

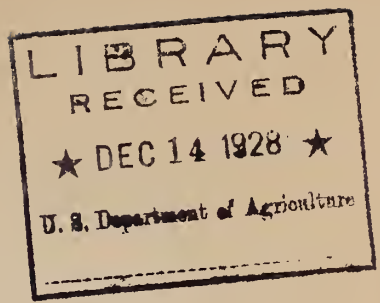
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UNITED STATES DEPARTMENT OF AGRICULTURE  
Bureau of Agricultural Economics  
Washington



WOOL-10

THE WORLD WOOL SITUATION  
December 11, 1928

Wool prices in the domestic market advanced during the past month. Among the factors contributing to the advance were the strong demand and higher prices at the sixth series of the London Wool Sales and an improving tendency in the domestic goods markets, according to the Bureau of Agricultural Economics. Consumption was well maintained in October, but imports continued low. The sixth series of the London Sales closed December 5 with prices weaker than at the opening but mostly above the closing of the previous series. A general improvement has been reported in the wool manufacturing industry on the European Continent. Production of wool in 1928-29 in the Southern Hemisphere will probably be larger than last season. At the second wool sale in Wellington on December 7 competition was brisk and practically the entire catalogue of 27,000 bales was sold, according to a cable from Consul General Lowrie. American buyers were active. Prices were generally on a par with the last sale but super wools advanced one to two cents.

Prices advance on Boston Wool Market

Prices of wool at Boston in November showed a general increase of 1 to 3 cents a pound for Territory wools, and some increase for all classes of 56's. Advances also occurred in 58's, 60's, strictly combing. The strengthening in domestic prices was due to advances in prices abroad, and an improving tendency of business in the domestic goods markets. The recovery in London from the weak closing of the last series of wool sales restored confidence in the domestic market. Demand has been broadened for large quantities of a rather wide variety of lines and the market has adopted an optimistic tone.

Nearly all grades of domestic wools have been active during November, but the greatest improvement has been shown in the short classes of the fine



wools, according to R. L. Burrus of the Boston wool office of the Bureau of Agricultural Economics. Graded strictly combing Territory wools of the Montana and Wyoming type sold up to \$1.15, scoured basis, while the bulk sold at \$1.10-1.12. The French combing graded wool of 64's and finer quality strengthened from the range \$1.05-1.08 at the beginning of the month to \$1.07-1.10, scoured basis, later. Clothing went from \$.93-1.03 to \$1.00-1.05, scoured basis, some lines having brought the maximum of the range.

Prices have shown a marked improvement on original bag fine wools. New Mexican wools that went to 95 cents, scoured basis, in October, came back to \$1.00 and advanced from that point to \$1.03-1.05 with some fair-sized lines having realized prices in this range. Montana original bags of choice wools advanced from \$1.03-1.05, scoured basis, to around \$1.10 per pound. The Utah and Nevada types have sold for better than \$1.05, scoured basis.

A moderate demand for Ohio 64's and finer Delaine wools lifted the price from the low point of 45 cents reached during the decline in October. The bulk of the business during November was done at 46 cents and asking prices were advanced to 47 cents, in the grease, which tended to slacken demand toward the close of the month.

A fair volume of choice Texas twelve months wools was moved during November at \$1.10-1.12, scoured basis, for the bulk. Average wools brought \$1.07-1.08 and short Spring Texas wools moved at \$1.03-1.05, scoured basis. A large per cent of the fall clip has been turned over to mills at an average price of around 95 cents, scoured basis. The shorter staple wools of the Texas lines have received the bulk of the demand.

South American crossbreds which had declined sharply in October were more active and purchases for the United States increased. Buying for this country has fallen off during the past ten days as the advances in South America slackened. Scattered sales were closed on Australian and Cape Merinos and on a few grades of New Zealand crossbreds.

The outlet for all styles of woolen wools was broader and demand was more active than during October. Prices, especially on the finer grades of both scoured and pulled wools, stiffened. Fair quantities of greasy clothing Territory wools were taken out of the market by manufacturers. Some of the improvement in demand and prices on pulled wools can be attributed to the slightly greater length of staple of recent pullings. Fine noils have been fairly active with prices irregular. Demand for medium noils was spotty at steady prices.

The top market was more active in November than during the previous month. The volume of new business increased and demand was broader. The improvement in raw wool prices has been reflected in advanced quotations for tops on several grades. Good 64's topsthat will spin a 50's yarn have advanced. Orders were booked early in the month at \$1.32-1.34, in the oil, and toward the end of November sales were closed at \$1.37-1.38.



Prices of wool and manufactures are shown in the tables below:

PRICE: Wool, per pound, at Boston, clean basis,  
November 28, 1927, October 27, 1927, and November 24, 1928

Grade	1927		1928	
	Nov. 28		Oct. 27	Nov. 24
64's, 70's, 80's (fine)	Cents		Cents	
Strictly Combing				
Ohio and similar grease	47		45 - 46	46
Fleece scoured	112 - 117		110 - 115	110 - 115
Territory scoured	110 - 115		110 - 115	112 - 115
56's (3/8 blood)				
Strictly Combing				
Ohio and similar grease	47		55	56
Fleece scoured	86 - 91		100 - 103	100 - 105
Territory scoured	93 - 95		102 - 106	102 - 107
46's (low 1/4 blood)				
Strictly combing				
Ohio and similar grease	41 - 42		45 - 47	48 - 49
Fleece scoured	70 - 75		80 - 85	82 - 87
Territory scoured	73 - 78		85 - 90	87 - 90

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

PRICE: Wool and yarn, per pound, and piece goods, per yard,  
October 1926, 1927, and 1928

Month and year	Wool at	Wool at	Worsted yarn	Worsted yarn	Suiting
	Boston, 64's, 70's, 80's	Boston, 56's 3/8 blood	Worsted yarn 2/40's half-blood weaving	Worsted yarn 2/32's crossbred grade	Suiting unfinished worsted 13 oz. at mills
	Fine Territory, scoured, clothing	Strictly combing, fleece grease			
	Cents	Cents	Dollars	Dollars	Dollars
October 1926	98	45	1.81	1.40	1.89
1927	98	46	1.80	1.40	1.91
1928	102	55	1.82	1.58	2.01

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

Imports continue low

Imports of combing and clothing wool in October were relatively low but showed the usual increase over September. The total for October, 1928 was 4,412,000 pounds as compared with 7,011,000 pounds for October, 1927 and the average for October, 1923-27, 5,838,000 pounds.

THE HISTORY OF THE UNITED STATES OF AMERICA

CHAPTER I

THE DISCOVERY OF AMERICA

THE first discovery of America was made by Christopher Columbus in 1492. He sailed from Spain in August and reached the island of San Salvador in the Bahamas in October. Columbus was a Genoese merchant and explorer who had been seeking a westward route to the Indies. His voyage was sponsored by the Spanish monarchs, Isabella and Ferdinand. Columbus's discovery of America opened the way for European exploration and settlement of the Americas.

After his first voyage, Columbus made three more trips to the Americas. On his second voyage in 1493, he discovered the island of Hispaniola, which he named the "Island of the Kings." On his third voyage in 1498, he discovered the northern coast of South America. Columbus's discoveries led to the Spanish conquest of the Americas and the establishment of a vast colonial empire.

The discovery of America had a profound impact on the world. It opened up new trade routes and led to the exchange of goods and ideas between the Old World and the New World. The Americas became a source of raw materials and labor for Europe, and European settlers brought new crops and technologies to the Americas. The discovery of America also led to the development of a distinct American identity and culture.



Consumption well maintained

Consumption of combing and clothing wool by reporting mills in October was well maintained, being 38,065,000 pounds as compared with 37,420,000 in October, 1927, and an average for October 1923-27 of 36,166,000 pounds. The consumption of combing and clothing wool for October was the highest for any October in the past six years.

London Wool Sales closed higher

The sixth series of the London wool sales closed on December 5, with nearly everything except slipes slightly below the highest point of this series but considerably above the closing prices of the fifth series which closed in London on October 4, according to a cablegram received by the Foreign Service of the Bureau of Agricultural Economics from Agricultural Commissioner E. A. Foley at London. Advances by grades were as follows:

- Merinos ..... 5 per cent
- Crossbreds
  - Fine ..... 5 per cent
  - Medium and low .. 10 per cent
- Slipes
  - Fine ..... 5-7 $\frac{1}{2}$  per cent
  - Medium and low .10-12 $\frac{1}{2}$  per cent
- Capes
  - Greasy .....5 per cent
  - Scoured .....2 $\frac{1}{2}$  per cent

The United States sold about 1,000 bales of greasy merinos and bought about 3,000 bales of slipes.

Prices with comparisons, by grades, were as follows, (clean basis):

Grade	1927		1926	
	Sixth series: closing December 13	Fifth series: closing October 4	Sixth series: opening November 23	Sixth series: closing December 5
	Cents	Cents	Cents	Cents
70's ordinary.....	99.4	89.2	89.2	87.2
64's " .....	89.2	83.1	87.2	83.1
60's " .....	83.1	78.0	81.1	80.1
58's " .....	78.1	73.0	73.0	73.0
56's " .....	73.0	68.9	68.9	69.9
50's carding .....	48.7	46.6	50.7	51.7
48's " .....	44.6	44.6	48.7	47.6
46's " .....	42.6	42.6	46.6	45.6
44's " .....	40.6	41.6	45.6	44.6
40's .....	39.5	41.6	43.6	42.6
36's .....	38.5	40.6	42.6	42.6

From cabled reports of E. A. Foley, American Agricultural Commissioner at London.

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Exports of wool manufactures from the United Kingdom during October were less than September and October a year ago, the weighted index of volume exports being 88.6 for October 1928, 83.7 for September 1928, and 98.0 for October 1927. Exports by classes were as follows:

WOOL MANUFACTURERS; Exports from the United Kingdom					
Item	Unit	Oct. 1927	Sept. 1928	Oct. 1928	
Tops .....	1,000 pounds	4,024	2,316	2,466	
Woolen yarn, carded ...	1,000 pounds	570	678	710	
Worsted yarn, combed ..	1,000 pounds	4,575	2,634	3,808	
Woolen cloth .....	1,000 sq. yds.	10,280	9,459	9,050	
Worsted cloth .....	1,000 sq. yds.	2,781	3,314	3,662	

From Trade and Navigation of the United Kingdom.

#### The Bradford Market

The outstanding feature of the Bradford market in November, according to a cablegram from A. R. Thomson, American Consul at Bradford was the advance in prices of merino and crossbred tops occasioned by the advances in raw wool prices in Australia and South America. Toward the end of the month some topmakers withdrew quotations pending the results of the London sales. There have been no important changes in the yarn market but values are firmer and a little more business is being done. The most important development in the piece goods trade is the effort now being made to provide fabrics weighing from 5 to 6 ounces per yard to meet demands of American buyers.

#### The situation in the wool industry in Europe

A better demand has been general in the wool industry on the European Continent the past month, according to a cablegram received by the Foreign Service of the Bureau of Agricultural Economics from Agricultural Commissioner L. V. Steere at Berlin. In Germany business in tops has been good, and the raw wool market at Bremen has been active, especially in noils. The situation in the spinning and weaving industries is considerably improved, large orders being received for worsted yarn and spring goods particularly of the better qualities. Export demand has been less quiet. France reports business active in tops and noils at rising prices. Spinners sales of yarn, especially for export, have improved. A general improvement in the market in Belgium has been maintained. At the public wool sale at Antwerp on November 9, prices advanced. Reports from Czechoslovakia state that the wool industry is well occupied and sales are in good volume.

Stocks of tops in commission combing establishments at the end of November increased over a year ago in Germany, but declined in France. For Germany they were 15,117,000 pounds at the end of November this year against 13,251,000 pounds a year ago. France showed 23,605,000 pounds November 30, 1928, and 25,537,000 on November 30, 1927. The amount of wool, tops, and yarn passing through conditioning houses at Roubaix and Tourcoing in November was somewhat above last year as shown by the figures following.

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WOOL, TOPS AND YARN: Amount passing through condition houses at  
Roubaix and Tourcoing

Location and grade	November	
	1927	1928
	1,000 pounds	1,000 pounds
<u>Roubaix</u>		
Wool .....	320	337
Tops .....	5,644	1/
Yarn (worsted) .....	1,310	1,435
<u>Tourcoing</u>		
Wool .....	2,537	2,820
Tops .....	7,269	8,373
Yarn (total) .....	2,260	2,169

1/ Not reported.

Prices of wool, tops, and yarn on the Continent advanced somewhat during November, as shown below:

WOOL, TOPS AND YARN: Price per pound in European centers

Location and grade	Sept 27	Oct 25	Nov 29
	1928	1928	1928
	Cents	Cents	Cents
<u>Roubaix</u>			
Tops, Australian -			
Merino, 64's warp .....	110.5	105.4	108.5
Crossbred, 56's .....	96.3	94.3	96.3
Tops, Argentine -			
Crossbred, 56's .....	92.3	87.2	85.2
Yarn -			
Merino .....	135.8	133.3	135.9
Cheviot .....	87.0	85.7	91.1
	Oct 1	Nov 1	Dec 1
	1928	1928	1928
<u>Germany</u>			
Cape wool, medium quality washed:			
6-8 months, very fine .....	85.2	81.1	83.1
Tops, Australian, A/AA .....	109.5	104.4	106.4
Tops, Buenos Aires, medium .....	62.9	60.8	62.9

Prospects Continue for Larger Clip in Southern Hemisphere

Early indications of a 1928-29 wool clip larger than that of the preceding year continue to be confirmed by reports from the important producing countries of the Southern Hemisphere. These countries together with the United States and Canada produce in the neighborhood of 70 per cent of the world's clip. Production in the United States this year is about 6 per cent greater than last as previously reported, while it seems probable that there will be an increase in Canada also this year, although no official estimate of wool production is yet available. Sheep numbers in that country in June, 1928 are officially reported as 5 per cent above last year.



Australia

The 1928 wool clip in Australia is expected to exceed that of last year and has been estimated semi-officially at 900,000,000 pounds, as previously reported in the July 9 wool release, compared with the official estimates of 865,000,000 for 1927 and 924,411,000 for 1926 as published in the Quarterly Abstract of Australian Statistics for June, 1928. Receipts into store which up to the end of September did not show much increase, owing probably to the postponement of some of the sales due to the water-side strike, were heavier in October and the total amount received from July 1 to October 30 is estimated at approximately 524,000,000 pounds, an increase of 9 per cent over the same period for last year. The weight per bale this year as reported by the National Council of Wool Selling Brokers of Australia averaged 325 pounds for the months July to September against 313 for the same period of 1927. Sheep numbers for all Australia on January 1, 1928 are now officially reported at 99,216,000 compared with 104,267,000 last year at the same time, a decrease of 5 per cent. Growing conditions for this year's wool clip were considerably better than for last year's and as a result a heavier yield per sheep for Australia as a whole is expected.

Argentina and Uruguay

Wool production in Argentina this year is estimated at approximately 343,000,000 pounds or about 4 per cent above the 1927 clip, according to the Buenos Aires branch of a Boston bank. While the clip is estimated as greater than that of last year the production is 6 per cent below the bank's estimate for 1926.

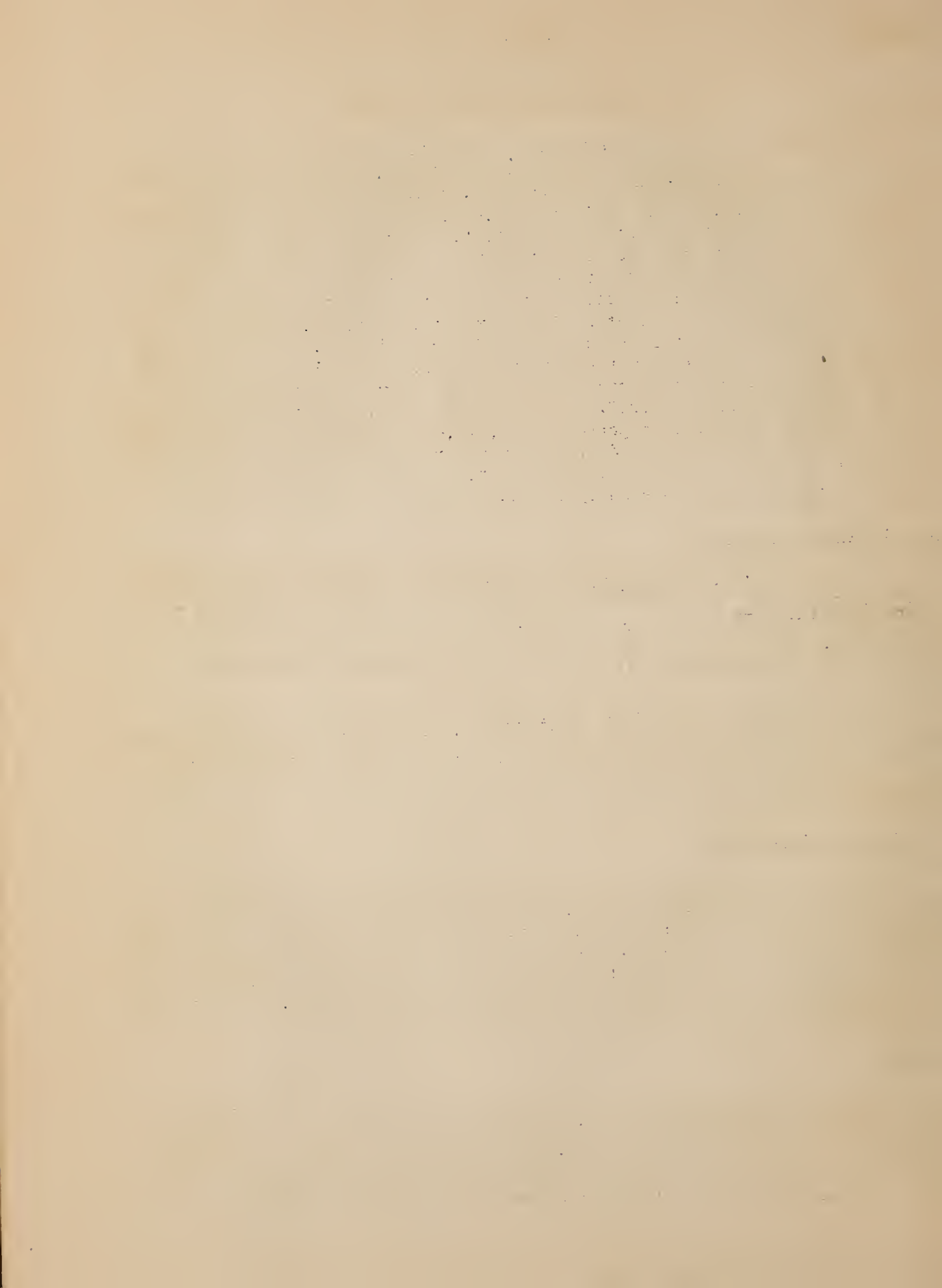
Wool production this year in Uruguay is estimated at 139,000,000 pounds, an increase of approximately 6 per cent over 1927, according to Consul General Carrigan under date of October 19. If the actual outturn reaches this amount the production will be a record one. Winter and spring (June-November) lambing was reported as good this year.

Union of South Africa

Wool production for 1928 as represented by probable exports is estimated at 285,000,000 pounds as reported in the October release. This is an increase of 4 per cent over the actual exports reported in Crops and Markets of the Union of South Africa for August, 1928. Sheep numbers as of June 30, 1928 are officially estimated at 40,694,000 compared with 39,551,000 in the preceding June. Of this number, woolled sheep comprise 35,978,000 this year compared with 34,446,000 last or an increase of 4 per cent.

Canada

Wool production in Canada in 1928 appears likely to exceed that of 1927 judging by the increase of 5 per cent in sheep numbers as officially estimated in June this year to 3,416,000 compared with 3,263,000 in June, 1927. Wool production in Canada has been increasing each year since 1925 when it was estimated at 15,553,000 pounds to 18,673,000 in 1927.





Wool receipts, stocks and disposalsSeason 1928-29

As is stated above, receipts of Australian wool into store for the first 4 months (July to October) of the 1928-29 season, showed an increase of 9 per cent over the preceding season. Disposals for the same period show an 18 per cent decrease compared with the 1927-28 season, and a consequent increase of stocks on hand on October 30, of 29 per cent. The decrease in disposals and the increase in stocks on hand are probably due to reduced shipping operations on account of the strike of waterside workers which in turn caused the postponement of some of the Sydney sales and the opening sales in the other States. In Argentina receipts at the Central Produce Market, Buenos Aires, from July 1 to October 24, 1928 aggregated 39 per cent above last year for the preceding season, while stocks on October 24, 1928 were over 200 per cent above the preceding year and about equal to the average of 4,377,000 pounds for the 5 years 1923-27 at the end of October.

Season 1927-28

A few figures for the 1927-28 season have been received since the November report and these continue to show heavier stocks in most primary markets at the end of the season than during the preceding one when they were unusually low.

WOOL: Receipts, disposals and stocks of 1928-29 and 1927-28 clips  
in certain countries

Country and item	Amount
<u>1928-29 clip</u>	<u>1,000 pounds</u>
<u>Australia: a/</u>	
Receipts: From July 1 to October 30, 1928 .....	524,000
Same period, 1927 .....	482,000
Disposals: From July 1 to October 30, 1928 .....	171,000
Same period, 1927 .....	209,000
Stocks on hand: October 30, 1928 .....	353,000
Same date, 1927 .....	273,000
<u>Argentina</u>	
Receipts at Central Produce Market, Buenos Aires -	
July 1 to October 24, 1928 .....	5,562
Same date, 1927 .....	4,012
Stocks at Central Produce Market - c/	
On October 24, 1928 .....	4,398
Same date, 1927 .....	1,336

continued



WOOL: Receipts, disposals and stocks of 1928-29 and 1927-28  
clips, in certain countries, cont'd

	<u>1927-28 clip</u>	<u>: 1,000 pounds</u>
<u>Australia: d/</u>		
Receipts: Season July 1 - June 30, 1927-28 .....		743,821
Season July 1 - June 30, 1926-27 .....		785,129
:		
Disposals: Season July 1 - June 30, 1927-28 .....		e/ 733,961
Season July 1 - June 30, 1926-27 .....		f/ 771,148
:		
Stocks on hand: June 30, 1928 .....		g/ 9,860
Same date, 1927 .....		h/ 7,958
<u>Argentina:</u>		
Receipts at Central Produce Market near Buenos Aires -		
July 1, 1927 to June 29, 1928 .....		91,923
Same date, 1927 .....		108,248
:		
Shipments, season October 1, 1927 to September 30, 1928 ...		298,854
Same period, 1926-27 .....		325,584
:		
Stocks in Argentina -		
September 30, 1928 .....		18,520
Same date, 1927 .....		3,704
<u>Uruguay:</u>		
Shipments: From October 1, 1927 to September 30, 1928 ...		122,652
Same period, 1926-27 .....		121,962
:		
Stocks: Stocks for disposal small in mid-April		
:		
<u>Union of South Africa:</u>		
Stocks at Port Elizabeth: End of June, 1928 .....		2,000
End of June, 1927 .....		900
<u>New Zealand:</u>		
Stocks on hand June 30, 1928 .....		18,800
June 30, 1927 .....		19,000
:		
Disposals: July 1, 1927 to June 30, 1928 .....		187,037
Same date, 1926-27 .....		177,144
:		

(See source and notes on following page)



WOOL: Receipts, disposals and stocks of 1928-29 and 1927-28 clips  
in certain countries, cont'd.

Notes -

- a/ These figures concern only the new clip, i.e., that of 1928-29.
- b/ Converted to pounds by using the estimate of average weight per bale of the National Association of Wool Selling Brokers for July-September 1928 or 325 pounds the latest figure available compared with 313 pounds for the same period of 1927 and 312 pounds for October, 1927.
- c/ Stocks of 1928-29 clip are not given separately and the amount on October 24 probably includes the amount remaining in store from the 1927-28 clip also.
- d/ In converting bales to pounds the average weight per bale used is that furnished by National Council of Wool Selling Brokers of Australia for the period July to June 30, i.e., 304 pounds in 1927-28 compared with 313 in 1926-27.
- e/ In addition there were approximately 7,287,000 pounds of wool carried over from the 1926-27 clip sold during this period.
- f/ In addition there were 9,160,000 pounds of wool carried over from the 1925-26 clip sold during this period.
- g/ In addition to these figures there were 8,000 pounds of carryover from the 1926-27 clip in store awaiting disposal on June 30, 1928.
- h/ In addition to these figures there were 2,000 pounds of carryover from the 1925-26 clip in store awaiting disposal as of June 30, 1927.

Sources -

Australia: Season 1928-29, National Council of Wool Selling Brokers - Consulate General, Melbourne, October 17, 1928 - Country Life and Stock and Station Journal, October 26, 1928.  
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Argentina: Receipts, shipments, Review of the River Plate. Stocks in Argentina, September 30, 1927, American Consul D.C. Sykes, January 30, 1928 and September 30, 1928 estimate of Buenos Aires branch of Boston bank, World Wool Digest, November 1, 1928.

Uruguay: Shipments from the Review of the River Plate. Stocks - Bank of London and South America, Ltd., May, 1928.

Union of South Africa: Cable from Port Elizabeth to the Wool Record and Textile World, July 5, 1928.

New Zealand: Official estimates of wool held by mills, freezing works shipping companies, farmers, etc.

