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AGRICULTURAL MARKETING SERVICE
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Weekly Cotton Market Review

March 21, 1985

Spot cotton prices were higher, according to the Cotton Division, Agricultural Marketing Service, USDA. Trading slowed. Grower-held supplies were limited and the volume of offerings was light. Many growers withheld uncommitted cotton with the expectations of higher prices. Demand was selective and merchants were primarily covering immediate needs. Domestic mill purchases were light. Reports indicated Russia was in the market. Growers forward contracted a light volume of 1985-crop cotton in a few states. Land preparation made good to excellent progress in most southern states. Planting made good progress in the El Centro area and began on a limited scale in western portions of the Phoenix area. Rains and wet fields delayed initial planting in California's San Joaquin Valley and hampered planting in south Texas and portions of central Texas. Beneficial rains fell over most of the Texas Plains. All cotton ginned in the U.S. from the 1984 crop was reported at 12,544,881 bales.

Spot cotton prices for grade 41 staple 34, mike 35-49, in the designated markets averaged 60.93 cents per pound during the week ended Thursday, March 21. Prices ranged from a low of 59.78 cents on Friday to a high of 61.75 cents on Wednesday and ended the week at 61.63 cents. A week earlier, prices averaged 59.59 cents per pound and ranged from 58.88 to 60.46 cents. In the corresponding week a year ago, prices averaged 75.30 cents. The New York May 1985 futures settlement price ended the week on Thursday at 67.55 cents per pound compared with 65.68 cents a week earlier. The October settlement price was 65.30 cents against 65.02 cents last Thursday and the December price was 65.35 cents compared with 65.20 cents a week ago.

Trading on spot cotton markets slowed. Grower-held supplies were limited and offerings were light. Many growers with uncommitted cotton rejected merchant bid prices and showed more interest in the CCC loan program. Merchant demand was selective and mostly for cotton to fill immediate needs. Domestic mill buying was restricted primarily to the San Joaquin Valley. Purchases included both 1984 and 1985-crop cotton. Export trading was more active. Reports indicated Russia bought San Joaquin, California-Arizona and Delta growths for prompt or nearby shipment. Purchases reported by cotton exchanges in the designated markets totaled 86,500 bales in the week ended Thursday, March 21. This compares with 61,100 bales a week earlier and 58,800 bales reported in the corresponding week last season.

Textile mill report. Domestic mill buying remained slow. Purchases were light and largely of California growths for prompt to nearby delivery. Most mills were amply covered through early summer and limited purchases to filling gaps in stocks. Activity at many mills centered around fixing prices and accepting or rescheduling delivery of early purchases. Mill sales of goods continued to reflect wide variations in the textile market. A few products, notably materials for athletic wear and underwear, continued to sell at a moderately active rate while numerous apparels and many household items were trading sluggishly. Sales of most yarns were light and intermittent with work schedules at some mills drastically reduced to keep inventories under control. Most other mills were working five days, although at some plants only one shift per day was operating.

Ginnings. All cotton ginned from the 1984 crop totaled 12,544,881 running bales, according to a preliminary report from the Bureau of the Census. This includes 25,756 bales which ginners estimated would be ginned after the March canvass. Upland ginnings totaled 12,418,764 bales, compared with 7,413,334 in 1983 and 11,429,648 in 1982. American Pima cotton ginned from the 1984 crop totaled 126,117 bales against 90,902 in 1983 and 96,387 in 1982. The number of active cotton gins for the 1984 crop was 1,859 compared with 1,852 for 1983 and 2,000 for 1982.

COTTON: Ginnings in running bales, equivalent 480 pound net weight bales and average net weight per bale, crops of 1982, 1983 and 1984

State	Running			480 Pound net			Average bale weight		
	1984	1983	1982	1984	1983	1982	1984	1983	1982
	Bales	Bales	Bales	Bales	Bales	Bales	Pounds	Pounds	Pounds
United States	12,544,881	7,504,236	11,526,035	12,962,302	7,760,247	11,940,485	496.0	496.4	497.3
Upland	12,418,764	7,413,334	11,429,648	12,832,153	7,665,674	11,841,519	496.0	496.3	497.3
American Pima	126,117	90,902	96,387	130,149	94,573	98,966	495.3	499.4	492.9
Alabama	425,122	172,780	439,100	443,077	181,305	459,426	500.3	503.7	502.2
Arizona	1,121,051	733,974	1,106,390	1,151,429	754,375	1,136,150	493.0	493.3	492.9
Upland	1,035,639	688,028	1,041,954	1,063,418	707,527	1,070,231	492.9	493.6	493.0
American Pima	85,412	45,946	64,436	88,011	46,848	65,919	494.6	489.4	491.0
Arkansas	598,312	315,406	525,519	612,155	323,668	541,306	491.1	492.6	494.4
California	2,835,737	1,914,806	2,982,592	2,947,650	1,988,488	3,095,520	498.9	498.5	498.2
Georgia	269,482	109,127	222,637	285,832	114,281	236,912	509.1	502.7	510.8
Louisiana	1,028,556	521,762	842,235	1,051,213	531,372	865,567	490.6	488.8	493.3
Mississippi	1,597,170	867,086	1,684,944	1,652,196	900,121	1,758,325	496.5	498.3	500.9
Missouri	185,700	71,101	194,926	187,926	72,276	199,209	485.8	487.9	490.5
New Mexico	84,131	70,324	73,618	86,187	72,676	75,090	491.7	496.1	489.6
Upland	78,136	63,719	69,679	79,923	65,691	71,146	491.0	494.9	490.1
American Pima	5,995	6,605	3,939	6,264	6,985	3,944	501.6	507.7	480.7
North Carolina	117,725	42,051	100,655	122,661	43,386	105,959	500.1	495.2	505.3
Oklahoma	176,219	139,392	225,935	179,326	142,924	233,176	488.5	492.2	495.4
South Carolina	156,215	50,502	140,186	165,424	52,320	151,114	508.3	497.3	517.4
Tennessee	326,065	144,723	323,587	335,915	149,567	336,733	494.5	496.1	499.5
Texas	3,599,515	2,339,164	2,649,165	3,716,135	2,420,955	2,730,646	495.6	496.8	494.8
Upland	3,564,805	2,300,813	2,621,153	3,680,261	2,380,215	2,701,543	495.5	496.6	494.7
American Pima	34,710	38,351	28,012	35,874	40,740	29,103	496.1	509.9	498.7
All other states	23,881	12,038	14,546	25,176	12,533	15,352	-	-	-

Source: Bureau of the Census

Purchases reported in running bales, by exchanges in designated spot markets, by months and seasons, 1974-1984 1/

Year beginning August 1	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Total
	Bales	Bales	Bales	Bales	Bales	Bales	Bales	Bales	Bales	Bales	Bales	Bales	Bales
1974	91,569	107,964	387,963	798,034	964,883	1,141,348	808,759	730,484	739,844	597,197	454,528	429,784	7,252,357
1975	370,073	278,846	309,865	830,586	1,595,091	1,860,556	727,813	436,621	340,193	278,776	233,529	71,592	7,333,341
1976	106,336	88,508	323,868	1,084,182	1,560,964	1,228,698	772,833	492,834	179,966	160,204	110,757	88,594	6,197,744
1977	119,508	218,078	658,054	1,251,752	1,542,656	2,067,265	1,103,800	958,007	491,145	822,125	309,879	202,216	9,744,485
1978	383,950	264,986	828,579	1,105,672	1,055,308	1,635,262	919,807	605,959	428,349	536,848	393,790	183,188	8,341,698
1979	284,889	229,192	529,677	1,499,688	2,498,483	2,901,588	1,068,127	642,337	333,008	139,875	123,119	110,892	10,360,875
1980	107,920	92,769	499,579	961,488	1,565,792	1,143,395	878,913	576,871	268,136	243,096	142,885	121,300	6,602,144
1981	115,017	201,791	468,124	821,205	1,606,620	2,049,345	1,163,850	877,323	403,824	449,948	277,553	420,336	8,854,936
1982	122,082	150,629	375,083	717,258	1,160,522	1,139,575	793,071	829,016	356,510	434,794	478,658	247,150	6,804,348
1983	236,607	270,662	688,534	1,022,458	1,639,279	1,697,601	750,963	424,475	162,863	171,484	59,012	126,720	7,250,658
1984	258,511	154,557	271,195	558,999	1,153,086	1,015,087	570,259						

1/ Beginning August 1974 purchases are for 10 markets; commencing February 1980 purchases are for nine markets; and commencing March 28, 1983 purchases are for eight markets.

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Purchases reported in running bales, by exchanges in designated spot markets, by months, February 1984-February 1985 and cumulative totals compared with previous year

Month	Greenville	Montgomery	Memphis	Greenwood	Dallas	Lubbock	Phoenix	Fresno	Market total
	Bales	Bales	Bales	Bales	Bales	Bales	Bales	Bales	Bales
Feb. 1984	0	40,367	295,250	8,555	36,888	278,903	61,880	29,120	750,963
Mar.	2,380	22,047	198,109	7,151	24,814	95,547	45,927	28,500	424,475
Apr.	5,430	6,357	98,087	225	13,749	26,584	10,330	2,101	162,863
May	4,674	4,280	118,354	3,520	5,707	24,655	6,023	4,271	171,484
June	6,366	170	29,825	856	4,487	13,447	3,791	70	59,012
July	0	414	108,598	94	5,108	10,252	2,251	3	126,720
Aug.	684	1,814	238,985	95	7,977	8,591	206	159	258,511
Sept.	10,099	6,597	103,870	1,346	17,944	14,417	284	0	154,557
Oct.	800	25,809	145,552	9,393	29,787	10,565	41,150	8,139	271,195
Nov.	2,865	42,090	197,620	51,600	69,305	32,409	141,497	21,613	558,999
Dec.	0	99,488	466,068	33,702	101,793	190,830	183,858	77,347	1,153,086
Jan. 1985	2,640	109,629	274,345	13,232	104,838	277,054	192,962	40,387	1,015,087
Feb.	9,719	43,039	98,542	2,506	89,103	231,502	66,983	28,865	570,259
Aug.-Feb. 1983-84	23,297	309,847	2,280,048	133,552	670,437	2,067,849	601,828	219,246	6,306,104
1984-85	26,807	328,466	1,524,982	111,874	420,747	765,368	626,940	176,510	3,981,694

U.S. cotton exports by ports. During the first half of the 1984-85 season, movement of U.S. cotton exports indicate a greater concentration through west coast ports, despite larger exports to European destinations, according to the Foreign Agricultural Service, USDA. West coast ports accounted for 72 percent of export movement compared with 65 percent in the first half of 1983-84. Los Angeles remains the principal port of exit, handling 44 percent of all cotton exports. Other leading ports were San Francisco, Houston and Seattle. East coast ports represented 4 percent, Great Lakes 3 percent and Gulf ports 21 percent.

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						Desig. 8- Mkt. Avg.	Grade 31 Staple 35 'A' Index 1/
	Futures Settlement							
	May '85	Jul '85	Oct '85	Dec '85	Mar '86	May '86		
Mar. 14	65.68	65.18	65.02	65.20	66.20	66.65	60.07	66.90
15	65.30	65.05	65.05	65.02	66.00	66.42	59.78	66.90
18	65.56	65.00	65.10	65.28	66.28	66.71	59.88	66.65
19	67.44	66.45	65.55	65.55	66.53	66.93	61.61	66.70
20	67.88	66.45	65.49	65.58	66.78	67.23	61.75	67.05
21	67.55	66.03	65.30	65.35	66.50	66.99	61.63	67.35

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					
	May '85	Jul '85	Oct '85	Dec '85	Mar '86	
Mar. 14	56.93	56.80	-	57.15	-	49.98
15	56.90	56.80	-	57.14	-	49.75
18	56.96	56.70	-	57.15	-	49.76
19	57.15	57.18	-	57.35	-	50.98
20	57.30	57.24	-	57.15	-	51.25
21	57.37	57.19	-	57.45	-	50.75

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

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 March 15		Through March 14	
	Week	Marketing Year	Week	Marketing Year
Outstanding sales	-	2,655,100	-	2,149,400
Exports	179,200	3,922,600	145,100	4,018,300
Total export commitments	-	6,577,700	-	6,167,700
New sales	38,700	-	208,900	-
Buy-backs and cancellations	15,900	-	16,000	-
Net sales	22,800	-	192,900	-
Sales next marketing year	55,800	644,500	25,200	299,700

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

Upland cotton export sales totaled 192,900 running bales during the week ended March 14, according to the Foreign Agricultural Service, USDA. The increase was primarily due to the purchase of 176,400 bales by Russia. Japan bought 9,700 bales and South Korea 9,400. Exports for the week totaled 145,100 bales. Asian destinations accounted for 75 percent of the shipments and West Europe accounted for 22 percent.