



United States
Department of
Agriculture

Foreign
Agricultural
Service

Circular Series
FC 6-00
June 2000

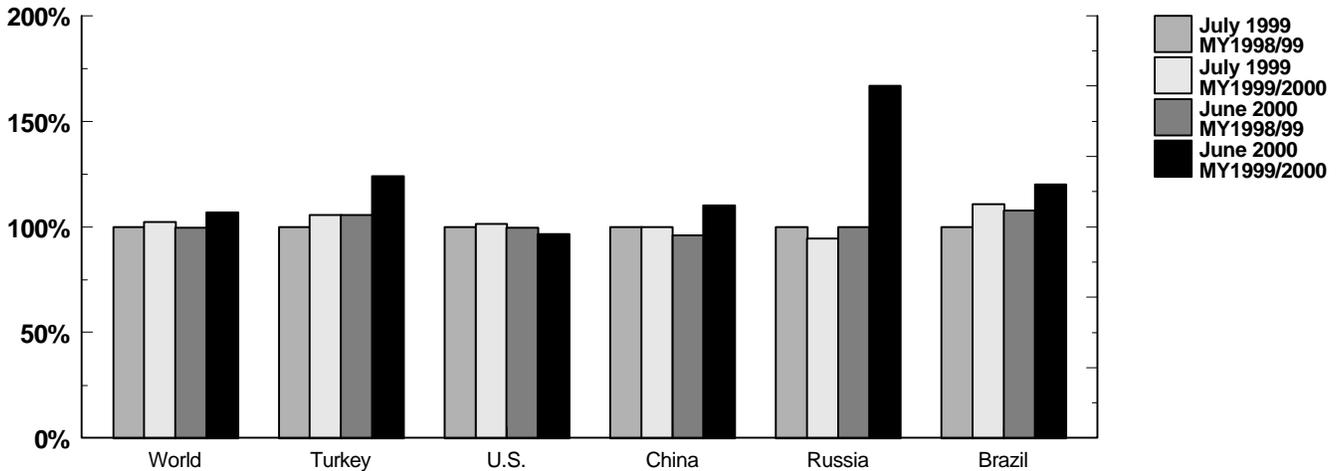
Cotton: World Markets and Trade

Record World Consumption Boosted by Recovery in Brazil and Russia and Strong Growth in China and Pakistan

Comparison of MY1999/2000 and MY1998/99 Estimates

for July 1999 and June 2000 Estimates

Percent of July 1999 MY 1998/99 forecast



The July 1999 USDA world consumption estimate of 86.9 million bales for the 1999/2000 marketing year indicated growth of about 3.5 percent from 1998/99. Continued strong world wide demand for cotton products, driven by continued strong economic performance has resulted in a current estimate of 90.76 million bales, 7 percent higher than in 1998/99. The initial estimate indicated substantial growth in India, Turkey, Mexico, Brazil and Southeast Asia with small changes in China, Pakistan, the European Union and the United States. The current estimate shows growth in China, Turkey, Pakistan, Brazil and Russia.

The current 1999/2000 estimate for China of 22 million bales is up 10 percent from the initial 1999/2000 estimate of 20 million bales, which was unchanged from the 1998/99 estimate. In Russia, the initial estimate indicated a slight decrease from the previous year while the current estimate shows a 67-percent increase over the previous year as cotton fabric production has rebounded. For Brazil, the initial estimate indicated consumption of 3.6 million bales, an 11-percent increase from the previous year, while the current estimate is for 3.9 million bales. For Pakistan, the initial forecast showed a 1.4-percent increase from the previous year, while the current estimate indicates a 7.1-percent increase, as a larger-than-expected crop kept prices low. For Southeast Asia, the initial estimate was 4.42 million bales, the same as the current estimate, indicating a 2.3-percent increase from 1998/99. The U.S. cotton sector has been unable to capture a share of this growth despite a strong increase in demand for cotton textiles and apparel. The current estimate has U.S. consumption down 2.9 percent from 1998/99.