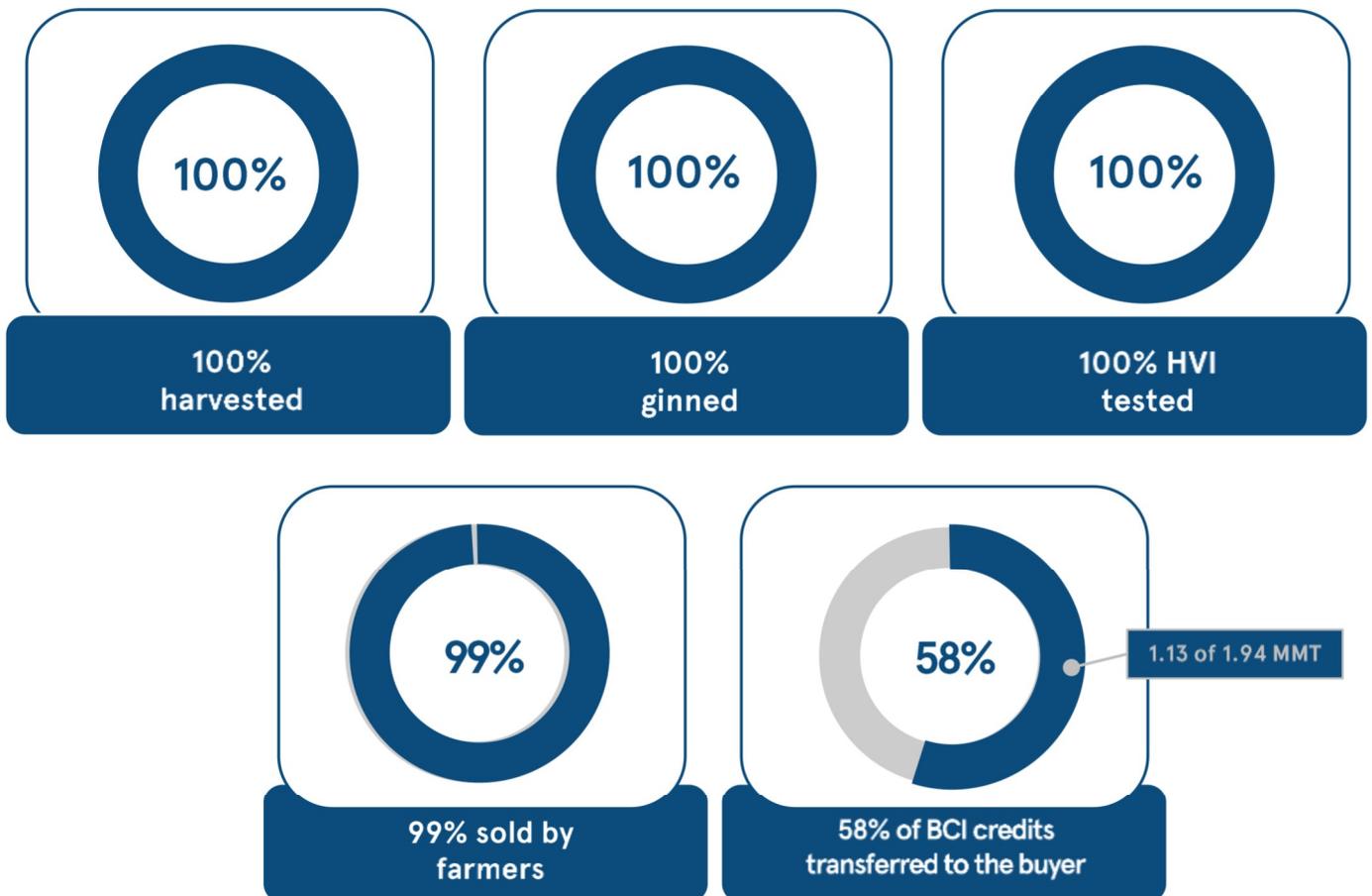




## 1. HIGHLIGHTS

- ⇒ With cotton planting now completed, the cotton plants in Brazil are now in their development stage in the fields. Picking begins in July;
- ⇒ Updated forecasts for the 2022 crop show that Brazil will reach its second highest average yield in its history (**1,785 kg/ha**);
- ⇒ Brazil shipped **185.8 thousand tonnes** of cotton in March/2022, generating an income of **US\$ 366.9 million**.
- ⇒ China remains the main destination for Brazilian cotton in the total for the trading year. In March, Vietnam and Pakistan were the countries to which the highest volumes were shipped;
- ⇒ Abrapa has released the Brazilian Cotton Quality Statistics for the end of the 2021 crop.

## 2. STATUS OF THE 2021 CROP



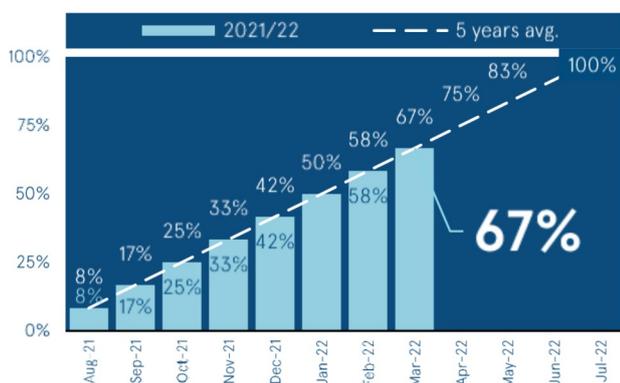
Source: Abrapa state associations and Better Cotton. Up to March 7<sup>th</sup>, 2022.



## 2. STATUS OF THE 2021 CROP

### 2021/22 DOMESTIC USE ESTIMATE VS. 5-YEAR AVG OF ACCUMULATED DOMESTIC USE

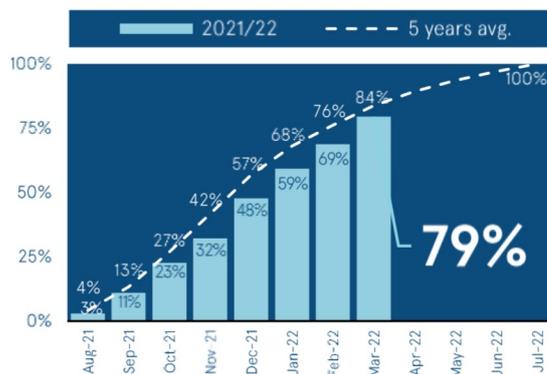
Domestic consumption estimated at 740 thousand tonnes (Aug21-Jul22)



Source: Abrapa, Conab and Abit

### 2021/22 EXPORT SHIPMENTS VS AVERAGE % OF TOTAL EXPORTED BY ANEA\*

\*Brazilian exports for 21/22 estimated at 1.74 million tonnes by Anea



Source: MDIC and Anea

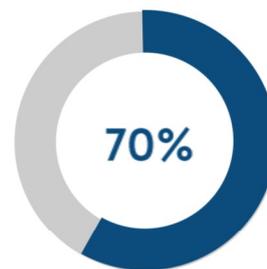
## 3. STATUS OF THE 2022 CROP



100% planted



0% harvested



70% sold by farmers

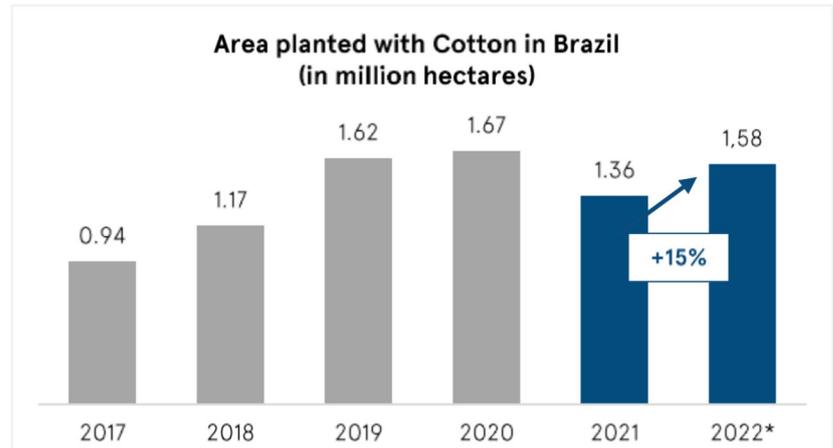
Source: Abrapa and state associations. Up to March 7<sup>th</sup>, 2022.



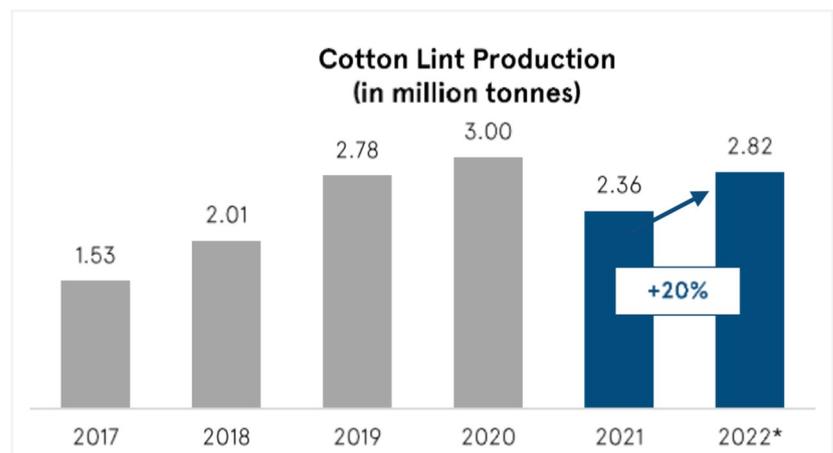
## 4. 2022 CROP - AREA AND PRODUCTION

Updated data from Abrapa indicate that the cotton area in Brazil will be **1.58 million hectares in the 2022 crop, 15% higher than the 2021 crop.**

Currently, sowing has been completed and the plants are now in development in the fields. Picking in Brazil begins in July.



With this increase in the planted area, Abrapa forecasts a growth of 20% in the **2022 season** with a production of **2.82 million tonnes**. If this forecast is confirmed, it will be the **second-best season** for Brazilian cotton in its history.



Source: Conab 2022 Forecast: Abrapa.

Looking to the **2022 season**, Abrapa forecasts an increase of 3.8% in Brazilian cotton yields reaching the mark of **1,785 kg/ha** – the second highest in its history.

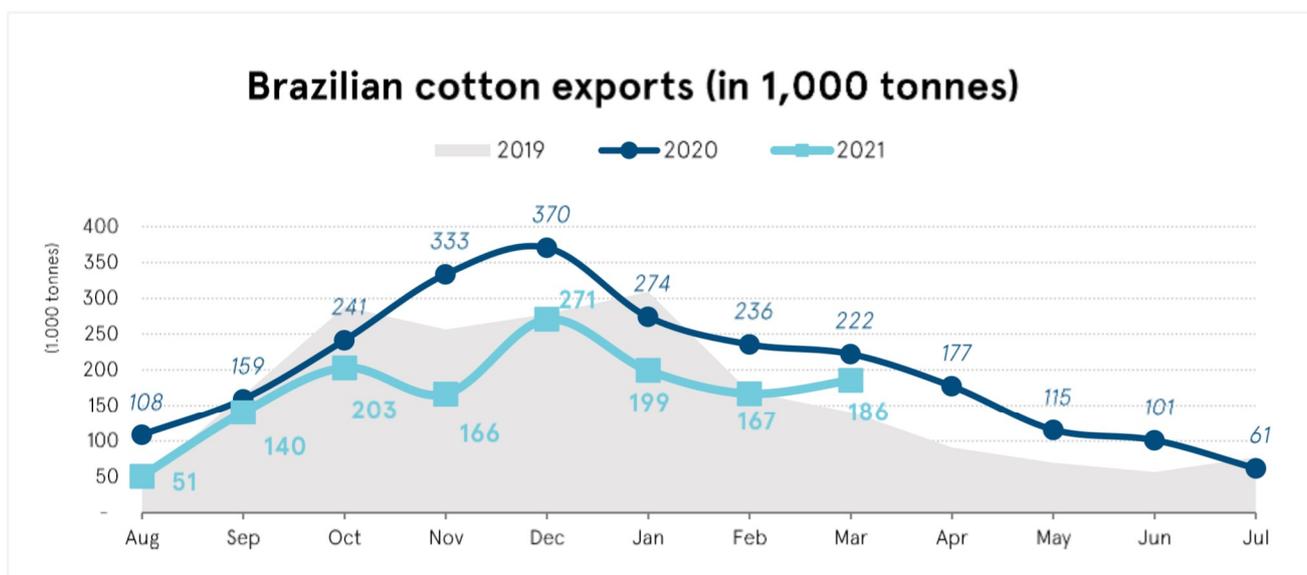
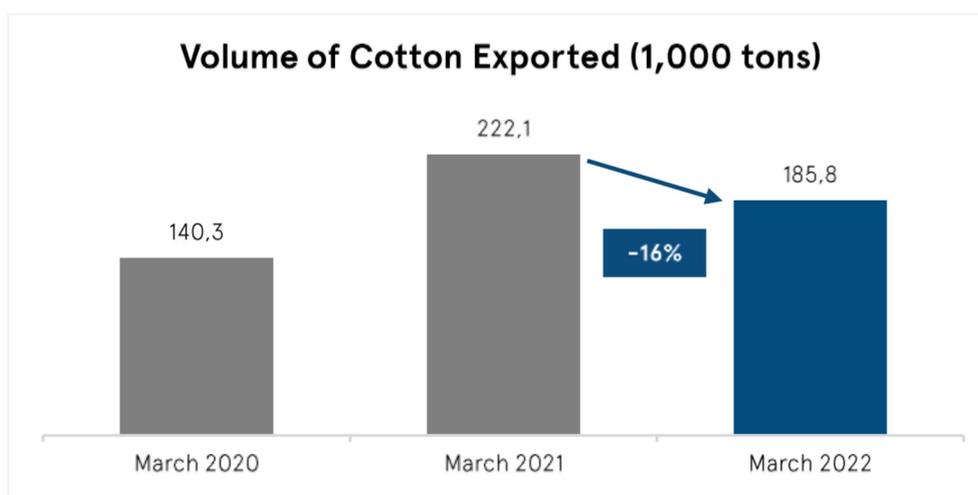
Brazilian Cotton Harvest								
PRODUCTION (million tons)	2017	2018	2019	2020	2021	2022*	21 vs. 20 (%)	22 vs. 21 (%)
SEED COTTON	3.82	5.01	6.94	7.37	5.79	6.89	-21.3%	19.5%
LINT (COTTON)	1.53	2.01	2.78	3.00	2.36	2.82	-21.5%	19.6%
YIELD (kg/ha)	2017	2018	2019	2020	2021	2022*	21 vs. 20 (%)	22 vs. 21 (%)
SEED COTTON	4,076	4,267	4,292	4,427	4,224	4,335	-4.6%	2.6%
LINT (COTTON)	1,629	1,708	1,717	1,802	1,719	1,785	-4.6%	3.8%

Source: Conab Forecast: Abrapa



## 5. EXPORT SHIPMENTS

Brazil exported **185.8 thousand tonnes** of cotton in March/2022. This volume is 26% below the amount shipped in the previous month, February/2022, and a 16% reduction in comparison to March/2021. Despite this, March exports of Brazilian cotton resulted in revenues of **US\$ 366.9 million**.

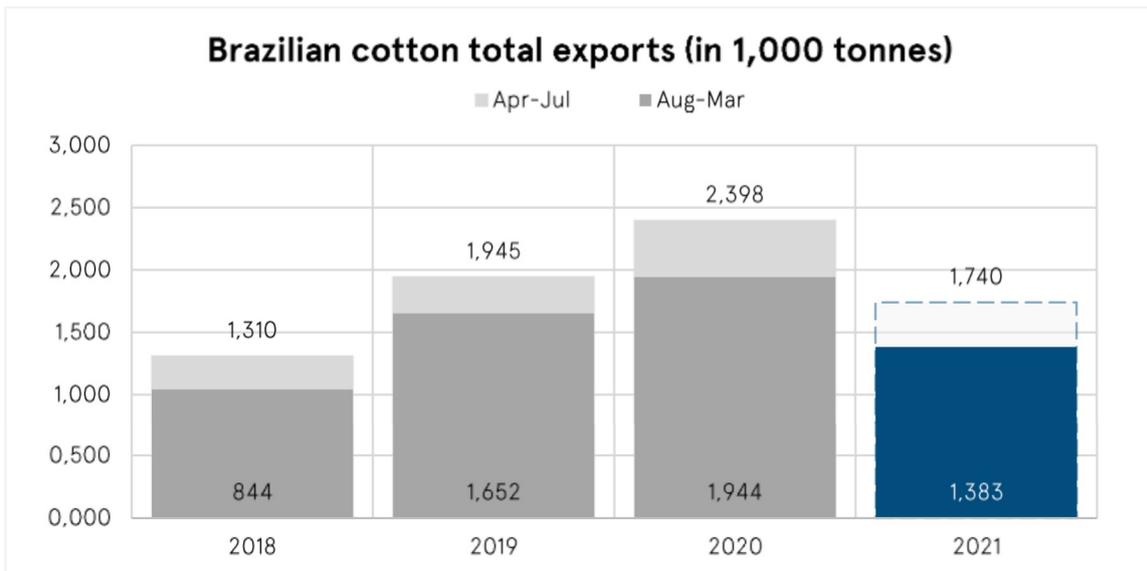
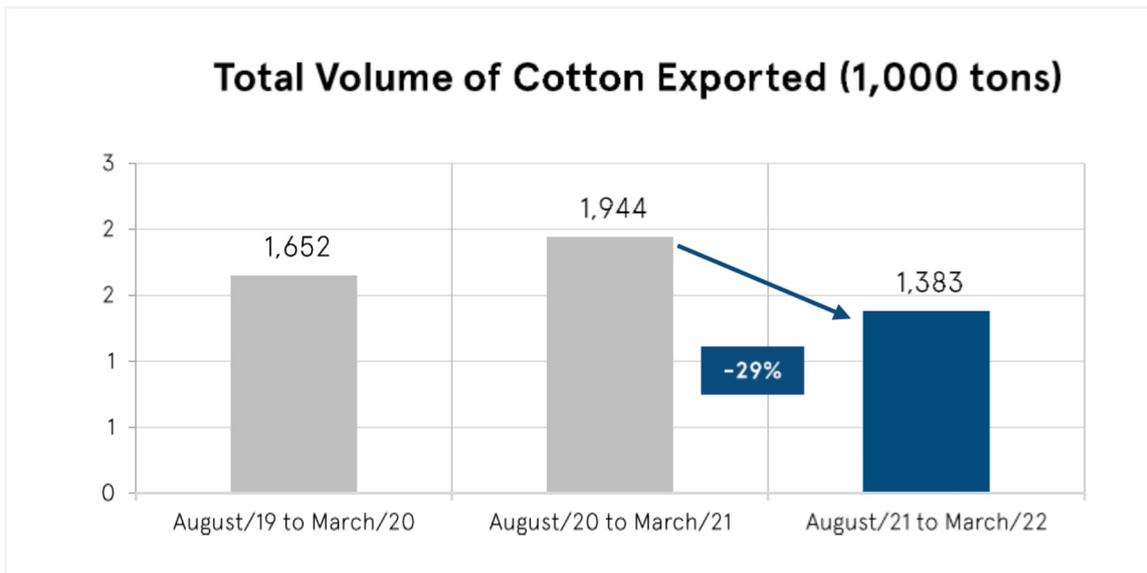


Source: ComexStat - ME, April/2022



## 5. EXPORT SHIPMENTS

From August/21 to March/22, Brazil shipped **1.38 million tonnes** of cotton overseas. This volume corresponds to a performance that is 29% below the amount recorded between August/20 and March/21. In the eight months of this current market year, exports generated revenues of **US\$ 2.52 billion**.



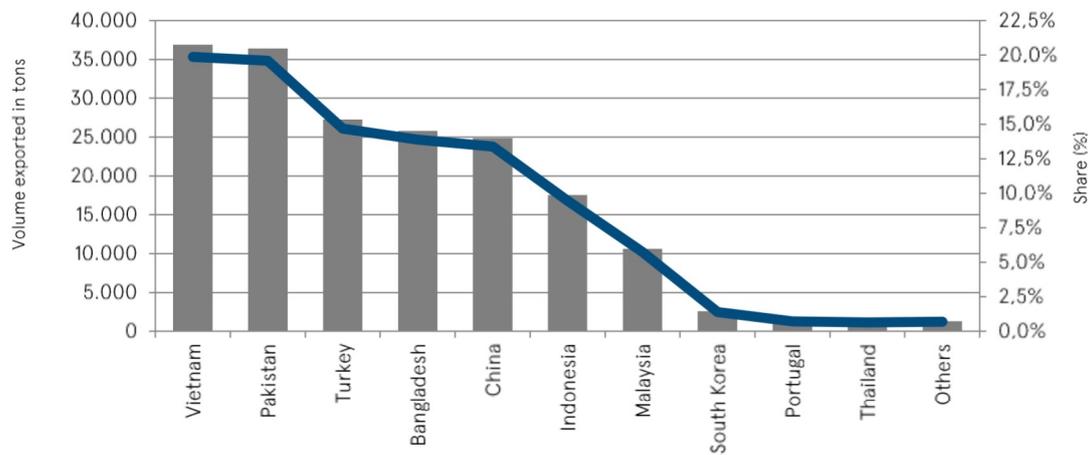
Source: ComexStat – ME, April/2022. Forecast: Anea



## 5. EXPORT SHIPMENTS

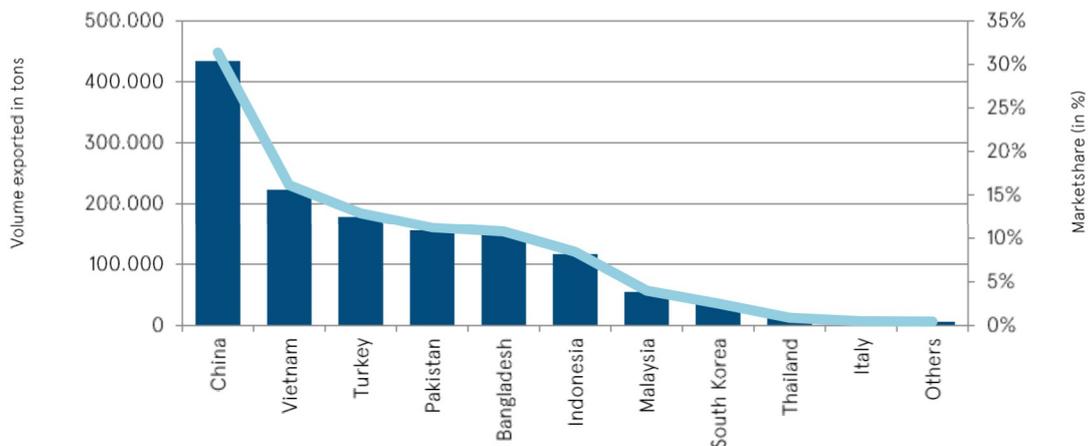
Vietnam and Pakistan were the main destinations for Brazilian cotton exports in March. They each received 36,000 tonnes and together the two countries accounted for 40% of the entire volume for the month.

### Brazilian Cotton Top Export Destinations - Mar/2022



Total numbers still show **China** as the main buyer of Brazilian cotton. The country imported **433 thousand tonnes** between August/2021 and March/2022 and thus accounted for **31%** of all volume exported up to now.

### Brazilian Cotton Top Export Destinations - Aug/21 to Mar/22



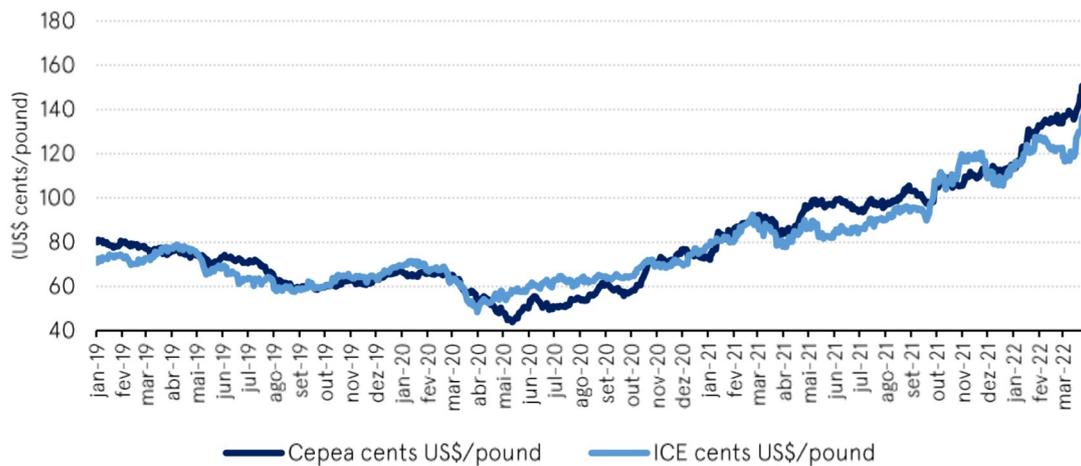
Source: ComexStat - ME, April/2022



## 6. PRICES

The Cepea index reached 155.3 cents (US\$/pound) at the end of March/2022. The index rose 13.9% (in US\$) in March 2022. Domestic Brazilian prices rose above the global level due to the off-season in Brazil. The difference between the Cepea index and prices in NY (ICE) reached 1,638 points above the historical average for the period.

### CEPEA Index versus ICE Futures NY



### Cepea Index versus ICE Futures NY



Source: Cepea/USP and ICE Futures, April/2022



## 7. MADE IN BRAZIL

Data and information about Brazilian cotton production

### Brazilian cotton quality data is now available online

The Brazilian Cotton Quality Statistics report is now available. The report compiles the results obtained throughout the 2020/21 season with a total of 11,193,790 tests being conducted.

Adverse weather conditions, such as excessive rainfall and cooler spells at the end of the season, caused a reduction in fiber maturity.

Access the results [here](#).

### 100% of Brazilian production undergoes HVI testing

Brazil HVI Standard (SBRHVI) is the Brazilian cotton quality control program run by Abrapa.

In Brazil, 100% of the production is quality classified by High Volume Instrument (HVI) tests.

This is only possible due to the structure maintained by Abrapa. A quality control center coordinates the network of 11 laboratories spread over five states. In total, there are 66 HVI machines available.

In addition to adhering to international quality guidelines, the labs undergo permanent training and updating.



See: [www.cottonbrazil.com/traceability](http://www.cottonbrazil.com/traceability)