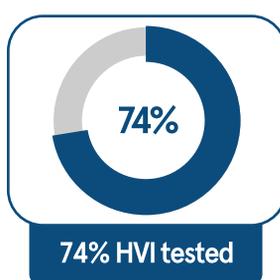
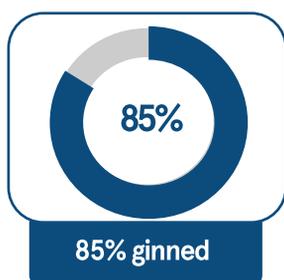




1. HIGHLIGHTS

- ⇒ Following the end of the harvest, Brazilian growers are **ramping up ginning** and quality control testing of the cotton produced in the 2021 season.
- ⇒ Planting of the **2022 crop** has already started in two Brazilian states (São Paulo and Paraná). Cotton planting in Brazil runs from November through to February.
- ⇒ Brazil exported **203 thousand tonnes** of cotton in October/2021 resulting in **revenues of US\$ 348.5 million**.
- ⇒ **China remains the major buyer** of Brazilian cotton accounting for **31%** of all volume exported since August until now.

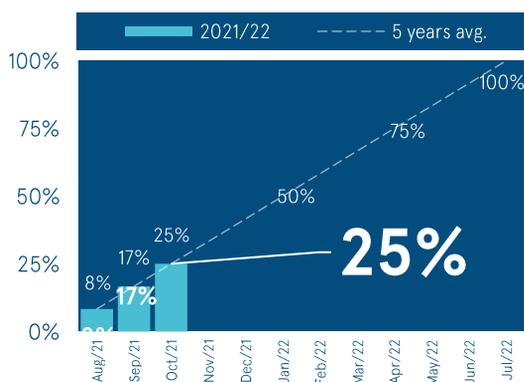
2. STATUS OF THE 2021 CROP ⁽¹⁾



(1) Source: Abrapa and state associations. Up to November 11th, 2021.

2021/22 Domestic use estimate vs. accumulated domestic use 5-year avg

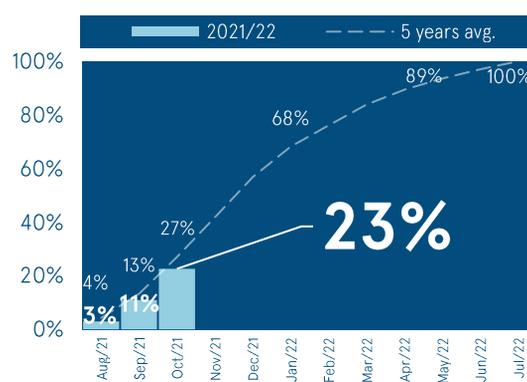
Domestic consumption estimated at 740 thousand tonnes (Aug21-Jul22)



Source: Abrapa, Conab and Abit

2021/22 Export Shipments accumulated over Anea estimates vs. 5-year avg

**Brazilian exports for 21/22 estimated at 1.75 million tonnes by Anea

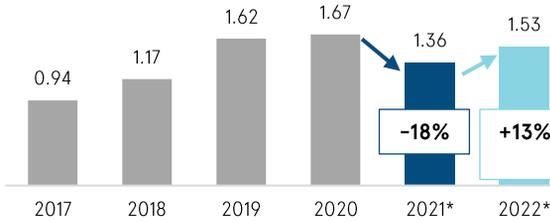


Source: MDIC and Anea



3. 2021 AND 2022 CROPS – AREA AND PRODUCTION

Area planted with Cotton in Brazil
(in million hectares)



Source: Conab (Nov-21) *Forecast: Abrapa

The Brazilian cotton area for the **2021 crop** was **1.36 million hectares** which means a reduction of 18% in relation to the previous season.

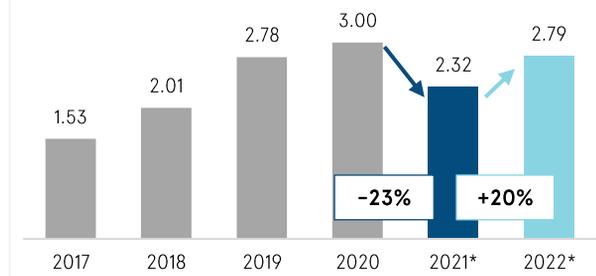
Abrapa predicts that the cotton area will reach **1.53 million hectares** in the **2022 season**, an expansion of 13% in comparison with the current season.

Planting of the **2022 crop** started this month and will continue up to mid-February of next year.

In the **2021 season**, Brazilian growers will have produced **2.32 million tonnes** of cotton. This volume is 23% lower than the amount produced last year.

Abrapa predicts a growth of 20% in the **2022 season** with a production of **2.79 million tonnes**. If this forecast is confirmed, it will be the second-best season for Brazilian cotton in history.

Cotton Lint Production
(in million tonnes)



Source: Conab (Nov-21) *Forecast: Abrapa

Looking to the **2022 season**, Abrapa forecasts an increase of 6.4% in Brazilian cotton yields reaching the mark of **4,497 kg/ha**.

Brazilian Cotton Harvest

PRODUCTION (million tonnes)	2017	2018	2019	2020	2021*	2022*	21 vs. 20 (%)	22 vs. 21 (%)
SEED COTTON	3.82	5.01	6.94	7.37	5.68	6.89	-23.0%	21.4%
LINT (COTTON)	1.53	2.01	2.78	3.00	2.32	2.79	-22.6%	20.3%

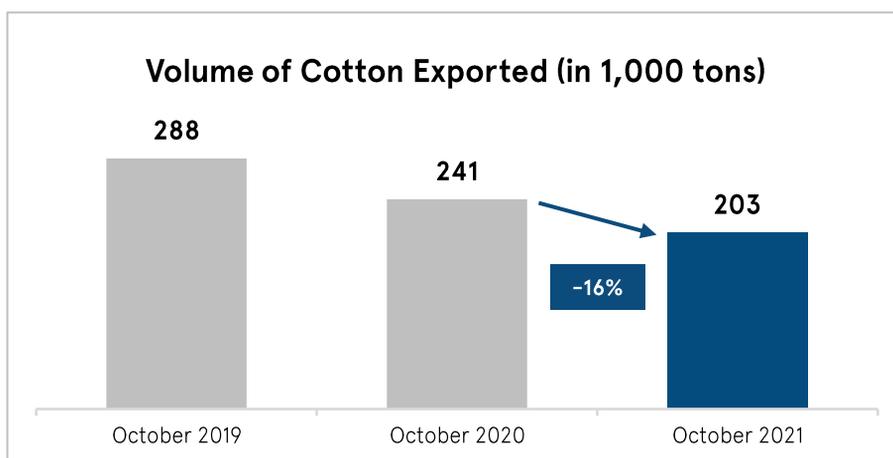
YIELD (kg/ha)	2017	2018	2019	2020	2021*	2022*	21 vs. 20 (%)	22 vs. 21 (%)
SEED COTTON	4,076	4,267	4,292	4,427	4,227	4,497	-4.5%	6.4%
LINT (COTTON)	1,629	1,708	1,717	1,802	1,708	1,824	-5.2%	6.8%

Source: Conab (Nov-21) *Forecast: Abrapa

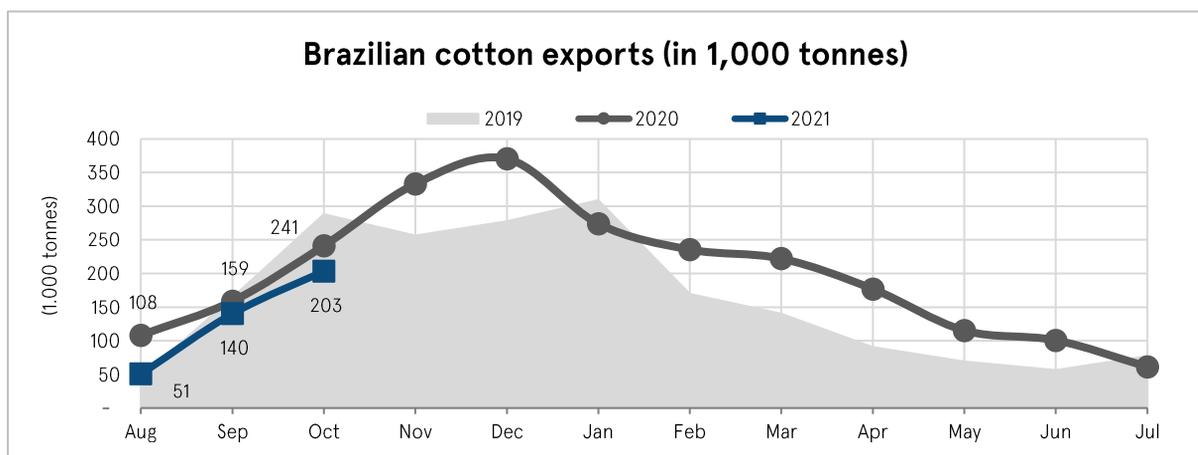


4. EXPORT SHIPMENTS

Brazil exported **203 thousand tonnes** of cotton in October/2021. This volume is 45% above the amount shipped last month, September/2021, although it indicates a decrease of 16% in comparison to October/2020. As a consequence of this performance, monthly exports of Brazilian cotton resulted in revenues of **US\$ 348.5 million**.



Source: ComexStat – ME, November/2021

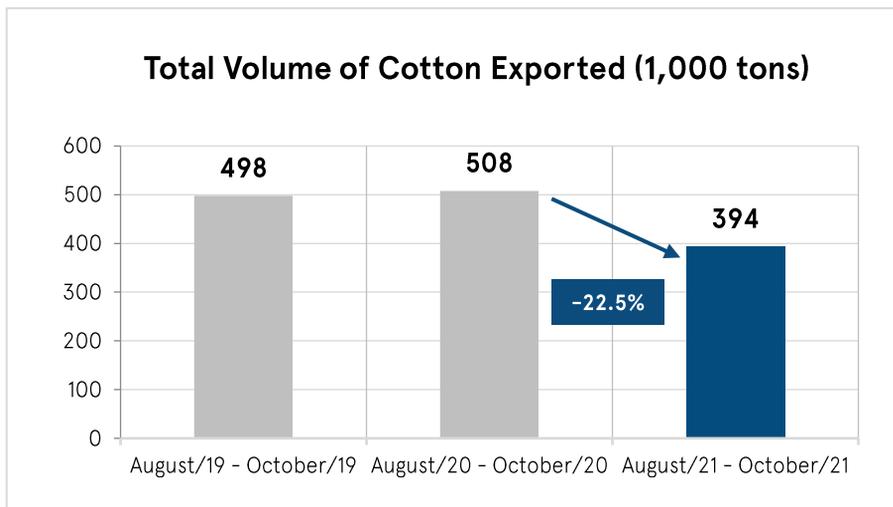


Source: ComexStat – ME, November/2021

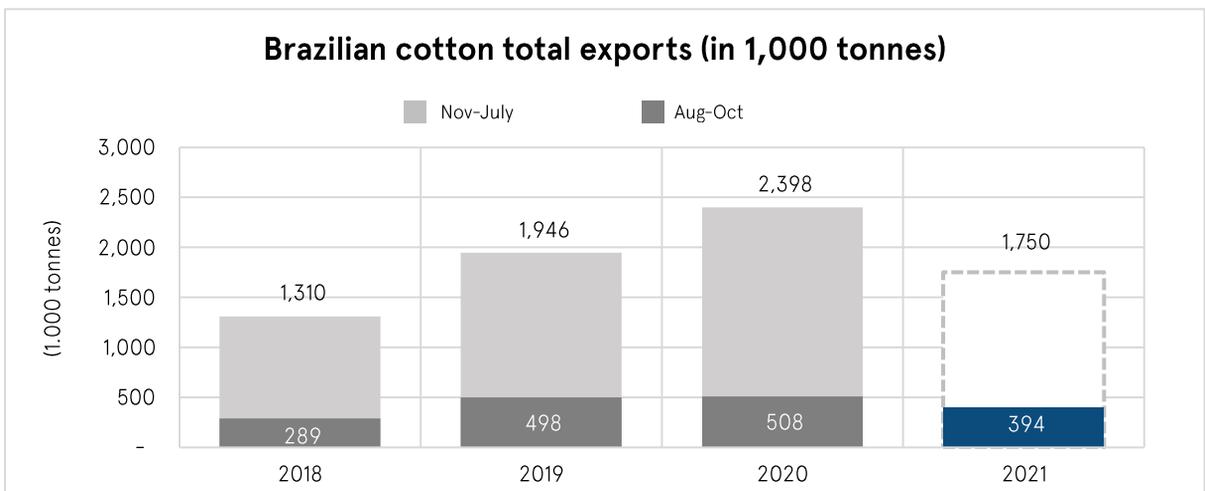


4. EXPORT SHIPMENTS

From August to October, Brazil shipped **394 thousand tonnes** of cotton overseas. This volume corresponds to a performance that is 22.5% below the amount recorded between August and October 2020. In these first three months of the current market year, exports generated revenues of **US\$ 674.7 million**.



Source: ComexStat – ME, November/2021



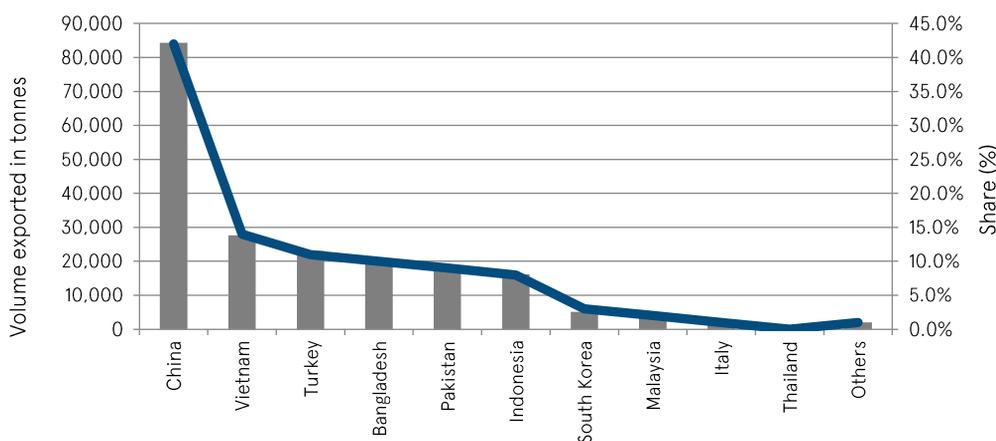
Source: ComexStat – ME, November/2021



4. EXPORT SHIPMENTS

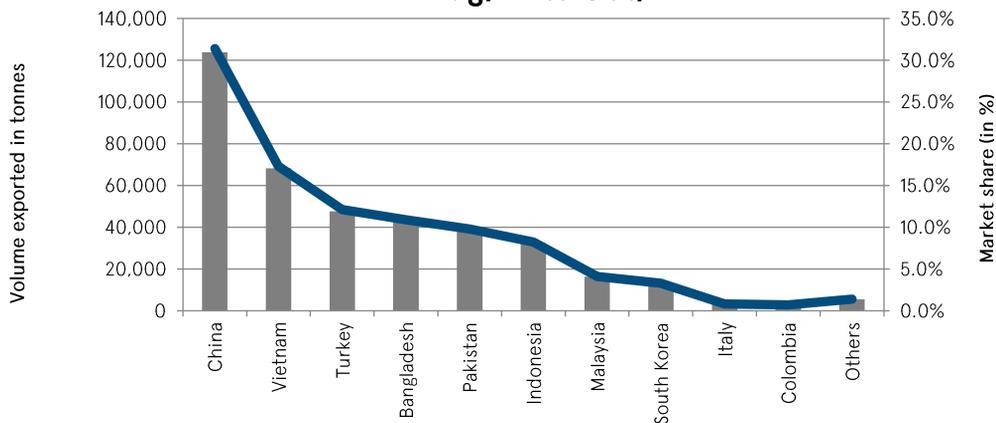
The major buyer of Brazilian cotton in October was **China**, which imported 84.3 thousand tonnes accounting for 42% of the entire volume for the month.

Brazilian Cotton Top Export Destinations - Oct/2021



As happened in October, accumulated numbers show **China** as the major buyer of Brazilian cotton. The country has imported **123.8 thousand tonnes** from August to last month and thus accounted for **31%** of all volume exported up to now.

Brazilian Cotton Top Export Destinations - Aug/21 to Oct/21

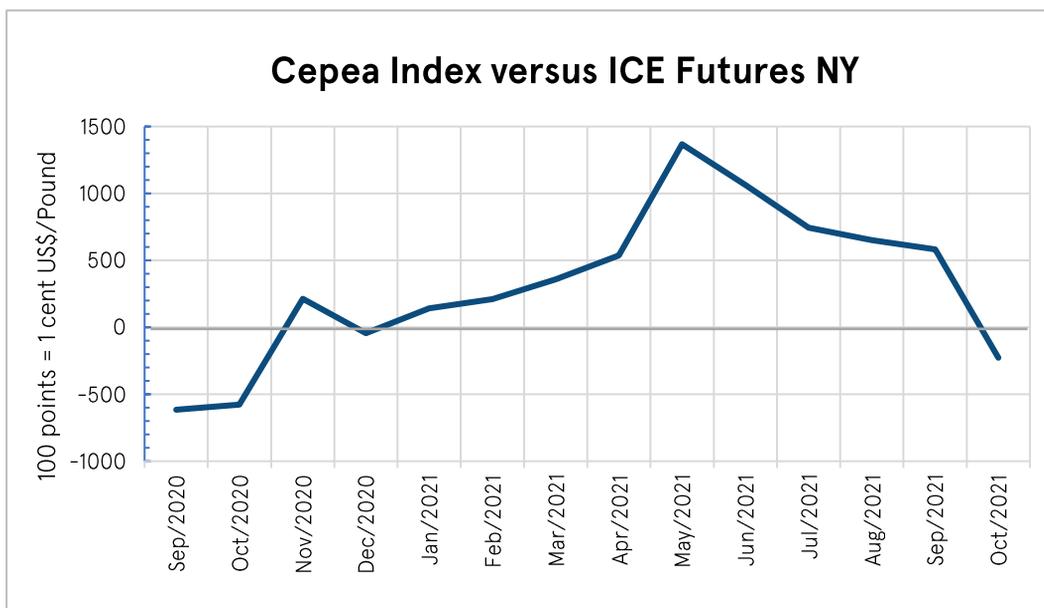
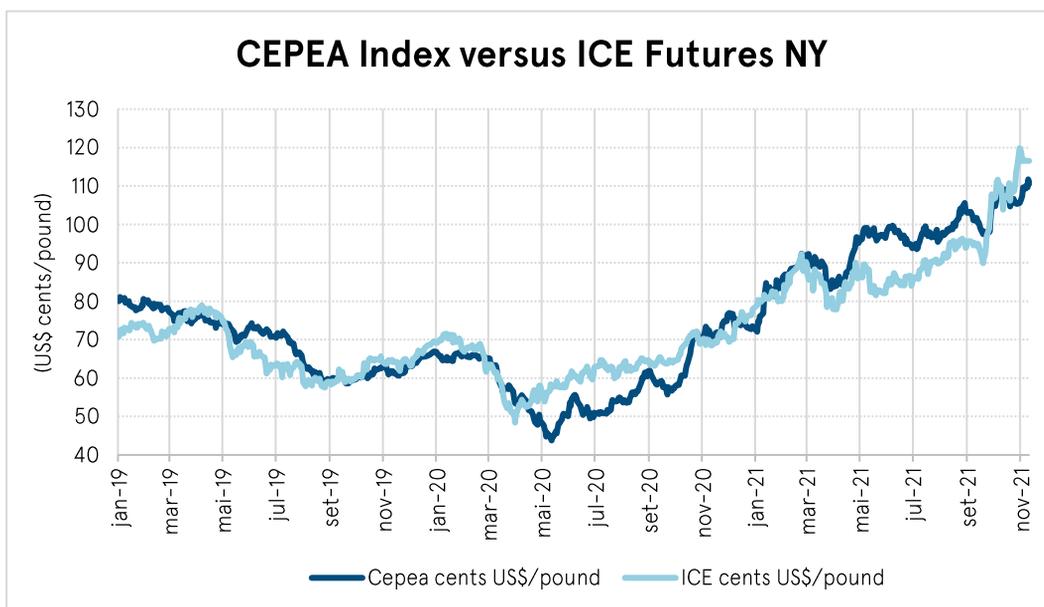


Source: ComexStat - ME, November/2021



5. PRICES

Despite the increase in domestic prices, the spread turned **negative** during the month of October 2021. The CEPEA index price is the main reference for domestic cotton prices in Brazil.



Source: Cepea/USP and ICE Futures, November 2021.



6. MADE IN BRAZIL

Data and information about Brazilian cotton production

Understand the Brazilian Quality Control Program

Through research and technological advances, Brazilian cotton presents the level of quality required to meet production demands in addition to being **free from contamination** and grown in high-yield areas, ensuring a **year-round supply**.

Abrapa and its state member associations created the **Standard Brazil HVI program (SBRHVI)** in 2016 to standardize the instrumental classification of cotton in the 11 classing labs located in the growing regions. The performance of these labs is monitored in **real-time** by Abrapa's central laboratory located in Brasilia.

Every single bale produced by an Abrapa farmer is HVI tested and the results are available online at www.cottonbrazil.com using the barcode on each bale. The **average reliability rate for this crop is already at 97%**, beating last year's performance (96%).

Brazil's Cotton Quality Control Classing Labs



Check out detailed at www.cottonbrazil.com