

### Domestic Fundamentals:

#### **Market Outlook:**

The cotton physical market showed slightly bullish trend across India today. MCX cotton spot price traded higher at Rs. 60,740/candy on Thursday. ICE cotton futures closed green on Wednesday.

#### **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. However around 85% of the cotton crop has been harvested. So, there is very minute damage in cotton.

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.

<b>Cotton Balance Sheet</b>	<b>2021-22</b>	<b>2022-23</b>
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
<b>Source: CAI; unit- Lakh Bales</b>		

### Weather Forecast

As per IMD latest press release, a thunderstorm with hailstorm is expected over northwest, Central and eastern India between 21<sup>st</sup> March – 25<sup>th</sup> March 2023.

Thunderstorm/lightning/gusty winds & Hailstorm is expected as on:

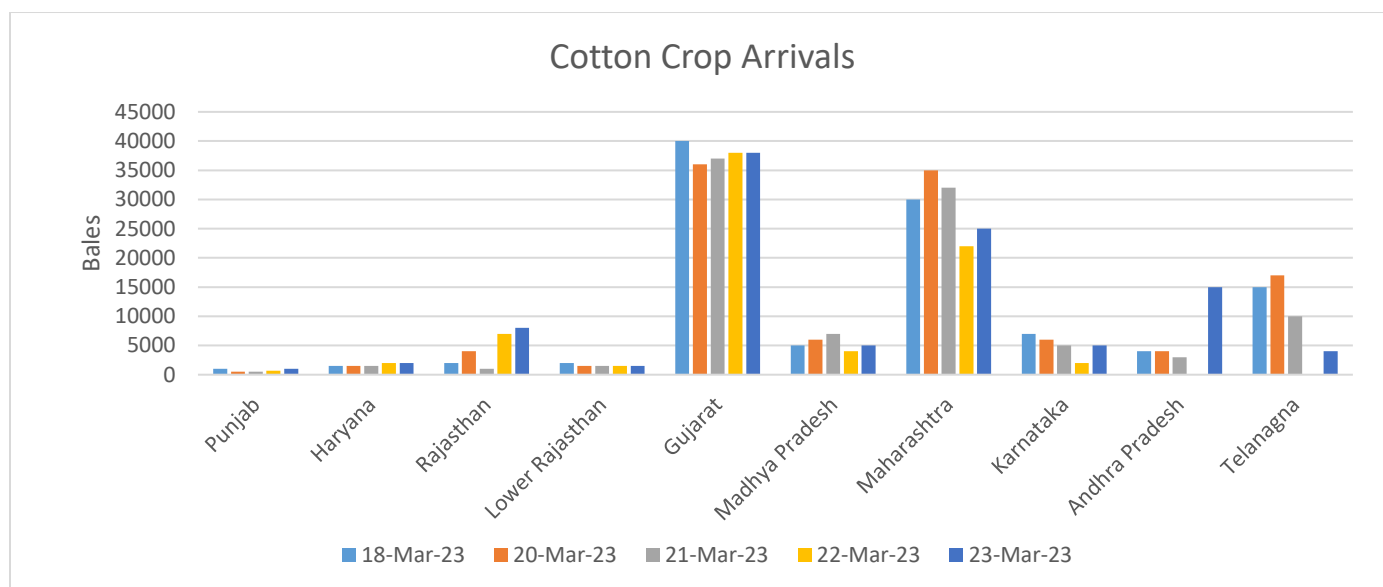
23rd March: Uttarakhand and West Rajasthan

24th March: Himachal Pradesh, Uttarakhand, Punjab and Haryana

Heavy rainfall at isolated places over Himachal Pradesh, Jammu and Punjab. Thunderstorms accompanied with lightning at isolated places over Punjab, Haryana, West Uttar Pradesh and north Rajasthan, and with lightening at isolated places over Jammu & Kashmir, Ladakh, Gilgit-Baltistan, Muzaffarabad, Himachal Pradesh,

Uttarakhand, Madhya Pradesh, Sub-Himalayan West Bengal, Sikkim, Madhya Maharashtra, Marathwada, Gujarat State, Tamil Nadu, Pondicherry, Karnataka, Tamil Nadu, Pondicherry, Karaikal, Kerala, Mahi, Coastal Andhra Pradesh and Yanam.

### All India Cotton Crop: Bales



Source: Agriwatch

Monthly Cotton Arrivals (Quintals)		
Month	2022-23	2021-22
October	221781.4	538545.0
November	533163.3	737053.0
December	594717.2	957791.6
January	653753.1	817268.2
February	572948.1	626181.7

Source: Agmarknet

### NCDEX Cottonseed Oilcake

Expiry Date	Open	High	Low	Close	Change
Apr-23	2748	2775	2732	2741	+16
May-23	2770	2799	2760	2764	+18

### International Cotton Fundamentals:

The Cotlook A index was at 91.80 cents/lb. The AWP for cotton was 68.58 cents/lb.



ICE Cotton Futures (Cents/Lb)		
	Close	Change
May-23	78.28	+43
Jul-23	78.89	+44
Oct-23	79.81	+27

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

### Cotton Yarn

Indian Yarn market is witnessing a rise in demand from Turkey and Europe since February 2023. The Turkey textile spinning sector has been affected due to the devastating earthquake earlier therefore the country is importing yarn from India. Similarly, since Europe is also not able to import cotton from Turkey, it is importing cotton from India. The share of Turkey and Europe in India's total cotton exports has increased to 30% in past two months against 15% earlier.

Cotton yarn exports reduced to 31 million kg in October 2022 but have increased to 68 million kg in January 2023. The exports demand is likely to increase in the coming months.

Cotton Yarn prices have also come down to Rs. 266 per kg from 275 per Kg. Similarly, cotton prices have decreased to Rs. 60,500 per candy. Steady price of cotton is likely to increase the demand from the international market.

### DOMESTIC COTTON PRICES AND ARRIVALS

#### Cotton Prices at Key Spot Markets:

Commodity	Kapas		Prices (Rs./Quintal)		Change
State	Centre	Variety	23-Mar-23	22-Mar-23	
Gujarat	Ahmedabad	Shankar-6	7875	7850	25
	Gondal	Shankar-6	8055	8055	Unch
	Rajkot	B.T. Cotton	8250	8240	10
	Patan	B.T. Cotton	7985	8035	-50
	Kadi	B.T. Cotton	7900	7900	Unch
Haryana	Bhiwani	B.T. Cotton	7700	7700	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	7850	NR	-
	Fatehabad	B.T. Cotton	7690	7720	-30
	Jind	B.T. Cotton	NR	NR	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	NR	NR	-
Rajasthan	Hanumangarh	B.T. Cotton	7800	7715	85
	Rawatsar	B.T. Cotton	7950	7850	100
Madhya Pradesh	Khandwa	Mech-1	7800	Closed	-
	Khargaon	Mech-1	7795	Closed	-
Maharashtra	Amravati	Mech-1	7800	7750	50
	Jamner	Medium Staple	NA	NA	-
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	7800	NA	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	23-Mar-23	22-Mar-23	
Punjab	Bhatinda	J-34	6175	6200	-25
	Abohar	J-34	6175	6175	Unch
	Mansa	J-34	6200	6200	Unch
Haryana	Sirsa	J-34	6062	6075	-13
Rajasthan	Sri-Ganganagar	J-34	6063	6016	47

#### Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	23-Mar-23	22-Mar-23	
Gujarat	Ahmedabad	Shankar-6	42500	51000	-8500
	Gondal	Shankar-6	7450	7350	100
	Rajkot	B.T. Cotton	2600	3400	-800

	Patan	B.T. Cotton	3767	3730	37
	Kadi	B.T. Cotton	20000	30000	-10000
Haryana	Bhiwani	B.T. Cotton	1500	1000	500
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	680	NR	-
	Fatehabad	B.T. Cotton	350	250	100
	Jind	B.T. Cotton	NR	NR	-
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	NR	NR	-
Rajasthan	Hanumangarh	B.T. Cotton	500	1000	-500
	Rawatsar	B.T. Cotton	500	1000	-500
Madhya Pradesh	Khandwa	Mech-1	3000	Closed	-
	Khargaon	Mech-1	6500	Closed	-
Maharashtra	Amravati	Mech-1	20000	20000	Unch
	Jamner	Medium Staple	NA	NA	-
Andhra Pradesh	Adoni	Un-Ginned	NA	NA	-
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	10	NA	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	23-Mar-23	22-Mar-23	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	1020	850	170
	Mansa	J-34	85	85	Unch
Haryana	Sirsa	J-34	340	340	Unch
Rajasthan	Sri-Ganganagar	J-34	500	500	Unch

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	23-Mar-23	22-Mar-23	
Gujarat	Rajkot	Rs. /10 Kg.	1000	1000	Unch
Delhi	New Delhi	Rs. /10 Kg.	NR	NR	-
Telangana	Hyderabad	Rs. /10 Kg.	1000	1000	Unch
Maharashtra	Mumbai	Rs. /10 Kg.	1025	1025	Unch

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	23-Mar-23	22-Mar-23	
Gujarat	Mahesana (Kadi)	Rs./Qtl	2750	2716	34
Maharashtra	Akola	Rs./Qtl	2772	2734	37



### INTERNATIONAL PRICES AND INDICES

#### China Cotton Index:

Index	Unit	23-Mar-23	22-Mar-23	Change
CCIndex(328)	RMB/Ton	15208	15223	-15
CCIndex(527)	RMB/Ton	13897	13900	-3
CCIndex(229)	RMB/Ton	15522	15531	-9
RMB -Renminbi, 1RMB =0.16 \$U.S.				

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

Index	Unit	23-Mar-23	22-Mar-23	Change
FC Index (S)	Cents/lb	92.96	92.56	0.40
FC Index (M)	Cents/lb	91.7	91.3	0.40
FC Index (L)	Cents/lb	90.7	90.3	0.40

#### Cotlook Index:

Cotlook Indices	Unit	22-Mar-23	20-Mar-23	Change
A-Index	Cents/Pound	92.3	92.83	-0.53

#### USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		22-Mar-23	22-Mar-23	Bales
Southeast	cents/lb.	78.28	80.53	188
North Delta	cents/lb.	77.28	79.53	0
South Delta	cents/lb.	77.28	79.53	0
East TX-OK	cents/lb.	75.03	76.78	894
West Texas	cents/lb.	75.03	76.53	890
Desert SW	cents/lb.	74.28	76.53	0
SJ Valley	cents/lb.	74.53	83.43	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
				21-Mar-23	20-Mar-23	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	64600	64500	100
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	65100	65000	100

J-34(202)	26mm	3.5 - 4.9	23	58600	58600	Unch
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	58000	58000	Unch
Shankar-6(105)	29mm	3.5 - 4.9	28	60400	60900	-500
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	61500	61500	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

Cotton Yarn Prices	23-Mar-23	21-Mar-23	Change	23-Mar-23	21-Mar-23	Change
Variety	Prices FOB ,USD			Prices Kg Indian Port		
Ne 20/1 Carded Hosiery Yarn	2.86	2.86	Unch	234	234	Unch
Ne 20/1 Combed Hosiery Yarn	3.04	3.04	Unch	249	249	Unch
Ne 21/1 Carded Weaving Yarn	2.86	2.86	Unch	234	234	Unch
Ne 26/1 Combed Hosiery Yarn	3.16	3.16	Unch	259	259	Unch
Ne 30/1 Carded Hosiery Yarn	3.08	3.08	Unch	252	252	Unch
Ne 30/1 Combed Hosiery Yarn	3.22	3.22	Unch	264	264	Unch
Ne 32/1 Carded Weaving Yarn	3.14	3.14	Unch	257	257	Unch
Ne 34/1 Combed Hosiery Yarn	3.44	3.44	Unch	282	282	Unch
Ne 40/1 Combed Hosiery Yarn	3.59	3.59	Unch	294	294	Unch
Ne 40/1 Carded Weaving Yarn	3.35	3.35	Unch	274	274	Unch
Ne 30/2 Carded Hosiery Yarn	3.35	3.35	Unch	274	274	Unch
Ne 32/2 Combed Knitting Yarn	3.75	3.75	Unch	307	307	Unch
Ne 32/2 Carded Hosiery Yarn	3.41	3.41	Unch	279	279	Unch
Ne 40/2 Combed Hosiery Yarn	4.14	4.14	Unch	339	339	Unch
Ne 30/1 Combed Compact Weaving Yarn	3.41	3.41	Unch	279	279	Unch
Ne 40/1 Combed Compact Weaving Yarn	3.71	3.71	Unch	304	304	Unch
Ne 50/1 Combed Compact Weaving Yarn	4.02	4.02	Unch	329	329	Unch
Ne 16/1 Open End Yarn	2.37	2.37	Unch	194	194	Unch
Ne 21/1 Open End Yarn	2.55	2.55	Unch	209	209	Unch
Ne 24/1 Open End Yarn	2.86	2.86	Unch	234	234	Unch

**Cottonseed and Oilcake Prices**

<b>Cotton Seed Oil Cake Prices</b>		<b>Prices (Rs./Quintal)</b>		<b>Change</b>
<b>State</b>	<b>Market</b>	<b>23-Mar-23</b>	<b>22-Mar-23</b>	
Punjab	Bhatinda (Pakki)	3250	3250	Unch
Punjab	Ludiana	3750	3750	Unch
Haryana	Sirsa	3250	3200	50
Haryana	Hisar	3275	3225	50
Rajasthan	Hanumangarh	3175	3175	Unch
Rajasthan	Vijaynagar	3175	3175	Unch
Madhya Pradesh	Indore	3225	3150	75
Madhya Pradesh	Khargone	3100	3050	50
Maharashtra	Wani	3100	3050	50
Maharashtra	Malkapur	3200	3100	100
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	3017	2983	33

<b>Cotton Seed Prices</b>		<b>Prices (Rs./Quintal)</b>		<b>Change</b>
<b>State</b>	<b>Market</b>	<b>23-Mar-23</b>	<b>22-Mar-23</b>	
Punjab	Mansa	3380	3380	Unch
Punjab	Bhatinda	3350	3350	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	3175	3175	Unch
Madhya Pradesh	Barwaha	3150	3150	Unch
Maharastra	Malkapur	3150	3130	20
Maharastra	Akot	3350	3280	70
Telegana	Madnoor	3175	3125	50
Telegana	Jangaon	3050	3100	-50
Karnatka	Bijapur	3050	2950	100
Karnatka	Hubli	3050	2950	100
Gujarat	Mahuva,Rajula,S.Kundla,UNA	3025	3025	Unch
Gujarat	Kadi	3200	3200	Unch



Daily Futures Price Listing Wednesday, Mar 22nd 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
<a href="#">23-May</a>	230322	78.01	79.8	77.78	78.28	0.43	17454	93156	-880
<a href="#">23-Jul</a>	230322	78.52	80.25	78.37	78.89	0.44	10,349	46,668	947
<a href="#">23-Oct</a>	230322	79.89	79.89	79.89	79.89	0.28	1	17	1
<a href="#">23-Dec</a>	230322	79.59	80.95	79.4	79.81	0.27	5445	46,912	969
<a href="#">24-Mar</a>	230322	79.64	80.27	79.33	79.46	-0.04	758	4,588	77
<a href="#">24-May</a>	230322	79.49	79.92	78.88	79.16	-0.23	311	1248	69
Total Volume and Open Interest							34,667	196,592	1,344

Source: MRCI

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