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Cotton and Wool Outlook

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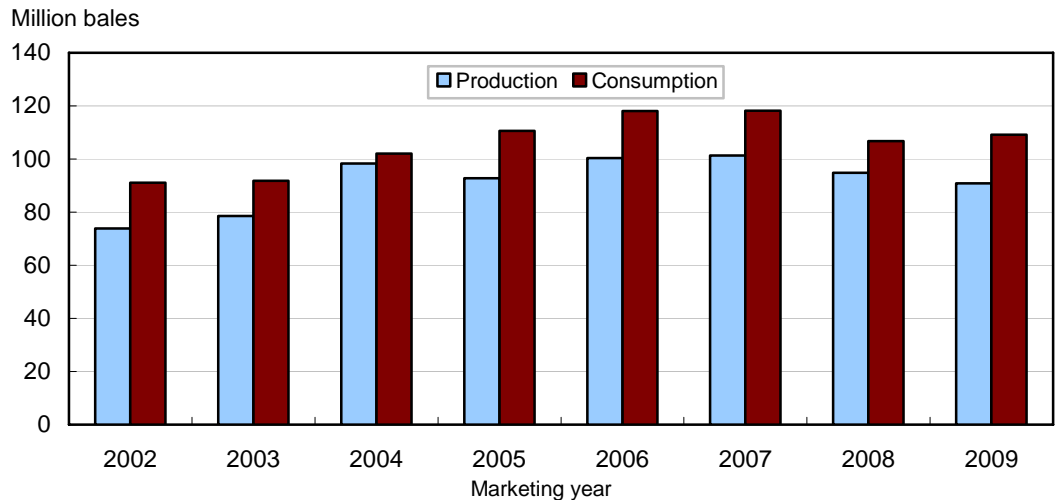
Foreign Cotton Consumption/Production Gap To Grow

The latest U.S. Department of Agriculture (USDA) cotton projections for 2009/10 indicate that while foreign cotton consumption is forecast to rebound, foreign production is expected to decline, increasing the gap between consumption and production (fig. 1). The foreign crop is forecast at only 90.8 million bales, 4 million (4 percent) below 2008/09 and the lowest in six years. The global economic downturn that affected consumption in 2008/09 has led to a second season of lower cotton production. Foreign consumption, on the other hand, is projected to rebound slightly to 109.2 million bales, 2.4 million (2 percent) above 2008/09.

With foreign cotton production and consumption moving in opposite directions, the consumption/production gap is expected to rise considerably to a record 18.5 million bales in 2009/10. Although potentially beneficial to U.S. exports, near-record foreign stocks at the end of 2008/09 are expected to temper demand for U.S. cotton.

Figure 1

Foreign cotton production and consumption



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

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The next release is
December 11, 2009

Approved by the
World Agricultural
Outlook Board

Domestic Outlook

U.S. Cotton Crop Forecast Lowered in October

USDA's October *Crop Production* report indicated that the 2009 U.S. cotton crop would total 13 million bales, 440,000 bales (3 percent) below the September forecast but nearly 200,000 bales above 2008/09. Upland production—expected to reach 12.6 million bales this season—accounted for the decline, as the extra-long staple (ELS) crop was not updated in October by USDA and is estimated at 367,000 bales, 15 percent below 2008/09.

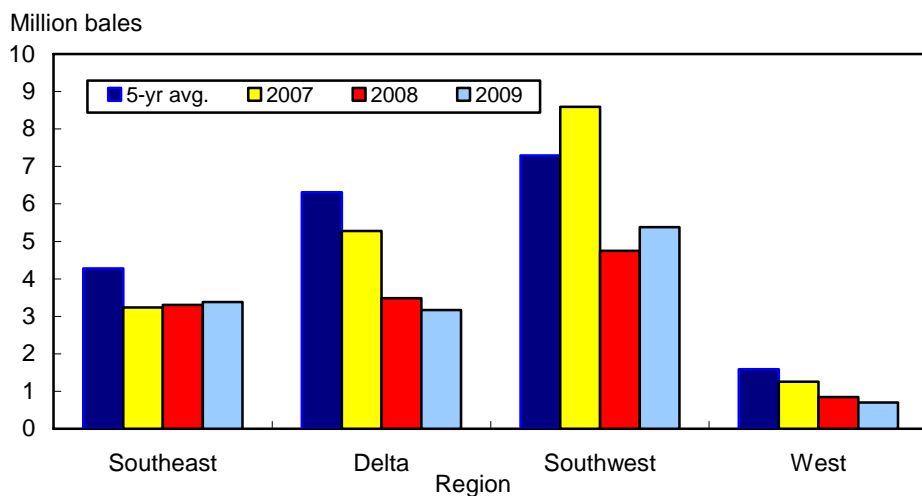
During the past 20 years, the October forecast has been below final cotton production 15 times while above it only 5 times. However, the effect of this season's wet harvest weather could mean that the October 2009 forecast will be above this season's final estimate. In any case, past differences between the October forecast and final cotton production indicate that chances are two out of three for the 2009 U.S. cotton crop to range between 12.4 and 13.6 million bales.

For 2009, regional upland cotton production is forecast to vary from last season and the 5-year average (fig. 2). Compared with last year's final production, the October 2009 U.S. upland crop estimates are higher in the Southwest and Southeast while lower in the Delta and West regions.

In the Southwest, upland production is now forecast at nearly 5.4 million bales, as larger harvested area and a similar yield, compared with 2008, pushed the upland crop 13 percent higher. For the Southeast, the cotton crop is forecast at nearly 3.4 million bales, 2 percent above 2008 and boosted by a record yield of 868 pounds per harvested acre.

On the other hand, area reductions in the Delta and West regions have reduced the 2009 crop compared with last season and the average. For the Delta, record-low

Figure 2
U.S. regional upland cotton production



Source: USDA, NASS, *Crop Production* reports.

area has limited the production potential this season, with the latest estimate placed at about 3.2 million bales. Despite the Delta's 2009 yield being the second highest, the crop is 9 percent lower than 2008 and the lowest since 1986. In the West region, upland cotton area continues to trend lower. Upland production in 2009 is forecast at about 700,000 bales, less than half the average over the last 5 years and the lowest since 1945.

Although total cotton harvested area—estimated at 7.7 million acres in 2009—is slightly above that of 2008, the move to alternative crops in 2009 has resulted in this season's cotton acreage being the third lowest in over a century. U.S. abandonment is estimated at 15 percent in 2009, below last season but still one of the highest rates over the last decade. The U.S. cotton yield is forecast at 807 pounds per harvested acre this season, 31 pounds below the 5-year average.

As of October 4th, only 10 percent of the U.S. cotton area had been harvested, compared with 15 percent in 2008 and a 5-year average of 21 percent. Most States are well below their historical averages with the exception of South Carolina and Arizona where harvest progress is at or above their respective 5-year averages. Meanwhile, overall crop conditions are similar to a year ago. As of October 4th, 47 percent of the crop was in "good" or "excellent" condition, compared with 50 percent in 2008. Similarly, 23 percent was rated "poor" or "very poor" this year, compared with 20 percent a year ago.

Mill Use Reduced Slightly; Exports Unchanged

The U.S. cotton mill use estimate was reduced 100,000 bales in October to 3.4 million bales. The projection is 5 percent below the revised 2008/09 estimate and is forecast to be at its lowest in more than 100 years. The current global economic malaise that stymied world cotton consumption in 2008/09 has further reduced 2009/10 U.S. cotton mill use. Although global cotton consumption is expected to rebound in 2009/10, U.S. mill use continues the trend lower as apparel suppliers from the western hemisphere—where U.S. textile exports supply goods for finishing—are having difficulty competing with the Asian countries.

U.S. cotton exports are forecast at 10.5 million bales for 2009/10, unchanged from last month, as the foreign outlook for trade and consumption are also similar to September's forecast. U.S. exports this season are 21 percent below 2008/09, however, as foreign supplies grew in 2008/09 and will compete for market share in 2009/10. The U.S. share of world trade is currently estimated at 33 percent, compared with 2008/09's 45 percent share.

U.S. Cotton Stocks and Prices Adjusted

Based on the latest supply and demand estimates, U.S. ending stocks for 2009/10 are forecast at 5.4 million bales, nearly one million below last season's adjusted stock level of 6.3 million bales. Despite the stock reduction, this season's stocks-to-use ratio is slightly higher in 2009/10 at 39 percent, compared with about 38 percent last season. However, U.S. farm prices are projected to increase from the final 2008/09 estimate of 47.8 cents per pound. Currently, the forecast range for upland farm prices in 2009/10 is between 49 and 57 cents per pound.

Global Cotton Production to Continue Downward Trend in 2009/10

World cotton production in 2009/10 is forecast at 103.8 million bales, down 3.5 percent from a year earlier, continuing a downward trend that began in 2007/08. A reduction in production is anticipated in China—the world's leading cotton producer—Uzbekistan, and the African Franc Zone. China's 2009/10 production is forecast at 32.5 million bales, down 11 percent from 2008/09, and the lowest output in five years. Uzbekistan's 2009/10 crop is forecast to decline 9 percent to 4.2 million bales. If realized, it would be one of their lowest, comparable only to 2003/04 when Uzbekistan's production was 4.1 million bales. In the African Franc Zone (AFZ) where prospects have not been encouraging, production is expected to decline 3 percent from the previous year to 2.3 million bales.

Production increases in the United States and Australia are expected to partly offset the declines in other countries. In the United States, production in 2009/10 is forecast at 13.0 million bales, a 1.4-percent increase from the preceding year. Australian production is forecast at 1.8 million bales, up 20 percent from a year ago and a significant rebound from 2007/08 when production reached a low of 640,000 bales. Improvements in precipitation continue to replenish irrigation facilities in Australia. Production in India is forecast to increase by about 1.7 million bales (8 percent) from the previous year due to an expansion in planted area.

China's 2008/09 and 2009/10 Production Estimates Adjusted

This month's production estimates for China in 2008/09 and 2009/10 have been adjusted to reflect information released by China's National Development Reform Commission (NDRC). For 2008/09, the NDRC is estimating production of about 36.7 million bales, an increase of 900,000 bales from last month's USDA estimate. The agency attributed the increase to higher production in the Xinjiang Autonomous Region compared with the estimate released previously by the National Bureau of Statistics. Xinjiang's production has been expanding rapidly in recent years and now accounts for 40-45 percent of China's total production. Harvested area of 6.0 million hectares is estimated by USDA using data from the provincial statistics bureaus, with the exception of Xinjiang, where area is estimated higher to account for the additional production reported by the NDRC.

USDA has raised China's 2008/09 ending stocks 900,000 bales from last month to 20.9 million bales, commensurate with the production increase. The government of China's reserve auction program has provided more information than in past years about China's end-of-season stocks. With reserve stocks estimated by USDA at about 13.0 million bales, total stocks of 20.9 million left 8 million bales in the hands of mills and commercial entities, which is the equivalent of 2-2.5 months of consumption. Relatively little 2009-crop production was available to the market before October 1, due to delays in harvesting; thus, China's mills had to rely on these "free stocks," plus the sum of additional reserve purchases made in August and September and imports, to supply their needs for August and September. These sources were not sufficient to cover estimated monthly consumption and the sum of mill plus commercial stocks were likely reduced below the equivalent of two months' consumption by September 30, 2009. The conclusion that industry stocks were unusually tight at the end of September is consistent with firm prices during

this period and increased demand for government stocks; by the last week of the auctions preceding the October 1 national holiday, nearly all of the reserve cotton offered for sale was purchased by mills. Tight industry stocks are also consistent with the government's policy of supporting prices to farmers, who are likely to benefit from strong mill demand for the 2009 crop as it becomes available.

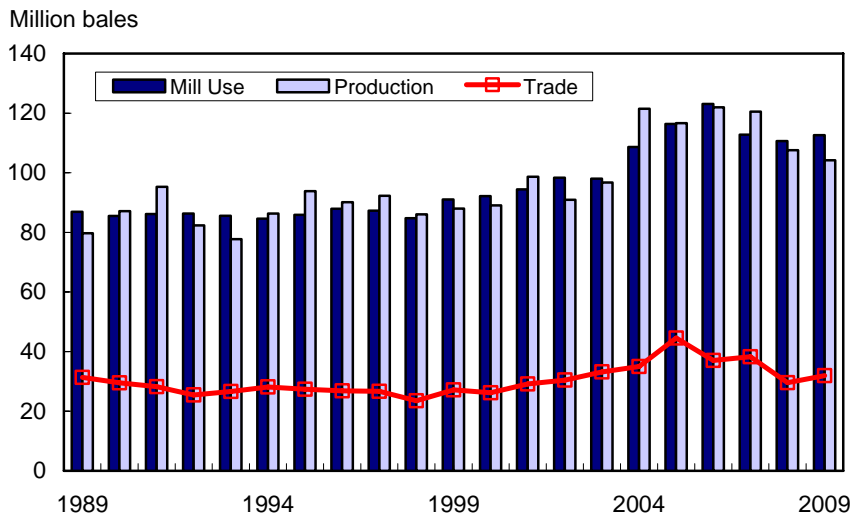
For 2009/10, USDA has lowered its production estimate by 1.0 million bales from last month, reflecting a lower NDRC estimate and wet weather in the Yangtze region, which has adversely affected the harvest. Harvested area of 5.45 million hectares is 9 percent below 2008/09 and yields are estimated down 2.5 percent.

World Trade and Consumption To Rebound in 2009/10

Global cotton trade is forecast at about 32 million bales, up 8 percent from a year ago, as consumption is forecast to rise while production falls. While exports from the United States and Brazil are forecast to fall in 2009/10 to 10.5 million bales and 1.8 million bales respectively, rebounds are expected in India, Australia, and Uzbekistan. India's exports in 2009/10 are forecast to increase to 6.2 million bales, more than twice the previous year's level. Australia is expected to export 1.6 million bales, a 33-percent increase from the preceding year. Uzbekistan exports are forecast at 3.9 million bales, a 50-percent increase from the previous year.

World cotton mill use is expected to see a slight recovery in 2009/10, rising 2 percent (2.2 million bales) from a year ago. Contributing to the global mill use recovery are Pakistan and India, where mill use is forecast to increase 4 percent and 3 percent, to 12 million bales and 18.5 million bales, respectively. Figure 3 shows the world mill use and trade forecast to recover moderately but production declining in 2009/10, putting downward pressure on global stocks and upward pressure on prices. In 2009/10, ending stocks are forecast at 56.1 million bales, down 10 percent from 2008/09, and the third consecutive year of decline.

Figure 3
Global cotton production lags mill use in 2009/10



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

Cotton in African Franc Zone

The African Franc Zone¹ (AFZ) is the source of a significant percentage of world cotton trade. The region has become a major competitor with the United States in international trade in recent years. The AFZ is a bloc of countries defined by a common monetary medium of exchange that is based on the former French Franc. Today however, the common currency in the region is tied to the Euro. A shared historical legacy among all the member countries is that they are former colonies of France. Not surprisingly, cotton in the African Franc Zone was introduced by the French. Cotton production in the region has suffered some setbacks in recent times due to a range of factors.

¹ The African Franc Zone is made up of nine countries, namely Benin, Burkina Faso, Chad, Mali, Cameroon, Cote d'Ivoire, Togo, Senegal, and Central African Republic.

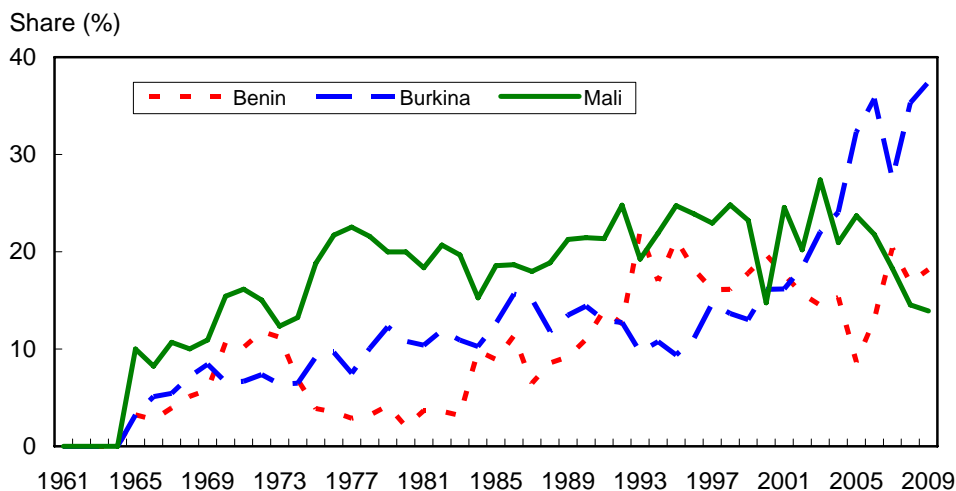
Production Expected To Decline for the Fifth Consecutive Year

The share of AFZ's production in world output peaked at 5 percent in 2002/03. In the 2008/09 marketing year, the region accounted for 2.2 percent of world cotton output. Between 1965/66 and 1999/2000, Mali consistently outpaced Burkina in the share of annual production. In 2000/01, however, the share ranking between the two leading cotton producers in the AFZ reversed. Since that year, Burkina Faso's share of output in total annual production has surpassed Mali's as shown in figure 4. Benin also overtook Mali to become the second largest producer in the region.

Production in Burkina Faso, Benin, and Mali in 2009/10 is forecast at 875,000 bales, 425,000 bales and 325,000 bales, respectively. In Burkina and Benin, that will be a 3-percent and 5-percent increase in output from the previous year, while in Mali, it is a 7-percent decline in production from a year ago. According to a 2007 GAIN Report (SG7011), Burkina has an estimated 350,000 cotton farms with a population of farm workers close to twice the number of farms. Seed cotton per producer is approximately 2 tons with farm size averaging around 2 hectares.

Figure 4

Share of major producers in total African Franc Zone production



Source: USDA, Interagency Commodity Estimates Committee.

Production in the AFZ reached an all-time high in 2004/05, when total output was 4.9 million bales. The years that followed, however, have seen a precipitous decline in production. In 2009/10 cotton production in the AFZ is expected to decline 3 percent from the previous year, to 2.3 million bales.

Factors behind Declining Cotton Production in the AFZ

Producer prices for cotton in the region, as in the rest of the world, have been declining. With the exception of 2007/8, world prices have relatively low in the five years since 2003/04. In addition, the Euro—to which CFA franc is pegged in de facto terms—has been strengthening relative to the U.S dollar in recent years. As a result, cotton farmers have seen their margins and incentives erode rapidly with rising input prices. In addition, country-specific government support programs to farmers have often come late in the cotton growing season, causing uncertainty in the allocation of acreage and other resources to production. In the last two years, the decline in cotton area and yield has been compounded by rising food prices, forcing farmers to divert fertilizers and other inputs to cereal production (see GAIN Annual Report SG 9006, 2009).

The cotton sector in several of the AFZ countries continues to go through reforms. Mali's attempts to privatize its parastatal cotton company, *Compagnie Malienne pour le Développement des Fibres Textiles* (CMDT) has been beset by numerous problems as the public enterprise faces financial constraints that have undermined its ability to procure inputs and meet debt obligations. In Benin, the approval of *Societe Nationale Pour la Promotion Agricole* (SONAPRA) for privatization was reversed by the government. Further, in the last quarter of 2008, the government of Benin transferred SONAPRA gins to a new parastatal, *la Société de Développement du Cotton* (SODECO).

In Burkina Faso, privatization of DAGRIS in combination with government subsidies, foreign aid, and special loan programs were expected to reinvigorate the cotton sector. However, cotton company debts continue to be a major source of disincentive to farmers. According to the USAID's West African Cotton Improvement Program (WACIP), *Société des fibres et textiles* (SOFITEX) and *Société Cotonnière du Gourma* (SOCOMA), two of the nation's leading cotton companies were indebted to growers by about \$4.3 million and \$2.8 million, respectively. The effectiveness of the reforms in improving production in these countries remains an open question.

Political instability has been rife in some of the AFZ countries. Prior to the war in 2002, Cote d'Ivoire ranked as one of the leading cotton producers in the region. In fact, in the year preceding the outbreak of violence, Cote d'Ivoire's production surpassed all AFZ countries except Mali. The mixture of political instability and other socio-economic factors has caused cotton output of the once stable French West African country to decline sharply. In 2009/10, production in Cote d'Ivoire is forecast at 175,000 bales, down over 90 percent since the start of the civil strife, and the lowest output in nearly five decades. A similar decline is also expected in Chad, another war-ravaged country. Since 2004, production in Chad has declined each year with output forecast to decline 11 percent in 2009/10 from last season.

Cotton production in the AFZ is predominantly rain-fed in a region where there are two seasons per year, namely the dry season and the rainy season. Physical infrastructure such as storage, irrigation, road networks, and communication is generally weak. Weather shocks, such as the 2003 flooding in Burkina, Mali, Senegal, and Chad, and episodic droughts in countries where irrigation infrastructure is poor greatly hamper productivity and overall output.

Other factors that have hindered increased production include the rising global consumption of relatively cheap synthetic fibers, and external factors such as agricultural and trade policies of countries like India and China, which have largely maintained their output levels in recent years as relative cotton prices have declined sharply.

AFZ's Cotton Trade to Decline in 2009/10

Cotton trade is a significant part of the national economies of the region. AFZ's trade in world cotton trade has also risen over the years, accounting for a record 15 percent of world trade in 1998/99. In past few years however, the cotton sectors in the Franc Zone have struggled to keep pace with their past performance. The bulk of the cotton produced in the region is traded abroad, exposing the industry to the whims and caprices of the world markets.

In 2009/10, AFZ exports are forecast at 2.2 million bales, down 3 percent from a year ago. If realized, that forecast will constitute the fifth consecutive year of declining trade and lowest exports in two decades. The impact of the 2008 global food and financial crises has been detrimental to the region's cotton trade in a variety of ways. First, cotton importing countries reduced imports sharply in 2008/09 as world consumption declined. In addition, skyrocketing food prices in that same period posed a stiff competition for land and meager input resources for AFZ cotton production and, therefore, exports. Even in normal times, cotton growers are widely noted for diverting government-provided fertilizers into food grains production. But soaring food prices in 2008 may have escalated such diversion of resources.

Textile Trade Conversion Factors Revised Down for Cotton

This month, USDA begins publishing textile trade data (tables 8-10) using new conversion factors. Over the last 20 years, the efficiency of cotton use in yarn spinning has gradually increased, and recycling at various stages of textile production has grown in importance. Increased efficiency means that less raw cotton fiber is consumed to produce the same volume of textile products, and USDA has adjusted its cotton textile trade conversion factors down to account for the change.

The volume of fiber used to produce yarn is inevitably larger than the volume of yarn produced due to losses during cleaning, carding, and spinning. However, new technology means that, while at one time, about 10 percent of the cotton fiber used by spinning mills was not incorporated into any textile products, today that figure has fallen to 5 percent. The result is that, whereas 111 pounds of cotton fiber were previously required to produce 100 pounds of yarn, now only 105 pounds are required (For more discussion of how these technical changes in textile production affect USDA's conversion factors and the estimated level of trade see MacDonald and Whitley (2009).¹)

USDA also reviewed its estimates of the shares of various fibers incorporated in some products, and reduced the estimated share of cotton in a small number of products. As a result, the estimates for U.S. textile trade in terms of other fibers are now marginally higher.

USDA's estimated mill-use equivalence of the cotton fiber in U.S. textile trade is about 5 percent lower with the new conversion factors. In 2008, net textile imports in cotton fiber terms were estimated at 8.4 billion pounds (17.6 million bales) using the old conversion factors, but the estimate is now 8.0 billion pounds (16.6 million bales).² The largest change in trade for other fibers is in estimated imports of man-made fibers, up 0.3 percent, from 6.83 billion pounds to 6.84 billion.

For all fibers, the decline in estimated trade is smaller than for cotton. USDA's estimated mill-use equivalence of all fibers in U.S. textile trade is 3 percent lower with the new conversion factors. In 2008, net textile imports in all fiber terms were estimated at 14.5 billion pounds using the old conversion factors, but the estimate is now 14.1 billion pounds.³

Cotton's share of U.S. textile trade is also smaller. In 2008, cotton's share of net textile imports is now estimated at 56.8 percent, compared with 58.2 percent using the old conversion factors.

Since the large majority of cotton products consumed in the United States are imported, the estimated end-use of cotton products by U.S. households in 2008 is also smaller, down 4.3 percent or 940,000 bales, to 20.9 million bales. Cotton's estimated share of all fibers in U.S. end-use is also lower with the new conversion factors, down from 42.2 percent to 41.2 percent.

¹MacDonald, S. and S. Whitley, "Fiber Use for Textiles and China's Cotton Textile Exports," CWS-081-01, Economic Research Service, U.S. Department of Agriculture. http://usda.mannlib.cornell.edu/usda/ers/CWS//2000s/2009/CWS-03-03-2009_Special_Report.pdf

²Tables 8-10 report the new estimates for trade in May, June, and July 2009. Using the old conversion factors, total cotton product imports for those months are, 715, 811, and 903 million pounds, respectively. For exports, the totals are 143, 137, and 133 million pounds.

³Additional revised historical data will be made available in the *Cotton and Wool Yearbook Dataset* in November 2009.

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.

Related Websites

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

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

Item	2008/09	2009/10		
		Aug.	Sep.	Oct.
<i>Million acres</i>				
Upland:				
Planted	9.297	8.905	8.989	8.989
Harvested	7.400	7.619	7.582	7.586
<i>Pounds</i>				
Yield/harvested acre	803	809	827	799
<i>Million 480-lb. bales</i>				
Beginning stocks	9.888	5.802	5.902	6.031
Production	12.384	12.840	13.071	12.631
Total supply 1/	22.272	18.645	18.976	18.665
Mill use	3.558	3.470	3.470	3.370
Exports	13.044	9.700	10.000	10.000
Total use	16.602	13.170	13.470	13.370
Ending stocks 2/	6.031	5.463	5.463	5.256
<i>Percent</i>				
Stocks-to-use ratio	36.3	41.5	40.6	39.3
<i>1,000 acres</i>				
Extra-long staple:				
Planted	174.0	149.4	149.7	149.7
Harvested	168.7	142.0	146.2	146.2
<i>Pounds</i>				
Yield/harvested acre	1,226	1,265	1,205	1,205
<i>1,000 480-lb. bales</i>				
Beginning stocks	156	298	298	305
Production	431	367	367	367
Total supply 1/	587	667	667	674
Mill use	29	30	30	30
Exports	232	500	500	500
Total use	261	530	530	530
Ending stocks 2/	305	137	137	144
<i>Percent</i>				
Stocks-to-use ratio	116.9	25.8	25.8	27.2

1/ Includes imports. 2/ Includes unaccounted.

Last update: 10/13/09.

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

Table 2--World cotton supply and use estimates

Item	2008/09	2009/10		
		Aug.	Sep.	Oct.
<i>Million 480-lb. bales</i>				
Supply:				
Beginning stocks--				
World	63.07	61.85	61.47	62.50
Foreign	53.03	55.75	55.27	56.17
Production--				
World	107.58	105.87	105.06	103.78
Foreign	94.76	92.67	91.62	90.78
Imports--				
World	29.27	31.95	32.02	31.97
Foreign	29.27	31.95	32.01	31.97
Use:				
Mill use--				
World	110.40	112.76	112.74	112.64
Foreign	106.81	109.26	109.24	109.24
Exports--				
World	29.61	31.95	31.99	31.95
Foreign	16.33	21.75	21.49	21.45
Ending stocks--				
World	62.50	57.46	56.26	56.13
Foreign	56.17	51.86	50.66	50.73
<i>Percent</i>				
Stocks-to-use ratio:				
World	56.6	51.0	49.9	49.8
Foreign	52.6	47.5	46.4	46.4

Last update: 10/13/09.

Source: USDA, World Agricultural Outlook Board.

Table 3--U.S. fiber supply

Item	2009			2008
	June	July	Aug.	Aug.
<i>1,000 480-lb. bales</i>				
Cotton:				
Ginnings	0	0	147	347
Imports since August 1	0.0	0.0	NA	0.0
Stocks, beginning	9,232	7,547	6,336	10,044
At mills	198	177	175	140
Public storage	8,030	6,990	5,804	9,176
CCC stocks	721	758	437	4,832
<i>Million pounds</i>				
Manmade:				
Production	455.3	459.6	474.3	540.5
Noncellulosic	456.4	459.6	474.3	540.5
Cellulosic	NA	NA	NA	NA
Total since January 1	2,664.6	3,124.2	3,598.5	4,567.3
<hr/> <hr/>				
	2009			2008
	May	June	July	July
<i>Million pounds</i>				
Raw fiber imports:	136.3	134.7	138.9	164.6
Noncellulosic	120.4	119.4	122.0	147.5
Cellulosic	15.9	15.3	16.9	17.1
Total since January 1	619.7	754.4	893.2	1,157.7
<i>1,000 pounds</i>				
Wool and mohair:				
Raw wool imports, clean	536.2	745.1	833.8	1,259.0
48s-and-finer	250.6	181.2	312.7	596.9
Not-finer-than-46s	285.6	563.9	521.1	662.1
Total since January 1	4,427.4	5,172.4	6,006.3	8,766.0
Wool top imports	297.0	246.7	229.4	198.3
Total since January 1	851.9	1,098.5	1,327.9	1,743.1
Mohair imports, clean	0.0	0.0	0.0	0.0
Total since January 1	5.0	5.0	5.0	0.0

NA = Not available.

Last update: 10/13/09.

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

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

Item	2009			2008
	June	July	Aug.	Aug.
<i>1,000 480-lb. bales</i>				
Cotton:				
All consumed by mills: 1/	284	303	289	379
Total since August 1 1/	3,284	3,587	289	379
SA annual rate 2/	3,264	3,460	3,443	4,603
SA daily rate 2/	12.5	13.3	13.2	17.6
Daily rate	12.9	13.2	13.8	18.1
Upland consumed by mills: 1/	282	300	286	376
Total since August 1 1/	3,258	3,558	286	376
Daily rate	12.8	13.1	13.6	17.9
<i>1,000 spindles/hours</i>				
Spindles in place:	1,045	1,035	1,033	1,326
Active spindles	963	985	981	1,270
Spindle hours (1,000)	576	465	499	671
<i>Percent</i>				
Cotton's share of fibers	82.4	85.8	84.4	86.7
<i>1,000 pounds</i>				
Manmade:				
Total consumed by mills 1/	29,126	24,009	25,616	28,049
Total since August 1 1/	281,628	305,636	25,616	28,049
Daily rate	1,324	1,044	1,220	1,336
Noncellulosic staple	1,305	1,032	1,209	1,309
Cellulosic staple	19	12	11	27

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

Last update: 10/13/09.

Source: USDC, U.S. Census Bureau.

Table 5--U.S. fiber exports

Item	2009			2008
	May	June	July	July
<i>1,000 480-lb. bales</i>				
Cotton:				
Upland exports	1,488	1,364	1,182	1,392
Total since August 1	10,498	11,862	13,044	12,820
Sales for next season	172	247	1,357	2,736
Total since August 1	811	1,058	2,415	3,723
Extra-long staple exports	24.3	36.2	66.4	13.5
Total since August 1	129.4	165.5	232.0	832.7
Sales for next season	0.0	3.9	85.3	33.8
Total since August 1	2.0	5.9	91.2	58.9
<i>Million pounds</i>				
Manmade:				
Raw fiber exports	38.2	42.2	37.1	56.3
Noncellulosic	37.6	41.0	36.5	54.9
Cellulosic	0.5	1.2	0.5	1.4
Total since January 1	184.9	227.1	264.2	427.7
<i>1,000 pounds</i>				
Wool and mohair:				
Raw wool exports, clean	678.6	513.1	911.8	528.1
Total since January 1	2,827.3	3,340.4	4,252.2	7,361.4
Wool top exports	73.8	109.0	130.8	33.7
Total since January 1	439.0	548.0	678.8	130.5
Mohair exports, clean	161.4	44.7	66.6	63.9
Total since January 1	478.5	523.1	589.7	452.0

Last update: 10/13/09.

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

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

Item	2009			2008
	July	Aug.	Sep.	Sep.
<i>Cents per pound</i>				
Domestic cotton prices:				
Adjusted world price	46.79	47.71	47.30	58.43
Upland spot 41-34	53.98	53.77	55.78	56.72
Pima spot 03-46	88.25	87.00	85.43	100.67
Average price received by upland producers	47.20	47.70	48.40	61.10
Far Eastern cotton quotes:				
A Index	64.37	64.19	64.26	73.56
Memphis/Eastern	65.65	69.19	69.94	74.31
Memphis/Orleans/Texas	65.20	69.44	70.56	73.19
California/Arizona	66.65	NQ	NQ	77.63
<i>Dollars per pound</i>				
Wool prices (clean):				
U.S. 56s	1.33	NQ	NQ	NQ
Australian 56s 1/	2.46	2.48	2.55	2.53
U.S. 60s	1.86	1.88	NQ	NQ
Australian 60s 1/	2.84	3.02	3.25	3.01
U.S. 64s	2.28	2.23	NQ	NQ
Australian 64s 1/	2.95	3.18	3.39	3.17

NQ = No quote.

1/ In bond, Charleston, SC.

Last update: 10/13/09.

Sources: USDA, *Cotton Price Statistics*; Cotlook Ltd., *Cotton Outlook*; and trade reports.

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

Item	2009			2008
	May	June	July	July
	<i>1,000 pounds 1/</i>			
Yarn, thread, and fabric:	197,327	190,824	203,194	247,864
Cotton	49,098	49,338	54,122	68,630
Linen	12,354	12,552	14,006	24,508
Wool	2,888	2,981	3,068	4,414
Silk	572	578	668	1,311
Manmade	132,414	125,374	131,331	149,001
Apparel:	767,873	896,846	1,056,804	1,148,887
Cotton	484,664	570,239	649,614	709,056
Linen	10,604	10,288	9,987	18,435
Wool	13,574	18,076	28,201	31,461
Silk	7,767	7,353	8,290	13,312
Manmade	251,264	290,889	360,712	376,623
Home furnishings:	206,731	213,195	230,455	226,618
Cotton	130,676	136,286	139,500	137,527
Linen	652	913	894	1,116
Wool	246	260	314	461
Silk	213	246	439	326
Manmade	74,943	75,490	89,307	87,187
Floor coverings:	48,558	50,581	55,296	56,449
Cotton	8,260	8,261	7,965	7,055
Linen	10,072	11,237	13,284	11,406
Wool	7,609	8,085	8,401	12,202
Silk	1,715	1,811	2,147	1,260
Manmade	20,902	21,187	23,499	24,525
Total imports: 2/	1,229,312	1,360,865	1,557,084	1,693,351
Cotton	676,682	767,903	854,774	927,585
Linen	34,260	35,606	38,903	56,246
Wool	24,634	29,951	40,580	49,112
Silk	10,269	9,988	11,544	16,211
Manmade	483,466	517,417	611,283	644,197

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

Last update: 10/13/09.

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

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

Item	2009			2008
	May	June	July	July
	<i>1,000 pounds 1/</i>			
Yarn, thread, and fabric:	215,059	208,671	202,544	275,234
Cotton	118,654	114,946	110,306	151,443
Linen	4,745	5,433	5,685	7,961
Wool	2,727	3,820	3,295	4,181
Silk	1,181	1,125	1,220	2,071
Manmade	87,752	83,346	82,038	109,579
Apparel:	25,057	24,257	24,403	27,881
Cotton	12,594	11,658	11,594	13,015
Linen	331	339	416	467
Wool	1,547	1,516	1,514	2,018
Silk	1,007	1,122	1,136	1,229
Manmade	9,578	9,622	9,744	11,152
Home furnishings:	4,307	3,462	4,407	5,896
Cotton	1,958	1,579	1,907	3,054
Linen	162	98	133	232
Wool	183	46	84	82
Silk	51	29	32	62
Manmade	1,953	1,711	2,251	2,465
Floor coverings:	22,375	21,771	22,725	39,942
Cotton	1,677	1,585	1,652	2,586
Linen	897	802	845	1,403
Wool	1,361	1,156	1,128	2,603
Silk	42	34	27	39
Manmade	18,397	18,193	19,073	33,311
Total exports: 2/	267,071	258,377	254,363	349,216
Cotton	134,994	129,897	125,595	170,193
Linen	6,141	6,675	7,084	10,071
Wool	5,829	6,543	6,028	8,894
Silk	2,282	2,310	2,415	3,401
Manmade	117,825	112,952	113,240	156,657

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

Last update: 10/13/09.

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

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

Region/country	2009			2008
	May	June	July	July
	<i>1,000 pounds 1/</i>			
North America	139,675	160,170	159,668	207,819
Canada	3,246	2,965	3,267	3,680
Costa Rica	1,728	1,924	1,790	4,511
Dominican Republic	5,214	4,667	5,280	8,537
El Salvador	16,268	18,536	19,610	27,241
Guatemala	9,090	11,013	9,448	12,741
Haiti	12,997	15,673	15,213	16,074
Honduras	33,458	35,296	31,847	50,495
Mexico	45,447	56,701	58,753	69,072
Nicaragua	12,218	13,305	14,451	15,176
South America	7,144	10,285	11,002	10,309
Brazil	2,917	4,566	4,989	2,870
Colombia	1,429	2,246	2,072	2,752
Peru	2,638	3,194	3,769	4,403
Europe	8,779	11,479	11,464	19,522
Italy	1,371	2,116	1,804	3,366
Portugal	857	2,031	1,746	2,775
Turkey	3,346	3,697	3,737	6,964
Asia	503,147	565,565	645,082	664,532
Bahrain	2,340	2,433	2,056	2,512
Bangladesh	42,769	47,265	54,422	52,035
Cambodia	14,865	17,116	23,199	30,017
China	208,580	247,270	283,765	262,130
Hong Kong	1,645	1,577	1,582	16,913
India	57,063	56,018	61,208	57,540
Indonesia	22,921	26,085	31,785	33,900
Israel	1,599	1,901	1,990	2,415
Jordan	4,243	5,171	6,722	7,421
Macao	938	657	817	10,265
Malaysia	2,701	3,267	3,480	5,871
Pakistan	73,591	79,440	84,615	76,954
Philippines	6,830	7,001	7,102	10,030
South Korea	6,958	7,861	7,593	10,416
Sri Lanka	6,051	7,507	8,814	12,148
Taiwan	3,469	3,021	3,504	6,678
Thailand	10,003	9,066	12,433	15,149
Vietnam	33,720	40,261	46,294	46,010
Oceania	66	67	71	121
Africa	17,869	20,337	27,486	25,280
Egypt	10,121	10,373	12,181	11,031
Kenya	1,306	2,787	2,506	2,684
Lesotho	2,649	2,740	7,413	4,978
Madagascar	1,604	2,396	1,743	3,550
World 2/	676,682	767,903	854,774	927,585

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

Last update: 10/13/09.

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

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

Region/country	2009			2008
	May	June	July	July
	<i>1,000 pounds 1/</i>			
North America	124,308	119,226	114,149	156,973
Bahamas	154	90	99	115
Canada	10,261	10,316	9,480	11,826
Costa Rica	271	439	350	472
Dominican Republic	21,431	19,927	18,716	21,866
El Salvador	11,225	11,056	8,849	14,562
Guatemala	3,857	3,843	2,507	4,346
Haiti	727	682	468	950
Honduras	46,021	41,354	42,275	66,972
Jamaica	85	80	50	60
Mexico	28,340	29,663	29,670	33,789
Nicaragua	1,564	1,445	1,181	1,494
Panama	79	51	176	246
South America	2,040	2,591	2,136	2,943
Brazil	279	493	303	569
Chile	131	139	277	231
Colombia	729	950	478	968
Peru	157	281	120	201
Venezuela	477	519	554	699
Europe	3,004	2,710	3,420	3,860
Belgium	324	324	411	282
France	106	106	112	259
Germany	546	585	529	487
Italy	176	188	148	337
Netherlands	289	297	383	390
Turkey	43	68	118	128
United Kingdom	916	716	1,201	1,284
Asia	4,559	4,625	4,882	5,146
China	1,104	874	1,183	1,069
Hong Kong	297	364	480	410
India	309	325	369	170
Israel	250	350	277	149
Japan	590	673	692	918
Philippines	47	30	29	51
Saudi Arabia	82	119	106	177
Singapore	253	139	270	378
South Korea	639	420	595	639
Sri Lanka	35	98	43	110
Taiwan	65	138	74	101
Thailand	128	105	114	165
United Arab Emirates	373	418	198	243
Oceania	679	450	511	529
Australia	437	340	415	419
Africa	377	272	495	740
Egypt	32	24	27	449
World 2/	134,994	129,897	125,595	170,193

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

Last update: 10/13/09.

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

Table 11--Acreage, yield, and production estimates, 2009

State/region	Planted	Harvested	Yield	Production
	-- 1,000 acres --		<i>Pounds/ harvested acre</i>	<i>1,000 bales</i>
Upland:				
Alabama	255	250	806	420
Florida	82	81	830	140
Georgia	1,000	990	897	1,850
North Carolina	375	370	876	675
South Carolina	115	114	737	175
Virginia	65	64	900	120
Southeast	1,892	1,869	868	3,380
Arkansas	520	500	1,037	1,080
Louisiana	230	225	811	380
Mississippi	295	285	909	540
Missouri	275	263	1,132	620
Tennessee	300	280	943	550
Delta	1,620	1,553	980	3,170
Kansas	36	32	720	48
Oklahoma	200	195	825	335
Texas	5,000	3,700	649	5,000
Southwest	5,236	3,927	658	5,383
Arizona	140	139	1,450	420
California	71	70	1,495	218
New Mexico	30	28	1,029	60
West	241	237	1,414	698
Total Upland	8,989	7,586	799	12,631
Pima:				
Arizona	1	1	997	3
California	130	127	1,247	330
New Mexico	1	1	789	2
Texas	17	17	931	32
Total Pima	150	146	1,205	367
Total all	9,139	7,732	807	12,998

Last update: 10/13/09.

Source: Based on USDA, NASS, October 2009 *Crop Production* report.