

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed mixed trend across India today. MCX cotton spot price traded higher at Rs.29,800/bale on Friday. ICE cotton futures closed green on Thursday.

News: Cotton export demand has again re-emerged as the domestic prices had fallen to Rs.61,000 per candy. 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.

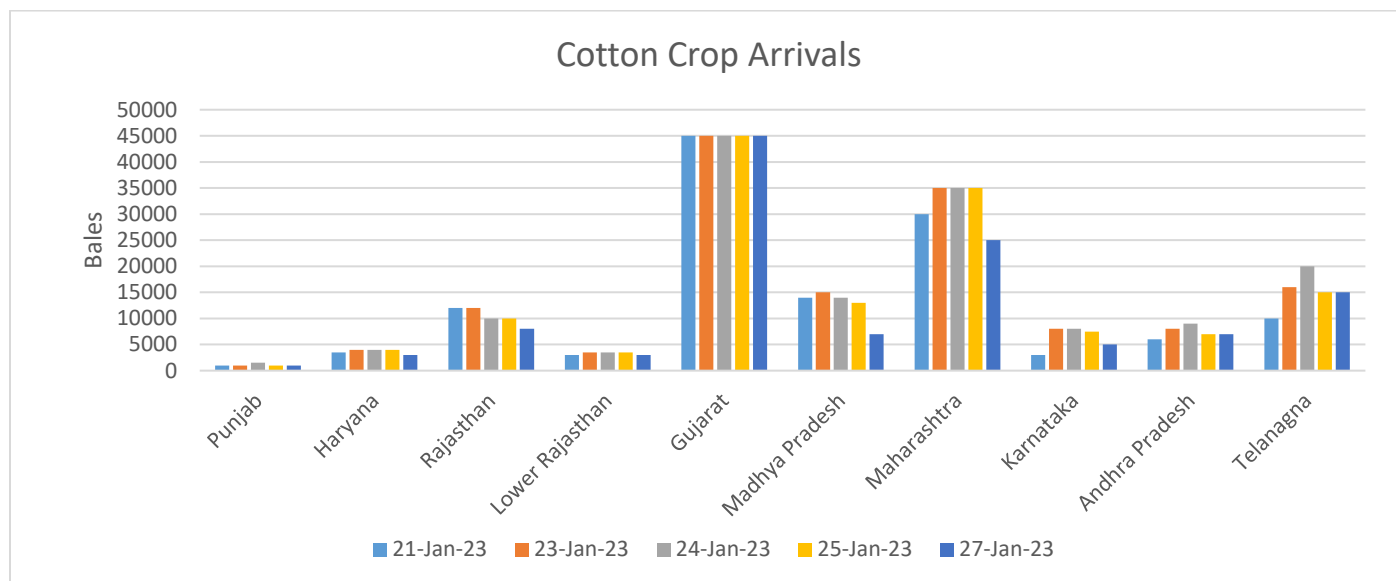
As per the Cotton Association of India latest estimate of the cotton crop for 2022-23 season. The CAI has reduced its cotton crop estimate at 330.50 lakh bales from the previous 339.75 lakh bales. The cotton supply estimated by the CAI till end of the cotton season 2022-23 i.e. upto 30th September 2023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

All India New Cotton Crop: Bales



NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
Jan-23	2849	2880	2845	2839	+36.00
Feb-23	2799	2811	2791	2780	+29.00

International Cotton Fundamentals:

The Cotlook A index was at 101.15 cents/lb. The AWP for cotton was 75.05 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
Mar-23	87.50	+84
May-23	88.02	+78
Jul-23	88.34	+63

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

Cotton yarn prices remained stable in south India yesterday as demand from the weaving industry was not encouraging. Extended winter season is hampering cotton yarn trade because the summer clothing season is likely to be delayed. Prices of most counts and varieties of cotton yarn were stable in Mumbai. Market sentiments were weak because of uncertainty in buying from the weaving industry.

In Mumbai, 60 count carded cotton yarn of warp and weft varieties were traded at Rs.1,540-1,570 per 5 kg and Rs.1,440-1,490 per 5 kg respectively. 60 count combed warp was priced at Rs.345-350 per kg. 80 count carded (weft) cotton yarn was sold at Rs.1,470-1,490 per 4.5 kg. 44/46 count carded cotton yarn was priced at Rs.275-280 per kg.

DOMESTIC PRICES AND ARRIVALS

Cotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	27-Jan-23	25-Jan-23	
Gujarat	Ahmedabad	Shankar-6	8500	8500	Unch
	Gondal	Shankar-6	8430	8505	-75
	Rajkot	B.T. Cotton	8530	8515	15
	Patan	B.T. Cotton	8350	8335	15
	Kadi	B.T. Cotton	8500	8250	250
	Deesa	B.T. Cotton	6280	7300	-1020
	Dhrol	B.T. Cotton	8500	8350	150
Haryana	Bhiwani	B.T. Cotton	8100	8100	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8340	8200	140
	Fatehabad	B.T. Cotton	8150	8075	75
Rajasthan	Hanumangarh	B.T. Cotton	8300	8200	100
	Rawatsar	B.T. Cotton	8400	NR	-
Madhya Pradesh	Khandwa	Mech-1	NA	NR	-
	Khargaon	Mech-1	NA	7960	-
Maharashtra	Amravati	Mech-1	8100	8100	Unch

Telangana	Adilabad	Un-Ginned	NA	7720	-
Andhra Pradesh	Adoni	Un-Ginned	8315	8350	-35
Karnataka	Bijapur	Bunny	7588	8969	-1381
	Hubli	D.C.H.	8500	7829	671
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	8000	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	27-Jan-23	25-Jan-23	
Punjab	Bhatinda	J-34	6325	6275	50
	Abohar	J-34	6325	6425	-100
Haryana	Sirsa	J-34	6250	6250	Unch
Rajasthan	Sri-Ganganagar	J-34	6016	5969	47

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	27-Jan-23	25-Jan-23	
Gujarat	Ahmedabad	Shankar-6	51000	56100	-5100
	Gondal	Shankar-6	7900	7750	150
	Rajkot	B.T. Cotton	5200	4800	400
	Patan	B.T. Cotton	4770	4885	-115
	Kadi	B.T. Cotton	25000	20000	5000
	Deesa	B.T. Cotton	400	600	-200
	Dhrol	B.T. Cotton	1045	619	426
Haryana	Bhiwani	B.T. Cotton	600	800	-200
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	2499	NA	-
	Fatehabad	B.T. Cotton	200	125	75
Rajasthan	Hanumangarh	B.T. Cotton	2000	NR	-
	Rawatsar	B.T. Cotton	2000	NR	-
	Khargaon	Mech-1	0	4500	-4500
Maharashtra	Amravati	Mech-1	9000	9000	Unch
Telangana	Adilabad	Un-Ginned	NA	75939.4	-
Andhra Pradesh	Adoni	Un-Ginned	2878	3977	-1099
Karnataka	Bijapur	Bunny	5067	6688	-1621
	Hubli	D.C.H.	26	2	24
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	18	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	27-Jan-23	25-Jan-23	
	Abohar	J-34	510	850	-340
	Mansa	J-34	NA	NR	-
Haryana	Sirsa	J-34	340	340	Unch



Rajasthan	Sri-Ganganagar	J-34	2000	2000	Unch
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Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	27-Jan-23	25-Jan-23	
Gujarat	Rajkot	Rs. /10 Kg.	1120	1130	-10
Telangana	Hyderabad	Rs. /10 Kg.	1200	1200	Unch
Maharashtra	Mumbai	Rs. /10 Kg.	1115	1120	-5

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	27-Jan-23	25-Jan-23	
Gujarat	Mahešana (Kadi)	Rs./Qtl	3022	3007	15
Maharashtra	Akola	Rs./Qtl	2963	2955	8

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

Index	Unit	27-Jan-23	25-Jan-23	Change
CCIndex(328)	RMB/Ton	NA	NA	-
CCIndex(527)	RMB/Ton	NA	NA	-
CCIndex(229)	RMB/Ton	NA	NA	-
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	27-Jan-23	25-Jan-23	Change
FC Index (S)	Cents/lb	NA	NA	-
FC Index (M)	Cents/lb	NA	NA	-
FC Index (L)	Cents/lb	NA	NA	-

Cotlook Index:

Cotlook Indices	Unit	25-Jan-23	24-Jan-23	Change
A-Index	Cents/Pound	101.65	102.45	-0.80

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		25-Jan-23	25-Jan-23	Bales
Southeast	cents/lb.	88.16	90.41	1134
North Delta	cents/lb.	87.16	89.41	0
South Delta	cents/lb.	87.16	89.41	0
East TX-OK	cents/lb.	83.16	84.91	2245



West Texas	cents/lb.	83.41	84.91	1913
Desert SW	cents/lb.	82.41	84.66	261
SJ Valley	cents/lb.	82.66	91.56	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
				25-Jan-23	24-Jan-23	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	64300	64300	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	64800	64800	Unch
J-34(202)	26mm	3.5 - 4.9	23	58900	58900	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	59800	59800	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	61700	61800	-100
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	63200	63400	-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 Thursday, Jan 26th 2023

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
23-Mar	230126	86.8	88.88	86.63	87.5	0.84	13358	86180	-1760
23-May	230126	87.25	89.31	87.17	88.02	0.78	8,591	49,957	1055
23-Jul	230126	87.73	89.59	87.53	88.34	0.63	3,849	38,381	974
23-Oct	230126	86.13	86.13	86.13	86.13	0.59	0	30	0
23-Dec	230126	85.4	86.98	85.22	85.92	0.39	2008	26,418	-70
24-Mar	230126	86.12	87.07	86.07	86.07	0.44	497	4561	-116
Total Volume and Open Interest							28,914	208,137	-117

Source: MRCI

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