



# China Issues Additional Import Quota, Sets Date for Reserve Sales

Date Posted: 3 May 2019

## Executive Summary

*Highlights from the May edition of Cotton This Month regarding the 2018/19 season:*

- The USA is expected to remain the world's largest exporter in 2018/19, despite ongoing Chinese tariffs.*
- China is projected to be the world's largest consumer at 8.45 million tonnes.*
- The decline in US exports to China due to the ongoing trade dispute is being offset by increasing exports from other producers, primarily Australia and Brazil.*
- China approved a cotton sliding tariff import quota of 800,000 tonnes for 2019; the reserve auction will begin on 5 May and run through 30 September.*

## **China Issues Additional Import Quota, Sets Date for Reserve Sales**

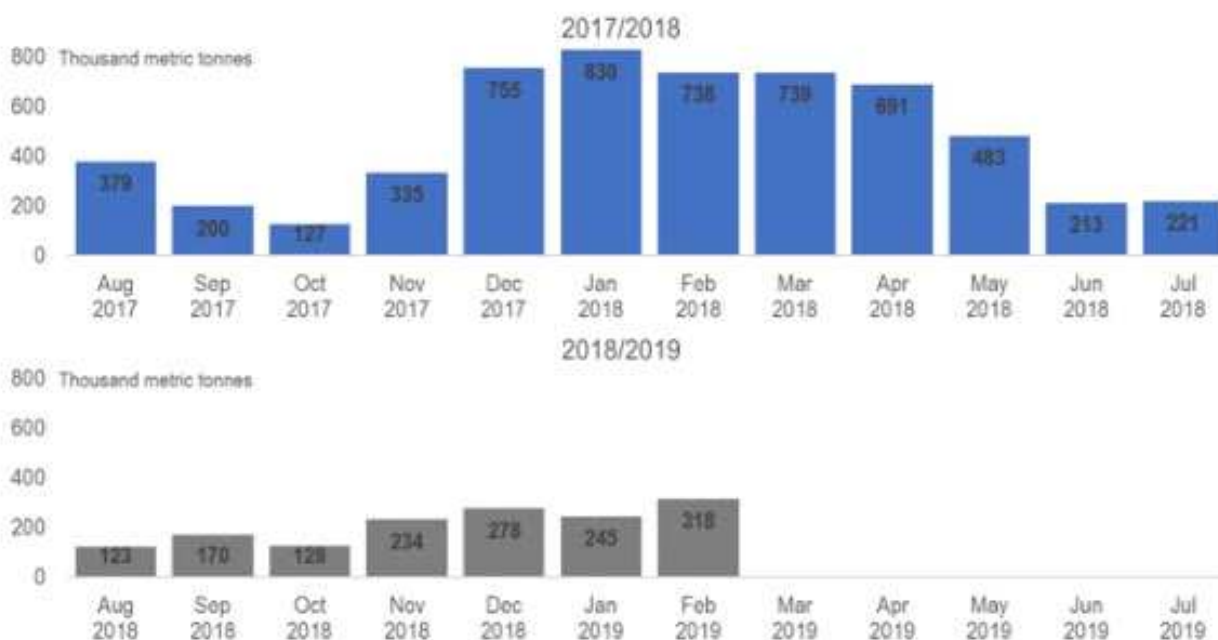
China, the world's top cotton consumer, has announced that it will auction 800,000 tonnes from its reserve in 2019. The 25% tariffs placed on US cotton in July 2018 remain in place, however, and that has led to changes in the way fibre flows into China.

As China's imports from the US have declined, other producers are stepping

up to feed its mills, with the biggest increases coming from Australia and Brazil. Australia, which shipped 280,000 tonnes to China in the 2017/18 season, has already exceeded 440,000 tonnes through March 2019. Similarly, Brazil — which shipped 82,000 tonnes to China in 2017/18 — has already exported 380,000 tonnes to China through March 2019. Other countries that have expanded their exports to China include India, Benin, Sudan, Greece, Cameroon, Burkina Faso and Mali.

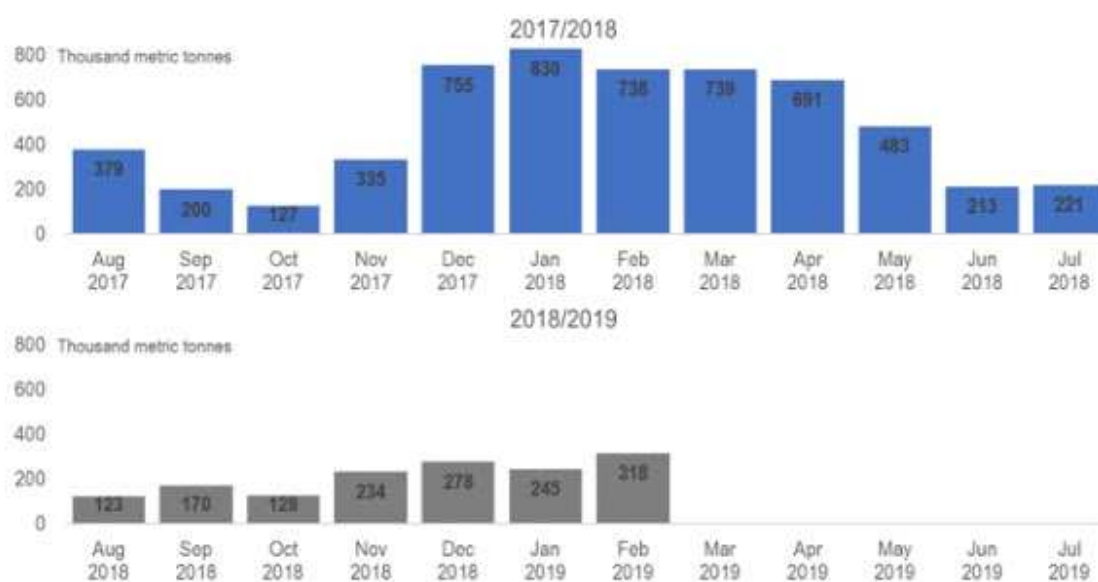
China’s reserve auction is scheduled to commence on 5 May and run through 30 September, with reserves being offered in 10,000-tonne quantities each day (in previous seasons, 30,000 tonnes had been offered per day).

### Amidst Growing Chinese Demand, US Exports to China Have Slowed in 2018/19



Published at the start of each month by the Secretariat of the International Cotton Advisory Committee,  
 1629 K Street NW, Suite 702, Washington, DC 20006. Copyright © ICAC 2019.  
 Telephone: 202-463-6660; email: [secretariat@icac.org](mailto:secretariat@icac.org).  
 No reproduction is permitted in whole or part without the express consent of the Secretariat.

## Amidst Growing Chinese Demand, US Exports to China Have Slowed in 2018/19



Published at the start of each month by the Secretariat of the International Cotton Advisory Committee,  
 1629 K Street NW, Suite 702, Washington, DC 20006. Copyright © ICAC 2019.  
 Telephone: 202-463-6660; email: [secretariat@icac.org](mailto:secretariat@icac.org).  
 No reproduction is permitted in whole or part without the express consent of the Secretariat.