

COTTON PRICES TO REMAIN STABLE AT HARVEST

The Cotton Association of India (CAI) said the area under the cotton crop in 2014 – 15 could hit a record 12.7 million hectares compared 11.2 million hectares a year earlier.

India the world's second biggest producer of cotton is likely to export 7.69 million bales of the fibre this year down by 35 % from last year due to sluggish demand from China, says the latest USDA report, with a slump in purchases by top cotton consumer China, Bangladesh and Vietnam are emerging as the leading export destinations for India.

The states of Gujarat, Maharashtra, and Andhra Pradesh are the major producers of cotton in India, accounting for 75 per cent of the country's total output. India is currently the world's second largest exporter of cotton.

To know kharif harvest prices of cotton, econometric analysis of modal prices of cotton in Warangal market for a period of 12 years was undertaken by the Network Project on Market Intelligence (NPMI) in the Department of Agricultural Economics, College of Agriculture; Prof. Jayashankar Telangana State Agricultural University, Hyderabad. Cotton price per quintal will be around **Rs.4200 – 4600 /q**, prices will be remain stable at harvest. There are only few chances for prices to increase in the next three months.

Caution: “these forecasts are based on past data & model and that actual market price may not turn out to be the same as forecasted”