

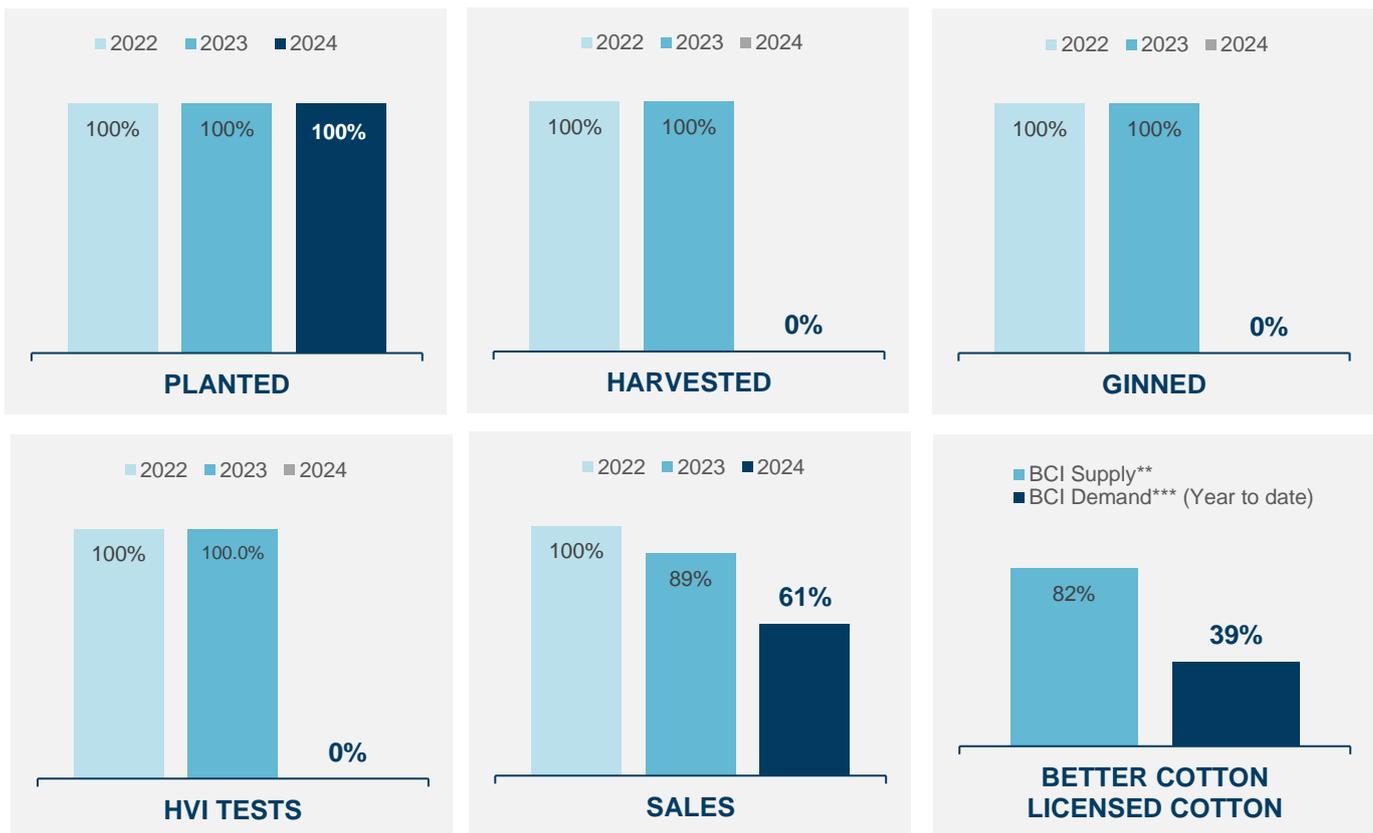


## 1. HIGHLIGHTS

- At the end of March, the HVI classing of the cotton from the 2023 crop **was concluded** (see the results at the end).
- The 2024 crop figures were updated by Abrapa, and they now forecast production of **3.5 million tonnes (7.7% above** that recorded in 2022/23).
- In March, exports **totalled 252,800 tonnes, 233% higher** than in March/23. Shipments so far in the market year (Aug/23-Mar/24), total **1.882 million tonnes** - which corresponds to **57.5% more** than the amount shipped from Aug/22 to Mar/23.

\*Market Year: Aug-23 to Jul-24

## 2. STATUS OF BRAZIL'S COTTON CROP



\* Percentage of cotton sold by growers to merchants

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

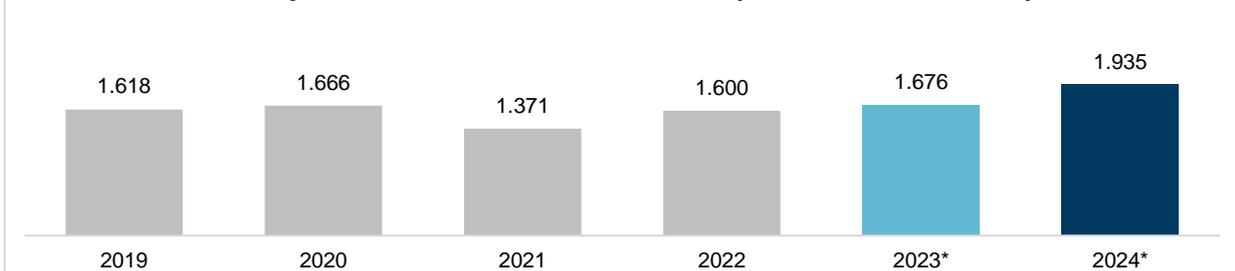
\*\*\* Better Cotton (BCI) units claimed by buyers for the marketing year to date as a % of total Brazilian cotton production (Market Year: Aug-23 to Jul-24)



## 3. 2024 CROP

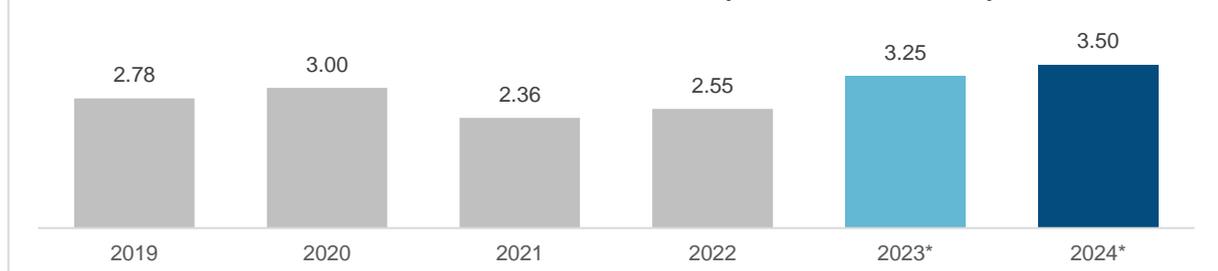
Abrapa updated its crop forecasts at the end of March, now predicting a planted area of **1.935 million hectares** and production of **3.5 million tonnes** of cotton. If confirmed, this will represent an **increase of 7.7%** compared to the volume harvested in the previous season.

Area planted with Cotton in Brazil (in million hectares)



Planting season in Brazil starts in November of the previous year

Cotton Lint Production (in million tonnes)



Source: Conab \*Forecast 2023 e 2024: Abrapa (Mar 2024)

From this, the average yield in Brazil is estimated to reach **1,809 kg/ha in 2024** – **6.7% below** the previous crop record.

Brazilian Cotton Harvest

PRODUCTION (million tons)	2019	2020	2021	2022	2023*	2024*	23 vs. 22 (%)	24 vs. 23 (%)
SEED COTTON (Lint + Seed)	6.95	7.37	5.80	6.27	7.80	8.45	24.4%	8.3%
LINT (COTTON)	2.78	3.00	2.36	2.55	3.25	3.50	27.5%	7.7%

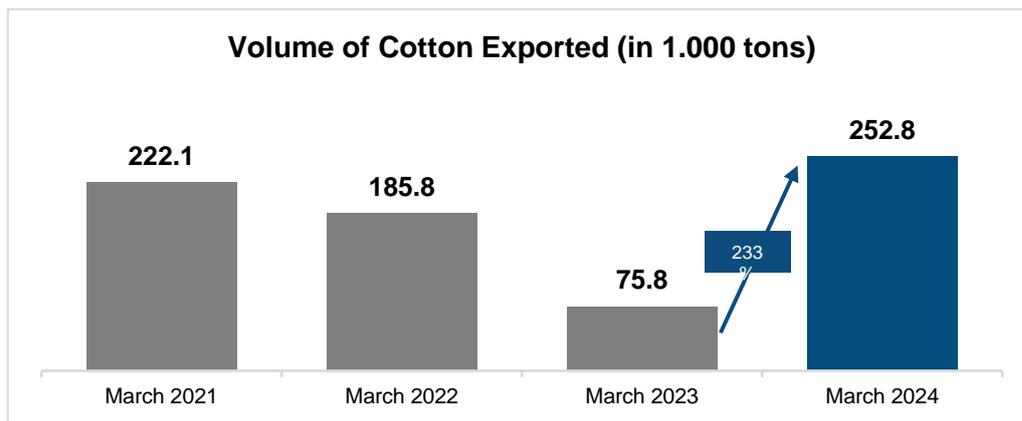
YIELD (kg/ha)	2019	2020	2021	2022	2023*	2024*	23 vs. 22 (%)	24 vs. 23 (%)
SEED COTTON (Lint + Seed)	4,292	4,427	4,230	3,921	4,716	4,372	20.3%	-7.3%
LINT (COTTON)	1,717	1,802	1,721	1,596	1,938	1,809	21.4%	-6.7%

Source: Conab \*Forecast: Abrapa (Mar 24)



## 4. EXPORT SHIPMENTS

Brazilian cotton exports reached a total of **252,800 tonnes** in March - **233% more** than that achieved in Mar/23. This represents the **best performance in March since 2021**.



Source: ComexStat – ME, Apr 2024

In March, **53% of Brazilian exports went to China** (134,600 tonnes).

**Vietnam** accounted for 17% of shipments (42,400 tonnes) and **Bangladesh** for 12% (31,200 tonnes).

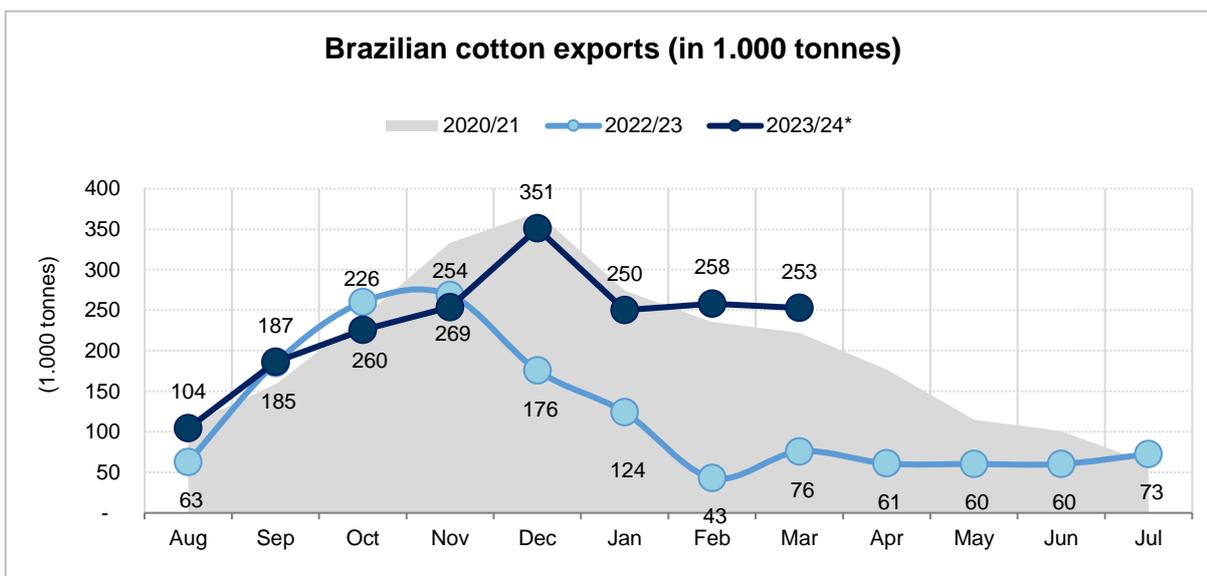
### Brazilian Cotton Top Export Destinations (Mar/24) in tons

China	134.628	53%
Vietnam	42.443	17%
Bangladesh	31.292	12%
Turkey	15.938	6%
Pakistan	10.259	4%
Indonesia	7.391	3%
Malaysia	7.334	3%
South Korea	1.696	1%
Egypt	0.764	0.3%
Thailand	0.346	0.1%
Others	0.693	0.3%
<b>Total</b>	<b>252.786</b>	

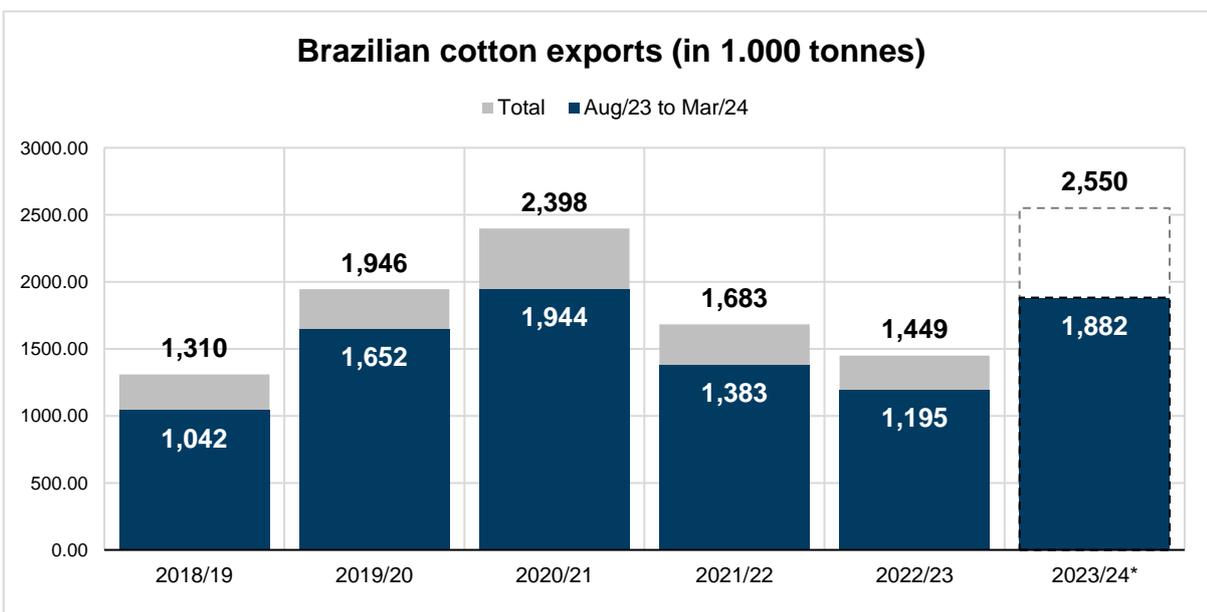
Source: ComexStat – ME, Apr 2024



With this performance of Brazilian cotton exports in March, Brazil maintains its **second-best performance since the 2018/19 market year.**



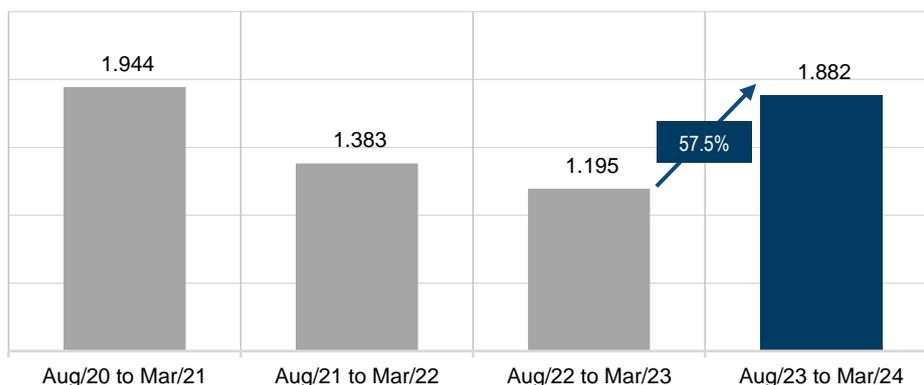
Source: ComexStat – ME, Apr 2024. [Market Year: August to July]



Source: ComexStat – ME, Apr 2024. [Market Year: August to July.] \* Forecast

From Aug/23 to Mar/24, Brazil exported **1.882 million tonnes** of cotton. This corresponds to **57.5% more** than what was achieved in the same period in the previous cycle and resulted in **revenues of US\$ 3.6 billion**.

### Total Volume of Cotton Exported (million tonnes)



Source: ComexStat – ME, Apr 2024

Overall, Brazil is approaching 2 million tonnes of exports (**1.88 million tonnes**) from Aug/23 to Mar/24.

**China** imported 1.13 million tonnes (61%), followed by **Vietnam** (233,900 tonnes; 12%) and **Bangladesh** (179,600 tonnes; 10%).

### Brazilian Cotton Top Export Destinations (Aug/23 to Mar/24) in 1,000 tons

China	1,139,619	61%
Vietnam	233,983	12%
Bangladesh	179,652	10%
Turkey	98,308	5%
Indonesia	79,886	4%
Pakistan	54,157	3%
Malaysia	48,631	3%
South Korea	20,953	1%
Egypt	8,521	0.5%
Portugal	6,761	0.4%
Others	11,622	1%
Total Geral	1,882,093	

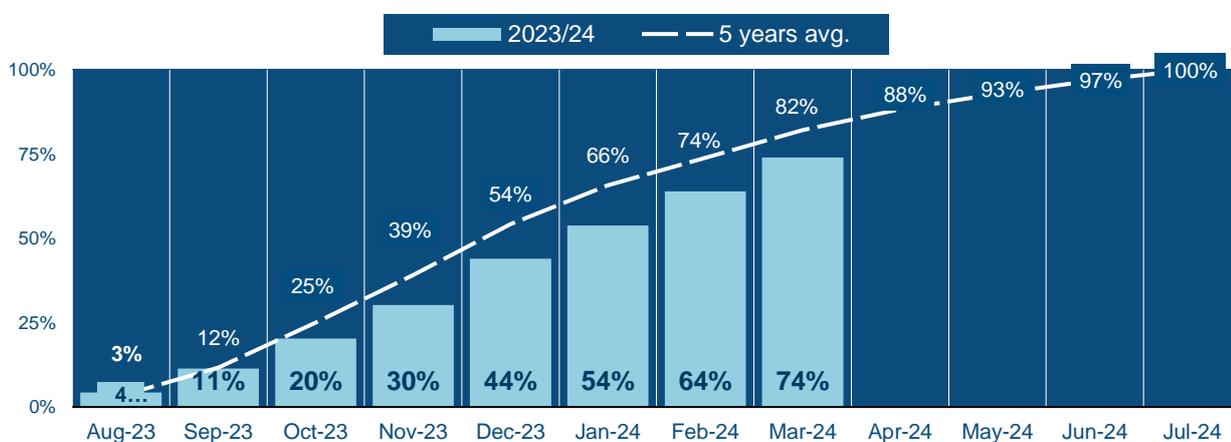
Source: ComexStat – ME, Apr 2024

## 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.

### 2023/24 Export Shipments vs Average % of Accumulated Exports by Area\*

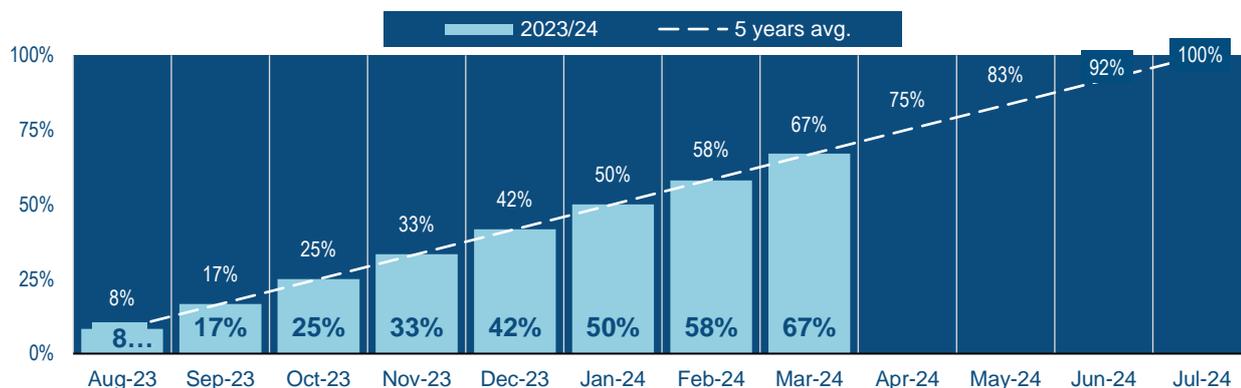
\*Brazilian exports for 23/24 estimated at 2.40 million tonnes by Area



Source: MDIC and ANEA

### 2023/24 Domestic use estimate vs. accumulated domestic use 5-year avg

Domestic consumption estimated at 730 thousand tonnes (Aug23-Jul24)

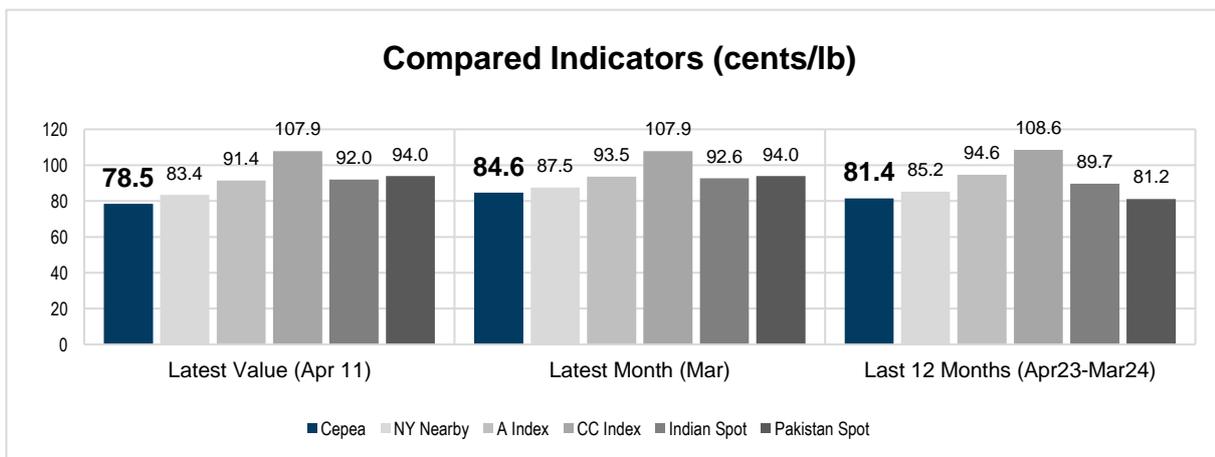
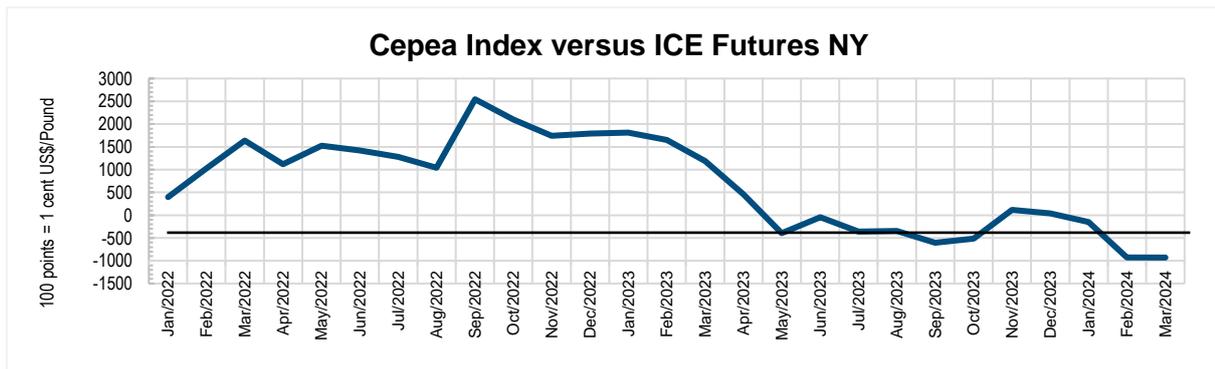
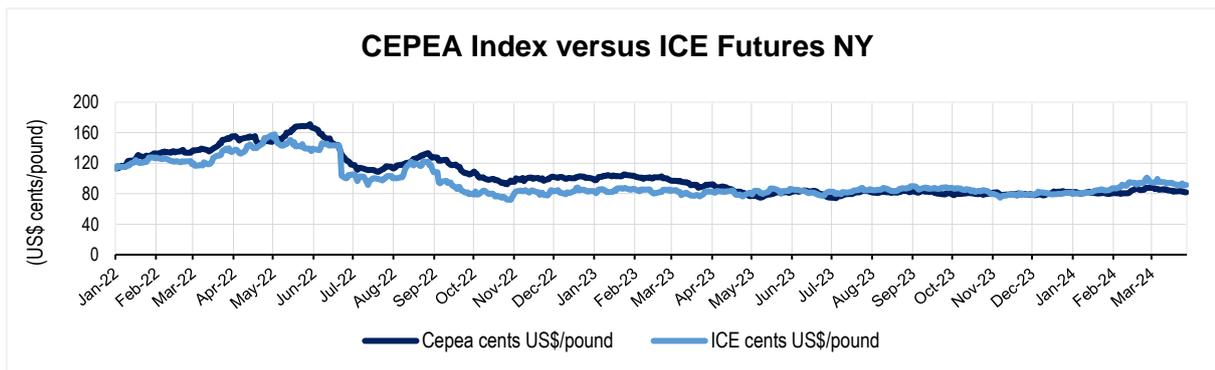


Source: Abrapa, Conab and Abit



## 6. PRICES

In March, the Cepea/Esalq indicator **dropped 13.5%**, ending the month at **81.6 cents per pound**. In NY, the May/24 contract closed the month **down 4.3%** and finished the month at **91.38 cents per pound**.



Source: Cepea/USP and ICE Futures, Apr/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

## Brazil achieved its best short fiber index in the last three seasons

In March, Abrapa concluded the HVI tests for the 2023 crop. The result confirms the continuous improvement of Brazilian cotton, crop after crop. Among the highlights is the short fiber index, which has achieved its best rate in the last three crops.

In all, more than 15.4 million cotton samples were HVI tested. Brazil has a national network of 12 classing labs and 73 HVI instruments to ensure that 100% of the export bales are tested.

In the 2023 crop season, Brazil made significant progress especially in the short fibre index. The 2023 crop had 76.43% of the samples withing the ideal range (less than 10% with a length of

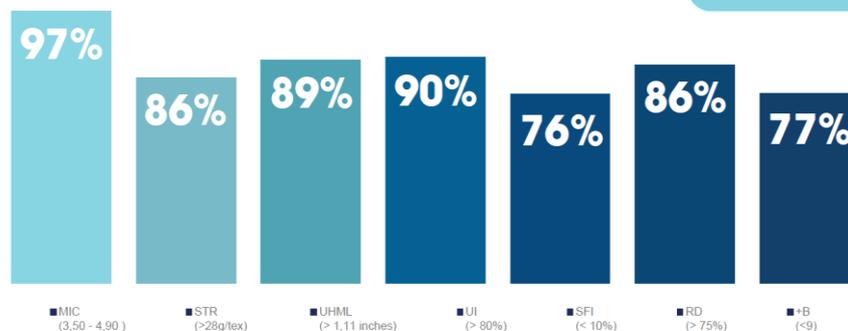
0.5 inches). This result reflects the investments made by cotton farmers in scientific research and development, together with favorable weather conditions.

One aspect to keep an eye on was the colour grade. The fibre yellowing grade was affected by the high temperatures. Since the volume produced in the 2023 crop increased significantly, some of the cotton rolls were left out in the fields for a longer time before they were taken to the gin.

The Quality Report for the 2023 Crop is now available on the Cotton Brazil website in English. **Click here to download.**

### Indicators - 2023 crop

Source: Brazilian HVI Laboratories, March 2024



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