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Cotton and Wool Outlook: April 2025

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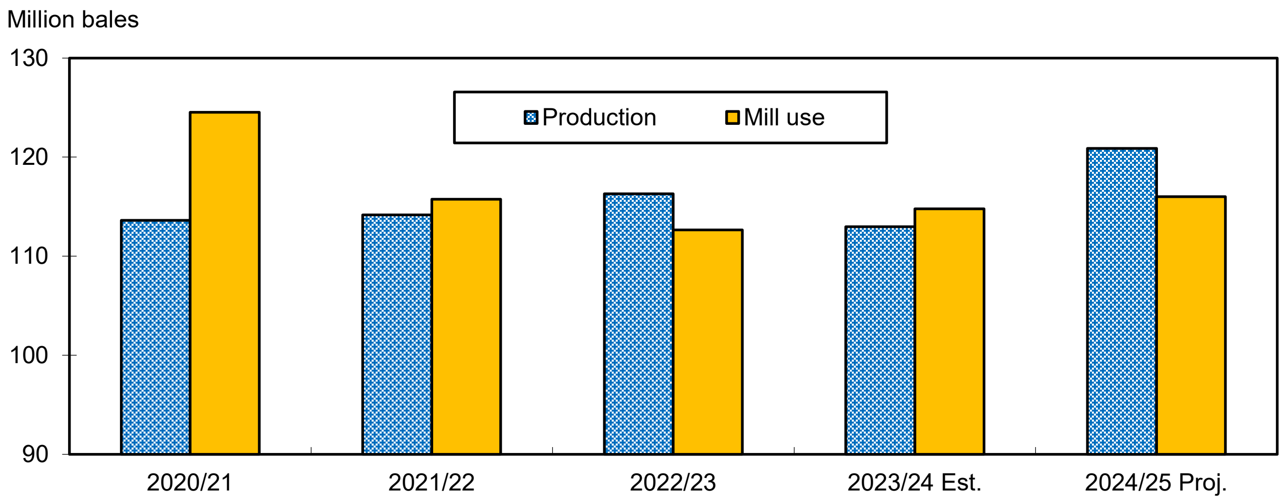
Global Cotton Production Forecast at 7-Year High

The latest U.S. Department of Agriculture (USDA) cotton projections for 2024/25 (August–July) forecast global production at 120.9 million bales, down slightly month over month but a 7-percent increase from 2023/24 and the highest total since 2017/18 (figure 1). The major producing countries are projected to be mixed in 2024/25, as declines in India and Pakistan are offset by larger year over year increases in China, Brazil, the United States, and Australia.

Global mill use is projected to increase slightly in 2024/25 to 116.0 million bales, up 1.2 million bales (1.1 percent) from 2023/24. Among the top spinning countries, however, only China is projected lower this season. World production in 2024/25 exceeds the mill use estimate, with global ending stocks rising nearly 7 percent. World cotton stocks are projected at 78.9 million bales, the second-highest level since 2015/16. World imports are forecast at 42.4 million bales this season, down 4 percent from 2023/24, as a significant decrease in China's imports more than offsets gains in other countries.

Figure 1
Global cotton production and mill use



1 bale = 480 pounds.
Source: USDA, Economic Research Service based on USDA, *World Agricultural Supply and Demand Estimates* reports.

Approved by USDA's World Agricultural Outlook Board

Domestic Outlook

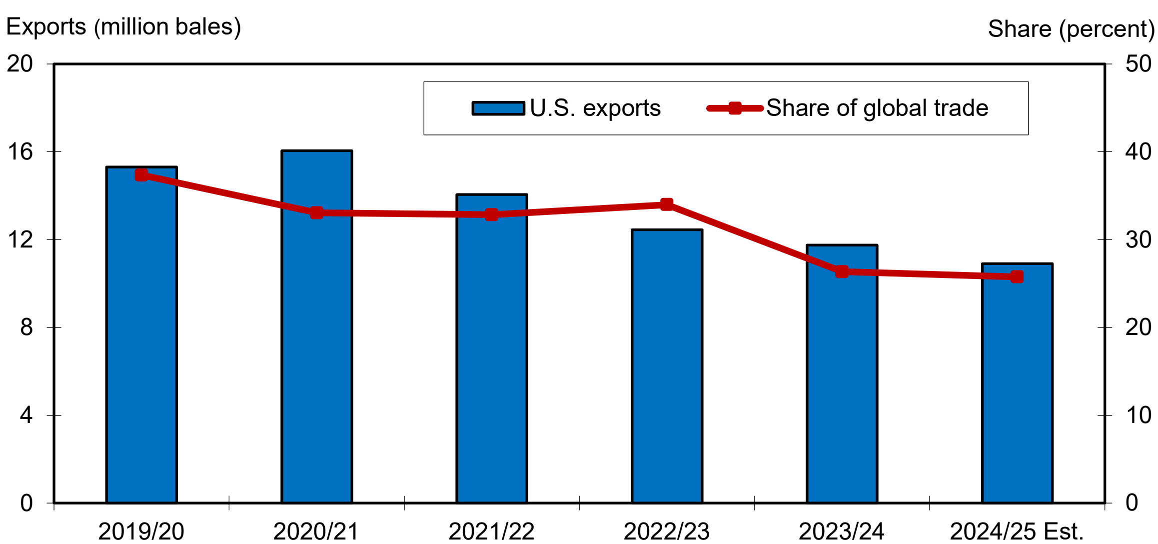
U.S. Cotton Supply Estimates Unchanged; Exports Reduced

The 2024/25 U.S. cotton crop remains estimated at 14.4 million bales (upland at 13.9 million bales and extra-long staple (ELS) at 468,000 bales). This estimate is 19 percent above the 2023 crop but near 2022/23's level. USDA will release the final U.S. cotton production estimates for the 2024 crop on May 12. Based on the latest production estimate and beginning stocks of 3.15 million bales, the 2024/25 U.S. cotton supply totals approximately 17.6 million bales, 5 percent above 2023/24 but the second lowest since 2015/16.

U.S. cotton demand in 2024/25 is projected at 12.6 million bales—1 million below 2023/24 and similar to 2015/16—with U.S. mill use and exports both lower this season. U.S. cotton mill use is forecast at 1.7 million bales in 2024/25—the lowest in 145 years—as competition from synthetic fibers and uncertainties surrounding the global economy limit spinning activity. Based on data through the first 7 months of 2024/25, U.S. textile mills used approximately 1 million bales of cotton, 8 percent below the comparable period of 2023/24.

U.S. cotton exports also are forecast lower this season due to reduced foreign import demand—particularly from China—and increased competition from other major producers, most notably Brazil. Exports are projected at 10.9 million bales in 2024/25, 850,000 bales below 2023/24 and the lowest shipments in 9 years. During the first 8 months of 2024/25, U.S. cotton exports totaled nearly 7.1 million bales, or 65 percent of this season's forecast, with the shipment pace expected to follow seasonal shipping patterns over the next several months. As a result, the U.S. share of global trade is forecast at 26 percent, compared with the 3-year average of 31 percent (figure 2).

Figure 2
U.S. cotton exports and share of global trade



1 bale = 480 pounds.

Source: USDA, Economic Research Service using data from USDA, *World Agricultural Supply and Demand Estimates* reports.

U.S. Ending Stocks Revised in April; Farm Price Unchanged

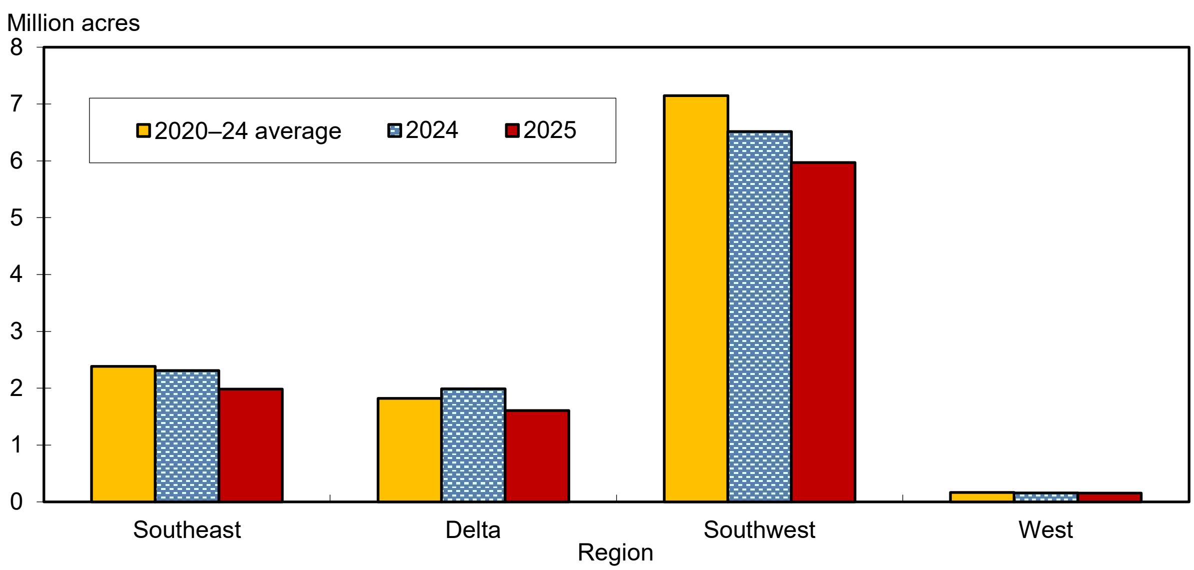
U.S. cotton ending stocks for 2024/25 are forecast at 5.0 million bales, 1.85 million bales above 2023/24 and the highest in 5 years. The current stocks-to-use ratio is estimated at 40 percent, compared with the previous 3-year average of about 28 percent. U.S. cotton prices have weakened this season based on higher ending stocks and limited growth of global cotton demand in 2024/25. The average U.S. upland cotton farm price for 2024/25 is projected at 63 cents per pound, unchanged from the March forecast and beneath 2023/24's 76.1 cents per pound.

Lower U.S. Cotton Plantings Projected for 2025/26

Total U.S. cotton planted acreage is projected 12 percent lower in 2025/26 after an increase of more than 9 percent in 2024/25. Based on the USDA, National Agricultural Statistics Service's (NASS) *Prospective Plantings* report that surveyed farmers in early March, producers intend to plant approximately 9.9 million acres of cotton in 2025. The initial projection is 1.3 million acres below 2024 plantings and the lowest in 10 years. Upland acreage is forecast at 9.7 million acres in 2025, while ELS area is expected at 157,000 acres. (For area projections by State and region, see table 10 associated with this report.)

Upland cotton area is expected to decline from last season as harvest price expectations for cotton have been less favorable than those for competing crops this spring. Each of the four Cotton Belt regions are forecast to plant fewer cotton acres in 2025, with the key Southwest region accounting for much of the area decrease (figure 3). The seasonal outlook for most of the Southwest for the upcoming growing season is for above normal temperatures and below normal precipitation, with weather expected to again play a critical role in the 2025/26 cotton crop outcome. As of early April, only 4 percent of the expected U.S. cotton area was planted. Consequently, the 2025 planting intentions remain provisional and estimates will be updated at the end of June in USDA, NASS's *Acreage* report.

Figure 3
U.S. regional upland cotton planted area



Source: USDA, Economic Research Service based on USDA, National Agricultural Statistics Service's March 2025 *Prospective Plantings* report.

The Southwest is forecast to plant 6.0 million acres to upland cotton in 2025, nearly 550,000 acres below 2024 and the lowest area in a decade. Corn and sorghum acreage in the region are each forecast to increase from the year before. The Southwest is expected to account for nearly 62 percent of total U.S. upland cotton acreage in 2025 and similar to the region's 5-year average. Consequently, production prospects in the region will play an influential role in the size of the 2025 U.S. cotton crop.

In the Southeast, 2025 cotton plantings are expected to decline 14 percent (328,000 acres) from a year ago to approximately 2.0 million acres, with higher area planted to alternative crops, particularly corn and peanuts. Cotton acreage in the Southeast is expected to contribute 20 percent of the U.S. upland total and near the 5-year average. In the Delta, where cotton area is forecast to decrease 19 percent (385,000 acres), 2025 upland acreage is projected at 1.6 million acres, the lowest in nearly a decade. While soybean acreage is also expected to decline this season, corn area in the Delta is expected to rise 1 million acres in 2025. Delta cotton planted area is projected to account for 16.5 percent of the total upland cotton acreage in 2025, slightly above the 5-year average.

Upland cotton area in the West is projected at 152,000 acres in 2025, down slightly from last year but above 2023's historic low. In 2025, the region's upland acreage is forecast to account for approximately 1.5 percent of the U.S. total. ELS cotton area, grown mainly in the West, is projected to decrease 24 percent to 157,000 acres in 2025, compared with the 5-year average of 173,000 acres. The expected reduction in 2025 ELS area results from lower prices as beginning supplies rise by nearly one-third due to the larger 2024 crop. The West region is forecast to account for 83 percent of the total ELS cotton area in 2025, with Texas contributing the remaining share.

International Outlook

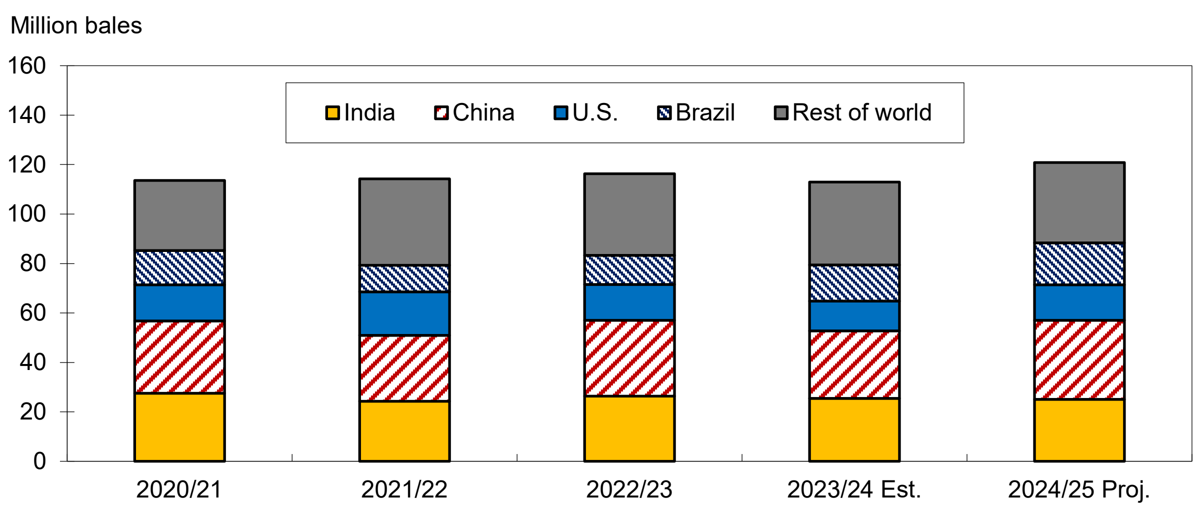
Global Cotton Production Higher in 2024/25

World cotton production in 2024/25 is forecast at 120.9 million bales, slightly below last month's estimate but still 7.9 million bales (7 percent) above last year. An 8-percent increase in the global yield is expected to negate the small decrease (1 percent) in harvested area this season. World cotton area is forecast at 30.8 million hectares (76.1 million acres) in 2024/25. The world cotton yield is projected at a record 854 kilograms (kg) per hectare (762 pounds per acre), an increase of 65 kg per hectare from last season's 789 kg per hectare (704 pounds per acre).

Cotton production for the major-producing countries is mixed in 2024/25, although the majority are estimated to increase (figure 4). Year over year increases in China, Brazil, the United States, and Australia more than offset reductions for Pakistan and India. Production in China—the leading global cotton producer in 2024/25—is forecast at 32.0 million bales, a 17-percent (4.7 million bale) increase above 2023/24. Harvest area in China is estimated to increase nearly 2 percent from 2023/24 to 2.9 million hectares in 2024/25, while yield is projected at a record 2,402 kg per hectare, surpassing the 2022/23 record of 2,160 kg per hectare as excellent growing conditions prevailed this season. China's crop—grown mainly in the high-yielding Xinjiang region—is expected to account for 26.5 percent of global production this season, compared with 24 percent in 2023/24.

For India, 2024/25 cotton production is projected at 25.0 million bales, 1.6 percent below last season's crop. A year over year decrease in harvested area was slightly offset by an increase in yield, resulting in a 400,000-bale decrease this season. Harvested area in India is estimated to decline to 11.8 million hectares in 2024/25, while yield is forecast 25 kg per hectare (5.7 percent) higher at 461 kg per hectare. India is projected to have its highest yield since 2019/20 and the lowest harvested area since 2016/17. Nevertheless, India is forecast to account for 21 percent of world cotton production in 2024/25, a little more than a percent drop from last year.

Figure 4
World cotton production



1 bale = 480 pounds.

Source: USDA, Economic Research Service using data from USDA, *World Agricultural Supply and Demand Estimates* reports.

Pakistan’s 2024/25 cotton production is projected between the 2022/23 flood-damaged crop and last season’s 5-year high. For 2024/25, production is forecast at 5.0 million bales (-2 million bales year over year), as yield and harvested area decreased. Yield is forecast at 544 kg per hectare and harvested area is forecast at 2.0 million hectares, down 14.3 and 16.7 percent, respectively. Pakistan is forecast to account for 4 percent of the global cotton crop in 2024/25, down 2 percent from last season.

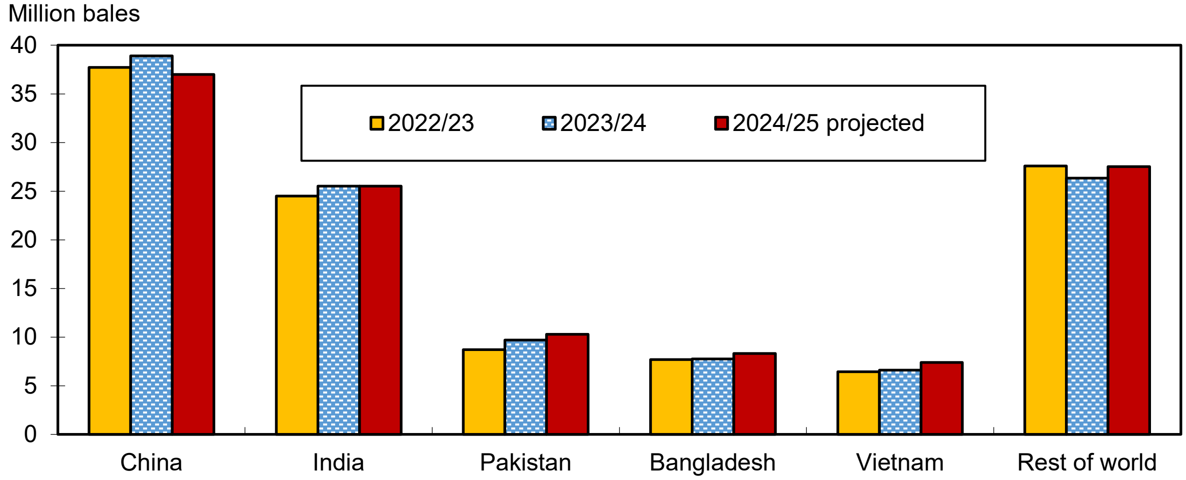
In the Southern Hemisphere, a significant increase in cotton production is expected for Brazil, while a modest increase is forecast for Australia in 2024/25. Brazil’s cotton production is estimated at 17.0 million bales—2.4 million above 2023/24—with an increase in harvested area that more than offsets a slight decrease in yield. Brazil has seen production increase for 3 consecutive years. Brazil’s 2024/25 yield is forecast just below last year’s record of 1,911 kg per hectare at 1,879 kg per hectare, while area is forecast to increase 310,000 hectares to nearly 2.0 million hectares. Brazil is expected to account for 14 percent of the world’s cotton production this season. For Australia, cotton production of 5.4 million bales is projected for 2024/25, with an increase in area more than offsetting a decrease in the national yield. Australia’s area is estimated at 600,000 hectares, while the yield is forecast at 1,960 kg per hectare. Australia’s share of the global crop is forecast at 4.5 percent in 2024/25.

2024/25 Global Cotton Mill Use Forecast Reduced in April but Slightly Higher Year Over Year

World cotton mill use in 2024/25 is projected at 116.0 million bales—520,000 bales below the March forecast. The decline is mainly the result of lower projected use by China, the largest supplier of cotton products to the United States. With considerably higher U.S. import tariffs in place, cotton mill use by China is expected to decrease. Nevertheless, global cotton mill use in 2024/25 is forecast 1.1 percent (1.2 million bales) above last season and equal to the long-run (2004/05–2023/24) average growth rate. The modest growth is supported by recent yarn inventory reductions but tempered by economic headwinds that have limited global cotton mill use in recent years. World mill use is forecast at its highest level since 2020/21.

The top five consuming countries are again projected to account for more than 70 percent of global cotton mill use in 2024/25. China and India remain the largest users, combining for 54 percent of the total, despite lower or flat use this season (figure 5). Moderate increases are expected for the other major cotton-spinning countries, which also includes Turkey. For China, cotton mill use is forecast at 37 million bales in 2024/25, down 1.9 million bales (5 percent) from 2023/24. Despite the decline, China is expected to account for 32 percent of global cotton mill use this season. Cotton mill use in India is forecast unchanged year over year at 25.5 million bales in 2024/25 as India’s textile industry remains primarily focused on cotton product exports. Cotton mill use in India is forecast to contribute 22 percent of the global total in 2024/25.

Figure 5
Leading global cotton consumers



1 bale = 480 pounds.
Source: USDA, Economic Research Service using data from USDA, *World Agricultural Supply and Demand Estimates* reports.

Higher cotton mill use is forecast for Pakistan, Bangladesh, Vietnam, and Turkey in 2024/25. For Pakistan—the third-largest cotton spinner—mill use is forecast at 10.3 million bales (+6 percent) in 2024/25. Increased raw cotton imports are expected to offset lower production and provide higher available supplies this season compared with the previous 2 years. Cotton mill use in Bangladesh is forecast at 8.3 million bales (+550,000 bales) in 2024/25. As the fourth largest user of raw cotton, Bangladesh accounts for 7 percent of the global total. Vietnam and Turkey are expected to use 7.4 and 7.1 million bales of cotton, respectively, in 2024/25. For Vietnam—the leading supplier of cotton yarn to China—mill use is rising 12 percent or 800,000 bales above 2023/24. In Turkey, 2024/25 cotton mill use is forecast 500,000 bales higher (+7.6 percent) than a year earlier, attributed to higher supplies and lower anticipated raw cotton exports in 2024/25.

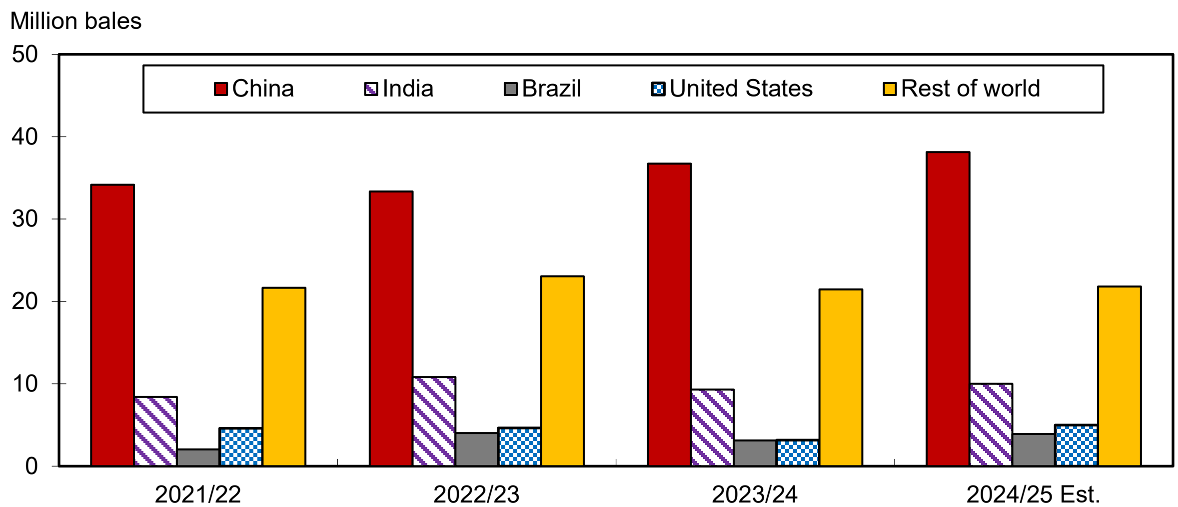
World Cotton Trade Forecast Lower; Stocks Rise in 2024/25

Global cotton trade for 2024/25 is forecast to decline 5 percent from 2023/24, largely the result of a considerable decrease in cotton imports by China. Global cotton imports are led by Bangladesh, Vietnam, China, and Pakistan in 2024/25 and account for a combined 65 percent of the total. Bangladesh’s imports are forecast to rise 8 percent (625,000 bales) to 8.2 million bales as its textile industry advances closer to its 2021/22 record of 8.45 million bales. For Vietnam and Pakistan, cotton imports are projected at a record in 2024/25, reaching 7.4 million bales (+12 percent year over year) and 5.5 million bales (+72 percent), respectively. In contrast, China’s 2024/25 cotton imports are expected to decline by more than 50 percent to 6.5 million bales as China restocked its national reserve last season and mill use is forecast to decline.

World cotton exports in 2024/25 are projected at 42.3 million bales, 2.3 million bales below last season but 1 million above the previous 3-year average. Reduced global import demand associated with lower world cotton mill use provides mixed results for the major exporters this season. While a record crop in Brazil has boosted export opportunities, cotton shipment estimates for most other major exporters are constrained in 2024/25. For Brazil, cotton exports are forecast at a record 12.9 million bales in 2024/25, nearly 5 percent above the previous year. Brazil remains the largest global exporter for a second consecutive year in 2024/25, as its share of world trade surpasses 30 percent. Despite larger supplies in the United States this season, U.S. cotton exports are forecast 7 percent lower at 10.9 million bales or 26 percent of global trade. Similarly, exports from Australia are expected to decline nearly 8 percent to 5.3 million bales or 12.5 percent of world cotton exports in 2024/25.

Based on these global cotton supply and demand projections, 2024/25 world stocks are forecast to increase nearly 7 percent from the previous year to 78.9 million bales. Ending stocks in China—the largest holder of cotton—are forecast to rise this season as are stocks in all other major producing countries (figure 6). In China, cotton stocks at the end of 2024/25 are forecast at 38.1 million bales, nearly 4 percent higher, accounting for 48 percent of the global total. For India, cotton stocks are projected to reach 10.0 million bales in 2024/25, compared with 9.3 million bales last season. India is forecast to contribute approximately 13 percent of the global stock total in 2024/25. U.S. cotton stocks are forecast at 5.0 million bales (+1.85 million), or 6 percent of the world total. Ending stocks in Brazil are forecast 26 percent higher as the record crop more than offsets larger exports, raising stocks to 3.9 million bales by July 31, 2025. Brazil is expected to account for 5 percent of the world total in 2024/25. Stocks in the rest of the world (21.8 million bales) are expected to rise slightly, contributing approximately 28 percent of the 2024/25 total.

Figure 6
Global cotton ending stocks



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