

**Domestic Fundamentals:****Market Outlook:**

The cotton physical market showed mixed trend across India today. MCX cotton spot price traded down at Rs. 29,910/bale on Friday. ICE cotton futures closed firm on Thursday.

**News**

The cotton arrival in the north zone has decreased by a minimum of 10 lakh bales during this season. As per ICAL data, as of January 31st, only 26.17 lakh bales arrived this season, compared to 36.84 lakh bales in the same period last season. This number is also significantly lower than the expected cotton arrival quantity of 40.91 lakh bales for this season.

The Brazilian agriculture supply company CONAB has raised its outlook for cotton production by 19.2%, now estimating 13.97 million bales. Meanwhile, the United States Department of Agriculture (USDA) updated its forecast to 13.3 million bales in its latest WASDE update.

Indian spot prices (Shankar-6 quality) decreased slightly over the past month, from 97 to 94 cents/lb. Values eased from ₹62,500 per candy to ₹61,500 per candy. The INR was traded close to 82 per USD over the past month.

In the Union budget 2022-23, an announcement for adoption of cluster based and value chain approach through Public Private Partnership (PPP) was made so as to enhance the productivity of extra-long staple (ELS) cotton. It will involve the collaboration between farmers, state and industry for input supplies, extension services, and market linkages.

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.

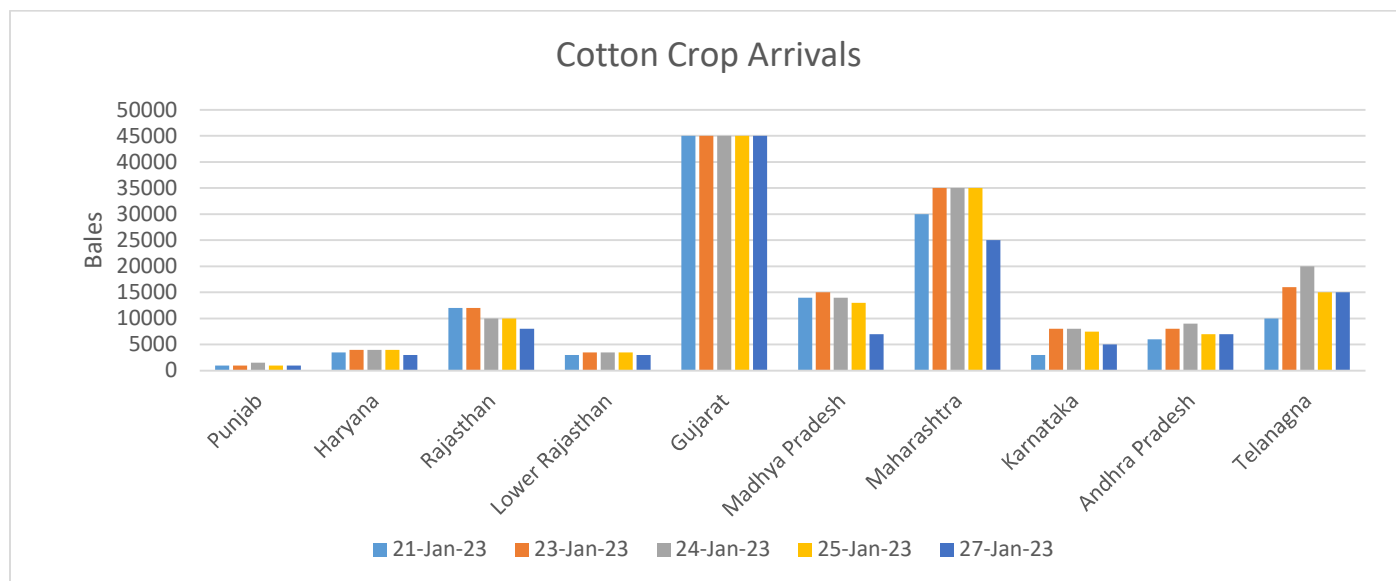
The domestic consumption for the season is estimated at 300 lakh bales. The exports for the season have been estimated at 30.00 lakh bales i.e., at the same level as estimated previously. The exports estimate for the previous cotton season 2021-22 was 43 lakh bales. The carry-over stock which was earlier estimated at 53.64 lakh bales is now estimated at 44.39 lakh bales.

**Weather Forecast**

Light isolated to scattered rainfall likely over Western Himalayan region and Arunachal Pradesh. Light isolated to scattered rainfall over Andaman & Nicobar Islands.

Dry weather likely over rest parts of the country.

### All India New Cotton Crop: Bales



### NCDEX Cottonseed Oilcake

	Open	High	Low	Close	Change
<b>Feb-23</b>	2752	2755	2723	2760	<b>-33.00</b>
<b>Mar-23</b>	2739	2740	2706	2740	<b>-34.00</b>

### International Cotton Fundamentals:

The Cotlook A index was at 95 cents/lb. The AWP for cotton was 74.41 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
<b>Mar-23</b>	85.50	<b>+13</b>
<b>May-23</b>	85.94	<b>-6</b>
<b>Jul-23</b>	86.45	<b>-19</b>

According to USDA WASDE February report, the 2022-23 U.S. Cotton Production is estimated 438,000 bales at 14.7 million bales, with yield at 947 pounds per acre, which is same as the January 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 lower by 8,50,000 bales to 4.2 million, equal to 30 percent of projected use.

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

North India's cotton yarn market remained steady as the region witnesses cloudy weather and another cold wave. The demand was average, and the prices remained stable today. Cloudy weather coupled with extended winter is dampening market sentiments.

Cotton yarn prices in South India remained stable due to weak demand from the weaving industry. However, traders expect prices to stay the same. Meanwhile, trade sources from Mumbai suggest that cotton yarn prices may see support from increased buying from the garment industry.

## DOMESTIC PRICES AND ARRIVALS

### Cotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs. /Quintal)		Change
State	Centre	Variety	11-Feb-23	10-Feb-23	
Gujarat	Ahmedabad	Shankar-6	8500	8550	-50
	Gondal	Shankar-6	NA	8305	-
	Rajkot	B.T. Cotton	8350	8400	-50
	Patan	B.T. Cotton	8250	8315	-65
	Kadi	B.T. Cotton	8150	8000	150
	Deesa	B.T. Cotton	7000	7400	-400
	Dhrol	B.T. Cotton	8335	8350	-15
Haryana	Bhiwani	B.T. Cotton	8000	8000	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8200	8100	100
	Fatehabad	B.T. Cotton	8180	8115	65
	Jind	B.T. Cotton	NR	NR	-
	Uchana	B.T. Cotton	8060	8035	25
	Dabwali	B.T. Cotton	8095	8030	65
Rajasthan	Hanumangarh	B.T. Cotton	8300	8250	50
	Rawatsar	B.T. Cotton	8350	8370	-20
Madhya Pradesh	Khandwa	Mech-1	7900	NR	-
	Khargaon	Mech-1	NA	8095	-
Maharashtra	Amravati	Mech-1	NR	8000	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	7600	7600	Unch



Andhra Pradesh	Adoni	Un-Ginned	7852	7921	-69
Karnataka	Bijapur	Bunny	NA	8169	-
	Hubli	D.C.H.	NA	8350	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	8000	8100	-100
Commodity	Lint		Prices (Rs. /Maund)		Change
State	Centre	Variety	10-Feb-23	9-Feb-23	
Punjab	Bhatinda	J-34	6350	6325	25
	Abohar	J-34	6350	6325	25
	Mansa	J-34	6280	NR	-
Haryana	Sirsa	J-34	6250	6225	25
Rajasthan	Sri-Ganganagar	J-34	6110	6110	Unch

### Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	11-Feb-23	10-Feb-23	
Gujarat	Ahmedabad	Shankar-6	57800	54400	3400
	Gondal	Shankar-6	7800	7800	Unch
	Rajkot	B.T. Cotton	3200	3600	-400
	Patan	B.T. Cotton	4270	4360	-90
	Kadi	B.T. Cotton	20000	15000	5000
	Deesa	B.T. Cotton	20	20	Unch
	Dhrol	B.T. Cotton	578	779	-201
Haryana	Bhiwani	B.T. Cotton	700	600	100
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	850	850	Unch
	Fatehabad	B.T. Cotton	225	300	-75
	Jind	B.T. Cotton	NR	NR	-
	Uchana	B.T. Cotton	250	250	Unch
	Dabwali	B.T. Cotton	250	250	Unch
Rajasthan	Hanumangarh	B.T. Cotton	1500	1500	Unch
	Rawatsar	B.T. Cotton	1500	1500	Unch
Madhya Pradesh	Khandwa	Mech-1	4500	NR	-
	Khargaon	Mech-1	NA	4600	-
Maharashtra	Amravati	Mech-1	NR	22000	-
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	33991.5	50444.5	-16453
Andhra Pradesh	Adoni	Un-Ginned	1077	1090	-13
Karnataka	Bijapur	Bunny	NA	4259	-
	Hubli	D.C.H.	NA	116	-

	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	15	19	-4
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	11-Feb-23	10-Feb-23	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	255	340	-85
	Mansa	J-34	NA	NR	-
Haryana	Sirsa	J-34	340	340	Unch
Rajasthan	Sri-Ganganagar	J-34	1500	2000	-500

### Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	11-Feb-23	10-Feb-23	
Gujarat	Rajkot	Rs. /10 Kg.	1110	1115	-5
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	NA	NA	-
Maharashtra	Mumbai	Rs. /10 Kg.	1115	1130	-15

### Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	11-Feb-23	10-Feb-23	
Gujarat	Mahesana (Kadi)	Rs. /Qtl	2815	2840	-25
Maharashtra	Akola	Rs. /Qtl	2852	2878	-26

Cotton Yarn Prices	31-Jan-23	27-Jan-23	Change	31-Jan-23	27-Jan-23	Change
Variety	Prices FOB, USD			Prices Kg Indian Port		
Ne 20/1 Carded Hosiery Yarn	2.85	2.85	Unch	232	232	Unch
Ne 20/1 Combed Hosiery Yarn	3.03	3.03	Unch	247	247	Unch
Ne 21/1 Carded Weaving Yarn	2.85	2.85	Unch	232	232	Unch
Ne 26/1 Combed Hosiery Yarn	3.14	3.14	Unch	256	256	Unch
Ne 30/1 Carded Hosiery Yarn	3.06	3.06	Unch	249	249	Unch
Ne 30/1 Combed Hosiery Yarn	3.21	3.21	Unch	262	262	Unch
Ne 32/1 Carded Weaving Yarn	3.18	3.18	Unch	259	259	Unch
Ne 34/1 Combed Hosiery Yarn	3.42	3.42	Unch	279	279	Unch
Ne 40/1 Combed Hosiery Yarn	3.61	3.61	Unch	294	294	Unch
Ne 40/1 Carded Weaving Yarn	3.36	3.36	Unch	274	274	Unch
Ne 30/2 Carded Hosiery Yarn	3.36	3.36	Unch	274	274	Unch
Ne 32/2 Combed Knitting Yarn	3.73	3.73	Unch	304	304	Unch
Ne 32/2 Carded Hosiery Yarn	3.42	3.42	Unch	279	279	Unch
Ne 40/2 Combed Hosiery Yarn	4.16	4.16	Unch	339	339	Unch
Ne 30/1 Combed Compact Weaving Yarn	3.42	3.42	Unch	279	279	Unch



Ne 40/1 Combed Compact Weaving Yarn	3.73	3.73	Unch	304	304	Unch
Ne 50/1 Combed Compact Weaving Yarn	4.04	4.04	Unch	329	329	Unch
Ne 16/1 Open End Yarn	2.32	2.32	Unch	189	189	Unch
Ne 21/1 Open End Yarn	2.5	2.5	Unch	204	204	Unch
Ne 24/1 Open End Yarn	2.81	2.81	Unch	229	229	Unch

### INTERNATIONAL PRICES AND INDICES

#### China Cotton Index:

Index	Unit	10-Feb-23	8-Feb-23	Change
CCIndex(328)	RMB/Ton	15920	62900	-46980
CCIndex(527)	RMB/Ton	0	63400	-63400
CCIndex(229)	RMB/Ton	0	59600	-59600
RMB -Renminbi, 1RMB =0.16 \$U.S.				

#### China Foreign Cotton (FCE) Index :

Index	Unit	10-Feb-23	8-Feb-23	Change
FC Index (S)	Cents/lb	101.61	102.02	-0.41
FC Index (M)	Cents/lb	100.8	101.23	-0.43
FC Index (L)	Cents/lb	99.8	100.23	-0.43

#### Cotlook Index:

Cotlook Indices	Unit	9-Feb-23	8-Feb-23	Change
A-Index	Cents/Pound	100.75	102.02	-1.27

#### USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		9-Feb-23	9-Feb-23	Bales
Southeast	cents/lb.	86	88.25	1000
North Delta	cents/lb.	85	87.25	0
South Delta	cents/lb.	85	87.25	0
East TX-OK	cents/lb.	82.25	84	958
West Texas	cents/lb.	82.25	83.75	808
Desert SW	cents/lb.	81.25	83.5	75
SJ Valley	cents/lb.	81.5	90.4	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
				9-Feb-23	8-Feb-23	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	63000	62900	100
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	63500	63400	100
J-34(202)	26mm	3.5 - 4.9	23	59600	59600	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	60200	59700	500
Shankar-6(105)	29mm	3.5 - 4.9	28	62000	61700	300
Bunny/ Brahma (105)	31mm	3.5 - 4.9	30	63000	62700	300
MCU-5/ Surabhi (106)	32mm	3.3 - 4.9	31	64000	63500	500
DCH-32(107)	34mm	3.0 - 3.8	33	70500	69000	1500

### Daily Futures Price Listing Friday, Feb 10, 2023

Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
<a href="#">23-Mar</a>	230209	85.32	86.3	85.1	85.5	0.13	32,551	60,072	-10062
<a href="#">23-May</a>	230209	86	86.89	85.66	85.94	-0.06	25,159	68,851	5192
<a href="#">23-Jul</a>	230209	86.64	87.41	86.17	86.45	-0.19	11,702	43,295	-127
<a href="#">23-Oct</a>	230209	85.28	85.28	85.28	85.28	0.08	0	16	0
<a href="#">23-Dec</a>	230209	85.3	85.95	84.73	85.27	-0.03	8,738	30,589	1151
<a href="#">24-Mar</a>	230209	85.88	86	84.88	85.47	-0.13	1195	5,222	564
Total Volume and Open Interest							79,850	210,928	-3,242

Source: MRCI

### Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness, and correctness. The use of data and information contained in this report is at your own risk. This document is not, and should not be construed as an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed, or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors, and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at © 2023 Indian Agribusiness Systems Ltd.