

Monthly Economic Letter

Cotton Market Fundamentals & Price Outlook



RECENT PRICE MOVEMENT

Most benchmark prices decreased over the past month. Chinese spot prices were stable.

- After maintaining a range between 65 and 69 cents/lb since early May, the NY December contract broke lower in the second week of July and fell to levels near 63 cents/lb.
- The A Index also declined, dropping from its range between 76 and 78 cents/lb to levels near 74 cents/lb.
- After falling steeply in May, the China Cotton Index (CC Index 3128B) has been comparatively stable in June and into early July. In international terms, values have held near 94 cents/lb. In domestic terms, values have held near 14,200 RMB/ton.
- Indian cotton prices (Shankar-6 quality) moved slightly lower over the past month, falling from 84 to 82 cents/lb in international terms and from 45,600 to 43,900 INR/candy in domestic terms.
- Pakistani prices fell from 71 to 64 cents/lb in international terms. This was partly due to a weaker PKR (-5% over the past month, the PKR is down over 10% since the mid-May). In domestic terms, Pakistani prices eased from 8,800 to 8,400 PKR/maund.

SUPPLY, DEMAND, & TRADE

The latest USDA report featured many changes to figures for both the soon-to-expire 2018/19 and the soon-to-begin 2019/20 crop years. For global production, estimates for both 2018/19 and 2019/20 increased by a little less than half a million bales (2018/19 production +454,000 to 119.3 million bales, 2019/20 production +470,000 to 125.8 million bales). For global mill-use, estimates for both 2018/19 and 2019/20 were lowered (2018/19 use -1.0 million to 121.1 million bales, 2019/20 use -620,000 to 124.3 million bales).

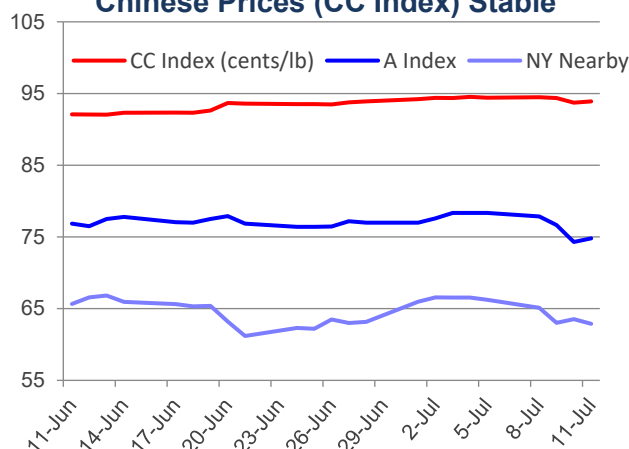
With production higher and consumption lower, a net effect was an increase in the estimate for global stocks. The figure for world ending stocks in 2018/19 increased 1.7 million bales (to 79.3 million). That carried through to 2019/20 as an increase in beginning stocks and contributed to the 3.2 million bale upward revision to the forecast for 2019/20 ending stocks (to 80.4 million). This erased the two million bale year-over-year reduction that was projected for 2019/20 last month and replaced it with a 1.2 million bale increase.

The allocation of global stocks has been important for prices in recent years. The 3.2 million increase in global stocks is expected to be nearly evenly split between China (1.5 million bales versus last month, to 33.0 million) and the world-less-China (+1.7 million bales versus last month, to 47.4 million).

The largest country-level revisions were for Bangladesh, where import figures for 2018/19 and 2019/20 were lowered by a million bales or more (-1.1 million to 6.9 million for 2018/19, -1.0 million to 7.3 million for 2019/20). Driving the reduction in Bangladeshi imports was lower mill-use, with consumption estimates falling 900,000 bales in 2018/19 (to 7.1 million) and 2019/20 (to 7.4 million).

Chinese mill-use estimates decreased by 500,000 bales for both 2018/19 and 2019/20. The Chinese import number for 2018/19 increased 500,000 bales. Collectively, these revisions caused the 1.5 million bale month-over-month addition to the forecast for Chinese ending stocks in 2019/20.

NY Future & A Index Lower, Chinese Prices (CC Index) Stable



Recent Price Data

cents/lb	Latest Value (Jul 11)	Latest Month (Jun)	Last 12 Months (Jul18-Jun19)
NY Nearby	62.9	65.4	76.3
A Index	74.8	77.6	86.1
CC Index	93.9	93.1	104.0
Indian Spot	82.1	83.8	82.1
Pakistani Spot	64.7	68.9	77.4

Additional price data available [here](#).

Price definitions available [here](#).

World Balance Sheet

million 480 lb. bales	2019/20		
	2018/19	Jun	Jul
Beg. Stocks	81.0	77.5	79.3
Production	119.3	125.3	125.8
Mill-Use	121.1	125.3	124.3
Ending Stocks	79.3	77.3	80.4
Stocks/Use	65.5%	61.7%	64.7%

China Balance Sheet

million 480 lb. bales	2019/20		
	2018/19	Jun	Jul
Beg. Stocks	38.0	34.4	35.4
Production	27.8	27.8	27.8
Imports	9.2	10.5	10.5
Mill-Use	39.5	41.0	40.5
Exports	0.2	0.1	0.1
Ending Stocks	35.4	31.5	33.0
Stocks/Use	89.2%	76.6%	81.2%

World-Less-China Balance Sheet

million 480 lb. bales	2019/20		
	2018/19	Jun	Jul
Beg. Stocks	42.9	43.2	43.9
Production	91.6	97.6	98.0
Imports from China	0.2	0.1	0.1
Mill-Use	81.6	84.3	83.8
Exports to China	9.2	10.5	10.5
Ending Stocks	43.9	45.8	47.4
Stocks/Use	48.3%	48.3%	50.3%

Additional balance sheet data available [here](#).

Indian production figures rose by 500,000 bales for both 2018/19 (to 26.5 million) and 2019/20 (to 29.0 million). Indian mill-use was increased by 200,000 bales for both crop years (to 25.0 million in 2018/19 and to 25.5 million for 2019/20) and Indian exports were lowered by 400,000 bales in both years (to 3.8 million in 2018/19 and to 4.4 million in 2019/20). The increase in production and the decrease in demand (decrease in exports exceeded the increase in mill-use) led the forecast for Indian stocks to climb 1.4 million bales (to 8.9 million), representing most of the month-over-month change in the forecast for world-less-China stocks.

The U.S. export forecast for 2018/19 was lowered 250,000 bales (to 14.5 million) and the U.S. mill-use number fell 100,000 bales (to 3.0 million). The combined 350,000 bale reduction in U.S. demand pushed U.S. stocks higher by the same amount in 2018/19 (to 5.0 million) and by 300,000 bales in 2019/20 (to 6.7 million).

Other notable changes in the USDA's July report included the 600,000 bale reduction to the export forecast for Australia in 2018/19 (to 3.6 million), the 400,000 bale increase in 2018/19 exports for Brazil (to 6.2 million), the 200,000 bale decrease in 2019/20 exports for Brazil (to 8.0 million), and 200,000 bale reductions to 2018/19 export estimates for Turkmenistan (to 200,000 bales) and Uzbekistan (to 600,000 bales).

PRICE OUTLOOK

There are several questions looming over the cotton market ahead of the 2019/20 crop year. At the top of the list remains the trade environment. After threats of escalation were issued in early May, the tone has shifted back towards reconciliation. Recent developments include a pause in tariff increases. For global mill-use, this is positive since it suggests that the U.S. apparel demand may not suffer from higher sourcing costs (China's share of U.S. apparel imports is 42%). However, the trajectory of trade policy has been erratic, and it is possible that the U.S. may once again threaten to increase tariffs on Chinese-made apparel (initial threats to hit all U.S. imports from China were issued last summer, those were lifted last fall, and were reissued in May).

Despite the reopening of negotiations, there have not been any statements suggesting Chinese tariff increases on U.S. cotton exports will be reduced or eliminated. In 2019/20, the U.S. is expected to grow 22.0 million bales of cotton. With only 3.1 million bales of domestic use, exports will need to be strong to prevent a major accumulation of stocks. U.S. ending stocks are already forecast to grow by more than 30% and that is with a projection of near-record exports. If shipments end up being weaker than forecast, further build up in supply in the world's largest exporter could weigh on prices globally.

These trade-focused questions are on top of the weather-related ones that are standard this time of year. Although crop condition ratings have been good, it has been a challenging start to the season in the U.S. An illustration is that the USDA has had to resurvey growers for its June Acreage Report because wet weather inhibited planting (new numbers to be released August 12th). The Indian monsoon, which is the source of 85% of annual Indian rainfall, got off to a concerningly slow start. More recently, rainfall has been heavy and widespread, and concerns have eased. The Chinese crop is slightly behind schedule due to a cool spring, but expectations are that yield should be at least as good as last year.

World Cotton Production

million 480 lb. bales	2018/19	2019/20	
		Jun	Jul
India	26.5	28.5	29.0
China	27.8	27.8	27.8
United States	18.4	22.0	22.0
Brazil	12.8	12.0	12.0
Pakistan	7.7	8.0	8.0
Rest of World	26.2	27.1	27.0
World	119.3	125.3	125.8

World Cotton Mill-Use

million 480 lb. bales	2018/19	2019/20	
		Jun	Jul
China	39.5	41.0	40.5
India	25.0	25.3	25.5
Pakistan	10.6	10.7	10.7
Vietnam	7.1	7.5	7.6
Bangladesh	7.1	8.3	7.4
Rest of World	31.8	32.5	32.6
World	121.1	125.3	124.3

World Cotton Exports

million 480 lb. bales	2018/19	2019/20	
		Jun	Jul
United States	14.5	17.0	17.0
Brazil	6.2	8.2	8.0
India	3.8	4.8	4.4
Australia	3.6	1.8	1.8
Benin	1.3	1.4	1.4
Rest of World	11.6	11.6	11.6
World	41.1	44.8	44.2

World Cotton Imports

million 480 lb. bales	2018/19	2019/20	
		Jun	Jul
China	9.3	10.5	10.5
Vietnam	7.0	7.6	7.8
Bangladesh	6.9	8.3	7.3
Indonesia	3.0	3.2	3.3
Pakistan	2.9	2.9	3.0
Rest of World	12.4	12.2	12.2
World	41.4	44.7	44.1

World Cotton Ending Stocks

million 480 lb. bales	2018/19	2019/20	
		Jun	Jul
China	35.4	31.5	33.0
Brazil	11.8	12.5	12.3
India	8.4	7.6	8.9
United States	5.0	6.4	6.7
Pakistan	2.7	2.9	2.9
Rest of World	15.9	16.5	16.7
World	79.3	77.3	80.4

Additional supply and demand data available [here](#).

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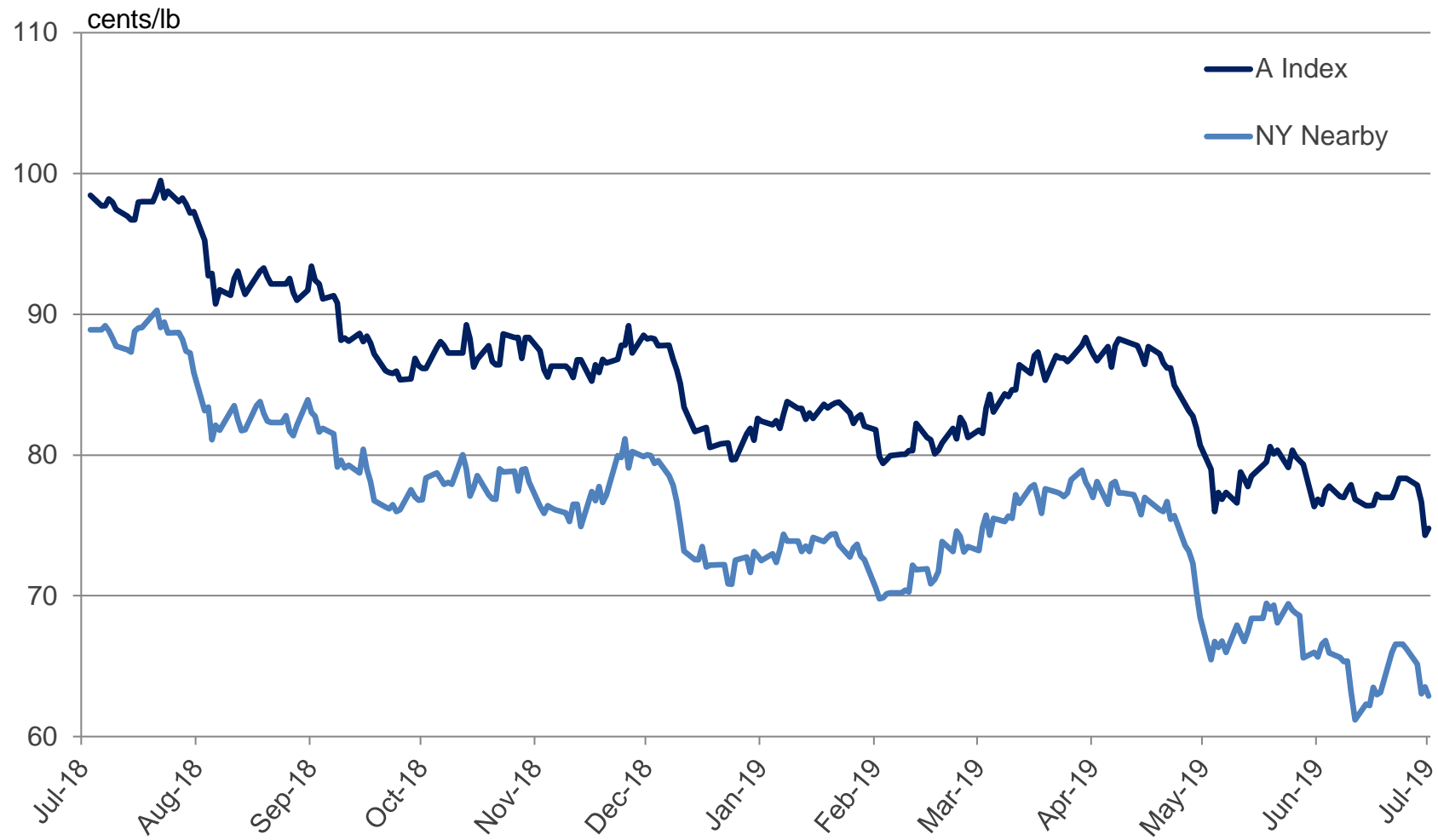
Sources: Price data from Reuters, Cotlook, Cotton Assn. of India, and Karachi Cotton Assn. Supply, demand, and trade data from the USDA.

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Charts - Mon	A Index & NY Nearby	Chinese Prices	Indian Prices	Pakistani Prices
Tables	Balance Sheets (bales)	Balance Sheets (tons)	Supply & Demand (bales)	Supply & Demand (tons)

One Year of Daily A Index and NY Nearby Prices

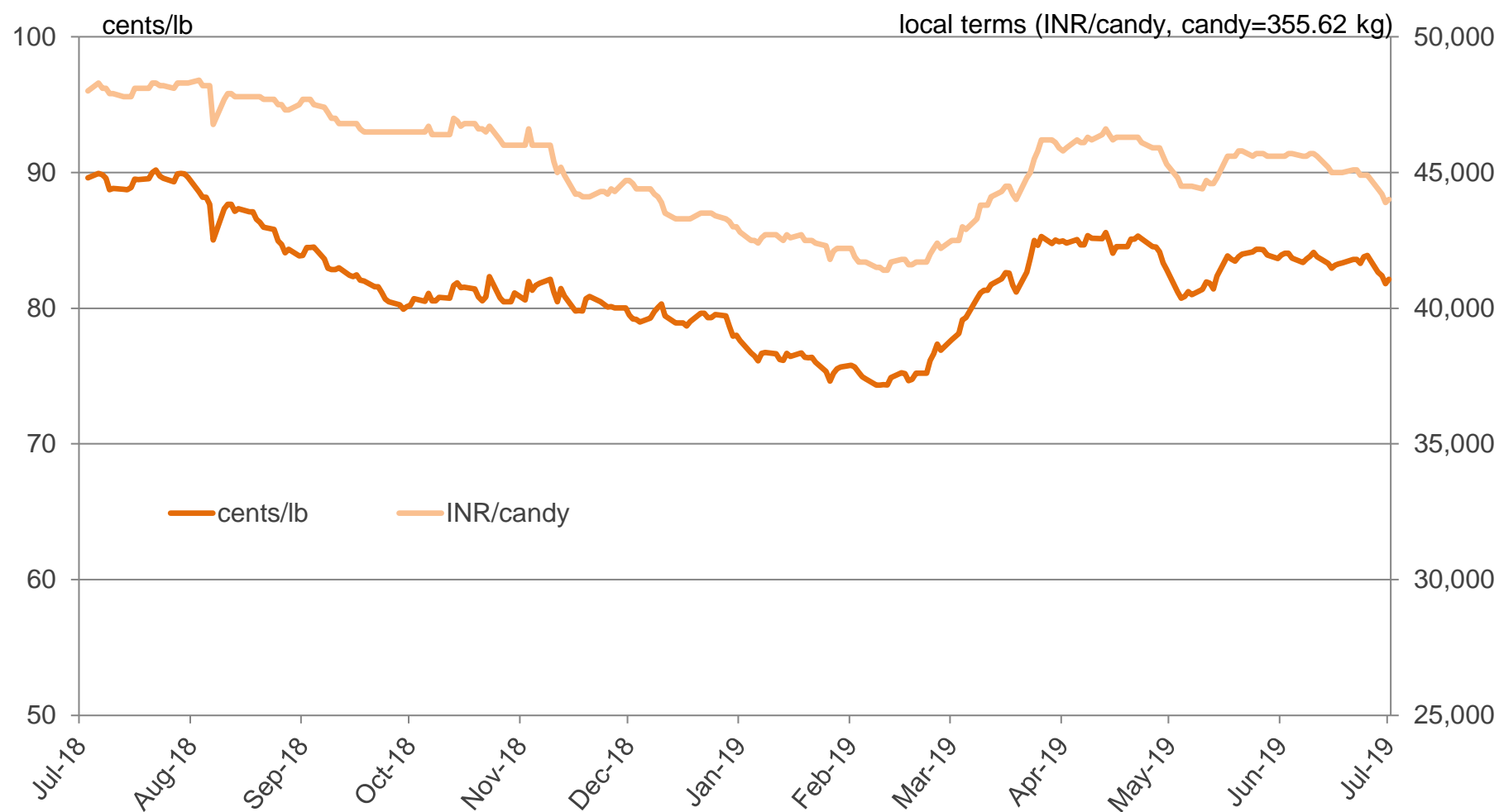


One Year of Daily CC Index (Grade 328) Prices

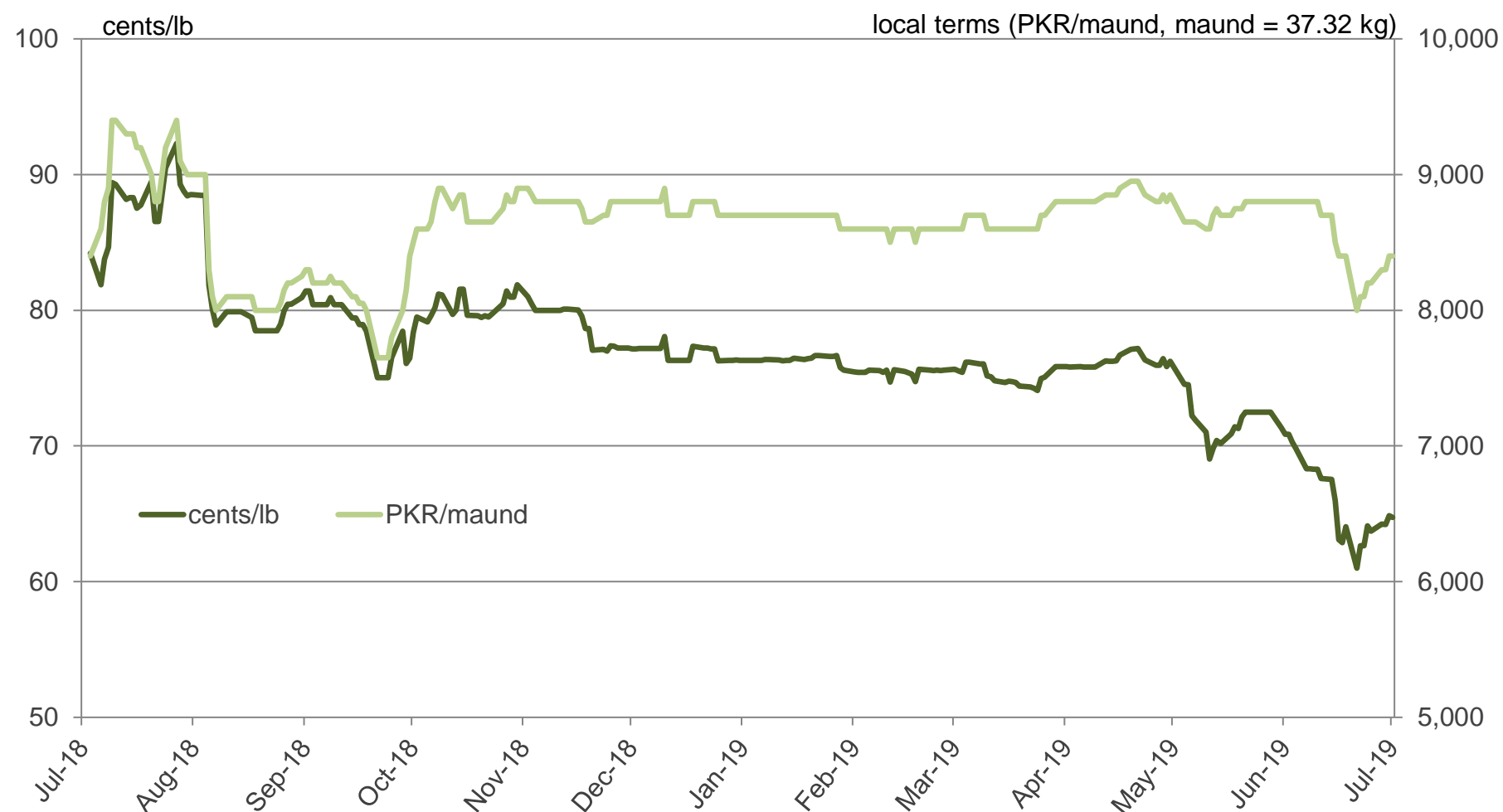


Note: Differences in price movement in local and international terms (cents/lb) due to changes in exchange rates.

One Year of Daily Indian Spot Prices (Shankar-6 Variety)

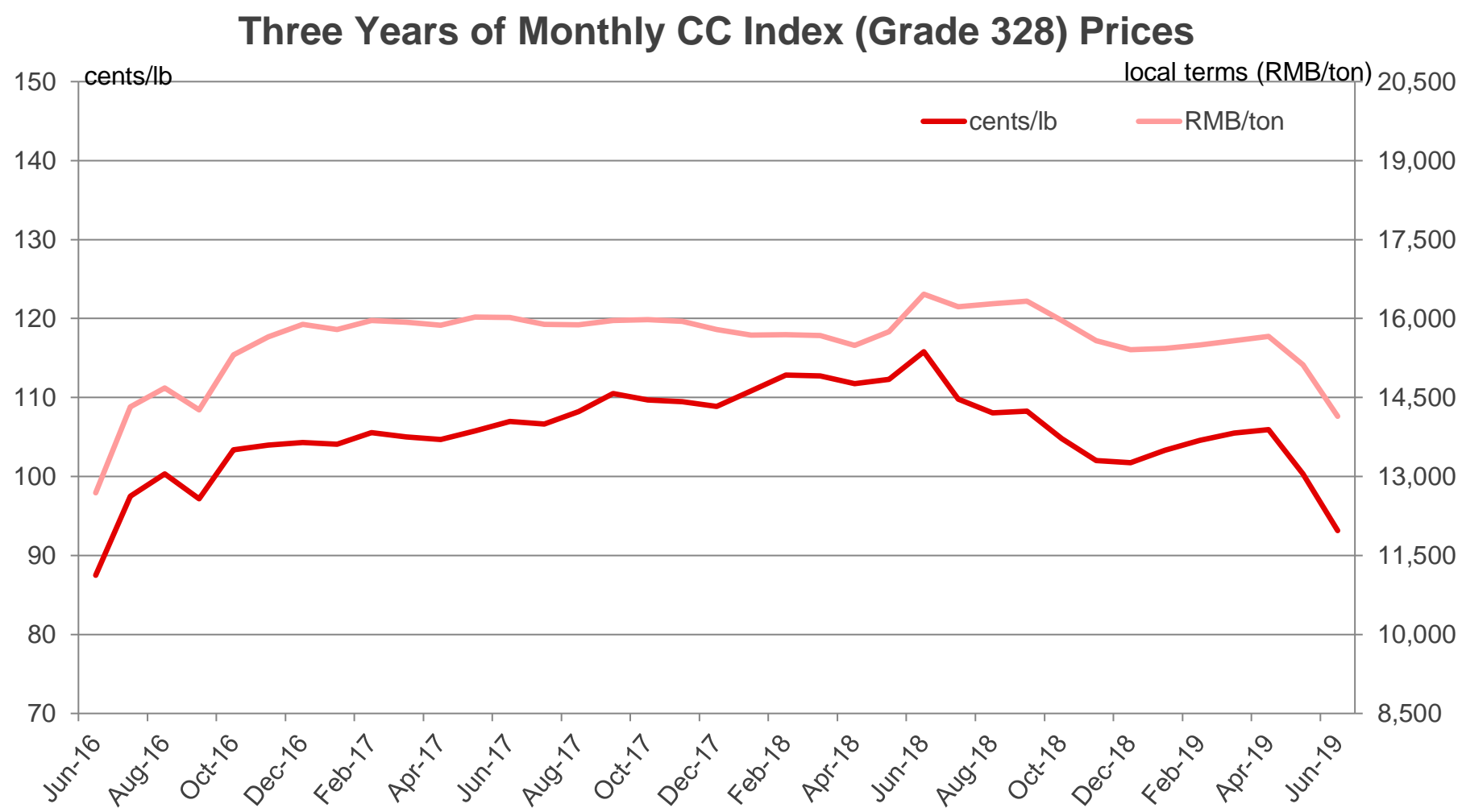
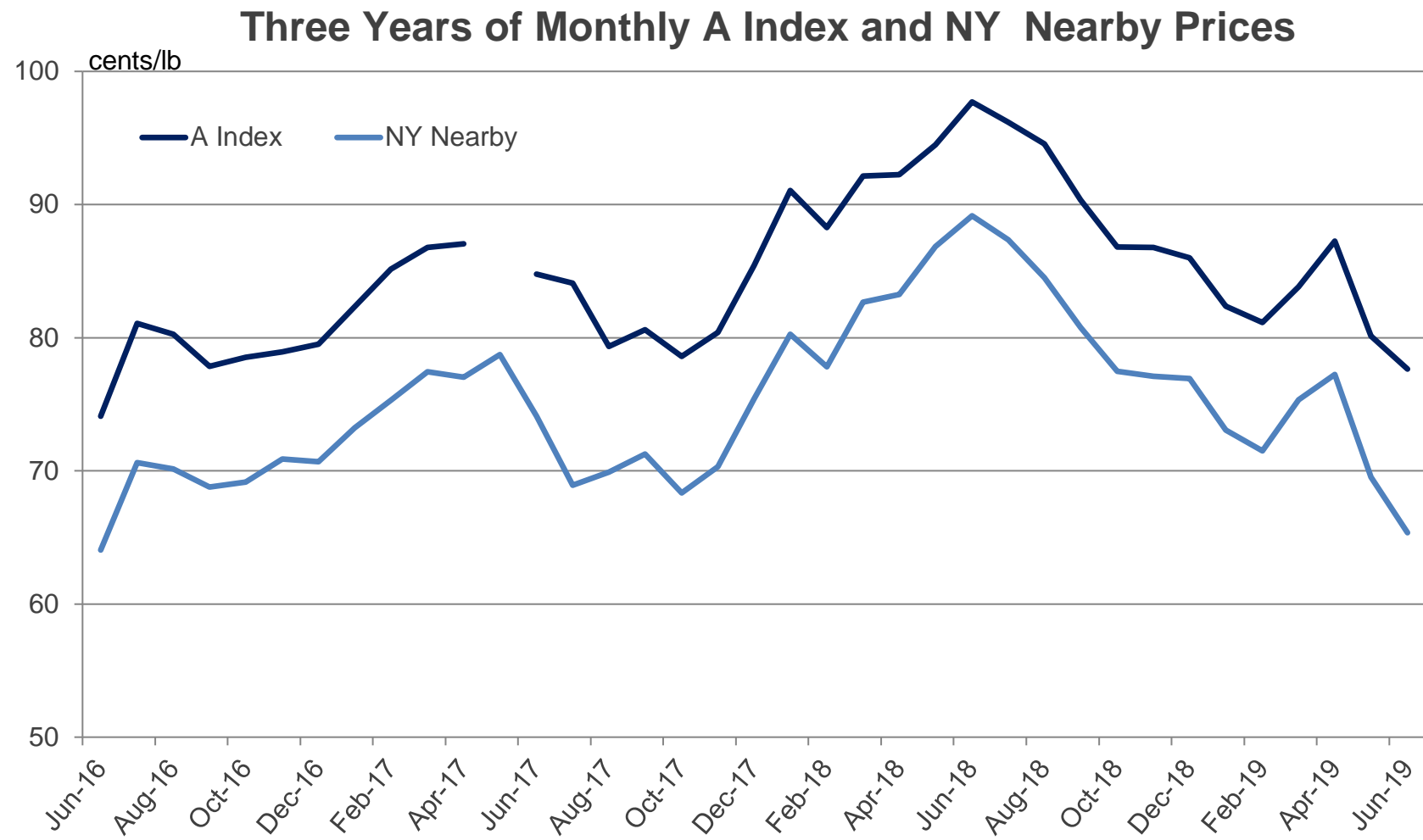


One Year of Daily Pakistani Spot Prices



Note: Differences in price movement in local and international terms (cents/lb) due to changes in exchange rates.

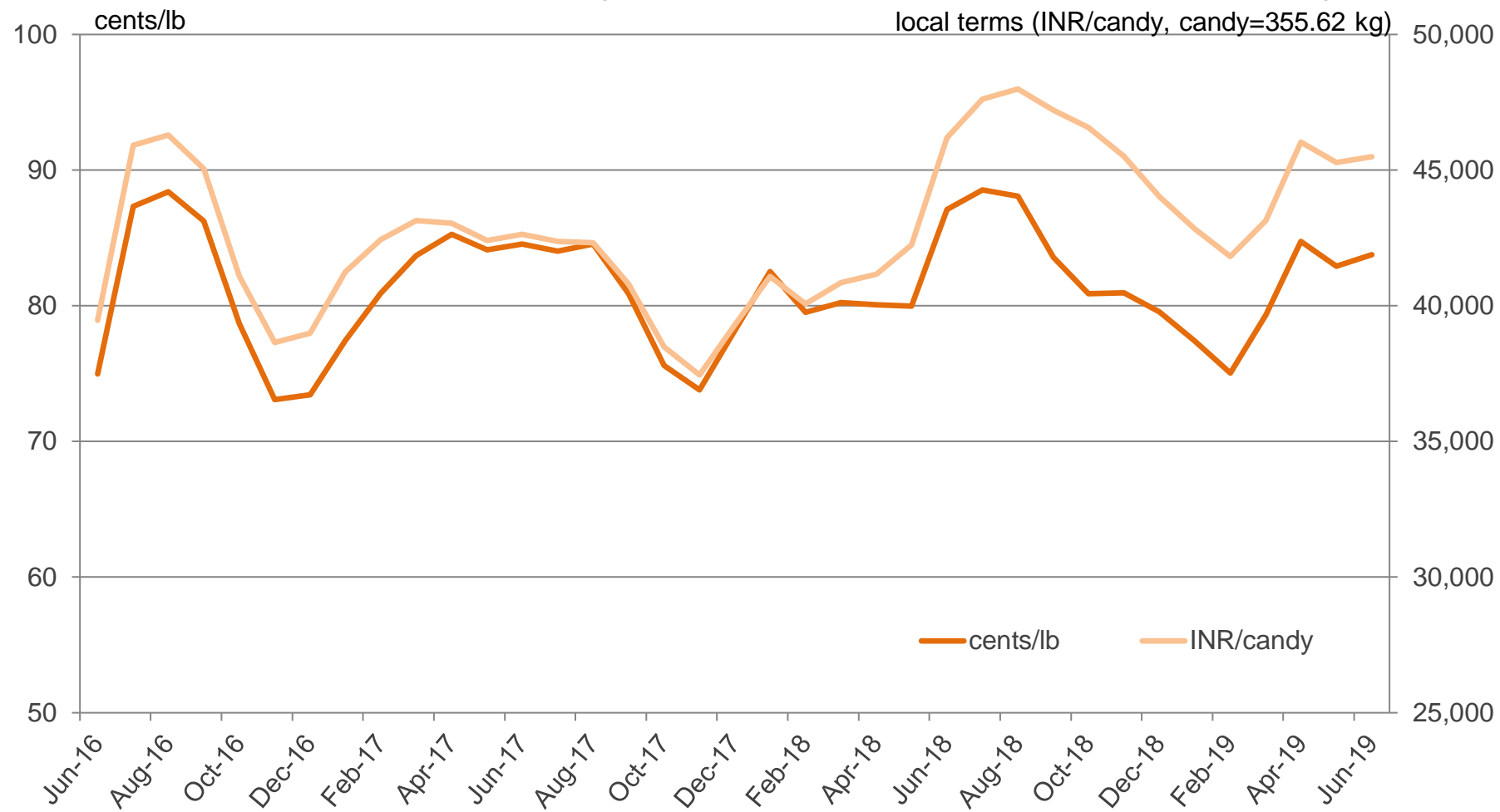
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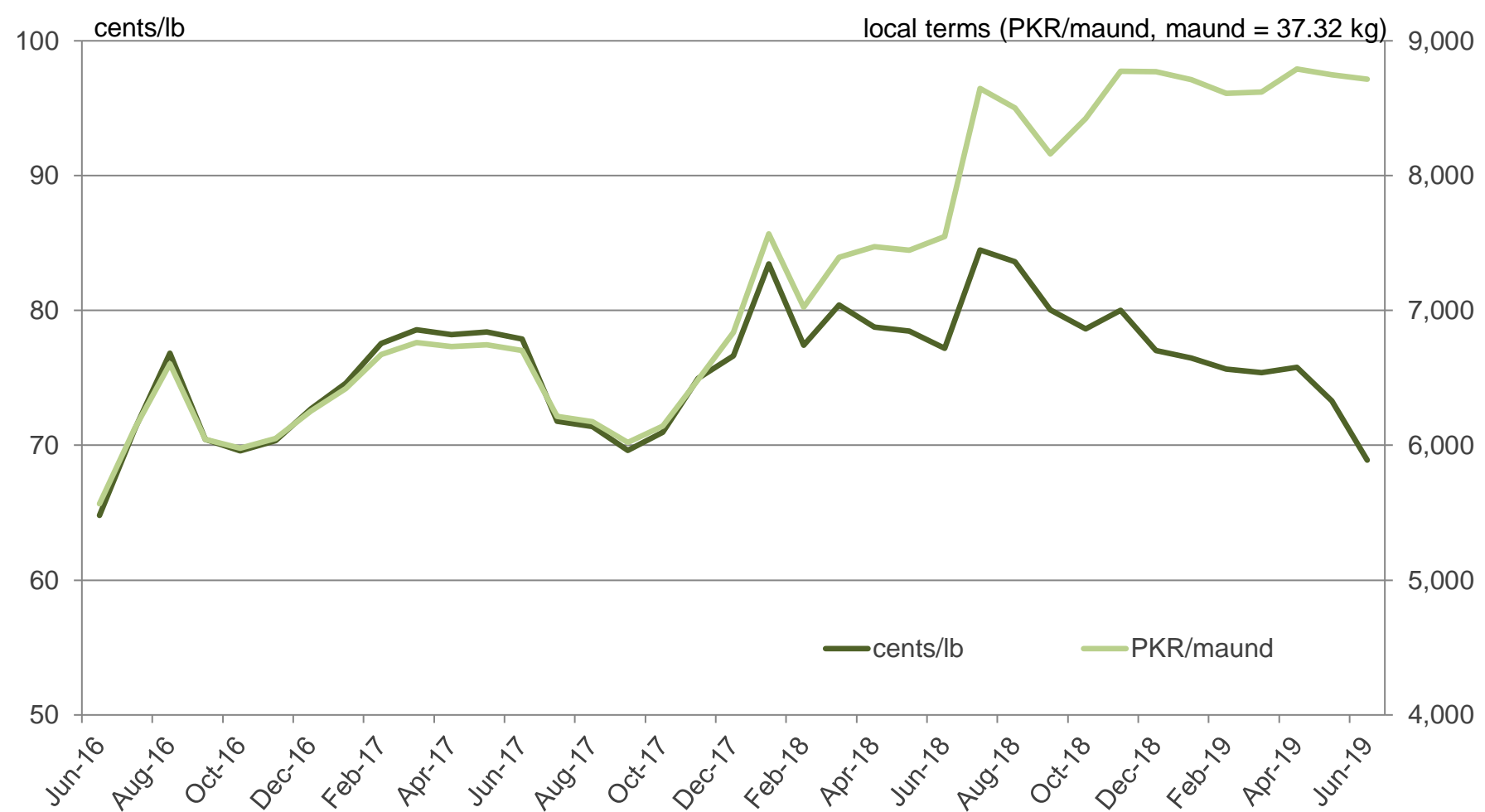
Note: Differences in price movement in local and international terms (cents/lb) due to changes in exchange rates.

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Three Years of Monthly Indian Spot Prices (Shankar-6 Variety)



Three Years of Monthly Pakistani Spot Prices



Note: Differences in price movement in local and international terms (cents/lb) due to changes in exchange rates.

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World Balance Sheet

million 480 lb. bales	2015/16	2016/17	2017/18	2018/19	2019/20 June	2019/20 July
Beginning Stocks	106.7	90.2	80.3	81.0	77.5	79.3
Production	96.2	106.7	123.8	119.3	125.3	125.8
Supply	202.9	196.9	204.1	200.3	202.8	205.1
Mill-Use	113.2	116.2	122.7	121.1	125.3	124.3
Ending Stocks	90.2	80.3	81.0	79.3	77.3	80.4
Stocks/Use Ratio	79.6%	69.1%	66.0%	65.5%	61.7%	64.7%

China Balance Sheet

million 480 lb. bales	2015/16	2016/17	2017/18	2018/19	2019/20 June	2019/20 July
Beginning Stocks	66.4	56.7	45.9	38.0	34.4	35.4
Production	22.0	22.8	27.5	27.8	27.8	27.8
Imports	4.4	5.0	5.7	9.3	10.5	10.5
Supply	92.8	84.5	79.1	75.0	72.6	73.6
Mill-Use	36.0	38.5	41.0	39.5	41.0	40.5
Exports	0.1	0.1	0.1	0.2	0.1	0.1
Demand	36.1	38.6	41.1	39.7	41.1	40.6
Ending Stocks	56.7	45.9	38.0	35.4	31.5	33.0
Stocks/Use Ratio	156.9%	119.1%	92.4%	89.2%	76.6%	81.2%

World-Less-China Balance Sheet

million 480 lb. bales	2015/16	2016/17	2017/18	2018/19	2019/20 June	2019/20 July
Beginning Stocks	40.3	33.5	34.4	42.9	43.2	43.9
Production	74.2	83.9	96.3	91.6	97.6	98.0
Imports from China	0.1	0.1	0.1	0.2	0.1	0.1
Supply	114.6	117.5	130.8	134.7	140.9	142.1
Mill-Use	77.2	77.7	81.7	81.6	84.3	83.8
Exports to China	4.4	5.0	5.7	9.3	10.5	10.5
Demand	81.6	82.7	87.4	90.8	94.8	94.3
Ending Stocks	33.5	34.4	42.9	43.9	45.8	47.4
Stocks/Use Ratio	41.0%	41.6%	49.1%	48.3%	48.3%	50.3%

Source: USDA

India Balance Sheet

million 480 lb. bales	2015/16	2016/17	2017/18	2018/19	2019/20 June	2019/20 July
Beginning Stocks	10.6	7.0	7.9	9.2	7.8	8.4
Production	25.9	27.0	29.0	26.5	28.5	29.0
Imports	1.1	2.7	1.7	1.5	1.4	1.4
Supply	37.6	36.8	38.6	37.2	37.7	38.8
Mill-Use	24.8	24.4	24.2	25.0	25.3	25.5
Exports	5.8	4.6	5.2	3.8	4.8	4.4
Demand	30.5	28.9	29.3	28.8	30.1	29.9
Ending Stocks	7.0	7.9	9.2	8.4	7.6	8.9
Stocks/Use Ratio	23.1%	27.3%	31.5%	29.3%	25.2%	29.8%

U.S. Balance Sheet

million 480 lb. bales	2015/16	2016/17	2017/18	2018/19	2019/20 June	2019/20 July
Beginning Stocks	3.7	3.8	2.8	4.3	4.7	5.0
Production	12.9	17.2	20.9	18.4	22.0	22.0
Imports	0.0	0.0	0.0	0.0	0.0	0.0
Supply	16.6	21.0	23.7	22.7	26.7	27.0
Mill-Use	3.5	3.3	3.2	3.0	3.1	3.1
Exports	9.2	14.9	15.8	14.5	17.0	17.0
Demand	12.6	18.2	19.1	17.5	20.1	20.1
Ending Stocks	3.8	2.8	4.3	5.0	6.4	6.7
Stocks/Use Ratio	30.2%	15.1%	22.5%	28.6%	31.8%	33.3%

Pakistan Balance Sheet

million 480 lb. bales	2015/16	2016/17	2017/18	2018/19	2019/20 June	2019/20 July
Beginning Stocks	2.9	2.6	2.3	2.8	2.8	2.7
Production	7.0	7.7	8.2	7.7	8.0	8.0
Imports	3.3	2.5	3.3	2.9	2.9	3.0
Supply	13.2	12.8	13.8	13.4	13.7	13.7
Mill-Use	10.3	10.3	10.8	10.6	10.7	10.7
Exports	0.3	0.1	0.2	0.1	0.2	0.2
Demand	10.6	10.4	11.0	10.7	10.9	10.9
Ending Stocks	2.6	2.3	2.8	2.7	2.9	2.9
Stocks/Use Ratio	24.8%	22.2%	25.8%	25.6%	26.3%	26.3%

Source: USDA

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World Cotton Production

million 480 lb. bales	2015/16	2016/17	2017/18	2018/19	2019/20 June	2019/20 July
India	25.9	27.0	29.0	26.5	28.5	29.0
China	22.0	22.8	27.5	27.8	27.8	27.8
United States	12.9	17.2	20.9	18.4	22.0	22.0
Brazil	5.9	7.0	9.2	12.8	12.0	12.0
Pakistan	7.0	7.7	8.2	7.7	8.0	8.0
Turkey	2.7	3.2	4.0	3.7	4.1	4.1
Uzbekistan	3.8	3.7	3.9	3.2	3.3	3.3
Australia	2.9	4.1	4.8	2.4	1.9	1.9
Mexico	0.9	0.8	1.6	1.7	1.8	1.8
Greece	1.0	1.0	1.2	1.4	1.5	1.5
Benin	0.5	0.9	1.1	1.4	1.5	1.5
Mali	1.0	1.2	1.4	1.3	1.4	1.4
Burkina	1.1	1.3	1.2	0.9	1.2	1.2
Rest of World	8.6	8.9	9.8	10.2	10.5	10.5
African Franc Zone	4.0	4.9	5.1	5.1	5.7	5.7
EU-27	1.3	1.3	1.5	1.7	1.8	1.8
World	96.2	106.7	123.8	119.3	125.3	125.8

World Cotton Exports

million 480 lb. bales	2015/16	2016/17	2017/18	2018/19	2019/20 June	2019/20 July
United States	9.2	14.9	15.8	14.5	17.0	17.0
Brazil	4.3	2.8	4.2	6.2	8.2	8.0
India	5.8	4.6	5.2	3.8	4.8	4.4
Australia	2.8	3.7	3.9	3.6	1.8	1.8
Benin	0.7	0.8	1.0	1.3	1.4	1.4
Greece	1.0	1.0	1.1	1.4	1.4	1.4
Mali	1.0	1.1	1.3	1.3	1.4	1.4
Burkina	1.1	1.2	1.2	1.0	1.1	1.1
Cote d'Ivoire	0.8	0.6	0.6	0.8	0.8	0.8
Cameroon	0.6	0.5	0.4	0.6	0.6	0.6
Mexico	0.1	0.2	0.4	0.5	0.6	0.6
Argentina	0.2	0.3	0.2	0.5	0.5	0.5
Sudan	0.1	0.3	0.4	0.4	0.5	0.5
Rest of World	7.1	6.0	5.4	5.2	5.0	5.0
African Franc Zone	4.3	4.4	4.8	5.1	5.3	5.3
EU-27	1.3	1.3	1.4	1.7	1.7	1.7
World	34.7	37.9	41.0	41.1	44.8	44.2

Source: USDA

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World Cotton Mill-Use

million 480 lb. bales	2015/16	2016/17	2017/18	2018/19	2019/20 June	2019/20 July
China	36.0	38.5	41.0	39.5	41.0	40.5
India	24.8	24.4	24.2	25.0	25.3	25.5
Pakistan	10.3	10.3	10.8	10.6	10.7	10.7
Vietnam	4.5	5.4	6.6	7.1	7.5	7.6
Bangladesh	6.3	6.8	7.5	7.1	8.3	7.4
Turkey	6.7	6.6	7.5	6.6	6.7	6.7
Brazil	3.1	3.2	3.4	3.5	3.6	3.6
Indonesia	3.0	3.3	3.5	3.1	3.2	3.2
United States	3.5	3.3	3.2	3.0	3.1	3.1
Uzbekistan	1.8	2.0	2.5	2.8	3.0	3.0
Mexico	1.9	1.8	1.9	2.0	2.0	2.0
Thailand	1.3	1.2	1.1	1.1	1.2	1.2
Turkmenistan	0.7	0.7	0.7	0.8	0.7	0.8
Rest of World	9.6	8.9	8.9	8.9	9.0	9.0
African Franc Zone	0.1	0.1	0.1	0.1	0.1	0.1
EU-27	0.8	0.7	0.8	0.7	0.7	0.7
World	113.2	116.2	122.7	121.1	125.3	124.3

World Cotton Imports

million 480 lb. bales	2015/16	2016/17	2017/18	2018/19	2019/20 June	2019/20 July
China	4.4	5.0	5.7	9.3	10.5	10.5
Vietnam	4.6	5.5	7.0	7.0	7.6	7.8
Bangladesh	6.4	6.8	7.6	6.9	8.3	7.3
Indonesia	2.9	3.4	3.5	3.0	3.2	3.3
Pakistan	3.3	2.5	3.3	2.9	2.9	3.0
Turkey	4.2	3.7	4.0	3.2	3.0	3.0
India	1.1	2.7	1.7	1.5	1.4	1.4
Thailand	1.3	1.2	1.1	1.2	1.2	1.2
Mexico	1.0	1.0	0.9	0.9	0.9	0.9
South Korea	1.2	1.0	0.9	0.8	0.8	0.8
Malaysia	0.4	0.4	0.7	0.7	0.7	0.7
Taiwan	0.7	0.6	0.6	0.6	0.7	0.7
Egypt	0.5	0.5	0.6	0.5	0.5	0.5
Rest of World	3.5	3.3	3.3	3.1	3.2	3.2
African Franc Zone	0.0	0.0	0.0	0.0	0.0	0.0
EU-27	0.8	0.7	0.7	0.7	0.7	0.7
World Total	35.4	37.7	41.0	41.4	44.7	44.1

Source: USDA

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World Balance Sheet

million metric tons	2015/16	2016/17	2017/18	2018/19	2019/20 June	2019/20 July
Beginning Stocks	23.2	19.6	17.5	17.6	16.9	17.3
Production	20.9	23.2	27.0	26.0	27.3	27.4
Supply	44.2	42.9	44.4	43.6	44.2	44.6
Mill-Use	24.7	25.3	26.7	26.4	27.3	27.1
Ending Stocks	19.6	17.5	17.6	17.3	16.8	17.5
Stocks/Use Ratio	79.6%	69.1%	66.0%	65.5%	61.7%	64.7%

China Balance Sheet

million metric tons	2015/16	2016/17	2017/18	2018/19	2019/20 June	2019/20 July
Beginning Stocks	14.5	12.3	10.0	8.3	7.5	7.7
Production	4.8	5.0	6.0	6.0	6.0	6.0
Imports	1.0	1.1	1.2	2.0	2.3	2.3
Supply	20.2	18.4	17.2	16.3	15.8	16.0
Mill-Use	7.8	8.4	8.9	8.6	8.9	8.8
Exports	0.0	0.0	0.0	0.0	0.0	0.0
Demand	7.9	8.4	9.0	8.6	9.0	8.8
Ending Stocks	12.3	10.0	8.3	7.7	6.9	7.2
Stocks/Use Ratio	156.9%	119.1%	92.4%	89.2%	76.6%	81.2%

World-Less-China Balance Sheet

million metric tons	2015/16	2016/17	2017/18	2018/19	2019/20 June	2019/20 July
Beginning Stocks	8.8	7.3	7.5	9.4	9.4	9.6
Production	16.1	18.3	21.0	19.9	21.2	21.3
Imports from China	0.0	0.0	0.0	0.0	0.0	0.0
Supply	25.0	25.6	28.5	29.3	30.7	30.9
Mill-Use	16.8	16.9	17.8	17.8	18.3	18.2
Exports to China	1.0	1.1	1.2	2.0	2.3	2.3
Demand	17.8	18.0	19.0	19.8	20.6	20.5
Ending Stocks	7.3	7.5	9.4	9.6	10.0	10.3
Stocks/Use Ratio	41.0%	41.6%	49.1%	48.3%	48.3%	50.3%

Source: USDA

India Balance Sheet

million metric tons	2015/16	2016/17	2017/18	2018/19	2019/20 June	2019/20 July
Beginning Stocks	2.3	1.5	1.7	2.0	1.7	1.8
Production	5.6	5.9	6.3	5.8	6.2	6.3
Imports	0.2	0.6	0.4	0.3	0.3	0.3
Supply	8.2	8.0	8.4	8.1	8.2	8.5
Mill-Use	5.4	5.3	5.3	5.4	5.5	5.6
Exports	1.3	1.0	1.1	0.8	1.0	1.0
Demand	6.6	6.3	6.4	6.3	6.6	6.5
Ending Stocks	1.5	1.7	2.0	1.8	1.6	1.9
Stocks/Use Ratio	23.1%	27.3%	31.5%	29.3%	25.2%	29.8%

U.S. Balance Sheet

million metric tons	2015/16	2016/17	2017/18	2018/19	2019/20 June	2019/20 July
Beginning Stocks	0.8	0.8	0.6	0.9	1.0	1.1
Production	2.8	3.7	4.6	4.0	4.8	4.8
Imports	0.0	0.0	0.0	0.0	0.0	0.0
Supply	3.6	4.6	5.2	4.9	5.8	5.9
Mill-Use	0.8	0.7	0.7	0.7	0.7	0.7
Exports	2.0	3.2	3.5	3.2	3.7	3.7
Demand	2.7	4.0	4.2	3.8	4.4	4.4
Ending Stocks	0.8	0.6	0.9	1.1	1.4	1.5
Stocks/Use Ratio	30.2%	15.1%	22.5%	28.6%	31.8%	33.3%

Pakistan Balance Sheet

million metric tons	2015/16	2016/17	2017/18	2018/19	2019/20 June	2019/20 July
Beginning Stocks	0.6	0.6	0.5	0.6	0.6	0.6
Production	1.5	1.7	1.8	1.7	1.7	1.7
Imports	0.7	0.5	0.7	0.6	0.6	0.7
Supply	2.9	2.8	3.0	2.9	3.0	3.0
Mill-Use	2.2	2.2	2.4	2.3	2.3	2.3
Exports	0.1	0.0	0.0	0.0	0.0	0.0
Demand	2.3	2.3	2.4	2.3	2.4	2.4
Ending Stocks	0.6	0.5	0.6	0.6	0.6	0.6
Stocks/Use Ratio	24.8%	22.2%	25.8%	25.6%	26.3%	26.3%

Source: USDA

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World Cotton Production

million metric tons	2015/16	2016/17	2017/18	2018/19	2019/20 June	2019/20 July
India	5.6	5.9	6.3	5.8	6.2	6.3
China	4.8	5.0	6.0	6.0	6.0	6.0
United States	2.8	3.7	4.6	4.0	4.8	4.8
Brazil	1.3	1.5	2.0	2.8	2.6	2.6
Pakistan	1.5	1.7	1.8	1.7	1.7	1.7
Turkey	0.6	0.7	0.9	0.8	0.9	0.9
Uzbekistan	0.8	0.8	0.8	0.7	0.7	0.7
Australia	0.6	0.9	1.0	0.5	0.4	0.4
Mexico	0.2	0.2	0.3	0.4	0.4	0.4
Greece	0.2	0.2	0.3	0.3	0.3	0.3
Benin	0.1	0.2	0.2	0.3	0.3	0.3
Mali	0.2	0.3	0.3	0.3	0.3	0.3
Burkina	0.2	0.3	0.3	0.2	0.3	0.3
Rest of World	1.9	1.9	2.1	2.2	2.3	2.3
African Franc Zone	0.9	1.1	1.1	1.1	1.2	1.2
EU-27	0.3	0.3	0.3	0.4	0.4	0.4
World	20.9	23.2	27.0	26.0	27.3	27.4

World Cotton Exports

million metric tons	2015/16	2016/17	2017/18	2018/19	2019/20 June	2019/20 July
United States	2.0	3.2	3.5	3.2	3.7	3.7
Brazil	0.9	0.6	0.9	1.3	1.8	1.7
India	1.3	1.0	1.1	0.8	1.0	1.0
Australia	0.6	0.8	0.9	0.8	0.4	0.4
Benin	0.1	0.2	0.2	0.3	0.3	0.3
Greece	0.2	0.2	0.2	0.3	0.3	0.3
Mali	0.2	0.2	0.3	0.3	0.3	0.3
Burkina	0.2	0.3	0.3	0.2	0.2	0.2
Cote d'Ivoire	0.2	0.1	0.1	0.2	0.2	0.2
Cameroon	0.1	0.1	0.1	0.1	0.1	0.1
Mexico	0.0	0.0	0.1	0.1	0.1	0.1
Argentina	0.0	0.1	0.0	0.1	0.1	0.1
Sudan	0.0	0.1	0.1	0.1	0.1	0.1
Rest of World	1.5	1.3	1.2	1.1	1.1	1.1
African Franc Zone	0.9	1.0	1.0	1.1	1.2	1.2
EU-27	0.3	0.3	0.3	0.4	0.4	0.4
World	7.5	8.2	8.9	8.9	9.7	9.6

Source: USDA

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World Cotton Consumption

million metric tons	2015/16	2016/17	2017/18	2018/19	2019/20 June	2019/20 July
China	7.8	8.4	8.9	8.6	8.9	8.8
India	5.4	5.3	5.3	5.4	5.5	5.6
Pakistan	2.2	2.2	2.4	2.3	2.3	2.3
Vietnam	1.0	1.2	1.4	1.5	1.6	1.7
Bangladesh	1.4	1.5	1.6	1.5	1.8	1.6
Turkey	1.5	1.4	1.6	1.4	1.5	1.5
Brazil	0.7	0.7	0.7	0.8	0.8	0.8
Indonesia	0.7	0.7	0.8	0.7	0.7	0.7
United States	0.8	0.7	0.7	0.7	0.7	0.7
Uzbekistan	0.4	0.4	0.5	0.6	0.7	0.7
Mexico	0.4	0.4	0.4	0.4	0.4	0.4
Thailand	0.3	0.3	0.2	0.2	0.3	0.3
Turkmenistan	0.1	0.1	0.1	0.2	0.2	0.2
Rest of World	2.1	1.9	1.9	1.9	2.0	2.0
African Franc Zone	0.0	0.0	0.0	0.0	0.0	0.0
EU-27	0.2	0.2	0.2	0.2	0.2	0.2
World Total	24.7	25.3	26.7	26.4	27.3	27.1

World Cotton Imports

million metric tons	2015/16	2016/17	2017/18	2018/19	2019/20 June	2019/20 July
China	1.0	1.1	1.2	2.0	2.3	2.3
Vietnam	1.0	1.2	1.5	1.5	1.7	1.7
Bangladesh	1.4	1.5	1.7	1.5	1.8	1.6
Indonesia	0.6	0.7	0.8	0.7	0.7	0.7
Pakistan	0.7	0.5	0.7	0.6	0.6	0.7
Turkey	0.9	0.8	0.9	0.7	0.7	0.7
India	0.2	0.6	0.4	0.3	0.3	0.3
Thailand	0.3	0.3	0.3	0.3	0.3	0.3
Mexico	0.2	0.2	0.2	0.2	0.2	0.2
South Korea	0.3	0.2	0.2	0.2	0.2	0.2
Malaysia	0.1	0.1	0.2	0.1	0.1	0.1
Taiwan	0.2	0.1	0.1	0.1	0.1	0.1
Egypt	0.1	0.1	0.1	0.1	0.1	0.1
Rest of World	0.8	0.7	0.7	0.7	0.7	0.7
African Franc Zone	0.0	0.0	0.0	0.0	0.0	0.0
EU-27	0.2	0.2	0.2	0.1	0.1	0.1
World Total	7.7	8.2	8.9	9.0	9.7	9.6

Source: USDA

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