



Cotton Market Report



Week Ending: **May. 27, 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	81.28	82.09	-0.81	83.23	81.15	101.72	51.19
October-10	78.57	77.85	0.72	78.57	76.67	101.92	52.69
December-10	79.08	76.95	2.13	79.20	76.20	101.72	53.51
March-11	80.24	78.09	2.15	80.35	77.83	103.30	57.57
May-11	80.73	78.25	2.48	80.73	78.50	96.52	50.02
July-11	80.90	78.26	2.64	80.90	78.02	94.96	58.57
October-11	78.47	76.44	2.03	78.64	76.58	81.42	59.70
December-11	76.59	75.25	1.34	77.00	75.39	81.28	61.07
March-12	76.49	75.50	0.99	76.66	75.64	102.03	56.32

CHICAGO CORN FUTURES (Cents/Bu.)

July-10	373.25	362.00	11.25	373.75	361.25	714.50	337.00
September-10	383.25	369.50	13.75	383.50	368.00	484.00	346.00
December-10	393.50	378.50	15.00	393.50	377.50	703.00	346.00
March-11	406.25	390.75	15.50	406.25	393.75	480.00	370.25
May-11	414.75	399.00	15.75	414.75	401.50	477.75	376.50

CHICAGO SOYBEAN FUTURES (Cents/Bu.)

July-10	951.75	944.00	7.75	953.00	927.50	1570.00	817.50
August-10	941.50	935.00	6.50	942.00	921.00	1075.00	817.50
September-10	926.25	917.00	9.25	926.50	908.00	1059.50	817.50
November-10	918.75	908.00	10.75	921.00	901.00	1332.00	812.00
January-11	928.50	917.00	11.50	929.00	910.00	1063.00	817.00
March-11	936.25	924.75	11.50	936.25	920.50	1067.00	822.00
May-11	941.25	930.00	11.25	942.00	926.00	1021.50	852.00

ON-CALL COTTON (Thousand Running Bales)

As of May 21, 2010

Contract	Call		Week's	
	Sales	Change	Purch.	Change
July '10	19,774	-1,526	1,386	-58
October '10	1,668	-3	32	-9
December '10	13,918	744	8,233	-1,314
March '11	9,304	92	400	58
May '11	6,065	125	129	10
July '11	7,914	216	805	-12
October '11	182	0	0	0
December '11	5,797	6	1,644	60
March '12	1,145	5	23	0
May '12	645	5	77	0
July '12	313	0	0	0
December '12	235	0	3,015	0
March '13	185	0	0	0

CERTIFICATED STOCKS (Running Bales)

As of May 27, 2010

	Stocks		Review
Galveston	102,833	-	
Greenville	158,035	19,689	
Houston	4,274	-	
Memphis	807,140	16,683	
N. Orleans	13	-	
TOTAL	1,072,295	36,372	

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

Week ending May 27, 2010

	3135	4134
Spot Market	79.80	75.52
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 21, 2010

	Longs	Accounts	%	Shorts	Accounts	%
SPECS	90,344	1,535	47.6%	65,239	816	34.3%
HEDGES	99,621	287	52.4%	124,726	304	65.7%
TOTAL	189,965	1,822	100.0%	189,965	1,120	100.0%

Net Spec Position	13.2%	Spec Share of O.I.	41.0%
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WORLD MARKET (Cents/Lb.)

Effective May 28 - June 3, '10

	Current	Forward
AWP	74.22	NA
5 Lowest Far East Quotes	91.26	84.31
USFE Low Quote	90.70	86.70
USFE-5 Lowest Far East Quotes	-0.56	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	11	NA
LDP	0.00	NA
ELS Comp Pymnt	0.00	NA

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

Week ending May 20, 2010

	Week 09/10	Total 09/10	Total 08/09	Week 10/11	Total 10/11
Sales	250.7	12,232.8	13,285.4	114.1	1,293.4
Shipments	298.7	9,030.2	10,108.2	0.0	0.0

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

Country	09/10	09Share	10/11	10Share
CHINA	3,530	29%	27	2%
TURKEY	2,251	18%	85	7%
MEXICO	1,551	13%	306	24%
INDONESIA	599	5%	85	7%
THAILAND	598	5%	58	4%
VIETNAM	541	4%	60	5%
KOREAN REPUBLIC	429	4%	148	11%
TAIWAN	414	3%	7	1%
BANGLADESH	380	3%	46	4%
PERU	314	3%	49	4%
TOTAL	12,233		1,293	

CHINA WEEKLY PRICES (cents/lb.)

Week ending May 27, 2010

	This Week	Year Ago	% Change
A (Far East)	91.50	61.74	48%
CnCotton A	116.66	75.43	55%
Polyester	64.95	48.35	34%

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

Weighted MY Avg. Farm Price

09/10 Year-to-date (Aug - Apr)	61.75 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 25, 2010

	Form A	Form G	Total
Upland (Running Bales)			
Southeast	5,019	752,380	757,399
Mid-South	136,597	421,206	557,803
Southwest	33,686	291,269	324,955
West	3,009	146,492	149,501
U.S.	178,311	1,611,347	1,789,658
ELS			
U.S.	1,787	8,810	10,597

STATE OF THE ECONOMY

Week ending May 27, 2010

	Thursday Settlement	Last Thursday	% Change YTD
Dow Jones Ind. Avg.	10,259	10,068	-2%
S&P 500	1,103	1,072	-1%
10-Yr Treas. Bond Rate	3.365%	3.211%	-12%
NASDAQ Composite	2,278	2,204	0%
Russell 2000	671	640	7%
Japanese Nikkei Stock Avg	9,640	10,030	-9%
Hong Kong Hang Seng	19,431	19,546	-11%
Singapore Straits Times	2,740	2,754	-5%
Euro (in U.S.\$)	1.24	1.25	-14%
Japanese Yen (per U.S.\$)	90.94	89.67	-2%
WTx Int Crude Oil (\$/barrel)	74.55	68.01	-6%
Diesel, Ultra-low (\$/gal)	2.07	1.99	-2%
Natural Gas (\$/million btu)	4.24	4.14	-27%

Week Ending: **May. 27, 2010**

Market Page 3.

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.

	Apr 10	Mar 10
Daily (Thou.)	13.57	12.99
Annualized (Mil.)	3.46	3.37

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.)
UPLAND					
SOUTHEAST	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
MID-SOUTH	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
SOUTHWEST	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
WEST	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
TOTAL UPLAND	9,008	7,391	766	829	11,788
TOTAL ELS	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
ALL COTTON	9,150	7,529	777	839	12,188

Source: USDA-NASS May Crop Production Report.

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.

US CROP PROGRESS

PERCENT PLANTED

	5/23/10	5/16/10	5/23/09	5-Yr Avg
Alabama	79	63	68	82
Arizona	90	82	94	92
Arkansas	92	71	65	87
California	95	93	98	99
Georgia	65	46	51	61
Kansas	8	6	23	21
Louisiana	85	75	94	94
Mississippi	84	77	60	81
Missouri	96	89	72	89
North Carolina	77	67	96	91
Oklahoma	29	21	13	42
South Carolina	82	65	72	76
Tennessee	54	28	56	76
Texas	48	36	52	52
Virginia	87	70	82	88
US	60	47	58	63
Southeast	72	56	67	73
Mid-South	82	66	67	85
Southwest	47	35	50	51
West	93	88	96	96

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

* Revised.