

Reporting of Price Movements in Cotton Markets: Implications for Pricing Efficiency

Darren Hudson

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Don E. Ethridge, Advisor

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This study examined the accuracy of price reporting by the federal government to cotton markets in Texas and Oklahoma. The analysis found that the government price reporting was not correct. This means that the information on prices being received by cotton producers in Texas and Oklahoma is not correct. Incorrect information about the price of cotton could lead to incorrect decisions about marketing, input use, and use of other resources. Given the relative importance of the cotton industry to Texas, any inefficiencies or losses in income could have serious economic impacts on the state.