

Domestic Fundamentals:**Market Outlook:**

The cotton physical market showed mixed trend across India today. MCX cotton spot price traded up at Rs. 62,620/candy on Friday. ICE cotton futures closed green on Wednesday.

News

Cotton prices in Gujarat market traded with weak sentiments. Cotton arrivals had increased comparatively in Gujarat market, daily arrivals are around 35000 bales whereas prices are trading at Rs.8200 per quintal.

Indian Metrological Department has released its seasonal outlook for hot weather for the coming months, as per that, during the upcoming hot weather season (March to May), above normal maximum temperatures are likely over most parts of northeast India, east and central India and some parts of northwest India. Normal to below normal maximum temperatures are most likely over the remaining parts of the country.

At AgriWatch, we expect that the maximum temperature may affect the early cotton sowing for the coming 2023-24 season in northern and central India. Presently, the temperature is on the rise in most of the region. The reports of dry spell this year, may affect the standing crop although about 75% of the crop has been harvested.

Cotton daily arrivals were at around 1,12,000-1,16,000 bales per day. During the past week, arrivals were around 10 lakh bales. Arrivals has increased during the past week as farmers are releasing their stock.

The Cotton Corporation of India may stop procuring cotton at MSP after 31st March 2023. The raw cotton prices are currently trading at Rs. 8,250 per quintal at Rajkot Market which is much above the minimum support price of Rs. 6,380 per quintal.

Cottonseed and oilcake prices remained lower during the last week. However, prices are likely to go down with the pressure of arrivals. There is very limited demand for cottonseed in the market. Prices are further likely to go down due to weak demand.

The Tamil Nadu Agriculture University expects cotton prices to go down to Rs. 7,000 to Rs. 7,500 per quintal in the coming months. While the area under cotton cultivation has increased this year, demand from the domestic textile industry is low and export prices are under pressure. Hence, cotton offtake remains lower. Presently, only about 40% of the textile mills are working in the Tripura-Coimbatore region.

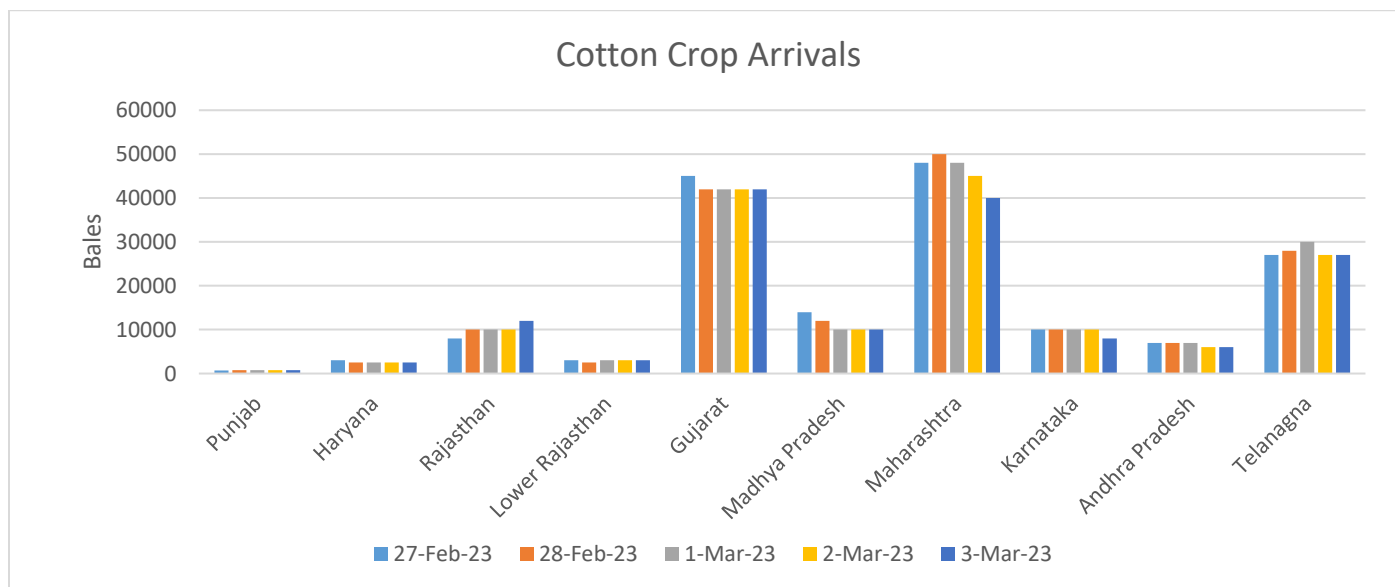
The Committee on Cotton Production and Consumption in its latest report has estimated cotton production at 337.23 lakh bales for the 2022-23 season comparatively higher from the previous season estimate of 311.17 lakh bales. Cotton imports and exports were estimated at 10 lakh bales and 35 lakh bales respectively. The closing stock is estimated at 46.48 lakh bales slightly higher from previous season of 45.25 lakh bales.

Details	2022-23		2021-22	
	(in lakh bales)	(in Thousand Tons)	(in lakh bales)	(in Thousand Tons)
Supply				
Opening Stock	45.25	769.25	71.84	1221.28
Crop	337.23	5732.91	311.17	5289.89
Imports	10	170	21.13	359.21
Total Supply	392.48	6672.16	404.14	6870.38
Demand				
Mill Consumption	275	4675	279.57	4752.69
Consumption by SSI Units	20	340	21.07	358.19
Non- Mill Consumption	16	272	16	272
Total Domestic Demand	346	5882	358.89	6101.13
Exports	35	595	42.25	718.25
Closing Stock	46.48	790.16	45.25	769.25

Weather Forecast

Heavy rainfall very likely at isolated places over East Rajasthan, West Madhya Pradesh and Madhya Maharashtra.

All India New Cotton Crop: Bales



NCDEX Cottonseed Oilcake

Expiry Date	Open	High	Low	Close	Change
Mar-23	2592	2610	2557	2594	+2.0

Apr-23	2606	2629	2581	2614	+5.0
May-23	2611	2636	2601	2620	+14.0

International Cotton Fundamentals:

The Cotlook A index was at 98.60 cents/lb. The AWP for cotton was 70.78 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
Mar-23	83.71	-195
May-23	84.41	-160
Jul-23	83.75	-152

The local cotton market during the past week remained bearish and the trading volume remained low. The rate of cotton in Sindh is in between Rs 17,500 to Rs 20,000 per maund. The rate of cotton in Punjab is in between Rs 18,000 to Rs 20,000 per maund. The rate of Phutti in Sindh is between Rs 6,500 to Rs 8,500 per 40 kg. The rate of Phutti in Punjab is in between Rs 7,500 to Rs 9,500 per 40 kg.

According to USDA WASDE February report, the 2022-23 U.S. Cotton Production has decreased by 1.0 million bales to 114.4 million, mainly because of reduced yields in the Franc zone and India. Consumption is expected to decrease slightly from the previous month due to lower usage in Pakistan, Indonesia, and Vietnam, which offset the higher consumption in China. The global trade is projected to decrease by 1.2 million bales from the previous month, primarily due to lower worldwide consumption, including Bangladesh, Egypt, Indonesia, and Pakistan. The ending stocks have decreased by 850,000 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

As per the market sources, Cotton yarn prices remained steady yesterday in south India amid average buying. There has been no movement in the prices of cotton yarn in Tiruppur and Mumbai as the demand has weakened, though it is still better than last month. Mumbai has noted weaker demand for cotton yarn, while prices have remained steady.

In Mumbai, 60 count carded cotton yarn of warp and weft varieties were traded at Rs.1,525-1,540 and Rs.1,430-1,470 per 5 kg respectively. 60 combed warp was priced at Rs.342-345 per kg, 80 carded (weft) cotton yarn was sold at Rs.1,440-1,480 per 4.5 kg.

DOMESTIC COTTON PRICES AND ARRIVALS

Cotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	3-Mar-23	2-Mar-23	
Gujarat	Ahmedabad	Shankar-6	8125	8350	-225
	Gondal	Shankar-6	8155	8155	Unch
	Rajkot	B.T. Cotton	8250	8200	50
	Patan	B.T. Cotton	8130	8170	-40
	Kadi	B.T. Cotton	8100	8125	-25
	Deesa	B.T. Cotton	NA	6500	-
	Dhrol	B.T. Cotton	8075	8000	75
Haryana	Bhiwani	B.T. Cotton	8000	8050	-50
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	8070	8060	10
	Fatehabad	B.T. Cotton	7920	7955	-35
	Jind	B.T. Cotton	NR	NR	-
	Uchana	B.T. Cotton	7950	7900	50
	Dabwali	B.T. Cotton	7845	7920	-75
Rajasthan	Hanumangarh	B.T. Cotton	8100	8150	-50
	Rawatsar	B.T. Cotton	8200	8250	-50
Madhya Pradesh	Khandwa	Mech-1	8100	8000	100
	Khargaon	Mech-1	7825	7755	70
Maharashtra	Amravati	Mech-1	8000	7900	100
	Jamner	Medium Staple	NA	NA	-
Telangana	Adilabad	Un-Ginned	7550	7550	Unch
Andhra Pradesh	Adoni	Un-Ginned	7876	7849	27
Karnataka	Bijapur	Bunny	8050	8560	-510
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	8000	8000	Unch
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	3-Mar-23	2-Mar-23	
Punjab	Bhatinda	J-34	6375	6400	-25
	Abohar	J-34	6375	6400	-25
	Mansa	J-34	6350	6400	-50
Haryana	Sirsa	J-34	6275	6350	-75
Rajasthan	Sri-Ganganagar	J-34	6157	6157	Unch

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	3-Mar-23	2-Mar-23	
Gujarat	Ahmedabad	Shankar-6	68000	51000	17000
	Gondal	Shankar-6	7250	7720	-470
	Rajkot	B.T. Cotton	2800	2800	Unch

	Patan	B.T. Cotton	3683	3520	163
	Kadi	B.T. Cotton	30000	30000	Unch
	Deesa	B.T. Cotton	NA	20	-
	Dhrol	B.T. Cotton	345	323	22
Haryana	Bhiwani	B.T. Cotton	800	400	400
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	1020	1020	Unch
	Fatehabad	B.T. Cotton	261	250	11
	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	1000	500
	Rawatsar	B.T. Cotton	1500	1000	500
Madhya Pradesh	Khandwa	Mech-1	3500	3500	Unch
	Khargaon	Mech-1	6400	7300	-900
Maharashtra	Amravati	Mech-1	20000	20000	Unch
	Jamner	Medium Staple	NA	NA	-
Telangana	Adilabad	Un-Ginned	76891.9	88331.4	-11439.5
Andhra Pradesh	Adoni	Un-Ginned	976	975	1
Karnataka	Bijapur	Bunny	2655	2722	-67
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	14	12	2
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	3-Mar-23	2-Mar-23	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	850	680	170
	Mansa	J-34	85	119	-34
Haryana	Sirsa	J-34	340	340	Unch
Rajasthan	Sri-Ganganagar	J-34	2000	2000	Unch

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	3-Mar-23	2-Mar-23	
Gujarat	Rajkot	Rs. /10 Kg.	1055	1040	15
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1070	NA	-
Maharashtra	Mumbai	Rs. /10 Kg.	1090	1060	30

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	3-Mar-23	2-Mar-23	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2603	2602	1
Maharashtra	Akola	Rs./Qtl	2661	2660	1



INTERNATIONAL PRICES AND INDICES

China Cotton Index:

Index	Unit	3-Mar-23	2-Mar-23	Change
CCIndex(328)	RMB/Ton	15519	15412	107
CCIndex(527)	RMB/Ton	14111	14043	68
CCIndex(229)	RMB/Ton	15781	15702	79
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	3-Mar-23	2-Mar-23	Change
FC Index (S)	Cents/lb	99.31	101.77	-2.46
FC Index (M)	Cents/lb	98.16	100.52	-2.36
FC Index (L)	Cents/lb	97.16	99.52	-2.36

Cotlook Index:

Cotlook Indices	Unit	2-Mar-23	1-Mar-23	Change
A-Index	Cents/Pound	100.1	100.17	-0.07

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		2-Mar-23	2-Mar-23	Bales
Southeast	cents/lb.	83.71	85.96	398
North Delta	cents/lb.	82.71	84.96	4051
South Delta	cents/lb.	82.71	84.96	0
East TX-OK	cents/lb.	79.71	81.46	6366
West Texas	cents/lb.	80.21	81.71	5043
Desert SW	cents/lb.	79.71	81.96	0
SJ Valley	cents/lb.	79.96	88.86	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
				2-Mar-23	1-Mar-23	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	63900	63900	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	64400	64400	Unch



J-34(202)	26mm	3.5 - 4.9	23	60200	60200	Unch
H-4/ MECH-1(105)	28mm	3.5 – 4.9	27	60700	60500	200
Shankar-6(105)	29mm	3.5 – 4.9	28	62700	62500	200
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	63400	63200	200
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	NA	NA	-
DCH-32(107)	34mm	3.0 - 3.8	33	71500	71500	Unch

Cottonseed and Oilcake Prices

Cotton Seed Oil Cake Prices		Prices (Rs./Quintal)		Change
State	Market	3-Mar-23	2-Mar-23	
Punjab	Bhatinda (Pakki)	3200	3200	Unch
Punjab	Ludhiana	3570	3570	Unch
Haryana	Sirsa	3200	3200	Unch
Haryana	Hisar	3225	3225	Unch
Rajasthan	Hanumangarh	3175	3175	Unch
Rajasthan	Vijaynagar	3175	3175	Unch
Madhya Pradesh	Indore	3095	3095	Unch
Madhya Pradesh	Khargone	2970	2970	Unch
Maharashtra	Wani	2970	2970	Unch
Maharashtra	Malkapur	2970	2970	Unch
Telangana	Warangal	2800	2800	Unch
Telangana	Adilabad	3000	3000	Unch
Karnataka	Dharwad	2800	2800	Unch
Karnataka	Hubli	3100	3100	Unch
Gujarat	Dhasa ,Damnagar,Babra Good Qlty	2883	2883	Unch

Cotton Seed Prices		Prices (Rs./Quintal)		Change
State	Market	3-Mar-23	2-Mar-23	
Punjab	Mansa	3300	3300	Unch
Punjab	Bhatinda	3350	3350	Unch
Haryana	Adampur	3625	3625	Unch
Haryana	Charkhi Dadari	3525	3525	Unch
Rajasthan	Hanumangarh	3600	3600	Unch
Rajasthan	Bikaner	3675	3675	Unch
Madhya Pradesh	Sendhwa	3125	3125	Unch
Madhya Pradesh	Barwaha	3000	3000	Unch
Maharashtra	Malkapur	3050	3050	Unch
Maharashtra	Akot	3200	3200	Unch
Telangana	Madnoor	3050	3050	Unch
Telangana	Jangaon	3080	3080	Unch

Karnataka	Bijapur	3150	3150	Unch
Karnataka	Hubli	3150	3150	Unch
Gujarat	Mahuva,Rajula,S.Kundla,UNA	3025	3025	Unch
Gujarat	Kadi	3100	3100	Unch

Daily Futures Price Listing Thursday, Mar 02nd 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
23-Mar	230302	82.85	82.85	82.85	82.85	-1.72	3	7	-3
23-May	230302	85.5	86.25	83.11	83.71	-1.95	11,944	94,699	237
23-Jul	230302	86.01	86.67	83.76	84.41	-1.60	5,492	48,390	727
23-Oct	230302	84.2	84.2	84.2	84.2	-1.37	3	16	1
23-Dec	230302	85.09	85.75	83.19	83.75	-1.52	2866	35,897	278
24-Mar	230302	85.29	85.44	83.29	83.52	-1.62	296	4413	30
Total Volume and Open Interest							20,675	186,843	1,278

Source: MRCI

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