

Monthly Economic Letter

Cotton Market Fundamentals & Price Outlook



RECENT PRICE MOVEMENT

NY futures experienced volatility recently, with the net effect being a slight increase in prices. The A Index also moved slightly higher, while other benchmark prices were stable.

- NY futures moved higher in early May, but retreated in the latest trading. July futures, reflective of 2017/18 supplies, briefly broke above 85 cents/lb, but have since returned to levels near 84 cents/lb. December futures, representative of expectations following the onset of the 2018/19 harvest, briefly climbed as high as 81 cents/lb, but have since returned to levels below 80 cents/lb.
- The A Index moved higher alongside NY futures, but the magnitude of change was smaller. Current values for the A Index are 94 cents/lb, one month ago, they were 92 cents/lb.
- Chinese cotton prices, as represented by the Chinese Cotton (CC) Index (3128B grade) were stable in both domestic (near 15,500 RMB/ton) and international terms (near 111 cents/lb).
- Indian spot prices for the Shankar-6 quality moved slightly higher in domestic terms (from 41,000 to 42,000 INR/candy), but were virtually unchanged in international terms (near 80 cents/lb) over the past month.
- Pakistani spot prices were steady in both domestic (7,500 PKR/maund) and international terms (near 80 cents/lb).

SUPPLY, DEMAND, & TRADE

In May, the USDA releases its first complete set of forecasts for an upcoming crop year. Projections suggest world production in 2018/19 will be 121.2 million bales, a marginal decrease relative to the 122.4 million bales grown in 2017/18. Global mill-use is expected to increase 4% (from 120.7 million bales in 2017/18) and reach 125.4 million bales in 2018/19. If realized, this would be the highest level of consumption ever (current record of 124.2 million was set in 2006/07).

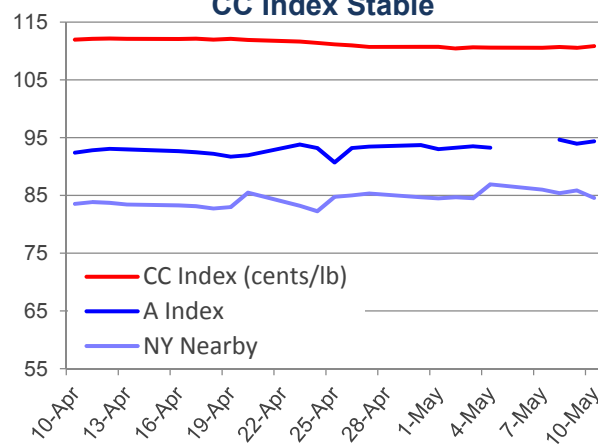
With the forecast for world production below the forecast for mill-use, world ending stocks are projected to decrease (-4.5 million bales, from 88.2 to 83.7 million). The global decline is expected to be driven by China, where stocks are predicted to drop 7.6 million bales (from 41.0 to 33.4 million). For the collection of countries outside of China, ending stocks are forecast to increase 3.1 million bales (from 47.2 to 50.3) and are expected to set a new record (current record is the figure for 2017/18).

The forecast for a smaller world harvest in 2018/19 is primarily a result of expectations of smaller harvests from the U.S. (-1.4 million bales, from 20.9 to 19.5 million), Australia (-800,000, from 4.8 to 4.0 million), and China (-500,000, from 27.5 to 27.0 million). Partially offsetting these declines are projected increases for Pakistan (+600,000 bales, from 8.2 to 8.8 million) and Turkey (+300,000, from 4.0 to 4.3 million). Indian production is projected to be unchanged at 28.5 million bales.

The global increase in mill-use is expected to result from growth across a broad range of countries. The largest gains are expected in China (+1.5 million bales, from 40.0 to 41.5 million), India (+1.0 million, from 24.2 to 25.2 million), Vietnam (+800,000, from 6.6 to 7.4 million), Bangladesh (+500,000, from 7.3 to 7.8 million), Uzbekistan (+300,000, from 2.4 to 2.7 million), and Turkey (+200,000, from 7.2 to 7.4 million).

Global cotton trade is forecast to rise from 39.2 in 2017/18 to 41.1 million bales in 2018/19. The largest year-over-year changes to imports are forecast for China (+1.9 million bales, from 5.1 to 7.0 million), Vietnam (+1.1 million,

NY Futures & A Index Slightly Higher, CC Index Stable



Recent Price Data

	Latest Value (May 10)	Latest Month (Apr)	Last 12 Months (May17-Apr18)
NY Nearby	84.6	83.2	75.1
A Index	94.4	92.2	85.5
CC Index	110.8	111.8	109.5
Indian Spot	79.6	80.1	80.7
Pakistani Spot	78.0	78.8	75.9

Additional price data available [here](#).

Price definitions available [here](#).

World Balance Sheet

million 480 lb. bales	2017/18		2018/19
	2016/17	May	May
Beg. Stocks	95.0	86.9	88.2
Production	106.7	122.4	121.2
Mill-Use	114.8	120.7	125.4
Ending Stocks	86.9	88.2	83.7
Stocks/Use	75.7%	73.1%	66.8%

China Balance Sheet

million 480 lb. bales	2017/18		2018/19
	2016/17	May	May
Beg. Stocks	58.2	48.4	41.0
Production	22.8	27.5	27.0
Imports	5.0	5.1	7.0
Mill-Use	37.5	40.0	41.5
Exports	0.1	0.0	0.0
Ending Stocks	48.4	41.0	33.4
Stocks/Use	128.9%	102.3%	80.4%

World-Less-China Balance Sheet

million 480 lb. bales	2017/18		2018/19
	2016/17	May	May
Beg. Stocks	36.8	38.5	47.2
Production	83.9	94.9	94.2
Imports from China	0.1	0.0	0.0
Mill-Use	77.3	80.7	83.9
Exports to China	5.0	5.1	7.0
Ending Stocks	38.5	47.2	50.3
Stocks/Use	46.8%	55.0%	55.3%

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

from 6.8 to 7.7 million), and Bangladesh (+500,000, from 7.4 to 7.9 million). With bigger domestic harvests, decreases are expected in Pakistan (-800,000 bales, from 2.9 to 2.1 million) and Turkey (-350,000, from 4.0 to 3.6 million).

The largest year-over-year changes to exports in 2018/19 are forecast for Australia (+600,000, from 3.9 to 4.5 million), Brazil (+600,000, from 4.2 to 4.8 million), and the African Franc Zone (+400,000 bales, from 4.1 to 4.4 million). Decreases are projected for Uzbekistan (-300,000 bales, from 1.3 to 1.0 million) and India (-200,000, from 4.5 to 4.3 million). A notable month-over-month change to estimates for the 2017/18 crop year included the 500,000 bale addition to the U.S. export forecast (to 15.5 million, which ranks as the second highest on record). In 2018/19, U.S. exports are forecast to reach the same level.

PRICE OUTLOOK

Examination of world supply and demand figures in recent decades suggests that it is possible to delineate multi-year periods by their dominant fundamental factors. For example, the period leading up to the price spike (2006/07-2009/10) can be characterized by falling global acreage and production paired with the effects of the global financial crisis on mill-use. After the spike (2011/12-2014/15), the global cotton market could be characterized by the Chinese policies of the time, with strong Chinese import demand supporting world cotton prices, acreage, and production while also inhibiting global consumption growth. The current multi-year period (2015/16-2017/18) could be defined by low Chinese imports, rising global acreage and production (supported by lower prices for competing crops like corn and soybeans), as well as accelerating growth in global mill-use.

2018/19 could prove to be a year of transition into a new multi-year period defined by a new set of defining market fundamental conditions. One change in fundamentals could come from production. After a couple of years of strong growth, global production is expected to be flat to lower in 2018/19. This is primarily a result of challenges facing the world's largest producing countries (e.g., repeated pest attacks in India, rising production costs in China, and recurring weather-related issues in the U.S. and Australia). Given these challenges, the curve in the upward trajectory in production expected in 2018/19 could signal the onset of a sideways trend in world cotton production.

Another major shift in market fundamentals will likely come from increased Chinese imports. Many forecasting organizations are projecting only a slight increase this crop year (USDA +1.9 million bales, Cotlook +2.3 million, ICAC +1.6 million), but China's persistent production/consumption deficit of 12-15 million bales, along with the on-going drawdown of China's reserve stocks, suggest that China will need to increase its imports more dramatically at some point in the relatively near future.

When that happens, higher Chinese import demand should pull stocks held outside of China lower. There are lingering questions regarding stock levels in certain countries outside of China (notably India), but the direction of change for the collective volume in storage outside of China has been one of increase in recent years. Those increases will serve as a buffer against rising Chinese import demand, but with on-going production-related questions facing several exporters (India, U.S., and Australia) an eventual reduction in world-less-China stocks could be expected. This suggests eventual upward pressure on cotton prices. The extent to which any of this happens will depend on the details concerning the timing and volume of changes in Chinese imports, how global production responds, and what the weather may bring.

World Cotton Production

million 480 lb. bales	2016/17	2017/18	2018/19
		May	May
India	27.0	28.5	28.5
China	22.8	27.5	27.0
United States	17.2	20.9	19.5
Brazil	7.0	8.7	8.8
Pakistan	7.7	8.2	8.8
Rest of World	25.0	28.6	28.6
World	106.7	122.4	121.2

World Cotton Mill-Use

million 480 lb. bales	2016/17	2017/18	2018/19
		May	May
China	37.5	40.0	41.5
India	24.0	24.2	25.2
Pakistan	10.3	10.4	10.5
Bangladesh	6.7	7.3	7.8
Turkey	6.5	7.2	7.4
Rest of World	29.8	31.6	33.0
World	114.8	120.7	125.4

World Cotton Exports

million 480 lb. bales	2016/17	2017/18	2018/19
		May	May
United States	14.9	15.5	15.5
Brazil	2.8	4.2	4.8
Australia	3.7	3.9	4.5
India	4.6	4.5	4.3
Burkina	1.1	1.1	1.3
Rest of World	10.3	10.2	10.8
World	37.4	39.4	41.1

World Cotton Imports

million 480 lb. bales	2016/17	2017/18	2018/19
		May	May
Bangladesh	6.7	7.4	7.9
Vietnam	5.5	6.8	7.7
China	5.0	5.1	7.0
Turkey	3.7	4.0	3.6
Indonesia	3.4	3.4	3.5
Rest of World	13.3	12.6	11.4
World	37.6	39.2	41.1

World Cotton Ending Stocks

million 480 lb. bales	2016/17	2017/18	2018/19
		May	May
China	48.4	41.0	33.4
India	11.1	12.6	13.2
Brazil	6.9	8.1	8.7
United States	2.8	4.7	5.2
Pakistan	2.3	2.8	2.9
Rest of World	15.4	19.0	20.3
World	86.9	88.2	83.7

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

Please forward comments and questions to marketinformation@cottoninc.com

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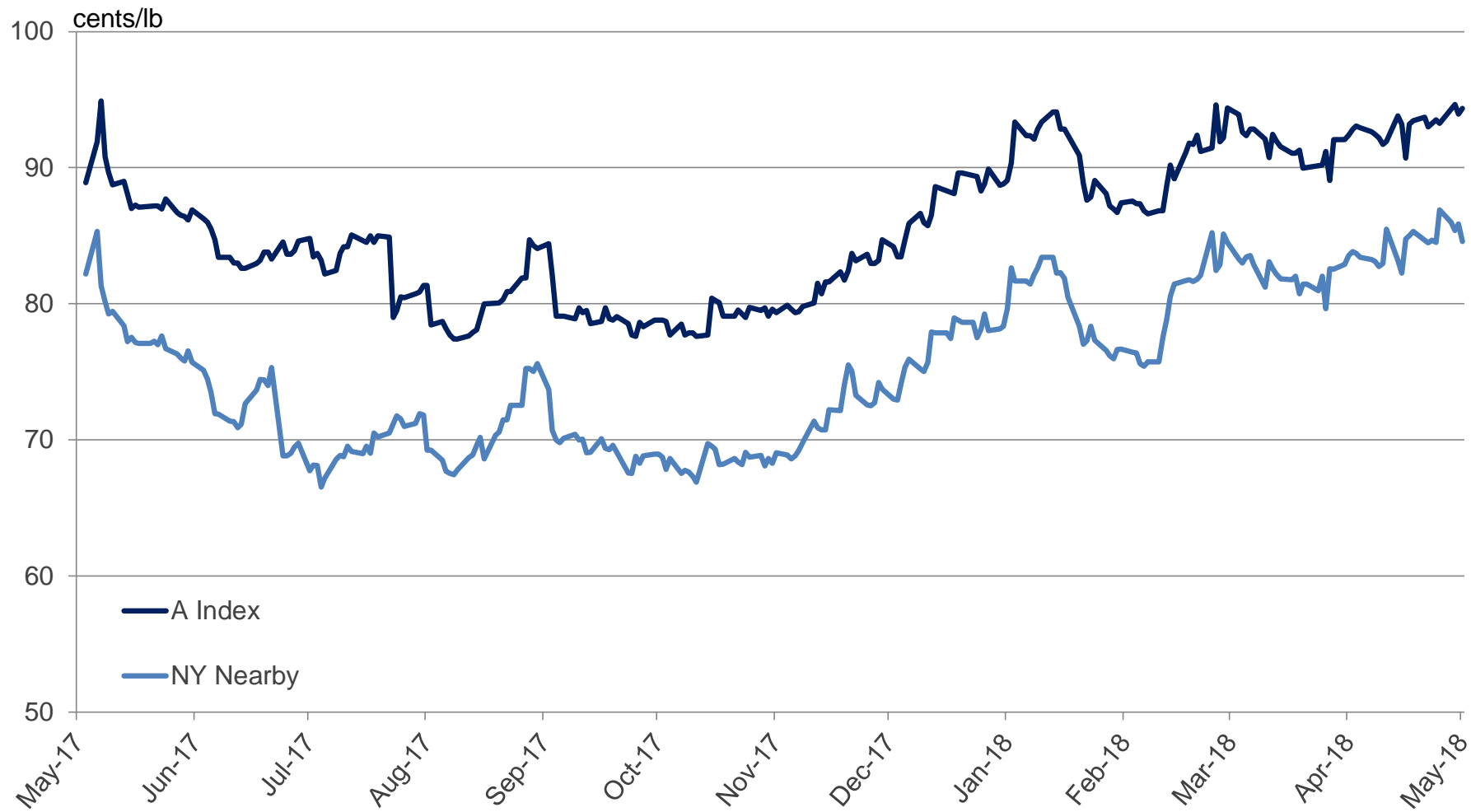
Sources: Price data from Reuters, Cotlook, Cotton Assn. of India, and Karachi Cotton Assn. Supply, demand, and trade data from the USDA.

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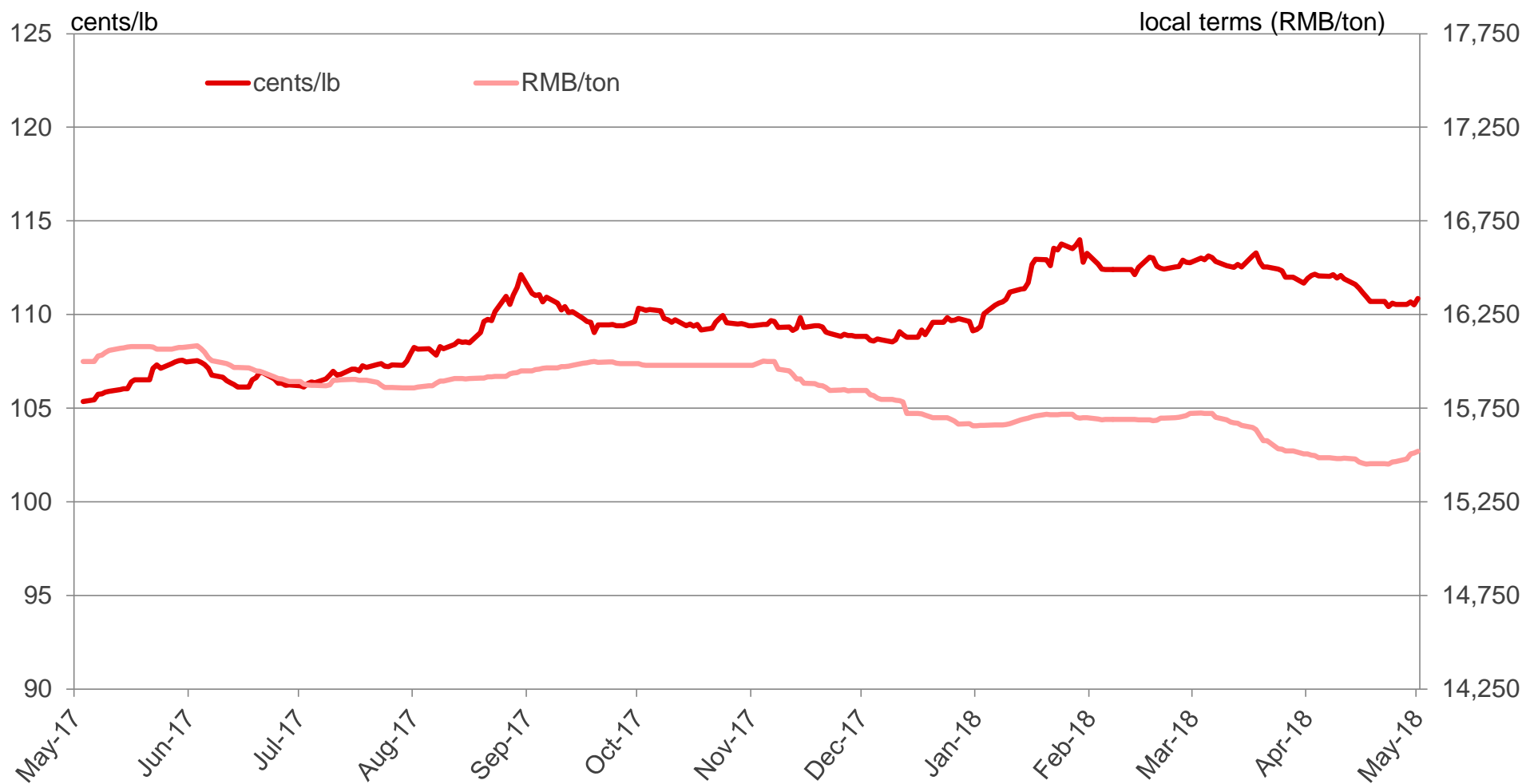
List of Charts and Tables

Charts - Daily	A Index & NY Nearby	Chinese Prices	Indian Prices	Pakistani Prices
Charts - Monthly	A Index & NY Nearby	Chinese Prices	Indian Prices	Pakistani Prices
Tables	Balance Sheets (bales)	Balance Sheets (tons)	Supply & Demand (bales)	Supply & Demand (tons)

One Year of Daily A Index and NY Nearby Prices

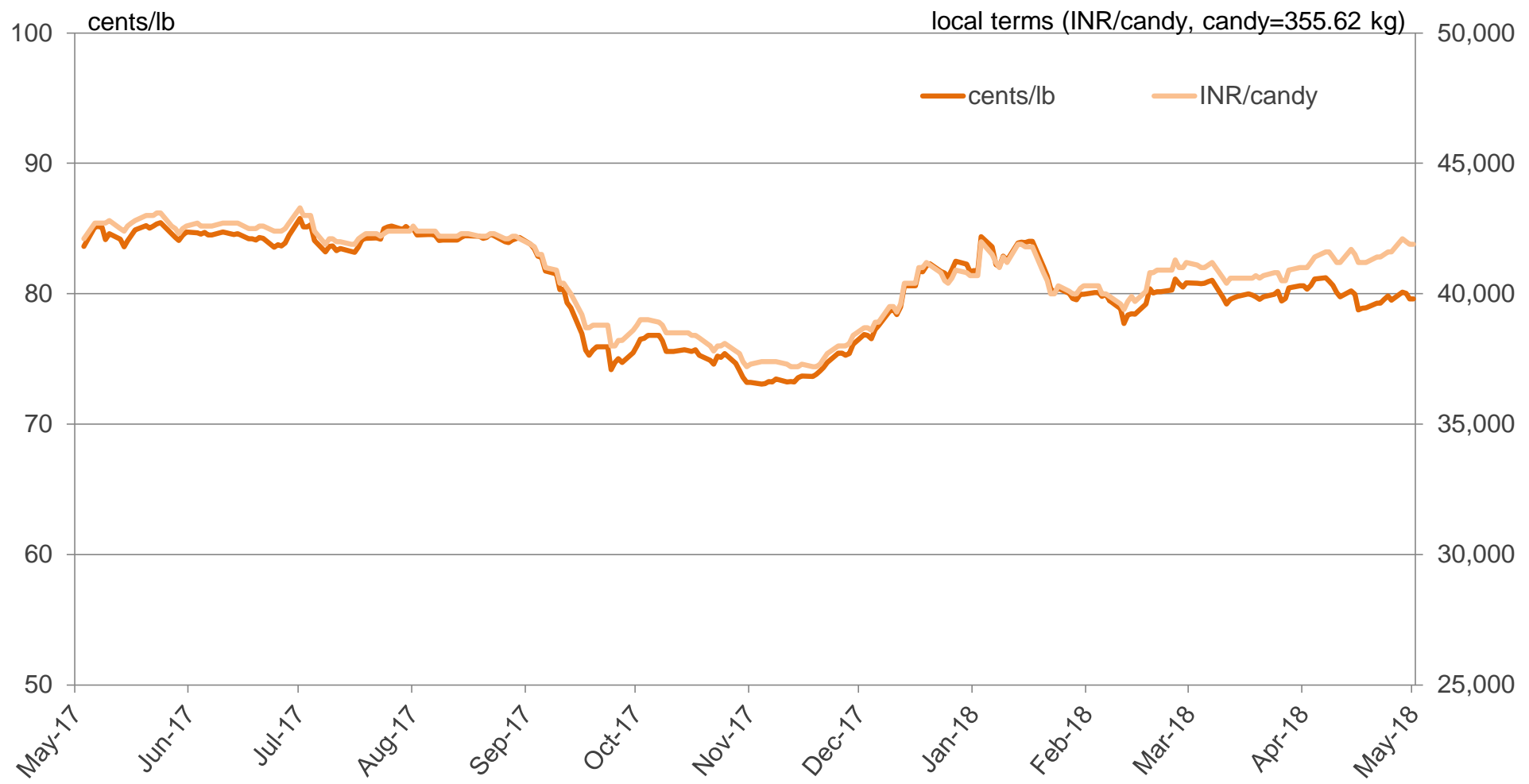


One Year of Daily CC Index (Grade 328) Prices

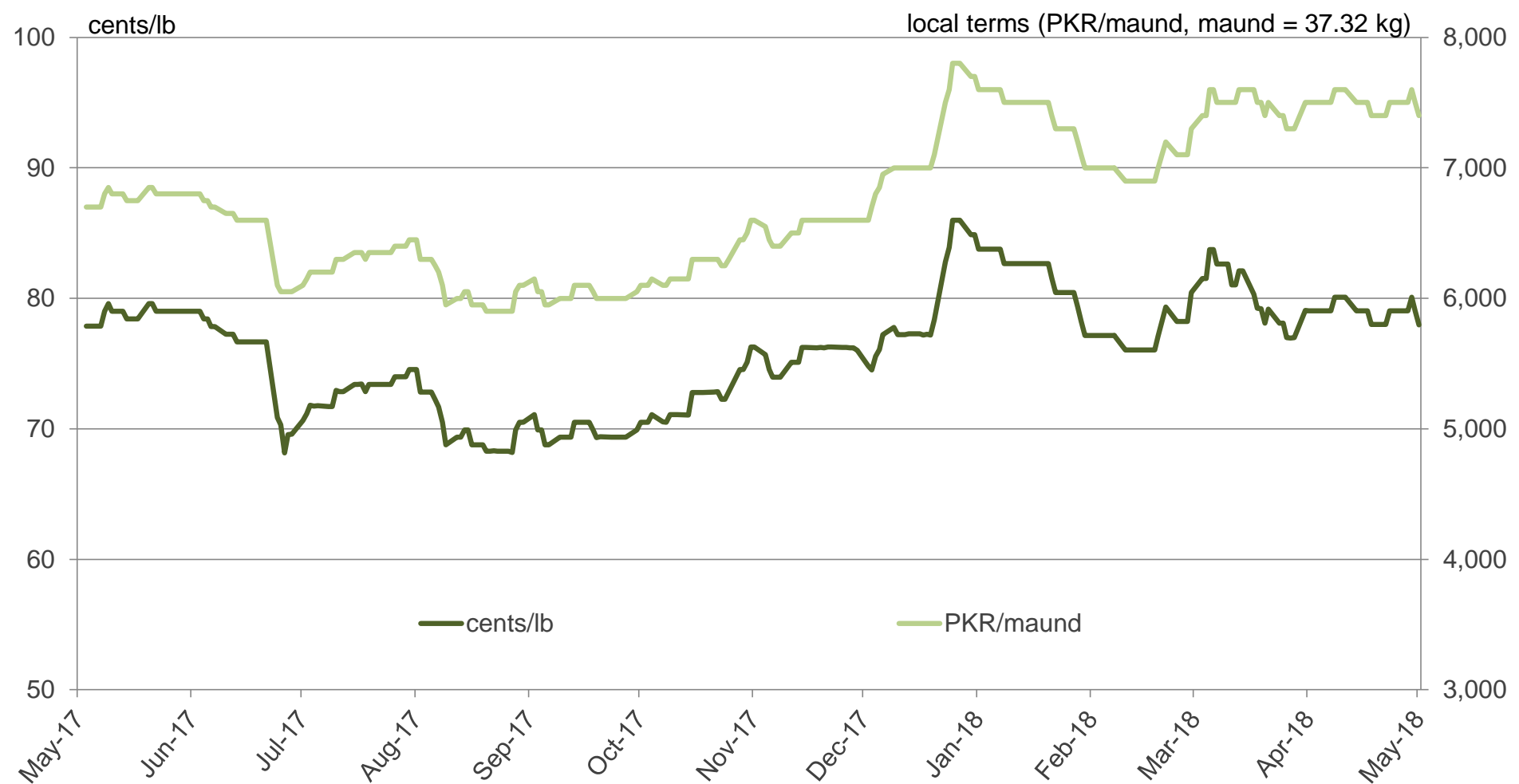


Note: Differences in price movement in local and international terms (cents/lb) due to changes in exchange rates.

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



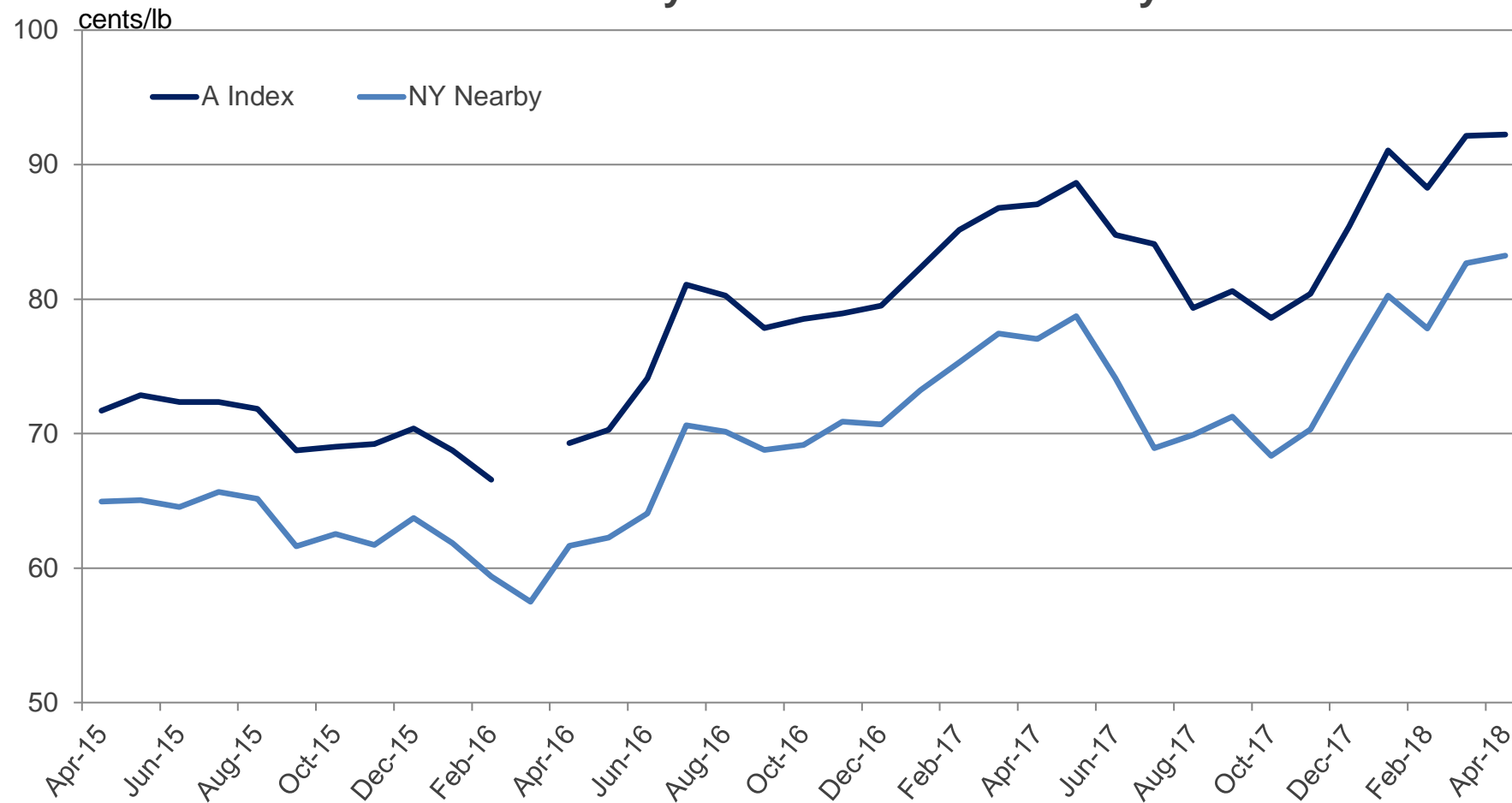
One Year of Daily Pakistani Spot Prices



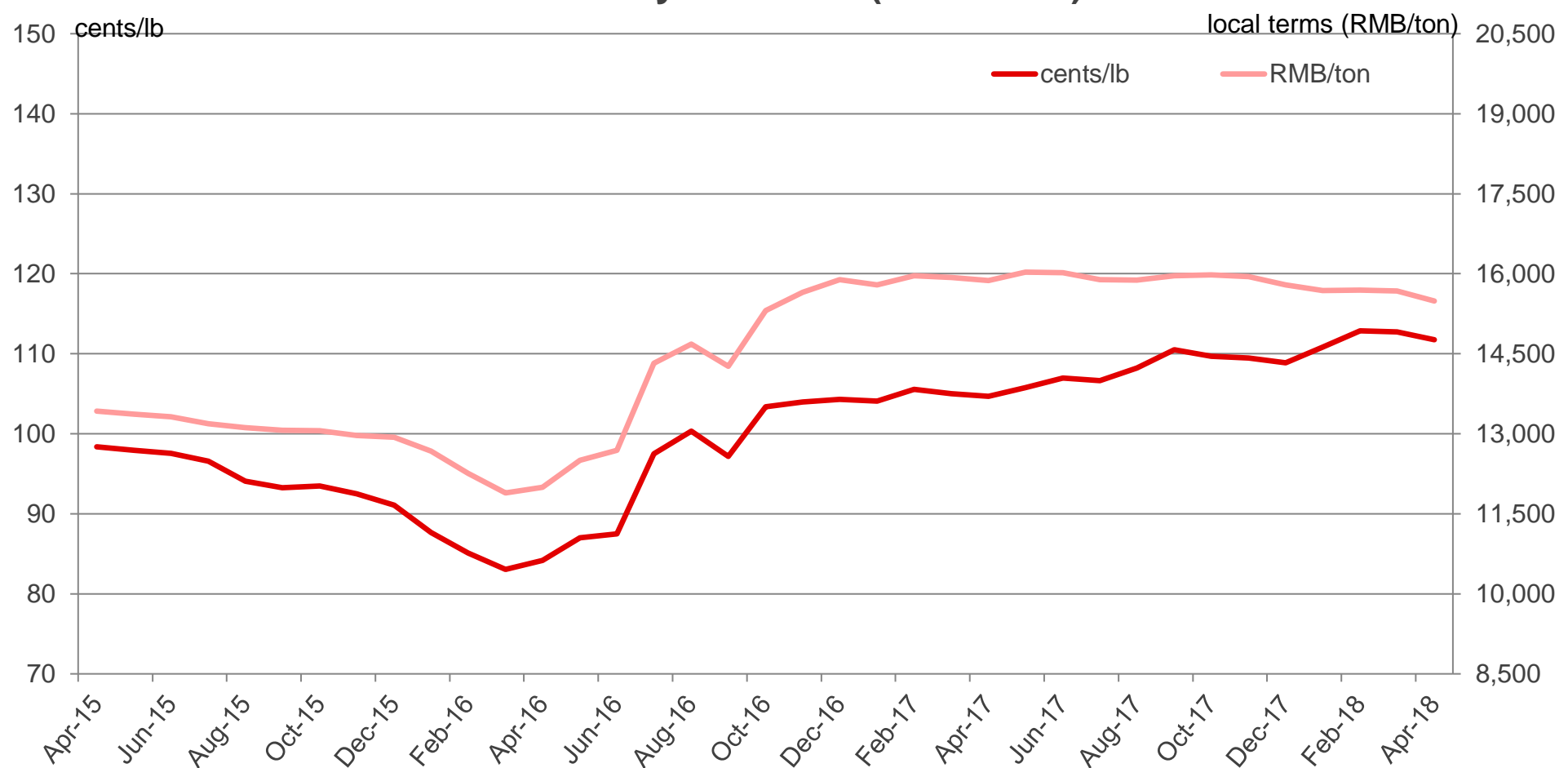
Note: Differences in price movement in local and international terms (cents/lb) due to changes in exchange rates.

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Three Years of Monthly A Index and NY Nearby Prices



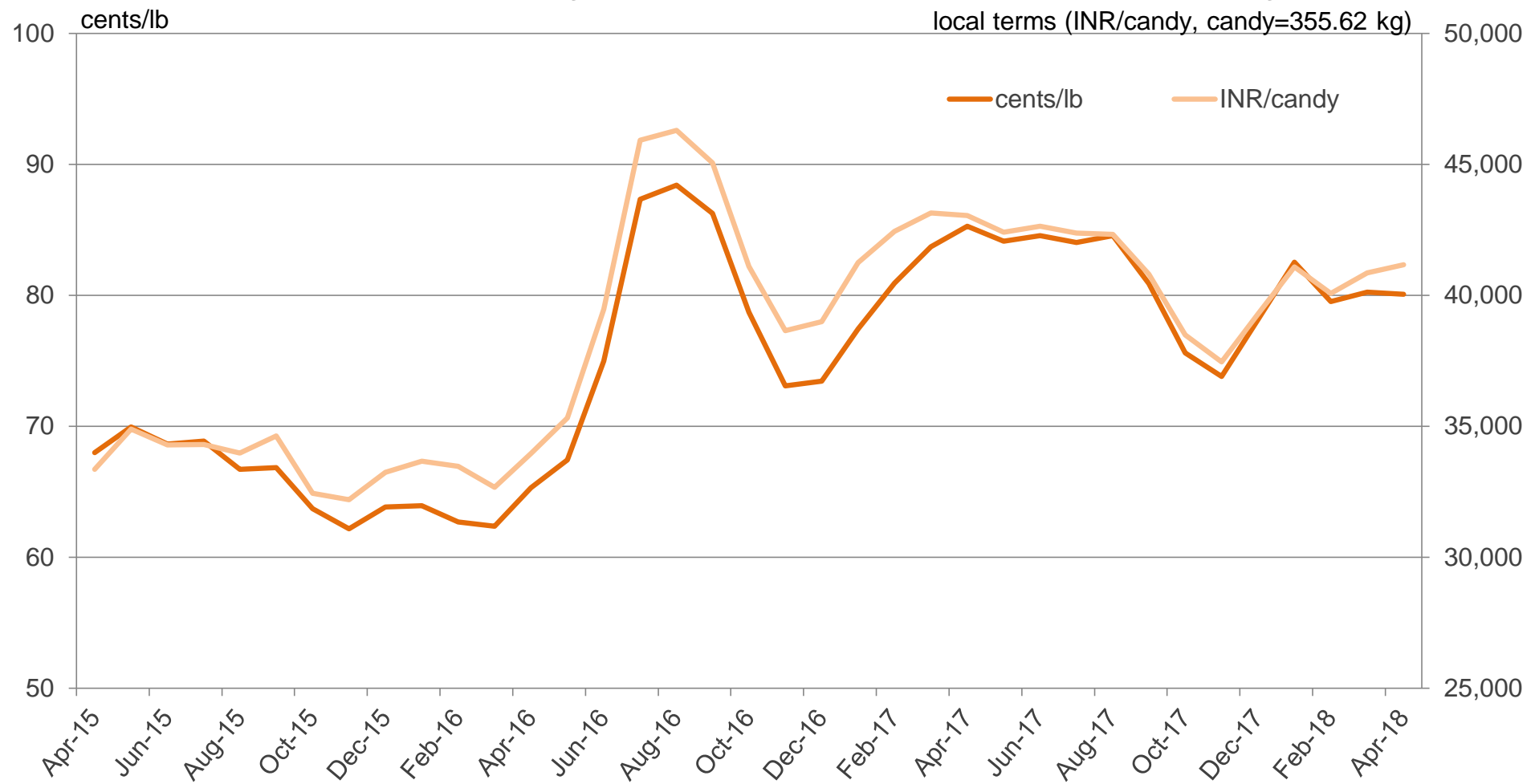
Three Years of Monthly CC Index (Grade 328) Prices



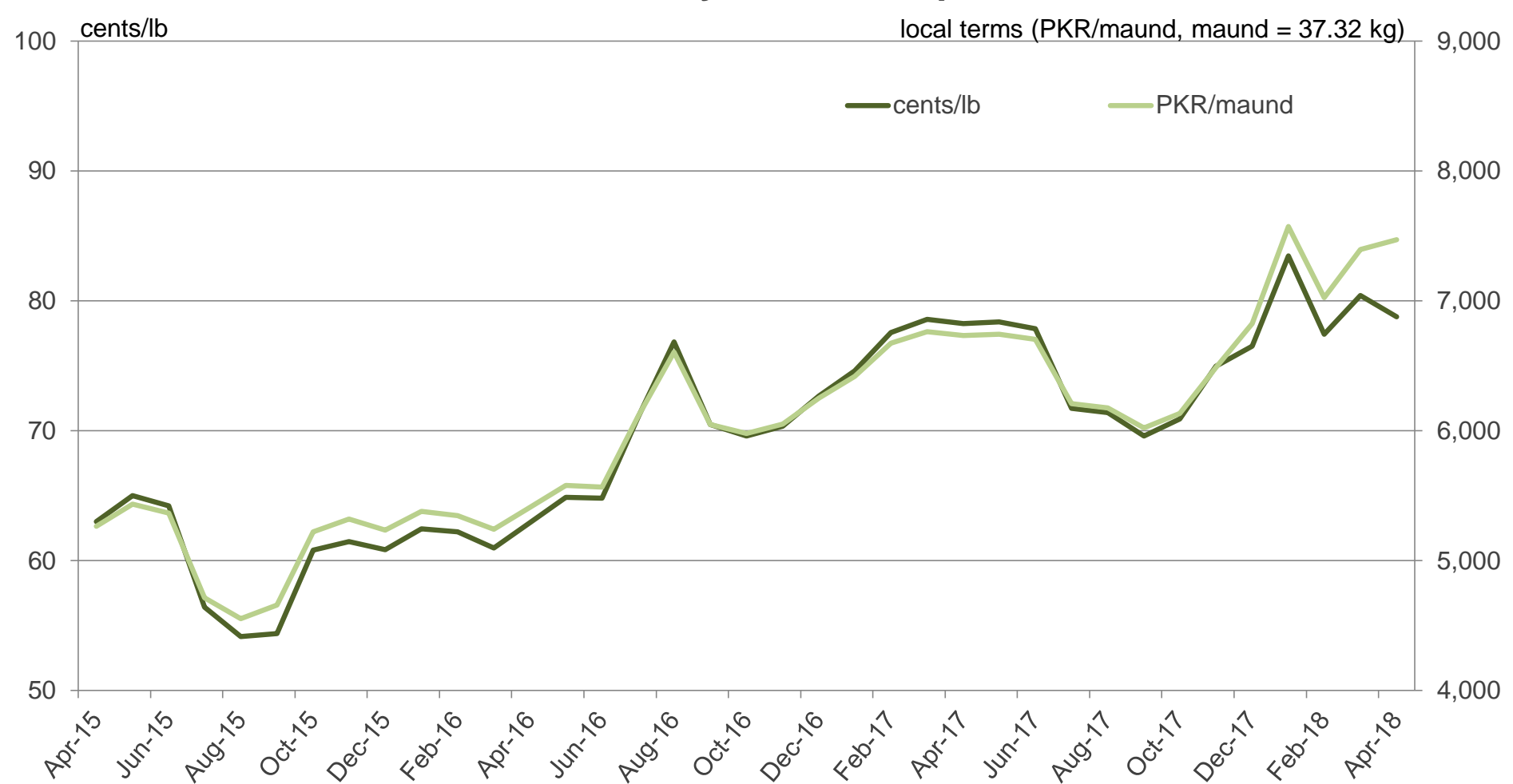
Note: Differences in price movement in local and international terms (cents/lb) due to changes in exchange rates.

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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.

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World Balance Sheet

million 480 lb. bales	2013/14	2014/15	2015/16	2016/17	2017/18 May	2018/19 May
Beginning Stocks	92.0	103.0	110.8	95.0	86.9	88.2
Production	120.4	119.2	96.2	106.7	122.4	121.2
Supply	212.4	222.3	207.0	201.7	209.4	209.4
Mill-Use	110.0	111.8	112.2	114.8	120.7	125.4
Ending Stocks	103.0	110.8	95.0	86.9	88.2	83.7
Stocks/Use Ratio	93.7%	99.1%	84.7%	75.7%	73.1%	66.8%

China Balance Sheet

million 480 lb. bales	2013/14	2014/15	2015/16	2016/17	2017/18 May	2018/19 May
Beginning Stocks	50.4	62.7	66.9	58.2	48.4	41.0
Production	32.8	30.0	22.0	22.8	27.5	27.0
Imports	14.1	8.3	4.4	5.0	5.1	7.0
Supply	97.2	101.0	93.3	86.0	81.0	75.0
Mill-Use	34.5	34.0	35.0	37.5	40.0	41.5
Exports	0.0	0.1	0.1	0.1	0.1	0.1
Demand	34.5	34.1	35.1	37.6	40.1	41.6
Ending Stocks	62.7	66.9	58.2	48.4	41.0	33.4
Stocks/Use Ratio	181.6%	196.4%	165.7%	128.9%	102.3%	80.4%

World-Less-China Balance Sheet

million 480 lb. bales	2013/14	2014/15	2015/16	2016/17	2017/18 May	2018/19 May
Beginning Stocks	41.6	40.3	43.8	36.8	36.8	38.5
Production	87.6	89.2	74.2	83.9	94.9	94.2
Imports from China	0.0	0.1	0.1	0.1	0.1	0.1
Supply	129.3	129.6	118.2	120.8	131.8	132.7
Mill-Use	75.5	77.8	77.2	77.3	80.7	83.9
Exports to China	14.1	8.3	4.4	5.0	5.1	7.0
Demand	89.6	86.1	81.6	82.3	85.8	90.9
Ending Stocks	40.3	43.8	36.8	38.5	47.2	50.3
Stocks/Use Ratio	45.0%	50.9%	45.1%	46.8%	55.0%	55.3%

Source: USDA

India Balance Sheet

million 480 lb. bales	2013/14	2014/15	2015/16	2016/17	2017/18 May	2018/19 May
Beginning Stocks	11.8	11.5	13.5	9.9	11.1	12.6
Production	31.0	29.5	25.9	27.0	28.5	28.5
Imports	0.7	1.2	1.1	2.7	1.7	1.5
Supply	43.5	42.2	40.5	39.7	41.3	42.6
Mill-Use	23.3	24.5	24.8	24.0	24.2	25.2
Exports	9.3	4.2	5.8	4.6	4.5	4.3
Demand	32.5	28.7	30.5	28.6	28.7	29.5
Ending Stocks	11.5	13.5	9.9	11.1	12.6	13.2
Stocks/Use Ratio	35.2%	47.0%	32.6%	39.0%	44.0%	44.8%

U.S. Balance Sheet

million 480 lb. bales	2013/14	2014/15	2015/16	2016/17	2017/18 May	2018/19 May
Beginning Stocks	3.8	2.4	3.7	3.8	2.8	4.7
Production	12.9	16.3	12.9	17.2	20.9	19.5
Imports	0.0	0.0	0.0	0.0	0.0	0.0
Supply	16.7	18.7	16.6	21.0	23.7	24.2
Mill-Use	3.6	3.6	3.5	3.3	3.4	3.4
Exports	10.5	11.2	9.2	14.9	15.5	15.5
Demand	14.1	14.8	12.6	18.2	18.9	18.9
Ending Stocks	2.4	3.7	3.8	2.8	4.7	5.2
Stocks/Use Ratio	16.7%	24.6%	30.2%	15.1%	24.9%	27.5%

Pakistan Balance Sheet

million 480 lb. bales	2013/14	2014/15	2015/16	2016/17	2017/18 May	2018/19 May
Beginning Stocks	2.7	2.5	2.9	2.6	2.3	2.8
Production	9.5	10.6	7.0	7.7	8.2	8.8
Imports	1.2	1.0	3.3	2.4	2.9	2.1
Supply	13.4	14.0	13.2	12.7	13.4	13.7
Mill-Use	10.4	10.6	10.3	10.3	10.4	10.5
Exports	0.5	0.5	0.3	0.1	0.2	0.3
Demand	10.9	11.1	10.6	10.4	10.6	10.8
Ending Stocks	2.5	2.9	2.6	2.3	2.8	2.9
Stocks/Use Ratio	22.7%	26.0%	24.8%	21.7%	26.3%	27.0%

Source: USDA

World Cotton Production

million 480 lb. bales	2013/14	2014/15	2015/16	2016/17	2017/18 May	2018/19 May
India	31.0	29.5	25.9	27.0	28.5	28.5
China	32.8	30.0	22.0	22.8	27.5	27.0
United States	12.9	16.3	12.9	17.2	20.9	19.5
Brazil	8.0	7.2	5.9	7.0	8.7	8.8
Pakistan	9.5	10.6	7.0	7.7	8.2	8.8
Turkey	2.3	3.2	2.7	3.2	4.0	4.3
Australia	4.1	2.3	2.9	4.1	4.8	4.0
Uzbekistan	4.1	3.9	3.8	3.7	3.9	3.8
Mexico	0.9	1.3	0.9	0.8	1.6	1.6
Burkina	1.3	1.4	1.1	1.3	1.3	1.4
Turkmenistan	1.6	1.5	1.5	1.3	1.4	1.4
Mali	0.9	1.0	1.0	1.2	1.4	1.4
Greece	1.4	1.3	1.0	1.0	1.2	1.3
Rest of World	9.8	9.7	7.7	8.4	9.2	9.5
African Franc Zone	4.1	4.8	4.0	4.8	4.8	4.9
EU-27	1.6	1.7	1.3	1.3	1.5	1.6
World	120.4	119.2	96.2	106.7	122.4	121.2

World Cotton Exports

million 480 lb. bales	2013/14	2014/15	2015/16	2016/17	2017/18 May	2018/19 May
United States	10.5	11.2	9.2	14.9	15.5	15.5
Brazil	2.2	3.9	4.3	2.8	4.2	4.8
Australia	4.9	2.4	2.8	3.7	3.9	4.5
India	9.3	4.2	5.8	4.6	4.5	4.3
Burkina	1.3	1.1	1.3	1.1	1.1	1.3
Mali	0.9	0.9	1.0	1.1	1.1	1.3
Greece	1.3	1.2	1.0	1.0	1.1	1.2
Uzbekistan	2.3	2.6	2.2	1.5	1.3	1.0
Benin	0.5	0.6	0.7	0.7	0.8	0.8
Turkmenistan	1.6	1.5	1.3	0.9	0.7	0.6
Cote d'Ivoire	0.8	0.9	0.8	0.6	0.6	0.6
Mexico	0.2	0.2	0.1	0.2	0.3	0.6
Tajikistan	0.4	0.5	0.5	0.3	0.5	0.5
Rest of World	4.8	4.5	4.0	4.1	3.9	4.4
African Franc Zone	4.1	4.0	4.6	4.2	4.1	4.5
EU-27	1.6	1.6	1.3	1.3	1.4	1.5
World	40.8	35.5	34.9	37.4	39.4	41.1

Source: USDA

World Cotton Mill-Use

million 480 lb. bales	2013/14	2014/15	2015/16	2016/17	2017/18 May	2018/19 May
China	34.5	34.0	35.0	37.5	40.0	41.5
India	23.3	24.5	24.8	24.0	24.2	25.2
Pakistan	10.4	10.6	10.3	10.3	10.4	10.5
Bangladesh	5.3	5.8	6.3	6.7	7.3	7.8
Turkey	6.3	6.4	6.7	6.5	7.2	7.4
Vietnam	3.2	4.1	4.4	5.4	6.6	7.4
Indonesia	3.1	3.3	3.0	3.3	3.4	3.5
Brazil	4.2	3.4	3.1	3.2	3.4	3.5
United States	3.6	3.6	3.5	3.3	3.4	3.4
Uzbekistan	1.6	1.8	1.8	2.1	2.4	2.7
Mexico	1.9	1.9	1.9	1.8	1.9	1.9
Thailand	1.5	1.5	1.3	1.2	1.1	1.1
South Korea	1.3	1.3	1.2	1.1	1.0	1.0
Rest of World	10.0	9.8	9.1	8.6	8.6	8.7
African Franc Zone	0.1	0.1	0.1	0.1	0.1	0.1
EU-27	0.8	0.9	0.8	0.7	0.7	0.7
World	110.0	111.8	112.2	114.8	120.7	125.4

World Cotton Imports

million 480 lb. bales	2013/14	2014/15	2015/16	2016/17	2017/18 May	2018/19 May
Bangladesh	5.3	5.8	6.4	6.7	7.4	7.9
Vietnam	3.2	4.3	4.5	5.5	6.8	7.7
China	14.1	8.3	4.4	5.0	5.1	7.0
Turkey	4.2	3.7	4.2	3.7	4.0	3.6
Indonesia	3.0	3.3	2.9	3.4	3.4	3.5
Pakistan	1.2	1.0	3.3	2.4	2.9	2.1
India	0.7	1.2	1.1	2.7	1.7	1.5
Thailand	1.5	1.5	1.3	1.2	1.1	1.1
South Korea	1.3	1.3	1.2	1.0	1.0	1.0
Mexico	1.0	0.8	1.0	1.0	1.0	0.9
Malaysia	0.4	0.3	0.4	0.4	0.6	0.6
Taiwan	0.9	0.9	0.7	0.6	0.6	0.6
Egypt	0.4	0.3	0.5	0.5	0.5	0.4
Rest of World	4.0	3.4	3.5	3.3	3.3	3.3
African Franc Zone	0.0	0.0	0.0	0.0	0.0	0.0
EU-27	0.9	0.9	0.8	0.7	0.7	0.7
World Total	41.2	36.1	35.4	37.6	39.2	41.1

Source: USDA

World Balance Sheet

million metric tons	2013/14	2014/15	2015/16	2016/17	2017/18 May	2018/19 May
Beginning Stocks	20.0	22.4	24.1	20.7	18.9	19.2
Production	26.2	26.0	20.9	23.2	26.7	26.4
Supply	46.2	48.4	45.1	43.9	45.6	45.6
Mill-Use	23.9	24.3	24.4	25.0	26.3	27.3
Ending Stocks	22.4	24.1	20.7	18.9	19.2	18.2
Stocks/Use Ratio	93.7%	99.1%	84.7%	75.7%	73.1%	66.8%

China Balance Sheet

million metric tons	2013/14	2014/15	2015/16	2016/17	2017/18 May	2018/19 May
Beginning Stocks	11.0	13.7	14.6	12.7	10.5	8.9
Production	7.1	6.5	4.8	5.0	6.0	5.9
Imports	3.1	1.8	1.0	1.1	1.1	1.5
Supply	21.2	22.0	20.3	18.7	17.6	16.3
Mill-Use	7.5	7.4	7.6	8.2	8.7	9.0
Exports	0.0	0.0	0.0	0.0	0.0	0.0
Demand	7.5	7.4	7.6	8.2	8.7	9.0
Ending Stocks	13.7	14.6	12.7	10.5	8.9	7.3
Stocks/Use Ratio	181.6%	196.4%	165.7%	128.9%	102.3%	80.4%

World-Less-China Balance Sheet

million metric tons	2013/14	2014/15	2015/16	2016/17	2017/18 May	2018/19 May
Beginning Stocks	9.1	8.8	9.5	8.0	8.0	8.4
Production	19.1	19.4	16.2	18.3	20.7	20.5
Imports from China	0.0	0.0	0.0	0.0	0.0	0.0
Supply	28.2	28.2	25.7	26.3	28.7	28.9
Mill-Use	16.4	16.9	16.8	16.8	17.6	18.3
Exports to China	3.1	1.8	1.0	1.1	1.1	1.5
Demand	19.5	18.7	17.8	17.9	18.7	19.8
Ending Stocks	8.8	9.5	8.0	8.4	10.3	11.0
Stocks/Use Ratio	45.0%	50.9%	45.1%	46.8%	55.0%	55.3%

Source: USDA

India Balance Sheet

million metric tons	2013/14	2014/15	2015/16	2016/17	2017/18 May	2018/19 May
Beginning Stocks	2.6	2.5	2.9	2.2	2.4	2.7
Production	6.7	6.4	5.6	5.9	6.2	6.2
Imports	0.1	0.3	0.2	0.6	0.4	0.3
Supply	9.5	9.2	8.8	8.6	9.0	9.3
Mill-Use	5.1	5.3	5.4	5.2	5.3	5.5
Exports	2.0	0.9	1.3	1.0	1.0	0.9
Demand	7.1	6.2	6.6	6.2	6.2	6.4
Ending Stocks	2.5	2.9	2.2	2.4	2.7	2.9
Stocks/Use Ratio	35.2%	47.0%	32.6%	39.0%	44.0%	44.8%

U.S. Balance Sheet

million metric tons	2013/14	2014/15	2015/16	2016/17	2017/18 May	2018/19 May
Beginning Stocks	0.8	0.5	0.8	0.8	0.6	1.0
Production	2.8	3.6	2.8	3.7	4.6	4.2
Imports	0.0	0.0	0.0	0.0	0.0	0.0
Supply	3.6	4.1	3.6	4.6	5.2	5.3
Mill-Use	0.8	0.8	0.8	0.7	0.7	0.7
Exports	2.3	2.4	2.0	3.2	3.4	3.4
Demand	3.1	3.2	2.7	4.0	4.1	4.1
Ending Stocks	0.5	0.8	0.8	0.6	1.0	1.1
Stocks/Use Ratio	16.7%	24.6%	30.2%	15.1%	24.9%	27.5%

Pakistan Balance Sheet

million metric tons	2013/14	2014/15	2015/16	2016/17	2017/18 May	2018/19 May
Beginning Stocks	0.6	0.5	0.6	0.6	0.5	0.6
Production	2.1	2.3	1.5	1.7	1.8	1.9
Imports	0.3	0.2	0.7	0.5	0.6	0.5
Supply	2.9	3.1	2.9	2.8	2.9	3.0
Mill-Use	2.3	2.3	2.2	2.2	2.3	2.3
Exports	0.1	0.1	0.1	0.0	0.0	0.1
Demand	2.4	2.4	2.3	2.3	2.3	2.3
Ending Stocks	0.5	0.6	0.6	0.5	0.6	0.6
Stocks/Use Ratio	22.7%	26.0%	24.8%	21.7%	26.3%	27.0%

Source: USDA

World Cotton Production

million metric tons	2013/14	2014/15	2015/16	2016/17	2017/18 May	2018/19 May
India	6.7	6.4	5.6	5.9	6.2	6.2
China	7.1	6.5	4.8	5.0	6.0	5.9
United States	2.8	3.6	2.8	3.7	4.6	4.2
Brazil	1.7	1.6	1.3	1.5	1.9	1.9
Pakistan	2.1	2.3	1.5	1.7	1.8	1.9
Turkey	0.5	0.7	0.6	0.7	0.9	0.9
Australia	0.9	0.5	0.6	0.9	1.0	0.9
Uzbekistan	0.9	0.8	0.8	0.8	0.8	0.8
Mexico	0.2	0.3	0.2	0.2	0.3	0.3
Burkina	0.3	0.3	0.2	0.3	0.3	0.3
Turkmenistan	0.3	0.3	0.3	0.3	0.3	0.3
Mali	0.2	0.2	0.2	0.3	0.3	0.3
Greece	0.3	0.3	0.2	0.2	0.3	0.3
Rest of World	2.1	2.1	1.7	1.8	2.0	2.1
African Franc Zone	0.9	1.0	0.9	1.0	1.1	1.1
EU-27	0.3	0.4	0.3	0.3	0.3	0.3
World	26.2	26.0	20.9	23.2	26.7	26.4

World Cotton Exports

million metric tons	2013/14	2014/15	2015/16	2016/17	2017/18 May	2018/19 May
United States	2.3	2.4	2.0	3.2	3.4	3.4
Brazil	0.5	0.9	0.9	0.6	0.9	1.0
Australia	1.1	0.5	0.6	0.8	0.8	1.0
India	2.0	0.9	1.3	1.0	1.0	0.9
Burkina	0.3	0.2	0.3	0.2	0.2	0.3
Mali	0.2	0.2	0.2	0.2	0.2	0.3
Greece	0.3	0.3	0.2	0.2	0.2	0.3
Uzbekistan	0.5	0.6	0.5	0.3	0.3	0.2
Benin	0.1	0.1	0.2	0.1	0.2	0.2
Turkmenistan	0.4	0.3	0.3	0.2	0.2	0.1
Cote d'Ivoire	0.2	0.2	0.2	0.1	0.1	0.1
Mexico	0.0	0.0	0.0	0.0	0.1	0.1
Tajikistan	0.1	0.1	0.1	0.1	0.1	0.1
Rest of World	1.0	1.0	0.9	0.9	0.8	1.0
African Franc Zone	0.9	0.9	1.0	0.9	0.9	1.0
EU-27	0.3	0.4	0.3	0.3	0.3	0.3
World	8.9	7.7	7.6	8.1	8.6	9.0

Source: USDA

World Cotton Consumption

million metric tons	2013/14	2014/15	2015/16	2016/17	2017/18 May	2018/19 May
China	7.5	7.4	7.6	8.2	8.7	9.0
India	5.1	5.3	5.4	5.2	5.3	5.5
Pakistan	2.3	2.3	2.2	2.2	2.3	2.3
Bangladesh	1.2	1.3	1.4	1.5	1.6	1.7
Turkey	1.4	1.4	1.5	1.4	1.6	1.6
Vietnam	0.7	0.9	1.0	1.2	1.4	1.6
Indonesia	0.7	0.7	0.7	0.7	0.7	0.8
Brazil	0.9	0.7	0.7	0.7	0.7	0.8
United States	0.8	0.8	0.8	0.7	0.7	0.7
Uzbekistan	0.3	0.4	0.4	0.4	0.5	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	0.3	0.2	0.2	0.2
Rest of World	2.2	2.1	2.0	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
World Total	23.9	24.3	24.4	25.0	26.3	27.3

World Cotton Imports

million metric tons	2013/14	2014/15	2015/16	2016/17	2017/18 May	2018/19 May
Bangladesh	1.2	1.3	1.4	1.5	1.6	1.7
Vietnam	0.7	0.9	1.0	1.2	1.5	1.7
China	3.1	1.8	1.0	1.1	1.1	1.5
Turkey	0.9	0.8	0.9	0.8	0.9	0.8
Indonesia	0.7	0.7	0.6	0.7	0.7	0.8
Pakistan	0.3	0.2	0.7	0.5	0.6	0.5
India	0.1	0.3	0.2	0.6	0.4	0.3
Thailand	0.3	0.3	0.3	0.3	0.2	0.2
South Korea	0.3	0.3	0.3	0.2	0.2	0.2
Mexico	0.2	0.2	0.2	0.2	0.2	0.2
Malaysia	0.1	0.1	0.1	0.1	0.1	0.1
Taiwan	0.2	0.2	0.2	0.1	0.1	0.1
Egypt	0.1	0.1	0.1	0.1	0.1	0.1
Rest of World	0.9	0.8	0.8	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
World Total	9.0	7.9	7.7	8.2	8.5	9.0

Source: USDA