



COTTON OUTLOOK

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Special Feature June 2025



2025 China International Cotton
Conference, Guangzhou

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“Advancing Sustainable Cotton Development, Jointly Shaping the New Era of Consumption”



Alice Robinson

Deputy Editor, Cotlook Ltd

As delegates gather for the 2025 China International Cotton Conference in Guangzhou, the forces affecting the global cotton market appear somewhat different from those in play when the last major international meeting took place in Xi'an last year. In the months prior to that event, world cotton prices had undergone a sharp rally, originally triggered by a tightening US balance sheet and sustained by the actions of speculative investors in New York, who amassed a sizeable long position. The nearby ICE futures contract reached a peak of 107 cents per lb in late February 2024, before reversing course to lose almost 27 percent of its value by late July of the same year.

Since then, prices have been less volatile, moving within a range of slightly more than five cents in 2025 so far. While speculative activity continues to hold influence (Managed Money players built up successively greater short positions in the first quarter of the year, reaching a record magnitude in early March), the picture in the physical market has been dominated by the trade dispute between the world's two largest economies. The new US administration's imposition of heavy tariffs on imports from China – and the retalia-

tory actions from Beijing – were followed by turmoil in financial markets and threw the outlook for the downstream textiles sector into uncertainty. Expectations for consumer demand, which had begun to show some signs of strength ahead of the announcements, took a substantial hit, and the IMF's growth forecast for the US – the biggest importer of textiles in the world – was downgraded.

Meanwhile, cotton production in many countries outside the US continued to grow. Output from the Southern Hemisphere has risen further, while in China, the crop this season has reached a level not seen for over a decade, by virtue of a marked improvement in yields. The results achieved in China were facilitated both by ideal weather during the growing season, as well as the country's continued investment in cutting-edge technologies and efficiency in the production model. The theme of this year's conference thus provides a timely opportunity to explore the most pressing issues faced by the cotton industry today – both in terms of enhancing sustainability on the side of production, and reimagining the future of consumption in an ever-changing environment for world trade.

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Comprehensive Service Platform for Imported Cotton at CNCE

Gathering Global Resources to Empower the New Journey of the Cotton Trade

CNCE Staff



全国棉花交易市场
China National Cotton Exchange

The China National Cotton Exchange (CNCE) was established in accordance with the approval of the State Council's Document No. 42 (1998), and was organized by the All-China Federation of Supply and Marketing Cooperatives. Its main function is to provide macro control of domestic cotton and promote the standardised development of the industry. In the more than 20 years since its establishment, CNCE has always been committed to the strategic orientation and development of a 'comprehensive service platform for the cotton supply chain', focused on macro control, development of the Xinjiang cotton industry, and serving enterprises along the domestic supply chain. It has played a positive role in promoting the high-quality development of China's cotton sector.

To further standardise the market for imported cotton, enhance transportation efficiency, and reduce cotton circulation costs, CNCE has successively registered and established companies in Beijing, Hong Kong, Qingdao, Zhangjiagang and other regions, building a comprehensive service platform for cotton importers. It focuses on providing agency procurement, cooperative sales, foreign consignment cooperation, warehouse

safety supervision and other services for cotton-related enterprises at home and abroad. So far, the comprehensive service platform at CNCE has worked with nearly 80 international cotton merchants, serving 300 imported cotton textile enterprises and trading companies across the country. It has effectively enhanced the core competitiveness and business environment of major domestic ports regarding standardised management of imported cotton, and strengthened China's position in the international trade system.

The imported cotton agency service is involved with purchasing and selling on behalf of domestic enterprises, which fully leverages the advantages of the CNCE platform's reputation both locally and internationally. It can help domestic enterprises reduce their procurement costs and prevent trade risks, and aggregates procurement needs through the platform, striving for more favourable trade terms. CNCE adheres to the principle of avoiding self-operated trade, and all profits generated through procurement and sales activities belong to customers. Only the agency service fee is charged, with the purpose of maximising the interests of domestic importing enterprises.





Meanwhile, CNCE also provides comprehensive supply chain services such as consignment and supervision of imported cotton via its high-quality cooperative warehouse resources in major domestic ports. It acts as an agent for domestic and foreign cotton merchants to carry out consignment services for imported supplies. While ensuring the safety of goods and promoting sales, it can help customers to realise capital recovery in advance, reduce the occupation of funds, and effectively enhance the resource aggregation effect as well as storage incomes of imported cotton held at major ports. The platform also provides imported cotton supervision services for domestic and foreign cotton-related enter-

prises, strengthens standardised storage and risk management of imported cotton, and promotes all-round development and risk reduction in the imported cotton supply chain.

In addition, CNCE has assumed social responsibilities and initiated the establishment of the Qingdao West Coast New Area Cotton Association, which has now attracted over 90 members. It has led the local cotton industry in Qingdao to achieve self-discipline and healthy development, and has made due contributions to consolidating and continuously enhancing the international status of Qingdao Port as the world's largest cotton import port.



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Sustainable Cotton: Driving the Upgrading of China's Cotton Consumption

China Cotton Association



中国棉花协会
CHINA COTTON ASSOCIATION

Since the concept of sustainable development was introduced, its importance has become a consensus within the international community. In the context of global acceleration towards carbon neutrality, the cotton industry is undergoing an unprecedented transformation, and advancing the green, low-carbon, and sustainable development of cotton has become an irreversible trend. In 2021, the China Cotton Association, in collaboration with four textile industry associations, launched the China Cotton Sustainable Development Programme (CCSD), making positive attempts to promote the sustainable development of China's cotton industry.

China is currently the largest cotton producer and consumer in the world. With its unique climatic conditions, Xinjiang has become China's largest cotton-producing region. In recent years, with policy support, cotton production has evolved toward large-scale, mechanised, and intelligent systems. The rate of mechanisation from planting to harvesting has reached 97 percent. Xinjiang cotton is known for its high yields and excellent quality, making it favoured by the textile industry. With

the abundant, stable, and high-quality cotton output from Xinjiang, China's textile industry has developed into the largest and most complete industrial cluster globally, achieving a fully integrated supply chain from raw material production to garment manufacturing. As a result, China has long been the largest international trader in the global textile and apparel market. In recent years, the value of annual textile and apparel exports has exceeded US\$300 billion, contributing over 50 percent to the growth of global exports of textiles and apparel, thus occupying a central position in the international textile industry landscape.

The CCSD adheres to the principles of being environmentally friendly, high quality, fully traceable, and having respect for labour. It is dedicated to establishing China's independent sustainable cotton production standards and brand certification system, promoting the high-quality and sustainable development of Chinese cotton and cotton products, thereby expanding market share and increasing brand premiums. Specifically, the programme involves the following:



可持续棉花
CCSD COTTON

中国棉花
可持续发展项目

**China Cotton Sustainable
Development Program**



1. Promoting Sustainable Cotton Planting Standards: CCSD promotes sustainable cotton planting standards and guides cotton farmers to produce cotton according to the *CCSD Operating Guidelines*. At the same time, it certifies cotton that meets the *CCSD Production Standards*.
2. Introducing the Sustainable Cotton Label: the programme has introduced a sustainable cotton label, collaborating with cotton consumer brands that support sustainable concepts, and encouraging brand owners to use sustainable cotton in their product manufacturing. According to the CCSD Labelling Management Rules, cotton products that meet the standards are labelled, enabling consumers to accurately select sustainable cotton products.
3. Improving the CCSD Traceability Management System: the programme also improves companies' sustainable traceability management systems, and strictly implements the *China Cotton Production and Sales Supervision Chain Certification Standards*. Ultimately, it achieves full traceability of sustainable cotton from producers to ginning mills, textile factories, garment factories, and retail brands, ensuring the trustworthiness and authenticity of the sustainable cotton label.
4. Promoting Cotton Carbon Footprint Evaluation: following the *Product Carbon Footprint Category Rules for Cotton Standards*, the CCSD promotes the evaluation of cotton carbon footprints, scientifically quantifying the low-carbon and environmentally friendly characteristics of natural fibres to further enhance product value and market competitiveness.

Currently, the programme has certified 80,000 hectares of cotton fields in Xinjiang, produced a total of 430,000 tonnes of sustainable cotton, involved more than 30 upstream and downstream enterprises in the industry chain, and issued over 400,000 Sustainable Cotton quality certification labels, forming a pattern of collaborative



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development between the production side, supply chain, and brands.

The concept is the precursor to practice. As the programme progresses, the idea of sustainable cotton will undoubtedly take root and grow rapidly within China's cotton industry, potentially maturing into a towering tree. Moving forward, the China Cotton Association will continue to deepen the concept of sustainable development, further expand sustainable cotton cultivation, increase industry chain partners, and introduce sustainable cotton to more brands. Efforts will also be made to increase the number and variety of labelled products, as well as collaborate with retailers to expand sales channels for sustainable cotton products. During the 2025 China International Cotton Conference, the China Cotton Association will launch a Sustainable Cotton Product Traceability Journey at the China Cotton Night event, showcasing the full process of sustainable cotton from planting to finished products, enhancing consumer recognition and consumption potential. It is believed that, through the joint efforts of the China Cotton Association and its counterparts around the world, sustainable cotton production methods will gradually become widespread, and the many benefits including environmental improvement, increased income for cotton farmers, enhanced efficiency for enterprises, and upgraded consumption will become a reality.



可持续棉花
CCSD COTTON

中国可持续棉花发展项目 **Progress of China Sustainable Cotton Development Program**

Analysis of China's Cotton Imports in 2024

Beijing Cotton Outlook

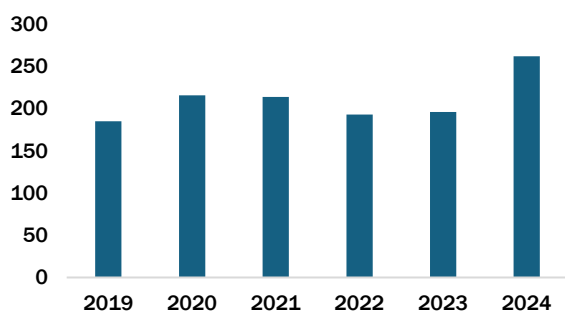


In 2024, China's total raw cotton imports reached 2,618,000 tonnes, a significant yearly increase and the heaviest volume for several years. As for the breakdown by country, the total quantity of Brazilian cotton imported increased notably, again surpassing the US (as happened in 2019) to place that nation as the major supplier. The proportion of US imports declined slightly, to 33 percent, while Australian cotton again accounted for around 13 percent of the total. In terms of cost, the average annual unit price for cotton imports decreased further, but remained in the range of the past five years.

1 Total Imports increased significantly in 2024

Customs data show that China's raw cotton imports in 2024 totaled 2,618,000 tonnes, a year-on-year rise of 661,000 tonnes, or up 33.8 percent.

China's Raw Cotton Imports in Last Five Years

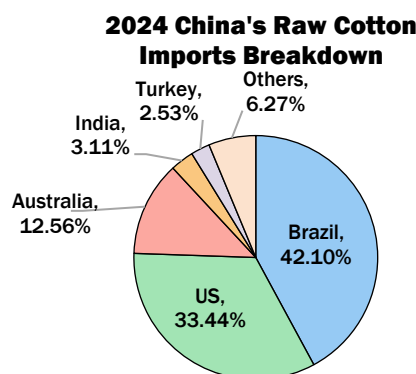


Source: BCO

2 Imports of Brazilian cotton rose notably

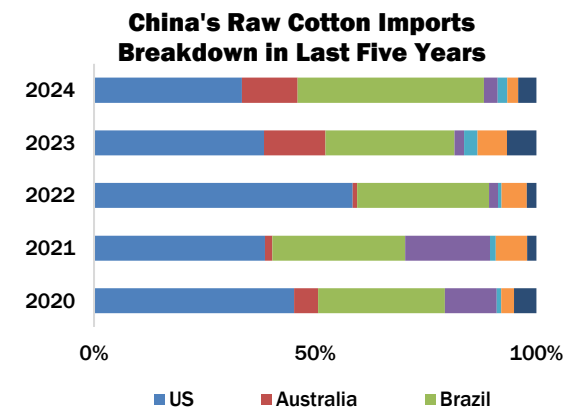
We can see from the accompanying breakdown chart that the top three raw cotton exporters were Brazil (1,102,000 tonnes, accounting for 42.1 percent of the total, up 92.8 percent on a yearly basis); the US (876,000 tonnes, 33.4 percent, up 16.5 percent); and Australia (329,000 tonnes, 12.6 percent, up 21.2 percent). Following were India (81,000), Turkey (66,000),

Kazakhstan (43,000), Sudan (22,000) and other countries.



Source: Cotton Outlook BCO

Looking at the situation by country over the past five years, raw cotton imports of Brazilian origin have increased significantly and surpassed the US again in 2024, recording an increase of 56.9 percent from the five-year average (700,000 tonnes), to become the largest supplier. The proportion of US cotton imported de-

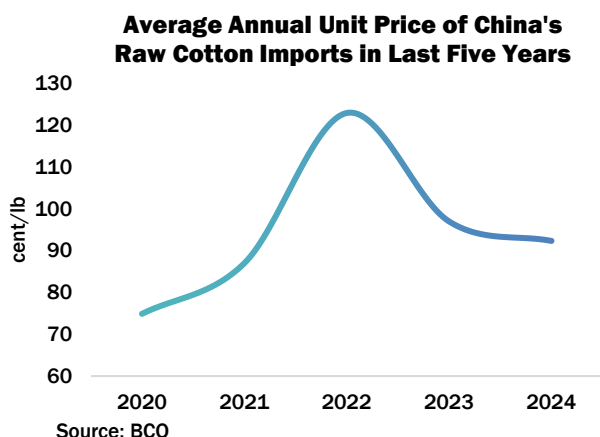


Source: Cotton Outlook BCO

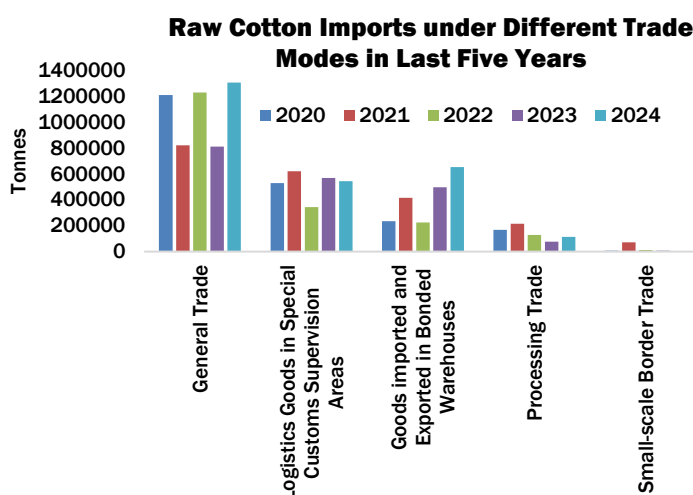
clined slightly to 33.4 percent, down 4.09 percent from the average level of 910,000 tonnes, while Australian cotton accounted for 12.6 percent of the total, down slightly from 2023, but an increase of 112.8 percent from the five-year average of 160,000 tonnes.

3 Average prices for all categories dropped again and are now at a medium level

As for prices for raw cotton imports, the average annual price of imported supplies in 2024 was 92.4 cents per lb, a yearly decrease of 4.4 percent (96.56 cents/lb), remaining in the middle of the range of the past five years. The monthly average price of imports last year was between 85.00/95.00 cents per lb.



The average yearly price of raw cotton imports from all major sources declined in 2024. The mean cost of US cotton was 96.06 cents per lb, down 4.1 percent from a year earlier (100.18 cents per lb); Australian cotton was priced at 94.45 cents per lb, down 3.1 percent (97.45 c/lb); while Brazilian was placed at 90.96, down 2.64 percent (93.43), all relatively lower than the average level of the past five years.



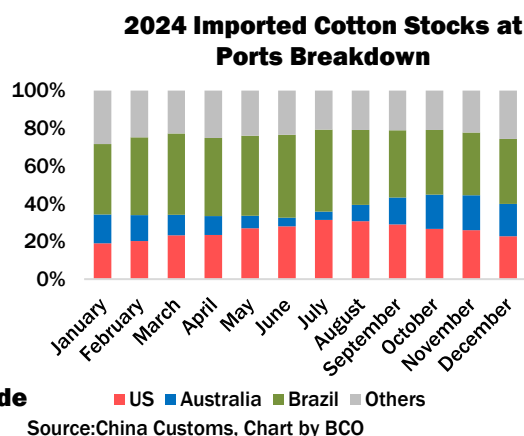
4 General imports in 2024 increased most significantly, while others varied

For trade under certain designations, the total volume of general cotton imports in 2024 was 1,306,000

tonnes, accounting for 49.88 percent of the total, up 60.86 percent from 2023 (812,000 tonnes), and the highest level in the past five years. The volume of trade in special Customs supervision areas was 545,000 tonnes, equivalent to 20.81 percent of the total (down 4.09 percent from 568,000), close to the median for the period under review, while the quantity of cotton imported and exported via bonded warehouses was 653,000 tonnes (24.93 percent), up 31.59 percent from 496,000. Supplies imported using processing trade quota amounted to 114,000 tonnes (4.36 percent, up 50.94 percent from 76,000), the second lowest level of the past five years, and small-scale border trade was just 494 tonnes (0.02 percent, down 91.16 percent), the smallest amount in the past five years.

5 Port stocks remained high, especially of Brazilian cotton

In 2024, inventories of imported cotton at domestic ports (Qingdao and Zhangjiagang) first rose before falling back somewhat. The quantity increased from around 500,000 tonnes at the beginning of the year, to nearly 650,000 thereafter, and then declined to 500,000 again by the end of the period, remaining at a relatively high level throughout the calendar year. This can be attributed to sluggish downstream demand amid the traditional 'busy season', and the slow pace of import purchases. Last year, inventories of US cotton were around



20/30 percent of the total. From January to July, as US imports became more active, the proportion increased to 30 percent, before falling back to 23 percent in the rest of 2024. Ports stocks of Brazilian cotton remained at the relatively high level of 35/45 percent; in the January/April period, Brazilian stocks were around 20 percentage points higher than those of US, as a result of active arrivals. Later, the gap narrowed because of slower purchases of Brazilian supplies. From January to May, imported stocks of Australian cotton fell from 20,000 tonnes to around 1,500 tonnes, then rebounded to 20,000/60,000 tonnes with the arrival of new crop supplies. By the end of 2024, the proportion of Brazilian cotton at domestic ports was 35 percent, while US accounted for 23 percent of the total, and Australian 17 percent, followed by small amounts of Sudanese, Indian, West African cotton and so on.

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Promoting High-Quality Development of the Long Staple Cotton Industry with New Quality Productivity

Jiangsu Dasheng Group Limited

As a high-end variety in the cotton industry, long staple cotton is characterised by long fibres, high strength, and good glossiness, making it suitable for spinning high-count yarns. Long staple supplies fully meet the requirements of high-end yarn-dyed fabrics, knitted fabrics, home textiles, sweaters etc., and are sought after by consumers desiring comfort, delicacy, smoothness and a silky lustre. They have become the preferred choice for visible elegance and tactile quality. In recent years, with the rapid development of the global textile industry and consumers' increasing demand for high-quality textiles, the long staple industry has ushered in new development opportunities, but at the same time, it also faces multiple challenges such as planted area reduction, fluctuations in market demand, and changes in the international trading environment.

1 Analysis of the current long staple industry

At present, the long staple industry is undergoing a profound transformation from 'resource dependence' to 'technology-driven'. In recent years, the Xinjiang region has significantly enhanced the competitiveness of its long staple industry via technological breakthroughs and international patents. However, problems such as overseas trade frictions, cost contradictions and a mismatch of market demand, have together restricted its development.

Area and yield

Planted area and long staple cotton yields are influenced by a variety of factors including climatic conditions, policy guidance, and market demand. In recent years, Xinjiang (as the country's major cotton production base) has held an absolute advantage in terms of area and yield. However, with the adjustment of the proportion of grain planting and the change of cotton farmers' intentions, the area under long staples in Xinjiang has decreased to an extent. Relevant data show that by mid-April 2025, long staple area in the three major cotton-growing regions had fallen by more than ten percent on the year, and in some places as much as 15 percent. Such a trend has a direct impact on the output of long staples, leading to a tight market supply.

Market demand and price

Long staple demand mainly comes from the high-end textile market, to produce products such as high-count yarns and high blend yarns. However, in recent years, domestic demand for C50S and above has remained weak, resulting in lacklustre growth for long staple use. Meanwhile, changes in the international trade environment have also had a certain impact on the export situation. For instance, the Trump administration imposed additional tariffs on Chinese imports this year, and customs in countries like Vietnam and Mexico also took traceability measures against Chinese products, which increased difficulties for textile and garment exporters. These factors together caused fluctuations in the price of long staples. From December 2024 to March 2025, quotes for long staple cotton in Xinjiang ranged between 22,000 and 25,000 yuan per tonne, presenting a complex situation, especially in an environment of 'high prices but light business, or even no transactions at all'. For sellers, sporadic purchases and hand-to-mouth buying cannot solve the problems of slow sales progress and insufficient capital recovery. Both buyers and sellers are lacking confidence.

Technological innovation and industrial upgrading

In terms of technological innovation, China's cotton industry has made remarkable progress in biological breeding and utilisation practices. Through the application of modern molecular biology techniques, cotton breeding has iteratively upgraded from the traditional model to molecular breeding, promoting the high-quality development of the cotton industry. China has successfully cultivated a number of genetically modified cotton varieties, including insect-resistant, drought-resistant and salt-alkali tolerant, herbicide-resistant, disease-resistant and high-quality cotton, providing strong support for the sustainable development of the long staple cotton industry. Meanwhile, the industry is gradually achieving modernisation and intelligence. From planting and picking to processing, new technologies are being introduced at every stage to enhance efficiency and quality of production. Unmanned Aerial Vehicle (UAV) pesticide spraying, intelligent irrigation systems, and automated picking machinery, among

other tools, have all been widely applied in the cultivation of long staple cotton. The application of these technologies not only enhances efficiency but also reduces production costs and strengthens the competitiveness of the industry.

2 Future trend of long staple cotton industry

In 2025, the long staple cotton industry is likely to show characteristics of 'short-term pressure and long-term stability'. Lower domestic planting and policy support will happen simultaneously, and the scarcity of high-quality cotton resources will become more prominent. The reshaping of the international supply pattern has intensified price fluctuations, and the demand for high-count yarns in the downstream has become a key variable. Driven by the two factors of technology and green considerations, in the future, the long staple cotton industry is expected to break through resource constraints and external barriers, and has considerable growth potential and development opportunities.

Supply and demand changes and lower domestic area

The planted area of long staple cotton in the main producing parts of southern Xinjiang is expected to decrease by 10 to 15 percent on the year in 2025, mainly owing to high production costs and considerable sales pressure. Some ginning factories have chosen to postpone sales until the 2025/26 season to wait for the market to recover. The "buyer's market" feature of domestic long staple cotton is obvious: processing enterprises have an urgent need for capital recovery, and their willingness to actively reduce prices is low. However, bargaining power has increased. China's imposition of tariffs on US Pima has restricted imports. Coupled with the simultaneous decline of Egyptian long staple production, expectations of a tight international supply are emerging.

Market performance, price differentiation and tentative increase

New crop quotations for 2024/25 supplies remain stable at 22,200/22,600 yuan per tonne, but prices for high-grade cotton (such as 338/339 grades) have reached 24,500/25,000 yuan per tonne, indicating a significant premium for high quality cotton resources. Short-term prices are suppressed by weak orders for high-count yarns, but enterprises generally expect that the decline in planted area will support a future recovery. Structural changes in the downstream sector have led to a gradual improvement in the demand for high count yarns (60S and above), which provides support to long staple cotton consumption. However, the overall pace of new orders during the textile and garment industry's 'busy season' in March and April was limited, and market transactions remained sluggish.

Policy and industrial chain optimisation and policy-driven industrial upgrading

Xinjiang has proposed a policy of 'superior cotton with superior subsidies, higher quality with higher prices', which strengthened the promotion of machine-harvested long staple cotton varieties and the construction of quality traceability systems, and promoted the concentration of production in advantageous areas. The plan also advocated for the construction of a textile and garment industry cluster belt, expanding local consumption capacity, and enhancing international competitiveness through the 'Xinjiang Cotton' brand certification. The strategy has been adjusted, and gin-

ning factories have shifted to processing low-cost medium and low grade cotton (such as 336/335 grades), which can be sold quickly at a price of 18,500/19,000 yuan per tonne. Also, sales of cottonseed have become an important channel for capital recovery. Some enterprises have extended the sales cycle and flexibly adjusted their inventories in line with the pace of new crop arrivals.

International markets and long-term challenges

A rebound in global planted area is anticipated, as the widening price gap between international long staple and upland cotton has stimulated grower enthusiasm for long staples. The improvement of soil moisture in Far Western cotton growing areas in the United States may lead global long staple cotton area to rebound this year. Keeping in mind ecological and sustainability pressures, the cultivation of long staple cotton is highly dependent on water resources. Xinjiang and other regions are facing ecological challenges; the increasingly strict requirements for environmental protection certification in the international market have forced industrial technological upgrading. In the face of significant turbulence in the global trade landscape, it is necessary to address the shortcomings in the industrial and supply chains and effectively break through the risks and challenges brought about by the adjustment of international trade.

Long staple cotton, as the core raw material for high-end textiles, provides a solid foundation for the production of high-quality yarns and fabrics with its excellent fibre properties. Although challenges still exist, it demonstrates strong vitality and development potential. Enterprises need to balance financial pressures and market expectations. Industry consolidation and technological innovation will be the core competitive advantages in the future. We need confidence, patience and perseverance. With a professional, dedicated and focused spirit, we should promote collaborative innovation throughout the entire industrial chain, break through the triangular predicament of 'variety - cost - market', and make the long staple cotton industry better, stronger and more sustainable. As a member of the industry, Dasheng Group will remain committed to the production of long staple cotton high count yarns without wavering, unswervingly implement scientific and technological innovation, continuously deepen the elements of 'new transformation' and 'quality improvement and upgrading', fully stimulate the driving force of self-reliance and self-strengthening in science and technology, accelerate the formation of New Quality Productivity, enhance the core competitiveness of the enterprise, and drive the common growth of companies along the chain. The century-old strength of Dasheng will contribute to the high-quality development of the long staple cotton industry.

Note:

The predecessor of Jiangsu Dasheng Group was Dasheng Cotton Mill, which was founded by Mr. Zhang Jian, the top scholar of the late Qing Dynasty and a modern industrialist in China, in 1895. It has been in operation for a full 130 years. The company is distributed in Jiangsu, Shandong and Anhui Provinces and is a national high-tech enterprise and a national industrial heritage, and is known as the 'Ivy' of China's textile industry. Dasheng Group specialises in the production of long staple cotton high-count yarn, with yarn counts ranging from 60 to 300, and has become one of the world's competitive high-count yarn enterprises.

Will the Dawn Follow the Darkness?

Michael Zheng

Colly Commodities (Beijing) Ltd.

In March 2024, at Meng Yang's request, I contributed an article for the Cotlook Special Feature for the Xi'an Cotton Conference. Back then, the July-December futures spread was inverted by 12 cents. Australian cotton was about to hit the market - there were prices to fix, hedges to execute, and positions to roll. The air was thick with clamour. For the same grade of SM 1-5/33", quotes from different merchants could vary by up to 500 points. By the time the Xi'an conference concluded, the dust had settled: the July-December spread had corrected itself! In just over two months, the swing exceeded 14 cents. Some rejoiced, but far more were left uneasy.

In April 2025, Lao Meng invited me again to write for the June Guangzhou conference. The US had imposed sweeping tariffs on imports worldwide, with China bearing the brunt, and China retaliated with equivalent measures. Sino-US trade ground to a near-standstill, and the market's mood shifted from March's eager stockpiling to watchful anxiety. Like the year before, Australian cotton had newly arrived - but the frenzy was gone, replaced by cautious undercurrents. Guangzhou, also known as the "Flower City," is a place full of sunshine. Will the post-conference tides turn from hidden to visible? Will we see blooms again?

In 1764, James Hargreaves of England invented the spinning jenny. To prevent technology leaks, the British government enforced patents, guarded trade secrets, monitored foreign spies, banned artisan emigration, and inspected ports to block machinery smuggling. By 1790, Samuel Slater, a British worker, had "brought" the technology to America, laying the foundation for the US Industrial Revolution. The British press branded him "Slater the Traitor", while President Andrew Jackson hailed him as the "Father of the American Industrial Revolution", crediting him with securing US economic independence. Slater's mill still stands in Rhode Island as a monument to this history.

Does this sound familiar? As the 18th century's greatest beneficiary of technology transfer, the US knows all too well the importance of monopolising innovation and maintaining an insurmountable lead. Hence, we now witness its comprehensive blockade against China: export controls, investment

restrictions, supply-chain decoupling, academic and talent exchange barriers, standards and alliance lock-outs, extraterritorial sanctions, and more. Compared to late-18th-century Britain, most tactics are merely rebranded. The outcome, however, seems equally inevitable - technology diffusion cannot be stopped. The only real difference lies in the process. The sweeter the globalization of the past 30 years, the more brutal its unravelling.

China is globalization's greatest beneficiary. Never before has a single nation efficiently manufactured the majority of the world's needs. The golden age was intoxicating - until the music paused, the disco lights switched to harsh fluorescents, and we saw broken glass on the floor... with some barefoot. "Hey, you - why are you wearing my shoes?", one accuses. The reply: "Look closer. Aren't those shards your crystal slippers?"

Who stopped the music? Who flipped the lights? The answers matter less now. History doesn't move linearly; unexpected actors or events will hasten or delay its course.

Under the old global order, international relations resembled a stag hunt: cooperation promised greater collective gains, while betrayal meant settling for rabbits. The emerging paradigm is a zero-sum game. The US no longer seeks shared prosperity but total victory. In this new game, going solo might bag not just rabbits but bears... or even tigers. The only stable equilibrium? Mutual harm, where all end up with rabbits. In reality,



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weaker players capitulate, while major powers, unwilling to accept zero gains, drag the US down to a lose-lose balance. Hence, Southeast Asia's compliance contrasts with pushback from China, the EU, and Canada. Even compliant regions like Southeast Asia resist stagnation, as seen in their diplomatic flurries and upgraded trade pacts. Globalization is evolving from comparative advantage to competitive advantage.

When Trump launched the first trade war, social media still echoed calls for strategic patience. Seven years later, whether through sober reckoning, better preparation, or newfound courage (prompted by products such as DeepSeek or the movie *Ne Zha*), hesitation has vanished. Anxiety lingers, but so does resolve - and action, inward and outward. Against the icy vastness of a great power rivalry, cotton seems light and soft, yet it mirrors reality perfectly. Recall the June 2018 Harbin Cotton Conference: tariffs loomed, yet ICE futures surged to 96 cents before crashing to 60 cents within a year, then bottoming at 48.15 cents during the pandemic - a 50-percent wipeout. Quite a few legends vanished. In April 2025, Trump's global tariffs shocked markets, yet ICE held at 68 cents, dipping briefly to 62 (a mere 9-percent drop) before rebounding to 66-67. The contrast with 2018 couldn't be starker.

Policies can shift; markets can recover. But trust, once shattered, is like a vase - it never fits back together. Even if Trump leaves office, even if US leadership changes, the world will remain wary. Reset the game, reshuffle the deck, but in this new round - a cooperative table, not winner-takes-all Texas hold 'em - players will keep their guards up. Long-term trust-dependent collaborations may now be forever out of reach. The ramifications are profound.

A unipolar world fractures into multipolar competition. Allies and neighbours gain importance; the dollar

becomes an option, not the default. The real trouble? The stag hunt is now a prisoner's dilemma. Global growth will languish below past highs for years. The Pax Americana gives way to a Pax Fragments - or perhaps a Pax Sino-Americana. Either way, brace for an era of fiercer rivalry and harder deals. There is no clear end-point to this restructuring, only a chaotic adaptation. History, though, never lacks turning points. Humanity always finds a way. One certainty remains: everyone knows everyone else knows the shift is here. The gears are turning. We can't foresee the end, but the wheel has spun. This is the new beginning.

Like the iconic opening scene of *The Lord of the Rings*: Bilbo Baggins, at his 111th birthday party in the Shire, steps forward and declares to his kin:

"My dear Bagginses and Boffins, Tookes and Brandybucks, Grubbs, Chubbs, Hornblowers, Bolgers, Bracegirdles, and Proudfoots... Today is my 111th birthday! Alas, eleventy-one years is far too short a time to live among such excellent and admirable hobbits. I don't know half of you half as well as I should like, and I like less than half of you half as well as you deserve. I have things to do. I've put this off for far too long. I regret to announce this is the end. I'm going now. I bid you all a very fond farewell. Goodbye!"

With those baffling words, Bilbo slips on the Ring and vanishes. From that moment, the One Ring passes to Frodo, and the Shire is swept into Middle-earth's fate - a long, perilous, yet wondrous journey begins.

Life, after all, is about the experience. When all is said and done, you'll remember staring helplessly at wildfires, braving storms and frozen winter rain, driving twisted roads in pitch-dark nights - one missed brake from a sheer drop. The road ahead is rough, but don't forget to enjoy the ride!



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