



Cotton Brazil market report

Monthly information on the Brazilian cotton crops and market news.
An information service produced and provided by Abrapa.

Ed. 34

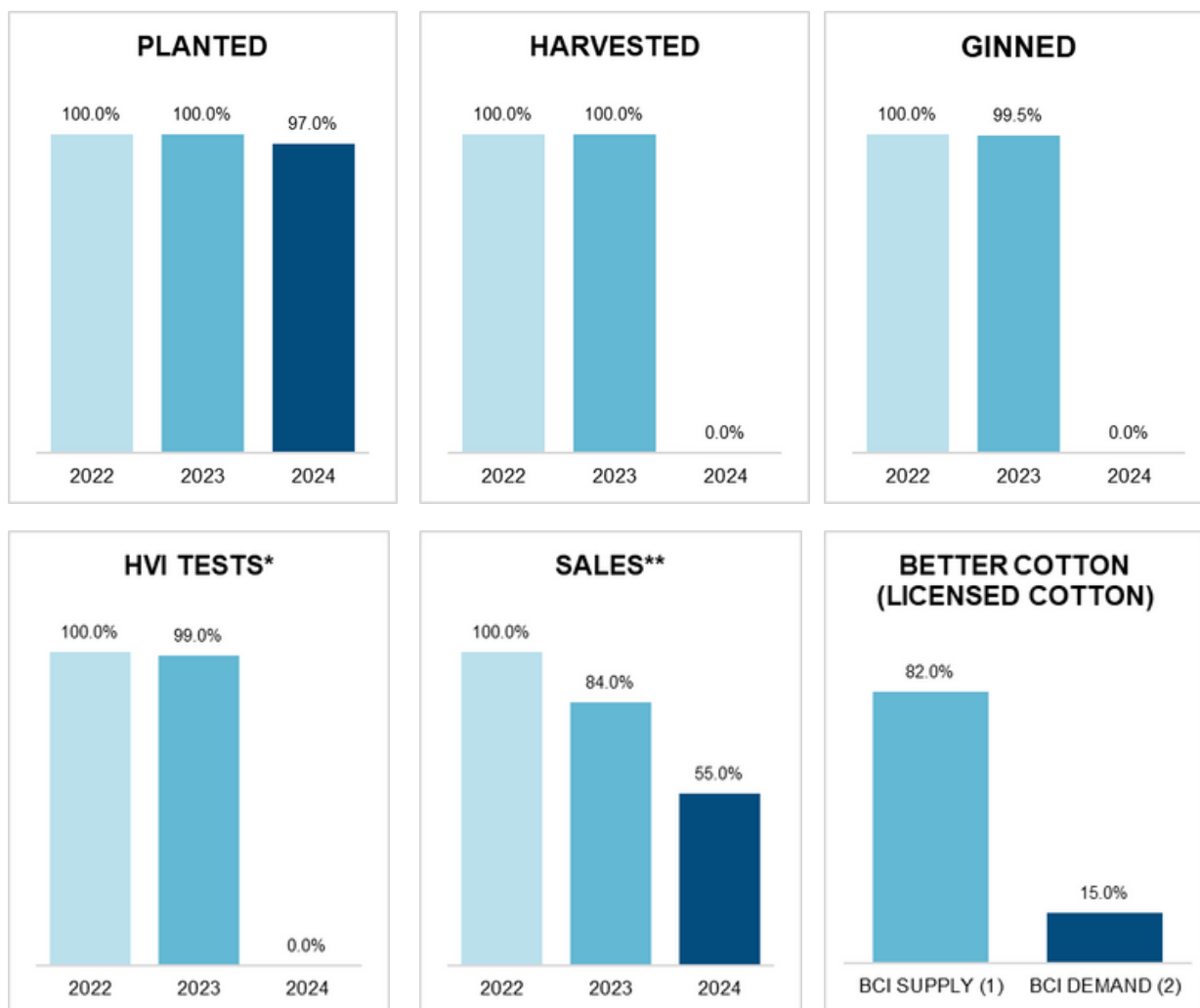
February 15th 2024

1. HIGHLIGHTS

- Planting of the 2024 crop was at 97% of the planned area at the close of this edition. Sales of the current crop reached 55% in January.
- In January, Brazil exported 250.2 thousand tonnes, a 102% higher volume than that recorded in Jan/2023. As a result, revenues totalled US\$481.8 million.
- At this pace, exports in the 2023/24 market year are likely to achieve the second best performance since 2018/19 - behind only the 2020/21 season.
- The socio-environmental certification of Brazilian cotton was expanded in 2023: see more in the "Made In Brazil" section.

*Market Year: Aug-23 to Jul-24

2. STATUS OF BRAZIL'S COTTON CROP



* % of total bales produced tested with HVI Instruments

** Percentage of cotton sold by growers to merchants

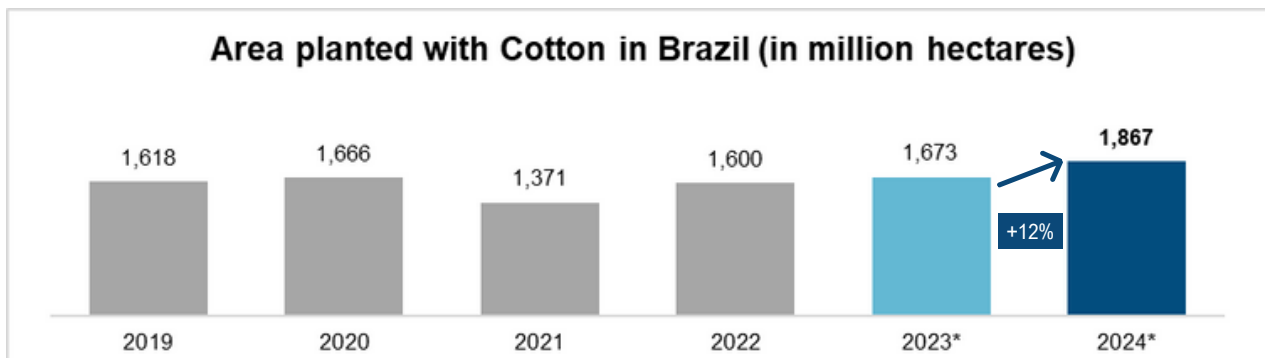
(1) Better Cotton (BCI) licensed cotton volume in Brazil as a % of total Brazilian cotton production (2023 Crop year)

(2) Better Cotton (BCI) units claimed by buyers for the marketing year to date as a % of total Brazilian cotton production (Market Year: Aug-23 to Jul-24)

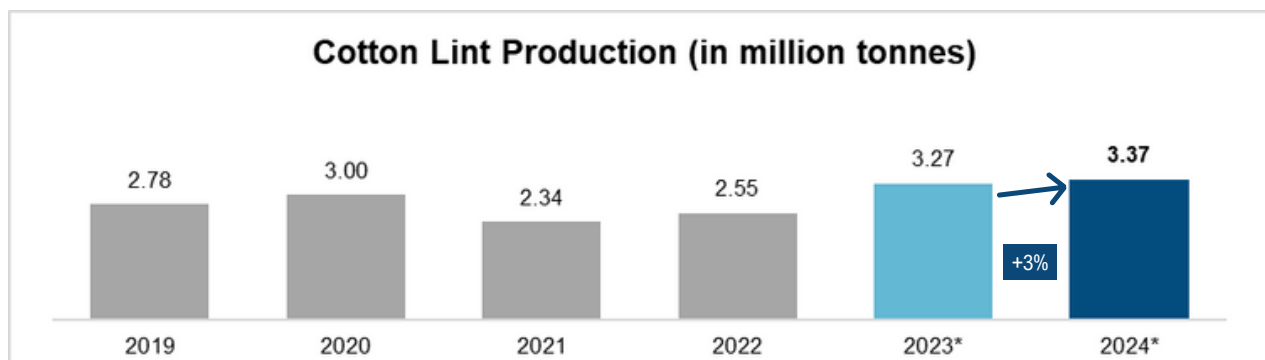


3. 2024 CROP

Abrapa's most recent estimates (Dec/23) indicate that the 2024 cotton crop in Brazil will be 12% greater in planted area (1,867 million hectares) and 3% larger in production, with 3.37 million tonnes.



Planting season in Brazil starts in November of the previous year



Source: Conab *Forecast 2023 e 2024: Abrapa (Dec 23)

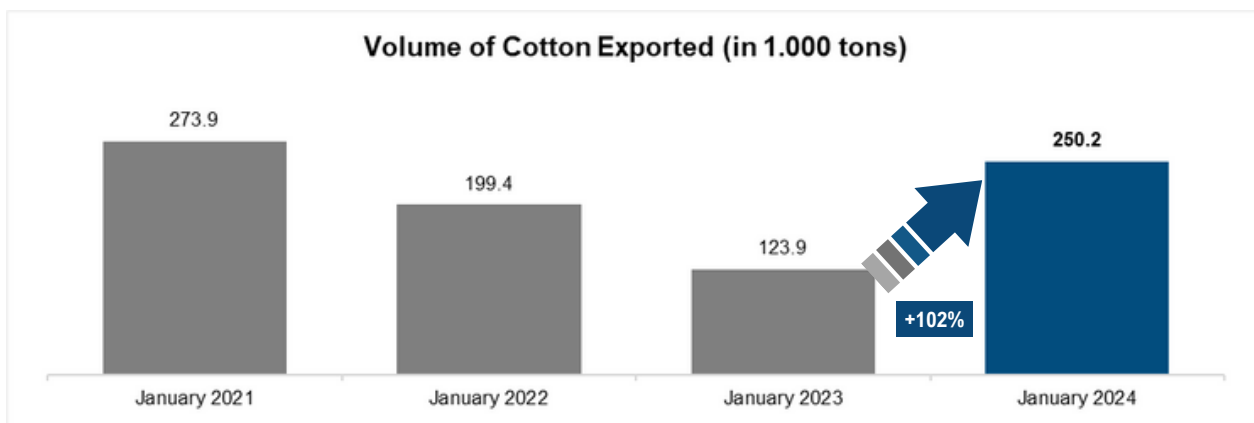
If these estimates are confirmed, the average yield for Brazilian cotton will be 1,805 kg/ha in 2024 – 7.6% below the record rate of 2023.

Brazilian Cotton Harvest								
PRODUCTION (million tons)	2019	2020	2021	2022	2023*	2024*	23 vs. 22 (%)	24 vs. 23 (%)
SEED COTTON	6.95	7.37	5.80	6.27	7.89	8.13	25.8	3.0
LINT (COTTON)	2.78	3.00	2.36	2.55	3.27	3.37	28.2	3.1
YIELD (kg/ha)	2019	2020	2021	2022	2023*	2024*	23 vs. 22 (%)	24 vs. 23 (%)
SEED COTTON	4,292	4,427	4,230	3,921	4,716	4,357	20.3	-7.6
LINT (COTTON)	1,717	1,802	1,721	1,596	1,954	1,805	22.4	-7.6

Source: Conab *Forecast: Abrapa (Dec 23)

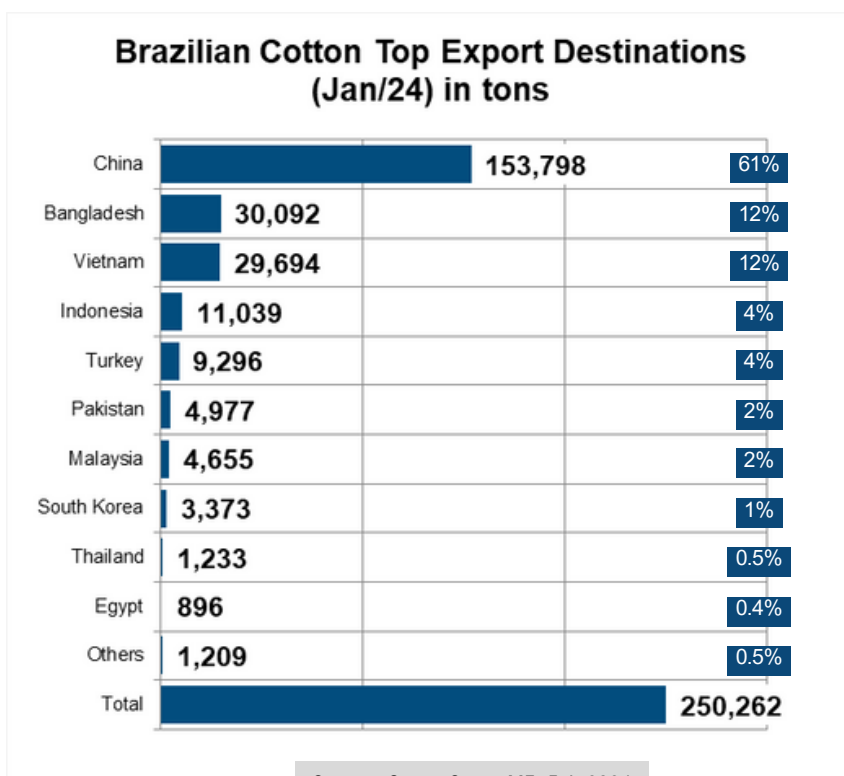
4. EXPORT SHIPMENTS

In January, Brazilian cotton exports totalled 250.2 thousand tonnes, 102% more than that recorded in January 2023 and 29% below that recorded in Dec/23. Revenues totalled US\$ 481.8 million for the month.



Source: ComexStat – ME, Feb 2024

The country that imported the most Brazilian cotton in January was China: 153.7 thousand tonnes (61% of the total). Bangladesh and Vietnam came next, both with approximately 30 thousand tonnes purchased in the month.



Source: ComexStat – ME, Feb 2024



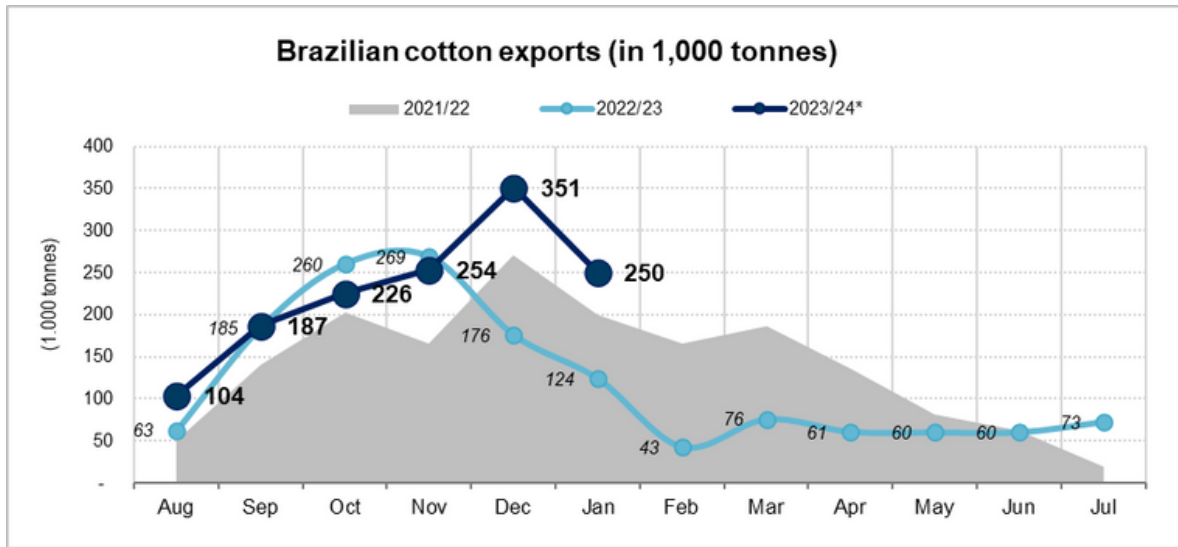
Cotton Brazil market report

Monthly information on the Brazilian cotton crops and market news.
An information service produced and provided by Abrapa.

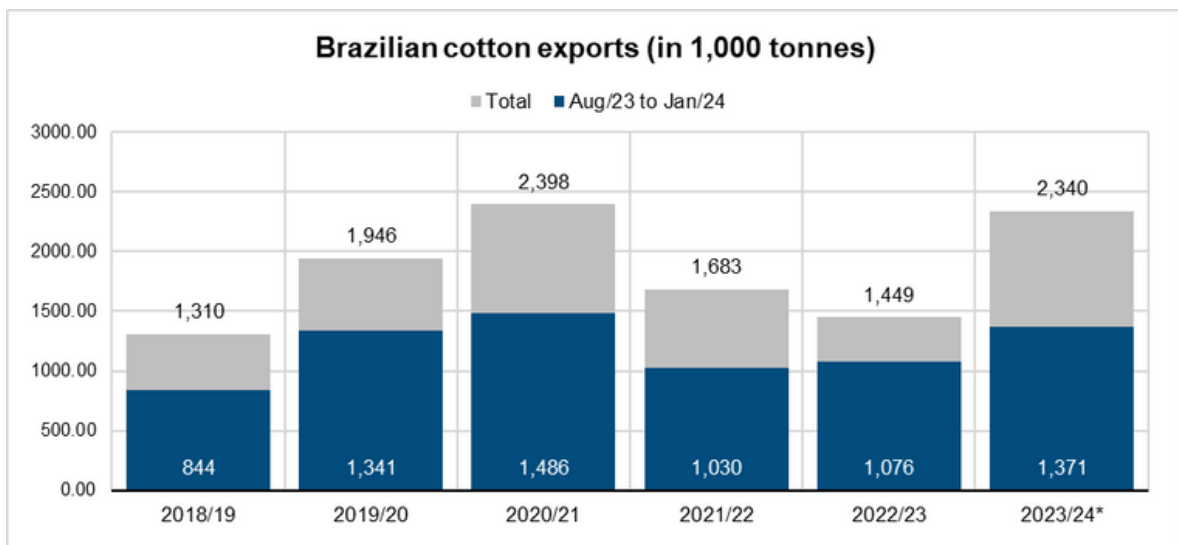
Ed. 34

February 15th 2024

With the January exports, Brazil maintains its second best performance in cotton exports in the comparative analysis from 2018/19 to date - behind only the 2020/21 season.



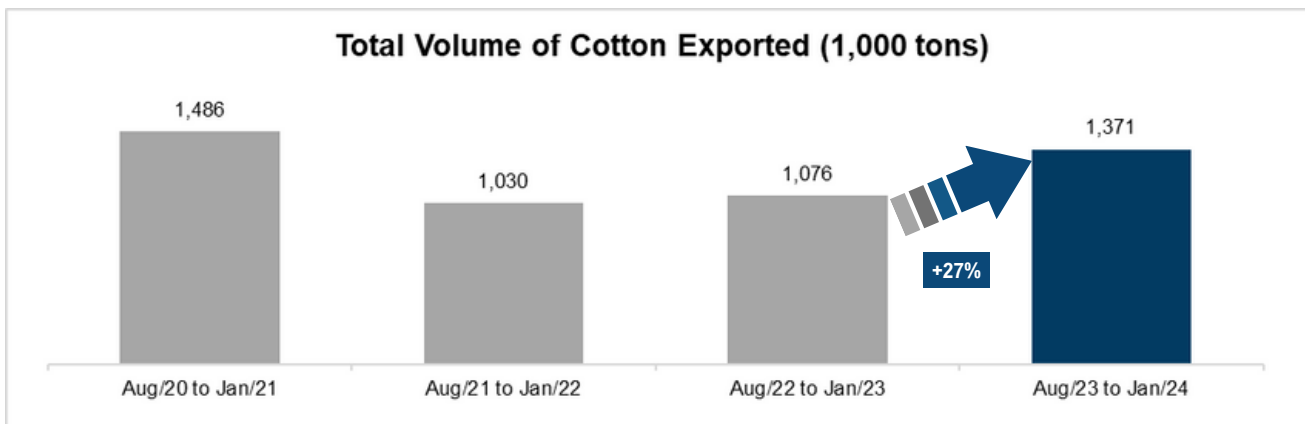
Source: ComexStat – ME, Feb 2024. [Market Year: August to July]



Source: ComexStat – ME, Feb 2024. [Market Year: August to July]

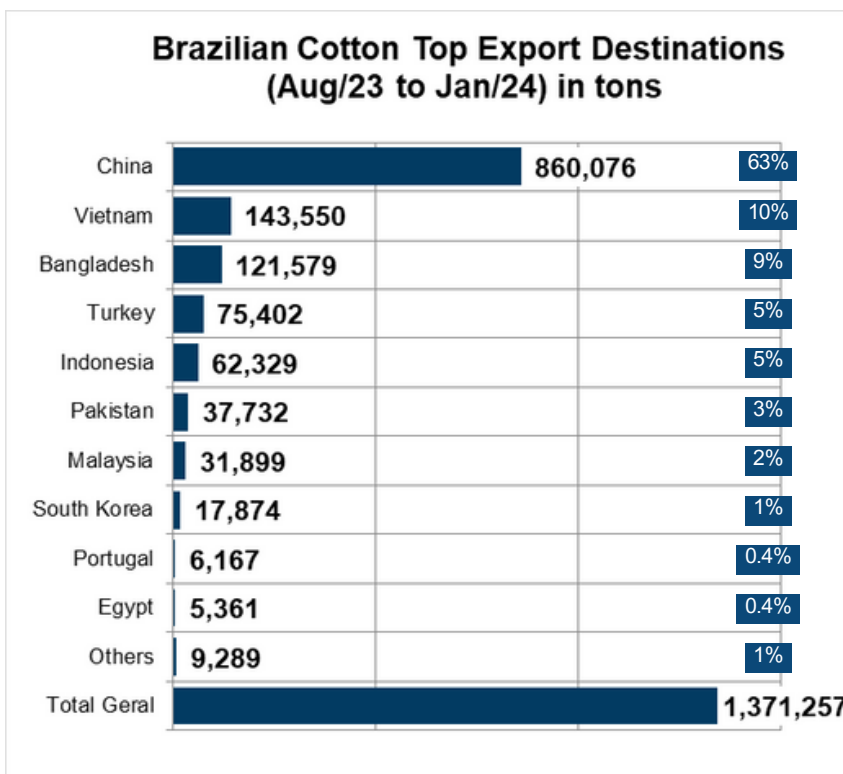


From August to January, Brazil exported 1,371 thousand tonnes, 27% higher than that recorded in the same period of 2022/23. Total revenue in the period reached US\$ 2.62 billion.



Source: ComexStat – ME, Feb 2024

With imports of 860 thousand tonnes, China is the country that has purchased the most Brazilian cotton, accounting for 63% of the total sold so far. Vietnam (143.5 thousand tonnes; 10%) and Bangladesh (121.5 thousand tonnes; 9%) take the next positions in the ranking.

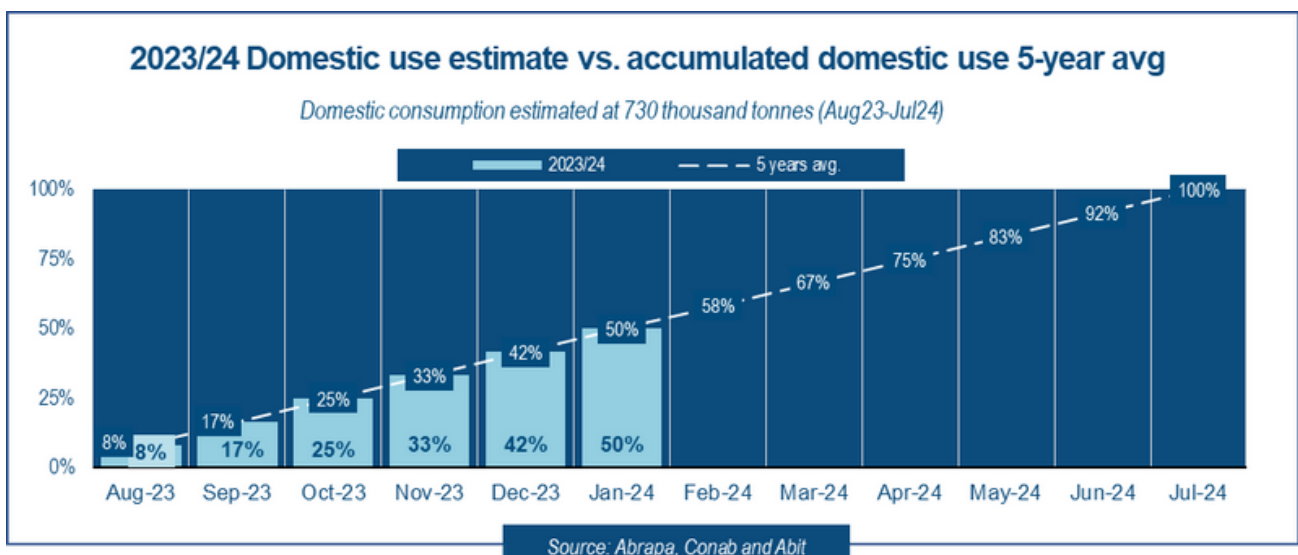
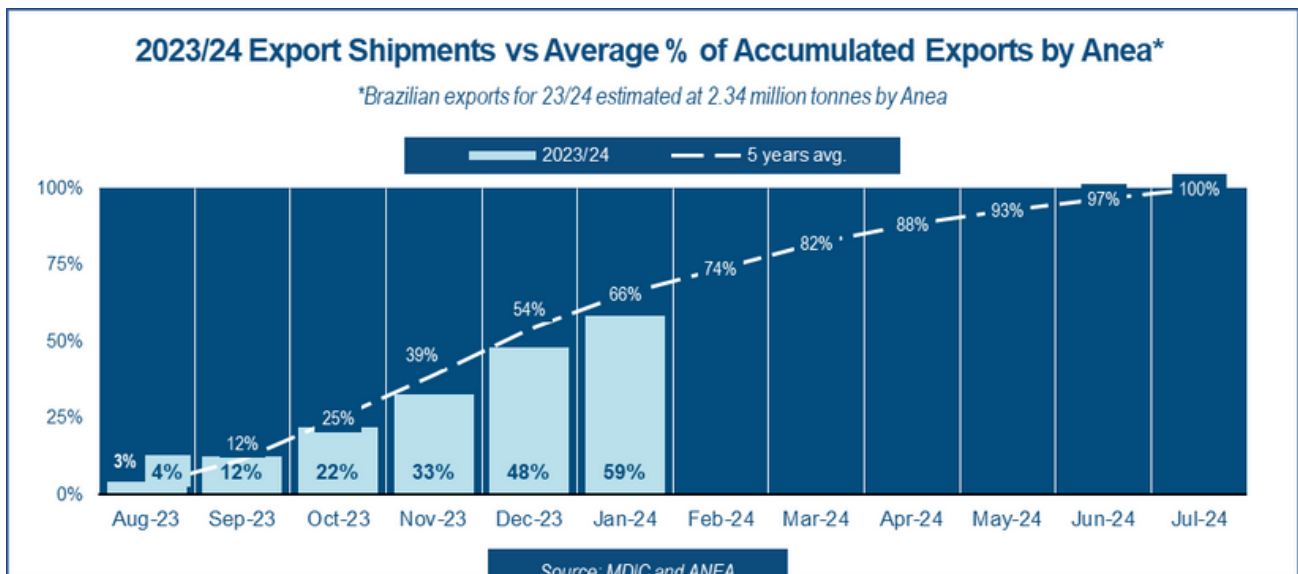


Source: ComexStat – ME, Feb 2024



5. 2023/24 MARKET YEAR EXPORTS AND DOMESTIC USE

The charts below compare the performance of the current market year (2023/24) with the average Brazilian cotton exports over the last five years and the average volume for domestic use in Brazil also over the last five years.





Cotton Brazil market report

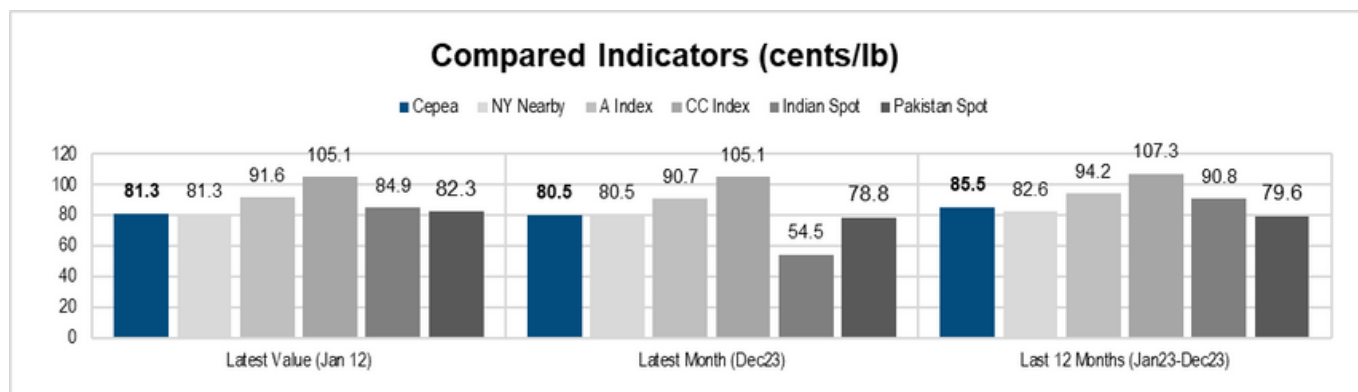
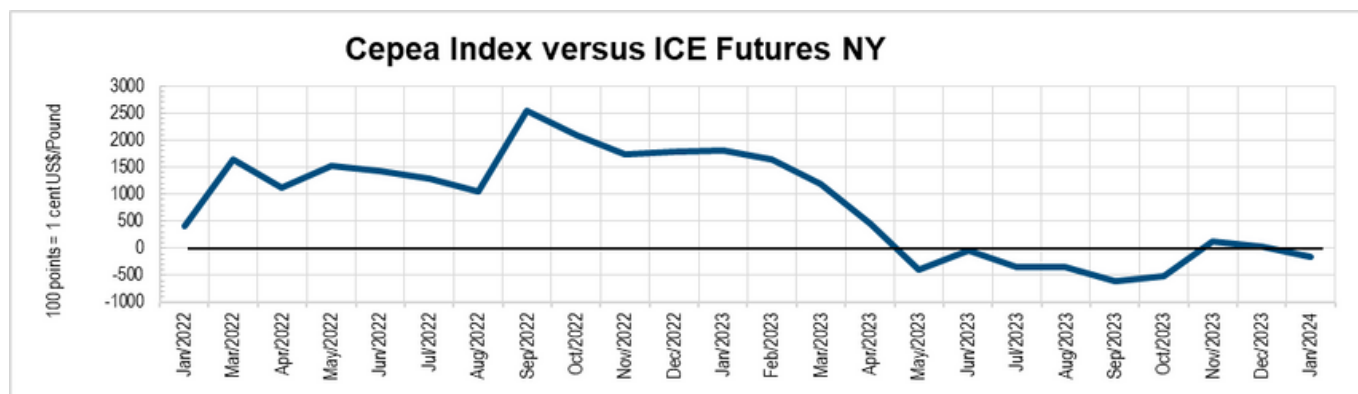
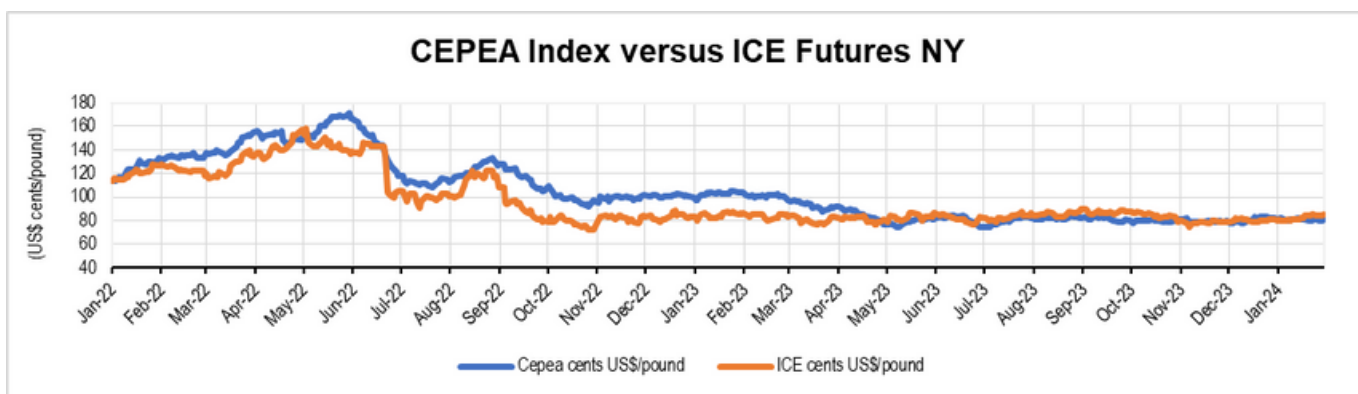
Monthly information on the Brazilian cotton crops and market news.
An information service produced and provided by Abrapa.

Ed. 34

February 15th 2024

6. PRICES

The Cepea price indicator ended January at 80.6 US\$ cents/pound, 2% below the price at the beginning of the month. At the same time, ICE (first contract) increased 5% resulting in the difference between domestic and international prices reaching -149 in January.



Source: Cepea/USP and ICE Futures, Feb 2024

*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

82% of Brazilian cotton has socio-environmental certification



Year after year, the commitment of Brazilian cotton farmers to responsible cotton production grows. The 2022/23 crop reached the record mark of **2.5 million of tonnes** of socio-environmentally certified cotton lint.

This volume corresponds to 82% of the country's total production (3.1 million tonnes) and represents a **28% increase** in relation to the 2021/22 agricultural season.

These data come from the Brazilian Cotton Growers Association (Abrapa), responsible for the "Brazilian Responsible Cotton" program (ABR). The ABR protocol is the main national socio-environmental certification standard for cotton in the country.

The main reason for this record is farmer engagement as the program was set up by the farmers themselves and adherence to the program is **100% voluntary**. By putting the ABR protocol into practice, they have transformed their farms into an **environmental preservation area** and have created a **healthy and respectful working environment** which is **more efficient and more productive**.

Brazilian certification began in 2012 and is run on-site by the state cotton growers associations. The ABR protocol covers **social, environmental and management aspects**, with 183 verification items which are checked on-site.

The ABR protocol is recognized by important organizations such as the Food and Agriculture Organization of the United Nations (FAO) and the **Textile Exchange**, in addition to working on benchmarking together with Better Cotton.

Click [here](#) to see the 2022/23 report in full!

[DOWNLOAD THE REPORT BY CLICKING HERE](#)



ABR Protocol (2022/23)

- 1.32 million hectares
- 82 municipalities
- 9 Brazilian states
- 11% of jobs held by women
- 4.6% higher yield than the national average