

CICCA Update by Member Associations



Issue 9 – 5 June 2017

Welcome to this Update, keeping you informed of the new developments at the Member Associations and Observer Organisations. This publication comes as a result of a decision reached at the 2012 Plenary Meeting that “To facilitate the understanding of the latest cotton related information in the countries of Member Associations and to make CICCA more pro-active if necessary, it was agreed that Member Associations would update their countries’ cotton market information on a quarterly basis, and this would be distributed within the CICCA forum.”

Any suggestions and comments would be greatly appreciated. The following Member Associations and Observer Organisations have contributed to this issue:

[ACSA Australia](#), [ALCOTEXA](#), [CAN](#), [CCA](#), [GCA](#), [ICA](#), [ICAC](#) and [JCTA](#).

ACA - Association Cotonnière Africaine

(No update)

ACSA – American Cotton Shippers Association

(No update)

ACSA – Australian Cotton Shippers Association

Harvest is well and truly underway with approximately 80% of an anticipated 4 million bale crop picked.

The 2017 crop was earlier forecast to be in excess of 4.3 million bales however an unusually hot and dry summer impacted yields and the crop is now expected to produce approximately 4 million bales (227kgs). In addition to the weather during the season we also experienced a slow start to the crop which in turn led to a later harvest and therefore early shipments have proven to be a challenge.

Nevertheless most of the crop has now been picked with the remaining harvest moving into the most southern parts of NSW.

The vast majority of the crop classed to date has been Middling grade and higher with staple above 1-5/32”, micronaire in the G5 range and the stand out feature being impressive GPT results.

The outlook for 2018 is very promising with good water supplies held in most of the major growing regions. With some winter rainfall we should expect another crop over 4 million bales.

AFCOT – Association Française Cotonnière

(No update)

ALCOTEXA - Alexandria Cotton Exporters' Association

	Commitments (Tons)	Shipped (Tons)	Value (\$)
1st Quarter	21,995.20	7,258.70	64,884,757
2nd Quarter	7,954.50	10,897.00	24,600,326
3rd Quarter	4,424.78	7,358.78	13,603,542
Total	34,374.48	25,514.48	103,088,625

BBB – Bremer Baumwollbörse

(No update)

BBM – Bolsa Brasileira de Mercadorias

(No update)

BCA – Belgian Cotton Association

(No update)

CAI – Cotton Association of India

(No update)

CAN - Centro Algodonero Nacional

Final production of 2016/17 crop is 50,000 tons. The area planted was about 62,000 hectares.

Regarding 2017/2018 Spanish cotton crop, the expected area to be planted is around 65,000 hectares. Some increase in production is expected.

CCA – China Cotton Association

According to the latest survey of CCA, the national cotton acreage projection is 2.94 million hectare, 6.86% up Y/Y. By 30th April, the national cotton planting process is 85.42%, 1.3% slower than the corresponding time last year.

Reserve cotton dominates the domestic market. From 6th March to 28th April, reserve cotton was sold of 0.87 million tons, the transaction rate is 73.49%, including 0.57 million tons of Xinjiang cotton and 0.30 million tons of inland cotton, reducing the domestic and foreign price gap.

Supported by reserve auction, the domestic price CC Index 3128B in April was 15,872 Yuan/ton in average. In April, domestic textile and apparel export values at 21.6 billion USD, 3.61% up Y/Y. The total export value of the first season is 76.5 billion USD, 1.28% less Y/Y.

GCA – Gdynia Cotton Association

Polish Textile Branch in first quarter 2017

In 1st quarter 2017, a significant increase (+7.8%) took place in the value of production sold, in the Polish textile branch, when compared to 1st quarter 2016.

In the same time, the value of investments in Polish textile industry also increased – by as much as 8.2%.

Data from the Central Statistical Office show that the average employment (companies employing 9 or more persons) in production of textiles increased by 2 thousand persons when compared to end of December 2016 and at the end of March 2017 it was 48 thousand.

Central Statistical Office data for January – March 2017 show that among the most important categories of textiles, increase of production in Poland, when compared to the 1st quarter 2016, were noted in the case of cotton fabrics >200g/m² (+3%), bed linen (+4.7%), carpets (+9.9%), floor mats (+15%), floor coverings (+3.8%), textile sacks and bags (+23.5%) and hosiery (+10.6%).

Decrease of production was noted by manufacturers of few other categories of products, whereas the greatest one was in manufacture of pile fabrics (towels, terry fabrics) (-55%).

In 2016, 6.76 thousand tonnes of raw cotton materials were imported to Poland and processed – those which are used for cotton and blended yarns, non-wovens and hygienic-cosmetic products based on cotton fibre.

ICA – International Cotton Association

We are pleased to announce that registration is live for our October trade event in Singapore. The event will welcome 600 cotton industry professionals and will be preceded by a training course on 'Managing Risk', covering futures and options along with developing trading strategies and plans. We hope to welcome you there too.

In arbitration news, we have already received 13 requests for arbitration since January of this year. Keep checking the List of Unfulfilled Awards to ensure that you stay up to date on safe traders, it's easily accessible on our website but do remember that Part 2 is exclusively available to our members. Our arbitration costs remain competitive when compared with those of similar

organisations; in 2016, the average cost of a technical arbitration award was £7,541. Did you know that if you want to become an arbitrator you can download the course material for the basic examination free of charge from our website?

Our President, Managing Director and China Business Development Officer will be in Chongqing 7-9 June taking part in round-table talks and meetings. If you would like to arrange a meeting, or just want to know more about ICA, please get in touch.

ICAC – International Cotton Advisory Committee

The 76th Plenary Meeting of the ICAC since 1939 will be held during October 22-27, 2017 in Tashkent, Uzbekistan.

The ICAC Private Sector Advisory Panel (PSAP) is coordinating international efforts to standardize phytosanitary certificates for trade in cotton. At the request of the PSAP, the ICAC is working with private sector support to study government measures that distort polyester fiber production and trade.

The Task Force on Commercial Standardization of Instrument Testing of Cotton (CSITC) is publishing a users handbook on understanding HVI values. Performance in CSITC Round Trials among participating laboratories continues to improve, and the deviation of results around mean values are now one-third lower than in 2008. CSITC is considering adding trash, SFI and maturity as test parameters.

The Expert Panel on Social, Environmental and Economic Performance of Cotton Production (SEEP) has assisted the ICAC in identifying metrics for the measurement of sustainability. However, the methodology for collecting such information is lacking, and basic statistics on sustainability metrics are often not available. In addition, there are a profusion of external initiatives, some developed entirely within the private sector and some being encouraged by governments, that tend to rely on life cycle assessments (LCAs) for determining sustainability. The opportunity exists for the SEEP indicators framework to provide an approach to measuring sustainability that better supports the implementation of more sustainable farming practices. Other topics of current interest to the world cotton industry include the use of Highly Hazardous Pesticides in cotton production, water use and water consumption data and impact assessment methodologies, and greenhouse gas emissions.

ICE – Izmir Commodity Exchange

(No update)

JCTA – Japan Cotton Traders' Association

Representatives of ACSA's visit to Osaka

ACSA Chairman, Hope Brooks and President & CEO, William E. May visited Osaka on May 11 and had a joint meeting with JCTA and JSA (Japan Spinners Association) on various issues.

April imports

Cotton imports into Japan during April were 5,039 tons, down from 5,511 tons in March. The principal source was the United States which supplied 2,087 tons. The August/April total decreased to 39,256 tons, 21% less than that of the corresponding period a year earlier. Decreased imports are largely attributable to continued reduction of spinning facilities.

Cotton Day

Some 400 industry and media representatives celebrated the annual COTTON DAY event held on May 10th in Tokyo. Participants included representatives from U.S. (CCI, ACSA, Cotton Inc), the U.S. Embassy in Japan, JCTA, JSA and many from textile and apparel industries.

KCA – Karachi Cotton Association

(No update)
