

## NEW YORK COTTON STOCK EXCHANGE

After an intense week of trading, the May 2024 position of the New York Cotton Exchange, after having touched a low of 91.56 cents/lb last Wednesday, recovered on Friday maintaining the highest of its duration, closing at 93.49 cents/lb.

March position, on the way to expire, was very active with traders liquidating or rolling positions forward until the contract's first notice day on Friday.

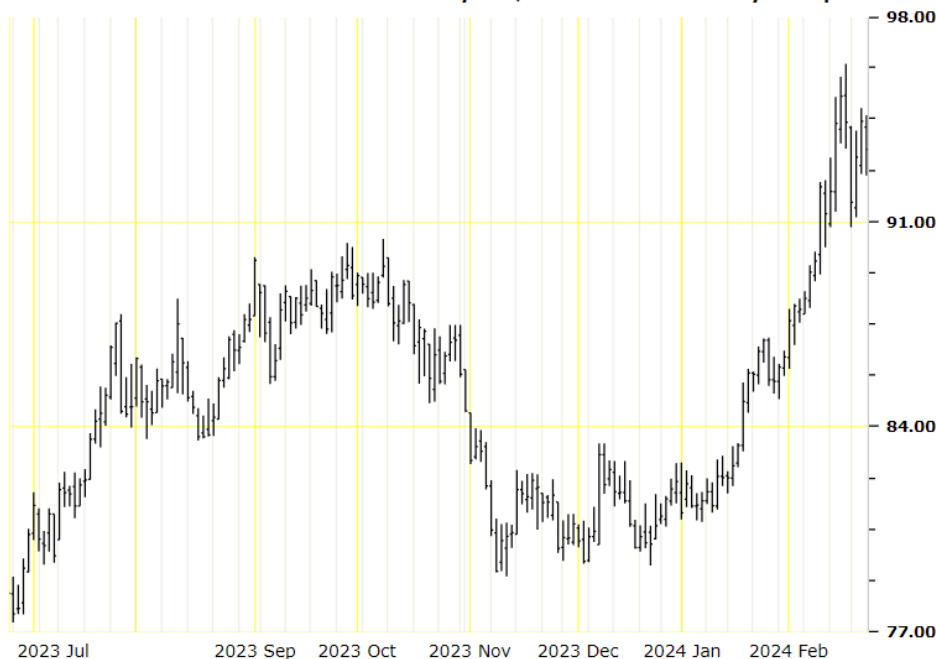
The National Cotton Council's Planting Intentions Survey estimated that next season, the United States will plant 9.85 million acres, countering the USDA's planting intentions, announced last week, of 11 million acres. It must be said that the NCC survey was conducted from mid-December to mid-January but cotton prices have recently moved in favor of cotton and as of today, it seems that more people agree with the 11 million acres that the USDA set as its initial baseline.

The next official planting estimate will be the USDA's "Prospective Plantings" report, which will be released on March 28, 2024.

USDA's published weekly cotton export sales were 130,500 bales for the week ending 02/15. This value is down from 160,000 bales last week but it must be considered that China was closed for the New Year holidays. Shipments, however, totaled 255,500 bales, bringing total commitments for the season to 10.4 million bales.

As time progresses, export sales and data from the next harvest will become crucial to future prices for traders.

**NEW YORK COTTON EXCHANGE - February 23<sup>rd</sup>, 2024 settlement - May 2024 position**



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## ECONOMY/FINANCE

As already estimated previously and announced in my previous newsletter, a copy of which you can find on my website at <https://www.tessilfibre.eu/newsletter.html>, the decline in inflation in the eurozone in January is confirmed at 2.8 %, down from 2.9% in December. A year earlier the rate was 8.6%. However, it is considered premature to talk about interest rate cuts as an early cut is considered more dangerous than a delayed one.

On stock market indices, Nvidia's fourth-quarter sales tripled compared to last year, setting a record for the largest single-day market capitalization gain and helping markets across the globe recover.

After the week of holidays for the Lunar New Year, Chinese stock exchanges closed on 23 February 2024 with a (moderate) rise for the fifth consecutive stock market session, moving further away from the five-year lows reached at the beginning of the year.

The measures that Beijing has launched to support markets and the economy appear to be having an effect.  
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## EURO/US DOLLAR EXCHANGE RATE

The exchange rate of the EURO against the US DOLLAR rose throughout the last week, closing the trade on Friday at 1.0834.

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## ENERGY

Crude oil fell, closing the session in a sharp decline over the weekend, showing a loss of 2.11% on previous values. We saw a weekly close of **New York WTI** below the lows of the previous sessions and closing at 76.61 USD per barrel.

Amsterdam's **GAS TTF** was also weak, recording a minimum of 22.315 euros per MWh and closing at 23.193 euros per MWh last Friday. This figure is the lowest reached in May 2023.

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## TREND OF FIBER AND YARN PRICES IN THE MAIN PRODUCING COUNTRIES

In **PAKISTAN** the prices of cotton yarn are always strongly supported by the rapid increase in the price of cotton fibre. In particular, the price of the basis of Ne 30/1.

In **INDIA** yarn prices remain high due to the increase in cotton and export requests.

**CHINA** has resumed work after the Chinese New Year holiday, however, the prices of yarn, especially cotton ones, are rising sharply.

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February 26th, 2024