

# THE Livestock and Wool SITUATION

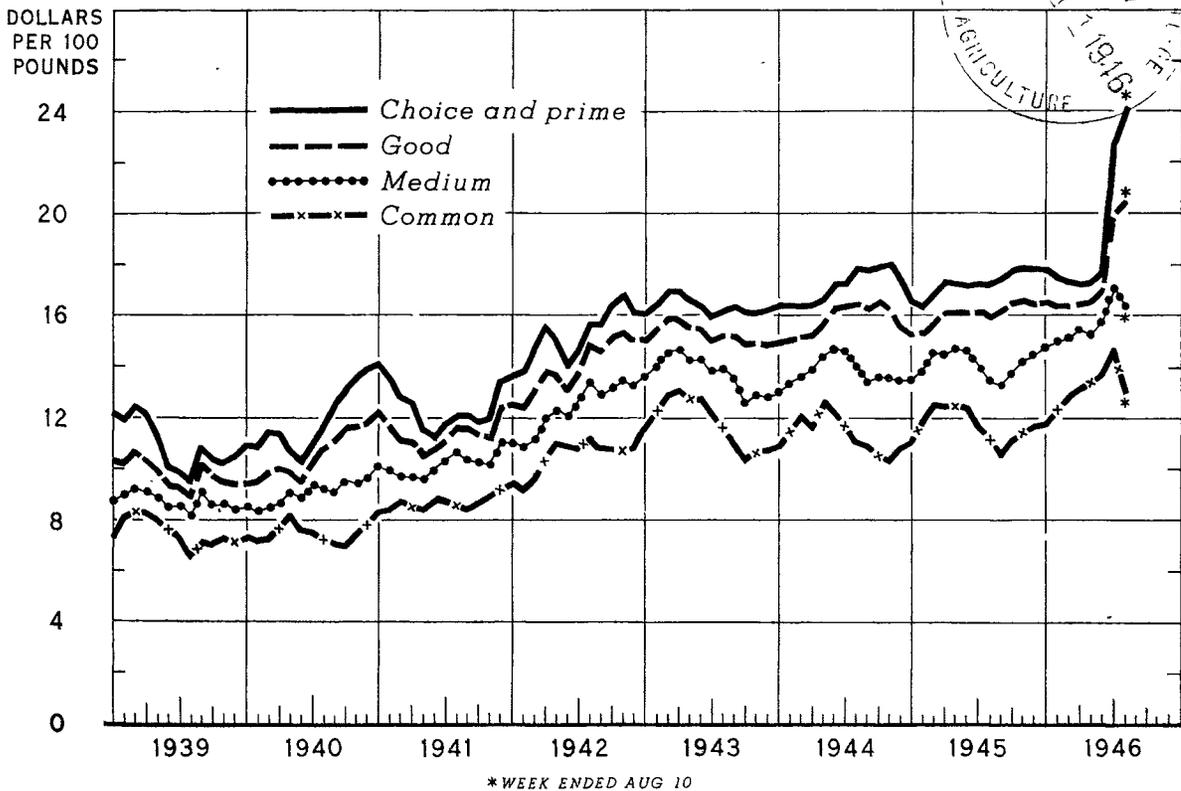
BUREAU OF AGRICULTURAL ECONOMICS  
 UNITED STATES DEPARTMENT OF AGRICULTURE

LWS - 48



AUGUST 1946

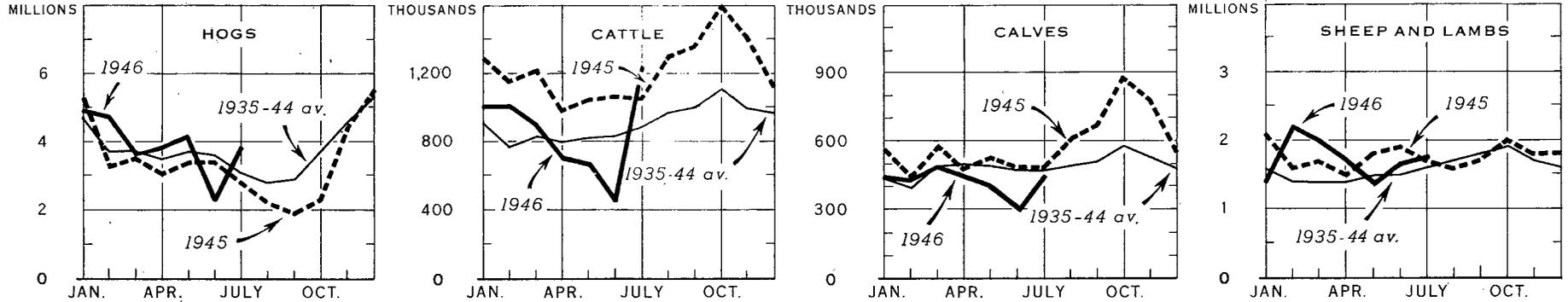
AVERAGE PRICE OF SLAUGHTER STEERS  
 AT CHICAGO, BY GRADES, 1939-46



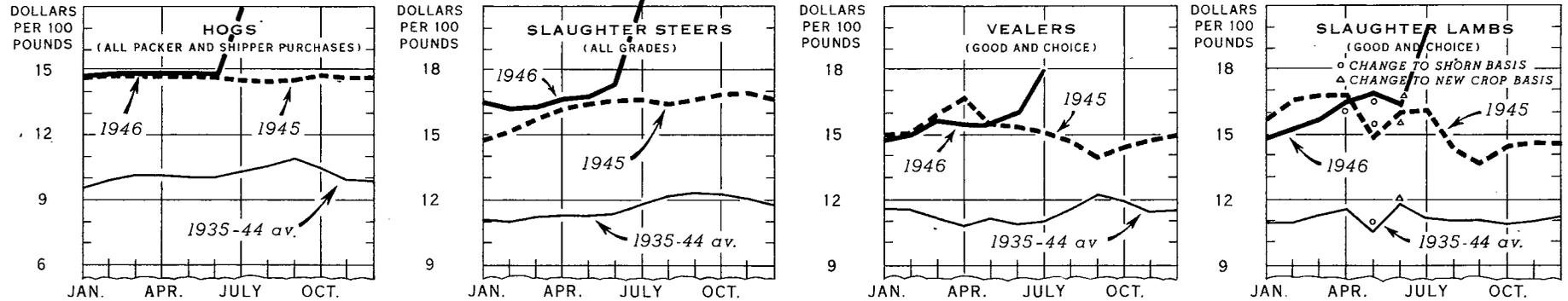
Prices of the better grades of slaughter steers advanced sharply in July and early August, but only slight increases occurred in prices of common and medium grade steers. Prices of stocker and feeder cattle (not shown on chart) also advanced only slightly. Demand for the better grades of slaughter cattle is expected to remain strong throughout the remainder of this year and in early 1947. The marketable supply of fed steers is small relative to the very strong demand for such cattle.

# LIVESTOCK SLAUGHTER, PRICES AND MARKETINGS, MEAT PRODUCTION AND STOCKS, AND HOG-CORN PRICE RATIO

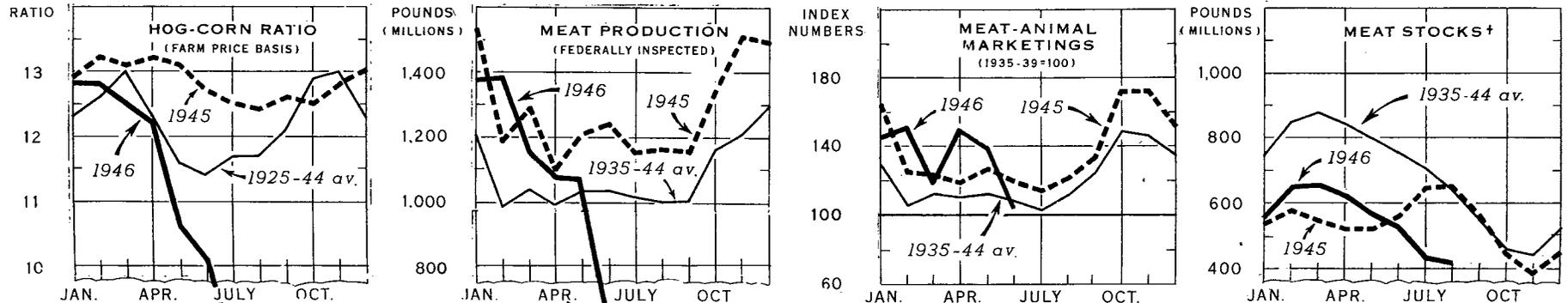
## FEDERALLY INSPECTED SLAUGHTER, UNITED STATES \*



## MARKET PRICES AT CHICAGO



## HOG-CORN PRICE RATIO, MEAT PRODUCTION, MEAT STOCKS AND MARKETINGS, UNITED STATES



\* INCLUDES SLAUGHTER IN "FULMER" PLANTS SINCE 1941, NOT PREVIOUSLY UNDER FEDERAL INSPECTION

† BEEF, LAMB, MUTTON, PORK, AND MISCELLANEOUS MEATS IN MEAT PACKING PLANTS AND COMMERCIAL COLD STORAGE HOUSES, BEGINNING OF MONTH

-----  
 THE LIVESTOCK AND WOOL SITUATION  
 -----

Approved by Outlook and Situation Board, August 20, 1946

<u>Contents</u>	
	<u>Page</u>
Summary .....	3
Outlook .....	6
Wool Situation .....	14

### SUMMARY

The Price Decontrol Board ruled August 20 that meat and meat products would be returned to price control. Quota limitations on slaughter are to be reinstated. The Board authorized the reestablishment of the subsidies that were in effect on June 29, 1946, subject to the limitation that, on or before January 10, 1947, the subsidy for the remaining period will be reduced by one half from the amount that would otherwise be payable. Removal of the entire subsidy will occur on April 1, 1947. The OPA announced that price ceilings on pork, beef, and veal would go into effect at near the June 30 level.

Prices of cattle, hogs, and lambs reached record levels during late July and early August, but had declined somewhat by August 10. The average price of all grades of slaughter steers at Chicago in the week ended August 10 was \$22.11 compared with \$17.45 in the last week of June and the average of \$17.30 in the week ended August 16, 1919, the highest of record prior to 1946. Prices of choice and prime steers advanced very sharply in July and early August. At the same time, prices of lower-grade slaughter steers and stocker and feeder cattle showed only moderate increases. Supplies of lower-grade cattle are increasing seasonally.

Hog prices at Chicago in the week ended August 10 averaged \$21.81 per 100 pounds compared with about \$14.75 under the June 30 ceilings and the record of \$22.20 in the week ended July 26, 1919.

Wholesale meat prices at Chicago during the week ended August 10 averaged 20 to 70 percent greater than the June 29 price ceilings plus subsidies paid to packers and direct to farmers. Prices for pork and higher grade beef, advanced most. Prices of lower grades of beef declined moderately in early August; Mutton prices declined sharply, but pork and lamb prices generally continued to increase. Retail prices of meat (including poultry and fish) rose about 30 percent from June 15 to July 15, according to the Bureau of Labor Statistics.

No let-up in the strong demand for meat is in prospect for the next 9 months, largely because incomes of domestic consumers are expected to continue high well into 1947. Purchases of meat for export, if resumed later this year, would be an additional strong price-supporting factor. In the second half of 1946 civilian meat supplies per person are likely to be nearly the same as in the corresponding period of 1945. Total meat production will be close to that of a year ago but Government purchases will be somewhat smaller. For 1946 as a whole civilian meat supplies will exceed the 138 pounds per person consumed in 1945, and may be near the 149 pounds consumed in 1944, the largest since 1911.

Cattle slaughter under Federal inspection reached a new record high for the month of July, 18 percent greater than a year earlier and 15 percent greater than the previous record in July 1944. Early August slaughter continued at this high level. In the remainder of 1946, slaughter of grass cattle may be close to the large slaughter of a year earlier, with near record numbers available for slaughter. On the other hand, the number of grain-fed cattle for market will be less than in the latter part of 1945. An estimated 45 percent fewer cattle were on grain feed in the Corn Belt August 1 than a year earlier and feeding was down in Colorado and California, the principal feeding States in the west.

Hog slaughter in late August and September, the remainder of the present hog marketing year, will fall materially below the July level. The number of hogs 6 months old and over on farms June 1 was estimated to be 10 percent less than a year earlier. Total slaughter under Federal inspection for June and July was larger than a year earlier, with the July slaughter 40 percent greater than in July 1945. Slaughter reached a peak in late July, and continued large in early August.

The hog-corn price ratio in July was distinctly unfavorable for a high level of hog production. As corn prices declined and hog prices rose in August the ratio improved, but was still below average. If hog prices are reinstated at or near the old ceilings the ratio probably will continue below average, even though corn prices will decline as the new crop is harvested. Prospective supplies of feed concentrates for the coming feeding year are now indicated to be 7 to 8 percent greater per animal unit than in the current feeding year. Concentrate supplies per animal unit will be a new high.

The smallest lamb crop since 1927 will reduce the supply of lambs for slaughter in the remainder of the year to less than that of a year ago. This year's total lamb crop was estimated at 26 million head, almost 2 million head (7 percent) less than in 1945.--

United States prices of raw wool and of most wool manufactures remained about unchanged during July when no ceilings were in effect. An exception was the spot and futures price of wool tops which fluctuated considerably. Wool sales in the Southern Hemisphere countries are now virtually suspended. When the new selling season opens in September, prices of most British Southern Dominion wools are expected to continue about at present levels although finer grades may rise. The British Dominions have announced that prices of these wools will be supported at the same average selling price that prevailed in the latter part of the 1945-46 season.

Wool fabric production for the second quarter was at an all-time record with almost half of the increase in production over the first quarter in fabric suitable for men's suits. However domestic production of men's suits during May and June continued at the 1939 levels. Mill consumption of apparel wool was at the extremely high annual rate of 1.1 billion pounds, grease basis, during May and June. Consumption for the year is still expected to be close to a billion pounds in spite of the usual summer decline.

U. S. stocks of domestic wools continued to increase during the second quarter and are considerably larger than a full year's production. Foreign apparel wool stocks were about maintained by heavy imports during the second quarter. The 1946 production of shorn wool is now estimated at 299 million pounds and pulled wool is expected to be about 59 million pounds, a total of 358 million or the smallest production since 1927.

Record purchases of wool by United States importers in 1945-46 and increased purchases by European countries raised sales of wool above the season's production in Southern Hemisphere exporting countries. The combined carry-over into the 1946 season in 5 Southern Hemisphere countries evidently will be somewhat smaller than the 1945 record carry-over of about 3.1 billion pounds, actual weight.

#### OUTLOOK

1946 Meat Production Fourth Largest; Output to be  
Moderately Smaller in 1947; Demand to  
Continue Strong

With incomes of domestic consumers expected to remain high at least through the first half of 1947, demand for meat will continue strong. Government purchases of meat for export later in 1946, if undertaken on a substantial scale, would add to the over-all demand. Production of meat in the remainder of 1946 probably will total close to that of a year earlier.

Production in 1946 may be near 1945 production of 22.9 billion pounds, dressed meat basis, which was the third largest year of record. Meat output is indicated to be moderately smaller in 1947 than this year. Cattle and sheep slaughter are now trending downward. Pork production in the spring and summer of 1947 will be reduced reflecting the prospective sharp reduction in this year's fall pig crop.

Civilian meat supplies for 1946 may average 145 to 150 pounds per person (wholesale meat basis) compared with 138 pounds in 1945. Consumption per person in 1946 may not reach that of 1944 but it will be larger than in any other year since 1911. Civilian supplies per person in the second half of 1946 may be nearly the same as in the corresponding period of 1945. Civilian supplies will continue large through early 1947.

Government purchases in the second half of 1946 will be below those of a year earlier. Commodity Credit Corporation has purchased little meat since June. Army purchases are also at a low level in contrast to large military purchases last summer.

In late July, Commodity Credit Corporation announced that it was unlikely to be in the market for canned meats during the balance of 1946, except for meat not yet delivered from set-asides unfulfilled on June 30. The CCC stated that stocks plus quantities that will be delivered on contracts or on set-aside deficits would be adequate to meet UNRRA requisitions and requirements.

Commodity Credit Corporation purchases of cured and carcass meats probably will remain small during the summer. Purchases for export may be resumed in the fall and winter. The armed forces probably will continue to purchase meat at a rate of 600 to 800 million pounds a year, mostly in cured and fresh form.

Large Slaughter of Grass Cattle This Fall and Winter:  
Fed Cattle Marketings to be Under 1945

Cattle and calf slaughter lagged behind a year earlier in the first 6 months of 1946. Slaughter under Federal inspection in the first 5 months of the year, included 4.3 million head of cattle 24 percent less than a year earlier and 2.2 million head of calves (15 percent less). In June, federally inspected slaughter of cattle was 58 percent less than a year earlier and calf slaughter 40 percent less. However, in the first 6 months of 1946, total slaughter of cattle and calves was not reduced as much as that in federally inspected plants, because slaughter in noninspected plants was a record through April. Noninspected cattle slaughter was reduced substantially beginning in May. Quotas on slaughter in both noninspected and inspected plants were reestablished April 28 to May 1. On June 30, quotas for slaughter under Federal inspection were revoked. Quota limitations on slaughter in noninspected plants were indefinitely suspended beginning with the July quota period.

July cattle slaughter under Federal inspection was 18 percent greater than a year earlier and 15 percent greater than the previous record kill for the month in 1944. Slaughter in early August continued at the high July level, higher for federally inspected plants than for any time since last November. Record cattle prices in July and early August and uncertainties as to prices after August 20 brought an unseasonably large number of cattle to market. The movement of grass cattle was further stimulated by drought conditions in the southern plains and southwest and increasing dryness in the western States. Federally-inspected calf slaughter in July was 13 percent greater than in July 1945 but was 15 percent less than the record slaughter for the month in 1944.

Cattle and calf slaughter during the remainder of the year is expected to continue large, with a near-record number of grass cattle available for market. Slaughter of grass cattle in the balance of 1946 will approximate the large slaughter

for the season in 1945. The quality of such cattle marketed is expected to be high, with generally good pasture conditions prevailing in most sections of the country in July and early August, but with ranges becoming dry and poorer than a year earlier in some of the Western Range States.

The number of grain-fed cattle for market in the remaining months of 1946, on the other hand, will be much less than the number marketed a year earlier. The number of cattle on feed in the Corn Belt on January 1, 1946, estimated at 3,310,000 head, was 5 percent less than a year earlier. The April 1 number was 17 percent less than on April 1, 1945, one of the greatest percentage declines from the previous April 1, exceeded only in the years following the 1934 and 1936 droughts. The number of cattle on feed for market August 1 in the Corn Belt was estimated to be 45 percent less than a year earlier, and was indicated to be the smallest of record for that date. The number on feed was down in all but two states, Ohio and Indiana, where numbers were up 5 and 10 percent, respectively. The number of cattle on feed August 1 was materially smaller than a year earlier in Colorado and California, the leading feeding states in the west. Reports from Corn Belt cattle feeders indicate that most of the decrease from a year earlier in the number of cattle on feed August 1 was in the number of cattle that had been on feed over 4 months. The number of short-fed cattle was down only slightly.

Stocker and feeder cattle shipments to 8 Corn Belt States in May and June were 12 percent greater than a year earlier. July shipments were up 69 percent from July 1945. In January-April shipments had been 8 percent less than a year earlier. However, marketings of cattle from feedlots in April-July were large relative to in-shipments.

A larger number of cattle are likely to be grain fed next winter and spring than in the current year as a result of sharp increase in prices of the higher grade slaughter cattle accompanied by only moderate increases in prices of feeder and stocker cattle, the prospect of increased supplies of feed concentrates per animal unit for the next feeding year, and favorable returns from feeding operations in the past year. Last winter and spring feeding, though below that of the preceding year, was large in relation to prewar, partly as a result of the effort to salvage soft and wet corn. Increased cattle feeding in the coming season will mean more good and choice cattle for market in the spring and summer of 1947 than have been available this year. Prices of top-grade cattle are likely to be lower next summer than the very high prices prevailing in the summer this year.

#### Lower Pork Production Indicated in Early 1947:

##### Hog-corn Price Ratio to Improve With Harvest of Corn Crop

Despite greatly curtailed marketings of hogs in June, slaughter of hogs in federally inspected plants in the first 6 months of 1946 was 8 percent greater than a year earlier. As market receipts increased in July, the national packers greatly increased their slaughter, and in late July federally inspected slaughter exceeded one million hogs a week, the greatest number since early March, and the largest for that time of year since 1944. July federally inspected slaughter totaled 3.9 million head, 40 percent greater than in July 1945. Although peak slaughter of 1945 fall pigs was reached in late July, slaughter continued large in early August.

Hog slaughter probably will fall off materially during the rest of the summer. Summer supplies for slaughter come largely from hogs over 6 months of age

on farms June 1. This year, such hogs were estimated to be 10 percent fewer than a year earlier. In addition, federally inspected slaughter of hogs in June-July 1946 was greater than a year earlier. Thus, supplies remaining for slaughter are substantially below those of 1945.

Hog slaughter in the first 9 months of 1947 probably will be less than in the corresponding period of 1946, chiefly because of the material reduction now forecast in this year's fall pig crop. According to farmers' June breeding intentions, 4.6 million sows will be bred for fall farrow. These intentions and an average number of pigs saved per litter would give a fall pig crop this year of around 29.1 million head, 17 percent less than the number saved in the fall of 1945.

The hog-corn price ratio in July was distinctly unfavorable to hog production as corn prices advanced relatively more than hog prices. With the United States average price of corn, farm basis, on July 15, at \$1.96 per bushel, the hog-corn price ratio was 8.6 compared with the average for July 1925-44 of 11.7. As corn prices declined in August the ratio increased but was still below average. As new crop corn is harvested, corn prices will decline seasonally. This year's corn crop now looks like a new record. Estimates of feed concentrates per animal unit for the next feeding year are 7 to 8 percent greater than supplies of the current feeding season, and the largest of record on the basis of August crop conditions.

1946 Lamb Crop 2 Million Less Than in 1945; Lamb Slaughter in Remainder of Year to be Below 1945

Reported slaughter of sheep and lambs under Federal inspection in the first half of 1946 was only slightly less than a year earlier. January, May, and June slaughter fell below a year earlier, but a larger slaughter than a year earlier occurred in February-April, when subsidy payments to farmers were at the highest rate. Slaughter of ewes continued large during the period. Sheep represented 12 percent of the total sheep and lamb kill under Federal inspection in the first 6 months of 1946 compared with 13 percent a year earlier, and a usual proportion of around 7 percent. July slaughter of sheep and lambs under Federal inspection was about the same as a year earlier, reflecting an earlier movement of spring lambs than in 1945. Early August slaughter continued large for the month as the movement of lambs from the Northwest accelerated.

The supply of lambs for slaughter for the remainder of 1946 is less than in the same period of 1945. The early spring lamb crop was estimated to be 13 percent less than the small 1945 early lamb crop. The total lamb crop for 1946, estimated at 26 million, was almost 2 million head or 7 percent less than a year earlier. The total lamb crop was 14 percent below the 1935-44 average and was the smallest since 1927. The percentage lamb crop in 1946, almost 90 for the United States, equalled the previous record set in 1941. The high percentage lamb crop in part offset the 10-percent fewer ewes on hand January 1 this year compared with last.

Pastures are good to excellent in most of the Native Sheep States and lambs have made better than usual growth. Lambs have also developed well in the Western States except in Arizona, New Mexico, and Western Texas, where drought conditions have retarded development of the crop and have caused some forced marketings.

Table 1.-- U. S. lamb crop, by regions, 1935-46

Year	:Ewes 1 year and over on: :farms and ranches, Jan. 1:			Lambs saved per 100 ewes			:Total number of lambs : saved 1/		
	: Western: : sheep : States : 2/	: Native : sheep : States	: United : States	: Western: : sheep : States : 2/	: Native : sheep : States	: United : States	: Western: : sheep : States : 2/	: Native : sheep : States	: United : States
	: Thous.	: Thous.	: Thous.	: No.	: No.	: No.	: Thous.	: Thous.	: Thous.
1935-39: average:	24,348	10,728	35,076	78	98	84	18,995	10,490	29,485
1940	24,951	10,986	35,937	83	96	87	20,726	10,541	31,267
1941	25,415	11,289	36,704	85	99	90	21,664	11,190	32,854
1942	26,075	11,645	37,720	81	99	86	21,053	11,551	32,604
1943	26,166	11,556	37,722	77	96	83	20,202	11,108	31,310
1944	24,839	10,468	34,707	79	97	84	19,135	10,113	29,248
1945	23,036	9,321	32,357	81	99	87	18,751	9,246	27,997
1946 3/:	20,933	8,256	29,189	84	103	89	17,594	8,516	26,110

1/ Lambs living or sold by June 1 in the Native Sheep States and lambs docked or branded in the Western Sheep States.

2/ Includes the 11 Western States, Texas and South Dakota.

3/ Preliminary.

Meat Animal Prices in Early August  
Reach Record Highs; Meat Prices  
25 to 104 Percent Higher Than Ceilings

Meat-animal prices after rising sharply in July, tended to stabilize somewhat in early August. However, hog prices continued to increase as slaughter dropped off seasonally. The top price for hogs reached \$24.50 at Chicago in early August to set a new record. The average price of all barrows and gilts sold at Chicago during the week ended August 10 was \$23.09 compared with \$14.85 under the June 30 ceilings. Sow prices at Chicago during the same week averaged \$21.03 compared with the old ceiling of \$14.10.

Prices of cattle in mid-August generally were the highest of record. A new top of \$27.75 for prime steers was set at Chicago early in the month. The average price of good grade slaughter steers at Chicago during the week ended August 10 was \$20.53 compared with \$17.24 during the last week of June under ceilings and \$16.01 a year earlier. The average price of choice and prime slaughter steers at Chicago averaged \$24.03 during the week ended August 10, \$6.16 per 100 pounds over the average for the last week of June, and \$6.83 per 100 pounds over a year earlier. Prices of the lower grades of slaughter cattle and stocker and feeder stock increased only moderately in July, and feeder cattle prices declined slightly in late July and early August. The average price of all stocker and feeder steers sold at Kansas City during the week ended August 9 was \$15.35 compared with \$15.89 during the last week of June and \$13.42 a year earlier.

Spring lamb prices rose sharply in early July and continued to rise slightly in early August. During the week ended August 10, the good and choice grades averaged \$21.20 at Chicago compared with \$16.15 in the last week of June.

Table 2.- Comparison cattle, hog, and sheep prices, week ended August 10, with June 29 prices plus farm subsidies and prices a year earlier, Chicago

Class and grade	(Dollars per 100 pounds)					
	Average price		Av. subsidy	Av. price	Av. price	Percentage August 10 price as of June 29 price plus farm subsidies
	Week ended: Aug. 11 1945	Week ended: June 29 1946	direct to farmers week ended June 29	June 29 plus direct farm subsidies	week ended: August 10 1946	
Corn belt beef steers:						
Choice and prime	17.20	17.87	.50	18.37	24.03	131
Good	16.01	17.24	.50	17.74	20.53	116
Medium	13.72	16.00	.50	16.50	16.38	99
Common	11.01	14.03	1/ .33	14.36	13.00	91
All grades	16.41	17.45	1/ .50	17.95	22.11	123
Cows(all weights):						
Good	13.30	14.72	2/ .38	15.10	14.05	93
Medium	12.25	13.42	3/ .05	13.47	12.25	91
Cutter and common	9.70	10.30	—	10.30	10.32	100
Vealers:						
Good and choice	15.00	16.22	—	16.22	17.28	107
Common and medium	11.50	12.50	—	12.50	12.80	102
Lambs (spring):						
Good and choice	14.35	16.15	4/2.15	18.30	21.20	116
Ewes:						
Good and choice	6.68	8.54	1.00	9.54	6.70	70
Hogs (all grades):						
Barrows and gilts	14.75	14.85	—	14.85	23.09	155
Sows	14.00	14.10	—	14.10	21.03	149

1/ Sales of common grade represented only .8 percent of all steers marketed; estimated that subsidy was paid on around two-thirds of all common grade sold. 2/ Estimated subsidy paid on 75 percent of sales. 3/ Estimated subsidy paid on 10 percent of sales. 4/ Estimated 80 percent weighed 90 pounds or less; 20 percent over 90 pounds.

Table 3.- Comparison wholesale meat prices, week ended August 10, with June 29 ceiling prices plus subsidies to slaughterers and to farmers, Chicago

Type	(Dollars per 100 pounds)						
	June 29 ceiling	Av. subsidy paid to packers: June 29	Av. subsidy farmers, whole sale price equivalent	Total subsidies: 1/	Ceiling price plus subsidies	Av. price week ended: August 10	Percentage rise over ceilings plus subsidies
	Steer beef carcasses:						
Choice 600-700 pounds	21.18	4.90	2/ .82	5.72	26.90	39.45	47
Good 500-600 pounds	20.18	5.10	2/ .86	5.96	26.14	37.50	43
Com'l 400-600 pounds	18.18	3.40	2/ .89	4.29	22.47	29.55	32
Utility 400-600 pounds	16.18	2.30	2/ .61	2.91	19.09	23.40	23
Veal carcasses:							
Good 50-170 pounds	20.12	2.10	—	2.10	22.22	29.70	34
Lamb carcasses:							
Good 30-40 pounds	24.18	—	3/ 4.45	4.45	28.63	40.65	42
Pork products:							
Loins 10-12 pounds	25.50	2.40	—	4/2.40	27.90	48.05	72
Hams, smk. reg. No. 1							
8-10 pounds	27.50	2.40	—	4/2.40	29.90	49.00	64
Bacon, smk. D.C. No. 1							
8-10 pounds	26.00	2.40	—	4/2.40	28.40	45.35	60
Prime steam lard							
1-pound cartons	15.80	—	—	—	15.80	36.00	128

1/ Excludes minor subsidies paid to livestock slaughterers to insure them against losses because of price controls and special payments to nonprocessing cattle slaughterers.

2/ Estimated that subsidy in late June was paid on all steers grading above-medium, and on around two-thirds of all common grade sold.

3/ Lambs weighing under 90 pounds live on which the subsidy was \$2.00 per 100 pounds.

4/ Assumes that no subsidy was paid on lard.

Prices of good and choice ~~ewes~~ reached a peak at Chicago of \$10.55 in the week ended July 20, \$2.00 higher than in the last week of June. Ewe prices fell sharply in late July and early August to a level almost \$2.00 under prices in the last week of June.

In early August, retail and wholesale meat outlets were well supplied with meats. In the week ended August 10, prices of beef and veal carcasses at Chicago ranged from 28 to 86 percent higher than the June 30 ceilings, depending on the grade. Pork prices ranged from 52 to 104 percent higher than ceilings with prices of lard 128 percent higher. Wholesale lamb prices averaged 125 to 168 percent above former ceilings. During the week ended August 10, prices of good grade mutton carcasses at Chicago averaged only 5 percent over the old ceilings, but commercial grade carcasses averaged 2 percent less. Prices of lower grade beef at wholesale reached a peak in late July and declined slightly in early August. Prices of better grade carcasses continued to rise.

During the week ended August 10 the average price of wholesale steer beef carcasses at Chicago ranged from 23 to 47 percent higher than the June 30 ceilings plus subsidies paid to packers and direct to farmers. Prices of major pork cuts advanced somewhat in early August. Prices for major cuts at wholesale were 60 to 70 percent above the previous ceiling plus subsidies to slaughterers. Wholesale prices of lamb carcasses at Chicago were around 40 percent higher than the ceiling level plus the equivalent of subsidies to farmers.

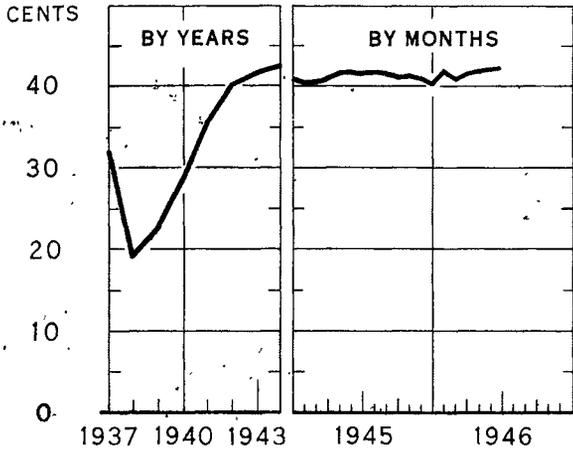
The Bureau of Labor Statistics reported an average increase of about 30 percent in retail meat prices (including poultry and fish) in large cities of the United States from June 15 to July 15. The Bureau stated that part of the increase may have occurred in April-June when meat was so scarce that price quotations were not obtainable in a number of cities.

The Price Decontrol Board ruled August 20 that meat and meat products would be returned to price control as; (1) meat prices had risen unreasonably above June 30 ceilings plus subsidies, (2) that the supply of meat has been and will continue to be in short supply in relation to demand at reasonable prices, (3) that price control regulations on meat were enforcable, and (4) price control was in the public interest. Quota limitations on slaughter are to be reinstated. The Board authorized the reestablishment of the subsidies that were in effect on June 29, 1946, subject to the limitation that, on or before January 10, 1947, the subsidy for the remaining period will be reduced by one half from the amount that would otherwise be payable. This reduction will provide the consumer with a more gradual transition to the removal of the entire subsidy on April 1, 1947. The OPA announced that price ceilings on pork, beef, and veal would go into effect at near the June 30 level.

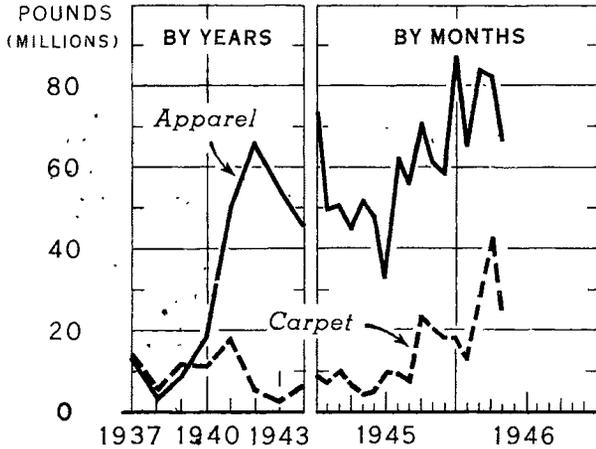
At the same time the Price Decontrol Board announced that all grain prices except linseed, would be free from controls. However, prices of most byproduct feeds and commercial mixed feeds will be subject to price control.

# WOOL SITUATION IN THE UNITED STATES AT A GLANCE

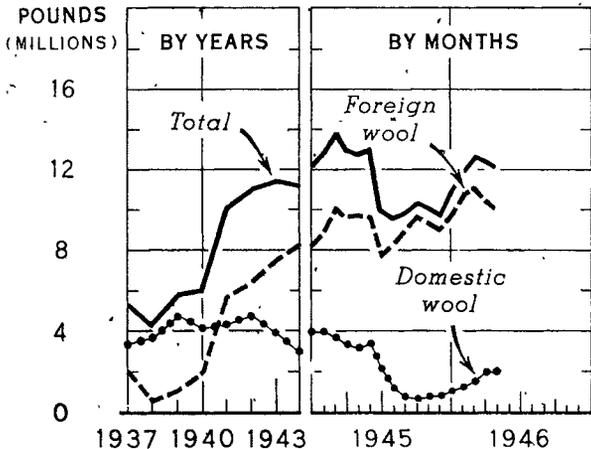
PRICES RECEIVED BY FARMERS, GREASE BASIS



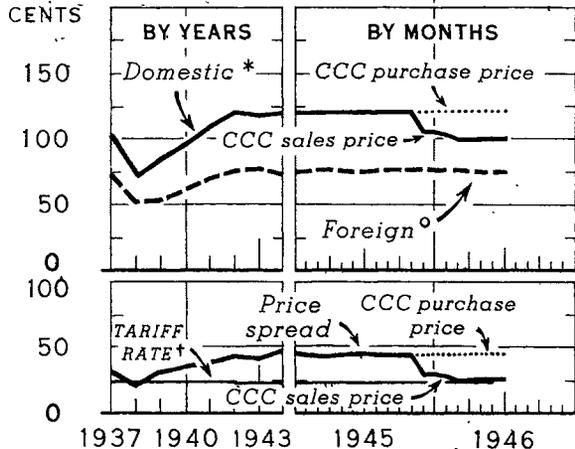
IMPORTS (ACTUAL WEIGHT), MAINLY GREASE BASIS



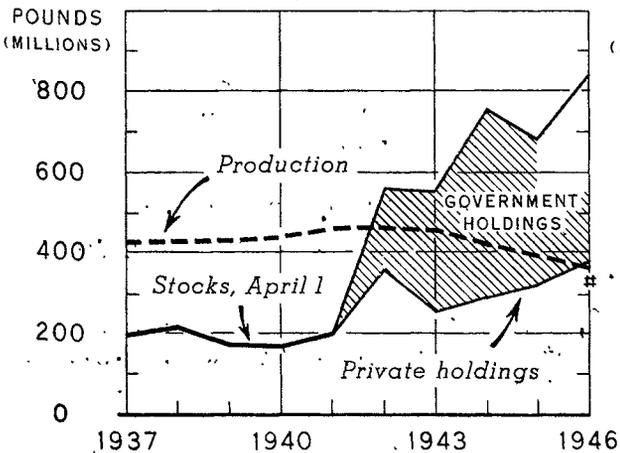
MILL CONSUMPTION OF APPAREL WOOL, WEEKLY AVERAGE, SCOURED BASIS



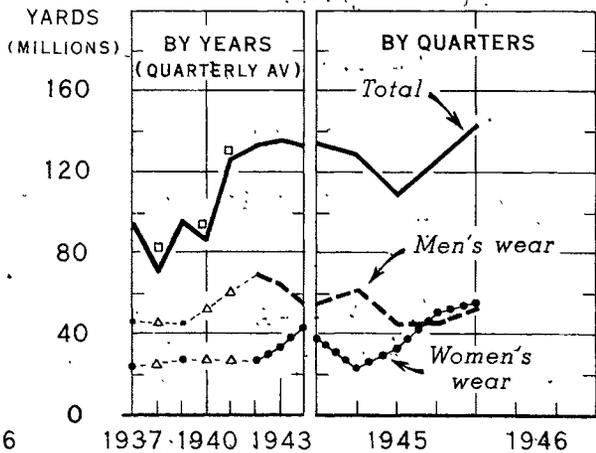
PRICES OF DOMESTIC AND FOREIGN FINE WOOLS, SCOURED BASIS, AT BOSTON



PRODUCTION AND CARRYOVER OF APPAREL WOOL, GREASE BASIS



WOVEN FABRIC PRODUCTION



\* TERRITORY FINE COMBING    ◊ AUSTRALIAN 64'S, 70'S GOOD TOP MAKING, EXCLUDING DUTY  
 † LESS AN ALLOWANCE FOR DIFFERENCE IN PREPARATION OF WOOLS    ‡ TENTATIVE  
 □ ESTIMATED ON BASIS OF APPAREL FABRIC PRODUCTION    △ DATA FOR INTERVENING YEARS NOT AVAILABLE

## THE WOOL SITUATION

Domestic SituationWool Prices Unchanged

Market activity was slight from the lapse of OPA price ceilings on June 30 to their reinstatement on July 25. Many mills were closed for vacations from one to two weeks. Prices of raw wool and of most wool manufactures remained generally unchanged during this period. However, spot and future prices of wool tops showed considerable fluctuation during this period.

Commodity Credit Corporation on August 5 announced some minor adjustments in their sales price to mills. The changes concerned inferior and deteriorated wools and also 1943 clip wools. The CCC also announced that it is reappraising all older lots of wool and others where quality may have deteriorated. These measures will provide better alignment among wool prices and are expected to encourage sales of CCC owned domestic wools.

The parity price of wool jumped 6 percent to 36.4 cents from mid-June to mid-July, the highest point it has attained since 1920. This is the largest monthly increase ever reported and was primarily the result of the lapse and later change of the price control law. The parity price of wool is expected to continue to advance at a moderate rate during the next few months. The average price received by farmers for wool remained about unchanged at 42.3 cents, 116 percent of parity.

Price Control Law Changed

The Price Control Extension Act of 1946 which was signed by the President July 25, makes a number of changes in the regulations on maximum prices. The principal provisions in the law which are particularly applicable to wool and wool manufactures are:

(A) "-----No maximum price shall be applicable with respect to any agricultural commodity during any calendar month which begins more than 30 days after the enactment of this section unless such commodity is certified to the Price Administrator (by the Secretary of Agriculture) to be in short supply-----"

"----- an agricultural commodity shall be deemed to be in short supply unless the supply of such commodity equals or exceeds the requirements for such commodity for the current marketing season; -----"

In prior years any commodity could be placed under ceiling. The legal restraints placed on the Price Administrator were limited to setting up certain minimum levels below which ceilings could not be placed.

(B) "-----After July 1, 1946, no maximum price regulation or order shall be issued or continued in effect requiring any seller to limit his sales by any weighted average price limitation based on his previous sales-----"

This section terminated the OPA Maximum Average Price Regulation on textiles.

(C) "-----Whenever the world price of a commodity essential to the economy of the United States (averaged price at which such commodity could be purchased when landed duty paid at any United States port of entry) exceeds the maximum purchase price established by the Administrator and results in -----

"(1) an actual reduction of the importation of such commodity into the United States in amount substantial in relation to the total consumption of the commodity in the United States; or

"(2) the substantial curtailment or restriction of the domestic trade in such commodity or products processed directly therefrom, the Administrator shall, in order to maintain and increase domestic production and employment and to make possible the balancing of supply and demand, promptly remove maximum purchase prices from imports of such commodity and maximum prices from products processed directly therefrom, or increase the maximum prices of imports of such commodity and of products processed directly therefrom to the extent necessary to prevent such reduction in importation or curtailment of domestic trade.-----"

This provision is of particular interest to dealers in foreign wools, especially carpet wools. Under RPS 58 the resale price of some grades of foreign wools is frozen for each dealer at his maximum selling price during October 1 to December 15, 1941. In cases where wool prices in foreign countries have increased materially since this base period, a change in pricing may be required.

"(D) On and after the date of the enactment of this paragraph, it shall be unlawful to establish, or maintain, any maximum price applicable to manufacturers or processors, for any major item in the case of products made in whole or major part from cotton or cotton yarn or wool or wool yarn, unless the maximum price for such major item is fixed and maintained at not less than the sum of the following:

"(1) The cotton or wool cost (which must be computed at not less than the parity price or the current cost, whichever is greater, of the grade and staple of cotton or wool used in such item, delivered at the mill):

"(2) A weighted average of mill conversion costs: and

"(3) A reasonable profit (which shall not be less than a weighted average profit for each unit of such item equal to the weighted average of the profit earned on an equivalent unit of such item during the period 1939 to 1941, both inclusive)."

This provision is more specific than in prior years and may require some change in Maximum Price Regulation 163 (woolen and worsted civilian apparel fabrics), MPR 157 (textiles for War Agencies) and the section of General Maximum Price Regulation applying to wool fabrics. However, it does not appear likely that any substantial change in the general level of ceiling prices will be required.

Suit Production UnchangedFabric Production at New Peak

The number of men's suits cut, showed little change during May and June as production leveled off following the 10 percent decline in April. Expressed as an annual rate, wool suits cut during these months amounted to 24.6 million compared with 24.7 million for 1939. However, suit deliveries are not as large as these figures would indicate as shortages of labor in finishing, both skilled and unskilled, and of pocketing and other cotton components are retarding production.

Total wool fabric production increased during the second quarter to reach an all-time record of 153 million yards. Almost half of this increase was in men's wear fabrics suitable for suit production. The Civilian Production Administration so far this year has channeled about half of the fabrics suitable for mens suits or overcoats into its low-cost clothing program. This program is being continued through the third quarter in modified form. Revision of Schedule K was necessitated by the lapse and subsequent change in OPA controls as well as by the Moore Amendment to the second War Powers Act which removed all authority to control price from that act. During the second quarter, mills were required to set aside for the low-cost clothing program 70 % of the fabrics suitable for suits, pants, and overcoats that sold for \$3.00, a yard or less. The third quarter set aside is 90 percent of that required during the second quarter.

Table 4.- Woven wool cloth: Production by United States mills, annual 1939, 1942-44 and by quarters, 1945-46

	Apparel fabrics					Non-apparel fabrics			Total wovens fabrics
	Mens wear	Womens wear	General use 1/	Other Apparel	Total Apparel	Blankets	Other 2/	Total 2/	
	Mil. yds.	Mil. yds.	Mil. yds.	Mil. yds.	Mil. yds.	Mil. yds.	Mil. yds.	Mil. yds.	
1939	178.9	107.1	25.7	9.4	321.1	19.6	31.3	50.9	372.0
1942	277.0	107.6	63.4	8.8	456.8	64.1	6.9	71.0	527.8
1943	256.8	132.1	44.0	7.7	440.6	89.3	6.6	95.9	536.5
1944	218.5	171.3	46.9	5.1	441.8	78.9	8.2	87.1	528.9
1945									
1st quarter:	54.0	37.3	15.4	1.6	108.3	23.0	2.1	25.1	133.4
2nd quarter:	61.2	22.3	12.4	2.3	98.2	27.8	1.6	29.4	127.6
3rd quarter:	44.0	32.1	9.8	1.9	87.8	18.0	2.2	20.2	108.0
4th quarter:	44.6	49.6	11.0	2.0	107.2	11.4	5.9	17.3	124.5
Total	203.8	141.3	48.6	7.8	401.5	80.2	11.8	92.0	493.5
1946									
1st quarter:	53.8	58.1	13.7	2.0	125.6	12.3	7.7	20.0	145.6
2nd quarter:	57.4	60.4	13.4	2.0	133.2	12.0	8.2	20.2	153.4

1/ Includes melton, mackinaw, snow and ski-suit cloth, linings and inter-linings, and bathrobe flannels.

2/ Excludes woven felts which are reported by weight.

All yardage is on an equivalent 54-inch linear yard basis, except blankets which are on a 72-inch linear yard basis.

Compiled from Bureau of the Census Facts for Industry and Advance Reports.

Mill Consumption Remains  
At High Level

Mill consumption of apparel wool during both May and June continued at an annual rate of about 1.1 million pounds grease basis. During the first six months of 1946, consumption amounted to 530 <sup>1</sup>/<sub>2</sub> million pounds, only 9 percent below the peak wartime consumption which occurred in the first half of 1945. A seasonal decline in consumption is to be expected during the summer months and will be particularly sharp in July as most mills were closed for vacations for a portion of that month. Consumption for the year, however, is expected to be close to the wartime average of a billion pounds. The consumption of domestic wool continued its increase during the second quarter and amounted to 56 million pounds (an annual rate of 224 million pounds) compared to 33 million pounds for the first quarter. The rate at which domestic wool is being used remains below the rate of domestic production.

Carpet-wool consumption continued high in May and June. During the first half of 1946, a total of 87 million pounds of carpet wool was consumed, a larger consumption than for all of 1945, when consumption was held down by wartime restrictions in the first half of the year. This high rate of consumption may not continue during the summer because of the seasonal factors mentioned above, but consumption for the year will be larger than for most previous years of records. While the total supply of wools suitable for carpets is adequate, there does appear to be a shortage of some types, particularly those coming from India. This may result in reduction in the number of better grade carpets produced.

Wool Imports Unusually Large

Wool imports are unusually large this year. January-June dutiable imports of 437 million pounds were 37 percent larger than in the first half of 1945. They were at a higher rate than in the war period and were 9 times as large as 1935-39 average imports for those months. Data on arrivals at 3 ports in July and early August indicate little slackening in the import rate. Some decline is expected in the next few months, however, because of seasonal factors in Southern Hemisphere export markets. Buyers report a lack of desirable "American type" wools in South America as the season draws to a close. Sales of Australian, New Zealand and South African wools were virtually suspended on June 30 to facilitate preparations for the resumption of auction sales in September. Large quantities previously purchased in those countries were still being shipped.

Imports of "free" wools for floor covering and related use totaled 147 million pounds in the first half of 1946 about 3-1/2 times as large as a year earlier and larger than for any corresponding period in earlier years. Less than half of the January-June imports of "free" wools this year were true carpet types--Donskoi, Smyrna and similar native wools. The balance were other wools not finer than 40s chiefly from Argentina. Imports of the latter wools for floor coverings and other duty-exempt uses has been unusually large this year because of a relatively short supply of true carpet-type wools, at O.P.A. ceilings, particularly those from India and other far Eastern sources.

<sup>1</sup>/<sub>2</sub> Determined in part from scoured basis figures in Census advance report.

Further Stocks Increase  
Reported by Mills and Dealers

Stocks of apparel wool held by United States mills and dealers and by CCC on June 29, totaling 926 million pounds grease basis <sup>1/</sup> were about 83 million pounds larger than on March 30 and about 211 million pounds larger than a year earlier. These stocks about equal a year's consumption at the estimated 1946 rate. Of the June 29 total, stocks of foreign apparel wool were only 11 million pounds larger than on March 30, indicating a fairly close balance during the second quarter between new arrivals at ports and mill use of foreign wool.

In contrast large receipts of new clip wool from farms and ranches, and relatively small use of domestic wool, were chiefly responsible for the increase in the total reported stocks of apparel wool. Domestic stocks totaled 609 million pounds on June 29 compared with 429 million a year earlier and the 1935-39 average of 247 million. About two-thirds of the 1946 domestic production was still on farms and ranches on July 1 and is not included in reported stocks.

Stocks of carpet wool reported by mills and dealers on June 29 were 40 million pounds larger than on March 30 reflecting large imports during the second quarter. The June 30 stocks of carpet wool this year were twice as large as a year earlier, and 3 times as large as 1935-39 average July 1 stocks.

Decline in Domestic Wool  
Production Continues

United States shorn wool production for 1946 is estimated at 299 million pounds, 7 percent smaller than the 1945 production and 24 percent smaller than the 1942 record. Pulled wool production also will be smaller this year than last, due in part to the large demand for shearling palts for mouton fur coats and coat trimmings which have become quite popular in the few years in which they have been on the market. On the basis of appraisals of pulled wool for CCC purchase during the first half of 1946, and indicated slaughter, pulled wool production is expected to be about 11 percent or 7 million pounds smaller than the 1945 production of 66 million pounds. Total production of shorn and pulled wool this year will be about 358 million pounds, the smallest since 1927.

The average weight of fleece this year--3.12 pounds--is heavier than last year and above the 1935-44 average. Production of shorn wool in the native or fleece-wool States is estimated at 75 million pounds. In 1945, the production in these States was 84 million pounds. In the 13 Western Sheep States, shorn-wool production is estimated at 224 million pounds compared with 237 million last year. Production declined this year in all Western States except Arizona and Nevada where higher average weights per fleece more than offset a decrease in the number shorn. Although 1946 total shorn-wool production is 19 percent smaller than the 1935-44 average, production in Texas is above average, with sheep numbers still at a fairly high level. The Texas clip is expected to be 77 million pounds this year--one-fourth of the total U. S. clip.

<sup>1/</sup> Determined from scoured basis figures in Census advance report.

Table 5. - Stock sheep on farms January 1, number shorn, and wool produced, United States, 1935-46

Year	Stock	Sheep shorn	Weight per fleece	Production (shorn wool)		Total production	Pulled wool
	sheep on farms Jan. 1			Western sheep States 1/	Fleece wool States 2/		
	1,000 head	1,000 head	pounds	1,000 lbs.	1,000 lbs.	1,000 lbs.	1,000 lbs.
1935	46,139	44,991	8.04	257,739	103,792	361,531	66,000
1936	45,386	44,623	7.91	255,289	97,574	352,863	66,200
1937	45,422	44,444	8.04	260,215	97,239	357,454	66,200
1938	45,119	45,030	8.02	266,392	94,783	361,180	64,500
1939	45,710	45,428	8.01	265,629	98,087	363,716	64,500
1940	46,558	46,645	8.03	274,060	100,504	374,564	62,000
1941	47,804	48,130	8.11	284,557	106,011	390,568	65,800
1942	49,807	49,784	7.88	279,822	112,551	392,373	66,700
1943	48,796	48,573	7.91	274,302	110,076	384,378	65,200
1944	45,232	44,324	7.83	253,550	93,544	347,094	71,000
Average							
1935-44 <sup>3/</sup>	46,597	46,198	7.98	267,157	101,414	368,571	65,800
1945	40,922	40,337	7.96	237,016	84,001	321,017	66,000
1946 <sup>4/</sup>	37,517	36,836	8.12	223,882	75,096	298,978	59,000

1/ Includes all 11 Western States, South Dakota, and Texas.

2/ All States other than the 13 Western Sheep States.

3/ Revised averages computed from unrounded figures.

4/ Preliminary

### CCC Wool Purchase and Sales Programs 1943-46

Since April 1943 most of the domestic wool production has been purchased by the Commodity Credit Corporation in order to support prices to producers. From the beginning of the program until August 1945, sale of domestic wool to the Corporation was mandatory, with minor exceptions. After restrictions were lifted, wool continued to move largely to CCC because its purchase prices were higher than market prices.

Sales of domestic wool were largely for military orders during the first 2 1/2 years of the program. Little domestic wool was purchased for civilian use because imported wool was available at much lower prices. Sales in each season have been much smaller than purchases and large stocks have accumulated, although sales for civilian use increased after selling prices were reduced in November 1945.

CCC purchases, sales and stocks of wool through May 1946 are shown in table 6. The data by seasons and by quarters are approximate. They are computed from handlers' reports for dates nearest the end of each quarter and from unpublished data in CCC files. Purchases in the 1943-44 season represent a much

smaller proportion of domestic production for that season than purchases in later years because a considerable part of the 1943 clip was contracted by mills and dealers before the Government program began. The differences between CCC purchases and estimated domestic production for later seasons are accounted for in part by direct purchases by mills in wool-producing regions. Such purchases were permitted to some extent in accordance with established practices. They may also be accounted for in part by use of wool in handicraft and by discrepancies in reported weights of greasy and scoured wool.

Appraisal figures reported weekly throughout the season are not the same as purchases shown in Table 6. The two series are computed from different data, and there is also a time lag between appraisal and purchase.

Table 6.- Commodity Credit Corporation purchases, sales and stocks of domestic wool, grease basis, 1943-46 1/

Period	Shorn wool			Pulled wool			Total		
	Pur-	Sales	Stocks	Pur-	Sales	Stocks	Pur-	Sales	Stocks
	chases		end of	chases		end of	chases		end of
	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.	Mil.lb.
Seasons (Apr.-Mar.):									
1943-44	222.9	72.1	150.8	55.3	20.6	34.7	278.2	92.7	185.5
1944-45	316.9	209.2	258.5	51.9	53.3	33.3	368.8	262.5	291.8
1945-46	283.9	229.0	413.4	74.4	63.0	44.7	358.3	192.0	458.1
Quarters-1944-45									
Apr.-June	85.0	41.1	194.7	16.8	9.9	41.6	101.8	51.0	236.3
July-Sept.	140.3	50.7	284.3	13.9	11.2	44.3	154.2	61.9	328.6
Oct.-Dec.	60.3	69.0	275.6	11.8	19.9	36.2	72.1	88.9	311.8
Jan.-Mar.	31.3	48.4	258.5	9.4	12.3	33.3	40.7	60.7	291.8
1945-46									
Apr.-June	65.8	46.3	278.0	37.8	22.2	48.9	103.6	68.5	326.9
July-Sept.	123.4	29.3	372.1	14.6	15.5	48.0	138.0	44.8	420.1
Oct.-Dec.	55.2	20.4	406.9	9.4	15.2	42.2	64.6	35.6	449.1
Jan.-Mar. 3/	39.5	33.0	413.4	12.6	10.1	44.7	52.1	43.1	458.1
Months:									
1946 3/									
Jan.	25.6	10.7	423.4	2.9	1.5	44.2	28.5	12.2	467.6
Feb.	110.8	8.6	425.5	4.7	4.0	46.2	15.5	12.7	471.7
Mar.	3.1	13.7	414.5	5.0	4.6	45.1	8.1	18.3	459.6
Apr.	12.3	26.1	400.4	28.5	17.8	56.0	50.9	44.0	456.4
May	26.6	19.5	407.4	4.9	2.6	57.0	31.5	22.1	464.4

1/ Based on CCC reports for dates nearest the end of each quarter. Scoured wool converted to an approximate grease equivalent.

2/ In some cases these figures are revisions of stocks figures reported to the Bureau of the Census.

3/ Figures do not balance beginning Jan. 1, 1946 because in the report on which these data are based the wool was reweighed at time of sale.

WOOL PURCHASE PROGRAM EXTENDED TO APRIL 15, 1947

The Department announced on August 17 that the program under which the Commodity Credit Corporation offers to purchase domestic wool has been extended from November 1, 1946 to April 15, 1947. The prices paid by the CCC under this program reflect an average price to growers of about 42 cents a pound.

The announcement stated that extension of the wool purchase program beyond November 1, 1946 is necessary, in general, to (1) provide an incentive for domestic wool growers to maintain the present production level of wool, lamb, and mutton, (2) facilitate the transition of domestic wool production from a wartime to a peacetime basis, and (3) provide domestic growers with protection against competition from lower-cost wool production in other countries. In the months immediately ahead, such price protection will apply more specifically to producers of pulled wool and of fall shorn wool in Texas and California.

Foreign SituationSupport Price for Foreign Wool Announced

Directors of the United Kingdom-Dominion Wool Disposal Ltd.--the organization which will market the British Empire's wool stockpile--have announced recently that the initial general level of "reserve" prices for British and Dominion wools at the 1946-47 auctions will be the same as the average selling price in effect at the close of the 1945-46 selling season. The initial reserve level will be maintained throughout the 1946-47 season insofar as is consistent with market developments. Specific prices for the various grades and qualities of wool have not yet been announced. It is possible that these may differ somewhat from recent issue prices, even though the over-all average remains unchanged.

The sales as now scheduled will open September 2 in Sydney, Australia, and sales at London will begin September 9. At these auctions, the British organization will attempt to stabilize prices for Dominion wools by purchasing new clip wools which fail to find buyers at the prescribed minimum reserved prices and by auctioning wool from their own stocks in sufficient quantity to prevent a substantial rise in prices. Before the auctions were suspended in 1939 "world" wool prices were largely determined at the London and Dominion auctions, and it is likely that this situation will resume in the current season. The British organization will control the marketing of about three-fourths of the world's export supply of apparel wool. With prices of these wools supported at about the present level, "world" prices are not likely to decline and may increase on fine quality wools which are believed to be in short supply. The British organization is expected to announce details of stocks held on June 30, 1946, in the near future.

According to commercial reports, officials of the Dominion Governments have stated that the general average reserve price at selling centers for the 1946-47 season will be 18.15 pence (Australian) per pound, grease basis, for Australian wool and 16.4 pence for New Zealand wool. These are indicated to be the approximate averages at which wool was sold from storage in the Dominions in the latter part of the 1945-46 season. At current exchange the Australian price is equivalent to 24.3 cents and the New Zealand price 22.1 cents.

Australian Wool Clip Larger

Australian production of shorn and pulled wool (exclusive of wool on exported sheep and lamb skins) will total about 916 million pounds, grease basis, in the 1946-47 season, according to the preliminary estimate recently made by the Australian National Council of Wool Selling Brokers. This is 4 percent larger than in 1945-46 when production had been reduced by severe drought, and is one-fifth below the 1943-44 peak production of 1,151 million pounds. The indicated production for 1946-47 is only 2 percent smaller than 1934-38 average production. Total Australian production, including an estimate of the quantity of wool on exported skins, averaged 995 million pounds for 1934-38 and reached a peak of 1,169 million in 1943-44. Australia produces chiefly fine wool. In the last half of the 1930's this country supplied almost one-half of the world exports of apparel wool.

Southern Hemisphere Wool Carry-over Reduced

The total wool carry-over into the 1946 selling season in 5 Southern Hemisphere countries is now indicated to be somewhat smaller than the 1945 carry-over of approximately 3.1 billion pounds, actual weight. Record purchases of wool by the United States in 1945-46, and increased purchases by European countries raised sales of Australia, New Zealand, and South Africa wool well above the season's production in those countries, according to commercial reports quoting the Dominion wool disposal organization. Although shipments lagged considerably behind sales, export data and other information indicates that the carry-over in those countries on July 1, 1946, was somewhat smaller than a year earlier. In Argentina, apparent supplies on August 1, at 498 million pounds were 34 percent below the same date a year earlier. Should exports during August and September be maintained at the monthly average rate for the first 10 months of the season, the October 1 carry-over would be about 400 million pounds and would be 30 percent smaller than the 1945 carry-over. Practically all supplies for export in Uruguay are expected to be shipped by the end of the season so that carry-over stocks will be negligible.



Livestock prices per 100 pounds (except where noted), marketings and slaughter statistics, by species, July 1946, with comparisons

Item	PRICES							
	Annual		January-July		1945		1946	
	Av. 1937-41	1945	1945	1946	July	June	July	
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	
<u>Cattle and calves</u>								
Beef steers sold out of first hands, Chicago:								
Choice and prime .....	12.01	17.30	16.95	18.22	17.29	17.67	22.65	
Good .....	10.52	16.00	15.88	17.01	16.17	16.98	19.86	
Medium .....	8.94	14.12	14.28	15.52	14.11	15.86	17.09	
Common .....	7.59	11.73	12.09	13.15	11.66	13.73	14.73	
All grades .....	10.47	16.18	15.89	17.27	16.64	17.30	21.36	
Good, grade cows, Chicago .....	7.38	14.01	14.36	14.43	13.84	14.94	15.35	
Vealers: Gd. and ch., Chicago ..	10.34	15.12	15.53	15.76	15.11	15.99	17.97	
Stocker and feeder steers, .....								
Kansas City .....	8.36	13.07	13.49	15.20	13.54	15.72	15.53	
Av. price rec'd by farmers: .....								
Beef cattle .....	7.41	12.10	12.57	13.67	13.00	14.10	16.60	
Veal calves .....	8.72	13.20	13.61	14.53	13.90	14.80	16.60	
<u>Hogs</u>								
Av. market price, Chicago:								
Barrows and gilts .....	-	14.75	14.75	15.31	14.75	14.85	18.12	
Sows .....	-	13.99	14.00	14.60	14.00	14.10	17.67	
All purchases .....	7.97	14.66	14.67	15.23	14.54	14.77	17.94	
Av. price rec'd by farmers for:								
hogs .....	7.59	14.00	14.03	14.59	14.10	14.30	16.80	
Av. price rec'd by farmers for:								
corn 1/ .....	62.9	109.7	108.3	132.0	112.0	142.0	196.0	
Hog-corn price ratio, U. S. 2/ :	12.8	12.8	13.0	11.4	12.5	10.1	8.6	
<u>Sheep and lambs</u>								
Lambs, gd. and ch., Chicago .....	9.82	15.48	16.13	16.54	16.14	16.42	20.07	
Feeding lambs, gd. and ch., Omaha	8.70	12.70	-	-	-	-	3/16.33	
Ewes, gd. and ch., Chicago .....	4.43	7.69	8.56	8.20	8.08	8.54	9.15	
Av. price rec'd by farmers:								
Sheep .....	4.20	6.35	6.77	7.06	6.83	7.24	8.24	
Lambs .....	8.28	13.00	13.50	14.03	13.40	14.30	15.90	
BLS index retail meat prices 4/ :	100.9	131.1	131.0	138.3	131.6	134.0	173.7	
Index income of industrial workers 5/ .....	120.4	285.7	320.6	-	296.9	263.9	-	
Number slaughtered under Federal inspection and market statistics								
	Thous.	Thous.	Thous.	Thous.	Thous.	Thous.	Thous.	
Cattle .....	9,999	14,538	7,779	6,011	1,050	451	1,239	
Calves .....	5,571	7,020	3,544	3,035	482	294	542	
Sheep and lambs .....	17,609	21,220	12,398	12,140	1,742	1,678	1,738	
Hogs .....	41,223	40,960	24,616	27,431	2,752	2,316	3,863	
Av. live weight of hogs, 7 markets .....	-lb.-	-lb.-	-lb.-	-lb.-	-lb.-	-lb.-	-lb.-	
7 markets .....	-	269	267	263	301	271	289	
Percent packing sows are of all purchases, 7 markets .....	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	
	-	9	7	10	23	7	35	

1/ Cents per bushel 2/ Number of bushels of corn equivalent in value of 100 pounds of live hogs. 3/ Average of weeks ending July 26 and August 3. 4/ Meats, poultry and fish: Bureau of Labor Statistics, 1935-39= 100. 5/ 1935-39= 100.