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Cotton and Wool Outlook

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Record World Cotton Production Forecast for 2004/05

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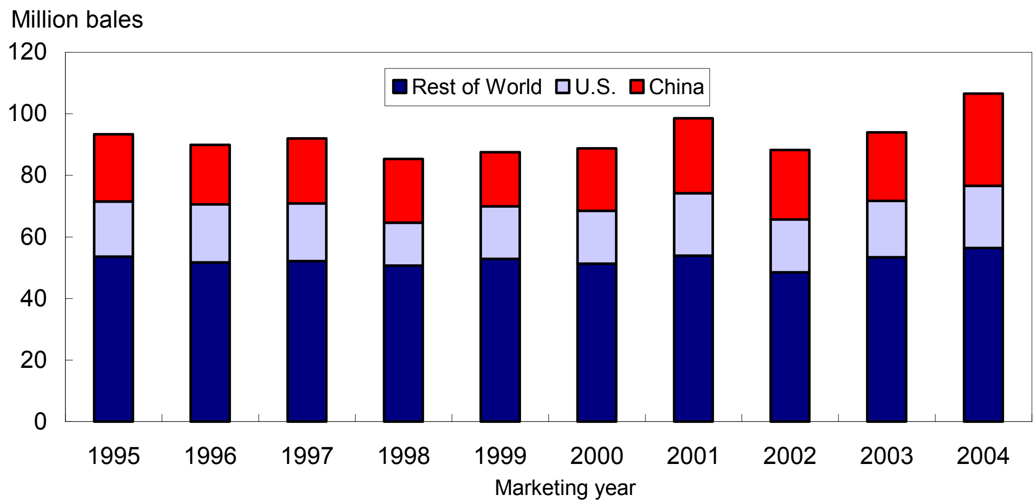
The next release is September 13, 2004

Approved by the World Agricultural Outlook Board.

The latest U.S. Department of Agriculture (USDA) cotton forecast for 2004/05 indicates that global cotton production will increase for the second consecutive year, rising 13 percent to 106.6 million bales. With the record crop, cotton stocks are expected to rise from the recent lows as production exceeds consumption for the first time in 3 years. Although the U.S. cotton crop is projected to rise nearly 2 million bales this season, the crops in China and the rest of the world combined are expected to increase even more.

China's cotton production is expected to rise by over one-third in 2004/05 to 30 million bales, a record. China is projected to account for 28 percent of global output this season, up from a 25-percent average during the past three seasons. In contrast, U.S. production is expected to contribute 19 percent of global supplies, similar to the last 5 years. As a result, the rest of the world is expected to account for 53 percent of world production, the smallest share in over a decade.

Figure 1
U.S. and foreign cotton production



Source: USDA.

Domestic Outlook

2004/05 Production Forecast Higher in August

According to USDA's first survey-based forecast of the 2004 cotton crop, U.S. production is projected at nearly 20.2 million bales, up 1.9 million (11 percent) from last season. Excellent growing conditions have been prevalent throughout most of the Cotton Belt this season, leading to the current forecast of the second largest U.S. crop on record. Upland production is projected at about 19.5 million bales, up 9 percent from 2003/04, while the extra-long staple (ELS) crop is expected to increase 271,000 bales (63 percent) to 703,000 bales, a record.

Note: Excellent growing conditions led to forecast of second largest U.S. cotton crop on record.

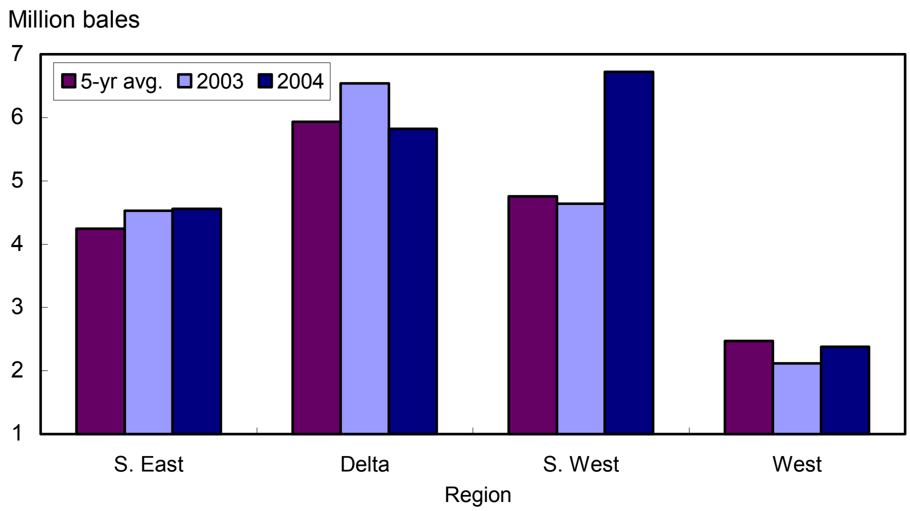
During the previous 20 years, the August forecast has been above final cotton production 10 times and below 10 times. Past differences between the August forecast and the final production estimate indicate that chances are two out of three for the 2004 U.S. cotton crop to range between 18.5 and 21.8 million bales.

Compared with last season, upland production is expected higher in each region of the Cotton Belt, except the Delta, where a significantly lower yield from last season's record is forecast. Delta production this season is expected to reach the 10-year average of 5.8 million bales, compared with 6.5 million in 2003, despite similar cotton area.

The Southwest is expected to produce the largest crop of the four regions this season. At 6.7 million bales, the Southwest region is forecast to produce an upland crop that is 2 million bales above average and the largest in nearly 80 years. Expectations for a low abandonment and record yields—both atypical for the Southwest region—are poised to give the region a 35-percent share of U.S. upland production this season, a mark last reached in 1990.

Note: The Southwest region, with a low abandonment and record yield forecast, is expected to account for 35 percent of upland production.

Figure 2
U.S. regional cotton production



Source: USDA.

In the Southeast, cotton production is expected to approach 4.6 million bales in 2004, slightly above last season, as area and yield are projected to remain similar to that in 2003. Cotton production in the West in 2004—forecast at about 2.4 million bales—is above the last two seasons but near the 5-year average. Upland area is estimated at 850,000 acres, the highest in 3 years. The yield forecast of 1,352 pounds per harvested acre is also above last season's.

In contrast to upland production, the West remains the key region for the ELS crop. ELS production is forecast to rise significantly once again, as stocks declined to a 5-year low last season. California continues to dominate ELS production and is expected to account for 91 percent of the production in 2004.

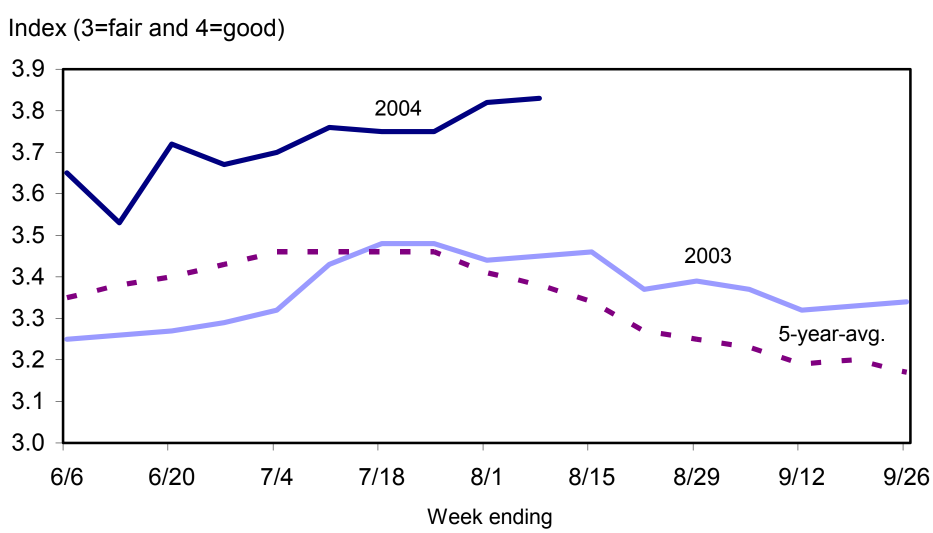
Note: A record ELS crop is once again dominated by California.

Total area planted to cotton is estimated at 13.9 million acres while abandonment is expected to reach only 4 percent, the lowest since the 1997 season. As a result, U.S. cotton to be harvested is forecast at 13.3 million acres, the highest in 3 years. Based on the harvested area, the national yield is estimated at 727 pounds per harvested acre, only 3 pounds below the 2003 record.

U.S. cotton crop development in August continues near historical average levels. As of August 8th, 85 percent of the U.S. crop was setting bolls, compared with the 5-year average of 86 percent that included last season's 76 percent. Meanwhile, the percentage of the crop that has open bolls reached 8 percent, equal to last season but 1 percentage point below the 5-year average. Most impressive, however, have been this season's crop conditions that have generally risen and remain well above both last year and the historical average. In fact, U.S. cotton crop conditions have not been this high in August since 1987, a season of low abandonment and a then-record yield. As of August 8th, 71 percent of the area was rated "good" or "excellent," compared with 54 percent a year ago, while only 8 percent was rated "poor" or "very poor" this year, compared with 16 percent in 2003.

Note: U.S. cotton crop conditions are the highest since the 1987 season.

Figure 3
U.S. cotton crop conditions



Source: USDA.

Demand and Stock Estimates Revised

The U.S. cotton demand estimate for 2004/05 was raised 800,000 bales this month to 17.9 million, with exports accounting for most of the increase. U.S. exports, projected at 12 million bales for 2004/05, continue as the leading market for U.S. producers. Despite a near-record U.S. crop projection and increased foreign mill use, the large foreign production—particularly in consuming countries—is expected to keep foreign import demand from reaching the 2003/04 level. As a result, the current U.S. share of world trade is estimated at 38 percent, about 4 percentage points below 2003/04 and below 2002/03's 39 percent.

Note: U.S. demand projection revised upward, but still remains the lowest in 4 years.

In addition, U.S. mill use was raised this month to 5.9 million bales, as recent activity has provided a slightly more optimistic outlook than previously anticipated. Recent U.S. textile trade data indicate lower imports and higher exports than earlier projected, as mill use has stabilized above 6 million bales on a seasonally adjusted annual rate basis. Despite the increase, U.S. cotton mill use remains 6 percent below 2003/04 and is expected to be the lowest since 1984/85.

Based on these cotton supply and demand estimates, 2004/05 U.S. ending stocks are projected to jump significantly to 5.9 million bales, 2.3 million above beginning stocks. The expectation for increased cotton production and decreased demand during 2004/05 are set to push ending stocks to their highest level in 3 years. Likewise, this season's stocks-to-use ratio is estimated at 33 percent, also the highest since the 2001 season.

Note: U.S. cotton stocks to rise for the first time in 3 years.

U.S. Textile Trade: Imports Fall for Second Consecutive Month

May textile imports, at 1.3 billion pounds, declined for the second consecutive month but were 2 percent above a year ago. Imports of cotton, linen, and silk products decreased when compared with a month earlier. Shipments of all major end-use categories were also lower in May. Cotton textile imports, at 715 million pounds, were 1 percent below April and 3 percent below a year ago. However, U.S. cotton textile imports from other North American countries rose to 267 million pounds, up 3 percent from April. In addition, cotton apparel imports accounted for 69 percent of the shipments in May.

Textile exports increased in May to 452 million pounds, up 2 percent from April and 7 percent above a year earlier. Exports of all fibers increased from a month ago. Larger exports of yarn, thread, and fabric and floor coverings more than offset small declines in apparel and home furnishings. Cotton textile exports, at 212 million pounds, were 1 percent above a month earlier and 1 percent above a year ago. U.S. cotton textile exports to other North American countries, at 198 million pounds, were 1 percent above a month earlier and accounted for 93 percent of total shipments in May.

Note: U.S. cotton textile and apparel imports during January-May 2004 were slightly below a year ago, while exports were higher.

Overall, the May textile trade deficit was 850 million pounds, with cotton accounting for 59 percent of the total. The May deficit was 9 million pounds below a year earlier. However, the deficit for the first 5 months of 2004 was 4.5 billion pounds, compared with 4.4 billion a year ago. Despite the overall higher trade deficit, the cotton deficit, at 2.6 billion pounds, declined 15 million pounds during January-May, compared with the corresponding period in 2003.

International Outlook

Foreign 2004/05 Cotton Production Lowered in August; Use Increased

Foreign cotton production for 2004/05 is currently projected at 86.4 million bales, 300,000 bales below last month's forecast, but still 10.6 million above 2003/04 and a record. Foreign production was reduced this month mainly in Brazil and Australia, partially offset by an increase for India.

Brazil's cotton production is now estimated at 6 million bales, 500,000 bales below last month, as cotton prices have fallen substantially recently relative to the main alternative--soybeans. While continued investment in cotton is expected to sustain Brazil's long-run area expansion, current price movements indicate lower plantings for the upcoming fall than previously anticipated. The world cotton price for July was 20 percent below the average of August-November 2003; at the same time, the July world soybean price fell only 1 percent from the August-November average.

Note: Foreign cotton production forecast at a record 86.4 million bales; China accounts for 35 percent of the total.

Australia's cotton production was reduced 100,000 bales from last month to 2.3 million bales, reflecting industry estimates that are based on projected water availability. In contrast, production in India was raised due to the resumption in monsoon rainfall following an unusually dry July. This recent development is expected to stimulate production in the important central zone, especially in Gujurat, which accounts for more than 20 percent of total Indian production.

Foreign cotton consumption, on the other hand, was raised 400,000 bales from a month ago to nearly 94.8 million bales, a record. The increase was attributable to changes for India and China. India's use was raised 150,000 bales in response to higher production and the recent strength in India's textile output. For China, yarn production data indicate higher consumption for both 2003/04 and 2004/05. A 2004/05 consumption level of 34.5 million bales (300,000 bales above last month) assumes a continued increase in total yarn production as well as a recovery in cotton's fiber share due to lower prices.

Note: Foreign consumption also projected at a record 94.8 million bales; China accounts for 36 percent of the total.

Foreign Cotton Trade Prospects Revised; Stocks About Unchanged

The combination of lower foreign production and higher consumption resulted in a number of revisions in foreign trade this month. Forecast import demand for 2004/05, at 31.6 million bales, is higher than last month although well below 2003/04's 34 million. China accounts for 40 percent of the 620,000-bale increase in foreign imports, as higher imports are needed to sustain consumption and maintain adequate stocks. Pakistan's imports were raised 225,000 bales, as recent activity indicates larger import levels than estimated previously. Several other less significant revisions reflect increased global supplies available at very competitive prices, which are likely to induce some importers to hold slightly higher stocks.

Note: Foreign cotton import needs expected to decline as record production increases stocks to highest level in 3 years.

Foreign exports are virtually unchanged this month, as higher exports by Brazil are about offset by lower exports by Australia; both revisions reflect further analysis of export flow based on expected monthly production and shipment patterns.
Based on these supply and demand adjustments, 2004/05 foreign ending stocks remain similar to last month at 33.3 million bales. However, this stock level reflects a 13-percent increase from the beginning level. In addition, the implied stocks-to-use ratio of 29.2 percent is the largest since 2001/02.

Highlight

Trends in World Fiber Consumption

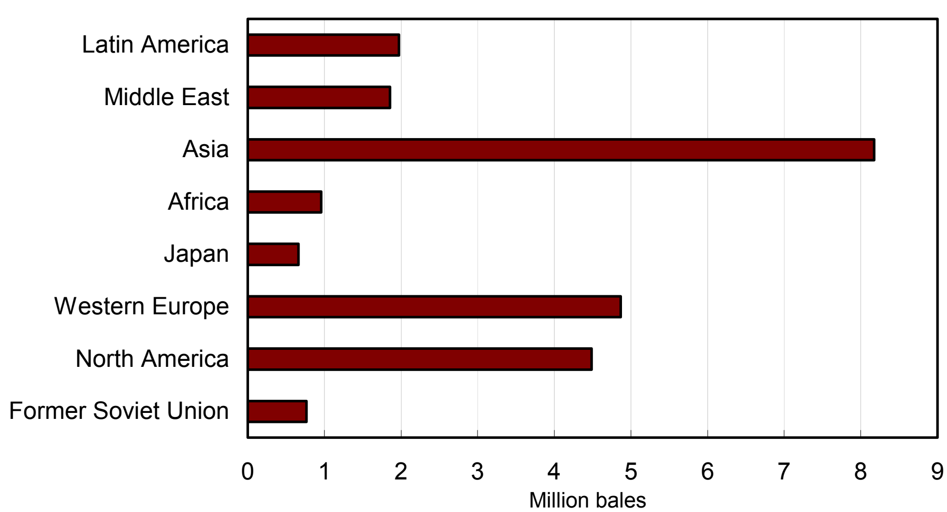
World fiber consumption has grown at a 3.1-percent rate over the last 5 years, slightly faster than the 2.6-percent growth rate realized during 1980-2004. Global consumption has accelerated in recent years as Russia and other members of the former East Bloc emerge from a period of restructuring that saw household fiber consumption there more than halved.[1] While finally recovering, fiber consumption in these countries still remains among the slowest growing in the world. The slowest growth during 2000-04 occurred in Japan, where fiber consumption grew about 1 percent annually, while the fastest occurred in Latin America, where a 4.8-percent growth rate was recorded. North America and Western Europe reported a 3.0 percent rate, while the developed world averaged 2.8 percent growth.

Between 2000 and 2004, world fiber consumption rose by 25 million bales (480 pounds/bale). The largest gain came in developing Asian countries, where household consumption rose more than 8 million bales, followed by Western Europe at 4.9 million bales, and North America with 4.5 million bales. During this time, cotton's share of global fiber consumption fell slightly, from 40 percent to 39 percent. During the 1990s, cotton's share dropped more precipitously, falling from 50 percent in 1990 after about a decade of stability.

Cotton Consumption Growth Shifting to Asia

Between 2000 and 2004, household consumption of cotton actually fell in Japan and Western Europe, by about 1 percent annually. The rebounding former East Bloc realized the fastest growth, 3.5 percent, but most of the world's increase in household cotton consumption occurred in the developing world. Data are not available to break out the geographic distribution of the developing world's 5.3-

Figure 4
Household fiber consumption growth, 2000-04



Source: ICAC and USDA.

[1] "Apparent" household consumption is derived by adding a country's net imports of apparel and other fiber-based products to its industrial fiber consumption. Actual household consumption differs in two ways. Inventory adjustments along the textile and apparel production and distribution chain can influence consumption. Apparent household consumption also includes losses incurred transforming fiber into final products. Thus, the efficiency of the domestic industry is also a factor in the level of apparent consumption. Textile and clothing production in the Soviet Union was inefficient, and some portion of the contraction in estimated household consumption was actually industrial restructuring.

million-bale increase, but data for total fibers show that Asian markets accounted for more than 60 percent of developing world gains. Anecdotal evidence supports the assumption that developing Asia's cotton consumption grew by more than 3 million bales during 2000-04, marking an important shift in consumer demand.

During the 1990s, most of the world's increase in household cotton consumption occurred in North America. Consumer promotion of cotton is more extensive in the United States than any other country,[2] and cotton's share of North American household fiber consumption rose from 34 percent in 1980 to 43 percent in 1990. North America sustained this share through the 1990s while cotton lost ground in every other region of the world. In the developing world, cotton's share dropped from 57 percent to 42 percent during the 1990s. In a reversal, cotton is now holding its ground in the developing world, but losing share in North America. While total fiber use grew at similar rates (almost 3 percent during 2000-04), cotton use grew only 1.6 percent annually in North America compared with 2.8 percent in the much larger developing world.

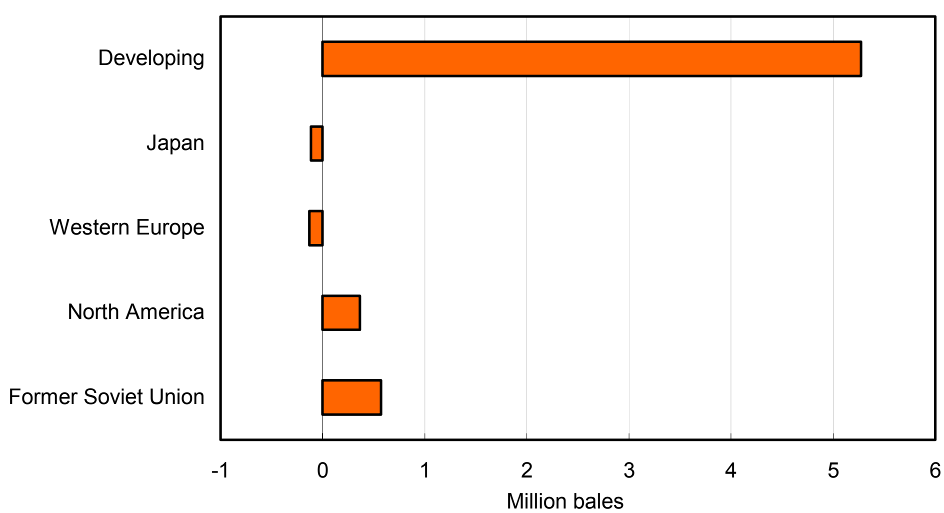
Developing Asia is more typically regarded as a source of exports to the developed world rather than an important point of consumption. This is particularly true with respect to textiles, which increasingly are produced in China and other developing Asian countries. However, as incomes grow in these countries, consumption grows as well. Gross Domestic Product (GDP) growth in Asia, excluding Japan, averaged 6 percent during 2000-04, more than twice the rate of U.S. growth. With domestic prices for services and other non-tradable goods low, urban consumers in Asia have spending power much higher than that implied by national level per capita GDP estimates. While a shift in Asia's role in the world economy from global exporter to global consumer is probably not yet foreseeable, its impact on consumption cannot be ignored.

[2] See *Cotton Promotion Activities from Around the World*, published by the International Forum for Cotton Promotion, 2002. Cotton Incorporated's 2003 budget for domestic marketing operations totaled $31.3 million.

Note: Total fiber consumption totaled 5 kg/capita in developing Asia in 2000, compared with 21 kg/capita in developed countries. North American consumption was estimated at 33 kg/capita. (*World Apparel Fiber Consumption Survey*, December 2003).

Figure 5

Household cotton consumption growth, 2000-04



Source: ICAC and USDA.

Data Sources

USDA maintains a database of industrial cotton use by 120 countries during 1960-2004.[3] The database is updated monthly, in part relying on USDA's global network of agricultural attaches and local embassy employees. USDA also maintains a database of implied household consumption of cotton and other fibers for the United States.[4] Household consumption differs from industrial consumption significantly in the United States due to the large U.S. trade deficit in textiles and apparel. In countries like China, the two forms of consumption differ due to a large surplus in textiles and apparel trade.

[3] http://www.fas.usda.gov/psd/complete_files/default.asp

[4] *Cotton and Wool Situation and Outlook Yearbook*, Appendix table 25. http://www.ers.usda.gov/publications/so/view.asp?f=field/cws-bb/

USDA does not have the resources to estimate household consumption for cotton or other fibers outside the United States. The International Cotton Advisory Committee (ICAC) has in part relied on Food and Agriculture Organization data to produce annual estimates of implied household consumption of cotton and other fibers for each region of the world.

Adjustments to ICAC Estimates

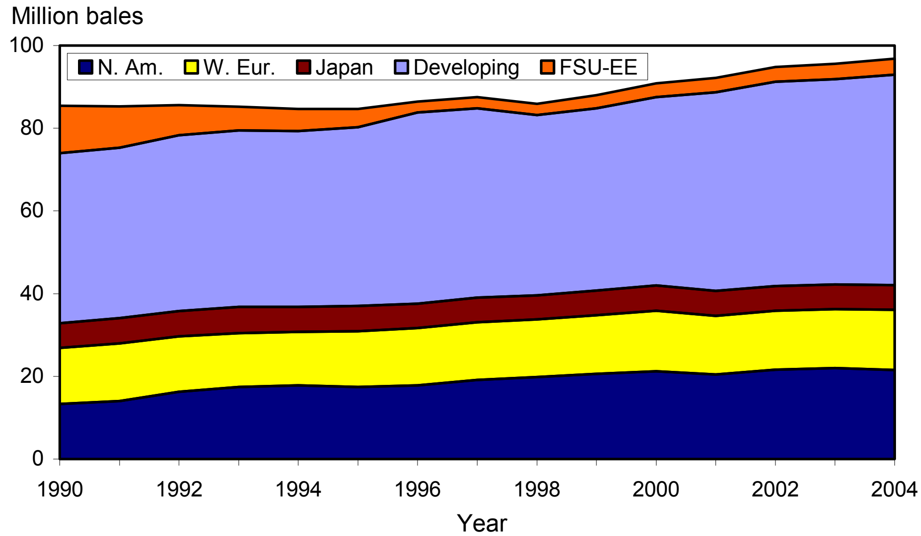
In the long run, industrial use and household use of cotton would be expected to be virtually the same once adjusted for losses during the conversion from raw fiber to final goods, and the ICAC equates its historical estimates of mill use and household use. However, USDA's estimates of industrial use of cotton have diverged from ICAC's estimates in recent years. For 1999-2003, ICAC's July 2004 estimates[5] imply a 2.1-percent annual growth rate for world industrial consumption of cotton, while USDA's estimates imply a 2.3-percent rate. In this discussion, world household consumption of cotton is estimated using USDA's estimates of industrial consumption, and world consumption of other fibers as estimated by the ICAC.

[5] *Cotton This Month*, International Cotton Advisory Committee, July 1, 2004.

The most recent ICAC regional consumption estimates were based on developments through mid-2003.[6] Since then, U.S. household consumption has slowed. ICAC's estimates of North American household cotton consumption in 2003 and 2004 were reduced in line with data available through mid-2004. Although USDA data indicate these cotton products were likely consumed elsewhere in the world, no offsetting adjustments were made to the ICAC's other regional estimates of household cotton consumption. No adjustments were made to any ICAC estimates of household consumption of other fibers.

[6] *World Textile Demand,* International Cotton Advisory Committee, September 2003.

Figure 6
Household cotton consumption



Source: ICAC and USDA.

Contacts and Links

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Data

Monthly tables from ***Cotton and Wool Outlook*** are available in Excel (.xls) spreadsheets at http://www.ers.usda.gov/briefing/cotton/Data/data.htm. These tables contain the latest data on the production, use, imports, exports, prices, and textile trade of cotton and other fibers.

Recent Report

The Agreement on Textiles and Clothing: Impact on U.S. Cotton, http://www.ers.usda.gov/briefing/cotton/textilesandclothings.pdf, focuses on the new global trade rules that World Trade Organization members agreed to follow beginning in 2005, and the potential impacts on textile, apparel, and cotton production in the United States and around the world.

Related Websites

WASDE, http://www.usda.gov/oce/waob/wasde/latest.pdf
Cotton Briefing Room, http://www.ers.usda.gov/briefing/cotton/

Table 1--U.S. cotton supply and use estimates

Item	2003/04	2004/05 June	2004/05 July	2004/05 Aug.
		Million acres		
Upland:				
Planted	13.301	14.175	13.700	13.617
Harvested	11.826	12.480	12.760	13.067
		Pounds		
Yield/harvested acre	723	654	653	716
		Million 480-lb bales		
Beginning stocks	5.140	3.455	3.480	3.488
Production	17.823	17.012	17.350	19.480
Total supply 1/	22.975	20.477	20.840	22.978
Mill use	6.235	5.735	5.735	5.835
Exports	13.262	10.965	10.740	11.425
Total use	19.497	16.700	16.475	17.260
Ending stocks 2/	3.488	3.725	4.325	5.695
		Percent		
Stocks-to-use ratio	17.9	22.3	26.3	33.0
Extra-long staple:		1,000 acres		
Planted	179	227	247	252
Harvested	177	224	242	250
		Pounds		
Yield/harvested acre	1,170	1,260	1,290	1,350
		1,000 480-lb bales		
Beginning stocks	245	145	120	112
Production	432	588	650	703
Total supply 1/	715	763	800	845
Mill use	65	65	65	65
Exports	538	535	560	575
Total use	603	600	625	640
Ending stocks 2/	112	163	175	205
		Percent		
Stocks-to-use ratio	18.6	27.2	28.0	32.1

Based on USDA estimates. 1/ Includes imports. 2/ Includes unaccounted.

Last update: 08/13/04.

Table 2--World cotton supply and use estimates

Item	2003/04	2004/05		
		June	July	Aug.
	Million 480-lb bales			
Supply:				
Beginning stocks				
World	36.61	32.03	32.93	33.01
Foreign	31.23	28.43	29.33	29.41
Production				
World	94.03	102.88	104.73	106.59
Foreign	75.77	85.28	86.73	86.41
Imports				
World	34.03	31.62	30.98	31.60
Foreign	33.98	31.58	30.94	31.56
Use:				
Mill use				
World	98.66	99.86	100.16	100.66
Foreign	92.36	94.06	94.36	94.76
Exports				
World	32.98	31.28	30.65	31.30
Foreign	19.18	19.78	19.35	19.30
Ending stocks				
World	33.01	35.35	37.79	39.22
Foreign	29.41	31.45	33.29	33.32
Stocks-to-use ratio	Percent			
World	33.5	35.4	37.7	39.0
Foreign	31.8	33.4	35.3	35.2

Based on USDA estimates.

Last update: 08/13/04.

Table 3--U.S. fiber supply

Item	2004 Apr.	2004 May	2004 June	2003 June
Cotton:		1,000 480-lb bales		
Ginnings	0	0	0	0
Imports since August 1	35.4	36.5	NA	59.9
Stocks, beginning	11,322	9,417	7,446	9,267
At mills	353	334	358	479
Public storage	9,260	7,559	5,835	7,729
CCC stocks	3,514	2,782	2,322	1,407
Manmade:		Million pounds		
Production	728.5	732.8	755.5	661.6
Noncellulosic	728.5	732.8	755.5	661.6
Cellulosic	NA	NA	NA	NA
Total since January 1	2,898.0	3,630.8	4,386.3	4,231.2

Item	2004 Mar.	2004 Apr.	2004 May	2003 May
		Million pounds		
Raw fiber imports	146.3	135.5	145.5	158.3
Noncellulosic	140.8	128.8	137.7	151.6
Cellulosic	5.5	6.6	7.7	6.8
Total since January 1	402.7	538.2	683.6	736.2
Wool and mohair:		1,000 pounds		
Raw wool imports, clean	2,080.3	1,847.4	1,364.1	2,134.8
48s-and-finer	720.5	484.1	346.9	542.7
Not-finer-than-46s	1,359.8	1,363.3	1,017.2	1,592.1
Total since January 1	4,919.4	6,766.8	8,131.0	11,995.5
Wool top imports	404.5	381.3	356.0	329.4
Total since January 1	825.0	1,206.3	1,562.3	2,073.6
Mohair imports, clean	0.0	0.0	0.0	12,943.2
Total since January 1	0.0	0.0	0.0	12,963.1

NA = Not available.

Last update: 08/13/04.

Table 4--U.S. cotton system fiber consumption

Item	2004 Apr.	2004 May	2004 June	2003 June
Cotton:		1,000 480-lb bales		
All consumed by mills 1/	529	516	533	539
Total since August 1 1/	4,712	5,228	5,760	6,721
SA annual rate 2/	6,108	6,217	6,203	6,594
SA daily rate 2/	23.4	23.8	23.8	25.3
Daily rate	24.0	24.6	24.2	25.7
Upland consumed by mills 1/	524	511	528	532
Total since August 1 1/	4,663	5,174	5,702	6,625
SA daily rate 2/	23.2	23.6	23.6	24.9
Daily rate	23.8	24.3	24.0	25.3
Spindles in place	2,331	2,311	2,305	2,722
Active spindles	2,190	2,176	2,173	2,559
100 percent cotton	1,233	1,219	1,229	1,416
100 percent manmade	264	270	269	331
Blends	692	686	674	812
		Percent		
Cotton's share of fibers	80.5	80.6	80.6	80.8
Manmade:		1,000 pounds		
Total consumed by mills 1/	61,514	59,539	61,641	61,501
Total since August 1 1/	518,314	577,853	639,495	738,040
Daily rate	2,796	2,835	2,802	2,929
Noncellulosic staple	2,705	2,733	2,704	2,850
Cellulosic staple	91	102	98	79

1/ Adjusted to calendar month. 2/ SA = seasonally adjusted.
Last update: 08/13/04.

Table 5--U.S. fiber exports

Item	2004 Mar.	2004 Apr.	2004 May	2003 May
Cotton:		1,000 480-lb bales		
Upland exports	1,889	1,359	1,419	1,171
Total since August 1	7,758	9,116	10,684	8,156
Sales for next season	426	353	445	317
Total since August 1	921	1,274	1,719	1,257
Extra-long staple exports	19.8	23.3	37.0	41.4
Total since August 1	407.5	430.7	467.8	587.4
Sales for next season	8.4	8.7	10.6	6.2
Total since August 1	21.1	29.8	40.4	58.6
Manmade:		Million pounds		
Raw fiber exports	95.9	92.2	93.7	86.2
Noncellulosic	94.0	91.2	92.8	83.9
Cellulosic	1.9	1.0	0.9	2.3
Total since January 1	276.5	368.7	462.4	506.9
Wool and mohair:		1,000 pounds		
Raw wool exports, clean	897.1	870.4	970.5	1,048.5
Total since January 1	2,092.2	2,962.6	3,933.0	3,412.1
Wool top exports	734.9	133.0	233.4	490.3
Total since January 1	1,621.7	1,754.7	1,988.1	3,714.2
Mohair exports, clean	530.8	207.5	105.4	33.4
Total since January 1	1,112.8	1,320.3	1,425.7	968.7

Last update: 08/13/04.

Table 6--U.S. and world fiber prices

Item	2004 May	2004 June	2004 July	2003 July
	Cents per pound			
Domestic cotton prices:				
Adjusted World Price	54.04	48.94	41.25	49.75
Upland spot 41-34	60.22	52.35	45.05	54.45
Pima spot 03-46	111.80	113.50	113.50	90.09
Avg. price received by upland producers	60.60	60.50	59.30	46.30
Mill delivered:				
Cotton				
Actual	68.23	61.85	53.61	60.97
Raw fiber equivalent	75.81	68.72	59.57	67.74
Rayon staple				
Actual	101.00	101.00	101.00	88.00
Raw fiber equivalent	105.21	105.21	105.21	91.67
Polyester staple				
Actual	61.00	61.00	61.00	60.00
Raw fiber equivalent	63.54	63.54	63.54	62.50
Price ratios				
Cotton/rayon	72.1	65.3	56.6	73.9
Cotton/polyester	119.3	108.2	93.7	108.4
Northern Europe cotton quotes:	Cents per pound			
A Index	69.83	64.44	57.34	59.95
Memphis Territory	NQ	NQ	NQ	NQ
California/Arizona	75.56	70.31	67.50	67.25
B Index	66.63	60.21	52.82	58.97
Orleans/Texas	66.31	58.25	50.85	56.10
	Dollars per pound			
Wool prices (clean):				
U.S. 56s	1.50	1.50	1.50	1.45
Australian 56s 1/	2.16	2.19	2.21	2.70
U.S. 60s	2.05	1.94	1.85	2.13
Australian 60s 1/	2.41	2.46	2.43	3.10
U.S. 64s	2.35	2.29	2.33	2.39
Australian 64s 1/	2.61	2.75	2.77	3.16

1/ In bond, Charleston, SC.

NQ = No quote.

Last update: 08/13/04.

Table 7--U.S. textile imports, by fiber

Item	2004 Mar.	2004 Apr.	2004 May	2003 May
	1,000 pounds 1/			
Yarn, thread, and fabric	305,135	302,958	300,509	279,087
Cotton	117,108	113,475	118,389	114,167
Linen	21,628	35,144	22,862	20,600
Wool	3,945	3,822	4,151	4,099
Silk	1,416	1,275	1,318	1,089
Manmade	161,037	149,242	153,788	139,131
Apparel	871,727	793,418	785,360	809,188
Cotton	556,008	503,135	494,713	529,401
Linen	21,790	21,813	25,163	16,040
Wool	13,009	11,770	12,953	13,551
Silk	22,377	20,834	17,655	13,230
Manmade	258,543	235,865	234,877	236,966
Home furnishings	144,797	151,228	145,503	128,869
Cotton	91,915	91,047	85,034	81,188
Linen	1,479	1,108	1,083	1,394
Wool	404	387	331	362
Silk	365	295	303	389
Manmade	50,633	58,391	58,751	45,535
Floor coverings	58,045	61,711	59,139	55,480
Cotton	10,034	9,071	9,626	8,180
Linen	12,417	12,321	12,144	10,729
Wool	12,861	15,414	13,969	13,295
Silk	1,232	1,692	1,286	1,571
Manmade	21,502	23,214	22,113	21,706
Total imports 2/	1,389,997	1,320,679	1,302,554	1,282,938
Cotton	781,530	724,034	715,343	738,913
Linen	57,808	70,843	61,647	49,065
Wool	30,301	31,491	31,540	31,519
Silk	25,391	24,096	20,563	16,280
Manmade	494,966	470,216	473,461	447,160

1/ Raw fiber equivalent. 2/ Includes headgear.

Last update: 08/13/04.

Table 8--U.S. textile exports, by fiber

Item	2004 Mar.	2004 Apr.	2004 May	2003 May
	1,000 pounds 1/			
Yarn, thread, and fabric	302,241	299,144	310,608	269,578
Cotton	149,007	146,860	150,046	130,482
Linen	7,646	7,247	7,667	7,490
Wool	4,952	4,839	5,524	4,139
Silk	2,585	2,459	2,983	3,132
Manmade	138,051	137,739	144,388	124,335
Apparel	105,759	106,306	102,615	118,399
Cotton	60,633	57,980	56,695	72,224
Linen	1,581	1,580	1,190	1,435
Wool	4,050	3,793	3,663	5,248
Silk	3,057	2,468	2,431	2,795
Manmade	36,438	40,485	38,636	36,698
Home furnishings	6,339	5,578	5,078	6,338
Cotton	3,676	3,349	2,743	4,120
Linen	298	161	271	193
Wool	132	211	79	92
Silk	119	58	185	83
Manmade	2,113	1,799	1,800	1,850
Floor coverings	33,286	32,979	33,596	29,255
Cotton	2,481	2,456	2,657	2,193
Linen	1,386	1,431	1,443	1,323
Wool	2,341	2,145	2,905	2,523
Silk	38	34	44	43
Manmade	27,039	26,913	26,546	23,173
Total exports 2/	447,864	444,231	452,146	423,812
Cotton	215,875	210,700	212,203	209,084
Linen	10,919	10,427	10,575	10,447
Wool	11,492	11,000	12,239	12,017
Silk	5,799	5,019	5,643	6,052
Manmade	203,779	207,085	211,486	186,212

1/ Raw fiber equivalent. 2/ Includes headgear.

Last update: 08/13/04.

Table 9--U.S. cotton textile imports, by country of origin

Item	2004 Mar.	2004 Apr.	2004 May	2003 May
	1,000 pounds 1/			
North America	290,252	258,350	266,915	274,652
Canada	24,743	23,703	22,955	24,937
Costa Rica	10,304	8,318	9,169	9,800
Dominican Republic	19,759	17,258	17,457	20,382
El Salvador	30,343	26,911	26,533	28,936
Guatemala	26,448	23,268	20,528	18,348
Haiti	5,304	8,684	7,840	6,042
Honduras	57,861	43,615	51,073	48,441
Jamaica	1,297	1,066	1,252	1,499
Mexico	106,677	99,069	104,843	110,336
Nicaragua	7,274	6,175	5,067	5,673
South America	21,776	22,708	23,183	21,027
Brazil	9,522	10,968	11,356	10,229
Colombia	6,111	5,385	5,451	6,112
Peru	5,136	5,602	5,477	3,898
Europe	49,309	43,114	38,448	51,554
Italy	4,107	3,409	3,497	3,443
Portugal	3,131	2,473	2,288	3,785
Russia	6,444	5,224	5,162	8,917
Turkey	22,335	17,890	15,849	23,013
Asia	384,139	368,155	360,791	359,860
Bahrain	3,531	2,702	2,820	3,241
Bangladesh	18,700	18,782	17,463	21,666
Burma	0	0	0	3,361
Cambodia	12,464	10,774	11,717	11,242
China	65,038	72,345	78,311	68,333
Hong Kong	18,779	19,072	16,282	18,117
India	52,206	42,371	40,632	35,761
Indonesia	16,924	16,027	15,045	14,827
Israel	4,245	3,883	3,635	3,313
Macao	5,096	5,362	5,636	6,680
Malaysia	6,171	5,770	6,489	5,730
Pakistan	65,319	63,981	64,586	60,658
Philippines	13,300	10,960	9,274	10,985
Singapore	1,387	1,440	1,204	2,167
South Korea	14,188	13,889	13,516	10,585
Sri Lanka	10,822	8,143	5,907	5,805
Taiwan	10,572	10,394	10,410	10,619
Thailand	15,881	14,763	13,725	13,022
United Arab Emirates	3,791	3,370	2,864	3,439
Oceania	2,248	2,087	1,911	1,909
Australia	815	616	916	698
Africa	33,805	29,619	24,095	29,911
Egypt	9,708	10,486	7,913	10,809
Lesotho	7,312	5,777	4,493	4,727
South Africa	2,215	2,041	1,435	4,764
World 2/	781,530	724,034	715,343	738,913

1/ Raw fiber equivalent. 2/ Totals may not add due to rounding.

Last update: 08/13/04.

Table 10--U.S. cotton textile exports, by destination country

Item	2004 Mar.	2004 Apr.	2004 May	2003 May
	1,000 pounds 1/			
North America	201,519	195,717	197,796	194,597
Bahamas	150	110	97	195
Canada	18,011	21,823	22,371	18,296
Costa Rica	7,239	6,994	8,347	9,387
Dominican Republic	20,331	21,323	20,201	21,498
El Salvador	17,146	16,421	15,228	17,819
Guatemala	11,657	8,117	8,260	7,460
Haiti	2,186	3,587	4,254	3,860
Honduras	50,072	46,554	50,825	47,753
Jamaica	1,703	1,250	1,331	2,218
Mexico	71,446	67,715	64,767	64,778
Nicaragua	1,055	1,284	1,478	827
Panama	136	119	85	175
South America	3,453	4,708	4,281	3,340
Argentina	40	20	62	33
Brazil	276	191	197	158
Chile	129	178	198	170
Colombia	2,192	2,676	2,512	2,211
Ecuador	201	42	103	196
Peru	130	409	83	175
Venezuela	312	837	870	243
Europe	3,439	3,175	3,511	4,105
Belgium	231	345	249	1,318
France	201	110	119	158
Germany	662	323	569	353
Italy	239	331	425	165
Netherlands	294	255	288	235
Turkey	42	311	77	32
United Kingdom	862	860	829	1,039
Asia	6,417	5,831	5,158	5,910
China	680	565	571	428
Hong Kong	1,328	873	738	1,032
Israel	227	331	178	269
Japan	1,689	1,614	1,360	1,570
Malaysia	18	107	117	70
Philippines	175	195	137	382
Saudi Arabia	165	174	120	141
Singapore	308	302	236	171
South Korea	350	428	313	345
Sri Lanka	159	134	111	216
Taiwan	197	177	195	287
United Arab Emirates	182	170	376	401
Oceania	428	373	438	393
Australia	350	272	334	333
Africa	619	897	1,019	739
Morocco	27	102	19	0
World 2/	215,875	210,700	212,203	209,084

1/ Raw fiber equivalent. 2/ Totals may not add due to rounding.

Last update: 08/13/04.

Table 11--Acreage, yield, and production estimates for 2004

State/Region	Planted	Harvested	Yield	Production
			Pounds/	
	-- 1,000 acres --		harvested acre	1,000 bales
Upland:				
Alabama	550	545	749	850
Florida	105	103	597	128
Georgia	1,330	1,300	738	2,000
N. Carolina	730	725	728	1,100
S. Carolina	220	218	731	332
Virginia	82	81	877	148
Southeast	3,017	2,972	736	4,558
Arkansas	950	930	877	1,700
Louisiana	500	490	637	650
Mississippi	1,100	1,080	800	1,800
Missouri	400	390	849	690
Tennessee	570	565	833	980
Delta	3,520	3,455	809	5,820
Kansas	120	100	768	160
Oklahoma	210	195	645	262
Texas	5,900	5,500	550	6,300
Southwest	6,230	5,795	557	6,722
Arizona	230	228	1,284	610
California	560	557	1,422	1,650
New Mexico	60	60	960	120
West	850	845	1,352	2,380
Total Upland	13,617	13,067	716	19,480
Pima:				
Arizona	3	3	960	6
California	220	219	1,403	640
New Mexico	8	8	840	14
Texas	21	20	1,032	43
Total Pima	252	250	1,350	703
Total All	13,869	13,317	727	20,183

Based on USDA's August *Crop Production* report.
Last update: 8/13/04.