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Weekly Cotton Market Review  
(Week ended May 5)

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Trading remained slow on spot cotton markets, according to the Cotton Division, Agricultural Marketing Service, USDA. Some merchants narrowed their buying bases in an effort to attract grower offerings. Domestic and foreign mill purchases were light. Forward contracting of the 1983 crop and booking of PIK cotton were limited. Through the end of April, growers had forward contracted around 7 percent of their expected 1983 crop. Below normal temperatures and wet fields continued to hamper planting and crop development in many localities. March exports increased from a month earlier. The interest rate for CCC loans disbursed in May will be 9.125 percent. The final 1982 crop and 1983 prospective planted acreage reports will be released on May 10.

Spot cotton prices. The average price for grade 41 staple 34, mike 35-49 cotton, in the designated markets ended the week on Thursday, May 5, at 65.21 cents per pound. This compares with 64.85 cents a week earlier and 63.60 cents on the corresponding Thursday a year ago. The New York July 1983 futures settlement price ended the week on Thursday at 71.41 cents per pound compared with 71.43 cents a week earlier. The December settlement price was 72.49 cents against 71.97 cents last Thursday.

Trading remained slow on spot cotton markets. Grower-held supplies were limited and offerings were light. Merchant demand was primarily for cotton to fill prompt or nearby commitments. Domestic mills bought a light volume of both old and new-crop cotton. Export trading was slow. Most sales were for prompt or nearby shipment but some sales were for shipment as far ahead as April 1984. Purchases reported by cotton exchanges in the designated markets totaled 77,700 bales in the week ended Thursday, May 5. This compares with 54,100 bales a week earlier and 113,500 bales in the corresponding week last season.

Textile mill report. The gradual improvement in textile business continued with some mills buying cotton to cover recent product sales. Purchases included a light volume of old crop for prompt through June delivery and a moderate volume of new crop for October through March shipment. The medium and higher grades remained in best demand but a few mills were increasing the use of lower grades where possible in order to keep product prices competitive. Sales of some finished goods extended into the fourth quarter. Sales of all-cotton yarns, denim, sheeting, terry and lightweight knits were good. Plants producing these goods were operating five or six day weeks with a few on seven days. Medium and heavyweight industrials, automotive and household products also registered a slight improvement in sales.

Crop progress. In California, planting was past three-fourths completed in southern portions of the San Joaquin Valley. Extensive replanting was reported and less than one-half of the planted acreage was up to acceptable stands. Planting was nearing completion in northern localities and replanting was underway in a few localities. Cotton had emerged to acceptable stands in many fields. Planting neared completion in central Arizona where warmer weather was beneficial. Cotton in many fields had emerged to a good stand. Cool, windy weather hampered planting and slowed crop development in New Mexico. In Texas, hot, dry weather was beneficial to the south Texas crop. Below normal temper-

atures and wet fields hampered planting in central portions of the state. A few growers continued to put seed into the ground on the Texas Plains and in Oklahoma but most growers were waiting for soil temperatures to warm. A general rain would be beneficial. Heavy rains kept most fields too wet to plant in Arkansas and Missouri. Limited acreages were planted prior to weekend rains. Rains also stopped planting in Tennessee. Limited acreages were planted late last week. Planting made rapid progress in Mississippi early in the period. Rains fell during the middle of the period but most growers expected to be back in fields by the end of the week. Planting made rapid progress on higher, better drained fields in Louisiana. In northern Alabama, over three-fourths of the cotton acreage was planted prior to rain on Tuesday. In southern localities planting ranged below 20 percent completed. Planting made rapid progress in Georgia under a week of generally favorable weather conditions. Planting made rapid progress in North Carolina and South Carolina under favorable weather conditions. A few growers had completed planting.

Forward contracting of 1983 crop. United States upland cotton growers had forward contracted about 7 percent of their expected plantings by the end of April. This was the largest percentage booked by the end of April since the 1980 crop and was up from 4 percent a year earlier and 5 percent two years ago. Contracting this season has been most active in south central states where about 18 percent had been booked, up from 8 percent in 1982 and 13 percent in 1981. Growers in southeastern states had contracted about 12 percent, up from 6 percent a year earlier and 5 percent two years ago. Western states growers had booked about 7 percent compared with 8 percent the previous year and 4 percent in 1981. In the southwestern states, about 2 percent of the crop was under contract compared with 1 percent a year earlier and 2 percent two years ago. 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.

Exports of cotton from the United States totaled 487,500 running bales during March, according to the Bureau of the Census. This was the highest monthly level this marketing year which began August 1 but was the smallest March volume since 1979. A month earlier, 368,300 bales were shipped and 873,300 were shipped in March 1982. Shipments during the first eight months this season totaled 3,039,200 bales. This was down 28 percent from 4,195,100 bales exported through March last season and 26 percent below 4,099,100 bales shipped two years ago. Exports for the 1982-83 season are estimated at 5.4 million bales of 480 pounds net weight. Shipments must average about 536,200 running bales per month for the next four months of this season if the estimate is to be reached.

Prices received by farmers for upland cotton averaged 58.80 cents per pound in mid-April, according to the Statistical Reporting Service, USDA. This compares with 59.90 cents for the entire month of March and 54.30 cents in April 1982. These prices include cotton delivered against forward contracts. The parity price for upland cotton announced April 29 was 118.00 cents per pound, the same as a month earlier and in April last season.

Average prices received by farmers for upland cotton, in cents per pound, net weight, United States, calendar years, 1982-1983

Month	Year beginning January 1		Month	Year beginning January 1		Month	Year beginning January 1	
	1982	1983		1982	1983		1982	1983
	Cents	Cents		Cents	Cents		Cents	Cents
January	50.30	56.00	June	58.10		November	59.90	
February	49.10	56.40	July	59.90		December	57.30	
March	50.40	59.90	August	52.80				
April	54.30	58.80 1/	September	55.50		Calendar		
May	55.80		October	59.80		year avg.	55.20	

1/ Mid-month price.

Forward contracting of upland cotton by growers, through April 30, crops of 1974-1983  
and prospective plantings, 1983 crop 1/

State	Cotton crops										Prospective plantings 2/ 1,000 acres
	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	
Alabama	10	*	35	5	5	9	13	7	7	10	225
Georgia	4	-	17	1	-	5	9	6	1	-	145
North Carolina	8	-	6	14	1	6	22	2	3	15	55
South Carolina	13	-	24	15	*	8	36	1	9	37	85
Southeastern states	9	*	27	7	3	8	17	5	6	12	510
Arkansas	30	1	62	14	5	9	40	10	6	15	375
Louisiana	21	-	41	6	12	8	34	9	4	10	400
Mississippi	36	2	49	19	22	29	56	22	13	21	800
Missouri	35	*	80	21	14	14	76	5	9	22	150
Tennessee	16	-	40	2	6	4	17	1	4	23	240
South Central states	30	1	54	14	14	17	46	13	8	18	1,965
Oklahoma	-	-	*	19	20	3	4	-	*	-	450
Texas	5	*	8	15	5	8	11	2	1	3	4,800
Southwestern states	4	*	7	15	6	8	10	2	1	2	5,250
Arizona	44	1	34	47	29	13	25	6	14	7	310
California	65	18	45	28	30	17	14	4	7	8	1,100
New Mexico	13	-	3	12	7	6	1	-	-	-	70
Western states	53	13	40	31	28	16	16	4	8	7	1,480
United States	20	2	29	16	12	11	19	5	4	7	9,205

1/ Contracting estimates for 1974 through 1980 based on April prospective plantings report; 1981 based on March; 1982 and 1983 based on February.

2/ February 1983, Crop Reporting Board, Statistical Reporting Service, USDA.

\* Less than 0.5 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						8-market average	Grade 31 Staple 35 'A' Index 1/
	Futures Settlement							
	May '83	Jul '83	Oct '83	Dec '83	Mar '84			
Apr. 28	70.95	71.43	71.90	71.97	73.10	64.85	80.50	
29	71.08	71.64	72.15	72.28	73.30	65.01	80.50	
May 2	70.11	70.87	71.62	71.45	72.70	64.37	Holiday	
3	70.05	70.76	71.66	71.47	72.70	64.35	80.10	
4	70.08	71.37	72.30	72.15	73.40	64.99	80.10	
5	70.29	71.41	72.40	72.49	73.82	65.21	80.10	

1/ C.I.F. Northern Europe price furnished by Cotton Outlook of Liverpool.

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New Orleans futures contract settlement and designated spot market average for grade 41 staple 32 in cents per pound

Date	Grade 41 Staple 32						5-market average 1/
	Futures Settlement						
	May '83	Jul '83	Oct '83	Dec '83	Mar '84		
Apr. 28	57.50	58.50	-	59.30	-	57.82	
29	57.50	59.00	-	59.30	-	57.86	
May 2	57.50	59.00	-	59.30	-	57.30	
3	57.50	59.00	-	59.30	-	57.34	
4	57.50	59.00	-	59.30	-	57.80	
5	57.50	59.00	-	59.30	-	58.13	

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

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U. S. upland cotton export sales and exports, in running bales, for week and year, marketing years 1981-82 and 1982-83

Description	Marketing Year			
	1981-82		1982-83	
	Through April 29		Through April 28	
	Week	Marketing year	Week	Marketing year
Outstanding sales	-	1,748,800	-	1,573,200
Exports	132,700	4,858,600	135,100	3,506,700
Total export commitments	-	6,607,400	-	5,079,900
New sales	61,800	-	68,000	-
Buy-backs and cancellations	21,300	-	9,400	-
Net sales	40,500	-	58,600	-
Sales next marketing year	60,100	563,000	77,800	1,047,000

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

Upland cotton export sales for the current marketing year increased by 58,600 running bales during the week ended April 28, according to the Foreign Agricultural Service, USDA. Major purchasers were Bangladesh 20,300 bales and the Philippines 8,100 bales. A total of 17,200 bales were switched from the USSR to Yugoslavia. Sales for the next marketing year increased by 77,800 bales with principal buyers being Taiwan 19,500 bales and Hong Kong 12,700 bales. Weekly exports of 135,100 bales were 3 percent below a week earlier and 2 percent below the 4-week average. Asian destinations accounted for 50 percent of the week's exports and European destinations 44 percent.