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Cotton Statistics And News

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Interactive Meeting with Malawian Delegation

A Malawian delegation was in India on a tour to study the Indian Cotton and Textile Sector. The said delegation visited CAI on the 1st May, 2009. The Malawian economy is heavily dependent on the agriculture and the cotton is one of the main cash crops of Malawi.

The purpose of visit of the delegation was to study the infrastructure and the facilities available at CAI and to replicate the same in

Malawi to cater to the developmental need of the growing cotton economy.

A luncheon meeting with the delegation was organised by CAI and the Directors and Members of the Association welcomed the Delegates and exchanged views with them on various issues and the possibility of developing long term ties with the Malawian Cotton and Textile industry.



CAI's President, Shri Dhiren N. Sheth welcoming the leader of the Malawian Delegation



The delegates keenly observing the system of preparing Grade Standard Boxes prevailing at CAI.



Discussion between the Malawian Delegation and the CAI Team in progress

Cotton prices Shoot up in April

In contrast to a wavering movement both ways in a narrow groove in March, cotton prices recorded a sharp rise in April. The movement of monthly average prices in the case of a few representative varieties since the commencement of the season is depicted in the following table.

Month	Av. Spot Rate (Rs/Candy)			
	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)

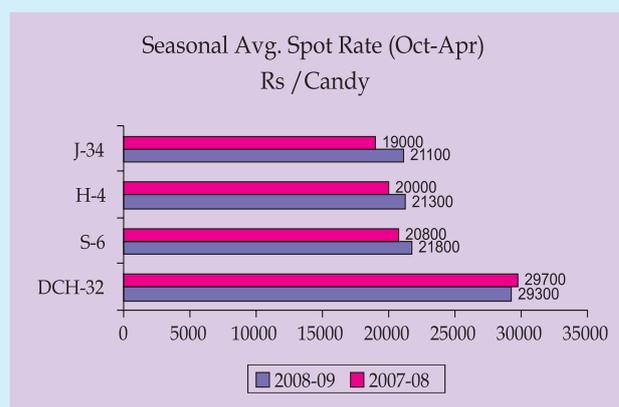
Prices had maintained a high level during the beginning of the season, mainly because of the steep hike in the minimum support prices (MSP) announced in September 2008. Thereafter, prices gradually sought lower levels reacting to a contraction in both domestic and overseas demand. The weakness persisted till February and in March there were signs of a reversal of the trend. This was confirmed in April when there was a sharp upturn. The increase was as high as Rs 5600 per candy in the case of DCH-32 and Rs 1700 per candy in the case of S-6.

The obvious reason for this sharp rise was the spurt in demand. The textile activity had gained some momentum in recent months and mills which had kept away earlier entered the market to build up the raw material inventory. Exporters also showed some spodic buying interest. This sudden spurt in demand, mostly from domestic mills, led to the sharp increase in prices particularly as fresh arrivals had dried up and reports were current about the crop this season being significantly lower than the estimate of 290 lakh bales made by the Cotton Advisory Board in February 2009. It will be noticed that in the case of the extralong staple cotton, DCH-32, the average price in April was the highest during the season and exceeded even the high level that

prevailed in October 2008. This was apparently due to the scarcity of good quality lots of this superfine cotton.

Prices during the current season continued to be higher than last year in all varieties except in the case of DCH-32. In its case also, price in April this year exceeded last April's level. The season-average prices, from October to April, in the case of some popular varieties are given below.

Variety	Seasonal Av. Spot Rate (Oct- Apr.) (Rs. / Candy)		
	2007-08	2008-09	Difference
J-34	19000	21100	2100
H-4	20000	21300	1300
S-6	20800	21800	1000
DCH-32	29700	29300	(-)400



Issue of Certificates of Origin (Non-Preferential)

The CAI has been enlisted by the Director General of Foreign Trade, New Delhi and is authorized us to issue Certificates of Origin (Non-Preferential). This service has already been commenced by CAI from 20th November 2008.

The purpose of this is to serve all the stakeholders in cotton value chain better and more effectively. We invite all of you to avail of these services.

The interested parties may contact the CAI Secretariat or visit our website: www.caionline.in for more details.

UPCOUNTRY SPOT RATES

Apr 2009	(Rs. \ Candy)															
	BD(RG) A.Commila	BD SG	V-797	Jayadhar	Y-1	J-34(SG)	J-34 (RG)	NHH-44	LRA-5166	H-4 / MECH-1	Shankar-6	Bunny/ Brahma	MCU-5 / Surabhi	DCH-32	ICC	
1	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	ICS-202 25 mm 3.5-4.9 23	ICS-105 27 mm 3.5-4.9 26	ICS-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	-
2	22000	22800	16300	18000	20200	22000	22600	-	-	21200	22400	22400	23200	32100	-	-
3	22000	22800	16700	18000	20200	22000	22600	-	-	21100	22300	22300	23200	32100	-	-
4	22000	22800	16700	18000	20000	22000	22600	-	-	20900	22100	22100	23200	32100	-	-
6	22000	22800	16700	18000	20000	22500	23100	-	-	21000	22400	22300	23200	32100	-	-
7	22000	22800	16700	18000	20000	22500	23100	-	-	21000	22400	22300	23200	32100	-	-
8	22000	22800	16700	18000	20000	22500	23100	-	-	21000	22400	22300	23200	32100	-	-
9	22000	22800	16700	18000	20000	22500	23100	-	-	21000	22400	22300	23200	32100	-	-
10	22000	22800	16700	18000	20000	22500	23100	-	-	21000	22400	22300	23200	32100	-	-
11	22200	23100	17000	18300	20700	22600	23200	-	-	21600	23000	23000	23500	32100	-	-
13	22200	23100	16900	18300	20700	22600	23200	-	-	21400	22800	22900	23500	32100	-	-
14	22200	23100	16500	18300	20700	22600	23200	-	-	21200	22500	22900	23500	32100	-	-
15	22200	23100	16300	18300	20700	22600	23200	-	-	21200	22300	22900	23500	32100	-	-
16	22200	23100	16400	18300	20700	22600	23200	-	-	21300	22300	22900	23500	32100	-	-
17	22200	23100	16400	18300	20700	22600	23200	-	-	21300	22300	22900	23500	32100	-	-
18	22200	23100	16400	18300	20700	22600	23200	-	-	21300	22300	22900	23500	32100	-	-
20	22200	23100	16400	18300	20700	22600	23200	-	-	21300	22300	22900	23500	32100	-	-
21	22200	23100	16400	18300	20700	22600	23200	-	-	21300	22300	22900	23500	32100	-	-
22	22100	23000	16400	18200	20600	22500	23100	-	-	21200	22200	22800	23400	32000	-	-
23	21900	22800	16200	18000	20400	22400	23000	-	-	21000	22200	22800	23200	32000	-	-
24	21900	22800	16200	18000	20400	22400	23000	-	-	21000	22200	22800	23200	32000	-	-
25	21900	22800	16200	18000	20400	22400	23000	-	-	21000	22200	22800	23200	32000	-	-
27	21900	22800	16200	18000	20400	22400	23000	-	-	21000	22500	22800	23200	32000	-	-
28	21900	22800	16400	18200	20400	22400	23000	-	-	21000	22700	22800	23200	32000	-	-
29	22300	23200	16400	18500	20400	22400	23000	-	-	21000	22700	22800	23200	32000	-	-
30	22300	23200	16400	18500	20400	22400	23000	-	-	21000	22700	22800	23200	32000	-	-
H	22300	23200	17000	18500	20700	22600	23200	20300	20900	21600	23000	23000	23500	32100	22000	22000
L	21900	22800	16200	18000	20000	22000	22600	20000	20600	20900	22100	22100	23200	32000	21300	21300
A	22100	22900	16500	18200	20400	22400	22900	20100	20700	21100	22400	22700	23300	32100	21600	21600

H = Highest L = Lowest A = Average

Global Yarn Production Declines During 3rd Quarter of 2008 - ITMF

According to the latest report of the International Textile Manufacturers Federation (ITMF), there was a fall of 2.8 percent during the July-September quarter of 2008 compared to the previous quarter. Production in Asia is stated to have fallen by 2.6 percent, that in Europe by 3.6 percent and North American production was down by a hefty 21.4 percent. Although world yarn production was down during the third quarter, it is stated to have been higher by 4.6 percent on an annual basis due to an increase of 6.2 percent in Asia and 33.9 percent in S. America. However, there was a decline of 14.8 percent in Europe and 27.2 percent in N. America.

As per ITMF report, global yarn inventories recorded a marginal increase of 0.3 percent compared to the previous quarter. While there was 0.6 percent increase in the inventories in Asia, European stocks are said to have been down by 0.6 percent. Inventories in North and South America appear to have remained unchanged. On an annual basis, global yarn stocks are reported to have gone up by 2.4 percent during

the third quarter with Asia, Europe and S. America recording rises of 0.4 percent, 5.7 percent and 24.3 percent respectively.

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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 May 2009					
					2nd	4th	5th	6th	7th	8th
01.	ICS-101	Below 22mm	Bengal Deshi(RG)	5.0-7.0 15	22700	22800	22800	22800	23000	23300
02.	ICS-201	Below 22mm	Bengal Deshi(SG)	5.0-7.0 15	23600	23700	23700	23700	23900	24200
03.	ICS-102	22mm	V-797	4.5-5.9 19	16400	16500	16500	16500	16600	17100
04.	ICS-103	23mm	Jayadhar	4.0-5.5 19	18500	18500	18500	18500	18500	18500
05.	ICS-104	24mm	Y-1	4.0-5.5 20	20400	20400	20400	20400	20500	20500
06.	ICS-202	25mm	J-34 (SG)	3.5-4.9 23	22700	22800	22800	22800	22900	23100
07.	ICS-105	25mm	NHH-44	3.5-4.9 22	20000	20100	20100	20100	20300	20300
08.	ICS-105	27mm	LRA-5166	3.5-4.9 24	20600	20700	20700	20700	20800	20800
09.	ICS-105	28mm	H-4/ MECH-1	3.5-4.9 25	21000	21100	21100	21100	21300	21500
10.	ICS-105	29mm	S-6	3.5-4.9 26	22700	23000	23000	23000	23100	23500
11.	ICS-105	31mm	Bunny/ Brahma	3.5-4.9 27	22800	22900	22900	22900	23000	23300
12.	ICS-106	33mm	MCU-5/ Surabhi	3.3-4.5 28	23200	23200	23200	23200	23200	23200
13.	ICS-107	35mm	DCH-32	2.8-3.6 31	32000	32000	32000	32000	32000	32000
14.	ICS-301	26mm	ICC	3.7-4.3 25	21400	21400	21400	21400	21500	21800