Dept of AB ECO STATES DEPARTMENT OF AGRICULTURE FD AGRICULTURAL MARKETING SERVICE COTTON DIVISION 4841 SUMMER AVENUE, MEMPHIS, TENNESSEE 38122 Telephone 901-521-2934

Weekly Cotton Market Review

66, No. 23

January 10, 1985

Spot cotton prices trended slightly higher, according to the Cotton Division, Agricultural Marketing Service, USDA. Trading was light to moderate. Grower offerings Merchant demand was good but selective. increased. Domestic mill purchases were limited. Export trading was light and mostly with European mills. About 27 percent Significant snowfall was reof the 1984 crop was forward contracted by growers. ceived over most of the Mid-South. Harvesting neared completion except on the Texas Plains and in Oklahoma. The final monthly forecast for the 1984 crop will be released Friday, January 11.

Spot cotton prices for grade 41 staple 34, mike 35-49, in the designated markets averaged 60.94 cents per pound during the week ended Thursday, January 10. Prices ranged from a low of 60.46 cents on Friday to a high of 61.31 cents on Monday and ended the week at 61.02 cents. A week earlier, prices averaged 60.38 cents per pound and ranged from 59.96 to 60.86 cents. In the corresponding week a year ago, the average price was 69.07 cents. The New York March 1985 futures settlement price ended the week on Thursday at 67.12 cents per pound compared with 66.99 cents a week earlier.

Trading on spot cotton markets was light to moderate. Growers offered freely but supplies were often not the qualities in best demand. Merchant demand was good for selected qualities needed to fill commitments. Most domestic mills have nearby needs covered and were not actively buying cotton. Export trading was most active with European mills. Purchases were primarily for prompt or nearby shipment. Purchases reported by cotton exchanges in the designated markets totaled 254,400 bales in the week ended Thursday, January 10. This compares with 182,100 bales reported a week earlier and 480,800 bales in the corresponding week last season.

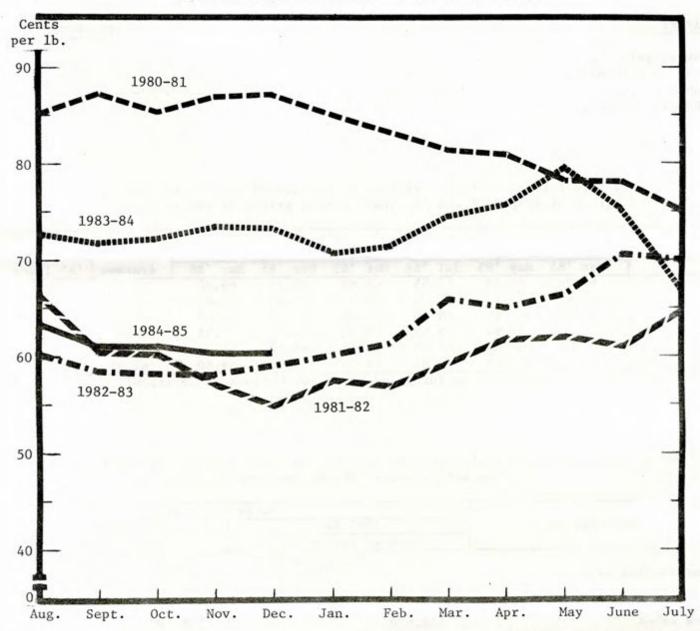
Textile mill report. Mill buying was light and intermittent. Purchases included a small amount for fill-ins and a limited volume for delivery into the second quarter. With production reduced at a number of mills, stocks on hand and cotton already purchased were ample for nearby needs. Mill sales of finished goods were slow but a few new orders continued to trickle in. Sales of numerous apparels and household goods, as well as sales-yarn, remained sluggish. Underwear, sportswear and some industrial Mills returned to and automotive items were selling at a moderately active pace. three to five-day work schedules following the holidays.

Contracting 1984 crop. United States upland cotton growers forward contracted about 27 percent of the 1984 crop, according to informal surveys made by the Cotton Division, Agricultural Marketing Service, USDA. These estimates were based on the Crop Reporting Board's December indicated acreage for harvest. Since 1970, forward contracting has ranged from a low of 10 percent of the crops of 1975 and 1981 to a high of 75 percent in 1973. Contracting of the 1984 crop was most active in western states where 38 percent of the crop was booked and least active in southwestern states where 19 percent was contracted. Growers in southeastern states forward contracted 33 percent and south central states' growers booked 32 percent. American Pima cotton growers forward contracted about 19 percent of their acreage in 1984.

Forward contracting of upland cotton by growers, by states and United States, crops of 1974-1984 1/

Outcome     1974     1975     1976     1977     1978     1979     1980     1981     1982     1982     1983     1984       Rett     Pett.	Ctoto					c	Cotton crops	bs				
$ \begin{array}{c c c c c c c c c c c c c c c c c c c $	orare	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
abama 2/ treates 11 4 70 9 15 26 32 6 13 22   treates 17 16 25 33 31 34 57 24 39 62   treates 10 5 53 12 16 23 33 10 16 28   uth Carolina 17 16 23 33 10 16 28   utheastern states 10 5 53 12 16 23 33 10 16 28   utheastern states 10 5 53 12 16 23 33 10 16 28   securi 37 17 7 36 48 50 80 28 21 28   securi 37 17 84 23 46 40 26 28 33   nessee 17 18 26 28 21 26 28 32   securi 36 15 13 46 26 19 21 26   nessee 17 16 28 26 19 21 26   securi 17 <td></td> <td>Pct.</td>		Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
rogia transformer and the set of		11	4	70	6	15	26	32	9	13	22	26
cfi Carolina   8   4   42   16   26   18   43   8   17   28     uth carolina   17   16   42   33   12   16   23   33   10   16   28     uth carolina   17   16   42   33   12   16   23   33   10   16   28     stational   31   17   28   33   27   62   18   24   28   24   28   24   28   23   33   33   33   33   33   33   33   33   33   33   34   58   33   33   33   33   33   33   33   33   33   33   33   33   33   33   33   34   56   33   33   33   33   33   33   33   33   33   33   33   33   34   56   33   33   34   56   33   33   34   56   33   33   34   56   33   35 <t< td=""><td></td><td>4</td><td>1</td><td>33</td><td>1</td><td>*</td><td>8</td><td>14</td><td>10</td><td>7</td><td>18</td><td>31</td></t<>		4	1	33	1	*	8	14	10	7	18	31
urb Garolina     17     16     42     33     31     34     57     24     39     62       urbeastern states     10     5     53     12     16     23     33     10     16     28       utbeastern states     10     5     53     12     16     23     33     10     16     28       sistana     31     17     86     18     38     27     62     18     21     28       sistana     31     17     86     18     38     27     65     19     21     26       sourcitistates     30     15     75     20     39     15     7     26     21     26     21     26     21     26     21     26     27     26     21     26     21     26     21     26     21     26     21     26     21     26     21     26     21     27     26     21     26     21	North Carolina	80	4	42	16	26	18	43	8	17	28	36
utheastern states1055312162333101628kansas30178618382762161824soisiana31127629234181821soisiana311276292341828soisiana3712652926292538soisippi36157520393565192126uth central states30157520393565192126uth central states30157520393565192126lahoma***2618111620747lahoma**2618111620747lahoma**2618111620747lahoma**2618111620747lahoma**2618111620747lahoma**2618111620747lahoma**26181116207471lahoma*5	South Carolina	17	16	42	33	31	34	57	24	39	62	53
kansas     30     17     86     18     38     27     62     16     18     24       sissippi     37     17     70     30     48     50     88     18     21     28       sissippi     37     17     70     30     48     50     28     21     28       souri     36     12     84     23     46     50     26     29     21     26       souri     36     15     75     20     39     35     65     19     21     26       uth central states     6     1     26     18     11     16     20     7     4     7       uthestern states     6     1     26     18     11     16     20     7     4     7       uthestern states     6     1     26     29     45     1     7     4       uthestern     states     6     10     7     4	Southeastern states	10	5	53	12	16	23	33	10	16	28	33
uisiana $21$ $2$ $72$ $6$ $29$ $23$ $41$ $8$ $18$ $21$ $28$ soorri $37$ $17$ $17$ $17$ $86$ $23$ $46$ $90$ $28$ $21$ $28$ soorri $17$ $11$ $65$ $23$ $46$ $90$ $28$ $21$ $28$ soorri $17$ $11$ $65$ $23$ $46$ $90$ $28$ $21$ $26$ anessee $7$ $1$ $65$ $15$ $75$ $20$ $39$ $35$ $65$ $19$ $21$ $26$ anth central states $6$ $1$ $26$ $18$ $9$ $15$ $22$ $8$ $7$ $7$ and $*$ $*$ $*$ $23$ $18$ $26$ $23$ $46$ $7$ $4$ $7$ and $*$ $*$ $26$ $18$ $11$ $16$ $20$ $7$ $4$ $7$ thwestern states $6$ $1$ $26$ $18$ $11$ $16$ $20$ $7$ $4$ $7$ titona $40$ $23$ $77$ $45$ $32$ $30$ $46$ $7$ $21$ $19$ itona $55$ $34$ $65$ $27$ $39$ $46$ $7$ $4$ $7$ itona $55$ $34$ $65$ $17$ $16$ $7$ $4$ $7$ itona $55$ $34$ $65$ $29$ $46$ $7$ $4$ $7$ itona $55$ $30$ $46$ $7$ $1$ <	Arkansas	30	17	86	18	38	27	62	16	18	24	40
sissippi 37 17 70 30 48 50 80 28 21 28 33 souri 36 12 84 23 46 40 79 26 25 38 as asserting the central states 30 15 75 20 39 35 65 19 21 26 th central states 30 15 75 20 39 35 65 19 21 26 th central states $7$ 1 26 18 9 15 22 8 5 $7$ 7 th central states $6$ 1 26 18 26 23 4 $7$ $7$ $4$ $7$ $7$ $7$ $7$ $11$ 26 $11$ 16 20 $7$ $4$ $7$ $7$ $7$ $11$ 26 $11$ 16 $20$ $7$ $4$ $7$ $7$ $11$ 26 $11$ 26 $11$ 26 $11$ 26 $11$ 26 $11$ 26 $11$ 26 $11$ 26 $11$ 26 $11$ 26 $11$ 26 $11$ 27 $11$ 26 $11$ 26 $11$ 26 $11$ 27 $11$ 27 $11$ 26 $11$ 27 $11$ 27 $11$ 27 $11$ 27 $11$ 27 $11$ 27 $11$ 27 $11$ 27 $11$ 27 $11$ 27 $11$ 27 $11$ 27 $11$ 27 $11$ 28 $11$ 26 $11$ 27 $11$ 27 $11$ 27 $11$ 27 $11$ 27 $11$ 27 $11$ 27 $11$ 27 $11$ 27 $11$ 27 $11$ 27 $11$ 21 $12$ 21 $110$ $110$ 21 $110$	Louisiana	21	2	72	9	29	23	41	8	18	21	23
ssouri 36 12 84 23 46 40 79 26 25 38 nessee 17 1 65 2 17 13 46 9 28 33 uth central states 30 15 75 20 39 35 65 19 21 26 uthwestern states 6 1 26 18 11 16 20 7 4 7 ntwestern states 6 1 26 18 11 16 20 7 4 7 itiona 40 23 77 45 35 30 46 7 1 19 itiona 5 3 34 65 29 33 30 46 7 6 mexico 13 48 30 68 32 52 29 43 10 18 49 ited States 1 10 50 20 25 22 9 43 10 18 49 ited States 1 10 50 20 25 22 35 10 12 21 ited States 40 not include cotton consigned to marketing organizations but do include Includes Florida, 1984 crop.	Mississippi	37	17	70	30	48	50	80	28	21	28	31
nnesse17165217134692833uth central states30157520393565192126lahoma $*$ $*$ $*$ 231826234217tas $7$ 12618111620747uthwestern states612618111620747uthwestern states612618111620747uthwestern states612618111620747uthwestern states612623304671919itonia553468171310747wexico13346832522943101849stern states48306832522943101849ited States2110502025294310122110ited States2110502025233510122121ited States2110502025233510122110ited States211050202523 <td< td=""><td>Missouri</td><td>36</td><td>12</td><td>84</td><td>23</td><td>46</td><td>40</td><td>62</td><td>26</td><td>25</td><td>38</td><td>53</td></td<>	Missouri	36	12	84	23	46	40	62	26	25	38	53
uth central states30157520393565192126lahoma $*$ $*$ $*$ $*$ 2318262342126tass7712618111620747uthwestern states612618111620747uthwestern states612618111620747uthwestern states5534652962304671919itionia553468171310747w Mexico13 $*$ 68171310749stern states48306832522943101849stern states21105020252943101221ited States21105020252235101221Contracting estimates do not include cotton consigned to marketing organizations.101221101221includes Florida, 1984 crop.1984 crop.1984 crop.101012211010101010	Tennessee	17	1	65	2	17	13	46	6	28	33	35
Iahoma***231826234211xas71261891522857uthwestern states612618111620747itona40237745353046747itona553465174535304671119itona5534651713107111760wexico133465222943101849stern states48306832522943101849ited States21105020252235101221ited States21105020252235101221fuel states21105020252235101221tude states21105020252235101221tude states21105020252235101221tude states21105020252235101221tude states21105020252235101221 <td></td> <td>30</td> <td>15</td> <td>75</td> <td>20</td> <td>39</td> <td>35</td> <td>65</td> <td>19</td> <td>21</td> <td>26</td> <td>32</td>		30	15	75	20	39	35	65	19	21	26	32
xas 7 1 26 18 9 15 22 8 5 7   uthwestern states 6 1 26 18 11 16 20 7 4 7   itoma 40 23 77 45 35 30 46 7 4 7   itornia 55 34 65 29 62 30 45 12 17 60   w Mexico 13 * 68 17 13 10 7 1 * -   w Mexico 13 * 68 32 52 29 43 10 18 49   stern states 48 30 68 32 52 29 43 10 18 49   ited States 21 10 50 20 25 29 43 10 18 49   ited States 21 10 50 20 25 23 35 10 12 21   ottracting estimates do not include cotton consigned to marketing organizations. 10 12 21 21   includes Florida, 1984 crop. 1984 crop. 10 25	)klahoma	*	*	23	18	26	23	4	2	1	'	24
uthwestern states   6   1   26   18   11   16   20   7   4   7     izona   40   23   77   45   35   30   46   7   21   19     lifornia   55   34   65   29   62   30   45   12   17   60     w Maxico   13   *   68   17   13   10   7   1   *   -     w Maxico   13   *   68   17   13   10   7   1   *   -   -     stern states   48   30   68   32   52   29   43   10   18   49     ited States   21   10   50   20   20   22   29   43   10   18   49     ited States   21   10   50   20   20   22   35   10   12   21     ited States   21   10   50   20   25   22   35   10   12   21	lexas	2	1	26	18	6	15	22	80	5	7	19
izona   40   23   77   45   35   30   46   7   21   19     lifornia   55   34   65   29   62   30   45   12   17   60     w Mexico   13   *   68   17   13   10   7   1   *   -     stern states   48   30   68   32   52   29   43   10   18   49     stern states   21   10   50   20   25   29   43   10   18   49     ited States   21   10   50   20   25   22   35   10   18   49     contracting estimates do not include cotton consigned to marketing organizations but do include cotton.   21   21   21   21     Includes Florida, 1984 crop.   1084 crop.   1084 trop.   12   12   21   21			-	26	18	11	16	20	1	4	L	19
Iffornia55346529623045121760w Mexico13 $x$ 6817131071 $x$ $-$	Arizona	40	23	77	45	35	30	46	7	21	19	6
w Mexico   13   10   7   1   *   -	California	55	34	65	29	62	30	45	12	17	60	64
stern states48306832522943101849ited States21105020252235101221Contracting estimates do not include cotton consigned to marketing organizations101221Includes Florida, 1984 crop.	New Mexico	13	*	68	17	13	10	٢	1	*	•	-
ited States 21 10 50 20 25 22 35 10 12 21 Contracting estimates do not include cotton consigned to marketing organizations but do include Includes Florida, 1984 crop.	Western states	48	30	68	32	52	29	43	10	18	67	38
Contracting estimates do not include cotton consigned to marketing organizations but do include contracted with marketing organizations. Includes Florida, 1984 crop.	United States	21	10	50	20	25	22	35	10	12	21	27
	1	mates do narketing 1984 cu	not in organi p.	C		1.53			anizatio	but	1000	

2



SPOT COTTON PRICE TRENDS - GRADE 41 STAPLE 34

Monthly average spot prices for grade 41 staple 34 (SLM 1-1/16") cotton in the designated markets are plotted on the above graph for the past four seasons and the first five months of the current season. In the first five months of the 1980-81 season, monthly average prices were sharply higher, reaching a high of 87.51 cents in September. This was the highest monthly average since USDA began receiving quotation prices from designated markets in 1915. Prices declined steadily the remainder of the marketing year with the low price of 75.08 cents occurring in July. During the 1981-82 season, prices were sharply lower. In August, the average price was 66.44 cents and by December had fallen to 55.11 Prices advanced most months during the remainder of the season, reaching 64.96 cents. cents in July. Monthly prices during the 1982-83 marketing year averaged lower the first four months, then took an upward turn for the next four months, rising sharply in March. Prices declined in April, then rose most months during the remainder of the season. Monthly prices averaged higher during most of the 1983-84 season. In August, the average price was 72.93 cents. Prices declined in September, strengthened in October and November, then declined the next two months. Prices advanced the next four months, reaching a high of 79.44 cents in May. Prices dropped sharply the next two months, declining to 67.35 cents in July. Monthly prices during the first five months of the 1984-85 season averaged lower. In August, the average price was 63.01 cents. Prices declined the next three months, increasing slightly in December to 60.45 cents.

## DAILY COTTON MARKET NEWS

MARKET	TELEPHONE NUMBER
Bakersfield, California	- 805-834-2121
Fresno, California	- 209-251-9264
Lubbock, Texas	- 806-763-7870
Phoenix, Arizona	- 602-253-0433

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							
			F	utures Se	ttlement			8-Market	Staple 35
	Ī	Mar '85	May '85	Jul '85	Oct '85	Dec '85	Mar '86	Average	'A' Index 1,
Jan.	3	66.99	67.93	68.55	68.60	68.75	69.90	60.86	71.55
	4	66.45	67.35	68,05	68.36	68.45	69.60	60.46	71.75
	7	67.46	68.16	68.55	68.40	68.60	69.70	61.31	71,60
	8	67.04	67.94	68.49	68.32	68.40	69.55	60.93	71.95
	9	67.07	68.00	68.60	68.40	68.60	69.75	60.98	71.80
	10	67.12	68.07	68.85	68.50	68.51	69.80	61.02	71.85

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 1983-84 and 1984-85

	Marketing Year						
xports Total export commitments ew sales		1983-84		1984-85 Through January 3			
	Throu	gh January 5	Throu				
	Week	Marketing Year	Week	Marketing Year			
Outstanding sales	-	3,133,700	-	3,123,600			
Exports	139,200	2,144,000	166,100	2,204,900			
Total export commitments	-	5,277,700	-	5,328,500			
New sales	114,600	-	128,100	-			
Buy-backs and cancellations	7,300	-	21,100	<u> </u>			
Net sales	107,300	-	107,000	-			
Sales next marketing year	16,800	266,900	-	93,400			

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

Upland cotton export sales were up 72 percent from a week earlier and totaled 107,000 running bales during the week ending January 3, according to the Foreign Agricultural Service, USDA. Sales for the week were dominated by Egypt's purchase of 85,000 bales, which was their first since the 1978-79 marketing year. Weekly exports of 166,100 bales were 77 percent above the previous week. Asian destinations accounted for 61 percent of the week's shipments, Western Europe 22 percent, Eastern Europe 8 percent and Africa 8 percent.