

Monthly Economic Letter

Cotton Market Fundamentals & Price Outlook



Cotton
Incorporated

RECENT PRICE MOVEMENT

Most international benchmark prices increased over the past month.

- The NY March futures contract climbed from 70 cents/lb to 74 cents/lb.
- Cotlook's A Index rose from 76 to 80 cents/lb.
- In international terms, the China Cotton Index (CC Index 3128B) increased from 100 to 102 cents/lb. In domestic terms, values climbed from 14,500 to 14,700 RMB/ton. The RMB strengthened against the USD, from 6.60 to 6.53 RMB/USD.
- Indian cotton prices (Shankar-6 quality) increased from 69 to 71 cents/lb. In domestic terms, values increased from 40,200 to 40,700 INR/candy. The Indian rupee was steady against the USD near 74 INR/USD.
- In international terms, Pakistani prices decreased from 74 to 72 cents/lb. In domestic terms, prices eased from 9,700 to 9,500 PKR/maund. The Pakistani rupee was steady against the USD near 159 PKR/USD.

SUPPLY, DEMAND, & TRADE

The latest USDA report featured a 2.2 million bale reduction to the global production forecast (to 113.9 million) and a 1.6 million bale increase to the global consumption forecast (to 115.6 million). The combination of a smaller crop and higher offtake caused the projection for 2020/21 ending stocks to drop 3.9 million bales to 97.5 million.

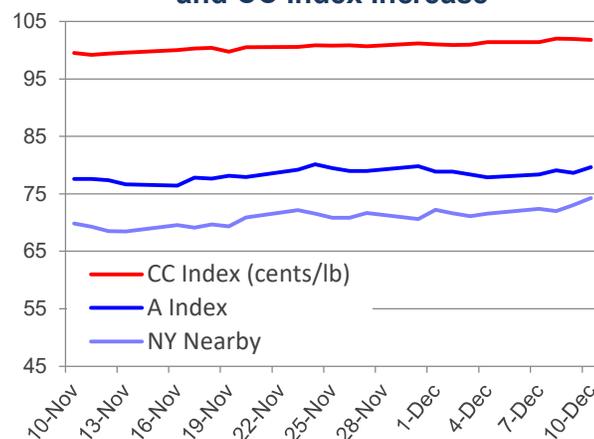
While this is a significant reduction relative to figures suggested in previous months, the current estimate for stocks remains very high by historical standards. Only last crop year (99.4 million bales), when stocks climbed due to the collapse in mill-use with COVID, and in the years surrounding the peak levels of Chinese reserves (in 2013/14 and 2014/15 global ending stocks were 99.9 and 106.8 million) were warehoused supplies higher than they are expected to be at the end of 2020/21.

Meanwhile, COVID remains a threat to the global economy and global cotton demand. World mill-use is predicted to recover in 2020/21 (was 102.2 million bales in 2019/20), but the projection of 115.6 million bales is still safely below the volumes over 120 million from 2017/18 and 2018/19.

Due to the drought in West Texas and the series of hurricanes during the growing season, a decrease in the production estimate for the U.S. had been anticipated for several months. This month, the forecast for the U.S. crop was lowered 1.1 million bales to 15.9 million. Several other countries also saw harvest expectations decrease, and other notable reductions were made for India (-500,000 bales to 29.5 million), Pakistan (-500,000 bales to 4.5 million), and Australia (-100,000 bales to 2.4 million). The current forecast for Pakistan calls for the lowest level of production since 1983/84.

Most significant changes to country-level consumption figures were positive. These included the 1.0 million bale increase for India (to 24.0 million), a 500,000 bale increase for China (to 38.0 million), and a 200,000 bale increase for Pakistan (to 10.0 million). Thailand was the only country with a notable reduction for 2020/21 mill-use (-125,000 bales to 700,000).

NY Futures, A Index, and CC Index Increase



Recent Price Data

cents/lb	Latest Value (Dec 10)	Latest Month (Nov)	Last 12 Months (Dec19-Nov20)
NY Nearby	74.3	70.0	63.6
A Index	79.6	77.7	71.5
CC Index	101.8	100.0	83.9
Indian Spot	70.8	70.0	65.0
Pakistani Spot	72.2	72.4	66.8

Additional price data available [here](#).

Price definitions available [here](#).

World Balance Sheet

million 480 lb. bales	2020/21		
	2019/20	Nov	Dec
Beg. Stocks	80.3	99.6	99.4
Production	122.1	116.1	113.9
Mill-Use	102.2	114.0	115.6
Ending Stocks	99.4	101.4	97.5
Stocks/Use	97.2%	88.9%	84.3%

China Balance Sheet

million 480 lb. bales	2020/21		
	2019/20	Nov	Dec
Beg. Stocks	35.7	36.9	36.9
Production	27.2	27.5	27.5
Imports	7.1	9.5	10.0
Mill-Use	33.0	37.5	38.0
Exports	0.2	0.1	0.1
Ending Stocks	36.9	36.3	36.3
Stocks/Use	111.3%	96.4%	95.1%

World-Less-China Balance Sheet

million 480 lb. bales	2020/21		
	2019/20	Nov	Dec
Beg. Stocks	44.6	62.7	62.5
Production	94.9	88.6	86.4
Imports from China	0.2	0.1	0.1
Mill-Use	69.2	76.6	77.6
Exports to China	7.1	9.5	10.0
Ending Stocks	62.5	65.2	61.2
Stocks/Use	81.9%	75.7%	69.9%

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

The global trade estimate increased slightly, rising 330,000 bales to 43.2 million. In terms of imports, the largest updates were for China (+500,000 bales to 10.0 million), Pakistan (+400,000 bales to 4.7 million), Bangladesh (-400,000 bales to 6.9 million), Thailand (-120,000 bales to 700,000), and Indonesia (-100,000 bales to 2.8 million). For exports, the largest changes were for the U.S. (+400,000 bales to 15.0 million), Argentina (+125,000 bales to 550,000), and Australia (-100,000 bales to 1.4 million).

PRICE OUTLOOK

The latest USDA revisions underline divergent supply and demand related influences on cotton prices. From one side, there is the global production deficit in 2020/21. From the other side, there is the massive accumulation of global stocks that occurred in 2019/20.

Macro influences are also mixed. Global daily COVID diagnoses continue to set new records. This has been a result of surges in many locations, including the U.S., Europe, and Latin America. Nearly simultaneously, multiple vaccines were proven effective. The vaccination process is already underway in a few locations and is slated to accelerate quickly.

The rise in COVID cases triggered new restrictions on consumer activity. This will affect overall economic growth, which is correlated with cotton demand. It can also have more focused effects by shuttering brick-and-mortar retail outlets. However, consumers and retailers have had nearly a year to adapt to COVID-driven market conditions, and many sales have migrated online. U.S. spending on apparel (online and brick-and-mortar) was higher year-over-year for the second consecutive month in October (latest month with data available). Apparel spending in the U.S. and elsewhere could shift higher if vaccines succeed in lifting the weight of COVID.

Into this swirl of influences, the U.S. announced a ban on products made with fiber grown or processed by the Xinjiang Production and Construction Corps (XPCC) or its subsidiaries. For context, the XPCC produces about a third of all cotton grown in China. The traceability requirements to prove or disprove XPCC content are unknown. Trade lawyers have indicated that the ban extends to third party countries that import intermediate textiles from China and convert them into goods that are eventually sent to the U.S.

In the 2019 calendar year (pre-COVID), China directly exported the raw fiber equivalence of five million bales of apparel, home furnishings, and intermediate textiles to the U.S. During the same period, China imported more than eight million bales of cotton fiber and more than eight million bales of cotton yarn. The implication is that China could meet its direct U.S. import demand three times over using the foreign fiber and yarn it has already been getting from the rest of the world.

However, China also exports a lot of fabric. With the ban extending to third party countries, it could be argued that the ban could encourage China and other countries to import more from non-Chinese sources. But, China could also choose to retaliate, and China has proven a willingness to respond. Examples include the series of supplemental tariffs China placed on U.S. goods since 2018 and the unofficial ban enforced on Australian cotton in reaction to criticism over human rights abuses in Xinjiang. If China does react, it could be expected to be harmful to global demand and prices.

World Cotton Production

million 480 lb. bales	2019/20	2020/21	
		Nov	Dec
India	29.5	30.0	29.5
China	27.3	27.5	27.5
United States	19.9	17.1	15.9
Brazil	13.8	12.0	12.0
Pakistan	6.2	5.0	4.5
Rest of World	25.5	24.5	24.5
World	122.1	116.1	113.9

World Cotton Mill-Use

million 480 lb. bales	2019/20	2020/21	
		Nov	Dec
China	33.0	37.5	38.0
India	20.0	23.0	24.0
Pakistan	9.2	9.8	10.0
Bangladesh	6.5	7.3	7.3
Turkey	6.6	7.0	7.0
Rest of World	26.9	29.5	29.3
World	102.2	114.1	115.6

World Cotton Exports

million 480 lb. bales	2019/20	2020/21	
		Nov	Dec
United States	15.5	14.6	15.0
Brazil	8.9	10.0	10.0
India	3.2	5.0	5.0
Australia	1.4	1.5	1.4
Benin	1.2	1.4	1.4
Rest of World	10.8	10.4	10.5
World	41.0	42.9	43.2

World Cotton Imports

million 480 lb. bales	2019/20	2020/21	
		Nov	Dec
China	7.1	9.5	10.0
Bangladesh	7.0	7.3	6.9
Vietnam	6.5	6.8	6.8
Pakistan	4.0	4.3	4.7
Turkey	4.7	4.4	4.4
Rest of World	10.9	10.5	10.4
World	40.2	42.8	43.2

World Cotton Ending Stocks

million 480 lb. bales	2019/20	2020/21	
		Nov	Dec
China	36.9	36.3	36.3
Brazil	14.4	13.4	13.4
India	17.9	20.9	19.4
United States	7.3	7.2	5.7
Pakistan	3.4	2.8	2.5
Rest of World	19.6	20.8	20.2
World	99.4	101.4	97.5

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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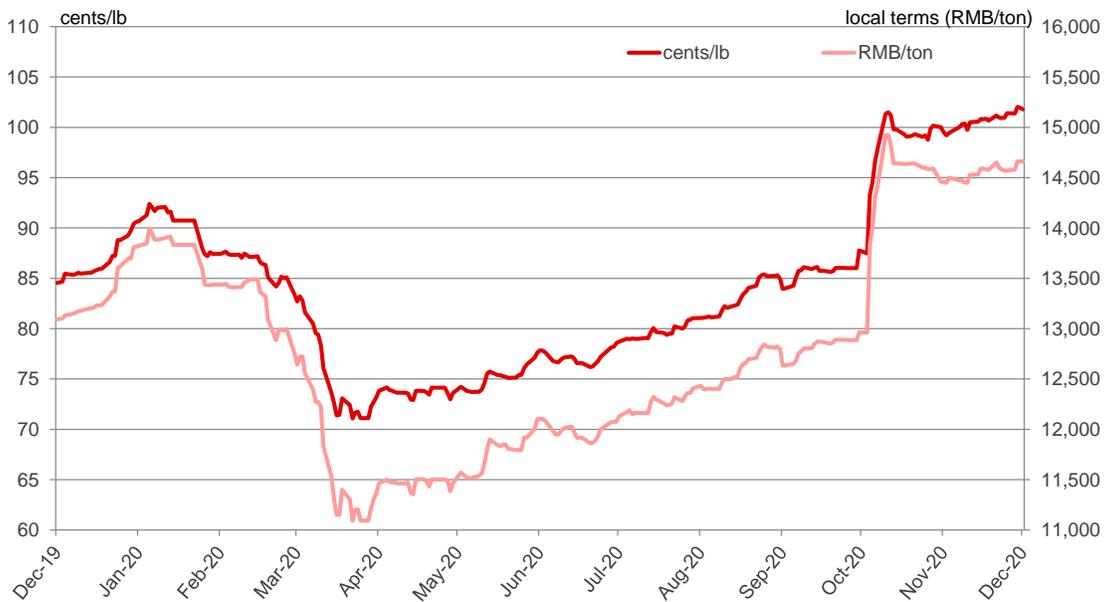
List of Charts and Tables

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

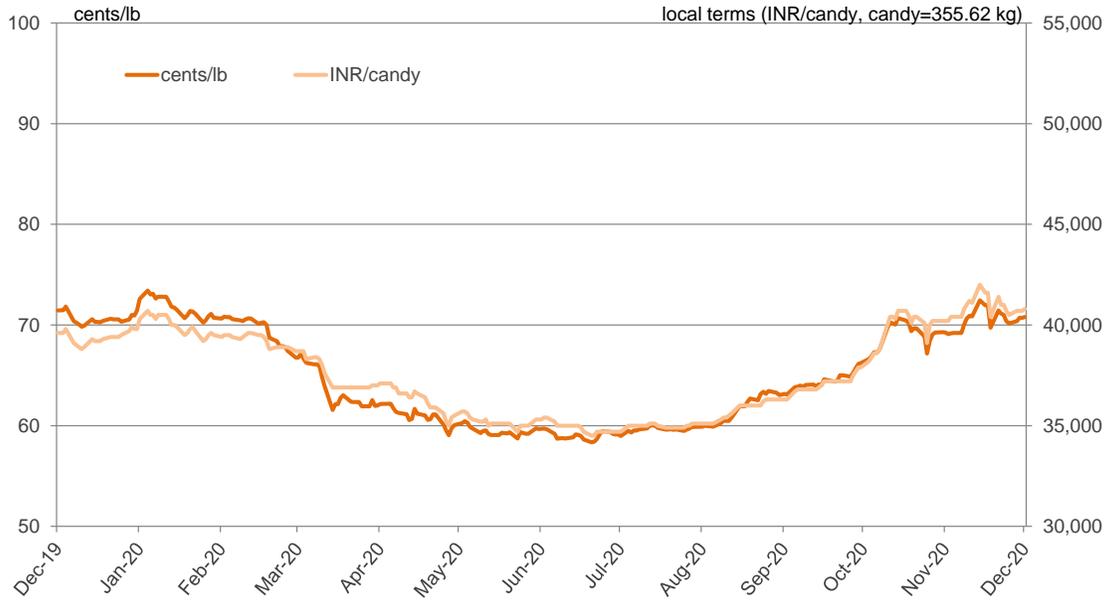


One Year of Daily CC Index (Grade 328) Prices

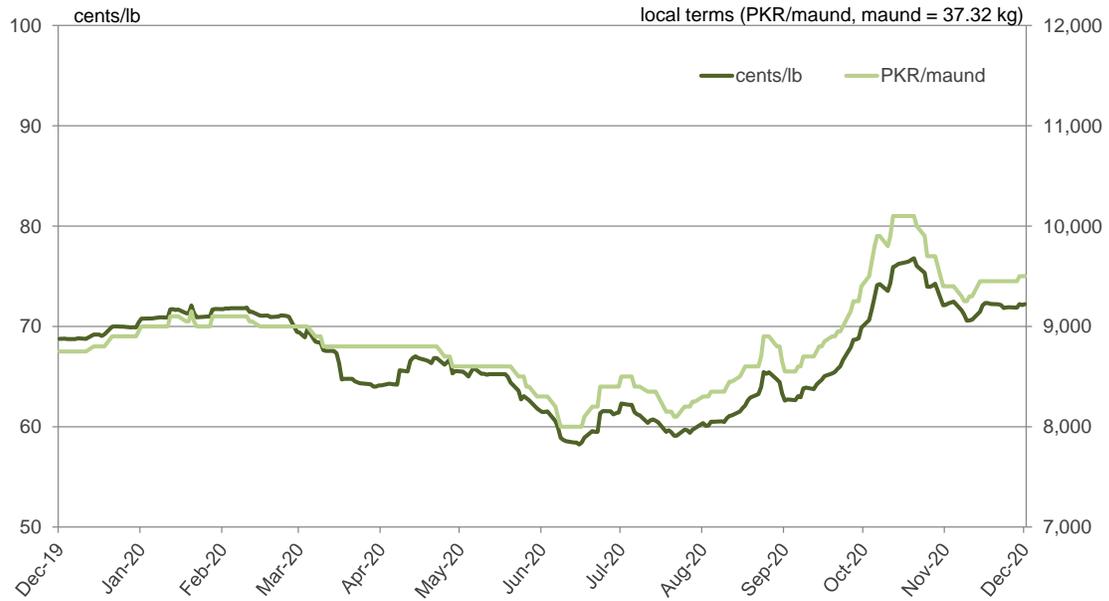


Note: Differences in price movement in local and international terms (cents/lb) due to changes in exchange rates.

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



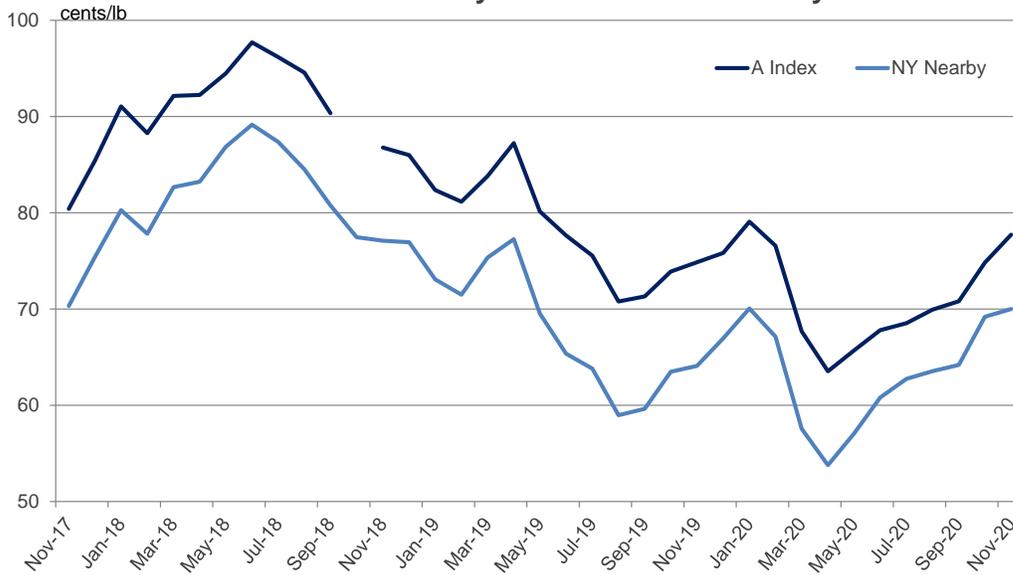
One Year of Daily Pakistani Spot Prices



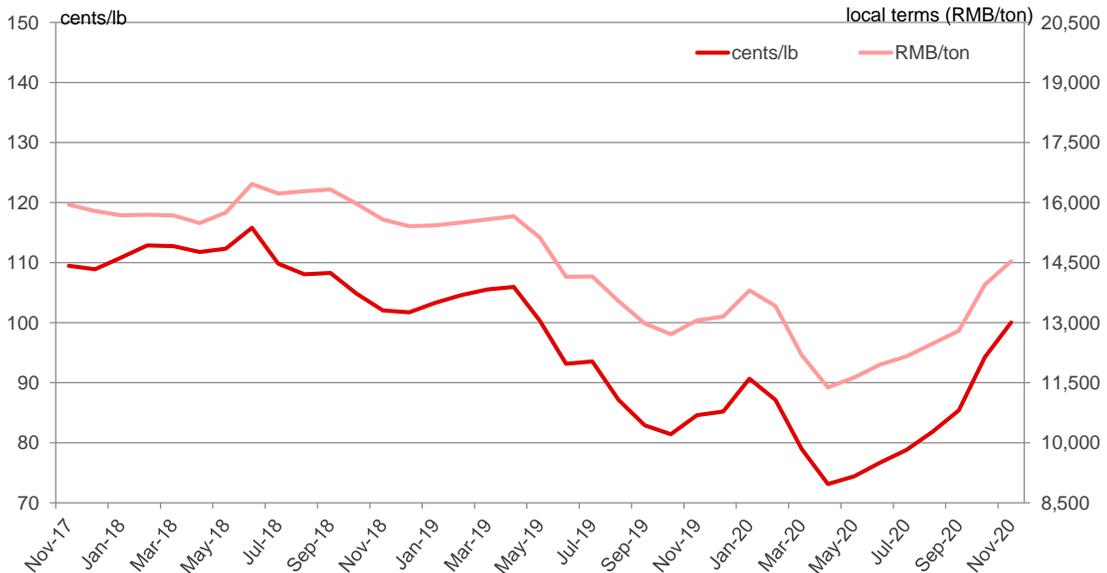
Note: Differences in price movement in local and international terms (cents/lb) due to changes in exchange rates.

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Three Years of Monthly A Index and NY Nearby Prices

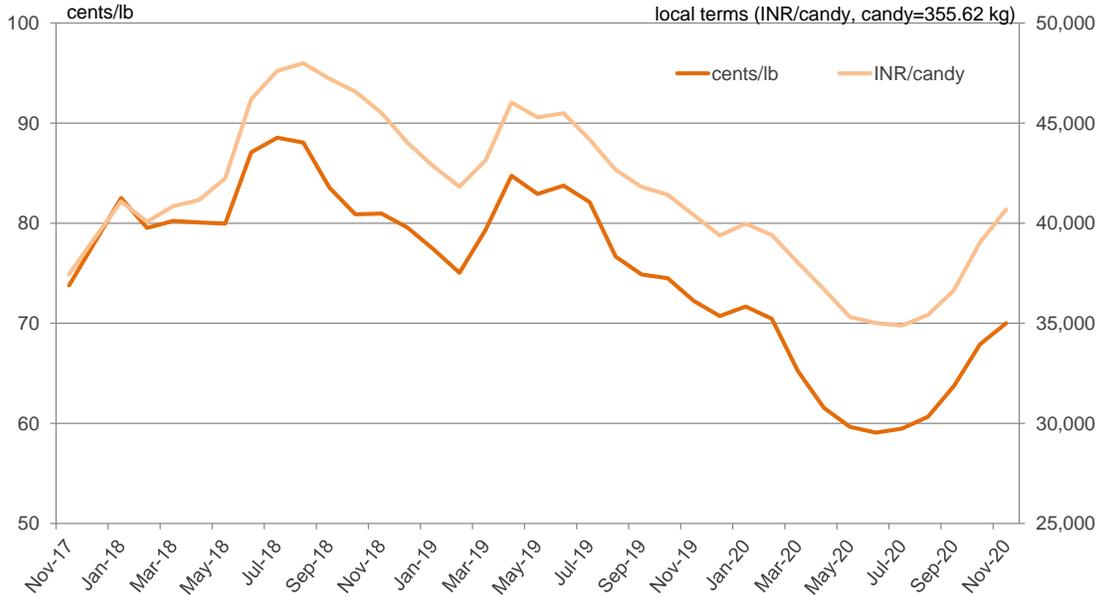


Three Years of Monthly CC Index (Grade 328) Prices



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

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	2016/17	2017/18	2018/19	2019/20	2020/21 November	2020/21 December
Beginning Stocks	90.3	80.3	81.1	80.3	99.6	99.4
Production	106.7	124.0	118.6	122.1	116.1	113.9
Supply	197.0	204.3	199.7	202.4	215.7	213.3
Mill-Use	116.3	122.9	120.2	102.2	114.1	115.6
Ending Stocks	80.3	81.1	80.3	99.4	101.4	97.5
Stocks/Use Ratio	69.1%	66.0%	66.8%	97.2%	88.9%	84.3%

China Balance Sheet

million 480 lb. bales	2016/17	2017/18	2018/19	2019/20	2020/21 November	2020/21 December
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	9.5	10.0
Supply	84.5	79.1	75.4	70.1	73.9	74.4
Mill-Use	38.5	41.0	39.5	33.0	37.5	38.0
Exports	0.1	0.1	0.2	0.2	0.1	0.1
Demand	38.6	41.1	39.7	33.2	37.6	38.1
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%	96.4%	95.1%

World-Less-China Balance Sheet

million 480 lb. bales	2016/17	2017/18	2018/19	2019/20	2020/21 November	2020/21 December
Beginning Stocks	33.6	34.4	43.1	44.6	62.7	62.5
Production	83.9	96.5	90.8	94.9	88.6	86.4
Imports from China	0.1	0.1	0.2	0.2	0.1	0.1
Supply	117.6	131.0	134.2	139.6	151.4	149.0
Mill-Use	77.8	81.9	80.7	69.2	76.6	77.6
Exports to China	5.0	5.7	9.6	7.1	9.5	10.0
Demand	82.8	87.6	90.3	76.4	86.1	87.6
Ending Stocks	34.4	43.1	44.6	62.5	65.2	61.2
Stocks/Use Ratio	41.5%	49.2%	49.4%	81.9%	75.7%	69.9%

Source: USDA

India Balance Sheet

million 480 lb. bales	2016/17	2017/18	2018/19	2019/20	2020/21 November	2020/21 December
Beginning Stocks	7.0	7.9	9.2	9.3	17.9	17.9
Production	27.0	29.0	25.8	29.5	30.0	29.5
Imports	2.7	1.7	1.8	2.3	1.0	1.0
Supply	36.8	38.6	36.8	41.1	48.9	48.4
Mill-Use	24.4	24.2	24.0	20.0	23.0	24.0
Exports	4.6	5.2	3.5	3.2	5.0	5.0
Demand	28.9	29.3	27.5	23.2	28.0	29.0
Ending Stocks	7.9	9.2	9.3	17.9	20.9	19.4
Stocks/Use Ratio	27.3%	31.5%	33.8%	77.1%	74.6%	66.8%

U.S. Balance Sheet

million 480 lb. bales	2016/17	2017/18	2018/19	2019/20	2020/21 November	2020/21 December
Beginning Stocks	3.8	2.8	4.2	4.9	7.3	7.3
Production	17.2	20.9	18.4	19.9	17.1	15.9
Imports	0.0	0.0	0.0	0.0	0.0	0.0
Supply	21.0	23.7	22.6	24.8	24.3	23.2
Mill-Use	3.3	3.2	3.0	2.2	2.5	2.5
Exports	14.9	16.3	14.8	15.5	14.6	15.0
Demand	18.2	19.5	17.8	17.7	17.1	17.5
Ending Stocks	2.8	4.2	4.9	7.3	7.2	5.7
Stocks/Use Ratio	15.1%	21.5%	27.2%	41.0%	42.1%	32.6%

Pakistan Balance Sheet

million 480 lb. bales	2016/17	2017/18	2018/19	2019/20	2020/21 November	2020/21 December
Beginning Stocks	2.6	2.3	2.8	2.5	3.4	3.4
Production	7.7	8.2	7.6	6.2	5.0	4.5
Imports	2.5	3.4	2.9	4.0	4.3	4.7
Supply	12.8	13.9	13.3	12.7	12.7	12.6
Mill-Use	10.3	10.9	10.7	9.2	9.8	10.0
Exports	0.1	0.2	0.1	0.1	0.1	0.1
Demand	10.4	11.1	10.8	9.3	9.9	10.1
Ending Stocks	2.3	2.8	2.5	3.4	2.8	2.5
Stocks/Use Ratio	22.2%	25.6%	23.2%	36.6%	28.6%	25.0%

Source: USDA

World Cotton Production

million 480 lb. bales	2016/17	2017/18	2018/19	2019/20	2020/21 November	2020/21 December
India	27.0	29.0	25.8	29.5	30.0	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	17.1	15.9
Brazil	7.0	9.2	13.0	13.8	12.0	12.0
Pakistan	7.7	8.2	7.6	6.2	5.0	4.5
Uzbekistan	3.7	3.9	3.3	3.5	3.5	3.5
Turkey	3.2	4.0	3.8	3.5	2.8	2.8
Australia	4.1	4.8	2.2	0.6	2.5	2.4
Benin	0.9	1.1	1.4	1.4	1.4	1.4
Greece	1.0	1.2	1.4	1.7	1.3	1.3
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	0.9	1.0
Rest of World	9.4	10.4	10.4	11.3	10.2	10.1
African Franc Zone	4.9	5.1	5.1	5.6	4.6	4.6
EU-27	1.3	1.5	1.7	2.0	1.5	1.5
World	106.7	124.0	118.6	122.1	116.1	113.9

World Cotton Exports

million 480 lb. bales	2016/17	2017/18	2018/19	2019/20	2020/21 November	2020/21 December
United States	14.9	16.3	14.8	15.5	14.6	15.0
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	1.5	1.4
Benin	0.8	1.1	1.4	1.2	1.4	1.4
Greece	1.0	1.1	1.4	1.5	1.3	1.3
Cote d'Ivoire	0.6	0.6	0.9	0.6	1.0	1.0
Burkina	1.2	1.2	0.8	0.7	0.8	0.8
Mali	1.1	1.3	1.4	1.2	0.8	0.8
Cameroon	0.5	0.4	0.6	0.5	0.6	0.6
Argentina	0.3	0.2	0.5	0.4	0.4	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	5.0	4.6	4.6
African Franc Zone	4.4	4.9	5.1	4.4	4.7	4.7
EU-27	1.3	1.4	1.7	1.8	1.6	1.6
World	38.1	41.7	41.6	41.0	42.9	43.2

Source: USDA

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World Cotton Mill-Use

million 480 lb. bales	2016/17	2017/18	2018/19	2019/20	2020/21 November	2020/21 December
China	38.5	41.0	39.5	33.0	37.5	38.0
India	24.4	24.2	24.0	20.0	23.0	24.0
Pakistan	10.3	10.9	10.7	9.2	9.8	10.0
Bangladesh	6.8	7.5	7.2	6.5	7.3	7.3
Turkey	6.7	7.6	6.9	6.6	7.0	7.0
Vietnam	5.4	6.6	7.0	6.3	6.8	6.8
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	2.9
United States	3.3	3.2	3.0	2.2	2.5	2.5
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	0.8	0.7
Rest of World	8.9	8.8	8.7	7.4	7.9	7.9
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
World	116.3	122.9	120.2	102.2	114.1	115.6

World Cotton Imports

million 480 lb. bales	2016/17	2017/18	2018/19	2019/20	2020/21 November	2020/21 December
China	5.0	5.7	9.6	7.1	9.5	10.0
Bangladesh	6.8	7.6	7.0	7.0	7.3	6.9
Vietnam	5.5	7.0	6.9	6.5	6.8	6.8
Pakistan	2.5	3.4	2.9	4.0	4.3	4.7
Turkey	3.9	4.4	3.6	4.7	4.4	4.4
Indonesia	3.4	3.5	3.1	2.5	2.9	2.8
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
Thailand	1.2	1.1	1.1	0.7	0.9	0.7
Mexico	1.0	0.9	0.9	0.6	0.6	0.7
South Korea	1.0	0.9	0.8	0.6	0.6	0.6
Egypt	0.5	0.6	0.5	0.5	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	2.8
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
World Total	37.9	41.6	42.4	40.2	42.8	43.2

Source: USDA

World Balance Sheet

million metric tons	2016/17	2017/18	2018/19	2019/20	2020/21 November	2020/21 December
Beginning Stocks	19.7	17.5	17.7	17.5	21.7	21.6
Production	23.2	27.0	25.8	26.6	25.3	24.8
Supply	42.9	44.5	43.5	44.1	47.0	46.4
Mill-Use	25.3	26.8	26.2	22.3	24.8	25.2
Ending Stocks	17.5	17.7	17.5	21.6	22.1	21.2
Stocks/Use Ratio	69.1%	66.0%	66.8%	97.2%	88.9%	84.3%

China Balance Sheet

million metric tons	2016/17	2017/18	2018/19	2019/20	2020/21 November	2020/21 December
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	2.1	2.2
Supply	18.4	17.2	16.4	15.3	16.1	16.2
Mill-Use	8.4	8.9	8.6	7.2	8.2	8.3
Exports	0.0	0.0	0.0	0.0	0.0	0.0
Demand	8.4	9.0	8.6	7.2	8.2	8.3
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%	96.4%	95.1%

World-Less-China Balance Sheet

million metric tons	2016/17	2017/18	2018/19	2019/20	2020/21 November	2020/21 December
Beginning Stocks	7.3	7.5	9.4	9.7	13.6	13.6
Production	18.3	21.0	19.8	20.7	19.3	18.8
Imports from China	0.0	0.0	0.0	0.0	0.0	0.0
Supply	25.6	28.5	29.2	30.4	33.0	32.5
Mill-Use	16.9	17.8	17.6	15.1	16.7	16.9
Exports to China	1.1	1.2	2.1	1.6	2.1	2.2
Demand	18.0	19.1	19.7	16.6	18.7	19.1
Ending Stocks	7.5	9.4	9.7	13.6	14.2	13.3
Stocks/Use Ratio	41.5%	49.2%	49.4%	81.9%	75.7%	69.9%

Source: USDA

India Balance Sheet

million metric tons	2016/17	2017/18	2018/19	2019/20	2020/21 November	2020/21 December
Beginning Stocks	1.5	1.7	2.0	2.0	3.9	3.9
Production	5.9	6.3	5.6	6.4	6.5	6.4
Imports	0.6	0.4	0.4	0.5	0.2	0.2
Supply	8.0	8.4	8.0	8.9	10.6	10.5
Mill-Use	5.3	5.3	5.2	4.4	5.0	5.2
Exports	1.0	1.1	0.8	0.7	1.1	1.1
Demand	6.3	6.4	6.0	5.1	6.1	6.3
Ending Stocks	1.7	2.0	2.0	3.9	4.5	4.2
Stocks/Use Ratio	27.3%	31.5%	33.8%	77.1%	74.6%	66.8%

U.S. Balance Sheet

million metric tons	2016/17	2017/18	2018/19	2019/20	2020/21 November	2020/21 December
Beginning Stocks	0.8	0.6	0.9	1.1	1.6	1.6
Production	3.7	4.6	4.0	4.3	3.7	3.5
Imports	0.0	0.0	0.0	0.0	0.0	0.0
Supply	4.6	5.2	4.9	5.4	5.3	5.1
Mill-Use	0.7	0.7	0.6	0.5	0.5	0.5
Exports	3.2	3.5	3.2	3.4	3.2	3.3
Demand	4.0	4.2	3.9	3.8	3.7	3.8
Ending Stocks	0.6	0.9	1.1	1.6	1.6	1.2
Stocks/Use Ratio	15.1%	21.5%	27.2%	41.0%	42.1%	32.6%

Pakistan Balance Sheet

million metric tons	2016/17	2017/18	2018/19	2019/20	2020/21 November	2020/21 December
Beginning Stocks	0.6	0.5	0.6	0.5	0.7	0.7
Production	1.7	1.8	1.7	1.3	1.1	1.0
Imports	0.5	0.7	0.6	0.9	0.9	1.0
Supply	2.8	3.0	2.9	2.8	2.8	2.7
Mill-Use	2.2	2.4	2.3	2.0	2.1	2.2
Exports	0.0	0.0	0.0	0.0	0.0	0.0
Demand	2.3	2.4	2.3	2.0	2.1	2.2
Ending Stocks	0.5	0.6	0.5	0.7	0.6	0.5
Stocks/Use Ratio	22.2%	25.6%	23.2%	36.6%	28.6%	25.0%

Source: USDA

World Cotton Production

million metric tons	2016/17	2017/18	2018/19	2019/20	2020/21 November	2020/21 December
India	5.9	6.3	5.6	6.4	6.5	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	3.7	3.5
Brazil	1.5	2.0	2.8	3.0	2.6	2.6
Pakistan	1.7	1.8	1.7	1.3	1.1	1.0
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
Benin	0.2	0.2	0.3	0.3	0.3	0.3
Greece	0.2	0.3	0.3	0.4	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	0.3	0.3
World	23.2	27.0	25.8	26.6	25.3	24.8

World Cotton Exports

million metric tons	2016/17	2017/18	2018/19	2019/20	2020/21 November	2020/21 December
United States	3.2	3.5	3.2	3.4	3.2	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	0.2
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	0.3	0.3
World	8.3	9.1	9.1	8.9	9.3	9.4

Source: USDA

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World Cotton Consumption

million metric tons	2016/17	2017/18	2018/19	2019/20	2020/21 November	2020/21 December
China	8.4	8.9	8.6	7.2	8.2	8.3
India	5.3	5.3	5.2	4.4	5.0	5.2
Pakistan	2.2	2.4	2.3	2.0	2.1	2.2
Bangladesh	1.5	1.6	1.6	1.4	1.6	1.6
Turkey	1.4	1.6	1.5	1.4	1.5	1.5
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	0.2
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	24.8	25.2

World Cotton Imports

million metric tons	2016/17	2017/18	2018/19	2019/20	2020/21 November	2020/21 December
China	1.1	1.2	2.1	1.6	2.1	2.2
Bangladesh	1.5	1.7	1.5	1.5	1.6	1.5
Vietnam	1.2	1.5	1.5	1.4	1.5	1.5
Pakistan	0.5	0.7	0.6	0.9	0.9	1.0
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
Thailand	0.3	0.3	0.2	0.2	0.2	0.2
Mexico	0.2	0.2	0.2	0.1	0.1	0.1
South Korea	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
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	8.7	9.3	9.4

Source: USDA

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