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UNITED STATES DEPARTMENT OF AGRICULTURE  
AGRICULTURAL MARKETING SERVICE  
COTTON DIVISION  
4841 SUMMER AVENUE, MEMPHIS, TENNESSEE 38122  
Telephone 901-521-2934



## Weekly Cotton Market Review

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Weak demand, limited supplies and very light offerings kept trading on spot cotton markets slow, according to the Cotton Division, Agricultural Marketing Service, USDA. Spot prices weakened. Domestic and foreign mills made limited purchases. Forward contracting was restricted to a light to moderate volume of 1985 crop by San Joaquin Valley growers. In the southern states, the crop matured rapidly. Moisture was fully adequate. Insect infestations required more frequent spray schedules in some localities. A few first bales have been ginned but general harvesting is still a few weeks away. The crop continued to make good progress in most of the western states. Portions of the Abilene, Texas, area were in need of rain as cotton was showing signs of stress. Harvesting expanded in central Texas and over three fourths of the crop was harvested in south Texas.

Spot cotton prices for grade 41 staple 34, mike 35-49, in the designated markets averaged 57.33 cents per pound during the week ended Thursday, August 22. Prices ranged from a high of 57.56 cents on Tuesday to a low of 56.89 cents on Thursday. A week earlier, prices averaged 57.98 cents per pound and ranged from 57.62 to 58.31 cents. In the corresponding week a year ago, the average price was 62.79 cents. The New York October 1985 futures settlement price ended the week on Thursday at 57.93 cents per pound compared with 58.90 cents a week earlier. The December settlement price was 58.32 cents against 59.44 cents a week ago.

Trading remained slow on spot cotton markets. Grower-held supplies of 1984 crop-cotton were confined mostly to lower qualities for which there was limited demand. New-crop supplies increased as harvesting continued to expand in Texas. Most merchants had prompt and nearby commitments covered and were not actively seeking cotton. Much of the limited trading in 1985 crop was cotton ineligible for the CCC loan and was at prices below loan rates. Domestic mill buying was light and mostly for prompt delivery. Export trading was slow. European mills bought a very light volume for January shipment. Purchases reported by cotton exchanges in the designated markets totaled 29,000 bales in the week ended Thursday, August 22. This compares with 62,000 bales reported a week earlier and 23,700 bales in the corresponding week last season.

Textile mill report. Mill buying was light. Purchases consisted of a few truckloads needed to stretch stocks into new-crop movement. Mills needing the medium and higher grades turned mostly to Texas Valley or California growths. Mills continued to hold cotton inventories closely in balance with needs and avoided buying ahead. Sales of textiles were generally slow; although, a few products were booked in the first quarter of 1986. Mills reported narrow profit margins on current business. Selected yarns, household products, denim, underwear and sportswear remained good sellers while a number of apparels and industrial items continued to move slowly. Mills' work schedules ranged from four to six days with some mills producing slow moving items planning to close a few extra days around Labor Day.

Hong Kong's imports of cotton from China rose dramatically during the first quarter of calendar year 1985, according to the Foreign Agricultural Service, USDA. During the period, China shipped about 95,000 bales, compared with slightly over 5,000 bales for the same period last year. In addition, total cotton trade to Hong Kong for the first quarter of 1984 and 1985 was virtually the same. Thus, China has grown from a small to the dominant supplier of Hong Kong's cotton imports.



High and low average prices for base quality in the designated spot cotton markets compared to specified qualities, by seasons, 1922-1984 1/

Year	High					Low				
	Date 2/	Grade 31			Grade 41	Date 2/	Grade 31			Grade 41
		Staple 28	Staple 30	Staple 32	Staple 34		Staple 28	Staple 30	Staple 32	Staple 34
	Cents	Cents	Cents	Cents		Cents	Cents	Cents	Cents	
1922	Mar. 7, 1923	30.94				Sept. 30, 1922	19.95			
1923	Nov. 28, 1923	35.81				Aug. 2, 1923	22.79			
1924	Aug. 2, 1924	29.30				Sept. 16, 1924	20.89			
1925	Aug. 1, 1925	24.38				July 2, 1926	17.07			
1926	Aug. 3, 1926	18.33				Dec. 3, 1926	11.40			
1927	Sept. 8, 1927	23.10				Aug. 3, 1927	16.35			
1928	Mar. 9, 1929	20.30				Sept. 18, 1928	16.71			
1929	Aug. 1, 1929	18.80				July 31, 1930	11.76			
1930	Aug. 7, 1930	12.38				June 9, 1931	7.62			
1931	Aug. 1, 1931	7.52				June 9, 1932	4.76			
1932	July 18, 1933	11.51				Dec. 5, 1932	5.45			
1933	July 18, 1934	13.05				Aug. 16, 1933	8.32			
1934	Aug. 9, 1934	13.63				Mar. 18, 1935	10.55			
1935	July 10, 1936	13.42				Sept. 16, 1935	10.35			
1936	Mar. 30, 1937	14.91				July 31, 1937	11.10			
1937	Aug. 5, 1937	11.24				Nov. 4, 1937	7.65			
1938	July 10, 1939	9.59				Sept. 17, 1938	7.92			
1939	Dec. 13, 1939	11.10	11.28			Sept. 2, 1939	8.49	8.70		
1940	July 26, 1941	16.70	16.92			Oct. 14, 1940	9.06	9.27		
1941	Apr. 9, 1942	20.00	20.47			Aug. 12, 1941	15.18	15.39		
1942	Apr. 1, 1943	20.51	21.43			Aug. 10, 1942	17.56	18.23		
1943	July 11, 1944	20.96	22.11			Nov. 29, 1943	18.08	19.16		
1944	July 13, 1945	21.40	22.82			Aug. 7, 1944	19.93	21.08		
1945	July 19, 1946	34.09	35.72			Aug. 20, 1945	20.65	22.07		
1946	July 16, 1947	37.79	39.35			Nov. 7, 1946	26.44	27.95		
1947	Apr. 21, 1948	36.20	38.65			Sept. 30, 1947	28.75	30.55		
1948	Apr. 25, 1949	31.39	33.37			Aug. 23, 1948	27.97	30.69		
1949	July 28, 1950	37.58	39.05			Oct. 17, 1949	27.93	29.48		
1950	Apr. 24, 1951	44.09	45.25			July 31, 1951	35.04	36.21		
1951	Nov. 9, 1951	42.33	43.43			Sept. 5, 1951	32.91	34.10		
1952	Aug. 4, 1952	39.70	40.76			Jan. 12, 1953	29.52	31.71		
1953	July 26, 1954	33.25	34.59			Dec. 17, 1953	30.55	32.39		
1954	Sept. 24, 1954	33.23	34.90			Apr. 20, 1955	31.06	33.10		
1955	May 11, 1956	33.26	35.65			Oct. 3, 1955	29.94	32.20		
1956	July 1, 1957	30.43	32.80	34.08		Aug. 7, 1956	29.60	31.88	32.93	
1957	Dec. 11, 1957	31.12	33.50	34.98		Sept. 20, 1957	29.49	31.90	33.18	
1958	Aug. 4, 1958	30.98	33.34	34.86		July 31, 1959	29.21	31.16	32.75	
1959	Aug. 3, 1959	28.93	30.88	32.47		July 29, 1960	28.19	29.72	31.38	
1960	July 31, 1961	30.39	31.51	32.91		Jan. 12, 1961	27.25	28.54	30.09	
1961	June 26, 1962	32.07	33.03	34.18		Aug. 1, 1961	30.42	31.54	32.94	
1962	May 16, 1963	31.86	32.86	34.16		Nov. 14, 1962	30.83	31.74	32.95	
1963	Apr. 1, 1964	31.09	32.06	33.42		July 31, 1964	29.45	30.42	31.78	
1964	Aug. 3, 1964	29.38	30.35	31.71		July 30, 1965	27.99	28.93	30.27	
1965	Aug. 2, 1965	27.99	28.93	30.27		Feb. 11, 1966	27.06	28.01	29.41	
1966	July 28, 1967	19.48	20.51	22.65		Oct. 6, 1966	19.38	20.32	21.82	
1967	Dec. 4, 1967	20.81	22.04	27.13		Aug. 3, 1967	19.42	20.46	22.64	
1968	Sept. 17, 1968	19.71	21.25	25.11		July 30, 1969	18.19	19.50	21.87	
1969	July 31, 1970	20.08	21.28	23.01		Sept. 16, 1969	17.75	19.02	21.39	
1970	July 28, 1971	23.91	24.75	25.45		Dec. 10, 1970	19.94	21.02	22.54	
1971	May 11, 1972	33.16	34.01	35.78		Aug. 2, 1971	24.95	25.83	26.56	
1972	July 26, 1973	41.80	42.86	49.92		Oct. 20, 1972	21.28	22.23	24.74	
1973	Sept. 21, 1973	65.51	66.58	72.40	84.48	May 28, 1974	36.31	39.82	44.86	51.69
1974	Aug. 1, 1974	39.68	43.19	46.69	53.42	Dec. 30, 1974	27.94	30.62	33.47	34.93
1975	July 6, 1976	68.67	70.67	73.15	86.84	Aug. 11, 1975	40.73	42.15	44.48	46.74
1976	Oct. 8, 1976	66.94	69.00	71.62	79.36	July 29, 1977	49.63	51.47	53.53	55.21
1977	May 17, 1978	50.11	51.61	53.27	59.28	Dec. 12, 1977	40.75	42.45	43.96	47.02
1978	Nov. 24, 1978	57.82	59.40	61.57	67.57	Apr. 3, 1979	48.00	49.43	51.65	56.46
1979	July 30, 1980	64.14	65.75	70.69	84.82	Aug. 3, 1979	51.94	53.37	55.69	60.62
1980	Sept. 12, 1980	71.67	73.02	78.51	92.29	July 31, 1981	60.09	62.63	69.26	72.65
1981	Aug. 3, 1981	58.96	61.50	68.01	71.31	Dec. 9, 1981	43.87	46.13	50.45	53.51
1982	June 24, 1983	58.97	60.94	65.75	73.35	Nov. 5, 1982	46.84	48.79	53.20	57.34
1983	May 29, 1984	70.49	72.10	75.69	81.61	July 30, 1984	56.37	57.98	61.32	63.79
1984	Aug. 3, 1984	57.56	59.17	62.51	65.46	Feb. 25, 1985	48.45	50.25	54.21	57.60

1/ Year beginning August 1. Prices for August 1971 and later, net weight basis; prices prior to August 1971, gross weight basis. The factor to convert prices from gross to net weight is 1.0438.

2/ Refers to dates for high and low prices for base quality. Base qualities: Grade 31 staple 28, 1922-1938; Grade 31 staple 30, 1939-1955; Grade 31 staple 32, 1956-1972; Grade 41 staple 34, 1973-1984.

TOTAL ACCUMULATED EXPORTS OF UPLAND COTTON BY COUNTRY, RANKED IN DESCENDING ORDER  
FOR MARKETING YEAR 1984-85, COMPARED WITH THE FOUR PREVIOUS MARKETING YEARS  
(1,000 Running Bales)

Country	1984-85		1983-84		1982-83		1981-82		1980-81	
	Exports	Rank	Exports	Rank	Exports	Rank	Exports	Rank	Exports	Rank
Japan	1,480.4	1	1,735.3	1	1,257.0	1	1,567.6	1	1,115.9	3
Korea	1,212.2	2	1,173.9	2	1,219.4	2	1,343.9	2	1,227.3	2
Taiwan	466.9	3	462.4	3	350.2	3	744.8	4	345.5	4
Italy	318.1	4	259.9	6	105.9	9	111.6	10	55.7	13
USSR	317.9	5	330.6	5	19.9	29	-	-	-	-
Indonesia	252.0	6	342.9	4	234.4	4	260.2	5	214.7	6
Canada	198.1	7	220.1	9	230.8	5	165.7	7	247.5	5
Germany, Fed. Rep. of	153.0	8	169.4	10	111.5	8	104.8	11	103.4	9
Yugoslavia	139.1	9	102.1	15	38.9	22	-	-	-	-
Thailand	135.3	10	229.9	8	174.4	6	161.0	8	210.8	7
Egypt	119.6	11	-	-	-	-	-	-	-	-
France	117.8	12	130.7	11	47.5	18	54.6	14	44.6	15
Spain	109.4	13	103.3	14	59.8	16	52.7	15	61.8	12
Hong Kong	107.7	14	252.1	7	143.9	7	242.4	6	202.7	8
Portugal	93.0	15	67.7	17	41.0	21	61.5	12	46.6	14
Greece	80.5	16	20.5	26	99.2	10	127.3	9	82.7	10
Ireland	75.4	17	73.1	16	62.0	15	16.5	24	15.3	21
Bangladesh	67.9	18	108.6	13	82.5	11	46.9	16	30.7	17
United Kingdom	66.7	19	62.3	18	41.8	20	35.4	19	23.5	19
Philippines	58.7	20	54.6	19	67.9	14	57.4	13	77.2	11
Belgium	57.9	21	51.9	20	21.5	28	45.8	17	9.8	26
Switzerland	46.5	22	16.8	30	23.4	25	35.3	20	7.5	28
Malaysia	40.5	23	39.8	23	23.1	26	40.9	18	25.8	18
Israel	40.0	24	15.6	32	5.1	37	28.2	21	44.4	16
Ecuador	34.0	25	43.2	21	-	-	-	-	-	-
Nigeria	25.8	26	42.1	22	10.6	31	9.9	28	-	-
Sweden	21.4	27	26.9	25	22.7	27	15.8	25	10.9	25
Morocco	16.7	28	20.0	27	23.5	24	23.4	22	11.0	24
Norway	12.5	29	11.0	36	9.4	32	7.0	29	7.4	29
Finland	12.0	30	12.4	35	8.2	33	11.2	27	2.5	33
Singapore	9.8	31	15.3	33	19.2	30	21.6	23	11.7	22
Netherlands	9.0	32	2.2	42	2.3	39	3.3	30	3.0	32
Ghana	8.3	33	14.5	34	5.7	36	2.8	32	8.2	27
Australia	5.1	34	5.7	38	1.5	40	-	-	-	-
Argentina	5.1	35	0.6	47	0.1	42	-	-	0.4	38
Denmark	4.8	36	4.5	40	2.4	38	2.6	33	2.2	34
Hungary	4.2	37	5.1	39	-	-	11.5	26	11.3	23
China	4.1	38	10.9	37	6.9	34	831.1	3	1,355.8	1
Sri Lanka	4.0	39	1.0	45	-	-	0.7	36	-	-
Tunisia	2.9	40	0.7	46	-	-	0.4	38	0.6	36
Venezuela	2.4	41	1.7	44	0.5	41	-	-	-	-
Rep. of So. Africa	2.3	42	16.3	31	-	-	-	-	-	-
Zaire	2.1	43	-	-	-	-	-	-	5.6	30
Austria	0.7	44	-	-	-	-	3.0	31	-	-
Chile	0.3	45	0.6	48	-	-	0.8	35	0.3	40
Mexico	0.2	46	19.5	28	-	-	-	-	-	-
Costa Rica	0.2	47	0.3	49	-	-	-	-	-	-
Uruguay	0.2	48	-	-	-	-	-	-	-	-
German Democratic Rep.	0.1	49	17.1	29	74.6	12	-	-	-	-
Pakistan	-	-	112.8	12	-	-	0.3	39	-	-
Brazil	-	-	33.1	24	-	-	-	-	-	-
Honduras	-	-	2.5	41	-	-	-	-	-	-
Bolivia	-	-	2.2	43	-	-	-	-	-	-
Jamaica	-	-	0.1	50	0.1	43	0.4	37	-	-
Trinidad	-	-	0.1	51	-	-	0.1	41	0.3	41
Czechoslovakia	-	-	-	-	72.6	13	-	-	-	-
Poland	-	-	-	-	57.4	17	-	-	18.3	20
Romania	-	-	-	-	42.8	19	-	-	-	-
Bulgaria	-	-	-	-	37.3	23	-	-	-	-
Colombia	-	-	-	-	5.8	35	-	-	-	-
El Salvador	-	-	-	-	-	-	1.0	34	1.1	35
Haiti	-	-	-	-	-	-	0.2	40	0.4	39
Madagascar	-	-	-	-	-	-	-	-	5.5	31
Guyana	-	-	-	-	-	-	-	-	0.6	37
Total	5,943.0		6,446.1		4,864.6		6,251.5		5,650.3	
Unknown destinations	-		-		-		-		-	
Grand total 1/	5,943.0		6,446.1		4,864.6		6,251.5		5,650.3	

1/ Totals may not add due to rounding.

Reprint of table prepared by Foreign Agricultural Service, USDA.



Exports 1984-85. United States exports of upland cotton during the 1984-85 season totaled 5.94 million running bales, down 8 percent from the previous season, according to the Foreign Agricultural Service, USDA. The two largest buyers were Japan with 1.48 million bales and Korea, 1.21 million bales. These two countries accounted for 45 percent of total exports. Other ranking buyers were Taiwan, Italy, USSR, Indonesia, Canada, West Germany, Yugoslavia and Thailand. These ten largest buyers of U.S. cotton in 1984-85 accounted for 79 percent of total exports.

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							Grade 31 Staple 35 'A' Index 1/
	Futures Settlement						Desig. 8-	
	Oct '85	Dec '85	Mar '86	May '86	Jul '86	Oct '86	Mkt. Avg.	
Aug. 15	58.90	59.44	60.40	60.73	60.43	55.35	58.06	56.80
16	57.90	58.40	59.80	60.05	59.75	54.67	57.24	56.80
19	58.10	58.50	59.60	59.99	59.78	54.85	57.39	56.70
20	58.40	58.81	59.87	60.20	60.03	55.00	57.56	56.60
21	58.47	58.76	59.87	60.14	60.00	55.13	57.55	56.60
22	57.93	58.32	59.57	59.89	59.75	54.81	56.89	56.60

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

Chicago futures contract settlement and designated spot market average for grade 42 staple 31 in cents per pound

Date	Grade 42 Staple 31						Desig. 5-Mkt. Average 1/
	Futures Settlement					Jul '86	
	Oct '85	Dec '85	Mar '86	May '86	Jul '86	Jul '86	
Aug. 15	-	49.90	51.50	-	-	-	48.78
16	-	49.10	50.20	-	-	-	48.18
19	-	49.25	50.55	-	-	-	48.30
20	-	49.45	50.75	-	-	-	48.38
21	-	49.50	50.70	-	-	-	48.42
22	-	49.45	50.65	-	-	-	47.90

1/ Greenville, Montgomery, Memphis, Dallas and Lubbock.

U. S. upland cotton export sales and exports, in running bales, for week and year, marketing years 1984-85 and 1985-86

Description	Marketing Year			
	1984-85		1985-86	
	Through August 16		Through August 15	
	Week	Marketing Year	Week	Marketing Year
Outstanding sales	-	3,005,900	-	1,155,900
Exports	103,600	213,300	51,300	94,100
Total export commitments	-	3,219,200	-	1,250,000
New sales	101,400	-	28,300	-
Buy-backs and cancellations	22,800	-	5,700	-
Net sales	78,600	-	22,600	-
Sales next marketing year	-	6,600	-	11,100

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

Upland cotton export sales during the week ended August 15 totaled 22,600 running bales, according to the Foreign Agricultural Service, USDA. Japan was the predominant buyer with 15,500 bales. Exports for the week totaled 51,300 bales. Asian destinations accounted for 54 percent of the week's shipments, East European 22 percent, West European 15 percent, Western Hemisphere 5 percent and African 4 percent.