



UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
COTTON DIVISION
4841 SUMMER AVENUE, MEMPHIS, TENNESSEE 38122
Telephone 901-521-2934



Weekly Cotton Market Review

Vol. 66, No. 15

November 8, 1984

Spot cotton prices declined sharply, according to the Cotton Division, Agricultural Marketing Service, USDA. Trading was slow. Growers with uncommitted cotton were not offering freely at prevailing prices. Merchant demand was fairly good. Domestic mill buying was limited. Foreign mills purchased a light to moderate volume of cotton. Growers had forward contracted about 24 percent of the 1984 crop through the end of October. Harvesting made good progress in most localities and was past one-half completed in most states.

Spot cotton prices for grade 41 staple 34, mike 35-49, in the designated markets averaged 60.92 cents per pound during the week ended Thursday, November 8. Prices ranged from a high of 61.78 cents on Friday to a low of 60.46 cents on Tuesday and ended the week at 60.72 cents. A week earlier, prices averaged 61.86 cents per pound and ranged from 61.08 to 62.84 cents. In the corresponding week a year ago, the average price was 74.00 cents. The New York December futures settlement price ended the week on Thursday at 65.63 cents per pound compared with 68.17 cents a week earlier. The October 1985 settlement price was 69.50 cents against 70.25 cents last Thursday.

Trading remained slow on spot cotton markets. Supplies of uncommitted cotton increased but most growers were unwilling to offer at prevailing prices. A considerable quantity of current ginnings was moving directly to merchants on forward contracts. Many merchants were filling nearby needs with contracted cotton and demand was very selective. Domestic mill purchases were light and mostly for prompt delivery. Far Eastern mills bought a light to moderate volume of cotton for prompt through April shipment. European mill purchases were light. Purchases reported by cotton exchanges in the designated markets totaled 88,500 bales in the week ended Thursday, November 8. This compares with 91,500 bales reported a week earlier and 324,600 bales in the corresponding week last season.

Textile mill report. Domestic mill purchases of cotton remained light. A few mills bought for fill-ins, mostly eastern and far western growths. Many mills were concerned about the quality of cotton picked after recent rains in the Mississippi Delta. Some mills were rejecting a large percentage of cotton currently being delivered against contracts made earlier in the year. Mill sales of finished goods were intermittent. Household and industrial fabrics continued to move fairly well. Apparel manufacturers reported a slowdown in goods' sales. Corduroy and denim continued to trade slowly. Printcloth, broadcloth and shirting were selling fairly well. Underwear, sheets and towels traded intermittently but demand was not steady. Mills continued to reduce work schedules in an effort to balance production with sales. Some mills closed for a week to adjust inventories and one major mill chain reportedly closed several older plants, possibly permanently.

Contracting 1984 crop. United States upland cotton growers had forward contracted about 24 percent of the 1984 crop by the end of October. This was the largest percentage booked by the end of October since the 1980 crop and was up from 16 percent a year earlier and 12 percent two years ago. Growers in southeastern states had contracted 33 percent of their crop this season, up from 27 percent last year. In south central states, growers had booked 32 percent, up from 25 percent the previous year. Growers in western states had contracted 25 percent of their acreage against 28 percent in 1983. Growers in southwestern states had contracted 19 percent, up from 6 percent a year earlier. American Pima cotton growers had forward contracted about 22 percent of their acreage by the end of October; 28 percent in Arizona, 23 percent in New Mexico and 7 percent in Texas. These estimates were based on the Crop Reporting Board's October acreage for harvest report and informal surveys made by the Cotton Division, Agricultural Marketing Service, USDA.

Forward contracting of upland cotton by growers, as of November 1, crops of 1975-1984 and acres for harvest, 1984 crop 1/

State	Cotton crops										Acres for harvest 2/	
	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984		
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	1,000 acres
Alabama 3/	4	68	9	15	23	32	6	13	24	26		312
Georgia	1	33	1	*	8	14	10	7	13	30		185
North Carolina	4	38	16	27	13	43	8	17	28	36		94
South Carolina	16	42	18	31	33	55	24	36	62	53		105
Southeastern states	5	52	9	15	21	33	10	15	27	33		696
Arkansas	17	82	17	38	27	55	16	18	24	40		430
Louisiana	2	72	7	29	23	41	8	18	21	23		645
Mississippi	17	67	27	49	50	80	28	24	25	31		1,040
Missouri	11	84	24	46	40	78	25	23	38	53		160
Tennessee	1	65	2	16	13	46	9	28	33	35		325
South central states	13	73	19	39	35	63	19	22	25	32		2,600
Oklahoma	*	19	19	27	21	4	2	1	-	18		345
Texas	*	24	19	9	14	22	7	5	7	19		4,600
Southwestern states	*	23	19	10	14	20	7	4	6	19		4,945
Arizona	23	62	49	34	30	46	7	21	19	16		477
California	34	73	30	53	27	42	10	16	33	30		1,400
New Mexico	*	45	18	13	10	7	1	*	-	1		72
Western states	29	69	34	46	27	41	9	17	28	25		1,949
United States	8	49	21	24	21	34	10	12	16	24		10,190

1/ Contracting estimates do not include cotton consigned to marketing organizations but does include cotton contracted with marketing organizations.

2/ October 1984, Crop Reporting Board, Statistical Reporting Service, USDA.

3/ Includes Florida, 1984 crop.

* Less than 0.5 percent.

U. S. COTTON: EXPORTS BY COUNTRY OF DESTINATION
(In thousand of 480 pound bales)

Destination	Year Beginning August 1			August	
	Average	Marketing Year		1983	1984
	1976-80	1982	1983	1983	1984
ASIA & OCEANIA:					
Bangladesh.....	77	88	135	2/	-
China Mainland.....	947	20	12	-	1
China, Taiwan.....	499	378	495	21	13
Hong Kong.....	430	158	283	8	16
Indonesia.....	241	268	320	23	21
Japan.....	1,233	1,286	1,709	132	86
Korea, Republic of.....	1,251	1,322	1,269	85	74
Malaysia.....	46	30	50	2	3
Philippines.....	110	72	59	3	3
Singapore.....	25	13	17	3	1
Thailand.....	211	197	244	11	10
Other.....	68	3	122	2	12
Total.....	5,138	3,835	4,715	287	240
EUROPE:					
EEC:					
Belgium.....	15	12	66	2/	4
France.....	66	45	154	2/	6
Germany, Federal Republic of.....	104	163	195	3	5
Greece.....	57	109	18	-	11
Italy.....	111	105	252	6	18
Netherlands.....	13	7	6	-	2/
United Kingdom.....	62	50	67	6	2/
Other.....	26	68	79	5	6
Subtotal.....	454	559	837	23	51
Other Europe:					
Finland.....	10	9	9	2/	2/
Norway.....	5	10	11	1/	1/
Portugal.....	53	40	69	1	2
Romania.....	46	-	2/	-	-
Spain.....	83	72	114	4	1
Sweden.....	19	23	28	1	2
Switzerland.....	89	53	70	1	3
USSR.....	1/	192	351	13	122
Yugoslavia.....	1/	112	119	33	37
Other.....	3	-	1	-	-
Total Europe.....	799	1,070	1,608	78	219
WESTERN HEMISPHERE:					
Canada.....	235	238	227	26	17
Chile.....	3	-	2	2/	2/
Colombia.....	10	9	-	-	-
Other.....	13	6	108	8	1
Total.....	261	253	337	33	18
AFRICA & MIDDLE EAST:					
Ghana.....	16	6	18	-	-
Morocco.....	21	27	20	3	2/
Other.....	86	16	88	2	1/
Total.....	123	49	126	5	2
Grand total.....	6,321	5,207	6,786	403	479
Grand total (running bales).....	6,010	4,959	6,434	384	456
Total value (mil. of dol.).....	2,078	1,652	2,364	137	177

1/ Not available.

2/ Less than 500 bales.

DAILY COTTON MARKET NEWS

MARKET

TELEPHONE NUMBER

Bakersfield, California	- - - - -	805-834-2121
Fresno, California	- - - - -	209-251-9264
Greenwood, Mississippi	- - - - -	601-455-3285
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						8-Market Average	Grade 31 Staple 35 'A' Index 1/
	Futures Settlement							
	Dec '84	Mar '84	May '85	Jul '85	Oct '85	Dec '85		
Nov. 1	68.17	69.59	70.75	71.67	70.25	70.25	62.84	74.45
2	66.84	68.28	69.50	70.67	70.20	70.28	61.78	74.85
5	65.59	67.04	68.45	69.75	70.00	69.92	60.84	74.45
6	65.25	66.97	68.40	69.75	69.50	69.45	60.46	73.75
7	65.64	67.35	68.78	70.00	69.60	69.60	60.82	73.05
8	65.63	67.37	68.88	70.09	69.50	69.65	60.72	72.90

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

Description	Marketing Year			
	1983-84		1984-85	
	Through November 3		Through November 1	
	Week	Marketing Year	Week	Marketing Year
Outstanding sales	-	3,020,200	-	3,345,100
Exports	79,900	1,004,300	86,400	1,034,200
Total export commitments	-	4,024,500	-	4,379,300
New sales	87,700	-	167,600	-
Buy-backs and cancellations	4,700	-	3,100	-
Net sales	83,000	-	164,500	-
Sales next marketing year	44,100	92,900	1,000	34,700

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

Upland cotton export sales. Activity increased during the week ended November 1 and resulted in net sales of 164,500 running bales, according to the Foreign Agricultural Service, USDA. The leading buyer was Japan with 73,500 bales followed by South Korea 28,400, Indonesia 14,200 and West Germany 9,800 bales. Weekly exports of 86,400 bales exceeded the previous week's level by 10 percent. Asian destinations accounted for 81 percent of the week's shipments, Western Europe 16 percent and Western Hemisphere 3 percent.