

Weekly Publication of



**Cotton
Association
of India**

COTTON STATISTICS & NEWS

Edited & Published by Amar Singh

2015 • No. 46 • 10th February, 2015 Published every Tuesday

Cotton Exchange Building, 2nd Floor, Cotton Green, Mumbai - 400 033
Phone: 30063400 Fax: 2370 0337 Email: cai@caionline.in
www.caionline.in

Suvin: A Sea Island Cotton Saga - from Caribbean to Coimbatore

After graduating from the Agricultural College, Coimbatore, he began his professional career at the Cotton Breeding Station of the Research Institute. He received his M.Sc. and Ph.D. degrees through research in plant breeding and genetics. He was the first National Coordinator of the All-India Coordinated Cotton Improvement Project and subsequently worked with distinction for the FAO of United Nations as a Cotton Expert, Team Leader and Senior Advisor for cotton in South Asian countries. Dr. Santhanam is an elected Fellow of the Indian Academy of Sciences and Indian Society for Cotton Improvement.

Suvin is the fascinating story of how the 'white gold' with origins thousands of miles away came to India a century ago to capture the imagination of a nation and be adorned as "The Jewel in the Indian Cotton Crown".

Christopher Columbus started out his voyage to reach the East Indies (India), instead he landed in Bahamas of the New World (West Indies) in 1492. He called the inhabitants of the lands he visited 'Indios' (Spanish for 'Indians'). Cotton growing had already become widespread in South America and had spread to the West Indies, when Columbus encountered it.

By the 1650s, Barbados had become the first British West Indies colony to export cotton. Thus

started the long voyage of Sea Island Cotton, finally finding India, a country that Columbus desired to reach and the British ruled for over three centuries.

Origin of the Sea Island Cotton (*G. barbadense*)

Cotton (*Gossypium spp*) is the most important textile fibre crop. There are four domesticated species of cotton. While *G. arboreum*, *L* and *G. herbaceum*, *L*, are native to the Old World; the allotetraploids - *G. barbadense* and *G. hirsutum*, are native to the New World.

The centre of morphological diversity of *G. barbadense* is South America, with the range extending into Mesoamerica and the Caribbean. Cotton may possibly have been introduced to Mesoamerica as an already domesticated

form from the Southern hemisphere in Coastal Ecuador and Peru, while *G. barbadense* has been documented for much earlier periods. Chocolate brown fibres, unique to *G. barbadense*, have been unearthed at Huaca Prieta, a settlement of Northern Peruvian coast that was occupied in 3100 BC (Vreeland, 1999).

The primitive cotton of western South America may be regarded as representative of the source



GUEST COLUMN

Dr. V. Santhanam

Former Project Coordinator & Head, Suvin breeding team, Indian Council of Agricultural Research, Coimbatore, India

material from which the *barbadense* cottons of the other areas like Tanguis, Sea Island and Egyptian Cottons arose (Hutchinson, 1959).

The origin of the elite *G. barbadense* cotton can be traced to the introduction of Sea Island cotton from Jamaica or Bahama Island into the USA in 1786.

Origin and Spread of Sea Island Cotton in India

In the late 18th and 19th century, the fortunes of Indian cotton seem to have been linked to the American civil war. The shortage in supply forced the British Empire to develop alternative sources to sustain its cotton mills in England. This is when the East India Company initiated trials with exotic cottons (new world cotton varieties) in India.

The first attempt was made in 1790 AD to grow Bourbon (*G. hirsutum* race *punctatum*) variety introduced from Malta and Mauritius in Bombay and Madras provinces.

At the instance of the British East India Company, *G. barbadense* was introduced in India during 1831. The initial attempts failed, mainly because of the harsh climate under which it was grown.

During 1905, American, Peruvian, Egyptian and Sea Island varieties were experimented in Madras province, particularly in Coimbatore.



Left to right: Dr. V. Santhanam (Project Coordinator, Suvin, CICR, Coimbatore) with Dr. A.B. Joshi, (Dy Director General- Crop Science, ICAR) and Rao Bahadur V. Ramanatha Ayyar (Ex - Cotton Specialist, Coimbatore), in Mumbai during the 2nd All India Co-ordinated Improvement Project, in June 1969.

The initial trials proved unsatisfactory. The efforts in Madras province commenced with the undertaking of trials with Sea Island Cotton (*G. barbadense*) in Coimbatore.

Setting up of the Indian Cotton Committee

Prior to the outbreak of World War I in 1914, the total world production of cotton was about 25.5 million bales of lint (392 lb/bale) while the share of USA was 15 million bales and that of India was 4-5 million bales.

With increased local consumption of US cotton by the US textile industry (almost 60% of the production), during 1915-18 and the consequent decreased availability for the Lancashire industry, the British Empire looked to India for increasing the production and improving the fibre quality. India was the largest cotton-producing country in the Empire and second largest in the world.

The Governor General in Council therefore set up in 1917, "The Indian Cotton Committee" under the Chairmanship of J. MacKenna, Agricultural Advisor to the Government of India, after examining the work of various provinces in India on the adaptation of long-stapled cottons.

The Empire Cotton Growing Corporation (ECGC) was established in 1921 under a Royal Charter that stated: "The objective of extending and promoting the interests of our Empire in the growing and cultivation of cotton in our Dominions, Colonies, Protectorates, Protected States and in any Country or Place over which we have or may have any mandate to control".

This was followed by setting up of a Central Cotton Committee at Bombay in 1921 as a Technical Advisory Body to the Government. In 1923, legislation was enacted to levy a cess of cotton consumed by the textile mills or exported from the country. Thus the Indian Central Cotton Committee became a statutory body with funds for promoting agricultural and technological research in cotton.

In 1924, the Indian Central Cotton Committee set up under its aegis the Cotton Technological Research Laboratory (now known as Central Institute for Research on Cotton Technology (CIRCOT) at Bombay, with Dr. A. J. Turner as its first Director who joined on 1st January 1924.

From 1924 to 1937, the Indian Central Cotton Committee provided the entire expenditure for various schemes initiated by the Department of Agriculture of the Provincial Governments for



**COTTON
ASSOCIATION
OF INDIA**
Established 1921

INDIA'S PRIDE, WORLD'S FINEST

Experience ultimate sophistication through '**Suvin Ratna**' a precious cotton fabric from India. An endeavour at preserving for the Indian farmer, the lost heritage of this priceless Jewel of India - Suvin, by gently spinning and weaving it for the finest experience.

An initiative by **Cotton Association of India**.

suvin@caionline.in



Suvin Ratna

— The Jewel of Cottons —



Shri. G.K Sundaram, Chairman, The Lakshmi Mills Company, Coimbatore, inspecting Suvin crop at CICR, Coimbatore Suvin Breeding Station, in 1974.

improving cotton cultivation, including breeding and varietal improvement, seed multiplication, agronomy, control of pests and diseases.

The mid-1930s was a period of great interest, as it brought about a sea change in the breeding policy at the Indian Central Cotton Committee. At its first Cotton Conference in 1937, Ramanatha Ayyar, Cotton Specialist, Coimbatore, put forward the proposition that cotton breeding should be concentrated on American type cottons (*G. hirsutum*). This paved the way for the introduction of longer staple cottons in India.

Interestingly this proposal was initially opposed by Joseph B. Hutchinson, Director, Institute of Plant Industry, Indore, as he felt that the potential of *desis* was yet to be exploited.

It is worthwhile to note that Joseph B. Hutchinson who was in Indore from 1931 to 1937 on deputation from the Empire Cotton Growing Corporation, Trinidad, visited the Regional Research Station, in Coimbatore, in 1973 (36 years later), and witnessed the adaptation of Sea Island Cotton St. Vincent in Indian conditions.

Official Introduction of Sea Island Cotton in India

In 1905, G.R. Hilson, appointed as the First Cotton Specialist, Government of Madras, who oversaw the introduction of New World cotton in Madras Province, had official access to various seed sources, including Sea Island Cotton.

He set up the Cotton Research Section in Coimbatore in 1921 and appointed V. Ramanatha Ayyar, as Assistant Cotton Specialist, the first Indian to be officially involved in cotton development under the British Government. MCU varieties like Madras Cambodia Uganda, some of them still in vogue, were born out of the tireless efforts of Ramanatha Ayyar who gave India 1" long and above long staple cotton.

It is worthwhile to note that the Indian Central Cotton Committee, used to officially source germ-plasm (genetic stock) from the British Cotton Growing Corporation run research stations around the world, for its research programmes in India.

Until 1947, *G. barbadense* cultivars, from Egypt and the Caribbean, were officially sourced through The Empire Cotton Growing Corporation, as mandated by its Royal Charter. These germ-plasms (genetic stock) were carefully maintained at the Coimbatore Regional station for breeding new varieties.

In 1949, Mr. R. Balasubramanyan, Cotton Specialist, Coimbatore Regional Station, formulated the Sea Island Cotton Project. The Indian Central Cotton Committee funded this project, which paved the way for the introduction of Sea Island Andrews variety in the Madras Province. Intensive research and field trials were undertaken in the West coast districts of Mysore and Kerala, then a part of Madras Presidency.

The core team associated with the Sea Island Cotton Project comprised: R. Balasubramanyan - Cotton Specialist, Coimbatore, V. Ramaswamy Mudaliar - Cotton Specialist, Coimbatore, V. Santhanam - Assistant Cotton Specialist, Coimbatore, S.K. Kalyanaraman, Assistant Cotton Specialist, Coimbatore and K. I. James - Research Assistant, Pattambi Farm, Kerala.

In January 1955, Dr. S.C. Harland, Ex-Director of Empire Cotton Growing Corporation (ECGC) Research Station, Trinidad, West Indies, visited India, at the invitation of the Indian Central Committee, to evaluate the performance of Sea Island Andrews.

He visited the research station at Coimbatore and the standing crop at Pattambi, Kerala. Dr. Harland, after his visit opined that the South Indian climate was not at all suitable for growing *G. barbadense*.



Standing Suvin crop at the demonstration plot at the CICR, Coimbatore in 1974



GILL & CO. PVT. LTD

GOVT. RECOGNISED | STAR TRADING HOUSE

Head Office:

N.T.C. House, Narottam Morarjee Marg, Ballard Estate,
Mumbai – 400 001 (India)

Phone: 91-22-22615001 (4 lines) • **Fax No:** 91-22-22620598 / 22655069

E-mail address: gillco@gillcot.com

web : www.gillcot.com, www.gillcot.cn

Handling all varieties of World Cottons, Cotton Seed, Staple Fibres, Yarns, Textiles,
Food Grains, Sugar, Coffee & Corn.

Branches :

Adoni, Ahmedabad, Amravati, Aurangabad, Bhatinda, Hubli, Indore, Jalgaon.

MOST MODERN & ONLINE GINNING & PRESSING FACTORIES AT :

- GILL & CO. PVT. LTD. , Rajkot-Gondal., Gujarat.
- GILL SHYAM COTEX PVT. LTD., Ghatanji, Dist.Yeotmal, Maharashtra,

Directors:

Jayant B. Shah-Chairman & Managing Director,
Mohit D. Shah-Director, Rishabh J. Shah-Director.

ASSOCIATES THROUGHOUT THE WORLD

Sea Island Cotton Time Line in India	
18th - 19th Century	The American Civil War
1831	Introduction of <i>G. barbadense</i> in India by British East India Company
1904	Founding of The British Cotton Growing Association
1905	Setting up of Cotton Department, Government of Madras under G. R. Hilson as Cotton Specialist.
1914	World War I
1915-18	Increase in domestic consumption of cotton by US textile industry. Severe shortage of supply at Lancashire textile industry
1917	Setting up of "The Indian Cotton Committee" under Chairmanship of J. MacKenna, Agricultural Advisor, Govt. of India, to explore possibility of growing 1 inch and above cotton
1920	Mr. V. Ramanatha Ayyar (Rao Bahadur) appointed as Assistant Cotton Specialist, Coimbatore Station. He was the first Indian to be appointed for Cotton Development in a British Establishment.
1921	Establishment of The Empire Cotton Growing Association, by British Empire
1921	Setting up of the Central Cotton Committee, Mumbai, which served as Technical Advisory Body to Govt.
1923	Legislation to levy a cess on cotton to fund technological research in cotton.
1924	Setting up of the Cotton Technological Research Laboratory (now known as Central Institute for Research on Cotton Technologies / CIRCOT) in Mumbai, with Dr. A.J. Turner as its first Director
1924 - 37	Indian Central Cotton Committee launches "Schemes" in various Provincial Governments for expediting development and propagation of new seed varieties. Ramanatha Ayyar develops American Upland cotton (<i>G. hirsutum</i>) suitable for India.
1949 -54	Introduction of Sea Island Andrews variety in Madras Province
1955	Dr. S.C.Harland, Ex-Director, the Empire Cotton Growing Corporation Research Station, Trinidad, West Indies, evaluates the performance of Sea Island Andrews in Madras Province.
1957	Official release of Sea Island Andrews variety by the Indian Central Cotton Committee
1957 - 61	Launch of 5 year Sea Island Andrews development scheme. Sea Island Andrews introduced in Kerala, Karnataka & Assam
1962 - 66	Failure of Sea Island Andrews leads to a 5 year hibernation in the introduction of Sea Island Cotton schemes.
1967	Indian Council of Agricultural Research (ICAR), launches the All India Coordination Cotton Improvement Project, under which the Sea Island Cotton introduction revived once again.
1973	Sir Joseph B. Hutchinson, Ex-Director of Empire Cotton Growing Corporation, visits Coimbatore to evaluate the performance of Suvin (Sujata + St. Vincent V135)
1974	Official release of Suvin for commercial cultivation.

In April 1957, the Indian Central Cotton Committee officially released the Sea Island Andrews variety. The Sea Island Cotton Project was extended into a five year development scheme. As a result, Sea Island Andrews cultivation began on a larger scale in Kerala, Karnataka and Assam.

The core team associated with the Sea Island Andrews Development Scheme comprised: N. Kesavan Iyengar, Development Officer, Coimbatore, K. I. James - Research Assistant, Pattambi Farm, Kerala and V. Vaman, Research Assistant, Kankanady Farm, Mangalore.

However, the scheme ended in failure due to soil and crop management problems and lack of adequate infrastructure for marketing in non-traditional cotton growing tracts.

All this while, the Coimbatore Regional Station, continued its efforts to develop an Egyptian equivalent ELS cotton. It is interesting to note that all modern Egyptian cotton is derived from a South American progenitor apparently brought by slaves to Northern Africa. First described in 1820, this strain is most probably a Sea Island Cotton stock.

A French engineer named Jumel obtained seeds of Peruvian Barbados Cotton plants during his journey through South America. He took them to Egypt, where they were sown in the Nile valley. They came to be known as Jumel Cotton. Later they were improved by selection and cross fertilization with Sea Island Cottons, and a variety Ashmouni was developed in 1860. Further crossing with Sea Island Cottons led to the development of varieties such as Sakel and Karnak through to the present day Gizas. Giza clearly owes its parentage to the Sea Island Cotton of the Caribbean.

In 1967, the Indian Council of Agricultural Research (ICAR) launched The All India Coordination Cotton Improvement Project under which the introduction of Sea Island Cotton saw a revival after a gap of five years.

Later, through the Coimbatore Regional Station of the Project, re-selection in the Egyptian variety Karnak resulted in the first ever Egyptian type of cotton named Sujata, which was released in 1969.

G. barbadense in India – Landmarks

1905	Madras Province	Peruvian, Egyptian & Sea Island
1926 - 47	Sind (Sukkur)	Egyptian and Sea Island
1946	Mysore State	Egyptian
1949 - 56	Kerala & Karnataka (Madras State)	Sea Island

Acclimatisation of Sea Island Cotton in India

1934 - 1946	St. Vincent & Montserrat	Homestead Crop around Udipi
1947 - 1956	West Indies & S. America	Multi-location West and East Coast

The very same year, Sea Island St. Vincent (V135) variety was selected for reviving the Sea Island Cotton revival project. Its hybridisation with Sujata resulted in the founding of Suvin, a significant milestone in the history of Indian cotton.

The core team involved in the Sea Island Cotton Revival Programme was: V. Santhanam, Project Coordinator & Team Leader (Breeding), Coimbatore, R. Krishnamurthy, Cotton Breeder, Coimbatore and V. Sundaram, Director, Cotton Technological Research Laboratory (now CIRCOT), Mumbai.

In 1973, Sir. Joseph B. Hutchinson, Ex-Director of Empire Cotton Growing Corporation, on invitation from Dr. M.S. Swaminathan, the then-Director, ICAR, visited the Central Institute of Cotton Research, Coimbatore to evaluate the revival programme of the Sea Island Cotton. He deeply appreciated the efforts of the core team behind the successful adaptation of Sea Island Vincent (V135) in India, and acknowledged that it was a success.

Suvin was officially released for large scale commercial cultivation in 1974. This 38 - 40 mm, 2.7 - 3.1 mic, 31 - 34 g/tex wonder fibre is currently been spun into 240s to 360s Ne count in machine spinning and 600s and above khadi count in hand spinning. This undoubtedly makes Suvin, Sea Island Cotton, the one and only commercially available 'finest and longest cotton fibre' in the world today.

GROWTH	LENGTH (2.5%)	UNIFORMITY %	STRENGTH (1/8" gauge)(g/tex)	ELONGATION	MICRONAIRE
SUVIN	38 to 40 mm	47 to 48 %	31 to 34	6.0 to 7.0	2.7 to 3.1
GIZA 45	35 to 36mm	47 to 48%	31 to 32	6.0 to 7.0	3.0 to 3.5

Acknowledgements:

My grateful thanks are due to Dr. M.S. Swaminathan for his abiding interest and encouragement to this ELS cotton breeding project during his term in ICAR.

I consider myself very fortunate to have headed the team that brought Suvin to the world. This would not have been possible without the selfless and able role played by my core team players including Dr. R. Krishnamurthy, Cotton Breeder and Dr. V. Sundaram, Director The Cotton Technological Research Laboratory (now CIRCOT).

Sincere thanks to Late Shri. G.K. Sundaram, Chairman, The Lakshmi Mills Company, Coimbatore, for popularising commercial cultivation of Suvin immediately after its inception.

My heartfelt thanks to Late Mr. M. Appuswamy, MD, Sri Santhalakshmi Mills, Pollachi, to have built a brand around Suvin in the quality discerning market of Japan.

I hereby acknowledge the sincere efforts of Mani Chinnaswamy, MD, Appachi Eco-Logic Cotton, Pollachi, for his sustained efforts in keeping the Suvin crop alive through his innovative and inclusive contract farming initiatives.

My hearty congratulations to Cotton Association of India, for its unique efforts in promoting Suvin through its "Suvin Ratna" mission. I am sure this approach will bring forth the great Sea Island Cotton Saga, in touch and feel, to all connoisseurs of fine fabrics in the world.

Courtesy: Cotton India 2014

Delegates from the Bangladesh Cotton Association visit CAI

Mr. Muhammad Ayub, President and Mr. Mehdi Ali, General Secretary, Bangladesh Cotton Association visited CAI on 4th February 2015. They were welcomed by CAI President Shri. Dhiren N. Sheth and shown around the historic premises of the Association.



CAI Urges Balance Policy From Cotton Corporation of India (CCI)

The Cotton Association of India (CAI) released its January estimate of the cotton crop for the season 2014-15. The CAI has placed the cotton crop for the season 2014-15 beginning on 1st October 2014 at 397.00 lakh bales of 170 kgs. each. The projected Balance Sheet drawn by the CAI for the year 2014-15 estimates total cotton supply at 468.90 lakh bales while domestic consumption is estimated at 306.00 lakh bales thus leaving an available surplus of 162.90 lakh bales.

Cotton Corporation of India (CCI) has done an excellent job of taking very good care of the supply side by procuring cotton from the farmers and providing them with the necessary price support on a timely basis.

It is also essential that the CCI also takes care of the demand side and supports the textile mills by releasing cotton in the market regularly at appropriate price.

A statement containing the State-wise estimates of the Crop and Balance Sheet for the season 2014-15 with the corresponding data for the previous season are given below:-

CAI's Estimates of Cotton Crop as on 31st January 2015 (in lakh bales)			
State	Production *		Arrivals as on 31.01.15
	2014-15	2013-14	
Punjab	14.50	15.00	9.40
Haryana	25.00	23.50	13.90
Upper Rajasthan	6.50	5.50	4.90
Lower Rajasthan	10.50	8.25	7.40
Total North Zone	56.50	52.25	35.60

Gujarat	119.00	129.25	51.75
Maharashtra	82.25	87.00	42.75
Madhya Pradesh	18.00	19.50	11.15
Total Central Zone	219.25	235.75	105.65
Telangana	54.00	78.00	39.15
Andhra Pradesh	24.00		16.30
Karnataka	30.00	29.00	16.70
Tamil Nadu	7.25	7.25	3.00
Total South Zone	115.25	114.25	75.15
Orissa	4.00	3.00	1.50
Others	2.00	2.00	1.00
Total	397.00	407.25	218.90

Note: (1) * Including loose

(2) Loose figures are taken for Telangana and Andhra Pradesh separately as proportionate to the crop for the purpose of accuracy

The Balance Sheet drawn by the Association for 2014-15 and 2013-14 is reproduced below:-

Details	(in lakh bales)	
	2014-15	2013-14
Opening Stock	58.90	52.58
Production	397.00	407.25
Imports	13.00	11.75
Total Supply	468.90	471.58
Mill Consumption	270.00	266.68
Consumption by SSI Units	26.00	24.00
Non-Mill Use	10.00	10.00
Exports		
Total Demand	306.00	300.68
Available Surplus	162.90	170.90
Closing Stock	-	-

Cotton Consumption - Cotton Year-wise

(In Lakh Bales)

Month	2006-07	2007-08	2008-09	2009-2010	2010-11	2011-12	2012-13	2013-14(P)	2014-15 (P)
October	17.33	18.32	16.54	18.13	22.09	17.77	21.84	24.03	24.27
November	17.81	16.94	16.94	18.47	21.09	18.34	21.09	22.96	25.08
December	18.49	18.86	17.98	19.49	22.57	20.13	22.63	25.16	25.28
January	18.22	18.54	16.93	19.54	22.1	20.33	23.30	25.19	
February	17.11	18.14	16.23	18.81	20.23	20.31	22.24	23.22	
March	18.39	18.45	17.51	20.01	21.77	20.38	23.61	25.07	
April	18.06	17.98	17.12	20.53	20.17	20.31	23.22	24.32	
May	17.89	18.95	17.83	20.93	18.64	21.27	22.85	24.38	
June	17.85	18.55	18.01	20.71	18.23	21.17	22.51	24.11	
July	18.42	18.50	18.98	22.11	19	22.14	24.11	24.54	
August	18.58	17.62	18.59	21.73	18.64	22.08	24.23	24.46	
September	18.03	16.90	18.29	21.42	21.71	21.46	23.70	25.62	
Total	216.18	217.75	210.96	241.88	246.23	245.47	275.34	293.05	74.64

(Source: Office of the Textile Commissioner)

Consumption May Overtake Production in 2015/16

Low cotton prices are expected to persist through the rest of 2014/15 when farmers in the Northern Hemisphere make their planting decisions. As a result, world cotton area in 2015/16 is projected down 6% to 31.6 million hectares. Assuming a 5-year world average yield of 777 kg/ha, world cotton production is forecast to fall 6% to 24.6 million tons, which is the lowest level since 2009/10. At the same time cotton prices have fallen, prices for competing crops such as maize and soy have recovered from price downturns last September and October, making cotton much less attractive to plant in 2015/16. Although the Indian government raised its minimum support price in 2014/15, for many farmers the price was still too low compared to production costs. Low returns for cotton and better pricing for competing crops will cause more farmers to switch from cotton in 2015/16. Area in India is forecast down 5% to 11.6 million hectares. Assuming yield is similar to the last few seasons, production could reach 6.5 million tons, making India the largest producer of cotton for the second consecutive season. In China, area is projected to fall for the fourth consecutive season by 10% to 3.8 million hectares. Lower prices paid through the new subsidy policy, rising production costs, and uncertainty over returns will all impact Chinese farmers' planting decisions. Production in China is forecast down 11% to 5.7 million tons, the lowest level since 2003/04. In the United States, the new STAX program will be in full operation for the first time in 2015/16. Uncertainty over returns under the new program and low cotton prices relative to competing crops may make farmers less enthusiastic to plant cotton this season. Area in the United States is expected to contract 10% to 3.6 million hectares, and production will decline 7% to 3.3 million tons in 2015/16. Low prices in Pakistan and the slow start to procurement by the Trading Corporation of Pakistan prompted many farmers ending cotton harvesting early to plant wheat instead. The lack of enthusiasm for cotton is likely to persist into planting time for 2015/16. Area in Pakistan is expected to fall by 5% to 2.7 million hectares, and production by 9% to 2.2 million tons.

In January the International Monetary Fund updated its world economic outlook for 2015 by lowering its world growth projection from 3.8% to 3.5%. Prices for polyester have also fallen much faster than cotton prices for much of the season,

eroding the price attractiveness of cotton. Given these factors, world cotton consumption is expected to increase by 2% to 24.7 million tons. However, this would make 2015/16 the first time in five seasons where consumption overtakes production. While consumption might surpass production by about 100,000 tons, this will only make a small dent in the large stockpile of cotton. Consumption in China is forecast to remain stable at around 8 million tons, accounting for around one third of world consumption and down from its record share of 41% in 2007/08. High domestic cotton prices, rising labor costs and the availability of cheap yarn imports in China have hurt its spinning sector, and it is unlikely to recover quickly to the same volumes seen in the second half of the 2000s before



ICAC

the price spike. Instead, the expansion of the spinning industry to other countries in Asia should continue to grow. In 2015/16, consumption in India, projected at 5.3 million tons and in Pakistan, at 2.4 million tons, will account for nearly a third of world cotton consumption. Bangladesh, Indonesia and Vietnam have all seen their cotton spinning sector expand while China's has fallen and in 2015/16 and are projected to represent 10% of all lint consumption in 2015/16. Cotton consumption in the United States has also been recovering in the last few seasons and may reach over 800,000 tons in 2015/16.

World cotton trade is expected to rise 4% to 7.9 million tons due to a partial recovery in consumption, particularly in countries that rely on imports in 2015/16. As with consumption, China's imports have fallen in recent seasons and are forecast down 50% to 1.5 million tons in 2014/15. However, in 2015/16, Chinese imports may increase to 1.9 million tons due to the fall in domestic production, but will depend greatly on whether the government decides to issue additional quota in 2016. While consumption in Bangladesh, Indonesia, and Vietnam are projected to account for 10% of world consumption, their imports are likely to account for 32% of world imports as they all produce very little cotton. US exports are forecast to recover 11% to 2.4 million tons in 2015/16 after two season of decline. India's exports are also expected to recover, and are projected up 17% to 1.5 million tons.

Source: ICAC COTTON THIS MONTH,
February 02, 2015

SUPPLY AND DISTRIBUTION OF COTTON

February 02, 2015

Seasons begin on August 1

Million Metric Tons

	2010/11	2011/12	2012/13	2013/14 Est.	2014/15 Proj.	2015/16 Proj.
BEGINNING STOCKS						
WORLD TOTAL	8.614	9.477	14.391	16.864	19.530	21.51
China (Mainland)	2.688	2.087	6.181	9.607	12.074	12.08
USA	0.642	0.566	0.729	0.903	0.651	1.15
PRODUCTION						
WORLD TOTAL	25.425	27.820	26.680	26.283	26.269	24.56
India	5.865	6.239	6.205	6.770	6.770	6.48
China (Mainland)	6.400	7.400	7.300	6.929	6.444	5.74
USA	3.942	3.391	3.770	2.811	3.502	3.26
Pakistan	1.948	2.311	2.002	2.076	2.230	2.04
Brazil	1.960	1.877	1.310	1.705	1.539	1.54
Uzbekistan	0.910	0.880	1.000	0.940	0.940	0.94
Others	4.401	5.722	5.094	5.053	4.844	4.56
CONSUMPTION						
WORLD TOTAL	24.508	22.821	23.766	23.495	24.285	24.69
China (Mainland)	9.580	8.635	8.290	7.531	7.960	8.00
India	4.470	4.231	4.817	5.042	5.244	5.27
Pakistan	2.100	2.217	2.416	2.271	2.308	2.37
East Asia	1.832	1.776	2.131	2.302	2.353	2.48
Europe & Turkey	1.549	1.495	1.555	1.605	1.553	1.62
Brazil	0.958	0.897	0.910	0.879	0.850	0.86
USA	0.849	0.718	0.762	0.773	0.827	0.84
CIS	0.577	0.550	0.561	0.590	0.600	0.60
Others	2.592	2.302	2.325	2.503	2.590	2.65
EXPORTS						
WORLD TOTAL	7.728	9.847	10.104	8.862	7.523	7.84
USA	3.130	2.526	2.836	2.293	2.177	2.43
India	1.085	2.159	1.685	2.014	1.207	1.41
Australia	0.545	1.010	1.305	1.037	0.560	0.39
Brazil	0.435	1.043	0.938	0.485	0.675	0.72
CFA Zone	0.476	0.597	0.828	0.926	0.886	0.95
Uzbekistan	0.600	0.550	0.653	0.650	0.605	0.59
IMPORTS						
WORLD TOTAL	7.716	9.749	9.662	8.740	7.523	7.84
China	2.609	5.342	4.426	3.075	1.526	1.95
East Asia	1.825	1.998	2.352	2.341	2.432	2.60
Europe & Turkey	0.972	0.724	0.833	1.082	1.007	0.85
Bangladesh	0.843	0.680	0.631	0.987	0.965	0.97
Pakistan	0.314	0.173	0.470	0.402	0.520	0.40
TRADE IMBALANCE 1/	-0.012	-0.098	-0.442	-0.122	0.000	0.00
STOCKS ADJUSTMENT 2/	-0.041	0.013	0.000	0.000	0.001	0.00
ENDING STOCKS						
WORLD TOTAL	9.477	14.391	16.864	19.530	21.515	21.39
China (Mainland)	2.087	6.181	9.607	12.074	12.079	11.77
USA	0.566	0.729	0.903	0.651	1.150	1.14
ENDING STOCKS/MILL USE (%)						
WORLD-LESS-CHINA (M) 3/	50	58	47	47	58	58
CHINA (MAINLAND) 4/	22	72	116	160	152	147
COTLOOK A INDEX 5/	164	100	88	91		

1/ The inclusion of linters and waste, changes in weight during transit, differences in reporting periods and measurement error account for differences between world imports and exports.

2/ Difference between calculated stocks and actual; amounts for forward seasons are anticipated.

3/ World-less-China's ending stocks divided by World-less-China's mill use, multiplied by 100.

4/ China's ending stocks divided by China's mill use, multiplied by 100.

5/ U.S. Cents per pound

(Source : ICAC Monthly February 2015)

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) 2014-15 Crop FEBRUARY 2015					
Sr. No.	Growth	Grade Standard	Grade	Staple	Micronaire	Strength /GPT	2nd	3rd	4th	5th	6th	7th
1	P/H/R	ICS-101	Fine	Below 22mm	5.0-7.0	15	8127 (28900)	8127 (28900)	8127 (28900)	8548 (30400)	8548 (30400)	8548 (30400)
2	P/H/R	ICS-201	Fine	Below 22mm	5.0-7.0	15	8267 (29400)	8267 (29400)	8267 (29400)	8689 (30900)	8689 (30900)	8689 (30900)
3	GUJ	ICS-102	Fine	22mm	4.0-6.0	20	6524 (23200)	6524 (23200)	6524 (23200)	6524 (23200)	6524 (23200)	6496 (23100)
4	KAR	ICS-103	Fine	23mm	4.0-5.5	21	7564 (26900)	7564 (26900)	7564 (26900)	7564 (26900)	7564 (26900)	7536 (26800)
5	M/M	ICS-104	Fine	24mm	4.0-5.0	23	8183 (29100)	8183 (29100)	8183 (29100)	8183 (29100)	8183 (29100)	8155 (29000)
6	P/H/R	ICS-202	Fine	26mm	3.5-4.9	26	8464 (30100)	8492 (30200)	8548 (30400)	8520 (30300)	8492 (30200)	8464 (30100)
7	M/M/A	ICS-105	Fine	26mm	3.0-3.4	25	7452 (26500)	7480 (26600)	7536 (26800)	7508 (26700)	7508 (26700)	7480 (26600)
8	M/M/A	ICS-105	Fine	26mm	3.5-4.9	25	7564 (26900)	7592 (27000)	7649 (27200)	7620 (27100)	7620 (27100)	7592 (27000)
9	P/H/R	ICS-105	Fine	27mm	3.5-4.9	26	8548 (30400)	8577 (30500)	8633 (30700)	8605 (30600)	8577 (30500)	8548 (30400)
10	M/M/A	ICS-105	Fine	27mm	3.0-3.4	26	7705 (27400)	7733 (27500)	7789 (27700)	7761 (27600)	7761 (27600)	7733 (27500)
11	M/M/A	ICS-105	Fine	27mm	3.5-4.9	26	7958 (28300)	7986 (28400)	8042 (28600)	8014 (28500)	8014 (28500)	7986 (28400)
12	P/H/R	ICS-105	Fine	28mm	3.5-4.9	27	8717 (31000)	8745 (31100)	8802 (31300)	8773 (31200)	8745 (31100)	8717 (31000)
13	M/M/A	ICS-105	Fine	28mm	3.5-4.9	27	8323 (29600)	8352 (29700)	8408 (29900)	8380 (29800)	8380 (29800)	8352 (29700)
14	GUJ	ICS-105	Fine	28mm	3.5-4.9	27	8380 (29800)	8408 (29900)	8464 (30100)	8436 (30000)	8436 (30000)	8408 (29900)
15	M/M/A/K	ICS-105	Fine	29mm	3.5-4.9	28	8464 (30100)	8492 (30200)	8548 (30400)	8520 (30300)	8520 (30300)	8492 (30200)
16	GUJ	ICS-105	Fine	29mm	3.5-4.9	28	8548 (30400)	8577 (30500)	8633 (30700)	8605 (30600)	8605 (30600)	8577 (30500)
17	M/M/A/K	ICS-105	Fine	30mm	3.5-4.9	29	8661 (30800)	8689 (30900)	8745 (31100)	8717 (31000)	8717 (31000)	8689 (30900)
18	M/M/A/K/T/O	ICS-105	Fine	31mm	3.5-4.9	30	9280 (33000)	9308 (33100)	9364 (33300)	9336 (33200)	9336 (33200)	9308 (33100)
19	A/K/T/O	ICS-106	Fine	32mm	3.5-4.9	31	9561 (34000)	9589 (34100)	9645 (34300)	9617 (34200)	9617 (34200)	9589 (34100)
20	M(P)/K/T	ICS-107	Fine	34mm	3.0-3.8	33	11923 (42400)	11923 (42400)	11923 (42400)	11923 (42400)	11923 (42400)	11923 (42400)

(Note: Figures in bracket indicate prices in Rs./Candy)