

Export Outlook for Cotton

Revised FY 2007 Forecast:  \$400 Million to \$4.3 Billion
Initial FY 2008 Projection: \$5.5 Billion

Revised FY 2007 Forecast

Key Developments

- (+) unit value & vol; less comp. (India) & solid demand (Turkey)

Initial FY 2008 Projection

Upside Developments

- Export vol +400,000 mt to 3.6 mmt largest carry-over stocks in 40 yrs help capture early season demand
- Higher unit value – foreign production growth not expected to match China demand growth
- Most export vol gain due to China

Downside Developments

- Continued competition from India

Wild Cards

- US & foreign crop size
- Increasing uncertainty over China's production estimates

