

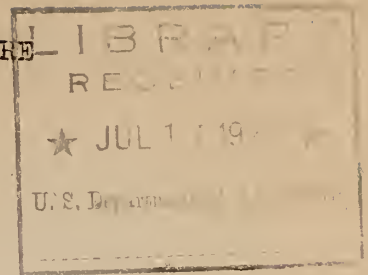
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UNITED STATES DEPARTMENT OF AGRICULTURE  
Bureau of Agricultural Economics  
Washington



WOOL-5

THE WORLD WOOL SITUATION  
July 9, 1928

Wool prices at Boston showed little change during the past month. Foreign wool quotations also remained firm during June, with trading limited. In the domestic market there was a marked decline in the number of sales and inquiries for wool during the month. The slower demand in Boston has been partly due to the deliveries to mills of the contracted wools purchased earlier in the season. New clip wool apparently has been sufficiently plentiful to meet a large part of current requirements, which were indicated to be on a downward tendency during March and April. The world wool supply situation was practically unchanged during June. Indications are that growing conditions in important producing countries are improved over this time last year. Wool imports into the United States continue light.

Business in fleece wools limited

The business transacted on fleece wools during June remained comparatively limited, according to Mr. R. L. Burrus of the Boston wool office of the Bureau of Agricultural Economics. During the early part of the month, moderate quantities of the fine and medium grades were being sold with prices on medium quality wools gradually advancing. The steady advance in asking prices, however, reached a level that caused buyers to hesitate and the volume of sales began, as a result, to fall off. Toward the close of the month sales on all grades of fleece wools were slow, but quotations were steady.

The bulk of the sales on Ohio 64s and finer strictly combing wools were closed at around 49 cents, with very choice lots occasionally bringing a cent higher and below average wools a cent lower on a grease basis. Most of the activity on the fine strictly combing fleeces came early in the month. French combing Ohio 64s and finer fleeces were slow, very few of the inquiries resulting in sales. An occasional sale was closed at 40-41 cents, in the grease. A few scattered sales comprised the bulk of the business on 58s, 60s, strictly combing wools, the prices ranging from 50-51 cents, in the grease, depending upon the condition. The French combing and clothing classes of this grade were slow,



The strengthening tendency on medium grade fleece wools noted at the end of May was halted during June. The volume of business early in the month was fair and a number of dealers steadily advanced their asking prices until some lots were held at 58 cents, in the grease, on the 56s grade, and talk of 60-cent medium fleece wools was quite strong among dealers.

At about the middle of the month conditions in the country became more favorable to the buyer, when the local dealers showed a greater inclination to sell, according to reports from the dealers. This development brought a distinct lull in the market. After a short period of waiting to determine whether a break in the country was in prospect, buying started up, but on a very small scale, and quotations on 56s were not quite so strong as they had been previous to the lull.

As the month closed, the prices on Ohio and Michigan 56s, strictly combing graded wools, were in the range 56-57 cents in the grease. The clothing class of similar wools is quoted at 49-50 cents, in the grease, which represents an advance of 2-4 cents for the month.

Ohio and Michigan 1/4 blood, 48s, 50s, are selling at 55-56 cents, in the grease, as compared with 55 cents at the beginning of the month. The demand was less keen and the price was not advanced as rapidly as on the 56s grade. Consequently, prices did not suffer from the lull, although trading remained quiet. Low 1/4 blood, 46s, and common and braid wools sold readily whenever small quantities became available.

#### Some reduction in demand for territory wools

The market on territory wools was fairly active during the early part of June, but became spotty about the middle and slow toward the close of the month. The bulk of the business in territory lines consisted of original bag fine and 1/2 blood wools and recently the demand has been coming principally from topmakers. Worsted and woolen mills bought the French combing and clothing wools in the original bags quite freely early in the month, but, when deliveries on the early contracted wools began to increase, their activity in the market slackened. Prices, however, remained steady and a few manufacturers are still looking around the market to get a line on offerings that will be available when more grading has been done.

An increasingly larger percentage of the wools that have been coming to the market during recent weeks is being graded. Many of the lots being graded, however, are for delivery to mills on previous contracts and, consequently, are not to be offered for sale. A fair quantity of the wools bought for future delivery has been shipped to mills.



A limited amount of new business was done on medium quality, and also on 1/2 blood, 58s, 60s wools. Not all of the sales have been of spot wools, as occasional buyers were interested in wools to be delivered when they become available. The clothing class of 58s, 60s and 56s grades sold readily. Offerings, however, were limited and moved about as soon as they became available.

Sales have been closed during the month on a few lots of the new Texas wools to arrive. Twelve months staple sold at around \$1.18, scoured basis, and the eight months staple brought around \$1.12-1.13, scoured basis. According to reports from the dealers, prices in Texas since the opening of the sealed bid auctions, have shown some recession from the levels prevailing before the sales. In New Mexico, also, prices are said to have eased slightly in the buyers' favor.

#### Small volume of trading in foreign wools

Trading was very light on foreign spot wools during the entire month of June. Sales on fine Australian Merinos and on medium cross-breds were scattered and the volume was small. Prices, however, remained steady. Offerings on the market are very much restricted and are held very firmly. The withdrawals of foreign combing and clothing wools in bond have been very light.

Business was very spotty on lines of wool suitable for the woolen trade but prices remained steady as compared with the close of last month, in spite of a considerable slackening in demand. The medium grades of scoured and pulled wools comprised the bulk of the trading, although the noils of 58s and finer grades were fairly active at firm prices. Fine pulled wools and medium and low noils were quite slow, but no excessive surplus stocks were in evidence and quotations remained steady. Prices were very firm on medium pulled wools and in a few cases pullers advanced quotations because production was contracted ahead. Scoured wool prices were firm as the replacement of stocks continued difficult owing to the firmness of greasy clothing wools.

#### Slow demand for tops

The demand for tops has been slow states Mr. Burrus. Orders for sizable quantities were confined to a few of the finer counts, although there was some business placed for piecing out stocks on all grades. Business was slow on the 64s top that will spin 50s yarn, but quotations were fairly firm until toward the close of the month when topmakers accepted small orders at 1/2 cent below the general asking price of \$1.45 for top in the oil. Short, French combed tops were a little easier and concessions from quotations were granted on some fair-sized orders. A moderate volume of 60s top was sold at \$1.40 with quotations quite firm. Quotations remained very firm on lower grades with sales of fair quantities closed on 58s and 56s counts.





PRICES: Wool, at Boston, in cents per pound, clean basis, June 21, 1927 and March 24, May 26 and June 23, 1928

Grade	1927		1928		
	June 21	Mar. 24	May 26	June 23	
	Cents	Cents	Cents	Cents	
64's, 70's, 80's (fine)	:	:	:	:	
Strictly Combing	:	:	:	:	
Ohio and similar grease ...	43 - 44:	49 - 50:	48 - 50:	48 - 50	
Fleece scoured .....	102 - 107:	117 - 122:	118 - 123:	118 - 123	
Territory scoured .....	105 - 110:	115 - 118:	118 - 123:	118 - 123	
56's (3/8 blood)	:	:	:	:	
Strictly Combing	:	:	:	:	
Ohio and similar grease ...	42 - 43:	52 :	55 :	56 - 57	
Fleece scoured .....	75 - 80:	95 - 98:	100 - 105:	103 - 108	
Territory scoured .....	85 - 90:	97 - 102:	105 - 110:	105 - 110	
46's (low 1/4 blood)	:	:	:	:	
Strictly Combing	:	:	:	:	
Ohio and similar grease ...	38 - 39:	45 - 47:	47 - 48:	48 - 49	
Fleece scoured .....	65 - 70:	77 - 82:	80 - 85:	82 - 87	
Territory scoured .....	65 - 70:	80 - 85:	85 - 90:	87 - 92	

Compiled from Market News Report of the Boston office of the Bureau of Agricultural Economics.

PRICES: Wool yarn, in cents per pound, and piece goods, in cents per yard, May 1926, 1927 and 1928

Year and month	Wool at Boston, 64's, 70's, 80's and Fine Territory, scour- ed, clothing	Wool at Boston, 56's 3/8 blood Strictly comb- ing, fleece scoured	Worsted yarn: 2/32's crossbred stock	Women's dress goods: French serge: 39" at mills	Suiting unfinished worsted 13 oz. at mills
	Cents	Cents	Cents	Cents	Cents
1926	:	:	:	:	:
May	96	82	140	105	209 1/3
1927	:	:	:	:	:
May	92	78	132	98	191 1/3
1928	:	:	:	:	:
May	108	102	158	102	200 1/8

Wool prices from Crops and Markets. Other prices from Bureau of Labor Statistics monthly bulletin on wholesale prices.

THE HISTORY OF THE  
CITY OF BOSTON

From the first settlement in 1630 to the present time. By SAMUEL JOHNSON, Esq. of the Middle Temple, Barrister at Law. In two volumes. The first volume contains the history from 1630 to 1780. The second volume contains the history from 1780 to the present time. The first volume is divided into three parts: the first part contains the history from 1630 to 1680; the second part contains the history from 1680 to 1730; and the third part contains the history from 1730 to 1780. The second volume is divided into two parts: the first part contains the history from 1780 to 1830; and the second part contains the history from 1830 to the present time. The history is written in a clear and concise style, and is well illustrated with numerous plates and engravings. The first volume is now in the possession of the City of Boston, and the second volume is in the possession of the State of Massachusetts.

The history of the City of Boston is a subject of great interest and importance. It is a city which has played a prominent part in the history of the United States, and has been the scene of many of the most important events of our nation's history. The history of the City of Boston is a story of growth and progress, and of the struggles and sacrifices of its people. It is a story which is full of interest and excitement, and which is well worth the study of every citizen of the City of Boston. The history of the City of Boston is a story which is full of interest and excitement, and which is well worth the study of every citizen of the City of Boston.

Imports continue light

Imports of combing and clothing wool during May were slightly above last year, but only a little more than half as much as the average for May, 1923-27. The reduction from April is approximately the same as the seasonal movement in past years. For the three weeks ending June 23 imports of combing and clothing wool at 3 principal ports were 2,900,000 lbs., as compared with 5,483,000 lbs. for the corresponding period last year.

Activity in the Manufacturing Industry

Domestic consumption of combing and clothing wool by reporting mills for May was 32,039,000 lbs. (grease equivalent) or about one million lbs. below May last year, but slightly above the 5-year average for May 1923-27, and 13% below April, 1928. Statistics for the past five years do not indicate a seasonal movement from April to May. Machinery activity and employment in the woolen and worsted goods industry, however, was higher in May than in April, but generally below May a year ago.

Bradford trade in wool manufactures dull

Bradford trade in tops and yarn the latter part of June was limited and business in piece goods was quiet, according to a cablegram to the Foreign Service of the Bureau of Agricultural Economics from Consul Thompson. Prices, however, remained firm. Topmakers continued to offer firm resistance to low offers and to maintain definite limits below which they would not sell. The piece goods section has not slackened so much as tops and yarn. Business on export account is said to have been irregular though fairly well maintained from the point of view of the entire Yorkshire area. The strike in the dyeing and finishing industry has been settled, according to latest reports, with work resumed July 6. About 6,000 wage earners and 70 firms were involved.

The outstanding feature of the country auctions is the keen buying and high prices. Down wools in particular have been making very high rates, ranging up to 14¢ per lb. above last year's prices. While Bradford dealers have been unable to realize corresponding prices in the Bradford market, they are compelled to continue buying in the country.

British export trade in wool manufactures

British foreign trade in wool manufactures has been well maintained during May, as indicated below. The weighted index of volume of exports of semi and fully manufactured wool products from the United Kingdom was 87.0 for May, 73.6 for April, and 88.3 for May, 1927.



## WOOL MANUFACTURES: Exports from the United Kingdom

Item	Unit	May, 1927	April, 1928	May, 1928
Tops .....	1,000 lbs.	4,442	2,921	3,258
Woolen yarn carded	1,000 lbs.	615	417	515
Worsted yarn combed	1,000 lbs.	3,881	3,311	4,036
Woolen cloth .....	1,000 sq. yds.	8,482	7,990	9,286
Worsted cloth .....	1,000 sq. yds.	2,924	1,980	2,503

Trade and Navigation of the United Kingdom

Foreign production prospects continue favorable

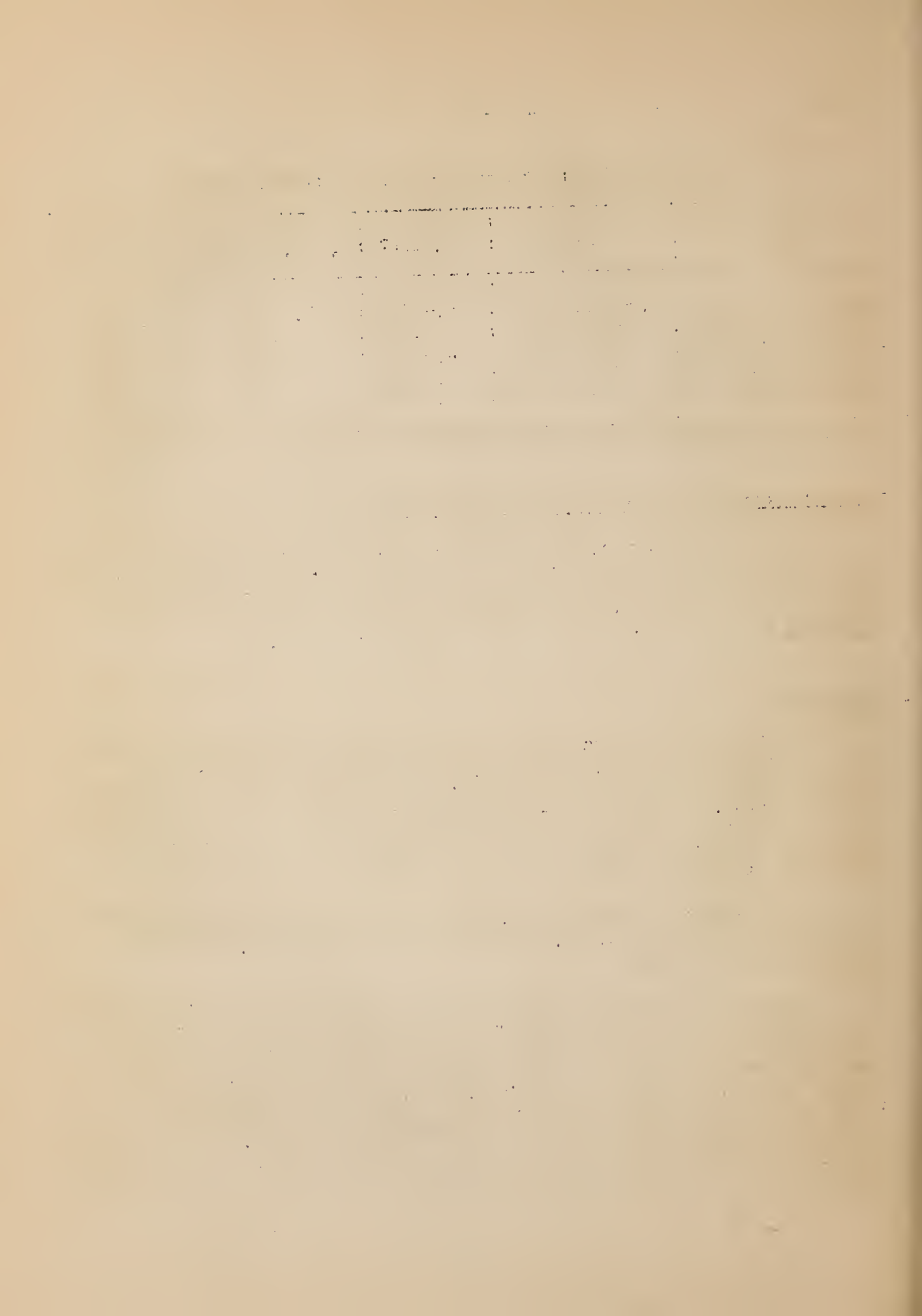
Conditions in most wool producing countries have not changed to any great extent since our last report. The seasons in most countries are favorable and those countries of the Southern Hemisphere which suffered from drought last year have mostly recovered so that prospects for the coming season are better than for the season which has just closed.

Australia

The Australian wool production for the season July 1, 1928 to June 30, 1929 is forecasted at 900,000,000 pounds, according to a cable to the Foreign Service of the Bureau of Agricultural Economics from Consul General Garrels, Melbourne, quoting a semi-official source. If the final outturn agrees with this forecast, made at the beginning of the season, the 1928-29 clip will be somewhat larger than that for 1927-28 and approximately as large as the clip of 1926-27.

The estimate of 900,000,000 lbs. for the season is constituted of 815,000,000 pounds shorn wool, 35,000,000 pounds pulled and 50,000,000 to be exported on skins.

Pastoral conditions in Australia are favorable to a good wool season with the exception of South Australia and certain portions of Queensland which have not entirely recovered from the recent drought, states the Pastoral Review of May 16. A heavy lambing is anticipated, especially in New South Wales, with a surplus sufficient to restock Queensland's needs up to its normal level, states the London Chamber of Commerce Journal for June 8, 1928, quoting the Australian correspondent. The 1927-28 clip may prove to be larger than at first estimated although receipts into store up to May 31 still show approximately a 6 per cent decrease compared with 1926-27.



New Zealand

The districts which suffered from drought during the summer (December, January, and February) have mostly recovered. Conditions were very favorable in New Zealand with the exception of Taranaki which was still rather dry in parts up to the middle of May, according to the Pastoral Review of May 16. The 1928-29 season will start with practically no carryover from the preceding season as the quantity held in store on owners' account is said to be under 500 bales.

Union of South Africa

In contrast with the dry condition in the Union of South Africa last year, weather conditions have gone to the other extreme. Instead of the exceptionally dry conditions recorded last year, floods and heavy rain in April were causing damage to stock in some districts, according to the London Chamber of Commerce Journal for May 11. On the whole, however, the situation was much improved and the condition of livestock was generally satisfactory.

Argentina

Conditions in Argentina were considered good in general as the abundant rainfall has benefited an extensive zone of the country, according to Consul Syckes at Buenos Aires under date of May 21. The southeastern part of the Province of Buenos Aires, however, must be excepted as the rains were scarce in that section. This region together with the south central part of the province is an important sheep growing region.

Uruguay

Pastures in May were in a satisfactory condition due to plenty of rain in April, according to the Bank of London and South America, Ltd.

Turkey

The new wool clip was due on the market the first of June. It is reported that severe winter weather caused heavy mortality among sheep in the interior. Probably not less than 25 per cent of the sheep and goats in Anatolia died from cold weather and exposure, states the American Commercial Attache Gillespie under date of May 16. A great part of the wool from these animals will be clipped, however, and will appear on the Constantinople market.





Receipts, disposals and stocks of wool at primary markets

Receipts of wool into store in Australia up to May 31, 1928, aggregated 732,581,000 pounds, a decrease of 6 per cent compared with the preceding season. Disposals were 729,890,000 pounds or 3 per cent smaller than for the same period of 1926-27. Stocks, while low, compared with other recent years were 12 per cent above the same date last year. The amount of wool expected to be received into store up to the end of the 1927-28 season, June 30, is now unofficially estimated at 2,440,000 bales compared with 2,508,000 bales the preceding season. The bales during the season just closed are in the neighborhood of 4 per cent lighter than for the preceding one, according to information received up to date.

In the Central Produce Market at Buenos Aires receipts into store up to May 24 were 15 per cent less than during the same period of the preceding season while disposals were 5 per cent below those in 1926-27. Stocks, as in Australia, while lower than for other recent years were 27 per cent over last year at the same time. The movement of wools in the Central Produce Market is of little importance at this period of the year and has been composed of the autumn second clips and of late arrivals from the Southern territories, states Consul Syckes, Buenos Aires, under date of May 17. This year there are no stocks remaining of wool from the Province of Buenos Aires or up river.

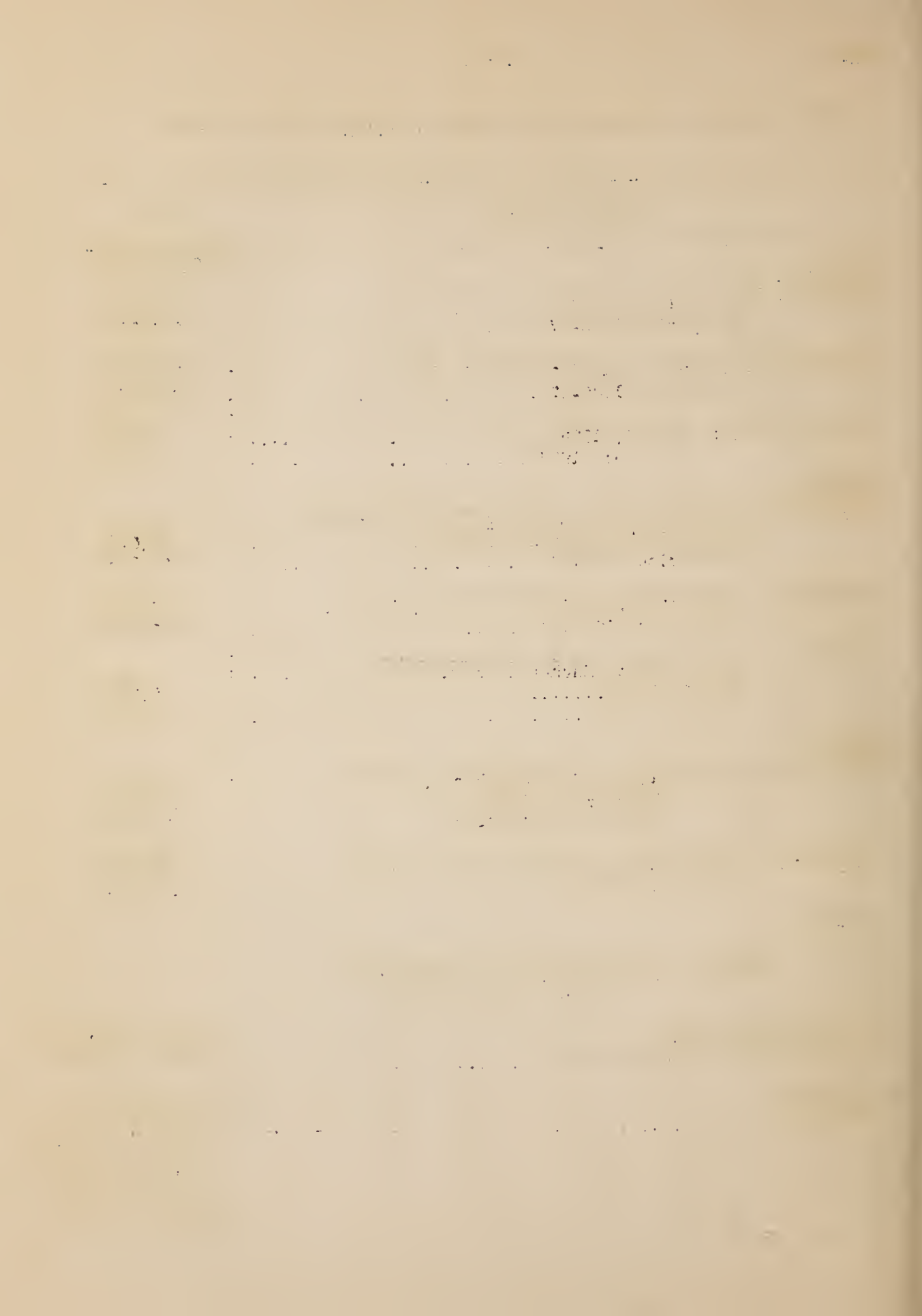
Shipments of wool from Uruguay up to May 24, 1928, aggregated 115,326,000 pounds for the season beginning October 1 and stocks remaining to be disposed of are small. In the Union of South Africa stocks are small also while in New Zealand there is practically no carryover as the quantity held in store on owners' account is said to be under 500 bales.

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## WOOL: Receipts, disposals and stocks in certain primary markets

Country and item	Amount
	: 1,000 pounds
<u>AUSTRALIA</u> - a/	
Receipts: From July 1, 1927 to May 31, 1928 .....	732,581
Same period 1926-27 .....	780,771
Disposals: From July 1, 1927 to May 31, 1928 .....	729,890
Same period 1926-27 .....	755,976
Stocks on hand: May 31, 1928 .....	29,201
Same date 1927 .....	26,061
<u>ARGENTINA</u> -	
Receipts at Central Produce Market b/near Buenos Aires	
July 1, 1927 to May 24, 1928 .....	90,073
Same period 1926-27 .....	105,395
Shipments - From October 1, 1927 to May 24, 1928 .....	247,436
Same period 1926-27 .....	260,524
Stocks on Central Produce Market near Buenos Aires .....	
May 24, 1928 .....	5,974
Same date 1927 .....	4,389
<u>URUGUAY</u> -	
Deliveries at Montevideo - From October 1, 1927 to	
February 1, 1928 .....	119,347
Same period 1926-27 .....	94,794
Shipments - From October 1, 1927 to May 17, 1928 .....	115,326
Same period 1927 .....	112,692
Stocks -	
Remarks - Stocks left to be disposed by	
middle of April small.	
<u>UNION OF SOUTH AFRICA</u> -	
Remarks - Port Elizabeth May 23 .....	Stocks small and season closing.
<u>NEW ZEALAND</u> -	
Remarks - .....	Practically no carryover as the quantity held in store on owners' account is said to be under 500 bales.



WOOL: Receipts, disposals and stocks in certain primary markets, continued.

## Notes -

a/ In converting bales to pounds the average weight per bale used is that furnished by the National Council of Wool Selling Brokers of Australia for the period July to April 30, i.e., 305.7 in 1927-28 compared with 316.7 in 1926-27 as this is the latest data available. The decrease in weight per bale this season is approximately 4 per cent. b/ It is estimated by the Buenos Aires Branch of the First National Bank of Boston that during recent years about 1/3 of the National clip has been disposed of at this market.

## Sources -

- Australia - Receipts, stocks and disposals, estimates of National Council of Wool Selling Brokers. Reuters cable to the Chamber of Commerce Journal, London, June 15, 1928.
- Argentina - Review of the River Plate May 25, 1928.
- Uruguay - Receipts and stocks, Bank of London and South America, Ltd., Monthly Review April and May, 1928. Shipments - Review of the River Plate, May 25, 1928.
- Union of South Africa - Cable from Port Elizabeth to the Wool Record and Textile World, May 24, 1928.
- New Zealand - Pastoral Review, May 16, 1928.

