



Global Consumption Forecast at 27.5 Million Tonnes for 2018/19

For Immediate Release

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Executive Summary

Highlights from the November 2018 Cotton This Month report, regarding the 2017/18 season:

- *World ending stocks were 18.9 million tonnes*
- *Global consumption grew 9% to 27 million tonnes*
- *Global production increased 16% to 27 million tonnes*
- *Despite increases in Brazil and West Africa, global area is expected to decline in 2018/19*

Global Consumption Forecast at 27.5 Million Tonnes for 2018/19

According to the November 2018 Cotton This Month report, the industry is likely to see declining numbers in many major categories next season. Due to uncertainties in the world economy and trading market, the International Cotton Advisory Committee (ICAC) Secretariat has revised its global consumption forecast for 2018/19 downward to 27.5 million tonnes. Global production is also expected to decrease in 2018/19, from 27 million tonnes to 26.3 million tonnes, and although Brazil and West Africa are expected to see upticks in planted area, they are unlikely to be significant enough to offset losses in Australia, China, India and the United States.

The decline in global ending stocks continues as well, finishing the 2017/18 season at 18.9 million tonnes — down 22% from 2014/15's record-high of 23 million tonnes. The trend is expected to continue next year, with the projected 6% decrease further eroding stocks to 17.7 million tonnes, the lowest number seen since 2011/12.

Other highlights include:

- Total ending stocks in China are expected to drop to 8.2 million tonnes, representing the lowest levels since 2011/12.
- China's stocks-to-use ratio also continues its decline, falling to 93% for the first time since 2011/12.
- Outside of China, cotton stocks increased for the third season in a row, surpassing 10 million tonnes.

World Cotton Supply and Distribution						
	2016/17	2017/18	2018/19	2016/17	2017/18	2018/19
	Million Tonnes			Changes from previous month Million Tonnes		
Production	23.08	26.89	26.31	0.00	-0.02	0.36
Consumption	24.50	26.81	27.53	-0.02	-0.10	-0.00
Imports	8.09	9.00	9.78	0.00	-0.03	-0.15
Exports	8.18	9.00	9.78	0.00	-0.03	-0.15
Ending Stocks	18.81	18.89	17.67	0.01	0.09	0.52
Cotlook A Index	83	88	89*			

*The price projection for 2018/19 is based on the ending stocks-to-mill use ratio in the world-less-China in 2016/17 (estimate), in 2017/18 (estimate) and in 2018/19 (projection), on the ratio of Chinese net imports to world imports in 2017/18 (estimate) and 2018/19 (projection), and the average price of 2017/18. Projection reflects 95% confidence interval.

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