



# ACSA

AUSTRALIAN COTTON SHIPPERS ASSOCIATION

## MARKET REPORT - JULY 2025

### UPDATE

Another month has passed and uncertainty continues in global markets - prompting businesses to maintain a cautious approach. The cotton market is no exception with spinners hesitant to make forward commitments amid concerns over potential trade tariffs, choosing instead to focus on nearby shipments.

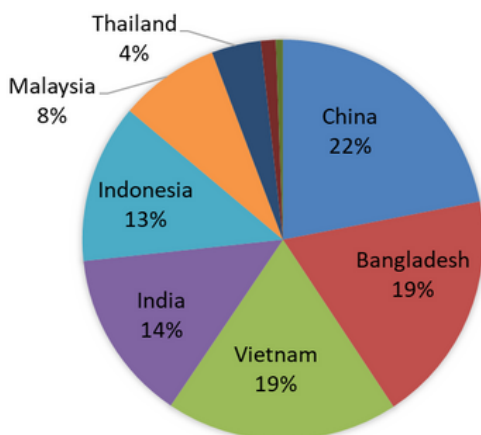
The futures market remains dull and well contained in its long established trading range and after once again trying and failing to breach the 70 cent level, this looks set to continue. Barring a major crop disruption, it's difficult to see what could trigger a meaningful rally in prices. Even the US crop is surprising many traders, with the USDA estimating larger than expected acres and so far, favourable growing conditions in West Texas.

In Australia, ginning has accelerated over the past month, but we've also seen a sharp increase in the volume of tendered cotton. This is placing strain on the supply chain but all parties are working collaboratively to maintain operational efficiency. It's fair to say this season is unlike any we've experienced - marked by a large volume of unsold cotton and an unusual quality composition. It's a challenging scenario for everyone.

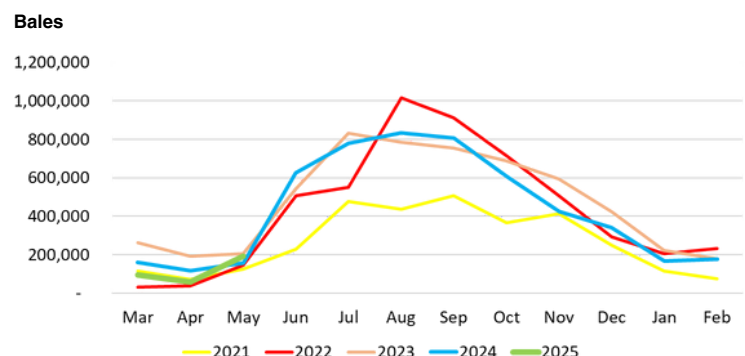
ACSA continues its active engagement. We recently secured a one-year delay in the implementation of India's new quality import requirements - a significant outcome for Australian exporters. In parallel, we're in ongoing discussions with our US and Brazilian counterparts regarding the potential expansion of our MOU agreement to include broader participation across our respective industries.

Cliff White  
Chair

### AUSTRALIAN COTTON EXPORTS 2025 SEASON YTD SHIPMENTS - to May 31, 2025

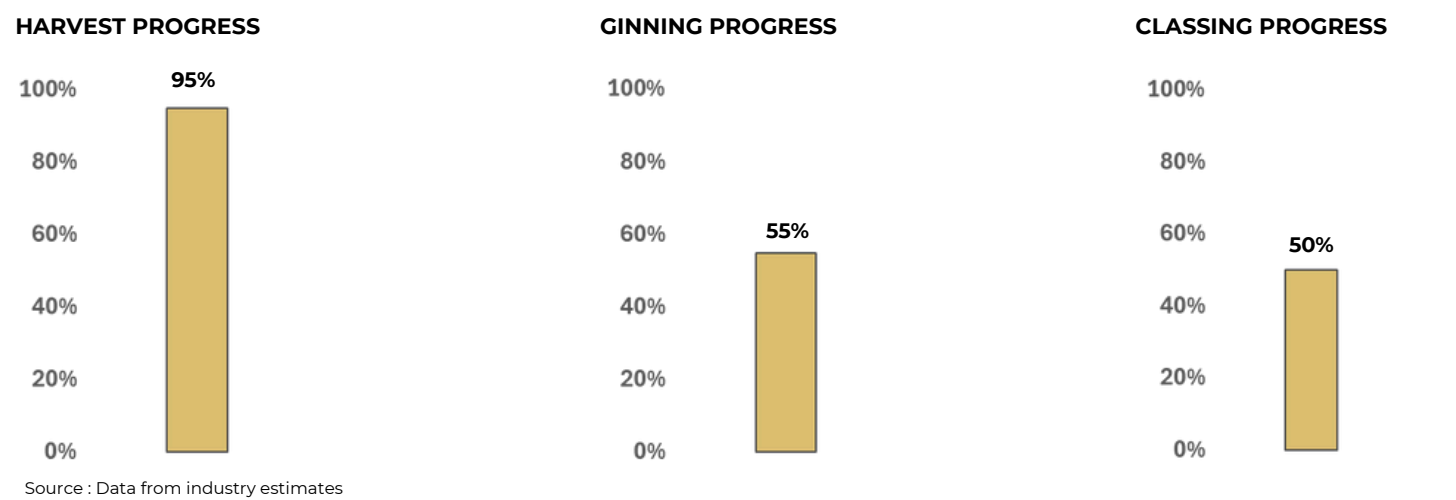


### HISTORICAL SHIPPING PACE



# CROP UPDATE

- Harvest almost complete with more than 95% picked
- Picture-perfect harvest conditions at the moment
- Ginning in full swing across all growing regions, with gins operating at capacity



## GLOBAL COLLABORATION DRIVING OUTCOMES

In today’s global trade environment, shaped by complex regulations, shifting geopolitical dynamics, softening demand for cotton and rising expectations around sustainability and traceability, international collaboration is more important than ever.

In 2024, the Australian Cotton Shippers Association (ACSA), the Brazilian Cotton Shippers Association (ANEA), and the American Cotton Shippers Association (ACSA USA) formalised their long-standing relationships through a Memorandum of Understanding (MoU). This agreement created a shared commitment to deeper collaboration across trade, policy and industry advancement and in doing so, created a united voice representing our cotton-exporting nations.

More than symbolic, this MoU has delivered tangible outcomes, most notably, in our joint response to the regulatory challenges posed by one of our key trading partners. While we recognised the intent behind the changes, the proposed requirements risked significant disruption to trade and imposed an undue burden on exporters despite our collective adherence to internationally recognised standards.

Under the MoU framework, the three associations launched a coordinated advocacy effort to raise concerns and present a more practical, internationally aligned approach. This effort extended beyond industry, with support from government stakeholders across all three countries, including in-market diplomatic engagement and formal representation through diplomatic channels to reinforce our position.

Importantly, the government in question took the time to engage with us and consider our concerns constructively. The result, achieved through collective efforts of several advocacy groups, was a welcome extension to the implementation timeline, providing space for continued dialogue and the pursuit of a workable long-term solution.

This is just one example of the MoU in action. More broadly, it provides a framework to align on shared priorities, including promoting cotton as a sustainable, traceable fibre; sharing knowledge that strengthens supply chain integrity; and coordinating positions on trade barriers and regulatory reform. Most importantly, it has fostered trusted, responsive relationships that enable swift, unified action when challenges emerge.

The MoU is a model of what industry collaboration can achieve when underpinned by trust, strategic alignment, and constructive engagement, with outcomes that benefit not just our members, but the global cotton industry as a whole.

# MEET YOUR SUPPLY CHAIN PARTNER

The S&G group of companies was formed in 2004 by its principles Mr Sam Guan and textile mogul Mr Gordon Wu, southern China's largest cotton apparel manufacturer. S&G predominately trades USA and Australian raw cotton. Domiciled in Hong Kong, S&G Cotton Co., Limited (S&G) have established themselves as a reliable supplier of raw cotton to leading spinners located throughout Asia, with a particular focus on China and Vietnam. Operating out of their Head Office located in Guangzhou, China, their sales and logistics team are ideally situated to service these markets. S&G have procurement offices located in Lubbock Texas, USA and in Brisbane, Australia. They also have an executive office located in Sydney, Australia.



The owners hold an expansive vision for the S&G group. They have intimate knowledge of China and Asia's social and economic maturity. They fully appreciate the magnitude of the demand for food and fibre and the complexity of successfully conducting business in this region. S&G have a very experienced and motivated team. Their flat structure provide them with an enviable level of flexibility and personalised service. They are proud members of the ICA, ACSA and Better Cotton.

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## AUSTRALIAN COTTON WEBINAR

Thank you to everyone who joined our recent Australian Cotton Webinar. The session provided opportunity for valuable discussion with insights shared from across the supply chain. Key takeaways included a 2025 crop update; ffbre quality; sustainability and traceability.

If you missed the session or want to revisit the discussion, a recording is available here - [AUSTRALIAN COTTON WEBINAR](#).

We're currently planning our next webinar and welcome your input. If there are topics you'd like covered, please send your suggestions to [secretariat@austcottonshippers.com.au](mailto:secretariat@austcottonshippers.com.au).



## CONTACT

[www.austcottonshippers.com.au](http://www.austcottonshippers.com.au)

Jules Willis | [ceo@austcottonshippers.com.au](mailto:ceo@austcottonshippers.com.au) | +61 404 392 311

