

# Monthly Economic Letter

Cotton Market Fundamentals & Price Outlook



## RECENT PRICE MOVEMENT

Global cotton prices continued to rise over the past month.

- The NY March futures contract climbed from 74 cents/lb to 82 cents/lb. The December futures contract, reflective of price expectations after the 2021/22 harvest, rose from 72 to 77 cents/lb.
- Cotlook's A Index rose from 80 to 86 cents/lb.
- In international terms, the China Cotton Index (CC Index 3128B) increased from 102 to 108 cents/lb. In domestic terms, values climbed from 14,700 to 15,300 RMB/ton. The RMB strengthened against the USD, from 6.55 to 6.47 RMB/USD.
- Indian cotton prices (Shankar-6 quality) increased from 71 to 75 cents/lb. In domestic terms, values increased from 40,700 to 43,200 INR/candy. The Indian rupee was steady against the USD near 73 INR/USD.
- In international terms, Pakistani prices rose from 72 to 80 cents/lb. In domestic terms, prices increased from 9,500 to 10,500 PKR/maund. The Pakistani rupee was steady against the USD near 160 PKR/USD.

## SUPPLY, DEMAND, & TRADE

The latest USDA report featured a decrease to global production (-1.0 million bales to 112.9 million) and a slight increase to global mill-use (+100,000 bales to 115.7 million). A series of minor revisions to 2019/20 estimates resulted in a small decrease to 2020/21 beginning stocks (-143,000 bales to 99.3 million). A net effect was a 1.2 million bale reduction to the forecast for 2020/21 ending stocks (to 96.3 million).

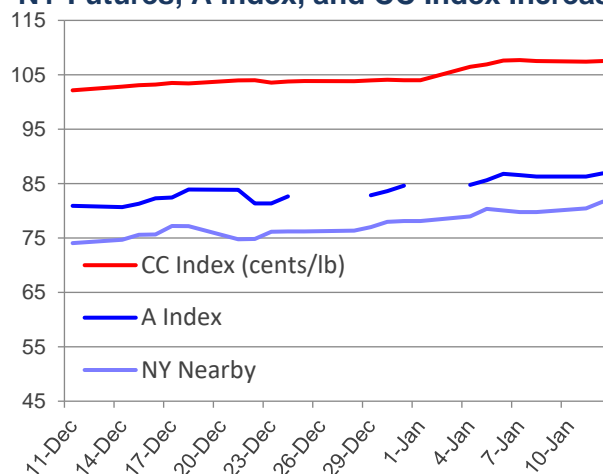
At the country-level, there was a broad range of changes to production numbers. The largest update was for the U.S., where the harvest estimate was lowered 1.0 million bales. This was the second consecutive substantial decrease to the projection for U.S. output (there was a 1.2 million reduction last month). The current forecast of 15.0 million bales suggests a 5.0 million bale year-over-year decrease for the U.S. crop.

Other notable revisions for production were made to Greece (+150,000 bales to 1.4 million), Australia (+100,000 bales to 2.5 million), Turkey (+100,000 bales to 2.9 million), Mali (-115,000 bales to 0.3 million), and Pakistan (-200,000 bales to 4.3 million). The current forecast for Pakistan is about half the volume harvested on average in recent years (production was lower last crop year too, average from 2014/15 to 2018/19 was 8.2 million bales).

For mill-use, the largest changes were for China (+500,000 bales to 38.5 million), Turkey (+200,000 bales to 7.2 million), the U.S. (-100,000 bales to 2.4 million), Vietnam (-100,000 bales to 6.7 million), and Indonesia (-200,000 bales to 2.7 million).

The global trade forecast was increased 380,000 bales to 43.6 million. In terms of imports, the largest changes were for China (+500,000 bales to 10.5 million), Pakistan (+200,000 bales to 4.9 million), Mexico (+100,000 bales to 0.8 million), Turkey (+100,000 bales to 4.5 million), Vietnam (-100,000 bales to 6.7 million), and Indonesia (-200,000 bales to 2.6 million). In terms of exports, the largest changes were for the U.S. (+250,000 bales to 15.3 million), Australia (+100,000 bales to 1.5

## NY Futures, A Index, and CC Index Increase



## Recent Price Data

cents/lb	Latest Value (Jan 12)	Latest Month (Dec)	Last 12 Months (Jan20-Dec21)
NY Nearby	81.7	74.8	64.2
A Index	86.9	81.0	71.9
CC Index	107.5	102.8	85.3
Indian Spot	75.4	72.2	65.1
Pakistani Spot	80.6	73.8	67.2

Additional price data available [here](#).

Price definitions available [here](#).

## World Balance Sheet

million 480 lb. bales	2020/21		
	2019/20	Dec	Jan
Beg. Stocks	80.3	99.4	99.3
Production	122.1	113.9	112.9
Mill-Use	102.6	115.6	115.7
Ending Stocks	99.3	97.5	96.3
Stocks/Use	96.8%	84.3%	83.2%

## China Balance Sheet

million 480 lb. bales	2020/21		
	2019/20	Dec	Jan
Beg. Stocks	35.7	36.9	36.9
Production	27.2	27.5	27.5
Imports	7.1	10.0	10.5
Mill-Use	33.0	38.0	38.5
Exports	0.2	0.1	0.1
Ending Stocks	36.9	36.3	36.3
Stocks/Use	111.3%	95.1%	93.9%

## World-Less-China Balance Sheet

million 480 lb. bales	2020/21		
	2019/20	Dec	Jan
Beg. Stocks	44.6	62.5	62.4
Production	94.9	86.4	85.4
Imports from China	0.2	0.1	0.1
Mill-Use	69.6	77.6	77.2
Exports to China	7.1	10.0	10.5
Ending Stocks	62.4	61.2	60.0
Stocks/Use	81.3%	69.9%	68.4%

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

million), Mexico (+100,000 bales to 0.3 million), and Mali (-150,000 bales to 0.6 million).

## PRICE OUTLOOK

Recent USDA revisions may have reduced the divergence between prices and ending stock estimates somewhat, but a wedge remains.

Since August, USDA forecasts for 2020/21 global ending stocks have fallen from 104.9 million bales to 96.3 million. Nonetheless, the latest USDA report predicts the fourth-highest volume of ending stocks on record. The current consumption forecast calls for a level of use about five million bales lower than before the pandemic (120.2 million bales in 2018/19, 115.7 million bales in 2020/21).

High stocks and lower use imply elevated values for the stocks-to-use ratio, and the current figure (83.2%) ranks among the fourth highest in recent decades. In the mid-2000s, global stocks-to-use ratios near 50% were considered elevated. Between 2004/05 and 2006/07, when world stocks-to-use averaged 53.2%, the NY Nearby averaged 51.2 cents/lb (68.9 cents/lb adjusted to current USD assuming 2% inflation per year). The current value for the NY Nearby is 82 cents/lb, and the current stock-to-use ratio is 83.2%.

There have been important shifts in the market over that time, such as the increase in production in Brazil. Ending stocks are defined as the volume available at the end of July. Due to the timing of the Brazilian harvest (southern hemisphere), nearly all Brazilian production is counted as ending stocks. Following the 2010/11 price spike, the USDA made a series of upward revisions to estimates for Indian stocks. The preservation of those adjustments has led to questions of over-estimation of Indian stocks for several years.

After compensating for the six million bale increase in Brazilian production over the past 15 years and allowing that Indian stocks could be lowered by a similar magnitude, global stock estimates would result in a stocks-to-use ratio of 72.8% (current ending stock estimate of 96.3 – 12.0 = 84.3 million bales, 84.3 / 115.7 million bales of mill-use = 72.8%). Between 2016/17 and 2018/19, global stocks-to-use was below 70.0% (between 66.0% and 69.1% in those three crop years). During this time, crop year averages for NY Nearby ranged from 72.9 to 74.4 cents/lb.

Lower stocks-to-use and lower prices in these recent years underline how prices may have increased beyond levels explainable by current supply and demand estimates. It is possible that further revisions to supply and demand estimates are necessary. It is also possible that prices may be susceptible to downward correction.

Regardless, recent increases in cotton prices can be expected to influence planting decisions for the upcoming 2021/22 crop year. A recent survey of U.S. growers conducted by a trade publication suggested that U.S. acreage could decrease about 5% next crop year. Ratios of futures prices suggest plantings will be nearly flat. At their annual meeting (Feb 12-14), the National Cotton Council will release results from their survey of U.S. growers' planting intentions. At their outlook forum (Feb 18-19), the USDA will release preliminary estimates for global supply and demand in 2021/22.

## World Cotton Production

million 480 lb. bales	2019/20	2020/21	
		Dec	Jan
India	29.5	29.5	29.5
China	27.3	27.5	27.5
United States	19.9	15.9	15.0
Brazil	13.8	12.0	12.0
Pakistan	6.2	4.5	4.3
Rest of World	25.5	24.5	24.6
World	122.1	113.9	112.9

## World Cotton Mill-Use

million 480 lb. bales	2019/20	2020/21	
		Dec	Jan
China	33.0	38.0	38.5
India	20.0	24.0	24.0
Pakistan	9.2	10.0	10.0
Bangladesh	6.9	7.3	7.3
Turkey	6.6	7.0	7.2
Rest of World	26.9	29.3	28.7
World	102.6	115.6	115.7

## World Cotton Exports

million 480 lb. bales	2019/20	2020/21	
		Dec	Jan
United States	15.5	15.0	15.3
Brazil	8.9	10.0	10.0
India	3.2	5.0	5.0
Australia	1.4	1.4	1.5
Benin	1.2	1.4	1.4
Rest of World	11.0	10.5	10.5
World	41.2	43.2	43.6

## World Cotton Imports

million 480 lb. bales	2019/20	2020/21	
		Dec	Jan
China	7.1	10.0	10.5
Bangladesh	7.5	6.9	6.9
Vietnam	6.5	6.8	6.7
Pakistan	4.0	4.7	4.9
Turkey	4.7	4.4	4.5
Rest of World	10.9	10.4	10.0
World	40.7	43.2	43.5

## World Cotton Ending Stocks

million 480 lb. bales	2019/20	2020/21	
		Dec	Jan
China	36.9	36.3	36.3
India	17.9	19.4	19.4
Brazil	14.4	13.4	13.4
United States	7.3	5.7	4.6
Pakistan	3.4	2.5	2.5
Rest of World	19.4	20.2	20.1
World	99.3	97.5	96.3

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

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

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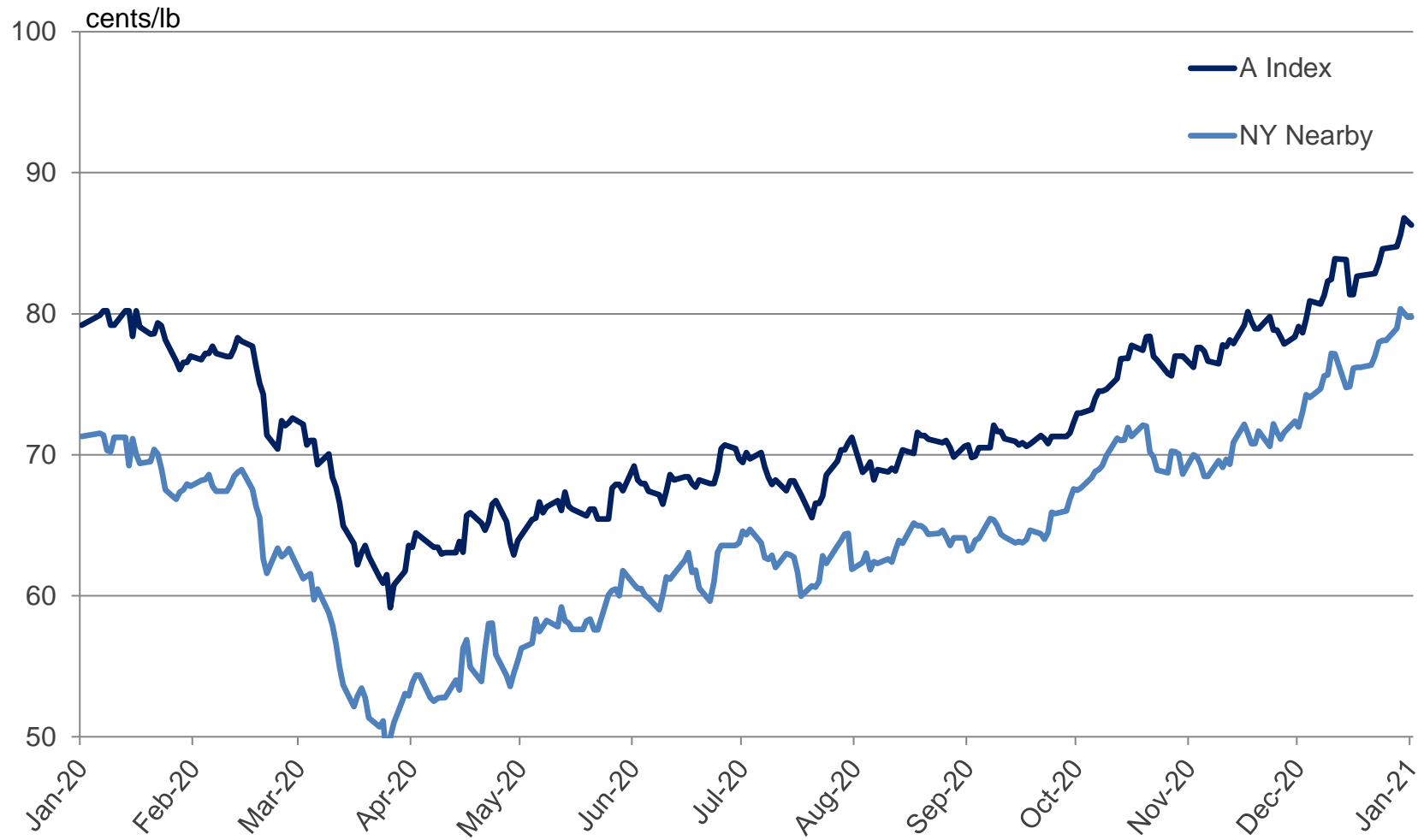
Sources: Price data from Reuters, Cotlook, Cotton Assn. of India, and Karachi Cotton Assn. Supply, demand, and trade data from the USDA.

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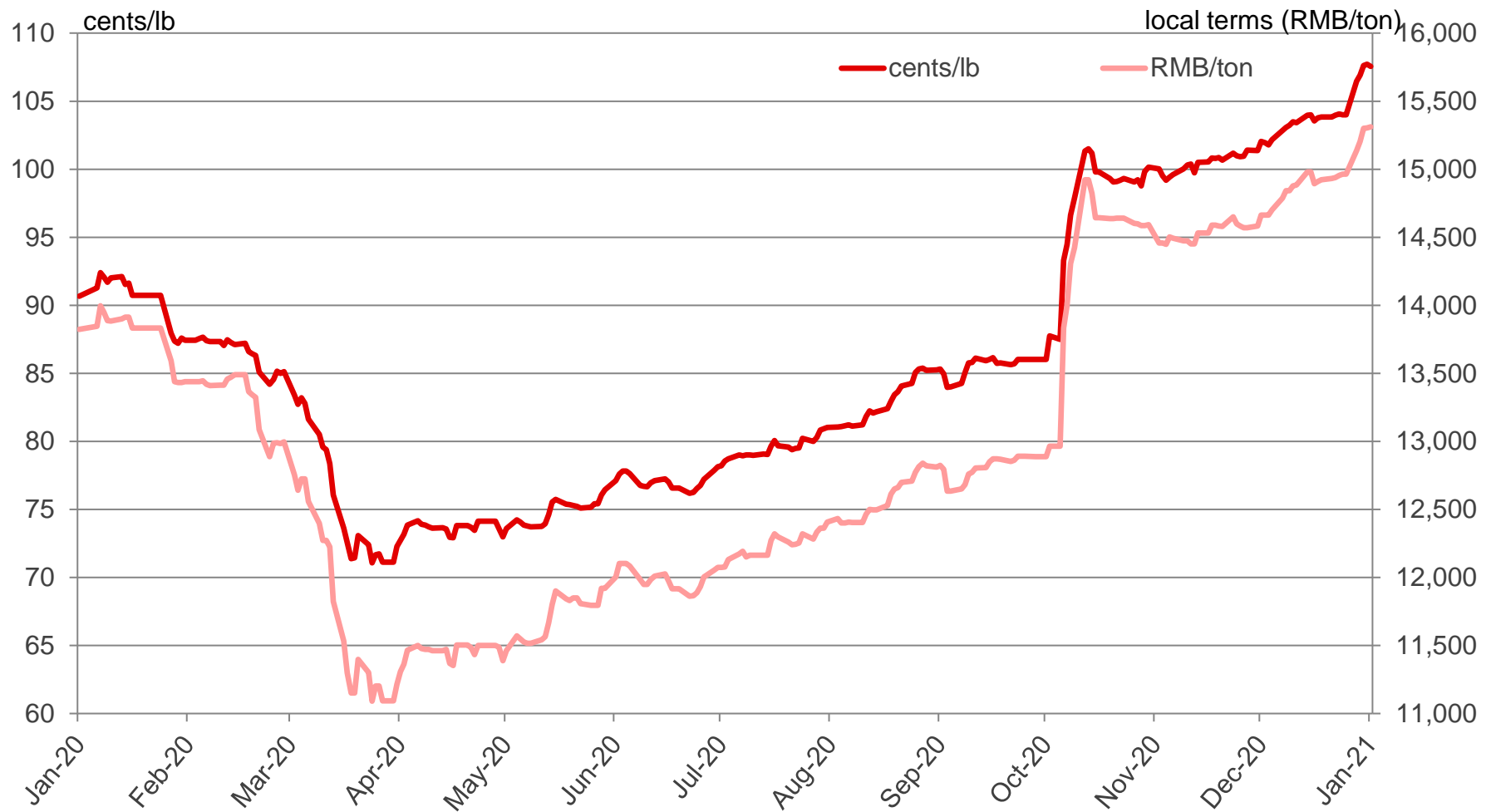
**List of Charts and Tables**

Daily	A Index & NY Nearby	Chinese Prices	Indian Prices	Pakistani Prices
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**

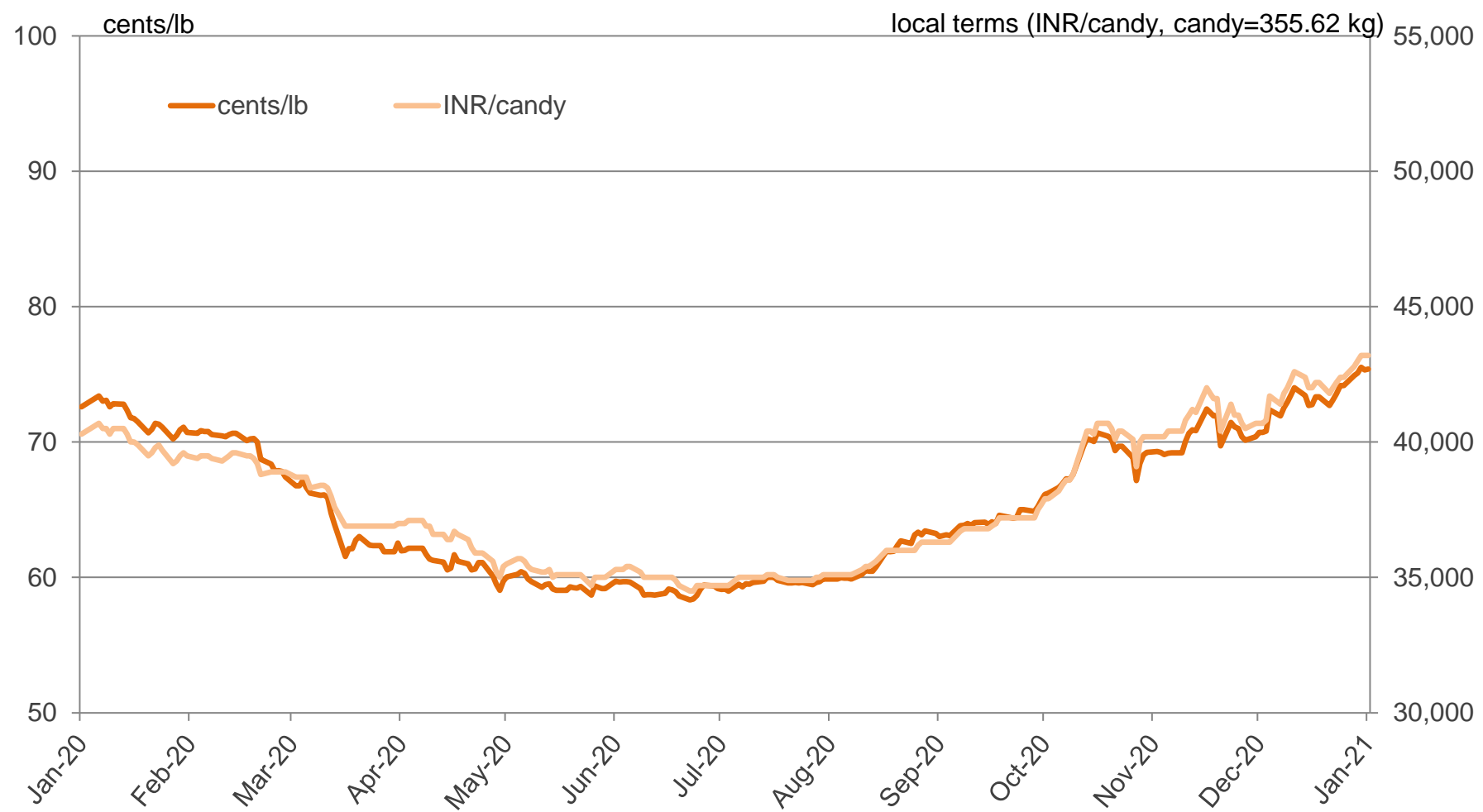


**One Year of Daily CC Index (Grade 328) Prices**

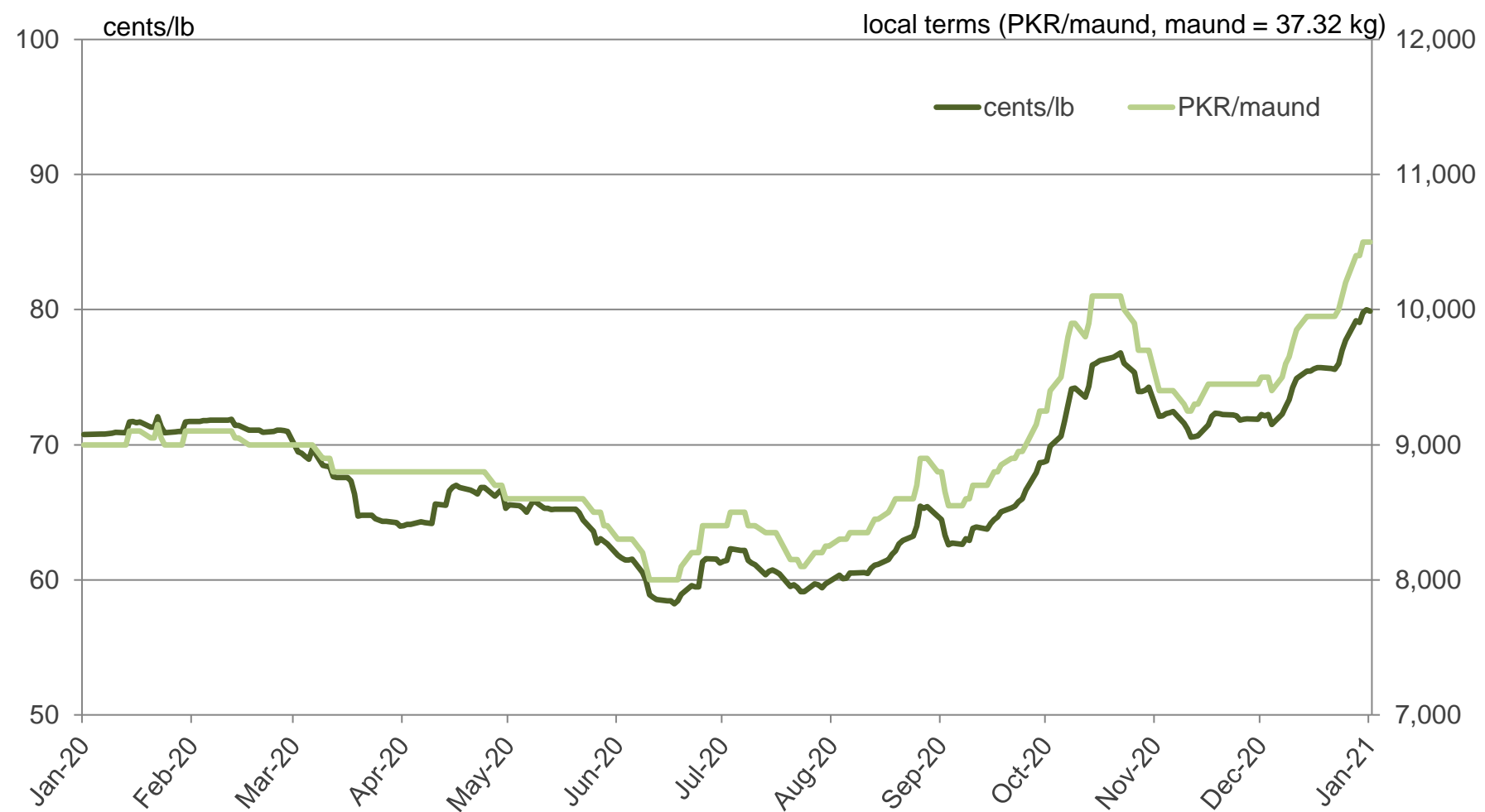


Note: Differences in price movement in local and international terms (cents/lb) due to changes in exchange rates.

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

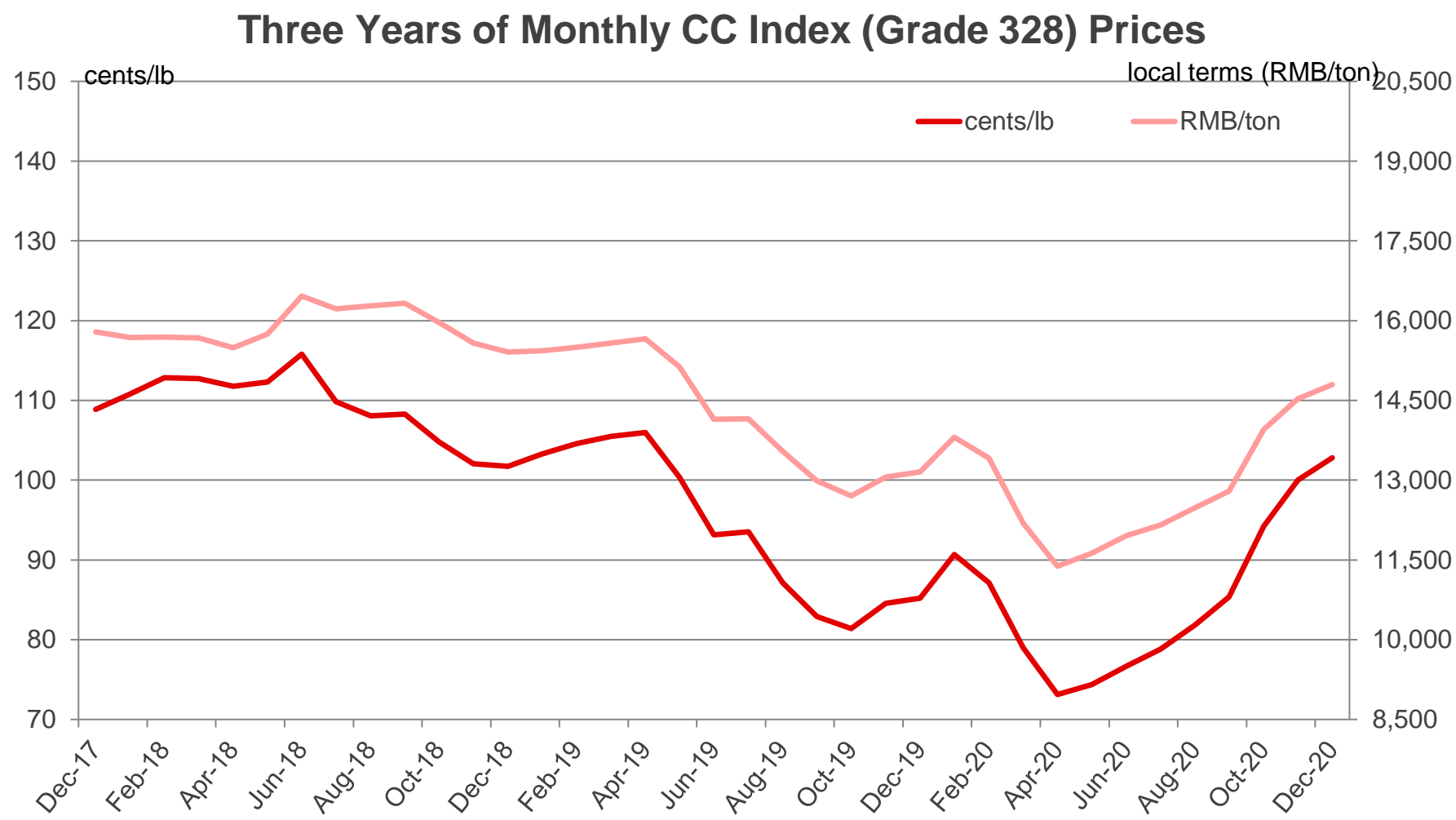
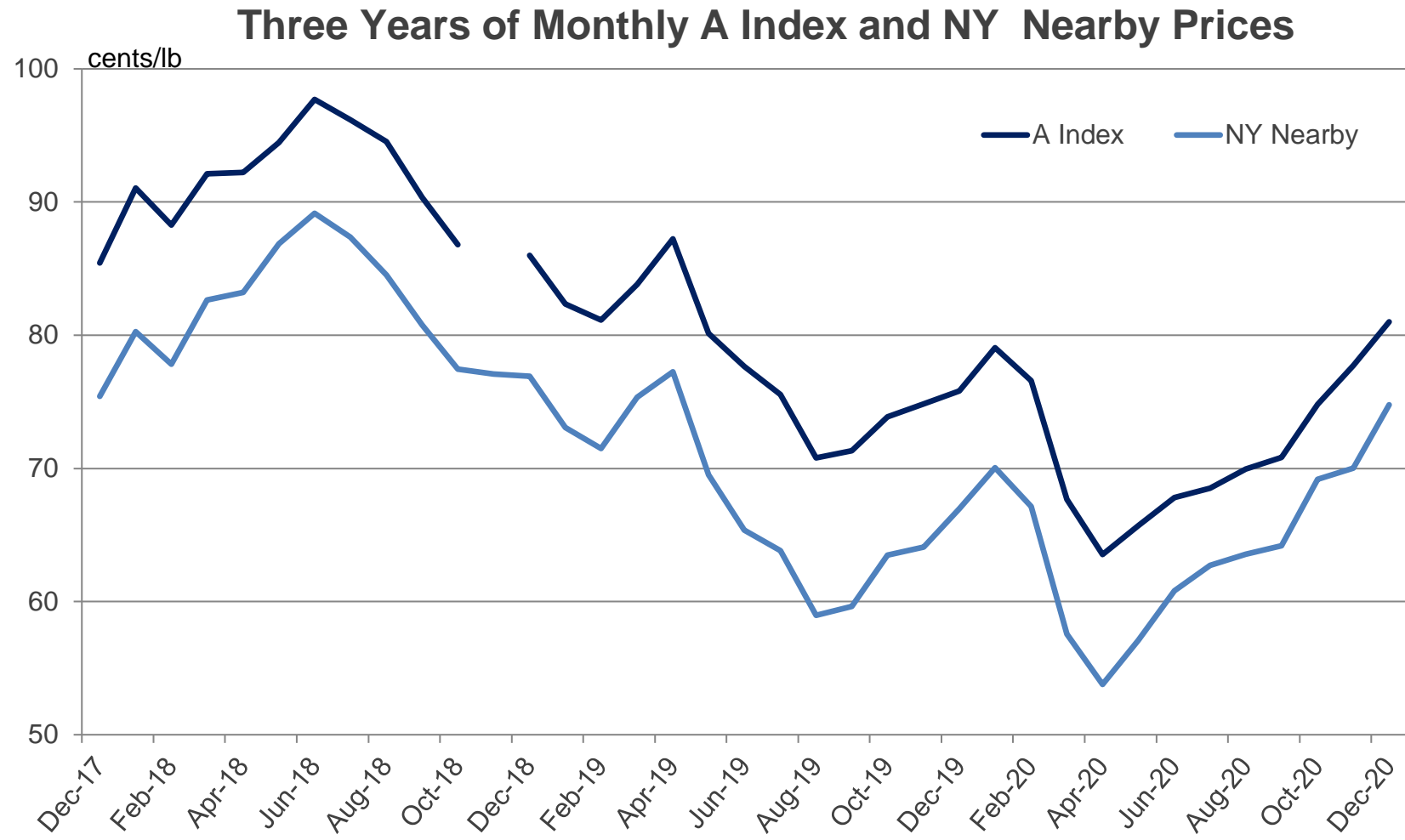


### One Year of Daily Pakistani Spot Prices



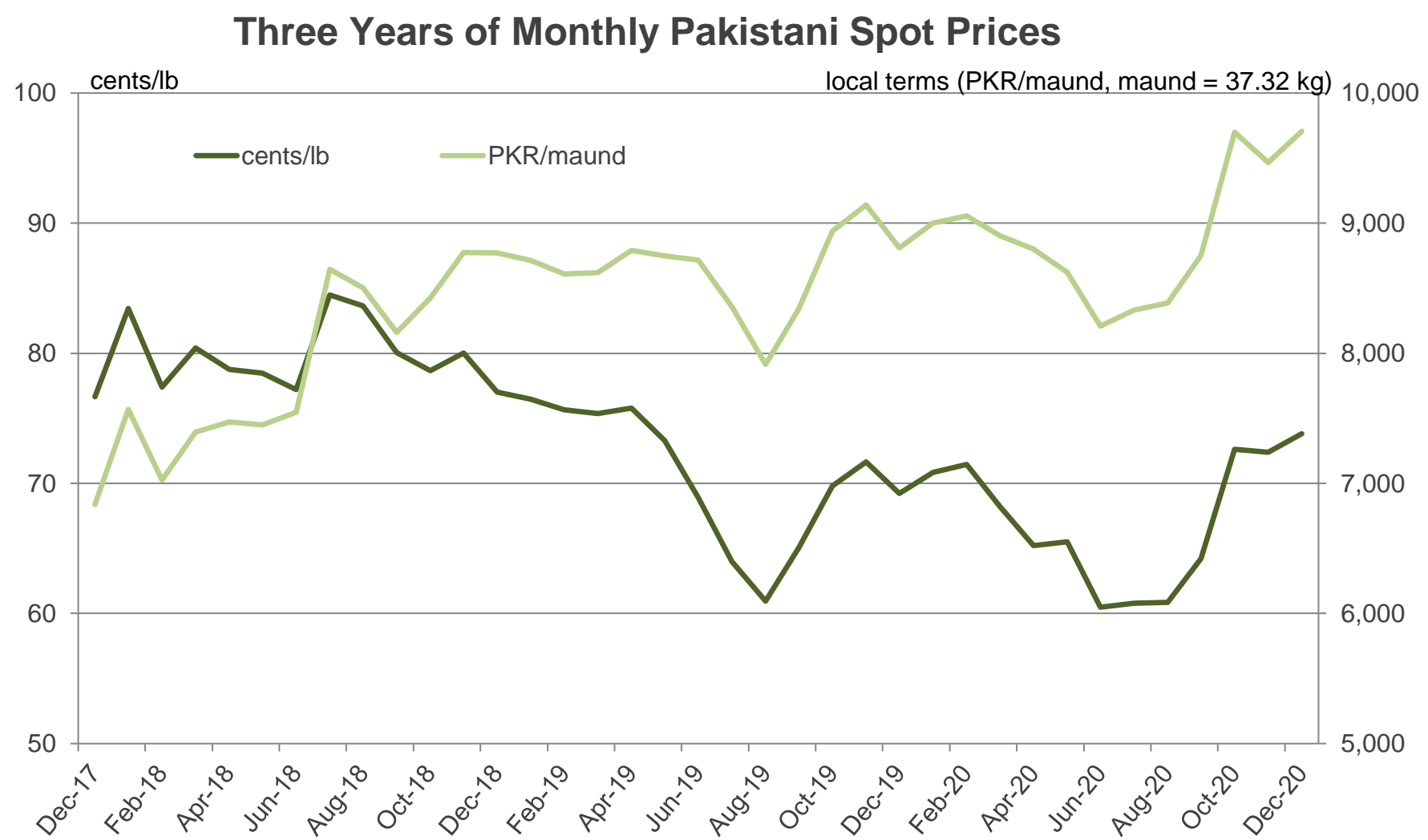
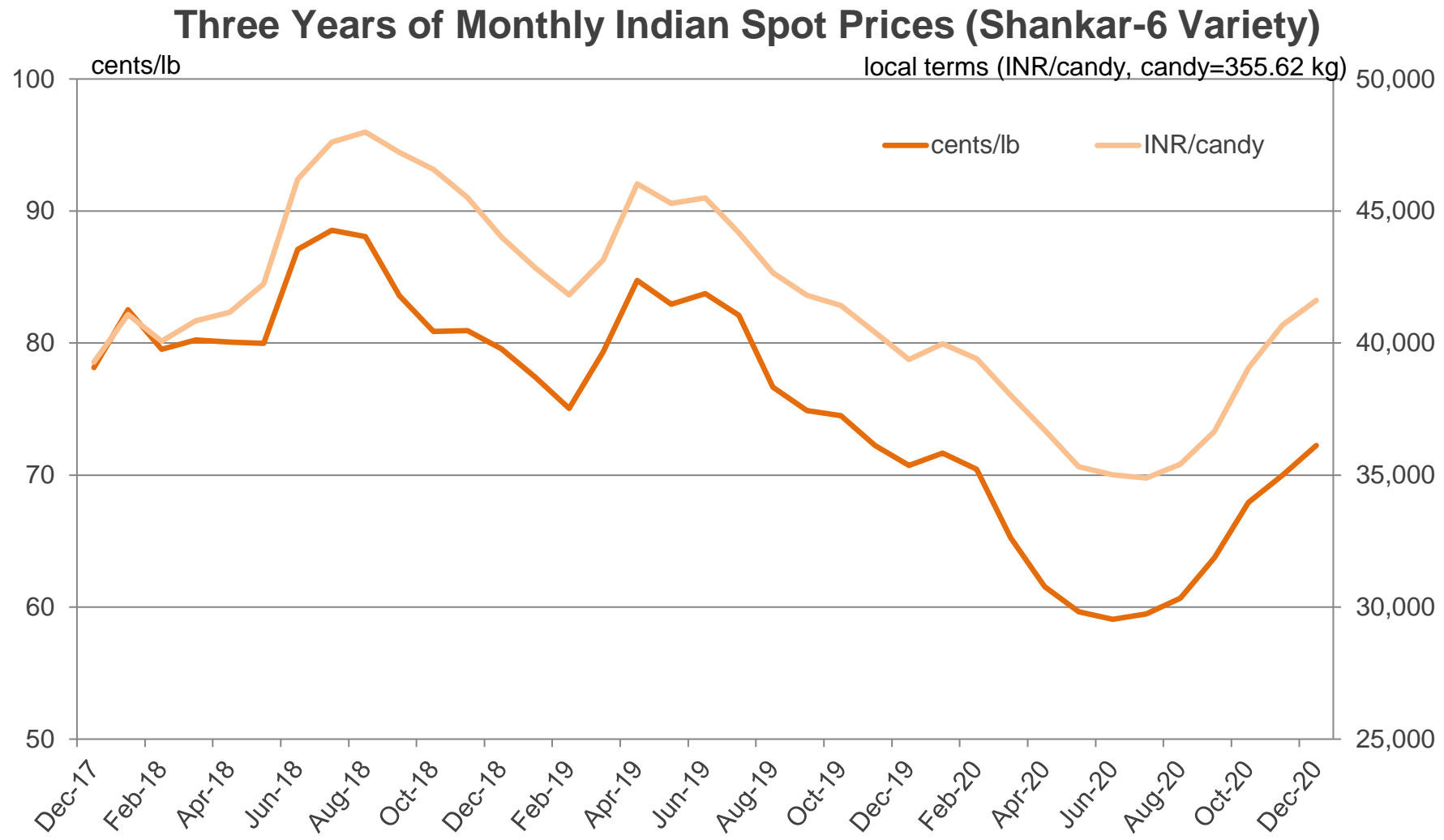
Note: Differences in price movement in local and international terms (cents/lb) due to changes in exchange rates.

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



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



## World Balance Sheet

million 480 lb. bales	2016/17	2017/18	2018/19	2019/20	2020/21 December	2020/21 January
Beginning Stocks	90.3	80.3	81.1	80.3	99.4	99.3
Production	106.7	124.0	118.6	122.1	113.9	112.9
Supply	197.0	204.3	199.7	202.4	213.3	212.1
Mill-Use	116.3	122.9	120.2	102.6	115.6	115.7
Ending Stocks	80.3	81.1	80.3	99.3	97.5	96.3
Stocks/Use Ratio	69.1%	66.0%	66.8%	96.8%	84.3%	83.2%

## China Balance Sheet

million 480 lb. bales	2016/17	2017/18	2018/19	2019/20	2020/21 December	2020/21 January
Beginning Stocks	56.7	45.9	38.0	35.7	36.9	36.9
Production	22.8	27.5	27.8	27.3	27.5	27.5
Imports	5.0	5.7	9.6	7.1	10.0	10.5
Supply	84.5	79.1	75.4	70.1	74.4	74.9
Mill-Use	38.5	41.0	39.5	33.0	38.0	38.5
Exports	0.1	0.1	0.2	0.2	0.1	0.1
Demand	38.6	41.1	39.7	33.2	38.1	38.6
Ending Stocks	45.9	38.0	35.7	36.9	36.3	36.3
Stocks/Use Ratio	119.1%	92.4%	89.8%	111.3%	95.1%	93.9%

## World-Less-China Balance Sheet

million 480 lb. bales	2016/17	2017/18	2018/19	2019/20	2020/21 December	2020/21 January
Beginning Stocks	33.6	34.4	43.1	44.6	62.5	62.4
Production	83.9	96.5	90.8	94.9	86.4	85.4
Imports from China	0.1	0.1	0.2	0.2	0.1	0.1
Supply	117.6	131.0	134.2	139.6	149.0	147.9
Mill-Use	77.8	81.9	80.7	69.6	77.6	77.2
Exports to China	5.0	5.7	9.6	7.1	10.0	10.5
Demand	82.8	87.6	90.3	76.7	87.6	87.7
Ending Stocks	34.4	43.1	44.6	62.4	61.2	60.0
Stocks/Use Ratio	41.5%	49.2%	49.4%	81.3%	69.9%	68.4%

Source: USDA

## India Balance Sheet

million 480 lb. bales	2016/17	2017/18	2018/19	2019/20	2020/21 December	2020/21 January
Beginning Stocks	7.0	7.9	9.2	9.3	17.9	17.9
Production	27.0	29.0	25.8	29.5	29.5	29.5
Imports	2.7	1.7	1.8	2.3	1.0	1.0
Supply	36.8	38.6	36.8	41.1	48.4	48.4
Mill-Use	24.4	24.2	24.0	20.0	24.0	24.0
Exports	4.6	5.2	3.5	3.2	5.0	5.0
Demand	28.9	29.3	27.5	23.2	29.0	29.0
Ending Stocks	7.9	9.2	9.3	17.9	19.4	19.4
Stocks/Use Ratio	27.3%	31.5%	33.8%	77.1%	66.8%	66.8%

## U.S. Balance Sheet

million 480 lb. bales	2016/17	2017/18	2018/19	2019/20	2020/21 December	2020/21 January
Beginning Stocks	3.8	2.8	4.2	4.9	7.3	7.3
Production	17.2	20.9	18.4	19.9	15.9	15.0
Imports	0.0	0.0	0.0	0.0	0.0	0.0
Supply	21.0	23.7	22.6	24.8	23.2	22.2
Mill-Use	3.3	3.2	3.0	2.2	2.5	2.4
Exports	14.9	16.3	14.8	15.5	15.0	15.3
Demand	18.2	19.5	17.8	17.7	17.5	17.7
Ending Stocks	2.8	4.2	4.9	7.3	5.7	4.6
Stocks/Use Ratio	15.1%	21.5%	27.2%	41.0%	32.6%	26.1%

## Pakistan Balance Sheet

million 480 lb. bales	2016/17	2017/18	2018/19	2019/20	2020/21 December	2020/21 January
Beginning Stocks	2.6	2.3	2.8	2.5	3.4	3.4
Production	7.7	8.2	7.6	6.2	4.5	4.3
Imports	2.5	3.4	2.9	4.0	4.7	4.9
Supply	12.8	13.9	13.3	12.7	12.6	12.6
Mill-Use	10.3	10.9	10.7	9.2	10.0	10.0
Exports	0.1	0.2	0.1	0.1	0.1	0.1
Demand	10.4	11.1	10.8	9.3	10.1	10.1
Ending Stocks	2.3	2.8	2.5	3.4	2.5	2.5
Stocks/Use Ratio	22.2%	25.6%	23.2%	36.6%	25.0%	25.0%

Source: USDA



## World Cotton Production

million 480 lb. bales	2016/17	2017/18	2018/19	2019/20	2020/21 December	2020/21 January
India	27.0	29.0	25.8	29.5	29.5	29.5
China	22.8	27.5	27.8	27.3	27.5	27.5
United States	17.2	20.9	18.4	19.9	15.9	15.0
Brazil	7.0	9.2	13.0	13.8	12.0	12.0
Pakistan	7.7	8.2	7.6	6.2	4.5	4.3
Uzbekistan	3.7	3.9	3.3	3.5	3.5	3.5
Turkey	3.2	4.0	3.8	3.5	2.8	2.9
Australia	4.1	4.8	2.2	0.6	2.4	2.5
Greece	1.0	1.2	1.4	1.7	1.3	1.4
Benin	0.9	1.1	1.4	1.4	1.4	1.4
Mexico	0.8	1.6	1.7	1.6	1.1	1.1
Cote d'Ivoire	0.6	0.8	0.9	1.0	1.0	1.0
Turkmenistan	1.3	1.3	0.9	0.9	1.0	1.0
Rest of World	9.4	10.4	10.4	11.3	10.1	9.9
African Franc Zone	4.9	5.1	5.1	5.6	4.5	4.5
EU-27	1.3	1.5	1.7	2.0	1.7	1.7
World	106.7	124.0	118.6	122.1	113.9	112.9

## World Cotton Exports

million 480 lb. bales	2016/17	2017/18	2018/19	2019/20	2020/21 December	2020/21 January
United States	14.9	16.3	14.8	15.5	15.0	15.3
Brazil	2.8	4.2	6.0	8.9	10.0	10.0
India	4.6	5.2	3.5	3.2	5.0	5.0
Australia	3.7	3.9	3.6	1.4	1.4	1.5
Benin	0.8	1.1	1.4	1.2	1.4	1.4
Greece	1.0	1.1	1.4	1.5	1.3	1.4
Cote d'Ivoire	0.6	0.6	0.9	0.6	1.0	1.0
Burkina	1.2	1.2	0.8	0.9	0.8	0.8
Mali	1.1	1.3	1.4	1.2	0.8	0.6
Cameroon	0.5	0.4	0.6	0.5	0.6	0.6
Argentina	0.3	0.2	0.5	0.4	0.6	0.6
Sudan	0.3	0.4	0.4	0.4	0.5	0.5
Turkey	0.5	0.5	0.7	0.5	0.5	0.5
Rest of World	5.8	5.5	5.6	5.1	4.6	4.7
African Franc Zone	4.4	4.9	5.1	4.6	4.5	4.5
EU-27	1.3	1.4	1.7	1.8	1.6	1.6
World	38.1	41.7	41.6	41.2	43.2	43.6

Source: USDA

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

## World Cotton Mill-Use

million 480 lb. bales	2016/17	2017/18	2018/19	2019/20	2020/21 December	2020/21 January
China	38.5	41.0	39.5	33.0	38.0	38.5
India	24.4	24.2	24.0	20.0	24.0	24.0
Pakistan	10.3	10.9	10.7	9.2	10.0	10.0
Bangladesh	6.8	7.5	7.2	6.9	7.3	7.3
Turkey	6.7	7.6	6.9	6.6	7.0	7.2
Vietnam	5.4	6.6	7.0	6.3	6.8	6.7
Uzbekistan	2.0	2.5	2.8	3.0	3.2	3.2
Brazil	3.2	3.4	3.4	2.7	3.0	3.0
Indonesia	3.3	3.5	3.2	2.4	2.9	2.7
United States	3.3	3.2	3.0	2.2	2.5	2.4
Mexico	1.8	1.9	2.0	1.5	1.6	1.6
Turkmenistan	0.7	0.7	0.8	0.7	0.8	0.8
Thailand	1.2	1.1	1.1	0.8	0.7	0.7
Rest of World	8.9	8.8	8.7	7.4	7.9	7.7
African Franc Zone	0.1	0.1	0.1	0.1	0.1	0.1
EU-27	0.7	0.7	0.7	0.6	0.7	0.7
<b>World</b>	<b>116.3</b>	<b>122.9</b>	<b>120.2</b>	<b>102.6</b>	<b>115.6</b>	<b>115.7</b>

## World Cotton Imports

million 480 lb. bales	2016/17	2017/18	2018/19	2019/20	2020/21 December	2020/21 January
China	5.0	5.7	9.6	7.1	10.0	10.5
Bangladesh	6.8	7.6	7.0	7.5	6.9	6.9
Vietnam	5.5	7.0	6.9	6.5	6.8	6.7
Pakistan	2.5	3.4	2.9	4.0	4.7	4.9
Turkey	3.9	4.4	3.6	4.7	4.4	4.5
Indonesia	3.4	3.5	3.1	2.5	2.8	2.6
India	2.7	1.7	1.8	2.3	1.0	1.0
Malaysia	0.4	0.7	0.7	0.9	0.9	0.9
Mexico	1.0	0.9	0.9	0.6	0.7	0.8
Thailand	1.2	1.1	1.1	0.7	0.7	0.7
Egypt	0.5	0.6	0.5	0.5	0.6	0.6
South Korea	1.0	0.9	0.8	0.6	0.6	0.6
Taiwan	0.6	0.6	0.6	0.4	0.4	0.4
Rest of World	3.3	3.4	3.0	2.6	2.8	2.7
African Franc Zone	0.0	0.0	0.0	0.0	0.0	0.0
EU-27	0.7	0.7	0.6	0.6	0.6	0.6
<b>World Total</b>	<b>37.9</b>	<b>41.6</b>	<b>42.4</b>	<b>40.7</b>	<b>43.2</b>	<b>43.5</b>

Source: USDA

## World Balance Sheet

million metric tons	2016/17	2017/18	2018/19	2019/20	2020/21 December	2020/21 January
Beginning Stocks	19.7	17.5	17.7	17.5	21.6	21.6
Production	23.2	27.0	25.8	26.6	24.8	24.6
Supply	42.9	44.5	43.5	44.1	46.4	46.2
Mill-Use	25.3	26.8	26.2	22.3	25.2	25.2
Ending Stocks	17.5	17.7	17.5	21.6	21.2	21.0
Stocks/Use Ratio	69.1%	66.0%	66.8%	96.8%	84.3%	83.2%

## China Balance Sheet

million metric tons	2016/17	2017/18	2018/19	2019/20	2020/21 December	2020/21 January
Beginning Stocks	12.3	10.0	8.3	7.8	8.0	8.0
Production	5.0	6.0	6.0	5.9	6.0	6.0
Imports	1.1	1.2	2.1	1.6	2.2	2.3
Supply	18.4	17.2	16.4	15.3	16.2	16.3
Mill-Use	8.4	8.9	8.6	7.2	8.3	8.4
Exports	0.0	0.0	0.0	0.0	0.0	0.0
Demand	8.4	9.0	8.6	7.2	8.3	8.4
Ending Stocks	10.0	8.3	7.8	8.0	7.9	7.9
Stocks/Use Ratio	119.1%	92.4%	89.8%	111.3%	95.1%	93.9%

## World-Less-China Balance Sheet

million metric tons	2016/17	2017/18	2018/19	2019/20	2020/21 December	2020/21 January
Beginning Stocks	7.3	7.5	9.4	9.7	13.6	13.6
Production	18.3	21.0	19.8	20.7	18.8	18.6
Imports from China	0.0	0.0	0.0	0.0	0.0	0.0
Supply	25.6	28.5	29.2	30.4	32.5	32.2
Mill-Use	16.9	17.8	17.6	15.2	16.9	16.8
Exports to China	1.1	1.2	2.1	1.6	2.2	2.3
Demand	18.0	19.1	19.7	16.7	19.1	19.1
Ending Stocks	7.5	9.4	9.7	13.6	13.3	13.1
Stocks/Use Ratio	41.5%	49.2%	49.4%	81.3%	69.9%	68.4%

Source: USDA

## India Balance Sheet

million metric tons	2016/17	2017/18	2018/19	2019/20	2020/21 December	2020/21 January
Beginning Stocks	1.5	1.7	2.0	2.0	3.9	3.9
Production	5.9	6.3	5.6	6.4	6.4	6.4
Imports	0.6	0.4	0.4	0.5	0.2	0.2
Supply	8.0	8.4	8.0	8.9	10.5	10.5
Mill-Use	5.3	5.3	5.2	4.4	5.2	5.2
Exports	1.0	1.1	0.8	0.7	1.1	1.1
Demand	6.3	6.4	6.0	5.1	6.3	6.3
Ending Stocks	1.7	2.0	2.0	3.9	4.2	4.2
Stocks/Use Ratio	27.3%	31.5%	33.8%	77.1%	66.8%	66.8%

## U.S. Balance Sheet

million metric tons	2016/17	2017/18	2018/19	2019/20	2020/21 December	2020/21 January
Beginning Stocks	0.8	0.6	0.9	1.1	1.6	1.6
Production	3.7	4.6	4.0	4.3	3.5	3.3
Imports	0.0	0.0	0.0	0.0	0.0	0.0
Supply	4.6	5.2	4.9	5.4	5.1	4.8
Mill-Use	0.7	0.7	0.6	0.5	0.5	0.5
Exports	3.2	3.5	3.2	3.4	3.3	3.3
Demand	4.0	4.2	3.9	3.8	3.8	3.8
Ending Stocks	0.6	0.9	1.1	1.6	1.2	1.0
Stocks/Use Ratio	15.1%	21.5%	27.2%	41.0%	32.6%	26.1%

## Pakistan Balance Sheet

million metric tons	2016/17	2017/18	2018/19	2019/20	2020/21 December	2020/21 January
Beginning Stocks	0.6	0.5	0.6	0.5	0.7	0.7
Production	1.7	1.8	1.7	1.3	1.0	0.9
Imports	0.5	0.7	0.6	0.9	1.0	1.1
Supply	2.8	3.0	2.9	2.8	2.7	2.7
Mill-Use	2.2	2.4	2.3	2.0	2.2	2.2
Exports	0.0	0.0	0.0	0.0	0.0	0.0
Demand	2.3	2.4	2.3	2.0	2.2	2.2
Ending Stocks	0.5	0.6	0.5	0.7	0.5	0.5
Stocks/Use Ratio	22.2%	25.6%	23.2%	36.6%	25.0%	25.0%

Source: USDA

## World Cotton Production

million metric tons	2016/17	2017/18	2018/19	2019/20	2020/21 December	2020/21 January
India	5.9	6.3	5.6	6.4	6.4	6.4
China	5.0	6.0	6.0	5.9	6.0	6.0
United States	3.7	4.6	4.0	4.3	3.5	3.3
Brazil	1.5	2.0	2.8	3.0	2.6	2.6
Pakistan	1.7	1.8	1.7	1.3	1.0	0.9
Uzbekistan	0.8	0.8	0.7	0.8	0.8	0.8
Turkey	0.7	0.9	0.8	0.8	0.6	0.6
Australia	0.9	1.0	0.5	0.1	0.5	0.5
Greece	0.2	0.3	0.3	0.4	0.3	0.3
Benin	0.2	0.2	0.3	0.3	0.3	0.3
Mexico	0.2	0.3	0.4	0.3	0.2	0.2
Cote d'Ivoire	0.1	0.2	0.2	0.2	0.2	0.2
Turkmenistan	0.3	0.3	0.2	0.2	0.2	0.2
Rest of World	2.1	2.3	2.3	2.5	2.2	2.2
African Franc Zone	1.1	1.1	1.1	1.2	1.0	1.0
EU-27	0.3	0.3	0.4	0.4	0.4	0.4
World	23.2	27.0	25.8	26.6	24.8	24.6

## World Cotton Exports

million metric tons	2016/17	2017/18	2018/19	2019/20	2020/21 December	2020/21 January
United States	3.2	3.5	3.2	3.4	3.3	3.3
Brazil	0.6	0.9	1.3	1.9	2.2	2.2
India	1.0	1.1	0.8	0.7	1.1	1.1
Australia	0.8	0.9	0.8	0.3	0.3	0.3
Benin	0.2	0.2	0.3	0.3	0.3	0.3
Greece	0.2	0.2	0.3	0.3	0.3	0.3
Cote d'Ivoire	0.1	0.1	0.2	0.1	0.2	0.2
Burkina	0.3	0.3	0.2	0.2	0.2	0.2
Mali	0.2	0.3	0.3	0.3	0.2	0.1
Cameroon	0.1	0.1	0.1	0.1	0.1	0.1
Argentina	0.1	0.0	0.1	0.1	0.1	0.1
Sudan	0.1	0.1	0.1	0.1	0.1	0.1
Turkey	0.1	0.1	0.2	0.1	0.1	0.1
Rest of World	1.3	1.2	1.2	1.1	1.0	1.0
African Franc Zone	1.0	1.1	1.1	1.0	1.0	1.0
EU-27	0.3	0.3	0.4	0.4	0.4	0.4
World	8.3	9.1	9.1	9.0	9.4	9.5

Source: USDA

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

## World Cotton Consumption

million metric tons	2016/17	2017/18	2018/19	2019/20	2020/21 December	2020/21 January
China	8.4	8.9	8.6	7.2	8.3	8.4
India	5.3	5.3	5.2	4.4	5.2	5.2
Pakistan	2.2	2.4	2.3	2.0	2.2	2.2
Bangladesh	1.5	1.6	1.6	1.5	1.6	1.6
Turkey	1.4	1.6	1.5	1.4	1.5	1.6
Vietnam	1.2	1.4	1.5	1.4	1.5	1.5
Uzbekistan	0.4	0.5	0.6	0.7	0.7	0.7
Brazil	0.7	0.7	0.7	0.6	0.7	0.7
Indonesia	0.7	0.8	0.7	0.5	0.6	0.6
United States	0.7	0.7	0.6	0.5	0.5	0.5
Mexico	0.4	0.4	0.4	0.3	0.3	0.3
Turkmenistan	0.1	0.2	0.2	0.2	0.2	0.2
Thailand	0.3	0.2	0.2	0.2	0.2	0.1
Rest of World	1.9	1.9	1.9	1.6	1.7	1.7
African Franc Zone	0.0	0.0	0.0	0.0	0.0	0.0
EU-27	0.2	0.2	0.2	0.1	0.1	0.1
World Total	25.3	26.8	26.2	22.3	25.2	25.2

## World Cotton Imports

million metric tons	2016/17	2017/18	2018/19	2019/20	2020/21 December	2020/21 January
China	1.1	1.2	2.1	1.6	2.2	2.3
Bangladesh	1.5	1.7	1.5	1.6	1.5	1.5
Vietnam	1.2	1.5	1.5	1.4	1.5	1.5
Pakistan	0.5	0.7	0.6	0.9	1.0	1.1
Turkey	0.8	1.0	0.8	1.0	1.0	1.0
Indonesia	0.7	0.8	0.7	0.5	0.6	0.6
India	0.6	0.4	0.4	0.5	0.2	0.2
Malaysia	0.1	0.2	0.2	0.2	0.2	0.2
Mexico	0.2	0.2	0.2	0.1	0.1	0.2
Thailand	0.3	0.3	0.2	0.2	0.2	0.1
Egypt	0.1	0.1	0.1	0.1	0.1	0.1
South Korea	0.2	0.2	0.2	0.1	0.1	0.1
Taiwan	0.1	0.1	0.1	0.1	0.1	0.1
Rest of World	0.7	0.7	0.7	0.6	0.6	0.6
African Franc Zone	0.0	0.0	0.0	0.0	0.0	0.0
EU-27	0.2	0.2	0.1	0.1	0.1	0.1
World Total	8.2	9.0	9.2	8.9	9.4	9.5

Source: USDA