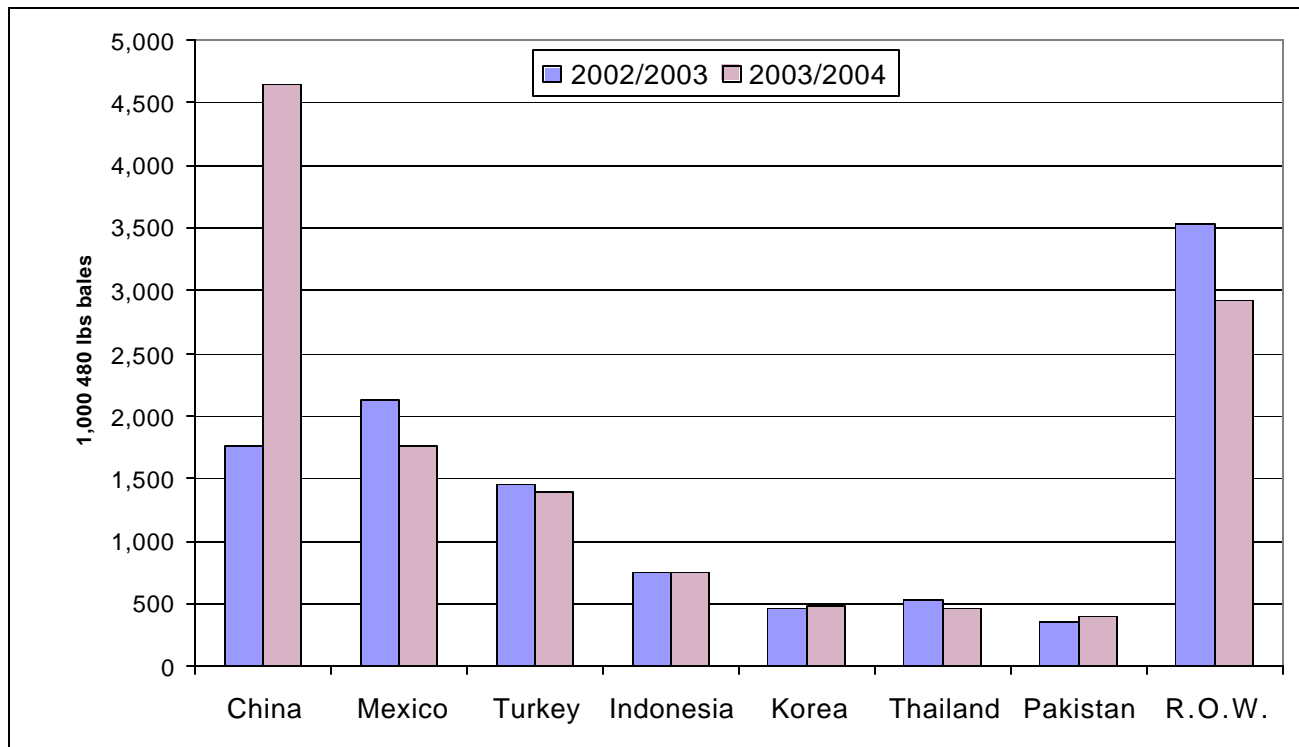




Cotton: World Markets and Trade

China Drives U.S. Cotton Exports in 2003/04



The marketing year 2003/04 final U.S. export sales report shows 13.33 million running bales of cotton exported in 2003/04, up 1.85 million running bales or 17 percent from the 2002/03 total. A dramatic increase in exports to China, up 2.9 million running bales, more than offset declines in other markets. Exports to China accounted for more than one-third of the total reported exports.

Exports to Mexico, traditionally the largest U.S. market declined 17.5 percent, as China supplanted Mexico as the top U.S. market. Exports to Mexico in 2003/04 suffered due to continued decline in Mexican mill use, higher domestic production, and large carry-in stocks. Exports to Turkey, the third largest U.S. market in both 2003/04 and 2002/03 were down slightly; in line with Turkey's decrease in total imports. The U.S. maintained the nearly two-thirds market share in the Turkish market it had in the previous two years.

The U.S. maintained the roughly 30 percent market shares seen in Indonesia and Thailand in 2003/04. U.S. exports to Korea and Pakistan were up by about 10 percent in each market. However, U.S. market share in Pakistan declined as Pakistan's total imports more than doubled, while U.S. market share increased in Korea as total imports declined 15 percent.