



ACSA

AUSTRALIAN COTTON SHIPPERS ASSOCIATION

MARKET REPORT - MARCH 2026

FROM THE CHAIR

Harvest of the 2026 Australian cotton crop is fast approaching following a period of very hot weather in mid-February. Some growing regions experienced daytime temperatures in the high 40s, although cooler overnight conditions helped minimise potential impacts on the crop.

Reports suggest the crop is earlier than usual, with defoliation now underway for some growers. This will result in some isolated picking during March, with the bulk of the crop expected to be harvested in April, as is typical.

There will be limited ginning activity prior to 13 April, so shipping of new crop is unlikely to commence before May. As always at this time of year, attention will be closely focused on the weather outlook. The industry will be hoping to avoid a repeat of the late March rainfall that affected fibre quality in the 2024 and 2025 crops. While some rain has been received this week, the forecast for the coming weeks appears relatively dry. Fingers crossed for a more “normal” harvest this season.

Exports remained firm in January, traditionally a quieter month for Australian cotton shipments, with approximately 225,000 bales (50,000 tonnes) exported. China, Vietnam and Indonesia continued to be the main markets. Total shipments for the 2025/26 marketing year (March 2025 – February 2026) have now reached close to 5.5 million bales, meaning the industry is likely to enter the 2026/27 marketing year with minimal stocks on hand.

ACSA is also pleased to announce that it has been approved for funding under the Australian Government’s Accessing New Markets Initiative (ANMI), a \$50 million program designed to help Australian exporters diversify into new markets while strengthening growth in established markets. This funding will support ACSA in promoting Australian cotton across key export markets, including a series of in-market promotional activities planned over the next 18 months.

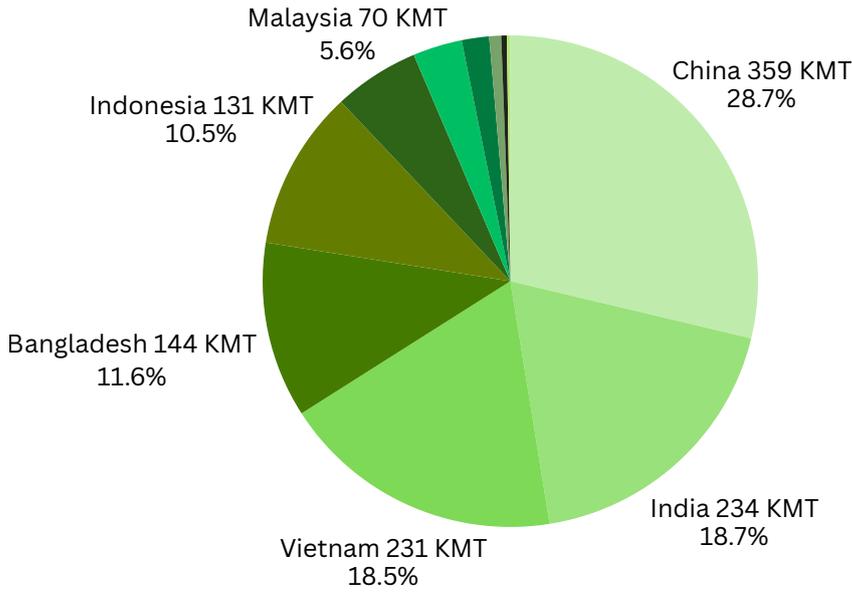
ANMI funding will also support domestic engagement, with ACSA facilitating access to funding for Cotton Australia for a number of Cotton to Market initiatives. This includes the Australian Natural Fibres Forum (delivered in partnership with AWI) and the highly regarded Camp Cotton program scheduled for April 2026. These initiatives help showcase Australian cotton to local and international retailers, brands and industry stakeholders, further strengthening the reputation of Australian cotton with downstream users of the fibre.

For those who have been involved in the Australian cotton industry for as long as I have, you may know that industry legend Mr John Howes sadly passed away late last year after a very long and full life. Former Namoi Cotton CEO and founder of Cotton Trading Corporation (CTC), Mr Howes helped shape the Australian cotton merchandising system. ACSA Director Eimear McDonagh, has written a fitting tribute to Mr Howes which can be found at [here](#).

Arthur Spellson
Chair

AUSTRALIAN COTTON EXPORTS

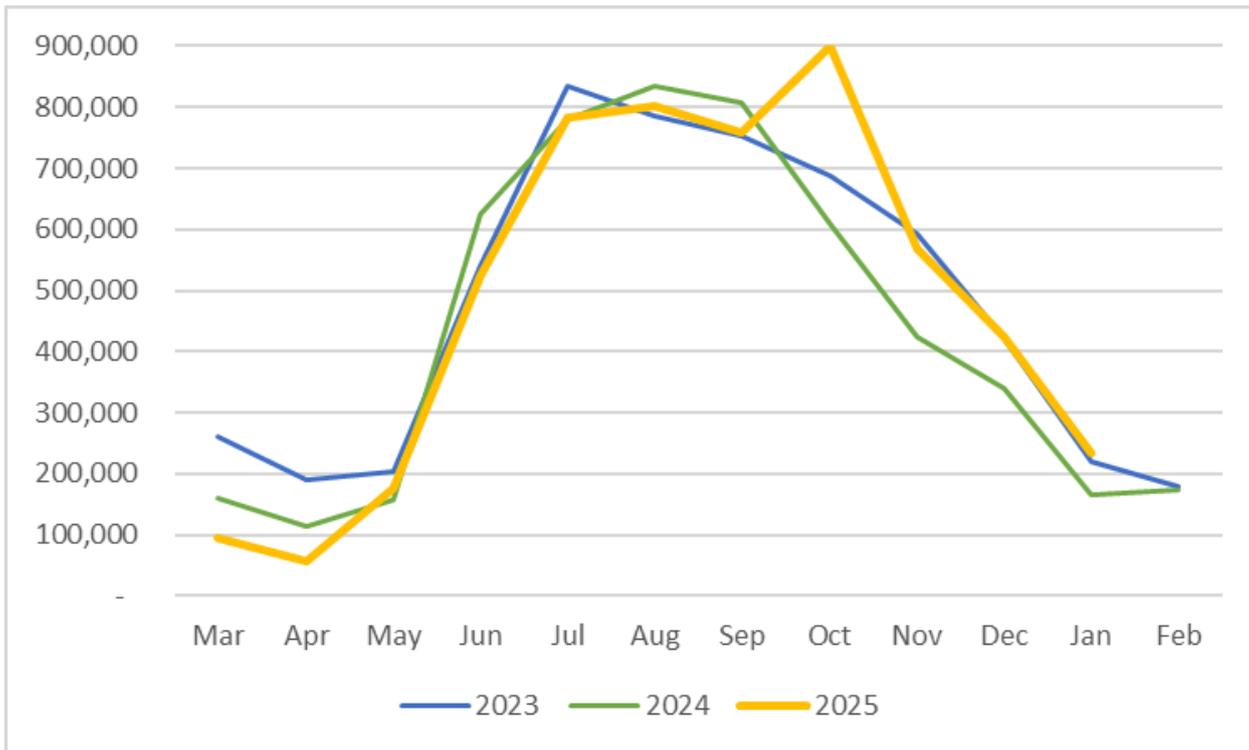
2025 SEASON YTD SHIPMENTS - to January 31, 2026



**BALES (227 KG)
SHIPPED YTD
5,498,239**

HISTORICAL SHIPPING PACE

Bales



2026 CROP UPDATE - FORECAST 4.0-4.5 MILLION BALES

- High daytime temperatures with cooler overnight conditions in February speed up crop development
- An earlier crop than normal for some farmers
- Isolated picking in March with full ramp up in April
- Current forecast for relatively dry conditions in March
- Most gins likely to start in mid-April allowing for shipments in May

LAKE ARGYLE WATER SECURITY DRIVES INDUSTRY EXPANSION

By Richard Porter, Australian Cotton Shippers Association

While many cotton-growing regions across Australia's east coast face declining water storages, the Ord Valley in Western Australia is emerging as a region of optimism for the future of cotton production.

The vast water reserves of Lake Argyle underpins this confidence. At approximately 10.7 million megalitres, Lake Argyle is more than six times larger than the largest east-coast storage (Blowering Dam which holds around 1.63 million megalitres).

Cotton has a long history in the Ord Valley, dating back to the early days of the irrigation scheme in the 1960s and 1970s. However, production was eventually deemed unsustainable due to severe pest pressure - particularly heliothis - along with low yields and poor fibre quality.

In recent years, however, cotton has made a strong comeback in the region. Several key developments have supported the crop's resurgence, including the adoption of Bollgard 3 technology for improved pest control, the Ord Valley's reliable water security, ongoing expansion of irrigated farmland, and the construction of a local cotton gin in Kununurra.

The establishment of the Kimberley Cotton Company (KCC) gin has been particularly significant. Previously, Ord Valley cotton was transported more than 3,400 kilometres to gins in Queensland, adding substantial cost and logistical complexity. The new gin was made possible through strong collaboration between local growers and support from both state and federal governments seeking to build a sustainable broadacre cropping industry in the region.



2025 has proven to be a milestone for the Ord Valley cotton industry.

Planted area expanded dramatically, increasing from less than 1,000 hectares in 2024 to nearly 10,000 hectares in 2025. This growth was underpinned by the commissioning of the KCC Gin, which produced its first bale on 21 August 2025. Completing a project of this scale on time and on budget was widely regarded as a major achievement for the region. The gin's inaugural season also delivered strong results, with 81,042 bales pressed.

Supply chain developments have further strengthened the industry's position. In October 2025, the first containerised shipment of Ord Valley cotton departed from Port of Wyndham, with 60 containers loaded onto ANL's vessel "Contship Yen". Regular shipments have continued since, with the final old-crop scheduled to depart in late March 2026. This milestone was made possible through close coordination between growers, merchants, freight and warehouse providers, the shipping line and the port operator.

Another key development was the commissioning of the Top End Classing facility in Kununurra, which has significantly improved the efficiency of the Ord Valley cotton supply chain by enabling local fibre testing and classing.

With 2025 now viewed as a landmark year, the industry is turning its attention to the future. Growers and supply chain partners are focused on refining agronomic practices, strengthening logistics and further improving ginning operations ahead of the 2026 season. Supported by reliable water resources, expanding infrastructure and strong industry collaboration, the Ord Valley is positioning itself as an increasingly important contributor to Australia's cotton industry.



2026 Australian Cotton Conference

4-6 August, Gold Coast



From 4-6 August 2026, the Australian Cotton Conference will bring together growers, merchants, researchers and global supply chain partners on the Gold Coast, Australia. For our international colleagues and friends, the event will offer a valuable window into the quality, integrity and future direction of Australian cotton.

Australian cotton is recognised globally for its premium quality attributes, contamination management and reliable shipment performance. Conference will provide direct insight into how this reputation is built and maintained - from on-farm production systems through to post farm-gate processes delivering Australian cotton to market ginning, warehousing, logistics and export pathways - as well as the innovation and research that continue to strengthen the industry.

The 2026 program will have a strong focus on global market conditions, shifting trade flows and geopolitical developments influencing fibre demand. Sessions will also explore sustainability, traceability and the increasing importance of transparency across supply chains.

Conference provides opportunities for direct engagement, knowledge exchange and collaboration. For global partners, it is an opportunity to deepen understanding of crop outlook, quality expectations, innovation pathways and long-term supply reliability.

To learn more or register your attendance go to www.australiancottonconference.com.au.



MEET YOUR SUPPLY CHAIN PARTNER

Hang Tung Resources Limited is a long established Hong Kong-based company founded in 1970 with continuous trading operations since inception. The Group initially operated as a trading house, with its main business focused on textile raw materials. Between 1985 and 1995, Hang Tung Resources actively traded materials including wool, cotton and chemical fibre, importing them from all over the world into the China mainland market, before diversifying into real estate development and manufacturing in 1989, and expanding further into finance and investment in 2000 - all of which remain active business sectors today.



In 2014, Hang Tung entered global commodities trading, establishing offices in China and developing a broad trading network across major agricultural markets including the USA, Canada, Brazil, Argentina, the Black Sea region and Europe. The company trades bulk grains, oilseeds and containerised products such as non-GMO soybeans, sorghum and feed grains. Its portfolio also includes cotton, sourced from the Americas, Brazil, West Africa, India and Australia and supplies to major importing markets worldwide.

The recent establishment of Hang Tung Resources Australia Pty Ltd further strengthens the Group's global cotton capabilities.



CONTACT

www.austcottonshippers.com.au

Jules Willis | ceo@austcottonshippers.com.au | +61 404 392 311

