

**Cotton WASDE Report  
October 11, 2018**

COTTON: The 2018/19 U.S. cotton supply and demand estimates show higher ending stocks, based on slightly larger production and lower exports relative to last month. Production is raised 81,000 bales, with higher production in Texas and Georgia largely offset by lower production in the Carolinas. Domestic mill use is unchanged from last month, but the export forecast is reduced 200,000 bales to 15.5 million, due to reduced WASDE-582-5 world trade and consumption. Ending stocks are forecast at 5.0 million bales, and the resulting stocks-to-use ratio of 26 percent is slightly higher than the previous month's forecast, and the highest since 2015/16. The forecast range for the marketing year average farm price is 69.0 to 77.0 cents per pound; the midpoint of 73.0 cents is down 2 cents from the previous month's projection. The 2018/19 global ending stocks forecast is lowered 4 percent this month as lower production and sharply lower beginning stocks offset marginally smaller consumption. Stocks are lowered mainly in India, as revisions are made to production, consumption, and loss over 2002/03-2013/14 to better reflect Indian government data (consumption) and the impact of shifting producers' marketing patterns (see the October 2018 issue of the FAS Cotton: World Markets and Trade publication). Production forecasts are lowered for Australia and raised for Greece and the United States. Consumption and imports are lowered for Turkey. Global beginning stocks are lowered 2.9 million bales and ending stocks are lowered 3.0 million bales. Ending stocks in 2018/19 are down 6.4 million bales from last year, largely reflecting an expected 8.2-million-bale decline in China.

## World Cotton Supply and Demand

Item	2017/2018 estimate	2018/2019 forecast	Change from September 10	Change from 2017/2018
----- Million bales -----				
Beginning stocks	80.8	80.9	-2.9	**
Production	123.5	121.7	-0.3	-1.9
Total Supply	204.4	202.5	-3.2	-1.8
Consumption	123.3	127.8	-0.2	4.5
Trade	40.7	41.5	-0.3	0.7
Ending Stocks	80.9	74.4	-3.0	-6.4
<b>Addendum</b>				
China ending stocks	38.0	29.9	--	-8.2

-- No change.

# World Cotton Production

Country or Region	2017/2018 estimate	2018/2019 forecast	Change from September 10	Change from 2017/2018
----- Million bales -----				
World	123.5	121.7	-0.3	-1.9
United States	20.9	19.8	0.1	-1.2
Foreign	102.6	101.9	-0.4	-0.7
Argentina	0.8	1.1	--	0.3
Brazil	9.2	10.0	--	0.8
Turkey	4.0	4.5	--	0.5
Australia	4.7	2.5	-0.5	-2.2
China	27.5	27.5	--	--
India	29.0	28.7	--	-0.3
Pakistan	8.2	8.5	--	0.3
Uzbekistan	4.0	3.3	--	-0.7
Turkmenistan	1.4	1.3	--	-0.1
African Franc Zone	5.2	5.3	--	0.1

# U.S. Cotton Supply and Demand

Item	2017/2018 estimate	2018/2019 forecast	Change from September 10	Change from 2017/2018
Planted area (million acres)	12.61	14.04	--	1.43
Harvested area (million acres)	11.10	10.53	-0.03	-0.58
Yield (pounds per acre)	905	901	6	-4
----- Million bales -----				
Beginning stocks	2.75	4.30	--	1.55
Production	20.92	19.76	0.08	-1.16
Imports	0.00	0.01	--	**
Total supply	23.68	24.07	0.08	0.39
Mill use	3.23	3.40	**	0.18
Exports	15.85	15.50	-0.20	-0.35
Total use	19.07	18.90	-0.20	-0.17
Unaccounted	0.30	0.17	-0.02	-0.14
Ending stocks	4.30	5.00	0.30	0.70
----- Percent -----				
Stocks to use ratio	22.5	26.5	1.8	3.9
----- Cents per pound -----				
Average market price	68.00	69.00/77.00	-2.00	5.00

-- No change. \*\* Rounds to zero.

Source: usda.gov

## October US Crop Production Changes

As for the US State-by-State breakdown in today's WASDE report, harvested acreage was lowered 29,000 acres this month as revisions in Kansas, Virginia, North Carolina and South Carolina accounted for the changes. Yield adjustments continued with the largest changes this month -117 lbs. in North Carolina, -83 lbs. in South Carolina, -78 lbs. in California, -75 lbs. in Virginia and -48 lbs. in Tennessee. Increases were noted in Arizona +48 lbs., ironically Georgia +34 lbs., Alabama +24 lbs., Texas +22 lbs., and Missouri +15 lbs. Overall, Yield in the US was up 6 lbs. to 901/acre. The production estimates this month increased 81,000 bales with +200,000 in Texas, +100,000 in Georgia and +25,000 in Alabama. Below is a table of this month's changes.

<b>Oct v. Sept USDA Harv.</b>				<b>Oct v. Sept USDA Yield</b>			
<b>Upland</b>	<b>Sep-18</b>	<b>Oct-18</b>	<b>Chg.</b>	<b>Upland</b>	<b>Sep-18</b>	<b>Oct-18</b>	<b>Chg.</b>
Alabama	505	505	0	Alabama	1,041	1,065	24
Arizona	149	149	0	Arizona	1,498	1,546	48
Arkansas	480	480	0	Arkansas	1,150	1,150	0
California	49	49	0	California	1,763	1,685	(78)
Florida	116	116	0	Florida	910	910	0
Georgia	1,420	1,420	0	Georgia	946	980	34
Kansas	160	159	(1)	Kansas	1,005	1,011	6
Louisiana	190	190	0	Louisiana	1,061	1,061	0
Mississippi	615	615	0	Mississippi	1,132	1,140	8
Missouri	320	320	0	Missouri	1,230	1,245	15
New Mexico	65	65	0	New Mexico	1,108	1,108	0
North Carolina	420	400	(20)	North Carolina	921	804	(117)
Oklahoma	570	570	0	Oklahoma	800	793	(7)
South Carolina	298	290	(8)	South Carolina	886	803	(83)
Tennessee	355	355	0	Tennessee	1,082	1,034	(48)
Texas	4,500	4,500	0	Texas	693	715	22
Virginia	97	97	0	Virginia	1,089	1,014	(75)
U.S.	10,309	10,280	(29)	U.S.	881	887	6
<b>Pima</b>				<b>Pima</b>			
Arizona	14	14	0	Arizona	889	889	0
California	209	209	0	California	1,610	1,610	0
Mississippi				Mississippi	0	0	0
New Mexico	7	7	0	New Mexico	904	904	0
Texas	16	16	0	Texas	960	960	0
U.S.	245	245	0	U.S.	1,508	1,508	0
<b>TOTAL</b>	<b>10,554</b>	<b>10,525</b>	<b>-29</b>	<b>TOTAL</b>	<b>895</b>	<b>901</b>	<b>6</b>

**Figures in 000s**

**Source: USDA**

<b>Oct v. Sept USDA Prod.</b>			
<b>Upland</b>	<b>Sep-18</b>	<b>Oct-18</b>	<b>Chg.</b>
Alabama	1,095	1,120	25
Arizona	465	480	15
Arkansas	1,150	1,150	0
California	180	172	(8)
Florida	220	220	0
Georgia	2,800	2,900	100
Kansas	335	335	0
Louisiana	420	420	0
Mississippi	1,450	1,460	10
Missouri	820	830	10
New Mexico	150	150	0
North Carolina	806	670	(136)
Oklahoma	950	930	(20)
South Carolina	550	485	(65)
Tennessee	800	765	(35)
Texas	6,500	6,700	200
Virginia	220	205	(15)
<b>U.S.</b>	<b>18,911</b>	<b>18,992</b>	<b>81</b>
<b>Pima</b>			
Arizona	25	25	0
California	701	701	0
Mississippi			0
New Mexico	13	13	0
Texas	32	32	0
<b>U.S.</b>	<b>771</b>	<b>771</b>	<b>0</b>
<b>TOTAL</b>	<b>19,682</b>	<b>19,763</b>	<b>81</b>

**Source: USDA**

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