

Tamil Nadu Agricultural University Coimbatore – 641 003

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The Editor,

Sir,

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I request that the following matter may kindly be published in your esteemed daily:

Cotton fetches good price

United States Department of Agriculture (USDA) projected that in 2013-14, Global cotton area and production stood at 33.7 million hectares and 118 million bales, a decrease of 2 and 3 percent respectively comparing 2012-13. Global ending stocks are forecast at a record of 94.3 million bales, up 10 percent than in 2012-13, of which China's stocks accounted for 63 per cent. World cotton consumption in 2013-14 is forecasted at 109.8 million bales, an increase of 2 percent from 2012-13. China, India, U.S., Pakistan and Brazil accounted for 78 per cent of world cotton production in the year 2013. Production decrease in China and the United States are expected to equalize increase in Brazil and India.

According to Indian Cotton Advisory Board, in 2012-13, India produced 33.4 million bales of cotton from 11.61 million hectare, a decrease of 5 and 4 per cent respectively than in 2011-12. Cotton exports from India, during 2012-13 declined to 37 per cent compared to 2011-12, where as the imports increased to 108 per cent. Ending stocks in India is forecasted at 3.7 million bales in 2012-13.Among the major producing States Gujarat, Maharashtra, Andhra Pradesh, Haryana and Punjab accounted for 80 per cent of the cotton production in India. According to reports of Indian Cotton Federation in all the major growing States, the area under *kharif* cotton was higher compared to the previous year because of good monsoon rains. The area under cotton cultivation in the *kharif* is estimated at 100.55 lakh hectares in 2013-14 as against 83.74 lakh hectares in 2012-13.

Tamil Nadu, being the major consumer of cotton, produced around 5 lakh bales during 2012-13, which was 30 per cent lesser than the production in 2011-12. Millers procure cotton from Gujarat, Maharashtra, Andhra Pradesh and Karnataka for their demand. In Tamil Nadu, sowing of cotton is taken up in two major seasons during Masi and August season. At present Masi sown crop is flowing into the major cotton markets in Tamil Nadu, as of now arrivals from other major producing States are very limited. Currently farmers are getting a price of Rs.5200-5500 per quintal for long staple cotton. Trade sources reported that arrivals from Tamil Nadu will continue till August end. They also ensured that even though the demand is stable in the forthcoming months, scarce arrivals would make the price to rule on higher side. Expected *kharif* arrivals from all the major growing States would stabilize the cotton price during October-December, 2013. DEMIC analysis confirmed that the long staple cotton price will rule around Rs.5000-5500 per quintal during August- September, 2013. Hence farmers could make their selling decisions based on the predicted price.

August season is a special season for cotton in Tamil Nadu. To facilitate farmers to take up sowing decisions, NAIP - Domestic and Export Market Intelligence Cell in Centre for Agricultural and Rural Development Studies (CARDS), Tamil Nadu Agricultural University analysed cotton prices of Konganapuram Cooperative Marketing Society and it is informed that prices of cotton (long staple) will be around Rs. 4800-5100 per quintal in January-February, 2014 during harvest of cotton sown in August, 2013.

Estimated lesser global production (China and U.S.A), lesser export demand due to huge stocks by the major producer China, and estimated lesser stocks in other major consuming countries would help to rule the price around Rs.4800-5100 per quintal during January-February, 2014. Hence cotton farmers are advised to take up sowing in Avani-Puratasi.

For further details contact:

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