



WEEKLY COTTON REPORT

As of 18 January 2008

Sales are caring on, following the NY futures rally

- ⊙ During the week, several ginner took advantage of the strong performance in NY and proceeded to new sales. We estimate about 4,000 tons committed for exports. The strengthening of usd gave an extra motive to sellers, who sold both on fix price and on call. Depending on the volatile market and the quality offered, prices are fluctuating on a daily basis. It is obvious that in most cases buyers were merchants and only a small part was sold 'directly' to Turkish mills.
- ⊙ Spinners of our neighboring country are still price checking rather than actively buying Greek cotton. In some cases they are interested in stocks of the old crop appearing to pay prices around 153-154 usc/kgs FOT. The Egyptian demand has been absent for more than three months.
- ⊙ Regarding new crop acreage, first estimates of the whole sector calculate about 20-25% lower cotton cultivations, in favor of wheat & corn for the 08/09 crop. We remind that during 07/08 crop the real and seriously growing cotton acreage was about 330,000 hectares and about 35,000 he. were cultivated only for subsidy purposes. Thus, by calculating 25% lower cotton acreage our lint production will most probably drop to about 270,000 tons. Of course as we get closer to new crop's plantings we will be getting a more clear view.
- ⊙ Lastly, referring the strike on Piraeus and Thessaloniki ports, during the weekend a meeting of labor - workers and government will be held in order to solve the problem.

Best regards,
Yiannis Papadoyiannis



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