

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed bearish trend across India today. MCX cotton spot price traded higher at Rs.29,910/bale on Tuesday. 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.

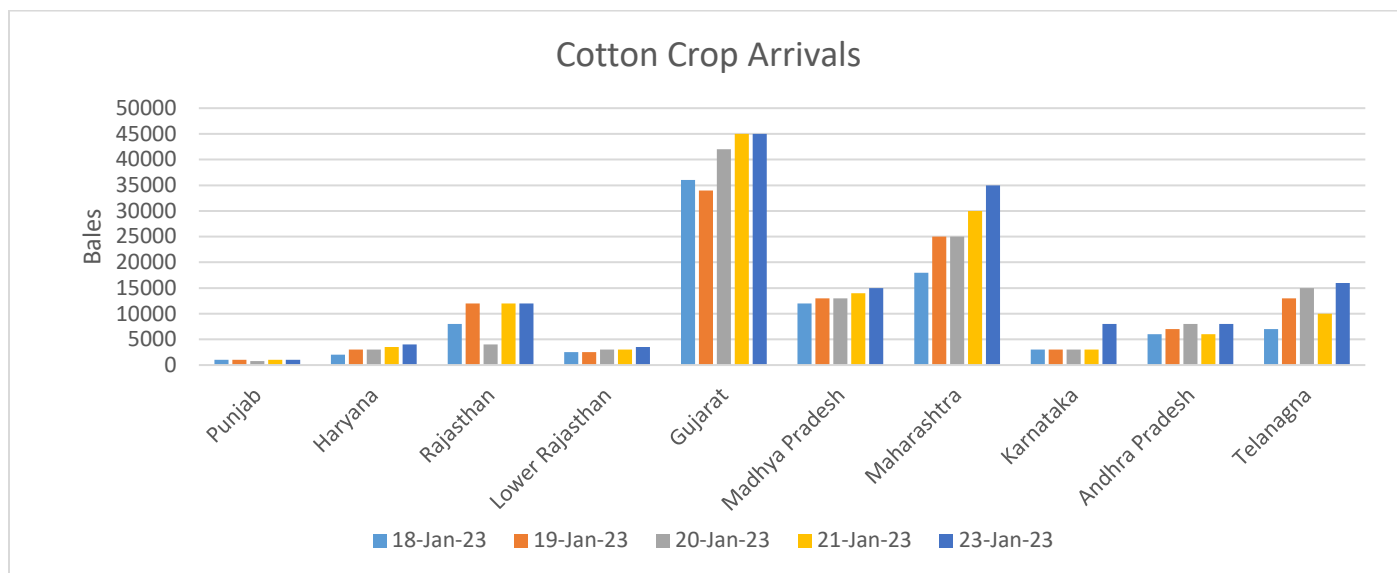
As per the Cotton Association of India latest estimate of the cotton crop for 2022-23 season. The CAI has reduced its cotton crop estimate at 330.50 lakh bales from the previous 339.75 lakh bales. The cotton supply estimated by the CAI till end of the cotton season 2022-23 i.e. upto 30th September 2023 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.

Weather Forecast

Thunderstorms accompanied with lightning at isolated places over Uttarakhand, West Uttar Pradesh and with lightning at isolated places over Punjab, Haryana, Chandigarh, Delhi, East Uttar Pradesh. and Madhya Pradesh.

All India New Cotton Crop: Bales



NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
Jan-23	2837	2870	2824	2834	+1.00
Feb-23	2765	2804	2753	2765	+13.00

International Cotton Fundamentals:

The Cotlook A index was at 99.10 cents/lb. The AWP for cotton was 72.43 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
Mar-23	87.39	+69
May-23	87.79	+73
Jul-23	88.06	+84

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	24-Jan-23	23-Jan-23	
Gujarat	Ahmedabad	Shankar-6	8500	8550	-50
	Gondal	Shankar-6	8505	8605	-100
	Rajkot	B.T. Cotton	8500	8585	-85
	Patan	B.T. Cotton	8330	8480	-150
	Kadi	B.T. Cotton	8250	8750	-500
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	8350	8545	-195
Haryana	Bhiwani	B.T. Cotton	Closed	8200	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8200	8300	-100
	Fatehabad	B.T. Cotton	8100	8100	Unch
	Jind	B.T. Cotton	NR	1712	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	8250	8250	Unch
Rajasthan	Hanumangarh	B.T. Cotton	8250	8400	-150
	Rawatsar	B.T. Cotton	8340	8400	-60

Madhya Pradesh	Khandwa	Mech-1	NR	8200	-
	Khargaon	Mech-1	7940	8075	-135
Maharashtra	Amravati	Mech-1	8100	8200	-100
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	7800	NA	-
Andhra Pradesh	Adoni	Un-Ginned	8508	8546	-38
Karnataka	Bijapur	Bunny	NA	8511	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	8200	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	24-Jan-23	23-Jan-23	
Punjab	Bhatinda	J-34	6350	6375	-25
	Abohar	J-34	6425	6350	75
	Mansa	J-34	NR	NR	-
Haryana	Sirsa	J-34	6200	6200	Unch
Rajasthan	Sri-Ganganagar	J-34	NR	6063	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	24-Jan-23	23-Jan-23	
Gujarat	Ahmedabad	Shankar-6	56100	59500	-3400
	Gondal	Shankar-6	7750	7950	-200
	Rajkot	B.T. Cotton	5000	4800	200
	Patan	B.T. Cotton	5660	5436	224
	Kadi	B.T. Cotton	20000	30000	-10000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	904	940	-36
Haryana	Bhiwani	B.T. Cotton	Closed	600	-
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	935	3001	-2065.5
	Fatehabad	B.T. Cotton	350	225	125
	Jind	B.T. Cotton	NR	240	-
	Uchana	B.T. Cotton	600	600	Unch
	Dabwali	B.T. Cotton	600	600	Unch
Rajasthan	Hanumangarh	B.T. Cotton	1500	3000	-1500
	Rawatsar	B.T. Cotton	1500	3000	-1500
Madhya Pradesh	Khandwa	Mech-1	NR	9000	-
	Khargaon	Mech-1	7600	13000	-5400
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	126925.3	NA	-
Andhra Pradesh	Adoni	Un-Ginned	3819	2614	1205
Karnataka	Bijapur	Bunny	NA	7531	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	24	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	24-Jan-23	23-Jan-23	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	850	1190	-340
	Mansa	J-34	NR	NR	-
Haryana	Sirsa	J-34	1020	1020	Unch
Rajasthan	Sri-Ganganagar	J-34	NR	3000	-

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	24-Jan-23	23-Jan-23	
Gujarat	Rajkot	Rs. /10 Kg.	1180	1200	-20
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1200	1215	-15
Maharashtra	Mumbai	Rs. /10 Kg.	1200	1170	30

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	24-Jan-23	23-Jan-23	
Gujarat	Mahesana (Kadi)	Rs./Qtl	3034	3048	-14
Maharashtra	Akola	Rs./Qtl	2997	3015	-18

INTERNATIONAL PRICES AND INDICESChina Cotton Index:

Index	Unit	20-Jan-23	23-Jan-23	Change
CCIndex(328)	RMB/Ton	15486	NA	-
CCIndex(527)	RMB/Ton	13930	NA	-
CCIndex(229)	RMB/Ton	15717	NA	-
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	20-Jan-23	23-Jan-23	Change
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FC Index (S)	Cents/lb	99.68	NA	-
FC Index (M)	Cents/lb	98.74	NA	-
FC Index (L)	Cents/lb	97.73	NA	-

Cotlook Index:

Cotlook Indices	Unit	23-Jan-23	21-Jan-23	Change
A-Index	Cents/Pound	101.8	Closed	-

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		23-Jan-23	23-Jan-23	Bales
Southeast	cents/lb.	88.89	91.14	0
North Delta	cents/lb.	87.89	90.14	0
South Delta	cents/lb.	87.89	90.14	0
East TX-OK	cents/lb.	84.14	86.39	2104
West Texas	cents/lb.	84.39	86.39	22669
Desert SW	cents/lb.	83.64	85.89	0
SJ Valley	cents/lb.	83.89	92.79	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
				23-Jan-23	21-Jan-23	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	65300	64500	800
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	65800	65000	800
J-34(202)	26mm	3.5 - 4.9	23	59200	60200	-1000
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	59800	60800	-1000
Shankar-6(105)	29mm	3.5 - 4.9	28	61800	62500	-700
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	63700	63700	Unch
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 Monday, Jan 23rd, 2023

Most Recent Information	Previous Day
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Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
23-Mar	230123	86.7	88.68	85.8	87.39	0.69	18151	87628	-508
23-May	230123	87.01	88.9	86.21	87.79	0.73	9,266	45,130	445
23-Jul	230123	87.4	88.89	86.46	88.06	0.84	5,003	35,694	-167
23-Oct	230123	86.15	86.15	85.63	85.63	0.95	1	30	0
23-Dec	230123	84.99	85.97	84.04	85.52	0.85	2145	26,460	280
24-Mar	230123	84.65	85.95	84.65	85.59	0.97	43	4702	-11
Total Volume and Open Interest							34,653	202,402	43

Source: MRCI

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