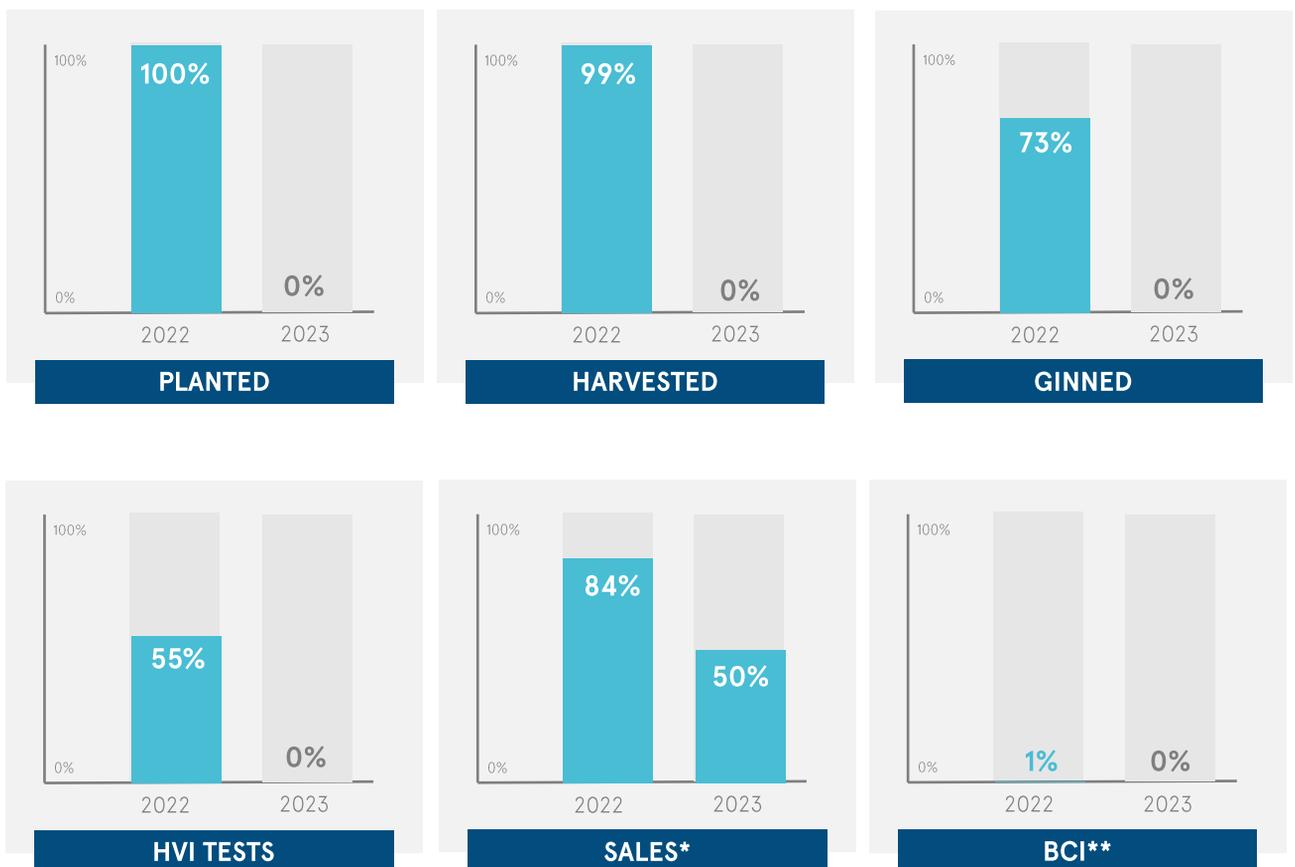




## 1. HIGHLIGHTS

- **Cotton harvesting** in Brazil reached **99%** in September. Planting of the 2023 crop starts in November;
- Brazil exported **184.5 thousand tonnes** of cotton in Sep/2022, which corresponds to an **increase of 32%** in relation to Sep/2021;
- **China, Bangladesh and Turkey** were the main destinations for Brazilian cotton exports in September, accounting for 67% of the entire volume for the month;
- On November 8<sup>th</sup>, **Cotton Brazil** will make a presentation at the **ICA Trade Event** in Las Vegas (USA) providing information and data on how cotton is produced in Brazil.

## 2. STATUS OF BRAZIL'S COTTON CROPS



\* Cotton sold by farmers

\*\*Better Cotton Claim Units claimed by buyers



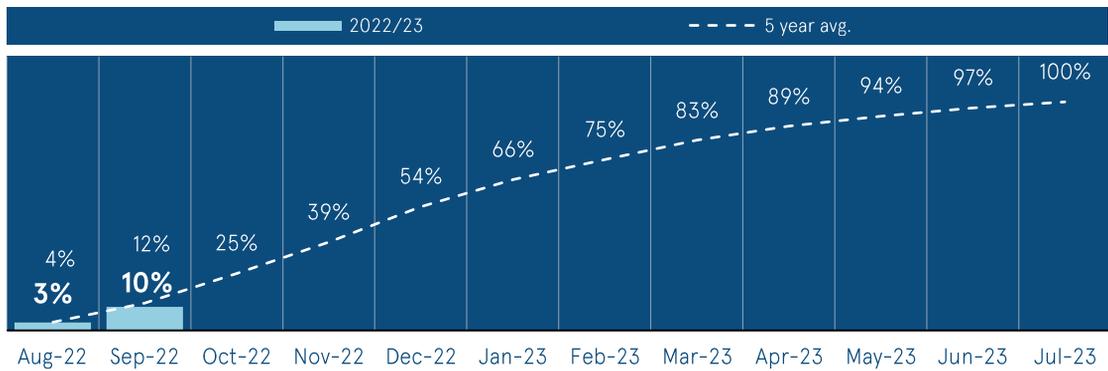


## 2. 2022/23 MARKETING YEAR EXPORTS AND DOMESTIC USE

The charts below compare the performance of the current market year (2022/23) with Brazilian cotton exports over the last five years and the average volume consumed domestically in Brazil also over the last five years.

### 2022/23 Export Shipments vs Average % of Accumulated Exports by Area\*

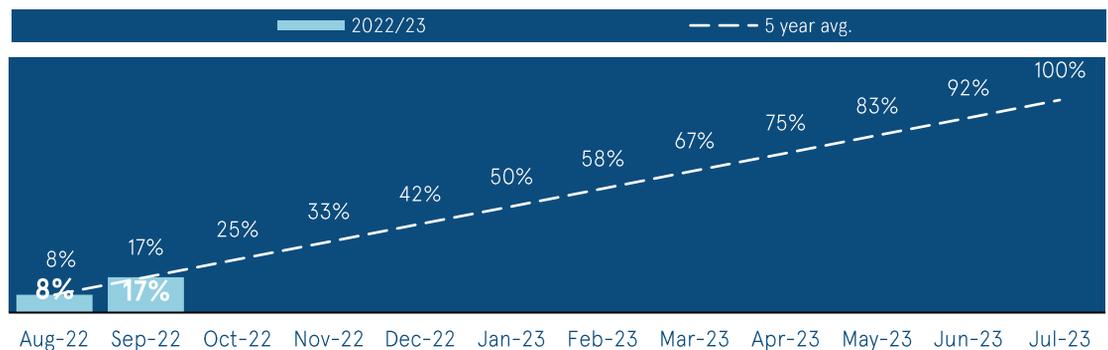
\*Brazilian exports for 22/23 estimated at 1.8 million tonnes by Abrapa



Source: MDIC and Abrapa

### 2022/23 Domestic Use Estimate vs. Accumulated Domestic Use 5-year avg

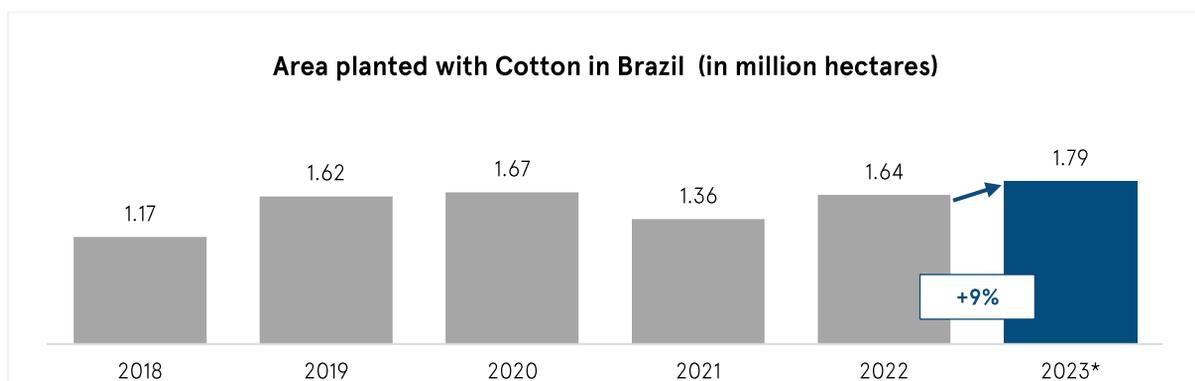
Domestic consumption estimated at 730 thousand tonnes (Aug22-Jul23)



Source: Abrapa, Conab and Abit

### 3. 2023 CROP

Abrapa estimates that the 2023 crop will achieve an area of **1.79 million hectares** from which **3.17 million tonnes** will be produced. These numbers were updated on September 28<sup>th</sup> and it is an indication of the resumption of cotton production in Brazil. If this projection is confirmed, the country will have an increase of 9% in the planted area and 27% in the volume to be harvested.



\*Planting season in Brazil starts in November of the previous year



Source: Conab. \*2023 Forecast: Abrapa.

In terms of yield, Abrapa forecasts an **increase of 16.2%, rising to 1,772 kg/ha** in 2023.

#### Brazilian Cotton Harvest

PRODUCTION (million tonnes)	2018	2019	2020	2021	2022	2023	22 vs. 21 (%)	23 vs. 22 (%)
SEED COTTON	5.01	6.94	7.37	5.79	6.06	7.69	4.7%	26.9%
LINT (COTTON)	2.01	2.78	3.00	2.36	2.50	3.17	5.9%	26.8%

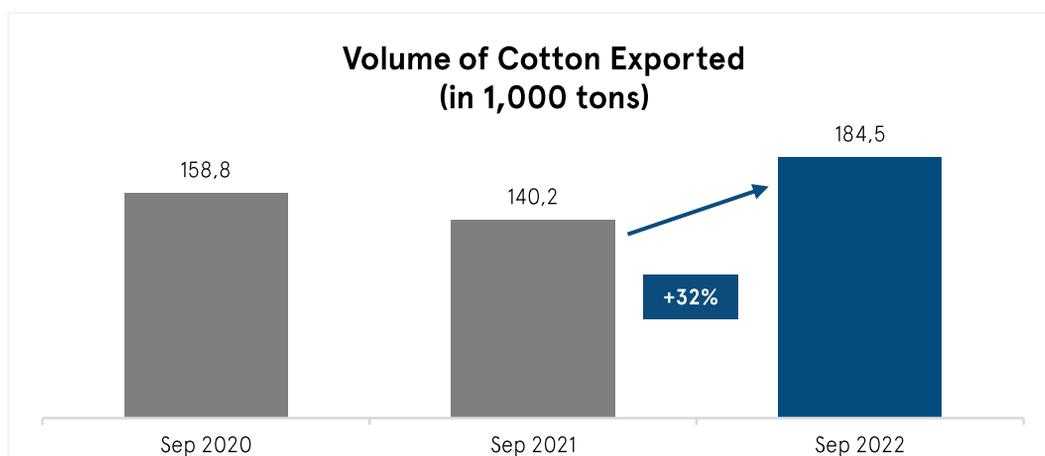
  

YIELD (kg/ha)	2018	2019	2020	2021	2022	2023	22 vs. 21 (%)	23 vs. 22 (%)
SEED COTTON	4,267	4,292	4,427	4,230	3,702	4,180	-12.5%	12.9%
LINT (COTTON)	1,708	1,717	1,802	1,721	1,525	1,772	-11.4%	16.2%

Source: Conab. \*Forecast: Abrapa.

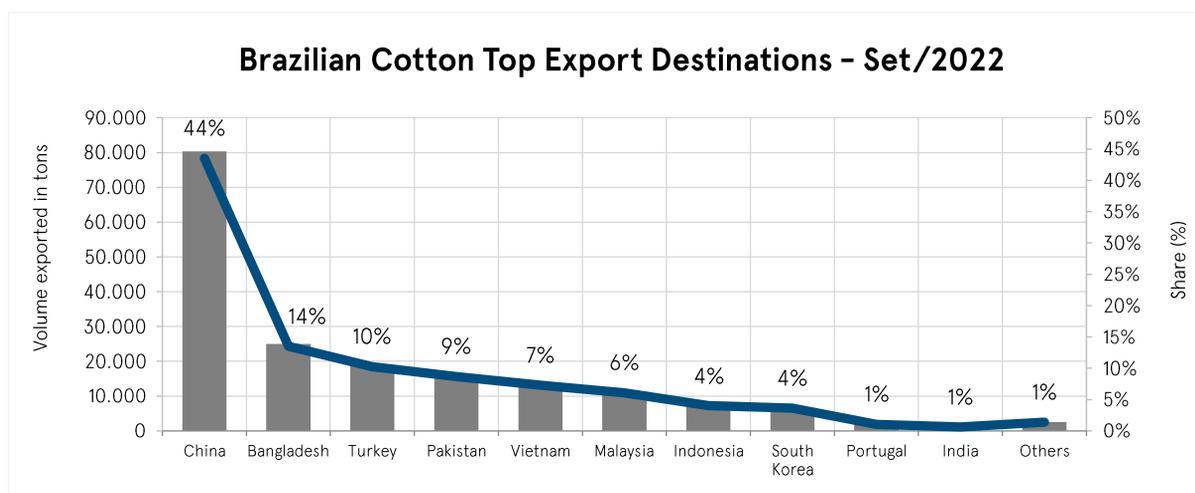
## 5. EXPORT SHIPMENTS

Brazil exported **184.5 thousand tonnes** of cotton in Sep/2022. This volume is 193% above the amount shipped in the previous month, Aug/2022, and represents a 32% increase in comparison to Sep/2021. The September exports of Brazilian cotton resulted in revenues of **US\$ 376 million**.



Source: ComexStat – ME, October/2022

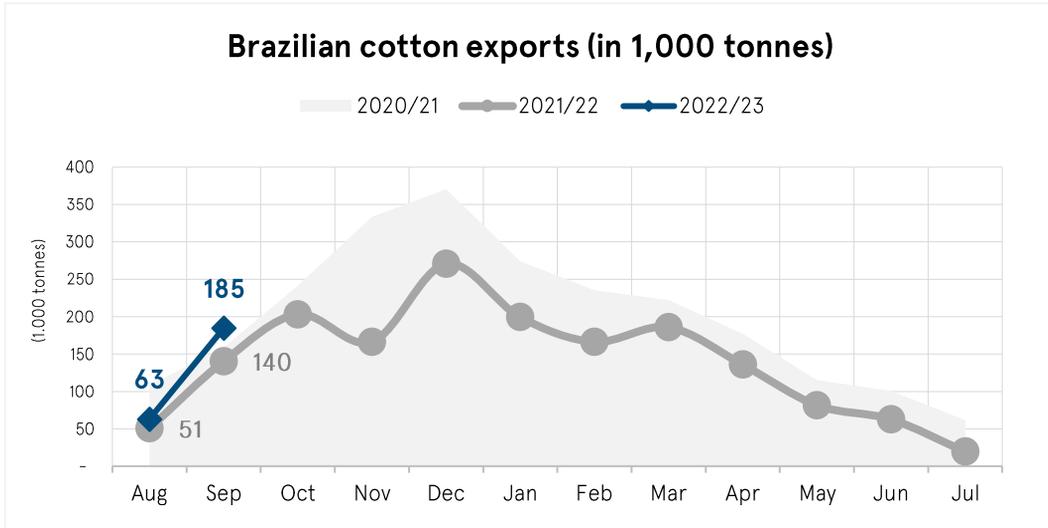
**China, Bangladesh and Turkey** were the main destinations for Brazilian cotton exports in September, totalling **124.16 thousand tonnes**. Together, the three countries accounted for **67%** of the entire volume for the month.



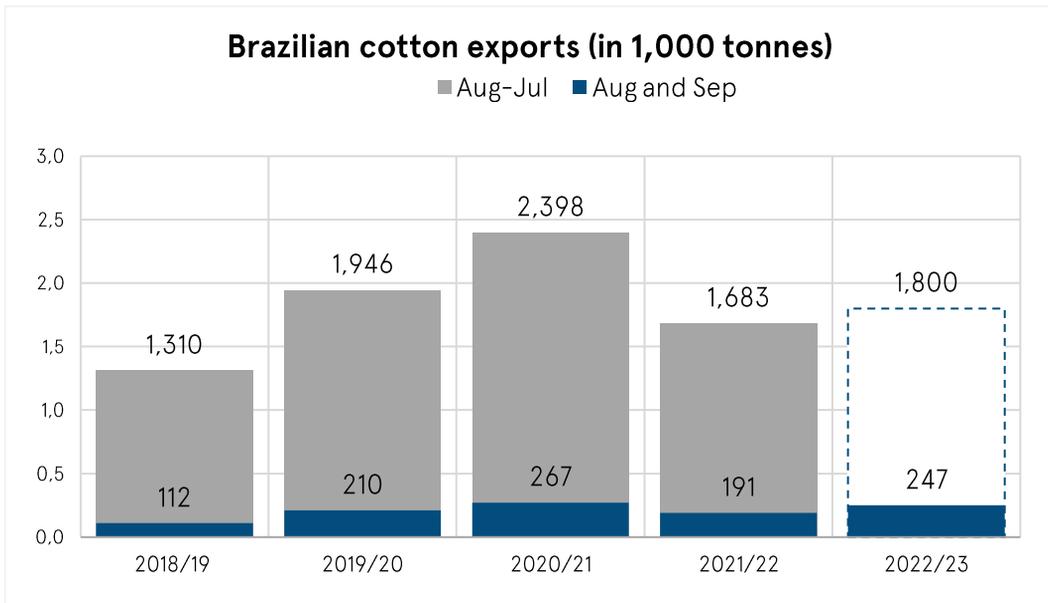
Source: ComexStat – ME, October/2022



The volume of Brazilian cotton shipped abroad in September 2022 is higher than the average for this month over the last four marketing years.



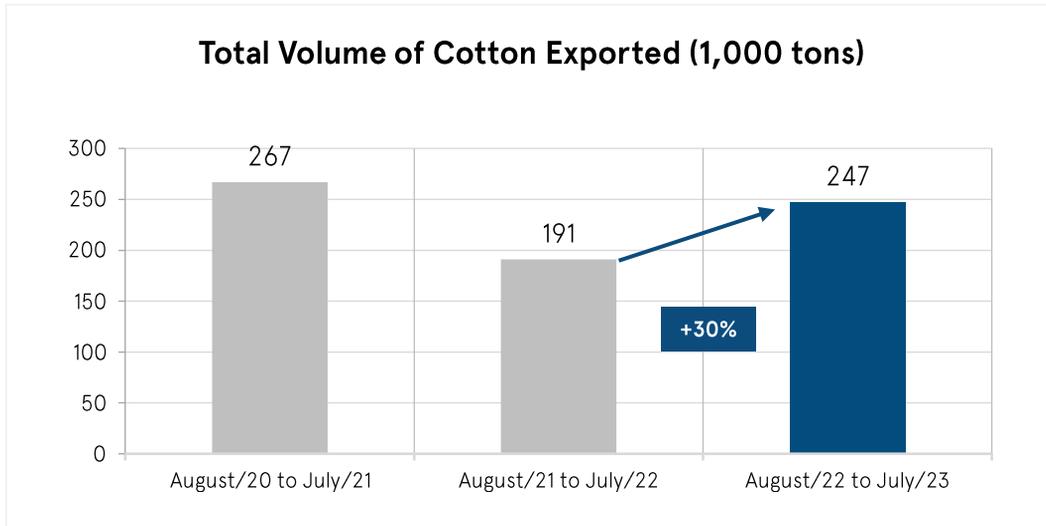
Source: ComexStat – ME, October/2022 . Marketing Year: August to July



Source: ComexStat – ME, October/2022 Marketing Year: August to July

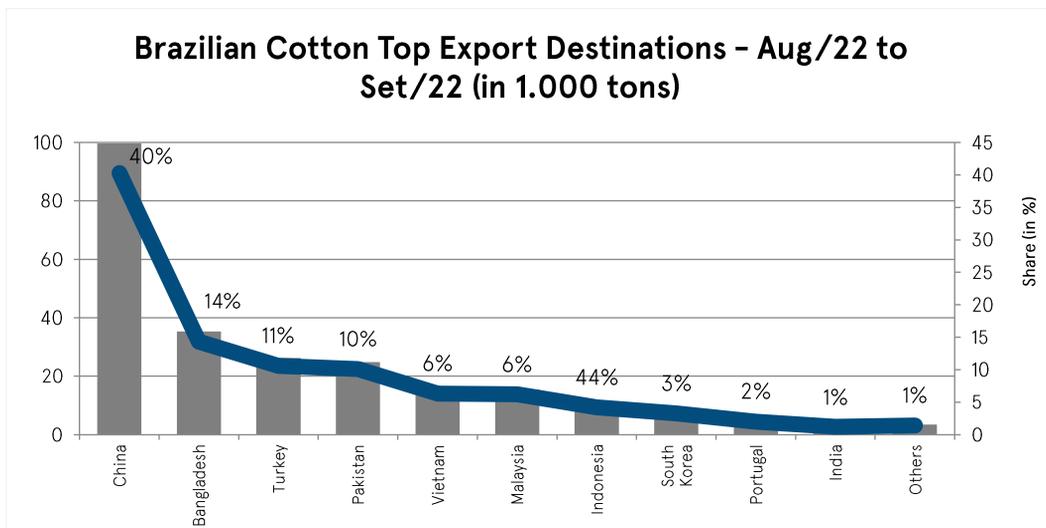


In the first two months of the marketing year (Aug to Sep/22), Brazil shipped **247 thousand tonnes** of cotton overseas. This volume corresponds to a performance that is 30% above the amount recorded between the same months in 2021. In the two months of this current market year, exports generated revenues of just over **US\$ 500 million**.



Source: ComexStat – ME, October/2022

Total numbers still show **China** as the main buyer of Brazilian cotton. The country imported **99.7 thousand tonnes** between August and September and thus accounted for **40%** of all volume exported up to now.

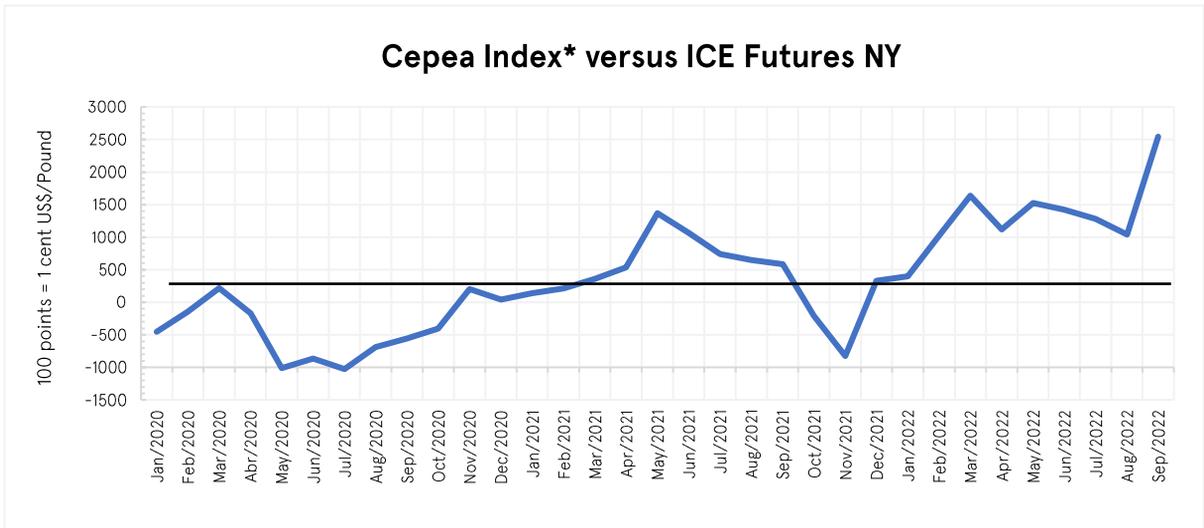
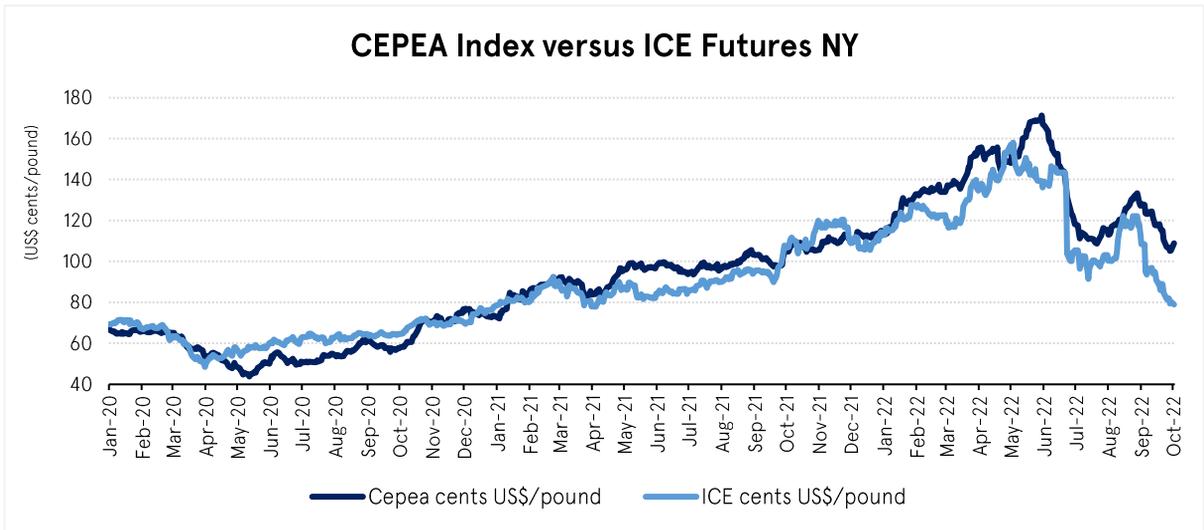


Source: ComexStat – ME, October/2022



## 6. PRICES

In September/2022, the Cepea Index\* recorded a **drop of 17.3%** and finished the month at **108 cents (US\$/pound)**. The more conservative downward movement in domestic prices increased the spread between the Cepea indicator and prices in NY (ICE). On average, the spread for the month was 2,544 points.



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

The \*CEPEA Index is the most commonly used price index for domestic cotton market prices in Brazil.



## 7. MADE IN BRAZIL

Data and information about Brazilian cotton production

### Brazil participates in the ICA annual event in November

Brazil will be present at the ICA Trade Event, the International Cotton Association's (ICA) annual conference, which will be held from the 8th to 10th of November in Las Vegas (USA).

There will be a special panel debate ("Regional Forum: Brazil") about Brazilian cotton growing which will take place on the 8th of November at 1.30pm (local time).

Abrapa and the National Cotton Shippers Association (Anea) will present information on how cotton is produced in Brazil as well as the latest projections for the harvest and exports.

The president of Abrapa, Mr Júlio César Busato, will also present the quality and sustainability indicators together with the news of the sector's latest traceability initiatives.

NATURAL + BIODEGRADABLE + RESPONSIBLE

### Campaign showing the benefits of using cotton

On October 7th Abrapa launched a digital communication campaign present Brazilian cotton's main assets. The initiative is in commemoration of the World Cotton Day. The aim is to encourage the consumption of cotton – a natural, biodegradable and responsible product. Click on the side to check it out.

