

FUTURES	26-Sept	03-Oct	Variation	INDEX	26 -Sept	03 -Oct	Variation
DEC 19	60.28	61.60	2.19 %	EUR/USD	1,092	1,0964	0,40%
MAR 20	60.99	62.36	2.25 %	COTLOOK	71,4	71,95	0,77%
MAY 20	61.89	63.27	2.23 %				

NEWS

Despite turbulent global markets, the cotton market saw some strength over the week closing at 61.60 c/lb, up 130 points in the week.

The stock markets in the US and the UK showed weakness. Poor manufacturing figures globally sent both stock markets lower, also triggered by the Trump impeachment and the continued Brexit uncertainty.

The US crop is still confidently predicted at 22 million bales though Texas is still experiencing some unwanted rains which will affect the quality of the crop there rather than the quantity. The US export report came in line with expectations and good to see some sales and shipments to China after the news of cancellations over the last few weeks.

Demand side there has there has been some modest improvements. Bangladesh has been buying afloat WAF and Brazil lots, with the WAF basis remaining firm. Light enquiry continues from India for nearby as they assess their local crop. The Pakistan crop problems have spurred them into buying Argentine, US and Brazil in quite good numbers according to reports.

There are some reports that the crop in Gujarat has been badly affected by flooding that should lead to lower quantities and qualities. For now the feeling is that the crop will not be ready until mid-November in India at the earliest.

The market still remains within a trading range with no clear signal which way it will break out, we won't make a prediction either way for now.

ECHEANCE Dec 19  **60 USC/LB**

EUR /USD  **1.10**