

UNITED STATES DEPARTMENT OF AGRICULTURE

AGRICULTURAL MARKETING SERVICE
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Weekly Cotton Market Review

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Spot cotton quotations for grade 41 staple 34, mike 35-49, in the designated markets averaged 69.15 cents per pound during the week ending Friday, November 30, according to the Cotton Division, Agricultural Marketing Service, USDA. Daily average quotations ranged from a high of 69.36 cents on Monday November 26, to a low of 69.15 cents on Wednesday, November 28. Spot cotton quotations averaged 69.43 cents a week earlier and 64.93 cents in the corresponding week a year ago. The New York December 1990 futures settlement price closed on Friday at 75.80 cents compared with 74.97 cents a week earlier. The March 1991 settlement price was 74.18 cents against 73.93 cents the previous week. Spot transactions reported in the designated markets totaled 105,156 bales during the week ended Friday, November 30. This compares with 85,553 bales the previous week and 48,814 bales in the corresponding week last season.

Southeastern markets. Trading was fairly active. Demand was adequate to absorb most offerings, and was best for higher grade, high strength cotton. Prices were steady, but varied widely between merchants. Some growers continued to reject offers. Prices paid for mixed lots of mostly grade 41 and higher, staples 34 and longer, mike 35-49 ranged from 250 to 350 points off New York March futures, FOB trucks in Georgia. In the Carolina's and Alabama prices were mostly 500 to 550 points off, FOB warehouse. Prices for grades 51 and 42 were 150 to 200 points lower than grade 41. Higher grade, 27 and higher grams per tex brought premiums of 100 to 150 points. Cotton with strengths of 24 and lower grams per tex were discounted 200 to 300 points. The harvest made good progress and was nearing completion.

South central markets. Prices were mostly steady to weaker. Even so, the volume of transactions increased as a greater number of growers were willing to sell their cotton. Demand was best for grades 31, 41, and 32, but weakened for grades 50, 51, and 42. In mixed lots, grade 31 staples 34 and longer, mike 35-49 moved at 525 to 550 points off NY March futures. Grade 41 traded at 650 to 725 points off March. Grades 50, 51, and 42 moved within a range of 900 to 1,000 points off March. A moderate volume of mostly grade 41 and higher qualities was sold for nearby through June 1991 shipment to Far Eastern mills. Domestic mill buying was extremely light. A light volume of 1991 acreage was forward contracted in the North Delta at prices averaging around 550 points off December 1991 futures.

Southwestern markets. Spot cotton trading was slow to moderate. Supplies continued to increase and buyers remained selective. Prices were lower. Demand was strongest for grade 41 and 32 and higher. Mixed lots of mostly grades 51, 42 and higher, staples 30 and longer generally brought 1,100 to 1,675 points above CCC loan rates. Buyers paid premiums of 50 to 200 points for cotton with 27 and higher strength readings and discounted strength readings 23 and lower. "Average rule" cotton was discounted 200 to 300 points. Domestic and foreign mill inquiries were light. Harvesting made excellent progress.

Western markets. Spot cotton trading was very slow in the San Joaquin Valley. The bulk of current ginnings were delivered against forward contracts made earlier in the year or to marketing organizations. Grower offerings were light. Export trading was slow

although a small volume was sold for overseas shipment. Domestic mills bought a small volume for delivery over an extended period. Trading was slow in the Desert Southwest. Growers offered and sold a limited volume during the week. Prices trended downward. Grade 31 traded at around 100 to 150 points on NY March futures. Grades 41 and 32 brought about even to 75 points on March. Domestic mills bought a small volume for prompt delivery. Export trading was slow. Harvesting was nearing completion. American Pima trading was very light. Bids were four to six cents per pound lower than prices paid in the previous week. Some merchants partially attributed the weakness to Egypt's announced price which was ten cents below last year. A light volume of grade 3 and higher qualities traded at prices averaging around \$112.50 cents per pound. Grade 4 moved at prices averaging around \$104.00. Far Eastern mills purchased a moderate volume for nearby through January 1992 shipment. Merchants extended offers to contract 1991 crop at \$105.00 cents basis grade 3, but found no one willing to contract.

Textile mill report. Domestic mill buying continued slow. Short term needs were well covered and only a few small fill-ins purchases were made. Scheduled cutbacks have extended positions. Requests for delayed shipments have become prevalent. A few have cancelled a portion of previous purchases. Inquiries for new purchases were light. A small volume of cotton for early to mid 1991 delivery accounted for the bulk of trading. Best demand has been for the medium and higher white and equivalent Light Spotted grades, staples 34 and longer, mike 35-49. Mill business slowed. Most mills resumed normal operation after the holidays. Men's 100 percent cotton fabrics for apparel, medium priced towels and some sales yarn continued to sell well. Lightweight ladies apparel fabrics, automotives, home fabrics, and denims continued slow. Inventories of unsold goods were still a problem. Further reductions in work schedules were being planned by some mills.

Average prices received by farmers for upland cotton averaged 68.30 cents per pound in mid November, according to the National Agricultural Statistics Service, USDA. This compares with 67.50 cents for the entire month of October and 65.60 cents in November 1989. 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, 1989-1990

Month	Year beginning January 1		Month	Year beginning January 1		Month	Year beginning January 1	
	1989	1990		1989	1990		1989	1990
	Cents	Cents		Cents	Cents		Cents	Cents
January	54.70	59.80	June	57.20	62.30	November	65.40	68.30 1/
February	52.80	60.60	July	59.50	62.90	December	61.40	
March	55.60	64.10	August	60.20	64.60			
April	58.70	65.00	September	63.90	65.00	Calendar		
May	58.30	65.40	October	65.70	67.50	year avg	63.60	

1/ Mid-month price.

Source: National Agricultural Statistics Service, USDA

Forward contracting of 1990-crop cotton. Upland cotton growers in the United States had booked about 34 percent of the 1990 crop. This was up slightly from 33 percent the previous month, but down from 37 percent a year ago. Contracting has been most active in the western states where about 61 percent of the crop was under contract by the end of November, down from 66 percent a year earlier. In the southeastern states, about 42 percent of the crop had been booked, up from 39 percent in 1989. In the south central states, about 33 percent of the crop had been forward contracted, down slightly from 34 percent the previous year. Growers in the southwestern states contracted about 26 percent, compared with 29 percent in 1989.

Forward contracting of upland cotton by growers, as of December 1, crops of 1981-1990
and acres for harvest, 1990 crop 1/

State	Cotton crops										: Acres for harvest 2/
	: 1981 :	1982 :	1983 :	1984 :	1985 :	1986 :	1987 :	1988 :	1989 :	1990 :	
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	1,000 acres
Alabama 3/	6	13	22	26	19		22	9	27	37	428
Georgia	10	7	18	31	8	N	34	6	44	41	340
North Carolina	8	17	28	36	-		45	4	48	45	200
South Carolina	24	39	62	53	20	0	42	1	54	52	154
Southeastern states	10	16	28	33	13	T	31	6	39	42	1,122
Arkansas	16	18	24	40	10		81	27	42	39	740
Louisiana	8	18	21	23	3		20	13	53	34	770
Mississippi	28	24	28	31	17	A	41	10	25	31	1,180
Missouri	26	24	38	53	*		93	7	61	64	235
Tennessee	9	28	33	35	4	V	67	*	4	14	525
South central states	19	22	26	32	10	A	52	12	34	33	3,450
Oklahoma 4/	2	1	-	19	*	I	33	2	16	26	356
Texas	8	5	7	18	5		23	9	31	26	4,900
Southwestern states	7	4	7	19	4	L	24	9	29	26	5,256
Arizona	7	21	19	9	5	A	25	6	19	14	344
California	12	17	53	32	22	B	77	36	80	79	1,040
New Mexico	1	*	-	1	2		58	9	10	24	50
Western states	10	17	44	25	18	L	65	29	66	61	1,434
United States	10	12	20	24	9	E	39	13	37	34	11,262

1/ Contracting estimates are based on November acreage for harvest report: Estimates do not include cotton con-
signed to marketing organizations but do include cotton contracted with marketing organizations. 2/ November 8,
1990, Agricultural Statistics Board, NASS, USDA. 3/ Includes Florida, 1984, 1987-1990 crops. 4/ Includes Kan-
sas, 1990 crop. * Less than 0.5 percent.

Four months and older certificated stock, as of November 30, 1990

Aging	Delivery points						Total stock
	: Galveston :	Memphis :	Houston :	New Orleans:	Greenville:		
	Bales	Bales	Bales	Bales	Bales	Bales	
4 Months	79	137	7	29	-	252	
5 Months	-	-	-	-	-	0	
6 Months	-	-	-	-	-	0	
7 Months	4	1	1	-	-	6	
8 Months	13	-	-	3	-	16	
9 Months	5	143	-	24	-	172	
10 Months	6	39	-	-	-	45	
11 Months	12	8	1	-	-	21	
12 Months	7	3	1	-	-	11	
13 Months	125	47	4	-	-	176	
14 Months	16	-	-	-	-	16	
15 Months	9	-	-	-	-	9	
16 Months	4	-	1	-	-	5	
17 Months	-	-	-	-	-	0	
18 Months	4	-	4	-	-	8	
19 Months	1	1	3	-	-	5	
20 Months	1	-	-	-	-	1	
21 Months	2	-	-	-	-	2	
22 Months	-	-	-	-	-	0	
23 Months & older	2	1	1	-	-	4	
Total	290	380	23	56	0	749	

World market price, in cents per pound, adjusted to U.S. quality and location, for grade 41 staple 34, mike 35-49 upland cotton and the coarse count adjustment in effect from 12:01 a.m. Friday through 12:00 midnight Thursday

Description	1990				
	Nov. 2-8	Nov. 9-15	Nov. 16-22	Nov. 23-29	Nov. 30- Dec. 6
Adjusted world price	67.11	66.64	66.56	66.84	66.88
Course count adjustment	0.53	0.67	0.93	1.02	1.02

Source: Agricultural Stabilization and Conservation Service, USDA

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

Date	Grade 41 Staple 34					7 Mkt. Average	Grade 31 Staple 35 Index 1/2	Coarse Count Index 1/2
	Dec '90	Mar '91	May '91	Jul '91	Oct '91			
Nov. 26	75.38	73.85	73.80	73.85	67.65	69.36	82.65	77.50
27	75.54	74.03	73.65	73.61	67.68	69.34	82.65	77.50
28	75.50	73.91	76.67	73.67	67.73	69.15	82.75	77.65
29	75.20	73.18	73.19	73.22	67.75	68.56	82.75	77.65
30	75.80	74.18	73.88	73.50	67.85	69.34	82.40	77.25

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 1989-90 and 1990-91

Description	Marketing Year			
	1989-90		1990-91	
	Through November 23	Through November 22	Through November 23	Through November 22
	Week	Marketing Year	Week	Marketing Year
Outstanding sales	-	2,884,200	-	3,995,400
Exports	64,500	1,643,500	194,900	1,616,200
Total export commitments	-	4,527,700	-	5,611,600
New sales	110,500	-	106,400	-
Buy-backs and cancellations	10,000	-	8,500	-
Net sales	100,500	-	97,900	-
Sales next marketing year	3,200	131,300	1,900	65,600

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

NOTE: Data may not add due to rounding.

Upland cotton export sales. Sales of 97,900 running bales fell 50 percent, during the week ending November 22, according to the Foreign Agricultural Service, USDA. The major buyers were Japan with purchases of 13,500 bales, Italy 12,300, South Korea 11,100, and Indonesia 10,200 bales. Exports of 194,900 bales, a marketing-year high, were 66 percent above the previous week. Asian destinations accounted for 60 percent of the week's shipments; African 24 percent; West European 11 percent; and Western Hemisphere 5 percent.

NOTE: Portions of the narrative from this report are available on the USDA's Electronic Dissemination of Information System. If you are interested in receiving this information electronically, contact Russell Forte at 202-447-5505.

SPOT COTTON QUOTATIONS - UPLAND

November 23, 1990

Spot quotations are in cents per pound for cotton equal to the Official Standards with mike readings of 35-49, net weight, in mixed lots, uncompressed, free of all charges in the warehouse in the market. Quotations are the average value of spot cotton in the market and may or may not represent actual trades in each quality.

SOUTHEAST				NORTH DELTA				SOUTH DELTA				DESERT SOUTHWEST			
Grade				Grade				Grade				Grade			
31	41	51	42	31	41	51	42	31	41	51	42	21	31	41	32
67.63	66.53	63.78	64.28	65.93	64.68	62.18	62.43	66.33	64.68	61.68	62.18	71.68	71.68	70.93	70.93
69.68	69.18	66.68	67.43	68.68	67.43	64.68	64.93	68.83	67.43	64.43	64.93	75.68	75.68	74.93	74.93
69.93	69.43	66.93	67.68	68.78	67.68	64.78	65.03	68.93	67.53	64.53	65.03	75.78	75.78	75.03	75.03
70.08	69.58	67.08	67.83	68.88	67.78	64.88	65.13	69.03	67.63	64.63	65.13	75.78	75.78	75.03	75.03

EAST TEXAS-OKLAHOMA				WEST TEXAS				SAN JOAQUIN VALLEY			
Grade				Grade				Grade			
31	41	32	42	31	41	32	42	21	31	41	51
58.15	58.00	58.30	57.80	58.80	58.20	58.25	57.10	29	-	-	-
58.90	58.75	59.05	58.35	59.55	59.20	59.70	58.40	30	-	-	-
61.65	61.50	60.80	60.10	61.90	61.30	61.15	59.45	31	-	-	-
62.30	62.00	61.30	60.35	62.45	61.50	62.65	60.40	32	-	-	-
64.35	63.95	63.50	62.25	64.20	63.55	64.20	62.00	33	-	-	-
66.10	65.25	65.30	63.05	66.00	65.50	65.50	62.60	34	77.43	77.18	75.68
66.40	66.00	65.55	63.35	66.30	65.75	65.75	62.90	35	79.18	78.93	77.43
66.50	66.10	65.65	63.35	66.40	65.85	65.85	62.90	36	79.28	79.03	77.53
66.50	66.10	65.65	63.35	66.40	65.85	65.85	62.90	37	79.38	79.13	77.63

MIKE DIFFERENCES - POINTS PER POUND

SOUTH-EAST	NORTH DELTA	SOUTH DELTA	EAST TX-OK	MIKE RANGES	WEST TEXAS	DESERT SW	SJV	AVG
-1250	-1215	-	-1200	26 & Below	-1200	-2100	-	-1393
-800	-840	-840	-500	27-29	-500	-1400	-1700	-940
-500	-525	-525	-300	30-32	-300	-800	-1150	-586
-250	-230	-230	-150	33-34	-150	-350	-450	-259
0	0	0	0	35-49	0	0	0	0
-200	-155	-155	-300	50-52	-300	-100	-100	-187
-250	-240	-240	-400	53 & Above	-	-150	-	-256

SPOT QUOTATIONS - AMERICAN PIMA

Staple	Grade	Grade	Grade	Grade	Grade	Grade	Grade	Mike ranges	Points per pound
	01	02	03	04	05	06			
								26 & Below	-3100
								27-29	-2275
44	120.75	120.50	119.50	104.50	72.00	52.00		30-32	-1200
								33-34	-300
46	121.25	121.00	120.00	105.00	72.00	52.00		35 & Above	0

LANDED MILL QUOTATIONS - GROUP 201 MILL POINTS

Quotations are in cents per pound for even running lots, with mike readings of 35-49, net weight, prompt shipment, delivered, brokerage included. Quotations for group 200 mill points are slightly higher and for Alabama, Georgia and east Tennessee mills are slightly lower.

SOUTHEASTERN GROWTHS				DELTA GROWTHS				TEXAS-OKLAHOMA GROWTHS				CALIFORNIA (SJV) GROWTHS			
Grade				Grade				Grade				Grade			
31	41	51	42	31	41	51	42	Staple	41	51	32	42	31	41	51
-	-	-	-	-	-	-	-	29	68.25	64.25	67.25	64.75	-	-	-
-	-	-	-	-	-	-	-	30	69.25	66.50	69.25	67.25	-	-	-
-	-	-	-	-	-	-	-	31	70.75	68.00	70.75	68.50	-	-	-
-	-	-	-	-	-	-	-	32	72.00	68.75	72.00	69.25	-	-	-
77.00	75.50	73.50	74.25	77.50	76.00	73.75	74.50	33	74.25	70.00	74.25	70.75	-	-	-
78.00	76.25	74.50	75.25	78.50	76.75	74.75	75.50	34	76.50	72.00	76.50	72.50	85.25	84.50	82.25
78.50	77.00	75.00	75.25	79.00	77.50	75.25	75.50	35	-	-	-	-	86.75	86.00	83.50
-	-	-	-	-	-	-	-	36	-	-	-	-	87.00	86.25	83.50