

Domestic Fundamentals:

Market Outlook:

The cotton physical market showed slightly bullish trend across India today. MCX cotton spot price traded higher at Rs. 60,680/candy on Saturday. ICE cotton futures closed red on Friday.

News

Indian Cotton arrivals have started rising to a 3-year high in march 2023. Whereas, Fiber prices are likely to stabilize between Rs.60,000- Rs.62,000 per candy in view of good quality arrivals.

Cotton farmers in Tamil Nadu are hopeful that the prices may increase in the coming week as full- pace cotton harvesting is going on in the state. At present, cotton is being sold at Rs.65 per kg while during the same period prices were much higher at Rs. 103 per kg.

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.

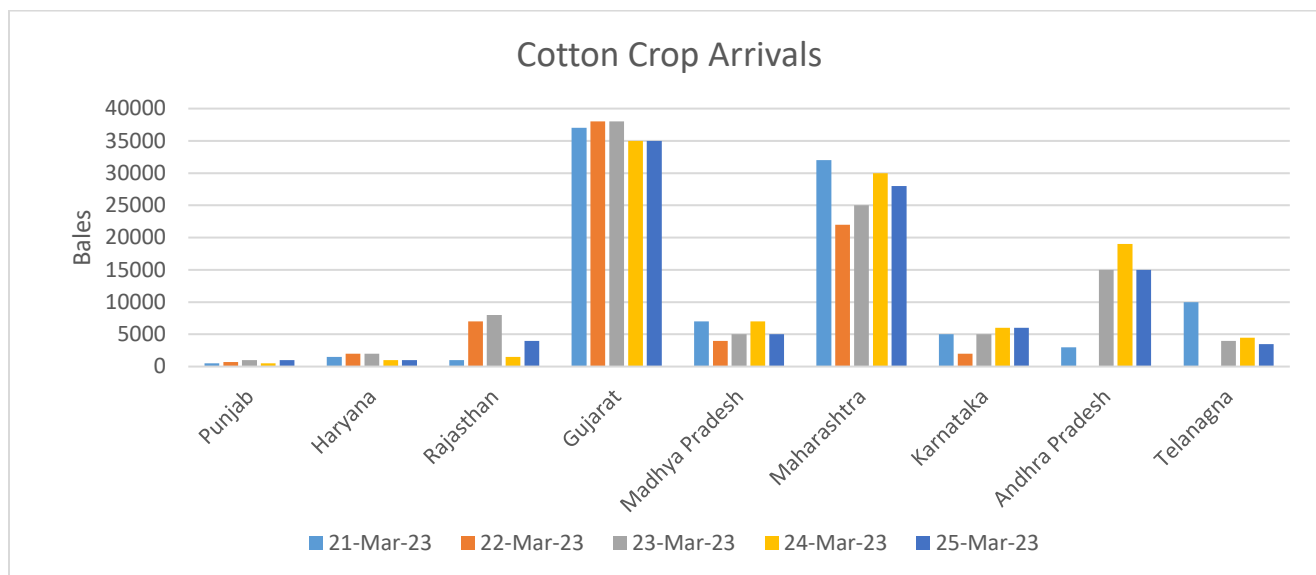
As per the market sources, Various Cotton associations are demanding that the government should remove 10% import duty on cotton as India's cotton production is lower this year too however, slightly higher from previous season. If the import duty is not removed after June-July it will be difficult for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

Weather Forecast

Heavy rainfall at isolated places over Andhra Pradesh, and Assam. Thunderstorms accompanied with lightning at isolated places over Odisha, Gangetic West Bengal, Assam & Meghalaya, Nagaland, Manipur, Mizoram, Tripura, Chhattisgarh, Bihar, Jharkhand, Arunachal Pradesh, Coastal Andhra Pradesh, Telangana, Tamil Nadu, Pondicherry, Karaikal, and Kerala & Mahi.

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		

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 at 92.80 cents/lb. The AWP for cotton was 66.33 cents/lb.

ICE Cotton Futures (Cents/Lb)		
	Close	Change
May-23	76.54	-104
Jul-23	77.17	-102
Oct-23	78.40	-86

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	25-Mar-23	24-Mar-23	
Gujarat	Ahmedabad	Shankar-6	NR	8000	-
	Gondal	Shankar-6	NR	NR	-
	Rajkot	B.T. Cotton	8155	8175	-20
	Patan	B.T. Cotton	8105	7975	130
	Kadi	B.T. Cotton	7800	7900	-100
Haryana	Bhiwani	B.T. Cotton	7750	7750	Unch
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	7800	7850	-50
	Fatehabad	B.T. Cotton	7670	7705	-35
	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	7825	7850	-25
	Khargaon	Mech-1	Closed	Closed	-
Maharashtra	Amravati	Mech-1	7700	7850	-150
	Jamner	Medium Staple	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	7260	7320	-60
Andhra Pradesh	Adoni	Un-Ginned	7509	7569	-60

	Raichur	H-44 Cotton	NA	7700	-
Commodity	Lint		Prices (Rs./Maund)		Change
State	Centre	Variety	25-Mar-23	24-Mar-23	
Punjab	Bhatinda	J-34	6150	6180	-30
	Abohar	J-34	6150	6180	-30
	Mansa	J-34	6050	6025	25
Haryana	Sirsa	J-34	6050	6070	-20
Rajasthan	Sri-Ganganagar	J-34	6016	6016	Unch

Cotton Arrivals in Key Centers:

Commodity	Kapas		Arrivals (Quintal)		Change
State	Centre	Variety	25-Mar-23	24-Mar-23	
Gujarat	Ahmedabad	Shankar-6	NR	42500	-
	Gondal	Shankar-6	7250	7350	-100
	Rajkot	B.T. Cotton	1800	2200	-400
	Patan	B.T. Cotton	3695	2868	827
	Kadi	B.T. Cotton	25000	15000	10000
	Deesa	B.T. Cotton	NA	NA	-
	Dhrol	B.T. Cotton	NA	NA	-
Haryana	Bhiwani	B.T. Cotton	600	800	-200
	Bhiwani	Desi	NA	NA	-
	Adampur	B.T. Cotton	680	629	51
	Fatehabad	B.T. Cotton	150	75	75
	Jind	B.T. Cotton	NR	NR	-
	Uchana	B.T. Cotton	NR	NR	-
	Dabwali	B.T. Cotton	NR	NR	-
Rajasthan	Hanumangarh	B.T. Cotton	NA	200	-
	Rawatsar	B.T. Cotton	NA	200	-
	Khargaon	Mech-1	Closed	Closed	-
Maharashtra	Amravati	Mech-1	20000	20000	Unch
	Jamner	Medium Staple	NA	NA	-
	Hathras	Desi	NA	NA	-
Telangana	Adilabad	Un-Ginned	59691.2	29744.4	29946.8
Andhra Pradesh	Adoni	Un-Ginned	610	972	-362
	Raichur	H-44 Cotton	NA	12	-
Commodity	Lint		Arrivals (Quintal)		Change
State	Centre	Variety	25-Mar-23	24-Mar-23	
Punjab	Bhatinda	J-34	NA	NA	-
	Abohar	J-34	170	340	-170
	Mansa	J-34	NA	170	-
Haryana	Sirsa	J-34	170	85	85
Rajasthan	Sri-Ganganagar	J-34	500	500	Unch

Cotton Seed Oil Prices:

Commodity	Cotton Seed Oil		Price		Change
State	Centre	Unit	25-Mar-23	24-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.	1020	1015	5

Cotton Seed Oil Seed Cake Prices:

Commodity	Cotton Seed Oil Seed Cake		Price		Change
State	Centre	Unit	25-Mar-23	24-Mar-23	
Gujarat	Mahešana (Kadi)	Rs./Qtl	2737	2757	-20
Maharashtra	Akola	Rs./Qtl	2749	2766	-18

INTERNATIONAL PRICES AND INDICES

China Cotton Index:

Index	Unit	25-Mar-23	24-Mar-23	Change
CCIndex(328)	RMB/Ton	Closed	15214	-
CCIndex(527)	RMB/Ton	Closed	13898	-
CCIndex(229)	RMB/Ton	Closed	15536	-
RMB -Renminbi, 1RMB =0.16 \$U.S.				

China Foreign Cotton (FCE) Index :

Index	Unit	25-Mar-23	24-Mar-23	Change
FC Index (S)	Cents/lb	Closed	92.36	-
FC Index (M)	Cents/lb	Closed	91.1	-
FC Index (L)	Cents/lb	Closed	90.09	-

Cotlook Index:

Cotlook Indices	Unit	24-Mar-23	22-Mar-23	Change
A-Index	Cents/Pound	92.05	92.56	-0.51

USDA Cotton Spot Rates:

Growth Area	Unit	Leaf 4 to Staple 34	Leaf 3 to Staple 35	Arrivals
		23-Mar-23	23-Mar-23	Bales
Southeast	cents/lb.	77.58	79.83	600
North Delta	cents/lb.	76.58	78.83	209
South Delta	cents/lb.	76.58	78.83	0
East TX-OK	cents/lb.	74.33	76.08	742
West Texas	cents/lb.	74.33	75.83	369
Desert SW	cents/lb.	73.58	75.83	0
SJ Valley	cents/lb.	73.83	82.73	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
				24-Mar-23	23-Mar-23	
Bengal Deshi (RG)/Assam Comilla (101)	Below 22mm	5.0 - 7.0	15	65700	65200	500
Bengal Deshi (SG)(201)	Below 22mm	5.0 - 7.0	15	66200	65700	500
J-34(202)	26mm	3.5 - 4.9	23	58400	58600	-200
H-4/ MECH-1(105)	28mm	3.5 - 4.9	27	57800	58000	-200
Shankar-6(105)	29mm	3.5 - 4.9	28	60400	60500	-100
Bunny/ Brahma(105)	31mm	3.5 - 4.9	30	61400	61500	-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

Cotton Yarn Prices	23-Mar-23	21-Mar-23	Change	23-Mar-23	21-Mar-23	Change
Varieti y	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	25-Mar-23	24-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	3200	3225	-25
Madhya Pradesh	Khargone	3050	3100	-50
Maharashtra	Wani	3100	3100	Unch
Maharashtra	Malkapur	3150	3200	-50
Telegana	Warangal	2850	2850	Unch
Telegana	Adilabad	2840	2840	Unch
Karnataka	Dharwad	2900	2900	Unch
Karnatka	Hubli	3050	3050	Unch
Gujarat	Dhasa ,Damnagar,Babra Good Qlty	3000	3017	-17

Cotton Seed Prices		Prices (Rs./Quintal)		Change
State	Market	25-Mar-23	24-Mar-23	
Punjab	Mansa	3400	3400	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	3150	3175	-25
Madhya Pradesh	Barwaha	3150	3150	Unch
Maharastra	Malkapur	3100	3150	-50
Maharastra	Akot	3250	3350	-100
Telegana	Madnoor	3175	3175	Unch
Telegana	Jangaon	3050	3050	Unch
Karnatka	Bijapur	2950	3050	-100
Karnatka	Hubli	2950	3050	-100
Gujarat	Mahuva,Rajula,S.Kundla,UNA	3000	3075	-75
Gujarat	Kadi	3150	3225	-75

Daily Futures Price Listing Friday, Mar 24th 2023									
Most Recent Information							Previous Day		
Month	Date	Open	High	Low	Close	Change	Volume	Open Int	Change
23-May	230324	77.54	77.86	75.7	76.54	-1.04	13918	90995	-1491
23-Jul	230324	78.35	78.43	76.34	77.17	-1.02	7,240	48,151	1043
23-Oct	230324	78.27	78.52	78.27	78.52	-0.74	0	17	0
23-Dec	230324	79.05	79.46	77.56	78.4	-0.86	3726	47,386	351
24-Mar	230324	78.81	79.01	77.47	78.29	-0.74	1005	5,033	228
24-May	230324	78.4	78.65	77.61	78.28	-0.59	460	1528	284
Total Volume and Open Interest							26,435	197,090	421

Source: MRCI

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