



Cotton Statistics And News

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Cotton Prices Plummet in April

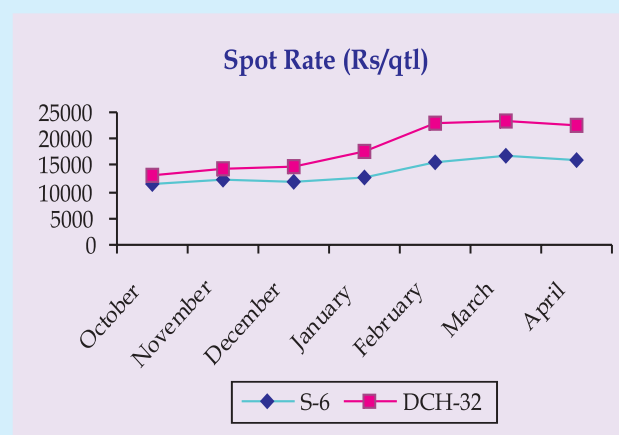
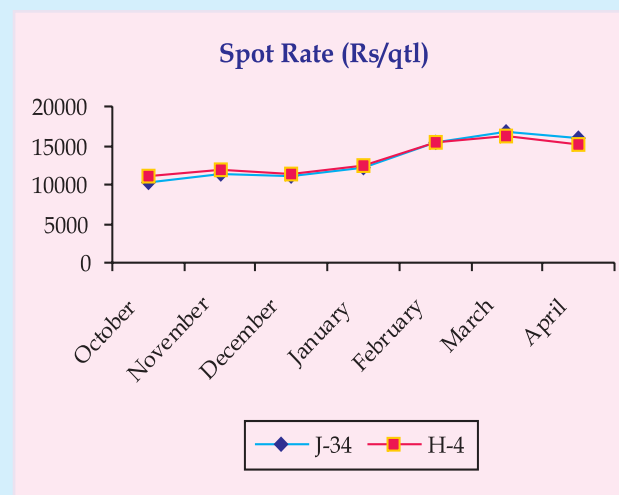
Cotton prices had been maintaining a continuous, and sometimes steep, rise since the commencement of the current season 2010-11 in October last year. There was, however, a fall in December but it was temporary and only marginal. In the subsequent months, prices again shot up. The trend was broken in April when the prices came down sharply. The monthly average spot rates in the case of a few leading varieties are tabulated below:

Monthly Avg. Spot Rate (Rs/Qtl.)					
Month	J-34	H-4	S-6	Bunny	DCH-32
Oct.'10	10,236 (6,046)	11,135 (-)	11,389 (6,552)	11,501 (6,524)	13,301 (-)
Nov.'10	11,389 (6,608)	11,979 (6,693)	12,260 (7,030)	12,260 (6,689)	14,510 (11,529)
Dec.'10	11,135 (7,002)	11,220 (7,227)	11,726 (7,536)	11,670 (7,536)	14,594 (11,810)
Jan.'11	12,063 (7,199)	12,457 (7,199)	12,598 (7,509)	12,963 (7,536)	17,687 (11,332)
Feb.'11	15,287 (7,002)	15,442 (7,143)	15,671 (7,452)	16,134 (7,480)	22,876 (11,164)
Mar.'11	16,702 (7,339)	16,297 (7,508)	16,790 (7,846)	17,250 (7,874)	23,328 (11,782)
Apr.'11	16,073 (7,592)	15,137 (7,761)	16,128 (7,958)	16,842 (8,042)	22,405 (11,838)

Note : Figures in brackets denote corresponding prices last year

The fall in prices during April compared to March has ranged from Rs.409 to 1160 per quintal, the highest being in the case of H-4 closely followed by DCH-32 with Rs.923 per quintal. The fall has been mainly due to the decline in demand from

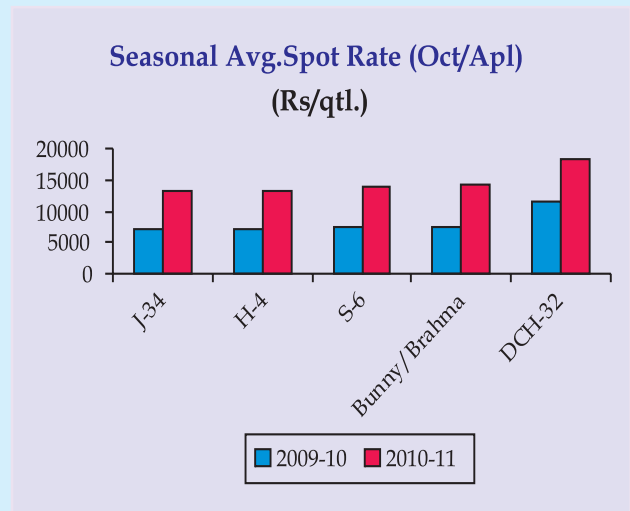
mills which was not keen to replenish the stocks at such high prices particularly as the demand for yarn was on the wane and yarn prices were also drifting downwards. Another factor that contributed to the fall was the steep decline in world cotton prices. Breaking the earlier trend to scale new highs, prices came down sharply in April. As per reports, futures prices which had touched and even crossed two dollars a pound came down to about 1.7 dollars a pound in April.



In spite of the fall, the average domestic cotton prices during the current season were much higher compared to last year. The data on the seasonal average spot rates are presented below:

Seasonal (Oct-Apr) Avg. Spot Rate (Rs/Qtl.)			
Variety	2009-10	2010-11	Increase
J-34	6,970	13,269	6,299 (90)
H-4	7,255	13,381	6,126 (84)
S-6	7,412	13,807	6,395 (86)
Bunny	7,411	14,089	6,678 (90)
DCH-32	11,576	18,382	6,806 (59)

(Figures in brackets indicate percentage increase)



Registration for 70th Plenary Meeting is Now Open

The ICAC Press Release has stated that formal invitations to the 70th Plenary Meeting of the International Cotton Advisory Committee (ICAC) to be held in Argentina from September 4-10, 2011 are being sent to governments, cotton industry organizations and past plenary meeting participants, and registration for the 70th Plenary Meeting is underway.

Registration is available on-line at www.ICAC.org or by contacting the Secretariat for a registration booklet.

Approximately 500 participants from 50 countries and 8 international organizations are expected to attend the 70th Plenary Meeting.

An exciting and extensive seven-day program in two cities is planned. Topics of discussion during Open Sessions include:

- The Roles of the State and the Private Sector in Technology Change
- Farmer's Associations, Farmers' Organizations and Cooperatives: What are the Success Factors?

The Role of Trade in Promoting Growth and Fairness (Discussion of the Doha Round)

- Promoting Responsible Cotton Production.
- Organic Cotton Production: The Reality of Costs and Benefits
- Managing the Impacts of High and Volatile Cotton Prices
- Development of the Argentine Textile Industry: Policies for Growth
- Organization of the Cotton Value Chain to Benefit Stakeholders

Five Breakout Sessions are planned:

- International Cooperation in Cotton Pest Management

- Demand Enhancement: Developing an Integrated Communications Strategy for Cotton
- Opportunities and Benefits of Producing "Branded" Cotton
- Debunking the Myths: Answering the Attacks on Cotton
- Ensuring Responsible Labor Standards in the Cotton Value Chain

A Technical Seminar on the topic of "Technological Innovations for Sustainable Development of the Cotton Value Chain" will be conducted in Buenos Aires.

Two parallel sessions will be conducted in Spanish, including a session on International Cooperation in Cotton Integrated Pest Management, and a meeting of the Latin American Association for Cotton Research and Development (ALIDA).

In addition to the formal meetings, two tours of research centers will be offered, including a visit to INTA Castelar, the regional office of the national institute for agricultural research near Buenos Aires, and a visit to the National Institute for Agricultural Technology (INTA), in Sáenz Peña.

Complimentary travel by chartered flight to Ciudad de Presidente Roque Sáenz Peña, Province of Chaco, will be provided on Friday, September 9 with return on Saturday, September 10. Delegates will be invited to view no-till cotton planting, and an exhibition of machinery and supplies.

A Technical Tour will be offered on Saturday, September 10, including a visit to small-scale family farms in Colonia El Alba, Formosa Province, a visit to a high-technology farm in Gral. San Martín, Chaco Province, and a visit to an area of textile production in Puerto Tirol.

(Source: ICAC Press Release)

UPCOUNTRY SPOT RATES

2009-10 Crop		2010-11 Crop										(Rs. \ Quintal)		
April 2011	Jayadhar	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
ICS-103	ICS-101	ICS-201	ICS-102	ICS-103	ICS-104	ICS-202	ICS-105	ICS-105	ICS-105	ICS-105	ICS-105	ICS-105	ICS-106	ICS-107
23 mm	22 mm	22 mm	22 mm	23 mm	24 mm	25 mm	25 mm	28 mm	27 mm	28 mm	29 mm	31 mm	33 mm	35 mm
4.0-5.5	5.0-7.0	5.0-7.0	4.5-5.9	4.0-5.5	4.0-5.5	3.5-4.9	3.5-4.9	3.5-4.9	3.5-4.9	3.5-4.9	3.5-4.9	3.5-4.9	3.3-4.5	2.8-3.6
19	15	15	19	19	20	23	22	24	25	25	26	27	28	31
1	N.A.	14622	14904	13076	-	15466	N.A.	16028	16788	16788	17294	17856	18278	23340
2	N.A.	14622	14904	13076	-	15466	N.A.	16028	16788	16788	17294	17856	18278	23340
4	....	....	....	....	....	....	HOLIDAY	....	....	....	....	....	....	....
5	N.A.	14622	14904	13076	-	15466	N.A.	16028	16788	16788	17294	17856	18278	23340
6	N.A.	14622	14904	12991	-	15466	N.A.	16028	16647	16647	17153	17716	18278	23340
7	-	14622	14904	12991	N.A.	15466	N.A.	16028	16591	16591	17153	17575	18278	23340
8	-	14622	14904	12991	N.A.	N.A.	N.A.	16028	16591	16591	17153	17716	18278	23340
9	....	....	....	....	....	....	HOLIDAY	....	....	....	....	....	....	....
11	-	14622	14904	12935	N.A.	N.A.	N.A.	15888	16394	16394	17097	17716	18278	23340
12	....	....	....	....	....	....	HOLIDAY	....	....	....	....	....	....	....
13	-	13919	14201	12232	13779	N.A.	N.A.	15325	16028	16028	16535	17153	17716	23340
14	....	....	....	....	....	....	MAKETED CLOSED	....	....	....	....	....	....	....
15	-	13751	14032	11529	13610	N.A.	N.A.	15185	15888	15888	16253	16872	17434	23340
16	....	....	....	....	....	....	MAKETED CLOSED	....	....	....	....	....	....	....
18	-	13554	13835	11248	12766	N.A.	N.A.	14341	15044	15044	15832	16450	17153	22496
19	-	13469	13638	10967	12204	N.A.	N.A.	13919	14622	14622	15747	16450	17153	22074
20	-	13329	13554	10686	12092	N.A.	N.A.	13919	14622	14622	15747	16450	17153	21371
21	-	13610	13779	10264	12092	N.A.	N.A.	13638	14341	14341	15466	16169	16872	21090
22	....	....	....	....	....	....	MAKETED CLOSED	....	....	....	....	....	....	....
23	....	....	....	....	....	....	HOLIDAY	....	....	....	....	....	....	....
25	-	13666	13835	10264	12092	N.A.	N.A.	13357	14060	14060	15522	16450	17153	21090
26	-	13666	13835	10264	12092	N.A.	N.A.	13076	14060	14060	15522	16450	17153	21652
27	-	13666	13835	10264	12092	N.A.	N.A.	13076	14060	14060	15522	16450	17153	21652
28	-	13498	13666	9420	11248	N.A.	N.A.	12232	13273	13273	14960	15888	16872	21090
29	-	13216	13385	8577	11248	N.A.	N.A.	11670	12654	12654	14538	15607	16872	21090
30	-	13216	13385	8577	11248	N.A.	N.A.	11248	12373	12373	14341	15325	16872	21090
H	-	14622	14904	12935	12766	15466	N.A.	15888	16394	16394	17097	17716	18278	23340
L	-	13216	13385	8577	11248	15466	N.A.	11248	12373	12373	14341	15325	16872	21090
A	-	13943	14174	11338	12214	15466	N.A.	14371	15137	15137	16128	16842	17553	22405

H = Highest L = Lowest A = Average

SNIPPETS

The Centre has announced a restructuring of the popular Technology Upgradation Fund Scheme (TUFS).

As against the main objective of the present scheme to leverage investments in technology upgradation in the textile sector, the revamped scheme aims to specifically address the issues of fragmentation and promote forward integration across the value chain, encouraging investments in sectors with low investment such as processing and reducing the repayment period.

Under the restructured Technology Upgradation Fund Scheme, an overall subsidy cap of Rs.1972 crore has been announced for the period April 28, 2011 to March 31, 2012, quoting a government

resolution issued by the Ministry of Textiles. The resolution has laid down the financial and operational parameters and implementation mechanism for the restructured TUFS.



The Reserve Bank of India (RBI) has raised the Repo Rate (rate at which Banks borrow from RBI) by 0.50 percentage points to 7.25 percent. Similarly, the Reverse Repo Rate (rate at which RBI absorbs cash from banking system) by 0.50 percentage points to 6.25 percent. This is stated to have been done as a measure to check inflation. The real GDP growth is now expected to be 8.6 percent during 2010-11 and 8 percent in 2011-12.



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) 2010-11 CROP					
						April - May 2011					
						7 th	9 th	10 th	11 th	12 th	13 th
01.	ICS-101	Below 22mm	Bengal Deshi (RG)	5.0-7.0	15	12541 (44600)	12092 (43000)	12092 (43000)	12232 (43500)	12232 (43500)	12232 (43500)
02.	ICS-201	Below 22mm	Bengal Deshi (SG)	5.0-7.0	15	12682 (45100)	12232 (43500)	12232 (43500)	12373 (44000)	12373 (44000)	12373 (44000)
03.	ICS-102	22mm	V-797	4.5-5.9	19	8014 (28500)	7311 (26000)	7311 (26000)	7452 (26500)	7452 (26500)	7452 (26500)
04.	ICS-103	23mm	Jayadhar	4.0-5	19	9139 (32500)	8858 (31500)	8858 (31500)	8998 (32000)	8998 (32000)	8998 (32000)
05.	ICS-104	24mm	Y-1	4.0-5.5	20	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
06.	ICS-202	25mm	J-34	3.5-4.9	23	12935 (46000)	12232 (43500)	12373 (44000)	12513 (44500)	12513 (44500)	12513 (44500)
07.	ICS-105	25mm	NHH-44	3.5-4.9	22	9983 (35500)	9701 (34500)	9701 (34500)	9842 (35000)	9842 (35000)	9842 (35000)
08.	ICS-105	27mm	LRA-5166	3.5-4.9	24	10264 (36500)	9983 (35500)	9983 (35500)	1012 (36000)	10123 (36000)	10123 (36000)
09.	ICS-105	28mm	H-4/ MECH-1	3.5-4.9	25	11389 (40500)	10967 (39000)	10967 (39000)	11107 (39500)	11248 (40000)	11107 (39500)
10.	ICS-105	29mm	S-6	3.5-4.9	26	12795 (45500)	12232 (43500)	12232 (43500)	12373 (44000)	12654 (45000)	12373 (44000)
11.	ICS-105	31mm	Bunny/ Brahma	3.5-4.9	27	13498 (48000)	12654 (45000)	12654 (45000)	12795 (45500)	12935 (46000)	12795 (45500)
12.	ICS-106	33mm	MCU-5/ Surabhi	3.3-4.5	28	15747 (56000)	15185 (54000)	15185 (54000)	15325 (54500)	15466 (55000)	15325 (54500)
13.	ICS-107	35mm	DCH-32	2.8-3.6	31	20528 (73000)	19965 (71000)	19965 (71000)	20106 (71500)	20246 (72000)	20106 (71500)

Note: Figures in bracket indicate prices in Rs./candy