

USDA cuts global cotton output, ending stocks in August WASDE

- **USDA's August 2025 WASDE report lowers 2025–26 global cotton production by 1.8 million bales to 116.62 million, with reductions in the US, Sudan, Uzbekistan, and Mali partly offset by a larger crop in China.**
- **Consumption, trade, and stocks are also cut.**
- **US production falls to 13.2 million bales, with higher yields but reduced acreage.**
- **Ending stocks drop, lifting the projected price to 64 cents/lb.**

In the 2025–26 world cotton balance sheet, production, consumption, trade, and beginning and ending stocks are all lowered compared to last month, the United States Department of Agriculture (USDA) said in its August 2025 World Agricultural Supply and Demand Estimates (WASDE) report. World production is forecast 1.8 million bales lower (each bale weighing 480 pounds or 208.65 kg) due to reductions for the United States, Sudan, Uzbekistan, and Mali, partly offset by a larger crop in China.

The WASDE report projects global cotton production at 116.62 million bales this month, down from 118.42 million bales in the July 2025 report.

The forecast for world consumption is reduced by over 100,000 bales, as lower mill use in India, Bangladesh, and Türkiye more than offsets an increase for China. Global cotton consumption is now estimated at 117.99 million bales, compared with 118.12 million bales last month.

World trade is reduced by 1.1 million bales, with projected exports lowered for the United States, Sudan, and Mali, alongside smaller changes elsewhere. Cotton export estimates are now at 43.59 million bales, down from 44.69 million bales in July.

Beginning stocks for 2025–26 are reduced by 1.73 million bales, mainly reflecting higher 2024–25 consumption in China and Brazil, bringing the total to 75.05 million bales from 76.78 million bales. With lower beginning stocks and production, ending stocks for 2025–26 are cut by over 3.4 million bales to 73.91 million bales, down from 77.32 million bales last month.

The US 2025–26 cotton balance sheet for August reflects lower production, exports, and beginning and ending stocks, with consumption and imports unchanged from last month. Planted area is lowered by 8 per cent to 9.3 million acres, based on the NASS August Crop Production report. Harvested area is reduced by 15 per cent to 7.4 million acres, as dryness in the Southwest raises the expected national abandonment rate from 14 per cent to 21 per cent.

The national average yield for 2025–26 is raised by over 6 per cent to 862 pounds per harvested acre, as higher abandonment in the Southwest results in fewer low-yielding dryland acres being harvested. The production forecast is lowered to 13.2 million bales, almost 1.4 million bales below the July forecast and 1.2 million bales lower than in 2024–25. Exports are reduced by 500,000 bales due to the smaller crop.

Beginning stocks for 2025–26 are reduced by 100,000 bales following a corresponding increase in exports for 2024–25. As a result, ending stocks for 2025–26 are projected at 3.6 million bales, down

1 million from last month, with a stocks-to-use ratio of 26.3 per cent. With tighter domestic supplies, the projected season-average Upland price for 2025–26 is raised this month to 64 cents per pound.