



# COTTON OUTLOOK

NEWS • DATA • ANALYSIS

Vol. 101. No. 44. November 2, 2023

## WEEK IN BRIEF

Upland **offering rates** have fallen sharply this week, in sympathy with New York futures. The ICE December contract settled below 80 cents per lb for the first time since July. Volume was boosted by funds rolling positions. Certificated stocks have risen further, to their highest since August 2021... Prices on China's Zhengzhou futures platform have again recorded steep losses, on heavy turnover... Brazil has requested a duty-free quota for its exports to India.

**Picking** in the United States is around 50 percent complete. Cold overnight temperatures have hindered final boll maturation in parts of West Texas. Warm, clear conditions are forecast in the next week or so. Harvesting in the Delta should be finished by mid-November, weather permitting. Work has continued without major issue in the Southeast... Classing of the Egyptian new crop is proceeding at a much slower pace than last year... The Cotton Association of India's first estimate of the 2023/24 crop places output nearly eight percent below the previous season. Seed cotton arrivals by the end of October were roughly two million bales... Harvesting is approaching completion in Pakistan's major growing regions, under helpful weather... Daily ginned volumes have continued to increase in China. Picking in parts of the important Xinjiang region is in its final stages... Ginning in Brazil is around three quarters complete... A welcome wet spell has been witnessed over Argentina's growing areas.

**Mill demand** has been slightly more active as international prices have declined. Brazilian, Indian and Franc Zone styles have attracted demand in Bangladesh. In Vietnam, mills have focused mainly on ex-warehouse supplies to cover their nearby needs... US upland export sales registrations during the week ended October 26 rose by 457,100 running bales, representing a marketing-year high. The main increase was for China. Shipments were 132,200 bales. Net sales of Pima also posted a seasonal high... Turkish raw cotton imports in September were the lowest since February... In Egypt, registrations of 2023/24 crop are on hold pending implementation of the quota system... Daily sales at China's State Reserve auctions have remained modest, despite lower prices... Shipments from Brazil increased last month but continue to be disrupted by logistical issues... Australia accounted for almost half of Indonesia's raw cotton imports in August.

In Bangladesh, cotton **yarn prices** have risen slightly this week, but remain below recent highs. Spinners' yarn stocks continue to mount... In September, the value of Pakistan's textiles and apparel exports declined on the month, while cotton yarn showed an increase... Yarn prices are unchanged in Vietnam, but the mood in the textiles sector is slightly brighter.



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## Contents

### Cotlook Prices

Argentina	23
Bangladesh	14
Brazil	23
CFR Far Eastern Quotations	4
China	8
Cotlook Production Estimate	7
Currency Trends	6
Egypt	14
Far Eastern markets	16
India	11
Pakistan	13
The Cotlook Indices	5
Turkey	15
United States	16
US Export Sales	22
US Price Mechanism	22
Vietnam	15
World Price Trends	6
World Stock	7
Yarn Index	5

### Advertisers

COFCO	1
Bremen Conference 2024	3
Wakefield Inspection Services	10

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## INTERNATIONAL COTTON PRICES

### Prices move lower

International cotton prices have this week resumed a pronounced downward trajectory. In New York, futures have fallen heavily during the latest three sessions under review. December has settled below the threshold of 80.00 cents per lb for the first time since early July, having shed 437 cent points during the reporting period.

The same contract still holds the greatest open interest but funds have been shifting positions to March, a process that has boosted trading volume and coincided with a widening of the December/March spread (224 cent points, March premium, at the close on November 1). Further forward, carry was more modest and December 2024 remained at a discount of 448 points vis-à-vis July.

### Subdued demand

Whatever technical or speculative factors may have prompted the sharp downturn, thus far it seems not to have imparted any great energy to mill demand in the physical market. Naturally, the convergence of buyers' and sellers' price ideas has facilitated the conclusion of some nearby business and more may be stimulated should the spot month remain below 80.00 cents per lb. Overall, however, the response from the mill side has been rather muted. Market reports dwell instead on the poor state of the cotton yarn market, both in terms of turnover and price, and the absence of a sea change in downstream textile demand.

Outside the United States, poor economic data provide an unpromising backdrop against which to predict the timing of such a transformation; the eurozone, for example, posted negligible economic growth in the third quarter. Apart from the unfolding humanitarian calamity, events in the Middle East may also, as the World Bank observes this week, have implications for oil prices and perhaps also food crops. A new inflationary shock less than two years after that dealt by the war in Ukraine would no doubt postpone the long-awaited but elusive recovery of textile demand.

### Shifting dynamics in China

That prices have not succumbed to more intense downward pressure has in large part been attributable to the re-emergence of import demand from China over recent months. Export registrations for that market contributed the lion's share to this week's United States export figure, by far the most impressive of the season so far.

As we have rehearsed before, Chinese buying has been motivated in part by market factors – the re-establishment of an economic incentive to import as local prices have moved to a premium over world values. Government policy has also been instrumental. A fresh import quota has been established and cotton has been acquired to offset the volume (now in excess of 840,000 tonnes) disposed of from the State Reserve since the end of July.

The underlying objective of these measures – to curb the bullish mood that took hold earlier in the year – has clearly been achieved. Indeed, the reversal of direction may have been more abrupt than the authorities, for whom market stability is a consistent policy goal, may have anticipated or desired. In just over five months (between late March and early September), the Zhengzhou cotton futures January contract gained 3,545 yuan (over 24 percent) in value. Since the return from holiday on October 9, well over half of those gains have been relinquished, as the market has moved below the threshold of 16,000 yuan per tonne. That level is significantly

below ginner's estimated 'break-even' position, based on the prices paid for seed cotton (between seven and eight yuan per kilo) during the first phase of the harvest.

The downturn in local lint prices has coincided not only with the movement of the domestic crop but also with the arrival of imports in volumes not seen for some considerable time. Those during August and September combined exceeded 410,000 tonnes, more than double the corresponding total a year earlier. The threat of a squeeze on supply has thus clearly passed. The next policy move from Beijing is awaited but the international trade may in any event need henceforth to seek more traction from customers outside China.

### **Production outlook**

On the supply side, the size of certain of the major Northern Hemisphere 2023/24 crops remains the subject of debate. The Cotton Association of India has this week advanced a production forecast of 29.5 million local bales

(170 kgs), a significant decline from the previous campaign and one that would seem to militate against India playing a major role as an exporter (outside Bangladesh) during the months ahead. CAI's own figures suggest that the country will be a net importer in 2023/24. In Pakistan, production estimates are about maintained, though perhaps with a downward bias and some disappointment in respect of quality. Observers in the United States, meanwhile, retain doubts with regard to both the output and quality that will be obtained from West Texas.

However, as we have previously observed, the ascendancy of the Southern Hemisphere has shifted the location of the world's exportable supply, as well as the timing of its availability to the international market. For the foreseeable future, notwithstanding certain quality and logistical issues, there seems little threat to the continuity of world supply – unless demand recovers with an alacrity that is difficult to imagine in the current economic and geo-political climate.



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## CFR FAR EASTERN QUOTATIONS FOR PRINCIPAL GROWTHS

Quotations as at November 2, 2023

Description	Price	Change on week	Shipment	Forward		
				Price	Change on week	Shipme
<b>American-Type cottons:</b>						
<b>Higher grades</b>						
Australian SM 1-5/32"	93.75	-3.00	11/12	NQ		
Benin Kaba/s 1-1/8"	93.25	-3.75	1/2	NQ		
Burkina Faso BOLA/s 1-1/8"	92.25	-3.75	1/2	NQ		
Cameroon IRMA/s 1-1/8"	92.75	-3.75	1/2	NQ		
Cameroon PLEBE 1-5/32"	94.75	-3.75	1/2	NQ		
Chad Kero A51 1-5/32"	94.75	-3.75	1/2	NQ		
Indian Shankar-6, 1-1/8"	NQ			NQ		
Ivory Coast MANBO/s 1-1/8"	91.75	-3.75	1/2	NQ		
Mali JULI/s 1-1/8"	92.75	-3.75	1/2	NQ		
Spanish SM 1-1/8"	NQ			NQ		
Tanzanian RG1 1-1/8"	NQ			NQ		
Texas SM 1-1/8"	93.75	-3.25	12/1	NQ		
Togo Alto/s 1-1/8"	91.75	-3.75	1/2	NQ		
Uzbekistan SM 1-1/8"	NQ			NQ		
Zambian SM 1-1/8"	NQ			NQ		
Zimbabwe SM 1-1/8"	NQ			NQ		
<b>Medium grades</b>						
<b>1-1/8" staple unless stated</b>						
Australian Midd	92.25	-3.00	11/12	NQ		
Benin BELA *	92.25	-3.75	1/2	NQ		
Brazilian Midd	90.75	-2.00	11/12	89.25	-2.00	10/11
Burkina Faso RUDY *	91.25	-3.75	1/2	NQ		
California/Arizona Midd	NQ			NQ		
Greek Midd	91.50	-2.75	11/12	NQ		
Indian medium grades **	NQ			NQ		
Iv. Coast BEMA *	90.75	-3.75	1/2	NQ		
Mali ROKY/KATI *	91.75	-3.75	1/2	NQ		
Memphis/Eastern Midd	93.25	-3.25	12/1	NQ		
Memphis/Orleans/Texas Midd	92.75	-3.25	12/1	NQ		
Mexican Midd	NQ			NQ		
Tanzanian Type 1SG 1-3/32"	NQ			NQ		
Uzbekistan Midd	NQ			NQ		
<b>Lower grades</b>						
Argentine SLM, 1-1/16"	NQ			NQ		
Australian SLM 1-1/16"	NQ			NQ		
Brazilian SLM 1-3/32"	NQ			NQ		
Greek SLM 1-3/32"	89.50	-2.75	11/12	NQ		
Indian J-34 SG **	NQ			NQ		
Memphis/Eastern SLM 1-3/32"	90.75	-3.25	12/1	NQ		
Memphis/Orleans/Texas SLM 1-3/32"	90.25	-3.25	12/1	NQ		
Memphis/Orleans/Texas LM 1-1/8"	NQ			NQ		
Pakistan AFZAL 1-1/16"	NQ			NQ		
Pakistan Type 1467 1-3/32"	NQ			NQ		
<b>Long Staple cottons:</b>						
US Pima Grade 2 1-7/16" #	235.00	Unch	11/12	NQ		
Egyptian Giza 86 Good+3/8	NQ			NQ		
Egyptian Giza 94 Good+3/8	190.00	Unch	11/12	NQ		
Israeli Pima H1, 1-7/16" #	225.00	Unch	11/12	NQ		
Israeli Acalpi	NQ			NQ		

\* A maximum of two African Franc Zone growths are permitted in the Index calculation.

\*\* Applicable ICS standards, as adopted by the ICA are as follows: Higher grade - ICS 105 Superfine; Medium grade ICS 105 Fine

# Qualities used in US Pima competitiveness programme.





# THE COTLOOK INDICES

The Cotlook A Index was first calculated in 1966. The basis of the calculation has changed over the years with regard to quality and location. Since March, 2003 the Index has represented CFR Far East Eastern values. Between 1981/82 and 2014/15, the quality description of the Index was Middling 1-3/32". However, with effect from the 2015/16 Index, the staple length has been adjusted to Middling 1-1/8".

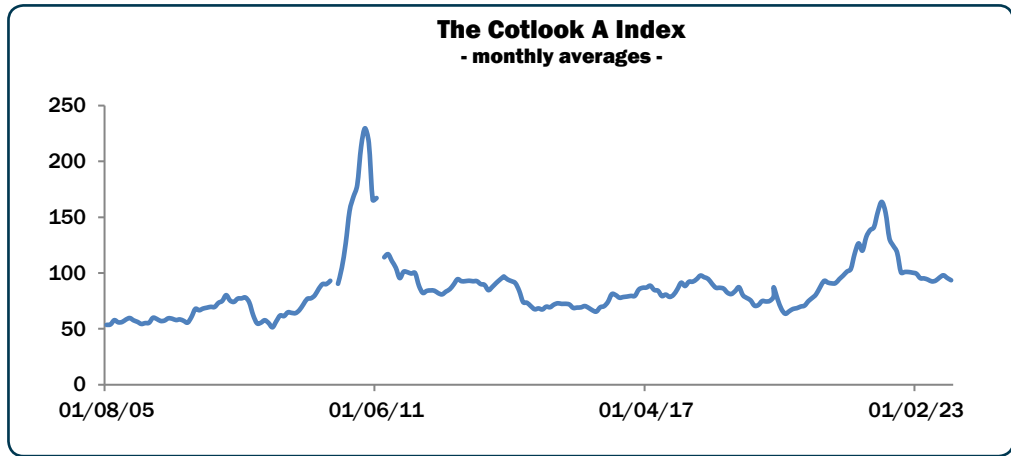
The quotations are compiled and published daily.

The Index is the average of the cheapest five of the eligible growths listed in the category 'medium grades' on page 4, taking the nearer shipment when prices are quoted on the same level. However, only two African Franc Zone quotations (\*) are permissible Index constituents on any day. Four growths are currently listed, namely Ivory Coast, Burkina Faso, Benin and Mali cottons, which together account for roughly 80 percent of production in the region. Southern Belt new crop (as identified in Cotlook's Production Estimate) in any season only becomes eligible for the Index from January 1 onwards.

The Cotlook Dual Index system is intended to suggest prevailing levels of offering prices for cotton to be shipped both nearby and forward, by provision of two sets of Indices at the appropriate times of year. The nearby or CURRENT season's Index is for shipment no later than August/September and the other or FORWARD season's Index is for cotton to be shipped no earlier than October/November. Each Index expires at the end of its respective season, the last business day of July. On the subsequent business day, the previous FORWARD Index assumes the CURRENT role; it alone is then quoted until early in the new calendar year, when it is joined by a new FORWARD Index as soon as October/November shipment offers of the various growths are available in sufficient number to permit the establishment of appropriate values.

The 2023/24 A Index is due to expire on July 31, 2024.

Prices as at November 02, 2023		
2023/2024 Cotlook A Index		91.30
Description	Price	Shpt
Brazilian	90.75	11/12
Ivory Coast BEMA	90.75	1/2
Burkina Faso RUDY	91.25	1/2
Greek	91.50	11/12
Australian	92.25	11/12



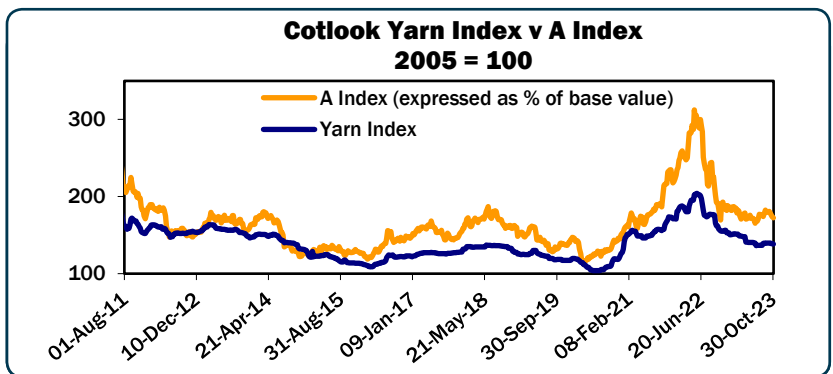
The Cotlook A Index	
Seasonal Averages	
2014/15	70.78
2015/16	70.39
2016/17	82.77
2017/18	87.99
2018/19	84.35
2019/20	71.33
2020/21	84.96
2021/22	131.73
2022/23	101.24
2023/24*	96.32
* To date	
Monthly Averages	
April 2023	95.16
May 2023	94.05
June 2023	92.48
July 2023	93.18
August 2023	95.93
September 2023	97.95
October 2023	95.55
November 2023	91.95
Daily Values	
2023/24	
October 27	95.00
October 30	95.00
October 31	93.75
November 01	92.60
November 02	91.30
Average for week to date	
	93.53

## YARN INDEX

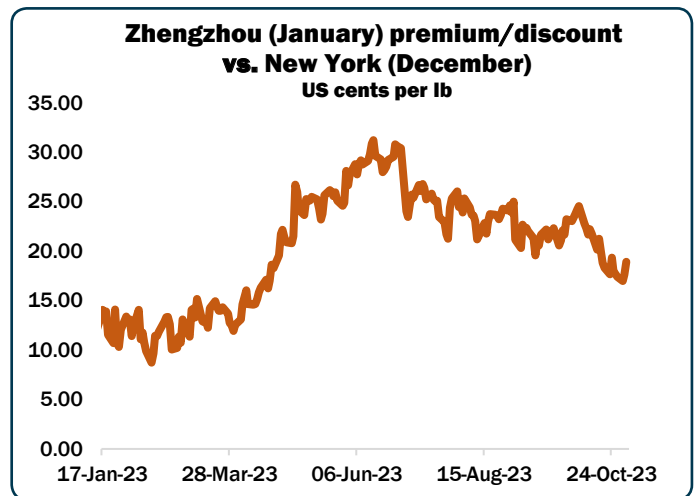
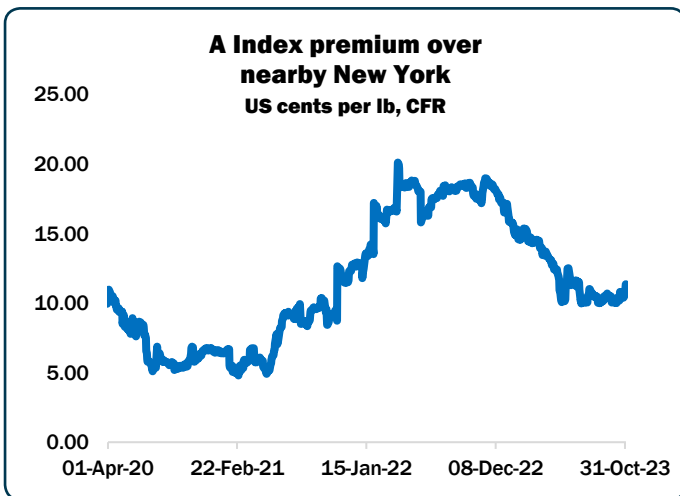
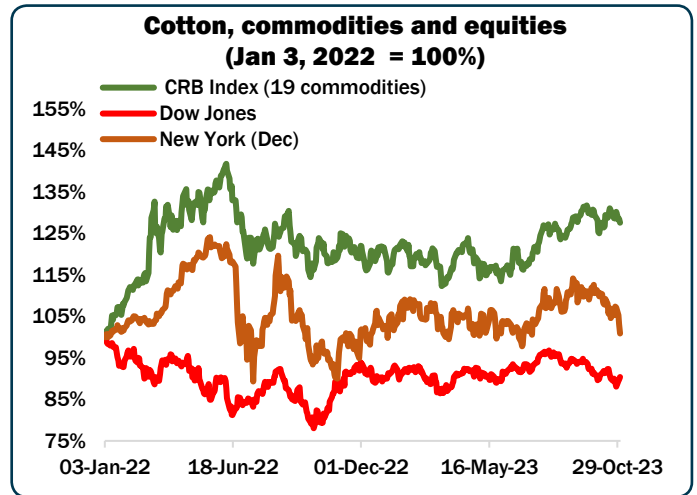
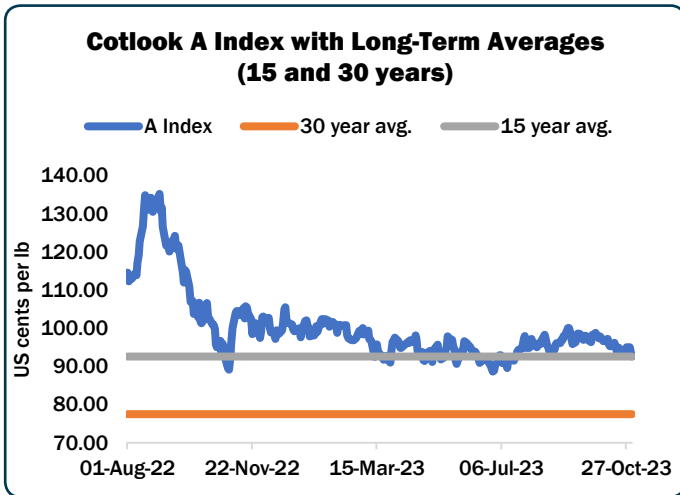
This week	138.58	Last month	139.68	
Last week	138.92	Last year	155.52	
Export prices (in US dollars per kilo FOB)				
		This week	Change on week	Change on year
<b>Pakistan</b>	<b>20s</b>	2.62	Unch	-0.28
<b>India</b>	<b>20s</b>	2.80	Unch	-0.45
<b>Turkey</b>	<b>20s</b>	3.05	Unch	-0.40
<b>Indonesia</b>	<b>20s</b>	3.10	Unch	-0.55
<b>China</b>	<b>21s</b>	3.01	-0.07	0.07
<b>Pakistan</b>	<b>30s</b>	3.00	Unch	-0.28
<b>India</b>	<b>30s</b>	3.05	Unch	-0.45
<b>Turkey</b>	<b>30s</b>	3.35	Unch	-0.45
<b>Indonesia</b>	<b>30s</b>	3.50	Unch	-0.95
<b>China</b>	<b>32s</b>	3.40	-0.06	0.20

The Yarn Index is derived from our published FOB prices for 20s and 30s counts from India, Pakistan, Indonesia, China and Turkey, each weighted to reflect exports of cotton yarn from the individual country concerned, and expressing that as a percentage of the comparable average values for 2005. In determining the weightings, we have used an average of the exports in the two most recent calendar years for which complete data are available.

The current quotations are shown in the accompanying table, in US cents per kilo. They are for 'average quality' ring spin carded weaving single yarn.

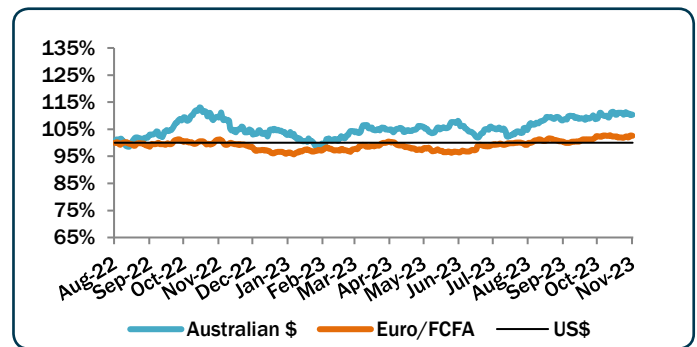
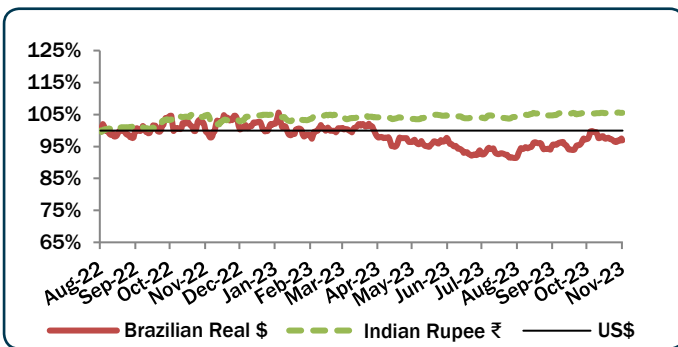


## WORLD PRICE TRENDS

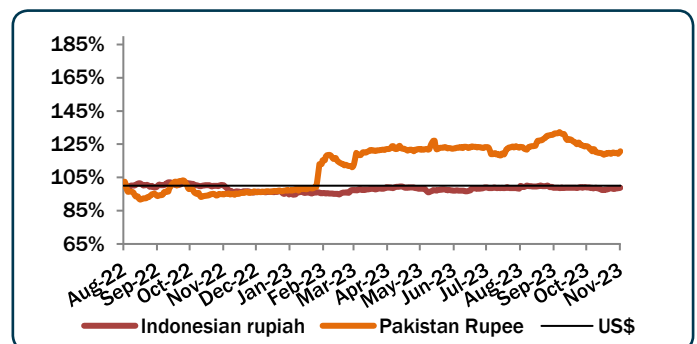
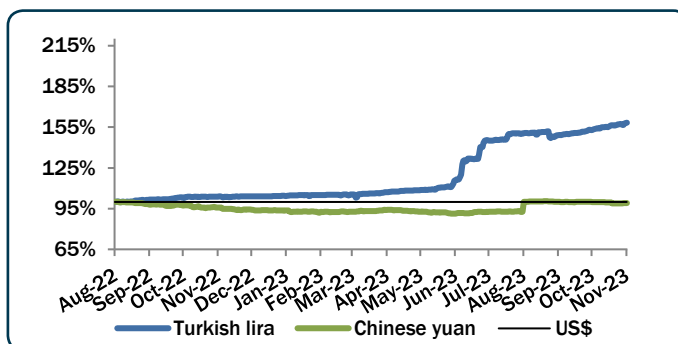


## CURRENCY TRENDS

### EXPORTERS' CURRENCIES VS. US\$ (AUG 1, 2022 = 100%)



### IMPORTERS' CURRENCIES VS. US\$ (AUG 1, 2022 = 100%)



## COTLOOK PRODUCTION ESTIMATE

(thousands of  
tonnes)

	22/23	23/24
Afghanistan	150	200
Argentina	300	320
Australia	1,250	1,100
Azerbaijan	100	100
Benin	270	250
Brazil	3,170	3,050
Burkina Faso	170	170
Cameroon	135	140
Chad	55	50
China	6,786	5,962
Colombia	10	10
Côte d'Ivoire	100	170
Egypt	110	95
Greece	300	190
India	5,610	5,270
Iran	72	65
Israel	16	16
Kazakhstan	60	60
Kyrgyzstan	20	20
Malawi	8	8
Mali	180	260
Mexico	344	240
Mozambique	25	25
Nigeria	50	50
Pakistan	775	1,350
Paraguay	40	60
Peru	16	16
Spain	40	30
Sudan	140	140
Syria	35	35
Tajikistan	110	110
Tanzania	70	90
Togo	22	25
Turkey	1,000	850
Turkmenistan	200	200
Uganda	28	28
USA	3,150	2,791
Uzbekistan	650	600
Zambia	15	15
Zimbabwe	40	40
World Total	25,857	24,433
World excl China	19,071	18,471
N Hemisphere	20,872	19,657
S Hemisphere	4,985	4,776
African Fr. Zne	940	1,079
Central Asia	1,040	990
EU	340	220

## WORLD STOCK

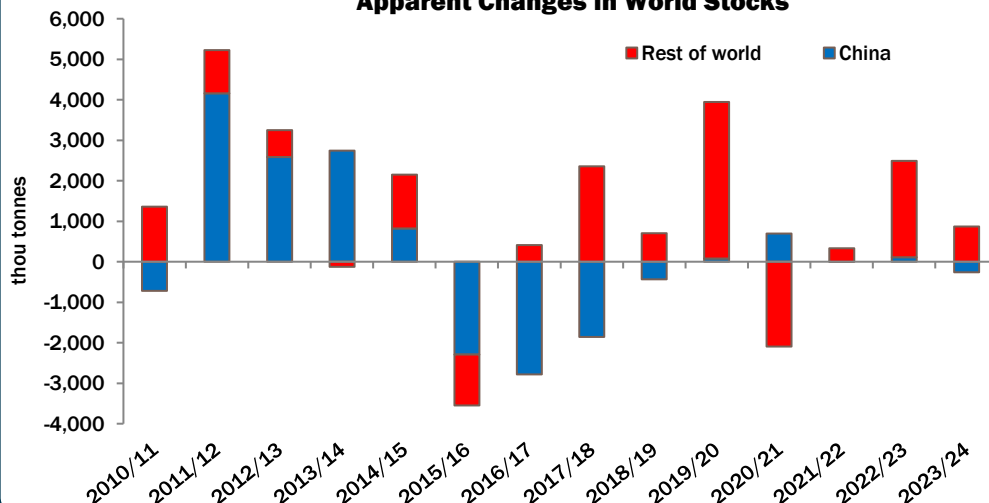
The accompanying table shows our production and consumption estimates and the resultant adjustments in world stock levels during 2021/22 and 2022/23, together, with our prediction for 2023/24. Where available comparable data produced by the United States Department of Agriculture and by the International Cotton Advisory Committee are also shown.

### World Cotton Balance Sheet

Unit = 1,000 tonnes

COTLOOK	World (excl. China)			China			World		
	21/22	22/23	23/24	21/22	22/23	23/24	21/22	22/23	23/24
Production	19,211	19,071	18,471	5,825	6,786	5,962	25,036	25,857	24,433
China net trade	-1,681	-1,330	-1,780	+1,681	+1,330	+1,780			
New Supply	17,530	17,741	16,691	7,506	8,116	7,742	25,036	25,857	24,433
Consumption	17,203	15,364	15,816	7,500	8,000	8,000	24,703	23,364	23,816
<b>Net change in stock</b>	<b>+328</b>	<b>+2,378</b>	<b>+875</b>	<b>+6</b>	<b>+116</b>	<b>-258</b>	<b>+334</b>	<b>+2,494</b>	<b>+617</b>
<b>USDA</b>									
Opening stock	10,652	10,206	11,533	8,120	8,288	8,143	16,929	16,665	18,035
Production	19,127	18,630	18,638	5,835	6,684	5,879	24,962	25,314	24,517
China net trade	-1,681	-1,328	-2,155	+1,681	+1,328	+2,155			
New Supply	17,446	17,302	16,483	7,516	8,012	8,034	24,962	25,314	24,517
Consumption	17,892	15,975	17,045	7,348	8,165	8,165	25,240	24,140	25,210
Other adjustments	+0	+0	+0	+0	+8	+1	+14	+196	+60
Ending Stock	10,206	11,533	10,971	8,288	8,143	8,013	16,665	18,035	17,402
<b>Net change in stock</b>	<b>-446</b>	<b>+1,327</b>	<b>-562</b>	<b>+168</b>	<b>-145</b>	<b>-130</b>	<b>-264</b>	<b>+1,370</b>	<b>-633</b>
<b>ICAC</b>									
Opening stock	10,825	10,805	12,800	9,367	8,602	8,436	20,192	19,407	21,237
Production	19,446	18,642	19,382	5,730	5,980	5,600	25,176	24,622	24,982
China net trade	-1,824	-1,356	-2,155	+1,824	+1,356	+2,155			
New Supply	17,622	17,286	17,227	7,554	7,336	7,755	25,176	24,622	24,982
Consumption	+17,516	+15,951	+16,313	8,315	7,500	7,000	25,831	23,451	23,313
Other adjustments	-126	+661	+41	-4	-3	-27	-130	+659	+14
Ending Stock	10,805	12,800	13,755	8,602	8,436	9,164	19,407	21,237	22,919
<b>Net change in stock</b>	<b>-20</b>	<b>+1,996</b>	<b>+955</b>	<b>-765</b>	<b>-166</b>	<b>+728</b>	<b>-785</b>	<b>+1,829</b>	<b>+1,683</b>

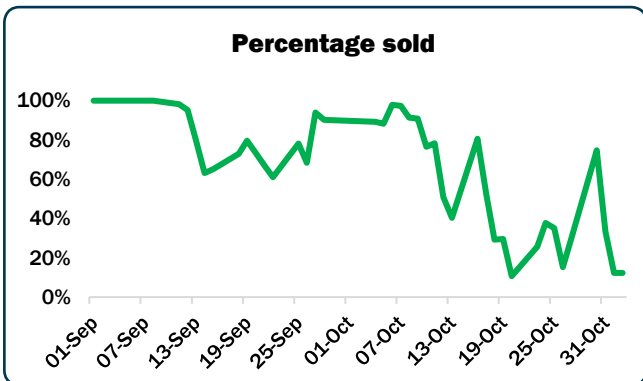
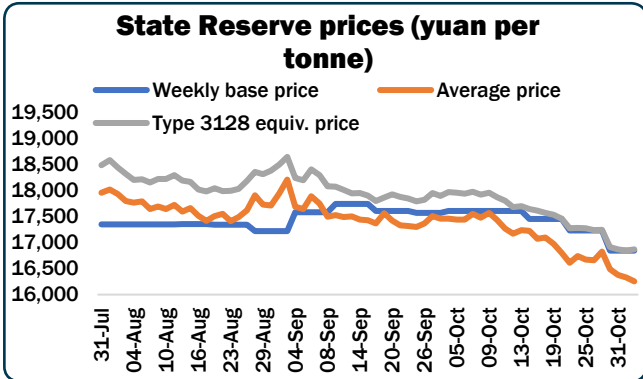
Apparent Changes in World Stocks



# CHINA

## State Reserve

Turnover at State Reserve auctions has been modest in recent days, despite lower prices. The base price this week is 16,844 yuan per tonne, down 386 from the previous period, and the average price paid at auctions fell on November 2 to 16,252 yuan, its lowest to date. From October 27 through November 2, 32,555 tonnes of the cotton available for purchase (just over 100,000 tonnes) found buyers. Imported cotton made up 42 percent of the total sold.



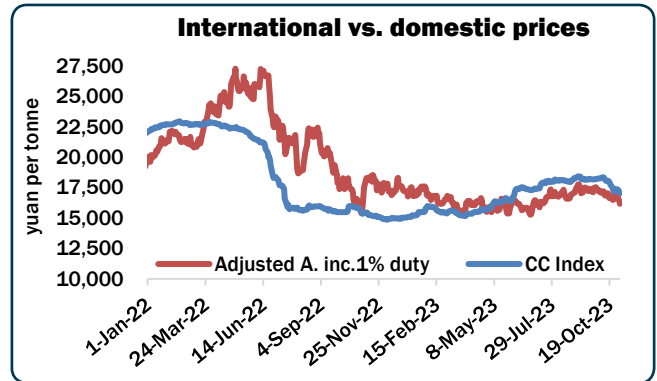
Nevertheless, the cumulative volume disposed of in the series so far amounts to more than 840,000 tonnes, representing 75 percent of the total offered.

## Market prices

Prices on the Zhengzhou cotton futures market have fallen sharply further in the past week. On November 1, January dropped to its lowest level since late April, before regaining a little ground in its last session of the period in view. Total turnover was heavy at almost 3.5 million contracts.

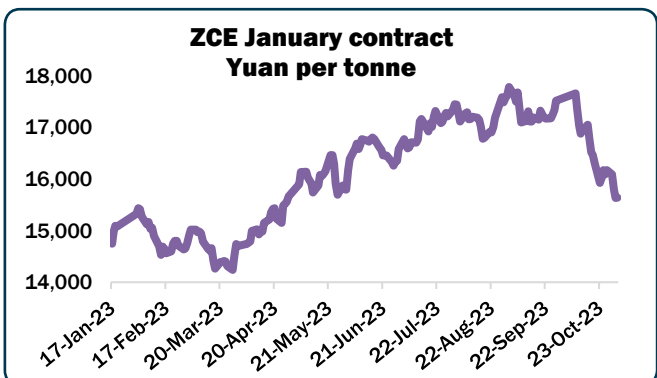
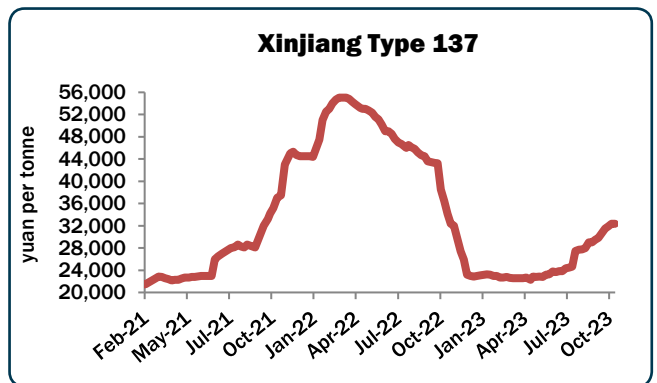
	Settlement			Volume number of contracts	Open Interest
	26-Oct	02-Nov	Chng		
Nov	16,070	15,570	-500	4,289	5,652
Jan	16,095	15,640	-455	2,227,533	671,283
Mar	16,045	15,525	-520	583,739	225,053
May	16,035	15,505	-530	546,109	223,820
Jul	16,025	15,500	-525	90,076	29,138
Sep	16,115	15,570	-545	37,131	19,501
				3,488,877	1,174,447

The China Cotton Index has declined again, to be placed on November 2 at 17,045 yuan per tonne, its lowest since early June. The Cotlook A Index (adjusted to comparable terms) has registered steeper losses, hence the difference between the CC Index and international values has widened to 856 yuan per tonne (equivalent to around 5.4 US cents per lb).



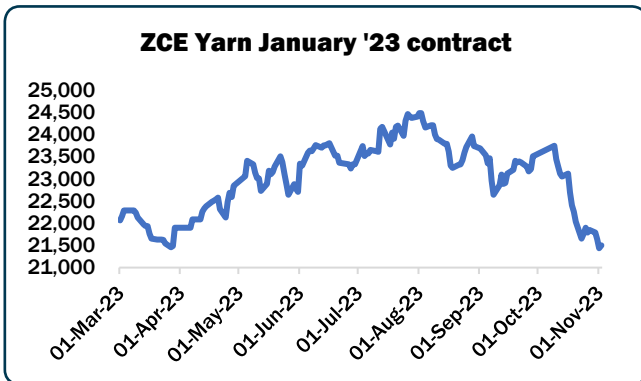
Prices for Type 3128 Xinjiang lint in the physical market have also moved lower, to 16,700/17,200 yuan per tonne. Spinners have remained inactive buyers in view of the slow pace of new yarn orders, as well as large inventories.

Asking rates for Xinjiang long staple cotton have been stable in the last week: the benchmark value for Type 137 lint is still quoted at 32,350 yuan per tonne, equivalent to around 205 US cents per lb. Sporadic arrivals of new crop long staple supplies are quoted at around 35,000 yuan per tonne but little business is taking place. Long staple seed cotton is priced at 13.5 yuan per kilo, up 0.5 yuan from a week ago.





On November 2, the January contract for **ZCE yarn** futures (carded 32s single cotton yarn) settled at 21,505 yuan per tonne, a decline of 285 yuan on the week, after consecutive lower settlements were partially offset by a modest rise late in the period.



### Port updates

Asking prices for imported cotton held at ports have decreased moderately in the past week, while the pace of sales has remained quite slow. US Eastern/MOT 31-3-37 is quoted at around 1,250 cent points 'on' ICE December futures, ex-warehouse, while Brazilian Middling 1-1/8" is offered at around 950 'on' the same cover month. The level for Australian SM has been reduced to around 1,400 'on' December, with few transactions. Inventories at ports are expected to rise further in the near term on the assumption that demand remains sluggish and arrivals continue to be strong.

### Seed cotton prices and harvest progress

The prevailing price of handpicked seed cotton has been reduced in southern Xinjiang, to around 8.0/8.3 yuan per kilo, while machine-picked supplies are quoted at 7.3/7.6 yuan per kilo in the north. Growers are reluctant sellers at such levels and business remains slow. Local observers estimate that seed cotton equivalent to perhaps 2.5 million tonnes of lint – approaching half of anticipated output from the region – has been sold from first hands.

Following the recent decline of futures prices, Xinjiang ginneries have remained cautious buyers and are paying close attention to fibre quality. Most are reluctant to make purchases at levels above 7.5 yuan per kilo for machine-picked supplies and are accelerating their lint sales in anticipation of a further fall in prices.

Relatively warm weather ruled across the country during October and that pattern is expected to continue in most provinces until next week. In Xinjiang, average temperatures were higher than normal, though cool conditions and rainfall prevailed in northern areas. A local weather report forecasts favourable conditions over most producing areas of Xinjiang during the rest of the harvesting season.

Picking in northern Xinjiang is approaching its final stages, while large-scale harvesting is under way in the south.

The harvest is in full swing in Aksu Prefecture, on a total planted area of around 7.4 million mu. Lint output is estimated at 1.14 million tonnes. Marketing of seed cotton should finish by the end of the month. Asking prices for machine-picked seed cotton are placed in Awati County at around 7.4/7.5 yuan per kilo.

### International Prices

Approximate delivered mill  
Data as at 2 November, 2023 value

	Yuan per tonne equiv. + insurance	Inc. one percent tariff + VAT	Including sliding scale duty + VAT
Cotlook A Index	14,723	16,626	16,805
Texas SM	15,113	17,318	17,476
Burkina Faso BOLA/s	14,874	16,968	17,129
India Shankar-6	NQ		
Benin KABA/s	15,033	17,056	17,216
Cameroon IRMA/s	14,795	16,968	17,129
Cameroon			
PLEBE 1-5/32"	14,954	17,056	17,216
Ivory Coast MANBO/s	14,795	16,968	17,129
Mali JULI/s	14,954	17,143	17,302
US Pima Grade 2			
<b>China domestic prices</b>	<b>yuan/tonne</b>	<b>chg on week</b>	<b>cents/lb</b>
CC Index	17,045	-358	107.69
ZCE January	15,640	-535	98.81
Xinjiang Type 137	32,350	Unch	204.38
Xinjiang Type 237	31,500	Unch	199.01
<b>State Reserve calculation</b>	<b>yuan per tonne</b>		<b>cents/lb</b>
Base Price week ending 03 Nov	16,844		106.51
Running average week to date	16,695		105.48
	<b>yuan/tonne</b>		<b>cents/kilo</b>
polyester	7,400	Unch	103.07
viscose	13,400	Unch	186.64
	<b>Yuan/kilo</b>		<b>cents/lb</b>
32s carded yarn	22,880	-475	318.68
40s combed yarn	25,940	-390	361.30
Monthly yuan/dollar customs exchange rate			7.1795
Actual Rate (Nov 2)			7.1797

The harvest in Kashgar Prefecture and Alar City (the area controlled by the First Division of the PCC) is over two thirds complete. Around half of the seed cotton delivered so far has found buyers.

In Bachu County, Kashgar, the area planted is around 1.3 million mu and seed cotton yield is estimated at 380/390 kilos per mu, roughly unchanged from last year. Picking has passed the halfway stage and over one third of the total seed cotton output has found buyers.

Planted area in Jiashi County is 1.43 million mu, of which nearly 70 percent will be harvested by machine.

In Korla, Bayingol Prefecture, the pace of harvesting and selling is relatively slow.

The latest field survey indicates that yield is expected to be maintained or increase slightly this year in Kashgar Prefecture, while yields in Aksu and Korla could be poorer. Additionally, the moisture content of new crop seed cotton in Kashgar is relatively high and local ginneries have been cautious buyers of late.

Outside Xinjiang, in Jining City, Shandong, seed cotton with a ginning outturn of 40 percent and moisture content of below 13 percent is quoted at 8.4 yuan per kilo, down 0.2 yuan, while lint is placed at 17,200 yuan per tonne.

Picking is almost finished in Xingtai City, Hebei, with an average yield of 210/225 kilos per mu, up slightly from last year. Seed cotton produced locally is quoted at around 8.6 yuan per kilo, down 0.7/0.8 yuan from a month earlier. Xinjiang new crop lint is quoted at 16,900/17,300 yuan per tonne.

Seed cotton prices are placed at around 7.6/7.7 yuan per kilo in Anqing City, Anhui, down 0.1 yuan from last week. Type 3128 lint produced locally is quoted at 17,000 yuan per tonne, down 200. In Dongzhi County, seed cot-

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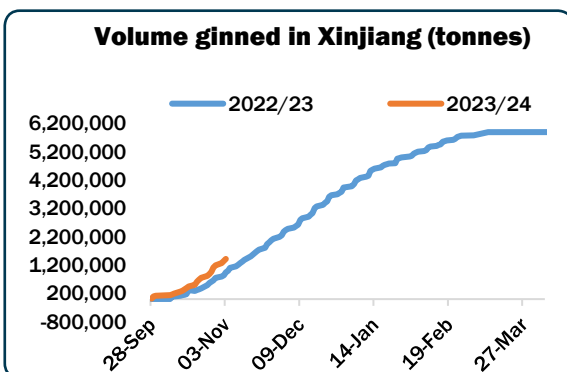
ton is quoted at 7.6/7.8 yuan per kilo, down 0.2 yuan from a week ago, while lint produced locally is placed at 16,500 yuan per tonne, down 200 yuan.

Seed cotton yields in Wuwei County (also in Anhui) have fallen by 50/60 kilos per mu, to around 240/250 kilos, and fibre quality has suffered due to recent wet weather. Picking is finished on over two thirds of fields in the province and seed cotton sales have passed the halfway stage.

Last week, the average seed cotton price nationwide was 7.5 yuan per kilo, up 27 percent on the year, but down 0.3 yuan from the previous period.

### Ginning in Xinjiang exceeds 1.4 million tonnes

The pace of ginning has accelerated further in the past week. Data from the China National Cotton Exchange show that by November 2, 1,420,700 tonnes of lint had been ginned in Xinjiang, up 527,100 from a



### BCO Ginned Volume Xinjiang (by November 1, 2023)

ten thousand tonnes

Region	Area	2022/23	2021/22	Change	% of Total
<b>Northern Xj</b>	Bortala	6.01	4.68	28%	4.2%
	Changji	10.37	10.55	-2%	
	Urumqi	0.37	0.37	0%	0.3%
	Karamay	0.84	0.59	42%	0.6%
	Tacheng	14.96	6.16	143%	10.5%
	Yili	3.28	1.04	215%	2.3%
	4th Division	0.56	0.56	0%	0.4%
	5th Division	4.34	3.16	37%	3.1%
	6th Division	9.76	10.18	-4%	6.9%
	7th Division	12.81	8.54	50%	9.0%
	8th Division	14.50	10.51	38%	10.2%
	10th Division	0.28	0.21	33%	0.2%
12th Division	0.37	0.37	0%	0.3%	
<b>Southern Xj</b>	Aksu	18.33	8.19	124%	12.9%
	Kizilsu	2.42	0.48	404%	1.7%
	Hetian	0.12	0.00	0%	0.1%
	Kashgar	23.29	12.75	83%	16.4%
	Bayingol	5.37	3.09	74%	3.8%
	1st Division	5.39	3.98	35%	3.8%
	2nd Division	2.05	1.60	28%	1.4%
3rd Division	4.71	1.12	321%	3.3%	
<b>Eastern Xj</b>	Hami	1.13	1.26	-10%	0.8%
	Turpan	0.47	0.03	1467%	0.3%
	13th Division	0.34	0.46	-26%	0.2%
<b>Total</b>		<b>142.07</b>	<b>89.88</b>	<b>58%</b>	<b>-</b>

week earlier, and still above the volume processed by the same moment in 2022 (roughly 900,000 tonnes). The inspected volume was 899,600 tonnes (versus 212,100).

### Road transportation

From October 23 through 29, 25,800 tonnes of Xinjiang cotton were moved by road to warehouses outside the region, up 33 percent from the previous week, but down nearly 41 percent from the same timeframe a year earlier. Of the total, around 48 percent was destined for Henan, Shandong and Sichuan. Freight costs were stable at around 600/650 yuan per tonne.

### PMI falls in October

According to the National Bureau of Statistics, the official Purchasing Managers' Index (PMI) for the manufacturing sector fell to 49.5 in October (down from 50.2 in

the previous month), again below the 50-point mark that separates contraction from growth. An NBS statistician attributed the monthly decline to the pattern of consumer activity prior to the early October holidays, and persistently weak overseas demand. However, it was noted that recent stimulus measures are expected to improve the major economic indicators in the months to come.

The PMI for the non-manufacturing sector stood at 50.6, down from 51.7 in September, while the composite PMI was 50.7, down from 52.

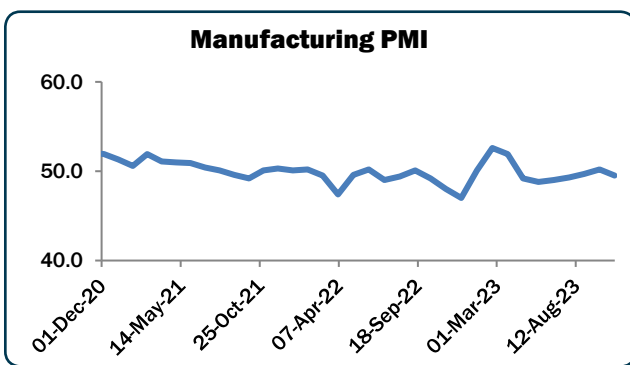
### Industrial profits in September

Data from the NBS show that the profits of major industrial firms (those with annual revenues of at least 20 million yuan) increased by 11.9 percent in September, compared with the same month last year. In the first three quarters of 2023, the enterprises' profits amounted to 5.41 trillion yuan (US\$739.41 billion).

Total profits for the textiles sector in the first nine months of this year declined by 10.2 percent, according to NBS, narrower than the 15 percent decline recorded in January-August.

### Qingdao Cotton Outlook Forum

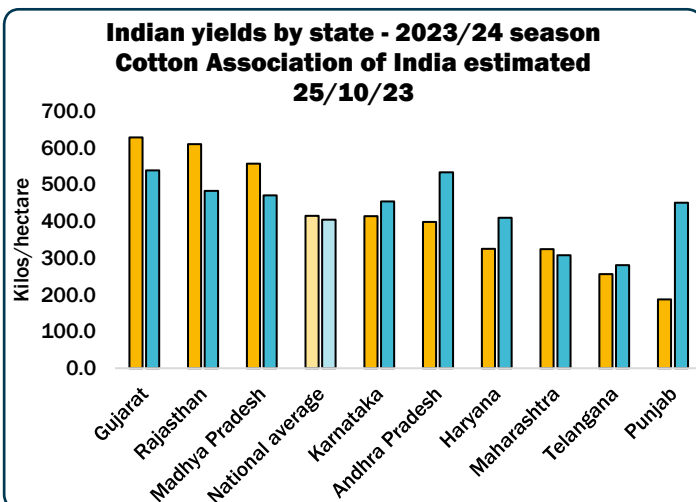
The annual Cotton Outlook Forum, organised by the China National Cotton Exchange and *Beijing Cotton Outlook*, will be held in Qingdao City, Shandong on December 1, with a theme of 'The Transformation and Re-shaping of the Global Cotton Industry Under New Circumstances'.



## INDIA

### CAI forecasts 2023/24 output at 29.5 million bales

The Cotton Association of India (CAI) has published its first estimate for the cotton crop in the 2023/24 season. Production is forecast at 29,510,000 bales (170 kgs), which if realised would be 2.38 million bales (7.5 percent) lower than the Association's final assessment for 2022/23. Output in the Northern Zone is forecast to be equal to last season (4.3 million bales) but an eight-percent reduction is expected in central states (17.96 million) and ten percent lower in the south (6.75 million).



Average yield is estimated to have fallen from 415 kilos per hectare in 2022/23 to 405 kilos in the current season.

Ministry of Agriculture estimates – also released last week – show somewhat higher figures for the two seasons: 33.66 million bales for 2022/23 and 31,657,000 for the current marketing year.

Consumption in the current season is set to remain

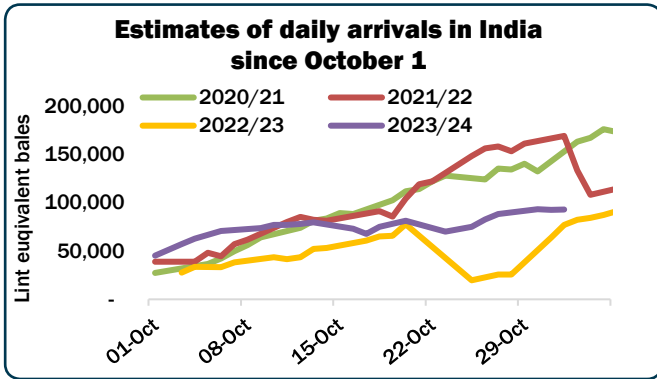
steady in the view of the CAI committee at 28 million bales. Exports are projected at 1.4 million bales (compared to 1.55 million in 2022/23) and imports at 2.2 million (1.25 million last season). Carryover stocks by the end of September 2024 are currently forecast to amount to 2,100,000 bales, compared to 2.89 million in 2020/21.

According to the results of a CAI survey involving ten local spinning associations, total annual capacity for cotton consumption is 41.4 million bales: 26 percent in Tamil Nadu, 24 percent in the Northern Zone and 19 percent in Gujarat.

Cotton Association of India 2023/24 crop estimates as at October 25	
	(in lakh b/s)
Punjab	4.50
Haryana	16.00
Upper Rajasthan	11.00
Lower Rajasthan	11.50
<b>Total North Zone</b>	<b>43.00</b>
Gujarat	85.00
Maharashtra	76.60
Madhya Pradesh	18.00
<b>Total Central Zone</b>	<b>179.60</b>
Telangana	30.00
Andhra Pradesh	12.50
Karnataka	18.50
Tamil Nadu	6.50
<b>Total South Zone</b>	<b>67.50</b>
Orissa	3.00
Others	2.00
<b>Total</b>	<b>295.10</b>

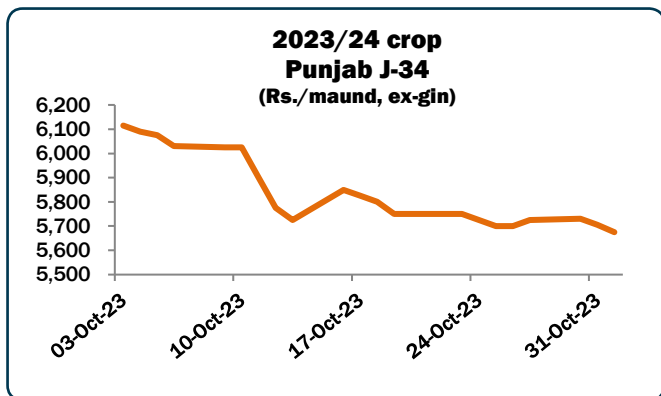
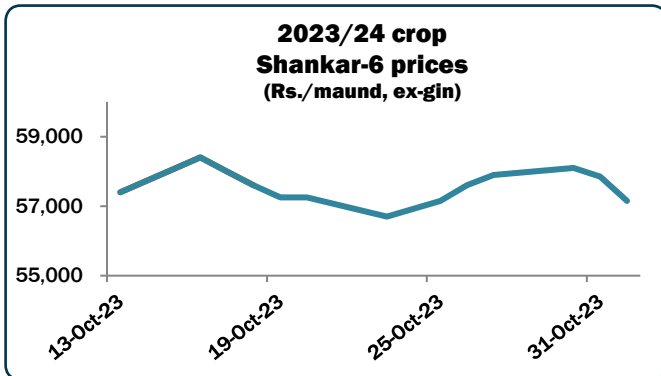
### Arrivals

According to the Cotton Corporation of India, seed cotton arrivals amounted to 1,918,000 lint equivalent bales by October 30, an increase of 423,000 bales in five days. CCI's figure to November 1 is 2,012,800 bales. Independent estimates of daily deliveries to gin yards have risen to over 90,000 lint equivalent bales. However, arrivals in Punjab have been halted as a result of a strike by ginners in protest at certain tax arrangements administered by the state government.

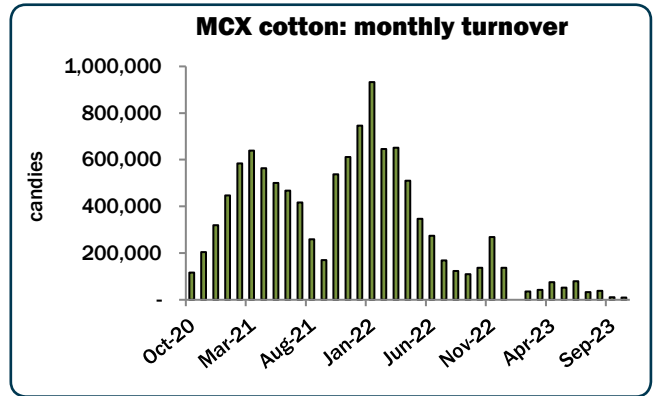


### Local prices

Asking prices for Shankar-6 have ended the period unchanged, despite some daily fluctuations. On November 1, supplies were offered at an average of ₹57,150 per candy (approximately 87.55 US cents per lb). Punjab J-34 was

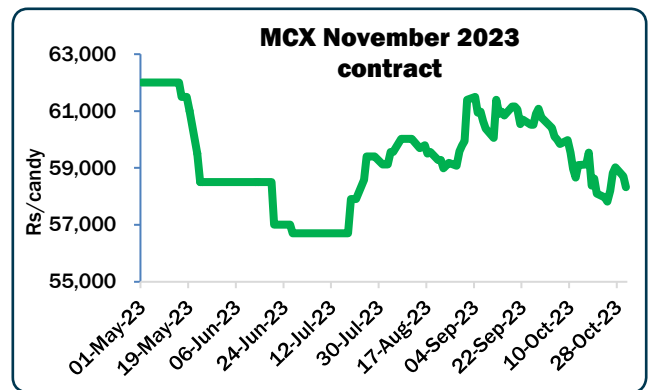


slightly easy at around ₹5,675 per maund (82.85 cents per lb). Some MSP buying was noted last week in the Northern Zone and Madhya Pradesh, while CCI procurement stations are also being prepared in Telangana and Karnataka. However, S-6 lint prices are now estimated to have risen again to a level equivalent to about three percent above the Minimum Support Price.



### MCX

Turnover on the MCX cotton futures platform during October amounted to just 205 lots (9,840 candies of 355.58 kilos) in total. The value of the November con-



tract declined, ending the month with a loss of 2,460 per candy. In the past week, however, the lead delivery has registered an overall gain for the first time in six weeks.

MCX cotton futures						
	Closing price on Oct 25	Closing price on Nov 1	Price changes on period	OI at close on Nov 1	OI changes on period	Volume Oct 26- Nov 1
	Rupees per candy			Lots of 48 candies		
30-Nov-23	58,200	58,340	140	109	-1	51
31-Jan-24	59,500	58,920	-580	10	2	6
				<b>119</b>	<b>1</b>	<b>57</b>





# PAKISTAN

## Crop update

Dry conditions have prevailed across much of the cotton growing belt during the reporting period. Daytime high temperatures continue to be recorded up to the low 30s Celsius, while nighttime readings have declined further.

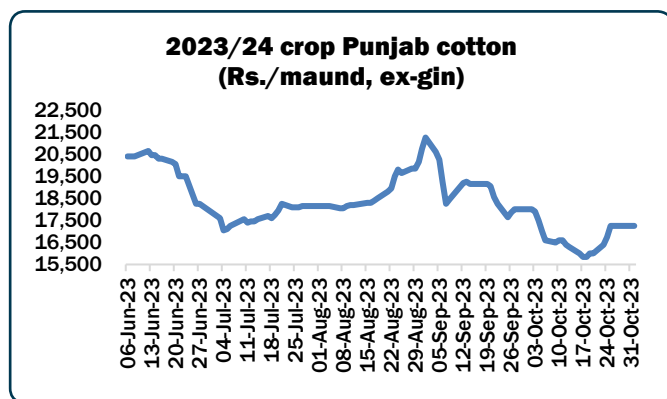
Harvesting is nearing completion in many parts of Punjab and upper Sindh, aided by the favourable weather. Growers will begin planting the winter wheat crop in the next few weeks. Most private cotton production forecasts have been maintained at around 8.0/8.5 million local-sized bales.

Arrivals of seed cotton have been steadily declining but are nonetheless still reaching market yards in moderate volume. Further quantities are expected to be delivered from growers' holdings over the next few weeks. The quality of a large proportion of recent deliveries has remained poor or average, and ginners have thus been willing to meet higher prices for scarce better grades. Recent business for seed cotton has been reported at around Rs. 6,500/8,800 per 40 kilos, depending on quality.

## Local market

Domestic lint prices have remained largely unchanged for around a week now. Fluctuations in ICE futures have had little effect, and the market has predominantly been shaped by local supply and demand dynamics, as has been the case throughout much of the current season. Given that many mills are now covered for a few months, business activity is slow despite a cost-based preference for local supplies. Spinners have also been cautious in their buying approach in view of pressure on yarn prices.

On November 1, asking prices for Punjab lint were quoted at around Rs. 16,500/18,000 per maund (average 74.25 cents per lb), ex gin, while those for Sindh supplies were placed at Rs. 15,000/16,500 per maund (67.75 cents per lb).



## Import demand

The recent modest improvement in import buying interest from local textile mills has persisted over the last few days. As New York futures have moved lower, some mills have sought to cover small volumes, mainly of machine-picked cotton. However, as the rupee has weakened slightly, spinners are wary of the impact on import costs. Meanwhile, large outstanding contracts remain a further impediment to new import business.

Nonetheless, sales of Brazilian SLM have continued to be reported at 650/700 'on' December 2023, while demand remains in evidence for US recaps. Afghan new crop cotton has also found buyers at around 74.00/75.00 cents per lb, on delivered mill terms.

## Yarn and textiles

Activity in the domestic yarn and textiles market has remained slow over the past week. Spinners have reported no improvement in local yarn demand and offtake from weavers and knitters has remained flat. Downstream manufacturers and exporters have maintained low price ideas and have strongly resisted paying above that range. However, the recent stability of the rupee has provided a level of confidence for textile exporters to cover yarn.

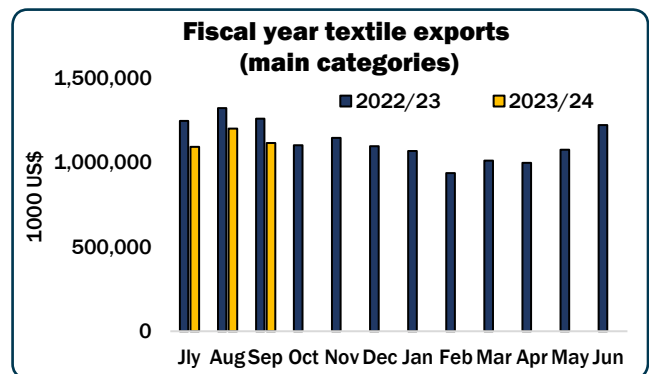
Meanwhile, export yarn demand has remained subdued recently, including from the key Chinese market, as price ideas are difficult to reconcile.

Asking prices for 20/21s carded yarn are unchanged at around US\$460/490 per 400-lb bale, FOB, while those for 30/32s carded yarn are steady at US\$530/560 per bale.

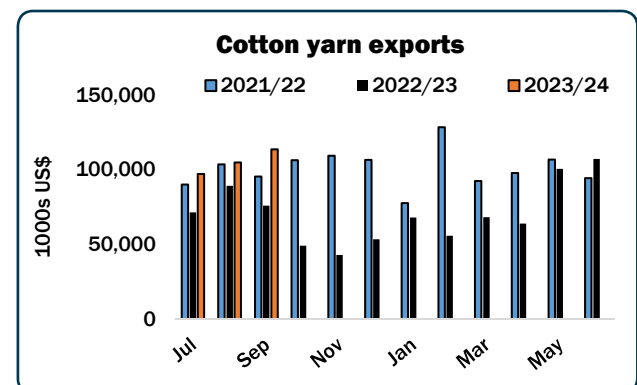
Polyester staple fibre prices have been maintained at Rs. 350/352 per kilo.

## September textile exports

Exports of the five main categories of textiles and apparel generated US\$1.1 billion in September, down by seven percent from the previous month and by 11 percent from the corresponding figure a year earlier.



Three categories saw month-on-month declines, namely knitwear (minus 14 percent), ready-made garments (-12 percent) and bedwear (-8), while fabric and cotton yarn increased by nine and eight percent, respectively. Meanwhile, yearly losses (between 10 and 21 percent) were recorded across the categories, again with the exception of cotton yarn which improved by almost 50 percent from September 2022.



## BANGLADESH

### Political and labour unrest

Market sentiment has this week been affected by political unrest, as demonstrations have taken place in the run-up to the elections, likely to take place in about two months' time.

Garment workers have also taken to the streets to block roads over several days in support of their demand for higher wages. Inflation (running at over nine percent for most of this year) has eroded living standards. It is reported that some prominent US clothing brands have made representations to the government, advocating an increase in the minimum wage for readymade garment (RMG) workers.

### Yarn market

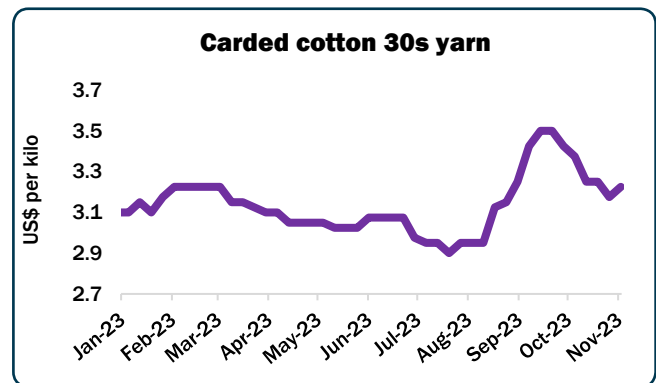
Cotton yarn values are marginally firmer this week. The standard carded 30s counts are quoted in a range of US\$3.20/3.25 per kilo, still well below the levels achieved by spinners during September.

Unsold yarn stocks are mounting once again, as spinners are struggling to reconcile their price ideas with those of the downstream industry. Cash flow is also a problem. According to local press reports, the Bangladesh Textile Mills Association has written to the Bangladesh Bank and the Federation of Bangladesh Chambers of Commerce and Industry to complain that garment exporters owe more than US\$376 million to its spinner members.

### Demand for raw cotton cautious

In the circumstances, mill buyers continue to approach raw cotton business with caution. Small lots of Indian new crop (both conventional and organic) have been placed with spinners requiring supplies promptly. Merchants with African Franc Zone lots available 'afloat' have also been able to arrange business, assisted by the decline of futures over recent days.

Customary buyers of machine-picked cotton have been actively testing prices for Brazilian: SM 1-5/32 has been booked at a price equivalent to around 1,050 cent points 'on' March, CFR, for shipment December. Spanish SM 1-5/32" (29 gpt) has been booked 'afloat' at 1,400 'on' December futures.



## EGYPT

### Seed cotton auctions abandoned

The seed cotton auctions that took place on October 29 and 31 were cancelled when farmers, unhappy at the prices on offer, removed their stocks from sale. The prices provisionally agreed, though very strong at an equivalent for lint of 295 cents per lb, were not as high as at the first auction of the season, when Giza 94 supplies achieved the level of 350 cents per lb.

### Export registrations

According to *Alcotexa*, 573 tonnes (all of 2022/23 Giza 94) were registered for export in the week to October 28, bringing the total so far to 7,916 tonnes, eight percent behind last season. The average price

Egyptian export data (tonnes)				
2023/24 season				
(as at October 28 2023)				
	New registrations	Total registered	Shipped	% shipped
India	225	5,507	2,738	50%
Pakistan	300	1,938	783	40%
Egypt Free Zone	-	130	-	0%
China	-	115	115	100%
Bangladesh	-	50	-	0%
Turkey	48	73	25	34%
Others	-	103	-	0%
<b>Total</b>	<b>573</b>	<b>7,916</b>	<b>3,661</b>	<b>46%</b>



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**Mr. Mohamed Elsayed Darwish**

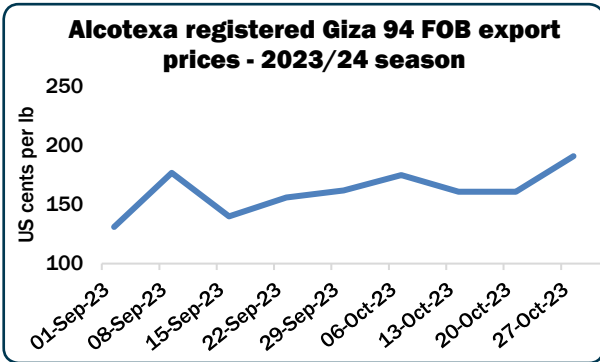
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was 191 cents per lb. Forty-six percent of contracts have been shipped so far.

Exports of 2023/24-crop cotton are now suspended until November 27, while *Alcotexa* considers how to administer the 40,000-tonne export cap and distribute permits among the various trading organisations. However, the embargo does not apply to cotton already ginned and contracted for prompt shipment. Exports of 2022/23 crop may continue without restriction.

### Classing

Data released by Catgo reveal that by October 26, the amount of seed cotton classed had reached 192,380 kantars (30,300 tonnes), less than half of the quantity recorded by the same date in 2022. Commercial varieties make up over three quarters of the volume, with the remainder intended for fundamental seed production.

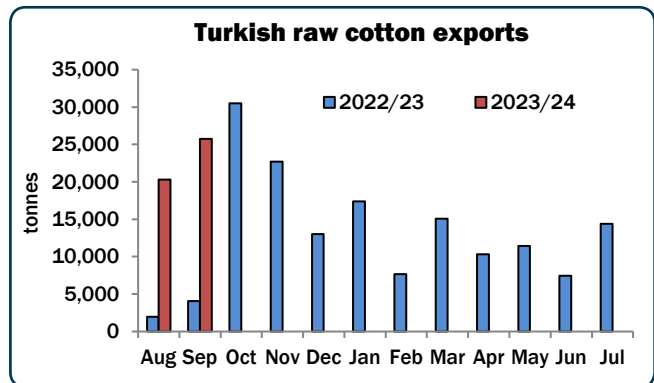
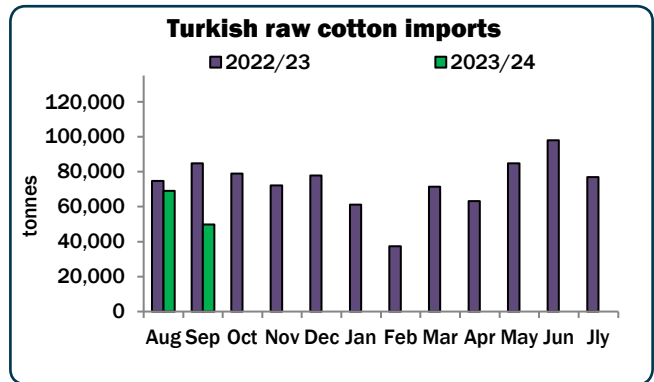
## TURKEY

### Imports and exports in September

Raw cotton imports in September slumped to 49,802 tonnes, the lowest monthly total recorded since February. The largest supplier last month was the United States, with 27,744 tonnes, followed by Brazil (13,278), Australia (4,451) and Greece (1,093).

Exports in the same month totalled 25,739 tonnes, the largest amount since October 2022.

	2021/22	2022/23	2023/24
<b>August/September</b>			
US	72,781	83,542	73,252
Brazil	16,546	9,624	26,048
Australia	18,737	29,408	6,641
CIS	19,371	6,997	3,361
Mexico	9,193	8,336	2,593
Greece	11,796	1,318	1,593
Sudan	0	4,889	1,545
W.Africa	18,350	12,243	1,396
Argentina	500	2,000	951
Mersin F.Z.	-	-	531
Syria	292	851	428
Israel	159	92	114
Egypt	0	53	87
India	27	-	-
Other	4,301	1	239
<b>Total</b>	<b>172,053</b>	<b>159,355</b>	<b>118,777</b>



## VIETNAM

Mills generally are not keen to add to their inventories, but delayed shipments from Brazil have prompted some to turn to ex-warehouse supplies to cover their nearby requirements. Brazilian, Australian and Franc Zone styles have been mentioned in that regard. Confirmed import purchases in the past week have included Brazilian (2022 crop BCI, Middling 36 and 37, ex-port Kelang) for November shipment at around 90.00/92.50 US cents per lb, and



Zimbabwe 2023 crop (SM 1-1/8"), for shipment during the first half of November, at 92.50 cents per lb.

Some spinners have continued to report a tentative improvement in the outlook for the yarn market. Enquiries from garment manufacturers have increased, and most mills are now at least breaking even. However, yarn prices have remained stagnant

and spinners are mindful that sales to downstream entities remain modest.



## FAR EASTERN MARKETS

### Mill demand slow

In **Indonesia**, a weak rupiah has continued to hinder the conclusion of import business and spinners have again complained of very weak demand in the cotton yarn market. Raw cotton purchases have therefore been minimal.

Raw cotton imports in August amounted to 42,940 tonnes, higher than the 35,802 recorded in the previous month but only slightly below the volume imported in the corresponding period last year. The main suppliers were Australia (19,984 tonnes, or 47 percent), followed by the United States with 12,411 tonnes (29 percent) and Brazil with 8,238 (19).

### Indonesia: raw cotton imports

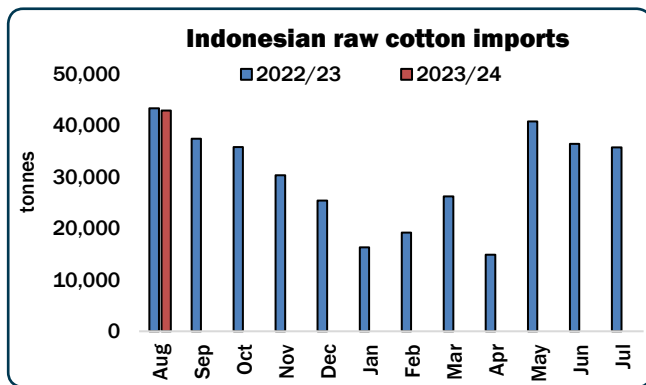
	August - in tonnes		
	2021/22	2022/23	2023/24
Australia	13,099	18,726	19,984
United States	13,120	14,996	12,411
Brazil	9,410	2,936	8,238
Mexico	-	262	868
Greece	700	1,144	814
India	6,179	760	319
Uganda	-	-	107
Togo	347	-	93
Bangladesh	42	42	84
Turkey	329	153	21
Argentina	1,253	820	-
Others	4,494	3,580	-
<b>World</b>	<b>48,973</b>	<b>43,419</b>	<b>42,940</b>

Source: Statistics Indonesia

Brazilian Middling 1-1/8" for November shipment, and a smaller quantity of organic Turkish cotton (Middling 1-1/8"), also for November shipment.

Buyers in **Japan** are reported to have covered their nearby requirements in recent weeks, and hence most have retreated to the sidelines. Fewer than 1,000 bales are thought to have changed hands in the week ended October 27, primarily for December or January shipment.

According to the latest data from the Japan Cotton Traders' Association, raw cotton imports in September totalled 2,524 tonnes, up from 2,349 in the previous month. The figure included 1,155 tonnes from the United States, 524 from Greece and 496 from Australia. Arrivals since August amounted to 4,873 tonnes, almost



Raw cotton purchases in **Taiwan** during the past week have included several hundred tonnes of lower grade US Eastern/MOT for November/December shipment at around 'even' December futures, 500 tonnes of

	Raw cotton imports (tonnes)		
	2021/22	2022/23	2023/24
<b>August/September</b>	<b>2,793</b>	<b>5,254</b>	<b>2,111</b>
U.S.	1,026	1,221	1,319
Australia	653	1,053	524
Greece	494	123	477
Turkey	87	193	197
India	90	19	155
Mexico	0	0	90
Argentina	51	50	0
Peru	41	0	0
Kyrgyz	22	65	0
Senegal	24	24	0
<b>Total</b>	<b>5,281</b>	<b>8,002</b>	<b>4,873</b>

40 percent below the same period a year earlier, and less than in 2021/22.

## UNITED STATES

An increasingly bearish tone was apparent for ICE cotton futures this week as nearby months fell below recent support levels.

The US Federal Reserve held two days of meetings ending on November 1. Interest rates were maintained at their highest level in 23 years.

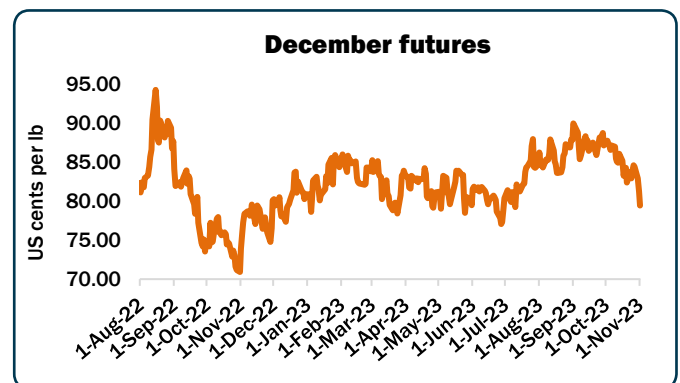
Both the House and Senate have resumed funding talks in hopes of negotiating a spending bill package before the current extension expires on November 17, in order to avert a government shutdown.

Farm Bill talks continue: Senate and House Agriculture Committees are preparing their respective proposals. No decision has yet been made about whether there will be a one-year extension to the current legislation.

USDA's latest crop progress report showed 93 percent of bolls open and 49 percent of the crop harvested as of October 29. Crop condition numbers for the week were virtually unchanged.

### December '23 cotton sharply lower

ICE December futures traded higher at the start of the reporting period, gaining 78 points on October 26.

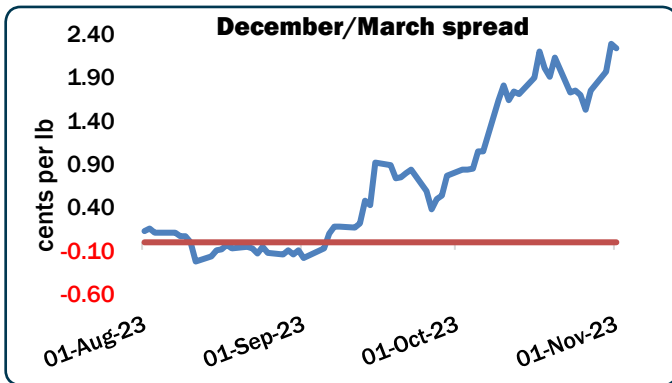


However, sellers then became active during the next four sessions with the lead month coming under strong pressure. As the downward trend continued, the spot month settled below 80.00 cents/lb on November 1 for the first time since July 10, ending the reporting period at 79.44 cents/lb. During the five days under review, December traded between 79.30 and 85.44 cents/lb and incurred an impressive net loss of 437 points. For the month of October, December cotton lost a total of 593 points.

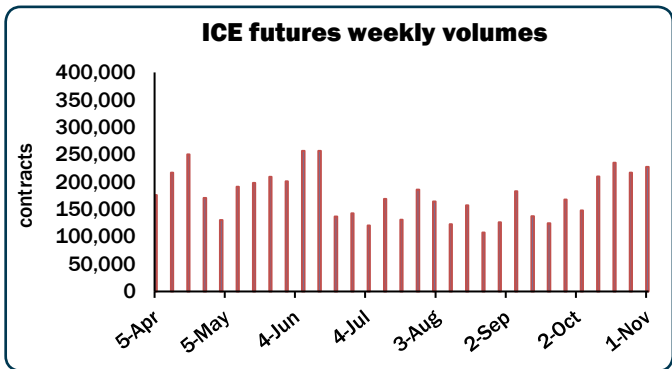




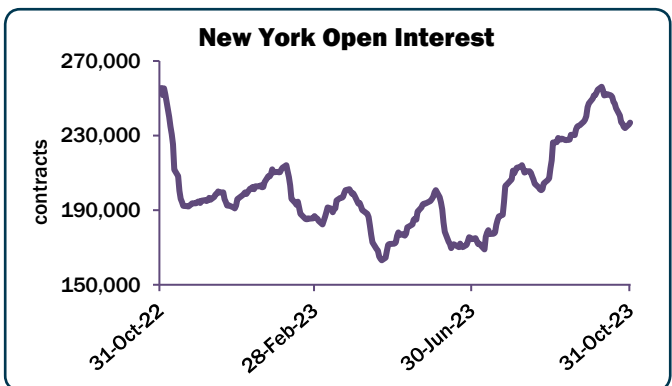
The December/March spread widened, settling at 224 points on November 1, versus a 170-point premium for March a week earlier.



Trading volumes were steady during the reporting period with 230,259 contracts changing hands during the week. For the month of October, the daily average turnover was 41,137 contracts, higher than the 35,391 recorded for October 2022.



Total open interest was reported at 236,950 contracts on October 31, a modest decline of 246 from a week earlier. Funds this week began to roll positions from December to March, a process that will continue next week as the largest long-only funds shift positions ahead of December's First Notice Day on November 24.



Speculators decreased their net long margin for a third consecutive week to 9.6 percent of the total open interest (237,196 on October 24), down from 13.3 percent in the previous week. Specs decreased longs by 7,195 and added 3,362 short positions. Commercial traders' net short margin was last reported at 11 percent, versus 15.2 the previous week, after decreasing both longs and shorts by 2,463 and 14,257 positions, respectively.

### ICE No. 2 Cotton Futures

(in cents per lb)

No. 2:

	1-Nov	25-Oct	Change
Dec-23	79.44	83.81	-4.37
Mar-24	81.68	85.51	-3.83
May-24	82.87	86.44	-3.57
Jly-24	83.38	86.64	-3.26
Oct-24	79.69	82.47	-2.78
Dec-24	78.89	81.09	-2.20
Mar-25	79.34	81.40	-2.06
May-25	79.69	81.75	-2.06
Jly-25	79.99	81.85	-1.86
Oct-25	79.19	80.85	-1.66

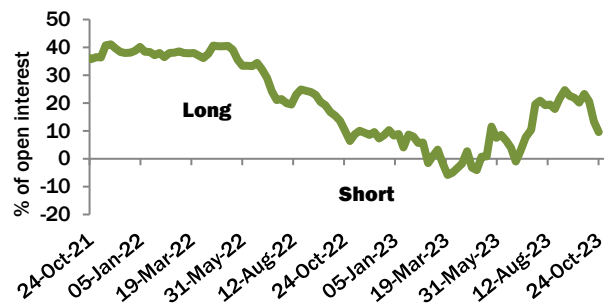
Certificated stock as of October 31 totaled 76,780 bales.

### Chicago Futures

(in cents per bushel)

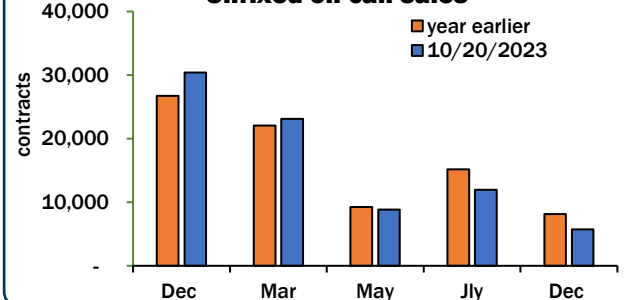
	1-Nov	25-Oct	Change
<b>Soybeans</b>			
Nov-23	1291.25	1288.25	3.00
Jan-24	1315.00	1308.50	6.50
Mar-24	1328.75	1321.75	7.00
<b>Wheat</b>			
Dec-23	561.75	568.50	-6.75
Mar-24	589.50	596.25	-6.75
May-24	607.75	613.50	-5.75
<b>Corn</b>			
Dec-23	475.00	480.00	-5.00
Mar-24	489.75	494.50	-4.75
May-24	498.50	503.00	-4.50

### New York spec net margin



For the week ended October 20, the CFTC reported total on-call sales at 80,994 contracts, down 4,179 from the previous week. December '23 unfixed on-call sales decreased by 6,341 to 30,384 while those for March, May, July and December '24 increased to 23,129, 8,851, 11,963 and 5,721, respectively.

### Unfixed on-call sales





# US UPLAND AND PIMA STATISTICS

## LOAN STATISTICS

CCC Data as of October 30, 2023 (running bales):

Crop	Total Entries	Repossessions	Forfeitures	Outstanding Stock
23/24	825,462	155,454	0	670,008
22/23	6,527,467	6,518,622	162	8,683
Totals	7,352,929	6,674,076	162	678,691
Last period's total (Oct. 23)				453,263

\*Including 77,946 bales held by individuals and 600,745 by cooperatives and loan servicing agents

Details by state for 2022/23 crop and 2023/24 upland cotton remaining under loan are as follows (the figures include cotton from both individual growers and the cooperatives):

	- OUTSTANDING -	
	2023/24	2022/23
N. Carolina	2,791	116
S. Carolina	9,478	46
Georgia	979	-
Alabama	3,201	3
Florida	-	-
Virginia	-	1,272
Southeast	16,449	1,437
Tennessee	58,156	1
Illinois	627	-
Missouri	109,255	123
Mississippi	99,312	13
Arkansas	183,569	69
Louisiana	43,605	-
Memphis Ter	494,524	206
Texas	146,397	774
Oklahoma	1,914	-
Kansas	1,424	-
South West	149,735	774
New Mexico	-	2,151
Arizona	8,882	3,281
California	418	834
Far West	9,300	6,266
Upland Total	670,008	8,683

### Pima CCC Loan Activity

\*running bales to October 30, 2023\*

	Total Entries	Repayments	Forfeitures	Outstanding Stock
2023/24	437	0	-	437
2022/23	288,175	279,600	-	8,575
	288,612	279,600	0	9,012
Previous Total Outstanding (Oct. 23)				15,801
			2023/24	2022/23
		Arizona	-	2,669
		California	437	1,595
		New Mexico	-	1,620
		Texas	-	2,691
		Pima Total	437	8,575

## SPOT MARKETS

OFFICIAL QUOTATIONS FOR SLM 1-1/16" (41/4/34):

	Prices (cents per lb)		Turnover
	01-Nov	25-Oct	
Southeast	77.44	(81.31)	686
N. Delta	76.44	(80.06)	6,077
S. Delta	76.44	(80.06)	1,109
E. Tx/Okla	74.19	(78.31)	1,464
West Texas	73.19	(77.06)	2,413
Desert Southwest	72.19	(76.56)	0
San Joaquin Valley	72.44	(76.81)	0
7 MARKET AVERAGE	74.62	(78.60)	

Turnover for the period ending November 1  
Total turnover for season to November 1 11,749  
Selected markets to November 1 (October 25 in parenthesis) 123,379

### NORTH DELTA

	Middling (31)	SLM (41)	
1-1/16" (34)	77.69 (81.31)	76.44	(80.06)
1-3/32" (35)	78.69 (82.31)	76.44	(80.06)

Basis for SLM 1-1/16" (41/34):

NY No.2 Dec '23 -300

### SAN JOAQUIN VALLEY

1-3/32" (35)	81.34 (85.71)	74.44	(78.81)
1-1/8" (36)	84.84 (89.21)	75.24	(79.61)

Basis for Midd.1-3/32" (31/35):

NY No.2 Dec '23 +190

### WEST TEXAS

15/16" (32)	68.94 (72.81)	68.19	(72.06)
1" (33)	70.94 (74.81)	68.94	(72.81)
1-1/32" (34)	73.44 (77.31)	73.19	(77.06)

W. Texas Micronaire (cent points per lb):

	01-Nov	25-Oct
24 & Below	-2000	-2000
25-26	-1975	-1975
27-29	-1450	-1450
30-32	-1050	-1050
33-34	-800	-800
35-36	0	0
37-42	0	0
43-49	0	0
50-52	-475	-475
53 & Above	-550	-550

Strength grams/tex (cent points per lb):

	Mfs Terr	W Texas	SJV
	*	-400	*
20.0-20.9	*	-400	*
21.0-21.9	-850	-375	*
22.0-22.9	-800	-375	*
23.0-23.9	-750	-350	*
24.0-24.9	-700	-350	-500
2.50-25.9	-650	-275	-400
26.0-26.9	-300	-250	-300
27.0-28.9	0	0	0
29.0-29.9	0	0	0
30.0-30.9	25	5	75
31.0-32.9	50	15	125
33.0 & Above	50	25	250

\* Strengths have no history of being produced.

Note: Official quotations for cotton of 3.5-3.6 & 4.3-4.9

Micronaire, strengths 23.5-25.4 g/tex, compressed in

Mixed lots, FOB car/truck.

### PIMA SPOT QUOTATIONS

Selected markets to November 1, with October 25 in parenthesis, were as

#### AMERICAN PIMA

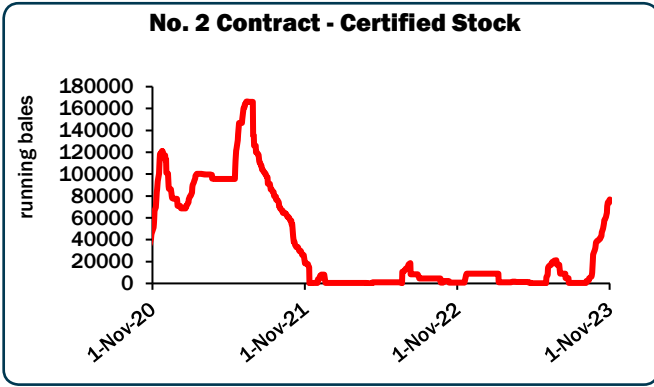
GRADE	1-3/8" (44)	1-7/16" (46)
2	178.25 (178.25)	184.00 (184.00)
3	165.50 (165.50)	173.25 (173.25)
4	145.00 (145.00)	152.75 (152.75)

MICRONAIRE DISCOUNTS (cent points per lb):

2.6 and below	-2000
2.7 to 2.9	-1500
3.0 to 3.2	-1000
3.3 to 3.4	-500
3.5 and above	Base

Note: Official quotations reflect cotton equal to the Official Standards, net weight, in mixed lots, uncompressed, FOB Warehouse.





Certificated stocks have continued to increase and were last recorded at 76,780 bales (+12,204). There were 14,504 bales reported in both the CCC loan and cert stock with 1,198 bales awaiting review.

During the week ended October 30, current crop entries into the Commodity Credit Corporation's loan program increased by 261,211 bales, and 27,402 bales were redeemed. Repayments from the 2022/23 season rose by 8,381 bales to 6,518,622, while forfeitures remained unchanged at 162. The unpaid balance for both crop years, therefore, increased to 678,691 bales, of which cooperatives and loan servicing agents accounted for the majority with 600,745 and independent growers held 77,946 bales.

Basis Levels 2023/24 cents per lb		
Southeast	SLM 1- 3/32"	50 to 200 "off"
Memphis Territory	SLM 1-3/32"	150 to 300 "off"
Texas/Oklahoma	SLM 1-3/32"	500 to 650 "off"
Far West - SJV	Midd 1-3/32"	125 to 225 "on"
DSW - Arizona	Midd 1-3/32"	325 to 475 "off"
Dec '23 New York Futures FOB railcar/truck - Southeast and Memphis Territory. FOB whse - Arizona uncompressed, California compressed.		
** Premium required by growers to enter commitment to sell cotton held in the CCC Loan		

Sales on the spot market totaled 11,749 bales for the week ended November 1, raising the season tally to 123,379. Basis levels strengthened.

*The Seam's* grower sales increased by 2,399 bales with an average price of 76.10 cents per pound. Business sales amounted to 1,414 bales this week and had an average price of 74.35 cents.

Grower To Business				
Region	Avg Price	Staple		Total
		34 or Less	35 or More	
Mfs Terr	85.13	0	320	320
Southwest	74.71	969	1,110	2,079
<b>Total</b>	<b>76.10</b>	<b>969</b>	<b>1,430</b>	<b>2,399</b>
Business To Business				
Region	Avg Price	Staple		Total
		34 or Less	35 or More	
Southeast	73.00	36	405	441
Southwest	74.96	305	668	973
<b>Total</b>	<b>74.35</b>	<b>341</b>	<b>1,073</b>	<b>1,414</b>

### Growing season drawing to a close

The National Agricultural Statistics Service's latest crop progress report showed 93 percent of bolls open beltwide as of October 29, compared with the 95-percent five-year average. The growing season has virtually drawn to a close and harvesting was ahead of the normal pace at 49 percent, two percentage points better than the average.

Producers in the Delta made the greatest strides in getting the crop off the stalk during the week, followed by growers in the Southeast. Meanwhile, work continues to lag behind the normal pace in the Far West. Sunny, warm weather would be welcomed in the upcoming weeks to allow harvest activities to advance with little interruption.

Clear, warmer, windy weather returned to **West Texas** of late, following a strong cold front earlier in the period. A



wintery mix of sleet, freezing rain and snow was reported in parts of the Panhandle, but no measurable snow accumulation was recorded. However, precipitation between 0.01" and 1.93" was recorded across the High and Rolling Plains, and although the rain helped improve soil moisture levels in some locales, the conditions probably affected the quality of lint in remaining open bolls and may also have cut output.

For several nights, a hard freeze occurred across the region, halting final boll maturation and spurring desiccation. A vast majority of fields in the Panhandle have been harvested, while work has just begun on the southern Rolling Plains. Seed cotton supplies are increasing, and gins are working through modules and round bales on their yards. Mostly sunny skies and unusually warm temperatures are in the 10-day forecast, which will help bleach







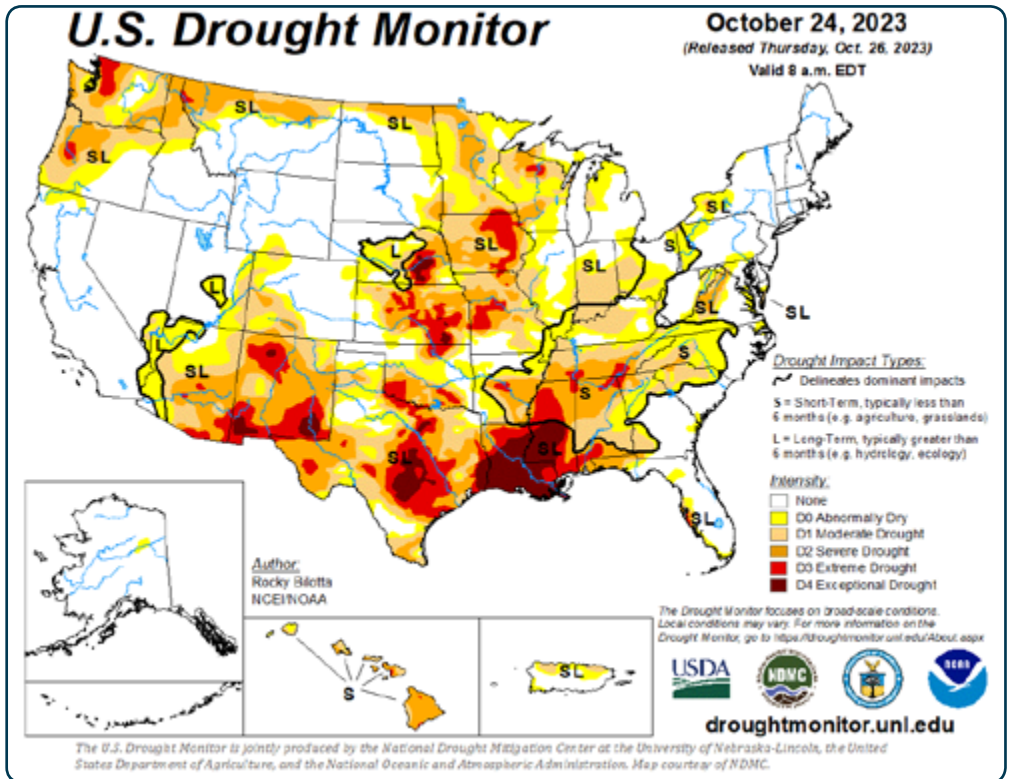
any discolored lint in open bolls and allow harvest activities to quickly gain momentum.

As shown in the latest US Drought Monitor map for the week ended October 24, an improvement in soil moisture levels was reported in parts of West Texas, but 'abnormally dry' to 'moderate drought' persists in many cotton-growing areas. Thus, several rounds of slow-soaking rains will be needed during the winter to restore groundwater tables.

Harvesting has virtually drawn to a close in northern and central parts of the state, and many stalks have been cut and shredded. Statewide, 89 percent of bolls were open as of October 29, compared with the 92-percent five-year average. Forty-three percent of the intended acreage was harvested, which was just one percentage point below the average. Scattered thunderstorms ushered the cold front across the state, producing much-needed rain and hail in some of the stronger storms.

Parts of **South Texas** received light to moderate precipitation, with heavier amounts recorded in a few locales. Since most fields have been prepared for winter, the moisture was welcomed. Ginning is winding down across the region, with most processing plants in the Rio Grande Valley already closed for the season.

As the cold front marched eastward, clouds increased across the **Memphis Territory**, and



many areas received light to moderate rain, with between 2.00" and 3.00" of precipitation recorded in parts of the North Delta. Hence, fields were saturated, halting harvest activities. Daytime highs struggled to reach the 40's and 50's (F), and as nighttime readings dropped into the 20's and low 30's, a hard freeze occurred on a couple of evenings, slowing the drying process. Clear skies and warmer temperatures, though, are in the near-term forecast, which will help soft soils firm and bleach any discolored lint in remaining open bolls.

Producers had rushed to get as much of the cotton off the stalk as possible ahead of the cold front, and consequently, picking was ahead of the normal pace as of October 29, ranging from 62 percent in Tennessee to 98 percent in Louisiana. If open, warm weather prevails, harvesting is likely to be completed in many South Delta fields in the next week to 10 days. Ginning, though, will continue at full capacity as processing plants work through seed cotton supplies on their yards.

Soil sampling is advancing in fields that have firmed, and as the harvest season winds down, growers are focusing on next year. Costs of inputs and competing commodity prices will greatly influence what they choose to sow.

Good weather ruled across the **Southeast** for most of the period under review, pushing final boll development and allowing picking to advance. Many fields have been defoliated, and producers worked long hours trying to get as much cotton harvested before the cold front arrived. Hence, as of October 29, the percentage gathered ranged from 24

	Crop Condition				
	VP	P	F	G	EX
<b>29/10/2023</b>					
<b>-percentages-</b>					
<b>Southeast</b>					
North Carolina	1	10	37	50	2
South Carolina	0	4	42	52	2
Georgia	1	6	32	50	11
Alabama	6	16	31	40	7
Virginia	0	0	12	86	2
<b>Memphis Terr.</b>					
Tennessee	1	2	14	59	24
Missouri	0	2	41	55	2
Mississippi	3	10	42	38	7
Arkansas	0	3	23	44	30
Louisiana	4	22	26	46	2
<b>Southwest</b>					
Texas	38	27	25	9	1
Oklahoma	28	17	52	2	1
Kansas	6	18	39	34	3
<b>Far West</b>					
Arizona	0	0	13	25	62
California	0	0	5	95	0
<b>Summary</b>	23	19	29	24	5

	Boll openings		
	Oct. 29	Previous Year	5-Year Average
<b>29/10/2023</b>			
<b>-percentages-</b>			
<b>Southeast</b>			
North Carolina	99	99	98
South Carolina	96	99	97
Georgia	95	96	95
Alabama	97	99	96
Virginia	99	99	99
<b>Memphis Territory</b>			
Tennessee	98	99	98
Missouri	99	100	99
Mississippi	100	99	99
Arkansas	100	100	100
Louisiana	100	100	100
<b>Southwest</b>			
Texas	89	94	92
Oklahoma	97	98	97
Kansas	100	95	94
<b>Far West</b>			
Arizona	100	100	100
California	90	93	94
<b>Summary</b>	93	95	95
*These 15 states planted 99 percent of last year's cotton			





percent in South Carolina to 53 percent in Alabama. Scattered showers, though, fell as the cold airmass encountered the abnormally warm weather, briefly hindering outside work. Near to below-freezing nighttime temperatures followed, and a heavy frost occurred in some fields, which shortened available hours for harvest. Mostly sunny skies and more seasonable readings are in the near-term forecast, which will allow picking to quickly gain momentum.

Elsewhere in the cotton belt, the harvest is advancing at a steady pace in the **Far West** under sunny, warm weather. A vast majority of the crop has opened, and the abnormally warm conditions forecast this week will push final boll development. Defoliants have been sprayed on many fields. As of October 29, one fourth of the state's crop was harvested, compared with the 46-percent average.

A cold front entered northern parts of California earlier in the period, and light wintry precipitation was reported in higher elevations of the Sierra Nevada Mountains. Although drought-free conditions prevail across the region, a wet, snowy winter would be welcomed to further enhance the snowpack. Work is expanding in central and eastern Arizona fields amid favourable conditions, and seed cotton supplies are accumulating at area gins. Thirty-six percent of the state's cotton was off the stalk as of October 29, which was just three points less than the average, and processing activities are increasing.

<b>Harvested</b>			
<b>29/10/2023</b>			
<b>-percentages-</b>			
	<b>Oct. 29</b>	<b>Previous Year</b>	<b>5-Year Avg.</b>
<b>Southeast</b>			
North Carolina	36	58	45
South Carolina	24	48	37
Georgia	32	46	42
Alabama	53	57	48
Virginia	44	66	46
<b>Memphis Terr.</b>			
Tennessee	62	63	56
Missouri	79	66	59
Mississippi	84	83	72
Arkansas	88	85	79
Louisiana	98	95	88
<b>Southwest</b>			
Texas	43	47	44
Oklahoma	33	28	27
Kansas	35	49	18
<b>Far West</b>			
Arizona	36	42	39
California	25	59	46
<b>Summary</b>	<b>49</b>	<b>54</b>	<b>47</b>

\*These 15 states planted 99 percent of last year's cotton

### Classing

A total of 2,582,988 bales of upland were inspected beltwide as of October 26, according to the USDA. Classings were reported from 13 of the 17 producing states, and the proportion of cotton tenderable against ICE futures amounted to 80.1 percent for the season.

Color grades from the Southeast and Memphis Territory were predominantly Strict Low Middling White/leaf 4 and better. Of the 312,036 bales inspected from the former and 1,180,232 from the latter, 75 percent and 79 percent, respectively, were graded as such, with around 61 percent of Southeastern samples and 63 percent of inspections from the Delta graded Middling White/leaf 3 and better. Meanwhile, a higher leaf content has been reported from the Southwest and Far West, where just 40 percent of the 1,061,432 bales classed to October 26 were graded SLM White/leaf 4 and better, against 59 percent from the 2022/23 crop. Early inspections from the Far West amounted to 43 percent SLM White/leaf 4 and better, which was well below the 78 percent recorded last year.

<b>Upland Classings by State</b>			
	26-Oct-23 running bales		
	<b>2023 YTD</b>	<b>2023 Prev. Wk</b>	<b>2022 Totals</b>
Alabama	96,184	46,631	785,342
Georgia	131,422	54,701	2,616,333
Nth. Carolina	54,504	11,324	1,030,231
Florida	13,425	7,805	130,020
Virginia	-	-	202,309
Sth. Carolina	16,501	3,308	434,221
<b>Southeast</b>	<b>312,036</b>	<b>123,769</b>	<b>5,198,456</b>
Arkansas	422,935	268,985	1,643,729
Mississippi	314,957	223,858	1,132,798
Missouri	160,095	87,096	760,945
Louisiana	145,037	118,249	355,581
Tennessee	137,208	72,861	693,500
<b>Memphis Terr.</b>	<b>1,180,232</b>	<b>771,049</b>	<b>4,586,553</b>
Texas	1,047,358	957,876	3,191,030
Oklahoma	14,074	*	169,012
Kansas	*	*	119,745
<b>Southwest</b>	<b>1,061,432</b>	<b>957,876</b>	<b>3,479,787</b>
Arizona	*	*	257,371
California	3,407	*	90,067
New Mexico	-	-	27,465
<b>Far West</b>	<b>3,407</b>	<b>0</b>	<b>374,903</b>
<b>Total</b>	<b>2,582,988</b>	<b>1,869,761</b>	<b>13,639,699</b>

\* Not published to avoid disclosure of individual gins.  
\*\* Totals do not add because of information withheld.

The latest classing report shows that average staple length for all states except North Carolina and Texas was 1-1/8 inches and longer. Beltwide, average staple length ranged from 35.68 in the Southwest to 38.49 in the Far West, averaging 36.75 nationwide.

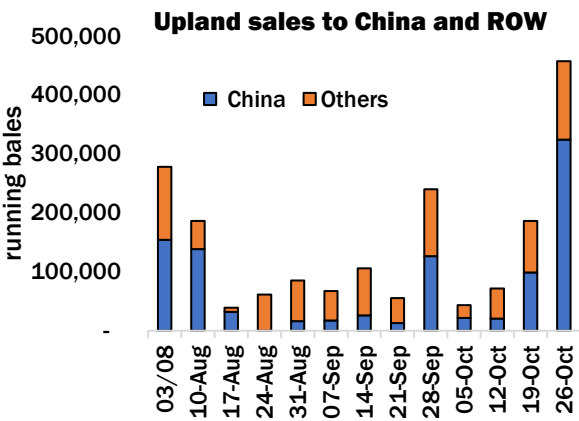
Micronaire readings throughout the cotton belt ranged from 4.31 to 4.82. An average of 4.52 was reported in the Southeast, 4.64 in the Memphis Territory, 4.33 in the Southwest, and 4.36 in the Far West. Compared with last year, fiber strength improved in all regions except the Memphis Territory, for a beltwide average of 31.72 grams/tex.

The accompanying table provides a quality comparison between 2023/24-crop upland classed to October 26, and final 2022/23-crop inspections for the Southeast, Memphis Territory, Southwest, and Far West.

<b>Quality Comparison</b>																
<b>Samples Classed</b>		<b>Average Staple</b>		<b>Micronaire</b>		<b>Fiber Strength</b>		<b>SLM</b>		<b>Light Spotted</b>		<b>Middling &amp; Higher</b>		<b>Tenderable in New York</b>		
		32nds inch				(grams/tex)				SLM & Higher						
<b>2023 Season</b>	<b>2022 Season</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	
<b>Southeast</b>	312,036	5,198,456	36.1	36.9	4.5	4.4	30.8	30.7	14.3	34.8%	2.5%	1.1%	60.9%	35.8%	87.1%	90.8%
<b>Memphis Terr.</b>	1,180,232	4,586,553	36.7	37.5	4.6	4.5	30.6	30.8	16.1	9.0%	2.6%	1.3%	63.0%	72.9%	77.2%	83.1%
<b>Southwest</b>	1,061,432	3,479,787	35.7	36.2	4.3	4.0	31.3	31.0	2.1	9.8%	22.5%	6.5%	37.9%	49.5%	81.3%	64.7%
<b>Far West</b>	3,407	374,903	38.5	37.4	4.4	4.3	34.2	31.8	0.0	11.0%	0.1%	2.6%	43.0%	66.7%	97.7%	79.5%

## US EXPORT SALES

During the week ended October 26, net sales registrations of upland cotton for shipment this season were 457,100 running bales, a marketing-year high. The main increases, for China (324,000), Mexico (108,200), Peru (11,200), South Korea (8,400), and Vietnam (7,000), were partially offset by reductions for Pakistan (8,400), Honduras (3,100), and Turkey (400).



Week ended October 26	US export sales in thousand running bales				
	2023/24			2024/25	
	Upland	Pima	All cotton	Upland	Pima
Previous unshipped commitments	4,266.5	56.6	4,323.1	412.6	1.5
New sales	467.9	30.8	498.7	0.0	0.0
Cancellations	10.7	5.0	15.7	0.0	0.0
Net sales	457.2	25.8	483.0	0.0	0.0
New commitments total	4,723.7	82.4	4,806.1	412.6	1.5
Week's shipments	132.2	2.6	134.8	0.0	0.0
Cumulative shipments	1,946.8	49.2	1,996.0	0.0	0.0
Unshipped commitments	4,591.5	79.7	4,671.2	412.6	1.5

Export shipments of 132,200 bales were bound for China (59,900), Pakistan (17,900), Mexico (16,500), Bangladesh (12,100), and Vietnam (5,000).

Net sales of 87,800 running bales were registered for 2024/25, for Mexico (75,200), Pakistan (11,000), and Japan (1,600).

The net increase in Pima export registrations was 25,800 running bales, also a marketing-year high, for China (14,500), India (4,900), Pakistan (3,100), Vietnam (2,700), and Thailand (2,200). A reduction was noted for Mexico (5,000).



## US PRICE MECHANISM

### US PRICE MECHANISM

- 2023/2024 season -

- value if applied today, November 2, 2023 -

Take 5-day average of:-

A) Five Far Eastern Midd.1-3/32" CFRs	92.38
B) Three Far Eastern 'fine count' CFRs	94.57
C) Three Far Eastern 'coarse count' CFRs	92.37
D) Cheapest US Midd. 1-3/32" CFR	93.55

#### ADJUSTED WORLD PRICE CALCULATION

Deduct from A

Average cost to market 21.82

Loan Quality Differential

(at average location) between:

Middling 1-3/32"	54.45	
SLM 1-1/16"	52.00	2.45

E) Total Adjustment Factor	24.27
F) Adjusted World Price (A - E)	68.11
G) Fine Count' Adjustment Factor	must be above zero
2023 Crop (current values 2.45-(B-A))	0.26
H) Coarse Count' Adjustment Factor	must be above zero
(current values A-C-5.60)	-5.59
I) Loan Deficiency Payment, Basic Loan (52.00) - F	-16.11

### AMERICAN PIMA COMPETITIVENESS PAYMENT

#### Basic Loan Trigger

P1) Cheapest competing foreign quote CFR Far East: (week to date average)	190.00
P2) P1 adjusted for quality and transportation (P1+10)(-23.63)	176.37
P3) Basic ELS Loan Rate (95.00) adjusted for quality 2-2-46	95.00
P4) Basic Loan Trigger = 113% of P3. P2 must be lower than P4 for four weeks for payments to be triggered	107.35

*The Basic Loan Trigger criterion must be met for any payment to be calculated*

#### Payment Calculation

P5) Friday/Thursday US Pima CFR Far Eastern Average	235.00
P6) Weekly average cheapest competing foreign quote CFR Far East (adjusted for quality)(P1+10)(-23.23)	200.00
P7) Theoretical value (P5-P6)	N/A
P8) No. of completed wks. P5 must exceed P6 for four consecutive weeks.	0
P9) Official current rate payable through Thursday November 2	N/A

## ARGENTINA

### Timely rainfall

Since the weekend, welcome rainfall has been received in Chaco and other cotton provinces. In Chaco, accumulations ranging from 50 to 150 millimetres have been recorded in various producing areas. The moisture is very timely following a prolonged dry spell and should lend some impetus to planting operations. Given adequate moisture, the expectation is that most farmers will wish to expand the area devoted to cotton this season. As

already indicated, some observers indicate planting intentions of 600,000 hectares or even higher (versus the 500,000 estimated by the Ministry of Agriculture to have been sown to the 2022/23 crop).

Unsettled conditions are forecast for the rest of the week, with the possibility of further showers.

Domestic mill buyers have continued to enquire intermittently for supplies available to meet their needs. Export offers have been under consideration and it seems that some business has been arranged.

## BRAZIL

Local spot prices have lacked any clear direction in recent weeks. Buyers and sellers are perceived to have differing needs and priorities. Many producers are not in a mood to press for new export sales at the present time. A few smaller farmers need to sell, however, but are encountering limited nearby buying interest.

Domestic spinners' operations continue to be constrained by an unhelpful retail environment but some timid signs of improvement have been observed of late. Buying interest is still on the low side, however, and characterised by demanding quality requirements. Turnover has thus been limited.

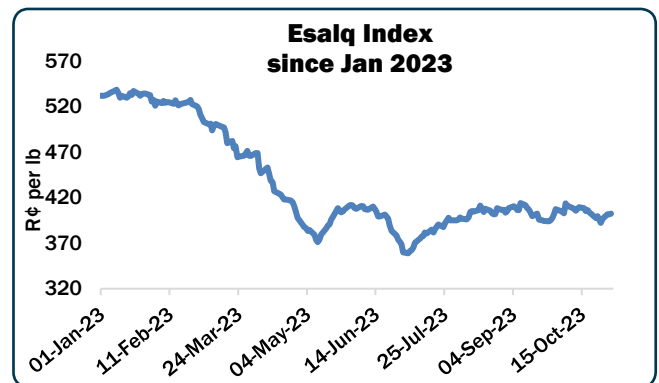
The *Esalq* Index of spot values has moved above the threshold of R¢400 per lb, though without showing any clear direction. The value on November 1 was equivalent to around 81.00 US cents per lb.

Buying interest from traders and mills is more apparent for deferred deliveries from both the 2023 and 2024 crops. The outlook for the next crop continues to be viewed with optimism, amid evidence that various producers intend to expand their cotton area.

As far as the 2023 crop is concerned, ABRAPA indicates that by late October 74 percent had been ginned (68 percent in Mato Grosso, 90 percent in Bahia).

### October exports

Logistical bottlenecks have continued to disrupt shipments to both overseas markets and for local deliveries. Exports for the month of October totalled 225,700 tonnes, up from about 186,500 the month before but below the figure of 260,000 tonnes recorded in October 2022. The



volume shipped during July/October is just over 589,000 tonnes, which represents an increase of nearly 12 percent in relation to the same four months a year earlier.

### Mission to India

The producers' association, ABRAPA, has been participating in a trade mission to India, led by Minister of Agriculture, Carlos Fávaro. With the support of the Brazilian government, ABRAPA is requesting a duty-free raw cotton import quota of 100,000 tonnes. The request was discussed in a meeting with the Secretary General of the Confederation of Indian Textile Industry (with which ABRAPA has had a Memorandum of Understanding since 2021). ABRAPA Vice-President, Celestino Zanella, remarked that, "We understand that this is a sensitive subject but we believe that the importation of a larger volume of our cotton will complement Indian production, especially in a season when Indian production will be reduced by 7 to 10 percent, and [the country] will undoubtedly need to import more, including from Brazil."

