



Cotton Market Report

Week Ending: Jul. 15, 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.)

October-10	78.52	77.29	1.23	78.99	76.83	101.92	52.69
December-10	73.47	73.99	-0.52	75.38	73.06	101.72	53.51
March-11	74.40	75.17	-0.77	76.41	74.05	103.30	57.57
May-11	75.22	75.60	-0.38	76.60	74.97	96.52	50.02
July-11	75.67	75.77	-0.10	76.71	75.30	94.96	58.57
October-11	74.17	73.62	0.55	74.71	73.74	81.42	59.70
December-11	72.42	72.28	0.14	73.27	71.90	81.28	61.07
March-12	73.57	73.58	-0.01	74.27	72.99	102.03	56.32
May-12	73.37	73.18	0.19	74.02	72.94	83.53	72.26

CHICAGO CORN FUTURES (Cents/Bu.)

September-10	392.50	385.50	7.00	396.50	374.50	484.00	333.00
December-10	405.25	396.25	9.00	409.75	386.25	703.00	343.25
March-11	416.00	408.00	8.00	408.50	398.50	480.00	356.75
May-11	423.25	415.75	7.50	427.25	407.50	477.75	366.50
July-11	430.00	423.25	6.75	432.75	414.25	667.00	375.25

CHICAGO SOYBEAN FUTURES (Cents/Bu.)

August-10	1019.00	983.00	36.00	1019.50	984.00	1075.00	817.50
September-10	1001.00	957.50	43.50	1001.00	957.00	1059.50	817.50
November-10	988.00	946.00	42.00	989.50	945.00	1332.00	812.00
January-11	995.00	954.75	40.25	996.00	954.00	1063.00	817.00
March-11	996.50	958.00	38.50	996.50	960.00	1067.00	822.00
May-11	994.75	958.50	36.25	994.75	960.00	1021.50	852.00
July-11	1002.50	966.75	35.75	1002.50	969.00	1570.00	822.00

ON-CALL COTTON (Thousand Running Bales)

Contract	As of July 9, 2010			
	Call Sales	Week's Change	Call Purch.	Week's Change
July '10	242	0	19	0
October '10	913	-208	13	0
December '10	17,348	85	7,386	-184
March '11	17,087	1,295	582	-5
May '11	10,175	194	74	0
July '11	15,153	441	764	44
October '11	350	-143	0	0
December '11	6,369	-29	1,682	0
March '12	1,152	-20	23	0
May '12	661	-67	99	0
July '12	313	0	88	0
December '12	235	0	3,015	0
March '13	185	0	0	0

CERTIFICATED STOCKS (Running Bales)

	As of July 15, 2010	
	Stocks	Review
Galveston	16,613	-
Greenville	23,068	-
Houston	156	-
Memphis	106,003	-
N. Orleans	1	-
TOTAL	145,841	-

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

	Week ending July 15, 2010	
	3135	4134
Spot Market	79.19	75.05
US Mill Del.	NQ	NQ

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

SPEC AND HEDGE REPORT (Contracts)

As of July 9, 2010

	Longs	Accounts	%	Shorts	Accounts	%
SPECS	66,373	1,019	42.6%	63,450	1,014	40.7%
HEDGES	89,530	284	57.4%	92,453	260	59.3%
TOTAL	155,903	1,303	100.0%	155,903	1,274	100.0%

Net Spec Position	1.9%	Spec Share of O.I.	41.6%
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WORLD MARKET (Cents/Lb.)

Effective July 16 - July 22, '10

	Current	Forward
AWP	66.31	NA
5 Lowest Far East Quotes	NA	83.35
USFE Low Quote	NA	84.35
USFE-5 Lowest Far East Quotes	NA	1.00
Fine Count Adj ('09 Crop)	0.37	NA
Fine Count Adj ('10 Crop)	0.47	NA
Coarse Count Adj	0.00	NA
Open Quotas	4	NA
LDP	0.00	NA
ELS Comp Pymnt	0.00	NA

CHINA WEEKLY PRICES (cents/lb.)

Week ending July 15, 2010

	This Week*	Year Ago	% Change
A (Far East)	83.86	66.10	27%
CnCotton A	125.85	88.73	42%
Polyester	63.67	57.15	11%

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

* A(FE) based on forward quotes

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

Week ending July 8, 2010

	Week	Total	Total	Week	Total
	09/10	09/10	08/09	10/11	10/11
Sales	111.8	13,836.3	14,233.6	253.1	3,004.7
Shipments	174.2	11,050.4	12,371.4	0.0	0.0

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

Country	09/10	09Share	10/11	10Share
CHINA	4,536	33%	774	26%
TURKEY	2,381	17%	283	9%
MEXICO	1,660	12%	450	15%
INDONESIA	646	5%	272	9%
THAILAND	636	5%	156	5%
VIETNAM	579	4%	137	5%
TAIWAN	483	3%	37	1%
KOREAN REPUBLIC	447	3%	232	8%
BANGLADESH	392	3%	71	2%
PERU	331	2%	72	2%
TOTAL	13,836		3,005	

Weighted MY Avg. Farm Price

09/10 Year-to-date (Aug - May)	61.92 cents*
09/10 proj.	62.50 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**
June	0.375%	1.375%
July	0.375%	1.375%

* Applies to 1995 and prior crop loans.

** Applies to 1996 and subsequent crop loans.

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

As of July 13, 2010

	Form A	Form G	Total
Upland			
Southeast	55	426,752	426,807
Mid-South	54,162	207,303	261,465
Southwest	16,573	77,704	94,277
West	456	26,126	26,582
U.S.	71,246	737,885	809,131
ELS			
U.S.	576	4,959	5,535

STATE OF THE ECONOMY

Week ending July 15, 2010

	Thursday	Last	% Change
	Settlement	Thursday	YTD
Dow Jones Ind. Avg.	10,359	10,139	-1%
S&P 500	1,096	1,070	-2%
10-Yr Treas. Bond Rate	2.993%	3.033%	-22%
NASDAQ Composite	2,249	2,175	-1%
Russell 2000	635	620	1%
Japanese Nikkei Stock Avg	9,686	9,536	-8%
Hong Kong Hang Seng	20,256	20,051	-7%
Singapore Straits Times	2,944	2,897	2%
Euro (in U.S.\$)	1.29	1.27	-10%
Japanese Yen (per U.S.\$)	87.45	88.39	-6%
WTx Int Crude Oil (\$/barrel)	76.62	75.44	-3%
Diesel, Ultra-low (\$/gal)	2.08	2.07	-2%
Natural Gas (\$/million btu)	4.47	4.52	-23%

Week Ending: Jul. 15, 2010

Market Page 3.

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

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

	Estimates for July 2010			
	US		World	
	09/10	10/11p	09/10	10/11p
Beginning Stocks	6.3	2.9	62.1	51.0
Production	12.2	18.3	102.6	116.0
Imports	0.0	0.0	35.6	37.1
Total Supply	18.5	21.2	200.3	204.1
Mill Use	3.4	3.4	116.6	119.7
Exports	12.3	14.3	35.3	37.0
Total Use	15.7	17.7	151.9	156.7
Ending Stocks	2.9	3.5	51.0	49.9
Stocks/Use Ratio	18.6%	19.8%	43.7%	41.7%

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

	May 10	Apr 10
Daily (Thou.)	14.24	13.53
Annualized (Mil.)	3.58	3.48

US COTTONSEED SUPPLY AND DISAPPEARANCE

	(000 Short Tons)	
	Marketing Year	
	09/10	10/11
Beg. Stocks	514	425
Imports	0	0
Production	4,149	6,090
Total Supply	4,663	6,515
Crush	1,900	2,450
Exports	270	450
Other	2,068	3,110
Total Demand	4,238	6,010
End. Stocks	425	505

USDA-ERS July Oil Crops Outlook.

U.S. COTTON PLANTINGS, PRODUCTION, AND YIELD

	2009				
	Production 480- Lb. Bales (Thou.) 1/	2009 Yield per Harv. Acre (Lb.) 1/	2009 Actual Acreage (Thou.) 1/	2010 Estimated Plantings (Thou.) 2/	Percent Change
UPLAND					
SOUTHEAST	3,431	884	1,891	2,525	33.5%
Alabama	345	668	255	370	45.1%
Florida	118	723	82	90	9.8%
Georgia	1,860	902	1,000	1,250	25.0%
North Carolina	763	990	375	570	52.0%
South Carolina	207	872	115	175	52.2%
Virginia	138	1,052	64	70	9.4%
MID-SOUTH	2,610	806	1,627	1,880	15.6%
Arkansas	852	818	520	530	1.9%
Louisiana	349	745	230	230	0.0%
Mississippi	415	687	305	420	37.7%
Missouri	502	927	272	300	10.3%
Tennessee	492	843	300	400	33.3%
SOUTHWEST	4,992	643	5,243	5,950	13.5%
Kansas	53	748	38	40	5.3%
Oklahoma	319	785	205	210	2.4%
Texas	4,620	634	5,000	5,700	14.0%
WEST	755	1,488	247	345	39.6%
Arizona	443	1,477	145	185	27.6%
California	240	1,646	71	125	76.1%
New Mexico	72	1,172	31	35	12.5%
TOTAL UPLAND	11,788	766	9,008	10,700	18.8%
TOTAL ELS	400	1,389	141	209	47.8%
Arizona	4	1,170	2	3	87.5%
California	361	1,494	119	185	55.5%
New Mexico	4	686	3	3	7.1%
Texas	31	836	18	18	0.0%
ALL COTTON	12,188	777	9,150	10,909	19.2%

1/ USDA-NASS May Crop Production Report.

2/ USDA-NASS June Acreage Report.

US COTTONSEED MEAL SUPPLY AND DISAPPEARANCE

	(000 Short Tons)	
	Marketing Year	
	09/10	10/11
Beg. Stocks	17	50
Imports	0	0
Production	875	1,105
Total Supply	892	1,155
Consumption	742	1,005
Exports	100	100
Total Demand	842	1,105
End. Stocks	50	50

USDA-ERS July Oil Crops Outlook.

US COTTONSEED OIL SUPPLY AND DISAPPEARANCE

	(Million Pounds)	
	Marketing Year	
	09/10	10/11
Beg. Stocks	121	110
Imports	0	0
Production	610	770
Total Supply	731	880
Domestic Consumption	516	630
Exports	105	150
Total Demand	621	780
End. Stocks	110	100

USDA-ERS July Oil Crops Outlook.

US CROP PROGRESS

	PERCENT SQUARING				PERCENT SETTING BOLLS			
	7/11/10	7/4/10	7/11/09	5-Yr Avg	7/11/10	7/4/10	7/11/09	5-Yr Avg
Alabama	73	56	73	69	35	14	14	20
Arizona	70	55	76	84	25	16	43	47
Arkansas	99	97	85	96	68	31	19	43
California	75	60	73	77	16	7	27	28
Georgia	84	70	68	75	40	21	19	29
Kansas	49	38	43	52	1	0	1	1
Louisiana	93	91	98	95	60	53	57	59
Mississippi	96	93	89	92	67	45	35	42
Missouri	78	66	66	81	32	16	8	26
North Carolina	87	85	84	90	35	10	27	15
Oklahoma	74	35	61	51	18	0	2	5
South Carolina	69	55	67	63	18	7	8	10
Tennessee	86	77	81	89	18	10	5	19
Texas	75	56	72	58	14	11	20	18
Virginia	62	36	61	67	42	16	12	11
US	79	64	74	68	26	15	20	23
Southeast	81	69	72	77	37	16	19	22
Mid-South	91	86	84	91	50	30	22	37
Southwest	75	55	71	58	14	11	19	17
West	73	58	74	80	19	10	33	35

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

* Revised.

US CROP CONDITION

	Week Ending				
	VP	P	F	G	E
Alabama	2	4	30	59	5
Arizona	0	1	25	65	9
Arkansas	1	3	28	37	31
California	0	0	35	55	10
Georgia	2	7	34	46	11
Kansas	0	2	27	59	12
Louisiana	1	13	26	54	6
Mississippi	2	8	31	41	18
Missouri	3	14	27	53	3
North Carolina	7	17	30	41	5
Oklahoma	0	1	17	71	11
South Carolina	0	9	34	48	9
Tennessee	0	2	25	62	11
Texas	2	4	23	51	20
Virginia	0	0	50	50	0
US	2	5	26	51	16
Previous Week	2	7	26	52	13
Previous Year	7	16	34	35	8