

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Turkey

Cotton and Products Update

Turkey 2010 Cotton and Products Update

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Report Highlights:

Total Turkish cotton production is expected to be about 500,000 MT(3.3 million bails) in MY 2010, about thirty percent higher than the previous year. Domestic consumption for MY 2009 is now estimated at about 1.25 MMT(5.7 million bails).

Post: Commodities:

Ankara Cotton

Executive Summary:

The MY2010 cotton crop benefited from favorable weather conditions and total domestic production is expected to be about 500,000 MT (3.3 million bails), thirty percent higher than the previous year. Domestic consumption for MY 2009 is now estimated at about 1.25 MMT(5.7 million bails). Increased domestic and export demand caused MY 2009 cotton imports to increase to 866,245 MT (3.9 million bails) in the first eleven months of the marketing year. Imports from the United States were 420,000 MT (1.9 million bales) during the same period. High U.S. prices had an adverse effect on exports. The GSM-102 Credit Guarantee Program continues to play an important role in U.S. exports to Turkey.

Production

Favorable climate conditions and high temperatures in all cotton growing regions are reported. MY 2010 cotton area and production are estimated to be about 330,000 hectares and 500,000 MT (2.3 million bails) due to larger than anticipated planting as a result of high world cotton prices.

Consumption

MY 2009 domestic cotton consumption is now estimated to be about 1.25 MMT (5.7 million bails). The Turkish textile industry had higher than expected orders during the first half of the marketing year. According to available trade estimates, Turkish textiles and ready-to-wear item exports were up twenty-four and eight percent respectively during the first six months of 2010. Sources indicated that high world cotton prices increased the cost of production for the far-eastern producers. Turkish producers who were covered by long term cotton purchasing contracts were slow to increase prices, and so managed to increase sales to mostly European countries. However, a decline in the value of the Euro and increase in the value of the U.S. dollar is also a source of concern for Turkish textile manufacturers since the Turkish textile industry buys its raw materials on a U.S. dollar basis and sells finished products to EU member countries on a Euro basis.

Trade

According to available information, Turkey imported about 866,245 MT (3.97 Million bails) of cotton during the first eleven months of MY 2009, of which 419,567 MT (1.9 Million bails), or forty-eight percent is U.S. cotton. High U.S. cotton prices causes this amount to be lower than usual. Greece, the CIS countries, Brazil and India were the other suppliers to Turkey. The GSM-102 credit guarantee program continues to play an important role in U.S. cotton sales to Turkey.

Turkish cotton exports during the same period were about 12,600 MT (57,800 bails), about 6,160 MT of which was to Turkish free trade zones, which means that some of this cotton may be

imported back into the country. Turkey also exported about 19,500 MT of cotton for medical use during the same period.

**PSD Table
Turkey
Cotton
(HECTARES)(MT)**

	2008	Revised	2009	Estimate	2010	Forecast
	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]
Market Year						
Begin		Aug-08		Aug-09		Aug-10
Area Planted	350000	350000	280000	280000	310000	330000
Area Harvested	340000	340000	280000	280000	310000	330000
Beginning						
Stocks	272563	272563	267433	267433	232433	283433
Production	420000	420000	380000	380000	450000	500000
Imports	635632	635632	700000	900000	750000	825000
MY Imp. from U.S.	391500	391500	450000	450000	475000	475000
TOTAL						
SUPPLY	1328195	1328195	1347433	1547433	1432433	1618433
Exports	10762	10762	15000	14000	20000	15000
USE Dom.						
Consumption	1050000	1050000	1100000	1250000	1170000	1350000
Loss Dom.						
Consumption	0	0	0	0	0	0
TOTAL Dom.						
Consumption	1050000	1050000	1100000	1250000	1150000	1350000
Ending Stocks	267433	267433	232433	283433	242433	243433
TOTAL						
DISTRIBUTION	1328195	1328195	1347433	1547433	1432433	1618433

Cotton	2008/2009			2009/2010			2010/2011		
Turkey	Market Year Begin: Aug 2008			Market Year Begin: Aug 2009			Market Year Begin: Aug 2010		
	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post	USDA Official	Old Post	New Post
Area Planted	0	0	0	0		0	0		0
Area Harvested	340	380	340	280		280	345		330
Beginning Stocks	1,954	1,275	1,250	1,654		1,228	1,609		1,303
Production	1,930	2,300	1,930	1,750		1,745	2,100		2,295
Imports	2,919	3,100	2,918	3,900		4,131	3,000		3,786
MY Imports from U.S.	0	2,065	1,797	0		2,065	0		2,180

Total Supply	6,80 3	6,67 5	6,09 8	7,30 4		7,10 4	6,70 9		7,38 4
Exports	136	230	50	175		64	150		68
Use	5,10 0	5,51 0	4,82 0	5,60 0		5,73 7	5,50 0		6,19 6
Loss	-87	0	0	-80		0	-80		0
Total Dom. Cons.	5,01 3	5,51 0	4,82 0	5,52 0		5,73 7	5,42 0		6,19 6
Ending Stocks	1,65 4	935	1,22 8	1,60 9		1,30 3	1,13 9		1,12 0
Total Distribution	6,80 3	6,67 5	6,09 8	7,30 4		7,10 4	6,70 9		7,38 4
Stock to Use %	32	16	25	28		22	20		18
Yield	1,23 6.	1,31 8.	1,23 6.	1,36 1.		1,35 7.	1,32 5.		1,51 4.
TS=TD			0			0			0

Import Trade Matrix

Country	Turkey		
Commodity	Cotton	Units:	Metric tons
Time Period	Aug/July		Aug/June
Imports for:	MY 2008		MY 2009
U.S.	391500	U.S.	419,841
Others			
Greece	137836	Greece	147569
Mersin FTZ	22566	Turkmenistan	62946
Brazil	20964	India	60183
Uzbekistan	17608	Uzbekistan	29923
Turkmenistan	17083	Syria	57800
India	13028	Brazil	16388
Egypt	3513	Pakistan	9198
Azerbaijan	2941	Azerbaijan	9957
Kyrgyzstan	1779	Nigeria	2450
Tajikistan	1550	Tajikistan	20009
Total of Others	238868		416423
Others not listed	5264		29981
Grand Total	635632		866245

Country	Turkey		
Commodity	Cotton	Units:	Bales
Time Period	Aug/July		Aug/June
Imports for:	MY 2008		MY 2009
U.S.	1796985	U.S.	1927070
Others			
Greece	632667	Greece	677342
Mersin FTZ	103578	Turkmenistan	288922
Brazil	96225	India	276240
Uzbekistan	80821	Uzbekistan	137347
Turkmenistan	78411	Syria	265302

India	59799	Brazil	75221
Egypt	16128	Pakistan	42219
Azerbaijan	13500	Azerbaijan	45703
Kyrgyzstan	8166	Nigeria	11246
Tajikistan	7155	Tajikistan	91841
Total of Others	1096404		1911383
Others not listed	24162		137613
Grand Total	2917551		3976066