

WORLD COTTON PRODUCTION TRENDS

Dr Rafiq Chaudry

World Cotton Outlook and Production Costs

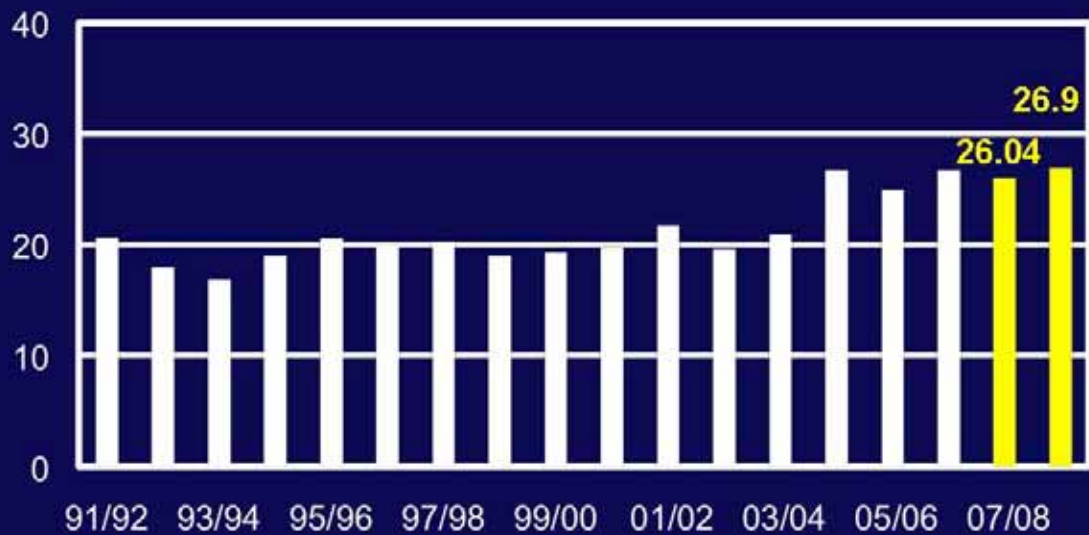


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**SUPPLY
&
DEMAND**

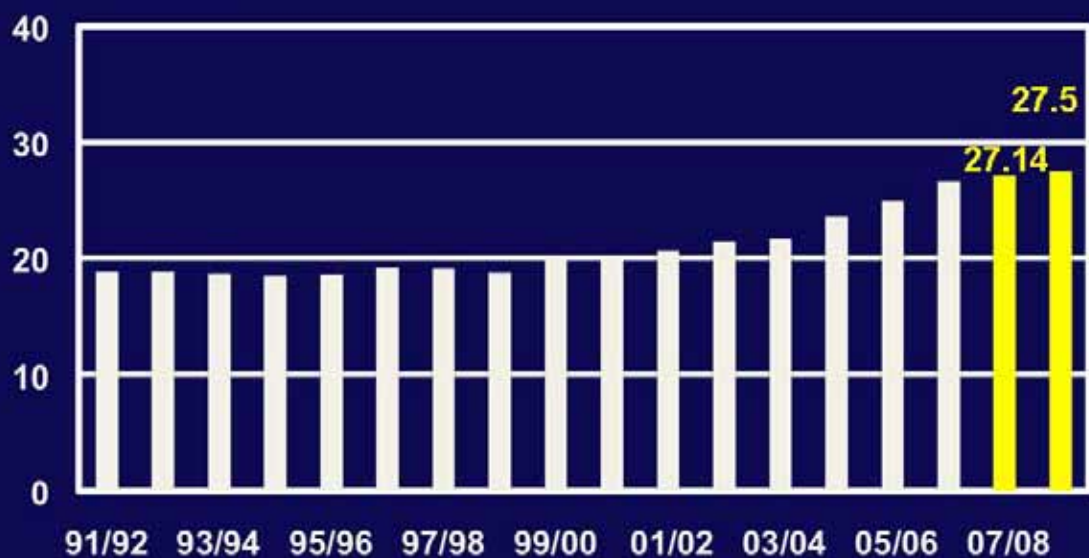
World Production

Million Tons



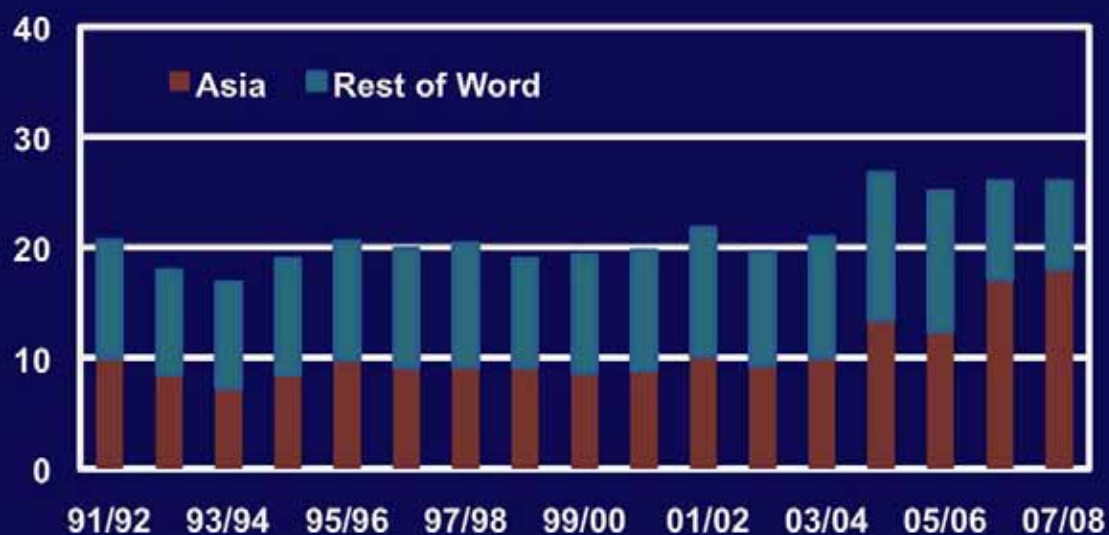
World Consumption

Million Tons



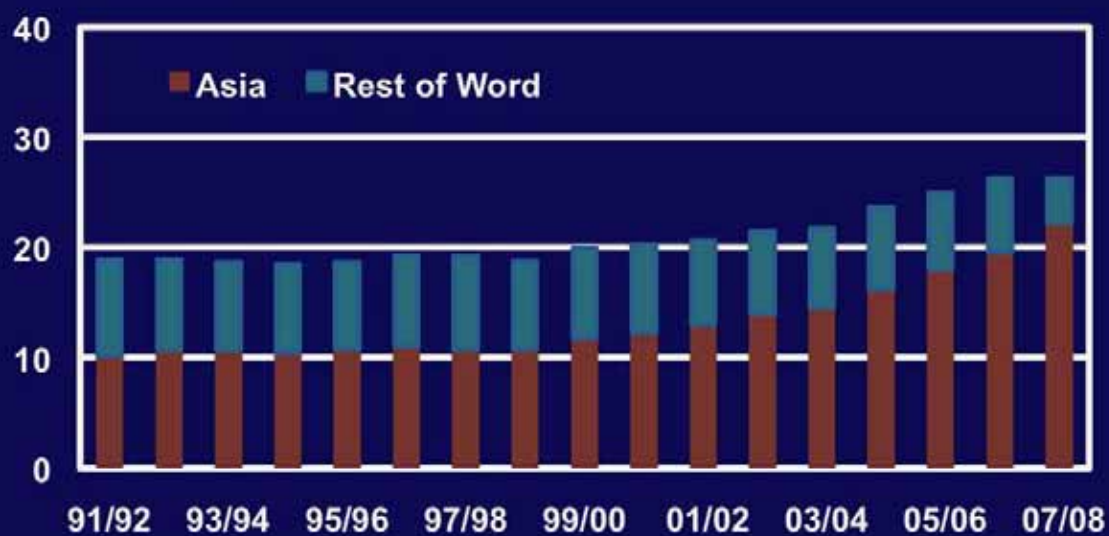
Production in Asia and Rest of the World

Million Tons



Mill Use in Asia and Rest of the World

Million Tons



World Area

Million Ha

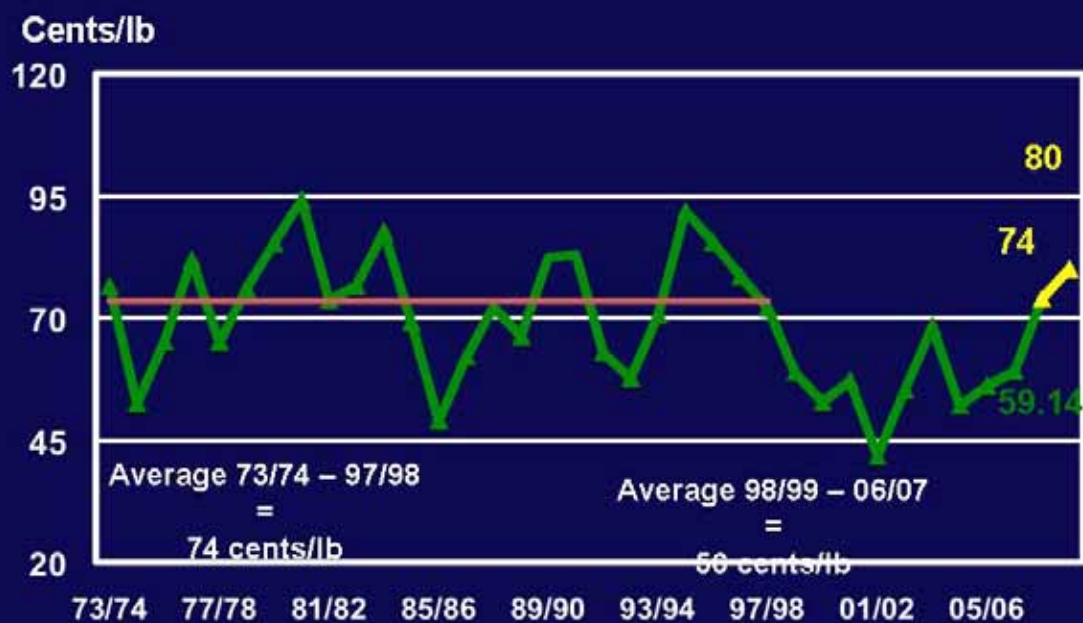


World Yields

Kg/Ha



Cotlook A Index



COST OF PRODUCTION

Cost of Production Survey

Duration	Every three years
Questionnaire	Same since 1992
Current data	2006/07
Data source	Governments

Cost of Production - World 2006/07

Countries	31
Area	30 million ha
Net expenses	US\$ 22.8 billion
(Excluding land rent and seed value)	

Cost of Seedcotton - World 2006/07

Cost per hectare	= US\$ 717
Net Cost per kg	= US\$ 0.34

Cost of Seedcotton by Region- 2006/07

(US\$/Kg Seedcotton)

Asia	= 0.36
Australia	= 0.19
Africa	= 0.32
North America	= 0.29
South America	= 0.31
West Africa	= 0.35

Gross Cost of Lint - World 2006/07

Cost per kg = US\$1.64

Cost per pound = US\$0.74

Land rent = US\$0.36/kg

Income from seed = US\$0.18/kg

Net Cost of Lint - World 2006/07

Cost per hectare = US\$ 763

Cost per kg = US\$ 1.04

Cost per pound = US\$0.47

Costs of Lint by Region- 2006/07

(US\$/Kg Lint)

Asia	=
0.94	
Australia	= 1.23
Africa	= 0.80
North America	= 1.43
South America	= 1.01
West Africa	=
1.32	

Cost Structure - World 2006/07

Cents/Kg Lint



Cost Structure - World 2006/07

Cents/Kg Lint



Cost Structure - World 2006/07

Cents/Kg Lint



Cost Structure - World 2006/07

Cents/Kg Lint



Cost Structure - World 2006/07

Cents/Kg Lint



Cost Structure - World 2006/07

Cents/Kg Lint

Harvesting	14
Irrigation	11
Weed Control	11
Insect Control	14
Fertilizer	23
Seed	9

Cost Structure - World 2006/07

Cents/Kg Lint

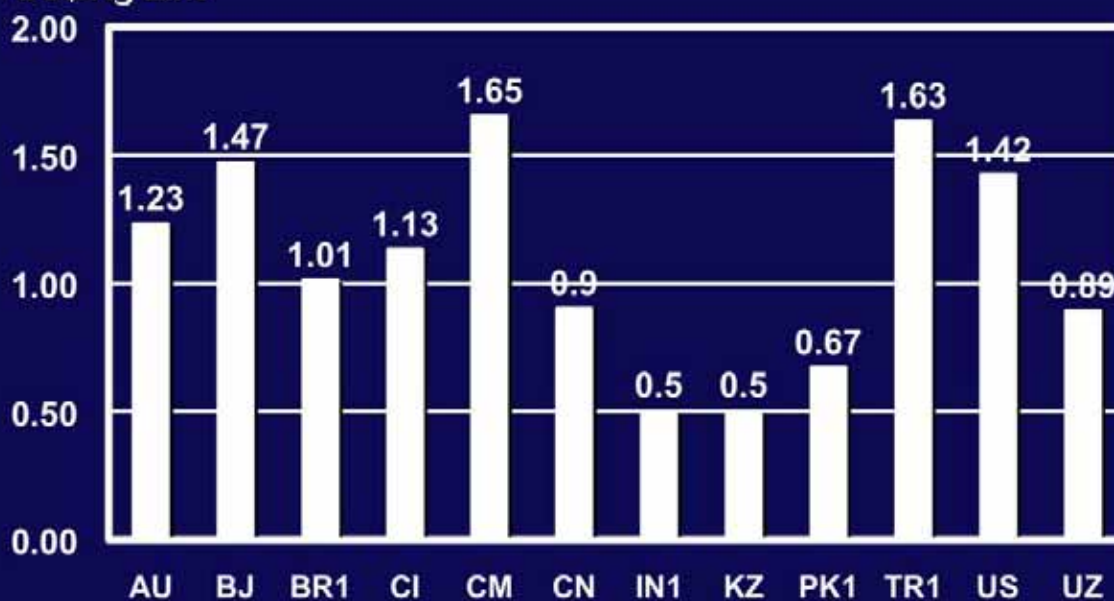
Ginning	18
Harvesting	14
Irrigation	11
Weed Control	11
Insect Control	14
Fertilizer	23
Seed	9

Income from Seed - 2006/07 (US\$/Kg)

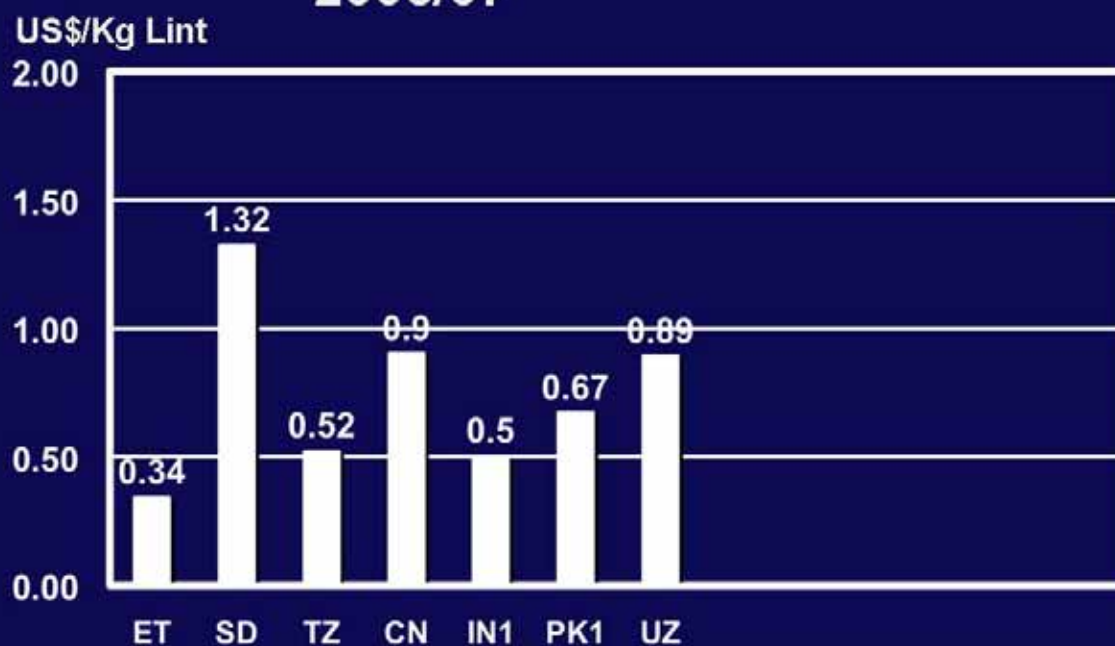
Asia	= 0.20
Australia	= 0.14
Africa	= 0.22
North America	= 0.13
South America	= 0.10
West Africa	= 0.07

Cost of Lint - 2006/07

US\$/Kg Lint



Cost of Lint - 2006/07

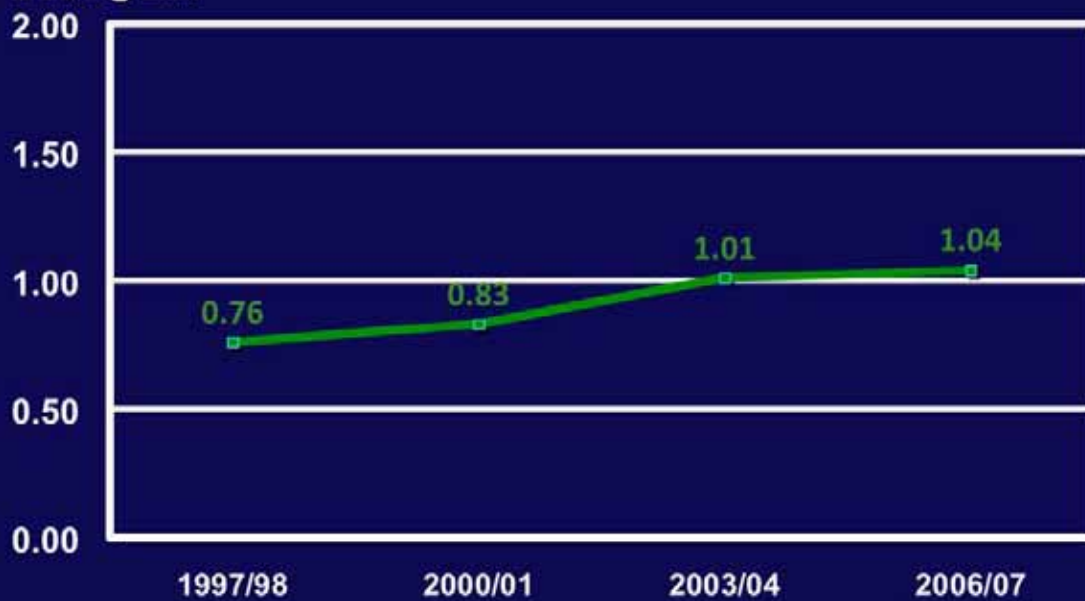


Cost of Seedcotton - Long-term Trend



Cost of Lint - Long-term Trend

US\$/Kg Lint



Limitations

1. Complete data are not available from all countries
2. Production systems are different
3. Exchange rate affects cost in local currency

Conclusions

1. Cost of production is increasing
2. Cost of insect control is on decline
3. Cost of fertilizers is increasing
4. Seed value is not properly utilized in many countries

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