

COTATION À NEW-YORK (US CENTS)

ÉCHEANCE	30-Jan	06-Feb	Variation	INDICES	30-Jan	06 -Feb	Variation
MAR 20	69,05	67,91	-1,65%	EUR/USD	1,1032	1,0981	-0,46%
MAY 20	69,64	68,48	-1,67%	COTLOOK	79,15	76,55	-3,28%
JULY 20	70,50	69,31	-1,69%				

ACTUALITES

Le Coronavirus est également venu infecter le marché du coton.

En effet comme nous l'avons annoncé la semaine dernière, la crise sanitaire qui frappe la Chine a des répercussions sur l'économie mondiale notamment sur notre marché.

Malgré des données fondamentales encourageantes l'absence d'acheteurs chinois pèse sur les cours.

Cependant il faut noter l'engouement que le fléchissement des prix a provoqué. Les fixations et les achats sont venus limiter la baisse des cours.

Le rapport hebdomadaire de l'USDA hier est venu confirmer la reprise d'activité consécutive à la plus grande attractivité des prix.

Une des grandes questions a trait à la situation en Inde où le CCI continue ses achats massifs. On parle maintenant d'un objectif d'achat de 10 Millions de balles à des prix largement au-dessus du marché international afin de soutenir les cours et de tarir les flux à l'exportation.

Les producteurs Brésiliens restent réticents à vendre aux niveaux actuels et continuent de stocker le coton produit. Tant que la nouvelle récolte n'est pas égrenée peu de chance que rien ne vienne précipiter les ventes.

L'acquittement attendu de Donald Trump aux USA a permis une nouvelle fois au Dollar de se raffermir face à toutes les devises.

Malgré le sentiment baissier qui s'est emparé de notre marché, nous restons d'avis que le niveau de 70 USC / Lb est un niveau d'équilibre que nous devrions retrouver.

ECHANCE Mar 20 68.00 USC/LB

EUR /USD 1.10

FUTURES	30-Jan	06 -Feb	Variation		30-Jan	06-Feb	Variation
MAR 20	69,05	67,91	-1.65%	INDEX			
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NEWS

March futures again lost ground this week, settling at 67.91 down over 100 points in the week.

The Coronavirus continued to spread fear as the death toll jumped to over 500, with now a handful of deaths reported outside of China. The virus has rattled commodity markets but China continues with a proactive response and we feel the Hysteria could be a touch overdone, though it has created volatility in the cotton market. President Trump was found not guilty of impeachment charges, a positive for the US markets. China also announced the reduction of tariffs on \$75 billion of US goods on Thursday, a continuation of the phase one trade deal agreement.

The USDA report was again very positive, with over 300k bales sold in the week and an excellent shipment figure. It was disappointing not to see China buying, though this was perhaps due to their New Year holiday and the effects of the Coronavirus.

Demand and enquiry was steady throughout the week, though not exceptional. Turkey have been buying large quantities of US cotton and Bangladesh continues to purchase Indian cotton at very competitive prices. Vietnam has been in the market for afloat cotton and Pakistan has been buying West African for nearby shipments. China has also been in the market for Brazil and West African cotton but for second quarter shipments. The enquiry has been there but due to the volatility in the market over the week it has been difficult to put business together.

On the origin side, there have been no West African tenders due to the fall in NYF. Brazil still has around 400k mt left to sell and these are coming through in recaps, though the grade is starting to tail off. In India the CCI have now bought 6.5 million bales, exported 2.5 million bales and local mills have consumed 10 million. If the CCI continues to buy at a steady pace then arrivals will slow up shortly and we will wait with baited breath as to how the CCI decide to sell their large inventory. Certainly one to watch for market direction.

The Coronavirus has created negative sentiment in the market and will likely create a slowdown in activity in China, in terms of factory closures and the movement of goods in and out. The lower market has led to mill fixations and further mill demand which is likely supporting the market at the current levels. If the Coronavirus was to be contained then we do feel that a return to the range of 68 – 72 c/lb trading range is more than likely, until then we will have to see how the world reacts to the virus.

ICE Mar 20

68.00 USC/LB

EUR /USD

1.10