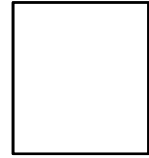


Cotton Market Outlook



Cotton

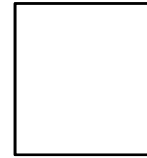


- **Cotton is a major rural industry, particularly in NSW**

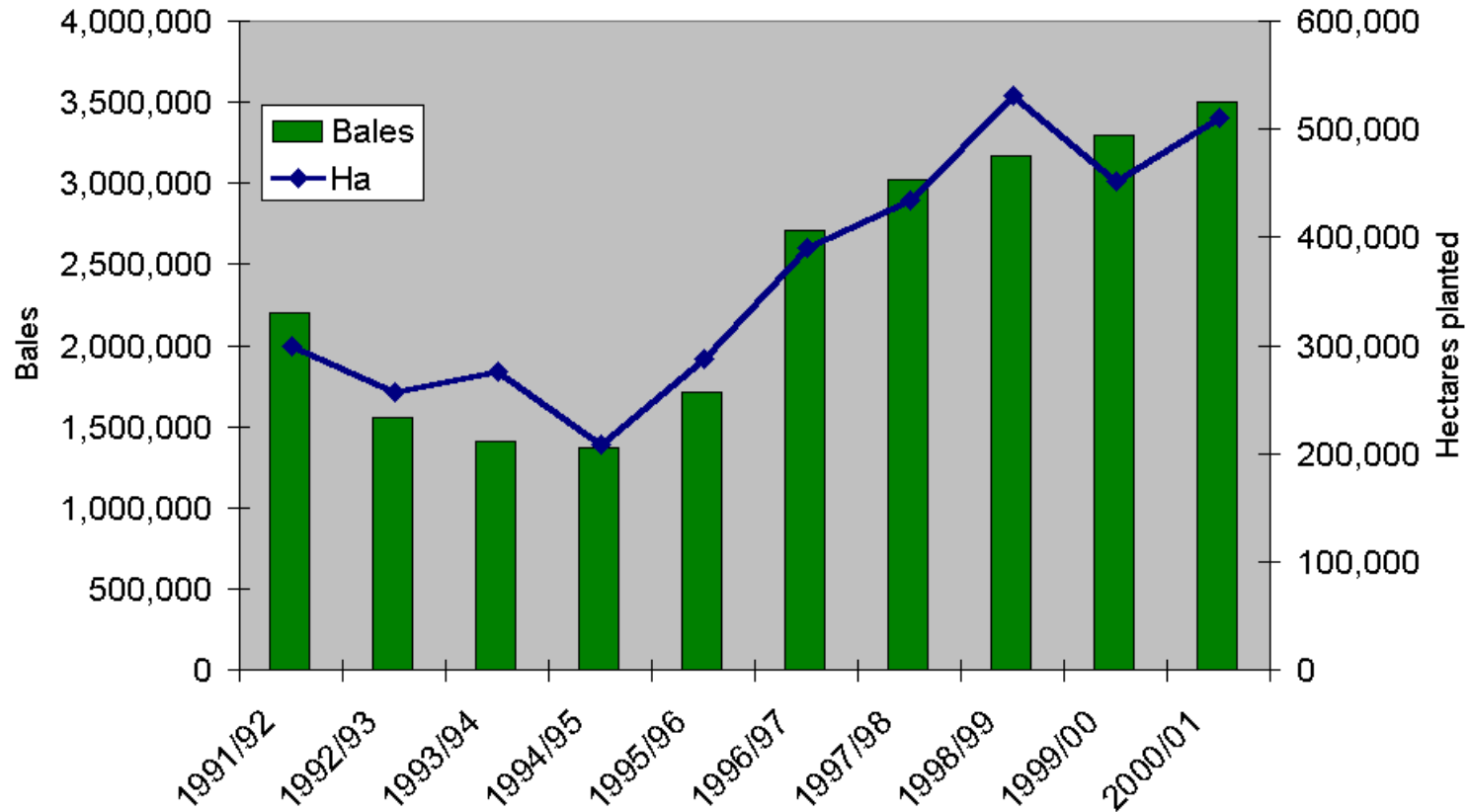
- The 2001 crop
- Over 500,000 Hectares
- 30% QLD balance NSW
- 3.45 million Bales
- \$1.8 billion export value



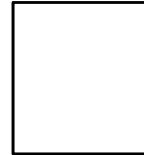
Production history



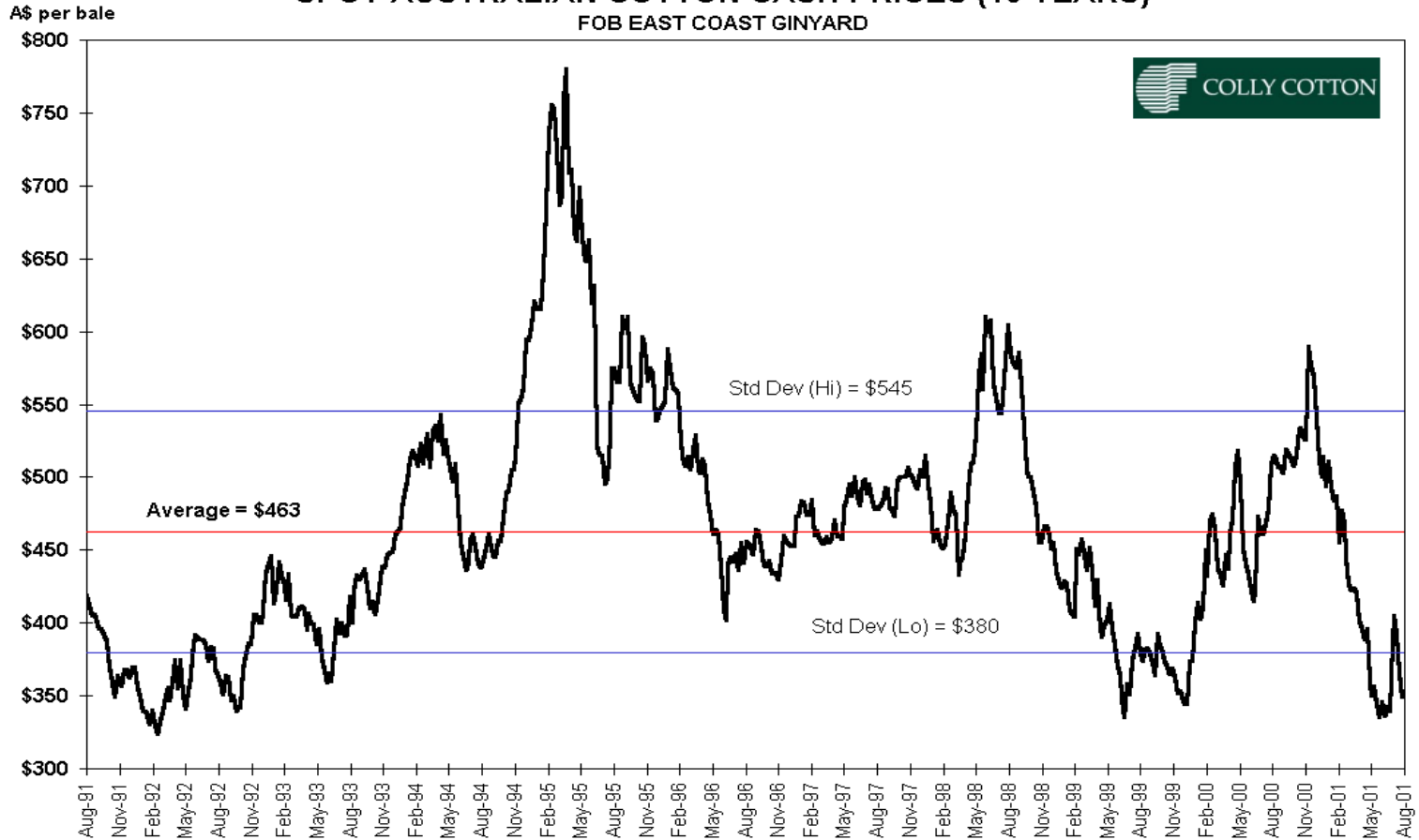
Australian Cotton Production



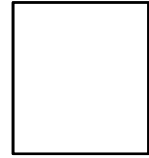
Prices 1991 - 2001



SPOT AUSTRALIAN COTTON CASH PRICES (10 YEARS)
FOB EAST COAST GINYARD

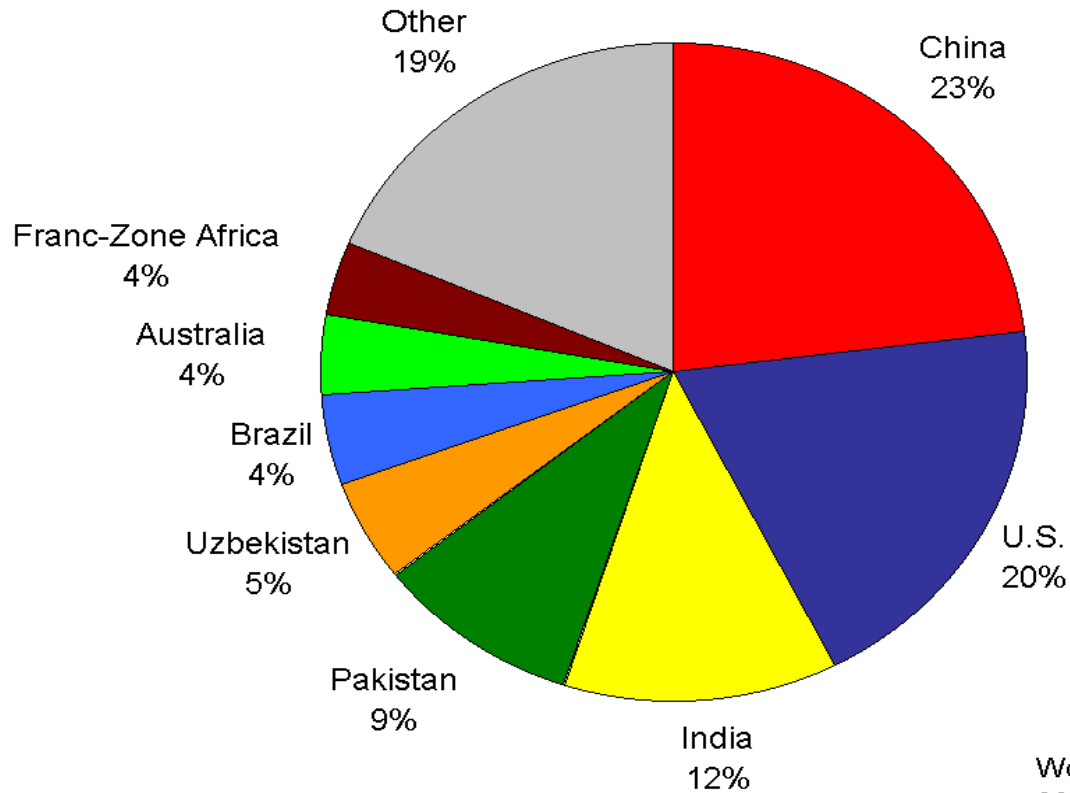
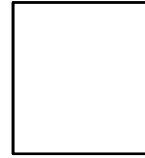


Market structure



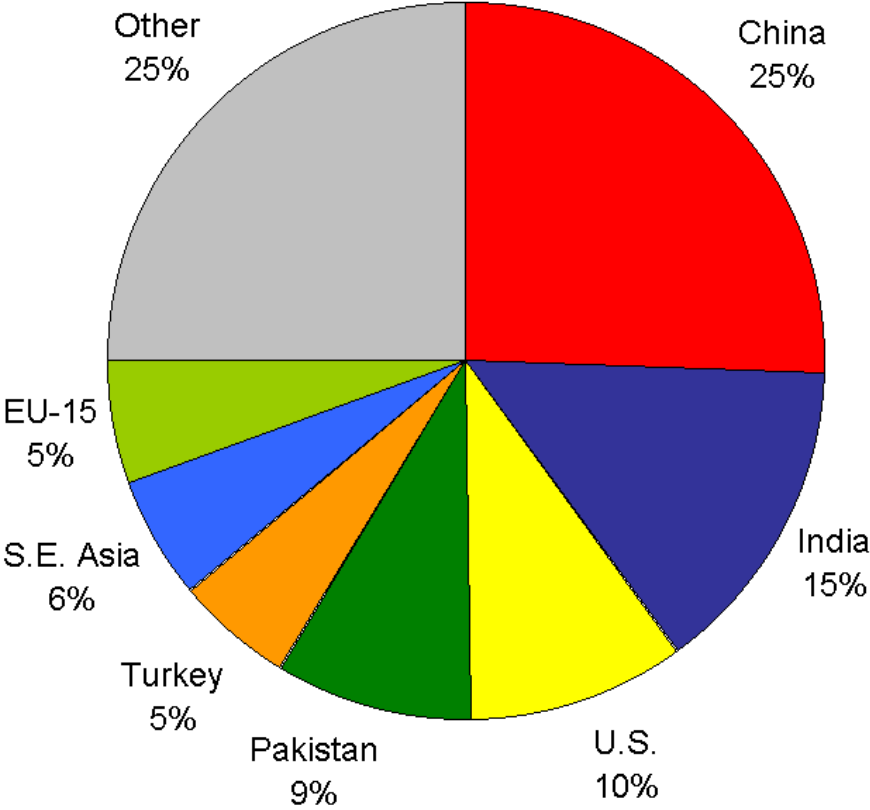
- **New York futures**
- **Commodity price fluctuations**
- **Currency fluctuations**
- **Australian quality premiums**

World production 2000 - 2001



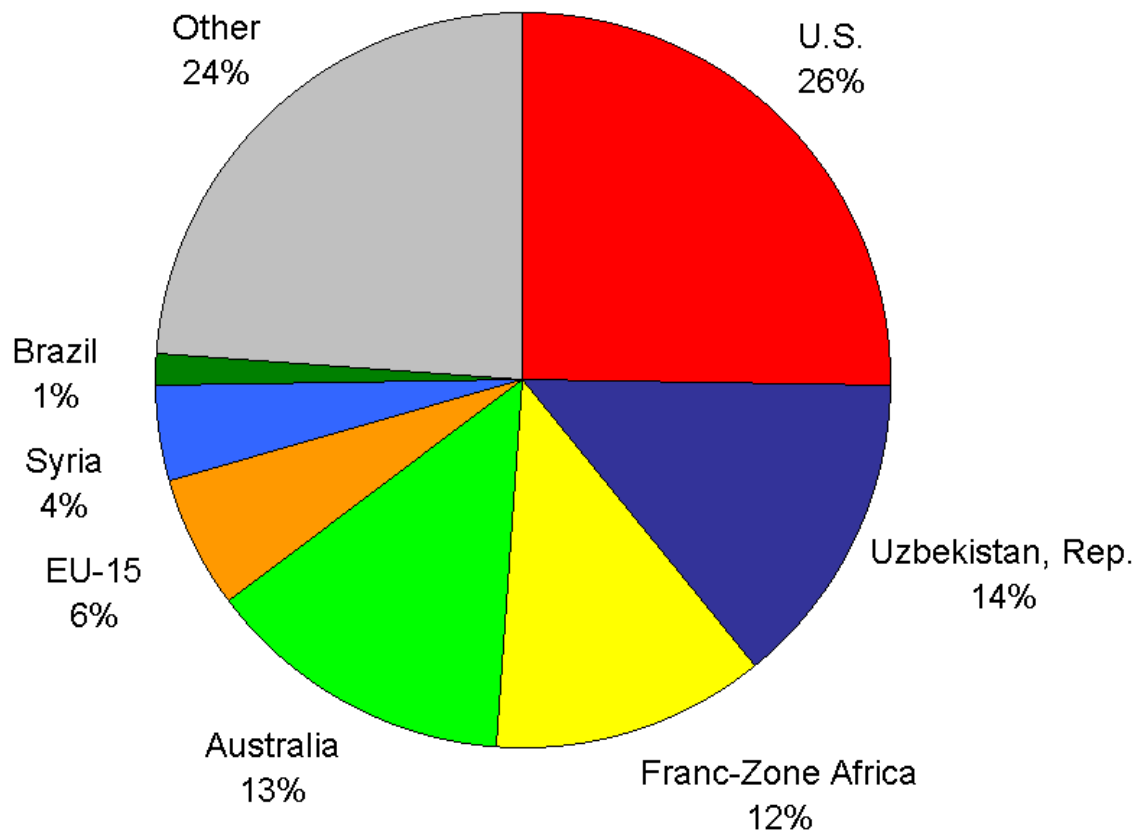
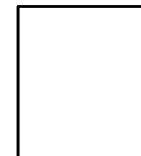
World Total Production:
88 million 480lb bales

Consuming countries



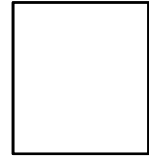
World Total Consumption:
91.72 million 480lb bales

Exporting countries



World Total Exports:
26.17 million 480lb bales

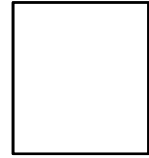
Cotton market outlook?



- **New York futures from 69c/lb to 38c/lb in 2001**
- **2002 crop cash price \$400**
- **2003 crop cash price \$440**
- **Cost of production \$350 - \$400**



Cotton future



- **What does this mean for growers and processors?**

