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Weekly Cotton Market Review
(Week ended April 5)

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Spot cotton prices reached a new season high for the fourth consecutive week, according to the Cotton Division, Agricultural Marketing Service, USDA. Merchant demand was fairly good for selected qualities but supplies and offerings were very light. Domestic mill purchases were mostly of 1984 crop. Foreign mill buying was light to moderate. Planting was virtually completed in south Texas and cotton was up in most fields. Planting made good progress in central Texas, Arizona and California. Wet fields continued to delay land preparation in most southern states. About 6 percent of the 1983 crop remained in grower hands at the end of March. Growers had forward contracted about 18 percent of their expected 1984 crop through the end of March. February exports increased to the highest level this marketing year. The interest rate for CCC loans disbursed in April will be 10.375 percent. The Cotton Outlook of Liverpool, England, reports that China has issued a first tender for sale of 100,000 tons of 1983-crop cotton for shipment May through October.

Spot cotton prices for grade 41 staple 34, mike 35-49, in the designated markets averaged 75.19 cents per pound on Thursday, April 5. This compares with 76.01 cents a week earlier and 66.26 cents on the corresponding Thursday last season. Spot prices continued an upward trend and on Monday, April 2, the average price reached 76.80 cents per pound, the highest level since July 7, 1981. The New York May 1984 futures settlement price ended the week on Thursday at 80.05 cents per pound compared with 81.27 cents a week ago. The October settlement price was 77.11 cents against 77.50 cents last Thursday and the December price was 75.07 cents compared with 75.25 cents a week earlier.

Trading on spot cotton markets was restricted by limited supplies and offerings. Merchant demand was best for selected qualities needed to cover commitments. Some merchants raised bid prices for these qualities but most growers continued to hold their limited supplies. Domestic mills bought a moderate volume of 1984-crop cotton but purchases of current crop were light. Foreign mill buying was light to moderate with purchases largely by Far Eastern mills. Purchases reported by cotton exchanges in the designated markets totaled 63,600 bales in the week ended Thursday, April 5. This compares with 73,200 bales a week earlier and 128,700 bales in the corresponding week last season.

Textile mill report. Mill buying for prompt to nearby delivery was light to moderate but increased sharply for deferred shipments. Mill needs were generally covered through the summer months and recent buying centered on new-crop cotton for September and later delivery. Some difficulty was reported in obtaining offerings of specific qualities, notably selected low grades for nearby delivery. Prices were firm to slightly higher on most qualities. Mill business remained generally good. Sales of a number of products were spilling over into fourth quarter months. All cotton yarns, most apparels and household products remained good sellers. Industrial and automotive sales were steady. Most plants were working five or six days per week.

Egyptian officials indicate current marketing year export supplies are limited to about 175,000 tons, (805,000 bales) of which all but 20,000 tons (90,000 bales) have been sold, according to the Foreign Agricultural Service, USDA. The remainder is to be exchanged for other products under trade clearing agreements with socialist countries.

Contracting 1984 crop. Forward contracting of the 1984 crop was active during March. By the end of the month, United States upland cotton growers had booked about 18 percent of their crop, the largest percentage for this period since 1980 and was up from 5 percent a year earlier and 2 percent two years ago. At the end of February, 12 percent had been contracted. Forward contracting has been most active in south central states where 25 percent had been booked through March, up from 14 percent in 1983. In both southeastern and western states, growers had booked 19 percent of their acreage. This was up from 5 percent in southeastern states and 6 percent in western states under contract a year ago. Southwestern states' growers had contracted 14 percent, up from 2 percent a year ago. American Pima cotton growers had forward contracted about 18 percent of their acreage by the end of March; 25 percent in Arizona, 14 percent in New Mexico and 6 percent in Texas. These estimates were based on the Crop Reporting Board's February planting intentions report and informal surveys made by the Cotton Division, Agricultural Marketing Service, USDA.

Growers were holding about 6 percent of upland ginnings from the 1983 crop at the end of March, according to informal surveys made by the Cotton Division, Agricultural Marketing Service, USDA. The remainder of ginnings had entered marketing channels or was in the CCC loan. A year earlier, growers were holding about 8 percent of the 1982 crop. The informal surveys indicated that about 9 percent of ginnings in western states, about 5 percent in southwestern states, about 1 percent in south central states and about 6 percent in southeastern states remained in growers' hands, outside the CCC loan. A year earlier, western states' growers were holding about 8 percent, southwestern states about 16 percent, south central states about 2 percent and southeastern states about 15 percent of their 1982 crop. Upland ginnings from the 1983 crop totaled 7,408,680 bales and from the 1982 crop 11,429,648 bales.

Exports of cotton from the United States totaled 719,300 running bales in February, according to the Bureau of the Census. This was the highest monthly level this marketing year which began August 1 and the largest shipments for any month since March 1982. A month earlier 662,500 bales were shipped and 487,500 bales were exported in February 1983. Shipments during the first seven months this season totaled 3,405,400 bales, the second largest August-February volume since 1960-61. This compares with 2,551,700 bales exported through February last season and 3,321,800 bales shipped two years ago. Exports for the 1983-84 season are estimated at 6.9 million bales of 480 pounds net weight. Shipments must average about 657,500 running bales per month for the next five months of this season if the estimate is to be reached.

Prices received by farmers for upland cotton averaged 69.30 cents per pound in mid-March, according to the Statistical Reporting Service, USDA. This compares with 65.70 cents for the entire month of February and 62.20 cents in March 1983. These prices include cotton delivered against forward contracts.

Average prices received by farmers for upland cotton, in cents per pound, net weight, United States, calendar years, 1983-1984

Month	Year beginning January 1		Month	Year beginning January 1		Month	Year beginning January 1	
	1983	1984		1983	1984		1983	1984
	Cents	Cents		Cents	Cents		Cents	Cents
January	57.00	62.70	June	62.60		November	66.80	
February	57.70	65.70	July	67.10		December	67.30	
March	62.20	69.30 ^{1/}	August	67.00		Calendar		
April	60.40		September	63.10		year avg.	63.90	
May	63.60		October	64.00				

^{1/} Mid-month price.

Source: Statistical Reporting Service, USDA

Forward contracting of upland cotton by growers, through March 31, crops of 1975-1984
and prospective plantings, 1984 crop 1/

State	Cotton crops										Prospective plantings 2/ 1,000 acres
	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	
Alabama	*	16	5	3	8	14	7	3	2	24	300
Georgia	-	10	*	-	5	11	6	*	-	2	165
North Carolina	-	6	14	1	5	24	2	-	5	26	80
South Carolina	-	24	16	*	4	39	1	-	21	31	100
Southeastern states	*	15	6	2	6	18	5	2	5	19	645
Arkansas	1	30	15	3	9	44	8	2	12	30	525
Louisiana	-	37	5	4	8	34	9	1	9	10	640
Mississippi	2	27	18	22	26	61	19	7	16	27	1,000
Missouri	*	49	15	9	13	83	4	1	17	46	170
Tennessee	-	23	2	5	4	18	1	2	16	30	270
South Central states	1	30	13	11	16	49	12	4	14	25	2,605
Oklahoma	-	*	21	20	2	4	-	-	-	8	450
Texas	*	4	15	4	8	11	2	*	2	14	5,000
Southwestern states	*	4	15	6	7	11	2	*	2	14	5,450
Arizona	1	26	50	22	13	27	5	4	4	6	450
California	18	26	26	31	17	12	3	6	8	24	1,450
New Mexico	-	4	12	3/	3/	3/	-	-	-	1	68
Western states	13	25	30	29	16	16	3	5	6	19	1,968
United States	2	16	16	10	11	20	4	2	5	18	10,668

1/ Contracting estimates for 1975 through 1980 based on January prospective plantings report; 1981 based on March; 1982-1984 based on February. Does not include cotton consigned to marketing organizations but does include cotton contracted by marketing organizations.

2/ February 1984, Crop Reporting Board, Statistical Reporting Service, USDA.

3/ Not included in planting intentions report.

* Less than 0.5 percent.

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			
Mar. 29	81.27	81.01	77.50	75.25	76.15	76.01	88.70	
30	81.74	81.37	77.72	75.39	76.45	76.36	89.00	
Apr. 2	82.33	82.02	78.30	75.71	76.80	76.80	89.00	
3	82.15	81.79	78.87	76.01	77.22	76.76	89.30	
4	81.02	80.47	78.15	75.67	77.00	75.85	89.30	
5	80.05	79.62	77.11	75.07	76.35	75.19	89.15	

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 March 31		Through March 29	
	Week	Marketing Year	Week	Marketing Year
Outstanding sales	-	2,009,000	-	2,305,000
Exports	102,300	2,952,900	206,700	4,328,600
Total export commitments	-	4,961,900	-	6,633,600
New sales	103,300	-	53,700	-
Buy-backs and cancellations	35,600	-	21,500	-
Net sales	67,700	-	32,200	-
Sales next marketing year	156,300	676,800	63,600	826,800

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

Upland cotton export sales for the current marketing year totaled 32,200 running bales during the week ended March 29, according to the Foreign Agricultural Service, USDA. Major new purchases were made by Japan with 16,700 bales and South Korea 14,500 bales. Sales for 1984-85 delivery were 63,600 bales with major purchases by Japan 25,700 bales and South Korea 14,900 bales. Weekly exports of 206,700 bales were a marketing high with Asian destinations accounting for 67 percent, USSR 12 percent and Western European destinations 12 percent.