8.0	3.9	12.3	18.2
Ending stocks	7.5	8.8	5.3	7.1	21.1	28.6

<sup>1</sup>Includes Western Europe, Eastern Europe, Japan, PRC, Korea, Taiwan, and Hong Kong. <sup>2</sup>Includes the USSR, Pakistan, Egypt, Sudan, Turkey, Central America, and Mexico. <sup>3</sup>Total trade of individual countries, including intra-regional trade. World imports and exports may not balance due to cotton in transit and reporting discrepancies in some countries. <sup>4</sup>Less than 50,000 bales. <sup>5</sup>November projections.

Totals may not add and stocks may not balance due to rounding, a small quantity of cotton destroyed, and differences unaccounted.

**Table 5—Index of prices of selected cotton growths and qualities, and price per pound of U.S. M-1-3/32" c.l.f Northern Europe**

Month	1981		1982	
	Index <sup>1</sup>	U.S. M 1-3/32"	Index <sup>1</sup>	U.S M 1-3/32"
	Cents			
January	99.10	—	69.98	72.75
February	95.55	—	69.98	72.50
March	91.30	—	70.44	74.69
April	87.33	—	71.52	77.40
May	86.80	—	76.69	78.88
June	86.36	—	75.64	75.38
July	83.51	—	78.47	80.60
August	80.73	81.88	76.40	77.13
September	76.99	77.63	72.75	74.10
October	74.96	75.80	70.21	73.38
November	72.01	72.94		
December	67.67	69.95		
Average	83.53	—		

<sup>1</sup>Outlook A" index of Liverpool Cotton Services. Average of the 5 lowest priced of 10 selected growths.

Cotton Outlook, Liverpool Cotton Services.

cents above the "A" index. The widened spread was attributed to interest in U.S. cotton because of possible quality problems in Turkey and the Soviet Union where harvest rains may have reduced grades. With foreign demand flat and the large supply of exportable U.S. cotton, it would take a very significant quality problem in foreign exporting nations to sustain the widened U.S. premium. U.S. credit concessions, if pervasive enough, could also encourage a premium on U.S. cotton as foreign exporters lower prices to compete. However, by November 11, the U.S. growth was selling for 71.75 cents a pound, a cent below last November, and the premium had narrowed to 2.5 cents (table 5).

## The ELS Cotton Situation

### Production Up in 1982; Stocks To Rise Sharply

Production of American-Pima cotton is forecast at 105,900 bales this season, compared with 79,600 last year. Acreage for harvest is placed at 72,700, a 25-percent gain which reflects the strength extra-long staple (ELS) cotton prices had this spring relative to other crops. Yield is forecast at 699 pounds per harvested acre, 40 pounds above 1981.

Mill use of extra-long staple cotton is expected to be around 55,000 bales this season, 7,000 above 1981/82 but about 5,000 below the 1978/79-1980/81 average. This forecast for ELS use, as a percent of last season's use, is much greater than the forecast for upland cotton. The reason is that some processors of ELS cotton plan to increase its use in products other than thread. Exports are also expected to rise slightly from last season to 15,000 bales. Although this season's total use may rise to 70,000 bales, it will still fall short of production, causing ending stocks to build to an estimated 98,000 bales,

51 percent above a year earlier. The stock buildup will likely keep prices from rising very much above the loan rate of 99.89 cents a pound for the 1982 crop.

In reaction to this season's excessive supplies, USDA set a national marketing quota of 102,000 bales and a national acreage allotment of 80,131 acres for the 1983 crop. The new allotments will be most restrictive in Arizona, where the 1983 allotment is 35,155 acres—less than the estimated 43,900 acres harvested this year. On balance, U.S. plantings could drop 10,000 acres in 1983. The referendum to determine whether growers favor or oppose the quotas will be held December 6-10. Two-thirds of the voters must approve the quotas for them to take effect.

## MANMADE FIBER REVIEW

### Production and Shipments Reflect General Economy

Manmade fiber production (including glass) in third-quarter 1982, at 1.91 billion pounds, continued the decline that began 5 quarters earlier (table 27). Production was about 3 percent below the second quarter and 24 percent less than a year earlier. Third-quarter filament production was about 0.99 billion pounds, about 6 percent less than the second quarter and 26 percent below a year ago. Staple production was 0.92 billion pounds, the same as in the second quarter but 21 percent below a year earlier.

Manmade fiber capacity in the third quarter was 3.04 billion pounds, slightly more than the second quarter. Filament capacity was about 1.68 billion pounds and staple capacity about 1.36 billion. Manmade fiber plants operated at an average rate of 63 percent during the third quarter, compared with 65 percent in the second quarter and 83 percent a year earlier. Filament plants produced at 59 percent capacity, while staple plants performed at 68 percent. To obtain the desired return on investment, fiber producers like to operate at 85 to 90 percent of capacity.

Total shipments (domestic plus exports) of nonglass manmade fibers in third-quarter 1982 were 1.7 billion pounds, 4 percent less than the second quarter and 19 percent below a year ago. Total shipments were divided between noncellulosic fibers, 1.59 billion pounds or 92 percent, and cellulosic fibers, 0.14 billion or 8 percent.

Domestic shipments of noncellulosic fibers were 1.47 billion pounds in the third quarter, 3.2 percent below the previous quarter and 12 percent less than last year. Cellulosic fiber shipments were 112 million pounds, 4.5 percent below the previous quarter and 29 percent below a year earlier.

### Far East Takes Less Fibers

Overseas shipments of manmade fibers, especially polyester staple, continued relatively low. Exports in the third quarter were 144 million pounds, 10 percent below the first quarter and 52 percent less than a year earlier. Overseas shipments of polyester staple were 9 percent below second quarter and were only 16 percent of a year earlier. These smaller shipments reflected the loss of sales to the Far East. Exports of polyester staple were less than 6 percent of all shipments of this fiber in the second and third quarters, compared to a high of over 24 percent in the third and fourth quarters of 1981.

## Carpet Use Up More Than Wovens and Knits

The three major manmade fiber markets are shown in table 6. The largest market, woven textiles, consumed 491 million pounds in the second quarter, 2 percent above the first quarter but down 24 percent from a year earlier. Polyester fibers continue to dominate this market; staple has slightly less than half of this market and filament has taken about 20 percent.

The second largest fiber market, carpets, has had the best recovery of the three markets in 1982. The first quarter increased 8 percent and the second quarter 15 percent. This improved carpet demand reflects the increase in residential construction in 1982 from the fourth-quarter 1981 low. Most of these increases occurred in nylon, which rose 14 and 17 percent in the first and second quarters, respectively. Preliminary data for the third quarter indicate that nylon use in carpets increased again by about 10 percent. Nylon fibers continue to have about 70 percent of the carpet market.

The knit market, at 333 million pounds in the second quarter, increased more than 4 percent from the low reached in the first quarter. Acrylic fibers had the most growth, 21 percent, due to seasonal demand in sweaters, active sportswear, hosiery, and other apparel.

The market for the raw materials that go into the making of noncellulosic fibers continues sluggish. One major aromatics producer has shut down because of high inventories and the depressed state of the economy. The price of xylene had declined from \$1.27-\$1.29 per gallon to \$1.25 in late October, with pressure to soften this price reported. Paraxylene is now priced at 23-1/2 cents per pound, down from 25 to 28 cents last summer.

## WOOL SITUATION

### U.S. Situation

#### Imports and Mill Use Down

Imports for 1982 and 1983 are forecast to be about 64 and 62 million pounds, clean, respectively, compared to 74 million in 1981 (table 7). In the first 9 months of 1982, raw wool imports of 51.2 million pounds were divided between 17.6 million of duty-free and 33.6 million of dutiable (table 8). Duty-free imports came chiefly from New Zealand (70 percent), the United Kingdom (15 percent), and Argentina (7 percent). Most of the dutiable raw wool came from Australia (59 percent), the Republic of South Africa (13 percent), Argentina (12 percent), and Uruguay (8 percent). The raw wool content of imported textile products during January-September was 88.3 million pounds, about 1 percent less than last year (table 28).

Mill consumption of raw wool is expected to be about 118 million pounds, clean, in 1982 and 112 million in 1983. Mill consumption during the first 9 months was 88.5 million pounds, 16 percent below last year (table 9). The quantity of raw wool used in carpets was 7.7 million pounds, 5 percent less than in 1981. Wool use for apparel was 80.8 million pounds, 17 percent below last year. The importance of the finer grades continues. In the first 9 months, 63 percent of the worsted raw wool and 50 percent of the woolen raw wool used was 60's and finer. Last year these shares were 63 percent and 53 percent, respectively.

Table 6—Major manmade fiber markets<sup>1</sup>

Fiber type	1981				1982		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
<i>Million pounds</i>							
<b>Woven products</b>							
Total	580.7	646.0	614.6	553.8	480.5	491.0	N.A.
Polyester	380.3	440.8	410.2	358.8	318.1	322.1	N.A.
Rayon	56.5	58.2	57.6	52.4	38.2	34.4	N.A.
Olefin	58.5	59.2	57.5	55.2	49.3	53.6	N.A.
Nylon	43.5	43.2	44.0	44.9	41.3	43.5	N.A.
Acetate	24.3	29.9	31.8	27.2	23.2	24.0	N.A.
Acrylic	17.6	14.7	13.5	15.3	10.4	13.4	N.A.
<b>Knit products</b>							
Total	402.2	427.7	384.1	325.6	318.7	332.6	N.A.
Polyester	201.0	203.0	189.5	160.1	153.4	153.8	N.A.
Nylon	82.8	85.3	76.7	73.6	63.6	60.2	N.A.
Acrylic	87.2	96.8	90.5	72.7	79.1	95.6	N.A.
Acetate	28.5	39.3	24.8	16.9	20.6	21.2	N.A.
Rayon	2.7	3.3	2.6	2.3	2.0	1.8	N.A.
<b>Carpets</b>							
Total	487.0	507.5	399.6	333.5	359.4	412.9	N.A.
Nylon	369.7	379.6	282.9	218.8	248.7	291.5	319.8
Olefin	90.3	90.3	87.3	84.4	86.1	89.2	N.A.
Polyester	27.0	37.6	29.2	30.2	24.6	32.0	27.6
Acrylic	—	—	—	—	—	—	N.A.
Rayon	—	—	0.2	0.1	—	0.2	N.A.

<sup>1</sup>Filament plus staple.

N.A. = Not available.

Compiled from *Textile Organon*.

**Table 7—Wool supply and disappearance, annually, 1979-83, clean content**

Item	1979	1980	1981	1982 <sup>1</sup>	1983 <sup>1</sup>
<i>Million pounds</i>					
Stocks, Jan. 1	48.5	46.8	50.6	52.0	56.0
Production	56.0	56.4	58.8	58.6	59.0
Imports	42.3	56.5	74.3	64.1	62.0
Diff. unacc.	17.3	14.6	7.2	—	-10.0
Total supply	164.1	174.3	190.9	174.7	167.0
Mill use	117.0	123.4	138.6	117.5	112.0
Exports	0.3	0.3	0.3	1.2	0.8
Total use	117.3	123.7	138.9	118.7	112.8
Stocks, Dec. 31	46.8	50.6	52.0	56.0	54.2

<sup>1</sup>Estimated.

Compiled from reports of the Bureau of the Census.

**Table 8—U.S. imports of dutiable and duty-free raw wool for consumption, clean content**

Year	Dutiable	Duty-free	Total
<i>1,000 pounds</i>			
1975	16,605	17,021	33,626
1976	38,387	19,076	57,463
1977 <sup>1</sup>	36,303	22,655	<sup>2</sup> 58,958
1978	27,000	23,404	50,404
1979	20,283	22,047	42,330
1980	30,491	25,992	56,483
1981	48,106	26,146	74,252
Jan.-September			
1980	23,329	21,714	45,043
1981	37,590	20,361	57,951
1982	33,571	17,599	51,170

<sup>1</sup>Beginning November 1977 duty-free wools include all 46's and coarser grades of wool by Public Law 95-162. <sup>2</sup>Revised.

Compiled from reports of the Bureau of the Census.

**Table 9—U.S. mill consumption of raw wool, scoured basis**

Year	Apparel wool	Carpet wool	Total
<i>1,000 pounds</i>			
1975	94,117	15,908	110,025
1976	106,629	15,117	121,746
1977	95,485	12,526	108,011
1978	102,246	13,009	115,255
1979	106,533	10,513	117,046
1980	113,423	10,020	123,443
1981	127,752	10,896	138,648
Jan.-September			
1980	83,858	7,830	91,688
1981	97,778	8,098	105,876
1982	80,796	7,689	88,485

<sup>1</sup>Preliminary

Compiled from reports of the Bureau of the Census.

### Exports Up

Exports of raw wool were 1.1 million pounds, clean, during January-September, 3.1 times the average of the previous 5 years. These exports were divided principally among France (42 percent), Uruguay (21 percent), the

Federal Republic of Germany (13 percent), and Canada (12 percent). This larger-than-usual quantity of exports has been confined to raw wool less than 58's, thus coming from sales to foreign buyers interested in relatively low-priced wool grades. Since May the prices of graded territory 58's and less have been the lowest in more than 6 years. The raw wool content of exported textiles was 9.4 million pounds during January-September, 2-1/2 percent less than last year (table 29).

### Wool Prices Down

By October, prices paid by mills for domestic raw wool had not changed since last spring, indicating relatively little purchasing by mills. The finer territory grades—64's, 62's, and 60's—were priced at \$2.40, \$2.23, and \$1.75, respectively. The medium and coarse territory grades—58's, 56's and 54's—had prices of \$1.50, \$1.38, and \$1.30, respectively.

The average farm price in October was 59.2 cents a pound, greasy, after declining from a 1982 high of 89.1 in April (table 10). In October the price of territory (Texas, Rocky Mountain, and Pacific Coast States) wool varied from 50 to 90 cents, while the fleece (east of the Rocky Mountains) wool price ranged from 30 to 36 cents. Generally, the territory wools are a finer grade than the fleece wools.

### Incentive Payments Paid

Sheep producers received \$46.7 million last spring in Federal incentive payments on wool they sold in 1981. Rocky Mountain and Pacific Coast States received 88 percent of the total incentive payments. The three main recipients were Texas, 22 percent; Wyoming, 11 percent; and California, 9 percent (table 11).

### Promotion Program Approved

About 73 percent of the wool producers in a referendum held in August voted to continue deductions from CCC wool incentive payments to finance the promotion of wool. Affirmative voters owned slightly more than 76 percent of all sheep owned by the voting producers. Sheep producers have approved this promotion program by the necessary two-thirds majority in all seven referenda held since 1954.

**Table 10—Average U.S. farm prices per pound for shorn wool, grease basis**

Month	1978	1979	1980	1981	1982 <sup>1</sup>
<i>Cents</i>					
January	72.6	78.7	82.1	84.6	80.4
February	68.9	77.3	86.8	88.3	80.4
March	71.2	79.5	93.5	91.8	83.4
April	73.7	86.9	92.2	101.0	89.1
May	73.9	88.0	86.6	99.8	88.5
June	76.2	89.4	86.5	101.0	79.6
July	74.8	87.7	85.8	94.4	74.5
August	74.6	81.8	85.5	84.8	68.3
September	72.7	84.9	84.7	84.3	66.7
October	77.1	87.5	89.4	87.3	59.2
November	81.2	89.0	92.1	91.1	
December	73.6	86.5	90.9	84.2	
Weighted season average	74.5	86.3	88.1	94.5	

<sup>1</sup>Preliminary.

**Table 11 — Payments for 1981 marketing year on wool and lambs marketed January 1 thru December 31, 1981<sup>1</sup>**

Area	Shorn wool	Unshorn lambs	Total	Percent
1,000 dollars				
United States	40,001	6,648	46,649	100.0
Northwest	16,693	3,282	19,974	42.8
Wyoming	4,488	545	5,033	10.8
South Dakota	2,713	613	3,326	7.1
Montana	2,559	466	3,025	6.5
Colorado	2,210	450	2,660	5.7
Idaho	1,833	500	2,333	5.0
Oregon	1,157	251	1,407	3.0
Other	1,733	457	2,190	4.7
Southwest	18,725	2,281	21,006	45.0
Texas	9,215	870	10,085	21.6
California	3,824	581	4,405	9.4
Utah	2,395	458	2,852	6.1
New Mexico	2,001	186	2,186	4.7
Arizona	657	96	753	1.6
Other	633	90	725	1.6
Northeast	4,052	853	4,905	10.5
Iowa	1,048	219	1,267	2.7
Minnesota	619	169	788	1.7
Ohio	592	133	724	1.6
Other	1,793	332	2,126	4.5
Southeast	532	232	764	1.6
Virginia	261	118	379	.8
West Virginia	178	92	269	.6
Other	93	22	116	.2

<sup>1</sup>Payment computations completed through June 15, 1982.

Agricultural Stabilization and Conservation Service

The proposed advertising and marketing development program authorizes continued deductions from payments made under the National Wool Act on wool and unshorn lambs marketed during 1982 through 1985. The new agreement authorizes deductions of up to 4 cents a pound on shorn wool and 20 cents a cwt on unshorn lambs, up from 2-1/2 cents and 12-1/2 cents, respectively. These latter rates had been in effect for 4 years. Last year, the expenditures for wool and lamb promotion were about \$4 million, the same amount budgeted for the current year.

## World Overview

### World Sheep Flocks Static

Recent data indicate that world sheep numbers at the start of the 1982/83 season were 1,072 million, 1.3 percent more than the previous season. Flock size is expected to decline or, at best, be static. Various factors are responsible: production costs tending to rise faster than returns, the Australian drought of several years' duration, the excess raw wool supply, and reduced Middle East demand for sheep meat.

The world wool clip for 1982/83 is estimated to be about 3.6 billion pounds, clean, 0.7 percent more than last year. The Australian output for the coming season has been forecast to decline 2 percent because of prolonged drought. In contrast, New Zealand wool production is expected to return to the record 1980/81 level. Good autumn rains should raise New Zealand's yields. South Africa should have larger production because higher prices for both wool and meat have made raising

sheep more attractive than raising cattle. In Argentina and Uruguay a small increase is expected. Russian output should not change because an increase in sheep meat production earlier this year canceled an expansion in sheep numbers. Reports from China indicate a 3-percent gain for the Chinese clip.

The quality composition of the 1982/83 world clip has been estimated to be merino, 38.7 percent; crossbred, 34.5 percent; and carpet types, 26.8 percent. The merino component of this year's clip decreased 1.4 percent from last year, the crossbreds were up 1 percent, and the carpet types were up 0.4 percent.

### Wool Supply Exceeds Demand

The 1982/83 carryin for the wool-producing countries was 377 million pounds, the highest in 5 years and 41 percent higher than last year. This significant trade imbalance resulted from depressed worldwide demand for wool. Stabilization stocks of this year's carryin held by wool-marketing authorities accounted for 216 million pounds, 52 percent in Australia and 48 percent in New Zealand. The Australian Wool Corporation stocks had increased 63 percent from the season beginning to late October.

The most recent data show that commercial stocks of raw wool in six major wool-consuming countries were 171 million pounds, clean, at the end of first-quarter 1982, up 50 percent from the previous quarter but down slightly less than 2 percent from a year earlier.

### Merino Prices Decline

During September and October 1982, prices of Australian wool (mostly merino types), as measured by the Australian market indicator (a weighted-average index across 11 wool categories), slowly declined from a mid-September high of 437 to an average of 432 in October, 2.4 percent above the floor price. Despite moderate buying strength from Eastern Europe, Japan, and the EEC, the Australian Wool Corporation found it necessary to purchase 41 percent of the offering in September and about 29 percent in October.

The demand for New Zealand wool has been steady this fall. Most of the orders have come from China and Western and Eastern Europe. The New Zealand market indicator averaged about 250 in September and October. The New Zealand Wool Board bought 8 and 10 percent of the offerings in August and September, respectively, and less than 5 percent in October.

### World Use Up

Mill consumption of raw wool in 11 major wool textile manufacturing countries in first-quarter 1982 was 385 million pounds, clean, 4 percent more than the previous quarter and equal to a year earlier. Increases were concentrated in Western Europe, the Far East, and the United States.

## MOHAIR SITUATION

### Mohair Sales Up

The mohair business improved in the fall. About 75 percent of the Texas fall mohair clip has been sold. Two million pounds in Texas moved during mid-October.

Most of it was adult hair priced at \$1.70-\$1.75 per pound. Some young goat or yearling moved at \$2.50, but there was little action on these grades and also a big variation in offers and asking prices. Little kid hair remains but there are still a few good lines of kid mohair being held for \$7.00 or more.

During the first 9 months of 1982, exports of mohair totaled 4.5 million pounds, 6.6 percent more than the January-September average of the past 5 years. The value of these exports was \$18.8 million. Their destinations were the United Kingdom, 55 percent; Italy, 13 percent; the Federal Republic of Germany, 10 percent; and Spain, 7 percent.

### World Demand Strong

Currently, the South African supply of mohair available for the remainder of the season is estimated to be 6.25 million pounds. Carryover stocks are 3.25 million pounds and the fall clip is estimated at 3 million pounds. In the fifth winter sale, 1 million pounds were offered and 95 percent was bought by the trade. The competition was good, with adult prices up 5 percent from the fourth sale, ranging from \$2.13 to \$2.54. Young goat prices were unchanged at \$3.44. Kid hair prices were up 2-1/2 percent; average kid was \$5.33 and fine kid \$6.12.

Mohair producers received \$1.8 million under The National Wool Act last spring in Federal incentive payments on mohair sold in 1981. These were the first such payments since 1971. No payments were made from 1972 through 1980 because the farm price exceeded the support price. The three main States receiving payments were Texas, 97 percent; Arizona, 1 percent; and New Mexico, 1 percent (table 12).

### Promotion Referendum

Mohair producers will have an opportunity during December 6-17 to vote whether to continue a market promotion and improvement program. The proposed program is similar to one passed in 1971. When Federal

funds acquired by deductions from Federal price support payments were depleted in 1976, mohair producers in Texas voted to continue their promotion and market development programs with funds collected through a new organization. The Texas Mohair Producers' Board was created under Texas law and has operated through voluntary funding by producers, who have been contributing 4.5 cents per pound from mohair sales. The new program, if approved, will allow a shift from voluntary producer funding to funding by deductions from incentive payments. Deductions will be used by the Mohair Council of America to finance advertising and sales promotion programs for mohair and goats in domestic and foreign markets, as well as for information programs for producers on management and marketing improvement. In the most recent referendum, in 1971, 80 percent of the producers approved the program.

**Table 12—Payments for 1981 marketing year on mohair marketed January 1 through December 31, 1981<sup>1</sup>**

Area	Shorn mohair		
	Pounds	Dollars	Percent
United States	8,161	1,802,905	100.0
Northeast area	17	4,836	.2
Michigan	9	2,556	.1
Other	8	2,280	.1
Southeast area	0	16	0
Southwest area	8,136	1,796,621	99.6
Arizona	111	19,961	1.1
New Mexico	110	20,159	1.1
Texas	7,895	1,752,732	97.2
Other	20	3,769	.2
Northwest area	8	1,432	.1

<sup>1</sup>Payment computations completed through June 15, 1982.

Agricultural Stabilization And Conservation Service.



# CHANGES IN U.S. COTTON MARKETING PATTERNS

by

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**ABSTRACT:** Major trends in Beltwide cotton marketing include increasing exports, increasing movement to the Pacific Coast, and greater use of truck transport than traditional rail shipment. Similar patterns were noted in each cotton producing region, except in the Southeast, where a large degree of stability has existed in the destinations and modes of cotton movements.

**KEYWORDS:** Cotton marketing, transportation, regional patterns, distribution.

This article is based on a series of studies across the Cotton Belt to determine the origins, destinations, volumes, and modes of transportation involved in moving U.S. cotton from production areas to domestic mills and ports during the 1980/81 season. Results are compared with the 1970/71 and 1975/76 seasons, for which data have been published previously. Information was collected from cotton warehouses and compresses located in each of the 14 primary cotton-producing States. Data were obtained on the number of bales shipped from the facility during the season and the destinations of these shipments by mode of transportation (truck and rail).

These data, used by both Government and private agencies for planning and analysis, link activities at the farm and the final market. Firms involved in cotton marketing can examine trends in distribution to determine the need for adjustments in storage and handling facilities. Moreover, an analysis of changes in State and regional cotton flows and in modes of transportation used enables cotton merchants and the transportation industry to anticipate future demands for service.

## U.S. Overview

During the past 10 years, significant shifts have occurred in the trade patterns for U.S. cotton. Growth in the importance of the export market has been a primary factor in altering Beltwide cotton flows, especially the emergence of the Far East as the major export market. Changing location of production has caused adjustments in the location and operation of cotton marketing facilities and the demand for transportation services. Also, high interest rates and railroad deregulation have changed the means by which cotton travels to ultimate destinations.

For 1980/81, nearly 39 percent of all U.S. cotton shipments went directly to domestic textile mills located in the Southeast, compared with over 50 percent during the 1975 and 1970 seasons (table 13). The sharp drop in domestic mill shipments reflects expanding U.S. cotton exports and reduced domestic demand. Exports through the four major port areas accounted for over 52 percent of total shipments in 1980/81, up from about one-third in

both previous time periods. While the proportion of cotton moving to Atlantic and Gulf Coast ports has remained fairly stable over the past 10 years, the Pacific Coast has become the leading cotton exporting center. Shipments to Pacific port areas during 1980/81 represented nearly 33 percent of total cotton movement to all destinations, compared with about 15 percent of the 1975 crop and 9 percent of the 1970 crop. Currently, over 50 percent of U.S. cotton exports move through the port of Los Angeles.

In addition to the marked shifts in Beltwide cotton distribution patterns since 1970, rapid changes have also occurred in the modes of transportation involved. Since 1975, trucks have replaced rail as the primary transporter of U.S. cotton. Truck movements accounted for

**Table 13—United States cotton shipments, selected crop years**

Destination	Crop year		
	1970	1975	1980
	<i>Percent</i>		
Southeast mill area <sup>1</sup>	56.4	53.4	38.8
New England mills	.5	.3	.1
Interior concentration points <sup>2</sup>	9.8	7.9	6.5
Canada	2.4	1.2	1.6
Ports			
Atlantic Coast	.2	.7	.1
Central Gulf <sup>3</sup>	3.0	2.9	1.7
West Gulf <sup>4</sup>	17.0	17.5	17.9
Pacific Coast	9.1	14.8	32.6
Other <sup>5</sup>	1.6	1.3	.7
Total	100.0	100.0	100.0

<sup>1</sup>Textile mills located in the States of North Carolina, South Carolina, Alabama, Georgia, and Virginia. <sup>2</sup>Nonconsuming points from which cotton is reshipped to final destinations. <sup>3</sup>Primarily port facilities located at New Orleans, Mobile, and Pensacola. <sup>4</sup>Port facilities located in Texas. <sup>5</sup>Minor destinations and destinations unknown."

Distribution of U. S. Cotton Shipments by Mode of Transportation

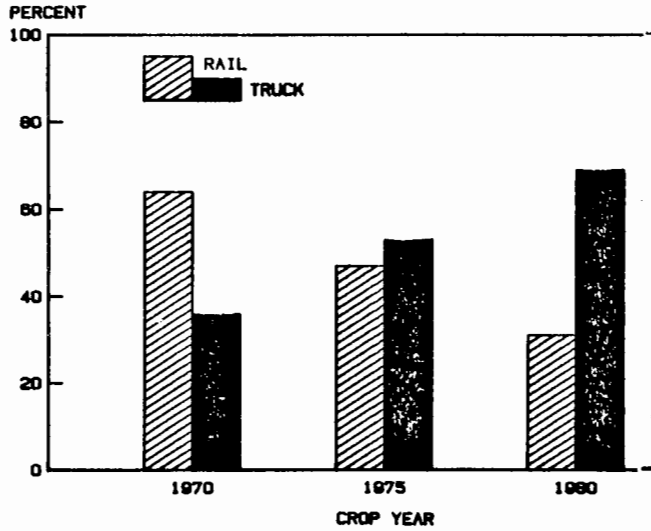


Figure 5

approximately 53 percent of all shipments during the 1975/76 season and increased to almost 69 percent for the 1980 crop (figure 5).

The steady increase in the proportion of cotton moving by truck has resulted from increasingly competitive truck rates, more flexible scheduling, generally shorter delivery periods of truck transportation, and efficiencies gained by containerized shipments, especially for export movement. An important competitive feature of rail transportation, however, is the transit privilege. Under the transit rate system, rail charges for cotton are based on the most direct route from origin to final destination. Intermediate stops to consolidate particular lots of cotton are allowed, and this lowers the total transportation bill.

### Regional Patterns

The westward movement in cotton production, differences in cotton quality among regions, shifts in consumption patterns, and changing transportation rate structures have affected regional cotton marketing patterns during the past decade.

**Southeast.**—Southeast cotton shipments are primarily to domestic textile mills located within the area. Over 93 percent of Southeast cotton transported in 1980/81 remained within the region (table 14). The stability shown in distribution patterns since 1970 reflects the significant transportation cost advantages over other regions for consuming cotton grown within the region. In addition, a large part of the Southeast crop can be shipped to textile mills without further compression, either directly from the gin or from local warehouses, at a savings of about \$6.50 a bale.

Because most Southeast cotton is consumed fairly close to production points, trucks serve as the primary means of transport. Trucks have been used for nearly two-thirds of all Southeast cotton shipments since 1970/71, with rail movements accounting for the remainder (figure 6).

**South Central.**—Nearly 72 percent of South Central cotton moved to Southeast mills in 1980/81 (table 15). However, more of the South Central crop has moved into export channels in the last decade. In 1970/71, only

Table 14—Southeast cotton shipments, selected crop years

Destination <sup>1</sup>	Crop year		
	1970	1975	1980
	Percent		
Southeast mill area	96.1	95.3	93.5
New England mills	—	.3	.2
Interior concentration points	1.2	1.4	1.5
Canada	—	—	.1
Ports			
Atlantic Coast	.1	.9	.8
Central Gulf	.1	.5	3.7
West Gulf	—	—	—
Pacific Coast	—	—	—
Other	2.5	1.6	.2
Total	100.0	100.0	100.0

<sup>1</sup>See footnotes to table 1 for delineation of areas.

Distribution of Southeast Cotton Shipments by Mode of Transportation

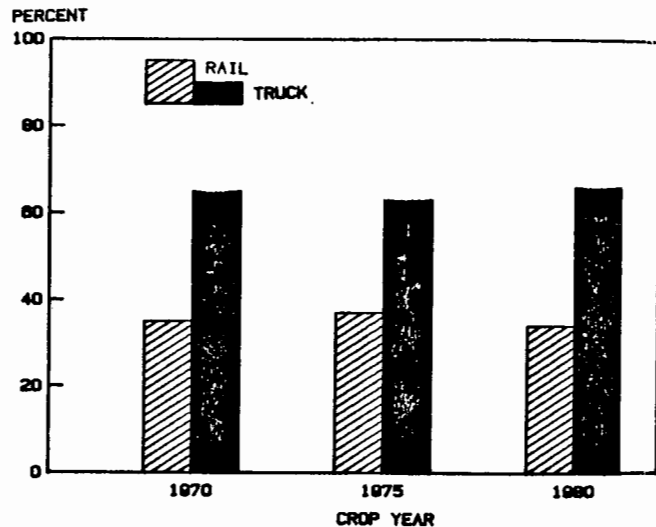


Figure 6

about 10 percent of South Central cotton was shipped for export (including Canada), but by 1980/81 nearly 17 percent of all cotton moving in the region was destined for the export market.

Also, for the first time, a significant portion (3.8 percent) of the South Central crop moved to the Pacific Coast for export to the Far East. South Central cotton is generally in large supply across a wide range of qualities and this has boosted overseas sales in recent years.

The most rapid adjustment in marketing flows in the South Central region has come in the methods of transportation used. Approximately 62 percent of all regional shipments were rail movements in 1970/71, compared with about 24 percent during the 1980 season (figure 7). The increased use of motor trucks as the primary transporter of South Central cotton reflects the strong competition of motor carriers in the region, plus problems of availability of rail cars, and abandonment of numerous connecting rail lines within the area. For the 1980/81

**Table 15—South Central cotton shipments, selected crop years**

Destination <sup>1</sup>	Crop year		
	1970	1975	1980
	<i>Percent</i>		
Southeast mill area	74.8	77.2	71.7
New England mills	.7	.2	.1
Interior concentration points	12.7	10.8	10.9
Canada	3.3	2.3	3.5
Ports			
Atlantic Coast	—	—	.1
Central Gulf	7.0	6.5	7.8
West Gulf	.1	.7	1.3
Pacific Coast	—	.7	3.8
Other	1.4	1.6	.8
Total	100.0	100.0	100.0

<sup>1</sup>See footnotes to table 1 for delineation of areas.

**Distribution of South Central Cotton Shipments by Mode of Transportation**

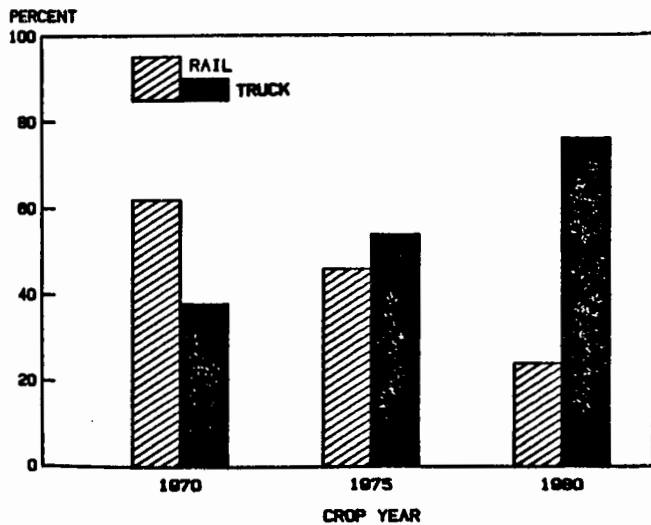


Figure 7

season, over 76 percent of the South Central cotton shipments were by truck.

*Southwest.*—In the Southwest region, about 28 percent of the cotton marketed in 1980/81 was shipped to the Southeast mill area—primarily for use in coarse yarn fabrics such as denim and corduroy (table 16). Most Southwest cotton, however, moves to export markets. Shipments to Canada and ports accounted for over 62 percent of all regional movements in 1980/81, compared with about 59 and 55 percent during 1975/76 and 1970/71, respectively.

While the largest proportion of Southwest exports are handled through the West Gulf ports (mainly Houston-Galveston), a growing and significant volume is now shipped directly to the Pacific Coast. For exports to countries in the Far East, merchants can use the “mini-

bridge” system, whereby Southwest cotton is preloaded into exportable containers at the point of origin, requiring no reloading. The cotton is then shipped either by rail or truck to Pacific ports. For 1980/81, about 17 percent of all Southwest marketings were “mini-bridge” movements.

Approximately 54 percent of the Southwest crop was transported by truck in 1980/81, compared with only 14 percent during 1970/71 (figure 8). This rapid shift primarily reflects the substitution of trucks for traditional rail shipments for cotton moving to West Gulf ports.

*West.*—As domestic textile mills gained experience with blending cottons of different quality characteristics, some of the premiums paid for Western cotton have

**Distribution of Southwest Cotton Shipments by Mode of Transportation**

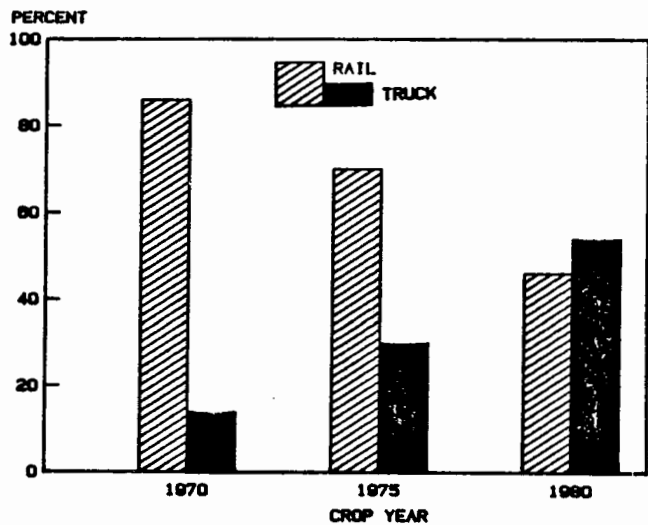


Figure 8

**Table 16—Southwest cotton shipments, selected crop years**

Destination <sup>1</sup>	Crop year		
	1970	1975	1980
	<i>Percent</i>		
Southeast mill area	32.0	32.9	28.4
New England mills	.7	.6	.1
Interior concentration points	12.4	6.7	9.0
Canada	3.3	.9	1.8
Ports			
Atlantic Coast	.6	1.7	.1
Central Gulf	1.0	2.7	.1
West Gulf	49.0	47.0	42.9
Pacific Coast	.7	6.4	17.3
Other	.3	1.1	.3
Total	100.0	100.0	100.0

<sup>1</sup>See footnotes to table 1 for delineation of areas.

declined. In 1975/76, almost 42 percent of Western cotton shipments were to the Southeast mill area (table 17). By the 1980 season, this proportion had dropped to only 25 percent, with increased export shipments to the Pacific Coast accounting for most of the difference.

Because of the increasing share of Western cotton moving to nearby ports, trucks were used to transport about 79 percent of the 1980 crop, compared with 58 percent 5 years earlier (figure 9). While rail is the predominant mode of transportation to the Southeast mill area, trucks are also used for these long haul movements in many cases, because of shorter delivery times.

Prospects are, however, for increased competition between motor trucks and railroads for transporting cotton. Trends towards rail deregulation, rising energy

costs, and abandonment of some rail lines may cause more instability and wider fluctuations in transportation rates. Therefore, increased use of advance contracting for transportation services should result.

### Outlook

The factors which have altered the direction and mode of U.S. cotton shipments may continue to exert influence. But the rapid shifts which have occurred in many areas should moderate. The relative flows of cotton from States and regions are becoming more stable since most major adjustments in the location of production have taken place. Moreover, with only modest growth expected in domestic and export markets, continued shifts in Beltwide distribution patterns are unlikely.

**Table 17—Western cotton shipments, selected crop years**

Destination <sup>1</sup>	Crop year		
	1970	1975	1980
	<i>Percent</i>		
Southeast mill area	38.4	41.6	25.2
New England mills	.2	—	—
Interior concentration points	4.5	8.4	2.7
Canada	.3	.7	.7
Ports,			
Atlantic Coast	—	—	.1
Central Gulf	.1	.2	—
West Gulf	1.9	2.8	4.8
Pacific Coast	50.6	45.1	65.4
Other	4.0	1.2	1.1
Total	100.0	100.0	100.0

<sup>1</sup>See footnotes to table 1 for delineation of areas.

**Distribution of Western Cotton Shipments by Mode of Transportation**

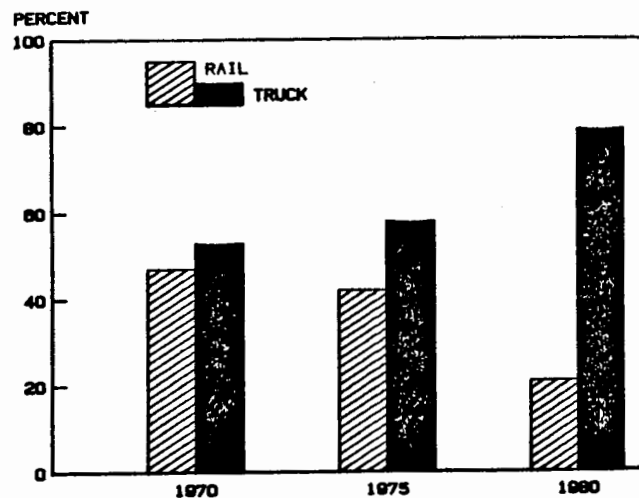


Figure 9

**Table 18—Raw cotton equivalent of U.S. imports for consumption of cotton manufactures**

Year and month	Yarn, thread, and woven fabric						Primarily manufactured products			
	Yarn	Sewing thread, crochet, knitting yarn	Woven fabric		Total		Pile fabrics and mfrs. <sup>2</sup>	Table damask and mfrs.	Bed clothes and towels <sup>3</sup>	Gloves, hosiery, and hdkf.
			100 percent cotton	Blends <sup>1</sup>	Weight	Bales				
			1,000 pounds		1,000 bales <sup>8</sup>		1,000 pounds			
1980	18,609	812	228,949	23,774	272,144	566.9	5,722	223	42,357	17,717
1981	23,048	1,035	296,607	47,179	367,869	766.4	6,484	475	56,460	23,133
1982										
January	2,171	119	25,028	4,604	31,922	66.5	478	35	4,878	1,832
February	953	91	21,331	4,075	26,450	55.1	357	15	4,404	1,832
March	1,990	136	16,937	3,669	22,732	47.4	311	43	5,580	1,772
April	1,476	128	16,747	3,450	21,801	45.4	434	21	4,608	1,662
May	3,281	169	19,257	3,266	25,973	54.1	664	53	7,096	2,218
June	2,901	168	16,344	3,550	22,963	47.8	716	17	6,374	2,266
July	2,384	62	14,604	2,834	19,884	41.4	498	10	4,108	1,347
August	2,800	75	16,834	3,677	23,386	48.7	803	41	6,204	2,355
September	2,670	68	17,479	3,434	23,651	49.3	528	17	5,298	2,096
October										
November										
December										
1983										
January										
February										
March										
April										
May										
June										

	Primarily manufactured products								
	Other wearing apparel <sup>4</sup>	Lace fabric and articles <sup>5</sup>	Household and clothing articles <sup>6</sup>	Misc.-products <sup>7</sup>	Floor covering	Total		Total	
						Weight	Bales	Weight	Bales
					1,000 bales <sup>8</sup>		1,000 pounds		1,000 bales <sup>8</sup>
1980	446,076	4,620	9,172	10,120	2,779	538,786	1,122.5	810,930	1,689.4
1981	480,864	4,730	10,483	8,861	2,561	594,031	1,237.6	961,900	2,004.0
1982									
January	34,052	265	940	918	155	43,553	90.7	75,475	157.2
February	35,369	362	800	769	228	44,136	92.0	70,586	147.1
March	32,739	327	1,031	801	114	42,718	89.0	65,450	136.4
April	26,761	328	664	638	194	35,310	73.6	57,111	119.0
May	39,442	382	1,018	<sup>9</sup> 636	223	<sup>9</sup> 51,732	<sup>9</sup> 107.8	<sup>9</sup> 77,705	<sup>9</sup> 161.9
June	51,590	442	879	<sup>9</sup> 1,027	208	<sup>9</sup> 63,519	<sup>9</sup> 132.3	<sup>9</sup> 86,482	<sup>9</sup> 180.2
July	46,021	270	860	<sup>9</sup> 636	242	<sup>9</sup> 53,992	<sup>9</sup> 112.5	<sup>9</sup> 73,876	<sup>9</sup> 153.9
August	60,537	315	969	<sup>9</sup> 854	258	<sup>9</sup> 72,336	<sup>9</sup> 150.7	<sup>9</sup> 95,722	<sup>9</sup> 199.4
September	46,366	364	802	<sup>9</sup> 1,088	193	<sup>9</sup> 56,752	<sup>9</sup> 118.2	<sup>9</sup> 80,403	<sup>9</sup> 167.5
October									
November									
December									
1983									
January									
February									
March									
April									
May									
June									

<sup>1</sup>Includes tapestry and upholstery fabrics, tire cord fabrics, and cloths in chief value cotton containing other fibers. <sup>2</sup>Includes velvets and velveteens, corduroys, plushes and chenilles, and manufactures of pile fabrics. <sup>3</sup>Includes blankets, quilts, bedspreads, sheets and pillow cases. <sup>4</sup>Includes knit and woven underwear and outerwear (collars and cuffs, shirts, coats, vests, robes, pajamas, and ornamented wearing apparel). <sup>5</sup>Includes nets and nettings, veils and veillings, edging, embroideries, etc., and lace window curtains. <sup>6</sup>Includes braids (except hat braids) tubing, labels, lacing, wicking, loom harness, table and bureau covers, polishing and dust cloths, fabric with fast edges, cords, and tassels, garters, suspenders and braces, corsets and brassieres etc. <sup>7</sup>Includes belts and belting, fish nets and netting, and coated, filled or waterproof fabrics. <sup>8</sup>480-pound net weight bales. <sup>9</sup>Does not include quantities in the TSUSA 706 luggage categories. These raw fiber equivalent quantities for May-September 1982 are 891, 894, 726, 1,362, and 711 thousand pounds respectively.

Compiled from reports of the Bureau of the Census.

**Table 19—Raw cotton equivalent of U.S. exports of domestic cotton manufactures**

Year and month	Yarn, thread, twine, and woven fabric						Manufactured products					
	Yarn	Sewing thread, crochet, darning and embroidery cotton	Twine and cordage	Woven fabric		Total	House, furnishings					
				Standard constructions and tire cord <sup>1</sup>	Other <sup>2</sup>	Weight	Bales	Knit fabrics	Blankets, spreads, towels			Other <sup>3</sup>
									pillow cases, and sheets			
1,000 pounds				1,000 bales <sup>8</sup>		1,000 pounds						
1980	30,903	14,658	1,464	124,263	87,989	259,280	540.2	4,933	23,160	11,406	3,473	
1981	21,800	15,199	1,073	75,401	52,346	165,817	345.5	6,632	20,789	8,886	2,413	
1982												
January	1,347	1,087	39	5,078	1,170	8,722	18.2	451	1,012	338	124	
February	1,713	741	79	5,375	1,001	8,909	18.6	388	932	456	192	
March	1,343	1,137	64	6,027	1,214	9,785	20.4	463	1,271	351	205	
April	1,357	1,322	65	5,887	1,273	9,904	20.6	402	1,432	947	154	
May	2,178	860	62	7,250	1,326	11,677	24.3	479	1,148	430	153	
June	1,981	734	106	7,250	1,854	11,925	24.8	574	1,268	674	297	
July	829	1,374	58	7,803	831	10,895	22.7	395	1,115	588	432	
August	994	1,409	95	4,056	975	7,529	15.7	360	1,051	373	370	
September	1,293	885	46	5,609	1,024	8,857	18.5	419	1,148	578	494	
October												
November												
December												
1983												
January												
February												
March												
April												
May												
June												
	Wearing apparel				Other household & clothing articles <sup>6</sup>		Industrial products <sup>7</sup>		Total			
	Knit <sup>4</sup>	Other <sup>5</sup>					Weight	Bales	Weight	Bales		
	1,000 pounds				1,000 bales <sup>8</sup>		1,000 pounds		1,000 bales <sup>9</sup>			
1980	70,319	115,589	20,449	19,625	268,953	560.3	528,233	1,100.5				
1981	60,333	62,603	22,319	17,505	201,480	419.8	367,300	765.2				
1982												
January	2,792	3,467	1,701	1,011	10,896	22.7	19,617	40.9				
February	4,061	4,929	1,317	1,314	13,589	28.3	22,498	46.9				
March	3,311	5,142	1,544	1,204	13,492	28.1	23,277	48.5				
April	3,347	4,831	1,512	1,163	13,788	28.7	23,692	49.4				
May	3,108	4,386	1,617	1,449	12,770	26.6	24,446	50.9				
June	3,050	4,189	1,830	1,345	13,225	27.6	25,150	52.4				
July	2,305	3,265	1,025	1,307	10,432	21.7	21,327	44.4				
August	2,099	3,232	1,195	1,075	9,756	20.3	17,285	36.0				
September	2,713	3,746	1,215	1,311	11,625	24.2	20,482	42.7				
October												
November												
December												
1983												
January												
February												
March												
April												
May												
June												

<sup>1</sup>Includes fabrics, tire cord and cloth for export to the Philippines to be embroidered and otherwise manufactured and returned to the United States. <sup>2</sup>Includes tapestry and upholstery fabrics, table damask, pile fabrics and remnants. <sup>3</sup>Includes curtains and draperies, house furnishings not elsewhere specified. <sup>4</sup>Includes gloves and mitts of woven fabric. <sup>5</sup>Includes underwear and outerwear of woven fabric, handkerchiefs, and wearing apparel containing mixed fibers (corsets, brassieres, and girdles, garters, armbands and suspenders, neckties and cravats). <sup>6</sup>Includes canvas articles and manufactures, braids and narrow fabrics, elastic webbing, waterproof garments, and laces and lace articles. <sup>7</sup>Includes rubberized fabrics, bags, and industrial belt and belting. <sup>8</sup>480-pound net weight bales.

Compiled from reports of the Bureau of the Census.

**Table 20—Manmade fiber equivalent of U.S. imports for consumption of manmade fiber manufactures**

Year and month	Tops, yarn, thread, and woven fabric							Primarily manufactured products	
	Silver tops and roving	Yarns thrown or piled	Yarns spun	Sewing thread and hand-work yarns	Rayon tire fabric including cord fabrics	Woven fabric	Total	Wearing apparel	
								Knit	Not knit
<i>1,000 pounds</i>									
1980	2,792	2,207	22,850	2,306	47	67,283	97,485	187,745	190,776
1981	3,736	4,793	23,479	2,854	277	95,382	130,521	184,704	252,162
1982									
January	448	622	1,877	169	28	7,740	10,884	12,464	24,013
February	320	143	1,408	208	65	6,583	8,727	11,222	22,724
March	207	434	1,648	191	29	6,818	9,327	10,548	21,744
April	118	326	2,114	231	2	6,788	9,579	8,565	16,823
May	82	477	2,774	196	0	8,739	12,268	15,317	25,132
June	138	520	2,438	239	1	9,143	12,479	21,755	31,280
July	348	330	2,050	115	80	6,581	9,504	17,801	25,780
August	192	611	2,847	176	135	10,438	14,399	26,414	34,499
September	423	618	2,566	147	106	9,087	12,947	21,522	26,856
October									
November									
December									
1983									
January									
February									
March									
April									
May									
June									
<b>Primarily manufactured products</b>									
Year and month	Handkerchiefs	Laces and lace articles <sup>3</sup>	Narrow fabrics <sup>4</sup>	Knit fabric	Other manufactures <sup>5</sup>	Total	Total manufactured imports		
<i>1,000 pounds</i>									
1980	137	3,840	8,137	5,985	46,539	443,159	540,644		
1981	192	4,497	8,703	2,149	56,148	508,555	639,076		
1982									
January	81	343	761	220	4,418	42,300	53,184		
February	108	277	821	141	4,052	39,345	48,072		
March	82	295	847	243	4,650	38,409	47,736		
April	65	213	943	187	3,767	30,563	40,142		
May	90	452	1,158	161	<sup>6</sup> 5,303	<sup>6</sup> 47,613	<sup>6</sup> 59,881		
June	128	529	1,060	214	<sup>6</sup> 6,595	<sup>6</sup> 61,561	<sup>6</sup> 74,040		
July	145	384	774	159	<sup>6</sup> 5,586	<sup>6</sup> 50,629	<sup>6</sup> 60,133		
August	138	536	931	242	<sup>6</sup> 5,732	<sup>6</sup> 66,492	<sup>6</sup> 82,891		
September	106	561	801	236	<sup>6</sup> 5,749	<sup>6</sup> 55,831	<sup>6</sup> 68,778		
October									
November									
December									
1983									
January									
February									
March									
April									
May									
June									

<sup>1</sup>Not included in these data are quantities of imported textured non-cellulosic yarn not over 20 turns per inch. <sup>2</sup>Includes gloves, hosiery, underwear, outerwear, and hats. <sup>3</sup>Includes veils and veillings, nets and nettings, lace window curtains, edging, insertings, flouncings, allovers, etc., embroideries, and ornamented wearing apparel. <sup>4</sup>Includes braids (except hat braids), fabrics with fast edges not over 12 inches wide, garters, suspenders, braces, tubing, cords, tassels, gill nets, webs, seines, and other nets for fishing. <sup>5</sup>Not elsewhere classified. <sup>6</sup>Does not include quantities in the TSUSA 706 luggage categories. These raw fiber equivalent quantities for May-September 1982 are 7,965, 17,894, 17,203, 17,160 and 13,969 thousand pounds respectively.

Compiled from reports of the Bureau of the Census.

**Table 21 — Manmade fiber equivalent of U.S. exports of domestic manmade fiber manufactures**

Year and month	Tops, yarn, thread, and woven fabric					Primarily manufactured products			
	Silver tops, and roving	Yarns spun	Sewing thread and handwork	Tire cord and tire cord fabric	Woven fabrics <sup>2</sup>	Total	Hosiery	Underwear and night-wear	Outer wear
	<i>1,000 pounds</i>								
1980	13,103	32,845	7,404	115,514	249,769	418,639	4,940	14,267	113,029
1981	11,046	45,693	5,522	48,155	208,478	318,894	4,896	16,970	98,783
1982									
January	811	2,111	433	3,126	9,117	16,197	293	985	5,405
February	995	2,936	367	2,703	10,130	17,132	342	1,134	6,476
March	712	2,554	561	2,794	11,484	18,104	305	1,090	5,486
April	336	2,153	483	2,108	10,588	15,669	245	1,156	5,809
May	375	2,427	446	3,059	12,110	18,417	328	1,208	5,433
June	506	3,561	706	2,522	13,359	20,654	447	1,192	5,496
July	957	1,882	311	2,311	10,664	16,125	464	971	4,544
August	334	2,728	343	1,976	9,317	14,698	359	987	4,097
September	571	1,939	372	1,890	11,292	16,063	313	1,199	4,969
October									
November									
December									
1983									
January									
February									
March									
April									
May									
June									

	Primarily manufactured products				Total	Total manufactured exports
	House furnishings	Knit or crocheted	Narrow fabrics <sup>3</sup>	Other manufactures <sup>4</sup>		
	<i>1,000 pounds</i>					
1980	111,380	23,232	25,471	65,729	358,044	776,682
1981	84,189	21,673	26,210	66,116	318,839	637,733
1982						
January	4,537	1,142	2,816	3,527	18,705	34,902
February	6,039	978	1,737	4,513	21,219	38,351
March	6,706	1,474	1,803	4,749	21,613	39,717
April	4,673	1,023	2,623	4,761	20,290	35,959
May	7,905	1,307	2,083	5,325	23,589	42,007
June	7,202	1,193	2,755	5,273	23,557	44,211
July	4,397	1,219	1,989	4,218	17,802	33,927
August	4,218	1,395	2,945	4,434	18,436	33,134
September	5,511	1,600	1,743	4,460	19,795	35,858
October						
November						
December						
1983						
January						
February						
March						
April						
May						
June						

<sup>1</sup>Includes products made from waste. <sup>2</sup>Includes pile and tufted fabric such as corduroy. <sup>3</sup>Includes ribbons, trimmings, and braids (except hat braids). <sup>4</sup>Not elsewhere classified.

Compiled from reports of the Bureau of the Census.



**Table 22—Cotton: Supply and disappearance, by type, United States**

Year beginning August 1	Supply				Disappearance			Difference unaccounted <sup>4</sup>	Ending stocks July 31
	Beginning stocks August 1 <sup>1</sup>	Pro-duction <sup>2</sup>	Imports	Total	Mill con-sumption <sup>3</sup>	Exports	Total		
<i>1,000 480-pound net weight bales<sup>5</sup></i>									
All kinds									
1980	3,000	11,122	28	14,150	5,891	5,926	11,817	335	2,668
1981	2,668	15,646	26	18,340	5,264	6,567	11,831	123	6,632
1982 <sup>7</sup>	6,632	<sup>8</sup> 11,947	22	18,601	5,405	5,815	11,220	117	7,498
Upland									
1980	2,962	11,018	27	14,007	5,828	5,893	11,721	328	2,614
1981	2,614	15,566	18	18,198	5,216	6,555	11,771	140	6,567
1982 <sup>7</sup>	6,567	<sup>8</sup> 11,841	20	18,428	5,350	5,800	11,150	122	7,400
Extra-long staple <sup>6</sup>									
1980	38	104	1	143	63	33	96	7	54
1981	54	80	8	142	48	12	60	-17	65
1982 <sup>7</sup>	65	<sup>8</sup> 106	2	173	55	15	70	-5	98

<sup>1</sup>Compiled from Bureau of the Census data and adjusted to an August 1 480-pound net weight basis. Excludes preseason ginnings. <sup>2</sup>Includes preseason ginnings. <sup>3</sup>Adjusted to August 1 - July 31 marketing year. <sup>4</sup>Difference between ending stocks based on Census data and preceding season's supply less disappearance. For upland cotton, this difference primarily reflects an increase of an estimated 1 percent in average bale weights due to moisture absorption once cotton is ginned and begins to flow through marketing channels. Additional moisture is absorbed by cotton moving in export channels. For ELS cotton, this difference reflects, in part, reporting discrepancies for stocks, mill consumption, and exports. <sup>5</sup>Factors used to convert running bales to equivalent 480-pound net weight bales for carryover and consumption of domestic cotton are based on the relationship between 480 pounds and the gin weight of a running bale, raised by 1 percent (moisture factor). <sup>6</sup>Includes American Pima, Sea Island, and foreign grown ELS cotton. <sup>7</sup>Preliminary and estimated. <sup>8</sup>Crop Reporting Board report of November 12, 1982.

**Table 23—Cotton: Supply and disappearance of all kinds; by months, United States<sup>1</sup>**

Date	Supply				Disappearance						
	Beginning stocks <sup>1</sup>			Total	Gin-nings <sup>3</sup>	Imports	Total	Mill con-sumption <sup>4</sup>	Exports	Total	Ending stocks <sup>5</sup>
	At mills	In public storage <sup>6</sup>	Other <sup>7</sup>								
<i>1,000 480-pound net weight bales</i>											
1981/82											
August	923	1,765	-20	2,668	440	0	3,108	469	244	713	2,395
September	845	1,554	-4	2,395	1,339	2	3,736	474	221	695	3,041
October	722	2,017	302	3,041	3,936	0	6,977	510	274	784	6,193
November	690	4,229	1,274	6,193	4,761	0	10,954	440	500	940	10,014
December	698	7,326	1,990	10,014	3,408	1	13,423	376	768	1,144	12,279
January	789	9,658	1,832	12,279	1,359	1	13,639	409	685	1,094	12,545
February	856	9,888	1,801	12,545	403	0	12,948	414	792	1,206	11,742
March	921	9,245	1,576	11,742	-	0	11,742	477	924	1,401	10,341
April	962	8,303	1,076	10,341	-	4	10,345	473	710	1,183	9,162
May	955	7,454	753	9,162	-	13	9,175	432	509	941	8,234
June	944	6,591	699	8,234	-	4	8,238	421	523	944	7,294
July	913	5,810	571	7,294	-	1	7,295	369	417	786	6,632
Season	923	1,765	-20	2,668	15,646	26	18,340	5,264	6,567	11,831	6,632
1982/83											
August	865	5,495	272	6,632	468	2	7,102	448	360	808	6,294
September <sup>8</sup>	788	5,259	247	6,294	1,112	2	7,408	431	370	801	6,607
October <sup>8</sup>	708	5,481	418	6,607	-	-	-	-	-	-	-

<sup>1</sup>Compiled from Bureau of the Census data and adjusted to a 480-pound net weight basis. <sup>2</sup>August stocks adjusted to an August 1 basis and exclude preseason ginnings. <sup>3</sup>August data include preseason ginnings. <sup>4</sup>Adjusted to a calendar month. <sup>5</sup>Supply less disappearance. End of season stocks adjusted by Bureau of the Census data. Differences primarily reflect varying bale weights. <sup>6</sup>Adjusted to 480-pound bales by use of monthly conversion factors for mill stocks. <sup>7</sup>Primarily cotton on farms and in transit. Estimated by subtracting public storage and mill stocks from total stocks. <sup>8</sup>Preliminary.

**Table 24—Fiber prices: Landed Group B mill points, cotton prices and manmade staple fiber prices at f.o.b. producing plants, actual and estimated raw fiber equivalent**

Year beginning January 1	Cotton <sup>1</sup>		Rayon <sup>2</sup>		Polyester <sup>3</sup>	
	Actual	Raw fiber equivalent <sup>4</sup>	Actual	Raw fiber equivalent <sup>4</sup>	Actual	Raw fiber equivalent <sup>4</sup>
	<i>Cents per pound</i>					
1981	80	89	87	90	85	88
1982						
January	66	73	89	93	82	85
February	66	73	87	91	82	85
March	67	75	87	91	80	83
April	69	77	87	91	78	81
May	71	79	86	90	76	79
June	68	76	86	90	76	79
July	74	82	83	86	76	79
August	69	77	83	86	75	78
September	67	74	82	85	75	78
October	66	74	82	85	75	78

<sup>1</sup>SLM-1-1/16" at Group B Mill points, net weight. <sup>2</sup>1.5 and 3.0 denier, regular rayon staple. <sup>3</sup>Reported average market price for 1.5 denier polyester staple for cotton blending. <sup>4</sup>Actual prices converted to estimated raw fiber equivalent as follows; cotton, divided by 0.90, rayon and polyester, divided by 0.96.

Agricultural Marketing Service and Trade reports.

**Table 25—Cotton: Strict low middling, spot prices in designated U.S. markets, loan rates, and prices received by farmers for upland cotton**

Year beginning August 1	Average spot market prices per pound (net weight) <sup>1</sup>						Price per pound received by farmers for upland cotton (net weight) <sup>2</sup>
	15/16 inch	1 inch	1-1/32 inches	1-1/16 inches	1-3/32 inches	1-1/8 inches	
	<i>Cents</i>						
1981/82	49.92	54.13	58.28	60.48	60.89	62.07	54.50
1982/83							
August	50.86	54.82	58.21	60.38	60.76	61.71	52.10
September	49.81	53.89	56.71	58.98	59.36	60.10	54.90
October	49.12	53.14	56.35	58.58	58.97	59.62	59.50
November							
December							
January							
February							
March							
April							
May							
June							
July							
Average							
Loan rate	48.73	52.68	55.73	57.73	58.13	58.38	57.08

<sup>1</sup>Spot market loan rates and prices are for cotton with micronaire readings of 3.5 through 4.9. <sup>2</sup>Excludes domestic allotment payments, price support and diversion payments. <sup>3</sup>Average to April 1, 1982, with no allowance for unredeemed loans. <sup>4</sup>SLM 1-1/16" average location.

Agricultural Stabilization and Conservation Service, Agricultural Marketing Service, and Statistical Reporting Service.

**Table 26—Estimated mill consumption of raw cotton by major type of textile product**

Item	1981				Year	1982	
	1Q	2Q	3Q	4Q		1Q	2Q
	<i>1,000 bales<sup>1</sup></i>						
<b>Wholly or chiefly cotton</b>							
Duck	26	34	34	33	127	38	34
Sheeting & allied coarse	128	126	121	119	494	103	100
Print cloth	73	69	70	84	296	86	80
Denim	239	248	255	227	969	211	196
Toweling	146	143	133	138	560	122	120
Blanketing	24	25	21	17	87	17	16
Fine cotton	8	10	11	10	39	11	10
Corduroy	73	73	68	61	275	66	65
Drapery	7	6	5	4	22	4	4
Miscellaneous	5	11	10	5	31	11	9
<b>Total</b>	<b>729</b>	<b>745</b>	<b>728</b>	<b>698</b>	<b>2,900</b>	<b>669</b>	<b>634</b>
<b>Polyester/cotton fabrics</b>							
Batiste	13	12	12	11	48	11	10
Bed sheeting	105	103	105	95	408	91	89
Broadcloth	11	12	16	14	53	14	15
Twills	53	53	49	46	201	49	47
Oxfords	10	10	10	10	40	10	9
Poplins	22	25	29	27	103	23	25
Sateens	4	3	2	2	11	2	2
Yarn dyed fabric	26	26	23	22	97	21	20
Print cloth	44	42	46	44	176	44	42
Corduroy	11	11	10	8	40	8	7
Other	40	36	30	27	133	22	22
<b>Total</b>	<b>339</b>	<b>333</b>	<b>332</b>	<b>306</b>	<b>1,310</b>	<b>295</b>	<b>288</b>
<b>Other textile products</b>							
Knit fabric	335	345	332	318	1,330	314	312
Narrow	19	19	18	15	71	14	14
Thread	26	26	23	20	95	20	20
Rope	15	15	13	12	55	12	12
<b>Total</b>	<b>395</b>	<b>405</b>	<b>386</b>	<b>365</b>	<b>1,551</b>	<b>360</b>	<b>358</b>
<b>Grand Total</b>	<b>1,463</b>	<b>1,483</b>	<b>1,446</b>	<b>1,369</b>	<b>5,761</b>	<b>1,324</b>	<b>1,280</b>
<b>Actual mill consumption</b>	<b>1,451</b>	<b>1,467</b>	<b>1,412</b>	<b>1,327</b>	<b>5,657</b>	<b>1,299</b>	<b>1,320</b>
<b>Residual</b>	<b>+12</b>	<b>+16</b>	<b>+34</b>	<b>+42</b>	<b>+104</b>	<b>+25</b>	<b>-40</b>

<sup>1</sup>480-pounds, net weight.

Based on data from Bureau of the Census reports and National Cotton Council.

**Table 27—Manmade fiber production and capacity, quarterly, 1981-83<sup>4</sup>**

Fiber	1981					1982					1983					Projected 1984 capacity	Average annual change 1984/1982
	Year	1Q	2Q	3Q	4Q	Year	1Q	2Q	3Q	4Q	Year	1Q	2Q	3Q	4Q		
	<i>Million pounds</i>														<i>Percent</i>		
Grand total <sup>1, 2</sup>																	
all fibers																	
Cap	12,042	3,032	3,029	3,040	3,063	12,164	3,079	3,103	3,114	3,133	12,429	12,552	1.6				
Prod	9,819	2,024	1,974	1,909													
Percent	82	67	65	63													
Total staple <sup>2</sup>																	
Cap	5,347	1,363	1,360	1,361	1,366	5,450	1,375	1,384	1,389	1,396	5,544	5,590	1.3				
Prod	4,657	963	919	922													
Percent	87	71	68	68													
Total filament <sup>1, 2</sup>																	
Cap	6,695	1,669	1,669	1,679	1,679	6,714	1,704	1,719	1,725	1,737	6,885	6,962	1.8				
Prod	5,162	1,061	1,055	987													
Percent	77	64	63	59													
Polyester total																	
Cap	4,616	1,132	1,105	1,106	1,109	4,452	1,113	1,117	1,120	1,123	4,473	4,496	0.5				
Prod	4,176	871	778	728													
Percent	90	77	70	66													
Staple																	
Cap	2,767	707	704	706	708	2,825	711	713	716	719	2,859	2,877	0.7				
Prod	2,607	539	460	447													
Percent	94	76	65	63													
Filament																	
Cap	1,849	425	401	400	401	-1,627	402	404	404	404	1,614	1,619	-0.2				
Prod	1,569	332	318	281													
Percent	85	78	79	70													
Nylon total																	
Cap	2,946	741	740	742	746	2,969	755	764	768	772	3,059	3,091	2.0				
Prod	2,333	441	478	503													
Percent	79	60	65	68													
Staple																	
Cap	989	250	247	246	247	990	253	259	262	264	1,038	1,062	3.6				
Prod	752	141	169	191													
Percent	76	56	68	78													
Filament																	
Cap	1,957	491	493	496	499	1,979	502	505	506	508	2,021	2,029	1.2				
Prod	1,581	300	309	312													
Percent	81	61	63	63													
Olefin total																	
Cap	1,192	313	317	325	334	1,289	336	339	340	342	1,357	1,374	3.1				
Prod	785	190	178	181													
Percent	66	61	56	56													
Staple																	
Cap	239	68	69	69	70	276	70	70	70	71	281	281	0.9				
Prod	142	36	31	37													
Percent	59	53	45	54													
Filament																	
Cap	953	245	248	256	264	1,013	266	269	270	271	1,076	1,093	3.8				
Prod	643	154	147	144													
Percent	67	63	59	56													
Acrylic staple																	
Cap	833	210	211	212	212	845	212	213	213	214	852	856	0.6				
Prod	691	150	171	158													
Percent	83	71	81	75													
Non-cellulosic non-glass total <sup>1</sup>																	
Cap	9,610	2,402	2,381	2,392	2,409	9,584	2,423	2,441	2,448	2,459	9,771	9,847	1.4				
Prod	8,007	1,656	1,611	1,574													
Percent	83	69	68	66													
Staple																	
Cap	4,828	1,235	1,231	1,233	1,237	4,936	1,246	1,255	1,261	1,268	5,030	5,076	1.4				
Prod	4,192	866	831	833													
Percent	87	70	68	68													
Filament <sup>1</sup>																	
Cap	4,782	1,167	1,150	1,159	1,172	4,648	1,177	1,186	1,187	1,191	4,741	4,771	1.3				
Prod	3,815	790	780	741													
Percent	80	68	69	64													
Rayon staple																	
Cap	512	127	128	127	128	510	128	128	127	127	510	510	0				
Prod	461	96	87	88													
Percent	90	76	68	69													
Acetate filament																	
Cap	330	81	80	79	80	320	79	80	79	80	318	318	-0.3				
Prod	257	53	53	46													
Percent	78	65	66	58													
Glass filament																	
Cap	1,525	407	424	427	430	1,688	434	438	445	451	1,768	1,815	3.7				
Prod	1,041	208	210	<sup>3</sup> 190													
Percent	68	51	50	44													

<sup>1</sup>Includes spandex capacity and production not shown. <sup>2</sup>Includes rayon filament and acetate staple capacity and production not shown. <sup>3</sup>Estimated. <sup>4</sup>Capacity data as of May 1982

Compiled from *Textile Organon*

**Table 28—Raw wool content of United States imports for consumption of wool manufacturers<sup>1</sup>**

Year and month	Noils	Wastes <sup>6</sup>	Tops and advanced wool	Yarns	Woven fabrics <sup>2</sup>	Wool blankets <sup>3</sup>
<i>1,000 pounds</i>						
1977	19,426	11,289	842	5,804	18,651	407
1978	23,067	14,130	563	5,550	25,830	572
1979	17,216	11,778	368	3,801	21,687	457
1980	10,638	7,546	311	3,864	21,152	375
1981	12,299	8,233	326	4,720	27,783	400
1982						
January	808	574	69	555	1,628	12
February	480	382	25	634	1,843	13
March	1,064	543	103	715	2,643	10
April	702	389	25	680	2,629	21
May	429	445	83	951	3,419	25
June	591	562	111	593	3,487	14
July	424	303	1	650	2,368	9
August	527	317	14	776	2,814	21
September	388	215	5	459	1,763	34
<b>Wearing apparel</b>						
	Knit	Other than knit <sup>4</sup>	Other manufactures <sup>5</sup>	Carpets and rugs	Total	
<i>1,000 pounds</i>						
1977	25,808	18,264	1,224	14,838	116,553	
1978	22,339	22,559	895	13,914	129,369	
1979	19,114	20,072	1,113	13,937	109,543	
1980	24,431	17,252	788	16,931	103,228	
1981	22,789	18,098	902	18,076	113,626	
1982						
January	775	816	74	1,632	6,943	
February	1,011	769	66	1,267	6,490	
March	829	732	92	1,595	8,326	
April	1,065	937	99	1,368	7,915	
May	1,569	1,009	64	1,764	9,758	
June	2,768	2,006	76	1,692	11,900	
July	3,192	2,345	68	1,543	10,903	
August	4,644	4,020	53	1,912	15,098	
September	3,482	3,237	64	1,352	10,999	

<sup>1</sup>Includes manufactures of mohair, alpaca, and other wool-like specialty hair. <sup>2</sup>Includes pile fabric and manufactures, tapestry and upholstery goods press and billard cloths. <sup>3</sup>Includes carriage and automobile robes, steamer rugs, etc. <sup>4</sup>Includes laces, lace articles, veils and veillings, nets and nettings, when reported in pounds. <sup>5</sup>Includes knit fabrics in the piece and miscellaneous manufactures not elsewhere specified. <sup>6</sup>Not including rags.

Compiled from reports of the Bureau of the Census.

**Table 29—Raw wool content of United States exports of domestic wool manufactures<sup>1</sup>**

Year and month	Noils & wastes <sup>2</sup>	Tops and advanced wool	Yarns	Woven fabrics	Wool <sup>2</sup> blankets	Wearing apparel knit
<i>1,000 pounds</i>						
1977	1,591	1,702	1,476	677	706	586
1978	929	1,299	1,266	1,094	33	1,218
1979	1,323	3,213	951	1,162	22	1,471
1980	566	4,258	577	1,342	65	2,689
1981	537	2,641	994	1,652	88	2,031
1982						
January	6	119	123	87	8	547
February	91	200	90	162	2	122
March	117	380	40	128	3	125
April	95	291	74	106	5	128
May	76	435	56	101	3	142
June	103	560	141	108	7	138
July	36	357	34	102	5	74
August	67	359	22	181	2	114
September	35	501	46	88	4	173
	Wearing apparel other than knit	Felts	Other manufactures <sup>3</sup>	Carpets and rugs	Knit fabrics	Total
<i>1,000 pounds</i>						
1977	1,830	233	2,054	1,986	201	13,042
1978	1,235	274	1,247	733	152	9,480
1979	1,335	192	1,867	297	297	12,488
1980	1,903	198	1,878	301	214	13,989
1981	1,945	294	1,729	201	211	12,332
1982						
January	71	15	176	26	4	1,185
February	81	27	91	5	15	887
March	70	21	76	15	22	995
April	83	9	76	22	3	892
May	91	16	88	18	7	1,032
June	262	15	173	12	29	1,549
July	70	2	109	6	3	798
August	113	44	95	15	3	1,013
September	104	16	92	7	6	1,072

<sup>1</sup>Includes manufactures of mohair, alpaca, and other wool-like speciality hair. <sup>2</sup>Not including rags. <sup>3</sup>Census Bureau's Schedule B classifier designated manufactures, n.e.c.

Compiled from reports of the Bureau of the Census.

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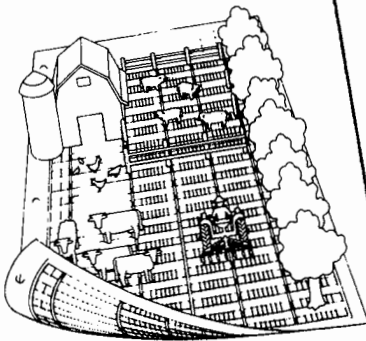
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