



# Cotton Market Report

Week Ending: **May. 8, 2008**

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	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-08	70.85	69.25	1.60	71.14	68.77	94.52	56.70
October-08	76.38	74.69	1.69	76.46	74.24	96.33	57.65
December-08	79.35	77.45	1.90	79.63	76.95	98.45	59.25
March-09	83.67	81.76	1.91	83.67	81.52	100.41	61.25
May-09	85.08	83.21	1.87	85.07	83.28	100.46	62.75
July-09	86.19	84.33	1.86	86.14	84.31	101.50	68.50
October-09	87.09	85.44	1.65	87.09	85.21	97.70	76.45
December-09	87.76	86.03	1.73	87.71	86.09	101.50	76.45
March-10	89.54	88.53	1.01	89.54	88.21	100.50	76.45

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

July-08	630.25	617.25	13.00	634.00	585.00	634.00	270.00
September-08	639.75	626.75	13.00	642.00	600.00	642.00	295.00
December-08	646.25	631.50	14.75	649.00	605.00	649.00	260.00
March-09	656.75	641.25	15.50	659.00	621.00	659.00	380.00
May-09	664.75	649.00	15.75	666.50	631.00	671.00	400.00

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

July-08	1310.00	1271.00	39.00	1333.00	1265.00	1596.00	715.00
August-08	1304.00	1260.00	44.00	1325.00	1270.00	1563.00	626.00
September-08	1274.25	1227.00	47.25	1277.00	1229.00	1505.00	852.00
November-08	1245.75	1193.25	52.50	1254.00	1187.00	1466.00	622.00
January-09	1258.75	1206.75	52.00	1264.00	1205.00	1471.00	815.00
March-09	1270.00	1217.50	52.50	1273.00	1216.00	1470.00	924.00
May-09	1277.25	1223.50	53.75	1277.25	1223.50	1467.00	1017.00

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

As of May 2, 2008

Contract	Call Sales	Week's Change	Call Purch.	Week's Change
May '08	26	*-45	1	1
July '08	14,566	*-3,166	1,769	17
October '08	4,368	0	124	0
December '08	18,784	897	8,032	-145
March '09	6,721	982	134	0
May '09	3,230	244	288	128
July '09	6,908	0	342	0
October '09	412	0	377	0
December '09	5,296	0	257	30
March '10	1,167	0	0	0
May '10	111	0	10	0
July '10	148	0	132	0
October '10	0	0	0	0

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

### CERTIFICATED STOCKS (Running Bales)

As of May 8, 2008

	Stocks	Review
Galveston	158,070	400
Greenville	137,840	31,225
Houston	37,402	1,270
Memphis	997,508	70,140
N. Orleans	4,473	15,219
<b>TOTAL</b>	<b>1,335,293</b>	<b>118,254</b>

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

Week ending May 8, 2008

	3135	4134
Spot Market	63.91	60.59
US Mill Del.	NQ	NQ

**SPEC AND HEDGE REPORT (Contracts)**

As of May 2, 2008

	Longs	Accounts	%	Shorts	Accounts	%
<b>SPECS</b>	<b>101,258</b>	<b>1,553</b>	<b>40.9%</b>	<b>72,562</b>	<b>816</b>	<b>29.3%</b>
Customer	92,885	1,508	37.5%	67,771	791	27.4%
House	8,373	45	3.4%	4,791	25	1.9%
<b>HEDGES</b>	<b>146,460</b>	<b>276</b>	<b>59.1%</b>	<b>175,156</b>	<b>238</b>	<b>70.7%</b>
Customer	64,552	262	26.1%	119,109	229	48.1%
House	81,908	14	33.0%	56,047	9	22.6%
<b>TOTAL</b>	<b>247,718</b>	<b>1,829</b>	<b>100.0%</b>	<b>247,718</b>	<b>1,054</b>	<b>100.0%</b>

**WORLD MARKET (Cents/Lb.)**

Effective May 9 - May 15, '08

	Current
AWP	57.77
"A (NE)" Index	75.13
USNE Low Quote	74.50
USNE-"A (NE)"	-0.63
Coarse Count Adj	0.00
Open Quotas	1
LDP	0.00
ELS Comp Pymnt	5.89

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

Week ending May 1, 2008

	Week 07/08	Total 07/08	Total 06/07	Week 08/09	Total 08/09
Sales	603.7	13,753.4	12,605.9	98.8	684.0
Shipments	300.6	9,643.6	7,607.8	0.0	0.0

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

Country	07/08	07Share	08/09	08Share
CHINA	4,348	32%	3	0%
TURKEY	1,827	13%	61	9%
MEXICO	1,813	13%	404	59%
INDONESIA	1,229	9%	40	6%
THAILAND	772	6%	4	1%
PAKISTAN	497	4%	0	0%
KOREAN REPUBLIC	400	3%	50	7%
TAIWAN	387	3%	0	0%
VIETNAM	372	3%	7	1%
JAPAN	322	2%	0	0%
<b>TOTAL</b>	<b>13,753</b>		<b>684</b>	

**CHINA WEEKLY PRICES (cents/lb.)**

Week ending May 8, 2008

	This Week	Year Ago	% Change
A (Far East)	73.33	55.00	33%
CnCotton A	80.13	68.52	17%
Polyester	61.53	59.67	3%

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

**07/08 Weighted MY Avg. Farm Price**

Year-to-date (August thru March)	56.37 cents*
* August - July price used in determination of counter-cyclical payment.	

**CCC LOAN INTEREST RATES**

	1995*	1996**
April	1.625%	2.625%
May	1.625%	2.625%

\* Applies to 1995 and prior crop loans.

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

**CCC LOAN STOCKS (Includes '06 & '07 Crop)**

As of April 30, 2008			
	Form A	Form G	Total
<b>Upland (Running Bales)</b>			
Southeast	91,959	1,161,134	1,253,093
Mid-South	635,122	1,683,000	2,318,122
Southwest	418,747	3,582,739	4,001,486
West	24,235	709,226	733,461
<b>U.S.</b>	<b>1,170,063</b>	<b>7,136,099</b>	<b>8,306,162</b>
<b>ELS</b>			
U.S.	6,789	168,508	175,297

**STATE OF THE ECONOMY**

Week ending May 8, 2008

	Thursday Settlement	Last Thursday	% Change YTD
Dow Jones Ind. Avg.	12,867	13,010	-3%
S&P 500	1,398	1,409	-5%
10-Yr Treas. Bond Rate	3.803%	3.749%	-6%
NASDAQ Composite	2,451	2,481	-8%
Russell 2000	720	730	-6%
Japanese Nikkei Stock Avg	13,943	13,767	-9%
Hong Kong Hang Seng	25,450	25,755	-8%
Singapore Straits Times	3,172	3,148	-9%
J.P. Morgan Currency Index	80.00	79.80	-3%
Euro (in U.S.\$)	1.54	1.55	5%
Japanese Yen (per U.S.\$)	103.92	104.36	-7%
WTx Int Crude Oil (\$/barrel)	123.70	112.52	29%
Diesel, Ultra-low (\$/gal)	3.71	3.38	40%
Natural Gas (\$/million btu)	11.32	10.57	52%

Week Ending: **May. 8, 2008**

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

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

Estimates for May 2008

	US		World	
	07/08	08/09p	07/08	08/09p
	Beginning Stocks	9.5	9.9	63.0
Production	19.2	14.5	120.5	118.0
Imports	0.0	0.0	38.4	41.0
Total Supply	28.7	24.4	221.9	220.6
Mill Use	4.6	4.3	124.4	127.0
Exports	14.2	14.5	38.4	41.0
Total Use	18.8	18.8	162.8	168.0
Ending Stocks	9.9	5.6	61.6	55.6
Stocks/Use Ratio	52.7%	29.8%	49.5%	43.7%

\*07/08 estimates by USDA, 08/09 projections by USDA.

	Mar 08	Feb 08
Daily (Thou.)	16.64	17.73
Annualized (Mil.)	4.23	4.53

**US COTTONSEED SUPPLY AND DISAPPEARANCE**

(000 Short Tons)

	Marketing Year	
	06/07	07/08
Beg. Stocks	602	489
Imports	0	5
Production	7,348	6,596
Total Supply	7,950	7,090
Crush	2,680	2,750
Exports	616	600
Other	4,165	3,335
Total Demand	7,461	6,685
End. Stocks	489	405

USDA-ERS April Oil Crops Outlook.

**MAY US COTTON PRODUCTION ESTIMATE, 07/08 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>	2,255	2,168	717	705	3,237
Alabama	400	385	519	664	416
Florida	85	81	687	636	116
Georgia	1,030	995	801	734	1,660
North Carolina	500	490	767	695	783
South Carolina	180	158	486	679	160
Virginia	60	59	829	745	102
<b>MID-SOUTH</b>	2,750	2,724	930	914	5,277
Arkansas	860	850	1,071	995	1,896
Louisiana	335	330	1,017	879	699
Mississippi	660	655	966	888	1,318
Missouri	380	379	968	925	764
Tennessee	515	510	565	853	600
<b>SOUTHWEST</b>	5,122	4,908	840	628	8,588
Kansas	47	43	639	524	57
Oklahoma	175	165	817	639	281
Texas	4,900	4,700	843	630	8,250
<b>WEST</b>	408	401	1,500	1,340	1,253
Arizona	170	168	1,469	1,357	514
California	195	194	1,608	1,381	650
New Mexico	43	39	1,095	897	89
<b>TOTAL UPLAND</b>	10,535	10,201	864	772	18,355
<b>TOTAL ELS</b>	292	288	1,419	1,239	852
Arizona	3	3	883	931	5
California	260	257	1,481	1,296	793
New Mexico	5	5	856	904	8
Texas	25	24	920	906	46
<b>ALL COTTON</b>	10,827	10,489	879	781	19,207

Source: USDA-NASS May Crop Production Report.

**US COTTONSEED MEAL SUPPLY AND DISAPPEARANCE**

(000 Short Tons)

	Marketing Year	
	06/07	07/08
Beg. Stocks	59	63
Imports	0	0
Production	1,241	1,250
Total Supply	1,301	1,313
Consumption	1,133	1,158
Exports	105	105
Total Demand	1,238	1,263
End. Stocks	63	50

USDA-ERS April Oil Crops Outlook.

**US COTTONSEED OIL SUPPLY AND DISAPPEARANCE**

(Million Pounds)

	Marketing Year	
	06/07	07/08
Beg. Stocks	101	106
Imports	1	1
Production	849	865
Total Supply	951	972
Domestic Consumption	708	722
Exports	138	160
Total Demand	845	882
End. Stocks	106	90

USDA-ERS April Oil Crops Outlook.

US CROP PROGRESS

PERCENT PLANTED

	5/4/08	4/27/08	5/4/07	5-Yr Avg
Alabama	38	17	24	46
Arizona	58	53	66	68
Arkansas	24	8	35	38
California	98	96	98	82
Georgia	15	6	9	20
Kansas	-	-	-	1
Louisiana	68	49	39	55
Mississippi	14	7	30	54
Missouri	19	5	47	41
North Carolina	13	6	31	30
Oklahoma	8	2	2	9
South Carolina	10	6	10	18
Tennessee	7	2	18	15
Texas	24	21	24	25
Virginia	15	9	36	40
US	26	19	28	32
Southeast	18	8	17	27
Mid-South	25	12	34	41
Southwest	23	20	23	24
West	85	82	87	77

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

\* Revised.