



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - public distribution

**Date:** 3/12/2004

**GAIN Report Number:** AR4015

## Argentina

### Cotton and Products

### Argentine Cotton Output Down

### 2004

**Approved by:**

Robert Hoff  
U.S. Embassy

**Prepared by:**

Ken Joseph

---

**Report Highlights:**

Argentina's cotton production for marketing year 2003 is estimated to drop to 95,000 tons as result of lower-than-expected planted area and dry conditions. Exports have also been adjusted downward due to expected shorter surpluses.

---

Includes PSD Changes: Yes  
Includes Trade Matrix: No  
Unscheduled Report  
Buenos Aires [AR1]  
[AR]

Argentine cotton production for MY2003 is estimated to drop to 95,000 tons. This is a result of a final lower planted acreage than previously estimated and dry weather.

In the past few years, the area planted with cotton in Argentina has been difficult to determine due to the lack of resources on the part of the Argentine Government. Therefore, planted area is estimated based on different sources whose analyses often vary considerably. Once the sowing was over in January, the Argentine Government adjusted its estimate of planted area downward to 264,000 hectares.

Rainfall throughout 2003 was lower than normal, but even so until early January 2004, cotton plantations were still in good shape. However, between that time and mid-February the weather was dry and hot, causing some acreage loss and lower yields. During the latter part of February and early March rainfall returned to normal levels. In addition to low rainfall, in mid-February a hailstorm destroyed about 2,000 hectares in Santiago del Estero province. The crop condition is spotty, on some plantations yields are good, especially on those using top technology. On others, yields are expected to be as low as 300-500 kilos per hectare of raw cotton. There is great expectation on how fields, which were planted late, will react to the recent rains. Contacts hope to see yields recover somewhat.

The harvest began very slowly in mid-January, but it will pick up towards the end of March. So far, lint quality and ginning ratios have been very good.

With a recovered domestic demand, a shorter-than-expected crop will affect export surpluses. Therefore, OAA Buenos Aires' new estimate for MY2003 has been lowered to 4,000 tons. In the last five months of calendar year 2003, Argentina exported about 2,000 tons of cotton. Traders expect very little of the new crop to be shipped until the end of July 2004. Most cotton will be marketed domestically.