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Cotton Statistics And News

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Edited & Published by : O. P. Agarwal

The First 'CAI Orientation Tour' was Conducted for Fashion Design Students of the International Institute of Design (IID), Ahmedabad.

The CAI Cotton Promotion Committee organized a 'CAI Orientation Tour' on 30th September 2009 at the Cotton Exchange building, for a batch of Fashion Design students from the Institute of International Design, an ISO 9001:2000 certified based in Ahmedabad. The tour was designed with an objective to generate awareness about CAI's role and activities and garner support for CAI's efforts in promoting cotton in India.

Shri Dhiren N Sheth, President CAI, welcomed the students and was joined by Shri Mani Chinnaswamy, Shri Pankaj Mepani and Shri B.S. Bangdiwala, who interacted with the students and answered questions on the cotton business. The 'CAI Orientation tour' included brief presentations about CAI, Cotton Fibre to garment process, and Futures trading.

On behalf of Joint Standard Committee of CAI, Shri Pradeep Gujarathi, Shri Manish N. Sheth and Shri Paras Mehta showed to the students the Grade Standard Boxes of Indian Cottons being prepared and maintained by the CAI and explained to them the utility of importance of the grading system.



Students observing Grade Standard Boxes of Indian Cottons

The students were also taken round the CAI's Cotton Testing and Research Laboratory by Shri Shirish Shah and Shri Prakash Rathi who also briefed them about the infrastructure and facilities available at the CAI Laboratory.



Shri Shirish Shah, Director, CAI, explaining the students about functioning of CAI Laboratory

The concluding session on CAI's Cotton Promotion Vision and plans focused on the importance of Cotton at the macro economic level as well as the consumer benefit level and urged the students to support and join forces with CAI to promote Cotton in the Country.

The Students appreciated the tour and Kumari Samiskha Gandhi, the faculty member of IID, ensured CAI full support and co-operation in initiating a tie-up between CAI and IID for Promotion of Cotton.



A Batch of Students seen with CAI Team

Cotton Prices Ease Further in September

Cotton prices, which had shown a downtrend in August, declined further in September, the last month of the 2008-09 season. The movement of monthly average prices of a few representative varieties can be seen in the following table:

Avg. Spot Rate (Rs/Candy)				
Month	J-34	H-4	S-6	DCH-32
October '08	22500 (17200)	23100 (19100)	23300 (19700)	31900 (29800)
November '08	20400 (18000)	21900 (19100)	22200 (19700)	30600 (28500)
December '08	20400 (18400)	21600 (18900)	21800 (19700)	29000 (28500)
January '09	21000 (19300)	21000 (19800)	21500 (20800)	28200 (29100)
February '09	20100 (19700)	20100 (20500)	20600 (21300)	26800 (30000)
March '09	20600 (20200)	20100 (21200)	20700 (22300)	26500 (31000)
April '09	22400 (20400)	21100 (21600)	22400 (22300)	32100 (31000)
May '09	23100 (22300)	21800 (22700)	23600 (23500)	32200 (31900)
June '09	22900 (25300)	21800 (24700)	23200 (25600)	32000 (32600)
July '09	23100 (27300)	22500 (27800)	23800 (27900)	33000 (33100)
August '09	23000 (26700)	22400 (27700)	23400 (27900)	33100 (33000)
September '09	21800 (25600)	21800 (28300)	22500 (28000)	32900 (32300)

Note : Figures in brackets are prices during 2007-08.

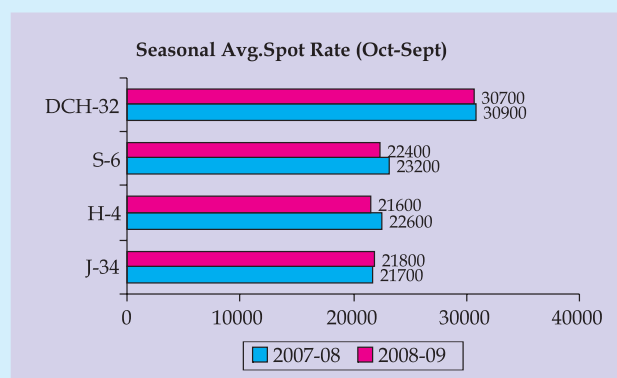
It will be noticed that the fall in prices during September was steeper compared to the decline in August. The decline in August compared to July prices was from Rs.100 to Rs.400 per candy in the case of medium and long staple cottons but the August average price was higher than the July

average in the case of the extralong staple cotton, DCH-32. During September, the drop ranged from Rs.600 to Rs.1200 per candy in the case of medium and long staple cottons and the average prices of even the ELS cotton DCH-32 declined by Rs.200 per candy compared to August.

The main factor that has contributed to the all round and steeper decline in prices during September appears to be the imbalance in demand and supply. The crop during 2008-09 has been estimated at 290 lakh bales and the current season's crop is expected to be above 305 lakh bales. This has swelled the supply position far beyond demand particularly because of the huge carryover stock estimated at 71.5 lakh bales from 2008-09 season. Both domestic demand and exports are expected to be higher in 2009-10 which may bring down the ending stock. Even so, it is expected to be quite sizable. It has to be seen whether the offtake will be large enough to arrest the current downtrend in prices in the coming months.

The seasonal average price in 2009-10 has been lower than the in 2008-09 in the case of all varieties except J-34 whose prices remained higher because of the production falling short of demand. The comparative seasonal average prices of some popular varieties are given below:

Seasonal Av. Spot Rate (Oct. - September) (Rs/Candy)			
Variety	2007-08	2008-09	Difference
J-34	21,700	21,800	100
H-4	22,600	21,600	- 1000
S-6	23,200	22,400	- 800
DCH-32	30,900	30,700	- 200



UPCOUNTRY SPOT RATES

2008-09

Sept. 2009	(Rs. \ Candy)													
	BD(RG) A.Commla	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 22 mm 5.0-7.0 15	ICS-201 22 mm 5.0-7.0 15	ICS-102 22mm 4.5-5.9 19	ICS-103 23 mm 4.0-5.5 19	ICS-104 24 mm 4.0-5.5 20	5CS-202 27 mm 3.3-4.9 23	IICS-105 25 mm 3.5-4.9 22	ICS-105 27 mm 3.5-4.9 24	ICS-105 28 mm 3.5-4.9 25	ICS-105 29 mm 3.5-4.9 26	ICS-105 31 mm 3.5-4.9 27	ICS-106 33 mm 3.3-4.5 28	ICS-107 35 mm 2.8-3.6 31	ICS-301 26 mm 3.7-4.3 25
1	23300	23800	18200	18200	21500	22700	21300	21600	22200	23100	23500	24200	33100	22400
2	23300	23800	18200	18200	21500	22700	21300	21600	22200	23100	23500	24200	33100	22400
3	.....	.....	.....	.....	.....	.....	HOLIDAY	.....	.....	.....	.....	.....	.....	.....
4	23300	23800	18200	18200	21500	22700	21300	21600	22000	22900	23400	24200	33100	22200
5	23300	23800	18200	18200	21500	22700	21300	21600	22000	22900	23400	24200	33100	22200
7	22900	23400	18000	18000	21200	22400	21100	21300	21800	22400	22900	24000	32900	22100
8	22900	23400	18000	18000	21200	22400	21100	21300	21800	22400	22900	24000	32900	22100
9	22900	23400	18000	18000	21200	22400	21100	21300	21800	22400	22900	24000	32900	22100
10	22900	23400	18000	18000	21200	22400	21100	21300	21800	22400	22900	24000	32900	22100
11	22900	23400	18000	18000	21200	22400	21100	21300	21800	22400	22900	24000	32900	22100
14	22900	23400	18000	18000	21200	21400	21100	21300	21800	22200	22900	24000	32900	22100
15	22900	23400	18000	18000	21200	21200	21100	21300	21800	22200	22900	24000	32900	22100
16	22900	23400	18000	18000	21200	21200	21100	21300	21800	22200	22900	24000	32900	22200
17	22900	23400	18000	18000	21200	21200	20900	21000	21600	22200	22900	23700	32900	22200
18	22900	23400	18000	18000	21200	21200	20900	21000	21600	22200	22900	23700	32900	22200
19	22900	23400	18000	18000	21200	21200	20900	21000	21600	22200	22900	23700	32900	22200
21	.....	.....	.....	.....	.....	.....	MARKET CLOSED	.....	.....	.....	.....	.....	.....	.....
22	22900	23400	18000	18000	21200	21200	20900	21000	21600	22200	22900	23700	32900	22200
23	22900	23400	18000	18000	21200	21200	20900	21000	21600	22400	22900	23700	32900	22200
24	22900	23400	18000	18000	21200	21200	20900	21000	21600	22400	22900	23700	32900	22200
25	22900	23400	18000	18000	21200	21200	20900	21000	21600	22400	22900	23700	32900	22200
28	.....	.....	.....	.....	.....	.....	HOLIDAY	.....	.....	.....	.....	.....	.....	.....
29	22900	23400	18000	18000	21200	21200	20900	21000	21600	22400	22900	23700	32900	22200
30	22900	23400	18000	18000	21200	21200	20900	21000	21600	22400	22900	23700	32900	22200
H	23300	23800	18200	18200	21500	22700	21300	21600	22200	23100	23500	24200	33100	22400
L	22900	23400	18000	18000	21200	21200	20900	21000	21600	22200	22900	23700	32900	22100
A	23000	23500	18000	18000	21300	21800	21100	21200	21800	22500	23000	23900	32900	22200

H = Highest L = Lowest A = Average

S N I P P E T S

The Asian Development Bank (ADB) has reportedly made an upward revision of India's growth projection to six per cent from five per cent forecast in March. Emerging signs of a recovery in private business confidence and a continued large fiscal stimulus in the July 2009 Budget are stated to have helped bolster India's projected economic expansion to six per cent from five per cent projected in March, ADB is quoted to have stated in its update on Asian Development Outlook 2009. The Bank has, however, warned that inflationary pressure would continue, it is stated.



Genetically modified transgenic cottons resistant to worms, herbicides or both, accounted for about 94.6 per cent of the Upland cotton planted in the

United States in 2008. Usage of transgenic varieties in 2008 varied from a high of 100 per cent in Arkansas, Mississippi, Missouri and Tennessee to a low of 71.3 per cent in California. Other States planted from 95-99 per cent transgenic cottons except for Texas which planted 89.9 per cent with such cottons.



The Second Estimate of the US Department of Agriculture reportedly shows an increase of the harvested area of cotton in US from 7.57 million acres in 2008-09 to 7.73 million acres in 2009-10. The production is also expected to be up from 12.82 million bales (480 lb) to 13.44 million bales, with a marginal increase in productivity from 813 lb per acre in 2008-09 to 835 lb per acre in 2009-10.



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) 2008-09 CROP October 2009						
					3rd	5th	6th	7th	8th	9th	
01.	ICS-101	Below 22mm	Bengal Deshi(RG)	5.0-7.0	15	-	-	-	-	-	M
02.	ICS-201	Below 22mm	Bengal Deshi(SG)	5.0-7.0	15	-	-	-	-	-	A
03.	ICS-102	22mm	V-797	4.5-5.9	19	18000	18000	18000	18000	18000	R
04.	ICS-103	23mm	Jayadhar	4.0-5.5	19	18000	18000	18000	18000	18000	
05.	ICS-104	24mm	Y-1	4.0-5.5	20	21200	21200	21200	21200	21200	K
06.	ICS-202	25mm	J-34 (SG)	3.5-4.9	23	-	-	-	-	-	
07.	ICS-105	25mm	NHH-44	3.5-4.9	22	20900	20900	20900	20900	20900	E
08.	ICS-105	27mm	LRA-5166	3.5-4.9	24	21000	21000	21100	21100	21100	
09.	ICS-105	28mm	H-4/ MECH-1	3.5-4.9	25	21600	21600	21700	21700	21700	T
10.	ICS-105	29mm	S-6	3.5-4.9	26	-	-	-	-	-	
11.	ICS-105	31mm	Bunny/ Brahma	3.5-4.9	27	-	-	-	-	-	C
12.	ICS-106	33mm	MCU-5/ Surabhi	3.3-4.5	28	23700	23700	23700	23700	23700	L
13.	ICS-107	35mm	DCH-32	2.8-3 .6	31	32900	32900	32900	32900	32900	
14.	ICS-301	26mm	ICC	3.7-4.3	25	22200	22200	22200	22200	22200	O
2009-10 CROP											
01.	ICS-101	Below 22mm	Bengal Deshi(RG)	5.0-7.0	15	21200	21200	21200	21200	21200	S
02.	ICS-201	Below 22mm	Bengal Deshi(SG)	5.0-7.0	15	21700	21700	21700	21700	21700	E
06.	ICS-202	25mm	J-34 (SG)	3.5-4.9	23	20800	20800	20800	20800	20800	D
10.	ICS-105	29mm	S-6	3.5-4.9	26	22700	22700	22900	22900	22900	
11.	ICS-105	31mm	Bunny/ Brahma	3.5-4.9	27	22900	22900	23100	23100	23100	