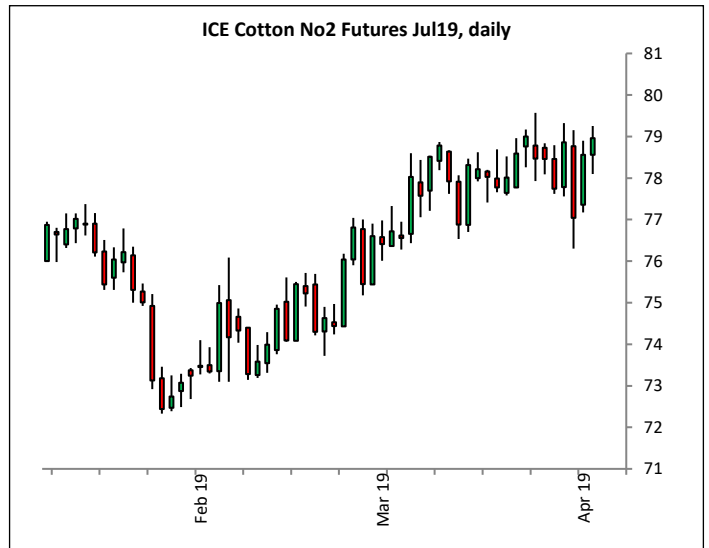


COTTON MARKET REPORT

	Apr 17	Apr 10	change
ICE No2 May19	78.11	77.62	0.49
ICE No2 Jul19	78.96	78.46	0.50
ICE No2 Dec19	77.41	77.02	0.39
ICE No2 May19-Jul19	-0.85	-0.84	-0.01
ICE No2 futures o.i.	212'509	221'538	-9'029
ICE No2 certified stocks	55'517	48'280	7'237
A-Index 18/19	87.75	87.70	0.05
ZCE Sep19	15'890	15'900	-10
MCX Cotton Apr19	22'300	21'950	350
USD Index	97.009	96.946	0.063

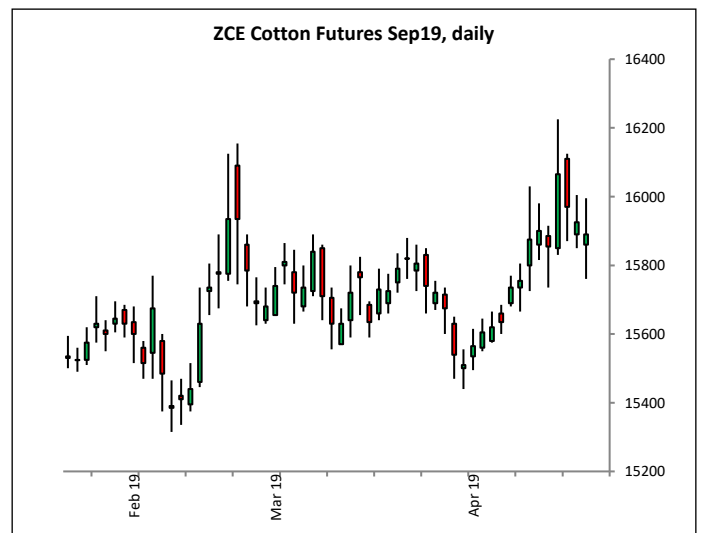
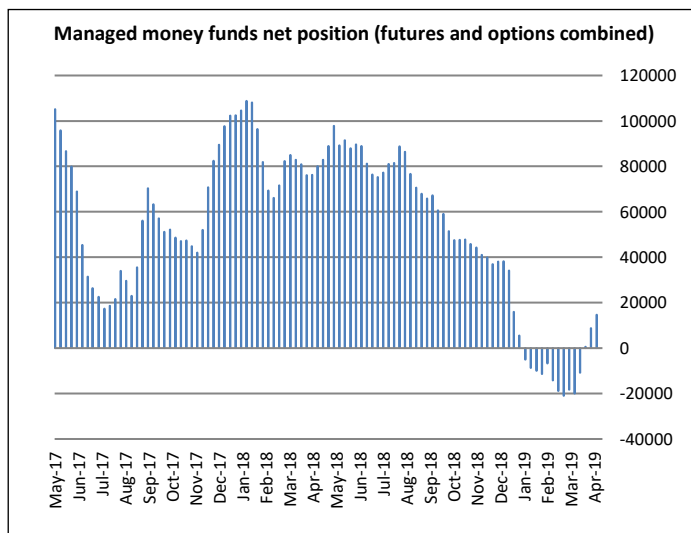


ICE Cotton No.2 – The market has traded in a choppy fashion within a wide range this week. However, the activity has not forced prices outside short-term key support nor resistance levels.

The latest CFTC Commitments of Traders Report data (figures per Apr09, futures and options combined) shows that managed money funds continued to actively cover shorts. Since the end of February, they covered 30'000 lots of shorts, longs have added only 5'000 lots during the same period. On a net basis they went from being about 20'000 lots short to 15'000 lots long. It is interesting to note that thus far longs have shown hesitation in being more aggressive on the long side, despite the improved (short-term) technical picture.

Short-term support to keep the bullish pattern intact is at 76.00. Resistance is between 79.50 and 80.00. Settling above sets 81.50-82.50 as next up-side target.

The mid- long-term technical picture still suggests that the move from the February lows is of corrective nature only. Key/critical resistance sits between 82.50 and 86.00.



COTTON MARKET REPORT

USA - The cotton season in the U.S. is slowly coming to an end with less and less bales being offered and traded domestically. As of yesterday, about 18.42 million statistical bales of upland and pima cotton have been classed, just slightly above the USDA's last 18/19 production estimate.

Farmers are now focusing on getting their crops planted and the weather has been very favorable for cotton recently, especially for Texas, where it has been raining frequently since end last week and is now mostly free of any abnormal dryness, while at the same time last year it was under extreme to exceptional drought in the major cotton growing areas.

The USDA export/sales report will be released later today, with predictions equal to or slightly better than last week's report. Interesting to note as of April 4th cumulative sales stand at 96% of the USDA's export target. The five-year average selling pace for this time of year is 93.5%. At the same time shipment pace at 54% is behind the five-year average pace of 62%.

India – All India daily cotton arrivals are reported to be about 75'000 bales. Active import business continued for West African & US origins.

The Indian Meteorological Department (IMD), in its first long-range forecast for the south-west monsoon, predicted that the monsoons will be near-normal for the current year.

China – This week the ZCE cotton futures market made an attempt to break out of a 5-month trading range to the upside. However, prices failed to build value above the 16'000 level (basis Sep19 contract) and pulled back to close the reporting week virtually unchanged. Thus, the short-and mid-term technical picture remained neutral.

The NDRC announced that additional 800'000 tons sliding scale import quota will be released and textile mills can start their applications. Rumors are circulating that due to the release of import quota, reserve sales will be delayed. The news triggered both ICE and ZCE to move higher. Import buying from mills as well as traders is active.

Temperatures in Xinjiang recovered this week, which is good for plantings. The estimated cotton acreage will remain the same as last season.