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NEWS

July 15, 2009

For the latest Supima crop and market information, visit the Supima website:

www.supima.com

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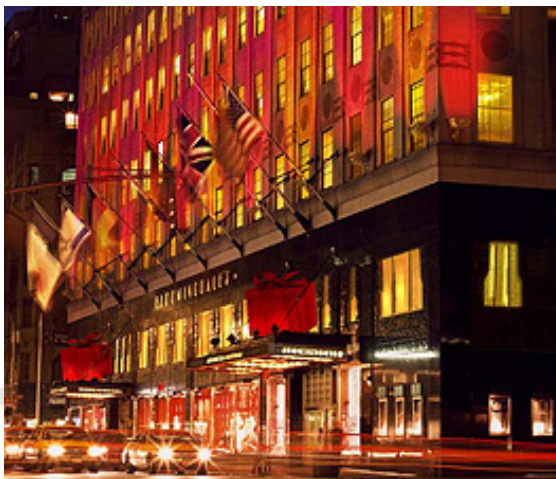
Bloomingdale's To Launch Supima Collection

Retail legend [Bloomingdale's](#) has announced that beginning this Fall it will feature a store-in-store devoted solely to a specially commissioned collection of apparel made from Supima, the brand of ultra-premium, extra-long staple cotton grown only in the United States.

The partnership is set to launch in September with the Supima store-in-store in Bloomingdale's world-famous flagship at 59th Street and Lexington Avenue, one of Manhattan's top tourist and shopping destinations, followed shortly thereafter by the highly trafficked Bloomingdale's in SoHo.

Exclusive to Bloomingdale's, the Supima collection of unisex and men's T-shirts, henleys, hoodies, and other luxury basics will then rollout to 16 other Bloomingdale's stores across the country.

Supima, a specially grown cotton that has



been proven by laboratory testing to be demonstrably softer and sturdier than ordinary varieties of cotton, has become synonymous with a casual, authentically American approach to luxury apparel and fashion made from Supima has become a staple of high-end magazines ranging from *Lucky* to *British Vogue* (which named Supima an essential ingredient to "the world's best T-shirt").

"This follows a pattern that has been established by other luxury fibers, such as Scottish cashmere or Italian silk," says Buxton Midyette, the New York-based vice president of marketing for the Phoenix-based promotional association of cotton growers known as Supima. "It's also a great time to highlight that America offers beautifully made basics that equal anything produced anywhere else in the world."

Supima Email Newsletters

Supima's email newsletters—yes, there are two—continue to evolve and maximize content to bring you the best information in the timeliest format.

The image of the newsletter to the right shows the current version. One newsletter entitled "The Supima Newsletter", provides information on Supima® products and promotional activities along with special features. The other newsletter entitled "Supima Industry Newsletter" will provide production, demand and supply information along with other pertinent news such as recent market activity.

Make sure to sign-up for our email newsletters at <http://bit.ly/8fZMs> to stay current with all the Supima news and receive special updates or announcements as they are released.

Sign-up Today!

Supima 55th Annual Meeting

**Please join us September 3 at the Harris Ranch Inn, Coalinga, CA
Registration @ 9 am
Meeting @ 10 am
Lunch @ Noon**

Supima looks forward to the opportunity to update our membership with an overview of Supima's current and future activities. The program will provide an update of our promotional and licensing activities along with an ELS market update and other pertinent news.

For our **New Mexico** and **Texas** member growers, a Supima luncheon and dinner is being arranged and details on the respective meetings will be sent in a separate mailing.

If you have any questions regarding these events, please contact us at nancy@supima.com or call us at (602) 792-6002.

American Pima Export Sales Finishing On A Strong Note

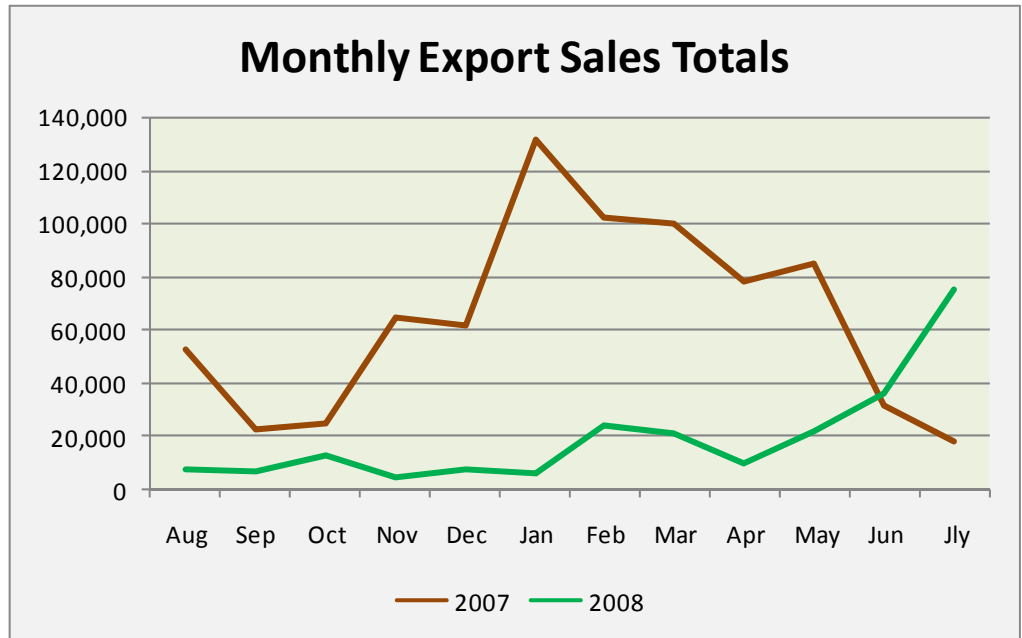
The 2008/09 export sales for American Pima have been uncharacteristically slow for most of the 2008/09 crop year. The details of the United States Department of Agriculture - Foreign Agricultural Service official weekly reports can be viewed via this [link](http://www.fas.usda.gov/export-sales/cottfax.htm): <http://www.fas.usda.gov/export-sales/cottfax.htm>

During the 2007/08 crop year, 770,700 bales were sold and exported out of a production of about 853,000 bales. This year less than half of the crop had been sold during the first 11 months of the crop year. The impact of the economic downturn had longer lasting impacts on inventory supplies and draw downs which directly affected inventory replenishment rates for fiber stocks.

The table to the right shows the rate of sales for this year and the last crop year. The bulk of sales last year were made over the winter months (mid crop year) while sales for the current year have been exceedingly slow and flat for most of the year. However, it now seems that the markets are beginning to respond positively with new business being generated. Sales during the last two months have been approximately 50% of the total sales in the preceding nine months.

The relative comparison between the current crop year and last crop year can be seen in the chart to the right. This chart highlights the cumulative sale figures which got the 2007/08 crop year out to a strong early start.

By comparison the 2008/09 crop year witnessed a laggard beginning, but is slowly beginning to accumulate sales as the crop year closes out.



AMERICAN PIMA SUPPLY/USE ESTIMATE

| | <u>2005/06</u> | <u>2006/07</u> | <u>2007/08</u> | <u>2008/09</u> | <u>2009/10 *</u> |
|----------------------|----------------|----------------|----------------|----------------|------------------|
| Beginning Stocks | 13 | 78 | 141 | 139 | 322 |
| Production | 630 | 765 | 852 | 431 | 387 |
| Imports | 19 | 9 | 6 | 2 | 2 |
| Total Supply | 662 | 852 | 999 | 572 | 711 |
| Domestic Use | 51 | 39 | 36 | 30 | 30 |
| Exports | 520 | 672 | 833 | 210 | 500 |
| Total Use | 571 | 711 | 869 | 240 | 530 |
| Unaccounted Stocks | -13 | 0 | 9 | -10 | 0 |
| Ending Stocks | 78 | 141 | 139 | 322 | 181 |
| Stocks to Use Ratio | 13.7% | 19.8% | 16.0% | 134.2% | 34.2% |

Released July 10, 2009 by the USDA World Agricultural Outlook Board (WAOB).
Listed in thousand 480-lb. bales

American Pima Price And ELS Competitiveness Payment Rate

The American Pima price rallied to just shy of 150 usc/lb towards the end of 2008 at a time when the economic downturn was beginning to make its full effect felt.

Prices for American Pima towards the end of 2007 were in the 108—110 usc/lb range at the same time that the ELS Competitiveness payment pro-

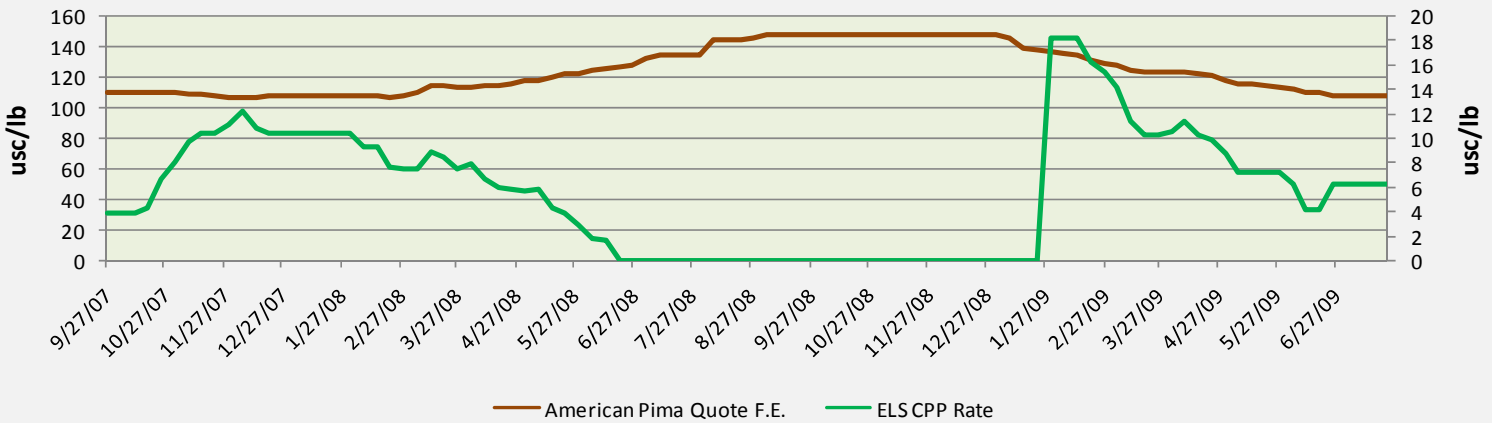
gram (ELS CPP) was making payments in the 10—12 usc/lb range. This year prices started to descend from the recent highs at the beginning of the year and aided by an ELS CPP rate of over 18 usc/lb.

The chart below demonstrates how prices of American Pima quoted on a Far East basis have fallen from the

recent highs back to the 108 usc/lb range seen back at the end of 2007 and early 2008.

Along with the drop in prices, a decline in the ELS CPP rate is also clear with a drop from over 18 usc/lb to a current payment rate of 6.23 usc/lb. As the ELS CPP nears zero, will we see prices begin to rise again?

American Pima Quote (Far East) and ELS Competitiveness Payment Rate



Important Web Links—American Pima Crop Information

USDA—AMS Pima Spot Price (Daily):
http://www.ams.usda.gov/mnreports/MP_CN011.txt
 U.S. ELS Competitiveness Payment Report (Weekly):
http://www.fsa.usda.gov/FSA/webapp?area=home&subject=e_cpa&topic=fta-el
 USDA—NASS U.S. Production Estimates (Monthly):
<http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1046>

USDA—FAS Export Sales Report (Weekly):
<http://www.fas.usda.gov/export-sales/cottfax.htm>
 USDA—NASS Cotton Reports:
<http://www.usda.gov/nass/pubs/estindx1.htm#cotton>
USDA CLASSING INFORMATION
 By Classing Office: http://www.ams.usda.gov/mnreports/MP_CN104.txt
 By State: http://www.ams.usda.gov/mnreports/MP_CN110.txt

AMERICAN PIMA SPOT QUOTATIONS

| Staple | Color and Leaf Grade | | | | | |
|--------|----------------------|-------------|----------------|-------------|-------------|-------------|
| | 01-1 | 02-2 | 03-3 | 04-4 | 05-5 | 06-6 |
| 48 | 101.25 | 100.75 | 89.00 | 68.50 | 57.00 | 47.75 |
| 46 | 101.00 | 100.00 | 87.00 | 68.50 | 57.00 | 47.75 |
| 44 | 96.00 | 95.00 | 82.00 | 63.00 | 55.75 | 47.50 |
| | Mike Range | Differences | Strength Range | Differences | Ext. Matter | Differences |
| | 2.6 & Below | -1350 | 35.4 & Below | -1050 | Prep 1: | -610 |
| | 2.7-2.9 | -945 | 35.5—36.4 | -800 | Prep 2: | -895 |
| | 3.0-3.2 | -550 | 36.5—37.4 | -550 | Prep 3: | -515 |
| | 3.3-3.4 | -395 | 37.5 & Above | 0 | Prep 4: | -835 |

USDA daily report, July 21, 2009 (2008/09 crop)
 Net weights in mixed lots, uncompressed, UD Free, FOB warehouse

AMERICAN PIMA EXPORTS

| | <u>2001/02</u> | <u>2002/03</u> | <u>2003/04</u> | <u>2004/05</u> | <u>2005/06</u> | <u>2006/07</u> | <u>2007/08</u> | <u>2008/09 *</u> |
|------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|
| Belgium | 12.6 | 7.8 | 8.2 | 14.5 | 7.1 | 4.6 | 6.3 | 0.6 |
| Germany | 17.8 | 31.6 | 18.0 | 5.7 | 18.3 | 20.4 | 16.8 | 14.0 |
| Italy | 28.7 | 34.0 | 16.6 | 6.9 | 11.2 | 14.3 | 10.6 | 3.3 |
| Portugal | 3.2 | 3.4 | 2.7 | 1.6 | 1.4 | 4.7 | 8.6 | 0.1 |
| Switzerland | 11.1 | 10.1 | 10.3 | 6.8 | 5.6 | 7.4 | 8.9 | 5.0 |
| Turkey | 5.2 | 9.9 | 1.9 | 21.5 | 24.9 | 6.4 | 16.5 | 8.4 |
| Other | 0.3 | 0.2 | 0.6 | 0.6 | 0.6 | 1.0 | 4.4 | 0.0 |
| Europe Totals— | 78.9 | 97.0 | 58.3 | 57.6 | 69.0 | 58.8 | 72.1 | 21.4 |
| Bangladesh | 25.2 | 33.4 | 20.9 | 16.2 | 2.2 | 11.8 | 13.7 | 9.9 |
| China | 9.6 | 63.5 | 81.9 | 128.1 | 246.3 | 163.6 | 176.4 | 64.1 |
| India | 20.9 | 67.1 | 43.2 | 76.0 | 75.0 | 91.6 | 146.7 | 29.2 |
| Indonesia | 40.7 | 68.2 | 60.4 | 47.6 | 41.3 | 59.4 | 68.0 | 28.6 |
| Japan | 72.0 | 82.6 | 62.5 | 73.2 | 44.0 | 49.8 | 53.3 | 16.0 |
| Korea Republic | 25.8 | 7.2 | 9.3 | 24.7 | 10.8 | 21.8 | 22.5 | 8.3 |
| Pakistan | 56.3 | 101.8 | 93.4 | 182.6 | 55.9 | 113.6 | 159.0 | 27.2 |
| Taiwan | 17.1 | 46.3 | 20.2 | 59.9 | 7.6 | 31.3 | 29.8 | 3.0 |
| Thailand | 21.7 | 25.3 | 17.0 | 21.1 | 15.3 | 22.1 | 24.1 | 7.6 |
| Other | 4.8 | 9.4 | 6.9 | 21.1 | 4.2 | 6.7 | 18.4 | 17.1 |
| Asia Totals — | 294.1 | 504.8 | 415.7 | 650.5 | 502.6 | 571.7 | 711.9 | 211.0 |
| Brazil | 1.9 | 1.6 | 3.1 | 2.3 | 3.0 | 5.5 | 5.3 | 2.1 |
| Canada | 0.0 | 0.0 | 12.1 | 4.4 | 0.0 | 0.0 | 0.0 | 0.0 |
| Chile | 0.0 | 0.0 | 0.1 | 0.3 | 0.1 | 0.0 | 0.0 | 0.0 |
| Ecuador | 0.0 | 0.0 | 0.0 | 0.0 | 0.4 | 0.0 | 0.0 | 0.0 |
| Guatemala | 0.0 | 0.0 | 0.1 | 1.9 | 0.5 | 0.0 | 0.1 | 0.8 |
| Mexico | 0.0 | 1.2 | 2.9 | 0.9 | 2.4 | 0.5 | 0.3 | 2.6 |
| Peru | 6.8 | 31.2 | 28.8 | 50.2 | 1.9 | 13.6 | 28.2 | 5.8 |
| Salvador | 0.0 | 0.0 | 0.0 | 0.0 | 0.3 | 0.0 | 0.0 | 0.0 |
| Venezuela | 0.0 | 0.0 | 0.0 | 0.0 | 1.5 | 0.0 | 0.0 | 0.0 |
| W. Hemi Totals— | 8.7 | 34.0 | 47.1 | 60.0 | 10.2 | 19.6 | 33.9 | 11.5 |
| Rest of World | 0.7 | 0.1 | 0.0 | 0.0 | 0.0 | 2.4 | 14.6 | 4.2 |
| World Totals | 382.4 | 635.9 | 521.1 | 767.9 | 581.8 | 652.4 | 832.5 | 257.7 |

Source—USDA/FAS U.S. Export Sales—July 16, 2009

- Sales listed in thousand 480-lb. bales

- * Listed in running bales through July 9, 2009



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