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Weekly Cotton Market Review
(Week ended April 19)

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Spot cotton prices were fairly steady but averaged lower than a week earlier, according to the Cotton Division, Agricultural Marketing Service, USDA. Export trading was more active. Domestic mill purchases were mostly new-crop cotton. Spot trading continued slow. Supplies in grower hands were very limited and offerings were light. Merchant demand was weak. Contracting of the 1984 crop by growers slowed. Growers in the southern states made good progress with land work where fields had dried but remained behind normal. Limited planting was reported in a few states. Planting neared completion in California and Arizona. Land preparation made good progress on the Texas Plains and in Oklahoma. The south Texas crop made generally good progress but rain is needed.

Spot cotton prices for grade 41 staple 34, mike 35-49, in the designated markets averaged 74.53 cents per pound on Thursday, April 19. This compares with 74.31 cents a week earlier and 64.60 cents on the corresponding Thursday last season. Prices ranged from a low of 73.62 cents per pound to a high of 74.53 cents during the period. This compares with 74.31 to 76.03 cents the previous week. The New York July 1984 futures settlement price ended the week on Thursday at 79.13 cents per pound compared with 78.20 cents a week earlier. The October settlement price was 76.08 cents against 76.15 cents last Thursday and the December price was 74.17 cents compared with 74.38 cents a week earlier.

Trading was limited mostly to export, increasing sharply on western markets. Far Eastern mills bought a sizeable volume, primarily California-Arizona and Texas growths. Shipments were scheduled mostly for spring and early summer. Domestic mill buying was moderate for forward delivery and a light volume was purchased for prompt. Spot trading continued slow, restricted by a very light volume of grower offerings and supplies. Merchant demand was light as stocks were fairly well balanced with commitments. Purchases reported by cotton exchanges in the designated markets totaled 29,600 bales in the week ended Thursday, April 19. This compares with 37,100 bales a week earlier and 69,700 bales in the corresponding week last season.

Textile mill report. Mill buying for prompt shipment was light and intermittent. Forward purchases included a moderate volume for fourth quarter and later delivery. Interest remained strongest for central and western growths, grades 51 and lower. Prices were firm and some shippers were unwilling to commit certain qualities for deferred delivery. Mills continued to operate mostly five to six-day work schedules, reflecting a healthy textile market. New orders were being booked for a fairly wide range of textiles with some goods sold into fourth quarter months. Materials for sportswear, selected all-cotton yarns, underwear and a number of apparels continued to move readily. Sales on most other constructions were mixed. Industrials and household goods traded at a steady rate.

Foreign crop report. The Cotton Outlook of Liverpool reports that crop disappointments have continued to restrict the uncommitted supply of nearby shipment cottons on world markets, but that China's unexpected sales tender for 100,000 tons may now herald a new order in international trade patterns. Whether or not it is judged to be successful, the tender underlines the change in the production picture; China provided almost one-third of total world output in 1983-84, and there seems little cause at this stage to doubt that her outturn in 1984-85 will again be in excess of 4,000,000 metric tons, even though the weather may prove less beneficial. Such a prospect portends further large scale marketing efforts which presumably will become more effective as facilities are improved internally for both the transport and storage of lint, and as overseas buyers become familiar with the different Chinese types.

Forecasts for several of the Northern Hemisphere 1983-84 crops have in the meantime been reduced further, resulting in some instances in purchases from abroad in order to augment local supplies. The usual doubts prevail regarding the ginning outturn finally obtained in Russia from the official seed cotton outturn of 9,200,000 tons. They are reinforced this season by Moscow's persisting unwillingness to enter large sales commitments in the free markets and by its recent buying of U. S. styles. Total pressings of 1983-84 crop lint in Pakistan were below 2,600,000 local bales (2,030,000 bales of 480 lbs.), or less than half the national production target for the season, with the result that fairly large scale imports have been deemed necessary. India, who still hopes for a final outturn of between 5,950,000 and 6,100,000 bales of 480 lbs., still reports appreciable concern regarding the medium and shorter staple supply position. However, the longer varieties are apparently available in abundance, and some growers have begun to exert pressure for the allocation of a fresh export quota.

The South American crops have suffered their share of troubles during recent weeks, with untimely rains adversely affecting prospects as to both quality and quantity in Paraguay and, more seriously, in Argentina. Production hopes for the former are now placed at around 390,000 bales (of 480 lbs.), but the best estimated for the latter are as low as 780,000 bales, compared with the 850,000 bales predicted earlier in the season. Peru's Tanguis crop has made fairly normal progress and some quantities have been allocated for export both against commitments carried forward from last year and new sales. However, the extra-long staple production outlook remains much in doubt, with no clear consensus yet apparent as regards just how much land has been planted. Colombia's Southern crop has made satisfactory progress, and no fundamental adjustments have been made to assessments of the prospective outturn in Central America and Mexico. Australian reports, however, have reflected a mood of increasing confidence as plants have recovered from the earlier setbacks caused by rains, and most observers now agree that the official forecast for an outturn of about 693,000 bales (of 480 lbs.) is probably quite realistic.

Early indications regarding plantings for the Northern Hemisphere new crops are generally all couched in quite optimistic terms, with farmers in most growing countries expressing an intention to increase plantings in view of the favourable price levels now ruling. Next season's prospects are thus for a total world production of more than 72,000,000 bales.

Seven months and older certificated stock, May 1, 1984 ^{1/}

Delivery point	7-12 months	13-18 months	19-24 months	Over 24 months	Total
	Bales	Bales	Bales	Bales	Bales
Charleston	-	-	-	-	-
Galveston	4,463	7,750	337	250	12,800
Greenville	112	76	-	-	188
Houston	96	1	-	21	118
Memphis	5,926	1,015	-	372	7,313
Mobile	-	-	-	-	-
New Orleans	266	230	-	3	499
Total	10,863	9,072	337	646	20,918

^{1/} Based on Cotton Division records as of April 13, 1984.

Supply, disappearance and stocks of all kinds of cotton in the U. S., by months and seasons, crops of 1981-1983 1/

Date	Supply			Disappearance			End-of-month stocks				
	Beginning stocks	Ginnings	Imports	Total	Domestic cons.	Exports	Total	Consuming estab.	Public storage	Elsewhere	Total
	1,000 bales			1,000 bales			1,000 bales			1,000 bales	
Feb. 1982	12,195	367	-	12,562	398	754	1,152	884	8,882	1,644	11,410
Mar. "	11,410	-	*	11,411	493	873	1,366	917	7,921	1,206	10,044
Apr. "	10,044	-	4	10,049	410	676	1,085	911	7,112	940	8,963
May "	8,963	-	13	8,976	392	484	876	901	6,292	907	8,100
June "	8,100	-	4	8,105	460	498	958	871	5,544	732	7,147
July "	7,147	40	1	7,188	317	396	713	830	5,269	376	6,475
Season 4/	2,595	15,146 5/	26	17,767	5,043	6,263	11,306	830	5,269	300	6,399
Aug. 1982	6,399	414	2	6,815	386	342	728	750	5,008	329	6,087
Sept. "	6,087	1,078	10	7,176	474	351	825	671	5,293	388	6,351
Oct. "	6,351	3,768	1	10,120	416	293	709	611	7,575	1,225	9,411
Nov. "	9,411	3,527	3	12,940	391	382	773	635	10,190	1,343	12,167
Dec. "	12,167	1,754	*	13,922	425	377	802	698	11,101	1,320	13,119
Jan. 1983	13,119	721	1	13,841	404	438	843	782	11,120	1,097	12,999
Feb. "	12,999	225	*	13,224	430	368	798	777	10,225	1,424	12,426
Mar. "	12,426	-	1	12,427	549	487	1,037	790	9,713	887	11,390
Apr. "	11,390	-	*	11,390	431	612	1,042	795	8,796	757	10,348
May "	10,348	-	*	10,348	441	464	905	777	7,930	736	9,444
June "	9,444	-	*	9,444	543	435	979	757	7,419	289	8,465
July "	8,465	2	1	8,468	369	409	778	756	6,656	278	7,690
Season 4/	6,399	11,488 5/	20	17,908	5,259	4,959	10,218	756	6,656	150	7,561
Aug. 1983	7,561	313	2	7,876	453	367	820	712	6,168	177	7,057
Sept. "	7,057	458	1	7,515	560	322	882	639	5,870	124	6,633
Oct. "	6,633	2,575	1	9,209	459	261	720	556	7,119	813	8,489
Nov. "	8,489	2,659	1	11,149	446	441	887	554	8,570	1,138	10,262
Dec. "	10,262	1,207	*	11,469	468	632	1,100	611	8,790	968	10,369
Jan. 1984	10,369	264	-	10,633	469	663	1,132	647	7,643	1,211	9,501
Feb. " 6/	9,501	22	-	9,522	464	719	1,183	641	6,470	1,227	8,339
Season thru Feb.	7,561	7,497	4	15,063	3,319	3,405	6,724				

1/ Imports in equivalent 480 pound gross weight bales, all others in running bales. 2/ Elsewhere stocks determined by subtracting public storage and consuming establishment stocks from total stocks. 3/ Total stocks determined by subtracting total disappearance from total supply. 4/ Adjusted data as reported in Supply and Distribution of Domestic and Foreign Cotton in the United States by Bureau of the Census. End of season total stocks includes an allowance for city crop. Totals may not add due to rounding. 5/ Ginnings prior to August 1 included in carryover. 6/ Preliminary. Figures may not add due to various estimates. * Less than 500 bales.

New York futures contract settlement, designated spot market average for grade 41 staple 34 and 'A' Index cotton prices in cents per pound

Date	Grade 41 Staple 34					8-Market Average	Grade 31 Staple 35 'A' Index 1/
	Futures Settlement						
	May '84	Jul '84	Oct '84	Dec '84	Mar '85		
Apr. 12	79.17	78.20	76.15	74.38	75.30	74.31	89.05
13	78.25	77.92	75.49	73.71	74.90	73.62	88.60
16	78.48	78.42	76.05	74.22	75.50	73.87	88.30
17	78.67	78.85	76.15	74.20	75.60	74.19	88.45
18	78.63	78.66	75.96	73.85	75.10	74.05	88.45
19	79.12	79.13	76.08	74.17	75.45	74.53	88.35

1/ C.I.F. Northern Europe price furnished by Cotton Outlook of Liverpool.

U. S. upland cotton export sales and exports, in running bales, for week and year, marketing years 1982-83 and 1983-84

Description	Marketing Year			
	1982-83		1983-84	
	Through April 14		Through April 12	
	Week	Marketing Year	Week	Marketing Year
Outstanding sales	-	1,751,100	-	2,070,200
Exports	152,600	3,233,900	222,500	4,708,000
Total export commitments	-	4,985,000	-	6,778,200
New sales	60,200	-	143,500	-
Buy-backs and cancellations	75,100	-	24,300	-
Net sales	-14,900	-	119,200	-
Sales next marketing year	95,700	874,500	84,700	963,900

Source: Export Sales Reporting Division, Foreign Agricultural Service, USDA.

Upland cotton export sales. An active market during the week ended April 12 produced an increase in net sales of 119,200 running bales for the current marketing year, according to the Foreign Agricultural Service, USDA. The major buyers were Pakistan with 51,400 bales, Japan 21,400 and Canada 20,000 bales. Sales for 1984-85 delivery totaled 84,700 bales. The largest purchase was by Canada with 33,800 bales, followed by Hong Kong 18,400 and Japan 13,300 bales. Weekly exports of 222,500 bales set a new marketing year high. Asian destinations accounted for 64 percent of the week's shipments, Western Europe 16 percent and USSR 14 percent.