

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed slightly bullish trend across India today. MCX cotton spot price traded lower at Rs. 60,900/candy on Monday. ICE cotton futures closed red on Friday.

News

Cotton crop was affected due to heavy rainfalls during the last few days. In Nellore, around 129 villages have suffered with the untimely rains. Damage to cotton was recorded at around 250 acres.

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.

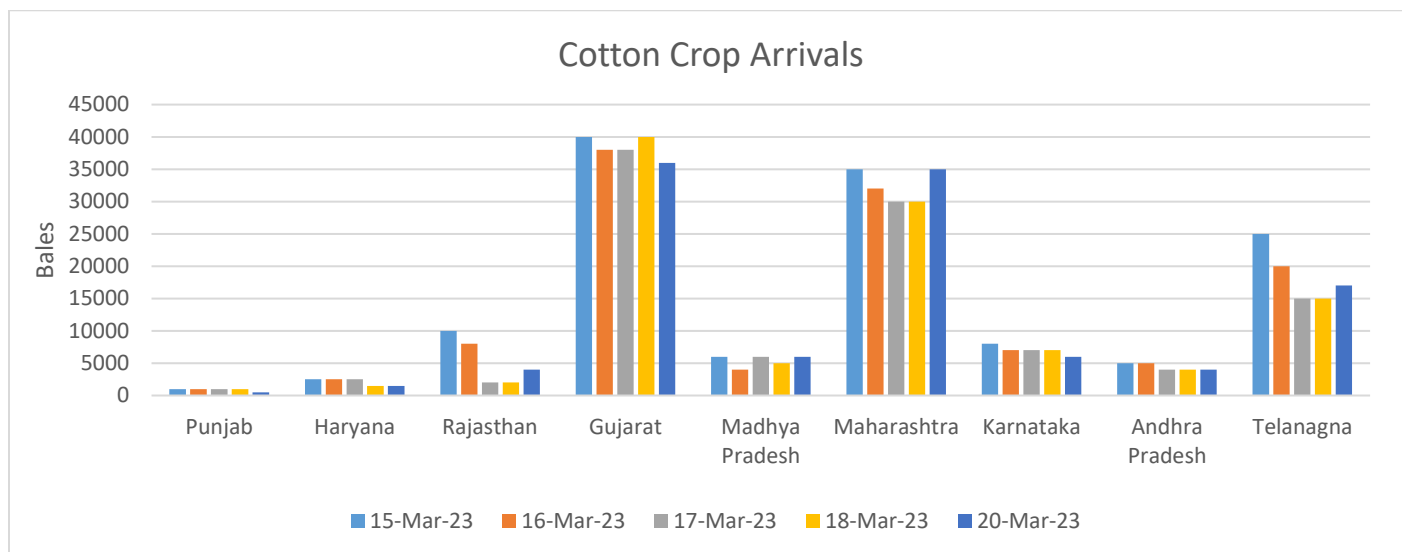
According to Indian Cotton Association Limited, Cotton arrivals till 28th February in Punjab was reported at 1.69 lakh bales, in Haryana about 6.86 lakh bales and in Rajasthan about 22.53 lakh bales. Also, the cotton production is expected to fall in Punjab, and Haryana. While in Rajasthan production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

Weather Forecast

Heavy rainfall at isolated places over Arunachal Pradesh, Assam & Meghalaya, Nagaland, Manipur, Mizoram, and Tripura. Thunderstorms accompanied with lightning at isolated places over Uttarakhand, West Uttar Pradesh, Gangetic West Bengal, Jharkhand, Bihar, East Uttar Pradesh, Arunachal Pradesh, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura, Madhya Pradesh, Vidarbha, Chhattisgarh, Sub-Himalayan West Bengal, Sikkim, Coastal Andhra Pradesh, Yanam, Telangana, Tamil Nadu, Pondicherry, Karaikal.

All India New Cotton Crop: Bales



NCDEX Cottonseed Oilcake

Expiry Date	Open	High	Low	Close	Change
Apr-23	2681	2698	2655	2674	+10
May-23	2692	2717	2680	2688	+17

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 the National Food Security and Research, Pakistan cotton production is expected to fall to 4.78 million bales against the target of 9 million bales. The floods last year have affected the standing cotton crop. Lower cotton production has also hampered the textile industry. NFSR has proposed to fix the cotton intervention price at PKR 8,500/40kg to revive cotton production, bring about stability in the domestic cotton market

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.

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	20-Mar-23	18-Mar-23	
Gujarat	Ahmedabad	Shankar-6	7800	7750	50
	Gondal	Shankar-6	8055	8005	50
	Rajkot	B.T. Cotton	8250	8080	170
	Patan	B.T. Cotton	8100	7965	135
	Kadi	B.T. Cotton	7900	7800	100
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	7710	7740	-30
Haryana	Bhiwani	B.T. Cotton	7700	7650	50
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	7800	7640	160
	Fatehabad	B.T. Cotton	7740	7700	40
	Jind	B.T. Cotton	NR	NR	-
	Uchana	B.T. Cotton	NA	NA	-

	Dabwali	B.T. Cotton	NR	7450	-
Rajasthan	Hanumangarh	B.T. Cotton	NA	7800	-
	Rawatsar	B.T. Cotton	7850	7900	-50
Madhya Pradesh	Khandwa	Mech-1	7800	Closed	-
	Khargaon	Mech-1	NA	Closed	-
Maharashtra	Amravati	Mech-1	7850	7800	50
	Jamner	Medium Staple	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	7430	-
Andhra Pradesh	Adoni	Un-Ginned	7516	7505	11
Karnataka	Bijapur	Bunny	7929	7897	32
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	7600	7700	-100
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	20-Mar-23	18-Mar-23	
Punjab	Bhatinda	J-34	6200	6175	25
	Abohar	J-34	6200	6165	35
	Mansa	J-34	6200	6000	200
Haryana	Sirsa	J-34	6075	6075	Unch
Rajasthan	Sri-Ganganagar	J-34	6016	5969	47

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	20-Mar-23	18-Mar-23	
Gujarat	Ahmedabad	Shankar-6	51000	54400	-3400
	Gondal	Shankar-6	7400	7000	400
	Rajkot	B.T. Cotton	3400	2000	1400
	Patan	B.T. Cotton	3400	3997	-597
	Kadi	B.T. Cotton	30000	20000	10000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	385	450	-65
Haryana	Bhiwani	B.T. Cotton	600	600	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	850	NA	-
	Fatehabad	B.T. Cotton	250	100	150
	Jind	B.T. Cotton	NR	NR	-
	Uchana	B.T. Cotton	NR	NA	-
	Dabwali	B.T. Cotton	NR	NA	-
Rajasthan	Hanumangarh	B.T. Cotton	500	1000	-500
	Rawatsar	B.T. Cotton	500	1000	-500
Madhya Pradesh	Khandwa	Mech-1	2500	Closed	-
	Khargaon	Mech-1	NA	Closed	-
Maharashtra	Amravati	Mech-1	22000	20000	2000
	Jamner	Medium Staple	NA	NA	-
Telangana	Adilabad	Un-Ginned	NA	36315.4	-
Andhra Pradesh	Adoni	Un-Ginned	593	659	-66
Karnataka	Bijapur	Bunny	2050	1340	710

	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	13	15	-2
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	20-Mar-23	18-Mar-23	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	425	340	85
	Mansa	J-34	85	85	Unch
Haryana	Sirsa	J-34	340	340	Unch
Rajasthan	Sri-Ganganagar	J-34	500	700	-200

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	20-Mar-23	18-Mar-23	
Gujarat	Rajkot	Rs. /10 Kg.	1000	1000	Unch
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1010	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	20-Mar-23	18-Mar-23	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2720	2670	50
Maharashtra	Akola	Rs./Qtl	2713	2695	18

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

Index	Unit	20-Mar-23	17-Mar-23	Change
CCIndex(328)	RMB/Ton	15226	15343	-117
CCIndex(527)	RMB/Ton	13921	14052	-131
CCIndex(229)	RMB/Ton	15547	15657	-110
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	20-Mar-23	17-Mar-23	Change
FC Index (S)	Cents/lb	92.83	94.14	-1.31
FC Index (M)	Cents/lb	91.6	92.93	-1.33
FC Index (L)	Cents/lb	90.59	91.93	-1.34

Cotlook Index:

Cotlook Indices	Unit	18-Mar-23	17-Mar-23	Change
A-Index	Cents/Pound	Closed	94.14	-



USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		17-Mar-23	17-Mar-23	Bales
Southeast	cents/lb.	77.83	80.08	0
North Delta	cents/lb.	76.83	79.08	0
South Delta	cents/lb.	76.83	79.08	0
East TX-OK	cents/lb.	74.58	76.33	657
West Texas	cents/lb.	74.58	76.08	816
Desert SW	cents/lb.	73.83	76.08	0
SJ Valley	cents/lb.	74.08	82.98	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
				18-Mar-23	17-Mar-23	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	64500	64500	Unch
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	65000	65000	Unch
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	60900	61000	-100
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	61500	61600	-100
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	20-Mar-23	18-Mar-23	
Punjab	Bhatinda (Pakki)	3180	3180	Unch
Punjab	Ludiana	3680	3680	Unch
Haryana	Sirsa	3200	3200	Unch
Haryana	Hisar	3225	3225	Unch
Rajasthan	Hanumangarh	3175	3175	Unch
Rajasthan	Vijaynagar	3175	3175	Unch
Madhya Pradesh	Indore	3150	3150	Unch
Madhya Pradesh	Khargone	3050	3050	Unch
Maharashtra	Wani	3050	3050	Unch
Maharashtra	Malkapur	3100	3100	Unch
Telegana	Warangal	2850	2850	Unch
Telegana	Adilabad	2800	2800	Unch
Karnataka	Dharwad	2800	2800	Unch
Karnatka	Hubli	3050	3050	Unch
Gujarat	Dhasa ,Damnagar,Babra Good Qlty	2983	2983	Unch

Cotton Seed Prices		Prices (Rs./Quintal)		Change
State	Market	20-Mar-23	18-Mar-23	
Punjab	Mansa	3300	3300	Unch
Punjab	Bhatinda	3300	3300	Unch
Haryana	Adampur	3525	3525	Unch
Haryana	Charkhi Dadari	3425	3425	Unch
Rajasthan	Hanumangarh	3500	3500	Unch
Rajasthan	Bikaner	3575	3575	Unch
Madhya Pradesh	Sendhwa	3125	3125	Unch
Madhya Pradesh	Barwaha	3100	3100	Unch
Maharastra	Malkapur	3100	3150	-50
Maharastra	Akot	3250	3300	-50
Telegana	Madnoor	3125	3125	Unch
Telegana	Jangaon	3100	3100	Unch
Karnatka	Bijapur	2950	2950	Unch
Karnatka	Hubli	2950	2950	Unch
Gujarat	Mahuva,Rajula,S.Kundla,UNA	2975	2975	Unch
Gujarat	Kadi	3025	3125	-100

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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