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Dept of Ag Eco

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



Weekly Cotton Market Review
(Week ended September 8)

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Trading on spot cotton markets remained slow, according to the Cotton Division, Agricultural Marketing Service, USDA. Spot prices were fairly stable. Grower-held supplies and offerings were light. Merchant demand was weak. Domestic and foreign mills made limited purchases. Growers had contracted about 13 percent of the 1983 crop through the end of August. First bales were harvested and ginned in several states. Deltapine and Stoneville were the most popular varieties of upland cotton planted in 1983. The interest rate for CCC loans disbursed in September will be 10.5 percent. The September crop forecast will be released Monday, September 12.

Spot cotton prices were fairly steady. The average price for grade 41 staple 34, mike 35-49 cotton, in the designated markets ranged from a low of 73.78 cents per pound to a high of 74.17 cents during the period. The average price on Thursday, September 8, was 74.13 cents compared with 73.58 cents a week earlier and 58.74 cents on the corresponding Thursday last season. The New York October futures settlement price ended the week on Thursday at 80.35 cents per pound compared with 79.65 cents a week earlier. The December settlement price was 81.67 cents against 80.91 cents last Thursday.

Trading on spot cotton markets remained slow. Merchants needing cotton found only light supplies of grower-owned cotton. Demand was light and limited mostly to cotton needed to fill commitments. Domestic mills made a few purchases for prompt delivery but most trading was of 1983-crop cotton for forward delivery. Export trading was slow and primarily with Far Eastern mills. Most purchases were for November and December shipment. Purchases reported by cotton exchanges in the designated markets totaled 32,000 bales in the week ended Thursday, September 8. This compares with 47,300 bales a week earlier and 25,500 bales in the corresponding week last season.

Textile mill report. Domestic mill buying remained slow. Most mill positions were fairly well covered into new-crop movement. Purchases consisted largely of new-crop cotton with delivery extending into the late spring of 1984. Shipper price quotations for both old and new-crop cotton remained firm. Mill business continued good although some price resistance to increases in finished product prices was reported. Denim, lightweight knits, printcloth and underwear continued to sell readily. Sales of all-cotton yarn were a little less active. Demand for household goods and industrials was mostly steady. Automotive products showed steady improvement. Mills returned to regular five and six-day work schedules after closing for Labor Day.

Crop progress. The crop made generally good progress in the San Joaquin Valley of California. While the crop was still later than normal in many localities, most growers were fairly optimistic about yield prospects. Open bolls were reported in a few fields. Some growers reported problems with wilt. The central Arizona crop made satisfactory progress. Bolls were opening in many fields. No appreciable insect problems were reported. The New Mexico crop made good progress under generally favorable weather conditions. The dryland crop in Oklahoma continued to deteriorate under hot, dry weather conditions. Plants and bolls were both smaller than normal and bolls were opening prematurely in many fields. Irrigated cotton looked good and most growers expected an average or better crop. Dryland cotton continued to throw off fruit in the Lubbock, Texas area, under hot, dry weather conditions. Some bolls were opening prematurely. The irrigated crop remained lush and loaded with fruit. Light, scattered showers briefly hampered harvesting in southern

portions of the Waco area. Harvesting was increasing in Wintergarden and Taylor localities and some gins were operating 24 hours per day. Harvesting was slowly expanding northward. Harvesting and ginning were virtually completed in the Harlingen area and growers were preparing land. Light, scattered showers did little to alleviate drought conditions on the Arkansas dryland crop. Both boll and stalk size were small and bolls were opening. The irrigated crop made good progress. The first bale was ginned during the week. Much of the Missouri crop remained under stress. Irrigated fields made good progress. Harvesting was expected in some localities in about 10 days. Numerous Tennessee localities remained under drought conditions. Plants were not setting fruit and shedding continued. Bolls were opening rapidly in some moisture stressed fields. The first Mississippi bale was ginned during the last week of August and hot, dry weather caused much of the crop to open. Defoliation was not yet under way but several ginners expect to start operating during the third and fourth week of September. The first bale of the season was ginned in Louisiana. Widely scattered showers did little to alleviate dry conditions. Most of the crop was showing drought stress and bolls were opening in many fields. The crop in northern Alabama was considered in poor condition because of a lack of moisture. Bottom bolls were open and growers reported a very light top crop. Rains were received in southern portions of the state and crop conditions were rated as fair to good. General rains fell over most of Georgia relieving drought conditions. Many growers expressed doubt that the rains would benefit the crop since it was nearing maturity and bolls were opening rapidly. Harvesting was expected to begin in some localities next week. A few light showers fell in North Carolina and South Carolina, but overall conditions remained hot and dry. Cotton was opening rapidly and defoliation was under way. A few bales were harvested last week.

Varieties planted, 1983 crop. Deltapine and Stoneville were the leading varieties of upland cotton planted in the United States and each accounted for 16 percent of the national acreage. Growers favored Deltapine in Arizona and Louisiana. The most popular strain was Deltapine 41 which accounted for 6 percent of the U. S. acreage. Stoneville was the leading variety planted in Alabama, Arkansas, Mississippi, Missouri and Tennessee. Stoneville 825 was the strain most often planted and accounted for about 12 percent of the U. S. acreage. Acala was the next most popular variety, accounting for 14 percent of the U. S. acreage. This was the leading variety planted in California and New Mexico. Acala SJ-2 was the leading strain planted in California and Acala 1517-75 was the preferred strain in New Mexico. Lankart, Paymaster and Tamcot were the next most popular varieties planted, each accounting for nine percent of the U. S. acreage. Lankart was the most popular variety planted in Oklahoma. The most popular strain was Lankart 611 which accounted for 4 percent of the U. S. acreage. Paymaster was the leading variety planted in Texas and the most popular strain was Paymaster 145 at 3 percent of the U. S. acreage. Tamcot was the second leading variety planted in Texas. Tamcot CAMD-E and Tamcot SP21 were the most popular strains and each accounted for 3 percent of the national acreage. Pima S-5 remained the leading strain of American Pima cotton planted this season at 69 percent, followed by Pima S-6 at 31 percent of the U. S. acreage.

Estimated percentage of cotton acreage planted to specified varieties, United States, 1979-1983

Year	Acala	Delta-pine	Lankart	Pay-master	Stone-ville	Tamcot	Other	Total
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
1979	13	15	13	8	15	7	29	100
1980	10	15	10	7	15	7	36	100
1981	13	16	10	9	16	9	27	100
1982	14	16	8	5	21	10	26	100
1983	14	16	9	9	16	9	27	100

Contracting 1983 crop. United States upland cotton growers had forward contracted over 13 percent of their crop by the end of August. This was the largest percentage booked by the end of August since the 1980 crop and was up from 11 percent a year earlier and 8 percent two years ago. Contracting this season has been most active in southeastern and south central states where 25 percent, each, had been booked. A year earlier, growers in southeastern states had contracted 14 percent and south central states growers 19 percent. Growers in western states had forward contracted 14 percent, down from 16 percent last season. In southwestern states, growers had booked 6 percent, up from 4 percent a year earlier. These estimates were based on the Crop Reporting Board's August indicated acreage for harvest and informal surveys made by the Cotton Division, Agricultural Marketing Service, USDA.

Forward contracting of upland cotton by growers, through August 31, crops of 1974-1983 and acres for harvest, 1983 crop

State	Cotton crops										Acres for harvest ^{1/} 1,000 acres
	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	
Alabama	11	3	68	9	13	13	29	7	13	24	195
Georgia	4	1	33	1	*	7	12	11	4	6	125
North Carolina	8	-	38	16	19	11	34	2	15	28	59
South Carolina	17	2	42	18	21	14	54	12	36	62	69

Southeastern states	10	2	52	9	12	12	30	8	14	25	448

Arkansas	30	5	82	17	28	21	52	15	17	24	310
Louisiana	22	1	72	7	27	16	39	8	18	21	410
Mississippi	37	5	67	23	43	48	79	27	21	25	750
Missouri	36	5	84	22	38	24	78	24	22	38	93
Tennessee	17	1	65	2	8	11	33	5	20	33	215

South Central states	31	4	73	17	33	31	60	18	19	25	1,778

Oklahoma	*	-	19	19	26	14	4	-	1	-	350
Texas	7	*	23	19	9	12	17	5	4	7	3,500

Southwestern states	6	*	23	19	10	12	16	4	4	6	3,850

Arizona	45	13	62	49	34	24	42	7	20	18	290
California	59	29	68	28	35	24	38	10	15	13	965
New Mexico	12	-	37	20	10	6	6	1	*	-	49

Western states	52	23	65	32	33	23	37	8	16	14	1,304

United States	20	4	48	20	19	18	30	8	11	13	7,380

^{1/} August 1983, Crop Reporting Board, Statistical Reporting Service, USDA.

* Less than 0.5 percent.

Prices received by farmers for upland cotton averaged 64.50 cents per pound in mid-August, according to the Statistical Reporting Service, USDA. This compares with 64.60 cents for the entire month of July and 52.80 cents in August 1982. These prices include cotton delivered against forward contracts. The parity price for upland cotton announced August 31 was 119.00 cents per pound, the same as a month earlier and in August 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	61.10	November	59.90	
February	49.10	56.40	July	59.90	64.60	December	57.30	
March	50.40	59.90	August	52.80	64.50 1/			
April	54.30	59.70	September	55.50		Calendar		
May	55.80	61.70	October	59.80		year avg.	55.20	

1/ Mid-month price.

United States Department of Agriculture, Agricultural Marketing Service, Cotton Division

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						
	Oct '83	Dec '83	Mar '84	May '84	Jul '84		
Sept. 1	79.65	80.91	81.92	82.63	82.80	73.58	92.15
2	80.40	81.80	82.60	83.25	83.50	74.17	91.85
5	H O L I D A Y						92.35
6	80.25	81.69	82.65	83.15	83.45	74.12	92.35
7	79.80	81.25	82.22	82.90	83.40	73.78	92.20
8	80.35	81.67	82.85	83.45	83.45	74.13	91.95

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 September 2		Through September 1	
	Week	Marketing Year	Week	Marketing Year
Outstanding sales	-	2,110,700		
Exports	65,000	347,700		
Total export commitments	-	2,458,400		Will be released
New sales	150,600	-		
Buy-backs and cancellations	14,700	-		September 9, 1983
Net sales	135,900	-		
Sales next marketing year	-	8,400		

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