

Monthly Report

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Sept 1– September 30, 2011

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Cotton Council International / National Cottonseed Products Association

Specific goals 2010-2011 for Animals Using USCSM in Mexico

Utilization in Feedlots:

States: Nuevo Leon, Sonora, Sinaloa, Jalisco Tamaulipas, Veracruz

1. Stimulate demand for CSM used in feed lots in Nuevo Leon & Tamaulipas, which is forecast at 17,000 in 2010/11;
2. Monitor the amount of CSM used in feed lots in Sonora, Sinaloa and Jalisco, which is estimated at 4,000 mt in 2010/11 ;
3. Monitor cottonseed meal use of dairy, feed lot, and cow-calf operations in Veracruz which is forecast to remain unchanged from an estimated 4,000 mt in 2010/11;

Utilization in cow calf operations

States: Chihuahua, Coahuila

4. Help increase cottonseed meal use in cow-calf operations in Chihuahua estimated to import 4,000 metric tons for 2010/11;
Check this out with Union Ganadera and Olfer prices apparently went down.
5. Maintain the amount of cottonseed meal use of cow-calf operations in Coahuila which is forecast at 1,050 mt in 2010/11;

Utilization in Dairy Operations

States: Coahuila, Chihuahua, Durango, Jalisco

6. Monitor cottonseed meal use of dairy operations in Chihuahua, Cuauhtémoc and Coahuila, which is forecast at 20,000 mt tons in 2010/11;
Mr Juan Olfer major importer of USCSM in the Mennonite region of Cuauhtémoc is preparing himself to import and is asking for information on market conditions. He imports on an average of four rail cars per month or over 4,000 metric ton/year with a market value of over a million dollars.
7. Help increase cottonseed meal use in dairy operations in Jalisco state estimated at 40,000 mt for 2010/11;

New Markets in Mexico for USCSM

State: Hidalgo, Guanajuato, Queretaro

8. A major dairy nutritionist Dr. Enrique Pons was visited in Queretaro and he mentioned that he would recommend the use of USCSM in the dairy rations of Tisayuca, a major dairy area close to Mexico City which represents over 30,000 dairy cows but needed more consistency in the quality of the product and availability according to him. He has been contacted with a provider, ADM, which has offered those requirements.

9. The states of Queretaro and Guanajuato contain the largest numbers of dairy goats in Mexico. CCI / NCPA have conducted different programs in order to promote the use of USCSM in this industry and will continue to closely monitor this situation. This is the area that an NCPA member will be focusing and intend to provide USCSM.

Other objectives

10. Increase the number of influential nutritionists who recommend cottonseed meal use from 15 to 16 in 2010/11;
Recently Dr. Enrique Pons of Mexico City , major Dairy Nutritionist in the State of Mexico was added to the list of influential nutritionists.
11. Increase the average number of monthly inquiries from Mexican industry members interested in US cottonseed meal from in 2010/11 as measured by web site statistics; NCPA web site statistics are monitoring this objective.
12. **For the Caribbean region:**
 - a. Continue to identify and provide data regarding market size and scope for protein feed ingredients;
 - b. Continue to determine potential size and scope for US cottonseed meal sales;
 - c. Maintain contact with key industry officials, including buyers, feed mixers and distributors.
 - d. Initiate small-scale feeding trial of up to 10 mt of US CSM
 - e. Establish sales of 4,000 mt to one or more key buyers.
13. Prepare a summary report on the Mexican market for US cottonseed meal, identify the top importers/key customers, and provide a summary description of each.
14. Prepare a summary report on the Caribbean/Central American market for US cottonseed meal, identify the top importers/key customers, and provide a summary description of each

Summary for July 2011

- 1 The Mexican peso for the end of September was reported at 13.88 pesos to one U.S. dollar compared to 12.32 pesos for the month of August a 11% increase and a 16% increase from the month of July.
- 2 Cotton production estimates for Mexico for September will hold until the new estimate is reported in the near future. The previous report measured in bales and seed (Table. 1) according to Fernando Novoa of the Confederation of Cotton Growers decreased to 1,145,658 bales and 435,350 metric tons of cottonseed. The Mexican cotton crop had started to be harvested starting with the states of Sonora and Tamaulipas with 15,000 and 4,150 bales respectively.

**Table1. COTTON BALES AND COTTONSEED PRODUCTION FOR 2009-2010.
FINAL PRODUCTION FOR 2010/11AND FORECAST FOR 2011-2012.**

R E G I O N	BALES		SEED		BALES	
	09-10	09-10	10-11	10-11	Estimated 11-12	SEED 11-12
SONORA	11,050	4,199	17,215	6,542	87,500	33250
MEX B.C.	121,250	46,075	164,014	62,325	227,740	86,541
CHIH.	146,012	55,484	406,855	154,605	638,918	242,789
LAGUNA	132,031	50,171	108,203	41,117	162,500	61,750
TAMPS.			16,400	6,232	25,000	9,500
SINALOA					4,000	1,520
Total	410,343	155,930	712,687	270,821	1, 145,658	435,350