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Cotton Statistics And News

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Strong Global Recovery in Yarn and Fabric Production Continued in Q3 of 2010 - ITMF

The International Textile Manufacturers Federation (ITMF) has released its third quarter trade report on global yarn and fabric production. According to the release, the strong global recovery in yarn and fabric production continued into the third quarter of 2010, after hitting its low point in the first quarter of 2009. Both global yarn and fabric production are stated to have risen compared to the second quarter of 2010 as well as to the last year's third quarter. As per ITMF release, increase in output of yarn could be observed in Asia and North America while Europe and South America recorded reductions. Fabric production is stated to have grown in Asia and South America but it shrunk in Europe and North America.

As regards stocks, yarn stocks are said to have risen in the third quarter of 2010 as compared to the previous quarter, even though Asian Yarn inventories fell slightly. Compared to the third quarter of 2009, yarn stocks worldwide are stated to have increased as a result of much higher stocks in South America, and despite lower stocks in Asia and Europe. Global fabric inventories appear to have come down in the third quarter as compared to the previous one mainly due to lower stocks in Asia and Europe and despite higher stocks in North and South America.

Yarn orders are stated to have fallen both in Europe and Brazil compared to the second quarter of 2010. When compared to the third quarter of 2009, Europe's yarn orders appear to have been higher while those in Brazil dropped significantly. Fabric orders in Brazil are stated to have grown compared to the previous quarter, while Europe's were slightly lower. In comparison to the previous year's third quarter, Brazil and Europe are stated to have recorded higher yarn orders.

World yarn production is stated to have risen 1.9 per cent in the third quarter of 2010 compared to the

second quarter. The growth was due to the increases in North America and Asia by 4.5 per cent and 2.4 per cent respectively, while production dropped by as much as 10.5 per cent in Europe and to a small extent of 1.2 per cent in South America. World yarn inventories reportedly rose by 3.5 per cent in the third quarter. In South America, the increase was a huge 60.5 per cent but was nearly unchanged in Europe and was slightly lower in Asia. On an annual basis, world yarn stocks are stated to have been up by 5 per cent as inventories in South America soared by 114.8 per cent. Stocks in Asia and Europe fell marginally, states the ITMF release.

Renewal of Subscription of Publication (Fortnightly) for April 2011-March 2012

Dear Subscribers,

We are glad to inform you that the Association has decided to bring out this publication every fortnight now with a new name as "CAI Cotton Review".

Your subscription for current publication expires in March 2011. To ensure uninterrupted and continuous supply of this publication to you during the period from April 2011 to March 2012, we request you to please send your renewal subscription amount of Rs. 1,500/- p.a immediately.

Payment is to be made in the name of Cotton Association of India payable at par in Mumbai.

The members of the Association are not required to pay any subscription amount as they are entitled to a complimentary copy of this publication.

We solicit your co-operation.

Dubai 2011 World Cotton Event - A Report

The International Cotton Association (ICA) organised a 2-day cotton event in Dubai. A 600-strong delegation, representing 34 countries, including India attended the event. Shri Dhiren N. Sheth, President, CAI along with other office bearers and members of the Association attended the event.

The event, which was the first cotton conference of its kind to be held in Dubai, took place on March 15-16 at the Ritz Carlton Dubai International Financial Centre under the patronage of His Highness Sheikh Ahmed Bin Saeed Al Maktoum.

new trade opportunities, as well as hearing about the cotton market from industry experts. "This event took place at the right time and in the right location," said Christian Schindler, Director General, ITMF. "The setting was great and the organisation was outstanding - a great success for the ICA," added Jean Marc Derossis, UK Managing Director and Trader at Plexus Cotton.

Ahmed Bin Sulayem, Executive Chairman of Dubai Multi Commodities Centre Authority (DMCC) and one of the event sponsors, provided the key note address. In his speech he explained how Dubai has developed to be one of the leading gateways for international commodity markets and, after the event, he said: "ICA Dubai 2011 was a great success and we were delighted to have had the opportunity to showcase Dubai to the many distinguished delegates."

Over the course of the two days, 10 high profile industry speakers took to the stage to deliver a range of presentations focusing on some of the key issues affecting today's cotton industry - from price volatility and



Mr. Ray Butler, ICA President, welcomes delegates to the event

The theme of the two-day event was "Open to the World". Its aim was to provide a new opportunity and a new location for the global cotton community to come together to network, to do business and to debate the important issues affecting the industry.

Speaking after the event, ICA President, Ray Butler said: "We knew Dubai would be a popular location to stage the event and it was. It is a global business hub and easily accessible, especially to the Asian market. We recognise that Asia is the focal point of the raw cotton trade and staging the event here has attracted a wide participation from Bangladesh, China, India, Pakistan and beyond. The event definitely lived up to its name - Open to the World - and initial feedback from delegates has been extremely positive."

For many delegates the true value in attending Dubai 2011 was the chance to network and develop



His Highness Sheikh Ahmed Bin Saeed Al Maktoum at the opening ceremony

the global trading market to new initiatives in India, Bangladesh, Pakistan and China. There were also plenty of opportunities for delegates to network at a cocktail reception and gala dinner.

Ray concludes: "We were honoured that His Highness was able to join our opening session and we want to pass on our sincere thanks to the event sponsors, to the presenters and to all the delegates for making this event such a big success. Our next event is the annual ICA International Trade Dinner, which is taking place in Liverpool, UK on 21-22 October 2011. I hope you can join us."

(Source: ICA News)

ICA President alongwith First Vice-President and Managing Director Visits CAI

Mr. Ray Butler, President, alongwith Mr. Antonio Esteve, First Vice-President and Mr. Kai Hughes, Managing Director of International Cotton Association visited CAI on 18th March 2011. They were given a warm welcome by the CAI team led by President, Mr. Dhiren N. Sheth.

The visiting guests were taken around the Cotton Exchange Building and also our Laboratory and Standard Room.

Mr. Sheth made a presentation highlighting the role and activities of CAI. Several issues of mutual interest were also discussed.



A dinner was hosted by CAI in the honour of visiting guests where they had a good opportunity to interact with the members of the cotton trade. At the request of Mr. Sheth, the visiting guests apprised the invitees of the activities of ICA and salient features of Arbitration system followed by ICA.

The ICA delegates again visited the CAI on 22nd March 2011 when a powerpoint presentation was made to apprise the guests of the initiative being taken by the CAI on the cotton promotion front.



World Cotton Supply and Demand (In million tonnes)

	2009-10	2010-11
Beginning Stock	11.94	8.87
Production	21.78	24.92
Supply	33.72	33.79
Consumption	24.61	24.73
Exports	7.77	8.34
Ending Stock	8.87	9.05

(Source: ICAC, Washington)

SNIPPETS

Production in the U.S., the biggest exporter, will rise 6.6 percent to 19.5 million bales in the next crop year, according to USDA estimates. Indian output may also climb to a record level. Output in Australia, the fourth-biggest shipper, may also surge to an all-time high, the Australian Bureau of Agriculture & Resource Economics & Sciences forecast in March 1.

By the end of the next crop year, in July 2012, global stockpiles may have expanded by 18 percent to 50 million bales, according to the USDA.



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) 2009-10 CROP						
					March 2011						
					19 th	21 st	22 nd	23 rd	24 th	25 th	
04.	ICS-103	23mm	Jayadhar	4.0-5	19	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2010-11 CROP											
01.	ICS-101	Below 22mm	Bengal Deshi (RG)	5.0-7.0	15	13779 (49000)	13779 (49000)	13779 (49000)	13863 (49300)	14144 (50300)	14341 (51000)
02.	ICS-201	Below 22mm	Bengal Deshi (SG)	5.0-7.0	15	14032 (49900)	14060 (50000)	14116 (50200)	14201 (50500)	14482 (51500)	14622 (52000)
03.	ICS-102	22mm	V-797	4.5-5.9	19	12513 (44500)	12654 (45000)	12654 (45000)	12654 (45000)	12795 (45500)	12935 (46000)
05.	ICS-104	24mm	Y-1	4.0-5.5	20	15185 (54000)	15185 (54000)	15185 (54000)	15185 (54000)	15185 (54000)	15466 (55000)
06.	ICS-202	25mm	J-34	3.5-4.9	23	16563 (58900)	16703 (59400)	16731 (59500)	16788 (59700)	16872 (60000)	16872 (60000)
07.	ICS-105	25mm	NHH-44	3.5-4.9	22	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
08.	ICS-105	27mm	LRA-5166	3.5-4.9	24	15663 (55700)	15663 (55700)	15663 (55700)	15663 (55700)	15663 (55700)	15747 (56000)
09.	ICS-105	28mm	H-4/ MECH-1	3.5-4.9	25	16366 (58200)	16366 (58200)	16366 (58200)	16366 (58200)	16366 (58200)	16506 (58700)
10.	ICS-105	29mm	S-6	3.5-4.9	26	16788 (59700)	16844 (59900)	16928 (60200)	17013 (60500)	17153 (61000)	17294 (61500)
11.	ICS-105	31mm	Bunny/ Brahma	3.5-4.9	27	17153 (61000)	17153 (61000)	17294 (61500)	17294 (61500)	17434 (62000)	17575 (62500)
12.	ICS-106	33mm	MCU-5/ DCH-32	3.3-4.5	28	17716 (63000)	17716 (63000)	17800 (63300)	17800 (63300)	17800 (63300)	17997 (64000)
13.	ICS-107	35mm	DCH-32	2.8-3.6	31	23340 (83000)	23340 (83000)	23340 (83000)	23340 (83000)	23340 (83000)	23340 (83000)

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