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Cotton Statistics And News

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World Yarn and Fabric Production Up in Q-2 of 2010

According to the data compiled and published by the International Textile Manufacturers Federation (ITMF) in its State of Trade Report, the strong global recovery in yarn and fabric production witnessed during the first quarter of 2010, after their decline earlier, continued during the second quarter of 2010 also. As compared to the first quarter of 2010 as well as to the second quarter of 2009, global yarn and fabric production is said to have been higher in the second quarter of 2010.

Global yarn and fabric stocks are also reported to have been slightly up in the second quarter of 2010 as compared to the previous quarter. Compared to the second quarter of 2009, yarn stocks worldwide fell slightly as a result of the lower stocks in Asia and Europe, while global inventories of fabrics jumped strongly mainly due to higher inventories in South America and Asia that offset the fall in Europe and North America. As for yarn and fabric orders, they are said to have both in Europe and South America in comparison to both the previous quarter and last year. On the other hand, yarn and fabric orders in Brazil appear to have fallen significantly compared to the previous quarter.

World yarn production is stated to have jumped by 18.6 per cent in the second quarter of 2010 compared to the previous quarter. All regions contributed to this increase, especially Asia (+19.8 per cent), South America (+10.1 per cent), Europe (+5.3 per cent) and North America (+4.7 per cent). Compared to the corresponding quarter of 2009, all regions are said to have recorded higher output levels with surge of 21.9 per cent in South America. Higher output of 20.3 per cent in Europe, 11.1 per cent in Asia and 4.7 per cent in North America was also notable.

As for world yarn inventories, they are reported to have risen slightly in the second quarter of 2010 by 1.4 per cent. There was, however, a spurt in South America where they went up by as much as 40 per cent. Yarn stocks remained almost unchanged in Europe but fell slightly by 0.8 per cent in Asia. On an annual basis, world yarn stocks are stated to have been down by 0.3 per cent as inventories dipped in Europe and Asia by 4 per cent and 0.7 per cent respectively. South American stocks were, however, up by 13.4 per cent.

(Source : ITMF's State-of-Trade Report)

PRODUCTION OF YARN (TOTAL = SSI + NON SSI)

Year	(in million kg) Production of Yarn			
	Cotton	Blended	100% N.C	G.Total
2003-04	2120.71	589.33	341.76	3051.80
2004-05	2272.26	584.97	366.29	3223.52
2005-06	2520.87	588.11	349.31	3458.29
2006-07	2823.59	635.10	354.60	3813.39
2007-08	2948.36	677.11	377.75	4003.22
2008-09(P)	2898.42	655.26	360.58	3914.26
2009-10(P)	3073.11	705.56	408.04	4186.71
2010-11(P) (Apl./Aug.)	1333.80	297.75	171.81	1803.36

(P) - Provisional

Sources: Office of the Textile Commissioner

India Inc. Business Confidence Level Up - NCAER

The findings of the survey conducted by NCAER - Master Card World wide reportedly go to indicate that the business confidence level of India incorporated in the April-August period increased four per cent over the previous quarter taking the total points to 162.1 the highest since 1993. The results are said to point to continued optimism in the performance of the economy.

Another factor that saw business confidence increase was the healthy inflation rate which was 8.51 per cent. However, business confidence in services sector is stated to have witnessed a decline while merchandise exports are expected to continue to grow steadily at 4.2 per cent over the next six months.

The Survey was based on the performance of the economy over the last five months which included manufacturing and export growth. During the first five months of the current financial year, the annual growth rate for industrial production stood

at 10.6 per cent. Despite the global downturn, overall merchandise continued its upward trend primarily on account of export diversification. During this period, exports jumped 28 per cent to \$ 85.3 billion compared to \$ 66.3 billion recorded in the same period last year.

Business confidence showed increase also due to the healthy inflation rate which was 8.51 per cent. Although still high, it is a significant decline from the double-digit rates in July 2010. According to the Survey, business confidence in services sector, however, witnessed a decline. It is stated that a high proportion of respondents in the services sector continue to expect overall economic conditions to improve in the next six months. The consumer goods sector, both durable and non-durable, is stated to have reported full capacity utilisation. There has also been significant growth in the proportion of respondents reporting present investment climate to be positive.

(Source : Financial Express 05.11.2010)

GROWTH IN CAPACITY OF COTTON / MAN- MADE FIBRE TEXTILE MILLS (NON SSI)

Month	No. of Mills			Installed Capacity		
	Spinning	Composite	Total	Spindles (Mn.)	Rotors (000)	Looms (000)
2009-10 (P)						
April	1653	177	1830	37.03	485	57
May	1654	177	1831	37.06	485	57
June	1651	177	1828	31.24	485	57
July	1651	177	1828	37.00	485	57
August	1653	177	1830	37.01	487	57
September	1657	177	1834	37.07	490	57
October	1657	177	1834	37.07	490	57
November	1661	178	1839	37.23	491	57
December	1661	178	1839	37.23	491	57
January	1667	179	1846	37.40	492	57
February	1674	180	1854	37.56	493	57
March	1673	180	1853	37.68	494	57
2010-11 (P)						
April	1679	181	1860	37.96	494	57
May	1682	181	1863	37.98	496	57
June	1685	182	1867	38.10	497	57
July	1687	183	1870	38.21	500	57
August	1711	183	1894	38.51	518	57

(P) - Provisional

Source: Office of the Textile Commissioner

High Level Delegation from African Countries Visits CAI

An African delegation consisting of about 30 high level delegates from 8 African Countries of Ethiopia, Kenya, Malawi, Mozambique, Tanzania, Uganda, Zambia and Zimbabwe was in India to explore south-south cooperation and business opportunities with India in Cotton as well as Textile and Clothing Sector and the possibility of cotton trade between Africa and India, especially Lint exports from Africa to India through Indian traders. The delegates represented farming and ginning sector of their Countries and are accompanied by high level Government representatives from cotton related regulatory bodies.

The visit of African delegation to India was organised by International Trade Centre (ITC), which is the joint agency of World Trade Organisation (WTO) and United Nations (UN) and which partners with trade support institutions to deliver integrated solutions to the developing and transitional Countries to help them in achieving the sustainable human development through exports.

CAI had agreed to join hands with International Trade Centre (ITC) in identifying the areas of south-south cooperation between India and Africa in cotton and organised a meeting with the African delegation to India at its Survey Room on Saturday, the 20th November 2010.

The visiting guests were given a warm welcome by the CAI team led by President, Shri Dhiren N. Sheth on behalf of the Association. A large number of Directors and members of the Association attended the meeting. The delegation was taken around the Cotton Exchange Building and also shown Cotton Testing and Research Laboratory and Grade Standards facilities.

Shri Sheth made a powerpoint presentation to apprise the delegates of the activities of CAI and its initiatives in Cotton Promotion plans. This was followed by interactive session with the delegates.



SNIPPETS

Maharashtra State Cotton Growers Co-operative Marketing Federation is reported to have started cotton procurement from November 9, over 90 centres are said to have been opened on the first day across the State, of which 10 would be in Yavatmal district. As per report, the Federation's procurement price is about Rs. 1000 less per quintal than the market rate. It is therefore likely that only a few farmers may sell their cotton to the Federation.



Industrial output growth reportedly almost halved to 4.4 per cent in September as against 8.2 per cent a year ago. This is said to be the lowest growth in 16 months. Capital goods output reportedly contracted to 4.2 per cent while manufacturing which comprises about 80 per cent of the Index of Industrial production grew at a slower rate of 4.5 per cent in September against 8.3 per cent a year ago. The negative growth of the capital goods sector for the second consecutive month is obviously a matter of grave concern as it is also an indicator of how the manufacturing sector performs in the future.



World Cotton Prices

Monthly average Cotlook A Index (FE)
from 2007-08 onwards

	2007-08	2008-09	2009-10	2010-11
Cotlook Index in US Cents per lb.				
August	66.62	78.04	64.14	90.35
September	68.12	77.09	63.99	104.73
October	68.93	62.30	66.82	126.55
November	69.68	54.96	71.78	
December	69.52	55.47	76.78	
January	73.21	57.71	77.39	
February	75.05	55.21	80.05	
March	80.18	51.50	85.80	
April	75.44	56.78	88.08	
May	74.12	61.95	90.07	
June	77.04	61.39	93.04	
July	77.29	64.80	-	

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					
						November 2010					
						20 th	22 nd	23 rd	24 th	25 th	26 th
03.	ICS-102	22mm	V-797	4.5-5.9	19	26000	25700	25900	27000	27500	27500
04.	ICS-103	23mm	Jayadhar	4.0-5	19	32000	31700	31900	32300	32300	32300
05.	ICS-104	24mm	Y-1	4.0-5.5	20	40000	39700	40000	40000	40000	40000
2010-11 CROP											
01.	ICS-101	Below 22mm	Bengal Deshi (RG)	5.0-7.0	15	31800	31500	31500	31500	31500	31500
02.	ICS-201	Below 22mm	Bengal Deshi (SG)	5.0-7.0	15	32200	31900	31900	31900	31900	31900
06.	ICS-202	25mm	J-34	3.5-4.9	23	41600	41300	41500	41300	41300	40800
07.	ICS-105	25mm	NHH-44	3.5-4.9	22	41800	41500	41700	41300	41300	41300
08.	ICS-105	27mm	LRA-5166	3.5-4.9	24	42200	41900	42100	41700	41700	41700
09.	ICS-105	28mm	H-4/ MECH-1	3.5-4.9	25	43000	42700	43200	42500	42800	42800
10.	ICS-105	29mm	S-6	3.5-4.9	26	44000	43700	44200	44200	44200	44200
11.	ICS-105	31mm	Bunny/ Brahma	3.5-4.9	27	44000	43700	43900	43700	43700	43700
12.	ICS-106	33mm	MCU-5/ Surabhi	3.3-4.5	28	46500	46200	46400	46400	46400	45400
13.	ICS-107	35mm	DCH-32	2.8-3.6	31	52500	52200	52200	52200	52200	51500