

■ With liberation of cotton trade in 1994 producers can freely sell their cotton to whoever offers the best price and conditions .

■ There is no differentiation between public and private sector in cotton trade , both are free to buy and sell their cotton in international and domestic markets at freely negotiated prices and competition .



EGYPTIAN COTTON
THE BEST COTTON IN THIS WORLD

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Supply And Distribution of Egyptian cotton
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in 1000 metric ton

	2002/2003	2003/2004	2004/2005
Beginning Stocks	115	0	10
Production	285	195	280
Supply	400	195	290
Consumption	210	100	
Exports	190	85	
Demand	400	185	
Ending Stocks	0	10	

■ Some critical problems facing the Egyptian cotton sector in the 2003/2004 ,such as :

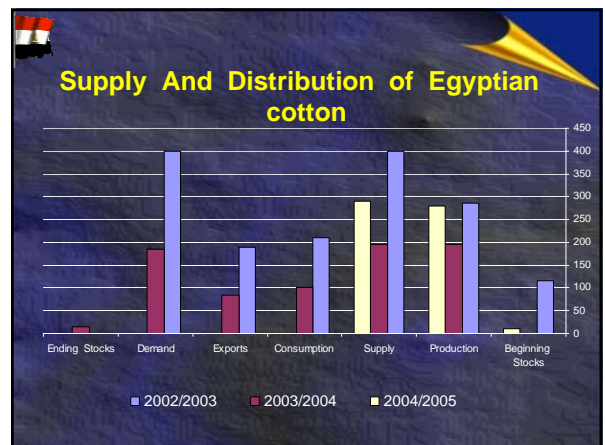
- Zero level beginning stocks
- The production was the lowest on record
- High local consumption due to increasing unutilized capacity, restructuring public spinners and new production lines in private sector

The Egyptian Spinning Industry

■ For more than 20 years , spinners were forced to use high quality and expensive Egyptian cotton to produce subsidized coarse yarns and low quality fabrics for domestic customers .

■ With liberation , cotton lint prices increased to world market levels .

■ The spinners have the right to make proper use of Egyptian ELS and LS cotton for the production of Fine yarns For export , or import cheaper short cotton to spin coarse and medium count yarns for domestic and export markets .



- 80 % of Egyptian cotton consumption used in producing coarse yarns up to 30 count .
- With our high quality cotton , finer counts should be produced .
- Now the competition race in this industry take place between public and private sector in Egypt , and among developing countries .

Consumption of Extra - Fine Cottons in main producing countries 2002 /2003 season

Country	Consumption all cotton 1000 Metric Ton	Consumption Extra - Fine 1000 Metric Ton	Consumption ratio Extra - Fine to all cotton %
U.S.A	1625	22	1.4
China (Mainland)	6008	50	0.8
India	2927	128	4.4
Egypt	225	210	93.3

Thank You