

USDA Cotton Outlook 2009

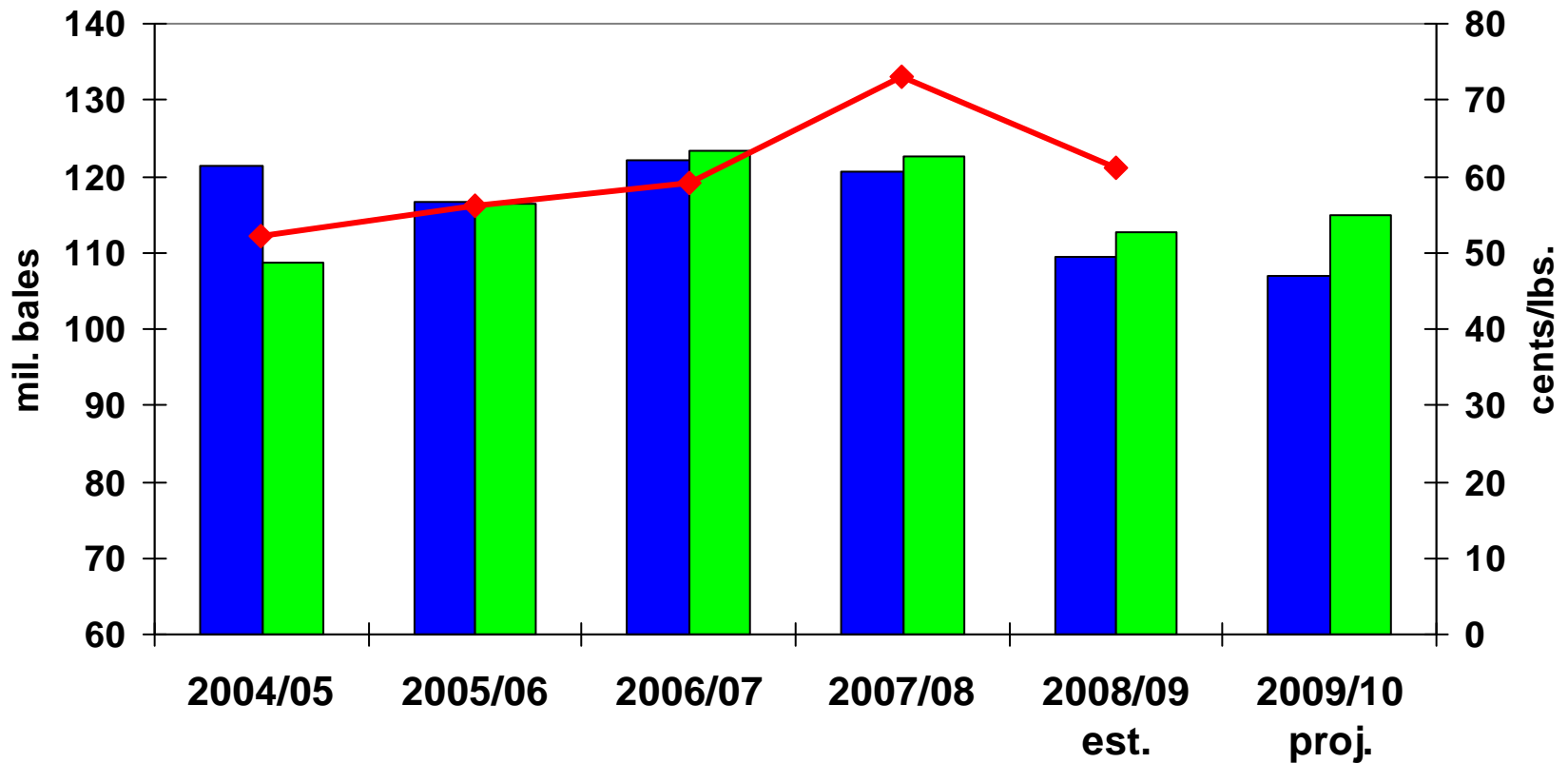
Presented by Steve Neff

February 27, 2009

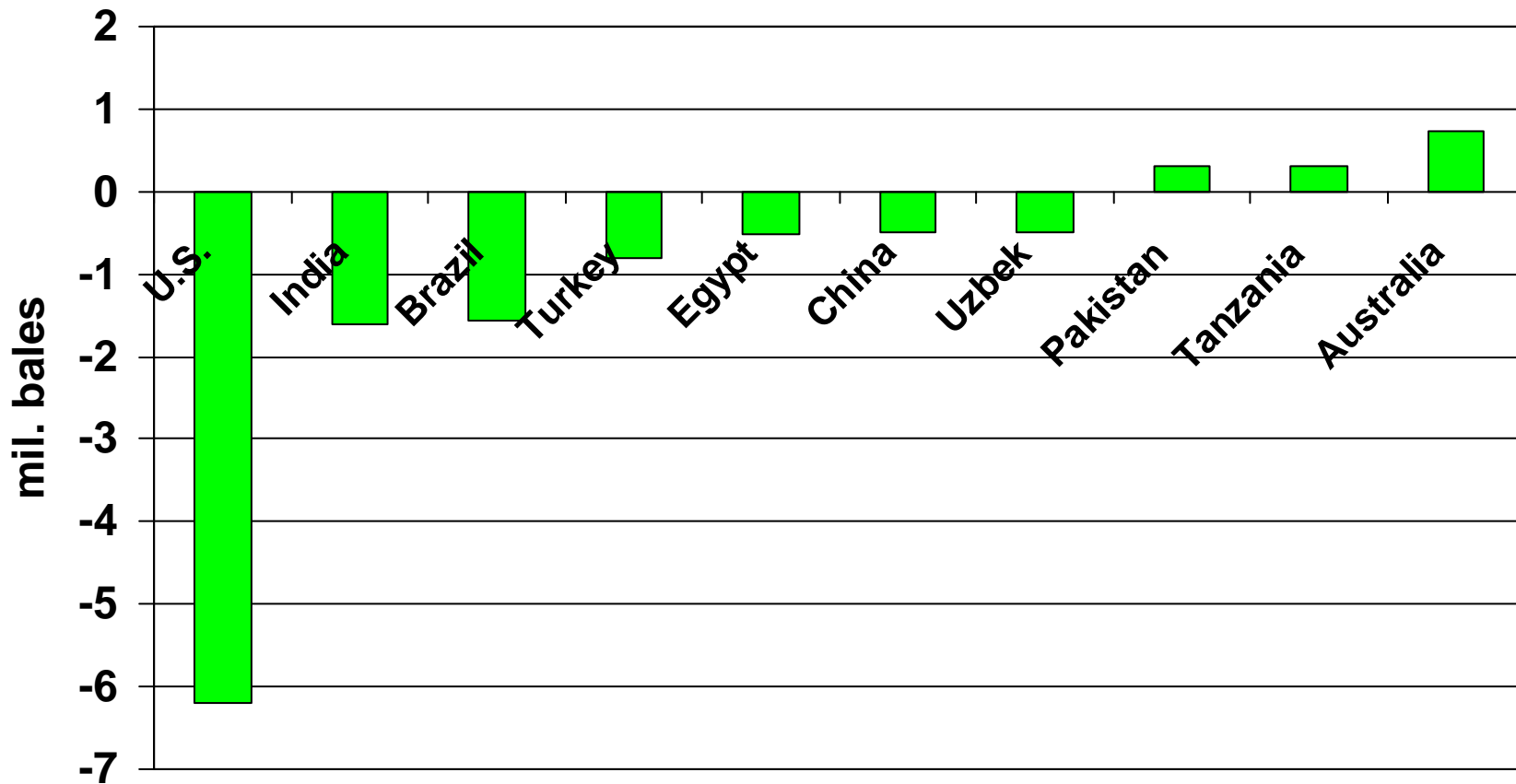
USDA Agricultural Outlook Forum

World Production, Consumption, and Prices 2004/05 through 2009/10 proj.

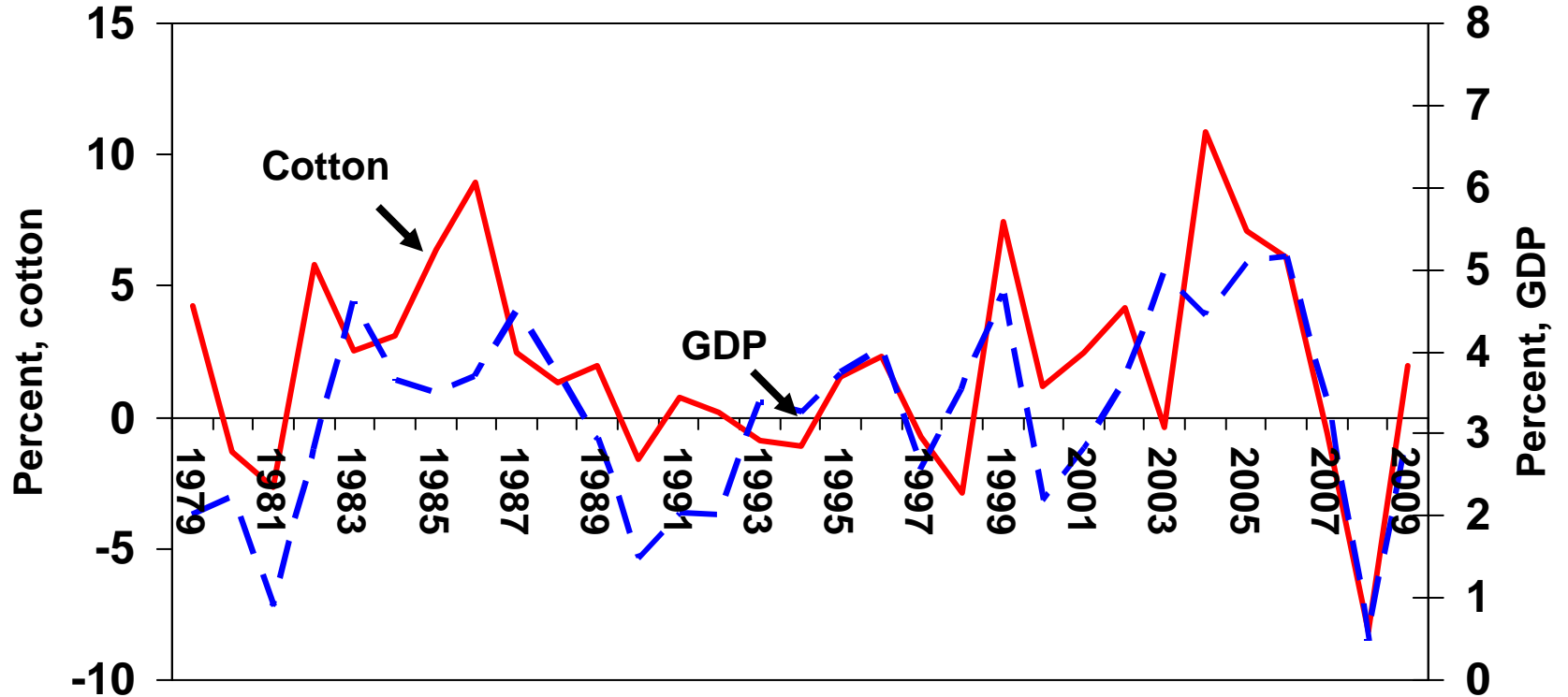
Production Consumption A-index (FE)



Estimated Changes in World Production, 2008/09 compared with 2007/08



World Cotton Consumption and Economic Growth



Sources: USDA, International Monetary Fund, and GlobalInsight .

World Cotton Supply and Demand, 2008/09 and 2009/10 proj.

(mil. bales)

<u>Item</u>	<u>2008/09</u>	<u>2009/10</u>	<u>Change (%)</u>
Beg. stks	62.3	61.7	-1.0
Production	109.5	107.0	-2.3
Imports	29.3	33.0	+12.5
Total supply	201.2	201.7	+0.3
Consumption	112.6	115.0	+2.1
Exports	29.3	33.0	+12.5
Total Use	142.0	148.0	+4.3
Residual	-2.5	-2.5	0
Ending stks	61.7	56.2	-8.9
Stocks-to-Consumption (%)	54.8	48.9	

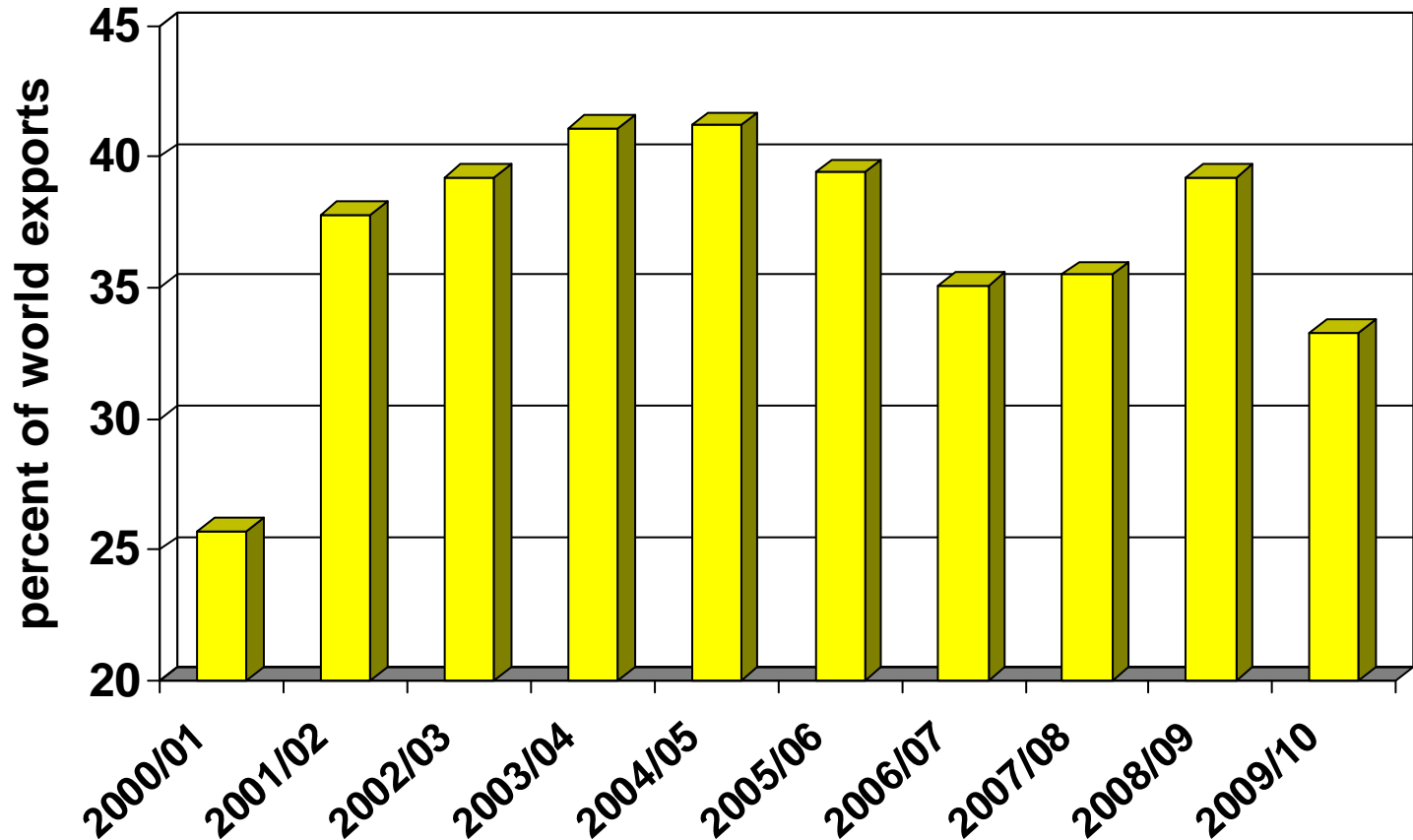
China Cotton Supply and Demand, 2008/09 and 2009/10 proj.

(mil. bales)

<u>Item</u>	<u>2008/09</u>	<u>2009/10</u>	<u>Change (%)</u>
Beg. stks	20.0	18.4	-8.0
Production	36.5	33.0	-9.6
Imports	6.5	12.0	+84.6
Total supply	63.0	63.4	+0.6
Consumption	47.0	48.5	+3.2
Exports	0.1	0.1	0
Total Use	47.1	48.6	+3.2
Residual	-2.5	-2.5	0
Ending stks	18.4	17.3	-6.0
Stocks-to-Consumption (%)	39.1	35.6	

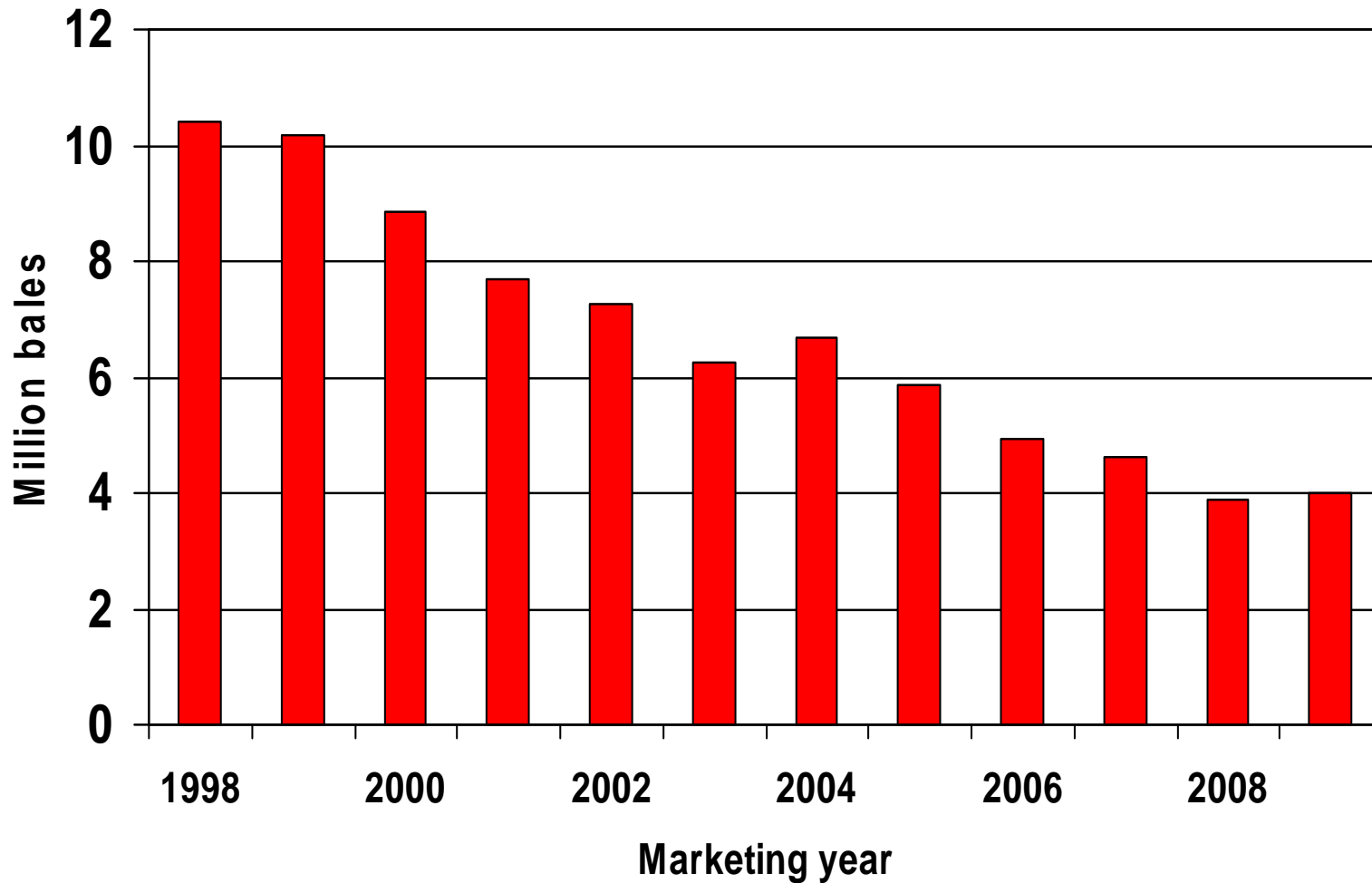
U.S. Share of World Exports

2000/01 through 2009/10 proj.

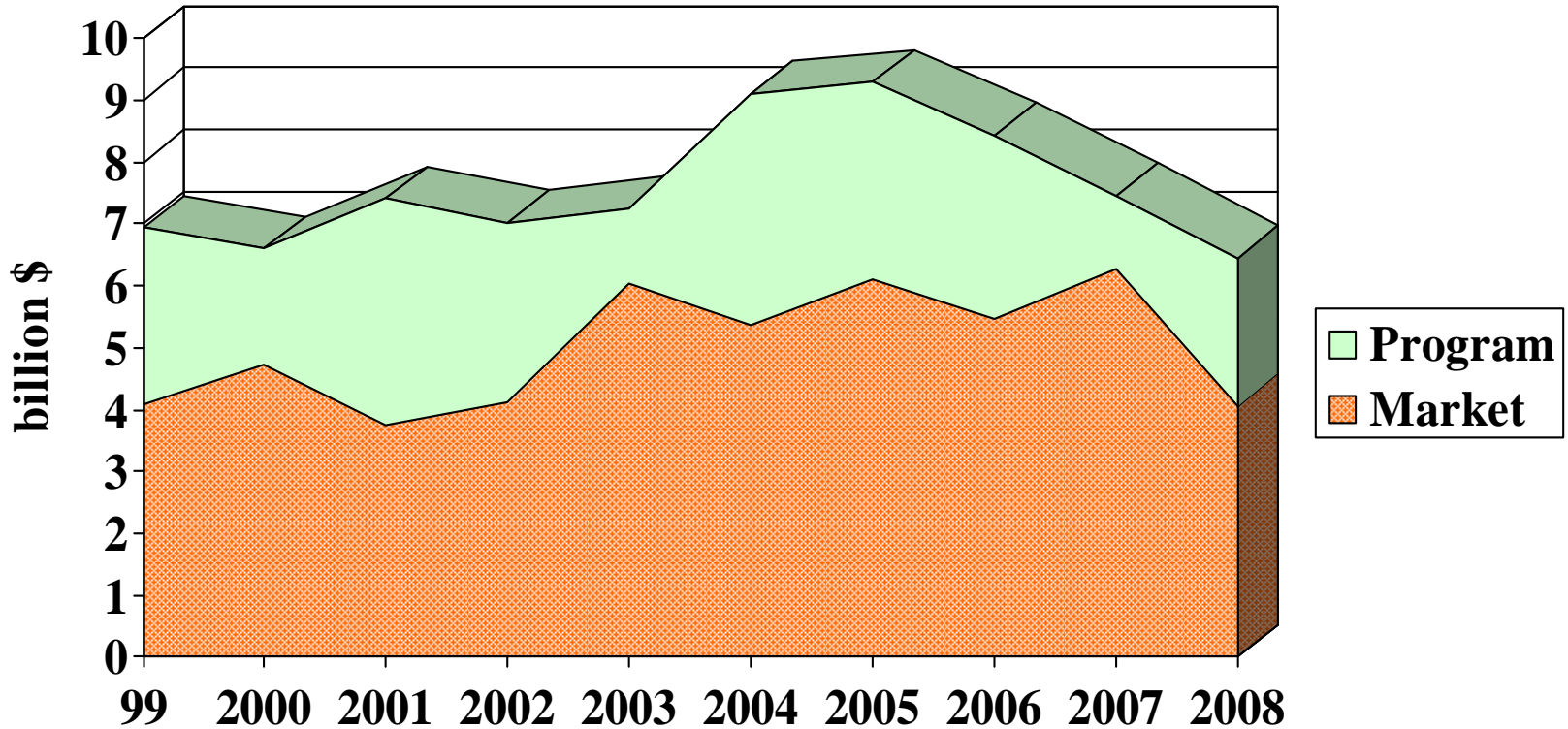


U.S. Cotton Mill Use

1998/99 to 2009/10



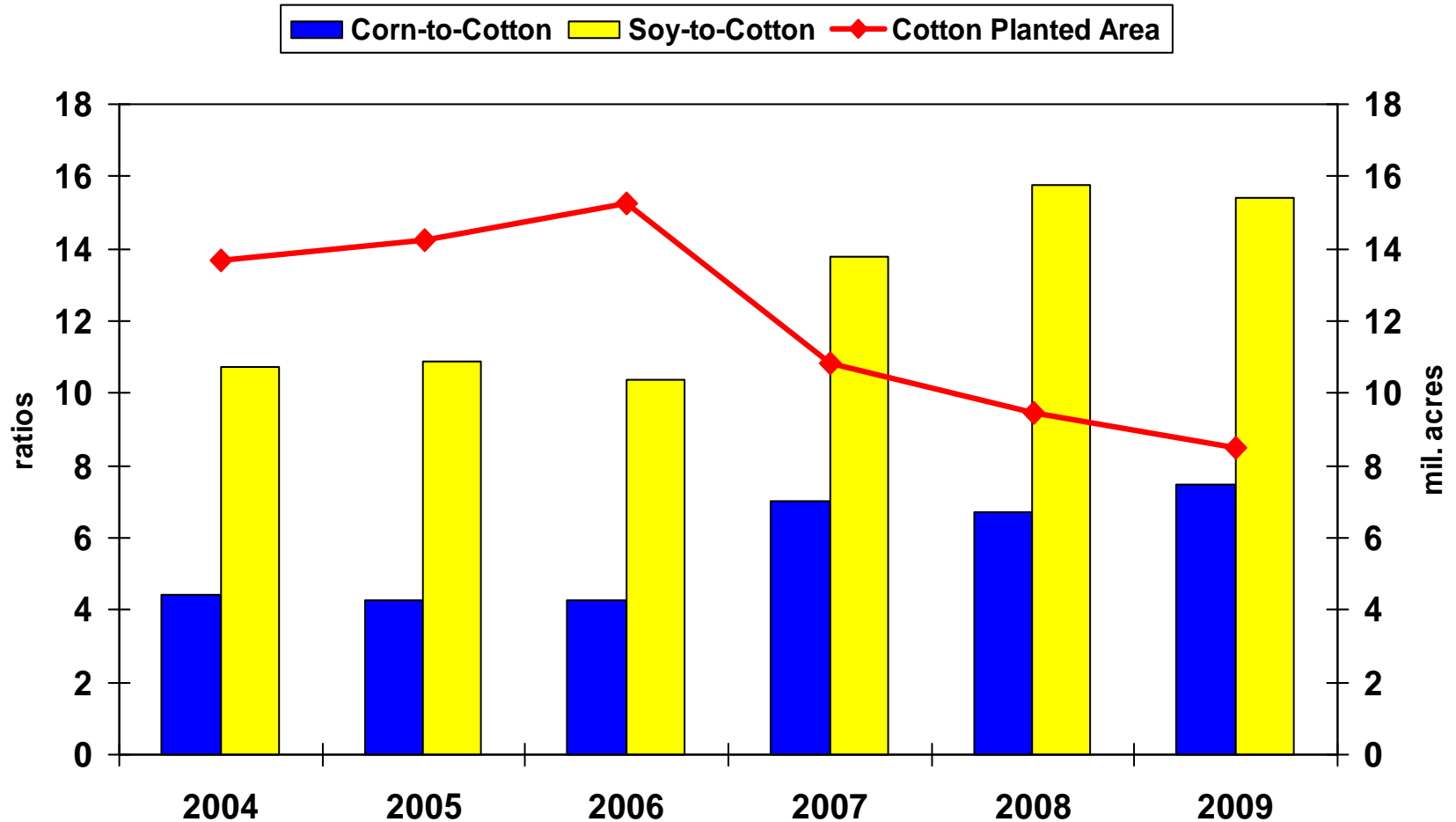
Gross Cotton Farm Income 1999/2000 through 2008/09 est.



Harvest Futures Prices as of Feb-Mar

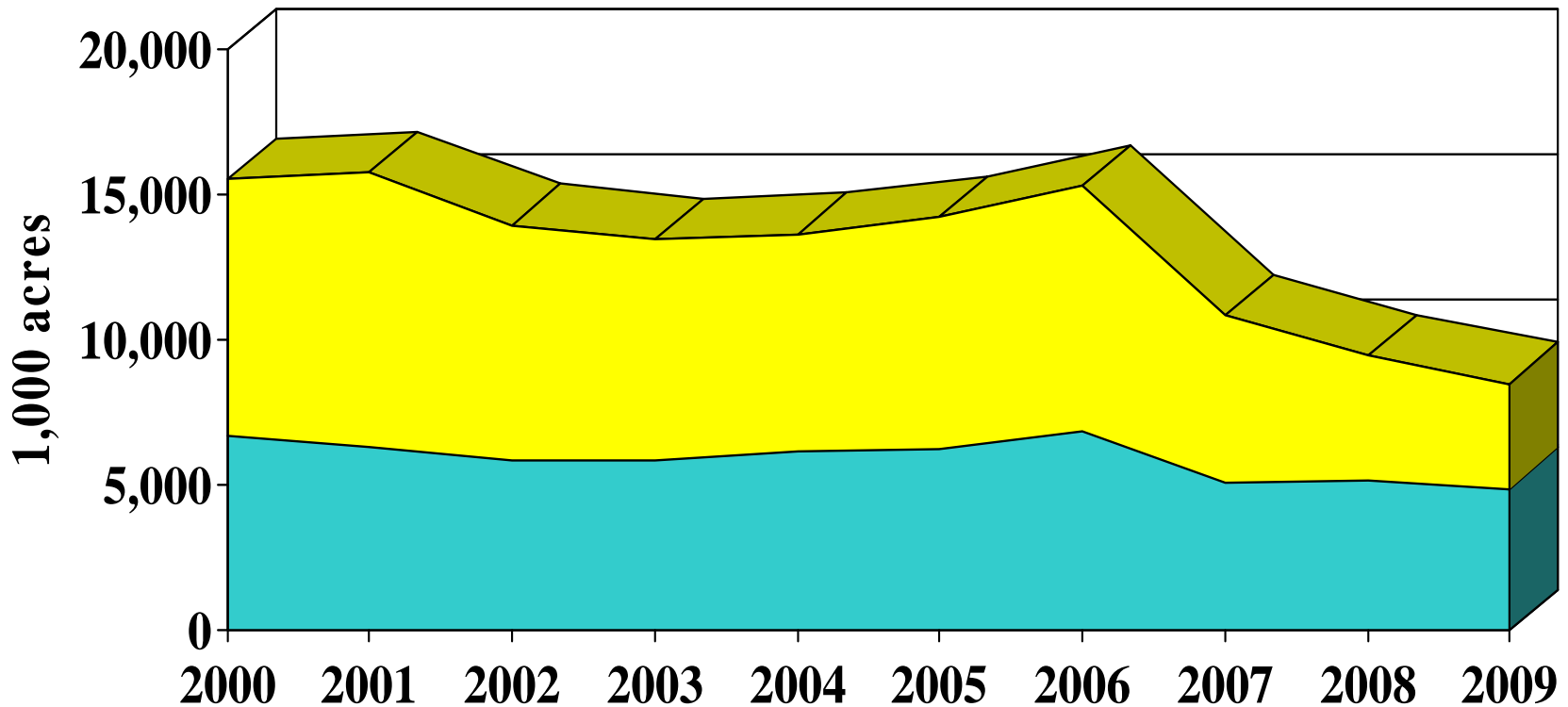
Ratios of Corn and Soy to Cotton

(2009 based on Feb. 1-13, 2009)



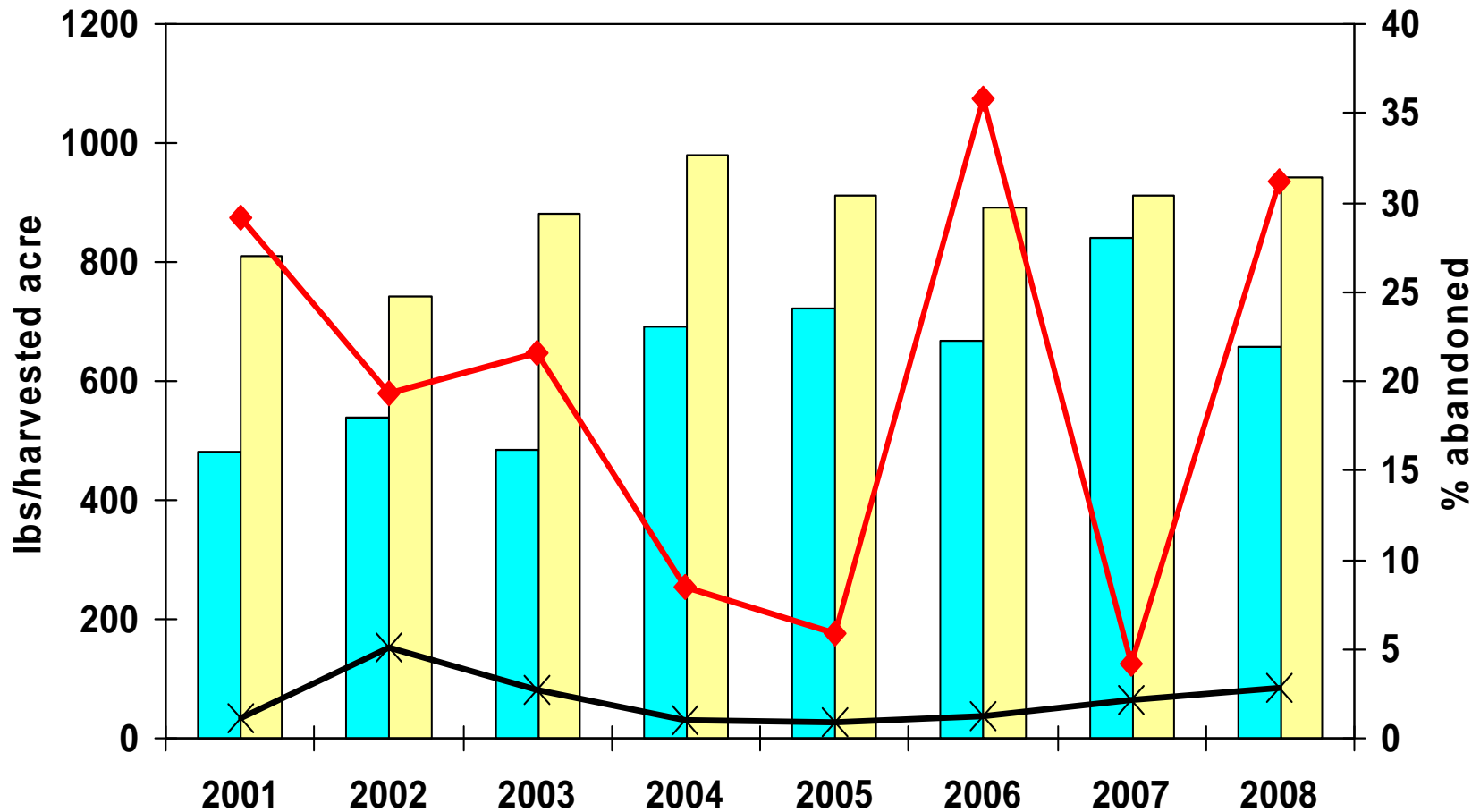
Southwest Planted Area and U.S. Total 2000/01-2009/10 proj.

SW Other Regions



Southwest: Texas, Oklahoma, and Kansas

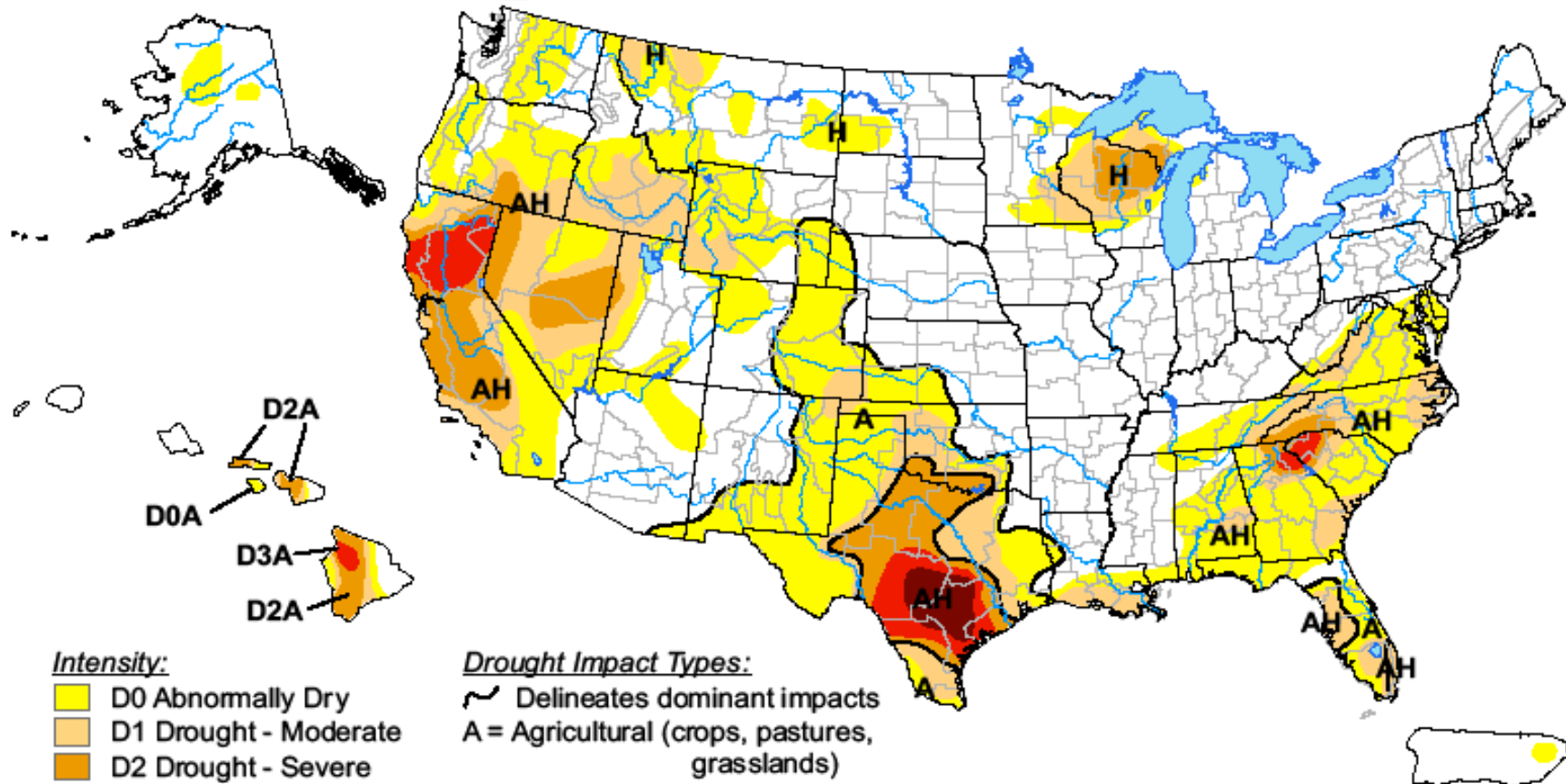
Southwest Abandonment and Yields Compared to Other U.S.



U.S. Drought Monitor

February 17, 2009

Valid 8 a.m. EST



Intensity:

- D0 Abnormally Dry
- D1 Drought - Moderate
- D2 Drought - Severe
- D3 Drought - Extreme
- D4 Drought - Exceptional

Drought Impact Types:

- Delineates dominant impacts
- A = Agricultural (crops, pastures, grasslands)
- H = Hydrological (water)

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

<http://drought.unl.edu/dm>



Released Thursday, February 19, 2009

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U.S. Supply and Demand, 2008/09 and 2009/10 proj.

(mil. bales)

<u>Item</u>	<u>2008/09</u>	<u>2009/10</u>	<u>Change (%)</u>
Beg. stks	10.0	7.7	-23.3
Production	13.0	13.0	-.3
Imports	0	0	0
Total supply	23.1	20.7	-10.3
Consumption	3.9	4.0	+2.6
Exports	11.5	11.0	-4.3
Total Use	15.4	15.0	-2.6
Ending stks	7.7	5.7	-26.0
Stocks-to-use (%)	50.0	38.0	
Farm price (cents/lb.)	50.5	55.0	+9