

COTTON: The U.S. cotton projections for 2018/19 include smaller production, unchanged exports, and slightly higher ending stocks compared with 2017/18. Production is forecast at 19.5 million bales, based on 13.5 million planted acres as indicated in the March *Prospective Plantings* report. While planted area is expected higher in 2018/19, reduced precipitation to date in the Southwest suggests abandonment will likely rise from 2017/18's below-average level. With higher abandonment and the U.S. yield falling from the previous year's record-high, production is projected 7 percent lower than in 2017/18. Domestic mill use in 2018/19 is projected slightly higher at 3.4 million bales, while exports are expected to remain unchanged at 15.5 million. At 5.2 million bales, 2018/19 ending stocks are projected 500,000 bales higher than the year before, and equivalent to 28 percent of total use. The range for the marketing year average price received by producers is 55.0 to 75.0 cents per pound.

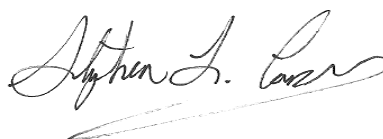
For 2017/18, U.S. cotton production is reduced marginally from last month. The export forecast is increased 500,000 bales to 15.5 million bales as the expected U.S. share of world trade rises, with ending stocks lowered accordingly.

The world 2018/19 cotton projections show a decline in stocks of 4.5 million bales, as consumption once again exceeds production. Global production is expected to fall marginally, as area declines 1 percent. Expected production in India—the world's largest producer—is unchanged from 2017/18. Lower production in the United States, Australia, and China is nearly offset by higher expected crops in Pakistan, Turkey, and Brazil. Global consumption is projected to rise 3.9 percent to a new record high, as a growing world economy drives mill use higher around the world. Projected world trade is raised from 2017/18, as import-oriented consumers such as Vietnam and Bangladesh are accounting for a larger share of world consumption, and China's imports rise. Ending stocks are projected down 4.5 million bales year to year, at 83.8 million bales, 67 percent of world consumption. An even larger decline is expected in China's stocks, and stocks outside of China are expected to rise for the third consecutive year.

For 2017/18, both world production and consumption is increased about 300,000 bales from last month, leaving ending stocks virtually unchanged. Production is higher in Uzbekistan and Australia and consumption is higher in Turkey and Uzbekistan. Australia's expected exports are 300,000 bales lower, while higher exports are now expected for the United States, Chad, Benin, and Uzbekistan.

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U.S. Cotton Supply and Use 1/

	2016/17	2017/18 Est.	2018/19 Proj. Apr	2018/19 Proj. May
Area				
			<i>Million Acres</i>	
Planted	10.07	12.61	NA	13.47 *
Harvested	9.51	11.10	NA	11.13 *
			<i>Pounds</i>	
Yield per Harvested Acre	867	905	NA	841 *
			<i>Million 480 Pound Bales</i>	
Beginning Stocks	3.80	2.75	NA	4.70
Production	17.17	20.92	NA	19.50
Imports	0.01	0.01	NA	0.01
Supply, Total	20.98	23.68	NA	24.21
Domestic Use	3.25	3.35	NA	3.40
Exports, Total	14.92	15.50	NA	15.50
Use, Total	18.17	18.85	NA	18.90
Unaccounted 2/	0.06	0.13	NA	0.11
Ending Stocks	2.75	4.70	NA	5.20
Avg. Farm Price 3/	68.0	67.00 - 69.00	NA	55.00 - 75.00

Note: Reliability calculations at end of report. 1/ Upland and extra-long staple; marketing year beginning August 1. Totals may not add due to rounding. 2/ Reflects the difference between the previous season's supply less total use and ending stocks. 3/ Cents per pound for upland cotton. *Planted area as reported in March 29, 2018 Prospective Plantings. Harvested area based on 10-year average abandonment by region. Yield based on 5-year average yields by region.

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**World Cotton Supply and Use 1/
(Million 480-Pound Bales)**

2016/17	Beginning Stocks	Production	Imports	Domestic Use	Exports	Loss /2	Ending Stocks
World	95.00	106.66	37.56	114.76	37.38	0.16	86.92
United States	3.80	17.17	0.01	3.25	14.92	0.06	2.75
Total Foreign	91.20	89.49	37.55	111.51	22.46	0.10	84.17
Major Exporters 4/	22.66	50.69	3.63	31.98	19.25	0.01	25.75
Central Asia 5/	2.35	5.99	3/	2.89	3.02	0.00	2.43
Afr. Fr. Zone 6/	1.36	5.09	3/	0.14	4.38	0.01	1.92
S. Hemis 7/	8.77	12.25	0.37	4.29	7.05	-0.02	10.06
Australia	1.88	4.05	3/	0.04	3.73	-0.03	2.19
Brazil	5.71	7.02	0.19	3.20	2.79	0.00	6.93
India	9.94	27.00	2.74	24.00	4.55	0.00	11.13
Major Importers 8/	66.83	35.86	31.78	75.57	2.04	0.09	56.78
Mexico	0.61	0.77	1.00	1.75	0.15	0.03	0.45
China	58.20	22.75	5.03	37.50	0.06	0.00	48.42
European Union 9/	0.30	1.31	0.70	0.72	1.33	0.00	0.27
Turkey	1.53	3.20	3.68	6.50	0.33	0.00	1.58
Pakistan	2.62	7.70	2.40	10.30	0.13	0.03	2.27
Indonesia	0.53	0.01	3.39	3.30	0.01	0.00	0.62
Thailand	0.20	3/	1.23	1.20	0.00	0.03	0.20
Bangladesh	1.54	0.13	6.70	6.70	0.00	0.01	1.66
Vietnam	0.78	3/	5.50	5.40	0.00	0.00	0.88
2017/18 Est.							
World	86.92	122.43	39.23	120.74	39.38	0.25	88.21
United States	2.75	20.92	0.01	3.35	15.50	0.13	4.70
Total Foreign	84.17	101.51	39.22	117.39	23.88	0.12	83.51
Major Exporters 4/	25.75	55.57	2.41	32.75	20.46	0.02	30.50
Central Asia 5/	2.43	6.47	3/	3.31	2.83	0.00	2.77
Afr. Fr. Zone 6/	1.92	5.16	3/	0.14	4.38	0.00	2.57
S. Hemis 7/	10.06	14.98	0.21	4.47	8.47	0.01	12.30
Australia	2.19	4.80	3/	0.04	3.90	0.00	3.06
Brazil	6.93	8.70	0.05	3.40	4.20	0.00	8.08
India	11.13	28.50	1.70	24.20	4.50	0.00	12.63
Major Importers 8/	56.78	42.94	34.36	80.60	2.30	0.10	51.08
Mexico	0.45	1.56	1.00	1.85	0.33	0.03	0.80
China	48.42	27.50	5.10	40.00	0.05	0.00	40.97
European Union 9/	0.27	1.54	0.72	0.74	1.41	0.01	0.38
Turkey	1.58	4.00	3.95	7.20	0.35	0.00	1.98
Pakistan	2.27	8.20	2.90	10.40	0.16	0.03	2.78
Indonesia	0.62	3/	3.40	3.40	0.01	0.00	0.62
Thailand	0.20	3/	1.05	1.05	0.00	0.03	0.18
Bangladesh	1.66	0.14	7.40	7.30	0.00	0.01	1.88
Vietnam	0.88	3/	6.80	6.60	0.00	0.00	1.09

1/ Marketing year beginning August 1. Totals may not add exactly and trade may not balance due to rounding and other factors. 2/ Generally reflects cotton lost or destroyed in the marketing channel; for Australia, Brazil, China, and the United States, reflects the difference between implicit stocks based on supply less total use and indicated ending stocks. 3/ Less than 5,000 bales. 4/ Includes Egypt and Syria in addition to the countries and regions listed. 5/ Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan. 6/ Benin, Burkino Faso, Cameroon, Central African Republic, Chad, Cote d'Ivoire, Mali, Niger, Senegal, and Togo. 7/ Argentina, Australia, Brazil, Lesotho, Paraguay, South Africa, Tanzania, and Zimbabwe. 8/ In addition to the countries and regions listed, includes Hong Kong, Japan, Russia, South Korea, and Taiwan. 9/ Includes intra-EU trade.

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**World Cotton Supply and Use 1/
(Million 480-Pound Bales)**

2018/19 Proj.		Beginning Stocks	Production	Imports	Domestic Use	Exports	Loss /2	Ending Stocks
World	Apr	NA	NA	NA	NA	NA	NA	NA
	May	88.21	121.19	41.12	125.44	41.12	0.22	83.75
United States	Apr	NA	NA	NA	NA	NA	NA	NA
	May	4.70	19.50	0.01	3.40	15.50	0.11	5.20
Total Foreign	Apr	NA	NA	NA	NA	NA	NA	NA
	May	83.51	101.69	41.12	122.04	25.62	0.11	78.55
Major Exporters 4/	Apr	NA	NA	NA	NA	NA	NA	NA
	May	30.50	55.24	2.14	34.20	21.69	0.02	31.97
Central Asia 5/	Apr	NA	NA	NA	NA	NA	NA	NA
	May	2.77	6.52	3/	3.66	2.57	0.00	3.06
Afr. Fr. Zone 6/	Apr	NA	NA	NA	NA	NA	NA	NA
	May	2.57	5.21	3/	0.14	4.73	0.00	2.91
S. Hemis 7/	Apr	NA	NA	NA	NA	NA	NA	NA
	May	12.30	14.46	0.22	4.54	9.85	0.01	12.59
Australia	Apr	NA	NA	NA	NA	NA	NA	NA
	May	3.06	4.00	3/	0.04	4.50	0.00	2.52
Brazil	Apr	NA	NA	NA	NA	NA	NA	NA
	May	8.08	8.80	0.08	3.45	4.80	0.00	8.70
India	Apr	NA	NA	NA	NA	NA	NA	NA
	May	12.63	28.50	1.50	25.20	4.25	0.00	13.18
Major Importers 8/	Apr	NA	NA	NA	NA	NA	NA	NA
	May	51.08	43.40	36.52	83.78	2.69	0.09	44.45
Mexico	Apr	NA	NA	NA	NA	NA	NA	NA
	May	0.80	1.60	0.90	1.85	0.55	0.03	0.88
China	Apr	NA	NA	NA	NA	NA	NA	NA
	May	40.97	27.00	7.00	41.50	0.05	0.00	33.42
European Union 9/	Apr	NA	NA	NA	NA	NA	NA	NA
	May	0.38	1.56	0.71	0.74	1.48	0.00	0.42
Turkey	Apr	NA	NA	NA	NA	NA	NA	NA
	May	1.98	4.30	3.60	7.40	0.35	0.00	2.13
Pakistan	Apr	NA	NA	NA	NA	NA	NA	NA
	May	2.78	8.80	2.10	10.50	0.25	0.03	2.91
Indonesia	Apr	NA	NA	NA	NA	NA	NA	NA
	May	0.62	3/	3.50	3.50	0.01	0.00	0.62
Thailand	Apr	NA	NA	NA	NA	NA	NA	NA
	May	0.18	3/	1.08	1.05	0.00	0.03	0.18
Bangladesh	Apr	NA	NA	NA	NA	NA	NA	NA
	May	1.88	0.14	7.90	7.80	0.00	0.01	2.11
Vietnam	Apr	NA	NA	NA	NA	NA	NA	NA
	May	1.09	3/	7.70	7.40	0.00	0.00	1.39

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