

DAILY MARKET REPORT

Tuesday 9th March 2010

"ICE" COTTON FUTURES

	Close	Change	High	Low
Mar-10	8215	-38	8275	8240
May-10	8204	-39	8244	8134
Jul-10	8254	-31	8287	8175
Dec-10	7527	+18	7530	7405
Mar-11	7642	+5	7646	7598
May-11	7674	+10	7677	7630

Estimated Volume: 10,510; 09/10 A Index: 86.50 (+0.40)

AUSTRALIAN DOLLAR

Todays Spot	9100	Up 30
2010	9015	-85
2011	8669	-431
2012	8367	-733

AUD COMMENT

The local unit was stable close to six-week highs against the USD after a calm session. Investors are pricing in a slightly higher chance of a 25 basis point rate rise in April. Little change was seen during off shore trade including the lack of movement against the yen. The general lack of economic data overnight and this week means the AUD will be open to more offshore influences. Greek Prime Minister George Papandreou tried once again to shore up support for Greece on Monday as the tired Euro continued to battle Greece's economic distress. A positive outcome here will add further support to the AUD on a risk appetite basis, but overall the AUD does look heavy at current levels with major selling interest around .9100 and above. Gold fell 1% in Europe on Monday as the market's failure to hold key psychological support just above \$1,130 an ounce disappointed investors, prompting further selling of the precious metal. Locally this week ANZ job ads and NAB business confidence will set the ground for Thursday's official labour data. Forecast for unemployment is at 5.3% and looking for an increase of 15,000 jobs through February.

INDICATIVE PRICES (exclusive of GST)

	2010	2011
ACash 14 Day	\$424	\$438
USc/lb (14 day)	76.44	75.96
Daily Pool	\$427	\$441

FOB basis offerings may not reflect the cash equivalent

31-3-36 / 3.5-4.9 Mic.

227Kg Bales, FOB Ginyard.

COTTON COMMENT

Futures drifted defensively today after declining to three-day lows this morning in light, featureless trading. Cotton's consolidation ahead of this week's USDA figures continued as prices spent basically the entire session in the red before a late day buying surge helped pare losses to only 39 points. There was little in the way of fresh news. Cash markets remain slow. Traders are taking a cautious stance awaiting the USDA March supply/demand outlook scheduled for Wednesday morning. Today's trading volume was also relatively light with estimated under 10,000 contracts at 9,742. Outside markets were not a big factor today with the US Dollar and Dow trading in a narrow range. Grains were also generally quieter with corn down 0.1% while wheat and soybeans were moderately higher. Wheat gained 0.1% as export demand improved on the back of a weaker USD and beans gained 0.7% on reports that China may boost imports to increase its inventories.

May -10 COTTON OPTIONS

Calls	Prem	A/Bale	Puts	Prem	A/Bale
79	493	\$27.09	79	190	\$10.44
80	432	\$23.74	80	229	\$12.58
81	377	\$20.71	81	273	\$15.00
82	327	\$17.97	82	323	\$17.75
83	282	\$15.49	83	378	\$20.77
84	243	\$13.35	84	439	\$24.12

Namoi Cotton Commodities

(indicative prices, excl GST, per tonne)			
Grade	Brisbane	N'castle	Pt Kembla
2009/2010			
APH2	\$230	\$230	\$233
APW1	\$210	\$210	\$218
AUH2	\$205	\$205	\$213
F1 Barley	\$205	\$195	\$180
SOR	\$198	\$198	
2010/2011			
APW1	\$225	\$225	\$225
SOR	\$210	\$210	
F1 Barley	\$180	\$175	\$165
	WW	G'windi	Warren
Chickpeas 2009/10	\$415	\$415	\$415
Chickpeas 2010/11	\$380	\$380	
Please contact your local Namoi Cotton representative for all Ex-Farm pricing			

GROWER NEWS

Module/Bale Loans 9.14%. P&D exchange rate for March is 0.8877. Namoi Capital Stock 0.40

CONTACTS

Macquarie/Lachlan	Jaimee Carrigan	02 6888 9611
Namoi	Ross Brown	0429 903 047
	Pedr Harvey	0429 920 980
Gwydir	Skye McDonald	0407 434 104
MacIntyre	Paddy Martin	07 4671 6910
Mungindi/West Qld	Owen Webb	0427 790 056
Darling Downs / CQ	Les Perkins	0427 001 289
GS & Mkt Manager	David Lindsay	02 6790 3066
Trading Manager	Clinton Uebergang	0427 903 075