



WEEKLY COTTON REPORT

As of 14 January 2011

Higher prices & fewer stocks.

© Following the recent NY futures increase, Greek prices have become more expensive. The typical after rain quality is ranging between 165-167 usc/lb FOT. Small volumes were sold during the week to some international merchants and few Egyptian spinners. Turkish spinners are not so active lately rather focused on alternative crops.

© Current stocks are getting very limited. Out of a production of about 180,000 tons, it is estimated that the unsold quantities are almost 25,000 tons. Of course this is a career low figure for this month of the season.

© Additionally, during the week some growers in Thessaly area finally managed to harvest their cotton fields by using a cotton stripper machine. In North Greece areas there are still cases that fields are wet and pickers can't enter to pick up the cotton. Farmers have never had such an unpleasant experience in their life so far...

© The good news is that due to the high price levels of cotton, the momentum for next season is very optimistic. It is 100% sure that acreage will increase all over cotton areas of Greece. In 2010 the acreage was about 250,000 hectares and according to unofficial sources of the market in 2011 it will increase by 20-25%. Also provided the prices remain strong growers will cultivate targeting for high yields. Therefore, unless we experience again any worms or disastrous weather conditions during harvesting it is very likely that the lint production will exceed 300,000 tons.

Kind regards
Yiannis Papadoyiannis



HELLENIC COTTON EXPROTS: 4-6 Demokratias Avenue, Neo Psychiko, 15451 Athens, Greece
Tel : + 30 210 67 15 453 FAX: + 30 210 67 47 347 E-mail: hecot@hecot.gr Web-site: www.hecot.gr

Disclaimer

Information contained herein is based on data obtained from recognized statistical services, issue reports or communications, or other sources, believed to be reliable. However, such information has not been verified by “Investment Research & Analysis Journal” (“IRAJ”), and “IRAJ” does not make any representation as to its accuracy and completeness. Opinions, estimates, and statements nonfactual in nature expressed in the research reports presented by “IRAJ” represent judgment as of the date of the reports, are subject to change without notice and are provided in good faith and without legal responsibility. In addition, there may be instances when fundamental, technical and quantitative opinions, estimates, and statements may not be in concert. Neither the information nor any opinion expressed shall constitute an offer to sell or a solicitation of an offer to buy any shares, warrants, convertible securities or options of “covered companies” by no means.
