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Cotton and Wool Outlook

Leslie Meyer, Stephen MacDonald,
Robert Skinner, and James Kiawu

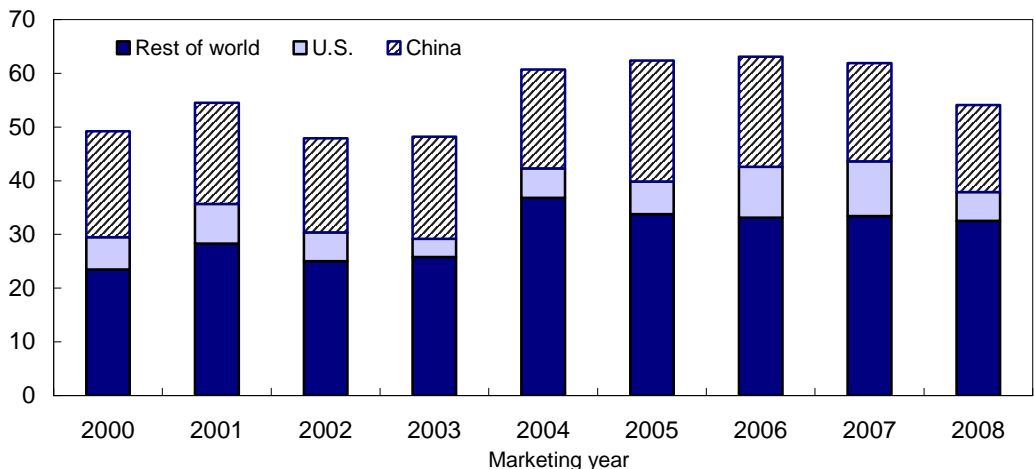
2008/09 Global Cotton Stocks To Decrease

The latest U.S. Department of Agriculture (USDA) projections for 2008/09 indicate that world cotton stocks are forecast to fall below 55 million bales for the first time in 5 seasons. Global ending stocks are currently projected at 54.1 million bales for 2008/09, 12.5 percent (7.7 million bales) below 2007/08 and the lowest since 2003/04 (fig. 1).

The 2008/09 global stock reductions are forecast to come mainly from two countries, the United States and China, which together account for nearly 90 percent of the estimated total stock reduction. The balance is spread over a number of countries, with a few countries expected to have higher stocks at the end of 2008/09. U.S. cotton stocks are expected to fall 4.8 million bales in 2008/09 to 5.4 million, the lowest in 4 years. Declines in China are also anticipated, as stocks there are forecast to decrease 2.1 million bales to 16.2 million, the lowest since 1994. Foreign stocks, excluding China, are also expected to decline in aggregate about 2 million bales to 32.5 million, the lowest in 5 years.

Figure 1
U.S. and world cotton ending stocks

Million bales



Source: *World Agricultural Supply and Demand Estimates* reports, USDA.

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The next release is
July 14, 2008

Approved by the
World Agricultural
Outlook Board

U.S. Cotton Progress and Conditions

U.S. planting of the 2008 cotton crop was complete or nearly complete in most States across the Cotton Belt in early June. As of June 8th, 92 percent of the expected U.S. cotton crop was planted, compared with 89 percent last season and a 5-year average of 91 percent. Cotton planting was near the average in all of the major-producing States; only Kansas exhibited a significant difference in the planting progress, a 23-percentage-point improvement from the 2003-2007 average.

Since planting is nearing completion, cotton progress will be monitored by its development and the crop conditions reporting, which began in early June. As of June 8th, 9 percent of the cotton area was squaring, 5 percentage points below both last year and the 5-year average. Meanwhile, overall U.S. cotton crop conditions for 2008 are similar to those of 2007. As of June 8th, 54 percent of the cotton area was rated “good” or “excellent,” compared with 52 percent in 2007. At the same time, 12 percent was rated as “poor” or “very poor,” compared with 15 percent last season.

2008 Crop Estimate Unchanged in June; Demand and Stocks Adjusted

U.S. cotton production estimates for 2008 were unchanged this month at 14.5 million bales, which is 4.7 million below the final 2007 crop. An update to cotton area will be issued at the end of June in the *Acreage* report; this report will combine actual plantings as of early June with estimates for any remaining cotton to be planted. Total supply, however, increased slightly in June as 2007/08 revisions pushed beginning stocks 300,000 bales higher to 10.2 million bales.

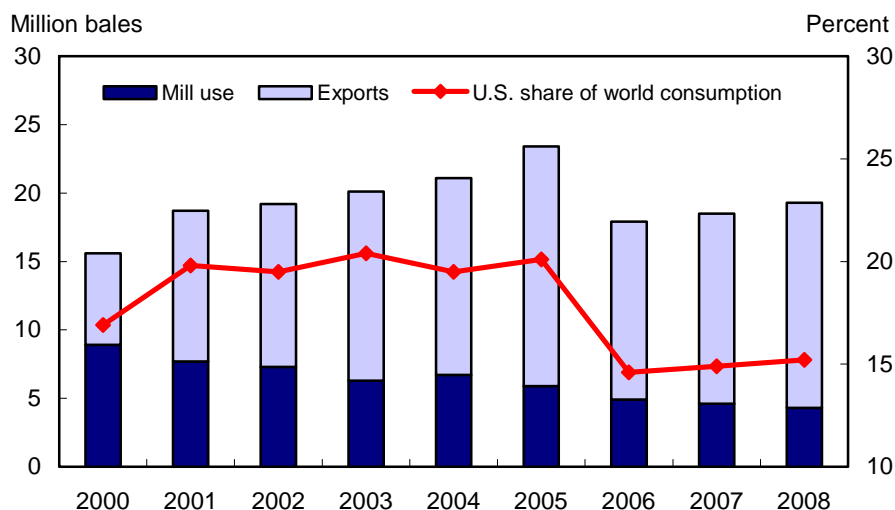
Meanwhile, total demand was also revised upward to 19.3 million bales for 2008/09, as exports were increased 500,000 bales, partially the result of shifting shipments out of the current season and into 2008/09. Exports are now forecast to reach 15 million bales in 2008/09, compared with the revised 13.9-million-bale estimate for 2007/08. In contrast, U.S. mill use continues to be pressured by textile and apparel imports and slow growth in domestic retail demand. U.S. cotton mill use is currently estimated at 4.3 million bales for 2008/09, 300,000 bales below 2007/08 and the lowest in over a century.

The United States continues as an export-dominated market, with shipments accounting for more than 75 percent of the demand for U.S. cotton (fig. 2). Exports are expected to rise slowly for the third consecutive season, but remain well below the record shipments of 2005/06. Meanwhile, U.S. demand as a share of world consumption is also improving slightly. In 2008/09, this share is projected to be near 15 percent, similar to the past 2 seasons but below the 20-percent average of the early 2000s.

With the June revisions, U.S. ending stocks for 2008/09 are currently forecast at 5.4 million bales, about half the level of the beginning stocks. The stocks-to-use ratio is also projected to fall significantly from 55 percent in 2007/08 to 28 percent in 2008/09. With stocks following the dramatic decline in forecast production in 2008/09, farm prices are expected to increase. The initial projection, since the

Figure 2

U.S. demand and share of world consumption



Source: *World Agricultural Supply and Demand Estimates* reports, USDA.

repeal of a nearly 8-decade-long ban on publishing cotton price forecasts, indicates that upland farm prices are expected to rise from the current season; at the midpoint of the range (65 cents), cotton prices would be at their highest in over a decade. For additional information and analysis, see the *Highlight* section on USDA’s cotton price forecasting in this publication.

U.S. Textile Trade Deficit Declines in First-Quarter 2008

March textile imports, at 1.3 billion (raw-fiber equivalent) pounds, dropped 8 percent from February and were 12 percent below a year earlier. Lower shipments occurred for all major fibers and all major end-uses compared with a month earlier. Cotton imports (759 million pounds) accounted for 58 percent of the total and were 7 percent below imports in February. U.S. imports from Asia fell 10 percent to 517 million pounds—68 percent of the total. Imports from other North American countries also declined in March to 185 million pounds—24 percent of total cotton textile and apparel shipments to the United States.

Conversely, U.S. textile exports, at 335 million pounds, were up slightly (less than 1 million pounds) from a month earlier but were 10 percent below March 2007. Textile exports expanded for all major fibers, except cotton, compared with February 2008. Shipments of apparel and home furnishings also increased from the previous month. Other North American countries were the dominant markets for the United States; Honduras and Mexico continue as leading markets, receiving 40 and 23 percent, respectively, of the region’s shipments.

Overall, the textile trade deficit during January to March of 2008 declined 7 percent (236 million pounds) from 2007 to 3.3 billion pounds; the cotton deficit also declined 7 percent (134 million pounds) to 1.9 billion and accounted for 57 percent of the decrease. For 2008, cotton has accounted for 59 percent of the total deficit, the same share as in 2007.

International Outlook

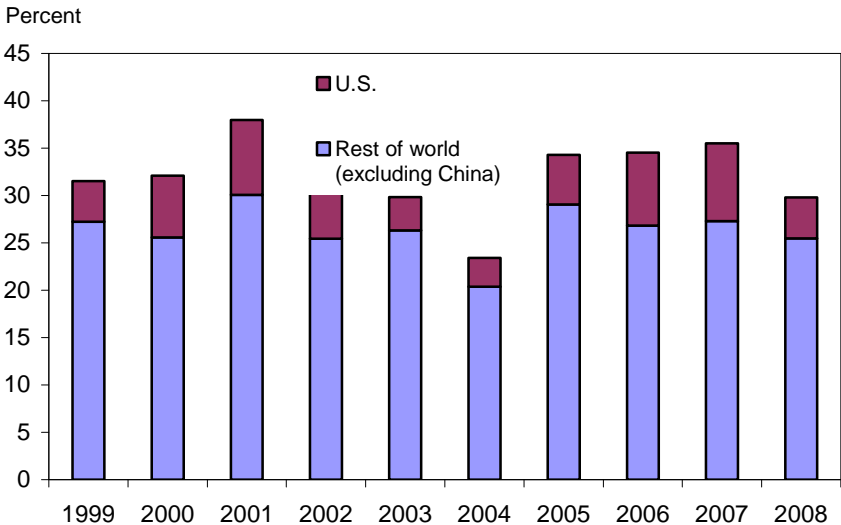
World Cotton Stocks Shrinking in 2008/09

With world cotton consumption growth rising slightly in 2008/09, and world production shrinking, smaller world ending stocks are projected in 2008/09. World cotton consumption is expected to grow 2.2 percent from the year before in 2008/09, to 127 million bales. World cotton production is expected to decline 3 percent, to 116 million bales. If unaccounted cotton is added to production, then new supplies of cotton in 2008/09 are expected to reach 119 million bales, down 2.6 percent from the previous year. World ending stocks are expected to fall 7.8 million bales, to 54 million, their lowest since 2003/04. Similarly, ending stocks (world, excluding China) as a share of global consumption are projected to be the lowest in 4 years, at 30 percent (Fig. 3).

World consumption is growing with a slight recovery foreseen in global income growth in calendar 2009. India's consumption is accelerating slightly in 2008/09 and Pakistan's is returning to normal growth. Cotton consumption growth is also expected to remain quite strong in Bangladesh, and will continue at a slower pace in Indonesia and Thailand. For 2008/09, mill consumption is expected to decline in the high-income markets: the United States, the European Union, Japan, Korea, Taiwan, and Russia.

World cotton area in 2008/09 is forecast down about 5 percent from the year before. From a global perspective, while cotton prices rose significantly in 2007/08, even more rapidly growing prices in soybeans, wheat, corn, and rice has resulted in a global decline in cotton planting. Disaggregating geographically, area is significantly lower than the year before in the United States, Brazil, China, and Turkey. These changes more than offset gains in Australia, West Africa's Franc Zone, and India. Also, Central Asia is facing an unusual irrigation shortage, and yields are expected to decline in Uzbekistan and other countries in the region.

Figure 3
Ending stocks as a share of world consumption



Source: World Agricultural Supply and Demand Estimates reports, USDA.

Highlights

USDA Begins Publishing Cotton Price Forecasts

A prohibition of USDA cotton price forecasts was eliminated by the Food, Conservation, and Energy Act of 2008. The prohibition began in 1929, following congressional hearings investigating a September 1927 USDA price forecast that members of the legislative branch believed triggered a market sell-off.¹

Cotton prices in 2008/09 are expected to rise compared with 2007/08. Compared with a 57 cents/lb U.S. upland average farm price estimated for the current year, the range for 2008/09's expected price is 58 to 72 cents/lb. In percentage terms, this would be a 2 to 26 percent increase, with a mid-point of 14 percent.

USDA is forecasting the upland cotton marketing year weighted average price received by farmers. Until now, year-to-date actual prices received by farmers as reported by the National Agricultural Statistics Service (NASS) have been published by USDA in lieu of forecasts due to the legal prohibition on cotton price forecasting. The annual average price reported by NASS weights each month's price proportional to its share of annual cotton sales by farmers. Thus, USDA is forecasting the weighted annual average rather than a simple annual average.

Although prohibited from publishing a cotton price forecast, USDA has been forecasting price for internal use for many years. Recent efforts have been documented in economic conference papers and ERS's *Cotton and Wool Yearbook*.² This research has demonstrated that cotton prices respond to shifts in U.S. and global cotton supply and demand, changes in China's exports and imports, and exchange rates and other macro-economic developments (Figures 4 and 5). While USDA has developed formal quantitative forecasting models, ultimately, all USDA forecasts are finalized by an interagency process that brings together substantially more

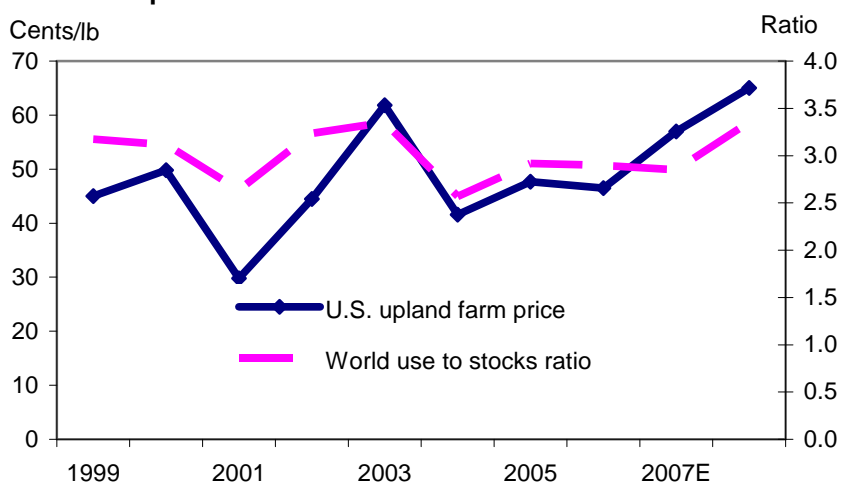
¹ Townsend, T., 1987, "This was a High-powered Projectile to the Vitals of the Industry—Why USDA Does Not Forecast Cotton Prices," 1987 *Proceedings of the Cotton Beltwide Conferences*, National Cotton Council.

² MacDonald, S., 2006, "Cotton Price Forecasting and Structural Change," *Papers and Proceedings: The 15th Federal Forecasters Conference*, Veterans Health Administration, U.S. Department of Veterans Affairs, <http://www1.va.gov/vhareorg/ffc/PandP/FFC2006.pdf>

Meyer, L. 1998, "Factors Affecting the U.S. Farm Price of Upland Cotton," *Cotton and Wool Situation and Outlook Yearbook*, CWS-1998, Economic Research Service, U.S. Department of Agriculture.

Figure 4

U.S. cotton price and world use/stocks¹ ratio



¹ China excluded from stocks.

Source: *World Agricultural Supply and Demand Estimates*, WASDE-459.

information than any one mathematical model or set of models.

Some sense of this process can be gleaned from an examination of 3 different ways of deriving a point forecast for the 2008/09 upland farm price: an estimate based on futures markets, an estimate based on a formal model specifically designed for U.S. upland prices, and an estimate based on ERS and International Cotton Advisory Committee (ICAC) forecasts of the A-Index.

Recently, the IntercontinentalExchange (ICE) December futures contract has averaged about 73 cents. Increased volatility and other factors have altered the basis between futures and spot prices this year, limiting the applicability of forecasting based on futures. The basis has recently averaged 8-9 cents, and another 2 cent deduction for the average difference between spot and farm prices suggests a farm price of 65 cents.

A model developed by Clemson University researchers in collaboration with ERS suggests that changes in world cotton supplies, U.S. stocks to use, and China's imports could result in a U.S. upland farm price of 70 cents.

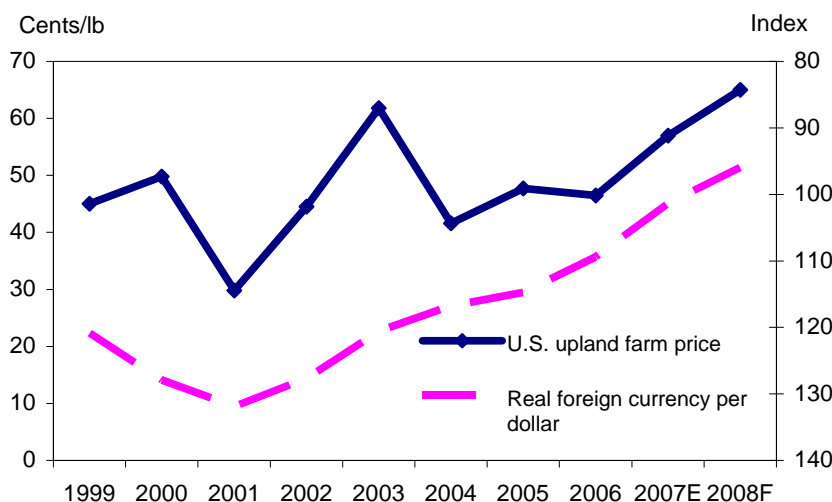
Models by ERS and ICAC forecasting a simple average of Cotlook's A-Index during 2008/09 have a midpoint of 79 cents.³ Since 2003/04, the average ratio between the A-Index (Far East) and the U.S. upland farm price has been 83 percent, suggesting an upland price of 65 cents.

³ International Cotton Advisory Committee, *Cotton This Month*, June 2, 2008.

Price Forecast Ranges

Due to the sensitivity of price forecasts and the uncertainty inherent in markets, USDA publishes its price forecasts in interval rather than point form. While the interval is not necessarily symmetrically distributed around USDA's actual point forecast, the issues surrounding determination of an appropriate range for the forecast interval can be most easily demonstrated using the mid-point assumption.

Figure 5
U.S. cotton price and exchange rate



Sources: *World Agricultural Supply and Demand Estimates*, WASDE-459, and ERS calculations based on data from Global Insight.

From the midpoint of USDA's June 2008 forecast of the U.S. upland price received by farmers, the estimate ranges 11 percent in either direction. Price forecasts for other commodities have been published by USDA on a long-standing basis, including the field crops wheat, corn, barley, sorghum, soybeans and rice. During the last 5 complete years (2002/03-2006/07), the intervals of USDA's June forecasts for these crops have averaged from 4 percent to 14 percent about the midpoint, with a median value of 9 percent. During this same time, the mean absolute percent errors (MAPE) of the mid-points of these ranges was 13 to 28 percent, depending on the commodity. The median MAPE was 16 percent.

The accuracy of USDA's unpublished cotton price forecasts compare well with the accuracy of the other field crops, suggesting that using a similar forecast range is appropriate. ICAC has published an estimate of their A-Index model's 95 percent confidence interval, which equals plus or minus 16 percent of their June forecast for 2008/09. Other quantitative models examined have comparable confidence intervals.

Based on this analysis, USDA has adopted a slightly conservative approach in setting the initial price forecast range. While the 11 percent range is slightly above average compared with other field crops, this approach seems reasonable given the errors observed in current forecasting models and the recent volatility of cotton market basis relationships. As the season continues, the forecast range will eventually narrow, and USDA will be continually evaluating its forecasting methodology and accuracy.

Highlights

Brazil's Cotton Production to Decline in 2008/09

Brazil's cotton production in 2008/09 is forecast at 6.4 million bales. This represents a 10.5 percent fall from the previous year when Brazil posted a record production of an estimated 7.15 million bales. The decline in production corresponds closely to a 10.1 percent reduction in cotton acreage, estimated at 980,000 hectares in 2008/09. With the ongoing global food crises and record high prices for food and feed grains, the competition for cotton acreage has been keen. Cotton is expensive to cultivate, unlike corn and soybeans. The rising cost of inputs such as fertilizer and energy is expected to dampen cotton plantings in 2008/09. A relatively lower cost of production and high market prices for soybeans and corn create higher economic incentives, encouraging farmers to shift land away from cotton production.

According to Brazil's National Company of Food Supply (CONAB), the South and Southeastern regions of Brazil saw a 40 percent decline in acreage, leading to a 35 percent (136,000 bales) fall in output in 2007/08. The states of Mato Grosso and Bahia, Brazil's top-two cotton producers account for about 52 percent and 31 percent of annual production respectively. Given those shares, cotton production in Mato Grosso could fall by nearly 400,000 bales (10.5 percent) in 2008/09. In Bahia, production could experience an estimated fall of more than 200,000 bales in 2008/09. Most of the decline in cotton production is attributed to shift in area from cotton to soybean and corn production in the 2008/09 crop year.

Beginning stocks, almost identical to the estimated production, are forecast at a record 6.35 million bales in 2008/09, up 11.8 percent from a year ago. This derives partly from the record production and a relatively stable consumption in 2007/08 resulting in large ending stocks that year.

Brazil's cotton consumption to remain strong in 2008/09 as the economy expands

Brazil's 2008/09 cotton consumption is projected at a record 4.6 million bales, up 2.2 percent from the estimated consumption in 2006/07 and 2007/08. The increase in mill use is due in part to rising domestic consumer demand for apparel and textiles. The International Monetary Fund (IMF) forecasts a strong albeit declining Brazilian economy in 2009. Gross domestic product (GDP) in 2009 is expected to grow 3.7 percent, down significantly from the previous year when the economy grew at 4.8 percent. Strong economic growth and growing concerns over domestic inflation led the Brazilian Central Bank to hike the basis overnight interest rate by 0.50 points to 11.75 percent in March 2008. This increase in interest rate is expected to tighten credit availability which has implications for both mill use and consumer spending on apparel and textiles.

Brazil to post record export volume in 2008/09

Brazil's cotton trade is estimated to rise moderately in 2008/09. Exports are forecast at 2.5 million bales, up 200,000 bales (8.7 percent) from the previous year. Since the bulk of the cotton crop is harvested between June and July each year, cotton exported in the next trade year is the cotton produced this trade year. The sluggish export growth follows a strong 2007/08 production, and a Real—Brazilian currency—appreciation. Even so, the 2008/09 export forecast will represent a record volume.

Brazil, the world's fourth leading exporter of cotton, has experienced strong export growth since 2006/07. It regained its status as a net cotton exporter in 2003. Throughout the 1990s and early 2000s, Brazil was a net importer of cotton. The reversal in trend to become a net exporter closely followed a range of overall agricultural, economic, and trade reforms adopted by the Brazilian authorities in the 1990s. Specifically, elimination of import barriers on agricultural inputs, and the development of cotton varieties suitable to Brazil's cerrado area in the 1990s all contributed to catapulting Brazil into one of the world's top producers and exporters of cotton.

Imports are estimated at 200,000 bales in 2008/09, up 18 percent from last year when imports were estimated at a 22-year low of 170,000 bales. Although Brazil has had a strong economy, import expansion has been partly dampened by overall increased domestic cotton production.

Figure 6 shows that between 1991 and 2002, Brazil was a net importer of cotton. Within that period, total imports were estimated at 16.3 million bales as against 2 million bales of exports. The tide turned between 2003 and 2008 when Brazil became a net exporter, recording estimated total exports of 10.6 million bales and 2 million bales in imports.



Source: *World Agricultural Supply and Demand Estimates*, WASDE-594.

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

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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

Related Websites

WASDE

<http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1194>

Cotton Briefing Room

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

Item	2006/07	2007/08		
		Apr.	May	June
<i>Million acres</i>				
Upland:				
Planted	14.948	10.538	10.535	10.535
Harvested	12.408	10.204	10.201	10.201
<i>Pounds</i>				
Yield/harvested acre	806	873	864	864
<i>Million 480-lb. bales</i>				
Beginning stocks	5.991	9.368	9.338	9.338
Production	20.823	18.550	18.355	18.355
Total supply 1/	26.824	27.923	27.698	27.698
Mill use	4.896	4.665	4.565	4.565
Exports	12.338	13.660	13.360	13.040
Total use	17.234	18.325	17.925	17.605
Ending stocks 2/	9.338	9.616	9.782	10.102
<i>Percent</i>				
Stocks-to-use ratio	54.2	52.5	54.6	57.4
<i>1,000 acres</i>				
Extra-long staple:				
Planted	326.0	292.3	292.2	292.2
Harvested	323.5	288.2	288.1	288.1
<i>Pounds</i>				
Yield/harvested acre	1,136	1,416	1,419	1,419
<i>1,000 480-lb. bales</i>				
Beginning stocks	78	109	141	141
Production	765	850	852	852
Total supply 1/	852	969	1,003	1,003
Mill use	39	35	35	35
Exports	672	840	840	860
Total use	711	875	875	895
Ending stocks 2/	141	84	118	98
<i>Percent</i>				
Stocks-to-use ratio	19.8	9.6	13.5	10.9

1/ Includes imports. 2/ Includes unaccounted.

Last update: 06/11/08.

Sources: USDA, World Agricultural Outlook Board and USDC,
U.S. Census Bureau.

Table 2--World cotton supply and use estimates

Item	2006/07	2007/08		
		Apr.	May	June
<i>Million 480-lb. bales</i>				
Supply:				
Beginning stocks--				
World	62.40	61.20	63.01	63.11
Foreign	56.33	51.72	53.53	53.63
Production--				
World	122.09	119.73	120.47	120.04
Foreign	100.50	100.33	101.26	100.83
Imports--				
World	37.29	39.09	38.41	38.80
Foreign	37.37	39.07	38.39	38.79
Use:				
Mill use--				
World	123.32	124.94	124.43	124.40
Foreign	118.38	120.24	119.83	119.80
Exports--				
World	37.19	38.94	38.40	38.22
Foreign	24.18	24.44	24.20	24.32
Ending stocks--				
World	63.11	59.64	61.55	61.82
Foreign	53.63	49.94	51.65	51.62
<i>Percent</i>				
Stocks-to-use ratio:				
World	51.2	47.7	49.5	49.7
Foreign	45.3	41.5	43.1	43.1

Last update: 06/11/08.

Source: USDA, World Agricultural Outlook Board.

Table 3--U.S. fiber supply

Item	2008			2007
	Feb.	Mar.	Apr.	Apr.
<i>1,000 480-lb. bales</i>				
Cotton:				
Ginnings	759	306	0	0
Imports since August 1	6.2	7.9	NA	10.9
Stocks, beginning	18,927	18,236	16,952	18,491
At mills	192	192	181	263
Public storage	16,988	16,410	15,287	16,068
CCC stocks	10,852	10,580	10,055	11,574
<i>Million pounds</i>				
Manmade:				
Production	593.4	591.5	594.5	644.6
Noncellulosic	593.4	591.5	594.5	644.6
Cellulosic	NA	NA	NA	NA
Total since January 1	1,213.8	1,805.3	2,399.8	2,507.3
<i>Million pounds</i>				
Raw fiber imports:				
Noncellulosic	149.8	145.7	147.3	156.3
Cellulosic	19.8	18.0	17.7	15.4
Total since January 1	169.6	333.3	498.3	477.4
<i>1,000 pounds</i>				
Wool and mohair:				
Raw wool imports, clean	1,753.3	888.8	1,405.6	1,429.4
48s-and-finer	649.7	146.2	593.5	551.8
Not-finer-than-46s	1,101.6	742.6	812.1	877.6
Total since January 1	1,753.3	2,642.1	4,047.7	3,776.8
Wool top imports	198.8	141.8	156.4	389.5
Total since January 1	198.8	340.6	497.0	1,142.0
Mohair imports, clean	0.0	0.0	0.0	0.0
Total since January 1	0.0	0.0	0.0	46.3

NA = Not available.

Last update: 06/11/08.

Sources: USDA, National Agricultural Statistics Service; USDC, U.S. Census Bureau, and *Fiber Organon*.

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

Item	2008			2007
	Feb.	Mar.	Apr.	Apr.
<i>1,000 480-lb. bales</i>				
Cotton:				
All consumed by mills 1/	372	350	398	402
Total since August 1 1/	2,719	3,069	3,467	3,677
SA annual rate 2/	4,528	4,202	4,705	4,913
SA daily rate 2/	17.3	16.0	18.0	18.8
Daily rate	17.7	16.7	18.1	19.2
Upland consumed by mills 1/	369	347	395	399
Total since August 1 1/	2,698	3,045	3,440	3,648
Daily rate	17.6	16.5	17.9	19.0
<i>1,000 spindles/hours</i>				
Spindles in place	1,390	1,387	1,337	1,586
Active spindles	1,334	1,334	1,279	1,468
Spindle hours (1,000)	691	821	713	780
<i>Percent</i>				
Cotton's share of fibers	86.1	86.5	86.4	85.4
<i>1,000 pounds</i>				
Manmade:				
Total consumed by mills 1/	28,877	26,330	30,143	33,113
Total since August 1 1/	217,105	243,435	273,578	314,708
Daily rate	1,375	1,254	1,370	1,577
Noncellulosic staple	1,351	1,228	1,343	1,535
Cellulosic staple	24	26	27	42

1/ Adjusted to calendar month. 2/ SA = Seasonally adjusted.

Last update: 06/11/08.

Source: USDC, U.S. Census Bureau.

Table 5--U.S. fiber exports

Item	2008			2007
	Jan.	Feb.	Mar.	Mar.
<i>1,000 480-lb. bales</i>				
Cotton:				
Upland exports	826	970	1,129	1,171
Total since August 1	5,987	6,957	8,085	5,542
Sales for next season	94	134	19	43
Total since August 1	307	440	459	428
Extra-long staple exports	117.8	108.3	113.2	90.3
Total since August 1	367.4	475.7	588.9	358.4
Sales for next season	0.3	0.9	9.5	8.2
Total since August 1	9.9	10.8	20.3	59.1
<i>Million pounds</i>				
Manmade:				
Raw fiber exports	61.1	62.8	64.3	75.6
Noncellulosic	60.4	62.1	63.3	74.5
Cellulosic	0.7	0.7	1.0	1.1
Total since January 1	61.1	123.9	188.2	207.1
<i>1,000 pounds</i>				
Wool and mohair:				
Raw wool exports, clean	898.2	1,122.8	1,092.6	1,812.9
Total since January 1	898.2	2,021.0	3,093.6	4,481.1
Wool top exports	44.3	1.4	0.0	284.9
Total since January 1	44.3	45.8	45.8	879.2
Mohair exports, clean	0.0	69.0	33.3	32.4
Total since January 1	0.0	69.0	102.3	192.6

Last update: 06/11/08.

Sources: USDA, *Export Sales*; USDC, U.S. Census Bureau; and *Fiber Organon*.

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

Item	2008			2007
	Mar.	Apr.	May	May
	<i>Cents per pound</i>			
Domestic cotton prices:				
Adjusted world price	64.36	60.48	59.00	41.67
Upland spot 41-34	69.27	63.91	60.67	44.62
Pima spot 03-46	89.00	89.00	89.00	86.00
Avg. price received by upland producers	60.50	62.10	60.70	44.00
Upland mill delivered 41-34	NA	NA	NA	53.43
Northern Europe cotton quotes:				
A Index	81.65	77.95	75.71	57.35
Memphis Territory	84.94	78.69	75.00	56.00
California/Arizona	87.69	81.38	78.65	58.75
B Index	NQ	NQ	NQ	56.03
Orleans/Texas	78.94	72.94	70.55	51.65
	<i>Dollars per pound</i>			
Wool prices (clean):				
U.S. 56s	1.74	1.87	1.97	1.35
Australian 56s 1/	2.71	2.71	2.73	2.42
U.S. 60s	2.44	2.49	2.78	2.22
Australian 60s 1/	3.62	3.58	3.44	3.18
U.S. 64s	3.19	3.25	3.33	2.79
Australian 64s 1/	4.07	4.04	3.78	3.67

NQ = No quote. NA = Not available.

1/ In bond, Charleston, SC.

Last update: 06/11/08.

Sources: USDA, Agricultural Marketing Service, USDA, ERS; *Cotton and Wool Outlook*; and trade reports.

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

Item	2008			2007
	Jan.	Feb.	Mar.	Mar.
	<i>1,000 pounds 1/</i>			
Yarn, thread, and fabric	250,987	236,869	232,154	265,718
Cotton	65,765	64,808	64,383	79,571
Linen	28,237	29,646	24,494	24,450
Wool	3,527	3,446	3,585	3,919
Silk	1,365	1,703	1,069	1,201
Manmade	152,093	137,266	138,623	156,576
Apparel	929,148	909,616	822,524	921,685
Cotton	587,026	588,378	545,991	607,462
Linen	17,743	16,681	11,712	16,681
Wool	15,141	13,716	10,909	12,578
Silk	15,406	15,361	11,038	15,465
Manmade	293,832	275,480	242,874	269,499
Home furnishings	235,390	221,323	195,531	202,649
Cotton	155,718	145,917	136,208	137,498
Linen	1,375	1,224	1,023	740
Wool	331	355	354	175
Silk	654	685	570	732
Manmade	77,312	73,142	57,376	63,504
Floor coverings	64,047	59,130	56,439	66,529
Cotton	9,949	9,278	8,229	9,496
Linen	12,199	12,789	12,469	16,221
Wool	14,491	11,340	11,337	14,355
Silk	1,739	2,023	1,682	1,453
Manmade	25,669	23,700	22,722	25,003
Total imports 2/	1,491,318	1,437,417	1,314,841	1,466,219
Cotton	824,599	813,851	759,322	839,038
Linen	60,456	61,123	50,327	58,748
Wool	33,683	29,022	26,337	31,189
Silk	19,166	19,773	14,359	18,852
Manmade	553,414	513,648	464,496	518,392

1/ Raw-fiber equivalent. 2/ Includes headgear.

Last update: 06/11/08.

Sources: USDA, Economic Research Service and USDC,
U.S. Census Bureau.

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

Item	2008			2007
	Jan.	Feb.	Mar.	Mar.
	<i>1,000 pounds 1/</i>			
Yarn, thread, and fabric	258,347	268,459	266,132	283,176
Cotton	139,253	145,620	139,467	151,940
Linen	6,359	7,012	7,269	8,419
Wool	3,433	3,314	3,192	5,131
Silk	1,770	1,723	2,383	2,198
Manmade	107,532	110,790	113,821	115,759
Apparel	26,641	28,263	30,925	45,156
Cotton	12,642	13,372	14,881	23,410
Linen	423	422	596	648
Wool	1,918	1,928	2,131	2,524
Silk	1,266	1,226	1,290	2,023
Manmade	10,392	11,315	12,027	16,552
Home furnishings	4,571	4,920	4,656	5,469
Cotton	2,614	2,621	2,577	3,018
Linen	153	219	206	278
Wool	72	91	66	116
Silk	52	60	101	126
Manmade	1,681	1,929	1,706	1,932
Floor coverings	27,789	32,391	33,051	34,714
Cotton	1,962	2,243	2,133	2,414
Linen	1,053	1,113	1,075	1,287
Wool	2,660	2,678	2,775	3,112
Silk	29	45	31	53
Manmade	22,085	26,312	27,037	27,849
Total exports 2/	317,623	334,331	335,120	369,017
Cotton	156,573	163,999	159,184	180,915
Linen	7,995	8,771	9,153	10,372
Wool	8,093	8,018	8,177	10,895
Silk	3,117	3,053	3,805	4,400
Manmade	141,845	150,490	154,801	162,435

1/ Raw-fiber equivalent. 2/ Includes headgear.

Last update: 06/11/08.

Sources: USDA, Economic Research Service and USDC,
U.S. Census Bureau.

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

Region/country	2008			2007
	Jan.	Feb.	Mar.	Mar.
	<i>1,000 pounds 1/</i>			
North America	153,436	192,961	185,282	205,342
Canada	4,829	4,860	4,657	9,542
Costa Rica	3,731	5,158	4,740	6,494
Dominican Republic	4,966	8,476	7,619	8,607
El Salvador	19,590	25,671	24,063	23,089
Guatemala	15,520	15,792	14,065	17,157
Haiti	5,641	8,976	11,649	13,961
Honduras	32,635	46,571	44,732	43,218
Jamaica	189	188	266	440
Mexico	50,958	60,015	56,057	67,909
Nicaragua	15,345	17,222	17,403	14,734
South America	15,803	11,395	11,839	15,635
Brazil	7,345	4,427	5,206	7,757
Colombia	2,852	2,352	2,108	2,917
Peru	5,294	4,305	4,276	4,406
Europe	18,257	15,795	18,474	24,670
Italy	3,346	2,928	3,010	4,257
Portugal	1,694	1,498	2,205	2,491
Russia	86	23	22	119
Turkey	7,084	5,953	7,579	10,540
Asia	611,404	573,223	517,390	563,100
Bahrain	2,172	1,747	2,689	1,651
Bangladesh	46,618	41,962	48,309	48,778
Cambodia	24,260	23,666	28,399	24,424
China	226,019	201,756	134,084	162,190
Hong Kong	15,309	13,340	7,642	9,355
India	67,766	69,652	72,392	76,841
Indonesia	29,153	27,447	30,382	32,597
Israel	2,663	1,894	2,006	2,580
Macao	10,482	8,960	5,204	6,649
Malaysia	5,352	5,598	5,661	5,932
Pakistan	72,302	68,107	78,778	79,018
Philippines	10,735	10,957	10,903	14,138
Singapore	701	633	727	898
South Korea	8,556	9,250	9,215	8,738
Sri Lanka	11,976	10,281	12,310	14,391
Taiwan	7,461	6,825	5,603	7,609
Thailand	16,251	15,902	18,306	17,424
United Arab Emirates	1,890	1,810	1,907	1,886
Oceania	295	125	85	173
Australia	143	58	77	83
Africa	25,400	20,348	26,246	30,108
Egypt	12,233	10,168	12,378	12,342
Lesotho	4,557	3,134	5,188	6,688
South Africa	186	155	69	177
World 2/	824,599	813,851	759,322	839,038

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

Last update: 06/11/08.

Sources: USDA, Economic Research Service and USDC,
U.S. Census Bureau.

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

Region/country	2008			2007
	Jan.	Feb.	Mar.	Mar.
	<i>1,000 pounds 1/</i>			
North America	142,724	149,895	144,578	163,796
Bahamas	209	107	94	313
Canada	11,378	12,090	12,197	14,888
Costa Rica	1,151	960	1,363	4,414
Dominican Republic	15,868	16,755	16,128	21,319
El Salvador	14,124	15,593	16,155	15,817
Guatemala	5,190	5,151	5,134	5,430
Haiti	612	525	1,032	1,740
Honduras	59,344	63,752	57,270	55,194
Jamaica	73	79	122	636
Mexico	33,401	32,933	32,824	42,516
Nicaragua	810	1,450	1,703	789
Panama	258	79	107	143
South America	4,011	4,455	3,545	5,308
Argentina	77	47	108	87
Brazil	639	532	449	1,217
Chile	225	205	173	247
Colombia	1,205	2,737	1,320	2,721
Ecuador	36	63	92	127
Peru	347	154	221	288
Venezuela	1,406	688	1,063	464
Europe	4,059	3,919	4,163	4,786
Belgium	471	568	442	771
France	435	225	219	240
Germany	616	637	726	639
Italy	195	167	264	316
Netherlands	379	393	460	376
Turkey	78	96	135	126
United Kingdom	1,106	1,024	1,071	1,432
Asia	4,878	4,796	5,790	5,931
China	908	689	847	984
Hong Kong	580	429	406	483
Israel	196	127	137	170
Japan	938	1,023	1,242	1,528
Malaysia	44	21	14	57
Philippines	55	140	127	155
Saudi Arabia	161	77	470	153
Singapore	205	251	262	377
South Korea	521	485	591	674
Sri Lanka	52	159	135	66
Taiwan	324	249	535	207
United Arab Emirates	221	242	181	259
Oceania	633	632	647	503
Australia	457	478	500	380
Africa	264	298	460	590
Morocco	12	8	2	183
World 2/	156,573	163,999	159,184	180,915

Note: Data are preliminary and subject to revisions.

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

Last update: 06/11/08.

Sources: USDA, Economic Research Service and USDC,
U.S. Census Bureau.