



COTTON USA

ECONOMIC UPDATE

COTTON USA Global Economic Update - May 2017

U.S. COTTON SUPPLY & OFFTAKE

(000) 480-Pound Bales

	2016-17e	2017-18p
Beginning Stocks	3,800	3,200
Production	17,170	19,200
Imports	10	10
Total Supply	20,980	22,410
Mill Use	3,300	3,400
Exports	14,500	14,000
Total Offtake	17,800	17,400
Ending Stocks	3,200	5,000
Stocks-to-Use Ratio	18.0%	28.7%

Source: USDA-WAOB May WASDE Report.

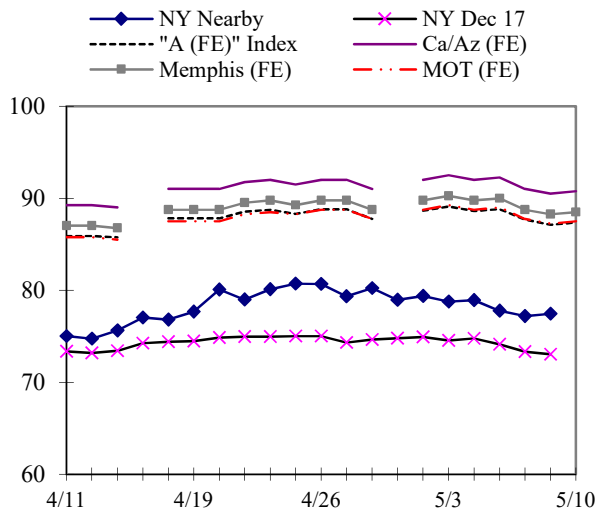
e=USDA estimate, p= USDA projection.

HIGHLIGHTS

- '17-18 World production estimated at 113.2 million bales, 7.3 million bales higher than the 2016 crop year estimate.
- '17-18 World ending stocks estimated at 87.1 million bales, 2.4 million bales lower than the 2016 crop year estimate.
- '17-18 U.S. production estimated at 19.2 million bales, 2.0 bales higher than the 2016 crop year estimate.
- '17-18 U.S. ending stocks estimated at 5.0 million bales, 1.8 million bales higher than the 2016 crop year estimate.
- '17-18 India production estimated at 28.0 million bales, 1.5 million bales higher than the 2016 crop estimate.
- '17-18 Vietnam imports estimated at 6.2 million bales, 800,000 bales higher than the 2016 crop estimate.
- '17-18 China mill use estimated at 37.5 million bales, 500,000 bales higher than the 2016 crop estimate.

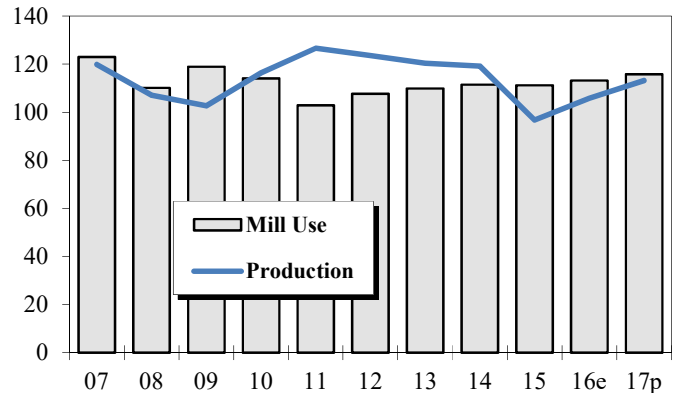
DAILY PRICES

Cents/Pound



WORLD COTTON PRODUCTION AND USE

Million Bales



2017-18 WORLD COTTON SUPPLY & OFFTAKE

Million 480-Pound Bales

	Beginning		Imports	Supply	Mill Use	Exports	Ending Stocks	Stocks-to- Use Ratio
	Stocks	Production						
World	89.5	113.2	37.6	202.7	115.8	37.6	87.1	75.3%
U.S.	3.2	19.2	0.0	22.4	3.4	14.0	5.0	28.7%
China	48.7	23.5	5.0	77.2	37.5	0.1	39.7	105.6%
Pakistan	2.5	8.5	2.6	13.6	10.4	0.4	2.8	26.2%
India	12.0	28.0	1.8	41.7	24.0	4.5	13.2	46.5%
Central Asia	2.4	6.2	0.0	8.6	2.7	3.1	2.9	49.6%
Australia	2.7	4.8	0.0	7.5	0.0	4.3	3.3	75.1%
Brazil	7.3	7.0	0.1	14.4	3.3	3.2	8.1	124.3%
Indonesia	0.6	0.0	3.2	3.8	3.2	0.0	0.6	19.6%
Mexico	0.5	1.1	1.0	2.6	1.8	0.1	0.6	31.1%
Turkey	1.4	3.7	3.4	8.5	6.6	0.3	1.6	23.9%
Vietnam	0.9	0.0	6.2	7.1	5.9	0.0	1.2	20.2%

Source: USDA-WAOB May WASDE Report.

U.S. AND WORLD FIBER PRICES

Cents/Pound

MONTH	Mill							
	December Futures		US Spot	Delivered	Far East	"A (FE)"	AWP	China
	Near	Far	1-1/16	Memphis	Low U.S.	Index		Polyester
Dec-16	69.41	68.72	69.69	NA	80.80	79.50	60.21	53.52
Jan-17	71.32	70.41	71.81	NA	82.80	82.33	62.90	54.45
Feb-17	74.01	72.27	73.02	NA	85.19	85.15	66.15	57.44
Mar-17	75.11	72.75	74.33	NA	86.72	86.79	67.72	52.58
Apr-17	73.97	71.90	74.13	NA	86.96	87.04	68.24	50.04

CF FAR EAST QUOTATIONS
FOR AMERICAN GROWTHS

Weekly Average in Cents/Pound

Type A (FE)

	Memphis		
	Cal/Az (FE)	(FE)	MOT (FE)
	1 3/32"	1 3/32"	1 3/32"
30-Mar-17	90.40	88.25	87.00
06-Apr-17	89.95	87.70	86.45
13-Apr-17	88.90	86.65	85.40
20-Apr-17	91.00	88.75	87.50
27-Apr-17	91.85	89.60	88.50
04-May-17	91.88	89.63	88.63

Source: Cotlook, Ltd. NA = Not Available