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

2012 * No. 11 * 12/06/2012

Edited & Published by Amar Singh

Mixed Trend in Cotton Prices During May

There was no distinct downward or upward trend in domestic cotton prices during May. While there was a marginal rise in the price of a few growths, others lost ground. The average monthly prices of some of the leading growths since the commencement of the current season are given below alongwith the corresponding prices during the last season.

Avg. Spot Rate (Rs/Qtl.)

Month	ICS-202 (P/H/R)	ICS-105 (M/M/A)	ICS-105 (GUJ)	ICS-105 (M/M/A/ K/T/O)	ICS-107 (M(P)/K/T)
	26mm	28mm	29mm	31mm	34mm
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)
May'12	8,891 (12,649)	9,269 (11,401)	9,525 (12,991)	9,913 (13,455)	12,841 (20,210)

Note : Figures in brackets denote corresponding prices last year

The two long staple cottons of M/M/A and GUJ growths lost ground by Rs. 20 and Rs. 91 per quintal respectively. On the other hand, average spot rates of medium staple cotton of P/H/R growth and the superior long and extralong staple cottons of M/M/A/K/T/O and M(P)/K/T growths gained by Rs. 357 per quintal, Rs. 52 per quintal and Rs. 138 per quintal respectively.

The prices behaved in accordance with the demand supply situation in the local markets. If the demand picked up for a particular growth at a given point of time its prices moved up while they moved down when the demand waned. Mills concentrated on a particular growth depending upon the quality of yarn that they were planning to turn out in the short run. In other words, there was no general pattern in the overall demand or supply equation as the mills have already covered their short term requirements of cotton. Demand from exporters has also subsided for some time now after the leading importing country, China, stopped fresh imports.

Cotton prices had moved down from the last year's record levels since the commencement of the current season. The monthly average prices had been significantly lower compared to the last season's prices during the corresponding month. This was reflected in the seasonal average prices in 2010-11 and 2011-12 which are given below:

Seasonal (Oct-May) Avg. Spot Rates (Rs/Qtl.)

Growths	2010-11	2011-12	Decline
ICS-202 (P/H/R)	13,193	8,989	4,204
ICS-105 (M/M/A)	13,133	9,469	3,664
ICS-105 (GUJ)	12,704	10,039	2,665
ICS-105 (M/M/A/K/T/O)	14,009	10,130	3,879
ICS-107 (M(P)/K/T)	18,612	13,047	5,565

It may be noticed that the season-average price of all the growths in 2011-12 were substantially lower compared to last year, the decline ranging from Rs.2665 in the case of long staple cotton, Rs.5565 in the case of extra long staple cotton.

ICAC's Expert Panel Releases Its Report

The ICAC Expert Panel on Social, Environmental and Economic Performance of Cotton Production (SEEP) has recently released a report of the Panel. Some of the main points made out in the report are given below for information.

It is stated that worldwide, the annual sales of crop protection chemicals rose from 2.6 billion US dollars (USD) in 1999 to 3 billion USD in 2009, but because of inflation and the use of more expensive chemicals, applications of active ingredients per hectare have fallen. The use of pesticides on cotton peaked in the 1990s when cotton accounted for about 20 per cent of all insecticides (excluding herbicides, fungicides and others) used in agriculture. Because of the implementation of integrated Pest Management programmes and the use of biotechnology, cotton's share of world insecticide sales is stated to have fallen to 14 per cent in 2009.

Agriculture is claimed to account for about three-fourths of human water consumption, and cotton production accounts for about 3 per cent of the volume of water used for global crop production, proportional to cotton's share of world's arable land use. The amount of energy required in cotton production varies primarily because of differences in yields and the use of irrigation. Energy efficiency in cotton production is said to range from a high of 0.071 kg to 0.016 kg in countries studied. However, when the energy contained in cottonseed is considered, many cotton production systems are said to be energy neutral to energy positive.

Monsoon Rains Arrive at Southern Kerala Coast : Weather Official

India's annual monsoon rains have arrived at the southern Kerala coast, brightening prospects of higher farm output by aiding farmers to plant summer-sown crops such as rice, soybean and cotton on time.

It's been raining in Kerala for the past few days, but the parameters suggest that the monsoon has arrived now, a director at the state-run India Meteorological Department (IMD) has said.

The annual rains are crucial for farm output and economic growth as about 55 percent of the south Asian nation's arable land is rain-fed, and farm sector accounts for about 15 percent of a nearly $2-trillion economy, Asia's third-biggest.

India is the world's second-biggest producer of rice, wheat, sugar and cotton and also one of the largest consumers, with a population of about 1.2 billion.

The IMD has forecast average rains in 2012, for the third straight year. The IMD would review its forecast around June 25 after the rains cover half of the country.

The June-September rainy season starts over the Kerala coast and covers the rest of India and neighbouring countries Bangladesh, Bhutan and Nepal by mid-July.

(Source: Economic Times - 05.06.2012)

World Cotton Prices

Monthly average Cotlook A Index (FE) from 2006-07 onwards
(Cotlook Index in US Cents per lb.)

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
August	59.88	66.62	78.04	64.14	90.35	114.10
September	58.82	68.12	77.09	63.99	104.73	116.90
October	57.03	68.93	62.30	66.82	126.55	110.61
November	57.39	69.68	54.96	71.78	155.47	104.75
December	59.43	69.52	55.47	76.78	168.22	95.45
January	59.06	73.21	57.71	77.39	178.93	101.11
February	57.86	75.05	55.21	80.05	213.18	100.75
March	58.42	80.18	51.50	85.80	229.67	99.50
April	57.13	75.44	56.78	88.08	216.52	
May	55.57	74.12	61.95	90.07	165.52	
June	60.61	77.04	61.39	93.04	167.16	
July	67.84	77.29	64.80	--	--	

Source: CCI

UPCOUNTRY SPOT RATES

(₹/Quintal)

May 2012

2011-12 Crop

Growth	P/H/R	P/H/R	GUJ	KAR	M/M	P/H/R	M/M/A	M/M/A	P/H/R	M/M/A	M/M/A	P/H/R	M/M/A	GUJ	M/M/A/K	GUJ	M/M/A/K	M/M/A/K/T/O	K/A/T/O	M(P)/K/T
G. Standard	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-105	ICS-105	ICS-105	ICS-105	ICS-105	ICS-105	ICS-106	ICS-107
Grade	Fine	Fine	Fine	Fine	Fine	Fine	Fine	Fine	Fine	Fine	Fine	Fine	Fine	Fine	Fine	Fine	Fine	Fine	Fine	Fine
Staple	22 mm	22 mm	22 mm	23 mm	24 mm	26 mm	26 mm	26 mm	27 mm	27 mm	27 mm	28 mm	28 mm	28 mm	29 mm	29 mm	30 mm	31 mm	32 mm	34 mm
Micronaire	5.0-7.0	5.0-7.0	4.0-6.0	4.0-5.5	4.0-5.5	3.5-4.9	3.0-3.4	3.5-4.9	3.5-4.9	3.0-3.4	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	3.5-4.9	3.5-4.9	3.0-3.8
Strength/GPT	15	15	20	21	23	26	25	25	26	26	26	27	27	27	28	28	29	30	31	33
1	9505	9814	7283	8295	N.Q.	8745	-	N.Q.	-	-	N.Q.	-	9448	-	-	9814	-	10067	N.Q.	12935
2	9505	9814	7283	8295	N.Q.	8745	-	N.Q.	-	-	N.Q.	-	9448	-	-	9842	-	10123	N.Q.	13076
3	9617	9954	7339	8352	N.Q.	8914	-	N.Q.	-	-	N.Q.	-	9476	-	-	9898	-	10179	N.Q.	13216
4	9673	9983	7424	8436	N.Q.	9083	-	N.Q.	-	-	N.Q.	-	9561	-	-	9983	-	10264	N.Q.	13357
5	9729	10067	7480	8436	N.Q.	9195	-	N.Q.	-	-	N.Q.	-	9589	-	-	10039	-	10264	N.Q.	13498
7	9701	9983	7396	8436	N.Q.	9308	8155	N.Q.	9701	8436	N.Q.	10123	9701	9842	9842	9983	9842	10123	10404	12935
8	9617	9898	7311	8352	N.Q.	9448	8155	N.Q.	9701	8436	N.Q.	10067	9617	9758	9758	9898	9842	10039	10404	12654
9	9617	9898	7255	8352	N.Q.	9364	8155	N.Q.	9645	8436	N.Q.	10011	9561	9673	9673	9814	9842	9983	10404	12654
10	9617	9898	7452	8352	N.Q.	9364	8155	N.Q.	9645	8436	N.Q.	10011	9561	9673	9673	9814	9842	9983	10404	12654
11	9505	9786	7311	8211	N.Q.	9139	8014	N.Q.	9420	8295	N.Q.	9786	9420	9420	9533	9561	9701	9842	10264	12513
12	9505	9786	7311	8211	N.Q.	9139	8014	N.Q.	9420	8295	N.Q.	9786	9420	9420	9533	9561	9701	9842	10264	12513
14	9392	9673	7227	8155	N.Q.	9083	8155	N.Q.	9420	8436	N.Q.	9786	9420	9420	9533	9561	9701	9842	10123	12654
15	9392	9673	7227	8155	N.Q.	9083	8155	N.Q.	9420	8436	N.Q.	9786	9420	9420	9533	9561	9701	9842	10123	12654
16	9476	9758	7227	8155	N.Q.	9195	8155	N.Q.	9533	8436	N.Q.	9898	9420	9448	9561	9589	9729	9870	10151	12654
17	9392	9673	7227	8099	N.Q.	9139	8155	N.Q.	9476	8380	N.Q.	9758	9280	9364	9476	9505	9673	9814	10095	12598
18	9336	9617	7142	8099	N.Q.	9055	8155	N.Q.	9392	8295	N.Q.	9673	9195	9280	9420	9448	9617	9758	10095	12598
19	9336	9617	7142	8099	N.Q.	8970	8155	N.Q.	9336	8239	N.Q.	9617	9139	9223	9420	9448	9617	9758	10095	12598
21	9280	9561	6974	7958	N.Q.	8717	8099	N.Q.	9223	8155	N.Q.	9392	8970	9167	9392	9336	9561	9701	9983	12373
22	9280	9561	6974	7958	N.Q.	8577	8042	N.Q.	9223	8155	N.Q.	9392	8970	9111	9392	9280	9561	9701	9983	12373
23	9111	9392	6889	7958	N.Q.	8408	7874	N.Q.	9111	8014	N.Q.	9223	8858	8998	9139	9139	9420	9701	9983	12654
24	9251	9533	6889	7958	N.Q.	8408	7874	N.Q.	9055	8014	N.Q.	9223	8858	8802	9139	8942	9420	9701	9983	12935
25	9336	9617	6889	7958	N.Q.	8436	7902	N.Q.	9167	8014	N.Q.	9251	8886	8830	9167	8970	9448	9729	10011	12935
26	9420	9701	6889	7958	N.Q.	8492	7902	N.Q.	9223	8070	N.Q.	9336	8970	8914	9251	9055	9533	9814	10095	12935
28	9476	9758	6889	7958	N.Q.	8464	7902	N.Q.	9195	8127	N.Q.	9308	9026	8998	9336	9251	9589	9842	10123	13076
29	9533	9814	6889	7958	N.Q.	8492	7902	N.Q.	9195	8155	N.Q.	9308	9026	9083	9420	9336	9589	9926	10151	13132
30	9673	9954	6889	7958	N.Q.	8492	7902	N.Q.	9195	8155	N.Q.	9308	9026	9083	9420	9336	9589	9926	10151	13132
31	9673	9983	6889	7874	N.Q.	8520	7845	N.Q.	9223	8099	N.Q.	9336	8970	9026	9364	9280	9533	9870	10123	13216
H	**9729**	**10067**	**7480**	**8436**	**-**	**9448**	**8155**	**-**	**9701**	**8436**	**-**	**10123**	**9701**	**9842**	**9842**	**10039**	**9842**	**10264**	**10404**	**13498**
L	**9111**	**9392**	**6889**	**7874**	**-**	**8408**	**7845**	**-**	**9055**	**8014**	**-**	**9223**	**8858**	**8802**	**9139**	**8942**	**9420**	**9701**	**9983**	**12373**
A	**9475**	**9766**	**7154**	**8148**	**-**	**8891**	**8034**	**-**	**9361**	**8249**	**-**	**9614**	**9269**	**9275**	**9457**	**9525**	**9638**	**9913**	**10158**	**12841**

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

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) 2011-12 Crop June 2012

Sr. No.	Growth	Grade Standard	Grade	Staple	Micronaire	Strength /GPT	4th	5th	6th	7th	8th	9th
1	P/H/R	ICS-101	Fine	Below 22mm	5.0 – 7.0	15	9533 (33900)	9533 (33900)	9617 (34200)	9701 (34500)	9786 (34800)	9729 (34600)
2	P/H/R	ICS-201	Fine	Below 22mm	5.0 – 7.0	15	9870 (35100)	9870 (35100)	9954 (35400)	10039 (35700)	10123 (36000)	10067 (35800)
3	GUJ	ICS-102	Fine	22mm	4.0 – 6.0	20	6749 (24000)	6749 (24000)	6749 (24000)	6889 (24500)	6889 (24500)	6889 (24500)
4	KAR	ICS-103	Fine	23mm	4.0 – 5.5	21	7733 (27500)	7733 (27500)	7733 (27500)	7733 (27500)	7733 (27500)	7733 (27500)
5	M/M	ICS-104	Fine	24mm	4.0 – 5.5	23	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.
6	P/H/R	ICS-202	Fine	26mm	3.5 – 4.9	26	8267 (29400)	8267 (29400)	8323 (29600)	8577 (30500)	8633 (30700)	8548 (30400)
7	M/M/A	ICS-105	Fine	26mm	3.0 – 3.4	25	7649 (27200)	7649 (27200)	7649 (27200)	7874 (28000)	7874 (28000)	7874 (28000)
8	M/M/A	ICS-105	Fine	26mm	3.5 – 4.9	25	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.
9	P/H/R	ICS-105	Fine	27mm	3.5 – 4.9	26	8942 (31800)	8942 (31800)	8998 (32000)	9280 (33000)	9336 (33200)	9195 (32700)
10	M/M/A	ICS-105	Fine	27mm	3.0 – 3.4	26	7845 (27900)	7845 (27900)	7845 (27900)	8070 (28700)	8070 (28700)	8070 (28700)
11	M/M/A	ICS-105	Fine	27mm	3.5 – 4.9	26	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.	N.Q.
12	P/H/R	ICS-105	Fine	28mm	3.5 – 4.9	27	8942 (31800)	8942 (31800)	8998 (32000)	9420 (33500)	9476 (33700)	9336 (33200)
13	M/M/A	ICS-105	Fine	28mm	3.5 – 4.9	27	8577 (30500)	8577 (30500)	8717 (31000)	8858 (31500)	8858 (31500)	8858 (31500)
14	GUJ	ICS-105	Fine	28mm	3.5 – 4.9	27	8464 (30100)	8464 (30100)	8717 (31000)	8858 (31500)	8858 (31500)	8858 (31500)
15	M/M/ A/K	ICS-105	Fine	29mm	3.5 – 4.9	28	8998 (32000)	8998 (32000)	8998 (32000)	9139 (32500)	9139 (32500)	9139 (32500)
16	GUJ	ICS-105	Fine	29mm	3.5 – 4.9	28	8717 (31000)	8858 (31500)	8858 (31500)	9139 (32500)	9139 (32500)	9139 (32500)
17	M/M/ A/K	ICS-105	Fine	30mm	3.5 – 4.9	29	9139 (32500)	9139 (32500)	9223 (32800)	9364 (33300)	9364 (33300)	9364 (33300)
18	M/M/A/ K/T/O	ICS-105	Fine	31mm	3.5 – 4.9	30	9561 (34000)	9561 (34000)	9701 (34500)	9842 (35000)	9842 (35000)	9842 (35000)
19	K/A/ T/O	ICS-106	Fine	32mm	3.5 – 4.9	31	9842 (35000)	9842 (35000)	9983 (35500)	10123 (36000)	10123 (36000)	10123 (36000)
20	M(P)/ K/T	ICS-107	Fine	34mm	3.0 - 3.8	33	12935 (46000)	12935 (46000)	12935 (46000)	13076 (46500)	13076 (46500)	13076 (46500)

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