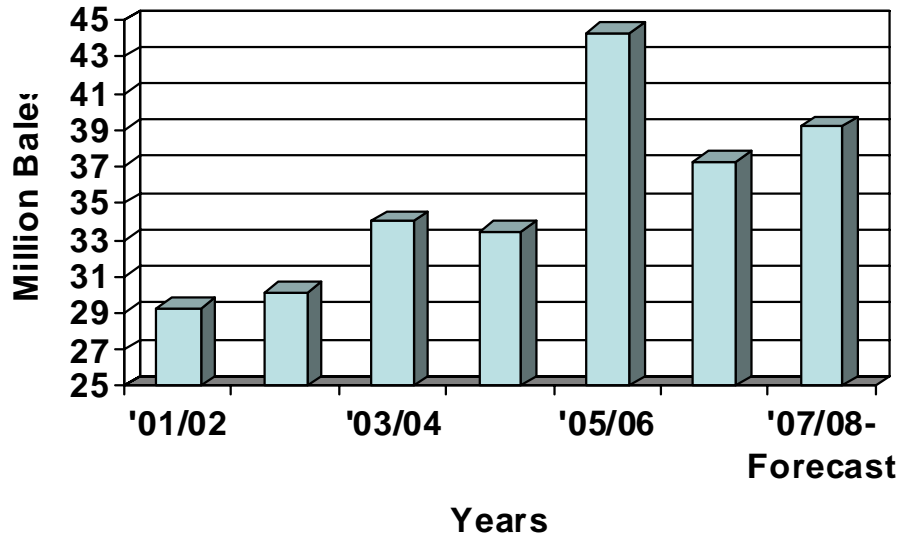




# Cotton: World Markets and Trade

## World Cotton Import Demand Trends Up



World import demand for cotton has expanded by about 34 percent over the past 6 years, primarily because of the growth in China, Pakistan, Bangladesh, and Turkey. In 2005/06, China unexpectedly imported a record 19.3 million bales, but dropped back to 10.6 million the next year. Global cotton imports have trended up, but China's erratic imports and the changing global economic climate causes greater uncertainty in today's market.

During the period 2001/02 through 2006/07, seventeen countries raised their imports by 15.9 million bales, with China, Pakistan, Bangladesh, and Turkey accounting for 86 percent of that growth. These countries have large labor supplies that make them conducive to expansion in textile processing with labor intensive, low wage jobs. Cotton use in China and Bangladesh has nearly doubled in the past 6 years, whereas Pakistan's use is up nearly 50 percent and Turkey nearly 20 percent. Among the other 13 countries are Vietnam, Egypt, Iran and Brazil. Of these, Vietnam had the most rapid growth in imports as use nearly doubled.

Over the same period, imports in fifty countries dropped by 8 million bales for several reasons. In Europe (Italy, France, Germany, Portugal, Spain and Poland) imports dropped by 21 percent because cotton use has steadily declined. Falling imports in India were caused by increased production. In the America's, (Canada, Chile, and Venezuela) imports fell because of declining processing, but Mexico's imports dropped off because production expanded. In Korea, Japan, and Taiwan, imports declined by 1.3 million bales because use was down as cotton processing moved to China.





















































