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Cotton Statistics And News

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Minor Escalation in Cotton Prices During April

The trend in domestic cotton prices was downward in March but this was reversed in April when there was a minor escalation in the prices of all major varieties except the medium staple cotton, J-34, the prices of which moved further down. The average monthly prices of a few representative varieties since the commencement of the current season along with the corresponding prices during the last season are given below:

Month	Avg. Spot Rate (Rs/Qtl.)				
	ICS-202 (J-34)	ICS-105 (H-4)	ICS-105 (S-6)	ICS-105 (Bunny)	ICS-107 (DCH-32)
Oct.'11	9,774 (10,236)	N.A. (11,135)	11,020 (11,389)	11,048 (11,501)	13,945 (13,301)
Nov.'11	8,687 (11,389)	9,679 (11,979)	10,558 (12,345)	10,461 (12,260)	13,567 (14,510)
Dec.'11	8,667 (11,136)	9,382 (11,220)	9,758 (11,726)	9,833 (11,670)	12,156 (14,594)
Jan.'12	9,452 (12,063)	9,915 (12,457)	10,296 (12,598)	10,317 (12,963)	12,945 (17,659)
Feb.'12	9,232 (15,297)	9,621 (15,438)	10,005 (15,663)	10,089 (16,134)	13,572 (22,890)
Mar.'12	8,675 (16,702)	9,131 (16,297)	9,531 (16,790)	9,521 (17,250)	12,648 (23,328)
Apl'12	8,534 (16,073)	9,289 (15,137)	9,616 (16,128)	9,861 (16,842)	12,703 (22,405)

Note : Figures in brackets denote corresponding prices last year

Compared to average prices in March, the April averages were higher in all the long and extralong staple varieties, with the increase ranging from Rs. 55 per quintal in the case of DCH-32 and Rs. 340 per quintal in the case of Bunny. On the other hand,

average price of the medium staple cotton, J-34 shed Rs. 629 per quintal in April. However, the prices in April 2012 were substantially lower in all varieties as compared to the average prices at the beginning of the season in October 2011. The drop ranged from Rs. 390 per quintal in the case of H-4 to Rs. 1242 per quintal in the case of the extralong staple cotton, DCH-32.

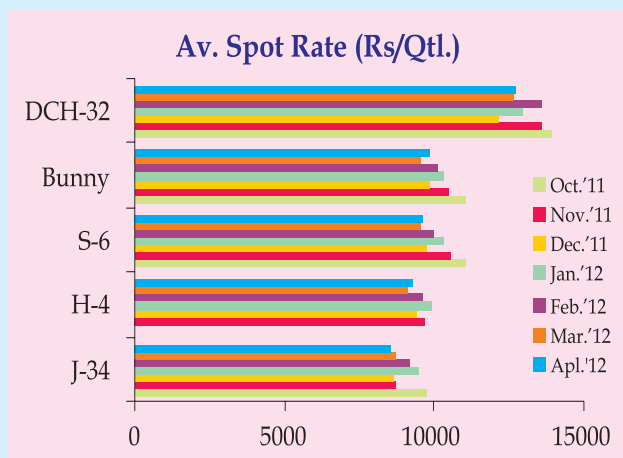
The fall in prices as the season progressed was mainly because of the dwindling demand from both mills and exporters. There was a lull in mill activity after the end of the festive season and spinners were

Notification Issued for Registration of Fresh Cotton Exports by the DGFT

As a sequel to the decision taken by the Government earlier to allow fresh cotton export registrations, the office of the Director General of Foreign Trade (DGFT) has now issued a Notification bearing No. 113 (RE-2010)/2009-14 dated 4th May 2012 regarding conditions for such registrations.

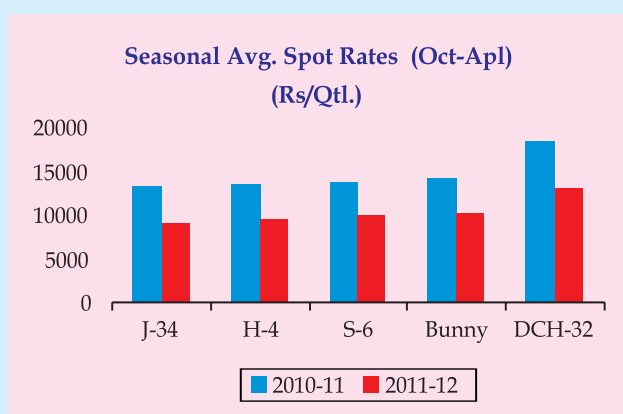
In a separate Notification bearing No. 114 (RE-2010)/2009-14 dated 4th May 2012 issued by the DGFT, the Government of India has decided to allow the export of cotton by the Cotton Corporation of India (CCI) during the cotton season 2011-12. It has been further announced that certain conditions regarding export of cotton have been relaxed for the CCI during the current cotton season 2011-12.

not keen to augment their raw material stocks. In the case of exports, there was a strong demand earlier from China which was building up its national reserve and once it completed the target set, it refrained from further imports. Also, the Government of India placed curbs on cotton exports at the beginning of March (then were later removed). Another reason for the downward drift in domestic prices was the record crop in the offing.



The season-average prices during the season for the first seven months from October 2011 to April 2012 were substantially lower in 2011-12 compared to 2010-11 when prices had reached record levels due to various reasons. The relevant comparative data are given below:

Seasonal (Oct-Apr) Avg. Spot Rates (Rs/Qtl.)			
Growths	2010-11	2011-12	Decline
ICS-202 (J-34)	13,271	9,003	4,268
ICS-105 (H-4)	13,380	9,503	3,877
ICS-105 (S-6)	13,806	10,112	3,694
ICS-105 (Bunny)	14,089	10,161	3,928
ICS-107 (DCH-32)	18,384	13,077	5,307



71st ICAC Plenary Meeting To Be Held from October 7-12, 2012

The 71st Plenary Meeting of the International Cotton Advisory Committee (ICAC) will take place from October 7-12, 2012 at the Congress Centre Kursaal Interlaken (Strandbadstrasse 44, 3800 Interlaken, Switzerland). The theme of the meeting will be **"Shaping Sustainability in the Cotton Value Chain."**

The 71st Plenary Meeting of the ICAC will provide an opportunity for government officials, members of the Expert Panel on Social, Environmental and Economic Performance of Cotton Production (SEEP), and representatives of the private sector to engage in a structured discussion of the concept of sustainable development and how this concept can be applied to the world cotton industry.

Participants are requested to register for the plenary meeting directly on the Internet <www.icac.org>. For further information, please contact: landis@interlaken-congress.ch. (Phone +41-33-827-6200).

Indian Short Staple Cotton Output may Run Short of Demand

Despite a raw cotton bumper crop expected in the current season in India, the short-staple variety of cotton is expected to be in short supply and may have to be imported. The short-staple cotton variety is mainly consumed by denim fabric producers.

Production of short-staple cotton (length of one inch or less) in major cotton producing states like Gujarat, Andhra Pradesh and Maharashtra has been hit, mainly due to unfavourable weather conditions during planting time and also during flowering stage.

There is a reduction in output of the short staple category. One reason for this being the low prices that the farmers received for the variety last year, hence they opted to grow other crops rather than growing short staple cotton, a reliable source stated.

The second reason is the climatic and atmospheric impact. Earlier it was estimated that there will be output of around 0.9-1.0 million bales in Gujarat, but cotton arrivals in the market are very slow, so production is not expected to be more than 0.5 million bales in Gujarat.

UPCOUNTRY SPOT RATES

March 2012

		2011-12 Crop										(Rs. \ Quintal)	
		March 2012											
G.Standard Staple Micronaire Strength Trade Name	ICS-101 22 mm 5.0-7.0 15 BD(RG) A. Commila	ICS-201 22 mm 5.0-7.0 15 BD SG	ICS-102 22 mm 4.5-5.9 19 V-797	ICS-103 23 mm 4.0-5.5 19 Jayadhar	ICS-104 24 mm 4.0-5.5 20 Y-1	ICS-202 25 mm 3.5-4.9 23 J-34	ICS-105 25 mm 3.5-4.9 22 NHH-44	ICS-105 27 mm 3.5-4.9 24 LRA-5166	ICS-105 28 mm 3.5-4.9 25 H-4/ MECH-1	ICS-105 29 mm 3.5-4.9 26 Shankar-6	ICS-105 31 mm 3.5-4.9 27 Bunny/ Brahma	ICS-106 33 mm 3.3-4.5 28 MCU-5/ Surabhi	ICS-107 35 mm 2.8-3.6 31 DCH-32
2	9786	9870	7311	8436	N.Q.	8886	N.Q.	N.Q.	9476	9842	9926	N.Q.	12795
3	9786	9870	7171	8436	N.Q.	8970	N.Q.	N.Q.	9476	9786	9926	N.Q.	12795
4	9786	9983	7227	8436	N.Q.	9055	N.Q.	N.Q.	9533	9842	9983	N.Q.	12795
5	9786	9983	7227	8436	N.Q.	9026	N.Q.	N.Q.	9533	9786	9983	N.Q.	12795
6	9729	9926	7171	8295	N.Q.	8970	N.Q.	N.Q.	9448	9701	9898	N.Q.	12795
7	9448	9729	7030	8155	N.Q.	8548	N.Q.	N.Q.	9167	9617	9842	N.Q.	12654
9	9448	9729	7030	8155	N.Q.	8492	N.Q.	N.Q.	9223	9561	9842	N.Q.	12738
10	9364	9645	7030	8155	N.Q.	8408	N.Q.	N.Q.	9223	9561	9842	N.Q.	12738
11	9364	9645	7030	8155	N.Q.	8267	N.Q.	N.Q.	9167	9505	9842	N.Q.	12738
12	9364	9645	7030	8155	N.Q.	8267	N.Q.	N.Q.	9111	9448	9758	N.Q.	12654
13	9364	9645	7030	8155	N.Q.	8352	N.Q.	N.Q.	9111	9448	9758	N.Q.	12654
14	9476	9758	7030	8155	N.Q.	8408	N.Q.	N.Q.	9167	9505	9814	N.Q.	12654
16	9476	9758	7086	8155	N.Q.	8436	N.Q.	N.Q.	9223	9561	9870	N.Q.	12654
17	9364	9673	7086	8155	N.Q.	8295	N.Q.	N.Q.	9280	9617	9870	N.Q.	12654
18	9364	9673	7086	8155	N.Q.	8295	N.Q.	N.Q.	9223	9561	9814	N.Q.	12654
19	9308	9617	7086	8155	N.Q.	8295	N.Q.	N.Q.	9167	9505	9758	N.Q.	12654
20	9251	9561	7086	8155	N.Q.	8267	N.Q.	N.Q.	9167	9505	9758	N.Q.	12654
21	9280	9617	7030	8099	N.Q.	8352	N.Q.	N.Q.	9167	9505	9758	N.Q.	12654
23	9420	9758	7086	8155	N.Q.	8520	N.Q.	N.Q.	9280	9617	9870	N.Q.	12654
24	9280	9589	7086	8155	N.Q.	8380	N.Q.	N.Q.	9280	9589	9842	N.Q.	12654
25	9280	9589	7086	8155	N.Q.	8408	N.Q.	N.Q.	9280	9589	9842	N.Q.	12654
26	9336	9645	7142	8211	N.Q.	8464	N.Q.	N.Q.	9336	9645	9898	N.Q.	12710
27	9392	9701	7142	8211	N.Q.	8520	N.Q.	N.Q.	9336	9645	9898	N.Q.	12710
28	9448	9758	7142	8211	N.Q.	8577	N.Q.	N.Q.	9364	9673	9926	N.Q.	12710
30	9505	9814	7199	8267	N.Q.	8633	N.Q.	N.Q.	9420	9729	9983	N.Q.	12710
H	9786	9983	7311	8436	N.Q.	9055	N.Q.	N.Q.	9533	9842	9983	N.Q.	12795
L	9251	9561	7030	8099	N.Q.	8267	N.Q.	N.Q.	9111	9448	9758	N.Q.	12654
A	9461	9731	7111	8218	N.Q.	8534	N.Q.	N.Q.	9289	9616	9861	N.Q.	12703

N.A. = Not Available H = Highest L = Lowest A = Average * = Nominal

SNIPPETS

India's exports surpassed the target of \$300 billion for 2011-12 despite problems in Europe and the US that led to decline in shipments by 5.71 per cent in March and spurt in trade deficit to all time high of \$185 billion in the last fiscal.

Exports touched \$303.7 billion for the previous fiscal, registering 21 per cent expansion. Exports in March declined to \$28.68 billion from \$30.41 in March 2011.

Imports for the month aggregated \$42.6 billion leaving a trade gap of \$13.9 billion, according to the data released by the Commerce Ministry.

Import bill in 2011-12 touched \$488.6 billion on account of rise in imports of crude oil and gold. Both items alone accounted for over 44 per cent of total import bill.



UPCOUNTRY SPOT RATES

(Rs./Qtl)

Official quotations for standard descriptions with basic grade and staple in Millimetres based on Upper Half mean Length under By-law 66 (A)(a)(4)

SPOT RATES (UPCOUNTRY) 2011-12 CROP
April - May 2012

Sr. No.	Grade Standard	Staple	Micronaire	Strength/GPT	Trade Name	28 th	30 th	1 st	2 nd	3 rd	4 th	5 th
01.	ICS-101	Below 22mm	5.0-7.0	15	Bengal Deshi (RG)	9448 (33600)	9505 (33800)	9505 (33800)	9505 (33800)	9617 (34200)	9673 (34400)	9729 (34600)
02.	ICS-201	Below 22mm	5.0-7.0	15	Bengal Deshi (SG)	9758 (34700)	9814 (34900)	9814 (34900)	9814 (34900)	9954 (35400)	9983 (35500)	10067 (35800)
03.	ICS-102	22mm	4.5-5.9	19	V-797	7142 (25400)	7199 (25600)	7283 (25900)	7283 (25900)	7339 (26100)	7424 (26400)	7480 (26600)
04.	ICS-103	23mm	4.0-5.5	19	Jayadhar	8211 (29200)	8267 (29400)	8295 (29500)	8295 (29500)	8352 (29700)	8436 (30000)	8436 (30000)
05.	ICS-104	24mm	4.0-5.5	20	Y-1	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.
06.	ICS-202	25mm	3.5-4.9	23	J-34	8577 (30500)	8633 (30700)	8745 (31100)	8745 (31100)	8914 (31700)	9083 (32300)	9195 (32700)
07.	ICS-105	25mm	3.5-4.9	22	NHH-44	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.
08.	ICS-105	27mm	3.5-4.9	24	LRA-5166	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.
09.	ICS-105	28mm	3.5-4.9	25	H-4/ MECH-1	9364 (33300)	9420 (33500)	9448 (33600)	9448 (33600)	9476 (33700)	9561 (34000)	9589 (34100)
10.	ICS-105	29mm	3.5-4.9	26	Shankar-6	9673 (34400)	9729 (34600)	9814 (34900)	9842 (35000)	9898 (35200)	9983 (35500)	10039 (35700)
11.	ICS-105	31mm	3.5-4.9	27	Bunny/ Brahma	9926 (35300)	9983 (35500)	10067 (35800)	10123 (36000)	10179 (36200)	10264 (36500)	10264 (36500)
12.	ICS-106	33mm	3.3-4.5	28	MCU-5/ Surabhi	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.
13.	ICS-107	35mm	2.8-3.6	31	DCH-32	12710 (45200)	12710 (45200)	12935 (46000)	13076 (46500)	13216 (47000)	13357 (47500)	13498 (48000)

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