

COTTON REPORT

Kai Hughes

Executive Director

International Cotton Advisory Committee

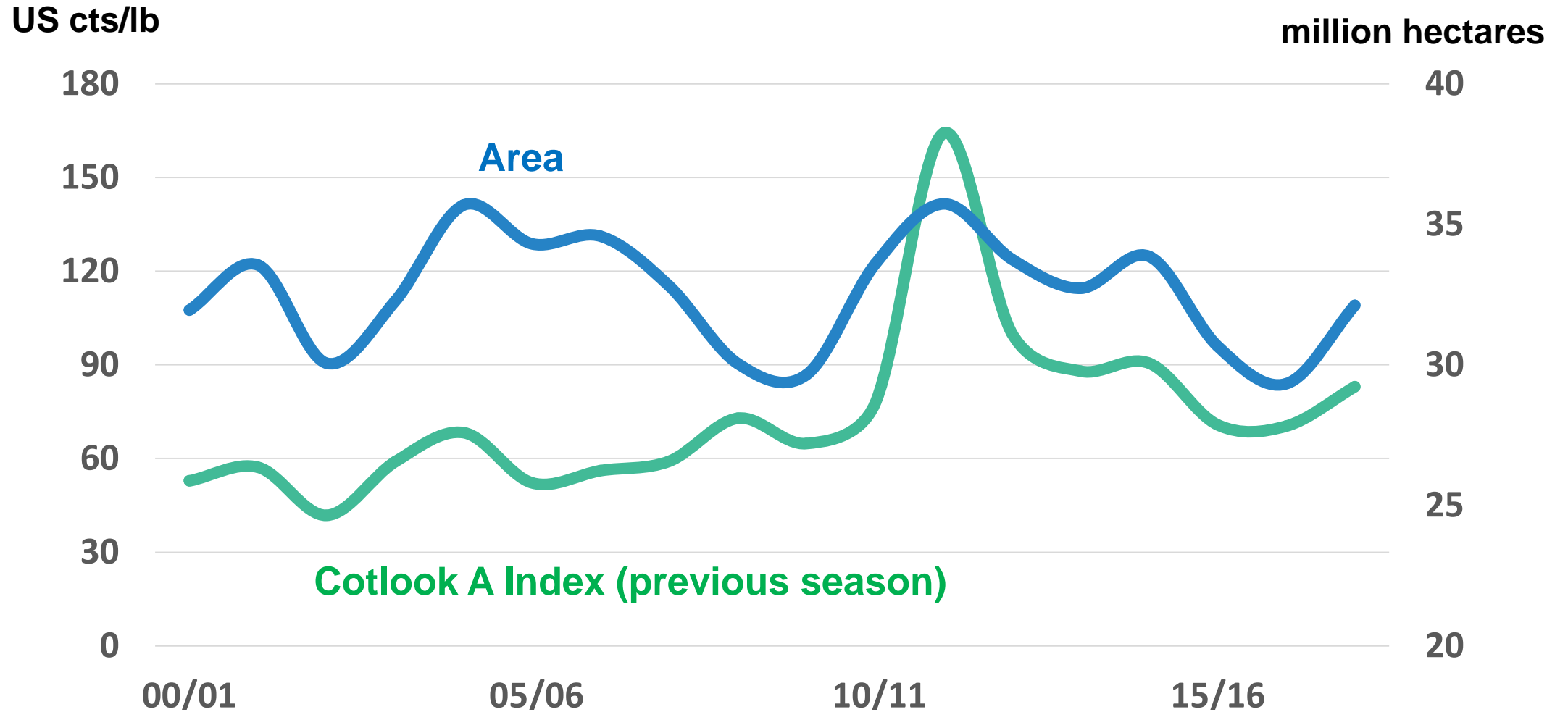
Cotton Production & Trade Trends



International Cotton
Advisory Committee

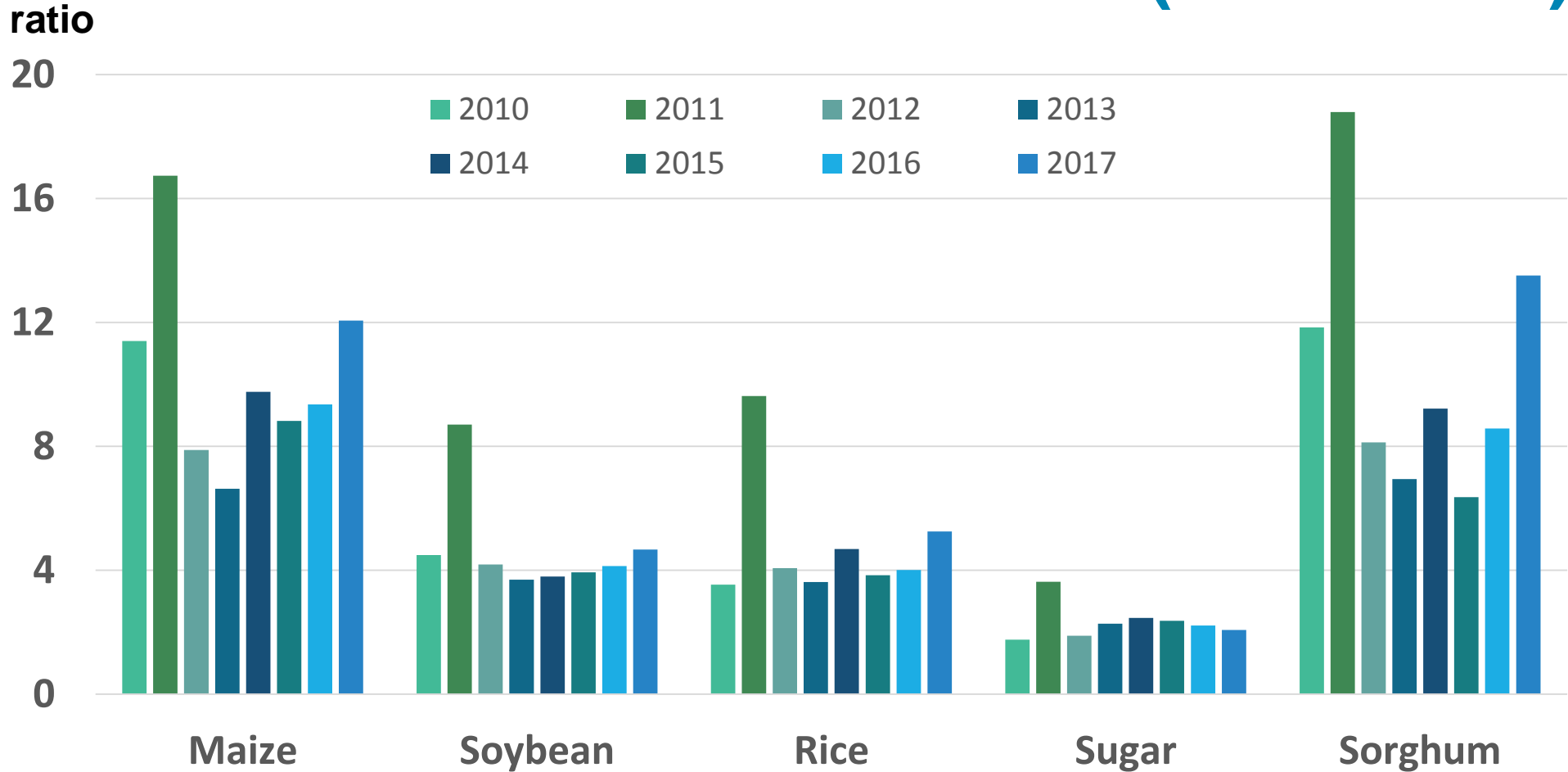


WORLD COTTON AREA AND PRICES



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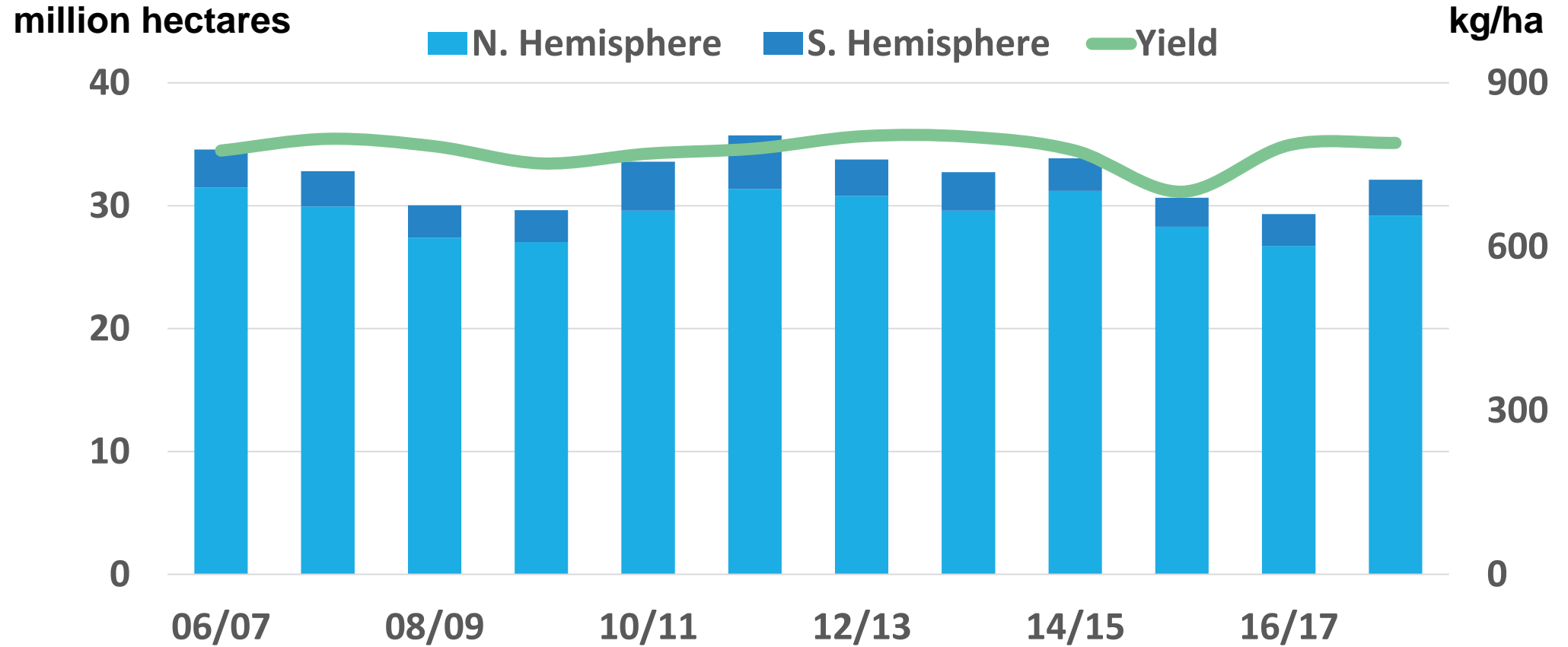
PRICE OF COTTON VS. COMPETING CROPS AT PLANTING TIME N. HEMISPHERE (2010-2017)*



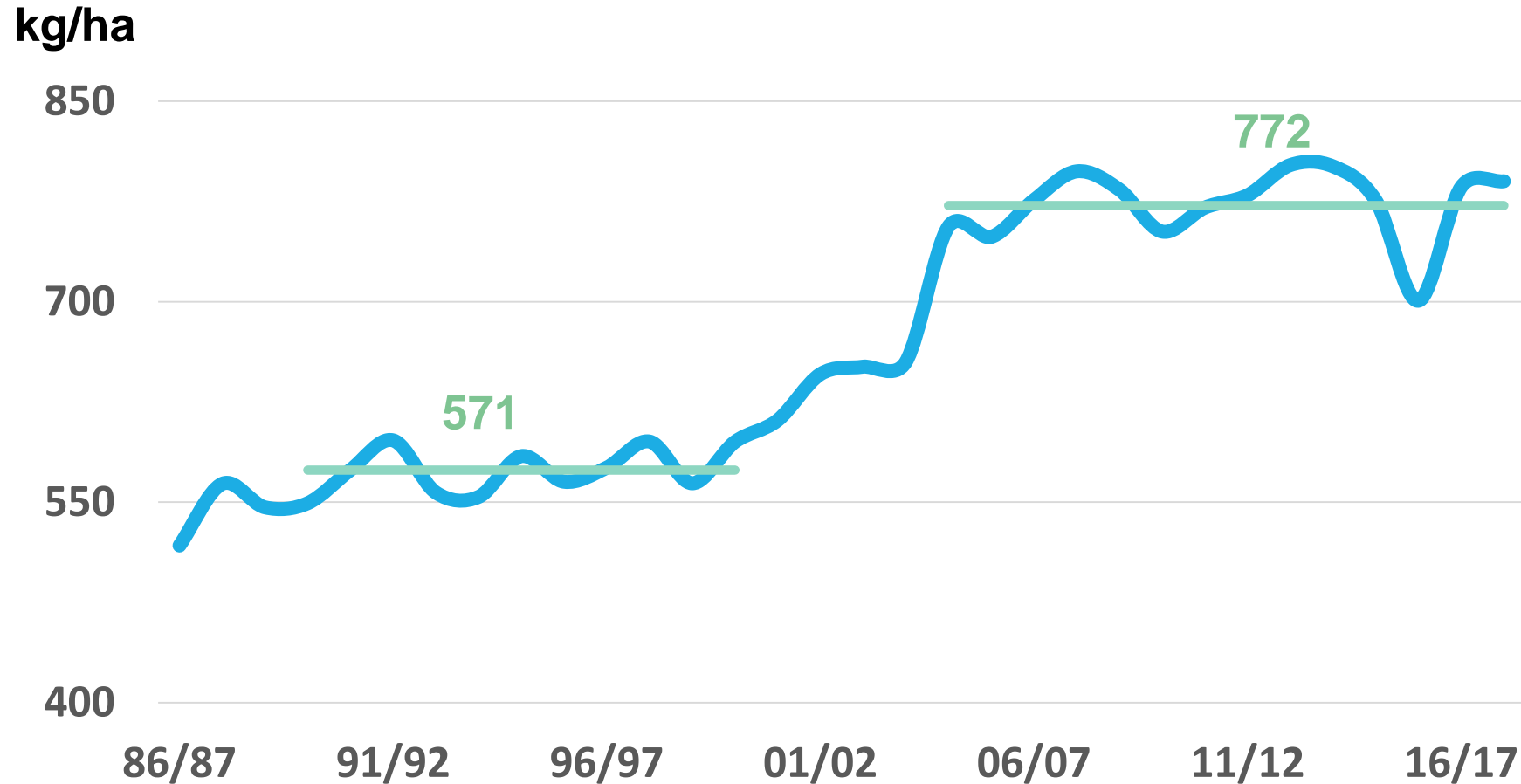
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*World Bank Commodities Price Data (The Pink Sheet)

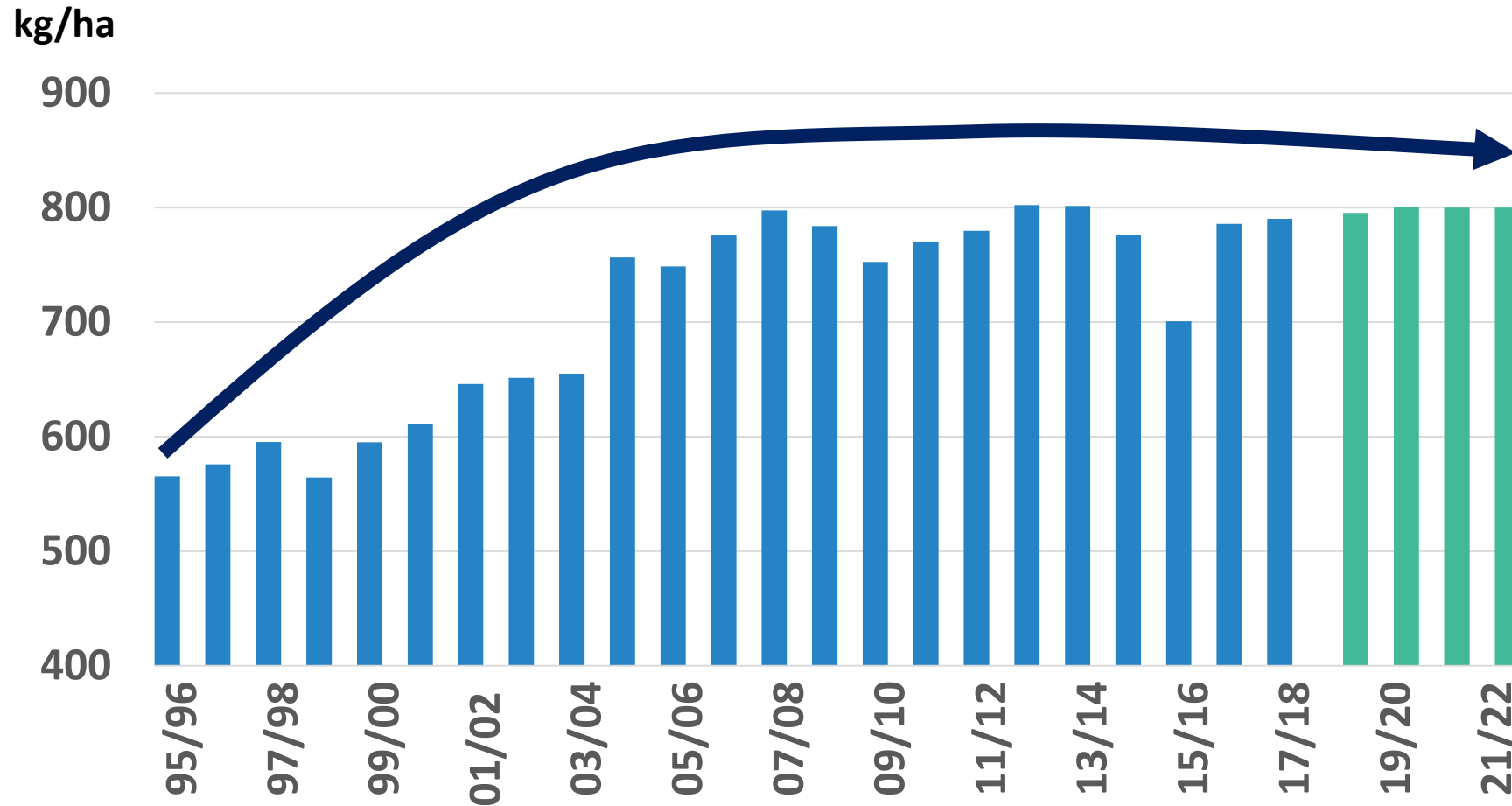
WORLD COTTON AREA AND YIELD



WORLD AVERAGE YIELD (rainfed + irrigated)

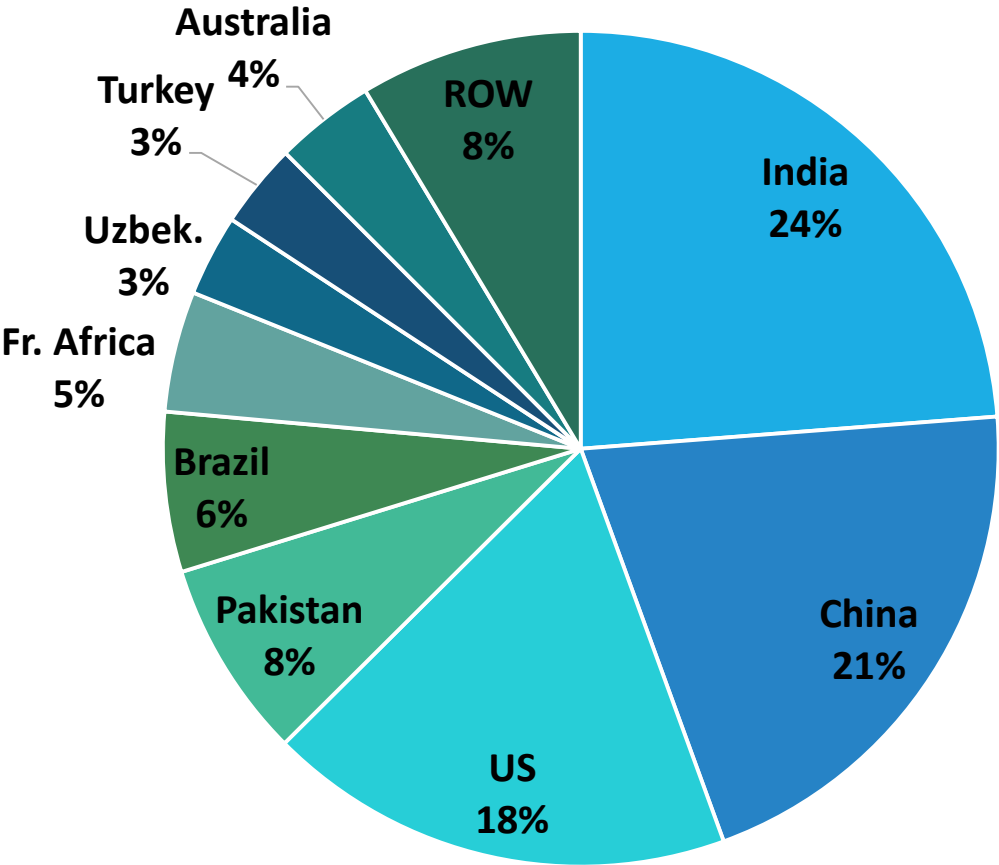


WORLD COTTON YIELDS REMAIN STAGNANT SINCE 2005/06



COTTON PRODUCTION BY COUNTRY

2017/18: 25.6 Million tons



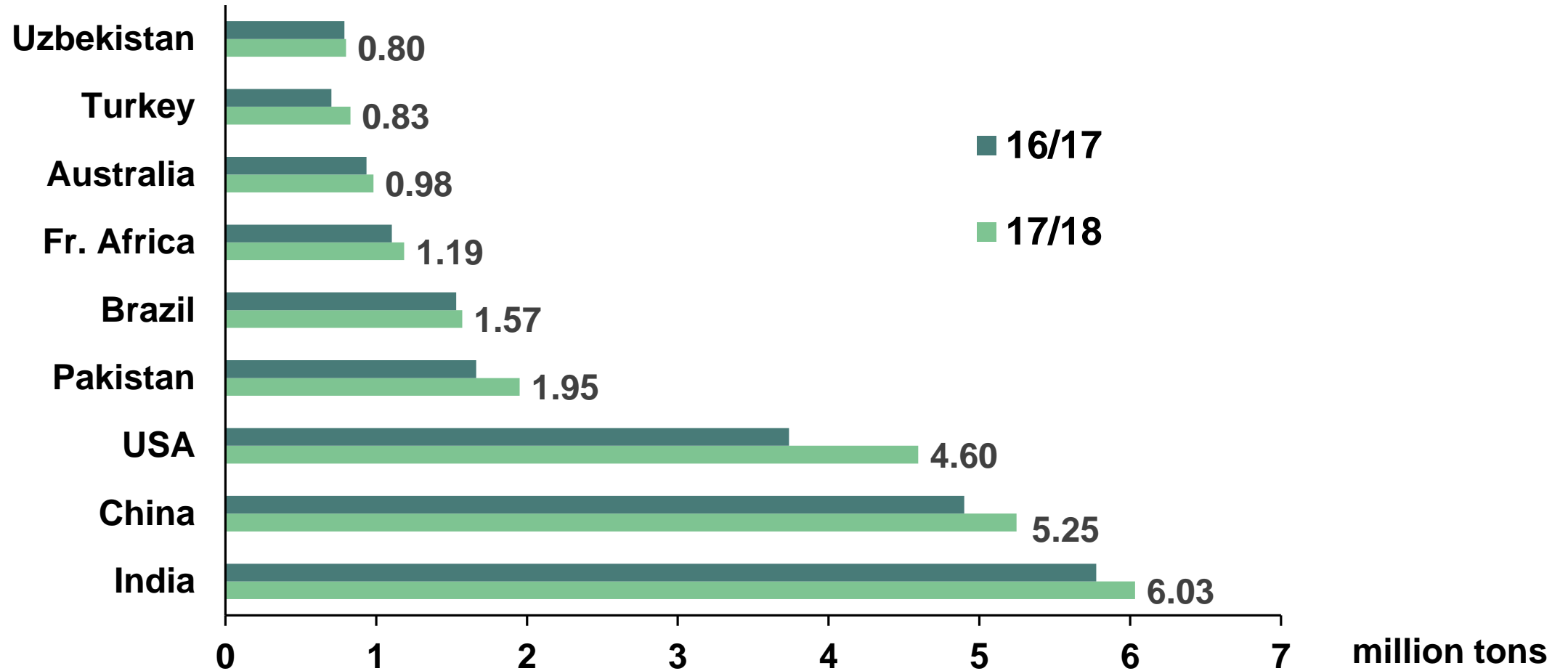
6 M

India is since 2015/16, the world's largest producer of cotton



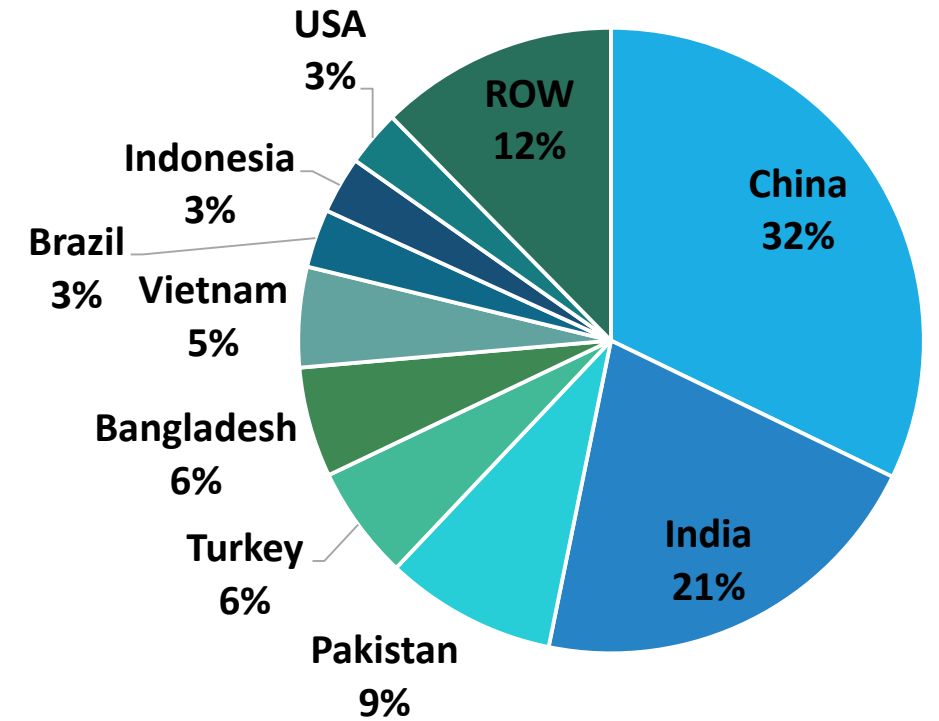
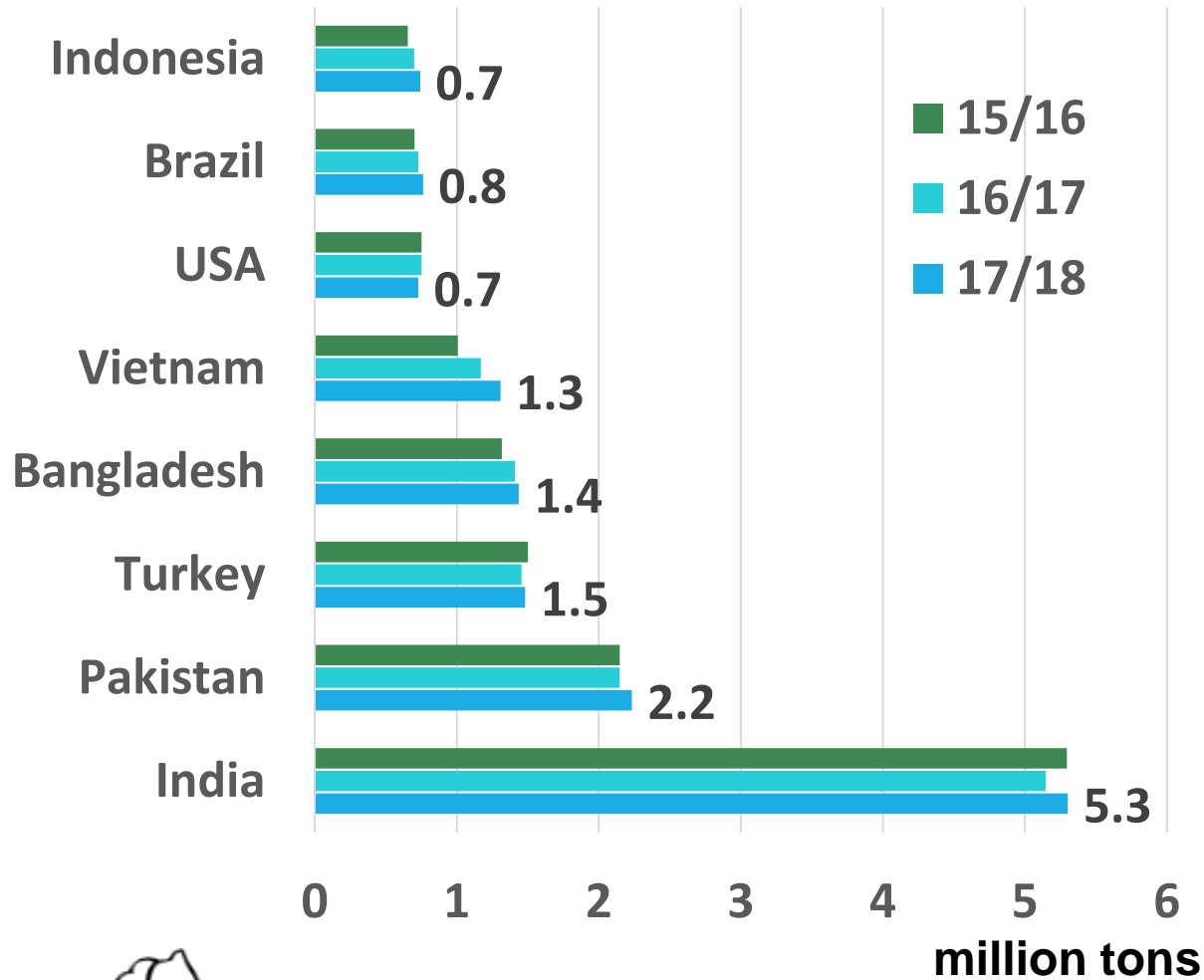
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CHANGES IN WORLD COTTON PRODUCTION



WORLD COTTON CONSUMPTION

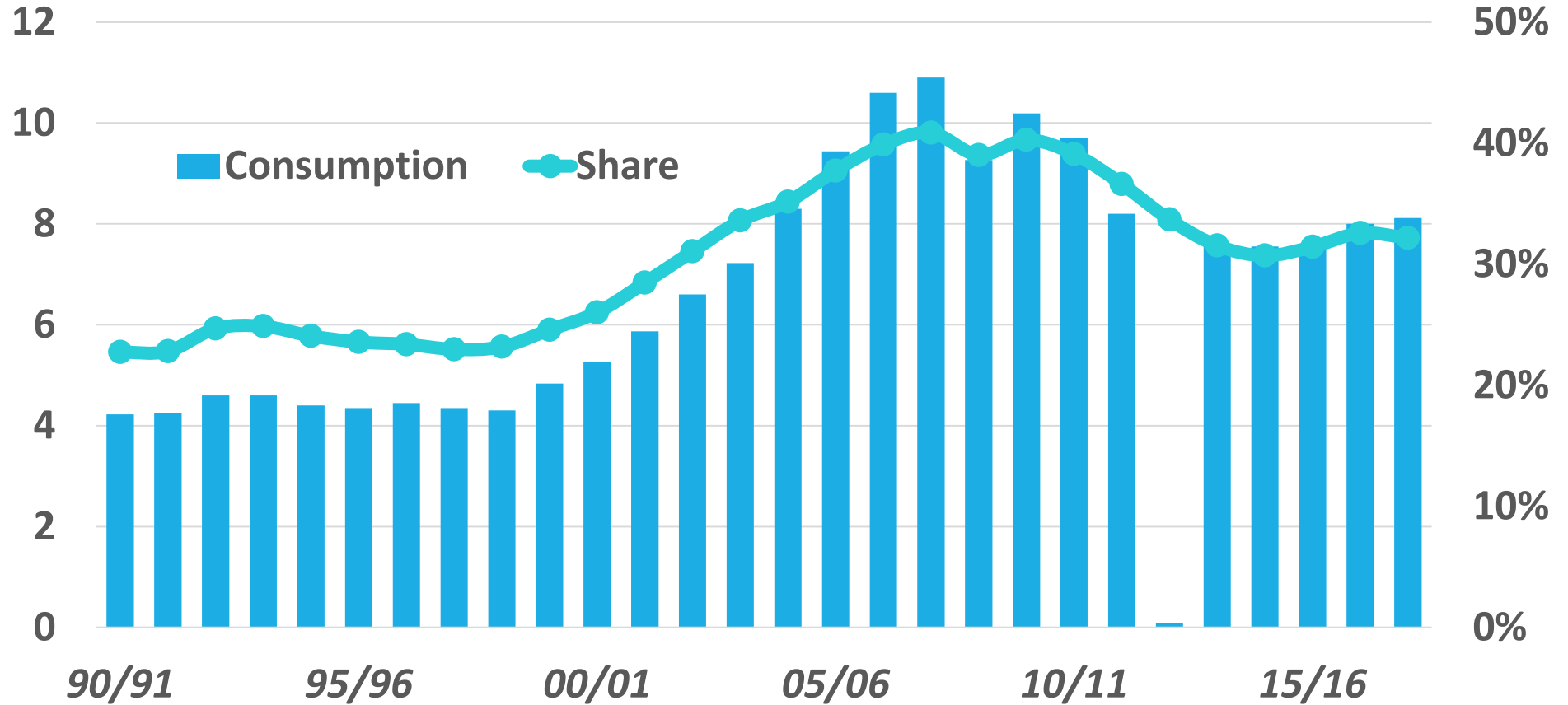
2017/18: 25.2 Million tons



CHINA COTTON CONSUMPTION

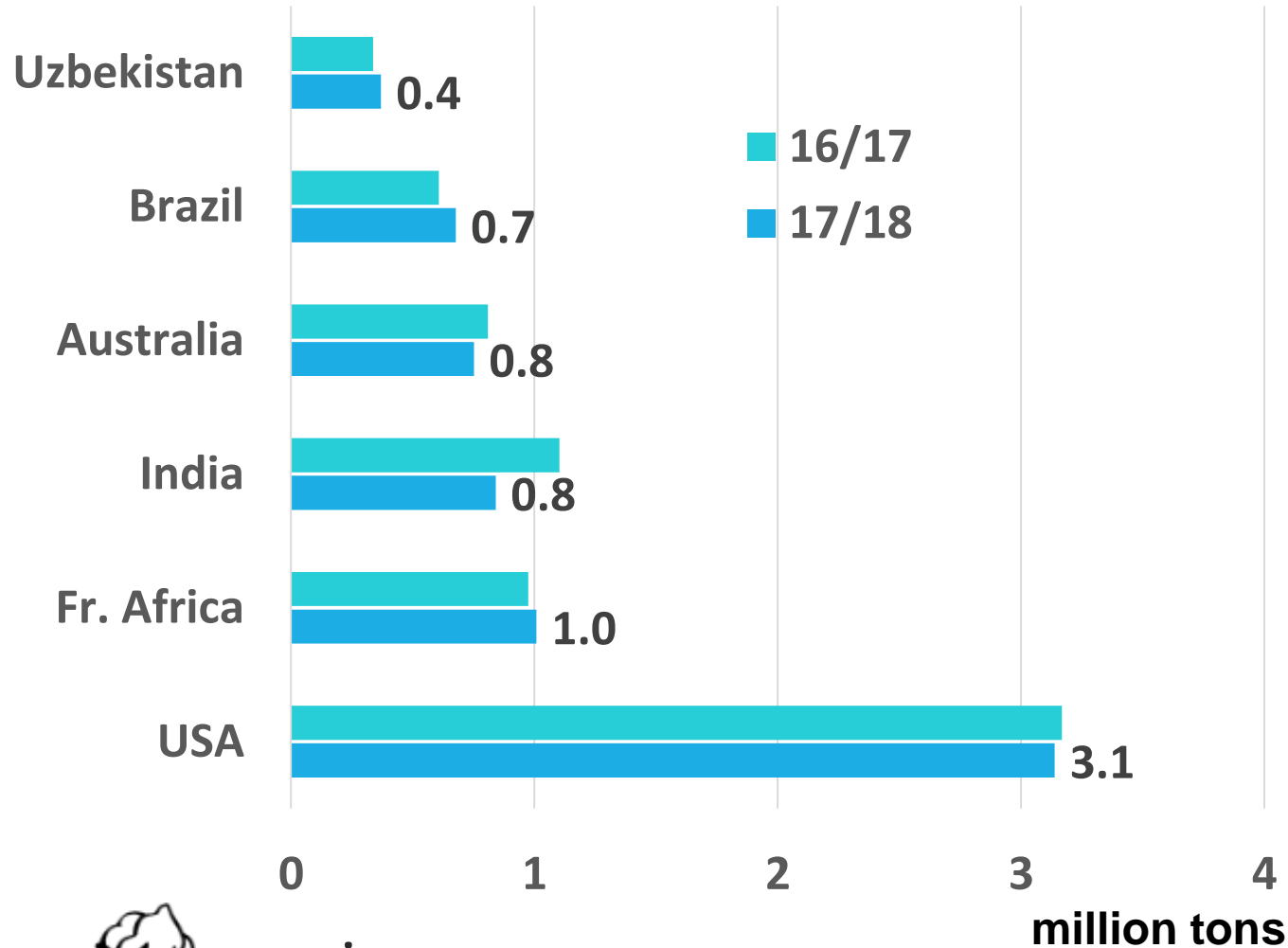
Million tons

Share



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WORLD COTTON EXPORTS

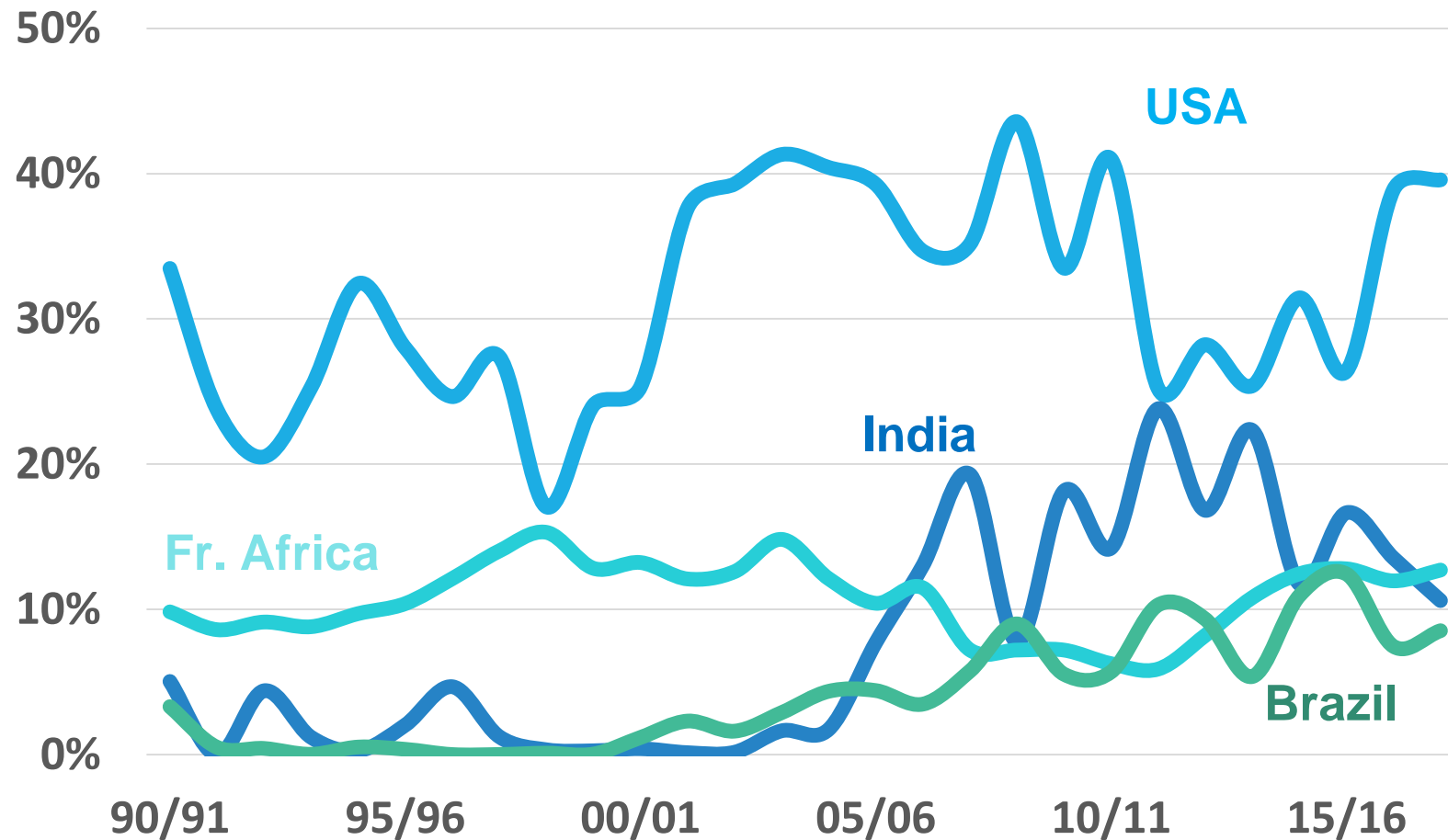


40%

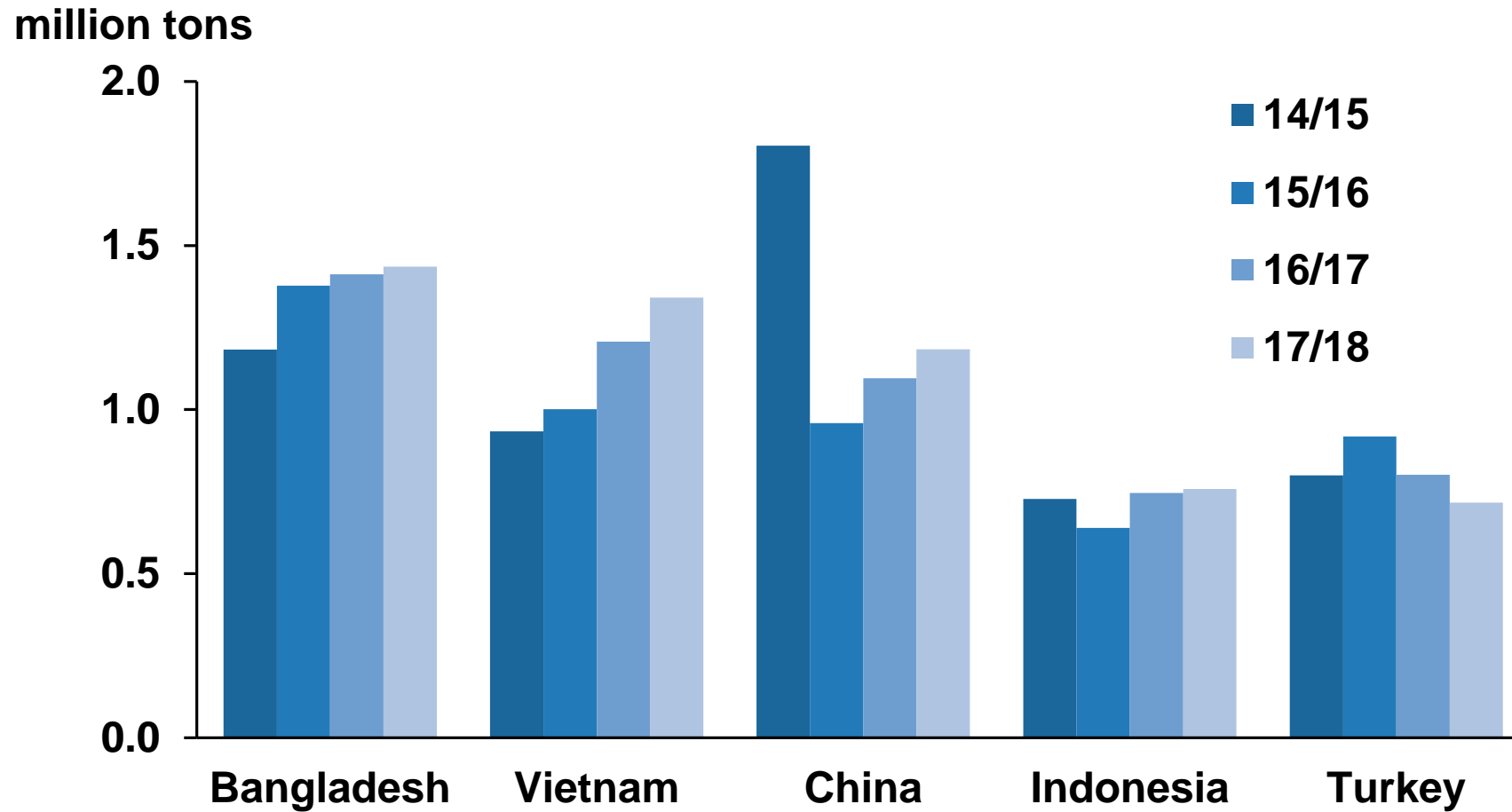
The U.S remains the world's largest exporter of cotton



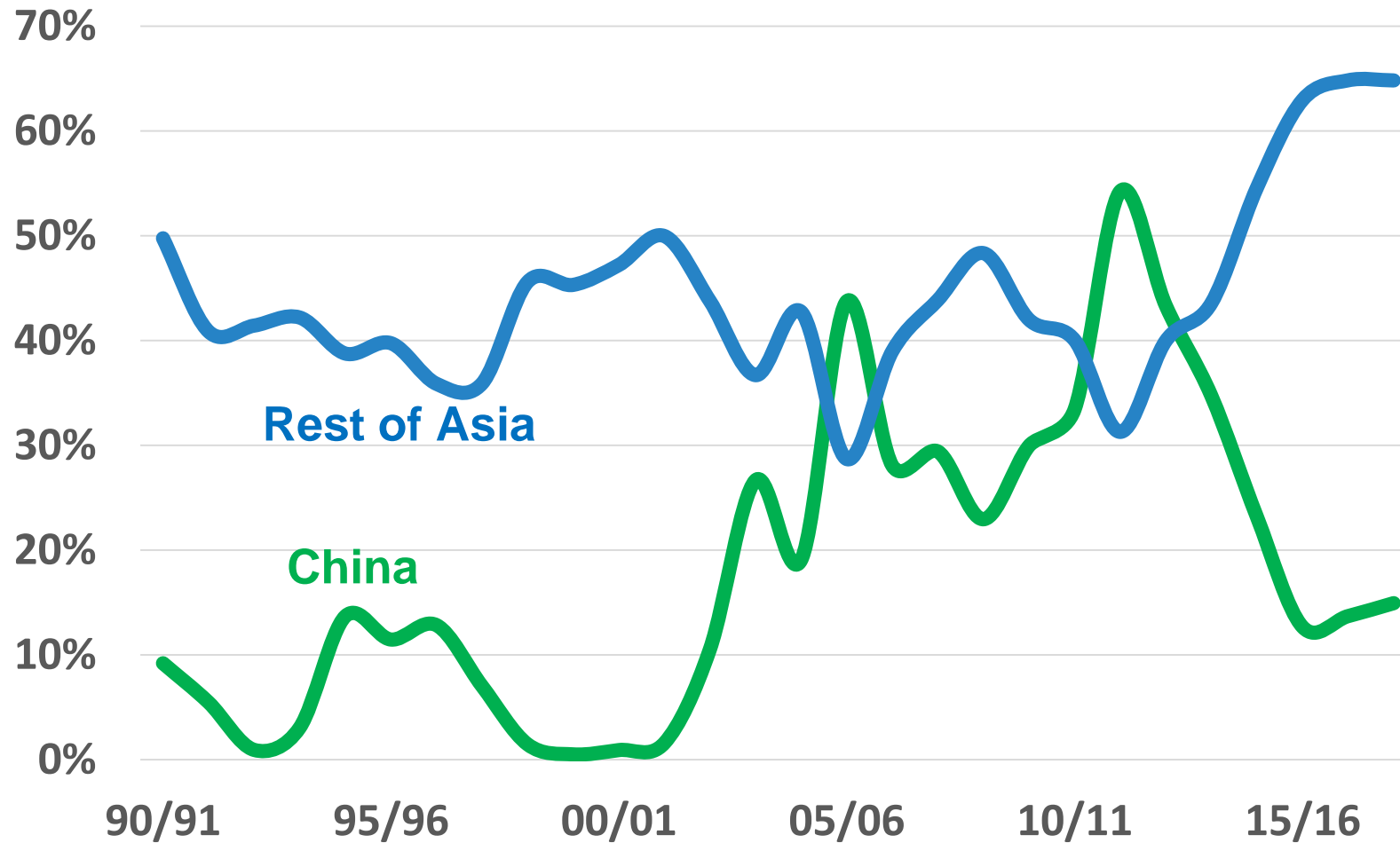
EXPORTS: SHARE OF WORLD TOTAL



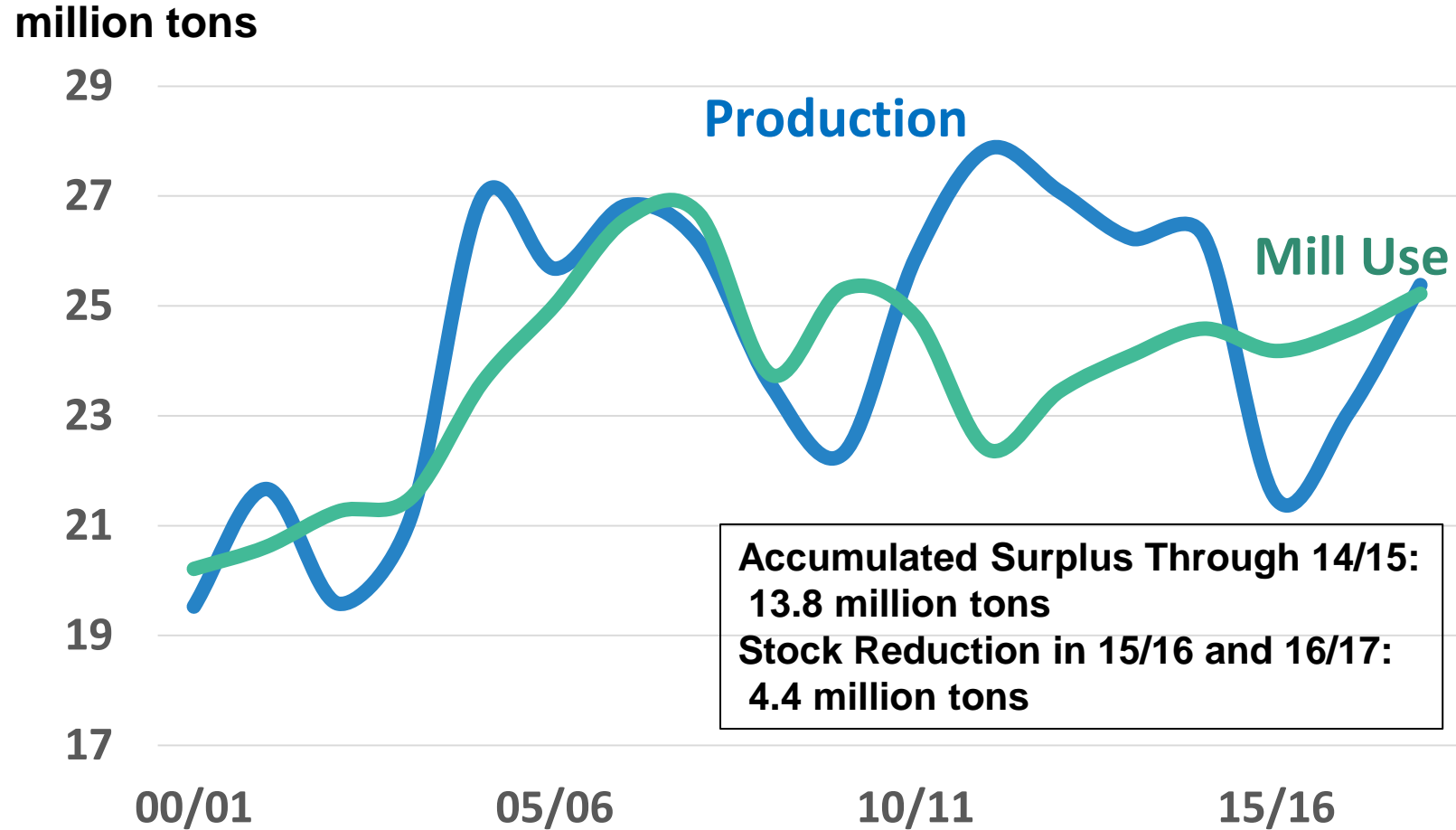
COTTON IMPORTS BY COUNTRY



SHARE OF WORLD IMPORTS

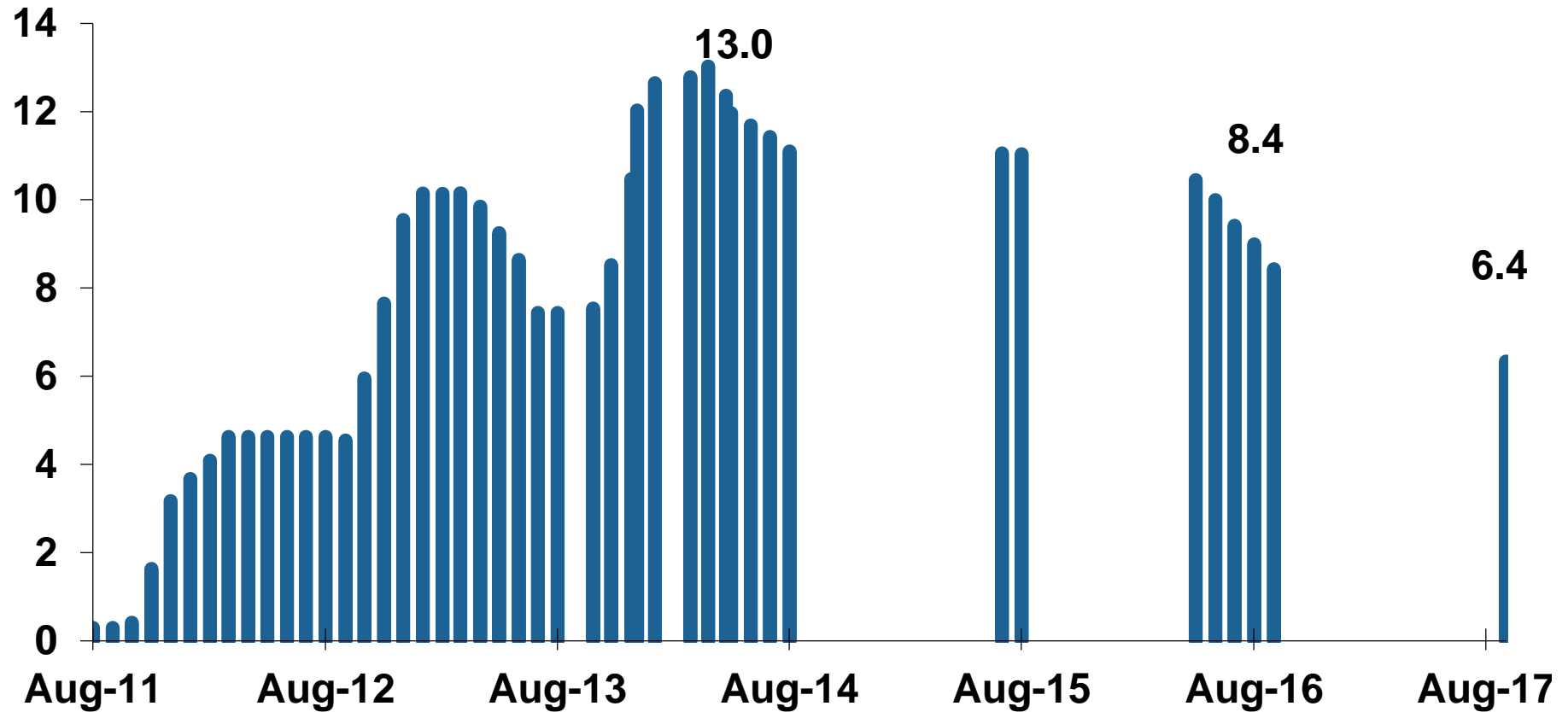


WORLD COTTON PRODUCTION AND MILL USE



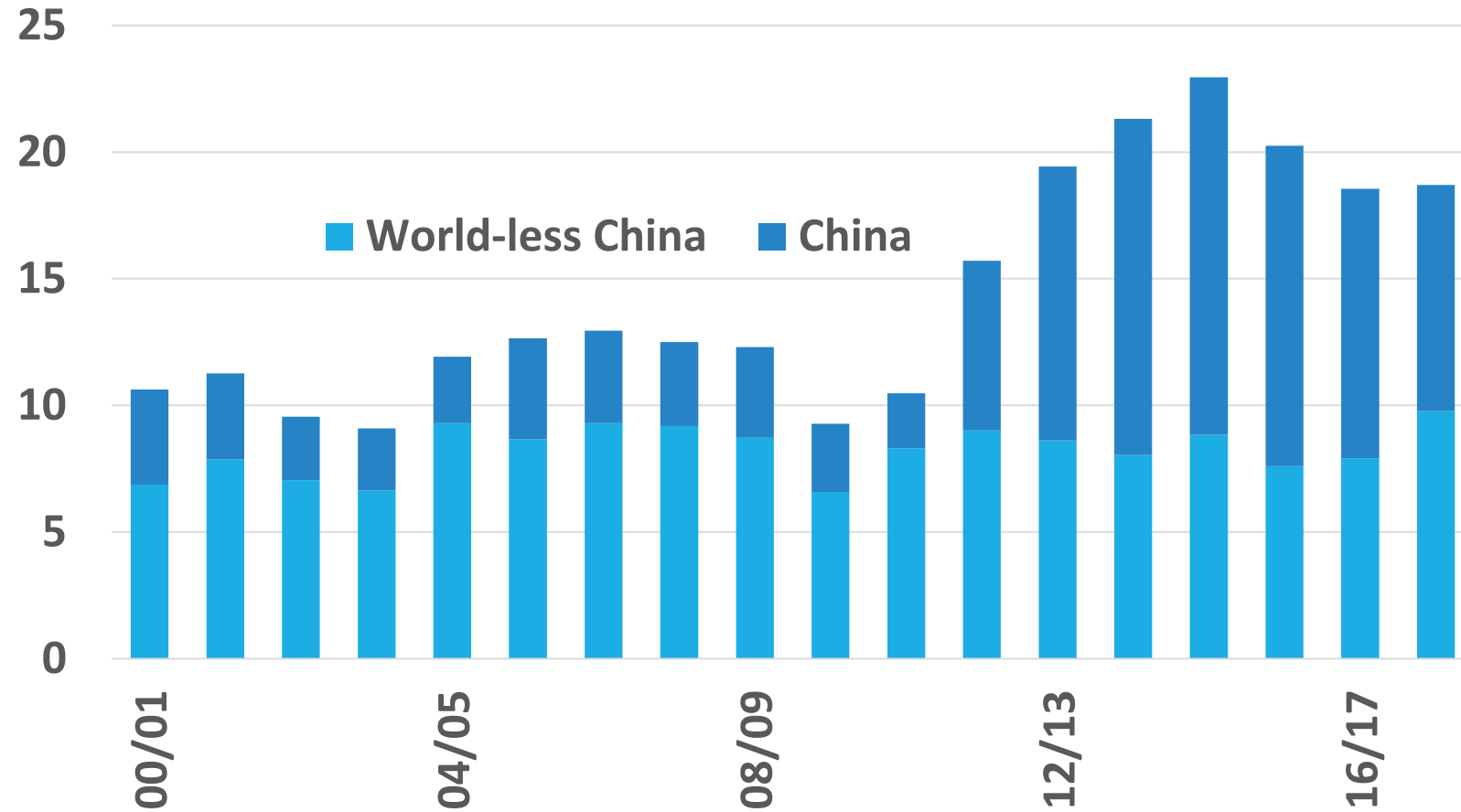
ESTIMATED SIZE OF CHINA NATIONAL RESERVE

million tons



WORLD ENDING STOCKS

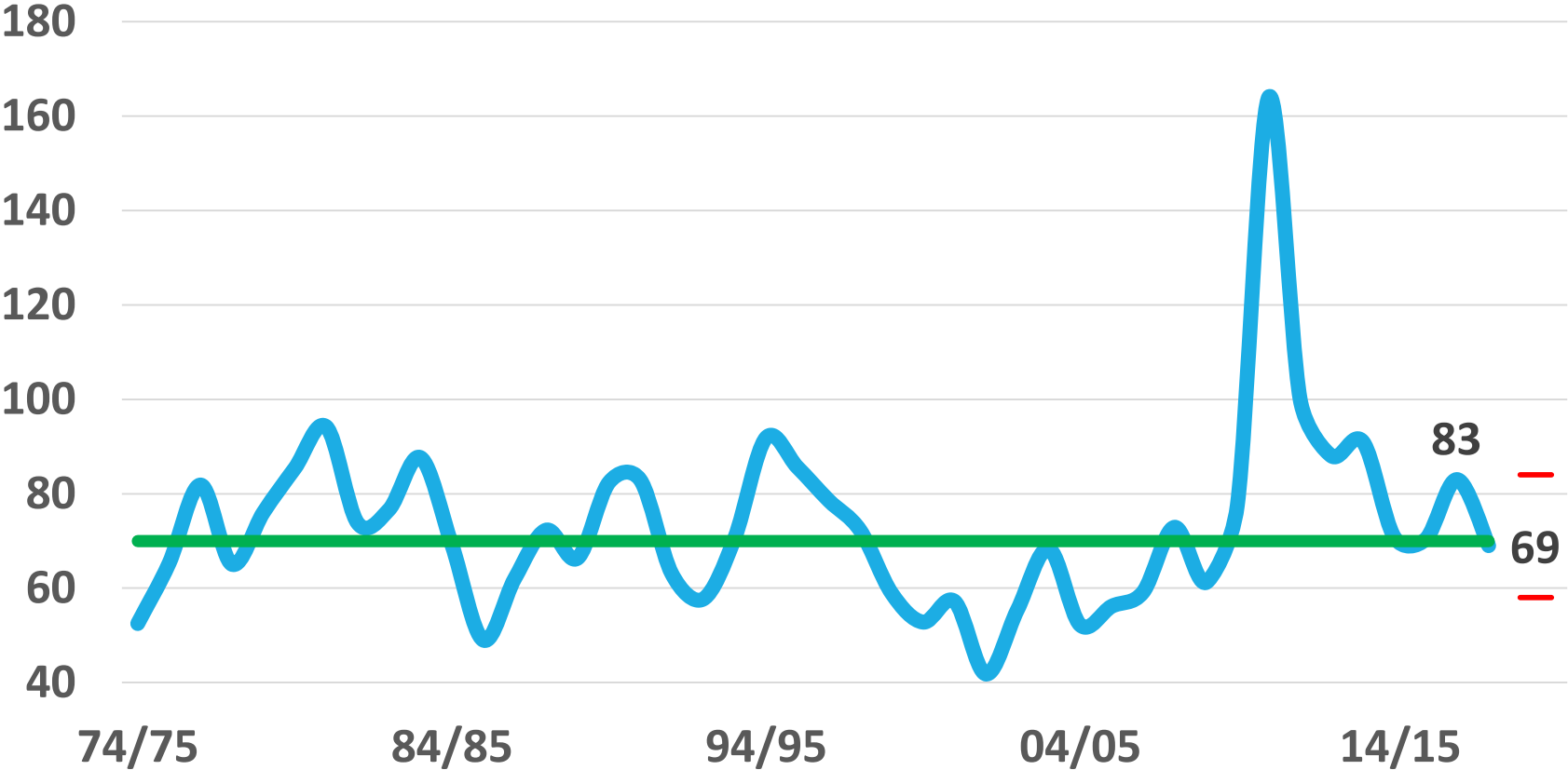
million tons



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COTLOOK A INDEX

Season-average (US cents/lb)



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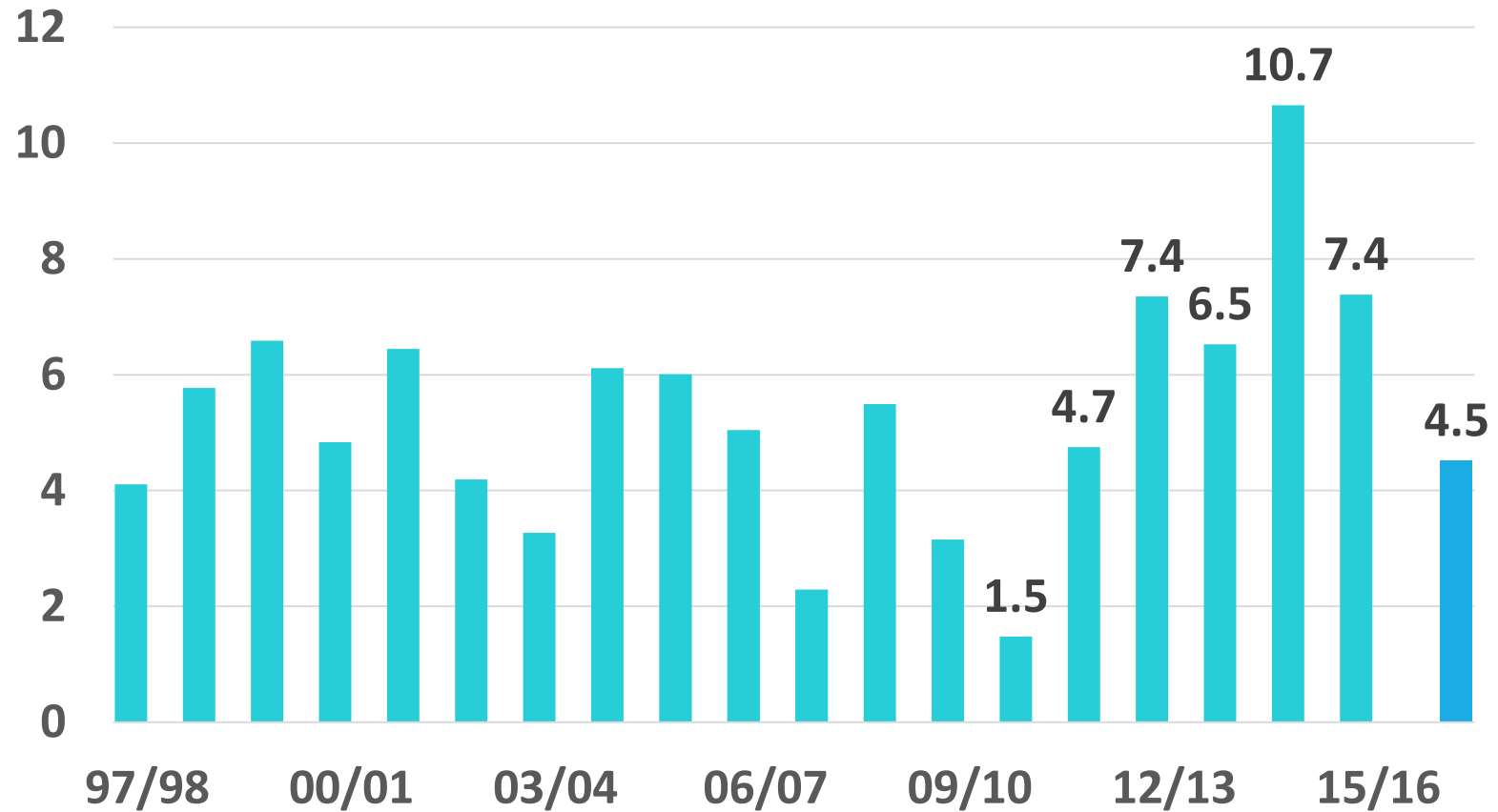
ASSISTANCE TO COTTON PRODUCTION

- Direct support to production
- Border protection
- Crop insurance subsidies
- Minimum support price mechanisms
- Input subsidies
- Transportation subsidies



ASSISTANCE TO COTTON

Billion US\$

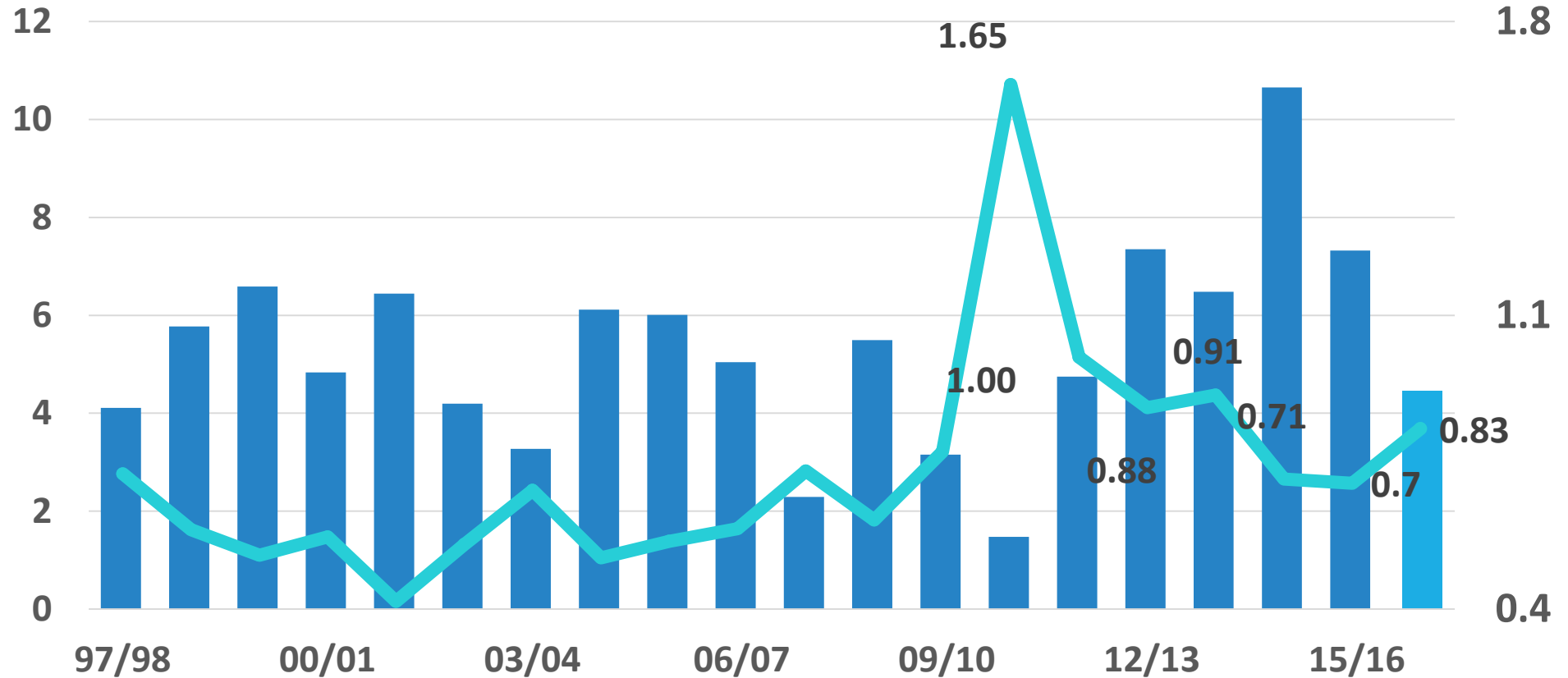


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ASSISTANCE TO COTTON AND PRICES

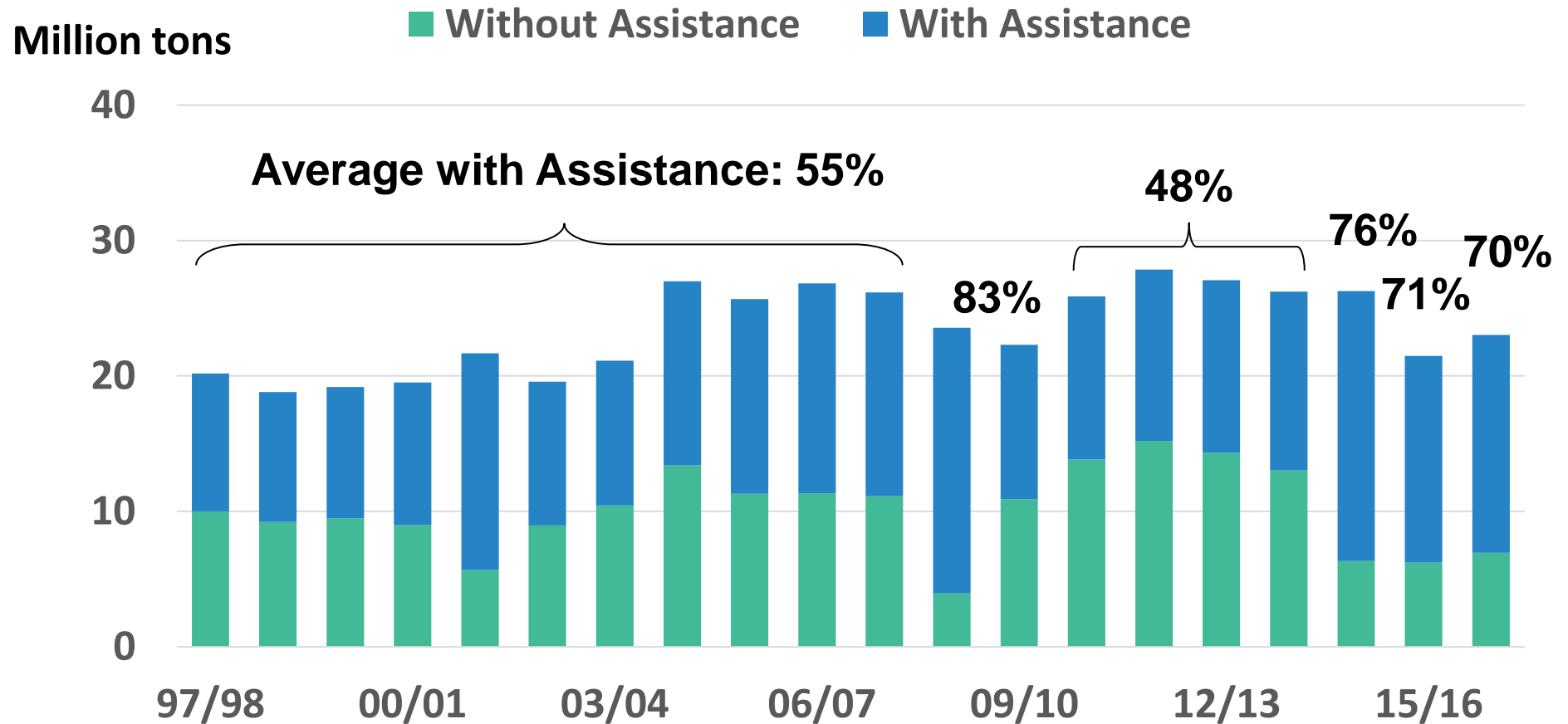
Billion US\$

A Index (US\$/lb)



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WORLD COTTON PRODUCTION UNDER ASSISTANCE



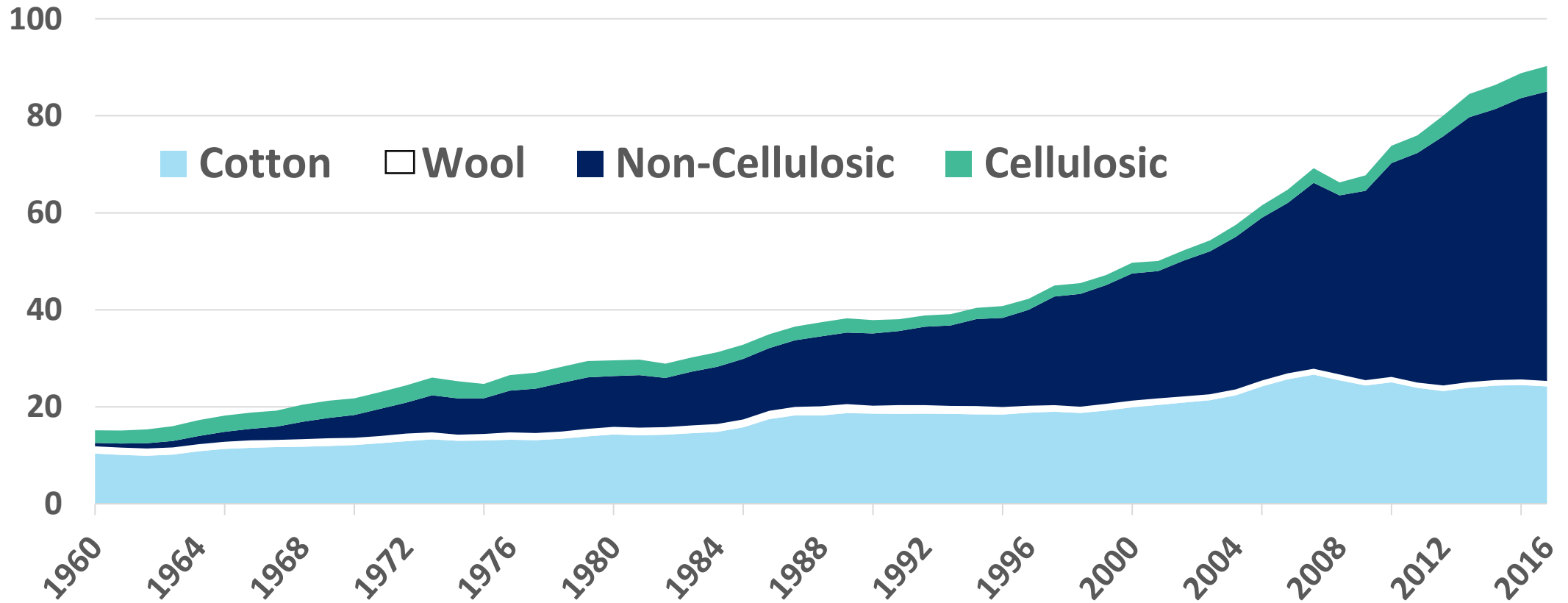
WORLD TEXTILE FIBRE DEMAND (END-USE)



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WORLD CONSUMPTION OF MAJOR TEXTILE FIBRES

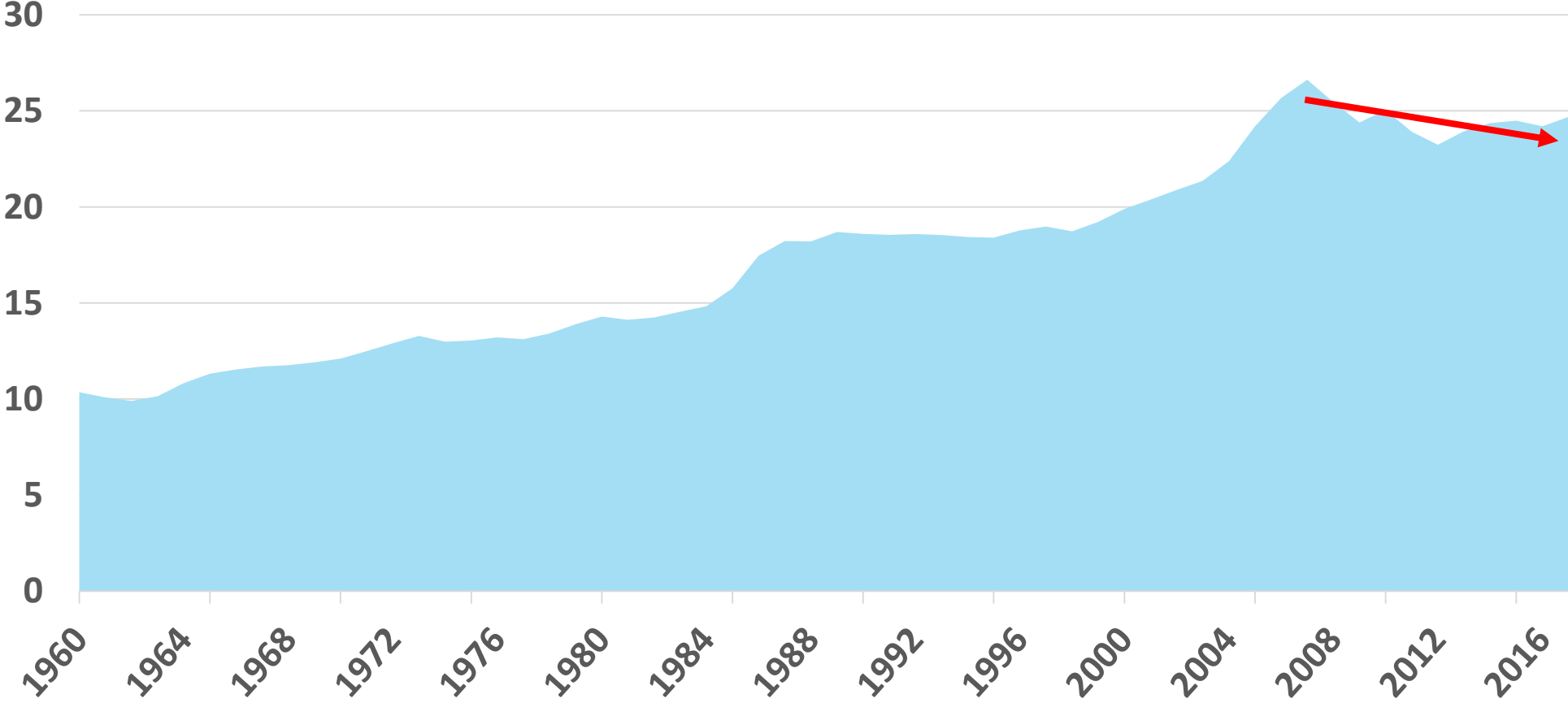
Million tons



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WORLD COTTON CONSUMPTION REMAINS BELOW PEAK

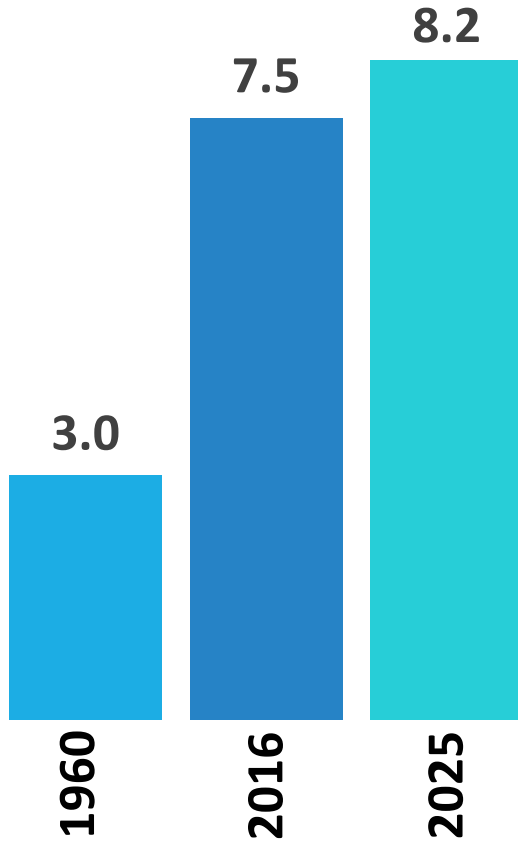
Million tons



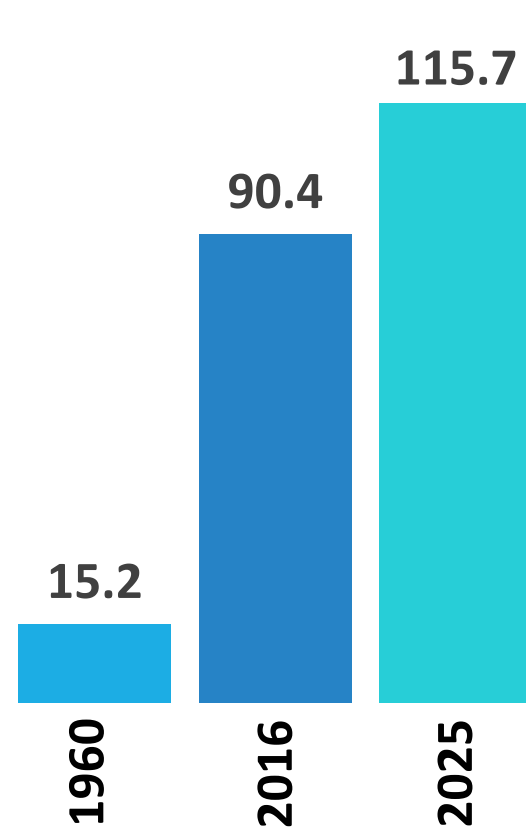
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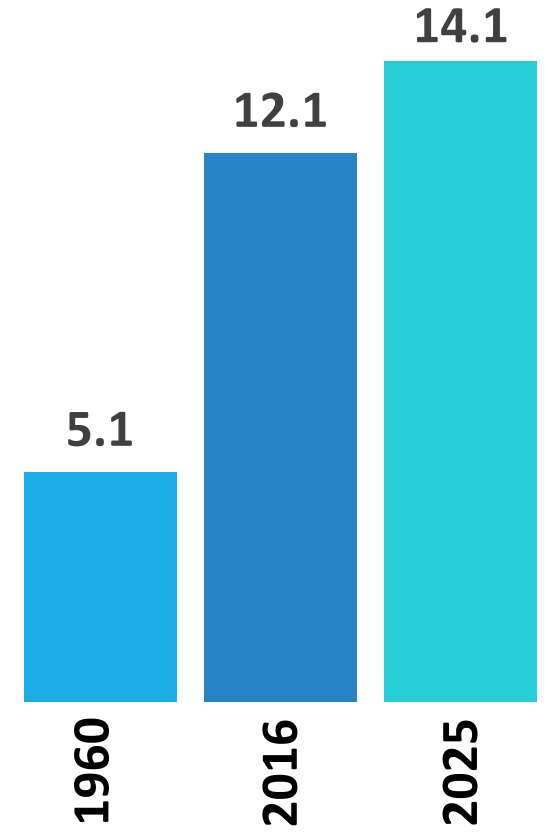
POPULATION Billions



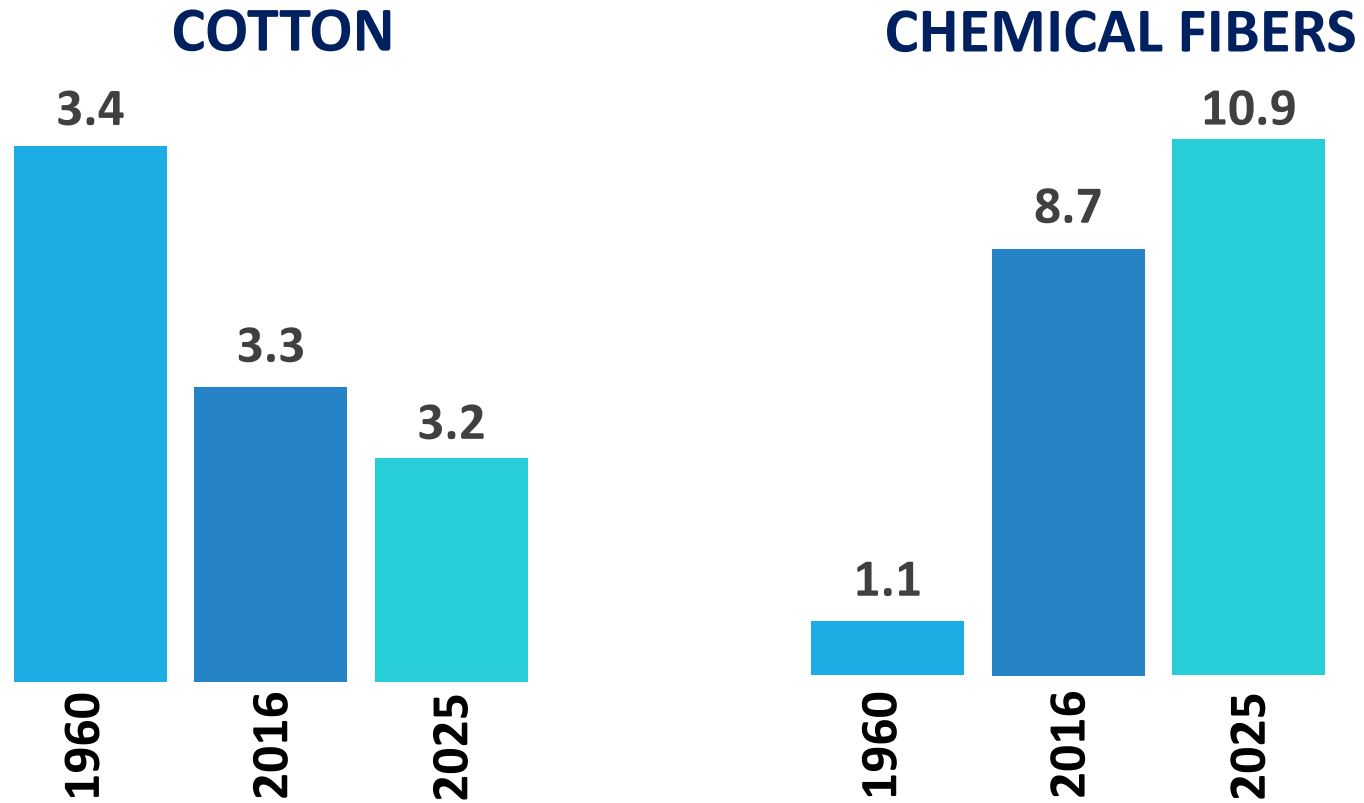
WORLD TEXTILE FIBER CONSUMPTION Million tons



TEXTILE FIBER CONSUMPTION Kgs per capita



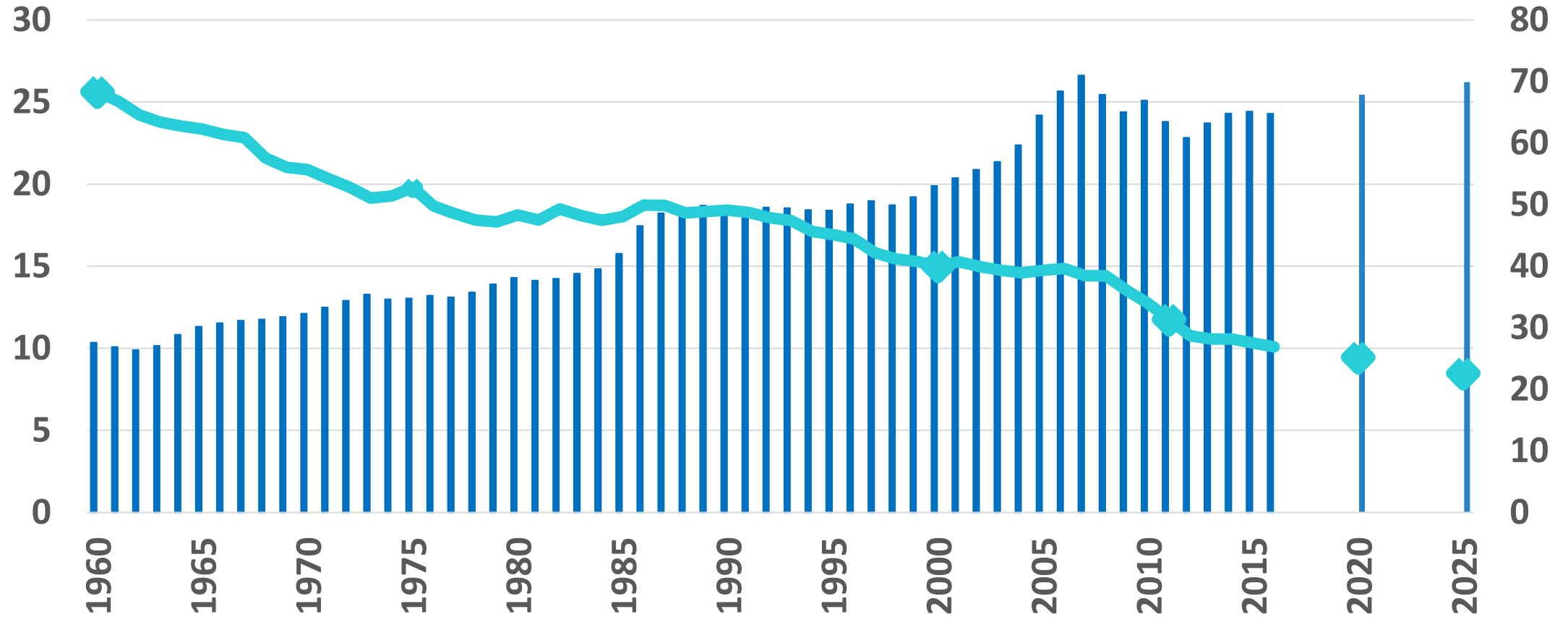
WORLD CONSUMPTION PER CAPITA Kilograms



COTTON'S MARKET SHARE

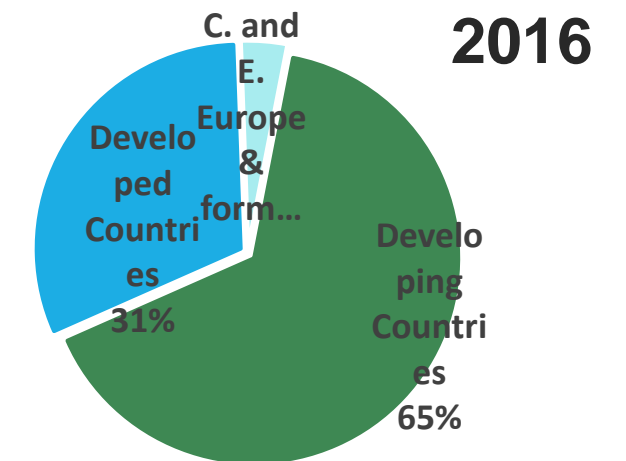
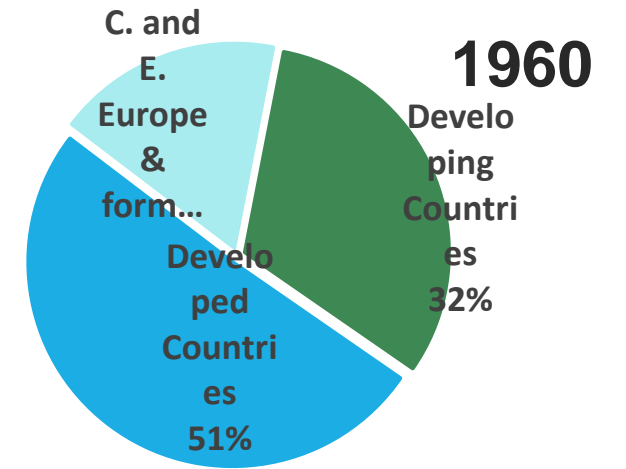
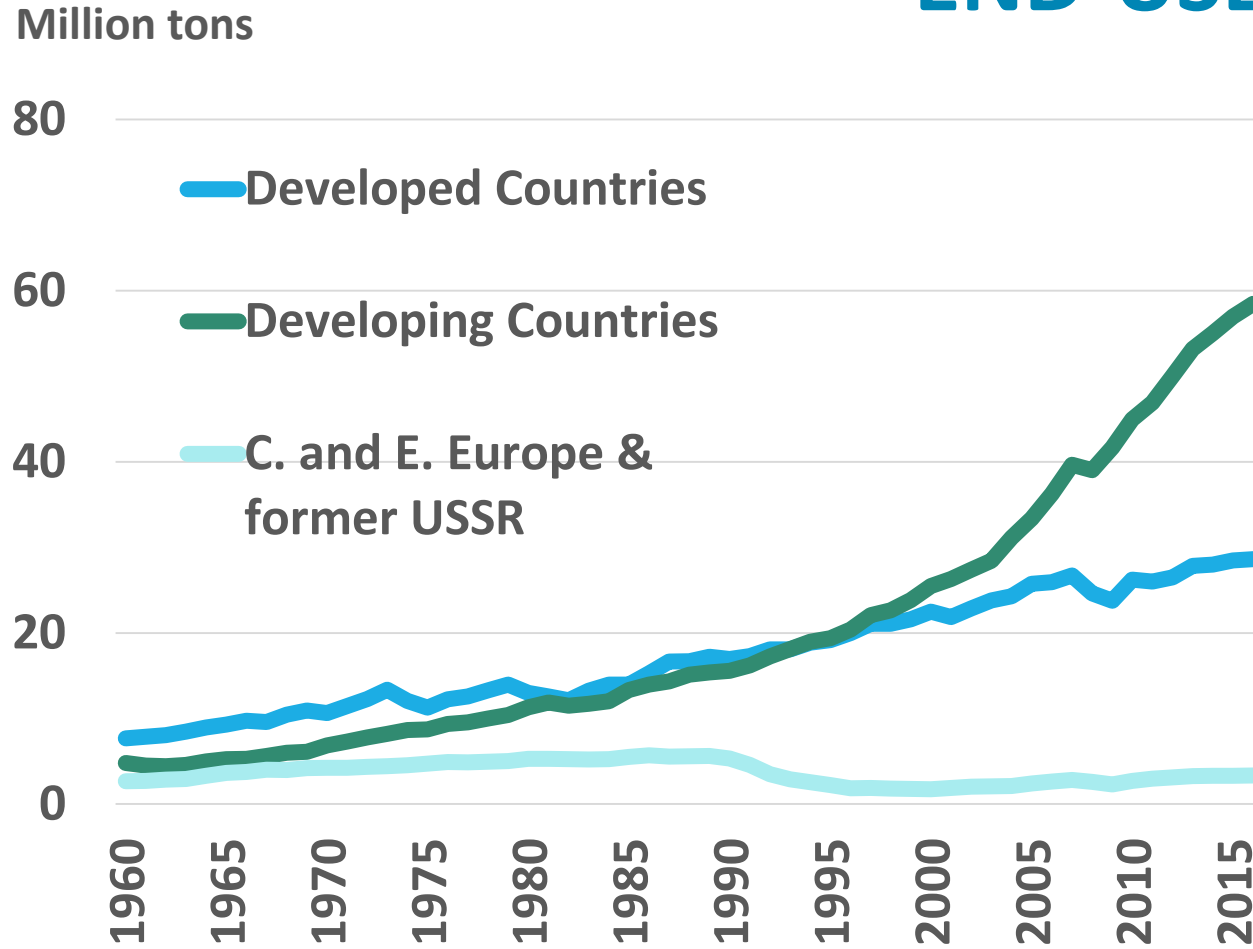
Million tons

Market Share (%)

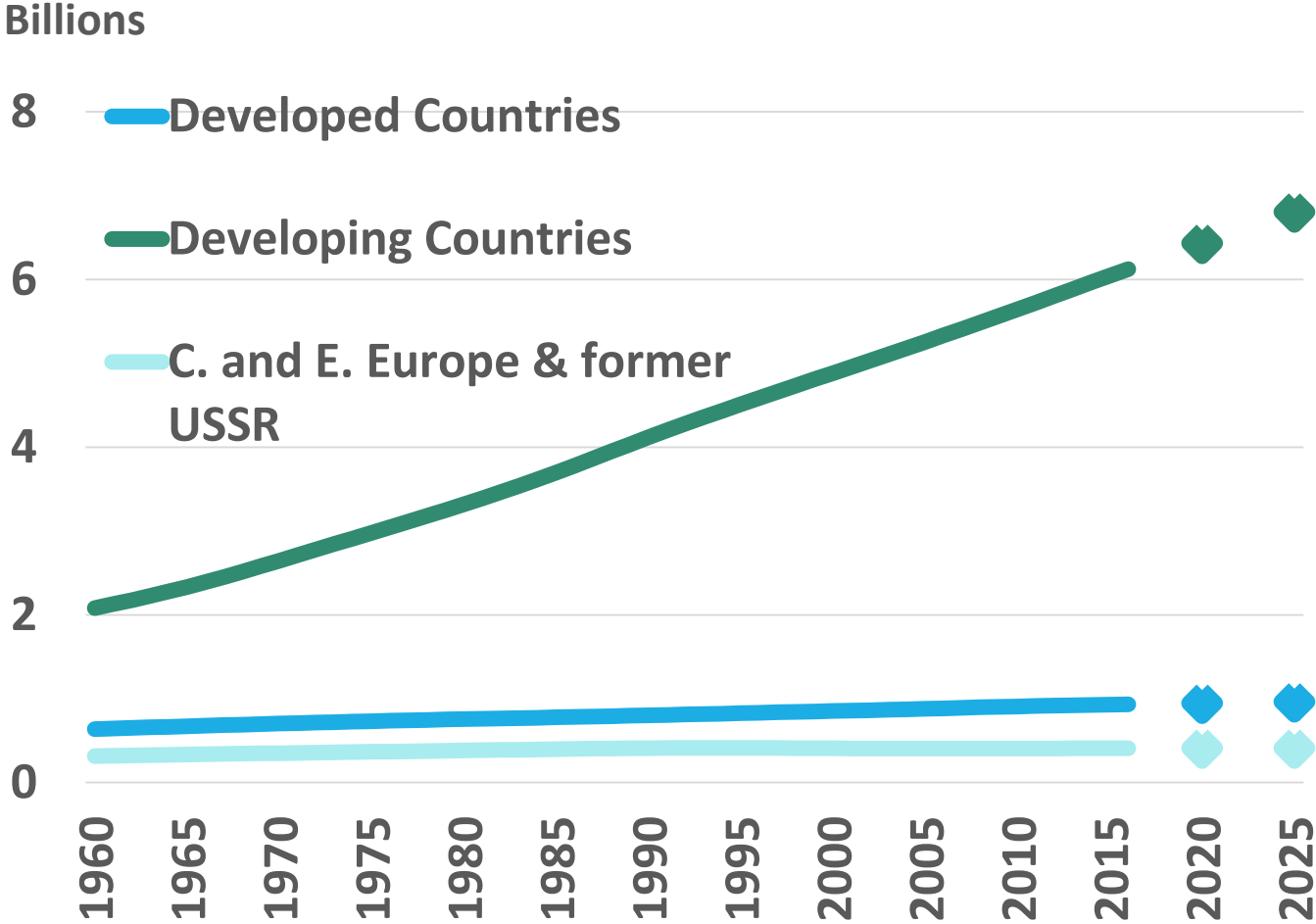


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TEXTILE FIBRE CONSUMPTION BY REGION END-USE



WORLD POPULATION



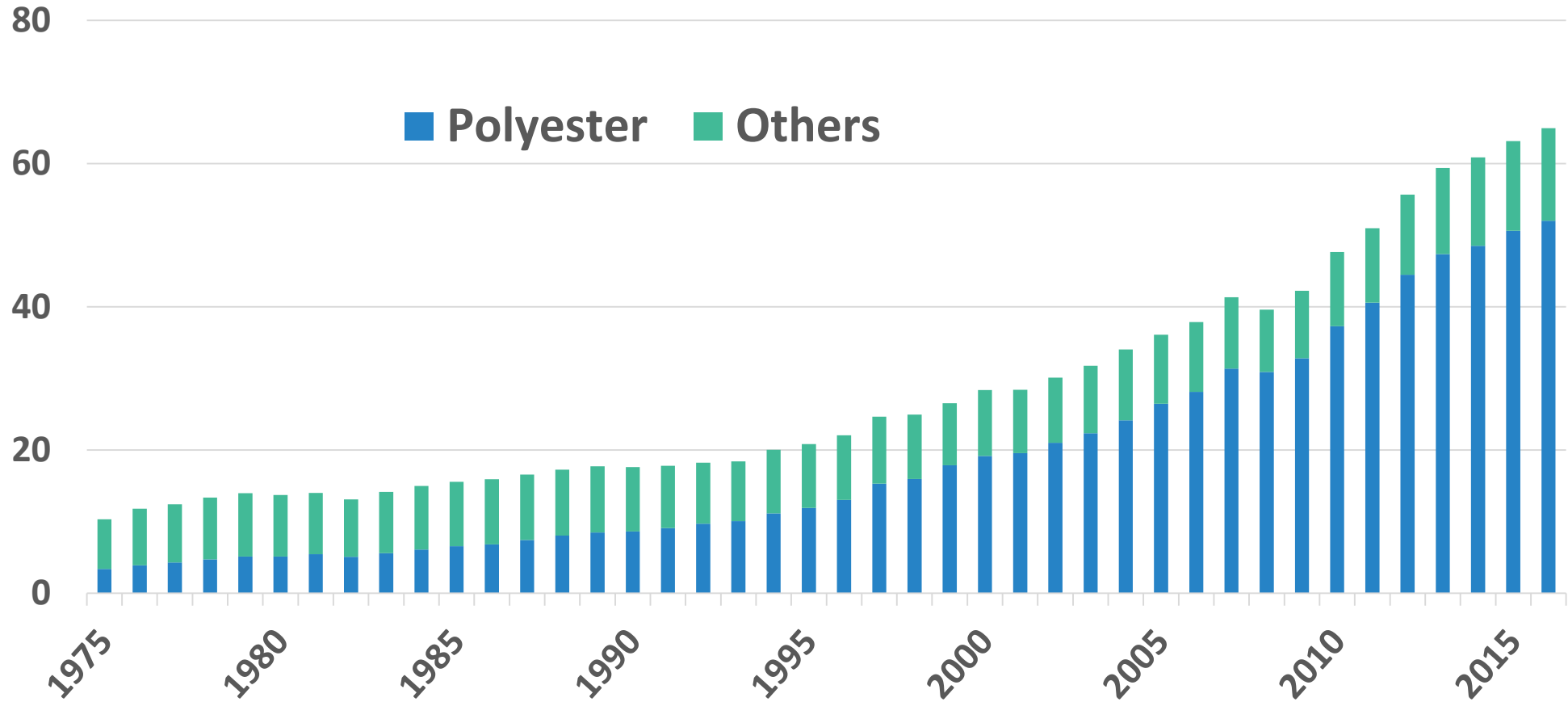
Change in Population (Billions)

	Africa	Asia	M.E & Europe	L.A & Caribbean
2017	1.3	4.0	0.3	0.6
2025	1.5	4.2	0.4	0.7
2050	2.5	4.6	0.5	0.8



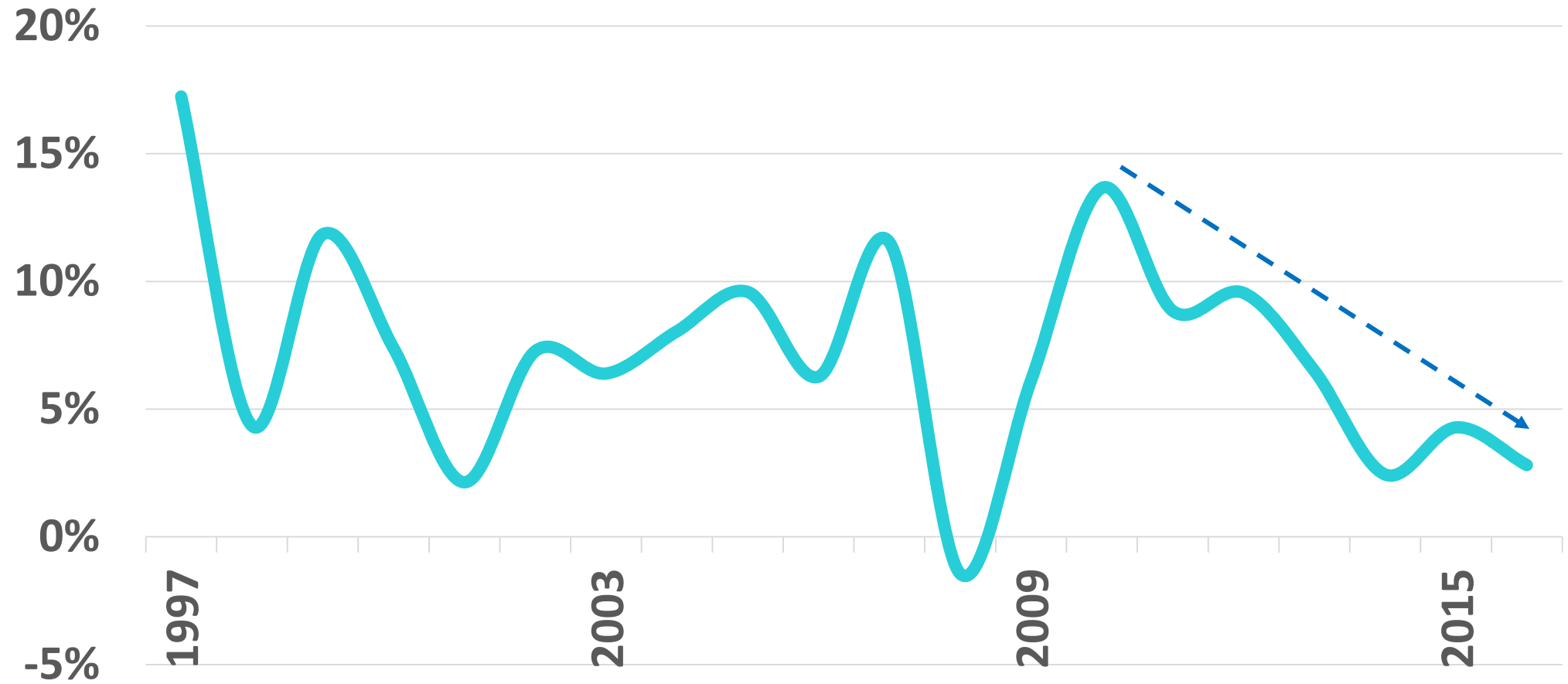
WORLD CHEMICAL FIBER YARN PRODUCTION BY FIBRE TYPE

Million tons



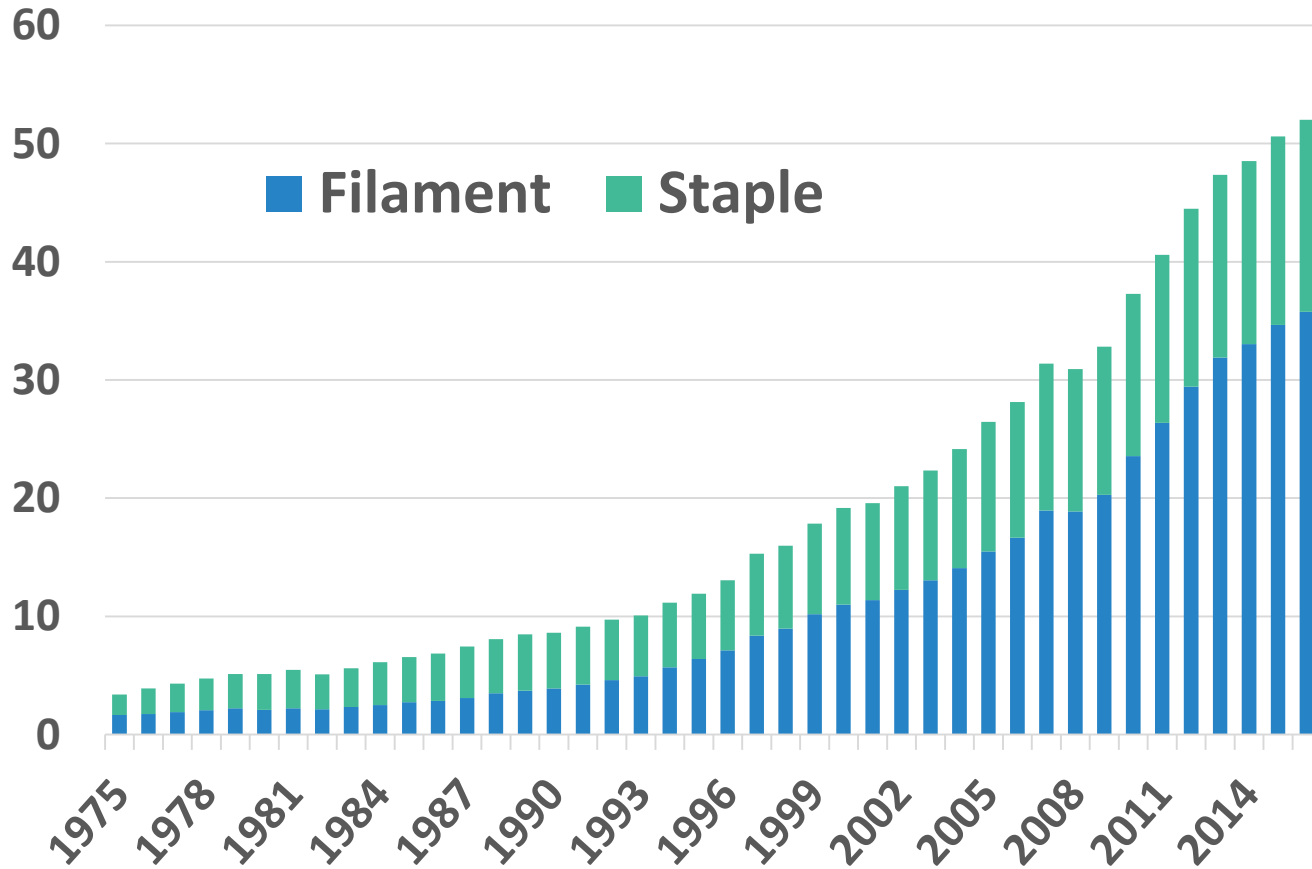
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POLYESTER FIBRE PRODUCTION GROWTH RATES



GLOBAL POLYESTER PRODUCTION BY FIBRE TYPE

Million tons



8% CAGR

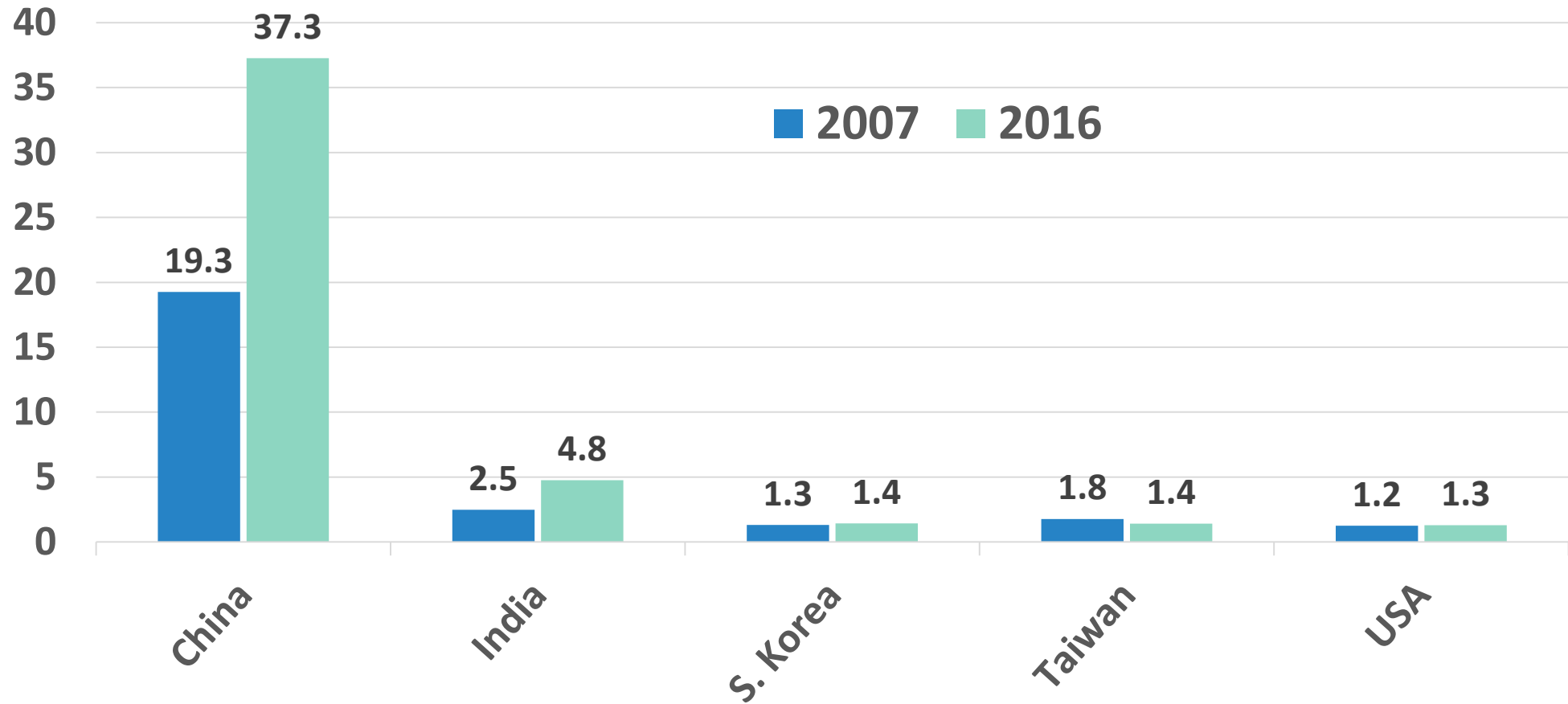
Polyester Filament production has nearly tripled since 2002.



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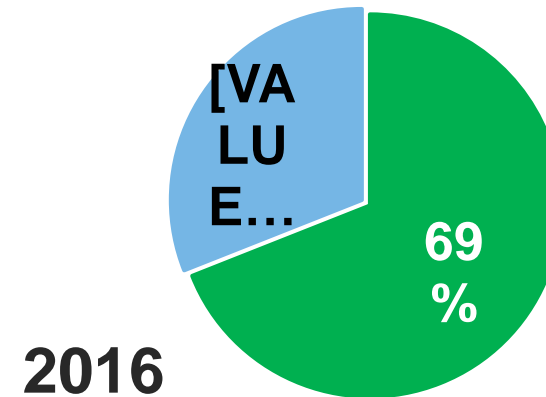
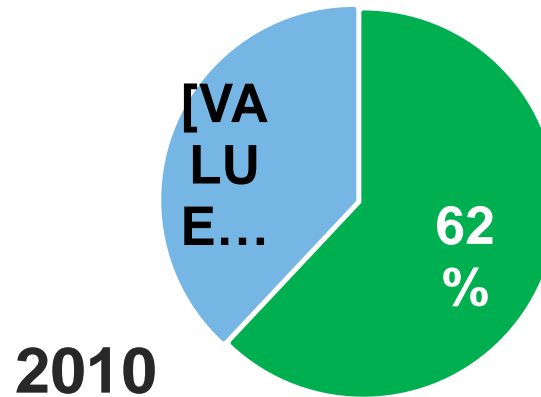
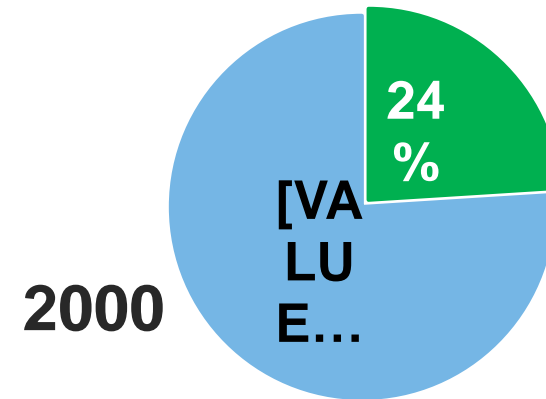
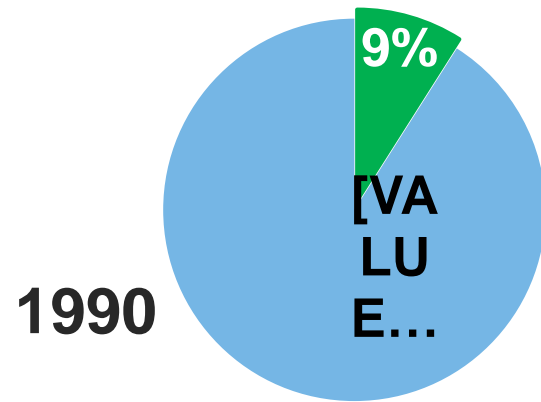
TOP 5 POLYESTER PRODUCING COUNTRIES

Million tons

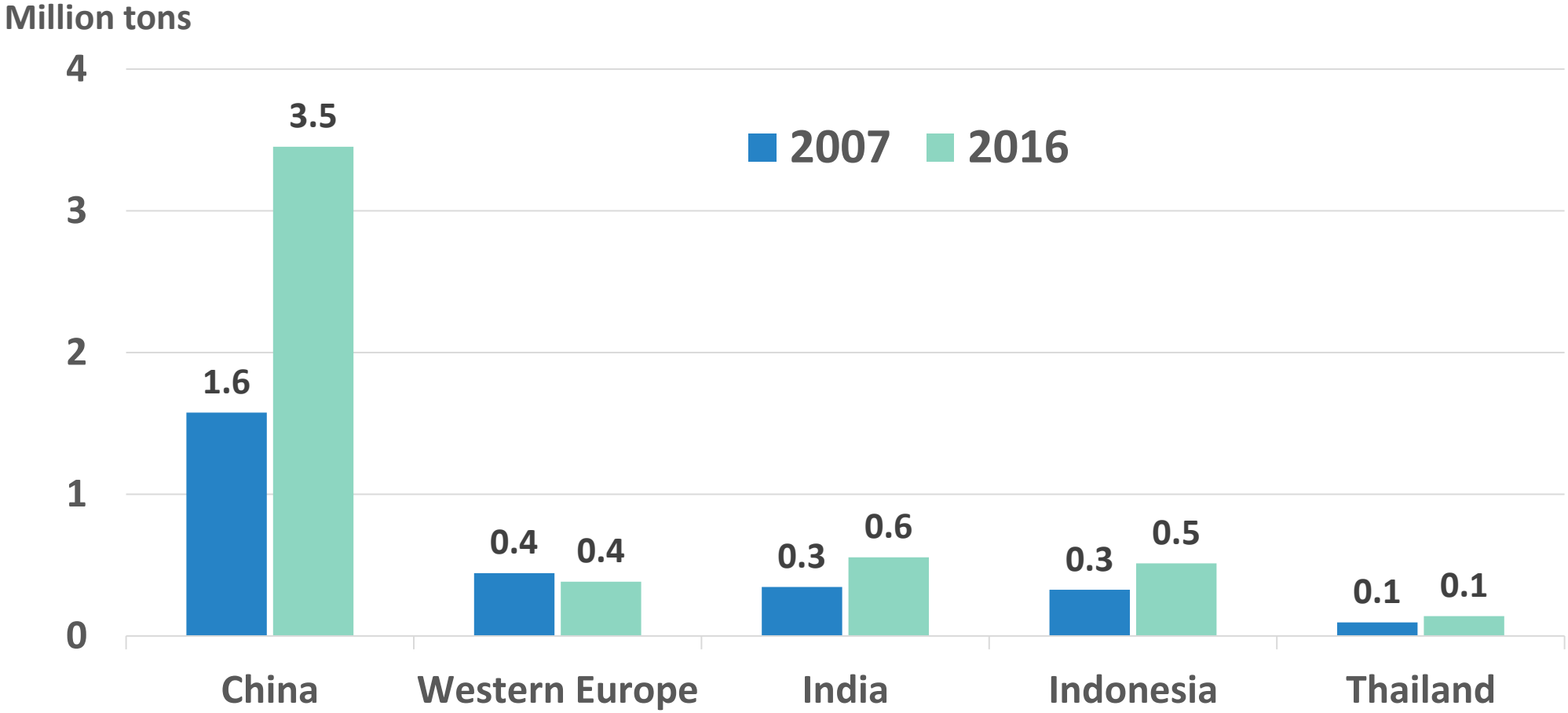


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CHINA'S SHARE OF GLOBAL CHEMICAL FIBRE YARN PRODUCTION



LEADING PRODUCERS OF CELLULOSIC FIBRE



- Growth in global cotton consumption has been limited by competition with polyester, and by consumer's changing attitude and behavior towards less formal fashion styles. (Yoga Pants, leggings, Athleisure wear)
- Cotton promotion, innovation, application and research must continue in order to change consumers preferences and to improve the technical performance of cotton vis-à-vis polyester.
- High cotton prices benefit cotton growers. However, high cotton prices have a negative impact in cotton consumption.
- New concerns regarding plastics and microplastic pollution could have a positive impact on the demand for cotton.



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Thank you
Any Questions?

