

Demand Supply and Merchandising of U.S. Upland Cotton

(5) 가

1. (Spot Market)

A) Local Market/Producer's Market

()

1

Spot Cotton Broker

Spot Cotton Merchant

가

Shipper

Factor

(10acre

)

Crop on acres

Shipper

Merchant

Shipper

Coverage

가

가

Shipper

Cooperative

B) Central Spot Cotton Market

Consumer and Marketing Service가

15

Augusta, Georgia	1915
Dallas, Texas	1915
Galveston, Texas	1915
Houston, Texas	1915
Little Rock, Arkansas	1915
Memphis, Tennessee	1915
Montgomery, Alabama	1915
New Orleans, Louisiana	1915
Atlanta, Georgia	1916
Charleston, South Carolina	1916
Lubbock, Texas	1949
Fresno, California	1952
Greenville, South Carolina	1952
Green Wood, Mississippi	1954
Phoenix, Arizona	1962

Merchant가	가
:	
1st Cost(Merchant's Buying Cost 가	₹ 33.00
Cost to Compress(Including Storage Charge) ()	43
C.T.L.(Cost to Land)	<u>+ 1.85</u>
Total Cost landed 가	35.28
Sale landed to Mill 가	<u>-35.50</u>
Profit on Sale	₹ .22

C.T.L.	
Commission(Buying)	15 Points
Concentration Charge	20
Compression(Standard)	25
Marking & Branding	5
Loading Out	3
Transportation	70
Interest, Insurance, Exchange	30
, ,	
Miscellaneous	17
	185 Points

가 Carring Charge , , ,

Overhead Charge() .

Shipperdml

Texas Technological College .

Table 2. Average Per Bale costs Incurred by Shippers in Merehandising Raw Cotton,
by Type of cost and location of Firm, 1955-56 Season

Cost items	Areas in Which firms were located 1									
	West		Texas-Okla.		Central		Southeastern		All areas	
	% of		% of		% of		% of		% of	
Direct and Carrying Costs:	Dol.	Total	Dol.	Total	Dol.	Total	Dol.	Total	Dol.	Total
Controlling and forwarding.....	0.05	0.4	0.05	0.4	0.03	0.3	0.01	0.2.	0.04	0.3
Insurance.....	.17	1.4	.20	1.4	.18	1.6	.09	1.1	.18	1.4
Express and postage.....	.01	.1	.07	.5	.06	.5	.05	.6	.06	.5
Freight.....	4.70	38.1	4.44	31.6	3.87	32.3	2.19	26.6	4.09	32.2
Sales Claims.....	.51	4.1	1.17	8.3	1.60	13.4	1.45	17.6	1.28	10.1
Compress, Concentration and handling...	3.46	27.9	3.27	23.3	1.88	15.7	1.35	16.4	2.66	20.9
Interest, exchange and bank charges..	.71	5.7	1.32	9.4	1.03	8.6	.74	8.9	1.11	8.8
Total.....	9.61	77.7	10.52	74.9	8.65	72.4	5.88	71.4	9.42	74.2
Overhead Costs:.										
Salaries, 2 commissions and bonuses.	1.67	13.5	2.58	18.3	1.84	15.5	1.57	19.0	2.16	17.0
Telephone, telegraph and cable...	.10	.8	.17	1.2	.21	1.8	.12	1.4	.17	1.3
Rentals and leases.....	.03	.2	.15	1.1	.08	.7	.06	.8	.11	.9
Trade dues and assessments.....	.03	.2	.05	.3	.04	.4	.03	.4	.04	.3
Donations.....	.04	.4	.02	.2	.03	.2	.04	.5	.03	.2
Office supplies and expenses.....	.01	.0	.01	.1	.02	.1	.01	.2	.01	.1
Professional fees.....	.11	.8	.16	1.1	.06	.5	.06	.7	.11	.9
Sundry taxes.....	.03	.3	.02	.2	.06	.5	.03	.3	.04	.3
Travel	.06	.5	.04	.3	.04	.3	.05	.6	.04	.3
expenses.....	.10	.8	.15	1.0	.15	1.2	.13	1.6	.14	1.1
Depreciation and amortization....	.07	.6	.03	.2	.06	.5	.11	1.3	.05	.4

Bad debts.....	.00	.0	.04	.3	.04	.3	.03	.4	.04	.3
Miscellaneous expenses.....	.52	4.2	.11	.8	.66	5.6	.12	1.4	.34	2.7
Total.....	2.77	22.3	3.53	25.1	3.29	27.6	2.36	28.6	3.28	25.8
Total all costs.....	12.38	100.0	14.5	100.0	11.94	100.0	8.24	100.0	12.70	100.0
	<u>Number</u>		<u>Number</u>		<u>Number</u>		<u>Number</u>		<u>Number</u>	
Bales handles3.....	702,134		3,567,709		2,521,288		591,751		7,382,882	
Firms reporting.....	10		21		22		17		70	

Where firms have offices in more than one area they were included in the area in which the head office was located.

Officers salaries, estimated when not reported.

Bales handled represents the number of bales on hand at close of season

2. (Future market)

A) (Future Cotton Exchange)

3

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가

가가

가

가

가

가

가

가

hedge() .

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(Short) 가 Buying

Hedge() , (Long)

Selling Hedge()

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Hedge 가

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가 가

가 .

가

가 .

가

가 .

B)

Hedging

가 가

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4 ~7

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Selling Hedging

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(Short)

Buying Hedge

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Hedging() .

A.B.Cox

Hedging [

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(1) Hedging

Selling Hedge(Balance가 Long)

¢ 30

가 ¢ 29 Selling Hedge

가 ¢ 27

¢ 3

¢ 26

¢ 3

() ¢ 30

_____ () 27

-() 43

() ¢ 29

_____ () 26

+() ¢ 3= ± 0

, 가 Selling

Hedge 가 ¢ 29

Buying Hedge(Balance가 Short)

¢ 27

¢ 26 Buying Hedge .

가

¢ 30

¢ 3

¢ 29 Selling Hedge ¢ 3

± 0

.

() ¢ 27

$$\begin{array}{r}
 \underline{\hspace{1cm} (\quad) \text{ ¢ } 30 \hspace{1cm}} \\
 -(\quad) \text{ ¢ } 3 \\
 \hspace{1cm} (\quad) \text{ ¢ } 26 \\
 \underline{\hspace{1cm} (\quad) \text{ ¢ } 29 \hspace{1cm}} \\
 +(\quad) \text{ ¢ } 3 = \pm 0
 \end{array}$$

, Selling

Hedge가

Buying Hedge가 (¢ 26)

.

Basis

(1) Call

가 가

가 가 On Call 가 가 .

가 (Fixed Price) 가 , On

Call 가

가 .

가 Hedging

Hedge가

가 .

Call 가 가 Buyer's Call

Seller's Call .

(2) Basis

. 가 가

,

$$= \$ 30,000$$

$$(1) \quad \$ 60,000$$

(2)

$$5 \quad 15 \quad [\text{¢ } 24.00 - \text{¢ } 0.40(\text{Basis off})] \times 50 \quad (125,000\text{Lbs})$$

$$= \$ 29,500$$

$$7 \quad 15 \quad [\text{¢ } 24.10 - \text{¢ } 0.40(\text{Basis off})] \times 50 \quad (125,000\text{Lbs})$$

$$= \$ 29,625$$

$$(2) \quad \$ 59,125$$

(3)

$$(\text{¢ } 24.40 - \text{¢ } 24.00) \times 50 \quad (125,000\text{Lbs}) = \$ 500$$

$$(\text{¢ } 24.40 - \text{¢ } 24.10) \times 50 \quad (125,000\text{Lbs}) = \$ 375$$

$$(3) \quad \$ 875$$

$$(1) = (2) + (3)$$

$$\$ 60,000 = 59,125 + \$ 875$$

$$: \quad 2,500\text{Lbs}(\quad 5 \quad)\text{가 } 1$$

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8

7

가

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3.

A)

U.S. Upland Cotton, Middling White 1 "

Normal Character, Micronaire : 3.5 and up

U.S Upland Cotton Mexican Cotton

White Grades : Good Middling, Strict Middling, Middling, Strict Low Middling, Low Middling

Spotted Grades : Good Middling, Strict Middling

Staples : 29/32 "

Micronaires : Middling	3.5	Middling	3.2
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(a) 300Lbs. 700Lbs

Tare()

Gross Weight Per Bale (Weight of Patches Excluded)	Tare Allowed (Bagging and Bands)
300/321	13
322/345	14
346/369	15
370/392	16
393/416	17
417/440	18
441/464	19
465/488	20
488/700	21

Memphis	Dallas Cotton Excha	Light/Excess Weight Bale
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Penalty Rate :

400Lbs ~ 434Lbs	\$ 1.00
350~399	2.00
Under 350	3.00

400Lbs~434Lbs	\$ 1.00
350~399	4.00
Under 350	7.50
650~699	1.00
Over 699	7.50

(d) Grade Preparation, Staple Character가

(f) Perished Staple 가 Gin-Cut

(Water-Packed).

Claim Rate

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(1) American Cotton Shippers

Association Special Rule

1

Federated Association(1) .

2

Reginned(), Recleaned(),
Blended() Association(2)

.

3

가 Irrigated Cotton()

Rain-grown Cotton() Rain-grown Cotton

Irrigated Cotton Federated

Member (3) .

Tarritories of Growth()

“Rain grown” “Irrigated” . “Rain-grown”

California, Arizona, New-mexico,(Lea County) Texas Pecos El-paso
Valley U.S. Growth .

4

Origin Growth Bale Tag()

Origin Growth Federated

Association .

5

Federated Member Member가 Special Rule

Association Federated Association

Member .

6

90 가 Association

Memphis Office Association

Fair Practices Committee() 1, 2, 3, 4

30

가 Comminittee가

가 Cotton State Arbitration Board(5)

가 ¢ 2 Penalty .

7 Member Member

Broker Special Rule Member가

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8 Origin

Growth Reginned Federated

Association Cotton Exchange

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9 90

가 10% Penalty

1%() 가 .

(1) Federated Association : American Cotton Shippers Association .

(2) Association : American Cotton Shippers Association

Association

(3) Federated Member : Federted Association Member

(4) Member : Association Member

(5) Cotton States Arbitration Board :

American's Institute가

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(2) Claim

False Packed 1.2%

Mixed Quality 10.1

Rust Stains 0.1

Dirt Others 1.2

Weather & Water Damaged 1.2

Pack & Failure 2.1

Bellow Specification ;

Fineness & Strength 7.6

Grade & Staple 54.8

Type 21.7

Total 100%

(Cotton Economic Research Committee)

(3)

50,000Lbs(100 – 1lot)

, lot 50,500Lbs, 49,500Lbs .

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(4) Even-Running

1 가 . , Lot Mark

. 1 Grade Staple , Grade

가 One Grade and Half(: Middleing~Low Middling Plus) , Staple

가 3/32s .