



**INTERNATIONAL COTTON ADVISORY COMMITTEE**  
**1629 K Street NW, Suite 702, Washington DC 20006 USA**  
Telephone +1-202-463-6660 • Fax +1-202-463-6950 • email [secretariat@icac.org](mailto:secretariat@icac.org)



From the Secretariat

For Release June 7, 2012

## **The New York Cotton Futures Contract: Are Changes Needed?**

The ICAC Secretariat conducted a seminar in its office on June 6, 2012 featuring a presentation by Mr. Joe O'Neill. Mr. O'Neill is currently the Chairman of the Cotton Committee, Intercontinental Exchange (ICE), and he was formerly the President of the New York Cotton Exchange, and Senior Vice President of the New York Board of Trade.

During his presentation, Mr. O'Neill traced the recent history of changes in characteristics of traders using commodity futures in the United States, the impacts of the shift from floor trading to electronic trading, and the reasons for differences in cotton contract performance during the most recent five years compared with decades earlier. He noted that today, commercial traders still are very active participants in the market, but that the individual speculators have been replaced by hedge funds, SWAP traders and high frequency traders. He also noted that prior to March 2008, floor traders were sources of market intelligence that can no longer be recovered through electronic trading.

Mr. O'Neill mentioned some of the factors that could affect trading in a world cotton futures contract if such a contract were created.

Mr. O'Neill's PowerPoint presentation can be found on the web at:  
[http://icac.org/wp-content/uploads/2012/06/oneill\\_2012\\_june\\_icac\\_seminar.pdf](http://icac.org/wp-content/uploads/2012/06/oneill_2012_june_icac_seminar.pdf)

-----  
Press releases are available via e-mail. Register online for this free service at:  
<https://secure.icac.org/register.php?newsletter=1>

The Secretariat of the Committee publishes information related to world cotton production, supply, demand and prices, and provides technical information on cotton production technology. Detailed statistics are found bimonthly in *COTTON: Review of the World Situation*, \$190 per year via email, \$230 per year in hard copy. A monthly outlook is available by email for \$300 per year. Access to the latest weekly estimates of world cotton supply and use by the Secretariat is available on the Internet for \$460 per year. Access Secretariat reports at <http://icac.org>.