

# Cotton slumps the most in a week on faltering global economy

## Bloomberg

June 9

Cotton futures fell the most in a week on concern that Europe's debt woes and a faltering global economy will erode fibre demand amid signs that supply will be ample.

Spain is poised to become the fourth of the 17 euro-area countries to require emergency assistance, while German exports dropped and Italian industrial output shrank. Output in the US, the top exporter, will be 17.63 million bales in the year starting August 1, up from 17 million estimated by the government last month, according to a Bloomberg survey.

On ICE Futures US in New York, cotton for December delivery slumped 3.3 per cent to 69.88 cents a pound, the biggest drop for a most-active contract since June 1.

Raw-sugar futures for July delivery climbed 1.1 per cent to 19.98 cents a pound. Arabica-coffee futures for July delivery declined 0.7 per cent to \$1.556 a pound. Cocoa futures for September delivery fell 1 per cent to \$2,185 a tonne in New York.

The Standard & Poors GSCI gauge of 24 raw materials fell

0.7 per cent to settle at 588.17 at 3:51 p.m. in New York, led by cotton. The UBS Bloomberg CMCI index of 26 prices declined 0.8 per cent to 1,432.13.

Copper futures fell the most in two weeks after Federal Reserve Chairman Mr Ben S. Bernanke damped expectations of additional US economic stimulus.

On the COMEX in New York, copper futures for July delivery tumbled 2.5 per cent to \$3.285 a pound, the biggest drop for a most-active contract since May 23. This week, the metal fell 0.9 per cent, marking the sixth straight decline, the longest slump since May 2010.

On the London Metal Exchange, copper for delivery in three months dropped 2.7 per cent to \$7,295 a tonne (\$3.31 a pound).

Gold gained for the third time in four days amid expectations that Spain may receive emergency assistance over the weekend.

On the COMEX, gold futures for August delivery climbed 0.2 per cent to \$1,591.40 an ounce, trimming the weekly loss to 1.9 per cent.

Silver futures for July delivery slid 0.2 per cent to \$28.471 an ounce on the COMEX, de-

clining 0.1 per cent this week.

On the New York Mercantile Exchange, platinum futures for July delivery fell 1.1 per cent to \$1,425.10 an ounce. Palladium futures for September delivery dropped 2.2 per cent to \$612 an ounce.

Crude oil pared losses on the possibility that discussions by European finance officials this weekend would yield a bailout for Spain.

On the New York Mercantile Exchange, oil futures for July delivery fell 0.8 per cent to \$84.10 a barrel. Earlier, the price dropped as much as 3.3 per cent. This week, the commodity rose 1 per cent, snapping a five-week slump.

Wheat dropped on speculation that yields in Kansas, the biggest US producer of winter varieties, will increase, while the pace of the harvest was faster than normal.

On the Chicago Board of Trade, wheat futures for July delivery slid 1.8 per cent to \$6.3025 a bushel.

Soyabean futures for November delivery dropped 0.7 per cent to \$13.325 a bushel.

Corn futures for July delivery advanced 0.7 per cent to \$5.98 a bushel. The price gained 8.4 per cent this week.