

## WEEKLY MARKET REPORT

April 15<sup>th</sup>, 2024

### NEW YORK COTTON FUTURES

During last week, the May position of the New York Cotton Exchange stood at 82.65 cents/lb, closing the week still lower due to continued selling pressure and continued speculative liquidations, in addition to positive rains in West Texas, about planting the new crop.

Fundamental, technical, and macroeconomic news have kept the market moving this week. The May and July contracts fell below the 200-day moving average.

The USDA's weekly export sales release reported 81,500 bales of old crop sales for the week ending April 4, marking a 5-week low, while actual shipments for the same week were 274,147 RB, a low in 9 weeks. Stocks remained at 2.5 million bales.

With less than two weeks to go until the "first notice day" of the May position, the July contract will begin to become the primary contract for short-term positions.

NEW YORK COTTON EXCHANGE - April 12th, 2024 settlement - MAY 2024 position



### ECONOMICS AND FINANCE

In March, annual inflation in the **UNITED STATES** accelerated to +3.5% from +3.2% recorded in February while, as expected, in **EUROPE**, the ECB announced that it had left rates on refinancing operations unchanged main ones, on marginal refinancing operations and on deposits at the central bank at 4.50%, 4.75% and 4.00% respectively, after the last monetary tightening which dates to the meeting in September 2023.

## EURO/US DOLLAR EXCHANGE RATE

The recovery of US inflation in March strengthens the DOLLAR and the Euro/Dollar exchange rate (**EUR/USD**) suffered a sharp decline and closed the week at 1.066. The short-term technical structure therefore remains precarious.

EURO/US DOLLAR EXCHANGE RATE - April 12th, 2024 settlement



## SEA FREIGHT

After a long period of near-constant decline, the 40-foot container composite index fell 1% to \$2,795. The route between Shanghai and Genoa remained practically unchanged, going from 3,614 to 3,632 dollars.

## ENERGY

Gas at two-month highs following a new attack on warehouses in Ukraine. The price jumps to over 30 euros per Megawatt hour at the **TTF** in Amsterdam. It is the fourth attack in less than three weeks and the market is now also alarmed about gas pipelines.

**CRUDE OIL** also rises above \$90 a barrel and volatility are skyrocketing following Iran's launch of drones and missiles against Israel. If there are no further negative developments, prices are currently cooling in the short term, rather than heating up further, even if geopolitical risk has increased.

Below are the current prices:

**NATURAL GAS** on the Amsterdam market, the TTF closes the week at 30,450 euros per MWh.

**BRENT** in London closed at USD 89.82 per barrel

**WTI** in New York closed at USD 84.95 per barrel

## FIBER AND YARN PRICES

In **INDIA**, export prices of cotton yarn continued to fall last week.

In **CHINA**, the cotton yarn market is experiencing a period of support thanks to a modest recovery in demand.

In **PAKISTAN**, export prices of cotton yarn fell due to reduced market activity ahead of the Eid holidays.

## INDICATIONS

This is a service that I give to my Italian clients to serve and inform them in the best possible way.

***The text was translated with GOOGLE TRANSLATE, therefore the translation may not give a perfect meaning.***

This newsletter and all previous ones can be found in PDF format on my website in the section <https://www.tessilfibre.eu/newsletter.html>