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## Cotton Rebounds as U.S. Crop Outlook Dims; Orange Juice Gains

By Debarati Roy - Jul 26, 2011

Cotton rose from a 10-month low on renewed concern that unusually dry weather may crimp output in the U.S., the world's biggest exporter. [Orange juice](#) advanced.

Just 29 percent of the cotton crop was in good or excellent condition on July 24, compared with 68 percent a year earlier, the [U.S. Department of Agriculture](#) said yesterday. Texas, the biggest growing state, is having its worst drought in at least a century. Prices have plunged as much as 58 percent from a record in March as demand slowed in [China](#).

"The crop condition in the U.S. is worrying, and the current slump should be attracting some buyers," [Keith Brown](#), the president of Keith Brown & Co., a broker in Moultrie, Georgia, said in a telephone interview. "The market looks oversold at current levels."

Cotton for December delivery rose by the 4-cent exchange limit, or 4.1 percent, to settle at \$1.0076 a pound at 2:54 p.m. on ICE Futures U.S. in [New York](#). Earlier, prices slipped to a 10-month low of 93.2 cents. The record was \$2.197 on March 7.

Demand may rebound if the fiber falls to 90 cents, Joe Nicosia, the chief executive officer of Allenberg Cotton Co., said on July 22 in New York. Allenberg is part of Louis Dreyfus SAS, one of the world's biggest commodity traders.

Orange-juice futures for September rose 0.1 cent to \$1.9885 a pound on ICE. The commodity has gained 36 percent in the past year, reaching \$2.0265 on July 19, the highest since March 2007.

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