

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed overall mixed trend across India today. MCX cotton spot price traded higher at Rs.30,110/bale on Friday. ICE cotton futures closed green on Thursday.

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 30th 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 1st 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.

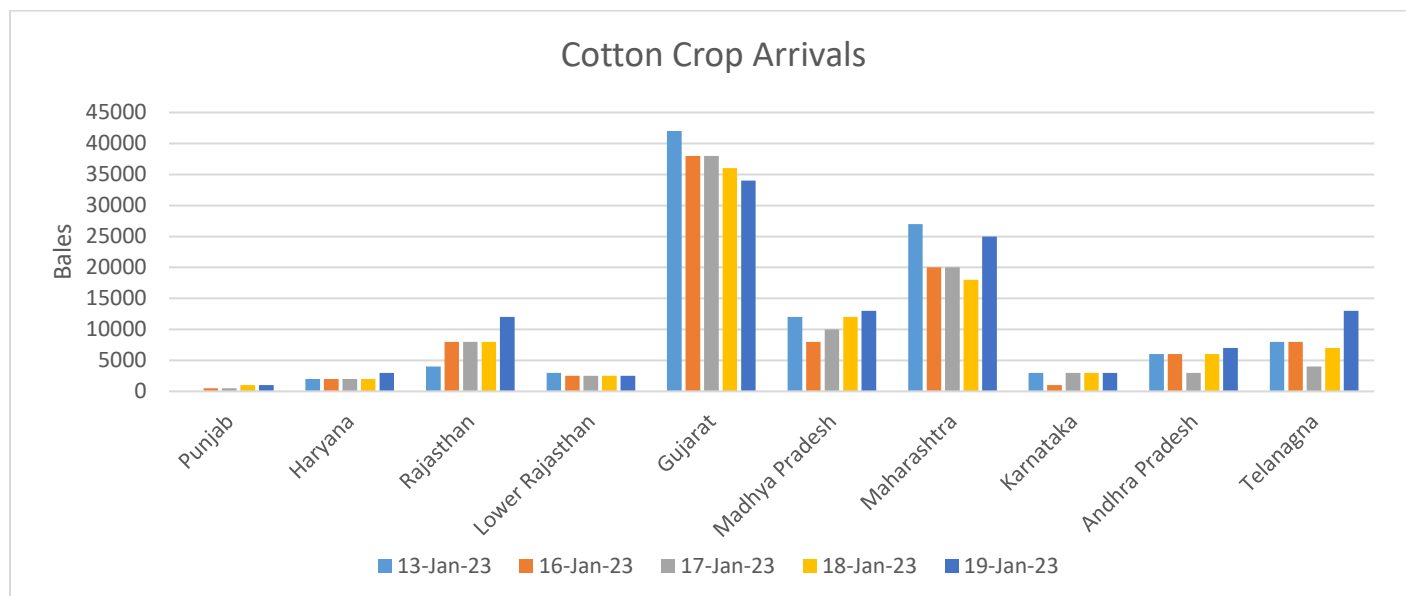
Cotton daily arrivals have reduced around 1,00,000-1,20,000 bales per day. Cotton arrivals in the domestic market are not increasing as farmers are holding stock in anticipation of higher prices. Overall weather is favorable for the cotton crop. Cotton third picking is going on in most of the cotton 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 98.60 cents/lb. The AWP for cotton was 72.43 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
Mar-23	83.39	-142
May-23	83.86	-132
Jul-23	84.18	-122

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:

Commodity State	Kapas		Prices (Rs./Quintal)		Change
	Centre	Variety	20-Jan-23	19-Jan-23	
Gujarat	Ahmedabad	Shankar-6	8500	8650	-150
	Gondal	Shankar-6	8705	8780	-75
	Rajkot	B.T. Cotton	8450	8600	-150
	Patan	B.T. Cotton	8475	8570	-95
	Kadi	B.T. Cotton	8750	8400	350
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	8575	8580	-5
Haryana	Bhiwani	B.T. Cotton	8400	8500	-100
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8400	8500	-100
	Fatehabad	B.T. Cotton	8261	8448	-187
	Jind	B.T. Cotton	NR	NR	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	8350	8465	-115
Rajasthan	Hanumangarh	B.T. Cotton	8400	8550	-150
	Rawatsar	B.T. Cotton	8625	8670	-45
Madhya Pradesh	Khandwa	Mech-1	8200	8500	-300
	Khargaon	Mech-1	8251	NA	-

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	8030	8050	-20
Andhra Pradesh	Adoni	Un-Ginned	8913	8585	328
Karnataka	Bijapur	Bunny	8696	9297	-601
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	8650	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	20-Jan-23	19-Jan-23	
Punjab	Bhatinda	J-34	6400	6500	-100
	Abohar	J-34	6400	6500	-100
	Mansa	J-34	NR	NR	-
Haryana	Sirsa	J-34	6350	6350	Unch
Rajasthan	Sri-Ganganagar	J-34	6110	6110	Unch

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	20-Jan-23	19-Jan-23	
Gujarat	Ahmedabad	Shankar-6	62900	51000	11900
	Gondal	Shankar-6	8350	8450	-100
	Rajkot	B.T. Cotton	4200	4000	200
	Patan	B.T. Cotton	6344	5720	624
	Kadi	B.T. Cotton	30000	10000	20000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	953	731	222
Haryana	Bhiwani	B.T. Cotton	200	800	-600
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	1020	1020	Unch
	Fatehabad	B.T. Cotton	200	450	-250
	Jind	B.T. Cotton	NR	NR	-
	Uchana	B.T. Cotton	250	650	-400
	Dabwali	B.T. Cotton	250	650	-400
Rajasthan	Hanumangarh	B.T. Cotton	3000	5000	-2000
	Rawatsar	B.T. Cotton	3000	5000	-2000
Madhya Pradesh	Khandwa	Mech-1	7500	6000	1500
	Khargaon	Mech-1	10600	NA	-
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	65344.8	49188.7	16156.1
Andhra Pradesh	Adoni	Un-Ginned	2025	1916	109
Karnataka	Bijapur	Bunny	5674	4706	968
	Hubli	D.C.H.	NA	NA	-

	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	16	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	20-Jan-23	19-Jan-23	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	NA	850	-
	Mansa	J-34	NR	NR	-
Haryana	Sirsa	J-34	680	680	Unch
Rajasthan	Sri-Ganganagar	J-34	3000	3000	Unch

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	20-Jan-23	19-Jan-23	
Gujarat	Rajkot	Rs. /10 Kg.	1210	1210	Unch
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1230	1200	30
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	20-Jan-23	19-Jan-23	
Gujarat	Mahesana (Kadi)	Rs./Qtl	3146	3166	-20
Maharashtra	Akola	Rs./Qtl	3090	3105	-14

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

Index	Unit	20-Jan-23	19-Jan-23	Change
CCIndex(328)	RMB/Ton	15486	15351	135
CCIndex(527)	RMB/Ton	13930	13811	119
CCIndex(229)	RMB/Ton	15717	15622	95

RMB -Renminbi, 1RMB =0.16 \$U.S.

China Foreign Cotton (FCE) Index :

Index	Unit	19-Jan-23	17-Jan-23	Change
FC Index (S)	Cents/lb	99.68	99.17	0.51
FC Index (M)	Cents/lb	98.74	98.27	0.47
FC Index (L)	Cents/lb	97.73	97.29	0.44

Cotlook Index:

Cotlook Indices	Unit	19-Jan-23	17-Jan-23	Change
A-Index	Cents/Pound	100.6	98.1	2.50



USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		19-Jan-23	19-Jan-23	Bales
Southeast	cents/lb.	84.89	87.14	245
North Delta	cents/lb.	83.89	86.14	0
South Delta	cents/lb.	83.89	86.14	0
East TX-OK	cents/lb.	80.39	82.64	2397
West Texas	cents/lb.	80.89	82.89	16292
Desert SW	cents/lb.	79.89	82.14	0
SJ Valley	cents/lb.	80.14	89.04	0

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
				19-Jan-23	18-Jan-23	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	64800	64600	200
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	65300	65100	200
J-34(202)	26mm	3.5 - 4.9	23	60600	60400	200
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	61200	61000	200
Shankar-6(105)	29mm	3.5 - 4.9	28	63100	63000	100
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	64100	63900	200
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	65000	65000	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	67500	67500	Unch

Daily Futures Price Listing Thursday, Jan 19th 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
23-Mar	230119	84.8	85.64	83.23	83.39	-1.42	14294	88825	717
23-May	230119	85.15	85.95	83.68	83.86	-1.32	7,250	44,613	294
23-Jul	230119	85.4	86.15	84	84.18	-1.22	4,569	36,154	-654
23-Oct	230119	82.28	82.28	82.28	82.28	-0.97	2	30	1
23-Dec	230119	83.74	83.74	82.05	82.32	-0.88	1603	26,190	-7
24-Mar	230119	83.23	83.25	82.35	82.35	-0.84	255	4820	167
Total Volume and Open Interest							28,220	203,290	538

Source: MRCI

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