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HIGHLIGHTS

- **Larger U.S. Cotton Crop and Stocks Projected in 1999/2000**
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Larger U.S. Cotton Crop and Stocks Projected in 1999/2000

The first official USDA forecast for the 1999 season projects U.S. cotton production at 18 million bales. Based on the March *Prospective Plantings* report, cotton planted area in 1999 is expected to reach 13.9 million acres, 4 percent above 1998. In addition, assumptions of average abandonment and yield were made in reaching the production forecast. Projected harvested area of 13 million acres is based on the 1988-97 average acreage abandonment weighted by State. The projected yield of 665 pounds per harvested acre is based on the 1994-98 average yield weighted by State, dropping the lowest yield for each State; the resulting aggregate yield is slightly below the long-term trend. If realized, the 1999 U.S. cotton crop would rise 4 million bales (29 percent) from 1998's weather-reduced crop.

With U.S. cotton stocks estimated at 3.6 million bales by the start of the 1999 season and production projected to exceed total demand, stocks are expected to increase significantly next season. In 1999/2000, domestic mill use is forecast to rise only slightly, to10.6 million bales, as the continued rise in textile imports is expected to nearly offset the anticipated growth in retail cotton consumption. On the other hand, U.S. raw cotton exports are projected to jump by one-third to 5.5 million bales next season as a result of the large U.S. crop expectations and the improved world consumption demand outlook. With global trade projected above the current season, the U.S. share of world cotton trade is expected to rise 5 percentage points to 22 percent in 1999/2000. Based on these initial U.S. cotton supply and demand estimates, stocks would rise nearly 2 million bales to 5.5 million by July 31, 2000, a stocks-to-use ratio of 34 percent, which would be the highest since 1988/89.

As of May 9, U.S. cotton planting progress was running behind both last year and the 5-year average. Thirty-five percent of the crop was planted as of May 9, compared with 37 percent in 1998 and an average of 42 percent. Delays were most noticeable in Arizona, Georgia, and South Carolina, where the percent planted is lagging the 5-year average by 15-20 percentage points. In contrast, progress in California and Missouri show plantings above the average and well ahead of last season.

Foreign Production Falling, Consumption Rising in 1999/2000

Foreign cotton production is expected to fall about 1 million bales in 1999/2000, to 69 million, while foreign consumption is expected to rise 1.6 million bales to about 76 million. Higher foreign imports are also expected in 1999/2000, up about 900,000 bales to 25.3 million, but foreign exports are forecast about unchanged from a year earlier, at 19.5 million bales. Lower foreign stocks are expected in 1999/2000, at 36.2 million bales, or 48 percent of consumption. Compared with 1998/99, expected foreign stocks in 1999/2000 are lower by 1.4 million bales or 3 percent of consumption.

Foreign production is expected to slip below 70 million bales in 1999/2000 for the first time since 1994/95, as low prices during the first three-quarters of the current marketing year drive production lower in a number of countries. Production is expected to rebound in a few countries where 1998/99 yields were damaged by unusual weather.

China's cotton price reforms have reduced its expected return on cotton production, and lower planting intentions have been reported there for 1999/2000. However, as in the United States, price prospects for competing crops are also poor, and production could easily overshoot the government's target of about 17 million bales. Cotton production in China has fallen below 19 million bales only once during the 1990s--in 1993/94, when the bollworm crisis first struck the North China Plain. China's reported yields have trended up strongly since then, and in 1998/99 were the second highest ever despite wide-spread flooding. China's plans to remove official procurement price floors beginning September 1 and to at least partly end the government procurement monopoly, add a large degree of uncertainty for its cotton producers.

India's production in 1999/2000 could be lower than 1998/99's 12.9-million-bale estimate. With a year-to-year increase in production in 1998/99, and lower consumption, India's 1998/99 ending stocks-to-use ratio is estimated at 44 percent. This is well above the 32-percent ratio estimated for the preceding 2 years. This would suggest reduced prospects for Indian cotton producers in general. Producers in the high-yielding northern states are particularly likely to reduce area in the wake of problems with yields.

Higher production is possible in Uzbekistan in 1999/2000, assuming more normal weather than in 1998/99, when an unusually cool June reduced yield potential. The percentage of cotton replanted in 1999/2000 may not be particularly lower than the year before, but, assuming normal weather, yields should at least partly recover from 1998/99's 14-percent decline.

Foreign Consumption To Rebound

Foreign cotton consumption is expected to rise 2.2 percent from the year before in 1999/2000, partly rebounding from a 4.7-percent decline over the preceding 2 years. As a partial recovery in global economic activity boosts consumer demand and as the impact of a 25-percent decline in world cotton prices over the last 2 years increases the profitability of utilizing cotton, foreign cotton use is expected to return to its 1996/97 growth rate.

Foreign cotton consumption has declined more often than increased during the 1990s, falling in each year except 1995/96 and 1996/97. In contrast, foreign cotton consumption rose 18.7 million

bales, or 31 percent, during the 1980s. The difference between the two decades was largely due to the collapse of Russia's and Eastern Europe's textile industries after 1989 and stagnation in China's cotton consumption after a surge during the 1980s. Since 1989, foreign cotton consumption has fallen 3.8 million bales or about 5 percent.

China's consumption in 1999/2000 seems likely to be similar to 1998/99's 20 million bales. On the one hand, China reports continued progress in the spindle reduction campaign that has reportedly destroyed millions of cotton spindles during calendar 1999. Also, textile exports continue to deteriorate compared with year-earlier levels. Both factors have been important considerations in forecasting a decline in China's cotton consumption during 1998/99 than a year earlier. They also highlight reasons for expecting a continued decline in China's consumption in 1999/2000 in the absence of changes in China's policies toward textile restructuring and regarding exchange rates. On the other hand, total production of yarns of all fibers has begun gaining on year-ago levels in recent months, and concern with rising unemployment has reportedly altered some previously anticipated economic policies. The cotton share of China's total textile production has been falling in recent years, and the textile restructuring efforts have singled out spindles used for cotton. However, China opened mill purchase prices of cotton to market forces this year, removing the official floor but maintaining a provision that marketing agencies could not sell at a loss. Prices to mills have fallen, and the government has reportedly offered a subsidy for mills using cotton from Xinjiang. It is not clear that prices of other fibers have fallen as fast as cotton prices this year, so it is reasonable to expect the cotton share of textile production to perhaps stabilize.

Prospects for cotton consumption in Russia and elsewhere in the New Independent States (NIS) in 1999/2000 are very uncertain, and are far less relevant to the world outlook than they were a decade ago. The quality of statistics available for current levels of cotton consumption in the NIS is not very good, but it is believed that Russian consumption has fallen in the wake of 1998's financial crisis, and it is difficult to foresee a significant recovery coming within the next year. Since USDA estimates 1998/99 Russian cotton consumption at only 800,000 bales, or 1 percent of foreign consumption--compared with 5.8 million bales in 1989/90, 7 percent of foreign consumption--the ability of events in Russia to directly influence foreign cotton consumption has greatly diminished.

Consumption Returning Closer to Trend in 1999/2000

Subtracting China, the New Independent States, and Eastern Europe (EE) from the total for foreign cotton consumption gives a better aggregate perspective on likely developments during 1999/2000. Excluding these countries, foreign cotton consumption rose steadily until 1997/98--increasing 9 million bales or 16 percent between 1989/90 and 1996/97, to 63.7 million bales. The financial disruptions that began in Asia in 1997 led to lower consumption in the following 2 years, and foreign (excluding China, NIS, and EE) consumption fell 2.6 million bales, largely during 1998/99. Financial stability and economic growth seem to be returning to much of Asia during calendar 1999, and the process should continue during 2000. Asian consumers should resume more normal consumption of apparel. Also, the lagged effects of earlier declines in exchange rates for textile exporting countries in Asia and elsewhere should help reduce the costs of apparel imports for the European Union and the United States, helping stimulate consumption there as well.

Growth in this adjusted foreign mill consumption total averaged 1.3 percent during the 1990s through 1998/99, or 2.2 percent through 1996/97. For illustrative purposes, assume that China and the NIS consume the same amount of cotton in 1999/2000 as the year before; then a forecast of total foreign consumption growing 2.2 percent from the year before implies an increase in adjusted foreign consumption of 2.7 percent. This growth rate was achieved each year during 1994/95-1997/98, and is a reasonable mid-point forecast for 1999/2000 given the recovery in world economic growth and the decline in cotton prices.

World Trade and U.S. Exports Forecast Higher in 1999/2000

With both world cotton consumption higher in 1999/2000 and exportable supplies in the world's two largest exporters--the United States and Uzbekistan--higher as well, world trade is expected to rise 1.3 million bales to 25 million. Excluding 1998/99, this would be the lowest level of world trade since 1976/77, and is below the 27-million-bale average of the 1990s. As with consumption, the likely prospect of little change in imports by China and Russia from their low 1998/99 levels constrains the outlook for world trade increases.

Instead of total world trade, historical comparisons are better performed with a world trade figure adjusted by NIS imports. Since the NIS import market was largely closed to the outside world until recently, the collapse of NIS imports distorts historical global figures. Again, for illustrative purposes, assume no change in NIS activity in 1999/2000 from the year before; then, adjusted world trade in 1999/2000 is forecast at 23.6 million bales, about equal to the average for the 1990s of 23.8 million, and slightly below the 1995/96 peak of 25.9 million.

U.S. exports are expected to increase 1.4 million bales from the year before in 1999/2000, to 5.5 million, as improved yields boost U.S. exportable supplies and growing world demand improves prospects for U.S. sales. The U.S. share of world trade is expected to rebound to 22 percent, compared with 17 percent in 1998/99. During the 1990s to date, the United States has averaged 25 percent of world trade.

Adjusting world trade for NIS imports, the U.S. share of adjusted world trade is expected to rise from 18 percent to 23 percent. The average adjusted U.S. share during 1990/91-1998/99 was 29 percent. Thus, while the U.S. share is rebounding strongly from 1998/99, it remains weaken than this decade's average performance.

The forecast of 5.5 million bales of U.S. exports in 1999/2000 assumes a continuation of current U.S. policies, a standard assumption. Similarly, for China, it is reasonable to assume there is little change in imports in 1999/2000 than the year before. China is currently importing at about a 400,000-bale annual rate, and Chinatex officials have reportedly indicated that the import quota for calendar 1999 would be of a similar order of magnitude. Therefore, in 1999/2000, China is likely to import significantly less than its 1990/91-1998/99 average of 2 million bales per year.

China buys about half of its imports from the United States, about double the U.S. share purchased by other countries. Thus, lower than average imports by China probably mean a lower than average U.S. share of world trade. Similarly, the United States has had at least potential access to Step 2 during most of the 1990s to date, and Step 2 has generally operated in a manner that increased U.S. exports. Since an active Step 2 is precluded by current policies, it is

reasonable to expect the absence of Step 2 would mean a lower than average U.S. share of world trade in 1999/2000 compared with the rest of the 1990s.

1998/99 U.S. Cotton Estimates Revised Slightly

Small revisions were made this month to each of the 1998/99 U.S. cotton supply and demand estimates. First, the National Agricultural Statistics Service finalized 1998 U.S. production at 13.92 million bales, up marginally from April's estimate. For details of State and regional data, see the table in this report. In addition to production, supply was also elevated slightly by a 50,000-bale increase in the import estimate. As of early May, about 250,000 bales have been imported, according to reports from the Customs Service, with most of these imports attributable to the Step 3 import quotas which have been established since early March. As a result, total supply of U.S. cotton for 1998/99 is estimated at 18.2 million bales.

In contrast, total demand, at 14.6 million bales, did not change this month, but offsetting adjustments did occur. While mill use was raised 100,000 bales to 10.5 million, exports were lowered 100,000 bales to 4.1 million. These revisions were made as a result of the most recent data on consumption and shipment rates, respectively. Based on these total supply and demand estimates, U.S. ending stocks on July 31, 1999 are currently estimated at 3.6 million bales, up 100,000 from last month but nearly 300,000 below the beginning level. As a result, the implied stocks-to-use ratio is 24.7 percent, compared with last season's 20.6 percent.

U.S. Textile Imports and Exports Expand in February

February textile imports, at 892 million (raw-fiber equivalent) pounds, were about 4 percent above January and 14 percent above February 1998. Increased imports of apparel and home furnishings more than offset reductions in the yarn, thread, and fabric and floor coverings categories. While linen, wool, and silk imports declined from January, February textile imports of cotton and manmade fibers increased. Cotton imports, at 510 million pounds, accounted for 57 percent of the February total and were 16 percent above a year earlier. U.S. cotton textile imports from Asia still account for about half of the total, however, increased imports from other North American countries have boosted the region's percentage to 42 percent in February 1999, compared with 39 percent the year before.

Similarly, February 1999 textile exports, at 355 million pounds, rose nearly 8 percent from January but were slightly below a year earlier. U.S. textile exports expanded for all major fibers and end-use categories. Cotton exports, at 164 million pounds, was the single largest fiber shipment and accounted for 46 percent of the February total. In addition, February cotton textile exports were 10 percent above January and 8 percent above a year ago. For February 1999, all categories, except home furnishings, increased from the previous month.

As usual, U.S. cotton textile exports head mainly to other North American countries, accounting for 88 percent of the February 1999 total. And, Mexico continues to be the leading destination, receiving over 40 percent of the region's total. Although cotton textile exports to other North American countries increased from the year before, all other regions have registered declines.

Overall, the cotton textile trade deficit during the first 2 months of 1999 has expanded from a year

ago as imports have risen 14 percent while exports have risen only 7 percent. As a result, the deficit for January and February 1999 totaled 673 million pounds, compared with 576 million a year earlier.

Special Article:
California Cotton Planting Progress and Yields:
A Review of 1998 and Implications for 1999
by Leslie Meyer

Year in and year out, an abundant cotton crop in California may be the closest thing to a sure bet in U.S. cotton production. With its desert climate, total irrigation, and low abandonment, California upland yields averaging over 1,200 pounds per harvested acre have been commonplace for more than a decade. However, inclement weather has delayed cotton planting there in two of the last four years and, subsequently, yields during these years were reduced more than 20 percent to less than 1,000 pounds per harvested acre.

The most recent incident occurred in 1998 when California experienced a wet spring that significantly delayed cotton planting there. Despite the approval for an earlier allowable planting date, California producers had only 25 percent of their 1998 cotton planted by late April, compared with a "normal" average of 70 percent. And by May 10, only 60 percent of the crop was reported planted, compared with an average of over 90 percent. As a result of these delays, an analysis was conducted to determine the relationship between California's cotton planting progress and the State's upland yield and to determine the implications, if any, for average yields in 1998.

A double-log function was estimated with ordinary least squares (OLS) using data from the 1987-97 crops. The estimated equation was LN(Y) = 7.13814 + 0.59198 LN(X), where LN(Y) is the natural log of California yields per harvested acre and LN(X) is the natural log of the percentage of California cotton planted nearest to May 10 of the respective years. The equation accounts for 63 percent of the variation in upland yields in California during 1987-97, with a standard error of the estimate equal to 0.068596. For more details about the regression equation, see the May 1998 *Cotton and Wool Outlook* report (CWS-0298).

Based on the results of the OLS regression and the 1998 planting progress, a projection for California's 1998 average upland yield was estimated at 931 pounds per harvested acre. And, based on the standard error of the estimate, chances were two out of three that California's yield would range between 865 and 997 pounds. As of this month, final estimates for 1998 cotton production indicate that California's upland yield equaled 887 pounds per harvested acre, about 5 percent below the equation's projected average but well within the calculated range.

While falling behind again early this season, concerns about a repeat of 1998 surfaced. However, planting progress in California has improved dramatically over the past month and is now above the 5-year average (Table 1). So, what are the implications for yield in 1999 with planting progress much improved from a year ago? Based on the estimated equation as presented last year, and incorporating the 90 percent planted as of May 9, 1999, indications are for California's upland yield to average 1,183 pounds per harvested acre in 1999. The standard error around this yield indicates that chances are two out of three that yields will range between 1,099 and 1,267

pounds.

Will California's 1999 upland yield fall within this range? Only time will tell once again, but planting progress has been proven to play a significant role in influencing yields in California. A year ago, yields were examined when planting progress was reported 95 percent complete near May 10. During the 5 years where applicable, yields were within the range three of those years and above the upper bound during the remaining two years. Therefore, based on past history and the assumption of "normal" weather for the remainder of the 1999 growing season, implications are for California upland yields to exceed 1,100 pounds per harvested acre in 1999/2000, a much improved outlook from a year ago.

Table 1--Cumulative Percent Planted for California Cotton.

Date	1998	Date	1999	5-Year Avg.
April 5	5	April 4	2	9
April 12	6	April 11	2	18
April 19	10	April 18	30	36
April 26	25	April 25	40	55
May 3	45	May 2	70	72
May 10	60	May 9	90	82

Source: *Weekly Weather and Crop Bulletin*, USDA.

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The next *Cotton and Wool Outlook* (CWS-0599) will be released on June 14, 1999.

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U.S. COTTON SUPPLY AND USE ESTIMATES

Item	1997/98	1998/99 Mar	Apr	May
Upland:		Million acres		
Planted	13.648	13.088	13.088	13.064
Harvested	13.157	10.486	10.486	10.449
		Pounds		
Yield/harvested acre	666	612	617	619
		Million 480-lb. bales		
Beginning stocks	3.920	3.822	3.822	3.822
Production	18.245	13.366	13.470	13.476
Total supply 1/	22.178	17.528	17.627	17.678
Mill use	11.234	10.290	10.275	10.365
Exports	7.060	3.900	3.900	3.800
Total use	18.294	14.190	14.175	14.165
Ending stocks	3.822	3.300	3.400	3.488
		Percent		
Stocks-to-use ratio	20.9	23.3	24.0	24.6
Extra-long staple:		1,000 acres		
Planted	250	330	330	328
Harvested	249	237	237	235
		Pounds		
Yield/harvested acre	1,056	873	893	904
		1,000 480-lb. bales		
Beginning stocks	51	65	65	65
Production	548	430	440	442
Total supply 1/	599	505	520	527
Mill use	115	110	125	135
Exports	440	300	300	300
Total use	555	410	425	435
Ending stocks	65	100	100	112
		Percent		
Stocks-to-use ratio	11.7	24.4	23.5	25.7

Based on USDA estimates. 1/ Includes imports.

WORLD COTTON SUPPLY AND USE ESTIMATES

Item	1997/98	1998/99 Mar	Apr	May
Supply:		Million 480-lb. bales		
Beginning stocks				
World	38.16	41.51	41.41	41.17
Foreign	34.19	37.62	37.52	37.29
Production				
World	91.60	85.29	84.68	84.07
Foreign	72.80	71.49	70.77	70.15
Imports				
World	26.66	24.64	24.72	24.80
Foreign	26.65	24.29	24.37	24.40
Use:				
Mill use				
World	88.40	85.01	84.72	84.79
Foreign	77.05	74.61	74.32	74.29
Exports				
World	26.59	23.93	23.84	23.74
Foreign	19.09	19.73	19.64	19.64
Ending stocks				
World	41.17	42.17	41.92	41.23
Foreign	37.29	38.77	38.42	37.63
Stocks-to-use ratio		Percent		
World	46.6	49.6	49.5	48.6
Foreign	48.4	52.0	51.7	50.7

Based on USDA estimates.

FIBER SUPPLY

Item	1999 Jan	1999 Feb	1999 Mar	1998 Mar
Cotton:		1,000 480-lb. bales		
Ginnings	408	90	0	0
Imports since August 1	28.3	40.5	NA	2.7
Stocks, beginning	10,223	9,597	8,694	11,995
At mills	568	586	605	685
Public storage	9,127	8,677	7,500	9,824
CCC stocks	3,530	3,488	1,522	2,564
Manmade:		Million pounds		
Production	834.6	801.0	864.9	902.7
Noncellulosic	809.1	778.3	840.1	868.7
Cellulosic	25.5	22.7	24.8	34.0
Total since January 1	834.6	1,635.6	2,500.5	2,641.8

	1998	1999		1998
	Dec	Jan	Feb	Feb
		Million pounds		
Raw fiber imports	123.7	125.8	121.6	114.3
Noncellulosic	117.5	120.3	116.2	105.4
Cellulosic	6.2	5.5	5.4	8.9
Total since January 1	1,500.2	125.8	247.4	241.1
Wool and Mohair:		1,000 pounds		
Raw wool imports, clean	4,343	6,151	3,553	5,390
48's-and-finer	2,676	4,416	1,649	3,945
Not-finer-than-46's	1,666	1,735	1,905	1,445
Total since January 1	70,508	6,151	9,704	14,180
Wool top imports	217	35	131	60
Total since January 1	2,378	35	166	343
Mohair imports, clean	0	0	0	0
Total since January 1	11	0	0	2

NA = Not available.

COTTON SYSTEM FIBER CONSUMPTION

Item	1999 Jan	1999 Feb	1999 Mar	1998 Mar
Cotton:		1,000 480-lb. bales		
All consumed by mills 1/	882	824	933	972
Total since August 1 1/	5,215	6,039	6,972	7,625
SA annual rate 2/	10,489	10,461	10,333	11,241
SA daily rate 2/	40.3	40.2	39.7	43.1
Daily rate	42.0	41.2	40.6	44.2
Upland consumed by mills 1/	870	811	920	962
Total since August 1 1/	5,145	5,956	6,876	7,550
SA daily rate 2/	39.8	39.6	39.2	42.6
Daily rate	41.4	40.6	40.0	43.7
Spindles in place	5,230	5,212	5,221	5,437
Active spindles	4,896	4,871	4,821	5,107
100 percent cotton	2,615	2,608	2,542	2,566
100 percent manmade	744	753	766	774
Blends	1,537	1,510	1,513	1,767
Cotton's share of fibers	79.2	Percent 79.7	79.3	77.9
Manmade:		1,000 pounds		
Total consumed by mills 1/	110,957	100,718	116,682	132,049
Total since August 1 1/	641,924	742,642	859,323	994,112
Daily rate	5,284	5,036	5,073	6,002
Noncellulosic staple	4,944	4,689	4,728	5,527
Cellulosic staple	340	347	345	475

1/ Adjusted to calendar month. 2/ SA = seasonally adjusted.

FIBER EXPORTS

Item	1998 Dec	1999 Jan	1999 Feb	1998 Feb
Cotton:		1,000 480-lb. bales		
Upland exports	1,007	110	148	718
Total since August 1	2,710	2,820	2,968	3,768
Sales for next season	22	27	50	93
Total since August 1	171	198	247	392
ELS exports	19.9	46.4	33.7	59.4
Total since August 1	59.4	105.8	139.5	255.8
Sales for next season	4.4	11.9	3.4	11.9
Total since August 1	13.7	25.6	29.0	39.2
Manmade:		Million pounds		
Raw fiber exports	80.9	71.9	72.7	82.6
Noncellulosic	67.4	69.2	70.0	79.1
Cellulosic	1.9	2.7	2.7	3.5
Total since January 1	1,014.5	71.9	144.6	258.3
Wool and Mohair:		1,000 pounds		
Raw wool exports, clean	55.0	9.0	124.3	30.8
Total since January 1	1,720.6	9.0	133.3	412.6
Wool top exports	222.9	401.0	356.7	271.4
Total since January 1	5,556.7	401.0	757.7	1,138.8
Mohair exports, clean	404.7	256.0	166.3	30.1
Total since January 1	2,273.7	256.0	422.3	75.4

FIBER PRICES

Item	1999 Feb	1999 Mar	1999 Apr	1998 Apr
Domestic cotton prices:		Cents per pound		
Adjusted World Price	42.11	42.64	43.97	51.29
May'99 futures	58.72	61.09	59.34	71.04
Dec'99 futures	60.32	59.80	59.63	71.35
Upland spot 41-34	55.46	58.17	57.01	61.88
Pima spot 03-46	94.50	86.37	84.57	102.57
Avg. price received by:				
Upland producers	56.00	55.30	55.70	63.60
Mill delivered:				
Cotton				
Actual	63.39	66.31	64.69	69.50
Raw fiber equivalent	70.43	73.68	71.88	77.22
Rayon staple				
Actual	101.00	101.00	101.00	115.00
Raw fiber equivalent	105.21	105.21	105.21	119.79
Polyester staple				
Actual	51.00	51.00	51.00	65.00
Raw fiber equivalent	53.13	53.13	53.13	67.71
Price ratios		Percent		
Cotton/rayon	66.9	70.0	68.3	64.5
Cotton/polyester	132.6	138.7	135.3	114.1
Northern Europe cotton quotes:		Cents per pound		
A Index	56.26	56.74	57.86	65.08
Memphis Territory	NQ	NQ	NQ	71.75
California/Arizona	69.25	71.63	68.40	72.33
B Index	53.30	53.28	NQ	63.85
Orleans/Texas	61.38	64.00	NQ	66.45
Wool prices (clean):		Dollars per pound		
U.S. 56's	0.70	0.65	0.65	1.12
Australian 56's 1/	1.33	1.36	1.36	1.71
U.S. 60's	0.95	0.95	0.87	1.50
Australian 60's 1/	1.42	1.47	1.44	1.80
U.S. 64's	1.15	1.15	1.10	1.88
Australian 64's 1/	1.50	1.57	1.56	2.05

NQ = No quotes.
1/ In bond, Charleston, SC.

TEXTILE TRADE

Item	1998 Dec	1999 Jan	1999 Feb	1998 Feb
Imports:		1,000 pounds 1/		
Yarn, thread, and fabric	204,841	211,651	210,837	199,034
Cotton	88,033	87,787	87,858	86,309
Linen	22,956	26,678	22,587	23,809
Wool	3,303	3,114	3,404	3,976
Silk	809	736	656	695
Manmade	89,740	93,337	96,332	84,245
Apparel	545,979	559,038	591,226	505,530
Cotton	342,541	340,605	372,491	309,664
Linen	14,661	18,818	16,260	13,840
Wool	12,432	12,371	12,891	12,368
Silk	12,037	15,148	13,400	12,220
Manmade	164,309	172,096	176,385	157,439
House furnishings	48,220	51,081	54,455	45,180
Cotton	34,913	38,059	40,911	34,858
Linen	151	289	184	107
Wool	210	93	82	117
Silk	23	35	24	42
Manmade	12,923	12,606	13,254	10,055
Floor covering	32,414	31,508	29,166	24,256
Cotton	4,934	5,134	4,528	3,871
Linen	4,897	4,283	3,832	2,948
Wool	10,080	9,752	7,074	7,212
Silk	572	627	385	499
Manmade	11,931	11,712	13,347	9,725
Total imports 2/	838,819	860,074	892,425	780,370
Cotton	474,768	475,496	509,873	438,279
Linen	42,690	50,126	42,907	40,752
Wool	26,090	25,436	23,318	23,727
Silk	13,442	16,547	14,466	13,457
Manmade	281,829	292,469	301,861	264,155
Exports:		1,000 pounds 1/		
Yarn, thread, and fabric	137,087	149,985	164,714	166,550
Cotton	47,945	55,517	63,831	55,380
Linen	3,778	4,412	5,419	4,534
Wool	3,487	3,382	4,709	4,361
Silk	1,537	1,540	1,640	1,932
Manmade	80,341	85,133	89,115	100,343
Apparel	142,779	143,649	153,768	153,969
Cotton	85,027	86,649	93,470	88,452
Linen	1,642	1,270	1,658	1,543
Wool	5,861	6,097	6,823	8,986
Silk	3,217	3,235	3,873	4,029
Manmade	47,033	46,398	47,944	50,959
House furnishings	7,591	6,083	6,264	7,298
Cotton	4,853	3,952	3,858	4,417
Linen	221	203	196	455
Wool	49	40	54	126
Silk	49	67	137	190
Manmade	2,418	1,821	2,019	2,110
Floor covering	35,719	28,923	29,805	35,179
Cotton	2,881	2,404	2,410	3,352
Linen	1,538	1,483	1,584	1,941
Wool	2,989	2,352	2,849	2,968
Silk	73	82	91	131
Manmade	28,239	22,601	22,871	26,786
Total exports 2/	323,392	328,835	354,826	363,312
Cotton	140,769	148,581	163,643	151,671
Linen	7,186	7,375	8,866	8,481
Wool	12,395	11,881	14,446	16,454
Silk	4,875	4,924	5,741	6,283
Manmade	158,166	156,074	162,130	180,423

1/ Raw fiber equivalent. 2/ Includes headgear.

U.S. COTTON TEXTILE IMPORTS

Item	1998 Dec	1999 Jan	1999 Feb	1998 Feb
	1,000 pounds 1/			
North America	209,927	166,338	213,528	171,560
Canada	15,908	16,612	18,828	15,238
Costa Rica	8,971	6,174	9,287	7,461
Dominican Republic	23,327	10,407	20,380	17,250
El Salvador	15,845	11,931	15,193	12,865
Guatemala	10,776	8,425	10,695	7,921
Haiti	3,470	2,185	3,365	2,368
Honduras	30,958	23,473	30,744	23,233
Jamaica	5,137	3,647	4,360	6,580
Mexico	92,008	79,999	96,356	75,557
Nicaragua	2,988	3,094	3,701	2,650
South America	8,379	7,327	7,129	6,055
Argentina	10	26	28	27
Brazil	2,336	2,637	1,512	1,970
Chile	32	26	7	53
Colombia	2,891	1,935	2,873	2,083
Peru	2,722	2,225	2,147	1,568
Europe	24,830	25,107	27,054	25,558
Estonia	915	639	446	686
France	490	599	685	606
Germany	780	433	700	655
Italy	3,510	2,696	3,302	2,806
Portugal	2,709	2,203	2,336	2,204
Russia	675	707	648	1,115
Spain	1,251	828	983	828
Turkey	9,156	12,284	13,483	12,056
United Kingdom	1,609	948	1,005	1,043
Asia	216,104	260,792	247,540	222,022
Bahrain	1,143	1,017	1,188	927
Bangladesh	11,907	21,566	17,102	17,840
China	27,589	32,767	32,477	32,660
Hong Kong	28,083	28,773	28,700	21,805
India	23,742	31,732	32,072	30,045
Indonesia	10,467	14,912	13,868	15,826
Israel	2,797	3,145	2,998	2,143
Japan	1,479	1,295	1,224	1,079
Macao	6,535	6,756	6,483	3,834
Malaysia	5,942	6,576	5,116	3,972
Nepal	1,642	1,940	2,178	1,488
Oman	1,592	1,878	1,789	1,521
Pakistan	28,143	30,533	31,208	35,509
Philippines	9,207	12,038	11,178	8,379
Qator	977	1,208	1,765	1,300
Singapore	2,605	2,433	2,434	2,296
South Korea	7,233	9,330	8,575	5,537
Sri Lanka	6,394	10,084	9,144	7,412
Taiwan	12,854	13,764	12,141	8,707
Thailand	11,884	12,841	10,645	10,501
U Arab Em	1,631	2,590	2,552	2,188
Oceania	1,429	2,456	1,593	1,515
Australia	1,044	654	794	820
Fiji	106	1,546	584	526
Africa	14,099	13,476	13,029	11,569
Egypt	6,124	5,671	6,660	6,019
Lesotho	1,722	1,560	1,288	1,263
Mauritius	2,064	2,079	1,647	1,548
Morocco	1,263	900	919	974
South Africa	963	1,173	529	363
Tunisia	55	85	82	73
World 2/	474,768	475,496	509,873	438,279

1/ Raw fiber equivalent. 2/ Totals may not add due to rounding.

U.S. COTTON TEXTILE EXPORTS

Country	1998 Dec	1999 Jan	1999 Feb	1998 Feb
	1,000 pounds 1/			
North America	124,049	129,573	144,006	123,734
Canada	21,870	24,826	25,924	27,049
Costa Rica	5,195	6,166	6,286	6,970
Dominican Republic	12,764	12,945	14,143	14,550
El Salvador	5,081	5,282	6,194	6,382
Guatemala	2,779	2,620	2,703	3,334
Haiti	2,123	2,022	1,576	1,420
Honduras	17,139	15,754	19,448	16,309
Jamaica	3,988	2,765	3,784	4,739
Mexico	51,019	55,782	62,414	41,493
South America	3,658	3,210	2,963	4,791
Argentina	182	141	188	231
Brazil	312	404	379	684
Chile	1,022	949	321	726
Colombia	1,198	1,076	939	1,467
Peru	133	82	79	70
Venezuela	426	279	703	1,301
Europe	5,094	7,804	7,997	12,649
Belgium	586	1,824	2,513	3,473
France	459	292	315	317
Germany	807	752	727	1,172
Ireland	145	90	91	946
Italy	238	760	235	470
Netherlands	492	695	552	803
United Kingdom	1,225	2,568	2,161	3,862
Asia	6,387	6,757	7,052	8,583
China	271	115	230	160
Hong Kong	881	717	798	1,184
Israel	534	686	514	1,125
Japan	2,511	2,955	3,397	3,816
Philippines	124	267	241	290
Saudi Arabia	514	527	386	279
Singapore	288	192	185	193
South Korea	285	323	273	149
Taiwan	235	149	208	295
U Arab Em	198	235	193	350
Oceania	752	623	680	932
Australia	610	484	476	672
New Zealand	72	50	105	97
Africa	828	613	945	982
Egypt	53	3	18	77
Ghana	13	2	1	20
Ivory Coast	19	44	90	30
Nigeria	276	179	185	298
South Africa	179	84	286	175
World 2/	140,769	148,581	163,643	151,671

1/ Raw fiber equivalent. 2/ Totals may not add due to rounding.

FINAL 1998 U.S. COTTON ACREAGE, YIELD, AND PRODUCTION

State/ Region	Planted	Harvested	Yield	Production
	1,000 acres		Lbs./ harvested acre	1,000 bales
Upland:				
Alabama	495	475	559	553
Florida	89	80	489	81
Georgia	1,370	1,280	578	1,542
N. Carolina	710	705	699	1,026
S. Carolina	290	286	587	350
Virginia	92	91	765	145
Southeast	3,046	2,917	608	3,697
Arkansas	920	900	645	1,209
Louisiana	535	525	586	641
Mississippi	950	940	737	1,444
Missouri	370	357	471	350
Tennessee	450	445	589	546
Delta	3,225	3,167	635	4,190
Kansas	17	17	404	14
Oklahoma	160	120	560	140
Texas	5,650	3,300	524	3,600
Southwest	5,827	3,437	524	3,754
Arizona	250	248	1,177	608
California	650	620	887	1,146
New Mexico	66	60	640	80
West	966	928	949	1,834
Total Upland	13,064	10,449	619	13,476
Pima:				
Arizona	16	15	830	27
California	200	180	941	353
New Mexico	7	7	658	10
Texas	105	32	791	53
Total Pima	328	235	904	442
Total All	13,392	10,684	625	13,918

Based on USDA's May 1999 Crop Production report.