

Scant rains to dent India's cotton output, exports: Trade body

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India's cotton production in 2018/19 is likely to fall 4.7 percent from the previous season to 34.8 million bales, as scant rainfall and an attack of pink bollworms are expected to squeeze crop yields, the head of a leading trade body told Reuters.

The drop in output could limit exports from the world's biggest producer of the fibre amid rising demand from top consumer China and in turn support global prices, which are hovering near their lowest level in more than nine months hit last week.

"In Gujarat, we are expecting a big drop in production due to dry weather," said Atul Ganatra, president of the Cotton Association of India.



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Gujarat, the country's top cotton producing state, received 28 percent lower rainfall than normal in the June-September monsoon season, according to the India Metrological Department.

The western state's fibre output is estimated to drop 14.3 percent from a year earlier to 9 million bales in the new marketing season that started on Oct. 1, he said.

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Pink bollworms consume the fibre and seeds inside a cotton plant's boll, or fruit, and yields fall. Gujarat and Maharashtra account for more than half of the country's total cotton production.

"Due to less production exports are likely to reduce and import is likely to increase," he said. Pakistan, China, Bangladesh and Vietnam are key buyers of Indian cotton.

In 2017/18, India exported 6.9 million bales of cotton. Demand for Indian cotton is robust this year from China as a trade war is prompting the world's top consumer to avoid imports from the United States.

Source: <https://economictimes.indiatimes.com/news/politics-and-nation/scant-rains-to-dent-indias-cotton-output-exports-trade-body/articleshow/66115899.cms>