

# SUPIMA®

## WORLD'S FINEST COTTONS

AMERICAN GROWN | SUPERIOR | RARE | AUTHENTIC

MARCH 2023



VOLUME 1, ISSUE 3

### Far East US Pima Grade 2 Quotation

#### DAILY COTTON OUTLOOK

\$1.80 USD / LBS

#### Production Estimate

474,000 Bales

USDA - NASS

March 8, 2023

#### Exports

##### Registered Export Sales

164,500 Bales

##### Current Export Shipments

108,400 Bales

##### Top 5 Importers

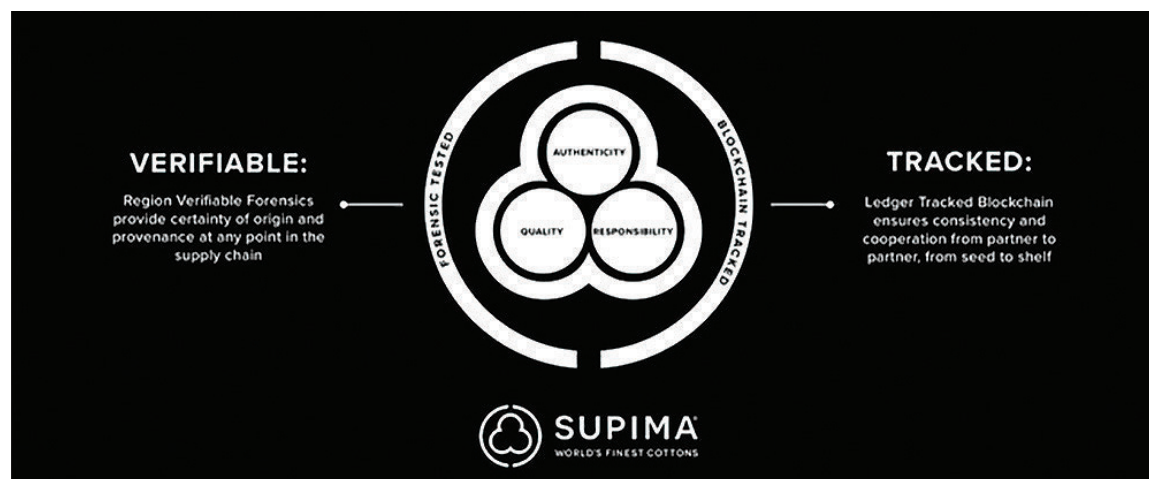
India

China

Vietnam

Peru

Egypt



## SUPIMA® Launches the AQR<sup>TM</sup> Project

SUPIMA® is evolving a new licensing program this month with the launch of the AQR<sup>TM</sup> Project.

**The Supima AQR<sup>TM</sup> Project** is the industry's pioneering end-to-end traceability, transparency, and authentication platform that will provide Supima brand/retail partners true product credibility, and act as a collective response to current and anticipated future market and regulatory challenges. Moving beyond traditional industry trust, certification, and claims framework practices, the new platform will facilitate the real-time, credible, and responsible sourcing of textiles made with Supima cotton.

The new system will provide an always-on platform and grant use of the SUPIMA® identity through a real-time digital blockchain system hosted by Textile Genesis<sup>TM</sup>. Commencing with our spinning mill partners, Textile Genesis Fibercoins<sup>TM</sup> specific to SUPIMA® cotton products will be generated on the Textile Genesis platform by the spinner and applied to the yarn. All further downstream SUPIMA® cotton product transformations will be transacted sequentially through the Textile Genesis platform providing real-time connectivity of the product through the supply chain. The SUPIMA® trademark will only be eligible to be used by products sourced through this end-to-end platform on Textile Genesis.

The digital SUPIMA® Fibercoins<sup>TM</sup> allows for a transparent and traceable view and history of the cotton as it moves through the supply chain. Oritain<sup>TM</sup> will be confirming authenticity of SUPIMA® products as they move through the supply chain with a physical forensic science testing process that will be conducted on a statistically relevant basis. This unique feature validates the digital identity of the cotton moving through its physical verification of its authenticity and origin.

With the launch of the AQR<sup>TM</sup> Project, all products that benefit from and use the SUPIMA® trademark will be required to use the Textile Genesis platform to provide our brand/retail partners credibility for their products through the transparency, traceability and authentication provided by the platform. Supima is onboarding supply chain partners to the new platform to ensure supply chain participants are activated on the platform for the launch.

STAY CONNECTED



For Subscriptions, Comments  
& Requests contact:  
info@supima.com

To learn more about Supima's consumer initiatives, industry news and updates, please visit [SUPIMA.COM](https://www.supima.com)

### American Pima Competitiveness Payment

#### Basic Loan Trigger

P1) Cheapest competing foreign quote CFR Far East: (week to date average)	118.00
P2) P1 adjusted for quality and transportation (P1+10)(-23.23)	104.77
P3) Basic ELS Loan Rate (95.00) adjusted for quality 2-2-46	95.00
P4) Basic Loan Trigger = 113% of P3. P2 must be lower than P4 for four weeks for payments to be triggered <i>The Basic Loan Trigger criterion must be met for any payment to be calculated</i>	107.35

#### Payment Calculation

P5) Friday/Thursday US Pima CFR Far Eastern Average	193.00
P6) Weekly average cheapest competing foreign quote CFR Far East (adjusted for quality)	128.00
P7) Theoretical value (P5-P6)	65.00
P8) No. of completed wks. P5 must exceed P6 for four consecutive weeks.	2
P9) Official current rate payable through Thursday March 23	N/A

# ELS Competitiveness Payment Program

With recent price pressures continuing to affect global prices, the triggering threshold for the ELS Cotton Competitiveness Payment Program (ELS CAPP) was initiated on March 10, 2023. The program is detailed in Title 7 Part 1427 Subpart G of the 2018 Farm Bill and requires four consecutive weeks (reported on a Friday through Thursday basis) where the lowest foreign quote adjusted for freight and quality differentials drops below the 113% level of the base American Pima Loan rate of \$0.95/lb. Following the four-week qualifying period, the program enables payments to be made to domestic mills that open American Pima bales for spinning during a qualifying week, and to Exporters of American Pima for bales that are laden onboard a vessel for export shipment during a qualifying week. The aim of this program is to help domestic mills and exporters of American Pima to be competitive in the world market in adverse low priced market conditions.

# SUPIMA®

WORLD'S FINEST COTTONS

1710 W Ranch Rd, Ste 205  
Tempe, AZ 85284

Return Service Requested

PRESORT  
FIRST CLASS  
U.S. POSTAGE PAID  
PHOENIX, AZ  
PERMIT No. 1662

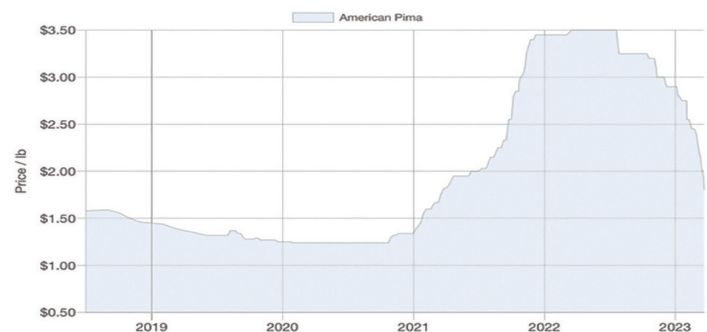
## Monthly Update

Registered net sales through March 27 totaled **29,600** bales. Total shipments through March 27th totaled **14,500** bales.

The top five leading importers for the 2021/22 crop year are led by India with purchases of 51,400 bales. China, Vietnam, Peru, and Egypt round up the top five with purchase of 24,300 bales, 15,500 bales, 12,400 bales, and 10,700 bales respectively. These five countries account for 69.5% of all the export-based purchases of American Pima made to date this year.

Current American Pima Grade 2 Far East Quotation stands at **\$1.80/lbs** vs. \$3.50/lbs at this point last year.

6-YEAR AMERICAN PIMA QUOTATION HISTORY



### IMPORTANT WEB LINKS FOR AMERICAN PIMA CROP INFORMATION

**USDA - AMS Pima Spot Price (Daily):** <http://bit.ly/AMSPimaDailySpot>  
**USDA - AMS Cotton Reports:** <http://bit.ly/AMSCottonReports>  
**USDA - NASS U.S. Production Estimates (Monthly):** <http://bit.ly/NASSCropProduction>  
**USDA - FAS Export Sales Report (Weekly):** <http://bit.ly/FASWeeklyExportSales>

**Classing Reports:** By Office: <http://bit.ly/AMSPimaClassingOffice>  
 By State: <http://bit.ly/AMSPimaClassingState>  
**U.S. ELS Competitiveness Payment Report (Weekly):**  
<http://bit.ly/FSAELSCPPReport>