

U.S. Cotton Textile Imports Rise as Expected in 2005

The U.S. retail market for cotton textile and apparel products is the largest in the world, with products supplied by over 150 countries. In calendar year 2005, U.S. cotton textile imports are expected to continue higher, just as they have done for the past 16 years. However, the complete quota elimination that became effective in January 2005 has the potential to raise imports substantially this year if the first 3 months of data are indicative. In addition, the expectation of fewer suppliers accounting for a larger share of the U.S. market is also evident.

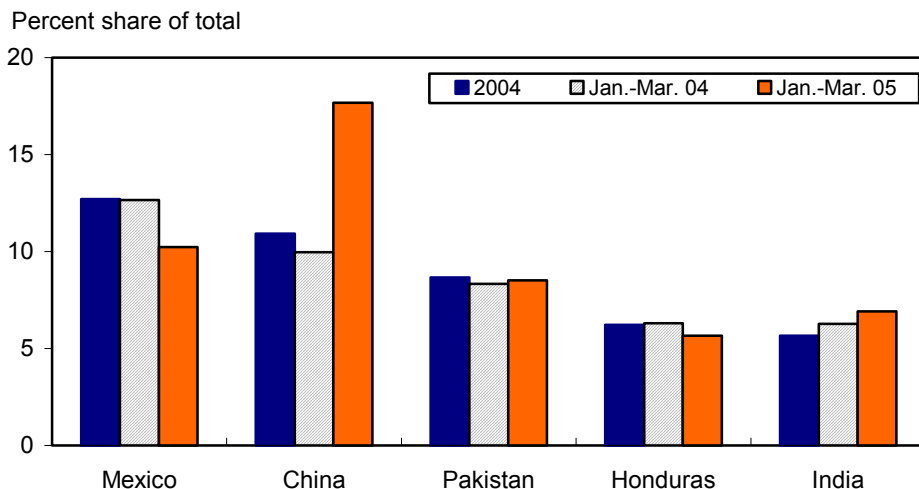
In 2004, U.S. cotton textile imports reached the equivalent of 19.8 million bales of raw cotton, a record. The top five supplying countries in order of rank were Mexico, China, Pakistan, Honduras, and India; these countries accounted for 44 percent of the total products imported in 2004, similar to the first quarter of 2004. With data for the first quarter of 2005 now available, a quick comparison can be made with a year ago. Overall, U.S. cotton textile imports have risen about 12 percent during the first quarter of 2005, compared with a year earlier. Meanwhile, the top five countries remain the same but now account for 49 percent of total U.S. imports.

However, a look at the individual countries illustrates the diverse changes occurring in the global textile industry. Mexico, the leading source in 2004, is now ranked second; more importantly though, the data indicate a decline in both volume as well as percentage terms. In contrast, China is now the leading supplier, nearly doubling the volume shipped to the United States during the first quarter of 2005 and garnering nearly an 18-percent share of U.S. imported products, up sharply. Although smaller, Pakistan and India have also experienced gains in both volume and share in the quarter, rising 14 and 23 percent, respectively, in volume from 2004. On the other hand, Honduras' shipments to the U.S. market have been stable but account for a smaller share as the U.S. total has grown. While early in the year, these data provide some insights for the rest of 2005 U.S. cotton textile imports.

Note: The U.S. cotton textile and apparel market has expanded by one-third over the past decade.

Note: Mexico's shipments to the United States declined 10 percent during the first 3 months of 2005, compared with a year earlier.

Figure 5
U.S. cotton textile import shares from top suppliers



Source: ERS' raw-fiber equivalent calculations compiled from U.S. Bureau of Census data.