

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed slightly mixed trend across India today. MCX cotton spot price traded higher at Rs. 60,740/candy on Thursday. 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. 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.

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

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

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

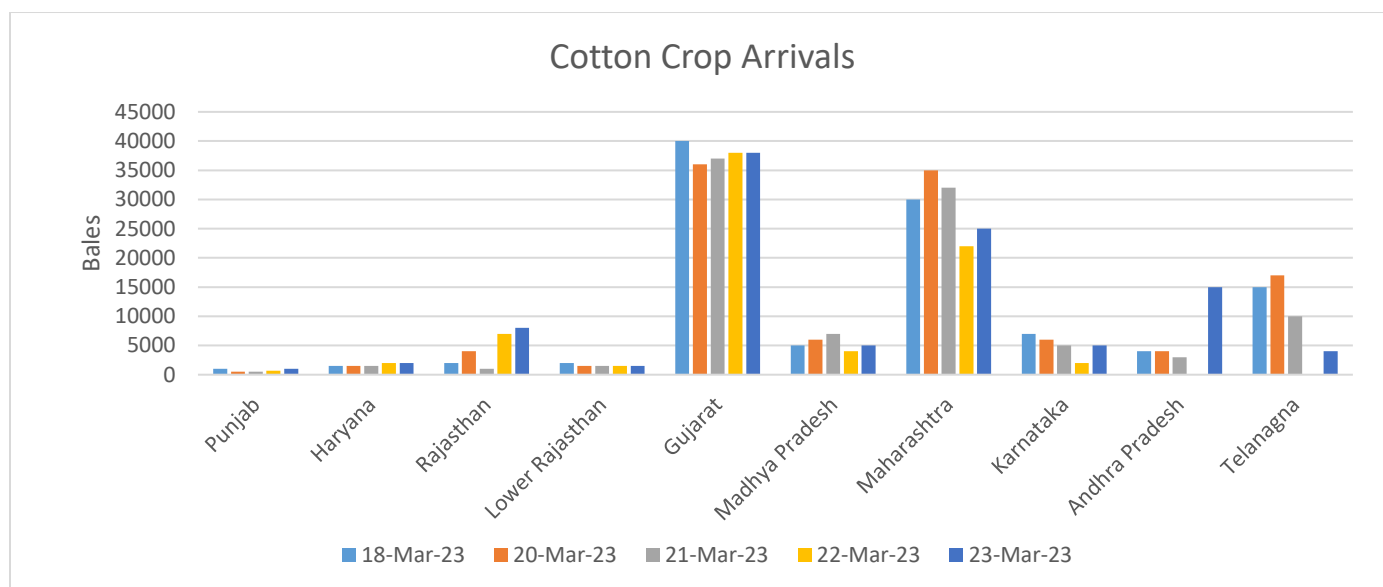
23rd March: Uttarakhand and West Rajasthan

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	2752	2752	2661	2754	-89
May-23	2772	2772	2693	2780	-82

International Cotton Fundamentals:

The Cotlook A index was 92.30 cents/lb. The AWP for cotton was 68.58 cents/lb.



ICE Cotton Futures (Cents/Lb)		
	Close	Change
May-23	77.58	-70
Jul-23	78.19	-70
Oct-23	79.26	-55

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	24-Mar-23	23-Mar-23	
Gujarat	Ahmedabad	Shankar-6	8000	7875	125
	Gondal	Shankar-6	NR	8055	-
	Rajkot	B.T. Cotton	8175	8250	-75
	Patan	B.T. Cotton	7975	7985	-10
	Kadi	B.T. Cotton	7900	7900	Unch
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	NA	-
Haryana	Bhiwani	B.T. Cotton	7750	7700	50
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	7850	7850	Unch
	Fatehabad	B.T. Cotton	7705	7690	15
	Jind	B.T. Cotton	NR	NR	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	NR	NR	-
Rajasthan	Hanumangarh	B.T. Cotton	7800	7800	Unch
	Rawatsar	B.T. Cotton	7850	7950	-100
Madhya Pradesh	Khandwa	Mech-1	Closed	7800	-
	Khargaon	Mech-1	Closed	7795	-
Maharashtra	Amravati	Mech-1	7850	7800	50
	Jamner	Medium Staple	NA	NA	-
Uttar Pradesh	Hathras	B.T. Cotton	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	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	7700	7800	-100
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	24-Mar-23	23-Mar-23	
Punjab	Bhatinda	J-34	6180	6175	5
	Abohar	J-34	6180	6175	5
	Mansa	J-34	6025	6200	-175
Haryana	Sirsa	J-34	6070	6062	8
Rajasthan	Sri-Ganganagar	J-34	6016	6063	-47

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	24-Mar-23	23-Mar-23	
Gujarat	Ahmedabad	Shankar-6	42500	42500	Unch
	Gondal	Shankar-6	NR	1102	-
	Rajkot	B.T. Cotton	2200	2600	-400
	Patan	B.T. Cotton	2868	3767	-899
	Kadi	B.T. Cotton	15000	20000	-5000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	NA	-
Haryana	Bhiwani	B.T. Cotton	800	1500	-700
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	629	680	-51
	Fatehabad	B.T. Cotton	75	350	-275
	Jind	B.T. Cotton	NR	NR	-
	Uchana	B.T. Cotton	NA	NA	-
	Dabwali	B.T. Cotton	NR	NR	-
Rajasthan	Hanumangarh	B.T. Cotton	1500	1000	500
	Rawatsar	B.T. Cotton	200	500	-300
Madhya Pradesh	Khandwa	Mech-1	Closed	3000	-
	Khargaon	Mech-1	Closed	6500	-
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	NA	NA	-
Karnataka	Bijapur	Bunny	NA	NA	-
	Hubli	D.C.H.	NA	NA	-
	Hubli	B.T. Cotton	NA	NA	-
	Raichur	H-44 Cotton	12	10	2
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	24-Mar-23	23-Mar-23	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	340	1020	-680
	Mansa	J-34	170	85	85
Haryana	Sirsa	J-34	85	340	-255
Rajasthan	Sri-Ganganagar	J-34	500	500	Unch

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil	Price	Change
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State	Centre	Unit	24-Mar-23	23-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.	1015	1025	-10

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	24-Mar-23	23-Mar-23	
Gujarat	Maheana (Kadi)	Rs./Qtl	2757	2750	7
Maharashtra	Akola	Rs./Qtl	2766	2772	-6

INTERNATIONAL PRICES AND INDICES

China Cotton Index:

Index	Unit	24-Mar-23	23-Mar-23	Change
CCIndex(328)	RMB/Ton	15214	15208	6
CCIndex(527)	RMB/Ton	13898	13897	1
CCIndex(229)	RMB/Ton	15536	15522	14
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	24-Mar-23	23-Mar-23	Change
FC Index (S)	Cents/lb	92.36	92.96	-0.60
FC Index (M)	Cents/lb	91.1	91.7	-0.60
FC Index (L)	Cents/lb	90.09	90.7	-0.61

Cotlook Index:

Cotlook Indices	Unit	23-Mar-23	22-Mar-23	Change
A-Index	Cents/Pound	92.8	92.3	0.50

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		23-Mar-23	22-Mar-23	Bales
Southeast	cents/lb.	77.58	80.53	188
North Delta	cents/lb.	76.58	79.53	0
South Delta	cents/lb.	76.58	79.53	0
East TX-OK	cents/lb.	74.33	76.78	894
West Texas	cents/lb.	74.33	76.53	890
Desert SW	cents/lb.	73.58	76.53	0



SJ Valley	cents/lb.	73.83	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
				23-Mar-23	22-Mar-23	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	65200	40400	24800
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	65700	40900	24800
J-34(202)	26mm	3.5 - 4.9	23	58600	41200	17400
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	58000	40600	17400
Shankar-6(105)	29mm	3.5 - 4.9	28	60500	42200	18300
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	61500	43300	18200
MCU-5/ Surabhi(106)	32mm	3.3 - 4.9	31	NR	44500	-
DCH-32(107)	34mm	3.0 - 3.8	33	71500	50000	21500

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

Cotton Seed Oil Cake Prices		Prices (Rs./Quintal)		Change
State	Market	24-Mar-23	23-Mar-23	
Punjab	Bhatinda (Pakki)	3250	3250	Unch
Punjab	Ludiana	3750	3750	Unch
Haryana	Sirsa	3250	3250	Unch
Haryana	Hisar	3275	3275	Unch
Rajasthan	Hanumangarh	3175	3175	Unch
Rajasthan	Vijaynagar	3175	3175	Unch
Madhya Pradesh	Indore	3225	3225	Unch
Madhya Pradesh	Khargone	3100	3100	Unch
Maharashtra	Wani	3100	3100	Unch
Maharashtra	Malkapur	3200	3200	Unch
Telegana	Warangal	2850	2850	Unch
Telegana	Adilabad	2840	2800	40
Karnataka	Dharwad	2900	2800	100
Karnatka	Hubli	3050	3050	Unch
Gujarat	Dhasa ,Damnagar,Babra Good Qlty	3017	3017	Unch

Cotton Seed Prices		Prices (Rs./Quintal)		Change
State	Market	24-Mar-23	23-Mar-23	
Punjab	Mansa	3400	3380	20
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	3150	Unch
Maharastra	Akot	3350	3350	Unch
Telegana	Madnoor	3175	3175	Unch
Telegana	Jangaon	3050	3050	Unch
Karnatka	Bijapur	3050	3050	Unch

Karnatka	Hubli	3050	3050	Unch
Gujarat	Mahuva,Rajula,S.Kundla,UNA	3075	3025	50
Gujarat	Kadi	3225	3200	25

Daily Futures Price Listing Thursday, Mar 23rd 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
23-May	230322	78.20	79.47	77.15	77.58	-0.70	14,038	92,486	-670
23-Jul	230322	78.89	80.03	77.75	78.19	-0.70	9,282	47,108	440
23-Oct	230322	79.26	79.26	79.26	79.26	-0.63	0	17	0
23-Dec	230322	79.85	80.81	78.85	79.26	-0.55	4,399	47,035	123
24-Mar	230322	79.48	80.20	78.54	79.03	-0.43	895	4,805	217
24-May	230322	79.53	79.84	78.40	78.87	-0.29	66	1,244	-4
Total Volume and Open Interest							28,801	196,669	77

Source: MRCI

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