USA
ITA

The Changing Landscape of World Textile Trade: Challenges and Opportunities for U.S. Cotton

Agricultural Outlook Forum 2003

Textile and Apparel Sourcing Changes Dramatically in 2005

Quotas Still Affect Business Decisions in 2003 and 2004

How Do Customers of U.S. Cotton See the Challenges and Opportunities

Successful Retailers Sell What Customers Want to Buy

5 Key Factors in Making the Sourcing Decision

Five Criteria For Sourcing

- Speed
- Quality
- Legal Compliance
- Logistics
- Product Costs

What Happens in 2005

What Does This Mean for U.S. Cotton?

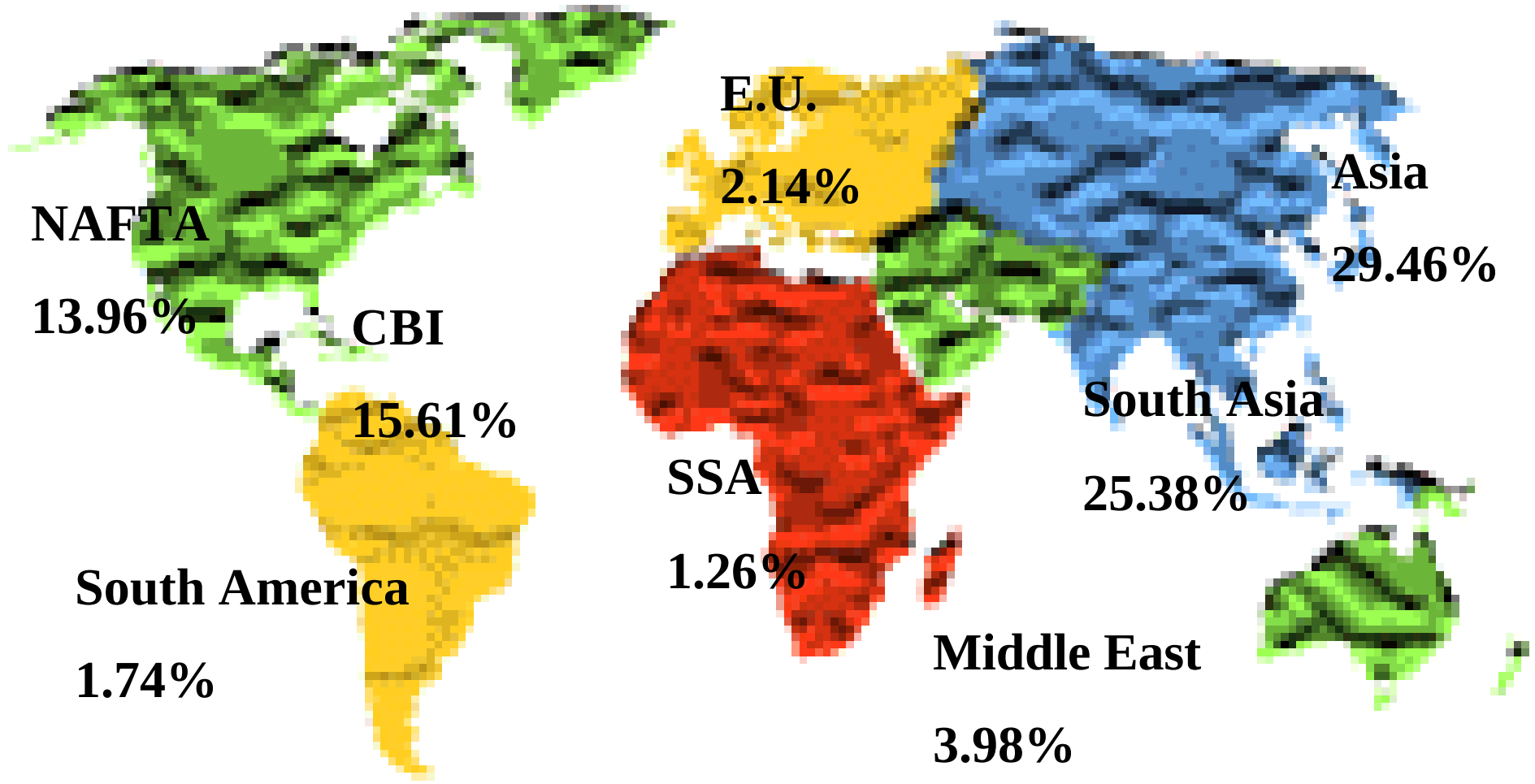
Ten Years of Increasing Imports

Top 15 Suppliers of All Cotton Products

Year Ending November 2002

1. Pakistan
2. China (PRC)
3. Mexico
4. India
5. Canada
6. Honduras
7. Bangladesh
8. El Salvador
9. Turkey
10. Hong Kong
11. Thailand
12. Dominican Republic
13. Indonesia
14. Philippines
15. Cambodia

Cotton Products by Region



Top 15 Suppliers of Cotton Yarn

Year Ending November 2002

1. Pakistan
2. Mexico
3. Canada
4. Egypt
5. Uzbekistan
6. Brazil
7. Malaysia
8. Indonesia
9. Turkey
10. Thailand
11. Argentina
12. Italy
13. Bahrain
14. El Salvador
15. Australia

Top 15 Suppliers of Cotton Fabrics

Year Ending November 2002

1. Pakistan
2. China (PRC)
3. Indonesia
4. Thailand
5. India
6. Korea
7. United Arab Emirates
8. Bahrain
9. Japan
10. Hong Kong
11. Turkey
12. Malaysia
13. Italy
14. Mexico
15. Uzbekistan

Top 15 Suppliers of Cotton Apparel

Year Ending November 2002

1. Mexico
2. Honduras
3. El Salvador
4. Bangladesh
5. Dominican Republic
6. Hong Kong
7. China (PRC)
8. India
9. Pakistan
10. Turkey
11. Costa Rica
12. Cambodia
13. Philippines
14. Guatemala
15. Indonesia

Top 15 Suppliers of Cotton Made-Ups

Year Ending November 2002

1. Pakistan
2. China (PRC)
3. India
4. Turkey
5. Portugal
6. Bangladesh
7. Mexico
8. Taiwan
9. Thailand
10. Brazil
11. Philippines
12. Israel
13. Canada
14. Egypt
15. Cambodia

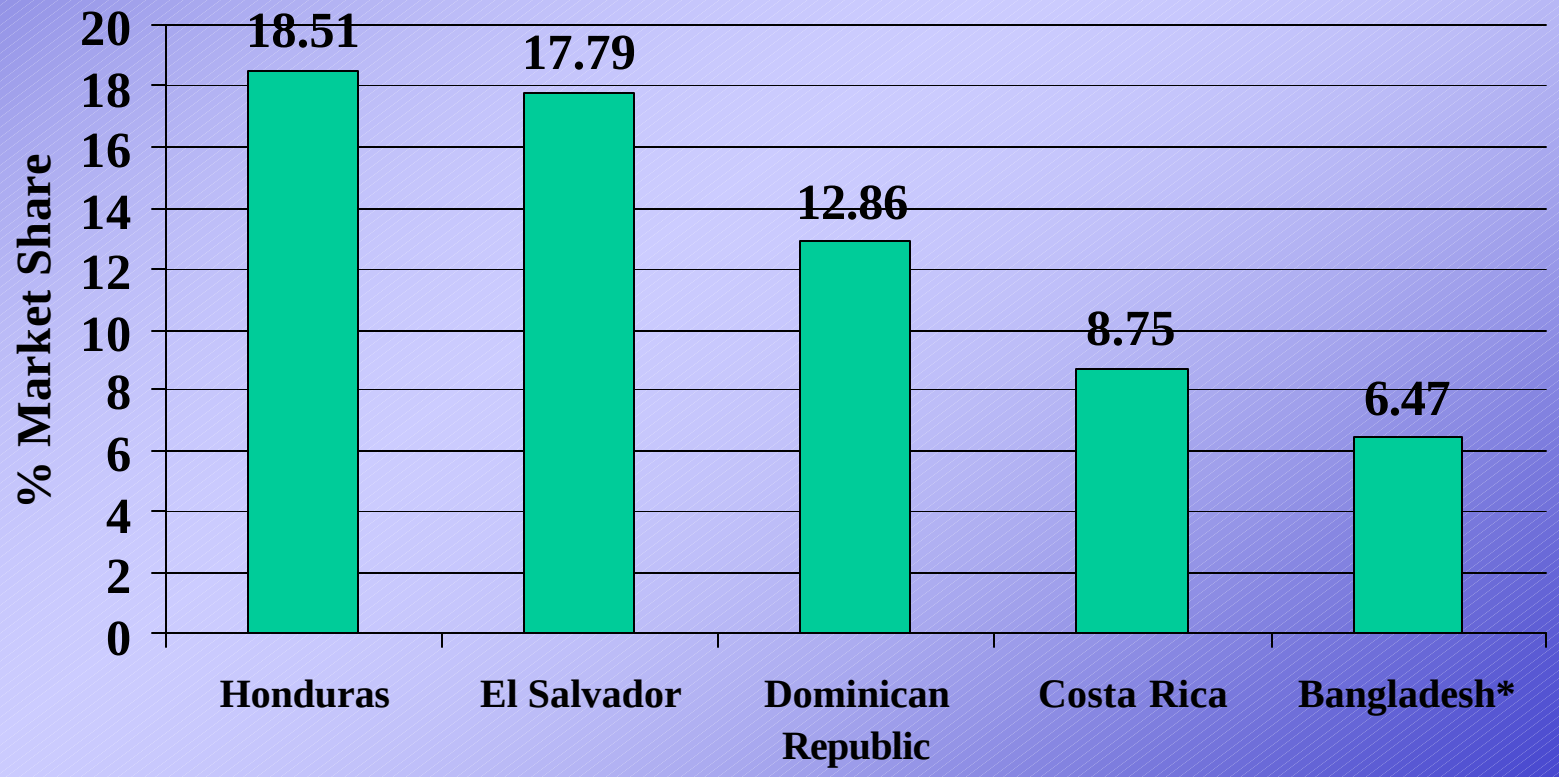
Top Cotton Countries

RANK	COUNTRY	ANNUAL GROWTH RATE	% TRADE 807/CBTPA/NAFTA
1	Pakistan	14.11	0.35
2	China (PRC)	85.04	0.21
3	Mexico	-4.41	96.92
4	India	16.18	0.26
5	Canada	-0.95	92.18
6	Honduras	5.32	91.07
7	Bangladesh	0.39	0.11
8	El Salvador	8.89	86.92
9	Turkey	14.79	0.06
10	Hong Kong	-6.58	0.94
11	Thailand	15.84	0.32
12	Dominican Republic	7.17	93.74
13	Indonesia	0.45	0.41
14	Philippines	-0.67	0.91
15	Cambodia	19.78	0.78

Top Five U.S. Suppliers
for the Year Ending November 2002

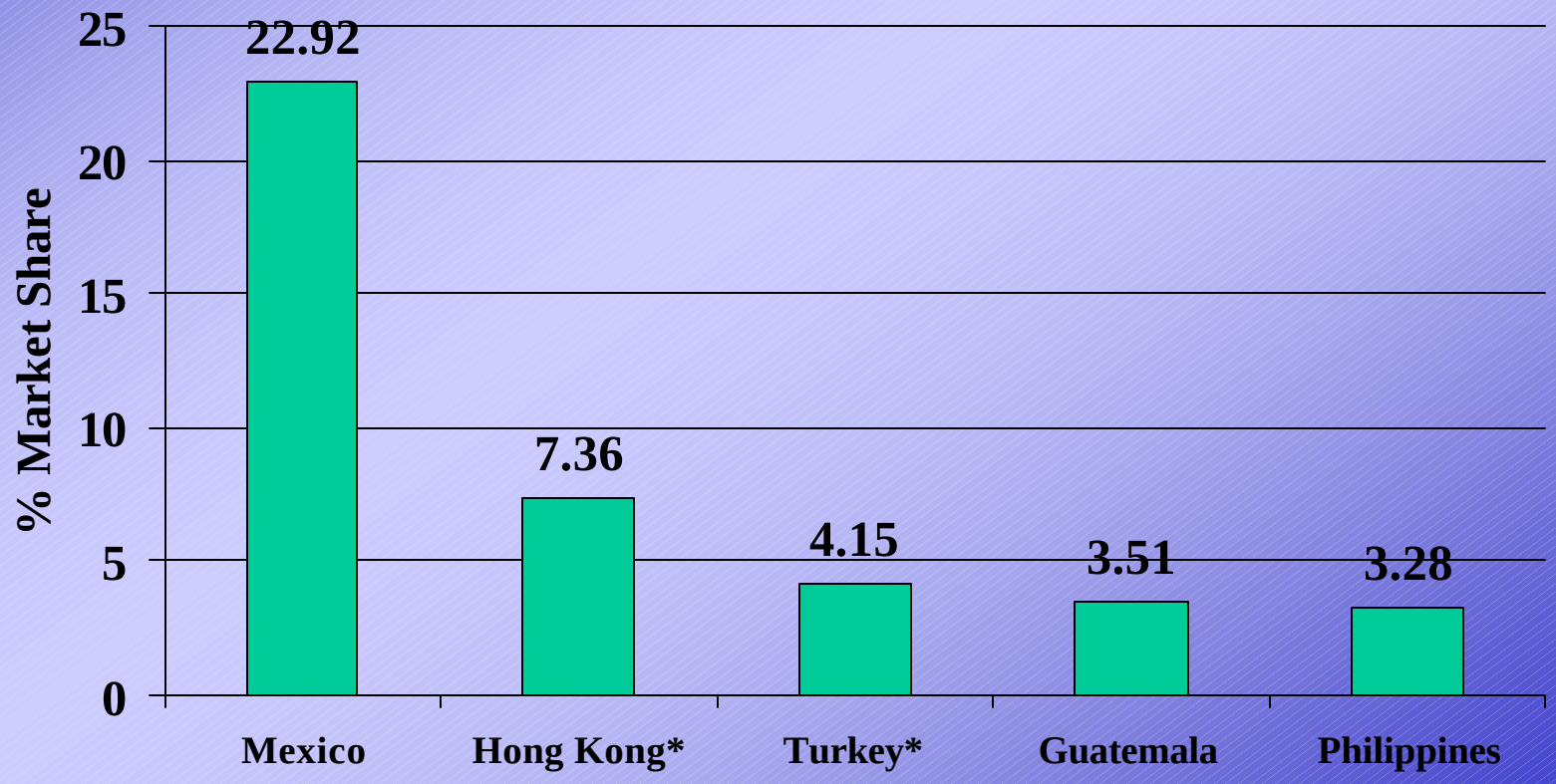
Cotton Underwear

Category 352



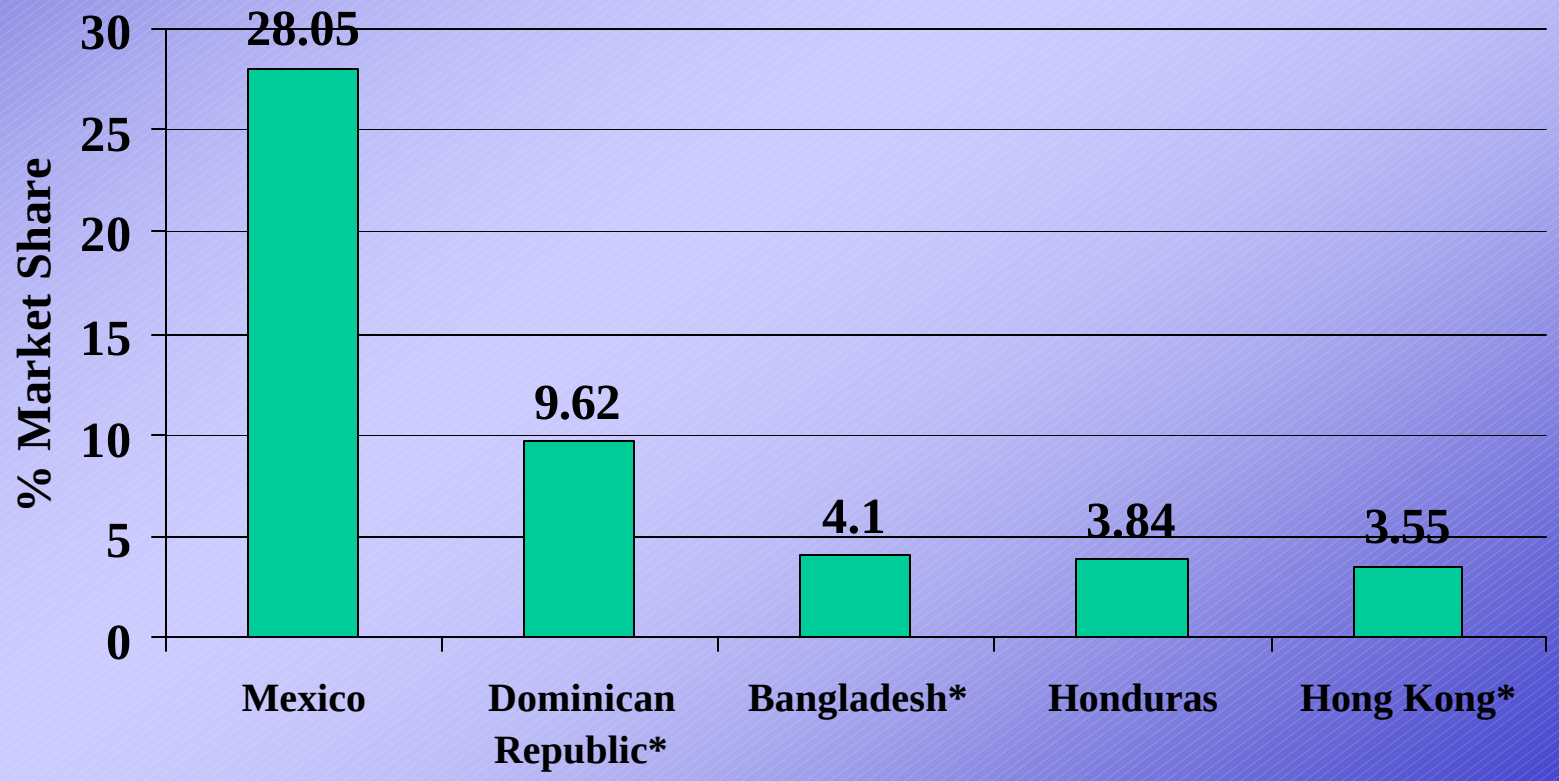
* Subject to quota

Top Five U.S. Suppliers
for the Year Ending November 2002
Cotton Shorts & Trousers, Women's & Girls' Category 348



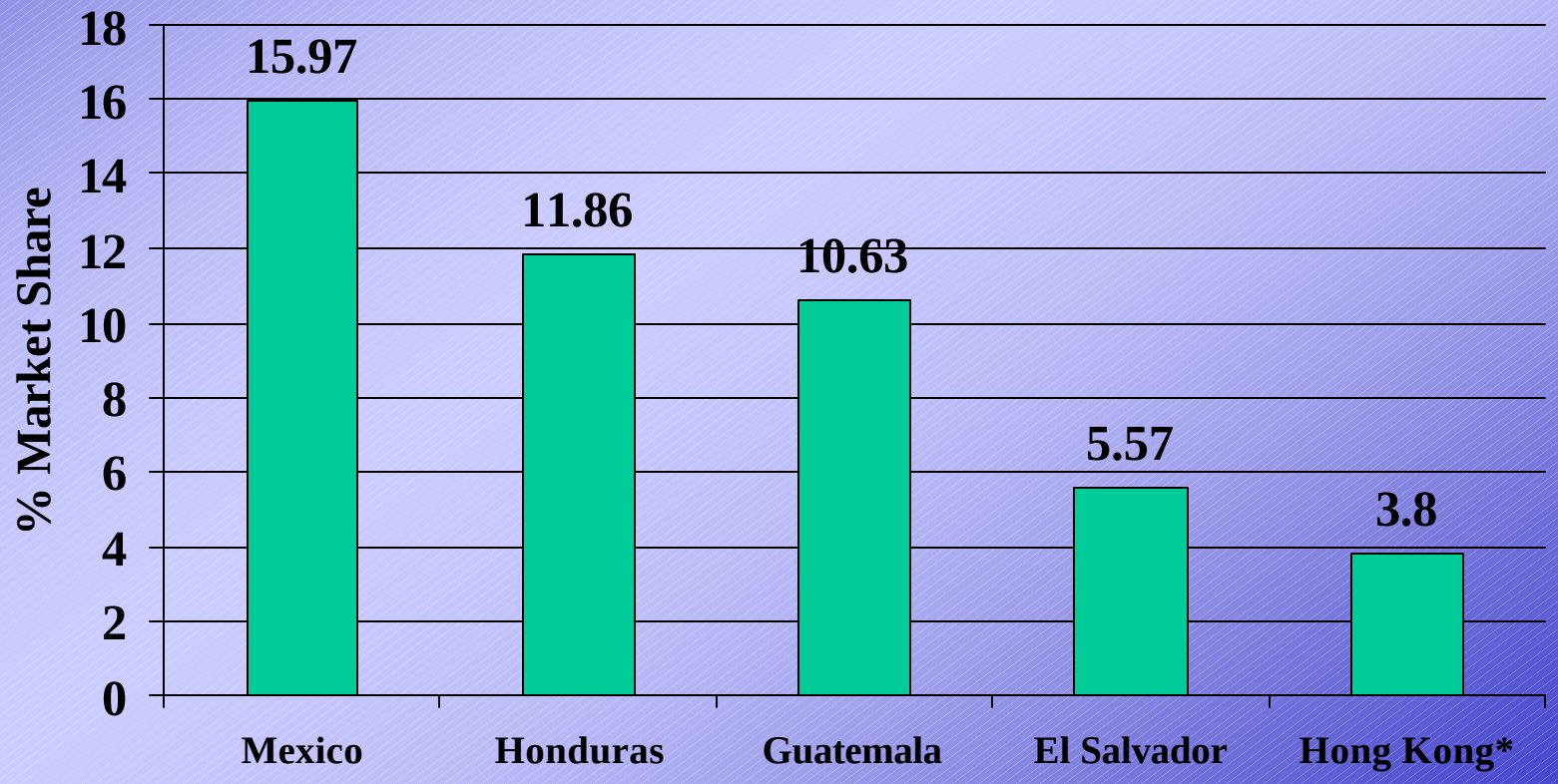
* Subject to quota

Top Five U.S. Suppliers
for the Year Ending November 2002
Cotton Shorts & Trousers, Men's & Boys'
Category 347



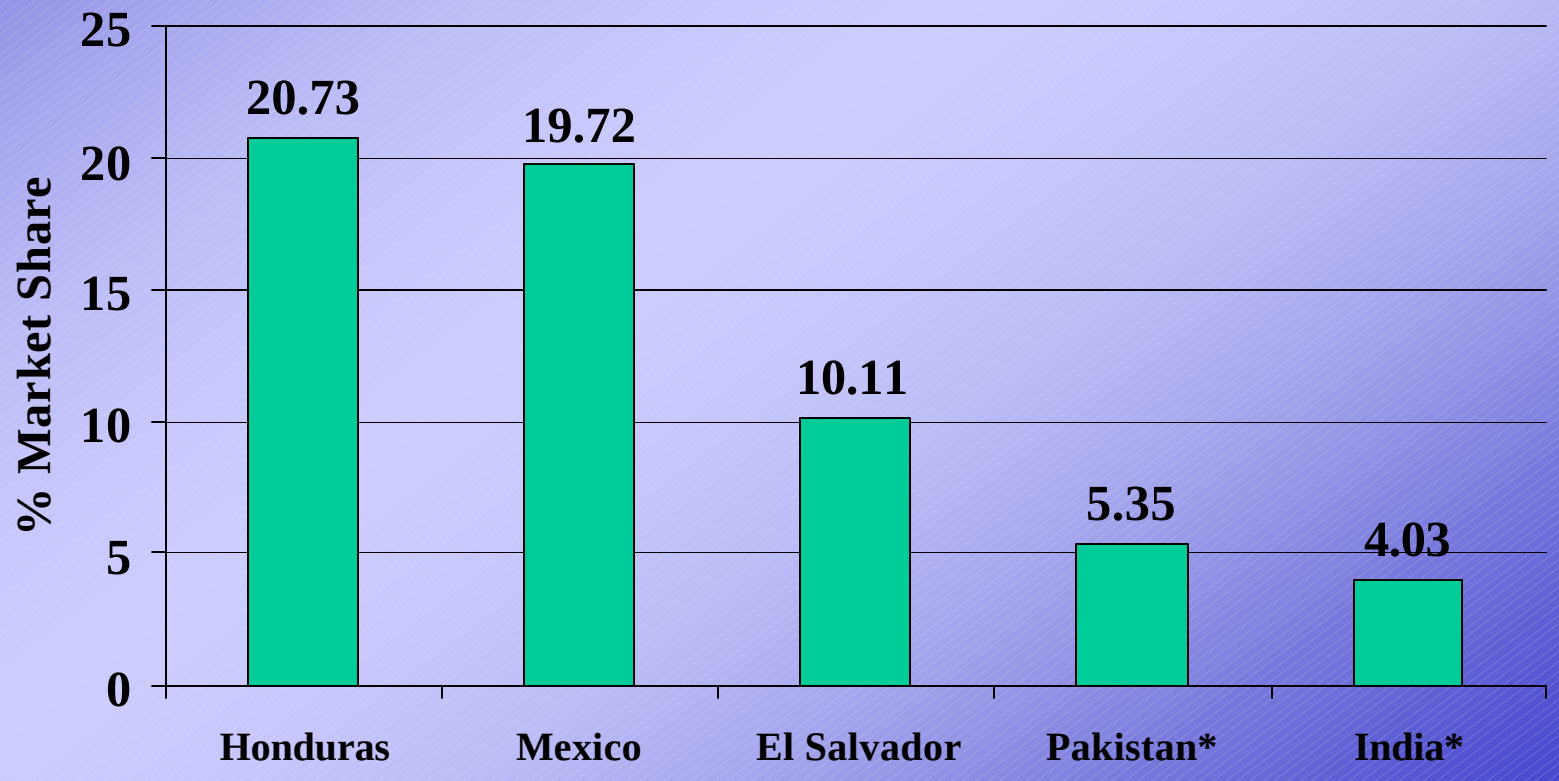
* Subject to quota

Top Five U.S. Suppliers
for the Year Ending November 2002
Cotton Knit Shirts, Women's & Girls'
Category 339



* Subject to quota

Top Five U.S. Suppliers
for the Year Ending November 2002
Cotton Knit Shirts, Men's & Boys'
Category 338



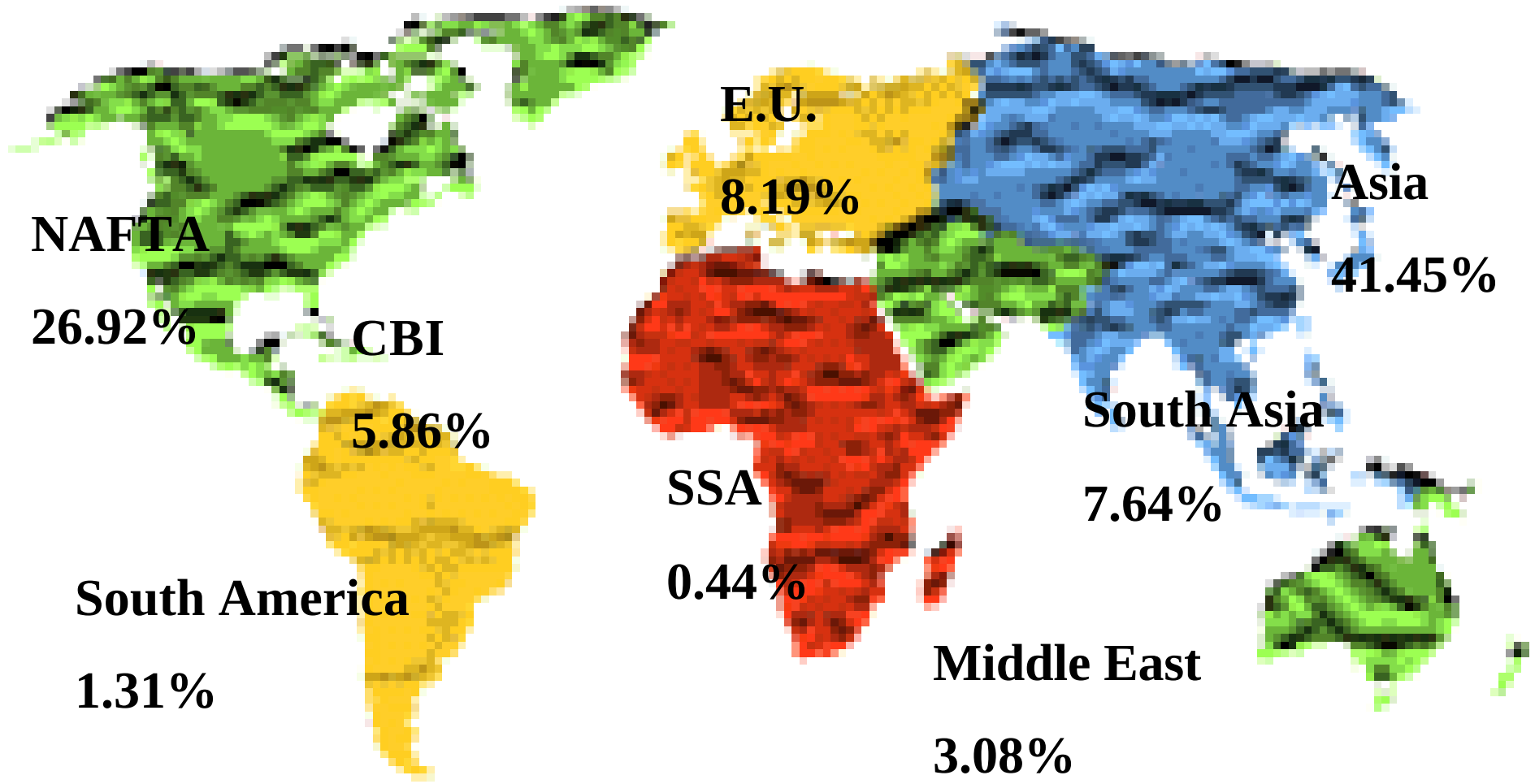
* Subject to quota

Top 15 Suppliers of All Man-made Fiber Products

Year Ending November 2002

1. Mexico
2. Canada
3. China (PRC)
4. Korea
5. Taiwan
6. Thailand
7. Indonesia
8. Germany
9. Turkey
10. Pakistan
11. Philippines
12. Bangladesh
13. Israel
14. Italy
15. Hong Kong

Man-made Fiber Products by Region



Opportunities for U.S. Cotton

Raw Cotton Sales Should Grow

Cotton Yarns and Fabrics Should Maintain Strength in Western Hemisphere

- NAFTA
- CAFTA
- FTAA

Cotton Home Furnishings Should Grow

Challenges for U.S. Cotton

- Must Sell U.S. Cotton to New Customers Around the Globe
- Customers Will Expect Quality **and** Price
- Be Prepared for Challenge from Synthetics

THANK YOU

Contact Information:

Julia K. Hughes

(202) 638-7640

Email: jhughesita@aol.com