

Southern Cotton Growers, Inc.
REPRESENTING COTTON PRODUCERS THROUGHOUT ALABAMA, FLORIDA, GEORGIA, NORTH CAROLINA, SOUTH CAROLINA AND VIRGINIA

COTTON MARKETING NEWS

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This newsletter is also available in PDF format on the UGA Cotton web page at:
<http://www.ugacotton.com>

NOTE: Written on Thursday, August 28, 2008.

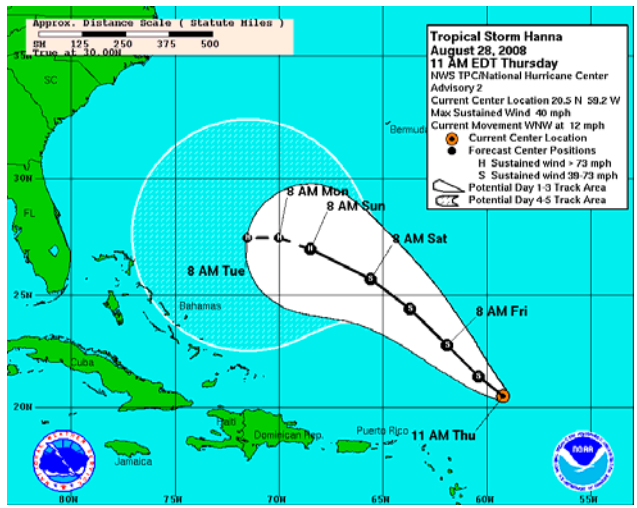
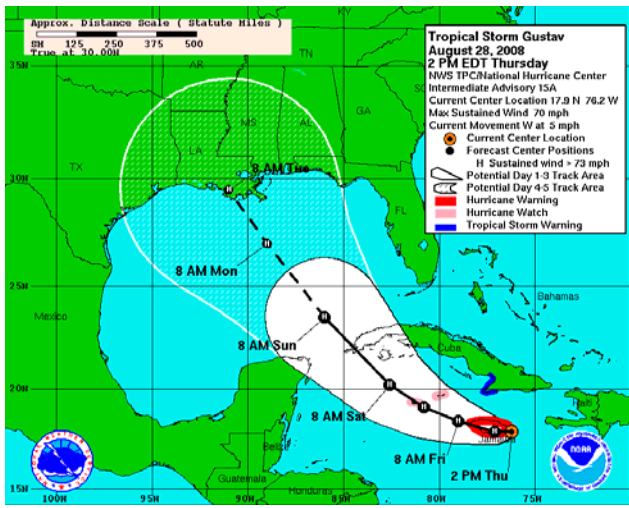
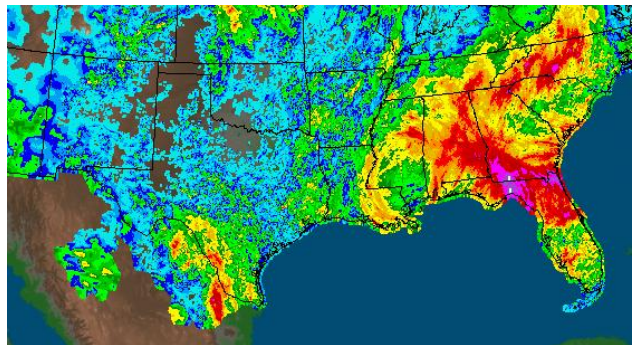
Weather and Market

Cotton prices (Dec08 futures) have mounted a little rally over the past 2 weeks and have tried to negotiate the hurdle at 70 cents. Price closed above 70 cents yesterday but then closed back below 70 cents today-- down 127 points to 69.36.

Tropical Storm Fay really hammered Florida, Georgia, and Alabama. Most of the Georgia cotton-producing area received 5 to 10 inches of rain. Some areas in extreme SW Ga, however, received 10 to 20+ inches of rain over a 2-3 day period. This extreme amount of rainfall was not forecast/expected and will be detrimental to the crop in those counties. The more moderate amounts of rain received are likely beneficial overall to the crop in those areas.

Gustav looks headed for the Mid-South and may impact south Texas as well. The next storm, Hannah, looks headed to the Southeast including Georgia and the Carolinas.

These storms headed to the Mid-South is not good. A lot of rain in south Texas would not be good either with harvest already underway-- but Gustav may miss the Corpus Christi area. It is hard to say how all this weather will impact the market. On balance, is the rain good or bad for the crop? Or does the market care at this point? **DOWN today.**



Don Shurley