

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed mixed trend across India today. MCX cotton spot price traded lower at Rs. 60,980/candy on Saturday. ICE cotton futures closed red on Friday.

News

As per the market sources, Various Cotton associations are demanding that the government should remove 10% import duty on cotton as India's cotton production is lower this year too however, slightly higher from previous season. If the import duty is not removed after June-July it will be difficult for Indian spinning mills to operate.

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 by 8.50 lakh bales for the 2022-23 season to 313 lakh bales from 321.50 lakh bales. The CAI has reduced its cotton crop in Punjab by 0.50 lakh bales, Haryana by 1.00 lakh bales, Maharashtra by 2 lakh bales, Telangana by 3 lakh bales, Tamil Nadu by 0.50 lakh bales, and others by 0.50 lakh bales, 1.50 lakh bales and Karnataka by 1 lakh bales.

Cotton imports were maintained at 12 lakh bales and exports at 30 lakh bales. Domestic consumption was estimated at 300 lakh bales. Overall, the ending stock for the 2022-23 season was estimated at 26.89 lakh bales. As per Cotton Association of India, Cotton arrivals between October 2022 to February 2023 were estimated at 154.84 lakh bales.

Punjab cotton sowing is likely to start from 15th April 2023. The Punjab government has decided to provide subsidy up to 33% on Bt cottonseed to cotton farmers. During the previous season about 2.47 lakh hectares of land was under cotton cultivation. For the coming season, the government has set a target of around 3 lakh hectares for cotton sowing.

According to Indian Cotton Association Limited, Cotton arrivals till 28th February in Punjab was reported at 1.69 lakh bales, in Haryana about 6.86 lakh bales and in Rajasthan about 22.53 lakh bales. Also, the cotton production is expected to fall in Punjab, and Haryana. While in Rajasthan production is expected to improve in the 2022-23 season.

Cotton Balance Sheet	2021-22	2022-23
Opening Stock	71.84	31.89
Production	307.05	321.50
Imports	14	12
Domestic Consumption	318	300
Exports	43	30
Closing Stock	31.89	35.39
Source: CAI; unit- Lakh Bales		

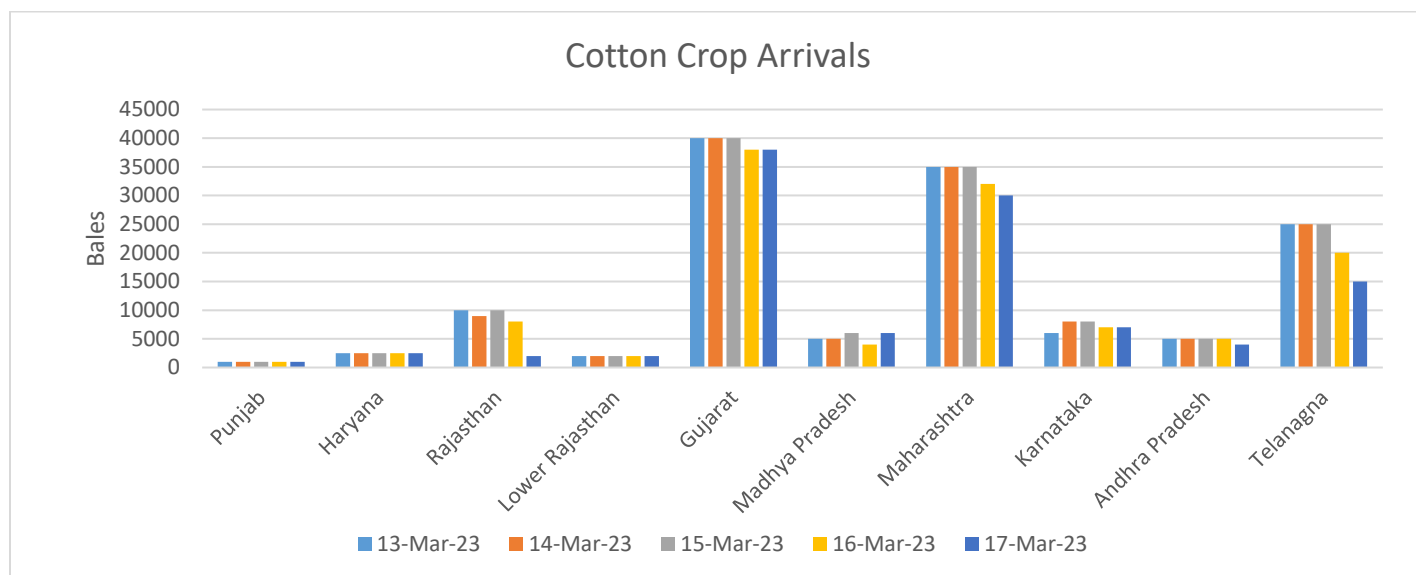
The Cotton Corporation of India (CCI) will procure fair average quality (FAQ) grade cotton from farmers till 31st March 2023 for the 2022-2023 cotton season.

As per the Madhya Pradesh Association of Cotton Processors and Traders, about 50 percent of ginning units have closed their operation due to the unavailability of raw cotton, while those operating are getting just 30-40 percent raw cotton against their full capacity.

Weather Forecast

Heavy rainfall at isolated places over Bihar, Arunachal Pradesh, Assam & Meghalaya, Nagaland, Manipur, Mizoram, and Tripura. Thunderstorms accompanied with lightning at isolated places over East Madhya Pradesh, Jharkhand, Sub Himalayan West Bengal, Sikkim, Coastal Andhra Pradesh, Yanam, Telangana, Rayalaseema, and with lightning at isolated places over Jammu & Kashmir, Ladakh, Gigit-Baltistan, Muzaffarabad, Punjab, Haryana, Chandigarh, Delhi, Uttar Pradesh, West Madhya Pradesh, Vidarbha, Chhattisgarh, Bihar, Arunachal Pradesh, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura, Gujarat State, Tamil Nadu, Pondicherry, Karaikal.

All India New Cotton Crop: Bales



NCDEX Cottonseed Oilcake

Expiry Date	Open	High	Low	Close	Change
Mar-23	2643	2696	2628	2625	+51
Apr-23	2662	2712	2651	2645	+53
May-23	2699	2699	2699	2621	+78

International Cotton Fundamentals:

The Cotlook A index was at 95.80 cents/lb. The AWP for cotton was 68.58 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
May-23	77.83	-133
Jul-23	78.44	-126
Oct-23	79.51	-112

According to USDA WASDE report, U.S. cotton supply and demand forecasts for the 2022-23 season are unchanged relative to last month. The global 2022-23 cotton supply and demand forecasts this month include lower consumption and trade, and higher production and stocks. Beginning stocks are almost 900,000 bales higher. World cotton consumption in 2022-23 season is 555,000 bales lower this month with reductions in Turkey, Pakistan, Indonesia, and Bangladesh.

Projected imports are lower for each of these countries and for China, while exports are lower for Brazil, India, and Argentina, with world trade totaling 785,000 bales lower. Production is more than 700,000 bales higher as larger expected crops in China, Australia, and Uzbekistan more than offset reduced prospects for India. At 91.1 million bales, 2022/23 world-ending stocks are projected 2.1 million higher than a month earlier and 5.0 million higher than in 2021/22.

Cotton Yarn

As per the market sources, Cotton yarn prices in South India remained stable yesterday, despite slower demand from the downstream industry. In Mumbai and Tiruppur market, cotton yarn was sold at previous levels. However, spinning mills in South India were aggressively selling yarn in Maharashtra, as weaving industries were facing a labour shortage due to the absence of migrant workers after the Holi festival.

In Mumbai, the 60 count carded cotton yarn of warp and weft varieties were traded at Rs.1,525-1,540 and Rs.1,400-1,450 per 5 kg. The 60 count combed warp was priced at Rs.342-345 per kg. Meanwhile, the 80 count carded (weft) cotton yarn was sold at Rs.1,440-1,480 per 4.5 kg, and the 44/46 count carded cotton yarn (warp) was priced at Rs.280-285 per kg.

DOMESTIC COTTON PRICES AND ARRIVALS

Cotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	18-Mar-23	17-Mar-23	
Gujarat	Ahmedabad	Shankar-6	7750	7800	-50
	Gondal	Shankar-6	8005	7880	125
	Rajkot	B.T. Cotton	8080	8050	30
	Patan	B.T. Cotton	7965	7950	15
	Kadi	B.T. Cotton	7800	7800	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	7740	NA	-
Haryana	Bhiwani	B.T. Cotton	7650	7700	-50
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	7640	7765	-125
	Fatehabad	B.T. Cotton	7700	7690	10
	Jind	B.T. Cotton	NR	NR	-
	Uchana	B.T. Cotton	NA	7690	-
	Dabwali	B.T. Cotton	7450	NR	-
Rajasthan	Hanumangarh	B.T. Cotton	7800	Closed	-
	Rawatsar	B.T. Cotton	7900	7850	50
Madhya Pradesh	Khandwa	Mech-1	Closed	7900	-
	Khargaon	Mech-1	Closed	NA	-
Maharashtra	Amravati	Mech-1	7800	7750	50
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	7430	7380	50
Andhra Pradesh	Adoni	Un-Ginned	7505	7492	13
Karnataka	Bijapur	Bunny	NA	7890	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	7700	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	18-Mar-23	17-Mar-23	
Punjab	Bhatinda	J-34	6175	6175	Unch
	Abohar	J-34	6165	6175	-10
	Mansa	J-34	6000	6000	Unch
Haryana	Sirsa	J-34	6075	6075	Unch
Rajasthan	Sri-Ganganagar	J-34	5969	6110	-141

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	18-Mar-23	17-Mar-23	
Gujarat	Ahmedabad	Shankar-6	54400	59500	-5100

	Gondal	Shankar-6	7000	7250	-250
	Rajkot	B.T. Cotton	2000	1900	100
	Patan	B.T. Cotton	3997	3865	132
	Kadi	B.T. Cotton	20000	20000	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	450	NA	-
Haryana	Bhiwani	B.T. Cotton	600	400	200
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	NA	NA	-
	Fatehabad	B.T. Cotton	100	450	-350
	Jind	B.T. Cotton	NR	NR	-
	Uchana	B.T. Cotton	NA	NR	-
	Dabwali	B.T. Cotton	NA	NR	-
Rajasthan	Hanumangarh	B.T. Cotton	1000	500	500
	Rawatsar	B.T. Cotton	1000	500	500
Madhya Pradesh	Khandwa	Mech-1	Closed	2500	-
	Khargaon	Mech-1	Closed	NA	-
Maharashtra	Amravati	Mech-1	20000	20000	Unch
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	36315.4	51321.6	-15006.2
Andhra Pradesh	Adoni	Un-Ginned	659	758	-99
Karnataka	Bijapur	Bunny	NA	1261	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	NA	13	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	18-Mar-23	17-Mar-23	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	340	340	Unch
	Mansa	J-34	85	85	Unch
Haryana	Sirsa	J-34	340	425	-85
Rajasthan	Sri-Ganganagar	J-34	2000	2000	Unch

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	18-Mar-23	17-Mar-23	
Gujarat	Rajkot	Rs. /10 Kg.	1000	1000	Unch
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	NA	NA	-
Maharashtra	Mumbai	Rs. /10 Kg.	1030	1030	Unch

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	18-Mar-23	17-Mar-23	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2670	2659	11

Maharashtra	Akola	Rs./Qtl	2695	2686	9
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INTERNATIONAL PRICES AND INDICES

China Cotton Index:

Index	Unit	17-Mar-23	16-Mar-23	Change
CCIndex(328)	RMB/Ton	15343	15447	-104
CCIndex(527)	RMB/Ton	14052	14137	-85
CCIndex(229)	RMB/Ton	15657	15754	-97
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	17-Mar-23	16-Mar-23	Change
FC Index (S)	Cents/lb	94.14	93.85	0.29
FC Index (M)	Cents/lb	92.93	92.63	0.30
FC Index (L)	Cents/lb	91.93	91.63	0.30

Cotlook Index:

Cotlook Indices	Unit	17-Mar-23	16-Mar-23	Change
A-Index	Cents/Pound	93.55	93.85	-0.30

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		16-Mar-23	16-Mar-23	Bales
Southeast	cents/lb.	79.16	81.41	0
North Delta	cents/lb.	78.16	80.41	0
South Delta	cents/lb.	78.16	80.41	0
East TX-OK	cents/lb.	75.91	77.66	0
West Texas	cents/lb.	75.91	77.41	17
Desert SW	cents/lb.	75.16	77.41	0
SJ Valley	cents/lb.	75.41	84.31	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
				17-Mar-23	16-Mar-23	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	64500	63900	600
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	65000	64400	600
J-34(202)	26mm	3.5 - 4.9	23	58800	58800	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	58000	58000	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	61000	60900	100
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	61600	61600	Unch
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	NR	NR	-
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	17-Mar-23	16-Mar-23	
Punjab	Bhatinda (Pakki)	3180	3180	Unch
Punjab	Ludiana	3680	3680	Unch
Haryana	Sirsa	3200	3175	25
Haryana	Hisar	3225	3200	25
Rajasthan	Hanumangarh	3175	3150	25
Rajasthan	Vijaynagar	3175	3150	25
Madhya Pradesh	Indore	3125	3050	75
Madhya Pradesh	Khargone	3000	2925	75
Maharashtra	Wani	3000	2925	75
Maharashtra	Malkapur	3050	2825	225
Telegana	Warangal	2850	2750	100
Telegana	Adilabad	2800	2750	50
Karnataka	Dharwad	2800	2800	Unch
Karnatka	Hubli	3050	3050	Unch
Gujarat	Dhasa ,Damnagar,Babra Good Qlty	2933	2850	83

Cotton Seed Prices		Prices (Rs./Quintal)		Change
State	Market	17-Mar-23	16-Mar-23	
Punjab	Mansa	3300	3300	Unch
Punjab	Bhatinda	3300	3300	Unch
Haryana	Adampur	3525	3500	25

Haryana	Charkhi Dadari	3425	3400	25
Rajasthan	Hanumangarh	3500	3475	25
Rajasthan	Bikaner	3575	3550	25
Madhya Pradesh	Sendhwa	3125	3100	25
Madhya Pradesh	Barwaha	3100	3000	100
Maharastra	Malkapur	3150	3125	25
Maharastra	Akot	3300	3270	30
Telegana	Madnoor	3125	3075	50
Telegana	Jangaon	3100	3050	50
Karnatka	Bijapur	2950	2950	Unch
Karnatka	Hubli	2950	2950	Unch
Gujarat	Mahuva,Rajula,S.Kundla,UNA	2900	2900	Unch
Gujarat	Kadi	3025	3000	25

Daily Futures Price Listing Friday, Mar 17th, 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
23-May	230317	79.1	79.32	76.86	77.83	-1.33	21827	92043	621
23-Jul	230317	79.7	79.84	77.6	78.44	-1.26	9,902	44,650	-124
23-Oct	230317	79.56	79.56	79.56	79.56	-0.99	1	16	-1
23-Dec	230317	80.4	80.78	78.55	79.51	-1.12	6482	45,259	823
24-Mar	230317	79.82	80.15	78.16	79	-1.02	812	4,107	95
24-May	230317	79.59	79.59	78.3	78.74	-0.98	274	1068	40
Total Volume and Open Interest							39,859	190,675	1,705

Source: MRCI

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