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Cotton Statistics And News

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Forecast for Cotton Output 2014

The United States Department of Agriculture has projected global cotton production for 2013-14 to be lower by three per cent and the projected increase in the crop's output is mainly attributed to a 'yield rebound'.

The yield rebound is forecast because of a lower crop output in 2013. The USDA's 2013-14 projections show that output is contracting in the United States, China, and Australia, which together account for 44 per cent of world production, compared with a 46 per cent share in the previous year. In contrast, Pakistan, Brazil and India are projected to increase production in 2013-14. Total cultivated area for cotton in the world is estimated to decline to about 33 million hectares, while yields are expected to remain nearer to those in 2012-13.

The report says that tight water supplies in Pakistan were a consequence of reduced water flow due to slow glacier melt, which was exacerbated as power shortages limited the ability of electric pumps to draw sufficient well water. Finally, torrential rains and floods during September affected the cotton growing areas of Punjab, damaging close to 80,000 hectares of standing cotton.

Meanwhile, in its latest report, the International Cotton Advisory Committee (ICAC) has reported that world cotton production is currently five per cent below than earlier estimates whereas consumption is expected two per cent higher than the previous prediction.

As per report of National Cotton Council of America, cotton's 2013 outlook will be influenced by China's policy decisions and continued competition from man-made fibre. China, the

world's top cotton grower, is projected to produce 33 million bales in 2013-14, down three per cent from a year ago. Despite the government's generous price support, growers in eastern China face rising production costs and are expected to shift production to less labour-intensive and more profitable alternatives.

Fabric manufacturers in China are increasingly looking to meet their yarn demand with imported product, mainly from Pakistan. After consecutive declines, cotton demand has stabilised and is expected to grow in the coming year. However, the battle for market share with man-made fibres continues to be fierce.

China's harvested area is reportedly projected at five million hectares, a five-per cent reduction from the previous year. Australia's production is likely to decline by 17 per cent from a year ago to 3.5 million bales due to a weaker market price for cotton and decreasing reservoir supplies for irrigation. Brazil crop is projected at 7.5 million bales, up one million from the previous year.

India, the world's second largest cotton grower, is projected to produce a two per cent increase from the previous year. While planted area is expected to decline slightly, recovery in yields from 2012 is expected to support production.

Pakistan is the fourth largest producer of cotton and the third largest consumer of cotton and also the largest exporter of cotton yarn in the world. Pakistan's cotton crop is traditionally planted from late April through June and is harvested in the autumn.

(Source: dawn.com - 01.04.2013)

Textiles Ministry asks Firms to Invest in Technical Textiles

Textiles Ministry has asked the industry to explore investment opportunities available in technical textiles segment along with the opportunity of availing benefits offered by government to give a boost to the sector.

The technical textiles industry is engaged in production of specialised variant of the commodity used by various industries.

Emphasising the need to spread awareness about the specialised textiles, Textiles Secretary Zohra Chatterji said, "I strongly believe that private sector has a leading role in the development of technical textiles. Therefore, I think more and more firms should explore opportunities in the sector." She was speaking at a function organised by PHD Chamber.

For development of technical textiles, the government has various schemes and programmes. She urged to

avail benefits offered by the government which include Technology Mission on Technical Textiles, Technology Upgradation Fund Scheme and Scheme for Integrated Textile Parks".

Technical textiles are engineered products which are used for various applications including medical, protective clothing, automotive, industrial and in agriculture sector among others. Besides, there is a need to create linkages between raw-material suppliers and manufacturers. Raw-material suppliers can build linkages with manufacturers... Also, there could be better synergies between manufacturers and different departments for giving a boost to the sector, Chatterji stated.

According to reports, the technical textiles industry is expected to touch Rs 1,58,000 crore by 2016-17 from Rs 41,000 crore in 2010-11.

(Source: Tecoya Trend - 24.03.2013)

Apparel Exports May Decline

India's apparel exports are expected to decline by over 10.5 per cent to USD 12.5 billion in 2012-13 as there is a demand slowdown in major markets like the US and Europe.

The government had earlier fixed the garment exports target at USD 18 billion for the current fiscal, ending on March 31. Garment exports stood at about USD 14 billion in 2011-12. At the end of the current fiscal, we think garment exports will be around USD 12.5 billion due to less demand in western markets, an Apparel Export Promotion Council (AEPC) official said.

The US and Europe together account for over 65 per cent of the country's garment exports. The US market is picking up now. But, the demand is still sluggish

in the European market, the official added. During April-February 2012-13, garment exports have declined about 8 per cent to USD 11.5 billion. To reduce dependence on these traditional markets, exporters are marketing products by participating in trade exhibitions and holding road shows in new markets like Latin America and Russia.

The new markets have started working for us. Exporters have already started getting orders from Japan, Israel, South America and South Africa," the official said.

To boost garment exports in the next fiscal, AEPC has demanded a cut in customs duty on synthetic fabric and adequate availability of credit at affordable rates.

(Source: Tecoya Trend - 28.3.2013)

Cotton Consumption (In Lakh bales)

Month	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11 (Oct- Sept)	2011-12 (Oct-Sept)	2012-13 (Oct-Sept)(P)
October	15.44	17.33	18.32	16.54	18.13	22.09	17.77	21.82
November	15.09	17.81	16.94	16.94	18.47	21.09	18.34	20.90
December	16.36	18.49	18.86	17.98	19.49	22.57	20.13	22.75
January	16.41	18.22	18.54	16.93	19.54	22.10	20.33	22.79
February	15.24	17.11	18.14	16.23	18.81	20.23	20.31	
March	17.19	18.39	18.45	17.51	20.01	21.77	20.38	
April	16.37	18.06	17.98	17.12	20.53	20.17	20.31	
May	16.80	17.89	18.95	17.83	20.93	18.64	21.27	
June	16.76	17.85	18.55	18.01	20.71	18.23	21.17	
July	17.43	18.42	18.50	18.98	22.11	19.00	22.14	
August	17.95	18.58	17.62	18.59	21.73	18.64	22.08	
September	17.93	18.03	16.90	18.29	21.42	21.71	21.46	
Total	198.97	216.18	217.75	210.96	241.88	246.23	245.47	88.26

(Source: Office of the Textile Commissioner, Mumbai)

USDA Projects 10 Million Cotton Acres for 2013

In its latest acreage projections, USDA pegs cotton plantings at 19 percent lower than 2012 final planted acreage.

USDA issued its 2013 Prospective Plantings report March 28, and the news for cotton was brighter. In fact, it was pretty much as expected.

According to the report, growers intend to plant 10.0 million acres of cotton in 2013, down 19 percent from last year, yet reflective of the optimism that has been building throughout the cotton industry since January.

Of the projected 10.0 million acres, 9.82 million are expected to be planted to Upland varieties, with the remaining 206,000 acres pegged for Pima varieties. Both totals still represent decreased acres from 2012, but the drops are not as severe as earlier survey projections for the year.

In January, Cotton Grower projected total cotton plantings at 9.731 million acres, a 21 percent drop from the final USDA planted acreage report from 2012. And, in February, the National Cotton Council's early season survey placed 2013 acres at

9.01 million, representing a 26.8 percent cut in acres from 2012.

Since that time, world cotton prices have moved into the mid-80 cent range, with a few spikes into the 90 cent range. Several leading economists indicated that a softening of corn prices has helped make cotton more profitable and competitive, and anticipated more cotton acres than originally projected.

The USDA report also indicated potential acreage increases in Georgia and Florida for 2013, but projected record low acreage in Arkansas, Louisiana, Mississippi, New Mexico, and Oklahoma. Acreage for the remaining cotton-producing states showed decreases ranging from 3-to-29 percent.

Among other crops competing with cotton for space in the fields, when compared to 2012 final tallies, USDA projected a slight increase in overall corn acres, a 22 percent jump for sorghum, single digit decreases for both rice and soybeans, and a 27 percent drop for peanuts.

(Source: Cotton 24/7 - 28.03.2013)

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UPCOUNTRY SPOT RATES (Rs./Qtl)												
Standard Descriptions with Basic Grade & Staple in Millimetres based on Upper Half Mean Length [By law 66 (A) (a) (4)]							Spot Rate (Upcountry) 2012-13 Crop March 2013					
Sr. No.	Growth Standard	Grade /GPT	Grade	Staple	Micronaire	Strength	25th	26th	27th	28th	29th	30th
1	P/H/R	ICS-101	Fine	Below 22mm	5.0 – 7.0	15	9870 (35100)	9898 (35200)	H	9926 (35300)	9898 (35200)	9926 (35300)
2	P/H/R	ICS-201	Fine	Below 22mm	5.0 – 7.0	15	10195 (35900)	10123 (36000)		10151 (36100)	10123 (36000)	10151 (36100)
3	GUJ	ICS-102	Fine	22mm	4.0 – 6.0	20	7930 (28200)	7958 (29300)		8014 (28500)	8070 (28700)	8155 (29000)
4	KAR	ICS-103	Fine	23mm	4.0 – 5.5	21	8858 (31500)	8914 (31700)	O	8998 (32000)	9055 (32200)	9139 (32500)
5	M/M	ICS-104	Fine	24mm	4.0 – 5.5	23	9701 (34500)	9758 (34700)		9842 (35000)	9842 (35000)	9898 (35200)
6	P/H/R	ICS-202	Fine	26mm	3.5 – 4.9	26	10432 (37100)	10489 (37300)	L	10573 (37600)	10573 (37600)	10629 (37800)
7	M/M/A	ICS-105	Fine	26mm	3.0 – 3.4	25	10067 (35800)	10095 (35900)		10179 (36200)	10179 (36200)	10263 (36500)
8	M/M/A	ICS-105	Fine	26mm	3.5 – 4.9	25	N.Q.	N.Q.		N.Q.	N.Q.	N.Q.
9	P/H/R	ICS-105	Fine	27mm	3.5 – 4.9	26	10545 (37500)	10601 (37700)		10686 (38000)	10742 (38200)	10826 (38500)
10	M/M/A	ICS-105	Fine	27mm	3.0 – 3.4	26	10179 (36200)	10208 (36300)	I	10292 (36600)	10292 (36600)	10348 (36800)
11	M/M/A	ICS-105	Fine	27mm	3.5 – 4.9	26	N.Q.	N.Q.		N.Q.	N.Q.	N.Q.
12	P/H/R	ICS-105	Fine	28mm	3.5 – 4.9	27	10629 (37800)	10686 (38000)		10770 (38300)	10826 (38500)	10910 (38800)
13	M/M/A	ICS-105	Fine	28mm	3.5 – 4.9	27	10573 (37600)	10629 (37800)		10686 (38000)	10714 (38100)	10770 (38300)
14	GUJ	ICS-105	Fine	28mm	3.5 – 4.9	27	10629 (37800)	10657 (37900)	D	10714 (38100)	10742 (38200)	10798 (38400)
15	M/M/A/K	ICS-105	Fine	29mm	3.5 – 4.9	28	10686 (38000)	10742 (38200)		10770 (38300)	10798 (38400)	10854 (38600)
16	GUJ	ICS-105	Fine	29mm	3.5 – 4.9	28	10742 (38200)	10798 (38400)		10826 (38500)	10854 (38600)	10910 (38800)
17	M/M/A/K	ICS-105	Fine	30mm	3.5 – 4.9	29	10798 (38400)	10854 (38600)	A	10911 (38800)	10939 (38900)	10995 (39100)
18	M/M/A/K/T/O	ICS-105	Fine	31mm	3.5 – 4.9	30	11023 (39200)	11107 (39500)		11192 (39800)	11220 (39900)	11248 (40000)
19	K/A/T/O	ICS-106	Fine	32mm	3.5 – 4.9	31	N.Q.	N.Q.		N.Q.	N.Q.	N.Q.
20	M(P)/K/T	ICS-107	Fine	34mm	3.0 - 3.8	33	13498 (48000)	13638 (48500)	Y	13779 (49000)	13919 (49500)	14060 (50000)

(Note: Figures in bracket indicate prices in Rs./Candy) N.Q. = Not Quoted