

### Domestic Fundamentals:

#### **Market Outlook:**

The cotton physical market showed overall mixed trend across India today. MCX cotton spot price traded higher at Rs.30,300/bale on Thursday. ICE cotton futures closed green on Wednesday.

**News:** As per the Cotton Association of India latest estimate of the cotton crop for 2022-23 season. The CAI has reduced its cotton crop estimate at 330.50 lakh bales from the previous 339.75 lakh bales.

The cotton supply estimated by the CAI till end of the cotton season 2022-23 i.e. upto 30<sup>th</sup> September 2023 is 374.39 lakh bales. The total cotton supply consists of the opening stock of 31.89 lakh bales at the beginning of the cotton season on 1<sup>st</sup> October 2022, crop for the season estimated at 330.50 lakh bales and the imports for the season estimated by the CAI at the same level i.e. at 12 lakh bales.

The domestic consumption for the season is estimated at 300 lakh bales. The exports for the season have been estimated at 30.00 lakh bales i.e. at the same level as estimated previously. The exports estimate for the previous cotton season 2021-22 was 43 lakh bales. The carry-over stock which was earlier estimated at 53.64 lakh bales is now estimated at 44.39 lakh bales.

Cotton prices continue to decline in the domestic market. Also, Cotton Corporation of India has started purchasing cotton in Maharashtra, Telangana, and Odisha. February cotton contract has been delayed by MCX.

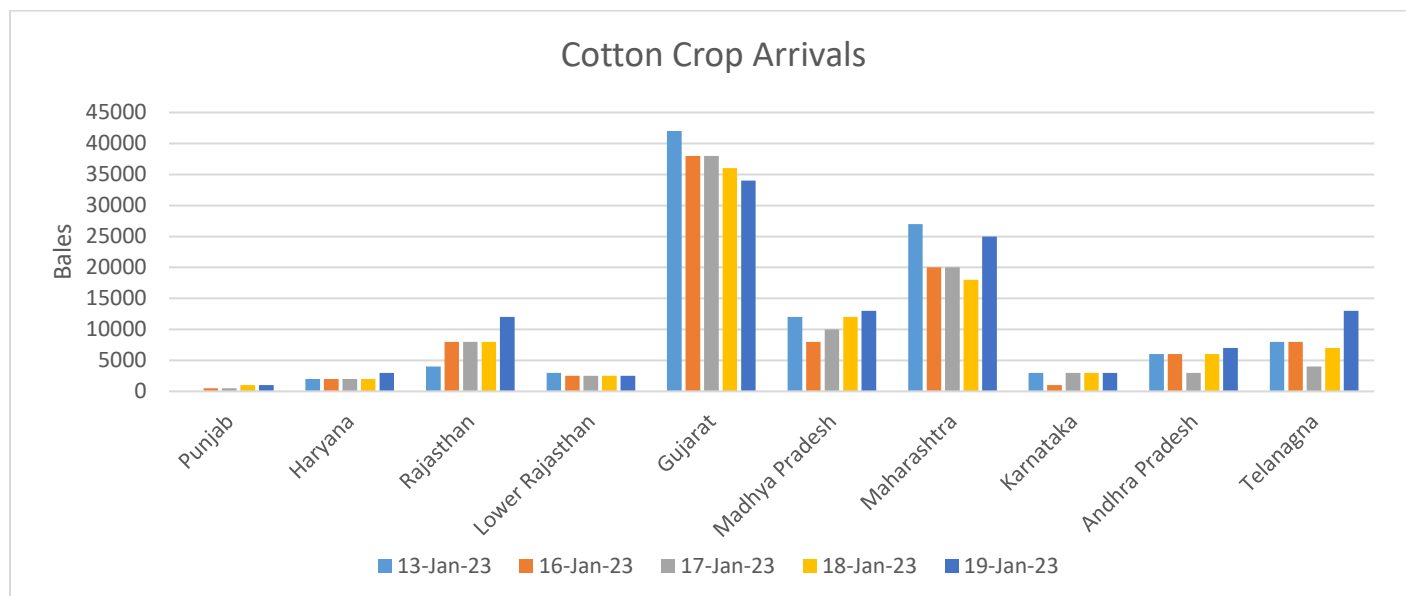
Cotton daily arrivals have reduced around 1,00,000-1,20,000 bales per day. Cotton arrivals in the domestic market are not increasing as farmers are holding stock in anticipation of higher prices. Overall weather is favorable for the cotton crop. Cotton third picking is going on in most of the cotton belt.

According to Gujcot trade Association, Gujarat has registered arrivals of around 25 lakh bales about 27% of the total estimated crop. This is Gujarat arrivals are lower by around 8 percent because the cotton prices are lower in the domestic market as a result farmers are holding stock. All India arrivals are also lower as compared to the previous season by around 15%.

### Weather Forecast

Dense to very dense fog very likely in isolated pockets over Orissa, Assam & Meghalaya, Tripura.

### All India New Cotton Crop: Bales



### NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
Jan-23	3100	3118	3067	3106	-26.00
Feb-23	2931	2936	2879	2929	-44.00

### International Cotton Fundamentals:

The Cotlook A index was at 98.10 cents/lb. The AWP for cotton was 74.68 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
Mar-23	84.81	+199
May-23	85.18	+210
Jul-23	85.40	+210

According to USDA WASDE January report, the 2022-23 U.S. Cotton Production is estimated 438,000 bales higher, at 14.7 million bales, with yield at 947 pounds per acre, which is higher by 9 % from the December estimate. Exports are forecast 250,000 bales lower, at 12.0 million, with both projected world trade and the U.S. share slightly lower this month. Ending stocks are higher by 700,000 bales to 4.2 million, equal to 30 percent of projected use.

World cotton production is forecasted at 330,000 bales lower than it was in December as lower production in India more than offsets gains in the United States and Brazil. Projected world consumption is 850,000 bales lower this month, at 110.9 million bales.

India's 2022-23 consumption is estimated 500,000 bales lower, with smaller declines for Indonesia and Vietnam. Projected world trade is down by 600,000 bales, to 41.7 million, as projected exports from the United States, India, and Argentina decline. Imports by China, Indonesia, and Vietnam are also projected lower.

### Cotton Yarn

According to the market sources, cotton yarn market in north India witnessed better demand after the recent rise in cotton prices during the week under review. Buyers were anticipating that yarn prices will rise due to costlier cotton. Cotton yarn prices gained Rs. 5-10 per kg in Ludhiana due to better buying, but the prices were stable in Delhi and Panipat market.

Ludhiana market witnessed higher prices of cotton yarn. Demand was better from both exports and domestic consumption. 30 count cotton combed yarn was sold at Rs. 280-290 per kg. 20 and 25 count combed yarn were traded at Rs.270-280 per kg and Rs.275-285 per kg respectively.

## DOMESTIC PRICES AND ARRIVALS

### Cotton Prices at Key Spot Markets:

Cotton Prices at Key Spot Markets:					
Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	19-Jan-23	18-Jan-23	
Gujarat	Ahmedabad	Shankar-6	8650	8600	50
	Gondal	Shankar-6	8780	8805	-25
	Rajkot	B.T. Cotton	8600	8350	250
	Patan	B.T. Cotton	8570	8610	-40
	Kadi	B.T. Cotton	8400	8400	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	8580	8610	-30
Haryana	Bhiwani	B.T. Cotton	8500	8500	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8500	8500	Unch
	Fatehabad	B.T. Cotton	8448	8459	-11
	Jind	B.T. Cotton	NR	NA	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	8465	8465	Unch
Rajasthan	Hanumangarh	B.T. Cotton	8550	8600	-50
	Rawatsar	B.T. Cotton	8670	8725	-55
Madhya Pradesh	Khandwa	Mech-1	8500	8500	Unch

	Khargaon	Mech-1	NA	8250	-
Maharashtra	Amravati	Mech-1	8500	8500	Unch
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	8050	8020	30
Andhra Pradesh	Adoni	Un-Ginned	8585	8540	45
Karnataka	Bijapur	Bunny	9297	8694	603
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	8500	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	19-Jan-23	18-Jan-23	
Punjab	Bhatinda	J-34	6500	6450	50
	Abohar	J-34	6500	6400	100
	Mansa	J-34	NR	NR	-
Haryana	Sirsa	J-34	6350	6350	Unch
Rajasthan	Sri-Ganganagar	J-34	6110	6157	-47

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	19-Jan-23	18-Jan-23	
Gujarat	Ahmedabad	Shankar-6	51000	42500	8500
	Gondal	Shankar-6	8450	8250	200
	Rajkot	B.T. Cotton	4000	2800	1200
	Patan	B.T. Cotton	5720	5980	-260
	Kadi	B.T. Cotton	10000	10000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	731	507	224
Haryana	Bhiwani	B.T. Cotton	800	1000	-200
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	1020	1020	Unch
	Fatehabad	B.T. Cotton	450	580	-130
	Jind	B.T. Cotton	NR	NA	-
	Uchana	B.T. Cotton	650	650	Unch
	Dabwali	B.T. Cotton	650	650	Unch
Rajasthan	Hanumangarh	B.T. Cotton	5000	2000	3000
	Rawatsar	B.T. Cotton	5000	2000	3000
Madhya Pradesh	Khandwa	Mech-1	6000	5500	500
	Khargaon	Mech-1	NA	8400	-
Maharashtra	Amravati	Mech-1	9000	9000	Unch
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	49188.7	42760	6428.7
Andhra Pradesh	Adoni	Un-Ginned	1916	1430	486
Karnataka	Bijapur	Bunny	4706	3961	745

	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	18	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	19-Jan-23	18-Jan-23	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	850	510	340
	Mansa	J-34	NR	NR	-
Haryana	Sirsa	J-34	680	340	340
Rajasthan	Sri-Ganganagar	J-34	3000	2500	500

**Cotton Seed Oil Prices:**

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	19-Jan-23	18-Jan-23	
Gujarat	Rajkot	Rs./10 Kg.	1210	1210	Unch
Delhi	New Delhi	Rs./10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs./10 Kg.	1200	1190	10
Maharashtra	Mumbai	Rs./10 Kg.	1200	1200	Unch

**Cotton Seed Oil Seed Cake Prices:**

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	19-Jan-23	18-Jan-23	
Gujarat	Mahesana (Kadi)	Rs./Qtl	3166	3163	3
Maharashtra	Akola	Rs./Qtl	3105	3097	8

**INTERNATIONAL PRICES AND INDICES****China Cotton Index:**

Index	Unit	19-Jan-23	18-Jan-23	Change
CCIndex(328)	RMB/Ton	15351	15252	99
CCIndex(527)	RMB/Ton	13811	13716	95
CCIndex(229)	RMB/Ton	15622	15550	72
RMB -Renminbi, 1RMB =0.16 \$U.S.				

**China Foreign Cotton (FCE) Index :**

Index	Unit	18-Jan-23	16-Jan-23	Change
FC Index (S)	Cents/lb	101.17	98.71	2.46
FC Index (M)	Cents/lb	100.27	97.81	2.46
FC Index (L)	Cents/lb	99.26	98.79	0.47

**Cotlook Index:**

Cotlook Indices	Unit	18-Jan-23	16-Jan-23	Change
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<b>A-Index</b>	Cents/Pound	98.6	98.1	<b>0.50</b>
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### USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		18-Jan-23	18-Jan-23	Bales
Southeast	cents/lb.	86.31	88.56	<b>1000</b>
North Delta	cents/lb.	85.31	87.56	<b>0</b>
South Delta	cents/lb.	85.31	87.56	<b>0</b>
East TX-OK	cents/lb.	81.81	84.06	<b>1224</b>
West Texas	cents/lb.	82.31	84.31	<b>2523</b>
Desert SW	cents/lb.	81.31	83.56	<b>0</b>
SJ Valley	cents/lb.	81.56	90.46	<b>0</b>

Spot quotations are for cotton equal to the official standards, net weight, in mixed lots. Upland quotations are FOB car/truck, which includes compression and any brokerage charges. The upland base quality is color 41, leaf grade 4, staple 34 (1.05 to 1.07), mike 3.5, 3.6 and 4.3 to 4.9, strength 26.5 to 28.4 grams per Tex and uniformity 80.5 to 81.4

### Cotton Association of India Spot Rates:

Trade Name	Staple	Micronaire	Strength/ GPT	Rs. Per Candy	Rs. Per Candy	Change
				18-Jan-23	17-Jan-23	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	64600	64100	<b>500</b>
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	65100	64600	<b>500</b>
J-34(202)	26mm	3.5 - 4.9	23	60400	60000	<b>400</b>
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	61000	60500	<b>500</b>
Shankar-6(105)	29mm	3.5 - 4.9	28	63000	62300	<b>700</b>
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	63900	63400	<b>500</b>
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	65000	64500	<b>500</b>
DCH-32(107)	34mm	3.0 - 3.8	33	67500	67000	<b>500</b>

Cotton Yarn Prices	19-Jan-23	18-Jan-23	Change	19-Jan-23	18-Jan-23	Change
Variety	Prices FOB ,USD			Prices Kg Indian Port		
Ne 20/1 Carded Hosiery Yarn	2.91	2.91	Unch	241	241	Unch
Ne 20/1 Combed Hosiery Yarn	3.03	3.03	Unch	251	251	Unch
Ne 21/1 Carded Weaving Yarn	2.91	2.91	Unch	241	241	Unch
Ne 26/1 Combed Hosiery Yarn	3.11	3.11	Unch	257	257	Unch
Ne 30/1 Carded Hosiery Yarn	3.07	3.07	Unch	254	254	Unch
Ne 30/1 Combed Hosiery Yarn	3.19	3.19	Unch	264	264	Unch
Ne 32/1 Carded Weaving Yarn	3.15	3.15	Unch	261	261	Unch
Ne 34/1 Combed Hosiery Yarn	3.4	3.4	Unch	281	281	Unch
Ne 40/1 Combed Hosiery Yarn	3.64	3.64	Unch	301	301	Unch
Ne 40/1 Carded Weaving Yarn	3.34	3.34	Unch	276	276	Unch
Ne 30/2 Carded Hosiery Yarn	3.34	3.34	Unch	276	276	Unch
Ne 32/2 Combed Knitting Yarn	3.76	3.76	Unch	311	311	Unch
Ne 32/2 Carded Hosiery Yarn	3.4	3.4	Unch	281	281	Unch
Ne 40/2 Combed Hosiery Yarn	4.18	4.18	Unch	346	346	Unch
Ne 30/1 Combed Compact Weaving Yarn	3.4	3.4	Unch	281	281	Unch
Ne 40/1 Combed Compact Weaving Yarn	3.82	3.82	Unch	316	316	Unch
Ne 50/1 Combed Compact Weaving Yarn	4.16	4.16	Unch	344	344	Unch
Ne 16/1 Open End Yarn	2.28	2.28	Unch	189	189	Unch
Ne 21/1 Open End Yarn	2.47	2.47	Unch	204	204	Unch
Ne 24/1 Open End Yarn	2.77	2.77	Unch	229	229	Unch

Daily Futures Price Listing Wednesday, Jan 18 <sup>th</sup> 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
<a href="#">23-Mar</a>	230118	82.86	86.3	82.86	84.81	1.99	19971	88108	-981
<a href="#">23-May</a>	230118	83.34	86.49	83.32	85.18	2.10	9,322	44,319	1512
<a href="#">23-Jul</a>	230118	83.59	86.59	83.56	85.4	2.10	4,825	36,808	647
<a href="#">23-Oct</a>	230118	82.81	83.25	82.81	83.25	1.84	44	29	-1
<a href="#">23-Dec</a>	230118	81.8	83.9	81.72	83.2	1.69	1597	26,197	323
<a href="#">24-Mar</a>	230118	81.76	83.63	81.76	83.19	1.63	136	4653	30
Total Volume and Open Interest							35,922	202,752	1,525

Source: MRCI

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