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Weekly Cotton Market Review
(Week ended March 8)

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Spot cotton prices were steady to slightly higher, according to the Cotton Division, Agricultural Marketing Service, USDA. Trading was restricted by limited supplies and a very light volume of grower offerings. Merchant demand was confined mainly to selected qualities needed to cover nearby commitments. Domestic mill purchases were light. Export trading was a little more active. Growers forward contracted a light to moderate volume of 1984-crop cotton during the period. Through the end of February, about 12 percent of the 1984 crop had been booked. Wet fields continued to delay land work in southern states. Favorable weather allowed growers to make good progress with land preparation in most western states. Planting was just getting underway in south Texas.

Spot cotton prices were slightly higher most of the period. The average price for grade 41 staple 34, mike 35-49 cotton, in the designated markets was 73.91 cents per pound on Thursday, March 8. This compares with 72.96 cents a week earlier and 64.52 cents on the corresponding Thursday last season. The New York May 1984 futures settlement price ended the week on Thursday at 79.39 cents per pound compared with 78.33 cents a week ago. The October settlement price was 76.00 cents against 75.35 cents last Thursday and the December price was 74.42 cents compared with 73.85 cents a week earlier.

Trading was slow on spot cotton markets. Grower-held supplies were limited and the volume of offerings was light. Merchant demand was primarily for cotton needed to fill current needs. The limited demand by a few merchants was sufficient to push prices higher for the very limited supply. Domestic mill buying was slow. Export trading was a little more active. Sales were made to both Far Eastern and European mills with shipments scheduled prompt through June. Purchases reported by cotton exchanges in the designated markets totaled 163,900 bales in the week ended Thursday, March 8. This compares with 127,700 bales a week earlier and 192,700 bales in the corresponding week last season.

Textile mill report. Domestic mill buying was slow. Some mills withdrew from the market as shipper asking prices strengthened. A few mills were purchasing fill-ins or buying cotton considered a good value. Medium and lower grades for early summer shipment received the most attention. Inquiries were fairly numerous for 1984-crop cotton and a light volume was purchased. Orders for textiles remain mostly good with numerous products booked well ahead. Household goods, sales yarn, printcloth and a number of other apparels remain in good demand. Mill work schedules of mostly five to six days continued.

The Foreign Agricultural Service, USDA, reports: Cotton traders in France will rely less on the Soviet Union for future cotton supplies. Traditionally, the USSR provides about 50 percent of the cotton required by French textile mills. However, for the last several years Soviet cotton exports have been severely reduced. To ensure access to adequate supplies, traders have had to seek alternative sources.

The Soviet-Japanese cotton trade has been sharply reduced in 1984. The USSR has agreed to supply about 30,000 bales to Japan for April-June delivery. During the same period in 1983 the Soviets shipped over 90,000 bales to Japan. It appears these deliveries would account for virtually all Soviet cotton exports for the 1983-84 season, compared with previous year exports averaging more than 300,000 bales.

Contracting 1984 crop. Forward contracting of the 1984 crop has been fairly active and by the end of February United States upland cotton growers had booked about 12 percent of their crop. This was the largest percentage booked for this period since 1980 and up from 2 percent a year earlier and 1 percent two years ago. Contracting this season has been most active in western states where 17 percent had been booked, up from 5 percent in 1983. Growers in south central states had forward contracted 13 percent compared with 4 percent last year. In southeastern states, contracting was inactive for this period in 1983 against 12 percent booked this season. Southwestern states growers had contracted 9 percent, up from 1 percent a year ago. American Pima cotton growers had forward contracted about 15 percent of their acreage by the end of February; 23 percent in Arizona, 9 percent in New Mexico and 3 percent in Texas. These estimates were based on the Crop Reporting Board's February planting intentions report and informal surveys made by the Cotton Division, Agricultural Marketing Service, USDA.

Forward contracting of upland cotton by growers, through February, crops of 1976-1984 and prospective plantings, 1984 crop ^{1/}

State	Cotton crops ^{1/}										Prospective plantings ^{2/} 1,000 acres
	1976	1977	1978	1979	1980	1981	1982	1983	1984		
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.		
Alabama	14	1	3	7	12	7	3	-	18	300	
Georgia	8	*	-	5	10	6	-	-	1	165	
North Carolina	6	13	-	1	20	-	-	-	6	80	
South Carolina	24	8	-	4	24	1	-	-	20	100	
Southeastern states	14	3	1	5	15	5	1	-	12	645	
Arkansas	28	8	2	8	41	7	1	1	9	525	
Louisiana	35	4	2	7	31	9	*	4	4	640	
Mississippi	26	11	13	26	53	19	3	6	18	1,000	
Missouri	42	4	3	13	79	^{3/}	*	2	26	170	
Tennessee	21	1	-	4	10	[*]	1	6	16	270	
South Central states	29	7	6	15	44	12	2	4	13	2,605	
Oklahoma	*	16	1	*	4	-	-	-	3	450	
Texas	4	11	2	7	10	2	*	1	9	5,000	
Southwestern states	3	12	2	7	9	2	*	1	9	5,450	
Arizona	19	52	15	9	22	5	1	*	3	450	
California	25	20	15	14	11	3	5	7	22	1,450	
New Mexico	*	9	^{3/}	^{3/}	^{3/}	-	-	-	1	68	
Western states	22	27	15	13	14	3	4	5	17	1,968	
United States	15	12	5	10	17	4	1	2	12	10,668	

^{1/} Contracting estimates based on January prospective plantings report 1976-1981 and based on February thereafter.

^{2/} February 1984, Crop Reporting Board, Statistical Reporting Service, USDA.

^{3/} Not included in planting intentions report.

^{*} Less than 0.5 percent.

Purchases reported in running bales, by exchanges in designated spot markets, by months and seasons, 1973-1983 1/

Year beginning August 1	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Total
	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>
1973	189,180	174,177	1,191,662	1,949,927	1,987,875	2,034,618	665,919	609,505	418,543	240,313	136,014	134,693	9,732,426
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	71,392	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						

1/ Through October 1973 purchases are for 12 markets; commencing November 1973 purchases are for 11 markets; commencing 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.

Purchases reported in running bales, by exchanges in designated spot markets, by months, February 1983-February 1984 and cumulative totals compared with previous year

Month	Greenville	Augusta	Montgomery	Memphis	Greenwood	Dallas	Lubbock	Phoenix	Fresno	Market total
	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>	<u>Bales</u>
Feb. 1983	15,305	9,065	67,067	159,096	104,454	64,326	199,636	128,038	46,084	793,071
Mar. "	1,157	12,430	74,866	284,139	10,525	59,719	246,143	106,409	33,628	829,016
Apr. "	1,270	-	9,483	162,893	2,395	23,497	128,912	24,669	3,391	356,510
May "	20,799	-	25,383	160,525	664	39,688	174,334	6,137	7,264	434,794
June "	5,473	-	21,926	137,258	4,598	41,816	258,141	2,981	6,465	478,658
July "	5,827	-	20,598	82,051	652	27,121	106,499	1,484	2,918	247,150
Aug. "	4,042	-	14,140	72,403	954	24,842	110,956	2,971	6,299	236,607
Sept. "	3,879	-	14,449	122,843	1,768	61,499	63,297	2,575	352	270,662
Oct. "	706	-	38,288	396,311	23,140	89,588	107,289	32,042	1,170	688,534
Nov. "	11,841	-	51,093	450,220	36,764	106,719	204,418	125,655	35,748	1,022,458
Dec. "	80	-	54,150	478,657	46,137	175,307	584,302	197,367	103,279	1,639,279
Jan. 1984	2,749	-	97,360	464,364	16,234	175,594	718,684	179,338	43,278	1,697,601
Feb. "	0	-	40,367	295,250	8,555	36,888	278,903	61,880	29,120	750,963
Aug.-Feb. 1982-83	101,567	52,855	365,677	1,190,832	517,350	344,509	857,218	649,846	378,366	4,458,220
1983-84	23,297	-	309,847	2,280,048	133,552	670,437	2,067,849	601,828	219,246	6,306,104

Reported purchases in the designated markets totaled 750,963 running bales in February. This was the smallest volume for that month since 1976. Purchases reported during the August-February period this marketing year amounted to 6,306,104 bales compared with 4,458,220 bales a year ago. On the basis of reported purchases, the leading market so far this season is Memphis with 2,280,048 bales. Lubbock is the second leading market with 2,067,849 bales.

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						
	Mar '84	May '84	Jul '84	Oct '84	Dec '84		
Mar. 1	78.37	78.33	78.74	75.35	73.85	72.96	87.90
2	79.20	79.19	79.67	76.15	74.62	73.79	87.95
5	78.55	79.17	79.43	76.28	74.43	73.78	88.35
6	78.85	78.73	78.87	75.99	74.22	73.45	88.35
7	79.00	78.80	78.92	75.75	74.11	73.50	88.00
8	78.70	79.39	79.67	76.00	74.42	73.91	88.00

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 1982-83 and 1983-84

Description	Marketing Year			
	1982-83		1983-84	
	Through March 3		Through March 1	
	Week	Marketing Year	Week	Marketing Year
Outstanding sales	-	1,924,300	-	2,938,000
Exports	101,600	2,518,200	195,700	3,551,400
Total export commitments	-	4,442,500	-	6,489,400
New sales	207,200	-	104,700	-
Buy-backs and cancellations	10,800	-	6,400	-
Net sales	196,400	-	98,300	-
Sales next marketing year	17,400	227,000	29,400	547,700

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

Upland cotton export sales during the week ended March 1 resulted in a net increase of 98,300 running bales for the 1983-84 marketing year, according to the Foreign Agricultural Service, USDA. This was 30 percent below a week earlier and 21 percent less than the four-week average. The major buyers were South Korea 21,500 bales, Canada 15,000, Taiwan 11,500 and Japan 10,100 bales. Additional increases for the German Republic of 14,000 bales and USSR of 11,100 bales were switches from unknown destinations. Sales for the 1984-85 marketing year of 29,400 bales were mainly to Italy 10,800 bales, Japan 7,100 and South Korea 6,200 bales. Weekly exports of 195,700 bales were 26 percent above a week earlier and 10 percent above the four-week average. Asian destinations accounted for 57 percent of the week's shipments, European 21 percent, USSR 13 percent and Western Hemisphere 8 percent.