

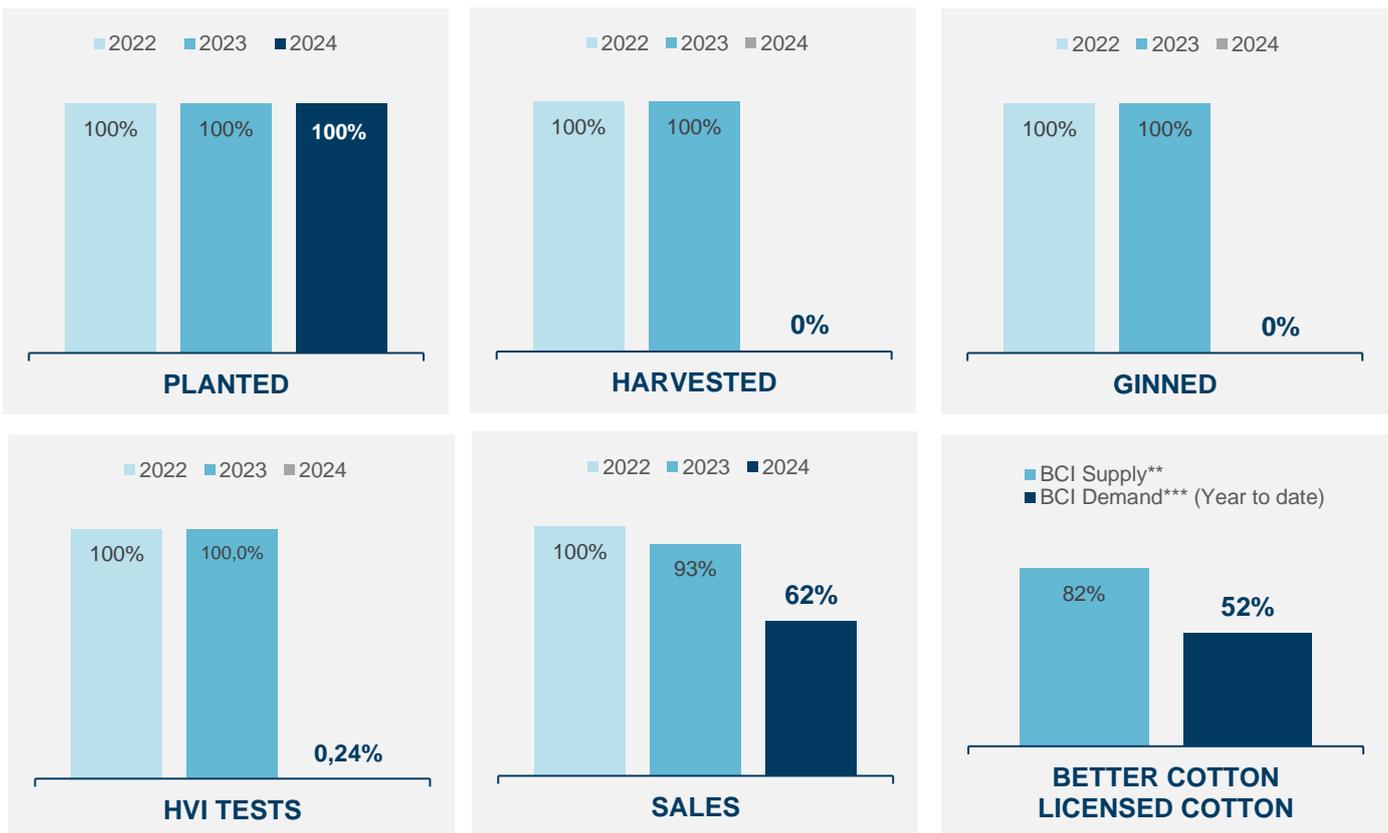


## 1. HIGHLIGHTS

- At this moment, cotton bolls are beginning to open in some Brazilian producing regions. Producers are **gearing up for the harvest**, which starts in May and intensifies in June.
- By the end of April, **93%** of the total Brazilian cotton crop for 2023 had been sold. Pre-sales for the 2024 crop reached **62%**.
- In April, exports **totalled 241.5 thousand tonnes, 296% higher** than in Apr/23. Shipments so far in the market year (Aug/23-Apr/24) total **2.124 million tonnes** - which corresponds to **69.1% more** than the amount shipped from Aug/22 to Apr/23.

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

## 2. STATUS OF BRAZIL'S COTTON CROP



\* Percentage of cotton sold by growers to merchants

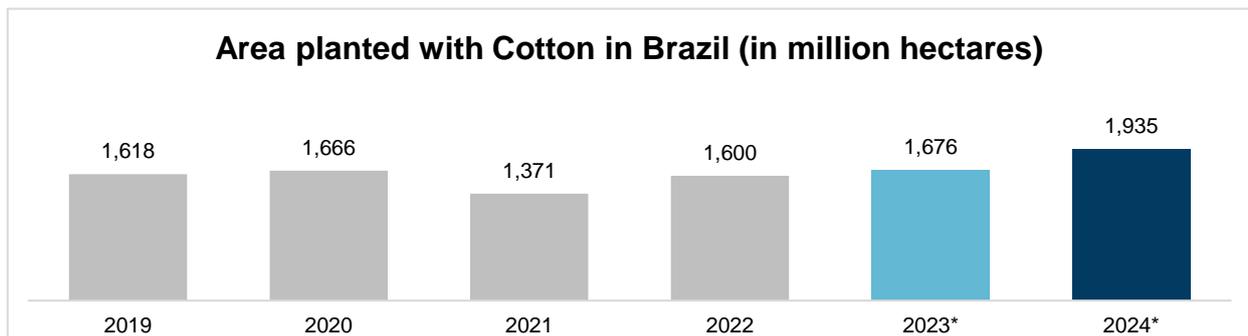
\*\* Better Cotton (BCI) licensed cotton volume in Brazil as a % of total Brazilian cotton production (2023 Crop year)

\*\*\* 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)

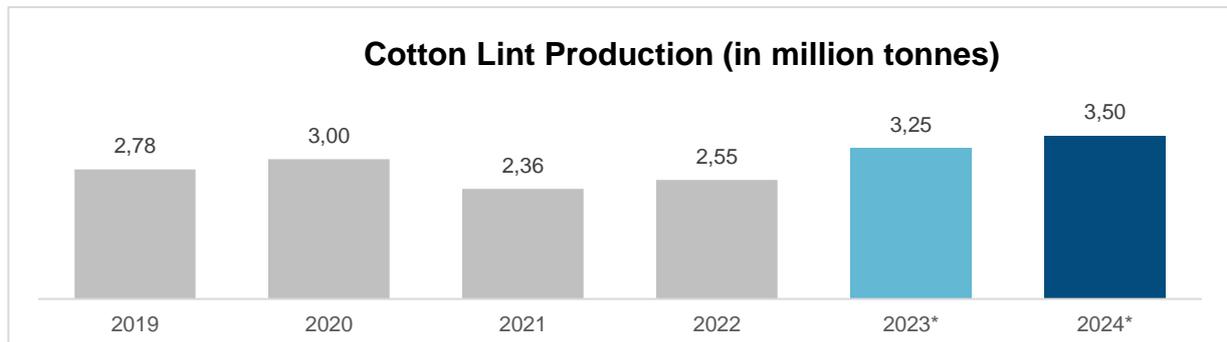


## 3. 2024 CROP

According to Abrapa, the area planted to cotton in Brazil is expected to reach **1.935 million hectares** for the 2024 crop. As a result, production is expected to reach **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.



Planting season in Brazil starts in November of the previous year



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

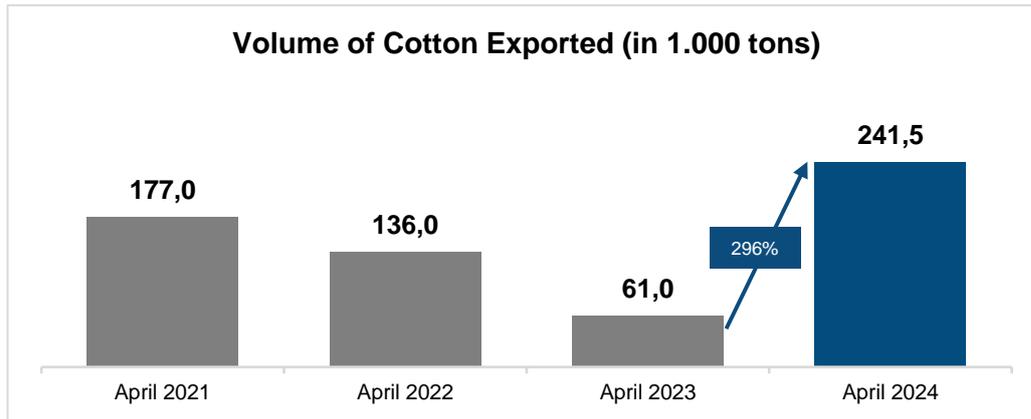
From this, the average yield in Brazil is estimated to reach **1,809 kg/ha in 2024** – **6.7% below** the previous crop record.

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

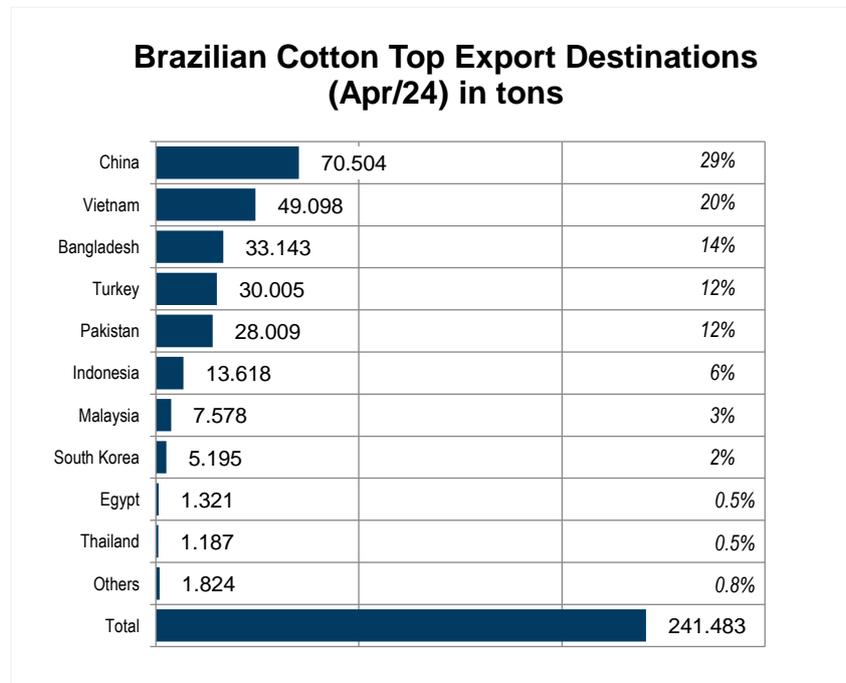
In April, Brazilian cotton exports reached a total of **241.5 thousand tonnes** - **296%** more than that achieved in Apr/23. This represents the **best performance in April since 2021**.



Source: ComexStat – ME, May 2024

In April, **29% of Brazilian exports went to China** (70,504 tonnes).

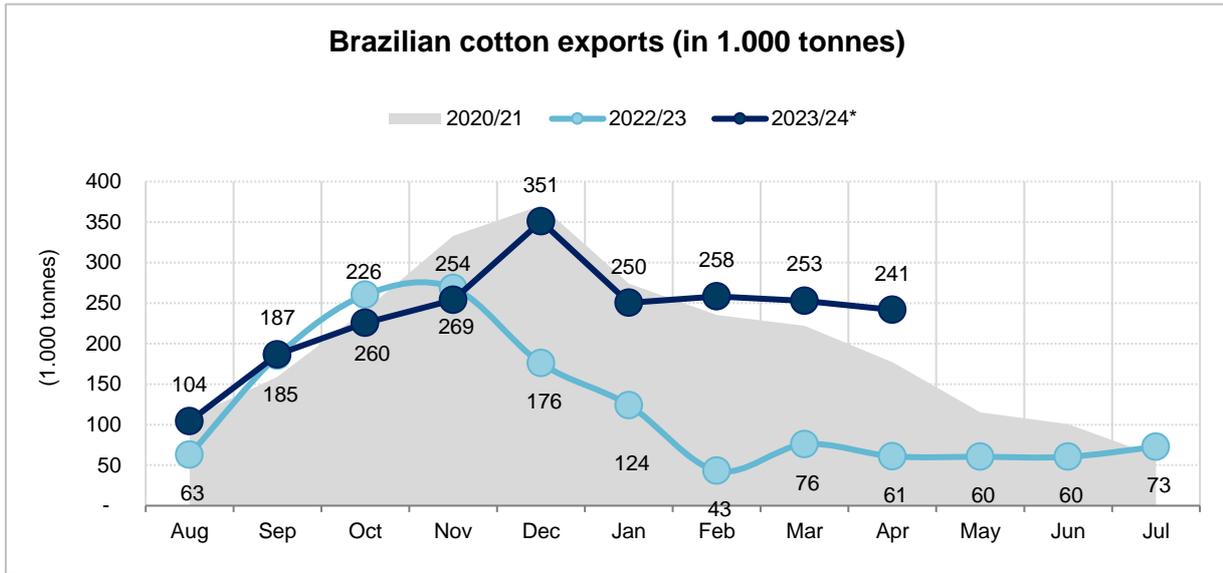
**Vietnam** accounted for 20% of shipments (49,098 tonnes) and **Bangladesh** for 14% (33,143 tonnes).



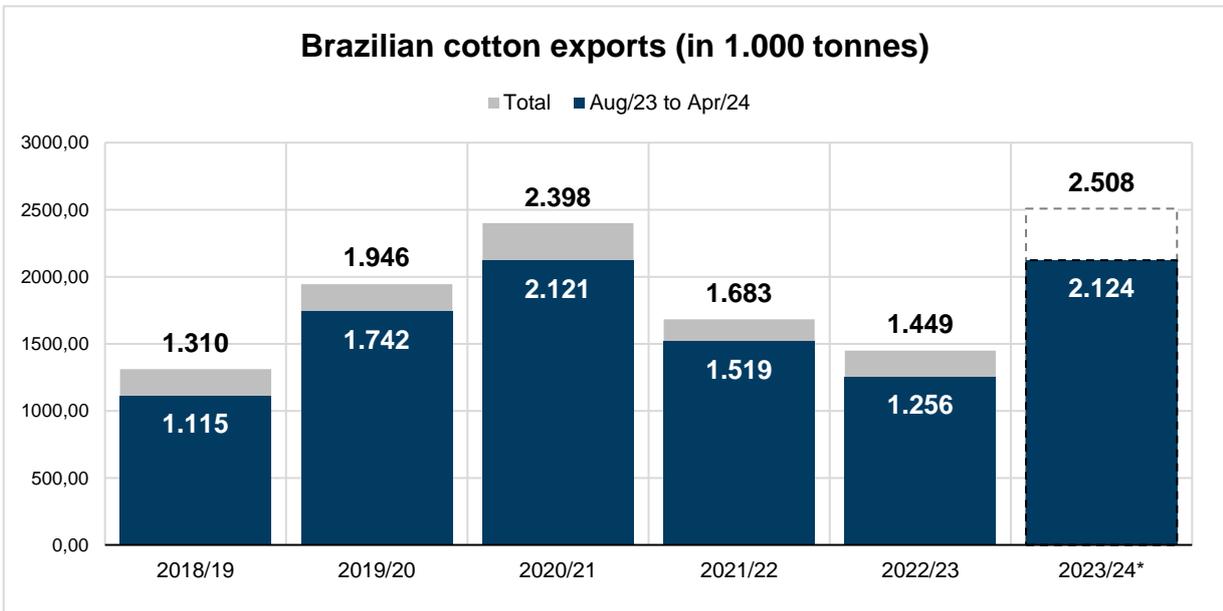
Source: ComexStat – ME, May 2024



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



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

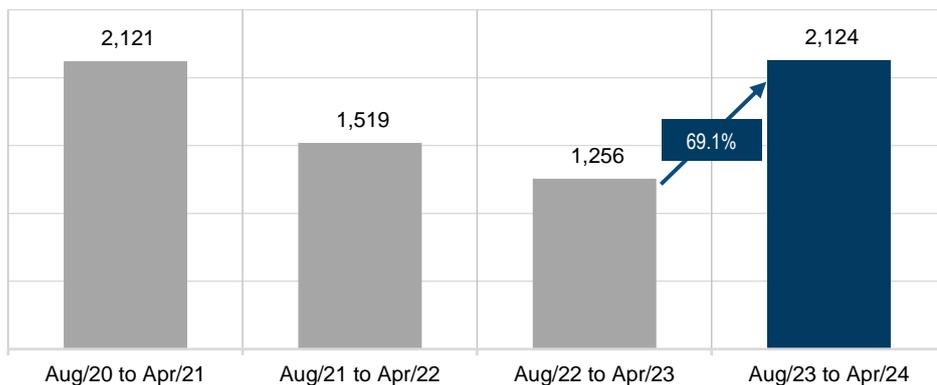


Source: ComexStat – ME, May 2024. [Market Year: August to July.] \* Forecast



From Aug/23 to Apr/24, Brazil exported **2.124 million tonnes** of cotton. This corresponds to **69.1% more** than what was achieved in the same period in the previous cycle and resulted in **revenues of US\$ 4.074 billion**.

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



Source: ComexStat – ME, May 2024

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

China	1.210.889	57%
Vietnam	283.089	13%
Bangladesh	209.978	10%
Turkey	126.317	6%
Indonesia	94.310	4%
Pakistan	87.300	4%
Malaysia	54.186	3%
South Korea	26.148	1%
Egypt	9.708	0.5%
Portugal	7.756	0.4%
Others	13.895	0.7%
<b>Total Geral</b>	<b>2.123.575</b>	

Source: ComexStat – ME, May 2024

Cumulatively, from 23 August to 24 April, Brazil has already **exceeded the 2 million tonne mark** (2.12 million tonnes).

**China** imported 1.21 million tonnes (57%), followed by **Vietnam** (283,089 tonnes; 13%) and **Bangladesh** (209,978 tonnes; 10%).

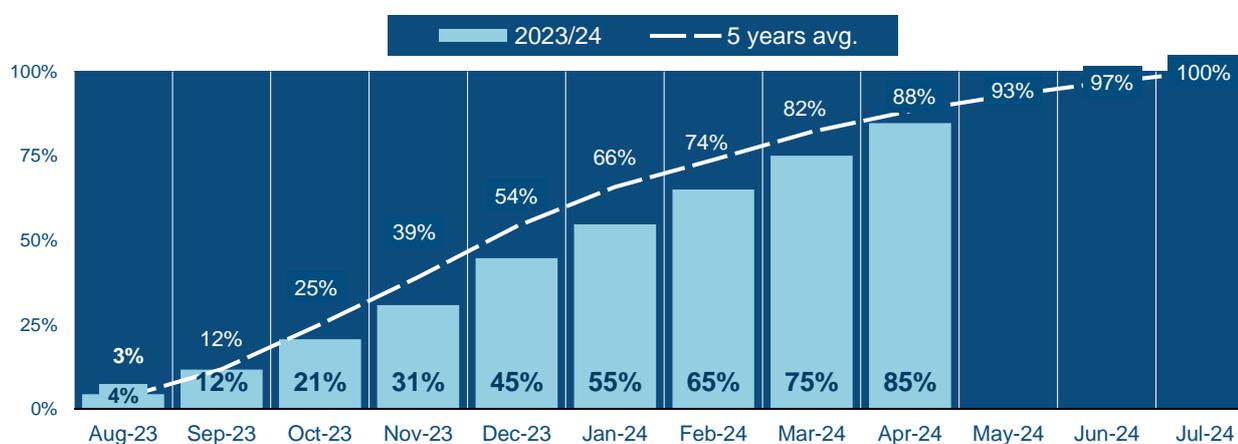


## 5. 2023/24 MARKET YEAR EXPORTS AND DOMESTIC USE

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 2.5 million tonnes by Area



Source: MDIC and ANEA

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

Domestic consumption estimated at 720 thousand tonnes (Aug23-Jul24)

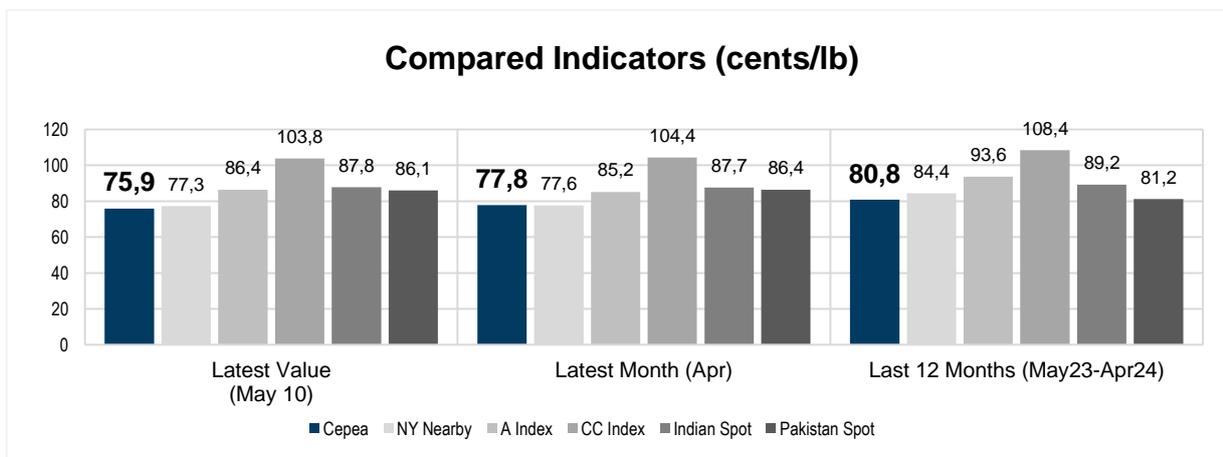
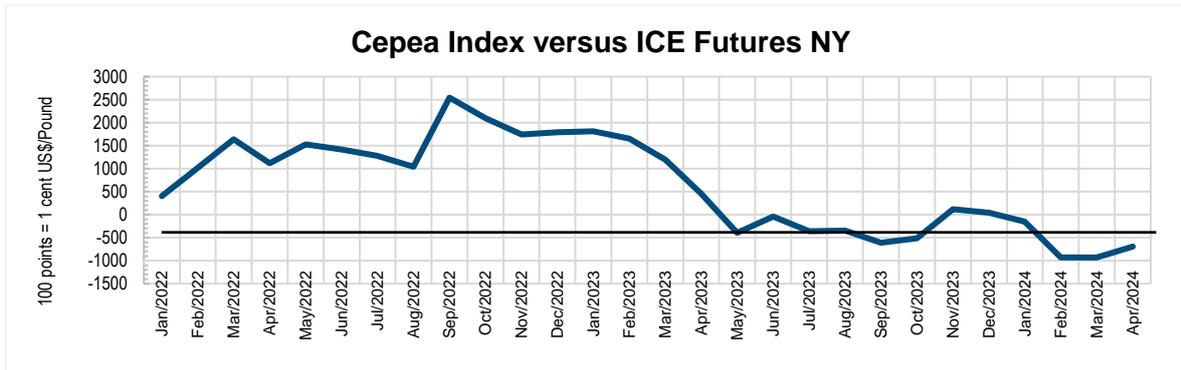
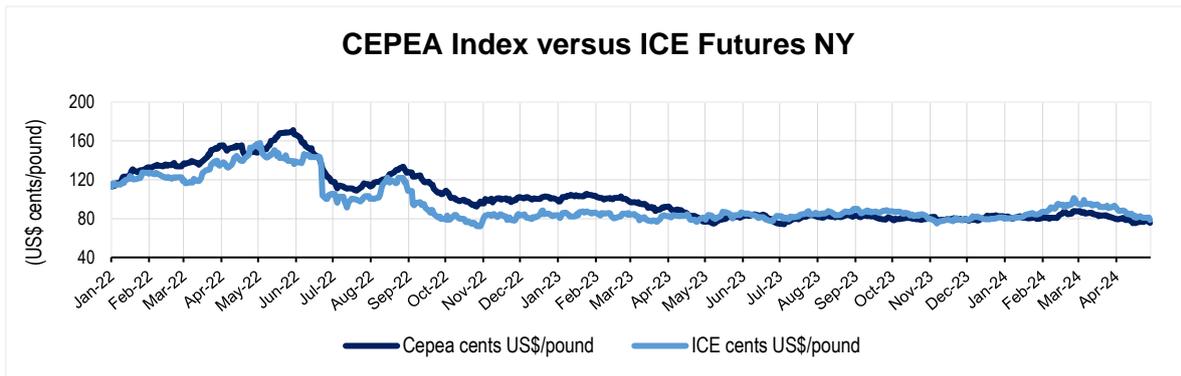


Source: Abrapa, Conab and Abit



## 6. PRICES

In April, the Cepea/Esalq Cotton index dropped 5.9%, ending the month at 81.6 cents per pound. In NY, the Jul/24 contract closed the month at 78.52 cents per pound, 15.9% lower than the beginning of the month.



Source: Cepea/USP and ICE Futures, May/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



## Egypt and Türkiye are hosting the Cotton Brazil mission

One year and four months after Egypt opened its market to Brazilian cotton, Abrapa is promoting Cotton Brazil's fifth international mission in 2024 in Egypt.

From May 12th to May 19th, a delegation of 12 Brazilian representatives is taking part in the ***Egypt-Türkiye Mission***.

The schedule includes meetings with the most relevant Egyptian sectorial entities, such as the **Cotton Arbitration and Testing General Organization (CATGO)** and the Alexandria Cotton Exporters Association (Alcotexa).

The Egypt agenda also includes a technical visit to spinning mills, the Egyptian Ministry of Agriculture, and the Cotton Research Centre.

The capital, Cairo, is hosting an edition of the 'Cotton Brazil Outlook' seminar, during which the current status of the 2024 Brazilian crop and the prospects for the 2025 crop are being presented.

Another edition of the seminar is taking place in Antalya, Turkey, for a select audience of industrialists, executives, and investors.

