

## WEEKLY MARKET REPORT

April 29th, 2024

### NEW YORK COTTON FUTURES

After weeks of sharp declines, the cotton stock market found itself in an oversold position, so last week, with unusually low trading volumes, it was not surprising to see prices consolidate.

There was little key news last week. Weekly export sales, combining the two marketing years, amount to 261,500 bales, with China the main buyer, while total sales are now 96.6% of reaching the USDA estimate. Shipments, however, are higher than the five-year average.

Regarding demand for US cotton, the following concerns remain.

Production of cotton yarn in China is down 5.5% compared to last year and that of cotton fabrics is down 4.5%, while polyester production is growing by 7%.

Brazil continues to be a formidable competitor to the US and exports increased by 233% in March. Most went to China. Additionally, the harvest is estimated to be 16.5 million bales, up 8% from last year. Therefore, you will have ample availability to draw from.

Barring any unforeseen events, prices should remain consolidated at current levels this week.

NEW YORK COTTON EXCHANGE - April 26th, 2024 settlement - JULY 2024 position



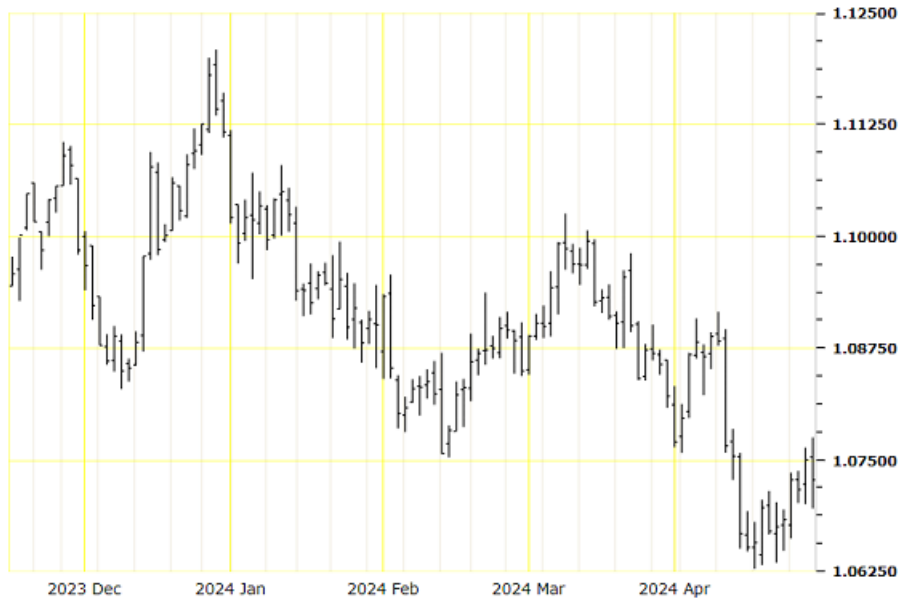
### ECONOMICS AND FINANCE

In the **USA**, PCE (Personal Consumption Expenditure) inflation rises above expectations: +2.8% year on year, compared to 2.7%. That said, the Fed will keep interest rates high before reducing interest rates and with Chairman Powell's statements it is assumed that given the strength of the labor market and the progress made so far, restrictive monetary policy will be given more time before intervening.

## EURO/US DOLLAR EXCHANGE RATE

The EURO is recovering slightly against the US DOLLAR, after reaching a minimum of 1.06631 last Tuesday. The exchange rate is currently above 1.070.

EURO/US DOLLAR EXCHANGE RATE - April 26th, 2024 settlement



## SEA FREIGHT

On the Shanghai – Genoa route, the cost of shipping a 40-foot container is now \$3,615, up 1% from the previous week.

## ENERGY

**NATURAL GAS** on the Amsterdam market the TTF is currently at 28,360 euros per MWh.

**BRENT** in London closed last week at USD 87.39 per barrel

**WTI** in New York closed last week at USD 83.03 per barrel

## FIBER AND YARN PRICES

In **INDIA**, gross margins are expected to recover in cotton yarn manufacturing units, following the decline in raw material prices.

In **CHINA**, cotton yarn prices have fallen and could decline further in the coming period.

In **PAKISTAN**, export prices of cotton yarn fell last week.

## 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.***

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