



APRIL 19, 2024

July futures continued their descent, finishing higher in only one trading session this week.

- **May First Notice Day is less than a week away, so traders are focused on the July contract.** July futures settled at 80.61 cents per pound, finishing **464 points lower for the week.**
- **Technical weakness played a big part in this week's decline.** The continued addition of certificated stocks and the chance of rain in West Texas this coming weekend put additional pressure on prices.
- **Daily volumes were heavy this week as speculative liquidation continued.** Total open interest decreased by 31,850 contracts to reach a balance of 201,421.
- **Certificated stocks have reached their highest level since July 2017.** They were last reported at 172,732, an increase of 17,687 from the week prior.

U.S. inflation remains stubborn, and the idea that interest rate cuts will happen in 2024 appears unlikely.

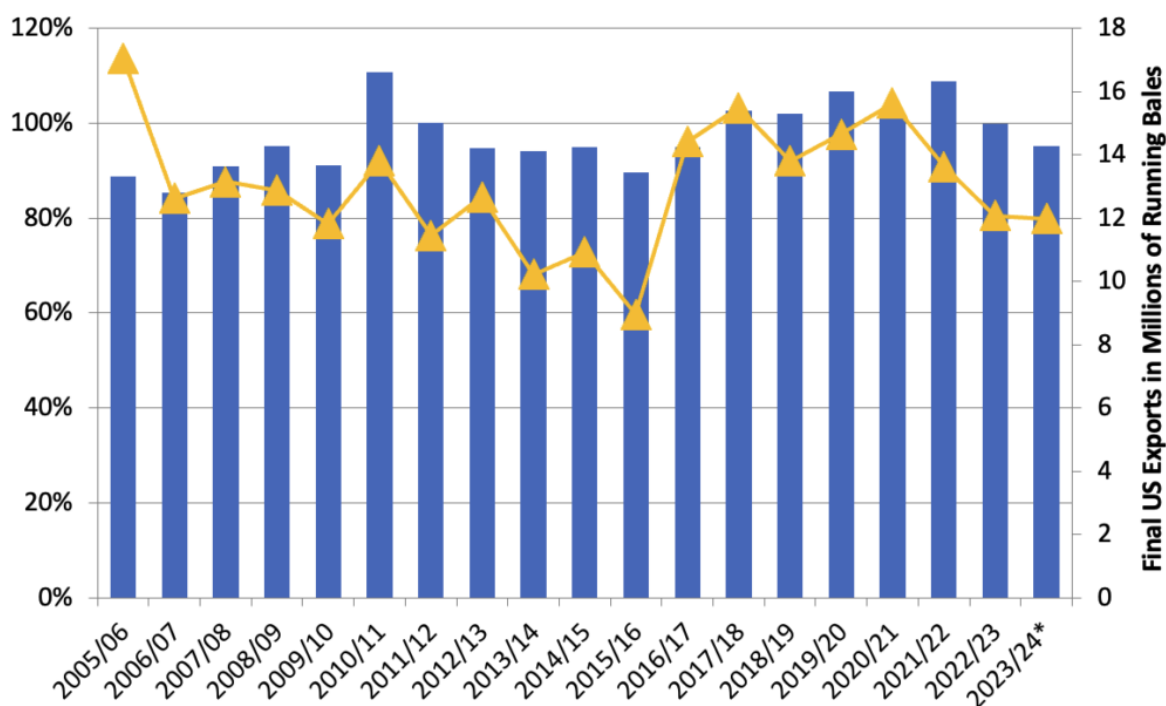
- **Major indexes reacted negatively to comments from the Fed**, and the S&P 500 and NASDAQ fell every trade session this week.
- **U.S. Retail Sales for March increased 0.7% from the prior month.** Clothing and clothing accessory sales were down 1.6% for the month but have increased 1.4% on the year.
- **China reported a first-quarter Gross Domestic Product (GDP) growth of 5.3%**, surpassing expectations of approximately 4.8%.
- Geopolitical tensions escalated between Iran and Israel over the weekend, which briefly brought crude oil prices higher. The geopolitical risk remains, but **crude prices fell on news of higher inventories.**
- **The U.S. Dollar was higher for the week after the hawkish Fed comments**, which put additional pressure on commodities.
- **The housing market slumped after the average 30-year fixed mortgage rate jumped a quarter of a percentage point to 7.1% for the week.** This is the most significant weekly increase in over a year.



U.S. export sales were relatively strong, and demand spread over 21 countries for the reporting period ending April 11.

- **Lower prices helped bring about new business. A net total of 146,100 Upland bales were booked, and 266,700 bales were exported for the week.**
- Despite a solid week of sales, the U.S. is still below average regarding the number of exports committed at this point in the year.
- **New crop sales of 80,100 bales were healthy for what is typically sold at this point in the year.**
- **A net total of 2,700 Pima bales were sold, and 5,900 bales were shipped for the week.**

U.S. Export Commitments as % of Final Exports
Week 37 of Marketing Year

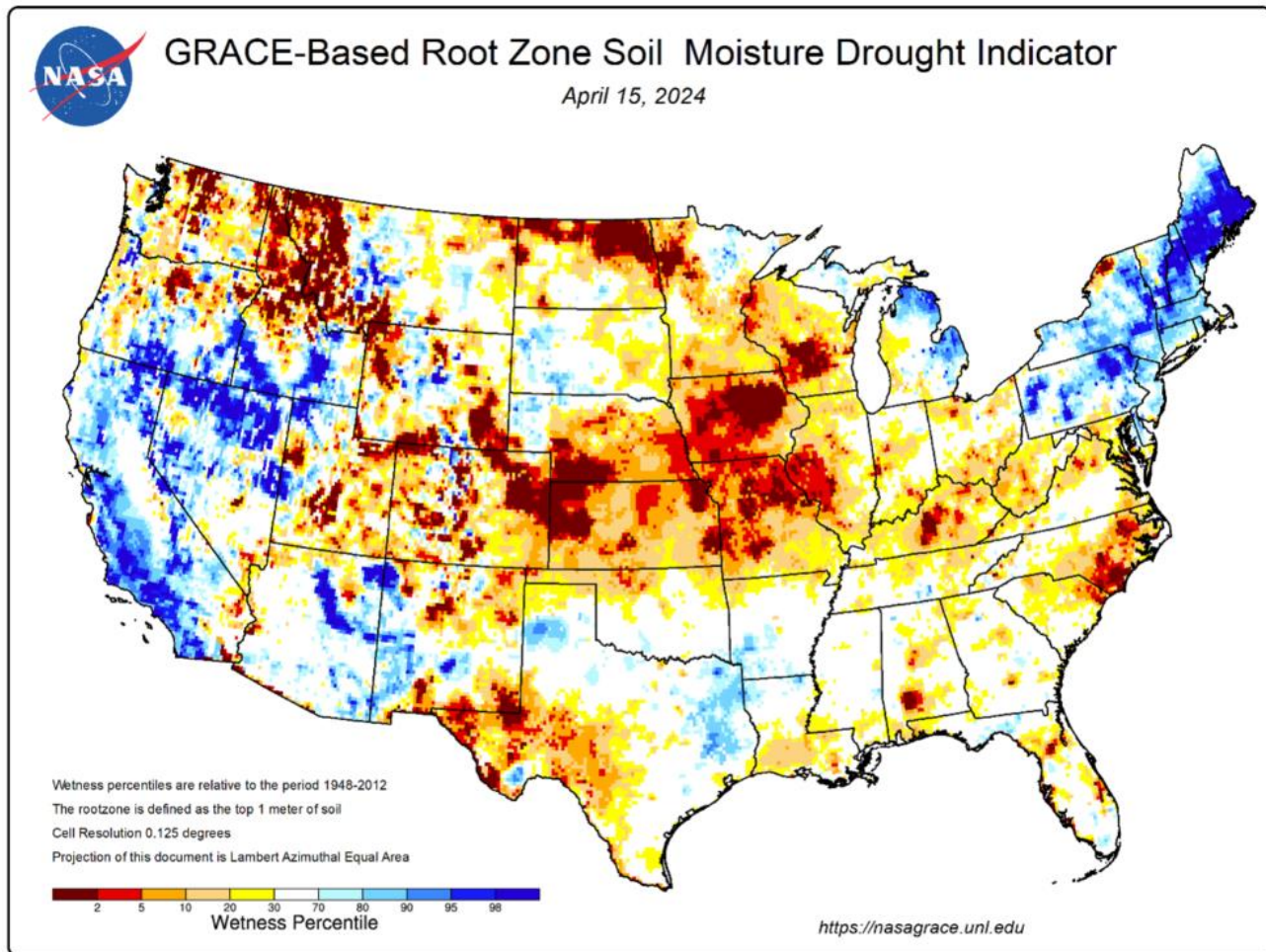


Source: USDA, *WASDE forecasted exports

The Week Ahead

- May First Notice Day is next week, April 24. There might be more activity as traders finish cleaning up the books and rolling their positions forward.
- The U.S. Export Sales Report will remain a central focus. Southwest weather will also be monitored, as soil moisture remains a concern in some areas.

- Throughout the country, cotton is now 9% planted and 13% planted in Texas. South Texas should be done with planting in the next few weeks. For the most part, the season has gotten off to a good start this year but would benefit from some timely rains.



The 2024 U.S. Cotton Trust Protocol enrollment is now open! Please contact the PCCA office at 806-763-8011 for more information and assistance with the enrollment process. The application deadline for the 2024/25 crop is April 30, 2024.

For a list of in-person sign up dates, please click [here](#).

The Seam

As of Thursday afternoon, grower offers totaled 37,519 bales. There was no activity on G2B platform for the week.

Ice Futures Ending 4/18/2024

	Settlement	Daily Change	Weekly Change
May '24	78.10	-1.46	-5.27
July '24	80.61	-0.72	-4.64
Dec '24	77.41	-1.13	-3.28
Mar '25	79.10	-0.74	-2.71

Adjusted World Price (AWP)

Official 4/19 thru 4/25

AWP	62.18
LDP/MLG	0.00
2023 FCA	0.38
Coarse Count	0.00