

# Monthly Economic Letter

Cotton Market Fundamentals &amp; Price Outlook



## RECENT PRICE MOVEMENT

Most benchmark prices decreased over the past month. Chinese prices were stable.

- After moving lower in early August, values for the December NY futures contract have been range-bound, generally trading between 81 and 84 cents/lb.
- The A Index followed a pattern similar to NY futures, with values dropping from levels near 98 cents/lb in early August to those between 91 and 94 cents/lb.
- In dollar terms, the Chinese Cotton Index (CC Index 3128B) was unchanged over the past month, holding to levels near 108 cents/lb. In domestic terms, the CC Index was also stable, holding to levels near 16,300 RMB/ton.
- Indian spot prices (Shankar-6 quality) decreased in local terms, falling from values above 48,000 INR/candy in mid-August those near 47,600 INR/candy. The INR reached record lows against the dollar recently, and the weakening of the rupee helped pull the value of Indian cotton lower in dollar terms. In early August, Indian prices were near 90 cents/lb. The latest values are near 84 cents/lb.
- Movement in Pakistani spot prices mirrored that in NY futures, dropping in early August and holding steady in later trading. In dollar terms, Pakistani prices decreased from 88 cents/lb to 80 cents/lb. In domestic terms, prices fell from 9,000 PKR/maund to 8,300 PKR/maund.

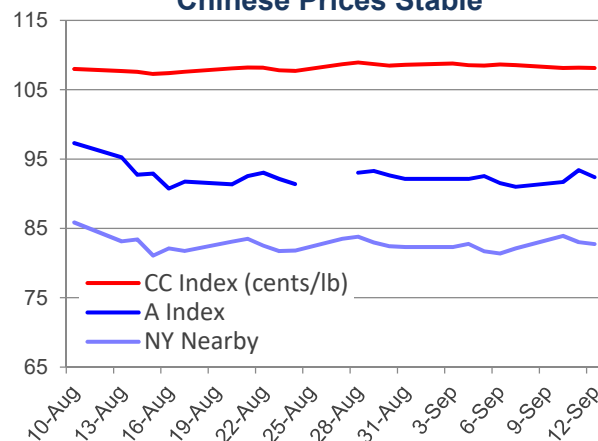
## SUPPLY, DEMAND, & TRADE

This month's USDA report featured a meaningful increase to world production (+1.4 million bales, from 120.5 to 122.0 million) and a marginal addition to world mill-use (+0.3 million bales, from 127.6 to 127.9 million). Upward revisions to consumption figures for India over the past couple crop years drove the global estimate for 2018/19 beginning stocks lower (-0.7 million bales, from 84.5 to 83.8). This decrease in beginning stocks, along with the uptick in mill-use, partially offset the effect of a larger harvest forecast on projected world ending stocks.

Relative to last month, the current figure for global ending stocks is 0.4 million bales higher (from 77.1 to 77.5 million). The forecast for stocks for the world-less-China decreased 0.9 million bales, from 48.5 to 47.6 million. Nonetheless, if realized, this volume would still be highest ever for the collection of countries outside China.

The largest country-level revisions for production included those for China (+1.0 million bales, from 26.5 to 27.5 million), Brazil (+500,000, from 9.5 to a record 10.0 million), and the U.S. (+447,000, from 19.2 to 19.7 million). Due to dry conditions, the Australian forecast was lowered 600,000 bales (from 3.6 to 3.0 million).

## NY Futures and A Index Move Lower, Chinese Prices Stable



## Recent Price Data

cents/lb	Latest Value (Sep 12)	Latest Month (Aug)	Last 12 Months (Sep17-Aug18)
NY Nearby	82.8	84.5	79.8
A Index	92.4	94.6	89.3
CC Index	108.1	108.1	111.1
Indian Spot	84.5	88.1	81.2
Pakistani Spot	81.4	83.6	78.0

Additional price data available [here](#).

Price definitions available [here](#).

## World Balance Sheet

million 480 lb. bales	2018/19		
	2017/18	Aug	Sep
Beg. Stocks	83.8	84.5	83.8
Production	123.5	120.5	122.0
Mill-Use	123.2	127.6	127.9
Ending Stocks	83.8	77.1	77.5
Stocks/Use	68.0%	60.4%	60.5%

## China Balance Sheet

million 480 lb. bales	2018/19		
	2017/18	Aug	Sep
Beg. Stocks	45.9	37.8	38.0
Production	27.5	26.5	27.5
Imports	5.7	7.0	7.0
Mill-Use	41.0	42.5	42.5
Exports	0.1	0.2	0.2
Ending Stocks	38.0	28.6	29.9
Stocks/Use	92.4%	67.2%	70.0%

## World-Less-China Balance Sheet

million 480 lb. bales	2018/19		
	2017/18	Aug	Sep
Beg. Stocks	37.9	46.7	45.8
Production	96.0	94.0	94.5
Imports from China	0.1	0.2	0.2
Mill-Use	82.2	85.1	85.4
Exports to China	5.7	7.0	7.0
Ending Stocks	45.8	48.5	47.6
Stocks/Use	52.0%	52.6%	51.5%

Additional balance sheet data available [here](#).

For mill-use, the only country-level revisions that exceeded 100,000 bales were for India. The USDA lifted its projection for 2018/19 Indian mill-use by 300,000 bales (from 25.2 to 25.5 million). Estimates for Indian consumption in 2016/17 (+350,000, to 24.4 million) and 2017/18 (+500,000, to 24.7 million) were also increased.

Global trade estimates were unchanged at 41.8 million bales. However, there were notable country-level revisions for exports (no country-level revisions over 100,000 bales for 2018/19 imports). These included changes for the U.S. (+200,000 bales, from 15.5 to 15.7 million), Brazil (+200,000, from 5.3 to 5.5 million), India (-100,000, from 4.5 to 4.4 million), and Australia (-400,000, from 4.3 to 3.9 million).

## PRICE OUTLOOK

The U.S. cotton belt is facing the second major weather system this month. Tropical storm Gordon mainly passed through the Mid-South growing region (states along the Mississippi River) last week, bringing strong rains and wind. Preliminary reports suggest that not much production was lost. Sunnier weather has since moved into the area and has helped wet fields dry out. Despite the storm, the USDA increased production forecasts for each state in the Mid-South except Missouri.

Hurricane Florence is a much stronger storm and promises to inflict damage on cotton production along the east coast. A first step in analyzing the potential impact is to look at how much acreage is in the states in the storm's path. According to the USDA's September estimates, North Carolina, South Carolina, and Virginia (states in the projected path) collectively account for 6% of U.S. planted acres and are expected to represent 8% of national production. Another factor relevant to the development of damage estimates is the stage of crop development. Plants with bolls open, and therefore with fiber exposed, are more vulnerable (bolls can be more easily knocked to the ground and fiber can be stained by moisture). In the Carolinas and Virginia, less than half of acres had bolls open in the USDA's latest Progress Report (data through September 9th). Given the strength of hurricane Florence, localized impacts on specific fields could be severe. However, with a small proportion of U.S. acres in the storm's expected path and only a fraction of those acres with bolls open, the national and international implications of the hurricane should be limited.

Of greater concern for cotton price direction is the trade outlook. The central question for trade remains when China might increase imports. The supply-related scare that sent prices higher in May-June suggested that the timeframe may be closer than was previously believed. However, the combination of higher than expected yields out of Xinjiang province (which were the cause of this month's increase to the production forecast for China) and widespread reports of high levels of inventory held by Chinese mills suggest less immediacy.

## World Cotton Production

million 480 lb. bales	2017/18	2018/19	
		Aug	Sep
India	29.0	28.7	28.7
China	27.5	26.5	27.5
United States	20.9	19.2	19.7
Brazil	9.2	9.5	10.0
Pakistan	8.2	8.5	8.5
Rest of World	28.6	28.1	27.6
World	123.5	120.5	122.0

## World Cotton Mill-Use

million 480 lb. bales	2017/18	2018/19	
		Aug	Sep
China	41.0	42.5	42.5
India	24.7	25.2	25.5
Pakistan	10.8	11.0	11.0
Bangladesh	7.5	8.0	8.0
Turkey	7.3	7.5	7.5
Rest of World	31.9	33.4	33.4
World	123.2	127.6	127.9

## World Cotton Exports

million 480 lb. bales	2017/18	2018/19	
		Aug	Sep
United States	15.8	15.5	15.7
Brazil	4.2	5.3	5.5
India	5.2	4.5	4.4
Australia	3.9	4.3	3.9
Burkina	1.3	1.4	1.4
Rest of World	10.3	10.9	10.9
World	40.7	41.8	41.8

## World Cotton Imports

million 480 lb. bales	2017/18	2018/19	
		Aug	Sep
Bangladesh	7.6	8.1	8.1
Vietnam	6.9	7.7	7.7
China	5.7	7.0	7.0
Indonesia	3.5	3.8	3.8
Turkey	4.0	3.5	3.5
Rest of World	13.2	11.7	11.7
World	40.9	41.8	41.8

## World Cotton Ending Stocks

million 480 lb. bales	2017/18	2018/19	
		Aug	Sep
China	38.0	28.6	29.9
India	11.6	12.9	11.9
Brazil	8.7	9.3	9.6
United States	4.3	4.6	4.7
Pakistan	2.8	2.7	2.6
Rest of World	18.4	18.9	18.8
World	83.8	77.1	77.5

Additional supply and demand data available [here](#).

Please forward comments and questions to [marketinformation@cottoninc.com](mailto:marketinformation@cottoninc.com)

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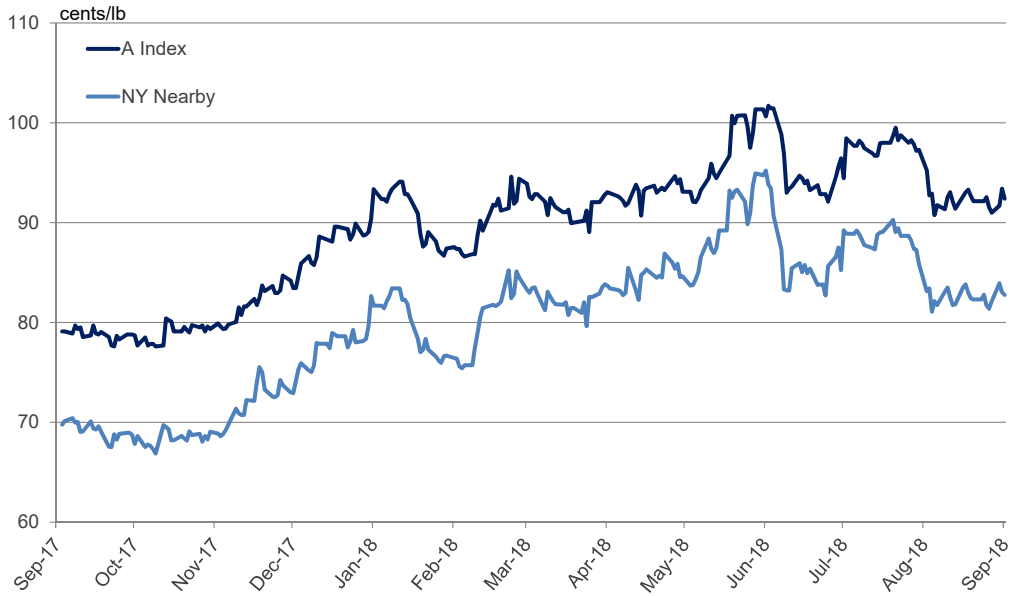
Sources: Price data from Reuters, Cotlook, Cotton Assn. of India, and Karachi Cotton Assn. Supply, demand, and trade data from the USDA.

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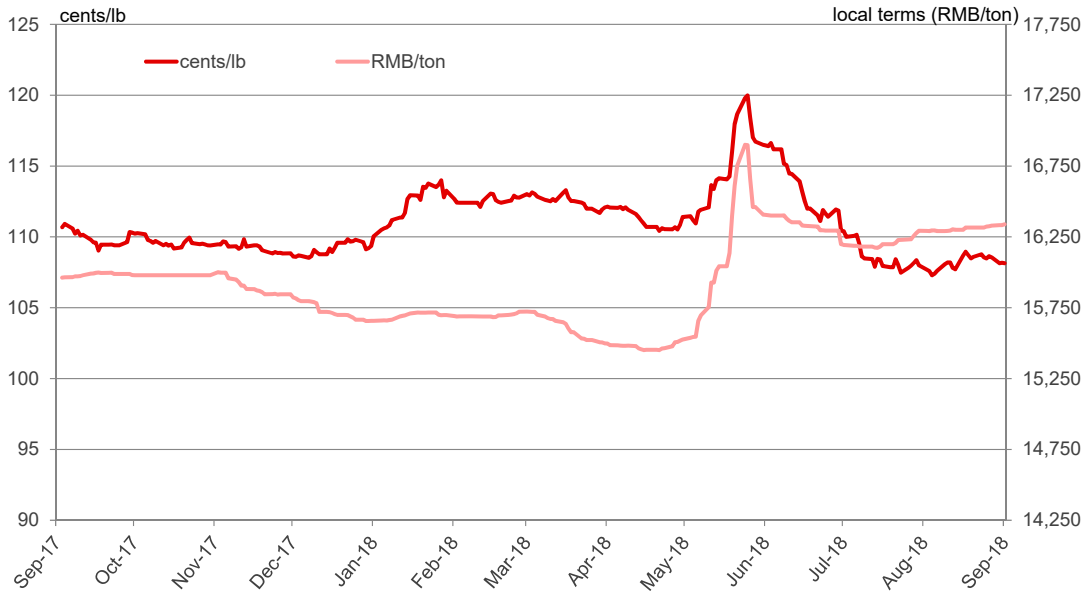
List of Charts and Tables

Charts - Daily	<a href="#">A Index &amp; NY Nearby</a>	<a href="#">Chinese Prices</a>	<a href="#">Indian Prices</a>	<a href="#">Pakistani Prices</a>
Charts - Monthly	<a href="#">A Index &amp; NY Nearby</a>	<a href="#">Chinese Prices</a>	<a href="#">Indian Prices</a>	<a href="#">Pakistani Prices</a>
Tables	<a href="#">Balance Sheets (bales)</a>	<a href="#">Balance Sheets (tons)</a>	<a href="#">Supply &amp; Demand (bales)</a>	<a href="#">Supply &amp; Demand (tons)</a>

One Year of Daily A Index and NY Nearby Prices

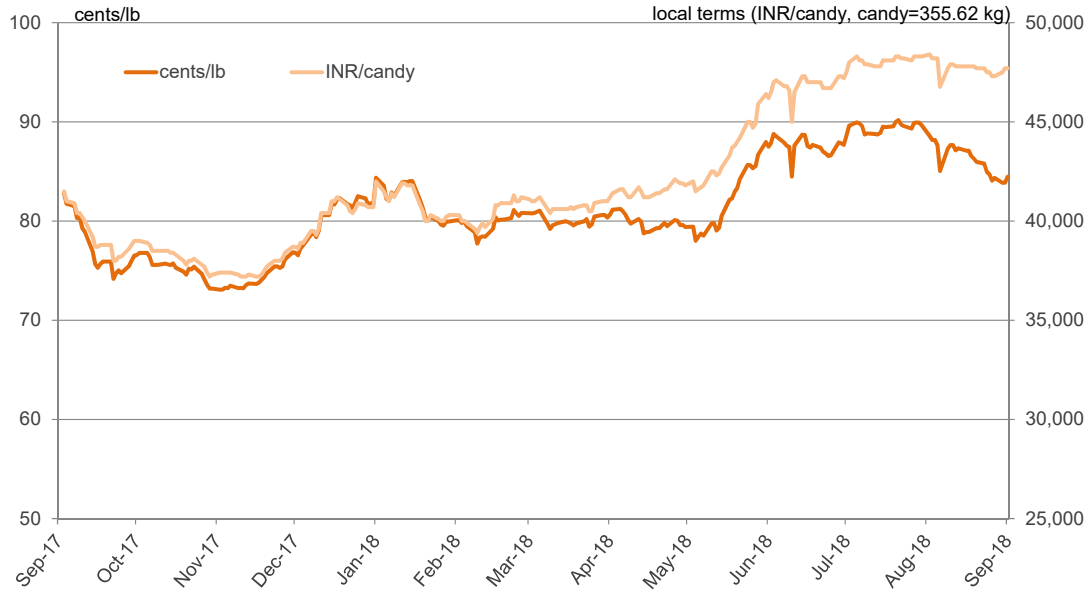


One Year of Daily CC Index (Grade 328) Prices

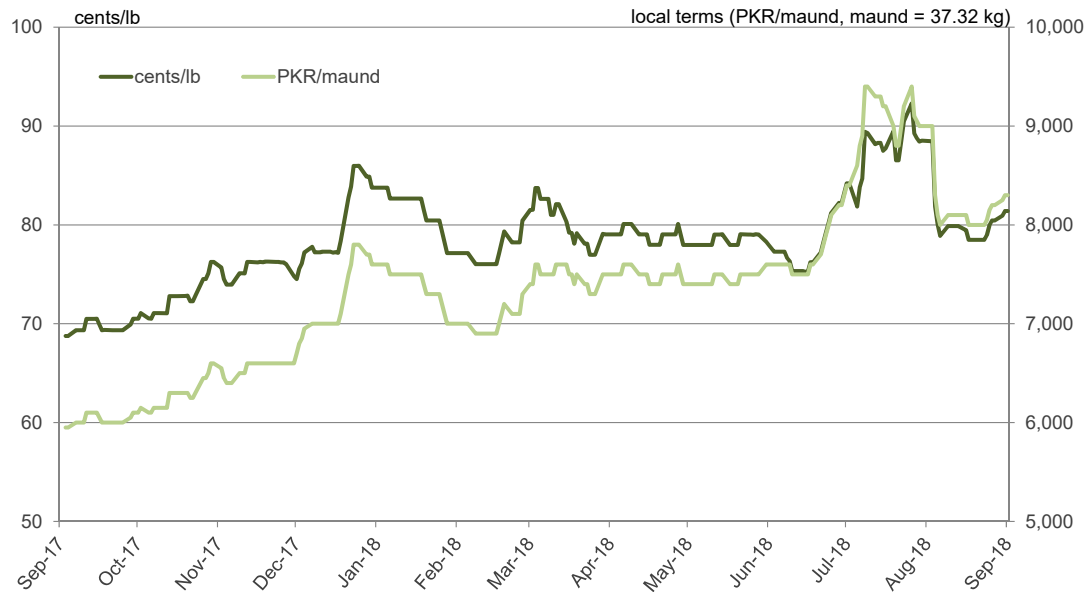


Note: Differences in price movement in local and international terms (cents/lb) due to changes in exchange rates.

### One Year of Daily Indian Spot Prices (Shankar-6 Variety)



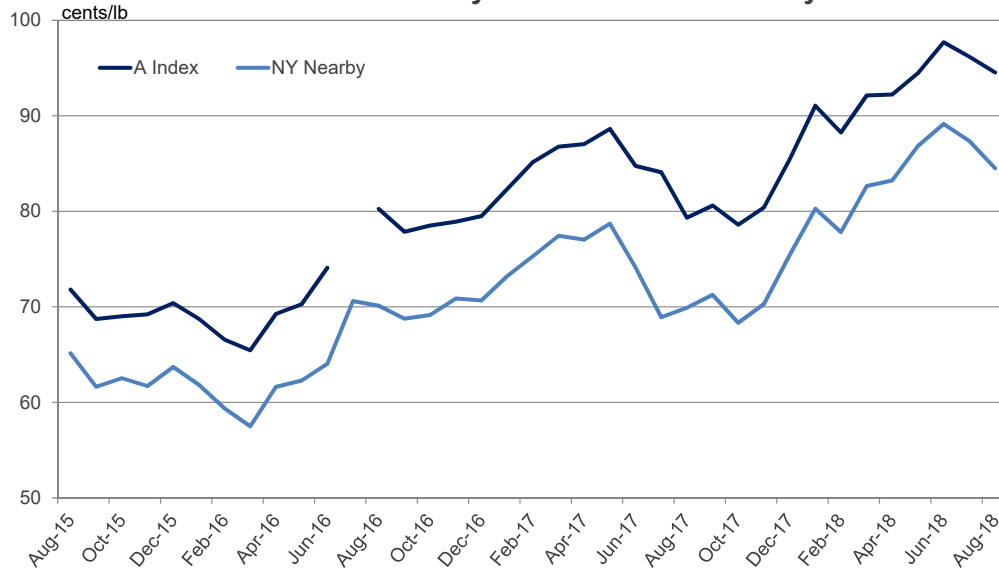
### One Year of Daily Pakistani Spot Prices



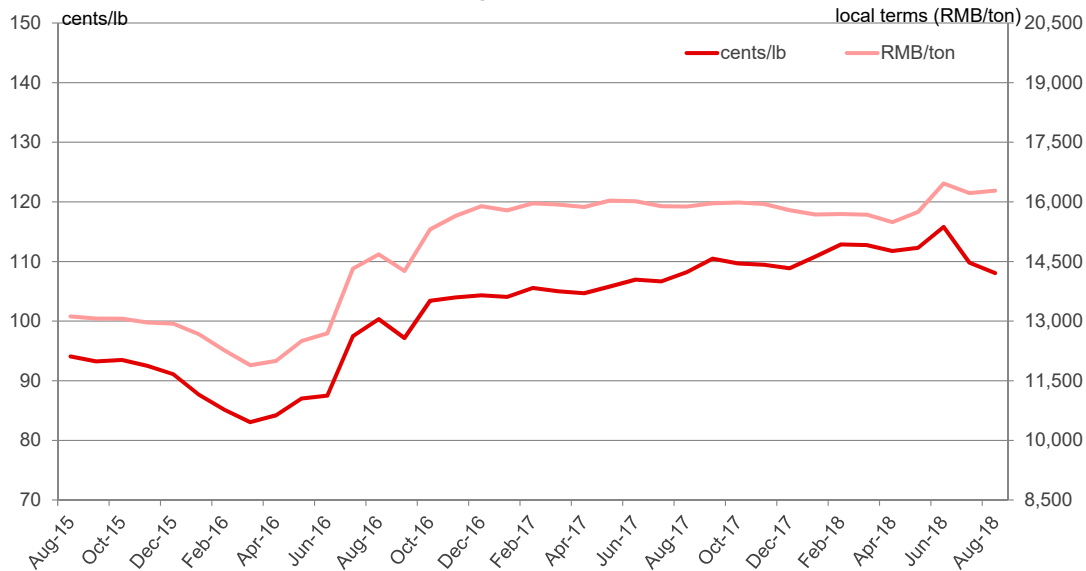
Note: Differences in price movement in local and international terms (cents/lb) due to changes in exchange rates.

[return to list of charts and tables](#)

### Three Years of Monthly A Index and NY Nearby Prices

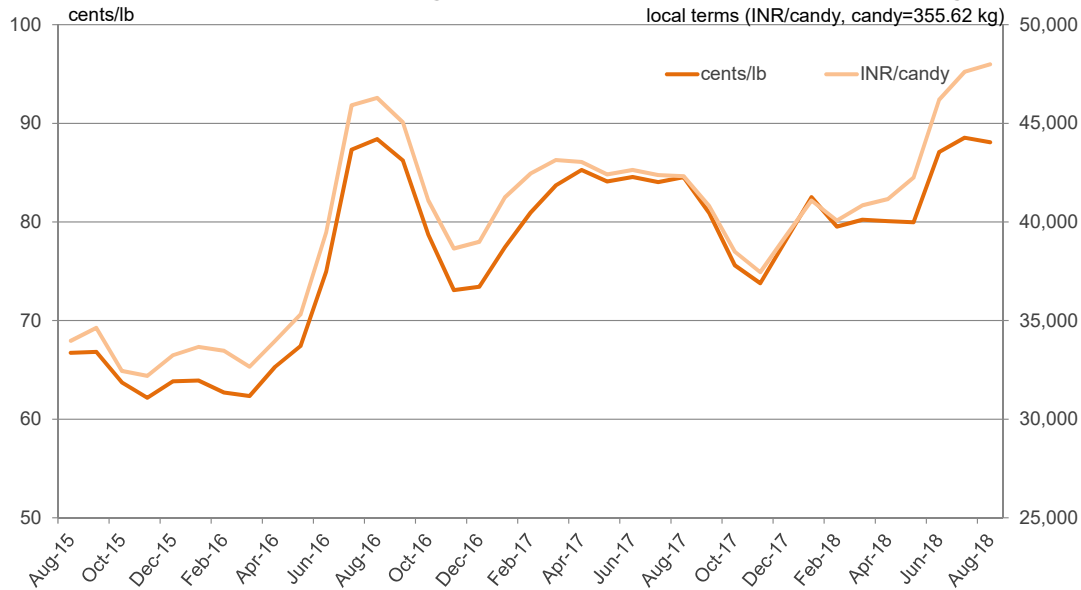


### Three Years of Monthly CC Index (Grade 328) Prices

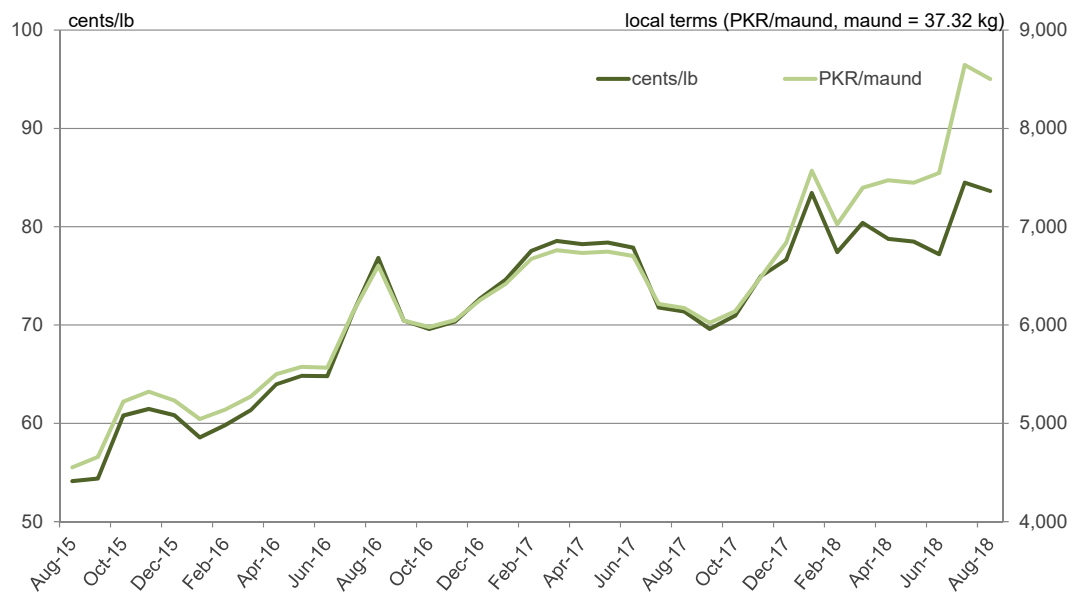


Note: Differences in price movement in local and international terms (cents/lb) due to changes in exchange rates.

### Three Years of Monthly Indian Spot Prices (Shankar-6 Variety)



### Three Years of Monthly Pakistani Spot Prices



Note: Differences in price movement in local and international terms (cents/lb) due to changes in exchange rates.

[return to list of charts and tables](#)

## World Balance Sheet

million 480 lb. bales	2014/15	2015/16	2016/17	2017/18	2018/19 August	2018/19 September
Beginning Stocks	102.9	110.2	93.4	83.8	84.5	83.8
Production	119.2	96.2	106.6	123.5	120.5	122.0
Supply	222.2	206.4	200.1	207.3	205.0	205.8
Mill-Use	112.2	113.2	116.1	123.2	127.6	127.9
Ending Stocks	110.2	93.4	83.8	83.8	77.1	77.5
Stocks/Use Ratio	98.2%	82.5%	72.2%	68.0%	60.4%	60.5%

## China Balance Sheet

million 480 lb. bales	2014/15	2015/16	2016/17	2017/18	2018/19 August	2018/19 September
Beginning Stocks	62.7	66.4	56.7	45.9	37.8	38.0
Production	30.0	22.0	22.8	27.5	26.5	27.5
Imports	8.3	4.4	5.0	5.7	7.0	7.0
Supply	101.0	92.8	84.5	79.1	71.3	72.5
Mill-Use	34.5	36.0	38.5	41.0	42.5	42.5
Exports	0.1	0.1	0.1	0.1	0.2	0.2
Demand	34.6	36.1	38.6	41.1	42.7	42.7
Ending Stocks	66.4	56.7	45.9	38.0	28.6	29.9
Stocks/Use Ratio	192.1%	156.9%	119.1%	92.4%	67.2%	70.0%

## World-Less-China Balance Sheet

million 480 lb. bales	2014/15	2015/16	2016/17	2017/18	2018/19 August	2018/19 September
Beginning Stocks	40.2	43.8	36.7	37.9	37.9	45.8
Production	89.2	74.2	83.9	96.0	94.0	94.5
Imports from China	0.1	0.1	0.1	0.1	0.2	0.2
Supply	129.5	118.1	120.7	134.0	132.1	140.4
Mill-Use	77.7	77.2	77.6	82.2	85.1	85.4
Exports to China	8.3	4.4	5.0	5.7	7.0	7.0
Demand	86.0	81.6	82.7	87.9	92.1	92.4
Ending Stocks	43.8	36.7	37.9	45.8	48.5	47.6
Stocks/Use Ratio	50.9%	45.0%	45.8%	52.0%	52.6%	51.5%

Source: USDA

## India Balance Sheet

million 480 lb. bales	2014/15	2015/16	2016/17	2017/18	2018/19 August	2018/19 September
Beginning Stocks	11.5	13.5	9.9	10.8	12.4	11.6
Production	29.5	25.9	27.0	29.0	28.7	28.7
Imports	1.2	1.1	2.7	1.7	1.5	1.5
Supply	42.2	40.5	39.7	41.5	42.6	41.8
Mill-Use	24.5	24.8	24.4	24.7	25.2	25.5
Exports	4.2	5.8	4.6	5.2	4.5	4.4
Demand	28.7	30.5	28.9	29.9	29.7	29.9
Ending Stocks	13.5	9.9	10.8	11.6	12.9	11.9
Stocks/Use Ratio	47.0%	32.6%	37.3%	38.7%	43.5%	39.7%

## U.S. Balance Sheet

million 480 lb. bales	2014/15	2015/16	2016/17	2017/18	2018/19 August	2018/19 September
Beginning Stocks	2.4	3.7	3.8	2.8	4.4	4.3
Production	16.3	12.9	17.2	20.9	19.2	19.7
Imports	0.0	0.0	0.0	0.0	0.0	0.0
Supply	18.7	16.6	21.0	23.7	23.6	24.0
Mill-Use	3.6	3.5	3.3	3.2	3.4	3.4
Exports	11.2	9.2	14.9	15.8	15.5	15.7
Demand	14.8	12.6	18.2	19.1	18.9	19.1
Ending Stocks	3.7	3.8	2.8	4.3	4.6	4.7
Stocks/Use Ratio	24.6%	30.2%	15.1%	22.5%	24.3%	24.6%

## Pakistan Balance Sheet

million 480 lb. bales	2014/15	2015/16	2016/17	2017/18	2018/19 August	2018/19 September
Beginning Stocks	2.5	2.9	2.6	2.3	2.9	2.8
Production	10.6	7.0	7.7	8.2	8.5	8.5
Imports	1.0	3.3	2.5	3.3	2.5	2.5
Supply	14.0	13.2	12.8	13.8	13.9	13.8
Mill-Use	10.6	10.3	10.3	10.8	11.0	11.0
Exports	0.5	0.3	0.1	0.2	0.2	0.2
Demand	11.1	10.6	10.4	11.0	11.2	11.2
Ending Stocks	2.9	2.6	2.3	2.8	2.7	2.6
Stocks/Use Ratio	26.0%	24.8%	22.2%	25.8%	23.9%	23.5%

Source: USDA



## World Cotton Production

million 480 lb. bales	2014/15	2015/16	2016/17	2017/18	2018/19 August	2018/19 September
India	29.5	25.9	27.0	29.0	28.7	28.7
China	30.0	22.0	22.8	27.5	26.5	27.5
United States	16.3	12.9	17.2	20.9	19.2	19.7
Brazil	7.2	5.9	7.0	9.2	9.5	10.0
Pakistan	10.6	7.0	7.7	8.2	8.5	8.5
Turkey	3.2	2.7	3.2	4.0	4.5	4.5
Uzbekistan	3.9	3.8	3.7	4.0	3.3	3.3
Australia	2.3	2.9	4.1	4.7	3.6	3.0
Mexico	1.3	0.9	0.8	1.6	1.8	1.8
Burkina	1.4	1.1	1.3	1.3	1.4	1.4
Mali	1.0	1.0	1.2	1.4	1.4	1.4
Turkmenistan	1.5	1.5	1.3	1.4	1.3	1.3
Greece	1.3	1.0	1.0	1.2	1.3	1.3
Rest of World	9.7	7.7	8.3	9.2	9.7	9.7
African Franc Zone	4.8	4.0	4.8	4.9	5.0	5.0
EU-27	1.7	1.3	1.3	1.5	1.6	1.6
<b>World</b>	<b>119.2</b>	<b>96.2</b>	<b>106.6</b>	<b>123.5</b>	<b>120.5</b>	<b>122.0</b>

## World Cotton Exports

million 480 lb. bales	2014/15	2015/16	2016/17	2017/18	2018/19 August	2018/19 September
United States	11.2	9.2	14.9	15.8	15.5	15.7
Brazil	3.9	4.3	2.8	4.2	5.3	5.5
India	4.2	5.8	4.6	5.2	4.5	4.4
Australia	2.4	2.8	3.7	3.9	4.3	3.9
Burkina	1.1	1.3	1.1	1.3	1.4	1.4
Mali	0.9	1.0	1.1	1.3	1.3	1.3
Greece	1.2	1.0	1.0	1.1	1.1	1.1
Benin	0.6	0.7	0.6	0.8	0.8	0.8
Uzbekistan	2.6	2.2	1.8	0.9	0.8	0.8
Cote d'Ivoire	0.9	0.8	0.6	0.6	0.7	0.7
Turkmenistan	1.5	1.3	0.9	0.7	0.6	0.6
Mexico	0.2	0.1	0.2	0.4	0.6	0.6
Tajikistan	0.5	0.5	0.3	0.5	0.5	0.5
Rest of World	4.4	4.0	4.2	4.2	4.5	4.6
African Franc Zone	4.0	4.6	4.1	4.6	4.7	4.7
EU-27	1.6	1.3	1.3	1.4	1.5	1.5
<b>World</b>	<b>35.5</b>	<b>34.9</b>	<b>37.7</b>	<b>40.7</b>	<b>41.8</b>	<b>41.8</b>

Source: USDA

**World Cotton Mill-Use**

million 480 lb. bales	2014/15	2015/16	2016/17	2017/18	2018/19 August	2018/19 September
China	34.5	36.0	38.5	41.0	42.5	42.5
India	24.5	24.8	24.4	24.7	25.2	25.5
Pakistan	10.6	10.3	10.3	10.8	11.0	11.0
Bangladesh	5.8	6.3	6.8	7.5	8.0	8.0
Turkey	6.4	6.7	6.5	7.3	7.5	7.5
Vietnam	4.1	4.5	5.4	6.6	7.5	7.5
Indonesia	3.3	3.0	3.3	3.5	3.7	3.7
Brazil	3.4	3.1	3.2	3.4	3.6	3.6
United States	3.6	3.5	3.3	3.2	3.4	3.4
Uzbekistan	1.8	1.8	2.0	2.6	2.8	2.8
Mexico	1.9	1.9	1.8	1.9	1.9	1.9
Thailand	1.5	1.3	1.2	1.2	1.1	1.1
South Korea	1.3	1.2	1.1	0.9	0.8	0.8
Rest of World	9.7	9.0	8.5	8.6	8.7	8.7
African Franc Zone	0.1	0.1	0.1	0.1	0.1	0.1
EU-27	0.9	0.8	0.7	0.8	0.7	0.7
World	112.2	113.2	116.1	123.2	127.6	127.9

**World Cotton Imports**

million 480 lb. bales	2014/15	2015/16	2016/17	2017/18	2018/19 August	2018/19 September
Bangladesh	5.8	6.4	6.8	7.6	8.1	8.1
Vietnam	4.3	4.6	5.5	6.9	7.7	7.7
China	8.3	4.4	5.0	5.7	7.0	7.0
Indonesia	3.3	2.9	3.4	3.5	3.8	3.8
Turkey	3.7	4.2	3.7	4.0	3.5	3.5
Pakistan	1.0	3.3	2.5	3.3	2.5	2.5
India	1.2	1.1	2.7	1.7	1.5	1.5
Thailand	1.5	1.3	1.2	1.1	1.1	1.1
Mexico	0.8	1.0	1.0	0.9	0.9	0.9
South Korea	1.3	1.2	1.0	0.9	0.8	0.8
Taiwan	0.9	0.7	0.6	0.6	0.6	0.6
Malaysia	0.3	0.4	0.4	0.7	0.6	0.6
Egypt	0.3	0.5	0.5	0.6	0.5	0.5
Rest of World	3.4	3.5	3.3	3.4	3.3	3.3
African Franc Zone	0.0	0.0	0.0	0.0	0.0	0.0
EU-27	0.9	0.8	0.7	0.7	0.7	0.7
World Total	36.1	35.4	37.7	40.9	41.8	41.8

Source: USDA

## World Balance Sheet

million metric tons	2014/15	2015/16	2016/17	2017/18	2018/19 August	2018/19 September
Beginning Stocks	22.4	24.0	20.3	18.2	18.4	18.2
Production	26.0	20.9	23.2	26.9	26.2	26.6
Supply	48.4	44.9	43.6	45.1	44.6	44.8
Mill-Use	24.4	24.7	25.3	26.8	27.8	27.9
Ending Stocks	24.0	20.3	18.2	18.2	16.8	16.9
Stocks/Use Ratio	98.2%	82.5%	72.2%	68.0%	60.4%	60.5%

## China Balance Sheet

million metric tons	2014/15	2015/16	2016/17	2017/18	2018/19 August	2018/19 September
Beginning Stocks	13.7	14.5	12.3	10.0	8.2	8.3
Production	6.5	4.8	5.0	6.0	5.8	6.0
Imports	1.8	1.0	1.1	1.2	1.5	1.5
Supply	22.0	20.2	18.4	17.2	15.5	15.8
Mill-Use	7.5	7.8	8.4	8.9	9.3	9.3
Exports	0.0	0.0	0.0	0.0	0.0	0.0
Demand	7.5	7.9	8.4	9.0	9.3	9.3
Ending Stocks	14.5	12.3	10.0	8.3	6.2	6.5
Stocks/Use Ratio	192.1%	156.9%	119.1%	92.4%	67.2%	70.0%

## World-Less-China Balance Sheet

million metric tons	2014/15	2015/16	2016/17	2017/18	2018/19 August	2018/19 September
Beginning Stocks	8.8	9.5	8.0	8.2	8.2	10.0
Production	19.4	16.1	18.3	20.9	20.5	20.6
Imports from China	0.0	0.0	0.0	0.0	0.0	0.0
Supply	28.2	25.7	26.3	29.2	28.8	30.6
Mill-Use	16.9	16.8	16.9	17.9	18.5	18.6
Exports to China	1.8	1.0	1.1	1.2	1.5	1.5
Demand	18.7	17.8	18.0	19.1	20.1	20.1
Ending Stocks	9.5	8.0	8.2	10.0	10.5	10.4
Stocks/Use Ratio	50.9%	45.0%	45.8%	52.0%	52.6%	51.5%

Source: USDA

## India Balance Sheet

million metric tons	2014/15	2015/16	2016/17	2017/18	2018/19 August	2018/19 September
Beginning Stocks	2.5	2.9	2.2	2.3	2.7	2.5
Production	6.4	5.6	5.9	6.3	6.2	6.2
Imports	0.3	0.2	0.6	0.4	0.3	0.3
Supply	9.2	8.8	8.6	9.0	9.3	9.1
Mill-Use	5.3	5.4	5.3	5.4	5.5	5.6
Exports	0.9	1.3	1.0	1.1	1.0	1.0
Demand	6.2	6.6	6.3	6.5	6.5	6.5
Ending Stocks	2.9	2.2	2.3	2.5	2.8	2.6
Stocks/Use Ratio	47.0%	32.6%	37.3%	38.7%	43.5%	39.7%

## U.S. Balance Sheet

million metric tons	2014/15	2015/16	2016/17	2017/18	2018/19 August	2018/19 September
Beginning Stocks	0.5	0.8	0.8	0.6	1.0	0.9
Production	3.6	2.8	3.7	4.6	4.2	4.3
Imports	0.0	0.0	0.0	0.0	0.0	0.0
Supply	4.1	3.6	4.6	5.2	5.1	5.2
Mill-Use	0.8	0.8	0.7	0.7	0.7	0.7
Exports	2.4	2.0	3.2	3.5	3.4	3.4
Demand	3.2	2.7	4.0	4.2	4.1	4.2
Ending Stocks	0.8	0.8	0.6	0.9	1.0	1.0
Stocks/Use Ratio	24.6%	30.2%	15.1%	22.5%	24.3%	24.6%

## Pakistan Balance Sheet

million metric tons	2014/15	2015/16	2016/17	2017/18	2018/19 August	2018/19 September
Beginning Stocks	0.5	0.6	0.6	0.5	0.6	0.6
Production	2.3	1.5	1.7	1.8	1.9	1.9
Imports	0.2	0.7	0.5	0.7	0.5	0.5
Supply	3.1	2.9	2.8	3.0	3.0	3.0
Mill-Use	2.3	2.2	2.2	2.4	2.4	2.4
Exports	0.1	0.1	0.0	0.0	0.0	0.0
Demand	2.4	2.3	2.3	2.4	2.4	2.4
Ending Stocks	0.6	0.6	0.5	0.6	0.6	0.6
Stocks/Use Ratio	26.0%	24.8%	22.2%	25.8%	23.9%	23.5%

Source: USDA

## World Cotton Production

million metric tons	2014/15	2015/16	2016/17	2017/18	2018/19 August	2018/19 September
India	6.4	5.6	5.9	6.3	6.2	6.2
China	6.5	4.8	5.0	6.0	5.8	6.0
United States	3.6	2.8	3.7	4.6	4.2	4.3
Brazil	1.6	1.3	1.5	2.0	2.1	2.2
Pakistan	2.3	1.5	1.7	1.8	1.9	1.9
Turkey	0.7	0.6	0.7	0.9	1.0	1.0
Uzbekistan	0.8	0.8	0.8	0.9	0.7	0.7
Australia	0.5	0.6	0.9	1.0	0.8	0.7
Mexico	0.3	0.2	0.2	0.3	0.4	0.4
Burkina	0.3	0.2	0.3	0.3	0.3	0.3
Mali	0.2	0.2	0.3	0.3	0.3	0.3
Turkmenistan	0.3	0.3	0.3	0.3	0.3	0.3
Greece	0.3	0.2	0.2	0.3	0.3	0.3
Rest of World	2.1	1.7	1.8	2.0	2.1	2.1
African Franc Zone	1.0	0.9	1.0	1.1	1.1	1.1
EU-27	0.4	0.3	0.3	0.3	0.3	0.3
World	26.0	20.9	23.2	26.9	26.2	26.6

## World Cotton Exports

million metric tons	2014/15	2015/16	2016/17	2017/18	2018/19 August	2018/19 September
United States	2.4	2.0	3.2	3.5	3.4	3.4
Brazil	0.9	0.9	0.6	0.9	1.2	1.2
India	0.9	1.3	1.0	1.1	1.0	1.0
Australia	0.5	0.6	0.8	0.9	0.9	0.8
Burkina	0.2	0.3	0.2	0.3	0.3	0.3
Mali	0.2	0.2	0.2	0.3	0.3	0.3
Greece	0.3	0.2	0.2	0.2	0.2	0.2
Benin	0.1	0.2	0.1	0.2	0.2	0.2
Uzbekistan	0.6	0.5	0.4	0.2	0.2	0.2
Cote d'Ivoire	0.2	0.2	0.1	0.1	0.2	0.2
Turkmenistan	0.3	0.3	0.2	0.2	0.1	0.1
Mexico	0.0	0.0	0.0	0.1	0.1	0.1
Tajikistan	0.1	0.1	0.1	0.1	0.1	0.1
Rest of World	1.0	0.9	0.9	0.9	1.0	1.0
African Franc Zone	0.9	1.0	0.9	1.0	1.0	1.0
EU-27	0.4	0.3	0.3	0.3	0.3	0.3
World	7.7	7.6	8.2	8.9	9.1	9.1

Source: USDA

## World Cotton Consumption

million metric tons	2014/15	2015/16	2016/17	2017/18	2018/19 August	2018/19 September
China	7.5	7.8	8.4	8.9	9.3	9.3
India	5.3	5.4	5.3	5.4	5.5	5.6
Pakistan	2.3	2.2	2.2	2.4	2.4	2.4
Bangladesh	1.3	1.4	1.5	1.6	1.7	1.7
Turkey	1.4	1.5	1.4	1.6	1.6	1.6
Vietnam	0.9	1.0	1.2	1.4	1.6	1.6
Indonesia	0.7	0.7	0.7	0.8	0.8	0.8
Brazil	0.7	0.7	0.7	0.7	0.8	0.8
United States	0.8	0.8	0.7	0.7	0.7	0.7
Uzbekistan	0.4	0.4	0.4	0.6	0.6	0.6
Mexico	0.4	0.4	0.4	0.4	0.4	0.4
Thailand	0.3	0.3	0.3	0.3	0.2	0.2
South Korea	0.3	0.3	0.2	0.2	0.2	0.2
Rest of World	2.1	2.0	1.9	1.9	1.9	1.9
African Franc Zone	0.0	0.0	0.0	0.0	0.0	0.0
EU-27	0.2	0.2	0.2	0.2	0.2	0.2
<b>World Total</b>	<b>24.4</b>	<b>24.7</b>	<b>25.3</b>	<b>26.8</b>	<b>27.8</b>	<b>27.9</b>

## World Cotton Imports

million metric tons	2014/15	2015/16	2016/17	2017/18	2018/19 August	2018/19 September
Bangladesh	1.3	1.4	1.5	1.7	1.8	1.8
Vietnam	0.9	1.0	1.2	1.5	1.7	1.7
China	1.8	1.0	1.1	1.2	1.5	1.5
Indonesia	0.7	0.6	0.7	0.8	0.8	0.8
Turkey	0.8	0.9	0.8	0.9	0.8	0.8
Pakistan	0.2	0.7	0.5	0.7	0.5	0.5
India	0.3	0.2	0.6	0.4	0.3	0.3
Thailand	0.3	0.3	0.3	0.3	0.2	0.2
Mexico	0.2	0.2	0.2	0.2	0.2	0.2
South Korea	0.3	0.3	0.2	0.2	0.2	0.2
Taiwan	0.2	0.2	0.1	0.1	0.1	0.1
Malaysia	0.1	0.1	0.1	0.1	0.1	0.1
Egypt	0.1	0.1	0.1	0.1	0.1	0.1
Rest of World	0.8	0.8	0.7	0.7	0.7	0.7
African Franc Zone	0.0	0.0	0.0	0.0	0.0	0.0
EU-27	0.2	0.2	0.2	0.2	0.2	0.2
<b>World Total</b>	<b>7.9</b>	<b>7.7</b>	<b>8.2</b>	<b>8.9</b>	<b>9.1</b>	<b>9.1</b>

Source: USDA