

UNITED STATES DEPARTMENT OF AGRICULTURE

AGRICULTURAL MARKETING SERVICE
COTTON DIVISION, MARKET NEWS BRANCH
4841 SUMMER AVENUE, MEMPHIS, TENNESSEE 38122
Telephone 901-766-2931



TEXAS TECH
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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 72.34 cents per pound during the week ending Friday, February 1, according to the Cotton Division, Agricultural Marketing Service, USDA. Quotations averaged 176 points higher than the previous week. Daily average quotations ranged from a low of 71.30 cents on Monday, January 28, to a high of 72.91 cents on Friday, February 1. Spot cotton quotations averaged 70.58 cents a week earlier and 62.41 cents in the corresponding week last year. The New York March 1991 futures settlement price closed on Friday at 79.53 cents compared with 78.03 cents a week earlier. The May 1991 settlement price was 78.73 cents compared with 77.16 cents the previous week. Spot transactions reported in the designated markets totaled 137,098 bales during the week ending Friday, February 1. This compares with 101,906 bales reported during the previous week and 126,579 bales in the corresponding week last season.

Southeastern markets. Spot cotton trading remained light to moderate as supplies continued to dwindle. Merchant demand was good for high grade lots of grade 41 and higher, staples 34 and longer, with a good percentage strength of 26 and above grams per tex. Offers were not as attractive for lots with lower strengths. Growers offered cotton freely and most lots moved easily into trade channels. Prices paid for mixed lots of mostly grade 41 and higher, staples 34 and longer, mike 35-49 ranged from 300 to 400 points off New York March futures, FOB trucks in Georgia. In Alabama and the Carolinas prices were mostly 550 to 600 points off, FOB warehouse. Prices for grades 51 and 42 were priced at around 700 to 800 points off. Higher grade, higher strength cotton with 27 and higher grams per tex brought premiums of 100 to 150 points. A few short staple lots with low strength were discounted 200 to 300 points. CCC loan entries were light. A few equities were offered at 18 to 21 cents per pound.

South central markets. Trading was slightly more active as prices advanced for most qualities. Supplies were getting very tight. Demand remained best for grades 41, 32 and higher, and the weakest demand was for cotton lower in grade than 52. In mixed lots, grade 41, staple 34 and longer, mike 35-49 moved at 625 to 725 points off NY March futures. Grade 52 continued to trade at 1,300 to 1,400 points off, while grades lower than 52 traded very slowly at 1,700 to 2,000 points off. Most growers continued to ask at least 20 cents per pound for their CCC equities, but bid prices generally ranged from 16 to 18 cents depending upon the date of loan entry. Prompt to nearby sales to domestic mills remained light. A large volume of 1991-crop cotton was sold forward during the week by merchants to domestic mills and other merchants. Almost all of the forward sales were for grade 41 and higher qualities. Far Eastern mills purchased a moderate to heavy volume of a wide range of qualities for prompt to fourth quarter 1991 delivery.

Southwestern markets. Spot cotton trading was moderate. The supply of west Texas and Oklahoma growth cotton was moderate. Buyers accepted delivery of contracted cotton and actively purchased current offerings even though they were selective in their purchases. Demand was moderately strong for most grades, but strongest for grades 41, 42 and higher, staples 32 and longer. Demand was weak for cotton with staples 31 and shorter, and strength below 23 grams per tex. A strong demand continued for the limited supplies of very low qualities. Mixed lots of mostly white grades 41 and higher and Light Spotted grades of 42 and higher, staples 32 and longer, generally brought 1,750 to 2,000 points above CCC loan rates. Mixed lots of mostly Spotted and Tinged graded and other low qualities, usually brought 1,800 to 2,150 points above CCC loan rates. A few current-crop equities traded between \$75 and \$90 per bales. Some buyers paid premiums of 25 to 50

points for cotton with 27 and higher strength readings and discounted strength readings of 23 and lower by 25 to 125 points. "Average rule" cotton was discounted around 300 points. Domestic and foreign mill inquiries were moderate. Interest in forward contracting was light, but a limited acreage was contracted in south and east Texas at 60 to 68.50 cents. Contract prices varied depending of dryland versus irrigated acreage and picker versus stripper harvested methods, and were for basis grade 41 staple 34, mike 35-49. A few gins continued to operate in west Texas and Oklahoma.

Western markets. Trading in the San Joaquin Valley (SJV) was slow. Grade 31 traded at 250 to 300 points on March futures, UD free warehouse terms. A small volume of grade 41 brought around 75 points less than grade 31. Domestic mills purchased a small amount of high and low grades for prompt shipment. Trading in the Desert Southwest (DSW) was light to moderate. Grade 31 staple 35, mike 35-49 traded at 77 to 78.50 cents per pound. Ground scrapped cotton grades 52 and 62, mike 35-49 brought around 55 cents. Domestic mills purchased a moderate volume of high grades for late spring through fall shipment. These mills also purchased a small amount in a wide quality range for prompt shipment. Far Eastern mills purchased a light to moderate volume from the DSW for prompt and nearby shipment. Trading in American Pima was slow. Grade 4 staples 44 to 46, mike 35-49 traded at around 97.25 cents per pound. Mixed lots of grades 6 and 7, mike 35-49 brought around 54 cents. A small amount of 1991 crop was forward contracted in the SJV at \$1.05 per pound, basis grade 3.

Textile mill report. Domestic mill activity continued at a fairly active pace. Several mills bought a sizable volume of new crop cotton for delivery through July 1992. Demand for nearby through summer delivery cotton was also good, but the volume purchased was not large. The fairly large amount of buying interest fueled hopes that mill business was beginning to improve. A few mills continued to have some shipments delayed or cancelled. Most buyer demand was for grade 41 and higher white and equivalent Light Spotted grades, staples 34 and longer, mike 35-49. Mill business remained slow for most products. Most mills workweeks remained at five to seven days.

Forward contracting of 1991-crop cotton. United States upland cotton growers had forward contracted about 325,300 acres of the 1991 crop by January 31. This compares with 323,500 acres booked by the end of January last season. In the southeastern states, around 2,000 acres were booked and south central state's growers had contracted around 61,000 acres. In the southwestern states, around 178,100 acres had been sold ahead. Growers in the western states had entered about 84,200 acres under contract. These estimates were based on informal surveys made by the Cotton Division, Agricultural Marketing Service, USDA.

Four months and older certificated stock, as of January 31, 1991

Aging	Delivery points						Total stock
	Galveston	Memphis	Houston	New Orleans	Greenville		
	Bales	Bales	Bales	Bales	Bales	Bales	
4 Months	-	4,755	-	-	-	-	4,755
5 Months	-	-	-	-	-	-	0
6 Months	79	49	7	29	-	-	164
7 Months	-	-	-	-	-	-	0
8 Months	-	-	-	-	-	-	0
9 Months	4	1	-	-	-	-	5
10 Months	9	-	-	3	-	-	12
11 Months	4	53	-	24	-	-	81
12 Months	6	39	-	-	-	-	45
13 Months	13	8	-	-	-	-	21
14 Months	5	3	1	-	-	-	9
15 Months	111	47	4	-	-	-	162
16 Months	14	-	-	-	-	-	14
17 Months	9	-	-	-	-	-	9
18 Months	4	-	1	-	-	-	5
19 Months	-	-	-	-	-	-	0
20 Months	4	-	4	-	-	-	8
21 Months	1	1	3	-	-	-	5
22 Months	1	-	-	-	-	-	1
23 Months & older	2	9	1	-	-	-	12
Total	266	4,965	21	56	0	0	5,308

Average prices received by farmers for upland cotton averaged 63.90 cents per pound in mid January, according to the National Agricultural Statistics Service, USDA. This compares with 65.90 cents for the entire month of December and 60.20 cents in January 1990. 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, 1990-1991

Month	: Year beginning		Month	: Year beginning		Month	: Year beginning	
	: January 1			: January 1			: January 1	
	: 1990	: 1991		: 1990	: 1991		: 1990	: 1991
	Cents	Cents		Cents	Cents		Cents	Cents
January	59.80	63.90 1/	June	62.30		November	68.20	
February	60.60		July	62.90		December	65.90	
March	64.10		August	64.60				
April	65.00		September	65.00		Calendar		
May	65.40		October	67.50		year avg	65.60	

1/ Mid-month price.

Source: National Agricultural Statistics Service, USDA

Cotton ginned prior to January 15, in running bales, by states, crops of 1987-1990

State	: Ginnings			
	: 1990 1/	: 1989	: 1988	: 1987
United States	14,812,252	11,681,424	14,686,185	13,733,429
Upland	14,499,525	11,138,844	14,399,971	13,495,890
American Pima	312,727	542,580	286,214	237,539
Alabama	* 374,746	364,247	362,933	385,819
Arizona	927,076	961,924	1,002,805	962,974
Upland	750,736	598,327	792,370	780,786
American Pima	176,340	363,597	210,435	182,188
Arkansas	1,063,041	837,509	1,031,030	884,240
California	2,684,753	2,592,433	2,732,903	2,902,389
Upland	2,647,781	2,564,313	2,732,903	2,902,389
American Pima	36,972	28,120	-	-
Florida	* (D)	(D)	(D)	(D)
Georgia	398,786	335,016	365,561	333,071
Kansas	(D)	(D)	(D)	(D)
Louisiana	1,178,172	874,969	948,168	980,033
Mississippi	1,798,791	1,512,466	1,772,475	1,683,730
Upland	1,797,163	(D)	1,772,475	1,683,730
American Pima	1,628	(D)	-	-
Missouri	* 300,303	263,872	300,209	320,964
New Mexico	89,712	90,897	103,540	84,780
Upland	79,015	(D)	91,242	75,263
American Pima	10,697	(D)	12,298	9,517
North Carolina	262,229	137,439	130,739	95,448
Oklahoma	359,141	165,215	285,886	293,469
South Carolina	136,550	144,766	132,179	100,309
Tennessee	484,793	469,803	581,352	631,487
Texas	4,728,111	2,911,786	4,918,482	4,048,171
Upland	4,642,552	2,785,022	4,855,001	4,002,337
American Pima	85,559	126,764	63,481	45,834

1/ Subject to revision.

(D) Withheld to avoid disclosure of individual gins.

Source: Bureau of the Census

Farm prices, average quotations in designated spot markets and landed Group 201 Mill Points (Group B), in cents per pound, net weight, United States, marketing years 1984-1989

Year beginning August 1	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Avg.
Average prices received by farmers for upland cotton 1/													
1985	56.60	55.90	57.30	56.50	53.70	54.00	56.90	58.10	59.20	58.50	58.50	61.50	56.80
1986	46.80	48.60	50.00	52.60	52.70	52.10	46.40	47.50	50.40	60.00	66.20	68.30	51.50
1987	63.80	65.40	65.10	65.60	64.60	61.70	57.00	57.90	59.90	58.30	62.00	59.50	63.70
1988	53.90	51.90	55.10	57.50	55.30	54.70	52.80	55.60	58.70	58.30	57.20	59.50	55.60
1989	60.20	63.90	65.80	65.60	61.90	60.20	60.60	64.10	65.00	65.40	62.30	62.90	60.30
1990	64.60	65.00	67.50	68.20	65.90	63.90 2/							65.60 3/
Grade 41 staple 34 cotton in designated spot markets													
1985	57.87	56.38	56.14	56.03	56.25	58.39	59.81	61.75	62.62	63.95	65.24	65.73	60.01
1986	26.81	33.56	43.95	45.74	54.19	57.17	54.75	54.60	57.72	65.94	70.42	73.07	53.16
1987	75.89	71.41	64.30	64.66	62.26	59.69	57.83	59.64	60.07	61.55	62.86	57.40	63.13
1988	55.20	51.25	52.20	53.40	54.80	55.67	55.37	57.59	61.43	63.70	64.06	67.39	57.67
1989	69.88	68.46	69.40	68.33	63.56	62.21	64.95	68.06	71.31	74.61	77.06	79.53	69.78
1990	76.27	71.01	70.54	69.48	69.92	70.50							
Grade 31 staple 34 cotton in designated spot markets													
1985	59.17	57.73	57.29	56.99	57.30	59.33	60.74	62.68	63.52	65.09	66.52	67.08	61.12
1986	27.85	34.96	45.66	47.58	56.07	58.92	56.64	56.44	59.61	67.90	72.48	74.57	54.89
1987	77.46	72.98	65.55	65.67	63.61	61.32	59.90	61.92	62.50	63.95	65.40	60.25	65.04
1988	57.97	53.96	53.78	54.58	56.12	57.38	57.31	59.23	62.94	65.52	65.97	69.33	59.51
1989	71.89	70.47	71.24	69.81	65.01	63.41	66.04	69.13	72.44	75.83	78.31	80.90	71.21
1990	77.64	72.29	71.78	70.55	71.08	71.64							
Grade 41 staple 34 cotton, landed Group 201 Mill Points (Group B) 4/													
1985	64.99	63.05	62.94	63.58	63.28	64.93	66.04	68.05	68.77	70.32	71.24	73.62	66.73
1986	35.31	44.09	52.69	54.95	61.87	65.41	62.41	62.69	66.31	74.70	80.57	81.13	61.84
1987	84.23	80.02	72.65	71.66	70.72	69.00	66.14	67.32	67.59	69.37	71.22	65.59	71.29
1988	60.43	58.29	59.50	60.99	63.20	64.01	63.29	65.55	68.50	71.93	72.67	76.35	65.39
1989	79.00	76.47	77.56	76.44	72.11	69.91	72.02	75.59	78.44	82.27	87.05	86.70	77.80
1990	83.65	79.22	78.29	78.50	79.79	80.44							
Grade 31 staple 34 cotton, landed Group 201 Mill Points (Group B) 4/													
1985	66.79	64.87	64.41	64.66	64.19	66.27	67.86	70.30	71.22	72.43	73.36	75.93	68.52
1986	37.11	46.85	55.92	58.01	64.86	68.01	65.17	65.74	69.30	77.79	83.63	84.22	64.72
1987	87.62	82.25	74.16	73.04	72.14	71.03	68.63	70.57	71.24	73.70	75.72	70.41	74.21
1988	65.05	63.06	62.59	63.36	65.20	66.17	65.23	67.71	70.78	74.17	74.84	78.89	68.09
1989	81.21	78.80	79.81	78.59	73.94	71.49	73.65	77.16	80.37	84.46	88.68	87.69	79.65
1990	85.31	80.96	79.89	80.42	81.78	82.57							

1/ Marketing year average is monthly prices weighted by monthly marketings during the period August through the following July, with no allowance for unredeemed loans, as reported by the National Agricultural Statistics Service, USDA. 2/ Mid-month price. 3/ Marketing year average price to January 1, 1991. 4/ Monthly average quotation of cotton for Southeastern, Memphis, Texas-Oklahoma and California (San Joaquin) growths. Average landed quotations for grade 31 staple 34 excludes Texas-Oklahoma growths.

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	1991				
	Jan. 4-10	Jan. 11-17	Jan. 18-24	Jan. 25-31	Feb. 1-7
Adjusted world price	68.48	67.22	67.09	67.71	67.77
Course count adjustment	1.91	2.79	2.85	2.38	2.40

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 : 'A' Index 1/	Coarse : 'B' Index 1/
	Futures Settlement							
	Mar '91	May '91	Jul '91	Oct '91	Dec '91			
Jan. 28	77.92	77.25	76.10	68.47	65.29	71.30	83.90	77.50
29	79.19	78.24	76.81	68.75	65.80	72.21	83.90	77.50
30	79.43	78.58	77.30	69.00	65.90	72.74	84.50	77.65
31	79.09	78.10	77.12	69.00	66.00	72.56	84.25	77.60
Feb. 1	79.53	78.73	77.80	69.10	66.10	72.91	84.25	77.50

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 January 25		Through January 24	
	Week	Marketing Year	Week	Marketing Year
Outstanding sales	-	2,890,100	-	3,637,500
Exports	161,200	2,905,000	240,500	3,216,900
Total export commitments	-	5,795,100	-	6,854,400
New sales	142,400	-	97,700	-
Buy-backs and cancellations	11,600	-	3,000	-
Net sales	130,800	-	94,700	-
Sales next marketing year	9,000	232,000	37,400	189,000

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

NOTE: Data may not add due to rounding.

Upland cotton export sales. Sales of 94,700 running bales were off by one-fifth during the week ending January 24, according to the Foreign Agricultural Service, USDA. The major buyers were Hong Kong with purchases of 15,400 running bales, Mexico 15,100, China 10,000, Turkey 8,800, Bangladesh 6,500 and Thailand 6,400 bales. Sales for the 1991-92 marketing year of 37,400 bales were mainly for South Korea with purchases of 12,000 bales, Italy 9,300 and Taiwan 7,200 bales. Exports of 240,500 bales fell 12 percent below the previous week's marketing-year high. Asian destinations accounted for 74 percent of the week's shipments; West European 15 percent; African 7 percent; Western Hemisphere 3 percent; and East European 1 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

February 1, 1991

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 each market and may or may not represent actual trades in each quality.

SOUTHEAST					NORTH DELTA					SOUTH DELTA					DESERT SOUTHWEST					
Grade				:	Grade				:	Staple	:	Grade				:	Grade			
31	41	51	42	:	31	41	51	42	:		:	31	41	51	42	:	21	31	41	32
72.28	71.03	68.28	68.78	:	71.28	70.03	67.03	67.28	:	33	:	71.53	70.28	66.28	66.98	:	74.78	74.78	73.03	73.03
74.28	73.78	71.28	72.03	:	74.03	72.78	69.53	69.78	:	34	:	74.03	73.03	69.03	69.73	:	78.78	78.78	77.03	77.03
74.53	74.03	71.53	72.28	:	74.63	73.53	70.13	70.38	:	35	:	74.13	73.13	69.13	69.83	:	78.88	78.88	77.13	77.13
74.68	74.18	71.68	72.43	:	74.73	73.63	70.23	70.48	:	36	:	74.23	73.23	69.23	69.93	:	78.88	78.88	77.13	77.13

EAST TEXAS-OKLAHOMA					WEST TEXAS					SAN JOAQUIN VALLEY					
Grade				:	Grade				:	Staple	:	Grade			
31	41	32	42	:	31	41	32	42	:		:	21	31	41	51
58.65	58.50	57.05	56.80	:	58.30	57.80	59.00	58.70	:	29	:	-	-	-	-
59.75	59.25	58.55	58.10	:	59.05	58.80	59.95	59.10	:	30	:	-	-	-	-
62.65	61.25	60.80	60.35	:	62.40	61.40	61.75	60.65	:	31	:	-	-	-	-
64.80	63.50	63.05	61.85	:	64.70	63.70	64.25	63.40	:	32	:	-	-	-	-
67.30	66.30	65.50	63.75	:	66.70	65.55	66.40	64.45	:	33	:	-	-	-	-
69.60	68.00	68.30	64.95	:	69.10	67.75	69.20	65.80	:	34	:	79.03	78.78	78.03	75.28
69.90	69.00	68.80	65.85	:	69.90	69.10	69.45	65.80	:	35	:	80.78	80.53	79.78	76.28
70.00	69.85	68.90	65.85	:	69.90	69.20	69.55	66.05	:	36	:	80.88	80.63	79.88	76.28
70.00	69.85	68.90	65.85	:	69.90	69.20	69.55	66.05	:	37	:	80.98	80.73	79.98	76.28

MIKE DIFFERENCES - POINTS PER POUND

SOUTH-EAST	NORTH DELTA	SOUTH DELTA	EAST TX-OK	MIKE RANGES	WEST TEXAS	DESERT SW	SJV	AVG
-1250	-1215	-	-950	26 & Below	-950	-2200	-	-1313
-800	-840	-840	-400	27-29	-450	-1500	-1500	-904
-500	-525	-525	-200	30-32	-175	-900	-950	-539
-250	-230	-230	-100	33-34	-100	-450	-350	-244
0	0	0	0	35-49	0	0	0	0
-200	-155	-155	-250	50-52	-250	-200	-100	-187
-250	-240	-240	-400	53 & Above	-	-250	-	-276

SPOT QUOTATIONS - AMERICAN PIMA

Staple	Grade	Grade	Grade	Grade	Grade	Grade	Grade	Mike ranges	Points per pound	
:	01	02	03	04	05	06	:	:	:	
:	Cents per pound							:	26 & Below	-3100
:								:	27-29	-2275
44	119.75	119.50	116.50	94.50	63.00	53.00	:	30-32	-1200	
:								:	33-34	-300
46	120.25	120.00	117.00	95.00	63.00	53.00	:	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				:	Staple	:	Grade				:	Grade		
31	41	51	42	:	31	41	51	42	:		:	41	51	32	42	:	31	41	51
-	-	-	-	:	-	-	-	-	:	29	:	71.25	68.25	71.25	68.75	:	-	-	-
-	-	-	-	:	-	-	-	-	:	30	:	73.25	70.50	73.25	71.25	:	-	-	-
-	-	-	-	:	-	-	-	-	:	31	:	74.75	72.00	74.75	72.50	:	-	-	-
-	-	-	-	:	-	-	-	-	:	32	:	76.00	72.75	76.00	73.25	:	-	-	-
82.25	80.75	78.75	79.50	:	82.75	81.25	79.00	79.75	:	33	:	78.25	74.00	78.25	74.75	:	-	-	-
83.25	81.50	79.75	80.50	:	83.75	82.00	80.00	80.75	:	34	:	80.50	76.00	80.50	76.50	:	87.50	86.50	84.25
83.75	82.25	80.25	80.50	:	84.25	82.75	80.50	80.75	:	35	:	-	-	-	-	:	89.00	88.00	85.50
-	-	-	-	:	-	-	-	-	:	36	:	-	-	-	-	:	89.25	88.25	85.50