United States Department of Agriculture

CWS-04h

Sept. 13, 2004

Outlook

Electronic Outlook Report from the Economic Research Service

www.ers.usda.gov

Cotton and Wool Outlook

Leslie Meyer, Stephen MacDonald, and Robert Skinner

2004/05 Global Cotton Stocks To Rise After 2-Year Decline

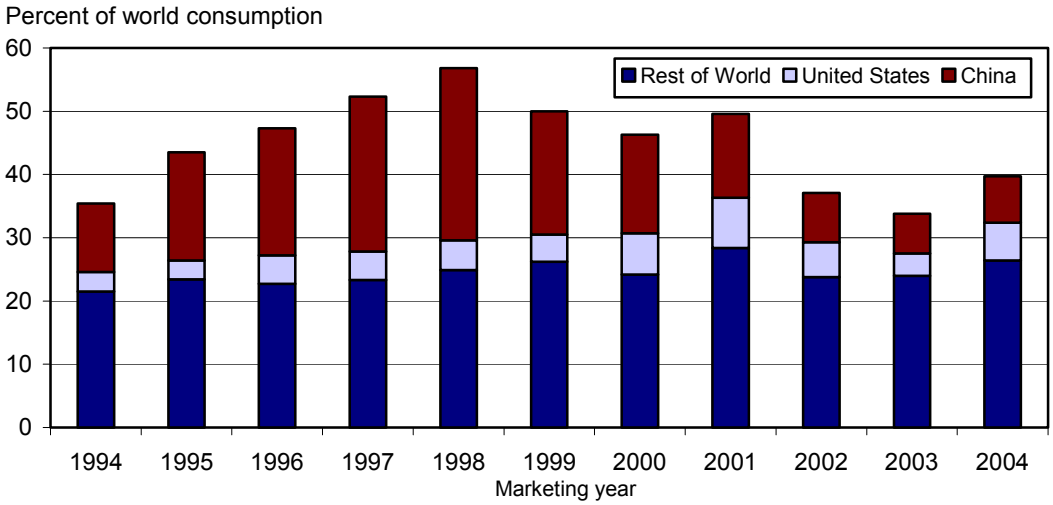
The next release is October 13, 2004

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 is expected to expand faster than consumption, pushing world ending stocks to their highest since 2001/02. A record world cotton crop is forecast this season at 107.2 million bales, nearly 13 million above 2003/04. Meanwhile, world consumption is projected at 100.7 million bales, about 2 million above last season and also a record. As a result, 2004/05 ending stocks are expected to rise 20 percent.

At 40.1 million bales, world ending stocks are projected to equal 40 percent of global consumption in 2004/05, the highest in 3 years but below the 1995-2001 seasons. China—once a significant stock holder accounting for 27 percent in 1998/99—has reduced stocks significantly. For 2004/05, China's stocks as a share of world consumption is expected to rise for the first time in 6 years to 7.3 percent. Meanwhile, the United States accounts for its highest share in 3 years—6 percent.

Figure 1
Ending stocks share of world consumption



Source: USDA.

Domestic Outlook

2004/05 Production Forecast in September a Record

According to USDA's September forecast of the 2004 cotton crop, U.S. production is projected at 20.9 million bales, up 2.6 million (14 percent) from last season. Excellent growing conditions have continued throughout most of the Cotton Belt this season, leading to the current record U.S. cotton forecast. Upland production is projected at about 20.2 million bales, up 13 percent from 2003/04, while the extra-long staple (ELS) crop is expected to increase 278,000 bales (64 percent) to 710,000 bales. Both the upland and ELS crops are forecast to be records.

Note: Excellent growing conditions led to forecast of record U.S. cotton crop in 2004/05. The September forecast is nearly 3 percent above 2001/02.

During the previous 20 years, the September forecast has been above final cotton production 10 times and below 10 times. Past differences between the September forecast and the final production estimate indicate that chances are two out of three for the 2004 U.S. cotton crop to range between 19.6 and 22.2 million bales.

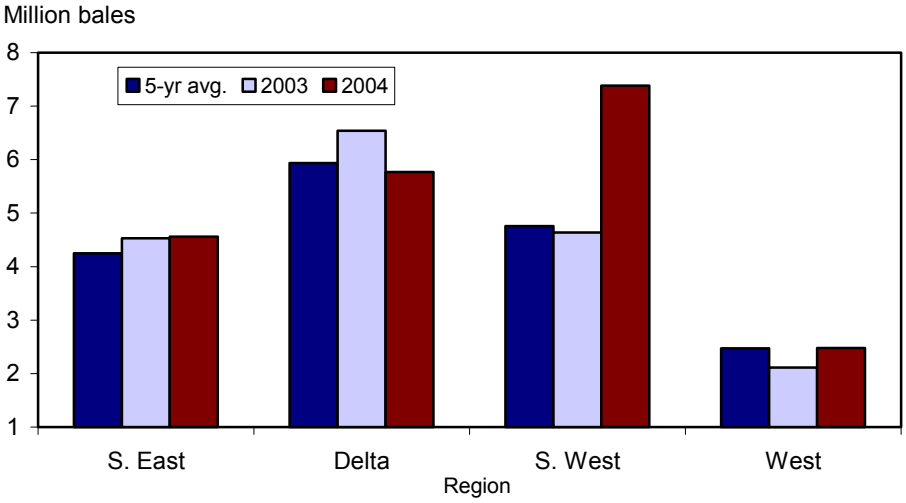
Compared with last season, upland production is forecast higher in each region of the Cotton Belt, except the Delta, where yield is expected to be well below last season's record. Delta production this season is forecast to reach the 10-year average of 5.8 million bales, compared with 6.5 million in 2003.

The Southwest region, at nearly 7.4 million bales, is forecast to produce an upland crop that is more than 2.5 million bales above average and will rival the 1926 crop. A forecast of low abandonment and a record yield are expected to produce a 37-percent share of the upland crop this season, a mark last reached in 1988.

Note: The Southwest is expected to produce the largest crop of the four regions, accounting for 37 percent of the total.

In the Southeast, cotton production is expected to approach 4.6 million bales in 2004, unchanged from August. Cotton production in the West in 2004—forecast at nearly 2.5 million bales—is above the last two seasons but equal to the 5-year

Figure 2
U.S. regional cotton production



Source: USDA.

average. Upland area is estimated at 866,000 acres, the highest in 3 years. The yield forecast of 1,386 pounds per harvested acre is the second highest on record.

In contrast to upland production, the West is the main region for the ELS crop. ELS production is forecast to rise significantly in 2004, as stocks declined to a 6-year low last season. California continues as the leading ELS-producing State, accounting for 90 percent of the production in 2004.

Note: The record ELS production is led by California's dominance.

Total area planted to cotton is estimated at about 13.8 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 13.2 million acres, the highest in 3 years. Based on the harvested area, the national yield is estimated at a record 759 pounds per harvested acre.

U.S. cotton crop development in September continues near that of last season but below the historical average. As of September 5th, 35 percent of the U.S. crop had bolls opening, compared with 32 percent in 2003 but with a 5-year average of 45 percent. On the other hand, this season's crop conditions have been quite impressive, remaining well above any recent season. In fact, U.S. cotton crop conditions have not been this high since 1987, a season of low abandonment and a then-record yield. As of September 5th, 70 percent of the area was rated "good" or "excellent," compared with 50 percent a year ago, while only 8 percent was rated "poor" or "very poor" this year, compared with 19 percent in 2003. However, the effects of Hurricane Frances were not yet accounted for as of September 5th.

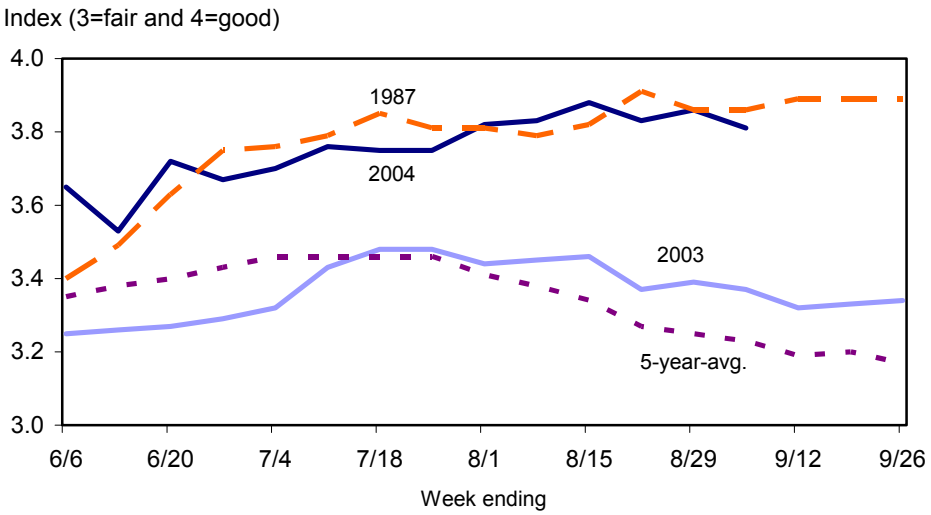
Note: U.S. cotton crop conditions remain the highest since 1987.

Demand and Stock Estimates Revised

The U.S. cotton demand estimate for 2004/05 was raised 400,000 bales this month to 18.3 million. U.S. exports are now projected at 12.2 million bales, up slightly from August but well below last season's 13.8 million. With a global cotton trade

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

Figure 3
U.S. cotton crop conditions



Source: USDA.

forecast below last year due to increased foreign production, the current U.S. share of world trade is estimated at 39 percent, about 3 percentage points below 2003/04. Similarly, U.S. mill use was increased this month to 6.1 million bales, as recent activity and the upward revision to last season's mill use have provided a slightly more optimistic outlook than previously anticipated. However, U.S. cotton mill use remains 6 percent below 2003/04 and is expected to be the lowest since 1984/85.

Based on these supply and demand projections, U.S. ending stocks for 2004/05 are expected to rise slightly from last month to 6.1 million bales. However, the expectation for increased 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.

2003/04 Mill Use and Stocks Revised

Based on the Census Bureau's latest report, USDA's mill use and stock estimates were adjusted this month. Preliminary Census data for the season indicate that U.S. mills used 6.49 million bales of cotton last season, compared with 7.27 million the year before. In addition, Census' initial stocks data suggest a 2003/04 ending stock estimate of 3.5 million bales. Revised Census estimates will be available later this month, and further adjustments to USDA's 2003/04 balance sheet will be reported in October's *World Agricultural Supply and Demand Estimates* (WASDE) report.

U.S. Textile Trade: Imports Rise in June

U.S. textile imports rose during June 2004 to 1.6 billion (raw-fiber equivalent) pounds, 21 percent above May and 7 percent above June 2003. Higher imports of all fibers and all major end-uses occurred in June compared with a month ago; June imports had the largest monthly total since July 2003. Cotton imports, at 874 million pounds, accounted for 55 percent of the total, 22 percent higher than May. Imports from Asia accounted for 54 percent in June, while shipments from other North American countries provided another 34 percent.

U.S. textile exports, at 427 million pounds, were 6 percent below a month ago but slightly above June 2003. Shipments of all fibers declined from a month earlier, as did exports of floor coverings and yarn, thread, and fabric. Cotton textile exports, at 200 million pounds, were nearly 6 percent below the previous month and accounted for 47 percent of all textile exports. U.S. cotton textile exports, for the most part, are sent to other North American countries, and 94 percent of the shipments went to this region during June.

Overall, for the first half of 2004, the U.S. textile trade deficit reached 5.6 billion pounds, 4 percent higher than in the first half of 2003. Similarly, the U.S. cotton textile trade deficit rose 56 million pounds (2 percent) above the 2003 level. The cotton trade deficit represents 59 percent of the total deficit, compared with 60 percent last year.

Note: U.S. cotton textile trade deficit reached 6.9 million-bale-equivalents during January-June 2004.

International

World Cotton Production Rises Worldwide in 2004/05

World cotton production in 2004/05 is forecast at 107.2 million bales, 12.9 million bales higher than in 2003/04. World consumption is forecast at 100.8 million bales, 2 million bales higher than in 2003/04. World ending stocks are rising 6.6 million bales from the year before, but world trade is falling 1.4 million bales. While U.S. production is rising in 2004/05, falling world trade and rising production overseas means U.S. exports are expected to fall. U.S. exports are expected to fall 400,000 bales, while non-U.S. exports rise slightly.

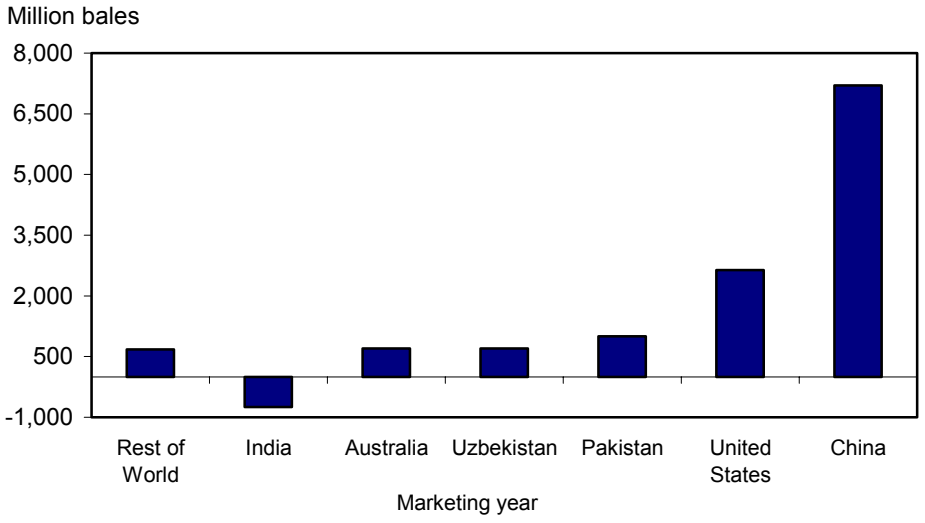
Note: Record world production expected to exceed record consumption.

Compared with a year earlier, world cotton production in 2004/05 is expected to rise 13.7 percent. Production in China is expected to rise 7.2 million bales, accounting for more than half of the total world increase, and expected to reach 29.5 million bales. Production is expected to rise due to both increased area and yields in China in 2004/05. USDA's September 2004 estimate for China's 2004/05 crop is 500,000 bales lower than its August estimate, largely reflecting an adjustment in estimated planted area. USDA's estimates for China's planted area come from China's National Bureau of Statistics (NBS). USDA's revised area estimate of 5.7 million hectares is more consistent with the most recent information available from the NBS. An examination of USDA's revisions of its China cotton production forecasts between 1993 and 2003 indicates that September is the month when revisions are most likely.

The United States is the country with the second largest expected year-to-year change in production in 2004/05, up 2.6 million bales to 20.9 million bales. The U.S. share of world production is forecast to rise to an unusually high 24 percent. Unusually high yields account for much of the increase.

Figure 4

Projected changes in world cotton production, 2004/05 vs. 2003/04



Source: USDA.

Note: China's 2004/05 production forecast increase represents over half of the global gain this season.

Production in Pakistan is expected to rise 1 million bales from the year before in 2004/05. Cotton area rose in Pakistan from the year before due to rising cotton prices in 2003/04 and weakening returns to sugar cane production. Conditions have been favorable and production is expected to reach 8.8 million bales.

Uzbekistan and Australia are tied for the fourth-largest expected year-to-year increase in production, with a 700,000-bale gain expected in each country. However, compared with a month earlier, the outlook has improved in Uzbekistan and deteriorated in Australia. Uzbekistan is coming into its harvest period following a season of favorable conditions, but Australia is coming into its planting season with lower than expected irrigation supplies.

Following a significant increase in cotton prices in 2003/04, cotton producing countries are expected to harvest larger crops in 2004/05. USDA expects 32 countries to increase production from the year before, and only 13 countries to harvest smaller crops. Franc Zone producers account for five of these countries with smaller expected crops, following a year of unusually favorable rainfall in West Africa in 2003/04. With more normal conditions prevailing during 2004/05, yields are expected to decline. Reports that the potential for crop damage by locusts there could be the highest in many years adds additional uncertainty.

The only country where production is expected to decline from the year before by more than 75,000 bales is India, where a 750,000-bale decline in the crop is foreseen. However, USDA's September 2004 forecast is 250,000 bales higher than the August forecast, following a second month of relatively favorable monsoon activity. USDA's estimate of 2003/04 production is also higher than it was in August, up 300,000 bales to 13.8 million bales. While the set of gin arrivals data that USDA traditionally relies upon to indicate crop progress during the course of the year does not suggest a crop of this size, there are widespread reports that the final production number will be 13.8 million bales, or perhaps higher.

Note: India's production decline is the largest forecast for any country in 2004/05.

Highlight

Regional Trends in India's Cotton Production

India's cotton output surged in 2003/04 due to an extremely favorable monsoon. Yields jumped 25 percent, [1] and area rose 4 percent. Another favorable monsoon means 2004/05 yields are forecast at 9 percent above the 5-year average, although down significantly from 2003/04. Area is forecast to rise 5 percent in 2004/05, to 8.3 million hectares, resulting in a crop of 13 million bales.

Area is expected to rise following lagged real cotton price increases in 2003 that ranged from 24 percent (J-34) to 2 percent (MCU-5). India's yield is expected to remain above average, primarily due to a favorable amount of rainfall in Gujarat, India's largest cotton producing state. Yields there have been highly correlated (68 percent since 1993) with the level of June-August rainfall, which was unusually high for the second consecutive year in 2004.

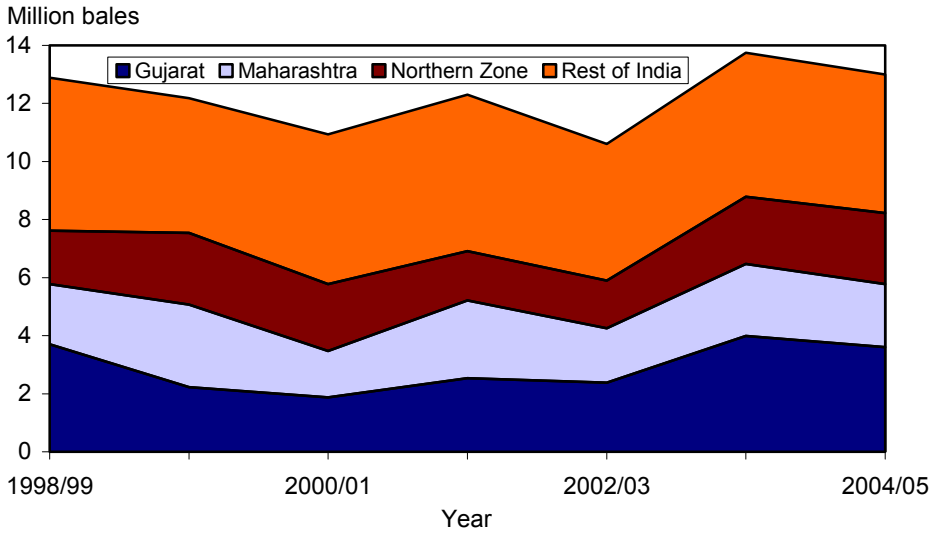
India's cotton production occurs under perhaps the most diverse circumstances of any country in the world. Northern Zone plantings are largely irrigated and comprised of non-hybrid *G. hirsutum* varieties, with some *G. arboreum* varieties; Central Zone plantings are largely non-irrigated [2] and include both hybrid *G. hirsutum* varieties and substantial areas of *G. arboreum* and *G. herbaceum* (both referred to as desi) varieties. The Southern Zone includes all of these, plus long-staple varieties, both hybrid and *G. barbadense*. Planting begins in April in the Northern Zone and extends into February in the South.

Maharashtra, located in the Central Zone, accounts for more than one-third of India's planted cotton area. Like Gujarat and Madhya Pradesh, production in Maharashtra trended up during the 1990s. Chronic pest problems in Northern India reduced cotton returns there just as economic liberalization increased the Indian textile industry's demand for cotton. Since 1997, the initial gains from liberalization have been realized, the world economy has tended to grow a little more slowly, and competing crop prices have made cotton relatively less attractive on average.

[1] At 304 kg/ha, India's 2002/03 cotton yields were less than half the global average and the lowest of any major cotton producer. Even in the virtually 100-percent irrigated Northern Zone, yields are strikingly low, less than 300 kg/ha every year since 1992/93.

[2] Irrigation is used for 4 percent of Maharashtra's cotton area, 42 percent of Gujarat's, and 18 percent of Andhra Pradesh's. See, http://agricoop.nic.in/statistics2003/chap14.htm#chap144

Figure 5
Regional cotton production in India



Source: Economic Research Service, USDA.

Note: After Gujarat and Maharashtra, the next largest producing state in 2003/04 was Andhra Pradesh, which produced 1.6 million bales. Although further south, its planting and harvesting cycle largely coincides with the Central Zone's. See, http://www.cotcorp.com/AP.HTML

Soybeans are an important alternative to cotton in Maharashtra. Until 1994, vegetable oil imports were a government monopoly and were sharply curtailed between 1988-1993 to support oilseed prices.[3] India liberalized imports in 1994, and vegetable oils rose to account for more than half of India's agricultural imports by 1998. However, by 2000, India began raising vegetable oil import tariffs and establishing reference prices for calculating tariffs that raised effective tariffs further in some cases. As a result, India's soybean price began rising in 2000, even as world prices dipped, and rising world prices during 2002 and 2003 further boosted soybean prices in India.

[3] See, *India's Edible Oil Sector: Imports Fill Rising Demand*, Economic Research Service, OCS-0903-01, http://www.ers.usda.gov/publications/OCS/nov03/OCS090301/DBGen.htm

While Madhya Pradesh is India's premier soybean growing state, it appears that a disproportionate share of the growth in India's soybean production has occurred in Maharashtra. The Maharashtra Department of Agriculture reports area sown to soybeans there in 2004/05 is 1 million hectares above area sown in 2001/02, and the Soybean Processors Association of India (SOPA) reports a steady increase in plantings over that time.[4] Increased soybean cultivation may help explain why Maharashtra's cotton area fell in 2003/04 despite favorable prices and weather, and suggests cotton area there might not rise in 2004/05.

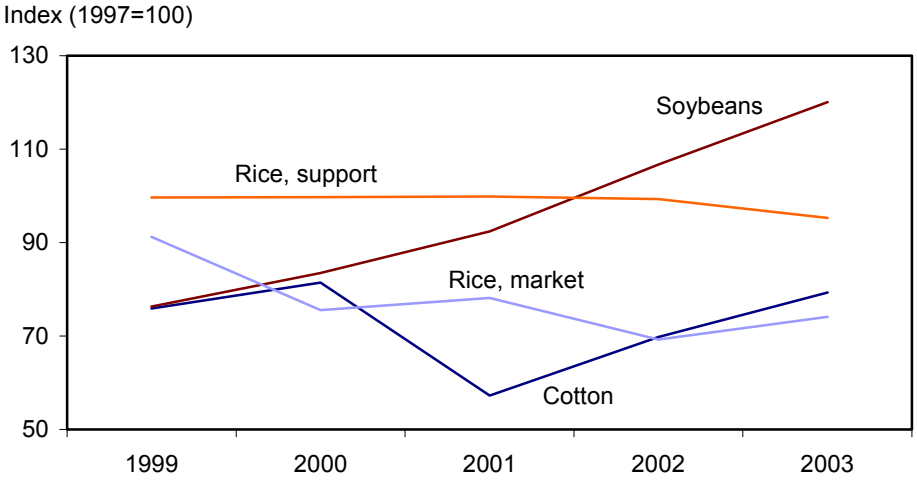
[4] See, "Weekly Sowing Status," http://agri.mah.nic.in/agri/stat/Aspstat/MainFrameWheather.htm and, "Division/District-Wise Area sown under Soybean Cultivation during Kharif 2004-05 as on 12th August 2004," http://www.sopa.org/Crop-II.doc

Northern India's cotton area has reportedly risen, partly reflecting the timing of planting with respect to prices. Due to differences in the movement of prices for the region's non-desi variety—J-34—from the movement of prices of other varieties, and also due to the early planting window there, producers realized a 23 percent year-to-year price increase in 2003. Furthermore, although rice prices also rose in 2003, Northern India disproportionately benefits from India's grain procurement and food subsidy program,[5] moderating the impact of grain market fluctuations. Furthermore, the region's yields no longer seem to be on a downward trend and were the highest in a decade in 2003/04. Hybrid cotton is reportedly spreading

[5] See, *Economic Survey 2003-04*, Government of India, Ministry of Finance & Company Affairs, http://www.indiabudget.nic.in/es2003-04/chapt2004/chap59.pdf http://www.indiabudget.nic.in/es2003-04/chapt2004/chap513.pdf

there, boosting yields, and while there is no approved Bt variety for the region some GMO cotton may have been planted as well.

Figure 6
India crop prices, real, 1999-2003



Source:Foreign Agricultural Service, Soybean Processors. Assosicaiton of India, Ministry of Finance, GOI. USDA.

Contacts and Links

Contact Information
Leslie Meyer (U.S. cotton and textiles), (202) 694-5307, lmeyer@ers.usda.gov
Stephen MacDonald (foreign cotton), (202) 694-5305, stephenm@ers.usda.gov
Robert Skinner (textiles and wool), (202) 694-5313, rskinner@ers.usda.gov

Subscription Information
Subscribe to ERS e-mail notification service at http://www.ers.usda.gov/updates/ to receive timely notification of newsletter availability. Printed copies can be purchased from the USDA Order Desk by calling 1-800-999-6779 (specify the issue number). To order printed copies of the five field crop newsletters—cotton and wool, feed, rice, oil crops, and wheat—as a series, specify series SUB-COR-4043.

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 July	2004/05 Aug.	2004/05 Sep.
		Million acres		
Upland:				
Planted	13.301	13.700	13.617	13.508
Harvested	11.826	12.760	13.067	12.970
		Pounds		
Yield/harvested acre	723	653	716	747
		Million 480-lb bales		
Beginning stocks	5.140	3.480	3.488	3.420
Production	17.823	17.350	19.480	20.185
Total supply 1/	22.968	20.840	22.978	23.610
Mill use	6.423	5.735	5.835	6.035
Exports	13.262	10.740	11.425	11.625
Total use	19.685	16.475	17.260	17.660
Ending stocks 2/	3.420	4.325	5.695	5.915
		Percent		
Stocks-to-use ratio	17.4	26.3	33.0	33.5
Extra-long staple:		1,000 acres		
Planted	179	247	252	255
Harvested	177	242	250	253
		Pounds		
Yield/harvested acre	1,170	1,290	1,350	1,347
		1,000 480-lb bales		
Beginning stocks	245	120	112	80
Production	432	650	703	710
Total supply 1/	722	800	845	825
Mill use	65	65	65	65
Exports	538	560	575	575
Total use	603	625	640	640
Ending stocks 2/	80	175	205	185
		Percent		
Stocks-to-use ratio	13.3	28.0	32.1	28.9

Based on USDA estimates. 1/ Includes imports. 2/ Includes unaccounted.
Last update: 09/13/04.

Table 2--World cotton supply and use estimates

Item	2003/04	2004/05		
		July	Aug.	Sep.
	Million 480-lb bales			
Supply:				
Beginning stocks				
World	36.61	32.93	33.01	33.42
Foreign	31.22	29.33	29.41	29.92
Production				
World	94.33	104.73	106.59	107.25
Foreign	76.08	86.73	86.41	86.35
Imports				
World	34.24	30.98	31.60	31.78
Foreign	34.19	30.94	31.56	31.74
Use:				
Mill use				
World	98.85	100.16	100.66	100.85
Foreign	92.36	94.36	94.76	94.75
Exports				
World	32.97	30.65	31.30	31.52
Foreign	19.17	19.35	19.30	19.32
Ending stocks				
World	33.42	37.79	39.22	40.03
Foreign	29.92	33.29	33.32	33.93
Stocks-to-use ratio		Percent		
World	33.8	37.7	39.0	39.7
Foreign	32.4	35.3	35.2	35.8

Based on USDA estimates.
Last update: 09/13/04.

Table 3--U.S. fiber supply

Item	2004 May	2004 June	2004 July	2003 July
Cotton:		1,000 480-lb bales		
Ginnings	0	0	0	0
Imports since August 1	36.5	42.5	NA	67.1
Stocks, beginning	9,255	7,266	5,592	7,659
At mills	334	358	332	418
Public storage	7,559	5,835	4,368	6,326
CCC stocks	2,782	2,322	1,991	974
Manmade:		Million pounds		
Production	732.8	755.5	717.9	726.7
Noncellulosic	732.8	755.5	717.9	726.7
Cellulosic	NA	NA	NA	NA
Total since January 1	3,630.8	4,386.3	5,104.2	5,014.1

	2004 Apr.	2004 May	2004 June	2003 June
		Million pounds		
Raw fiber imports	135.5	145.5	136.2	144.1
Noncellulosic	128.8	137.7	130.0	140.3
Cellulosic	6.6	7.7	6.2	3.8
Total since January 1	538.2	683.6	819.8	880.3
Wool and mohair:		1,000 pounds		
Raw wool imports, clean	1,847.4	1,364.1	2,795.0	1,793.4
48s-and-finer	484.1	346.9	578.9	443.1
Not-finer-than-46s	1,363.3	1,017.2	2,216.2	1,350.3
Total since January 1	6,766.8	8,131.0	10,926.0	13,788.9
Wool top imports	381.3	356.0	473.5	432.1
Total since January 1	1,206.3	1,562.3	2,035.7	2,505.8
Mohair imports, clean	0.0	0.0	0.0	0.0
Total since January 1	0.0	0.0	0.0	12,963.0

NA = Not available.

Last update: 09/13/04.

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

Item	2004 May	2004 June	2004 July	2003 July
Cotton:		1,000 480-lb bales		
All consumed by mills 1/	534	551	529	552
Total since August 1 1/	5,408	5,959	6,488	7,273
SA annual rate 2/	6,433	6,471	6,588	6,618
SA daily rate 2/	24.6	24.8	25.2	25.4
Daily rate	25.4	25.0	24.1	24.0
Upland consumed by mills 1/	529	546	525	545
Total since August 1 1/	5,353	5,899	6,423	7,170
SA daily rate 2/	24.4	24.5	25.0	25.1
Daily rate	25.2	24.8	23.8	23.7
Spindles in place	2,311	2,306	2,301	2,608
Active spindles	2,176	2,173	2,153	2,445
100 percent cotton	1,219	1,230	1,235	1,360
100 percent manmade	270	269	269	315
Blends	686	674	650	770
		Percent		
Cotton's share of fibers	81.2	81.2	81.8	80.7
Manmade:		1,000 pounds		
Total consumed by mills 1/	59,539	61,356	56,369	63,548
Total since August 1 1/	577,853	639,209	695,578	801,589
Daily rate	2,835	2,791	2,539	2,728
Noncellulosic staple	2,733	2,693	2,451	2,663
Cellulosic staple	102	98	88	65

1/ Adjusted to calendar month. 2/ SA = seasonally adjusted.
Last update: 09/13/04.

Table 5--U.S. fiber exports

Item	2004 Apr.	2004 May	2004 June	2003 June
Cotton:		1,000 480-lb bales		
Upland exports	1,359	1,419	1,088	1,053
Total since August 1	9,116	10,684	11,772	9,726
Sales for next season	353	445	582	141
Total since August 1	1,274	1,719	2,300	1,399
Extra-long staple exports	23.3	37.0	41.5	24.0
Total since August 1	430.7	467.8	509.2	611.4
Sales for next season	8.7	10.6	8.9	7.1
Total since August 1	29.8	40.4	49.2	65.7
Manmade:		Million pounds		
Raw fiber exports	92.2	93.7	90.7	86.2
Noncellulosic	91.2	92.8	89.8	83.9
Cellulosic	1.0	0.9	0.9	2.3
Total since January 1	368.7	462.4	553.1	506.9
Wool and mohair:		1,000 pounds		
Raw wool exports, clean	870.4	970.5	949.3	1,408.0
Total since January 1	2,962.6	3,933.0	4,882.4	4,820.1
Wool top exports	133.0	233.4	189.1	815.2
Total since January 1	1,754.7	1,988.1	2,177.2	4,529.4
Mohair exports, clean	207.5	105.4	452.5	74.6
Total since January 1	1,320.3	1,425.7	1,878.2	1,043.3

Last update: 09/13/04.

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

Item	2004 June	2004 July	2004 Aug.	2003 Aug.
		Cents per pound		
Domestic cotton prices:				
Adjusted World Price	48.94	41.25	38.13	47.03
Upland spot 41-34	52.35	45.05	44.92	51.94
Pima spot 03-46	113.50	113.50	104.41	92.93
Avg. price received by upland producers	60.50	54.50	52.50	44.00
Mill delivered:				
Cotton				
Actual	61.85	53.61	51.88	58.44
Raw fiber equivalent	68.72	59.57	57.64	64.93
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	63.00	59.00
Raw fiber equivalent	63.54	63.54	65.63	61.46
Price ratios				
Cotton/rayon	65.3	56.6	54.8	70.8
Cotton/polyester	108.2	93.7	87.8	105.7
Northern Europe cotton quotes:		Cents per pound		
A Index	64.44	57.32	53.66	60.56
Memphis Territory	NQ	NQ	53.44	62.94
California/Arizona	70.31	67.50	58.69	67.44
B Index	60.21	52.82	52.39	59.23
Orleans/Texas	58.25	50.85	49.56	58.19
		Dollars per pound		
Wool prices (clean):				
U.S. 56s	1.50	1.50	1.51	1.45
Australian 56s 1/	2.19	2.21	2.19	2.66
U.S. 60s	1.94	1.85	1.85	2.15
Australian 60s 1/	2.46	2.43	2.35	3.01
U.S. 64s	2.29	2.33	2.36	2.43
Australian 64s 1/	2.75	2.77	2.63	3.08

1/ In bond, Charleston, SC.

NQ = No quote.

Last update: 09/13/04.

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

Item	2004 Apr.	2004 May	2004 June	2003 June
	1,000 pounds 1/			
Yarn, thread, and fabric	302,958	300,509	307,107	273,240
Cotton	113,475	118,389	120,187	105,386
Linen	35,144	22,862	20,593	30,463
Wool	3,822	4,151	4,249	3,845
Silk	1,275	1,318	1,460	1,143
Manmade	149,242	153,788	160,618	132,403
Apparel	793,418	785,360	1,028,319	1,019,105
Cotton	503,135	494,713	636,441	616,484
Linen	21,813	25,163	33,249	19,666
Wool	11,770	12,953	21,203	19,267
Silk	20,834	17,655	19,628	12,986
Manmade	235,865	234,877	317,798	350,702
Home furnishings	151,228	145,503	170,737	128,937
Cotton	91,047	85,034	99,261	75,875
Linen	1,108	1,083	1,147	1,363
Wool	387	331	300	359
Silk	295	303	481	452
Manmade	58,391	58,751	69,547	50,888
Floor coverings	61,711	59,139	61,772	52,442
Cotton	9,071	9,626	9,967	8,089
Linen	12,321	12,144	12,290	10,443
Wool	15,414	13,969	14,833	13,088
Silk	1,692	1,286	1,633	1,315
Manmade	23,214	22,113	23,049	19,507
Total imports 2/	1,320,679	1,302,554	1,582,218	1,484,849
Cotton	724,034	715,343	874,221	811,967
Linen	70,843	61,647	67,780	62,255
Wool	31,491	31,540	40,922	36,857
Silk	24,096	20,563	23,204	15,897
Manmade	470,216	473,461	576,092	557,872

1/ Raw fiber equivalent. 2/ Includes headgear.

Last update: 09/13/04.

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

Item	2004 Apr.	2004 May	2004 June	2003 June
	1,000 pounds 1/			
Yarn, thread, and fabric	299,144	310,608	286,710	272,966
Cotton	146,860	150,046	139,798	132,645
Linen	7,247	7,667	7,127	6,931
Wool	4,839	5,524	5,176	4,534
Silk	2,459	2,983	2,542	2,432
Manmade	137,739	144,388	132,068	126,424
Apparel	106,306	102,615	102,842	116,845
Cotton	57,980	56,695	54,262	69,684
Linen	1,580	1,190	1,229	1,642
Wool	3,793	3,663	3,650	5,192
Silk	2,468	2,431	2,412	2,737
Manmade	40,485	38,636	41,287	37,590
Home furnishings	5,578	5,078	5,725	5,698
Cotton	3,349	2,743	3,468	3,515
Linen	161	271	235	249
Wool	211	79	46	85
Silk	58	185	44	117
Manmade	1,799	1,800	1,932	1,731
Floor coverings	32,979	33,596	30,996	28,683
Cotton	2,456	2,657	2,387	2,274
Linen	1,431	1,443	1,182	1,196
Wool	2,145	2,905	1,989	2,554
Silk	34	44	33	45
Manmade	26,913	26,546	25,405	22,614
Total exports 2/	444,231	452,146	426,583	424,409
Cotton	210,700	212,203	200,010	208,171
Linen	10,427	10,575	9,783	10,024
Wool	11,000	12,239	10,880	12,380
Silk	5,019	5,643	5,031	5,332
Manmade	207,085	211,486	200,878	188,502

1/ Raw fiber equivalent. 2/ Includes headgear.
Last update: 09/13/04.

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

Item	2004 Apr.	2004 May	2004 June	2003 June
	1,000 pounds 1/			
North America	258,350	266,915	297,599	272,128
Canada	23,703	22,955	21,914	22,294
Costa Rica	8,318	9,169	11,043	10,325
Dominican Republic	17,258	17,457	19,786	20,154
El Salvador	26,911	26,533	32,033	26,561
Guatemala	23,268	20,528	22,869	17,081
Haiti	8,684	7,840	7,017	5,857
Honduras	43,615	51,073	56,023	48,721
Jamaica	1,066	1,252	1,320	1,868
Mexico	99,069	104,843	116,858	111,689
Nicaragua	6,175	5,067	8,514	7,305
South America	22,708	23,183	23,036	20,661
Brazil	10,968	11,356	9,304	9,023
Colombia	5,385	5,451	6,656	6,031
Peru	5,602	5,477	5,781	4,764
Europe	43,114	38,448	48,704	60,516
Italy	3,409	3,497	4,197	3,918
Portugal	2,473	2,288	4,237	4,915
Russia	5,224	5,162	7,309	13,812
Turkey	17,890	15,849	19,729	22,498
Asia	368,155	360,791	468,698	420,712
Bahrain	2,702	2,820	4,140	3,139
Bangladesh	18,782	17,463	26,752	22,462
Burma	0	0	0	3,455
Cambodia	10,774	11,717	17,696	15,372
China	72,345	78,311	102,660	83,587
Hong Kong	19,072	16,282	25,699	23,104
India	42,371	40,632	42,992	37,087
Indonesia	16,027	15,045	19,640	16,554
Israel	3,883	3,635	4,133	3,783
Macao	5,362	5,636	10,026	8,241
Malaysia	5,770	6,489	8,503	8,244
Pakistan	63,981	64,586	75,400	65,927
Philippines	10,960	9,274	12,794	15,513
Singapore	1,440	1,204	2,570	2,972
South Korea	13,889	13,516	15,522	12,449
Sri Lanka	8,143	5,907	10,425	8,961
Taiwan	10,394	10,410	11,372	10,353
Thailand	14,763	13,725	19,625	15,297
United Arab Emirates	3,370	2,864	3,643	3,738
Oceania	2,087	1,911	1,997	2,671
Australia	616	916	714	1,591
Africa	29,619	24,095	34,186	35,280
Egypt	10,486	7,913	9,030	8,376
Lesotho	5,777	4,493	7,594	6,873
South Africa	2,041	1,435	2,141	6,987
World 2/	724,034	715,343	874,221	811,967

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

Last update: 09/13/04.

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

Item	2004 Apr.	2004 May	2004 June	2003 June
	1,000 pounds 1/			
North America	195,717	197,796	188,076	194,161
Bahamas	110	97	58	80
Canada	21,823	22,371	18,199	18,786
Costa Rica	6,994	8,347	8,520	8,224
Dominican Republic	21,323	20,201	19,263	20,626
El Salvador	16,421	15,228	14,176	15,435
Guatemala	8,117	8,260	10,372	7,883
Haiti	3,587	4,254	3,465	3,099
Honduras	46,554	50,825	48,002	53,141
Jamaica	1,250	1,331	1,284	1,932
Mexico	67,715	64,767	63,248	63,705
Nicaragua	1,284	1,478	1,118	800
Panama	119	85	88	83
South America	4,708	4,281	3,140	4,147
Argentina	20	62	95	47
Brazil	191	197	201	149
Chile	178	198	115	319
Colombia	2,676	2,512	1,828	2,699
Ecuador	42	103	130	190
Peru	409	83	136	377
Venezuela	837	870	379	204
Europe	3,175	3,511	2,768	3,065
Belgium	345	249	230	549
France	110	119	145	128
Germany	323	569	314	358
Italy	331	425	273	271
Netherlands	255	288	247	279
Turkey	311	77	58	26
United Kingdom	860	829	876	945
Asia	5,831	5,158	4,629	5,509
China	565	571	417	714
Hong Kong	873	738	745	761
Israel	331	178	144	339
Japan	1,614	1,360	1,068	1,179
Malaysia	107	117	125	31
Philippines	195	137	130	291
Saudi Arabia	174	120	157	199
Singapore	302	236	212	210
South Korea	428	313	357	363
Sri Lanka	134	111	146	130
Taiwan	177	195	239	432
United Arab Emirates	170	376	176	350
Oceania	373	438	608	527
Australia	272	334	465	418
Africa	897	1,019	789	762
Morocco	102	19	62	18
World 2/	210,700	212,203	200,010	208,171

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

Last update: 09/13/04.

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

State/Region	Planted	Harvested	Yield	Production
	-- 1,000 acres --		Pounds/ harvested acre	1,000 bales
Upland:				
Alabama	550	545	749	850
Florida	90	89	620	115
Georgia	1,290	1,260	762	2,000
N. Carolina	730	725	742	1,120
S. Carolina	220	218	731	332
Virginia	82	81	836	141
Southeast	2,962	2,918	750	4,558
Arkansas	930	920	903	1,730
Louisiana	500	490	637	650
Mississippi	1,100	1,080	800	1,800
Missouri	390	385	823	660
Tennessee	550	540	827	930
Delta	3,470	3,415	811	5,770
Kansas	100	85	678	120
Oklahoma	210	195	645	262
Texas	5,900	5,500	611	7,000
Southwest	6,210	5,780	613	7,382
Arizona	238	236	1,322	650
California	560	557	1,465	1,700
New Mexico	68	64	938	125
West	866	857	1,386	2,475
Total Upland	13,508	12,970	747	20,185
Pima:				
Arizona	3	3	960	6
California	220	219	1,403	640
New Mexico	11	11	916	21
Texas	21	20	1,032	43
Total Pima	255	253	1,347	710
Total All	13,763	13,223	759	20,895

Based on USDA's September *Crop Production* report.
Last update: 9/13/04.