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## Weekly Cotton Market Review

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Weak demand, limited supplies and very light offerings kept trading on spot cotton markets almost inactive, according to the Cotton Division, Agricultural Marketing Service, USDA. Spot prices were fairly stable. Domestic and foreign mills made limited purchases. Forward contracting was restricted to a small volume of 1985 crop by San Joaquin Valley growers at about 71.00 cents per pound, basis grade 31 staple 35. The crop made good to excellent progress in most localities. Showers were reported in many of the southern states, causing excessive moisture in some areas. Plants were maturing and bolls were opening in earlier planted fields. Most of the Altus, Oklahoma area continued to need rain. Harvesting expanded in southern parts of central Texas and neared completion in south Texas. The carryover of all kinds of cotton in the United States on July 28, 1984, totaled 2,832,853 running bales.

Spot cotton prices for grade 41 staple 34, mike 35-49, in the designated markets averaged 62.79 cents per pound during the week ended Thursday, August 23. Prices ranged from a low of 62.27 cents on Wednesday to a high of 63.04 cents on Thursday. A week earlier, prices averaged 62.68 cents per pound, ranging from 62.30 to 63.39 cents. In the corresponding week a year ago, the average price was 72.77 cents. The New York October 1984 futures settlement price ended the week on Thursday at 66.15 cents per pound compared with 65.65 cents a week earlier. The December price was 66.90 cents against 66.62 cents the previous week.

Trading on spot cotton markets was almost inactive. Grower-held supplies were at low levels and very little cotton was offered. New-crop supplies were limited as the bulk of early ginnings was being delivered against forward contracts. Most merchants had needs covered and were not seeking cotton. Domestic mill buying remained very light. Foreign mills showed little interest in buying cotton. Purchases reported by cotton exchanges in the designated markets totaled 23,700 bales in the week ended Thursday, August 23. This compares with 14,300 bales reported a week earlier and 42,600 bales in the corresponding week last season.

Textile mill report. Domestic mill buying continued slow. Purchases included a very light volume of old crop for prompt to nearby shipment and a small volume of new crop for first quarter and later delivery. A few mills bought cotton from other mills. Shipper supplies and offerings of old-crop cotton were tightening for some qualities but were mostly adequate for the light mill demand. There was considerable price variability. Mill business remains fairly good although softness has developed in some product areas. A number of apparels, most household products, some automotive and industrial products continue to move readily. Denim, some yarns and a few heavyweight industrials were sluggish on the market. Most mills were able to satisfy orders with five-day work schedules.

Domestic mill consumption of cotton averaged 17,800 running bales per day during the four weeks ended July 28, according to the Bureau of the Census. This compares with 20,100 bales per day the previous month and 18,400 bales in July 1983. The average daily rate for the 1983-84 marketing year (August 1983-July 1984) was 21,500 bales per day. This was the largest average daily rate for any season since 1980-81. Domestic mills used 20,200 bales per day in 1982-83 and 19,400 bales per day in 1981-82. Mill consumption totaled 5,581,000 bales in 1983-84 compared with 5,258,600 bales a year earlier and 5,043,100 bales two years ago.

The carryover of all kinds of cotton in the United States totaled 2,832,853 running bales on July 28, 1984, according to a preliminary report by the Bureau of the Census. This compares with 7,561,387 bales a year earlier and 6,399,380 bales two years ago. Cotton in consuming establishments totaled 776,261 bales on July 28 this year, up from 755,687 bales a year ago. Stocks in public storage totaled 1,756,592 bales, down from 6,655,700 bales a year earlier. This season's carryover included an estimated 300,000 bales of cotton "elsewhere".

The supply of all kinds of cotton in the United States totaled 15,233,009 running bales in the 1983-84 season, according to the Bureau of the Census. This compares with a supply of 17,889,634 bales the previous season. Stocks on hand at the beginning of the 1983-84 season totaled 7,561,387 bales, ginnings during the season were 7,504,236 bales and net imports totaled 6,754 bales.

The disappearance of all kinds of cotton (domestic consumption plus exports) in the United States totaled 12,113,056 running bales, according to the Bureau of the Census. This was up from 10,219,846 bales a year earlier. Disappearance in 1983-84 included 5,629,243 bales used by domestic mills and exports of 6,483,813 bales. A year earlier, domestic mills used 5,258,595 bales and exports totaled 4,961,251 bales.

SUPPLY AND DISTRIBUTION OF DOMESTIC AND FOREIGN COTTON IN THE UNITED STATES:  
SEASON OF 1983 to 1984

The figure on the cotton "carryover" in the United States as of July 28, 1984, is 2,832,853 bales, according to the Bureau of the Census, Department of Commerce. (Linters are not included.) In addition to stocks of cotton in warehouses and consuming establishments, this count includes a partially estimated figure of cotton held elsewhere. Running bales, except imported cotton which is in equivalent 480 pound bales.

Supply and distribution	Number of bales
SUPPLY	
Stocks, July 30, 1983 <sup>1/</sup> . . . . .	7,561,387
In consuming establishments. . . . .	755,687
In public storage and at compresses. . . . .	6,655,700
Elsewhere (partially estimated) <sup>2/</sup> . . . . .	150,000
Net import of foreign cotton <sup>3/</sup> . . . . .	6,754
Total imports for consumption. . . . .	9,745
Less: Re-exports (other than withdrawals from bond for export). . . . .	2,991
Ginnings, crop of 1983 during crop year 1983 to 1984 . . . . .	7,502,100
Total ginnings, crop of 1983 . . . . .	7,504,236
Less: Ginnings prior to August 1, 1983. . . . .	2,136
Ginnings, prior to August 1, 1984, crop of 1984. . . . .	162,768
Aggregate supply. . . . .	15,233,009
DISTRIBUTION	
Total exports <sup>3/</sup> <sup>4/</sup> . . . . .	6,483,813
Consumption, adjusted to calendar year . . . . .	5,629,243
Stocks, July 28, 1984 <sup>1/</sup> . . . . .	2,832,853
In consuming establishments. . . . .	776,261
In public storage and at compresses. . . . .	1,756,592
Elsewhere (partially estimated) <sup>2/</sup> . . . . .	300,000
Aggregate distribution . . . . .	14,945,909
Excess of reported supply over distribution <sup>5/</sup> . . . . .	287,100

<sup>1/</sup> These data represent the end of the reporting period rather than the end of the crop year.  
<sup>2/</sup> Includes cotton in transit to ports, warehouses, consuming establishments, and Canada; on docks, on ship-board but not cleared, and other ports stocks not in warehouses or consuming establishments; and on farms, in merchant sheds, and other private storage.  
<sup>3/</sup> Figures for July imports and exports are estimated.  
<sup>4/</sup> Includes exports to Puerto Rico from the United States.  
<sup>5/</sup> Includes 65,000 bales (partially estimated) of cotton destroyed during the crop year.

TOTAL ACCUMULATED EXPORTS OF UPLAND COTTON BY COUNTRY, RANKED IN DESCENDING ORDER  
FOR MARKETING YEAR 1983-84, COMPARED WITH THE FOUR PREVIOUS MARKETING YEARS  
(1,000 Running Bales)

Country	1983-84		1982-83		1981-82		1980-81		1979-80	
	Exports	Rank	Exports	Rank	Exports	Rank	Exports	Rank	Exports	Rank
Japan	1,735.3	1	1,257.0	1	1,567.6	1	1,115.9	3	1,585.4	2
Korea	1,173.9	2	1,219.4	2	1,343.9	2	1,227.3	2	1,438.3	3
Taiwan	462.4	3	350.2	3	744.8	4	345.5	4	701.1	4
Indonesia	342.9	4	234.4	4	260.2	5	214.7	6	289.8	6
USSR	330.6	5	19.9	29	-	-	-	-	-	-
Italy	259.9	6	105.9	9	111.6	10	55.7	13	192.1	9
Hong Kong	252.1	7	143.9	7	242.4	6	202.7	8	680.5	5
Thailand	229.9	8	174.4	6	161.0	8	210.8	7	243.2	8
Canada	220.1	9	230.8	5	165.7	7	247.5	5	265.1	7
Germany, Fed. Rep. of	169.4	10	111.5	8	104.8	11	103.4	9	187.2	10
France	130.7	11	47.5	18	54.6	14	44.6	15	95.0	15
Pakistan	112.8	12	-	-	0.3	39	-	-	0.3	46
Bangladesh	108.6	13	82.5	11	46.9	16	30.7	17	70.6	17
Spain	103.3	14	59.8	16	52.7	15	61.8	12	127.1	12
Yugoslavia	102.1	15	38.9	22	-	-	-	-	1.6	39
Ireland	73.1	16	62.0	15	16.5	24	15.3	21	15.0	29
Portugal	67.7	17	41.0	21	61.5	12	46.6	14	71.5	16
United Kingdom	62.3	18	41.8	20	35.4	19	23.5	19	68.3	18
Philippines	54.6	19	67.9	14	57.4	13	77.2	11	147.0	11
Belgium	51.9	20	21.5	28	45.8	17	9.8	26	31.4	20
Ecuador	43.2	21	-	-	-	-	-	-	-	-
Nigeria	42.1	22	10.6	31	9.9	28	-	-	-	-
Malaysia	39.8	23	23.1	26	40.9	18	25.8	18	46.2	19
Brazil	33.1	24	-	-	-	-	-	-	-	-
Sweden	26.9	25	22.7	27	15.8	25	10.9	25	20.1	26
Greece	20.5	26	99.2	10	127.3	9	82.7	10	114.1	13
Morocco	20.0	27	23.5	24	23.4	22	11.0	24	24.6	23
Mexico	19.5	28	-	-	-	-	-	-	-	-
German Democratic Rep.	17.1	29	74.6	12	-	-	-	-	0.4	44
Switzerland	16.8	30	23.4	25	35.3	20	7.5	28	23.3	24
Rep. of So. Africa	16.3	31	-	-	-	-	-	-	-	-
Israel	15.6	32	5.1	37	28.2	21	44.4	16	15.7	28
Singapore	15.3	33	19.2	30	21.6	23	11.7	22	30.1	22
Ghana	14.5	34	5.7	36	2.8	32	8.2	27	11.5	31
Finland	12.4	35	8.2	33	11.2	27	2.5	33	13.4	30
Norway	11.0	36	9.4	32	7.0	29	7.4	29	8.2	34
China	10.9	37	6.9	34	831.1	3	1,355.8	1	2,119.7	1
Australia	5.7	38	1.5	40	-	-	-	-	-	-
Hungary	5.1	39	-	-	11.5	26	11.3	23	30.4	21
Denmark	4.5	40	2.4	38	2.6	33	2.2	34	3.4	36
Honduras	2.5	41	-	-	-	-	-	-	-	-
Netherlands	2.2	42	2.3	39	3.3	30	3.0	32	8.2	33
Bolivia	2.2	43	-	-	-	-	-	-	-	-
Venezuela	1.7	44	0.5	41	-	-	-	-	-	-
Sri Lanka	1.0	45	-	-	0.7	36	-	-	3.4	37
Tunisia	0.7	46	-	-	0.4	38	0.6	36	2.6	38
Argentina	0.6	47	0.1	42	-	-	0.4	38	5.5	35
Chile	0.6	48	-	-	0.8	35	0.3	40	0.4	43
Costa Rica	0.3	49	-	-	-	-	-	-	0.6	42
Jamaica	0.1	50	0.1	43	0.4	37	-	-	0.4	45
Trinidad	0.1	51	-	-	0.1	41	0.3	41	0.1	50
Czechoslovakia	-	-	72.6	13	-	-	-	-	-	-
Poland	-	-	57.4	17	-	-	18.3	20	18.2	27
Romania	-	-	42.8	19	-	-	-	-	119.5	14
Bulgaria	-	-	37.3	23	-	-	-	-	-	-
Colombia	-	-	5.8	35	-	-	-	-	22.5	25
Austria	-	-	-	-	3.0	31	-	-	1.3	40
El Salvador	-	-	-	-	1.0	34	1.1	35	-	-
Haiti	-	-	-	-	0.2	40	0.4	39	-	-
Zaire	-	-	-	-	-	-	5.6	30	10.4	32
Madagascar	-	-	-	-	-	-	5.5	31	-	-
Guyana	-	-	-	-	-	-	0.6	37	-	-
Guatemala	-	-	-	-	-	-	-	-	1.0	41
Uruguay	-	-	-	-	-	-	-	-	0.3	47
Algeria	-	-	-	-	-	-	-	-	0.2	48
Mauritania	-	-	-	-	-	-	-	-	0.2	49
Total	6,446.1		4,864.6		6,251.5		5,650.3		8,866.5	
Unknown destinations	-		-		-		-		0.3	
Grand total 1/	6,446.1		4,864.6		6,251.5		5,650.3		8,866.8	

1/ Totals may not add due to rounding.

Reprint of table prepared by Foreign Agricultural Service, USDA.

Exports 1983-84. Total United States exports of upland cotton during the 1983-84 season totaled 6.45 million running bales, the largest since 1979-80, according to the Foreign Agricultural Service, USDA. The two largest buyers were Japan with 1.74 million bales and Korea 1.17 million bales. These two countries accounted for 45 percent of total exports. Other ranking buyers were Taiwan, Indonesia, USSR, Italy, Hong Kong, Thailand, Canada and West Germany. These ten largest buyers of U. S. cotton in 1983-84 accounted for 80 percent of total exports.

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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						
	Oct '84	Dec '84	Mar '85	May '85	Jul '85		
Aug. 16	65.65	66.62	68.15	68.90	69.85	62.70	74.95
17	66.24	66.77	68.50	69.10	70.10	62.99	75.05
20	66.05	66.77	68.53	69.15	70.12	62.84	75.25
21	66.00	66.78	68.55	69.25	70.25	62.81	75.30
22	65.37	66.12	67.85	69.10	69.85	62.27	75.20
23	66.15	66.90	68.70	69.85	70.45	63.04	74.85

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

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U. S. upland cotton export sales and exports, in running bales, for week and year, marketing years 1983-84 and 1984-85

Description	Marketing Year			
	1983-84		1984-85	
	Through August 18		Through August 16	
	Week	Marketing Year	Week	Marketing Year
Outstanding sales	-	2,677,400	-	3,005,900
Exports	88,200	239,000	103,600	213,300
Total export commitments	-	2,916,400	-	3,219,200
New sales	58,000	-	101,400	-
Buy-backs and cancellations	5,200	-	22,800	-
Net sales	52,800	-	78,600	-
Sales next marketing year	1,000	31,900	-	6,600

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

Upland cotton export sales during the week ended August 16 totaled 78,600 running bales, 14 percent below the previous week, according to the Foreign Agricultural Service, USDA. Major buyers were South Korea with 18,800 bales, Japan 13,100, Canada 10,200 and Taiwan 10,000 bales. Sales to the USSR were reduced by 13,400 bales. Weekly exports totaled 103,600 bales, an increase of about 26 percent from the previous week. Asian destinations accounted for 58 percent of the week's shipments and Western Europe and the USSR each received 14 percent.