



# Cotton Market Report



Week Ending: **May. 20, 2010**

Market Page 1.

	Thurs. Close	Last Thurs. Close	Weekly Change	Week's High	Week's Low	Life of Contract High	Life of Contract Low
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### NEW YORK COTTON FUTURES (Cents/lb.)

July-10	82.09	80.76	1.33	84.13	80.40	101.72	51.19
October-10	77.85	77.14	0.71	79.15	76.67	101.92	52.69
December-10	76.95	77.74	-0.79	78.24	76.38	101.72	53.51
March-11	78.09	78.91	-0.82	79.28	77.50	103.30	57.57
May-11	78.25	78.83	-0.58	79.39	78.25	96.52	50.02
July-11	78.26	78.93	-0.67	79.45	77.87	94.96	58.57
October-11	76.44	77.64	-1.20	77.73	76.44	81.42	59.70
December-11	75.25	75.93	-0.68	75.95	74.74	81.28	61.07
March-12	75.50	78.91	-3.41	76.30	75.48	102.03	56.32

### CHICAGO CORN FUTURES (Cents/Bu.)

July-10	362.00	373.00	-11.00	368.50	353.75	714.50	337.00
September-10	369.50	379.75	-10.25	374.50	362.50	484.00	346.00
December-10	378.50	389.00	-10.50	384.00	372.50	703.00	346.00
March-11	390.75	401.25	-10.50	398.25	386.50	480.00	370.25
May-11	399.00	409.50	-10.50	404.50	393.25	477.75	376.50

### CHICAGO SOYBEAN FUTURES (Cents/Bu.)

July-10	944.00	964.50	-20.50	960.00	931.00	1570.00	817.50
August-10	935.00	958.50	-23.50	952.50	922.50	1075.00	817.50
September-10	917.00	942.00	-25.00	937.50	903.50	1059.50	817.50
November-10	908.00	935.25	-27.25	928.00	894.00	1332.00	812.00
January-11	917.00	944.25	-27.25	937.00	904.00	1063.00	817.00
March-11	924.75	950.50	-25.75	941.75	922.50	1067.00	822.00
May-11	930.00	953.75	-23.75	945.00	927.75	1021.50	852.00

### ON-CALL COTTON (Thousand Running Bales)

As of May 14, 2010

Contract	As of May 14, 2010		As of May 14, 2010	
	Call Sales	Week's Change	Call Purch.	Week's Change
May '10	0	0	0	0
July '10	21,300	-923	1,444	-1,126
October '10	1,671	-245	41	41
December '10	13,174	100	9,547	892
March '11	9,212	507	342	-227
May '11	5,940	386	119	0
July '11	7,698	714	817	0
October '11	182	0	0	0
December '11	5,791	386	1,584	66
March '12	1,140	13	23	0
May '12	640	0	77	0
July '12	313	0	0	0
December '12	235	0	3,015	0

### CERTIFICATED STOCKS (Running Bales)

As of May 20, 2010

	Stocks	Review
Galveston	106,815	720
Greenville	156,118	-
Houston	4,274	-
Memphis	796,513	20,143
N. Orleans	13	-
<b>TOTAL</b>	<b>1,063,733</b>	<b>20,863</b>

### U.S. WEEKLY PRICES (cents/lb.)

Week ending May 20, 2010

	3135	4134
Spot Market	79.30	75.01
US Mill Del.	NQ	NQ

\* Indicates changes from previous week based on revised data for last week.

SPEC AND HEDGE REPORT (Contracts)

As of May 14, 2010

	Longs	Accounts	%	Shorts	Accounts	%
SPECS	82,752	1,472	46.3%	60,399	809	33.8%
HEDGES	96,035	279	53.7%	118,388	293	66.2%
TOTAL	178,787	1,751	100.0%	178,787	1,102	100.0%

Net Spec Position	12.5%	Spec Share of O.I.	40.0%
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WORLD MARKET (Cents/Lb.)

Effective May 21 - May 27, '10

	Current	Forward
AWP	72.93	NA
5 Lowest Far East Quotes	89.97	84.10
USFE Low Quote	89.55	86.30
USFE-5 Lowest Far East Quotes	-0.42	NA
Fine Count Adj ('09 Crop)	0.00	NA
Fine Count Adj ('10 Crop)	0.00	NA
Coarse Count Adj	0.00	NA
Open Quotas	12	NA
LDP	0.00	NA
ELS Comp Pymnt	0.00	NA

U.S. COTTON EXPORTS (Thou. 480-lb. Bales)

Week ending May 13, 2010

	Week 09/10	Total 09/10	Total 08/09	Week 10/11	Total 10/11
Sales	251.7	11,982.1	13,178.5	186.5	1,179.2
Shipments	286.0	8,731.5	9,815.9	0.0	0.0

TOP 10 CUSTOMERS OF U.S. RAW COTTON (Thou. 480-Lb. Bales)

Country	09/10	09Share	10/11	10Share
CHINA	3,423	29%	23	2%
TURKEY	2,197	18%	84	7%
MEXICO	1,551	13%	299	25%
THAILAND	593	5%	52	4%
INDONESIA	589	5%	62	5%
VIETNAM	524	4%	21	2%
KOREAN REPUBLIC	424	4%	143	12%
TAIWAN	399	3%	7	1%
BANGLADESH	369	3%	40	3%
PERU	305	3%	36	3%
TOTAL	11,982		1,179	

CHINA WEEKLY PRICES (cents/lb.)

Week ending May 20, 2010

	This Week	Year Ago	% Change
A (Far East)	90.16	61.81	46%
CnCotton A	114.28	87.38	31%
Polyester	66.94	57.60	16%

Source: A (FE) - Cotton Outlook; Other - China Cotton Website

Weighted MY Avg. Farm Price

09/10 Year-to-date (Aug - Mar)	61.49 cents*
09/10 proj.	61.50 - 64.50 cents**
10/11 proj.	60.00 - 74.00 cents**

\* August - July price used in determination of counter-cyclical payment.

\*\*09/10 projections by USDA, 10/11 projections by USDA.

CCC LOAN INTEREST RATES

	1995*	1996**
April	0.375%	1.375%
May	0.500%	1.500%

\* Applies to 1995 and prior crop loans.

\*\* Applies to 1996 and subsequent crop loans.

CCC LOAN STOCKS (Includes '08 & '09 Crop)

As of May 18, 2010

	Form A	Form G	Total
Upland (Running Bales)			
Southeast	7,398	788,556	795,954
Mid-South	153,792	458,407	612,199
Southwest	36,863	341,073	377,936
West	3,341	169,932	173,273
U.S.	201,394	1,757,968	1,959,362
ELS			
U.S.	1,787	12,052	13,839

STATE OF THE ECONOMY

Week ending May 20, 2010

	Thursday Settlement	Last Thursday	% Change YTD
Dow Jones Ind. Avg.	10,068	10,783	-3%
S&P 500	1,072	1,157	-4%
10-Yr Treas. Bond Rate	3.211%	3.532%	-16%
NASDAQ Composite	2,204	2,394	-3%
Russell 2000	640	710	2%
Japanese Nikkei Stock Avg	10,030	10,621	-5%
Hong Kong Hang Seng	19,546	20,422	-11%
Singapore Straits Times	2,754	2,868	-5%
Euro (in U.S.\$)	1.25	1.25	-13%
Japanese Yen (per U.S.\$)	89.67	92.76	-4%
WTx Int Crude Oil (\$/barrel)	68.01	74.40	-14%
Diesel, Ultra-low (\$/gal)	1.99	2.22	-6%
Natural Gas (\$/million btu)	4.14	4.26	-29%

Week Ending: **May. 20, 2010**

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**COTTON SUPPLY AND DEMAND (Million 480-lb. Bales)**

**U.S. MILL CONSUMPTION (480-lb. bales)**

Estimates for May 2010

	US		World	
	09/10	10/11p	09/10	10/11p
Beginning Stocks	6.3	3.1	63.2	52.8
Production	12.2	16.7	102.9	113.9
Imports	0.0	0.0	34.6	35.7
Total Supply	18.5	19.8	200.7	202.4
Mill Use	3.4	3.3	115.9	119.1
Exports	12.0	13.5	34.6	35.7
Total Use	15.4	16.8	150.5	154.8
Ending Stocks	3.1	3.0	52.8	50.1
Stocks/Use Ratio	20.1%	17.9%	45.5%	42.1%

\*09/10 estimates by USDA, 10/11 projections by USDA.

	Mar 10	Feb 10
Daily (Thou.)	12.95	13.43
Annualized (Mil.)	3.35	3.45

**US COTTONSEED SUPPLY AND DISAPPEARANCE**

(000 Short Tons)

	Marketing Year	
	09/10	10/11
Beg. Stocks	514	425
Imports	0	0
Production	4,149	5,610
Total Supply	4,663	6,035
Crush	1,800	2,150
Exports	270	400
Other	2,168	2,910
Total Demand	4,238	5,460
End. Stocks	425	575

USDA-ERS May Oil Crops Outlook.

**MAY US COTTON PRODUCTION ESTIMATE, 09/10 CROP**

	Planted Acres (Thou.)	Harv. Acres (Thou.)	Yield per Harv. Acre (Lb.)	5-Year Avg. Yield (Lb.)	480-Lb. Bales (Thou.)
<b>UPLAND</b>					
<b>SOUTHEAST</b>	1,891	1,863	884	772	3,431
Alabama	255	248	668	668	345
Florida	82	78	723	745	118
Georgia	1,000	990	902	792	1,860
North Carolina	375	370	990	813	763
South Carolina	115	114	872	736	207
Virginia	64	63	1,052	867	138
<b>MID-SOUTH</b>	1,627	1,555	806	945	2,610
Arkansas	520	500	818	1,052	852
Louisiana	230	225	745	884	349
Mississippi	305	290	687	910	415
Missouri	272	260	927	997	502
Tennessee	300	280	843	836	492
<b>SOUTHWEST</b>	5,243	3,729	643	721	4,992
Kansas	38	34	748	543	53
Oklahoma	205	195	785	718	319
Texas	5,000	3,500	634	724	4,620
<b>WEST</b>	247	244	1,488	1,375	755
Arizona	145	144	1,477	1,412	443
California	71	70	1,646	1,414	240
New Mexico	31	30	1,172	960	72
<b>TOTAL UPLAND</b>	9,008	7,391	766	829	11,788
<b>TOTAL ELS</b>	141	138	1,389	1,267	400
Arizona	2	2	1,170	866	4
California	119	116	1,494	1,333	361
New Mexico	3	3	686	845	31
Texas	18	18	836	831	31
<b>ALL COTTON</b>	9,150	7,529	777	839	12,188

**US COTTONSEED MEAL SUPPLY AND DISAPPEARANCE**

(000 Short Tons)

	Marketing Year	
	09/10	10/11
Beg. Stocks	17	50
Imports	0	0
Production	845	925
Total Supply	862	975
Consumption	712	825
Exports	100	100
Total Demand	812	925
End. Stocks	50	50

USDA-ERS May Oil Crops Outlook.

**US COTTONSEED OIL SUPPLY AND DISAPPEARANCE**

(Million Pounds)

	Marketing Year	
	09/10	10/11
Beg. Stocks	121	90
Imports	0	0
Production	600	645
Total Supply	721	735
Domestic Consumption	516	500
Exports	115	150
Total Demand	631	650
End. Stocks	90	85

USDA-ERS May Oil Crops Outlook.

Source: USDA-NASS May Crop Production Report.

**US CROP PROGRESS**

**PERCENT PLANTED**

	5/16/09	5/9/09	5/16/08	5-Yr Avg
Alabama	63	44	45	68
Arizona	82	80	83	85
Arkansas	71	56	38	67
California	93	91	92	96
Georgia	46	27	37	43
Kansas	6	1	2	6
Louisiana	75	65	85	86
Mississippi	77	51	51	66
Missouri	89	51	29	68
North Carolina	67	44	60	68
Oklahoma	21	14	7	24
South Carolina	65	40	37	51
Tennessee	28	14	9	44
Texas	36	27	36	36
Virginia	70	45	59	69
US	47	34	39	46
Southeast	56	35	44	54
Mid-South	66	46	38	64
Southwest	35	26	35	35
West	88	86	88	91

1/ These 15 states planted 99% of last year's cotton acreage.

\* Revised.