



Cotton Market Report

Week Ending: Mar. 11, 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 |
|--|--------------|-------------------|---------------|-------------|------------|-----------------------|----------------------|
|--|--------------|-------------------|---------------|-------------|------------|-----------------------|----------------------|

NEW YORK COTTON FUTURES (Cents/lb.)

| | | | | | | | |
|-------------|-------|-------|-------|-------|-------|--------|-------|
| May-10 | 78.77 | 81.82 | -3.05 | 83.12 | 78.70 | 101.00 | 50.02 |
| July-10 | 79.28 | 82.13 | -2.85 | 83.43 | 79.25 | 101.72 | 51.19 |
| October-10 | 76.38 | 76.00 | 0.38 | 76.79 | 76.00 | 101.92 | 52.69 |
| December-10 | 75.13 | 74.69 | 0.44 | 75.59 | 74.05 | 101.72 | 53.51 |
| March-11 | 76.43 | 76.09 | 0.34 | 76.85 | 75.66 | 103.30 | 57.57 |
| May-11 | 76.73 | 76.45 | 0.28 | 77.00 | 76.27 | 96.52 | 50.02 |
| July-11 | 77.13 | 76.93 | 0.20 | 77.50 | 76.33 | 94.96 | 58.57 |
| October-11 | 78.58 | 77.63 | 0.95 | 78.91 | 78.36 | 81.42 | 59.70 |
| December-11 | 77.83 | 77.98 | -0.15 | 78.50 | 77.30 | 81.28 | 61.07 |

CHICAGO CORN FUTURES (Cents/Bu.)

| | | | | | | | |
|--------------|--------|--------|--------|--------|--------|--------|--------|
| May-10 | 365.25 | 383.00 | -17.75 | 387.50 | 361.50 | 712.00 | 329.25 |
| July-10 | 376.25 | 394.00 | -17.75 | 398.00 | 372.75 | 714.50 | 337.00 |
| September-10 | 385.50 | 401.50 | -16.00 | 405.00 | 382.75 | 484.00 | 346.00 |
| December-10 | 395.25 | 408.50 | -13.25 | 412.50 | 391.75 | 703.00 | 346.00 |
| March-11 | 406.50 | 419.00 | -12.50 | 422.75 | 402.50 | 480.00 | 370.25 |

CHICAGO SOYBEAN FUTURES (Cents/Bu.)

| | | | | | | | |
|--------------|--------|--------|--------|--------|--------|---------|--------|
| May-10 | 930.50 | 942.00 | -11.50 | 964.00 | 930.00 | 1346.00 | 814.00 |
| July-10 | 939.00 | 950.50 | -11.50 | 971.00 | 939.00 | 1570.00 | 817.50 |
| August-10 | 937.75 | 948.00 | -10.25 | 962.50 | 937.75 | 1075.00 | 817.50 |
| September-10 | 925.50 | 935.00 | -9.50 | 949.00 | 925.50 | 1059.50 | 817.50 |
| November-10 | 916.50 | 925.00 | -8.50 | 938.00 | 916.25 | 1332.00 | 812.00 |
| January-11 | 925.75 | 933.50 | -7.75 | 947.00 | 925.00 | 1063.00 | 817.00 |
| March-11 | 934.00 | 941.00 | -7.00 | 951.25 | 933.00 | 1067.00 | 822.00 |

ON-CALL COTTON (Thousand Running Bales)

As of March 5, 2010

| Contract | Call Sales | Week's Change | Call Purch. | Week's Change |
|--------------|------------|---------------|-------------|---------------|
| March '10 | 0 | *-6 | 0 | 0 |
| May '10 | 14,199 | *547 | 2,786 | 445 |
| July '10 | 22,343 | *1321 | 776 | -70 |
| October '10 | 1,497 | 0 | 0 | 0 |
| December '10 | 11,366 | *557 | 6,400 | 481 |
| March '11 | 5,950 | *1414 | 231 | 2 |
| May '11 | 3,654 | *840 | 109 | -10 |
| July '11 | 4,044 | 1,551 | 783 | 47 |
| October '11 | 80 | 80 | 0 | 0 |
| December '11 | 2,380 | 908 | 518 | -22 |
| March '12 | 295 | 0 | 39 | 0 |
| May '12 | 362 | 20 | 93 | -20 |
| July '12 | 303 | 0 | 0 | 0 |

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

CERTIFICATED STOCKS (Running Bales)

As of March 11, 2010

| | Stocks | Review |
|--------------|----------------|---------------|
| Galveston | 79,909 | 8,604 |
| Greenville | 82,120 | 8,823 |
| Houston | 41,964 | - |
| Memphis | 480,126 | 31,989 |
| N. Orleans | 13 | - |
| TOTAL | 684,132 | 49,416 |

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

Week ending March 11, 2010

| | | |
|--------------|-------|-------|
| | 3135 | 4134 |
| Spot Market | 78.70 | 74.24 |
| US Mill Del. | NQ | NQ |

SPEC AND HEDGE REPORT (Contracts)

As of March 5, 2010

| | Longs | Accounts | % | Shorts | Accounts | % |
|--------|---------|----------|--------|---------|----------|--------|
| SPECS | 90,361 | 1,702 | 48.7% | 62,382 | 569 | 33.6% |
| HEDGES | 95,208 | 250 | 51.3% | 123,187 | 284 | 66.4% |
| TOTAL | 185,569 | 1,952 | 100.0% | 185,569 | 853 | 100.0% |

| | | | |
|-------------------|-------|--------------------|-------|
| Net Spec Position | 15.1% | Spec Share of O.I. | 41.2% |
|-------------------|-------|--------------------|-------|

WORLD MARKET (Cents/Lb.)

Effective March 12 - March 18, '10

| | Current |
|-------------------------------|---------|
| AWP | 68.21 |
| 5 Lowest Far East Quotes | 84.58 |
| USFE Low Quote | 87.90 |
| USFE-5 Lowest Far East Quotes | 3.32 |
| Fine Count Adj ('08 Crop) | 1.75 |
| Fine Count Adj ('09 Crop) | 1.55 |
| Coarse Count Adj | 0.00 |
| Open Quotas | 13 |
| LDP | 0.00 |
| ELS Comp Pymnt | 11.97 |

CHINA WEEKLY PRICES (cents/lb.)

Week ending March 11, 2010

| | This Week | Year Ago | % Change |
|--------------|-----------|----------|----------|
| A (Far East) | 85.69 | 50.47 | 70% |
| CnCotton A | 104.21 | 67.78 | 54% |
| Polyester | 69.07 | 41.63 | 66% |

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

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

Week ending March 4, 2010

| | Week 09/10 | Total 09/10 | Total 08/09 | Week 10/11 | Total 10/11 |
|-----------|---------------|----------------|----------------|---------------|----------------|
| Sales | 150.7 | 9,647.5 | 10,805.1 | 19.7 | 445.4 |
| Shipments | 342.6 | 5,820.0 | 6,890.4 | 0.0 | 0.0 |

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

| Country | 09/10 | 09Share | 10/11 | 10Share |
|-----------------|-------|---------|-------|---------|
| CHINA | 2,867 | 30% | 0 | 0% |
| TURKEY | 1,503 | 16% | 0 | 0% |
| MEXICO | 1,438 | 15% | 230 | 52% |
| THAILAND | 520 | 5% | 22 | 5% |
| INDONESIA | 494 | 5% | 3 | 1% |
| VIETNAM | 413 | 4% | 7 | 2% |
| KOREAN REPUBLIC | 367 | 4% | 50 | 11% |
| TAIWAN | 292 | 3% | 0 | 0% |
| PERU | 209 | 2% | 0 | 0% |
| BANGLADESH | 199 | 2% | 0 | 0% |
| TOTAL | 9,647 | | 445 | |

Weighted MY Avg. Farm Price

| | |
|--------------------------------|-----------------------|
| 09/10 Year-to-date (Aug - Jan) | 60.52 cents* |
| 08/09 Final | 47.80 cents** |
| 09/10 proj. | 59.00 - 65.00 cents** |

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

**08/09 official price by USDA, 09/10 projections by USDA.

CCC LOAN INTEREST RATES

| | 1995* | 1996** |
|----------|--------|--------|
| February | 0.375% | 1.375% |
| March | 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 March 9, 2010 | | | |
|---------------------|-----------------|-----------|-----------|
| | Form A | Form G | Total |
| Upland | (Running Bales) | | |
| Southeast | 25,333 | 1,265,362 | 1,290,695 |
| Mid-South | 377,798 | 923,514 | 1,301,312 |
| Southwest | 114,951 | 1,206,137 | 1,321,088 |
| West | 6,598 | 344,451 | 351,049 |
| U.S. | 524,680 | 3,739,464 | 4,264,144 |
| ELS | | | |
| U.S. | 6,930 | 49,702 | 56,632 |

STATE OF THE ECONOMY

Week ending March 11, 2010

| | Thursday Settlement | Last Thursday | % Change YTD |
|-------------------------------|------------------------|------------------|-----------------|
| Dow Jones Ind. Avg. | 10,612 | 10,444 | 2% |
| S&P 500 | 1,150 | 1,123 | 3% |
| 10-Yr Treas. Bond Rate | 3.731% | 3.605% | -3% |
| NASDAQ Composite | 2,368 | 2,292 | 4% |
| Russell 2000 | 677 | 652 | 8% |
| Japanese Nikkei Stock Avg | 10,665 | 10,146 | 1% |
| Hong Kong Hang Seng | 21,228 | 20,576 | -3% |
| Singapore Straits Times | 2,874 | 2,769 | -1% |
| Euro (in U.S.\$) | 1.37 | 1.36 | -4% |
| Japanese Yen (per U.S.\$) | 90.55 | 89.12 | -3% |
| WTx Int Crude Oil (\$/barrel) | 82.11 | 80.21 | 3% |
| Diesel, Ultra-low (\$/gal) | 2.16 | 2.13 | 2% |
| Natural Gas (\$/million btu) | 4.48 | 4.75 | -23% |

Week Ending:

Mar. 11, 2010

Market Page 3.

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

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

Estimates for March 2010

| | US | | World | |
|------------------|------------------|--------|-------|--------|
| | 09/10 | 10/11p | 09/10 | 10/11p |
| | Beginning Stocks | 6.3 | 3.2 | 62.4 |
| Production | 12.4 | 16.0 | 102.2 | 113.5 |
| Imports | 0.0 | 0.0 | 34.4 | 37.0 |
| Total Supply | 18.7 | 19.2 | 199.1 | 201.9 |
| Mill Use | 3.5 | 3.4 | 115.7 | 118.5 |
| Exports | 12.0 | 12.6 | 34.4 | 37.0 |
| Total Use | 15.5 | 16.0 | 150.1 | 155.5 |
| Ending Stocks | 3.2 | 3.2 | 51.4 | 48.9 |
| Stocks/Use Ratio | 20.6% | 20.0% | 44.4% | 41.3% |

*09/10 estimates by USDA, 10/11 projections from USDA 2010 Ag Outlook Forum with stocks adjusted to reflect March WASDE.

NCC PROSPECTIVE 2010 U.S. COTTON PLANTINGS

| | 2009 | | 2010 | |
|---------------------|---|--------------------------------------|-----------------------------------|-------------------|
| | Production (Thou. 480-Lb. Bales) 1/ | 2009 Actual Acreage (Thou.) 1/ | Intended Acreage (Thou.) 2/ | Percent Change |
| UPLAND | | | | |
| SOUTHEAST | 3,375 | 1,891 | 2,123 | 12.2% |
| Alabama | 360 | 255 | 306 | 19.9% |
| Florida | 105 | 82 | 80 | -2.7% |
| Georgia | 1,820 | 1,000 | 1,089 | 8.9% |
| N. Carolina | 760 | 375 | 448 | 19.5% |
| S. Carolina | 200 | 115 | 130 | 12.7% |
| Virginia | 130 | 64 | 71 | 10.3% |
| MID-SOUTH | 2,615 | 1,627 | 1,764 | 8.4% |
| Arkansas | 830 | 520 | 522 | 0.4% |
| Louisiana | 340 | 230 | 233 | 1.1% |
| Mississippi | 425 | 305 | 362 | 18.7% |
| Missouri | 520 | 272 | 293 | 7.7% |
| Tennessee | 500 | 300 | 354 | 18.0% |
| SOUTHWEST | 5,281 | 5,243 | 5,718 | 9.1% |
| Kansas | 51 | 38 | 45 | 19.0% |
| Oklahoma | 330 | 205 | 259 | 26.3% |
| Texas | 4,900 | 5,000 | 5,414 | 8.3% |
| WEST | 740 | 247 | 312 | 26.6% |
| Arizona | 440 | 145 | 175 | 20.4% |
| California | 250 | 71 | 97 | 37.1% |
| New Mexico | 50 | 31 | 40 | 31.9% |
| TOTAL UPLAND | 12,011 | 9,008 | 9,916 | 10.1% |
| TOTAL ELS | 390 | 142 | 176 | 24.4% |
| Arizona | 4 | 2 | 2 | 5.0% |
| California | 350 | 119 | 152 | 27.9% |
| New Mexico | 4 | 3 | 3 | 3.6% |
| Texas | 32 | 18 | 19 | 6.5% |
| ALL COTTON | 12,401 | 9,149 | 10,093 | 10.3% |

1/ USDA-NASS

2/ National Cotton Council

Jan 10 Dec 09

| | | |
|-------------------|-------|-------|
| Daily (Thou.) | 13.77 | 11.07 |
| Annualized (Mil.) | 3.66 | 3.54 |

US COTTONSEED SUPPLY AND DISAPPEARANCE

(000 Short Tons)

Marketing Year

| | 08/09 | 09/10 |
|--------------|-------|-------|
| Beg. Stocks | 643 | 514 |
| Imports | 0 | 0 |
| Production | 4,300 | 4,178 |
| Total Supply | 4,943 | 4,692 |
| Crush | 2,250 | 1,850 |
| Exports | 191 | 250 |
| Other | 1,989 | 2,167 |
| Total Demand | 4,429 | 4,267 |
| End. Stocks | 514 | 425 |

USDA-ERS March Oil Crops Outlook.

US COTTONSEED MEAL SUPPLY AND DISAPPEARANCE

(000 Short Tons)

Marketing Year

| | 08/09 | 09/10 |
|--------------|-------|-------|
| Beg. Stocks | 55 | 17 |
| Imports | 0 | 0 |
| Production | 934 | 895 |
| Total Supply | 990 | 912 |
| Consumption | 883 | 762 |
| Exports | 90 | 100 |
| Total Demand | 972 | 862 |
| End. Stocks | 17 | 50 |

USDA-ERS March Oil Crops Outlook.

US COTTONSEED OIL SUPPLY AND DISAPPEARANCE

(Million Pounds)

Marketing Year

| | 08/09 | 09/10 |
|----------------------|-------|-------|
| Beg. Stocks | 147 | 121 |
| Imports | 0 | 0 |
| Production | 663 | 615 |
| Total Supply | 810 | 736 |
| Domestic Consumption | 497 | 516 |
| Exports | 192 | 130 |
| Total Demand | 690 | 646 |
| End. Stocks | 121 | 90 |

USDA-ERS March Oil Crops Outlook.

GINNINGS REPORT

As of February 1
(Running Bales)

| | 2008 | 2009 |
|---------------------|-------------------|-------------------|
| UPLAND | | |
| SOUTHEAST | 3,193,900 | 3,254,200 |
| Alabama | 450,500 | 324,550 |
| Florida | 104,750 | 89,100 |
| Georgia | 1,567,950 | 1,780,100 |
| North Carolina | 735,400 | 743,850 |
| South Carolina | 231,350 | 193,900 |
| Virginia | 103,950 | 122,700 |
| MID-SOUTH | 3,393,300 | 2,541,650 |
| Arkansas | 1,237,300 | 796,150 |
| Louisiana | 279,600 | 340,650 |
| Mississippi | 656,850 | 396,850 |
| Missouri | 698,600 | 522,400 |
| Tennessee | 520,950 | 485,600 |
| SOUTHWEST | 4,583,450 | 4,848,300 |
| Kansas | 31,550 | 36,050 |
| Oklahoma | 254,400 | 290,950 |
| Texas | 4,297,500 | 4,521,300 |
| WEST | 790,250 | 680,900 |
| Arizona | 371,350 | 410,200 |
| California | 371,550 | 240,950 |
| New Mexico | 47,350 | 29,750 |
| TOTAL UPLAND | 11,956,350 | 11,325,050 |
| TOTAL ELS | 413,200 | 389,550 |
| Arizona | 1/ | 3,950 |
| California | 386,300 | 351,200 |
| New Mexico | 1/ | 5,100 |
| Texas | 22,350 | 29,300 |
| ALL COTTON | 12,369,550 | 11,714,600 |

Note: Regions may not add to total to avoid disclosure of individual gins.

1/ Not published to avoid disclosing individual gins, but included in U.S. totals.