

### Domestic Fundamentals:

#### **Market Outlook:**

The cotton physical market showed bearish trend across India today. MCX cotton spot price traded higher at Rs.29,830/bale on Monday. ICE cotton futures closed green on Friday.

**News:** Cotton daily arrivals had slightly increased during the last week and were at around 1,15,000-1,30,000 bales per day. Overall weather is favorable for the cotton crop. However, there is report of lower crop expectations from northern India. The staple length is expected to be shorter in this season from Punjab, Haryana and Rajasthan. Cotton third picking is going on in most of the cotton belt, in some areas fourth picking has also started. Cottonseed prices remained stable during the last week. Cottonseed arrivals is likely to improve in the coming week.

The situation of Ginners improved in most of the region. Cotton yarn prices are stable although demand has improved during the last week. Ginning factories are working with 50 percent capacity till last week. Cottonseed oilcake prices remained bearish during the last week.

The cotton prices showed a bullish trend in the physical market yesterday, cotton arrivals have also improved as compared to the previous week.

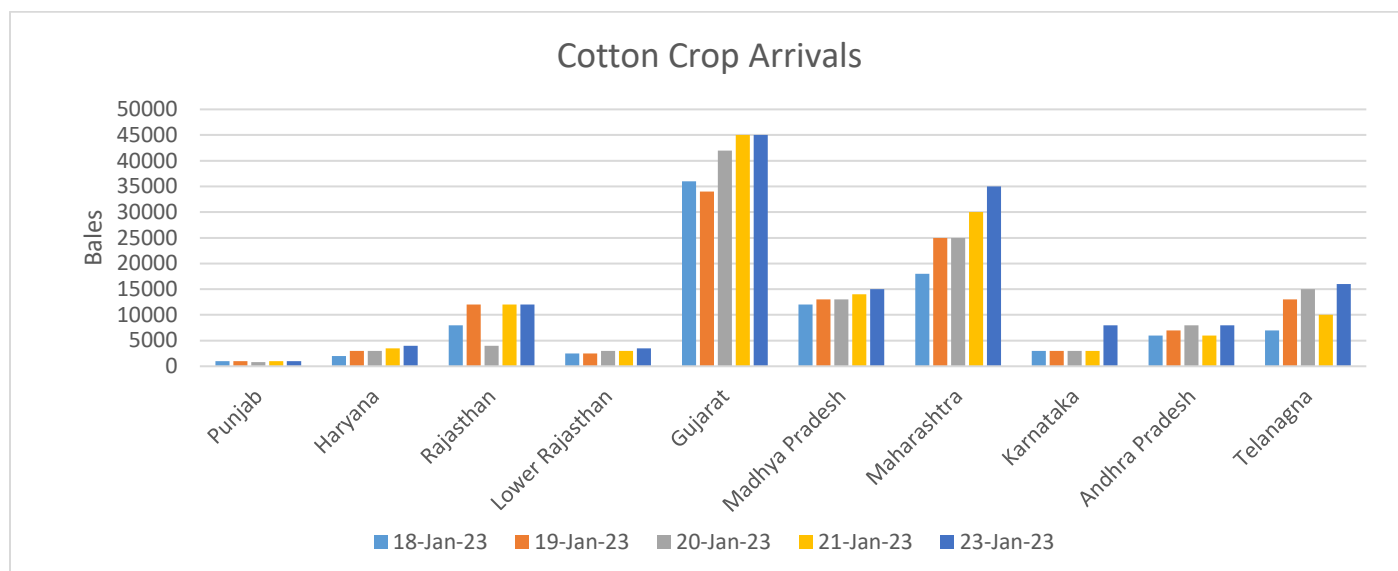
As per the Cotton Association of India latest estimate of the cotton crop for 2022-23 season. The CAI has reduced its cotton crop estimate at 330.50 lakh bales from the previous 339.75 lakh bales. The cotton supply estimated by the CAI till end of the cotton season 2022-23 i.e. upto 30<sup>th</sup> September 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.

### Weather Forecast

Thunderstorms accompanied with lightning at isolated places over Jammu & Kashmir, Himachal Pradesh, Uttarakhand, Punjab, Haryana & Chandigarh and with lightning at isolated places over West Uttar Pradesh.

### All India New Cotton Crop: Bales



### NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
Jan-23	2860	2864	2826	2864	-28.00
Feb-23	2795	2798	2760	2808	-38.00

### 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	86.70	+331
May-23	87.06	+320
Jul-23	87.22	+304

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	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	23-Jan-23	21-Jan-23	
Gujarat	Ahmedabad	Shankar-6	8550	8650	-100
	Gondal	Shankar-6	8605	8605	Unch
	Rajkot	B.T. Cotton	8585	8625	-40
	Patan	B.T. Cotton	8480	8450	30
	Kadi	B.T. Cotton	8750	8750	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	8545	8585	-40
Haryana	Bhiwani	B.T. Cotton	8200	8400	-200
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8300	NR	-
	Fatehabad	B.T. Cotton	8100	8365	-265
	Jind	B.T. Cotton	NR	NR	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	8250	8350	-100
Rajasthan	Hanumangarh	B.T. Cotton	8400	8400	Unch
	Rawatsar	B.T. Cotton	8400	Closed	-
Madhya Pradesh	Khandwa	Mech-1	8200	Closed	-
	Khargaon	Mech-1	8075	Closed	-
Maharashtra	Amravati	Mech-1	8200	Closed	-

	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	8030	8030	-
Andhra Pradesh	Adoni	Un-Ginned	8546	NA	-
Karnataka	Bijapur	Bunny	NA	8609	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	NA	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	23-Jan-23	21-Jan-23	
Punjab	Bhatinda	J-34	6375	6450	-75
	Abohar	J-34	6350	6450	-100
	Mansa	J-34	NR	NR	-
Haryana	Sirsa	J-34	6200	6300	-100
Rajasthan	Sri-Ganganagar	J-34	6063	6110	-47

**Cotton Arrivals in Key Centers:**

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	23-Jan-23	21-Jan-23	
Gujarat	Ahmedabad	Shankar-6	59500	62900	-3400
	Gondal	Shankar-6	7950	7750	200
	Rajkot	B.T. Cotton	4800	6000	-1200
	Patan	B.T. Cotton	5436	7624	-2188
	Kadi	B.T. Cotton	30000	30000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	940	925	15
Haryana	Bhiwani	B.T. Cotton	600	200	400
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	3001	NR	-
	Fatehabad	B.T. Cotton	225	550	-325
	Jind	B.T. Cotton	NR	NR	-
	Uchana	B.T. Cotton	600	250	350
	Dabwali	B.T. Cotton	600	250	350
Rajasthan	Hanumangarh	B.T. Cotton	3000	Closed	-
	Rawatsar	B.T. Cotton	3000	Closed	-
Madhya Pradesh	Khandwa	Mech-1	9000	Closed	-
	Khargaon	Mech-1	13000	Closed	-
Maharashtra	Amravati	Mech-1	9000	Closed	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	0	108258.7	-108258.7
Andhra Pradesh	Adoni	Un-Ginned	2614	NA	-
Karnataka	Bijapur	Bunny	NA	3085	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-

	Raichur	H-44 Cotton	NA	NA	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	23-Jan-23	21-Jan-23	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	1190	1190	Unch
	Mansa	J-34	NR	NR	-
Haryana	Sirsa	J-34	1020	510	510
Rajasthan	Sri-Ganganagar	J-34	3000	3000	Unch

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	23-Jan-23	21-Jan-23	
Gujarat	Rajkot	Rs. /10 Kg.	1200	1210	-10
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1215	1230	-15
Maharashtra	Mumbai	Rs. /10 Kg.	1170	1200	-30

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	23-Jan-23	21-Jan-23	
Gujarat	Mahesana (Kadi)	Rs./Qtl	3048	3099	-51
Maharashtra	Akola	Rs./Qtl	3015	3040	-25

INTERNATIONAL PRICES AND INDICESChina 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	18-Jan-23	Change
FC Index (S)	Cents/lb	101.17	99.17	2.00
FC Index (M)	Cents/lb	100.27	98.27	2.00
FC Index (L)	Cents/lb	99.26	97.29	1.97

Cotlook Index:

Cotlook Indices	Unit	21-Jan-23	20-Jan-23	Change
A-Index	Cents/Pound	Closed	99.1	-

USDA Cotton Spot Rates:



Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		21-Jan-23	21-Jan-23	Bales
Southeast	cents/lb.	Closed	Closed	Closed
North Delta	cents/lb.	Closed	Closed	Closed
South Delta	cents/lb.	Closed	Closed	Closed
East TX-OK	cents/lb.	Closed	Closed	Closed
West Texas	cents/lb.	Closed	Closed	Closed
Desert SW	cents/lb.	Closed	Closed	Closed
SJ Valley	cents/lb.	Closed	Closed	Closed

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
				21-Jan-23	20-Jan-23	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	64500	64500	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	65000	65000	Unch
J-34(202)	26mm	3.5 - 4.9	23	60200	60200	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	60800	60600	200
Shankar-6(105)	29mm	3.5 - 4.9	28	62500	62300	200
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	63700	63500	200
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	64500	64500	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	67500	67500	Unch

### Daily Futures Price Listing Friday, Jan 20th 2023

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
<a href="#">23-Mar</a>	230120	83.58	86.79	83.57	86.7	3.31	21390	88136	-689
<a href="#">23-May</a>	230120	84.82	87.13	84.09	87.06	3.20	11,897	44,685	72
<a href="#">23-Jul</a>	230120	84.56	87.26	84.41	87.22	3.04	7,642	35,861	-293
<a href="#">23-Oct</a>	230120	84.1	84.68	84.1	84.68	2.40	11	30	0
<a href="#">23-Dec</a>	230120	82.65	84.81	82.6	84.67	2.35	2748	26,180	-10
<a href="#">24-Mar</a>	230120	82.94	84.62	82.94	84.62	2.27	292	4713	-107
Total Volume and Open Interest							44,306	202,359	-931

Source: MRCI

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