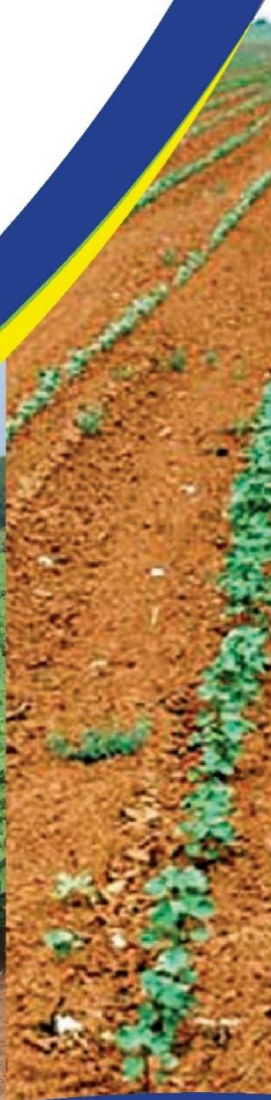




**COTTON
ASSOCIATION
OF INDIA**

Established 1921

ISO 9001:2015



News Relating to **Cotton and Textile Sector**

Date-09-07-2026

Sr. No.	Topics	Page No.
News Relating to Cotton and Textile Sector		
1	CAI's Spot Rates- 9th July 2026	3
2	ICE Cotton Futures: 8th July 2026	4
3	Cotlook "A" Index: 8th July 2026	4
4	Indian CWG 2026 contingent to wear jute-viscose apparel	4-5
5	Rainfall Deficit Threatens Nandurbar Cotton	5
4	ICE cotton retreats from one-month high on profit booking	6-7
5	India and Tajikistan Reaffirm Commitment to Strengthen Bilateral Economic Cooperation	7-8
6	India's Punjab signs digital logistics MoU with NLDSL	8-9
7	Gujarat Cotton Sowing Reaches 9.32 Lakh Hectares; Saurashtra Tops Kharif 2026	9-10
8	Union Textiles Minister Giriraj Singh to Inaugurate Indie Haat 2026 on July 13 in New Delhi	10-11
9	India, ASEAN Negotiators Push to Expedite Review of Free Trade Agreement	11-13



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COTTON ASSOCIATION OF INDIA

(Regd. Office : Cotton Exchange Building, 2nd Floor, Cotton Green (E), Mumbai 400 033)
 Tel. No. 022-20830685 / 8657442944-48 Email: cai@caionline.in Website: www.caionline.in

Mumbai, Thursday 9th July 2026 at 3.00 P.M.

UPCOUNTRY SPOT RATES

Standard Descriptions with Basic Grade & Staple in Millimetres based on Upper Half Mean Length As per CAI By-laws								Rs. per Quintal	Rs. per Candy	Variation + (Plus) - (Minus)
Sr. No.	Growth	Grade Standard	Grade	Staple	Micronaire	Gravimetric Trash %	Strength / GPT	2025-26	2025-26	
1	P/H/R	ICS-101	Fine	Below 22mm	5.0 – 7.0	4%	15	14622	52000	(+400)
2	GUJ	ICS-102	Fine	22mm	4.0 – 6.0	15%	20	12373	44000	(N.C.)
3	M/M(P)	ICS-104	Fine	23mm	4.5 – 7.0	4%	22	14735	52400	(N.C.)
4	P / H / R(U)	ICS-105	Fine	27mm	3.5 – 4.9	4%	26	16563	58900	(N.C.)
5	M/M(P) /SA/TL/GUJ	ICS-105	Fine	27mm	3.0 – 3.4	4%	25	15044	53500	(+200)
6	M/M(P)/SA/TL	ICS-105	Fine	27mm	3.5 – 4.9	3.5%	26	16366	58200	(+200)
7	P/ H/R(U)	ICS-105	Fine	28mm	3.5 – 4.9	4%	27	17181	61100	(N.C.)
8	M/M(P)	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	17772	63200	(N.C.)
9	SA/TL/K	ICS-105	Fine	28mm	3.7 – 4.9	3.5%	27	17603	62600	(+500)
10	GUJ	ICS-105	Fine	28mm	3.7 – 4.9	3%	27	17547	62400	(+200)
11	R(L)	ICS-105	Fine	28mm	3.7 – 4.9	4.0%	27	17069	60700	(N.C.)
12	R(L)	ICS-105	Fine	29mm	3.7 – 4.9	3.5%	28	18025	64100	(N.C.)
13	M/M(P)	ICS-105	Fine	29mm	3.7 – 4.9	3.5%	28	18137	64500	(+100)
14	SA/TL/K	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	17856	63500	(N.C.)
15	GUJ	ICS-105	Fine	29mm	3.7 – 4.9	3%	28	18109	64400	(N.C.)
16	M/M(P)	ICS-105	Fine	30mm	3.7 – 4.9	3%	29	18419	65500	(+100)
17	SA/TL/K/O	ICS-105	Fine	30mm	3.7 – 4.9	3%	29	18250	64900	(N.C.)
18	M/M(P)	ICS-105	Fine	31mm	3.7 – 4.9	3%	30	N.A.	N.A.	
19	SA/TL/K/TN/O	ICS-105	Fine	31mm	3.7 – 4.9	3%	30	N.A.	N.A.	
20	SA/TL/K/TN/O	ICS-106	Fine	32mm	3.5 – 4.9	3%	31	N.A.	N.A.	
21	M/M(P)	ICS-107	Fine	34mm	2.8 - 3.7	4%	33	23340	83000	(N.C.)
22	K/TN	ICS-107	Fine	34mm	2.8 - 3.7	3.5%	34	23480	83500	(N.C.)
23	M/M(P)	ICS-107	Fine	35mm	2.8 - 3.7	4%	35	24183	86000	(N.C.)
24	K/TN	ICS-107	Fine	35mm	2.8 - 3.7	3.5%	35	24324	86500	(N.C.)
Note:1	Official spot rates are fixed and registered by CAI on the basis of average price inclusive of spot brokerage as per respective State Dharas, and for 15 days credit from the date of passing and cash discount @ 15% per annum, except for Northern area (excluding Lower Rajasthan), in which case spot rates fixed and registered are for payment terms: 7 days from the date of pressing at Upcountry Spot Markets ex-gin, excluding Tax. These rates are for domestic transaction only									
2	P/H/R(U) ICS-202 (SG) rate is lower by Rs. 1000/ pc than Sr. no. 4									
3	Strength:Grams per tex (HVI Mode) (Prorate basis)									
	a) 1 gpt pts lower Rs 500/pc									
	b) 2 gpt pts lower Rs 1,000/pc									
	c) 3 gpt pts lower Rs 2,000/pc									
	d) 4 gpt pts lower Rs 3,000/pc									
4	Staple length : Upper Half Mean Length									
5	Gravimetric Trash Percentage									
6	Moisture by probe method maximum 9%									
7	Base Grade 'Fine' of bulk of the cotton of the staple length range of 29mm to 32mm consists of –									
	(i) Colour grade 31/3			(ii) RD 75						
8	In Rates acceptable up to a maximum 5.50 Micronaire with proportionate discount @ Rs.150/- per point per candy over 4.9 Micronaire									
9	For M/M(P)/SA/TL/GUJ-Sr No. 5 are for 67 Rd									
10	For Northern Zone (P/H/R(U)-Sr. Nos. 4 and 7 are for 70 Rd									
11	For M/M(P)/SA/TL-Sr Nos. 6, 8, 9, and GUJ-Sr No.10 are for 74 Rd									
12	For R(L)-Sr. No. 11 is for 72 Rd and 12 is for 73 Rd									
13	For M/M(P) and K/TN-Sr Nos. 21 to 24 are for 70-72 Rd									

Secretary

ICE Cotton Futures: 08-07-2026

ICE COTTON CLOSE						08 Jul 2026
CONTRACT MONTH	OPEN	HIGH	LOW	SETTLE	CHANGE	Op. Int.
Cotton (CT) - Quote: Cents/Pound - Contract Size: 50,000 Pounds.						
Jul-26	0.00	76.21	76.21	76.21	▼0.73	0
Oct-26	78.87	79.44	78.52	78.98	▼0.73	165
Dec-26	81.21	81.29	79.80	80.67	▼0.62	2,07,463
Mar-27	82.68	82.68	81.27	82.10	▼0.58	58,522
May-27	83.34	83.48	82.12	82.99	▼0.48	18,755
Jul-27	82.78	82.92	81.66	82.58	▼0.36	12,509
Oct-27	0.00	78.83	78.83	78.83	▼0.43	5

Cotlook Index: 08-07-2026

90.25 (+2.95)

Indian CWG 2026 contingent to wear jute-viscose apparel

Thu. 9th July 2026 (Source: www.fibre2fashion.com/news)

Insights

India's National Jute Board has developed jute-viscose blended apparel that will be worn by Indian athletes and team members participating in the Commonwealth Games (CWG) 2026, to be held in Glasgow, Scotland, from July 23 to August 2.

The blended fabric was developed with the support of Gloster Jute Mills, Kolkata.

The apparel was designed by the National Institute of Fashion Technology, New Delhi.

India's National Jute Board (NJB) has developed jute-viscose blended apparel that will be worn by Indian athletes and team members participating in the Commonwealth Games (CWG) 2026, to be held in Glasgow, Scotland, from July 23 to August 2.

The blended fabric was developed with the support of Gloster Jute Mills, Kolkata.

The initiative highlights the potential of fully biodegradable jute-viscose blended fabric as a sustainable and innovative textile solution and this is for the first time that jute-based apparel will be showcased at an international multi-sport event, a release from the Ministry of Textiles said.

The apparel was designed by the National Institute of Fashion Technology, New Delhi.

Rainfall Deficit Threatens Nandurbar Cotton

Wed. 8th July 2026, Yash Chouhan (Source: www.smartinfoindia.com)

Rainfall Deficit Threatens Cotton Crop in Nandurbar; Farmers Concerned

A weak start to the monsoon in Nandurbar district this year has heightened concerns among cotton-growing farmers. Despite the commencement of the Kharif season, the lack of adequate rainfall has led to a severe moisture deficit in the fields. This is directly impacting the cotton crop; plant growth has stalled in many areas, while the crop has begun to wither in others. Farmers fear that without substantial rainfall soon, there could be a drastic drop in production this year.

Farmers have invested thousands of rupees in seeds, fertilizers, pesticides, and other agricultural activities for cotton sowing. However, the absence of expected rainfall has put this investment at risk. The continuously depleting soil moisture is hindering plant development, raising the likelihood of a negative impact on both crop quality and yield.

The lack of rain is forcing farmers to make extra efforts to save their crops. They are incurring additional expenses on weeding, pest control, and other farm management tasks, which has further compounded their financial woes. Meanwhile, the low moisture levels are increasing the risk of pest infestations and diseases in the cotton crop, deepening fears of potential losses.

Cotton is cultivated on a large scale in Nandurbar district during the Kharif season, and the livelihoods of thousands of families depend on this crop. Farmers who have already sown their crops are making every possible effort to save them, while those who have not yet sown are waiting for rain before deciding on their next course of action.

Currently, the hopes of the district's farmers rest on the prospect of good rainfall in the coming days. Timely and adequate rain could provide relief to the crop and improve yield prospects. However, any further delay in rainfall could result in significant financial losses for the farmers. Thus, the future of this year's cotton crop appears to hinge entirely on the monsoon's performance.

ICE cotton retreats from one-month high on profit booking

Thu. 9th July 2026 (Source: www.fibre2fashion.com/news)

Insights

ICE cotton futures retreated from a one-month high as profit booking and a stronger US dollar weighed on prices.

The December 2026 contract settled at 80.67 cents/lb, though it remained higher for the week.

Rising crude oil prices, weaker US crop ratings, and cautious positioning ahead of key USDA reports helped limit losses, supporting overall market sentiment.



ICE cotton futures retreated from a one-month high on profit booking. A stronger US dollar added pressure on the natural fibre by making US cotton more expensive for overseas buyers. However, a sharp rise in crude oil prices amid geopolitical tensions limited the decline by providing support to the market.

The most active December 2026 contract settled at 80.67 cents down 0.62 cent or 0.76 per cent. The contract remained 355 points higher for the week so far, reflecting strength of the recent uptrend, despite Wednesday's pullback. December traded in a 149-point intraday range between 79.80 cent and 81.29 cent, with the day's high matching Tuesday's settlement price of

81.29 cent, before prices weakened into the close.

Technically, December futures closed above the 10, 20, 40, 50, 100, and 200-day moving averages for the second consecutive session, the first time since March 10, indicating that the longer-term technical structure remains positive despite profit-taking. Market analysts said the market had rallied about 5 cents over the previous eight trading sessions, making profit-taking a natural development.

The US Dollar Index strengthened, climbing to a one-week high, which provided additional pressure on cotton prices by reducing the competitiveness of US exports.

CBOT soybean futures retreated from a seven-month high, as improving Midwest weather forecasts encouraged profit-taking across grain markets.

Despite the decline in soybeans, crude oil prices surged 4.4 per cent after renewed military exchanges near the Strait of Hormuz ended hopes for a ceasefire involving Iran, limiting losses in cotton by increasing the production cost of competing polyester fibre.

Market participants also continued to monitor reports of ongoing Chinese soybean purchases and rumours that China's State Reserve may begin cotton reserve auctions later this month, both of which influenced overall market sentiment.

Traders remained cautious ahead of Friday's USDA WASDE (World Agricultural Supply and Demand Estimates) Report, which is expected to provide updated global cotton supply and demand projections.

Market attention also remained focused on Thursday's USDA Weekly Export Sales Report, which will provide the latest indication of export demand for US cotton. The latest USDA Crop Progress Report continued to show 46 per cent of the US cotton crop rated Good-to-Excellent, down from 48 per cent the previous week and 52 per cent a year earlier. The report also showed 49 per cent of the US cotton crop had reached the squaring stage, up from 37 per cent the previous week and slightly above the five-year average of 47 per cent.

Trading volume declined to 54,192 contracts from 88,745 contracts in the previous session, as buying activity slowed following Tuesday's sharp rally. ICE certified cotton stocks declined by 95 bales to 184,939 bales, reflecting another small reduction in deliverable supplies.

The July 2026 cotton contract entered its last trading day with zero open interest, marking the completion of the delivery process for the expiring contract.

This morning (Indian Standard Time), ICE cotton for December 2026 was traded at 79.80 cents per pound (down 0.87 cent), cash cotton at 74.98 cents (down 0.73 cent), the July 2026 contract at 76.21 cents (down 0.73 cent), the October 2026 at 78.80 cents (down 0.18 cent), the March 2027 contract at 81.26 cents (down 0.84 cent) and the May 2027 contract at 82.11 cents (down 0.88 cent). A few contracts remained at their previous closing levels, with no trading recorded so far today.

India and Tajikistan Reaffirm Commitment to Strengthen Bilateral Economic Cooperation

Thu. 9th July 2026 (Source: www.textilevaluechain.in)



12th India-Tajikistan Joint Commission meeting reviews cooperation across textiles, renewable energy, logistics, mining and digital economy

India and Tajikistan have reiterated their commitment to enhancing bilateral economic relations during the 12th Meeting of the India-Tajikistan Joint Commission on Trade, Economic, Scientific and Technical Cooperation, which was conducted recently via video conference.

During the meeting, the Commission reviewed potential areas for collaboration across a wide range of sectors, including energy, hydropower, renewable energy, mining, critical minerals, textiles, digital economy, transport, logistics, and finance. These sectors were identified as offering significant opportunities for future cooperation between the two countries.

Delivering the opening remarks, Commerce Secretary Rajesh Agrawal highlighted the changing global trade environment, evolving supply chains and advances in technology. He emphasised the need for both countries to convert their long-standing political goodwill and historical ties into stronger economic outcomes.

The meeting was co-chaired by Mohi Yadav, Joint Secretary in India's Department of Commerce.

The discussions form part of the ongoing engagement between India and Tajikistan aimed at strengthening bilateral trade and expanding cooperation across strategic economic sectors.

India's Punjab signs digital logistics MoU with NLDSL

Thu. 9th July 2026 (Source: www.fibre2fashion.com/news)

Insights

Punjab has signed an MoU with NICDC Logistics Data Services Limited to digitise logistics data exchange through ULIP.

The move is aimed at improving visibility, operational efficiency and inter-departmental coordination for industries, MSMEs and exporters.

For manufacturing and export supply chains, the next focus is state-specific ULIP use cases.

NICDC Logistics Data Services Limited (NLDSL) and the Directorate of Industries and Commerce, Government of Punjab, have signed a Memorandum of Understanding (MoU) to support the digital transformation of Punjab's logistics ecosystem through the Unified Logistics Interface Platform (ULIP), a move expected to benefit industries, micro, small and medium enterprises (MSMEs), exporters and logistics stakeholders in the state.

Under the partnership, NLDSL will help the Punjab government build a digitally connected logistics system by enabling data exchange across departments through ULIP.

The collaboration is aimed at improving logistics visibility, operational efficiency, transparency, inter-departmental coordination and data-led policy and operational decisions.

ULIP functions as a unified digital gateway for logistics data from multiple government systems through application programming interface (API)-based integration.

The platform integrates 46 systems across 12 central ministries and departments through 142 APIs, covers more than 2,000 data fields, has enabled over 260 applications and facilitated more than 4.5 billion API transactions.

Following the MoU signing on July 7, 2026, an interactive ULIP workshop was organised for senior officials from state departments including Transport, Warehousing, Food, Civil Supplies and Consumer Affairs, Public Works Department and Civil Aviation.

The workshop focused on identifying Punjab-specific use cases to address logistics challenges, improve supply-chain visibility and support ease of doing business.

NLDSL also showcased digital platforms including the Logistics Data Bank, Koyla Shakti – Smart Coal Analytics Dashboard, Track Your Transport, Transport Management System and Logistics e-Marketplace. The MoU was signed by NLDSL chief executive officer Takayuki Kano and Director, Industries and Commerce, Government of Punjab, Jaspreet Singh, in the presence of Minister of Industries and Commerce Aman Arora and other officials.

NICDC is implementing national initiatives including PM MITRA Mega Textile Parks and the India Industrial Land Bank, while NLDSL is the logistics arm of NICDC and a joint venture between NICDC Industrial Development Trust and NEC Corporation of Japan.

For manufacturing and export supply chains, the Punjab exercise points to a continued shift towards integrated logistics data and application-based visibility.

Gujarat Cotton Sowing Reaches 9.32 Lakh Hectares; Saurashtra Tops Kharif 2026

Thu. 9th July 2026, yash chouhan (Source: www.smartinfoindia.com)

Cotton Sowing in Gujarat Crosses 9.32 Lakh Hectares; Saurashtra Leads; Oilseed Acreage at 6.66 Lakh Hectares

Ahmedabad, July 6. Cotton sowing is progressing rapidly in Gujarat during the Kharif 2026 season. So far, cotton has been sown across 9,31,926 hectares in the state, representing 39.1 percent of the normal area. However, during the same period last year, the acreage stood at 1,710,610 hectares.

Region-wise data indicates that Saurashtra leads in cotton sowing, with 6,27,100 hectares covered. This is followed by Kutch (48,200 hectares), North Gujarat (1,17,100 hectares), Central Gujarat (1,09,800 hectares), and South Gujarat (29,800 hectares).

In terms of districts, Surendranagar ranks first with 1,92,000 hectares. Other major cotton-producing districts include Botad (1,11,800 hectares), Morbi (1,06,400 hectares), Bhavnagar (89,700 hectares), and Amreli (69,900 hectares).

Meanwhile, total sowing of oilseed crops in the state has reached 6,66,029 hectares, accounting for 22.72 percent of the normal area. This includes groundnut sowing across 6,28,888 hectares (32.83%), soybean across 35,200 hectares (12.51%), sesame across 901 hectares (1.82%), and castor across 1,041 hectares (0.15%). Total Kharif sowing in the state has reached 1,854,564 hectares as of July 6, 2026, representing 21.74 percent of the normal area. With the favorable progress of the monsoon, sowing of cotton and oilseed crops is expected to gain further momentum in the coming days.

Union Textiles Minister Giriraj Singh to Inaugurate Indie Haat 2026 on July 13 in New Delhi
Thu. 9th July 2026 (Source: www.textilevaluechain.in)

Handloom and handicraft exhibition to run from July 10–19 alongside Bharat Tex 2026, featuring artisans, weavers and NIFT alumni brands.

Union Minister of Textiles Shri Giriraj Singh will inaugurate Indie Haat – A Celebration of India’s Rich Handloom and Handicraft Heritage on 13 July 2026.

The event will be held from **10–19 July 2026** at the **National Crafts Museum & Hastkala Academy, New Delhi**. Indie Haat 2026 is being organised alongside **Bharat Tex 2026**, which will take place at **Bharat Mandapam, New Delhi**, from **14–17 July 2026**.

The initiative has been curated to present India's traditional handloom and handicraft products to an international audience. It is aligned with the objectives of the **Atmanirbhar Bharat** and **Vocal for Local** campaigns and has been developed exclusively for **Bharat Tex 2026** to promote products made by Indian weavers and artisans.

Indie Haat is being organised by the **Office of the Development Commissioner (Handicrafts)** and the **Office of the Development Commissioner (Handlooms)**. The event has been curated by the **National Institute of Fashion Technology (NIFT)** to present Indian craftsmanship through a contemporary exhibition format.

The exhibition will feature handcrafted and handwoven products created by **48 artisans and weavers** along with **12 design-led handicraft and handloom brands** established by **NIFT alumni**.

Visitors will be able to explore a wide range of traditional crafts, including:

- Gulabi Minakari
- Stone Inlay
- Dokra metal craft
- Musical instruments
- Manuscript painting
- Bone inlay on wood
- Usta Kala
- Pichwai art
- Sozni embroidery

- Molela clay craft
- Blue Pottery of Jaipur
- Silver filigree
- Cheriya painting
- Mysore traditional painting
- Rosewood inlay
- Mata Ni Pachedi
- Agate craft
- Papier-mâché
- Batik painting
- Candle making
- Sandalwood craft
- Shola pith
- Kantha embroidery
- Bagru Block Print
- Jamdani sarees
- Pine Needle Craft
- Muga and Eri Silk
- Ikat of Odisha

The event will also include **live demonstrations** of traditional craft techniques, allowing visitors to observe artisans at work. Organisers stated that the exhibition will facilitate direct interaction between artisans and buyers to strengthen market linkages.

To increase international participation, the **Indie Haat e-invite** has been included in the official buyer kit for **Bharat Tex 2026**, with additional promotional activities planned across **Bharat Mandapam**.

According to the Ministry, **Bharat Tex 2026** will span **1.6 million square feet** of exhibition space and feature **more than 20,000 textile products**. The event is expected to welcome **more than 7,000 international buyers** and **over 1,30,000 visitors**, including policymakers, global CEOs and industry leaders.

India, ASEAN Negotiators Push to Expedite Review of Free Trade Agreement

Thu. 9th July 2026 (Source: www.textilevaluechain.in)

Joint committee asks sub-panels to fast-track pending chapters of the ASEAN-India Trade in Goods Agreement review after missing the December 2025 deadline.

Negotiators from India and the Association of Southeast Asian Nations (Asean) have instructed their teams to speed up negotiations on the review of the free trade agreement (FTA) after the original deadline of December 2025 was not met. The joint committee responsible for overseeing the ASEAN-India Trade in Goods Agreement (AITIGA) called on its sub-panels to accelerate negotiations during its 13th meeting, the commerce ministry said on Wednesday.

“The joint committee provided strategic guidance to the sub-committees in their respective areas of work and urged them to expedite the finalisation of the outstanding chapters under the AITIGA review,” the ministry said.

The five-day joint committee meeting, which began on Monday, will conclude on Friday.

“To maintain the momentum of negotiations, the sub-committees were assigned time-bound deliverables and encouraged to work closely towards achieving tangible outcomes within the agreed timelines,” the ministry added.

According to the ministry, meetings of three of the eight sub-committees are taking place alongside the joint committee meeting. These discussions cover customs procedures and trade facilitation, national treatment and market access, and rules of origin.

The review of AITIGA, which came into force in 2010, remains a priority for New Delhi as it seeks to address its widening trade imbalance with the Asean bloc. Since the agreement took effect, India's imports from Asean have nearly quadrupled, while its exports have not doubled over the past 16 years.

India's trade deficit with Asean increased to over **\$50 billion in 2025**, compared with over **\$5 billion in 2009**, the year before the FTA came into force.

Trade experts, however, argue that India should focus on strengthening export competitiveness rather than depending on the FTA review to reduce the trade deficit.

“The objective of an FTA review is to deepen trade liberalisation, not restrict it. India’s trade deficit with many FTA partners tends to widen because its import duties are generally higher than those of its partners, giving them a greater tariff advantage once the pact comes into force,” said **Ajay Srivastava**, founder of the Delhi-based Global Trade Research Initiative.

He added that a significant share of India's imports from Asean consists of raw materials and intermediate goods used in manufacturing export products.

“As a result, curbing imports from the bloc may not be the most effective way to address the trade imbalance.”

India's Trade with Asean (\$ Billion)

Year	Imports	Exports	Trade Deficit
2009 (Pre-FTA)	23.97	18.01	-5.96

2010 (1st full year with FTA)	29.67	23.06	-6.61
2014 (5th year with FTA)	44.46	31.43	-13.03
2025 (Latest)	87.16	33.77	-53.39

Source: Department of Commerce, World Integrated Trade Solution



COTTON ASSOCIATION OF INDIA

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Maintain Indian Cotton Grade Standards



Indian Cotton Spot Rates



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Represented on various International Cotton Fora
i.e. ICAC, ICA, CICC, ACSA, ITMF and several
other International Cotton Associations

US may strike Iran again, says Trump

GROWING TENSIONS. President threatens to hit Tehran's infrastructure sites, resume blockade on the ports

Bloomberg

President Donald Trump said the US would probably launch further strikes on Iran and could resume a blockade on the country's ports, ratcheting up pressure on Tehran and raising the prospect of a return to all-out war.

"We hit them very hard last night," Trump said on Wednesday on the sidelines of the NATO summit in Ankara, Turkey. "Probably hit them hard again tonight."

Trump spoke hours after the US launched strikes on Iran and revoked a waiver that allowed Tehran to sell its oil globally, measures Washington said were in response to attacks on ships in the Strait of Hormuz that it blamed on the Islamic Republic.

The moves posed the greatest threat yet to a ceasefire deal between the US and Iran and talks toward a broader agreement to end the war.

An Iranian advisor to the country's supreme leader said in a post on X that Tehran would deliver an "im-



ESCALATING PRESSURE. US President Donald Trump with NATO Secretary General Mark Rutte on the sidelines of the NATO summit in Ankara, Turkey REUTERS

mediate response" to the US.

Both the US and Iran have accused each other of violating a memorandum of understanding which established a short-term truce and set in motion a 60-day period for negotiations on a broader deal. That agreement also saw the US lift a blockade of Iranian ports.

"We may put it back, the blockade, and it'll only be a blockade for Iran," Trump said.

He also said the US could escalate by bombing infrastructure targets like desal-

ination and power plants, repeating threats he made earlier in the conflict. Trump has in the past threatened strikes only to change his mind.

OIL PRICES SOAR

Oil prices climbed for a second day on Wednesday with fresh worries about the flow of energy through the Strait of Hormuz. Economies around the world have been hit by higher costs from the war started by the US and Israel in late February.

Earlier, Trump said he

thought the ceasefire was "over," though, he added he would not stop negotiators from continuing to engage.

"I guess they can talk. But I'm not seeing it," Trump said.

Issues to be resolved in discussions include management of the strait, Iran's nuclear program and the release of billions of dollars of frozen funds to the Islamic Republic, but little headway has been made on any of the topics.

Iran's Foreign Ministry said earlier that US attacks

and the block on oil sales had rendered the interim peace deal "ineffective."

Violations of Iran's control over Hormuz and continued Israeli attacks in Lebanon have added to Tehran's concerns, the ministry said.

The US for its part has blamed Iran for attacks on three ships in recent days. Iran has said repeatedly it won't allow vessels to transit the crucial energy waterway without its permission.

The US military said it carried out strikes on more than 80 sites in Iran overnight, hitting air defence systems, command and control networks and coastal radar sites.

The Islamic Revolutionary Guard Corps said it struck military bases in Kuwait and Bahrain, according to a statement carried by Iran's state television.

Negotiations between the US and Iran are currently suspended.

India seeks safe passage for 9 ships as Hormuz truce falters

Bloomberg

India is considering options, including holding talks with Iran, in order to secure safe passage for at least nine laden tankers waiting in the Persian Gulf as attacks in the waterway threaten an already fragile interim ceasefire.

Prime Minister Narendra Modi's government is closely monitoring the movement of these vessels loaded with crude oil and liquefied petroleum gas,

people familiar with the matter said, asking not to be named because the discussions are private.

Among other steps, the Foreign Ministry will contact Iranian authorities over the safety of Indian seafarers in the region, the people said, with hundreds stranded for months since the Strait of Hormuz was effectively closed. That includes 198 mariners onboard the nine tankers ready to transit through the thoroughfare.

IMF slashes India's FY27 growth forecast to 6.4%, but retains tag of fastest growing economy

Shishir Sinha
New Delhi

The International Monetary Fund (IMF) on Wednesday lowered India's current fiscal 2026-27 by 10 basis points to 6.4 per cent.

However, it has retained the tag of fastest growing economy for the country and upped the growth projection for the next fiscal 2027-28 by 20 basis points to 6.7 per cent.

"India remains among the fastest growing major economies, with growth projec-

ted at 6.4 per cent, supported by strong momentum in private consumption and services activity," IMF said in its latest update on the World Economic Outlook (WEO).

In its April edition, the institution had revised the growth estimates upward moderately by 0.3 percentage point (0.1 percentage point relative to January) to 6.5 per cent, led by positive contributions from the carryover of the strong 2025 out-turn and the decline in additional US tariffs on Indian goods from 50 per cent to 10 per cent, which out-



The IMF's growth projection for India is 7% for CY2026 and 6.4% for 2027

weighed the adverse impact of the West Asia conflict.

Meanwhile, the IMF's growth projection for India

is 7 per cent for calendar year 2026 and 6.4 per cent for calendar year 2027.

IMF's projection for FY27 is on the lower side as compared to other agencies. Driven by de-escalation optimism surrounding the US-Iran interim agreement, HDFC Bank recently upgraded India's FY27 growth forecast by 20 basis points to 6.7 per cent.

The revision led a series of new projections, with S&P Global setting its headline growth figure at 6.6 per cent and Bank of Baroda estimating the trajectory to settle between 6.4 per cent and 6.6

per cent as maritime trade routes normalise.

All these projections are lower than FY26 print of 7.7 per cent. However, while IMF's latest print is lower than RBI's revised projection of 6.6 per cent, all others are close to or at par with the central bank number, revised last month.

GLOBAL OUTLOOK

Talking about the global economy, WEO said that it is in crosscurrents of war and technology.

"Global growth is projected to be 3.0 per cent in 2026 and 3.4 per cent in 2027,

down from the average of 3.5 per cent observed in 2024-25 and broadly unchanged on a cumulative basis compared with the forecasts in the April 2026 WEO," it said.

The modest slowdown reflects the effects of the war in West Asia being partly offset by accelerated demand-driven momentum in the global technology cycle thanks to advances in AI and its adoption.

Global headline inflation is expected to increase from 4.1 per cent in 2025 to 4.7 per cent in 2026 before declining to 3.9 per cent in 2027, the WEO said.

'Agri markets have not priced in fertilizer supply risks'

IRAN WAR IMPACT. High prices of crop nutrients could lead to less utilisation as China and India will likely face problems

Subramani Ra Mancombu
Chennai

Agri-commodity markets have not fully priced in the risks caused by concerns over the rise in fertilizer prices due to the Iran war, while farmers in developing nations, besides China, face pronounced risks, say analysts.

"The key concern (of not fully pricing the risks) is that higher fertilizer prices will reduce usage, which could weigh on crop yields and tighten agricultural supply over time," said Thijs Geijer, Senior Sector Economist, Food and Agri, and Warren Patterson, Head of Commodities Strategy at ING Think, the economic and financial analysis wing of Dutch multinational financial ser-

vices firm ING. Farmers in developing countries are generally more sensitive to prices, while farmers in developed economies (including the EU) tend to have more options to mitigate the risks, the duo said.

The disruption to fertilizer markets has been exacerbated by the implementation of export quotas and restrictions by other major exporters, including Russia and China, they said.

TO HIT OUTPUT

"That further exposes vulnerabilities in key importing regions like Australia, Brazil, India and the EU," the ING strategists said.

"Higher energy prices may increase fertilizer costs and reduce fertilizer application rates, potentially lowering crop yields and production,"

Prices easing but...

	June average (\$/tonne)	% month-on-month change	% year-on-year change	12-month high (\$/tonne)	12-month low (\$/tonne)
Ammonia	828.8	-3.4	+95.2	857.5	476.0
Urea	1,054.9	-34.4	+16.5	1,667.9	888.9
AmmoniumNitrate	1,637.7	-5.9	+32.9	1,741.1	1,181.1
Phosphate	1,878.3	+0.1	+17.3	1,878.3	1,397.7
Potash	634.7	+2.1	+10.5	634.7	564.7

Source: Agricultural Market Information System of FAO

said the Agricultural Market Information System (AMIS) of UN's Food and Agriculture Organisation.

"In our view, of the major agricultural markets, India faces the most imminent risk. China, which depends on sulphur imports from the region for phosphate fertilizer production, faces pronounced risks, though these remain manageable," said research agency BMI, a unit of Fitch Solutions.

BMI does not expect a rise in fertilizer application in Asia as farm profitability remains pressured. Overall, "still-high" input costs will restrict farm production and fertilizer use, it said.

SIGNS OF EASING

Despite concerns, the Indian government is confident of meeting the demand for kharif crops during July-September. India has covered 43 per cent of its fer-

tilizer demand for the kharif season and expects domestic production to bridge the gap.

AMIS said the fertilizer market showed signs of easing in June on improved flows through the Strait of Hormuz, and energy prices softened. "While fertilizer affordability has improved in some regions, it remains a constraint in others," it said.

However, Indian cereal production would decline by 2 per cent in 2026, while in Thailand it would decline by 3 per cent in 2026 and 2 per cent in 2027. "These reductions reflect lower fertilizer application in response to higher input costs," said AMIS.

BMI said that per the latest World Bank Commodity Prices, fertilizer prices eased 4.6 per cent in June overall. "Looking specifically

at urea, prices eased but remained elevated," it said.

AMIS said in June, fertilizer cost indicators declined across most crops and locations, apart from rice production in China. Nitrogen prices declined as supply rebounded and subdued demand outside India.

Geijer and Patterson said the current geopolitical conditions are clearly negative for commodity markets.

"However, fundamentals such as supply, demand, stocks and broader economic factors remain more favourable, according to the International Food Policy Research Institute. This helps to limit the likelihood of immediate price spikes compared with previous shocks in 2007, 2010 and 2020," they said.

A number of agri com-

modities heading into the 2026-27 marketing year are well supplied following record yields in 2025-26. This has left inventories at comfortable levels, helping to ease supply concerns, the ING strategists said.

SHOCK IMPACT

AMIS said the ultimate impact of the West Asian crisis on agricultural markets will depend on the duration of the conflict and the end of associated disruptions to energy markets. "A short-lived shock would likely have limited long-term consequences, whereas a prolonged period of elevated energy and fertilizer prices could have more substantial effects on agricultural production, trade and food security, particularly in vulnerable regions," it said.

Oman India Fertiliser zooms 23% on debut

Bloomberg

Oman India Fertiliser Co jumped more than 23 per cent on its Muscat trading debut after raising 261 million Omani rials (\$678 million) in the region's largest initial public offering of the year.

Shares in the fertilizer producer closed at 192 baisa on Wednesday, as investors piled into the stock despite global market volatility after President Donald Trump thrust geopolitical risks back into focus by declaring the ceasefire between the US and Iran to be over.

State-owned energy company OQ owns 50 per cent of

In the Muscat-listed company, Indian agricultural co-operatives IFFCO and Kribhco hold 25% each

Oman India Fertiliser Co, while Indian agricultural co-operatives IFFCO and Kribhco each hold 25 per cent.

The company operates ammonia and urea plants in Oman and generated \$207.4 million of revenue in the three months through March, with an EBITDA margin of 50.5 per cent.

Muscat's benchmark index closed about 1 per cent

higher, outperforming other regional bourses that ended the day in the red.

STRONG DEMAND

The firm listed at 156 baisa, the top end of a marketed range that valued the company at 1.04 billion Omani rials. The fertilizer producer drew about \$12 billion in orders, a much higher oversubscription rate than in recent major Omani listings. That included demand from prominent regional sovereign wealth funds, *Bloomberg News* has reported.

The offering comes as regional equity capital markets contend with a slowdown that began before the US-Iran war. Still, bankers say

some Gulf firms are getting ready to go public after the summer, with deals across Saudi Arabia, the UAE, Kuwait and Qatar raising hopes of a rebound.

Oman has been less affected by the conflict than some neighbouring Gulf states.

The IPO is the latest step in Oman's push to privatise state assets and deepen its capital markets, with OQ leading the effort.

"This year there are no plans for further IPOs," OQ Group Chief Executive Officer Ashraf Al Mamari told *Bloomberg News* in Muscat.

"We are still discussing with our board if there will be any plans for 2027."

EU FTA with India likely to be rolled out by Apr-Jun 2027

India's free trade agreement (FTA) with the European Union (EU) is likely to be rolled out by April-June of 2027, according to the Deputy Director General at European Commission's Directorate General of Trade & Economic Security, Christophe Kiener, who was also the chief negotiator of the trade deal. "I would expect that, if all goes well, the agreement could enter into force somewhere around the second quarter of next year, or by the beginning of summer at the latest," Kiener said, reports KRITY AMBEY

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India-EU trade pact may be rolled out by Apr-Jun 2027

KRITY AMBEY
New Delhi, 8 July

India's free trade agreement (FTA) with the European Union (EU) is likely to be rolled out by April-June of 2027, according to the Deputy Director General at European Commission's Directorate General of Trade & Economic Security, Christophe Kiener, who was also the chief negotiator of the trade deal.

"I would expect that, if all goes well, the agreement could enter into force somewhere around the second quarter of next year, or by the beginning of summer at the latest," Kiener said on Wednesday at the Peterson Institute for International Economics' latest edition of Trade Winds on the subject "EU-India free trade agreement: The mother of all deals?"

Leaders and officials from the two regions have expressed confidence at multiple instances that the agreement will be signed by December. Kiener also reiterated that the deal would be signed by the end of this year.

However, the implementation timeline given by Kiener is slightly later than the one given by Commerce and Industry Minister Piyush Goyal, who has said the deal will be rolled out by March next year.

"We are also scheduling informal sessions in the fall to explain the trade deal to members of the European Parliament, so they are seized of the deal as it is signed," Kiener said. This can help expedite the ratification process of the agreement, he added.

The European Parliament must pass the trade deal to

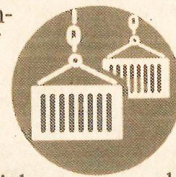
ratify it, while in India the process is relatively simpler, requiring only the Union Cabinet's nod followed by the President's approval.

Minister Goyal, External Affairs Minister S Jaishankar, and Electronics and Information Technology Minister Ashwini Vaishnaw will travel to Brussels next week for the India-EU Trade and Technology Council (TTC) dialogue, which is expected to complement the trade agreement and help facilitate its implementation. Following the conclusion of the trade deal in January, both sides have been engaged in legal scrubbing of the text of the agreed deal, and are expected to finish it by the end of this month, Kiener said.

Under the trade deal, often described by the two sides as "the mother of all deals", India has offered tariff concession on 86 per cent tariff lines. The EU has also offered liberalisation on 97 per cent tariff lines.

"Our estimates are that EU exporters will be saving about 4 billion euro in terms of duties that they were paying," Kiener said. "India has traditionally been a high-tariff economy," Kiener said. But the FTA is set to drop tariffs to zero in several sectors, like the duty on machinery and electrical equipment will go down to zero from up to 44 per cent, Kiener added.

Tariffs will fall to zero from up to 11 per cent and 22 per cent on aircraft and chemicals, respectively. "The tariff rate quota on motor vehicles will bring rates to 10 per cent at the end of transition period from up to 110 per cent," he said.



'Agriculture's answer lies beyond the sector'

SANJEEB MUKHERJEE

New Delhi, 8 July

India needs to accelerate the movement of workers out of agriculture into rural non-farm activities as part of its long-term strategy to raise farm incomes, Chairman of the Economic Advisory Council to the Prime Minister (EAC-PM) S Mahendra Dev said on Wednesday.

Delivering his keynote address at an event to mark the Founder's Day of the Institute of Economic Growth, Dev said India cannot sustain a situation where agriculture contributes only about 17 per cent to the country's gross domestic product while employing around 43 per cent of the workforce. "Ultimately, we have to shift workers from agriculture to non-agriculture... the solution for agriculture lies in non-agriculture," he said.

He said that while reforms in agriculture are needed, it is also important to take note of external factors such as the West Asia crisis and the government's fiscal position before pushing ahead with them. Dev said that, when it comes to technology, areas such as gene editing are being taken up in a big way as India does not allow GM crops.

He said India also needs a predictable policy environment for exports and must ensure that Indian agriculture becomes a dependable supplier to the world. He added that trade policy reforms would raise farmers' incomes further.

The EAC-PM chairman also said that diversification away from



“INDIA CANNOT SUSTAIN A SITUATION WHERE AGRICULTURE CONTRIBUTES ONLY 17% TO THE COUNTRY'S GDP WHILE EMPLOYING 43% OF THE WORKFORCE”

S Mahendra Dev, EAC-PM chairman

wheat and rice would not happen unless the rate of return on alternative crops is higher than that on wheat and rice.

While emphasising structural transformation, Dev argued that agriculture should move beyond a production-centric approach towards an income-centric strategy. Diversification into high-value crops, horticulture, livestock and fisheries, stronger post-harvest infrastructure, agroprocessing, and better marketing systems would be key to lifting farm incomes, he said.

Dev said Indian agriculture has recorded average annual growth of around 4.5 per cent over the past

decade, among the highest for major economies, and rejected the perception that farmers' incomes have remained stagnant. According to him, available evidence suggests farm incomes have grown faster than agricultural output, although small and marginal farmers continue to require greater policy support.

He said that nearly 86 per cent of India's farmers are small and marginal landholders, making institutions such as farmer producer organisations, cooperatives, and aggregation platforms critical for improving access to inputs, markets, and better price realisation.

Calling for a fresh round of agricultural reforms, Dev said the policy framework established during the Green Revolution era must evolve to address challenges such as groundwater depletion, soil degradation, and climate change. Market reforms, predictable export policies, and incentives for crop diversification away from rice and wheat towards pulses, oilseeds, and millets would be necessary, he said, adding that farmers would shift only if alternative crops offered comparable or higher returns.

On technology, Dev said digital public infrastructure, AgriStack, artificial intelligence, drones, biotechnology, and satellite-based applications could improve productivity, optimise fertiliser use, and strengthen demand and supply forecasting. However, he stressed that the benefits of technology must reach all categories of farmers.

Rainfall Deficit Narrows to 24%, to Boost Kharif Sowing in July

Districts hit by poor rains down to 178 from 262

Our Bureau

New Delhi: Improved rainfall in July has narrowed the country's rainfall deficit and raised hopes of faster kharif sowing, agriculture minister Shivraj Singh Chouhan said on Wednesday.

Chouhan said the overall rainfall deficit had narrowed to 24% in July after widespread showers across several parts of the country. The number of rainfall-deficient districts has also fallen to 178 from 262. India recorded a 38% rainfall deficiency in June, according to the India Meteorological Department (IMD).

The improvement is expected to accelerate sowing during July, the most critical month for planting kharif crops. However, sowing continues to trail last year's pace. Government data showed kharif crops had been

sown over 35.08 million hectares so far, 20.78% lower than the 44.28 million hectares covered during the corresponding period last year.

The delayed onset of the monsoon has particularly affected soybean and cotton, prompting the government to advise farmers to shift to short-duration and less water-intensive crops such as maize, bajra and moong wherever feasible.

Chouhan said the government had been preparing for a possib-

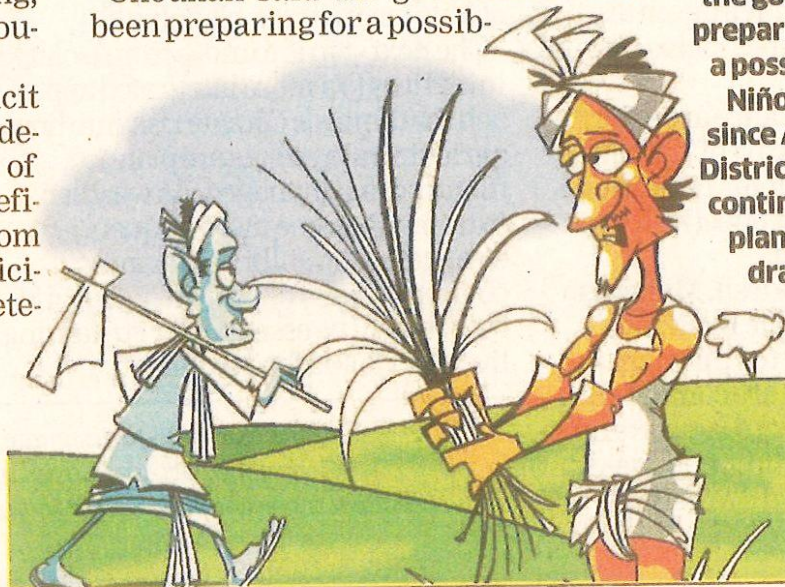
le El Niño event since April. District-level contingency plans were drawn up in collaboration with the Indian Council of Agricultural Research and shared with state governments well before the start of the season.

The government is closely monitoring the situation in 13 states—Maharashtra, Madhya Pradesh, Gujarat, Uttar Pradesh, Rajasthan, Karnataka, Bihar, Jharkhand, Telangana, Andhra Pradesh, Punjab, West Bengal and Odisha—where rainfall remains uneven.

As part of its preparedness, the Centre has maintained a national seed reserve of about 175,000 quintals to

ensure uninterrupted sowing. More than 124,000 awareness programmes were conducted under the Khet Bachao Abhiyan in June, reaching over 8 million farmers with advisories on contingency cropping and water management.

Chouhan says the govt was preparing for a possible El Niño event since April & District-level contingency plans were drawn up



Sow Seeds for Smart Farming



Burjis Godrej & Angela Lusigi

India's agricultural economy is navigating an increasingly volatile climate reality. For a country with 15 agro-climatic zones, diverse cropping systems and more than 85% of farmers cultivating less than 2 ha, climate resilience is no longer only an environmental issue. It is linked to food security, economic stability and long-term farm growth.

India has made important progress in building climate-resilient agriculture. But the nature of climate risk itself is changing. Before these risks can be managed, however, they must first be understood. Climate and geospatial intelligence are becoming indispensable to that effort.

India is increasingly using DPI to support evidence-based decision-making in agriculture. An example is data in climate resilient agriculture (DiCRA), an open-access digital public good that helps identify climate vulnerability hotspots, supports district-level resilience assessments and enables risk-informed investment planning. Importantly, it is a practical decision-support system for

policymaking, agricultural investments and national-scale implementation through rural development programmes with Nabard.

By integrating geospatial analytics, AI-driven insights and open-access data, DiCRA is making climate information more accessible, actionable and locally relevant. This is particularly important at the district level, where climate risks can vary sharply even within the same state.

Yet, data alone does not protect farmers from climate shocks. For them, resilience is a financial question.

Pradhan Mantri Fasal Bima Yojana (PMFBY) has become one of the world's largest agricultural risk-protection systems. During 2024-25, the programme covered 42 mn farmers and insured 62 mn ha of cropped area.

Climate shocks do not stop at the farm gate. They quickly ripple through household finances, credit systems and local economies. This underscores the importance of ensuring that climate information is translated into practical action.

The real measure of success is whether this information reaches farmers in a form they can act on. This is where the private sector has an increasingly important role to play.

Established agribusinesses and new-age tech companies are playing a critical role in bridging this gap. By

using climate and weather data to deliver more targeted farmer support, ranging from crop advisories and input planning to supply chain decisions, they are helping translate data into real-time, on-farm decision-making.

In crop care, this includes using satellite and weather analytics to enable more precise and timely interventions, helping farmers optimise input use, respond to pest and disease risks, and better manage heat and water stress. Evidence shows that such data-driven advisory models can improve yields by 15-30% and enhance farm incomes, particularly in climate-stressed regions.



Field study

Similarly, oil palm initiatives are combining climate advisories with drip irrigation systems and soil health monitoring to help smallholder farmers stabilise productivity, even as some regions experience increasing rainfall variability.

Technology and finance are essential, but they are only part of the solution. Healthy ecosystems remain one of agriculture's most effective forms of climate protection.

Across Andhra Pradesh, Maharashtra and Odisha, climate resilience programmes supported through Green Climate Fund are combining mangrove restoration, seagrass and salt-marsh conservation, climate-adaptive farming, and diversified

livelihood models such as sustainable crab aquaculture and oyster farming. These initiatives are supporting resilience and livelihoods for approximately 1.74 mn people.

These models are significant because of their ability to deliver dual outcomes: restoring natural ecosystems that act as climate buffers, while also uplifting farming families and reducing long-term climate vulnerability.

For decades, agricultural success was measured largely by production. Climate change is changing that equation. The challenge today is not only to increase output but also to ensure that farmers, institutions and food systems can cope with growing uncertainty.

India is already putting many of the building blocks in place, from climate intelligence platforms and DPI to stronger financial protection systems and ecosystem-based adaptation. The National Adaptation Plan process reflects this shift by placing agriculture at the centre of long-term climate planning.

The next step is to move from isolated initiatives to a more integrated approach that embeds climate risk into how agricultural systems are planned, financed and managed. As weather extremes become more frequent, strengthening ability of farming communities to anticipate, adapt and recover will be essential for sustaining livelihoods and food security.

Godrej is chairperson designate, Godrej Agrovet, and Lusigi is resident representative, UNDP India

W Asia conflict: Jaishankar reaches out to GCC nations

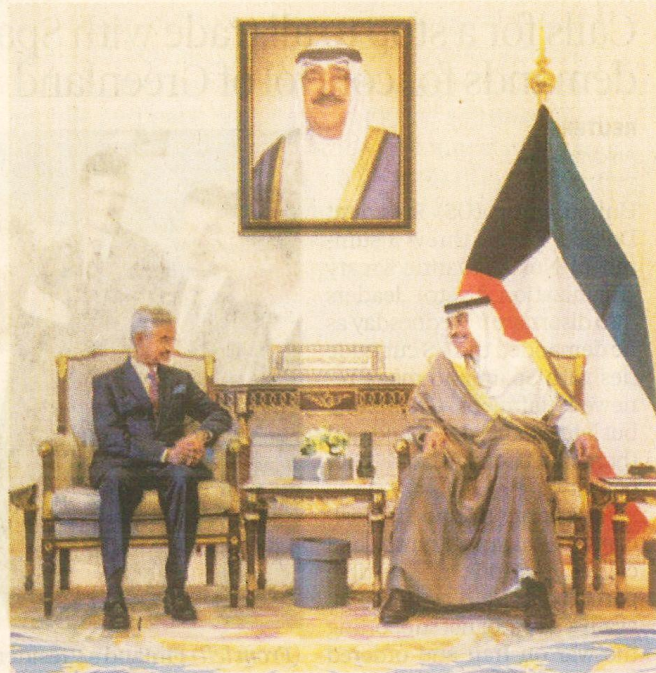
ARCHIS MOHAN
New Delhi, 8 July

India has over the last few days continued to reach out to the leaderships of the Gulf Cooperation Council (GCC) countries, with External Affairs Minister (EAM) S Jaishankar visiting Qatar, Bahrain and Kuwait, and slated to be in Oman later this week.

New Delhi is also in contact with the Iranian authorities to secure safe passage for at least nine tankers laden with oil and liquefied petroleum gas (LPG) awaiting transit through the Strait of Hormuz. Nearly a million Indians live and work in West Asia, and the region is key to India's energy security.

The outbreak of hostilities between the United States (US) and Iran on Wednesday morning could impact efforts to resume fuel shipments via the Strait of Hormuz, and also make the safety of ships and sailors uncertain. Six vessels headed for destinations including India attempted to cross the Strait of Hormuz just hours after Tuesday's strikes. According to reports, at least one Indian-flagged super-tanker, the Lila Vadinar, reversed course after reaching the tip of Oman's Musandam Peninsula.

On Wednesday, the US revoked a licence authorising the sale of Iranian oil in retaliation for what it said were Tehran's attacks on ships in the Strait of Hormuz, and launched missile strikes on Iran. Tehran retaliated with strikes on Bahrain and Kuwait. The crossfire came during the funeral for Iran's Supreme Leader Ayatollah Ali Khamenei that concludes on Thursday. He was killed on February 28 in a US-Israeli strike.



External Affairs Minister S Jaishankar with Kuwait's Crown Prince Sheikh Sabah Al-Khaled Al-Sabah

PHOTO: PTI

Jaishankar will be in New York on July 13 to launch India's official campaign for the United Nations Security Council (UNSC) tenure 2028-29. Ensuring the safety of its seafarers stranded near the Strait of Hormuz is a priority for India. At least three ships with Indian seafarers were attacked by the US military in June in which one Indian was killed. It had led to the Ministry of External Affairs (MEA) summoning the US Chargé d'Affaires Jason Meeks twice within 48 hours last month.

On Wednesday morning, Jaishankar met Kuwait's Crown Prince Sheikh Sabah Al-Khaled Al-Sabah, and discussed bilateral ties between the two countries. In a social media post, Jaishankar thanked the Kuwaiti Crown Prince for sharing his perspec-

INDIA IS IN CONTACT WITH IRANIAN AUTHORITIES TO SECURE SAFE PASSAGE FOR AT LEAST NINE TANKERS LADEN WITH OIL AND LPG AWAITING TRANSIT THROUGH THE STRAIT OF HORMUZ

tives on developments in the Gulf. Jaishankar also met his Kuwaiti counterpart Sheikh Jarrah Jaber Al-Ahmad Al-Sabah, and discussed the latest regional and international developments. On Tuesday, the EAM met Kuwait's Deputy Foreign Minister Hamad Suleiman Mashaan Al-Mashaan.

Jaishankar was in Bahrain on Tuesday, where he met its Deputy Prime Minister Khalid bin Abdulla Al Khalifa, and discussed the situation in West Asia.

MRPL cancels West Asia vessel charter

Mangalore Refinery and Petrochemicals Ltd (MRPL) has cancelled a vessel charter it had booked for loading crude oil from Iraq, two shipping sources with knowledge of the matter said.

One of the people said MRPL has cited "technical reasons" for not going ahead with the chartering of the Aframax tanker Jasmin Joy.

It was not clear whether the chartering failed due to heightened tension in the Strait of Hormuz, the sources said.

REUTERS

He also met Bahrain's King Hamad bin Isa Al Khalifa and Crown Prince and PM Salman bin Hamad Al Khalifa. He thanked the King for ensuring the safety and wellbeing of the Indian diaspora in Bahrain. Jaishankar also met Bahrain's Foreign Minister Abdullatif bin Rashid Al Zayani.

In Qatar earlier this week, Jaishankar met its Prime Minister and Foreign Minister Mohammed bin Abdulrahman Al Thani. The two reviewed bilateral cooperation in energy, trade, investments, connectivity, security, and people-to-people ties, and "explored new opportunities for deepening our strategic partnership", Jaishankar said in a social media post. The Qatari leader shared his assessments on the West Asia conflict and its impact with Jaishankar.

Global Cotton Trade Poised for Recovery as India and China Drive Import Demand

By Our Staff Reporter

MUMBAI, JULY 08—

The July 2026 issue of Cotton This Month released by Washington-based International Cotton Advisory Committee (ICAC) highlights a changing global cotton market, with consumption and trade expected to strengthen despite a modest decline in production during the 2026/27 season.

According to the report, global cotton production for the 2025/26 season is estimated at 26.5 million tonnes, up 3% from the previous season, while consumption is projected to reach 25.3 million tonnes, an increase of 1.6%. Looking ahead to 2026/27, global production is forecast to decline slightly by 2% to 25.9 million tonnes, while consumption is expected to continue growing, rising approximately 1% to 25.5 million tonnes. Global cotton trade is projected to increase by 2.6% to 9.6 million tonnes.

The report identifies several key trends shaping the market:

* Improving global demand for cotton consumption despite tighter production prospects.

* Continued pressure on cotton acreage as growers respond to weaker profitability, rising production costs, and competition from alternative crops.

* Climate-related challenges, including heat, unreliable rainfall, and increasing pest pressures, which continue to affect production decisions.

* A significant shift in global import demand, led by India and a recovering Chinese market.

INDIA EMERGES AS MAJOR DEMAND CENTER

India has become one of the most important drivers of global cotton demand. Cotton lint imports are projected to reach approximately 1 million tonnes in the 2025/26 season, a 42% increase over the previous season and the highest level ever recorded by the country.

The surge follows a series of policy changes, including temporary reductions in import duties and exemptions for extra-long staple cotton, which improved access to imported fiber and

supported domestic consumption growth.

CHINA'S COTTON IMPORTS RECOVER

China is expected to regain its position as the world's largest cotton importer during the 2026/27 season, accounting for an estimated 19% of global imports.

Following an eight-year low in imports during the previous season, China's cotton lint imports are projected to increase by approximately 42% in 2025/26, supported by additional import quotas, higher domestic cotton prices, and the need to sustain consumption levels.

CHANGING TRADE RELATIONSHIPS

Brazil has consolidated its position as China's largest cotton supplier, accounting for approximately 52% of China's cotton imports during the current season. Australia has emerged as China's second-largest supplier, while U.S.-China trade policies continue to influence global cotton trade flows and competitiveness.

The report also examines the implications of recent policy developments, including China's suspension of tariffs introduced since March 2025 and new commitments to purchase U.S. agricultural products.

US COTTON POLICY INITIATIVES

The July issue highlights the launch of the Great American Cotton Plan by the U.S. Department of Agriculture. The initiative aims to increase domestic demand for American-grown cotton and cotton products, strengthen the cotton value chain, and improve returns for growers. The plan includes the "Plant Not Plastic" initiative, which promotes cotton-based products as sustainable alternatives to synthetic fibers, as well as support for the proposed Buying American Cotton Act.

ICAC'S PRICE PROJECTIONS

Based on current supply and demand projections, the Secretariat forecasts the Cotlook A Index for the 2026/27 season to range between 66 and 85 cents per pound, with a midpoint of 75.7 cents per pound.

Jute stock curbs withdrawn as record acreage signals end of shortage

KOLKATA, JULY 08-(PTI)

The Office of the Jute Commissioner on Wednesday withdrew, with immediate effect, the raw jute stock control order that had governed the fibre trade for over nine months, removing holding limits on traders, balers and mills as the 2026-27 jute year begins amid expectations of a much larger crop.

In a notification issued on Wednesday, the Jute Commissioner's office withdrew the entire chain of orders issued on stock.

The orders had directed raw jute balers, traders, dealers, agencies and stockists to maintain a nil stock, and barred jute mills and manufacturing units from holding raw jute stock beyond 45 days' consumption.

"In view of the start of the new jute season and after considering the expected market scenario for raw jute, I... hereby withdraw the afore-mentioned notifications with immediate effect," the deputy jute commissioner said.

Continued on Page 4

Jute Commissioner withdraws jute stock curbs

Continued from Page 1 Col 2

The controls were imposed during a season of acute scarcity, with raw jute prices climbing to around Rs 19,000 a quintal in 2025-26 — more than three times the minimum support price of Rs 5,925 — as mills struggled with a crop that fell well short of official projections.

Advance estimates had pegged the crop at 75-95 lakh bales, but the market ultimately absorbed only about 52 lakh bales, according to industry estimates.

At a meeting of the Expert Committee on Jute on July 2, Agriculture Department officials declined to revise their earlier figures and asked the industry to account for around 30 lakh bales of apparently missing fibre.

Mill owners have maintained the fibre was never hoarded, arguing that a year of stringent stock control — with nil limits, mandatory declarations on the Jute SMART portal and physical inspections — failed to uncover any hidden stock.

They attributed part of the gap to an uncorrected stale carryover figure, and the larger part to the conversion of satellite-measured acreage into mill-usable fibre, a method they said overstated actual availability.

The first satellite estimate by the National Remote Sensing Centre put jute area at 5.82 lakh hectares, about 21 per cent higher than last year and the sharpest single-year rise in the current series, with the biggest gains in Murshidabad and Nadia districts, where prices had risen the most.

Forward prices for August delivery have already fallen from around Rs 19,000 to Rs 12,000 a quintal, even as physical arrivals remain thin due to the harvest cycle and a retting process that takes two to three weeks.

Indian Jute Mills sources said arrivals are expected to peak between September and November.

The withdrawal restores traders' ability to hold and aggregate stock as the new crop arrives, while allowing mills, several of which had remained shut during the lean months, to carry working stock again.

A separate notice issued on July 7 mandates mills to upload purchase orders and mill receipts daily and file monthly returns through an upgraded Jute SMART portal, giving the Commissioner's office real-time visibility of the pipeline even after the holding caps were lifted.

IMF expects world economy to grow sluggish 3% this year

WASHINGTON, JULY 08-(AP)

The International Monetary Fund on Wednesday modestly downgraded its outlook for the world economy this year, citing the energy shock caused by the Iran war. But the fallout from the conflict is being partially offset by booming investment in artificial intelligence and other technologies.

The International Monetary Fund (IMF) now expects the global economy to expand by a sluggish 3 per cent in 2026, down from 3.5 per cent last year and from the 3.1 per cent it had forecast for this year back in April.

The fund expects worldwide growth to rebound to 3.4 per cent next year.

Iran responded to US and Israeli attacks February 28 by shutting down the Strait of Hormuz, through which a fifth of the world's crude oil and natural gas passes. Energy prices soared, squeezing

businesses and consumers. The IMF now expects oil prices to be up nearly 32 per cent this year and for global consumer prices overall to increase 4.7 per cent in 2026. That would be up from 4.1 per cent in 2025 and would mean that two years of progress against inflation has stalled.

The IMF forecasts assume that the Strait of Hormuz reopens later this month — even though US strikes on Iran resumed and President Donald Trump declared Wednesday that a ceasefire with Iran was over. They also assume that commerce through the strait returns to normal by next March.

"The world economy has weathered the shock from the war better than feared," Petya Koeva Brooks, deputy director of the IMF's research department, told reporters Wednesday. The economic damage from the energy shock has been limited partly because countries could draw on existing oil stockpiles and because oil-exporting countries outside the Persian Gulf stepped up production.

Countries that produce and export their own energy and that benefit from AI investment are insulated from the war's economic damage. Among them is the United States. The IMF expects the US economy — the world's largest — to grow a solid 2.3 per cent this year, up from 2.1 per cent in 2025 and unchanged from the April forecast. President Donald Trump's 2025 tax cuts, big gains in productivity and a strong stock market are also giving the American economy a lift.

The 21 European countries that share the euro currency, hit hard by higher energy prices, are collectively forecast to grow just 0.9 per cent this year, down from 1.4 per cent in 2025.

China, the world's No 2 economy, is expected to expand 4.6 per cent this year, down from 5 per cent in 2026 but a bit faster than the IMF had expected in April. Weighed down by higher energy prices and a property market collapse, the Chinese economy is getting offsetting help from public works spending, a surge in high-tech manufacturing and booming exports.

India is once again forecast to be the world's fastest-growing major economy, advancing at a 6.4 per cent clip (down from a sizzling 7.7 per cent last year) on strong consumer spending.

The IMF is a 191-nation lending organisation that works to promote economic growth and financial stability and to reduce global poverty.

Oil prices jump more than 6% after Trump says ceasefire with Iran is 'over'

BANGKOK, JULY 08-(AP)

Oil prices surged more than 6% after US President Donald Trump said Wednesday that the interim agreement with Iran is “over,” though he will allow talks to continue.

Trump made the comments following US strikes on Iran in reaction to attacks on three ships in the Strait of Hormuz. The price of Brent crude oil jumped 6.3% to \$78.80 a barrel. US benchmark crude surged 6.4% to \$75.00 a barrel.

“For me, I think it's over,” Trump responded when asked

about the status of the ceasefire. “It's just a waste of time dealing with them,” he said on the sidelines of the two-day NATO summit in Ankara, Turkey.

Crude prices had declined recently from spikes well above \$100 a barrel to around the levels they were at before the war with Iran began in late February.

Iran and the United States agreed as part of their interim deal on ending the war to allow ships to pass through the strait without paying charges for 60 days. But Tehran has insisted it must control the vessels' routes and

vowed to later charge fees for passage. That would upend decades of practice in the waterway. The ships attacked Tuesday all appeared to be using a route close to Oman's shore, rather than one ordered by Tehran.

The upsets for oil markets raise uncertainties over inflation and other economic trends. They have also coincided with waves of worries that the craze for artificial intelligence-related shares has pushed prices past the amount of gains in productivity and profits likely to result from

massive investments in computer chip production capacity and data centers.

“As such, geopolitical headlines will likely determine market sentiment over the coming hours. A further deterioration in the situation could weigh further on equity valuations along with rising stress in technology,” Ipek Ozkardeskaya of Swissquote said in a commentary.

In share trading, Germany's DAX shed 2.4% to 24,866.26 and the CAC 40 in Paris gave up 2.2% to 8,427.23. Britain's FTSE 100 slid 1.7% to 10,484.45.