

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed mixed trend across India today. MCX cotton spot price traded down at Rs.29,810/bale on Tuesday. ICE cotton futures closed red on Monday.

News

Cotton export demand has again re-emerged as the domestic prices had fallen to Rs.61,000 per candy. Cotton daily arrivals had decreased 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 cotton farmers of the Palamuru region face a huge loss as they are not able to get the minimum support price for their produce as the market prices are falling downwards, leading to heavy losses to the farmers as they are not able to get back their investment on the crop. While earlier last year, the cotton prices crossed more than Rs 9,000 to 10,000 per quintal and gave good profits for the cotton farmers in the region, however this year the prices of cotton are dwindling in between Rs 6,000 to 8,000 per quintal.

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 bearish trend in the physical market yesterday, cotton arrivals have also declined as compared to the previous week.

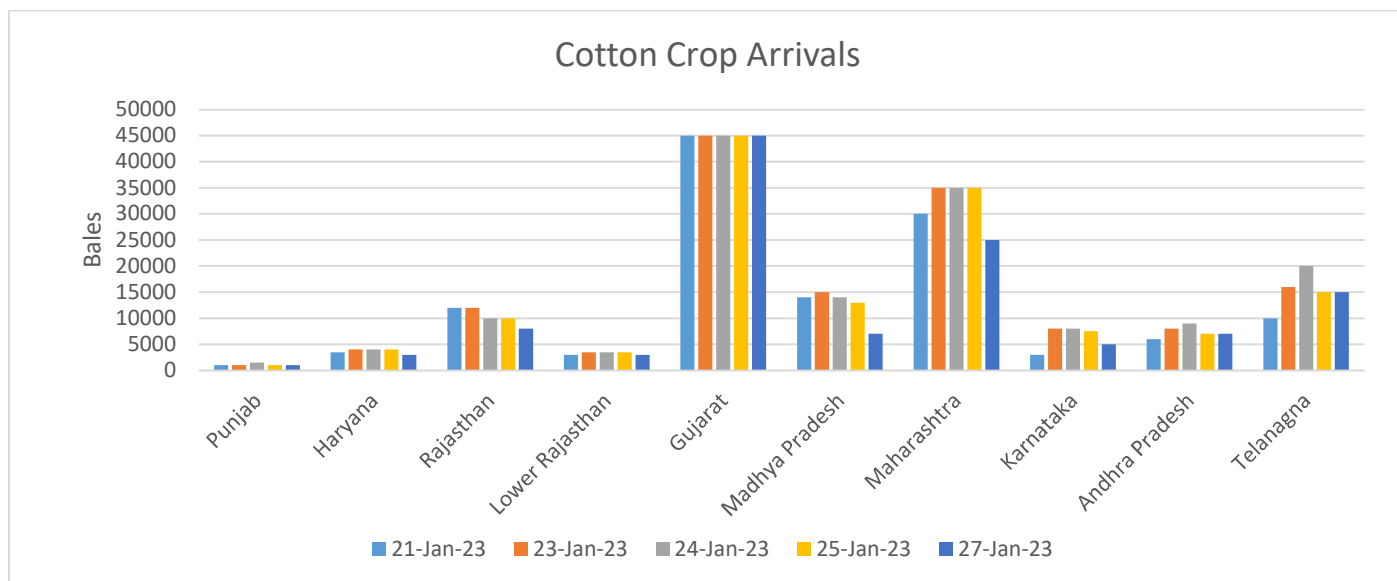
As per the Cotton Association of India latest estimate of the cotton crop for 2022-23 season. The CAI has reduced its cotton crop estimate at 330.50 lakh bales from the previous 339.75 lakh bales. The cotton supply estimated by the CAI till end of the cotton season 2022-23 i.e. upto 30th September 2023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

Light isolated rainfall very likely at isolated places over Jammu, Kashmir, Ladakh, Gilgit, Baltistan, Muzaffarabad, Himachal Pradesh, Uttarakhand, Punjab, Haryana, West Uttar Pradesh, and with lightening at isolated places over East Uttar Pradesh, West Madhya Pradesh, Tamil Nadu, Pondicherry & Karaikal.

All India New Cotton Crop: Bales



NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
Feb-23	2855	2865	2828	2861	-27.00
Mar-23	2788	2796	2760	2792	-28.00

International Cotton Fundamentals:

The Cotlook A index was at 102.40 cents/lb. The AWP for cotton was 75.05 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
Mar-23	85.10	-179
May-23	85.74	-171
Jul-23	86.19	-161

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

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 counts 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	31-Jan-23	30-Jan-23	
Gujarat	Ahmedabad	Shankar-6	9650	8550	1100
	Gondal	Shankar-6	8580	8580	Unch
	Rajkot	B.T. Cotton	NA	NA	-
	Patan	B.T. Cotton	8280	8360	-80
	Kadi	B.T. Cotton	8250	8400	-150
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	8480	8510	-30
Haryana	Bhiwani	B.T. Cotton	8100	8100	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8300	8300	Unch
	Fatehabad	B.T. Cotton	8195	8255	-60
	Jind	B.T. Cotton	NR	NR	-
	Uchana	B.T. Cotton	NA	8273	-

	Dabwali	B.T. Cotton	8135	Na	-
Rajasthan	Hanumangarh	B.T. Cotton	Closed	8200	-
	Rawatsar	B.T. Cotton	8400	8450	-50
Madhya Pradesh	Khandwa	Mech-1	NR	NR	-
	Khargaon	Mech-1	8010	8050	-40
Maharashtra	Amravati	Mech-1	8200	8200	Unch
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	Closed	-
	Hathras	Desi	NA	Closed	-
Telangana	Adilabad	Un-Ginned	7750	NA	-
Andhra Pradesh	Adoni	Un-Ginned	8075	8075	Unch
Karnataka	Bijapur	Bunny	8283	8261	22
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	8100	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	31-Jan-23	30-Jan-23	
Punjab	Bhatinda	J-34	6300	6325	-25
	Abohar	J-34	6300	6325	-25
	Mansa	J-34	NR	NR	-
Haryana	Sirsa	J-34	6175	6200	-25
Rajasthan	Sri-Ganganagar	J-34	NR	6063	-

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	31-Jan-23	30-Jan-23	
Gujarat	Ahmedabad	Shankar-6	47600	42500	5100
	Gondal	Shankar-6	NA	NA	-
	Rajkot	B.T. Cotton	NA	NA	-
	Patan	B.T. Cotton	3615	1835	1780
	Kadi	B.T. Cotton	30000	30000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	718	706	12
Haryana	Bhiwani	B.T. Cotton	500	700	-200
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	1360	1020	340
	Fatehabad	B.T. Cotton	150	200	-50
	Jind	B.T. Cotton	NR	NR	-
	Uchana	B.T. Cotton	225	NA	-
	Dabwali	B.T. Cotton	225	NA	-
Rajasthan	Hanumangarh	B.T. Cotton	1000	1000	Unch
	Rawatsar	B.T. Cotton	1000	1000	Unch

Madhya Pradesh	Khandwa	Mech-1	NR	NR	-
	Khargaon	Mech-1	4100	5100	-1000
Maharashtra	Amravati	Mech-1	20000	2000	18000
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	Closed	-
	Hathras	Desi	NA	Closed	-
Telangana	Adilabad	Un-Ginned	33437.6	NA	-
Andhra Pradesh	Adoni	Un-Ginned	2503	1399	1104
Karnataka	Bijapur	Bunny	3816	4756	-940
	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	31-Jan-23	30-Jan-23	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	340	340	Unch
	Mansa	J-34	NR	NR	-
Haryana	Sirsa	J-34	340	85	255
Rajasthan	Sri-Ganganagar	J-34	NR	2000	-

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	31-Jan-23	30-Jan-23	
Gujarat	Rajkot	Rs. /10 Kg.	1170	1170	Unch
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	NA	NA	-
Maharashtra	Mumbai	Rs. /10 Kg.	1160	1170	-10

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	31-Jan-23	30-Jan-23	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2939	2997	-58
Maharashtra	Akola	Rs./Qtl	2965	2963	3

Cotton Yarn Prices	27-Jan-23	23-Jan-23	Change	27-Jan-23	23-Jan-23	Change
Variety	Prices FOB, USD			Prices Kg Indian Port		
Ne 20/1 Carded Hosiery Yarn	2.85	2.91	-0.06	232	241	-9.00
Ne 20/1 Combed Hosiery Yarn	3.03	3.03	Unch	247	251	-4.00
Ne 21/1 Carded Weaving Yarn	2.85	2.91	-0.06	232	241	-9.00
Ne 26/1 Combed Hosiery Yarn	3.14	3.11	0.03	256	257	-1.00
Ne 30/1 Carded Hosiery Yarn	3.06	3.07	-0.01	249	254	-5.00

Ne 30/1 Combed Hosiery Yarn	3.21	3.19	0.02	262	264	-2.00
Ne 32/1 Carded Weaving Yarn	3.18	3.15	0.03	259	261	-2.00
Ne 34/1 Combed Hosiery Yarn	3.42	3.4	0.02	279	281	-2.00
Ne 40/1 Combed Hosiery Yarn	3.61	3.64	-0.03	294	301	-7.00
Ne 40/1 Carded Weaving Yarn	3.36	3.34	0.02	274	276	-2.00
Ne 30/2 Carded Hosiery Yarn	3.36	3.34	0.02	274	276	-2.00
Ne 32/2 Combed Knitting Yarn	3.73	3.76	-0.03	304	311	-7.00
Ne 32/2 Carded Hosiery Yarn	3.42	3.4	0.02	279	281	-2.00
Ne 40/2 Combed Hosiery Yarn	4.16	4.18	-0.02	339	346	-7.00
Ne 30/1 Combed Compact Weaving Yarn	3.42	3.4	0.02	279	281	-2.00
Ne 40/1 Combed Compact Weaving Yarn	3.73	3.82	-0.09	304	316	-12.00
Ne 50/1 Combed Compact Weaving Yarn	4.04	4.16	-0.12	329	344	-15.00
Ne 16/1 Open End Yarn	2.32	2.28	0.04	189	189	Unch
Ne 21/1 Open End Yarn	2.5	2.47	0.03	204	204	Unch
Ne 24/1 Open End Yarn	2.81	2.77	0.04	229	229	Unch

INTERNATIONAL PRICES AND INDICES

China Cotton Index:

Index	Unit	31-Jan-23	30-Jan-23	Change
CCIndex(328)	RMB/Ton	15872	15789	83
CCIndex(527)	RMB/Ton	14266	14148	118
CCIndex(229)	RMB/Ton	16094	15981	113

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

China Foreign Cotton (FCE) Index :

Index	Unit	31-Jan-23	30-Jan-23	Change
FC Index (S)	Cents/lb	101.3	103.09	-1.79
FC Index (M)	Cents/lb	100.44	102.28	-1.84
FC Index (L)	Cents/lb	99.43	101.26	-1.83

Cotlook Index:

Cotlook Indices	Unit	30-Jan-23	27-Jan-23	Change
A-Index	Cents/Pound	102	102.4	-0.40

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		30-Jan-23	30-Jan-23	Bales
Southeast	cents/lb.	85.6	87.85	0
North Delta	cents/lb.	84.6	86.85	0
South Delta	cents/lb.	84.6	86.85	0

East TX-OK	cents/lb.	81.6	83.35	532
West Texas	cents/lb.	81.85	83.1	526
Desert SW	cents/lb.	80.85	83.1	750
SJ Valley	cents/lb.	81.1	90	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
				30-Jan-23	28-Jan-23	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	64900	64900	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	65400	65400	Unch
J-34(202)	26mm	3.5 - 4.9	23	59600	59600	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	60000	60000	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	62100	62100	Unch
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	63400	63400	Unch
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	64500	64500	Unch
DCH-32(107)	34mm	3.0 - 3.8	33	68000	68000	Unch

Daily Futures Price Listing Tuesday, Jan 30th 2023

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
23-Mar	230130	87.25	87.4	84.5	85.1	-1.79	17,023	86,313	698
23-May	230130	87.48	87.94	85.13	85.74	-1.71	6,939	51,601	800
23-Jul	230130	88.23	88.23	85.55	86.19	-1.61	4,066	39,794	620
23-Oct	230130	84.01	84.16	84.01	84.16	-1.55	1	27	-1
23-Dec	230130	85.14	85.14	83.55	84.36	-1.22	3,387	26,755	112
24-Mar	230130	84.71	84.72	83.79	84.54	-1.16	447	4,908	315
Total Volume and Open Interest							32,142	211,874	2,501

Source: MRCI

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