



NEWS RELEASE

UNITED STATES DEPARTMENT OF AGRICULTURE • FARM SERVICE AGENCY

USDA
Farm Service Agency

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EXTRA LONG STAPLE (ELS) COTTON ANNOUNCEMENT

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The Department of Agriculture's Commodity Credit Corporation announced that the competitiveness payment program payment rate in effect from 12:01 a.m., Eastern Time, Friday, November 2, 2018, through midnight, Eastern Time, Thursday, November 29, 2018, is zero. The next ELS payment rate announcement will be on November 29, 2018, at 4 p.m., Eastern Time.

ELS competitiveness payments are provided whenever, for 4 consecutive weeks, the lowest Friday through Thursday average adjusted price quotation for foreign growths (LFQ) is less than the Friday through Thursday average price quotation for U.S. Pima cotton, CFR Far East (USPFE); and the adjusted LFQ is less than 134 percent of the current crop year loan level for ELS cotton grade 2, staple 46, micronaire 3.5 or higher, strength 37.5 grams per tex and above (**80.30** cents per pound). Future payments will be established if price conditions warrant.

Relevant data for the ELS competitiveness program follow:

Fri/Thurs Period Ending	Adjusted LFQ as % of ELS Loan Rate	USPFE Price	LFQ Price	USPFE Less LFQ	Payment Rate	Dates Applicable
10/11/18	187.20	150.60	167.44	-16.84	0.00	(10/12-10/18/18)
10/18/18	184.21	150.00	165.04	-15.04	0.00	(10/19-10/25/18)
10/25/18	184.21	150.00	165.04	-15.04	0.00	(10/26-11/01/18)
11/01/18	184.21	150.00	165.04	-15.04	0.00	(11/02-11/29/18)

The adjusted LFQ = LFQ adjusted for the transportation cost between the United States and the Far East. Effective with the week ending July 19, 2018, the transportation adjustment to the LFQ for calculating the LFQ as a percent of the ELS loan rate will be 17.12 cents per pound. This is changed from the former adjustment of 14.80 cents per pound. The 2018 base loan rate of \$0.8030 became effective the week ending August 2, 2018.

To obtain an ELS agreement or to inquire regarding operational issues, please contact Marty Mitchell, Kansas City Commodity Management Branch at (816) 926-2644 or by e-mail Crdfbr@kcc.usda.gov