



COTTON USA™

THE COTTON THE WORLD TRUSTS

COTTON USA Global Economic Update -December 2018

U.S. COTTON SUPPLY & OFFTAKE

(000) 480-Pound Bales

	2017-18e	2018-19p
Beginning Stocks	2,750	4,300
Production	20,920	18,590
Imports	0	10
Total Supply	23,680	22,890
Mill Use	3,230	3,300
Exports	15,850	15,000
Total Offtake	19,070	18,300
Ending Stocks	4,300	4,400
Stocks-to-Use Ratio	22.5%	24.0%

Source: USDA-WAOB December WASDE Report.

e=USDA estimate, p= USDA projection.

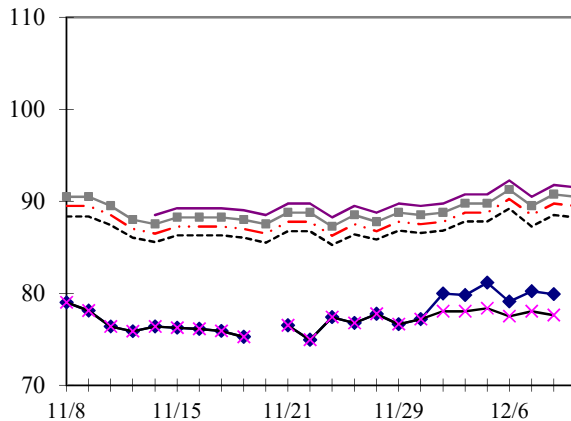
HIGHLIGHTS

- '18-19 World production estimated at 118.7 million bales, 650,000 bales lower than the November estimate.
- '18-19 U.S. production estimated at 18.6 million bales, 180,000 bales higher than the November estimate.
- '18-19 China production estimated at 27.0 million bales, 500,000 bales lower than the November estimate.
- '18-19 Pakistan production estimated at 7.4 million bales, 600,000 bales lower than the November estimate.
- '18-19 Turkey production estimated at 4.3 million bales, 200,000 bales lower than the November estimate.
- '18-19 Turkey mill use estimated at 7.0 million bales, 100,000 bales lower than the November estimate.
- '18-19 Brazil production estimated at 11.0 million bales, 1.0 million bales higher than the November estimate.

DAILY PRICES

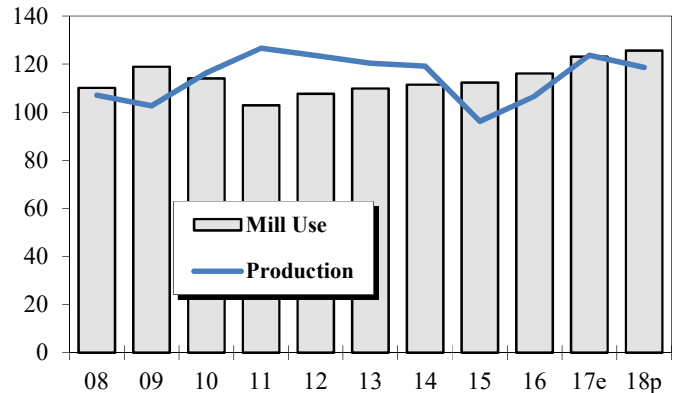
Cents/Pound

◆ NY Nearby ✕ NY Dec 19
 - - - "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	80.5	118.7	41.7	199.2	125.6	41.7	73.2	58.3%
U.S.	4.3	18.6	0.0	22.9	3.3	15.0	4.4	24.0%
China	38.0	27.0	7.0	72.0	41.5	0.2	30.4	72.9%
Pakistan	2.8	7.4	2.9	13.1	10.6	0.2	2.4	22.0%
India	8.7	27.5	1.6	37.8	25.3	4.4	8.1	27.2%
Central Asia	2.7	5.5	0.0	8.2	3.6	2.2	2.4	40.7%
Australia	2.9	2.5	0.0	5.4	0.0	3.6	1.8	49.7%
Brazil	8.7	11.0	0.1	19.7	3.5	5.8	10.4	112.2%
Indonesia	0.6	0.0	3.7	4.3	3.6	0.0	0.7	18.3%
Mexico	0.7	1.7	0.9	3.3	2.0	0.6	0.7	27.8%
Turkey	1.9	4.3	2.9	9.1	7.0	0.4	1.7	22.7%
Vietnam	1.2	0.0	7.6	8.8	7.5	0.0	1.3	17.2%

Source: USDA-WAOB December WASDE Report.

U.S. AND WORLD FIBER PRICES

Cents/Pound

MONTH	December Futures		Mill				China Polyester	
	Near	Far	US Spot 1-1/16	Delivered Memphis	Far East Low U.S.	"A (FE)" Index		
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
Oct-18	77.47	76.56	73.90	NA	88.07	86.80	68.53	68.31
Nov-18	77.12	77.45	73.72	NA	87.81	86.78	68.54	59.88

CF FAR EAST QUOTATIONS
FOR AMERICAN GROWTHS

Weekly Average in Cents/Pound

Type A (FE)

	Memphis		
	Cal/Az (FE) 1 3/32"	(FE) 1 3/32"	MOT (FE) 1 3/32"
01-Nov-18	NA	88.95	87.95
08-Nov-18	NA	90.25	89.25
15-Nov-18	88.88	88.75	87.75
22-Nov-18	89.15	88.15	87.15
29-Nov-18	89.20	88.20	87.20
06-Dec-18	90.60	89.60	88.60

Source: Cotlook, Ltd. NA = Not Available