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Cotton and Products

Annual

2003

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Report Highlights: MY 2003/04 Brazilian cotton production is projected at 885,000 MT lint cotton, up 79,400 MT from the 2002/03 crop, since the price of the fiber is still encouraging cotton growers to increase area for the next crop. Cotton consumption for MY 2002/03 is estimated at 780,000 MT, down 50,000 MT from MY 2001/02, due to diminished demand at the retail level because of a the drop in consumers' purchasing power and higher unemployment rates. MY 2003/04 cotton exports are forecast at 160,000 MT, up 40,000 MT from current season, whereas imports are projected at 70,000 MT, down 50,000 MT from MY 2002/03. On February 6, Brazil formally requested WTO to establish a dispute panel, the target of which is the U.S. cotton domestic support and exports programs.

Includes PSD changes: Yes
Includes Trade Matrix: No
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PS&D Table

PSD Table						
Country	Brazil					
Commodity	Cotton				(HECTARES)(MT)	
	2001	Revised	2002	Estimate	2003	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Begin		08/2001		08/2002		08/2003
Area Planted	0	741900	0	743700	0	803000
Area Harvested	750000	741900	715000	743700	0	803000
Beginning Stocks	646212	452650	504037	294469	525810	320069
Production	765962	763600	805588	805600	0	885000
Imports	55085	54978	130636	120000	0	70000
TOTAL SUPPLY	1467259	1271228	1440261	1220069	525810	1275069
Exports	146748	146759	130636	120000	0	160000
USE Dom. Consumption	860020	830000	827361	780000	0	800000
Loss Dom. Consumption	-43545	0	-43545	0	0	0
TOTAL Dom. Consumption	816475	830000	783816	780000	0	800000
Ending Stocks	504037	294469	525810	320069	0	315069
TOTAL DISTRIBUTION	1467260	1271228	1440262	1220069	0	1275069

Cotton Fiber

Production

Agricultural Trade Office (ATO)/Sao Paulo estimates total Brazilian cotton production for marketing year (MY) 2002/03 (August-July) at 805,600 metric tons (MT), lint cotton, up 3 percent from the previous forecast and up 42,000 MT from MY 2001/02, according to updated information provided by post contacts. MY 2002/03 area planted to cotton has been revised upward to 743,700 hectares (ha.), mainly due to recent information for the states of Mato Grosso and Bahia.

Agricultural yields for MY 2002/03 are estimated at 1,083 kilogram (kg)/ha., up 5 percent from previous crop (1,029 kg/ha.). However, excessive rainfall in some producing areas such as Sao Paulo, Goias and Mato Grosso in the course of the flowering stage, reduced former expectations. The table below shows revised planted area, production and yields by state and region for MY 2001/02 and 2002/03.

The harvest season in the center-southern states has moved along well. Due to the delays during the planting season, harvest operations started in March and should be virtually over in July. Approximately 28 percent of was harvested during the March-May period. June and July are the peak of the harvest season and each should contribute approximately 30 percent of total center-western production.

Cotton Area, Production and Yield by State/Region (ha; MT lint cotton, kg/ha)						
State/Region	MY 2001/02			MY 2002/03		
	Area	Production	Yield	Area	Production	Yield
Parana	36,100	29,700	822.7	29,300	25,000	853.2
Sao Paulo	61,500	57,900	941.5	59,900	56,500	943.2
Minas Gerais	38,000	31,000	815.8	35,000	31,500	900.0
Mato Grosso Sul	45,500	62,500	1,373.6	43,600	60,000	1,376.1
Mato Grosso	310,000	388,000	1,251.6	310,000	400,000	1,290.3
Goias	93,300	103,500	1,109.3	96,000	110,000	1,145.8
Bahia	70,000	70,000	1,000.0	82,000	95,000	1,158.5
Others - N/NE	87,500	21,000	240.0	87,900	27,600	314.0
Total	741,900	763,600	1,029.2	743,700	805,600	1,083.2

Source: ATO/Sao Paulo

According to the official April 2003 Ministry of Agriculture, Livestock and Supply (MAPA), National Supply Company (CONAB) crop estimate, 2002/03 Brazilian cotton production is 829,400 MT, lint cotton, from an area planted of 736,700 ha. These figures represent a 1 percent reduction in cotton area and a 8 percent increase in production compared to the CONAB 2000/01 crop estimate.

ATO forecasts MY 2003/04 cotton production at 885,000 MT, lint cotton, up 10 percent from current season, assuming average weather conditions during the vegetative cycle of the plants. Cotton area is projected at 803,000 ha., an 8 percent increase compared to MY 2002/03. In spite of the decrease in cotton prices in both international and domestic markets during the past weeks, cotton growers are still encouraged to increase acreage

due to increased world consumption and reduced carry-over stocks compared to previous years. The expected increase in cotton production should mainly supply overseas markets, since the domestic demand has weakened.

Soybean vis-a-vis cotton prices and the exchange rate by the time producers make their planting decisions (June-August) will be additional factors that could lead to expansion or not in cotton area for MY 2003/04. If soybean prices remain favorable, cotton area expansion could be somewhat restricted, since soybeans provide less risk and more liquidity to farmers. If the exchange rate stabilize at R\$ 3.00 = US\$ 1.00 producers will continue to be motivated to set export contracts for the 2003/04 crop. Note that the exchange rate dropped to R\$ 2.97 = US\$ 1.00 in May 2003 in contrast to R\$ 3.6 = R\$ 1.00 just six months earlier months.

Cost of Production

The table below shows cotton production costs for major producing states for the 2001/02 crop, according to several sources. Expected yields are shown at the bottom of the table. Note that fourth column shows production costs for irrigated cotton for Mato Grosso do Sul. With regard to the Brazilian currency, the Real, total production costs decreased 7 percent in Goias and increased 8 and 1 percent in Mato Grosso do Sul and Mato Grosso, respectively, compared to the 2000/01 crop. For irrigated cotton in Mato Grosso do Sul, 2001/02 costs decreased 2 percent from previous season.

Brazilian Cotton Production Costs by state for 2001/02 (R\$/ha)				
DESCRIPTION	Goias	Mato Grosso Sul	Mato Grosso	Mato Grosso Sul
A- OPERATIONS				
A.1 Land				
Soil Management	8.1	32.42		
A-2 Soil Preparation				
Plow	69			
Liming	10	7.5	7.5	7.5
Intermediate Grading	25.38			
Leveling	15.42	11.95		
Cleaning/bagging, etc.	14.72	8.98		
Manual labor	0.38	0.19	0.17	0.19
Internal Transport	4.91	2.46	2.46	2.46
Desiccation		4.77	4.77	7.16
A-3 Planting				
Planting	32.65	37.4	37.4	37.4
Seeds Treatment	1.47	1.47	1.47	1.47
Manual labor	0.19	1.5	2.03	2.34
Internal transports	6.55	12.28	12.28	12.28
A-4 Crop Management				
Fertilization	44.33	18.08	18.08	18.08
Agri-chemicals spray	57.26	59.65	57.26	52.49
Ant/termite control	1.88	0.38	0.34	1.88

Weed control (manual)	109.52	25.88	23.29	28.13
Weed control (mech)	22.69			
Manual labor	1.69	2.25	2.19	2.81
Internal transports	16.37	19.64	22.92	19.64
A-5 Harvest				
Manual harvest	74.06	74.06	66.66	74.06
Mechanical harvest	331.78	331.78	364.96	364.96
Manual labor	1.88	1.88	1.69	1.88
Internal Transports	16.37	16.37	16.37	16.37
A-6 Irrigation				
Equipment				325.84
Manual labor				0.94
Internal Transports				16.37
Sub Total A	866.59	670.87	641.83	994.23
B- INPUTS				
B-1 Fertilizer				
Lime	55.5	27.39	28.22	33
04-20-20	190.8			
20-00-20	213.5	213.5	185.47	244
Urea	64.5	37.8	44.4	37.8
3-15-15 + Zn e B			258.3	259.2
B-2 Seeds				
Seeds	58.8	68.6	68.6	68.6
B-3 Chemicals				
Mitecides	82.08	82.08	82.08	82.08
Formicides	7.8	8.4	7	8.4
Fungicide	2.05	1.95	2.11	1.95
Herbicides	68.96	77.71	93	77.71
Insecticides	216.37	377.54	416.23	379.24
Other chemical products	39	48.66	49.88	48.66
Sub Total B	999.36	1201.93		
C-ADMINISTRATION				
Administrative Expenses	36.59	36.59	36.59	36.59
Technical Assistance	2.88	2.88	2.88	2.88
General costs	8.4	8.4	8.4	8.4
Electricity/Telephone	12	12	12	12
Travel	7.08	7.08	7.08	7.08
Depreciation and Land improvement	3.3	3.3	3.3	3.3
Taxes	53	53	66.25	68.9

Subtotal C	123.25	123.25	136.5	139.15
D-POST HARVEST				
Transport t to storage	32	32	40	41.6
Ginning (yield 38%)	114	114	375	148.2
Sub Total D	146	146	415	189.8
Total cost (R\$/ha)	2.139	2.142	2,429	2,564
Gross Income (R\$/ha)	2.304	2.304	2,880	2,996
Net Income (R\$/ha)	169	162	452	432
Yield (kg/ha, lint cotton)	1140	1140	1425	1482
Source: FNP, AGOPA-FAEG, AMPA-ESALQ				
Note: Updated in August 2002, ROE = R\$ 3,101/US\$ 1 (August 2002)				

Policy

The Brazilian Government has established a support program for some basic crops, such as cotton, soybeans, rice, beans and corn, by establishing production credit limits at low interest rates, and setting official minimum support prices for each crop. According to the 2002/03 Summer Crop Plan, cotton growers will be eligible for a lending limit of R\$400,000. Interest rates are 8.75 percent per year.

The table below shows the minimum support price for selected crops for the 2001/02 and 2002/03 summer crops. Note that prices for the 2002/03 crop were readjusted based on import parity since Brazil restarted importing higher volumes of cotton. The effective date for set prices depends on the producing region: February 2003 for the southern and southeastern regions (except Minas Gerais) and Bahia-South; April 2003 for Minas Gerais and the center-western states; and June 2003 for the north-northeastern regions (except Bahia-Sul).

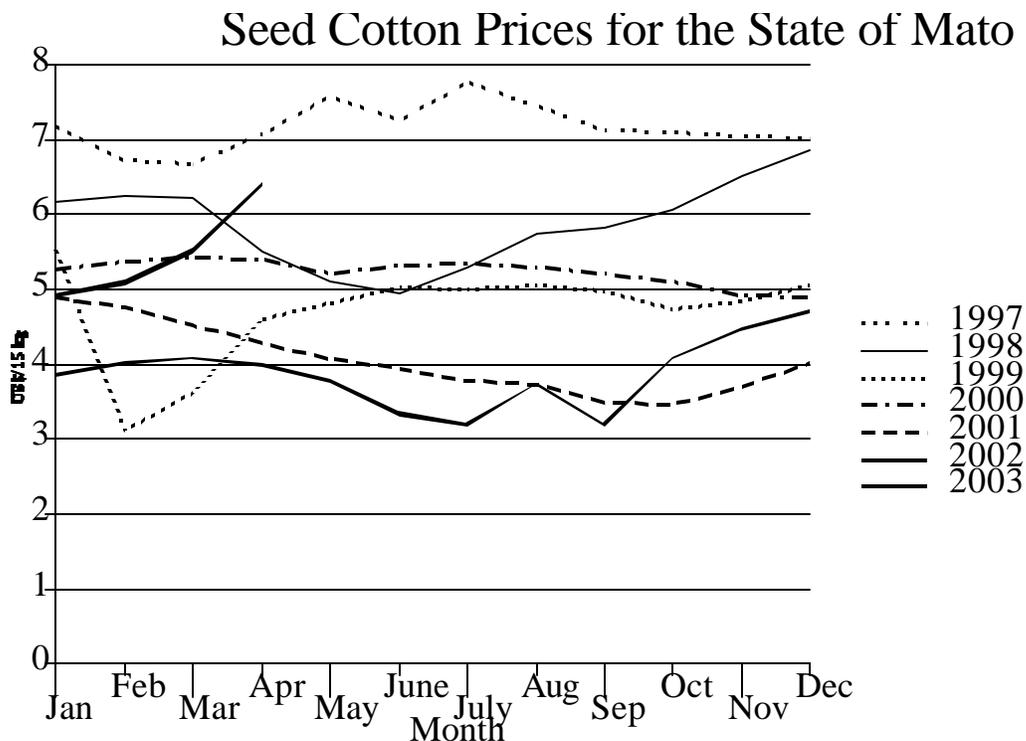
Minimum Support Prices (R\$)				
Products	Region/State	Unit	01/02 Crop	02/03 Crop
Cotton				
seed cotton	South, Southeast, Center-West & Southern Bahia	15 kg	8.48	10.08
	North-Northeast, except Southern Bahia		9.00	10.08
lint cotton	South, Southeast, Center-West & Southern Bahia	15 kg	30.32	33.90
	North-Northeast, except Southern Bahia		30.32	33.90
cottonseed	South, Southeast, Center-West & Southern Bahia	15 kg	1.78	1.78
	North-Northeast, except Southern Bahia		1.68	1.78
Corn	South, Southeast, TO, Southern BA, MA & PI	60 kg	7.43	9.50
	GO, MS & DF	60 kg	7.21	8.50
	MT, AC & RO	60 kg	6.27	7.50
	North-Northeast	60 kg	8.70	10.50
Soybeans	South, Southeast, Center-West and Rondonia	60 kg	10.18	11.00
	North (except RO) and Northeast	60 kg	9.66	10.40
Sorghum	South, Southeast, Center-West & Southern Bahia	60 kg	5.62	6.88

Source: Ministry of Agriculture, Livestock and Supply (MAPA)/CONAB.

For additional marketing programs set by the Government of Brazil (GOB), please refer to BR2025.

Producers Price

The graph below shows average seed cotton prices for the state of Mato Grosso, Brazil's leading producing region, as reported by CONAB



Source: CONAB

Consumption

Domestic cotton consumption for MY 2002/03 has been revised downward to 780,000 MT, lint cotton, down 50,000 MT from MY 2001/02, based on information provided by trade sources and CONAB. Major factors causing a reduction in consumption include the significant retraction in the retail market due to decreased purchasing power of Brazilian consumers and high unemployment rates.

In addition, the increased price in cotton fiber observed during past months (93 percent increase from May 2002 to April 2003) constrained yarn manufacturers, since they are not able to fully transfer the additional costs to fabric manufacturers and so on. High interest rates also represent an additional factor restraining credit for both consumers and manufacturers, thus reducing investments in the textile sector.

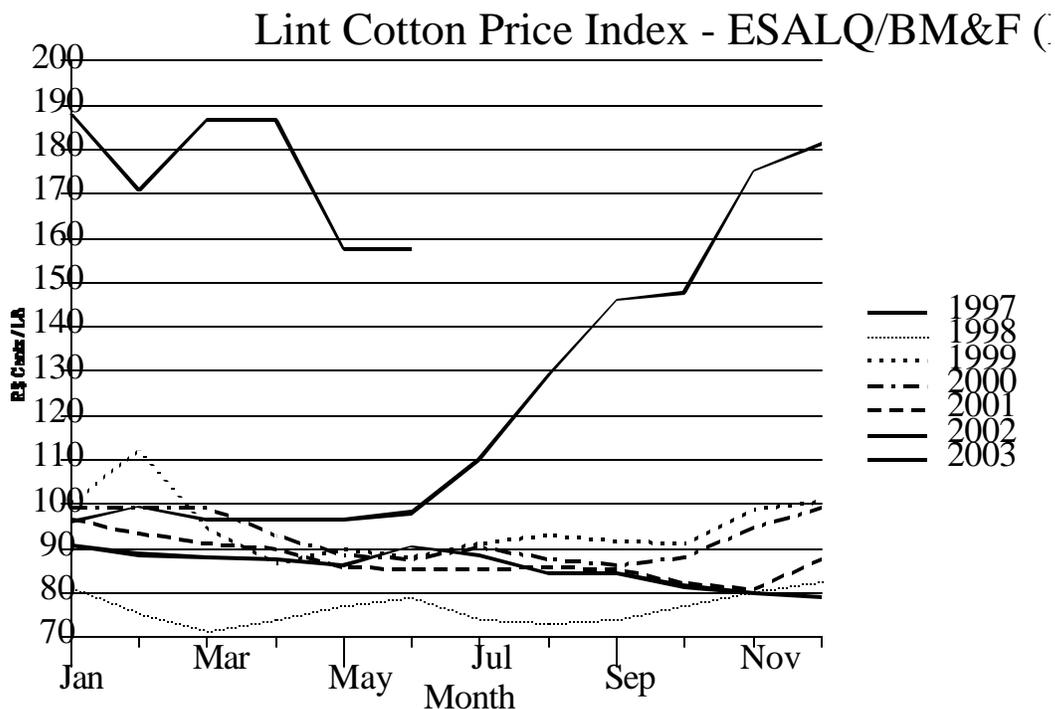
According to post contacts, textile exports, including cotton fiber, are the major factor contributing to a higher domestic cotton consumption. According to the Brazilian Textile Industry Association (ABIT), textile exports during the Jan-May 2003 period were approximately US\$ 601.6 million, up 30 percent from same period in

2002.

Domestic MY 2003/04 cotton consumption is forecast at 800,000 MT, lint cotton, up 20,000 MT from current season, assuming that Brazilian macroeconomic variables improve in the near future. According to ABIT, domestic cotton consumption for calendar year (CY) 2001 is 872,400 MT, down 101,800 MT, lint cotton, from 2000. ABIT has not released an estimate for domestic CY 2002 cotton fiber consumption.

Prices

The graph below shows the monthly Lint Cotton Price Index released by the University of Sao Paulo's College of Agriculture "Luiz de Queiroz" (ESALQ) which is used to set cotton contract prices at the São Paulo Commodity Exchange (BM&F). The index is based on aggregate prices from almost all Brazilian and consuming regions from cotton producers, ginners, brokers and textile companies. Note the sharp increase in cotton prices during 2002 and 2003 as a result of an expected increase in world cotton consumption and reduced carry-over stocks.



Source: ESALQ/CEPEA
Prices refer to last weekday of the month. May 2002 price ref

Trade

Exports

ATO/Sao Paulo estimates Brazilian cotton exports for MY 2002/03 at 120,000 MT, lint cotton, based on updated information from trade sources. According to the Brazilian Secretariat of Foreign Trade (SECEX), cotton exports during the August 2002 - April 2003 period are 94,162 MT, lint cotton. Total cotton exports for 2003/04 are forecast at 160,000 MT, up 40,000 MT, lint cotton from current season, assuming that the exchange rate will stabilize at R\$ 3.00 = US\$ 1.00. According to trade sources, cotton growers have been seeking market opportunities to sell their products overseas, since they do not foresee a significant expansion in the domestic market. The tables below show cotton exports by country of destination for MY 2001/02 and 2002/03, as reported by SECEX.

Brazilian Cotton Exports: NCM 5201.00.10 (metric tons, US\$ 1,000 FOB)						
Country	MY 02/03 1/		MY 01/02 1/		MY 01/02	
	Quantity	Value	Quantity	Value	Quantity	Value
Japan	805	663	0	0	0	0
Thailand	600	480	292	295	697	617
Germany	107	99	155	174	155	174
Bangladesh	0	0	177	206	177	206
Belgium	0	0	24	28	24	28
North Korea	0	0	234	267	234	267
South Africa	0	0	52	60	52	60
Hong Kong	0	0	20	24	20	24
India	0	0	97	67	97	67
Indonesia	0	0	87	101	87	101
Italy	0	0	0	0	173	138
Total	1,511	1,242	1,137	1,224	1,715	1,683

Source: Brazilian Secretariat of Foreign Trade. 1/August to April

Brazilian Cotton Exports: NCM 5201.00.20 (metric tons, US\$ 1,000 FOB)						
Country	MY 02/03 1/		MY 01/02 1/		MY 01/02	
	Quantity	Value	Quantity	Value	Quantity	Value
Argentina	36,135	32,657	2,879	2,275	4,086	3,299
Italy	4,469	3,809	7,708	6,693	8,026	6,973
Indonesia	3,626	3,090	13,634	14,338	14,222	15,021
Turkey	3,129	2,908	1,541	1,630	1,541	1,630
Belgium	2,846	2,526	1,694	1,308	1,928	1,467
Thailand	2,889	2,459	4,884	5,034	4,944	5,104
China	2,845	2,408	0	0	0	0
Chile	2,231	1,911	997	912	1,942	1,497

India	2,378	1,799	12,888	11,277	12,888	11,277
Portugal	2,125	1,797	6,808	5,912	6,954	6,026
Others	11,452	10,162	25,884	26,153	27,692	27,898
Total	74,124	65,526	78,917	75,531	84,224	80,192

Source: Brazilian Secretariat of Foreign Trade. 1/August to April

Brazilian Cotton Exports: NCM 5201.00.90 (metric tons, US\$ 1,000 FOB)						
	MY 02/03 1/		MY 01/02 1/		MY 01/02	
Country	Quantity	Value	Quantity	Value	Quantity	Value
Portugal	7,161	6,257	7,826	7,123	10,084	8,993
Japan	2,002	1,890	0	0	0	0
India	1,783	1,577	18,917	19,087	21,160	21,000
Indonesia	1,251	1,276	1,908	1,929	1,941	1,969
Bolivia	1,108	1,075	0	0	0	0
Pakistan	998	896	1,395	1,591	1,395	1,591
Italy	960	831	5,257	5,590	5,257	5,590
Thailand	813	758	1,646	1,883	1,854	2,133
Hong Kong	640	540	100	123	100	123
China	401	490	0	0	0	0
Others	1,411	1,277	18,531	19,147	19,030	19,505
Total	18,527	16,867	55,579	56,472	60,820	60,903

Source: Brazilian Secretariat of Foreign Trade. 1/August to April

Imports

Cotton imports for MY 2002/03 are estimated at 120,000 MT, based on updated information from SECEX. According to SECEX, cotton imports during the August 2002 - April 2003 period are 84,567 MT lint cotton. Total MY 2003/04 cotton imports are projected at 70,000 , down 41 percent from MY 2002/03, assuming the expected increase in domestic production. The tables below show cotton imports by country of destination for MY 2001/02 and 2002/03, as reported by SECEX.

Brazilian Cotton Imports: NCM 5201.00.10 (metric tons, US\$ 1,000 FOB)						
	MY 02/03 1/		MY 01/02 1/		MY 01/02	
Country	Quantity	Value	Quantity	Value	Quantity	Value
Germany	0	3	0	0	0	0
Italy	0	0	0	0	26	54
Total	0	3	0	0	26	54

Source: Brazilian Secretariat of Foreign Trade. 1/August to April

Brazilian Cotton Imports: NCM 5201.00.20 (metric tons, US\$ 1,000 FOB)						
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Country	MY 02/03 1/		MY 01/02 1/		MY 01/02	
	Quantity	Value	Quantity	Value	Quantity	Value
USA	14,067	14,076	2,214	1,683	3,385	2,653
Paraguay	11,970	12,163	13,596	12,344	20,938	18,849
Ivory Coast	4,397	4,706	2,197	2,093	4,196	4,492
Greece	2,401	2,883	0	0	0	0
Togo	2,000	2,172	0	0	0	0
Argentina	1,975	1,507	4,916	4,198	5,040	4,288
Benin	1,106	1,011	1,099	1,117	1,099	1,117
Turkish Islands	917	1,007	0	0	0	0
Switzerland	440	538	0	0	0	0
Senegal	598	532	0	0	200	180
Others	292	431	0	1	1,000	921
Total	40,164	41,026	24,023	21,436	35,859	32,500

Source: Brazilian Secretariat of Foreign Trade. 1/August to April

Brazilian Cotton Imports: NCM 5201.00.90 (metric tons, US\$ 1,000 FOB)						
Country	MY 02/03 1/		MY 01/02 1/		MY 01/02	
	Quantity	Value	Quantity	Value	Quantity	Value
USA	30,269	28,202	2,489	2,845	5,669	5,433
Paraguay	9,221	8,921	2,770	2,573	4,779	4,180
Egypt	1,689	3,124	2,023	4,811	2,246	5,283
Burkina Faso	1,100	1,294	0	0	0	0
Israel	500	871	417	825	502	972
Australia	633	732	581	742	581	742
UK	300	519	0	0	0	0
Switzerland	543	449	289	468	566	936
Ivory Coast	51	88	0	0	0	0
Turkmenistan	43	74	192	333	192	333
Others	55	81	4,478	5,874	4,557	5,943
Total	44,403	44,356	13,239	18,470	19,092	23,821

Source: Brazilian Secretariat of Foreign Trade. 1/August to April

Stocks

Carry-over stocks for MY 2002/03 are estimated at 320,069 MT, lint cotton. Ending stocks for MY 2003/04 are projected stable at 315,069 MT. As of May 31, the stock level held by GOB is estimated at 12,085 MT, lint cotton.

Policy

According to a GOB resolution announced on December 26, 2001, the Common External Tariff (TEC) applied to imported cotton is 7.5 percent for category 5201.00.10 and 10 percent for categories 5201.00.20 and 5201.00.90.

On February 6, 2003, the Brazilian government formally requested that the World Trade Organization (WTO) establish a dispute panel to assess the legality of U.S. cotton domestic support and export programs. On May 19, 2003, the Director-General of WTO, appointed the panelists to serve in the cotton dispute between Brazil and the U.S. Some initial findings are expected by the end of CY 2003.

The commercial use of Bt cotton or other biotech seed varieties continues to be illegal in Brazil, although the 2003 soybean crop is being commercialized making no distinction between biotech and conventional seed varieties. Brazilian farmers would significantly benefit from Bt cotton in terms of lower production costs and less producer risk, since less insecticide would be required.

Value Added Cotton

Production

The Brazilian Textile Industry Association (ABIT) has not released an estimate for domestic production of all fibers for CY 2002. The graph below indicates production data for CY 1995 to 2001.

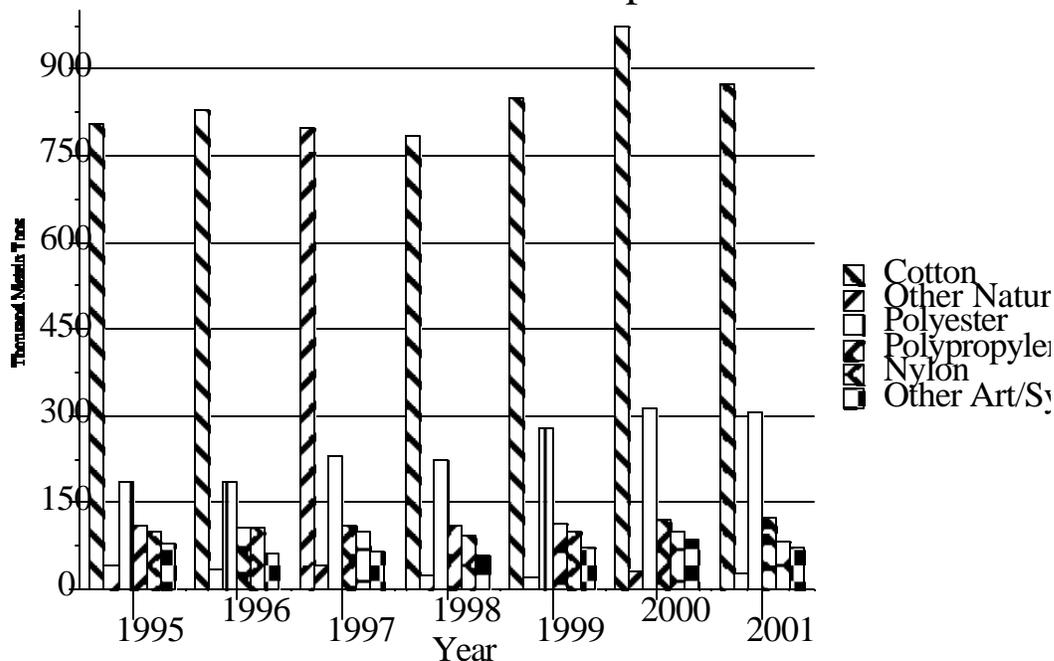


Source: Brailian Textile Industry Assn (ABIT)

Consumption

ABIT has not released an estimate for domestic consumption for all textile fibers for CY 2002. The graph below indicates consumption data for CY 1995 to 2001.

Brazilian Consumption of Textile Fibers



Source: Brazilian Textile Industry Assn (ABIT)

Trade

Exports

The table below shows Brazilian exports of textile products, as reported by ABIT for 2001 and 2002.

Brazilian Export of Textile Products (tons, US\$ 1,000 FOB).				
Product	2001		2002	
	Quantity	Value	Quantity	Value
Textile Fibers	202,338	209,100	189,522	164,486
Nylon	130	323	58	156
Polyester	1,764	2,213	1,737	1,905
Acrylic	1,679	2,265	3,819	5,225
Viscose	3,778	5,202	7,209	8,914
Acetate	3,224	11,816	4,607	16,405

Wool/hair/tops	9,270	19,126	7,368	19,547
Linen	180	171	115	13
Cotton	148,527	155,220	110,661	94,344
Jute	0	0	2	3
Sisal	31,280	8,590	50,721	12,930
Other	2,507	4,174	3,223	5,044
Yarns	31,451	101,204	43,418	107,102
Silk	1,338	39,356	1,447	35,264
Wool/hair	14	97	16	196
Cotton	16,993	39,765	26,108	55,904
Ramie	8,975	6,253	12,751	7,335
Artif/Synthetic	4,132	15,733	3,095	8,398
Other	0	0	1	5
Artif/Synt.Filaments	9,950	38,493	13,878	55,537
Nylon	5,588	16,830	7,396	19,490
Polyester	1,411	3,830	1,119	2,985
Viscose	1,429	5,372	1,819	6,217
Acetate	11	85	79	1,544
Polyurethane	115	1,015	855	7,711
Other	1,397	11,361	2,609	17,590
Fabrics	62,786	271,082	55,137	225,827
Silk	3	56	0	14
Wool/hair	193	5,208	81	2,204
Cotton	54,331	213,883	46,234	172,668
Linen	166	1,793	209	2,146
Ramie	3	16	2	22
Jute	1	8	1	7
Artif/Synthetic	4,712	22,364	5,007	20,083
Knitting	3,376	27,754	3,602	28,683
Threads	473	4,645	564	4,718
Cotton	90	1,113	79	760
Artif/Synthetic	383	3,532	484	3,957
Garments	62,677	536,032	64,639	506,890
Other	85,528	145,540	71,130	120,927
Grand Total	455,203	1,306,097	438,288	1,185,486
Source: ABIT.				

Imports

Brazilian imports of textile products for 2001 and 2002, as reported by ABIT, follow.

Brazilian Imports of Textile Products (tons, US\$ 1,000 FOB).				
Product	2001		2002	
	Quantity	Value	Quantity	Value
Textile Fibers	152,215	184,258	116,634	130,562
Nylon	1,352	4,844	694	3,566
Polyester	28,917	32,215	18,180	19,865
Acrylic	18,276	24,026	13,830	17,069
Viscose	854	1,447	715	1,044
Acetate	216	775	80	317
Wool/hair/tops	697	3,174	452	2,138
Linen	638	1,425	488	901
Ramie	22	93	78	313
Cotton	82,406	96,362	67,863	64,785
Jute	11,013	4,198	3,949	1,468
Sisal	6	27	1	3
Other	7,818	15,670	10,304	19,092
Yarns	13,502	43,306	12,790	30,007
Silk	44	1,269	16	400
Wool/hair	240	2,713	57	716
Cotton	2,940	10,565	1,888	6,464
Linen	9	172	10	143
Artif/Synthetic	8,343	27,337	9,013	21,162
Jute	1,790	1,165	1,777	1,106
Other	135	86	30	16
Artif/Synt.Filaments	152,672	328,273	172,427	294,162
Nylon	20,043	80,185	14,426	55,023
Polyester	124,732	176,704	151,721	186,094
Viscose	137	666	62	302
Acetate	1,054	3,796	643	2,256
Polyurethane	4,355	52,801	4,064	39,597
Other	2,351	14,120	1,511	10,890
Fabrics	66,696	279,201	63,548	260,170
Silk	63	2,571	45	1,490
Wool/hair	518	10,248	241	4,817
Cotton	5,462	18,459	5,077	14,684
Linen	18	359	25	335
Ramie	37	334	65	536

Jute	133	108	60	73
Artif/Synthetic	50,175	207,332	53,905	222,328
Knitting	10,289	39,790	4,131	15,907
Threads	377	1,168	246	1,261
Cotton	79	596	18	254
Artif/Synthetic	298	1,167	228	1,006
Garments	26,472	178,661	21,322	127,853
Other	45,258	217,350	44,710	189,410
Grand Total	457,192	1,232,812	431,678	1,033,424
Source: ABIT				

Policy

The common external tariffs (TEC) for value added products, follows.

Common External Tariffs (Value Added Cotton).	
Description	%
Cotton, Carded or Combed	9.5
Threads, Yarns	14
Yarns for retail sale	16
Fabrics	18
Apparel	20

Exchange Rate

Exchange Rate (R\$/US\$1.00 - official rate, last day of period)						
Month	1998	1999	2000	2001	2002	2003
January	1.12	1.92	1.80	1.97	2.42	3.53
February	1.13	2.03	1.77	2.04	2.35	3.56
March	1.14	1.77	1.75	2.16	2.32	3.35
April	1.14	1.66	1.81	2.22	2.36	2.89
May	1.15	1.72	1.82	2.36	2.52	2.97
June	1.16	1.77	1.80	2.30	2.84	--
July	1.16	1.79	1.78	2.43	3.43	--
August	1.18	1.81	1.82	2.55	3.02	--
September	1.19	1.92	1.84	2.67	3.89	--
October	1.19	1.95	1.91	2.71	3.65	--
November	1.20	1.92	1.98	2.53	3.59	--
December	1.21	1.79	1.96	2.32	3.53	--

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