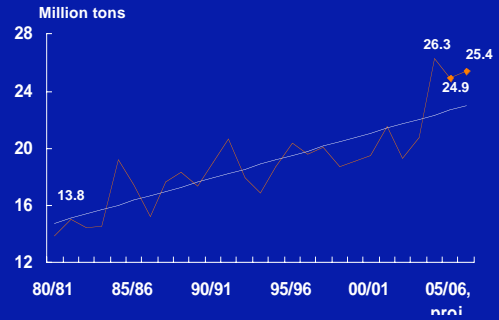


Outlook of the World Cotton Market

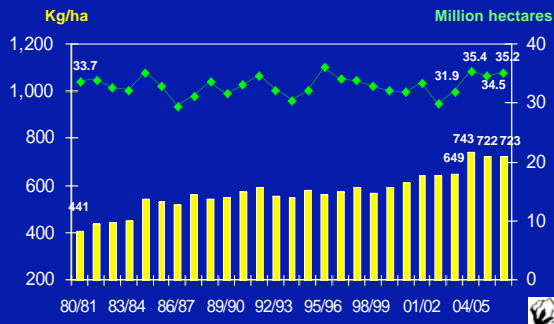


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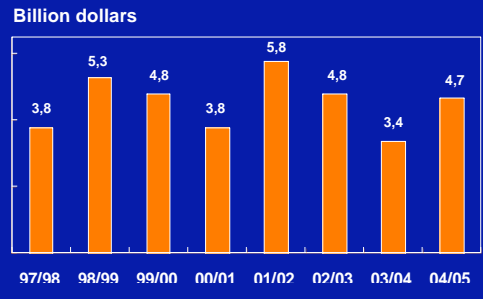
World Production



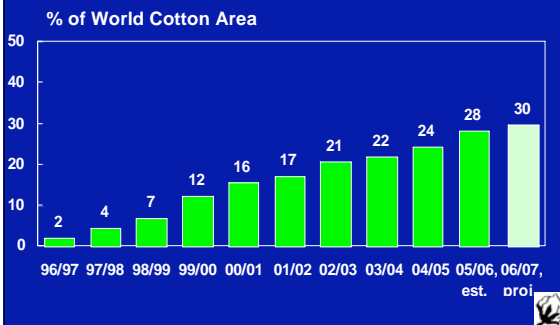
World Cotton Area and Yield



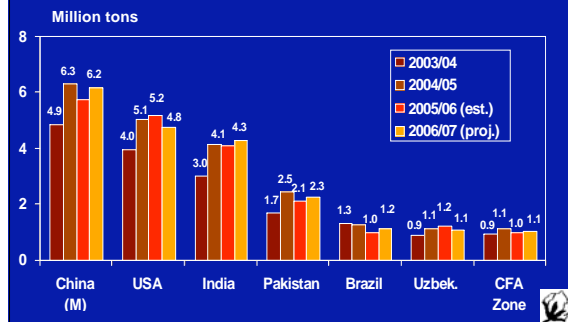
Direct Subsidies to Cotton Production

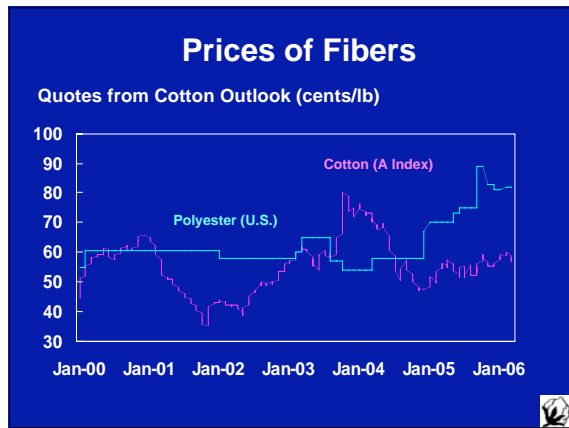
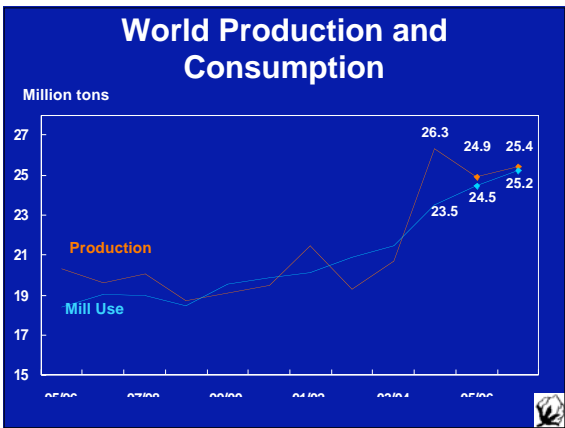
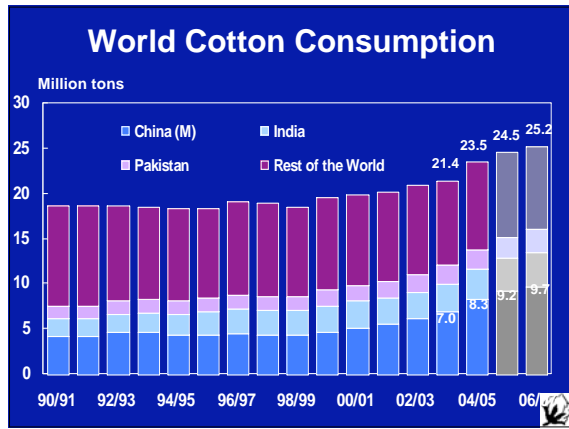
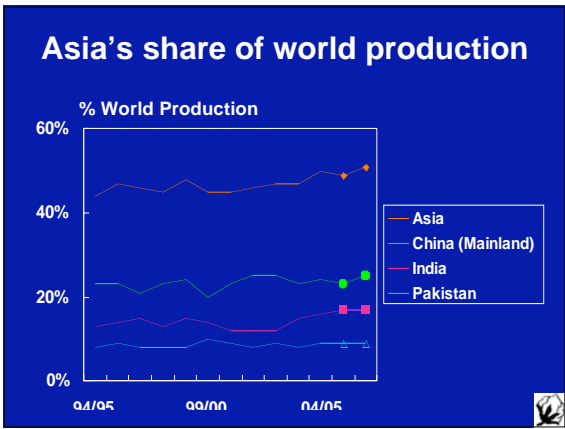
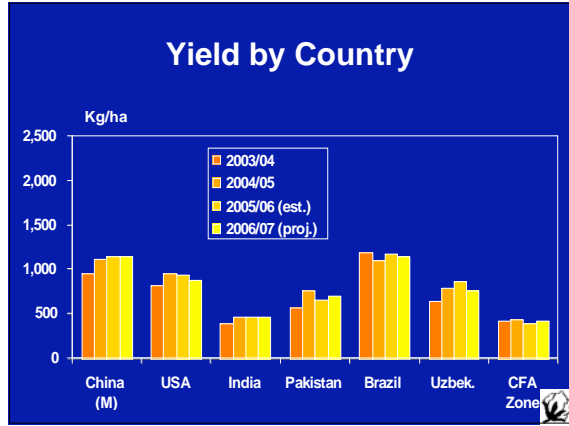
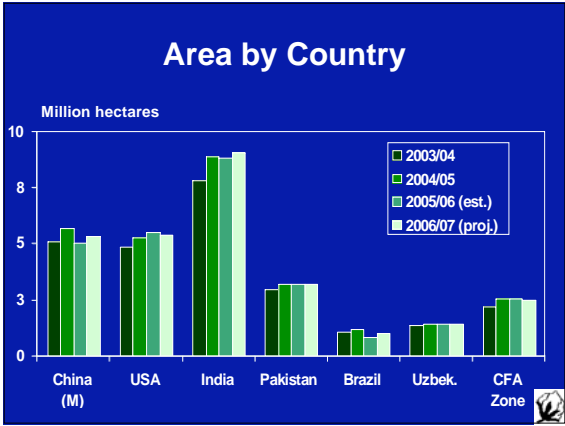


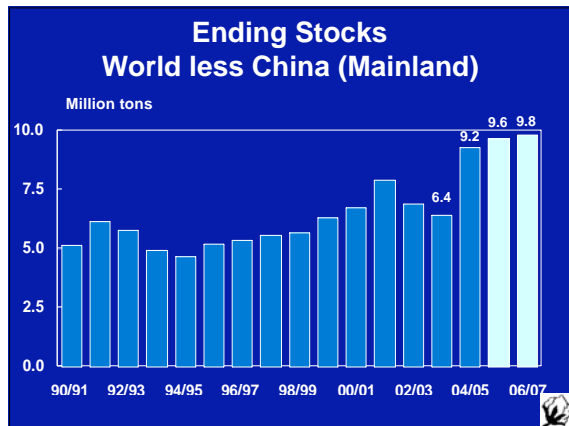
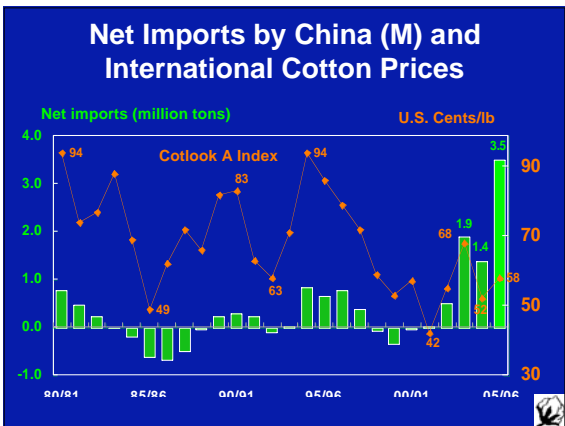
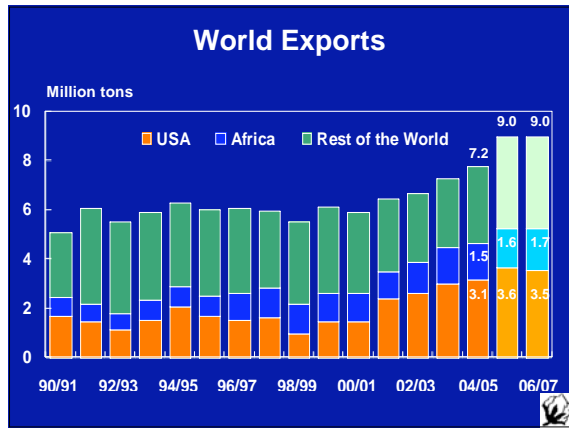
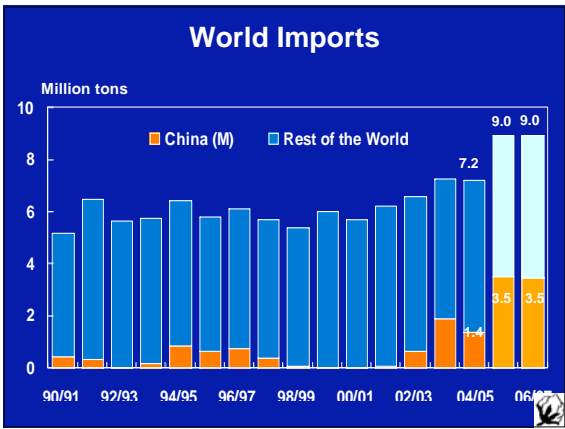
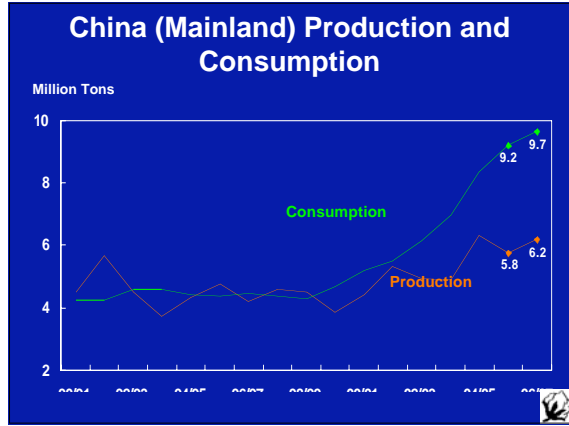
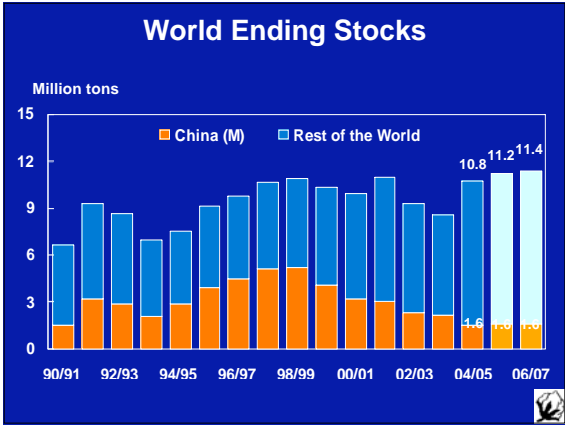
Biotech Cotton



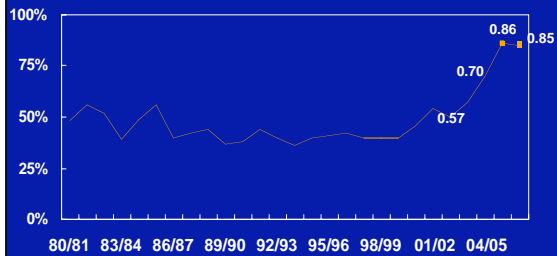
Production by Country







Stocks-to-use Ratio World less China (Mainland)



Conclusion

- Significant world cotton production in 2004/05, 2005/06 (est.) and 2006/07 (for.)
- Why: world area and yield are on the rise
- But world production remains higher than world demand
- Consequences:
 - Increase of world cotton stocks
 - Prices remain relatively low



International Cotton Advisory
Committee