

NEW YORK COTTON STOCK EXCHANGE

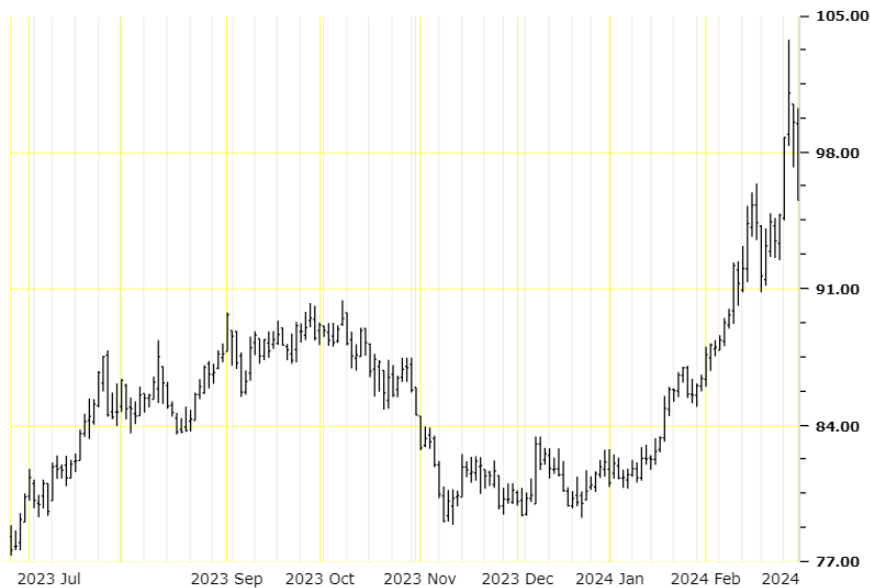
Speculative buying pushed May cotton above the dollar last week for the first time in a year and a half, and both May and July futures contracts hit their limits on Tuesday and Wednesday.

There has been a speculative bullish trend in the current harvest months, but the technical outlook is not currently transferring to new crop prices. Indeed, the disparity between July and December contract prices is cause for concern.

However, a disappointing overseas sales report caused some selling after the week's strong rise. In fact, the USDA reported that only 39,966 bales of cotton were sold for export, marking a new low. Exports however stood at 267,115 bales for the week, putting commitments just 0.5% below last year's pace, with 10.477 million export bales on the books.

Following this, May futures ended the week falling to 95.57 cents/lb.

NEW YORK COTTON STOCK EXCHANGE - March 1st, 2024 settlement - MAY 2024 position



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ECONOMY/FINANCE

In **EUROPE**, inflation in February was higher than expected. Overall, it was equal to 2.6%, from 2.8% in January, thanks above all to a decline in energy prices (-3.7%). Analysts had expected 2.5% annually.

In the **USA**, inflation in January stood at 2.8% on an annual basis, equal to expectations. The previous month it was +2.9%.

Most Asian stocks rose on Friday following the previous night's strong gains on Wall Street, which also closed in the green last Friday. Of note, the Japanese and Australian markets are at all-time highs amid growing hopes of an interest rate cut in 2024.

European market stocks also closed the week on a positive note.

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EURO/US DOLLAR EXCHANGE RATE

The Euro/Dollar exchange rate (**EUR/USD**) was stable and fluctuated above the 1.08 area last week. The short-term technical structure therefore remains mixed. Before being able to begin a significant recovery, an adequate consolidation phase will therefore be necessary.

As regards the markets of greatest interest in our textile sector, the **PAKISTANI RUPEE** remained substantially stable in February, except for the **TURKISH LIRA** which continues to lose ground against the US DOLLAR.

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ENERGY

Recover the price of Amsterdam **TTF GAS** which closes the week at EURO 25.809 per MW/h
CRUDE OIL also closes the week on a positive note, both **BRENT** in London and **WTI** in New York.

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TREND OF FIBER AND YARN PRICES IN THE MAIN PRODUCING COUNTRIES

In **INDIA** the prices of cotton yarn increased again last week on the domestic and export markets.

IN **CHINA** Viscose prices have stabilized at higher levels with spinners now looking to increase their offers.
Polyester prices have declined over the past seven days. Price trends depend solely on raw material costs.
As regards the prices of cotton yarn, in the last week we have witnessed an increase in prices due to the sharp increase in crude oil prices and a limited ready supply due to the reduced production due to weak demand in recent months.

In **PAKISTAN**, yarn prices have stabilized and I do not exclude a phase of slight decline due to the return of the decline in demand, however, we are still on a high base compared to two months ago.

March 4th, 2024