

cotton

INTERNATIONAL 1994



THE
PERFECT
FIBER



ENCOURAGING PROSPECTS

Cotton sowings in almost all cotton growing states, as per reports, have been completed. Rainfall and weather conditions have so far been satisfactory.

Cotton production in 1993-94 is estimated at 13.8 million bales. Currently, good soil moisture prevails in the rain-fed areas of the cotton producing regions. Typically, favorable soil moisture conditions at this stage of the year, followed by a normal cotton summer monsoon, result in a larger cotton area.

Better quality seed is becoming available, which also should encourage larger plantings. The crop mix in India is expected to change during 1993-94.

The cotton area in the north is expected to decline as oilseeds, especially sunflowers, are becoming more price competitive. Cotton area in the South and West is expected to increase since peanuts are no longer as attractive an option due to lower prices and erratic yields.

On the negative side, cotton prices were down significantly during the current harvest due to a good crop this year, large stock levels and weak demand for cotton from the mills.

If mill consumption or cotton exports pick up in the next several months, cotton will be a much more attractive option at planting time. The share of India in international cotton trade during the 1992-93 year has been estimated at six percent to seven percent. ♣



Paul Southworth, Ralli Brothers & Coney, Liverpool, with Jayant Shah, Gill & Co. Ltd., Bombay, and S. Duraisamy, Coats Viyella India Ltd., Madurai.



Mohit Dhirajlal Shah and Jayant B. Shah, Gill & Co. Ltd., Bombay.