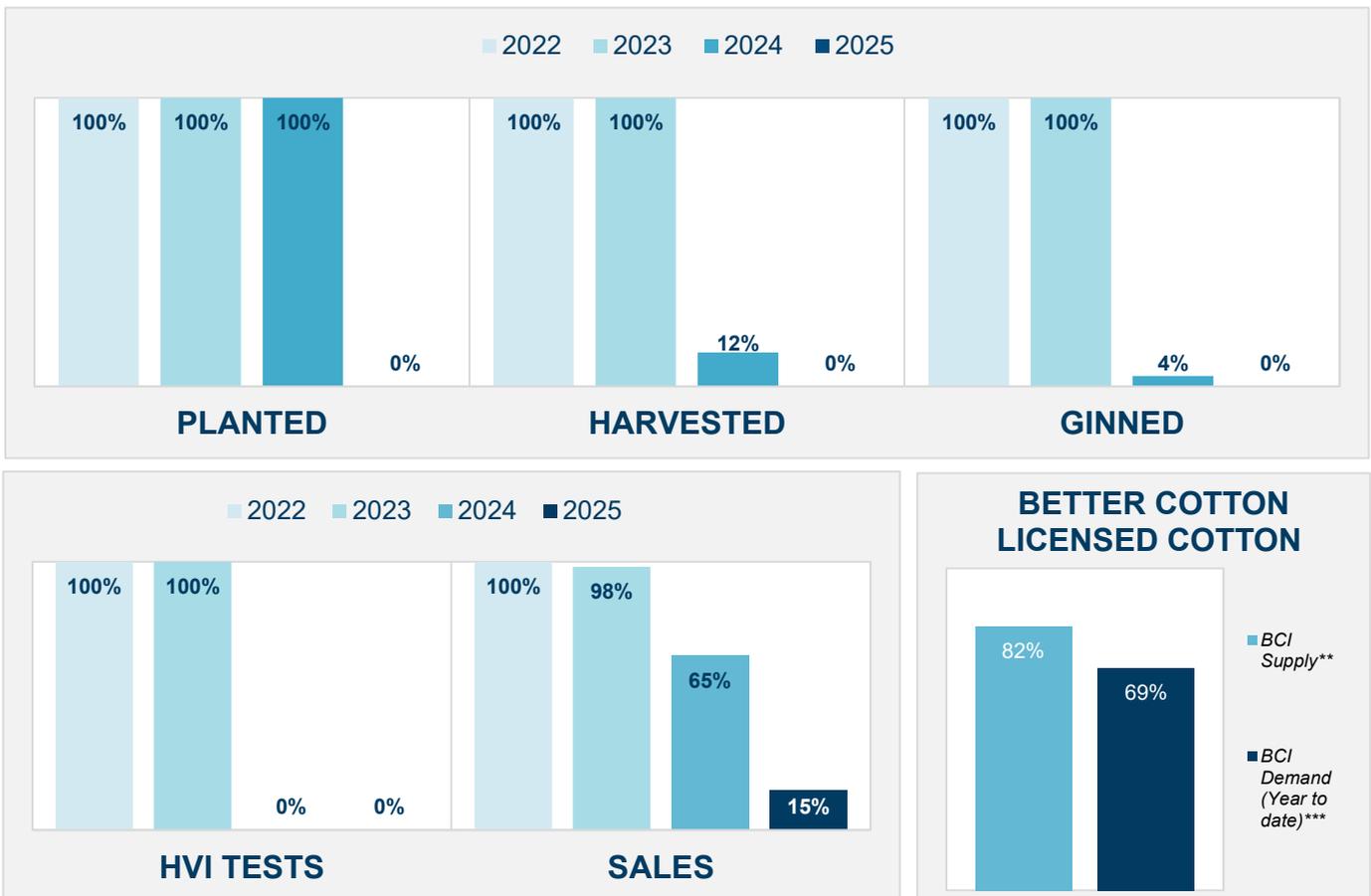


## 1. HIGHLIGHTS

- With 12% of the crop picked by the beginning of the month, harvesting will intensify in Brazil during July as the Mato Grosso harvest gets into full swing. At present, 4% of the 2024 crop has been ginned.
- Abrapa has updated its crop forecasts for the 2024 crop, predicting a planted area of 1.9 million hectares and a yield of 3.67 million tonnes.
- Monthly exports were 160.4 thousand tonnes, reaching a cumulative total of 2.51 million tonnes between Aug/23 and June/24 - the best performance ever recorded.
- In **Made In Brazil**: Better Cotton Conference, ICAC Mission and Anea Cotton Dinner.

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

## 2. STATUS OF BRAZIL'S COTTON CROP



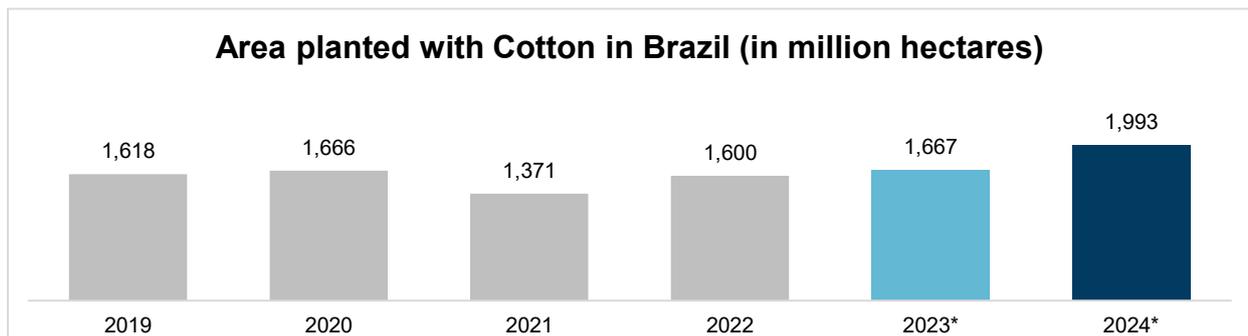
\* Percentage of cotton sold by growers to merchants

\*\* 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)

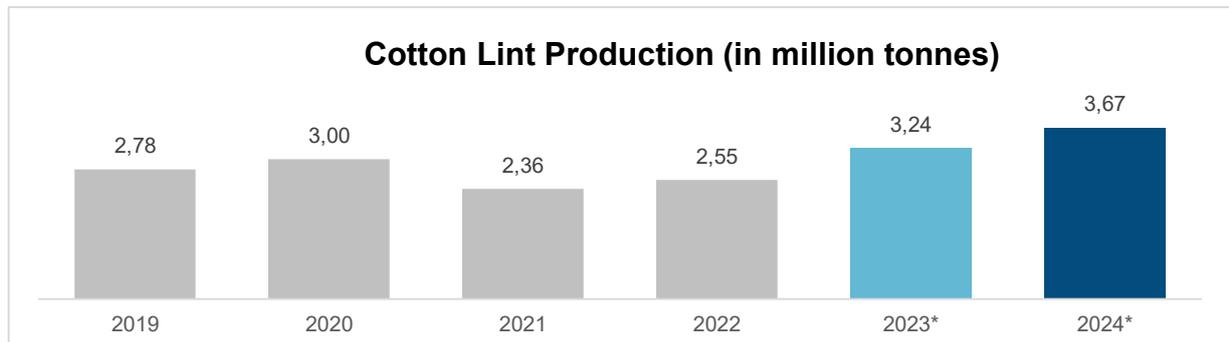


## 3. 2024 CROP

In June, Abrapa released a new estimate for the 2024 crop, which is now beginning to be picked in Brazil. The planted area is expected to be 1.9 million hectares. The yield estimate is 3.67 million tonnes of cotton - a 13% higher volume than that achieved in the previous season.



Planting season in Brazil starts in November of the previous year



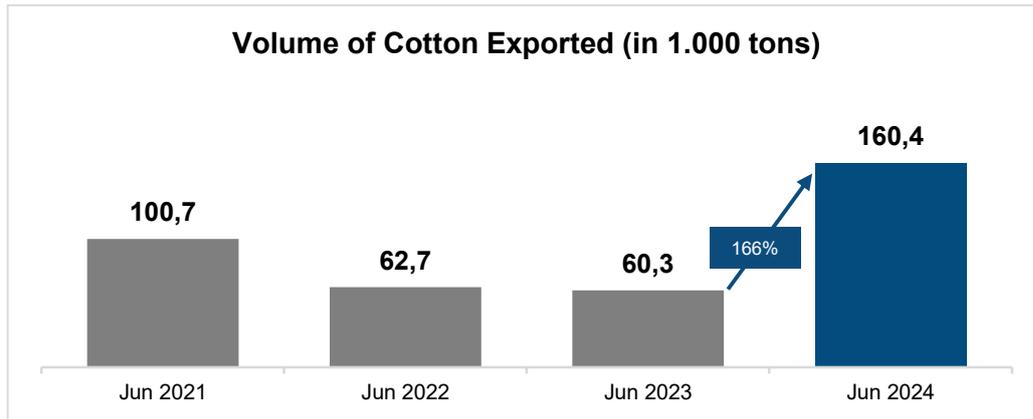
Source: Conab. \*Forecast 2023 and 2024: Abrapa (Jun 24)

With this, the Brazilian yield data was updated to 1,841 kg/ha - 5.1% below that obtained in the previous season.

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	7.70	8.86	22.8%	15.0%
LINT (COTTON)	2.78	3.00	2.36	2.55	3.23	3.67	26.6%	13.4%
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	4,628	4,447	18.0%	-4.0%
LINT (COTTON)	1,717	1,802	1,721	1,596	1,940	1,841	21.4%	-5.1%

## 4. EXPORT SHIPMENTS

In June, Brazil exported 160.4 thousand tonnes of cotton, generating revenues of US\$303.8 million for the month. Sales exceeded the amount recorded in June/23 by 166% and reduced by 30% compared with May/24.

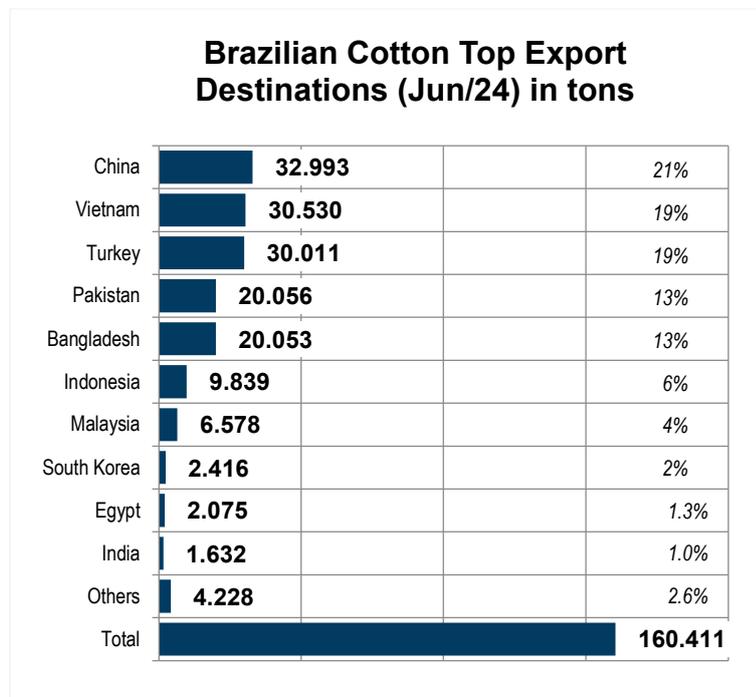


Source: ComexStat – ME, Jul/2024

In June, China retook its position at the top of the ranking of countries importing Brazilian cotton, with the purchase of 32.9 thousand tonnes (21% of the total).

After China come Vietnam (30.5 thousand tonnes) and Türkiye (30 thousand tonnes).

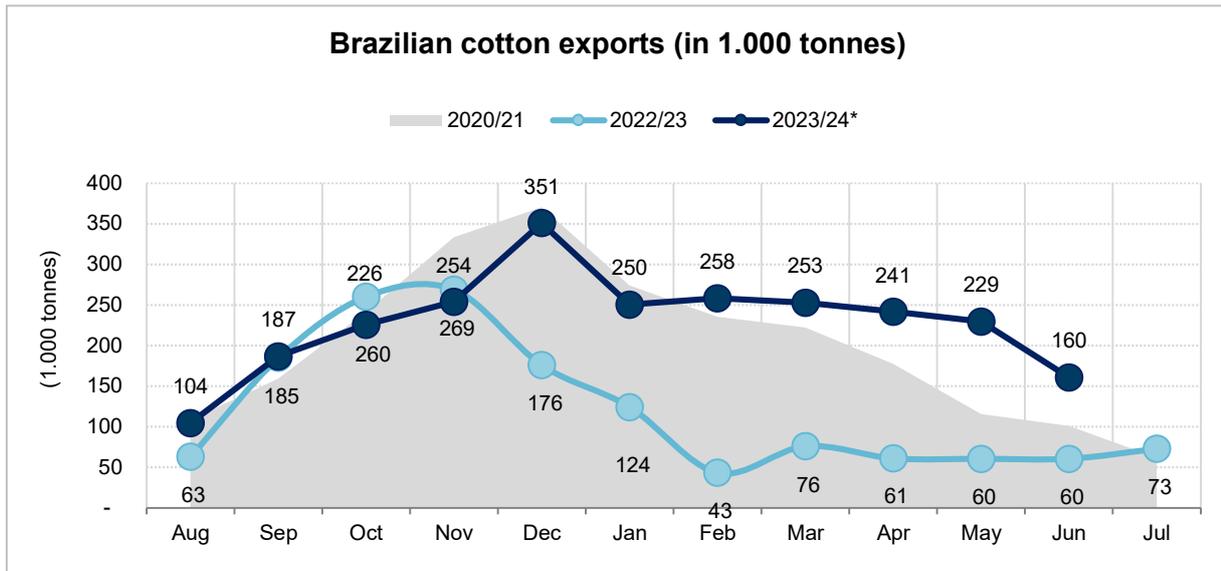
The three main destinations represented 58% of the total amount shipped.



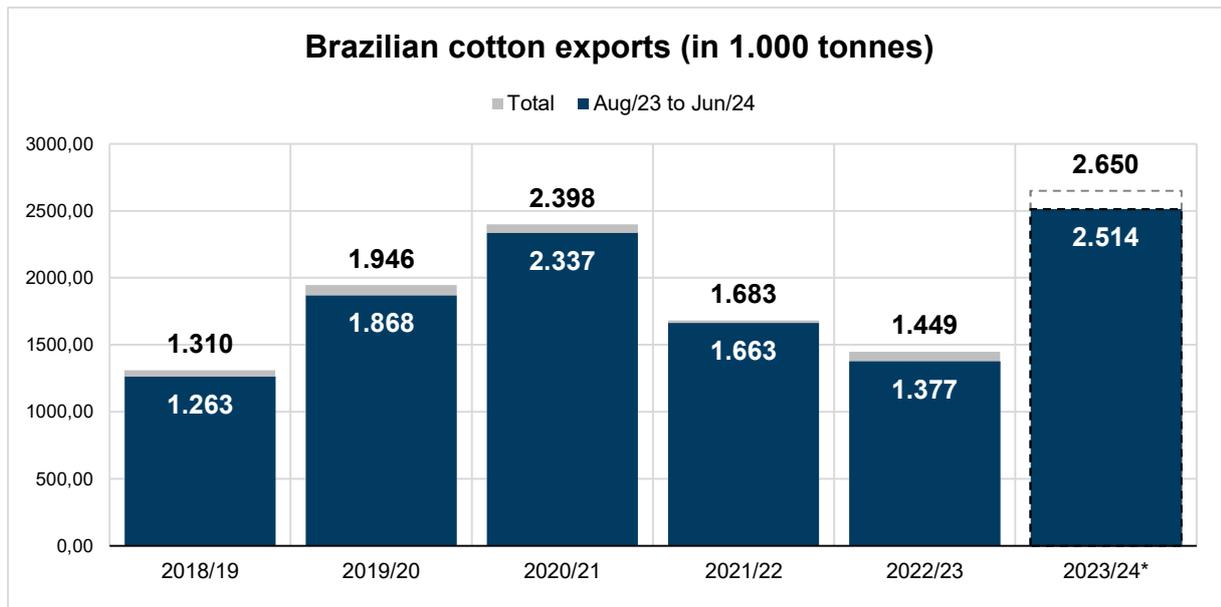
Source: ComexStat – ME, Jul/2024



June is the **seventh consecutive month** in the 2023/24 market year in which **monthly export volumes have exceeded that recorded in the 2022/23 cycle**. This represents the best performance in this period (August to Jun) in the history of Brazilian cotton exports.



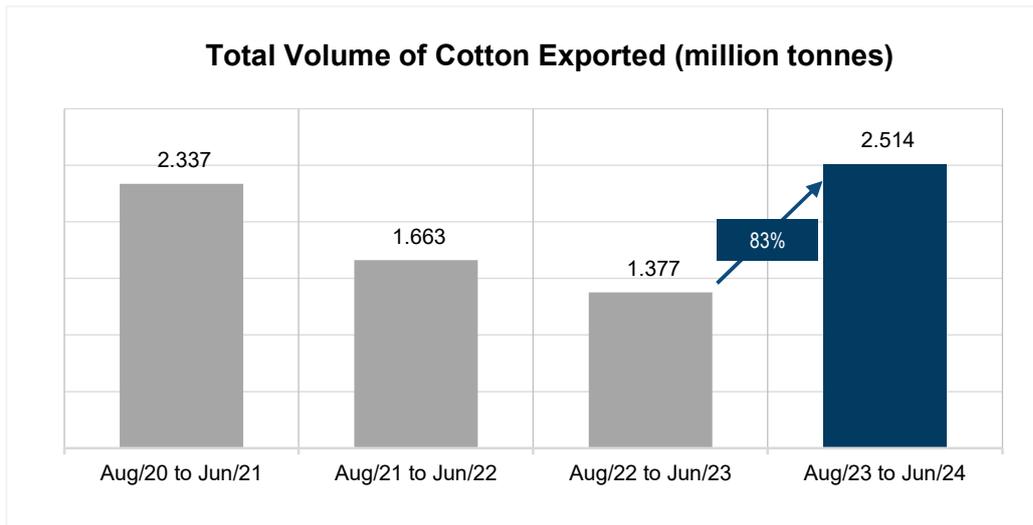
Source: ComexStat – ME, Jul/2024. [Market Year: August to July]



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



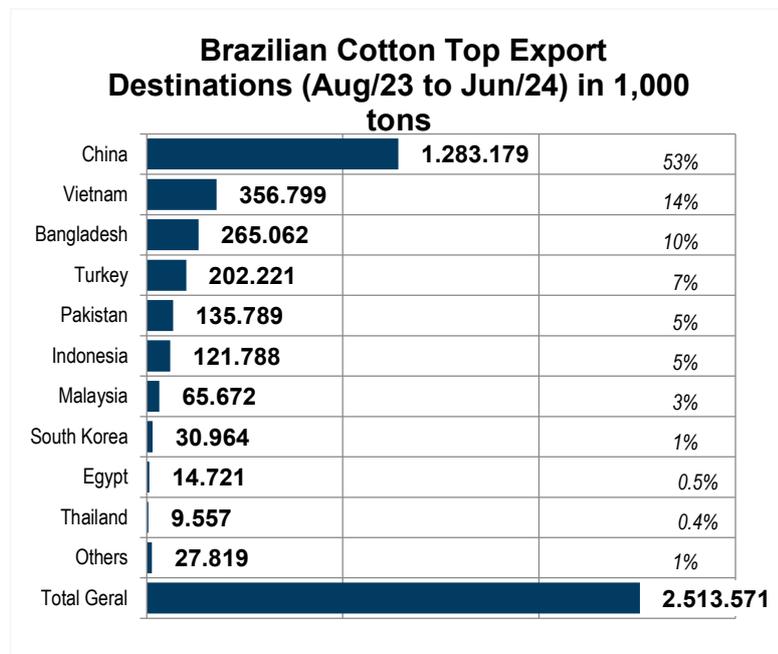
From Aug/23 to Jun/24, Brazil exported **2.51 million tonnes of cotton - 82.6% above** that recorded in the same period of 2022/23. This volume is a **record** and generated revenues of US\$4.8 billion.



Source: ComexStat – ME, Jul 2024

China continues to lead in imports of Brazilian cotton in the 2023/24 marketing year. Up to June, China purchased 1.28 million tonnes, equivalent to 53% of the total.

After China come Vietnam (356.7 thousand tonnes - 14%) and Bangladesh (265 thousand tonnes - 10%).

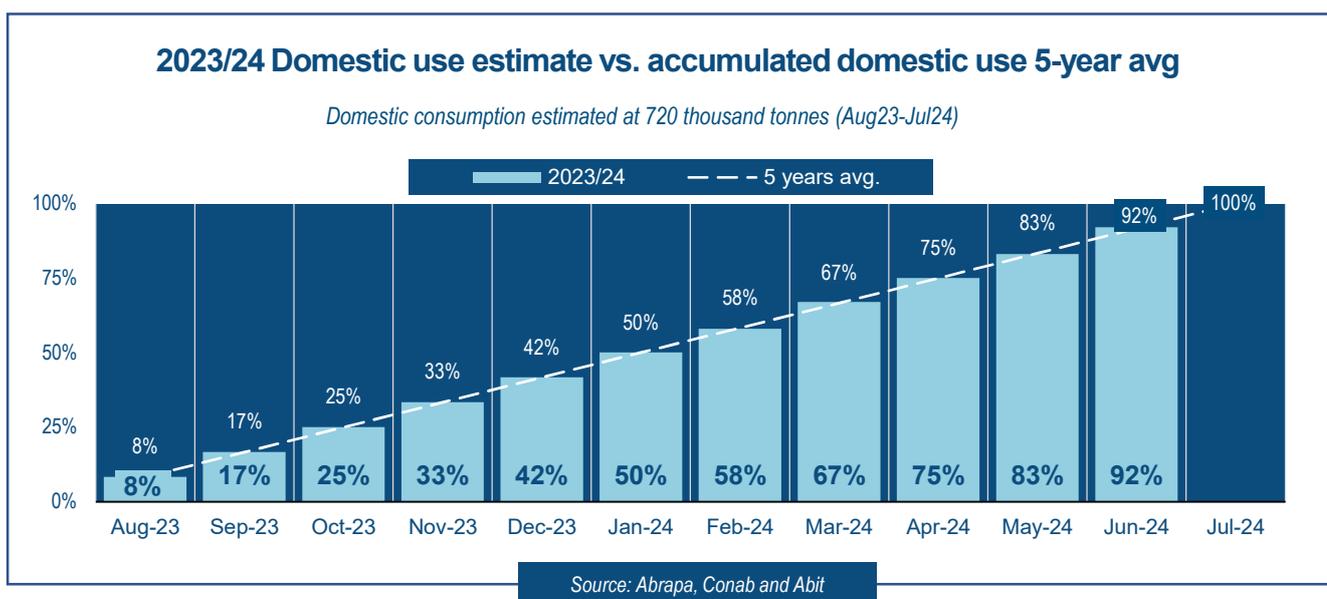
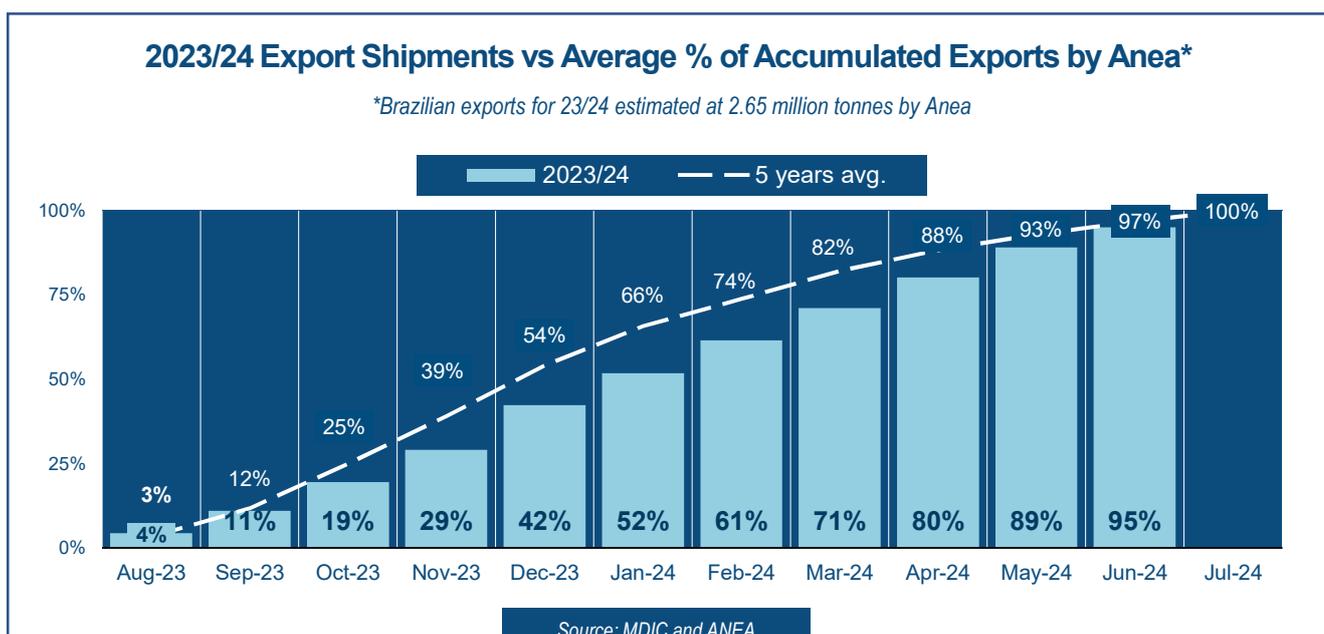


Source: ComexStat – ME, Jul 2024



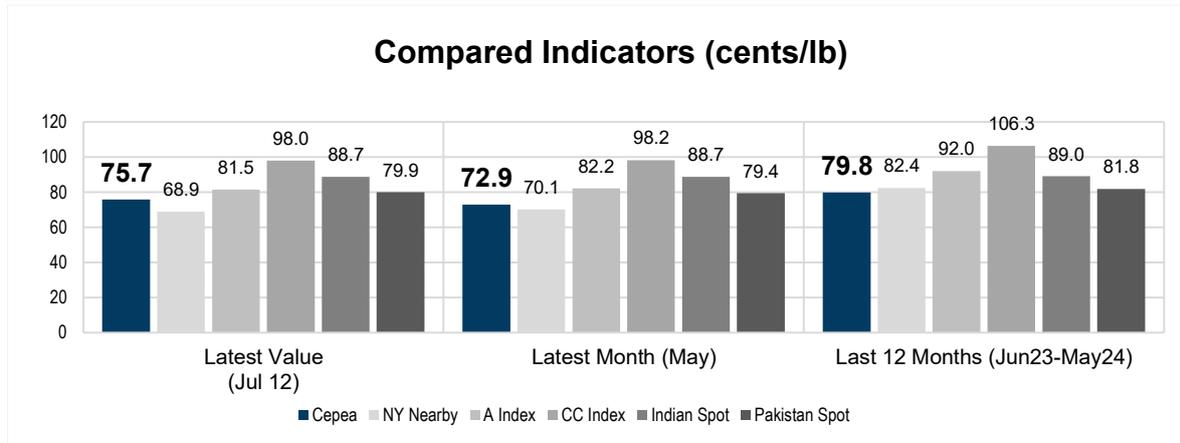
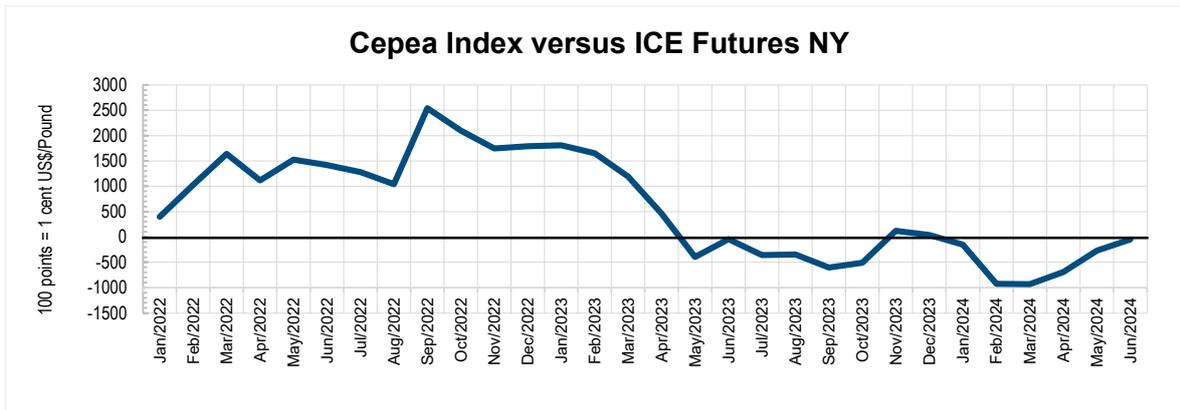
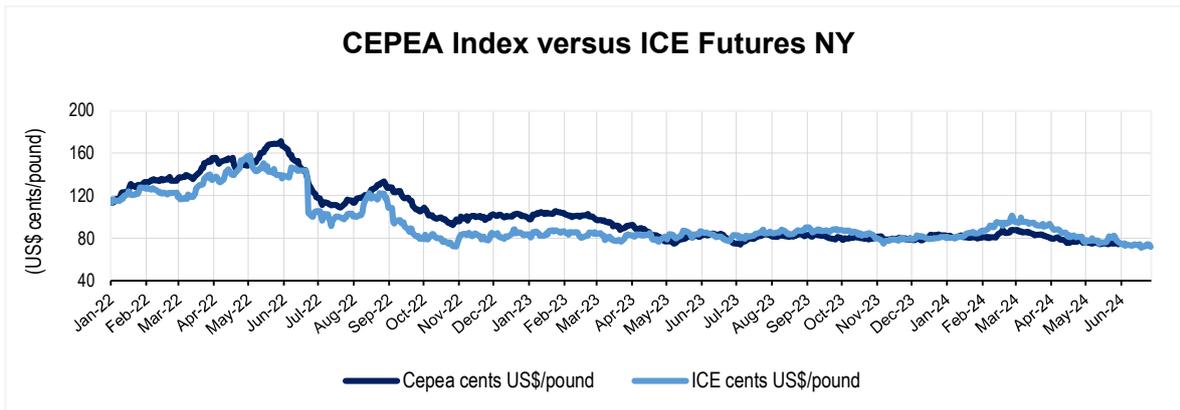
## 5. 2023/24 MARKET YEAR EXPORTS AND DOMESTIC USE

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.



## 6. PRICES

In Jun, the Cepea/Esalq Cotton index **dropped 4.2%**, ending the month at 71.0 cents per pound. In NY, the Oct/24 contract closed the month at 71.6 cents per pound, **6.4% lower** than the beginning of the month.



Source: Cepea/USP and ICE Futures, Jul/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

#### Better Cotton Conference, ICAC Mission and Anea Cotton Dinner in June

June was marked by Abrapa's participation in the Better Cotton Conference in Turkey, the reception of an ICAC delegation in Brazil and a webinar at the Anea Cotton Dinner.

At the Better Cotton conference, the focus was on furthering the dialogue with global retailers, NGOs and Better Cotton executives with regard to traceability and responsible production.

**ICAC** - During the visit by the ICAC delegation they were able to get a personal experience of the Brazilian cotton production process. On a farm in the state of Mato Grosso, the ICAC representatives could see how Brazilian cotton is tracked in practice.

The schedule also included a visit to the "Mato Grosso Research Institute" (IMAmt), where the work on using biologicals, management practices and regenerative agriculture is carried out. The ICAC executives also visited a biological crop protection factory.



Fernando Rati (Cotton Brazil), Lorena Ruiz (ICAC), Alexandre Schenkel (Abrapa) e Eric Trachtenberg (ICAC)

In Brasília, the capital of the country, they visited the Brazilian Reference Center for Cotton Analysis (CBRA), responsible for standardizing the classing of Brazilian cotton according to international standards.

**ANEA COTTON DINNER** - For the third year in a row, Cotton Brazil promoted a webinar on the international market during the ANEA Cotton Dinner.

This year's guest was Varun Vaid, analyst and strategic consultant at Wazir Advisors, who specialises in the global textile market. Varun argued that demand for natural fibres will increase as production expands.



### Use of bioinputs is growing in Brazil

*The trade in biological products for agricultural management in Brazil generated the equivalent of US\$924 million in the 2023/24 season.*

*Over the last three years, the bio-inputs market has had an average annual growth rate of 21%. According to Croplife research, it is the highest growth rate in the world.*

*Cotton farming is one of the agriculture activities that has contributed to the increasing use of biological products for pest management in Brazil.*



*This information appears in a Reuters report - **click to read in full.***