



COTTON USA™

THE COTTON THE WORLD TRUSTS

COTTON USA Global Economic Update - October 2018

U.S. COTTON SUPPLY & OFFTAKE

(000) 480-Pound Bales

	2017-18e	2018-19p
Beginning Stocks	2,750	4,300
Production	20,920	19,760
Imports	0	10
Total Supply	23,680	24,070
Mill Use	3,230	3,400
Exports	15,850	15,500
Total Offtake	19,070	18,900
Ending Stocks	4,300	5,000
Stocks-to-Use Ratio	22.5%	26.5%

Source: USDA-WAOB October WASDE Report.

e=USDA estimate, p= USDA projection.

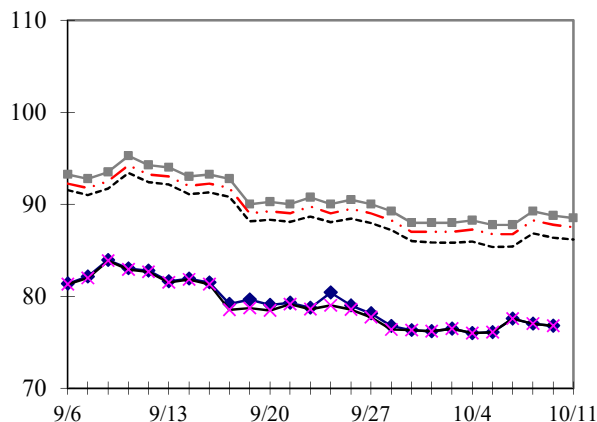
HIGHLIGHTS

- '18-19 World production estimated at 121.7 million bales, 310,000 bales lower than the September estimate.
- '18-19 U.S. ending stocks estimated at 5.0 million bales, 300,000 bales higher than the September estimate.
- '18-19 U.S. exports estimated at 15.5 million bales, 200,000 bales lower than the September estimate.
- '18-19 Australia production estimated at 2.5 million bales, 500,000 bales lower than the September estimate.
- '18-19 Turkey mill use estimated at 7.3 million bales, 200,000 bales lower than the September estimate.
- '18-19 Turkey imports estimated at 3.1 million bales, 400,000 bales lower than the September estimate.
- '18-19 Brazil exports estimated at 5.4 million bales, 100,000 bales lower than the September estimate.

DAILY PRICES

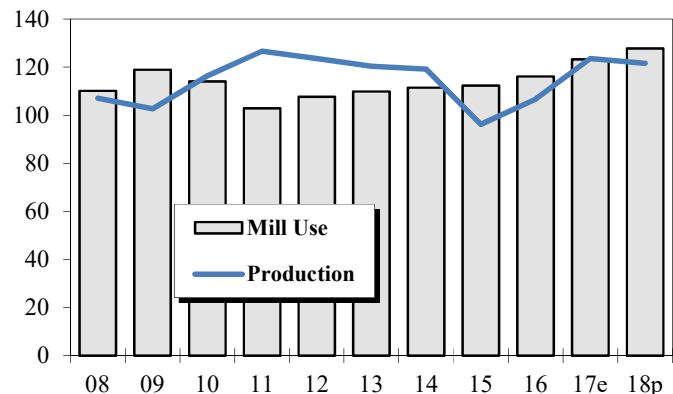
Cents/Pound

◆ NY Nearby ✕ NY Dec 18
 - - - "A (FE)" Index — Ca/Az (FE)
 ■ Memphis (FE) - . . . MOT (FE)



WORLD COTTON PRODUCTION AND USE

Million Bales



2018-19 WORLD COTTON SUPPLY & OFFTAKE

Million 480-Pound Bales

	Beginning Stocks	Production	Imports	Supply	Mill Use	Exports	Ending Stocks	Stocks-to- Use Ratio
World	80.9	121.7	41.4	202.6	127.8	41.5	74.5	58.3%
U.S.	4.3	19.8	0.0	24.1	3.4	15.5	5.0	26.5%
China	38.0	27.5	7.0	72.5	42.5	0.2	29.9	70.0%
Pakistan	2.8	8.5	2.5	13.8	11.0	0.2	2.6	23.5%
India	8.7	28.7	1.5	38.9	25.5	4.4	9.0	30.0%
Central Asia	2.7	5.9	0.0	8.6	3.7	2.4	2.5	40.7%
Australia	2.9	2.5	0.0	5.4	0.0	3.6	1.8	49.7%
Brazil	8.7	10.0	0.1	18.7	3.6	5.4	9.7	108.1%
Indonesia	0.6	0.0	3.8	4.4	3.7	0.0	0.7	19.4%
Mexico	0.7	1.7	0.9	3.3	1.9	0.6	0.8	30.4%
Turkey	1.9	4.5	3.1	9.5	7.3	0.4	1.8	23.1%
Vietnam	1.2	0.0	7.7	8.9	7.5	0.0	1.4	18.5%

Source: USDA-WAOB October 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
May-18	82.80	76.63	82.40	NA	96.06	94.48	75.25	63.51
Jun-18	88.37	80.70	85.54	NA	99.10	97.71	79.54	61.38
Jul-18	86.69	79.90	83.95	NA	96.93	96.18	77.24	59.53
Aug-18	84.20	78.79	80.74	NA	95.33	94.55	76.65	68.79
Sep-18	80.36	77.04	76.72	NA	91.23	90.36	72.27	73.98

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"
06-Sep-18	NA	93.75	92.75
13-Sep-18	NA	93.95	92.95
20-Sep-18	NA	91.85	90.85
27-Sep-18	NA	90.25	89.25
04-Oct-18	NA	88.30	87.30
11-Oct-18	NA	88.40	87.40

Source: Cotlook, Ltd. NA = Not Available