

Weekly
Publication of



**Cotton
Association
of India**

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Regd.No.MH/MR/EAST/96/2009-11

Registered with the Registrar of Newspapers for India under R.No.18844/69

Published every Tuesday

Price: Rs.30 per copy

Cotton Statistics And News

2010 * No. 06 * 11/05/2010

Edited & Published by : O. P. Agarwal

Average Cotton Prices Higher in April Compared to March

Cotton Prices continued to remain firm in April with the average prices of all varieties during the month being appreciably higher than the March averages. The monthly average prices of some representative varieties since the commencement of the season are given in the following table :

| Month | Avg. Spot Rate (Rs/Candy) | | | | |
|----------|---------------------------|--------------------|--------------------|--------------------|--------------------|
| | J-34 | H-4 | S-6 | Bunny | DCH-32 |
| Oct. '09 | 21,500 (22,500) | - (23,100) | 23,300 (23,300) | 23,200 (24,500) | - (31,900) |
| Nov. '09 | 23,500 (20,400) | 23,800 (21,900) | 25,000 (22,200) | 24,500 (23,000) | 41,000 (30,600) |
| Dec. '09 | 24,900 (20,400) | 25,700 (21,600) | 26,800 (21,800) | 26,800 (22,300) | 42,000 (29,000) |
| Jan. '10 | 25,600 (21,000) | 25,600 (21,000) | 26,700 (21,500) | 26,800 (21,600) | 40,300 (28,200) |
| Feb. '10 | 24,900 (20,100) | 25,400 (20,100) | 26,500 (20,600) | 26,600 (20,900) | 39,700 (26,800) |
| Mar. '10 | 26,100 (20,600) | 26,700 (20,100) | 27,900 (20,700) | 28,000 (21,100) | 41,900 (26,500) |
| Apr. '10 | 27,000 (22,400) | 27,600 (21,100) | 28,300 (22,400) | 28,600 (22,700) | 42,100 (32,100) |

Note : Figures in brackets indicate last year's prices

The increase in average prices during April has ranged from Rs. 200 to Rs. 900 per candy the maximum being in the case of J-34 and H-4. It will be recalled that after a brief period of lull and

downtrend, there was a spurt in prices during March. The average prices during the month were as much as Rs. 1200 to Rs. 2200 higher per candy compared to the February averages. The average prices in April have now surpassed even the high levels reached in March.

The main reasons for the prices continuing their uptrend may be the persistent demand from mills as well as exporters and also the firm trend in world cotton prices. In fact, the Cotlook A Index crossed the 90 US Cents per pound mark towards the last week of April. With the high cotton prices affecting the margins of spinners, there had been pressure from the industry to take measures to check the rise. In response, the Government imposed export duty on cotton. Further, it also suspended registration of cotton exports and also the shipments against past registrations. Probably due to these stern steps, cotton prices, especially in the case of long staple cottons like H-4 and Shankar-6, moved down somewhat towards the last week of April.

Renewal of Subscription of Cotton Weekly for April 2010-March 2011

Dear Subscribers,

Your subscription for this publication expired in March 2010. To ensure uninterrupted and continuous supply of this publication to you during the current period from April 2010 to March 2011, we request you to please send your renewal subscription amount of Rs,1,500/- immediately.

Payment to be made in the name of Cotton Association of India payable at par in Mumbai.

We solicit your co-operation.

The average prices during the current season have continued to remain substantially higher than during last year as may be observed from the data given below

| Seasonal (Oct-Apr) Avg. Spot Rates (Rs/Candy) | | | |
|--|----------------|----------------|-------------------|
| Variety | 2008-09 | 2009-10 | Difference |
| J-34 | 21,100 | 24,800 | 3,700 |
| H-4 | 21,300 | 25,800 | 4,500 |
| S-6 | 21,800 | 26,400 | 4,600 |
| Bunny | 22,300 | 26,400 | 4,100 |
| DCH-32 | 29,300 | 41,200 | 11,900 |

The increase during the first seven months of the current season has ranged from Rs. 3700 to Rs. 4600 per candy in the case of medium and long staple cottons and as much as Rs. 11900 per candy in the case of the ELS cotton, DCH-32.

India's Exports to China

India continued to be the major supplier of cotton to China, accounting for 1.3 lakh tonnes out of the total import of 3.24 lakh tonnes during March, as per published data. India's share at 6.06 lakh tonnes out of the total Chinese import of 15.06 lakh tonnes was also the highest during the period August 2009 to March 2010. The US was pushed to the second place with its exports to China totalling 4.01 lakh tonnes, the data reveal.

Business Confidence Index was higher in April

The recent survey by the National Council of Applied Economic Research (NCAER) has reportedly revealed that continuing with the trend of the last four quarters, the Business Confidence Index (BCI) in India was higher by two percent in April over the January level. As compared to 153.6 percent in January 2010, the BCI is stated to have been higher by two percent in April, the fourth successive increase. The net effect of the mix of business environment has been perceived to be positive in the business sector, it is stated.

Cotlook A Index Cross 90 US cents

As per published figures, the Cotlook A Index crossed the 90 US Cents per pound mark during the third week of April. It was 90.30 cents on April 21 and 91.30 cents on April 22, indicating the continuing uptrend in world cotton prices. The average Index was only 64.08 cents in September 2009.

Next Plenary Meeting of ICAC to be Held in September

According to a hand-out released by it, the next (69th) Plenary Meeting of the International Cotton Advisory Committee (ICAC) is to be held from September 20-25, 2010 at Lubbock, Texas, USA. The Provisional Agenda of the Meeting, is stated to have been approved by the Standing Committee of the ICAC on April 9. The theme of the Meeting is to be "Cotton Industry Growth Through Global Unity" and the main topics of discussions will include :

- ◆ Resource Constraints and Cotton Production: Sustaining Cotton's Place in the World Market
- ◆ New Developments in Cotton Technologies
- ◆ The Impacts of Social and Environmental Standards on Demand for Cotton and Textiles
- ◆ The Outlook for Prices of Cotton and Competing Commodities
- ◆ The Uruguay Round and Regional Trade Agreements : Are There Lessons for the Doha Round?
- ◆ Improving Industry Efficiency in Storage, Transportation and Handling
- ◆ Demand Enhancement : Building on Successful Efforts
- ◆ Technical Seminar : "How to lower the cost of cotton production"
- ◆ U.S. Futures Market Regulation, Implications for Cotton Price Risk Management
- ◆ Best Practices in Cotton Ginning
- ◆ Best Practices in Instrument Testing
- ◆ Progress Toward Industry Harmonization and Standardization : Instrument Testing, Trade Rules and Pyhtosanitary rules
- ◆ Cost Reduction in the Value Chain

UPCOUNTRY SPOT RATES

(Rs.\Candy)

| April 2010 | 2009-10 Crop | | | | | | | | | | | | | |
|---------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | BD(RG) A. Commila | BD SG | V-797 | Jayadhar | Y-1 | J-34 | NHH-44 | LRA-5166 | H-4/ MECH-1 | Shankar-6 | Bunny/ Brahma | MCU-5/ Surabhi | DCH-32 | ICC |
| | ICS-101 | ICS-201 | ICS-102 | ICS-103 | ICS-104 | ICS-202 | ICS-105 | ICS-105 | ICS-105 | ICS-105 | ICS-105 | ICS-106 | ICS-107 | ICS-301 |
| | 22 mm 5.0-7.0 15 | 22 mm 5.0-7.0 15 | 22 mm 4.5-5.9 19 | 23 mm 4.0-5.5 19 | 24 mm 4.0-5.5 20 | 25 mm 3.5-4.9 23 | 25 mm 3.5-4.9 22 | 27 mm 3.5-4.9 24 | 28 mm 3.5-4.9 25 | 29 mm 3.5-4.9 26 | 31 mm 3.5-4.9 27 | 33 mm 3.3-4.5 28 | 35 mm 2.8-3.6 31 | 26 mm 3.7-4.3 25 |
| 1 | 20400 | 21100 | 20900 | 22800 | 24700 | 27100 | N.A. | 27000 | 27400 | 28500 | 28600 | N.A. | 41500 | 27200 |
| 2 | .... | ..... | ..... | ..... | ..... | ..... MARKET CLOSED |  |  | ..... | ..... | ..... | ..... | ..... | ..... |
| 3 | 20400 | 21100 | 20900 | 22800 | 24700 | 27100 | N.A. | 27000 | 27400 | 28500 | 28600 | N.A. | 41500 | 27200 |
| 5 | 20500 | 21300 | 21400 | 23000 | 24800 | 27500 | N.A. | 27500 | 27700 | 28800 | 29000 | N.A. | 42000 | 27700 |
| 6 | 20700 | 21500 | 21500 | 23000 | 24800 | 27500 | N.A. | 27500 | 28000 | 28800 | 29000 | N.A. | 42000 | 27700 |
| 7 | 20700 | 21500 | 21500 | 23000 | 24900 | 27400 | N.A. | 27700 | 28200 | 29000 | 29200 | N.A. | 42000 | 27900 |
| 8 | 20900 | 21500 | 21100 | 23000 | 24700 | 27100 | N.A. | 27500 | 28000 | 28700 | 29200 | N.A. | 42000 | 27900 |
| 9 | 20900 | 21400 | 21000 | 22800 | 24500 | 27000 | N.A. | 27300 | 28000 | 28600 | 29000 | N.A. | 42000 | 27900 |
| 10 | .... | .... | ..... | ..... | ..... | ..... HOLIDAY |  |  | ..... | ..... | ..... | ..... | ..... | ..... |
| 12 | 20700 | 21600 | 20500 | 23000 | 24500 | 26400 | N.A. | 26800 | 27500 | 28200 | 28400 | N.A. | 42000 | 27000 |
| 13 | 20700 | 21900 | 20500 | 23000 | 24500 | 26300 | N.A. | 26800 | 27500 | 28200 | 28200 | N.A. | 42000 | 27000 |
| 14 | .... | ..... | ..... | ..... | ..... | ..... MARKET CLOSED |  |  | ..... | ..... | ..... | ..... | ..... | ..... |
| 15 | 20700 | 21900 | 20800 | 23000 | 24500 | 26300 | N.A. | 26800 | 27800 | 28500 | 28200 | N.A. | 42000 | 27000 |
| 16 | 21000 | 21700 | 21000 | 23000 | 24500 | 26100 | N.A. | 26800 | 27800 | 28500 | 28500 | N.A. | 42000 | 27000 |
| 17 | 21200 | 21700 | 21000 | 23000 | 24500 | 26300 | N.A. | 26800 | 27800 | 28200 | 28500 | N.A. | 42000 | 27000 |
| 19 | 21400 | 21700 | 21000 | 23200 | 24500 | 27200 | N.A. | 27300 | 27800 | 28300 | 28700 | N.A. | 42000 | N.A. |
| 20 | 21400 | 21700 | 20800 | 23200 | 24500 | 27200 | N.A. | 27300 | 27800 | 28200 | 28700 | N.A. | 42000 | N.A. |
| 21 | 21400 | 21700 | 20700 | 23000 | 24500 | 27200 | N.A. | 27200 | 27600 | 28200 | 28700 | N.A. | 42000 | N.A. |
| 22 | 21400 | 21700 | 20500 | 22900 | 24300 | 27200 | N.A. | 27000 | 27400 | 28200 | 28500 | N.A. | 42000 | N.A. |
| 23 | 21400 | 21800 | 20400 | 22800 | 24200 | 27200 | N.A. | 27000 | 27400 | 28000 | 28300 | N.A. | 42000 | N.A. |
| 24 | .... | .... | ..... | ..... | ..... | ..... HOLIDAY |  |  | ..... | ..... | ..... | ..... | ..... | ..... |
| 26 | 21400 | 21800 | 20300 | 22600 | 24000 | 27200 | N.A. | 27000 | 27300 | 27800 | 28300 | N.A. | 42000 | N.A. |
| 27 | 21400 | 21800 | 20200 | 22600 | 24000 | 27200 | N.A. | 26800 | 27300 | 27900 | 28500 | N.A. | 42000 | N.A. |
| 28 | 21400 | 21800 | 20200 | 22600 | 24000 | 27200 | N.A. | 26700 | 27200 | 27700 | 28500 | N.A. | 42000 | N.A. |
| 29 | 21400 | 21800 | 20100 | 22500 | 24200 | 27200 | N.A. | 26500 | 27000 | 27700 | 28500 | N.A. | 43000 | N.A. |
| 30 | 21400 | 21800 | 20100 | 22500 | 24200 | 27200 | N.A. | 26500 | 27000 | 27700 | 28500 | N.A. | 43500 | N.A. |
| H | 21400 | 21900 | 21500 | 23200 | 24900 | 27500 | - | 27700 | 28200 | 29000 | 29200 | - | 43500 | 27900 |
| L | 20400 | 21100 | 20100 | 22500 | 24000 | 26100 | - | 26500 | 27000 | 27700 | 28200 | - | 41500 | 27000 |
| A | 21000 | 21600 | 20800 | 22900 | 24500 | 27000 | - | 27000 | 27600 | 28300 | 28600 | - | 42100 | 27400 |

H = Highest L = Lowest A = Average

SNIPPETS

India's infrastructure continued to grow at a healthy rate. In March, the six core sectors industries, viz, crude oil, petroleum refinery, coal, electricity, cement and finished steel, reportedly posted an annual growth of 7.2 percent boosting prospects of a robust overall industrial growth. The growth made by the core sector was 3.3 percent in March 2009. These six industries have a combined weightage of 26.7 percent in the index of industrial production (IIP).



The Country's total commodity futures turnover during 2009-10 rose 48 percent to Rs.77.65 lakh crore, according to the Forward Markets Commission (FMC). FMC has claimed that the turnover during the current financial year is likely to grow 15-20 percent to cross Rs.90 lakh crore. There are four national and 18 regional commodity exchanges in the country. The four national exchanges are Multi Commodity Exchange of India (MCX), National Commodity and Derivatives Exchange (NCDX), National Multi Commodity Exchange of India (NMCE) and Indian Commodity Exchanges (ICEX).



Advertisement in Weekly Bulletin

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UPCOUNTRY SPOT RATES

(Rs./Candy)

| 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) 2009-10 CROP April 2010 | | | | | |
|--|---------|------------|-------------------|------------|---|-------|-----|-------|-------|-------|
| | | | | | 1st | 3rd | 4th | 5th | 6th | 7th |
| 01. | ICS-101 | Below 22mm | Bengal Deshi (RG) | 5.0-7.0 15 | H | 21400 | N | 21400 | 21400 | 21500 |
| 02. | ICS-201 | Below 22mm | Bengal Deshi (SG) | 5.0-7.0 15 | O | 21800 | O | 21800 | 21800 | 21800 |
| 03. | ICS-102 | 22mm | V-797 | 4.5-5.9 19 | | 20000 | T | 19900 | 19800 | 19800 |
| 04. | ICS-103 | 23mm | Jayadhar | 4.0-5 19 | | 22500 | | 22500 | 22500 | 22500 |
| 05. | ICS-104 | 24mm | Y-1 | 4.0-5.5 20 | L | 24200 | | 24200 | 24200 | 24200 |
| 06. | ICS-202 | 25mm | J-34 | 3.5-4.9 23 | | 27100 | Q | 27100 | 27100 | 27200 |
| 07. | ICS-105 | 25mm | NHH-44 | 3.5-4.9 22 | | N.A. | | N.A. | N.A. | N.A. |
| 08. | ICS-105 | 27mm | LRA-5166 | 3.5-4.9 24 | I | 26300 | U | 26300 | 26300 | 26300 |
| 09. | ICS-105 | 28mm | H-4/ MECH-1 | 3.5-4.9 25 | | 26800 | O | 26800 | 26800 | 26800 |
| 10. | ICS-105 | 29mm | S-6 | 3.5-4.9 26 | D | 27700 | | 27900 | 27900 | 28000 |
| 11. | ICS-105 | 31mm | Bunny/ Brahma | 3.5-4.9 27 | | 28300 | T | 28500 | 28500 | 28500 |
| 12. | ICS-106 | 33mm | MCU-5/ Surabhi | 3.3-4.5 28 | A | N.A. | E | N.A. | N.A. | N.A. |
| 13. | ICS-107 | 35mm | DCH-32 | 2.8-3.6 31 | | 43000 | D | 43000 | 43000 | 43000 |
| 14. | ICS-301 | 26mm | ICC | 3.7-4.3 25 | Y | N.A. | | N.A. | N.A. | N.A. |